

Exhibit \_\_\_ (YKGM-10)  
Docket Nos. UE-040640, et al.  
Witness: Yohannes K.G. Mariam

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,

Complainant,

v.

PUGET SOUND ENERGY, INC.

Respondent.

DOCKET NO. UG-040640

DOCKET NO. UE-040641

*(consolidated)*

EXHIBIT TO TESTIMONY OF

Yohannes K.G. Mariam

STAFF OF  
WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION

Net Power Cost Adjustment with Natural Gas  
And Coal Price and 50-Year Streamflow

September 23, 2004

Exhibit (YKGM-10): Table 1. Net Power Costs Impacts of Changing Natural Gas and Coal Price and Using 50 Hydro years

Cost Items	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	Jan-06	Feb-06	Rate Year
Coal Fuel	\$ 3,607	\$ 3,508	\$ 2,923	\$ 3,087	\$ 3,607	\$ 3,607	\$ 3,508	\$ 3,607	\$ 3,508	\$ 3,607	\$ 3,700	\$ 3,398	\$ 41,666
Natural Gas Fuel	8,228	7,327	5,908	6,462	10,877	19,435	22,560	17,317	15,391	15,799	17,371	14,616	161,291
Purchase & Interchange	54,251	40,835	31,038	37,944	31,691	31,953	32,723	45,297	53,440	68,900	68,546	58,084	554,700
Other Power Supply	562	562	562	562	562	562	562	562	562	562	544	544	6,708
Wheeling	3,373	3,390	3,386	3,549	3,763	3,573	3,880	3,988	3,948	3,905	3,862	3,852	44,468
Secondary Sales	(1,727)	(3,050)	(633)	(1,898)	(8,513)	(11,032)	(9,103)	(6,709)	(4,970)	(2,933)	(2,799)	(2,508)	(55,873)
Subtotal	\$ 68,293	\$ 52,572	\$ 43,183	\$ 49,706	\$ 41,987	\$ 48,098	\$ 54,130	\$ 64,061	\$ 71,879	\$ 89,840	\$ 91,225	\$ 77,986	\$ 752,960
Non-Core Gas	(30)	(29)	-	(29)	(30)	(30)	(29)	(30)	(29)	(30)	(30)	(27)	(323)
Subtotal with Non-Core Gas	\$ 68,263	\$ 52,543	\$ 43,183	\$ 49,677	\$ 41,957	\$ 48,068	\$ 54,101	\$ 64,031	\$ 71,850	\$ 89,810	\$ 91,195	\$ 77,959	\$ 752,637
Load in MWh	1,913,303	1,657,048	1,577,190	1,478,858	1,508,755	1,537,626	1,499,973	1,690,860	1,881,085	2,141,614	2,177,709	1,859,919	20,923,938
Delivered Load	1,790,862	1,550,997	1,476,249	1,384,211	1,412,194	1,439,218	1,403,975	1,582,645	1,760,695	2,004,550	2,038,335	1,740,884	19,584,806

Revenue Requirement Adjustments:

Before adjustment	\$ 752,637
Tenaska Buyout Disallowance	50.0% \$ 18,402
Tenaska Prudence Disallowance	1.2% \$ 143,707
March Point 2 Prudence Disallowance	3.0% \$ 35,575
<b>Net Power Costs</b>	<b>\$ 740,644</b>
<b>Production O&amp;M (including ben &amp; p/r tax)</b>	<b>53,496</b>
<b>Colstrip 500 KV Expense</b>	<b>492</b>
<b>Net Costs for Revenue Requirement</b>	<b>\$ 794,633</b>
<b>As Filed</b>	<b>782,570</b>
<b>Diff = Est. Buyout Disallow</b>	<b>12,063</b>
	<b>21,263</b>