

**Puget Sound Energy
 Allocation of PCORC Revenue Deficiency
 (Rate Spread Rate Design)**

	a	b = a/total * 84%	c	d = c/total * 16%	e = b + d	f	g = e * f	h	i = (g/h) * 100
Customer Class	UE-011570 Energy Allocator	UE-011570 Energy Allocator	UE-011570 Demand Allocator	Demand	Weighted Allocation	Revenue Deficiency	PCORC Rev Def	kWh 7/02 TO 6/03	Sch 95 ¢ per kWh
1 Residential	10,137,089,324	0.422277	1,959,378	0.093326	0.515603		\$ 3,881,303	9,734,910,367	0.0399 ¢
2 Sec Gen Svc - Small	2,594,418,404	0.108075	412,051	0.019626	0.127701		\$ 961,294	2,389,582,725	0.0402 ¢
3 Sec Gen Svc - Medium	3,138,518,404	0.130740	418,590	0.019938	0.150678		\$ 1,134,256	2,840,353,571	0.0399 ¢
4 Sec Gen Svc - Large	1,914,126,870	0.079736	284,748	0.013563	0.093299		\$ 702,325	1,878,305,034	0.0374 ¢
5 Sec Irrigation Svc	11,813,980	0.000492	594	0.000028	0.000520		\$ 3,918	15,052,454	0.0260 ¢
6 Pri Gen Svc	1,608,441,655	0.067002	213,875	0.010187	0.077189		\$ 581,057	1,664,882,183	0.0349 ¢
7 Pri Irrigation Svc	5,435,481	0.000226	8	0.000000	0.000227		\$ 1,707	5,121,000	0.0333 ¢
8 Pri Interruptible Svc	211,725,372	0.008820	-	-	0.008820		\$ 66,393	175,048,208	0.0379 ¢
9 HV - Sch 46	30,008,768	0.001250	-	-	0.001250		\$ 9,410	50,620,000	0.0186 ¢
10 HV - Sch 49	424,943,206	0.017702	56,904	0.002710	0.020412		\$ 153,656	427,726,004	0.0359 ¢
11 Lights	79,347,471	0.003305	11,430	0.000544	0.003850		\$ 28,980	82,356,894	0.0352 ¢
12 Firm Resale - Small	8,983,514	0.000374	1,612	0.000077	0.000451		\$ 3,395	7,758,862	0.0438 ¢
13 Subtotal	20,164,852,449	0.840000	3,359,190	0.160000	1.000000	\$ 7,527,693	\$ 7,527,693	19,271,717,302	0.0391 ¢
14 Firm Resale Special Contract	-	-	-	-	-			-	-
15 Transportation	-	-	-	-	-			2,065,832,748	
16 Total	20,164,852,449		3,359,190					21,337,550,050	

Puget Sound Energy
Description of Calculations on Exhibit

<u>Page No.</u>	<u>Column No.</u>	<u>Description</u>
Page 1	Column (a)	Total annual kWh consumption for each schedule for the GRC test period.
	Column (b)	Energy related weighted portion of the peak credit weighted allocation factors and is equal to the pro rata share of each schedule's total annual kWh consumption for the test period to the system total times the energy related Peak Credit Factor, in this case 84%.
	Column (c)	Schedule level total demand during the top 200 hours of system demand for the GRC test period.
	Column (d)	Demand related weighted portion of the peak credit weighted allocation factors and is equal to the pro rata share of each schedule's contribution to the top 200 system peak hours for the test period times the demand related Peak Credit Factor, in this case 16%.
	Column (e)	Resulting peak credit weighted allocation factor for each schedule and is equal to the sum of Columns (b) and (d). Using Column (e) the proposed power cost deficiency of \$7,527,693 from Exhibit No. ____ (JMR-2) is allocated to all applicable schedules.
	Column (f)	The proposed power cost deficiency of \$7,527,693 from Exhibit No. ____ (JMR-2).
	Column (g)	Result of multiplying Column (e) by the proposed power cost deficiency of \$7,527,693 from Column (f) to allocate the power cost deficiency to all applicable schedules.
	Column (h)	Test year pro forma volumes (YE 6/03) for each schedule.
	Column (i)	Cents/kWh amount to be charged to customers on each of the applicable schedules is shown in and is equal to Column (g) divided by the test year pro forma volumes (YE 6/03) for each schedule as shown in Column (h).