

**EXHIBIT NO. \_\_\_(JAP-3)  
DOCKET NO. UG-15\_\_\_\_  
WITNESS: JON A. PILIARIS**

**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\_\_\_\_**

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

**AUGUST 11, 2015**

Puget Sound Energy, Inc. - 2011 Gas Cost of Service Study  
12ME December 2014 CBR Test Year With Gas  
Summary

Line No.	Description	Total Company	Residential (16,23,53)	Comm. & Indus. (31,61)	Large Volume (41)	Large Volume Trans. (41T)	Interruptible Trans. (85)	Interruptible Trans. (85T)	Limited Interruptible Trans. (86)	Limited Interruptible Trans. (86T)	Non-Exclusive Interruptible (87)	Non-Exclusive Interruptible Trans. (87T)	Contracts	Rentals
	(a)	(b)	(c)	(d)	(e)	(g)	(h)	(i)	(j)	(k)	(l)	(n)	(o)	(p)
<b>Rate Base</b>														
1	Plant in Service	\$ 3,298,674,853	\$ 2,272,784,745	\$ 754,773,449	\$ 102,796,274	\$ 17,922,920	\$ 11,481,596	\$ 48,413,499	\$ 11,437,038	\$ 120,481	\$ 7,431,691	\$ 24,542,134	\$ 14,192,343	\$ 32,778,685
2	Accumulated Reserve	(1,232,371,209)	(848,493,780)	(278,905,520)	(33,450,143)	(5,918,702)	(3,535,763)	(15,476,859)	(3,469,282)	(39,516)	(2,400,429)	(8,033,765)	(4,572,050)	(28,075,401)
3	Other Rate Base Items	(390,932,621)	(269,954,371)	(90,783,492)	(12,992,935)	(2,321,678)	(1,320,839)	(6,324,826)	(1,365,820)	(15,591)	(715,038)	(3,082,131)	(1,809,084)	(246,816)
4	TOTAL RATE BASE	\$ 1,675,371,022	\$ 1,154,336,595	\$ 385,084,437	\$ 56,353,196	\$ 9,682,540	\$ 6,624,993	\$ 26,611,813	\$ 6,601,936	\$ 65,375	\$ 4,316,223	\$ 13,426,238	\$ 7,811,209	\$ 4,456,468
<b>Expenses at Current Rates</b>														
5	Operation and Maintenance	\$ 596,949,164	\$ 397,737,999	\$ 133,619,225	\$ 36,479,142	\$ 535,227	\$ 7,823,794	\$ 1,517,765	\$ 5,396,340	\$ 4,437	\$ 11,004,887	\$ 847,976	\$ 484,039	\$ 1,498,331
6	Depreciation Expense	123,931,105	85,593,818	27,993,575	3,792,250	664,645	432,216	1,790,507	427,236	4,451	276,788	905,961	524,624	1,525,036
7	Taxes Other Than Income	38,423,559	25,753,062	8,437,485	1,999,574	99,924	428,298	272,089	355,985	915	642,889	138,187	80,077	215,072
8	Income Taxes	43,722,007	30,124,618	10,049,514	1,470,644	252,684	172,892	694,486	172,290	1,706	112,640	350,383	203,848	116,300
9	TOTAL EXPENSES - Current	\$ 803,025,835	\$ 539,209,497	\$ 180,099,799	\$ 43,741,611	\$ 1,552,480	\$ 8,857,200	\$ 4,274,847	\$ 6,351,852	\$ 11,508	\$ 12,037,204	\$ 2,242,307	\$ 1,292,588	\$ 3,354,739
<b>Calculation of Rate Schedule Revenue Requirement at Equal Rates of Return</b>														
10	Required Return	7.77%	7.77%	7.77%	7.77%	7.77%	7.77%	7.77%	7.77%	7.77%	7.7700%	7.7700%	7.7700%	7.7700%
11	Required Operating Income	\$ 130,176,328	\$ 89,691,953	\$ 29,921,061	\$ 4,378,643	\$ 752,333	\$ 514,762	\$ 2,067,738	\$ 512,970	\$ 5,080	\$ 335,371	\$ 1,043,219	\$ 606,931	\$ 346,268
12	Revenue Requirement	\$ 933,202,163	\$ 628,901,451	\$ 210,020,860	\$ 48,120,254	\$ 2,304,814	\$ 9,371,962	\$ 6,342,585	\$ 6,864,822	\$ 16,588	\$ 12,372,575	\$ 3,285,726	\$ 1,899,519	\$ 3,701,007