



Puget Sound Energy
P.O. Box 97034
Bellevue, WA 98009-9734
PSE.com

March 31, 2021

Filed Via Web Portal

Mr. Mark Johnson
Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503

Re: Gas Accounting Report Pursuant to WAC 480-100-257

Dear Mr. Johnson,

Attached is Puget Sound Energy's ("PSE") Gas Commission Basis Reports ("CBR") showing Restated Results of Operations for the twelve-month period ended December 31, 2020. This report was prepared following the requirements of WAC 480-90-257 and therefore this report does not necessarily reflect all adjustments that PSE would submit in a rate filing. Additionally, there are no pro-forma or annualizing adjustments made in this report in accordance with WAC 480-90-257.

The results show a normalized overall rate of return of 6.37 percent and a return on actual common equity of 7.59 percent, compared with PSE's authorized rate of return of 7.46 percent and return on common equity of 9.47 percent. These authorized amounts are prorated amounts consisting of 274 days per the 2018 expedited rate case¹ which was in effect at the beginning of 2020 and 92 days per the 2019 general rate case² which went into effect on October 1, 2020. Pursuant to Paragraph 308 and 309 of Order 08 in UE-170033 and UG-170034, the earnings sharing test, which provides for equal sharing between PSE and its customers of any earnings that exceed the Company's overall rate of return will continue but has been modified to remove normalizing adjustments from the calculation. These modifications to the gas CBR results provides for a gas rate of return for earnings sharing purposes of 6.37 percent. As PSE did not

¹ In Docket No. UG-180900, PSE's authorized rate of return and return on equity were 7.49 and 9.50 percent, respectively.

² In Docket No. UG-190530, PSE's authorized rate of return and return on equity are 7.39 and 9.40 percent, respectively.

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COMMISSION

Mr. Mark L. Johnson, Executive Director and Secretary

March 31, 2021

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earn above its authorized return, no earnings sharing will be included in the Schedule 142 filing made concurrent with this filing.

Please contact me at (425) 457-5854 should you have any questions.

Regards,

/s/ Stacy Smith

Stacy W. Smith

Manager of Revenue Requirement

Puget Sound Energy / PO Box 97034 / EST-07W

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Attachments:

PSE-WP-Gas-December-2020-CBR-(3-31-21).zip