

Puget Sound Energy - Washington
 Summary of Depreciation Rates and Annual Accrual Amounts
 As of September 30, 2016

Account	Description	9/30/16 Investment	Current Approved		PSE Proposed			Public Counsel Proposed			
			Accrual Rate	Accrual Amount	Accrual Rate	Accrual Amount	Difference from Current	Accrual Rate	Accrual Amount	Difference from Current	Difference from Company
	A	B	C	D	E	F	G	H	I	J	K
<u>ELECTRIC PLANT</u>											
STEAM PRODUCTION PLANT											
311.00	Struct. & Improv.										
	Colstrip 1	9,209,468	1.74%	160,346	9.24%	851,276	690,930	5.08%	468,008	307,662	(383,268)
	Colstrip 2	4,336,957	1.32%	57,245	15.12%	655,913	598,668	7.98%	346,097	288,852	(309,816)
	Colstrip 3	29,664,979	1.33%	395,700	2.25%	666,220	270,520	2.17%	644,026	248,326	(22,194)
	Colstrip 4	27,862,835	1.42%	395,189	2.40%	669,654	274,465	2.26%	630,205	235,015	(39,449)
	Colstrip 1-2	30,934,200	1.23%	381,429	4.22%	1,305,543	924,114	2.54%	786,774	405,345	(518,769)
	Colstrip 3-4	70,065,641	1.31%	917,813	2.10%	1,471,709	553,896	2.06%	1,441,200	523,387	(30,509)
	Frederickson 1/EPCOR	403,636	3.18%	12,818	4.11%	16,597	3,779	2.84%	11,478	(1,340)	(5,119)
	Goldendale	2,131,452	1.55%	33,038	1.33%	28,273	(4,765)	2.94%	62,595	29,558	34,322
	Mint Farm	458,042	2.80%	12,819	2.67%	12,208	(611)	2.78%	12,716	(103)	508
	Sumas	1,492,712	1.74%	25,973	1.50%	22,408	(3,565)	4.28%	63,851	37,878	41,443
	Ferndale	571,513	1.50%	8,598	2.33%	13,296	4,698	4.87%	27,806	19,208	14,510
	<i>Total Struct. & Improv.</i>	177,131,434	1.36%	2,400,968	3.23%	5,713,097	3,312,129	2.54%	4,494,756	2,093,787	(1,218,341)
312.00	Boiler Plant Eq.										
	Colstrip 1	88,145,748	1.69%	1,490,756	11.12%	9,805,944	8,315,188	5.02%	4,427,415	2,936,659	(5,378,529)
	Colstrip 2	88,368,523	1.78%	1,570,851	12.19%	10,769,052	9,198,201	5.67%	5,008,304	3,437,453	(5,760,748)
	Colstrip 3	137,645,882	1.44%	1,978,655	2.71%	3,728,844	1,750,189	2.31%	3,172,834	1,194,180	(556,010)
	Colstrip 4	126,930,413	1.64%	2,086,231	3.01%	3,825,428	1,739,197	2.46%	3,123,915	1,037,684	(701,513)
	Colstrip 1-2	6,043,572	1.27%	76,580	4.51%	272,594	196,014	0.38%	22,728	(53,852)	(249,866)
	Colstrip 3-4	15,254,042	1.49%	227,441	2.65%	404,976	177,535	1.77%	269,797	42,356	(135,179)
	Encogen	42,923,481	2.39%	1,027,223	1.61%	689,589	(337,634)	2.97%	1,272,957	245,735	583,368
	Frederickson 1/EPCOR	18,138,531	3.34%	605,463	2.70%	489,745	(115,718)	2.78%	504,103	(101,360)	14,358
	Goldendale	86,173,650	1.55%	1,335,692	1.06%	914,220	(421,472)	2.90%	2,496,118	1,160,426	1,581,898
	Mint Farm	26,297,847	2.80%	736,000	3.27%	860,987	124,987	2.86%	752,129	16,128	(108,858)
	Sumas	15,704,259	1.74%	273,254	1.00%	157,672	(115,582)	4.06%	637,723	364,469	480,051
	Ferndale	44,686,468	1.50%	672,273	2.12%	947,227	274,954	4.76%	2,127,183	1,454,910	1,179,956
	<i>Total Boiler Plant Eq.</i>	696,312,415	1.73%	12,080,418	4.72%	32,866,278	20,785,860	3.42%	23,815,206	11,734,787	(9,051,072)
314.00	Turbogenerator Units										
	Colstrip 1	28,781,740	2.36%	679,784	13.60%	3,914,005	3,234,221	3.71%	1,066,919	387,135	(2,847,086)
	Colstrip 2	34,145,119	2.29%	783,031	13.42%	4,582,212	3,799,181	3.72%	1,270,718	487,687	(3,311,494)
	Colstrip 3	42,228,337	1.87%	789,442	4.55%	1,919,620	1,130,178	2.42%	1,021,257	231,816	(898,363)
	Colstrip 4	39,133,170	1.92%	752,674	4.27%	1,672,938	920,264	2.55%	998,705	246,031	(674,233)
	Colstrip 1-2	3,813,726	1.24%	47,396	3.06%	116,678	69,282	0.00%	(0)	(47,396)	(116,678)
	Encogen	20,710,885	2.38%	492,210	1.50%	309,829	(182,381)	2.61%	540,416	48,206	230,587
	Frederickson 1/EPCOR	15,800,824	3.25%	514,263	2.86%	452,092	(62,171)	2.73%	431,836	(82,427)	(20,256)
	Goldendale	89,524,456	1.55%	1,387,629	1.14%	1,016,648	(370,981)	2.93%	2,624,062	1,236,433	1,607,414
	Mint Farm	24,647,470	2.80%	689,811	2.96%	728,552	38,741	2.87%	707,277	17,466	(21,275)

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<u>ELECTRIC PLANT</u>											
	Lower Baker	35,273,454	0.81%	285,496	2.20%	776,755	491,259	2.20%	776,014	490,518	(741)
	Upper Baker	15,612,654	0.54%	84,030	1.67%	260,751	176,721	1.64%	256,663	172,633	(4,088)
	Snoqualmie #1	58,654,809	2.24%	1,316,409	3.43%	2,009,010	692,601	3.43%	2,010,663	694,254	1,653
	Snoqualmie #2	54,612,246	1.98%	1,083,362	3.36%	1,834,277	750,915	3.36%	1,837,661	754,299	3,384
	<i>Total Struct. & Improv.</i>	164,153,163	1.69%	2,769,297	2.97%	4,880,793	2,111,496	2.97%	4,881,001	2,111,704	208
332.00 Reservoirs, Dams, & Waterways											
	Lower Baker	115,624,470	0.60%	689,206	2.28%	2,636,328	1,947,122	2.26%	2,607,432	1,918,227	(28,896)
	Upper Baker	119,603,565	0.36%	429,650	1.59%	1,900,806	1,471,156	1.56%	1,870,518	1,440,868	(30,288)
	Snoqualmie #1	53,492,873	2.72%	1,452,735	3.55%	1,899,379	446,644	3.55%	1,896,897	444,161	(2,482)
	Snoqualmie #2	60,540,017	2.17%	1,310,697	3.61%	2,184,265	873,568	3.60%	2,180,350	869,653	(3,915)
	<i>Total Reservoirs, Dams, & Waterways</i>	349,260,925	1.11%	3,882,288	2.47%	8,620,778	4,738,490	2.45%	8,555,197	4,672,910	(65,581)
333.00 Water Wheels, Turbines, & Generators											
	Lower Baker	41,634,915	2.00%	833,327	2.15%	893,215	59,888	2.12%	883,358	50,031	(9,857)
	Upper Baker	13,128,271	-	0	0.96%	126,284	126,284	0.94%	123,168	123,168	(3,116)
	Snoqualmie #1	36,614,585	1.61%	590,353	3.46%	1,266,049	675,696	3.42%	1,253,080	662,727	(12,969)
	Snoqualmie #2	35,031,624	3.24%	1,136,172	3.49%	1,222,346	86,174	3.49%	1,220,864	84,692	(1,482)
	<i>Total Water Wheels, Turbines, & Generators</i>	126,409,394	2.03%	2,559,853	2.78%	3,507,894	948,041	2.75%	3,480,471	920,618	(27,423)
334.00 Accessory Electric Eq.											
	Lower Baker	15,578,198	1.34%	208,062	2.21%	343,909	135,847	2.18%	339,515	131,453	(4,394)
	Upper Baker	2,738,078	0.01%	284	1.40%	38,385	38,101	1.38%	37,684	37,400	(701)
	Snoqualmie #1	16,156,295	1.69%	272,616	3.47%	561,261	288,645	3.43%	554,838	282,222	(6,423)
	Snoqualmie #2	11,055,386	1.66%	183,673	3.51%	388,424	204,751	3.51%	388,136	204,462	(288)
	<i>Total Accessory Electric Eq.</i>	45,527,958	1.46%	664,636	2.93%	1,331,979	667,343	2.90%	1,320,172	655,536	(11,807)
335.00 Misc. Power Plant Eq.											
	Lower Baker	8,012,780	0.18%	14,131	2.70%	216,627	202,496	2.68%	214,550	200,418	(2,077)
	Upper Baker	1,115,022	2.13%	23,791	1.97%	22,020	(1,771)	1.95%	21,701	(2,089)	(319)
	Snoqualmie #1	1,548,649	-	0	3.62%	56,004	56,004	3.62%	56,034	56,034	30
	Snoqualmie #2	1,592,311	3.48%	55,371	3.56%	56,628	1,257	3.52%	56,056	685	(572)
	<i>Total Misc. Power Plant Eq.</i>	12,268,762	0.76%	93,294	2.86%	351,279	257,985	2.84%	348,341	255,047	(2,938)
335.10 Misc. Tools											
	Lower Baker	846,483	4.21%	35,633	1.77%	15,022	(20,611)	1.77%	15,022	(20,611)	0
	Upper Baker	597,433	1.66%	9,909	10.36%	61,911	52,002	10.36%	61,911	52,002	0
	Snoqualmie #1	674,572	15.66%	105,635	1.32%	8,883	(96,752)	1.32%	8,883	(96,752)	0
	Snoqualmie #2	80,300	11.25%	9,034	0.26%	206	(8,828)	0.26%	206	(8,828)	0
	<i>Total Misc. Tools</i>	2,198,788	7.29%	160,210	3.91%	86,022	(74,188)	3.91%	86,022	(74,188)	0

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<u>ELECTRIC PLANT</u>											
336.00	Roads, RRs, & Bridges										
	Lower Baker	1,588,316	0.45%	7,206	2.30%	36,505	29,299	2.30%	36,485	29,279	(20)
	Upper Baker	2,648,182	-	0	2.53%	66,943	66,943	2.50%	66,188	66,188	(755)
	Snoqualmie #1	637,501	0.60%	3,803	3.38%	21,557	17,754	3.39%	21,597	17,794	40
	Snoqualmie #2	157,935	2.59%	4,089	3.38%	5,341	1,252	3.38%	5,332	1,242	(9)
	<i>Total Roads, RRs, & Bridges</i>	5,031,933	0.30%	15,098	2.59%	130,346	115,248	2.58%	129,602	114,504	(744)
TOTAL HYDROELECTRIC PRODUCTION PLANT		704,883,823	1.44%	10,145,475	2.68%	18,909,748	8,764,273	2.67%	18,801,464	8,655,989	(108,284)
OTHER PRODUCTION PLANT											
340.10	Easements	221,929	3.82%	8,478	1.17%	2,589	(5,889)	1.17%	2,589	(5,889)	0
341.00	Struct. & Improv.										
	Encogen	9,238,362	2.15%	198,282	2.51%	231,822	33,540	2.51%	231,822	33,540	0
	Frederickson 1/EPCOR	5,774,387	3.33%	192,287	2.47%	142,439	(49,848)	2.47%	142,439	(49,848)	0
	Goldendale	34,450,810	1.55%	533,988	1.01%	348,886	(185,102)	1.01%	348,886	(185,102)	0
	Mint Farm	11,003,157	2.80%	307,946	2.59%	284,891	(23,055)	2.59%	284,891	(23,055)	0
	Sumas	2,897,942	1.74%	50,424	1.49%	43,243	(7,181)	1.49%	43,243	(7,181)	0
	Crystal Mountain	811,210	5.26%	42,670	5.05%	40,935	(1,735)	5.05%	40,935	(1,735)	0
	Fredonia	5,035,527	4.16%	209,723	1.80%	90,676	(119,047)	1.80%	90,676	(119,047)	0
	Frederickson	2,735,279	3.22%	88,031	0.91%	24,785	(63,246)	0.91%	24,785	(63,246)	0
	Whitehorn 2-3	1,010,183	7.69%	77,682	2.83%	28,546	(49,136)	2.83%	28,546	(49,136)	0
	Ferndale	5,927,075	1.50%	89,168	2.28%	135,152	45,984	2.28%	135,152	45,984	0
	<i>Total Struct. & Improv.</i>	78,883,932	2.27%	1,790,202	1.74%	1,371,375	(418,827)	1.74%	1,371,375	(418,827)	0
341.01	Struct. & Improv. - Wind										
	Lower Snake River	31,416,966	4.24%	1,332,079	4.37%	1,373,504	41,425	4.37%	1,373,504	41,425	0
	Hopkins Ridge	3,413,472	4.24%	144,731	6.88%	234,724	89,993	6.88%	234,724	89,993	0
	Wild Horse	15,120,072	4.28%	647,328	5.70%	862,193	214,865	5.70%	862,193	214,865	0
	<i>Total Struct. & Improv. - Wind</i>	49,950,510	4.25%	2,124,138	4.95%	2,470,421	346,283	4.95%	2,470,421	346,283	0
342.00	Fuel Holders, Producers, & Access.										
	Encogen	8,121,641	2.08%	168,917	1.54%	125,475	(43,442)	1.54%	125,475	(43,442)	0
	Frederickson 1/EPCOR	1,804,663	3.02%	54,560	2.81%	50,752	(3,808)	2.81%	50,752	(3,808)	0
	Goldendale	1,887,875	1.55%	29,262	1.04%	19,635	(9,627)	1.04%	19,635	(9,627)	0
	Mint Farm	1,457,862	2.80%	40,801	2.71%	39,466	(1,335)	2.71%	39,466	(1,335)	0
	Sumas	3,889,943	1.74%	67,685	0.99%	38,673	(29,012)	0.99%	38,673	(29,012)	0
	Crystal Mountain	476,309	4.32%	20,570	7.84%	37,348	16,778	7.84%	37,348	16,778	0
	Fredonia	3,739,992	4.75%	177,601	3.27%	122,288	(55,313)	3.27%	122,288	(55,313)	0
	Frederickson	3,702,107	1.93%	71,534	0.56%	20,693	(50,841)	0.56%	20,693	(50,841)	0

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<u>ELECTRIC PLANT</u>											
	Whitehorn 2-3	134,195	5.83%	7,817	0.10%	134	(7,683)	0.10%	134	(7,683)	0
	Ferndale	418,443	1.50%	6,295	2.09%	8,763	2,468	2.09%	8,763	2,468	0
	<i>Total Fuel Holders, Producers, & Access.</i>	25,633,031	2.52%	645,042	1.81%	463,227	(181,815)	1.81%	463,227	(181,815)	0
344.00	Generators										
	Crystal Mountain	575,843	4.47%	25,744	3.00%	17,279	(8,465)	3.00%	17,279	(8,465)	0
	Fredonia	99,010,603	2.06%	2,035,580	2.77%	2,738,639	703,059	2.77%	2,738,639	703,059	0
	Frederickson	30,004,025	2.48%	744,068	1.69%	506,008	(238,060)	1.69%	506,008	(238,060)	0
	Whitehorn 2-3	33,087,674	7.10%	2,350,862	0.65%	216,097	(2,134,765)	0.65%	216,097	(2,134,765)	0
	<i>Total Generators</i>	162,678,145	3.17%	5,156,254	2.14%	3,478,023	(1,678,231)	2.14%	3,478,023	(1,678,231)	0
344.01	Generators - Wind										
	Lower Snake River	583,581,425	4.24%	24,743,852	4.33%	25,258,090	514,238	4.33%	25,258,090	514,238	0
	Hopkins Ridge	153,525,782	4.24%	6,504,335	4.88%	7,495,174	990,839	4.88%	7,495,174	990,839	0
	Wild Horse	372,345,403	4.28%	15,941,004	4.84%	18,030,523	2,089,519	4.84%	18,030,523	2,089,519	0
	<i>Total Generators - Wind</i>	1,109,452,610	4.25%	47,189,192	4.58%	50,783,787	3,594,595	4.58%	50,783,787	3,594,595	0
344.02	Generators - Combined Cycle										
	Encogen	74,375,981	1.84%	1,370,946	0.73%	540,356	(830,590)	0.73%	540,356	(830,590)	0
	Frederickson 1/EPCOR	26,006,935	2.87%	745,578	11.53%	2,999,348	2,253,770	11.53%	2,999,348	2,253,770	0
	Goldendale	83,514,274	1.55%	1,294,471	8.56%	7,147,793	5,853,322	8.56%	7,147,793	5,853,322	0
	Mint Farm	32,380,062	2.80%	906,224	8.96%	2,902,863	1,996,639	8.96%	2,902,863	1,996,639	0
	Sumas	27,973,570	1.74%	486,740	0.96%	267,769	(218,971)	0.96%	267,769	(218,971)	0
	Ferndale	53,610,404	1.50%	806,527	1.59%	854,758	48,231	1.59%	854,758	48,231	0
	<i>Total Generators - Combined Cycle</i>	297,861,225	1.88%	5,610,486	4.94%	14,712,887	9,102,401	4.94%	14,712,887	9,102,401	0
345.00	Accessory Elec. Eq.										
	Encogen	2,021,518	1.84%	37,262	1.65%	33,297	(3,965)	1.65%	33,297	(3,965)	0
	Frederickson 1/EPCOR	296,767	2.87%	8,508	2.99%	8,875	367	2.99%	8,875	367	0
	Goldendale	9,468,135	1.55%	146,756	1.08%	101,965	(44,791)	1.08%	101,965	(44,791)	0
	Mint Farm	2,823,972	2.80%	79,035	2.83%	79,787	752	2.83%	79,787	752	0
	Sumas	4,392,925	1.74%	76,437	1.27%	55,659	(20,778)	1.27%	55,659	(20,778)	0
	Crystal Mountain	406,680	4.47%	18,181	5.12%	20,822	2,641	5.12%	20,822	2,641	0
	Fredonia	7,187,908	2.06%	147,778	4.30%	309,159	161,381	4.30%	309,159	161,381	0
	Frederickson	2,438,637	2.48%	60,476	2.43%	59,300	(1,176)	2.43%	59,300	(1,176)	0
	Whitehorn 2-3	201,938	7.10%	14,348	0.99%	2,007	(12,341)	0.99%	2,007	(12,341)	0
	Ferndale	3,521,061	1.50%	52,972	2.11%	74,292	21,320	2.11%	74,292	21,320	0
	<i>Total Accessory Elec. Eq.</i>	32,759,541	1.96%	641,751	2.27%	745,163	103,412	2.27%	745,163	103,412	0
345.01	Accessory Elec. Eq. - Wind										
	Lower Snake River	68,432,625	4.24%	2,901,543	4.27%	2,921,282	19,739	4.27%	2,921,282	19,739	0

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	A	B	C	D	E	F	G	H	I	J	K
	<u>ELECTRIC PLANT</u>										
	Hopkins Ridge	13,903,073	4.24%	589,024	4.79%	665,811	76,787	4.79%	665,811	76,787	0
	Wild Horse	36,997,248	4.28%	1,583,942	4.79%	1,772,155	188,213	4.79%	1,772,155	188,213	0
	<i>Total Accessory Elec. Eq. - Wind</i>	119,332,945	4.25%	5,074,509	4.49%	5,359,248	284,739	4.49%	5,359,248	284,739	0
346.00	Misc. Power Plant Eq.										
	Encogen	792,721	2.10%	16,662	5.68%	45,000	28,338	5.68%	45,000	28,338	0
	Goldendale	2,134,388	1.55%	33,083	1.08%	23,079	(10,004)	1.08%	23,079	(10,004)	0
	Mint Farm	717,365	2.80%	20,077	2.85%	20,425	348	2.85%	20,425	348	0
	Sumas	2,005,074	1.74%	34,888	1.02%	20,465	(14,423)	1.02%	20,465	(14,423)	0
	Fredonia	353,338	3.90%	13,792	2.23%	7,885	(5,907)	2.23%	7,885	(5,907)	0
	Frederickson	156,088	5.02%	7,838	0.27%	421	(7,417)	0.27%	421	(7,417)	0
	Whitehorn 2-3	46,462	5.22%	2,427	2.54%	1,180	(1,247)	2.54%	1,180	(1,247)	0
	Ferndale	665,876	1.50%	10,018	2.11%	14,049	4,031	2.11%	14,049	4,031	0
	<i>Total Misc. Power Plant Eq.</i>	6,871,312	2.02%	138,785	1.93%	132,504	(6,281)	1.93%	132,504	(6,281)	0
346.01	Misc. Power Plant Eq. - Wind										
	Lower Snake River	2,820,159	4.24%	119,575	4.25%	119,799	224	4.25%	119,799	224	0
	Hopkins Ridge	479,165	4.24%	20,300	5.91%	28,324	8,024	5.91%	28,324	8,024	0
	Wild Horse	706,082	4.28%	30,220	5.62%	39,712	9,492	5.62%	39,712	9,492	0
	<i>Total Misc. Power Plant Eq. - Wind</i>	4,005,406	4.25%	170,095	4.69%	187,835	17,740	4.69%	187,835	17,740	0
346.10	Misc. Tools										
	Encogen	387,250	4.54%	17,574	9.16%	35,473	17,899	9.16%	35,473	17,899	0
	Frederickson 1/EPCOR	44,162	3.65%	1,612	9.04%	3,992	2,380	9.04%	3,992	2,380	0
	Goldendale	469,810	1.55%	7,282	9.82%	46,133	38,851	9.82%	46,133	38,851	0
	Mint Farm	363,626	2.80%	10,177	9.34%	33,962	23,785	9.34%	33,962	23,785	0
	Sumas	310,501	1.74%	5,403	9.85%	30,586	25,183	9.85%	30,586	25,183	0
	Crystal Mountain	10,249	1.85%	189	19.91%	2,041	1,852	19.91%	2,041	1,852	0
	Fredonia	500,057	5.02%	25,083	16.06%	80,315	55,232	16.06%	80,315	55,232	0
	Frederickson	313,151	3.65%	11,424	12.38%	38,756	27,332	12.38%	38,756	27,332	0
	Whitehorn 2-3	252,403	6.37%	16,068	10.72%	27,048	10,980	10.72%	27,048	10,980	0
	<i>Total Misc. Tools</i>	2,651,210	3.58%	94,811	11.25%	298,306	203,495	11.25%	298,306	203,495	0
346.11	Misc. Tools - Wind										
	Lower Snake River	124,261	4.24%	5,269	7.17%	8,911	3,642	7.17%	8,911	3,642	0
	Hopkins Ridge	324,715	4.24%	13,768	9.88%	32,087	18,319	9.88%	32,087	18,319	0
	Wild Horse	333,520	4.28%	14,275	7.66%	25,531	11,256	7.66%	25,531	11,256	0
	<i>Total Misc. Tools - Wind</i>	782,496	4.26%	33,311	8.50%	66,529	33,218	8.50%	66,529	33,218	0
348.00	Energy Storage Eq.	4,776,732	5.00%	238,837	4.99%	238,466	(371)	4.99%	238,466	(371)	0

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			Accrual Rate	Accrual Amount	Accrual Rate	Accrual Amount	Difference from Current	Accrual Rate	Accrual Amount	Difference from Current	Difference from Company
	A	B	C	D	E	F	G	H	I	J	K
ELECTRIC PLANT											
TOTAL OTHER PRODUCTION PLANT		1,895,861,022	3.64%	68,915,890	4.24%	80,310,360	11,394,470	4.24%	80,310,360	11,394,470	0
TRANSMISSION PLANT											
350.10	Easements	13,037,871	1.90%	248,015	1.10%	143,445	(104,570)	1.10%	143,445	(104,570)	0
350.16	Easements - Subtransmission	2,478,318	1.90%	47,144	1.41%	34,956	(12,188)	1.41%	34,956	(12,188)	0
350.17	Easements - HVD Reclass	20,438,120	1.90%	388,787	1.06%	216,465	(172,322)	1.06%	216,465	(172,322)	0
350.99	Easements - GIF	172,389	1.90%	3,279	1.20%	2,066	(1,213)	1.20%	2,066	(1,213)	0
352.00	Struct. & Improv.	3,818,788	1.70%	64,917	1.52%	58,188	(6,729)	1.52%	58,188	(6,729)	0
352.60	Struct. & Improv. - Subtransmission	1,759,634	1.70%	29,913	1.60%	28,096	(1,817)	1.60%	28,096	(1,817)	0
352.70	Struct. & Improv. - HVD Reclass	2,270,219	1.70%	38,592	1.32%	29,883	(8,709)	1.32%	29,883	(8,709)	0
352.90	Struct. & Improv. - GIF	1,956,304	1.70%	33,256	1.51%	29,470	(3,786)	1.51%	29,470	(3,786)	0
353.00	Station Eq.	157,933,119	2.11%	3,327,983	2.31%	3,642,533	314,550	2.31%	3,642,533	314,550	0
353.60	Station Eq. - Subtransmission	108,797,057	2.11%	2,292,583	2.45%	2,669,975	377,392	2.45%	2,669,975	377,392	0
353.70	Station Eq. - HVD Reclass	198,771,432	2.11%	4,188,532	2.49%	4,951,422	762,890	2.49%	4,951,422	762,890	0
353.80	Station Eq. - LIF	405,246	2.11%	8,539	2.46%	9,978	1,439	2.46%	9,978	1,439	0
353.90	Station Eq. - GIF	129,568,729	2.11%	2,730,285	2.08%	2,697,721	(32,564)	2.08%	2,697,721	(32,564)	0
354.00	Towers & Fixtures	90,563,276	1.67%	1,508,591	1.25%	1,136,178	(372,413)	1.25%	1,136,178	(372,413)	0
354.70	Towers & Fixtures - HVD Reclass	1,507,253	1.67%	25,108	1.12%	16,945	(8,163)	1.12%	16,945	(8,163)	0
354.90	Towers & Fixtures - GIF	133,399	1.67%	2,222	0.46%	609	(1,613)	0.46%	609	(1,613)	0
355.00	Poles & Fixtures	85,130,848	3.02%	2,567,393	3.04%	2,587,052	19,659	2.75%	2,343,963	(223,430)	(243,089)
355.60	Poles & Fixtures - Subtransmission	78,708,415	3.02%	2,373,704	3.25%	2,559,412	185,708	3.01%	2,366,390	(7,314)	(193,022)
355.70	Poles & Fixtures - HVD Reclass	170,738,424	3.02%	5,149,164	3.40%	5,810,001	660,837	3.09%	5,284,343	135,179	(525,658)
355.90	Poles & Fixtures - GIF	8,879,281	3.02%	267,783	3.09%	274,655	6,872	2.83%	251,217	(16,566)	(23,438)
356.00	OH Conductors & Devices	127,496,955	2.11%	2,688,233	1.29%	1,643,066	(1,045,167)	1.17%	1,495,960	(1,192,273)	(147,106)
356.60	OH Conductors & Devices - Subtransmission	25,127,106	2.11%	529,797	1.81%	455,609	(74,188)	1.73%	434,016	(95,781)	(21,593)
356.70	OH Conductors & Devices - HVD Reclass	132,747,969	2.11%	2,798,949	1.31%	1,743,446	(1,055,503)	1.20%	1,591,262	(1,207,687)	(152,184)
356.90	OH Conductors & Devices - GIF	6,269,538	2.11%	132,191	1.60%	100,331	(31,860)	1.50%	94,351	(37,840)	(5,980)
357.70	UG Conduit - HVD Reclass	700,575	2.26%	15,833	2.55%	17,834	2,001	2.55%	17,834	2,001	0
357.90	UG Conduit - GIF	510,284	2.26%	11,532	1.73%	8,839	(2,693)	1.73%	8,839	(2,693)	0
358.70	UG Conductors & Devices - HVD Reclass	2,932,873	1.92%	56,380	0.74%	21,673	(34,707)	0.74%	21,673	(34,707)	0
358.90	UG Conductors & Devices - GIF	34,023,857	1.92%	654,062	1.55%	527,144	(126,918)	1.55%	527,144	(126,918)	0
359.00	Roads & Trails	1,379,629	1.43%	19,739	1.40%	19,310	(429)	1.40%	19,310	(429)	0
359.70	Roads & Trails - HVD Reclass	568,185	1.43%	8,129	1.68%	9,535	1,406	1.68%	9,535	1,406	0
359.99	Roads & Trails - GIF	8,021	1.43%	115	1.46%	117	2	1.46%	117	2	0
TOTAL TRANSMISSION PLANT		1,408,833,111	2.29%	32,210,752	2.23%	31,445,954	(764,798)	2.14%	30,133,884	(2,076,868)	(1,312,070)
DISTRIBUTION PLANT											
360.10	Easements	6,192,998	2.24%	138,723	1.13%	69,962	(68,761)	1.13%	69,962	(68,761)	0
361.00	Struct. & Improv.	7,980,827	1.81%	144,567	1.76%	140,499	(4,068)	1.76%	140,499	(4,068)	0
362.00	Station Eq.	434,912,649	1.97%	8,582,371	2.04%	8,871,422	289,051	1.92%	8,349,660	(232,711)	(521,762)
363.00	Battery Storage Eq.	1,194,183	5.00%	59,709	4.99%	59,617	(92)	4.99%	59,617	(92)	0

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			Accrual Rate	Accrual Amount	Accrual Rate	Accrual Amount	Difference from Current	Accrual Rate	Accrual Amount	Difference from Current	Difference from Company
	A	B	C	D	E	F	G	H	I	J	K
<u>ELECTRIC PLANT</u>											
364.00	Poles, Towers, & Fixtures	340,904,415	3.11%	10,600,630	3.14%	10,713,901	113,271	3.14%	10,713,901	113,271	0
365.00	OH Conductors & Devices	409,216,187	2.83%	11,594,077	3.74%	15,306,553	3,712,476	3.74%	15,306,553	3,712,476	0
366.00	UG Conduit	672,272,623	2.26%	15,196,382	1.77%	11,912,719	(3,283,663)	1.77%	11,912,719	(3,283,663)	0
367.00	UG Conductors & Devices	844,856,752	3.53%	29,849,603	3.93%	33,220,993	3,371,390	3.15%	26,581,811	(3,267,792)	(6,639,182)
368.00	Line Transformers	462,673,681	3.26%	15,063,885	4.06%	18,805,777	3,741,892	4.06%	18,805,777	3,741,892	0
369.00	Services	182,057,677	2.33%	4,243,303	3.15%	5,727,599	1,484,296	2.82%	5,131,699	888,396	(595,900)
370.00	Meters	140,665,914	2.32%	3,260,707	8.34%	11,730,432	8,469,725	8.34%	11,730,432	8,469,725	0
373.00	Street Light. & Signal Sys.	53,727,968	3.34%	1,792,297	4.75%	2,552,518	760,221	4.75%	2,552,518	760,221	0
TOTAL DISTRIBUTION PLANT		3,556,655,873	2.83%	100,526,253	3.35%	119,111,992	18,585,739	3.13%	111,355,149	10,828,895	(7,756,843)
GENERAL PLANT											
390.00	Struct. & Improv.										
	Skagit	20,916,098	6.60%	1,380,359	1.79%	374,164	(1,006,195)	1.79%	374,164	(1,006,195)	0
	Other Structures	27,691,075	6.60%	1,827,474	0.95%	261,922	(1,565,552)	0.95%	261,922	(1,565,552)	0
	<i>Total Struct. & Improv.</i>	48,607,173	6.60%	3,207,834	1.31%	636,086	(2,571,748)	1.31%	636,086	(2,571,748)	0
391.10	Office Furniture & Eq.										
	Fully Accrued	5,896,620	5.00%	294,831	-	0	(294,831)	0.00%	0	(294,831)	0
	Amortized	4,398,911	5.00%	219,946	5.00%	219,874	(72)	5.00%	219,874	(72)	0
	<i>Total Office Furniture & Eq.</i>	10,295,531	5.00%	514,777	2.14%	219,874	(294,903)	2.14%	219,874	(294,903)	0
391.20	Office Furniture & Eq. - Comp.	22,169,282	20.00%	4,433,856	20.00%	4,433,881	25	20.00%	4,433,881	25	0
392.00	Transportation Eq.	9,188,876	-	0	5.25%	482,333	482,333	5.25%	482,333	482,333	0
393.00	Stores Eq.										
	Fully Accrued	589,596	5.00%	29,480	-	0	(29,480)	0.00%	0	(29,480)	0
	Amortized	170,969	5.00%	8,548	5.00%	8,552	4	5.00%	8,552	4	0
	<i>Total Stores Eq.</i>	760,565	5.00%	38,028	1.12%	8,552	(29,476)	1.12%	8,552	(29,476)	0
394.00	Tools, Shop, & Garage Eq.										
	Fully Accrued	3,661,295	5.00%	183,065	-	0	(183,065)	0.00%	0	(183,065)	0
	Amortized	8,917,578	5.00%	445,879	5.00%	445,520	(359)	5.00%	445,520	(359)	0
	<i>Total Tools, Shop, & Garage Eq.</i>	12,578,873	5.00%	628,944	3.54%	445,520	(183,424)	3.54%	445,520	(183,424)	0
395.00	Laboratory Eq.										
	Fully Accrued	4,155,876	5.00%	207,794	-	0	(207,794)	0.00%	0	(207,794)	0
	Amortized	7,875,250	5.00%	393,763	5.00%	393,582	(181)	5.00%	393,582	(181)	0
	<i>Total Laboratory Eq.</i>	12,031,127	5.00%	601,556	3.27%	393,582	(207,974)	3.27%	393,582	(207,974)	0
396.00	Power Operated Eq.	6,082,762	-	0	6.58%	400,413	400,413	6.58%	400,413	400,413	0

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	A	B	C	D	E	F	G	H	I	J	K
<u>ELECTRIC PLANT</u>											
397.00	Communication Eq.										
	Fully Accrued	12,913,083	6.67%	861,303	-	0	(861,303)	0.00%	0	(861,303)	0
	Amortized	80,874,473	6.67%	5,394,327	6.67%	5,396,167	1,840	6.67%	5,396,167	1,840	0
	<i>Total Communication Eq.</i>	<u>93,787,556</u>	<u>6.67%</u>	<u>6,255,630</u>	<u>5.75%</u>	<u>5,396,167</u>	<u>(859,463)</u>	<u>5.75%</u>	<u>5,396,167</u>	<u>(859,463)</u>	<u>0</u>
398.00	Misc. Eq.										
	Fully Accrued	86,544	6.67%	5,772	-	0	(5,772)	0.00%	0	(5,772)	0
	Amortized	190,786	6.67%	12,725	6.67%	12,718	(7)	6.67%	12,718	(7)	0
	<i>Total Misc. Eq.</i>	<u>277,330</u>	<u>6.67%</u>	<u>18,498</u>	<u>4.59%</u>	<u>12,718</u>	<u>(5,780)</u>	<u>4.59%</u>	<u>12,718</u>	<u>(5,780)</u>	<u>0</u>
TOTAL GENERAL PLANT		<u>215,779,075</u>	<u>7.28%</u>	<u>15,699,123</u>	<u>5.76%</u>	<u>12,429,126</u>	<u>(3,269,997)</u>	<u>5.76%</u>	<u>12,429,126</u>	<u>(3,269,997)</u>	<u>0</u>
UNRECOVERED RESERVE TO BE AMORTIZED											
391.10	Office Furniture & Eq.	0				382,729	382,729		382,729	382,729	0
391.20	Office Furniture & Eq. - Comp.	0				(4,067)	(4,067)		(4,067)	(4,067)	0
393.00	Stores Eq.	0				76,886	76,886		76,886	76,886	0
394.00	Tools, Shop, & Garage Eq.	0				159,760	159,760		159,760	159,760	0
395.00	Laboratory Eq.	0				630,784	630,784		630,784	630,784	0
397.00	Communication Eq.	0				1,529,214	1,529,214		1,529,214	1,529,214	0
398.00	Misc. Eq.	0				12,791	12,791		12,791	12,791	0
TOTAL UNRECOVERED RESERVE TO BE AMORTIZED		<u>0</u>				<u>0.00%</u>	<u>2,788,097</u>	<u>2,788,097</u>	<u>0.00%</u>	<u>2,788,097</u>	<u>0</u>
TOTAL DEPRECIABLE ELECTRIC PLANT		<u>9,059,147,131</u>	<u>2.76%</u>	<u>249,736,228</u>	<u>3.55%</u>	<u>321,836,008</u>	<u>72,099,780</u>	<u>3.27%</u>	<u>296,644,772</u>	<u>46,908,544</u>	<u>(25,191,236)</u>

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 Public Counsel Calculation of Depreciation Rates
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Account	Description	9/30/16 Investment	9/30/16 Book Reserve	Percent Reserve	Future Net Salvage Percent	Net Plant to be Recovered	Remaining Life	Total Annual Rate	Accrual
	A	B	B						
<u>ELECTRIC PLANT</u>									
STEAM PRODUCTION PLANT									
311.00	Struct. & Improv.								
	Colstrip 1	9,209,468	7,462,768	81.03%	-10%	2,667,646	5.7	5.08%	468,008
	Colstrip 2	4,336,957	2,797,898	64.51%	-10%	1,972,755	5.7	7.98%	346,097
	Colstrip 3	29,664,979	20,381,307	68.70%	-8%	11,656,871	18.1	2.17%	644,026
	Colstrip 4	27,862,835	18,685,154	67.06%	-8%	11,406,707	18.1	2.26%	630,205
	Colstrip 1-2	30,934,200	29,543,009	95.50%	-10%	4,484,611	5.7	2.54%	786,774
	Colstrip 3-4	70,065,641	49,585,174	70.77%	-8%	26,085,718	18.1	2.06%	1,441,200
	Frederickson 1/EPCOR	403,636	136,870	33.91%	-5%	286,948	25.0	2.84%	11,478
	Goldendale	2,131,452	547,949	25.71%	-5%	1,690,076	27.0	2.94%	62,595
	Mint Farm	458,042	102,009	22.27%	-5%	378,935	29.8	2.78%	12,716
	Sumas	1,492,712	513,809	34.42%	-5%	1,053,538	16.5	4.28%	63,851
	Ferndale	571,513	113,487	19.86%	-5%	486,602	17.5	4.87%	27,806
	<i>Total Struct. & Improv.</i>	<u>177,131,434</u>	<u>129,869,434</u>	<u>73.32%</u>		<u>62,170,407</u>	<u>13.8</u>	<u>2.54%</u>	<u>4,494,756</u>
312.00	Boiler Plant Eq.								
	Colstrip 1	88,145,748	71,724,055	81.37%	-10%	25,236,267	5.7	5.02%	4,427,415
	Colstrip 2	88,368,523	68,658,045	77.70%	-10%	28,547,330	5.7	5.67%	5,008,304
	Colstrip 3	137,645,882	92,815,669	67.43%	-8%	55,841,883	17.6	2.31%	3,172,834
	Colstrip 4	126,930,413	82,103,947	64.68%	-8%	54,980,899	17.6	2.46%	3,123,915
	Colstrip 1-2	6,043,572	6,520,650	107.89%	-10%	127,279	5.6	0.38%	22,728
	Colstrip 3-4	15,254,042	11,806,881	77.40%	-8%	4,667,484	17.3	1.77%	269,797
	Encogen	42,923,481	24,702,340	57.55%	-5%	20,367,315	16.0	2.97%	1,272,957
	Frederickson 1/EPCOR	18,138,531	6,946,992	38.30%	-5%	12,098,466	24.0	2.78%	504,103
	Goldendale	86,173,650	25,832,888	29.98%	-5%	64,649,444	25.9	2.90%	2,496,118
	Mint Farm	26,297,847	6,177,068	23.49%	-5%	21,435,671	28.5	2.86%	752,129
	Sumas	15,704,259	6,158,352	39.21%	-5%	10,331,119	16.2	4.06%	637,723
	Ferndale	44,686,468	10,333,244	23.12%	-5%	36,587,548	17.2	4.76%	2,127,183
	<i>Total Boiler Plant Eq.</i>	<u>696,312,415</u>	<u>413,780,132</u>	<u>59.42%</u>		<u>334,870,706</u>	<u>14.1</u>	<u>3.42%</u>	<u>23,815,206</u>
314.00	Turbogenerator Units								
	Colstrip 1	28,781,740	25,397,350	88.24%	-9%	5,974,747	5.6	3.71%	1,066,919
	Colstrip 2	34,145,119	30,443,610	89.16%	-10%	7,116,020	5.6	3.72%	1,270,718
	Colstrip 3	42,228,337	28,639,950	67.82%	-7%	16,544,370	16.2	2.42%	1,021,257
	Colstrip 4	39,133,170	25,493,735	65.15%	-7%	16,378,758	16.4	2.55%	998,705
	Colstrip 1-2	3,813,726	4,156,961	109.00%	-9%	0	5.3	0.00%	0
	Encogen	20,710,885	13,424,025	64.82%	-5%	8,322,405	15.4	2.61%	540,416
	Frederickson 1/EPCOR	15,800,824	6,831,364	43.23%	-5%	9,759,502	22.6	2.73%	431,836
	Goldendale	89,524,456	29,711,155	33.19%	-5%	64,289,524	24.5	2.93%	2,624,062
	Mint Farm	24,647,470	6,995,543	28.38%	-5%	18,884,300	26.7	2.87%	707,277

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	A	B	B						
	<u>ELECTRIC PLANT</u>								
	Lower Baker	35,273,454	6,306,966	17.88%	-5%	30,730,161	39.6	2.20%	776,014
	Upper Baker	15,612,654	6,565,230	42.05%	-6%	9,984,183	38.9	1.64%	256,663
	Snoqualmie #1	58,654,809	5,540,003	9.45%	-2%	54,287,902	27.0	3.43%	2,010,663
	Snoqualmie #2	54,612,246	5,903,872	10.81%	-2%	49,800,619	27.1	3.36%	1,837,661
	<i>Total Struct. & Improv.</i>	164,153,163	24,316,071	14.81%		144,802,865	29.7	2.97%	4,881,001
332.00	Reservoirs, Dams, & Waterways								
	Lower Baker	115,624,470	22,402,337	19.38%	-8%	102,472,090	39.3	2.26%	2,607,432
	Upper Baker	119,603,565	59,809,738	50.01%	-11%	72,950,220	39.0	1.56%	1,870,518
	Snoqualmie #1	53,492,873	4,795,759	8.97%	-4%	50,836,829	26.8	3.55%	1,896,897
	Snoqualmie #2	60,540,017	4,528,235	7.48%	-4%	58,433,383	26.8	3.60%	2,180,350
	<i>Total Reservoirs, Dams, & Waterways</i>	349,260,925	91,536,069	26.21%		284,692,522	33.3	2.45%	8,555,197
333.00	Water Wheels, Turbines, & Generators								
	Lower Baker	41,634,915	9,000,675	21.62%	-5%	34,715,985	39.3	2.12%	883,358
	Upper Baker	13,128,271	9,227,178	70.28%	-8%	4,951,354	40.2	0.94%	123,168
	Snoqualmie #1	36,614,585	3,022,251	8.25%	-1%	33,958,480	27.1	3.42%	1,253,080
	Snoqualmie #2	35,031,624	2,768,921	7.90%	-2%	32,963,335	27.0	3.49%	1,220,864
	<i>Total Water Wheels, Turbines, & Generators</i>	126,409,394	24,019,025	19.00%		106,589,155	30.6	2.75%	3,480,471
334.00	Accessory Electric Eq.								
	Lower Baker	15,578,198	2,648,683	17.00%	-2%	13,241,079	39.0	2.18%	339,515
	Upper Baker	2,738,078	1,380,698	50.43%	-3%	1,439,522	38.2	1.38%	37,684
	Snoqualmie #1	16,156,295	1,231,153	7.62%	0%	14,925,142	26.9	3.43%	554,838
	Snoqualmie #2	11,055,386	725,092	6.56%	-1%	10,440,848	26.9	3.51%	388,136
	<i>Total Accessory Electric Eq.</i>	45,527,958	5,985,626	13.15%		40,046,592	30.3	2.90%	1,320,172
335.00	Misc. Power Plant Eq.								
	Lower Baker	8,012,780	1,065,749	13.30%	-3%	7,187,415	33.5	2.68%	214,550
	Upper Baker	1,115,022	447,518	40.14%	-3%	700,954	32.3	1.95%	21,701
	Snoqualmie #1	1,548,649	129,676	8.37%	-1%	1,434,459	25.6	3.62%	56,034
	Snoqualmie #2	1,592,311	173,199	10.88%	-1%	1,435,035	25.6	3.52%	56,056
	<i>Total Misc. Power Plant Eq.</i>	12,268,762	1,816,142	14.80%		10,757,863	30.9	2.84%	348,341
335.10	Misc. Tools								
	Lower Baker	846,483	637,395	75.30%	0%	209,088	13.9	1.78%	15,042
	Upper Baker	597,433	140,377	23.50%	0%	457,056	7.4	10.34%	61,764
	Snoqualmie #1	674,572	542,235	80.38%	0%	132,337	14.9	1.32%	8,882
	Snoqualmie #2	80,300	77,265	96.22%	0%	3,035	14.7	0.26%	206
	<i>Total Misc. Tools</i>	2,198,788	1,397,272	63.55%		801,515	9.3	3.91%	85,895

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	A	B	B						
<u>ELECTRIC PLANT</u>									
336.00	Roads, RRs, & Bridges								
	Lower Baker	1,588,316	188,571	11.87%	-1%	1,415,627	38.8	2.30%	36,485
	Upper Baker	2,648,182	245,575	9.27%	-1%	2,429,088	36.7	2.50%	66,188
	Snoqualmie #1	637,501	60,852	9.55%	0%	576,649	26.7	3.39%	21,597
	Snoqualmie #2	157,935	15,050	9.53%	0%	142,885	26.8	3.38%	5,332
	<i>Total Roads, RRs, & Bridges</i>	<u>5,031,933</u>	<u>510,048</u>	<u>10.14%</u>		<u>4,564,250</u>	<u>35.2</u>	<u>2.58%</u>	<u>129,602</u>
TOTAL HYDROELECTRIC PRODUCTION PLANT		<u>704,883,823</u>	<u>149,591,644</u>	<u>21.22%</u>		<u>592,276,271</u>	<u>31.5</u>	<u>2.67%</u>	<u>18,801,337</u>
OTHER PRODUCTION PLANT									
340.10	Easements	221,929	197,425	88.96%	-5%	35,601	13.8	1.16%	2,580
341.00	Struct. & Improv.								
	Encogen	9,238,362	5,850,367	63.33%	-5%	3,849,913	16.6	2.51%	231,922
	Frederickson 1/EPCOR	5,774,387	2,475,066	42.86%	-5%	3,588,040	25.2	2.47%	142,383
	Goldendale	34,450,810	26,661,589	77.39%	-5%	9,511,761	27.3	1.01%	348,416
	Mint Farm	11,003,157	2,980,386	27.09%	-5%	8,572,929	30.1	2.59%	284,815
	Sumas	2,897,942	2,321,057	80.09%	-5%	721,782	16.7	1.49%	43,220
	Crystal Mountain	811,210	372,743	45.95%	-5%	479,027	11.7	5.05%	40,943
	Fredonia	5,035,527	4,058,711	80.60%	-5%	1,228,592	13.5	1.81%	91,007
	Frederickson	2,735,279	2,532,962	92.60%	-5%	339,082	13.7	0.90%	24,750
	Whitehorn 2-3	1,010,183	442,590	43.81%	-5%	618,102	21.7	2.82%	28,484
	Ferndale	5,927,075	3,829,889	64.62%	-5%	2,393,540	17.7	2.28%	135,228
	<i>Total Struct. & Improv.</i>	<u>78,883,932</u>	<u>51,525,360</u>	<u>65.32%</u>		<u>31,302,769</u>	<u>22.8</u>	<u>1.74%</u>	<u>1,371,169</u>
341.01	Struct. & Improv. - Wind								
	Lower Snake River	31,416,966	4,583,746	14.59%	-5%	28,404,068	20.7	4.37%	1,372,177
	Hopkins Ridge	3,413,472	368,034	10.78%	-5%	3,216,112	13.7	6.88%	234,753
	Wild Horse	15,120,072	3,203,468	21.19%	-5%	12,672,608	14.7	5.70%	862,082
	<i>Total Struct. & Improv. - Wind</i>	<u>49,950,510</u>	<u>8,155,248</u>	<u>16.33%</u>		<u>44,292,787</u>	<u>17.9</u>	<u>4.94%</u>	<u>2,469,012</u>
342.00	Fuel Holders, Producers, & Access.								
	Encogen	8,121,641	6,540,475	80.53%	-5%	1,987,248	15.8	1.55%	125,775
	Frederickson 1/EPCOR	1,804,663	697,152	38.63%	-5%	1,197,744	23.6	2.81%	50,752
	Goldendale	1,887,875	1,477,641	78.27%	-5%	504,628	25.7	1.04%	19,635
	Mint Farm	1,457,862	419,775	28.79%	-5%	1,110,980	28.2	2.70%	39,396
	Sumas	3,889,943	3,452,527	88.76%	-5%	631,913	16.3	1.00%	38,768
	Crystal Mountain	476,309	67,263	14.12%	-5%	432,862	11.6	7.83%	37,316
	Fredonia	3,739,992	2,415,322	64.58%	-5%	1,511,669	12.4	3.26%	121,909
	Frederickson	3,702,107	3,642,779	98.40%	-5%	244,434	11.8	0.56%	20,715

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	A	B	B						
	<u>ELECTRIC PLANT</u>								
	Whitehorn 2-3	134,195	138,223	103.00%	-5%	2,681	20.0	0.10%	134
	Ferndale	418,443	286,449	68.46%	-5%	152,916	17.5	2.09%	8,738
	<i>Total Fuel Holders, Producers, & Access.</i>	<u>25,633,031</u>	<u>19,137,607</u>	<u>74.66%</u>		<u>7,777,075</u>	<u>16.8</u>	<u>1.81%</u>	<u>463,138</u>
344.00	Generators								
	Crystal Mountain	575,843	405,829	70.48%	-5%	198,806	11.5	3.00%	17,288
	Fredonia	99,010,603	66,636,896	67.30%	-5%	37,324,236	13.6	2.77%	2,744,429
	Frederickson	30,004,025	24,750,966	82.49%	-5%	6,753,260	13.3	1.69%	507,764
	Whitehorn 2-3	33,087,674	30,119,678	91.03%	-5%	4,622,380	21.4	0.65%	215,999
	<i>Total Generators</i>	<u>162,678,145</u>	<u>121,913,369</u>	<u>74.94%</u>		<u>48,898,683</u>	<u>14.0</u>	<u>2.14%</u>	<u>3,485,480</u>
344.01	Generators - Wind								
	Lower Snake River	583,581,425	112,902,903	19.35%	-5%	499,857,593	19.8	4.33%	25,245,333
	Hopkins Ridge	153,525,782	62,513,564	40.72%	-5%	98,688,507	13.2	4.87%	7,476,402
	Wild Horse	372,345,403	136,231,904	36.59%	-5%	254,730,769	14.1	4.85%	18,066,012
	<i>Total Generators - Wind</i>	<u>1,109,452,610</u>	<u>311,648,371</u>	<u>28.09%</u>		<u>853,276,869</u>	<u>16.8</u>	<u>4.58%</u>	<u>50,787,747</u>
344.02	Generators - Combined Cycle								
	Encogen	74,375,981	56,434,886	75.88%	20%	3,065,899	5.7	0.72%	537,877
	Frederickson 1/EPCOR	26,006,935	1,397,214	5.37%	20%	19,408,333	6.5	11.48%	2,985,897
	Goldendale	83,514,274	8,066,153	9.66%	20%	58,745,266	8.2	8.58%	7,164,057
	Mint Farm	32,380,062	2,715,654	8.39%	20%	23,188,396	8.0	8.95%	2,898,549
	Sumas	27,973,570	20,284,084	72.51%	20%	2,094,772	7.8	0.96%	268,561
	Ferndale	53,610,404	35,341,321	65.92%	20%	7,547,002	8.8	1.60%	857,614
	<i>Total Generators - Combined Cycle</i>	<u>297,861,225</u>	<u>124,239,313</u>	<u>41.71%</u>		<u>114,049,668</u>	<u>7.8</u>	<u>4.94%</u>	<u>14,712,555</u>
345.00	Accessory Elec. Eq.								
	Encogen	2,021,518	1,613,490	79.82%	-5%	509,104	15.3	1.65%	33,275
	Frederickson 1/EPCOR	296,767	111,119	37.44%	-5%	200,486	22.6	2.99%	8,871
	Goldendale	9,468,135	7,420,970	78.38%	-5%	2,520,571	24.7	1.08%	102,047
	Mint Farm	2,823,972	810,921	28.72%	-5%	2,154,249	27.0	2.83%	79,787
	Sumas	4,392,925	3,714,712	84.56%	-5%	897,859	16.1	1.27%	55,768
	Crystal Mountain	406,680	188,927	46.46%	-5%	238,087	11.4	5.14%	20,885
	Fredonia	7,187,908	3,377,315	46.99%	-5%	4,169,989	13.5	4.30%	308,888
	Frederickson	2,438,637	1,763,155	72.30%	-5%	797,414	13.4	2.44%	59,509
	Whitehorn 2-3	201,938	172,085	85.22%	-5%	39,950	19.9	0.99%	2,008
	Ferndale	3,521,061	2,410,379	68.46%	-5%	1,286,735	17.3	2.11%	74,378
	<i>Total Accessory Elec. Eq.</i>	<u>32,759,541</u>	<u>21,583,072</u>	<u>65.88%</u>		<u>12,814,445</u>	<u>17.2</u>	<u>2.28%</u>	<u>745,415</u>
345.01	Accessory Elec. Eq. - Wind								
	Lower Snake River	68,432,625	13,311,771	19.45%	-5%	58,542,486	20.0	4.28%	2,927,124

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	<u>ELECTRIC PLANT</u>								
	Hopkins Ridge	13,903,073	5,771,433	41.51%	-5%	8,826,794	13.3	4.77%	663,669
	Wild Horse	36,997,248	13,607,937	36.78%	-5%	25,239,173	14.2	4.80%	1,777,407
	<i>Total Accessory Elec. Eq. - Wind</i>	<u>119,332,945</u>	<u>32,691,140</u>	<u>27.39%</u>		<u>92,608,453</u>	<u>17.3</u>	<u>4.50%</u>	<u>5,368,200</u>
346.00	Misc. Power Plant Eq.								
	Encogen	792,721	114,831	14.49%	-5%	717,526	15.9	5.69%	45,127
	Goldendale	2,134,388	1,670,587	78.27%	-5%	570,521	24.7	1.08%	23,098
	Mint Farm	717,365	200,278	27.92%	-5%	552,956	27.1	2.84%	20,404
	Sumas	2,005,074	1,775,642	88.56%	-5%	329,686	16.1	1.02%	20,477
	Fredonia	353,338	265,750	75.21%	-5%	105,254	13.3	2.24%	7,914
	Frederickson	156,088	158,502	101.55%	-5%	5,390	12.8	0.27%	421
	Whitehorn 2-3	46,462	28,650	61.66%	-5%	20,136	17.1	2.53%	1,178
	Ferndale	665,876	455,832	68.46%	-5%	243,337	17.3	2.11%	14,066
	<i>Total Misc. Power Plant Eq.</i>	<u>6,871,312</u>	<u>4,670,072</u>	<u>67.96%</u>		<u>2,544,806</u>	<u>19.2</u>	<u>1.93%</u>	<u>132,685</u>
346.01	Misc. Power Plant Eq. - Wind								
	Lower Snake River	2,820,159	548,421	19.45%	-5%	2,412,746	20.1	4.26%	120,037
	Hopkins Ridge	479,165	120,445	25.14%	-5%	382,678	13.5	5.92%	28,347
	Wild Horse	706,082	166,936	23.64%	-5%	574,450	14.5	5.61%	39,617
	<i>Total Misc. Power Plant Eq. - Wind</i>	<u>4,005,406</u>	<u>835,801</u>	<u>20.87%</u>		<u>3,369,875</u>	<u>17.9</u>	<u>4.69%</u>	<u>188,001</u>
346.10	Misc. Tools								
	Encogen	387,250	108,495	28.02%	0%	278,755	7.9	9.11%	35,285
	Frederickson 1/EPCOR	44,162	12,907	29.23%	0%	31,255	7.8	9.07%	4,007
	Goldendale	469,810	36,213	7.71%	0%	433,597	9.4	9.82%	46,127
	Mint Farm	363,626	61,077	16.80%	0%	302,549	8.9	9.35%	33,994
	Sumas	310,501	29,326	9.44%	0%	281,175	9.2	9.84%	30,563
	Crystal Mountain	10,249	2,694	26.29%	0%	7,555	3.7	19.92%	2,042
	Fredonia	500,057	141,521	28.30%	0%	358,536	4.5	15.93%	79,675
	Frederickson	313,151	63,836	20.39%	0%	249,315	6.4	12.44%	38,956
	Whitehorn 2-3	252,403	85,235	33.77%	0%	167,168	6.2	10.68%	26,963
	<i>Total Misc. Tools</i>	<u>2,651,210</u>	<u>541,303</u>	<u>20.42%</u>		<u>2,109,907</u>	<u>7.1</u>	<u>11.23%</u>	<u>297,611</u>
346.11	Misc. Tools - Wind								
	Lower Snake River	124,261	9,773	7.87%	0%	114,488	12.8	7.20%	8,944
	Hopkins Ridge	324,715	95,474	29.40%	0%	229,240	7.1	9.94%	32,287
	Wild Horse	333,520	46,846	14.05%	0%	286,674	11.2	7.67%	25,596
	<i>Total Misc. Tools - Wind</i>	<u>782,496</u>	<u>152,094</u>	<u>19.44%</u>		<u>630,402</u>	<u>9.4</u>	<u>8.54%</u>	<u>66,828</u>
348.00	Energy Storage Eq.	4,776,732	95,635	2.00%	0%	4,681,096	19.6	5.00%	238,831

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ELECTRIC PLANT									
TOTAL OTHER PRODUCTION PLANT		1,895,861,022	697,385,810	36.78%		1,218,392,436	15.2	4.24%	80,329,251
TRANSMISSION PLANT									
350.10	Easements	13,037,871	3,769,178	28.91%	0%	9,268,693	64.6	1.10%	143,478
350.16	Easements - Subtransmission	2,478,318	(34,424)	-1.39%	0%	2,512,742	71.9	1.41%	34,948
350.17	Easements - HVD Reclass	20,438,120	9,201,696	45.02%	0%	11,236,424	51.9	1.06%	216,501
350.99	Easements - GIF	172,389	39,559	22.95%	0%	132,830	64.3	1.20%	2,066
352.00	Struct. & Improv.	3,818,788	1,232,451	32.27%	-5%	2,777,276	47.7	1.52%	58,224
352.60	Struct. & Improv. - Subtransmission	1,759,634	68,052	3.87%	-5%	1,779,564	63.3	1.60%	28,113
352.70	Struct. & Improv. - HVD Reclass	2,270,219	1,182,926	52.11%	-5%	1,200,804	40.2	1.32%	29,871
352.90	Struct. & Improv. - GIF	1,956,304	298,138	15.24%	-5%	1,755,981	59.6	1.51%	29,463
353.00	Station Eq.	157,933,119	45,791,174	28.99%	-10%	127,935,257	35.1	2.31%	3,644,879
353.60	Station Eq. - Subtransmission	108,797,057	6,534,012	6.01%	-10%	113,142,750	42.4	2.45%	2,668,461
353.70	Station Eq. - HVD Reclass	198,771,432	67,306,052	33.86%	-10%	151,342,523	30.6	2.49%	4,945,834
353.80	Station Eq. - LIF	405,246	193,972	47.87%	-10%	251,799	25.2	2.47%	9,992
353.90	Station Eq. - GIF	129,568,729	38,323,242	29.58%	-10%	104,202,360	38.6	2.08%	2,699,543
354.00	Towers & Fixtures	90,563,276	43,514,475	48.05%	-15%	60,633,293	53.4	1.25%	1,135,455
354.70	Towers & Fixtures - HVD Reclass	1,507,253	896,631	59.49%	-15%	836,709	49.4	1.12%	16,937
354.90	Towers & Fixtures - GIF	133,399	110,351	82.72%	-15%	43,058	70.7	0.46%	609
355.00	Poles & Fixtures	85,130,848	27,928,206	32.81%	-30%	82,741,896	35.3	2.75%	2,343,963
355.60	Poles & Fixtures - Subtransmission	78,708,415	4,825,666	6.13%	-30%	97,495,274	41.2	3.01%	2,366,390
355.70	Poles & Fixtures - HVD Reclass	170,738,424	47,576,643	27.87%	-30%	174,383,308	33.0	3.09%	5,284,343
355.90	Poles & Fixtures - GIF	8,879,281	2,097,318	23.62%	-30%	9,445,747	37.6	2.83%	251,217
356.00	OH Conductors & Devices	127,496,955	69,844,695	54.78%	-5%	64,027,107	42.8	1.17%	1,495,960
356.60	OH Conductors & Devices - Subtransmission	25,127,106	1,384,144	5.51%	-5%	24,999,318	57.6	1.73%	434,016
356.70	OH Conductors & Devices - HVD Reclass	132,747,969	70,324,578	52.98%	-5%	69,060,789	43.4	1.20%	1,591,262
356.90	OH Conductors & Devices - GIF	6,269,538	1,610,720	25.69%	-5%	4,972,295	52.7	1.50%	94,351
357.70	UG Conduit - HVD Reclass	700,575	375,467	53.59%	0%	325,108	18.2	2.55%	17,863
357.90	UG Conduit - GIF	510,284	114,486	22.44%	0%	395,799	44.8	1.73%	8,835
358.70	UG Conductors & Devices - HVD Reclass	2,932,873	2,515,857	85.78%	0%	417,016	19.2	0.74%	21,720
358.90	UG Conductors & Devices - GIF	34,023,857	8,177,268	24.03%	0%	25,846,588	49.0	1.55%	527,481
359.00	Roads & Trails	1,379,629	397,494	28.81%	0%	982,136	50.9	1.40%	19,295
359.70	Roads & Trails - HVD Reclass	568,185	279,529	49.20%	0%	288,657	30.3	1.68%	9,527
359.99	Roads & Trails - GIF	8,021	3,313	41.31%	0%	4,708	40.2	1.46%	117
TOTAL TRANSMISSION PLANT		1,408,833,111	455,882,866	32.36%		1,144,437,809	38.0	2.14%	30,130,715
DISTRIBUTION PLANT									
360.10	Easements	6,192,998	3,154,464	50.94%	0%	3,038,534	43.4	1.13%	70,012
361.00	Struct. & Improv.	7,980,827	2,327,041	29.16%	-10%	6,451,869	45.9	1.76%	140,564
362.00	Station Eq.	434,912,649	125,213,289	28.79%	-10%	353,190,624	42.3	1.92%	8,349,660
363.00	Battery Storage Eq.	1,194,183	23,909	2.00%	0%	1,170,274	19.6	5.00%	59,708

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Account	Description	9/30/16 Investment	9/30/16 Book Reserve	Percent Reserve	Future Net Salvage Percent	Net Plant to be Recovered	Remaining Life	Total Annual Rate	Accrual
	A	B	B						
<u>ELECTRIC PLANT</u>									
364.00	Poles, Towers, & Fixtures	340,904,415	146,427,147	42.95%	-50%	364,929,476	34.1	3.14%	10,701,744
365.00	OH Conductors & Devices	409,216,187	120,401,105	29.42%	-25%	391,119,128	25.6	3.73%	15,278,091
366.00	UG Conduit	672,272,623	261,027,349	38.83%	-10%	478,472,536	40.2	1.77%	11,902,302
367.00	UG Conductors & Devices	844,856,752	341,308,280	40.40%	-20%	672,519,823	25.3	3.15%	26,581,811
368.00	Line Transformers	462,673,681	181,111,959	39.14%	-50%	512,898,561	27.3	4.06%	18,787,493
369.00	Services	182,057,677	116,569,686	64.03%	-50%	156,516,830	30.5	2.82%	5,131,699
370.00	Meters	140,665,914	34,679,835	24.65%	-10%	120,052,670	10.2	8.37%	11,769,870
373.00	Street Light. & Signal Sys.	53,727,968	18,793,323	34.98%	-15%	42,993,840	16.8	4.76%	2,559,157
TOTAL DISTRIBUTION PLANT		3,556,655,873	1,351,037,388	37.99%		3,103,354,165	27.9	3.13%	111,332,111
<u>GENERAL PLANT</u>									
390.00	Struct. & Improv.								
	Skagit	20,916,098	7,596,119	36.32%	-5%	14,365,784	38.4	1.79%	374,109
	Other Structures	27,691,075	20,042,691	72.38%	-5%	9,032,937	34.5	0.95%	261,824
	<i>Total Struct. & Improv.</i>	<u>48,607,173</u>	<u>27,638,810</u>	<u>56.86%</u>		<u>23,398,721</u>	<u>36.8</u>	<u>1.31%</u>	<u>635,933</u>
391.10	Office Furniture & Eq.								
	Fully Accrued	5,896,620	5,896,620	100.00%	0%	0	0.0	0.00%	0
	Amortized	4,398,911	2,177,000	49.49%	0%	2,221,911	10.1	5.00%	219,946
	<i>Total Office Furniture & Eq.</i>	<u>10,295,531</u>	<u>8,073,620</u>	<u>78.42%</u>		<u>2,221,911</u>	<u>10.1</u>	<u>2.14%</u>	<u>219,946</u>
391.20	Office Furniture & Eq. - Comp.	22,169,282	13,532,000	61.04%	0%	8,637,282	1.9	20.00%	4,433,856
392.00	Transportation Eq.	9,188,876	5,273,638	57.39%	10%	2,996,351	6.2	5.26%	483,282
393.00	Stores Eq.								
	Fully Accrued	589,596	589,596	100.00%	0%	0	0.0	0.00%	0
	Amortized	170,969	33,600	19.65%	0%	137,369	16.1	5.00%	8,548
	<i>Total Stores Eq.</i>	<u>760,565</u>	<u>623,196</u>	<u>81.94%</u>		<u>137,369</u>	<u>16.1</u>	<u>1.12%</u>	<u>8,548</u>
394.00	Tools, Shop, & Garage Eq.								
	Fully Accrued	3,661,295	3,661,295	100.00%	0%	0	0.0	0.00%	0
	Amortized	8,917,578	2,134,000	23.93%	0%	6,783,578	15.2	5.00%	445,879
	<i>Total Tools, Shop, & Garage Eq.</i>	<u>12,578,873</u>	<u>5,795,295</u>	<u>46.07%</u>		<u>6,783,578</u>	<u>15.2</u>	<u>3.54%</u>	<u>445,879</u>
395.00	Laboratory Eq.								
	Fully Accrued	4,155,876	4,155,876	100.00%	0%	0	0.0	0.00%	0
	Amortized	7,875,250	3,991,000	50.68%	0%	3,884,250	9.9	5.00%	393,763
	<i>Total Laboratory Eq.</i>	<u>12,031,127</u>	<u>8,146,876</u>	<u>67.71%</u>		<u>3,884,250</u>	<u>9.9</u>	<u>3.27%</u>	<u>393,763</u>
396.00	Power Operated Eq.	6,082,762	2,469,391	40.60%	10%	3,005,095	7.5	6.59%	400,679

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Account	Description	9/30/16 Investment	9/30/16 Book Reserve	Percent Reserve	Future Net Salvage Percent	Net Plant to be Recovered	Remaining Life	Total Annual Rate	Accrual
	A	B	B						
<u>ELECTRIC PLANT</u>									
397.00	Communication Eq.								
	Fully Accrued	12,913,083	12,913,083	100.00%	0%	0	0.0	0.00%	0
	Amortized	80,874,473	28,500,000	35.24%	0%	52,374,473	9.7	6.67%	5,394,327
	<i>Total Communication Eq.</i>	<u>93,787,556</u>	<u>41,413,083</u>	<u>44.16%</u>		<u>52,374,473</u>	<u>9.7</u>	<u>5.75%</u>	<u>5,394,327</u>
398.00	Misc. Eq.								
	Fully Accrued	86,544	86,544	100.00%	0%	0	0.0	0.00%	0
	Amortized	190,786	67,100	35.17%	0%	123,686	9.7	6.67%	12,725
	<i>Total Misc. Eq.</i>	<u>277,330</u>	<u>153,644</u>	<u>55.40%</u>		<u>123,686</u>	<u>9.7</u>	<u>4.59%</u>	<u>12,725</u>
TOTAL GENERAL PLANT		<u>215,779,075</u>	<u>113,119,553</u>	<u>52.42%</u>		<u>103,562,716</u>	<u>8.3</u>	<u>5.76%</u>	<u>12,428,940</u>
UNRECOVERED RESERVE TO BE AMORTIZED									
391.10	Office Furniture & Eq.	0	(1,913,644)				5.0		382,729
391.20	Office Furniture & Eq. - Comp.	0	20,333				5.0		(4,067)
393.00	Stores Eq.	0	(384,429)				5.0		76,886
394.00	Tools, Shop, & Garage Eq.	0	(798,799)				5.0		159,760
395.00	Laboratory Eq.	0	(3,153,918)				5.0		630,784
397.00	Communication Eq.	0	(7,646,069)				5.0		1,529,214
398.00	Misc. Eq.	0	(63,957)				5.0		12,791
TOTAL UNRECOVERED RESERVE TO BE AMORTIZED		<u>0</u>	<u>(13,940,483)</u>			<u>0</u>			<u>2,788,097</u>
TOTAL DEPRECIABLE ELECTRIC PLANT		<u>9,059,147,131</u>	<u>3,523,472,467</u>	<u>38.89%</u>		<u>6,761,548,979</u>	<u>22.8</u>	<u>3.27%</u>	<u>296,637,143</u>

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Account	Description	Current		PSE Proposed					Public Counsel Proposed					
		Iowa		Future	AYFR	Iowa		Avg	Future	Iowa		Avg	Future	
		Proj	Curve			Proj	Curve			Proj	Curve			
Life	Shape	Net	Life	Shape	Rem	Net	Life	Shape	Life	Shape	Life	Salvage		
A														
ELECTRIC PLANT														
STEAM PRODUCTION PLANT														
311.00 Struct. & Improv.														
	Colstrip 1	125	R2	-10%	06-2022	90	R2	5.7	-11%	06-2022	90	R2	5.7	-10%
	Colstrip 2	125	R2	-10%	06-2022	90	R2	5.7	-11%	06-2022	90	R2	5.7	-10%
	Colstrip 3	125	R2	-10%	06-2035	90	R2	18.1	-13%	06-2035	90	R2	18.1	-8%
	Colstrip 4	125	R2	-10%	06-2035	90	R2	18.1	-13%	06-2035	90	R2	18.1	-8%
	Colstrip 1-2	125	R2	-10%	06-2022	90	R2	5.7	-11%	06-2022	90	R2	5.7	-10%
	Colstrip 3-4	125	R2	-10%	06-2035	90	R2	18.1	-13%	06-2035	90	R2	18.1	-8%
	Frederickson 1/EPCOR	125	R2	-10%	06-2042	90	R2	25.0	-5%	06-2042	90	R2	25.0	-5%
	Goldendale				06-2044	90	R2	27.0	-5%	06-2044	90	R2	27.0	-5%
	Mint Farm				06-2047	90	R2	29.8	-5%	06-2047	90	R2	29.8	-5%
	Sumas				06-2033	90	R2	16.5	-5%	06-2033	90	R2	16.5	-5%
	Ferndale				06-2034	90	R2	17.5	-5%	06-2034	90	R2	17.5	-5%
312.00 Boiler Plant Eq.														
	Colstrip 1	65	R1.5	-10%	06-2022	75	S0	5.7	-11%	06-2022	75	S0	5.7	-10%
	Colstrip 2	65	R1.5	-10%	06-2022	75	S0	5.7	-11%	06-2022	75	S0	5.7	-10%
	Colstrip 3	65	R1.5	-10%	06-2035	75	S0	17.6	-12%	06-2035	75	S0	17.6	-8%
	Colstrip 4	65	R1.5	-10%	06-2035	75	S0	17.6	-12%	06-2035	75	S0	17.6	-8%
	Colstrip 1-2	65	R1.5	-10%	06-2022	75	S0	5.6	-11%	06-2022	75	S0	5.6	-10%
	Colstrip 3-4	65	R1.5	-10%	06-2035	75	S0	17.3	-12%	06-2035	75	S0	17.3	-8%
	Encogen	65	R1.5	-10%	06-2033	75	S0	16.0	-5%	06-2033	75	S0	16.0	-5%
	Frederickson 1/EPCOR	65	R1.5	-10%	06-2042	75	S0	24.0	-5%	06-2042	75	S0	24.0	-5%
	Goldendale				06-2044	75	S0	25.9	-5%	06-2044	75	S0	25.9	-5%
	Mint Farm				06-2047	75	S0	28.5	-5%	06-2047	75	S0	28.5	-5%
	Sumas				06-2033	75	S0	16.2	-5%	06-2033	75	S0	16.2	-5%
	Ferndale				06-2034	75	S0	17.2	-5%	06-2034	75	S0	17.2	-5%
314.00 Turbogenerator Units														
	Colstrip 1	70	R2	-10%	06-2022	45	R1.5	5.6	-10%	06-2022	45	R1.5	5.6	-9%
	Colstrip 2	70	R2	-10%	06-2022	45	R1.5	5.6	-10%	06-2022	45	R1.5	5.6	-10%
	Colstrip 3	70	R2	-10%	06-2035	45	R1.5	16.2	-10%	06-2035	45	R1.5	16.2	-7%
	Colstrip 4	70	R2	-10%	06-2035	45	R1.5	16.4	-10%	06-2035	45	R1.5	16.4	-7%
	Colstrip 1-2	70	R2	-10%	06-2022	45	R1.5	5.3	-10%	06-2022	45	R1.5	5.3	-9%
	Encogen	70	R2	-10%	06-2033	45	R1.5	15.4	-5%	06-2033	45	R1.5	15.4	-5%
	Frederickson 1/EPCOR	70	R2	-10%	06-2042	45	R1.5	22.6	-5%	06-2042	45	R1.5	22.6	-5%
	Goldendale				06-2044	45	R1.5	24.5	-5%	06-2044	45	R1.5	24.5	-5%
	Mint Farm				06-2047	45	R1.5	26.7	-5%	06-2047	45	R1.5	26.7	-5%

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		Iowa		Future	AYFR	Iowa		Avg	Future	Iowa		Avg	Future	
		Proj	Curve			Proj	Curve			Proj	Curve			
Life	Shape	Net	Life	Shape	Rem	Net	Life	Shape	Life	Shape	Life	Salvage		
A														
<u>ELECTRIC PLANT</u>														
	Sumas				06-2033	45	R1.5	15.8	-5%	06-2033	45	R1.5	15.8	-5%
	Ferndale				06-2034	45	R1.5	16.8	-5%	06-2034	45	R1.5	16.8	-5%
315.00	Accessory Electric Eq.													
	Colstrip 1	70	S2	0%	06-2022	60	S2	5.6	-10%	06-2022	60	S2	5.6	-9%
	Colstrip 2	70	S2	0%	06-2022	60	S2	5.6	-11%	06-2022	60	S2	5.6	-10%
	Colstrip 3	70	S2	0%	06-2035	60	S2	16.9	-10%	06-2035	60	S2	16.9	-7%
	Colstrip 4	70	S2	0%	06-2035	60	S2	17.3	-11%	06-2035	60	S2	17.3	-7%
	Colstrip 1-2	70	S2	0%	06-2022	60	S2	5.5	-10%	06-2022	60	S2	5.5	-9%
	Colstrip 3-4	70	S2	0%	06-2035	60	S2	16.7	-10%	06-2035	60	S2	16.7	-7%
	Encogen	70	S2	0%	06-2033	60	S2	16.3	0%	06-2033	60	S2	16.3	0%
	Frederickson 1/EPCOR	70	S2	0%	06-2042	60	S2	24.7	0%	06-2042	60	S2	24.7	0%
	Goldendale				06-2044	60	S2	26.8	0%	06-2044	60	S2	26.8	0%
	Mint Farm				06-2047	60	S2	29.6	0%	06-2047	60	S2	29.6	0%
	Sumas				06-2033	60	S2	16.6	0%	06-2033	60	S2	16.6	0%
	Ferndale				06-2034	60	S2	17.7	0%	06-2034	60	S2	17.7	0%
316.00	Misc. Power Plant Eq.													
	Colstrip 1	45	R0.5	0%	06-2022	50	R1.5	5.6	-11%	06-2022	50	R1.5	5.6	-10%
	Colstrip 2	45	R0.5	0%	06-2022	50	R1.5	5.6	-11%	06-2022	50	R1.5	5.6	-10%
	Colstrip 3	45	R0.5	0%	06-2035	50	R1.5	17.3	-11%	06-2035	50	R1.5	17.3	-7%
	Colstrip 4	45	R0.5	0%	06-2035	50	R1.5	17.2	-11%	06-2035	50	R1.5	17.2	-7%
	Colstrip 1-2	45	R0.5	0%	06-2022	50	R1.5	5.5	-10%	06-2022	50	R1.5	5.5	-9%
	Colstrip 3-4	45	R0.5	0%	06-2035	50	R1.5	15.9	-9%	06-2035	50	R1.5	15.9	-6%
	Encogen	45	R0.5	0%	06-2035	50	R1.5	16.3	-10%	06-2035	50	R1.5	16.3	-6%
	Frederickson 1/EPCOR	45	R0.5	0%	06-2042	50	R1.5	23.1	0%	06-2042	50	R1.5	23.1	0%
	Goldendale				06-2044	50	R1.5	24.8	0%	06-2044	50	R1.5	24.8	0%
	Mint Farm				06-2047	50	R1.5	27.3	0%	06-2047	50	R1.5	27.3	0%
	Sumas				06-2033	50	R1.5	15.9	0%	06-2033	50	R1.5	15.9	0%
	Ferndale				06-2034	50	R1.5	16.9	0%	06-2034	50	R1.5	16.9	0%
HYDROELECTRIC PRODUCTION PLANT														
330.10	Easements				06-2049	SQUARE		32.7	0%	06-2049	SQUARE		32.7	0%
331.00	Struct. & Improv.													
	Lower Baker	100	S1.5	-25%	10-2058	75	S1	39.6	-5%	10-2058	75	S1	39.6	-5%
	Upper Baker	100	S1.5	-25%	10-2058	75	S1	38.9	-7%	10-2058	75	S1	38.9	-6%
	Snoqualmie #1	100	S1.5	-25%	06-2044	75	S1	27.0	-2%	06-2044	75	S1	27.0	-2%

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Account	Description	Current			PSE Proposed					Public Counsel Proposed				
		Proj Life	Iowa Curve Shape	Future Net Salvage	AYFR	Proj Life	Iowa Curve Shape	Avg Rem Life	Future Net Salvage	AYFR	Proj Life	Iowa Curve Shape	Avg Rem Life	Future Net Salvage
A														
<u>ELECTRIC PLANT</u>														
	Snoqualmie #2	100	S1.5	-25%	06-2044	75	S1	27.1	-2%	06-2044	75	S1	27.1	-2%
332.00	Reservoirs, Dams, & Waterways													
	Lower Baker	100	S1.5	-25%	10-2058	90	R1.5	39.3	-9%	10-2058	90	R1.5	39.3	-8%
	Upper Baker	100	S1.5	-25%	10-2058	90	R1.5	39.0	-12%	10-2058	90	R1.5	39.0	-11%
	Snoqualmie #1	100	S1.5	-25%	06-2044	90	R1.5	26.8	-4%	06-2044	90	R1.5	26.8	-4%
	Snoqualmie #2	100	S1.5	-25%	06-2044	90	R1.5	26.8	-4%	06-2044	90	R1.5	26.8	-4%
333.00	Water Wheels, Turbines, & Generators													
	Lower Baker	70	R1.5	0%	10-2058	75	S1	39.3	-6%	10-2058	75	S1	39.3	-5%
	Upper Baker	70	R1.5	0%	10-2058	75	S1	40.2	-9%	10-2058	75	S1	40.2	-8%
	Snoqualmie #1	70	R1.5	0%	06-2044	75	S1	27.1	-2%	06-2044	75	S1	27.1	-1%
	Snoqualmie #2	70	R1.5	0%	06-2044	75	S1	27.0	-2%	06-2044	75	S1	27.0	-2%
334.00	Accessory Electric Eq.													
	Lower Baker	65	R1	0%	10-2058	60	R2.5	39.0	-3%	10-2058	60	R2.5	39.0	-2%
	Upper Baker	65	R1	0%	10-2058	60	R2.5	38.2	-4%	10-2058	60	R2.5	38.2	-3%
	Snoqualmie #1	65	R1	0%	06-2044	60	R2.5	26.9	-1%	06-2044	60	R2.5	26.9	0%
	Snoqualmie #2	65	R1	0%	06-2044	60	R2.5	26.9	-1%	06-2044	60	R2.5	26.9	-1%
335.00	Misc. Power Plant Eq.													
	Lower Baker	35	S1.5	0%	10-2058	45	S1	33.5	-4%	10-2058	45	S1	33.5	-3%
	Upper Baker	35	S1.5	0%	10-2058	45	S1	32.3	-4%	10-2058	45	S1	32.3	-3%
	Snoqualmie #1	35	S1.5	0%	06-2044	45	S1	25.6	-1%	06-2044	45	S1	25.6	-1%
	Snoqualmie #2	35	S1.5	0%	06-2044	45	S1	25.6	-2%	06-2044	45	S1	25.6	-1%
335.10	Misc. Tools													
	Lower Baker		SQUARE	0%	10-2058	18	S4	13.9	0%	10-2058	18	S4	13.9	0%
	Upper Baker		SQUARE	0%	10-2058	18	S4	7.4	0%	10-2058	18	S4	7.4	0%
	Snoqualmie #1		SQUARE	0%	06-2044	18	S4	14.9	0%	06-2044	18	S4	14.9	0%
	Snoqualmie #2		SQUARE	0%	06-2044	18	S4	14.7	0%	06-2044	18	S4	14.7	0%
336.00	Roads, RRs, & Bridges													
	Lower Baker	70	R5	0%	10-2058	75	S0.5	38.8	-1%	10-2058	75	S0.5	38.8	-1%
	Upper Baker	70	R5	0%	10-2058	75	S0.5	36.7	-2%	10-2058	75	S0.5	36.7	-1%
	Snoqualmie #1	70	R5	0%	06-2044	75	S0.5	26.7	0%	06-2044	75	S0.5	26.7	0%
	Snoqualmie #2	70	R5	0%	06-2044	75	S0.5	26.8	0%	06-2044	75	S0.5	26.8	0%

OTHER PRODUCTION PLANT

Puget Sound Energy - Washington
Current and Proposed Parameters
As of September 30, 2016

Account	Description	Current		PSE Proposed					Public Counsel Proposed					
		lowa	Future	AYFR	lowa	Avg	Future	AYFR	lowa	Avg	Future			
		Proj	Curve		Net	Proj	Curve		Rem	Net	Proj	Curve	Rem	Net
Life	Shape	Salvage	Life	Shape	Life	Salvage	Life	Shape	Life	Salvage				
A														
<u>ELECTRIC PLANT</u>														
	Lower Snake River			06-2037	40	R2.5	19.8	-5%	06-2037	40	R2.5	19.8	-5%	
	Hopkins Ridge	SQUARE	-5%	06-2030	40	R2.5	13.2	-5%	06-2030	40	R2.5	13.2	-5%	
	Wild Horse	SQUARE	-5%	06-2031	40	R2.5	14.1	-5%	06-2031	40	R2.5	14.1	-5%	
344.02	Generators - Combined Cycle													
	Encogen	40	R5	0%	06-2033	12	L0.5	5.7	20%	06-2033	12	L0.5	5.7	20%
	Frederickson 1/EPCOR	40	R5	0%	06-2042	12	L0.5	6.5	20%	06-2042	12	L0.5	6.5	20%
	Goldendale			06-2044	12	L0.5	8.2	20%	06-2044	12	L0.5	8.2	20%	
	Mint Farm			06-2047	12	L0.5	8.0	20%	06-2047	12	L0.5	8.0	20%	
	Sumas			06-2033	12	L0.5	7.8	20%	06-2033	12	L0.5	7.8	20%	
	Ferndale			06-2034	12	L0.5	8.8	20%	06-2034	12	L0.5	8.8	20%	
345.00	Accessory Elec. Eq.													
	Encogen	40	R5	0%	06-2033	45	S1.5	15.3	-5%	06-2033	45	S1.5	15.3	-5%
	Frederickson 1/EPCOR	40	R5	0%	06-2042	45	S1.5	22.6	-5%	06-2042	45	S1.5	22.6	-5%
	Goldendale			06-2044	45	S1.5	24.7	-5%	06-2044	45	S1.5	24.7	-5%	
	Mint Farm			06-2047	45	S1.5	27.0	-5%	06-2047	45	S1.5	27.0	-5%	
	Sumas			06-2033	45	S1.5	16.1	-5%	06-2033	45	S1.5	16.1	-5%	
	Crystal Mountain	40	R5	0%	06-2028	45	S1.5	11.4	-5%	06-2028	45	S1.5	11.4	-5%
	Fredonia	40	R5	0%	06-2030	45	S1.5	13.5	-5%	06-2030	45	S1.5	13.5	-5%
	Frederickson	40	R5	0%	06-2030	45	S1.5	13.4	-5%	06-2030	45	S1.5	13.4	-5%
	Whitehorn 2-3	40	R5	0%	06-2038	45	S1.5	19.9	-5%	06-2038	45	S1.5	19.9	-5%
	Ferndale			06-2034	45	S1.5	17.3	-5%	06-2034	45	S1.5	17.3	-5%	
345.01	Accessory Elec. Eq. - Wind													
	Lower Snake River			06-2037	45	S1.5	20.0	-5%	06-2037	45	S1.5	20.0	-5%	
	Hopkins Ridge	SQUARE	-5%	06-2030	45	S1.5	13.3	-5%	06-2030	45	S1.5	13.3	-5%	
	Wild Horse	SQUARE	-5%	06-2031	45	S1.5	14.2	-5%	06-2031	45	S1.5	14.2	-5%	
346.00	Misc. Power Plant Eq.													
	Encogen	40	R5	0%	06-2033	45	S1.5	15.9	-5%	06-2033	45	S1.5	15.9	-5%
	Goldendale			06-2044	45	S1.5	24.7	-5%	06-2044	45	S1.5	24.7	-5%	
	Mint Farm			06-2047	45	S1.5	27.1	-5%	06-2047	45	S1.5	27.1	-5%	
	Sumas			06-2033	45	S1.5	16.1	-5%	06-2033	45	S1.5	16.1	-5%	
	Fredonia	40	R5	0%	06-2030	45	S1.5	13.3	-5%	06-2030	45	S1.5	13.3	-5%
	Frederickson	40	R5	0%	06-2030	45	S1.5	12.8	-5%	06-2030	45	S1.5	12.8	-5%
	Whitehorn 2-3	40	R5	0%	06-2038	45	S1.5	17.1	-5%	06-2038	45	S1.5	17.1	-5%
	Ferndale			06-2034	45	S1.5	17.3	-5%	06-2034	45	S1.5	17.3	-5%	

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Account	Description	Current		PSE Proposed					Public Counsel Proposed				
		lowa	Future	AYFR	Life	Shape	Avg Rem	Future Net	AYFR	lowa	Avg	Future	Net
		Proj	Curve										
Life	Shape	Salvage	Life	Shape	Life	Salvage	Life	Shape	Life	Salvage	Life	Salvage	
A													
<u>ELECTRIC PLANT</u>													
346.01	Misc. Power Plant Eq. - Wind												
	Lower Snake River			06-2037	50	R2.5	20.1	-5%	06-2037	50	R2.5	20.1	-5%
	Hopkins Ridge	SQUARE	-5%	06-2030	50	R2.5	13.5	-5%	06-2030	50	R2.5	13.5	-5%
	Wild Horse			06-2031	50	R2.5	14.5	-5%	06-2031	50	R2.5	14.5	-5%
346.10	Misc. Tools												
	Encogen	SQUARE	0%	06-2028	15	L4	7.9	0%	06-2028	15	L4	7.9	0%
	Frederickson 1/EPCOR			06-2042	15	L4	7.8	0%	06-2042	15	L4	7.8	0%
	Goldendale			06-2044	15	L4	9.4	0%	06-2044	15	L4	9.4	0%
	Mint Farm			06-2047	15	L4	8.9	0%	06-2047	15	L4	8.9	0%
	Sumas			06-2033	15	L4	9.2	0%	06-2033	15	L4	9.2	0%
	Crystal Mountain	SQUARE	0%	06-2028	15	L4	3.7	0%	06-2028	15	L4	3.7	0%
	Fredonia	SQUARE	0%	06-2030	15	L4	4.5	0%	06-2030	15	L4	4.5	0%
	Frederickson	SQUARE	0%	06-2030	15	L4	6.4	0%	06-2030	15	L4	6.4	0%
	Whitehorn 2-3	SQUARE	0%	06-2038	15	L4	6.2	0%	06-2038	15	L4	6.2	0%
346.11	Misc. Tools - Wind												
	Lower Snake River			06-2037	15	L4	12.8	0%	06-2037	15	L4	12.8	0%
	Hopkins Ridge			06-2030	15	L4	7.1	0%	06-2030	15	L4	7.1	0%
	Wild Horse			06-2031	15	L4	11.2	0%	06-2031	15	L4	11.2	0%
348.00	Energy Storage Eq.	SQUARE	0%		20	S3	19.6	0%		20	S3	19.6	0%
<u>TRANSMISSION PLANT</u>													
350.10	Easements	50	SQ	0%	75	R4	64.6	0%	75	R4	64.6	0%	
350.16	Easements - Subtransmission	50	SQ	0%	75	R4	71.9	0%	75	R4	71.9	0%	
350.17	Easements - HVD Reclass	50	SQ	0%	75	R4	51.9	0%	75	R4	51.9	0%	
350.99	Easements - GIF	50	SQ	0%	75	R4	64.3	0%	75	R4	64.3	0%	
352.00	Struct. & Improv.	55	R3	-5%	65	R4	47.7	-5%	65	R4	47.7	-5%	
352.60	Struct. & Improv. - Subtransmission	55	R3	-5%	65	R4	63.3	-5%	65	R4	63.3	-5%	
352.70	Struct. & Improv. - HVD Reclass	55	R3	-5%	65	R4	40.2	-5%	65	R4	40.2	-5%	
352.90	Struct. & Improv. - GIF	55	R3	-5%	65	R4	59.6	-5%	65	R4	59.6	-5%	
353.00	Station Eq.	45	R1	-10%	45	R1.5	35.1	-10%	45	R1.5	35.1	-10%	
353.60	Station Eq. - Subtransmission	45	R1	-10%	45	R1.5	42.4	-10%	45	R1.5	42.4	-10%	
353.70	Station Eq. - HVD Reclass	45	R1	-10%	45	R1.5	30.6	-10%	45	R1.5	30.6	-10%	
353.80	Station Eq. - LIF	45	R1	-10%	45	R1.5	25.2	-10%	45	R1.5	25.2	-10%	
353.90	Station Eq. - GIF	45	R1	-10%	45	R1.5	38.6	-10%	45	R1.5	38.6	-10%	
354.00	Towers & Fixtures	65	R4	-20%	75	R4	53.4	-15%	75	R4	53.4	-15%	
354.70	Towers & Fixtures - HVD Reclass	65	R4	-20%	75	R4	49.4	-15%	75	R4	49.4	-15%	

Puget Sound Energy - Washington
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Account	Description	Current			PSE Proposed				Public Counsel Proposed					
		Iowa		Future	AYFR	Iowa		Avg	Future	AYFR	Iowa		Avg	Future
		Proj	Curve	Net		Proj	Curve	Rem	Net		Proj	Curve	Rem	Net
Life	Shape	Salvage	Life	Shape	Life	Salvage	Life	Salvage	Life	Shape	Life	Salvage		
A														
<u>ELECTRIC PLANT</u>														
354.90	Towers & Fixtures - GIF	65	R4	-20%		75	R4	70.7	-15%		75	R4	70.7	-15%
355.00	Poles & Fixtures	45	R2	-30%		43	R1	35.3	-40%		43	R1	35.3	-30%
355.60	Poles & Fixtures - Subtransmission	45	R2	-30%		43	R1	41.2	-40%		43	R1	41.2	-30%
355.70	Poles & Fixtures - HVD Reclass	45	R2	-30%		43	R1	33.0	-40%		43	R1	33.0	-30%
355.90	Poles & Fixtures - GIF	45	R2	-30%		43	R1	37.6	-40%		43	R1	37.6	-30%
356.00	OH Conductors & Devices	50	R3	-20%		60	R2.5	42.8	-10%		60	R2.5	42.8	-5%
356.60	OH Conductors & Devices - Subtransmission	50	R3	-20%		60	R2.5	57.6	-10%		60	R2.5	57.6	-5%
356.70	OH Conductors & Devices - HVD Reclass	50	R3	-20%		60	R2.5	43.4	-10%		60	R2.5	43.4	-5%
356.90	OH Conductors & Devices - GIF	50	R3	-20%		60	R2.5	52.7	-10%		60	R2.5	52.7	-5%
357.70	UG Conduit - HVD Reclass					55	R4	18.2	0%		55	R4	18.2	0%
357.90	UG Conduit - GIF					55	R4	44.8	0%		55	R4	44.8	0%
358.70	UG Conductors & Devices - HVD Reclass	50	R3	0%		55	R4	19.2	0%		55	R4	19.2	0%
358.90	UG Conductors & Devices - GIF	50	R3	0%		55	R4	49.0	0%		55	R4	49.0	0%
359.00	Roads & Trails	60	R4	0%		65	R4	50.9	0%		65	R4	50.9	0%
359.70	Roads & Trails - HVD Reclass	60	R4	0%		65	R4	30.3	0%		65	R4	30.3	0%
359.99	Roads & Trails - GIF	60	R4	0%		65	R4	40.2	0%		65	R4	40.2	0%
DISTRIBUTION PLANT														
360.10	Easements					65	R4	43.4	0%		65	R4	43.4	0%
361.00	Struct. & Improv.	55	R3	-5%		60	R2	45.9	-10%		60	R2	45.9	-10%
362.00	Station Eq.	45	R1.5	-10%		52	S0	42.3	-15%		52	S0	42.3	-10%
363.00	Battery Storage Eq.					20	S3	19.6	0%		20	S3	19.6	0%
364.00	Poles, Towers, & Fixtures	45	R2	-30%		46	R1.5	34.1	-50%		46	R1.5	34.1	-50%
365.00	OH Conductors & Devices	40	R2.5	-20%		38	R2.5	25.6	-25%		38	R2.5	25.6	-25%
366.00	UG Conduit	50	R4	-15%		55	R3	40.2	-10%		55	R3	40.2	-10%
367.00	UG Conductors & Devices	35	R2.5	-20%		38	R2.5	25.3	-40%		38	R2.5	25.3	-20%
368.00	Line Transformers	40	R2	-20%		44	R2	27.3	-50%		44	R2	27.3	-50%
369.00	Services	45	R3	-20%		55	R3	30.5	-60%		55	R3	30.5	-50%
370.00	Meters	35	R2.5	0%		20	L1	10.2	-10%		20	L1	10.2	-10%
373.00	Street Light. & Signal Sys.	35	R2	-15%		31	S0.5	16.8	-15%		31	S0.5	16.8	-15%
GENERAL PLANT														
390.00	Struct. & Improv.													
	Skagit	35	R4	-5%		75	S1.5	38.4	-5%		75	S1.5	38.4	-5%
	Other Structures	35	R4	-5%		45	S1.5	34.5	-5%		45	S1.5	34.5	-5%
391.10	Office Furniture & Eq.													
	Fully Accrued	20	SQ	0%		FULLY ACCRUE	0.0	0%			FULLY ACCRUE	0.0	0%	
	Amortized	20	SQ	0%		20	SQ	10.1	0%		20	SQ	10.1	0%

Puget Sound Energy - Washington
Current and Proposed Parameters
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Account	Description	Current			PSE Proposed				Public Counsel Proposed					
		Iowa		Future	Iowa		Avg	Future	Iowa		Avg	Future		
		Proj	Curve	Net	Proj	Curve	Rem	Net	Proj	Curve	Rem	Net		
		Life	Shape	Salvage	AYFR	Life	Shape	Life	Salvage	AYFR	Life	Shape	Life	Salvage
A														
<u>ELECTRIC PLANT</u>														
391.20	Office Furniture & Eq. - Comp.	5	SQ	0%		5	SQ	1.9	0%		5	SQ	1.9	0%
392.00	Transportation Eq.	10	SQ	10%		12	L3	6.2	10%		12	L3	6.2	10%
393.00	Stores Eq.													
	Fully Accrued	20	SQ	0%		FULLY ACCRUE		0.0	0%		FULLY ACCRUE		0.0	0%
	Amortized	20	SQ	0%		20	SQ	16.1	0%		20	SQ	16.1	0%
394.00	Tools, Shop, & Garage Eq.													
	Fully Accrued	20	SQ	0%		FULLY ACCRUE		0.0	0%		FULLY ACCRUE		0.0	0%
	Amortized	20	SQ	0%		20	SQ	15.2	0%		20	SQ	15.2	0%
395.00	Laboratory Eq.													
	Fully Accrued	20	SQ	0%		FULLY ACCRUE		0.0	0%		FULLY ACCRUE		0.0	0%
	Amortized	20	SQ	0%		20	SQ	9.9	0%		20	SQ	9.9	0%
396.00	Power Operated Eq.	15	SQ	10%		14	L3	7.5	10%		14	L3	7.5	10%
397.00	Communication Eq.													
	Fully Accrued	15	SQ	0%		FULLY ACCRUE		0.0	0%		FULLY ACCRUE		0.0	0%
	Amortized	15	SQ	0%		15	SQ	9.7	0%		15	SQ	9.7	0%
398.00	Misc. Eq.													
	Fully Accrued	15	SQ	0%		FULLY ACCRUE		0.0	0%		FULLY ACCRUE		0.0	0%
	Amortized	15	SQ	0%		15	SQ	9.7	0%		15	SQ	9.7	0%

Puget Sound Energy - Washington
Reallocation of Steam Production Depreciation Reserve
As of September 30, 2016

Account	Description	9/30/16 Investment	9/30/16 Book Reserve	PSE Calculated Reserve Amount	Book Reserve Surplus/ (Deficiency)	PC Reallocated Book Reserve	Reallocated Book Reserve Surplus/ (Deficiency)
	A	B	C	D	E=C-D	F	G=K-D
<u>ELECTRIC PLANT</u>							
STEAM PRODUCTION PLANT							
311.00	Struct. & Improv.						
	Colstrip 1	9,209,468	5,369,108	7,384,294	(2,015,186)	7,462,768	78,474
	Colstrip 2	4,336,957	1,063,479	2,768,477	(1,704,998)	2,797,898	29,421
	Colstrip 3	29,664,979	21,454,595	20,166,988	1,287,607	20,381,307	214,319
	Colstrip 4	27,862,835	19,334,081	18,488,671	845,410	18,685,154	196,483
	Colstrip 1-2	30,934,200	26,913,191	29,232,351	(2,319,160)	29,543,009	310,658
	Colstrip 3-4	70,065,641	52,568,884	49,063,763	3,505,121	49,585,174	521,411
	Frederickson 1/EPCOR	403,636	8,557	135,431	(126,874)	136,870	1,439
	Goldendale	2,131,452	1,475,544	542,187	933,357	547,949	5,762
	Mint Farm	458,042	117,386	100,936	16,450	102,009	1,073
	Sumas	1,492,712	1,197,365	508,406	688,959	513,809	5,403
	Ferndale	571,513	367,246	112,294	254,952	113,487	1,193
	<i>Total Struct. & Improv.</i>	177,131,434	129,869,434	128,503,798	1,365,636	129,869,434	1,365,636
312.00	Boiler Plant Eq.						
	Colstrip 1	88,145,748	42,279,305	63,433,049	(21,153,744)	71,724,055	8,291,006
	Colstrip 2	88,368,523	36,998,692	60,721,457	(23,722,766)	68,658,045	7,936,588
	Colstrip 3	137,645,882	88,664,395	82,086,559	6,577,836	92,815,669	10,729,110
	Colstrip 4	126,930,413	74,762,985	72,613,068	2,149,917	82,103,947	9,490,879
	Colstrip 1-2	6,043,572	5,184,007	5,766,890	(582,883)	6,520,650	753,760
	Colstrip 3-4	15,254,042	10,094,597	10,442,054	(347,457)	11,806,881	1,364,827
	Encogen	42,923,481	34,057,590	21,846,851	12,210,739	24,702,340	2,855,489
	Frederickson 1/EPCOR	18,138,531	7,308,605	6,143,948	1,164,657	6,946,992	803,044
	Goldendale	86,173,650	66,841,917	22,846,712	43,995,205	25,832,888	2,986,176

Puget Sound Energy - Washington
Reallocation of Steam Production Depreciation Reserve
As of September 30, 2016

Account	Description	9/30/16 Investment	9/30/16 Book Reserve	PSE Calculated Reserve Amount	Book Reserve Surplus/ (Deficiency)	PC Reallocated Book Reserve	Reallocated Book Reserve Surplus/ (Deficiency)
	A	B	C	D	E=C-D	F	G=K-D
<u>ELECTRIC PLANT</u>							
	Mint Farm	26,297,847	3,059,104	5,463,024	(2,403,920)	6,177,068	714,044
	Sumas	15,704,259	13,938,347	5,446,472	8,491,875	6,158,352	711,880
	Ferndale	44,686,468	30,590,589	9,138,763	21,451,826	10,333,244	1,194,481
	<i>Total Boiler Plant Eq.</i>	696,312,415	413,780,132	365,948,847	47,831,285	413,780,132	47,831,285
314.00 Turbogenerator Units							
	Colstrip 1	28,781,740	9,901,631	19,602,777	(9,701,146)	25,397,350	5,794,573
	Colstrip 2	34,145,119	12,039,663	23,497,700	(11,458,037)	30,443,610	6,945,910
	Colstrip 3	42,228,337	15,440,101	22,105,557	(6,665,456)	28,639,950	6,534,393
	Colstrip 4	39,133,170	15,579,409	19,677,171	(4,097,762)	25,493,735	5,816,564
	Colstrip 1-2	3,813,726	3,575,882	3,580,939	(5,057)	4,156,961	576,022
	Encogen	20,710,885	16,987,716	10,361,245	6,626,471	13,424,025	3,062,780
	Frederickson 1/EPCOR	15,800,824	6,391,663	5,272,743	1,118,920	6,831,364	1,558,621
	Goldendale	89,524,456	69,143,032	22,932,359	46,210,673	29,711,155	6,778,796
	Mint Farm	24,647,470	6,463,275	5,399,464	1,063,811	6,995,543	1,596,079
	Sumas	22,032,535	17,817,477	7,183,797	10,633,680	9,307,324	2,123,527
	Ferndale	18,176,145	11,698,599	3,579,371	8,119,228	4,637,432	1,058,061
	<i>Total Turbogenerator Units</i>	338,994,406	185,038,449	143,193,123	41,845,326	185,038,449	41,845,326
315.00 Accessory Electric Eq.							
	Colstrip 1	7,465,363	4,686,400	5,720,538	(1,034,138)	6,251,507	530,969
	Colstrip 2	4,167,725	1,460,588	2,902,866	(1,442,278)	3,172,304	269,438
	Colstrip 3	6,769,582	4,484,210	4,511,051	(26,841)	4,929,757	418,706
	Colstrip 4	6,474,414	3,767,317	3,976,793	(209,476)	4,345,911	369,118
	Colstrip 1-2	2,272,861	1,998,202	2,176,383	(178,181)	2,378,390	202,007
	Colstrip 3-4	7,639,006	5,452,901	5,364,330	88,571	5,862,236	497,906

Puget Sound Energy - Washington
Reallocation of Steam Production Depreciation Reserve
As of September 30, 2016

Account	Description	9/30/16 Investment	9/30/16 Book Reserve	PSE Calculated Reserve Amount	Book Reserve Surplus/ (Deficiency)	PC Reallocated Book Reserve	Reallocated Book Reserve Surplus/ (Deficiency)
	A	B	C	D	E=C-D	F	G=K-D
<u>ELECTRIC PLANT</u>							
	Encogen	1,678,559	1,328,206	835,402	492,804	912,942	77,540
	Frederickson 1/EPCOR	962,487	358,861	317,967	40,894	347,480	29,513
	Goldendale	7,300,879	5,714,400	1,869,244	3,845,156	2,042,743	173,499
	Mint Farm	2,199,936	586,806	479,190	107,616	523,667	44,477
	Sumas	670,282	579,011	221,076	357,935	241,596	20,520
	Ferndale	1,279,531	862,622	247,973	614,649	270,989	23,016
	<i>Total Accessory Electric Eq.</i>	<u>48,880,623</u>	<u>31,279,523</u>	<u>28,622,813</u>	<u>2,656,710</u>	<u>31,279,523</u>	<u>2,656,710</u>
316.00	Misc. Power Plant Eq.						
	Colstrip 1	946,612	373,569	649,976	(276,407)	608,055	(41,921)
	Colstrip 2	1,075,704	483,996	768,516	(284,520)	718,950	(49,566)
	Colstrip 3	1,043,991	378,123	432,820	(54,697)	404,905	(27,915)
	Colstrip 4	1,165,681	420,604	513,748	(93,144)	480,614	(33,134)
	Colstrip 1-2	6,205,597	5,331,195	5,593,023	(261,828)	5,232,298	(360,725)
	Colstrip 3-4	251,534	195,027	168,796	26,231	157,909	(10,887)
	Encogen	4,444,375	2,910,938	2,828,751	82,187	2,646,309	(182,442)
	Frederickson 1/EPCOR	336,378	138,260	106,326	31,934	99,468	(6,858)
	Goldendale	6,163	4,824	1,510	3,314	1,413	(97)
	Mint Farm	152,757	38,799	31,842	6,957	29,788	(2,054)
	Sumas	123,691	109,782	39,914	69,868	37,340	(2,574)
	Ferndale	62,866	43,036	11,868	31,168	11,103	(765)
	<i>Total Misc. Power Plant Eq.</i>	<u>15,815,349</u>	<u>10,428,153</u>	<u>11,147,090</u>	<u>(718,937)</u>	<u>10,428,153</u>	<u>(718,937)</u>
TOTAL STEAM PRODUCTION PLANT		<u>1,277,134,228</u>	<u>770,395,690</u>	<u>677,415,671</u>	<u>92,980,019</u>	<u>770,395,690</u>	<u>92,980,019</u>

PUGET SOUND ENERGY

CALCULATION OF WEIGHTED NET SALVAGE PERCENT FOR GENERATION PLANT AS OF SEPTEMBER 30, 2016

Account (1)	Terminal Retirements			Interim Retirements			Total	Total	Estimated
	Retirements (\$) (2)	Net Salvage (\$) (3)	Net Salvage (%) (4)=(3)/(2)	Retirements (\$) (5)	Net Salvage (%) (6)	Net Salvage (\$) (7)=(5)x(6)	Net Salvage (\$) (8)=(3)+(7)	Retirements (9)=(2)+(5)	Net Salvage (%) (10)=(8)/(9)
<u>STEAM PRODUCTION PLANT</u>									
<u>COLSTRIP 1</u>									
311.00 Struct. & Improv.	9,046,941	906,136	(10)	162,526	(5)	8,126	914,263	9,209,468	(10)
312.00 Boiler Plant Eq.	85,405,297	8,554,145	(10)	2,740,451	(5)	137,023	8,691,168	88,145,748	(10)
314.00 Turbogenerator Units	26,867,228	2,691,006	(10)	1,914,512	(2)	38,290	2,729,296	28,781,740	(9)
315.00 Accessory Electric Eq.	6,975,469	698,659	(10)	489,894	0	-	698,659	7,465,363	(9)
316.00 Misc. Power Plant Eq.	911,188	91,264	(10)	35,423	0	-	91,264	946,612	(10)
TOTAL COLSTRIP 1	129,206,124	12,941,211	(10)	5,342,806		183,439	13,124,650	134,548,930	(10)
<u>COLSTRIP 2</u>									
311.00 Struct. & Improv.	4,289,657	429,650	(10)	47,301	(5)	2,365	432,015	4,336,957	(10)
312.00 Boiler Plant Eq.	85,831,120	8,596,795	(10)	2,537,403	(5)	126,870	8,723,666	88,368,523	(10)
314.00 Turbogenerator Units	32,012,683	3,206,372	(10)	2,132,435	(2)	42,649	3,249,021	34,145,119	(10)
315.00 Accessory Electric Eq.	4,006,667	401,305	(10)	161,059	0	-	401,305	4,167,725	(10)
316.00 Misc. Power Plant Eq.	1,024,329	102,596	(10)	51,375	0	-	102,596	1,075,704	(10)
TOTAL COLSTRIP 2	127,164,456	12,736,719	(10)	4,929,573		171,884	12,908,602	132,094,029	(10)
<u>COLSTRIP 3</u>									
311.00 Struct. & Improv.	27,430,244	2,402,314	(9)	2,234,735	(5)	111,737	2,514,051	29,664,979	(8)
312.00 Boiler Plant Eq.	117,680,952	10,306,385	(9)	19,964,930	(5)	998,246	11,304,631	137,645,882	(8)
314.00 Turbogenerator Units	29,267,646	2,563,232	(9)	12,960,691	(2)	259,214	2,822,446	42,228,337	(7)
315.00 Accessory Electric Eq.	5,126,218	448,949	(9)	1,643,363	0	-	448,949	6,769,582	(7)
316.00 Misc. Power Plant Eq.	847,785	74,248	(9)	196,206	0	-	74,248	1,043,991	(7)
TOTAL COLSTRIP 3	180,352,845	15,795,129	(9)	36,999,925		1,369,197	17,164,326	217,352,770	(8)
<u>COLSTRIP 4</u>									
311.00 Struct. & Improv.	25,887,466	2,267,199	(9)	1,975,368	(5)	98,768	2,365,968	27,862,835	(8)
312.00 Boiler Plant Eq.	109,365,268	9,578,105	(9)	17,565,145	(5)	878,257	10,456,362	126,930,413	(8)
314.00 Turbogenerator Units	28,020,608	2,454,018	(9)	11,112,562	(2)	222,251	2,676,269	39,133,170	(7)
315.00 Accessory Electric Eq.	5,147,148	450,782	(9)	1,327,265	0	-	450,782	6,474,414	(7)
316.00 Misc. Power Plant Eq.	936,619	82,028	(9)	229,062	0	-	82,028	1,165,681	(7)
TOTAL COLSTRIP 4	169,357,110	14,832,133	(9)	32,209,403		1,199,277	16,031,410	201,566,513	(8)
<u>COLSTRIP 1-2</u>									
311.00 Struct. & Improv.	30,285,153	3,033,343	(10)	649,047	(5)	32,452	3,065,796	30,934,200	(10)
312.00 Boiler Plant Eq.	5,738,673	574,782	(10)	304,899	(5)	15,245	590,027	6,043,572	(10)
314.00 Turbogenerator Units	3,257,519	326,271	(10)	556,207	(2)	11,124	337,395	3,813,726	(9)

PUGET SOUND ENERGY

CALCULATION OF WEIGHTED NET SALVAGE PERCENT FOR GENERATION PLANT AS OF SEPTEMBER 30, 2016

Account (1)	Terminal Retirements			Interim Retirements			Total	Total	Estimated
	Retirements (\$) (2)	Net Salvage (\$) (3)	Net Salvage (%) (4)=(3)/(2)	Retirements (\$) (5)	Net Salvage (%) (6)	Net Salvage (\$) (7)=(5)x(6)	Net Salvage (\$) (8)=(3)+(7)	Retirements (9)=(2)+(5)	Net Salvage (%) (10)=(8)/(9)
315.00 Accessory Electric Eq.	2,075,582	207,889	(10)	197,278	0	-	207,889	2,272,861	(9)
316.00 Misc. Power Plant Eq.	5,734,517	574,366	(10)	471,080	0	-	574,366	6,205,597	(9)
TOTAL COLSTRIP 1-2	47,091,444	4,716,652	(10)	2,178,511		58,821	4,775,473	49,269,955	(10)
<u>COLSTRIP 1-4</u>									
316.00 Misc. Power Plant Eq.	170,786	14,957	(9)	80,748	0	-	14,957	251,534	(6)
TOTAL COLSTRIP 1-4	170,786	14,957	(9)	80,748		-	14,957	251,534	(6)
<u>COLSTRIP 3-4</u>									
311.00 Struct. & Improv.	64,725,906	5,668,633	(9)	5,339,735	(5)	266,987	5,935,619	70,065,641	(8)
312.00 Boiler Plant Eq.	12,808,647	1,121,769	(9)	2,445,395	(5)	122,270	1,244,039	15,254,042	(8)
315.00 Accessory Electric Eq.	5,746,752	503,295	(9)	1,892,254	0	-	503,295	7,639,006	(7)
316.00 Misc. Power Plant Eq.	3,203,603	280,568	(9)	1,240,773	0	-	280,568	4,444,375	(6)
TOTAL COLSTRIP 3-4	86,484,907	7,574,265	(9)	10,918,157		389,256	7,963,522	97,403,064	(8)
TOTAL STEAM PRODUCTION PLANT	739,827,671	68,611,066		92,659,123		3,371,875	71,982,941	832,486,795	
<u>HYDROELECTRIC PRODUCTION PLANT</u>									
<u>LOWER BAKER</u>									
331.00 Struct. & Improv.	28,217,981	196,896	(1)	7,055,473	(20)	1,411,095	1,607,991	35,273,454	(5)
332.00 Reservoirs, Dams, & Waterways	95,277,414	664,816	(1)	20,347,056	(45)	9,156,175	9,820,991	115,624,470	(8)
333.00 Water Wheels, Turbines, & Generators	32,813,583	228,963	(1)	8,821,332	(20)	1,764,266	1,993,229	41,634,915	(5)
334.00 Accessory Electric Eq.	11,782,958	82,218	(1)	3,795,241	(5)	189,762	271,980	15,578,198	(2)
335.00 Misc. Power Plant Eq.	3,811,499	26,595	(1)	4,201,281	(5)	210,064	236,660	8,012,780	(3)
336.00 Roads, RRs, & Bridges	1,251,140	8,730	(1)	337,176	0	-	8,730	1,588,316	(1)
TOTAL LOWER BAKER	173,154,576	1,208,219	(1)	44,557,558		12,731,362	13,939,581	217,712,134	(6)
<u>UPPER BAKER</u>									
331.00 Struct. & Improv.	11,385,376	103,682	(1)	4,227,278	(20)	845,456	949,137	15,612,654	(6)
332.00 Reservoirs, Dams, & Waterways	91,818,837	836,153	(1)	27,784,728	(45)	12,503,128	13,339,281	119,603,565	(11)
333.00 Water Wheels, Turbines, & Generators	8,354,663	76,082	(1)	4,773,608	(20)	954,722	1,030,804	13,128,271	(8)
334.00 Accessory Electric Eq.	1,501,274	13,671	(1)	1,236,804	(5)	61,840	75,512	2,738,078	(3)
335.00 Misc. Power Plant Eq.	425,998	3,879	(1)	689,024	(5)	34,451	38,331	1,115,022	(3)
336.00 Roads, RRs, & Bridges	1,884,016	17,157	(1)	764,165	0	-	17,157	2,648,182	(1)
TOTAL UPPER BAKER	115,370,164	1,050,625	(1)	39,475,607		14,399,596	15,450,221	154,845,771	(10)

PUGET SOUND ENERGY

CALCULATION OF WEIGHTED NET SALVAGE PERCENT FOR GENERATION PLANT AS OF SEPTEMBER 30, 2016

Account (1)	Terminal Retirements			Interim Retirements			Total	Total	Estimated
	Retirements (\$) (2)	Net Salvage (\$) (3)	Net Salvage (%) (4)=(3)/(2)	Retirements (\$) (5)	Net Salvage (%) (6)	Net Salvage (\$) (7)=(5)x(6)	Net Salvage (\$) (8)=(3)+(7)	Retirements (9)=(2)+(5)	Net Salvage (%) (10)=(8)/(9)
SNOQUALMIE #1									
331.00 Struct. & Improv.	54,119,726	51,623	(0)	4,535,084	(20)	907,017	958,640	58,654,809	(2)
332.00 Reservoirs, Dams, & Waterways	49,409,002	47,130	(0)	4,083,871	(45)	1,837,742	1,884,872	53,492,873	(4)
333.00 Water Wheels, Turbines, & Generators	34,062,220	32,491	(0)	2,552,365	(20)	510,473	542,964	36,614,585	(1)
334.00 Accessory Electric Eq.	14,832,014	14,148	(0)	1,324,282	(5)	66,214	80,362	16,156,295	0
335.00 Misc. Power Plant Eq.	1,199,566	1,144	(0)	349,083	(5)	17,454	18,598	1,548,649	(1)
336.00 Roads, RRs, & Bridges	577,327	551	(0)	60,173	0	-	551	637,501	0
TOTAL SNOQUALMIE #1	154,199,854	147,088	(0)	12,904,858		3,338,900	3,485,988	167,104,713	(2)
SNOQUALMIE #2									
331.00 Struct. & Improv.	50,984,438	142,329	(0)	3,627,808	(20)	725,562	867,891	54,612,246	(2)
332.00 Reservoirs, Dams, & Waterways	55,846,501	155,903	(0)	4,693,516	(45)	2,112,082	2,267,985	60,540,017	(4)
333.00 Water Wheels, Turbines, & Generators	32,181,981	89,840	(0)	2,849,643	(20)	569,929	659,769	35,031,624	(2)
334.00 Accessory Electric Eq.	10,149,211	28,333	(0)	906,176	(5)	45,309	73,642	11,055,386	(1)
335.00 Misc. Power Plant Eq.	1,234,390	3,446	(0)	357,921	(5)	17,896	21,342	1,592,311	(1)
336.00 Roads, RRs, & Bridges	143,028	399	(0)	14,907	0	-	399	157,935	0
TOTAL SNOQUALMIE #2	150,539,549	420,250	(0)	12,449,970		3,470,777	3,891,027	162,989,519	(2)
TOTAL HYDROELECTRIC PRODUCTION PLANT	593,264,143	2,826,181		109,387,993		33,940,635	36,766,817	702,652,136	

PUGET SOUND ENERGY

CALCULATION OF TERMINAL NET SALVAGE FOR GENERATION PLANT

PLANT (1)	ARO (2)	TERMINAL NET SALVAGE		PSE SHARE (5)	PSE MW CAPACITY (6)=(4)x(5)	TERMINAL NET SALVAGE COST (2016 \$)		CURRENT YEAR (8)	RETIREMENT YEAR (9)	PSE	RATE	PC
		COST/kW (3)	MW CAPACITY (4)			COST (2016 \$) (7)=(2)+(3)x(6)x1000	TERMINAL NET SALVAGE (10)=(7)x(1+2.5%)^[9)-(8)]			YEAR (9)	TERMINAL NET SALVAGE (10)=(7)x(1+2.5%)^[9)-(8)]	
Colstrip 1-2	16,650,000.00	40.00	614	50%	307	28,930,000	2016	2022	33,549,930.59	2018	30,394,581.25	
Colstrip 3-4	21,575,000.00	40.00	1480	25%	370	36,375,000	2016	2035	58,150,900.50	2018	38,216,484.38	
Lower Baker	-	10.00	115	100%	115	1,150,000	2016	2058	3,244,144.47	2018	1,208,218.75	
Upper Baker	-	10.00	100	100%	100	1,000,000	2016	2058	2,820,995.20	2018	1,050,625.00	
Snoqualmie #1	-	10.00	14	100%	14	140,000	2016	2044	279,509.30	2018	147,087.50	
Snoqualmie #2	-	10.00	40	100%	40	400,000	2016	2044	798,598.01	2018	420,250.00	

Rate Year January 1, 2018 through December 31, 2018 (pg. 26 lines 5-6 of Direct Testimony David E. Mills)