

**EXH. KJB-35
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**

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

KATHERINE J. BARNARD

ON BEHALF OF PUGET SOUND ENERGY

AUGUST 9, 2017

COMPARISON OF STORM COSTS--ACTUAL VS NORMALIZED

	Actual Expense (a)	Normalized (b)	Difference (c)	After Tax Impact (d)
1 Normalized 2015--no change in mechanism	\$ 11,178,610	\$ 9,602,270	\$ (1,576,340)	(1,024,621)
2 Current Mechanism-Highest actual expense	\$ 11,719,539	\$ 9,602,270	\$ (2,117,269)	(1,376,225)
3 Current Mechanism-lowest actual expense	\$ 4,461,448	\$ 9,602,270	\$ 5,140,822	3,341,534
4 Storm Mechanism Eliminated- Highest Expense	\$ 35,336,376	\$ 19,305,692	\$ (16,030,683)	(10,419,944)
5 Storm Mechanism Eliminated- Lowest Expense	\$ 4,461,448	\$ 19,305,692	\$ 14,844,244	9,648,758
Rate of Return Impact (based on 2015 AMA Ratebase of \$5,224,753,571)				
6 Normalized 2015--no change in mechanism				-0.02%
7 Current Mechanism-Highest actual expense				-0.03%
8 Current Mechanism-lowest actual expense				0.06%
9 Storm Mechanism Eliminated- Highest Expense				-0.20%
10 Storm Mechanism Eliminated- Lowest Expense				0.18%

**PUGET SOUND ENERGY-ELECTRIC
STORM DAMAGE
FOR THE TWELVE MONTHS ENDED DECEMBER 31 2015
GENERAL RATE CASE**

Normalization assuming no change to Storm Deferral Mechanism

LINE NO.	DESCRIPTION	Non Qualified		Qualified Storm	Total Qualified & NonQualified Storms		Deferred	Storm Expense/Test Year/Operating Expense
1	NORMAL STORMS							
2	ACTUAL O&M:							
3	Calendar Year 2010	\$ 1,535,187	\$ 21,960,551	\$ 23,495,738	\$ 13,952,464	\$ 9,543,273		
4	Calendar Year 2011	\$ 4,120,584	\$ 340,865	\$ 4,461,448	\$ 4,461,448	\$ 4,461,448		
5	Calendar Year 2012	\$ 3,214,043	\$ 68,296,071	\$ 71,510,114	\$ 60,295,490	\$ 11,214,624		
6	Calendar Year 2013	\$ 3,026,585	\$ 6,469,541	\$ 9,496,126	\$ 9,496,126	\$ 9,496,126		
7	Calendar Year 2014	\$ 3,719,422	\$ 26,185,790	\$ 29,905,212	\$ 18,185,673	\$ 11,719,539		
8	Calendar Year 2015	\$ 3,156,858	\$ 32,179,518	\$ 35,336,376	\$ 24,157,766	\$ 11,178,610		
9	TOTAL NORMAL STORMS	\$ 18,772,678	\$ 155,432,335	\$ 174,205,013	\$ 116,591,393	\$ 57,613,620		
10								
11	SIX- YEAR AVERAGE STORM EXPENSE FOR RATE YEAR (LINE 9 ÷ 6 YEARS)						\$	9,602,270
12								
13	CHARGED TO EXPENSE 2010 -2015						\$	11,178,610
14	ACTUAL STORM DAMAGE EXPENSE						\$	11,178,610
15							\$	(1,576,340)
16	INCREASE (DECREASE) OPERATING EXPENSE (LINE 11-LINE 14)						\$	(1,576,340)
17	18210261 storm 2010 year	Deferred / (GL Balance)					\$	13,952,464
18	18210281 storm 2012 year						\$	60,295,490
19	18210301 storm 2014 year						\$	18,185,673
20	18210311 storm 2015 year						\$	24,157,766

**PUGET SOUND ENERGY-ELECTRIC
STORM DAMAGE
FOR THE TWELVE MONTHS ENDED DECEMBER 31 2015
GENERAL RATE CASE**

Scenario #1a--Current Storm Deferred Mechanism and highest storm expense level

LINE NO.	DESCRIPTION	Total Qualified & NonQualified Storms				Deferred	Storm Expense/Test Year/Operating Expense
1	NORMAL STORMS						
2	ACTUAL O&M:						
3	Calendar Year 2010	\$ 1,535,187	\$ 21,960,551	\$ 23,495,738	\$ 13,952,464	\$ 9,543,273	
4	Calendar Year 2011	\$ 4,120,584	\$ 340,865	\$ 4,461,448	\$ -	\$ 4,461,448	
5	Calendar Year 2012	\$ 3,214,043	\$ 68,296,071	\$ 71,510,114	\$ 60,295,490	\$ 11,214,624	
6	Calendar Year 2013	\$ 3,026,585	\$ 6,469,541	\$ 9,496,126	\$ -	\$ 9,496,126	
7	Calendar Year 2014	\$ 3,719,422	\$ 26,185,790	\$ 29,905,212	\$ 18,185,673	\$ 11,719,539	
8	Calendar Year 2015	\$ 3,156,858	\$ 32,179,518	\$ 35,336,376	\$ 24,157,766	\$ 11,178,610	
9	TOTAL NORMAL STORMS	\$ 18,772,678	\$ 155,432,335	\$ 174,205,013	\$ 116,591,393	\$ 57,613,620	
10							
11	SIX-YEAR AVERAGE STORM EXPENSE FOR RATE YEAR (LINE 9 ÷ 6 YEARS)					\$ 9,602,270	
12							
13	CHARGED TO EXPENSE 2010 -2015						
14	ACTUAL STORM DAMAGE EXPENSE (For Scenario Purposes)					\$ 11,719,539	
15							
16	INCREASE (DECREASE) OPERATING EXPENSE (LINE 11-LINE 14)					\$ (2,117,269)	
17	18210261 storm 2010 year			Deferred / (GL Balance)			
18	18210281 storm 2012 year			\$ 13,952,464			
19	18210301 storm 2014 year			\$ 60,295,490			
20	18210311 storm 2015 year			\$ 18,185,673			
				\$ 24,158,236			

**PUGET SOUND ENERGY-ELECTRIC
STORM DAMAGE
FOR THE TWELVE MONTHS ENDED DECEMBER 31 2015
GENERAL RATE CASE**

Scenario #1b--Current Storm Deferred Mechanism and lowest storm expense level

LINE NO.	DESCRIPTION					Total Qualified & NonQualified	Deferred	Storm Expense/Test Year/Operating Expense
1	NORMAL STORMS							
2	ACTUAL O&M:							
3	Calendar Year 2010	\$ 1,535,187	\$ 21,960,551	\$ 23,495,738	\$ 13,952,464	\$ 9,543,273		
4	Calendar Year 2011	\$ 4,120,584	\$ 340,865	\$ 4,461,448	\$ -	\$ 4,461,448		
5	Calendar Year 2012	\$ 3,214,043	\$ 68,296,071	\$ 71,510,114	\$ 60,295,490	\$ 11,214,624		
6	Calendar Year 2013	\$ 3,026,585	\$ 6,469,541	\$ 9,496,126	\$ -	\$ 9,496,126		
7	Calendar Year 2014	\$ 3,719,422	\$ 26,185,790	\$ 29,905,212	\$ 18,185,673	\$ 11,719,539		
8	Calendar Year 2015	\$ 3,156,858	\$ 32,179,518	\$ 35,336,376	\$ 24,157,766	\$ 11,178,610		
9	TOTAL NORMAL STORMS	\$ 18,772,678	\$ 155,432,335	\$ 174,205,013	\$ 116,591,393	\$ 57,613,620		
10								
11	SIX-YEAR AVERAGE STORM EXPENSE FOR RATE YEAR (LINE 9 ÷ 6 YEARS)					\$ 9,602,270		
12								
13	CHARGED TO EXPENSE 2010-2015							
14	ACTUAL STORM DAMAGE EXPENSE (For Scenario Purposes)						\$ 4,461,448	
15								
16	INCREASE (DECREASE) OPERATING EXPENSE (LINE 11-LINE 14)						\$ 5,140,822	
17	18210261 storm 2010 year					Deferred / (GL Balance)		
18	18210281 storm 2012 year					\$ 13,952,464		
19	18210301 storm 2014 year					\$ 60,295,490		
20	18210311 storm 2015 year					\$ 18,185,673		
						\$ 24,158,236		

**PUGET SOUND ENERGY-ELECTRIC
STORM DAMAGE
FOR THE TWELVE MONTHS ENDED DECEMBER 31 2015
GENERAL RATE CASE**

Scenario #2--Staff Methodology and highest storm expense level

LINE NO.	DESCRIPTION	Total Qualified & NonQualified Storms				Storm Expense/Test Year/Operating Expense
1	NORMAL STORMS					
2	ACTUAL O&M:					
3	Calendar Year 2010	\$ 1,535,187	\$ 21,960,551	\$ 23,495,738	\$ -	\$ 23,495,738
4	Calendar Year 2011	\$ 4,120,584	\$ 340,865	\$ 4,461,448	\$ -	\$ 4,461,448
5	Calendar Year 2012	\$ 3,214,043	\$ 68,296,071	\$ 71,510,114	\$ 58,370,860	\$ 13,139,254
6	Calendar Year 2013	\$ 3,026,585	\$ 6,469,541	\$ 9,496,126	\$ -	\$ 9,496,126
7	Calendar Year 2014	\$ 3,719,422	\$ 26,185,790	\$ 29,905,212	\$ -	\$ 29,905,212
8	Calendar Year 2015	\$ 3,156,858	\$ 32,179,518	\$ 35,336,376	\$ -	\$ 35,336,376
9	TOTAL NORMAL STORMS	\$ 18,772,678	\$ 155,432,335	\$ 174,205,013	\$ 58,370,860	\$ 115,834,153
10						
11	SIX-YEAR AVERAGE STORM EXPENSE FOR RATE YEAR (LINE 9 ÷ 6 YEARS)					\$ 19,305,692
12						
13	CHARGED TO EXPENSE 2010 -2015					
14	ACTUAL STORM DAMAGE EXPENSE (For Scenario Purposes)					\$ 35,336,376
15						
16	INCREASE (DECREASE) OPERATING EXPENSE (LINE 11-LINE 14)					\$ (16,030,683)

**PUGET SOUND ENERGY-ELECTRIC
STORM DAMAGE
FOR THE TWELVE MONTHS ENDED DECEMBER 31 2015
GENERAL RATE CASE
Scenario #2--Staff Methodology and lowest storm expense level**

LINE NO.	DESCRIPTION	AMOUNT					
1	NORMAL STORMS						
2	ACTUAL O&M:						
3	Calendar Year 2010	\$ 1,535,187	\$ 21,960,551	\$ 23,495,738		\$ 23,495,738	
4	Calendar Year 2011	\$ 4,120,584	\$ 340,865	\$ 4,461,448		\$ 4,461,448	
5	Calendar Year 2012	\$ 3,214,043	\$ 68,296,071	\$ 71,510,114	\$ 58,370,860	\$ 13,139,254	
6	Calendar Year 2013	\$ 3,026,585	\$ 6,469,541	\$ 9,496,126		\$ 9,496,126	
7	Calendar Year 2014	\$ 3,719,422	\$ 26,185,790	\$ 29,905,212	\$ -	\$ 29,905,212	
8	Calendar Year 2015	\$ 3,156,858	\$ 32,179,518	\$ 35,336,376	\$ -	\$ 35,336,376	
9	TOTAL NORMAL STORMS	\$ 18,772,678	\$ 155,432,335	\$ 174,205,013	\$ 58,370,860	\$ 115,834,153	
10							
11	SIX-YEAR AVERAGE STORM EXPENSE FOR RATE YEAR (LINE 9 ÷ 6 YEARS)					\$ 19,305,692	
12							
13	CHARGED TO EXPENSE 2010 -2015						
14	ACTUAL STORM DAMAGE EXPENSE (For Scenario Purposes)					\$ 4,461,448	
15							
16	INCREASE (DECREASE) OPERATING EXPENSE (LINE 11-LINE 14)					\$ 14,844,244	