

**EXH. SEF-16
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

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

SUSAN E. FREE

ON BEHALF OF PUGET SOUND ENERGY

FEBRUARY 2, 2021

**Exhibit A-1 Power Cost Baseline Rate
2020 PCORC
SEF-16**

Updated

Row			Test Yr \$/MWh		Fixed Prod Costs In Decoupling	Variable Prod Costs in PCA
9A		(I)	(II)	(III)	(IV)	(V)
3	Regulatory Assets	\$ 107,627,056				
4	Transmission Rate Base	79,508,405				
5	Production Rate Base	1,426,278,308				
6		\$ 1,613,413,769				
7	Net of tax rate of return		6.80%			
10	Regulatory Asset Rate Base Return (on Row 3)	\$ 9,264,101	\$ 0.471	F	\$ 9,264,101	
10a	Equity Adder Centralia Coal Transition PPA	4,163,374	\$ 0.211	V		\$ 4,163,374
11	Transmission Rate Base Return (on Row 4)	6,843,761	\$ 0.348	F	6,843,761	
12	Production Rate Base Return (on Row 5)	122,768,259	\$ 6.236	F	122,768,259	
13	501-Steam Fuel Incl Reg Amort	41,909,417	\$ 2.129	V		41,909,417
14	555-Purchased power Incl Reg Amort	529,187,764	\$ 26.882	V		529,187,764
15	557-Other Power Exp	8,006,583	\$ 0.407	F	8,006,583	
15a	Payroll Overheads - Benefits	7,746,401	\$ 0.394	F	7,746,401	
15b	Property Insurance	3,609,732	\$ 0.183	F	3,609,732	
15c	Montana Electric Energy Tax	810,487	\$ 0.041	V		810,487
15d	Payroll Taxes on Production Wages	2,154,162	\$ 0.109	F	2,154,162	
15e	Brokerage Fees #55700003	497,854	\$ 0.025	V		497,854
16	547-Fuel Incl Reg Amort	146,911,812	\$ 7.463	V		146,911,812
17	565-Wheeling Incl Reg Amort	136,834,850	\$ 6.951	V		136,834,850
18	456-1 OATT Transmission Income	(6,515,421)	\$ (0.331)	F	(6,515,421)	
19	Production O&M	105,539,341	\$ 5.361	F	105,539,341	
20	447-Sales to Others	(33,218,153)	\$ (1.687)	V		(33,218,153)
21	456-Purch/Sales Non-Core Gas	(49,932,543)	\$ (2.537)	V		(49,932,543)
22	Transmission Exp - 500KV	728,610	\$ 0.037	F	728,610	
23	Depreciation-Production (FERC 403)	159,570,955	\$ 8.106	F	159,570,955	
24	Depreciation-Transmission	3,681,679	\$ 0.187	F	3,681,679	
25	Amortization - Reg Assets - Non PC Only	3,572,472	\$ 0.181	F	3,572,472	
27	Subtotal & Baseline Rate	\$ 1,204,135,498	\$ 61.169		\$ 426,970,636	\$ 777,164,862 \$ -
28	Revenue Sensitive Items	0.9511150			0.951115	0.951115
29	Grossed up for RSI	\$ 1,266,025,137			\$ 448,915,889	\$ 817,109,248 \$ -
30	Test Year DELIVERED Load (MWh's)	19,685,487				
35	Power Cost Baseline Rate	\$ 61.169	\$ 64.313			
36	Fixed Production Costs	\$ 21.690	\$ 22.804			
37	Variable Production Costs	\$ 39.479	\$ 41.508			
38	Power Cost Baseline Rate	\$ 61.169	\$ 64.313			

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