

**EXH. CGP-AEB-TAS-2
DOCKETS UE-220066/UG-220067 et al.
2022 PSE GENERAL RATE CASE
WITNESS: CARA G. PETERMAN
ANN E. BULKLEY
TODD A. SHIPMAN**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY,

Respondent.

**Docket UE-220066
Docket UG-220067**

In the Matter of the Petition of

PUGET SOUND ENERGY

**For an Order Authorizing Deferred
Accounting Treatment for Puget Sound
Energy's Share of Costs Associated
with the Tacoma LNG Facility**

Docket UG-210918

**FIRST EXHIBIT (NONCONFIDENTIAL) TO THE
JOINT TESTIMONY OF**

CARA G. PETERMAN, ANN E. BULKLEY AND TODD A. SHIPMAN

**ON BEHALF OF PUGET SOUND ENERGY IN SUPPORT OF THE
MULTIPARTY SETTLEMENT STIPULATION AND AGREEMENT
ON REVENUE REQUIREMENT AND ALL OTHER ISSUES EXCEPT
FOR TACOMA LNG AND PSE'S GREEN DIRECT PROGRAM**

AUGUST 26, 2022

SUMMARY OF ROE ANALYSES RESULTS

Constant Growth DCF - Median			
	Median Low	Median	Median High
30-Day Average	8.91%	9.39%	9.96%
90-Day Average	8.79%	9.28%	9.85%
180-Day Average	8.88%	9.37%	9.94%
Constant Growth Average	8.86%	9.35%	9.91%
Constant Growth DCF - Mean w/ exclusions¹			
	Mean Low	Mean	Mean High
30-Day Average	9.07%	9.71%	10.55%
90-Day Average	8.97%	9.61%	10.44%
180-Day Average	9.05%	9.69%	10.52%
Constant Growth Average	9.03%	9.67%	10.50%
CAPM			
	Current 30-day Average Treasury Bond Yield	Near-Term Blue Chip Forecast Yield	Long-Term Blue Chip Forecast Yield
Value Line Beta	11.40%	11.45%	11.50%
Bloomberg Beta	10.83%	10.90%	10.97%
Long-Term Avg. Beta	10.07%	10.16%	10.25%
ECAPM			
	Current 30-day Average Treasury Bond Yield	Near-Term Blue Chip Forecast Yield	Long-Term Blue Chip Forecast Yield
Value Line Beta	11.79%	11.82%	11.86%
Bloomberg Beta	11.36%	11.41%	11.46%
Long-Term Avg. Beta	10.78%	10.86%	10.93%
Treasury Yield Plus Risk Premium			
	Current 30-day Average Treasury Bond Yield	Near-Term Blue Chip Forecast Yield	Long-Term Blue Chip Forecast Yield
Risk Premium Analysis - Elec.	9.90%	10.00%	10.10%
Risk Premium Analysis - NG	9.86%	9.99%	10.13%
Expected Earnings			
Mean	11.43%		
Median	11.55%		

Notes:

[1] Constant Growth DCF analysis - Mean w/ Exclusions represents the DCF results excluding the results for individual companies that did not meet the minimum threshold of 7 percent.