

**EXHIBIT NO. ____ (SEF-7C)
DOCKET NO. UG-15 ____
WITNESS: SUSAN E. FREE**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of

PUGET SOUND ENERGY, INC.

**for (i) Approval of a Special Contract for
Liquefied Natural Gas Fuel Service with
Totem Ocean Trailer Express, Inc. and
(ii) a Declaratory Order Approving the
Methodology for Allocating Costs
Between Regulated and Non-regulated
Liquefied Natural Gas Services**

DOCKET NO. UG-15 ____

**SIXTH EXHIBIT (CONFIDENTIAL) TO THE
PREFILED DIRECT TESTIMONY OF SUSAN E. FREE
ON BEHALF OF PUGET SOUND ENERGY, INC.**

**CONFIDENTIAL PER
WAC 480-07-160**

AUGUST 11, 2015

**General Allocators to be Used to Allocate Tacoma LNG Facility Expenses
and Capital Between Regulated and Non-Regulated Operations**

Category	Basis for Allocation	Related Allocator	Capital	Peak Shaving	TOTE Fuel Sales	Non-reg Fuel Sales	Total
Common Capital	Allocated liquefaction and storage costs weighted based on total capital allocated to these services	Liquefaction	\$88.5M (48%)	10%	44%	46%	100%
		Storage	\$96.2M (52%)	79%	6%	15%	100%
		Common Capital	\$184.8M (100%)	46%	24%	30%	100%
Truck Loading	Only applied to Capital. Service not used by TOTE Fuel Sales. Current modeling assumes 25% of the cost to core gas to ensure that PSE gas operations has priority access to the truck loading racks to support PSE's system.			25%	0%	75%	100%
Total Capital ¹	Weighted distribution of plant costs before AFUDC to all capital allocators ² , including common capital	Peak Shaving TOTE Fuel Sales Non-Regulated Fuel Sales Total	\$136.4M \$92.9M \$81.4M \$310.7M	44%	30%	26%	100%

Note: Allocators are representative of estimates in the first year of operations assuming 19% utilization of non-regulated capacity

¹ The numbers shown in the table are indicative and based off PSE's best estimates at this time. The actual total capital allocator will be based on the actual cost of construction when known.

² Liquefaction Capacity (causal), Storage (causal), Bunkering (direct), Truck Loading (causal), Vaporization (direct) and Common (general)