

Exhibit ___ (YKGM-9)
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 Price
and 50-Year Streamflow**

September 23, 2004

Exhibit_(YKGM-9): Table 1. Net Power Costs Impacts of Changing Natural Gas 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	\$ 3,389	\$ 3,297	\$ 2,774	\$ 2,919	\$ 3,389	\$ 3,389	\$ 3,297	\$ 3,389	\$ 3,297	\$ 3,389	\$ 3,488	\$ 3,207	\$ 39,224
Natural Gas Fuel	7,287	6,679	5,608	6,001	9,813	17,331	20,645	15,209	13,087	14,291	16,126	13,194	145,250
Purchase & Interchange	55,852	41,658	31,616	38,792	32,260	32,977	34,270	46,868	55,223	70,699	70,004	59,631	589,850
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	(1,386)	(2,454)	(544)	(1,913)	(7,234)	(8,765)	(7,307)	(5,149)	(3,994)	(2,409)	(2,299)	(1,947)	(44,702)
Subtotal	\$ 69,057	\$ 53,132	\$ 43,402	\$ 50,211	\$ 42,552	\$ 49,066	\$ 55,347	\$ 64,866	\$ 72,524	\$ 90,436	\$ 91,726	\$ 78,480	\$ 760,798
Non-Core Gas	(30)	(29)	-	(29)	(30)	(30)	(29)	(30)	(29)	(30)	(30)	(27)	(323)
Subtotal with Non-Core Gas	\$ 69,027	\$ 53,103	\$ 43,402	\$ 50,182	\$ 42,522	\$ 49,036	\$ 55,318	\$ 64,836	\$ 72,495	\$ 90,406	\$ 91,696	\$ 78,453	\$ 760,475
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	1,790,852	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	\$ 760,475
Tenaska Buyout Disallowance	50.0% \$ 18,402
Tenaska Prudence Disallowance	1.2% \$ 143,707
March Point 2 Prudence Disallowance	3.0% \$ 35,575
Net Power Costs	\$ 748,482
Production O&M (including ben & p/r tax)	53,496
Colstrip 500 KV Expense	492
Net Costs for Revenue Requirement	\$ 802,471
As Filed	782,570
Diff = Est. Buyout Disallow	19,901
	29,102