

**EXHIBIT NO. ___(MJS-20)
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**

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

JANUARY 17, 2012

**Puget Sound Energy
Directors & Officers Insurance
PSE Resp WUTC DR 052_Attach C**

	12 ME Dec-10	12 ME Dec-09	12 ME Dec-08	12 ME Dec-07	12 ME Dec-06	12 ME Dec-05	12 ME Dec-04	12 ME Dec-03	12 ME Dec-02	12 ME Dec-01	12 ME Dec-00
Actual											
Total	\$ 903,160	\$ 1,117,946	\$ 1,781,743	\$ 1,850,057	\$ 1,815,568	\$ 1,872,244	\$ 1,784,707	\$ 1,214,425	\$ 254,722	\$ 281,778	\$ 310,000
O&M Amount Calculation: (Note 4)	\$ 903,160 60.56%	\$ 1,117,946 100.00%	\$ 1,781,743 100.00%	\$ 1,850,057 100.00%	\$ 1,815,568 100.00%	\$ 1,872,244 100.00%	\$ 1,784,707 100.00%	\$ 1,214,425 100.00%	\$ 254,722 100.00%	\$ 281,778 100.00%	\$ 310,000 100.00%
	\$ 546,953	\$ 1,117,946	\$ 1,781,743	\$ 1,850,057	\$ 1,815,568	\$ 1,872,244	\$ 1,784,707	\$ 1,214,425	\$ 254,722	\$ 281,778	\$ 310,000
Allocate O&M to Electric: 12 Month Average Number of Customers Allocator	\$ 546,953 58.96%	\$ 1,117,946 58.97%	\$ 1,781,743 59.05%	\$ 1,850,057 59.23%	\$ 1,815,568 59.42%	\$ 1,872,244 59.69%	\$ 1,784,707 60.10%	\$ 1,214,425 60.45%	\$ 254,722 60.73%	\$ 281,778 60.91%	\$ 310,000 61.19%
	\$ 322,484	\$ 659,225	\$ 1,052,108	\$ 1,095,822	\$ 1,078,811	\$ 1,117,542	\$ 1,072,609	\$ 734,120	\$ 154,692	\$ 171,617	\$ 189,689
Allocate O&M to Gas: 12 Month Average Number of Customers Allocator	\$ 546,953 41.04%	\$ 1,117,946 41.03%	\$ 1,781,743 40.95%	\$ 1,850,057 40.77%	\$ 1,815,568 40.58%	\$ 1,872,244 40.31%	\$ 1,784,707 39.90%	\$ 1,214,425 39.55%	\$ 254,722 39.27%	\$ 281,778 39.09%	\$ 310,000 38.81%
Total Allocated Electric & Gas	\$ 224,470 \$ 546,953	\$ 458,721 \$ 1,117,946	\$ 729,636 \$ 1,781,743	\$ 754,235 \$ 1,850,057	\$ 736,758 \$ 1,815,568	\$ 754,701 \$ 1,872,244	\$ 712,098 \$ 1,784,707	\$ 480,305 \$ 1,214,425	\$ 100,029 \$ 254,722	\$ 110,161 \$ 281,778	\$ 120,311 \$ 310,000

Amounts Approved In Rates:

Electric Effective Date	UE-090704 4/8/2010	UE-072300 11/1/2008	UE-060266 1/13/2007	UE-040640 3/4/2005	UE-011570 7/1/2002	January 1,2000 through July 1, 2002
Amount	\$ 308,932	\$ 1,051,719	\$ 1,143,960	\$ 535,361	\$ 179,501	
Gas Effective Date	UG-090705 4/8/2010	UG-072301 11/1/2008	UG-060267 1/13/2007	UG-040641 3/4/2005	UG-011571 9/1/2002	January 1,2000 through Sep. 1, 2002
Amount	\$ 214,244	\$ 723,035	\$ 769,977	\$ 354,209	\$ 121,650	3.
Total Allowed Electric & Gas	\$ 523,176	\$ 1,774,754	\$ 1,913,937	\$ 889,570	\$ 301,151	

1. For 2004 GRC UG-040641 there was no Adjustment for D&O Insurance for Gas operations.
2. For 2001 GRC UG-011571 there was no Adjustment for D&O Insurance for Gas operations.
3. For the period from January 1, 2000 to July 1, 2002 for Electric operations and September 1, 2002 for Gas operations, Puget Sound Energy, Inc. was in a black box period and not allowed to file a rate case as part of the WUTC ruling regarding the merger with Washington Natural Gas.
4. Allocation of the total D&O Premium follows the allocation methodology used for setting rates.