

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND)	
TRANSPORTATION COMMISSION,)	
)	
Complainant,)	Dockets UE-121697 and UG-121705
)	<i>(Consolidated)</i>
v.)	
)	Dockets UE-130137 and UG-130138
PUGET SOUND ENERGY, INC.,)	<i>(Consolidated)</i>
)	
Respondent.)	
_____)	

EXHIBIT NO.____(MPG-22)

CAPM RETURN

April 26, 2013

Puget Sound Energy, Inc.

CAPM Return

<u>Line</u>	<u>Description</u>	<u>Market Risk Premium</u>
1	Risk-Free Rate ¹	3.70%
2	Risk Premium ²	6.70%
3	Beta ³	0.70
4	CAPM	8.39%

Sources:

¹ *Blue Chip Financial Forecasts*; April 1, 2013, at 2.

² Morningstar, Inc. *Ibbotson SBBI 2013 Classic Yearbook* at 88, and Morningstar, Inc. *Ibbotson SBBI 2013 Valuation Yearbook* at 54 and 66.

³ Exhibit No.____(MPG-15).