

**ATTACHMENT B to PSE's Response to
Bench Request No. 024**

**PUGET SOUND ENERGY-ELECTRIC
POWER COSTS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010
GENERAL RATE INCREASE**

LINE NO. DESCRIPTION	ACTUAL	REVISED PROFORMA	REVISED INCREASE (DECREASE)
1 SALES FOR RESALE	\$ 201,262,557	\$ <i>40,163,723</i>	\$ <i>(161,098,834)</i>
2			
3 PURCHASES/SALES OF NON-CORE GAS	(36,748,461)	-	36,748,461
4 WHEELING FOR OTHERS	10,703,023	<i>13,723,963</i>	<i>3,020,940</i>
5	(26,045,439)	<i>13,723,963</i>	<i>39,769,401</i>
6			
7 TOTAL OPERATING REVENUES	175,217,118	<i>53,887,686</i>	<i>(121,329,432)</i>
8			
9 FUEL	269,007,822	<i>268,428,833</i>	<i>(578,989)</i>
10			
11 PURCHASED AND INTERCHANGED	792,862,060	<i>462,397,894</i>	<i>(330,464,166)</i>
12 HEDGING	-	1,420,907	1,420,907
13			
14 SUBTOTAL PURCHASED AND INTERCHANGED	792,862,060	<i>463,818,802</i>	<i>(329,043,258)</i>
15 WHEELING	76,487,811	<i>83,238,876</i>	<i>6,751,065</i>
16			-
17 TOTAL PRODUCTION EXPENSES	1,138,357,693	<i>815,486,511</i>	<i>(322,871,182)</i>
18 HYDRO AND OTHER POWER	101,194,084	<i>113,291,295</i>	<i>12,097,210</i>
19 TRANS. EXP. INCL. 500KV O&M	1,419,635	1,389,837	(29,798)
20			
21 TOTAL OPERATING EXPENSES	1,240,971,412	<i>930,167,643</i>	<i>(310,803,769)</i>
22			
23 INCREASE (DECREASE) OPERATING INCOME (LINE 7 - LINE 21)	\$ (1,065,754,294)	\$ <i>(876,279,957)</i>	\$ <i>189,474,337</i>
24			
25 STATE UTILITY TAX SAVINGS FOR LINE 4	3.873%		<i>(117,001)</i>
26 INCREASE (DECREASE) INCOME			<i>189,357,336</i>
27 INCREASE (DECREASE) FIT @	35%		<i>66,275,068</i>
28 INCREASE (DECREASE) NOI			<i>\$ 123,082,268</i>

PUGET SOUND ENERGY
GENERAL RATE CASE
DETERMINATION OF NET POWER COSTS FOR GRC ADJUSTMENT JHS-20.01
TEST YEAR ENDED DECEMBER 31, 2010
RATE YEAR ENDED APRIL 30, 2013

Line	FERC	Description	REMOVED		REMOVED		REMOVED		REMOVED		REMOVED	
			Per BR 024 Att A	Reclass	Remove amounts shown on other adjustments	Add / Remove amounts not in / in BR 024 Att A	Subtotal	Per JHS				
			a	b	c	d	e	f	g	h	i	j
			Rate Year	Jackson Prairie	20.02E	20.03E	20.09E	20.10E	20.10E	Remove	Add	Net Before
			12ME	Move from O&M	Less LSR	Less LSR	Less Chelan	Less Amort	Less Amort	Ben&Tax	Hedging	Prod Factor
			4/30/2013	to Fuel	LSR Plant	Ppd Transm	Initiation Pmt	of Reg. Assets	of Reg. Assets			
			c	c.1	d	e	f	g	g	h	i	j
1	Fuel:											
2	501	Steam Fuel	\$ 89,725,749						\$ (500,000)			\$ 89,225,749
3	547	Fuel	184,028,410					929,796				184,958,205
4			273,754,158					429,796				274,183,954
5		Purchased and Interchanged:										
6	555	Purchased Power	477,042,403		(776,099)		(7,088,066)	(3,526,620)				465,651,618
7												
8	557	Other Power Expense	8,029,303							(1,369,204)		6,660,099
9		Hedging									1,451,372	1,451,372
10			485,071,706		(776,099)		(7,088,066)	(3,526,620)		(1,369,204)	1,451,372	473,763,089
11												
12	565	Wheeling	92,328,590		(6,884,867)	(420,203)						85,023,520
13												
14	various	Hydro and Other Power	133,613,385		(10,891,023)			(152,586)		(6,849,513)		115,720,263
15												
16	various	Trans. Exp. Incl. 500Kv O&M	1,419,635									1,419,635
17	447	Sales for Resale	(41,024,835)									(41,024,835)
18	456	Purchases/Sales Of Non-Core Gas										
19			(39,605,200)									(39,605,200)
20												
21		Net Power Costs (column c per DEM Exhibit)	945,162,640		(18,551,990)	(420,203)	(7,088,066)	(3,249,410)		(8,218,717)	1,451,372	909,085,627
22	various	Variable Transmission Income	(14,018,205)									(14,018,205)
23												
24	Col k = amount of adjustment on JHS Line 23		\$ 931,144,435		\$ (18,551,990)	\$ (420,203)	\$ (7,088,066)	\$ (3,249,410)		(8,218,717)	\$ 1,451,372	\$ 895,067,422

Amounts presented in bold italic type have changed since PSE's Rebuttal Filing as revised February 16, 2012.

**PUGET SOUND ENERGY-ELECTRIC
MONTANA ELECTRIC ENERGY TAX
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010
GENERAL RATE INCREASE**

LINE NO. DESCRIPTION	REVISED	REVISED AMOUNT
1 PROFORMA KWH (COLSTRIP)	<i>4,808,532,326</i>	
2 TAX RATE	<i>0.00035</i>	
3		
4 PROFORMA ENERGY TAX		<i>1,682,986</i>
5 CHARGED TO EXPENSE		<i>1,542,094</i>
6 INCREASE (DECREASE) EXPENSE		<i>\$ 140,892</i>
7		
8 INCREASE (DECREASE) FIT @ 35%		<i>(49,312)</i>
9 INCREASE (DECREASE) NOI		<i>\$ (91,580)</i>

Amounts presented in bold italic type have changed since PSE's Rebuttal Filing as revised February 16, 2012.

**PUGET SOUND ENERGY-ELECTRIC
REGULATORY ASSETS AND LIABILITIES
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010
GENERAL RATE INCREASE**

LINE NO. DESCRIPTION	TEST YEAR	REVISED RATE YEAR	REVISED ADJUSTMENT
1 <u>AMA OF REGULATORY ASSET/LIABILITY NET OF ACCUM AMORT AND DFIT</u>			
2 BEP	16,250,380	11,214,773	(5,035,607)
3 WHITE RIVER PLANT COSTS	37,566,968	34,565,277	(3,001,690)
4 WHITE RIVER RELICENSING & CWIP	24,579,164	24,941,807	362,643
5 PROCEEDS FROM THE SALE OF WHITE RIVER ASSETS TO CWA	(25,951,720)	(29,911,730)	(3,960,010)
6 DFIT - WHITE RIVER REG ASSET	(11,889,662)	(10,331,528)	1,558,135
7 HOPKINS RIDGE PREPAID TRANSMISSION	1,394,050	-	(1,394,050)
8 GOLDENDALE FIXED COSTS DEFERRAL	3,605,729	-	(3,605,729)
9 HOPKINS RIDGE MITIGATION CREDIT	(326,871)	-	326,871
10 WESTCOAST PIPELINE CAPACITY - UE-082013 (FB ENERGY)	(2,135,222)	(1,529,462)	605,761
11 WESTCOAST PIPELINE CAPACITY - UE-100503 (BNP PARIBUS)	(2,286,406)	(2,096,742)	189,664
12 MINT FARM DEFERRAL - UE-090704	26,616,505	23,180,901	(3,435,604)
13 WILD HORSE EXPANSION DEFERRAL - UE-090704	2,331,479	-	(2,331,479)
14 COLSTRIP 1&2 (WECO) COAL CONTRACT PREPAYMENT	5,000,000	3,583,333	(1,416,667)
15 FERC PART 12 STUDY NON-CONSTRUCTION COSTS UE-070074	-	1,193,198	1,193,198
16 CONTRACT MAJOR MAINTENANCE:			-
17 SUMAS NOVEMBER 2010 HOT GAS PATH INSPECTION	82,651	31,789	(50,862)
18 FREDDY 1 JULY 2009 HOT GAS PATH INSPECTION	212,106	(0)	(212,106)
19 GOLENDALE MAY 2009 COMBUSTION INSPECTION	590,967	-	(590,967)
20 SUMAS NOVEMBER 2008 COMBUSTION INSPECTION	62,508	-	(62,508)
21 MINT FARM JUNE 2010 COMBUSTION INSPECTION	678,973	-	(678,973)
22 TOTAL REGULATORY ASSETS AND LIABILITIES RATEBASE	\$ 76,381,598	\$ 54,841,616	\$ (21,539,982)
23			
24			
25 <u>AMORTIZATION OF REGULATORY ASSET/LIABILITY</u>			
26 BEP (555)	3,526,620	3,526,620	-
27 WHITE RIVER PLANT COSTS (407)	1,494,702	1,494,702	(0)
28 HOPKINS RIDGE PREPAID TRANSMISSION (565)	2,076,858	-	(2,076,858)
29 GOLDENDALE FIXED COSTS DEFERRAL (407.3)	4,162,154	-	(4,162,154)
30 HOPKINS RIDGE MITIGATION CREDIT (555)	(1,209,583)	-	1,209,583
31 WESTCOAST PIPELINE CAPACITY - UE-082013 (FB ENERGY) (547)	(457,531)	(392,170)	65,362
32 WESTCOAST PIPELINE CAPACITY - UE-100503 (BNP PARIBUS) (547)	(403,220)	(537,626)	(134,407)
33 MINT FARM DEFERAL - UE-090704 (407.3)	2,159,053	2,872,182	713,129
34 WILD HORSE EXPANSION DEFERRAL - UE-090704 (407.3)	2,102,006	-	(2,102,006)
35 COLSTRIP 1&2 (WECO) COAL CONTRACT PREPAYMENT (501)	-	500,000	500,000
36 FERC PART 12 STUDY NON-CONSTRUCTION COSTS UE-070074 (407.3)	-	265,155	265,155
37 CONTRACT MAJOR MAINTENANCE (PROD O&M):			
38 SUMAS NOVEMBER 2010 HOT GAS PATH INSPECTION	61,034	152,586	91,552
39 FREDDY 1 JULY 2009 HOT GAS PATH INSPECTION	223,889	0	(223,889)
40 GOLENDALE MAY 2009 COMBUSTION INSPECTION	354,580	0	(354,580)
41 SUMAS NOVEMBER 2008 COMBUSTION INSPECTION	119,333	0	(119,333)
42 MINT FARM JUNE 2010 COMBUSTION INSPECTION	456,270	0	(456,270)
43 TOTAL AMORTIZATION OF REGULATORY ASSETS AND LIABILITIES	\$ 14,666,166	\$ 7,881,449	\$ (6,784,717)
44			
45			
46			
47 INCREASE (DECREASE) EXPENSE			(6,784,717)
48			
49 INCREASE (DECREASE) FIT		35%	2,374,651
50			
51 INCREASE (DECREASE) NOI			\$ 4,410,066

Amounts presented in bold italic type have changed since PSE's Rebuttal Filing as revised February 16, 2012.