

EXHIBIT NO. \_\_\_\_\_ (TMP-3)  
DOCKET NOS. UE-170033/UG-170034  
2017 PSE GENERAL RATE CASE  
WITNESS: THOMAS MICHAEL POWER

BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,

Complainant,

v.

PUGET SOUND ENERGY,

Respondent.

DOCKETS UE-170033 and UG-170034  
(Consolidated)

EXHIBIT TMP-3 TO PREFILED RESPONSE TESTIMONY  
(NON-CONFIDENTIAL) OF THOMAS MICHAEL POWER  
ON BEHALF OF NW ENERGY COALITION, RENEWABLE NORTHWEST, AND  
NATURAL RESOURCES DEFENSE COUNCIL

JUNE 30, 2017

Colstrip Units 1 & 2

Month	Descrip	101E Subaccount 317.1 Asset Retirement Cost ("ARC")		108E Subaccount 317.1 Asset Retirement Cost ("ARC")		Net ARC		A portion of 40310001 Electric ARC Depreciation Expense		23001021 Colstrip 1/2 Asset Retirement Obligation ("ARO")		A portion of 41113001 Electric ARO Accretion Expense	
		Activity	Balance	Activity	Balance	Activity	Balance	Activity	YTD Exp	Activity	Balance	Activity	YTD Exp
Beginning Balance	1		\$ 832,637		\$ (832,637)	\$ -	\$ -				\$ (2,194,523)		
6/30/2015	2	16,575,588	17,408,225	0	(832,637)	16,575,588	16,575,588	(0)	(0)	(16,585,187)	(18,779,710)	9,600	9,600
7/31/2015	3	-	17,408,225	(27,084)	(859,721)	(27,084)	16,548,504	27,084	27,084	(9,644)	(18,789,354)	9,644	19,244
8/31/2015	3		17,408,225	(54,257)	(913,979)	(54,257)	16,494,246	54,257	81,342	(92,262)	(18,881,616)	92,262	111,506
9/30/2015	3		17,408,225	(54,257)	(968,236)	(54,257)	16,439,989	54,257	135,599	(49,294)	(18,930,910)	49,294	160,800
10/31/2015	3		17,408,225	(54,257)	(1,022,493)	(54,257)	16,385,732	54,257	189,856	(49,536)	(18,980,446)	49,536	210,336
11/30/2015	3		17,408,225	(54,257)	(1,076,751)	(54,257)	16,331,474	54,257	244,114	(49,666)	(19,030,112)	49,666	260,001
12/31/2015	3		17,408,225	(54,257)	(1,131,008)	(54,257)	16,277,217	54,257	298,371	(49,795)	(19,079,907)	49,795	309,797
1/31/2016	3, 4	(203,101)	17,205,124	(49,943)	(1,180,951)	(253,044)	16,024,173	49,943	49,943	149,418	(18,930,489)	53,683	53,683
2/29/2016	3		17,205,124	(53,593)	(1,234,544)	(53,593)	15,970,580	53,593	103,536	(50,639)	(18,981,128)	50,639	104,322
3/31/2016	3		17,205,124	(53,592)	(1,288,136)	(53,592)	15,916,988	53,592	157,128	(50,775)	(19,031,903)	50,775	155,096
4/30/2016	3		17,205,124	(53,593)	(1,341,729)	(53,593)	15,863,395	53,593	210,721	(50,910)	(19,082,813)	50,910	206,007
5/31/2016	3		17,205,124	(53,593)	(1,395,321)	(53,593)	15,809,803	53,593	264,313	(51,047)	(19,133,860)	51,047	257,053
6/30/2016	3		17,205,124	(53,593)	(1,448,914)	(53,593)	15,756,210	53,593	317,906	(51,183)	(19,185,043)	51,183	308,236
7/31/2016	3		17,205,124	(53,593)	(1,502,506)	(53,593)	15,702,618	53,593	371,498	(51,320)	(19,236,363)	51,320	359,556
8/31/2016	3		17,205,124	(53,593)	(1,556,099)	(53,593)	15,649,025	53,593	425,091	(51,457)	(19,287,820)	51,457	411,014
9/30/2016	3		17,205,124	(53,593)	(1,609,691)	(53,593)	15,595,433	53,593	478,683	(51,595)	(19,339,415)	51,595	462,608
10/31/2016	3		17,205,124	(53,593)	(1,663,284)	(53,593)	15,541,840	53,593	532,276	(51,733)	(19,391,148)	51,733	514,341
11/30/2016	3		17,205,124	(53,593)	(1,716,877)	(53,593)	15,488,247	53,593	585,869	(51,871)	(19,443,019)	51,871	566,213
12/31/2016	3,5	45,693,519	62,898,643	(132,647)	(1,849,524)	45,560,872	61,049,119	132,647	718,516	(45,745,529)	(65,188,548)	52,010	618,223
1/31/2017	3		62,898,643	(211,976)	(2,061,500)	(211,976)	60,837,143	211,976	211,976	(170,785)	(65,359,334)	170,785	170,785
2/28/2017	3, 5	(5,759,179)	57,139,464	(201,943)	(2,263,443)	(5,961,122)	54,876,021	201,943	413,919	5,587,946	(59,771,388)	171,233	342,018
3/31/2017	3, 5	(1,000,000)	56,139,464	(139,715)	(2,403,157)	(1,139,715)	53,736,307	139,715	553,633	863,260	(58,908,127)	136,740	478,758
Test Period AMA/Exp			17,264,362		(1,288,951)		15,975,410		641,456		(19,091,254)		611,605

- 1 Beginning Balance
- 2 Adjust Colstrip 1/2 ARO to include \$21.00M of the \$38.65M of remediation costs (PSE's share) from the original GeoSyntech study - Staff DR 144
- 3 Monthly ARC Depreciation and ARO Accretion entries
- 4 Entry to adjust the inflation and discount rate used to calculate the ARO.
- 5 Adjust Colstrip 1/2 ARO to include \$65.01M of the \$74.99M of remediation costs (PSE's share) from the updated GeoSyntech study (as summarized in RJR-23) - Staff DRs 143 and 296

Month	Description	101E Subaccount 317.1 Asset Retirement Cost ("ARC")		108E Subaccount 317.1 Asset Retirement Cost ("ARC")		Net ARC		A portion of 40310001 Electric ARC Depreciation Expense		23001031 Colstrip 3/4 Asset Retirement Obligation ("ARO")		A portion of 41113001 Electric ARO Accretion Expense	
		Activity	Balance	Activity	Balance	Activity	Balance	Activity	YTD Exp	Activity	Balance	Activity	YTD Exp
5/31/2015	1		\$ 333,978		\$ (268,826)	\$ -	\$ 65,152				\$ (1,200,018)		
6/30/2015	2	17,958,241	18,292,219	(633)	(269,458)	17,957,608	18,022,761	633	633	(17,964,430)	(19,164,448)	6,189	6,189
7/31/2015	3	-	18,292,219	(29,554)	(299,013)	(29,554)	17,993,206	29,554	30,187	(6,221)	(19,170,668)	6,221	12,409
8/31/2015	3		18,292,219	(58,994)	(358,007)	(58,994)	17,934,212	58,994	89,181	(96,855)	(19,267,523)	96,855	109,264
9/30/2015	3		18,292,219	(58,994)	(417,001)	(58,994)	17,875,218	58,994	148,175	(50,295)	(19,317,818)	50,295	159,558
10/31/2015	3		18,292,219	(58,994)	(475,995)	(58,994)	17,816,224	58,994	207,169	(50,548)	(19,368,366)	50,548	210,107
11/30/2015	3		18,292,219	(58,994)	(534,989)	(58,994)	17,757,230	58,994	266,163	(50,681)	(19,419,046)	50,681	260,787
12/31/2015	3		18,292,219	(58,994)	(593,983)	(58,994)	17,698,236	58,994	325,157	(50,813)	(19,469,860)	50,813	311,600
1/31/2016	3, 4	(215,017)	18,077,202	(54,427)	(648,410)	(269,444)	17,428,792	54,427	54,427	160,269	(19,309,591)	54,748	54,748
2/29/2016	3		18,077,202	(58,290)	(706,700)	(58,290)	17,370,502	58,290	112,717	(51,653)	(19,361,244)	51,653	106,401
3/31/2016	3		18,077,202	(58,290)	(764,990)	(58,290)	17,312,211	58,290	171,007	(51,791)	(19,413,035)	51,791	158,193
4/30/2016	3		18,077,202	(58,290)	(823,281)	(58,290)	17,253,921	58,290	229,297	(51,930)	(19,464,965)	51,930	210,123
5/31/2016	3		18,077,202	(58,290)	(881,571)	(58,290)	17,195,631	58,290	287,588	(52,069)	(19,517,034)	52,069	262,191
6/30/2016	3		18,077,202	(58,290)	(939,861)	(58,290)	17,137,341	58,290	345,878	(52,208)	(19,569,242)	52,208	314,399
7/31/2016	3		18,077,202	(58,290)	(998,152)	(58,290)	17,079,050	58,290	404,168	(52,348)	(19,621,590)	52,348	366,747
8/31/2016	3		18,077,202	(58,290)	(1,056,442)	(58,290)	17,020,760	58,290	462,458	(52,488)	(19,674,077)	52,488	419,235
9/30/2016	3		18,077,202	(58,290)	(1,114,732)	(58,290)	16,962,470	58,290	520,749	(52,628)	(19,726,706)	52,628	471,863
10/31/2016	3		18,077,202	(58,290)	(1,173,022)	(58,290)	16,904,179	58,290	579,039	(52,769)	(19,779,475)	52,769	524,632
11/30/2016	3		18,077,202	(58,290)	(1,231,313)	(58,290)	16,845,889	58,290	637,329	(52,910)	(19,832,385)	52,910	577,542
12/31/2016	3,5	37,040,427	55,117,629	(122,374)	(1,353,687)	36,918,053	53,763,942	122,374	759,704	(37,093,479)	(56,925,864)	53,052	630,594
1/31/2017	3		55,117,629	(186,680)	(1,540,367)	(186,680)	53,577,262	186,680	186,680	(152,288)	(57,078,151)	152,288	152,288
2/28/2017	3, 5	(14,158,527)	40,959,102	(162,014)	(1,702,381)	(14,320,541)	39,256,721	162,014	348,694	14,005,832	(43,072,319)	152,695	304,983
3/31/2017	3, 5	-	40,959,102	(110,666)	(1,813,047)	(110,666)	39,146,056	110,666	459,360	(78,050)	(43,150,369)	78,050	383,033
Test Period AMA			18,139,915		(765,853)		17,374,062		697,731		(19,475,859)		623,905

- 1 Beginning Balance
- 2 Adjust Colstrip 3/4 ARO to include \$21.60M of the \$42.42M of remediation costs (PSE's share) from the original GeoSyntech study
- 3 Monthly ARC Depreciation and ARO Accretion entries
- 4 Entry to adjust the inflation and discount rate used to calculate the ARO.
- 5 Adjust Colstrip 3/4 ARO to include \$49.73M of the \$86.62M of remediation costs (PSE's share) from the updated GeoSyntech study (RJR-24) - Staff DR 299