

EXHIBIT NO. ___(MJV-3)
DOCKET NO. UE-121697/UG-121705
DOCKET NO. UE-130137/UG-130138
WITNESS: DR. MICHAEL J. VILBERT

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

PUGET SOUND ENERGY, INC.,

Respondent.

DOCKET NOS. UE-121697
and UG-121705 (*consolidated*)

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

PUGET SOUND ENERGY, INC.,

Respondent.

DOCKET NOS. UE-130137
and UG-130138 (*consolidated*)

**SECOND EXHIBIT (NONCONFIDENTIAL) TO THE
PREFILED DIRECT TESTIMONY OF DR. MICHAEL J. VILBERT
ON BEHALF OF PUGET SOUND ENERGY, INC.**

NOVEMBER 5, 2014

**Decoupling Decisions and the Reduction in the
Allowed Return on Equity - Gas and Electric**

ROE Reduction	No. of Decisions	Shares
None	58	79%
10 basis points	7	10%
25 basis points	3	4%
50 basis points	5	7%
	73	100%

Source: Pamela Morgan, *A Decade of Decoupling for U.S. Energy Industries*, Dec. 2012, and Brattle updates. Entries correspond to Figures 2 and 3.