

**BEFORE THE WASHINGTON
UTILITIES & TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

Complainant,

v.

PUGET SOUND ENERGY, INC.

Respondent.

DOCKETS UE-240004 & UG-240005 (*Consolidated*)

**J. R. WOOLRIDGE
ON BEHALF OF THE
WASHINGTON STATE OFFICE OF THE ATTORNEY GENERAL
PUBLIC COUNSEL UNIT**

EXHIBIT JRW-9

PSE's Rate of Return Recommendation

August 6, 2024

Exhibit JRW-9**Puget Sound Energy's Rate of Return Recommendation
Year 1**

Capital Source	Capitalization Ratio	Cost Rate	Weighted Cost Rate
Short-Term Debt	1.81%	5.07%	0.09%
Long-Term Debt	48.19%	5.27%	2.54%
Common Equity	50.00%	9.95%	4.98%
Total	100.00%		7.61%

Year 2

Capital Source	Capitalization Ratio	Cost Rate	Weighted Cost Rate
Short-Term Debt	1.19%	4.08%	0.05%
Long-Term Debt	47.81%	5.36%	2.56%
Common Equity	51.00%	10.50%	5.36%
Total	100.00%		7.97%

Bulkley ROE Results

<i>Constant Growth DCF</i>			
	Mean Low	Mean	Mean High
30-Day Average	8.78%	9.69%	10.55%
90-Day Average	8.57%	9.47%	10.34%
180-Day Average	8.42%	9.32%	10.19%
Constant Growth Average	8.59%	9.49%	10.36%
<i>Median</i>			
	Median Low	Median	Median High
30-Day Average	8.87%	9.84%	10.44%
90-Day Average	8.53%	9.60%	10.27%
180-Day Average	8.31%	9.48%	10.05%
Constant Growth Average	8.57%	9.64%	10.25%
<i>CAPM</i>			
	Current 30-day Average Treasury Bond Yield	Near-Term Blue Chip Forecast Yield	Long-Term Blue Chip Forecast Yield
Value Line Beta	11.66%	11.62%	11.55%
Bloomberg Beta	10.84%	10.75%	10.61%
Long-term Avg. Beta	10.47%	10.37%	10.20%
<i>ECAPM</i>			
Value Line Beta	11.87%	11.84%	11.79%
Bloomberg Beta	11.25%	11.18%	11.08%
Long-term Avg. Beta	10.98%	10.90%	10.77%
<i>Risk Premium</i>			
	Current 30-day Average Treasury Bond Yield	Near-Term Blue Chip Forecast Yield	Long-Term Blue Chip Forecast Yield
Risk Premium Results	10.74%	10.50%	10.13%