

**Exh. DPK-3  
Dockets UE-240004,  
UG-240005, UE-230810  
Witness: Danny P. Kermode**

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.**

**PUGET SOUND ENERGY,**

**Respondent.**

**DOCKETS UE-240004,  
UG-240005 and UE-230810  
(Consolidated)**

**EXHIBIT TO TESTIMONY OF**

**DANNY P. KERMODE**

**ON BEHALF OF STAFF OF  
WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION**

*Electric Summary Schedules Staff Results - Proposed Trackers Included in Analysis*

**August 6, 2024**

**PUGET SOUND ENERGY - ELECTRIC  
ELECTRIC RESULTS OF OPERATIONS  
2024 GENERAL RATE CASE  
12 MONTHS ENDED JUNE 30, 2023  
GENERAL RATE INCREASE  
includes Proposed Trackers**

LINE NO.	DESCRIPTION	2025 RATE YEAR 1	2026 RATE YEAR 2
1	RATE BASE	\$ 6,606,402,752	\$ 7,416,985,017
2	RATE OF RETURN	7.36%	7.37%
3			
4	OPERATING INCOME REQUIREMENT	486,231,243	546,631,796
5			
6	PRO FORMA OPERATING INCOME	82,495,385	(24,306,200)
7	OPERATING INCOME DEFICIENCY	403,735,857	570,937,996
8			
9	CONVERSION FACTOR	0.751313	0.751313
10	CUMULATIVE REVENUE CHANGE	\$ 537,373,714	\$ 759,920,294
11			
12	NET REVENUE CHANGE IN BASE RATES BY RATE YEAR	\$ 537,373,714	\$ 222,546,580
13			
14	CHANGES TO OTHER PRICE SCHEDULES FROM EXH. CTM-7		
15	CURRENT TARIFF RATES TRANSFERRED TO BASE RATES ABOVE:		
16	SCHEDULE 95 - 2020 PCORC		
17	SCHEDULE 95 - 2024 POWER COST UPDATE	\$ (161,629,358)	
18	SCHEDULE 141CEIP	(23,557,982)	
19	SCHEDULE 137	(142,890)	
20	SCH. 141N (RATES NOT SUBJ TO REF ADJ)	(160,864,693)	
21	SCH. 141R (RATES SUBJECT TO REF ADJ)	(152,840,009)	
22	NEW TARIFF RATES COSTS NOT INCLUDED IN BASE RATES DEFICIENCY:		
23	SCHEDULE 141CGR - CLEAN GENERATION RESOURCES	43,248,247	46,128,247
24	SCHEDULE 141WFP - WILDFIRE PREVENTION	21,005,123	6,789,958
25	SCHEDULE 141DCARB - DECARBONIZATION	7,673,452	-
26			
27			
28	SUBTOTAL CHANGES TO OTHER PRICE SCHEDULES	(427,108,110)	52,918,205
29			
30	NET REVENUE CHANGE AFTER TRACKERS AND RIDERS	\$ 110,265,604	\$ 275,464,785
31			
32			
33			
34			

**PUGET SOUND ENERGY - ELECTRIC  
 ELECTRIC RESULTS OF OPERATIONS  
 2024 GENERAL RATE CASE  
 12 MONTHS ENDED JUNE 30, 2023  
 STAFF PROPOSED COST OF CAPITAL**

LINE NO.	DESCRIPTION	CAPITAL STRUCTURE	COST	WEIGHTED COST
1	<b>Restating through December 2023</b>			
2	SHORT AND LONG TERM DEBT	50.93%	5.16%	2.63%
3	EQUITY	49.07%	9.40%	4.61%
4	TOTAL	100%		<b>7.24%</b>
5				
6	AFTER TAX SHORT TERM DEBT ( (LINE 1)* 79%)	50.93%	4.08%	2.08%
7	EQUITY	49.07%	9.40%	4.61%
8	TOTAL AFTER TAX COST OF CAPITAL	100%		6.69%
9				
10	<b>2025</b>			
11	SHORT TERM DEBT	2.04%	5.07%	0.12%
12	LONG TERM DEBT	49.46%	5.27%	2.63%
13	WEIGHTED COST OF DEBT	51.50%		2.75%
14				
15	EQUITY	48.50%	9.50%	4.61%
16	TOTAL	100.0%		<b>7.36%</b>
17				
18				
19	<b>2026</b>			
20	SHORT TERM DEBT	1.18%	4.08%	0.06%
21	LONG TERM DEBT	50.32%	5.36%	2.71%
22	WEIGHTED COST OF DEBT	51.50%		2.77%
23				
24	EQUITY	48.50%	9.50%	4.61%
25	TOTAL	100.00%		<b>7.37%</b>
26				

**PUGET SOUND ENERGY - ELECTRIC  
 ELECTRIC RESULTS OF OPERATIONS  
 2024 GENERAL RATE CASE  
 12 MONTHS ENDED JUNE 30, 2023  
 REVENUE CONVERSION FACTOR**

<b>LINE NO.</b>	<b>DESCRIPTION</b>		
1	BAD DEBTS		0.006488
2	ANNUAL FILING FEE		0.004000
3	STATE UTILITY TAX ( 3.8483% - ( LINE 1 * 3.8483% ) )	3.8734%	<u>0.038483</u>
4			
5	SUM OF TAXES OTHER		0.048971
6			
7	CONVERSION FACTOR EXCLUDING FEDERAL INCOME TAX ( 1 - LINE 6 )		0.951029
8	FIT	21%	<u>0.199716</u>
9	CONVERSION FACTOR INCL FEDERAL INCOME TAX ( LINE 7 - LINE 8 )		<u><u>0.751313</u></u>



PUGET SOUND ENERGY - NATURAL GAS  
 COMPARISON OF REVENUE AND RATE CHANGE  
 STAFF TO COMPANY  
 UG-240005

**With Trackers not included in Base Rates**

LINE	DESCRIPTION	AMA DEC 2025	AMA DEC 2026
1	Staff		
2			
3	Revenue Deficiency - Grossed Up	\$ 537,373,714	\$ 222,546,580
4	Rete schedules set to zero	(499,034,932)	-
5	Deficiencies for Trackers	71,926,822	52,918,205
6	Total Revenue Rate Change	<u>\$ 110,265,603</u>	<u>\$ 275,464,785</u>
7			
8			
9	PSE		
10	Company		Company
11	Revenue Deficiency - Grossed Up	584,376,758	\$ 259,901,924
12	Rete schedules set to zero	(499,034,932)	
13	Deficiencies for Trackers	106,876,213	25,266,288
14	Total Revenue Rate Change	<u>\$ 192,218,039</u>	<u>\$ 285,168,212</u>
15			
16	Difference		
17	Revenue Deficiency - Grossed Up	\$ (47,003,044)	\$ (37,355,344)
18	Rete schedules set to zero	(0)	-
19	Deficiencies for Trackers	(34,949,391)	27,651,917
20	Total Revenue Rate Change	<u>\$ (81,952,436)</u>	<u>\$ (9,703,427)</u>
21			
22			
23			
24			