Exhibit No. ___ (RCM-4) Docket UE-070565 Witness: Roland C. Martin

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

DOCKET UE-070565

Complainant,

v.

PUGET SOUND ENERGY, INC.,

Respondent.

EXHIBIT TO TESTIMONY OF

Roland C. Martin

STAFF OF WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

Revenue Deficiency Calculation

June 15, 2007

Puget Sound Energy
REVENUE DEFICIENCY
2007 PCORC compared to 2006 GRC.
44% Equity / 7.06% Net of tax rate of return

Row		TY RY	PCORC Jan-06 ~ Dec-06 Sep-07 ~ Aug-08	2006 GRC Oct-04 ~ Sep-05 Jan-07 ~ Dec-07]	Revenue Deficiency Increase	% Increase
10	Subtotal & Baseline Rate		\$ 1,267,806,813	\$ 1,157,300,061		•	
11	Revenue Sensitive Items		0.9548744	0.9549744			
12	Subtotal & Baseline Rate Grossed-up						
13	for Revenue Sensitive Items		1,327,721,042	1,211,865,030			
14 15	Test Year DELIVERED Load (MWH's)		21,157,569	20,339,227			
16	Gross Baseline per MWH (Line 13 / Line 14)		\$ 62.754	\$ 59.583	\$	3.171	
17			PCORC Rate Year	Load		21,157,569	
18			PROFORMA PCO	RC INCREASE:	\$	67,096,999	3.82%
40							