

**EXHIBIT NO. ___(MJS-16)
DOCKET NOS. UE-111048/UG-111049
2011 PSE GENERAL RATE CASE
WITNESS: MICHAEL J. STRANIK**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY, INC.,

Respondent.

**Docket No. UE-111048
Docket No. UG-111049**

**SIXTH EXHIBIT (NONCONFIDENTIAL) TO THE
PREFILED REBUTTAL TESTIMONY OF
MICHAEL J. STRANIK
ON BEHALF OF PUGET SOUND ENERGY, INC.**

JANUARY 17, 2012

PUGET SOUND ENERGY
GAS RESULTS OF OPERATIONS
TWELVE MONTHS ENDED DECEMBER 31, 2010 VS JUNE 30, 2010
UNIT COST

LINE NO.	12/31/2010		6/30/2010 (UG-101644)		VARIANCE
	RESTATED RESULTS OF OPERATIONS	UNIT COST	RESTATED RESULTS OF OPERATIONS	UNIT COST	
		Dollars/Therm 1,089,556,625		Dollars/Therm 1,090,182,856	
1	<u>OPERATING REVENUES:</u>				
2	\$ 1,039,788,253	\$ 0.954322	\$ 1,069,319,700	\$ 0.980863	\$ 28,917,201
3	MUNICIPAL ADDITIONS	-	-	-	-
4	OTHER OPERATING REVENUES	14,898,824	15,498,860	0.014217	591,133
5	TOTAL OPERATING REVENUES	\$ 1,054,687,077	\$ 1,084,818,561	\$ 0.995079	\$ 29,508,334
6					
7	<u>OPERATING REVENUE DEDUCTIONS:</u>				
8					
9	<u>FUEL COSTS</u>				
10	FUEL	\$ -	\$ -	\$ -	\$ -
11	PURCHASED AND INTERCHANGED	600,923,272	629,304,268	0.577247	(28,019,506)
12	WHEELING	-	-	-	-
13		-	-	-	-
14	TOTAL PRODUCTION EXPENSES	\$ 600,923,272	\$ 629,304,268	\$ 0.577247	\$ (28,019,506)
15					
16	OTHER POWER SUPPLY EXPENSES	\$ 1,959,232	\$ 1,987,784	\$ 0.001823	(27,410)
17	TRANSMISSION EXPENSE	228,438	818,646	0.000751	(589,738)
18	DISTRIBUTION EXPENSE	49,555,128	49,209,344	0.045139	374,052
19	CUSTOMER ACCOUNT EXPENSES	30,522,431	30,098,013	0.027608	441,707
20	CUSTOMER SERVICE EXPENSES	1,135,885	1,242,745	0.001140	(106,146)
21	CONSERVATION AMORTIZATION	(0)	(0)	(0.000000)	(0)
22	ADMIN & GENERAL EXPENSE	43,968,367	44,646,847	0.040954	(652,834)
23	AMORTIZATION OF PROPERTY LOSS	-	-	-	-
24	OTHER OPERATING EXPENSES	(45,370)	(150,141)	(0.000138)	104,684
25	ADJUSTMENT TO TIE TO SETTLEMENT	-	(5,398,131)	(0.004952)	5,395,031
26	Subtotal	127,324,112	122,455,107	0.112325	4,939,346
27	DEPRECIATION	95,831,671	92,000,675	0.084390	3,883,844
27	AMORTIZATION	12,778,120	15,432,435	0.014156	(2,645,450)
28	TAXES OTHER INCOME TAXES	60,967,023	57,079,567	0.052358	3,920,244
29	INCOME TAXES	(4,899,269)	17,006,473	0.015600	(21,895,973)
30	DEFERRED INCOME TAXES	42,613,037	20,661,437	0.018952	21,963,468
31	TOTAL OPERATING REV. DEDUCT.	\$ 935,537,967	\$ 953,939,962	\$ 0.875027	\$ (17,854,026)
32					
33	NET OPERATING INCOME	\$ 119,149,110	\$ 130,878,599	\$ 0.120052	\$ 11,654,309
34					
35	RATE BASE	\$ 1,657,792,777	\$ 1,615,785,171	\$ 1.482123	
36	RATE OF RETURN	8.26%	8.10%		
37	Return on Rate Base	\$ 136,933,685	\$ 130,878,599	\$ 0.120052	6,130,267
38	Revenue Deficiency - Net of Tax	\$ 17,784,575	\$ (0)		\$ 17,784,575

Note: Amounts presented in bold italic type have changed since the direct filing on June 13, 2011.