

**EXHIBIT NO. \_\_\_(JHS-10)  
DOCKET NOS. UE-090704/UG-090705  
2009 PSE GENERAL RATE CASE  
WITNESS: JOHN H. STORY**

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.**

**PUGET SOUND ENERGY, INC.,**

**Respondent.**

**Docket No. UE-090704  
Docket No. UG-090705**

**FIRST EXHIBIT (NONCONFIDENTIAL) TO THE  
PREFILED SUPPLEMENTAL DIRECT TESTIMONY OF  
JOHN H. STORY  
ON BEHALF OF PUGET SOUND ENERGY, INC.**

**SEPTEMBER 28, 2009**

**PUGET SOUND ENERGY-ELECTRIC  
RESULTS OF OPERATIONS  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008  
GENERAL RATE INCREASE**

LINE NO.	ACTUAL RESULTS OF OPERATIONS	<i>REVISED</i> TOTAL ADJUSTMENTS	<i>REVISED</i> ADJUSTED RESULTS OF OPERATIONS	<i>REVISED</i> REVENUE REQUIREMENT DEFICIENCY	<i>REVISED</i> AFTER RATE INCREASE	
1	OPERATING REVENUES					
2	SALES TO CUSTOMERS	\$ 1,988,945,644	\$ 13,474,759	\$ 2,002,420,403	\$ 153,640,326	\$ 2,156,060,729
3	SALES FROM RESALE-FIRM	369,320	(20,041)	349,279	79,160	428,439
4	SALES TO OTHER UTILITIES	173,342,971	<b><i>(144,687,006)</i></b>	<b><i>28,655,965</i></b>		<b><i>28,655,965</i></b>
5	OTHER OPERATING REVENUES	55,432,486	<b><i>(15,092,512)</i></b>	<b><i>40,339,974</i></b>	<b><i>220,879</i></b>	<b><i>40,560,853</i></b>
6	TOTAL OPERATING REVENUES	\$ 2,218,090,420	<b><i>(146,324,800)</i></b>	<b><i>2,071,765,620</i></b>	<b><i>153,940,365</i></b>	<b><i>2,225,705,985</i></b>
7						
8	OPERATING REVENUE DEDUCTIONS:					
9						
10	POWER COSTS:					
11	FUEL	\$ 212,332,676	\$ <b><i>96,268,570</i></b>	\$ <b><i>308,601,246</i></b>	\$ -	\$ <b><i>308,601,246</i></b>
12	PURCHASED AND INTERCHANGED	920,346,551	<b><i>(257,674,808)</i></b>	<b><i>662,671,742</i></b>		<b><i>662,671,742</i></b>
13	WHEELING	70,713,346	<b><i>11,040,842</i></b>	<b><i>81,754,188</i></b>		<b><i>81,754,188</i></b>
14	RESIDENTIAL EXCHANGE	(40,663,861)	40,663,861	-		-
15	TOTAL PRODUCTION EXPENSES	\$ 1,162,728,712	\$ <b><i>(109,701,536)</i></b>	\$ <b><i>1,053,027,176</i></b>	\$ -	\$ <b><i>1,053,027,176</i></b>
16						
17	OTHER POWER SUPPLY EXPENSES	\$ 102,819,798	\$ <b><i>6,275,008</i></b>	\$ <b><i>109,094,806</i></b>	\$ -	\$ <b><i>109,094,806</i></b>
18	TRANSMISSION EXPENSE	9,234,124	<b><i>105,193</i></b>	<b><i>9,339,317</i></b>		<b><i>9,339,317</i></b>
19	DISTRIBUTION EXPENSE	76,776,331	(504,956)	76,271,375		76,271,375
20	CUSTOMER ACCTS EXPENSES	43,145,324	(900,018)	42,245,306	<b><i>557,572</i></b>	<b><i>42,802,878</i></b>
21	CUSTOMER SERVICE EXPENSES	10,019,493	(7,765,413)	2,254,080		2,254,080
22	CONSERVATION AMORTIZATION	53,980,110	(53,979,048)	1,062		1,062
23	ADMIN & GENERAL EXPENSE	89,418,696	<b><i>6,346,700</i></b>	<b><i>95,765,396</i></b>	<b><i>307,881</i></b>	<b><i>96,073,276</i></b>
24	DEPRECIATION	173,307,040	<b><i>3,055,646</i></b>	<b><i>176,362,686</i></b>		<b><i>176,362,686</i></b>
25	AMORTIZATION	34,012,299	<b><i>10,089,153</i></b>	<b><i>44,101,452</i></b>		<b><i>44,101,452</i></b>
26	AMORTIZ OF PROPERTY GAIN/LOSS	6,493,409	<b><i>11,396,136</i></b>	<b><i>17,889,546</i></b>		<b><i>17,889,546</i></b>
27	OTHER OPERATING EXPENSES	(483,686)	<b><i>22,507,799</i></b>	<b><i>22,024,113</i></b>		<b><i>22,024,113</i></b>
28	FAS 133	7,537,999	(7,537,999)	-		-
29	TAXES OTHER THAN INCOME TAXES	188,816,368	<b><i>(64,633,369)</i></b>	<b><i>124,182,998</i></b>	<b><i>5,940,559</i></b>	<b><i>130,123,557</i></b>
30	INCOME TAXES	4,629,482	<b><i>15,058,041</i></b>	<b><i>19,687,523</i></b>	<b><i>51,497,055</i></b>	<b><i>71,184,578</i></b>
31	DEFERRED INCOME TAXES	30,323,152	19,692,075	50,015,228		50,015,228
32	TOTAL OPERATING REV. DEDUCT.	\$ 1,992,758,652	\$ <b><i>(150,496,587)</i></b>	\$ <b><i>1,842,262,065</i></b>	\$ <b><i>58,303,066</i></b>	\$ <b><i>1,900,565,131</i></b>
33						
34	NET OPERATING INCOME	\$ 225,331,768	\$ <b><i>4,171,787</i></b>	\$ <b><i>229,503,555</i></b>	\$ <b><i>95,637,299</i></b>	\$ <b><i>325,140,854</i></b>
35						
36	RATE BASE	\$ 3,462,284,719	\$ <b><i>362,901,801</i></b>	\$ <b><i>3,825,186,520</i></b>	-	<b><i>3,825,186,520</i></b>
37						
38	RATE OF RETURN	6.51%		<b><i>6.00%</i></b>		<b><i>8.50%</i></b>
39						
40	RATE BASE:					
41	GROSS UTILITY PLANT IN SERVICE	\$ 6,183,573,988	\$ <b><i>595,961,793</i></b>	\$ <b><i>6,779,535,781</i></b>		
42	ACCUM DEPR AND AMORT	(2,533,770,195)	<b><i>(127,971,147)</i></b>	<b><i>(2,661,741,341)</i></b>		
43	DEFERRED DEBITS	286,749,772	<b><i>(50,524,575)</i></b>	<b><i>236,225,197</i></b>		
44	DEFERRED TAXES	(515,196,416)	<b><i>(54,564,271)</i></b>	<b><i>(569,760,687)</i></b>		
45	ALLOWANCE FOR WORKING CAPITAL	130,674,248	-	130,674,248		
46	OTHER	(89,746,678)	-	(89,746,678)		
47	TOTAL RATE BASE	\$ 3,462,284,719	\$ <b><i>362,901,801</i></b>	\$ <b><i>3,825,186,520</i></b>		

PUGET SOUND ENERGY-ELECTRIC  
STATEMENT OF OPERATING INCOME AND ADJUSTMENTS  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008

LINE NO.	ACTUAL RESULTS OF OPERATIONS	TEMPERATURE NORMALIZATION 10.01	REVENUES & EXPENSES 10.02	REVISED POWER COSTS 10.03	FEDERAL INCOME TAX 10.04	REVISED TAX BENEFIT OF PRO FORMA INTEREST 10.05	HOPKINS RIDGE INFILL 10.06
1	OPERATING REVENUES						
2	SALES TO CUSTOMERS	\$ 1,988,945,644	\$ (19,690,654)	\$ 128,985,537	\$ -	\$ -	\$ -
3	SALES FROM RESALE-FIRM	369,320	(4,359)	(15,682)			
4	SALES TO OTHER UTILITIES	173,342,971					
5	OTHER OPERATING REVENUES	55,432,486		438,314			
6	TOTAL OPERATING REVENUES	\$ 2,218,090,420	\$ (19,695,013)	\$ 129,408,169	\$ (161,254,178)	\$ -	\$ -
7							
8	OPERATING REVENUE DEDUCTIONS:						
9							
10	POWER COSTS:						
11	FUEL	\$ 212,332,676	\$ -	\$ -	\$ 32,500,841	\$ -	\$ -
12	PURCHASED AND INTERCHANGED	920,346,551			(268,343,632)		
13	WHEELING	70,713,346			6,335,501		
14	RESIDENTIAL EXCHANGE	(40,663,861)			-		
15	TOTAL PRODUCTION EXPENSES	\$ 1,162,728,712	\$ -	\$ -	\$ (229,507,290)	\$ -	\$ -
16							
17	OTHER POWER SUPPLY EXPENSES	\$ 102,819,798	\$ -	\$ -	\$ 2,080,427	\$ -	\$ -
18	TRANSMISSION EXPENSE	9,234,124			18,026		
19	DISTRIBUTION EXPENSE	76,776,331					
20	CUSTOMER ACCTS EXPENSES	43,145,324	(71,335)	468,716			
21	CUSTOMER SERVICE EXPENSES	10,019,493					
22	CONSERVATION AMORTIZATION	53,980,110					
23	ADMIN & GENERAL EXPENSE	89,418,696	(39,390)	258,816			26,287
24	DEPRECIATION	173,307,040					331,562
25	AMORTIZATION	34,012,299					
26	AMORTIZ OF PROPERTY GAIN/LOSS	6,493,409					
27	OTHER OPERATING EXPENSES	(483,686)					
28	FAS 133	7,537,999					
29	TAXES OTHER THAN INCOME TAXES	188,816,368	(760,031)	4,993,861	(40,694)		(27,122)
30	INCOME TAXES	4,629,482	(6,588,490)	43,290,371	23,168,373	3,180,272	878,117
31	DEFERRED INCOME TAXES	30,323,152				17,053,776	(115,755)
32	TOTAL OPERATING REV. DEDUCT.	\$ 1,992,758,652	\$ (7,459,246)	\$ 49,011,765	\$ (204,281,157)	\$ 20,234,048	\$ 878,117
33							
34	NET OPERATING INCOME	\$ 225,331,768	\$ (12,235,767)	\$ 80,396,404	\$ 43,026,979	\$ (20,234,048)	\$ (878,117)
35							
36	RATE BASE	\$ 3,462,284,719					\$ 4,704,806
37							
38	RATE OF RETURN	6.51%					
39							
40	RATE BASE:						
41	GROSS UTILITY PLANT IN SERVICE	\$ 6,183,573,988	\$ -	\$ -	\$ -	\$ -	\$ 8,028,450
42	ACCUM DEPR AND AMORT	(2,533,770,195)					(1,117,250)
43	DEFERRED DEBITS	286,749,772					
44	DEFERRED TAXES	(515,196,416)					(2,206,395)
45	ALLOWANCE FOR WORKING CAPITAL	130,674,248					
46	OTHER	(89,746,678)					
47	TOTAL RATE BASE	\$ 3,462,284,719	\$ -	\$ -	\$ -	\$ -	\$ 4,704,806

Note: Amounts presented in bold italic type have changed since the May , 2009 original filing.

**PUGET SOUND ENERGY-ELECTRIC  
STATEMENT OF OPERATING INCOME AND ADJUSTMENTS  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008**

LINE NO.	<i>REVISED</i> WILD HORSE EXPANSION 10.07	<i>REVISED</i> MINT FARM 10.08	SUMAS 10.09	WHITEHORN 10.10	BAKER HYDRO RELICENSING 10.11	PASS-THROUGH REVS. & EXPS. 10.12	BAD DEBTS 10.13	MISCELLANEOUS OPERATING EXPENSE 10.14
1 OPERATING REVENUES								
2 SALES TO CUSTOMERS						\$ (95,820,124)	\$ -	-
3 SALES FROM RESALE-FIRM								
4 SALES TO OTHER UTILITIES								
5 OTHER OPERATING REVENUES						188,209		848,137
6 TOTAL OPERATING REVENUES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (95,631,915)	\$ -	848,137
7								
8 OPERATING REVENUE DEDUCTIONS:								
9								
10 POWER COSTS:								
11 FUEL		\$ 62,918,356					\$ -	-
12 PURCHASED AND INTERCHANGED								
13 WHEELING	23,006	5,278,114						
14 RESIDENTIAL EXCHANGE						40,663,861		
15 TOTAL PRODUCTION EXPENSES	\$ 23,006	\$ 68,196,470	\$ -	\$ -	\$ -	\$ 40,663,861	\$ -	-
16								
17 OTHER POWER SUPPLY EXPENSES	\$ 1,951,841	\$ 9,363,062					\$ -	
18 TRANSMISSION EXPENSE							-	(663,485)
19 DISTRIBUTION EXPENSE							-	874,539
20 CUSTOMER ACCTS EXPENSES						(346,379)	(1,571,313)	
21 CUSTOMER SERVICE EXPENSES						(7,837,447)		
22 CONSERVATION AMORTIZATION						(53,979,048)		
23 ADMIN & GENERAL EXPENSE	82,056	772,130	283,240	6,080	878,359	(191,431)		918,253
24 DEPRECIATION	4,317,416	2,665,817	852,783	804,698				
25 AMORTIZATION		4,745,240		2,282,922	661,163			
26 AMORTIZ OF PROPERTY GAIN/LOSS								
27 OTHER OPERATING EXPENSES								(1,811,618)
28 FAS 133								
29 TAXES OTHER THAN INCOME TAXES	447,883	1,295,495		6,769		(72,956,529)		
30 INCOME TAXES	(2,387,771)	(30,463,375)	(397,608)	(1,085,164)	(538,833)	(344,730)	549,960	535,657
31 DEFERRED INCOME TAXES								
32 TOTAL OPERATING REV. DEDUCT.	\$ 4,434,431	\$ 56,574,839	\$ 738,416	\$ 2,015,304	\$ 1,000,689	\$ (94,991,703)	\$ (1,021,353)	\$ (146,654)
33								
34 NET OPERATING INCOME	\$ (4,434,431)	\$ (56,574,839)	\$ (738,416)	\$ (2,015,304)	\$ (1,000,689)	\$ (640,213)	\$ 1,021,353	\$ 994,791
35								
36 RATE BASE	\$ 75,427,036	\$ 223,509,079	\$ 7,282,195	\$ 18,323,366	\$ 32,876,741			
37								
38 RATE OF RETURN								
39								
40 RATE BASE:								
41 GROSS UTILITY PLANT IN SERVICE	\$ 102,555,661	\$ 247,549,229	\$ 46,046,487	\$ 45,170,620	\$ 34,483,278		\$ -	-
42 ACCUM DEPR AND AMORT	\$ (3,604,747)	(17,777,127)	(39,449,975)	(27,386,911)	(1,606,537)			
43 DEFERRED DEBITS								
44 DEFERRED TAXES	(23,523,878)	(6,263,024)	685,684	539,657				
45 ALLOWANCE FOR WORKING CAPITAL								
46 OTHER								
47 TOTAL RATE BASE	\$ 75,427,036	\$ 223,509,079	\$ 7,282,195	\$ 18,323,366	\$ 32,876,741	\$ -	\$ -	-

Note: Amounts presented in bold italic type have changed since the May , 2009 original filing.

PUGET SOUND ENERGY-ELECTRIC  
STATEMENT OF OPERATING INCOME AND ADJUSTMENTS  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008

LINE NO.	REVISÉD									
	PROPERTY TAXES 10.15	EXCISE TAX & FILING FEE 10.16	D&O INSURANCE 10.17	MONTANA ELECTRIC ENERGY TAX 10.18	INTEREST ON CUST DEPOSITS 10.19	SFAS 133 10.20	RATE CASE EXPENSES 10.21	DEFERRED G/L ON PROPERTY SALES 10.22	PROPERTY & LIABILITY INS 10.23	
1	OPERATING REVENUES									
2	\$	-	\$	-	\$	-	\$	-	\$	-
3	SALES TO CUSTOMERS									
4	SALES FROM RESALE-FIRM									
5	SALES TO OTHER UTILITIES									
6	\$	-	\$	-	\$	-	\$	-	\$	-
7	TOTAL OPERATING REVENUES									
8	OPERATING REVENUE DEDUCTIONS:									
9	POWER COSTS:									
10	FUEL									
11	\$	-	\$	-	\$	-	\$	-	\$	-
12	PURCHASED AND INTERCHANGED									
13	WHEELING									
14	RESIDENTIAL EXCHANGE									
15	\$	-	\$	-	\$	-	\$	-	\$	-
16	TOTAL PRODUCTION EXPENSES									
17	\$	-	\$	-	\$	-	\$	-	\$	-
18	OTHER POWER SUPPLY EXPENSES									
19	TRANSMISSION EXPENSE									
20	DISTRIBUTION EXPENSE									
21	CUSTOMER ACCTS EXPENSES									
22	CUSTOMER SERVICE EXPENSES									
23	CONSERVATION AMORTIZATION									
24	ADMIN & GENERAL EXPENSE									
25		0		(316,020)				(585,171)		1,047,211
26	DEPRECIATION									
27	AMORTIZATION									
28	AMORTIZ OF PROPERTY GAIN/LOSS									
29	OTHER OPERATING EXPENSES									
30	FAS 133									
31						\$	(7,537,999)			766,132
32	2,467,222	(406,301)		(78,493)						
33	(863,528)	142,205	110,607	27,472			\$	204,810	(268,146)	(366,524)
34	DEFERRED INCOME TAXES									
35	\$	1,603,694	\$	(264,096)	\$	(205,413)	\$	(51,020)	\$	61,479
36	TOTAL OPERATING REV. DEDUCT.									
37	\$	(1,603,694)	\$	264,096	\$	205,413	\$	51,020	\$	(61,479)
38	NET OPERATING INCOME									
39	RATE BASE									
40	RATE OF RETURN									
41	RATE BASE:									
42	GROSS UTILITY PLANT IN SERVICE									
43	\$	-	\$	-	\$	-	\$	-	\$	-
44	ACCUM DEPR AND AMORT									
45	DEFERRED DEBITS									
46	DEFERRED TAXES									
47	ALLOWANCE FOR WORKING CAPITAL									
48	OTHER									
49	\$	-	\$	-	\$	-	\$	-	\$	-
50	TOTAL RATE BASE									

Note: Amounts presented in bold italic type have changed since the May , 2009 original filing.

PUGET SOUND ENERGY-ELECTRIC  
STATEMENT OF OPERATING INCOME AND ADJUSTMENTS  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008

LINE NO.	PENSION PLAN 10.24	WAGE INCREASE 10.25	INVESTMENT PLAN 10.26	EMPLOYEE INSURANCE 10.27	INCENTIVE PAY 10.28	MERGER SAVINGS 10.29	STORM DAMAGE 10.30	REVISED REG ASSETS & LIABILITIES 10.31	DEPRECIATION STUDY 10.32	FREDONIA POWER PLANT 10.33
1	OPERATING REVENUES									
2	\$	-	\$	-	\$	-	\$	-	\$	-
3	SALES FROM RESALE-FIRM									
4	SALES TO OTHER UTILITIES									
5	OTHER OPERATING REVENUES									
6	\$	-	\$	-	\$	-	\$	-	\$	-
7	TOTAL OPERATING REVENUES									
8	OPERATING REVENUE DEDUCTIONS:									
9	POWER COSTS:									
10	POWER COSTS:									
11	\$	-	\$	-	\$	-	\$	-	\$	96,558
12			200,933			(70,727)			10,033,393	
13									(672,588)	
14	RESIDENTIAL EXCHANGE									
15	\$	-	\$	200,933	\$	-	\$	(70,727)	\$	-
16	TOTAL PRODUCTION EXPENSES									
17	\$	-	\$	1,002,966	\$	-	\$	(298,670)	\$	-
18			865,457			(247,924)			133,119	
19			894,287			(264,098)			(2,009,684)	
20			781,263			(222,450)				
21			107,936			(35,902)				
22	CONSERVATION AMORTIZATION									
23	4,218,275	1,212,744	251,419	1,550,706	(484,751)	(874,205)				6,667
24	DEPRECIATION									
25	AMORTIZATION									
26									(0)	(0)
27	AMORTIZ OF PROPERTY GAIN/LOSS									
28	OTHER OPERATING EXPENSES									
29			336,702			(126,215)				(19,306)
30	(1,476,396)	(1,890,801)	(87,997)	(542,747)	612,758	305,972	(3,325,551)	<b>1,768,230</b>	-	(561,576)
31	DEFERRED INCOME TAXES									
32	\$	2,741,878	\$	3,511,487	\$	163,422	\$	1,007,959	\$	(1,137,979)
33	TOTAL OPERATING REV. DEDUCT.									
34	\$	(2,741,878)	\$	(3,511,487)	\$	(163,422)	\$	(1,007,959)	\$	1,137,979
35	NET OPERATING INCOME									
36									\$	(103,466,707)
37	RATE BASE									
38	RATE OF RETURN									
39	RATE BASE:									
40	RATE BASE:									
41	\$	-	\$	-	\$	-	\$	-	\$	70,121,452
42	GROSS UTILITY PLANT IN SERVICE									
43									\$	4,554,795
44									(103,466,707)	
45									-	(845,814)
46	DEFERRED DEBITS									
47	DEFERRED TAXES									
48	ALLOWANCE FOR WORKING CAPITAL									
49	OTHER									
50	\$	-	\$	-	\$	-	\$	-	\$	(103,466,707)
51	TOTAL RATE BASE									

Note: Amounts presented in bold italic type have changed since the May , 2009 original filing.

**PUGET SOUND ENERGY-ELECTRIC  
STATEMENT OF OPERATING INCOME AND ADJUSTMENTS  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008**

LINE NO.	AMORT MINT FARM DEFERRED COST 10.34	FLEET VEHICLES 10.35	NET INTEREST PAID TO IRS 10.36	REVISED PRODUCTION ADJUSTMENT 10.37	REVISED TOTAL ADJUSTMENTS	REVISED ADJUSTED RESULTS OF OPERATIONS
1						
2				\$	-	\$ 2,002,420,403
3					(20,041)	349,279
4					<b>(144,687,006)</b>	<b>28,655,965</b>
5					<b>(15,092,512)</b>	<b>40,339,974</b>
6	\$	-	\$	-	\$	<b>(146,324,800)</b> \$ <b>2,071,765,620</b>
7						
8						
9						
10						
11						
12				752,816	\$ 96,268,570	\$ 308,601,246
13				505,225	(257,674,808)	662,671,742
14				76,809	11,040,842	81,754,188
15					40,663,861	-
16	\$	-	\$	-	\$	<b>1,334,850</b> \$ <b>(109,701,536)</b> \$ <b>1,053,027,176</b>
17						
18						
19						
20						
21						
22						
23		(2,761,859)		87,283	6,346,700	95,765,396
24		804,616		771,203	3,055,646	176,362,686
25			2,263,966	135,862	10,089,153	44,101,452
26				17,996	11,396,136	17,889,546
27	20,999,984			279,218	22,507,799	22,024,113
28					(7,537,999)	-
29					233,388	(64,633,369)
30	(7,349,994)	685,035	(792,388)	(954,424)	15,058,041	124,182,998
31					19,692,075	19,687,523
32						50,015,228
33	\$	13,649,989	\$	(1,272,207)	\$	1,471,578
34						\$ <b>2,080,041</b> \$ <b>(150,496,587)</b> \$ <b>1,842,262,065</b>
35						
36	\$	(13,649,989)	\$	1,272,207	\$	(1,471,578)
37						\$ <b>(2,080,041)</b> \$ <b>4,171,787</b> \$ <b>229,503,555</b>
38						
39						
40						
41		\$ 8,777,632		33,228,983	595,961,793	\$ 6,779,535,781
42		\$ (603,462)		(13,307,699)	(127,971,147)	(2,661,741,341)
43	50,447,365		762,557	1,732,210	(50,524,575)	236,225,197
44	(17,656,582)	(726,142)	(2,086,118)	(2,481,659)	(54,564,271)	(569,760,687)
45						130,674,248
46						(89,746,678)
47	\$	32,790,782	\$	7,448,028	\$	(1,323,561)
						\$ <b>19,171,835</b> \$ <b>362,901,801</b> \$ <b>3,825,186,520</b>

Note: Amounts presented in bold italic type have changed since the May , 2009 original filing.

**PUGET SOUND ENERGY-ELECTRIC  
TEMPERATURE NORMALIZATION  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008  
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION				
1	<u>TEMPERATURE NORMALIZATION ADJUSTMENT:</u>				
2		ACTUAL	TEMP ADJ	MWH	ADJ FOR LOSSES
3		<u>GPI MWH</u>	<u>GPI MWH</u>	<u>CHANGE</u>	<u>6.70%</u>
4	Jan-08	2,469,690	2,391,018	(78,672)	(73,401)
5	Feb-08	2,107,909	2,120,848	12,939	12,072
6	Mar-08	2,170,180	2,091,248	(78,932)	(73,644)
7	Apr-08	1,958,626	1,886,833	(71,793)	(66,983)
8	May-08	1,766,162	1,766,439	277	258
9	Jun-08	1,675,454	1,675,928	474	442
10	Jul-08	1,672,937	1,682,789	9,851	9,191
11	Aug-08	1,721,324	1,713,215	(8,110)	(7,566)
12	Sep-08	1,662,996	1,666,514	3,518	3,282
13	Oct-08	1,892,478	1,882,587	(9,891)	(9,228)
14	Nov-08	1,952,479	2,053,028	100,549	93,812
15	Dec-08	2,521,637	2,426,079	(95,558)	(89,156)
16		<u>23,571,872</u>	<u>23,356,525</u>	<u>(215,347)</u>	<u>(200,921)</u>
17					
18	REVENUE ADJUSTMENT:	Schedule 7		(176,605)	(18,021,127)
19		Schedule 24		(7,529)	(657,045)
20		Schedule 25		(7,940)	(504,896)
21		Schedule 26		(3,774)	(230,199)
22		Schedule 29		68	3,652
23		Schedule 31		(928)	(54,654)
24		Schedule 43		(3,472)	(192,341)
25		Schedule 40 - Med Sec Voltage		9	501
26		Schedule 40 - Large Sec Voltage		(419)	(23,339)
27		Schedule 40 - Primary Voltage		(207)	(11,206)
28		Firm Resale		(124)	(4,359)
29	INCREASE (DECREASE) SALES TO CUSTOMERS				<u>\$ (19,695,013)</u>
30					
31	UNCOLLECTIBLES @			0.0036220 \$	(71,335)
32	ANNUAL FILING FEE @			0.0020000	(39,390)
31	INCREASE (DECREASE) EXPENSES				<u>(110,725)</u>
32					
33	STATE UTILITY TAX @			0.0385900 \$	(760,031)
34	INCREASE (DECREASE) TAXES OTHER				<u>(760,031)</u>
35					
36	INCREASE (DECREASE) INCOME				(18,824,257)
37					
38	INCREASE (DECREASE) FIT @			35%	(6,588,490)
39	INCREASE (DECREASE) NOI				<u><u>\$ (12,235,767)</u></u>

**Note: Amounts presented in bold italic type have changed since the May 8, 2009 original filing.**



**PUGET SOUND ENERGY-ELECTRIC  
REVENUES AND EXPENSES  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008  
GENERAL RATE INCREASE**

LINE NO. DESCRIPTION	ADJUSTMENT
1 <b>SALES TO CUSTOMERS:</b>	
2 RESTATING ADJUSTMENTS:	
3 ADD GRC INCREASE DOCKET 072300	\$ 162,849,052
4 REMOVE PCA INCREASE	(54,276,915)
5 REMOVE SCHEDULE 95A PRODUCTION TAX CREDITS	29,870,589
6 OATT REVENUE	(95,488)
7 MISCELLANEOUS RESTATING ADJUSTMENT	1,099,396
8 RESTATING ADJUSTMENTS SALES TO CUSTOMERS	<u>139,446,633</u>
9	
10 PROFORMA ADJUSTMENTS:	
11 MISCELLANEOUS ADJUSTMENTS	(412,534)
12 CONSERVATION	(10,048,562)
13 PROFORMA ADJUSTMENTS SALES TO CUSTOMERS	<u>(10,461,096)</u>
14	
15	
16 TOTAL INCREASE (DECREASE) SALES TO CUSTOMERS	\$ 128,985,537
17	
18 SALES FOR RESALE - SMALL FIRM	
19 MISCELLANEOUS RESTATING ADJUSTMENT	<u>(15,682)</u>
20	
21 TOTAL INCREASE (DECREASE) SALES FOR RESALE - SMALL FIRM	(15,682)
22	
23 OTHER OPERATING REVENUES	
24 POLE ATTACHMENT REVENUES	438,314
25	
26	
27 TOTAL INCREASE (DECREASE) OTHER OPERATING REVENUE	<u>438,314</u>
28	
29 TOTAL INCREASE (DECREASE) REVENUES	129,408,169
30	
31 UNCOLLECTIBLES @	0.0036220 \$ 468,716
32 ANNUAL FILING FEE @	0.0020000 258,816
33 INCREASE (DECREASE) EXPENSES	<u>727,533</u>
34	
35 STATE UTILITY TAX @	0.0385900 \$ 4,993,861
36 REMOVE MUNICIPAL TAX EXPENSED	
37 INCREASE (DECREASE) TAXES OTHER	<u>4,993,861</u>
38	
39 INCREASE (DECREASE) INCOME	123,686,775
40	
41 INCREASE (DECREASE) FIT @	35% 43,290,371
42 INCREASE (DECREASE) NOI	<u>\$ 80,396,404</u>

**Note: Amounts presented in bold italic type have changed since the May 8, 2009 original filing.**

PUGET SOUND ENERGY-ELECTRIC  
POWER COSTS  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008  
GENERAL RATE INCREASE

LINE NO. DESCRIPTION	ACTUAL	PROFORMA	INCREASE (DECREASE)
1 SALES FOR RESALE	\$ 173,342,971	\$ 28,655,965	\$ (144,687,006)
2			
3 PURCHASES/SALES OF NON-CORE GAS	15,804,883	<b>288,413</b>	<b>(15,516,471)</b>
4 WHEELING FOR OTHERS	11,562,467	<b>10,511,766</b>	<b>(1,050,701)</b>
5	27,367,351	<b>10,800,179</b>	<b>(16,567,172)</b>
6			
7 TOTAL OPERATING REVENUES	200,710,322	<b>39,456,144</b>	<b>(161,254,178)</b>
8			
9 FUEL	\$ 212,821,383	\$ 245,322,224	\$ 32,500,841
10			
11 PURCHASED AND INTERCHANGED	888,547,931	<b>625,214,608</b>	<b>(263,333,322)</b>
12 HEDGING		<b>309,601</b>	<b>309,601</b>
13 RATE DISALLOWANCES FOR MARCH POINT 2 AND TENASKA	-	<b>(5,319,910)</b>	<b>(5,319,910)</b>
14 SUBTOTAL PURCHASED AND INTERCHANGED	\$ 888,547,931	\$ 620,204,298	\$ (268,343,632)
15 WHEELING	68,962,375	<b>75,297,876</b>	<b>6,335,501</b>
16			-
17 TOTAL PRODUCTION EXPENSES	\$ 1,170,331,689	\$ 940,824,399	\$ (229,507,290)
18 HYDRO AND OTHER POWER	92,332,638	<b>94,413,065</b>	<b>2,080,427</b>
19 TRANS. EXP. INCL. 500KV O&M	1,497,266	<b>1,515,292</b>	<b>18,026</b>
20			
21 TOTAL OPERATING EXPENSES	\$ 1,264,161,593	\$ 1,036,752,756	\$ (227,408,837)
22			
23 INCREASE (DECREASE) OPERATING INCOME (LINE 7 - LINE 21)	\$ (1,063,451,271)	\$ (997,296,612)	\$ 66,154,659
24			
25 REDUCTION TO STATE UTILITY TAX SAVINGS FOR LINE 4	3.873%		<b>(40,694)</b>
26 INCREASE (DECREASE) INCOME			\$ 66,195,353
27 INCREASE (DECREASE) FIT @	35%		<b>23,168,373</b>
28 INCREASE (DECREASE) NOI			<b>\$ 43,026,979</b>

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**PUGET SOUND ENERGY-ELECTRIC**  
**FEDERAL INCOME TAX**  
**FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008**  
**GENERAL RATE INCREASE**

Exhibit No. \_\_\_(JHS-10)  
 Adjustment 10.04  
 Page 10 of 44

LINE NO.	DESCRIPTION	AMOUNT
1	TAXABLE INCOME (LOSS)	\$ 22,313,583
2		
3	FEDERAL INCOME TAX EXPENSE (BENEFIT) @ 35%	7,809,754
4	CURRENTLY PAYABLE	<u>\$ 7,809,754</u>
5		
6	DEFERRED FIT - DEBIT	\$ 81,055,294
7	DEFERRED FIT - CREDIT	(33,678,366)
8	ADDITIONAL DEFERRED CREDITS	-
9	TOTAL RESTATED FIT	<u>\$ 55,186,682</u>
10		
11	FIT PER BOOKS:	
12	CURRENTLY PAYABLE	\$ 4,629,482
13	DEFERRED FIT - DEBIT	95,224,301
14	DEFERRED FIT - CREDIT	(64,901,149)
15	DEFERRED FIT - INV TAX CREDIT, NET OF AMORT.	<u>-</u>
16	TOTAL CHARGED TO EXPENSE	<u>\$ 34,952,634</u>
17		
18	INCREASE(DECREASE) FIT	3,180,272
19	INCREASE(DECREASE) DEFERRED FIT	17,053,776
20	INCREASE(DECREASE) NOI	<u><u>\$ (20,234,048)</u></u>

**Note: Amounts presented in bold italic type have changed since the May 8, 2009 original filing.**

PUGET SOUND ENERGY-ELECTRIC  
TAX BENEFIT OF PRO FORMA INTEREST  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008  
GENERAL RATE INCREASE

LINE NO.	DESCRIPTION	AMOUNT
1	RATE BASE	\$ 3,825,186,520
2		
3	NET RATE BASE	<u>\$ 3,825,186,520</u>
4		
5	WEIGHTED COST OF DEBT	<u>3.32%</u>
6	PROFORMA INTEREST	\$ 126,996,192
7		
8		
9	<u>INTEREST EXPENSE ITEMS PER BOOKS:</u>	
10	INTEREST ON LONG TERM DEBT	\$ 118,050,837
11	AMORTIZATION OF DEBT DISCOUNT	
12	AND EXPENSE, NET OF PREMIUMS	2,191,065
13	INTEREST ON DEBT TO ASSOCIATED	
14	ASSOCIATED COMPANIES	526,222
15	OTHER INTEREST EXPENSE	8,798,452
16	LESS: INTEREST ON CUSTOMER DEPOSITS	<u>(61,479)</u>
17	CHARGED TO EXPENSE IN TEST YEAR	<u>129,505,097</u>
18		
19	INCREASE (DECREASE) INCOME	\$ 2,508,905
20		
21	INCREASE (DECREASE) FIT @	35% <u>878,117</u>
22	INCREASE (DECREASE) NOI	<u><u>\$ (878,117)</u></u>

Note: Amounts presented in bold italic type have changed since the May 8, 2009 original filing.

PUGET SOUND ENERGY-ELECTRIC  
HOPKINS RIDGE INFILL PROJECT  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008  
GENERAL RATE INCREASE

LINE NO. DESCRIPTION	TEST YEAR	PROFORMA	ADJUSTMENT
1 <u>HOPKINS RIDGE INFILL RATEBASE (AMA)</u>			
2 <u>UTILITY PLANT RATEBASE</u>			
3 PLANT BALANCE	\$ 4,756,205	\$ 12,784,655	\$ 8,028,450
4 ACCUM DEPRECIATION	(41,878)	(1,159,128)	(1,117,250)
5 DEFERRED INCOME TAX LIABILITY	(123,577)	(2,329,972)	(2,206,395)
6 NET HOPKINS RIDGE INFILL PLANT RATEBASE	<u>\$ 4,590,749</u>	<u>\$ 9,295,555</u>	<u>\$ 4,704,806</u>
7			
8 <u>HOPKINS RIDGE INFILL OPERATING EXPENSE</u>			
9 DEPRECIATION EXPENSE	\$ 210,507	\$ 542,069	\$ 331,562
10 PROPERTY INSURANCE	4,735	31,022	26,287
11 PROPERTY TAXES	88,507	61,385	(27,122)
12 TOTAL OPERATING EXPENSES	<u>\$ 303,749</u>	<u>\$ 634,476</u>	<u>\$ 330,727</u>
13			
14 INCREASE (DECREASE) OPERATING EXPENSE			330,727
15			
16 INCREASE (DECREASE) FIT @		35%	(115,755)
17 INCREASE (DECREASE) NOI			<u>\$ (214,972)</u>

Note: Amounts presented in bold italic type have changed since the May 8, 2009 original filing.

PUGET SOUND ENERGY-ELECTRIC  
WILD HORSE WIND EXPANSION PROJECT  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008  
GENERAL RATE INCREASE

LINE NO. DESCRIPTION	TEST YEAR	PROFORMA	ADJUSTMENT
1 <u>WILD HORSE EXPANSION RATEBASE (AMA)</u>			
2 <u>UTILITY PLANT RATEBASE</u>			
3 PLANT BALANCE	\$ -	\$ 102,555,661	\$ 102,555,661
4 ACCUM DEPRECIATION	-	(3,604,747)	(3,604,747)
5 DEFERRED INCOME TAX LIABILITY	-	<b><i>(23,523,878)</i></b>	<b><i>(23,523,878)</i></b>
6 NET WH EXPANSION PLANT RATEBASE	<b><i>\$ -</i></b>	<b><i>\$ 75,427,036</i></b>	<b><i>\$ 75,427,036</i></b>
7			
8 <u>WILD HORSE EXPANSION OPERATING EXPENSE</u>			
9 DEPRECIATION EXPENSE	\$ -	\$ 4,317,416	\$ 4,317,416
10			
11 <u>POWER COST &amp; PRODUCTION O&amp;M RELATED TO WILD HORSE EXPANSION</u>			
12 WHEELING		\$ 23,006	\$ 23,006
13 PRODUCTION O&M	-	1,951,841	1,951,841
14 PROPERTY INSURANCE	-	82,056	82,056
15 PROPERTY TAXES	-	447,883	447,883
16 TOTAL POWER COST AND PROD O&M	-	2,504,786	2,504,786
17			
18 INCREASE ( DECREASE ) EXPENSE	-	6,822,202	6,822,202
19			
20 INCREASE (DECREASE) FIT @		35%	(2,387,771)
21 INCREASE (DECREASE) NOI			<b><i>\$ (4,434,431)</i></b>

Note: Amounts presented in bold italic type have changed since the May 8, 2009 original filing.

PUGET SOUND ENERGY-ELECTRIC  
MINT FARM PROJECT  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008  
GENERAL RATE INCREASE

LINE NO. DESCRIPTION	TEST YEAR	PROFORMA	ADJUSTMENT
1 <u>MINT FARM RATEBASE (AMA)</u>			
2 <u>UTILITY PLANT RATEBASE</u>			
3 PLANT BALANCE	\$ 4,014,348	\$ 96,513,139	\$ 92,498,791
4 ACCUM DEPRECIATION	(201,277)	(9,462,820)	(9,261,543)
5 ACQUISITION ADJUSTMENT	\$ 6,287,526	\$ 161,337,964	\$ 155,050,438
6 ACCUMULATED AMORTIZATION ON ACQ ADJ	(15,410)	(8,530,993)	(8,515,583)
7 DEFERRED FIT	(24,401)	\$ (6,287,425)	\$ (6,263,024)
8 TOTAL ACQUISITION ADJUSTMENT RATEBASE	<u>\$ 10,060,786</u>	<u>\$ 233,569,865</u>	<u>\$ 223,509,079</u>
9			
10 <u>TOTAL RATEBASE</u>	<u>\$ 10,060,786</u>	<u>\$ 233,569,865</u>	<u>\$ 223,509,079</u>
11			
12 <u>MINT FARM OPERATING EXPENSE</u>			
13 DEPRECIATION EXPENSE	\$ -	\$ 2,665,817	\$ 2,665,817
14 AMORTIZATION EXPENSE	-	4,745,240	\$ 4,745,240
15 PROPERTY INSURANCE	-	772,130	772,130
16 PROPERTY TAXES	-	1,295,495	1,295,495
17 INCREASE (DECREASE) EXPENSE	-	9,478,681	9,478,681
18			
19 <u>POWER COST ASSOCIATED WITH MINT FARM</u>			
20 NATURAL GAS FUEL		<b><i>62,918,356</i></b>	<b><i>62,918,356</i></b>
21 WHEELING		<b><i>5,278,114</i></b>	<b><i>5,278,114</i></b>
22 INCREASE (DECREASE) POWER COST	-	<b><i>68,196,470</i></b>	<b><i>68,196,470</i></b>
23			
24 PRODUCTION O&M	-	<b><i>9,363,062</i></b>	<b><i>9,363,062</i></b>
25			
26 INCREASE (DECREASE) EXPENSE	-	<b><i>87,038,213</i></b>	<b><i>87,038,213</i></b>
27			
28 INCREASE (DECREASE) FIT @ 35%	-	<b><i>(30,463,375)</i></b>	<b><i>(30,463,375)</i></b>
29 INCREASE (DECREASE) NOI	<u>\$ -</u>	<u>\$ <b><i>(56,574,839)</i></b></u>	<u>\$ <b><i>(56,574,839)</i></b></u>

Note: Amounts presented in bold italic type have changed since the May 8, 2009 original filing.

PUGET SOUND ENERGY-ELECTRIC  
SUMAS  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008  
GENERAL RATE INCREASE

LINE NO.	DESCRIPTION	TEST YEAR	ADJUSTED RATE YEAR	ADJUSTMENT
1	<u>SUMAS RATEBASE</u>			
2	PLANT BALANCE	\$ 40,785,275	\$ 86,831,762	\$ 46,046,487
3	ACCUM DEPRECIATION	(27,871,612)	(67,321,588)	(39,449,975)
4	DEFERRED INCOME TAX	(788,841)	(103,157)	685,684
5	NET SUMAS PLANT RATEBASE	<u>\$ 12,124,822</u>	<u>\$ 19,407,017</u>	<u>\$ 7,282,195</u>
6				
7	<u>SUMAS OPERATING EXPENSE</u>			
8	DEPRECIATION EXPENSE	643,627	1,496,410	852,783
9	PROPERTY INSURANCE	65,335	339,740	274,405
10	PROPERTY TAXES	140,740	149,575	8,835
11	TOTAL OPERATING EXPENSES	<u>\$ 849,702</u>	<u>\$ 1,985,725</u>	<u>\$ 1,136,024</u>
12				
13	INCREASE (DECREASE) OPERATING EXPENSE			1,136,024
14				
15	INCREASE (DECREASE) FIT @		35%	(397,608)
16	INCREASE (DECREASE) NOI			<u>\$ (738,416)</u>

Note: Amounts presented in bold italic type have changed since the May 8, 2009 original filing.



PUGET SOUND ENERGY-ELECTRIC  
 WHITEHORN  
 FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008  
 GENERAL RATE INCREASE

LINE NO.	DESCRIPTION	TEST YEAR	ADJUSTED RATE YEAR	ADJUSTMENT
1	<u>WHITEHORN RATEBASE</u>			
2	PLANT BALANCE	\$ -	\$ 28,235,000	\$ 28,235,000
3	ACCUMULATED DEPRECIATION	-	(23,591,945)	(23,591,945)
4	ACQUISITION ADJUSTMENT		\$ 16,935,620	\$ 16,935,620
5	ACCUMULATED AMORTIZATION ON ACQ ADJ		(3,794,967)	(3,794,967)
6	DEFERRED FIT	\$ (1,481,626)	\$ (941,969)	539,657
7	TOTAL RATEBASE	<u>\$ (1,481,626)</u>	<u>\$ 16,841,740</u>	<u>\$ 18,323,366</u>
8				
9	<u>WHITEHORN OPERATING EXPENSE</u>			
10	LEASE PAYMENT		----- (NOTE 1) -----	
11	DEPRECIATION EXPENSE	-	804,698	804,698
12	AMORTIZATION EXPENSE	-	2,282,922	2,282,922
13	PROPERTY INSURANCE	41,405	47,485	6,080
14	PROPERTY TAXES	71,610	78,379	6,769
15	TOTAL OPERATING EXPENSES	<u>\$ 113,015</u>	<u>\$ 3,213,484</u>	<u>\$ 3,100,468</u>
16				
17	INCREASE (DECREASE) EXPENSE			3,100,468
18				
19	INCREASE (DECREASE) FIT @		35%	(1,085,164)
20	INCREASE (DECREASE) NOI			<u>\$ (2,015,304)</u>
21				
20	(NOTE 1) DEPRECIATION AND ACCRETION OF THE CAPITAL LEASE WAS RECORDED IN FERC 550			
21	DURING THE TEST YEAR. THIS EXPENSE IS REMOVED FROM THE REVENUE REQUIREMENT IN			
22	ADJUSTMENT NO. 4.03.			

Note: Amounts presented in bold italic type have changed since the May 8, 2009 original filing.

**PUGET SOUND ENERGY-ELECTRIC  
BAKER HYDRO RELICENSING COSTS  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008  
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	TEST YEAR	ADJUSTED RATE YEAR	ADJUSTMENT
1	<u>BAKER HYDRO RELICENSING OPERATING EXPENSE</u>			
2	AMORTIZATION EXPENSE	125,847	787,010	661,163
3	AMORTIZATION OF PREPAYMENT FOR			
4	FEDERAL LAND USE	230,670	1,109,030	878,359
5	TOTAL OPERATING EXPENSES	<u>\$ 356,517</u>	<u>\$ 1,896,039</u>	<u>\$ 1,539,522</u>
6				
7	INCREASE (DECREASE) EXPENSE			1,539,522
8				
9	INCREASE (DECREASE) FIT @		35%	(538,833)
10	INCREASE (DECREASE) NOI			<u>\$ (1,000,689)</u>
11				
12	<u>BAKER HYDRO RELICENSING RATEBASE</u>			
13	PLANT BALANCE	\$ 4,867,210	\$ 39,350,488	\$ 34,483,278
14	ACCUM AMORTIZATION	(6,745)	(1,613,282)	(1,606,537)
15	NET BAKER HYDRO RELIC RATEBASE	<u>\$ 4,860,465</u>	<u>\$ 37,737,206</u>	<u>\$ 32,876,741</u>

**Note: Amounts presented in bold italic type have changed since the May 8, 2009 original filing.**

**PUGET SOUND ENERGY-ELECTRIC  
PASS-THROUGH REVENUES AND EXPENSES  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008  
GENERAL RATE INCREASE**

LINE NO. DESCRIPTION	ADJUSTMENT
1 REMOVE REVENUE ASSOCIATED WITH RIDERS:	
2 REMOVE CONSERVATION RIDER - SCHEDULE 120	56,528,843
3 REMOVE MUNICIPAL TAXES - SCHEDULE 81	71,715,879
4 REMOVE LOW INCOME AMORTIZATION - SCHEDULE 129	7,416,313
5 REMOVE RESIDENTIAL EXCHANGE - SCH 194	(42,536,503)
6 GREEN POWER - SCH 135/136 (TAGS ELIM IN PAGE 4.03)	2,695,592
7 GREEN POWER - SCH 135/136 ELIMINATE UNDER EXPENSED	(188,209)
8 TOTAL (INCREASE) DECREASE IN REVENUES	<u>95,631,915</u>
9	
10 DECREASE REVENUE SENSITIVE ITEMS FOR DECREASE IN REVENUES:	
11 BAD DEBTS	0.36220% (346,379)
12 ANNUAL FILING FEE	0.20000% (191,264)
13 STATE UTILITY TAX	3.85900% (3,690,436)
14 TOTAL	<u>(4,228,078)</u>
15	
16 REMOVE EXPENSES ASSOCIATED WITH RIDERS	
17 REMOVE CONSERVATION RIDER - SCHEDULE 120	(53,979,048)
18 REMOVE MUNICIPAL TAXES - SCHEDULE 81	(69,266,041)
19 REMOVE LOW INCOME AMORTIZATION - SCHEDULE 129	(7,082,152)
20 REMOVE RESIDENTIAL EXCHANGE - SCH 194	40,663,861
21 GREEN POWER - SCH 135/136 (TAGS ELIM IN PAGE 4.03)	(755,295)
22 GREEN POWER - SCH 135/136 BENEFITS PORTION OF ADMIN	(167)
23 GREEN POWER - SCH 135/136 TAXES PORTION OF ADMIN	(52)
24 TOTAL INCREASE (DECREASE) EXPENSE	<u>(90,418,895)</u>
25	
26 INCREASE (DECREASE) OPERATING INCOME BEFORE FIT	(984,942)
27 INCREASE (DECREASE) FIT	(344,730)
28 INCREASE (DECREASE) NOI	<u>(640,213)</u>

**Note: Amounts presented in bold italic type have changed since the May 8, 2009 original filing.**

**PUGET SOUND ENERGY-ELECTRIC**  
**BAD DEBTS**  
**FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008**  
**GENERAL RATE INCREASE**

LINE NO.	YEAR	NET WRITEOFF'S	GROSS REVENUES	SALES FOR RESALE OTHER	SALES FOR RESALE FIRM	NET REVENUES	PERCENT WRITEOFF'S TO REVENUE	
1	12 MOS ENDED	DECEMBER			AUGUST			
2	2004	\$ 5,022,599	\$ 1,406,581,058	\$ 58,008,246	\$ 361,860	\$ 1,348,210,952	0.3725%	
3	2005	\$ 5,360,802	\$ 1,529,132,527	\$ 87,141,570	\$ 350,697	\$ 1,441,640,260	0.3719%	
4	2007	\$ 6,199,334	\$ 1,922,618,327	\$ 111,070,231	\$ 373,024	\$ 1,811,175,072	0.3423%	
5	3-Yr Average of Net Write Off Rate						<u>0.3622%</u>	
6								
7	Test Period Revenues		\$ 2,218,090,420	\$ 173,342,971	\$ 369,320	\$ 2,044,378,130		
8								
9	PROFORMA BAD DEBT RATE					0.3622%		
10	PROFORMA BAD DEBTS					<u>\$ 7,404,738</u>		
11								
12	UNCOLLECTIBLES CHARGED TO EXPENSE IN TEST YEAR					<u>8,976,051</u>		
13	INCREASE (DECREASE) EXPENSE						\$ (1,571,313)	
14								
15	INCREASE (DECREASE) FIT					35%	549,960	
16	INCREASE (DECREASE) NOI						<u><u>\$ 1,021,353</u></u>	

**Note: Amounts presented in bold italic type have changed since the May 8, 2009 original filing.**

**PUGET SOUND ENERGY-ELECTRIC  
MISCELLANEOUS OPERATING EXPENSE  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008  
GENERAL RATE INCREASE**

LINE NO. DESCRIPTION	ACTUAL	PROFORMA RESTATE	ADJUSTMENT
1 <u>OPERATING REVENUES</u>			
2 OTHER OPERATING REVENUES			
3 AMORTIZATION OF SUMMIT BUYOUT PURCHASE OPTION	169,628	1,017,765	848,137
4 INCREASE (DECREASE) IN REVENUE	<u>169,628</u>	<u>1,017,765</u>	<u>848,137</u>
5			
6			
7 <u>OPERATING EXPENSES</u>			
8 AMORT OF DEFERRED TAXES OF INDIRECT OVERHEADS			
9 REGULATORY ASSET (WUTC DOC # UE-051527)	2,048,627		(2,048,627)
10 AMORT OF INTEREST ASSOCIATED WITH DEFERRAL OF UNRECOVERED			
11 RESIDENTIAL EXCHANGE BENEFITS CREDITED TO CUSTOMERS ( WUTC			
12 DOC # UE-071024)	247,904	484,913	237,009
13 COST OF WIRE ZONE VEGETATION MANAGEMENT PROGRAM WIRE ZONE	2,987,000	2,300,000	(687,000)
14 INCREASE IN SERVICE CONTRACT BASELINE CHARGES TSM	783,839	807,354	23,515
15 INCREASE IN SERVICE CONTRACT BASELINE CHARGES DST	27,737,607	28,612,146	874,539
16 COMPANY STORE - NET PURCH/SALES OF MERCHANDISE IN A&G	(2,376)		2,376
17 SUMMIT BUILDING CONTRACTUAL RENT 4th FLOOR-NEW	193,718	506,302	312,584
18 SUMMIT BUILDING CONTRACTUAL RENT INCREASES	1,622,420	2,252,355	629,936
19 AIRPORT AND HOTEL PARKING	13,138		(13,138)
20 ATHELETIC EVENTS CHARGED ABOVE THE LINE	13,505		(13,505)
21 INCREASE (DECREASE) IN EXPENSE	<u>\$ 35,645,381</u>	<u>\$ 34,963,070</u>	<u>\$ (682,311)</u>
22			
23 INCREASE(DECREASE) OPERATING EXPENSE			(1,530,448)
24 INCREASE(DECREASE) FIT @		35%	<u>535,657</u>
25			
26 INCREASE(DECREASE) NOI			<u>\$ 994,791</u>

**Note: Amounts presented in bold italic type have changed since the May 8, 2009 original filing.**

**PUGET SOUND ENERGY-ELECTRIC  
PROPERTY TAXES  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008  
GENERAL RATE INCREASE**

LINE NO. DESCRIPTION	WASHINGTON	MONTANA	OREGON	TOTAL
1 RESTATED PROPERTY TAX	\$ 25,089,976	\$ 10,427,003	\$ 682,879	\$ 36,199,858
2 CHARGED TO EXPENSE IN TY	22,610,386	10,434,323	687,927	33,732,636
3 INCREASE(DECREASE) EXPENSE	<u>\$ 2,479,590</u>	<u>\$ (7,320)</u>	<u>\$ (5,048)</u>	<u>\$ 2,467,222</u>
4				
5 INCREASE(DECREASE) FIT @			35%	<u>(863,528)</u>
6				
7 INCREASE(DECREASE) NOI				<u><u>\$ (1,603,694)</u></u>

**Note: Amounts presented in bold italic type have changed since the May 8, 2009 original filing.**

**PUGET SOUND ENERGY-ELECTRIC  
EXCISE TAX & FILING FEE  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008  
GENERAL RATE INCREASE**

<b>LINE NO. DESCRIPTION</b>	<b>AMOUNT</b>
1 RESTATED EXCISE TAXES	\$ 77,127,850
2 CHARGED TO EXPENSE FOR TEST YEAR	77,534,151
3 INCREASE (DECREASE) EXCISE TAX	<u>\$ (406,301)</u>
4	
5 RESTATED WUTC FILING FEE	\$ 4,067,207
6 CHARGED TO EXPENSE FOR TEST YEAR	4,067,207
7 INCREASE(DECREASE) WUTC FILING FEE	<u>\$ 0</u>
8	
9 INCREASE(DECREASE) EXPENSE	(406,301)
10	
11 INCREASE(DECREASE) FIT @ 35%	<u>142,205</u>
12 INCREASE(DECREASE) NOI	<u><u>\$ 264,096</u></u>

**Note: Amounts presented in bold italic type have changed since the May 8, 2009 original filing.**

**PUGET SOUND ENERGY-ELECTRIC  
D&O INSURANCE  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008  
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	TEST YEAR	RESTATED	ADJUSTMENT
1	D & O INS. CHG EXPENSE	\$ 624,952	\$ 308,932	\$ (316,020)
2				
3	INCREASE (DECREASE) D&O EXPENSE	\$ 624,952	\$ 308,932	\$ (316,020)
4				
5	INCREASE (DECREASE) EXPENSE			(316,020)
6				
7	INCREASE (DECREASE) FIT @		35%	110,607
8	INCREASE (DECREASE) NOI			<u>\$ 205,413</u>

**Note: Amounts presented in bold italic type have changed since the May 8, 2009 original filing.**



**PUGET SOUND ENERGY-ELECTRIC**  
**MONTANA ELECTRIC ENERGY TAX**  
**FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008**  
**GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	AMOUNT
1	RESTATED KWH (COLSTRIP)	<b><i>5,143,995,586</i></b>
2	TAX RATE	<u>0.00035</u>
3		
4	RESTATED ENERGY TAX	<b><i>1,800,398</i></b>
5	CHARGED TO EXPENSE	<u>1,878,891</u>
6	INCREASE (DECREASE) EXPENSE	\$ <u>(78,493)</u>
7		
8	INCREASE (DECREASE) FIT @ 35%	<u><b><i>27,472</i></b></u>
9	INCREASE (DECREASE) NOI	<u><u><b><i>\$ 51,020</i></b></u></u>

Note: Amounts presented in bold italic type have changed since the May 8, 2009 original filing.

**PUGET SOUND ENERGY-ELECTRIC  
INTEREST ON CUSTOMER DEPOSITS  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008  
GENERAL RATE INCREASE**

<b>LINE NO.</b>	<b>DESCRIPTION</b>	<b>AMOUNT</b>
1	INTEREST EXPENSE FOR TEST YEAR	\$ 61,479
2		
3	INCREASE (DECREASE) NOI	<u>\$ (61,479)</u>

**Note: Amounts presented in bold italic type have changed since the May 8, 2009 original filing.**

**PUGET SOUND ENERGY-ELECTRIC**  
**SFAS 133**  
**FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008**  
**GENERAL RATE INCREASE**

LINE NO.		ACTUAL	RESTATED	ADJUSTMENT
1	FAS 133 OPERATING EXPENSE	\$ 7,537,999	\$ -	\$ (7,537,999)
2				
3	INCREASE (DECREASE) IN EXPENSE	<u>\$ 7,537,999</u>	<u>\$ -</u>	<u>\$ (7,537,999)</u>
4				
5	INCREASE(DECREASE) OPERATING INCOME			7,537,999
6				
7	INCREASE (DECREASE) DEFERRED FIT @	35%		2,638,300
8				
9	INCREASE (DECREASE) NOI			<u><u>\$ 4,899,699</u></u>

**Note: Amounts presented in bold italic type have changed since the May 8, 2009 original filing.**

**PUGET SOUND ENERGY-ELECTRIC  
RATE CASE EXPENSES  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008  
GENERAL RATE INCREASE**

LINE NO. DESCRIPTION	AMOUNT	
1 <b>EXPENSES TO BE NORMALIZED:</b>		
2		
3 ESTIMATED 2006 and 2007 GRC EXPENSES TO BE NORMALIZED	\$ 1,139,000	
4		
5 ANNUAL NORMALIZATION (LINE 3 / 2 YEARS)	569,500	
6 LESS TEST YEAR EXPENSE: GRC DIRECT CHARGES TO FERC 928	1,317,497	
7 INCREASE (DECREASE) EXPENSE	<u>\$ (747,997)</u>	(747,997)
8		
9 ESTIMATED 2005 and 2007 PCORC EXPENSES TO BE NORMALIZED	\$ 329,000	
10		
11 ANNUAL NORMALIZATION (LINE 9 / 2)	164,500	
12 LESS TEST YEAR EXPENSE: PCORC DIRECT CHARGES TO O& M	1,674	
13 INCREASE (DECREASE) EXPENSE	<u>\$ 162,826</u>	162,826
14		
15		
16 TOTAL INCREASE (DECREASE) EXPENSE		\$ (585,171)
17		
18 INCREASE(DECREASE) FIT @	35%	204,810
19 INCREASE(DECREASE) NOI		<u>\$ 380,361</u>

**Note: Amounts presented in bold italic type have changed since the May 8, 2009 original filing.**

**PUGET SOUND ENERGY-ELECTRIC  
 DEFERRED GAINS/LOSSES ON PROPERTY SALES  
 FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008  
 GENERAL RATE INCREASE**

<b>LINE NO. DESCRIPTION</b>	<b>AMOUNT</b>
1 DEFERRED GAIN RECORDED SINCE UE-072300, <i>et al.</i> at 03/31/2010	\$ (4,860,165)
2 DEFERRED LOSS RECORDED SINCE UE-072300, <i>et al.</i> at 03/31/2010	358,473
3 TOTAL DEFERRED NET (GAIN) LOSS TO AMORTIZE	<u>\$ (4,501,692)</u>
4	
5 AMORTIZATION OF DEFERRED NET (GAIN) LOSS FOR RATE YEAR (Line 3/3years)	(1,500,564)
6	
7 AMORTIZATION OF DEFERRED NET (GAIN) LOSS FOR TEST YEAR	<u>(2,266,696)</u>
8	
9 INCREASE (DECREASE) EXPENSE (Line 5 - Line 7)	\$ 766,132
10	
11 INCREASE (DECREASE) FIT @ 35%	<u>(268,146)</u>
12	
13 INCREASE (DECREASE) NOI	<u><u>\$ (497,986)</u></u>

**Note: Amounts presented in bold italic type have changed since the May 8, 2009 original filing.**

**PUGET SOUND ENERGY-ELECTRIC  
PROPERTY & LIABILITY INSURANCE  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008  
GENERAL RATE INCREASE**

LINE NO. DESCRIPTION	ACTUAL	PROFORMA	ADJUSTMENT
1 PROPERTY INSURANCE EXPENSE	\$ 1,421,247	\$ 2,258,020	\$ 836,773
2 LIABILITY INSURANCE EXPENSE	1,100,143	1,310,582	210,438
3 INCREASE(DECREASE) EXPENSE	<u>\$ 2,521,391</u>	<u>\$ 3,568,602</u>	<u>\$ 1,047,211</u>
4			
5 INCREASE (DECREASE) OPERATING EXPENSE			1,047,211
6			
7 INCREASE (DECREASE) FIT @	35%		(366,524)
8 INCREASE (DECREASE) NOI			<u><u>\$ (680,687)</u></u>

**Note: Amounts presented in bold italic type have changed since the May 8, 2009 original filing.**

**PUGET SOUND ENERGY-ELECTRIC  
PENSION PLAN  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008  
GENERAL RATE INCREASE**

<b>LINE NO. DESCRIPTION</b>	<b>ACTUAL</b>	<b>RESTATED</b>	<b>ADJUSTMENT</b>
1 QUALIFIED RETIREMENT FUND	\$ (157,074)	\$ 3,693,495	\$ 3,850,569
2 SERP PLAN	1,771,381	2,139,086	367,705
3 INCREASE(DECREASE) EXPENSE	<u>\$ 1,614,306</u>	<u>\$ 5,832,581</u>	<u>\$ 4,218,275</u>
4			
5 INCREASE(DECREASE) OPERATING EXPENSE			4,218,275
6			
7 INCREASE (DECREASE) FIT @	35%		<u>(1,476,396)</u>
8 INCREASE (DECREASE) NOI			<u><u>\$ (2,741,878)</u></u>

**Note: Amounts presented in bold italic type have changed since the May 8, 2009 original filing.**

**PUGET SOUND ENERGY-ELECTRIC  
WAGE INCREASE  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008  
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	TEST YEAR	RATE YEAR	ADJUSTMENT
1	WAGES:			
2	PURCHASED POWER	\$ 3,120,093	\$ 3,321,026	\$ 200,933
3	OTHER POWER SUPPLY	13,571,238	14,574,204	1,002,966
4	TRANSMISSION	11,343,900	12,209,357	865,457
5	DISTRIBUTION	11,993,826	12,888,113	894,287
6	CUSTOMER ACCTS	10,174,505	10,955,768	781,263
7	CUSTOMER SERVICE	1,279,692	1,366,421	86,729
8	SALES	329,849	351,056	21,207
9	ADMIN. & GENERAL	20,978,180	22,190,924	1,212,744
10	TOTAL WAGE INCREASE	<u>72,791,283</u>	<u>77,856,869</u>	5,065,586
11				
12	PAYROLL TAXES	6,333,220	6,669,922	336,702
13	TOTAL WAGES & TAXES	<u>79,124,503</u>	<u>84,526,791</u>	5,402,288
14				
15	INCREASE (DECREASE) OPERATING EXPENSE			\$ 5,402,288
16	INCREASE (DECREASE) FIT @ 35%			(1,890,801)
17	INCREASE (DECREASE) NOI			<u>\$ (3,511,487)</u>

**Note: Amounts presented in bold italic type have changed since the May 8, 2009 original filing.**



**PUGET SOUND ENERGY-ELECTRIC  
INVESTMENT PLAN  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008  
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION		AMOUNT
1	<b>NON-UNION (EXCLUDING. EXECUTIVES)</b>		
2	INVESTMENT PLAN APPLICABLE TO MANAGEMENT		\$4,283,707
3	RATE YEAR MANAGEMENT WAGE INCREASE	6.44%	<u>275,871</u>
4	TOTAL COMPANY CONTRIBUTION FOR MANAGEMENT		4,559,578
5			
6	<b>NON-UNION (EXECUTIVES)</b>		
7	INVESTMENT PLAN APPLICABLE TO MANAGEMENT		114,889
8	RATE YEAR MANAGEMENT WAGE INCREASE	0.00%	<u>0</u>
9	TOTAL COMPANY CONTRIBUTION FOR MANAGEMENT		114,889
10			
11	<b>IBEW</b>		
12	INVESTMENT PLAN APPLICABLE TO IBEW		1,108,036
13	RATE YEAR IBEW WAGE INCREASE	8.01%	<u>88,754</u>
14	TOTAL COMPANY CONTRIBUTION FOR IBEW		1,196,790
15			
16	<b>UA</b>		
17	INVESTMENT PLAN APPLICABLE TO UA		849,857
18	RATE YEAR UA WAGE INCREASE	6.90%	<u>58,640</u>
19	TOTAL COMPANY CONTRIBUTION FOR UA		<u>908,497</u>
20			
21	<b>TOTAL</b>		
22	TOTAL PROFORMA COSTS (LN 4 + LN 9 + LN 14 + LN 19)		6,779,754
23	PRO FORMA COSTS APPLICABLE TO OPERATIONS	59.40%	4,027,174
24	CHARGED TO EXPENSE FOR YEAR ENDED 12/31/08		<u>3,775,755</u>
25	INCREASE (DECREASE) EXPENSE		251,419
26			
27	INCREASE (DECREASE) FIT @	35%	<u>(87,997)</u>
28	INCREASE (DECREASE) NOI		<u><u>(\$163,422)</u></u>

Note: Amounts presented in bold italic type have changed since the May 8, 2009 original filing.

**PUGET SOUND ENERGY-ELECTRIC  
EMPLOYEE INSURANCE  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008  
GENERAL RATE INCREASE**

<b>LINE NO.</b>	<b>DESCRIPTION</b>	<b>AMOUNT</b>
1	<u>BENEFIT CONTRIBUTION:</u>	
2	SALARIED EMPLOYEES	\$ 10,476,129
3	UNION EMPLOYEES	9,335,380
4	PRO FORMA INSURANCE COSTS	<u>19,811,509</u>
5		
6	APPLICABLE TO OPERATIONS @ 59.40%	11,768,036
7	CHARGED TO EXPENSE 09/30/07	<u>10,217,330</u>
8	INCREASE(DECREASE) EXPENSE	1,550,706
9		
10	INCREASE(DECREASE) FIT @ 35%	<u>(542,747)</u>
11		
12	INCREASE(DECREASE) NOI	<u>\$ (1,007,959)</u>

**Note: Amounts presented in bold italic type have changed since the May 8, 2009 original filing.**

PUGET SOUND ENERGY-ELECTRIC  
INCENTIVE PAY  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008  
GENERAL RATE INCREASE

LINE NO.	DESCRIPTION	ACTUAL	PROFORMA RESTATED	ADJUSTMENT
1	<u>OPERATING EXPENSES ( RESTATED)</u>			
2	PURCHASED POWER	\$ 291,735	\$ 221,008	\$ (70,727)
3	OTHER POWER SUPPLY	1,267,586	968,916	(298,670)
4	TRANSMISSION	1,059,495	811,571	(247,924)
5	DISTRIBUTION	1,120,699	856,601	(264,098)
6	CUSTOMER ACCTS	950,690	728,240	(222,450)
7	CUSTOMER SERVICE	119,686	91,095	(28,591)
8	SALES	30,602	23,291	(7,311)
9	ADMIN. & GENERAL	1,959,863	1,475,112	(484,751)
10	TOTAL INCENTIVE/MERIT PAY	<u>\$ 6,800,356</u>	<u>\$ 5,175,834</u>	<u>\$ (1,624,522)</u>
11				
12	PAYROLL TAXES ASSOC WITH MERIT PAY	528,346	402,131	(126,215)
13	INCREASE(DECREASE) EXPENSE	<u>7,328,702</u>	<u>5,577,965</u>	<u>(1,750,737)</u>
14				
15	INCREASE (DECREASE) OPERATING EXPENSE			(1,750,737)
16				
17	INCREASE (DECREASE) FIT @		35%	612,758
18	INCREASE (DECREASE) NOI			<u>\$ 1,137,979</u>

Note: Amounts presented in bold italic type have changed since the May 8, 2009 original filing.

**PUGET SOUND ENERGY-ELECTRIC  
MERCER SAVINGS  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008  
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	ACTUAL	PROFORMA	ADJUSTMENT
1				
2	OPEERATING EXPENSES			
3	MERCER SAVINGS	\$ 874,205	-	(874,205)
4	INCREASE(DECREASE) EXPENSE	<u>874,205</u>	-	<u>(874,205)</u>
5				
6	INCREASE(DECREASE) INCOME			(874,205)
7				
8	INCREASE (DECREASE) FIT @		35%	<u>305,972</u>
9	INCREASE (DECREASE) NOI			
10				<u>\$ 568,233</u>
11				
12				

**Note: Amounts presented in bold italic type have changed since the May 8, 2009 original filing.**

PUGET SOUND ENERGY-ELECTRIC  
STORM DAMAGE  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008  
GENERAL RATE INCREASE

Exhibit No. \_\_\_(JHS-10)  
Adjustment 10.30  
Page 36 of 44

LINE NO.	DESCRIPTION	Transmission	Distribution	AMOUNT Total
1	NORMAL STORMS			
2	ACTUAL O&M:			
3	TWELVE MONTHS ENDED 12/31/03	\$ 247,140	\$ 5,658,040	\$ 5,905,180
4	TWELVE MONTHS ENDED 12/31/04	(11,319)	9,133,971	9,122,653
5	TWELVE MONTHS ENDED 12/31/05	122,468	3,449,456	3,571,923
6	TWELVE MONTHS ENDED 12/31/06	450,748	10,435,721	10,886,469
7	TWELVE MONTHS ENDED 12/31/07	376,353	8,672,798	9,049,151
8	TWELVE MONTHS ENDED 12/31/08	77,335	9,881,618	9,958,953
9	TOTAL NORMAL STORMS	<u>1,262,725</u>	<u>47,231,604</u>	<u>48,494,329</u>
10				
11	SIX-YEAR AVERAGE STORM EXPENSE FOR RATE YEAR	210,454	7,871,934	8,082,388
12				
13	CHARGED TO EXPENSE FOR TEST YEAR ENDED 12/31/08:			
14	STORM DAMAGE EXPENSE (LINE 8)	<u>77,335</u>	<u>9,881,618</u>	<u>9,958,953</u>
15				
16	INCREASE (DECREASE) OPERATING EXPENSE	133,119	(2,009,684)	(1,876,565)
17				
18				
19	CATASTROPHIC STORMS			
20	DEFERRED BALANCES FOR 4 YEAR AMORTIZATION AT			
21	START OF RATE YEAR (4/1/10):			
22	2006 STORM DAMAGE (EXCL 12/13/06 WIND STORM)	17,706,790		
23	2007 STORM DAMAGE	13,794,354		
24	2008 STORM DAMAGE	<u>1,998,779</u>		
25	TOTAL	<u>33,499,923</u>		
26	ANNUAL AMORTIZATION (LINE 25 ÷ 4 YEARS)	8,374,981		
27				
28	DEFERRED BALANCES FOR 10 YEAR AMORTIZATION AT			
29	START OF RATE YEAR (4/1/10):			
30	12/13/06 WIND STORM	<u>68,317,669</u>		
31	TOTAL	<u>68,317,669</u>		
32	ANNUAL AMORTIZATION (LINE 31 ÷ 103 (# OF MONTHS REMAINING) X 12)	<u>7,959,340</u>		
33	TOTAL RATE YEAR AMORTIZATION		16,334,321	
34	LESS CATASTROPHIC STORM AMORT AS (12/31/08)		<u>4,956,181</u>	
35				
36	INCREASE (DECREASE) OPERATING EXPENSE (LINE 26+LINE 32 - LINE 34)	7,959,340		<u>11,378,140</u>
37				
38	TOTAL INCREASE (DECREASE) OPERATING EXPENSE (LINE 16 + LINE 36)			9,501,575
39				
40	INCREASE (DECREASE) FIT @ 35% (LINE 38 X 35%)			<u>(3,325,551)</u>
41				
42	INCREASE (DECREASE) NOI			<u>\$ (6,176,024)</u>

Note: Amounts presented in bold italic type have changed since the May 8, 2009 original filing.

**PUGET SOUND ENERGY-ELECTRIC  
REGULATORY ASSETS AND LIABILITIES  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008  
2009 GENERAL RATE INCREASE**

LINE NO. DESCRIPTION	TEST YEAR	RATE YEAR	ADJUSTMENT
1 <u>AMA OF REGULATORY ASSET/LIABILITY NET OF ACCUM AMORT AND DFIT</u>			
2 CABOT BUYOUT	\$ 360,425	\$ -	\$ (360,425)
3 TENASKA	118,166,087	47,565,333	(70,600,754)
4 BEP	21,714,195	16,211,898	(5,502,297)
5 WHITE RIVER PLANT COSTS	35,059,015	30,893,115	(4,165,899)
6 WHITE RIVER RELICENSING & CWIP	19,828,326	19,459,947	(368,379)
7 PROCEED FROM THE SALE OF WHITE RIVER	-	(16,250,000)	(16,250,000)
8 CANWEST	(319,932)	-	319,932
9 HOPKINS RIDGE PREPAID TRANSMISSION	6,017,545	938,032	(5,079,513)
10 GOLDENDALE FIXED COSTS DEFERRAL	7,814,472	2,930,761	(4,883,711)
11 HOPKINS RIDGE MITIGATION CREDIT	(775,674)	(160,522)	615,152
12 COLSTRIP SETTLEMENT - UE-080900	-	7,142,281	7,142,281
13 WESTCOAST PIPELINE CAPACITY - UE-082013	(713,271)	(2,060,421)	(1,347,150)
14 OVER RECOVERY OF MAJOR MAINTENANCE		<b><i>(2,985,943)</i></b>	<b><i>(2,985,943)</i></b>
15 TOTAL REGULATORY ASSETS	<b><i>\$ 207,151,187</i></b>	<b><i>\$ 103,684,481</i></b>	<b><i>\$ (103,466,707)</i></b>
16			
17			
18 <u>AMORTIZATION OF REGULATORY ASSET/LIABILITY</u>			
19 CABOT BUYOUT	\$ 1,410,033	\$ -	\$ (1,410,033)
20 TENASKA (AMORT OF AFPC PORTION)	4,802,000	6,051,143	1,249,143
21 BEP	3,526,620	3,526,620	-
22 WHITE RIVER PLANT COSTS	1,494,702	1,494,702	(0)
23 WHITE RIVER RELICENSING & CWIP		-	-
24 CANWEST	(1,898,741)	-	1,898,741
25 HOPKINS RIDGE PREPAID TRANSMISSION	1,992,888	1,925,091	(67,797)
26 GOLDENDALE FIXED COSTS DEFERRAL	693,692	4,162,154	3,468,462
27 HOPKINS RIDGE MITIGATION CREDIT	(241,917)	(846,708)	(604,792)
28 COLSTRIP SETTLEMENT - UE-080900	10,487,160	2,487,877	(7,999,283)
29 WESTCOAST PIPELINE CAPACITY - UE-082013	-	(392,150)	(392,150)
30 AMORTIZATION OF OVER-RECOVERY OF MAJOR MAINTENANCE		<b><i>(1,194,377)</i></b>	<b><i>(1,194,377)</i></b>
31 TOTAL AMORTIZATION OF REG ASSETS/LIABS	<b><i>22,266,438</i></b>	<b><i>17,214,351</i></b>	<b><i>(5,052,086)</i></b>
32			
33 TENASKA FLOW THRU	23,470,000	32,254,250	8,784,250
34			
35 TOTAL REGULATORY AMORT (LINE 29 + LINE 31)			<b><i>3,732,164</i></b>
36			
37 INCREASE (DECREASE) FIT ON LINE 29		35%	<b><i>1,768,230</i></b>
38			
39 INCREASE (DECREASE) NOI (LINE 33 + LINE 35)			<b><i>\$ (5,500,394)</i></b>

**Note: Amounts presented in bold italic type have changed since the May 8, 2009 original filing.**

**PUGET SOUND ENERGY-ELECTRIC  
DEPRECIATION STUDY  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008  
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	TEST YEAR	RESTATED	ADJUSTMENT
1	<b><u>ADJUSTMENT TO OPERATING EXPENSES</u></b>			
2	<b><u>DEPRECIATION EXPENSE</u></b>			
3	403 DEPRECIATION EXPENSE	\$ 163,345,135	\$ 151,549,221	\$ (11,795,914)
4	403 ELEC PORTION OF COMMON	5,390,885	8,077,208	2,686,323
5	403 DEPR. EXP. ON ASSETS NOT INCLUDED IN STUDY	4,462,322	4,462,322	-
6	SUBTOTAL DEPRECIATION EXPENSE 403	<u>\$ 173,198,341</u>	<u>\$ 164,088,750</u>	<u>\$ (9,109,591)</u>
7				
8	403.1 DEPR. EXP- FAS 143 (RECOVERED IN RATES)	102,031	108,699	6,668
9	403.1 DEPR. EXP - FAS 143 (NOT RECOVERED IN RATES)	6,668	-	(6,668)
10	SUBTOTAL DEPRECIATION EXPENSE 403.1	<u>\$ 108,699</u>	<u>\$ 108,699</u>	<u>\$ (0)</u>
11				
12	TOTAL DEPRECIATION EXPENSE	<u>173,307,040</u>	<u>164,197,450</u>	<u>(9,109,591)</u>
13				
14	<b><u>AMORTIZATION EXPENSE</u></b>			
15	4111 ACCRETION EXP. - FAS 143 (RECOVERED IN RATES)	832,086	968,936	136,850
16	4111 ACCRETION EXP. - FAS 143 (NOT RECOVERED IN RATES)	136,850	-	(136,850)
17	SUBTOTAL ACCRETION EXPENSE 411.1	<u>968,936</u>	<u>968,936</u>	<u>(0)</u>
18				
19	FLEET DEPR. EXP. ON INC STMT NOT RECORDED IN 403	-	-	-
20				
21	INCREASE(DECREASE) EXPENSE			\$ (9,109,591)
22				
23	INCREASE (DECREASE) FIT @		35%	
24	INCREASE(DECREASE) NOI			<u>\$ 9,109,591</u>
25				
26				
27	<b><u>ADJUSTMENT TO RATE BASE</u></b>			
28	ADJUST ACCUM. DEPR. FOR ADDITIONAL DEPRECIATION EXPENSE (50% OF LINE 21)			4,554,795
29				-
30	ADJUSTMENT TO RATE BASE			<u>\$ 4,554,795</u>

**Note: Amounts presented in bold italic type have changed since the May 8, 2009 original filing.**

**PUGET SOUND ENERGY-ELECTRIC  
FREDONIA POWER PLANT  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008  
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	TEST YEAR	PROFORMA	ADJUSTMENT
1				
2	<u>PLANT RATEBASE</u>			
3	PLANT BALANCE	\$ -	\$ 70,121,452	\$ 70,121,452
4	ACCUM DEPRECIATION	-	(27,672,234)	(27,672,234)
5	DEFERRED INCOME TAX	(5,482,293)	(6,328,106)	(845,814)
6	TOTAL RATEBASE	<u>(5,482,293)</u>	<u>36,121,112</u>	<u>41,603,405</u>
7				
8	<u>FREDONIA OPERATING EXPENSE</u>			
9	LEASE PAYMENTS	----- (NOTE 1) -----		
10	DEPRECIATION EXPENSE	-	1,617,141	1,617,141
11	PROPERTY INSURANCE	38,324	44,991	6,667
12	PROPERTY TAXES	179,053	159,747	(19,306)
13	INCREASE (DECREASE) EXPENSES	<u>217,376</u>	<u>1,821,879</u>	<u>1,604,502</u>
14				
15	INCREASE (DECREASE) EXPENSE			1,604,502
16				
17	INCREASE (DECREASE) FIT @		35%	<u>(561,576)</u>
18				
19	INCREASE (DECREASE) NOI			<u>\$ (1,042,927)</u>
20				
21				
22				
23	(NOTE 1) DEPRECIATION AND ACCRETION OF THE CAPITAL LEASE WAS			
24	RECORDED IN FERC 550 DURING THE TEST YEAR. THIS EXPENSE IS REMOVED			
25	FROM THE REVENUE REQUIREMENT IN ADJUSTMENT NO. 4.03.			

**Note: Amounts presented in bold italic type have changed since the May 8, 2009 original filing.**



**PUGET SOUND ENERGY-ELECTRIC  
AMORTIZATION OF MINT FARM DEFERRED COSTS  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008  
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	ACTUAL	PROFORMA	ADJUSTMENT
1				
2	AMORTIZATION OF FIXED COST DEFERRAL	\$ -	\$ 20,223,046	\$ 20,223,046
3	DEFERRAL OF MINT FARM FIXED COSTS	(776,937)	-	776,937
4	AMORTIZATION OF FIXED COST DEFERRAL	<u>(776,937)</u>	20,223,046	20,999,984
5				
6	INCREASE (DECREASE) OPERATING EXPENSES			20,999,984
7				
8	INCREASE(DECREASE) FIT @		35%	<u>(7,349,994)</u>
9				
10	INCREASE(DECREASE) NOI			<u>\$ (13,649,989)</u>
11				
12	RATE BASE			
13	MINT FARM AMA GROSS - DEF & INT.	\$ 110,252	\$ 60,669,139	\$ 60,558,888
14	MINT FARM AMA ACCUMULATED AMORTIZATION	-	(10,111,523)	(10,111,523)
15	MINT FARM AMA ACCUMULATED DEFERRED FIT	(38,583)	(17,695,166)	(17,656,582)
16	TOTAL MINT FARM RATE BASE	<u>71,668</u>	<u>32,862,450</u>	<u>32,790,782</u>

**Note: Amounts presented in bold italic type have changed since the May 8, 2009 original filing.**

**PUGET SOUND ENERGY-ELECTRIC  
FLEET VEHICLES  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008  
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	ACTUAL	PROFORMA	ADJUSTMENT
1	<u>FLEET OPERATING EXPENSES</u>			
2	LEASE PAYMENT	\$ 2,761,859	\$ -	\$ (2,761,859)
3	DEPRECIATION EXPENSE	-	\$ 804,616	804,616
4	INCREASE (DECREASE) EXPENSE	\$ 2,761,859	\$ 804,616	\$ (1,957,242)
5				
6	INCREASE (DECREASE) EXPENSE	2,761,859	804,616	(1,957,242)
7				
8				
9	INCREASE (DECREASE) FIT @ 35%	(966,651)	(281,616)	685,035
10	INCREASE (DECREASE) NOI	\$ (1,795,208)	\$ (523,000)	\$ 1,272,207
11				
12	<u>RATEBASE</u>			
13	FLEET BALANCE	\$ -	\$ 8,777,632	\$ 8,777,632
14	ACCUMULATED DEPRECIATION	-	(603,462)	(603,462)
15	DEFERRED FIT	-	(726,142)	(726,142)
16	<u>NET FLEET RATEBASE</u>	\$ -	\$ 7,448,028	\$ 7,448,028
17				

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**PUGET SOUND ENERGY-ELECTRIC**  
**NET INTEREST DUE TO IRS FOR SIMPLIFIED SERVICE COST METHOD**  
**FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008**  
**GENERAL RATE INCREASE**

LINE NO. DESCRIPTION	ACTUAL	PROFORMA	ADJUSTMENT
1 <u>AMORTIZATION OF DEFERRED SSCM NET</u>			
2 <u>INTEREST PAID TO IRS</u>			
3 AMORTIZATION EXPENSE		2,263,966	2,263,966
4 TOTAL OPERATING EXPENSES	\$ -	\$ 2,263,966	\$ 2,263,966
5			
6 INCREASE (DECREASE) EXPENSE			\$ 2,263,966
7			
8 INCREASE (DECREASE) FIT @		35%	(792,388)
9 INCREASE (DECREASE) NOI			<u>\$ (1,471,578)</u>
10			
11 RATEBASE			
12 <u>DEFERRED SSCM NET INTEREST PAID TO IRS</u>			
13 GROSS DEFERRED BALANCE	\$ 2,633,392	\$ 4,527,932	\$ 1,894,540
14 ACCUM AMORTIZATION		(1,131,983)	(1,131,983)
15 DEFERRED FEDERAL INCOME TAX	897,536	(1,188,582)	(2,086,118)
16 NET DEFERRED INTEREST ADDITION TO RATEBASE	\$ 3,530,928	\$ 2,207,367	\$ (1,323,561)

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**PUGET SOUND ENERGY-ELECTRIC  
PRODUCTION ADJUSTMENT  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008  
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	PROFORMA AND RESTATED	PRODUCTION -1.204%	FIT 35%
1	<u>O&amp;M ON PRODUCTION PROPERTY</u>			
2	PRODUCTION WAGE INCREASE AND INCENTIVE:			
3	PURCHASED POWER	\$ 130,206	\$ 1,568	\$ (549)
4	OTHER POWER SUPPLY	704,296	8,480	(2,968)
5	TOTAL PRODUCTION WAGE INCREASE	<u>834,502</u>	<u>10,047</u>	<u>(3,517)</u>
6				
7	ADMIN & GENERAL EXPENSES			
8	PAYROLL OVERHEADS	3,782,952	45,547	(15,941)
9	PROPERTY INSURANCE	3,466,442	41,736	(14,608)
10	TOTAL ADMIN & GENERAL EXPENSES	<u>7,249,394</u>	<u>87,283</u>	<u>(30,549)</u>
11				
12	DEPRECIATION / AMORTIZATION:			
13	DEPRECIATION	64,053,396	771,203	(299,718)
14	AMORTIZATION (OTHER THAN REGULATORY ASSETS/LIAB	11,284,249	135,862	(46,035)
15	TOTAL DEPRECIATION AND AMORTIZATION (FERC 403)	<u>75,337,645</u>	<u>907,065</u>	<u>(345,753)</u>
16				
17	TAXES OTHER-PRODUCTION PROPERTY:			
18	PROPERTY TAXES - WASHINGTON	8,124,018	97,813	(34,235)
19	PROPERTY TAXES - MONTANA	7,863,822	94,680	(33,138)
20	ELECTRIC ENERGY TAX	1,800,398	21,677	(7,587)
21	PAYROLL TAXES	1,596,162	19,218	(6,726)
22	TOTAL TAXES OTHER	<u>19,384,401</u>	<u>233,388</u>	<u>(81,686)</u>
23				
24	<u>WILD HORSE EXPANSION AND MINT FARM</u>			
25	FUEL	<b>62,918,356</b>	<b>757,537</b>	<b>(265,138)</b>
26	PURCHASED POWER	-	-	-
27	WHEELING	5,301,120	63,825	(22,339)
28	SALES FOR RESALE	-	-	-
29	PRODUCTION O&M	<b>11,314,903</b>	<b>136,231</b>	<b>(47,681)</b>
30	TOTAL NEW PLANT	<u>79,534,379</u>	<u>957,594</u>	<u>(335,158)</u>
31				
32	<u>O&amp;M ON REGULATORY ASSETS:</u>			
33	CABOT BUYOUT	\$ -	\$ -	-
34	TENASKA (AMORT OF AFPC PORTION)	6,051,143	72,856	(25,500)
35	BEP	3,526,620	42,461	(14,861)
36	WHITE RIVER PLANT COSTS	1,494,702	17,996	(6,299)
37	WHITE RIVER RELICENSING & CWIF	0	-	-
38	CANWEST	0	-	-
39	HOPKINS RIDGE PREPAID TRANSMISSION	1,925,091	23,178	(8,112)
40	GOLDENDALE FIXED COSTS DEFERRAL	4,162,154	50,112	(17,539)
41	HOPKINS RIDGE MITIGATION CREDIT	(846,708)	(10,194)	3,568
42	COLSTRIP SETTLEMENT - UE-080900	2,487,877	29,954	(10,484)
43	WESTCOAST PIPELINE CAPACITY - UE-082013	(392,150)	(4,721)	1,653
44	MINT FARM DEFERRAL	20,223,046	243,485	(85,220)
45	OVER-RECOVERY MAJOR MAINTENANCE	(1,194,377)	(14,380)	5,033
46	TOTAL AMORTIZATION OF REG ASSETS/LIAB	<u>37,437,398</u>	<u>450,746</u>	<u>(157,761)</u>
47				
48	TENASKA FLOW THRU	32,254,250	388,341	-
49	TOTAL REGULATORY AMORT (LINE 46 + LINE 48)	<u>69,691,648</u>	<u>839,087</u>	<u>(157,761)</u>
50				
51				
52	INCREASE(DECREASE) EXPENSE		<b>252,031,968</b>	<b>3,034,465</b>
53	INCREASE(DECREASE) FIT			<b>(954,424)</b>
54	INCREASE(DECREASE) NOI		<u>\$</u>	<u>(2,080,041)</u>

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PUGET SOUND ENERGY-ELECTRIC  
PRODUCTION ADJUSTMENT  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008  
GENERAL RATE INCREASE

LINE NO.	DESCRIPTION	PROFORMA AND RESTATED	PRODUCTION -1.204%	FIT 35%
55				
56	<u>PRODUCTION PROPERTY RATE BASE:</u>			
57	DEPRECIABLE PRODUCTION PROPERTY	\$ 2,480,979,950	\$ 29,870,999	
58	LESS PRODUCTION PROPERTY ACCUM DEPR.	(1,096,832,900)	(13,205,868)	
59	NON-DEPRECIABLE PRODUCTION PROPERTY (Baker, Whitehorn)	94,342,575	1,135,885	
60	LESS PRODUCTION PROPERTY ACCUM AMORT. (Baker, Whitehorn)	(8,457,749)	(101,831)	
61	COLSTRIP COMMON FERC ADJUSTMENT	5,656,965	68,110	
62	COLSTRIP DEFERRED DEPRECIATION FERC ADJ.	1,667,334	20,075	
63	ENCOGEN AND OTHER ACQUISITION ADJUSTMENTS	193,075,346	2,324,627	
64	ACCUMULATED AMORTIZATION ON ACQUISITION ADJ	(8,515,583)	(102,528)	
65	NET PRODUCTION PROPERTY	1,661,915,937	20,009,469	
66	DEDUCT:			
67	LIBR. DEPREC. POST 1980 (AMA)	(202,838,431)	(2,442,175)	
68	OTHER DEF. TAXES (AMA)	(3,279,416)	(39,484)	
69	SUBTOTAL	(206,117,847)	(2,481,659)	
70				
71	ADJUSTMENT TO PRODUCTION RATE BASE	\$ 1,455,798,090	\$ 17,527,810	\$ 1,473,325,900
72				
73	<u>REGULATORY ASSETS RATE BASE:</u>			
74	CABOT	-	-	
75	TENASKA	47,565,333	572,687	
76	BEP	16,211,898	195,191	
77	WHITE RIVER PLANT COSTS	30,893,115	371,953	
78	WHITE RIVER RELICENSING & CWIP	19,459,947	234,298	
79	PROCEEDS FROM THE SALE OF WHITE RIVER	(16,250,000)	(195,650)	
80	CANWEST	-	-	
81	HOPKINS RIDGE PREPAID TRANSMISSION	938,032	11,294	
82	GOLDENDALE FIXED COSTS DEFERRAL	2,930,761	35,286	
83	HOPKINS RIDGE MITIGATION CREDIT	(160,522)	(1,933)	
84	COLSTRIP SETTLEMENT - UE-080900	7,142,281	85,993	
85	WESTCOAST PIPELINE CAPACITY - UE-082013	(2,060,421)	(24,807)	
86	MINT FARM DEFERRAL	32,862,450	395,664	
87	OVER RECOVERY MAINTENANCE	(2,985,943)	(35,951)	
88				
89	ADJUSTMENT TO REGULATORY ASSETS RATE BASE	\$ 136,546,931	\$ 1,644,025	\$ 138,190,956
90				
91	TOTAL ADJUSTMENT TO RATEBASE (LINE 73 + LINE 91)		\$ 19,171,835	

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