

Exhibit No. ___ (RCM-5)
Dockets UE-111048/UG-111049
Witness: Roland C. Martin

BEFORE THE WASHINGTON STATE UTILITIES AND TRANSPORTATION
COMMISSION

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

PUGET SOUND ENERGY, INC.,

Respondent.

DOCKET UE-111048
DOCKET UG-111049
(Consolidated)

TESTIMONY OF

ROLAND C. MARTIN

STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION

*Power Cost Rate
Per Multiparty Settlement Agreement
On Renewable Energy Credits*

January 30, 2012

Exhibit A-1 Power Cost Rate

REVISED

Row		TOTAL Test Year	Test Yr \$/MWh	Production Factor 0.97901 Rate Year	Per Month for Schedule B
3	Regulatory Assets (Variable)	\$ 307,409,565			
4	Transmission Rate Base (Fixed)	94,699,228			
5	Production Rate Base (Fixed)	2,000,416,319			
6		\$ 2,402,525,112			
7	Net of tax rate of return	6.46%			
8					
9					
10	Regulatory Asset Recovery (on Row 3)	\$ 30,551,781	\$ 1.445 (c)		
11	Fixed Asset Recovery Other (on Row 4)	9,411,646	0.445 (a)	9,411,646	784,304
12	Fixed Asset Recovery-Prod Factored (on Row 5)	198,810,606	9.403 (a)	203,073,111	16,922,759
13	501-Steam Fuel	88,808,547	4.200 (c)		17,707,063
14	555-Purchased power	481,731,075	22.784 (c)		
14a	Rate Disallowances for March Point 2	-	0.000 (c)		
15	557-Other Power Exp	6,486,380	0.307 (a)	6,625,448	552,121
15a	Payroll Overheads - Worker's Comp	4,873,488	0.230 (a)	4,977,976	414,831
15b	Property Insurance	3,260,524	0.154 (a)	3,330,430	277,536
15c	Montana Electric Energy Tax	1,660,622	0.079 (a)	1,696,226	141,352
15d	Payroll Taxes on Production Wages	1,927,423	0.091 (a)	1,968,747	164,062
16	547-Fuel	134,424,187	6.358 (c)		
17	565-Wheeling	92,451,477	4.373 (c)		
18	Variable Transmission Income	(5,495,638)	-0.260 (c)		
19	Hydro and Other Pwr.	121,943,693	5.767 (a)	124,558,169	10,379,847
20	447-Sales to Others	(10,227,296)	-0.484 (c)		22,529,592
21	456-Subaccounts 00012 & 00018 and 00035 & 00036	-	0.000 (c)		
22	Transmission Exp - 500KV	1,389,837	0.066 (a)	1,419,635	118,303
23	Depreciation & Amort -Production (FERC 403)	103,731,468	4.906 (a)	105,955,474	8,829,623
24	Depreciation-Transmission	4,091,622	0.194 (a)	4,179,346	348,279
25	Amortization-Production Reg Assets	21,247,976	1.005 (c)		
26	Property Taxes-Production	13,651,649	0.646 (a)	13,944,341	1,162,028
27	Property Taxes-Transmission	1,663,643	0.079 (a)	1,699,311	141,609
28	Hedging Line of Credit	1,420,907	0.067 (c)		
29	Subtotal & Baseline Rate	\$ 1,307,815,619	\$ 61.855 (b)	482,839,861	40,236,655
30	Revenue Sensitive Items	0.9549980			40,236,655
31		\$ 1,369,443,307			
32	Test Year DELIVERED Load (MWH's)	21,143,300			
33					
34					
35					
36					
37					
38	Power Cost in Rates with Revenue Sensitive				
39	Items (the adjusted baseline)	\$ 61.855	\$ 64.770		
40	sum of (a) = Fixed Rate Component	\$ 22.367	\$ 23.421		
41	(b) = Power Cost Rate	\$ 61.855	\$ 64.770		
42	sum of (c) = Variable Power Rate Component	\$ 39.488	\$ 41.349		

-- includes Firm Wholesale