

**EXHIBIT NO. ____ (SEF-5)
DOCKET NO. UG-15 ____
WITNESS: SUSAN E. FREE**

**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**

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**FOURTH EXHIBIT (NONCONFIDENTIAL) TO THE
PREFILED DIRECT TESTIMONY OF SUSAN E. FREE
ON BEHALF OF PUGET SOUND ENERGY, INC.**

AUGUST 11, 2015

**Tacoma LNG Facility Revenues, Expenses and Capital that
Will be Directly Assigned to Regulated or Non-regulated Operations**

Category	Basis for Allocation
Bunkering Capital and O&M Costs	100% to TOTE Fuel Sales. A revenue credit will be transferred above the line and provided to TOTE when other marine customers utilize bunkering services.
Vaporization Capital and O&M Costs	100% to PSE
Revenue	Tariffed Rates (PSE), Special Contract Revenue (TOTE), Non-Regulated Revenues per Contract, Distribution Revenues from Non-Regulated Customers.
Gas Costs	Contractual or market rates applied to assigned consumption
Non-Regulated Fuel Sales Distribution Revenues and Expenses	Distribution service will be taken by customers taking non-regulated fuel sales service. The Regulated Distribution Revenue and the Non-Regulated Distribution Expense will both be directly assigned.
Certain Labor and Labor and Corporate Overheads	Directly charged by employees
Certain Maintenance Expenses	Labor, labor and corporate overheads and materials and supplies, etc. that can be directly charged
Depreciation Expense	Approved depreciation rates applied to assigned capital expenditures that have been placed in service
Regulated Interest Expense	Weighted average cost of debt applied to assigned capital expenditures
Revenue Sensitive Fees & Taxes	Approved rates applied to revenues of each operation
Federal Income Tax	Federal rate applied to revenues and expenses of each operation