

Exhibit No. __ (JOINT-12)
Docket Nos. UE-060266/UG-060267
Witnesses: Yohannes Mariam
Jim Lazar
Donald Schoenbeck

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY, INC.,

Respondent.

**DOCKET NOS. UE-060266
DOCKET NO. UG-060267
(Consolidated)**

EXHIBIT TO DIRECT TESTIMONY OF

**YOHANNES MARIAM
JIM LAZAR
DONALD SCHOENBECK**

ON BEHALF OF

**STAFF OF THE WASHINGTON UTILITIES AND TRANSPORTATION
COMMISSION, PUBLIC COUNSEL AND
THE INDUSTRIAL CUSTOMERS OF NORTHWEST UTILITIES**

POWER COST ADJUSTMENTS

2006 GRC Power Cost Comparison – AURORA Modeling

July 25, 2006

2006 GRC Power Cost Comparison - AURORA Modeling

Joint Parties

PSE Updated
2006 GRC (Jan'07-Dec'07)
(costs in '000s)

Increase / (Decrease) Costs
(costs in '000s)

LN	FERC	Contract/Resource	AURORA	Other	Total	AURORA	Other	Total	AURORA	Other	Total	PSE Update	Joint Parties	Delta
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
1	501	Colstrip 1&2	21,493	3,505	24,998	21,494	3,505	24,999	1	0	1	2,344,034	2,344,120	86
2	501	Colstrip 3&4	22,367	4,873	27,240	22,367	4,873	27,240	0	0	0	2,587,933	2,587,951	18
3	501	Encogen	23,650	(34,610)	(10,961)	19,635	(34,610)	(14,975)	(4,014)	0	(4,014)	290,751	242,240	(48,511)
4	547	Fred 1	39,116	6,763	45,879	37,812	6,763	44,574	(1,305)	0	(1,305)	594,185	573,406	(20,779)
5	547	Frederickson 1&2	554	554	1,108	322	322	644	(232)	0	(232)	5,064	3,027	(2,037)
6	547	Frederia 1&2	1,742	791	2,533	1,228	791	2,019	(514)	0	(514)	16,873	12,147	(4,726)
7	547	Frederia 3&4	959	791	1,750	541	791	1,332	(418)	0	(418)	10,290	5,946	(4,344)
8	547	Whitehorn 2&3	448	181	629	271	181	452	(177)	0	(177)	3,976	2,482	(1,495)
9	555	Baker Replacement	-	-	-	0	-	-	0	0	0	7,009	7,009	0
10	555	BC Hydro Point Roberts	1,486	-	1,486	1,478	-	1,478	(9)	0	(9)	19,678	19,678	0
11	555	BPA Firm - WNP #3 Exchange	11,960	-	11,960	11,974	-	11,974	14	0	14	390,782	390,884	102
12	555	BPA Snohomish Conservation	4,426	-	4,426	4,426	-	4,426	-	0	-	92,864	92,864	0
13	555	Canadian EA	-	-	-	0	-	-	0	0	0	(293,355)	(293,355)	0
14	555	Market Purchase	288,756	(2,926)	285,830	293,086	(1,141)	291,945	4,330	1,785	6,115	4,043,360	4,243,402	200,041
15	555	Market Sale	(10,270)	-	(10,270)	(8,302)	-	(8,302)	1,968	0	1,968	(202,658)	(159,938)	42,720
16	447	Mid Columbia	-	86,811	86,811	0	86,811	86,811	0	0	0	5,714,970	5,714,970	0
17	555	MPC Firm Contract	4,566	35,865	40,431	4,566	35,865	40,431	0	0	0	698,228	698,228	0
18	555	Nooksack Hydro	1,439	(72)	1,367	1,420	(72)	1,348	(19)	0	(19)	21,900	21,900	0
19	555	PG&E Exchange	-	-	-	0	-	-	0	0	0	2,044	2,044	0
20	555	PR Displacement Product	8,568	-	8,568	8,568	-	8,568	0	0	0	255,406	255,406	0
21	555	Puget's Hydro	-	-	-	0	-	-	0	0	0	1,136,080	1,136,080	0
22	555	QF Koma Kulshan Hydro	3,047	-	3,047	3,047	-	3,047	0	0	0	39,799	39,799	0
23	555	QF March Point Cogen Phase1	38,338	-	38,338	38,338	-	38,338	0	0	0	698,627	698,627	0
24	555	QF March Point Cogen Phase2	23,299	-	23,299	23,265	-	23,265	(34)	0	(34)	379,982	378,488	(1,494)
25	555	QF Port Townsend Hydro	163	(8)	155	161	(8)	153	(2)	0	(2)	2,545	2,545	0
26	555	QF Spokane MSW	12,700	340	13,040	12,700	340	13,040	(12)	0	(12)	142,148	142,148	0
27	555	QF Spokane MSW	56,051	-	56,051	53,627	-	53,627	(2,425)	0	(2,425)	839,341	801,490	(37,851)
28	555	QF Sygitowicz	44	-	44	44	-	44	0	0	0	717	717	0
29	555	QF Tenaska	142,773	24,343	167,116	133,948	24,343	158,291	(8,825)	0	(8,825)	905,102	783,371	(121,731)
30	555	QF Twin Falls	5,247	-	5,247	5,247	-	5,247	0	0	0	69,955	69,955	0
31	555	QF Weeks Falls	943	-	943	943	-	943	0	0	0	12,569	12,569	0
32	555	Wasco Hydro	2,465	-	2,465	2,465	-	2,465	0	0	0	37,994	37,994	0
33	555	Hopkins Ridge Wind	-	3,182	3,182	2,465	3,182	3,182	0	0	0	460,940	460,940	0
34	555	Wild Horse Wind	-	2,593	2,593	2,593	-	2,593	0	0	0	630,244	630,244	0
35	555	APS	-	-	-	-	-	-	0	0	0	-	-	0
36	555	Oil for CTS	-	-	-	-	-	-	0	0	0	-	-	0
37	555	QF Hutchinson	-	-	-	-	-	-	0	0	0	-	-	0
38	555	Other Power Costs	-	7,700	7,700	7,700	-	7,700	0	0	0	905,102	783,371	(121,731)
39	555	Wheeling	-	55,882	55,882	55,882	-	55,882	0	0	0	69,955	69,955	0
40	557	Douglas Settlement	-	(8,374)	(8,374)	(8,374)	-	(8,374)	0	0	0	12,569	12,569	0
41	565	Capacity	-	1,146	1,146	1,146	-	1,146	0	0	0	37,994	37,994	0
42	555	Powerex	-	(552)	(552)	(552)	-	(552)	0	0	0	460,940	460,940	0
43	555	(Gain) / Loss on Sale of Excess Gas	-	3,527	3,527	3,527	-	3,527	0	0	0	630,244	630,244	0
44	555	BEP Amort	-	-	-	-	-	-	0	0	0	-	-	0
45	456		707,191	191,749	898,939	695,519	193,534	889,052	(11,672)	1,785	(9,887)	21,972,348	21,972,348	0
46	555		-	-	-	-	-	-	0	0	0	-	-	0
47	47		-	-	-	-	-	-	0	0	0	-	-	0
48	48		-	-	-	-	-	-	0	0	0	-	-	0
49	501	Coal Fuel	43,860	8,378	52,238	43,861	8,378	52,239	1	0	1	4,931,968	4,932,071	104
50	547	Natural Gas Fuel	66,468	(26,085)	40,383	59,808	(26,085)	33,723	(6,659)	0	(6,659)	921,139	839,249	(81,890)
51	555	Purchase & Interchange	607,133	143,244	750,377	600,152	145,029	745,181	(6,981)	1,785	(5,196)	15,860,959	16,360,966	500,007
52	557	Other Power Supply	0	7,700	7,700	0	7,700	7,700	0	0	0	0	0	0
53	565	Wheeling	0	59,064	59,064	0	59,064	59,064	0	0	0	460,940	460,940	0
54	447	Secondary Sales	(10,270)	0	(10,270)	(8,302)	0	(8,302)	1,968	0	1,968	(202,658)	(159,938)	42,720
55	456	Non-Core Gas	0	(552)	(552)	0	(552)	(552)	0	0	0	0	0	0
56	555		707,191	191,749	898,939	695,519	193,534	889,052	(11,672)	1,785	(9,887)	21,972,348	21,972,348	0

LN	FERC	Contract/Resource	AURORA	Other	Total	AURORA	Other	Total	AURORA	Other	Total	PSE Update	Joint Parties	Delta
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
49	501	Coal Fuel	43,860	8,378	52,238	43,861	8,378	52,239	1	0	1	4,931,968	4,932,071	104
50	547	Natural Gas Fuel	66,468	(26,085)	40,383	59,808	(26,085)	33,723	(6,659)	0	(6,659)	921,139	839,249	(81,890)
51	555	Purchase & Interchange	607,133	143,244	750,377	600,152	145,029	745,181	(6,981)	1,785	(5,196)	15,860,959	16,360,966	500,007
52	557	Other Power Supply	0	7,700	7,700	0	7,700	7,700	0	0	0	0	0	0
53	565	Wheeling	0	59,064	59,064	0	59,064	59,064	0	0	0	460,940	460,940	0
54	447	Secondary Sales	(10,270)	0	(10,270)	(8,302)	0	(8,302)	1,968	0	1,968	(202,658)	(159,938)	42,720
55	456	Non-Core Gas	0	(552)	(552)	0	(552)	(552)	0	0	0	0	0	0
56	555		707,191	191,749	898,939	695,519	193,534	889,052	(11,672)	1,785	(9,887)	21,972,348	21,972,348	0