

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND)
TRANSPORTATION COMMISSION,) DOCKETS UE-170033 and
Complainant,) UG-170034 (Consolidated)
v.)
PUGET SOUND ENERGY)
Respondent.)
_____)

**CONFIDENTIAL EXHIBIT NO. BGM-5C
COMPANY RESPONSES TO DATA REQUESTS
CONFIDENTIAL PER PROTECTIVE ORDER IN
WUTC DOCKETS UE-170033 AND UG-170034**

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Dockets UE-170033 and UG-170034
Puget Sound Energy
2017 General Rate Case**

ICNU DATA REQUEST NO. 011

“CONFIDENTIAL” “HIGHLY CONFIDENTIAL” Table of Contents

| DR NO. | “CONFIDENTIAL” Material |
|---------------|---|
| 011 | Attachment A to PSE’s Response to ICNU Data Request No. 011 is CONFIDENTIAL per Protective Order in WUTC Dockets UE-170033 and UG-170034. |

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Dockets UE-170033 and UG-170034
Puget Sound Energy
2017 General Rate Case**

ICNU DATA REQUEST NO. 011

ICNU DATA REQUEST NO. 011:

Please provide the production tax credit carry-forward schedule attached to the Company's federal income tax return for tax years 2011 through 2016 (inclusive). If tax year 2016 is not yet available, please provide the tax credit carry-forward table used to calculate Company's tax provision when available.

Response:

Attached as Attachment A to Puget Sound Energy's ("PSE") Response to ICNU Data Request No. 011, please find the requested information.

Attachment A to PSE's Response to ICNU Data Request No. 011 is CONFIDENTIAL per Protective Order in WUTC Dockets UE- 170033 & UG-170034.

**ATTACHMENT A (C) to PSE's Response
to ICNU Data Request No. 011**

REDACTED

PSE
Projection of Production Tax Credit
2016 Estimate without Wild Horse Expansion

| Budget | WILD HORSE ** | | | | | | | | | | | | Total 2016 | YTD Dec | |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|---------------|------------|------|
| | Actual Jan-16 | Actual Feb-16 | Actual Mar-16 | Actual Apr-16 | Actual May-16 | Actual Jun-16 | Actual Jul-16 | Actual Aug-16 | Actual Sep-16 | Actual Oct-16 | Actual Nov-16 | Actual Dec-16 | | | |
| | 59,203 | 50,742 | 50,979 | 53,821 | 55,696 | 53,640 | 49,951 | 50,616 | 34,228 | 50,858 | 53,640 | 27,959 | 591,333 | 591,333 | 0.95 |
| Actual MWh or 100% of Frost Internal use(2015 Return) | 34,462 | 46,312 | 65,248 | 43,105 | 61,346 | 55,907 | 49,451 | 38,461 | 52,207 | 36,846 | 41,414 | 38,041 | 562,800 | 562,800 | |
| Revised MWh \$23/h (2015) | 34,985 | 46,222 | 65,122 | 43,022 | 61,228 | 55,799 | 49,355 | 38,387 | 52,106 | 36,776 | 41,334 | 37,967 | 561,711 | 12,919,342 | |
| Monthly PTC | \$ 23 | \$ 23 | \$ 23 | \$ 23 | \$ 23 | \$ 23 | \$ 23 | \$ 23 | \$ 23 | \$ 23 | \$ 23 | \$ 23 | 873,252 | 36,912,406 | |
| Total Cumulative PTC | 791,085 | 1,854,194 | 3,351,989 | 4,341,492 | 5,749,731 | 7,033,101 | 8,168,267 | 9,051,170 | 10,249,597 | 11,095,419 | 12,046,090 | | | | |

| Actual | Actual | Actual | Actual | Actual | Actual | Actual | Actual | Actual | Actual | Actual | Actual | Actual | Total 2016 |
|-------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|---------------|
| Jan-16 | Feb-16 | Mar-16 | Apr-16 | May-16 | Jun-16 | Jul-16 | Aug-16 | Sep-16 | Oct-16 | Nov-16 | Dec-16 | | |
| Wild Horse Production W/O WHE | 34,462 | 46,312 | 65,248 | 43,105 | 61,346 | 55,907 | 49,451 | 38,461 | 52,207 | 36,846 | 41,414 | 38,041 | 562,800 |
| W.H. Expansion (WHE) Prod | 5,986 | 7,677 | 10,701 | 5,934 | 9,698 | 8,339 | 8,090 | 5,626 | 6,029 | 6,259 | 8,574 | 4,953 | 4,953 |
| W.H. Expansion ratio | 0.148000 | 0.142200 | 0.140900 | 0.121000 | 0.136500 | 0.129800 | 0.140600 | 0.127600 | 0.133300 | 0.145200 | 0.137000 | 0.115200 | 0.115200 |
| Total Wild Horse Prod | 40,448 | 53,989 | 75,949 | 49,039 | 71,044 | 64,246 | 57,541 | 44,087 | 60,236 | 43,105 | 47,989 | 42,994 | 42,994 |

| | Jan-16 | Feb-16 | Mar-16 | Apr-16 | May-16 | Jun-16 | Jul-16 | Aug-16 | Sep-16 | Oct-16 | Nov-16 | Dec-16 |
|----------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| New PTC Balance @ 01/01/16 | (115,258,827) | (115,258,827) | (115,258,827) | (115,258,827) | (115,258,827) | (115,258,827) | (115,258,827) | (115,258,827) | (115,258,827) | (115,258,827) | (115,258,827) | (115,258,827) |
| 2016 YTD PTC | (791,085) | (1,854,194) | (3,351,989) | (4,341,492) | (5,749,731) | (7,033,101) | (8,168,267) | (9,051,170) | (10,249,597) | (11,095,419) | (12,046,090) | (12,919,342) |
| | (116,049,912) | (117,113,021) | (118,610,816) | (119,600,319) | (121,008,558) | (122,291,928) | (123,427,094) | (124,309,997) | (125,508,424) | (126,354,246) | (127,304,917) | (128,178,169) |
| | / .65 | / .65 | / .65 | / .65 | / .65 | / .65 | / .65 | / .65 | / .65 | / .65 | / .65 | / .65 |
| New Balance (GL 25300071) | (178,538,326) | (180,173,878) | (182,478,178) | (184,000,491) | (186,167,012) | (188,141,428) | (189,887,837) | (191,246,149) | (193,089,883) | (194,391,148) | (195,853,718) | (197,197,163) |
| Old Balance (GL 25300071) | (177,321,272) | (178,538,326) | (180,173,878) | (182,478,178) | (184,000,491) | (186,167,012) | (188,141,428) | (189,887,837) | (191,246,149) | (193,089,883) | (194,391,148) | (195,853,718) |
| Entry needed | (1,217,054) | (1,635,552) | (2,304,300) | (1,522,312) | (2,166,522) | (1,974,415) | (1,746,409) | (1,358,312) | (1,843,734) | (1,301,265) | (1,462,571) | (1,343,465) |

| TEST | Jan-16 | Feb-16 | Mar-16 | Apr-16 | May-16 | Jun-16 | Jul-16 | Aug-16 | Sep-16 | Oct-16 | Nov-16 | Dec-16 |
|-----------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Monthly Activity | (791,085) | (1,854,194) | (3,351,989) | (4,341,492) | (5,749,731) | (7,033,101) | (8,168,267) | (9,051,170) | (10,249,597) | (11,095,419) | (12,046,090) | (12,919,342) |
| | / .65 | / .65 | / .65 | / .65 | / .65 | / .65 | / .65 | / .65 | / .65 | / .65 | / .65 | / .65 |
| Less previous month | (1,217,054) | (2,852,606) | (5,156,906) | (6,679,218) | (8,845,740) | (10,820,155) | (12,566,565) | (13,924,877) | (15,768,611) | (17,069,875) | (18,532,446) | (19,875,911) |
| Balance (GL 25300071) | (178,538,326) | (180,173,878) | (182,478,178) | (184,000,491) | (186,167,012) | (188,141,428) | (189,887,837) | (191,246,149) | (193,089,883) | (194,391,148) | (195,853,718) | (197,197,163) |

Notes

Hopkins Ridge:
Hopkins Ridge PTC generation started on Nov 27, 2005, and discontinued on Nov 26, 2015. Any unused credit will be carryforward 20 years.

Wild Horse:
Wild Horse PTC generation started on Dec 22, 2006, and will discontinue on Dec 21, 2016. Any unused credit will be carryforward 20 years.

GL #25300071 Dec 2016 YTD 19,875,911
Nov 2016 YTD 18,532,446
Dec Entry 1,343,465

2016

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Dockets UE-170033 and UG-170034
Puget Sound Energy
2017 General Rate Case**

ICNU DATA REQUEST NO. 012

“CONFIDENTIAL” “HIGHLY CONFIDENTIAL” Table of Contents

| DR NO. | “CONFIDENTIAL” Material |
|---------------|---|
| 012 | Attachment A to PSE’s Response to ICNU Data Request No. 011 is CONFIDENTIAL per Protective Order in WUTC Dockets UE-170033 and UG-170034. |

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Dockets UE-170033 and UG-170034
Puget Sound Energy
2017 General Rate Case**

ICNU DATA REQUEST NO. 012

ICNU DATA REQUEST NO. 012:

Please provide the Company's Net Operating Loss carry-forward schedule attached to the Company's federal income tax return for tax years 2011 through 2015 (inclusive). If tax year 2016 is not yet available, please provide the carry-forward table used to calculate Company's tax provision.

Response:

Attached as Attachment A to Puget Sound Energy's ("PSE") Response to ICNU Data Request No. 012, please find the requested information.

PSE's estimated Net Operating Loss ("NOL") utilization for 2016 is \$203 million. PSE's 2016 tax return will not be filed until later in the year; it is due September 15, 2017. Accordingly, final numbers for 2016 are not yet available.

Attachment A to PSE's Response to ICNU Data Request No. 012 is CONFIDENTIAL per Protective Order in WUTC Dockets UE-170033 & UG-170034.

**ATTACHMENT A (C) to PSE's Response
to ICNU Data Request No. 012**

PUGET SOUND ENERGY
Pretax Net Operating Loss Carryforward

| | |
|----------------------------|-----------------------|
| Balance 12/31/2015 | 314,000,972 |
| Estimated Utilization 2016 | <u>(203,250,990)</u> |
| Balance 12/31/2016 | <u>\$ 110,749,982</u> |

REDACTED

2015

26-1273439

Puget Holdings LLC and Subsidiaries

Form 1120, Page 1 Detail

Non-SRLY NOL Carryover Schedule

CONFIDENTIAL

Puget Sound Energy, Inc

| Year Ending | Original NOL | Amount Available | Amount Used in Current Year | Converted Contributions | Carryover to Next Year |
|-------------|--------------|------------------|-----------------------------|-------------------------|------------------------|
| 12/31/1997 | | | | | |
| 12/31/1998 | | | | | |
| 12/31/1999 | | | | | |
| 12/31/2000 | | | | | |
| 12/31/2001 | | | | | |
| 12/31/2002 | | | | | |
| 12/31/2003 | | | | | |
| 12/31/2004 | | | | | |
| 12/31/2005 | | | | | |
| 12/31/2006 | | | | | |
| 12/31/2007 | | | | | |
| 12/31/2008 | | | | | |
| 12/31/2009 | | | | | |
| 12/31/2010 | | | | | |
| 12/31/2011 | | | | | |
| 12/31/2012 | | | | | |
| 12/31/2013 | | | | | |
| 12/31/2014 | | | | | |
| 12/31/2015 | | | | | |
| Total | | | | | |

REDACTED

2014

Puget Holdings LLC and Subsidiaries

26-1273439

Form 1120, Page 1 Detail

Non-SRIY NOL Carryover Schedule

Puget Sound Energy, Inc

CONFIDENTIAL

| Year Ending | Original NOL | Amount Available | Amount Used in Current Year | Converted Contributions | Carryover to Next Year |
|-------------|--------------|------------------|-----------------------------|-------------------------|------------------------|
| 12/31/1997 | | | | | |
| 12/31/1998 | | | | | |
| 12/31/1999 | | | | | |
| 12/31/2000 | | | | | |
| 12/31/2001 | | | | | |
| 12/31/2002 | | | | | |
| 12/31/2003 | | | | | |
| 12/31/2004 | | | | | |
| 12/31/2005 | | | | | |
| 12/31/2006 | | | | | |
| 12/31/2007 | | | | | |
| 12/31/2008 | | | | | |
| 12/31/2009 | | | | | |
| 12/31/2010 | | | | | |
| 12/31/2011 | | | | | |
| 12/31/2012 | | | | | |
| 12/31/2013 | | | | | |
| 12/31/2014 | | | | | |
| Total | | | | | |

REDACTED

2013

26-1273439

Puget Holdings LLC and Subsidiaries

Form 1120, Page 1 Detail

Non-SRLY NOL Carryover Schedule

Puget Sound Energy, Inc

CONFIDENTIAL

| Year Ending | Original NOL | Amount Available | Amount Used in Current Year | Converted Contributions | Carryover to Next Year |
|-------------|--------------|------------------|-----------------------------|-------------------------|------------------------|
| 12/31/1997 | | | | | |
| 12/31/1998 | | | | | |
| 12/31/1999 | | | | | |
| 12/31/2000 | | | | | |
| 12/31/2001 | | | | | |
| 12/31/2002 | | | | | |
| 12/31/2003 | | | | | |
| 12/31/2004 | | | | | |
| 12/31/2005 | | | | | |
| 12/31/2006 | | | | | |
| 12/31/2007 | | | | | |
| 12/31/2008 | | | | | |
| 12/31/2009 | | | | | |
| 12/31/2010 | | | | | |
| 12/31/2011 | | | | | |
| 12/31/2012 | | | | | |
| 12/31/2013 | | | | | |
| Total | | | | | |

REDACTED

2012

26-1273439

Puget Holdings LLC and Subsidiaries

Form 1120, Page 1 Detail

Non-SRLY NOL Carryover Schedule

Puget Sound Energy, Inc

CONFIDENTIAL

| Year Ending | Original NOL | Amount Available | Amount Used in Current Year | Converted Contributions | Carryover to Next Year |
|-------------|--------------|------------------|-----------------------------|-------------------------|------------------------|
| 12/31/1997 | | | | | |
| 12/31/1998 | | | | | |
| 12/31/1999 | | | | | |
| 12/31/2000 | | | | | |
| 12/31/2001 | | | | | |
| 12/31/2002 | | | | | |
| 12/31/2003 | | | | | |
| 12/31/2004 | | | | | |
| 12/31/2005 | | | | | |
| 12/31/2006 | | | | | |
| 12/31/2007 | | | | | |
| 12/31/2008 | | | | | |
| 12/31/2009 | | | | | |
| 12/31/2010 | | | | | |
| 12/31/2011 | | | | | |
| 12/31/2012 | | | | | |
| Total | | | | | |

REDACTED

2011

Puget Holdings LLC and Subsidiaries

26-1273439

Form 1120, Page 1 Detail

Non-SRLY NOL Carryover Schedule

CONFIDENTIAL

Puget Sound Energy, Inc

| Year Ending | Original NOL | Carryover from Prior Years | Amount Used in Current Year | Converted Contributions | Carryover to Next Year |
|-------------|--------------|----------------------------|-----------------------------|-------------------------|------------------------|
| 12/31/1996 | | | | | |
| 12/31/1997 | | | | | |
| 12/31/1998 | | | | | |
| 12/31/1999 | | | | | |
| 12/31/2000 | | | | | |
| 12/31/2001 | | | | | |
| 12/31/2002 | | | | | |
| 12/31/2003 | | | | | |
| 12/31/2004 | | | | | |
| 12/31/2005 | | | | | |
| 12/31/2006 | | | | | |
| 12/31/2007 | | | | | |
| 12/31/2008 | | | | | |
| 12/31/2009 | | | | | |
| 12/31/2010 | | | | | |
| 12/31/2011 | | | | | |
| | | | | | |
| | | | | | |

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Dockets UE-170033 and UG-170034
Puget Sound Energy
2017 General Rate Case**

ICNU DATA REQUEST NO. 015

ICNU DATA REQUEST NO. 015:

Please provide the actual balance of the regulatory liability associated with production tax credits as of the twelve months ending September 2016.

Response:

The actual balance of the regulatory liability associated with production tax credits is recorded in balance sheet account number 25300071 and reported on the average of the monthly averages (“AMA”) basis in “Barnard (KJB) – Free (SEF) workpaper 5.03 E&G RB – 5.04 E&G WC 17GRC.xlsx,” worksheet “BS,” cell Q2076. As of September 30, 2016, the AMA balance is (\$182,356,536.33).

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Dockets UE-170033 and UG-170034
Puget Sound Energy
2017 General Rate Case**

ICNU DATA REQUEST NO. 016

“CONFIDENTIAL” “HIGHLY CONFIDENTIAL” Table of Contents

| DR NO. | “HIGHLY CONFIDENTIAL” Material |
|---------------|---|
| 016 | Attachment A to PSE’s Response to ICNU Data Request No. 016 is CONFIDENTIAL per Protective Order in WUTC Dockets UE-170033 and UG-170034. |

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Dockets UE-170033 and UG-170034
Puget Sound Energy
2017 General Rate Case**

ICNU DATA REQUEST NO. 016

ICNU DATA REQUEST NO. 016:

Please provide the forecast balance of the regulatory liability associated with production tax credits as of the January 1, 2018 and as of December 31, 2018, including all workpapers used to calculate the referenced balances.

Response:

Puget Sound Energy ("PSE") objects to ICNU Data Request No. 016 as it requires assumptions and speculations about future events beyond PSE's control. For example, tax reform may have a significant impact on taxable income and production tax credit usage.

Without waiving this objection and subject thereto, attached as Attachment A to PSE's Response to ICNU Data Request No. 016, please find a Production Tax Credit Regulatory Liability Forecast.

Attachment A to PSE's Response to ICNU Data Request No. 016 is CONFIDENTIAL per Protective Order in WUTC Dockets UE-170033 & UG-170034.

**ATTACHMENT A (C) to PSE's Response
to ICNU Data Request No. 016**

Page 1 of Attachment A to PSE's Response to ICNU Data Request No 016
PUGET SOUND ENERGY
PRODUCTION TAX CREDIT REGULATORY LIABILITY FORECAST
(\$million)

| | | |
|---------------------------|---------|--------------|
| 2016 GL Balance | \$ 291 | Recorded |
| 2017 Forecast Utilization | \$ - | Confidential |
| 2017 Forecast Balance | \$ 291 | Confidential |
| 2018 Forecast Utilization | \$ (97) | Confidential |
| 2018 Forecast Balance | \$ 194 | Confidential |

**CONFIDENTIAL per Protective Order in
WUTC Dockets UE-170033 and UG-170034**

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Dockets UE-170033 and UG-170034
Puget Sound Energy
2017 General Rate Case**

ICNU DATA REQUEST NO. 046

ICNU DATA REQUEST NO. 046:

Reference the Company's response to ICNU Data Request 012: Redacted Attachment A to the referenced response reported a provisional Net Operating Loss carryforward balance as of September 30, 2016, of \$110.7 million. The revenue requirement workpapers of Ms. Barnard, however, appear to assume a Net Operating Loss carryforward Balance of \$273.8 million as of September 30, 2016. See the workpaper of Ms. Barnard titled "5.03 E&G RB - 5.04 E&G WC 17GRC.xlsx", Tab "summary NOL", Cell "L14." Please provide an explanation for why these values are different.

Response:

ICNU Data Request No. 012 requested information for the 2016 tax year, not September 30, 2016 balances, as reflected in Ms. Barnard's referenced workpapers.

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Dockets UE-170033 and UG-170034
Puget Sound Energy
2017 General Rate Case**

ICNU DATA REQUEST NO. 048

ICNU DATA REQUEST NO. 048:

Please provide all tax memorandums, and underlying analysis, regarding the application of an ASC 740 valuation allowance in the 2016 financial statements on tax attributes such as Net Operating Loss carryforwards and Production Tax Credit carryforwards.

Response:

Puget Sound Energy has no such valuation allowance.

--BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Dockets UE-170033 and UG-170034
Puget Sound Energy
2017 General Rate Case**

ICNU DATA REQUEST NO. 049

“CONFIDENTIAL” “HIGHLY CONFIDENTIAL” Table of Contents

| DR NO. | “CONFIDENTIAL” Material |
|---------------|---|
| 049 | Attachments A.01 – A.03 to PSE’s Response to ICNU Data Request No. 049 are CONFIDENTIAL per Protective Order in WUTC Dockets UE-170033 and UG-170034. |

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Dockets UE-170033 and UG-170034
Puget Sound Energy
2017 General Rate Case**

ICNU DATA REQUEST NO. 049

ICNU DATA REQUEST NO. 049:

Please provide any and all internal memorandums, reports, or documents prepared between January 1, 2016 to present, which discuss the utilization of Production Tax Credit carryforwards in future tax periods.

Response:

Puget Sound Energy (“PSE”) objects to ICNU Data Request No. 049 as overbroad and unduly burdensome in that it seeks “all internal memorandums, reports, or documents prepared.” PSE objects further to ICNU Data Request No. 049 in that it requires assumptions and speculations about future events. For example, tax reform may have a significant impact on taxable income, Net Operating Loss (“NOL”) and Production Tax Credit (“PTC”) usage.

Without waiving these objections and subject thereto, attached as Attachments A.01 – A.03 to PSE’s Response to ICNU Data Request No. 049, please find the requested information. Please note the significant potential impact of “Tax Reform” on both the PTC and NOL utilization.

Attachments A.01 - A.03 to PSE's Response to ICNU Data Request No. 049 are CONFIDENTIAL per Protective Order in WUTC Dockets UE-170033 & UG-170034.

**ATTACHMENT A.01 to PSE's Response
to ICNU Data Request No. 049**

**PUGET SOUND ENERGY
PRODUCTION TAX CREDIT & NOL FORECAST
(\$million)**

**CONFIDENTIAL per Protective Order in WUTC
Dockets UE-170033 and UG-170034**

| | PTC | | | | NOL | | | |
|--|---------|----------------|---------------|--------|---------|----------------|---------------|--------|
| | CURRENT | TRUMP TX REFRM | RYAN TX REFRM | OTHER* | CURRENT | TRUMP TX REFRM | RYAN TX REFRM | OTHER* |
| 2016 GL Balance | 191 | 191 | 191 | 191 | 38 | 38 | 38 | 38 |
| 2017 Forecast (Utilization)/Generation | (7) | (2) | - | - | (38) | (14) | 3 | 63 |
| 2017 Forecast Balance | 184 | 189 | 191 | 191 | - | 24 | 41 | 101 |
| 2018 Forecast (Utilization)/Generation | (52) | (34) | (14) | - | - | (24) | (39) | 39 |
| 2018 Forecast Balance | 132 | 155 | 177 | 191 | - | - | 2 | 140 |
| 2019 Forecast (Utilization)/Generation | (49) | (13) | - | - | - | - | 4 | 93 |
| 2019 Forecast Balance | 83 | 142 | 177 | 191 | - | - | 6 | 233 |
| 2020 Forecast (Utilization)/Generation | (83) | (53) | (57) | - | - | - | (6) | 32 |
| 2020 Forecast Balance | - | 89 | 120 | 191 | - | - | - | 265 |
| 2021 Forecast (Utilization)/Generation | - | (73) | (87) | - | - | - | - | 4 |
| 2021 Forecast Balance | - | 16 | 33 | 191 | - | - | - | 269 |

* OTHER assumes 100% expensing, full interest deductibility, and 20% tax rate.

**PUGET SOUND ENERGY
NOL FORECAST UNDER TAX REFORM
(\$million)**

**CONFIDENTIAL per Protective Order in WUTC
Dockets UE-170033 and UG-170034**

| CURRENT | 2017 | 2018 | 2019 | 2020 | 2021 |
|----------------------|-------|-------|-------|------|------|
| pretax book income | 474 | 522 | 525 | 585 | 607 |
| book/tax adjustments | (306) | (186) | (216) | 39 | 89 |
| taxable income | 168 | 336 | 309 | 624 | 696 |
| tax rate | 35% | 35% | 35% | 35% | 35% |
| income tax | 59 | 118 | 108 | 218 | 244 |
| NOL utilized | (38) | - | - | - | - |
| PTC utilized | (7) | (52) | (49) | (83) | - |
| current income tax | 14 | 66 | 59 | 135 | 244 |

| RYAN PLAN | 2017 | 2018 | 2019 | 2020 | 2021 |
|---------------------------------------|-------|-------|-------|-------|-------|
| taxable income forecast | 167 | 336 | 309 | 624 | 695 |
| add'l deduction from tax reform | (180) | (143) | (329) | (225) | (118) |
| revised taxable income per tax reform | (13) | 193 | (20) | 399 | 577 |
| tax reform new tax rate | 20% | 20% | 20% | 20% | 20% |
| taxable income / (loss) | (3) | 39 | (4) | 80 | 115 |
| NOL beg bal | 38 | 41 | 2 | 6 | - |
| taxable income / (loss) | 3 | (39) | 4 | (6) | - |
| NOL end bal | 41 | 2 | 6 | - | - |

| TRUMP PLAN | 2017 | 2018 | 2019 | 2020 | 2021 |
|---------------------------------------|------|------|-------|-------|------|
| taxable income forecast | 167 | 336 | 309 | 624 | 695 |
| add'l deduction from tax reform | (96) | (32) | (191) | (150) | (51) |
| revised taxable income per tax reform | 71 | 304 | 118 | 474 | 644 |
| tax reform new tax rate | 20% | 20% | 20% | 20% | 20% |
| taxable income / (loss) | 14 | 61 | 24 | 95 | 129 |
| NOL beg bal | 38 | 24 | - | - | - |
| taxable income / (loss) | (14) | (24) | - | - | - |
| NOL end bal | 24 | - | - | - | - |

| OTHER | 2017 | 2018 | 2019 | 2020 | 2021 |
|---------------------------------------|-------|-------|-------|-------|-------|
| taxable income forecast | 167 | 336 | 309 | 624 | 695 |
| add'l deduction from 100% expensing | (481) | (532) | (772) | (786) | (714) |
| revised taxable income per tax reform | (314) | (196) | (463) | (162) | (19) |
| tax rate | 20% | 20% | 20% | 20% | 20% |
| NOL | (63) | (39) | (93) | (32) | (4) |
| cap adds (no AFUDC) | 961 | 886 | 1,103 | 786 | 714 |
| bonus depr rate | 50% | 40% | 30% | 0% | 0% |
| add'l deduction from 100% expensing | 481 | 532 | 772 | 786 | 714 |
| total deduction under TR | 961 | 886 | 1,103 | 786 | 714 |

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Dockets UE-170033 and UG-170034
Puget Sound Energy
2017 General Rate Case**

ICNU DATA REQUEST NO. 063

ICNU DATA REQUEST NO. 063:

Reference workpaper “5.06E TY Production Ratebase 17GRC.xlsx” of Ms. Barnard: On Excel Row 36, the Company details \$49.3 million under account 10500001, “Electric - Plant Held for Future Use.” Please provide additional data regarding the specific assets, which the Company proposes to reflect in rate base in this proceeding. Specifically, please list each discrete asset included in Electric - Plant Held for Future Use, and detail the gross plant, accumulated depreciation, allowance for deferred income taxes, and any other applicable category of rate base associated with each of the respective assets.

Response:

Puget Sound Energy (“PSE”) assumes that workpaper “5.03 E&G RB 5.04 E&G WC 17GRC.xlsx,” tab titled “ERB,” Row 36 titled “Account 10500001 Electric Plant Held for Future Use,” that shows \$49.3 million, is the actual reference intended to be in this request. Based on that assumption, attached as Attachment A to PSE’s Response to ICNU’s Data Request No. 063, is an MS Excel spreadsheet that lists all the assets reflected in rate base, the amount of the asset, and detailed information on what PSE plans to do with the asset. There are no accumulated depreciation or deferred income taxes associated with these assets.

**ATTACHMENT A to PSE's Response to
ICNU Data Request No. 063**

FUTURE USE PROPERTY AND STRUCTURES
FOR THE PERIOD ENDED 12/31/2016

ELECTRIC - 10500501

| PP ASSET NUMBER | WO # | VINTAGE YEAR | FERC # | DESCRIPTION | ASSET 1100 REF # | 1/31/2016 BALANCE | 12/31/2015 BALANCE | Current Year Charges | DATE IN FUTURE USE | SUPER NUMBER | FOLLOW UP | NOTES |
|-----------------|-----------|--------------|--------|---|------------------|-------------------|--------------------|----------------------|--------------------|--------------|-----------|---|
| 21646012 | 153002068 | 2015 | E35016 | ALDERTON-KRAIN CORNER TSM EASEMENT | 1 | \$ 2,349,980.72 | \$ 2,337,825.90 | \$ 12,154.82 | 6/1/2015 | TLN-0242 | 2018 | Alderton-Krain Corner Land - PSE purchased the land and structures. These structures lie directly beneath the future overhead corridor for two 115KV circuits. Demolition of the structures was completed in December 2014 under order 153002668 which was created to account for the demolition costs on land, order 153002629. The project team continues to work to acquire the remaining easements on the corridor under order 153002068 and the correct schedule is to start construction in 2016. Asset Id #14760884 and #14760887. All structures have been removed as stated above. This project was not funded for permitting/construction in 2017 so I would speculate that it may be funded in 2018 for final permitting and construction in as late as 2019 in that scenario. |
| 14760887 | 153002629 | 2013 | E3506 | ALDERTON-KRAIN CORNER LAND | 2.1 | \$ 540,090.72 | \$ 540,090.72 | \$ - | 6/1/2013 | TLN-0242 | | |
| 14760887 | 153002668 | 2014 | E3506 | ALDERTON-KRAIN CORNER LAND - DEMOLISH | 2.2 | \$ 67,066.03 | \$ 67,066.03 | \$ - | 7/1/2014 | TLN-0242 | | |
| 14760884 | 153002629 | 2013 | E3506 | ALDERTON-KRAIN CORNER LAND | 3 | \$ 345,303.91 | \$ 345,303.91 | \$ - | 6/1/2013 | TLN-0242 | | |
| 6168292 | 153001668 | 2009 | E3600 | BAINBRIDGE SUBSTATION LAND | 4 | \$ 618,392.85 | \$ 618,392.85 | \$ - | 2/28/2009 | SUB-BAI | 2018 | Bainbridge Substation Land - purchased for future Bainbridge Substation site, located at 7580 Finch rd NE, Bainbridge Island, WA 98110. Parcels 272502-2-073-2002 and 272502-2-073-2101 are in Kitsap County, WA. This project is on-hold until PSE team submits for permits (future). Project construction deferred to 2018. |
| 5564716 | 153001550 | 2009 | E3600 | BUCKLEY SUBSTATION LAND | 5 | \$ 488,522.68 | \$ 488,522.68 | \$ - | 1/5/2009 | SUB-BUC | 2019 | Buckley Substation Land - purchase the property immediately adjacent north of the existing Buckley substation for future expansion of the substation. Property dimensions 100'x120'. Parcel #2735000290. Address: 257 S 3rd Street, Buckley, WA 98321. Buckley distribution substation is planned for 2017 as part of the 115kV line upgrade. The Buckley substation has been deferred due to budget constraints until 2018. Funding is not available to complete until at least 2019. |
| 5961695 | 153001488 | 2009 | E3600 | CARPENTER SUBSTATION LAND | 6 | \$ 185,456.70 | \$ 185,456.70 | \$ - | 4/28/2009 | SUB-CARP | 2018 | Carpenter Substation Land The project has been deferred until 2018/2019. |
| 8345467 | 153001488 | 2009 | E3600 | CARPENTER SUBSTATION LAND | 7 | \$ 855,963.00 | \$ 855,963.00 | \$ - | 4/28/2009 | SUB-CARP | | |
| 9420658 | CONV | 1903 | E3507 | WHITE RIVER-ST CLAIR 115KV LAND | 8 | \$ 2,666.45 | \$ 2,666.45 | \$ - | 3/31/2011 | TLN-0199 | 2017 | White River- St. Clair Land - In March 2011, Confirmed that the land are likely to be part of the Pierce County 230KV and/or White River-Electron Heights re-route to Alderton 115KV projects. The assets were transferred from Electric Plant in Service account (10100501) to Future Use in March 2011. Construction Planned for 2016. Pierce 230 is now scheduled for 2017-18 construction. |
| 9420657 | CONV | 1903 | E3507 | WHITE RIVER-ST CLAIR 115KV LAND | 9 | \$ 183.00 | \$ 183.00 | \$ - | 3/31/2011 | TLN-0199 | | |
| 9420655 | CONV | 1978 | E3507 | WHITE RIVER-ST CLAIR 115KV LAND | 10 | \$ 78.00 | \$ 78.00 | \$ - | 3/31/2011 | TLN-0199 | | |
| 9420665 | CONV | 1978 | E3507 | WHITE RIVER-ST CLAIR 115KV LAND | 11 | \$ 42.00 | \$ 42.00 | \$ - | 3/31/2011 | TLN-0199 | | |
| 9420661 | CONV | 1978 | E3507 | WHITE RIVER-ST CLAIR 115KV LAND | 12 | \$ 485.00 | \$ 485.00 | \$ - | 3/31/2011 | TLN-0199 | | |
| 9420664 | CONV | 1978 | E3507 | WHITE RIVER-ST CLAIR 115KV LAND | 13 | \$ 1,369.54 | \$ 1,369.54 | \$ - | 3/31/2011 | TLN-0199 | | |
| 9420663 | CONV | 1997 | E3507 | WHITE RIVER-ST CLAIR 115KV LAND | 15 | \$ 19,821.95 | \$ 19,821.95 | \$ - | 3/31/2011 | TLN-0199 | | |
| 9420659 | CONV | 1990 | E3507 | WHITE RIVER-ST CLAIR 115KV LAND | 17 | \$ 110.00 | \$ 110.00 | \$ - | 3/31/2011 | TLN-0199 | | |
| 105681 | CONV | 1912 | E3500 | ELECTRON #1 - TRANS PLANT LAND RTS - parcel #0419121010 | 18 | \$ 585.00 | \$ 585.00 | \$ - | 11/22/2006 | TLN-0212 | 2020 | Electron # 1 & #2 - in 2010 .The parcels held under Electron # 1 & 2 are transmission corridors that are slated for future use. Construction is planned between 2013 and 2015. About one mile of the transmission corridor has already been used for a new 115 kV transmission line as part of the White River – Electron Heights 115 kV Re-route to Alderton project which went into service in Oct 2014. The remaining transmission corridor will remain in future use beyond the current 5year plan. |
| 84983 | CONV | 1992 | E3500 | ELECTRON #1 - TRANS PLANT LAND RTS - parcel #0419244002 | 19 | \$ 410.00 | \$ 410.00 | \$ - | 11/22/2006 | TLN-0212 | | |
| 84980 | CONV | 1992 | E3500 | ELECTRON #1 - TRANS PLANT LAND RTS - parcel #519302021 | 20 | \$ 2,421.59 | \$ 2,421.59 | \$ - | 11/22/2006 | TLN-0212 | | |
| 90657 | CONV | 1992 | E3500 | ELECTRON #1 - TRANS PLANT LAND RTS - parcel #0419241010 | 21 | \$ 286.11 | \$ 290.00 | \$ (3.89) | 11/22/2006 | TLN-0212 | | |
| 84817 | CONV | 1992 | E3500 | ELECTRON #1 - TRANS PLANT LAND RTS - parcel | 22 | \$ 476.76 | \$ 476.76 | \$ - | 11/22/2006 | TLN-0212 | | |
| 84982 | CONV | 1992 | E3500 | ELECTRON #1 - TRANS PLANT LAND RTS - parcel #0419241009 | 23 | \$ 325.00 | \$ 325.00 | \$ - | 11/22/2006 | TLN-0212 | | |
| 84981 | CONV | 1992 | E3500 | ELECTRON #1 - TRANS PLANT LAND RTS - parcel #0419244006 | 24 | \$ 240.00 | \$ 240.00 | \$ - | 11/22/2006 | TLN-0212 | | |
| 84818 | CONV | 1912 | E3500 | ELECTRON #2 - TRANS PLANT LAND RTS - parcel #0519313002 & #0519314001 | 25 | \$ 7,267.00 | \$ 7,267.00 | \$ - | 11/22/2006 | TLN-0213 | | |
| 84819 | CONV | 1990 | E3500 | ELECTRON #2 - TRANS PLANT LAND RTS - parcel #0519313004 | 26 | \$ 160.00 | \$ 160.00 | \$ - | 11/22/2006 | TLN-0213 | | |
| 84820 | CONV | 1990 | E3500 | ELECTRON #2 - TRANS PLANT LAND RTS - parcel #0419241011 | 27 | \$ 110.00 | \$ 110.00 | \$ - | 11/22/2006 | TLN-0213 | | |
| 84821 | CONV | 1992 | E3500 | ELECTRON #2 - TRANS PLANT LAND RTS - parcel #0518072001 | 28 | \$ 973.15 | \$ 973.15 | \$ - | 11/22/2006 | TLN-0213 | | |
| 39060 | CONV | 1992 | E3500 | BPA KITSAP NAVAL TRANS PLANT LAND RTS | 29 | \$ 147,139.47 | \$ 147,139.47 | \$ - | 12/31/1992 | TLN-0052 | | |

FUTURE USE PROPERTY AND STRUCTURES
FOR THE PERIOD ENDED 12/31/2016

| | | | | | | | | | | | | |
|----------|-----------|------|-------|--|--------|-----------------|-----------------|---------------|------------|-----------|------|---|
| 39061 | CONV | 1993 | E3500 | BPA KITSAP NAVAL TRANS PLANT LAND RTS | 30 | \$ 289,426.37 | \$ 260,521.23 | \$ 28,905.14 | 12/31/1992 | TLN-0052 | | |
| 24670055 | 153002688 | 2014 | E3300 | BPA KITSAP NAVAL YARD TRANS EASEMENT | 31 - T | \$ 460,720.30 | \$ - | \$ 460,720.30 | 1/21/2016 | TLN-0052 | 2020 | BPA Kitsap Trans Plant Easement - This property was in Future Use account (10500501) exceeding the 20 years limit. In December 2009, the easement was transferred from Future-Use to Non-Utility Account. The project is planned for 2022. Transferred to Future Use in January 2016. |
| 10245904 | 153001708 | 2009 | E3600 | AUTUMN GLEN SUBSTATION LAND | 32 | \$ 770,620.20 | \$ 770,620.20 | \$ - | 3/30/2009 | SUB-AUT | 2021 | Autumn Glen Substation Land- 2205e115 (Kent). This is a new "greenfield" substation and feeder to consist of 115KV transmission line in and out, 25 MVA transformer with potential double bank, and controls buildings to support up to 10-12.4 KV circuits. Our most current 10 Year Distribution Substation Plan (from 11/2012) has pushed out Autumn Glen till 2021. We do need to update our substation study for the area to get a better estimate between 2015 and 2021 when really expect our need for Autumn Glen to come. |
| 10266991 | 153001748 | 2009 | E3600 | BEL-RED SUBSTATION LAND | 33 | \$ 2,184,108.54 | \$ 2,184,108.54 | \$ - | 12/31/2009 | SUB-BED | 2020 | Bel-Red Substation Land - the property located at 2400 140th ave NE, Bellevue, WA 980005-1821. It is very unlikely this substation will be built before 2015 because of the current economic slowdown. The first plan date was projecting 2014 as the earliest date for a construction. PSE is acquiring a new substation site called Vernell which PSE Planning expects will be the next constructed (2020) to serve the Spring District development and will push out the need for Bel-Red at least an additional 8 years and possibly more. Bel-Red will be suited to serve the anticipated loads around the east link light rail station on NE 16 ST and 130 AVE NE but to date no load applications have been received. |
| 82860 | CONV | 2005 | E3600 | BETHEL SUBSTATION LAND | 34 | \$ 658,153.05 | \$ 658,153.05 | \$ - | 12/31/2005 | SUB-BET | 2025 | Bethel Substation Land- the plan to build a substation. It is listed in 10 year substation plan as being constructed in 2013. The substation will be postponed until 2025. |
| 82997 | CONV | 2006 | E3600 | BETHEL SUBSTATION LAND | 35 | \$ 52,159.67 | \$ 52,159.67 | \$ - | 1/6/2006 | SUB-BET | | |
| 19306026 | CONV | 1985 | E3890 | CLYDE HILL SUBSTAION LAND | 36 | \$ 397,742.04 | \$ 397,742.04 | \$ - | 10/1/2014 | SUB-CLY | 2020 | Clyde Hill Substation (Land). Was in Future-Use over 20 years and is not in a budgeted five year plan; moved to Non-Utility Oct.11, 2005. In March 2011, We are re-examining whether to expand Clyde Hill now or do another substation now and push Clyde Hill more into the future. If we keep Clyde Hill on its current schedule, 2013 will be the earliest re-energization date In January 2013, provided an update: In the current plan, we will rebuild and re-energize Clyde Hill in the 2020 time frame. PA transferred the cost to Future Use account in October 2014 closing. We will rebuild Clyde Hill Substation in the 2020-2024 time frame. |
| 19306044 | CONV | 1992 | E3890 | FERN HILL - SOUTHGATE 55kv LAND | 37 | \$ 3,248.00 | \$ 3,248.00 | \$ - | 10/31/2014 | TLN-0210 | 2019 | Fern Hill Southgate (Land). These parcels were identified as a surplus. The parcels are APN 022036-3-001 and 022035-4-063. We are going to maintain 30 feet across the western side of our existing property". The TLN for retained easement is TLN-0230 (Woodland-Gravelly Lake). However, as of October 2012, there are no future plans to retain easement. Therefore, in September 2012, both land parcels were transferred from Future Use account to account 121-Non Utility. PA transferred the cost to Future Use account in October 2014 closing. The construction is planned for 2019-2020. |
| 19306035 | CONV | 1912 | E3890 | FERN HILL - SOUTHGATE 55kv LAND | 38 | \$ 3,032.74 | \$ 3,032.74 | \$ - | 10/31/2014 | TLN-02010 | | |
| 73702 | CONV | 2002 | E3601 | GRAND RIDGE DISTR PLANT EASEMENT GRAND RIDGE | 39 | \$ 54,386.44 | \$ 54,386.44 | \$ - | 8/26/2002 | SUB-GDR | 2018 | Grand Ridge Substation Easement- (Total Energy System Planning) in June 2011 has confirmed that this project is in the 5 year plan: This project in the 5 year plan....-2015. A load study this summer. The recent construction of the new Swedish-Hanes Hospital up in the Issaquah Highlands has added substantial load to the existing distribution system. Issaquah Highlands is continuing to develop w/ some residential, apts, townhomes, etc so the need for the new Grand Ridge substation is still out there, not only for capacity but for reliability reasons. This project is still in planning with the expectation that design/permitting will occur in 2-3 years and construction w/in 5 years. Grandridge distribution sub is planned to be energized in 2018. 12/29/2015 The Grand Ridge Substation easement was purchased along with the land to build the substation; the estimate date of construction is in 2018. PSE recorded the project cost in Future Use at inception (WO 153000011). |
| 11988958 | CONV | 2005 | E3500 | HOFFMAN SWITCHING STATION DISTR LAND | 40 | \$ 347,712.60 | \$ 347,712.60 | \$ - | 3/31/2005 | SUB-HOFF | 2020 | Hoffman Switching Station Land - Scheduled to be in service in 2017 per 10 year plan for Southwest Area. In August 2012, identified primary usage of Hoffman as Transmission. Therefore, in August 2012 asset was transferred from Distribution to Transmission. The in-service date is deferred and now estimated to be beyond the current 5-year plan. At present, |

FUTURE USE PROPERTY AND STRUCTURES
FOR THE PERIOD ENDED 12/31/2016

| | | | | | | | | | | | | |
|----------|-----------|------|-------|---|------|-----------------|-----------------|------|------------|----------|---------|---|
| 1198870 | 153001548 | 2009 | E3500 | HOFFMAN SWITCHING STATION LAND | 41 | \$ 366,950.29 | \$ 366,950.29 | \$ - | 3/30/2009 | SUB-HOFF | | there is a PSE 115 kV transmission line crossing the Hoffman property; which will eventually be interconnected with Hoffman switching substation. . The station will be used for dual purpose; both Transmission switching station and a distribution substation. |
| 7287112 | 153000688 | 2009 | E3600 | JENKINS CREEK SUBSTATION LAND | 42 | \$ 1,000,290.53 | \$ 1,000,290.53 | \$ - | 10/30/2009 | SUB-JEN | 2019 | Jenkins Creek Substation Land - The property was purchased to construct a new distribution substation due to an area load growth in Covington. The construction is planned to begin in 2019. |
| 10911904 | 153002089 | 2012 | E3600 | LAKE HOLMS SUBSTATION LAND | 43 | \$ 912,413.27 | \$ 912,413.27 | \$ - | 1/1/2012 | SUB-LHO | 2020 | Lake Holm Substation - The purchase of Lake Holm Substation property is for future use and construction will start no earlier than 2014 Construction will start 2015 (12/19/12). Energization of distribution substation planned for in service date 2017. Here is the last official update on the timing for Lake Holm – which is the need date of 2018 through 2021. |
| 78020 | CONV | 1982 | E3600 | PIONEER DISTR PLANT LAND RTS | 44 | \$ 81,209.30 | \$ 81,209.30 | \$ - | 2/15/2004 | SUB-PIO | 2022 | Pioneer Distribution Plant Land & Rights - Pioneer is part of existing 115kV line corridor at intersection of two 115kV lines within a major load center. That the project is now planned to start in 2016 and be completed in 2018. Pioneer Substation is still in our 10 year plan with energization in 2022. The schedule may be removed up to serve the increasing load growth in the area. A substation study will be done in 2015-16 to confirm the date for construction of the substation. I responded to it 2022 time frame is still reasonable. |
| 16517323 | 153002689 | 2014 | E3600 | GOODES CORNER SUBSTATION - LAND | 45 | \$ 217,875.19 | \$ 217,875.19 | \$ - | 1/1/2014 | SUB-GOO | 2019 | Goodes Corner Sub Expansion Land - PSE purchased the property (adjacent parcel, south of the sub). Third bank is necessary for a future expansion. In the meantime, it can be used as an equipment/pole yard. 1702 Newport Way NW, Issaquah, WA 98027 (This is the sub address. Parcel's address will be clarified at closing). There is no specific date on the construction. . The adjacent property was purchased to ensure that future double banking/expansion of the existing Goodes Corner substation would not meet any opposition or City of Issaquah imposed property setback requirements. It all depends on when increased loads occur. Many of the surrounding old warehouse buildings are being redeveloped as office parks so the loads will be increasing. At this time is 5-10 years before this property may be needed. |
| 16556534 | 153002268 | 2014 | E3500 | HAZELWOOD SUBSTATION - LAND | 46 | \$ 460,993.75 | \$ 460,993.75 | \$ - | 1/31/2014 | TLN-0261 | 2022 | Hazelwood Substation Land - expansion of existing substation. Boundary line adjustment to purchase 26,350 sq ft, 5,067 sq ft for loop through project and future double banking of sub. PSE purchased the property from Renton School District. 7024 116th Ave SE, Newcastle, WA 98059. The construction is planned to occur in 2016 or 2017. This property will be utilized when the substation is expanded. This was planned to occur this year but is now deferred at least for 5 years. |
| 7287115 | 153001908 | 2010 | E3600 | KENDALL SUBSTATION LAND | 47 | \$ 353,720.31 | \$ 353,720.31 | \$ - | 1/31/2010 | SUB-KEN | 2020 | Kendall Substation Land - The property was purchased to replace the existing (aging infrastructure) Kendall Substation and to increase system reliability to the Kendall/Glacier/Nugent's Corner area. The property is located at 7614 Casey road, Deming, WA 98244 (next to the existing substation site). The 2014 10-Year Plan has the new Kendall Substation estimated completion date in 2020-2025. |
| 6909074 | 103005205 | 2014 | E303 | LOWER SNAKE RIVER WIND DEVELOPMENT RIGHTS | 48 | \$ 468,444.26 | \$ 468,444.26 | \$ - | 3/31/2014 | | 2017 Q3 | According to PSE's IRP, it is more likely than not that the LSR Wind Development rights will be used within the next twenty year. |
| 6909062 | 103004619 | 2014 | E303 | LOWER SNAKE RIVER WIND DEVELOPMENT RIGHTS | 48.1 | \$ 20.09 | \$ 20.09 | \$ - | 3/31/2014 | | | In the 2015 IRP, we model renewable resource needs to comply with RCW 19.285, Energy Independence Act (a.k.a. the Renewable Portfolio Standard), [In] Figure 1-6, in the Executive Summary, page 1-16. This chart shows the timing of PSE's renewable resource need to comply with RCW 19.285. The chart shows PSE will need additional renewable resources by 2023. Second is Figure 1-7, which shows the IRP's electric resource plan, on page 1-17. This shows additional wind of about 206 MW by 2023, ramping up to 337 MW by 2030. We haven't updated for the 2017 IRP yet. That will be completed by July of this year. |
| 6909071 | 103005203 | 2014 | E303 | LOWER SNAKE RIVER WIND DEVELOPMENT RIGHTS | 48.2 | \$ 6,874,894.62 | \$ 6,874,894.62 | \$ - | 3/31/2014 | | | |
| 6909068 | 103005202 | 2014 | E303 | LOWER SNAKE RIVER WIND DEVELOPMENT RIGHTS | 48.3 | \$ 574,889.60 | \$ 574,889.60 | \$ - | 3/31/2014 | | | |
| 6909065 | 103005200 | 2014 | E303 | LOWER SNAKE RIVER WIND DEVELOPMENT RIGHTS | 48.4 | \$ 2,031,573.19 | \$ 2,031,573.19 | \$ - | 3/31/2014 | | | |
| 6908946 | 103004618 | 2014 | E303 | LOWER SNAKE RIVER WIND DEVELOPMENT RIGHTS | 48.5 | \$ 575.70 | \$ 575.70 | \$ - | 3/31/2014 | | | |
| 6909086 | 103005211 | 2014 | E303 | LOWER SNAKE RIVER WIND DEVELOPMENT RIGHTS | 48.6 | \$ 368,188.51 | \$ 368,188.51 | \$ - | 3/31/2014 | | | |
| 6909083 | 103005209 | 2014 | E303 | LOWER SNAKE RIVER WIND DEVELOPMENT RIGHTS | 48.7 | \$ 7,641,818.35 | \$ 7,641,818.35 | \$ - | 3/31/2014 | | | |
| 6909077 | 103005206 | 2014 | E303 | LOWER SNAKE RIVER WIND DEVELOPMENT RIGHTS | 48.8 | \$ 3,947,658.74 | \$ 3,947,658.74 | \$ - | 3/31/2014 | | | |
| 6909080 | 103005208 | 2014 | E303 | LOWER SNAKE RIVER WIND DEVELOPMENT RIGHTS | 48.9 | \$ 335,482.93 | \$ 335,482.93 | \$ - | 3/31/2014 | | | |

FUTURE USE PROPERTY AND STRUCTURES
FOR THE PERIOD ENDED 12/31/2016

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|-----------|-----------|------|-------|--|---------------|-----------------|-----------------|-----------------|-----------|----------|----------------------------|--|
| 4971519 | 153001590 | 2008 | E3600 | MAXWELTON SUBSTATION LAND | T1 OUT | \$ - | \$ 651,297.29 | \$ (651,297.29) | 9/15/2008 | SUB-MAX | Transferred to 101 in 2016 | Maxwelton Substation Land - The property was purchased for a new distribution Substation. Transmission and distribution lines will also utilize the property. The property is located at the intersection of SR 525 and Coles Rd near Langley, WA., Island County Tax Parcel No. R32916-313-4. The land was originally purchased under "Useless Bay" name. The 115 kV Langley tap will be rebuilt in 2014. The substation will be completed by November 2015. The Substation is probably more than ½ constructed and it has the most expensive equipment on site (transformer and MPAC). Construction of the substation will finish in the 1st half of 2016. 12 kV feeder work will probably be finished by end of the summer, early fall 2016. The 115 kV Langley tap rebuild will probably finish in the 4th quarter of 2016. No "surplus" land at Maxwelton -- all has either been developed, or has been dedicated greenspace as mitigation for the development. No non-utility land. Land costs should have gone to WO# 101045666, "Maxwelton Substation" (CAP) in 2016. |
| 16696748 | 153002728 | 2014 | E3600 | PLUM STREET SUBSTATION LAND | 49 | \$ 305,608.60 | \$ 305,608.60 | \$ - | 2/28/2014 | SUB-PLUM | 2025 | Plum Street Substation (Land). Purchase land from Canray, LLC. Property purchased for environmental remediation and future expansion of substation. The project is estimate to complete in 2025. |
| 16578831 | 111014719 | 2010 | E3557 | SAINT CLAIR - PLEASANT GLADE #2 - TRANSMISSION LINE @ Carpenter Substation | 50 | \$ 1,314,040.02 | \$ 1,314,040.02 | \$ - | 1/31/2014 | TLN-0285 | 2018 | Saint Clair - Pleasant Glade #2 (Transmission Line) - Carpenter Substation . The construction of the Carpenter Substation has been deferred for five years with the project to start-up within the next 2-3 years. The estimate date on the construction would be in 2018. The project is in the 5 year budget funding and it doesn't start until 2018. |
| 16578820 | 111014719 | 2010 | E3567 | SAINT CLAIR - PLEASANT GLADE #2 - TRANSMISSION LINE @ Carpenter Substation | 51 | \$ 556,598.62 | \$ 556,598.62 | \$ - | 1/31/2014 | TLN-0285 | | |
| 23137463 | CONV | 1933 | E3500 | SHINE CABLE STATION: SUB-SHI | 52 | \$ 280.78 | \$ 280.78 | \$ - | 9/30/2015 | | 2025 | Shine Cable Substation - the Shine cable station is for future use! The current cable crossing is 12KV cable energized to only light the sign stating "cable crossing" at the Shine cable side. These properties are for future use, beyond our 10-year plans. Hence, the target date is beyond 2025. |
| 23137490 | CONV | 1933 | E3500 | SHINE CABLE STATION: SUB SHI | 53 | \$ 329.00 | \$ 329.00 | \$ - | 9/30/2015 | | | |
| 23137472 | CONV | 1992 | E3500 | SHINE HEIGHTS CABLE STATION: SUB SH | 54 | \$ 78,085.76 | \$ 78,085.76 | \$ - | 9/30/2015 | | | |
| 23137481 | CONV | 1998 | E3500 | SHINE HEIGHTS CABLE STATION: SUB SH | 55 | \$ 9,010.54 | \$ 9,010.54 | \$ - | 9/30/2015 | | | |
| 7611552 | 153002069 | 2010 | E3507 | SO. BREMERTON-BANGOR LAND | 56 | \$ 152,594.74 | \$ 152,594.74 | \$ - | 3/31/2010 | TLN-0278 | 2020 | (1) So. Bremerton - Bangor Land - purchase of property needed to construct Electric Transmission Line Corridor. Tax parcel #082501-4-006-2004. Record Deed #200706200056. The plan for the property is to construct and operate a 115kV line, to eventually be converted to a 230kV line in the future. (2) Tax id # 082501-4-007-2003. This is a total fee acquisition for the South Bremerton to Bangor 115kv corridor. The proposed corridor bisects the subject improvements. The improvements will eventually be demolished, in the interim, the dwelling will be rented. Scheduled for construction in 2015. The plan for the property is to construct and operate a 115kV line, to eventually be converted to a 230kV line in the future. (3) So. Bremerton-Bangor Land - Parcels #072401-4-128-2009 and #071401-4-130-2005 were purchased for a future construction of a 125 foot power corridor. Sec 07. Township 24, N Range 1, E, W.M. In February 2012 confirmed that "2016 is the construction for both 115 and 230 lines as they both intend to use the same transmission corridor". Confirmed that "2020 is the construction for both 115 and 230 lines as they both intend to use the same transmission corridor". |
| 7611555 | 153002069 | 2010 | E3507 | SO. BREMERTON-BANGOR LAND | 57 | \$ 152,594.69 | \$ 152,594.69 | \$ - | 3/31/2010 | TLN-0278 | | |
| 3199476 | 153001408 | 2008 | E3507 | SO. BREMERTON - BANGOR LAND | 58 | \$ 252,796.82 | \$ 252,796.82 | \$ - | 1/25/2008 | TLN-0278 | | |
| 6813553 | 153001390 | 2007 | E3507 | SO. BREMERTON - BANGOR LAND | 59 | \$ 447,344.54 | \$ 447,344.54 | \$ - | 9/4/2007 | TLN-0278 | | |
| 145311056 | 153002528 | 2013 | E3506 | VERNELL SUBSTATION LAND | 60 | \$ 7,361,843.75 | \$ 7,361,843.75 | \$ - | 2/28/2013 | SUB-VER | 2018 | Land - Vernell Substation which will be a transmission switching and distribution substation 2426 116th Ave, Bellevue. The estimated in-service date was pushed out to 2019 during 2013 year's budget process. Structure-the building might be used for an office. There are three long term options for the building: 1) use it for a PSE office; 2) sub-lease it in the short term and hold it for future use; 3) after the substation is designed, make a determination if we can use it for the substation (control house) or if we need the space for the substation and tear it down. So for now we are holding for future use" (07/17/2013). No decision has been made. We can only commit to leasing the building for two years, and George is going to see if there is any takers for the time frame. At the end of next year, we should know what the scope of work will be at the site and the timing and a determination for long time lease will be made at the time. |
| 145311061 | 153002528 | 2013 | E3526 | VERNELL SUBSTATION STRUCTURE | 61 | \$ 1,875,043.47 | \$ 1,875,043.47 | \$ - | 2/28/2013 | SUB-VER | | |

FUTURE USE PROPERTY AND STRUCTURES
FOR THE PERIOD ENDED 12/31/2016

| | | | | | | | | | | | | |
|----------|-----------|------|-------|--------------------------------------|--------|------|---------------|-----------------|----------|---------|------------------------------|---|
| 18132701 | 153002688 | 2014 | E3300 | UPPER BAKER HYDRO PROD FACILITY LAND | T2 OUT | \$ - | \$ 738,597.91 | \$ (738,597.91) | 6/1/2014 | GNR-BRU | Transferred to 101 in 1/2016 | Upper Baker Hydro Prod Facility (Land). Purchase 240 acres land at Upper Baker. It contains 80% of West Pass Dike; most of depression lake; staging area for FSC and protect from future development. Address: XX Baker Lake Road, Concrete, WA 98237. It sounds like this parcel should be classified as operating property. The parcel includes the west dike and Depression lake, which are used to maintain dam safety. There are also monitoring devices there to support dam safety. Another portion of the parcel is used as a repository/laydown area for woody debris that is removed from the lake. Transferred to 101 in 1/2016. |
|----------|-----------|------|-------|--------------------------------------|--------|------|---------------|-----------------|----------|---------|------------------------------|---|

TOTAL ELECTRIC (FUTURE USE) - GL account 10500501 (POWERPLANT)
TOTAL ELECTRIC (FUTURE USE) - GL account 10500501 (SAP)

\$ 49,015,408.34 \$ 49,903,527.17 \$ (888,118.83)
PAGE 8 - A \$ 49,015,408.34
VARIANCE \$ -

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Dockets UE-170033 and UG-170034
Puget Sound Energy
2017 General Rate Case**

ICNU DATA REQUEST NO. 065

ICNU DATA REQUEST NO. 065:

For each discrete asset listed in response to ICNU Data Request 0063, please identify, and quantify (if possible), any benefits that the Company believes may accrue to ratepayers in connection with the Company's ownership of such asset.

Response:

Please refer to pages 89-91 of the Eleventh Supplemental Order in WUTC Dockets UE-920433, UE-920499 and UE-921262, which provide the authority for Puget Sound Energy ("PSE") to include Plant Held for Future Use in rate base.

Also, refer to Attachment A to PSE's Response to ICNU's Data Request No. 063, the column titled "Notes," for existing plans for the properties.

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Dockets UE-170033 and UG-170034
Puget Sound Energy
2017 General Rate Case**

ICNU DATA REQUEST NO. 103

ICNU DATA REQUEST NO. 103:

Does the early closure of Colstrip Units 1 and 2 result in net benefits to customers? If yes, please provide, or identify, all documents and analyses the Company relied upon to reach such a conclusion.

Response:

Please refer to Puget Sound Energy's Response to WUTC Staff Data Request No.185 for the economic analyses of the early shutdown of Colstrip Units 1 and 2.

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Dockets UE-170033 and UG-170034
Puget Sound Energy
2017 General Rate Case**

ICNU DATA REQUEST NO. 105

ICNU DATA REQUEST NO. 105:

Reference Exh. No. PKW-47:4-49:8:

- a. Please provide all formal correspondence between the Company and the Department of Ecology concerning the Clean Air Rule, including (but not limited to) the assignment of the baseline GHG emissions values of the Company, and the greenhouse gas emission reduction pathway of the Company.
- b. Does the Company agree that, based on the AURORAxmp modeling described in the referenced testimony, total carbon emissions from electricity production in the Western Interconnection increase as a result of the application of the Company's Clean Air Rule modeling?
- c. Has the Company performed any studies regarding the impact of the Clean Air Rule on total carbon emissions from electricity production in the Western Interconnection? If yes, please provide summary results from all such studies.

Response:

- a. Please see Attachment A to Puget Sound Energy's ("PSE") Response to ICNU Data Request No. 105 for a copy of the formal comments presented by PSE to the Washington Department of Ecology in regards to the Proposed Clean Air Rule (Chapter 173-442 WAC).

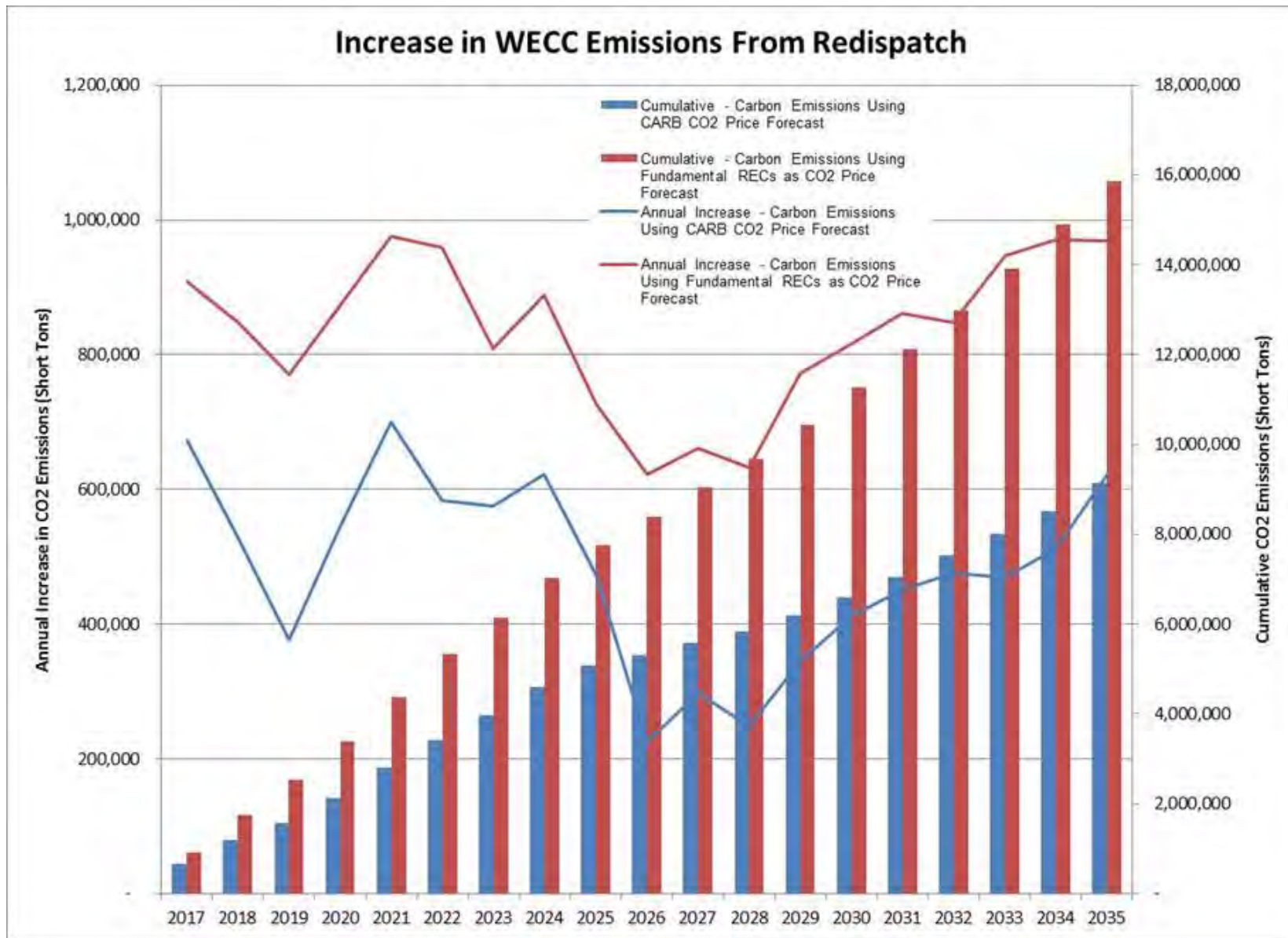
Please see Attachment B to PSE's Response to ICNU Data Request No. 105 for a copy of the technical appendix to the formal comments.

There is no formal correspondence between PSE and the Department of Ecology regarding the assignment of the baseline greenhouse gas ("GHG") emissions values and the GHG emission reduction pathway of PSE. Please see PSE's Response to ICNU Data Request No. 106 for more information on this topic.

- b. PSE agrees that total carbon emissions from electricity production in the Western Electricity Coordinating Council (“WECC”) increases as a result of the application of PSE’s Clean Air Rule modeling in AURORA for this proceeding.
- c. Please see Appendix E in Attachment B to PSE’s Response to ICNU Data Request No. 105 for summary results of the analysis “Increase in WECC Emissions from Redispatch,” which was included in the technical appendix to PSE’s formal comments dated July 22, 2016. This analysis was completed in 2016 using a different approach to modeling the Clean Air Rule than PSE used to forecast power costs in this proceeding. Both approaches indicate increases in carbon emissions in the WECC.

**ATTACHMENT B to PSE's Response to
ICNU Data Request No. 105**

Appendix E: Increase in WECC Emissions from Redispatch (Figure 2)



BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Dockets UE-170033 and UG-170034
Puget Sound Energy
2017 General Rate Case**

ICNU DATA REQUEST NO. 111

ICNU DATA REQUEST NO. 111:

Reference the Company's response to ICNU Data Request 103:

The Company's response is not responsive because it does not state whether the early closure of Colstrip Units 1 and 2 result in net benefits to customers. After referring to the Company's response to WUTC Data Request 185, ICNU has interpreted the Company's response to be that the Company believes there are net benefits associated with the early retirement of Colstrip Units 1 and 2." Is ICNU's interpretation of the Company's response correct? Please respond "yes" or "no" and provide an explanation for the Company's answer.

Response:

Puget Sound Energy ("PSE") objects to ICNU Data Requests No. 111 as vague and ambiguous with respect to the reference to "early" retirement, as discussed below. Without waiving these objections, and subject thereto, PSE responds as follows:

There has been no date set for the retirement of Colstrip Units 1 and 2 other than the date established in the court-approved settlement of the Sierra Club and Montana Environmental Information Center lawsuit in September 2016. That settlement set the retirement for Colstrip Units 1 and 2 as on or before July 1, 2022. As stated in the Prefiled Direct Testimony of Ronald J. Roberts, Exhibit No. ___(RJR-1CT), page 39 line 5, PSE intends the units to remain in operation until July 2022, barring unforeseen circumstances. Therefore, there is no "early retirement" date established. PSE had prepared the analyses provided in PSE's Response to WUTC Staff Data Request 185 to analyze the economic impacts should Talen Energy elect not to continue operation of its share of Colstrip Units 1 and 2 and PSE is faced with being the sole operator. As reflected in PSE's Response to WUTC Staff Data Request No. 185, that analysis indicates the net portfolio costs under a "sole operator" scenario would be higher than the business as usual case.

If PSE assumes ICNU is interpreting early retirement based on the negotiated depreciable life span in WUTC Docket UE-072300 that indicated retirement in

2034/2035, then yes, PSE believes there is a customer net benefit. As stated in the Prefiled Direct Testimony of Ronald J. Roberts, Exhibit No. ____ (RJR-1CT), PSE anticipates additional cost for future environmental regulation compliance, possible future carbon pricing, a long term low cost natural gas market, and other operational uncertainties at Colstrip Units 1 and 2 ,which are already more than forty years old. PSE's Response to WUTC Staff Data Request No. 185 would not be relevant if assuming this 2034 scenario.

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Dockets UE-170033 and UG-170034
Puget Sound Energy
2017 General Rate Case**

ICNU DATA REQUEST NO. 111

“CONFIDENTIAL” “HIGHLY CONFIDENTIAL” Table of Contents

| DR NO. | “CONFIDENTIAL” Material |
|---------------|--|
| 111 | Designated information is HIGHLY CONFIDENTIAL per Protective Order in WUTC Dockets UE-170033 & UG-170034 as marked in Attachments A-D of PSE’s First Supplemental Response to ICNU Data Request No. 111. |

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Dockets UE-170033 and UG-170034
Puget Sound Energy
2017 General Rate Case**

ICNU DATA REQUEST NO. 111

ICNU DATA REQUEST NO. 111:

Reference the Company's response to ICNU Data Request 103:

The Company's response is not responsive because it does not state whether the early closure of Colstrip Units 1 and 2 result in net benefits to customers. After referring to the Company's response to WUTC Data Request 185, ICNU has interpreted the Company's response to be that the Company believes there are net benefits associated with the early retirement of Colstrip Units 1 and 2." Is ICNU's interpretation of the Company's response correct? Please respond "yes" or "no" and provide an explanation for the Company's answer.

Response:

Puget Sound Energy ("PSE") objects to ICNU Data Requests No. 111 as vague and ambiguous with respect to the reference to "early" retirement, as discussed below. Without waiving these objections, and subject thereto, PSE responds as follows:

There has been no date set for the retirement of Colstrip Units 1 and 2 other than the date established in the court-approved settlement of the Sierra Club and Montana Environmental Information Center lawsuit in September 2016. That settlement set the retirement for Colstrip Units 1 and 2 as on or before July 1, 2022. As stated in the Prefiled Direct Testimony of Ronald J. Roberts, Exhibit No. ___(RJR-1CT), page 39 line 5, PSE intends the units to remain in operation until July 2022, barring unforeseen circumstances. Therefore, there is no "early retirement" date established. PSE had prepared the analyses provided in PSE's Response to WUTC Staff Data Request 185 to analyze the economic impacts should Talen Energy elect not to continue operation of its share of Colstrip Units 1 and 2 and PSE is faced with being the sole operator. As reflected in PSE's Response to WUTC Staff Data Request No. 185, that analysis indicates the net portfolio costs under a "sole operator" scenario would be higher than the business as usual case.

If PSE assumes ICNU is interpreting early retirement based on the negotiated depreciable life span in WUTC Docket UE-072300 that indicated retirement in

2034/2035, then yes, PSE believes there is a customer net benefit. As stated in the Prefiled Direct Testimony of Ronald J. Roberts, Exhibit No. ____ (RJR-1CT), PSE anticipates additional cost for future environmental regulation compliance, possible future carbon pricing, a long term low cost natural gas market, and other operational uncertainties at Colstrip Units 1 and 2 ,which are already more than forty years old. PSE's Response to WUTC Staff Data Request No. 185 would not be relevant if assuming this 2034 scenario.

First Supplemental Response:

As requested by email from counsel for ICNU, dated June 21, 2017, Puget Sound Energy is supplementing Puget Sound Energy's Response to ICNU Data Request No. 111 to provide the quantitative benefits to customers identified by Puget Sound Energy in analyses conducted in February 2016 of closure of Colstrip Units 1 & 2 in 2023 as compared to the continuing operations of Colstrip Units 1 & 2 until 2035.

PSE conducted analyses in February of 2016 that considered the impact on power costs of several scenarios regarding Colstrip Units 1 & 2, including (i) a scenario in which Colstrip Units 1 & 2 would be shut down in 2023 and (ii) a scenario in which selective catalytic reduction equipment would be installed to Colstrip Units 1 & 2 that would allow the units to operate until they were shut down in 2035. PSE's analyses conducted in February of 2016 demonstrated a net benefit of \$315 million in power costs associated with shutting down Colstrip Units 1 & 2 in 2023 as compared to installing selective catalytic reduction equipment at Colstrip Units 1 & 2 and operating the units until 2035.

| | 2023-2038 No SCR (\$ millions) | 2035-2042 Business as Usual w/ SCR (\$ millions) |
|------------------------------|---|---|
| Portfolio Costs | \$12,741 | \$12,724 |
| Clean Power Plan Costs | \$106 | \$437 |
| Total Portfolio Costs | \$12,847 | \$13,162 |

Attached as Attachments A-D to PSE's First Supplemental Response to ICNU Data Request No. 111 is a CD-ROM that includes the analyses conducted by PSE in February of 2016 that considered the impact on power costs of several scenarios regarding Colstrip Units 1 & 2.

Due to size, Attachments A-D to PSE's First Supplemental Response to ICNU Staff Data Request No. 111 are provided in electronic format only.

| | |
|--------------|---|
| Attachment A | Close Colstrip 1 and 2 in 2023 and Colstrip 3 and 4 in 2038 |
| Attachment B | Close Colstrip 1 and 2 in 2023 and Colstrip 3 and 4 in 2038 with Clean Power Plan |
| Attachment C | Close Colstrip 1 and 2 in 2035 and Colstrip 3 and 4 in 2042 |
| Attachment D | Close Colstrip 1 and 2 in 2035 and Colstrip 3 and 4 in 2042 with Clean Power Plan |

Designated information is HIGHLY CONFIDENTIAL per Protective Order in WUTC Dockets UE-170033 & UG-170034 as marked in Attachments A-D of PSE's First Supplemental Response to ICNU Data Request No. 111.

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Dockets UE-170033 and UG-170034
Puget Sound Energy
2017 General Rate Case**

PUBLIC COUNSEL DATA REQUEST NO. 297

PUBLIC COUNSEL DATA REQUEST NO. 297:

Re: Plant held for future use (PHFFU).

- (a) Has PSE included any amounts for Plant held for future use (1) in electric rate base or (2) in gas rate base?
- (b) If the response to part (a) is "yes" identify, quantify, and explain the anticipated use and the anticipated year of use in providing utility service for each item of PHFFU that PSE has included in rate base.
- (c) Refer to the Prefiled Direct Testimony of PSE witness Barnard, at page 58, line 36. Does the transfer of the "habitat mitigation" properties from account 182.2 into account 105 (PHFFU) have any impact on whether or not the costs are included in PSE's rate base?
 - i. If not, explain with particularity why not.
 - ii. If so, identify and explain the impact.

Response:

- (a) Please see Attachment A to Puget Sound Energy's ("PSE") Response to ICNU Data Request No. 063 for Electric Plant Held for Future Use amounts in rate base. Please see Attachment A to PSE's Response to Public Counsel Data Request No. 297 for Gas and Common Plant Held for Future Use amounts in rate base.
- (b) Please see PSE's Response to ICNU Data Request No. 063 for the anticipated use, and the year that electric property will go into service. See Attachment A to PSE's Response to Public Counsel Data Request No. 297 for anticipated use, and the year that gas and common property will go into service.
- (c) No, during the test year, the habitat migration properties are recorded in FERC Account 182.2 and are included as part of Katherine J. Barnard workpapers 5.03 E & G RB & 5.04 E&G WC 17GRC.xlsx tab titled "ERB" line 6c titled "White River

Deferred Plant Costs” as part of electric rate base. These amounts are also reflected in the test year amounts shown for the White River Regulatory Asset on Exhibit No. ____ (KJB-7) to the Prefiled Direct Testimony of Katherine J. Barnard, page 12.

**ATTACHMENT A to PSE's Response to
PUBLIC COUNSEL Data Request No. 297**

FUTURE USE PROPERTY AND STRUCTURES
FOR THE PERIOD ENDED 12/31/2016

Gas Future Use -

| PP ASSET NUMBER | Work Order Number | VINTAGE YEAR | FERC # | DESCRIPTION | # | 12/31/2016 BALANCE | 12/31/2015 BALANCE | VARIANCE | DATE IN FUTURE USE | SUPER NUMBER | TARGET FOLLOW UP | NOTES |
|-----------------|-------------------|--------------|--------|--|--------|--------------------|--------------------|-------------------|--------------------|--------------|------------------|--|
| 15917270 | 153002649 | 2013 | G3741 | TOLT HP GATE STATION LAND | 62 | \$ 611,314.14 | \$ 611,314.14 | \$ - | 11/1/2013 | DST-0000 | 2022 | Tolt HP Gate Station (Land) - the property was purchased to install a new gate station along the William Pipeline on 216th Ave NE within Phase 2 of Tolt HP Project. The construction will begin in January 2022. |
| 19956905 | 153002832 | 2014 | G3740 | LIMIT STATION FOR TACOMA LNG PIPELINE LAND | 63 | \$ 296,233.84 | \$ 295,387.54 | \$ 846.30 | 12/1/2014 | DST-0000 | 2017 | Limit Station for Tacoma LNG Pipeline (Land) - Purchase property at 964 99th E. Tacoma Way for a limit station site. Pierce County parcel #031903-6001. The construction will be in the end of 2017. |
| 20223242 | 153002848 | 2015 | G3740 | LIMIT STATION FOR TACOMA LNG PIPELINE LAND | 64 | \$ 529,222.46 | \$ 529,222.46 | \$ - | 1/1/2015 | DST-0000 | | |
| 8109495 | 153002028 | 2010 | G3742 | EASEMENT TOLT ROW (Northeast King County) | T3 OUT | \$ - | \$ 4,702,851.11 | \$ (4,702,851.11) | 6/30/2010 | DST-0000 | 2022 | Easement TOLT ROW owned by SPU (Northeast King County) - this easement was purchased to install 16" or 20" Pipe (TBD) on a 5.5 Mile easement on the SPU owned Tolt ROW in Northeast King County for capacity and growth. In addition to the pipeline a new gate station will be installed. Funding for construction was postponed causing an earliest construction date is 2014. Construction will be 2015 with preconstruction activities in 2014. The project has three phases. The construction of Phase 1 (2.8 miles) will be finished in December 31, 2015. Phase 2 construction will be around 2022. Phase 3 could be more than 20 years out. 12/29/2015 The Tolt Row easement was purchased to install 16 inches to 20 inches pipe on a 5.5 mile that owned by SPU. In addition to the pipeline, a new gate station will be installed. The construction of Phase 1 (2.8 miles) will be finished in December 31, 2015. Phase 2 construction will be around 2022, and Phase 3 could be more than 20 years out. PSE recorded the project cost in Future Use (WO 153002028). |

TOTAL GAS (FUTURE USE) - GL account 10500502 (POWERPLANT) \$ 1,436,770.44 \$ 6,138,775.25 \$ (4,702,004.81)
 TOTAL GAS (FUTURE USE) - GL account 10500502 (SAP) \$ 1,436,770.44
 VARIANCE \$ -

COMMON - 10500503

| PP ASSET NUMBER | WO # | VINTAGE YEAR | FERC # | DESCRIPTION | ASSET 1100 REF # | 12/31/2016 BALANCE | 12/31/2015 BALANCE | CURRENT QUARTER CHARGES | DATE IN FUTURE USE | SUPER NUMBER | TARGET FOLLOW UP DATE | NOTES |
|-----------------|-----------|--------------|--------|-------------------------------|------------------|--------------------|--------------------|-------------------------|--------------------|--------------|-----------------------|---|
| | | | | | | \$ 199,938.03 | \$ - | | | | Q4 2017 | Our plan is to begin mass meter/module deployment in Q1 2018. These work orders represent the network device currently being installed. We began q3 2016 and will be completed Q4 2018. We are in the process of hiring a deployment vendor, check back in September and we should have better idea of our deployment plan. |
| 29156105 | 143002527 | 2016 | C3970 | COMMEQ-FUTURE USE AMI NETWORK | 65 | | | \$ 199,938.03 | 12/1/2016 | COM-FAMI | | |
| 28676614 | 143002454 | 2016 | C3970 | COMMEQ-FUTURE USE AMI NETWORK | 66 | \$ 1,984,121.27 | \$ - | \$ 1,984,121.27 | 9/1/2016 | COM-FAMI | | |

TOTAL COMMON (FUTURE USE) - GL account 10500503 (POWERPLANT) \$ 2,184,059.30 \$ - \$ 2,184,059.30
 TOTAL COMMON (FUTURE USE) - GL account 10500503 (SAP) \$ 2,184,059.30
 VARIANCE \$ -

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Dockets UE-170033 and UG-170034
Puget Sound Energy
2017 General Rate Case**

ICNU DATA REQUEST NO. 099

“CONFIDENTIAL” “HIGHLY CONFIDENTIAL” Table of Contents

| DR NO. | “CONFIDENTIAL” Material |
|---------------|---|
| 099 | Designated Information is CONFIDENTIAL per Protective Order in WUTC Dockets UE-170033 & UG-170034 as marked in Attachment B to PSE's Response to ICNU Data Request No. 099. |

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Dockets UE-170033 and UG-170034
Puget Sound Energy
2017 General Rate Case**

ICNU DATA REQUEST NO. 099

ICNU DATA REQUEST NO. 099:

Reference the Company's response to ICNU Data Request 65, regarding Plant Held for Future Use: Does the Company agree that the referenced response did not quantify any benefits that may accrue to ratepayers as a result of the Company's ownership in each of the respective Plant Held for Future Use assets? If no, please identify where in the attachment the future benefits of the assets have been quantified.

Response:

As required by the FERC manual for FERC Account 105 and by the 11th Supplemental Order in WUTC Docket UE-921262, Puget Sound Energy ("PSE") is required to maintain a definite plan for property that it holds for future use in FERC Account 105. A summary of PSE's definite plan for each property held for future use was provided in Attachment A to PSE's Response to ICNU's Data Request No. 063 in the Column titled "Notes" that describes each property purchased, the purpose for acquiring the property, and when PSE intends to place the project in service. As part of PSE's plan, the benefits of maintaining the property until needed are reviewed. Examples of such evaluation are:

Lower Snake River Development Rights – Reference Nos. 48 through 48.9 on Attachment A to PSE's Response to ICNU Data Request No. 063 - \$22.2 million.

PSE modeled the need for new renewable resources to comply with RCW 19.285, which requires the utility to acquire 15 percent of its energy from renewable resources by 2020. PSE's 2013 Integrated Resource Plan ("IRP") called for an additional 600 MW of wind builds over the 20-year planning horizon. The 2015 IRP suggests PSE will have a renewable need of approximately 356,000 additional renewable energy credits ("RECs"), starting in 2023, which translates to approximately 100 MW of additional wind resources to comply with the standard. This deficiency is predicted to grow to a need for 1,205,000 additional RECs, which translates to 337 MW of additional wind resources by 2035.

Additionally, in September 2016, the Washington State Department of Ecology adopted new emission standards (Chapter 173-442 WAC – Clean Air Rule) to help reduce greenhouse gas emissions. This rule is expected to increase the amount of renewable resources required to offset CO2 emissions for regulatory compliance purposes.

There may or may not be sufficient cost-effective market resources available to meet PSE's future renewable resource requirements at the time those resources are needed. Holding the Lower Snake River land development rights is a benefit to PSE's customers by preserving a cost-effective development opportunity, which ultimately increases the flexibility PSE will have when evaluating the renewable resource options available to meet these requirements.

Vernell Substation Land and Structure – Reference Nos. 60 and 61 on Attachment A to PSE's Response to ICNU Data Request No. 063 - \$9.2 million.

The property is currently planned for use related to the growth in the Spring District on the Eastside which is currently anticipated around 2020-2022. The evaluation performed related to the need for this property is included as Attachment A to PSE's Response to ICNU Data Request No. 099.

Alderton Krain Corner Land and Easement – Reference Nos. 1 through 3 on Attachment A to PSE's Response to ICNU Data Request No. 063 - \$3.3 million.

The property is currently planned for use related to White River – Electron Heights Re-Route to Alderton Phase 2 which is currently anticipated around 2018. The evaluation performed related to the need for this property is included as Attachment B to PSE's Response to ICNU Data Request No. 099.

Designated Information is CONFIDENTIAL per Protective Order in WUTC Dockets UE-170033 & UG-170034 as marked in Attachment B to PSE's Response to ICNU Data Request No. 099.

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Dockets UE-170033 and UG-170034
Puget Sound Energy
2017 General Rate Case**

ICNU DATA REQUEST NO. 102

ICNU DATA REQUEST NO. 102:

Please provide the Company's best estimate of the expected rate base balances (*i.e.*, Gross Plant, Accumulated Depreciation and Allowance for Deferred Income Taxes) for Colstrip Units 1 and 2 as of July 1, 2022, assuming existing depreciation accrual rates are not changed.

Response:

Puget Sound Energy ("PSE") objects to ICNU Data Request No. 102 in that it asks for information that is not relevant nor reasonably calculated to lead to the discovery of admissible evidence and requires a calculation that PSE has not previously performed and that can be performed by ICNU using information provided in the discovery process of this proceeding. Without waiving this objection and subject thereto, PSE responds as follows:

Attached as Attachment A to Puget Sound Energy's ("PSE") Response to ICNU's Data Request No. 102 is an MS Excel workbook showing the results of the requested calculation. The results in Attachment A would not necessarily represent the rate base balance that will exist at the time of plant closure. For instance, the requested calculation does not contemplate the retirements that would occur related to assets being replaced by the assumed capital additions. PSE does not have retirements forecasted, as this information would need to be provided by Talen. Nonetheless, PSE has mechanically performed the exercise as requested.

Existing plant balance:

PSE started by taking the net plant balance as of March 31, 2017 and forecasting out the current monthly depreciation and multiplying that by 63 months to forecast the net balance of the existing plant as of July 1, 2022 using the currently approved depreciation rates.

New Plant Additions:

New plant additions from Attachment A to PSE's Response to ICNU Data Request No. 101 were then included by month to July 1, 2022 to calculate an estimated Plant in

Service balance. These monthly balances of plant additions were then multiplied by the current composite depreciation rates to forecast an Accumulated Reserve Balance.

Accumulated Deferred Federal Income Taxes (“ADIT”):

The ADIT was developed using the current plant balance including the forecasted expenditures plus bonus depreciation for the years 2017 through 2019 for which PSE will be eligible.

As shown in Attachment A, this calculation would result in a rate base balance for Colstrip Units 1 and 2 as of July 1, 2022, of approximately \$178 million using (i) the assumed capital expenditures, (ii) no change in the depreciation rates, and (iii) no assumption of retirements.

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Dockets UE-170033 and UG-170034
Puget Sound Energy
2017 General Rate Case**

WUTC STAFF DATA REQUEST NO. 261

WUTC STAFF DATA REQUEST NO. 261:

RE: Regarding Greenwood Natural Gas Explosion

In Excel format, please provide all expenses related to the Greenwood natural gas explosion, itemized by FERC account, for the test year.

Response:

The expenses related to the Greenwood natural gas explosion for the test year October 2015 – September 2016 are as follows:

| FERC Account | Amount |
|--------------|--------------|
| 426 | \$ 3,200,000 |
| 923 | \$ 13,203 |
| 880 | \$ 353,145 |
| Total | \$ 3,566,348 |

Amounts recorded in FERC Account 426 represent the accrual for the recommended penalty associated with the Commission proceeding. Amounts recorded in FERC Account 923 represent the legal fees associated with the Commission proceeding. Amounts recorded in FERC Account 880 represent the operations costs associated with responding to the Greenwood natural gas explosion.

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Dockets UE-170033 and UG-170034
Puget Sound Energy
2017 General Rate Case**

ICNU DATA REQUEST NO. 055

“CONFIDENTIAL” “HIGHLY CONFIDENTIAL” Table of Contents

| DR NO. | “CONFIDENTIAL” Material |
|---------------|---|
| 055 | Attachment A-B to PSE’s Response to ICNU Data Request No. 055 is CONFIDENTIAL per Protective Order in WUTC Dockets UE-170033 and UG-170034. |

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Dockets UE-170033 and UG-170034
Puget Sound Energy
2017 General Rate Case**

ICNU DATA REQUEST NO. 055

ICNU DATA REQUEST NO. 055:

Reference Ms. Barnard's workpaper "6.19E & 6.19G Environmental 17GRC.xlsx," worksheet "JKR-3 E": Please provide workpapers detailing the calculation of the hardcoded numbers detailed in range "F6:G6" of the referenced worksheet. Please also provide a brief explanation for how the Company arrived at the values in this range, and the significance of these values on revenue requirement in this proceeding.

Response:

Puget Sound Energy ("PSE") obtained clarification from counsel for ICNU that the worksheet named in ICNU Data Request No. 055 should have been "Future Costs."

Attached as Attachment A to PSE's Response to ICNU Data Request No. 055 is an MS Excel spreadsheet which provides the detailed calculation of the figures contained in the referenced location.

The figures in the referenced range are the high estimate and the low estimate of the remaining cost of remediation for all of PSE's electric remediation sites accounted for under its deferred accounting mechanism. PSE relies on outside experts such as environmental consultants and environmental counsel who conduct periodic reviews of PSE's environmental sites to determine these estimates. The values presented were based on estimates available at the time PSE prepared its filing. Since its original filing, PSE's outside experts have updated their estimates of the future costs for PSE's electric environmental remediation sites. Attached as Attachment B to PSE's Response to ICNU Data Request 055 are the updated future cost estimates. In the Prefiled Direct Testimony of Ms. Susan E. Free, Exhibit No. ___(SEF-1T), at page 25 lines 23 through 25, it was indicated that these future cost estimates would be updated during the course of this proceeding. PSE will update these future cost estimates during rebuttal at the same time that it updates the other items referenced on page 25 of Exhibit No. ___(SEF-1T).

The significance of these values on electric revenue requirement in this proceeding are that they are used to determine the portion of the insurance proceeds and third party

reimbursements for its electric environmental sites that PSE is proposing to amortize over a five-year period and recover in rates. Please see page 23 beginning at line 16 of the Prefiled Direct Testimony of Ms. Susan E. Free, Exhibit No. ____ (SEF-1T), for a discussion of and justification for the proposal.

During preparation of this data request, it was discovered that the City of Olympia vs. PSE environmental remediation site was categorized as gas when it should have been categorized as electric. Attachment A adds this site to the future cost estimates that were originally filed. Making this correction would change the overall adjustment to expense for electric by \$4,700. PSE will also make this correction to both the electric and gas revenue requirements at rebuttal.

Attachment A-B to PSE's Response to ICNU Data Request No. 055 is CONFIDENTIAL per Protective Order in WUTC Dockets UE-170033 and UG-170034.

**ATTACHMENT A-B to PSE's Response
to ICNU Data Request No. 055**

Attachment B to PSE's Response to ICNU Data Request No. 55

| | Q4 2016 Low Range Future Cost Estimate | Q4 2016 High Range Future Cost Estimate | PSE percentage per settlement / allocation agreements | Q4 2016 Low Range Future Cost Estimate (Suggested X Allocation) for 2017 | Q4 2016 High Range Future Cost Estimate (Suggested X Allocation) for 2017 | Provided by |
|---|--|---|--|---|---|------------------------------------|
| This first site has an allocation agreement in place and shared costs | | | | | | |
| Bellingham SSS MGP | \$ 3,900,000 | XXXXXXXXXXXXXX | 0.75 | \$ 2,925,000 | XXXXXXXXXXXXXX | GeoEngineers, Inc. Consulting Firm |
| The following sites are PSE only costs | | | | | | |
| Talbot | \$ 75,000 | XXXXXXXXXXXXXX | | \$ 75,000 | XXXXXXXXXXXXXX | GeoEngineers, Inc. Consulting Firm |
| Sammamish | \$ 50,000 | XXXXXXXXXXXXXX | | \$ 50,000 | XXXXXXXXXXXXXX | GeoEngineers, Inc. Consulting Firm |
| Lower Baker | \$ 350,000 | XXXXXXXXXXXXXX | | \$ 350,000 | XXXXXXXXXXXXXX | GeoEngineers, Inc. Consulting Firm |
| Poulsbo | \$ 20,000 | XXXXXXXXXXXXXX | | \$ 20,000 | XXXXXXXXXXXXXX | GeoEngineers, Inc. Consulting Firm |
| Snoqualmie | \$ 50,000 | XXXXXXXXXXXXXX | | \$ 50,000 | XXXXXXXXXXXXXX | GeoEngineers, Inc. Consulting Firm |
| Whidbey | \$ 30,000.00 | XXXXXXXXXXXXXX | | \$ 30,000 | XXXXXXXXXXXXXX | GeoEngineers, Inc. Consulting Firm |
| Electron | \$ 250,000.00 | XXXXXXXXXXXXXX | | \$ 250,000 | XXXXXXXXXXXXXX | GeoEngineers, Inc. Consulting Firm |
| Whitehorn | \$ 96,000.00 | XXXXXXXXXXXXXX | | \$ 96,000 | XXXXXXXXXXXXXX | GeoEngineers, Inc. Consulting Firm |
| White River (Buckley 1) | \$ 465,000.00 | XXXXXXXXXXXXXX | | \$ 465,000 | XXXXXXXXXXXXXX | GeoEngineers, Inc. Consulting Firm |
| White River (Buckley Debris) | \$ 200,000.00 | XXXXXXXXXXXXXX | | \$ 200,000 | XXXXXXXXXXXXXX | GeoEngineers, Inc. Consulting Firm |
| City of Olympia vs PSE | \$ 115,000.00 | XXXXXXXXXXXXXX | | \$ 115,000 | XXXXXXXXXXXXXX | Perkins Coie LLP Law Firm |
| Duwamish | \$ 250,000.00 | XXXXXXXXXXXXXX | | \$ 250,000 | XXXXXXXXXXXXXX | GeoEngineers, Inc. Consulting Firm |
| | | | Total | \$ 4,876,000 | \$ - | |

REDACTED

Attachment A to PSE's Response to ICNU Data Request No. 55

| | Q4 2015 Low Range Future Cost Estimate | Q4 2015 High Range Future Cost Estimate | PSE percentage per settlement / allocation agreements | Q4 2015 Low Range Future Cost Estimate (Suggested X Allocation) for 2016 | Q4 2015 High Range Future Cost Estimate (Suggested X Allocation) for 2016 | Provided by |
|---|--|---|--|---|---|------------------------------------|
| This first site has an allocation agreement in place and shared costs | | | | | | |
| Bellingham SSS MGP | \$ 3,900,000 | XXXXXXXXXXXX | 0.75 | \$ 2,925,000 | XXXXXXXXXXXX | GeoEngineers, Inc. Consulting Firm |
| The following sites are PSE only costs | | XXXXXXXXXXXX | | | XXXXXXXXXXXX | |
| Talbot | \$ 75,000 | XXXXXXXXXXXX | | \$ 75,000 | XXXXXXXXXXXX | GeoEngineers, Inc. Consulting Firm |
| Samamish | \$ 50,000 | XXXXXXXXXXXX | | \$ 50,000 | XXXXXXXXXXXX | GeoEngineers, Inc. Consulting Firm |
| Lower Baker | \$ 350,000 | XXXXXXXXXXXX | | \$ 350,000 | XXXXXXXXXXXX | GeoEngineers, Inc. Consulting Firm |
| Poulsbo | \$ 20,000 | XXXXXXXXXXXX | | \$ 20,000 | XXXXXXXXXXXX | GeoEngineers, Inc. Consulting Firm |
| Snoqualmie | \$ 50,000 | XXXXXXXXXXXX | | \$ 50,000 | XXXXXXXXXXXX | GeoEngineers, Inc. Consulting Firm |
| Whidbey | \$ 30,000.00 | XXXXXXXXXXXX | | \$ 30,000 | XXXXXXXXXXXX | GeoEngineers, Inc. Consulting Firm |
| Electron | \$ 250,000.00 | XXXXXXXXXXXX | | \$ 250,000 | XXXXXXXXXXXX | GeoEngineers, Inc. Consulting Firm |
| Whitehorn | \$ 96,000.00 | XXXXXXXXXXXX | | \$ 96,000 | XXXXXXXXXXXX | GeoEngineers, Inc. Consulting Firm |
| White River (Buckley 1) | \$ 465,000.00 | XXXXXXXXXXXX | | \$ 465,000 | XXXXXXXXXXXX | GeoEngineers, Inc. Consulting Firm |
| White River (Buckley Debris) | \$ 200,000.00 | XXXXXXXXXXXX | | \$ 200,000 | XXXXXXXXXXXX | GeoEngineers, Inc. Consulting Firm |
| Duwamish | \$ 600,000.00 | XXXXXXXXXXXX | | \$ 600,000 | XXXXXXXXXXXX | GeoEngineers, Inc. Consulting Firm |
| | | | | Total as filed | \$ 5,111,000 \$ - | |
| Add Olympia vs. PSE - classified as gas in original filing, should have been electric | | | | | | |
| City of Olympia vs PSE | \$ 125,000.00 | XXXXXXXXXXXX | | \$ 125,000 | XXXXXXXXXXXX | Perkins Coie LLP Law Firm |
| | | | | Corrected | \$ 5,236,000 \$ - | |
| REDACTED | | | | | | |