

**EXH. SEF-7
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____

**SIXTH 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 BASELINE RATE COMPARISON
2020 POWER COST ONLY RATE CASE ORIGINAL FILING vs 2019 GRC PER UE-200907

Exhibit A-1 Power Cost Rate	2020 PCORC Original Filing TYE 06/30/2020		2019 GRC as revised in UE-200907 TYE 12/31/2018		Deficiency / (Surplus)			
							Change in Variable Unit Cost or Fixed	
Row								
9 Regulatory Assets	\$	107,483,374	\$	148,923,663	\$	(41,440,289)		
10 Transmission Rate Base		79,508,405		79,202,112		306,293		
11 Production Rate Base		1,426,278,308		1,692,468,635		(266,190,327)		
12	\$	1,613,270,087	\$	1,920,594,411	\$	(307,324,323)		
13 Net of tax rate of return		6.80%		6.80%				
14					Whole \$	Per MWh	Unit Cost	
15								
16		A	B = (A / H)	C	D = (C / I)	E = (A - C)	F = (B - D)	G = (F * H)
17 Regulatory Asset Rate Base Return (on Row 3)	F	\$ 9,251,733	\$ 0.47	\$ 12,818,746	\$ 0.62	(3,567,012)	(0.15)	\$ (3,036,289)
18 Equity Adder Centralia Coal Transition PPA	V	4,163,374	0.211	3,913,503	0.191	249,871	0.021	411,820
19 Transmission Rate Base Return (on Row 4)	F	6,843,761	0.348	6,817,397	0.332	26,364	0.016	308,668
20 Production Rate Base Return (on Row 5)	F	122,768,259	6.236	145,680,845	7.094	(22,912,585)	(0.858)	(16,880,698)
21 501-Steam Fuel Incl Reg Amort	V	41,728,365	2.120	37,089,392	1.806	4,638,973	0.314	6,174,550
22 555-Purchased power Incl Reg Amort	V	504,874,693	25.647	468,639,005	22.821	36,235,688	2.826	55,639,256
23 557-Other Power Exp	F	8,006,583	0.407	8,072,159	0.393	(65,575)	0.014	268,707
24 Payroll Overheads - Benefits	F	7,746,401	0.394	8,840,461	0.430	(1,094,059)	(0.037)	(727,969)
25 Property Insurance	F	3,609,732	0.183	3,895,439	0.190	(285,707)	(0.006)	(124,412)
26 Montana Electric Energy Tax	V	806,445	0.041	766,379	0.037	40,066	0.004	71,852
27 Payroll Taxes on Production Wages	F	2,154,162	0.109	1,989,468	0.097	164,694	0.013	247,053
28 Brokerage Fees #55700003	V	497,854	0.025	426,928	0.021	70,926	0.005	88,585
29 547-Fuel Incl Reg Amort	V	144,132,773	7.322	126,925,933	6.181	17,206,840	1.141	22,462,124
30 565-Wheeling Incl Reg Amort	V	130,526,088	6.631	112,486,393	5.478	18,039,695	1.153	22,696,972
31 456-1 OATT Transmission Income	F	(6,515,421)	(0.331)	(8,666,882)	(0.422)	2,151,461	0.091	1,792,560
32 Production O&M	F	105,539,341	5.361	108,205,899	5.269	(2,666,558)	0.092	1,813,624
33 447-Sales to Others	V	(19,043,772)	(0.967)	(9,043,639)	(0.440)	(10,000,132)	(0.527)	(10,374,448)
34 456-Purch/Sales Non-Core Gas	V	(39,504,497)	(2.007)	(27,552,250)	(1.342)	(11,952,247)	(0.665)	(13,093,014)
35 Transmission Exp - 500KV	F	728,610	0.037	876,514	0.043	(147,904)	(0.006)	(111,617)
36 Depreciation-Production (FERC 403)	F	159,570,955	8.106	155,106,180	7.553	4,464,775	0.553	10,886,861
37 Depreciation-Transmission	F	3,681,679	0.187	3,531,951	0.172	149,728	0.015	296,070
38 Amortization - Reg Assets - Non PC Only	F	3,572,472	0.181	8,031,923	0.391	(4,459,451)	(0.210)	(4,126,865)
39 Subtotal & Baseline Rate	\$	1,195,139,592	\$ 60.712	\$ 1,168,851,742	\$ 56.918	\$ 26,287,849	\$ 3.794	\$ 74,683,389
40 Revenue Sensitive Items		0.9511150	0.9511150	0.9511150	0.9511150			0.9511150
41 Grossed up for RSI	\$	1,256,566,863	\$ 63.832	\$ 1,228,927,882	\$ 59.843	\$ 27,638,981	\$ 3.989	\$ 78,505,720
42 Test Year DELIVERED Load (MWh's)	(H)	19,685,487		(I)	20,535,749			
43					Fixed			
44					Variable			
45								
46								
47 Revenue Sensitive	\$	61,427,271		\$ 60,076,140		\$ 1,351,132	\$ 0.195	\$ 3,822,331
48								

Unit Cost	
B4 Rev Sens	After Rev Sens
\$ (7,163,154)	\$ (7,529,768)
(5,389,098)	(5,664,915)
84,185,967	88,494,643
3,049,676	3,205,760
\$ 74,683,391	\$ 78,505,720
F Fixed	\$ (9,394,308)
V Variable	84,077,697
	\$ 78,380,833
	\$ 74,683,389
	\$ 78,505,720