

**EXHIBIT NO. ___(JHS-13)
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**

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

SEPTEMBER 28, 2009

Exhibit A-1 Power Cost Rate

Row		Test Year		
3	Regulatory Assets (Variable)	\$	138,190,956	
4	Transmission Rate Base (Fixed)		102,337,940	
5	Production Rate Base (Fixed)		1,473,325,900	
6		\$	1,713,854,796	
7	Net of tax rate of return		7.34%	Production Factor
8				1.01204
9			Test Yr \$/MWh	Rate Year
10	Regulatory Asset Recovery (on Row 3)	\$	15,604,948	\$ 0.719 (c)
11	Fixed Asset Recovery Other (on Row 4)		11,556,315	\$ 0.532 (a)
12	Fixed Asset Recovery-Prod Factored (on Row 5)		166,372,494	\$ 7.666 (a)
13	501-Steam Fuel		83,152,970	\$ 3.831 (c)
14	555-Purchased power		618,571,495	\$ 28.502 (c)
14a	Rate Disallowances for March Point 2 & Tenaska		(5,319,910)	\$ (0.245) (c)
15	557-Other Power Exp		6,774,887	\$ 0.312 (a)
15a	Payroll Overheads - Worker's Comp		3,828,499	\$ 0.176 (a)
15b	Property Insurance		3,508,178	\$ 0.162 (a)
15c	Montana Electric Energy Tax		1,822,075	\$ 0.084 (a)
15d	Payroll Taxes on Production Wages		1,615,380	\$ 0.074 (a)
16	547-Fuel		225,845,147	\$ 10.406 (c)
17	565-Wheeling		80,662,822	\$ 3.717 (c)
18	Variable Transmission Income		(5,538,737)	\$ (0.255) (c)
19	Hydro and Other Pwr.		106,576,975	\$ 4.911 (a)
20	447-Sales to Others		(28,655,965)	\$ (1.320) (c)
21	456-Subaccounts 00012 & 00018 and 00035 & 00036		(288,413)	\$ (0.013) (c)
22	Transmission Exp - 500KV		1,515,292	\$ 0.070 (a)
23	Depreciation & Amort -Production (FERC 403)		76,244,710	\$ 3.513 (a)
24	Depreciation-Transmission		4,056,906	\$ 0.187 (a)
25	Amortization-Production Reg Assets		70,530,735	\$ 3.250 (c)
26	Property Taxes-Production		16,180,334	\$ 0.746 (a)
27	Property Taxes-Transmission		3,349,317	\$ 0.154 (a)
28	Hedging Line of Credit		309,601	\$ 0.014 (c)
29	Subtotal & Baseline Rate	\$	1,458,276,055	\$ 67.193 (b)
30	Revenue Sensitive Items		0.9557880	
31		\$	1,525,731,705	
32	Test Year DELIVERED Load (MWH's)		21,702,461	<-- includes Firm Wholesale
33				
34				
35				
36				
37				
38	Power Cost in Rates with Revenue Sensitive			
39	Items (the adjusted baseline)	\$	67.193	\$ 70.301
40	sum of (a) = Fixed Rate Component	\$	18.587	\$ 19.447
41	(b) = Power Cost Rate	\$	67.193	\$ 70.301
42	sum of (c) = Variable Power Rate Component	\$	48.606	\$ 50.854

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

Exhibit A-2 Transmission Rate Base

Row		Plant AMA 12/31/2008	AMA Accum Deprec/Amort	Net	Annualized Depreciation
7					
8					
6	TRANS - COLSTRIP 1 & 2				
7	E350 Land and Land Rights	10,247	- \$	10,247	
8	E351 Easements	685,927	(381,747)	304,179	13,033
9	E353 Station Equipment	1,231,131	(918,566)	312,565	25,977
10	E354 Towers & Fixtures	14,495,853	(8,492,049)	6,003,804	242,133
11	E355 Poles & Fixtures	49,007	(46,565)	2,442	1,480
12	E356 OH Conductors & Devices	13,158,153	(8,305,551)	4,852,602	277,687
13	E359 Roads & Trails	113,968	(63,379)	50,589	1,630
14		<u>29,744,285</u>	<u>(18,207,858)</u>	<u>11,536,427</u>	<u>561,939</u>
15					
16	TRANS - COLSTRIP 3 & 4				
17	E351 Easements	1,071,124	(583,872)	487,252	20,351
18	E352 Structures & Improvements	496,711	(273,030)	223,682	8,444
19	E353 Station Equipment	18,421,673	(10,620,107)	7,801,566	391,290
20	E354 Towers & Fixtures	20,567,247	(11,722,820)	8,844,427	343,210
21	E355 Poles & Fixtures	88,692	(29,144)	59,548	2,679
22	E356 OH Conductors & Devices	19,991,226	(12,357,296)	7,633,929	421,785
23	E359 Roads & Trails	341,015	(186,913)	154,102	4,877
24		<u>60,977,688</u>	<u>(35,773,183)</u>	<u>25,204,505</u>	<u>1,192,635</u>
25					
26	TRANS - 3RD NW-SW INTERTIE				
27	E350 Land and Land Rights	1,769,178	-	1,769,178	-
28	E352 Structures & Improvements	1,276,264	(348,009)	928,254	21,696
29	E353 Station Equipment	32,194,258	(10,684,070)	21,510,188	684,499
30	E354 Towers & Fixtures	22,781,417	(6,335,930)	16,445,487	380,450
31	E355 Poles & Fixtures	204,200	(58,389)	145,811	6,167
32	E356 OH Conductors & Devices	23,498,389	(8,830,961)	14,667,428	495,816
33	E359 Roads & Trails	59,215	(8,629)	50,586	847
35		<u>81,782,921</u>	<u>(26,265,989)</u>	<u>55,516,932</u>	<u>1,589,474</u>
36					
37	TRANS - NORTHERN INTERTIE				
38	E350 Land and Land Rights	30,604	-	30,604	
39	E354 Towers & Fixtures	5,744,097	(1,299,146)	4,444,952	95,926
40	E355 Poles & Fixtures	3,409,904	(1,063,405)	2,346,500	102,889
41	E356 OH Conductors & Devices	12,602,798	(3,731,405)	8,871,392	265,919
44		<u>21,787,403</u>	<u>(6,093,955)</u>	<u>15,693,448</u>	<u>464,735</u>
45					
46					
47	Total Transmission	<u>\$ 194,292,298</u>	<u>\$ (86,340,985)</u>	<u>\$ 107,951,312</u>	<u>\$ 3,808,783</u>
48	Accumulated Depreciation (AMA)	(86,340,985)			
49	Deferred Taxes (AMA)	(9,572,115)			
50	Transmission portion of:				
51	Colstrip Common FERC Adj, net of accum am	3,407,401			213,630
52	Colstrip Def Depr FERC Adj, net of accum am	551,341			34,493
53					
54	Total Transmission Rate Base	<u>\$ 102,337,940</u>			<u>\$ 4,056,906</u>

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

Exhibit A-3 Colstrip Fixed Costs

Row	Revenue Requirement for Colstrip				
3	Plant		728,146,068		
4	Accumulated Depreciation		(431,600,071)		
5	Deferred Taxes - AMA 12/31/2008		(63,386,506)		
6	Net Plant		<u>233,159,491</u>		
7	Rate of Return (net of Tax)		7.34%		
8	Revenue Requirement after tax		17,113,907	(Line 6 X Line 7)	
9	Plant Revenue Requirement		26,329,087	(Adjusted for Federal Tax) (Line 8 X (1 - 35%))	35.00%
10	Expenses		59,630,140		
11	Total Revenue Requirement		85,959,227	(before revenue sensitive items)	
12					
13	Support for Revenue Requirement - Ratebase				

14	FERC	DESCRIPTION	2007 Dec In Thousands	2008 Dec In Thousands	13 MONTH AMA	ANNUITY RATE	ANNUALIZED DEPRECIATION	AMA ACUMM. DEPR.
15		COLSTRIP #1						
16	E311	Structures & Improvements	7,556	7,813	7,714,283	1.74%	133,717	(4,854,610)
17	E312	Boiler Plant Equipment	58,225	63,085	63,102,694	1.69%	1,025,076	(39,110,826)
18	E314	Turbo Generating Units	22,496	22,250	22,348,601	2.36%	528,006	(9,783,891)
19	E315	Accessory Electric Equipment	7,180	7,238	7,214,849	0.93%	67,047	(5,712,651)
20	E316	Misc. Power Plant Equipment	804	924	869,668	2.31%	19,955	(369,307)
21		TOTAL	96,261	101,310	101,250,095	1.75%	1,773,801	(59,831,285)
22		COLSTRIP #2						
23	E311	Structures & Improvements	5,943	6,200	6,101,224	1.32%	80,148	(4,493,956)
24	E312	Boiler Plant Equipment	49,814	59,733	54,857,460	1.78%	974,968	(32,592,566)
25	E314	Turbo Generating Units	20,626	26,718	23,709,296	2.29%	542,088	(9,352,306)
26	E315	Accessory Electric Equipment	5,088	5,140	5,122,131	1.36%	69,553	(3,436,092)
27	E316	Misc. Power Plant Equipment	829	954	894,667	2.38%	21,213	(367,317)
28		TOTAL	82,300	98,745	90,684,778	1.86%	1,687,970	(50,242,238)
29		COLSTRIP 1 & 2 COMMON						
30	E311	Structures & Improvements	31,349	31,278	31,346,065	1.23%	297,020	(24,894,141)
31	E312	Boiler Plant Equipment	6,222	6,222	6,222,182	1.27%	79,022	(4,623,584)
32	E314	Turbo Generating Units	3,844	3,844	3,844,103	1.24%	47,667	(3,154,543)
33	E315	Accessory Electric Equipment	2,375	2,375	2,375,376	1.14%	27,079	(1,772,102)
34	E316	Misc. Power Plant Equipment	6,273	6,273	6,272,869	1.40%	87,820	(4,556,486)
35	E317	Asset Retirement Obligator	540	540	540,097	0.00%	15,431	(439,792)
36		TOTAL	50,603	50,532	50,600,692	1.09%	554,039	(39,440,647)
37		COLSTRIP 3						
38	E311	Structures & Improvements	29,059	29,123	29,092,312	1.33%	386,908	(18,831,112)
39	E312	Boiler Plant Equipment	123,948	125,116	124,763,575	1.44%	1,793,256	(80,229,154)
40	E314	Turbo Generating Units	39,774	38,556	39,760,916	1.87%	732,387	(17,927,708)
41	E315	Accessory Electric Equipment	6,461	6,461	6,460,699	1.28%	82,697	(3,917,809)
42	E316	Misc. Power Plant Equipment	708	782	748,895	2.01%	14,972	(288,324)
43		TOTAL	199,950	200,038	200,826,397	1.50%	3,010,221	(121,194,106)
44		COLSTRIP 4						
45	E311	Structures & Improvements	26,601	26,665	26,634,323	1.42%	378,186	(16,049,763)
46	E312	Boiler Plant Equipment	107,641	108,737	108,149,373	1.64%	1,774,302	(62,159,670)
47	E314	Turbo Generating Units	37,161	36,578	37,174,577	1.92%	707,899	(16,716,826)
48	E315	Accessory Electric Equipment	5,671	5,671	5,670,535	1.40%	79,387	(3,127,221)
49	E316	Misc. Power Plant Equipment	903	973	942,407	1.93%	18,099	(384,724)
50		TOTAL	177,977	178,624	178,571,215	1.66%	2,957,874	(98,438,204)
51		COLSTRIP 3 & 4 COMMON						
52	E311	Structures & Improvements	70,568	70,553	70,566,623	1.31%	1,201,267	(45,541,114)
53	E312	Boiler Plant Equipment	16,975	16,957	16,973,911	1.49%	252,792	(9,701,624)
54	E314	Turbo Generating Units	11	11	10,515	26.55%	2,792	110,523
55	E315	Accessory Electric Equipment	7,652	7,652	7,652,070	1.28%	97,947	(4,533,013)
56	E316	Misc. Power Plant Equipment	4,594	4,594	4,594,270	1.63%	74,887	(2,407,722)
57	E317	Asset Retirement Obligator	334	334	333,978	0.00%	7,590	(216,325)
58		TOTAL	100,134	100,101	100,131,367	1.64%	1,637,274	(62,289,275)
59		COLSTRIP 1-4 COMMON						
60	E316	Misc. Power Plant Equip.	252	252	251,534	1.38%	3,471	(164,315)
61		TOTAL	252	252	251,534	1.38%	3,471	(164,315)
62								
63		Subtotal before Colstrip FERC Adjustments (Line 63 + 65)	707,477	729,602	722,316,078	1.61%	11,624,649	(431,600,071)
64		ARO - Electric Colstrip 1-4 (Acct: 23001021 - 1031) Adj (AMA is Net of Accum. Amort.)			(2,045,651)		111,231	
65		Colstrip Common FERC Adj. (AMA is Net of Accum. Amort.)			5,656,965		354,669	
66		Colstrip Def Depr FERC Adj. (AMA is Net of Accum. Amort.)			2,218,675		104,311	
67		Totals			728,146,068	1.67%	12,194,860	(431,600,071)

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

Exhibit A-3 Colstrip Fixed Costs

75			
76			
77			
78			
79	Support for Revenue Requirement - Expenses		
80		Amount before	
81	Order	Prod. Adj.	
82	50004011 Colstrip 1&2 - Supv & Eng'g - Steam Ope	\$	77,817
83	50005011 Colstrip 3&4 - Supv & Eng'g - Steam Ope		64,129
84	50204001 Colstrip 1&2 - Steam Exp - Steam Gen Op		3,333,797
85	50205001 Colstrip 3&4 - Steam Exp - Steam Gen Op		2,284,715
86	50504001 Colstrip 1&2 - Electric Exp - Steam Ger		74,472
87	50505001 Colstrip 3&4 - Electric Exp - Steam Ger		50,121
88	50604001 Colstrip 1&2 - Misc Stm Pwr - Steam Ger		4,178,277
89	50605001 Colstrip 3&4 - Misc Stm Pwr - Steam Ger		2,603,296
90	50704001 Colstrip 1&2 - Rents - Steam Gen Oper		5,765
91	50705001 Colstrip 3&4 - Rents - Steam Gen Oper		49,870
92	51004001 Colstrip 1&2 - Supv & Eng'g - Steam Ger		955,091
93	51005001 Colstrip 3&4 - Supv & Eng'g - Steam Ger		614,707
94	51104001 Colstrip 1&2 - Structures - Steam Gen IV		698,097
95	51105001 Colstrip 3&4 - Structures - Steam Gen IV		734,251
96	51204001 Colstrip 1&2 - Boiler Plant - Steam Ger		7,418,214
97	51205001 Colstrip 3&4 - Boiler Plant - Steam Ger		4,153,469
98	51304001 Colstrip 1&2 - Electric Plant - Steam G		1,873,015
99	51305001 Colstrip 3&4 - Electric Plant - Steam G		520,661
100	51404001 Colstrip 1&2 -Misc Steam Plt -Steam Ger		1,529,780
101	51405001 Colstrip 3&4 -Misc Steam Plt -Steam Ger		781,195
102	Subtotal for the test year		<u>32,000,741</u>
103	Adjustment to the rate year		3,207,137
104	Subtotal on Orders		35,207,878
105	Property Taxes-Montana		10,427,003
106	Electric Energy Tax		1,800,398
107	403xxxxx Depreciation		12,194,860
108			<u>\$ 59,630,140</u>

PUGET SOUND ENERGY
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	O&M ON PRODUCTION PROPERTY			
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	834,502	10,047	(3,517)
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	7,249,394	87,283	(30,549)
11				
12	DEPRECIATION / AMORTIZATION:			
13	DEPRECIATION	64,053,396	771,203	(269,921)
14	AMORTIZATION (OTHER THAN REGULATORY ASSETS/LIAB)	11,284,249	135,862	(46,035)
15	TOTAL DEPRECIATION AND AMORTIZATION (FERC 403)	75,337,645	907,065	(315,956)
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	19,384,401	233,388	(81,686)
23				
24	WILD HORSE EXPANSION AND MINT FARM			
25	FUEL	62,918,356	757,537	(265,138)
26	PURCHASED POWER	-	-	-
27	WHEELING	5,301,120	63,825	(22,339)
28	SALES FOR RESALE	-	-	-
29	PRODUCTION O&M	11,314,903	136,231	(47,681)
30	TOTAL NEW PLANT	79,534,379	957,594	(335,158)
31				
32	O&M ON REGULATORY ASSETS:			
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	-	-	-
38	CANWEST	-	-	-
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 INFILL MITIGATION CREDIT	(846,708)	(10,194)	3,568
42	COLSTRIP SETTLEMENT - UE-08090	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:	\$ 37,437,398	\$ 450,746	\$ (157,761)
47				
48	TENASKA FLOW THRU	\$ 32,254,250	388,341	\$ -
49				
50	TOTAL REGULATORY AMORT (LINE 46 + LINE 48)	\$ 69,691,648	\$ 839,087	\$ (157,761)
51				
52	INCREASE(DECREASE) EXPENSE			3,034,465
53	INCREASE(DECREASE) FIT			(924,627)
54	INCREASE(DECREASE) NOI			\$ (2,109,838)
55				
56	PRODUCTION PROPERTY RATE BASE:			
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	94,342,575	1,135,885	
60	LESS PRODUCTION PROPERTY ACCUM AMORT	(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	20,009,468	
66	DEDUCT:			
67	LIBR. DEPREC. POST 1980 (EOP)	(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	\$ 17,527,809	\$ 1,473,325,899
72				
73	REGULATORY ASSETS RATE BASE:			
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 & CWIF	19,459,947	234,298	
79	PROCEED 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 COST DEFERRAL (NEW)	2,930,761	35,286	
83	HOPKINS RIDGE INFILL MITIGATION CREDIT	(160,522)	(1,933)	
84	COLSTRIP SETTLEMENT - UE-08090	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)		\$ 19,171,834	

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

**PUGET SOUND ENERGY
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	<i>288,413</i>	<i>(15,516,471)</i>
4	WHEELING FOR OTHERS	11,562,467	<i>10,511,766</i>	<i>(1,050,701)</i>
5		27,367,351	<i>10,800,179</i>	<i>(16,567,172)</i>
6				
7	TOTAL OPERATING REVENUES	200,710,322	<i>39,456,144</i>	<i>(161,254,178)</i>
8				
9	FUEL	\$ 212,821,383	\$ 245,322,224	\$ 32,500,841
10				
11	PURCHASED AND INTERCHANGED	888,547,931	<i>625,214,608</i>	<i>(263,333,322)</i>
12	HEDGING	-	<i>309,601</i>	<i>309,601</i>
13	RATE DISALLOWANCES FOR MARCH POIN	-	<i>(5,319,910)</i>	<i>(5,319,910)</i>
14	SUBTOTAL PURCHASED AND INTERCHAN	\$ 888,547,931	\$ 620,204,298	\$ (268,343,632)
15	WHEELING	68,962,375	<i>75,297,876</i>	<i>6,335,501</i>
16				
17	TOTAL PRODUCTION EXPENSES	\$ 1,170,331,689	\$ 940,824,399	\$ (229,507,290)
18	HYDRO AND OTHER POWER	92,332,638	<i>94,413,065</i>	<i>2,080,427</i>
19	TRANS. EXP. INCL. 500KV O&M	1,497,266	<i>1,515,292</i>	<i>18,026</i>
20				
21	TOTAL OPERATING EXPENSES	\$ 1,264,161,593	\$ 1,036,752,756	\$ (227,408,837)
22				
23	INCREASE (DECREASE) OPERATING INCOM	\$ (1,063,451,271)	\$ (997,296,612)	\$ 66,154,659
24				
25	REDUCTION TO STATE UTILITY TAX SAVI	3.873%		<i>(40,694)</i>
26	INCREASE (DECREASE) INCOME			\$ 66,195,353
27	INCREASE (DECREASE) FIT @	35%		<i>23,168,373</i>
28	INCREASE (DECREASE) NOI			<u>\$ 43,026,979</u>

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

**Exhibit D: Regulatory Assets and Liabilities net of Accumulated Amortization and
Deferred Taxes (PCA Periods)
2009 GRC - WUTC Docket No. UE-090704**

Currently authorized after-tax rate of return	7.00%
Requested after-tax rate of return	7.34%

Ref	Description	12 Months Ended December 31				PCA Period				
		Balance		Return		A.T. %	Amount	Pre Tax	Monthly	
		Asset Amort	AA & ADFIT	Asset Amort	AMA Ratebase as of					
	(Note 2)	(Note 1)	(Note 2)	(Note 1)						
13										
14	Cabot Buyout			G/L Accts #18230171, #19000121, and #28300461 and Order #54756012						
24	Dec 2007 \$		1,374,000		2,791,458	12/07	7.01%&7.06%	197,031	303,125	25,260
25	Dec 2008 \$	(1,410,000)	-	(1,410,000)	691,208	12/08	7.06%&7.00%	48,730	74,970	6,247
26	Dec 2009 \$	-	-	-	-	12/09	7.00%	-	-	-
27										
28										
29	Tenaska			G/L Accts #18230001 and #28300451 and Order #55500423						
41	Dec 2007 \$		131,477,000		142,912,958	12/07	7.01%&7.06%	10,087,306	15,518,932	1,293,244
42	Dec 2008 \$	(28,272,000)	104,886,000	(28,272,000)	118,181,042	12/08	7.06%&7.00%	8,331,763	12,818,098	1,068,175
43	Dec 2009 \$	(32,676,000)	74,153,000	(32,676,000)	89,519,208	12/09	7.00%	6,266,345	9,640,530	803,378
44	Dec 2010 \$	(37,533,000)	38,851,000	(37,533,000)	56,501,833	12/10	7.00%&7.34%	4,099,208	6,306,474	525,539
45	Dec 2011 \$	(40,629,000)	-	(40,629,000)	19,424,708	12/11	7.34%	1,425,774	2,193,498	182,791
48										
49										
50	BEP			G/L Accts #18230071, #18230081, and #28300431 and Order #55500007						
58	Dec 2007 \$		22,808,103	-	24,500,027	12/07	7.01%&7.06%	1,729,299	2,660,460	221,705
59	Dec 2008 \$	(3,526,620)	20,409,483	(3,526,620)	21,608,793	12/08	7.06%&7.00%	1,523,420	2,343,723	195,310
60	Dec 2009 \$	(3,526,620)	18,010,863	(3,526,620)	19,210,173	12/09	7.00%	1,344,712	2,068,788	172,399
61	Dec 2010 \$	(3,526,620)	15,612,243	(3,526,620)	16,811,553	12/10	7.00%&7.34%	1,219,678	1,876,428	156,369
62	Dec 2011 \$	(3,526,620)	13,213,623	(3,526,620)	14,412,933	12/11	7.34%	1,057,909	1,627,553	135,629
71										
72										
73	White River Relicensing			G/L Accts #18230641, 691, #18236021, 6031, 6041, 6051, 6061, 6071, #18230971, #19000021 and #28300011						
79	Dec 2007 \$		23,801,059	-	23,235,098	12/07	7.01%&7.06%	1,640,016	2,523,101	210,258
80	Dec 2008 \$		19,459,947	-	19,914,187	12/08	7.06%&7.00%	1,403,950	2,159,923	179,994
81	Dec 2009 \$		19,459,947	-	19,459,947	12/09	7.00%	1,362,196	2,095,687	174,641
82	Dec 2010 \$		19,459,947	-	19,459,947	12/10	7.00%&7.34%	1,411,819	2,172,029	181,002
83	Dec 2011 \$		19,459,947	-	19,459,947	12/11	7.34%	1,428,360	2,197,477	183,123
85										
86										
87	White River Plant Costs			G/L Accts #18220011, #18220021, #18220031, #18220041 and #18220051 and Order #40700015						
93	Dec 2007 \$		36,050,027		37,628,503	12/07	7.01%&7.06%	2,655,954	4,086,083	340,507
94	Dec 2008 \$	(1,494,702)	34,112,846	(1,494,702)	35,041,392	12/08	7.06%&7.00%	2,470,418	3,800,643	316,720
95	Dec 2009 \$	(1,494,702)	32,273,000	(1,494,702)	33,192,923	12/09	7.00%	2,323,505	3,574,622	297,885
96	Dec 2010 \$	(1,494,702)	30,433,154	(1,494,702)	31,353,077	12/10	7.00%&7.34%	2,274,666	3,499,486	291,624
97	Dec 2011 \$	(1,494,702)	28,593,308	(1,494,702)	29,513,231	12/11	7.34%	2,166,271	3,332,725	277,727
99										

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**Exhibit D: Regulatory Assets and Liabilities net of Accumulated Amortization and
Deferred Taxes (PCA Periods)
2009 GRC - WUTC Docket No. UE-090704**

Currently authorized after-tax rate of return	7.00%
Requested after-tax rate of return	7.34%

Ref	Description	12 Months Ended December 31				PCA Period				
		Balance		Return		AMA Ratebase as of	A.T. %	Amount	Pre Tax	Monthly
		Asset Amort	AA & ADFIT	Asset Amort	net of					
		(Note 2)	(Note 1)	(Note 2)	(Note 1)					
100										
101	Canwest Liability			G/L Accts #25400021, #14300061 and #19000451 and Order #547 / #456						
107	Dec 2007 \$		(1,234,188)		(2,468,377)	12/07	7.01%&7.06%	(174,227)	(268,041)	(22,337)
108	Dec 2008 \$	1,898,751	(0)	1,898,751	(308,547)	12/08	7.06%&7.00%	(21,753)	(33,465)	(2,789)
109	Dec 2009 \$	-	-	-	-	12/09	7.00%	-	-	-
110										
111										
112	Hopkins Ridge Prepaid Transm			G/L Accts #18230231, #18230371, Orders #56500011 and #56500021						
117	Dec 2007 \$		7,220,062		8,276,042	12/07	7.01%&7.06%	584,153	898,696	74,891
118	Dec 2008 \$	(1,992,888)	4,727,174	(1,992,888)	6,016,809	12/08	7.06%&7.00%	424,185	652,592	54,383
119	Dec 2009 \$	(2,158,117)	2,569,057	(2,158,117)	3,656,422	12/09	7.00%	255,950	393,769	32,814
120	Dec 2010 \$	(2,172,745)	396,311	(2,172,745)	1,450,375	12/10	7.00%&7.34%	105,225	161,884	13,490
121	Dec 2011 \$	(396,311)	(0)	(396,311)	64,289	12/11	7.34%	4,719	7,260	605
124										
125										
126	Goldendale Fixed Cost Deferral			G/L Accts #18230381, 391, #28300541 and #28300551 and Order #40730041						
127	Dec 2007		7,478,085		4,100,878	12/07	-	-	-	-
128	Dec 2008 \$	(693,692)	7,665,067	(693,692)	7,812,601	12/08	7.06%&7.00%	91,147	140,226	11,686
129	Dec 2009 \$	(4,162,154)	4,959,749	(4,162,154)	6,312,408	12/09	7.00%	441,869	679,798	56,650
130	Dec 2010 \$	(4,162,154)	2,254,431	(4,162,154)	3,607,090	12/10	7.00%&7.34%	261,694	402,607	33,551
131	Dec 2011 \$	(3,468,462)	-	(3,468,462)	939,346	12/11	7.34%	68,948	106,074	8,839
133										
134										
135	Hopkins Ridge Mitigation Credit			G/L Accts #25400171 and #19000561 and Order #55500017						
136	Dec 2007									
137	Dec 2008 \$	241,917	(1,729,704)	241,917	(464,682)	12/08	7.06%&7.00%	(5,421)	(8,340)	(695)
138	Dec 2009 \$	1,451,500	(786,229)	1,451,500	(1,257,967)	12/09	7.00%	(88,058)	(135,473)	(11,289)
139	Dec 2010 \$	1,209,583	-	1,209,583	(327,595)	12/10	7.00%&7.34%	(23,767)	(36,565)	(3,047)
140	Dec 2011	-	-	-	-	12/11	7.34%	-	-	-
141										
142										
143	Colstrip Settlement - UE-080900									
144	Dec 2008 \$	-	-	-	-	12/08	7.06%&7.00%	-	-	-
145	Dec 2009 \$	-	-	-	-	12/09	7.00%	-	-	-
146	Dec 2010 \$	(2,073,231)	6,738,001	(2,073,231)	6,513,401	12/10	7.00%&7.34%	472,547	726,996	60,583
147	Dec 2011 \$	(2,487,877)	5,120,881	(2,487,877)	5,929,441	12/11	7.34%	435,221	669,571	55,798
148										

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**Exhibit D: Regulatory Assets and Liabilities net of Accumulated Amortization and
Deferred Taxes (PCA Periods)
2009 GRC - WUTC Docket No. UE-090704**

Currently authorized after-tax rate of return	7.00%
Requested after-tax rate of return	7.34%

Ref	Description	12 Months Ended December 31		PCA Period						
		Asset Amort (Note 2)	Balance net of AA & ADFIT (Note 1)	Asset Amort (Note 2)	AMA Ratebase as of (Note 1)		Return			
						A.T. %	Amount	Pre Tax	Monthly	
149										
150	Westcoast Pipeline Capacity - UE-082013									
151	Dec 2008 \$	-	-	-	-	12/08 7.06%&7.00%	-	-	-	
152	Dec 2009 \$	65,358	(2,251,595)	65,358	(577,332)	12/09 7.00%	(40,413)	(62,174)	(5,181)	
153	Dec 2010 \$	392,150	(1,996,697)	392,150	(2,124,146)	12/10 7.00%&7.34%	(154,107)	(237,087)	(19,757)	
154	Dec 2011 \$	392,150	(1,741,800)	392,150	(1,869,248)	12/11 7.34%	(137,203)	(211,081)	(17,590)	
155										
156										
157	Mint Farm Deferral									
158	Dec 2008 \$	-	\$1,719,924	-	71,668	12/08 7.00%	5,017	7,718	643	
159	Dec 2009 \$	-	31,259,522	-	16,110,817	12/09 7.00%	1,127,757	1,735,011	144,584	
160	Dec 2010 \$	(15,167,285)	29,576,205	(15,167,285)	34,712,357	12/10 7.00%&7.34%	2,518,382	3,874,433	322,869	
161	Dec 2011 \$	(20,223,046)	16,431,225	(20,223,046)	23,003,715	12/11 7.34%	1,688,473	2,597,650	216,471	
162										
163										
164	Over Recovery Major Maintenance									
165	Dec 2008 \$	-	-	-	-	12/08 7.06%&7.00%	-	-	-	
166	Dec 2009 \$	-	-	-	-	12/09 7.00%	-	-	-	
167	Dec 2010 \$	(895,783)	(2,687,349)	(895,783)	(2,351,430)	12/10 7.00%&7.34%	(170,596)	(262,456)	(21,871)	
168	Dec 2011 \$	(1,194,377)	(1,492,972)	(1,194,377)	(2,090,160)	12/11 7.34%	(153,418)	(236,027)	(19,669)	
169										

Period	From	To	Asset Amort	AMA Ratebase as of		Return			
					A.T. %	Amount	Pre Tax	Monthly	
						<i>(Annualized)</i>			
179	PCA #6	Jan 2007	Dec 2007	-	240,976,588	12/07 7.01%&7.06%	16,719,531	25,722,356	2,143,530
180	PCA #7	Jan 2008	Dec 2008	(35,249,234)	208,564,472	12/08 7.06%&7.00%	14,271,457	21,956,088	1,829,674
181	PCA #8	Jan 2009	Dec 2009	(42,500,734)	185,626,600	12/09 7.00%	12,993,862	19,990,557	1,665,880
182	PCA #9	Jan 2010	Dec 2010	(65,423,786)	165,606,462	12/10 7.00%&7.34%	12,014,749	18,484,229	1,540,352
183	PCA #10	Jan 2011	Dec 2011	(73,028,246)	108,788,202	12/11 7.34%	7,985,054	12,284,698	1,023,725

185

186 **Note (1)** Amounts in these columns are net of accumulated amortization AND the associated deferred federal income tax (DFIT) liability / asset.

187

188 **Note (2)** Amounts in these columns include amortization on the regulatory asset or liability only. They do not include the turn around of

189 the associated DFIT balances.