

**EXH. SEF-5
DOCKET UE-20____
2020 PSE PCORC
WITNESS: SUSAN E. FREE**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY,

Respondent

Docket UE-20____

**FOURTH EXHIBIT (NONCONFIDENTIAL) TO THE
PREFILED DIRECT TESTIMONY OF**

SUSAN E. FREE

ON BEHALF OF PUGET SOUND ENERGY

DECEMBER 9, 2020

PUGET SOUND ENERGY
POWER COST ONLY RATE CASE
TWELVE MONTHS ENDED JUNE 30, 2020
SUMMARY PAGES

A-1 Line	TEST YEAR 12 MONTHS ENDED JUNE 30, 2020	Adjustment 1	Adjustment 2	Adjustment 3	Adjustment 4	Adjustment 5	Adjustment 6	Adjustment 7
Power Cost Rate								
3	Regulatory Assets	\$ 163,785,795						
3a	Colstrip 1&2 Regulatory Asset	19,508,549			68,100,572			
4	Transmission Rate Base	79,930,654		60,791	(483,040)			
5	Production Rate Base	1,527,004,039		341	(85,555,571)	(59,062)	(1,401,982)	
		1,790,229,037		61,132	(17,938,039)	(59,062)	(1,401,982)	
7	Net of tax rate of return	6.80%						
8								
9								
10	Regulatory Asset Rate Base Return (on Row 3)	F \$ 15,777,235	\$ -	\$ -	\$ 5,861,821	\$ -	\$ -	\$ -
10a	Equity Adder Centralia Coal Transition PPA	V -	4,163,374	-	-	-	-	-
11	Transmission Rate Base Return (on Row 4)	F 6,880,107	-	5,233	(41,578)	-	-	-
12	Production Rate Base Return (on Row 5)	F 131,438,322	-	29	(7,364,277)	(5,084)	(120,677)	-
13	501-Steam Fuel Incl Reg Amort	V 81,044,146	(39,315,781)					
14	555-Purchased power Incl Reg Amort	V 535,009,174	(30,634,222)					
15	557-Other Power Exp	F (23,522,407)	31,528,991					
15a	Payroll Overheads - Benefits	F 7,746,401						
15b	Property Insurance	F 3,549,802						59,930
15c	Montana Electric Energy Tax	V 1,116,935	(310,491)					
15d	Payroll Taxes on Production Wages	F 2,154,162						
15e	Brokerage Fees #55700003	V 489,609						
16	547-Fuel Incl Reg Amort	V 183,617,976	(39,485,203)					
17	565-Wheeling Incl Reg Amort	V 123,883,051	6,643,037					
18	456-1 OATT Transmission Income	F (6,480,454)	(34,967)					
19	Production O&M	F 120,717,329	(15,177,989)					
20	447-Sales to Others	V (189,780,074)	170,736,302					
21	456-Purch/Sales Non-Core Gas	V (9,520,817)	(29,983,680)					
22	Transmission Exp - 500KV	F 728,610						
23	Depreciation-Production (FERC 403)	F 153,284,670	(8,246,818)			(2,186,135)	(203,317)	
24	Depreciation-Transmission	F 3,758,630	(76,951)					
25	Amortization - Reg Assets - Non PC Only	F 11,632,920						
26	Amortization - Colstrip 1&2 Regulatory Asset	F 9,250,000						
27	Subtotal & Baseline Rate	\$ 1,162,775,327	\$ 58,448,108	\$ (310,491)	\$ (8,318,507)	\$ (2,191,219)	\$ (323,993)	\$ 59,930

PUGET SOUND ENERGY
POWER COST ONLY RATE CASE
TWELVE MONTHS ENDED JUNE 30, 2020
SUMMARY PAGES

A-1 Line	Adjustment 8 REGULATORY ASSETS AND LIABILITIES	Adjustment 9 COLSTRIP 3/4 DEPRECIATION STUDY	Adjustment 10 PTC OFFSET TO COLSTRIP 1-2 REG ASSET	Adjustment 11 REMOVE GREEN DIRECT	Adjustment 12 ADD SPI BIOMASS REG ASSET	TOTAL ADJUSTMENT	ADJUSTED AMOUNTS
Power Cost Rate							
3	Regulatory Assets				\$ 582,385	\$ (24,895,777)	\$ 138,890,019
3a	Colstrip 1&2 Regulatory Asset		(87,609,121)			(19,508,549)	(0)
4	Transmission Rate Base			(340,637)		(422,249)	79,508,405
5	Production Rate Base	(13,368,818)	(87,609,121)	(340,637)	582,385	(100,725,730)	1,426,278,308
		(25,478,162)				(145,552,305)	1,644,676,732
7	Net of tax rate of return						6.80%
8							
9							
10	Regulatory Asset Rate Base Return (on Row 3)	F \$ (2,193,057)	\$ -	\$ (7,541,038)	\$ 50,129	(3,822,144)	\$ 11,955,090
10a	Equity Adder Centralia Coal Transition PPA	V				4,163,374	4,163,374
11	Transmission Rate Base Return (on Row 4)	F	-	-	-	(36,345)	6,843,761
12	Production Rate Base Return (on Row 5)	F	(1,150,734)	(29,321)	-	(8,670,063)	122,768,259
13	501-Steam Fuel Incl Reg Amort	V				(39,315,781)	41,728,365
14	555-Purchased power Incl Reg Amort	V			499,741	(30,134,481)	504,874,693
15	557-Other Power Exp	F				31,528,991	8,006,583
15a	Payroll Overheads - Benefits	F				-	7,746,401
15b	Property Insurance	F				59,930	3,609,732
15c	Montana Electric Energy Tax	V				(310,491)	806,445
15d	Payroll Taxes on Production Wages	F				-	2,154,162
15e	Brokerage Fees #55700003	V				8,245	497,854
16	547-Fuel Incl Reg Amort	V				(39,485,203)	144,132,773
17	565-Wheeling Incl Reg Amort	V				6,643,037	130,526,088
18	456-1 OATT Transmission Income	F				(34,967)	(6,515,421)
19	Production O&M	F				(15,177,989)	105,539,341
20	447-Sales to Others	V				170,736,302	(19,043,772)
21	456-Purch/Sales Non-Core Gas	V				(29,983,680)	(39,504,497)
22	Transmission Exp - 500KV	F				-	728,610
23	Depreciation-Production (FERC 403)	F	16,922,555			6,286,285	159,570,955
24	Depreciation-Transmission	F				(76,951)	3,681,679
25	Amortization - Reg Assets - Non PC Only	F				(8,060,448)	3,572,472
26	Amortization - Colstrip 1&2 Regulatory Asset	F				(9,250,000)	-
27	Subtotal & Baseline Rate		\$ (10,253,505)	\$ 15,771,821	\$ (16,791,038)	\$ (29,321)	\$ 1,197,842,949

PUGET SOUND ENERGY
POWER COST ONLY RATE CASE
TEST YEAR 12 MONTHS ENDED JUNE 30, 2020
RATE YEAR 12 MONTHS ENDED MAY 31, 2022
POWER COST ADJUSTMENT

LINE NO. DESCRIPTION	TEST YEAR	RATE YEAR	ADJUSTMENT
1 501 COAL STEAM FUEL	\$ 81,044,146	\$ 41,728,365	\$ (39,315,781)
2 547 NATURAL GAS FUEL	183,617,976	144,132,773	(39,485,203)
3 555 PURCHASED POWER	535,009,174	504,374,953	(30,634,222)
4 557 OTHER POWER EXPENSE	(23,522,407)	8,006,583	31,528,991
5 557 BROKERAGE FEES	489,609	497,854	8,245
6 565 WHEELING	123,883,051	130,526,088	6,643,037
7 447 SALES FOR RESALE	(189,780,074)	(19,043,772)	170,736,302
8 456 PURCHASES/SALES OF NON-CORE GAS	(9,520,817)	(39,504,497)	(29,983,680)
9 NET POWER COSTS FROM EXH. PKW-3	<u>\$ 701,220,658</u>	<u>\$ 770,718,347</u>	<u>\$ 69,497,689</u>
10			
11 PRODUCTION O&M FROM RJR EXHIBIT	120,717,329	105,539,341	(15,177,989)
12 TRANS. EXP. INCL. 500KV O&M	728,610	728,610	-
13 456-1 OATT TRANSMISSION INCOME	(6,480,454)	(6,515,421)	(34,967)
14 EQUITY RETURN ON CENTRALIA COAL TRANSITION PPA	-	4,163,374	4,163,374
15 INCREASE (DECREASE) EXPENSE	<u>\$ 816,186,143</u>	<u>\$ 874,634,251</u>	<u>\$ 58,448,108</u>

PUGET SOUND ENERGY
POWER COST ONLY RATE CASE
TEST YEAR 12 MONTHS ENDED JUNE 30, 2020
RATE YEAR 12 MONTHS ENDED MAY 31, 2022
POWER COST TEST YEAR

LINE NO. Description	<i>TEST YEAR</i>		
	12ME 6/30/2020	Remove Ben&Tax	Test Year Amount for Adjustment
1 501 COAL STEAM FUEL	81,044,146	-	\$ 81,044,146
2 547 NATURAL GAS FUEL	183,617,976	-	183,617,976
3 555 PURCHASED POWER	535,009,174	-	535,009,174
4 557 OTHER POWER EXPENSE	(21,224,501)	(2,297,906)	(23,522,407)
5 557 BROKERAGE FEES	489,609	-	489,609
5 565 WHEELING	123,883,051	-	123,883,051
6 447 SALES FOR RESALE	(189,780,074)	-	(189,780,074)
7 456 PURCHASES/SALES OF NON-CORE GAS	(9,520,817)	-	(9,520,817)
8 NET POWER COSTS FROM EXH. PKW-3	<u>\$ 703,518,564</u>	<u>\$ (2,297,906)</u>	<u>\$ 701,220,658</u>
9			
10 PRODUCTION O&M FROM RJR EXHIBIT	128,319,986	(7,602,657)	120,717,329
11 TRANS. EXP. INCL. 500KV O&M	728,610	-	728,610
12 456-1 OATT TRANSMISSION INCOME	(6,480,454)	-	(6,480,454)
13 EQUITY RETURN ON CENTRALIA COAL TRANSITION PPA INCREASE (DECREASE) EXPENSE	-	-	-
	<u>\$ 826,086,706</u>	<u>\$ (9,900,563)</u>	<u>\$ 816,186,143</u>

PUGET SOUND ENERGY
POWER COST ONLY RATE CASE
TEST YEAR 12 MONTHS ENDED JUNE 30, 2020
RATE YEAR 12 MONTHS ENDED MAY 31, 2022
POWER COST RATE YEAR

LINE NO.	Description	RATE YEAR			After Prod Factor of 1.01684
		12ME 6/30/2020	Reclass Ben&Tax	Net Before Prod Factor	
1	501 COAL STEAM FUEL	\$ 41,037,297	\$ -	\$ 41,037,297	\$ 41,728,365
2	547 NATURAL GAS FUEL	141,745,774	-	141,745,774	144,132,773
3	555 PURCHASED POWER	496,021,943	-	496,021,943	504,374,953
4	557 OTHER POWER EXPENSE	10,304,490	(2,297,906)	8,006,583	8,006,583
5	557 BROKERAGE FEES	489,609.01	0	489,609	497,854
5	565 WHEELING	128,364,431	-	128,364,431	130,526,088
6	447 SALES FOR RESALE	(18,728,386)	-	(18,728,386)	(19,043,772)
7	456 PURCHASES/SALES OF NON-CORE GAS	(38,850,259)	-	(38,850,259)	(39,504,497)
8	NET POWER COSTS FROM EXH. PKW-3	<u>\$ 760,384,899</u>	<u>\$ (2,297,906)</u>	<u>\$ 758,086,993</u>	<u>\$ 770,718,347</u>
9					
10	PRODUCTION O&M FROM RJR EXHIBIT	113,141,997	(7,602,657)	105,539,341	105,539,341
11	TRANS. EXP. INCL. 500KV O&M	728,610	-	728,610	728,610
12	456-1 OATT TRANSMISSION INCOME	(6,515,421)	-	(6,515,421)	(6,515,421)
13	EQUITY RETURN ON CENTRALIA COAL TRANSITION PPA INCREASE (DECREASE) EXPENSE	4,094,424	-	4,094,424	4,163,374
		<u>\$ 871,834,509</u>	<u>\$ (9,900,563)</u>	<u>\$ 861,933,947</u>	<u>\$ 874,634,251</u>

PUGET SOUND ENERGY
POWER COST ONLY RATE CASE
TEST YEAR 12 MONTHS ENDED JUNE 30, 2020
RATE YEAR 12 MONTHS ENDED MAY 31, 2022
MONTANA ENERGY TAX

LINE NO.	DESCRIPTION	TEST YAR	ADJUSTED RATE YEAR	ADJUSTMENT
1	EXPENSES TO BE NORMALIZED:			
2	MONTANA TAX EXPENSE	1,116,935	793,089	(323,846)
3	SUBTOTAL	1,116,935	793,089	(323,846)
4	PRODUCTION FACTOR ADJUSTMENT 1.0168		13,356	13,356
5	INCREASE(DECREASE) PEXPENSE	1,116,935	806,445	(310,491)

PUGET SOUND ENERGY
POWER COST ONLY RATE CASE
TEST YEAR 12 MONTHS ENDED JUNE 30, 2020
RATE YEAR 12 MONTHS ENDED MAY 31, 2022
RATEBASE FROM AMA TO EOP

LINE NO.	DESCRIPTION	TEST YEAR	ADJUSTED RATE YEAR	ADJUSTMENT
1	PRODUCTION:			
2				
3	STEAM NET BOOK VALUE	\$ 418,626,651	\$ 336,350,909	\$ (82,275,742)
4	HYDRO NET BOOK VALUE	532,612,048	524,035,175	(8,576,874)
5	OTHER PRODUCTION NET BOOK VALUE	1,116,884,837	1,095,820,013	(21,064,825)
6	WILD HORSE SOLAR NET BOOK VALUE	2,207,007	2,101,303	(105,704)
7	EIM NET BOOK VALUE	1,173,209	906,077	(267,132)
8	GREEN DIRECT NET BOOK VALUE	340,637	340,637	(0)
9	OTHER SOFTWARE NET BOOK VALUE	401,648	179,711	(221,937)
10	LICENSING NET BOOK VALUE	40,925,231	40,373,437	(551,794)
11	COLSTRIP COMMON FERC ADJUSTMENT NET BOOK VALUE	1,578,275	1,400,940	(177,334)
12	COLSTRIP DEFERRED DEPRECIATION FERC ADJ NBV	467,755	415,600	(52,156)
13	ACQUISITION ADJUSTMENTS NET BOOK VALUE	136,296,380	132,089,183	(4,207,197)
14	ASSET RETIREMENT OBLIGATIONS NET BOOK VALUE	(150,654,882)	(150,865,210)	(210,327)
15	ACCUMULATED DEFERRED INCOME TAXES	(488,477,984)	(464,140,050)	24,337,934
16	TREASURY GRANTS	(85,376,774)	(77,559,257)	7,817,516
17				
18	TOTAL TEST YEAR PRODUCTION RATE BASE	<u>\$ 1,527,004,039</u>	<u>\$ 1,441,448,467</u>	<u>\$ (85,555,571)</u>
19				
20	COLSTRIP 1&2 REGULATORY ASSET:			
21				
22	COLSTRIP REGULATORY ASSET	\$ 24,694,366	\$ 110,897,622	\$ 86,203,256
23	DFIT	(5,185,817)	(23,288,501)	(18,102,684)
24				
25	NET COLSTRIP REGULATORY ASSET (NOTE 1)	<u>\$ 19,508,549</u>	<u>\$ 87,609,121</u>	<u>\$ 68,100,572</u>
26				
27	<i>(NOTE 1) ADJUSTED TO OCTOBER 15, 2020, THE DAY AMORTIZATION CEASED COINCIDENT WITH 2019 GRC RATES</i>			
28	<i>AMOUNTS ARE FURTHER OFFSET BY PTC'S IN ADJUSTMENT 10</i>			
29				
30	TRANSMISSION:			
31				
32	COLSTRIP 1&2 TRANSMISSION	\$ 5,279,587	\$ 5,065,601	\$ (213,986)
33	COLSTRIP 3&4 TRANSMISSION	19,415,725	19,182,493	(233,232)
34	3RD AC NW-SW INTERTIE	46,917,070	46,135,122	(781,949)
35	NORTHERN INTERTIE	10,904,834	10,733,561	(171,273)
36	TOTAL TRANSMISSION	<u>82,517,216</u>	<u>81,116,776</u>	<u>(1,400,439)</u>
37				
38	DEFERRED TAXES	(3,691,891)	(2,650,430)	1,041,461
39				
40	TRANSMISSION PORTION OF:			
41	COLSTRIP COMMON FERC ADJ, NET OF ACCUM AMORT	950,655	843,840	(106,815)
42	COLSTRIP DEF DEPRFERC ADJ, NET OF ACCUM AMORT	154,674	137,427	(17,246)
43				
44	TOTAL TRANSMISSION RATE BASE AMA TO EOP ADJ	<u>\$ 79,930,654</u>	<u>\$ 79,447,614</u>	<u>\$ (483,040)</u>

PUGET SOUND ENERGY
POWER COST ONLY RATE CASE
TEST YEAR 12 MONTHS ENDED JUNE 30, 2020
RATE YEAR 12 MONTHS ENDED MAY 31, 2022
DEPRECIATION FROM AMA TO EOP

LINE NO. DESCRIPTION	TEST YEAR	ADJUSTED RATE YEAR	ADJUSTMENT
1 PRODUCTION:			
2			
3 403 ELEC. PROD DEPRECIATION EXPENSE	\$ 129,583,081	\$ 121,228,083	\$ (8,354,998)
4 404 ELEC. PROD DEPRECIATION EXPENSE	1,201,842	1,193,955	(7,887)
5 SUBTOTAL DEPRECIATION EXPENSE 403	130,784,923	122,422,038	(8,362,885)
6 403.1 ELEC. PROD ASSET RETIREMENT COST DEPRECIATION	7,464,654	7,646,710	182,056
7 411.10 ELEC. PROD ASSET RETIREMENT OBLIGATION ACCRETION	3,553,169	3,487,179	(65,989)
8 404 OTHER AMORTIZATION	2,608,551	2,608,551	-
9 406 ACQUISITION ADJUSTMENT AMORTIZATION	9,121,496	9,121,496	-
10 INCREASE (DECREASE) EXPENSE	153,532,793	145,285,975	(8,246,818)
11			
12 ADJUSTMENT TO RATE BASE:			
13 ADJUSTMENT TO ACCUMULATED DEPRECIATION			\$ 431
14 ACCUMULATED DEFERRED INCOME TAXES			(91)
15 TOTAL ADJUSTMENT TO RATEBASE			<u>\$ 341</u>
16			
17 TRANSMISSION:			
18			
19 403 ELEC. TRANS DEPRECIATION EXPENSE	\$ 3,510,507	\$ 3,433,556	\$ (76,951)
20 406 ACQUISITION ADJUSTMENT AMORTIZATION	248,123	248,123	-
21 TOTAL DEPRECIATION EXPENSE 403	\$ 3,510,507	\$ 3,433,556	\$ (76,951)
22			
23 INCREASE (DECREASE) EXPENSE			\$ (76,951)
24			
25 ADJUSTMENT TO RATE BASE:			
26 ADJUSTMENT TO ACCUMULATED DEPRECIATION			\$ 76,951
27 ACCUMULATED DEFERRED INCOME TAXES			(16,160)
28 TOTAL ADJUSTMENT TO RATEBASE			<u>\$ 60,791</u>

PUGET SOUND ENERGY
POWER COST ONLY RATE CASE
TEST YEAR 12 MONTHS ENDED JUNE 30, 2020
RATE YEAR 12 MONTHS ENDED MAY 31, 2022
REMOVE EIM

LINE NO. DESCRIPTION	FROM EOP ADJS. #3 & #4	ADJUSTED RATE YEAR	ADJUSTMENT
1 <u>PLANT RATE BASE</u>			
2 PLANT BALANCE	\$ 2,683,622	\$ -	\$ (2,683,622)
3 ACCUM DEPRECIATION	(1,777,546)	-	1,777,546
4 ACCUMULATED DEFERRED INCOME TAXES	(847,015)	-	847,015
5 NET EIM RATEBASE	<u>\$ 59,062</u>	<u>\$ -</u>	<u>\$ (59,062)</u>
6			
7			
8			
9			
10 <u>EIM EXPENSE</u>			
11 DEPRECIATION EXPENSE	\$ 2,186,135	\$ -	\$ (2,186,135)
12 INCREASE OPERATING EXPENSES	<u>\$ 2,186,135</u>	<u>\$ -</u>	<u>\$ (2,186,135)</u>

PUGET SOUND ENERGY
POWER COST ONLY RATE CASE
TEST YEAR 12 MONTHS ENDED JUNE 30, 2020
RATE YEAR 12 MONTHS ENDED MAY 31, 2022
REMOVE WILD HORSE SOLAR

LINE NO.	DESCRIPTION	FROM EOP ADJS. #3 & #4	ADJUSTED RATE YEAR	ADJUSTMENT
1	<u>WILD HORSE SOLAR RATE BASE</u>			
2	<u>UTILITY PLANT RATEBASE</u>			
3	PLANT BALANCE	\$ 4,539,303	\$ -	\$ (4,539,303)
4	ACCUMULATED DEPRECIATION	(2,438,000)	-	2,438,000
5	ACCUMULATED DEFERRED INCOME TAXES	(699,321)	-	699,321
6	TOTAL UTILITY PLANT RATE BASE	<u>\$ 1,401,982</u>	<u>\$ -</u>	<u>\$ (1,401,982)</u>
7				
8				
9				
10				
11	<u>WILD HORSE SOLAR EXPENSE</u>			
12	DEPRECIATION EXPENSE ON UTILITY PLANT	\$ 203,317	\$ -	(203,317)
13	INCREASE (DECREASE) EXPENSE	<u>\$ 203,317</u>	<u>\$ -</u>	<u>(203,317)</u>

PUGET SOUND ENERGY
POWER COST ONLY RATE CASE
TEST YEAR 12 MONTHS ENDED JUNE 30, 2020
RATE YEAR 12 MONTHS ENDED MAY 31, 2022
PROPERTY INSURANCE

LINE NO.	DESCRIPTION	TEST YEAR	ADJUSTED RATE YEAR	ADJUSTMENT
1	<u>EXPENSES</u>			
2	PROPERTY INSURANCE EXPENSE	\$ 3,549,802	\$ 3,609,732	\$ 59,930
3	INCREASE (DECREASE) EXPENSE	\$ 3,549,802	\$ 3,609,732	\$ 59,930

PUGET SOUND ENERGY
POWER COST ONLY RATE CASE
TEST YEAR 12 MONTHS ENDED JUNE 30, 2020
RATE YEAR 12 MONTHS ENDED MAY 31, 2022
REGULATORY ASSETS AND LIABILITIES

LINE NO.	DESCRIPTION	AMA TEST YEAR	ADJUSTED RATE YEAR	ADJUSTMENT
	<u>AMA BALANCE NET OF ACCUM AMORT AND DFIT</u>			
1	COLSTRIP 1&2 COAL (WEC _o) CONTRACT PREPAYMENT	\$ 62,500	\$ -	\$ (62,500)
2	WESTCOAST PIPELINE CAPACITY - UE-082013 (FB ENERGY)	45,753	(0)	(45,753)
3	WESTCOAST PIPELINE CAPACITY - UE-100503 (BNP PARIBUS)	62,723	(0)	(62,723)
4	MINT FARM DEFFRED - 15 YEARS - MARCH 2025	8,929,369	7,465,974	(1,463,395)
5	CHELAN PUD INITIATION PAYMENT - 20 YEARS - OCT 2031	72,210,989	64,796,327	(7,414,662)
6	CHELAN - ROCK ISLAND SECURITY DEPOSIT	18,500,000	18,500,000	-
7	LOWER SNAKE RIVER PP TRANSM - 25 YEARS ~2035	55,678,656	47,760,710	(7,917,946)
8	CARRY CHARGES ON LSR PP TRANSM 25 YEARS ~2037	7,603,989	8,434,837	830,848
9	BAKER LICENSE UPGRADE DEFERRAL (2013 PCORC) (FERC 407.3)	(78,556)	-	78,556
10	SNOQUALMIE LICENSE UPGRADE DEFERRAL (2013 PCORC) (FERC 407.3)	(308,479)	0	308,479
11	FERNDALE DEFERRAL (2013 PCORC) (FERC 407.3)	(961,846)	0	961,847
12	BAKER TREASURY GRANT DEFERRAL (2014 PCORC) (FERC 407.4)	56,004	(0)	(56,004)
13	SNOQUALMIE TREASURY GRANT DEFERRAL (2014 PCORC) (FERC 407.4)	193,460	-	(193,460)
14	ELECTRON UNRECOVERED COST (2014 PCORC) (FERC 407.3)	(530,083)	0	530,083
15	WHITE RIVER PLANT COSTS - 3 YEARS - 2020	2,321,316	0	(2,321,316)
16	TRANSFER OF UNPROTECTED EDIT TO 254 LIABILITY ACCOUNT	-	(8,650,215)	(8,650,215)
17	TOTAL REGULATORY ASSETS	<u>\$ 163,785,795</u>	<u>\$ 138,307,633</u>	<u>\$ (25,478,162)</u>
18				
19				
20				
21				
22	<u>AMORTIZATION OF REGULATORY ASSET/LIABILITY</u>			
23	MINT FARM DEFFRED - 15 YEARS - MARCH 2025	\$ 2,885,052	\$ 2,885,052	\$ -
24	CHELAN PUD		/----- (Note 1) -----/	
25	COLSTRIP 1&2 (WEC _o) PREPAYMENT		/----- (Note 1) -----/	
26	CHELAN PUD INITIATION PAYMENT - 20 YEARS - OCT 2031		/----- (Note 1) -----/	
27	CARRYING CHARGES ON LSR PP TRANSM \$99.8M (FERC 407.3)	687,420	687,420	-
28	BAKER LICENSE UPGRADE DEFERRAL (2013 PCORC) (FERC 407.3)	-	-	-
29	SNOQUALMIE LICENSE UPGRADE DEFERRAL (2013 PCORC) (FERC 407.3)	-	-	-
30	FERNDALE DEFERRAL (2013 PCORC) (FERC 407.3)	1,506,808	-	(1,506,808)
31	BAKER TREASURY GRANT DEFERRAL (2014 PCORC) (FERC 407.4)	-	-	-
32	SNOQUALMIE TREASURY GRANT DEFERRAL (2014 PCORC) (FERC 407.4)	-	-	-
33	WHITE RIVER PLANT COSTS	6,553,641	-	(6,553,641)
34	ELECTRON UNRECOVERED COST (2014 PCORC) (FERC 407.3)	-	-	-
35	TOTAL AMORTIZATION OF REG ASSETS/LIABS	<u>\$ 11,632,920</u>	<u>\$ 3,572,472</u>	<u>\$ (8,060,448)</u>
36				
37	<i>(Note 1) The adjustments for amortization of power cost related</i>			
38	<i>regulatory assets and liabilities are performed in the</i>			
39	<i>Power Cost Adjustment (Adjustment No. 5.01) and therefore</i>			
40	<i>are not adjusted here.</i>			

PUGET SOUND ENERGY
POWER COST ONLY RATE CASE
TEST YEAR 12 MONTHS ENDED JUNE 30, 2020
RATE YEAR 12 MONTHS ENDED MAY 31, 2022
COLSTRIP 3&4 DEPRECIATION STUDY

LINE NO. DESCRIPTION	FROM EOP ADJS. #3 & #4	ADJUSTED RATE YEAR	ADJUSTMENT
1 ADJUSTMENT TO COLSTRIP 3&4 NET OPERATING INCOME AND RATE BASE			
2			
3 <i>EXPENSE</i>			
4 ADJUST DEPRECIATION EXPENSE FOR NEW DEPRECIATION RATES	\$ 24,173,719	\$ 41,096,274	\$ 16,922,555
5			
6			
7 INCREASE (DECREASE) EXPENSE	<u>\$ 24,173,719</u>	<u>\$ 41,096,274</u>	<u>\$ 16,922,555</u>
8			
9 <i>RATE BASE</i>			
10 IMPACT ON ACCUM DEP FOR CHANGE TO DEP EXPENSE	\$ (24,173,719)	\$ (41,096,274)	\$ (16,922,555)
11 IMPACT ON ACCUM DEF FED INC TAXES FOR CHANGE IN ACCUM DEP	5,076,481	8,630,218	3,553,737
12 IMPACT ON ACCUM DEF FED INC TAXES FOR EDIT REVERSAL	2,900,846	2,900,846	-
13 TOTAL ADJUSTMENT TO RATEBASE	<u>\$ (16,196,392)</u>	<u>\$ (29,565,210)</u>	<u>\$ (13,368,818)</u>

PUGET SOUND ENERGY
POWER COST ONLY RATE CASE
TEST YEAR 12 MONTHS ENDED JUNE 30, 2020
RATE YEAR 12 MONTHS ENDED MAY 31, 2022
COLSTRIP 1-2 REGULATORY ASSET PTC OFFSET

LINE NO.	DESCRIPTION	ADJS. #3 & #4	RESTATED 10/15/2020 EOP	PTC OFFSET	ADJUSTED RATE YEAR	RATE BASE ADJUSTMENT
1	RATE BASE ADJUSTMENT:					
2	COLSTRIP 1-2 REGULATORY ASSET	\$ 24,694,366	\$ 110,897,622	\$ (110,897,622)	\$ -	\$ (110,897,622)
3	ACCUMULATED DEFERRED INCOME TAXES	(5,185,817)	(23,288,501)	23,288,501	-	23,288,501
4	NET COLSTRIP REGULATORY ASSET AND PTC OFFSET	<u>\$ 19,508,549</u>	<u>\$ 87,609,121</u>	<u>\$ (87,609,121)</u>	<u>\$ (0)</u>	<u>\$ (87,609,121)</u>
5						
6						
7	TEST YEAR EXPENSE ADJUSTMENT:					
8	COLSTRIP 1-2 REG ASSET AMORT ADJ	<u>\$ 9,250,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (9,250,000)</u>

PUGET SOUND ENERGY
POWER COST ONLY RATE CASE
TEST YEAR 12 MONTHS ENDED JUNE 30, 2020
RATE YEAR 12 MONTHS ENDED MAY 31, 2022
REMOVE GREEN DIRECT

LINE NO.	DESCRIPTION	ADJS. #3 & #4	ADJUSTED RATE YEAR	ADJUSTMENT
1	INCOME STATEMENT:			
2	DEPRECIATION EXPENSE	\$ -	\$ -	\$ -
3				
4				
5				
6				
7	RATE BASE			
8	PLANT IN SERVICE	\$ 340,637	\$ -	\$ (340,637)
9	ACCUMULATED DEPRECIATION	-	-	-
10	ACCUMULATED DEFERRED FIT	-	-	-
11				
12	TOTAL RATE BASE	\$ 340,637	\$ -	\$ (340,637)

PUGET SOUND ENERGY
POWER COST ONLY RATE CASE
TEST YEAR 12 MONTHS ENDED JUNE 30, 2020
RATE YEAR 12 MONTHS ENDED MAY 31, 2022
SPI BIOMASS PPA

LINE NO.	DESCRIPTION	PROD FACTOR TEST YEAR	1.0168 ADJUSTED RATE YEAR	ADJUSTMENT
1	<u>AMA OF REGULATORY ASSET/LIABILITY NET OF ACCUM AMORT AND DFIT</u>			
2	SPI BIOMASS PPA REGULATORY ASSET	-	737,196	737,196
3	DFIT SPI BIOMASS PPA REGULATORY ASSET	-	(154,811)	(154,811)
4	TOTAL INCREASE (DECREASE) RATE BASE	-	582,385	582,385
5				
6	<u>AMORTIZATION OF REGULATORY ASSET/LIABILITY</u>			
7	TOTAL AMORTIZATION OF REG ASSETS/LIABS	-	491,464	491,464
8	PRODUCTION FACTOR ON RATE YEAR		8,276	8,276
9	TOTAL REGULATORY AMORT	-	499,741	499,741

Conv Factor

PUGET SOUND ENERGY
POWER COST ONLY RATE CASE
TEST YEAR 12 MONTHS ENDED JUNE 30, 2020
RATE YEAR 12 MONTHS ENDED MAY 31, 2022
CONVERSION FACTOR

LINE	NO.	DESCRIPTION	FACTOR
	1	BAD DEBTS	0.008479
	2	ANNUAL FILING FEE	0.002000
	3	STATE UTILITY TAX ((1 - LINE 1) * 3.8734%)	3.8734% <u>0.038406</u>
	4		
	5	SUM OF TAXES OTHER	0.048885
	6		
	7	CONVERSION FACTOR (1 - LINE 5)	<u><u>0.951115</u></u>