

Exh. JL-3r
Dockets UE-190529/UG-190530 and
UE-190274/UG-190275 (*consolidated*)
Witness: Jing Liu

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY,

Respondent.

**DOCKETS UE-190529
and UG-190530 (*consolidated*)**

In the Matter of the Petition of

PUGET SOUND ENERGY

**For an Order Authorizing Deferral
Accounting and Ratemaking Treatment
for Short-life UT/Technology Investment**

**DOCKETS UE-190274 and
UG-190275 (*consolidated*)**

REVISED EXHIBIT TO TESTIMONY OF

Jing Liu

**STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

Natural Gas Model

November 22, 2019

Revised December 17, 2019

EXH. SEF-3G page 1 of 4

PUGET SOUND ENERGY - NATURAL GAS
RESULTS OF OPERATIONS
2019 GENERAL RATE CASE
12 MONTHS ENDED DECEMBER 31, 2018
GENERAL RATE INCREASE

LINE NO.	DESCRIPTION	
1	RATE BASE	\$ 2,071,089,382
2	RATE OF RETURN	7.33%
3		
4	OPERATING INCOME REQUIREMENT	151,810,852
5		
6	PRO FORMA OPERATING INCOME	98,480,853
7	OPERATING INCOME DEFICIENCY	53,329,998
8		
9	CONVERSION FACTOR	0.754097
10	REVENUE CHANGE BEFORE ATTRITION AND RIDERS	70,720,343
11	CHANGES TO OTHER PRICE SCHEDULES FROM EXH. JAP-15:	
12	DECREASE TO SCHEDULE 149 GAS COST RECOVERY MECHANISM FOR PIPELINE REPLACEMENT	(10,597,674)
13	DECREASE TO SCHEDULE 141 EXPEDITED RATE FILING RATE ADJUSTMENT	(27,935,728)
14	INCREASE TO SCHEDULE 141Y TEMPORARY FEDERAL INCOME TAX RATE CREDIT	6,176,333
15	SUBTOTAL CHANGES TO OTHER PRICE SCHEDULES	(32,357,069)
16		
17	NET REVENUE CHANGE BEFORE ATTRITION	38,363,274
18		
19	ATTRITION ADJUSTMENT	12,122,468
20		for informational only
21	NET REVENUE CHANGE AFTER ATTRITION FROM PAGE 4 OF 4	50,485,742
22		for informational only
23	REDUCTION TO SUPPORTED AMOUNT	-
24		
25	NET REVENUE CHANGE REQUESTED EXH. JAP-15	\$ 50,485,742
		for informational only

EXH. SEF-3G page 2 of 3

PUGET SOUND ENERGY - NATURAL GAS
RESULTS OF OPERATIONS
2019 GENERAL RATE CASE
12 MONTHS ENDED DECEMBER 31, 2018
COST OF CAPITAL - PROFORMA

Staff Recommendation

LINE NO.	DESCRIPTION	CAPITAL STRUCTURE	COST	WEIGHTED COST
1	SHORT AND LONG TERM DEBT	51.50%	5.57%	2.87%
2	EQUITY	48.50%	9.20%	4.46%
3	TOTAL	100.00%		7.33%
4				
5	AFTER TAX SHORT TERM DEBT ((LINE 1)* 79%)	51.50%	4.40%	2.27%
6	EQUITY	48.50%	9.20%	4.46%
7	TOTAL AFTER TAX COST OF CAPITAL	100.00%		6.73%

EXH. SEF-3G page 3 of 4

PUGET SOUND ENERGY - NATURAL GAS
RESULTS OF OPERATIONS
2019 GENERAL RATE CASE
12 MONTHS ENDED DECEMBER 31, 2018
CONVERSION FACTOR

LINE NO.	DESCRIPTION		
1	BAD DEBTS		0.005124
2	ANNUAL FILING FEE		0.002000
3	STATE UTILITY TAX (3.8323% - (LINE 1 * 3.8323%))	3.8520%	<u>0.038323</u>
4			
5	SUM OF TAXES OTHER		0.045447
6			
7	CONVERSION FACTOR EXCLUDING FEDERAL INCOME TAX (1 - LINE 6)		0.954553
8	FEDERAL INCOME TAX (LINE 7 * 21%)	21%	<u>0.200456</u>
9	CONVERSION FACTOR INCL FEDERAL INCOME TAX (LINE 7 - LINE 8)		<u><u>0.754097</u></u>

EXH. SEF-3G page 4 of 4

PUGET SOUND ENERGY - NATURAL GAS
RESULTS OF OPERATIONS
2019 GENERAL RATE CASE
12 MONTHS ENDED DECEMBER 31, 2018
GENERAL RATE INCREASE

Staff Recommendation

LINE NO.	DESCRIPTION	AMOUNT
1	ATTRITION DEFICIENCY SUPPORTED BY RON AMEN (EXH. RJA-4)	\$ 82,842,811
2	CHANGES TO OTHER PRICE SCHEDULES	(32,357,069)
3		
4	NET REVENUE CHANGE AFTER ATTRITION	\$ 50,485,742
		for informational only

Staff Note:

The dark blue shading indicates the primary change. The attrition deficiency number is from Staff's revised attrition and
The light blue shading indicates the changes due to linked formulas.

PUGET SOUND ENERGY, INC.
2019 GENERAL RATE CASE
Utility Capital Structure
Proposed Cost of Capital and Rate of Return

Staff Recommendation

Line No.	DESCRIPTION			
1	SHORT AND LONG TERM DEBT	51.50%	5.57%	2.87%
2	EQUITY	48.50%	9.20%	4.46%
3	TOTAL	<u>100.00%</u>		<u>7.33%</u>
4				
5	AFTER TAX SHORT TERM DEBT ((LINE 1)* 79%)	51.50%	4.40%	2.27%
6	EQUITY	48.50%	9.20%	4.46%
7	TOTAL AFTER TAX COST OF CAPITAL	<u>100.00%</u>		<u>6.73%</u>

source: **EXH. SEF-5G page 4 of 4**

PUGET SOUND ENERGY - NATURAL GAS
RESULTS OF OPERATIONS
2019 GENERAL RATE CASE
12 MONTHS ENDED DECEMBER 31, 2018
COST OF CAPITAL - TEST YEAR

LINE NO.	DESCRIPTION	CAPITAL STRUCTURE	COST	WEIGHTED COST
1	SHORT AND LONG TERM DEBT	51.00%	5.76%	2.94%
2	EQUITY	49.00%	9.50%	4.66%
3	TOTAL	100%		7.60%
4				
5	AFTER TAX SHORT TERM DEBT ((LINE 1)* 75	51.00%	4.55%	2.32%
6	EQUITY	49.00%	9.50%	4.66%
7	TOTAL AFTER TAX COST OF CAPITAL	100%		6.98%

**PUGET SOUND ENERGY
NATURAL GAS STATEMENT OF OPERATING INCOME
AND ADJUSTMENTS
2019 GENERAL RATE CASE
12 MONTHS ENDED DECEMBER 31, 2018**

source: EXH. SEF-4G page 1 of 5

LINE NO.	DESCRIPTION	ACTUAL RESULTS OF OPERATIONS a	RESTATING ADJUSTMENTS b	RESTATED RESULTS OF OPERATIONS c = a + b	PROFORMA ADJUSTMENTS d	ADJUSTED RESULTS OF OPERATIONS e = c + d	NET REVENUE CHANGE TO BASE RATES f	AFTER RATE INCREASE g = e + f
1	OPERATING REVENUES							
2	SALES TO CUSTOMERS	\$ 876,657,676	\$ (152,862,576)	\$ 723,795,099	\$ 27,006,792	\$ 750,801,892	\$ 70,720,343	\$ 821,522,235
3	MUNICIPAL ADDITIONS	-	-	-	-	-	-	-
4	OTHER OPERATING REVENUES	(25,909,999)	46,115,262	20,205,263	(9,854,969)	10,350,294		10,350,294
5	TOTAL OPERATING REVENUES	850,747,677	(106,747,315)	744,000,362	17,151,823	761,152,186	70,720,343	831,872,529
6								
7	OPERATING REVENUE DEDUCTIONS:							
8								
9	GAS COSTS:							
10		\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
11	PURCHASED GAS	296,699,052	(20,106,833)	276,592,219	16,256,426	292,848,645		292,848,645
12		-	-	-	-	-		-
13	TOTAL PRODUCTION EXPENSES	\$ 296,699,052	\$ (20,106,833)	\$ 276,592,219	\$ 16,256,426	\$ 292,848,645	-	\$ 292,848,645
14								
15	OTHER POWER SUPPLY EXPENSES	\$ 6,042,805	\$ 18,584	\$ 6,061,389	\$ 109,078	\$ 6,170,467		\$ 6,170,467
16	TRANSMISSION EXPENSE	2,111	-	2,111	58	2,169		2,169
17	DISTRIBUTION EXPENSE	60,174,168	523,457	60,697,625	1,628,823	62,326,449		62,326,449
18	CUSTOMER ACCTS EXPENSES	29,807,452	(141,267)	29,666,184	31,954	29,698,139	362,371	30,060,510
19	CUSTOMER SERVICE EXPENSES	6,574,431	(4,811,195)	1,763,236	31,612	1,794,848		1,794,848
20	CONSERVATION AMORTIZATION	14,625,833	(14,625,833)	-	-	-		-
21	ADMIN & GENERAL EXPENSE	57,249,535	2,450,909	59,700,443	827,792	60,528,235	141,441	60,669,676
22	DEPRECIATION	116,957,731	4,136,956	121,094,686	(143,304)	120,951,382		120,951,382
23	AMORTIZATION	26,117,570	8,190,016	34,307,586	1,469,535	35,777,121		35,777,121
24	AMORTIZ OF PROPERTY GAIN/LOSS	-	-	-	-	-		-
25	OTHER OPERATING EXPENSES	8,769,361	-	8,769,361	4,711,512	13,480,873		13,480,873
26	ASC 815	-	-	-	-	-		-
27	TAXES OTHER THAN INCOME TAXES	101,477,297	(66,036,388)	35,440,909	897,819	36,338,727	2,710,216	39,048,943
28	INCOME TAXES	31,944,159	(27,609,398)	4,334,761	(1,381,173)	2,953,588	14,176,317	17,129,905
29	DEFERRED INCOME TAXES	(9,558,131)	10,081,450	523,320	(722,630)	(199,311)		(199,311)
30	TOTAL OPERATING REV. DEDUCT.	\$ 746,883,373	\$ (107,929,543)	\$ 638,953,830	\$ 23,717,502	\$ 662,671,332	\$ 17,390,345	\$ 680,061,677
31								
32	NET OPERATING INCOME	\$ 103,864,304	\$ 1,182,228	\$ 105,046,532	\$ (6,565,679)	\$ 98,480,853	\$ 53,329,998	\$ 151,810,852
33								
34	RATE BASE	\$ 1,951,252,143	\$ 141,697,963	\$ 2,092,950,107	\$ (21,860,725)	\$ 2,071,089,382		\$ 2,071,089,382
35								
36	RATE OF RETURN	5.32%		5.02%		4.76%		7.33%
37								
38	RATE BASE:							
39	GROSS UTILITY PLANT IN SERVICE	\$ 4,100,600,279	\$ 200,226,770	\$ 4,300,827,049	\$ (19,711,279)	\$ 4,281,115,770		\$ 4,281,115,770
40	ACCUMULATED DEPRECIATION	(1,569,795,173)	(67,842,753)	(1,637,637,927)	(8,813,466)	(1,646,451,393)		(1,646,451,393)
41	ACCUMULATED DEFERRED FIT - LIBERALIZED	(604,032,301)	6,355,142	(597,677,159)	1,962,303	(595,714,856)		(595,714,856)
42	DEPRECIATION AND OTHER LIABILITIES	(29,952,462)	2,958,805	(26,993,657)	4,701,718	(22,291,938)		(22,291,938)
43	ALLOWANCE FOR WORKING CAPITAL	54,431,800	-	54,431,800	-	54,431,800		54,431,800
44	OTHER	-	-	-	-	-		-
45	TOTAL RATE BASE	\$1,951,252,143	\$141,697,963	\$2,092,950,107	\$ (21,860,725)	\$2,071,089,382		\$2,071,089,382
46								
47	ROR	7.33%	7.33%	7.33%	7.33%	7.33%	7.33%	7.33%
48	CF	0.754097	0.754097	0.754097	0.754097	0.754097	0.754097	0.754097
49	Surplus / (Deficiency)	(39,162,478)	(9,204,233)	(48,366,711)	(4,963,288)	(53,329,998)	53,329,998	0
50	Revenue Requirement or (Surplus)	51,932,945	12,205,635	64,138,580	6,581,763	70,720,343	(70,720,343)	(0)

**PUGET SOUND ENERGY
NATURAL GAS STATEMENT OF OPERATING INCOME
AND ADJUSTMENTS
2019 GENERAL RATE CASE
12 MONTHS ENDED DECEMBER 31, 2018**

LINE NO.	DESCRIPTION	ACTUAL RESULTS OF OPERATIONS	COMMON RESTATING	COMMON RESTATING	COMMON RESTATING	COMMON RESTATING	COMMON RESTATING	COMMON RESTATING
			6.01 GR REVENUES & EXPENSES	Staff Revised 6.02 GR TEMPERATURE NORMALIZATION	6.03 GR FEDERAL INCOME TAX	Staff Revised 6.04 GR TAX BENEFIT OF INTEREST	6.05 GR PASS-THROUGH REV & EXP	6.06 GR INJURIES & DAMAGES
		a	b	c	d	e	f	g
1	OPERATING REVENUES							
2	SALES TO CUSTOMERS	\$ 876,657,676	\$ (47,098,326)	\$ 71,805			\$ (105,836,056)	
3	MUNICIPAL ADDITIONS							
4	OTHER OPERATING REVENUES	(25,909,999)	2,691,479				43,423,783	
5	TOTAL OPERATING REVENUES	850,747,677	(44,406,847)	71,805	-	-	(62,412,273)	-
6								
7	OPERATING REVENUE DEDUCTIONS:							
8								
9	GAS COSTS:							
10								
11	PURCHASED GAS	\$ 296,699,052	(43,597,129)				23,490,296	
12								
13	TOTAL PRODUCTION EXPENSES	\$ 296,699,052	\$ (43,597,129)	\$ -	\$ -	\$ -	\$ 23,490,296	\$ -
14								
15	OTHER POWER SUPPLY EXPENSES	\$ 6,042,805						
16	TRANSMISSION EXPENSE	2,111						
17	DISTRIBUTION EXPENSE	60,174,168						
18	CUSTOMER ACCTS EXPENSES	29,807,452	(227,541)	368			(319,800)	
19	CUSTOMER SERVICE EXPENSES	6,574,431					(4,814,957)	
20	CONSERVATION AMORTIZATION	14,625,833					(14,625,833)	
21	ADMIN & GENERAL EXPENSE	57,249,535	(88,814)	144			(124,825)	1,590,277
22	DEPRECIATION	116,957,731						
23	AMORTIZATION	26,117,570						
24	AMORTIZ OF PROPERTY GAIN/LOSS							
25	OTHER OPERATING EXPENSES	8,769,361						
26	ASC 815							
27	TAXES OTHER THAN INCOME TAXES	101,477,297	(1,701,804)	2,752			(64,229,662)	
28	INCOME TAXES	31,944,159	253,772	14,394	(11,297,869)	(12,921,874)	(375,373)	(333,958)
29	DEFERRED INCOME TAXES	(9,558,131)			10,081,450	-		
30	TOTAL OPERATING REV. DEDUCT.	\$ 746,883,373	\$ (45,361,514)	\$ 17,657	\$ (1,216,419)	\$ (12,921,874)	\$ (61,000,154)	\$ 1,256,319
31								
32	NET OPERATING INCOME	\$ 103,864,304	\$ 954,667	\$ 54,148	\$ 1,216,419	\$ 12,921,874	\$ (1,412,119)	\$ (1,256,319)
33				12,802,861	12,802,861			
34	RATE BASE	\$ 1,951,252,143	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
35								
36	RATE OF RETURN	5.32%						
37								
38	RATE BASE:							
39	GROSS UTILITY PLANT IN SERVICE	\$ 4,100,600,279						
40	ACCUMULATED DEPRECIATION	(1,569,795,173)						
41	ACCUMULATED DEFERRED FIT - LIBERA	(604,032,301)						
42	DEPRECIATION AND OTHER LIABILITIES	(29,952,462)						
43	ALLOWANCE FOR WORKING CAPITAL	54,431,800						
44	OTHER							
45	TOTAL RATE BASE	\$ 1,951,252,143	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
46		\$0						
47	ROR	7.33%	7.33%	7.33%	7.33%	restating ROR 7.60%	7.33%	7.33%
48	CF	0.754097	0.754097	0.754097	0.754097	0.754097	0.754097	0.754097
49	Surplus / (Deficiency)	(39,162,478)	954,667	54,148	1,216,419	12,921,874	(1,412,119)	(1,256,319)
50	Revenue Requirement or (Surplus)	51,932,945	(1,265,974)	(71,805)	(1,613,080)	(17,135,559)	1,872,595	1,665,991

**PUGET SOUND ENERGY
NATURAL GAS STATEMENT OF OPERATING
AND ADJUSTMENTS
2019 GENERAL RATE CASE
12 MONTHS ENDED DECEMBER 31, 2018**

Source: EXH. SEI

LINE NO.	DESCRIPTION	COMMON	COMMON	COMMON	COMMON	COMMON	Staff	TOTAL
		RESTATING	RESTATING	RESTATING	RESTATING	RESTATING	GREEN	
		6.16 GR	6.17 GR	6.18 GR	6.19 GR	6.23 GR	12.03G	RESTATING
		INVESTMENT	EMPLOYEE	AMA TO EOP	AMA TO EOP	ANNUALIZE	DIRECT	ADJUSTMENTS
		PLAN	INSURANCE	RATE BASE	DEPRECIATION	RENT EXP		
		q	r	s	t	u		v = Σ b through u and Staff Adjustments
1	OPERATING REVENUES							
2	SALES TO CUSTOMERS							\$ (152,862,576)
3	MUNICIPAL ADDITIONS							-
4	OTHER OPERATING REVENUES							46,115,262
5	TOTAL OPERATING REVENUES	-	-	-	-	-		(106,747,315)
6								
7	OPERATING REVENUE DEDUCTIONS:							
8								
9	GAS COSTS:							
10								\$ -
11	PURCHASED GAS							(20,106,833)
12								-
13	TOTAL PRODUCTION EXPENSES	\$ -	\$ -	\$ -	\$ -	\$ -		\$ (20,106,833)
14								
15	OTHER POWER SUPPLY EXPENSES							18,584
16	TRANSMISSION EXPENSE							-
17	DISTRIBUTION EXPENSE							523,457
18	CUSTOMER ACCTS EXPENSES							(141,267)
19	CUSTOMER SERVICE EXPENSES							(4,811,195)
20	CONSERVATION AMORTIZATION							(14,625,833)
21	ADMIN & GENERAL EXPENSE	5,304	13,475			(658,974)		2,450,909
22	DEPRECIATION				4,136,956			4,136,956
23	AMORTIZATION				8,190,016			8,190,016
24	AMORTIZ OF PROPERTY GAIN/LOSS							-
25	OTHER OPERATING EXPENSES							-
26	ASC 815							-
27	TAXES OTHER THAN INCOME TAXES							(66,036,388)
28	INCOME TAXES	(1,114)	(2,830)		(2,588,664)	138,384		(27,609,398)
29	DEFERRED INCOME TAXES							10,081,450
30	TOTAL OPERATING REV. DEDUCT.	\$ 4,190	\$ 10,645	\$ -	\$ 9,738,308	\$ (520,589)		\$ (107,929,543)
31								
32	NET OPERATING INCOME	\$ (4,190)	\$ (10,645)	\$ -	\$ (9,738,308)	\$ 520,589		\$ 1,182,228
33								
34	RATE BASE	\$ -	\$ -	\$ 151,541,663	\$ (9,738,308)	\$ -		\$ 141,697,963
35								
36	RATE OF RETURN							
37								
38	RATE BASE:							
39	GROSS UTILITY PLANT IN SERVICE			\$ 200,340,093			\$ (113,323)	\$ 200,226,770
40	ACCUMULATED DEPRECIATION			(55,515,782)	(12,326,972)		-	(67,842,753)
41	ACCUMULATED DEFERRED FIT - LIBERA			3,758,546	2,588,664		7,932	6,355,142
42	DEPRECIATION AND OTHER LIABILITIES			2,958,805				2,958,805
43	ALLOWANCE FOR WORKING CAPITAL							-
44	OTHER							-
45	TOTAL RATE BASE	\$ -	\$ -	\$ 151,541,663	\$ (9,738,308)	\$ -	\$ (105,392)	\$ 141,697,963
46								
47	ROR	7.33%	7.33%	7.33%	7.33%	7.33%	7.33%	7.33%
48	CF	0.754097	0.754097	0.754097	0.754097	0.754097	0.754097	0.754097
49	Surplus / (Deficiency)	(4,190)	(10,645)	(11,108,004)	(9,024,490)	520,589	7,725	(9,204,233)
50	Revenue Requirement or (Surplus)	5,557	14,117	14,730,206	11,967,280	(690,348)	(10,244)	12,205,635

PUGET SOUND ENERGY F-4G page 3 of 5
NATURAL GAS STATEMENT OF OPERATING
AND ADJUSTMENTS
2019 GENERAL RATE CASE
12 MONTHS ENDED DECEMBER 31, 2018

LINE NO.	DESCRIPTION	RESTATED RESULTS OF OPERATIONS	COMMON	COMMON	COMMON	COMMON	COMMON	COMMON	COMMON
			PROFORMA	PROFORMA	PROFORMA	PROFORMA	PROFORMA	PROFORMA	PROFORMA
			6.01 GP REVENUES & EXPENSES	Staff Revised 6.02 GP TEMPERATURE NORMALIZATION	Staff Revised 6.04 GP TAX BENEFIT OF INTEREST	reversing 6.09 GP EXCISE TAX & FILING FEE	reversing 6.10 GP D&O INSURANCE	6.14 GP PROPERTY & LIABILITY INS	6.15 GP WAGE INCREASE
		w = a + v	x	y	z	aa	ab	ac	ad
1	OPERATING REVENUES								
2	SALES TO CUSTOMERS	\$ 723,795,099	\$ 50,971	\$ 33,936,342					
3	MUNICIPAL ADDITIONS	-							
4	OTHER OPERATING REVENUES	20,205,263	(9,854,969)						
5	TOTAL OPERATING REVENUES	744,000,362	(9,803,998)	33,936,342	-	-	-	-	-
6									
7	OPERATING REVENUE DEDUCTIONS:								
8									
9	GAS COSTS:								
10		\$ -							
11	PURCHASED GAS	276,592,219		16,256,426					
12		-							
13	TOTAL PRODUCTION EXPENSES	\$ 276,592,219	\$ -	\$ 16,256,426	\$ -	\$ -	\$ -	\$ -	\$ -
14									
15	OTHER POWER SUPPLY EXPENSES	\$ 6,061,389							110,732
16	TRANSMISSION EXPENSE	2,111							
17	DISTRIBUTION EXPENSE	60,697,625							1,350,206
18	CUSTOMER ACCTS EXPENSES	29,666,184	(50,236)	173,890					274,377
19	CUSTOMER SERVICE EXPENSES	1,763,236							31,612
20	CONSERVATION AMORTIZATION	-							
21	ADMIN & GENERAL EXPENSE	59,700,443	(19,608)	67,873		(54,198)	4,849	30,988	552,919
22	DEPRECIATION	121,094,686							
23	AMORTIZATION	34,307,586							
24	AMORTIZ OF PROPERTY GAIN/LOSS	-							
25	OTHER OPERATING EXPENSES	8,769,361							
26	ASC 815	-							
27	TAXES OTHER THAN INCOME TAXES	35,440,909	(375,719)	1,300,542		142,661			97,848
28	INCOME TAXES	4,334,761	(1,965,271)	3,388,898	439,418	(18,577)	(1,018)	(6,507)	(507,716)
29	DEFERRED INCOME TAXES	523,320							
30	TOTAL OPERATING REV. DEDUCT.	\$ 638,953,830	\$ (2,410,834)	\$ 21,187,629	\$ 439,418	\$ 69,886	\$ 3,831	\$ 24,480	\$ 1,909,978
31						0	0		
32	NET OPERATING INCOME	\$ 105,046,532	\$ (7,393,164)	\$ 12,748,713	\$ (439,418)	\$ (69,886)	\$ (3,831)	\$ (24,480)	\$ (1,909,978)
33									
34	RATE BASE	\$ 2,092,950,107	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
35									
36	RATE OF RETURN	5.02%							
37									
38	RATE BASE:								
39	GROSS UTILITY PLANT IN SERVICE	\$ 4,300,827,049							
40	ACCUMULATED DEPRECIATION	(1,637,637,927)							
41	ACCUMULATED DEFERRED FIT - LIBERA	(597,677,159)							
42	DEPRECIATION AND OTHER LIABILITIES	(26,993,657)							
43	ALLOWANCE FOR WORKING CAPITAL	54,431,800							
44	OTHER	-							
45	TOTAL RATE BASE	\$ 2,092,950,107	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
46									
47	ROR	7.33%	7.33%	7.33%	7.33%	7.33%	7.33%	7.33%	7.33%
48	CF	0.754097	0.754097	0.754097	0.754097	0.754097	0.754097	0.754097	0.754097
49	Surplus / (Deficiency)	(48,366,711)	(7,393,164)	12,748,713	(439,418)	(69,886)	(3,831)	(24,480)	(1,909,978)
50	Revenue Requirement or (Surplus)	64,138,580	9,803,996	(16,905,933)	582,708	92,675	5,080	32,463	2,532,802

PUGET SOUND ENERGY
NATURAL GAS STATEMENT OF OPERATING
AND ADJUSTMENTS
2019 GENERAL RATE CASE
12 MONTHS ENDED DECEMBER 31, 2018

source: EXH. SEF-4G page 4 of 5
\$ (729,618)

LINE NO.	DESCRIPTION	COMMON	COMMON	COMMON	COMMON	COMMON	COMMON	COMMON	COMMON
		PROFORMA	PROFORMA	PROFORMA	PROFORMA	PROFORMA	PROFORMA	PROFORMA	PROFORMA
		6.16 GP	6.17 GP	6.20 GP	6.21 GP	6.22 GP	6.23 GP	6.24 GP	6.25 GP
		INVESTMENT	EMPLOYEE	DEFERRED G/L	ENVIRON	AMI	ANNUALIZE	Staff Revised	CREDIT CARD
		PLAN	INSURANCE	PROPERTY SALES	REMEDIAATION		RENT EXP	GTZ	AMORT
		ae	af	ag	ah	ai	aj	ak	al
1	OPERATING REVENUES								
2	SALES TO CUSTOMERS								
3	MUNICIPAL ADDITIONS								
4	OTHER OPERATING REVENUES								
5	TOTAL OPERATING REVENUES	-	-	-	-	-	-	-	-
6									
7	OPERATING REVENUE DEDUCTIONS:								
8									
9	GAS COSTS:								
10									
11	PURCHASED GAS								
12									
13	TOTAL PRODUCTION EXPENSES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
14									
15	OTHER POWER SUPPLY EXPENSES								
16	TRANSMISSION EXPENSE								
17	DISTRIBUTION EXPENSE								
18	CUSTOMER ACCTS EXPENSES								(435,568)
19	CUSTOMER SERVICE EXPENSES								
20	CONSERVATION AMORTIZATION								
21	ADMIN & GENERAL EXPENSE	117,536	390,546				(169,825)		
22	DEPRECIATION					608,663			
23	AMORTIZATION							1,469,535	
24	AMORTIZ OF PROPERTY GAIN/LOSS								
25	OTHER OPERATING EXPENSES			(91,958)	856,891	2,065,892		1,880,687	
26	ASC 815								
27	TAXES OTHER THAN INCOME TAXES								
28	INCOME TAXES	(24,683)	(82,015)	19,311	(179,947)	(561,657)	35,663	(703,547)	91,469
29	DEFERRED INCOME TAXES								
30	TOTAL OPERATING REV. DEDUCT.	\$ 92,854	\$ 308,532	\$ (72,647)	\$ 676,944	\$ 2,112,898	\$ (134,162)	\$ 2,646,676	\$ (344,098)
31									
32	NET OPERATING INCOME	\$ (92,854)	\$ (308,532)	\$ 72,647	\$ (676,944)	\$ (2,112,898)	\$ 134,162	\$ (2,646,676)	\$ 344,098
33									
34	RATE BASE	\$ -	\$ -	\$ -	\$ -	\$ 13,882,663	\$ -	\$ 5,802,322	\$ -
35									
36	RATE OF RETURN								
37									
38	RATE BASE:								
39	GROSS UTILITY PLANT IN SERVICE					\$ 17,491,894	\$ -	\$ 4,408,606	
40	ACCUMULATED DEPRECIATION					(1,856,983)	-	(2,449,226)	
41	ACCUMULATED DEFERRED FIT - LIBERA					(1,752,249)	-	(858,776)	
42	DEPRECIATION AND OTHER LIABILITIES							4,701,718	
43	ALLOWANCE FOR WORKING CAPITAL								
44	OTHER								
45	TOTAL RATE BASE	\$ -	\$ -	\$ -	\$ -	\$ 13,882,663	\$ -	\$ 5,802,322	\$ -
46									
47	ROR	7.33%	7.33%	7.33%	7.33%	7.33%	7.33%	7.33%	7.33%
48	CF	0.754097	0.754097	0.754097	0.754097	0.754097	0.754097	0.754097	0.754097
49	Surplus / (Deficiency)	(92,854)	(308,532)	72,647	(676,944)	(3,130,498)	134,162	(3,071,986)	344,098
50	Revenue Requirement or (Surplus)	123,132	409,141	(96,336)	897,688	4,151,319	(177,910)	4,073,728	(456,305)

**PUGET SOUND ENERGY
NATURAL GAS STATEMENT OF OPERATING
AND ADJUSTMENTS
2019 GENERAL RATE CASE
12 MONTHS ENDED DECEMBER 31, 2018**

LINE NO.	DESCRIPTION	COMMON PROFORMA	COMMON PROFORMA	COMMON PROFORMA	COMMON PROFORMA	GAS PROFORMA	GAS PROFORMA	Staff	Staff
		6.26 GP REMOVE UNPROTECTED DFIT	Staff Revised 6.27 GP PUBLIC IMPROVEMENT	6.28 GP CONTRACT ESCALATIONS	Staff Revised 6.29 GP HR TOP	8.01 GP REMOVE 2018 CRM	8.02 GP SCH. 149 CRM	12.05G Tacoma LNG	Placeholder EDIT
		am	an	ao	ap	aq	ar	as	at
1	OPERATING REVENUES								
2	SALES TO CUSTOMERS						\$ (6,980,521)		
3	MUNICIPAL ADDITIONS								
4	OTHER OPERATING REVENUES								
5	TOTAL OPERATING REVENUES	-	-	-	-	-	(6,980,521)		
6									
7	OPERATING REVENUE DEDUCTIONS:								
8									
9	GAS COSTS:								
10									
11	PURCHASED GAS								
12									
13	TOTAL PRODUCTION EXPENSES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
14									
15	OTHER POWER SUPPLY EXPENSES			\$ 44				\$ (1,698)	
16	TRANSMISSION EXPENSE			58					
17	DISTRIBUTION EXPENSE			278,618					
18	CUSTOMER ACCTS EXPENSES			105,258			(35,768)		
19	CUSTOMER SERVICE EXPENSES								
20	CONSERVATION AMORTIZATION								
21	ADMIN & GENERAL EXPENSE			601			(13,961)	(79,928)	
22	DEPRECIATION					(39,544)	-	(712,423)	
23	AMORTIZATION								
24	AMORTIZ OF PROPERTY GAIN/LOSS								
25	OTHER OPERATING EXPENSES								
26	ASC 815								
27	TAXES OTHER THAN INCOME TAXES						(267,515)		
28	INCOME TAXES			(80,762)		8,304	(1,399,288)	166,750	
29	DEFERRED INCOME TAXES	(722,630)							
30	TOTAL OPERATING REV. DEDUCT.	\$ (722,630)	\$ -	\$ 303,817	\$ -	\$ (31,240)	\$ (1,716,532)	\$ (627,299)	\$ -
31									
32	NET OPERATING INCOME	\$ 722,630	\$ -	\$ (303,817)	\$ -	\$ 31,240	\$ (5,263,989)	\$ 627,299	\$ -
33									
34	RATE BASE	\$ 361,315	\$ -	\$ -	\$ -	\$ (9,327,511)	\$ (6,388,044)	\$ (26,191,470)	\$ -
35									
36	RATE OF RETURN								
37									
38	RATE BASE:								
39	GROSS UTILITY PLANT IN SERVICE					\$ (9,377,979)	\$ -	\$ (32,233,800)	
40	ACCUMULATED DEPRECIATION					39,544	\$ (5,658,425)	\$ 1,111,624	
41	ACCUMULATED DEFERRED FIT - LIBERA	361,315				10,925	\$ (729,618)	\$ 4,930,706	
42	DEPRECIATION AND OTHER LIABILITIES								
43	ALLOWANCE FOR WORKING CAPITAL								
44	OTHER								
45	TOTAL RATE BASE	\$ 361,315	\$ -	\$ -	\$ -	\$ (9,327,511)	\$ (6,388,044)	\$ (26,191,470)	\$ -
46									
47	ROR	7.33%	7.33%	7.33%	7.33%	7.33%	7.33%	7.33%	7.33%
48	CF	0.754097	0.754097	0.754097	0.754097	0.754097	0.754097	0.754097	0.754097
49	Surplus / (Deficiency)	696,146	-	(303,817)	-	714,946	(4,795,746)	2,547,133	-
50	Revenue Requirement or (Surplus)	(923,152)	-	402,889	-	(948,082)	6,359,587	(3,377,727)	-

PUGET SOUND ENERGY
NATURAL GAS STATEMENT OF OPERATING
AND ADJUSTMENTS
2019 GENERAL RATE CASE
12 MONTHS ENDED DECEMBER 31, 2018

source: EXH. SEF-4G page 5 of 5

LINE NO.	DESCRIPTION	TOTAL PROFORMING ADJUSTMENTS <small>as \sum x thru ar and Staff Adjustments</small>	PROFORMA'D RESULTS OF OPERATIONS <small>at = w + as</small>
1	OPERATING REVENUES		
2	SALES TO CUSTOMERS	\$ 27,006,792	\$ 750,801,892
3	MUNICIPAL ADDITIONS	-	-
4	OTHER OPERATING REVENUES	(9,854,969)	10,350,294
5	TOTAL OPERATING REVENUES	17,151,823	761,152,186
6			
7	OPERATING REVENUE DEDUCTIONS:		
8			
9	GAS COSTS:		
10		\$ -	\$ -
11	PURCHASED GAS	16,256,426	292,848,645
12		-	-
13	TOTAL PRODUCTION EXPENSES	\$ 16,256,426	\$ 292,848,645
14			
15	OTHER POWER SUPPLY EXPENSES	109,078	\$ 6,170,467
16	TRANSMISSION EXPENSE	58	2,169
17	DISTRIBUTION EXPENSE	1,628,823	62,326,449
18	CUSTOMER ACCTS EXPENSES	31,954	29,698,139
19	CUSTOMER SERVICE EXPENSES	31,612	1,794,848
20	CONSERVATION AMORTIZATION	-	-
21	ADMIN & GENERAL EXPENSE	827,792	60,528,235
22	DEPRECIATION	(143,304)	120,951,382
23	AMORTIZATION	1,469,535	35,777,121
24	AMORTIZ OF PROPERTY GAIN/LOSS	-	-
25	OTHER OPERATING EXPENSES	4,711,512	13,480,873
26	ASC 815	-	-
27	TAXES OTHER THAN INCOME TAXES	897,819	36,338,727
28	INCOME TAXES	(1,381,173)	2,953,588
29	DEFERRED INCOME TAXES	(722,630)	(199,311)
30	TOTAL OPERATING REV. DEDUCT.	\$ 23,717,502	\$ 662,671,332
31			
32	NET OPERATING INCOME	\$ (6,565,679)	\$ 98,480,853
33			
34	RATE BASE	\$ (21,860,725)	\$ 2,071,089,382
35			
36	RATE OF RETURN		4.76%
37			
38	RATE BASE:		
39	GROSS UTILITY PLANT IN SERVICE	\$ (19,711,279)	\$ 4,281,115,770
40	ACCUMULATED DEPRECIATION	(8,813,466)	(1,646,451,393)
41	ACCUMULATED DEFERRED FIT - LIBERA	1,962,303	(595,714,856)
42	DEPRECIATION AND OTHER LIABILITIES	4,701,718	(22,291,938)
43	ALLOWANCE FOR WORKING CAPITAL	-	54,431,800
44	OTHER	-	-
45	TOTAL RATE BASE	\$ (21,860,725)	\$ 2,071,089,382
46			
47	ROR	7.33%	7.33%
48	CF	0.754097	0.754097
49	Surplus / (Deficiency)	(4,963,288)	(53,329,998)
50	Revenue Requirement or (Surplus)	6,581,763	70,720,343

	\$ -
	\$ -
	UG
	Source:Exh. SEF-6G page 1 of 29

PUGET SOUND ENERGY - NATURAL GAS
REVENUES AND EXPENSES
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

LINE NO.	DESCRIPTION	%'s	TY ACTUAL (a)	RESTATE (b)	ADJ 6.01 GR	ADJ 6.01 GP
					RESTATE ADJUSTMENT (c)=(b)-(a)	PROFORMA ADJUSTMENT (e)=(d)-(b)
1	SALES TO CUSTOMERS					
2	REMOVE SCHEDULE 141				\$ -	\$ 50,971
3	ANNUALIZE PGA RATE				(39,807,519)	-
4	REMOVE MERGER RATE CREDIT SCHEDULE 132		NOTE 1		2,929,656	-
5	ANNUALIZE TAX REFORM (DOCKET UG-180283)				(11,165,965)	-
6	OTHER				945,502	-
7	SUB-TOTAL RETAIL REVENUE				\$ (47,098,326)	\$ 50,971
8						
9	OTHER OPERATING REVENUES					
10	RENTALS - MERGER RATE CREDIT ON SCH 132				48,508	8,285
11	REMOVE EARNINGS SHARING ACCRUALS				(6,899,337)	-
12	REMOVE DECOUPLING DEFERRALS FROM TEST YEAR		NOTE 1		-	(6,115,340)
13	REMOVE REVENUE DEFERRALS FOR TAX REFORM				10,523,931	-
14	REMOVE PGA CURTAILMENT				-	(3,747,914)
15	REMOVE JACKSON PRAIRIE				(981,624)	-
16	SUB-TOTAL OTHER OPERATING REVNU				\$ 2,691,479	\$ (9,854,969)
17						
18	TOTAL INCREASE (DECREASE) IN REVENUES				\$ (44,406,847)	\$ (9,803,998)
19						
20	OPERTATING EXPENSES:					
21	OTHER		NOTE 1		\$ (5,257,550)	-
22	ANNUALIZE PGA GAS COSTS				(38,339,579)	-
23	TOTAL INCREASE (DECREASE) IN COSTS				\$ (43,597,129)	\$ -
24						
25	UNCOLLECTIBLES @	0.51240%			(227,541)	(50,236)
26	ANNUAL FILING FEE @	0.20000%			(88,814)	(19,608)
27	STATE UTILITY TAX @	3.83230%			(1,701,804)	(375,719)
28	INCREASE (DECREASE) TAXES OTHER THAN FIT				(2,018,158)	(445,562)
29						
30	INCREASE (DECREASE) OPERATING INCOME				1,208,440	(9,358,435)
31	INCREASE (DECREASE) FIT @	21%			253,772	(1,965,271)
32	INCREASE (DECREASE) NOI				\$ 954,667	\$ (7,393,164)
33						

34 NOTE 1 - BECAUSE REVENUES ARE REFLECTED IN MULTIPLE REVENUE REQUIREMENT ADJUSTMENTS, IT IS NOT POSSIBLE TO PORTRAY TEST YEAR,
35 RESTATED AND PROFORMA AMOUNTS AND SO ONLY THE AMOUNT OF THE ADJUSTMENTS IS DISPLAYED

					\$ -
					UG
					Source: Exh. SEF-6G page 2 of 29

Staff recommendation

**PUGET SOUND ENERGY - NATURAL GAS
TEMPERATURE NORMALIZATION
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE**

LINE NO.	DESCRIPTION	%'s	TY		ADJ 6.02 GR		ADJ 6.02 GP	
			ACTUAL (a)	RESTATE (b)	RESTATE ADJUSTMENT (c)=(b)-(a)	PROFORMA (d)	PROFORMA ADJUSTMENT (e)=(d)-(b)	
			NON-DECOUPLED THERMS		DECOUPLED THERMS			
1	NON-DECOUPLED / DECOUPLED THERMS		248,449,022	251,792,569	3,343,547	301,813,553	50,020,984	
4	AVERAGE PRICING PER THERM		0.021476	0.021476	0.021476	0.678442	0.678442	
6	TEMPERATURE NORMALIZATION ADJUSTMENT		\$ 5,335,641	\$ 5,407,447	\$ 71,805	\$ 39,343,789	\$ 33,936,342	
8	PURCHASED GAS COST		-	-	-	\$ 16,256,426	16,256,426	
11	UNCOLLECTIBLES @	0.51240%	27,340	27,708	368	201,598	173,890	
12	ANNUAL FILING FEE @	0.20000%	10,671	10,815	144	78,688	67,873	
13	STATE UTILITY TAX @	3.83230%	204,478	207,230	2,752	1,507,772	1,300,542	
14	INCREASE (DECREASE) EXPENSE		242,489	245,752	3,263	1,788,057	1,542,305	
16	INCREASE (DECREASE) OPERATING INCOME BEFORE INCOME TAXES		5,093,152	5,161,694	68,542	21,299,306	16,137,611.39	
18	INCREASE (DECREASE) FIT @	21%	1,069,562.02	1,083,956	14,394	4,472,854	3,388,898	
19	INCREASE (DECREASE) NOI		4,023,590	4,077,739	54,148	16,826,452	12,748,713	

Temperature Normalization Restating

Income Statement	PSE Initial	Staff	Difference
Gross Revenue	\$ 42,375	\$ 71,805	\$ 29,430
Revenue Sensitive Expenses	1,926	3,263	1,338
FIT	8,494	14,394	5,899
Increase (Decrease) NOI	31,955	54,148	22,193
Rev Impact due to NOI	(42,375)	(71,805)	(29,430)
Check			\$ (0)

Temperature Normalization Pro Forma

Income Statement	PSE Initial	Staff	Difference
Gross Revenue	\$ 35,122,049	\$ 33,936,342	\$ (1,185,707)
Purchase gas cost	\$ 16,597,942	\$ 16,256,426	\$ (341,516)
Revenue Sensitive Expenses	1,596,192	1,542,305	(53,887)
FIT	3,554,862	3,388,898	(165,964)
Increase (Decrease) NOI	13,373,053	12,748,713	(624,340)
Rev Impact due to NOI	(17,733,863)	(16,905,933)	827,930
Check			\$ 0
Combined Revenue Impact			\$ 798,500

	\$ -	\$ -	-
			UG
			Source: Exh. SEF-6G page 4 of 29

Staff Recommendation

**PUGET SOUND ENERGY - NATURAL GAS
TAX BENEFIT OF PRO FORMA INTEREST
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE**

LINE NO.	DESCRIPTION	%s	TY ACTUAL (a)	RESTATED (b)	ADJ 6.04 GR	PROFORMA (d)	ADJ 6.04 GP
					RESTATED ADJUSTMENT (c)=(b)-(a)		PROFORMA ADJUSTMENT (e)=(d)-(b)
1	RATE BASE		\$ -	\$ 2,092,950,107	\$ 2,092,950,107	\$ 2,071,089,382	\$ (21,860,725)
2							
3							
4							
5	WEIGHTED COST OF DEBT			2.94%		2.87%	
6	PROFORMA INTEREST		-	61,532,733	61,532,733	59,440,265	(2,092,467.87)
7							
8	INCREASE (DECREASE) FIT @	21%	-	(12,921,874)	(12,921,874)	(12,482,456)	439,418
9	INCREASE (DECREASE) NOI		-	12,921,874	12,921,874	12,482,456	(439,418)

DESCRIPTION	%s	PSE Initial Filing		ADJ 6.04 GR		ADJ 6.04 GP	
		TY ACTUAL (a)	RESTATED (b)	RESTATED ADJUSTMENT (c)=(b)-(a)	PROFORMA (d)	PROFORMA ADJUSTMENT (e)=(d)-(b)	
RATE BASE		\$ -	\$ 2,092,179,524	\$ 2,092,179,524	\$ 2,112,672,666	\$ 20,493,142	
WEIGHTED COST OF DEBT			2.94%		2.87%		
PROFORMA INTEREST		-	61,510,078	61,510,078	60,633,706	(876,372.50)	
INCREASE (DECREASE) FIT @	21%	-	(12,917,116)	(12,917,116)	(12,733,078)	184,038	
INCREASE (DECREASE) NOI		-	12,917,116	12,917,116	12,733,078	(184,038)	

Restating		PSE	Staff	Difference
NOI		12,917,116	12,921,874	4,758
Rev Impact due to NOI				(6,309)
Check				0
Pro Forma		PSE	Staff	Difference
NOI		(184,038)	(439,418)	(255,380)
Rev Impact due to NOI				338,657
Check				-

	\$ -
	UG
	Source: Exh. SEF-6G page 5 of 29

**PUGET SOUND ENERGY - NATURAL GAS
PASS-THROUGH REVENUES AND EXPENSES
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE**

LINE NO.	DESCRIPTION	% 's	ADI 6.05 GR			N/A	
			TY ACTUAL (a)	RESTATED (b)	RESTATED ADJUSTMENT (c)=(b)-(a)	PROFORMA (d)	PROFORMA ADJUSTMENT (e)=(d)-(b)
1	<u>REMOVE REVENUES ASSOCIATED WITH RIDERS:</u>						
2	REMOVE LOW INCOME RIDER - SCHEDULE 129		\$ 5,022,861	\$ -	\$ (5,022,861)	\$ -	\$ -
3	REMOVE CONSERVATION TRACKER - SCHEDULE 120		15,312,447	-	(15,312,447)	-	-
4	REMOVE PROPERTY TAX TRACKER - SCHEDULE 140		22,625,480	-	(22,625,480)	-	-
5	REMOVE REVENUE ASSOC WITH PGA AMORTIZATION - SCHEDULE 106		(24,621,258)	-	24,621,258	-	-
6	REMOVE CARBON OFFSET - SCHEDULE 137		154,860	-	(154,860)	-	-
7	REMOVE OTHER ASSOC WITH CARBON OFFSET - SCHEDULE 137		(52,672)	-	52,672	-	-
8	REMOVE DECOUPLING SCH 142 REVENUE		46,012,584	-	(46,012,584)	-	-
9	REMOVE DECOUPLING SCH 142 SURCHARGE AMORT EXPENSE		(43,921,450)	-	43,921,450	-	-
10	REMOVE MUNICIPAL TAXES ASSOC WITH SALES TO CUSTOMERS		41,329,081	-	(41,329,081)	-	-
11	REMOVE PROPERTY TAXES ASSOC WITH OTHER OPRTG REV		242,194	-	(242,194)	-	-
12	REMOVE MUNICIPAL TAXES ASSOC WITH OTHER OPRTG REV		308,145	-	(308,145)	-	-
13	TOTAL (INCREASE) DECREASE REVENUES		62,412,273	-	(62,412,273)	-	-
14							
15	<u>DECREASE REVENUE SENSITIVE ITEMS FOR DECREASE IN REVENUES:</u>						
16	UNCOLLECTIBLES @	0.512400%	319,800	-	(319,800.49)	-	-
17	ANNUAL FILING FEE	0.200000%	124,825	-	(124,824.55)	-	-
18	STATE UTILITY TAX	3.832300%	2,391,826	-	(2,391,825.53)	-	-
19	TOTAL		2,836,451	-	(2,836,451)	-	-
20							
21	<u>REMOVE EXPENSES ASSOCIATED WITH RIDERS</u>						
22	REMOVE LOW INCOME AMORTIZATION - SCHEDULE 129		4,799,235	-	(4,799,235)	-	-
23	REMOVE CONSERVATION AMORTIZATION - SCHEDULE 120		14,625,833	-	(14,625,833)	-	-
24	REMOVE PROPERTY TAX AMORTIZATION EXP - SCHEDULE 140		21,844,083	-	(21,844,083)	-	-
25	REMOVE PGA DEFERRAL AMORTIZATION EXP - SCHEDULE 106		(23,502,296)	-	23,502,296	-	-
26	REMOVE CARBON OFFSET 805 EXPENSE - SCHEDULE 137		12,000	-	(12,000)	-	-
27	REMOVE CARBON OFFSET 908 EXPENSE - SCHEDULE 137		15,722	-	(15,722)	-	-
27	REMOVE MUNICIPAL TAXES ASSOC WITH SALES TO CUSTOMERS		39,993,753	-	(39,993,753)	-	-
28	TOTAL INCREASE (DECREASE) EXPENSE		57,788,330	-	(57,788,330)	-	-
29							
30	INCREASE (DECREASE) OPERATING INCOME BEFORE FIT		1,787,492	-	(1,787,492)	-	-
31	INCREASE (DECREASE) FIT	21%	375,373	-	(375,373)	-	-
32	INCREASE (DECREASE) NOI		\$ 1,412,119	\$ -	\$ (1,412,119)	\$ -	\$ -

					\$ -		
							UG
							Source: Exh. SEF-6G page 6 of 29

PUGET SOUND ENERGY - NATURAL GAS
NORMALIZE INJURIES AND DAMAGES
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

LINE NO.	DESCRIPTION	%s	TY ACTUAL (a)	RESTATE (b)	ADJ 6.06 GR		N/A	
					RESTATE ADJUSTMENT (c)=(b)-(a)	PROFORMA (d)	PROFORMA ADJUSTMENT (e)=(d)-(b)	
1	INJURIES & DAMAGES ACCRUALS		\$ (1,380,898)	\$ 243,867	\$ 1,624,765	\$ 243,867	\$ -	
2	INJURIES & DAMAGES PAYMENTS IN EXCESS OF ACCRUALS		915,435	880,947	(34,488)	880,947	-	
3	INCREASE/(DECREASE) IN EXPENSE		(465,463)	1,124,814	1,590,277	1,124,814	-	
4								
5	INCREASE/(DECREASE) IN OPERATING EXPENSE (LINE 3)		\$ (465,463)	\$ 1,124,814	\$ 1,590,277	\$ 1,124,814	\$ -	
6	INCREASE (DECREASE) FIT @	21%	97,747	(236,211)	(333,958)	(236,211)	-	
7						888,603		
8	INCREASE (DECREASE) NOI		\$ 367,716	\$ (888,603)	\$ (1,256,319)	\$ (888,603)	\$ -	

				\$ -		\$ -
						UG
						Source:Exh. SEF-6G page 9 of 29

PUGET SOUND ENERGY - NATURAL GAS
EXCISE TAX & FILING FEE
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

LINE NO. DESCRIPTION	%'s	TY		ADJ 6.09 GR		ADJ 6.09 GP	
		ACTUAL (a)	RESTATE (b)	RESTATE ADJUSTMENT (c)=(b)-(a)	PROFORMA (d)	PROFORMA ADJUSTMENT (e)=(d)-(b)	
1 EXCISE TAXES		\$ 34,660,463	\$ 34,517,802	\$ (142,661)	\$ 34,660,463	\$ 142,661	
2 WUTC FILING FEE		1,699,068	1,753,265	54,198	1,699,068	(54,198)	
3 INCREASE(DECREASE) EXCISE AND WUTC FILING FEE		36,359,531	36,271,067	(88,463)	36,359,531	88,463	
4							
5 INCREASE(DECREASE) OPERATING EXPENSE		36,359,531	36,271,067	(88,463)	36,359,531	88,463	
6 INCREASE(DECREASE) FIT @	21%	(7,635,501)	(7,616,924)	18,577	(7,635,501)	(18,577)	
7 INCREASE(DECREASE) NOI		\$ (28,724,029)	\$ (28,654,143)	\$ 69,886	\$ (28,724,029)	\$ (69,886)	

					\$ -		\$ -
							UG
Source: Exh. SEF-6G page 10 of 29							

PUGET SOUND ENERGY - NATURAL GAS
DIRECTORS & OFFICERS INSURANCE
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

LINE NO.	DESCRIPTION	% 's	TY		ADJ 6.10 GR		ADJ 6.10 GP	
			ACTUAL (a)	RESTATE (b)	RESTATE ADJUSTMENT (c)=(b)-(a)	PROFORMA (d)	PROFORMA ADJUSTMENT (e)=(d)-(b)	
1	D & O INS. CHG EXPENSE		\$ 60,815	\$ 55,965	\$ (4,849)	\$ 60,815	\$ 4,849	
2								
3	INCREASE (DECREASE) IN EXPENSE		\$ 60,815	\$ 55,965	\$ (4,849)	\$ 60,815	\$ 4,849	
4								
5	INCREASE(DECREASE) OPERATING EXPENSE (LIN		\$ 60,815	\$ 55,965	\$ (4,849)	\$ 60,815	\$ 4,849	
6								
7	INCREASE (DECREASE) FIT @	21%	(12,771)	(11,753)	1,018	(12,771)	(1,018)	
8								
9	INCREASE (DECREASE) NOI		\$ (48,044)	\$ (44,213)	\$ 3,831	\$ (48,044)	\$ (3,831)	

					\$ -		
							UG
							Source:Exh. SEF-6G page 11 of 29

PUGET SOUND ENERGY - NATURAL GAS
INTEREST ON CUSTOMER DEPOSITS
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

LINE NO.	DESCRIPTION	%	TY ACTUAL (a)	RESTATED (b)	ADJ 6.11 GR	PROFORMA (d)	N/A
					RESTATED ADJUSTMENT (c)=(b)-(a)		PROFORMA ADJUSTMENT (e)=(d)-(b)
1	INTEREST EXPENSE AT MOST CURRENT INTEREST RATE		\$ -	\$ 204,504	\$ 204,504	\$ 204,504	\$ -
2							
3	INCREASE (DECREASE) NOI		\$ -	\$ (204,504)	\$ (204,504)	\$ (204,504)	\$ -

					\$		
							UG
							Source:Exh. SEF-6G page 12 of 29

PUGET SOUND ENERGY - NATURAL GAS
RATE CASE EXPENSES
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

LINE NO.	DESCRIPTION	% 's	TY		ADJ 6.12 GR		N/A	
			ACTUAL (a)	RESTATE (b)	RESTATE ADJUSTMENT (c)=(b)-(a)	PROFORMA (d)	PROFORMA ADJUSTMENT (e)=(d)-(b)	
1	EXPENSES TO BE NORMALIZED:							
2								
3	EXPENSES OF LAST 2 COMPLETED GRCS (2017 GRC AND 2011	\$	(6,029)	\$ 548,500	\$ 554,529	\$ 548,500	\$ -	
4	TOTAL INCREASE (DECREASE) EXPENSE		(6,029)	548,500	554,529	548,500	-	
5								
6	INCREASE(DECREASE) FIT	21%	1,266	(115,185)	(116,451)	(115,185)	-	
7	INCREASE(DECREASE) NOI		\$ 4,763	\$ (433,315)	\$ (438,078)	\$ (433,315)	\$ -	

					\$ -
					UG _____
					Source:Exh. SEF-6G page 13 of 29

PUGET SOUND ENERGY - NATURAL GAS
PENSION PLAN
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

LINE NO. DESCRIPTION	% 's	TY ACTUAL (a)	RESTATED (b)	ADJ 6.13 GR	PROFORMA (d)	N/A
				RESTATED ADJUSTMENT (c)=(b)-(a)		PROFORMA ADJUSTMENT (e)=(d)-(b)
1 QUALIFIED RETIREMENT FUND		\$ 2,033,423	\$ 3,008,677	\$ 975,254	\$ 3,008,677	\$ -
2 INCREASE(DECREASE) EXPENSE		2,033,423	3,008,677	975,254	3,008,677	-
3						
4 INCREASE(DECREASE) OPERATING EXPENSE (LINE 2)		2,033,423	3,008,677	975,254	3,008,677	-
5 INCREASE (DECREASE) FIT @ 21% (LINE 4 X 21%)	21%	(427,019)	(631,822)	(204,803)	(631,822)	-
6 INCREASE (DECREASE) NOI		\$ (1,606,404)	\$ (2,376,855)	\$ (770,451)	\$ (2,376,855)	\$ -

					\$ -		
							UG _____
							Source: Exh. SEF-6G page 14 of 29

PUGET SOUND ENERGY - NATURAL GAS
PROPERTY & LIABILITY INSURANCE
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

LINE NO.	DESCRIPTION	%’s			ADJ 6.14 GR			ADJ 6.14 GP
			TY ACTUAL (a)	RESTATED (b)	RESTATED ADJUSTMENT (c)=(b)-(a)	PROFORMA (d)	PROFORMA ADJUSTMENT (e)=(d)-(b)	
1	PROPERTY INSURANCE EXPENSE		\$ 149,852	\$ 121,923	\$ (27,929)	\$ 139,711	\$ 17,788	
2	LIABILITY INSURANCE EXPENSE		1,079,999	1,174,568	94,570	1,187,768	13,200	
3	INCREASE(DECREASE) EXPENSE		\$ 1,229,851	\$ 1,296,491	\$ 66,641	\$ 1,327,479	\$ 30,988	
4								
5	INCREASE (DECREASE) FIT @	21%	(258,269)	(272,263)	(13,995)	(278,771)	(6,507)	
6	INCREASE (DECREASE) NOI		\$ (971,582)	\$ (1,024,228)	\$ (52,646)	\$ (1,048,708)	\$ (24,480)	

				\$ -		\$ -
						UG

Source: Exh. SEF-6G page 16 of 29

PUGET SOUND ENERGY - NATURAL GAS
INVESTMENT PLAN
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

LINE NO.	DESCRIPTION	%s	TY ACTUAL (a)	RESTATED (b)	ADJ 6.16 GR		ADJ 6.16 GP	
					RESTATED ADJUSTMENT (c)=(b)-(a)	PROFORMA (d)	PROFORMA ADJUSTMENT (e)=(d)-(b)	
1	NON-UNION (INC. EXECUTIVES)							
2	INVESTMENT PLAN APPLICABLE TO MANAGEMENT		\$ 4,258,316	\$ 4,258,316	\$ -	\$ 4,421,410	\$ 163,094	
3								
4	IBEW							
5	INVESTMENT PLAN APPLICABLE TO IBEW		1,462,408	1,462,408	0	1,506,281	43,872	
6								
7	UA							
8	INVESTMENT PLAN APPLICABLE TO UA		471,519	482,128	10,609	510,249	28,120	
9								
10	TOTAL							
11	TOTAL PROFORMA COSTS (LN 2 + LN 5 + LN 8)		\$6,192,243.85	\$ 6,202,853	\$ 10,609	\$ 6,437,939	\$ 235,086	
12								
13	COSTS APPLICABLE TO OPERATIONS	50%	3,095,944	3,101,249	5,304	3,218,785	\$ 117,536	
14								
15	INCREASE (DECREASE) IN EXPENSE		\$ 3,095,944	\$ 3,101,249	\$ 5,304	\$ 3,218,785	\$ 117,536	
16								
17	INCREASE(DECREASE) OPERATING EXPENSE		\$ 3,095,944	\$ 3,101,249	\$ 5,304	\$ 3,218,785	\$ 117,536	
18								
19	INCREASE (DECREASE) FIT @	21%	(650,148)	(651,262)	(1,114)	(675,945)	(24,683)	
20								
21	INCREASE (DECREASE) NOI		\$ (2,445,796)	\$ (2,449,986)	\$ (4,190)	\$ (2,542,840)	\$ (92,854)	

				\$ -		\$ -
					UG	
					Source: Exh. SEF-6G page 17 of 29	

PUGET SOUND ENERGY - NATURAL GAS
EMPLOYEE INSURANCE
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

LINE NO.	DESCRIPTION	% 's	TY		ADI 6.17 GR		ADI 6.17 GP	
			ACTUAL (a)	RESTATE (b)	RESTATE ADJUSTMENT (c)=(b)-(a)	PROFORMA (d)	PROFORMA ADJUSTMENT (e)=(d)-(b)	
1	<u>BENEFIT CONTRIBUTION:</u>							
2	NON-UNION EMPLOYEES		\$ 8,855,914	\$ 8,840,311	\$ (15,603)	\$ 9,350,086	\$ 509,775	
3	UNION EMPLOYEES		4,614,715	4,657,270	42,555	4,928,633	271,363	
4	TOTAL INSURANCE COSTS		13,470,629	13,497,581	26,952	14,278,719	781,138	
5								
6	APPLICABLE TO OPERATIONS @	50%	6,734,928	6,748,404	13,475	7,138,950	390,546	
7	CHARGED TO EXPENSE		6,749,185	6,749,185	-	6,749,185	-	
8	INCREASE (DECREASE) EXPENSE		(14,257)	(782)	13,475	389,765	390,546	
9								
10	INCREASE (DECREASE) FIT @	21%	2,994	164	(2,830)	(81,851)	(82,015)	
11								
12	INCREASE (DECREASE) NOI		\$ 11,263	\$ 617	\$ (10,645)	\$ (307,914)	\$ (308,532)	

				\$ -
				UG
Source: Exh. SEF-6G page 18 of 29				

Staff Recommendation

**PUGET SOUND ENERGY - NATURAL GAS
AMA TO EOP RATE BASE
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE**

LINE NO.	DESCRIPTION	%s	TY ACTUAL (a)	RESTATED (b)	ADJ 6.18 GR	PROFORMA (d)	N/A
					RESTATED ADJUSTMENT (c)=(b)-(a)		PROFORMA ADJUSTMENT (e)=(d)-(b)
RATE BASE:							
1	GROSS UTILITY PLANT IN SERVICE		\$ 4,100,600,279	\$ 4,300,940,372	\$ 200,340,093	\$ 4,300,940,372	\$ -
2	ACCUM DEPR AND AMORT		(1,569,795,173)	(1,625,310,955)	(55,515,782)	(1,625,310,955)	-
3	DEFERRED DEBITS AND CREDITS		(604,032,301)	(600,273,755)	3,758,546	(600,273,755)	-
4	DEFERRED TAXES		(29,952,462)	(26,993,657)	2,958,805	(26,993,657)	-
5	ALLOWANCE FOR WORKING CAPITAL		54,431,800	54,431,800	-	54,431,800	-
6	OTHER		-	-	-	-	-
7	TOTAL RATE BASE		\$ 1,951,252,143	\$ 2,102,793,806	\$ 151,541,663	\$ 2,102,793,806	\$ -

PSE As Filed	PSE	Staff	Difference
Rate Base	\$ 150,665,688	151,541,663	875,974
RoR	7.62%	7.33%	
Return	11,480,725	11,108,004	(372,722)
Rev Impact due to rate base	15,224,468	14,730,206	(494,262)
Check			-

	\$ _____
	UG _____
	Source: Exh. SEF-6G page 20 of 29

PUGET SOUND ENERGY - NATURAL GAS
DEFERRED GAINS/LOSSES ON PROPERTY SALES
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

LINE NO. DESCRIPTION	% 's	TY		N/A		ADJ 6.20 GP	
		ACTUAL (a)	RESTATED (b)	RESTATED ADJUSTMENT (c)=(b)-(a)	PROFORMA (d)	PROFORMA ADJUSTMENT (e)=(d)-(b)	
1 AMORTIZATION of NET DEFERRED GAIN							
2 APPROVED IN UE-170033 & PENDING APPROVAL		\$ 116,306	\$ 116,306	\$ -	\$ 24,348	\$ (91,958)	
3							
4 INCREASE (DECREASE) EXPENSE (LINE 2)		116,306	116,306	-	24,348	(91,958)	
5							
6 INCREASE (DECREASE) FIT	21%	(24,424)	(24,424)	-	(5,113)	19,311	
7 INCREASE (DECREASE) NOI		\$ (91,882)	\$ (91,882)	\$ -	\$ (19,235)	\$ 72,647	

	\$ - \$ -
	UG
	Source: Exh. SEF-6G page 22 of 29

PUGET SOUND ENERGY - NATURAL GAS
AMI
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

LINE NO.	DESCRIPTION	% 's	TY ACTUAL (a)	RESTATED (b)	N/A		ADJ 6.22 GP	
					RESTATED ADJUSTMENT (c)=(b)-(a)	PROFORMA (d)	PROFORMA ADJUSTMENT (e)=(d)-(b)	
1	<u>RATEBASE (AMA) UTILITY PLANT RATEBASE</u>							
2	<u>UTILITY PLANT</u>							
3	PLANT ADDITIONS JAN-JUN 2019 (1)				\$ -	\$ 12,465,833	\$ 12,465,833	
4	ACCUM DEPRECIATION (1)				-	(1,019,306)	(1,019,306)	
5	DEFERRED INCOME TAX LIABILITY (1)				-	(872,688)	(872,688)	
6	TOTAL UTILITY PLANT				-	10,573,839	10,573,839	
7	<u>DEFERRALS</u>							
8	DEPRECIATION DEFERRAL (3)				-	5,026,061	5,026,061	
9	ACCUM AMORT ON DEPRECIATION DEFERRAL (2)				-	(837,677)	(837,677)	
10	DFIT ON DEPRECIATION DEFERRAL (2)				-	(879,561)	(879,561)	
11	TOTAL DEFERRED DEPRECIATION				-	3,308,823	3,308,823	
12								
13	NET RATEBASE		\$ -	\$ -	\$ -	\$ 13,882,663	\$ 13,882,663	
14								
15	<u>OPERATING EXPENSE</u>							
16	DEPRECIATION EXPENSE (1)				-	654,456	654,456	
17	LESS AVOIDED DPERECIATION FROM AMR RETIREMENTS IN RATE YR (1)				-	(45,793)	(45,793)	
18	AMORT OF DEF'D RETURN THROUGH APR 2020: 3YRS MAY '20 - APR '23 (2)		-	-	-	390,538	390,538	
19	AMORT OF DEF'D DEPREC THROUGH APR 2020: 3YRS MAY '20 - APR '23 (3)		-	-	-	1,675,354	1,675,354	
20	TOTAL OPERATING EXPENSES		-	-	-	2,674,555	2,674,555	
21								
22	INCREASE (DECREASE) EXPENSE				-	2,674,555	2,674,555	
23								
24	INCREASE (DECREASE) FIT @	21%				(561,657)	(561,657)	
25	INCREASE (DECREASE) NOI					\$ (2,112,898)	\$ (2,112,898)	
26								
27	(1) PRO FORMA PLANT ADDITIONS							
28	(2) AMORT OF DEFERRAL OF RETURN ON INVESTMENT							
29	(3) AMORT OF DEFERRAL OF DERPRECIATION							

	\$ -
	UG
	Source: Exh. SEF-6G page 23 of 29

PUGET SOUND ENERGY - NATURAL GAS
ANNUALIZE RENT EXPENSE
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

LINE NO.	DESCRIPTION	% 's	TY		ADJ 6.23 GR		ADJ 6.23 GP	
			ACTUAL (a)	RESTATED (b)	RESTATED ADJUSTMENT (c)=(b)-(a)	PROFORMA (d)	PROFORMA ADJUSTMENT (e)=(d)-(b)	
1								
2	PSE BLDG		\$ 525,852	\$ -	\$ (525,852)	\$ -	\$ -	
3	PSE BLDG 4th Floor Rent		133,122	-	(133,122)	-	-	
4	PSE BLDG 4th Sublease		-	-	-	-	-	
5	EST BLDG		1,567,216	1,567,216	-	1,505,386	(61,830)	
6	Parking		450,521	450,521	-	337,383	(113,137)	
7	Bothell O		165,632	165,632	-	400,014	234,382	
8	Bothell G/H		456,719	456,719	-	365,490	(91,229)	
9	Vernell		-	-	-	-	-	
10	Small Offices:							
11	Oak Harbor Office		-	-	-	-	-	
12	Bellingham Business Office		-	-	-	-	-	
13	Ellensburg Office		9,086	9,086	-	-	(9,086)	
14	South Whidbey Business Office (Freeland)		19,839	19,839	-	-	(19,839)	
15	LRO and Commissions		109,086	109,086	-	-	(109,086)	
16	TOTAL INCREASE (DECREASE) EXPENSE		3,437,071	2,778,097	(658,974)	2,608,272	(169,825)	
17								
18	INCREASE(DECREASE) FIT	21%	(721,785)	(583,400)	138,384	(547,737)	35,663	
19	INCREASE(DECREASE) NOI		\$ (2,715,286)	\$ (2,194,697)	\$ 520,589	\$ (2,060,535)	\$ 134,162	

					\$ -	\$ -
--	--	--	--	--	------	------

UG

Source: Exh. SEF-6G page 24 of 29

Staff Recommendation

**PUGET SOUND ENERGY - NATURAL GAS
GET TO ZERO PROFORMA PLANT ADDITIONS AND DEFERRAL ADJUSTMENT
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE**

LINE NO.	DESCRIPTION	%'s	N/A			ADI 6.24 GP	
			TY ACTUAL (a)	RESTATED (b)	RESTATED ADJUSTMENT (c)=(b)-(a)	PROFORMA (d)	PROFORMA ADJUSTMENT (e)=(d)-(b)
1	<u>RATEBASE (AMA) UTILITY PLANT RATEBASE</u>						
2	<u>UTILITY PLANT</u>						
3	PLANT ADDITIONS JAN-JUN 2019		\$ -	\$ -	\$ -	\$ 4,408,606	\$ 4,408,606
4	ACCUM DEPRECIATION		-	-	-	(2,449,226)	(2,449,226)
5	DEFERRED INCOME TAX LIABILITY		-	-	-	128,584	128,584
6	TOTAL UTILITY PLANT		-	-	-	2,087,965	2,087,965
7							
8	<u>DEFERRALS</u>						
9	DEPRECIATION DEFERRAL		-	-	-	5,642,062	5,642,062
10	ACCUM AMORT ON DEPRECIATION DEFERRAL		-	-	-	(940,344)	(940,344)
11	DFT ON DEPRECIATION DEFERRAL		-	-	-	(987,361)	(987,361)
12	TOTAL DEPRECIATION DEFERRALS		-	-	-	3,714,357	3,714,357
13							
14	NET RATEBASE		\$ -	\$ -	\$ -	\$ 5,802,322	\$ 5,802,322
15							
16	<u>OPERATING EXPENSE</u>						
17	DEPRECIATION EXPENSE ON UTILITY PLANT		\$ -	\$ -	\$ -	\$ 1,469,535	\$ 1,469,535
18	AMORTIZATION OF AMORTIZATION DEFERRAL		-	-	-	1,880,687	1,880,687
19	AMORTIZATION OF CARRYING CHARGES DEFERRAL		-	-	-	-	-
20	TOTAL OPERATING EXPENSES		\$ -	\$ -	\$ -	\$ 3,350,223	\$ 3,350,223
21	Four Factor Allocator	66.19%					
22	INCREASE (DECREASE) EXPENSE		-	-	-	3,350,223	3,350,223
23							
24	INCREASE (DECREASE) FIT @	21%	-	-	-	(703,547)	(703,547)
25	INCREASE (DECREASE) NOI		\$ -	\$ -	\$ -	\$ (2,646,676)	\$ (2,646,676)

					\$	-	\$	-
								UG
								Source: Exh. SEF-6G page 26 of 29

PUGET SOUND ENERGY - NATURAL GAS
UNPROTECTED EXCESS DEFERRED INCOME TAXES
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

LINE NO.	DESCRIPTION	% 's	TY ACTUAL (a)	RESTATE (b)	N/A	PROFORMA (d)	ADJ 6.26 GP
					RESTATE ADJUSTMENT (c)=(b)-(a)		PROFORMA ADJUSTMENT (e)=(d)-(b)
1	RATEBASE:						
2	UNPROTECTED DFIT		\$ (2,890,522)	\$ (2,890,522)	\$ -	\$ (2,529,206)	\$ 361,315
3	TOTAL RATE BASE		\$ (2,890,522)	\$ (2,890,522)	\$ -	\$ (2,529,206)	\$ 361,315
4							
5	EXPENSES:						
6	411.1 ANNUAL AMORTIZATION		\$ -	\$ -	\$ -	\$ (722,630)	\$ (722,630)
7	INCREASE (DECREASE) OPERATING EXPENSE		-	-	-	(722,630)	(722,630)
8							
9	INCREASE (DECREASE) FIT	21%	N/A	N/A	N/A	N/A	N/A
10	INCREASE (DECREASE) NOI		\$ -	\$ -	\$ -	\$ 722,630	\$ 722,630

	UG _____
Source: Exh. SEF-6G page 27 of 29	

Staff Recommendation **Remove the entire adjustment**

PUGET SOUND ENERGY - NATURAL GAS
PUBLIC IMPROVEMENT
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

LINE NO.	DESCRIPTION	%s	N/A			ADI 6.27 GP	
			TY ACTUAL (a)	RESTATED (b)	RESTATED ADJUSTMENT (c)=(b)-(a)	PROFORMA (d)	PROFORMA ADJUSTMENT (e)=(d)-(b)
1	<u>UTILITY PLANT RATEBASE</u>						
2	PLANT BALANCE		\$ _____	\$ _____	\$ _____	\$ 6,264,184	\$ 6,264,184
3	ACCUM DEPRECIATION		_____	_____	_____	(259,802)	(259,802)
4	DEFERRED FIT		_____	_____	_____	(57,734)	(57,734)
5	TOTAL RATEBASE		_____	_____	_____	<u>5,946,648</u>	<u>5,946,648</u>
6							
7	<u>OPERATING EXPENSE</u>						
8	DEPRECIATION EXPENSE		_____	_____	_____	156,400	156,400
9	TOTAL OPERATING EXPENSES		_____	_____	_____	156,400	156,400
10							
11	INCREASE (DECREASE) EXPENSE		_____	_____	_____	156,400	156,400
12							
13	INCREASE (DECREASE) FIT @	21%	_____	_____	_____	(32,844)	(32,844)
14	INCREASE (DECREASE) NOI		\$ _____	\$ _____	\$ _____	123,556	123,556

PSE As Filed	PSE	Staff	Difference
Depreciation Expense	156,400	-	(156,400)
FIT	(32,844)	-	32,844
NOI	(123,556)	-	123,556
Rev Impact due to NOI	163,847	-	(163,847)
Rate Base	\$ 5,946,648	-	
RoR	7.62%	-	
Return	453,135	-	(453,135)
Rev Impact due to rate base	600,896.90	-	(600,897)
Combined Rev Impact	764,743	-	(764,743)
Check			-

	\$ -
	UG
	Source: Exh. SEF-6G page 28 of 29

PUGET SOUND ENERGY - NATURAL GAS
CONTRACT ESCALATIONS
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

LINE NO.	DESCRIPTION	% 's	TY		N/A	ADJ 6.28 GP	
			ACTUAL (a)	RESTATED (b)	RESTATED ADJUSTMENT (c)=(b)-(a)	PROFORMA (d)	PROFORMA ADJUSTMENT (e)=(d)-(b)
1	OTHER POWER SUPPLY EXPENSES		\$ 1,478	\$ 1,478	\$ -	\$ 1,522	\$ 44
2	TRANSMISSION EXPENSE		1,906	1,906	-	1,964	58
3	DISTRIBUTION EXPENSE		16,474,239	16,474,239	-	16,752,856	278,618
4	CUSTOMER ACCTS EXPENSES		7,112,059	7,112,059	-	7,217,318	105,258
5	ADMIN & GENERAL EXPENSE		19,366	19,366	-	19,967	601
6	TOTAL INCREASE (DECREASE) EXPENSE		23,609,047	23,609,047	-	23,993,626	384,579
7							
8	INCREASE(DECREASE) FIT	21%	(4,957,900)	(4,957,900)	-	(5,038,662)	(80,762)
9	INCREASE(DECREASE) NOI		\$ (18,651,147)	\$ (18,651,147)	\$ -	\$ (18,954,965)	\$ (303,817)

						UG
						Source: Exh. SEF-6G page 29 of 29

Staff Recommendation Remove the entire adjustment

PUGET SOUND ENERGY - NATURAL GAS
HR TOP
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

LINE NO.	DESCRIPTION	% 's	TY ACTUAL (a)	RESTATED (b)	N/A	PROFORMA (d)	ADJ 6.29 GP
					RESTATED ADJUSTMENT (c)=(b)-(a)		PROFORMA ADJUSTMENT (e)=(d)-(b)
1	RATEBASE (AMA) UTILITY PLANT RATEBASE						
2	HR TOPS						
3	PLANT ADDITIONS		\$ _____	\$ _____	\$ _____	\$ 3,482,430	\$ 3,482,430
4	ACCUM DEPRECIATION		_____	_____	_____	(493,344)	(493,344)
5	DEFERRED INCOME TAX LIABILITY		_____	_____	_____	(189,353)	(189,353)
6	TOTAL UTILITY PLANT		_____	_____	_____	2,799,732	2,799,732
7							
8	NET RATEBASE		\$ _____	\$ _____	\$ _____	\$ 2,799,732	\$ 2,799,732
9							
10	OPERATING EXPENSE						
11	DEPRECIATION EXPENSE		\$ _____	\$ _____	\$ _____	\$ 348,243	\$ 348,243
12	TOTAL OPERATING EXPENSES		_____	_____	_____	348,243	348,243
13							
14	INCREASE (DECREASE) EXPENSE		_____	_____	_____	348,243	348,243
15							
16	INCREASE (DECREASE) FIT @	21%	_____	_____	_____	(73,131)	(73,131)
17	INCREASE (DECREASE) NOI		\$ _____	\$ _____	\$ _____	\$ (275,112)	\$ (275,112)

PSE As Filed	PSE	Staff	Difference
Depreciation Expense	348,243	-	(348,243)
FIT	(73,131)	-	73,131
NOI	(275,112)	-	275,112
Rev Impact due to NOI	364,823	-	(364,823)
Rate Base	\$ 2,799,732	-	
RoR	7.62%	-	
Return	213,340	-	(213,340)
Rev Impact due to rate base	282,907.38	-	(282,907)
Combined Rev Impact	647,730	-	(647,730)
Check			-

					\$	-	\$	-
								UG
								Source:Exh. SEF-SG page 2 of 2

PUGET SOUND ENERGY - NATURAL GAS
PROFORM EXISTING CRM
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

LINE NO.	DESCRIPTION	%	TY ACTUAL (a)	RESTATE (b)	N/A		ADI 8.02 GP	
					RESTATE ADJUSTMENT (c)=(b)-(a)	PROFORMA (d)	PROFORMA ADJUSTMENT (e)=(d)-(b)	
1	ADJUSTMENT TO OPERATING REVENUES							
2	PROFORM SCH. 149 REVENUE		\$ 6,980,521	\$ 6,980,521	\$ -	\$ -	\$ -	\$ (6,980,521)
3								
4	ADJUSTMENT TO OPERATING EXPENSES							
5	403 DEPRECIATION EXPENSE		2,616,180	2,616,180	-	2,616,180	-	-
6								
7	ADJUSTED DEPRECIATION EXPENSE		2,616,180	2,616,180	-	2,616,180	-	-
8								
9	UNCOLLECTIBLES @	0.005124	35,768	35,768	-	-	-	(35,768)
10	ANNUAL FILING FEE @	0.002000	13,961	13,961	-	-	-	(13,961)
11	INCREASE (DECREASE) EXPENSES		49,729	49,729	-	-	-	(49,729)
12								
13	STATE UTILITY TAX @	0.038323	267,515	267,515	-	-	-	(267,515)
14								
15	INCREASE (DECREASE) TAXES OTHER		317,244	317,244	-	-	-	(317,244)
16								
17	INCREASE (DECREASE) INCOME		4,047,098	4,047,098	-	(2,616,180)	-	(6,663,277)
18	INCREASE (DECREASE) FIT @	21.0%	849,891	849,891	-	(549,398)	-	(1,399,288)
19								
20	INCREASE (DECREASE) NOI		\$ 3,197,207	\$ 3,197,207	\$ -	\$ (2,066,782)	\$ -	\$ (5,263,989)
21								
22								
23	ADJUSTMENT TO RATE BASE							
24	PLANT		\$ 105,802,468	\$ 105,802,468	\$ -	\$ 105,802,468	\$ -	\$ -
25	ACCUM DEPRECIATION		(4,408,806)	(4,408,806)	-	(10,067,231)	-	(5,658,425)
26	ACCUMULATED DEFERRED INCOME TAXES		(8,207,638)	(8,207,638)	-	(8,937,256)	-	(729,618)
27								
28	TOTAL ADJUSTMENT TO RATEBASE		\$ 93,186,025	\$ 93,186,025	\$ -	\$ 86,797,981	\$ -	\$ (6,388,044)

UTC Staff Adjustment
Staff-12.03G

PUGET SOUND ENERGY-GAS
Remove Rate Base Associated with Green Direct
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

LINE NO.	DESCRIPTION	TY ACTUAL (a)	RESTATED (b)	RESTATED ADJUSTMENT (c)=(b)-(a)
1	RATE BASE			
2	Plant in Service	\$ 113,323	\$ -	\$ (113,323)
3	Accumulated Depreciation	-	0	-
4	Accumulated Deferred FIT	(7,932)	0	7,932
5	Total Rate Base	\$ 105,392	0	\$ (105,392)
	Impact on Revenue Requirement			\$ (10,244)
	Check			\$ -

UTC Staff Adjustment
Staff-12.05G

PUGET SOUND ENERGY - GAS
Remove Tacoma LNG Expense and Rate Base
12 MONTHS ENDED DECEMBER 31, 2018
2019 GENERAL RATE CASE

LINE NO.	DESCRIPTION	%'s	TY ACTUAL (a)	RESTATED (b)	RESTATED ADJUSTMENT (c)=(b)-(a)
1	Income Statement				
2	Other Power Supply Expense		\$ 1,698	\$ -	\$ (1,698)
2	Admin & General Expense		79,928	-	(79,928)
3	Depreciation Expense		712,423	-	(712,423)
3	Increase (Decrease) FIT @	21%	(166,750)	-	166,750
4	INCREASE (DECREASE) NOI		\$ 627,299	\$ -	\$ (627,299)
5					
5	RATE BASE				
6	Plant in Service		\$ 32,233,800	\$ -	\$ (32,233,800)
6	Accumulated Depreciation		(1,111,624)	-	1,111,624
7	Accumulated Deferred FIT		(4,930,706)	-	4,930,706
7	Total Rate Base		\$ 26,191,470	\$ -	\$ (26,191,470)

FIT	21%
CASE	2019 GENERAL RATE CASE
TESTYEAR	12 MONTHS ENDED DECEMBER 31, 2018
DOCKETNUMBER	UG _____
EXHIBIT	Exhibit No.
Comp	PUGET SOUND ENERGY - NATURAL GAS
RY	12 ME APRIL 2021