

**Exh. MCC-18**  
**Dockets UE-170033/UG-170034**  
**Witness: Melissa Cheesman**

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.**

**PUGET SOUND ENERGY,**

**Respondent.**

**DOCKETS UE-170033 and  
UG-170034 (*Consolidated*)**

**EXHIBIT TO  
TESTIMONY OF**

**Melissa C. Cheesman**

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

*PSE Witness, Ms. Susan Free Natural Gas Work paper Adjustment 11.13  
(Excel Document)*

**June 30, 2017**

Docket Number UE-17\_\_\_\_\_

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PUGET SOUND ENERGY - ELECTRIC  
DEFERRED GAINS/LOSSES ON PROPERTY SALES  
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2016  
2017 GENERAL RATE CASE

LINE NO.	DESCRIPTION	AMOUNT
1	DEFERRED GAIN RECORDED FOR UE-111048, et al. at 12/31/2017	\$ 1,736,007
2	DEFERRED LOSS RECORDED FOR UE-111048, et al. at 12/31/2017	(353,279)
3	TOTAL DEFERRED NET LOSS FOR UE-111048, et al. at 12/31/2017 TO AMORTIZE (Line 1 + Line 2)	<u>1,382,729</u>
4		
5	DEFERRED GAIN PENDING APPROVAL SINCE UE-111048	(4,002,174)
6	DEFERRED LOSS PENDING APPROVAL SINCE UE-111048	<u>328,215</u>
7	NET LOSS PENDING APPROVAL (Line 5 + Line 6)	(3,673,959)
8		
9	NET GAIN (Line 3 + Line 7)	(2,291,230)
10		
11	ANNUAL AMORTIZATION (Line 9 ÷ 36) x 12	(763,743)
12		
13	AMORTIZATION OF DEFERRED NET GAIN FOR TEST YEAR	(500,359)
14		
15	INCREASE (DECREASE) EXPENSE (Line 9 - Line 11)	<u>(263,384)</u>
16		
17	INCREASE (DECREASE) FIT @ 35%	<u>92,184</u>
18		
19	INCREASE (DECREASE) NOI	<u>\$ 171,200</u>

	Deferred Losses on Property Sales - Electric		Deferred Gains on Property Sales - Electric	
	18700041 2017 GRC Pending Approval Def Loss pt	18700071 Approved in 2011 GRC Def Loss post	25600081 2017 GRC Pending Approval Def Gain pt	25600111 Approved in 2011 GRC Def Gain pt 10/31/09
Balance on May 31, 2012	\$ 147,667.37	-	\$ (225,344.43)	\$ -
<u>Activities through the beginning of rate year:</u>				
5/2012 - Transfer Activity		397,945.35		(1,899,023.20)
5/2012- Monthly Activity		(10,602.50)		100,737.43
Jun-12		(11,054.05)		52,750.64
Jul-12		(11,054.05)		52,750.64
Aug-12		(11,054.05)	(833.59)	52,750.64
Sep-12		(11,054.05)		52,750.64
Oct-12		(11,054.05)		52,750.64
Nov-12		(11,054.05)		52,750.64
Dec-12		(11,054.05)	(6,966.25)	52,750.64
Jan-13		(11,054.05)		52,750.64
Feb-13		(11,054.05)		52,750.64
Mar-13		(11,054.05)		52,750.64
Apr-13	199.95	(11,054.05)		52,750.64
May-13	(199.95)	(11,054.05)		52,750.64
Jun-13	8,406.78	(11,054.05)	(2,415.05)	52,750.64
Jul-13	(8,406.78)	(11,054.05)		52,750.64
Aug-13		(11,054.05)		52,750.64
Sep-13		(11,054.05)		52,750.64
Oct-13		(11,054.05)	(92,074.02)	52,750.64
Nov-13	(6,954.60)	(11,054.05)		52,750.64
Dec-13	7,482.90	(11,054.05)	(6,954.60)	52,750.64
Jan-14	(528.30)	(11,054.05)	(20,216.21)	52,750.64
Feb-14		(11,054.05)		52,750.64
Mar-14		(11,054.05)		52,750.64
Apr-14		(11,054.05)		52,750.64
May-14		(11,054.05)		52,750.64
Jun-14		(11,054.05)		52,750.64
Jul-14		(11,054.05)		52,750.64
Aug-14		(11,054.05)		52,750.64
Sep-14	280,361.66	(11,054.05)		52,750.64
Oct-14		(11,054.05)	(21,761.43)	52,750.64
Nov-14		(11,054.05)		52,750.64
Dec-14	1,695.34	(11,054.05)	(242,247.38)	52,750.64
Jan-15		(11,054.05)		52,750.64
Feb-15	(280,361.66)	(11,054.05)		52,750.64
Mar-15		(11,054.05)		52,750.64
Apr-15		(11,054.05)		52,750.64
May-15	124,876.29	(11,054.05)	44,550.42	52,750.64
Jun-15	696.23	(11,054.05)	(47,862.87)	52,750.64
Jul-15	-	(11,054.05)		52,750.64
Aug-15	-	(11,054.05)	(3,110,497.16)	52,750.64
Sep-15	97.69	(11,054.05)	145.00	52,750.64
Oct-15	47,237.41	(11,054.05)		52,750.64
Nov-15	-	(11,054.05)	(87,038.00)	52,750.64
Dec-15	5,706.73	(11,054.05)	(34,853.10)	52,750.64
Jan-16	105.94	(11,054.05)	(55,704.29)	52,750.64
Feb-16	132.28	(11,054.05)	(2,628.51)	52,750.64
Mar-16		(11,054.05)	-	52,750.64
Apr-16		(11,054.05)	(64,806.63)	52,750.64
May-16		(11,054.05)	(19,538.12)	52,750.64
Jun-16		(11,054.05)	-	52,750.64
Jul-16		(11,054.05)	-	52,750.64
Aug-16		(11,054.05)	(5,127.74)	52,750.64
Sep-16		(11,054.05)		52,750.64
Oct-16		(11,054.05)		52,750.64
Nov-16		(11,054.05)		52,750.64
Dec-16		(11,054.05)		52,750.64
Jan-17		(11,054.05)		52,750.64
Feb-17		(11,054.05)		52,750.64
Mar-17		(11,054.05)		52,750.64
Apr-17		(11,054.05)		52,750.64
May-17		(11,054.05)		52,750.64
Jun-17		(11,054.05)		52,750.64
Jul-17		(11,054.05)		52,750.64
Aug-17		(11,054.05)		52,750.64
Sep-17		(11,054.05)		52,750.64
Oct-17		(11,054.05)		52,750.64
Nov-17		(11,054.05)		52,750.64
Dec-17		(11,054.05)		52,750.64
Balance as of Dec 2017	\$ 328,215.28	\$ (353,278.50)	\$ (4,002,173.96)	\$ 1,736,007.11

2011 GRC approved Deferred Losses - Account 18700071	\$ (353,278.50)
2011 GRC approved Deferred Gains - Account 25600111	1,736,007.11
Net Deferred Losses - 2011 GRC	<u>1,382,728.61</u>

Downloaded from SAP

Gains from disposition of Utility Plant - Electric

Order	Cost Element	Cost element name	Name	Val.in rep.cur.	Posting Date	Offsetting acct no.	Name of offsetting acct
41160001	64000100	Depreciation Expense	Amort of Plant Gains - Electric	(52,750.64)	10/25/2015	25600111	E Prop Gain UE111048
41160001	64000100	Depreciation Expense	Amort of Plant Gains - Electric	(52,750.64)	11/25/2015	25600111	E Prop Gain UE111048
41160001	64000100	Depreciation Expense	Amort of Plant Gains - Electric	(52,750.64)	12/25/2015	25600111	E Prop Gain UE111048
41160001	64000100	Depreciation Expense	Amort of Plant Gains - Electric	(52,750.64)	1/25/2016	25600111	E Prop Gain UE111048
41160001	64000100	Depreciation Expense	Amort of Plant Gains - Electric	(52,750.64)	2/25/2016	25600111	E Prop Gain UE111048
41160001	64000100	Depreciation Expense	Amort of Plant Gains - Electric	(52,750.64)	3/25/2016	25600111	E Prop Gain UE111048
41160001	64000100	Depreciation Expense	Amort of Plant Gains - Electric	(52,750.64)	4/25/2016	25600111	E Prop Gain UE111048
41160001	64000100	Depreciation Expense	Amort of Plant Gains - Electric	(52,750.64)	5/25/2016	25600111	E Prop Gain UE111048
41160001	64000100	Depreciation Expense	Amort of Plant Gains - Electric	(52,750.64)	6/25/2016	25600111	E Prop Gain UE111048
41160001	64000100	Depreciation Expense	Amort of Plant Gains - Electric	(52,750.64)	7/25/2016	25600111	E Prop Gain UE111048
41160001	64000100	Depreciation Expense	Amort of Plant Gains - Electric	(52,750.64)	8/25/2016	25600111	E Prop Gain UE111048
41160001	64000100	Depreciation Expense	Amort of Plant Gains - Electric	(52,750.64)	9/25/2016	25600111	E Prop Gain UE111048
				<b>\$ (633,007.68)</b>			

Losses from disposition of Utility Plant - Electric

Order	Cost Element	Cost element name	Name	Val.in rep.cur.	Posting Date	Offsetting acct no.	Name of offsetting acct
41170001	64000100	Depreciation Expense	Amort of Plant Losses - Electric	11,054.05	10/25/2015	64000100	Depreciation Expense
41170001	64000100	Depreciation Expense	Amort of Plant Losses - Electric	11,054.05	11/25/2015	64000100	Depreciation Expense
41170001	64000100	Depreciation Expense	Amort of Plant Losses - Electric	11,054.05	12/25/2015	64000100	Depreciation Expense
41170001	64000100	Depreciation Expense	Amort of Plant Losses - Electric	11,054.05	1/25/2016	64000100	Depreciation Expense
41170001	64000100	Depreciation Expense	Amort of Plant Losses - Electric	11,054.05	2/25/2016	64000100	Depreciation Expense
41170001	64000100	Depreciation Expense	Amort of Plant Losses - Electric	11,054.05	3/25/2016	64000100	Depreciation Expense
41170001	64000100	Depreciation Expense	Amort of Plant Losses - Electric	11,054.05	4/25/2016	64000100	Depreciation Expense
41170001	64000100	Depreciation Expense	Amort of Plant Losses - Electric	11,054.05	5/25/2016	64000100	Depreciation Expense
41170001	64000100	Depreciation Expense	Amort of Plant Losses - Electric	11,054.05	6/25/2016	64000100	Depreciation Expense
41170001	64000100	Depreciation Expense	Amort of Plant Losses - Electric	11,054.05	7/25/2016	64000100	Depreciation Expense
41170001	64000100	Depreciation Expense	Amort of Plant Losses - Electric	11,054.05	8/25/2016	64000100	Depreciation Expense
41170001	64000100	Depreciation Expense	Amort of Plant Losses - Electric	11,054.05	9/25/2016	64000100	Depreciation Expense
				<b>\$ 132,648.60</b>			
				(633,007.68)			
				132,648.60			
				<b>\$ (500,359.08)</b>			

18700041  
Deferred Loss Property Loss Electric

2016

SAP Download

Period	Debit	Credit	Balance	Cumulative bal
Balance Carryforward	-	-	-	327,977.06
1	67,513.05	67,407.11	105.94	328,083.00
2	2,628.51	2,496.23	132.28	328,215.28
3	-	-	-	328,215.28
4	92,303.51	92,303.51	-	328,215.28
5	36,021.61	36,021.61	-	328,215.28
6	-	-	-	328,215.28
7	-	-	-	328,215.28
8	5,127.74	5,127.74	-	328,215.28
9	-	-	-	328,215.28
10	-	-	-	328,215.28
11	-	-	-	328,215.28
12	-	-	-	328,215.28
13	-	-	-	328,215.28
14	-	-	-	328,215.28
15	-	-	-	328,215.28
16	-	-	-	328,215.28
Total	203,594.42	203,594.42	238.22	328,215.28

2013

SAP Download

Period	Debit	Credit	Balance	Cumulative bal
Balance Carryforward	-	-	-	147,667.37
1	-	-	-	147,667.37
2	-	-	-	147,667.37
3	-	-	-	147,667.37
4	199.95	-	199.95	147,867.32
5	-	199.95	(199.95)	147,667.37
6	11,021.78	2,615.00	8,406.78	156,074.15
7	438,590.50	446,997.28	(8,406.78)	147,667.37
8	438,414.72	438,414.72	-	147,667.37
9	-	-	-	147,667.37
10	91,965.52	91,965.52	-	147,667.37
11	545.40	7,500.00	(6,954.60)	140,712.77
12	7,482.90	-	7,482.90	148,195.67
13	-	-	-	148,195.67
14	-	-	-	148,195.67
15	-	-	-	148,195.67
16	-	-	-	148,195.67
Total	988,220.77	987,692.47	528.30	148,195.67

2015

SAP Download

Period	Debit	Credit	Balance	Cumulative bal
Balance Carryforward	-	-	-	429,724.37
1	53,711.03	53,711.03	-	429,724.37
2	-	280,361.66	(280,361.66)	149,362.71
3	-	-	-	149,362.71
4	-	-	-	149,362.71
5	178,395.29	53,519.00	124,876.29	274,239.00
6	66,562.40	65,866.17	696.23	274,935.23
7	-	-	-	274,935.23
8	3,110,497.16	3,110,497.16	-	274,935.23
9	781.80	684.11	97.69	275,032.92
10	47,291.41	54.00	47,237.41	322,270.33
11	397,887.98	397,887.98	-	322,270.33
12	53,875.55	48,168.82	5,706.73	327,977.06
13	-	-	-	327,977.06
14	-	-	-	327,977.06
15	-	-	-	327,977.06
16	-	-	-	327,977.06
Total	3,909,002.62	4,010,749.93	(101,747.31)	327,977.06

2012

SAP Download

Period	Debit	Credit	Balance	Cumulative balance
Balance Carryforward	-	-	-	437,903.28
1	-	-	-	437,903.28
2	-	-	-	437,903.28
3	-	-	-	437,903.28
4	-	-	-	437,903.28
5	-	290,235.91	(290,235.91)	147,667.37
6	-	-	-	147,667.37
7	-	-	-	147,667.37
8	-	-	-	147,667.37
9	-	-	-	147,667.37
10	-	-	-	147,667.37
11	-	-	-	147,667.37
12	6,966.25	6,966.25	-	147,667.37
13	-	-	-	147,667.37
14	-	-	-	147,667.37
15	-	-	-	147,667.37
16	-	-	-	147,667.37
Total	6,966.25	297,202.16	(290,235.91)	147,667.37

2014

SAP Download

Period	Debit	Credit	Balance	Cumulative bal
Balance Carryforward	-	-	-	148,195.67
1	20,216.21	20,744.51	(528.30)	147,667.37
2	31,528.47	31,528.47	-	147,667.37
3	20,216.21	20,216.21	-	147,667.37
4	-	-	-	147,667.37
5	-	-	-	147,667.37
6	-	-	-	147,667.37
7	-	-	-	147,667.37
8	-	-	-	147,667.37
9	286,017.79	5,656.13	280,361.66	428,029.03
10	24,215.13	24,215.13	-	428,029.03
11	-	-	-	428,029.03
12	244,638.95	242,943.61	1,695.34	429,724.37
13	-	-	-	429,724.37
14	-	-	-	429,724.37
15	-	-	-	429,724.37
16	-	-	-	429,724.37
Total	626,832.76	345,304.06	281,528.70	429,724.37