

EXHIBIT NO. ___(JAH-21)
DOCKET NO. UG-040640, *et al.* (consolidated)
2004 PSE GENERAL RATE CASE
WITNESS: JAMES A. HEIDELL

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*)

In the Matter of the Petition of

PUGET SOUND ENERGY, INC.

For an Order Regarding the Accounting
Treatment for Certain Costs of the Company's
Power Cost Only Rate Filing.

Docket No. UE-031471 (*consolidated*)

In the Matter of the Petition of

PUGET SOUND ENERGY, INC.

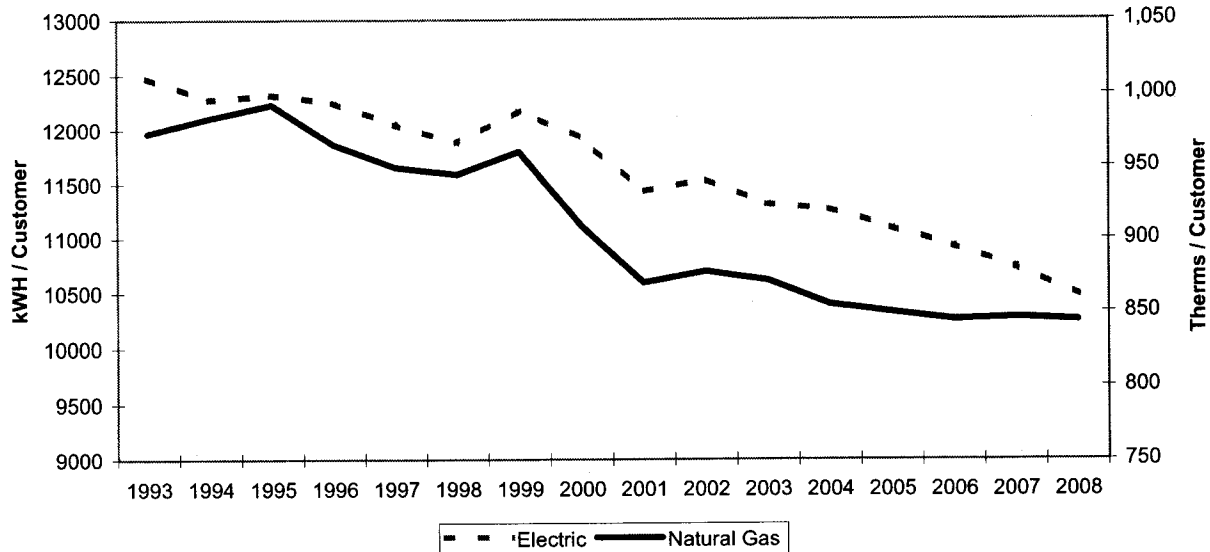
For an Accounting Order Authorizing
Deferral and Recovery of the Investment
and Costs Related to the White River
Hydroelectric Project.

Docket No. UE-032043 (*consolidated*)

SEVENTH EXHIBIT TO THE
PREFILED REBUTTAL TESTIMONY OF
JAMES A. HEIDELL (NONCONFIDENTIAL)
ON BEHALF OF PUGET SOUND ENERGY, INC.

NOVEMBER 3, 2004

Declining Residential Consumption



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Average Growth Rates ¹	Electric	Gas
1993-2002	-0.9%	-1.1%
2003-2008	-1.1%	-0.3%

(1) Excludes the impact of declining UPC from changing mix of new customers

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(a)	(b)	(c)
Proposed Recovery Rate	Electric (\$ / kWh)	Gas (\$ / therm)
Year 1	0.000345	0.000671
Year 2	0.000702	0.001348
Year 3	0.001070	0.002032

(a)	(b)	(c)
Estimated Revenue Recovery ¹	Electric \$(000)	Gas \$(000)
Year 1	3,329	333
Year 2	6,699	667
Year 3	10,099	1,006

1) From Existing Customers