

**EXHIBIT NO. ___(KRK-6)
DOCKET NO. UE-051828/UE-051966
WITNESS: KARL R. KARZMAR**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WESTERN VILLAGE, LLC, D/B/A
WESTERN VILLAGE ESTATES,

Complainant,**

v.

**PUGET SOUND ENERGY, INC.

Respondent.**

Docket No. UE-051828

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,**

v.

**PUGET SOUND ENERGY, INC.,

Respondent.**

Docket No. UE-051966

**FIFTH EXHIBIT TO THE PREFILED TESTIMONY OF
KARL R. KARZMAR
ON BEHALF OF PUGET SOUND ENERGY, INC.
IN RESPONSE TO THE
PREFILED TESTIMONY OF WESTERN VILLAGE, LLC
DATED MARCH 8, 2006**

APRIL 19, 2006



ELECTRIC UTILITIES AND LICENSEES
(Classes A and B)

ANNUAL REPORT

OF

.....
PUGET SOUND POWER & LIGHT COMPANY

(Exact legal name of respondent)

If name was changed during year, show also the previous name and date of change

.....
PUGET POWER BUILDING, BELLEVUE, WASHINGTON 98009

(Address of principal business office at end of year)

TO THE

FEDERAL ENERGY REGULATORY COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 19⁷⁹

Name, title, address and telephone number (including area code), of the person to be contacted concerning this report:

.....
J. H. Story - Assistant Controller

.....
Puget Power Building, Bellevue, Washington 98009 206-453-6885

.....
Exhibit No. ___ (KRK -6)
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ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)			
Line No.	Account (a)	Amount for year (b)	Increase or decrease from preceding year (c)
		\$	\$
53	HYDRAULIC POWER GENERATION (Continued)		
54	543 Maintenance of reservoirs, dams and waterways.....	424,615	(24,947)
55	544 Maintenance of electric plant.....	209,268	(8,788)
56	545 Maintenance of miscellaneous hydraulic plant.....	177,752	27,134
57	Total maintenance.....	983,317	25,640
58	Total power production expenses—hydraulic power.....	2,148,960	138,432
59	OTHER POWER GENERATION		
60	<i>Operation</i>		
61	546 Operation supervision and engineering.....	11,551	1,070
62	547 Fuel.....	3,301,594	1,918,093
63	548 Generation expenses.....	901	901
64	549 Miscellaneous other power generation expenses.....	7,995	665
65	550 Rents.....	652,123	(247)
66	Total operation.....	3,974,164	1,920,482
67	<i>Maintenance</i>		
68	551 Maintenance supervision and engineering.....	14,645	226
69	552 Maintenance of structures.....	3,648	2,643
70	553 Maintenance of generating and electric plant.....	123,817	47,301
71	554 Maintenance of miscellaneous other power generation plant.....	14,169	10,793
72	Total maintenance.....	156,279	60,963
73	Total power production expenses—other power.....	4,130,443	1,981,445
74	OTHER POWER SUPPLY EXPENSES		
75	555 Purchased power.....	66,507,236	14,117,934
76	556 System control and load dispatching.....	423,083	25,186
77	557 Other expenses.....	149,843	(24,052)
78	Total other power supply expenses.....	67,080,162	14,119,068
79	Total power production expenses.....	100,076,304	22,997,208
80	TRANSMISSION EXPENSES		
81	<i>Operation</i>		
82	560 Operation supervision and engineering.....	572,869	107,657
83	561 Load dispatching.....	222,708	32,651
84	562 Station expenses.....	235,484	6,326
85	563 Overhead line expenses.....	16,113	(20,734)
86	564 Underground line expenses.....	82,833	80,675
87	565 Transmission of electricity by others.....	7,519,747	451,282
88	566 Miscellaneous transmission expenses.....	124,731	32,600
89	567 Rents.....	14,276	611
90	Total operation.....	8,788,761	691,068
91	<i>Maintenance</i>		
92	568 Maintenance supervision and engineering.....	160,600	29,470
93	569 Maintenance of structures.....	4,064	2,000
94	570 Maintenance of station equipment.....	454,389	7,813
95	571 Maintenance of overhead lines.....	447,255	81,977
96	572 Maintenance of underground lines.....	50,686	(32,327)
97	573 Maintenance of miscellaneous transmission plant.....	1,538	(3,744)
98	Total maintenance.....	1,118,532	85,189
99	Total transmission expenses.....	9,907,293	776,257
100	DISTRIBUTION EXPENSES		
101	<i>Operation</i>		
102	580 Operation supervision and engineering.....	1,175,648	278,962
103	581 Load dispatching.....	545,868	91,653
104	582 Station expenses.....	617,525	82,834
105	583 Overhead line expenses.....	748,902	285,723
106	584 Underground line expenses.....	668,478	159,588
107	585 Street lighting and signal system expenses.....	202,286	124,951

ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)			
Line No.	Account (a)	Amount for year (b)	Increase or decrease from preceding year (c)
108	DISTRIBUTION EXPENSES (Continued)	\$	\$
109	586 Meter expenses.....	971,149	(17,572)
110	587 Customer installations expenses.....	701,048	(7,535)
111	588 Miscellaneous distribution expenses.....	1,912,100	462,063
112	589 Rents.....	128,848	101,047
113	Total operation.....	7,671,852	1,561,714
114	<i>Maintenance</i>		
115	590 Maintenance supervision and engineering.....	485,326	105,944
116	591 Maintenance of structures.....	7,282	3,022
117	592 Maintenance of station equipment.....	1,046,307	40,234
118	593 Maintenance of overhead lines.....	6,555,785	1,429,031
119	594 Maintenance of underground lines.....	1,952,624	329,343
120	595 Maintenance of line transformers.....	404,043	56,785
121	596 Maintenance of street lighting and signal systems.....	398,481	171,812
122	597 Maintenance of meters.....	28,723	(8,815)
123	598 Maintenance of miscellaneous distribution plant.....	59,139	(16,444)
124	Total maintenance.....	10,937,710	2,110,912
125	Total distribution expenses.....	18,609,562	3,672,626
126	CUSTOMER ACCOUNTS EXPENSES		
127	<i>Operation</i>		
128	901 Supervision.....	488,744	8,171
129	902 Meter reading expenses.....	1,465,000	80,906
130	903 Customer records and collection expenses.....	6,210,388	825,029
131	904 Uncollectible accounts.....	900,000	(100,000)
132	905 Miscellaneous customer accounts expenses.....	201,690	18,232
133	Total customer accounts expenses.....	9,265,822	832,338
134	CUSTOMER SERVICE AND INFORMATIONAL EXPENSES		
135	<i>Operation</i>		
136	907 Supervision.....	410,216	(15,593)
137	908 Customer assistance expenses.....	346,932	93,966
138	909 Informational and instructional expenses.....	825,668	196,618
139	910 Miscellaneous customer service & informational expenses.....	31,522	(7,798)
140	Total customer service and informational expenses.....	1,614,338	267,193
141	SALES EXPENSES		
142	<i>Operation</i>		
143	911 Supervision.....		
144	912 Demonstrating and selling expenses.....		
145	913 Advertising expenses.....		
146	916 Miscellaneous sales expenses.....		
147	Total sales expenses.....		
148	ADMINISTRATIVE AND GENERAL EXPENSES		
149	<i>Operation</i>		
150	920 Administrative and general salaries.....	6,173,056	1,065,105
151	921 Office supplies and expenses.....	2,107,452	456,600
152	922 Administrative expenses transferred—Cr.....	(1,980,041)	193,661
153	923 Outside services employed.....	941,040	48,538
154	924 Property insurance.....	827,426	9,913
155	925 Injuries and damages.....	1,562,902	(207,455)
156	926 Employee pensions and benefits.....	5,112,001	14,387
157	927 Franchise requirements.....	9,780	(4,477)
158	928 Regulatory commission expenses.....	490,072	362,564
159	929 Duplicate charges—Cr.....	(9,780)	144
160	930.1 General advertising expenses.....	372,495	49,582