

Exh. JL-2
Dockets UE-190529/UG-190530 and
UE-190274/UG-190275 (*consolidated*)
Witness: Jing Liu

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY,

Respondent.

**DOCKETS UE-190529
and UG-190530 (*consolidated*)**

In the Matter of the Petition of

PUGET SOUND ENERGY

**For an Order Authorizing Deferral
Accounting and Ratemaking Treatment
for Short-life UT/Technology Investment**

**DOCKETS UE-190274 and
UG-190275 (*consolidated*)**

EXHIBIT TO TESTIMONY OF

Jing Liu

**STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

Electric Model

November 22, 2019

EXH. SEF-3E page 1 of 6

Staff Recommendation

ELECTRIC RESULTS OF OPERATIONS
2019 GENERAL RATE CASE
12 MONTHS ENDED DECEMBER 31, 2018
GENERAL RATE INCREASE

LINE NO.	DESCRIPTION	
1	RATE BASE	\$ 5,385,664,468
2	RATE OF RETURN	7.33%
3		
4	OPERATING INCOME REQUIREMENT	394,769,206
5		
6	PRO FORMA OPERATING INCOME	354,861,177
7	OPERATING INCOME DEFICIENCY	39,908,029
8		
9	CONVERSION FACTOR	0.751381
10	REVENUE CHANGE BEFORE ATTRITION AND RIDERS (1)	53,112,907
11	CHANGES TO OTHER PRICE SCHEDULES FROM EXH. JAP-14:	
12	DECREASE TO SCHEDULE 95 POWER COST ADJUSTMENT CLAUSE	(3,124,000)
13	DECREASE TO SCHEDULE 141 EXPEDITED RATE FILING RATE ADJUSTMENT	(25,853,000)
14	INCREASE TO SCHEDULE 141Y TEMPORARY FEDERAL INCOME TAX RATE CREDIT	25,853,000
15	SUBTOTAL CHANGES TO OTHER PRICE SCHEDULES	(3,124,000)
16		
17	NET REVENUE CHANGE BEFORE ATTRITION	49,988,907
18		
19	ATTRITION ADJUSTMENT	(3,865,617)
20		For Informational only
21	NET REVENUE CHANGE AFTER ATTRITION FROM PAGE 4 OF 6	46,123,290
22		For Informational only
23	REDUCTION TO SUPPORTED AMOUNT	-
24		
25	NET REVENUE CHANGE REQUESTED EXH. JAP-14	\$ 46,123,290
26		For Informational only
27		
28		
29	(1) AMOUNT RELATED TO WHOLESALE	\$ 354,912

EXH. SEF-3E page 2 of 6

Staff Recommendation

ELECTRIC RESULTS OF OPERATIONS
2019 GENERAL RATE CASE
12 MONTHS ENDED DECEMBER 31, 2018
COST OF CAPITAL - GRC

LINE NO.	DESCRIPTION	CAPITAL STRUCTURE	COST	WEIGHTED COST
1	SHORT AND LONG TERM DEBT	51.50%	5.57%	2.87%
2	EQUITY	48.50%	9.20%	4.46%
3	TOTAL	100%		7.33%
4				
5	AFTER TAX SHORT TERM DEBT ((LINE 1)* 79%)	51.50%	4.40%	2.27%
6	EQUITY	48.50%	9.20%	4.46%
7	TOTAL AFTER TAX COST OF CAPITAL	100%		6.73%

EXH. SEF-3E page 3 of 6

ELECTRIC RESULTS OF OPERATIONS
2019 GENERAL RATE CASE
12 MONTHS ENDED DECEMBER 31, 2018
CONVERSION FACTOR

LINE NO.	DESCRIPTION		
1	BAD DEBTS		0.008479
2	ANNUAL FILING FEE		0.002000
3	STATE UTILITY TAX (3.8406% - (LINE 1 * 3.8406%))	3.8734%	<u>0.038406</u>
4			
5	SUM OF TAXES OTHER		0.048885
6			
7	CONVERSION FACTOR EXCLUDING FEDERAL INCOME TAX (1 - LINE 6)		0.951115
8	FEDERAL INCOME TAX (LINE 7 * 21%)	21%	<u>0.199734</u>
9	CONVERSION FACTOR INCL FEDERAL INCOME TAX (LINE 7 - LINE 8)		<u><u>0.751381</u></u>

EXH. SEF-3E page 4 of 6

ELECTRIC RESULTS OF OPERATIONS
2019 GENERAL RATE CASE
12 MONTHS ENDED DECEMBER 31, 2018
GENERAL RATE INCREASE

LINE NO.	DESCRIPTION	AMOUNT
1	ATTRITION DEFICIENCY FROM RON AMEN EXH. RJA-3 (DOES NOT INCLUDE POWER COSTS)	\$ 28,074,587
2	CHANGES TO OTHER PRICE SCHEDULES	(3,124,000)
3	DEFICIENCY ASSOCIATED WITH POWER COSTS FROM EXH. SEF-3E PAGE 5	21,172,703
4		
5	NET REVENUE CHANGE AFTER ATTRITION	\$ 46,123,290

For information only

UTC Staff Note:

EXH. SEF-3E page 5 of 6

ELECTRIC RESULTS OF OPERATIONS
2019 GENERAL RATE CASE
12 MONTHS ENDED DECEMBER 31, 2018
GENERAL RATE INCREASE

LINE NO.	Description	2019 GRC	Microsoft Update UE-190166	Increase
1	Total Variable Costs per Exhibit A-1	\$ 697,606,406	\$ 670,031,044	
2	Revenue Sensitive Items	0.951115	0.952386	
3	Total Grossed Up Variable Costs per Exhibit A-1	\$ 733,461,680	\$ 703,528,867	
4	Load in MWh's	20,535,516	20,282,959	
5	Dollar per MWh	\$ 35.717	\$ 34.686	\$ 1.03
6	Current Load in MWh's			20,535,516
7	Increase in Power Costs			<u>\$ 21,172,703</u>

Exhibit A-1 Power Cost Baseline Rates With and Without Microsoft

EXH. SEF-3E page 6 of 6

<=Contingent Calculation - NO MS Settlement=>						
Row	Test Year	Test Yr \$/MWh	F/V	Fixed Prod Cost In Decoupling	Variable Prod Cost In PCA	
	(I)	(II)	(III)	(IV)	(V)	
3	Regulatory Assets (1) (Fixed)	\$ 199,079,031				
4	Transmission Rate Base (Fixed)	85,738,601				
5	Production Rate Base (Fixed)	1,961,447,672				
6		\$ 2,246,265,304				
7	Net of tax rate of return	6.55%				
8						
9						
9A						
10	Regulatory Asset Recovery (on Row 3)	\$ 20,061,041	0.989 F	\$ 20,061,041	\$ -	
10a	Equity Adder Centralia Coal Transition PPA	4,770,580	0.235 V		4,770,580	
11	Fixed Asset Recovery Other (on Row 4)	8,639,813	0.426 F	8,639,813		
12	Fixed Asset Recovery-Prod Factored (on Row 5)	197,653,573	9.745 F	197,653,573		
13	501-Steam Fuel Incl PC Reg Amort	69,979,069	3.450 V		69,979,069	
14	555-Purchased power Incl PC Reg Amort	370,094,614	18.247 V		370,094,614	
15	557-Other Power Exp	7,238,267	0.357 F	7,238,267		
15a	Payroll Overheads - Benefits (Inc. Worker's Comp)	8,206,061	0.405 F	8,206,061		
15b	Property Insurance	2,763,777	0.136 F	2,763,777		
15c	Montana Electric Energy Tax	1,262,954	0.062 V		1,262,954	
15d	Payroll Taxes on Production Wages	2,119,540	0.104 F	2,119,540		
15e	Brokerage Fees 55700003	313,404	0.015 V		313,404	
16	547-Fuel Incl PC Reg Amort	171,056,253	8.433 V		171,056,253	
17	565-Wheeling Incl PC Reg Amort	108,399,249	5.344 V		108,399,249	
18	Transmission Revenue 456.1	(11,639,833)	(0.574) F	(11,639,833)		
19	Production O&M	138,209,149	6.814 F	138,209,149		
20	447-Sales to Others	(39,617,468)	(1.953) V		(39,617,468)	
21	456-Purch/Sales Non-Core Gas	(16,227,611)	(0.800) V		(16,227,611)	
22	Transmission Exp - 500KV	662,135	0.033 F	662,135		
23	Depreciation-Production (FERC 403)	161,583,689	7.966 F	161,583,689		
24	Depreciation-Transmission	3,490,805	0.172 F	3,490,805		
25	Amortization - Regulatory Assets & Liab - Non PC Only (1)	19,415,532	0.957 F	19,415,532		
26	N/A (formerly hedging line of credit)					
27	Subtotal & Baseline Rate	\$ 1,228,434,593	60.565	\$ 558,403,549	\$ 670,031,044	
28	Revenue Sensitive Items	0.9523860	0.9523860	0.9523860	0.9523860	
29	Grossed up for RSI	\$ 1,289,849,486	63.593	\$ 586,320,619	\$ 703,528,867	
30	Test Year DELIVERED Load (MWH's)	20,282,959	<-- includes Firm Wholesale			
31			Total	Fixed	Variable	
32	Baseline Rate Summarized					
33	BLR Net of RSI	\$	60.565	\$ 27.531	\$ 33.034	
34	BLR Grossed Up for RSI	\$	63.593	\$ 28.907	\$ 34.686	
35						
36	(1) - Amortization is picked up in Regulatory Assets and Liabilities Adjustment and White River Adjustment.					

**PUGET SOUND ENERGY
ELECTRIC RESULTS OF OPERATIONS
2019 GENERAL RATE CASE
12 MONTHS ENDED DECEMBER 31, 2018
COST OF CAPITAL - TEST YEAR**

LINE NO.	DESCRIPTION	CAPITAL STRUCTURE	COST	WEIGHTED COST
1	SHORT AND LONG TERM DEBT	51.00%	5.76%	2.94%
2	EQUITY	49.00%	9.50%	4.66%
3	TOTAL	100%		7.60%
4				
5	AFTER TAX SHORT TERM DEBT ((LINE 1)* 79%)	51.00%	4.55%	2.32%
6	EQUITY	49.00%	9.50%	4.66%
7	TOTAL AFTER TAX COST OF CAPITAL	100%		6.98%

PUGET SOUND ENERGY, INC.
2019 GENERAL RATE CASE
Utility Capital Structure
Proposed Cost of Capital and Rate of Return

Staff Recommendation

Line No.	DESCRIPTION			
1	SHORT AND LONG TERM DEBT	51.50%	5.57%	2.87%
2	EQUITY	48.50%	9.20%	4.46%
3	TOTAL	<u>100.00%</u>		<u>7.33%</u>
4				
5	AFTER TAX SHORT TERM DEBT ((LINE 1)* 79%)	51.50%	4.40%	2.27%
6	EQUITY	48.50%	9.20%	4.46%
7	TOTAL AFTER TAX COST OF CAPITAL	<u>100.00%</u>		<u>6.73%</u>

**PUGET SOUND ENERGY
ELECTRIC STATEMENT OF OPERATING INCOME
AND ADJUSTMENTS
2019 GENERAL RATE CASE
12 MONTHS ENDED DECEMBER 31, 2018**

LINE NO.	DESCRIPTION	ACTUAL RESULTS OF OPERATIONS a	RESTATING ADJUSTMENTS b	RESTATED RESULTS OF OPERATIONS c = a + b	PROFORMA ADJUSTMENTS d	ADJUSTED RESULTS OF OPERATIONS e = c + d
1	OPERATING REVENUES					
2	SALES TO CUSTOMERS	\$ 2,165,233,767	\$ (158,587,777)	\$ 2,006,645,990	\$ (6,392,694)	\$ 2,000,253,296
3	SALES FROM RESALE-FIRM/SPECIAL CONTRACT	340,432	(12,104)	328,327	3,986	332,313
4	SALES TO OTHER UTILITIES	155,333,122	-	155,333,122	(148,347,616)	6,985,506
5	OTHER OPERATING REVENUES	122,175,867	17,627,312	139,803,179	(62,278,546)	77,524,633
6	TOTAL OPERATING REVENUES	2,443,083,188	(140,972,569)	2,302,110,619	(217,014,870)	2,085,095,748
7						
8	OPERATING REVENUE DEDUCTIONS:					
9						
10	POWER COSTS:					
11	FUEL	\$ 204,174,130	\$ 1,063,362	\$ 205,237,493	\$ (17,614,269)	\$ 187,623,224
12	PURCHASED AND INTERCHANGED	591,842,798	9,117,243	600,960,041	(167,090,782)	433,869,259
13	WHEELING	115,807,778	-	115,807,778	(3,265,056)	112,542,721
14	RESIDENTIAL EXCHANGE	(77,453,660)	77,453,660	-	-	-
15	TOTAL PRODUCTION EXPENSES	\$ 834,371,046	\$ 87,634,265	\$ 922,005,311	\$ (187,970,107)	\$ 734,035,204
16						
17	OTHER POWER SUPPLY EXPENSES	\$ 127,167,993	\$ (35,955)	\$ 127,132,038	\$ (20,229,805)	\$ 106,902,233
18	TRANSMISSION EXPENSE	24,439,502	(119,633)	24,319,869	488,386	24,808,255
19	DISTRIBUTION EXPENSE	83,251,239	70,205	83,321,444	2,247,363	85,568,807
20	CUSTOMER ACCTS EXPENSES	53,199,861	(774,803)	52,425,058	(307,131)	52,117,927
21	CUSTOMER SERVICE EXPENSES	22,140,921	(18,125,240)	4,015,681	67,859	4,083,540
22	CONSERVATION AMORTIZATION	97,087,903	(97,087,903)	-	-	-
23	ADMIN & GENERAL EXPENSE	124,825,411	752,398	125,577,809	2,219,348	127,797,157
24	DEPRECIATION	341,625,260	2,581,343	344,206,603	4,322,050	348,528,653
25	AMORTIZATION	75,292,958	15,699,258	90,992,216	(2,792,367)	88,199,849
26	AMORTIZ OF PROPERTY GAIN/LOSS	35,645,161	-	35,645,161	7,505,238	43,150,399
27	OTHER OPERATING EXPENSES	(21,632,954)	31,433,178	9,800,224	(334,741)	9,465,484
28	ASC 815	(41,661,501)	41,661,501	-	-	-
29	TAXES OTHER THAN INCOME TAXES	234,440,433	(146,620,964)	87,819,469	(1,226,480)	86,592,989
30	INCOME TAXES	22,841,555	60,709,612	83,551,167	(3,751,919)	79,799,248
31	DEFERRED INCOME TAXES	38,907,708	(90,716,508)	(51,808,801)	(9,006,372)	(60,815,173)
32	TOTAL OPERATING REV. DEDUCT.	\$ 2,051,942,497	\$ (112,939,247)	\$ 1,939,003,250	\$ (208,768,678)	\$ 1,730,234,572
33						
34	NET OPERATING INCOME	\$ 391,140,691	\$ (28,033,323)	\$ 363,107,368	\$ (8,246,192)	\$ 354,861,177
35						
36	RATE BASE	\$ 5,208,778,506	\$ 155,397,419	\$ 5,364,175,926	\$ 21,488,543	\$ 5,385,664,468
37						
38	RATE OF RETURN	7.51%		6.77%		6.59%
39						
40	RATE BASE:					
41	GROSS UTILITY PLANT IN SERVICE	\$ 10,572,466,950	\$ 313,729,830	\$ 10,886,196,780	\$ 25,394,339	\$ 10,911,591,120
42	ACCUM DEPR AND AMORT	(4,244,925,258)	(178,784,499)	(4,423,709,757)	475,292	(4,423,234,465)
43	DEFERRED DEBITS AND CREDITS	285,841,342	(12,697,239)	273,144,103	(25,514,938)	247,629,165
44	DEFERRED TAXES	(1,443,684,470)	35,016,843	(1,408,667,627)	21,133,849	(1,387,533,778)
45	ALLOWANCE FOR WORKING CAPITAL	145,303,205	-	145,303,205	-	145,303,205
46	OTHER	(106,223,264)	(1,867,516)	(108,090,779)	-	(108,090,779)
47	TOTAL RATE BASE	\$5,208,778,506	\$155,397,419	\$5,364,175,926	\$21,488,543	\$5,385,664,468
48						
49	ROR	7.33%	7.33%	7.33%	7.33%	7.33%
50	CF	0.751381	0.751381	0.751381	0.751381	0.751381
51	Surplus / (Deficiency)	9,337,227	(39,423,953)	(30,086,727)	(9,821,302)	(39,908,029)
52	Revenue Requirement or (Surplus)	(12,426,754)	52,468,659	40,041,905	13,071,001	53,112,907

PUGET SOUND ENERGY
ELECTRIC STATEMENT OF OPERATING INCOME AND ADJUSTMENTS
2019 GENERAL RATE CASE
12 MONTHS ENDED DECEMBER 31, 2018

EXH. SEF-4E page 1 of 7

LINE NO.	DESCRIPTION	NET REVENUE CHANGE TO BASE RATES f	AFTER RATE INCREASE g = e + f
1	OPERATING REVENUES		
2	SALES TO CUSTOMERS	\$ 52,757,995	\$ 2,053,011,291
3	SALES FROM RESALE-FIRM/SPECIAL CONTRACT	354,912	687,225
4	SALES TO OTHER UTILITIES		6,985,506
5	OTHER OPERATING REVENUES		77,524,633
6	TOTAL OPERATING REVENUES	<u>53,112,907</u>	<u>2,138,208,655</u>
7			
8	OPERATING REVENUE DEDUCTIONS:		
9			
10	POWER COSTS:		
11	FUEL		\$ 187,623,224
12	PURCHASED AND INTERCHANGED		433,869,259
13	WHEELING		112,542,721
14	RESIDENTIAL EXCHANGE		-
15	TOTAL PRODUCTION EXPENSES	<u>-</u>	<u>\$ 734,035,204</u>
16			
17	OTHER POWER SUPPLY EXPENSES		\$ 106,902,233
18	TRANSMISSION EXPENSE		24,808,255
19	DISTRIBUTION EXPENSE		85,568,807
20	CUSTOMER ACCTS EXPENSES	450,344	52,568,272
21	CUSTOMER SERVICE EXPENSES		4,083,540
22	CONSERVATION AMORTIZATION		-
23	ADMIN & GENERAL EXPENSE	106,226	127,903,383
24	DEPRECIATION		348,528,653
25	AMORTIZATION		88,199,849
26	AMORTIZ OF PROPERTY GAIN/LOSS		43,150,399
27	OTHER OPERATING EXPENSES		9,465,484
28	ASC 815		-
29	TAXES OTHER THAN INCOME TAXES	2,039,854	88,632,843
30	INCOME TAXES	10,608,453	90,407,701
31	DEFERRED INCOME TAXES		(60,815,173)
32	TOTAL OPERATING REV. DEDUCT.	<u>\$ 13,204,878</u>	<u>\$ 1,743,439,450</u>
33			
34	NET OPERATING INCOME	<u>\$ 39,908,029</u>	<u>\$ 394,769,206</u>
35			
36	RATE BASE		\$ 5,385,664,468
37			
38	RATE OF RETURN		7.33%
39			
40	RATE BASE:		
41	GROSS UTILITY PLANT IN SERVICE		\$ 10,911,591,120
42	ACCUM DEPR AND AMORT		(4,423,234,465)
43	DEFERRED DEBITS AND CREDITS		247,629,165
44	DEFERRED TAXES		(1,387,533,778)
45	ALLOWANCE FOR WORKING CAPITAL		145,303,205
46	OTHER		(108,090,779)
47	TOTAL RATE BASE		<u>\$5,385,664,468</u>
48			
49	ROR	7.33%	7.33%
50	CF	0.751381	0.751381
51	Surplus / (Deficiency)	39,908,029	0
52	Revenue Requirement or (Surplus)	(53,112,907)	(0)

PUGET SOUND ENERGY
ELECTRIC STATEMENT OF OPERATING INCOME
AND ADJUSTMENTS
2019 GENERAL RATE CASE
12 MONTHS ENDED DECEMBER 31, 2018

LINE NO.	DESCRIPTION	ACTUAL RESULTS OF OPERATIONS	COMMON RESTATING	COMMON RESTATING	COMMON RESTATING	COMMON RESTATING	COMMON RESTATING	COMMON RESTATING
			6.01 ER REVENUES & EXPENSES	Staff Revised 6.02 ER TEMPERATURE NORMALIZATION	6.03 ER FEDERAL INCOME TAX	Staff Revised 6.04 ER TAX BENEFIT OF INTEREST	6.05 ER PASS-THROUGH REV & EXP	6.06 ER INJURIES & DAMAGES
		a	b	c	d	e	f	g
1	OPERATING REVENUES							
2	SALES TO CUSTOMERS	\$ 2,165,233,767	\$ 41,299,982	\$ 6,547,835			\$ (206,435,594)	
3	SALES FROM RESALE-FIRM/SPECIAL CONTRACT	340,432	114	3,986			(16,205)	
4	SALES TO OTHER UTILITIES	155,333,122						
5	OTHER OPERATING REVENUES	122,175,867	2,744,404				15,741,474	
6	TOTAL OPERATING REVENUES	2,443,083,188	44,044,501	6,551,821	-	-	(190,710,325)	-
7								
8	OPERATING REVENUE DEDUCTIONS:							
9								
10	POWER COSTS:							
11	FUEL	\$ 204,174,130						
12	PURCHASED AND INTERCHANGED	591,842,798					-	
13	WHEELING	115,807,778						
14	RESIDENTIAL EXCHANGE	(77,453,660)					77,453,660	
15	TOTAL PRODUCTION EXPENSES	\$ 834,371,046	\$ -	\$ -	\$ -	\$ -	\$ 77,453,660	\$ -
16								
17	OTHER POWER SUPPLY EXPENSES	\$ 127,167,993						
18	TRANSMISSION EXPENSE	24,439,502						
19	DISTRIBUTION EXPENSE	83,251,239						
20	CUSTOMER ACCTS EXPENSES	53,199,861	373,453	55,553			(1,605,620)	
21	CUSTOMER SERVICE EXPENSES	22,140,921					(18,123,263)	
22	CONSERVATION AMORTIZATION	97,087,903					(97,087,903)	
23	ADMIN & GENERAL EXPENSE	124,825,411	88,089	13,104			(408,083)	(84,300)
24	DEPRECIATION	341,625,260						
25	AMORTIZATION	75,292,958						
26	AMORTIZ OF PROPERTY GAIN/LOSS	35,645,161						
27	OTHER OPERATING EXPENSES	(21,632,954)	31,349,866				83,312	
28	ASC 815	(41,661,501)						
29	TAXES OTHER THAN INCOME TAXES	234,440,433	1,691,573	251,629			(148,546,496)	
30	INCOME TAXES	22,841,555	2,213,719	1,308,622	96,903,247	(33,118,422)	(519,946)	17,703
31	DEFERRED INCOME TAXES	38,907,708			(81,967,593)			
32	TOTAL OPERATING REV. DEDUCT.	\$ 2,051,942,497	\$ 35,716,700	\$ 1,628,908	\$ 14,935,653	\$ (33,118,422)	\$ (188,754,338)	\$ (66,597)
33								
34	NET OPERATING INCOME	\$ 391,140,691	\$ 8,327,800	\$ 4,922,913	\$ (14,935,653)	\$ 33,118,422	\$ (1,955,986)	\$ 66,597
35								
36	RATE BASE	\$ 5,208,778,506	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
37								
38	RATE OF RETURN	7.51%						
39								
40	RATE BASE:							
41	GROSS UTILITY PLANT IN SERVICE	\$ 10,572,466,950						
42	ACCUM DEPR AND AMORT	(4,244,925,258)						
43	DEFERRED DEBITS AND CREDITS	285,841,342						
44	DEFERRED TAXES	(1,443,684,470)						
45	ALLOWANCE FOR WORKING CAPITAL	145,303,205						
46	OTHER	(106,223,264)						
47	TOTAL RATE BASE	\$ 5,208,778,506	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
48								
						restating ROR		
49	ROR	7.33%	7.33%	7.33%	7.33%	7.60%	7.33%	7.33%
50	CF	0.751381	0.751381	0.751381	0.751381	0.751381	0.751381	0.751381
51	Surplus / (Deficiency)	9,337,227	8,327,800	4,922,913	(14,935,653)	33,118,422	(1,955,986)	66,597
52	Revenue Requirement or (Surplus)	(12,426,754)	(11,083,325)	(6,551,820)	19,877,603	(44,076,736)	2,603,188	(88,633)

PUGET SOUND ENERGY
ELECTRIC STATEMENT OF OPERATING INCOME
AND ADJUSTMENTS
2019 GENERAL RATE CASE
12 MONTHS ENDED DECEMBER 31, 2018

EXH. SEF-4E page 2 of 7

LINE NO.	DESCRIPTION	COMMON RESTATING	COMMON RESTATING	COMMON RESTATING	COMMON RESTATING	COMMON RESTATING	COMMON RESTATING	COMMON RESTATING
		6.07 ER BAD DEBTS	6.08 ER INCENTIVE PAY	6.09 ER EXCISE TAX & FILING FEE	6.10 ER D&O INSURANCE	6.11 ER INTEREST ON CUST DEPOSITS	6.12 ER RATE CASE EXPENSE	6.13 ER PENSION PLAN
		h	i	j	k	l	m	n
1	OPERATING REVENUES							
2	SALES TO CUSTOMERS							
3	SALES FROM RESALE-FIRM/SPECIAL CONTRACT							
4	SALES TO OTHER UTILITIES							
5	OTHER OPERATING REVENUES							
6	TOTAL OPERATING REVENUES	-	-	-	-	-	-	-
7								
8	OPERATING REVENUE DEDUCTIONS:							
9								
10	POWER COSTS:							
11	FUEL							
12	PURCHASED AND INTERCHANGED		(12,929)					
13	WHEELING							
14	RESIDENTIAL EXCHANGE							
15	TOTAL PRODUCTION EXPENSES	\$ -	\$ (12,929)	\$ -	\$ -	\$ -	\$ -	\$ -
16								
17	OTHER POWER SUPPLY EXPENSES		(43,337)					
18	TRANSMISSION EXPENSE		(18,707)					
19	DISTRIBUTION EXPENSE		(56,877)					
20	CUSTOMER ACCTS EXPENSES	(383,739)	(22,041)			803,909		
21	CUSTOMER SERVICE EXPENSES		(3,608)					
22	CONSERVATION AMORTIZATION							
23	ADMIN & GENERAL EXPENSE		(56,644)	14,062	(6,711)		628,554	2,184,999
24	DEPRECIATION							
25	AMORTIZATION							
26	AMORTIZ OF PROPERTY GAIN/LOSS							
27	OTHER OPERATING EXPENSES							
28	ASC 815							
29	TAXES OTHER THAN INCOME TAXES		(18,952)	(104,992)				
30	INCOME TAXES	80,585	48,950	19,095	1,409		(131,996)	(458,850)
31	DEFERRED INCOME TAXES							
32	TOTAL OPERATING REV. DEDUCT.	\$ (303,154)	\$ (184,145)	\$ (71,835)	\$ (5,301)	\$ 803,909	\$ 496,558	\$ 1,726,149
33								
34	NET OPERATING INCOME	\$ 303,154	\$ 184,145	\$ 71,835	\$ 5,301	\$ (803,909)	\$ (496,558)	\$ (1,726,149)
35								
36	RATE BASE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
37								
38	RATE OF RETURN							
39								
40	RATE BASE:							
41	GROSS UTILITY PLANT IN SERVICE							
42	ACCUM DEPR AND AMORT							
43	DEFERRED DEBITS AND CREDITS							
44	DEFERRED TAXES							
45	ALLOWANCE FOR WORKING CAPITAL							
46	OTHER							
47	TOTAL RATE BASE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
48								
49	ROR	7.33%	7.33%	7.33%	7.33%	7.33%	7.33%	7.33%
50	CF	0.751381	0.751381	0.751381	0.751381	0.751381	0.751381	0.751381
51	Surplus / (Deficiency)	303,154	184,145	71,835	5,301	(803,909)	(496,558)	(1,726,149)
52	Revenue Requirement or (Surplus)	(403,462)	(245,076)	(95,604)	(7,055)	1,069,909	660,860	2,297,302

PUGET SOUND ENERGY
ELECTRIC STATEMENT OF OPERATING INCOME
AND ADJUSTMENTS
2019 GENERAL RATE CASE
12 MONTHS ENDED DECEMBER 31, 2018

EXH. SEF-4E page 3 of 7

LINE NO.	DESCRIPTION	COMMON RESTATING	COMMON RESTATING	COMMON RESTATING	COMMON RESTATING	COMMON RESTATING	COMMON RESTATING	COMMON RESTATING
		6.14 ER	6.15 ER	6.16 ER	6.17 ER	6.18 ER Staff Revised	6.19 ER	6.23 ER
		PROPERTY AND	WAGE &	INVESTMENT	EMPLOYEE	AMA TO EOP	AMA TO EOP	ANNUALIZE
		LIAB INSURANCE	PAYROLL TAX	PLAN	INSURANCE	RATE BASE	DEPRECIATION	RENT EXP
		o	p	q	r	s	t	u
1	OPERATING REVENUES							
2	SALES TO CUSTOMERS							
3	SALES FROM RESALE-FIRM/SPECIAL CONTRACT							
4	SALES TO OTHER UTILITIES							
5	OTHER OPERATING REVENUES							(858,566)
6	TOTAL OPERATING REVENUES	-	-	-	-	-	-	(858,566)
7								
8	OPERATING REVENUE DEDUCTIONS:							
9								
10	POWER COSTS:							
11	FUEL							
12	PURCHASED AND INTERCHANGED		6,341					
13	WHEELING							
14	RESIDENTIAL EXCHANGE							
15	TOTAL PRODUCTION EXPENSES	\$ -	\$ 6,341	\$ -	\$ -	\$ -	\$ -	\$ -
16								
17	OTHER POWER SUPPLY EXPENSES		7,382					
18	TRANSMISSION EXPENSE		6,418					
19	DISTRIBUTION EXPENSE		5,813					
20	CUSTOMER ACCTS EXPENSES		3,681					
21	CUSTOMER SERVICE EXPENSES		1,632					
22	CONSERVATION AMORTIZATION							
23	ADMIN & GENERAL EXPENSE	(405,002)	27,562	16,654	30,190			(1,290,076)
24	DEPRECIATION						5,699,418	
25	AMORTIZATION						15,699,258	
26	AMORTIZ OF PROPERTY GAIN/LOSS							
27	OTHER OPERATING EXPENSES							
28	ASC 815							
29	TAXES OTHER THAN INCOME TAXES		19,412					
30	INCOME TAXES	85,050	(16,431)	(3,497)	(6,340)		(4,493,722)	90,617
31	DEFERRED INCOME TAXES							
32	TOTAL OPERATING REV. DEDUCT.	\$ (319,951)	\$ 61,810	\$ 13,157	\$ 23,850	\$ -	\$ 16,904,953	\$ (1,199,459)
33								
34	NET OPERATING INCOME	\$ 319,951	\$ (61,810)	\$ (13,157)	\$ (23,850)	\$ -	\$ (16,904,953)	\$ 340,893
35								
36	RATE BASE	\$ -	\$ -	\$ -	\$ -	\$ 190,746,231	\$ (16,904,953)	\$ -
37								
38	RATE OF RETURN							
39								
40	RATE BASE:							
41	GROSS UTILITY PLANT IN SERVICE					\$ 326,078,877		
42	ACCUM DEPR AND AMORT					(143,742,278)	(21,398,675)	
43	DEFERRED DEBITS AND CREDITS					(12,697,239)		
44	DEFERRED TAXES					22,974,387	4,493,722	
45	ALLOWANCE FOR WORKING CAPITAL					-		
46	OTHER					(1,867,516)		
47	TOTAL RATE BASE	\$ -	\$ -	\$ -	\$ -	\$ 190,746,231	\$ (16,904,953)	\$ -
48								
49	ROR	7.33%	7.33%	7.33%	7.33%	7.33%	7.33%	7.33%
50	CF	0.751381	0.751381	0.751381	0.751381	0.751381	0.751381	0.751381
51	Surplus / (Deficiency)	319,951	(61,810)	(13,157)	(23,850)	(13,981,699)	(15,665,820)	340,893
52	Revenue Requirement or (Surplus)	(425,818)	82,262	17,510	31,742	18,608,001	20,849,370	(453,689)

**PUGET SOUND ENERGY
ELECTRIC STATEMENT OF OPERATING INCOME
AND ADJUSTMENTS
2019 GENERAL RATE CASE
12 MONTHS ENDED DECEMBER 31, 2018**

LINE NO.	DESCRIPTION	ELECTRIC RESTATING	ELECTRIC RESTATING	ELECTRIC RESTATING	ELECTRIC RESTATING	ELECTRIC RESTATING	ELECTRIC RESTATING	ELECTRIC RESTATING
		7.01 ER POWER COSTS	7.02 ER MONTANA TAX	7.03 ER WILD HORSE SOLAR	7.04 ER ASC 815	7.05 ER STORM DAMAGE	7.07 ER COLSTRIP DEPRECIATION	7.08 ER OPEN
		v	w	x	y	z	aa	ab
1	OPERATING REVENUES							
2	SALES TO CUSTOMERS							
3	SALES FROM RESALE-FIRM/SPECIAL CONTRACT							
4	SALES TO OTHER UTILITIES							
5	OTHER OPERATING REVENUES							
6	TOTAL OPERATING REVENUES	-	-	-	-	-	-	-
7								
8	OPERATING REVENUE DEDUCTIONS:							
9								
10	POWER COSTS:							
11	FUEL	\$ 1,063,362						
12	PURCHASED AND INTERCHANGED WHEELING	9,123,831						
13								
14	RESIDENTIAL EXCHANGE							
15	TOTAL PRODUCTION EXPENSES	\$ 10,187,194	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16								
17	OTHER POWER SUPPLY EXPENSES							
18	TRANSMISSION EXPENSE					(107,345)		
19	DISTRIBUTION EXPENSE					121,270		
20	CUSTOMER ACCTS EXPENSES							
21	CUSTOMER SERVICE EXPENSES							
22	CONSERVATION AMORTIZATION							
23	ADMIN & GENERAL EXPENSE							
24	DEPRECIATION			(212,064)			\$ (2,348,855)	
25	AMORTIZATION							
26	AMORTIZ OF PROPERTY GAIN/LOSS							
27	OTHER OPERATING EXPENSES							
28	ASC 815				41,661,501			
29	TAXES OTHER THAN INCOME TAXES	-	86,861					
30	INCOME TAXES	(2,139,311)	(18,241)	44,533		(2,924)	680,428	
31	DEFERRED INCOME TAXES				(8,748,915)			
32	TOTAL OPERATING REV. DEDUCT.	\$ 8,047,883	\$ 68,620	\$ (167,531)	\$ 32,912,586	\$ 11,001	\$ (1,668,426)	\$ -
33								
34	NET OPERATING INCOME	\$ (8,047,883)	\$ (68,620)	\$ 167,531	\$ (32,912,586)	\$ (11,001)	\$ 1,668,426	\$ -
35								\$ -
36	RATE BASE	\$ -	\$ -	\$ (1,615,371)	\$ -	\$ -	\$ (11,018,407)	\$ -
37								
38	RATE OF RETURN							
39								
40	RATE BASE:							
41	GROSS UTILITY PLANT IN SERVICE			\$ (4,539,000)				
42	ACCUM DEPR AND AMORT			\$ 2,120,000			(16,445,383)	
43	DEFERRED DEBITS AND CREDITS							
44	DEFERRED TAXES			\$ 803,629			5,426,976	
45	ALLOWANCE FOR WORKING CAPITAL							
46	OTHER							
47	TOTAL RATE BASE	\$ -	\$ -	\$ (1,615,371)	\$ -	\$ -	\$ (11,018,407)	\$ -
48								
49	ROR	7.33%	7.33%	7.33%	7.33%	7.33%	7.33%	7.33%
50	CF	0.751381	0.751381	0.751381	0.751381	0.751381	0.751381	0.751381
51	Surplus / (Deficiency)	(8,047,883)	(68,620)	285,937	(32,912,586)	(11,001)	2,476,076	-
52	Revenue Requirement or (Surplus)	10,710,789	91,325	(380,549)	43,802,792	14,641	(3,295,366)	-

PUGET SOUND ENERGY
ELECTRIC STATEMENT OF OPERATING INCOME
AND ADJUSTMENTS
2019 GENERAL RATE CASE
12 MONTHS ENDED DECEMBER 31, 2018

EXH. SEF-4E

LINE NO.	DESCRIPTION	ELECTRIC	ELECTRIC	ELECTRIC	ELECTRIC	TOTAL	RESTATED
		RESTATING	RESTATING	RESTATING	RESTATING		
		7.09 ER	Staff	Staff	Staff	RESTATING	RESULTS OF
		OPEN	12.01E	12.02E	12.03E	ADJUSTMENTS	OPERATIONS
			SMART	Remove Colstrip	Remove		
			BURN	Outage	Green Direct		
		ac				ab = ∑ b thru aa + Staff Adjustments	ac = a + ab
1	OPERATING REVENUES						
2	SALES TO CUSTOMERS					\$ (158,587,777)	\$ 2,006,645,990
3	SALES FROM RESALE-FIRM/SPECIAL CONTRACT					(12,104)	328,327
4	SALES TO OTHER UTILITIES					-	155,333,122
5	OTHER OPERATING REVENUES					17,627,312	139,803,179
6	TOTAL OPERATING REVENUES	-				(140,972,569)	2,302,110,619
7							
8	OPERATING REVENUE DEDUCTIONS:						
9							
10	POWER COSTS:						
11	FUEL					\$ 1,063,362	\$ 205,237,493
12	PURCHASED AND INTERCHANGED					9,117,243	600,960,041
13	WHEELING					-	115,807,778
14	RESIDENTIAL EXCHANGE					77,453,660	-
15	TOTAL PRODUCTION EXPENSES	\$ -				\$ 87,634,265	\$ 922,005,311
16							
17	OTHER POWER SUPPLY EXPENSES					(35,955)	\$ 127,132,038
18	TRANSMISSION EXPENSE					(119,633)	24,319,869
19	DISTRIBUTION EXPENSE					70,205	83,321,444
20	CUSTOMER ACCTS EXPENSES					(774,803)	52,425,058
21	CUSTOMER SERVICE EXPENSES					(18,125,240)	4,015,681
22	CONSERVATION AMORTIZATION					(97,087,903)	-
23	ADMIN & GENERAL EXPENSE					752,398	125,577,809
24	DEPRECIATION		(557,156)			2,581,343	344,206,603
25	AMORTIZATION					15,699,258	90,992,216
26	AMORTIZ OF PROPERTY GAIN/LOSS					-	35,645,161
27	OTHER OPERATING EXPENSES					31,433,178	9,800,224
28	ASC 815					41,661,501	-
29	TAXES OTHER THAN INCOME TAXES					(146,620,964)	87,819,469
30	INCOME TAXES		125,331			60,709,612	83,551,167
31	DEFERRED INCOME TAXES					(90,716,508)	(51,808,801)
32	TOTAL OPERATING REV. DEDUCT.	\$ -	\$ (431,825)			\$ (112,939,247)	\$ 1,939,003,250
33							
34	NET OPERATING INCOME	\$ -	\$ 431,825			\$ (28,033,323)	\$ 363,107,368
35							
36	RATE BASE	\$ -	\$ (5,272,401)	\$ (326,274)		\$ 155,397,419	\$ 5,364,175,926
37							
38	RATE OF RETURN						6.77%
39							
40	RATE BASE:						
41	GROSS UTILITY PLANT IN SERVICE		\$ (7,248,346)	\$ (334,385)	\$ (227,316)	\$ 313,729,830	\$ 10,886,196,780
42	ACCUM DEPR AND AMORT		674,903	6,934		(178,784,499)	(4,423,709,757)
43	DEFERRED DEBITS AND CREDITS					(12,697,239)	273,144,103
44	DEFERRED TAXES		1,301,042	1,177	15,910	35,016,843	(1,408,667,627)
45	ALLOWANCE FOR WORKING CAPITAL					-	145,303,205
46	OTHER					(1,867,516)	(108,090,779)
47	TOTAL RATE BASE	\$ -	\$ (5,272,401)	\$ (326,274)	\$ (211,405)	\$ 155,397,419	\$ 5,364,175,926
48							
49	ROR	7.33%	7.33%	7.33%	7.33%	7.33%	7.33%
50	CF	0.751381	0.751381	0.751381	0.751381	0.751381	0.751381
51	Surplus / (Deficiency)	-	818,292	23,916	15,496	(39,423,953)	(30,086,727)
52	Revenue Requirement or (Surplus)	-	(1,089,050)	(31,829)	(20,623)	52,468,659	40,041,905

PUGET SOUND ENERGY
ELECTRIC STATEMENT OF OPERATING INCOME
AND ADJUSTMENTS
2019 GENERAL RATE CASE
12 MONTHS ENDED DECEMBER 31, 2018

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LINE NO.	DESCRIPTION	COMMON	COMMON	COMMON	COMMON	COMMON	COMMON	COMMON
		PROFORMA	PROFORMA	PROFORMA	PROFORMA	PROFORMA	PROFORMA	PROFORMA
		Staff Revised	Staff Revised	Staff Revised	reversing	reversing		
		6.01 EP	6.02 EP	6.04 EP	6.09 EP	6.10 EP	6.14 EP	6.15 EP
		REVENUES	TEMPERATURE	TAX BENEFIT OF	EXCISE TAX	D&O	PROPERTY &	WAGE
		& EXPENSES	NORMALIZATION	INTEREST	& FILING FEE	INSURANCE	LIABILITY INS	INCREASE
		ad	af	ag	ah	ai	aj	ak
1	OPERATING REVENUES							
2	SALES TO CUSTOMERS	\$ (17,794,394)	\$ 11,401,700					
3	SALES FROM RESALE-FIRM/SPECIAL CONTRACT		3,986					
4	SALES TO OTHER UTILITIES							
5	OTHER OPERATING REVENUES	(16,381,469)						
6	TOTAL OPERATING REVENUES	(34,175,863)	11,405,686	-	-	-	-	-
7								
8	OPERATING REVENUE DEDUCTIONS:							
9								
10	POWER COSTS:							
11	FUEL							
12	PURCHASED AND INTERCHANGED							245,951
13	WHEELING							
14	RESIDENTIAL EXCHANGE							
15	TOTAL PRODUCTION EXPENSES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 245,951
16								
17	OTHER POWER SUPPLY EXPENSES							691,615
18	TRANSMISSION EXPENSE							329,178
19	DISTRIBUTION EXPENSE							869,409
20	CUSTOMER ACCTS EXPENSES	(289,777)	96,709					344,111
21	CUSTOMER SERVICE EXPENSES							67,859
22	CONSERVATION AMORTIZATION							
23	ADMIN & GENERAL EXPENSE	(68,352)	22,811		(14,062)	6,711	560,238	1,071,661
24	DEPRECIATION							
25	AMORTIZATION							
26	AMORTIZ OF PROPERTY GAIN/LOSS							
27	OTHER OPERATING EXPENSES							
28	ASC 815							
29	TAXES OTHER THAN INCOME TAXES	(1,312,558)	438,047		104,992			182,188
30	INCOME TAXES	(6,826,087)	2,278,105	659,022	(19,095)	(1,409)	(117,650)	(798,414)
31	DEFERRED INCOME TAXES							
32	TOTAL OPERATING REV. DEDUCT.	\$ (8,496,774)	\$ 2,835,672	\$ 659,022	\$ 71,835	\$ 5,301	\$ 442,588	\$ 3,003,557
33					0	0		
34	NET OPERATING INCOME	\$ (25,679,089)	\$ 8,570,014	\$ (659,022)	\$ (71,835)	\$ (5,301)	\$ (442,588)	\$ (3,003,557)
35								
36	RATE BASE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
37								
38	RATE OF RETURN							
39								
40	RATE BASE:							
41	GROSS UTILITY PLANT IN SERVICE							
42	ACCUM DEPR AND AMORT							
43	DEFERRED DEBITS AND CREDITS							
44	DEFERRED TAXES							
45	ALLOWANCE FOR WORKING CAPITAL							
46	OTHER							
47	TOTAL RATE BASE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
48								
49	ROR	7.33%	7.33%	7.33%	7.33%	7.33%	7.33%	7.33%
50	CF	0.751381	0.751381	0.751381	0.751381	0.751381	0.751381	0.751381
51	Surplus / (Deficiency)	(25,679,089)	8,570,014	(659,022)	(71,835)	(5,301)	(442,588)	(3,003,557)
52	Revenue Requirement or (Surplus)	34,175,856	(11,405,684)	877,082	95,604	7,055	589,033	3,997,382

PUGET SOUND ENERGY
ELECTRIC STATEMENT OF OPERATING INCOME
AND ADJUSTMENTS
2019 GENERAL RATE CASE
12 MONTHS ENDED DECEMBER 31, 2018

EXH. SEF-4E page 5 of 7

LINE NO.	DESCRIPTION	COMMON PROFORMA	COMMON PROFORMA	COMMON PROFORMA	COMMON PROFORMA	COMMON PROFORMA	COMMON PROFORMA	COMMON PROFORMA
		6.16 EP INVESTMENT PLAN	6.17 EP EMPLOYEE INSURANCE	PSE Supplemental 6.20 EP DEFERRED G/L ON PROPERTY SALES	6.21 EP ENVIRON REMEDIATION	6.22 EP AMI	6.23 EP ANNUALIZE RENT EXP	Staff Revised 6.24 EP GTZ PLANT & DFRL
		al	am	an	ao	ap	aq	ar
1	OPERATING REVENUES							
2	SALES TO CUSTOMERS							
3	SALES FROM RESALE-FIRM/SPECIAL CONTRACT							
4	SALES TO OTHER UTILITIES							
5	OTHER OPERATING REVENUES							
6	TOTAL OPERATING REVENUES							
7								
8	OPERATING REVENUE DEDUCTIONS:							
9								
10	POWER COSTS:							
11	FUEL							
12	PURCHASED AND INTERCHANGED							
13	WHEELING							
14	RESIDENTIAL EXCHANGE							
15	TOTAL PRODUCTION EXPENSES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16								
17	OTHER POWER SUPPLY EXPENSES							
18	TRANSMISSION EXPENSE							
19	DISTRIBUTION EXPENSE							
20	CUSTOMER ACCTS EXPENSES							
21	CUSTOMER SERVICE EXPENSES							
22	CONSERVATION AMORTIZATION							
23	ADMIN & GENERAL EXPENSE	263,516	874,996				(499,429)	
24	DEPRECIATION					1,288,994	-	
25	AMORTIZATION							2,876,916
26	AMORTIZ OF PROPERTY GAIN/LOSS							
27	OTHER OPERATING EXPENSES			(3,533,964)	152,048	4,868,445		3,681,831
28	ASC 815							
29	TAXES OTHER THAN INCOME TAXES							
30	INCOME TAXES	(55,338)	(183,749)	742,132	(31,930)	(1,293,062)	104,880	(1,377,337)
31	DEFERRED INCOME TAXES							
32	TOTAL OPERATING REV. DEDUCT.	\$ 208,177	\$ 691,247	\$ (2,791,832)	\$ 120,118	\$ 4,864,376	\$ (394,549)	\$ 5,181,410
33								
34	NET OPERATING INCOME	\$ (208,177)	\$ (691,247)	\$ 2,791,832	\$ (120,118)	\$ (4,864,376)	\$ 394,549	\$ (5,181,410)
35								
36	RATE BASE	\$ -	\$ -	\$ -	\$ -	\$ 28,244,979	\$ -	\$ 11,359,234
37								
38	RATE OF RETURN							
39								
40	RATE BASE:							
41	GROSS UTILITY PLANT IN SERVICE					\$ 24,644,868	\$ -	\$ 8,630,749
42	ACCUM DEPR AND AMORT					(2,140,348)	-	(4,794,861)
43	DEFERRED DEBITS AND CREDITS					(3,679,667)		9,204,577
44	DEFERRED TAXES					9,420,126	-	(1,681,231)
45	ALLOWANCE FOR WORKING CAPITAL							
46	OTHER							
47	TOTAL RATE BASE	\$ -	\$ -	\$ -	\$ -	\$ 28,244,979	\$ -	\$ 11,359,234
48								
49	ROR	7.33%	7.33%	7.33%	7.33%	7.33%	7.33%	7.33%
50	CF	0.751381	0.751381	0.751381	0.751381	0.751381	0.751381	0.751381
51	Surplus / (Deficiency)	(208,177)	(691,247)	2,791,832	(120,118)	(6,934,733)	394,549	(6,014,042)
52	Revenue Requirement or (Surplus)	277,060	919,969	(3,715,600)	159,863	9,229,317	(525,098)	8,003,985

PUGET SOUND ENERGY
ELECTRIC STATEMENT OF OPERATING INCOME
AND ADJUSTMENTS
2019 GENERAL RATE CASE
12 MONTHS ENDED DECEMBER 31, 2018

EXH. SEF-4I

LINE NO.	DESCRIPTION	COMMON	COMMON	COMMON	COMMON	COMMON	ELECTRIC
		PROFORMA	PROFORMA	PROFORMA	PROFORMA	PROFORMA	PROFORMA
		6.25 EP	6.26 EP	6.27 EP	6.28 EP	6.29 EP	7.01 EP
		CREDIT CARD	REMOVE UNPRO-	Staff Revised	CONTRACT	Staff Revised	Staff Revised
		AMORT	TECTED DFIT	PUBLIC	ESCALATIONS	HR TOPS	POWER
				IMPROVEMENT			COST
		as	at	au	av	aw	ax
1	OPERATING REVENUES						
2	SALES TO CUSTOMERS						
3	SALES FROM RESALE-FIRM/SPECIAL CONTRACT						
4	SALES TO OTHER UTILITIES						(148,347,616)
5	OTHER OPERATING REVENUES						(45,897,077)
6	TOTAL OPERATING REVENUES	-	-	-	-	-	(194,244,693)
7							
8	OPERATING REVENUE DEDUCTIONS:						
9							
10	POWER COSTS:						
11	FUEL						\$ (17,614,269)
12	PURCHASED AND INTERCHANGED						(167,336,732)
13	WHEELING						(3,265,056)
14	RESIDENTIAL EXCHANGE						
15	TOTAL PRODUCTION EXPENSES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (188,216,058)
16							
17	OTHER POWER SUPPLY EXPENSES						\$ (20,921,420)
18	TRANSMISSION EXPENSE				159,208		
19	DISTRIBUTION EXPENSE				1,377,954		
20	CUSTOMER ACCTS EXPENSES	(604,216)			146,042		
21	CUSTOMER SERVICE EXPENSES						
22	CONSERVATION AMORTIZATION						
23	ADMIN & GENERAL EXPENSE				1,258		
24	DEPRECIATION						
25	AMORTIZATION						
26	AMORTIZ OF PROPERTY GAIN/LOSS						
27	OTHER OPERATING EXPENSES						
28	ASC 815						
29	TAXES OTHER THAN INCOME TAXES						56,751
30	INCOME TAXES	126,885			(353,737)		3,115,567
31	DEFERRED INCOME TAXES		(9,006,372)				
32	TOTAL OPERATING REV. DEDUCT.	\$ (477,331)	\$ (9,006,372)	\$ -	\$ 1,330,726	\$ -	\$ (205,965,159)
33							
34	NET OPERATING INCOME	\$ 477,331	\$ 9,006,372	\$ -	\$ (1,330,726)	\$ -	\$ 11,720,466
35							
36	RATE BASE	\$ -	\$ 4,503,186	\$ -	\$ -	\$ -	\$ -
37							
38	RATE OF RETURN						
39							
40	RATE BASE:						
41	GROSS UTILITY PLANT IN SERVICE						
42	ACCUM DEPR AND AMORT						
43	DEFERRED DEBITS AND CREDITS						
44	DEFERRED TAXES		4,503,186				
45	ALLOWANCE FOR WORKING CAPITAL						
46	OTHER						
47	TOTAL RATE BASE	\$ -	\$ 4,503,186	\$ -	\$ -	\$ -	\$ -
48							
49	ROR	7.33%	7.33%	7.33%	7.33%	7.33%	7.33%
50	CF	0.751381	0.751381	0.751381	0.751381	0.751381	0.751381
51	Surplus / (Deficiency)	477,331	8,676,289	-	(1,330,726)	-	11,720,466
52	Revenue Requirement or (Surplus)	(635,271)	(11,547,123)	-	1,771,040	-	(15,598,566)

PUGET SOUND ENERGY
ELECTRIC STATEMENT OF OPERATING INCOME
AND ADJUSTMENTS
2019 GENERAL RATE CASE
12 MONTHS ENDED DECEMBER 31, 2018

page 6 of 7

LINE NO.	DESCRIPTION	ELECTRIC	ELECTRIC	ELECTRIC	ELECTRIC	ELECTRIC	ELECTRIC
		PROFORMA	PROFORMA	PROFORMA	PROFORMA	PROFORMA	PROFORMA
		Staff Revised				Staff Revised	Staff Adj. 11.12 EP
		7.02 EP	7.05 EP	7.06 EP	7.08 EP	7.09 EP	7.10 EP
		MONTANA	STORM	REGULATORY	REMOVE	HIGH MOLECULAR	ENERGY MGMT
		TAX	DAMAGE	ASSETS & LIAB	EIM	WEIGHT CABLE	SYSTEM (EMS)
							SHUFFLETON
		ay	az	ba	bb	bc	bd
1	OPERATING REVENUES						
2	SALES TO CUSTOMERS						
3	SALES FROM RESALE-FIRM/SPECIAL CONTRACT						
4	SALES TO OTHER UTILITIES						
5	OTHER OPERATING REVENUES						
6	TOTAL OPERATING REVENUES	-	-	-	-	-	-
7							
8	OPERATING REVENUE DEDUCTIONS:						
9							
10	POWER COSTS:						
11	FUEL						
12	PURCHASED AND INTERCHANGED						
13	WHEELING						
14	RESIDENTIAL EXCHANGE						
15	TOTAL PRODUCTION EXPENSES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
16							
17	OTHER POWER SUPPLY EXPENSES						
18	TRANSMISSION EXPENSE						
19	DISTRIBUTION EXPENSE						
20	CUSTOMER ACCTS EXPENSES						
21	CUSTOMER SERVICE EXPENSES						
22	CONSERVATION AMORTIZATION						
23	ADMIN & GENERAL EXPENSE						
24	DEPRECIATION					\$ 3,090,056	\$ (57,000)
25	AMORTIZATION				(5,669,283)		
26	AMORTIZ OF PROPERTY GAIN/LOSS		13,521,272	(6,016,034)			
27	OTHER OPERATING EXPENSES			(5,503,100)			
28	ASC 815						
29	TAXES OTHER THAN INCOME TAXES	(695,901)		2,419,018	1,190,550		
30	INCOME TAXES	146,139	(2,839,467)			(648,912)	11,970
31	DEFERRED INCOME TAXES						
32	TOTAL OPERATING REV. DEDUCT.	\$ (549,761)	\$ 10,681,805	\$ (9,100,115)	\$ (4,478,734)	\$ -	\$ 2,441,145
33							
34	NET OPERATING INCOME	\$ 549,761	\$ (10,681,805)	\$ 9,100,115	\$ 4,478,734	\$ -	\$ (2,441,145)
35							
36	RATE BASE	\$ -	\$ -	\$ (23,391,892)	\$ (3,321,470)	\$ -	\$ 4,644,661
37							
38	RATE OF RETURN						
39							
40	RATE BASE:						
41	GROSS UTILITY PLANT IN SERVICE				\$ (16,990,239)	\$ 9,659,117	\$ (550,155)
42	ACCUM DEPR AND AMORT				12,688,075	\$ (5,277,574)	
43	DEFERRED DEBITS AND CREDITS			(31,039,847)			
44	DEFERRED TAXES			7,647,955	980,694	263,118	
45	ALLOWANCE FOR WORKING CAPITAL						
46	OTHER						
47	TOTAL RATE BASE	\$ -	\$ -	\$ (23,391,892)	\$ (3,321,470)	\$ -	\$ 4,644,661
48							
49	ROR	7.33%	7.33%	7.33%	7.33%	7.33%	7.33%
50	CF	0.751381	0.751381	0.751381	0.751381	0.751381	0.751381
51	Surplus / (Deficiency)	549,761	(10,681,805)	10,814,741	4,722,198	-	(2,781,598)
52	Revenue Requirement or (Surplus)	(731,668)	14,216,229	(14,393,152)	(6,284,691)	-	3,701,981

PUGET SOUND ENERGY
ELECTRIC STATEMENT OF OPERATING INCOME
AND ADJUSTMENTS
2019 GENERAL RATE CASE
12 MONTHS ENDED DECEMBER 31, 2018

EXH. SEF-4E page 7 of 7

LINE NO.	DESCRIPTION	ELECTRIC	ELECTRIC	Staff Placeholder EDIT	TOTAL	PROFORMA
		PROFORMA	PROFORMA		PROFORMING	RESULTS OF
		7.11 EP	7.12 EP		ADJUSTMENTS	OPERATIONS
		OPEN	OPEN			
		bf	bg		be = ∑ ad thru bd and Staff Adjustments	bf = ac + be
1	OPERATING REVENUES					
2	SALES TO CUSTOMERS				\$ (6,392,694)	\$ 2,000,253,296
3	SALES FROM RESALE-FIRM/SPECIAL CONTRACT				3,986	332,313
4	SALES TO OTHER UTILITIES				(148,347,616)	6,985,506
5	OTHER OPERATING REVENUES				(62,278,546)	77,524,633
6	TOTAL OPERATING REVENUES	-	-		(217,014,870)	2,085,095,748
7						
8	OPERATING REVENUE DEDUCTIONS:					
9						
10	POWER COSTS:					
11	FUEL				\$ (17,614,269)	\$ 187,623,224
12	PURCHASED AND INTERCHANGED				(167,090,782)	433,869,259
13	WHEELING				(3,265,056)	112,542,721
14	RESIDENTIAL EXCHANGE				-	-
15	TOTAL PRODUCTION EXPENSES	\$ -	\$ -		\$ (187,970,107)	\$ 734,035,204
16						
17	OTHER POWER SUPPLY EXPENSES				(20,229,805)	\$ 106,902,233
18	TRANSMISSION EXPENSE				488,386	24,808,255
19	DISTRIBUTION EXPENSE				2,247,363	85,568,807
20	CUSTOMER ACCTS EXPENSES				(307,131)	52,117,927
21	CUSTOMER SERVICE EXPENSES				67,859	4,083,540
22	CONSERVATION AMORTIZATION				-	-
23	ADMIN & GENERAL EXPENSE				2,219,348	127,797,157
24	DEPRECIATION				4,322,050	348,528,653
25	AMORTIZATION				(2,792,367)	88,199,849
26	AMORTIZ OF PROPERTY GAIN/LOSS				7,505,238	43,150,399
27	OTHER OPERATING EXPENSES				(334,741)	9,465,484
28	ASC 815				-	-
29	TAXES OTHER THAN INCOME TAXES				(1,226,480)	86,592,989
30	INCOME TAXES				(3,751,919)	79,799,248
31	DEFERRED INCOME TAXES				(9,006,372)	(60,815,173)
32	TOTAL OPERATING REV. DEDUCT.	\$ -	\$ -		\$ (208,768,678)	\$ 1,730,234,572
33						
34	NET OPERATING INCOME	\$ -	\$ -		\$ (8,246,192)	\$ 354,861,177
35						
36	RATE BASE	\$ -	\$ -		\$ 21,488,543	\$ 5,385,664,468
37						
38	RATE OF RETURN					6.59%
39						
40	RATE BASE:					
41	GROSS UTILITY PLANT IN SERVICE				\$ 25,394,339	\$ 10,911,591,120
42	ACCUM DEPR AND AMORT				475,292	(4,423,234,465)
43	DEFERRED DEBITS AND CREDITS				(25,514,938)	247,629,165
44	DEFERRED TAXES				21,133,849	(1,387,533,778)
45	ALLOWANCE FOR WORKING CAPITAL				-	145,303,205
46	OTHER				-	(108,090,779)
47	TOTAL RATE BASE	\$ -	\$ -	\$ -	\$ 21,488,543	\$ 5,385,664,468
48						
49	ROR	7.33%	7.33%	7.33%	7.33%	7.33%
50	CF	0.751381	0.751381	0.751381	0.751381	0.751381
51	Surplus / (Deficiency)	-	-	-	(9,821,302)	(39,908,029)
52	Revenue Requirement or (Surplus)	-	-	-	13,071,001	53,112,907

**Exhibit A-1 Power Cost Baseline Rate
2019 GRC**

EXH. SEF-11 Page 1 of 1

Row		<u>EOP Test Year</u>								
3	Regulatory Assets (1) (Variable)	\$	150,405,448							
4	Transmission Rate Base (Fixed)		79,202,112							
5	Production Rate Base (Fixed)		<u>1,691,161,667</u>							
6		\$	1,920,769,227							
7	Net of tax rate of return		6.73%							
8										
9										
9A										
				Test Yr	Fixed	Variable				
				\$/MWh	Prod Costs	Prod Costs				
					In Decoupling	in PCA				
		(I)	(II)	(III)	(IV)	(V)				
10	Regulatory Asset Recovery (on Row 3)	\$	12,813,021	\$	0.624	F	\$	12,813,021		
10a	Equity Adder Centralia Coal Transition PPA		3,913,458		0.191	V			3,913,458	
11	Fixed Asset Recovery Other (on Row 4)		6,747,218		0.329	F		6,747,218		
12	Fixed Asset Recovery-Prod Factored (on Row 5)		144,069,848		7.016	F		144,069,848		
13	501-Steam Fuel <i>Incl Reg Amort</i>		35,863,918		1.746	V			35,863,918	
14	555-Purchased power <i>Incl Reg Amort</i>		421,456,718		20.523	V			421,456,718	
15	557-Other Power Exp		8,072,159		0.393	F		8,072,159		
15a	Payroll Overheads - Benefits		8,840,461		0.430	F		8,840,461		
15b	Property Insurance		3,895,439		0.190	F		3,895,439		
15c	Montana Electric Energy Tax		737,445		0.036	V			737,445	
15d	Payroll Taxes on Production Wages		1,989,468		0.097	F		1,989,468		
15e	Brokerage Fees #55700003		426,923		0.021	V			426,923	
16	547-Fuel <i>Incl Reg Amort</i>		151,759,306		7.390	V			151,759,306	
17	565-Wheeling <i>Incl Reg Amort</i>		112,542,721		5.480	V			112,542,721	
18	Variable Transmission Income		(8,666,882)		(0.422)	F		(8,666,882)		
19	Production O&M		106,902,233		5.206	F		106,902,233		
20	447-Sales to Others		(6,985,506)		(0.340)	V			(6,985,506)	
21	456-Purch/Sales Non-Core Gas		(22,108,578)		(1.077)	V			(22,108,578)	
22	Transmission Exp - 500KV		876,514		0.043	F		876,514		
23	Depreciation-Production (FERC 403)		169,567,639		8.257	F		169,567,639		
24	Depreciation-Transmission		3,531,951		0.172	F		3,531,951		
25	Amortization - Reg Assets - <i>Non PC Only</i>		5,068,353		0.247	F		5,068,353		
27	Subtotal & Baseline Rate	\$	1,161,313,827	\$	56.551		\$	463,707,421	\$	697,606,406
28	Revenue Sensitive Items		0.9511150					0.951115		0.951115
29	Grossed up for RSI	\$	1,221,002,536				\$	487,540,856	\$	733,461,680
30	Test Year DELIVERED Load (MWh's)		20,535,516							
31										
32										
33										
34										
35	Power Cost Baseline Rate	\$	56.551	\$	59.458					
36	Fixed Production Costs	\$	22.581	\$	23.741					
37	Variable Production Costs	\$	33.971	\$	35.717					
38	Power Cost Baseline Rate	\$	56.551	\$	59.458					

NON POWER COST RELATED REG ASSETS & LIAB	Rate Year	
	FERC	Non PF'd
WHITE RIVER PLANT COSTS	407	4,459,451
CARRYING CHARGES ON LSR PREPAID TRANSM	407.3	687,420
MINT FARM DEFFRED - UE-090704 (ends Mar 2025)	407.3	2,885,052
TOTAL NON-POWER COST RELATED		8,031,923
	Check=>	-

Source: Exh. SEF-6E

Staff Recommendation

PUGET SOUND ENERGY - ELECTRIC
REVENUES AND EXPENSES
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

LINE NO.	DESCRIPTION	%'s	TY ACTUAL (a)	RESTATED (b)	ADJ 6.01 ER	PROFORMA (d)	ADJ 6.01 EP
					RESTATED		PROFORMA
					(c)=(b)-(a)	(e)=(d)-(b)	
1	SALES TO CUSTOMERS						
2	REMOVE SCHEDULE 132 - MERGER RATE CREDIT				\$ 5,983,138		\$ -
3	REMOVE SCHEDULE 95A - FEDERAL INCENTIVE TRACKER				41,885,180		-
4	REMOVE SCHEDULE 95 - POWER COST ONLY RATE CASE				-		1,895,877
5	REMOVE SCHEDULE 141 - EXPEDITED RATE FILING				-		(723,802)
6	ANNUALIZE TAX REFORM REVENUES EFFECTIVE 5-1-2019 FROM UE-180282 - SALES T			NOTE 1	(20,725,035)	NOTE 1	-
7	RECLASSIFY TRANSPORTATION REVENUES FROM OTHER OPERATING				10,345,745		-
8	MIGRATE SCHEDULE 40 PURSUANT TO UE-170033				-		(18,966,469)
9	ANNUALIZE TAX REFORM REVENUES EFFECTIVE 5-1-2019 FROM UE-180282 - SALES F				114		-
10	OTHER				3,810,955		-
11	ADJUSTMENTS TO SALES TO CUSTOMERS				41,300,097		(17,794,394)
12	OTHER OPERATING REVENUES						
13	REMOVE OVERR EARNINGS ACCRUALS				(10,964,420)		-
14	REMOVE CURRENT PERIOD DECOUPLING DEFERRALS				-		(18,227,053)
15	REMOVE REVENUE DEFERRALS FOR TAX REFORM				24,054,569	NOTE 1	-
16	RECLASSIFY TRANSPORTATION REVENUES TO SALES TO CUSTOMERS			NOTE 1	(10,345,745)	NOTE 1	-
17	REMOVE 24 MONTH GAAP RESERVE				-		835,358
18	POWEREX TRANSMISSION REVENUE FOR MICROSOFT-NON-RETAIL				-		1,010,227
19	ADJUSTMENTS TO OTHER OPERATING REVENUES				2,744,404		(16,381,469)
20	TOTAL INCREASE (DECREASE) REVENUES - RETAIL				44,044,501		(34,175,863)
21							
22							
23							
24	OTHER OPERATING EXPENSES						
25	REMOVE SCHEDULE 95A TREASURY GRANTS AMORTIZATION OF INTEREST AND GR/			NOTE 1	31,779,966	NOTE 1	-
26	REMOVE ACCRUAL FOR FUTURE PTC LIABILITY				(430,100)		-
27	TOTAL INCREASE (DECREASE) EXPENSES				31,349,866		-
28							
29							
30	UNCOLLECTIBLES @	0.8479%			373,453		(289,777)
31	ANNUAL FILING FEE @	0.2000%			88,089		(68,352)
32	STATE UTILITY TAX	3.8406%			1,691,573		(1,312,558)
33	TOTAL INCREASE (DECREASE) RSI				2,153,115		(1,670,687)
34							
35	INCREASE (DECREASE) INCOME				10,541,519		(32,505,176)
36							
37	INCREASE (DECREASE) FIT @	21%			2,213,719.03		(6,826,087)
38	INCREASE (DECREASE) NOI				\$ 8,327,800		\$ (25,679,089)
39							

40 NOTE 1 - BECAUSE REVENUES ARE REFLECTED IN MULTIPLE REVENUE REQUIREMENT ADJUSTMENTS, IT IS NOT POSSIBLE TO PORTRAY TEST YEAR,
41 RESTATED AND PROFORMA AMOUNTS AND SO ONLY THE AMOUNT OF THE ADJUSTMENTS IS DISPLAYED

As Filed	8,327,800	(25,687,973)
Difference in NOI \$	-	\$ 8,884
Rev Impact	0	\$ (11,824)

Source: Exh. SEF-6E

Staff Recommendation

**PUGET SOUND ENERGY - ELECTRIC
TEMPERATURE NORMALIZATION
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE**

LINE NO.	DESCRIPTION	% 's	TY ACTUAL (a)	RESTATED (b)	ADJ 6.02 ER	PROFORMA (d)	ADJ 6.02 EP
					RESTATED ADJUSTMENT (c)=(b)-(a)		PROFORMA ADJUSTMENT (e)=(d)-(b)
1							
2	GPI IN KWH		20,655,081,095	20,822,537,330	167,456,235	20,822,537,330	-
3							
4	AVERAGE PRICING PER KWH		\$ 0.039126	\$ 0.039126	\$ 0.039126	\$ 0.039673	\$ 0.000548
5							
6	TEMPERATURE NORMALIZATION ADJUSTMENT		\$ 808,141,864	\$ 814,693,685	\$ 6,551,821	\$ 826,099,371	\$ 11,405,686
7							
8	UNCOLLECTIBLES @	0.008479	6,852,235	6,907,788	55,553	7,004,497	96,709
9	ANNUAL FILING FEE @	0.002000	1,616,284	1,629,387	13,104	1,652,199	22,811
10	STATE UTILITY TAX @	0.038406	31,037,496	31,289,126	251,629	31,727,172	438,047
11	INCREASE (DECREASE) EXPENSE		39,506,015	39,826,301	320,286	40,383,868	557,567
12							
13	INCREASE (DECREASE) OPERATING INCOME BEFORE INCOME TAXES		768,635,849	774,867,384	6,231,535	785,715,503	10,848,119
14							
15	INCREASE (DECREASE) FIT @	0.210000	161,413,528	162,722,151	1,308,622	165,000,256	2,278,105
16	INCREASE (DECREASE) NOI		\$ 607,222,321	\$ 612,145,234	\$ 4,922,913	\$ 620,715,248	\$ 8,570,014
17							
18	PORTION OF LINE 6 ASSOCIATED WITH WHOLESALE CUSTOMERS				\$ 3,986		\$ 3,986
19	PORTION OF LINE 6 ASSOCIATED WITH RETAIL CUSTOMERS				6,547,835		11,401,700
20	TOTAL				\$ 6,551,821		\$ 11,405,686

Temperature Normalization Restating

Income Statement	PSE Initial	Staff	Difference
Gross Revenue	\$ 5,277,160	\$ 6,551,821	\$ 1,274,661
Revenue Sensitive Expenses	257,974	320,286	62,312
FIT	1,054,029	1,308,622	254,593
Increase (Decrease) NOI	3,965,157	4,922,913	957,756
Rev Impact due to NOI	(5,277,159)	(6,551,820)	\$ (1,274,661)
Check			\$ -

Temperature Normalization Pro Forma

Income Statement	PSE Initial	Staff	Difference
Gross Revenue	\$ 9,108,946	\$ 11,405,686	\$ 2,296,740
Revenue Sensitive Expenses	445,291	557,567	112,276
FIT	1,819,368	2,278,105	458,737
Increase (Decrease) NOI	6,844,288	8,570,014	1,725,726
Rev Impact due to NOI	(9,108,944)	(11,405,684)	\$ (2,296,740)
Check			\$ -

Source: Exh. SEF-6E

PUGET SOUND ENERGY - ELECTRIC
FEDERAL INCOME TAX
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

ADJ 6.03 ER

N/A

LINE NO.	DESCRIPTION	% 's	TY ACTUAL (a)	RESTATE D (b)	ADJ 6.03 ER RESTATE D ADJUSTMENT (c)=(b)-(a)	PROFORMA (d)	N/A PROFORMA ADJUSTMENT (e)=(d)-(b)
1	INCREASE(DECREASE) FIT		\$ 22,841,555	\$ 119,744,802	\$ 96,903,247	\$ 119,744,802	\$ -
2	INCREASE(DECREASE) DEFERRED FIT		38,907,708	(43,059,886)	(81,967,593)	(43,059,886)	-
3	INCREASE(DECREASE) NOI		\$ 61,749,263	\$ 76,684,916	\$ (14,935,653)	\$ 76,684,916	\$ -

Source: UE-_____
Exh. SEF-6E

Staff Recommendation

PUGET SOUND ENERGY - ELECTRIC
TAX BENEFIT OF PRO FORMA INTEREST
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

LINE NO.	DESCRIPTION	%s	TY ACTUAL (a)	RESTATE (b)	ADJ 6.04 ER	PROFORMA (d)	ADJ 6.04 EP
					RESTATED ADJUSTMENT (c)=(b)-(a)		PROFORMA ADJUSTMENT (e)=(d)-(b)
1	RATE BASE	\$	-	\$ 5,364,175,926	\$ 5,364,175,926	\$ 5,385,664,468	\$ 21,488,543
2							
3	NET RATE BASE						
4							
5	WEIGHTED COST OF DEBT			2.94%		2.87%	
6	PROFORMA INTEREST		-	157,706,772	157,706,772	154,568,570	(3,138,201.98)
7							
8	INCREASE (DECREASE) FIT @	21%	-	(33,118,422)	(33,118,422)	(32,459,400)	659,022
9	INCREASE (DECREASE) NOI		-	33,118,422	33,118,422	32,459,400	(659,022)

As Filed

RATE BASE	\$	-	\$ 5,362,058,017	\$ 5,362,058,017	\$ 5,428,588,081	\$ 66,530,064
NET RATE BASE						
WEIGHTED COST OF DEBT				2.94%		2.87%
PROFORMA INTEREST		-	157,644,506	157,644,506	155,800,478	(1,844,027.78)
INCREASE (DECREASE) FIT @	21%	-	(33,105,346)	(33,105,346)	(32,718,100)	387,246
INCREASE (DECREASE) NOI		-	33,105,346	33,105,346	32,718,100	(387,246)

Restating NOI	PSE	Staff	Difference	
Rev Impact due to NOI		33,105,346	33,118,422	13,076
				(17,403)
				(0)
Pro Forma NOI	PSE	Staff	Difference	
Rev Impact due to NOI		(387,246)	(659,022)	(271,777)
				361,703
			\$	-

Source: UE-
Exh. SEF-6E

**PUGET SOUND ENERGY - ELECTRIC
PASS-THROUGH REVENUES AND EXPENSES
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE**

LINE NO.	DESCRIPTION	%s			ADJ 6.05 ER	PROFORMA	N/A
			TY ACTUAL (a)	RESTATED (b)	RESTATED ADJUSTMENT (c)=(b)-(a)		ADJUSTMENT (e)=(d)-(b)
1	<u>REMOVE REVENUE ASSOCIATED WITH RIDERS:</u>						
2	REMOVE CONSERVATION RIDER - SCHEDULE 120		\$ 101,866,389	\$ -	\$ (101,866,389)	\$ -	\$ -
3	REMOVE PROPERTY TAX TRACKER - SCHEDULE 140		62,179,769	-	(62,179,769)	-	-
4	REMOVE MUNICIPAL TAXES - SCHEDULE 81 - RETAIL CUSTOMERS		85,339,739	-	(85,339,739)	-	-
5	REMOVE MUNICIPAL TAXES - SCHEDULE 81 - WHOLESALE CUSTOMERS		16,205	-	(16,205)	-	-
6	REMOVE LOW INCOME AMORTIZATION - SCHEDULE 129		17,990,501	-	(17,990,501)	-	-
7	REMOVE RESIDENTIAL EXCHANGE - SCH 194		(81,156,081)	-	81,156,081	-	-
8	REMOVE REC PROCEEDS - SCH 137		(657,452)	-	657,452	-	-
9	REMOVE EXPENSES ASSOCIATED WITH SCH 137 REC PROCEEDS		544,146	-	(544,146)	-	-
10	REMOVE DECOUPLING SCH 142 REVENUE		16,403,353	-	(16,403,353)	-	-
11	REMOVE DECOUPLING SCH 142 SURCHARGE AMORT EXPENSE		(15,601,475)	-	15,601,475	-	-
12	GREEN POWER - SCH 135/136 (TAGS ELIM IN PAGE 4.03)		4,470,610	-	(4,470,610)	-	-
13	GREEN POWER - SCH 135/136 ELIMINATE UNDER EXPENSED		(684,146)	-	684,146	-	-
14	REMOVE JPUD GAIN ON SALE SCH 133		(1,234)	-	1,234	-	-
15	TOTAL INCREASE (DECREASE) IN REVENUES		190,710,325	-	(190,710,325)	-	-
16							
17	<u>DECREASE REVENUE SENSITIVE ITEMS FOR DECREASE IN REVENUES:</u>						
18	BAD DEBTS	0.8479%	1,605,620	-	(1,605,620)	-	-
19	ANNUAL FILING FEE	0.2000%	378,729	-	(378,729)	-	-
20	STATE UTILITY TAX	3.8406%	7,272,725	-	(7,272,725)	-	-
21	TOTAL		9,257,074	-	(9,257,074)	-	-
22							
23	<u>REMOVE EXPENSES ASSOCIATED WITH RIDERS</u>						
24	REMOVE CONSERVATION RIDER - SCHEDULE 120		97,087,903	-	(97,087,903)	-	-
25	REMOVE PROPERTY TAX AMORTIZATION EXP - SCHEDULE 140		59,265,943	-	(59,265,943)	-	-
26	REMOVE MUNICIPAL TAXES - SCHEDULE 81		82,000,442	-	(82,000,442)	-	-
27	REMOVE LOW INCOME AMORTIZATION - SCHEDULE 129		17,158,858	-	(17,158,858)	-	-
28	REMOVE RESIDENTIAL EXCHANGE - SCH 194		(77,453,660)	-	77,453,660	-	-
29	REMOVE AMORT ON INTEREST ON REC PROCEEDS SCH 137		(83,312)	-	83,312	-	-
30	GREEN POWER - SCH 135/136 TAGS CHARGED TO 557 (removed in Pwr Cost Adj)		1,459,364	1,459,364	-	1,459,364	-
31	GREEN POWER - SCH 135/136 CHARGED TO C.99999.03.37.01		964,405	-	(964,405)	-	-
32	GREEN POWER - SCH 135/136 BENEFITS PORTION OF ADMIN		29,354	-	(29,354)	-	-
33	GREEN POWER - SCH 135/136 TAXES PORTION OF ADMIN		7,385	-	(7,385)	-	-
34			180,436,682	1,459,364	(178,977,319)	1,459,364	-
35							
36	INCREASE (DECREASE) OPERATING INCOME BEFORE FIT		1,016,568	(1,459,364)	(2,475,932)	(1,459,364)	-
37	INCREASE (DECREASE) FIT	21%	213,479	(306,466)	(519,946)	(306,466)	-
38	INCREASE (DECREASE) NOI		\$ 803,089	\$ (1,152,897)	\$ (1,955,986)	\$ (1,152,897)	\$ -

Source: UE-
Exh. SEF-6E

**PUGET SOUND ENERGY - ELECTRIC
NORMALIZE INJURIES AND DAMAGES
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE**

LINE NO.	DESCRIPTION	% 's	TY ACTUAL (a)	RESTATED (b)	ADJ 6.06 ER	PROFORMA (d)	N/A
					RESTATED ADJUSTMENT (c)=(b)-(a)		PROFORMA ADJUSTMENT (e)=(d)-(b)
1	INJURIES & DAMAGES ACCRUALS		\$ 510,000	\$ 220,833	\$ (289,167)	\$ 220,833	\$ -
2	INJURIES & DAMAGES PAYMENTS IN EXCESS OF ACCRUALS		740,337	945,203	204,866	945,203	-
3	INCREASE/(DECREASE) IN EXPENSE		1,250,337	1,166,036	(84,300)	1,166,036	-
4							
5	INCREASE/(DECREASE) IN OPERATING EXPENSE (LINE 3)		\$ 1,250,337	\$ 1,166,036	\$ (84,300)	\$ 1,166,036	\$ -
6	INCREASE (DECREASE) FIT @	21%	(262,571)	(244,868)	17,703	(244,868)	-
7						921,169	
8	INCREASE (DECREASE) NOI		\$ (987,766)	\$ (921,169)	\$ 66,597	\$ (921,169)	\$ -

Source: UE-
Exh. SEF-6E

PUGET SOUND ENERGY - ELECTRIC
BAD DEBTS
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

LINE NO.	DESCRIPTION	% 's	TY ACTUAL (a)	RESTATED (b)	ADJ 6.07 ER	PROFORMA (d)	N/A
					RESTATED ADJUSTMENT (c)=(b)-(a)		PROFORMA ADJUSTMENT (e)=(d)-(b)
1							
2	UNCOLLECTIBLES CHARGED TO EXPENSE	0.8479%	\$ 18,742,756	\$ 18,359,017	\$ (383,739)	\$ 18,359,017	\$ -
3							
4	INCREASE (DECREASE) OPERATING INCOME BEFORE INCOME TAXES		(18,742,756)	(18,359,017)	383,739	(18,359,017)	-
5	INCREASE (DECREASE) FIT	21%	\$ (3,935,979)	\$ (3,855,394)	\$ 80,585	\$ (3,855,394)	\$ -
6	INCREASE (DECREASE) NOI		<u>\$ (14,806,777)</u>	<u>\$ (14,503,623)</u>	<u>\$ 303,154</u>	<u>\$ (14,503,623)</u>	<u>\$ -</u>

UE-
Exh. SEF-6E

**PUGET SOUND ENERGY - ELECTRIC
INCENTIVE PAY
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE**

ADJ 6.08 ER
RESTATED

N/A
PROFORMA

LINE NO.	DESCRIPTION	% 's	TY ACTUAL (a)	RESTATED (b)	ADJUSTMENT (c)=(b)-(a)	PROFORMA (d)	ADJUSTMENT (e)=(d)-(b)
1	INCENTIVE / MERIT PAY:						
2	PURCHASED POWER		\$ 527,768	\$ 514,839	\$ (12,929)	\$ 514,839	\$ -
3	OTHER POWER SUPPLY		1,722,338	1,679,001	(43,337)	1,679,001	-
4	TRANSMISSION		753,556	734,849	(18,707)	734,849	-
5	DISTRIBUTION		2,248,441	2,191,564	(56,877)	2,191,564	-
6	CUSTOMER ACCTS		874,065	852,024	(22,041)	852,024	-
7	CUSTOMER SERVICE		108,711	106,040	(2,671)	106,040	-
8	SALES		39,555	38,618	(937)	38,618	-
9	ADMIN. & GENERAL		2,305,766	2,249,122	(56,644)	2,249,122	-
10	TOTAL INCENTIVE / MERIT PAY		\$ 8,580,200	\$ 8,366,056	\$ (214,143)	\$ 8,366,056	\$ -
11							
12	PAYROLL TAXES ASSOCI WITH MERIT PAY		759,348	740,396	(18,952)	740,396	-
13	INCREASE (DECREASE) IN EXPENSE		\$ 9,339,547	\$ 9,106,452	\$ (233,095)	\$ 9,106,452	\$ -
14							
15	INCREASE (DECREASE) FIT @	21%	(1,961,305)	(1,912,355)	48,950	(1,912,355)	-
16	INCREASE (DECREASE) NOI		\$ (7,378,242)	\$ (7,194,097)	\$ 184,145	\$ (7,194,097)	\$ -

UE-
Exh. SEF-6E

PUGET SOUND ENERGY - ELECTRIC
EXCISE TAX & FILING FEE
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

LINE NO.	DESCRIPTION	% 's			ADJ 6.09 ER		
			TY ACTUAL (a)	RESTATED (b)	RESTATED ADJUSTMENT (c)=(b)-(a)	PROFORMA (d)	ADJ 6.09 EP PROFORMA ADJUSTMENT (e)=(d)-(b)
1	EXCISE TAXES		\$ 84,579,619	\$ 84,593,680	\$ 14,062	\$ 84,579,619	\$ (14,062)
2	WUTC FILING FEE		4,669,752	4,564,760	(104,992)	4,669,752	104,992
3	INCREASE(DECREASE) EXCISE AND WUTC FILING FEE		89,249,370	89,158,440	(90,930)	89,249,370	90,930
4							
5	INCREASE(DECREASE) OPERATING EXPENSE		89,249,370	89,158,440	(90,930)	89,249,370	90,930
6	INCREASE(DECREASE) FIT @	21%	(18,742,368)	(18,723,272)	19,095	(18,742,368)	(19,095)
7	INCREASE(DECREASE) NOI		\$ (70,507,003)	\$ (70,435,168)	\$ 71,835	\$ (70,507,003)	\$ (71,835)

UE-
Exh. SEF-6E

**PUGET SOUND ENERGY - ELECTRIC
DIRECTORS & OFFICERS INSURANCE
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE**

LINE NO.	DESCRIPTION	%	TY ACTUAL (a)	RESTATE D (b)	ADJ 6.10 ER RESTATE D ADJUSTMENT (c)=(b)-(a)	PROFORMA (d)	ADJ 6.10 EP PROFORMA ADJUSTMENT (e)=(d)-(b)
1	D & O INS. CHG EXPENSE		\$ 84,155	\$ 77,444	\$ (6,711)	\$ 84,155	\$ 6,711
2							
3	INCREASE (DECREASE) IN EXPENSE		\$ 84,155	\$ 77,444	\$ (6,711)	\$ 84,155	\$ 6,711
4							
5	INCREASE(DECREASE) OPERATING EXPENSE (LINE 3)		\$ 84,155	\$ 77,444	\$ (6,711)	\$ 84,155	\$ 6,711
6							
7	INCREASE (DECREASE) FIT @	21%	(17,672)	(16,263)	1,409	(17,672)	(1,409)
8	INCREASE (DECREASE) NOI		\$ (66,482)	\$ (61,181)	\$ 5,301	\$ (66,482)	\$ (5,301)

UE-
Exh. SEF-6E

PUGET SOUND ENERGY - ELECTRIC
INTEREST ON CUSTOMER DEPOSITS
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

ADJ 6.11 ER
RESTATED

N/A
PROFORMA

LINE NO.	DESCRIPTION	%'s	TY ACTUAL (a)	RESTATED (b)	ADJUSTMENT (c)=(b)-(a)	PROFORMA (d)	ADJUSTMENT (e)=(d)-(b)
1	INTEREST EXPENSE AT MOST CURRENT INTEREST RATE	\$	-	\$ 803,909	\$ 803,909	\$ 803,909	\$ -
2							
3	INCREASE (DECREASE) NOI	\$	-	\$ (803,909)	\$ (803,909)	\$ (803,909)	\$ -

UE-
Exh. SEF-6E

PUGET SOUND ENERGY - ELECTRIC
RATE CASE EXPENSES
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

LINE NO.	DESCRIPTION	%'s			ADJ 6.12 ER		
			TY ACTUAL (a)	RESTATE D (b)	RESTATE D ADJUSTMENT (c)=(b)-(a)	PROFORMA ADJUSTMENT (d)	PROFORMA ADJUSTMENT (e)=(d)-(b)
1	EXPENSES TO BE NORMALIZED:						
2	<u>EXPENSES OF LAST 2 COMPLETED GRCS</u>						
3	2017 AND 2011 GRC EXPENSES TO BE NORMALIZED		\$ (11,804)	\$ 548,500	\$ 560,304	\$ 548,500	\$ -
4							
5	<u>EXPENSES OF LAST 2 COMPLETED PCORCS</u>						
6	2014 AND 2013 PCORC EXPENSES TO BE NORMALIZED		-	68,250	68,250	68,250	-
7	TOTAL INCREASE (DECREASE) EXPENSE		(11,804)	616,750	628,554	616,750	-
8							
9	INCREASE(DECREASE) FIT @ 21%	21%	2,479	(129,518)	(131,996)	(129,518)	-
10	INCREASE(DECREASE) NOI		\$ 9,325	\$ (487,233)	\$ (496,558)	\$ (487,233)	\$ -

UE-
Exh. SEF-6E

PUGET SOUND ENERGY - ELECTRIC
PENSION PLAN
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

ADJ 6.13 ER

N/A

LINE NO.	DESCRIPTION	%'s	TY ACTUAL (a)	RESTATED (b)	ADJ 6.13 ER RESTATED ADJUSTMENT (c)=(b)-(a)	PROFORMA (d)	PROFORMA ADJUSTMENT (e)=(d)-(b)
1	QUALIFIED RETIREMENT FUND		\$ 4,555,764	\$ 6,740,763	\$ 2,184,999	\$ 6,740,763	\$ -
2	INCREASE(DECREASE) EXPENSE		\$ 4,555,764	\$ 6,740,763	\$ 2,184,999	\$ 6,740,763	\$ -
3							
4	INCREASE (DECREASE) FIT	21%	(956,711)	(1,415,560)	(458,850)	(1,415,560)	-
5	INCREASE (DECREASE) NOI		\$ (3,599,054)	\$ (5,325,203)	\$ (1,726,149)	\$ (5,325,203)	\$ -

UE-
Exh. SEF-6E

**PUGET SOUND ENERGY - ELECTRIC
PROPERTY & LIABILITY INSURANCE
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE**

**ADJ 6.14 ER
RESTATED
ADJUSTMENT**

**ADJ 6.14 EP
PROFORMA
ADJUSTMENT**

LINE NO.	DESCRIPTION	%'s	TY ACTUAL (a)	RESTATE D (b)	ADJUST MENT (c)=(b)-(a)	PROFORMA (d)	ADJUST MENT (e)=(d)-(b)
1	PROPERTY INSURANCE EXPENSE		\$ 3,672,712	\$ 3,488,881	\$ (183,831)	\$ 4,009,178	\$ 520,297
2	LIABILITY INSURANCE EXPENSE		2,115,324	1,894,153	(221,171)	1,934,094	39,941
3	INCREASE(DECREASE) EXPENSE		\$ 5,788,036	\$ 5,383,034	\$ (405,002)	\$ 5,943,272	\$ 560,238
4							
5	INCREASE (DECREASE) FIT @	21%	(1,215,488)	(1,130,437)	85,050	(1,248,087)	(117,650)
6	INCREASE (DECREASE) NOI		\$ (4,572,548)	\$ (4,252,597)	\$ 319,951	\$ (4,695,185)	\$ (442,588)

UE-
Exh. SEF-6E

PUGET SOUND ENERGY - ELECTRIC
WAGE INCREASE
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

ADJ 6.15 ER

ADJ 6.15 EP

LINE NO.	DESCRIPTION	%s	TY ACTUAL (a)	RESTATED (b)	ADJ 6.15 ER RESTATED ADJUSTMENT (c)=(b)-(a)	PROFORMA (d)	ADJ 6.15 EP PROFORMA ADJUSTMENT (e)=(d)-(b)
1	WAGES:						
2	PURCHASED POWER		\$ 6,435,874	\$ 6,442,215	\$ 6,341	\$ 6,688,166	\$ 245,951
3	OTHER POWER SUPPLY		21,002,063	21,009,445	7,382	21,701,060	691,615
4	TRANSMISSION		9,188,775	9,195,193	6,418	9,524,371	329,178
5	DISTRIBUTION		27,417,316	27,423,129	5,813	28,292,537	869,409
6	CUSTOMER ACCTS		10,657,781	10,661,462	3,681	11,005,573	344,111
7	CUSTOMER SERVICE		1,325,773	1,326,922	1,149	1,376,274	49,352
8	SALES		482,719	483,202	483	501,708	18,507
9	ADMIN. & GENERAL		28,115,834	28,143,397	27,562	29,215,057	1,071,661
10	TOTAL WAGE INCREASE		104,626,135	104,684,964	58,829	108,304,747	\$ 3,619,783
11							
12	PAYROLL TAXES		7,658,038	7,677,450	19,412	7,859,638	182,188
13	TOTAL WAGES & TAXES		112,284,173	112,362,414	78,241	116,164,386	3,801,971
14							
15	INCREASE (DECREASE) OPERATING EXPENSE		\$ 112,284,173	\$ 112,362,414	\$ 78,241	\$ 116,164,386	\$ 3,801,971
16	INCREASE (DECREASE) FIT @	21%	(23,579,676)	(23,596,107)	(16,431)	(24,394,521)	(798,414)
17	INCREASE (DECREASE) NOI		\$ (88,704,497)	\$ (88,766,307)	\$ (61,810)	\$ (91,769,865)	\$ (3,003,557)

UE-
Exh. SEF-6E

**PUGET SOUND ENERGY - ELECTRIC
INVESTMENT PLAN
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE**

LINE NO.	DESCRIPTION	%s			ADJ 6.16 ER	PROFORMA (d)	ADJ 6.16 EP
			TY ACTUAL (a)	RESTATED (b)	RESTATED ADJUSTMENT (c)=(b)-(a)		PROFORMA ADJUSTMENT (e)=(d)-(b)
1	NON-UNION (INC. EXECUTIVES)						
2	INVESTMENT PLAN APPLICABLE TO MANAGEMENT		\$ 9,540,505	\$ 9,550,045	\$ 9,541	\$ 9,915,812	\$ 365,767
3							
4	IBEW						
5	INVESTMENT PLAN APPLICABLE TO IBEW		3,276,440	3,276,440	0	3,374,733	98,293
6							
7	UA						
8	INVESTMENT PLAN APPLICABLE TO UA		1,056,411	1,080,180	23,769	1,143,182	63,002
9							
10	TOTAL						
11	TOTAL PROFORMA COSTS		\$ 13,873,355	\$ 13,906,665	\$ 33,310	\$ 14,433,726	\$ 527,061
12							
13	COSTS APPLICABLE TO OPERATIONS	50%	6,936,280	6,952,934	16,654	7,216,449	263,516
14							
15	INCREASE (DECREASE) IN EXPENSE		\$ 6,936,280	\$ 6,952,934	\$ 16,654	\$ 7,216,449	\$ 263,516
16							
17	INCREASE(DECREASE) OPERATING EXPENSE		\$ 6,936,280	\$ 6,952,934	\$ 16,654	\$ 7,216,449	\$ 263,516
18							
19	INCREASE (DECREASE) FIT @	21%	(1,456,619)	(1,460,116)	(3,497)	(1,515,454)	(55,338)
20							
21	INCREASE (DECREASE) NOI		\$ (5,479,661)	\$ (5,492,818)	\$ (13,157)	\$ (5,700,995)	\$ (208,177)

UE-
Exh. SEF-6E

PUGET SOUND ENERGY - ELECTRIC
EMPLOYEE INSURANCE
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

LINE NO.	DESCRIPTION	TY ACTUAL (a)	RESTATED (b)	ADJ 6.17 ER RESTATED ADJUSTMENT (c)=(b)-(a)	PROFORMA (d)	ADJ 6.17 EP PROFORMA ADJUSTMENT (e)=(d)-(b)	
1	<u>BENEFIT CONTRIBUTION:</u>						
2	NON-UNION EMPLOYEES	\$ 19,841,150	\$ 19,806,193	\$ (34,957)	\$ 20,948,313	\$ 1,142,121	
3	UNION EMPLOYEES	10,338,996	10,434,337	95,341	11,042,309	\$ 607,972	
4	TOTAL INSURANCE COSTS	30,180,146	30,240,530	60,384	31,990,622	1,750,092	
5							
6	APPLICABLE TO OPERATIONS @	50%	15,089,208	15,119,398	30,190	15,994,394	874,996
7	CHARGED TO EXPENSE		15,121,149	15,121,149	-	15,121,149	-
8	INCREASE (DECREASE) EXPENSE		(31,941)	(1,751)	30,190	873,245	874,996
9							
10	INCREASE (DECREASE) FIT @	21%	6,708	368	(6,340)	(183,381)	(183,749)
11							
12	INCREASE(DECREASE) NOI		\$ 25,234	\$ 1,383	\$ (23,850)	\$ (689,864)	\$ (691,247)

UE-
Exh. SEF-6E

Staff Recommendation

**PUGET SOUND ENERGY - ELECTRIC
AMA TO EOP RATE BASE
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE**

LINE NO.	DESCRIPTION	TY ACTUAL (a)	RESTATE (b)	ADJ 6.18 ER	PROFORMA (d)	N/A
				RESTATE ADJUSTMENT (c)=(b)-(a)		PROFORMA ADJUSTMENT (e)=(d)-(b)
RATE BASE:						
1	GROSS UTILITY PLANT IN SERVICE	\$ 10,572,466.950	\$ 10,898,545.827	\$ 326,078.877	\$ 10,898,545.827	\$ -
2	ACCUM DEPR AND AMORT	(4,244,925.258)	(4,388,667.536)	(143,742.278)	(4,388,667.536)	-
3	DEFERRED DEBITS AND CREDITS	285,841,342	273,144,103	(12,697,239)	273,144,103	-
4	DEFERRED TAXES	(1,443,684.470)	(1,420,710.083)	22,974.387	(1,420,710.083)	-
5	ALLOWANCE FOR WORKING CAPITAL	145,303,205	145,303,205	-	145,303,205	-
6	OTHER	(106,223.264)	(108,090.779)	(1,867.516)	(108,090.779)	-
7	TOTAL RATE BASE	\$ 5,208,778.506	\$ 5,399,524.737	\$ 190,746.231	\$ 5,399,524.737	\$ -

PSE revised gross plant and deferred tax in its supplement to exclude Green Direct. Here is the initial filing amount.

PSE As Filed	PSE	Staff	Difference
Rate Base	\$ 182,818,242	190,746,231	7,927,989
RoR	7.62%	7.33%	
Return	13,930,750	13,981,699	50,949
Rev Impact due to rate base	18,540,195	18,608,001	67,807
Check			-

UE-
Exh. SEF-6E

PUGET SOUND ENERGY - ELECTRIC
AMA TO EOP DEPRECIATION
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

LINE NO.	DESCRIPTION	TY ACTUAL (a)	RESTATED (b)	ADJ 6.19 ER	PROFORMA (d)	N/A
				RESTATED ADJUSTMENT (c)=(b)-(a)		PROFORMA ADJUSTMENT (e)=(d)-(b)
1	403 ELEC. DEPRECIATION EXPENSE	\$ 316,437,621	\$ 320,871,178	\$ 4,433,558	\$ 320,871,178	\$ -
2	403 ELEC. PORTION OF COMMON	17,479,184	18,643,870	1,164,686	18,643,870	-
3	404 ELEC. DEPRECIATION EXPENSE	15,706,525	15,702,576	(3,950)	15,702,576	-
4	404 ELEC. PORTION OF COMMON	44,372,353	60,095,545	15,723,192	60,095,545	-
5	SUBTOTAL DEPRECIATION EXPENSE 403	393,995,683	415,313,169	21,317,486	415,313,169	-
6	403.1 ELEC. ASSET RETIREMENT COST DEPRECIATION	7,708,455	7,809,630	101,175	7,809,630	-
7	411.10 ELEC. ASSET RETIREMENT OBLIGATION ACCRETION	3,557,679	3,537,694	(19,985)	3,537,694	-
8	TOTAL DEPRECIATION AND ACCRETION	405,261,817	426,660,492	21,398,675	426,660,492	-
9						
10	INCREASE (DECREASE) EXPENSE	405,261,817	426,660,492	21,398,675	426,660,492	-
11						
12	INCREASE (DECREASE) FIT	21% (85,104,982)	(89,598,703)	(4,493,722)	(89,598,703)	-
13						
14	INCREASE (DECREASE) NOI	\$ (320,156,836)	\$ (337,061,789)	\$ (16,904,953)	\$ (337,061,789)	\$ -
15						
16	ADJUSTMENT TO RATE BASE					
17	ADJUSTMENT TO ACCUM. DEPREC. AT 100% DEPREC. EXP. LINE 8	\$ (405,261,817)	\$ (426,660,492)	\$ (21,398,675)	\$ (426,660,492)	\$ -
18	DFTT	85,104,982	89,598,703	4,493,722	89,598,703	-
19	TOTAL ADJUSTMENT TO RATEBASE	\$ (320,156,836)	\$ (337,061,789)	\$ (16,904,953)	\$ (337,061,789)	\$ -

UE-
Exh. SEF-6E

PSE Supplement

PUGET SOUND ENERGY - ELECTRIC
DEFERRED GAINS/LOSSES ON PROPERTY SALES
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

LINE NO.	DESCRIPTION	% 's	TY ACTUAL (a)	RESTATE (b)	N/A	Updated by supplemental filing	ADJ 6.20 EP
					RESTATED ADJUSTMENT (c)=(b)-(a)	PROFORMA (d)	PROFORMA ADJUSTMENT (e)=(d)-(b)
1	AMORTIZATION OF NET DEFERRED GAIN						
2	APPROVED IN UE-170033 & PENDING APPROVAL		\$ (763,743)	\$ (763,743)	\$ -	\$ (4,297,707)	\$ (3,533,964)
3							
4	INCREASE (DECREASE) EXPENSE (LINE 2)		(763,743)	(763,743)	-	(4,297,707)	(3,533,964)
5							
6	INCREASE (DECREASE) FIT	21%	160,386.11	160,386.11	-	902,518.54	742,132.44
7	INCREASE (DECREASE) NOI		\$ 603,357	\$ 603,357	\$ -	\$ 3,395,189	\$ 2,791,832

Income Statement	PSE Initial	PSE Supplemental	Difference
Amortization of Net Deferred Gain			
Increase (Decrease) Expense	519,036	(3,533,964)	(4,053,000)
Increase (Decrease) FIT	(108,998)	742,132	851,130
Increase (Decrease) NOI	(410,038)	2,791,832	3,201,870
Rev Impact due to NOI	545,713	(3,715,600)	(4,261,314)
Check			-

UE-
Exh. SEF-6E

**PUGET SOUND ENERGY - ELECTRIC
ENVIRONMENTAL REMEDIATION
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE**

LINE NO.	DESCRIPTION	TY ACTUAL (a)	RESTATED (b)	N/A	PROFORMA (d)	ADJ 6.21 EP
				RESTATED ADJUSTMENT (c)=(b)-(a)		PROFORMA ADJUSTMENT (e)=(d)-(b)
1						
2	AMORTIZATION OF DEFERRED ENVIRONMENTAL REMEDIATION COSTS AND RECOVERIES	\$ 1,423,785	\$ 1,423,785	\$ -	\$ 1,575,833	\$ 152,048
3	TOTAL INCREASE (DECREASE) OPERATING EXPENSE	1,423,785	1,423,785	-	1,575,833	152,048
4						
5	INCREASE (DECREASE) FIT @ 21%	21% (298,995)	(298,995)	-	(330,925)	(31,930)
6	INCREASE (DECREASE) NOI	\$ (1,124,790)	\$ (1,124,790)	\$ -	\$ (1,244,908)	\$ (120,118)

UE-
Exh. SEF-6E

PUGET SOUND ENERGY - ELECTRIC
AMI
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

LINE NO.	DESCRIPTION	% 's	N/A			ADJ 6.22 EP	
			TY ACTUAL (a)	RESTATE (b)	RESTATED ADJUSTMENT (c)=(b)-(a)	PROFORMA (d)	PROFORMA ADJUSTMENT (e)=(d)-(b)
1	<u>RATEBASE (AMA) UTILITY PLANT RATEBASE</u>						
2	<u>UTILITY PLANT</u>						
3	PLANT ADDITIONS JAN-JUN 2019 (1)		\$ -	\$ -	\$ -	\$ 24,644,868	\$ 24,644,868
4	ACCUM DEPRECIATION (1)		-	-	-	(2,140,348)	(2,140,348)
5	DEFERRED INCOME TAX LIABILITY (1)		-	-	-	(1,701,441)	(1,701,441)
6	TOTAL UTILITY PLANT		-	-	-	20,803,079	20,803,079
7	<u>DEFERRALS</u>						
8	DEPRECIATION DEFERRAL (3)		-	-	-	11,304,151	11,304,151
9	ACCUM AMORT ON DEPRECIATION DEFERRAL (2)		-	-	-	(1,884,025)	(1,884,025)
10	DFIT ON DEPRECIATION DEFERRAL (2)		-	-	-	(1,978,226)	(1,978,226)
11	TOTAL DEFERRED DEPRECIATION		-	-	-	7,441,900	7,441,900
12							
13	NET RATEBASE		\$ -	\$ -	\$ -	\$ 28,244,979	\$ 28,244,979
14							
15	<u>OPERATING EXPENSE</u>						
16	DEPRECIATION EXPENSE (1)		-	-	-	1,355,468	1,355,468
17	LESS AVOIDED DPERECIATION FROM AMR RETIREMENTS IN RATE YR (1)		-	-	-	(66,474)	(66,474)
18	AMORT OF DEF'D RETURN THROUGH APR 2020: 3YRS MAY '20 - APR '23 (2)		-	-	-	1,100,395	1,100,395
19	AMORT OF DEF'D DEPREC THROUGH APR 2020: 3YRS MAY '20 - APR '23 (3)		-	-	-	3,768,050	3,768,050
20	TOTAL OPERATING EXPENSES		-	-	-	6,157,439	6,157,439
21							
22	INCREASE (DECREASE) EXPENSE					6,157,439	6,157,439
23							
24	INCREASE (DECREASE) FIT @	21%				(1,293,062)	(1,293,062)
25	INCREASE (DECREASE) NOI					\$ (4,864,376)	\$ (4,864,376)
26							
27	(1) PRO FORMA PLANT ADDITIONS						
28	(2) AMORT OF DEFERRAL OF RETURN ON INVESTMENT						
29	(3) AMORT OF DEFERRAL OF DERPRECIATION						

PSE As Filed	PSE	Staff	Difference
AMORT OF DEF'D RETURN THROUGH APR 2020: 3YRS MAY '20 - APR '23 (2)	1,100,395	1,100,395	-
FIT	(231,083)	(231,083)	-
NOI	(869,312)	(869,312)	-
Rev Impact due to NOI	1,156,952	1,156,952	-
Rate Base	\$ 28,244,979	28,244,979	
RoR	7.62%	7.33%	
Return	2,152,267	2,070,357	(81,910)
Rev Impact due to rate base	2,864,415	2,755,402	(109,013)
Combined Rev Impact	4,021,368	3,912,354	(109,013)
Check			(0)

Exh. SEF-6E

UE-
Exh. SEF-6E

PUGET SOUND ENERGY - ELECTRIC
ANNUALIZE RENT EXPENSE
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

LINE NO.	DESCRIPTION	%	TY ACTUAL (a)	RESTATE (b)	ADJ 6.23 ER	PROFORMA (d)	ADJ 6.23 EP
					RESTATED ADJUSTMENT (c)=(b)-(a)		PROFORMA ADJUSTMENT (e)=(d)-(b)
1							
2	PSE BLDG	\$	1,029,463	\$ -	\$ (1,029,463)	\$ -	\$ -
3	PSE BLDG 4TH FLOOR RENT		260,613	-	(260,613)	-	-
3	PSE BLDG 4TH SUBLEASE		(690,968)	-	690,968	-	-
4	EST BLDG		3,068,146	3,068,146	-	2,947,101	(121,045)
5	PARKING		881,986	881,986	-	660,496	(221,490)
6	BOTHELL O		324,258	324,258	-	783,109	458,851
7	BOTHELL G/H		894,121	894,121	-	715,521	(178,600)
8	VERNELL		(167,598)	-	167,598	-	-
9	SMALL OFFICES:						
10	OAK HARBOR OFFICE		65,486	65,486	-	-	(65,486)
11	BELLINGHAM BUSINESS OFFICE		101,476	101,476	-	-	(101,476)
12	ELLENSBURG OFFICE 90 DAYS.		17,787	17,787	-	-	(17,787)
13	SOUTH WHIDBEY BUSINESS OFFICE (2 FLOORS)		38,838	38,838	-	-	(38,838)
14	LRO AND COMMISSIONS		213,558	213,558	-	-	(213,558)
15	TOTAL INCREASE (DECREASE) EXPENSE		6,037,167	5,605,657	(431,510)	5,106,227	(499,429)
16							
17	INCREASE(DECREASE) FIT	21%	(1,267,805)	(1,177,188)	90,617	(1,072,308)	104,880
18	INCREASE(DECREASE) NOI		\$ (4,769,362)	\$ (4,428,469)	\$ 340,893	\$ (4,033,920)	\$ 394,549

UE-
Exh. SEF-6E

Staff Recommendation

PUGET SOUND ENERGY - ELECTRIC
GET TO ZERO PROFORMA PLANT ADDITIONS AND DEFERRAL ADJUSTMENT
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

LINE NO.	DESCRIPTION	%s	TY ACTUAL (a)	RESTATED (b)	N/A	PROFORMA (d)	ADJ 6.24 EP
					RESTATED ADJUSTMENT (c)=(b)-(a)		PROFORMA ADJUSTMENT (e)=(d)-(b)
1	<u>RATEBASE (AMA) UTILITY PLANT RATEBASE</u>						
2	<u>UTILITY PLANT</u>						
3	PLANT ADDITIONS JAN-JUN 2019		\$ -	\$ -	\$ -	\$ 8,630,749	\$ 8,630,749
4	ACCUM DEPRECIATION		-	-	-	(4,794,861)	(4,794,861)
5	DEFERRED INCOME TAX LIABILITY		-	-	-	251,730	251,730
6	TOTAL UTILITY PLANT		-	-	-	4,087,619	4,087,619
7							
8	<u>DEFERRALS</u>						
9	DEPRECIATION DEFERRAL		-	-	-	11,045,492	11,045,492
10	ACCUM AMORT ON DEPRECIATION DEFERRAL		-	-	-	(1,840,915)	(1,840,915)
11	DFIT ON DEPRECIATION DEFERRAL		-	-	-	(1,932,961)	(1,932,961)
12	TOTAL DEPRECIATION DEFERRALS		-	-	-	7,271,615	7,271,615
13							
14	NET RATEBASE		\$ -	\$ -	\$ -	11,359,234	\$ 11,359,234
15							
16	<u>OPERATING EXPENSE</u>						
17	DERCIATION EXPENSE ON UTILITY PLANT				\$ -	2,876,916	2,876,916
18	AMORTIZATION OF AMORTIZATION DEFERRAL				-	3,681,831	3,681,831
19	AMORTIZATION OF CARRYING CHARGES DEFERRAL				-	-	-
20	TOTAL OPERATING EXPENSES		\$ -	\$ -	\$ -	6,558,747	\$ 6,558,747
21	FOUR FACTOR ALLOCATOR	66.19%					
22	INCREASE (DECREASE) EXPENSE					6,558,747	\$ 6,558,747
23							
24	INCREASE (DECREASE) FIT @	21%				(1,377,337)	(1,377,337)
25	INCREASE (DECREASE) NOI		\$ -	\$ -	\$ -	(5,181,410)	\$ (5,181,410)

UE-
Exh. SEF-6E

PUGET SOUND ENERGY - ELECTRIC
CREDIT CARD PAYMENT PROCESSING FEES
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

LINE NO.	DESCRIPTION	% 's			N/A		
			TY ACTUAL (a)	RESTATE (b)	RESTATED ADJUSTMENT (c)=(b)-(a)	PROFORMA (d)	ADJ 6.25 EP PROFORMA ADJUSTMENT (e)=(d)-(b)
1	AMORTIZATION of NET DEFERRED GAIN						
2	APPROVED IN UE-170033 & PENDING APPROVAL		\$ 828,672	\$ 828,672	\$ -	\$ 224,456	\$ (604,216)
3							
4	INCREASE (DECREASE) EXPENSE (LINE 2)		\$ 828,672	\$ 828,672	\$ -	\$ 224,456	\$ (604,216)
5							
6	INCREASE (DECREASE) FIT	21%	(174,021)	(174,021)	-	(47,136)	126,885
7	INCREASE (DECREASE) NOI		\$ (654,651)	\$ (654,651)	\$ -	\$ (177,320)	\$ 477,331

UE-
Exh. SEF-6E

PUGET SOUND ENERGY - ELECTRIC
UNPROTECTED EXCESS DEFERRED INCOME TAXES
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

LINE NO.	DESCRIPTION	%	TY ACTUAL (a)	RESTATE D (b)	N/A	PROFORMA (d)	ADJ 6.26 EP
					RESTATED ADJUSTMENT (c)=(b)-(a)		PROFORMA ADJUSTMENT (e)=(d)-(b)
1	RATEBASE:						
2	UNPROTECTED DFIT		\$ (36,025,489)	\$ (36,025,489)	\$ -	\$ (31,522,303)	\$ 4,503,186
3	TOTAL RATE BASE		<u>\$ (36,025,489)</u>	<u>\$ (36,025,489)</u>	<u>\$ -</u>	<u>\$ (31,522,303)</u>	<u>\$ 4,503,186</u>
4							
5	EXPENSES:						
6	411.1 ANNUAL AMORTIZATION		\$ -	\$ -	\$ -	\$ (9,006,372)	\$ (9,006,372)
7	INCREASE (DECREASE) OPERATING EXPENSE		-	-	-	(9,006,372)	(9,006,372)
8							
9	INCREASE (DECREASE) FIT	21%	N/A	N/A	N/A	N/A	N/A
10	INCREASE (DECREASE) NOI		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,006,372</u>	<u>\$ 9,006,372</u>

UE-
Exh. SEF-6E

Staff Recommendation Remove the entire adjustment

**PUGET SOUND ENERGY - ELECTRIC
PUBLIC IMPROVEMENT
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE**

LINE NO.	DESCRIPTION	TY ACTUAL (a)	RESTATED (b)	N/A	PROFORMA (d)	ADJ 6.27 EP
				RESTATED ADJUSTMENT (c)=(b)-(a)		PROFORMA ADJUSTMENT (e)=(d)-(b)
1	UTILITY PLANT RATEBASE					
2	PLANT BALANCE	\$ _____	\$ _____	\$ _____	\$ 13,639,436	\$ 13,639,436
3	ACCUM DEPRECIATION	_____	_____	_____	(671,554)	(671,554)
4	DEFERRED FIT	_____	_____	_____	(112,579)	(112,579)
5	TOTAL RATEBASE	\$ _____	\$ _____	\$ _____	12,855,303	12,855,303
6						
7	OPERATING EXPENSE					
8	DEPRECIATION EXPENSE	\$ _____	\$ _____	\$ _____	375,014	375,014
9	TOTAL OPERATING EXPENSES	_____	_____	_____	375,014	375,014
10						
11	INCREASE (DECREASE) EXPENSE	\$ _____	\$ _____	\$ _____	375,014	375,014
12						
13	INCREASE (DECREASE) FIT @	21% _____	_____	_____	(78,753)	(78,753)
14	INCREASE (DECREASE) NOI	\$ _____	\$ _____	\$ _____	(296,261)	(296,261)

PSE As Filed	PSE	Staff	Difference
Depreciation Expense	375,014	-	(375,014)
FIT	(78,753)	-	78,753
NOI	(296,261)	-	296,261
Rev Impact due to NOI	394,289	-	(394,289)
Rate Base	\$ 12,855,303	-	(12,855,303)
RoR	7.62%	7.33%	
Return	979,574	-	(979,574)
Rev Impact due to rate base	1,303,698	-	(1,303,698)
Combined Rev Impact	1,697,987	-	(1,697,987)
Check			-

UE-
Exh. SEF-6E

PUGET SOUND ENERGY - ELECTRIC
CONTRACT ESCALATIONS
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

N/A

ADJ 6.28 EP

LINE NO.	DESCRIPTION	%	TY ACTUAL (a)	RESTATE D (b)	RESTATE D ADJUSTMENT (c)=(b)-(a)	PROFORMA (d)	PROFORMA ADJUSTMENT (e)=(d)-(b)
1	TRANSMISSION EXPENSE		\$ 5,059,842	\$ 5,059,842	-	\$ 5,219,051	\$ 159,208
2	DISTRIBUTION EXPENSE		47,610,895	47,610,895	-	48,988,849	1,377,954
3	CUSTOMER ACCTS EXPENSES		9,867,708	9,867,708	-	10,013,750	146,042
4	ADMIN & GENERAL EXPENSE		40,650	40,650	-	41,908	1,258
5	TOTAL INCREASE (DECREASE) EXPENSE		62,579,095	62,579,095	-	64,263,559	1,684,463
6							
7	INCREASE(DECREASE) FIT	21%	(13,141,610)	(13,141,610)	-	(13,495,347)	(353,737)
8	INCREASE(DECREASE) NOI		\$ (49,437,485)	\$ (49,437,485)	-	\$ (50,768,211)	\$ (1,330,726)

UE-
Exh. SEF-6E

Staff Recommendation Remove the entire adjustment

PUGET SOUND ENERGY - ELECTRIC
HR TOPS

12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

LINE NO.	DESCRIPTION	% 's	TY	RESTATED	N/A	PROFORMA	ADJ 6.29 EP
			ACTUAL		ADJUSTMENT		PROFORMA
			(a)	(b)	(c)=(b)-(a)	(d)	(e)=(d)-(b)
1	RATEBASE (AMA) UTILITY PLANT RATEBASE						
2	HR TOPS						
3	PLANT ADDITIONS		\$	\$	\$	6,817,570	6,817,570
4	ACCUM DEPRECIATION					(965,822)	(965,822)
5	DEFERRED INCOME TAX LIABILITY					(370,698)	(370,698)
6	TOTAL UTILITY PLANT		\$	\$	\$	5,481,050	5,481,050
7							
8	NET RATEBASE		\$	\$	\$	5,481,050	5,481,050
9							
10	OPERATING EXPENSE						
11	DEPRECIATION EXPENSE		\$	\$	\$	681,757	681,757
12	TOTAL OPERATING EXPENSES		\$	\$	\$	681,757	681,757
13							
14	INCREASE (DECREASE) EXPENSE		\$	\$	\$	681,757	681,757
15							
16	INCREASE (DECREASE) FIT @	21%	\$	\$	\$	(143,169)	(143,169)
17	INCREASE (DECREASE) NOI		\$	\$	\$	(538,588)	(538,588)

PSE As Filed	PSE	Staff	Difference
Depreciation Expense	681,757	-	(681,757)
FIT	(143,169)	-	143,169
NOI	(538,588)	-	538,588
Rev Impact due to NOI	716,798	-	(716,798)
Rate Base	\$ 5,481,050	-	(5,481,050)
RoR	7.62%	-	
Return	417,656	-	(417,656)
Rev Impact due to rate base	555,851.13	-	(555,851)
Combined Rev Impact	1,272,649	-	(1,272,649)
Check			-

	\$	-		\$	-
UE- Exh. SEF-7E page 3 of 11					

Staff Recommendation

**PUGET SOUND ENERGY-ELECTRIC
MONTANA ELECTRIC ENERGY TAX
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE**

LINE NO.	DESCRIPTION	% 's	TY		ADJ 7.02 ER		ADJ 7.02 EP	
			ACTUAL (a)	RESTATED (b)	RESTATED ADJUSTMENT (c)=(b)-(a)	PROFORMA (d)	PROFORMA ADJUSTMENT (e)=(d)-(b)	
1	EXPENSES TO BE NORMALIZED:							
2	MONTANA TAX EXPENSE		\$ 1,346,485	\$ 1,433,345	\$ 86,861	\$ 771,546	\$ (661,800)	
3	TOTAL INCREASE (DECREASE) EXPENSE		1,346,485	1,433,345	86,861	771,546	(661,800)	
4	PRODUCTION FACTOR ON RATE YEAR	0.9558	-	-	-	(34,101)	(34,101)	
5	INCREASE(DECREASE) PRODUCTION FACTORED EXPENSE		1,346,485	1,433,345	86,861	737,445	(695,901)	
6								
7	INCREASE(DECREASE) FIT	21%	(282,762)	(301,003)	(18,241)	(154,863)	146,139	
8	INCREASE(DECREASE) NOI		\$ (1,063,723)	\$ (1,132,343)	\$ (68,620)	\$ (582,581)	\$ 549,761	

Montana Electric Energy Tax - Pro Forma Adjustment

	PSE Initial	Staff	Difference
Income Statement			
Increase (decrease) expense	777,636	737,445	(40,191)
FIT	(163,303)	(154,863)	8,440
Increase (Decrease) NOI	(614,332)	(582,581)	31,751
Rev Impact due to NOI	817,604	775,348	(42,257)
Check			(0.00)

				\$ -	\$ -
					UE- Exh. SEF-7E page 4 of 11

PUGET SOUND ENERGY-ELECTRIC
WILD HORSE SOLAR
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

LINE NO.	DESCRIPTION	% 's	TY		ADJ 7.03 ER	PROFORMA	N/A
			ACTUAL (a)	RESTATED (b)	RESTATED ADJUSTMENT (c)=(b)-(a)	ADJUSTMENT (d)	PROFORMA ADJUSTMENT (e)=(d)-(b)
1	<u>WILD HORSE SOLAR RATEBASE (AMA)</u>						
2	PLANT BALANCE		\$ 4,539,000	\$ -	\$ (4,539,000)	\$ -	\$ -
3	ACCUM DEPRECIATION		(2,120,000)	-	2,120,000	-	-
4	DEFERRED INCOME TAX LIABILITY		(803,629)	-	803,629	-	-
5	NET WH SOLAR PLANT RATEBASE		1,615,371	-	(1,615,371)	-	-
6							
7	<u>WILD HORSE SOLAR OPERATING EXPENSE</u>						
8	DEPRECIATION EXPENSE		212,064	-	(212,064)	-	-
9							
10	INCREASE (DECREASE) EXPENSE		212,064	-	(212,064)	-	-
11							
12	INCREASE (DECREASE) FIT @	21%	(44,533)	-	44,533	-	-
13	INCREASE (DECREASE) NOI		\$ (167,531)	\$ -	\$ 167,531	\$ -	\$ -

					\$ -		
							UE- Exh. SEF-7E page 5 of 11

PUGET SOUND ENERGY-ELECTRIC
ACCOUNTING STANDARDS CODIFICATION 815 (FORMERLY SFAS 133)
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

LINE NO.	DESCRIPTION	% 's			ADJ 7.04 ER		
			TY ACTUAL (a)	RESTATED (b)	RESTATED ADJUSTMENT (c)=(b)-(a)	PROFORMA (d)	N/A
1	ASC 815 OPERATING EXPENSE		\$ (41,661,501)		\$ 41,661,501		\$ -
2							
3	INCREASE (DECREASE) IN EXPENSE		(41,661,501)	-	41,661,501		-
4							
5	INCREASE(DECREASE) OPERATING INCOME		41,661,501	-	(41,661,501)		-
6							
7	INCREASE (DECREASE) FIT @	21%	8,748,915	-	(8,748,915)		-
8							
9	INCREASE (DECREASE) NOI		\$ 32,912,586	\$ -	\$ (32,912,586)		\$ -

				\$ -		\$ -
						UE- Exh. SEF-7E page 6 of 11

PUGET SOUND ENERGY-ELECTRIC
STORM DAMAGE
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

LINE NO.	DESCRIPTION	%s	TY	RESTATED	ADJ 7.05 ER	PROFORMA	ADJ 7.05 EP
			ACTUAL		RESTATED		ADJUSTMENT
			(a)	(b)	(c)=(b)-(a)	(d)	(e)=(d)-(b)
1	STORM DAMAGE EXPENSE - DISTRIBUTION		\$ 9,705,041	\$ 9,826,311	\$ 121,270	\$ 9,826,311	\$ -
2							
3	STORM DAMAGE EXPENSE - TRANSMISSION		588,691	481,346	(107,345)	481,346	-
4							
5	SUBTOTAL RESTATING		10,293,732	10,307,657	13,925	10,307,657	-
12							
13	DEFERRED STORM DAMAGE AMORTIZATION EXPENSE		25,322,916	25,322,916	-	38,844,188	13,521,272
14							
15	INCREASE (DECREASE) IN EXPENSE		35,616,648	35,630,573	13,925	49,151,845	13,521,272
16							
19	INCREASE (DECREASE) FIT @	21%	(7,479,496)	(7,482,420)	(2,924)	(10,321,887)	(2,839,467)
20							
21	INCREASE (DECREASE) NOI		\$ (28,137,152)	\$ (28,148,153)	\$ (11,001)	\$ (38,829,958)	\$ (10,681,805)

	\$ -
	UE-
	Exh. SEF-7E page 7 of 11

PUGET SOUND ENERGY-ELECTRIC
REGULATORY ASSETS AND LIABILITIES
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

LINE NO.	DESCRIPTION	%	TY		N/A		ADJ 7.06 EP	
			ACTUAL (a)	RESTATED (b)	RESTATED ADJUSTMENT (c)=(b)-(a)	PROFORMA (d)	PROFORMA ADJUSTMENT (e)=(d)-(b)	
1	<u>AMA OF REGULATORY ASSET/LIABILITY NET OF ACCUM AMORT AND DEBT</u>							
2	WESTCOAST PIPELINE CAPACITY - UE-082013 (FB ENERGY)		\$ 45,753	\$ 45,753	\$ -	\$ 45,753	\$ 0	
3	WESTCOAST PIPELINE CAPACITY - UE-100503 (BNP PARIBUS)		62,723	62,723	-	62,723	0	
4	MINT FARM DEFFRED - UE-090704 (FERC 407.3)		11,208,560	11,208,560	-	7,052,483	(4,156,077)	
5	CHELAN PUD		78,745,061	78,745,061	-	67,042,925	(11,702,136)	
6	CHELAN - ROCK ISLAND SECURITY DEPOSIT		18,500,000	18,500,000	-	18,500,000	-	
7	COLSTRIP 1&2 (WEC _o) PREPAYMENT		500,000	500,000	-	-	(500,000)	
8	LOWER SNAKE RIVER PP TRANSM PRINCIPAL \$99.8M		59,411,377	59,411,377	-	52,182,863	(7,228,514)	
9	CARRYING CHARGES ON LSR PP TRANSM \$99.8M (FERC 407.3)		8,147,051	8,147,051	-	7,424,114	(722,937)	
10	BAKER LICENSE UPGRADE DEFERRAL (2013 PCORC) (FERC 407.3)		(78,556)	(78,556)	-	(78,558)	(3)	
11	SNOQUALMIE LICENSE UPGRADE DEFERRAL (2013 PCORC) (FERC 407.3)		(308,479)	(308,479)	-	(308,484)	(5)	
12	FERNDALDE DEFERRAL (2013 PCORC) (FERC 407.3)		1,815,700	1,815,700	-	(1,160,241)	(2,975,940)	
13	BAKER TREASURY GRANT DEFERRAL (2014 PCORC) (FERC 407.4)		56,004	56,004	-	56,004	0	
14	SNOQUALMIE TREASURY GRANT DEFERRAL (2014 PCORC) (FERC 407.4)		193,460	193,460	-	193,459	(1)	
15	ELECTRON UNRECOVERED COST (2014 PCORC) (FERC 407.3)		(530,083)	(530,083)	-	(530,083)	(0)	
16	WHITE RIVER PLANT COSTS (2004 GRC)		(5,453,016)	(5,453,016)	-	(1,559,297)	3,893,719	
17	TOTAL REGULATORY ASSETS		\$ 172,315,555	\$ 172,315,555	\$ -	\$ 148,923,663	\$ (23,391,892)	
18								
19								
20	<u>AMORTIZATION OF REGULATORY ASSET/LIABILITY</u>							
21	WESTCOAST PIPELINE CAPACITY - UE-082013 (FB ENERGY)							
22	WESTCOAST PIPELINE CAPACITY - UE-100503 (BNP PARIBUS)							
23	MINT FARM DEFFRED - UE-090704 (FERC 407.3)			2,885,052		2,885,052	-	
24	CHELAN PUD							
25	COLSTRIP 1&2 (WEC _o) PREPAYMENT							
26	LOWER SNAKE RIVER PP TRANSM PRINCIPAL \$99.8M							
27	CARRYING CHARGES ON LSR PP TRANSM \$99.8M (FERC 407.3)		687,420	687,420	-	687,420	-	
28	BAKER LICENSE UPGRADE DEFERRAL (2013 PCORC) (FERC 407.3)		561,126	561,126	-	-	(561,126)	
29	SNOQUALMIE LICENSE UPGRADE DEFERRAL (2013 PCORC) (FERC 407.3)		2,203,436	2,203,436	-	-	(2,203,436)	
30	FERNDALDE DEFERRAL (2013 PCORC) (FERC 407.3)		4,520,423	4,520,423	-	-	(4,520,423)	
31	BAKER TREASURY GRANT DEFERRAL (2014 PCORC) (FERC 407.4)		(400,029)	(400,029)	-	-	400,029	
32	SNOQUALMIE TREASURY GRANT DEFERRAL (2014 PCORC) (FERC 407.4)		(1,381,856)	(1,381,856)	-	-	1,381,856	
33	WHITE RIVER PLANT COSTS (FERC 407.0)		6,689,177	6,689,177	-	4,459,451	(2,229,726)	
34	ELECTRON UNRECOVERED COST (2014 PCORC) (FERC 407.0)		3,786,308	3,786,308	-	-	(3,786,308)	
35	TOTAL AMORTIZATION OF REG ASSETS/LIABS		19,551,057	19,551,057	-	8,031,923	(11,519,134)	
36								
37	TOTAL REGULATORY AMORT						(11,519,134)	
38								
39	INCREASE (DECREASE) FIT	21%					2,419,018	
40								
41	INCREASE (DECREASE) NOI						\$ 9,100,115	
42								
43	(NOTE 1) THE ADJUSTMENTS FOR AMORTIZATION OF POWER COST RELATED REGULATORY ASSETS AND LIABILITIES ARE PERFORMED IN THE POWER COST							
44	ADJUSTMENT (ADJUSTMENT NO. 9.01) AND THEREFORE ARE NOT ADJUSTED HERE.							
45								

	\$ - \$ -
	UE-
	Exh. SEF-7E page 8 of 11

**PUGET SOUND ENERGY-ELECTRIC
COLSTRIP DEPRECIATION
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE**

LINE NO.	DESCRIPTION	% 's	AS RESTATED		ADJ 7.07 ER		N/A	
			IN ADJ 6.19ER (a)	RESTATED (b)	RESTATED ADJUSTMENT (c)=(b)-(a)	PROFORMA (d)	PROFORMA ADJUSTMENT (e)=(d)-(b)	
1	ADJUSTMENT TO COLSTRIP 1&2 NET OPERATING INCOME AND RATE BASE							
2								
3	<i>NET OPERATING INCOME</i>							
4	REMOVE RESTATED DEPRECIATION EXPENSE		\$ 18,794,238	\$ -	\$ (18,794,238)	\$ -	\$ -	
5	FIT ON DEPRECIATION EXPENSE REMOVAL	21.0%	(3,946,790)	-	3,946,790	-	-	
6	REMOVE COLSTRIP 1&2 ARAM (TEST YEAR AMOUNT)		(2,160,615)	-	2,160,615	-	-	
7	INCREASE (DECREASE) NOI		\$ (12,686,833)	\$ -	\$ 12,686,833	\$ -	\$ -	
8								
9	ADJUSTMENT TO COLSTRIP 3&4 NET OPERATING INCOME AND RATE BASE							
10								
11	<i>NET OPERATING INCOME</i>							
12	ADJUST DEPRECIATION EXPENSE FOR NEW DEPRECIATION RATES		\$ 23,551,517	\$ 39,996,901	\$ 16,445,383	\$ 39,996,901	\$ -	
13	FIT ON DEPRECIATION EXPENSE	21.0%	(4,945,819)	(8,399,349)	(3,453,530)	(8,399,349)	-	
14	REVERSAL OF NET EXCESS DEFERRED TAXES	12.0%	(2,826,182)	(4,799,628)	(1,973,446)	(4,799,628)	-	
15	INCREASE (DECREASE) NOI		\$ (15,779,517)	\$ (26,797,923)	\$ (11,018,407)	\$ (26,797,923)	\$ -	
16								
17	<i>RATE BASE</i>							
18	IMPACT ON ACCUM DEP FOR CHANGE TO DEP EXPENSE		(23,551,517)	(39,996,901)	\$ (16,445,383)	(39,996,901)	-	
19	IMPACT ON ACCUM DEF FED INC TAXES FOR CHANGE IN ACCUM DEP		4,945,819	8,399,349	3,453,530	8,399,349	-	
20	IMPACT ON ACCUM DEF FED INC TAXES FOR EDIT REVERSAL		2,826,182	4,799,628	1,973,446	4,799,628	-	
21	TOTAL ADJUSTMENT TO RATEBASE		\$ (15,779,517)	\$ (26,797,923)	\$ (11,018,407)	\$ (26,797,923)	\$ -	

						UE- Exh. SEF-7E page 10 of 11
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Staff Recommendation **Remove the entire adjustment**

**PUGET SOUND ENERGY-ELECTRIC
HIGH MOLECULAR WEIGHT CABLE
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE**

LINE NO.	DESCRIPTION	%'s	TY		N/A		ADJ 7.09 EP
			ACTUAL	RESTATED	RESTATED	PROFORMA	PROFORMA
			(a)	(b)	(c)=(b)-(a)	(d)	(e)=(d)-(b)
1							
2	<u>UTILITY PLANT RATEBASE</u>						
4	PLANT BALANCE		\$ _____	\$ _____	\$ _____	\$ 12,619,474	\$ 12,619,474
5	ACCUM DEPRECIATION		_____	_____	_____	(634,650)	(634,650)
6	DEFERRED FIT		_____	_____	_____	(88,065)	(88,065)
7	TOTAL RATEBASE		<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ 11,899,760</u>	<u>\$ 11,899,760</u>
8							
9	<u>OPERATING EXPENSE</u>						
10	DEPRECIATION EXPENSE		\$ _____	\$ _____	\$ _____	\$ 370,592	\$ 370,592
11	TOTAL OPERATING EXPENSES		_____	_____	_____	370,592	370,592
12							
13	INCREASE (DECREASE) EXPENSE		_____	_____	_____	370,592	370,592
14							
15	INCREASE (DECREASE) FIT @	21%	_____	_____	_____	(77,824)	(77,824)
16	INCREASE (DECREASE) NOI		<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ _____</u>	<u>\$ (292,768)</u>	<u>\$ (292,768)</u>

PSE As Filed	PSE	Staff	Difference
Depreciation Expense	370,592	-	(370,592)
FIT	(77,824)	-	77,824
NOI	(292,768)	-	292,768
Rev Impact due to NOI	389,639.92	-	(389,640)
Rate Base	\$ 11,899,760	-	(11,899,760)
RoR	7.62%	-	-
Return	906,762	-	(906,762)
Rev Impact due to rate base	1,206,793.46	-	(1,206,793)
Combined Rev Impact	1,596,433	-	(1,596,433)

Check -

Puget Sound Energy
Determination of Net Power Costs
Test Year: 12MOE Dec 2018
Rate Year: 12MOE April 2021

Exh. SEF-7 Page 2 of 11

Factor	Complement
Fixed PF 0.000%	Fixed PF 100.000%
Variable PF 0.0441981	Variable PF 0.955801948

Line	FERC	F/V	Description	Restated TY	RY: PKW and RJR	Staff Adjustment	Remove	Remove	Net RY Before	
				12MOE Dec 2018	12MOE Apr 2021	Remove Colstrip Units 3&4 Outage Cost	Benefits	Payroll Tax	Prod Factor	
1										
2			VARIABLE ENERGY COSTS + 557							
3	501	V	COAL FUEL (501)	79,334,192	37,522,332				37,522,332	35,863,918
4	547	V	NATURAL GAS FUEL (547)	125,903,301	158,776,937				158,776,937	151,759,306
5	555	V	PURCHASED POWER (555)	589,447,114	440,945,657				440,945,657	421,456,718
6	557	F	OTHER POWER EXPENSE (557)	11,072,849	9,989,397		(1,833,483)	(323,118)	7,832,796	7,832,796
7	557	V	BROKERAGE FEES	446,665	446,665				446,665	426,923
8	565	V	WHEELING (565)	115,807,778	117,746,905				117,746,905	112,542,721
9	447	V	SALES TO OTHER UTILITIES (447)	(155,333,122)	(7,308,529)				(7,308,529)	(6,985,506)
10	456	V	PURCHASES / (SALES) OF NON - CORE GAS (456)	(69,470,812)	(23,130,920)				(23,130,920)	(22,108,578)
11			TOTAL INCREASE (DECREASE) EXPENSE	697,207,965	734,988,445		(1,833,483)	(323,118)	732,831,844	700,788,299
12				-	-				-	-
13			OTHER PRODUCTION COSTS							
14	various	F	PRODUCTION O&M	127,167,993	114,532,804	(525,033)	(6,141,738)	(1,619,460)	106,246,573	106,246,573
15	various	F	TRANS. EXP. INCL. 500KV O&M	876,514	876,514				876,514	876,514
16	456-17	F	456-1 VARIABLE TRANSM. INCOME - COLSTRIP, 3RD AC & NI	(7,201,725)	(8,666,882)				(8,666,882)	(8,666,882)
17	n/a	V	EQUITY RETURN ON CENTRALIA TRANSITION COAL PPA	-	4,094,424				4,094,424	3,913,458
18			INCREASE (DECREASE) EXPENSE	818,050,747	845,825,306	(525,033)	(7,975,221)	(1,942,578)	835,382,473	803,157,962

PUGET SOUND ENERGY-ELECTRIC
Remove Smart Burn Investment in Colstrip Units 3&4
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

LINE NO.	DESCRIPTION	%'s	TY ACTUAL (a)	RESTATED (b)	RESTATED ADJUSTMENT (c)=(b)-(a)
1	Income Statement				
2	Depreciation Expense		\$ 557,156	\$ -	\$ (557,156)
3	Increase (Decrease) FIT @	21%	(117,003)	0	\$ 117,003
4	Reversal of Net Excess Deferred Taxes		(8,329)	0	\$ 8,329
5	INCREASE (DECREASE) NOI		\$ 431,825	\$ -	\$ (431,825)
6					
7	RATE BASE				
8	Plant in Service		\$ 7,248,346	\$ -	\$ (7,248,346)
9	Accumulated Depreciation		(674,903)	0	674,903
10	Accumulated Deferred FIT including ARAM reversal		(1,301,042)	0	1,301,042
11	Total Rate Base		\$ 5,272,401	0	\$ (5,272,401)

**UTC Staff Adjustment
Staff-12.02E
& Staff Revised SEF-7.01 Part A**

**PUGET SOUND ENERGY-ELECTRIC
Remove Colstrip Units 3&4 Outage Costs Related to Particulate Matter Compliance
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE**

LINE NO.	DESCRIPTION	%'s	TY ACTUAL (a)	RESTATED (b)	RESTATED ADJUSTMENT (c)=(b)-(a)
1	INCOME STATEMENT				
2	O&M EXPENSE		\$518,099	\$ -	(518,099)
3	DEPRECIATION EXPENSE		6,934	\$ -	(6,934)
4	INCREASE (DECREASE) FIT @	21%	(110,257)	\$ -	110,257
5	INCREASE (DECREASE) NOI		\$ (414,776)		\$ 414,776
6					
7	RATE BASE				
8	Plant in Service		\$ 334,385	0	\$ (334,385)
9	Accumulated Depreciation		(6,934)	0	6,934
10	Accumulated Deferred FIT		(1,177)	0	1,177
11					
12	Total Rate Base		\$ 326,274	0	\$ (326,274)

**PUGET SOUND ENERGY-ELECTRIC
Remove Rate Base Associated with Green Direct
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE**

LINE NO.	DESCRIPTION	TY ACTUAL (a)	RESTATED (b)	RESTATED ADJUSTMENT (c)=(b)-(a)
1	RATE BASE			
2	Plant in Service	\$ 227,316	\$ -	\$ (227,316)
3	Accumulated Depreciation	-	0	-
4	Accumulated Deferred FIT	(15,910)	0	15,910
5	Total Rate Base	<u>\$ 211,405</u>	<u>0</u>	<u>\$ (211,405)</u>
	Impact on Revenue Requirement			\$ (20,623)
	Check			\$ -

Green Direct Software Rate Base	Common	Electric	Gas
		66.73%	33.27%
Plant in Service	340,639.00	227,315.76	113,323.24
Accumulated Depreciation	-	-	-
Accumulated DFIT	(23,842.00)	(15,910.28)	(7,931.72)
Rate Base	316,797.00	211,405.48	105,391.52

Source: PSE Response to Staff DR No. 123

UTC Staff Adjustment
12.04E

PUGET SOUND ENERGY-ELECTRIC
Remove Shuffleton Expense and Rate Base
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

LINE NO.	DESCRIPTION	%'s	TY ACTUAL (a)	RESTATED (b)	RESTATED ADJUSTMENT (c)=(b)-(a)
1	Income Statement				
2	Depreciation Expense		\$ 57,000	\$ -	\$ (57,000)
3	Increase (Decrease) FIT @	21%	(11,970)	-	\$ 11,970
4	INCREASE (DECREASE) NOI		\$ 45,030	\$ -	\$ (45,030)
5					
6	RATE BASE				
7	Net Book Value	UE-190606	550,155	-	\$ (550,155)
8	Total Rate Base		\$ 550,155	0	\$ (550,155)