

**EXHIBIT NO. \_\_\_(JHS-17)  
DOCKET NOS. UE-111048/UG-111049  
2011 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-111048  
Docket No. UG-111049**

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

**SEPTEMBER 1, 2011**

**Exhibit A-1 Power Cost Rate**

**REVISED**

Row		TOTAL					
		Test Year					
3	Regulatory Assets (Variable)	\$	296,644,329				
4	Transmission Rate Base (Fixed)		94,699,228				
5	Production Rate Base (Fixed)		2,051,626,751				
6		\$	2,442,970,307				
7	Net of tax rate of return		7.29%			Production Factor	
8				Test Yr		0.97901	
9				\$/MWh		Rate Year	Per Month for Schedule B
10	Regulatory Asset Recovery (on Row 3)	\$	33,269,802	\$	1.574 (c)		
11	Fixed Asset Recovery Other (on Row 4)		10,620,883		0.502 (a)	10,620,883	885,074
12	Fixed Asset Recovery-Prod Factored (on Row 5)		230,097,831		10.883 (a)	235,031,134	19,585,928
13	501-Steam Fuel		<b>88,808,547</b>		4.200 (c)		20,471,001
14	555-Purchased power		<b>487,004,033</b>		<b>23.033</b> (c)		
14a	Rate Disallowances for March Point 2		-		0.000 (c)		
15	557-Other Power Exp		<b>6,598,443</b>		<b>0.312</b> (a)	<b>6,739,913</b>	<b>561,659</b>
15a	Payroll Overheads - Worker's Comp		4,944,715		0.234 (a)	5,050,730	420,894
15b	Property Insurance		3,282,447		0.155 (a)	3,352,823	279,402
15c	Montana Electric Energy Tax		1,660,622		0.079 (a)	1,696,226	141,352
15d	Payroll Taxes on Production Wages		1,993,634		0.094 (a)	2,036,377	169,698
16	547-Fuel		<b>148,103,067</b>		<b>7.005</b> (c)		
17	565-Wheeling		<b>95,610,267</b>		<b>4.522</b> (c)		
18	Variable Transmission Income		(5,495,638)		-0.260 (c)		
19	Hydro and Other Pwr.		<b>126,203,442</b>		<b>5.969</b> (a)	128,909,247	10,742,437
20	447-Sales to Others		<b>(10,227,296)</b>		<b>-0.484</b> (c)		<b>23,380,636</b>
21	456-Subaccounts 00012 & 00018 and 00035 & 00036		-		0.000 (c)		
22	Transmission Exp - 500KV		<b>1,389,837</b>		<b>0.066</b> (a)	<b>1,419,635</b>	<b>118,303</b>
23	Depreciation & Amort -Production (FERC 403)		104,863,779		4.960 (a)	107,112,061	8,926,005
24	Depreciation-Transmission		4,091,622		0.194 (a)	4,179,346	348,279
25	Amortization-Production Reg Assets		16,415,766		0.776 (c)		
26	Property Taxes-Production		17,955,449		0.849 (a)	18,340,414	1,528,368
27	Property Taxes-Transmission		1,694,533		0.080 (a)	1,730,864	144,239
28	Hedging Line of Credit		1,420,907		0.067 (c)		
29	Subtotal & Baseline Rate	\$	<b>1,370,306,693</b>	\$	<b>64.810</b> (b)	<b>526,219,653</b>	43,851,638
30	Revenue Sensitive Items		0.9549980				43,851,638
31		\$	<b>1,434,879,123</b>				
32	Test Year DELIVERED Load (MWH's)		21,143,300		<-- includes Firm Wholesale		
33							
34							
35							
36							
37							
38	Power Cost in Rates with Revenue Sensitive						
39	Items (the adjusted baseline)	\$	<b>64.810</b>	\$	<b>67.864</b>		
40	sum of (a) = Fixed Rate Component	\$	<b>24.377</b>	\$	<b>25.526</b>		
41	(b) = Power Cost Rate	\$	<b>64.810</b>	\$	<b>67.864</b>		
42	sum of (c) = Variable Power Rate Component	\$	<b>40.433</b>	\$	<b>42.338</b>		

Note: Amounts presented in bold italic type have changed since the June 13 original filing.

**Exhibit A-2 Transmission Rate Base**

Row		Plant AMA 12/31/2010	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	(410,851)	275,076	13,033
9	E353 Station Equipment	1,231,131	(977,385)	253,746	25,977
10	E354 Towers & Fixtures	14,555,900	(9,079,746)	5,476,154	243,074
11	E355 Poles & Fixtures	49,007	(48,986)	21	1,480
12	E356 OH Conductors & Devices	13,158,153	(8,931,160)	4,226,993	277,637
13	E359 Roads & Trails	113,968	(67,588)	46,380	1,630
14		<u>29,804,333</u>	<u>(19,515,716)</u>	<u>10,288,617</u>	<u>562,830</u>
15					
16	TRANS - COLSTRIP 3 & 4				
17	E351 Easements	1,071,124	(629,893)	441,231	20,351
18	E352 Structures & Improvements	488,761	(289,792)	198,969	8,309
19	E353 Station Equipment	19,708,485	(11,596,586)	8,111,899	415,074
20	E354 Towers & Fixtures	20,580,759	(12,558,757)	8,022,002	343,688
21	E355 Poles & Fixtures	88,692	(34,278)	54,414	2,679
22	E356 OH Conductors & Devices	19,991,226	(13,315,474)	6,675,752	421,815
23	E359 Roads & Trails	341,015	(199,610)	141,405	4,877
24		<u>62,270,062</u>	<u>(38,624,390)</u>	<u>23,645,672</u>	<u>1,216,792</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	(392,280)	883,984	21,696
29	E353 Station Equipment	32,769,281	(12,112,963)	20,656,318	691,432
30	E354 Towers & Fixtures	22,781,417	(7,135,115)	15,646,302	380,450
31	E355 Poles & Fixtures	204,200	(70,037)	134,163	6,167
32	E356 OH Conductors & Devices	23,498,389	(9,910,549)	13,587,840	495,816
33	E359 Roads & Trails	59,215	(10,155)	49,060	847
35		<u>82,357,944</u>	<u>(29,631,099)</u>	<u>52,726,845</u>	<u>1,596,408</u>
36					
37	TRANS - NORTHERN INTERTIE				
38	E350 Land and Land Rights	30,604	-	30,604	
39	E354 Towers & Fixtures	4,786,748	(1,234,196)	3,552,552	95,926
40	E355 Poles & Fixtures	3,412,478	(1,257,397)	2,155,081	104,590
41	E356 OH Conductors & Devices	11,363,534	(3,874,637)	7,488,897	266,954
44		<u>19,593,364</u>	<u>(6,366,230)</u>	<u>13,227,134</u>	<u>467,470</u>
45					
46					
47	Total Transmission	<u>\$ 194,025,703</u>	<u>\$ (94,137,435)</u>	<u>\$ 99,888,268</u>	<u>\$ 3,843,499</u>
48	Accumulated Depreciation (AMA)	(94,137,435)			
49	Deferred Taxes (AMA)	(8,651,536)			
50	Transmission portion of:				
51	Colstrip Common FERC Adj, net of accum amc	2,980,141			213,630
52	Colstrip Def Depr FERC Adj, net of accum amc	482,355			34,493
53					
54	Total Transmission Rate Base	<u>\$ 94,699,228</u>			<u>\$ 4,091,622</u>

**Exhibit A-3 Colstrip Fixed Costs**

Row	Revenue Requirement for Colstrip		
3	Plant		\$ 754,943,461
4	Accumulated Depreciation		(446,054,901)
5	Deferred Taxes - AMA 12/31/2010		(66,724,781)
6	Net Plant		<u>242,163,780</u>
7	Rate of Return (net of Tax)		7.29%
8	Revenue Requirement after tax		\$ 17,653,740 (Line 6 X Line 7)
9	Plant Revenue Requirement		27,159,599 (Adjusted for Federal Tax) (Line 8 / (1 - 35%))
10	Expenses		<u>65,080,161</u>
11	Total Revenue Requirement		\$ 92,239,761 (before revenue sensitive items)
12			
13	Support for Revenue Requirement - Ratebase		

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14	FERC	DESCRIPTION	2009 December In Thousands	2010 December In Thousands	13 MONTH AMA	ANNUITY RATE	ANNUALIZED DEPRECIATION	AMA ACUMM. DEPR.
15		COLSTRIP #1						
16	E311	Structures & Improvements	\$ 7,355	\$ 7,417	\$ 7,390,065	1.74%	\$ 128,516	\$ (4,710,418)
17	E312	Boiler Plant Equipment	70,162	73,551	71,626,270	1.69%	1,214,377	(40,690,146)
18	E314	Turbo Generating Units	23,973	24,407	24,217,324	2.36%	570,891	(11,048,685)
19	E315	Accessory Electric Equipment	5,895	5,912	5,906,906	0.93%	54,903	(4,405,415)
20	E316	Misc. Power Plant Equipment	796	808	805,101	2.31%	18,526	(248,899)
21		TOTAL	108,181	112,095	109,945,666	1.81%	1,987,213	(61,103,563)
22		COLSTRIP #2						
23	E311	Structures & Improvements	2,541	2,608	2,579,925	1.32%	33,933	(1,002,662)
24	E312	Boiler Plant Equipment	63,084	65,040	64,505,013	1.78%	1,139,738	(33,864,137)
25	E314	Turbo Generating Units	26,787	28,439	27,620,914	2.29%	629,410	(10,330,632)
26	E315	Accessory Electric Equipment	2,869	2,886	2,880,593	1.36%	39,130	(1,267,181)
27	E316	Misc. Power Plant Equipment	918	930	927,101	2.38%	21,984	(338,064)
28		TOTAL	96,199	99,903	98,513,546	1.89%	1,864,195	(46,802,676)
29		COLSTRIP 1 & 2 COMMON						
30	E311	Structures & Improvements	31,201	31,201	31,201,182	1.23%	286,761	(25,849,541)
31	E312	Boiler Plant Equipment	6,209	6,209	6,209,456	1.27%	78,860	(4,859,524)
32	E314	Turbo Generating Units	3,821	3,821	3,821,272	1.24%	47,384	(3,287,547)
33	E315	Accessory Electric Equipment	2,333	2,333	2,332,703	1.14%	26,593	(1,818,121)
34	E316	Misc. Power Plant Equipment	6,248	6,248	6,248,428	1.40%	87,478	(4,829,577)
35	E317	Asset Retirement Obligation	540	540	540,097	0.00%	23,022	(480,943)
36		TOTAL	50,352	50,352	50,353,138	1.09%	550,098	(41,125,253)
37		COLSTRIP 3						
38	E311	Structures & Improvements	28,527	28,575	28,560,518	1.33%	379,727	(19,203,195)
39	E312	Boiler Plant Equipment	127,151	127,916	127,278,293	1.44%	1,836,478	(84,254,011)
40	E314	Turbo Generating Units	39,395	41,704	40,516,395	1.87%	758,279	(18,451,357)
41	E315	Accessory Electric Equipment	6,358	6,383	6,369,547	1.28%	81,543	(4,018,765)
42	E316	Misc. Power Plant Equipment	763	770	768,745	2.01%	15,412	(272,770)
43		TOTAL	202,194	205,348	203,493,498	1.51%	3,071,439	(126,200,098)
44		COLSTRIP 4						
45	E311	Structures & Improvements	26,721	26,769	26,754,610	1.42%	379,779	(17,040,192)
46	E312	Boiler Plant Equipment	113,239	114,141	113,849,136	1.64%	1,864,517	(66,673,143)
47	E314	Turbo Generating Units	39,588	40,825	40,674,578	1.92%	771,962	(17,832,098)
48	E315	Accessory Electric Equipment	5,660	5,660	5,660,408	1.40%	79,246	(3,324,241)
49	E316	Misc. Power Plant Equipment	891	898	896,213	1.93%	17,259	(309,205)
50		TOTAL	186,099	188,293	187,834,945	1.66%	3,112,762	(105,178,879)
51		COLSTRIP 3 & 4 COMMON						
52	E311	Structures & Improvements	70,515	70,515	70,514,806	1.31%	861,461	(47,724,478)
53	E312	Boiler Plant Equipment	16,957	16,957	16,957,167	1.49%	252,662	(10,318,676)
54	E314	Turbo Generating Units	11	11	10,515	26.55%	2,792	106,861
55	E315	Accessory Electric Equipment	7,645	7,645	7,645,315	1.28%	97,860	(4,782,271)
56	E316	Misc. Power Plant Equipment	4,503	4,503	4,503,330	1.63%	73,404	(2,515,969)
57	E317	Asset Retirement Obligation	334	334	333,978	0.00%	5,013	(236,566)
58		TOTAL	99,965	99,965	99,965,111	1.29%	1,293,192	(65,471,099)
59		COLSTRIP 1-4 COMMON						
60	E316	Misc. Power Plant Equip.	252	252	251,534	1.38%	3,471	(173,333)
61		TOTAL	\$ 252	\$ 252	\$ 251,534	1.38%	\$ 3,471	\$ (173,333)
62								
63		Subtotal before Colstrip FERC Adjustments (Line 63 + 65)	743,242	756,208	750,357,438	1.58%	11,882,371	(446,054,901)
64		ARO - Electric Colstrip 1-4 (Acct: 23001021 - 1031) Adj (AMA is Net of Accum. Amort.)			(2,302,671)		136,274	
65		Colstrip Common FERC Adj. (AMA is Net of Accum. Amort.)			4,947,628		354,669	
66		Colstrip Def Depr FERC Adj. (AMA is Net of Accum. Amort.)			1,941,067		104,311	
67		Totals			\$ 754,943,461	1.65%	\$ 12,477,625	\$ (446,054,901)

ROW **Exhibit A-3 Colstrip Fixed Costs**

73			
74			
75			
76			
77	Support for Revenue Requirement - Expenses		
78			
79	Order	Description	<b>Amount before Prod. Adj.</b>
80	50004011	Colstrip 1&2 - Supv & Eng'g - Steam Ope	\$ 61,750
81	50005011	Colstrip 3&4 - Supv & Eng'g - Steam Ope	50,554
82	50204001	Colstrip 1&2 - Steam Exp - Steam Gen Op	4,155,364
83	50205001	Colstrip 3&4 - Steam Exp - Steam Gen Op	2,502,216
84	50504001	Colstrip 1&2 - Electric Exp - Steam Gen	97,082
85	50505001	Colstrip 3&4 - Electric Exp - Steam Gen	87,816
86	50604001	Colstrip 1&2 - Misc Strm Pwr - Steam Gen	3,784,562
87	50605001	Colstrip 3&4 - Misc Strm Pwr - Steam Gen	3,178,648
88	50704001	Colstrip 1&2 - Rents - Steam Gen Oper	9,047
89	50705001	Colstrip 3&4 - Rents - Steam Gen Oper	32,766
90	51004001	Colstrip 1&2 - Supv & Eng'g - Steam Gen	827,101
91	51005001	Colstrip 3&4 - Supv & Eng'g - Steam Gen	589,309
92	51104001	Colstrip 1&2 - Structures - Steam Gen M	1,124,651
93	51105001	Colstrip 3&4 - Structures - Steam Gen M	847,753
94	51204001	Colstrip 1&2 - Boiler Plant - Steam Gen	5,176,409
95	51205001	Colstrip 3&4 - Boiler Plant - Steam Gen	4,412,221
96	51304001	Colstrip 1&2 - Electric Plant - Steam G	578,523
97	51305001	Colstrip 3&4 - Electric Plant - Steam G	538,076
98	51404001	Colstrip 1&2 - Misc Steam Plt - Steam Gen	1,264,419
99	51405001	Colstrip 3&4 - Misc Steam Plt - Steam Gen	863,749
100	50604002	Colstrip 1&2 Belmontez Settlement	400,000
101	50604003	Colstrip 1&2 Global Settlement	(3,437,598)
102	50604004	Colstrip 1&2 Ash Pond Settlement	785,531
103	50605003	Colstrip 3&4 Global Settemt	(1,636,257)
104	50605004	Colstrip 3&4 Ash Pond Settlement	1,458,844
105		Subtotal for the test year	<u>27,752,535</u>
106		Adjustment to the rate year	14,583,010
107		Subtotal on Orders	42,335,545
108		Property Taxes-Montana	8,570,766
109		Electric Energy Tax	1,696,226
110	403xxxxx	Depreciation	12,477,625
111			<u><u>\$ 65,080,161</u></u>

## Exhibit A-4 Production Adjustment

**PUGET SOUND ENERGY  
PRODUCTION ADJUSTMENT  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
GENERAL RATE INCREASE**

LINE NO. DESCRIPTION	PROFORMA AND RESTATED	PRODUCTION 2.099%	FIT 35%
1 <u>O&amp;M ON PRODUCTION PROPERTY</u>			
2 PRODUCTION WAGE ADJUSTMENTS AND INCENTIVE			
3 PURCHASED POWER	\$ 79,814	\$ (1,675)	\$ 586
4 OTHER POWER SUPPLY	498,117	(10,455)	3,659
5 TOTAL WAGE RELATED ADJUSTMENTS	<u>577,931</u>	<u>(12,131)</u>	<u>4,245</u>
6			
7 ADMIN & GENERAL EXPENSES			
8 PAYROLL OVERHEADS	5,050,730	(106,015)	37,105
9 PROPERTY INSURANCE	2,835,322	(59,513)	20,830
10 TOTAL ADMIN & GENERAL EXPENSES	<u>7,886,052</u>	<u>(165,528)</u>	<u>57,935</u>
11			
12 DEPRECIATION / AMORTIZATION			
13 DEPRECIATION	95,848,019	(2,011,850)	820,843
14 AMORTIZATION (OTHER THAN REGULATORY ASSETS/LIAB	11,264,042	(236,432)	80,107
15 TOTAL DEPRECIATION AND AMORTIZATION (FERC 403	<u>107,112,061</u>	<u>(2,248,282)</u>	<u>900,950</u>
16			
17 TAXES OTHER-PRODUCTION PROPERTY:			
18 PROPERTY TAXES - WASHINGTON	7,396,041	(155,243)	54,335
19 PROPERTY TAXES - MONTANA	7,977,272	(167,443)	58,605
20 ELECTRIC ENERGY TAX	1,696,226	(35,604)	12,461
21 PAYROLL TAXES	2,036,377	(42,744)	14,960
22 TOTAL TAXES OTHER	<u>19,105,916</u>	<u>(401,033)</u>	<u>140,361</u>
23			
24 <u>LOWER SNAKE RIVER</u>			
25			
26 PURCHASED POWER	776,099	(16,290)	5,702
27 WHEELING	9,922,939	(208,282)	72,899
28 SALES FOR RESALE	-	-	-
29 PRODUCTION O&M	10,891,023	(228,603)	80,011
30 PROPERTY INSURANCE	517,501	(10,862)	3,802
31 PROPERTY TAX	2,967,101	(62,279)	21,798
32 TOTAL OPERATING EXPENSES LOWER SNAKE RIVER	<u>25,074,663</u>	<u>(526,317)</u>	<u>184,212</u>
33			
34 <u>AMORTIZATION ON REGULATORY ASSETS</u>			
35 BEP (555)	3,526,620	(74,024)	25,908
36 WHITE RIVER PLANT COSTS (407)	1,494,702	(31,374)	10,981
37 WHITE RIVER RELICENSING & CWIF	0	-	-
38 HOPKINS RIDGE PREPAID TRANSMISSION (565	0	-	-
39 GOLDENDALE FIXED COSTS DEFERRAL (407.3)	0	-	-
40 HOPKINS RIDGE MITIGATION CREDIT (555	0	-	-
41 WESTCOAST PIPELINE CAPACITY - UE-082013 (FB ENERGY) (547	(392,170)	8,232	(2,881)
42 WESTCOAST PIPELINE CAPACITY - UE-100503 (BNP PARIBUS) (547	(537,626)	11,285	(3,950)
43 MINT FARM DEFERRAL (407.3)	2,872,182	(60,287)	21,100
44 WILD HORSE EXPANSION DEFERRAL (407.3)	0	-	-
45 COLSTRIP 1&2 (WECO) COAL CONTRACT PREPAYMENT (501)	555,556	(11,661)	4,081
46 FERC PART 12 NON-CONSTRUCTION STUDY COSTS UE-070074 (407.3)	265,155	(5,566)	1,948
47 MAJOR MAINTENANCE (SUMMARIZED) (PROD O&M)	1,215,107	(25,505)	8,927
48 LOWER SNAKE RIVER PREPAID TRANS DEPOSITS (407.3)	680,129	(14,276)	4,997
49 CHELAN RESERVATION PREPAYMENT (555)	7,088,066	(148,778)	52,072
50			
51 TOTAL AMORTIZATION OF REGULATORY ASSETS AND LIABILITIES	<u>16,767,720</u>	<u>(351,954)</u>	<u>123,183</u>
52			
53			
54 INCREASE(DECREASE) EXPENSE		176,524,343	\$ (3,705,246)
55 INCREASE(DECREASE) FIT			<u>1,410,886</u>
56 INCREASE(DECREASE) NOI			<u>\$ 2,294,360</u>

Exhibit A-4 Production Adjustment

PUGET SOUND ENERGY  
**PRODUCTION ADJUSTMENT**  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
GENERAL RATE INCREASE

LINE NO.	DESCRIPTION	PROFORMA AND RESTATED	PRODUCTION 2.099%	FIT 35%
57	PRODUCTION PROPERTY RATE BASE:			
58	DEPRECIABLE PRODUCTION PROPERTY (INCL LSR AND WH SOLAR	\$ 3,310,587,583	\$ (69,489,233)	
59	PRODUCTION PROPERTY ACCUM DEPR. (INCL LSR AND WH SOLAR	(1,190,080,368)	24,979,787	
60	NON-DEPRECIABLE PRODUCTION PROPERTY	77,287,156	(1,622,257)	
61	PRODUCTION PROPERTY ACCUM AMORT.	(4,080,190)	85,643	
62	COLSTRIP COMMON FERC ADJUSTMENT	4,947,628	(103,851)	
63	COLSTRIP DEFERRED DEPRECIATION FERC ADJ	1,458,712	(30,618)	
64	ACQUISITION ADJUSTMENTS	250,524,822	(5,258,516)	
65	ACCUMULATED AMORTIZATION ON ACQUISTION AD	(54,306,612)	1,139,896	
66	NET PRODUCTION PROPERTY	2,396,338,732	(50,299,149)	
67				
68	LIBR. DEPREC. POST 1980 (AMA)	(315,759,925)	6,627,801	
69	NOL DEFERRED TAX ASSET ATTRIBUTABLE TO PRODUCTION	15,034,874	(315,582)	
70	SUBTOTAL	(300,725,051)	6,312,219	
71		-	-	
72	TOTAL PRODUCTION PROPERTY RATE BASE	\$ 2,095,613,681	\$ (43,986,930)	\$ 2,051,626,751
73				
74	REGULATORY ASSETS RATE BASE:			
75	BEP	11,214,773	(235,398)	
76	WHITE RIVER PLANT COSTS	34,565,277	(725,525)	
77	WHITE RIVER RELICENSING & CWII	24,941,807	(523,529)	
78	PROCEEDS FROM THE SALE OF WHITE RIVER ASSETS TO CWA	(29,911,730)	627,847	
79	DFIT WHITE RIVER REG ASSETS	(10,331,528)	216,859	
80	WESTCOAST PIPELINE CAPACITY - UE-082013 (FB ENERGY	(1,529,462)	32,103	
81	WESTCOAST PIPELINE CAPACITY - UE-100503 (BNP PARIBUS	(2,096,742)	44,011	
82	MINT FARM DEFERRAL UE-090704	23,180,901	(486,567)	
83	COLSTRIP 1&2 (WECO) COAL CONTRACT PREPAYMENT	3,981,481	(83,571)	
84	FERC PART 12 NON-CONSTRUCTION STUDY COSTS UE-070074	1,193,198	(25,045)	
83	LOWER SNAKE RIVER PREPAID TRANSMISSION DEPOSIT	99,707,854	(2,092,868)	
84	CARRYING CHARGES ON LSR PREPAID TRANSM DEPOSITS	10,831,055	(227,344)	
85	CHELAN RESERVATION PAYMENT	117,130,302	(2,458,565)	
86	CHELAN SECURITY DEPOSIT	18,500,000	(388,315)	
87	MAJOR MAINTENANCE (SUMMARIZED)	1,627,205	(34,155)	
88	TOTAL REGULATORY ASSETS AND LIABILITIES RATE BASE	\$ 303,004,391	\$ (6,360,062)	\$ 296,644,329
89				
90	TOTAL ADJUSTMENT TO RATEBASE (LINE 73 + LINE 89)		\$ (50,346,992)	

Exhibit A-5 Power Costs

PUGET SOUND ENERGY  
POWER COSTS  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
GENERAL RATE INCREASE

LINE NO. DESCRIPTION	REVISED		INCREASE (DECREASE)
	ACTUAL	PROFORMA	
1 SALES FOR RESALE	\$ 201,262,557	\$ <b>10,227,296</b>	\$ <b>(191,035,261)</b>
2			
3 PURCHASES/SALES OF NON-CORE GAS	(36,748,461)	-	36,748,461
4 WHEELING FOR OTHERS	10,703,023	11,378,098	675,075
5	(26,045,439)	11,378,098	37,423,537
6			
7 <b>TOTAL OPERATING REVENUES</b>	175,217,118	<b>21,605,394</b>	<b>(153,611,725)</b>
8			
9 FUEL	\$ 269,007,822	\$ <b>236,911,615</b>	\$ <b>(32,096,207)</b>
10			
11 PURCHASED AND INTERCHANGED	792,862,060	<b>492,764,529</b>	<b>(300,097,532)</b>
12 HEDGING	-	1,420,907	1,420,907
13	-	0	-
14 SUBTOTAL PURCHASED AND INTERCHANGED	\$ 792,862,060	\$ <b>494,185,436</b>	\$ <b>(298,676,624)</b>
15 WHEELING	76,487,811	<b>85,895,611</b>	<b>9,407,800</b>
16			
17 TOTAL PRODUCTION EXPENSES	\$ 1,138,357,693	\$ <b>816,992,662</b>	\$ <b>(321,365,032)</b>
18 HYDRO AND OTHER POWER	101,194,084	115,053,360	13,859,275
19 TRANS. EXP. INCL. 500KV O&M	1,419,635	<b>1,389,837</b>	<b>(29,798)</b>
20			
21 <b>TOTAL OPERATING EXPENSES</b>	\$ 1,240,971,412	\$ <b>933,435,858</b>	\$ <b>(307,535,554)</b>
22			
23 INCREASE (DECREASE) OPERATING INCOME (LINE 7 - LINE 21)	\$ (1,065,754,294)	\$ <b>(911,830,464)</b>	\$ <b>153,923,830</b>
24			
25 STATE UTILITY TAX SAVINGS FOR LINE 4	3.873%		(26,146)
26 INCREASE (DECREASE) INCOME			\$ <b>153,897,684</b>
27 INCREASE (DECREASE) FIT @	35%		<b>53,864,189</b>
28 INCREASE (DECREASE) NOI			<b>\$ 100,033,495</b>

Note: Amounts presented in bold italic type have changed since the June 13 original filing.



**Exhibit D: Regulatory Assets and Liabilities net of Accumulated Amortization and Deferred Taxes**  
**2011 General Rate Case - PCA Time Periods**

		Rate
2009 GRC	4/7/2010	6.90%
2011 GRC	5/1/2012	7.29%

Ref	Description	12 Months Ended		PCA Period						
		Asset Amort	Balance net of AA & ADFIT (Note 1)	Asset Amort	AMA Ratebase as of (Note 1)	A.T. %	Amount	REVISD Return Pre Tax	REVISD Monthly	
24										
25	<b>Tenaska</b>									
26	Dec 2010	\$ (37,533,000)	38,851,000	(37,533,000)	56,501,833 12/10	7.00%&6.90%	3,913,642	6,020,988	501,749	
27	Dec 2011	\$ (40,629,000)	-	(40,629,000)	19,424,708 12/11	6.90%	1,340,305	2,062,008	171,834	
28										
29	<b>BEP</b>									
30	Dec 2010	\$ (3,526,620)	15,612,243	(3,526,620)	16,811,553 12/10	7.00%&6.90%	1,164,465	1,791,484	149,290	
31	Dec 2011	\$ (3,526,620)	13,213,623	(3,526,620)	14,412,933 12/11	6.90%	994,492	1,529,988	127,499	
32	Dec 2012	\$ (3,526,620)	10,815,003	(3,526,620)	12,014,313 12/12	6.90%&7.29%	860,439	1,323,752	110,313	
33	Dec 2013	\$ (3,526,620)	8,416,383	(3,526,620)	9,615,693 12/13	7.29%	700,984	1,078,437	89,870	
34										
35	<b>White River Relicensing</b>									
36	Dec 2010	\$	24,865,722	-	24,579,160 12/10	7.00%&6.90%	1,702,494	2,619,222	218,268	
37	Dec 2011	\$	24,941,807	-	24,930,932 12/11	6.90%	1,720,234	2,646,514	220,543	
38	Dec 2012	\$	24,941,807	-	24,941,807 12/12	6.90%&7.29%	1,786,278	2,748,119	229,010	
39	Dec 2013	\$	24,941,807	-	24,941,807 12/13	7.29%	1,818,258	2,797,320	233,110	
40										
41	<b>White River Plant Costs</b>									
42	Beginning	\$								
43	Dec 2010	\$ (1,494,702)	37,305,564	(1,494,702)	37,977,362 12/10	7.00%&6.90%	2,630,531	4,046,970	337,248	
44	Dec 2011	\$ (1,494,702)	35,810,862	(1,494,702)	36,558,213 12/11	6.90%	2,522,517	3,880,795	323,400	
45	Dec 2012	\$ (1,494,702)	34,316,160	(1,494,702)	35,063,511 12/12	6.90%&7.29%	2,511,172	3,863,341	321,945	
46	Dec 2013	\$ (1,494,702)	32,821,459	(1,494,702)	33,568,810 12/13	7.29%	2,447,166	3,764,871	313,739	
47										
48	<b>CWA Sales Proceeds</b>									
49	Dec 2010	\$	(24,911,730)		(25,951,720) 12/10	7.00%&6.90%	(1,797,565)	(2,765,485)	(230,457)	
50	Dec 2011	\$	(29,911,730)		(29,911,730) 12/11	6.90%	(2,063,909)	(3,175,245)	(264,604)	
51	Dec 2012	\$	(29,911,730)		(29,911,730) 12/12	6.90%&7.29%	(2,142,213)	(3,295,712)	(274,643)	
52	Dec 2013	\$	(29,911,730)		(29,911,730) 12/13	7.29%	(2,180,565)	(3,354,716)	(279,560)	

*Note: Amounts presented in bold italic have changed since the June 13 original filing.*

**Exhibit D: Regulatory Assets and Liabilities net of Accumulated Amortization and Deferred Taxes**  
**2011 General Rate Case - PCA Time Periods**

		Rate
2009 GRC	4/7/2010	6.90%
2011 GRC	5/1/2012	7.29%

Ref	Description	12 Months Ended		PCA Period						
		Asset Amort	Balance net of AA & ADFIT (Note 1)	Asset Amort	AMA Ratebase as of (Note 1)	A.T. %	Amount	REVISIED Return Pre Tax	REVISIED Monthly	
53										
54	<b>White River DFIT</b>			G/L Accts #28300651						
55	Dec 2010 \$		(11,290,628)		(12,226,929)	12/10	7.00%&6.90%	(846,907)	(1,302,934)	(108,578)
56	Dec 2011 \$		(10,767,482)		(11,029,055)	12/11	6.90%	(761,005)	(1,170,777)	(97,565)
57	Dec 2012 \$		(10,505,909)		(10,505,909)	12/12	6.90%&7.29%	(752,410)	(1,157,554)	(96,463)
58	Dec 2013 \$		(9,982,764)		(9,982,764)	12/13	7.29%	(727,743)	(1,119,605)	(93,300)
59										
60	<b>Hopkins Ridge Prepaid Transm</b>			G/L Accts #18230231, #18230371, Orders #56500011 and #56500021						
61	Dec 2010 \$	(2,397,901)	236,001	(2,397,901)	1,442,617	12/10	7.00%&6.90%	99,924	153,729	12,811
62										
63	<b>Goldendale Fixed Cost Deferral</b>			G/L Accts #18230381, 391, #28300541 and #28300551 and Order #40730041						
64	Dec 2010 \$	(4,162,154)	2,254,208	(4,162,154)	3,605,726	12/10	7.00%&6.90%	249,753	384,236	32,020
65										
66	<b>Hopkins Ridge Mitigation Credit</b>			G/L Accts #25400171 and #19000561 and Order #55500017						
67	Dec 2010 \$	1,209,583	-	1,209,583	(327,265)	12/10	7.00%&6.90%	(22,668)	(34,874)	(2,906)
68										
69	<b>FB Energy Capacity Payment - UE-082013</b>			G/L Accts #25300601 and #19000151 and Order #54700005						
70	Dec 2010 \$	457,531	(1,996,797)	457,531	(2,135,208)	12/10	7.00%&6.90%	(147,897)	(227,533)	(18,961)
71	Dec 2011 \$	392,170	(1,741,887)	392,170	(1,869,342)	12/11	6.90%	(128,985)	(198,438)	(16,536)
72	Dec 2012 \$	392,170	(1,486,977)	392,170	(1,614,432)	12/12	6.90%&7.29%	(115,622)	(177,880)	(14,823)
73	Dec 2013 \$	392,170	(1,232,066)	392,170	(1,359,521)	12/13	7.29%	(99,109)	(152,476)	(12,706)
74										
75	<b>Mint Farm Deferral</b>			G/L Accts #18600351, 361, 371, #18235521 and Orders #40740061, # 40730051, #41900026, 28 and #55500136						
76	Dec 2010	(2,159,053)	26,614,738	(2,159,053)	26,528,891	12/10	7.00%&6.90%	1,344,034	2,067,744	<b>258,468</b>
77	Dec 2011	(2,885,052)	24,739,454	(2,885,052)	25,677,096	12/11	6.90%	1,771,720	2,725,723	227,144
78	Dec 2012	(2,876,472)	22,869,748	(2,876,472)	23,803,671	12/12	6.90%&7.29%	1,704,767	2,622,718	218,560
79	Dec 2013	(2,872,182)	21,002,829	(2,872,182)	21,936,289	12/13	7.29%	1,599,155	2,460,239	205,020

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**Exhibit D: Regulatory Assets and Liabilities net of Accumulated Amortization and Deferred Taxes  
2011 General Rate Case - PCA Time Periods**

		Rate
2009 GRC	4/7/2010	6.90%
2011 GRC	5/1/2012	7.29%

Ref	Description	12 Months Ended		PCA Period						
		Asset Amort	Balance net of AA & ADFIT (Note 1)	Asset Amort	AMA Ratebase as of (Note 1)	A.T. %	Amount	REVISSED Return Pre Tax	REVISSED Monthly	
80										
81	<b>WHE Deferral</b>			G/L Accts #18600611&621&631, and 18235531 Orders #40740071, #40730061 #41900037&39, #55500093&139						
82	Dec 2010	(2,102,006)	1,752,245	(2,102,006)	2,331,347	12/10	7.00%&6.90%	\$ 118,113	181,712	<b>22,714</b>
83	Dec 2011	(2,695,758)	-	(2,695,758)	839,626	12/11	6.90%	57,934	89,130	7,427
84										
85	<b>BNP Capacity - UE-100503</b>			G/L Accts # 19000711, # 25302121, #25400191 and Order #54700010						
86	Dec 2010	403,220	(2,737,413)	403,220	(2,267,178)	12/10	7.00%&6.90%	(127,037)	(195,441)	(20,083)
87	Dec 2011	537,626	(2,387,956)	537,626	(2,562,685)	12/11	6.90%	(176,825)	(272,039)	(22,670)
88	Dec 2012	537,626	(2,038,499)	537,626	(2,213,228)	12/12	6.90%&7.29%	(158,507)	(243,856)	(20,321)
89										
90	<b>Freddy 1 July 2009 Hot Gas Path Inspection</b>			G/L Accts # 18600831, #18231001 Orders #51218007, #51318019, #55360053, #55460076						
91	<b>PP Exp-Planned Maj. Maint.</b>									
92	Dec 2010	(164,390)	141,403	(164,390)	115,872	12/10	7.00%&6.90%	5,870	9,031	1,129
93	Dec 2011	(141,404)	(0)	(141,404)	70,702	12/11	6.90%	4,878	7,505	625
94										
95	<b>Golendale May 2009 Combustion Inspection</b>			G/L Accts # 18600841, #18231011 Order #55362083 &553002864						
96	<b>PP Exp-Planned Maj. Maint.</b>									
97	Dec 2010	(260,349)	413,677	(260,349)	590,967	12/10	7.00%&6.90%	29,940	46,062	<b>5,758</b>
98	Dec 2011	(354,580)	59,097	(354,580)	236,387	12/11	6.90%	16,311	25,093	2,091
99	Dec 2012	(59,097)	-	(59,097)	4,925	12/12	6.90%&7.29%	353	543	45
100										
101	<b>Sumas November 2008 Combustion Inspection</b>			G/L Accts # 18600541, 18231021 Order #55300948, #55363078, #553002862						
102	<b>PP Exp-Planned Maj. Maint.</b>									
103	Dec 2010	(87,620)	-	(87,620)	62,508	12/10	7.00%&6.90%	3,167	4,872	<b>609</b>
104										
105	<b>Mint Farm June 2010 Combustion Inspection</b>			G/L Accts # 18231031, 16500741, Order #5XX (Prod O&M)						
106	<b>PP Exp-Planned Maj. Maint.</b>									
107	Dec 2010	(\$335,015)	1,042,903	(\$335,015)	678,973	12/10	7.00%&6.90%	27,468	42,258	6,037
108	Dec 2011	(\$782,177)	260,726	(\$782,177)	651,814	12/11	7.29%	44,975	69,193	5,766
109	Dec 2012	(\$260,726)	-	(\$260,726)	43,454	12/12	6.90%&7.29%	3,112	4,788	399

Note: Amounts presented in bold italic have changed since the June 13 original filing.

**Exhibit D: Regulatory Assets and Liabilities net of Accumulated Amortization and Deferred Taxes**  
**2011 General Rate Case - PCA Time Periods**

		Rate
2009 GRC	4/7/2010	6.90%
2011 GRC	5/1/2012	7.29%

Ref	Description	12 Months Ended		PCA Period						
		Asset Amort	Balance net of AA & ADFIT (Note 1)	Asset Amort	AMA Ratebase as of (Note 1)	A.T. %	Amount	REVISSED Return Pre Tax	REVISSED Monthly	
110										
111	<b>Chelan PUD Contract Initiation</b>			G/L Accts # 18230351, #28300561, Order #555						
112	<b>Payment</b>									
113	Dec 2011	(1,181,344)	\$122,267,588	(1,181,344)	121,077,132	12/11	7.29%	<b>1,396,202</b>	<b>2,148,003</b>	<b>1,074,001</b>
114	Dec 2012	(7,088,066)	\$116,102,845	(7,088,066)	119,185,216	12/12	6.90%&7.29%	<b>8,535,784</b>	<b>13,131,975</b>	<b>1,094,331</b>
115	Dec 2013	(7,088,066)	\$109,938,102	(7,088,066)	113,020,474	12/13	7.29%	8,239,193	12,675,681	1,056,307
116										
117	<b>Chelan - Rock Island Security Deposit</b>									
118	Dec 2011	-	18,500,000	-	2,312,500	12/11	6.90%	<b>26,667</b>	<b>41,026</b>	<b>20,513</b>
119	Dec 2012	-	18,500,000	-	18,500,000	12/12	6.90%&7.29%	<b>1,324,929</b>	<b>2,038,353</b>	<b>169,863</b>
120	Dec 2013	-	18,500,000	-	18,500,000	12/13	7.29%	1,348,650	2,074,846	172,904
121										
122	<b>Sumas November 2010 Hot Gas Path Inspection</b>			G/L Accts # 18231041, #16500711, #23200301						
123	Dec 2010	(\$61,034)	640,861	(61,034)	82,651	12/10	7.00%&6.90%	953	1,466	733
124	Dec 2011	(\$366,206)	274,655	(366,206)	457,758	12/11	6.90%	31,585	48,593	4,049
125	Dec 2012	(\$274,655)	-	(274,655)	102,995	12/12	6.90%&7.29%	7,376	11,348	946
126										
127	<b>Colstrip 1 and 2 (WECO)</b>			G/L Accts # 16599011, Order #501						
128	<b>Reservation Payment</b>									
129	Dec 2012	(555,556)	3,888,889	(555,556)	4,166,667	12/12	6.90%&7.29%	<b>203,887</b>	<b>313,672</b>	<b>39,209</b>
130	Dec 2013	(555,556)	3,333,333	(555,556)	3,611,111	12/13	7.29%	263,250	405,000	33,750
131										
132	<b>Lower Snake River Prepaid Transm Principal</b>									
133	Dec 2012	-	99,707,854	-	99,707,854	12/12	6.90%&7.29%	<b>4,878,992</b>	<b>7,506,142</b>	<b>938,268</b>
134	Dec 2013	-	99,707,854	-	99,707,854	12/13	7.29%	7,268,703	11,182,619	931,885
135										
136	<b>Carrying Charges on LSR Prepaid Transm</b>									
137	Dec 2012	(453,419)	10,757,374	(453,419)	10,571,643	12/12	6.90%&7.29%	<b>517,301</b>	<b>795,848</b>	<b>99,481</b>
138	Dec 2013	(680,129)	10,315,290	(680,129)	10,536,332	12/13	7.29%	768,099	1,181,690	98,474

*Note: Amounts presented in bold italic have changed since the June 13 original filing.*

**Exhibit D: Regulatory Assets and Liabilities net of Accumulated Amortization and Deferred Taxes  
2011 General Rate Case - PCA Time Periods**

		Rate
2009 GRC	4/7/2010	6.90%
2011 GRC	5/1/2012	7.29%

Ref	Description	12 Months Ended		PCA Period					
		Asset Amort	Balance net of AA & ADFIT (Note 1)	Asset Amort	AMA Ratebase as of (Note 1)	A.T. %	Amount	REVISIED Return Pre Tax	REVISIED Monthly
139									
140	<b>FERC PART 12 Non-Construction Study Costs</b>								
141	Dec 2012	(176,770)	1,149,005	(176,770)	880,167 12/12	6.90%&7.29%	<b>43,069</b>	<b>66,260</b>	<b>8,283</b>
142	Dec 2013	(265,155)	883,850	(265,155)	1,016,428 12/13	7.29%	74,098	113,996	9,500

Period	From	To	Asset Amort	AMA Ratebase as of		A.T. %	Return		
							Amount	Pre Tax	Monthly
143							<i>(Annualized)</i>		
144									
145	PCA #9	Jan 2010	Dec 2010	(52,213,510)	128,401,162 12/10	7.00%&6.90%	8,348,279	12,843,507	<b>1,165,848</b>
146	PCA #10	Jan 2011	Dec 2011	(56,831,511)	202,228,484 12/11	6.90%	<b>6,862,749</b>	<b>10,558,076</b>	<b>1,791,935</b>
147	PCA #11	Jan 2012	Dec 2012	(15,836,285)	304,740,925 12/12	6.90%&7.29%	<b>19,208,707</b>	<b>29,551,857</b>	<b>2,824,402</b>
148	PCA #12	Jan 2013	Dec 2013	(15,552,613)	293,337,011 12/13	7.29%	21,384,268	32,898,874	2,741,573

151  
152  
153 **Note (1)** Amounts in these columns are net of accumulated amortization AND the associated Deferred FIT liability / asset.

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