

**EXH. SEF-16
DOCKETS UE-18___/UG-18___
2018 PSE EXPEDITED RATE FILING
WITNESS: SUSAN E. FREE**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of:

PUGET SOUND ENERGY

Expedited Rate Filing

**Docket UE-18___
Docket UG-18___**

**FIFTEENTH EXHIBIT (NONCONFIDENTIAL) TO THE
PREFILED DIRECT TESTIMONY OF**

SUSAN E. FREE

ON BEHALF OF PUGET SOUND ENERGY

NOVEMBER 7, 2018

**EXH. SEF-3
DOCKETS UE-18___/UG-18___
2018 PSE EXPEDITED RATE FILING
WITNESS: SUSAN E. FREE**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of:

PUGET SOUND ENERGY

Expedited Rate Filing

**Docket UE-18___
Docket UG-18___**

**SECOND EXHIBIT (NONCONFIDENTIAL) TO THE
PREFILED DIRECT TESTIMONY OF**

SUSAN E. FREE

ON BEHALF OF PUGET SOUND ENERGY

NOVEMBER 7, 2018

Ref 3.01

**PUGET SOUND ENERGY-ELECTRIC
EXPEDITED RATE FILING INCREASE
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018**

LINE NO.	DESCRIPTION	AMOUNT
1	RATE BASE	\$ 5,101,822,356
2	RATE OF RETURN	<u>7.49%</u>
3		
4	OPERATING INCOME REQUIREMENT	382,126,494
5		
6	RESTATED OPERATING INCOME	<u>367,953,662</u>
7	OPERATING INCOME DEFICIENCY	14,172,833
8		
9	CONVERSION FACTOR	<u>0.751730</u>
10	OVERALL REVENUE REQUIREMENT DEFICIENCY	18,853,621
11	SALES FROM RESALE-FIRM	<u>3,069</u>
12		
13	REVENUE REQUIREMENT DEFICIENCY - STATE	<u>\$ 18,850,552</u>

PUGET SOUND ENERGY-ELECTRIC
PRO FORMA COST OF CAPITAL APPROVED IN UE-170033/UG-170034
ADJUSTED FOR FEDERAL TAX RATE CHANGE FROM 35% to 21%
UPDATED FOR NEW DEBT ISSUANCES
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018

LINE NO. DESCRIPTION	PRO FORMA CAPITAL %	COST %	COST OF CAPITAL
1			
2 SHORT TERM AND LONG TERM DEBT	51.50%	5.59%	2.88%
3 EQUITY	48.50%	9.50%	4.61%
4 TOTAL COST OF CAPITAL	100.00%		7.49%
5			
6			
7 AFTER TAX SHORT AND LONG TERM DEBT	51.50%	4.42%	2.28%
8 EQUITY	48.50%	9.50%	4.61%
9 TOTAL AFTER TAX COST OF CAPITAL	100.00%		6.89%

AMOUNTS THAT HAVE CHANGED SINCE UE-170033/UG-170034 & UE-180282/UG-180283
HAVE BEEN HIGHLIGHTED IN GREEN.

PUGET SOUND ENERGY-ELECTRIC
CONVERSION FACTOR - ELECTRIC
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
USED FOR SETTING ERF REVENUE REQUIREMENT

LINE NO.	DESCRIPTION	RATE
1	BAD DEBTS	0.008020
2	ANNUAL FILING FEE	0.002000
3	STATE UTILITY TAX - NET OF BAD DEBTS (3.8734% - (LINE 1 * 3.873	3.8734% 0.038423
4		
5	SUM OF TAXES OTHER	0.048443
6		
7	CONVERSION FACTOR EXCLUDING FEDERAL INCOME TAX (1 - LINE 5)	0.951557
8	FEDERAL INCOME TAX (LINE 7 * 21%)	21.0% 0.199827
9	CONVERSION FACTOR INCL FEDERAL INCOME TAX (LINE 5 + LINE 8)	0.751730

PUGET SOUND ENERGY-ELECTRIC
DETERMINATION OF ERF RELATED REVENUES AND EXPENSES
 FOR THE TWELVE MONTHS ENDED JUNE 30, 2018

LINE NO.	ACTUAL RESULTS OF OPERATIONS	TOTAL CBR ADJUSTMENTS	CBR RESTATED RESULTS OF OPERATIONS	ADJUSTMENT TO "EOP"	EOP RESTATED RESULTS OF OPERATIONS	17GR C ERF ANNUALIZING ADJUSTMENTS	EOP ANNUALIZED RESULTS OF OPERATIONS	REMOVE VARIABLE POWER COSTS (NON-ERF)	ERF ADJUSTED RESULTS OF OPERATIONS	REVENUE REQUIREMENT DEFICIENCY	AFTER RATE INCREASE
	A	B	C = A + B	D	E = C + D	F	G = E + F	H	I = G + H	J	K = I + J
1	OPERATING REVENUES:										
2	SALES TO CUSTOMERS	\$ (181,393,835)	\$ 2,058,080,274	\$ -	\$ 2,058,080,274	\$ (39,353,727)	\$ 2,018,726,547	\$ (724,521,412)	\$ 1,294,205,135	\$ 18,850,552	\$ 1,313,055,687
3	SALES FROM RESALE-FIRM	342,919	343,685	-	343,685	(13,829)	329,856	-	329,856	3,069	332,925
4	SALES TO OTHER UTILITIES	116,721,928	116,721,928	-	116,721,928	(55,279,030)	61,442,898	(61,442,898)	-	-	-
5	OTHER OPERATING REVENUES	15,770,154	42,243,828	-	42,243,828	27,354,972	69,598,800	(13,961,272)	55,637,527	-	55,637,527
6	TOTAL OPERATING REVENUES	2,372,309,109	2,217,389,714	-	2,217,389,714	(67,291,614)	2,150,098,101	(799,925,582)	1,350,172,518	18,853,621	1,369,026,139
7											
8	OPERATING REVENUE DEDUCTIONS:										
9											
10	POWER COSTS:										
11	FUEL	192,974,971	191,271,196	-	191,271,196	17,172,047	208,443,243	(208,443,243)	-	-	-
12	PURCHASED AND INTERCHANGED	499,358,139	500,810,765	-	500,810,765	(55,440,601)	445,370,164	(434,843,424)	10,526,740	-	10,526,740
13	WHEELING	116,538,099	116,538,099	-	116,538,099	(5,731,611)	110,806,488	(110,806,488)	-	-	-
14	RESIDENTIAL EXCHANGE	(77,400,561)	-	-	-	-	-	-	-	-	-
15	TOTAL PRODUCTION EXPENSES	731,470,649	808,620,060	-	808,620,060	(44,000,164)	764,619,895	(754,093,156)	10,526,740	-	10,526,740
16											
17	OTHER POWER SUPPLY EXPENSES	125,020,030	125,117,979	-	125,117,979	2,497,699	127,615,678	-	127,615,678	-	127,615,678
18	TRANSMISSION EXPENSE	21,791,677	21,921,149	-	21,921,149	-	21,921,149	-	21,921,149	-	21,921,149
19	DISTRIBUTION EXPENSE	79,064,741	82,514,379	-	82,514,379	-	82,514,379	-	82,514,379	-	82,514,379
20	CUSTOMER ACCOUNT EXPENSES	52,024,798	51,521,852	-	51,521,852	1,150,583	52,672,435	(5,810,662)	46,861,774	151,206	47,012,980
21	CUSTOMER SERVICE EXPENSES	21,813,620	3,349,961	-	3,349,961	-	3,349,961	-	3,349,961	-	3,349,961
22	CONSERVATION AMORTIZATION	106,701,547	(106,701,547)	-	-	-	-	-	-	-	-
23	ADMIN & GENERAL EXPENSE	123,469,096	123,740,986	-	123,740,986	(94,365)	123,646,621	(1,449,043)	122,197,579	37,707	122,235,286
24	DEPRECIATION	316,187,695	315,986,752	-	315,986,752	25,808,344	362,219,499	-	362,219,499	-	362,219,499
25	AMORTIZ OF PROPERTY GAIN/LOSS	28,310,948	63,634,800	-	63,634,800	-	63,634,800	-	63,634,800	-	63,634,800
26	AMORTIZ OF PROPERTY GAIN/LOSS	28,310,948	28,310,948	-	28,310,948	6,982,412	35,293,360	-	35,293,360	-	35,293,360
27	OTHER OPERATING EXPENSES	(77,871,386)	7,957,414	-	7,957,414	1,868,385	9,825,799	-	9,825,799	-	9,825,799
28	FAS 133	(237,760)	-	-	-	-	-	-	-	-	-
29	TAXES OTHER THAN F.I.T.	242,620,498	92,253,971	-	92,253,971	(1,979,856)	90,274,115	(29,197,002)	61,077,113	724,413	61,801,526
30	FEDERAL INCOME TAXES	61,778,950	80,319,187	-	80,319,187	(45,962,454)	29,024,980	(1,968,901)	27,056,079	3,767,463	30,823,542
31	DEFERRED INCOME TAXES	85,037,422	8,124,947	-	8,124,947	-	8,124,947	-	8,124,947	-	8,124,947
32	TOTAL OPERATING REV. DEDUCT.	1,981,417,326	1,813,374,386	-	1,828,467,037	(53,729,416)	1,774,737,620	(792,518,764)	982,218,857	4,680,788	986,899,645
33											
34	NET OPERATING INCOME	\$ 390,891,783	\$ 13,123,545	\$ (15,092,651)	\$ 388,922,678	\$ (13,562,198)	\$ 375,360,480	\$ (7,406,819)	\$ 367,953,662	\$ 14,172,833	\$ 382,126,494
35											
36	RATE BASE	\$ 5,173,537,804	\$ (1,756,001)	\$ (47,834,916)	\$ 5,123,946,887	\$ (22,124,531)	\$ 5,101,822,356	\$ -	\$ 5,101,822,356	\$ -	\$ 5,101,822,356
37											
38	RATE OF RETURN	7.56%	n/a	n/a	7.59%	n/a	7.36%	n/a	7.21%	n/a	7.49%
39											
40	RATE BASE:										
41	UTILITY PLANT IN SERVICE	\$ 10,364,897,707	(4,539,303)	\$ 176,214,591	\$ 10,536,572,996	\$ -	\$ 10,536,572,996	\$ -	\$ 10,536,572,996	\$ -	\$ 10,536,572,996
42	ACCUM DEPR AND AMORT	(4,091,031,741)	1,910,783	(173,870,993)	(4,262,991,950)	(25,808,344)	(4,288,800,294)	-	(4,288,800,294)	-	(4,288,800,294)
43	DEFERRED DEBITS	257,055,281	257,055,281	28,717,574	285,772,855	(2,724,478)	283,048,377	-	283,048,377	-	283,048,377
44	DEFERRED TAXES	(1,436,108,670)	872,519	746,015	(1,434,490,137)	6,408,290	(1,428,081,846)	-	(1,428,081,846)	-	(1,428,081,846)
45	ALLOWANCE FOR WORKING CAPITAL	183,434,144	-	(81,814,007)	101,620,138	-	101,620,138	-	101,620,138	-	101,620,138
46	OTHER	(104,708,917)	-	2,171,902	(102,537,015)	-	(102,537,015)	-	(102,537,015)	-	(102,537,015)
47	TOTAL RATE BASE	\$ 5,173,537,804	\$ (1,756,001)	\$ (47,834,916)	\$ 5,123,946,887	\$ (22,124,531)	\$ 5,101,822,356	\$ -	\$ 5,101,822,356	\$ -	\$ 5,101,822,356

**EXH. SEF-4
DOCKETS UE-18___/UG-18___
2018 PSE EXPEDITED RATE FILING
WITNESS: SUSAN E. FREE**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**In the Matter of:
PUGET SOUND ENERGY
Expedited Rate Filing**

**Docket UE-18___
Docket UG-18___**

**THIRD EXHIBIT (NONCONFIDENTIAL) TO THE
PREFILED DIRECT TESTIMONY OF**

SUSAN E. FREE

ON BEHALF OF PUGET SOUND ENERGY

NOVEMBER 7, 2018

PUGET SOUND ENERGY-GAS
EXPEDITED RATE FILING INCREASE
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018

LINE NO.	DESCRIPTION	AT FULL REVENUE REQUIREMENT	LIMITATION FOR RATE CLASSES HELD TO LESS THAN 3% FROM JAP-6	WITH LIMITATION
1	RATE BASE	\$ 1,863,536,608		\$ 1,863,536,608
2	RATE OF RETURN	<u>7.49%</u>	<u>-0.64%</u>	<u>6.85%</u>
3				
4	OPERATING INCOME REQUIREMENT	139,578,892	(11,920,262)	127,658,630
5				
6	RESTATED OPERATING INCOME	<u>111,326,695</u>		<u>111,326,695</u>
7	OPERATING INCOME DEFICIENCY	28,252,197	(11,920,262)	16,331,935
8				
9	CONVERSION FACTOR	<u>0.753979</u>	<u>0.753979</u>	<u>0.753979</u>
10				
11	REVENUE REQUIREMENT DEFICIENCY	<u>\$ 37,470,801</u>	<u>\$ (15,809,806)</u>	<u>\$ 21,660,995</u>

PUGET SOUND ENERGY-GAS
PRO FORMA COST OF CAPITAL APPROVED IN UE-170033/UG-170034
ADJUSTED FOR FEDERAL TAX RATE CHANGE FROM 35% to 21%
UPDATED FOR NEW DEBT ISSUANCES
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018

LINE NO. DESCRIPTION	PRO FORMA CAPITAL %	COST %	COST OF CAPITAL
1			
2 SHORT TERM AND LONG TERM DEBT	51.50%	5.59%	2.88%
3 EQUITY	48.50%	9.50%	4.61%
4 TOTAL COST OF CAPITAL	100.00%		7.49%
5			
6			
7 AFTER TAX SHORT AND LONG TERM DEBT	51.50%	4.42%	2.28%
8 EQUITY	48.50%	9.50%	4.61%
9 TOTAL AFTER TAX COST OF CAPITAL	100.00%		6.89%

AMOUNTS THAT HAVE CHANGED SINCE UE-170033/UG-170034 & UE-180282/UG-180283
 HAVE BEEN HIGHLIGHTED IN GREEN.

PUGET SOUND ENERGY-GAS
CONVERSION FACTOR - GAS
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	RATE
1	BAD DEBTS	0.005279
2	ANNUAL FILING FEE	0.002000
3	STATE UTILITY TAX - NET OF BAD DEBTS (3.852% - (LINE 1 * 3.852%))	3.8520% <u>0.038317</u>
4		
5	SUM OF TAXES OTHER	0.045596
6		
7	CONVERSION FACTOR EXCLUDING FEDERAL INCOME TAX (1 - LINE 5)	0.954404
8	FEDERAL INCOME TAX (LINE 7 * 21%)	21.0% 0.200425
9	CONVERSION FACTOR INCL FEDERAL INCOME TAX (LINE 5 + LINE 8)	<u>0.753979</u>

**PUGET SOUND ENERGY-GAS
DETERMINATION OF ERF RELATED REVENUES AND EXPENSES
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018**

LINE NO.	ACTUAL RESULTS OF OPERATIONS A	TOTAL CBR ADJUSTMENTS B	CBR RESTATED RESULTS OF OPERATIONS C=A+B	ADJUSTMENT TO "EOP" (END OF PERIOD) D	EOP RESTATED RESULTS OF OPERATIONS E=C+D	17GRC ERF ANNUALIZING ADJUSTMENTS F	EOP ANNUALIZED RESULTS OF OPERATIONS G=E+F	REMOVE PGA & CRM (NON-ERF) H	ERF ADJUSTED RESULTS OF OPERATIONS I=G+H	REVENUE REQUIREMENT DEFICIENCY J	AFTER RATE INCREASE K=I+J
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4b											
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**EXH. SEF-5
DOCKETS UE-18___/UG-18___
2018 PSE EXPEDITED RATE FILING
WITNESS: SUSAN E. FREE**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**In the Matter of:
PUGET SOUND ENERGY
Expedited Rate Filing**

**Docket UE-18___
Docket UG-18___**

**FOURTH EXHIBIT (NONCONFIDENTIAL) TO THE
PREFILED DIRECT TESTIMONY OF**

SUSAN E. FREE

ON BEHALF OF PUGET SOUND ENERGY

NOVEMBER 7, 2018

**PUGET SOUND ENERGY-ELECTRIC
RESULTS OF OPERATIONS
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT**

LINE NO.	ACTUAL RESULTS OF OPERATIONS	TOTAL ADJUSTMENTS	RESTATED RESULTS OF OPERATIONS
1	<u>OPERATING REVENUES:</u>		
2	\$ 2,239,474,109	\$ (181,393,835)	\$ 2,058,080,274
3	342,919	766	343,685
4	116,721,928	-	116,721,928
5	15,770,154	26,473,674	42,243,828
6	<u>2,372,309,109</u>	<u>(154,919,395)</u>	<u>2,217,389,714</u>
7			
8	<u>OPERATING REVENUE DEDUCTIONS:</u>		
9			
10	<u>POWER COSTS:</u>		
11	\$ 192,974,971	\$ (1,703,776)	\$ 191,271,196
12	499,358,139	1,452,626	500,810,765
13	116,538,099	-	116,538,099
14	<u>(77,400,561)</u>	<u>77,400,561</u>	<u>-</u>
15	731,470,649	77,149,411	808,620,060
16			
17	\$ 125,620,030	\$ (502,051)	\$ 125,117,979
18	21,791,677	129,472	21,921,149
19	79,064,741	3,449,638	82,514,379
20	52,024,798	(502,946)	51,521,852
21	21,813,620	(18,463,660)	3,349,961
22	106,701,547	(106,701,547)	-
23	123,469,096	271,891	123,740,986
24	316,187,695	(200,943)	315,986,752
25	63,634,800	-	63,634,800
26	28,310,948	-	28,310,948
27	(77,871,386)	85,828,800	7,957,414
28	(237,760)	237,760	-
29	242,620,498	(150,366,527)	92,253,971
30	61,778,950	18,540,237	80,319,187
31	85,037,422	(76,912,475)	8,124,947
32	<u>\$ 1,981,417,326</u>	<u>\$ (168,042,940)</u>	<u>\$ 1,813,374,386</u>
33			
34	\$ 390,891,783	\$ 13,123,545	\$ 404,015,329
35			
36	\$ 5,173,537,804	\$ (1,756,001)	\$ 5,171,781,803
37			
38	7.56%		7.81%
39			
40	<u>RATE BASE:</u>		
41	\$ 10,364,897,707	\$ (4,539,303)	\$ 10,360,358,404
42	(4,091,031,741)	1,910,783	(4,089,120,958)
43	257,055,281	-	257,055,281
44	(1,436,108,670)	872,519	(1,435,236,152)
45	183,434,144	-	183,434,144
46	<u>(104,708,917)</u>	<u>-</u>	<u>(104,708,917)</u>
47	<u>\$ 5,173,537,804</u>	<u>\$ (1,756,001)</u>	<u>\$ 5,171,781,803</u>

PUGET SOUND ENERGY-ELECTRIC
STATEMENT OF OPERATING INCOME AND ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT

LINE NO.	ACTUAL RESULTS OF OPERATIONS 12 ME-June 30, 2018	TEMPERATURE NORMALIZATION 5.09	REVENUE & EXPENSE 5.10	FEDERAL INCOME TAX 5.11	TAX BENEFIT OF INTEREST 5.12	PASS-THROUGH REV & EXP 5.13	RATE CASE EXPENSES 5.14
1	OPERATING REVENUES						
2	SALES TO CUSTOMERS	(2,835,745) \$	54,319,386 \$	- \$	- \$	(232,877,476) \$	-
3	SALES FROM RESALE-FIRM	766					
4	SALES TO OTHER UTILITIES	116,721,928	(1,638,991)			28,112,665	
5	OTHER OPERATING REVENUES	15,770,154	52,680,395 \$	- \$	- \$	(204,764,811) \$	-
6	TOTAL OPERATING REVENUES	2,372,309,109 \$					
7	OPERATING REVENUE DEDUCTIONS:						
8							
9							
10	POWER COSTS:						
11	FUEL	- \$	- \$	- \$	- \$	- \$	-
12	PURCHASED AND INTERCHANGED					(2,413,218)	
13	WHEELING						
14	RESIDENTIAL EXCHANGE	(77,400,561)				77,400,561	
15	TOTAL PRODUCTION EXPENSES	731,470,649 \$				74,987,342 \$	
16							
17	OTHER POWER SUPPLY EXPENSES	125,620,030 \$	- \$	- \$	- \$	- \$	-
18	TRANSMISSION EXPENSE	21,791,677					
19	DISTRIBUTION EXPENSE	79,064,741					
20	CUSTOMER ACCTS EXPENSES	52,024,798	422,497			(1,628,561)	
21	CUSTOMER SERVICE EXPENSES	21,813,620				(18,463,660)	
22	CONSERVATION AMORTIZATION	106,701,547				(106,701,547)	
23	ADMIN & GENERAL EXPENSE	123,469,096	105,361			(434,898)	(88,517)
24	DEPRECIATION	316,187,695					
25	AMORTIZATION	63,634,800					
26	AMORTIZ OF PROPERTY GAIN/LOSS	28,310,948					
27	OTHER OPERATING EXPENSES	(77,871,386)					
28	FAS 133	(237,760)				42,466	
29	TAXES OTHER THAN F.I.T.	242,620,498					
30	FEDERAL INCOME TAXES	61,778,950	(108,928)			(152,085,589)	
31	DEFERRED INCOME TAXES	85,037,422	(755,340)		(41,850,058)	(134,502)	24,785
32	TOTAL OPERATING REV. DEDUCT.	1,981,417,326 \$	(892,675) \$	78,354,109 \$	(41,850,058) \$	(204,418,949) \$	(63,732)
33							
34	NET OPERATING INCOME	390,891,783 \$	(1,942,304) \$	(25,673,714) \$	41,850,058 \$	(345,862) \$	63,732
35	RATE BASE	5,173,537,804 \$	- \$	- \$	- \$	- \$	-
36							
37	RATE OF RETURN	7.56%					
38							
39							
40	RATE BASE:						
41	GROSS UTILITY PLANT IN SERVICE	10,364,897,707 \$	- \$	- \$	- \$	- \$	-
42	ACCUMULATED DEPRECIATION	(4,091,031,741)					
43	DEFERRED DEBITS	257,055,281					
44	DEFERRED TAXES	(1,436,108,670)					
45	ALLOWANCE FOR WORKING CAPITAL	183,434,144					
46	OTHER	(104,708,917)					
47	TOTAL RATE BASE	5,173,537,804 \$	- \$	- \$	- \$	- \$	-

PUGET SOUND ENERGY-ELECTRIC
STATEMENT OF OPERATING INCOME AND ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT

LINE NO.	BAD DEBITS 5.15	INCENTIVE PAY 5.16	EXCISE TAX & FILING FEE 5.17	D&O INSURANCE 5.18	INTEREST ON CUST DEPOSITS 5.19	PENSION PLAN 5.20	INJURIES & DAMAGES 5.21
1 OPERATING REVENUES							
2 SALES TO CUSTOMERS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3 SALES FROM RESALE-FIRM							
4 SALES TO OTHER UTILITIES							
5 OTHER OPERATING REVENUES							
6 TOTAL OPERATING REVENUES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7							
8 OPERATING REVENUE DEDUCTIONS:							
9							
10 POWER COSTS:							
11 FUEL	\$ -	\$ (31,486)	\$ -	\$ -	\$ -	\$ -	\$ -
12 PURCHASED AND INTERCHANGED							
13 WHEELING							
14 RESIDENTIAL EXCHANGE							
15 TOTAL PRODUCTION EXPENSES	\$ -	\$ (31,486)	\$ -	\$ -	\$ -	\$ -	\$ -
16							
17 OTHER POWER SUPPLY EXPENSES	\$ -	\$ (498,851)	\$ -	\$ -	\$ -	\$ -	\$ -
18 TRANSMISSION EXPENSE							
19 DISTRIBUTION EXPENSE							
20 CUSTOMER ACCTS EXPENSES	330,011				395,844		
21 CUSTOMER SERVICE EXPENSES							
22 CONSERVATION AMORTIZATION							
23 ADMIN & GENERAL EXPENSE							
24 DEPRECIATION							
25 AMORTIZATION							
26 AMORTIZ OF PROPERTY GAIN/LOSS							
27 OTHER OPERATING EXPENSES							
28 ASC 815							
29 TAXES OTHER THAN F.I.T.							
30 FEDERAL INCOME TAXES							
31 DEFERRED INCOME TAXES	(92,403)	(169,435)	23,080				
32 TOTAL OPERATING REV. DEDUCT.	237,608	(1,563,444)	117,304	(5,269)	395,844	2,172,871	(707,511)
33							
34 NET OPERATING INCOME	(237,608)	1,563,444	(117,304)	5,269	(395,844)	(2,172,871)	707,511
35							
36 RATE BASE							
37							
38 RATE OF RETURN							
39							
40 RATE BASE:							
41 GROSS UTILITY PLANT IN SERVICE							
42 ACCUMULATED DEPRECIATION							
43 DEFERRED DEBITS							
44 DEFERRED TAXES							
45 ALLOWANCE FOR WORKING CAPITAL							
46 OTHER							
47 TOTAL RATE BASE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PUGET SOUND ENERGY-ELECTRIC
STATEMENT OF OPERATING INCOME AND ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT

LINE NO.	MISC ADJUSTMENTS 5.22	ASC 815 5.23	STORM NORMALIZATION 5.24	POWER COSTS 5.25	MT ELECTRIC ENERGY TAX 5.26	WILD HORSE SOLAR 5.27	TOTAL ADJUSTMENTS
1 OPERATING REVENUES							
2 SALES TO CUSTOMERS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(181,393,835)
3 SALES FROM RESALE-FIRM							766
4 SALES TO OTHER UTILITIES							-
5 OTHER OPERATING REVENUES							26,473,674
6 TOTAL OPERATING REVENUES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(154,919,395)
7							
8 OPERATING REVENUE DEDUCTIONS:							
9							
10 POWER COSTS:							
11 FUEL	\$ -	\$ -	\$ -	(1,703,776)	\$ -	\$ -	(1,703,776)
12 PURCHASED AND INTERCHANGED				3,897,330			1,452,626
13 WHEELING							-
14 RESIDENTIAL EXCHANGE							77,400,561
15 TOTAL PRODUCTION EXPENSES	\$ -	\$ -	\$ -	2,193,554	\$ -	\$ -	77,149,411
16							
17 OTHER POWER SUPPLY EXPENSES							(502,051)
18 TRANSMISSION EXPENSE	(3,200)						129,472
19 DISTRIBUTION EXPENSE			129,472				3,449,638
20 CUSTOMER ACCTS EXPENSES			3,449,638				(502,946)
21 CUSTOMER SERVICE EXPENSES							(18,463,660)
22 CONSERVATION AMORTIZATION							(106,701,547)
23 ADMIN & GENERAL EXPENSE	(455)					(200,943)	271,891
24 DEPRECIATION							(200,943)
25 AMORTIZATION							-
26 AMORTIZ OF PROPERTY GAIN/LOSS							-
27 OTHER OPERATING EXPENSES							85,828,800
28 ASC 815		237,760					237,760
29 TAXES OTHER THAN F.I.T.					(49,794)		(150,366,527)
30 FEDERAL INCOME TAXES				(614,195)	13,942	56,264	18,540,237
31 DEFERRED INCOME TAXES	1,023	(66,573)	(1,002,151)				(76,912,475)
32 TOTAL OPERATING REV. DEDUCT.	(2,632)	171,187	2,576,960	1,579,359	(35,851)	(144,679)	(168,042,940)
33							
34 NET OPERATING INCOME	\$ 2,632	\$ (171,187)	\$ (2,576,960)	\$ (1,579,359)	\$ 35,851	\$ 144,679	\$ 13,123,545
35							
36 RATE BASE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,756,001)	\$ (1,756,001)
37							
38 RATE OF RETURN							
39							
40 RATE BASE:							
41 GROSS UTILITY PLANT IN SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4,539,303)	\$ (4,539,303)
42 ACCUMULATED DEPRECIATION						1,910,783	1,910,783
43 DEFERRED DEBITS							-
44 DEFERRED TAXES						872,519	872,519
45 ALLOWANCE FOR WORKING CAPITAL							-
46 OTHER							-
47 TOTAL RATE BASE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,756,001)	\$ (1,756,001)

PUGET SOUND ENERGY, INC.
Utility Capital Structure
Cost of Capital and Rate of Return
Twelve Months Ended June 30, 2018

1	(A)	(B)	(C)	(D)	(E)
2					
3					Weighted
4					Cost of
5	<u>Description</u>	<u>Amount (i)</u>	<u>Ratio</u>	<u>Cost</u>	<u>Capital</u>
6					
7	Short Term Debt	\$206,913,417	2.67%	2.04%	0.05%
8					
9	Long Term Debt	\$3,695,615,184	47.72%	5.83%	2.78%
10					
11	Blended Cost of Interest (Short Term & Long Term)		50.39%	5.65%	2.83%
12					
13	Commitment Fees				0.02%
14					
15	Amortization of Short-Term Debt Issue Cost				0.01%
16					
17	Amortization of Reacquired Debt				0.03%
18					
19	Total Debt	\$3,902,528,601	50.39%		2.89%
20					
21	Common Stock	\$3,842,453,156	49.61%	9.64%	4.78%
22					
23	Total	<u>\$7,744,981,757</u>	<u>100.00%</u>		<u>7.67%</u>
24					
25					
26	(i) - Average of Month-End Balances				

PUGET SOUND ENERGY
PERIODIC ALLOCATED RESULTS OF OPERATIONS
FOR THE 12 MONTHS ENDED JUNE 30, 2018

(Based on allocation factors developed using 12 ME 06/30/2018 information)

	Electric	Gas	Total Amount
1 - OPERATING REVENUES:			
2 - SALES TO CUSTOMERS	\$ 2,239,474,109	\$ 934,816,422	\$ 3,174,290,531
3 - SALES FOR RESALE-FIRM	342,919	-	342,919
4 - SALES TO OTHER UTILITIES	116,721,928	-	116,721,928
5 - OTHER OPERATING REVENUES	15,770,154	(26,745,885)	(10,975,731)
6 - TOTAL OPERATING REVENUES	\$ 2,372,309,109	\$ 908,070,538	\$ 3,280,379,647
7			
8 - OPERATING REVENUE DEDUCTIONS:			
9			
10 - POWER COSTS:			
11 - FUEL	\$ 192,974,971	\$ -	\$ 192,974,971
12 - PURCHASED AND INTERCHANGED	499,358,139	325,511,775	824,869,914
13 - WHEELING	116,538,099	-	116,538,099
14 - RESIDENTIAL EXCHANGE	(77,400,561)	-	(77,400,561)
15 - TOTAL PRODUCTION EXPENSES	\$ 731,470,649	\$ 325,511,775	\$ 1,056,982,424
16			
17 - OTHER ENERGY SUPPLY EXPENSES	\$ 125,620,030	\$ 5,165,237	\$ 130,785,267
18 - TRANSMISSION EXPENSE	21,791,677	-	21,791,677
19 - DISTRIBUTION EXPENSE	79,064,741	63,327,891	142,392,631
20 - CUSTOMER ACCTS EXPENSES	52,024,798	28,781,531	80,806,329
21 - CUSTOMER SERVICE EXPENSES	21,813,620	6,978,067	28,791,688
22 - CONSERVATION AMORTIZATION	106,701,547	14,950,466	121,652,013
23 - ADMIN & GENERAL EXPENSE	123,469,096	59,700,339	183,169,434
24 - DEPRECIATION	316,187,695	124,089,220	440,276,915
25 - AMORTIZATION	63,634,800	20,235,269	83,870,069
26 - AMORTIZ OF PROPERTY LOSS	28,310,948	-	28,310,948
27 - OTHER OPERATING EXPENSES	(77,871,386)	4,714,064	(73,157,322)
28 - ASC 815	(237,760)	-	(237,760)
29 - TAXES OTHER THAN INCOME TAXES	242,620,498	106,285,828	348,906,327
30 - INCOME TAXES	61,778,950	16,036,580	77,815,530
31 - DEFERRED INCOME TAXES	85,037,422	13,706,010	98,743,432
32 - TOTAL OPERATING REV. DEDUCT.	\$ 1,981,417,326	\$ 789,482,276	\$ 2,770,899,602
NET OPERATING INCOME	\$ 390,891,783	\$ 118,588,262	\$ 509,480,045

PUGET SOUND ENERGY
BALANCE SHEET
As of June 30, 2018

FERC Account and Description	June 2018	June 2018 AMA
*ASSETS		
**UTILITY PLANT		
***Electric Plant		
101 Electric Plant in Service	\$ 9,810,398,043	\$ 9,685,094,041
102 Electric Plant Purchased or Sold	-	-
105 Electric Plant Held for Future Use	49,293,983	50,732,813
106 Comp.Construction Not Classfd.-Electric	81,790,151	90,034,999
107 Construction Work in Prog. - Electric	294,144,566	263,009,721
114 Electric Plant Acquisition Adjustments	282,791,675	282,791,675
Total Electric Plant	<u>10,518,418,418</u>	<u>10,371,663,249</u>
***Gas Plant		
101 Gas Plant in Service	3,748,945,285	3,652,280,195
	611,314	1,058,513
106 Comp. Construction Not Classfd.- Gas	90,639,752	82,278,835
107 Construction Work in Progress - Gas	169,408,784	145,886,707
117.1 Gas Stored - Base Gas	8,654,564	4,687,889
117.3 Gas Strd.in Resvr.& Pipln.-Noncurr.	-	3,966,675
Total Gas Plant	<u>4,018,259,701</u>	<u>3,890,158,814</u>
***Common Plant		
101 Plant in Service - Common	753,619,889	644,673,903
101.1 - Property under capital leases	1,234,652	1,272,224
105 Common Plant Held for Future Use	-	5,841,910
106 Comp Construction Not Classfd. - Common	7,082,990	18,421,262
107 Construction Work in Progress - Common	173,768,740	161,785,260
Total Common Plant	<u>935,706,271</u>	<u>831,994,559</u>
***Accumulated Depreciation and Amortization		
108 Accumulated Provision for Depreciation	(5,467,756,725)	(5,307,116,455)
111 Accumulated Provision for Amortization	(212,794,701)	(188,678,864)
115 Accm.Prv.for Amort.of Plant Acquis.Adj.	(133,865,822)	(129,645,725)
Less: Accumulated Depr and Amortizat	<u>(5,814,417,248)</u>	<u>(5,625,441,045)</u>
**NET UTILITY PLANT	9,657,967,142	9,468,375,577
**OTHER PROPERTY AND INVESTMENTS		
***Other Investments		
121 Nonutility Property	3,076,813	3,069,522
122 Accm.Prov.for Depr.& Amort.Non-utility P	(20,713)	(22,814)
123.1 Investment in Subsidiary Companies	25,296,040	26,178,692
124 Other Investments	49,083,318	48,976,998
***Total Other Investments	<u>77,435,458</u>	<u>78,202,398</u>
**TOTAL OTHER PROPERTY AND INVESTMENT	77,435,458	78,202,398
**CURRENT ASSETS		
***Cash		
131 Cash	2,080,493	11,983,777
134 Other Special Deposits	6,446,506	6,173,500
135 Working Funds	3,555,538	4,380,519

PUGET SOUND ENERGY
BALANCE SHEET
As of June 30, 2018

FERC Account and Description	June 2018	June 2018 AMA
136 Temporary Cash Investments	-	-
***Total Cash	12,082,536	22,537,796
***Restricted Cash	-	-
***Total Restricted Cash	-	-
***Accounts Receivable		
141 Notes Receivable	655,018	1,948,234
142 Customer Accounts Receivable	148,344,241	192,838,973
143 Other Accounts Receivable	76,854,238	87,054,448
146 Accounts Receiv.from Assoc. Companies	7,361,496	7,146,336
171 Interest and Dividends Receivable	-	-
173 Accrued Utility Revenues	123,213,636	158,452,447
185 Temporary Facilities	188,520	171,668
191 Unrecovered Purchased Gas Costs	(38,645,217)	(20,445,769)
***Total Accounts Receivable	317,971,931	427,166,338
***Allowance for Doubtful Accounts		
144 - Accumulated provision for uncollectible account cre	(10,715,631)	(7,721,714)
***Less: Allowance for Doubtful Accounts	(10,715,631)	(7,721,714)
***Materials and Supplies		
151 Fuel Stock	19,939,610	19,102,099
154 Plant Materials and Operating Supplies	113,170,601	108,263,848
156 Other Materials and Supplies	261,631	215,673
158.1 Carbon Allowances	30,000	23,893
163 Stores Expense Undistributed	(288,007)	(114,621)
164.1 Gas Stored - Current	29,512,438	28,908,986
164.2 Liquefied Natural Gas Stored	47,285	62,585
***Total Materials and Supplies	162,673,558	156,462,464
***Unrealized Gain-Derivative Instrumnts (ST)		
175 Invest in Derivative Instrumnts -Opt ST	19,872,158	20,666,754
176 Invest in Derivative Instrumnts-Gain ST	-	-
***Unrealized Gain on Derivatives (ST)	19,872,158	20,666,754
***Prepayments and Other Current Assets		
165 Prepayments	23,363,807	21,456,068
174 Misc.Current and Accrued Assets	14,000	3,980,479
186 Miscellaneous Deferred Debits	9,837	23,085
***Total Prepayments & Othr.Curr.Assets	23,387,644	25,459,632
Current Deferred Taxes		
Total Current Deferred Taxes	1,310,303,243	955,353,394
***TOTAL CURRENT ASSETS	1,835,575,441	1,599,924,664
**LONG-TERM ASSETS		
128 Qualified Pension Plan Funded Status	20,170,943	20,167,642
165 Long-Term Prepaid	7,780,953	6,303,992
165.8 Long-Term Prepaid Contra	-	-

PUGET SOUND ENERGY
BALANCE SHEET
As of June 30, 2018

FERC Account and Description	June 2018	June 2018 AMA
165.9 Long-Term Prepaid	-	-
175 Invest in Derivative Instrumnts -Opt LT	3,589,259	3,032,648
176 Invest in Derivative Instrumnts-Gain LT	-	-
181 Unamortized Debt Expense	26,681,213	26,339,053
182.1 Extraordinary Property Losses	119,127,210	125,414,020
182.2 Unrecovered Plant & Reg Study Costs	2,090,558	2,395,633
Subtotal WUTC AFUDC	51,750,407	50,500,179
182.3 Other Regulatory Assets	401,256,158	468,312,163
183 Prelm. Survey and Investigation Charges	-	-
184 Clearing Accounts	617,865	(464,557)
186 Miscellaneous Deferred Debits	184,739,939	208,915,009
187 Def.Losses from Dispos.of Utility Plant	207,895	255,221
189 Unamortized Loss on Reacquired Debt	43,460,434	40,982,883
**TOTAL LONG-TERM ASSETS	861,472,833	952,153,887
*TOTAL ASSETS	\$ 12,432,450,873	\$ 12,098,656,525
*CAPITALIZATION AND LIABILITIES		
**CURRENT LIABILITIES		
230 Asset Retirement Obligations	\$ (6,166,365)	\$ (5,358,487)
244 FAS 133 Opt Unrealized Loss ST	(49,776,010)	(58,860,979)
245 FAS 133 Unrealized Loss ST	-	-
231 Notes Payable	(28,000,000)	(206,913,417)
232 Accounts Payable	(347,124,917)	(335,085,080)
233 Notes Payable to Associated Companies	-	-
234 Accounts Payable to Asscted Companies	-	-
235 Customer Deposits	(41,699,341)	(45,394,574)
236 Taxes Accrued	(104,091,694)	(109,508,344)
237 Interest Accrued	(43,671,840)	(55,906,349)
238 Dividends Declared	-	-
241 Tax Collections Payable	(1,035,661)	(1,620,608)
242 Misc. Current and Accrued Liabilities	(29,012,236)	(30,213,811)
243 Obligations Under Cap.Leases - Current	(562,223)	(867,690)
**TOTAL CURRENT LIABILITIES	(651,140,285)	(849,729,338)
**DEFERRED TAXES		
***Reg. Liability for Def.Income Tax		
283 Accum.Deferred Income Taxes - Other	(1)	(33,440,148)
***Total Reg.Liab.for Def.Income Tax	(1)	(33,440,148)
***Deferred Income Tax		
255 Accum.Deferred Investment Tax Credits	-	-
282 Accum. Def. Income Taxes - Other Prop.	(2,019,173,351)	(2,020,066,703)
283 Accum.Deferred Income Taxes - Other	(199,390,438)	(234,038,547)
***Total Deferred Income Tax	(2,218,563,790)	(2,254,105,251)
**TOTAL DEFERRED TAXES	(2,218,563,791)	(2,287,545,398)
**OTHER DEFERRED CREDITS		
Subtotal 227 Oblig Under Cap Lease - Noncurr	(671,204)	(403,245)
Total Unrealized Loss on Derivatives -LT	(15,122,568)	(17,422,694)

PUGET SOUND ENERGY
BALANCE SHEET
As of June 30, 2018

FERC Account and Description	June 2018	June 2018 AMA
228.2 Accum. Prov.for Injuries and Damages	(2,560,000)	(2,428,575)
228.3 Pension & Post Retirement Liabilities	(50,083,871)	(63,675,114)
228.4 Accum. Misc.Operating Provisions	(137,567,033)	(192,124,491)
229 Accum Provision for Rate Refunds	(34,578,500)	(11,107,584)
230 Asset Retirement Obligations (FAS 143)	(184,652,676)	(182,801,276)
252 Customer Advances for Construction	(90,508,024)	(92,353,923)
253 Other Deferred Credits	(319,566,777)	(341,023,559)
254 Other Regulatory Liabilities	(1,114,244,810)	(664,813,111)
256 Def. Gains from Dispos.of Utility Plt	(1,912,669)	(2,265,402)
257 Unamortized Gain on Reacquired Debt	-	-
**TOTAL OTHER DEFERRED CREDITS	(1,951,468,132)	(1,570,418,973)
**CAPITALIZATION		
***SHAREHOLDER'S EQUITY		
****Common Equity		
201 Common Stock Issued	(859,038)	(859,038)
207 Premium on Capital Stock	(478,145,250)	(478,145,250)
211 Miscellaneous Paid-in Capital	(2,804,096,691)	(2,804,096,691)
214 Capital Stock Expense	7,133,879	7,133,879
215 Appropriated Retained Earnings	(22,554,372)	(22,264,971)
216 Unappropriated Retained Earnings	(454,556,099)	(403,983,375)
216.1 Unappr.Undistrib.Subsidiary Earnings	19,201,404	18,318,752
219 Other Comprehensive Income	148,319,811	138,527,558
433 Balance Transferred from Income	(189,817,220)	(201,933,255)
438 Dividends Declared - Common Stock	102,455,756	78,808,279
439 Adjustments to Retained Earnings	(21,484,571)	(2,123,568)
****Total Common Equity	(3,694,402,390)	(3,670,617,679)
***TOTAL SHAREHOLDER'S EQUITY	(3,694,402,390)	(3,670,617,679)
***REDEEMABLE SECURITIES AND LONG-TERM DEBT		
****Preferred Stock - Manditorily Redeemable Capital	-	-
****Total Preferred Stock - Mand Redeem	-	-
****Corporation Obligated, Mand Redeemable Preferred Stock Subscribed	-	-
****Corporation Obligated, Mand Redeem	-	-
****Long-term Debt		
221 Junior Subordinated Debt	-	(181,796,083)
221 Bonds	(3,923,860,000)	(3,540,526,667)
226 Unamort.Disct. on Long-term Debt-Debit Long-term Debt	6,983,726	1,977,614
	(3,916,876,274)	(3,720,345,136)
****Long-term Debt Total	(3,916,876,274)	(3,720,345,136)
***REDEEMABLE SECURITIES AND LTD	(3,916,876,274)	(3,720,345,136)
**TOTAL CAPITALIZATION	(7,611,278,664)	(7,390,962,815)
*TOTAL CAPITALIZATION AND LIABILITIES	\$ (12,432,450,873)	\$ (12,098,656,525)

Puget Sound Energy
Electric Rate Base
June-18

Ref 5.05

			AMA
			AMA
Line	Account	Description	06/30/18
3		Rate Base	
4	101 / 102 / 230XXX1	Electric Plant in Service	\$ 9,506,954,007
5	101 / 253XXX3	Common Plant-Allocation to Electric	418,503,968
6	114XXX1	Electric Plant Aquisition Adjustment	282,791,675
6a	18600001 / 451/ 461	Snoqualmie Deferral -UE-130559	2,203,422
6b	18600801 / 811/ 821	Baker Deferral - UE-131387	561,113
6c	1822XXX1	White River Deferred Plant Costs	12,456,346
6d	1823XXX1	White River Deferred Relicensing & CWIP	6,521,746
6e	16599011 &18232321	Prepaid Colstrip 1&2 WEC Co Coal Resrv De	1,000,000
6f	18600531 / 671/ 691/791	Ferndale Deferral - UE-12843	8,287,438
6g	25300831	Hopkins II Wake Effect Settlement	-
6h	18230381/18230391	Goldendale Deferral -UE-070533	-
6i	18235521	Mint Farm Deferral	20,750,387
6j	1340xxxx	BPA Deposits	564,441
6k	18606XX	WHE Deferred Costs-UE-090704	-
6l	18231041	Prepaid Major Maint Sumas	-
6m	18230351	Chelan PUD Contract Initiation	116,551,575
6n	18220091	Upper Baker - Unrecovered Plant & Reg. St	-
6o	18232301 & 311 & 331	LSR Deposit Carry Charge & Deferral UE-1	76,317,691
6p	18220101	Electron Unrecovered Loss	3,786,308
7	18230041	Colstrip Common FERC Adj - Reg Asset	21,589,277
8	18230051	Accum Amortization Colstrip-Common FER	(17,870,988)
9	18230061	Colstrip Def Depr FERC Adj - Reg	900,037
10	18230071	BPA Power Exch Invstmt - Reg Asset	61,551,166
11	18230081	BPA Power Exch Inv Amortization - Reg As	(61,551,169)
12	18230031	Electric - Def AFUDC - Regulatory Asset	49,659,550
13	1861051	Capitalized OH	-
14	10500001	Electric - Plant Held for Future Use	50,732,813
15	10500003	Common Plant Held for Fut Use-Alloc to Ele	3,823,530
16	10600501	Electric - Const Completed Non Classified	90,034,999
16a	10600503	Common - Const Completed Non Classified	12,056,716
17	108XXXX1	Elec-Accum Depreciation	(3,701,424,983)
18	108XXXX3	Common Accum Depr-Allocation to Electric	(75,225,112)
19	111XXXX1	Elec-Accum Amortization	(51,047,552)
20	11100003	Common Accum Amort-Allocation to Electri	(83,682,816)
21	115XXXX1	Accum Amort Acq Adj - Electric	(129,645,725)
22	22840331,341, 19003011,;	Snoqualmie & Baker Treasury Grants	(45,448,225)
22a	108XX999	Treasury Grant Accounts 1700033 GRC	(50,005,551)
23	19000041	CIAC after 10/8/76 - Accum Def Income Tax	-
24	19000051	CIAC - 1986 Changes - Accum Def Income	-
25	19000061	CIAC - 7/1/87 - Accum Def Income Tax	-
26	19000093	Vacation Pay - Accum Def Inc Taxes	-
26a	19000121	Cabot Gas Contract - Accum Def Inc Taxe	-
26b	19000151	DFIT - Westcoast Capacity Assignment - El	121,246
26c	19000711	DFIT- BNP Electric	166,216
27	19000191	RB-Consv Pre91 Tax Settlmt - Accum Def I	-
27.1	19000701	DFFIT SSCM INT - ELEC	-
28	235XXXX1	Customer Deposits - Electric	(7,044,596)
28a	23500003	Customer Deposits - Common	(25,100,060)
29	25400081	Residential Exchange	-
29.1	25400191& 25400201	Westcoast Pipeline Capacity Regulatory Lia	(774,831)

Puget Sound Energy
Electric Rate Base
June-18

Ref 5.05

			AMA
			AMA
Line	Account	Description	06/30/18
30	252XXXX1	Cust Advances for Construction	(72,564,260)
31	28200101	Major Projects - Property Tax Expense	-
32	28200111	Def Inc Tax - Pre 1981 Additions	-
33	28200121, 161/28300341	Def Inc Tax - Post 1980 Additions	(1,371,992,710)
34	28200101	Colstrip 3 & 4 Deferred Inc Tax	(447,396)
35	28200141	Excess Def Taxes - Centralia Sale	-
35-1	28200151	Def FIT Indirect Cost Adj - Electric	-
35a	283XXXXX	Electric Portion of Common Deferred Taxes	(49,866,757)
35a2	19000433	NOL Carryforward	13,282,161
36	28300161	Def Inc Tax - Energy Conservation & FAS 1	-
37	28300261	Def FIT Bond Redemption Costs	-
37a	28300091	Accum Def Inc Tax - Snoqualmie	(1,349,741)
37b	28300741	Accum Def Inc Tax - Baker	(208,173)
37c	28300011	Def FIT - White River Water Right	(6,756,091)
37d	28300731	Accum Def Inc Tax - Ferndale	(2,979,711)
37e	28300431	Deferred Taxes WNP#3	117,225
37f	19000441	Deferred FIT FAS 143 Whitehorn 2 &3	9,975,413
37g	19000553	Common DFIT Summit Purchase Opt Buyo	37,260
37h	19000561	Def FIT - Wind Loss Settlement Agreemen	-
37i	28302061	DFIT - Electron Unrecovered Loss	(1,384,559)
37j	28300601\28300611\2830	DFIT Mint Fam Costs-UE-090704	(7,313,124)
37k	28300631\28300641\2830	DFIT Wild Horse Costs-UE-090704	-
37l	28300561	DFIT - Interest Chelan PUD Reg Asset	(12,818,608)
37m	28300081 & 28300721	DFIT BPA Prepayment & LSR	(4,691,321)
38	124001X1	Conservation Rate Base	-
39	18230181	1995 Conservation Trust Rate Base	-
40			
41	Working Capital-	Rate Base	183,434,144
42	Rate Base		5,173,537,804
43			
44	Electric Rate Base Change		5,173,537,804
45			
46	Gross Utility Plant in Servic	Lines 4-6 & 14-16a	10,364,897,707
47	Less Accum Dep and Amc	Lines 17-21 & 22a	(4,091,031,741)
48	Deferred Debits and Credit	Lines 6a-13, 22 & 29.1	257,055,281
49	Deferred Taxes	Lines 23-27.1 & 31-37m	(1,436,108,670)
50	Allowance for Working Cap	Line 41	183,434,144
51	Customer Deposits/Advan	Lines 28 & 28a, 30	(104,708,917)
52	Total Rate Base		5,173,537,804

**Summary Working Capital
New Format From 2017 GRC**

Line No.	Description	6/30/2018-AMA With New Accounts and Coding	6/30/2018-EOP With New Accounts and Coding
1	Average Invested Capital		
2			
3	Total Average Invested Capital	\$ 7,687,011,376	\$ 7,717,561,671
4			
5	Investments		
6			
7	Total Electric Rate Base and Operating	4,990,103,660	5,035,819,822
8			
9	Total Gas Rate Base and Operating	<u>1,794,651,387</u>	<u>1,894,996,620</u>
10			
11	Total Electric and Gas Investment (lines 7 + 9)	6,784,755,047	6,930,816,441
12			
13	Total Non Operating Investments	<u>629,703,889</u>	<u>634,089,494</u>
14			
15	Total Average Investments (Lines 11+13)	<u>7,414,458,936</u>	<u>7,564,905,935</u>
16			
17	Investor Supplied Working Capital	<u>\$ 272,552,440</u>	<u>\$ 152,655,736</u>
18			
19	Total Average Investments (Lines 11+13)	7,414,458,936	7,564,905,935
20	Remove CWIP		
21	Net Investment	<u>7,414,458,936</u>	<u>7,564,905,935</u>
22			
23	Total Non-Operating Investments(Line 13)	629,703,889	634,089,494
24	Remove CWIP		
25	Net Non-Operating Investments	<u>629,703,889</u>	<u>634,089,494</u>
26			
27	Working Capital Spread		
28	Electric	\$ 183,434,144	\$ 101,620,138
29		67.30%	66.57%
30	Gas	\$ 65,970,642	\$ 38,240,013
31		24.20%	25.05%
32	Non-Utility	\$ 23,147,654	\$ 12,795,585
33		8.49%	8.38%
34	Total Working Capital	<u>\$ 272,552,440</u>	<u>\$ 152,655,736</u>

**PUGET SOUND ENERGY-ELECTRIC & GAS
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
ALLOCATION METHODS**

Method	Description		Electric	Gas	Total
1	* 12 Month Average Number of Customers Percent	6/30/2018	1,142,155	825,009	1,967,164
			58.06%	41.94%	100.00%
2	* Joint Meter Reading Customers Percent	6/30/2018	774,769	467,468	1,242,237
			62.37%	37.63%	100.00%
3	* Non-Production Plant Distribution Transmission Direct General Plant Total Percent	6/30/2018	3,821,611,859	\$ 3,611,144,773	\$ 7,432,756,632
		6/30/2018	1,530,959,866	-	1,530,959,866
		6/30/2018	227,806,708	28,793,575	256,600,283
			\$ 5,580,378,433	\$ 3,639,938,348	\$ 9,220,316,781
			60.52%	39.48%	100.00%
4	* 4-Factor Allocator Number of Customers Percent Labor - Direct Charge to O&M Percent T&D O&M Expense (Less Labor) Percent Net Classified Plant (Excluding General (Common) Plant) Percent Total Percentages Percent	6/30/2018	1,142,155	825,009	1,967,164
			58.06%	41.94%	100.00%
		6/30/2018	49,935,032	24,544,746	\$ 74,479,778
			67.05%	32.95%	100.00%
		6/30/2018	75,191,241	41,479,515	\$ 116,670,756
			64.45%	35.55%	100.00%
		6/30/2018	5,704,475,920	2,191,996,416	7,896,472,336
			72.24%	27.76%	100.00%
			261.79%	138.21%	400.00%
			65.45%	34.55%	100.00%
5	* Employee Benefits Direct Labor Accts 500-935 Total Percent	6/30/2018	54,966,793	26,268,733	81,235,526
			\$ 54,966,793	\$ 26,268,733	\$ 81,235,526
			67.66%	32.34%	100.00%
6	O&M Split Utility Non-Utility Capital Percent Total	6/30/2018		Combined	
				\$ 137,234,743	50.75%
				1,458,450	0.54%
				131,712,223	48.71%
				\$ 270,405,417	100.00%

Ref 5.08

**PUGET SOUND ENERGY-ELECTRIC
CONVERSION FACTOR - ELECTRIC
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT**

LINE NO.	DESCRIPTION	RATE
1	BAD DEBTS	0.008020
2	ANNUAL FILING FEE	0.002000
3	STATE UTILITY TAX - NET OF BAD DEBTS (3.8734% - (LINE 1 * 3.8734%	<u>0.038423</u>
4		
5	SUM OF TAXES OTHER	0.048443
6		
7	CONVERSION FACTOR EXCLUDING FEDERAL INCOME TAX (1 - LINE 5)	0.951557
8	FEDERAL INCOME TAX (LINE 7 * 28%)	28.0% <u>0.266436</u>
9	CONVERSION FACTOR INCL FEDERAL INCOME TAX (LINE 5 + LINE 8)	<u>0.685121</u>

PUGET SOUND ENERGY-ELECTRIC
TEMPERATURE NORMALIZATION
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION				
1	<u>TEMPERATURE NORMALIZATION ADJUSTMENT:</u>				
2		ACTUAL	TEMP Ref	KWH	Ref FOR LOSSES
3		GPI KWH	GPI KWH	CHANGE	Jul-Aug=7.3%; Sep-Jun=7.1%
4	Jul-17	1,674,840,812	1,664,895,713	(9,945,099)	(9,219,107)
5	Aug-17	1,762,350,614	1,706,028,678	(56,321,936)	(52,210,434)
6	Sep-17	1,614,649,543	1,598,552,639	(16,096,904)	(14,954,024)
7	Oct-17	1,788,067,702	1,786,848,284	(1,219,418)	(1,132,839)
8	Nov-17	2,006,678,704	2,028,588,921	21,910,217	20,354,591
9	Dec-17	2,389,752,569	2,364,363,529	(25,389,040)	(23,586,418)
10	Jan-18	2,215,266,167	2,305,584,065	90,317,898	83,905,328
11	Feb-18	2,064,898,700	2,007,991,931	(56,906,769)	(52,866,389)
12	Mar-18	2,062,414,077	2,068,533,333	6,119,256	5,684,789
13	Apr-18	1,768,077,599	1,779,404,186	11,326,587	10,522,399
14	May-18	1,593,061,438	1,611,520,007	18,458,569	17,148,010
15	Jun-18	1,565,951,960	1,559,953,300	(5,998,660)	(5,572,755)
16		22,506,009,885	22,482,264,585	(23,745,300)	(21,926,849)
17					
18	REVENUE ADJUSTMENT:	Schedule 7		(855)	(1,267,807)
19		Schedule 24		(5,449,848)	(454,912)
20		Schedule 25		(7,162,082)	(497,113)
21		Schedule 26		(5,569,550)	(354,984)
22		Schedule 29		(403,838)	(24,405)
23		Schedule 31		(2,089,864)	(126,784)
24		Schedule 43		(1,733,687)	(113,543)
25		Schedule 40		461,100	3,803
26		Firm Resale		21,774	766
27	INCREASE (DECREASE) SALES TO CUSTOMERS			(21,926,849)	\$ (2,834,979) \$ (2,834,979)
28					
29	UNCOLLECTIBLES @			0.0080200	\$ (22,737)
30	ANNUAL FILING FEE @			0.0020000	(5,670)
31	INCREASE (DECREASE) EXPENSE				(28,407)
32					
33	STATE UTILITY TAX @			0.0384230	\$ (108,928)
34	INCREASE (DECREASE) TAXES OTHER				(108,928)
35					
36	INCREASE (DECREASE) OPERATING INCOME				(2,697,644)
37					
38	INCREASE (DECREASE) FIT @			28.0%	(755,340)
39	INCREASE (DECREASE) NOI				\$ (1,942,304)

PUGET SOUND ENERGY-ELECTRIC
REVENUE & EXPENSE RESTATING
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	AMOUNT	ADJUSTMENT
1	SALES TO CUSTOMERS:		
2	REMOVE MERGER RATE CREDIT SCH 132	\$ 6,166,657	
3	REMOVE TEST YEAR EARNINGS SHARING ACCRUAL	(1,638,991)	
4	REMOVE SCHEDULE 95A TREASURY GRANTS	<u>48,152,729</u>	
5			
6	INCREASE (DECREASE) SALES TO CUSTOMERS	<u>52,680,395</u>	
7			
8	INCREASE (DECREASE) REVENUES		\$ 52,680,395
9			
10	UNCOLLECTIBLES @	0.0080200 \$ 422,497	
11	ANNUAL FILING FEE @	0.0020000 <u>105,361</u>	
12	INCREASE (DECREASE) EXPENSE		
13			527,858
14	STATE UTILITY TAX @	0.0384230 \$ <u>2,024,139</u>	
15	INCREASE (DECREASE) TAXES OTHER		
16			2,024,139
17			
18			
19	OTHER OPERATING EXPENSES:		
20	REMOVE SCHEDULE 95A TREASURY GRANTS	34,578,086	
21	AMORTIZATION OF INTEREST AND GRANTS		
22	REMOVE ACCRUAL FOR FUTURE PTC LIABILITY		
23	(ACTUAL PTC'S REMOVED IN FIT ADJUSTMENT NO. 3.06)	<u>51,208,248</u>	
24	INCREASE (DECREASE) OPERATING EXPENSES		
25			<u>85,786,334</u>
26			
27	INCREASE (DECREASE) OPERATING INCOME BEFORE FIT		(35,657,936)
28			
29	INCREASE (DECREASE) FIT @	28.0%	<u>(9,984,222)</u>
30			
31	INCREASE (DECREASE) NOI		<u>\$ (25,673,714)</u>

PUGET SOUND ENERGY-ELECTRIC
FEDERAL INCOME TAX
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	AMOUNT
1	TAXABLE INCOME	\$ 480,933,820
2		
3	FEDERAL INCOME TAX @ 28.0%	134,661,470
4	CURRENTLY PAYABLE	<u>134,661,470</u>
5		
6	DEFERRED FIT - DEBIT	8,191,520
7	DEFERRED FIT - OTHER	
8	TOTAL RESTATED FIT	<u>142,852,990</u>
9	FIT PER BOOKS:	
10	CURRENTLY PAYABLE	61,778,950
11	DEFERRED FIT - DEBIT	602,312,497
12	DEFERRED FIT - CREDIT	(517,275,075)
13	DEFERRED FIT - INV TAX CREDIT, NET OF AMORT.	-
14	TOTAL CHARGED TO EXPENSE	<u>146,816,372</u>
15		
16	INCREASE(DECREASE) FIT	72,882,520
17	INCREASE(DECREASE) DEFERRED FIT	(76,845,902)
18	INCREASE(DECREASE) NOI	<u><u>\$ 3,963,382</u></u>

PUGET SOUND ENERGY-ELECTRIC
TAX BENEFIT OF INTEREST
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	AMOUNT
1	RATE BASE	\$ 5,171,781,803
2		
3	WEIGHTED COST OF DEBT	2.89%
4	RESTATED INTEREST	<u>\$ 149,464,494</u>
5		
6		
7		
8		
9	INCREASE (DECREASE) INCOME	<u>\$ (149,464,494)</u>
10		
11	INCREASE (DECREASE) FIT @	28.0% \$ (41,850,058)
12		
13	INCREASE (DECREASE) NOI	<u><u>\$ 41,850,058</u></u>

PUGET SOUND ENERGY-ELECTRIC
PASS-THROUGH REVENUE & EXPENSE
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	AMOUNT	ADJUSTMENT
1	<u>REMOVE REVENUES ASSOCIATED WITH RIDERS:</u>		
2	CONSERVATION RIDER - SCHEDULE 120		\$ 111,832,553
3	PROPERTY TAX TRACKER - SCHEDULE 140		63,438,656
4	MUNICIPAL TAXES - SCHEDULE 81		87,174,177
5	LOW INCOME RIDER - SCHEDULE 129		18,155,037
6	RESIDENTIAL EXCHANGE - SCH 194		(81,100,444)
7	REC PROCEEDS - SCH 137 REC AND BIOGAS PROCEEDS		(334,257)
8	EXPENSE OFFSET FOR SCH 137 REC AND BIOGAS PROCEEDS		278,270
9	DECOUPLING SCH 142 REVENUE		29,396,313
10	DECOUPLING SCH 142 SURCHARGE AMORT EXPENSE		(27,972,267)
11	GREEN POWER - SCH 135/136		4,314,633
12	GREEN POWER - SCH 135/136 ELIMINATE OVER EXPENSED		(418,667)
13	REMOVE JPUD GAIN ON SALE SCH 133		808
14	TOTAL (INCREASE) DECREASE REVENUES		<u>\$ 204,764,811</u>
15			
16	<u>DECREASE REVENUE SENSITIVE ITEMS FOR DECREASE IN REVENUES:</u>		
17	BAD DEBTS	0.80200%	\$ (1,628,561)
18	ANNUAL FILING FEE	0.20000%	(406,125)
19	STATE UTILITY TAX	3.84230%	(7,802,270)
20	TOTAL		<u>\$ (9,836,956)</u>
21			
22	<u>REMOVE EXPENSES ASSOCIATED WITH RIDERS</u>		
23	CONSERVATION AMORTIZATON - SCHEDULE 120		(106,701,547)
24	PROPERTY TAX AMORTIZATION EXP - SCHEDULE 140		(60,527,271)
25	MUNICIPAL TAXES - SCHEDULE 81		(83,747,986)
26	LOW INCOME AMORTIZATION - SCHEDULE 129		(17,326,786)
27	RESIDENTIAL EXCHANGE - SCH 194		77,400,561
28	AMORT ON INTEREST ON REC PROCEEDS - SCH 137		42,466
29	GREEN POWER - SCH 135/136 TAGS CHARGED TO 557		(2,413,218)
30	GREEN POWER - SCH 135/136 CHARGED TO 908/909		(1,136,873)
31	GREEN POWER - SCH 135/136 BENEFITS PORTION OF ADMIN		(28,773)
32	GREEN POWER - SCH 135/136 TAXES PORTION OF ADMIN		(8,062)
33	REMOVE JPUD AMORT EXPENSE SCH 133		-
34	TOTAL INCREASE (DECREASE) EXPENSE		<u>\$ (194,447,491)</u>
35			
36	INCREASE (DECREASE) OPERATING INCOME BEFORE FIT		\$ (480,364)
37	INCREASE (DECREASE) FIT	28.0%	<u>(134,502)</u>
38	INCREASE (DECREASE) NOI		<u>\$ (345,862)</u>

PUGET SOUND ENERGY-ELECTRIC
RATE CASE EXPENSES
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	AMOUNT	
1	EXPENSES TO BE NORMALIZED:		
2			
3	<u>EXPENSES OF LAST 2 COMPLETED GRCS</u>		
4	2017 AND 2011 GRC EXPENSES TO BE NORMALIZED	\$ 1,097,000	
5			
6	ANNUAL NORMALIZATION (LINE 4 / 2)	548,500	
7	LESS TEST YEAR EXPENSE: GRC DIRECT CHARGES TO O&M	705,267	
8	INCREASE (DECREASE) EXPENSE	\$ (156,767)	\$ (156,767)
9			
10	<u>EXPENSES OF LAST 2 COMPLETED PCORCS</u>		
11	2014 AND 2013 PCORC EXPENSES TO BE NORMALIZED	\$ 273,000	
12			
13	ANNUAL NORMALIZATION (LINE 11 / 4)	68,250	
14	LESS TEST YEAR EXPENSE: PCORC DIRECT CHARGES TO O&M	-	
15	INCREASE (DECREASE) EXPENSE	\$ 68,250	\$ 68,250
16			
17	TOTAL INCREASE (DECREASE) EXPENSE		\$ (88,517)
18			
19	INCREASE(DECREASE) FIT @	28.0%	24,785
20	INCREASE(DECREASE) NOI		\$ 63,732

PUGET SOUND ENERGY-ELECTRIC
BAD DEBTS
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT

LINE NO.	YEAR	NET WRITEOFF'S	NET REVENUES	PERCENT WRITEOFFS TO REVENUE
		June	February	
1	12 ME 06/30/2014 AND 02/28/2013	\$ 16,933,464	\$ 2,084,494,011	0.8124%
2	12 ME 06/30/2017 AND 02/29/2016	16,371,341	2,187,608,347	0.7484%
3	12 ME 06/30/2018 AND 02/28/2017	19,105,885	2,260,119,191	0.8453%
4				
5	3-YR AVERAGE OF NET WRITE OFF RATE			0.8020%
6				
7	REPORTING PERIOD REVENUES		\$ 2,239,474,109	-
8				
9				
10	PROFORMA BAD DEBT RATE		<u>0.8020%</u>	
11	PROFORMA BAD DEBTS		17,960,582	
12				
13	UNCOLLECTIBLES CHARGED TO EXPENSE IN TEST YEAR		<u>17,630,571</u>	
14	INCREASE (DECREASE) EXPENSE			\$ 330,011
15				
16	INCREASE (DECREASE) NOI			\$ (330,011)
17	INCREASE (DECREASE) FIT		28.0%	(92,403)
18	INCREASE (DECREASE) NOI			<u><u>\$ (237,608)</u></u>

PUGET SOUND ENERGY-ELECTRIC
INCENTIVE PLAN
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	ACTUAL	RESTATED	ADJUSTMENT
1	TOTAL INCENTIVE / MERIT PAY	\$ 10,160,386	\$ 8,158,372	\$ (2,002,014)
2				
3	PAYROLL TAXES ASSOCI WITH MERIT PAY	859,898	690,462	(169,435)
4	INCREASE(DECREASE) IN EXPENSE	<u>\$ 11,020,283</u>	<u>\$ 8,848,834</u>	<u>\$ (2,171,449)</u>
5				
6	INCREASE (DECREASE) INCOME			2,171,449
7	INCREASE (DECREASE) FIT @		28.0%	608,006
8				
9	INCREASE (DECREASE) NOI			<u><u>\$ 1,563,444</u></u>

PUGET SOUND ENERGY-ELECTRIC
EXCISE TAX & FILING FEE
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	AMOUNT
1	RESTATED EXCISE TAXES	\$ 87,944,272
2	CHARGED TO EXPENSE FOR TEST YEAR	87,921,192
3	INCREASE(DECREASE) EXCISE TAX	<u>23,080</u>
4		
5	RESTATED WUTC FILING FEE	4,588,724
6	CHARGED TO EXPENSE FOR TEST YEAR	4,448,882
7	INCREASE(DECREASE) WUTC FILING FEE	<u>139,842</u>
8		
9	INCREASE(DECREASE) EXPENSE	162,922
10		
11	INCREASE(DECREASE) OPERATING INCOME	(162,922)
12		
13	INCREASE(DECREASE) FIT	28.0% (45,618)
14		
15	INCREASE(DECREASE) NOI	<u><u>\$ (117,304)</u></u>

PUGET SOUND ENERGY-ELECTRIC
D&O INSURANCE
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	TEST YEAR	RESTATED	ADJUSTMENT
1	D & O INS. CHG EXPENSE	\$ 87,400	\$ 80,082	\$ (7,317)
2				
3	INCREASE (DECREASE) IN EXPENSE	\$ 87,400	\$ 80,082	(7,317)
4				
5	INCREASE (DECREASE) OPERATING INCOME			7,317
6				
7	INCREASE (DECREASE) FIT @		28.0%	2,049
8				
9	INCREASE (DECREASE) NOI			<u>\$ 5,269</u>

PUGET SOUND ENERGY-ELECTRIC
INTEREST ON CUSTOMER DEPOSITS
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT

LINE			
NO.	DESCRIPTION		AMOUNT
1	INTEREST EXPENSE FOR TEST YEAR	\$	395,844
2			
3			
4	INCREASE (DECREASE) NOI	<u>\$</u>	<u>(395,844)</u>

PUGET SOUND ENERGY-ELECTRIC
PENSION PLAN
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	ACTUAL	RESTATED	ADJUSTMENT
1	QUALIFIED RETIREMENT FUND	\$ 3,935,660	\$ 6,953,536	\$ 3,017,876
2				
3	INCREASE (DECREASE) IN EXPENSE	\$ 3,935,660	\$ 6,953,536	3,017,876
4				
5	INCREASE (DECREASE) INCOME			(3,017,876)
6	INCREASE (DECREASE) FIT @		28.0%	(845,005)
7				
8	INCREASE (DECREASE) NOI			<u>\$ (2,172,871)</u>

PUGET SOUND ENERGY-ELECTRIC
INJURIES AND DAMAGES
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	ACTUAL	RESTATED	ADJUSTMENT
1	INJURIES & DAMAGES ACCRUALS	\$ 450,000	\$ 202,500	\$ (247,500)
2	INJURIES & DAMAGES PAYMENTS IN EXCESS OF ACCRUALS	1,548,622	813,468	(735,154)
3	INCREASE/(DECREASE) IN EXPENSE	1,998,622	1,015,968	(982,654)
4				
5	INCREASE/(DECREASE) IN OPERATING EXPENSE (LINE 3)			(982,654)
6	INCREASE (DECREASE) FIT		28.0%	275,143
7				
8	INCREASE (DECREASE) NOI			<u>\$ 707,511</u>

PUGET SOUND ENERGY-ELECTRIC
MISCELLANEOUS ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	ACTUAL	RESTATED	ADJUSTMENT
1	OPERATING EXPENSES			
2	REMOVE NON-OPERATING COSTS FROM OTHER ENERGY SUPPLY I	\$ 3,200	\$ -	\$ (3,200)
3	REMOVE NON-OPERATING COSTS FROM ADMIN AND GENERAL EX	455	-	\$ (455)
4				
5				
6				
7	INCREASE(DECREASE) IN EXPENSE	\$ 3,655	\$ -	\$ (3,655)
8				
9	TOTAL INCREASE(DECREASE) IN EXPENSE			(3,655)
10	INCREASE (DECREASE) FIT		28.0%	1,023
11				
12	INCREASE (DECREASE) NOI			\$ 2,632

PUGET SOUND ENERGY-ELECTRIC
ASC 815
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT

LINE NO.		ACTUAL	RESTATED	ADJUSTMENT
1	ASC 815 OPERATING EXPENSE	\$ (237,760)	\$ -	\$ 237,760
2				
3	INCREASE (DECREASE) IN EXPENSE	\$ (237,760)	\$ -	237,760
4				
5	INCREASE (DECREASE) OPERATING INCOME			(237,760)
6				
7	INCREASE (DECREASE) DEFERRED FIT @	28.0%		(66,573)
8				
9	INCREASE (DECREASE) NOI			<u>\$ (171,187)</u>

PUGET SOUND ENERGY-ELECTRIC
STORM NORMALIZATION
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT

LINE NO. DESCRIPTION	Transmission	Distribution	Total
1 ACTUAL O&M:			
2 TWELVE MONTHS ENDED 12/31/12	\$ 58,223	\$ 2,060,629	\$ 2,118,852
3 TWELVE MONTHS ENDED 12/31/13	484,043	15,744,729	16,228,772
4 TWELVE MONTHS ENDED 12/31/14	528,946	5,636,306	6,165,252
5 TWELVE MONTHS ENDED 12/31/15	696,861	17,310,398	18,007,258
6 TWELVE MONTHS ENDED 12/31/16	407,421	8,774,385	9,181,806
7 TWELVE MONTHS ENDED 12/31/17	279,732	5,765,723	6,045,455
8 TOTAL NORMAL STORMS	<u>2,455,225</u>	<u>55,292,170</u>	<u>57,747,395</u>
9			
10 SIX-YEAR AVERAGE STORM EXP. FOR RATE YEAR (LINE 8 ÷ 6 YEAR)	409,204.16	9,215,362	9,624,566
11			
12 <u>CHARGED TO EXPENSE IN TEST YEAR</u>			
13 STORM DAMAGE EXPENSE (LINE 7)	<u>279,732</u>	<u>5,765,723</u>	<u>6,045,455</u>
14			
15 INCREASE (DECREASE) OPERATING EXPENSE (LINE 10-LINE 13)	129,472	3,449,638	3,579,111
16			
17 INCREASE (DECREASE) FIT (LINE 15 X Line 17)		28.0%	<u>(1,002,151)</u>
18			
19 INCREASE (DECREASE) NOI			<u><u>\$ (2,576,960)</u></u>

PUGET SOUND ENERGY-ELECTRIC
POWER COSTS
 FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
 COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	ACTUAL	RESTATED	INCREASE (DECREASE)
1	PRODUCTION EXPENSES:			
2	FUEL	\$ 192,974,971	\$ 191,271,196	\$ (1,703,776)
3	PURCHASED AND INTERCHANGED	491,827,525	495,385,652	3,558,128
4	OTHER POWER COSTS (FIXED 557)	7,530,614	7,869,817	339,202
5	WHEELING	116,538,099	116,538,099	-
6	SALES TO OTHER UTILITIES	(116,721,928)	(116,721,928)	-
7	PURCHASES/SALES OF NON-CORE GAS & OTHER REV	(9,134,514)	(9,134,514)	-
8	SUBTOTAL - POWER COSTS TO BE ADJUSTED	<u>\$ 683,014,768</u>	<u>685,208,322.45</u>	<u>2,193,554.39</u>
9				
10	INCREASE(DECREASE) INCOME			(2,193,554.39)
11				
12	INCREASE(DECREASE) FIT @	28.0%		(614,195)
13	INCREASE(DECREASE) NOI			<u><u>\$ (1,579,359)</u></u>

PUGET SOUND ENERGY-ELECTRIC
MONTANA ENERGY TAX
 FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
 COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	AMOUNT
1	ACTUAL KWH	4,454,548,000
2	TRANSMISSION LINE LOSS % FOR WECC	0.05
3	WETT TAX RATE	0.00015
4	WETT TAX	<u>\$ 634,773</u>
5		
6	EEELT TAX RATE	0.0002
7	EEELT TAX	<u>\$ 890,910</u>
8		
9	RESTATED ENERGY TAX	1,525,683
10	CHARGED TO EXPENSE	<u>1,575,476</u>
11	INCREASE (DECREASE) INCOME	<u>\$ 49,794</u>
12		
13	INCREASE (DECREASE) FIT @	13,942
14	INCREASE (DECREASE) NOI	<u><u>\$ 35,851</u></u>

PUGET SOUND ENERGY-ELECTRIC
WILD HORSE SOLAR
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	ACTUAL	RESTATED	ADJUSTMENT
1	<u>WILD HORSE SOLAR RATEBASE (AMA)</u>			
2	<u>UTILITY PLANT RATEBASE</u>			
3	PLANT BALANCE	\$ 4,539,303	\$ -	\$ (4,539,303)
4	ACCUM DEPRECIATION	(1,910,783)		1,910,783
5	DEFERRED INCOME TAX LIABILITY	(872,519)		872,519
6	NET WH SOLAR PLANT RATEBASE	\$ 1,756,001	\$ -	\$ (1,756,001)
7				
8	<u>WILD HORSE SOLAR OPERATING EXPENSE</u>			
9	DEPRECIATION EXPENSE	\$ 200,943	\$ -	(200,943)
10	INCREASE (DECREASE) EXPENSE	200,943	-	(200,943)
11				
12	INCREASE (DECREASE) FIT @		28.0%	56,264
13	INCREASE (DECREASE) NOI			\$ 144,679

**EXH. SEF-6
DOCKETS UE-18___/UG-18___
2018 PSE EXPEDITED RATE FILING
WITNESS: SUSAN E. FREE**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**In the Matter of:
PUGET SOUND ENERGY
Expedited Rate Filing**

**Docket UE-18___
Docket UG-18___**

**FIFTH EXHIBIT (NONCONFIDENTIAL) TO THE
PREFILED DIRECT TESTIMONY OF**

SUSAN E. FREE

ON BEHALF OF PUGET SOUND ENERGY

NOVEMBER 7, 2018

PUGET SOUND ENERGY-GAS
RESULTS OF OPERATIONS
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT

LINE NO.	ACTUAL RESULTS OF OPERATIONS	TOTAL ADJUSTMENTS	CBR RESTATED RESULTS OF OPERATIONS
1	<u>OPERATING REVENUES:</u>		
2	\$ 891,268,518	\$ (66,310,575)	\$ 824,957,942
3	43,885,263	(43,885,263)	-
4a	6,040,610	49,900	6,090,510
4b	(33,123,853)	34,403,618	1,279,766
5	<u>\$ 908,070,538</u>	<u>\$ (75,742,320)</u>	<u>\$ 832,328,218</u>
6			
7			
8	OPERATING REVENUE DEDUCTIONS:		
9			
10	GAS COSTS:		
11			
12	\$ 325,511,775	\$ 15,141,644	\$ 340,653,419
13			
14	<u>\$ 325,511,775</u>	<u>\$ 15,141,644</u>	<u>\$ 340,653,419</u>
15			
16	\$ 5,165,237	\$ -	\$ 5,165,237
17	-	-	-
18	63,327,891	-	63,327,891
19	28,781,531	746,594	29,528,124
20	6,978,067	(5,349,855)	1,628,212
21	14,950,466	(14,950,466)	-
22	59,700,339	(1,113,889)	58,586,449
23	124,089,220	0	124,089,220
24	20,235,269	-	20,235,269
25	-	-	-
26	4,714,064	-	4,714,064
27	106,285,828	(68,322,636)	37,963,192
28	16,036,580	(13,891,409)	2,145,171
29	13,706,010	7,688,449	21,394,458
30	<u>\$ 463,970,501</u>	<u>\$ (95,193,214)</u>	<u>\$ 368,777,288</u>
31			
32	\$ 118,588,262	\$ 4,309,250	\$ 122,897,512
33			
34	\$ 1,860,622,029	\$ -	\$ 1,860,622,029
35			
36	6.37%		6.61%
37			
38	RATE BASE:		
39	\$ 3,963,556,803	\$ -	\$ 3,963,556,803
40	(1,534,409,304)	-	(1,534,409,304)
41	(603,723,611)	-	(603,723,611)
42	(30,772,501)	-	(30,772,501)
43	<u>1,794,651,387</u>	<u>-</u>	<u>1,794,651,387</u>
44	65,970,642	-	65,970,642
45	<u>\$ 1,860,622,029</u>	<u>\$ -</u>	<u>\$ 1,860,622,029</u>

PUGET SOUND ENERGY-GAS
STATEMENT OF OPERATING INCOME AND ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT

LINE NO.	ACTUAL RESULTS OF OPERATIONS 12 ME June 30, 2018	TEMPERATURE NORMALIZATION 6.09	REVENUE & EXPENSE 6.10	FEDERAL INCOME TAX 6.11	TAX BENEFIT OF RESTATE 6.12	PASS-THROUGH REVENUE & EXPENSE 6.13	RATE CASE EXPENSES 6.14	BAD DEBTS 6.15
1	OPERATING REVENUES							
2	SALES TO CUSTOMERS	\$ 891,268,518	\$ 23,283	\$ 3,052,384	\$ -	\$ (69,386,242)		\$ -
3	MUNICIPAL ADDITIONS	43,885,263				(43,885,263)		
4a	RENTALS	6,040,610		49,900				
4b	OTHER OPERATING REVENUES	(33,123,853)		(3,462,871)		37,866,489		
5	TOTAL OPERATING REVENUES	\$ 908,070,538	\$ 23,283	\$ (360,587)	\$ -	\$ (75,405,016)		\$ -
6								
7	OPERATING REVENUE DEDUCTIONS:							
8								
9	GAS COSTS:							
10								
11	PURCHASED GAS	\$ 325,511,775	\$ -	\$ -	\$ -	\$ 15,141,644		\$ -
12								
13	TOTAL PRODUCTION EXPENSES	\$ 325,511,775	\$ -	\$ -	\$ -	\$ 15,141,644		\$ -
14								
15	OTHER ENERGY SUPPLY EXPENSES	\$ 5,165,237	\$ -	\$ -	\$ -	\$ -		\$ -
16	TRANSMISSION EXPENSE	63,327,891						
17	DISTRIBUTION EXPENSE	28,781,531						
18	CUSTOMER ACTS EXPENSES	6,978,067	123	(1,904)		(398,063)		1,044,635
19	CUSTOMER SERVICE EXPENSES	14,950,466				(5,349,855)		
20	CONSERVATION AMORTIZATION	59,700,339	47	(721)		(14,950,466)		
21	ADMIN & GENERAL EXPENSE	124,089,220				(150,810)		176,201
22	DEPRECIATION	4,714,064						
23	AMORTIZATION	106,285,828	892	(13,817)		(68,213,935)		
24	AMORTIZATION OF PROPERTY LOSS	16,036,580	6,222	(96,361)		(415,389)		
25	OTHER OPERATING EXPENSES	13,706,010						
26	TAXES OTHER THAN F.I.T.	463,970,501	7,284	(112,802)		(89,478,518)		752,137
27	DEFERRED INCOME TAXES	118,588,262	15,999	(247,785)		(1,068,142)		(752,137)
28	DEFERRED INCOME TAXES	1,666,479		1,666,479				
29	DEFERRED INCOME TAXES	7,688,449		7,688,449				
30	TOTAL OPERATING REV. DEDUCT.	\$ 1,860,622,029	\$ 15,999	\$ (9,354,928)	\$ 15,056,153	\$ (1,068,142)	\$ (126,865)	\$ (752,137)
31	NET OPERATING INCOME	\$ 1,860,622,029	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
32	RATE BASE							
33								
34	RATE OF RETURN	6.37%						
35								
36								
37								
38	RATE BASE:							
39	UTILITY PLANT IN SERVICE AND OTHER ASSETS	\$ 3,963,556,803	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40	ACCUMULATED DEPRECIATION	(1,534,409,304)						
41	ACCUMULATED DEFERRED FIT - LIBERALIZED	(603,723,611)						
42	DEPRECIATION AND OTHER LIABILITIES	(30,772,501)						
43	TOTAL NET INVESTMENT	\$ 1,794,651,387	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
44	ALLOWANCE FOR WORKING CAPITAL	65,970,642						
45	TOTAL RATE BASE	\$ 1,860,622,029	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PUGET SOUND ENERGY-GAS
STATEMENT OF OPERATING INCOME AND ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT

LINE NO.	INCENTIVE PAY 6.16	EXCISE TAX & FILING FEE 6.17	D&O INSURANCE 6.18	INTEREST ON CUST DEPOSITS 6.19	PENSION PLAN 6.20	INJURIES AND DAMAGES 6.21	MISCELLANEOUS EXPENSE 6.22	TOTAL ADJUSTMENTS	CBR RESTATED RESULTS OF OPERATIONS
1									
2									
3									
4a									
4b									
5									
6									
7									
8									
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42									
43									
44									
45									

PUGET SOUND ENERGY, INC.
Utility Capital Structure
Cost of Capital and Rate of Return
Twelve Months Ended June 30, 2018

1	(A)	(B)	(C)	(D)	(E)
2					
3					Weighted
4					Cost of
5	<u>Description</u>	<u>Amount (i)</u>	<u>Ratio</u>	<u>Cost</u>	<u>Capital</u>
6					
7	Short Term Debt	\$206,913,417	2.67%	2.04%	0.05%
8					
9	Long Term Debt	\$3,695,615,184	47.72%	5.83%	2.78%
10					
11	Blended Cost of Interest (Short Term & Long Term)		50.39%	5.65%	2.83%
12					
13	Commitment Fees				0.02%
14					
15	Amortization of Short-Term Debt Issue Cost				0.01%
16					
17	Amortization of Reacquired Debt				0.03%
18					
19	Total Debt	\$3,902,528,601	50.39%		2.89%
20					
21	Common Stock	\$3,842,453,156	49.61%	9.64%	4.78%
22					
23	Total	<u>\$7,744,981,757</u>	<u>100.00%</u>		<u>7.67%</u>
24					
25					
26	(i) - Average of Month-End Balances				

PUGET SOUND ENERGY
PERIODIC ALLOCATED RESULTS OF OPERATIONS
FOR THE 12 MONTHS ENDED JUNE 30, 2018

(Based on allocation factors developed using 12 ME 06/30/2018 information)

	Electric	Gas	Total Amount
1 - OPERATING REVENUES:			
2 - SALES TO CUSTOMERS	\$ 2,239,474,109	\$ 934,816,422	\$ 3,174,290,531
3 - SALES FOR RESALE-FIRM	342,919	-	342,919
4 - SALES TO OTHER UTILITIES	116,721,928	-	116,721,928
5 - OTHER OPERATING REVENUES	15,770,154	(26,745,885)	(10,975,731)
6 - TOTAL OPERATING REVENUES	\$ 2,372,309,109	\$ 908,070,538	\$ 3,280,379,647
7			
8 - OPERATING REVENUE DEDUCTIONS:			
9			
10 - POWER COSTS:			
11 - FUEL	\$ 192,974,971	\$ -	\$ 192,974,971
12 - PURCHASED AND INTERCHANGED	499,358,139	325,511,775	824,869,914
13 - WHEELING	116,538,099	-	116,538,099
14 - RESIDENTIAL EXCHANGE	(77,400,561)	-	(77,400,561)
15 - TOTAL PRODUCTION EXPENSES	\$ 731,470,649	\$ 325,511,775	\$ 1,056,982,424
16			
17 - OTHER ENERGY SUPPLY EXPENSES	\$ 125,620,030	\$ 5,165,237	\$ 130,785,267
18 - TRANSMISSION EXPENSE	21,791,677	-	21,791,677
19 - DISTRIBUTION EXPENSE	79,064,741	63,327,891	142,392,631
20 - CUSTOMER ACCTS EXPENSES	52,024,798	28,781,531	80,806,329
21 - CUSTOMER SERVICE EXPENSES	21,813,620	6,978,067	28,791,688
22 - CONSERVATION AMORTIZATION	106,701,547	14,950,466	121,652,013
23 - ADMIN & GENERAL EXPENSE	123,469,096	59,700,339	183,169,434
24 - DEPRECIATION	316,187,695	124,089,220	440,276,915
25 - AMORTIZATION	63,634,800	20,235,269	83,870,069
26 - AMORTIZ OF PROPERTY LOSS	28,310,948	-	28,310,948
27 - OTHER OPERATING EXPENSES	(77,871,386)	4,714,064	(73,157,322)
28 - ASC 815	(237,760)	-	(237,760)
29 - TAXES OTHER THAN INCOME TAXES	242,620,498	106,285,828	348,906,327
30 - INCOME TAXES	61,778,950	16,036,580	77,815,530
31 - DEFERRED INCOME TAXES	85,037,422	13,706,010	98,743,432
32 - TOTAL OPERATING REV. DEDUCT.	\$ 1,981,417,326	\$ 789,482,276	\$ 2,770,899,602
NET OPERATING INCOME	\$ 390,891,783	\$ 118,588,262	\$ 509,480,045

PUGET SOUND ENERGY
BALANCE SHEET
As of June 30, 2018

FERC Account and Description	June 2018	June 2018 AMA
*ASSETS		
**UTILITY PLANT		
***Electric Plant		
101 Electric Plant in Service	\$ 9,810,398,043	\$ 9,685,094,041
102 Electric Plant Purchased or Sold	-	-
105 Electric Plant Held for Future Use	49,293,983	50,732,813
106 Comp.Construction Not Classfd.-Electric	81,790,151	90,034,999
107 Construction Work in Prog. - Electric	294,144,566	263,009,721
114 Electric Plant Acquisition Adjustments	282,791,675	282,791,675
Total Electric Plant	10,518,418,418	10,371,663,249
***Gas Plant		
101 Gas Plant in Service	3,748,945,285	3,652,280,195
	611,314	1,058,513
106 Comp. Construction Not Classfd.- Gas	90,639,752	82,278,835
107 Construction Work in Progress - Gas	169,408,784	145,886,707
117.1 Gas Stored - Base Gas	8,654,564	4,687,889
117.3 Gas Strd.in Resvr.& Pipln.-Noncurr.	-	3,966,675
Total Gas Plant	4,018,259,701	3,890,158,814
***Common Plant		
101 Plant in Service - Common	753,619,889	644,673,903
101.1 - Property under capital leases	1,234,652	1,272,224
105 Common Plant Held for Future Use	-	5,841,910
106 Comp Construction Not Classfd. - Common	7,082,990	18,421,262
107 Construction Work in Progress - Common	173,768,740	161,785,260
Total Common Plant	935,706,271	831,994,559
***Accumulated Depreciation and Amortization		
108 Accumulated Provision for Depreciation	(5,467,756,725)	(5,307,116,455)
111 Accumulated Provision for Amortization	(212,794,701)	(188,678,864)
115 Accm.Prv.for Amort.of Plant Acquis.Adj.	(133,865,822)	(129,645,725)
Less: Accumulated Depr and Amortizat	(5,814,417,248)	(5,625,441,045)
**NET UTILITY PLANT	9,657,967,142	9,468,375,577
**OTHER PROPERTY AND INVESTMENTS		
***Other Investments		
121 Nonutility Property	3,076,813	3,069,522
122 Accm.Prov.for Depr.& Amort.Non-utility P	(20,713)	(22,814)
123.1 Investment in Subsidiary Companies	25,296,040	26,178,692
124 Other Investments	49,083,318	48,976,998
***Total Other Investments	77,435,458	78,202,398
**TOTAL OTHER PROPERTY AND INVESTMENT	77,435,458	78,202,398
**CURRENT ASSETS		
***Cash		
131 Cash	2,080,493	11,983,777
134 Other Special Deposits	6,446,506	6,173,500

PUGET SOUND ENERGY
BALANCE SHEET
As of June 30, 2018

FERC Account and Description	June 2018	June 2018 AMA
135 Working Funds	3,555,538	4,380,519
136 Temporary Cash Investments	-	-
***Total Cash	<u>12,082,536</u>	<u>22,537,796</u>
***Restricted Cash	-	-
***Total Restricted Cash	<u>-</u>	<u>-</u>
***Accounts Receivable		
141 Notes Receivable	655,018	1,948,234
142 Customer Accounts Receivable	148,344,241	192,838,973
143 Other Accounts Receivable	76,854,238	87,054,448
146 Accounts Receiv.from Assoc. Companies	7,361,496	7,146,336
171 Interest and Dividends Receivable	-	-
173 Accrued Utility Revenues	123,213,636	158,452,447
185 Temporary Facilities	188,520	171,668
191 Unrecovered Purchased Gas Costs	(38,645,217)	(20,445,769)
***Total Accounts Receivable	<u>317,971,931</u>	<u>427,166,338</u>
***Allowance for Doubtful Accounts		
144 - Accumulated provision for uncollectible account	(10,715,631)	(7,721,714)
***Less: Allowance for Doubtful Accounts	<u>(10,715,631)</u>	<u>(7,721,714)</u>
***Materials and Supplies		
151 Fuel Stock	19,939,610	19,102,099
154 Plant Materials and Operating Supplies	113,170,601	108,263,848
156 Other Materials and Supplies	261,631	215,673
158.1 Carbon Allowances	30,000	23,893
163 Stores Expense Undistributed	(288,007)	(114,621)
164.1 Gas Stored - Current	29,512,438	28,908,986
164.2 Liquefied Natural Gas Stored	47,285	62,585
***Total Materials and Supplies	<u>162,673,558</u>	<u>156,462,464</u>
***Unrealized Gain-Derivative Instrumnts (ST)		
175 Invest in Derivative Instrumnts -Opt ST	19,872,158	20,666,754
176 Invest in Derivative Instrumnts-Gain ST	-	-
***Unrealized Gain on Derivatives (ST)	<u>19,872,158</u>	<u>20,666,754</u>
***Prepayments and Other Current Assets		
165 Prepayments	23,363,807	21,456,068
174 Misc.Current and Accrued Assets	14,000	3,980,479
186 Miscellaneous Deferred Debits	9,837	23,085
***Total Prepayments & Othr.Curr.Assets	<u>23,387,644</u>	<u>25,459,632</u>
Current Deferred Taxes		
Total Current Deferred Taxes	1,310,303,243	955,353,394
***TOTAL CURRENT ASSETS	1,835,575,441	1,599,924,664
***LONG-TERM ASSETS		
128 Qualified Pension Plan Funded Status	20,170,943	20,167,642

PUGET SOUND ENERGY
BALANCE SHEET
As of June 30, 2018

FERC Account and Description	June 2018	June 2018 AMA
165 Long-Term Prepaid	7,780,953	6,303,992
165.8 Long-Term Prepaid Contra	-	-
165.9 Long-Term Prepaid	-	-
175 Invest in Derivative Instrumnts -Opt LT	3,589,259	3,032,648
176 Invest in Derivative Instrumnts-Gain LT	-	-
181 Unamortized Debt Expense	26,681,213	26,339,053
182.1 Extraordinary Property Losses	119,127,210	125,414,020
182.2 Unrecovered Plant & Reg Study Costs	2,090,558	2,395,633
Subtotal WUTC AFUDC	51,750,407	50,500,179
182.3 Other Regulatory Assets	401,256,158	468,312,163
183 Prelm. Survey and Investigation Charges	-	-
184 Clearing Accounts	617,865	(464,557)
186 Miscellaneous Deferred Debits	184,739,939	208,915,009
187 Def.Losses from Dispos.of Utility Plant	207,895	255,221
189 Unamortized Loss on Reacquired Debt	43,460,434	40,982,883
**TOTAL LONG-TERM ASSETS	861,472,833	952,153,887
*TOTAL ASSETS	\$ 12,432,450,873	\$ 12,098,656,525
*CAPITALIZATION AND LIABILITIES		
**CURRENT LIABILITIES		
230 Asset Retirement Obligations	\$ (6,166,365)	\$ (5,358,487)
244 FAS 133 Opt Unrealized Loss ST	(49,776,010)	(58,860,979)
245 FAS 133 Unrealized Loss ST	-	-
231 Notes Payable	(28,000,000)	(206,913,417)
232 Accounts Payable	(347,124,917)	(335,085,080)
233 Notes Payable to Associated Companies	-	-
234 Accounts Payable to Asscted Companies	-	-
235 Customer Deposits	(41,699,341)	(45,394,574)
236 Taxes Accrued	(104,091,694)	(109,508,344)
237 Interest Accrued	(43,671,840)	(55,906,349)
238 Dividends Declared	-	-
241 Tax Collections Payable	(1,035,661)	(1,620,608)
242 Misc. Current and Accrued Liabilities	(29,012,236)	(30,213,811)
243 Obligations Under Cap.Leases - Current	(562,223)	(867,690)
**TOTAL CURRENT LIABILITIES	(651,140,285)	(849,729,338)
**DEFERRED TAXES		
***Reg. Liability for Def.Income Tax		
283 Accum.Deferred Income Taxes - Other	(1)	(33,440,148)
***Total Reg.Liab.for Def.Income Tax	(1)	(33,440,148)
***Deferred Income Tax		
255 Accum.Deferred Investment Tax Credits	-	-
282 Accum. Def. Income Taxes - Other Prop.	(2,019,173,351)	(2,020,066,703)
283 Accum.Deferred Income Taxes - Other	(199,390,438)	(234,038,547)
***Total Deferred Income Tax	(2,218,563,790)	(2,254,105,251)
**TOTAL DEFERRED TAXES	(2,218,563,791)	(2,287,545,398)

PUGET SOUND ENERGY
BALANCE SHEET
As of June 30, 2018

FERC Account and Description	June 2018	June 2018 AMA
**OTHER DEFERRED CREDITS		
Subtotal 227 Oblig Under Cap Lease - Noncurr	(671,204)	(403,245)
Total Unrealized Loss on Derivatives -LT	(15,122,568)	(17,422,694)
228.2 Accum. Prov.for Injuries and Damages	(2,560,000)	(2,428,575)
228.3 Pension & Post Retirement Liabilities	(50,083,871)	(63,675,114)
228.4 Accum. Misc.Operating Provisions	(137,567,033)	(192,124,491)
229 Accum Provision for Rate Refunds	(34,578,500)	(11,107,584)
230 Asset Retirement Obligations (FAS 143)	(184,652,676)	(182,801,276)
252 Customer Advances for Construction	(90,508,024)	(92,353,923)
253 Other Deferred Credits	(319,566,777)	(341,023,559)
254 Other Regulatory Liabilities	(1,114,244,810)	(664,813,111)
256 Def. Gains from Dispos.of Utility Plt	(1,912,669)	(2,265,402)
257 Unamortized Gain on Reacquired Debt	-	-
**TOTAL OTHER DEFERRED CREDITS	(1,951,468,132)	(1,570,418,973)
**CAPITALIZATION		
***SHAREHOLDER'S EQUITY		
****Common Equity		
201 Common Stock Issued	(859,038)	(859,038)
207 Premium on Capital Stock	(478,145,250)	(478,145,250)
211 Miscellaneous Paid-in Capital	(2,804,096,691)	(2,804,096,691)
214 Capital Stock Expense	7,133,879	7,133,879
215 Appropriated Retained Earnings	(22,554,372)	(22,264,971)
216 Unappropriated Retained Earnings	(454,556,099)	(403,983,375)
216.1 Unappr.Undistrib.Subsidiary Earnings	19,201,404	18,318,752
219 Other Comprehensive Income	148,319,811	138,527,558
433 Balance Transferred from Income	(189,817,220)	(201,933,255)
438 Dividends Declared - Common Stock	102,455,756	78,808,279
439 Adjustments to Retained Earnings	(21,484,571)	(2,123,568)
****Total Common Equity	(3,694,402,390)	(3,670,617,679)
***TOTAL SHAREHOLDER'S EQUITY	(3,694,402,390)	(3,670,617,679)
***REDEEMABLE SECURITIES AND LONG-TERM DEBT		
****Preferred Stock - Manditorily Redeemable Capital	-	-
****Total Preferred Stock - Mand Redeem	-	-
****Corporation Obligated, Mand Redeemable Preferred Stock Subscribed	-	-
****Corporation Obligated, Mand Redeem	-	-
****Long-term Debt		
221 Junior Subordinated Debt	-	(181,796,083)
221 Bonds	(3,923,860,000)	(3,540,526,667)
226 Unamort.Disct. on Long-term Debt-Debit	6,983,726	1,977,614
Long-term Debt	(3,916,876,274)	(3,720,345,136)
****Long-term Debt Total	(3,916,876,274)	(3,720,345,136)
***REDEEMABLE SECURITIES AND LTD	(3,916,876,274)	(3,720,345,136)
**TOTAL CAPITALIZATION	(7,611,278,664)	(7,390,962,815)
*TOTAL CAPITALIZATION AND LIABILITIES	\$ (12,432,450,873)	\$ (12,098,656,525)

Puget Sound Energy
 Gas Rate Base
 June-18

REF 6.05

Line No.	Description	AMA 06/30/18
1	Gas Utility Plant in Service	3,725,597,814
2c	Common Plant-Allocation to Gas	229,304,425
3	Gas Stored Underground - Non current	8,654,564
4	Total Plant in Service and Other Assets	<u>3,963,556,803</u>
5	Accumulated Provision for Depreciation	(1,450,524,370)
7c	Common Accumulated Depreciation-Allocation to Gas	(83,884,934)
8	Customer Advances for Construction	(19,789,663)
9	Contributions in Aid of Construction - Accum. Def. FIT.	-
10	Liberalized Depreciation Total Accum. Def. FIT - Liberalized	(603,723,611)
11	NOL Carryforward	2,267,079
12a	Customer Deposits	(13,249,917)
12	Accumulated Depreciation and Other Liabilities	<u>(2,168,905,417)</u>
13	Net Operating Investment	<u>1,794,651,387</u>
14	Allowance for Working Capital	<u>65,970,642</u>
15	Total Gas Rate Base	<u><u>1,860,622,029</u></u>

**Summary Working Capital
New Format From 2017 GRC**

Line No.	Description	6/30/2018-AMA With New Accounts and Coding	6/30/2018-EOP With New Accounts and Coding
1	Average Invested Capital		
2			
3	Total Average Invested Capital	\$ 7,687,011,376	\$ 7,717,561,671
4			
5	Investments		
6			
7	Total Electric Rate Base and Operating	4,990,103,660	5,035,819,822
8			
9	Total Gas Rate Base and Operating	<u>1,794,651,387</u>	<u>1,894,996,620</u>
10			
11	Total Electric and Gas Investment (lines 7 + 9)	6,784,755,047	6,930,816,441
12			
13	Total Non Operating Investments	<u>629,703,889</u>	<u>634,089,494</u>
14			
15	Total Average Investments (Lines 11+13)	<u>7,414,458,936</u>	<u>7,564,905,935</u>
16			
17	Investor Supplied Working Capital	<u>\$ 272,552,440</u>	<u>\$ 152,655,736</u>
18			
19	Total Average Investments (Lines 11+13)	7,414,458,936	7,564,905,935
20	Remove CWIP		
21	Net Investment	<u>7,414,458,936</u>	<u>7,564,905,935</u>
22			
23	Total Non-Operating Investments(Line 13)	629,703,889	634,089,494
24	Remove CWIP		
25	Net Non-Operating Investments	<u>629,703,889</u>	<u>634,089,494</u>
26			
27	Working Capital Spread		
28	Electric	\$ 183,434,144	\$ 101,620,138
29		67.30%	66.57%
30	Gas	\$ 65,970,642	\$ 38,240,013
31		24.20%	25.05%
32	Non-Utility	\$ 23,147,654	\$ 12,795,585
33		8.49%	8.38%
34	Total Working Capital	<u>\$ 272,552,440</u>	<u>\$ 152,655,736</u>

**PUGET SOUND ENERGY-ELECTRIC & GAS
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
ALLOCATION METHODS**

Method	Description		Electric	Gas	Total	
1	* 12 Month Average Number of Customers Percent	6/30/2018	1,142,155	825,009	1,967,164	
			58.06%	41.94%	100.00%	
2	* Joint Meter Reading Customers Percent	6/30/2018	774,769	467,468	1,242,237	
			62.37%	37.63%	100.00%	
3	* Non-Production Plant	Distribution	6/30/2018	3,821,611,859	\$ 3,611,144,773	\$ 7,432,756,632
		Transmission	6/30/2018	1,530,959,866	-	1,530,959,866
		Direct General Plant	6/30/2018	227,806,708	28,793,575	256,600,283
		Total		\$ 5,580,378,433	\$ 3,639,938,348	\$ 9,220,316,781
		Percent		60.52%	39.48%	100.00%
4	* 4-Factor Allocator	Number of Customers	6/30/2018	1,142,155	825,009	1,967,164
		Percent		58.06%	41.94%	100.00%
		Labor - Direct Charge to O&M	6/30/2018	49,935,032	24,544,746	\$ 74,479,778
		Percent		67.05%	32.95%	100.00%
		T&D O&M Expense (Less Labor)	6/30/2018	75,191,241	41,479,515	\$ 116,670,756
		Percent		64.45%	35.55%	100.00%
		Net Classified Plant (Excluding General (Common) Plant)	6/30/2018	5,704,475,920	2,191,996,416	7,896,472,336
		Percent		72.24%	27.76%	100.00%
		Total Percentages		261.79%	138.21%	400.00%
		Percent		65.45%	34.55%	100.00%
5	* Employee Benefits	Direct Labor Accts 500-935	6/30/2018	54,966,793	26,268,733	81,235,526
		Total		\$ 54,966,793	\$ 26,268,733	\$ 81,235,526
		Percent		67.66%	32.34%	100.00%
6	O&M Split	Utility	6/30/2018		Combined	
		Non-Utility		\$ 137,234,743		50.75%
		Capital		1,458,450		0.54%
		Percent Total		\$ 270,405,417		100.00%

**PUGET SOUND ENERGY-GAS
CONVERSION FACTOR - GAS
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT**

LINE

NO.	DESCRIPTION	RATE
1	BAD DEBTS	0.005279
2	ANNUAL FILING FEE	0.002000
3	STATE UTILITY TAX - NET OF BAD DEBTS (3.852% - (LINE 1 * 3.8520%	<u>0.038317</u>
4		
5	SUM OF TAXES OTHER	0.045596
6		
7	CONVERSION FACTOR EXCLUDING FEDERAL INCOME TAX (1 - LINE :	0.954404
8	FEDERAL INCOME TAX (LINE 7 * 28%)	28.0% 0.267233
9	CONVERSION FACTOR INCL FEDERAL INCOME TAX (LINE 5 + LINE 8	0.687171

PUGET SOUND ENERGY-GAS
TEMPERATURE NORMALIZATION
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	ACTUAL	CBR RESULTS	ADJUSTMENT
1	TEMPERATURE NORMALIZATION ADJUSTMENT:			
2		ACTUAL	TEMP ADJ	THERMS
3		<u>THERMS</u>	<u>THERMS</u>	<u>CHANGE</u>
4				
5	Jul-17	18,496,979	18,496,979	-
6	Aug-17	19,011,936	19,011,936	0
7	Sep-17	18,814,240	18,940,029	125,789
8	Oct-17	22,245,523	22,231,432	(14,091)
9	Nov-17	22,306,619	22,453,820	147,201
10	Dec-17	25,934,983	25,792,188	(142,795)
11	Jan-18	23,234,387	24,073,388	839,001
12	Feb-18	23,334,226	22,860,797	(473,429)
13	Mar-18	24,542,307	24,557,885	15,578
14	Apr-18	20,983,431	21,166,818	183,387
15	May-18	19,140,065	19,602,159	462,094
16	Jun-18	18,005,566	18,136,118	130,552
17		<u>256,050,261</u>	<u>257,323,548</u>	<u>1,273,287</u>
18	REVENUE ADJUSTMENT:			
19				
20	TRANS. INTERRUPT WITH FIRM OPTION - COM		85T	7,693
21	TRANS. NON-EXCLUS INTER W/ FIRM OPTION - COM		87T	4,953
22	INTERRUPTIBLE WITH FIRM OPTION - COM		85	2,181
23	NON-EXCL INTERRUPT W/ FIRM OPTION - COM		87	1,447
24	SPECIAL CONTRACTS		SC	7,009
25	INCREASE (DECREASE) SALES TO CUSTOMERS			\$ 23,283
26				
27	OPERATING EXPENSES:			
28	PURCHASED GAS COSTS			<u>0</u>
29				\$ -
30	UNCOLLECTIBLES @		0.52790%	\$ 123
31	ANNUAL FILING FEE @		0.20000%	47
32	INCREASE (DECREASE) EXPENSE			<u>170</u>
33				
34	STATE UTILITY TAX @		3.83170%	\$ 892
35	INCREASE (DECREASE) TAXES OTHER			<u>892</u>
36				
37	INCREASE (DECREASE) OPERATING INCOME			22,221
38				
39	INCREASE (DECREASE) FIT @		28.0%	<u>6,222</u>
40	INCREASE (DECREASE) NOI			<u>\$ 15,999</u>

PUGET SOUND ENERGY-GAS
REVENUE & EXPENSE RESTATING
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	ADJUSTMENT
1	SALES TO CUSTOMERS:	
2		
3	REMOVE MERGER RATE CREDIT SCH 132	\$ 3,052,384
2		
3		
4	TOTAL INCREASE (DECREASE) SALES TO CUSTOMERS	\$ 3,052,384
3		
4	OTHER OPERATING REVENUES:	
5		
4	REMOVE RENTALS ASSOC WITH SCH 132	49,900
5		
6	REMOVE EARNINGS SHARING ACCRUALS	(3,462,871)
5		
6		
7	TOTAL INCREASE (DECREASE) OPERATING REVENUES	<u>(3,412,971)</u>
6		
7	TOTAL INCREASE (DECREASE) REVENUES	(360,587)
8		
7	UNCOLLECTIBLES @	0.52790% (1,904)
8	ANNUAL FILING FEE @	0.20000% <u>(721)</u>
9	INCREASE (DECREASE) EXPENSE	(2,625)
8		
9	STATE UTILITY TAX @	3.83170% <u>\$ (13,817)</u>
10		
9	INCREASE (DECREASE) TAXES OTHER	<u>(13,817)</u>
10		
11	INCREASE (DECREASE) OPERATING INCOME	(344,146)
10	INCREASE (DECREASE) FIT @	28.0% <u>(96,361)</u>
11	INCREASE (DECREASE) NOI	<u><u>\$ (247,785)</u></u>

PUGET SOUND ENERGY-GAS
FEDERAL INCOME TAX
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	AMOUNT
1	TAXABLE INCOME	\$ 63,225,211
2		
3	FEDERAL INCOME TAX	
2	CURRENT FIT @	28.0% 17,703,059
3		
4	DEFERRED FIT - DEBIT	21,394,458
3	DEFERRED FIT - OTHER	-
4	DEFERRED FIT - INV TAX CREDIT, NET OF AMORTIZATION	-
5	TOTAL RESTATED FIT	<u>39,097,517</u>
4		
5	FIT PER BOOKS:	
6	CURRENT FIT	16,036,580
5	DEFERRED FIT - DEBIT	194,735,667
6	DEFERRED FIT - CREDIT	(181,029,657)
7	DEFERRED FIT - INV TAX CREDIT, NET OF AMORTIZATION	<u>-</u>
6		
7	TOTAL CHARGED TO EXPENSE	29,742,590
8		
7	INCREASE (DECREASE) FIT	1,666,479
8	INCREASE (DECREASE) DEFERRED FIT	7,688,449
9	INCREASE(Decrease) NOI	<u><u>\$ (9,354,928)</u></u>

PUGET SOUND ENERGY-GAS
TAX BENEFIT OF RESTATED INTEREST
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	AMOUNT
1	RATE BASE	\$ 1,860,622,029
2		
3	WEIGHTED COST OF DEBT	2.89%
4	RESTATED INTEREST	\$ 53,771,977
5		
6		
7		
8		
9	INCREASE (DECREASE) INCOME	(53,771,977)
10		
11	INCREASE (DECREASE) FIT @	28.0% (15,056,153)
12	INCREASE (DECREASE) NOI	<u>\$ 15,056,153</u>

PUGET SOUND ENERGY-GAS
PASS-THROUGH REVENUE & EXPENSE
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION		ADJUSTMENT
1	<u>REMOVE REVENUES ASSOCIATED WITH RIDERS:</u>		
2	REMOVE LOW INCOME RIDER - SCHEDULE 129	\$	5,596,668
3	REMOVE CONSERVATION TRACKER - SCHEDULE 120		15,642,845
2	REMOVE PROPERTY TAX TRACKER - SCHEDULE 140		24,265,501
3			
4	REMOVE REVENUE ASSOC WITH PGA AMORTIZATION - SCHEDULE 106		(15,936,223)
3	REMOVE CARBON OFFSET - SCHEDULE 137		115,002
4	REMOVE OTHER ASSOC WITH CARBON OFFSET - SCHEDULE 137		25,686
5	REMOVE DECOUPLING SCH 142 REVENUE		39,702,448
4	REMOVE DECOUPLING SCH 142 SURCHARGE AMORT EXPENSE		(37,892,175)
5	REMOVE MUNICIPAL TAXES ASSOC WITH SALES TO CUSTOMERS		43,547,905
6	REMOVE MUNICIPAL TAXES ASSOC WITH OTHER OPRTG REV		337,358
5	TOTAL (INCREASE) DECREASE REVENUES	\$	<u>75,405,016</u>
6			
7	<u>DECREASE REVENUE SENSITIVE ITEMS FOR DECREASE IN REVENUES:</u>		
6	UNCOLLECTIBLES @	0.005279 \$	(398,063)
7	ANNUAL FILING FEE	0.002000	(150,810)
8	STATE UTILITY TAX	0.038317	(2,889,294)
7	TOTAL	0.045596 \$	(3,438,167)
8			
9	<u>REMOVE EXPENSES ASSOCIATED WITH RIDERS</u>		
8	REMOVE LOW INCOME AMORTIZATION - SCHEDULE 129	\$	(5,349,855)
9	REMOVE CONSERVATION AMORTIZATION - SCHEDULE 120		(14,950,466)
10	REMOVE PROPERTY TAX AMORTIZATION EXP - SCHEDULE 140		(23,192,835)
9	REMOVE PGA DEFERRAL AMORTIZATION EXP - SCHEDULE 106		15,209,595
10	REMOVE CARBON OFFSET AMORTIZATION EXP - SCHEDULE 137		(67,951)
11	REMOVE MUNICIPAL TAXES ASSOC WITH SALES TO CUSTOMERS		(42,131,806)
10	TOTAL INCREASE (DECREASE) EXPENSE	\$	<u>(70,483,318)</u>
11			
12	INCREASE (DECREASE) OPERATING INCOME BEFORE FIT	\$	(1,483,531)
11	INCREASE (DECREASE) FIT (LINE 26 * 31.5%)	28.0%	(415,389)
12	INCREASE (DECREASE) NOI	\$	<u>(1,068,142)</u>

PUGET SOUND ENERGY-GAS
RATE CASE EXPENSES
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	AMOUNT	
1	EXPENSES TO BE NORMALIZED:		
2			
3	EXPENSES OF LAST 2 COMPLETED GRCS (2017 GRC AND 2011 GRC)	\$ 1,097,000	
4			
5			
6	ANNUAL NORMALIZATION (LINE 3 ÷ 2)	\$ 548,500	
7	LESS TEST YEAR EXPENSE: GRC DIRECT CHARGES TO O&M	372,299	
8	INCREASE (DECREASE) EXPENSE	<u>\$ 176,201</u>	\$ 176,201
9			
10			
11	TOTAL INCREASE (DECREASE) EXPENSE		\$ 176,201
12			
13	INCREASE(DECREASE) FIT @	28.0%	<u>(49,336)</u>
14	INCREASE(DECREASE) NOI		<u><u>\$ (126,865)</u></u>

PUGET SOUND ENERGY-GAS
BAD DEBTS
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT

LINE NO.	YEAR	NET	GROSS	OTHER	NET	PERCENT
		WRITEOFFS	REVENUES	OPERATING REVENUE	REVENUES	WRITEOFFS TO REVENUE
		June	February	February	February	
1	12 ME 06/30/2014 AND 02/28/2013	\$ 5,595,418	\$ 1,003,949,399	\$ 13,584,484	\$ 990,364,915	0.5650%
2	12 ME 06/30/2016 AND 02/28/2015	4,358,816	881,352,791	14,935,472	866,417,319	0.5031%
3	12 ME 06/30/2018 AND 02/28/2017	4,801,551	937,780,029	6,759,342	931,020,687	0.5157%
4						
2						
3	3-YR AVERAGE OF NET WRITE OFF RATE					0.5279%
4						
5	REPORTING PERIOD REVENUES		\$ 908,070,538	\$ (26,745,885)	\$ 934,816,422	
3						
4	PROFORMA BAD DEBT RATE				0.5279%	
5	PROFORMA BAD DEBTS				\$ 4,934,896	
6						
4	UNCOLLECTIBLES CHARGED TO EXPENSE IN TEST YEAR				<u>3,890,261</u>	
5	INCREASE (DECREASE) EXPENSE					\$ 1,044,635
6						
7	INCREASE(DECREASE) IN INCOME					(1,044,635)
5	INCREASE (DECREASE) FIT @				28.0%	(292,498)
6	INCREASE (DECREASE) NOI					<u>\$ (752,137)</u>

PUGET SOUND ENERGY-GAS
INCENTIVE PAY
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	ACTUAL	CBR RESULTS	ADJUSTMENT
1				
2	TOTAL INCENTIVE / MERIT PAY	\$ 4,891,442	\$ 3,752,754	(1,138,688)
3				
4	PAYROLL TAXES ASSOC WITH MERIT PAY	413,974	317,605	(96,370)
5				
6	INCREASE(DECREASE) EXPENSE	5,305,416	4,070,358	(1,235,058)
7				
8	INCREASE (DECREASE) OPERATING EXPENSE			(1,235,058)
9				
10	INCREASE(DECREASE) FIT @		28.0%	345,816
11	INCREASE(DECREASE) NOI			<u>\$ 889,242</u>

**PUGET SOUND ENERGY-GAS
 EXCISE TAX & FILING FEE
 FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
 COMMISSION BASIS REPORT**

LINE NO.	DESCRIPTION	AMOUNT
1	RESTATED EXCISE TAXES	\$ 36,569,703
2	CHARGED TO EXPENSE FOR TEST YEAR	36,569,111
3	INCREASE(DECREASE) EXCISE TAX	593
4		
5		
6	RESTATED WUTC FILING FEE	1,869,583
7	CHARGED TO EXPENSE FOR TEST YEAR	1,986,458
8	INCREASE(DECREASE) WUTC FILING FEE	(116,875)
9		
10	INCREASE(DECREASE) EXPENSE	(116,282)
11		
12	INCREASE(DECREASE) OPERATING INCOME	116,282
13		
14	INCREASE(DECREASE) FIT @ 28.0%	32,559
15		
16	INCREASE(DECREASE) NOI	<u><u>\$ 83,723</u></u>

PUGET SOUND ENERGY-GAS
D&O INSURANCE
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	TEST YEAR	CBR RESULTS	ADJUSTMENT
1	D & O INS. CHG EXPENSE	\$ 63,134	\$ 57,848	\$ (5,286)
2				
3	INCREASE (DECREASE) IN EXPENSE	\$ 63,134	\$ 57,848	(5,286)
4				
5				
6	INCREASE (DECREASE) OPERATING INCOME			5,286
7				
8	INCREASE (DECREASE) FIT @		28.0%	1,480
9				
10	INCREASE (DECREASE) NOI			<u><u>\$ 3,806</u></u>

PUGET SOUND ENERGY-GAS
INTEREST ON CUSTOMER DEPOSITS
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT

LINE	NO. DESCRIPTION	AMOUNT
1	INTEREST EXPENSE FOR TEST YEAR	\$ 101,802
2		
3		
4	INCREASE (DECREASE) NOI	<u>\$ (101,802)</u>

PUGET SOUND ENERGY-GAS
PENSION PLAN
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	ACTUAL	CBR RESULTS	ADJUSTMENT
1	QUALIFIED RETIREMENT FUND	\$ 1,881,159	\$ 3,323,638	\$ 1,442,479
2	INCREASE (DECREASE) IN EXPENSE	\$ 1,881,159	\$ 3,323,638	1,442,479
3				
4	INCREASE (DECREASE) INCOME			(1,442,479)
5				
6	INCREASE (DECREASE) FIT @		28.0%	(403,894)
7				
8	INCREASE (DECREASE) NOI			<u>\$ (1,038,585)</u>

PUGET SOUND ENERGY-GAS
INJURIES AND DAMAGES
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	ACTUAL	CBR RESULTS	ADJUSTMENT
1	INJURIES & DAMAGES ACCRUALS	\$ 1,194,102	\$ 1,088,034	\$ (106,068)
2	INJURIES & DAMAGES PAYMENTS IN EXCESS OF ACCRUALS	1,375,846	674,720	(701,126)
3	INCREASE/(DECREASE) IN EXPENSE	2,569,949	1,762,755	(807,194)
4				
5				
6	INCREASE/(DECREASE) IN OPERATING EXPENSE (LINE 3)			(807,194)
7	INCREASE (DECREASE) FIT @		28.0%	226,014
8				
9	INCREASE (DECREASE) NOI			\$ 581,180

PUGET SOUND ENERGY-GAS
MISCELLANEOUS EXPENSE
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT

LINE NO. DESCRIPTION	ACTUAL	CBR RESULTS	ADJUSTMENT
1 OPERATING EXPENSES			
2 REMOVE NON-OPERATING COSTS FROM ADMIN AND GENERAL	\$ 513,042		\$ (513,042)
3			
4			-
5			
6 INCREASE(DECREASE) IN EXPENSE	513,042	-	(513,042)
7			
8 TOTAL INCREASE(DECREASE) IN EXPENSE			(513,042)
9			
10 INCREASE (DECREASE) FIT @		28.0%	143,652
11 INCREASE (DECREASE) NOI			<u>\$ 369,390</u>

**EXH. SEF-7
DOCKETS UE-18___/UG-18___
2018 PSE EXPEDITED RATE FILING
WITNESS: SUSAN E. FREE**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of:

PUGET SOUND ENERGY

Expedited Rate Filing

**Docket UE-18___
Docket UG-18___**

**SIXTH EXHIBIT (NONCONFIDENTIAL) TO THE
PREFILED DIRECT TESTIMONY OF**

SUSAN E. FREE

ON BEHALF OF PUGET SOUND ENERGY

NOVEMBER 7, 2018

PUGET SOUND ENERGY-ELECTRIC
END OF PERIOD ADJUSTMENTS SUMMARY
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018

LINE NO.	CBR RESTATED RESULTS OF OPERATIONS	RATE BASE TO EOP REF 7.02	DEPRECIATION EXPENSE TO EOP REF 7.03	TAX BENEFIT OF EOP INTEREST REF 7.04	TOTAL ADJUSTMENTS	EOP RESTATED RESULTS OF OPERATIONS
1	OPERATING REVENUES					
2	SALES TO CUSTOMERS	\$ 2,058,080,274			\$ -	\$ 2,058,080,274
3	SALES FROM RESALE-FIRM/SPECIAL CONTRACT	343,685			-	343,685
4	SALES TO OTHER UTILITIES	116,721,928			-	116,721,928
5	OTHER OPERATING REVENUES	42,243,828			-	42,243,828
6	TOTAL OPERATING REVENUES	2,217,389,714			-	2,217,389,714
7						
8	OPERATING REVENUE DEDUCTIONS:					
9						
10	POWER COSTS:					
11	FUEL	191,271,196			-	191,271,196
12	PURCHASED AND INTERCHANGED	500,810,765			-	500,810,765
13	WHEELING	116,538,099			-	116,538,099
14	RESIDENTIAL EXCHANGE				-	
15	TOTAL PRODUCTION EXPENSES	808,620,060			-	808,620,060
16						
17	OTHER POWER SUPPLY EXPENSES	125,117,979			-	125,117,979
18	TRANSMISSION EXPENSE	21,921,149			-	21,921,149
19	DISTRIBUTION EXPENSE	82,514,379			-	82,514,379
20	CUSTOMER ACCTS EXPENSES	51,521,852			-	51,521,852
21	CUSTOMER SERVICE EXPENSES	3,349,961			-	3,349,961
22	CONSERVATION AMORTIZATION				-	
23	ADMIN & GENERAL EXPENSE	123,740,986			-	123,740,986
24	DEPRECIATION	315,986,752	20,424,403		20,424,403	336,411,156
25	AMORTIZATION	63,634,800			-	63,634,800
26	AMORTIZ OF PROPERTY GAIN/LOSS	28,310,948			-	28,310,948
27	OTHER OPERATING EXPENSES	7,957,414			-	7,957,414
28	ASC 815				0	
29	TAXES OTHER THAN INCOME TAXES	92,253,971			-	92,253,971
30	INCOME TAXES	80,319,187	(5,718,833)	387,080	(5,331,753)	74,987,434
31	DEFERRED INCOME TAXES	8,124,947			-	8,124,947
32	TOTAL OPERATING REV. DEDUCT.	1,813,374,386	14,705,570	387,080	15,092,651	1,828,467,037
33						
34	NET OPERATING INCOME	\$ 404,015,329	\$ (14,705,570)	\$ (387,080)	\$ (15,092,651)	\$ 388,922,678
35						
36	RATE BASE	\$ 5,171,781,803	\$ (36,028,962)	\$ -	\$ (47,834,916)	\$ 5,123,946,887
37						
38	RATE OF RETURN	7.81%				7.59%
39						
40	RATE BASE:					
41	GROSS UTILITY PLANT IN SERVICE	\$ 10,360,358,404	\$ 176,214,591	\$ -	\$ 176,214,591	\$ 10,536,572,996
42	ACCUM DEPR AND AMORT	(4,089,120,958)	(153,446,589)		(173,870,993)	(4,262,991,950)
43	DEFERRED DEBITS AND CREDITS	257,055,281	28,717,574		28,717,574	285,772,855
44	ACCUMULATED DFIT	(1,435,236,152)	(7,872,434)		746,015	(1,434,490,137)
45	ALLOWANCE FOR WORKING CAPITAL	183,434,144	(81,814,007)	8,618,449	(81,814,007)	101,620,138
46	OTHER	(104,708,917)	2,171,902		2,171,902	(102,537,015)
47	TOTAL RATE BASE	\$ 5,171,781,803	\$ (36,028,962)	\$ (11,805,954)	\$ (47,834,916)	\$ 5,123,946,887

PUGET SOUND ENERGY-ELECTRIC 2018 ERF
RATE BASE TO END OF PERIOD
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
EXPEDITED RATE FILING

LINE NO. DESCRIPTION	CBR RESTATED RESULTS	EOP RESTATED RESULTS	EOP ADJUSTMENT
1 RATE BASE:			
2 UTILITY PLANT IN SERVICE	\$ 10,360,358,404	\$ 10,536,572,996	\$ 176,214,591
3 ACCUM DEPR AND AMORT	(4,089,120,958)	(4,242,567,547)	(153,446,589)
4 DEFERRED DEBITS	257,055,281	285,772,855	28,717,574
5 DEFERRED TAXES	(1,435,236,152)	(1,443,108,586)	(7,872,434)
6 ALLOWANCE FOR WORKING CAPITAL	183,434,144	101,620,138	(81,814,007)
7 OTHER	(104,708,917)	(102,537,015)	2,171,902
8 TOTAL RATE BASE	\$ 5,171,781,803	\$ 5,135,752,841	\$ (36,028,962)

PUGET SOUND ENERGY-ELECTRIC 2018 ERF
DEPRECIATION EXPENSE TO END OF PERIOD
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
EXPEDITED RATE FILING

LINE NO. DESCRIPTION	CBR RESTATED RESULTS	EOP RESTATED RESULTS	EOP ADJUSTMENT
1 403 ELEC. DEPRECIATION EXPENSE	\$ 305,571,692	\$ 317,207,736	\$ 11,636,043
2 403 ELEC. PORTION OF COMMON	50,078,233	60,332,863	10,254,630
3 SUBTOTAL DEPRECIATION EXPENSE 403	355,649,925	377,540,599	21,890,673
4 403.1 ELEC. ASSET RETIREMENT COST DEPRECIATION	7,848,312	7,285,724	(562,589)
5 411.10 ELEC. ASSET RETIREMENT OBLIGATION ACCRETION	4,466,525	3,562,844	(903,681)
6 TOTAL DEPRECIATION AND ACCRETION	<u>\$ 367,964,763</u>	<u>\$ 388,389,166</u>	<u>\$ 20,424,403</u>
7			
8 INCREASE (DECREASE) EXPENSE			\$ 20,424,403
9			
10 INCREASE (DECREASE) FIT		28%	<u>(5,718,833)</u>
11 INCREASE (DECREASE) NOI			<u>\$ (14,705,570)</u>
12			
13 ADJUSTMENT TO RATE BASE			
14 ADJUSTMENT TO ACCUM. DEPREC. AT 100% DEPREC. EXP. LINE 21			\$ (20,424,403)
15 DFIT			5,718,833
16 ADJUST DFIT TO REFLECT ACTUAL JUNE 30, 2018 PLANT BOOK BALANCES			2,899,616
17 TOTAL ADJUSTMENT TO RATEBASE			<u>\$ (11,805,954)</u>

PUGET SOUND ENERGY-ELECTRIC
TAX BENEFIT OF PRO FORMA INTEREST
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
EXPEDITED RATE FILING

LINE NO.	DESCRIPTION	AMOUNT
1	RATE BASE CHANGE	\$(47,834,916)
2		
3	TOTAL CHANGE	<u>(47,834,916)</u>
4		
5	WEIGHTED AVERAGE COST OF DEBT	<u>2.89%</u>
6	ADDITIONAL INTEREST	<u>(1,382,429)</u>
7		
8	INCREASE (DECREASE) INCOME	1,382,429
9		
10	INCREASE (DECREASE) FIT @	28% <u>387,080</u>
11	INCREASE (DECREASE) NOI	<u><u>\$ (387,080)</u></u>

**EXH. SEF-8
DOCKETS UE-18___/UG-18___
2018 PSE EXPEDITED RATE FILING
WITNESS: SUSAN E. FREE**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of:

PUGET SOUND ENERGY

Expedited Rate Filing

**Docket UE-18___
Docket UG-18___**

**SEVENTH EXHIBIT (NONCONFIDENTIAL) TO THE
PREFILED DIRECT TESTIMONY OF**

SUSAN E. FREE

ON BEHALF OF PUGET SOUND ENERGY

NOVEMBER 7, 2018

**PUGET SOUND ENERGY-GAS
END OF PERIOD ADJUSTMENTS SUMMARY
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018**

LINE NO.	DESCRIPTION	CBR RESTATED RESULTS OF OPERATIONS	RATE BASE TO EOP Ref 8.02	DEPRECIATION EXPENSE TO EOP Ref 8.03	TAX BENEFIT OF EOP INTEREST Ref 8.04	TOTAL ADJUSTMENTS	EOP RESTATED RESULTS OF OPERATIONS
1	OPERATING REVENUES						
2	SALES TO CUSTOMERS	\$ 824,957,942			\$ -		\$ 824,957,942
3	MUNICIPAL ADDITIONS	-			-		-
4	RENTALS	6,090,510			-		6,090,510
5	OTHER OPERATING REVENUES	1,279,766			-		1,279,766
6	TOTAL OPERATING REVENUES	832,328,218	-	-	-	-	832,328,218
7							
8	OPERATING REVENUE DEDUCTIONS:						
9							
10							
11	GAS COSTS:						
12							
13	PURCHASED GAS	340,653,419			-		340,653,419
14							
15	TOTAL PRODUCTION EXPENSES	340,653,419	-	-	-	-	340,653,419
16							
17	OTHER ENERGY SUPPLY EXPENSES	5,165,237			-		5,165,237
18	TRANSMISSION EXPENSE	-			-		-
19	DISTRIBUTION EXPENSE	63,327,891			-		63,327,891
20	CUSTOMER ACCTS EXPENSES	29,528,124			-		29,528,124
21	CUSTOMER SERVICE EXPENSES	1,628,212			-		1,628,212
22	CONSERVATION AMORTIZATION	-			-		-
23	ADMIN & GENERAL EXPENSE	58,586,449			-		58,586,449
24	DEPRECIATION	124,089,220		8,951,742	-	8,951,742	133,040,962
25	AMORTIZATION	20,235,269			-		20,235,269
26	AMORTIZATION OF PROPERTY LOSS	-			-		-
27	OTHER OPERATING EXPENSES	4,714,064			-		4,714,064
28	TAXES OTHER THAN F.I.T.	37,963,192			-		37,963,192
29	FEDERAL INCOME TAXES	2,145,171		(2,506,488)	(543,678)	(3,050,166)	(904,995)
30	DEFERRED INCOME TAXES	21,394,458			-		21,394,458
31	TOTAL OPERATING REV. DEDUCT.	709,450,706	-	6,445,254	(543,678)	5,901,576	715,332,282
32							
33	NET OPERATING INCOME	\$ 122,897,512	\$ -	\$ (6,445,254)	\$ 543,678	\$ (5,901,576)	\$ 116,995,935
34							
35	RATE BASE	\$ 1,860,622,029	\$ 72,614,604	\$ (5,427,526)	\$ -	\$ 67,187,078	\$ 1,927,809,107
36							
37	RATE OF RETURN	6.61%					6.07%
38							
39	RATE BASE:						
40	UTILITY PLANT IN SERVICE AND OTHER ASSETS	\$ 3,963,556,803	\$ 134,297,577		\$ -	\$ 134,297,577	\$ 4,097,854,381
41	ACCUMULATED DEPRECIATION	(1,534,409,304)	(35,426,396)	(8,951,742)	(44,378,138)	(44,378,138)	(1,578,787,443)
42	ACCUMULATED DFIT	(603,723,611)	371,901	3,524,216	3,896,116	(599,827,495)	(599,827,495)
43	DEPRECIATION AND OTHER LIABILITIES	(30,772,501)	1,102,151		1,102,151		(29,670,350)
44	TOTAL NET INVESTMENT	1,794,651,387	100,345,233	(5,427,526)	94,917,706		1,889,569,093
45	ALLOWANCE FOR WORKING CAPITAL	65,970,642	(27,730,628)		(27,730,628)		38,240,013
46	TOTAL RATE BASE	\$ 1,860,622,029	\$ 72,614,604	\$ (5,427,526)	\$ -	\$ 67,187,078	\$ 1,927,809,107

PUGET SOUND ENERGY-GAS
RATE BASE TO END OF PERIOD
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
EXPEDITED RATE FILING

LINE NO. DESCRIPTION	CBR RESTATED RESULTS	EOP RESTATED RESULTS	INCREASE (DECREASE)
1 RATE BASE:			
2 UTILITY PLANT IN SERVICE	\$ 3,963,556,803	\$ 4,097,854,381	\$ 134,297,577
3 ACCUM DEPR AND AMORT	(1,534,409,304)	(1,569,835,701)	(35,426,396)
4 DEFERRED DEBITS	-	-	-
5 DEFERRED TAXES	(603,723,611)	(603,351,711)	371,901
6 ALLOWANCE FOR WORKING CAPITAL	65,970,642	38,240,013	(27,730,628)
7 OTHER	(30,772,501)	(29,670,350)	1,102,151
8 TOTAL RATE BASE	\$ 1,860,622,029	\$ 1,933,236,633	\$ 72,614,604

PUGET SOUND ENERGY-GAS
DEPRECIATION EXPENSE TO END OF PERIOD
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
EXPEDITED RATE FILING

LINE NO.	DESCRIPTION	CBR RESTATED RESULTS	EOP RESTATED RESULTS	EOP ADJUSTMENT
1	403 GAS DEPRECIATION EXPENSE	\$ 117,642,623	\$ 121,125,759	\$ 3,483,135
2	403 GAS PORTION OF COMMON	26,435,492	31,848,746	5,413,254
3	SUBTOTAL DEPRECIATION EXPENSE 403	144,078,115	152,974,504	8,896,389
4	403.1 GAS ASSET RETIREMENT COST DEPRECIATION	144,052	143,636	(416)
5	411.10 GAS ASSET RETIREMENT OBLIGATION ACCRETION	102,326	158,095	55,769
6	TOTAL DEPRECIATION AND ACCRETION	\$ 144,324,494	\$ 153,276,236	\$ 8,951,742
7				
8				
9	INCREASE (DECREASE) EXPENSE			8,951,742
10				
11	INCREASE (DECREASE) FIT		28%	(2,506,488)
12	INCREASE (DECREASE) NOI			<u>\$ (6,445,254)</u>
13				
14	ADJUSTMENT TO RATE BASE			
15	ADJUSTMENT TO ACCUM. DEPREC. AT 100% DEPREC. EXP. LINE 5			\$ (8,951,742)
16	DEFERRED FEDERAL INCOME TAXES			2,506,488
17	ADJUST DFIT TO REFLECT ACTUAL JUNE 30, 2018 PLANT BOOK BALANCES			1,017,728
18	TOTAL ADJUSTMENT TO RATEBASE			<u>\$ (5,427,526)</u>

PUGET SOUND ENERGY-GAS
TAX BENEFIT OF PRO FORMA INTEREST
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
EXPEDITED RATE FILING

LINE NO. DESCRIPTION	AMOUNT
1 RATE BASE CHANGE	\$ 67,187,078
2	
3 NET RATE BASE	<u>67,187,078</u>
4	
5 WEIGHTED AVERAGE COST OF DEBT	<u>2.89%</u>
6 PROFORMA INTEREST	<u>1,941,707</u>
7	
8 INCREASE (DECREASE) INCOME	(1,941,707)
9	
10 INCREASE (DECREASE) FIT @	28% <u>(543,678)</u>
11 INCREASE (DECREASE) NOI	<u>\$ 543,678</u>

**EXH. SEF-9
DOCKETS UE-18___/UG-18___
2018 PSE EXPEDITED RATE FILING
WITNESS: SUSAN E. FREE**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of:

PUGET SOUND ENERGY

Expedited Rate Filing

**Docket UE-18___
Docket UG-18___**

**EIGHTH EXHIBIT (NONCONFIDENTIAL) TO THE
PREFILED DIRECT TESTIMONY OF**

SUSAN E. FREE

ON BEHALF OF PUGET SOUND ENERGY

NOVEMBER 7, 2018

**PUGET SOUND ENERGY-ELECTRIC
EXPEDITED RATE FILING ADJUSTMENTS SUMMARY
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018**

LINE NO.	EOP RESTATED RESULTS OF OPERATIONS	ANNUALIZE REVENUE REF 9.02	DEPRECIATION STUDY REF 9.03	ANNUALIZE FEDERAL INCOME TAX REF 9.04	TAX BENEFIT OF INTEREST REF 9.05	DEFERRED G/L ON PROPERTY SALES REF 9.06	ENVIRONMENTAL REMEDIATION REF 9.07	PAYMENT PROCESSING COSTS REF 9.08
1	OPERATING REVENUES							
2	SALES TO CUSTOMERS	\$ 2,058,080,274	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	SALES FROM RESALE-FIRM/SPECIAL CONT	343,685	(13,829)					
4	SALES TO OTHER UTILITIES	116,721,928						
5	OTHER OPERATING REVENUES	42,243,828						
6	TOTAL OPERATING REVENUES	2,217,389,714						
7	OPERATING REVENUE DEDUCTIONS:							
8								
9								
10	POWER COSTS:							
11	FUEL	191,271,196						
12	PURCHASED AND INTERCHANGED	500,810,765						
13	WHEELING	116,538,099						
14	RESIDENTIAL EXCHANGE	-						
15	TOTAL PRODUCTION EXPENSES	808,620,060						
16								
17	OTHER POWER SUPPLY EXPENSES	125,117,979						
18	TRANSMISSION EXPENSE	21,921,149						
19	DISTRIBUTION EXPENSE	82,514,379						
20	CUSTOMER ACCTS EXPENSES	51,521,852	(378,403)					1,528,986
21	CUSTOMER SERVICE EXPENSES	3,349,961						
22	CONSERVATION AMORTIZATION	-						
23	ADMIN & GENERAL EXPENSE	123,740,986	(94,365)					
24	DEPRECIATION	336,411,156	25,808,344					
25	AMORTIZATION	63,634,800						
26	AMORTIZ OF PROPERTY GAIN/LOSS	28,310,948						
27	OTHER OPERATING EXPENSES	7,957,414						
28	ASC 815	-						
29	TAXES OTHER THAN INCOME TAXES	92,253,971						
30	INCOME TAXES	74,987,434	(5,419,752)	(2,602,970)	(30,855,822)	25,722	(139,049)	(321,087)
31	DEFERRED INCOME TAXES	8,124,947						
32	TOTAL OPERATING REV. DEDUCT.	1,828,467,037	(5,341,951)	(2,602,970)	(30,855,822)	(96,765)	523,088	1,207,899
33								
34	NET OPERATING INCOME	\$ 388,922,678	\$ (11,497,412)	\$ 2,602,970	\$ 30,855,822	\$ 96,765	\$ (523,088)	\$ (1,207,899)
35								
36	RATE BASE	\$ 5,123,946,887	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
37								
38	RATE OF RETURN	7.59%						
39								
40	RATE BASE:							
41	GROSS UTILITY PLANT IN SERVICE	\$ 10,536,572,996	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
42	ACCUM DEPR AND AMORT	(4,262,991,950)	(25,808,344)					
43	DEFERRED DEBITS AND CREDITS	285,772,855						
44	ACCUMULATED DFT	(1,434,490,137)	5,419,752					
45	ALLOWANCE FOR WORKING CAPITAL	101,620,138						
46	OTHER	(102,537,015)						
47	TOTAL RATE BASE	\$ 5,123,946,887	\$ (20,388,591)	\$ -	\$ -	\$ -	\$ -	\$ -

**PUGET SOUND ENERGY-ELECTRIC
EXPEDITED RATE FILING ADJUSTMENTS SUMMARY
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018**

LINE NO.	STORM DAMAGE REF 9.09	POWER COSTS REF 9.10	MONTANA ELECT ENERGY TAX REF 9.11	REGULATORY ASSETS AND LIABILITIES REF 9.12	WHITE RIVER REF 9.13	HYDRO GRANTS RECLASS REF 9.14	TOTAL ADJUSTMENTS	EOP ANNUALIZED RESULTS OF OPERATIONS
1	OPERATING REVENUES							
2	SALES TO CUSTOMERS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (39,353,727)	\$ 2,018,726,547
3	SALES FROM RESALE-FIRM/SPECIAL CONT						(13,829)	329,856
4	SALES TO OTHER UTILITIES	(55,279,030)					(55,279,030)	61,442,898
5	OTHER OPERATING REVENUES	4,826,758					27,354,972	69,598,800
6	TOTAL OPERATING REVENUES	(50,452,272)					(67,291,614)	2,150,098,101
7	OPERATING REVENUE DEDUCTIONS:							
8								
9								
10	POWER COSTS:							
11	FUEL	17,172,047					17,172,047	208,443,243
12	PURCHASED AND INTERCHANGED	(55,440,601)					(55,440,601)	445,370,164
13	WHEELING	(5,731,611)					(5,731,611)	110,806,488
14	RESIDENTIAL EXCHANGE							
15	TOTAL PRODUCTION EXPENSES	(44,000,164)					(44,000,164)	764,619,895
16								
17	OTHER POWER SUPPLY EXPENSES							
18	TRANSMISSION EXPENSE	2,497,699					2,497,699	127,615,678
19	DISTRIBUTION EXPENSE	0	0	0	0	0		21,921,149
20	CUSTOMER ACCTS EXPENSES							82,514,379
21	CUSTOMER SERVICE EXPENSES						1,150,583	52,672,435
22	CONSERVATION AMORTIZATION							3,349,961
23	ADMIN & GENERAL EXPENSE							
24	DEPRECIATION						(94,365)	123,646,621
25	AMORTIZATION						25,808,344	362,219,499
26	AMORTIZ OF PROPERTY GAIN/LOSS							63,634,800
27	OTHER OPERATING EXPENSES	4,578,701			2,378,412	1,525,274	6,982,412	35,293,360
28	ASC 815						1,868,385	9,825,799
29	TAXES OTHER THAN INCOME TAXES							
30	INCOME TAXES						(1,979,856)	90,274,115
31	DEFERRED INCOME TAXES	(961,527)	(1,879,459)	(166,967)	(499,467)	(320,308)	(45,962,454)	29,024,980
32	TOTAL OPERATING REV. DEDUCT.	3,617,174	(43,381,925)	(135,389)	1,878,945	1,204,966	(53,729,416)	8,124,947
33								
34	NET OPERATING INCOME	(3,617,174)	(7,070,347)	135,279	(1,878,945)	(1,204,966)	(13,562,198)	\$ 375,360,480
35								
36	RATE BASE							
37								
38	RATE OF RETURN							5,101,822,356
39								7.36%
40	RATE BASE:							
41	GROSS UTILITY PLANT IN SERVICE							10,536,572,996
42	ACCUM DEPR AND AMORT							(4,288,800,294)
43	DEFERRED DEBITS AND CREDITS				(2,378,412)		(25,808,344)	283,048,377
44	ACCUMULATED DFT				499,467		(2,724,478)	(1,428,081,846)
45	ALLOWANCE FOR WORKING CAPITAL						6,408,290	101,620,138
46	OTHER							(102,537,015)
47	TOTAL RATE BASE			143,006	(1,878,945)		(22,124,531)	5,101,822,356

PUGET SOUND ENERGY-ELECTRIC 2018 ERF
ANNUALIZE TAX REFORM REVENUES AND EXPENSES
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
EXPEDITED RATE FILING

LINE NO. DESCRIPTION	EOP RESTATED RESULTS	EOP ANNUALIZED RESULTS	ANNUALIZING ADJUSTMENT
1 SALES TO CUSTOMERS			
2 RECLASSIFY TRANSPORTATION REVENUE FROM OTHER OPERATING REVENUES	\$ -	\$ 7,814,835	\$ 7,814,835
3 ALL OTHER SALES TO CUSTOMERS REVENUE	2,058,080,274	2,018,224,923	(39,855,351)
4 SALES FOR RESALE - FIRM	343,685	329,856	(13,829)
5 ANNUALIZED REVENUES FROM UE-180282 TAX REFORM TARIFF FILING	2,058,423,959	2,026,369,615	(32,054,344)
6 LIMIT FIXED PRODUCTION EOP REVENUES TO AMOUNTS ALLOWED PER TARIFF		(7,313,211)	(7,313,211)
7 TOTAL SALES TO CUSTOMERS	2,058,423,959	2,019,056,403	(39,367,556)
8			
9			
10 OTHER OPERATING REVENUES			
11 RECLASSIFY TRANSPORTATION REVENUE TO SALES TO CUSTOMERS	7,814,835	-	(7,814,835)
12 REMOVE DECOUPLING DEFERRALS FROM TEST YEAR	(6,288,480)	-	6,288,480
13 REMOVE REVENUE DEFERRALS FOR TAX REFORM	(24,054,569)	-	24,054,569
14 TOTAL OTHER OPERATING REVENUES	(22,528,214)	-	22,528,214
15			
16 TOTAL INCREASE (DECREASE) IN REVENUES	2,035,895,745	2,019,056,403	(16,839,342)
17			
18 UNCOLLECTIBLES @	0.80200%	(378,403)	
19 ANNUAL FILING FEE @	0.20000%	(94,365)	
20 INCREASE (DECREASE) EXPENSE			(472,768)
21			
22 STATE UTILITY TAX @	3.84230%	(1,812,889)	
23			
24 INCREASE (DECREASE) TAXES OTHER			(2,285,657)
25			
26 INCREASE (DECREASE) OPERATING INCOME			(14,553,686)
27 INCREASE (DECREASE) FIT @	21%		(3,056,274)
28 INCREASE (DECREASE) NOI			<u>\$ (11,497,412)</u>

PUGET SOUND ENERGY-ELECTRIC 2018 ERF
DEPRECIATION STUDY
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
EXPEDITED RATE FILING

LINE NO.	DESCRIPTION	EOP RESTATED RESULTS	EOP ANNUALIZED RESULTS	ANNUALIZING ADJUSTMENT
1	403 ELEC. DEPRECIATION EXPENSE	\$ 317,207,736	\$ 344,503,497	\$ 27,295,761
2	403 ELEC. PORTION OF COMMON	60,332,863	58,845,446	(1,487,417)
3	SUBTOTAL DEPRECIATION EXPENSE 403	377,540,599	403,348,942	25,808,344
4	403.1 ELEC. ASSET RETIREMENT COST DEPRECIATION	7,285,724	7,285,724	-
5	411.10 ELEC. ASSET RETIREMENT OBLIGATION ACCRETION	3,562,844	3,562,844	-
6	TOTAL DEPRECIATION AND ACCRETION	<u>\$ 388,389,166</u>	<u>\$ 414,197,510</u>	<u>\$ 25,808,344</u>
7				
8	INCREASE (DECREASE) EXPENSE			\$ 25,808,344
9				
10				
11	INCREASE (DECREASE) FIT		21%	(5,419,752)
12	INCREASE (DECREASE) NOI			<u>\$ (20,388,591)</u>
13				
14	ADJUSTMENT TO RATE BASE			
15	ADJUSTMENT TO ACCUM. DEPREC. AT 100% DEPREC. EXP. LINE 21			\$ (25,808,344)
16	DFIT			5,419,752
17				
18	TOTAL ADJUSTMENT TO RATEBASE			<u>\$ (20,388,591)</u>

PUGET SOUND ENERGY-ELECTRIC 2018 ERF
ANNUALIZE FEDERAL INCOME TAX FOR TAX CUTS AND JOBS ACT
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
EXPEDITED RATE FILING

LINE NO.	DESCRIPTION	AMOUNT
1	TAXABLE INCOME	\$ 595,838,990
2		
3	FEDERAL INCOME TAX @ 21%	21.0% 125,126,188
4	CURRENTLY PAYABLE	<u>125,126,188</u>
5		
6	DEFERRED FIT - DEBIT	(44,616,776)
7	DEFERRED FIT - OTHER	
8	TOTAL RESTATED FIT	<u>80,509,412</u>
9		
10	FIT PER EOP RESTATED RESULTS	
11	CURRENTLY PAYABLE	74,987,434
12	DEFERRED FIT - DEBIT & CREDIT	8,124,947
13		
14	DEFERRED FIT - INV TAX CREDIT, NET OF AMORT.	
15	TOTAL END OF PERIOD RESTATED RESULTS	<u>83,112,382</u>
16		
17	INCREASE(DECREASE) FIT	50,138,754
18	INCREASE(DECREASE) DEFERRED FIT	(52,741,723)
19	INCREASE(DECREASE) NOI	<u><u>\$ 2,602,970</u></u>

PUGET SOUND ENERGY-ELECTRIC 2018 ERF
TAX BENEFIT OF RESTATED INTEREST
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT

LINE NO. DESCRIPTION	AMOUNT
1 FINAL RATE BASE	\$ 5,101,822,356
2	
3 REQUESTED AUTHORIZED WEIGHTED COST OF DEBT	<u>2.88%</u>
4	
5 FINAL INTEREST	\$ 146,932,484
6	
7 FINAL TAX BENEFIT OF INTEREST AT CURRENT FIT RATE	21.0% <u>\$ (30,855,822)</u>
8	
9 INCREASE (DECREASE) FIT	<u>(30,855,822)</u>
10	
11 INCREASE (DECREASE) NOI	<u><u>\$ 30,855,822</u></u>

PUGET SOUND ENERGY-ELECTRIC 2018 ERF
DEFERRED GAINS/LOSSES ON PROPERTY SALES
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
EXPEDITED RATE FILING

LINE NO. DESCRIPTION	AMOUNT
1 DEFERRED GAIN APPROVED IN UE-1802823	\$ (2,266,167)
2 DEFERRED LOSS APPROVED IN UE-1802823	<u>(25,063)</u>
3 TOTAL DEFERRED NET GAIN AND LOSSES TO AMORTIZE	(2,291,230)
4	
5 ANNUAL AMORTIZATION (LN 3 ÷ 36) x 12	(763,743.36)
6	
7 AMORTIZATION FOR TEST YEAR IN EOP RESTATED RESULTS	<u>(641,256)</u>
8	
9	
10	
11 INCREASE (DECREASE) EXPENSE (LINE 13 - LINE 11)	(122,488)
12	
13 INCREASE (DECREASE) FIT	21% <u>25,722</u>
14	
15 INCREASE (DECREASE) NOI	<u><u>\$ 96,765</u></u>

PUGET SOUND ENERGY-ELECTRIC 2018 ERF
ENVIRONMENTAL REMEDIATION
 FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
 EXPEDITED RATE FILING

LINE NO.	DESCRIPTION	AMOUNT
1	<u>ELECTRIC ENVIRONMENTAL REMEDIATION DEFERRED COSTS</u>	
2	<u>APPROVED IN UE-180282 (2017 GRC TAX REFORM)</u>	
3	ENVIRONMENTAL REMEDIATION COSTS	\$ 9,689,352
4	ANNUAL AMORTIZATION (LINE 3 ÷ 5 YEARS)	\$ 1,937,870
5		
6	<u>INSURANCE PROCEEDS & THIRD PARTY PAYMENTS</u>	
7	<u>APPROVED IN UE-180282 (2017 GRC TAX REFORM)</u>	
8	SHARE OF DEFERRED UNASSIGNED RECOVERIES	(2,570,427)
9	ANNUAL AMORTIZATION (LINE 8 ÷ 5 YEARS)	<u>(514,085)</u>
10		
11	TOTAL RATE YEAR AMORTIZATION ENVIRONMENTAL (LINE 4 + LINE 9)	1,423,785
12		
13	LESS TOTAL TEST YEAR AMORTIZATION IN EOP RESTATED RESULTS	<u>761,648</u>
14		
15	TOTAL INCREASE (DECREASE) OPERATING EXPENSE	662,137
16		
17	INCREASE (DECREASE) FIT (LINE 11 X 21%)	21% <u>(139,049)</u>
18		
19	INCREASE (DECREASE) NOI	<u><u>\$ (523,088)</u></u>

PUGET SOUND ENERGY-ELECTRIC 2018 ERF
PAYMENT PROCESSING COSTS
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
EXPEDITED RATE FILING

LINE NO.	DESCRIPTION	EOP RESTATED RESULTS	EOP ANNUALIZED RESULTS	ANNUALIZING ADJUSTMENT
1	<u>DOCKET UE-160203 & UG-160204 CREDIT CARD FEES</u>			
2	TEST YEAR INCLUDES FULL YEAR OF PROCESSING FEES	\$ 1,339,630	\$ 2,483,234	\$ 1,143,604
3	AMORTIZATION OF DEFERRAL- 3 YEAR AMORT ¹	443,295	828,677	<u>385,382</u>
4				
5	INCREASE (DECREASE) IN EXPENSE	\$ 1,782,925	\$ 3,311,911	\$ 1,528,986
6				
7	INCREASE(DECREASE) OPERATING EXPENSE			1,528,986
8				
9				
10	INCREASE (DECREASE) FIT @		21%	<u>(321,087)</u>
11				
12	INCREASE (DECREASE) NOI			<u>\$ (1,207,899)</u>
13				
14				
15				
16	¹ APPROVED IN UE-180282 (2017 GRC TAX REFORM)			

PUGET SOUND ENERGY-ELECTRIC 2018 ERF
STORM DAMAGE
 FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
 EXPEDITED RATE FILING

LINE NO.	DESCRIPTION	TRANSMISSION	DISTRIBUTION	AMOUNT
1	DEFERRED BALANCES FOR STORM 4 YEAR AMORTIZATION			
2	APPROVED IN UE-180282 (2017 GRC TAX REFORM)			
3				
4	2010 STORM DAMAGE	\$ 50,186		
5	2014 STORM DAMAGE	18,185,673		
6	2015 STORM DAMAGE	24,157,767		
7	2016 STORM DAMAGE	10,437,020		
8	2017 STORM DAMAGE	<u>12,215,519</u>		
9				
10				
11	TOTAL	65,046,165		
12	ANNUAL AMORTIZATION (LINE 10 ÷ 48) x 12		16,261,541	
13				
14	DEFERRED BALANCES FOR 6 YEAR AMORTIZATION			
15	01/18/12 SNOW STORM	54,368,273		
16	ANNUAL AMORTIZATION (LINE 14 ÷ 72 (6 YEARS) X 12)		<u>9,061,379</u>	
17				
18	TOTAL RATE YEAR AMORTIZATION		25,322,920	
19	LESS AMORTIZATION INCLUDED IN EOP RESTATED RESULTS		<u>20,744,219</u>	
20				
21	INCREASE (DECREASE) OPERATING EXPENSE			4,578,701
22				
23	INCREASE (DECREASE) FIT		21%	(961,527)
24				
25	INCREASE (DECREASE) NOI			<u>\$ (3,617,174)</u>

PUGET SOUND ENERGY-ELECTRIC 2018 ERF
POWER COSTS
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
EXPEDITED RATE FILING

LINE NO. DESCRIPTION	EOP RESTATED RESULTS	EOP ANNUALIZED RESULTS	ANNUALIZING ADJUSTMENT
1 PRODUCTION EXPENSES:			
2 501/547-STEAM FUEL / GAS FOR POWER FUEL	\$ 191,271,196	\$ 208,443,243	\$ 17,172,047
3 555 + BROKERAGE FEES	495,385,652	434,843,424	(60,542,228)
4 557 OTHER POWER COSTS - FIXED ONLY	5,425,112	10,526,740	5,101,627
5 565-WHEELING	116,538,099	110,806,488	(5,731,611)
6 447-SALES TO OTHER UTILITIES	(116,721,928)	(61,442,898)	55,279,030
7 456-PURCHASES/SALES OF NON-CORE GAS	(9,134,514)	(13,961,272)	(4,826,758)
8			-
9			
10	\$ 682,763,618	\$ 689,215,726	\$ 6,452,107
11			
12 ANNUALIZE MAJOR MAINTENANCE IN PRODUCTION	10,766,860	13,264,559	2,497,699
13			
14 INCREASE(DECREASE) OPERATING EXPENSE			(8,949,806)
15 INCREASE (DECREASE) FIT @		21%	1,879,459
16 INCREASE (DECREASE) NOI			<u>\$ (7,070,347)</u>

PUGET SOUND ENERGY-ELECTRIC 2018 ERF
MONTANA ELECTRIC ENERGY TAX
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
EXPEDITED RATE FILING

LINE NO.	DESCRIPTION	AMOUNT
1	RATE YEAR KWH	3,967,053,655
2	TRANSMISSION LINE LOSS % FOR WECC	5.0%
3	WETT TAX RATE	<u>0.000150</u>
4	WETT TAX	\$ 565,305
5		
6	EEELT TAX RATE	<u>0.000200</u>
7	EEELT TAX	\$ 793,411
8		
9		
10	RESTATED ENERGY TAX (LINE 4 + LINE 7)	\$ 1,358,716
11	INCLUDED IN EOP RESTATED RESULTS	<u>1,525,683</u>
12	INCREASE (DECREASE) INCOME	166,967
13		
14	INCREASE (DECREASE) FIT	<u>31,577</u>
15	INCREASE (DECREASE) NOI	<u><u>\$ 135,389</u></u>

PUGET SOUND ENERGY-ELECTRIC 2018 ERF
REG. ASSETS & LIABILITIES
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
EXPEDITED RATE FILING

LINE NO. DESCRIPTION	EOP RESTATED RESULTS	EOP ANNUALIZED RESULTS	ANNUALIZING ADJUSTMENT
1 <u>AMA OF REGULATORY ASSET/LIABILITY NET OF ACCUM AMORT AND DFIT</u>			
2 BEP	-	-	-
3 WESTCOAST PIPELINE CAPACITY - UE-082013 (FB ENERGY)	(57,518)	(61,821)	(4,303)
4 WESTCOAST PIPELINE CAPACITY - UE-100503 (BNP PARIBUS)	(78,852)	(84,751)	(5,899)
5 MINT FARM DEFFRED - UE-090704 (FERC 407.3)	12,348,156	12,348,157	1
6 CHELAN PUD	82,012,097	82,012,096	(1)
7 CHELAN - ROCK ISLAND SECURITY DEPOSIT	18,500,000	18,500,000	-
8 COLSTRIP 1&2 (WEC _o) PREPAYMENT	750,000	750,000	0
9 FERC PART 12 STUDY NON-CONSTRUCTION COSTS UE-070074 (FERC 407)	-	-	-
10 LOWER SNAKE RIVER PP TRANSM PRINCIPAL \$99.8M	61,189,384	61,188,738	(647)
11 CARRYING CHARGES ON LSR PP TRANSM \$99.8M (FERC 407.3)	8,418,582	8,418,582	0
12 LOWER SNAKE RIVER PLANT DEFERRAL \$18.3M (FERC 407.3)	-	0	0
13 BAKER LICENSE UPGRADE DEFERRAL (2013 PCORC) (FERC 407.3)	98,748	106,146	7,399
14 SNOQUALMIE LICENSE UPGRADE DEFERRAL (2013 PCORC) (FERC 407.3)	(564,328)	(113,842)	450,486
15 FERNDALE DEFERRAL (2013 PCORC) (FERC 407.3)	3,601,267	3,601,270	3
16 BAKER TREASURY GRANT DEFERRAL (2014 PCORC) (FERC 407.4)	(70,409)	(75,671)	(5,261)
17 SNOQUALMIE TREASURY GRANT DEFERRAL (2014 PCORC) (FERC 407.4)	(243,210)	(261,400)	(18,191)
18 ELECTRON UNRECOVERED COST (2014 PCORC) (FERC 407.3)	1,121,458	840,876	(280,582)
19	-	-	
20			
21 TOTAL REGULATORY ASSETS AND LIABILITIES RATEBASE	187,025,373	187,168,379	143,006
22			
23			
24 <u>AMORTIZATION OF REGULATORY ASSET/LIABILITY</u>			
25 BEP		/----- (NOTE 1) -----/	
26 WESTCOAST PIPELINE CAPACITY - UE-082013 (FB ENERGY)		/----- (NOTE 1) -----/	
27 WESTCOAST PIPELINE CAPACITY - UE-100503 (BNP PARIBUS)		/----- (NOTE 1) -----/	
28 MINT FARM DEFFRED - UE-090704 (FERC 407.3)	2,885,052	2,885,052	-
29 CHELAN PUD		/----- (NOTE 1) -----/	
30 COLSTRIP 1&2 (WEC _o) PREPAYMENT		/----- (NOTE 1) -----/	
31 FERC PART 12 STUDY NON-CONSTRUCTION COSTS UE-070074 (FERC 407)	-	-	-
32 LOWER SNAKE RIVER PP TRANSM PRINCIPAL \$99.8M		/----- (NOTE 1) -----/	
33 CARRYING CHARGES ON LSR PP TRANSM \$99.8M (FERC 407.3)	687,420	687,420	-
34 LOWER SNAKE RIVER PLANT DEFERRAL \$18.3M (FERC 407.3)	-	-	-
35 BAKER LICENSE UPGRADE DEFERRAL (2013 PCORC) (FERC 407.3)	673,352	561,126	(112,225)
36 SNOQUALMIE LICENSE UPGRADE DEFERRAL (2013 PCORC) (FERC 407.3)	2,644,123	2,203,436	(440,687)
37 FERNDALE DEFERRAL (2013 PCORC) (FERC 407.3)	4,520,423	4,520,423	-
38 BAKER TREASURY GRANT DEFERRAL (2014 PCORC) (FERC 407.4)	(480,026)	(400,022)	80,004
39 SNOQUALMIE TREASURY GRANT DEFERRAL (2014 PCORC) (FERC 407.4)	(1,658,222)	(1,381,852)	276,370
40 ELECTRON UNRECOVERED COST (2014 PCORC) (FERC 407.3)	3,761,009	3,786,308	25,299
41 TOTAL AMORTIZATION OF REG ASSETS/LIABS	13,033,130	12,861,892	(171,239)
42			
43			
44			
45 INCREASE (DECREASE) EXPENSE			(171,239)
46			
47 INCREASE (DECREASE) FIT	21%		35,960
48			
49 INCREASE (DECREASE) NOI			\$ 135,279
50			
51 (NOTE 1) THE ADJUSTMENTS FOR AMORTIZATION OF POWER COST RELATED REGULATORY ASSETS AND			
52 LIABILITIES ARE PERFORMED IN THE POWER COST ADJUSTMENT (ADJUSTMENT NO. 9.10)			
53 AND THEREFORE ARE NOT ADJUSTED HERE.			

PUGET SOUND ENERGY-ELECTRIC 2018 ERF
WHITE RIVER
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
EXPEDITED RATE FILING

LINE NO.	DESCRIPTION	EOP RESTATED RESULTS	EOP ANNUALIZED RESULTS	ANNUALIZING ADJUSTMENT
1	<u>WHITE RIVER RATEBASE</u>			
2	REGULATORY ASSET	\$ 16,251,327	\$ 13,872,915	\$ (2,378,412)
3	DEFERRED INCOME TAX LIABILITY	(6,143,001)	(5,643,535)	499,467
4	TOTAL WHITE RIVER NET	<u>10,108,325</u>	<u>8,229,380</u>	<u>(1,878,945)</u>
5				
6	<u>WHITE RIVER AMORTIZATION</u>			
7	WHITE RIVER AMORTIZATION	<u>4,175,229</u>	<u>6,553,641</u>	<u>2,378,412</u>
8	TOTAL WHITE RIVER EXPENSES			
9				
10				
11	INCREASE (DECREASE) EXPENSE			2,378,412
12				
13	INCREASE (DECREASE) FIT		21%	<u>(499,467)</u>
14	INCREASE (DECREASE) NOI			<u>\$ (1,878,945)</u>

PUGET SOUND ENERGY-ELECTRIC
TRANSFER OF HYDRO TREASURY GRANTS IN RATEBASE
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
EXPEDITED RATE FILING

LINE NO. DESCRIPTION	EOP RESTATED RESULTS	EOP ANNUALIZED RESULTS	ANNUALIZING ADJUSTMENT
1 <u>HYDRO TREASURY GRANTS RATEBASE</u>			
2 HYDRO TREASURY GRANTS BALANCE			\$ -
3 COLSTRIP 1/2 RETIREMENT ACCOUNT			-
4 TOTAL TREASURY GRANTS RATEBASE	\$ -	\$ -	\$ -
5			
6			
7 <u>HYDRO TREASURY GRANTS OPERATING EXPENSE</u>			
8 AMORTIZATION EXPENSE	\$ (1,525,274)	\$ -	\$ 1,525,274
9			
10 TOTAL TREASURY GRANTS EXPENSE	(1,525,274)	-	1,525,274
11			
12 INCREASE (DECREASE) FIT	21%		(320,308)
13 INCREASE (DECREASE) NOI			\$ (1,204,966)

**EXH. SEF-10
DOCKETS UE-18___/UG-18___
2018 PSE EXPEDITED RATE FILING
WITNESS: SUSAN E. FREE**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of:

PUGET SOUND ENERGY

Expedited Rate Filing

**Docket UE-18___
Docket UG-18___**

**NINTH EXHIBIT (NONCONFIDENTIAL) TO THE
PREFILED DIRECT TESTIMONY OF**

SUSAN E. FREE

ON BEHALF OF PUGET SOUND ENERGY

NOVEMBER 7, 2018

**PUGET SOUND ENERGY-GAS
SUMMARY OF ERF ANNUALIZING ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018**

LINE NO.	EOP RESTATED RESULTS OF OPERATIONS	REVENUES & EXPENSES REF 10.02	DEPRECIATION STUDY REF 10.03	FEDERAL INCOME TAX REF 10.04	ANNUALIZE INTEREST REF 10.05	DEFERRED G/L ON PROPERTY SALES REF 10.06	ENVIRONMENTAL REMEDIATION REF 10.07	PAYMENT PROCESSING COSTS REF 10.08	TOTAL ADJUSTMENTS	EOP ANNUALIZED RESULTS OF OPERATIONS ERF
1	OPERATING REVENUES									
2	SALES TO CUSTOMERS	\$ 824,957,942	\$ (74,122,840)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (74,122,840)	\$ 750,835,102
3	MUNICIPAL ADDITIONS	-								-
4	RENTALS	6,090,510	(726,144)						(726,144)	5,364,366
5	OTHER OPERATING REVENUES	1,279,766	4,790,708						4,790,708	6,070,473
6	TOTAL OPERATING REVENUES	832,328,218	(70,058,277)						(70,058,277)	762,269,941
7										
8	OPERATING REVENUE DEDUCTIONS:									
9										
10										
11	GAS COSTS:									
12										
13	PURCHASED GAS	340,653,419	(52,430,660)						(52,430,660)	288,222,758
14										
15	TOTAL PRODUCTION EXPENSES	340,653,419	(52,430,660)						(52,430,660)	288,222,758
16										
17	OTHER ENERGY SUPPLY EXPENSES	5,165,237	-						-	5,165,237
18	TRANSMISSION EXPENSE	-	-						-	-
19	DISTRIBUTION EXPENSE	63,327,891	-						-	63,327,891
20	CUSTOMER ACCTS EXPENSES	29,528,124	(369,838)						(369,838)	29,158,287
21	CUSTOMER SERVICE EXPENSES	1,628,212	-			1,103,899			1,103,899	2,732,111
22	CONSERVATION AMORTIZATION	-	(140,117)						(140,117)	-
23	ADMIN & GENERAL EXPENSE	58,586,449	-						-	58,586,449
24	DEPRECIATION	133,040,962	(11,068,116)						(11,068,116)	121,972,846
25	AMORTIZATION	20,235,269	-						-	20,235,269
26	AMORTIZATION OF PROPERTY LOSS	-	-						-	-
27	OTHER OPERATING EXPENSES	4,714,064	-			75,188	4,000,985		4,076,173	8,790,237
28	TAXES OTHER THAN F.L.T.	37,963,192	(2,684,423)			(15,790)	(840,207)	(231,819)	(2,684,423)	35,278,769
29	FEDERAL INCOME TAXES	(904,995)	(3,030,980)	2,324,304	(11,712,272)	(15,790)			12,310,176	11,405,181
30	DEFERRED INCOME TAXES	21,394,458	-	25,816,939	(23,110,024)				(23,110,024)	(1,715,565)
31	TOTAL OPERATING REV. DEDUCT.	715,332,282	(58,656,018)	(8,743,811)	(11,712,272)	59,399	3,160,778	872,080	(72,312,929)	643,019,354
32										
33	NET OPERATING INCOME	\$ 116,995,935	\$ (11,402,259)	\$ 8,743,811	\$ (2,706,915)	\$ (59,399)	\$ (3,160,778)	\$ (872,080)	\$ 2,254,652	\$ 119,250,588
34										
35	RATE BASE	\$ 1,927,809,107	\$ -	\$ 8,743,811	\$ -	\$ -	\$ -	\$ -	\$ 8,743,811	\$ 1,936,552,918
36										
37	RATE OF RETURN	6.07%								6.16%
38										
39	RATE BASE:									
40	UTILITY PLANT IN SERVICE AND OTHER ASSE	\$ 4,097,854,381	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,097,854,381
41	ACCUMULATED DEPRECIATION	(1,578,787,443)							11,068,116	(1,567,719,327)
42	ACCUMULATED DFT	(599,827,495)							(2,324,304)	(602,151,799)
43	DEPRECIATION AND OTHER LIABILITIES	(29,670,350)							-	(29,670,350)
44	TOTAL NET INVESTMENT	1,889,569,093		8,743,811					8,743,811	1,898,312,905
45	ALLOWANCE FOR WORKING CAPITAL	38,240,013								38,240,013
46	TOTAL RATE BASE	\$ 1,927,809,107	\$ -	\$ 8,743,811	\$ -	\$ -	\$ -	\$ -	\$ 8,743,811	\$ 1,936,552,918

PUGET SOUND ENERGY-GAS
REVENUE ADJUSTMENT
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
EXPEDITED RATE FILING

LINE NO.	DESCRIPTION	EOP RESTATED RESULTS	EOP ANNUALIZED RESULTS	ADJUSTMENT
1	EXPEDITED RATE FILING REVENUES			
2	ANNUALIZED ERF REVENUES FROM UG-180283	\$ 824,957,942	\$ 750,835,102	\$ (74,122,840)
3				
4	OTHER OPERATING REVENUES			
5	RENTALS	6,090,510	5,364,366	(726,144)
6				
7	REMOVE DECOUPLING DEFERRALS FROM TEST YEAR	5,733,223	-	(5,733,223)
8	REMOVE REVENUE DEFERRALS FOR TAX REFORM	(10,523,931)	-	10,523,931
9	SUB-TOTAL REMOVAL OF DECOUPLING AMD TAX REFORM DEFERRALS	(4,790,708)	-	4,790,708
10				
11	ALL OTHER REVENUE (DOES NOT REQUIRE ADJUSTMENT)	6,070,473	6,070,473	0
12	TOTAL INCREASE (DECREASE) IN REVENUES	\$ 832,328,218	\$ 762,269,941	\$ (70,058,277)
13				
14	OPERATING EXPENSES:			
15	PGA COSTS	\$ 340,653,419	\$ 288,222,758	\$ (52,430,660)
16				
17				
18	UNCOLLECTIBLES @	0.52790%	(369,838)	
19	ANNUAL FILING FEE @	0.20000%	(140,117)	
20	INCREASE (DECREASE) EXPENSE		(509,954)	
21				
22	STATE UTILITY TAX @	3.83170%	\$ (2,684,423)	
23				
24	INCREASE (DECREASE) TAXES OTHER			(3,194,377)
25				
26	INCREASE (DECREASE) OPERATING INCOME			(14,433,239)
27	INCREASE (DECREASE) FIT @	21%		(3,030,980)
28	INCREASE (DECREASE) NOI			\$ (11,402,259)

**PUGET SOUND ENERGY-GAS
DEPRECIATION STUDY
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
EXPEDITED RATE FILING**

LINE NO.	DESCRIPTION	EOP RESTATED RESULTS	EOP ANNUALIZED RESULTS	ANNUALIZING ADJUSTMENT
1	403 GAS DEPRECIATION EXPENSE	\$ 121,125,759	\$ 110,842,826	\$ (10,282,932)
2	403 GAS PORTION OF COMMON	31,848,746	31,063,562	(785,184)
3	SUBTOTAL DEPRECIATION EXPENSE 403	152,974,504	141,906,389	(11,068,116)
4	403.1 GAS ASSET RETIREMENT COST DEPRECIATION	143,636	143,636	-
5	411.10 GAS ASSET RETIREMENT OBLIGATION ACCRETION	158,095	158,095	-
6	TOTAL DEPRECIATION AND ACCRETION	\$ 153,276,236	\$ 142,208,120	\$ (11,068,116)
7				
8				
9	INCREASE (DECREASE) EXPENSE			(11,068,116)
10				
11	INCREASE (DECREASE) FIT		21%	2,324,304
12	INCREASE (DECREASE) NOI			<u>\$ 8,743,811</u>
13				
14	ADJUSTMENT TO RATE BASE			
15	ADJUSTMENT TO ACCUM. DEPREC. AT 100% DEPREC. EXP. LINE 5			\$ 11,068,116
16	DEFERRED FEDERAL INCOME TAXES			(2,324,304)
17				
18	TOTAL ADJUSTMENT TO RATEBASE			<u>\$ 8,743,811</u>

PUGET SOUND ENERGY-GAS
ANNUALIZE FEDERAL INCOME TAX
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
EXPEDITED RATE FILING

LINE NO.	DESCRIPTION	AMOUNT
1	TAXABLE INCOME	\$ 118,628,304
2		
3	FEDERAL INCOME TAX @ 21%	21% 24,911,944
4	CURRENTLY PAYABLE	24,911,944
5		
6	DEFERRED FIT - DEBIT	(1,715,565)
7	DEFERRED FIT - OTHER	
8	TOTAL RESTATED FIT	23,196,379
9	FIT INCLUDED IN EOP RESTATED RESULTS:	
10	CURRENTLY PAYABLE	(904,995)
11	DEFERRED FIT - DEBIT & CREDIT	21,394,458
12		
13	DEFERRED FIT - INV TAX CREDIT, NET OF AMORT.	
14	TOTAL CHARGED TO EXPENSE	20,489,464
15		
16	INCREASE(DECREASE) FIT	25,816,939
17	INCREASE(DECREASE) DEFERRED FIT	(23,110,024)
18	INCREASE(DECREASE) NOI	<u>\$ (2,706,915)</u>

PUGET SOUND ENERGY-GAS
TAX BENEFIT OF RESTATED INTEREST
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
COMMISSION BASIS REPORT

LINE NO. DESCRIPTION	AMOUNT
1 FINAL RATE BASE	\$ 1,936,552,918
2	
3 REQUESTED AUTHORIZED WEIGHTED COST OF DEBT	<u>2.88%</u>
4 FINAL INTEREST	\$ 55,772,724
5	
6 FINAL TAX BENEFIT OF INTEREST AT MOST CURRENT FIT RATE	21.0% <u>\$ (11,712,272)</u>
7	
8 INCREASE (DECREASE) FIT	<u>(11,712,272)</u>
9	
10 INCREASE (DECREASE) NOI	<u><u>\$ 11,712,272</u></u>

PUGET SOUND ENERGY-GAS
DEFERRED GAINS/LOSSES ON PROPERTY SALES
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
EXPEDITED RATE FILING

AMOUNT

		AMOUNT
1	DEFERRED GAIN APPROVED IN UG-180283	\$ 77,955
2	DEFERRED LOSS APPROVED IN UE-180283	270,964
3	TOTAL DEFERRED NET GAINS AND LOSSES TO AMORTIZE	<u>348,919</u>
4		
5	ANNUAL AMORTIZATION (LINE 3 ÷ 36) x 12	116,306
6		
7	TEST YEAR AMORTIZATION INCLUDED IN EOP RESTATED RESULTS	<u>41,118</u>
8		
9	INCREASE (DECREASE) EXPENSE (LINE 5 - LINE 7)	75,188
10		
11	INCREASE (DECREASE) FIT	21% <u>(15,790)</u>
12		
13	INCREASE (DECREASE) NOI	<u>\$ (59,399)</u>

**PUGET SOUND ENERGY-GAS
ENVIRONMENTAL REMEDIATION
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
EXPEDITED RATE FILING**

LINE NO.	DESCRIPTION	AMOUNT
1	<u>GAS ENVIRONMENTAL REMEDIATION DEFERRED COSTS</u>	
2	<u>APPROVED IN UG-180283 (2017 GRC TAX REFORM)</u>	
3	ENVIRONMENTAL REMEDIATION COSTS	\$ 72,192,483
4	ANNUAL AMORTIZATION (LINE 3 ÷ 5 YEARS)	\$ 14,438,497
5		
6	<u>INSURANCE PROCEEDS & THIRD PARTY PAYMENTS</u>	
7	<u>APPROVED IN UG-180283 (2017 GRC TAX REFORM)</u>	
8	SHARE OF DEFERRED UNASSIGNED RECOVERIES	(29,176,116)
9	ANNUAL AMORTIZATION (LINE 8 ÷ 5 YEARS)	<u>(5,835,223)</u>
10		
11	TOTAL RATE YEAR AMORTIZATION GAS ENVIRONMENTAL (LINE 4 + LINE 9)	8,603,274
12		
13	TEST YEAR AMORTIZATION INCLUDED IN EOP RESTATED RESULTS	<u>4,602,289</u>
14		
15	TOTAL INCREASE (DECREASE) OPERATING EXPENSE	4,000,985
16		
17	INCREASE (DECREASE) FIT @ 21% (LINE 15 X 21%)	21% <u>(840,207)</u>
18		
19	INCREASE (DECREASE) NOI	<u><u>\$ (3,160,778)</u></u>

PUGET SOUND ENERGY-GAS
PAYMENT PROCESSING COSTS
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
EXPEDITED RATE FILING

LINE NO. DESCRIPTION	EOP (SAME AS CBR) RESTATED RESULTS	EOP ANNUALIZED RESULTS	ADJUSTMENT
1 <u>DOCKET UE-160203 & UG-160204 CREDIT CARD FEES</u>			
2 EXPECTED RATE YEAR LEVEL OF FEES	\$ 967,690	\$ 1,793,779	\$ 826,089
3 AMORTIZATION OF DEFERRAL (OVER 3 YEARS) (NOTE 1)	319,562	597,372	277,810
4 INCREASE (DECREASE) IN EXPENSE	\$ 1,287,252	\$ 2,391,151	\$ 1,103,899
5			
6 INCREASE(DECREASE) OPERATING EXPENSE (LINE 4)			1,103,899
7			
8 INCREASE (DECREASE) FIT		21%	(231,819)
9			
10 INCREASE (DECREASE) NOI			\$ (872,080)
11			
12 (NOTE 1) APPROVED IN UG-180283 (2017 GRC TAX REFORM)			

**EXH. SEF-11
DOCKETS UE-18___/UG-18___
2018 PSE EXPEDITED RATE FILING
WITNESS: SUSAN E. FREE**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of:

PUGET SOUND ENERGY

Expedited Rate Filing

**Docket UE-18___
Docket UG-18___**

**TENTH EXHIBIT (NONCONFIDENTIAL) TO THE
PREFILED DIRECT TESTIMONY OF**

SUSAN E. FREE

ON BEHALF OF PUGET SOUND ENERGY

NOVEMBER 7, 2018

PUGET SOUND ENERGY-ELECTRIC
REMOVE VARIABLE POWER COSTS
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
EXPEDITED RATE FILING

LINE NO.		PCA EXHIBIT A-1
1	<u>OPERATING REVENUES:</u>	
2	SALES TO CUSTOMERS	\$ (724,521,412)
3	SALES FROM RESALE-FIRM	-
4	SALES TO OTHER UTILITIES	(61,442,898)
5	OTHER OPERATING REVENUES	(13,961,272)
6	TOTAL OPERATING REVENUES	(799,925,582)
7		
8	<u>OPERATING REVENUE DEDUCTIONS:</u>	
9		
10	<u>POWER COSTS:</u>	
11	FUEL	(208,443,243)
12	PURCHASED AND INTERCHANGED	(434,843,424)
13	WHEELING	(110,806,488)
14	RESIDENTIAL EXCHANGE	-
15	TOTAL PRODUCTION EXPENSES	(754,093,156)
16		
17	OTHER POWER SUPPLY EXPENSES	0
18	TRANSMISSION EXPENSE	0
19	DISTRIBUTION EXPENSE	-
20	CUSTOMER ACCOUNT EXPENSES	(5,810,662)
21	CUSTOMER SERVICE EXPENSES	-
22	CONSERVATION AMORTIZATION	-
23	ADMIN & GENERAL EXPENSE	(1,449,043)
24	DEPRECIATION	0
25	AMORTIZATION	0
26	AMORTIZ OF PROPERTY GAIN/LOSS	0
27	OTHER OPERATING EXPENSES	0
28	FAS 133	-
29	TAXES OTHER THAN F.I.T.	(29,197,002)
30	FEDERAL INCOME TAXES	(1,968,901)
31	DEFERRED INCOME TAXES	-
32	TOTAL OPERATING REV. DEDUCT.	(792,518,764)
33		
34	NET OPERATING INCOME	(7,406,819)
35		

**EXH. SEF-12
DOCKETS UE-18___/UG-18___
2018 PSE EXPEDITED RATE FILING
WITNESS: SUSAN E. FREE**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of:

PUGET SOUND ENERGY

Expedited Rate Filing

**Docket UE-18___
Docket UG-18___**

**ELEVENTH EXHIBIT (NONCONFIDENTIAL) TO THE
PREFILED DIRECT TESTIMONY OF**

SUSAN E. FREE

ON BEHALF OF PUGET SOUND ENERGY

NOVEMBER 7, 2018

PUGET SOUND ENERGY-GAS
SUMMARY OF NON-ERF AMOUNTS TO BE REMOVED
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018

LINE NO.	DESCRIPTION	ADJUSTMENT TO REMOVE NON-ERF (PGA)	ADJUSTMENT TO REMOVE NON-ERF (CRM)	TAX BENEFIT OF INTEREST ON CRM ADJUSTMENT	TOTAL
1	OPERATING REVENUES:				
2	SALES TO CUSTOMERS	\$ (301,952,305)	\$ (10,461,913)		\$ (312,414,218)
3	MUNICIPAL ADDITIONS				-
4a	RENTALS				-
4b	OTHER OPERATING REVENUES	(980,025)			(980,025)
5	TOTAL OPERATING REVENUES	(302,932,330)	(10,461,913)	-	(313,394,243)
6					
7					
8	OPERATING REVENUE DEDUCTIONS:				
9					
10	GAS COSTS:				
11					
12	PURCHASED GAS	(288,222,758)			(288,222,758)
13					
14	TOTAL PRODUCTION EXPENSES	(288,222,758)	-	-	(288,222,758)
15					
16	OTHER POWER SUPPLY EXPENSES				-
17	TRANSMISSION EXPENSE				-
18	DISTRIBUTION EXPENSE				-
19	CUSTOMER ACCOUNT EXPENSES	(1,599,180)	(55,228)		(1,654,408)
20	CUSTOMER SERVICE EXPENSES				-
21	CONSERVATION AMORTIZATION				-
22	ADMIN & GENERAL EXPENSE	(605,865)	(20,924)		(626,788)
23	DEPRECIATION		(1,410,708)		(1,410,708)
24	AMORTIZATION				-
25	AMORTIZATION OF PROPERTY LOSS				-
26	OTHER OPERATING EXPENSES				-
27	TAXES OTHER THAN F.I.T.	(11,607,458)	(400,869)		(12,008,327)
28	FEDERAL INCOME TAXES	(188,384.61)	(1,800,578)	441,603	(1,547,360)
29	DEFERRED INCOME TAXES				-
30	TOTAL OPERATING REV. DEDUCT.	(14,000,887)	(3,688,308)	441,603	(17,247,592)
31					
32	NET OPERATING INCOME	\$ (708,685)	\$ (6,773,605)	\$ (441,603)	\$ (7,923,893)
33					
34	RATE BASE	-	-	-	-
35					
36	RATE OF RETURN	N/A	9.28%	N/A	N/A
37					
38	RATE BASE:				
39	UTILITY PLANT IN SERVICE AND OTHER ASSETS	\$ -	\$ (83,805,385)		\$ (83,805,385)
40	ACCUMULATED DEPRECIATION	-	2,698,021		2,698,021
41	ACCUMULATED DEFERRED FIT - LIBERALIZED	-	8,091,053		8,091,053
42	DEPRECIATION AND OTHER LIABILITIES	-			-
43	TOTAL NET INVESTMENT	-	(73,016,310)	-	(73,016,310)
44	ALLOWANCE FOR WORKING CAPITAL	-		-	-
45	TOTAL RATE BASE	\$ -	\$ (73,016,310)	\$ -	\$ (73,016,310)

PUGET SOUND ENERGY-GAS
SUMMARY OF NON-ERF AMOUNTS TO BE REMOVED
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018

LINE NO.	DESCRIPTION	ADJUSTMENT TO REMOVE NON- ERF (PGA)
1	<u>OPERATING REVENUES:</u>	
2	SALES TO CUSTOMERS	\$ (301,952,305)
3	MUNICIPAL ADDITIONS	
4a	RENTALS	
4b	OTHER OPERATING REVENUES	<u>(980,025)</u>
5	TOTAL OPERATING REVENUES	(302,932,330)
6		
7		
8	OPERATING REVENUE DEDUCTIONS:	
9		
10	GAS COSTS:	
11		
12	PURCHASED GAS	(288,222,758)
13		
14	TOTAL PRODUCTION EXPENSES	<u>(288,222,758)</u>
15		
16	OTHER POWER SUPPLY EXPENSES	
17	TRANSMISSION EXPENSE	
18	DISTRIBUTION EXPENSE	
19	CUSTOMER ACCOUNT EXPENSES	(1,599,180)
20	CUSTOMER SERVICE EXPENSES	
21	CONSERVATION AMORTIZATION	
22	ADMIN & GENERAL EXPENSE	(605,865)
23	DEPRECIATION	
24	AMORTIZATION	
25	AMORTIZATION OF PROPERTY LOSS	
26	OTHER OPERATING EXPENSES	
27	TAXES OTHER THAN F.I.T.	(11,607,458)
28	FEDERAL INCOME TAXES	(188,384.61)
29	DEFERRED INCOME TAXES	
30	TOTAL OPERATING REV. DEDUCT.	<u>(14,000,887)</u>
31		
32	NET OPERATING INCOME	<u>\$ (708,685)</u>

**PUGET SOUND ENERGY-GAS
GAS COST RECOVERY MECANISM (CRM)
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018**

	ACTUAL	PROFORMA RESTATED	ADJUSTMENT
1 <u>ADJUSTMENT TO OPERATING REVENUES</u>			
2 PROFORM SCH. 149 REVENUE	\$10,461,913		\$ (10,461,913)
3			
4 <u>ADJUSTMENT TO OPERATING EXPENSES</u>			
5 403 DEPRECIATION EXPENSE	2,219,878		(2,219,878)
6 PORTION INCLUDED IN DEPRECIATION STUDY ADJ	(809,169)		809,169
7 ADJUSTED DEPRECIATION EXPENSE	1,410,708	-	(1,410,708)
8			
9 UNCOLLECTIBLES @	0.005279 55,228	-	(55,228)
10 ANNUAL FILING FEE @	0.002000 20,924	-	(20,924)
11 INCREASE (DECREASE) EXPENSES	76,152	-	(76,152)
12			
13 STATE UTILITY TAX @	0.038317 400,869	-	(400,869)
14			
15 INCREASE (DECREASE) TAXES OTHER	477,021	-	(477,021)
16			
17 INCREASE (DECREASE) INCOME	8,574,183	-	(8,574,183)
18 INCREASE (DECREASE) FIT @	21.0% 1,800,578	-	(1,800,578)
19			
20 INCREASE (DECREASE) NOI	\$ 6,773,605	\$ -	\$ (6,773,605)
21			
22			
23 <u>ADJUSTMENT TO RATE BASE</u>			
24 PLANT	\$83,805,385		\$ (83,805,385)
25 ACCUM DEPRECIATION, CURRENT LEVEL	(3,102,605)		3,102,605
26 A/D PORTION INCLUDED IN DEPRECIATION STUDY ADJ	404,585		(404,585)
27 ACCUMULATED DEFERRED INCOME TAXES	(8,006,091)		8,006,091
28 ADFIT PORTION INCLUDED IN DEPRECIATION STUDY ADJ	(84,963)		84,963
29			
30 TOTAL ADJUSTMENT TO RATEBASE	\$73,016,310	\$ -	\$ (73,016,310)

PUGET SOUND ENERGY-GAS
TAX BENEFIT OF PRO FORMA INTEREST ON CRM ADJUSTMENT
FOR THE TWELVE MONTHS ENDED JUNE 30, 2018
EXPEDITED RATE FILING

LINE

NO.	DESCRIPTION	AMOUNT
1	RATE BASE CHANGE	<u>(73,016,310)</u>
2	NET RATE BASE	(73,016,310)
3		
4	WEIGHTED AVERAGE COST OF DEBT	<u>2.88%</u>
5	PROFORMA INTEREST	<u>(2,102,870)</u>
6		
7	INCREASE (DECREASE) INCOME	2,102,870
8		
9	INCREASE (DECREASE) FIT @	21% <u>441,603</u>
10	INCREASE (DECREASE) NOI	<u>\$ (441,603)</u>

**EXH. SEF-15
DOCKETS UE-18___/UG-18___
2018 PSE EXPEDITED RATE FILING
WITNESS: SUSAN E. FREE**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of:

PUGET SOUND ENERGY

Expedited Rate Filing

**Docket UE-18___
Docket UG-18___**

**FOURTEENTH EXHIBIT (NONCONFIDENTIAL) TO THE
PREFILED DIRECT TESTIMONY OF**

SUSAN E. FREE

ON BEHALF OF PUGET SOUND ENERGY

NOVEMBER 7, 2018

Exhibit A-1 Power Cost Baseline Rate 2018 Expedited Rate Filing

Variable amounts are from PSE's tariff update for tax reform (UE-180282) and Fixed amounts are from PSE's ERF filing (UE-18XXXX)

Row		EOP Test Year		(In PCA)	(In Decoupling)	(In PCA)	(In Decoupling)	(In PCA)	(In Decoupling)
		Total	6.89%	Variable	Fixed	Variable	Fixed	Variable	Fixed
		\$	\$	\$ (III)	\$ (IV)	\$ (VI)	\$ (VII)	\$ (VIII)	\$ (IX)
	F/V	(I)	(II)	(III)	(IV)	(VI)	(VII)	(VIII)	(IX)
		Total	6.89%	Variable	Fixed	Variable	Fixed	Variable	Fixed
		\$	\$	\$ (III)	\$ (IV)	\$ (VI)	\$ (VII)	\$ (VIII)	\$ (IX)
3	Regulatory Assets (1) (Fixed)	\$	195,397,759						
4	Transmission Rate Base (Fixed)		80,901,512						
5	Production Rate Base (Fixed)		1,720,923,340						
6			\$ 1,997,222,611						
7	Net of tax rate of return		6.89%						
8		Total	6.89%	Variable	Fixed	Variable	Fixed	Variable	Fixed
9		\$	\$	\$ (III)	\$ (IV)	\$ (VI)	\$ (VII)	\$ (VIII)	\$ (IX)
9A		F/V	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)
10	Regulatory Asset Recovery (on Row 3)	F	\$ 17,041,653	\$ -	\$ 17,041,653	\$ 0.812	\$ 0.812	\$ 0.230	\$ 0.230
10a	Equity Adder Centralia Coal Transition PPA	V	4,769,481	4,769,481					
11	Fixed Asset Recovery Other (on Row 4)	F	7,055,841	7,055,841					
12	Fixed Asset Recovery-Prod Factored (on Row 5)	F	150,090,656	150,090,656					
13	501-Stream Fuel Incl PC Reg Amort	V	69,962,949	69,962,949				3,376	3,376
14	555-Purchased power Incl PC Reg Amort	V	378,349,380	378,349,380				18,257	18,257
15	557-Other Power Exp	F	10,526,740	10,526,740					0.502
15a	Payroll Overheads - Benefits (Inc. Worker's Comp	F	6,737,778	6,737,778					0.321
15b	Property Insurance	F	2,981,171	2,981,171					0.142
15c	Montana Electric Energy Tax	V	1,262,663	1,262,663				0.061	0.061
15d	Payroll Taxes on Production Wages	F	2,327,018	2,327,018					0.111
15e	Brokerage Fees 55700003	V	313,332	313,332				0.015	0.015
16	547-Fuel Incl PC Reg Amort	V	171,115,374	171,115,374				8,257	8,257
17	565-Wheeling Incl PC Reg Amort	V	108,374,278	108,374,278				5,230	5,230
18	Transmission Revenue 45610005	F	(6,992,734)	(6,992,734)				(0.333)	(0.333)
19	Production O&M	F	127,615,678	127,615,678				6.084	6.084
20	447-Sales to Others	V	(36,228,867)	(36,228,867)				(1.748)	(1.748)
21	456-Purch/Sales Non-Core Gas	V	(16,223,873)	(16,223,873)				(0.783)	(0.783)
22	Transmission Exp - 500KV	F	744,458	744,458					0.035
23	Depreciation-Production (FERC 403)	F	176,311,498	176,311,498				8.405	8.405
24	Depreciation-Transmission	F	3,597,105	3,597,105				0.171	0.171
25	Amortization - Regulatory Assets & Liab - Non PC	F	19,415,532	19,415,532				0.926	0.926
26	Subtotal Variable and Fixed Costs		\$ 1,199,147,111	\$ 681,694,718	\$ 517,452,393	\$ 57,564	\$ 32,895	\$ 20,723,206	\$ 24,668
27	Test Year DELIVERED Load (includes firm wholesale)								20,976,300
28	Revenue Sensitive Items			0.9523860	0.9515570			0.9523860	0.9515570
29	Subtotal Costs and Rates Grou up for RSI		1,259,571,137	715,775,660	543,795,477	60,464	34,540	34,540	25,924
30									
31									
32									
33									
34									
35									

Baseline Rate Summarized		
Total	Variable	Fixed
BLR Net of RSI	\$ 57,564	\$ 24,668
Grossed up for RSI	\$ 60,464	\$ 25,924

(1) - Amortization is picked up in Regulatory Assets and Liabilities Adjustment and White River Adjustment.

**Puget Sound Energy
 REVENUE (SURPLUS) / DEFICIENCY
 2017 GRC Tax Reform UE-180282 and 2018 ERF
 Contingent Calculation Without Microsoft Compared
 to 2017 GRC Settlement**

**Revenue Deficiency Calculation
 Impact without Microsoft**

Row	TY RY	17GRC Cont Calc	17GRC SETTLEMENT	(Surplus)/ Deficiency
		12MOE Sept 2016 Jan - Dec 2018	12MOE Sept 2016 Jan - Dec 2018	
1		\$ 670,031,044	\$ 681,694,718	
2		0.9523860	0.9523860	
3				
4		703,528,867	715,775,660	
5		20,282,959	20,723,206	
6				
7		\$ 34.686	\$ 34.540	\$ 0.146
8				
9				20,282,959
10				
11				\$ 2,961,312

Exhibit A-1 Power Cost Baseline Rate 2018 Expedited Rate Filing

Variable amounts are from PSE's tariff update for tax reform (UE-180282 NO MS) and Fixed amounts are from PSE's ERF filing (UE-18XXX)

<= NO MICROSOFT =>

Row		F/V	Total	(In PCA) Variable	(In Decoupling) Fixed	Total	(In PCA) Variable	(In Decoupling) Fixed
				\$/MWh (III)	\$/MWh (IV)	\$/MWh (V)	\$/MWh (VI)	\$/MWh (VII)
3	Regulatory Assets (1) (Fixed)		\$ 195,397,759					
4	Transmission Rate Base (Fixed)		80,901,512					
5	Production Rate Base (Fixed)		1,720,923,340					
6			\$1,997,222,611					
7	Net of tax rate of return		6.89%					
8								
9								
9A								
10	Regulatory Asset Recovery (on Row 3)	F	\$ 17,041,653	\$ -	\$ 17,041,653	\$ 0.812	\$ 0.235	\$ 0.812
10a	Equity Adder Centralia Coal Transition PPA	V	4,770,580	4,770,580				
11	Fixed Asset Recovery Other (on Row 4)	F	7,055,841		7,055,841			
12	Fixed Asset Recovery-Prod Factored (on Row 5)	F	150,090,656		150,090,656			
13	501-Steam Fuel Incl PC Reg Amort	V	69,979,069	69,979,069			3,450	3,450
14	555-Purchased power Incl PC Reg Amort	V	370,094,614	370,094,614			18,247	18,247
15	557-Other Power Exp	F	10,526,740		10,526,740			
15a	Payroll Overheads - Benefits (Inc. Worker's Conr	F	6,737,778		6,737,778			
15b	Property Insurance	F	2,981,171		2,981,171			
15c	Montana Electric Energy Tax	V	1,262,954	1,262,954			0.062	0.062
15d	Payroll Taxes on Production Wages	F	2,327,018		2,327,018			
15e	Brokerage Fees 55700003	V	313,404	313,404			0.015	0.015
16	547-Fuel Incl PC Reg Amort	V	171,056,253	171,056,253			8,433	8,433
17	565-Wheeling Incl PC Reg Amort	V	108,399,249	108,399,249			5,344	5,344
18	Transmission Revenue 45610005	F	(6,992,734)		(6,992,734)		(0.333)	(0.333)
19	Production O&M	F	127,615,678		127,615,678		6.084	6.084
20	447-Sales to Others	V	(39,617,468)	(39,617,468)			(1.953)	(1.953)
21	456-Purch/Sales Non-Core Gas	V	(16,227,611)	(16,227,611)			(0.800)	(0.800)
22	Transmission Exp - 500KV	F	744,458		744,458		0.035	0.035
23	Depreciation-Production (FERC 403)	F	176,311,498		176,311,498		8.405	8.405
24	Depreciation-Transmission	F	3,597,105		3,597,105		0.171	0.171
25	Amortization - Regulatory Assets & Liab - Non PC	F	19,415,532		19,415,532		0.926	0.926
26	Subtotal Variable and Fixed Costs		\$1,187,483,437	\$ 670,031,044	\$ 517,452,393	\$ 57,703	\$ 33,034	\$ 24,668
27	Test Year DELIVERED Load (includes firm wholesale)						20,282,959	20,976,300
28	Revenue Sensitive Items			0.9523860	0.9515570		0.9523860	0.9515570
29	Subtotal Costs and Rates Grou up for RSI		1,247,324,344	703,528,867	543,795,477	60.610	34.686	25.924
30								
31								
32								
33								
34								
35								

Baseline Rate Summarized			
	Total	Variable	Fixed
BLR Net of RSI	\$ 57,703	\$ 33,034	\$ 24,668
Grossed up for RSI	\$ 60,610	\$ 34,686	\$ 25,924

(1) - Amortization is picked up in Regulatory Assets and Liabilities Adjustment and White River Adjustment. check=> \$ - \$ - \$ -