

**EXHIBIT NO. \_\_\_(KJB-4)  
DOCKET NO. UE-121697/UG-121705  
JOINT DECOUPLING ACCOUNTING  
PETITION  
WITNESS: KATHERINE J. BARNARD**

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**In the Matter of the Petition of**

**PUGET SOUND ENERGY, INC.  
and NW ENERGY COALITION**

**For an Order Authorizing PSE To  
Implement Electric and Natural Gas  
Decoupling Mechanisms and To  
Record Accounting Entries Associated  
With the Mechanisms**

**Docket No. UE-121697  
Docket No. UG-121705**

**THIRD EXHIBIT (NONCONFIDENTIAL) TO THE  
PREFILED DIRECT TESTIMONY OF  
KATHERINE J. BARNARD  
ON BEHALF OF PUGET SOUND ENERGY, INC.**

**MARCH 1, 2013**

**PUGET SOUND ENERGY  
K-FACTOR CALCULATION**

LINE NO.	2011 GRC	% OF REVENUE	ESCALATION	WEIGHTED
	REVENUE REQUIREMENT A	REQUIREMENT B	FACTOR C	ESCALATION D
				(Col B x Col C)
	Electric			
1	Ratebase related	189,360,556	28%	6.0%
2	Expense excl depn	338,591,412	50%	1.9%
3	Depn/Amort	150,830,212	22%	6.5%
4	Total Electric ERF related Revenue Requirement	<u>678,782,179</u>	100%	<u>4.06%</u>
5				
6				
7				
8	GAS			
9	Ratebase related	127,391,821	30%	5.5%
10	Expense excl depn	186,153,835	44%	1.9%
11	Depn/Amort	108,609,792	26%	5.1%
12	Total Electric ERF related Revenue Requirement	<u>422,155,448</u>	100%	<u>3.80%</u>

**Moody's Analytics (ECCA) Forecast**  
**CPI-All Urban Consumers**  
**Updated 01/07/2013**

	<b>ANNUAL</b>	<b>%</b> <b>CHANGE</b>
<b>Dec-2012</b>	229.59	
<b>Dec-2013</b>	234.49	2.13%
<b>Dec-2014</b>	240.34	2.50%
<b>Dec-2015</b>	246.49	2.56%
3 year average		2.40%
Less Productivity Factor		<u>0.50%</u>
		<b>1.9%</b>