

**EXHIBIT NO. \_\_\_(KJB-6)**  
**DOCKET NO. UE-13\_\_\_/UG-13\_\_\_**  
**PSE EXPEDITED RATE FILING**  
**WITNESS: KATHERINE J. BARNARD**

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

**In the Matter of**

**PUGET SOUND ENERGY, INC.'S**

**Expedited Rate Filing**

**Docket No. UE-13\_\_\_**  
**Docket No. UG-13\_\_\_**

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

**FEBRUARY 1, 2013**

**KJB-6 (Summary)**

**PUGET SOUND ENERGY-GAS  
RESULTS OF OPERATIONS  
FOR THE TWELVE MONTHS ENDED JUNE 30, 2012  
COMMISSION BASIS REPORT**

LINE NO.	ACTUAL RESULTS OF OPERATIONS	TOTAL ADJUSTMENTS	RESTATED RESULTS OF OPERATIONS
1	OPERATING REVENUES:		
2	\$ 1,086,060,278	\$ (56,769,119)	\$ 1,029,291,158
3	49,438,054	(49,438,054)	0
4	13,502,759	1,329,309	14,832,068
5	\$ 1,149,001,091	\$ (104,877,865)	\$ 1,044,123,226
6			
7			
8	OPERATING REVENUE DEDUCTIONS:		
9			
10	GAS COSTS:		
11			
12	\$ 588,140,057	\$ (7,290,712)	\$ 580,849,345
13			
14	\$ 588,140,057	\$ (7,290,712)	\$ 580,849,345
15			
16	\$ 1,783,066	\$ (101,240)	\$ 1,681,827
17	(38,579)	-	(38,579)
18	52,377,195	-	52,377,195
19	30,511,840	(781,543)	29,730,297
20	4,868,324	(3,691,645)	1,176,679
21	29,433,195	(29,433,195)	-
22	47,843,681	(97,159)	47,746,522
23	103,505,051	0	103,505,051
24	11,884,767	-	11,884,767
25	-	-	-
26	(137,395)	-	(137,395)
27	112,482,025	(51,854,053)	60,627,971
28	519,801	7,194,390	7,714,191
29	29,412,287	0	29,412,287
30	\$ 424,445,258	\$ (78,764,445)	\$ 345,680,813
31			
32	\$ 136,415,776	\$ (18,822,708)	\$ 117,593,068
33			
34	\$ 1,592,297,567	\$ 0	\$ 1,592,297,567
35			
36	8.57%		7.39%
37			
38	RATE BASE:		
39	\$ 2,988,913,700	\$ -	\$ 2,988,913,700
40	(1,066,032,832)	-	(1,066,032,832)
41	(344,288,809)	-	(344,288,809)
42	(42,548,540)	-	(42,548,540)
43	\$ 1,536,043,519	\$ -	\$ 1,536,043,519
44	56,254,048	-	56,254,048
45	\$ 1,592,297,567	\$ -	\$ 1,592,297,567

KJB-6 Detail (1)

PUGET SOUND ENERGY-GAS  
STATEMENT OF OPERATING INCOME AND ADJUSTMENTS  
FOR THE TWELVE MONTHS ENDED JUNE 30, 2012  
COMMISSION BASIS REPORT

LINE NO.	ACTUAL RESULTS OF OPERATIONS 12 ME June 30, 2012	TEMPERATURE NORMALIZATION 6.01	REVENUE & EXPENSE 6.02	FEDERAL INCOME TAX 6.03	TAX BENEFIT OF RESTATEMENT 6.04	PASS-THROUGH REVENUE & EXPENSE 6.05	RATE CASE EXPENSES 6.06	BAD DEBITS 6.07
1	OPERATING REVENUES							
2	SALES TO CUSTOMERS	\$ 1,086,060,278	\$ (28,424,726)	\$ (17,589,509)	\$ -	\$ (10,754,884)	\$ -	\$ -
3	MUNICIPAL ADDITIONS	49,438,054				(49,438,054)		
4	OTHER OPERATING REVENUES	13,502,759		1,360,114		(30,806)		
5	TOTAL OPERATING REVENUES	\$ 1,149,001,091	\$ (28,424,726)	\$ (16,229,395)	\$ -	\$ (60,223,743)	\$ -	\$ -
6								
7								
8	OPERATING REVENUE DEDUCTIONS:							
9								
10	GAS COSTS:	\$ -						
11								
12	PURCHASED GAS	\$ 588,140,057	\$ (18,039,181)	\$ (12,140,251)	\$ -	\$ 22,888,721	\$ -	\$ -
13								
14	TOTAL PRODUCTION EXPENSES	\$ 588,140,057	\$ (18,039,181)	\$ (12,140,251)	\$ -	\$ 22,888,721	\$ -	\$ -
15								
16	OTHER ENERGY SUPPLY EXPENSES	\$ 1,783,066	\$ -	\$ -	\$ -	\$ (101,240)	\$ -	\$ -
17	TRANSMISSION EXPENSE	(38,579)						
18	DISTRIBUTION EXPENSE	52,377,195						
19	CUSTOMER ACCTS EXPENSES	30,511,840	(105,825)	(60,422)		(224,213)	(391,083)	
20	CUSTOMER SERVICE EXPENSES	4,868,324				(3,691,645)		
21	CONSERVATION AMORTIZATION	29,433,195		(32,459)		(29,433,195)		
22	ADMIN & GENERAL EXPENSE	47,843,681	(56,849)			(120,447)		
23	DEPRECIATION	103,505,051						
24	AMORTIZATION	11,884,767						
25	AMORTIZATION OF PROPERTY LOSS	-						
26	OTHER OPERATING EXPENSES	(137,395)						
27	TAXES OTHER THAN F.I.T.	112,482,025	(1,090,856)	(622,836)		(50,034,995)		
28	FEDERAL INCOME TAXES	519,801	(3,196,205)	(1,180,700)	(2,990,974)	172,645		136,879
29	DEFERRED INCOME TAXES	29,412,287						
30	TOTAL OPERATING REV. DEDUCT.	\$ 424,445,258	\$ (4,449,735)	\$ (1,896,416)	\$ (2,990,974)	\$ (83,433,090)	\$ -	\$ (254,204)
31								
32	NET OPERATING INCOME	\$ 136,415,776	\$ (5,935,809)	\$ (2,192,728)	\$ 2,990,974	\$ 320,626	\$ -	\$ 254,204
33								
34	RATE BASE	\$ 1,592,297,567						
35								
36	RATE OF RETURN	8.57%						
37								
38	RATE BASE:							
39	UTILITY PLANT IN SERVICE AND OTHER A	\$ 2,988,913,700	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40	ACCUMULATED DEPRECIATION	(1,066,032,832)						
41	ACCUMULATED DEFERRED FIT - LIBERAL	(344,288,809)						
42	DEPRECIATION AND OTHER LIABILITIES	(42,548,540)						
43	TOTAL NET INVESTMENT	\$ 1,536,043,519	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
44	ALLOWANCE FOR WORKING CAPITAL	56,254,048						
45	TOTAL RATE BASE	\$ 1,592,297,567	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



**PUGET SOUND ENERGY-GAS  
TEMPERATURE NORMALIZATION  
FOR THE TWELVE MONTHS ENDED JUNE 30, 2012  
COMMISSION BASIS REPORT**

LINE	NO. DESCRIPTION	ACTUAL	RESTATED	ADJUSTMENT
1	TEMPERATURE NORMALIZATION ADJUSTMENT:			
2		ACTUAL	TEMP ADJ	THERMS
3		<u>THERMS</u>	<u>THERMS</u>	<u>CHANGE</u>
4	Jul-11	44,803,127	44,502,738	(300,389)
5	Aug-11	43,538,684	43,780,513	241,829
6	Sep-11	47,730,365	50,838,547	3,108,182
7	Oct-11	84,265,374	82,592,874	(1,672,500)
8	Nov-11	129,713,323	121,486,373	(8,226,950)
9	Dec-11	151,742,585	147,983,425	(3,759,160)
10	Jan-12	154,354,601	146,202,317	(8,152,284)
11	Feb-12	134,224,777	136,350,676	2,125,899
12	Mar-12	134,960,849	122,463,521	(12,497,328)
13	Apr-12	90,507,214	93,904,014	3,396,800
14	May-12	69,086,231	68,665,427	(420,804)
15	Jun-12	54,042,761	51,106,414	(2,936,347)
16		1,138,969,892	1,109,876,840	(29,093,052)
17	<b>REVENUE ADJUSTMENT:</b>			
18	Residential (23)			\$ (20,818,872)
19	Residential (16)			0
20	Commercial & industrial (31)			(5,956,869)
21	Large volume (41)			(754,633)
22	Compressed natural gas (50)			0
23	Interruptible (85)			(261,917)
24	Limited interruptible (86)			(292,485)
25	Non exclusive interruptible (87)			(326,388)
26	Transportation (87T)			(7,046)
27	Contracts (99,199,299)			(6,514)
28	INCREASE (DECREASE) SALES TO CUSTOMERS			\$ (28,424,726)
29				
30	<b>OPERATING EXPENSES:</b>			(18,039,181)
31	PURCHASED GAS COSTS			\$ (18,039,181)
32				
33	UNCOLLECTIBLES @		0.37230%	\$ (105,825)
34	ANNUAL FILING FEE @		0.20000%	(56,849)
35	INCREASE (DECREASE) EXPENSE			(162,674)
36				
37	STATE UTILITY TAX @		3.83770%	\$ (1,090,856)
38	INCREASE (DECREASE) TAXES OTHER			(1,090,856)
39				
40	INCREASE (DECREASE) OPERATING INCOME			(9,132,014)
41				
42	INCREASE (DECREASE) FIT @		35%	(3,196,205)
43	INCREASE (DECREASE) NOI			\$ (5,935,809)

**PUGET SOUND ENERGY-GAS  
REVENUE & EXPENSE RESTATING  
FOR THE TWELVE MONTHS ENDED JUNE 30, 2012  
COMMISSION BASIS REPORT**

LINE NO.	DESCRIPTION	ADJUSTMENT
1	SALES TO CUSTOMERS:	
2	TRUE UP CHANGE IN UNBILLED	\$ (18,556,923)
2	TRANSFER NEW CUSTOMER REVENUE	(1,311,748)
3	REMOVE NON-RECURRING CUSTOMER REVENUE	(834,559)
3	REMOVE MERGER RATE CREDIT SCH 132	<u>3,113,721</u>
4		
4	TOTAL INCREASE (DECREASE) SALES TO CUSTOMERS	<u>\$ (17,589,509)</u>
5		
5	OTHER OPERATING REVENUES:	
6	TRUE UP CHANGE IN UNBILLED	48,366
6	TRANSFER NEW CUSTOMER REVENUE	<u>1,311,748</u>
7		
7	TOTAL INCREASE (DECREASE) OTHER OPERATING REVENUES	<u>1,360,114</u>
8		
8	TOTAL INCREASE (DECREASE) REVENUES	(16,229,395)
9		
9	OPERATING EXPENSES:	
10	CHANGE TO GAS COST FOR TRUE UP TO CHANGE IN UNBILLED REVENUE	(12,008,645)
10	REMOVE NON-RECURRING CUSTOMER GAS COSTS	<u>(131,607)</u>
11		
12	TOTAL PURCHASE GAS COSTS	<u>(12,140,251)</u>
13		
14	UNCOLLECTIBLES @	0.37230% (60,422)
15	ANNUAL FILING FEE @	0.20000% <u>(32,459)</u>
16	INCREASE (DECREASE) EXPENSE	(12,233,132)
17		
18	STATE UTILITY TAX @	3.83770% <u>(622,836)</u>
19		
20	INCREASE (DECREASE) TAXES OTHER	<u>(622,836)</u>
21		
22	INCREASE (DECREASE) OPERATING INCOME	(3,373,428)
23	INCREASE (DECREASE) FIT @	35% <u>(1,180,700)</u>
24	INCREASE (DECREASE) NOI	<u>\$ (2,192,728)</u>

**PUGET SOUND ENERGY-GAS  
FEDERAL INCOME TAX  
FOR THE TWELVE MONTHS ENDED JUNE 30, 2012  
COMMISSION BASIS REPORT**

LINE NO.	DESCRIPTION	AMOUNT
1	TAXABLE INCOME BEFORE ADJUSTMENTS	\$ 131,848,343
2		
3	ADD BACK:	
4	CURRENT FEDERAL INCOME TAXES	(6,541,085)
5	DEFERRED FEDERAL INCOME TAXES	29,412,287
6	SUB TOTAL	<u>154,719,546</u>
7		
8	LESS: INTEREST	<u>51,590,441</u>
9	TAXABLE INCOME	103,129,105
10		
11	EFFECTIVE TAX RATE	36%
12	CALCULATED FEDERAL INCOME TAX	37,126,478
13	LESS:	
14	CURRENT FEDERAL INCOME TAXES	(6,541,085)
15	DEFERRED FEDERAL INCOME TAXES	29,412,287
16		
17	INCREASE(DECREASE) FIT	14,255,275
18		
19		
20	INCREASE(DECREASE) NOI	<u><u>\$ (14,255,275)</u></u>

**PUGET SOUND ENERGY-GAS  
TAX BENEFIT OF RESTATED INTEREST  
FOR THE TWELVE MONTHS ENDED JUNE 30, 2012  
COMMISSION BASIS REPORT**

LINE NO.	DESCRIPTION	AMOUNT
1	RATE BASE	\$ 1,592,297,567
2		
3	NET RATE BASE	<u>\$ 1,592,297,567</u>
4		
5	WEIGHTED COST OF DEBT	<u>3.24%</u>
6	RESTATED INTEREST	\$ 51,590,441
7		
8	INTEREST FOR WHICH THE TAX BENEFIT IS INCLUDED ABOVE THE LINE	43,044,802
9		
10	INCREASE (DECREASE) INTEREST EXPENSE	\$ 8,545,640
11		
12	INCREASE (DECREASE) FIT @	35% (2,990,974)
13	INCREASE (DECREASE) NOI	<u><u>\$ 2,990,974</u></u>



**PUGET SOUND ENERGY-GAS  
PASS-THROUGH REVENUE & EXPENSE  
FOR THE TWELVE MONTHS ENDED JUNE 30, 2012  
COMMISSION BASIS REPORT**

LINE NO.	DESCRIPTION	ADJUSTMENT
1	<u>REMOVE REVENUES ASSOCIATED WITH RIDERS:</u>	
2	REMOVE LOW INCOME RIDER - SCHEDULE 129	\$ 3,858,502
3	REMOVE CONSERVATION TRACKER - SCHEDULE 120	30,746,210
4	REMOVE REVENUE ASSOC WITH PGA AMORTIZATION - SCHEDULE 106	(23,923,457)
5	REMOVE CARBON OFFSET - SCHEDULE 137	73,629
6	REMOVE OTHER ASSOC WITH CARBON OFFSET - SCHEDULE 137	30,806
7	REMOVE MUNICIPAL TAXES ASSOC WITH SALES TO CUSTOMERS	49,038,879
8	REMOVE MUNICIPAL TAXES ASSOC WITH OTHER OPRTG REV	399,174
9	TOTAL (INCREASE) DECREASE REVENUES	<u>\$ 60,223,743</u>
10		
11	<u>DECREASE REVENUE SENSITIVE ITEMS FOR DECREASE IN REVENUES:</u>	
12	UNCOLLECTIBLES @	0.0037230 \$ (224,213)
13	ANNUAL FILING FEE	0.0020000 (120,447)
14	STATE UTILITY TAX	0.0383770 (2,311,207)
15	TOTAL	<u>\$ (2,655,867)</u>
16		
17	<u>REMOVE EXPENSES ASSOCIATED WITH RIDERS</u>	
18	REMOVE LOW INCOME AMORTIZATION - SCHEDULE 129	\$ (3,691,645)
19	REMOVE CONSERVATION AMORTIZATION - SCHEDULE 120	(29,433,195)
20	REMOVE PGA DEFERRAL AMORTIZATION EXP - SCHEDULE 106	22,888,721
21	REMOVE CARBON OFFSET AMORTIZATION EXP - SCHEDULE 137	(101,240)
22	REMOVE MUNICIPAL TAXES	(47,723,788)
23	TOTAL INCREASE (DECREASE) EXPENSE	<u>\$ (58,061,147)</u>
24		
25	INCREASE (DECREASE) OPERATING INCOME BEFORE FIT	\$ 493,270
26	INCREASE (DECREASE) FIT (LINE 23 * 35%)	172,645
27	INCREASE (DECREASE) NOI	<u>\$ 320,626</u>

**PUGET SOUND ENERGY-GAS  
BAD DEBTS  
FOR THE TWELVE MONTHS ENDED JUNE 30, 2012  
COMMISSION BASIS REPORT**

LINE NO.	YEAR	NET WRITEOFFS	GROSS REVENUES	OTHER OPERATING REVENUE	NET REVENUES	PERCENT WRITEOFFS TO REVENUE
		June	February	February	February	
1	12 ME 6/30/2008	\$ 3,795,863	\$1,176,566,925	\$ 17,321,699	\$1,159,245,226	0.3274000%
2	12 ME 6/30/2011	\$ 4,117,417	\$1,087,839,185	\$ 14,337,567	\$1,073,501,618	0.3836000%
3	12 ME 6/30/2012	\$ 4,671,505	\$1,164,738,301	\$ 14,103,030	\$1,150,635,271	0.4060000%
4						
5	3-Yr Average of Net Write Off Rate					<b>0.3723000%</b>
6						
7	Reporting Period Revenues		\$1,149,001,091	\$14,301,108	\$1,134,699,983	
8						
9	RESTATED BAD DEBT RATE				<b>0.3723000%</b>	
10	RESTATED BAD DEBTS				\$ 4,224,488	
11						
12	UNCOLLECTIBLES CHARGED TO EXPENSE IN TEST YEAR				4,615,571	
13	INCREASE (DECREASE) EXPENSE					\$ (391,083)
14						
15	INCREASE(DECREASE ) IN INCOME					\$ 391,083
16	INCREASE (DECREASE) FIT				35%	136,879
17	INCREASE (DECREASE) NOI					<b>\$ 254,204</b>

**PUGET SOUND ENERGY-GAS  
PENSION PLAN  
FOR THE TWELVE MONTHS ENDED JUNE 30, 2012  
COMMISSION BASIS REPORT**

<b>LINE NO.</b>	<b>DESCRIPTION</b>	<b>ACTUAL</b>	<b>RESTATED</b>	<b>ADJUSTMENT</b>
1	QUALIFIED RETIREMENT FUND	\$ 1,980,502	\$ 3,473,977	\$ 1,493,475
2				
3				
4	INCREASE (DECREASE ) IN EXPENSE	\$ 1,980,502	\$ 3,473,977	\$ 1,493,475
5				
6	INCREASE (DECREASE) INCOME			(1,493,475)
7	INCREASE (DECREASE) FIT @		35%	(522,716)
8				
9	INCREASE (DECREASE) NOI			<u><u>\$ (970,759)</u></u>

**PUGET SOUND ENERGY-GAS  
INCENTIVE PAY  
FOR THE TWELVE MONTHS ENDED JUNE 30, 2012  
COMMISSION BASIS REPORT**

LINE NO.	DESCRIPTION	ACTUAL	RESTATED	ADJUSTMENT
1	INCENTIVE/MERIT PAY			
2	TOTAL INCENTIVE PAY	\$ 4,283,752	\$ 2,902,873	\$ (1,380,879)
3				
4	PAYROLL TAXES ASSOC WITH MERIT PAY	326,869	221,502	(105,367)
5	INCREASE(DECREASE) EXPENSE	4,610,621	3,124,375	(1,486,246)
6				
7	INCREASE (DECREASE) OPERATING EXPENSE			(1,486,246)
8				
9	INCREASE(DECREASE) FIT @		35%	520,186
10	INCREASE(DECREASE) NOI			\$ 966,060

**PUGET SOUND ENERGY-GAS  
CONVERSION FACTOR  
FOR THE TWELVE MONTHS ENDED JUNE 30, 2012  
COMMISSION BASIS REPORT**

LINE NO.	DESCRIPTION	BASE	RATE	AMOUNT
1	BAD DEBTS			0.003723
2	ANNUAL FILING FEE			0.002000
3	STATE UTILITY TAX ( 3.852% - ( LINE 1 * 3.852% ) )		3.852%	0.038377
4				
5	SUM OF TAXES OTHER			0.044100
6				
7	FEDERAL INCOME TAX ( ( 1 - LINE 5 ) * 35% )		35%	0.334565
8	CONVERSION FACTOR ( 1 - ( LINE 5 + LINE 7 ) )			<b>0.955900</b>
				<b>0.621335</b>

**PUGET SOUND ENERGY-ELECTRIC & GAS**  
**FOR THE TWELVE MONTHS ENDED JUNE 30, 2012**  
**ALLOCATION METHODS**

<b>Method</b>	<b>Description</b>		<b>Electric</b>	<b>Gas</b>	<b>Total</b>
<b>1</b>	<b>* <u>12 Month Average Number of Customers</u></b>	6/30/2012	1,086,382	760,286	1,846,668
	Percent		<b>58.83%</b>	<b>41.17%</b>	100.00%
<b>2</b>	<b>* <u>Joint Meter Reading Customers</u></b>	6/30/2012	714,059	413,885	1,127,944
	Percent		<b>63.31%</b>	<b>36.69%</b>	100.00%
<b>3</b>	<b>* <u>Non-Production Plant</u></b>				
	Distribution	6/30/2012	\$ 3,077,617,333	\$ 2,690,196,591	\$ 5,767,813,924
	Transmission	6/30/2012	1,091,713,943	-	1,091,713,943
	Direct General Plant	6/30/2012	157,891,556	34,244,684	192,136,240
	Total		<b>\$ 4,327,222,832</b>	<b>\$ 2,724,441,275</b>	<b>\$ 7,051,664,107</b>
	Percent		<b>61.36%</b>	<b>38.64%</b>	100.00%
<b>4</b>	<b>* <u>4-Factor Allocator</u></b>				
	Number of Customers	6/30/2012	1,086,382	760,286	1,846,668
	Percent		58.83%	41.17%	100.00%
	Labor - Direct Charge to O&M	6/30/2012	50,387,385	25,140,397	\$ 75,527,782
	Percent		66.71%	33.29%	100.00%
	T&D O&M Expense (Less Labor)	6/30/2012	67,798,023	28,139,982	\$ 95,938,005
	Percent		70.67%	29.33%	100.00%
	Net Classified Plant (Excluding General (Common) Plant)	6/30/2012	4,286,949,589	1,809,404,108	6,096,353,697
	Percent		70.32%	29.68%	100.00%
	Total Percentages		266.53%	133.47%	400.00%
	Percent		<b>66.63%</b>	<b>33.37%</b>	100.00%
<b>5</b>	<b>* <u>Employee Benefits</u></b>				
	Direct Labor Accts 500-935	6/30/2012	51,062,420	25,810,760	76,873,180
	Total		<b>\$ 51,062,420</b>	<b>\$ 25,810,760</b>	<b>\$ 76,873,180</b>
	Percent		<b>66.42%</b>	<b>33.58%</b>	100.00%