

EXHIBIT NO. ____ (JHS-10)
DOCKET NO. UE-070565
2007 PSE PCORC
WITNESS: JOHN H. STORY

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY, INC.,

Respondent.

Docket No. UE-070565

**FIRST EXHIBIT TO THE
PREFILED SUPPLEMENTAL DIRECT TESTIMONY
(NONCONFIDENTIAL) OF JOHN H. STORY
ON BEHALF OF PUGET SOUND ENERGY, INC.**

May 23, 2007

**PUGET SOUND ENERGY
POWER COST ONLY RATE CASE**

	REVISED	REVISD Adjustment-1	REVISD Adjustment-2	Adjustment-3	REVISD Adjustment-4	REVISD Adjustment-5	REVISD Adjustment-6	REVISD Adjustment-7	REVISD Adjustment-8	REVISD Adjustment-9	Adjustment-10
	Test Year Actual 12 months ended December 31, 2006	POWER COST	SALES FOR RESALE	TRANSMISSION INCOME	GOLDENDALE	PROPERTY TAXES	MONTANA ENERGY TAX	PROPERTY INSURANCE	WILD HORSE	BAKER LAKE RELICENSING	REGULATORY ASSETS AND LIABILITIES
Power Cost Rate											
Row											
3	\$ 260,628,635										\$ (44,993,019)
4	107,835,081										
5	655,339,126										
6	\$ 1,023,802,843	\$ -	\$ -	\$ -	\$ 122,666,901	\$ -	\$ -	\$ -	\$ 294,496,074	\$ 29,083,389	\$ -
7											
8	7.06%										
9											
10	\$ 28,308,279	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4,886,934)
11	11,712,549	-	-	-	-	-	-	-	-	-	-
12	71,179,911	-	-	-	13,323,513	-	-	-	31,986,804	3,158,903	-
13	50,018,165	7,421,296	-	-	(92,093,207)	-	-	-	-	-	-
14	820,748,691	(60,012,159)									
14a	-	(10,023,555)									
15	7,798,027	(728,577)									
15a	1,923,098				126,850			(213,848)	42,551		
15b	1,789,638										
15c	1,755,000										
15d	723,944										
16	48,485,371	(9,754,449)			91,668,207						
17	50,788,707	7,171,833			6,905,196						
18	(4,610,746)			545,355							
19	65,868,284				8,504,901						
20	(85,003,391)				(4,042,469)						
21	(16,445,463)										
22	949,052	15,869,042	82,582,873								
23	51,960,217	366,415			4,516,058				14,373,427	658,492	
24	5,123,147										
25	26,324,847										
26	9,680,662				1,082,315	(657)			990,997		6,673,724
27	3,413,121					35,520					
28	-										
29	\$ 1,152,491,112	\$ (37,567,567)	\$ 82,582,873	\$ 545,355	\$ 29,991,365	\$ 34,863	\$ (2,924)	\$ (213,848)	\$ 47,393,779	\$ 3,817,395	\$ 1,786,790

(Note) Amounts presented in bold italic type have changed from the March 20, 2007 original filing.

**PUGET SOUND ENERGY
POWER COST ONLY RATE CASE**

Row	REVISED				Adjusted 12 months ended December 31, 2006	Adjustment-13 TENASKA FLOW THROUGH TAX TRUE-UP
	Adjustment-11	Adjustment-12	ADJUSTMENT	ADJUSTMENT		
	PRODUCTION	HEDGING	TOTAL	TOTAL		
	ADJUSTMENT	LINE OF CREDIT	ADJUSTMENT	ADJUSTMENT		
Power Cost Rate						
3	Regulatory Assets (Variable)					
4	Transmission Rate Base (Fixed)	\$ (5,781,191)	\$ -	\$ (50,774,210)	\$ 209,854,425	\$ -
5	Production Rate Base (Fixed)	(29,533,507)		416,712,857	1,072,051,983	
6		\$ (35,314,698)	\$ -	\$ 365,938,647	\$ 1,389,741,490	\$ -
7	Net of tax rate of return				7.06%	
8						
9						
10	Regulatory Asset Recovery	\$ (627,926)	\$ -	\$ (5,514,860)	\$ 22,793,419	\$ -
11	Fixed Asset Recovery Other	-	-	-	11,712,549	-
12	Fixed Asset Recovery-Prod Factored	(3,207,793)	-	45,261,427	116,441,338	-
13	501-Steam Fuel			7,421,296	57,439,461	
14	555-Purchased power			(152,103,365)	668,643,326	
14a	Rate Disallowances for March Point 2 and Tenaska			(10,023,555)	(10,023,555)	
15	557-Other Power Exp			(728,577)	7,069,450	
15a	Payroll Overheads - Benefits (Incl Worker's Comp)	(4,860)		(4,860)	1,918,238	
15b	Property Insurance	(502,799)		(94,726)	1,694,912	
15c	Montana Electric Energy Tax	(46,973)		(49,897)	1,705,103	
15d	Payroll Taxes on Production Wages			-	723,944	
16	547-Fuel			81,913,758	130,399,129	
17	565-Wheeling			14,077,029	64,865,736	
18	Variable Transmission Income			545,355	(4,065,390)	
19	Hydro and Other Pwr.			20,334,115	86,202,400	
20	447-Sales to Others	(293,372)		78,540,404	(6,462,987)	
21	456-Subaccounts 00016,18,80,81,130			15,869,042	(576,422)	
22	Transmission Exp - 500KV			366,415	1,315,467	
23	Depreciation/Amortization -Production	(1,929,595)		17,618,382	69,578,600	
24	Depreciation-Transmission			-	5,123,147	
25	Amortization - Regulatory Assets	(884,692)		5,789,033	32,113,880	
26	Property Taxes-Production	(334,497)		1,738,158	11,418,820	
27	Property Taxes-Transmission			35,520	3,448,641	
28	Hedging Line of Credit	(8,259)	308,050	299,791	299,791	
29	Subtotal & Baseline Rate	\$ (7,388,245)	\$ 308,050	\$ 121,287,887	\$ 1,273,778,998	\$ 4,283,296

(Note) Amounts presented in bold italic type have changed fr

Adjustment 1

**PUGET SOUND ENERGY
POWER COST ONLY RATE CASE
TWELVE MONTHS ENDED DECEMBER 31, 2006
RATE YEAR ENDED AUGUST 31, 2008
POWER COST**

LINE NO. DESCRIPTION	TEST YEAR	ADJUSTED TEST YEAR	ADJUSTMENT
1 PRODUCTION EXPENSES:			
2 FUEL:			
3 501-STEAM FUEL	\$ 50,018,165	\$ 57,439,461	\$ 7,421,296
4 547-FUEL	48,485,371	38,730,922	(9,754,449)
5 PURCHASED AND INTERCHANGED:			
6 555-PURCHASED POWER	820,748,691	760,736,532	(60,012,159)
7 RATE DISALLOWANCES FOR MARCH POINT 2 AND TENASKA	-	(10,023,555)	(10,023,555)
8 557 - OTHER POWER EXPENSE	10,263,800	9,535,223	(728,577)
9 WHEELING	50,788,707	57,960,540	7,171,833
10 HYDRO AND OTHER POWER	65,868,284	77,990,870	12,122,586
11 TRANS. EXP. INCL. 500KV O&M	949,052	1,315,467	366,415
12 SALES FOR RESALE	(85,003,391)	(2,420,518)	82,582,873
13 PURCHASES/SALES OF NON-CORE GAS	(16,445,463)	(576,422)	15,869,042
14 WHEELING FOR OTHERS - COLSTRIP, 3RD AC & NI	(4,610,746)	(4,065,390)	545,355
15 INCREASE (DECREASE) EXPENSE	941,062,470	986,623,131	45,560,662
16			
17 LESS: SALES FOR RESALE (LINE 12)	85,003,391	2,420,518	(82,582,873)
18 LESS: WHEELING FOR OTHERS (LINE 14)	4,610,746	4,065,390	(545,355)
19 SCH. 94 - RES./FARM CREDIT	-	-	-
20 INCREASE(DECREASE) EXPENSE	\$1,030,676,606	993,109,039	\$ (37,567,567)
21 TRANS. EXP. INCL. 500KV O&M (LINE 11)		(1,315,467)	
22 PURCHASES/SALES OF NON-CORE GAS (LINE 13)		576,422	
23 POWER COSTS PER G/L		\$ 992,369,994	

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Adjustment 2

PUGET SOUND ENERGY
POWER COST ONLY RATE CASE
TWELVE MONTHS ENDED DECEMBER 31, 2006
RATE YEAR ENDED AUGUST 31, 2008
SALES FOR RESALE

LINE NO.	DESCRIPTION	ADJUSTED		
		TEST YEAR	TEST YEAR	ADJUSTMENT
1	SALES FOR RESALE - OTHER UTILITIES	\$ (85,003,391)	\$ <i>(2,420,518)</i>	\$ <i>82,582,873</i>
2	INCREASE (DECREASE) EXPENSE	\$ (85,003,391)	\$ <i>(2,420,518)</i>	\$ <i>82,582,873</i>

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Adjustment 3

**PUGET SOUND ENERGY
POWER COST ONLY RATE CASE
TWELVE MONTHS ENDED DECEMBER 31, 2006
RATE YEAR ENDED AUGUST 31, 2008
TRANSMISSION INCOME**

LINE NO.	DESCRIPTION	TEST YEAR	ADJUSTED TEST YEAR	ADJUSTMENT
1	REVENUE - WHEELING FOR OTHERS - COLSTRIP, 3RD AC & NI	\$ (4,610,746)	\$ (4,065,390)	\$ 545,355
2	INCREASE (DECREASE) EXPENSE	\$ (4,610,746)	\$ (4,065,390)	545,355

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Adjustment 4

**PUGET SOUND ENERGY
POWER COST ONLY RATE CASE
TWELVE MONTHS ENDED DECEMBER 31, 2006
RATE YEAR ENDED AUGUST 31, 2008
GOLDENDALE**

LINE NO.	DESCRIPTION	TEST YEAR	ADJUSTED RATE YEAR	ADJUSTMENT
1	<u>NEW PLANT RATEBASE</u>			
2	PLANT BALANCE	\$ -	\$ 127,714,847	\$ 127,714,847
3	ACCUM DEPRECIATION	-	(4,656,826)	(4,656,826)
4	DEFERRED INCOME TAX	-	(391,120)	(391,120)
5	NET GOLDENDALE PLANT RATEBASE	-	122,666,901	122,666,901
6				
7	FIXED ASSETS RECOVERY	-	13,323,513	13,323,513
8				
9	<u>GOLDENDALE OPERATING EXPENSE</u>			
10	GOLDENDALE DEPRECIATION EXPENSE	-	4,516,058	4,516,058
11	GOLDENDALE PROPERTY INSURANCE	-	126,850	126,850
12	GOLDENDALE PROPERTY TAXES	-	1,082,315	1,082,315
13		-	5,725,223	5,725,223
14				
15	<u>POWER COST ASSOCIATED WITH GOLDENDALE (Prod. Factor adjusted in Prod. Adj.)</u>			
16	NATURAL GAS FUEL	-	91,668,207	91,668,207
17	PURCHASE AND INTERCHANGE	-	(92,093,207)	(92,093,207)
18	WHEELING	-	6,905,196	6,905,196
19	SECONDARY SALES	-	(4,042,469)	(4,042,469)
20	INCREASE (DECREASE) POWER COST	-	2,437,728	2,437,728
21				
22	PRODUCTION O&M (Prod. Factor adjusted in Prod. Adj.)	-	8,504,901	8,504,901
23				
24	INCREASE (DECREASE) EXPENSE	\$ -	\$ 29,991,365	\$ 29,991,365

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Adjustment 5

**PUGET SOUND ENERGY
POWER COST ONLY RATE CASE
TWELVE MONTHS ENDED DECEMBER 31, 2006
RATE YEAR ENDED AUGUST 31, 2008
PROPERTY TAXES ON PRODUCTION PLANT**

LINE NO.	DESCRIPTION	TEST YEAR	ADJUSTED RATE YEAR	ADJUSTMENT
1	RESTATED PROPERTY TAXES-PRODUCTION	<i>\$ 9,680,662</i>	<i>\$ 9,680,005</i>	<i>\$ (657)</i>
2	RESTATED PROPERTY TAXES-TRANSMISSION	<i>3,413,121</i>	<i>3,448,641</i>	<i>35,520</i>
3	INCREASE (DECREASE) EXPENSES	<i>\$ 13,093,783</i>	<i>\$ 13,128,646</i>	<i>\$ 34,863</i>

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Adjustment 6

PUGET SOUND ENERGY
POWER COST ONLY RATE CASE
TWELVE MONTHS ENDED DECEMBER 31, 2006
RATE YEAR ENDED AUGUST 31, 2008
MONTANA ELECTRIC ENERGY TAX

LINE NO.	DESCRIPTION	TEST YEAR	ADJUSTED RATE YEAR	ADJUSTMENT
1	PROFORMA kWh	5,014,285,714	<i>5,005,930,515</i>	<i>(8,355,199)</i>
2	TAX RATE	0.00035	0.00035	0.00035
3				
4	MONTANA ENERGY TAX EXPENSE	\$ 1,755,000	\$ <i>1,752,076</i>	\$ <i>(2,924)</i>

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Adjustment 7

PUGET SOUND ENERGY
POWER COST ONLY RATE CASE
TWELVE MONTHS ENDED DECEMBER 31, 2006
RATE YEAR ENDED AUGUST 31, 2008
PROPERTY INSURANCE ON PRODUCTION PLANT

LINE NO.	DESCRIPTION	TEST YEAR	ADJUSTED RATE YEAR	ADJUSTMENT
1	PROPERTY INSURANCE EXPENSE	\$ 1,789,638	\$ <i>1,575,790</i>	\$ <i>(213,848)</i>
2	INCREASE(DECREASE) EXPENSE	\$ 1,789,638	\$ <i>1,575,790</i>	\$ <i>(213,848)</i>

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Adjustment 8

**PUGET SOUND ENERGY
POWER COST ONLY RATE CASE
TWELVE MONTHS ENDED DECEMBER 31, 2006
RATE YEAR ENDED AUGUST 31, 2008
WILD HORSE**

LINE NO.	DESCRIPTION	TEST YEAR	ADJUSTED RATE YEAR	ADJUSTMENT
1	<u>WILD HORSE RATE BASE</u>			
2	<u>UTILITY PLANT RATEBASE</u>			
3	PLANT BALANCE	\$ 23,371,245	\$ 377,586,033	\$ 354,214,788
4	ACCUMULATED DEPRECIATION	(41,502)	(17,436,575)	(17,395,073)
5	DEFERRED TAX	(668,159)	(43,661,240)	(42,993,081)
6	DEFERRED TAX ASSET	-	669,440	669,440
7	TOTAL UTILITY PLANT RATEBASE	22,661,584	317,157,658	294,496,074
8				
9	OVERALL INCREASE TO RATEBASE	\$ 22,661,584	\$ 317,157,658	\$ 294,496,074
10				
11	<u>WILD HORSE O&M</u>			
12	DEPRECIATION EXPENSE ON UTILITY PLANT	464,746	14,838,173	14,373,427
13	PROPERTY INSURANCE	130,195	172,746	42,551
14	PROPERTY TAXES	723,250	1,714,247	990,997
15	TOTAL O&M	1,318,191	16,725,166	15,406,975
16				
17	GRAND TOTAL OF OPERATING EXPENSES	\$ 1,318,191	\$ 16,725,166	\$ 15,406,975

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Adjustment 9

**PUGET SOUND ENERGY
POWER COST ONLY RATE CASE
TWELVE MONTHS ENDED DECEMBER 31, 2006
RATE YEAR ENDED AUGUST 31, 2008
BAKER LAKE RELICENSING**

LINE NO.	DESCRIPTION	TEST YEAR	ADJUSTED RATE YEAR	ADJUSTMENT
1				
2	<u>BAKER LAKE RATE BASE</u>			
3	<u>UTILITY PLANT RATEBASE</u>			
4	PLANT BALANCE	\$ -	\$ 29,632,132	\$ 29,632,132
5	ACCUMULATED AMORTIZATION	-	(548,743)	(548,743)
6	DEFERRED TAX	-	-	-
7	TOTAL UTILITY PLANT RATEBASE	-	29,083,389	29,083,389
8				
9	OVERALL INCREASE TO RATEBASE	\$ -	\$ 29,083,389	\$ 29,083,389
10				
11				
12	<u>BAKER LAKE O&M</u>			
13	AMORTIZATION OF BAKER LAKE RELICENSING	-	658,492	658,492
14	TOTAL O&M	\$ -	\$ 658,492	\$ 658,492

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Adjustment 10

**PUGET SOUND ENERGY
POWER COST ONLY RATE CASE
TWELVE MONTHS ENDED DECEMBER 31, 2006
RATE YEAR ENDED AUGUST 31, 2008
REGULATORY ASSETS AND LIABILITIES**

LINE NO.	DESCRIPTION	TEST YEAR	ADJUSTED RATE YEAR	ADJUSTMENT
1	<u>AMA OF REGULATORY ASSET/LIABILITY NET OF ACCUM AMORT AND DFIT</u>			
2	CABOT BUYOUT	\$ 5,558,533	\$ 1,231,500	\$ (4,327,033)
3	TENASKA	164,055,798	126,839,375	(37,216,423)
4	BEP	26,483,884	22,408,333	(4,075,551)
5	WHITE RIVER PLANT COSTS	40,306,337	38,299,445	(2,006,892)
6	WHITE RIVER RELICENSING & CWIP	18,913,136	21,307,241	2,394,105
7	CANWEST	(4,938,003)	(857,075)	4,080,928
8	HOPKINS RIDGE	10,248,951	6,406,798	(3,842,153)
9				
10	TOTAL REGULATORY ASSETS	260,628,635	215,635,616	(44,993,019)
11				
12				
13	<u>AMORTIZATION OF REGULATORY ASSET/LIABILITY</u>			
14	CABOT BUYOUT	\$ 2,614,000	\$ 2,436,000	\$ (178,000)
15	TENASKA	20,615,004	26,962,333	6,347,329
16	BEP	3,526,620	3,526,620	-
17	WHITE RIVER PLANT COSTS	1,494,702	1,494,702	(0)
18	WHITE RIVER RELICENSING & CWIP	-	-	-
19	CANWEST	(3,797,508)	(3,164,586)	632,922
20	HOPKINS RIDGE	1,872,029	1,743,503	(128,527)
21				
22	TOTAL AMORTIZATION OF REGULATORY ASSET/LIAB	26,324,847	32,998,572	6,673,724

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Adjustment 11

**PUGET SOUND ENERGY
POWER COST ONLY RATE CASE
TWELVE MONTHS ENDED DECEMBER 31, 2006
RATE YEAR ENDED AUGUST 31, 2008
PRODUCTION ADJUSTMENT**

LINE NO.	DESCRIPTION	PROFORMA AND RESTATED	PRODUCTION FACTOR 2.681%	NET AMOUNT
1	<u>O&M ON PRODUCTION PROPERTY</u>			
2	PRODUCTION O&M INCLUDED IN 557:			
3	WORKER'S COMPENSATION	\$ 181,269	\$ (4,860)	\$ 176,409
4	PROPERTY INSURANCE	<i>1,875,386</i>	<i>(50,279)</i>	<i>1,825,107</i>
5	ELECTRIC ENERGY TAX	<i>1,752,076</i>	<i>(46,973)</i>	<i>1,705,103</i>
6	TOTAL PRODUCTION O&M	<i>3,808,731</i>	<i>(102,112)</i>	<i>3,706,619</i>
7				
8	GOLDENDALE POWER COSTS AND PRODUCTION O&M	<i>10,942,629</i>	<i>(293,372)</i>	<i>10,649,257</i>
9				
10	HEDGING LINE OF CREDIT	308,050	(8,259)	299,791
11				
12	DEPRECIATION AND AMORTIZATION ON PRODUCTION			
13	PROPERTY	<i>71,972,940</i>	<i>(1,929,595)</i>	<i>70,043,346</i>
14				
15	PROPERTY TAXES ON PRODUCTION PROPERTY	<i>12,476,567</i>	<i>(334,497)</i>	<i>12,142,070</i>
16				
17	TOTAL PRODUCTION ADJUSTMENT TO BASELINE RATE	<i>\$ 99,508,917</i>	<i>\$ (2,667,834)</i>	<i>\$ 96,841,083</i>
18				
19	<u>PRODUCTION RATE BASE:</u>			
20	PRODUCTION PROPERTY	<i>\$ 1,897,245,224</i>	<i>\$ (50,865,144)</i>	<i>\$ 1,846,380,080</i>
21	COLSTRIP COMMON FERC ADJUSTMENT	6,366,303	(170,681)	6,195,622
22	COLSTRIP DEFERRED DEPRECIATION FERC ADJ.	2,496,283	(66,925)	2,429,358
23	ENCOGEN ACQUISITION ADJUSTMENT	43,330,708	(1,161,696)	42,169,012
24	LESS PRODUCTION PROPERTY ACCUM DEPR.	<i>(709,856,998)</i>	<i>19,031,266</i>	<i>(690,825,732)</i>
25	LESS PRODUCTION PROPERTY ACCUM AMORT.	<i>(3,454,190)</i>	<i>92,607</i>	<i>(3,361,583)</i>
26	NET PRODUCTION PROPERTY	<i>1,236,127,329</i>	<i>(33,140,574)</i>	<i>1,202,986,756</i>
27				
28	DEDUCT:			
29	LIBR. DEPREC. PRE 1981 (AMA)	(435,114)	11,665	(423,449)
30	LIBR. DEPREC. POST 1980 (AMA)	<i>(130,481,100)</i>	<i>3,498,198</i>	<i>(126,982,901)</i>
31	OTHER DEF. TAXES (AMA)	(3,625,625)	97,203	(3,528,422)
32	ADJUSTMENT TO RATE BASE	<i>(134,541,839)</i>	<i>3,607,067</i>	<i>(130,934,772)</i>
33				
34	TOTAL ADJUSTMENT TO PRODUCTION RATE BASE	<i>\$ 1,101,585,490</i>	<i>\$ (29,533,507)</i>	<i>\$ 1,072,051,983</i>
35				
36				
37	<u>O&M ON REGULATORY ASSETS</u>			
38	AMORTIZATION OF REGULATORY ASSETS	32,998,572	(884,692)	32,113,880
39				
40	TOTAL REGULATORY ASSET ADJUSTMENT TO BASELINE RATE	<i>\$ 32,998,572</i>	<i>\$ (884,692)</i>	<i>\$ 32,113,880</i>
41				
42	<u>REGULATORY ASSETS RATE BASE:</u>			
43	BPA POWER EXCHANGE INVESTMENT	\$ 22,408,333	\$ (600,767)	\$ 21,807,566
44	TENASKA REGULATORY ASSET	126,839,375	(3,400,564)	123,438,811
45	CABOT OIL REGULATORY ASSET	1,231,500	(33,017)	1,198,483
46	WHITE RIVER PLANT COSTS	38,299,445	(1,026,808)	37,272,637
47	WHITE RIVER RELICENSING & CWIP	21,307,241	(571,247)	20,735,994
48	CANWEST	(857,075)	22,978	(834,097)
49	HOPKINS RIDGE PREPAID TRANSMISSION	6,406,798	(171,766)	6,235,032
50				
51	TOTAL ADJUSTMENT TO REGULATORY ASSETS RATE BASE	<i>\$ 215,635,616</i>	<i>\$ (5,781,191)</i>	<i>\$ 209,854,425</i>

(Note) Amounts presented in bold italic type have changed from the March 20, 2007 original filing.

Adjustment 12

PUGET SOUND ENERGY
POWER COST ONLY RATE CASE
TWELVE MONTHS ENDED DECEMBER 31, 2006
RATE YEAR ENDED AUGUST 31, 2008
HEDGING LINE OF CREDIT

LINE NO.	DESCRIPTION	TEST YEAR	ADJUSTED RATE YEAR	ADJUSTMENT
1	HEDGING LINE OF CREDIT	\$ -	\$ 308,050	\$ 308,050
2	INCREASE(DECREASE) EXPENSE	\$ -	\$ 308,050	\$ 308,050

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Adjustment 13

**PUGET SOUND ENERGY
POWER COST ONLY RATE CASE
TWELVE MONTHS ENDED DECEMBER 31, 2006
RATE YEAR ENDED AUGUST 31, 2008
TENASKA FLOW THROUGH TAX TRUE-UP**

LINE NO.	DESCRIPTION	RATE YEAR	ADJUSTED RATE YEAR	ADJUSTMENT
1	TENASKA FLOW THROUGH TAX TRUE-UP*	\$ -	\$ 4,283,296	\$ 4,283,296
2	INCREASE(DECREASE) EXPENSE	\$ -	\$ 4,283,296	4,283,296

*Net of Production Adjustment

(Note) Amounts presented in bold italic type have changed from the March 20, 2007 original filing.

Adjustment 14

**PUGET SOUND ENERGY
POWER COST ONLY RATE CASE
TWELVE MONTHS ENDED DECEMBER 31, 2006
RATE YEAR ENDED AUGUST 31, 2008
TEMPERATURE NORMALIZATION**

LINE NO.	DESCRIPTION	ACTUAL GPI MWH	TEMP ADJ GPI MWH	MWH CHANGE	ADJ FOR LOSSES
					6.70%
1	Jan-06	2,190,234	2,327,053	136,819	127,652
2	Feb-06	2,031,682	2,029,308	(2,375)	(2,216)
3	Mar-06	2,072,178	2,046,985	(25,193)	(23,505)
4	Apr-06	1,765,434	1,763,981	(1,453)	(1,356)
5	May-06	1,697,517	1,708,138	10,621	9,909
6	Jun-06	1,606,550	1,602,017	(4,532)	(4,229)
7	Jul-06	1,686,625	1,668,819	(17,806)	(16,613)
8	Aug-06	1,680,862	1,681,595	733	684
9	Sep-06	1,628,039	1,625,480	(2,559)	(2,388)
10	Oct-06	1,845,737	1,826,459	(19,278)	(17,987)
11	Nov-06	2,117,926	2,094,170	(23,757)	(22,165)
12	Dec-06	2,265,270	2,259,678	(5,592)	(5,217)
13	Total	22,588,053	22,633,681	45,628	42,569

(Note) Amounts presented in bold italic type have changed from the March 20, 2007 original filing.

Adjustment 15

**PUGET SOUND ENERGY
POWER COST ONLY RATE CASE
TWELVE MONTHS ENDED DECEMBER 31, 2006
RATE YEAR ENDED AUGUST 31, 2008
CONVERSION FACTOR**

LINE NO.	DESCRIPTION	RATE
1	BAD DEBTS	0.0045727
2	ANNUAL FILING FEE	<i>0.0020000</i>
3	STATE UTILITY TAX ((1 - LINE 1) * 3.873%)	3.873% <u>0.0385529</u>
4		
5	SUM OF TAXES OTHER	<i>0.0451256</i>
6		
7	CONVERSION FACTOR (1 - LINE 5)	<i>0.9548744</i>

(Note) Amounts presented in bold italic type have changed from the March 20, 2007 original filing.