

**BEFORE THE WASHINGTON
UTILITIES & TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

Complainant,

v.

PUGET SOUND ENERGY

Respondent.

DOCKETS UE-220066, UG-220067, and UG-210918 (*Consolidated*)

**GLENN A. WATKINS
ON BEHALF OF THE
WASHINGTON STATE OFFICE OF THE ATTORNEY GENERAL
PUBLIC COUNSEL UNIT**

EXHIBIT GAW-9

Natural Gas Residential Customer Cost Analysis

July 28, 2022

PUGET SOUND ENERGY
Residential Natural Gas Customer Cost Analysis

	PC Cost of Capital	PSE Cost of Capital
Gross Plant		
380 Services	\$728,487,300	\$728,487,300
381 Meters	\$133,543,140	\$133,543,140
382 Meter Installations	\$205,670,795	\$205,670,795
383 House Regulators	\$15,485,873	\$15,485,873
384 House Regulators Installations	\$65,302,571	\$65,302,571
Total Gross Plant	\$1,148,489,679	\$1,148,489,679
Depreciation Reserve		
Services	\$352,801,657	\$352,801,657
Meters	\$31,237,883	\$31,237,883
Meter Installations	\$59,028,258	\$59,028,258
House Regulators	\$5,957,797	\$5,957,797
House Regulators Installations	\$26,601,629	\$26,601,629
Total Depreciation Reserve	\$475,627,225	\$475,627,225
Total Net Plant	\$672,862,455	\$672,862,455
Operation & Maintenance Expenses		
878 Meters & House Regulators - Oper	\$1,520,684	\$1,520,684
879 Customer Installations Expenses	\$818,023	\$818,023
892 Maintenance - Services	\$2,672,104	\$2,672,104
893 Maintenance-Meters & House Regulators	\$575,033	\$575,033
902 Meter Reading	\$8,698,672	\$8,698,672
903 Records & Collections	\$10,799,478	\$10,799,478
Total O & M Expenses	\$25,083,992	\$25,083,992
Depreciation Expense		
Services (3.227% Weighted Average Depreciation Rate)	\$23,510,881	\$23,510,881
Meters (4.859% Weighted Average Depreciation Rate)	\$6,489,033	\$6,489,033
Meter Installations (2.25% Depreciation Rate)	\$4,627,593	\$4,627,593
House Regulators (1.44% Depreciation Rate)	\$85,792	\$85,792
House Regulators Installations (1.81% Depreciation Rate)	\$481,489	\$481,489
Total Depreciation Expense	\$35,194,789	\$35,194,789
Revenue Requirement		
Interest	\$ 17,326,208	\$17,090,706
Equity return	\$ 29,044,108	\$32,633,829
Income Tax	\$7,720,586	\$8,674,815
Revenue For Return	\$54,090,902	\$58,399,351
O & M Expenses	\$25,083,992	\$25,083,992
Depreciation Expense	\$35,194,789	\$35,194,789
Revenue Requirement Before Excise & WUTC Gross-Up	\$114,369,683	\$118,678,132
Uncollectible, State Utility Tax & WUTC Fee Gross-Up Factor	0.9554440	0.9554440
Total Revenue Requirement	\$119,703,178	\$124,212,546
Number of Customers	796,287	796,287
Number of Bills	9,555,444	9,555,444
TOTAL MONTHLY CUSTOMER COST	\$12.53	\$13.00