

**EXHIBIT NO. \_\_\_\_ (DWH-6T)**  
**DOCKET NO. UE-070565**  
**2007 PSE PCORC**  
**WITNESS: DAVID W. HOFF**

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.**

**PUGET SOUND ENERGY, INC.,**

**Respondent.**

**Docket No. UE-070565**

**PREFILED SUPPLEMENTAL DIRECT TESTIMONY  
(NONCONFIDENTIAL) OF DAVID W. HOFF  
ON BEHALF OF PUGET SOUND ENERGY, INC.**

**MAY 23, 2007**

**PUGET SOUND ENERGY, INC.**

**PREFILED SUPPLEMENTAL DIRECT TESTIMONY  
(NONCONFIDENTIAL) OF DAVID W. HOFF**

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**PUGET SOUND ENERGY, INC.**

**PREFILED SUPPLEMENTAL DIRECT TESTIMONY  
(NONCONFIDENTIAL) OF DAVID W. HOFF**

**I. INTRODUCTION**

**Q. Are you the same David W. Hoff who provided prefiled direct testimony in this Docket on behalf of Puget Sound Energy, Inc. (“PSE” or “the Company”)?**

**A. Yes.**

**Q. What topics are you covering in your prefiled supplemental direct testimony?**

A. My prefiled supplemental direct testimony describes how PSE has re-calculated Schedule 95 rates using the updated revenue requirement provided in the prefiled supplemental testimony of John H. Story, Exhibit No. \_\_\_\_ (JHS-9T). Below are the percentage increases over proforma test year revenues as filed in the third exhibit to my prefiled direct testimony, Exhibit No. \_\_\_\_ (DWH-4), and the percentage increases over the same proforma test year revenues that result from the updated revenue requirement described in Exhibit No. \_\_\_\_ (JHS-9T).

The calculation of the rates is shown in Exhibit No. \_\_\_\_ (DWH-7). Exhibit No. \_\_\_\_ (DWH-7), “Calculation of the Schedule 95 Rate,” updates Exhibit No. \_\_\_\_ (DWH-3). Exhibit No. \_\_\_\_ (DWH-8), “Statement of Proforma and

Proposed Revenues for Schedule 95,” updates Exhibit No. \_\_\_\_ (DWH-4).

## **II. DESCRIPTION OF RECALCULATION OF SCHEDULE 95 RATES**

**Q. What effect does the updated revenue requirement have on the average rate increase of all schedules?**

A. As shown below, the updated revenue requirement raises the average rate increase of all schedules from 3.68% to 4.43%:

<b>Customer Class</b>	<b>Rate Schedule</b>	<b>Rate Increase as filed in Exhibit No. ____ (DWH-4)</b>	<b>Updated Proposed Rate Increase Utilizing Revenue Requirement in Exhibit No. ____ (JHS-9T)</b>
Residential	7	3.56%	4.28%
General Service <51 kW	24	3.68%	4.42%
General Service 51 – 350 kW	25	3.73%	4.49%
General Service >350 kW	26	3.90%	4.69%
Primary Service	31/35/43	4.23%	5.09%
Campus Schedule	40	4.24%	5.10%
High Voltage Service	46/49	4.43%	5.33%
Lights	50-59	1.80%	2.17%
Small Firm Resale		4.67%	5.62%
System Average	All	3.68%	4.43%

**Q. How were these updates calculated?**

A. The above updates were calculated in the same manner as described in the third exhibit to my pre-filed testimony, Exhibit No. \_\_\_\_ (DWH-4), and the second and third exhibits accompanying that testimony, Exhibit No. \_\_\_\_ (DWH-3) and Exhibit No. \_\_\_\_ (DWH-4). The only difference between the previous analysis and this

1 analysis is the total revenue requirement.

2 **Q. Is the Company filing revised tariff sheets to reflect these adjustments?**

3 A. No. The Company will update the tariffs based on the Commission's final order  
4 in this docket determining the revenue deficiency.

5 **III. CONCLUSION**

6 **Q. Does that conclude your prefiled supplemental direct testimony?**

7 A. Yes, it does.

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