

**EXH. SEF-15  
DOCKET UE-200980  
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-200980**

**SECOND EXHIBIT TO THE PREFILED SUPPLEMENTAL DIRECT  
TESTIMONY (NONCONFIDENTIAL) OF**

**SUSAN E. FREE**

**ON BEHALF OF PUGET SOUND ENERGY**

**FEBRUARY 2, 2021**

**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	Updated		Updated		Updated		Updated		Updated		Updated			
		Adjustment 1	Adjustment 2	Adjustment 3	Adjustment 4	Adjustment 5	Adjustment 6	Adjustment 7	Adjustment 1	Adjustment 2	Adjustment 3	Adjustment 4	Adjustment 5	Adjustment 6	Adjustment 7
		POWER COST	MONTANA ENERGY TAX	RATE BASE AMA TO EOP	DEPRECIATION AMA TO EOP	REMOVE EIM	REMOVE WILD HORSE SOLAR	PROPERTY INSURANCE							
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		(483,040)	60,791										
5	Production Rate Base	1,527,004,039		(85,555,571)	341	(59,062)	(1,401,982)								
		1,790,229,037		(17,938,039)	61,132	(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+3a)	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										
12	Production Rate Base Return (on Row 5)	F 131,438,322		(41,578)											
13	501-Steam Fuel Incl Reg Amort	V 81,044,146			29		(120,677)								
14	555-Purchased power Incl Reg Amort	V 535,009,174		(39,134,729)											
15	557-Other Power Exp	F (23,522,407)		(6,444,443)											
15a	Payroll Overheads - Benefits	F 7,746,401		31,528,991											
15b	Property Insurance	F 3,549,802													59,930
15c	Montana Electric Energy Tax	V 1,116,935													
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		8,245											
17	565-Wheeling Incl Reg Amort	V 123,883,051		(36,706,164)											
18	456-1 OATT Transmission Income	F (6,480,454)		12,951,799											
19	Production O&M	F (34,967)		(34,967)											
20	447-Sales to Others	F 120,717,329		(15,177,989)											
21	456-Purch/Sales Non-Core Gas	V (189,780,074)		156,561,921											
22	Transmission Exp - 500KV	V (9,520,817)		(40,411,726)											
23	Depreciation-Production (FERC 403)	F 728,610													
24	Depreciation-Transmission	F 153,284,670			(8,246,818)										
25	Amortization - Reg Assets - Non PC Only	F 3,758,630			(76,951)										
26	Amortization - Colstrip 1&2 Regulatory Asset	F 11,632,920													
27	Subtotal & Baseline Rate	F 9,250,000													
		\$ 1,162,775,327		\$ 67,304,312	\$ (306,449)	\$ (1,544,034)	\$ (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	Power Cost Rate	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	Updated		ADJUSTED AMOUNTS
						Adjustment 12 ADD SPI BIOMASS REG ASSET	TOTAL ADJUSTMENT	
3	Regulatory Assets	\$ (25,478,162)				\$	<b>726,067</b>	<b>\$ 139,033,700</b>
3a	Colstrip 1&2 Regulatory Asset		(119,015,766)					(31,406,645)
4	Transmission Rate Base						(422,249)	79,508,405
5	Production Rate Base	(25,478,162)	(13,368,818)	(119,015,766)	(340,637)		(100,725,730)	1,426,278,308
							<b>(176,815,268)</b>	<b>1,613,413,769</b>
7	Net of tax rate of return							6.80%
8								
9								
10	Regulatory Asset Rate Base Return (on Row 3+3a)	F \$ (2,193,057)		\$ (10,244,395)			<b>62,497</b>	<b>(6,513,134)</b>
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			(29,321)			122,768,259
13	501-Steam Fuel Incl Reg Amort	V		(1,150,734)				<b>(39,134,729)</b>
14	555-Purchased power Incl Reg Amort	V					<b>623,033</b>	<b>529,187,764</b>
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					<b>(306,449)</b>	<b>810,487</b>
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					<b>(36,706,164)</b>	<b>146,911,872</b>
17	565-Wheeling Incl Reg Amort	V					<b>12,951,799</b>	<b>136,834,850</b>
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					<b>156,561,921</b>	<b>(33,218,153)</b>
21	456-Purch/Sales Non-Core Gas	V					<b>(40,411,726)</b>	<b>(49,932,543)</b>
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)				(8,060,448)	3,572,472
26	Amortization - Colstrip 1&2 Regulatory Asset	F		(9,250,000)			(9,250,000)	
27	Subtotal & Baseline Rate		\$ (10,253,505)	\$ 15,771,821	\$ (29,321)	\$	<b>685,530</b>	<b>\$ 1,204,135,498</b>

Updated

Adjustment 1 - 1/3

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	\$ <b>41,909,417</b>	\$ (39,134,729)
2	547 NATURAL GAS FUEL	183,617,976	<b>146,911,812</b>	(36,706,164)
3	555 PURCHASED POWER	535,009,174	<b>528,564,731</b>	(6,444,443)
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	<b>136,834,850</b>	<b>12,951,799</b>
7	447 SALES FOR RESALE	(189,780,074)	<b>(33,218,153)</b>	<b>156,561,921</b>
8	456 PURCHASES/SALES OF NON-CORE GAS	(9,520,817)	<b>(49,932,543)</b>	<b>(40,411,726)</b>
9	NET POWER COSTS FROM EXH. PKW-3	<u>\$ 701,220,658</u>	<u>\$ <b>779,574,552</b></u>	<u>\$ <b>78,353,894</b></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>\$ <b>883,490,455</b></u>	<u>\$ <b>67,304,312</b></u>

Note: Amounts in bold and italics are different from Dec 9, 2020 original filing.

**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>

Updated

Adjustment 1 - 3/3

**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 5/31/2022	Reclass Ben&Tax	Net Before Prod Factor	
1 501 COAL STEAM FUEL	\$ 41,215,351	\$ -	\$ 41,215,351	\$ 41,909,417
2 547 NATURAL GAS FUEL	144,478,790	-	144,478,790	146,911,812
3 555 PURCHASED POWER	519,811,112	-	519,811,112	528,564,731
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	134,568,713	-	134,568,713	136,834,850
6 447 SALES FOR RESALE	(32,668,023)	-	(32,668,023)	(33,218,153)
7 456 PURCHASES/SALES OF NON-CORE GAS	(49,105,605)	-	(49,105,605)	(49,932,543)
8 NET POWER COSTS FROM EXH. PKW-3	<u>\$ 769,094,435</u>	<u>\$ (2,297,906)</u>	<u>\$ 766,796,529</u>	<u>\$ 779,574,552</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>\$ 880,544,045</u>	<u>\$ (9,900,563)</u>	<u>\$ 870,643,483</u>	<u>\$ 883,490,455</u>

Note: Amounts in bold and italics are different from Dec 9, 2020 original filing.

Updated

Adjustment 2

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 YEAR	ADJUSTED RATE YEAR	ADJUSTMENT
1	EXPENSES TO BE NORMALIZED:			
2	MONTANA TAX EXPENSE	1,116,935	<i>797,064</i>	<i>(319,871)</i>
3	SUBTOTAL	1,116,935	<i>797,064</i>	<i>(319,871)</i>
4	PRODUCTION FACTOR ADJUSTMENT 1.0168		<i>13,423</i>	<i>13,423</i>
5	INCREASE(DECREASE) EXPENSE	1,116,935	<i>810,487</i>	<i>(306,449)</i>

*Note: Amounts in bold and italics are different from Dec 9, 2020 original filing.*

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	<b>PRODUCTION:</b>			
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	<b>COLSTRIP 1&amp;2 REGULATORY ASSET:</b>			
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	<b>TRANSMISSION:</b>			
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>



Adjustment 4

**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 <b>PRODUCTION:</b>			
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	<u>130,784,923</u>	<u>122,422,038</u>	(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	<u>9,121,496</u>	<u>9,121,496</u>	-
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			<u>(91)</u>
15 TOTAL ADJUSTMENT TO RATEBASE			<u>\$ 341</u>
16			
17 <b>TRANSMISSION:</b>			
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	<u>\$ 3,510,507</u>	<u>\$ 3,433,556</u>	<u>\$ (76,951)</u>
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			<u>(16,160)</u>
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>

Adjustment 6

**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	\$ 1,401,982	\$ -	\$ (1,401,982)
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	\$ 203,317	\$ -	(203,317)

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 DEBT</u>				
1	COLSTRIP 1&2 COAL (WEC) 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 DEFERRED - 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 DEFERRED - 15 YEARS - MARCH 2025	\$ 2,885,052	\$ 2,885,052	\$ -
24	CHELAN PUD		/----- (Note 1) -----/	
25	COLSTRIP 1&2 (WEC) 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	\$ (150,652,868)	\$ (39,755,246)	\$ (150,652,868)
3	ACCUMULATED DEFERRED INCOME TAXES	(5,185,817)	(23,288,501)	31,637,102	8,348,602	31,637,102
4	NET COLSTRIP REGULATORY ASSET AND PTC OFFSET	<u>\$ 19,508,549</u>	<u>\$ 87,609,121</u>	<u>\$ (119,015,766)</u>	<u>\$ (31,406,645)</u>	<u>\$ (119,015,766)</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)



Updated

Adjustment 12

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	1.0168	
		TEST YEAR	ADJUSTED RATE YEAR	ADJUSTMENT
1	<u>AMA OF REGULATORY ASSET/LIABILITY NET OF ACCUM AMORT AND DFIT</u>			
2	SPI BIOMASS PPA REGULATORY ASSET	-	<b><i>919,072</i></b>	<b><i>919,072</i></b>
3	DFIT SPI BIOMASS PPA REGULATORY ASSET	-	<b><i>(193,005)</i></b>	<b><i>(193,005)</i></b>
4	TOTAL INCREASE (DECREASE) EXPENSE	-	<b><i>726,067</i></b>	<b><i>726,067</i></b>
5				
6	<u>AMORTIZATION OF REGULATORY ASSET/LIABILITY</u>			
7	TOTAL AMORTIZATION OF REG ASSETS/LIABS	-	<b><i>612,715</i></b>	<b><i>612,715</i></b>
8	PRODUCTION FACTOR ON RATE YEAR		<b><i>10,318</i></b>	<b><i>10,318</i></b>
9	TOTAL REGULATORY AMORT	-	<b><i>623,033</i></b>	<b><i>623,033</i></b>

Note: Amounts in bold and italics are different from Dec 9, 2020 original filing.

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>