

**EXHIBIT NO. \_\_\_\_\_ (JHS-3)**  
**DOCKET NO. \_\_\_\_\_**  
**2003 POWER COST ONLY RATE CASE**  
**WITNESS: JOHN H. STORY**

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

WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,

Complainant,

Docket No. \_\_\_\_\_

v.

PUGET SOUND ENERGY, INC.,

Respondent.

**DIRECT TESTIMONY OF**  
**JOHN H. STORY**  
**ON BEHALF OF PUGET SOUND ENERGY, INC.**

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**Total Revenue Requirement Table**

<b>Total Rate</b>		
<b>Power Cost Rate<sup>1</sup></b>		<b>Non-power Costs</b>
<b>Variable Rate Component</b>	<b>Fixed Rate Component</b>	
Fuel  Other revenues and costs associated with fuel  Purchase & Interchange (purchase power contracts not to exceed general rate case or PCA resource case cost level)  Sales to Others  Wheeling costs  Transmission income associated with specific lines  Specific Production regulatory assets* amortization and return (7.30% net of tax) at current PCA rate year level  Adjustment for availability of Colstrip	Following items to be recovered at the last general rate case or PCA resource case revenue levels:  Production Plant and specific  Transmission** Return on Ratebase (7.30% net of tax)  Production Plant and specific  Transmission Depreciation  Production Plant and specific  Transmission Property Taxes  Production plant and specific  Transmission O&M  Other Power Supply Expenses  **Specific Transmission – Colstrip 1&2 line, Colstrip 3&4 line. Third AC, Northern Intertie,	Transmission (other than what has been included in PCA fixed rate component)  Distribution  All other operating accounts not included in the Power Cost Rate.
*Regulatory Assets – Tenaska, Encogen (Cabot Oil buy out), Bonneville Exchange Power	**Specific Transmission – Colstrip 1&2 line, Colstrip 3&4 line. Third AC, Northern Intertie,	

<sup>1</sup> References in table correspond to FERC accounts to be itemized in the Exhibits. For example, “Other Power Supply Expenses” corresponds to FERC Account 557.