

EXHIBIT NO. ___(JAP-6)
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___

**FIFTH 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 - Regulated LNG Service (0% Subscription)
Summary

Line No.	Description	(a)	(b)	(c)	(d)	(e)	(g)	(h)	(i)	(j)	(k)	(l)	(n)	(o)	(p)	(q)
		Total Company	Residential (16,243)	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 (87T)	Non-Exclusive Interruptible Trans. (87T)	Contracts	Rentals	Regulated LNG Service
Rate Base																
1	Plant in Service	\$ 3,626,567,481	\$ 2,412,668,360	\$ 802,942,094	\$ 110,936,511	\$ 18,372,158	\$ 11,970,791	\$ 50,240,179	\$ 11,828,293	\$ 125,473	\$ 7,805,322	\$ 25,886,067	\$ 14,871,850	\$ 32,778,325	\$ 126,142,058	
2	Accumulated Reserve	(1,239,364,739)	(847,065,934)	(278,483,857)	(33,513,690)	(5,895,732)	(3,574,983)	(15,649,349)	(3,490,833)	(40,062)	(2,470,051)	(8,261,126)	(4,673,752)	(28,075,308)	(8,170,042)	
3	Other Rate Base Items	(391,832,123)	(270,180,378)	(90,646,851)	(12,987,691)	(2,331,947)	(1,331,633)	(6,449,455)	(1,369,325)	(15,948)	(724,560)	(3,205,653)	(1,868,056)	(285,674)	(434,952)	
4	TOTAL RATE BASE	\$ 1,995,370,619	\$ 1,295,422,049	\$ 433,811,386	\$ 64,435,130	\$ 10,144,459	\$ 7,064,175	\$ 28,141,375	\$ 6,968,135	\$ 69,462	\$ 4,610,711	\$ 14,419,288	\$ 8,330,041	\$ 4,417,343	\$ 117,537,064	
Expenses at Current Rates																
5	Operation and Maintenance	602,887,559	399,252,888	134,140,619	36,604,894	525,423	7,859,391	1,501,349	5,429,871	4,410	11,062,951	842,607	480,034	1,483,811	3,699,311	
6	Depreciation Expense	135,920,014	90,245,335	29,467,331	4,122,005	672,982	509,246	1,835,480	497,214	4,579	388,367	943,983	543,076	1,525,040	5,165,375	
7	Taxes Other Than Income	39,726,168	26,469,243	8,689,667	2,039,168	107,161	432,878	294,222	360,229	972	646,390	151,054	87,093	225,002	223,089	
8	Income Taxes	53,965,078	35,034,871	11,732,490	1,742,657	274,358	191,052	761,087	188,454	1,879	124,697	389,972	225,287	119,468	3,178,806	
9	TOTAL EXPENSES - Current	\$ 832,988,819	\$ 551,002,337	\$ 184,030,107	\$ 44,508,725	\$ 1,579,925	\$ 8,992,567	\$ 4,392,138	\$ 6,475,768	\$ 11,839	\$ 12,222,405	\$ 2,327,616	\$ 1,335,490	\$ 3,353,321	\$ 12,266,581	
Calculation of Rate Schedule Revenue Requirement at Equal Rates of Return																
10	Required Return	7.7%	7.7%	7.7%	7.7%	7.7%	7.7%	7.7%	7.7%	7.7%	7.7%	7.7%	7.7%	7.7%	7.7%	7.7%
11	Required Operating Income	\$ 155,040,297	\$ 100,654,293	\$ 33,707,145	\$ 5,006,610	\$ 788,225	\$ 548,886	\$ 2,186,585	\$ 541,424	\$ 5,397	\$ 358,252	\$ 1,120,379	\$ 647,244	\$ 343,228	\$ 9,132,630	
12	Revenue Requirement	\$ 987,539,116	\$ 651,656,630	\$ 217,737,252	\$ 49,515,335	\$ 2,368,149	\$ 9,541,453	\$ 6,578,723	\$ 7,017,192	\$ 17,236	\$ 12,580,657	\$ 3,447,995	\$ 1,982,734	\$ 3,696,549	\$ 21,399,211	
13	Property Taxes (JAP-5)	\$ 27,650,612	\$ 18,301,949	\$ 6,169,130	\$ 853,277	\$ 141,302	\$ 89,263	\$ 384,017	\$ 89,145	\$ 961	\$ 56,949	\$ 195,147	\$ 112,472	\$ 255,771	\$ 1,001,230	
14	Revenue Requirement w/ Property Taxes	\$ 1,015,189,728	\$ 669,958,579	\$ 223,906,382	\$ 50,368,611	\$ 2,509,451	\$ 9,630,716	\$ 6,962,740	\$ 7,106,337	\$ 18,197	\$ 12,637,606	\$ 3,643,142	\$ 2,095,206	\$ 3,952,319	\$ 22,400,442	
15	LNG Surplus Revenue Allocation	\$ -	\$ (1,701,389)	\$ (577,699)	\$ (107,154)	\$ (3,414)	\$ (13,709)	\$ (17,390)	\$ (12,582)	\$ (59)	\$ (16,126)	\$ (8,793)	\$ (4,265)	\$ 578	\$ 2,462,001	
16	Total Revenue Requirement	\$ 1,015,189,728	\$ 668,257,190	\$ 223,328,682	\$ 50,261,457	\$ 2,506,037	\$ 9,617,007	\$ 6,945,350	\$ 7,093,755	\$ 18,138	\$ 12,621,480	\$ 3,634,349	\$ 2,090,942	\$ 3,952,898	\$ 24,862,443	

Puget Sound Energy, Inc. - 2011 Gas Cost of Service Study
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Summary

Line No.	Description	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)
		Total Company	Residential (16,235)	Comm. & Indus. (3,161)	Large Volume Trans. (41)	Large Volume Trans. (41T)	Interruptible Trans. (85)	Interruptible Trans. (85T)	Interruptible Trans. (86)	Limited Interruptible Trans. (86T)	Non-Exclusive Interruptible Trans. (87)	Non-Exclusive Interruptible Trans. (87T)	Contracts	Rentals	Regulated LNG Service	Unregulated LNG Service (BTL)			
Rate Base																			
1	Plant in Service	\$ 3,626,567,481	\$ 2,405,525,103	\$ 800,628,729	\$ 110,965,181	\$ 18,368,412	\$ 12,052,664	\$ 50,623,431	\$ 11,919,045	\$ 127,546	\$ 7,799,232	\$ 25,818,392	\$ 14,816,051	\$ 32,778,325	\$ 126,048,962	\$ 9,296,409			
2	Accumulated Reserve	(1,239,364,739)	(844,661,757)	(277,726,514)	(33,523,466)	(5,895,015)	(3,601,721)	(15,774,437)	(3,520,508)	(40,732)	(2,467,496)	(8,236,975)	(4,654,432)	(28,075,308)	(8,138,576)	(3,047,802)			
3	Other Rate Base Items	(391,832,123)	(269,264,417)	(90,360,409)	(12,995,969)	(2,332,378)	(1,343,296)	(6,504,469)	(1,381,797)	(16,230)	(725,283)	(3,202,200)	(1,863,436)	(285,670)	(424,994)	(1,131,573)			
4	TOTAL RATE BASE	\$ 1,995,370,619	\$ 1,291,398,929	\$ 432,541,806	\$ 64,445,745	\$ 10,141,018	\$ 7,107,647	\$ 28,344,524	\$ 7,016,739	\$ 70,584	\$ 4,606,453	\$ 14,379,217	\$ 8,298,183	\$ 4,417,347	\$ 117,485,392	\$ 5,117,034			
Expenses at Current Rates																			
5	Operation and Maintenance	\$ 602,881,013	\$ 399,060,479	\$ 134,076,368	\$ 36,599,712	\$ 524,038	\$ 7,859,828	\$ 1,503,237	\$ 5,430,871	\$ 4,442	\$ 11,061,328	\$ 836,260	\$ 476,496	\$ 1,483,766	\$ 3,695,465	\$ 268,725			
6	Depreciation Expense	135,920,014	89,978,709	29,383,320	4,123,004	672,821	512,213	1,849,370	500,504	4,654	388,160	941,578	541,079	1,525,040	5,162,024	337,535			
7	Taxes Other Than Income	39,613,083	26,344,874	8,649,059	2,035,101	106,578	432,769	293,899	360,190	977	645,992	149,499	86,143	223,697	233,689	50,816			
8	Income Taxes	53,675,345	34,738,551	11,635,348	1,733,587	272,793	191,195	762,466	188,750	1,899	123,913	386,800	223,221	118,826	3,160,350	137,648			
9	TOTAL EXPENSES - Current	\$ 832,089,456	\$ 550,122,612	\$ 183,744,096	\$ 44,491,403	\$ 1,576,030	\$ 8,996,006	\$ 4,408,972	\$ 6,480,315	\$ 11,971	\$ 12,219,394	\$ 2,314,137	\$ 1,326,938	\$ 3,351,330	\$ 12,251,528	\$ 794,723			
Calculation of Rate Schedule Revenue Requirement at Equal Rates of Return																			
10	Required Return	7.77%	7.77%	7.77%	7.77%	7.77%	7.77%	7.77%	7.77%	7.77%	7.77%	7.77%	7.77%	7.77%	7.77%	7.77%			
11	Required Operating Income	\$ 155,040,297	\$ 100,341,697	\$ 33,608,498	\$ 5,007,434	\$ 787,957	\$ 552,264	\$ 2,202,370	\$ 545,201	\$ 5,484	\$ 357,921	\$ 1,117,265	\$ 644,769	\$ 343,228	\$ 9,128,615	\$ 397,594			
12	Revenue Requirement	\$ 987,129,753	\$ 650,464,309	\$ 217,352,594	\$ 49,498,837	\$ 2,363,988	\$ 9,548,270	\$ 6,611,341	\$ 7,025,516	\$ 17,456	\$ 12,577,315	\$ 3,431,403	\$ 1,971,707	\$ 3,694,557	\$ 21,380,143	\$ 1,192,317			
13	Property Taxes (IAP-5)	\$ 27,650,612	\$ 18,245,902	\$ 6,151,552	\$ 853,666	\$ 141,310	\$ 89,939	\$ 387,193	\$ 89,878	\$ 977	\$ 56,950	\$ 194,789	\$ 112,120	\$ 255,771	\$ 1,000,573	\$ 69,992			
14	Revenue Requirement w/ Property Taxes	\$ 1,014,780,365	\$ 668,710,211	\$ 223,504,146	\$ 50,352,503	\$ 2,505,297	\$ 9,638,208	\$ 6,998,534	\$ 7,115,394	\$ 18,433	\$ 12,634,265	\$ 3,626,192	\$ 2,083,827	\$ 3,950,328	\$ 22,380,716	\$ 1,262,309			
15	LNG Surplus Revenue Allocation	\$ 0	\$ (3,068,237)	\$ (1,048,750)	\$ (210,902)	\$ (7,515)	\$ (29,581)	\$ (49,936)	\$ (27,664)	\$ (195)	\$ (30,965)	\$ (16,448)	\$ (7,324)	\$ 1,064	\$ 4,496,454	\$ -			
16	Subscriber Revenue Allocation	\$ -	\$ 181,883	\$ 62,169	\$ 12,502	\$ 445	\$ 1,754	\$ 2,960	\$ 1,640	\$ 12	\$ 1,836	\$ 975	\$ 434	\$ (63)	\$ -	\$ (266,547)			
17	Total Revenue Requirement (Excl. Unregulated Service)	\$ 1,013,784,603	\$ 665,632,858	\$ 222,517,566	\$ 50,154,103	\$ 2,498,228	\$ 9,610,381	\$ 6,951,558	\$ 7,089,369	\$ 18,250	\$ 12,665,136	\$ 3,610,719	\$ 2,076,937	\$ 3,951,329	\$ 26,877,170	\$ 995,762			