

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**Docket Nos. UG-110723  
Puget Sound Energy, Inc.'s  
Tariff Filing for Pipeline Integrity Program**

**RECORD REQUISITION NO. 001****RECORD REQUISITION NO. 001**

Please provide an updated response to Staff's Informal Data Request No. 23 to reflect information included in PSE's current request in this filing:

*Please provide the improvement to PSE's gas return on rate base if the proposed accounting treatment for pipeline replacement is granted compared to the gas return on rate base without the proposed accounting treatment, all else being equal.*

**Response:**

Please see below for an updated response to WUTC Staff Informal Data Request No. 23, reflecting information included in Puget Sound Energy, Inc.'s current request in this proceeding. As shown below, the improvement to PSE's actual rate of return for its gas operations with the PIP, as compared to without the PIP, is seven basis points.

September 2011 Ratebase	\$ 1,662,079,612			2009 GRC				
Equity in Capital Structure	46.00%			Net of Tax Rate of Return				
Equity in Ratebase	\$ 764,556,622				Proforma		Cost of	
				Description	Capital	Cost	Capital	
Rate of Return in PIP				Short Term Debt	3.95%	1.61%	0.07%	
Exhibit JHS-4	\$ 804,616			Long Term Debt	50.05%	4.36%	2.18%	
Equity Component of ROR	67.37%	(a)/(b)		Equity	46.00%	10.10%	4.65%	(a)
Earned Equity	\$ 542,089						6.90%	(b)
Earned Equity	\$ 542,089							
Divide by Equity	\$ 764,556,622							
Earnings on Equity	0.071%							

PSE's Response to Record Requisition No. 001

Date of Response: November 22, 2011

Person who Prepared the Response: Robin Amidon

Witness Knowledgeable About the Response: John H. Story