

Exhibit No. ____ (KLE-5)
Dockets UE-111048/UG-111049
Witness: Kenneth L. Elgin

BEFORE THE WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY, INC.,

Respondent.

**DOCKET UE-111048
DOCKET UG-111049
(Consolidated)**

**EXHIBIT TO
TESTIMONY OF**

Kenneth L. Elgin

**STAFF OF WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

PSE Response to Staff Data Request No. 8

December 7, 2011

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Docket Nos. UE-111048 and UG-111049
Puget Sound Energy, Inc.'s
2011 General Rate Case**

WUTC STAFF DATA REQUEST NO. 008

WUTC STAFF DATA REQUEST NO. 008:

Referring to the direct testimony of Donald E. Gaines, Exhibit No. DEG-1T, page 8, line 18 and Exhibit No. DEG-3, please provide the net savings to customers after consideration is given to the effects of Federal income tax.

Response:

As noted in the Second Exhibit to the Prefiled Direct Testimony of Donald E. Gaines, Exhibit No. ___(DEG-3), and in the description of the lower long-term debt costs on pages 45-46 of the Prefiled Direct Testimony of Donald E. Gaines, Exhibit No. ___(DEG-1T), the benefit of lower pre-tax interest costs is estimated to exceed \$33 million. The corresponding debt cost savings in Exhibit No. ___(DEG-3) (\$33.6 million) after considering federal income taxes assumed at 35% would be approximately \$22 million.