

Appendix B

PSE GRC Docket Nos. UE-240004 & UG-240005

Commission Authorized Revenue Requirement

Natural Gas		COMMISSION DECISIONS		
Adj	Adjustment Description	NOI	Rate Base	Revenue Requirement
Restating Adjustments				
	Results of Operations	182,074,207	2,948,894,387	52,669,817
11.01	Revenues and Expenses	32,219,832	0	(42,764,598)
11.02	Pass-Thru Revenue & Expense	2,650,763	0	(3,518,294)
11.03	Temperature Normalization	(361,881)	0	480,316
11.04	FIT	(2,391,602)	0	3,174,315
11.05	Tax Benefit of Interest	16,074,543	0	(21,335,349)
11.06	Bad Debt Expense	213,041	0	(282,764)
11.07	Rate Case Expense	(183,414)	0	243,440
11.08	Excise Tax	(678)	0	900
11.09	Employee Insurance	13,658	0	(18,129)
11.10	Injuries & Damages	18,994	0	(25,210)
11.11	Incentive Pay	1,105,216	0	(1,466,927)
11.12	Investment Plan	(151,116)	0	200,573
11.13	Interest of Customer Deposits	(30,504)	0	40,487
11.14	Propoerty and Liab Insurance	(435,005)	0	577,372
11.15	Def Gains & Loss on Property Sale	(778,046)	0	1,032,681
11.16	D&O Insurance	13,098	0	(17,385)
11.17	Pension Plan	(1,117,190)	0	1,482,820
11.18	Wage Increase	(2,924,835)	0	3,882,062
11.19	AMA to EOP Rate Base	0	50,455,434	5,036,014
11.20	Update Depr Rates	(6,824,351)	(6,824,351)	8,376,648
11.21	WUTC Filing Fee	(1,028,549)	0	1,365,169
11.22	PF O&M	0	0	0
11.23	Remove AMR Plant & Depr	0	0	0
11.24	AMI Plant & Depr	(2,896,285)	(57,834,387)	(1,928,347)
11.25	Environmental Remediation	(267,705)	0	355,318
11.26	Est Plant Retirements Rate Base	0	0	0
11.27	Test Year Plant Roll Forward	0	0	0
11.28	Provisional Retirements Depr	0	0	0
11.29	Programmatic Provisional Proforma	0	0	0
11.30	Customer Driver Programmatic Provisional PF	0	0	0
11.31	Specific Provisional PF	0	0	0
11.32	Projected Provisional PF	0	0	0
11.33	Remove Test Year Deferrals	(1,702,914)	0	2,260,236
11.34	Regulatory Filing Fee Deferral	(1,275,793)	0	1,693,329

Natural Gas

		COMMISSION DECISIONS		
Adj	Adjustment Description	NOI	Rate Base	Revenue Requirement
11.35	Participatory Funding Grants	69,091	0	(91,703)
11.36	Targeted Electrification Deferral Amort	0	0	0
11.37	LTIP	0	0	0
11.38	Tacoma LNG Plant and Deferral Removal	0	0	0
11.39	Gas Regulatory Assets & Liab	0	0	0
11.40	Removal of Tacome LNG Project 4 Mile 16-in Pipeline	662,617	(24,218,047)	(3,296,706)
36.49	Finance Leases	0	0	0
Staff-1	Restore Decarb Tracker Costs			
<i>Total Restating Adjustments [incremental]</i>		<i>30,670,986</i>	<i>(38,421,351)</i>	<i>(44,543,731)</i>
Grand Total Restating Adjustments		212,745,193	2,910,473,036	8,126,086
Year 1 Adjustments				
11.01	Revenues and Expenses	(58,222,910)	0	77,277,851
11.02	Pass-Thru Revenue & Expense	0	0	0
11.03	Termperature Normalization	(17,672,181)	0	23,455,856
11.04	FIT	3,768,575	0	(5,001,938)
11.05	Tax Benefit of Interest	(2,055)	0	2,727
11.06	Bad Debt Expense	0	0	0
11.07	Rate Case Expense	0	0	0
11.08	Excise Tax	0	0	0
11.09	Employee Insurance	(203,583)	0	270,210
11.10	Injuries & Damages	0	0	0
11.11	Incentive Pay	(285,404)	0	378,810
11.12	Investment Plan	0	0	0
11.13	Interest of Customer Deposits	0	0	0
11.14	Propoerty and Liab Insurance	0	0	0
11.15	Def Gains & Loss on Property Sale	0	0	0
11.16	D&O Insurance	0	0	0
11.17	Pension Plan	0	0	0
11.18	Wage Increase	0	0	0
11.19	AMA to EOP Rate Base	0	0	0
11.20	Update Depr Rates	0	0	0
11.21	WUTC Filing Fee	0	0	0
11.22	PF O&M	(3,301,999)	0	4,382,662
11.23	Remove AMR Plant & Depr	2,295,832	(28,019,481)	(5,843,858)
11.24	AMI Plant & Depr	(3,727,575)	57,834,387	10,720,035
11.25	Environmental Remediation	1,366,473	0	(1,813,686)
11.26	Est Plant Retirements Rate Base	0	0	0
11.27	Test Year Plant Roll Forward	(51,987,982)	(365,385,186)	32,532,874
11.28	Provisional Retirements Depr	731,956	764,076	(895,244)
11.29	Programmatic Provisional Proforma	(14,425,763)	242,441,535	43,345,327
11.30	Customer Driver Programmatic Provisional PF	(6,198,053)	162,179,866	24,413,880

Natural Gas

Natural Gas		COMMISSION DECISIONS		
Adj	Adjustment Description	NOI	Rate Base	Revenue Requirement
11.31	Specific Provisional PF	(367,929)	12,806,672	1,766,592
11.32	Projected Provisional PF	(12,370,886)	103,995,394	26,799,473
11.33	Remove Test Year Deferrals	0	0	0
11.34	Regulatory Filing Fee Deferral	(2,616,500)	0	3,472,817
11.35	Participatory Funding Grants	(48,980)	0	65,010
11.36	Targeted Electrification Deferral Amort	0	0	0
11.37	LTIP	0	0	0
11.38	Tacoma LNG Plant and Deferral Removal	(15,129,569)	(244,980,865)	(4,370,708)
11.39	Gas Regulatory Assets & Liab	(390,424)	10,876,369	1,603,783
11.40	Removal of Tacome LNG Project 4 Mile 16-in Pipeline	1,513,415	2,018,190	(1,807,281)
36.49	Finance Leases	(473,095)	0	627,927
Staff-1	Restore Decarb Tracker Costs	0	0	0
	<i>INCREMENTAL YEAR 1</i>	<i>(177,748,638)</i>	<i>(45,469,043)</i>	<i>231,383,122</i>
	Grand Total Year 1	34,996,555	2,865,003,993	239,509,207
	Less Changes to Other Price Schedules			(56,583,737)
	Less Accelerated Depreciation Yr 1 (RR only)			(73,102,863)
	Net Revenue Change RY1			109,822,607
Rate Year 2 Adjustments				
	Year 2 Impact for ROE Change			4,563,180
11.01	Revenues and Expenses	(2,071,179)	0	2,749,025
11.02	Pass-Thru Revenue & Expense	0	0	0
11.03	Temperature Normalization	0	0	0
11.04	FIT	184,599	0	(245,013)
11.05	Tax Benefit of Interest	(259,430)	0	344,336
11.06	Bad Debt Expense	0	0	0
11.07	Rate Case Expense	0	0	0
11.08	Excise Tax	0	0	0
11.09	Employee Insurance	0	0	0
11.10	Injuries & Damages	0	0	0
11.11	Incentive Pay	(1,523)	0	2,021
11.12	Investment Plan	0	0	0
11.13	Interest of Customer Deposits	0	0	0
11.14	Propoerty and Liab Insurance	0	0	0
11.15	Def Gains & Loss on Property Sale	1,483,149	0	(1,968,548)
11.16	D&O Insurance	0	0	0
11.17	Pension Plan	0	0	0
11.18	Wage Increase	0	0	0
11.19	AMA to EOP Rate Base	0	0	0
11.20	Update Depr Rates	0	0	0
11.21	WUTC Filing Fee	0	0	0
11.22	PF O&M	(6,093,011)	0	8,087,105

Natural Gas

		COMMISSION DECISIONS		
Adj	Adjustment Description	NOI	Rate Base	Revenue Requirement
11.23	Remove AMR Plant & Depr	0	0	0
11.24	AMI Plant & Depr	0	0	0
11.25	Environmental Remediation	1,413,395	0	(1,875,965)
11.26	Est Plant Retirements Rate Base	0	0	0
11.27	Test Year Plant Roll Forward	7,125,268	(212,142,643)	(30,969,277)
11.28	Provisional Retirements Depr	497,104	1,154,341	(542,740)
11.29	Programmatic Provisional Proforma	(8,356,861)	122,407,421	23,504,442
11.30	Customer Driver Programmatic Provisional PF	(1,812,643)	43,611,658	6,828,267
11.31	Specific Provisional PF	(192,576)	1,774,799	435,573
11.32	Projected Provisional PF	(6,593,049)	42,604,527	13,071,056
11.33	Remove Test Year Deferrals	0	0	0
11.34	Regulatory Filing Fee Deferral	0	0	0
11.35	Participatory Funding Grants	0	0	0
11.36	Targeted Electrification Deferral Amort	0	0	0
11.37	LTIP	0	0	0
11.38	Tacoma LNG Plant and Deferral Removal	0	0	0
11.39	Gas Regulatory Assets & Liab	4,573,332	(5,437,988)	(6,621,505)
11.40	Removal of Tacome LNG Project 4 Mile 16-in Pipeline	684,800	1,152,189	(792,081)
36.49	Finance Leases	(517,474)	0	686,831
Staff-1	Restore Decarb Tracker Costs	0	0	0
	<i>Rate Year 2 Incremental</i>	<i>(9,936,098)</i>	<i>(4,875,697)</i>	<i>17,256,707</i>
	Subtotal MYRP	25,060,456	2,860,128,296	127,079,314
	Increased Depreciation Expense RY2			3,827,342
	Total Rate Increase for MYRP			130,906,656