

**EXHIBIT NO. \_\_\_\_\_ (JHS-5C)**  
**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.**

**PUGET SOUND ENERGY  
POWER COST ONLY RATE CASE  
TWELVE MONTHS ENDED JUNE 30, 2003**

Docket Number UE-03\_\_\_\_  
Ex. \_\_\_\_\_ (JHS-5C)  
Page 1 of 8

**Power Cost Rate**

Row		Test Year		Adjustment to Power			Baseline	Rate Year(1)
				Test Yr	Cost Rate	Rate		
				\$/MWh				
4	Regulatory Assets (Variable)	\$	260,002,672					
5	Transmission Rate Base (Fixed)		115,844,514					
6	Production Rate Base (Fixed)		507,029,147					
7		\$	882,876,333					
8	Net of tax rate of return		7.30%					
9								
10								
11								
12	Regulatory Asset Recovery	\$	29,200,300	\$ 1.518		\$ 1.518	(c)	
13	Fixed Asset Recovery-Prod Factored		56,943,273	\$ 2.960	\$ 0.080	\$ 3.040	(a)	\$ 59,108,880
14	Fixed Asset Recovery Other		13,010,230	\$ 0.676	\$ 0.041	\$ 0.718	(a)	13,807,279
15	501-Steam Fuel		35,460,249	\$ 1.843		\$ 1.843	(c)	
16	555-Purchased power		547,737,437	\$ 28.472		\$ 28.472	(c)	
17	557-Other Power Exp		12,384,291	\$ 0.644		\$ 0.644	(a)	12,518,616
18	547-Fuel		83,984,261	\$ 4.366		\$ 4.366	(c)	
19	565-Wheeling		41,835,133	\$ 2.175		\$ 2.175	(c)	
20	Variable Transmission Income		(1,399,117)	\$ (0.073)		\$ (0.073)	(c)	
21	Hydro and Other Pwr.		52,021,761	\$ 2.704		\$ 2.704	(a)	52,586,009
22	447-Sales to Others		(22,757,827)	\$ (1.183)		\$ (1.183)	(c)	
	456-Subaccounts 00012 &							
23	00018 and 00035 & 00036		(212,696)	\$ (0.011)		\$ (0.011)	(c)	
24	Transmission Exp - 500KV		485,229	\$ 0.025		\$ 0.025	(a)	490,492
25	Depreciation-Production		40,396,850	\$ 2.100	\$ 0.018	\$ 2.118	(a)	41,191,080
26	Depreciation-Transmission		4,858,427	\$ 0.253	\$ 0.013	\$ 0.265	(a)	5,106,550
27	Property Taxes-Production		8,584,365	\$ 0.446		\$ 0.446	(a)	8,677,474
28	Property Taxes-Transmission		4,603,036	\$ 0.239		\$ 0.239	(a)	4,603,036
29	Subtotal & Baseline Rate	\$	907,135,203	\$ 47.154	\$ 0.152	\$ 47.306	(b)	\$ 198,089,416
30	Revenue Sensitive Items		0.9554723					
31		\$	949,410,258					
32	Test Year Load (MWH's)		19,237,873					
33								
	Power Cost in Rates with							
	Revenue Sensitive Items (the							
	adjusted baseline							
34	sum of (a) = Fixed Rate Component			49.510				
35	(b) = Power Cost Rate		10.199	10.675				
36	sum of (c) = Variable Power Rate		47.306	49.510				
37	Component		37.106	38.836				
38								

(1) - Rate Year includes test year amounts plus the impacts of any adjustments to power cost rate. The result is then grossed up for the production factor of 0.98927 where appropriate.

**Exhibit A-2 Transmission Rate Base**

Row		Plant
4	<b>Colstrip Related Transmission Assets</b>	<b>AMA 6/30/2003</b>
5		
6	<b>TRANS - COLSTRIP 1 &amp; 2</b>	
7	E351 Easements	685,927
8	E353 Station Equipment	1,231,131
9	E354 Towers & Fixtures	14,474,343
10	E355 Poles & Fixtures	49,007
11	E356 OH Condcutors & devices	13,158,153
12	E359 Roads & Trails	113,968
13	<b>COLSTRIP 1&amp;2 TRANSMISSION</b>	<b>29,712,529</b>
14	<b>TRANS - COLSTRIP 3 &amp; 4</b>	
15	E351 Easements	1,071,124
16	E352 Structures & Improvements	478,326
17	E353 Station Equipment	17,943,456
18	E354 Towers & Fixtures	20,422,516
19	E355 Poles & Fixtures	88,692
20	E356 OH Conductors & Devices	19,991,226
21	E359 Roads & Trails	341,015
22	<b>COLSTRIP 3&amp;4 TRANSMISSION</b>	<b>60,336,355</b>
23	<b>TRANS - 3RD NW-SW INTERTIE</b>	
24	E352 Structures & Improvements	1,276,264
25	E353 Station Equipment	31,157,075
26	E354 Towers & Fixtures	22,781,417
27	E355 Poles & Fixtures	204,200
28	E356 OH Conductors & devices	23,458,462
29	E359 Roads & Trails	59,215
30	<b>TOTAL 3RD NW-SW INTERTIE</b>	<b>78,936,633</b>
31	<b>TRANS - NORTHERN INTERTIE</b>	
32	E351 Easements - Whatcom	
33	E354 Towers & Fixtures-Whatcom	5,744,097
34	E355 Poles & Fixtures-Whatcom	11,219
35	E356 OH Conductors & Devices-Whatc	7,460,099
36	E355 Poles & Fixtures-Skagit	3,398,685
37	E356 OH Conductors & Devices-Skagit	5,142,699
38	<b>TOTAL NORTHERN INTERTIE</b>	<b>21,756,799</b>
39		
40	<b>Total Transmission</b>	<b>190,742,316</b>
41	<b>Less</b>	
42	Accumulated Depreciation (AMA)	60,081,736
43	Deferred Taxes (EOP)	14,816,066
44		
45	<b>Transmission Ratebase</b>	<b>\$ 115,844,514</b>

**Exhibit A-3 Colstrip Fixed Costs**

Row

Revenue Requirement for Colstrip

A-3 Page 1

4	Plant	665,037,750	
5	Accumulated Depreciation	350,886,264	
6	Deferred Taxes at 6/30/2003	<u>(69,544,352)</u>	
7	Net Plant	946,379,662	
8	Rate of Return (net of Tax)	<u>7.30%</u>	
9	Revenue Requirement after tax	69,085,715	
10	Plant Revenue Requirement	106,285,716	(Adjusted for Federal Tax)
11	Expenses	<u>51,473,963</u>	
12	Total Revenue Requirement	157,759,679	(before revenue sensitive items)

Support for Revenue Requirement - Ratebase

FERC	DESCRIPTION	30-Jun-02	30-Jun-03	13 MONTH AMA	ANNUITY RATE	ANNUALIZED DEPRECIATION	ACUMM. DEPR. 06/30/2003
	<b>COLSTRIP #1</b>						
E311	Structures & Improvements	7,097,390	7,157,382	7,135,175	3.03%	216,196	(4,073,980)
E312	Boiler Plant Equipment	52,251,546	51,604,239	53,435,969	3.12%	1,667,202	(33,602,708)
E314	Turbo Generating Units	12,421,401	12,205,320	12,358,594	3.29%	406,598	(8,483,528)
E315	Accessory Electric Equipment	7,043,604	7,093,003	7,068,427	2.71%	191,554	(4,794,950)
E316	Misc. Power Plant Equipment	426,565	428,726	427,582	3.87%	16,547	(246,688)
	<b>TOTAL</b>	<b>79,240,506</b>	<b>78,488,671</b>	<b>80,425,747</b>	<b>3.11%</b>	<b>2,498,097</b>	<b>(51,201,855)</b>
	<b>COLSTRIP #2</b>						
E311	Structures & Improvements	5,573,640	5,633,364	5,611,347	3.06%	171,707	(3,653,230)
E312	Boiler Plant Equipment	40,460,296	44,542,327	42,353,547	3.05%	1,291,783	(28,806,599)
E314	Turbo Generating Units	12,498,428	13,438,753	12,959,997	3.26%	422,496	(8,235,807)
E315	Accessory Electric Equipment	4,592,474	5,261,104	4,900,558	2.69%	131,825	(3,043,974)
E316	Misc. Power Plant Equipment	427,379	453,511	439,382	3.61%	15,862	(247,499)
	<b>TOTAL</b>	<b>63,552,217</b>	<b>69,329,060</b>	<b>66,264,831</b>	<b>3.07%</b>	<b>2,033,673</b>	<b>(43,987,109)</b>
	<b>COLSTRIP 1 &amp; 2 COMMON</b>						
E311	Structures & Improvements	31,949,738	31,473,984	31,895,590	3.16%	1,007,901	(20,395,759)
E312	Boiler Plant Equipment	8,221,831	8,246,037	8,232,926	3.18%	261,807	(5,767,278)
E314	Turbo Generating Units	3,918,858	3,918,858	3,918,858	3.31%	129,714	(2,622,147)
E315	Accessory Electric Equipment	2,420,179	2,420,179	2,420,179	3.07%	74,299	(1,470,405)
E316	Misc. Power Plant Equipment	6,492,144	6,492,144	6,492,144	3.82%	248,000	(3,559,040)
	<b>TOTAL</b>	<b>53,002,750</b>	<b>52,551,201</b>	<b>52,959,697</b>	<b>3.25%</b>	<b>1,721,721</b>	<b>(33,814,629)</b>
	<b>COLSTRIP 3</b>						
E311	Structures & Improvements	28,882,948	28,905,637	28,893,929	2.45%	707,901	(15,568,775)
E312	Boiler Plant Equipment	118,273,982	119,674,187	118,840,689	2.68%	3,184,930	(63,482,913)
E314	Turbo Generating Units	33,180,681	33,121,620	33,167,019	2.97%	985,060	(15,966,099)
E315	Accessory Electric Equipment	6,401,615	6,401,615	6,401,615	2.47%	158,120	(3,183,989)
E316	Misc. Power Plant Equipment	456,965	456,965	456,965	2.86%	13,069	(224,109)
	<b>TOTAL</b>	<b>187,196,191</b>	<b>188,560,024</b>	<b>187,760,217</b>	<b>2.69%</b>	<b>5,049,080</b>	<b>(98,425,884)</b>
	<b>COLSTRIP 4</b>						
E311	Structures & Improvements	26,483,797	26,509,978	26,495,797	2.54%	672,993	(12,902,625)
E312	Boiler Plant Equipment	100,508,440	102,000,003	101,198,037	2.75%	2,782,946	(49,488,910)
E314	Turbo Generating Units	28,602,598	28,969,515	28,782,740	2.94%	846,213	(12,387,935)
E315	Accessory Electric Equipment	5,596,707	5,596,057	5,596,517	2.52%	141,032	(2,441,024)
E316	Misc. Power Plant Equipment	654,568	654,568	654,568	2.79%	18,262	(305,486)
	<b>TOTAL</b>	<b>161,846,110</b>	<b>163,730,121</b>	<b>162,727,659</b>	<b>2.74%</b>	<b>4,461,446</b>	<b>(77,525,980)</b>
	<b>COLSTRIP 3 &amp; 4 COMMON</b>						
E311	Structures & Improvements	71,867,029	70,746,760	71,734,897	2.33%	1,671,423	(37,638,359)
E312	Boiler Plant Equipment	20,298,808	20,321,829	20,309,359	2.48%	503,672	(11,249,994)
E314	Turbo Generating Units	274,553	277,420	275,867	2.62%	7,228	(139,868)
E315	Accessory Electric Equipment	7,748,971	7,748,971	7,748,971	2.31%	179,001	(3,776,971)
E316	Misc. Power Plant Equipment	4,722,721	4,739,216	4,730,281	2.79%	131,975	(2,132,955)
	<b>TOTAL</b>	<b>104,912,083</b>	<b>103,834,196</b>	<b>104,799,375</b>	<b>2.38%</b>	<b>2,493,299</b>	<b>(54,938,148)</b>
	<b>COLSTRIP 1-4 COMMON</b>						
E316	Misc. Power Plant Equip.	251,534	251,534	251,534	2.46%	6,188	(135,747)
	<b>TOTAL</b>	<b>251,534</b>	<b>251,534</b>	<b>251,534</b>	<b>2.46%</b>	<b>6,188</b>	<b>(135,747)</b>
61	COLSTRIP COMMON FERC ADJ.	7,607,644		7,607,644			
62	COLSTRIP DEF DEPR FERC ADJ.	2,241,046		2,241,046			
63	Total Plant and Acc. Deprec.	659,850,079		665,037,750		18,263,504	(360,029,352)

AMA Adj. 9,143,088  
 AMA Acum Depr (350,886,264)

## Exhibit A-3 Colstrip Fixed Costs

Row	Order	Description	Amount before Prod. Adj.
67			
68			
69			
70		Support for Revenue Requirement - Expenses	
71			
72			
73	50004011	1&2 Sup & Eng - Steam Ope	\$ 154,359
74	50004012	1&2 Sup & Eng - Steam Ope	-
75	50005011	3&4 Sup & Eng - Steam Ope	91,158
76	50005012	3&4 Sup & Eng - Steam Ope	408
77	50204001	1&2 Steam Exp - Steam Gen Op	2,442,639
78	50205001	3&4 Steam Exp - Steam Gen Op	1,462,735
79	50504001	1&2 Elec Exp - Steam Gen	66,930
80	50505001	3&4 Elec Exp - Steam Gen	(321,323)
81	50604001	1&2 Misc Exp - Steam Gen	678,093
82	50605001	3&4 Misc Exp - Steam Gen	2,510,641
83	50605002	3&4 Steam - Housing	-
84	50704001	1&2 Rents - Steam Gen Oper	(4,566)
85	50705001	3&4 Rents - Steam Gen Oper	34,871
86	51004001	1&2 Maint Supv - Steam Gen	202,672
87	51005001	3&4 Maint Supv - Steam Gen	318,282
88	51104001	1&2 Maint of Struct - Stm Gen	416,254
89	51105001	3&4 Maint of Struct - Stm Gen	558,734
90	51204001	1&2 Maint of Boiler - Stm Gen	5,307,367
91	51205001	3&4 Maint of Boiler - Stm Gen	5,059,679
92	51304001	1&2 Maint of E Plant - Stm G	502,756
93	51305001	3&4 Maint of E Plant - Stm G	2,305,731
94	51404001	1&2 Maint of Misc - Stm Gen	819,435
95	51405001	3&4 Maint of Misc - Stm Gen	572,297
96		Property Taxes-Montana	8,348,335
97		Electric Energy Tax	1,682,973
98	403xxxxx	Depreciation	18,263,504
99			<u>\$ 51,473,963</u>

Adjustment 11

**PUGET SOUND ENERGY  
POWER COST ONLY RATE CASE  
TWELVE MONTHS ENDED JUNE 30, 2003  
PRODUCTION ADJUSTMENT**

LINE NO.	DESCRIPTION	PROFORMA AND RESTATED	PRODUCTION 1.073%	NET AMOUNT
1	PRODUCTION O&M INCLUDED IN 557:			
2	WORKER'S COMPENSATION	\$ 294,503	\$ (3,160)	\$ 291,343
3	PROPERTY INSURANCE	2,190,735	(23,507)	2,167,229
4	ELECTRIC ENERGY TAX	1,682,973	(18,058)	1,664,915
5	TOTAL PRODUCTION O&M	4,168,212	(44,725)	4,123,487
6				
7	INCREASE TO O&M EXPENSE ASSOC W/ NEW RESOURCE	4,690,637	(50,331)	4,640,307
8				
9	DEPRECIATION AND AMORTIZATION ON PRODUCTION			
10	PROPERTY	40,835,010	(438,160)	40,396,850
11				
12	PROPERTY TAXES ON PRODUCTION PROPERTY	8,677,474	(93,109)	8,584,365
13				
14	TOTAL PRODUCTION ADJUSTMENT TO BASELINE RATE	\$ 58,371,333	\$ (626,324)	\$ 57,745,008
15				
16	PRODUCTION RATE BASE:			
17	PRODUCTION PROPERTY	\$ 1,118,844,165	\$ (12,005,198)	\$ 1,106,838,967
18	COLSTRIP COMMON FERC ADJUSTMENT	7,607,644	(81,630)	7,526,014
19	COLSTRIP DEFERRED DEPRECIATION FERC ADJ.	2,241,046	(24,046)	2,217,000
20	ENCOGEN ACQUISITION ADJUSTMENT	47,973,283	(514,753)	47,458,530
21	LESS PRODUCTION PROPERTY ACCUM DEPR.	(568,398,982)	6,098,921	(562,300,061)
22	LESS PRODUCTION PROPERTY ACCUM AMORT.	(1,836,831)	19,709	(1,817,122)
23	NET PRODUCTION PROPERTY	606,430,325	(6,506,997)	599,923,328
24				
25	DEDUCT:			
26	LIBR. DEPREC. PRE 1981 (EOP)	(946,743)	10,159	(936,584)
27	LIBR. DEPREC. POST 1980 (EOP)	(83,253,683)	893,312	(82,360,371)
28	OTHER DEF. TAXES (EOP)	(21,747,000)	233,345	(21,513,655)
29	ADJUSTMENT TO RATE BASE BEFORE CWIP	(105,947,426)	1,136,816	(104,810,610)
30	SNOQUALMIE RELICENSING CWIP	12,045,680	(129,250)	11,916,429
31				
32	TOTAL ADJUSTMENT TO PRODUCTION RATE BASE	\$ 512,528,579	\$ (5,499,432)	\$ 507,029,147
33				
34	REGULATORY ASSETS RATE BASE:			
35	BPA POWER EXCHANGE INVESTMENT	\$ 44,964,313	\$ (482,467)	\$ 44,481,846
36	TENASKA REGULATORY ASSET	207,981,008	(2,231,636)	205,749,371
37	CABOT OIL REGULATORY ASSET	9,877,439	(105,985)	9,771,454
38				
39	TOTAL ADJUSTMENT TO REGULATORY ASSETS RATE BASE	\$ 262,822,760	\$ (2,820,088)	\$ 260,002,672

**Adjustment 1**

**PUGET SOUND ENERGY  
POWER COST ONLY RATE CASE  
TWELVE MONTHS ENDED JUNE 30, 2003  
POWER COST**

LINE NO.	DESCRIPTION	PROFORMA RYE MAR '05	TEST YEAR	ADJUSTMENT
1	PRODUCTION EXPENSES:			
2	FUEL:			
3	501-STEAM FUEL	\$ 35,460,249	\$ 32,196,077	\$ 3,264,171
4	547-FUEL	52,828,895	27,644,080	25,184,815
5	PURCHASED AND INTERCHANGED:			
6	555-PURCHASED POWER	547,737,437	724,616,401	(176,878,964)
7	557 - OTHER POWER EXPENSE	8,260,804	8,422,707	(161,903)
8	WHEELING	39,767,377	39,871,180	(103,803)
9	HYDRO AND OTHER POWER	47,381,454	47,990,567	(609,113)
10	TRANS. EXP. INCL. 500KV O&M	485,229	490,492	(5,263)
11	SALES FOR RESALE	(14,286,825)	(166,885,152)	152,598,327
12	PURCHASES/SALES OF NON-CORE GAS	(212,696)	(3,815,282)	3,602,586
13	WHEELING FOR OTHERS - COLSTRIP, 3RD AC & NI	(1,399,117)	(6,992,847)	5,593,730
14	INCREASE (DECREASE) EXPENSE	716,022,807	703,538,224	12,484,583
15				
16	LESS: SALES FOR RESALE	14,286,825	166,885,152	(152,598,327)
17	LESS: WHEELING FOR OTHERS	1,399,117	6,992,847	(5,593,730)
18	SCH. 94 - RES./FARM CREDIT	-	-	-
19	INCREASE(DECREASE) EXPENSE	731,708,749	\$ 877,416,223	\$ (145,707,474)
20	TRANS. EXP. INCL. 500KV O&M	(485,229)		
21	PURCHASES/SALES OF NON-CORE GAS	212,696		
22	POWER COSTS PER G/L	\$ 731,436,216		

**Exhibit D: Regulatory Assets**

Row	Cabot Buyout	G/L Acct #18230171	Interest	Amort	Balance	PCA (Jul02-Jun03) Amortization	Ratebase (AMA)	RORC (Apr04 - Mar05) Amortization	Ratebase (AMA)	Return 7.30%	35% Pre Tax Return	Monthly Return Pre-tax Jul 02-Jun 03
4												
5	2000 \$	12,588,000	709,000	(312,000)	12,950,783					\$ 911,845	\$ 1,402,839	\$ 116,903
6	2001 \$	-	720,000	(741,000)	12,963,783					\$ 815,476	\$ 1,254,579	
7	2002 \$	-	731,000	(1,070,000)	12,624,783					\$ 686,084	\$ 1,055,514	
8	2003 \$	-	-	(1,409,000)	11,215,783			(1,866,750)	9,877,439	\$ 527,674	\$ 811,806	
9	2004 \$	-	-	(1,768,000)	9,447,783					\$ 336,733	\$ 518,051	
10	2005 \$	-	-	(2,163,000)	7,284,783					\$ 129,815	\$ 199,715	
11	2006 \$	-	-	(2,614,000)	4,670,783							
12	2007 \$	-	-	(3,078,000)	1,592,783							
13	2008 \$	-	-	(1,594,000)	(1,217)							
14												
15												
16	<b>Tenaska</b>											
17	1998 \$	215,000,000	8,754,000	(1,952,000)	221,802,000					\$ 16,758,534	\$ 25,782,360	\$ 2,148,530
18	1999 \$	-	8,795,000	(3,863,000)	226,734,000					\$ 15,971,257	\$ 24,571,164	
19	2000 \$	-	8,849,000	(5,463,000)	230,120,000			(15,535,000)	207,981,008	\$ 14,891,882	\$ 22,910,588	
20	2001 \$	-	8,838,000	(7,382,000)	231,574,000					\$ 13,588,768	\$ 20,905,797	
21	2002 \$	-	8,749,000	(9,503,625)	230,959,663					\$ 12,074,556	\$ 18,576,241	
22	2003 \$	-	-	(11,924,000)	219,137,883					\$ 10,295,683	\$ 15,839,513	
23	2004 \$	-	-	(14,744,000)	204,393,883							
24	2005 \$	-	-	(17,908,000)	186,485,883							
25	2006 \$	-	-	(20,615,000)	165,870,883							
26	2007 \$	-	-	(24,343,000)	141,527,883							
27	2008 \$	-	-	(28,272,000)	113,255,883							
28												
29												
30												
31												
32	<b>BEP</b>											
33	2001			(3,526,620)						\$ 3,754,374	\$ 5,775,960	\$ 481,330
34	2002			-	51,429,783					\$ 3,496,931	\$ 5,379,894	
35	2003			(3,526,620)	47,903,163					\$ 3,239,488	\$ 4,983,827	
36	2004			(3,526,620)	44,376,543			(3,526,620)	45,258,198	\$ 2,982,044	\$ 4,587,761	
37	2005			(3,526,620)	40,849,923					\$ 2,724,601	\$ 4,191,694	
38	2006			(3,526,620)	37,323,303					\$ 2,467,158	\$ 3,795,627	
39	2007			(3,526,620)	33,796,683							
40	2008			(3,526,620)	30,270,063							
41								(20,928,370)	263,116,645			
42												
43												
44										\$ 21,424,754	\$ 32,961,159	\$ 2,746,763
45										\$ 20,283,664	\$ 31,205,637	\$ 2,600,470
46										\$ 18,817,453	\$ 28,949,928	\$ 2,412,494
47										\$ 17,098,486	\$ 26,305,363	\$ 2,192,114
48										\$ 15,135,891	\$ 23,285,986	\$ 1,940,499
49										\$ 12,892,656	\$ 19,834,855	\$ 1,652,905

From	To	Amortization	AMA Ratebase	Return	Return Pre-tax	Monthly Return Pre-tax
Jul-02	Jun-03	\$ (15,474,120)	\$ 293,489,775	\$ 21,424,754	\$ 32,961,159	\$ 2,746,763
Jul-03	Jun-04	\$ (18,449,120)	\$ 277,858,412	\$ 20,283,664	\$ 31,205,637	\$ 2,600,470
Jul-04	Jun-05	\$ (21,818,120)	\$ 257,773,334	\$ 18,817,453	\$ 28,949,928	\$ 2,412,494
Jul-05	Jun-06	\$ (25,176,620)	\$ 234,225,839	\$ 17,098,486	\$ 26,305,363	\$ 2,192,114
Jul-06	Jun-07	\$ (28,851,620)	\$ 207,340,969	\$ 15,135,891	\$ 23,285,986	\$ 1,940,499
Jul-07	Jun-08	\$ (32,170,120)	\$ 176,611,724	\$ 12,892,656	\$ 19,834,855	\$ 1,652,905



## Exhibit E - Contract Adjustments

Row	Limit - Rate or Total Cost per UE-011570	RY Apr04- Mar05	Increase / (Decrease) from UE to RY Apr04- Mar05
7	<b>CONTRACTS</b>		
8	Baker Replacement		
9	BC Hydro Point Roberts	\$ 0.0670	\$ (0.0000)
10	BPA WNP-3 Exchange Power	\$ 0.0294	\$ 0.0012
11	BPA WNP3 Return		
12	BPA Snohomish Conservation	\$ 0.0411	\$ (0.0102)
13	CSPE		
14	Mid-Columbia		
15	Canadian Entitlement and CEA-EA		
16	MPC Firm Contract-Demand	\$ 31,680,988	\$ 2,298,988
17	MPC Firm Contract-Energy		
18	PPL Contract 15 yr		
19	Supplemental Entitlement Cap		
20	North Wasco	\$ 0.0631	\$ 0.0002
21	WWP Contract 15 yr		
22	PG&E Exchange Storage Acctg.		
23	QF Shipp Hutch. Creek	\$ 0.0317	\$ 0.0016
24	QF Koma Kulshan Hydro	\$ 0.0755	\$ 0.0006
25	QF March Point Cogen 1 Winter	\$ 0.0614	\$ 0.0004
26	QF March Point Cogen 1 Summer	\$ 0.0439	\$ 0.0002
27	QF March Point Cogen 2 Winter	\$ 0.0678	\$ 0.0018
28	QF March Point Cogen 2 Summer	\$ 0.0568	\$ 0.0015
29	QF Port Townsend Hydro	\$ 0.0376	\$ 0.0094
30	QF PERC Puyallup		
31	QF Spokane MSW		
31a	QF Spokane MSW Winter	\$ 0.1076	\$ 0.0004
31b	QF Spokane MSW Summer	\$ 0.0639	\$ 0.0003
32	QF Sumas Winter	\$ 0.0845	\$ 0.0027
33	QF Sumas Summer	\$ 0.0605	\$ 0.0013
34	QF Sygitowicz	\$ 0.0547	\$ 0.0034
35	QF Tenaska (excl. Reg. Amort.)	\$ 0.0336	\$ 0.0018
36	QF Twin Falls	\$ 0.0750	\$ (0.0000)
37	QF Weeks Falls	\$ 0.0750	\$ (0.0000)
38	Skookumchuck		

CONFIDENTIAL INFORMATION  
REDACTED

QF Spokane MSW contract rate has been segregated into winter & summer rates as per the contract