

**EXH. KJB-19
DOCKETS UE-170033/UG-170034
2017 PSE GENERAL RATE CASE
WITNESS: KATHERINE J. BARNARD**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY,

Respondent.

**Docket UE-170033
Docket UG-170034**

**SECOND EXHIBIT (NONCONFIDENTIAL) TO THE
PREFILED REBUTTAL TESTIMONY OF**

KATHERINE J. BARNARD

ON BEHALF OF PUGET SOUND ENERGY

AUGUST 9, 2017

PUGET SOUND ENERGY-ELECTRIC
STATEMENT OF OPERATING INCOME AND ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2016
GENERAL RATE INCREASE

LINE NO.	ACTUAL RESULTS OF OPERATIONS	REVISED TOTAL ADJUSTMENTS	REVISED ADJUSTED RESULTS OF OPERATIONS	REVISED REVENUE REQUIREMENT DEFICIENCY	REVISED AFTER RATE INCREASE
1	OPERATING REVENUES				
2	\$ 2,146,048,308	\$ (182,861,223)	\$ 1,963,187,085	\$ 133,630,098	\$ 2,096,817,183
3	SALES FROM RESALE-FIRM/SPECIAL CONTRACT 324,382	(7,993)	316,389	405,143	721,532
4	SALES TO OTHER UTILITIES 201,125,742	(164,927,208)	36,198,534		36,198,534
5	OTHER OPERATING REVENUES 47,841,339	27,186,751	75,028,090		75,028,090
6	TOTAL OPERATING REVENUES 2,395,339,771	(320,609,672)	2,074,730,099	134,035,241	2,208,765,340
7	OPERATING REVENUE DEDUCTIONS:				
8	POWER COSTS:				
9	FUEL 235,002,887				
11		(16,911,519)	218,091,367	-	218,091,367
12	PURCHASED AND INTERCHANGED 532,346,459	(115,272,024)	417,074,436		417,074,436
13	WHEELING 113,800,193	(5,495,734)	108,304,459		108,304,459
14	RESIDENTIAL EXCHANGE (69,268,220)	69,268,220	-		-
15	TOTAL PRODUCTION EXPENSES 811,881,319	(68,411,058)	743,470,262	-	743,470,262
16	OTHER POWER SUPPLY EXPENSES 125,897,437				
17		11,839,212	137,736,649	-	137,736,649
18	TRANSMISSION EXPENSE 20,270,050	98,983	20,369,034		20,369,034
19	DISTRIBUTION EXPENSE 83,356,029	97,052	83,453,081		83,453,081
20	CUSTOMER ACCTS EXPENSES 47,600,166	972,210	48,572,376	959,290	49,531,666
21	CUSTOMER SERVICE EXPENSES 19,829,127	(17,230,512)	2,598,615		2,598,615
22	CONSERVATION AMORTIZATION 97,566,975	(97,540,765)	26,210		26,210
23	ADMIN & GENERAL EXPENSE 114,599,759	2,348,466	116,948,224	268,070	117,216,295
24	DEPRECIATION 268,356,985	53,703,335	322,060,320		322,060,320
25	AMORTIZATION 45,684,975	4,621,532	50,306,507		50,306,507
26	AMORTIZ OF PROPERTY GAIN/LOSS 20,604,866	18,127,163	38,732,029		38,732,029
27	OTHER OPERATING EXPENSES \$ (9,997,194)	19,717,982	9,720,789		9,720,789
28	ASC 815 (64,111,668)	64,111,668	-		-
29	TAXES OTHER THAN INCOME TAXES 230,800,257	(144,230,564)	86,569,693	5,154,593	91,724,286
30	INCOME TAXES 800	53,931,619	53,932,419	44,678,637	98,611,056
31	DEFERRED INCOME TAXES 181,996,915	(140,252,061)	41,744,854		41,744,854
32	TOTAL OPERATING REV. DEDUCT. 1,994,336,799	(238,095,737)	1,756,241,062	51,060,591	1,807,301,653
33	NET OPERATING INCOME \$ 401,002,972				
34		\$ (82,513,935)	\$ 318,489,036	\$ 82,974,650	\$ 401,463,686
35	RATE BASE \$ 5,153,204,462				
36		\$ 33,664,863	\$ 5,186,869,325	\$ -	5,186,869,325
37	RATE OF RETURN 7.78%				
38			6.14%		7.74%
39	RATE BASE:				
40	GROSS UTILITY PLANT IN SERVICE 9,760,401,507				
41		\$ 57,369,784	\$ 9,817,771,290		\$ 9,817,771,290
42	ACCUM DEPR AND AMORT (3,743,804,806)	(111,542,247)	(3,855,347,053)		(3,855,347,053)
43	DEFERRED DEBITS AND CREDITS 253,258,620	36,222,723	289,481,343		289,481,343
44	DEFERRED TAXES (1,263,932,468)	17,255,918	(1,246,676,549)		(1,246,676,549)
45	ALLOWANCE FOR WORKING CAPITAL 227,005,242	34,358,685	261,363,927		261,363,927
46	OTHER (79,723,633)	-	(79,723,633)		(79,723,633)
47	TOTAL RATE BASE \$ 5,153,204,462	\$ 33,664,863	\$ 5,186,869,325	\$ 82,974,650	\$ 5,186,869,325

PUGET SOUND ENERGY-ELECTRIC
STATEMENT OF OPERATING INCOME AND ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2016
Adjustment Detail (Page 1)

LINE NO.	ACTUAL RESULTS OF OPERATIONS	REVENUES & EXPENSES 20,01	TEMPERATURE NORMALIZATION 20,02	PASS-THROUGH REVS. & EXPS. 20,03	FEDERAL INCOME TAX 20,04	TAX BENEFIT OF PROFORMA INTEREST 20,05	CONTESTED DEPRECIATION STUDY 20,06
1	OPERATING REVENUES						
2	SALES TO CUSTOMERS	\$ 2,146,048,308	\$ (18,636,298)	\$ (192,533,061)	\$ -	\$ -	\$ -
3	SALES FROM RESALE-FIRM/SPECIAL CONTRACT	524,382	147	(13,258)			
4	SALES TO OTHER UTILITIES	201,125,742	5,118	(13,258)			
5	OTHER OPERATING REVENUES	47,841,139	(10,225,163)	(278,053)			
6	TOTAL OPERATING REVENUES	2,395,339,771	(28,861,314)	(192,824,371)			
7	OPERATING REVENUE DEDUCTIONS:						
8							
9	POWER COSTS:						
10	FUEL	235,002,887	-	-	-	-	-
11	PURCHASED AND INTERCHANGED	532,346,459	-	-	-	-	-
12	WHEELING	113,800,193	-	-	-	-	-
13	RESIDENTIAL EXCHANGE	(69,268,220)	69,268,220	-	-	-	-
14	TOTAL PRODUCTION EXPENSES	811,881,319	-	69,268,220	-	-	-
15							
16	OTHER POWER SUPPLY EXPENSES	125,897,437	-	-	-	-	-
17	TRANSMISSION EXPENSE	20,270,050	-	-	-	-	-
18	DISTRIBUTION EXPENSE	83,356,029	-	-	-	-	-
19	CUSTOMER ACCTS EXPENSES	47,600,166	202,638	(1,378,054)	-	-	-
20	CUSTOMER SERVICE EXPENSES	19,829,127	-	(17,275,568)	-	-	-
21	CONSERVATION AMORTIZATION	97,566,975	-	(97,540,765)	-	-	-
22	ADMIN & GENERAL EXPENSE	114,599,759	56,627	(426,522)	-	-	-
23	DEPRECIATION	268,356,985	-	-	-	-	53,998,973
24	AMORTIZATION	45,684,975	-	-	-	-	(751,879)
25	AMORTIZ OF PROPERTY GAIN/LOSS	20,604,866	-	365,335	-	-	-
26	ASC 815	(9,997,194)	-	-	-	-	-
27	OTHER OPERATING EXPENSES	(64,111,668)	-	-	-	-	-
28	TAXES OTHER THAN INCOME TAXES	230,800,257	1,088,843	(144,297,723)	144,836,216	(54,280,587)	(18,636,483)
29	INCOME TAXES	800	9,437,801	(538,732)	(117,812,977)	-	-
30	DEFERRED INCOME TAXES	181,996,915	-	-	-	-	-
31	TOTAL OPERATING REV. DEDUCT.	1,994,336,799	277,800	(191,823,831)	27,023,239	(54,280,587)	34,610,611
32							
33	NET OPERATING INCOME	\$ 401,002,972	\$ (29,139,114)	\$ (1,000,540)	\$ (27,023,239)	\$ 54,280,587	\$ (34,610,611)
34							
35	RATE BASE	\$ 5,153,204,462	\$ -	\$ -	\$ -	\$ -	\$ (17,305,306)
36							
37	RATE OF RETURN	7.78%					
38							
39	RATE BASE:						
40	GROSS UTILITY PLANT IN SERVICE	\$ 9,760,401,507	\$ -	\$ -	\$ -	\$ -	\$ -
41	ACCUM DEPR AND AMORT	(3,743,804,806)	-	-	-	-	(26,623,547)
42	DEFERRED DEBITS AND CREDITS	253,258,620	-	-	-	-	9,318,241
43	DEFERRED TAXES	(1,263,932,468)	-	-	-	-	-
44	ALLOWANCE FOR WORKING CAPITAL	227,005,242	-	-	-	-	-
45	OTHER	(79,723,633)	-	-	-	-	-
46							
47	TOTAL RATE BASE	\$ 5,153,204,462	\$ -	\$ -	\$ -	\$ -	\$ (17,305,306)

Amounts in bold and italics are different from April 3, 2017 supplemental filing.

PUGET SOUND ENERGY-ELECTRIC
STATEMENT OF OPERATING INCOME AND ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2016
Adjustment Detail (Page 2)

LINE NO.	NORMALIZE INJ & DMGS 20,07	BAD DEBITS 20,08	INCENTIVE PAY 20,09	D&O INSURANCE 20,10	INTEREST ON CUST DEPOSITS 20,11	CONTESTED RATE CASE EXPENSES 20,12	CONTESTED DEFERRED G/L ON PROPERTY SALES 20,13	PROPERTY & LIABILITY INS 20,14
1	OPERATING REVENUES							
2	SALES TO CUSTOMERS	\$	\$	\$	\$	\$	\$	\$
3	SALES FROM RESALE-FIRM/SPECIAL CONTRACT							
4	SALES TO OTHER UTILITIES							
5	OTHER OPERATING REVENUES							
6	TOTAL OPERATING REVENUES							
7	OPERATING REVENUE DEDUCTIONS:							
8	POWER COSTS:							
10	FUEL		10,380					
11	PURCHASED AND INTERCHANGED WHEELING							
12	RESIDENTIAL EXCHANGE		10,380					
13	TOTAL PRODUCTION EXPENSES		10,380					
14	OTHER POWER SUPPLY EXPENSES		25,959					
15	TRANSMISSION EXPENSE		17,172					
16	DISTRIBUTION EXPENSE		28,487					
17	CUSTOMER ACCTS EXPENSES		10,494		176,606			
18	CUSTOMER SERVICE EXPENSES		3,373					
19	CONSERVATION AMORTIZATION		63,227	(24,832)		407,545	(101,765)	
20	ADMIN & GENERAL EXPENSE							
21	DEPRECIATION							
22	AMORTIZATION							
23	AMORTIZ OF PROPERTY GAIN/LOSS							
24	OTHER OPERATING EXPENSES							
25	ASC 815							
26	TAXES OTHER THAN INCOME TAXES		9,991					
27	INCOME TAXES		(59,179)	8,691		(142,641)	92,184	35,618
28	DEFERRED INCOME TAXES							
29	TOTAL OPERATING REV.-DEDUCT.	(106,750)	37,363	(681,065)	109,903	264,905	(171,200)	(66,147)
30	NET OPERATING INCOME	\$ 69,387	\$ 681,065	\$ 16,141	\$ (176,606)	\$ (264,905)	\$ 171,200	\$ 66,147
31	RATE BASE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
32	RATE OF RETURN	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
33	RATE BASE:							
34	GROSS UTILITY PLANT IN SERVICE							
35	ACCUM DEPR AND AMORT							
36	DEFERRED DEBITS AND CREDITS							
37	DEFERRED TAXES							
38	ALLOWANCE FOR WORKING CAPITAL							
39	OTHER							
40	TOTAL RATE BASE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Amounts in bold and italics are different from April 3, 2017 supplemental filing.

PUGET SOUND ENERGY-ELECTRIC
STATEMENT OF OPERATING INCOME AND ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2016
Adjustment Detail (Page 3)

LINE NO.	CONTESTED		REVISED		REVISED		REVISED		NEW ADJUSTMENT	
	PENSION PLAN 20.15	WAGE INCREASE 20.16	INVESTMENT PLAN 20.17	EMPLOYEE INSURANCE 20.18	ENVIRONMENTAL REMEDIATION 20.19	PAYMENT PROCESSING COSTS 20.20	SOUTH KING SERVICE CENTER 20.21	EXCISE TAX AND WUTC FILING FEE 20.22	WORKING CAPITAL 20.23	
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PUGET SOUND ENERGY-ELECTRIC
STATEMENT OF OPERATING INCOME AND ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2016
Adjustment Detail (Page 5)

LINE NO.	GOLDDENDALE CAPACITY UPGRADE 21.09	MINT FARM CAPACITY UPGRADE 21.10	WHITE RIVER 21.11	CONTESTED RECLASS OF HYDRO TREASURY GRANTS 21.12	CONTESTED PRODUCTION ADJUSTMENT 21.13	REVISIED TOTAL ADJUSTMENTS	REVISIED ADJUSTED RESULTS OF OPERATIONS
1	OPERATING REVENUES						
2	SALES TO CUSTOMERS					\$ (182,861,223)	\$ 1,963,187,085
3	SALES FROM RE-SALE-FIRM/SPECIAL CONTRACT					(7,993)	316,389
4	SALES TO OTHER UTILITIES					(164,927,208)	36,198,534
5	OTHER OPERATING REVENUES					27,186,751	75,028,090
6	TOTAL OPERATING REVENUES					(320,609,672)	2,074,730,099
7	OPERATING REVENUE DEDUCTIONS:						
8	POWER COSTS:						
9	FUEL						
10	PURCHASED AND INTERCHANGED						
11	WHEELING						
12	RESIDENTIAL EXCHANGE						
13	TOTAL PRODUCTION EXPENSES						
14	OTHER POWER SUPPLY EXPENSES						
15	TRANSMISSION EXPENSE						
16	DISTRIBUTION EXPENSE						
17	CUSTOMER ACCTS EXPENSES						
18	CUSTOMER SERVICE EXPENSES						
19	CONSERVATION AMORTIZATION						
20	ADMIN & GENERAL EXPENSE						
21	DEPRECIATION						
22	AMORTIZ OF PROPERTY GAIN/LOSS						
23	OTHER OPERATING EXPENSES						
24	ASC 815						
25	TAXES OTHER THAN INCOME TAXES						
26	INCOME TAXES						
27	DEFERRED INCOME TAXES						
28	TOTAL OPERATING REV. DEDUCT.						
29	NET OPERATING INCOME						
30	RATE BASE						
31	RATE OF RETURN						
32	RATE BASE:						
33	GROSS UTILITY PLANT IN SERVICE						
34	ACCUM DEPR AND AMORT						
35	DEFERRED DEBITS AND CREDITS						
36	DEFERRED TAXES						
37	ALLOWANCE FOR WORKING CAPITAL						
38	OTHER						
39	TOTAL RATE BASE						
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