

Calculation of Revenue Requirement
Washington
Twelve Months Ended December 31, 1998

Line No.	Description	(\$ 000's)	
1	Proforma Rate Base	\$609,015	
2	Proposed Rate of Return	<u>9.098%</u>	
3	Net Operating Income Requirement	\$55,408	
4	Proforma Net Operating Income	<u>\$39,440</u>	
5	Net Operating Income Deficiency	\$15,967	
6	Tax Gross Up Factor	1.6182	
7	Revenue Requirement Increase	<table border="1"><tr><td>\$25,838</td></tr></table>	\$25,838
\$25,838			
8	Total General Business Revenue	\$180,681	
9	Percentage Revenue Increase	14.3%	

Tax Gross Up Factor
Washington
Twelve Months Ended December 31, 1998

Line No.	Description	Factor	
1	Revenue	100.00%	
2	Effective Income Tax Rate	<u>38.202%</u>	
3	After-Tax Percent	61.798%	
4	Tax Gross-Up Factor (Inverse of line 3)	<table border="1"><tr><td>1.6182</td></tr></table>	1.6182
1.6182			