

Puget Sound Energy - Washington
Comparison of PC Proposed Net Salvage Accrual and Average Net Salvage Actually Incurred
As of September 30, 2016

Account	Description	9/30/16 Investment	Future Net Salvage Percent	PC Proposed		COR Included in PC Proposed		Five-Year Average COR Actually Incurred	PC Proposed COR Accrual / Five-Year COR Actually Incurred
				Rate	Accrual	Rate	Accrual		
A		B							
<u>ELECTRIC PLANT</u>									
TRANSMISSION PLANT									
350 thru 350.99	Easements	36,126,697	0%	0.00%	0	0.00%	0	0	0.0
352 thru 352.9	Structures and Improvements	9,804,944	-5%	1.49%	145,671	0.07%	6,937	0	0.0
353 thru 353.9	Station Equipment	595,475,583	-10%	2.35%	13,968,709	0.21%	1,269,883	613,269	2.1
354 thru 354.9	Tower and Fixtures	92,203,928	-15%	1.25%	1,153,001	0.16%	150,391	0	0.0
355 thru 355.9	Poles and Fixtures	343,456,967	-30%	2.98%	10,245,913	0.69%	2,364,441	1,057,822	2.2
356 thru 356.9	Overhead Conductors and Devices	291,641,567	-5%	1.24%	3,615,590	0.06%	172,171	123,660	1.4
357 thru 357.7	Underground Conduit	1,210,859	0%	2.20%	26,698	0.00%	0	0	0.0
358.7 thru 358.9	Underground Conductors and Devices	36,956,730	0%	1.49%	549,201	0.00%	0	0	0.0
359 thru 359.99	Roads and Trails	1,955,836	0%	1.48%	28,939	0.00%	0	0	0.0
TOTAL TRANSMISSION PLANT		1,406,877,276		2.11%	29,704,782		3,963,823	1,794,752	2.2
DISTRIBUTION PLANT									
360.10	EASEMENTS	6,192,998	0%	1.13%	70,012	0.00%	0	0	0.0
361.00	STRUCTURES AND IMPROVEMENTS	7,980,827	-10%	1.76%	140,564	0.16%	12,779	6,351	2.0
362.00	STATION EQUIPMENT	434,912,649	-10%	1.92%	8,349,660	0.17%	759,060	272,048	2.8
363.00	BATTERY STORAGE EQUIPMENT	1,194,183	0%	5.00%	59,708	0.00%	0	0	0.0
364.00	POLES, TOWERS AND FIXTURES	340,904,415	-50%	3.14%	10,701,744	1.05%	3,567,248	2,600,667	1.4
365.00	OVERHEAD CONDUCTORS AND DEVICES	409,216,187	-25%	3.73%	15,278,091	0.75%	3,055,618	1,936,404	1.6
366.00	UNDERGROUND CONDUIT	672,272,623	-10%	1.77%	11,902,302	0.16%	1,082,027	(5,400)	-200.4
367.00	UNDERGROUND CONDUCTORS AND DEVICES	844,856,752	-20%	3.15%	26,581,811	0.52%	4,430,302	1,985,431	2.2
368.00	LINE TRANSFORMERS	462,673,681	-50%	4.06%	18,787,493	1.35%	6,262,498	2,352,592	2.7
369.00	SERVICES	182,057,677	-50%	2.82%	5,131,699	0.94%	1,710,566	597,978	2.9
370.00	METERS	140,665,914	-10%	8.37%	11,769,870	0.76%	1,069,988	1,157,315	0.9
373.00	STREET LIGHTING AND SIGNAL SYSTEMS	53,727,968	-15%	4.76%	2,559,157	0.62%	333,803	312,465	1.1
TOTAL DISTRIBUTION PLANT		3,556,655,873		3.13%	111,332,111		0.63% 22,283,889	11,215,852	2.0

Source: Exhibit No. JJS-3r