

**Exhibit No. AMCL-1T
Dockets UE-090704/UG-090705
Witness: Ann M. C. LaRue**

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY, INC.,

Respondent.

DOCKET UE-090704

DOCKET UG-090705

TESTIMONY

OF

ANN M. C. LaRUE

**STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

Directors & Officers Insurance Adjustments

**November 17, 2009
Revised December 11, 2009**

1 **Q. What are the effects of your D&O Insurance adjustments?**

2 A. Staff's adjustments reduce D&O Insurance expense by \$470,485 (electric) and
3 \$326,284 (gas). This increases net income after taxes by \$305,815 for the
4 Company's electric operations and \$212,085 for its gas operations. This is a
5 decrease in electric and gas revenue requirement of \$492,248 and \$341,032,
6 respectively. ~~The calculations of these amounts appear in Exhibit No. AMCL-2.~~

7 The calculations of these amounts also appear in Exhibit No. KHB-2, page
8 2.4 and Exhibit No. KHB-3, page 3.3, for the electric and gas operations,
9 respectively.

10

11 **Q. Does this conclude your testimony?**

12 A. Yes, it does.