

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.**

**PUGET SOUND ENERGY,**

**Respondent.**

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**DOCKETS UE-170033 and  
UG-170034 (Consolidated)**

**EXHIBIT NO. AZA-3**

**ELECTRIC CLASS COST OF SERVICE STUDY RESULTS AT PRESENT AND  
COMPANY PROPOSED RATES ADJUSTED TEST YEAR TWELVE MONTHS  
ENDED SEPTEMBER 2016 @ PROFORMA REV REQUIREMENT**

**JUNE 30, 2017**

**Puget Sound Energy**

Electric Class Cost of Service Study Results at Present and Company Proposed Rates  
Adjusted Test Year Twelve Months ended September 2016 @ Proforma Rev Requirement

Line	Customer Class	Present Rates			Proposed Rates				
		Rate Base (1)	Operating Income at Present Rates (2)	Rate of Return (3)	Relative Rate of Return (4)	Over/(Under) Collection (5)	Rate of Return (6)	Relative Rate of Return (7)	Over/(Under) Collection (8)
1	Residential (Sch7)	\$ 2,919,904,460	\$ 121,993,259	4.18%	70	\$ (85,512,019)	6.02%	78	\$ (80,936,842)
2	Sec Volt (Sch 24, kW<50)	\$ 622,692,020	\$ 57,889,559	9.30%	155	\$ 33,251,819	10.92%	141	\$ 32,002,266
3	Sec Volt (Sch 25, kW>50&<350)	\$ 604,694,234	\$ 53,841,703	8.90%	149	\$ 28,454,752	10.49%	136	\$ 26,855,238
4	Sec Volt (Sch 26, kW>350)	\$ 348,593,129	\$ 30,926,346	8.87%	148	\$ 16,222,255	10.52%	136	\$ 15,669,381
5	Pri Volt (Sch 31/35/43)	\$ 272,817,427	\$ 22,106,939	8.10%	135	\$ 9,308,852	9.71%	125	\$ 8,667,812
6	Campus (Sch 40)	\$ 115,475,290	\$ 6,763,856	5.86%	98	\$ (249,071)	8.02%	104	\$ 524,359
7	High Volt (Sch 46/49)	\$ 94,175,271	\$ 8,865,311	9.41%	157	\$ 5,206,914	11.04%	143	\$ 5,017,184
8	Choice / Retail Wheeling (Sch 448/449)	\$ 63,088,299	\$ 444,490	0.70%	12	\$ (5,387,431)	1.15%	15	\$ (6,718,991)
9	Lighting (Sch 50-59)	\$ 54,530,382	\$ 2,819,862	5.17%	86	\$ (722,099)	6.76%	87	\$ (861,364)
10	Firm Resale	\$ 1,777,260	\$ (248,842)	-14.00%	-234	\$ (573,971)	0.11%	1	\$ (219,043)
11	<b>Total</b>	<b>\$ 5,097,747,772</b>	<b>\$ 305,402,483</b>	<b>5.99%</b>	<b>100</b>	<b>\$ -</b>	<b>7.74%</b>	<b>100</b>	<b>\$ -</b>

Source:  
JAP Supplemental ECOS WP