

Exhibit No. \_\_\_ (RCM-5)  
Dockets UE-111048/UG-111049  
Witness: Roland C. Martin

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)

TESTIMONY OF

ROLAND C. MARTIN

STAFF OF  
WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION

*Power Cost Rate*

December 7, 2011

**Exhibit A-1 Power Cost Rate**

REVISED

TOTAL

Test Year

Row			Test Yr \$/MWh	Production Factor 0.97901 Rate Year	Per Month for Schedule B
3	Regulatory Assets (Variable)	\$ 304,699,754			
4	Transmission Rate Base (Fixed)	94,699,228			
5	Production Rate Base (Fixed)	2,000,416,319			
6		\$ 2,399,815,301			
7	Net of tax rate of return	6.46%			
8					
9					
10	Regulatory Asset Recovery (on Row 3)	\$ 30,282,468	\$ 1.432 (c)		
11	Fixed Asset Recovery Other (on Row 4)	9,411,646	0.445 (a)	9,411,646	784,304
12	Fixed Asset Recovery-Prod Factored (on Row 5)	198,810,606	9.403 (a)	203,073,111	16,922,759
13	501-Steam Fuel	<b>88,808,547</b>	4.200 (c)		17,707,063
14	555-Purchased power	<b>481,731,075</b>	<b>22.784</b> (c)		
14a	Rate Disallowances for March Point 2	-	0.000 (c)		
15	557-Other Power Exp	<b>6,486,380</b>	<b>0.307</b> (a)	<b>6,625,448</b>	<b>552,121</b>
15a	Payroll Overheads - Worker's Comp	4,873,488	0.230 (a)	4,977,976	414,831
15b	Property Insurance	3,260,524	0.154 (a)	3,330,430	277,536
15c	Montana Electric Energy Tax	1,660,622	0.079 (a)	1,696,226	141,352
15d	Payroll Taxes on Production Wages	1,927,423	0.091 (a)	1,968,747	164,062
16	547-Fuel	<b>134,424,187</b>	<b>6.358</b> (c)		
17	565-Wheeling	<b>92,451,477</b>	<b>4.373</b> (c)		
18	Variable Transmission Income	(5,495,638)	-0.260 (c)		
19	Hydro and Other Pwr.	<b>121,963,556</b>	<b>5.768</b> (a)	124,578,458	10,381,538
20	447-Sales to Others	<b>(10,227,296)</b>	<b>-0.484</b> (c)		<b>22,531,283</b>
21	456-Subaccounts 00012 & 00018 and 00035 & 00036	-	0.000 (c)		
22	Transmission Exp - 500KV	<b>1,389,837</b>	<b>0.066</b> (a)	<b>1,419,635</b>	<b>118,303</b>
23	Depreciation & Amort -Production (FERC 403)	103,731,468	4.906 (a)	105,955,474	8,829,623
24	Depreciation-Transmission	4,091,622	0.194 (a)	4,179,346	348,279
25	Amortization-Production Reg Assets	20,321,545	0.961 (c)		
26	Property Taxes-Production	13,651,649	0.646 (a)	13,944,341	1,162,028
27	Property Taxes-Transmission	1,663,643	0.079 (a)	1,699,311	141,609
28	Hedging Line of Credit	1,420,907	0.067 (c)		
29	Subtotal & Baseline Rate	\$ <b>1,306,639,738</b>	\$ <b>61.799</b> (b)	<b>482,860,149</b>	40,238,346
30	Revenue Sensitive Items	0.9549980			
31		\$ <b>1,368,212,015</b>			
32	Test Year DELIVERED Load (MWH's)	21,143,300	<-- includes Firm Wholesale		

	Before Rev. Sensitive Items	After Rev. Sensitive Items
38	Power Cost in Rates with Revenue Sensitive	
39	Items (the adjusted baseline)	\$ 61.799
40	sum of (a) = Fixed Rate Component	\$ 23.422
41	(b) = Power Cost Rate	\$ 64.711
42	sum of (c) = Variable Power Rate Component	\$ 41.289