

**EXHIBIT NO. \_\_\_(RJA-9)**  
**DOCKET NO. UE-06 \_\_\_/UG-06 \_\_\_**  
**2006 PSE GENERAL RATE CASE**  
**WITNESS: RONALD J. AMEN**

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.**

**PUGET SOUND ENERGY, INC.,**

**Respondent.**

**Docket No. UE-06 \_\_\_**  
**Docket No. UG-06 \_\_\_**

**EIGHTH EXHIBIT (NONCONFIDENTIAL) TO THE  
PREFILED DIRECT TESTIMONY OF  
RONALD J. AMEN  
ON BEHALF OF PUGET SOUND ENERGY, INC.**

**FEBRUARY 15, 2006**

WN U-2

Original Sheet No. 1118

PUGET SOUND ENERGY  
NATURAL GAS SUPPLEMENTAL SCHEDULE NO. 118  
Gas Revenue Normalization Adjustment

(N)

## Section 1: Applicability

To all Customers served under Schedule No. 23, Residential General Service, Schedule No. 31, Commercial and Industrial General Service, Schedule No. 36, Special Commercial Heating Service (Optional), Schedule No. 51, Special Multiple Unit Housing Service (Optional) and Schedule No. 53, Propane Service throughout the Company's service territory.

## Section 2: Purpose

To recover the margin per customer, as established in the Company's most recent general rate case, that is lost due to sales variability caused by weather and energy efficiency actions on the part of the Customer.

## Section 3: Rate

The rates of gas sales service schedules listed in this section will be adjusted as shown in all blocks of the rate schedules, including minimum charges related to therms. The rate shall reflect the calculation for the year as described in Section 4 plus a true-up of the prior year.

Rate Schedule Nos. 23 & 53	0.000000 cents per therm
Rate Schedule No. 31	0.000000 cents per therm
Rate Schedule No. 36	0.000000 cents per therm
Rate Schedule No. 51	0.000000 cents per therm

## Section 4: Decoupling Adjustment Account

1. For each schedule listed in Section 3 above, the Company will maintain a Decoupling Adjustment Account ("DAA") to record the total under or over collection from each month. Each DAA shall accrue interest on a monthly basis utilizing the "FERC interest rate" as described in WAC 480-90-233(4) as it exists on the initial effective date of this schedule. Each month, the Company will compute either a credit or a charge to each DAA by comparing the actual margin revenues for the applicable schedule to predetermined target margin revenues and either crediting the over-collection or charging (debiting) the under-collection to the account.
2. The amount to be charged or credited to the DAA shall be determined as follows:
  - a. Average therm use per billing meter (as shown in Section 5) and number of billing meters by schedule (as shown in Section 6) shall be utilized from the latest general rate proceeding for each applicable schedule.
  - b. The change in margin revenues (Customer Charge revenue plus Delivery Charge revenue) shall be as calculated as described in c. and d. below.

(N)

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By:

Tom DeBoer

Tom DeBoer

Title: Director, Rates &amp; Regulatory Affairs

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Original Sheet No. 1118-A

PUGET SOUND ENERGY  
NATURAL GAS SUPPLEMENTAL SCHEDULE NO. 118  
Gas Revenue Normalization Adjustment  
(Continued)

(N)

Section 4: Decoupling Adjustment Account (Continued)

- c. The current Customer Charge from each rate schedule shall be multiplied by the net change in billing meters from the test year for each schedule to arrive at a Customer growth adjustment to Customer Charge revenue for the test year.
- d. The test year average use per billing meter (on a monthly basis as shown in Section 5) shall be multiplied by the net change in the number of billing meters from the test year to produce a change in therms. Such therms shall be multiplied by the Delivery Charge per therm for each rate schedule to develop a Customer growth adjustment to Delivery Charge revenue for the test year.
- e. Actual margin revenue billed on a monthly basis shall be compared to the restated test year margin revenues (calculated in a. through d. above) to establish the amount of the required adjustment to the DAA.
- f. Annually, the balance in the DAA shall be divided by the estimated firm throughput for the succeeding 12 months to develop a rate per therm adjustment to the Delivery Charge.

Section 5: Per Meter Usage

Schedule	Month											
	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec
23/53	128	96	98	67	43	26	20	20	28	64	98	131
31	534	377	438	287	209	139	130	128	149	258	383	543
36	1123	893	913	669	510	342	275	259	336	619	870	1127
51	3950	3176	3777	2898	2384	1810	1558	1434	1697	2708	3380	4071

Section 6: Billing Meter Count

Schedule	Month											
	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sep	Oct	Nov	Dec
23/53	622004	623943	625293 4617	626541	627646 4629	628781 4630	629190	629786	630910	615709	618059	619513
31	46003	46091	8	46219	1	5	46301	46318	46384	45418	45672	45814
36	5112	5109	5112	5123	5124	5122	5113	5105	5109	5091	5098	5103
51*	340	260	330	430	250	520	250	340	340	340	340	340

\*Schedule No. 51 billing meter count reflects the number of housing units billed the customer charge

(N)

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PUGET SOUND ENERGY  
NATURAL GAS SUPPLEMENTAL SCHEDULE NO. 118  
Gas Revenue Normalization Adjustment  
(Continued)

(N)

Section 7: Special Conditions

The Company will file annually to update the rates in this schedule consistent with its annual Schedule Nos. 101 and 106 filings.

Section 8: General Rules and Regulations

Service under this schedule is subject to the Rules and Regulations contained in this tariff as they may be modified from time to time and other schedules of such tariff that may from time to time apply as they may be modified from time to time.

(N)

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