

Exhibit No. ____ (JAH-8)

Revisions of July 19, 2004

PUGET SOUND ENERGY - GAS
 RATE SPREAD AND RATE DESIGN
 TWELVE MONTHS ENDED SEPTEMBER 30, 2003

Line No.	Class / Schedule	Proforma Revenues	GAS COST (Recovery @ RAF 1.04775)	Proforma Margin	Terms	% of Average Increase	Increase at 50% - 150% of Average (18.11%)	% of Residual	Spread	Residual	Net Margin Increase	Proposed Total Revenues	% Net Increase	% of Net Increase %	% of Total Revenues
		a	b	c	d	e	f	g	h	i	j	k	l	m	n
1	Residential	\$444,574,749	\$277,107,116	\$167,467,633	498,267,928	100%	\$30,328,388	70.00%	\$2,740,705	\$33,069,081	\$477,643,840	19.75%	109.04%	6.92%	
2	C&I Heating	\$156,262,648	\$105,069,108	\$51,193,540	192,814,190	75%	\$6,953,363	16.05%	\$628,359	\$7,581,723	\$163,844,371	14.81%	81.78%	4.63%	
3	Schedule 41	\$35,840,648	\$26,684,912	\$9,155,936	49,128,842	75%	\$1,243,605	2.87%	\$112,362	\$1,355,937	\$37,198,835	14.81%	81.78%	3.65%	
4	Schedule 85	\$9,065,372	\$7,626,196	\$1,439,176	14,391,665	125%	\$325,793	0.75%	\$29,441	\$355,234	\$9,420,608	24.68%	136.30%	3.77%	
5	Schedule 86	\$16,005,208	\$11,775,279	\$4,229,929	22,163,694	100%	\$766,040	1.77%	\$69,225	\$835,265	\$16,840,473	19.75%	109.04%	4.96%	
6	Schedule 87	\$16,618,616	\$15,061,242	\$1,457,274	30,720,280	150%	\$395,888	0.81%	\$35,774	\$431,642	\$16,950,158	28.62%	183.56%	2.55%	
7	Schedule 57	\$12,155,221	\$0	\$12,155,221	173,848,482	50%	\$1,100,655	2.54%	\$99,464	\$1,200,119	\$13,355,340	9.87%	54.52%	8.99%	
8	Transport Contracts	\$36,467	\$0	\$1,668,905	38,431,301	0%	\$0	0.00%	\$0	\$0	\$1,668,905	0.00%	109.04%	0.00%	
9	CNG	\$8,137,311	\$20,738	\$15,729	54,593	100%	\$2,849	0.01%	\$257	\$3,106	\$10,547,569	28.62%	183.56%	22.85%	
10	Rentals	\$700,285,245	\$443,344,591	\$256,920,654	1,019,920,885	150%	\$2,210,500	5.10%	\$189,758	\$2,410,258	\$10,547,569	18.11%	109.04%	7.85%	
11	Subtotal	\$3,874,839	\$0	\$3,874,839	\$3,874,839	100%	\$0	0.00%	\$0	\$0	\$3,874,839	0.00%	109.04%	6.32%	
12	Other Revenues	\$704,140,064	\$443,344,591	\$260,795,493	1,019,920,885	100%	\$43,327,061	100.00%	\$3,815,365	\$47,242,426	\$751,382,508	18.11%	109.04%	6.29%	
13	Total														
14	% Increase On Margin														
15															
16															

Revenue Requirement Deficiency excl. Municipal Additions
 Average Increase 18.11%

PUGET SOUND ENERGY - GAS
 RATE SPREAD AND RATE DESIGN
 TWELVE MONTHS ENDED SEPTEMBER 30, 2003

Description	Billing Determinants		Present Rates		Revenues	Units	Proposed Rates		Revenues	Difference	
			Rates				Rates			\$	%
RATE 23/53											
BILLS	6,945,588	\$5.50	\$38,200,734.00	6,945,588	\$6.50	\$45,146,322.00					
Facility Charge	6,945,588	\$0.00	\$0.00	6,945,588	\$7.50	\$52,091,910.00					
All Therms	498,267,928	\$0.26113	\$130,112,704.04	498,267,928	\$0.20901	\$104,142,979.63					
Calculated Total	498,267,928		\$168,313,438.04	498,267,928		\$201,381,211.63			\$33,067,773.59	19.647%	
Gas Costs		\$0.55440	\$276,239,739.28		\$0.55613	\$277,101,742.80			\$862,003.52	0.312%	
Total Revenues			<u>\$444,553,177.32</u>			<u>\$478,482,954.43</u>			\$33,929,777.11	7.632%	
RATE 16											
First 4 Mantles (each)	1,003	\$11.78	\$11,815.34	1,003	\$12.96	\$12,998.88					
5 through 9 Mantles (each)	84	\$10.78	\$905.52	84	\$11.96	\$1,004.64					
All over (each)	24	\$9.78	\$234.72	24	\$10.96	\$263.04					
	1,111			1,111							
Calculated Total	21,109 Therms		\$12,955.58	21,109 Therms		\$14,266.56			\$1,310.98	10.119%	
Gas Costs		\$0.52158	\$11,010.03		\$0.52320	\$11,044.23			\$34.20	0.311%	
Total Revenues			<u>\$23,965.61</u>			<u>\$25,310.79</u>			\$1,345.18	5.613%	

TARGET
 \$33,067,690
 DIFFERENCE
 (\$83)

Schedule 101
 Gas Costs
 (a) \$0.53076
 (b) 1.0478
 Proposed Gas Costs
 (c = a * b) \$0.55613

\$1,400.90
 DIFFERENCE
 \$89.92

Schedule 101
 Gas Costs
 (a) \$0.49934
 (b) 1.0478
 Proposed Gas Costs
 (c = a * b) \$0.52320

PUGET SOUND ENERGY - GAS
 RATE SPREAD AND RATE DESIGN
 TWELVE MONTHS ENDED SEPTEMBER 30, 2003

Description	Billing Determinants		Present		Proposed		Difference	
	Units	Rates	Revenues	Rates	Revenues	\$	%	
RATE 31								
BILLS	511,992	\$10.00	\$5,119,920.00	\$30.00	\$15,359,760.00			TARGET
All Therms	152,705,401	\$0.23742	\$36,255,316.31	\$0.21940	\$33,503,564.98			\$7,574,118
Calculated Total	152,705,401	\$41,375,236.31			\$48,863,324.98	\$7,488,088.67	18.098%	\$568
Gas Costs		\$0.54323	\$82,954,154.99	\$0.54492	\$83,212,227.11	\$258,072.13	0.311%	Schedule 101
Total Revenues		\$124,329,391.30			\$132,075,552.09	\$7,746,160.80	6.230%	Gas Costs
								(a) \$0.52007
								RAF (b) 1.04779
								Proposed Gas Costs (c = a * b) \$0.54492
RATE 36								
BILLS	60,516	\$20.00	\$1,210,320.00	\$30.00	\$1,815,480.00			
All Therms	39,915,381	\$0.22042	\$8,798,148.28	\$0.20740	\$8,278,450.02			
Calculated Total	39,915,381	\$10,008,468.28			\$10,093,930.02	\$85,461.74	0.854%	
Gas Costs		\$0.54323	\$21,683,232.42	\$0.54492	\$21,750,689.41	\$67,456.99	0.311%	
Total Revenues		\$31,691,700.70			\$31,844,619.43	\$152,918.73	0.483%	
RATE 51								
BILLS	4,104	\$5.50	\$22,572.00	\$6.50	\$26,676.00			TARGET
All Therms	193,408	\$0.22423	\$43,367.88	\$0.24233	\$46,868.56			\$7,605
Calculated Total	193,408	\$65,939.88			\$73,544.56	\$7,604.68	11.533%	\$0
Gas Costs		\$0.54323	\$105,065.03	\$0.54492	\$105,391.89	\$326.86	0.311%	
Total Revenues		\$171,004.91			\$178,936.45	\$7,931.54	4.638%	

**PUGET SOUND ENERGY - GAS
RATE SPREAD AND RATE DESIGN
TWELVE MONTHS ENDED SEPTEMBER 30, 2003**

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Description	Billing Determinants		Present		Proposed		Difference	
	Units	Rates	Revenues	Units	Rates	Revenues	\$	%
RATE 41								
BILLS								
Minimum Bill	16,104	\$35.00	\$563,640.00	16,104	\$140.00	\$2,254,560.00		
Demand Units	16,104	\$81.50	\$1,312,476.00	16,104	\$74.61	\$1,201,519.44		
First 500 Therms	2,135,712	\$0.50	\$1,067,856.00	2,135,712	\$0.64	\$1,366,855.68		
Next 4,500 therms	7,910,848			7,910,848				
All over 5,000 therms	23,257,307	\$0.16300	\$3,790,941.04	23,257,307	\$0.14921	\$3,470,222.78		
Calculated Total	17,960,687	\$0.13300	\$2,388,771.37	17,960,687	\$0.12175	\$2,186,713.64		
	49,128,842		\$9,123,684.41	49,128,842		\$10,479,871.54	\$1,356,187.13	14.864%
Gas Costs		\$0.49834	\$24,482,867.12		\$0.49989	\$24,559,016.83		
Gas Costs for Demand Charge Rate		\$1.04	\$2,221,140.48		\$1.05	\$2,242,497.60		
Calculated Total			\$26,704,007.60			\$26,801,514.43	\$97,506.83	0.365%
Total Revenues			\$35,827,692.01			\$37,281,395.97	\$1,453,693.96	4.057%
RATE 50								
BILLS								
All Therms	84	\$150.00	\$12,600.00	84	\$150.00	\$12,600.00		
Calculated Total	54,593	\$0.09176	\$5,009.45	54,593	\$0.14903	\$8,135.99		
Gas Costs	54,593		\$17,609.45	54,593		\$20,735.99	\$3,126.54	17.755%
Gas Costs		\$0.47789	\$26,089.45		\$0.47937	\$26,170.25	\$80.80	0.310%
Total Revenues			\$43,698.90			\$46,906.24	\$3,207.34	7.340%

TARGET	\$1,355,987
DIFFERENCE	(\$200)
91.54%	

Schedule 101		Proposed Gas
Gas Costs	(a)	Costs
	\$0.47709	(c = a * b)
	\$1.00	\$0.49989
		\$1.05000
		1.04779
		1.04779

TARGET	\$3,106.00
DIFFERENCE	20.54

Schedule 101		Proposed Gas
Gas Costs	(a)	Costs
	\$0.45751	(c = a * b)
		\$0.47937
		1.04779

PUGET SOUND ENERGY - GAS
 RATE SPREAD AND RATE DESIGN
 TWELVE MONTHS ENDED SEPTEMBER 30, 2003

Description	Billing Determinants	Rates	Present		Proposed		Difference	
			Revenues	Units	Rates	Revenues	\$	%
RATE 85								
BILLS	456	\$300.00	\$136,800.00	456	\$600.00	\$273,600.00	TARGET	\$355,234.00
Demand Units	122,376	\$0.99	\$121,152.24	122,376	\$1.26	\$154,193.76	DIFFERENCE	\$3
First 25,000 Therms	7,426,202	\$0.09099	\$675,710.12	7,426,202	\$0.10876	\$807,673.73		119.53%
Next 25,000 Therms	2,344,682	\$0.06451	\$151,255.44	2,344,682	\$0.07711	\$180,798.43		
All over 50,000 Therms	4,620,681	\$0.04951	\$228,789.92	4,620,681	\$0.05468	\$252,658.84		
Calculated Total	14,391,565		\$1,313,687.72	14,391,565		\$1,668,924.76		
Gas Costs		\$0.51983	\$7,481,167.23		\$0.52144	\$7,504,337.65	Schedule 101 Gas Costs	\$0.49766
Gas Costs for Demand Charge Rate		\$1.04	\$127,271.04		\$1.05	\$128,494.80	(a)	\$1.00
Calculated Total			\$7,608,438.27			\$7,632,832.45	(b)	1.04779
Total Revenues			\$8,922,125.99			\$9,301,757.21	(c = a * b)	1.04779
						\$379,631.22		
								0.321%
								4.255%
RATE 86								
BILLS	6,816	\$50.00	\$340,800.00	6,816	\$165.00	\$1,124,640.00	TARGET	\$835,265.00
Demand Units	219,180	\$0.99	\$216,988.20	219,180	\$1.26	\$276,166.80	DIFFERENCE	(\$108)
First 1,000 therms	5,475,950	\$0.20170	\$1,104,499.12	5,475,950	\$0.20127	\$1,102,144.46		99.78%
All over 1,000 therms	16,687,744	\$0.15170	\$2,531,530.76	16,687,744	\$0.15137	\$2,526,023.81		
Calculated Total	22,163,694		\$4,193,818.08	22,163,694		\$5,028,975.07	Schedule 101 Gas Costs	\$0.49766
Gas Costs		\$0.51983	\$11,521,353.05		\$0.52144	\$11,557,036.60	(a)	\$1.00
Gas Costs for Demand Charge Rate		\$1.04	\$227,947.20		\$1.05	\$230,139.00	(b)	1.04779
Calculated Total			\$11,749,300.25			\$11,787,175.60		1.04779
Total Revenues			\$15,943,118.33			\$16,816,150.67		
						\$873,032.34		
								5.476%

Proposed Gas Costs (c = a * b) \$0.52144 \$1.05000

Proposed Gas Costs (c = a * b) \$0.52144 \$1.05000

**PUGET SOUND ENERGY - GAS
RATE SPREAD AND RATE DESIGN
TWELVE MONTHS ENDED SEPTEMBER 30, 2003**

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Description	Billing Determinants	Present		Units	Proposed Rates		Revenues	Difference \$	Difference %
		Revenues	Rates		Revenues	Rates			
RATE 87									
BILLS									
Demand Units	156	\$300.00	\$46,800.00	156	\$800.00	\$124,800.00			
First 25,000 Therms	7,080	\$0.99	\$7,009.20	7,080	\$1.26	\$8,920.80			
Next 25,000 Therms	3,974,949	\$0.11825	\$470,037.72	3,974,949	\$0.13061	\$519,168.09			
Next 50,000 Therms	3,739,992	\$0.07624	\$285,136.99	3,739,992	\$0.08421	\$314,944.73			
Next 100,000 Therms	4,965,091	\$0.04951	\$245,821.66	4,965,091	\$0.05468	\$271,491.18			
Next 300,000 therms	5,131,590	\$0.03268	\$167,700.36	5,131,590	\$0.03609	\$185,189.68			
All over 500,000 therms	4,960,790	\$0.02476	\$122,829.16	4,960,790	\$0.02735	\$135,677.61			
Calculated Total	7,947,868	\$0.01981	\$157,447.27	7,947,868	\$0.02188	\$173,899.35			
Calculated Total	30,720,280		\$1,502,782.36	30,720,280		\$1,734,700.84	\$231,918.48	15.393%	
Gas Costs		\$0.48852	\$15,007,471.19		\$0.49004	\$15,054,166.01			
Gas Costs for Demand Charge Rate		\$1.04	\$7,363.20		\$1.05	\$7,434.00			
Calculated Total			\$15,014,834.39			\$15,061,600.01	\$46,765.63	0.311%	
Total Revenues			\$16,517,616.75			\$16,795,700.85	\$278,084.11	1.684%	
RATE 57									
BILLS									
Demand Units	1,440	\$800.00	\$1,152,000.00	1,440	\$800.00	\$1,152,000.00			
First 25,000 Therms	1,624,332	\$0.99000	\$1,608,088.68	1,624,332	\$1.26	\$2,046,658.32			
Next 25,000 Therms	33,097,585	\$0.11825	\$3,913,789.43	33,097,585	\$0.13061	\$4,322,875.58			
Next 50,000 Therms	23,201,790	\$0.07624	\$1,768,904.47	23,201,790	\$0.08421	\$1,953,822.74			
Next 100,000 Therms	25,366,655	\$0.04951	\$1,255,903.09	25,366,655	\$0.05468	\$1,387,048.70			
Next 300,000 Therms	22,963,283	\$0.03268	\$750,440.09	22,963,283	\$0.03609	\$828,744.86			
All over 500,000 Therms	28,898,656	\$0.02476	\$715,530.72	28,898,656	\$0.02735	\$790,378.24			
Calculated Total	40,420,524	\$0.01981	\$800,730.58	40,420,524	\$0.02188	\$884,401.07			
Calculated Total	173,948,493		\$11,965,387.06	173,948,493		\$13,365,929.63	\$1,400,542.47	11.705%	
Balancing Service Charge for JP		\$0.00061	\$106,108.58		\$0.00061	\$106,108.58			
Gas Costs for Demand Charge Rate		\$0.00	\$0.00		\$0.00	\$0.00			
Calculated Total			\$106,108.58			\$106,108.58	\$0.00	0.000%	
Total Revenues			\$12,071,495.64			\$13,472,038.11	\$1,400,542.47	11.602%	

Proposed
Gas Costs
(c = a * b)
\$0.49004
\$1.05000

RAF
(b)
1.04779
1.04779

Schedule 101 Gas Costs
(a)
\$0.46769
\$1.00

TARGET 57
\$1,200,119.00
DIFFERENCE
(\$200,423)

TOTAL Revenues
\$1,631,761
TOTAL DIFFERENCE
(\$100)
110.45%
DIFFERENCE
(\$204.92)

\$0.00
1.04779
\$0.00000

PUGET SOUND ENERGY - GAS
 RATE SPREAD AND RATE DESIGN
 TWELVE MONTHS ENDED SEPTEMBER 30, 2003

Line No.	Schedule	Price Schedule	Description	Current Rate	Calculated Rate	Proposed Rate	% Increase
a	b	c	e	f	g	h	
1							
2							
3	71	71G-A	Standard Models	\$ 5.85	\$ 7.19	\$ 7.20	23.08%
4	71	71G-B	Conservation Models	\$ 9.40	\$ 11.55	\$ 11.55	22.85%
5	71	71G-C	Direct Vent Models	\$ 13.40	\$ 16.46	\$ 16.45	22.76%
6	71	71G-D	High Recovery Models	\$ 12.00	\$ 14.74	\$ 14.75	22.92%
7	71	71G-E	High Efficiency Standard (Energy Factor ≥ 60)	\$ 4.70	\$ 5.77	\$ 5.75	22.34%
8	71	71G-F	High Efficiency Direct Vent (Energy Factor ≥ 60)	\$ 8.15	\$ 10.01	\$ 10.00	22.70%
9	72	72G-F	25 - 40 gallon storage 30,000 to 50,000	\$ 6.95	\$ 8.54	\$ 8.55	23.02%
10	72	72G-G	45 - 55 gallon storage 70,000 to 79,000	\$ 9.10	\$ 11.18	\$ 11.20	23.08%
11	72	72G-H	45 - 55 gallon storage 51,000 to 75,000	\$ 9.10	\$ 11.18	\$ 11.20	23.08%
12	72	72G-I	50 - 65 gallon storage 60,000 to 69,000	\$ 14.25	\$ 17.51	\$ 17.50	22.81%
13	72	72G-J	60 - 84 gallon storage 70,000 to 129,000	\$ 18.60	\$ 22.85	\$ 22.85	22.85%
14	72	72G-K	75 - 90 gallon storage 130,000 to 169,000	\$ 24.85	\$ 30.53	\$ 30.55	22.94%
15	72	72G-L	75 - 100 gallon storage 170,000 to 200,000	\$ 28.85	\$ 35.44	\$ 35.45	22.88%
16	72	72G-M	88 - 79 gallon storage 201,000 to 369,000	\$ 41.00	\$ 50.37	\$ 50.35	22.80%
17	74	74G-A	45,000 to 400,000 Standard Models	\$ 4.10	\$ 5.04	\$ 5.05	23.17%
18	74	74G-B	401,000 to 700,000 Standard Models	\$ 10.90	\$ 13.39	\$ 13.40	22.94%
19	74	74G-C	701,000 to 1,300,000 Standard Models	\$ 14.75	\$ 18.12	\$ 18.10	22.71%
20	74	74G-D	45,000 to 400,000 Conservation Models	\$ 6.20	\$ 7.62	\$ 7.60	22.58%
21							
22							
23							
Average Increase							22.851%