

EXHIBIT NO. \_\_\_\_\_ (DWH-10)  
DOCKET NOS. UE-920433, UE-920499 and UE-921262  
WITNESS: D.W. HOFF

**BEFORE THE  
WASHINGTON UTILITIES & TRANSPORTATION  
COMMISSION**

**COMPLAINANT**

**VS.**

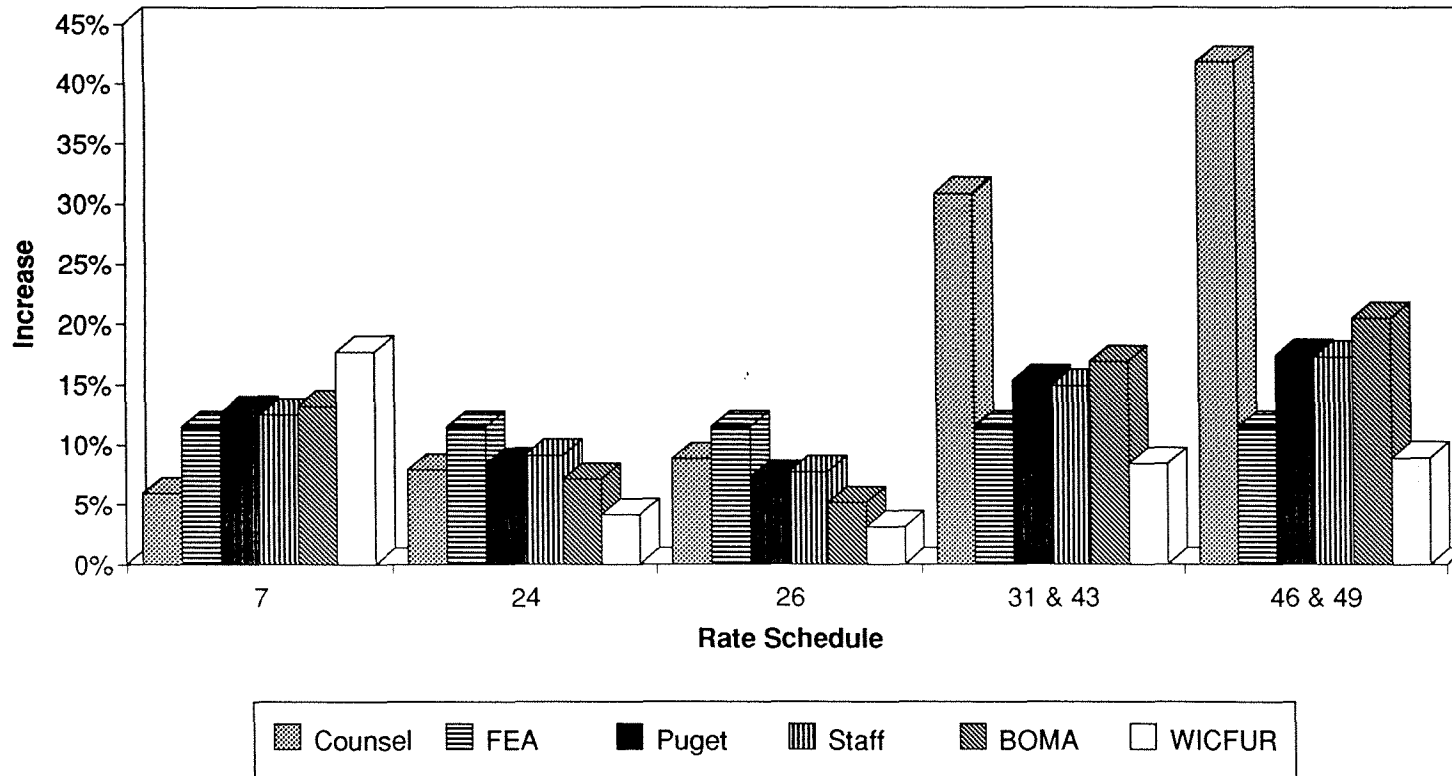
**PUGET SOUND POWER & LIGHT COMPANY**

**RESPONDENT**

**EXHIBIT**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION	
No. UE-920433; -920499; -921262	Ex. 84 ✓

### Comparison of Proposals to Allocate Rate Increase



SPONSOR: PUGET

	Parity Ratio			(d)	(e)	(f)	(g)	(h)	(i)	(j)
	(a)	(b)	(c)							
Schedules	COS	Target	(b - a) Difference	Average Increase %	Estimated Sch % (c+d)	% or Absolute	Proforma Revenue	Estimated Rate Increase (g * (e or f))	Final Rate Increase	Final % Rate Increase ( i / g )
7	97%	98%	1.0%	11.5%	12.5%		\$510,806,403	\$64,055,123	\$64,647,688	12.7%
24	109%	106%	-3.0%	11.5%	8.5%		\$115,114,738	\$9,830,799	\$9,689,526	8.4%
25	115%	110%	-5.0%	11.5%	6.5%		\$127,552,381	\$8,341,926	\$8,420,675	6.6%
26	113%	109%	-4.0%	11.5%	7.5%		\$72,188,108	\$5,442,983	\$5,244,714	7.3%
31-43-35	91%	94%	3.0%	11.5%	14.5%		\$64,696,270	\$9,406,838	\$9,929,240	15.3%
46-49	86%	91%	5.0%	11.5%	16.5%		\$88,247,939	\$14,596,209	\$15,397,531	17.4%
Lighting	134%	123%	-11.0%	11.5%	0.5%		\$8,948,680	\$48,323	\$165,144	1.8%
Resale	72%	83%	11.0%	11.5%	22.5%		\$3,975,193	\$896,009	\$999,385	25.1%
Temp Adj							\$28,396,808	\$3,279,831	\$3,279,036	11.5%
Total Inc.							\$1,019,926,520	\$115,898,040	\$117,772,939	11.5%

Col a : Page 3, Exh. T-567

Col b: Targeted cost of service parity ratio. Elimination of one third of parity discrepancy.

Col d: Average increase projected over proforma revenue. Page 1, Exh. 571

Col e: Simplified method of calculating increase to schedule. A more precise method is  $(1 + c / 100) \times (1 + d / 100)$ .

SPONSOR: BOMA

	Parity Ratio			(d)	(e) (c+d)	(f)	(g)	(h) (g * e or f)	(i)	(j) (i / g)
	(a)	(b)	(c)							
Schedules	COS	Target	Difference	Average Increase %	Estimated Sch % Increase	% or Absolute	Proforma Revenue	Estimated Rate Increase	Final Rate Increase	Final % Rate Increase
7						0.132	\$510,806,403	\$67,426,445	\$67,426,445	13.2%
24						0.071	\$115,114,738	\$8,173,146	\$8,173,146	7.1%
25						0.041	\$127,552,381	\$5,229,648	\$5,229,648	4.1%
26						0.051	\$72,188,108	\$3,681,594	\$3,681,594	5.1%
31-43-35						0.169	\$64,696,270	\$10,933,670	\$10,933,670	16.9%
46-49						0.205	\$88,247,939	\$18,090,827	\$18,090,827	20.5%
Lighting						-0.027	\$8,948,680	(\$241,614)	(\$241,614)	-2.7%
Resale						0.301	\$3,975,193	\$1,196,533	\$1,196,533	30.1%
Temp Adj							\$28,396,808	\$3,279,036	\$3,279,036	
Total Inc							\$1,019,926,520	\$117,769,285	\$117,769,285	11.5%

Col f: Page 11, Direct Testimony of G.S. Saleba (GSS-1)

SPONSOR: WICFUR

	Parity Ratio			(d)	(e) (c+d)	(f) % or Absolute	(g) Proforma Revenue	(h) (g * e or f) Estimated Rate Increase	(i) Final Rate Increase	(j) (i / g) Final % Rate Increase
	(a) COS	(b) Target	(c) Difference							
Schedules				Average Increase %	Estimated Sch % Increase					
7	87%	91%	4.3%	11.5%	15.8%	\$510,806,403	\$80,911,734	\$90,412,733	17.7%	
24	123%	115%	-7.7%	11.5%	3.8%	\$115,114,738	\$4,420,406	\$4,719,704	4.1%	
25	130%	120%	-10.0%	11.5%	1.5%	\$127,552,381	\$1,964,307	\$3,316,362	2.6%	
26	130%	120%	-10.0%	11.5%	1.5%	\$72,188,108	\$1,111,697	\$2,237,831	3.1%	
31-43-35	108%	105%	-2.7%	11.5%	8.8%	\$64,696,270	\$5,719,150	\$5,434,487	8.4%	
46-49	105%	103%	-1.7%	11.5%	9.8%	\$88,247,939	\$8,683,597	\$7,854,067	8.9%	
Lighting	144%	129%	-14.7%	11.5%	-3.2%	\$8,948,680	(\$282,778)	(\$26,846)	-0.3%	
Resale	92%	95%	2.7%	11.5%	14.2%	\$3,975,193	\$566,067	\$588,329	14.8%	
Temp Adj.						\$28,396,808	\$3,279,036	\$3,279,036	11.5%	
Total Inc						\$1,019,926,520	\$106,373,216	\$117,815,703	11.6%	

- Col a: Page 3, Direct Testimony of D.W. Schoenbeck (DWS-1)- Wicfur - Excluding Minimum System
- Col b: Elimination of one third of parity discrepancy.
- Col j: Page 4, Direct Testimony of D.W. Schoenbeck (DWS-1)

**SPONSOR: PUBLIC COUNSEL**

	Parity Ratio			(d)	(e) (c+d)	(f)	(g)	(h)	(i)	(j) (i / g)
	(a)	(b)	(c)							
Schedules	COS	Target	Difference	Average Increase %	Estimated Sch % Increase	% or Absolute	Proforma Revenue	Estimated Rate Increase	Final Rate Increase	Final % Rate Increase
7						\$30,088,300	\$510,806,403	\$30,088,300	\$30,088,300	5.9%
24						\$9,123,809	\$115,114,738	\$9,123,809	\$9,123,809	7.9%
25						\$9,447,567	\$127,552,381	\$9,447,567	\$9,447,567	7.4%
26						\$6,360,804	\$72,188,108	\$6,360,804	\$6,360,804	8.8%
31-43-35						\$19,910,627	\$64,696,270	\$19,910,627	\$19,910,627	30.8%
46-49						\$36,906,326	\$88,247,939	\$36,906,326	\$36,906,326	41.8%
Lighting						(\$12,189)	\$8,948,680	(\$12,189)	(\$12,189)	-0.1%
Resale						\$1,880,396	\$3,975,193	\$1,880,396	\$1,880,396	47.3%
Temp Adj						\$3,279,036	\$28,396,808	\$3,279,036	\$3,279,036	11.5%
Total Inc.						\$116,984,676	\$1,019,926,520	\$116,984,676	\$116,984,676	11.5%

Col f: Schedule 5, Page 2, Column 8 (DWH-10)

PUBLIC COUNSEL RATE SPREAD								
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Schedule	KWH	Proforma U-89-2688T Revenues	Proforma U-89-2688T plus PRAM 2 Revenues	Proposed Increase Avg/cents per KWH	( 2 * 5 ) Increase Amount	( 6 + 3 ) Proposed Revenues	( 7 - 4 ) Increase Over PRAM 2 Rates	( 8 / 4 ) % Increase
7	8,281,738,117	\$459,982,122	\$510,806,403	\$0.00977	\$80,912,581	\$540,894,703	\$30,088,300	5.9%
24	1,903,912,430	\$105,637,323	\$115,114,738	\$0.00977	\$18,601,224	\$124,238,547	\$9,123,809	7.9%
25	2,100,063,737	\$115,897,820	\$127,071,903	\$0.00977	\$20,517,623	\$136,415,443	\$9,343,540	7.4%
26	1,305,031,596	\$65,798,753	\$72,188,108	\$0.00977	\$12,750,159	\$78,548,912	\$6,360,804	8.8%
29	10,647,589	\$480,478	\$480,478	\$0.00977	\$104,027	\$584,505	\$104,027	21.7%
Total Sec	5,319,655,352	\$287,814,374	\$314,855,227	\$0.00977	\$51,973,033	\$339,787,407	\$24,932,180	7.9%
31	1,274,715,209	\$49,473,790	\$55,225,372	\$0.01823	\$23,238,058	\$72,711,848	\$17,486,476	31.7%
35	5,001,595	\$125,982	\$125,982	\$0.01823	\$91,179	\$217,161	\$91,179	72.4%
43	180,506,139	\$8,387,260	\$9,344,915	\$0.01823	\$3,290,627	\$11,677,887	\$2,332,972	25.0%
Total Pri	1,460,222,943	\$57,987,032	\$64,696,269	\$0.01823	\$26,619,864	\$84,606,896	\$19,910,627	30.8%
46	88,658,170	\$2,373,777	\$2,781,701	\$0.01823	\$1,616,238	\$3,990,015	\$1,208,314	43.4%
49	2,644,857,314	\$72,948,501	\$85,466,238	\$0.01823	\$48,215,749	\$121,164,250	\$35,698,012	41.8%
Total HV	2,733,515,484	\$75,322,278	\$88,247,939	\$0.01823	\$49,831,987	\$125,154,265	\$36,906,326	41.8%
Lgt	59,925,594	\$8,572,143	\$8,948,680	\$0.00608	\$364,348	\$8,936,491	(\$12,189)	-0.1%
Firm Resale	120,819,120	\$3,653,056	\$3,975,193	\$0.01823	\$2,202,533	\$5,855,589	\$1,880,396	47.3%
Temp Adj	443,065,000	\$25,339,560	\$28,396,808		\$31,675,844	\$31,675,844	\$3,279,036	11.5%
Total	18,418,941,610	\$918,670,565	\$1,019,926,519	\$0.01220	\$243,580,190	\$1,136,911,195	\$116,984,676	11.5%

SPONSOR: FEA

	Parity Ratio			(d)	(e) (c+d)	(f)	(g)	(h) (g * e or f)	(i)	(j) (i / g)
	(a)	(b)	(c)							
Schedules	COS	Target	Difference	Average Increase %	Estimated Sch % Increase	% or Absolute	Proforma Revenue	Estimated Rate Increase	Final Rate Increase	Final % Rate Increase
7						0.115	\$510,806,403	\$58,742,736	\$58,981,794	11.5%
24						0.115	\$115,114,738	\$13,238,195	\$13,292,069	11.5%
25						0.115	\$127,552,381	\$14,668,524	\$14,728,218	11.5%
26						0.115	\$72,188,108	\$8,301,632	\$8,335,416	11.5%
31-43-35						0.115	\$64,696,270	\$7,440,071	\$7,470,349	11.5%
46-49						0.115	\$88,247,939	\$10,148,513	\$10,189,813	11.5%
Lighting						0.115	\$8,948,680	\$1,029,098	\$1,033,286	11.5%
Resale						0.115	\$3,975,193	\$457,147	\$459,008	11.5%
Temp Adj						0.115	\$28,396,808	\$3,265,633	\$3,278,923	
Total Inc.							\$1,019,926,520	\$117,291,550	\$117,768,875	11.5%

Col f: Page 12, Direct Testimony of T.J. Knobloch (TJK-1)



**COMMISSION WORKSHEET**

	Parity Ratio			(d)	(e)	(f)	(g)	(h)	(i)	(j)
	(a)	(b)	(c)							
			(b - a)		(c+d)			(g * (e or f))		(i / g)
Schedules	COS	Target	Difference	Average Increase %	Estimated Sch % Increase	% or Absolute	Proforma Revenue	Estimated Rate Increase	Ordered Rate Increase	Ordered Rate Increase
7							\$510,806,403			
24							\$115,114,738			
25							\$127,552,381			
26							\$72,188,108			
31-43-35							\$64,696,270			
46-49							\$88,247,939			
Lighting							\$8,948,680			
Resale							\$3,975,193			
Temp Adj							\$28,396,808			
Total Inc.							\$1,019,926,520			

- Col a: Existing Cost of Service parity as viewed by the Commission.
- Col b: Cost of Service targeted by Commission.
- Col d: Average percentage increase projected over proforma revenue as approved by the Commission.
- Col e: Simplified method of calculating increase to schedule. A more precise method is  $(1 + c / 100) \times (1 + d / 100)$ .
- Col f: An alternative method to calculating Column e.
- Col i: This rate increase level by schedule will require iteration to spread revenue requirements until Column j sums to revenue increase allowed in the order.

**SPONSOR: STAFF**

	Parity Ratio			(d)	(e) (c+d)	(f) % or Absolute	(g) Proforma Revenue	(h) (g * (e or f)) Estimated Rate Increase	(i) Final Rate Increase	(j) (i / g) Final % Rate Increase
	(a) COS	(b) Target	(c) (b - a) Difference							
Schedules				Average Increase %	Estimated Sch % Increase					
7	98%	99%	0.7%	11.5%	12.2%	\$510,806,403	\$62,352,435	\$63,985,953	12.5%	
24	108%	105%	-2.7%	11.5%	8.9%	\$115,114,738	\$10,214,514	\$10,482,116	9.1%	
25	115%	110%	-5.0%	11.5%	6.5%	\$127,552,381	\$8,341,926	\$8,560,469	6.7%	
26	112%	108%	-4.0%	11.5%	7.5%	\$72,188,108	\$5,442,983	\$5,585,579	7.7%	
31-43-35	91%	94%	3.0%	11.5%	14.5%	\$64,696,270	\$9,406,838	\$9,653,279	14.9%	
46-49	84%	89%	5.3%	11.5%	16.9%	\$88,247,939	\$14,890,369	\$15,280,469	17.3%	
Lighting	133%	122%	-11.0%	11.5%	0.5%	\$8,948,680	\$48,323	\$49,589	0.6%	
Resale	74%	83%	8.7%	11.5%	20.2%	\$3,975,193	\$803,254	\$824,298	20.7%	
Temp Adj						\$28,396,808	\$3,265,633	\$3,351,186	11.8%	
Total Inc.						\$1,019,926,520	\$114,766,275	\$117,772,939	11.5%	

Col a: Exhibit No. \_\_\_\_ (DRS-2) page 2 line 13 (Response to Deposition Request No.11).

Col b: Targeted cost of service parity ratio. Elimination of one third of parity discrepancy.

Col d: Average increase projected over proforma revenue. Page 1, Exh. 571

Col e: Simplified method of calculating increase to schedule. A more precise method is  $(1 + c / 100) \times (1 + d / 100)$ .