

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND)	
TRANSPORTATION COMMISSION,)	
)	
Complainant,)	Dockets UE-121697 and UG-121705
)	<i>(Consolidated)</i>
v.)	
)	Dockets UE-130137 and UG-130138
PUGET SOUND ENERGY, INC.,)	<i>(Consolidated)</i>
)	
Respondent.)	
_____)	

EXHIBIT NO. ___(MPG-26)

RATE OF RETURN

December 3, 2014

Puget Sound Energy

Rate of Return

<u>Line</u>	<u>Description</u>	<u>Weight</u> ¹ (1)	<u>Cost</u> ^{2/3} (2)	<u>Weighted</u> <u>Cost</u> (3)
1	Common Equity	48.0%	9.30%	4.46%
2	Short-Term Debt	4.0%	2.68%	0.11%
3	Long-Term Debt	<u>48.0%</u>	6.16%	<u>2.96%</u>
4	Total	100.00%		7.53%

Source:

¹Exhibit No.____(BJL-3), page 1.

²Gorman Direct Testimony, at 2.

³Exhibit No.____(BJL-3), page 5.