

Exhibit No. \_\_\_ (RCM-6)  
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

*Investor Supplied Working Capital*

December 7, 2011

Puget Sound Energy  
COMBINED WORKING CAPITAL  
For the Twelve Months Ended December 31, 2010

NO.	Description	PER EXH. JHS/MJS-3	STAFF	REVISED TOTAL AS	STAFF
		PAGE 3.04	ADJUSTMENT	ADJUSTED BY STAFF	
		AMA	AMA	AMA	FOOTNOTE
1	<b>Average Invested Capital</b>				
2	Common Stock	\$ 859,038	\$ -	\$ 859,038	
3	Preferred Stock	-	-	-	
4	Additional Paid in Capital	2,958,716,487	-	2,958,716,487	
5	Unamortized Debt Expense	(56,743,291)	-	(56,743,291)	
6	Unappropriated Retained Earnings	194,884,510	-	194,884,510	
7	Notes Payable - Misc	-	-	-	
8	Long Term Debt	3,314,651,667	-	3,314,651,667	
9	Short Term Debt	137,068,619	-	137,068,619	
10	Accumulated Deferred ITC	318,143	-	318,143	
11	Treasury Grant	25,090,331	-	25,090,331	
12	Deferred Items -Other	(36,658)	-	(36,658)	
13	Unamortized Gain/Loss on Debt	(18,851,136)	-	(18,851,136)	
14	Total Average Invested Capital	6,555,957,710	-	6,555,957,710	
15					
16	<b>Average Operating Investments - Electric</b>				
17					
18	Plant in Service (includes acquisition adj)	6,853,037,154	-	6,853,037,154	
19	Electric Future Use Property	28,549,726	-	28,549,726	
20	Customer Advances for Construction	(67,513,639)	-	(67,513,639)	
21	Customer Deposits	(20,606,765)	-	(20,606,765)	
22	Deferred Taxes	(663,185,306)	-	(663,185,306)	
23	Deferred Debits/Credits - Other	412,578,353	26,338,952	438,917,305	(2)
24	Less: Accumulated Depreciation	(2,624,571,373)	-	(2,624,571,373)	
25	Conservation Investment	-	-	-	
26	Common Plant-Allocation to Electric	276,084,410	-	276,084,410	
27	Common Accum Depr-Allocation to Electric	(131,669,590)	-	(131,669,590)	
28	Common Deferred Taxes-Allocation to Electric	(9,487,641)	-	(9,487,641)	
29	NOL Carryforward	23,235,929	-	23,235,929	
30	Total Average Operating Investment - Electric	4,076,451,258	26,338,952	4,102,790,210	
31					
32	<b>Average Operating Investments - Gas</b>				
33					
34	Gas Utility Plant in Service	2,648,893,764	-	2,648,893,764	
35	Deferred Items - Other	19,962,603	20,973,698	40,936,301	(2)
36	Gas Stored Underground, Non-Current	7,815,443	-	7,815,443	
37	Gas Accumulated Depreciation	(857,738,071)	-	(857,738,071)	
38	Gas Customer Advances for Construction	(31,779,227)	-	(31,779,227)	
39	Gas Customer Deposits	(8,348,081)	-	(8,348,081)	
40	DFIT 17	(288,622,372)	-	(288,622,372)	
41	PGA	(9,255,951)	-	(9,255,951)	
42	Common Plant-Allocation to Gas	139,017,695	-	139,017,695	
43	Common Deferred Tax - Allocation to Gas	(3,907,562)	-	(3,907,562)	
44	Common Accumulated Depreciation-Allocation to Gas	(66,300,024)	-	(66,300,024)	
45	NOL Carryforward	18,506,289	-	18,506,289	
46	Total Average Operating Investment - Gas	1,568,244,506	20,973,698	1,589,218,203	
47					
48	Total Electric & Gas Operating Investment	5,644,695,763	47,312,650	5,692,008,413	(2)
49					
50	<b>Construction Work in Progress</b>				
51					
52	Elec Construction Work in Process	416,213,955	-	416,213,955	
53	Gas Construction Work in Process	49,912,986	-	49,912,986	
54	Other Work in Process	729,075	-	729,075	
55	Electric Preliminary Surveys	2,152,924	-	2,152,924	
56	Total Construction Work in Progress	469,008,940	-	469,008,940	
57					

Puget Sound Energy  
COMBINED WORKING CAPITAL  
For the Twelve Months Ended December 31, 2010

NO.	Description	PER EXH. JHS/MJS-3 PAGE 3.04 AMA	STAFF ADJUSTMENT AMA	REVISED TOTAL AS ADJUSTED BY STAFF AMA	STAFF FOOTNOTE
58	<b>Nonoperating</b>				
59					
60	Non-Utility Property	(81,520,475)	-	(81,520,475)	
61	Investment in Associated Companies	50,127,428	-	50,127,428	
62	Other Investments & FAS 133	80,318,879	-	80,318,879	
63	Deferred Items-Other	200,268,839	-	200,268,839	
64	Deferred Federal Income Tax	(33,934,336)	-	(33,934,336)	
65	Temporary Cash Investments	-	1,941,029	1,941,029	(1)
66	Environmental Receivables	(64,474,449)	-	(64,474,449)	
67	Current Accounts - Gas Allocation only	1,553	-	1,553	
68	Merchandising Inventory - Gas Only	80,791	-	80,791	
69		-	-	-	
70	Total Non Operating Investment	150,868,230	1,941,029	152,809,259	
71					
72	Total CWIP & Nonoperating Investment	619,877,170	1,941,029	621,818,199	
73					
74	Total Average Investments	6,264,572,933	49,253,679	6,313,826,612	
75	Rounding				
76	Total Investor Supplied Capital	\$ 291,384,777	\$ (49,253,679)	\$ 242,131,098	
77					
78					
79					
80	Electric Working Capital:				
81	Total Investment	\$ 6,264,572,933	\$ 49,253,679	\$ 6,313,826,612	
82	Less: Electric CWIP	(416,213,955)	-	(416,213,955)	
83	Less: Gas CWIP	(49,912,986)	-	(49,912,986)	
84	Interest Bearing Regulatory Assets	-	-	-	
85	Other Work in Progress	(729,075)	-	(729,075)	
86	Preliminary Surveys	(2,152,924)	-	(2,152,924)	
87	Total	5,795,563,993	49,253,679	5,844,817,672	
88					
89	Electric Working Capital Ratio	5.0277%		4.1427%	
90					
91	<b>Electric Working Capital</b>	\$ 204,952,588	\$ (34,987,817)	\$ 169,964,771	
92					
93	Gas Working Capital :				
94	Total Investment	\$ 6,264,572,933	\$ 49,253,679	\$ 6,313,826,612	
95	Less: Electric CWIP	(416,213,955)	-	(416,213,955)	
96	Less: Gas CWIP	(49,912,986)	-	(49,912,986)	
97	Interest Bearing Regulatory Assets	-	-	-	
98	Other Work in Progress	(729,075)	-	(729,075)	
99	Preliminary Surveys	(2,152,924)	-	(2,152,924)	
100	Total	5,795,563,993	49,253,679	5,844,817,672	
101					
102	Gas Working Capital Ratio	5.0277%		4.1427%	
103					
104	<b>Gas Working Capital</b>	\$ 78,846,955	\$ (13,011,001)	\$ 65,835,954	
105					
106	<b>Non Operating Working Capital</b>	\$ 7,585,233	\$ (1,254,861)	\$ 6,330,373	
107					
108	Footnotes:				

(1) Reflect impact of moving two special deposits accounts to non-operating investment from Working Capital . This correction was provided in PSE's Response to Staff Data Request No. 091.  
(2) Reflect impact of implementing Ralph Smith's recommendation to reject PSE's inclusion of a debit balalnce of approximately \$47.3 million in Account 236 as an addition to rate base as working capital.