

**EXHIBIT NO. \_\_\_(JAP-3)**  
**DOCKET NO. UE-13\_\_\_/UG-13\_\_\_**  
**PSE EXPEDITED RATE FILING**  
**WITNESS: JON A. PILIARIS**

**BEFORE THE**  
**WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**In the Matter of**

**PUGET SOUND ENERGY, INC.'S**

**Expedited Rate Filing**

**Docket No. UE-13\_\_\_**  
**Docket No. UG-13\_\_\_**

**SECOND EXHIBIT (NONCONFIDENTIAL)**  
**TO THE PREFILED DIRECT TESTIMONY (OF**  
**JON A. PILIARIS**  
**ON BEHALF OF PUGET SOUND ENERGY, INC.**

**FEBRUARY 1, 2013**

**Puget Sound Energy**  
**Determination of June 2012 CBR ERF Revenues priced at 2011 GRC ERF Rates**  
**Source: Docket No. UE-111048 Electric COS Compliance Filing**  
**Test Year December 2010**

Line No.	Calculation	Description	Total A	Residential B	Secondary Voltage Schedule 24 C	Secondary Voltage Schedules 25 & 29 D	Secondary Voltage Schedule 26 E	Primary Voltage Schedule 31 F	Primary Voltage Schedule 35 G	Primary Voltage Schedule 43 H	Campus Schedule 40 I
1	2011 GRC	Peak Credit Allocation Factors									
2	2011 GRC	ENERGY-2	22,846,329,938	11,660,620,432	2,822,861,364	3,184,833,212	2,157,691,595	1,367,953,304	4,806,559	154,110,146	801,873,373
3	2011 GRC	DEM-2B	4,079,044	2,556,735	443,234	450,050	284,128	165,976	4	-	96,820
4	2011 GRC	PC-3 [19% Demand & 81% Energy]	1.000000	0.53251	0.12073	0.13388	0.08973	0.05623	0.00017	0.00546	0.03294
5											
6		<b>PCA Costs [JHS-13.01 Exh A-1 excluding property taxes]</b>	<b>\$ 1,400,922,487</b>								
7	= 4*6	Allocate PCA Costs on PC-3	\$ 1,400,922,487	\$ 746,005,234	\$ 169,130,570	\$ 187,554,102	\$ 125,710,378	\$ 78,775,272	\$ 239,558	\$ 7,654,640	\$ 46,146,387
8											
9		<b>PCA Prop Tax</b>	<b>\$ 19,639,917</b>								
10	= 18*9	Allocate PCA Prop Tax on Property Tax from 2011 GRC	\$ 19,639,915	\$ 11,351,963	\$ 2,366,017	\$ 2,276,037	\$ 1,352,528	\$ 912,397	\$ 5,201	\$ 140,235	\$ 480,916
11											
12	2011 GRC	Other Operating Revenue from 2011 Compliance	\$ 39,020,208	\$ 21,832,183	\$ 4,141,811	\$ 2,837,687	\$ 1,628,690	\$ 1,739,573			\$ 585,444
13	2011 GRC	Other Operating Revenue from 2011 GRC Compliance %	1.000000	0.55951	0.10615	0.07272	0.04174	0.04458	-	-	0.01500
14		<b>Other Operating Revenue from Rev Req</b>	<b>\$ 33,524,569</b>								
15	= 13 * 14	Allocate 2011 Other Operating Revenue	\$ 33,524,569	\$ 18,757,320	\$ 3,558,475	\$ 2,438,025	\$ 1,399,304	\$ 1,494,570	\$ -	\$ -	\$ 502,989
16											
17	2011 GRC	Property Tax from 2011 GRC Compliance [includes PCA P/Ts]	\$ 37,267,394	\$ 21,540,727	\$ 4,489,596	\$ 4,318,855	\$ 2,566,467	\$ 1,731,304	\$ 9,870	\$ 266,101	\$ 912,554
18	2011 GRC	Property Tax from 2011 GRC Compliance %	1.000000	0.57800	0.12047	0.11589	0.06887	0.04646	0.00026	0.00714	0.02449
19		<b>Property Tax from Rev Req</b>	<b>\$ 21,490,002</b>								
20	= 18 * 19	Allocate 2011 ERF Property Tax	\$ 21,490,002	\$ 12,421,321	\$ 2,588,897	\$ 2,490,440	\$ 1,479,937	\$ 998,345	\$ 5,691	\$ 153,445	\$ 526,219
21											
22	= 7+10+15+20	Subtotal Non-ERF Costs	\$ 1,475,576,973	\$ 788,535,838	\$ 177,643,958	\$ 194,758,604	\$ 129,942,147	\$ 82,180,584	\$ 250,450	\$ 7,948,320	\$ 47,656,511
23	2011 GRC	Total Cost of Service	\$ 2,120,834,584	\$ 1,159,786,746	\$ 262,257,113	\$ 273,864,112	\$ 173,066,358	\$ 110,854,909	\$ 280,468	\$ 13,469,556	\$ 55,800,063
24	= 23-22	2011 GRC Non PCA & Property Tax Revenue Requirement	\$ 645,257,611	\$ 371,250,908	\$ 84,613,155	\$ 79,105,508	\$ 43,124,211	\$ 28,674,325	\$ 30,017	\$ 5,521,236	\$ 8,143,552
25		% to Total	1.0000	0.5754	0.1311	0.1226	0.0668	0.0444	0.0000	0.0086	0.0126
26		<b>ERF Revenue Requirement</b>	<b>\$ 643,516,323</b>								
27	= 25 * 26	<b>Allocate ERF Revenue Requirement to Class</b>	\$ 643,516,323	\$ 370,249,053	\$ 84,384,819	\$ 78,892,034	\$ 43,007,836	\$ 28,596,944	\$ 29,936	\$ 5,506,337	\$ 8,121,576
28											
29	= 24 - 27	2011 GRC Non-ERF, Non-PCA & Property Tax Rev Req	\$ 1,741,288	\$ 1,001,855	\$ 228,336	\$ 213,474	\$ 116,375	\$ 77,380	\$ 81	\$ 14,900	\$ 21,976
30											
31	2011 GRC	kWh Sales - 2011 GRC (YE2010)	23,098,213,509	10,732,747,750	2,594,865,426	2,932,110,481	1,986,740,729	1,307,178,283	4,638,422	148,958,013	770,709,198
32	= 7 / 31	2011 GRC Unit Cost - PCA	6.0651	6.9507	6.5179	6.3966	6.3275	6.0264	5.1646	5.1388	5.9875
33	= 10 / 31	2011 GRC Unit Cost - Property Tax - PCA	0.0849	0.1058	0.0912	0.0776	0.0681	0.0698	0.1121	0.0941	0.0624
34	= 20 / 31	2011 GRC Unit Cost - Property Tax - Other	0.0929	0.1157	0.0998	0.0849	0.0745	0.0764	0.1227	0.1030	0.0683
35	= 15 / 31	2011 GRC Unit Cost - Other Operating Revenue	0.1448	0.1748	0.1371	0.0831	0.0704	0.1143	-	-	0.0653
36	= 27 / 31	2011 GRC Unit Cost - ERF	2.7810	3.4497	3.2520	2.6906	2.1647	0.6454	3.6966	1.0538	
37	= 29 / 31	2011 GRC Unit Cost - Non ERF, Non PCA, Non Prop Tax	0.0075	0.0093	0.0088	0.0073	0.0059	0.0059	0.0017	0.0100	0.0029
38											
39	2012 CBR	June 2012 Billed Sales	23,227,477,942	10,851,832,263	2,636,726,692	2,962,955,532	2,013,062,186	1,316,633,826	4,067,400	142,120,319	630,468,950
40		Sch 40 Adjustment	-	-	(61,811)	(3,682,541)	(83,024,838)	(13,612,788)			100,381,978
41	2012 CBR	Change in Unbilled Sales	24,042,835	7,752,626	(2,515,884)	4,444,168	(145,373)	371,131	(71,191)	146,051	(107,163)
42	2012 CBR	Weather Normalization	(97,555,453)	(86,266,564)	(5,601,480)	(3,194,676)	313,265	(621,853)		(2,112,416)	(31,901)
43	2012 CBR	Delivered 6-2012 kWh Sales	23,153,965,324	10,773,318,324	2,628,547,518	2,960,522,483	1,930,205,240	1,302,770,316	3,996,209	140,153,954	730,711,865
44	2012 CBR	Remove Transportation	21,200,723,677	10,773,318,324	2,628,547,518	2,960,522,483	1,930,205,240	1,302,770,316	3,996,209	140,153,954	730,711,865
45											
46	= 43	June 2012 kWh Sales	23,153,965,324	10,773,318,324	2,628,547,518	2,960,522,483	1,930,205,240	1,302,770,316	3,996,209	140,153,954	730,711,865
47	= 32 * 46	June 2012 CBR Cost - PCA	\$ 1,404,882,506	\$ 748,825,189	\$ 171,325,933	\$ 189,371,492	\$ 122,133,113	\$ 78,509,632	\$ 206,390	\$ 7,202,218	\$ 43,751,538
48	= 33 * 46	June 2012 CBR Cost - Property Tax - PCA	\$ 19,678,827	\$ 11,394,874	\$ 2,396,729	\$ 2,298,092	\$ 1,314,040	\$ 909,320	\$ 4,481	\$ 131,947	\$ 455,958
49	= 34 * 46	June 2012 CBR Cost - Property Tax - Other	\$ 21,532,577	\$ 12,468,275	\$ 2,622,501	\$ 2,514,572	\$ 1,437,823	\$ 994,979	\$ 4,903	\$ 144,376	\$ 498,909
50	= 35 * 46	June 2012 CBR Cost - Other Operating Revenue	\$ 33,799,724	\$ 18,828,224	\$ 3,604,665	\$ 2,461,649	\$ 1,359,485	\$ 1,489,530	\$ -	\$ -	\$ 476,886
51	= 36 * 46	<b>June 2012 CBR Cost - ERF</b>	<b>\$ 644,234,414</b>	<b>\$ 371,648,622</b>	<b>\$ 85,480,158</b>	<b>\$ 79,656,494</b>	<b>\$ 41,783,988</b>	<b>\$ 28,500,512</b>	<b>\$ 25,792</b>	<b>\$ 5,180,888</b>	<b>\$ 7,700,092</b>
52	= 37 * 46	June 2012 CBR Cost - Non ERF, Non PCA, Non Property Tax	\$ 1,743,230	\$ 1,005,642	\$ 231,300	\$ 215,542	\$ 113,063	\$ 77,119	\$ 70	\$ 14,019	\$ 20,836

**Puget Sound Energy**  
**Determination of June 2012 CBR ERF Revenues priced at 2011 GRC ERF Rates**  
**Source: Docket No. UE-111048 Electric COS Compliance Filing**  
**Test Year December 2010**

Line No.	Calculation	Description	High Voltage Schedules 46 & 49 J	Retail Wheeling Schedules 449 & 459 K	Lighting Schedules 50-59 L	Special Contract M	Firm Resale N
1	2011 GRC	Peak Credit Allocation Factors					
2	2011 GRC	ENERGY-2	593,080,320	-	90,893,526	-	7,606,107
3	2011 GRC	DEM-2B	69,540	-	10,941	-	1,617
4	2011 GRC	PC-3 [19% Demand & 81% Energy]	0.02427	-	0.00373	-	0.00035
5							
6		<b>PCA Costs [JHS-13.01 Exh A-1 excluding property taxes]</b>					
7	= 4*6	Allocate PCA Costs on PC-3	\$ 33,994,785	\$ -	\$ 5,228,243	\$ -	\$ 483,318
8							
9		<b>PCA Prop Tax</b>					
10	= 18*9	Allocate PCA Prop Tax on Property Tax from 2011 GRC	\$ 313,111	\$ 186,246	\$ 229,386	\$ 19,969	\$ 5,909
11							
12	2011 GRC	Other Operating Revenue from 2011 Compliance	\$ 2,914,274	\$ 3,095,113	\$ 163,513	\$ 81,921	
13	2011 GRC	Other Operating Revenue from 2011 GRC Compliance %	0.07469	0.07932	0.00419	0.00210	-
14		<b>Other Operating Revenue from Rev Req</b>					
15	= 13 * 14	Allocate 2011 Other Operating Revenue	\$ 2,503,825	\$ 2,659,195	\$ 140,484	\$ 70,383	\$ -
16							
17	2011 GRC	Property Tax from 2011 GRC Compliance [includes PCA P/Ts]	\$ 594,139	\$ 353,407	\$ 435,268	\$ 37,893	\$ 11,213
18	2011 GRC	Property Tax from 2011 GRC Compliance %	0.01594	0.00948	0.01168	0.00102	0.00030
19		<b>Property Tax from Rev Req</b>					
20	= 18 * 19	Allocate 2011 ERF Property Tax	\$ 342,607	\$ 203,790	\$ 250,994	\$ 21,851	\$ 6,466
21							
22	= 7+10+15+20	Subtotal Non-ERF Costs	\$ 37,154,327	\$ 3,049,230	\$ 5,849,107	\$ 112,203	\$ 495,693
23	2011 GRC	Total Cost of Service	\$ 41,445,549	\$ 10,362,333	\$ 17,810,315	\$ 1,274,471	\$ 562,592
24	= 23-22	2011 GRC Non PCA & Property Tax Revenue Requirement	\$ 4,291,221	\$ 7,313,102	\$ 11,961,208	\$ 1,162,268	\$ 66,899
25		% to Total	0.0067	0.0113	0.0185	0.0018	0.0001
26		<b>ERF Revenue Requirement</b>					
27	= 25 * 26	Allocate ERF Revenue Requirement to Class	\$ 4,279,641	\$ 7,293,367	\$ 11,928,929	\$ 1,159,131	\$ 66,718
28							
29	= 24 - 27	2011 GRC Non-ERF, Non-PCA & Property Tax Rev Req	\$ 11,580	\$ 19,735	\$ 32,278	\$ 3,136	\$ 181
30							
31	2011 GRC	kWh Sales - 2011 GRC (YE2010)	576,524,279	1,954,913,504	81,494,849	-	7,332,574
32	= 7 / 31	2011 GRC Unit Cost - PCA	5.8965	-	6.4154	-	6.5914
33	= 10 / 31	2011 GRC Unit Cost - Property Tax - PCA	0.0543	0.0095	0.2815	-	0.0806
34	= 20 / 31	2011 GRC Unit Cost - Property Tax - Other	0.0594	0.0104	0.3080	-	0.0882
35	= 15 / 31	2011 GRC Unit Cost - Other Operating Revenue	0.4343	0.1360	0.1724	-	-
36	= 27 / 31	2011 GRC Unit Cost - ERF	0.7423	0.3731	14.6376	-	0.9099
37	= 29 / 31	2011 GRC Unit Cost - Non ERF, Non PCA, Non Prop Tax	0.0020	0.0010	0.0396	-	0.0025
38							
39	2012 CBR	June 2012 Billed Sales	639,440,800	1,939,576,937	83,017,069	-	7,575,966
40		Sch 40 Adjustment					
41	2012 CBR	Change in Unbilled Sales	503,761	13,664,710	-	-	-
42	2012 CBR	Weather Normalization	-	-	-	-	(39,828)
43	2012 CBR	Delivered 6-2012 kWh Sales	639,944,561	1,953,241,647	83,017,069	-	7,536,138
44	2012 CBR	Remove Transportation	639,944,561	-	83,017,069	-	7,536,138
45							
46	= 43	June 2012 kWh Sales	639,944,561	1,953,241,647	83,017,069	-	7,536,138
47	= 32 * 46	June 2012 CBR Cost - PCA	\$ 37,734,365	\$ -	\$ 5,325,900	\$ -	\$ 496,736
48	= 33 * 46	June 2012 CBR Cost - Property Tax - PCA	\$ 347,555	\$ 186,087	\$ 233,671	\$ -	\$ 6,073
49	= 34 * 46	June 2012 CBR Cost - Property Tax - Other	\$ 380,295	\$ 203,616	\$ 255,683	\$ -	\$ 6,645
50	= 35 * 46	June 2012 CBR Cost - Other Operating Revenue	\$ 2,779,257	\$ 2,656,920	\$ 143,108	\$ -	\$ -
51	= 36 * 46	<b>June 2012 CBR Cost - ERF</b>	<b>\$ 4,750,421</b>	<b>\$ 7,287,130</b>	<b>\$ 12,151,747</b>	<b>\$ -</b>	<b>\$ 68,570</b>
52	= 37 * 46	June 2012 CBR Cost - Non ERF, Non PCA, Non Property Tax	\$ 12,854	\$ 19,718	\$ 32,881	\$ -	\$ 186