

Exhibit No. \_\_ (DPK-2)  
Dockets UE-072300-  
UG-072301-UE-080064  
Witness: Danny P. Kermode

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.**

**PUGET SOUND ENERGY, INC.,**

**Respondent.**

**DOCKET UE-072300  
DOCKET UG-072301  
(Consolidated)**

**DOCKET UG-080064**

**EXHIBIT TO TESTIMONY OF**

**DANNY P. KERMODE**

**STAFF OF  
WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION**

*Schedule of Investor Supplied Working Capital*

**May 30, 2008**

**COMPUTATION OF TOTAL WORKING CAPITAL**

Line No.	(a) Average Invested Capital	(b) Company	(c) Adjustment	(d) Staff	Source
				(b) + (c)	
1	Common Stock	\$ 859,037,900	-	\$ 859,037,900	
2	Preferred Stock				
3	Additional Paid in Capital	995,544,310	257,682,140	1,253,226,450	
4	Unamortized Debt Expense	(23,804,661)	-	(23,804,661)	
5	Unappropriated Retained Earnings	293,009,869	-	293,009,869	
6	Notes Payable - Misc				
7	Long Term Debt	2,776,572,317	-	2,776,572,317	
8	Short Term Debt	372,404,722	-	372,404,722	
9	Accumulated Deferred ITC	1,600,609	-	1,600,609	
10	Deferred Debits-Other	(112,522)	-	(112,522)	
11	Unamortized Gain/Loss on Debt	(21,083,833)	-	(21,083,833)	
12					
13	Total Average Invested Capital	\$ 5,253,168,710	257,682,140	\$ 5,510,850,850	Total Lines 1-11
14					
15	<b>Average Investment</b>	<b>Company</b>	<b>Adjustment</b>	<b>Staff</b>	<b>Source</b>
16					
17	<b>Average Operating Investments - Electric</b>				
18	Plant in Service (includes acquisition adj)	\$ 5,270,787,795	-	\$ 5,270,787,795	
19	Electric Future Use Property	8,390,149	-	8,390,149	
20	Customer Advances for Construction	(60,361,006)	-	(60,361,006)	
21	Customer Deposits	(13,420,983)	-	(13,420,983)	
22	Deferred Taxes	(415,755,482)	-	(415,755,482)	
23	Deferred Debits - Other	424,915,073	-	424,915,073	
24	Less: Accumulated Depreciation	(2,132,335,965)	-	(2,132,335,965)	
25	Conservation Investment	577	-	577	
26	Common Plant-Allocation to Electric	284,766,302	-	284,766,302	
27	Common Accum Depr-Allocation to Electric	(142,643,146)	-	(142,643,146)	
28	Common Deferred Taxes-Allocation to Electric	(19,173,920)	-	(19,173,920)	
29					
30	Total Average Operating Investment - Electric	\$ 3,205,169,395	-	\$ 3,205,169,395	Total Lines 18-28
31					
32					
33	<b>Average Operating Investments - Gas</b>				
34	Gas Utility Plant in Service	\$ 2,116,290,472	-	\$ 2,116,290,472	
35	Deferred Items - Other	2,141,680	-	2,141,680	
36	Gas Stored Underground, Non-Current	5,771,153	-	5,771,153	
37	Gas Accumulated Depreciation	(678,449,153)	-	(678,449,153)	
38	Gas Customer Advances for Construction	(24,206,589)	-	(24,206,589)	
39	DFIT 17	(178,466,691)	-	(178,466,691)	
40	PGA	(141,199)	-	(141,199)	
41	Common Plant-Allocation to Gas	152,327,024	-	152,327,024	
42	Common Deferred Tax	(10,256,502)	-	(10,256,502)	
43	Common Accumulated Depreciation-Allocation to Gas	(76,302,588)	-	(76,302,588)	
44					
45	Total Average Operating Investment - Gas	\$ 1,308,707,606	-	\$ 1,308,707,606	Total Lines 34-43
46					
47	Total Electric & Gas Operating Investment	\$ 4,513,877,002	-	\$ 4,513,877,002	Ln 13 + Ln 29 + Ln 45
48					
49	<b>Non-operating Investments</b>				
50	Elec Construction Work in Process	\$ 247,576,628	-	\$ 247,576,628	
51	Gas Construction Work in Process	60,645,559	-	60,645,559	
52	Other Work in Process	2,060,652	-	2,060,652	
53	Non-Utility Property	1,872,803	-	1,872,803	
54	Investment in Associated Companies	415,030,525	257,682,140	672,712,665	
55	Other Investments & FAS 133	(264,056,091)	2,537,177	(261,518,914)	
56	Deferred Items-Other	278,700,061	-	278,700,061	
57	Deferred Federal Income Tax	(90,520,232)	-	(90,520,232)	
58	Temporary Cash Investments	8,643,238	-	8,643,238	
59	Electric Preliminary Surveys	713,292	-	713,292	
60	Environmental Receivables	(66,259,121)	-	(66,259,121)	
61	Current Accounts - Gas Allocation only	135,655	-	135,655	
62	Merchandising Inventory - Gas Only	79,890	-	79,890	
63	Rounding	1	(1)		
64	<b>STAFF ADJUSTMENT</b>				
65	Electric - Accrued Utility Revenue		82,927,420	82,927,420	
66	Gas - Unbilled Revenue		56,318,935	56,318,935	
67	Total Nonoperating	\$ 594,622,860	399,465,670	\$ 994,088,531	Total Lines 50-66
68	Total Average Investment	5,108,499,862	399,465,670	5,507,965,532	Total Ln 47 + Ln 67
69					
70	Total Investor-Supplied Working Capital	\$ 144,668,849	\$ (141,783,530)	\$ 2,885,318	Ln 13 - Ln 68
71					

**ALLOCATION OF TOTAL INVESTOR-SUPPLIED WORKING CAPITAL**

	(a)			(d)	(e)
		Company	Adjustment	Staff	Source
<b>Electric</b>				(b) + (c)	
Total Average Investment		5,108,499,862	399,465,670	5,507,965,532	Page 1, Ln 68
Electric CWIP		(247,576,628)	247,576,628		
Other Work in Progress		(2,060,652)	2,060,652		
Preliminary Surveys		(713,292)	713,292		
Adjusted Average Investment		4,858,149,290	649,816,243	5,507,965,532	Total Lines 7-10
Total Adjusted Average Operating Investment - Electric	\$	3,205,169,395	-	\$ 3,205,169,395	Page 1, Ln 30
Electric Working Capital Ratio		2.9779%		0.0524%	(Page 1, Ln 70) / Ln 11
Electric Working Capital		95,445,434	(93,766,423)	1,679,011	Ln 13* Ln 14
<b>Natural Gas</b>					
Total Average Investment		5,108,499,862	399,465,670	5,507,965,532	Page 1, Ln 68
Natural Gas CWIP					
Adjusted Average Investment		5,108,499,862	399,465,670	5,507,965,532	Line 18 + 19
Total Adjusted Average Operating Investment - Natural Gas	\$	1,308,707,606	-	\$ 1,308,707,606	Page 1, Ln 45
Natural Gas Working Capital Ratio		2.8319%		0.0524%	(Page 1, Ln 70) / Ln 20
Natural Gas Working Capital		37,061,609	(36,376,049)	685,559	Ln 22* Ln 23
<b>Non-Operating</b>					
Non Operating Working Capital		12,161,806	(11,641,058)	520,748	(Page 1, Ln 70) - Ln 15 - Ln 24
Total Investor Supplied Capital		144,668,849	(141,783,530)	2,885,318	Ln 38 + Ln 46 + Ln 51