

Exhibit No. __ (EJK-1T)
Docket UE-132027
Witness: Edward J. Keating

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Petition of
PUGET SOUND ENERGY, INC.

DOCKET UE-132027

For an Accounting Order Approving
The Allocation of Proceeds of the Sale
Of Certain Assets to Public Utility
District #1 of Jefferson County

TESTIMONY OF

Edward J. Keating

STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION

March 28, 2014
Corrected March 31, 2014

1 PSE's proposal allocates \$94,382,118 to shareholders, including transaction
 2 costs of \$2,722,448, and \$14,991,078 to ratepayers, as shown on page 1 of Exhibit
 3 No. ___ (EJK-3).

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5 **Q. Please summarize Staff's proposal for the disposition of the JPUD Sale**
 6 **proceeds.**

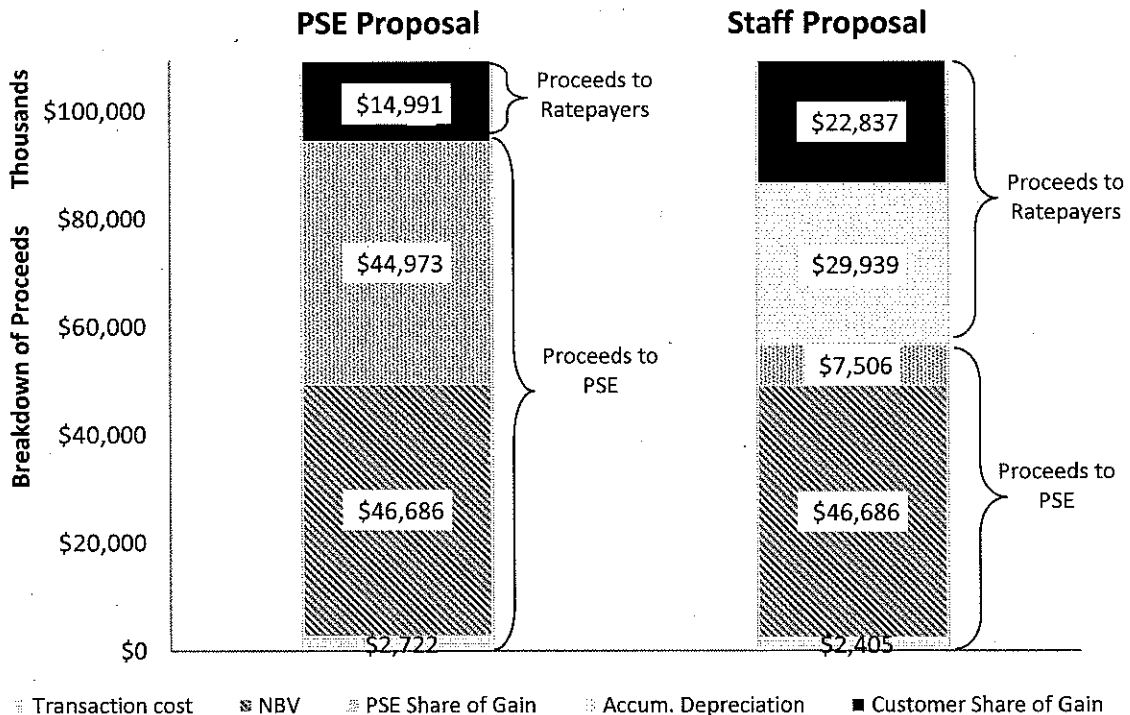
7 A. As shown on page 1 of Exhibit No. ___ (EJK-3), Staff allocates to the Company 100
 8 percent of the NBV and 25 percent of the appreciation from the JPUD Sale. Staff
 9 allocates to ratepayers 100 percent of the accumulated depreciation and 75 percent of
 10 the appreciation. Staff's recommendation allocates \$52,775,723 to ratepayers and
 11 \$56,597,473 to PSE.

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13 **Q. Have you prepared a chart summarizing the Staff and Company proposals?**

14 A. Yes. The Company and Staff proposals are compared as follows:

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