

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

|  |   |                                   |
|--|---|-----------------------------------|
| WASHINGTON UTILITIES AND<br>TRANSPORTATION COMMISSION, | ) |                                   |
|  | ) | DOCKETS UE-190529 and             |
| Complainant,   | ) | UG-190530 ( <i>consolidated</i> ) |
|  | ) |                                   |
| v.   | ) |                                   |
| PUGET SOUND ENERGY,                                    | ) |                                   |
|  | ) |                                   |
| Respondent.  | ) |                                   |
| _____  | ) |                                   |
| In the Matter of the Petition of                       | ) |                                   |
| PUGET SOUND ENERGY                                     | ) | DOCKETS UE-190274 and             |
|  | ) | UG-190275 ( <i>consolidated</i> ) |
| For an Order Authorizing Deferral                      | ) |                                   |
| Accounting and Ratemaking Treatment                    | ) |                                   |
| for Short-life UT/Technology Investment.               | ) |                                   |
| _____  | ) |                                   |

**REVISED EXHIBIT BGM-10r  
GAS SERVICE CROSS-ANSWERING REVENUE REQUIREMENT  
(REVISED 2/10/2020)  
(Revisions indicated by orange text with blue highlighting)**

Electric Revenue Requirement Summary (\$000)

| Line                          | Adj. No. | Description                             | AWEC DR 20 Revised |                  |                         | AWEC Proposed    |                  |                         |
|-------------------------------|----------|---|--------------------|------------------|-------------------------|------------------|------------------|-------------------------|
|                               |          |   | Net Oper. Income   | Rate Base        | Rev. Req. Def. / (Suf.) | Net Oper. Income | Rate Base        | Rev. Req. Def. / (Suf.) |
| 1                             |          | <b>Per Book Results (Y/E Dec. 2018)</b> | <b>\$ 103,864</b>  | <b>1,951,252</b> | <b>54,520</b>           | <b>\$103,864</b> | <b>1,951,252</b> | <b>54,520</b>           |
| <i>Restating Adjustments:</i> |          |   |                    |                  |                         |                  |                  |                         |
| 2                             | 6.01 GR  | REVENUES & EXPENSES                     | 955                | -                | (1,266)                 | 955              | -                | (1,266)                 |
| 3                             | 6.02 GR  | TEMPERATURE NORMALIZATION               | 32                 | -                | (42)                    | 32               | -                | (42)                    |
| 4                             | 6.03 GR  | FEDERAL INCOME TAX                      | 1,216              | -                | (1,613)                 | 2,984            | 8,403            | (3,129)                 |
| 5                             | 6.04 GR  | TAX BENEFIT OF INTEREST                 | 12,916             | -                | (17,128)                | 12,968           | -                | (17,197)                |
| 6                             | 6.05 GR  | PASS-THROUGH REV & EXP                  | (1,412)            | -                | 1,873                   | (1,412)          | -                | 1,873                   |
| 7                             | 6.06 GR  | INJURIES & DAMAGES                      | (1,256)            | -                | 1,666                   | (1,256)          | -                | 1,666                   |
| 8                             | 6.07 GR  | BAD DEBTS                               | (125)              | -                | 166                     | (125)            | -                | 166                     |
| 9                             | 6.08 GR  | INCENTIVE PAY                           | (187)              | -                | 248                     | (187)            | -                | 248                     |
| 10                            | 6.09 GR  | EXCISE TAX & FILING FEE                 | 70                 | -                | (93)                    | 70               | -                | (93)                    |
| 11                            | 6.10 GR  | D&O INSURANCE                           | 4                  | -                | (5)                     | 4                | -                | (5)                     |
| 12                            | 6.11 GR  | CUST DEP INT                            | (205)              | -                | 271                     | (205)            | -                | 271                     |
| 13                            | 6.12 GR  | RATE CASE EXPENSE                       | (438)              | -                | 581                     | (438)            | -                | 581                     |
| 14                            | 6.13 GR  | PENSION PLAN                            | (770)              | -                | 1,022                   | (770)            | -                | 1,022                   |
| 15                            | 6.14 GR  | PROP & LIAB INS                         | (53)               | -                | 70                      | (53)             | -                | 70                      |
| 16                            | 6.15 GR  | WAGE & PAYROLL TAX                      | (359)              | -                | 477                     | (359)            | -                | 477                     |
| 17                            | 6.16 GR  | INVESTMENT PLAN                         | (4)                | -                | 6                       | (4)              | -                | 6                       |
| 18                            | 6.17 GR  | EMPLOYEE INSURANCE                      | (11)               | -                | 14                      | (11)             | -                | 14                      |
| 19                            | 6.18 GR  | AMA TO EOP RATE BASE                    | -                  | 150,560          | 14,834                  | -                | 150,560          | 14,834                  |
| 20                            | 6.19 GR  | AMA TO EOP DEPRECIATION                 | (9,738)            | (9,738)          | 11,954                  | (9,738)          | (9,738)          | 11,954                  |
| 21                            | 6.23 GR  | ANNUALIZE RENT EXP                      | 521                | -                | (690)                   | 521              | -                | (690)                   |
| 22                            | 12.03G   | GREEN DIRECT                            | -                  | -                | -                       | -                | -                | -                       |
| 23                            |          | <b>Restated Results</b>                 | <b>105,019</b>     | <b>2,092,074</b> | <b>66,864</b>           | <b>106,838</b>   | <b>2,100,477</b> | <b>65,280</b>           |
| <i>Pro Forma Adjustments</i>  |          |   |                    |                  |                         |                  |                  |                         |
| 24                            | 6.01 GP  | REVENUES & EXPENSES                     | (7,393)            | -                | 9,804                   | (7,393)          | -                | 9,804                   |
| 25                            | 6.02 GP  | TEMPERATURE NORMALIZATION               | 13,373             | -                | (17,734)                | 13,373           | -                | (17,734)                |
| 26                            | 6.04 GP  | TAX BENEFIT OF INTEREST                 | (184)              | -                | 244                     | (596)            | -                | 790                     |
| 27                            | 6.09 GP  | EXCISE TAX & FILING FEE                 | (70)               | -                | 93                      | (70)             | -                | 93                      |
| 28                            | 6.10 GP  | D&O INSURANCE                           | (4)                | -                | 5                       | (4)              | -                | 5                       |
| 29                            | 6.14 GP  | PROPERTY & LIABILITY INS                | (24)               | -                | 32                      | (24)             | -                | 32                      |
| 30                            | 6.15 GP  | WAGE INCREASE                           | (1,910)            | -                | 2,533                   | (1,910)          | -                | 2,533                   |
| 31                            | 6.16 GP  | INVESTMENT PLAN                         | (93)               | -                | 123                     | (93)             | -                | 123                     |
| 32                            | 6.17 GP  | EMPLOYEE INSURANCE                      | (309)              | -                | 409                     | (309)            | -                | 409                     |
| 33                            | 6.20 GP  | DEFERRED G/L PROPERTY SALES             | 73                 | -                | (96)                    | 73               | -                | (96)                    |
| 34                            | 6.21 GP  | ENVIRON REMEDIATION                     | (677)              | -                | 898                     | (677)            | -                | 898                     |
| 35                            | 6.22 GP  | AMI                                     | (2,113)            | 13,883           | 4,170                   | (2,113)          | 13,883           | 4,170                   |
| 36                            | 6.23 GP  | ANNUALIZE RENT EXP                      | 134                | -                | (178)                   | 134              | -                | (178)                   |
| 37                            | 6.24 GP  | GTZ                                     | (4,957)            | 13,218           | 7,876                   | (2,647)          | 5,802            | 4,081                   |
| 38                            | 6.25 GP  | CREDIT CARD AMORT                       | 344                | -                | (456)                   | 344              | -                | (456)                   |
| 39                            | 6.26 GP  | REMOVE UNPRO- TECTED DFIT               | 723                | 361              | (923)                   | 2,891            | 1,445            | (3,691)                 |
| 40                            | 6.27 GP  | PUBLIC IMPROVEMENT                      | (124)              | 5,947            | 750                     | -                | -                | -                       |
| 41                            | 6.28 GP  | CONTRACT ESCALATIONS                    | (304)              | -                | 403                     | (304)            | -                | 403                     |
| 42                            | 6.29 GP  | HR TOP                                  | (275)              | 2,800            | 641                     | -                | -                | -                       |
| 43                            | 8.01 GP  | REMOVE 2018 CRM                         | 31                 | (9,328)          | (960)                   | 31               | (9,328)          | (960)                   |
| 44                            | 8.02 GP  | SCH. 149 CRM                            | (5,264)            | (6,388)          | 6,351                   | (5,264)          | (6,388)          | 6,351                   |
| 45                            | AWEC-1   | BOTHELL DATA CENTER                     | -                  | -                | -                       | -                | (26,811)         | (2,642)                 |
| 46                            | 12.05G   | TACOMA LNG                              | -                  | -                | -                       | 794              | (26,191)         | (3,634)                 |
| 47                            |          | <b>Pro Forma Results</b>                | <b>95,997</b>      | <b>2,112,567</b> | <b>80,848</b>           | <b>103,075</b>   | <b>2,052,889</b> | <b>65,581</b>           |

Electric Revenue Requirement Summary (\$000)

| Line                          | Adj. No. | Description                             | Impact of AWEC Adjustments |                  |                 |                         | AWEC Position |
|-------------------------------|----------|---|----------------------------|------------------|-----------------|-------------------------|---------------|
|                               |          |   | Pre-Tax Net Oper. Income   | Net Oper. Income | Rate Base       | Rev. Req. Def. / (Suf.) |               |
| 1                             |          | <b>Per Book Results (Y/E Dec. 2018)</b> |                            |                  |                 |                         |               |
| <i>Restating Adjustments:</i> |          |   |                            |                  |                 |                         |               |
| 2                             | 6.01 GR  | REVENUES & EXPENSES                     | -                          | -                | -               | -                       | Neutral       |
| 3                             | 6.02 GR  | TEMPERATURE NORMALIZATION               | -                          | -                | -               | -                       | Neutral       |
| 4                             | 6.03 GR  | FEDERAL INCOME TAX                      | 2,237                      | 1,767            | 8,403           | (1,516)                 | Oppose        |
| 5                             | 6.04 GR  | TAX BENEFIT OF INTEREST                 | 66                         | 52               | -               | (69)                    | Neutral       |
| 6                             | 6.05 GR  | PASS-THROUGH REV & EXP                  | -                          | -                | -               | -                       | Neutral       |
| 7                             | 6.06 GR  | INJURIES & DAMAGES                      | -                          | -                | -               | -                       | Neutral       |
| 8                             | 6.07 GR  | BAD DEBTS                               | -                          | -                | -               | -                       | Neutral       |
| 9                             | 6.08 GR  | INCENTIVE PAY                           | -                          | -                | -               | -                       | Neutral       |
| 10                            | 6.09 GR  | EXCISE TAX & FILING FEE                 | -                          | -                | -               | -                       | Neutral       |
| 11                            | 6.10 GR  | D&O INSURANCE                           | -                          | -                | -               | -                       | Neutral       |
| 12                            | 6.11 GR  | CUST DEP INT                            | -                          | -                | -               | -                       | Neutral       |
| 13                            | 6.12 GR  | RATE CASE EXPENSE                       | -                          | -                | -               | -                       | Neutral       |
| 14                            | 6.13 GR  | PENSION PLAN                            | -                          | -                | -               | -                       | Neutral       |
| 15                            | 6.14 GR  | PROP & LIAB INS                         | -                          | -                | -               | -                       | Neutral       |
| 16                            | 6.15 GR  | WAGE & PAYROLL TAX                      | -                          | -                | -               | -                       | Neutral       |
| 17                            | 6.16 GR  | INVESTMENT PLAN                         | -                          | -                | -               | -                       | Neutral       |
| 18                            | 6.17 GR  | EMPLOYEE INSURANCE                      | -                          | -                | -               | -                       | Neutral       |
| 19                            | 6.18 GR  | AMA TO EOP RATE BASE                    | -                          | -                | -               | -                       | Neutral       |
| 20                            | 6.19 GR  | AMA TO EOP DEPRECIATION                 | -                          | -                | -               | -                       | Neutral       |
| 21                            | 6.23 GR  | ANNUALIZE RENT EXP                      | -                          | -                | -               | -                       | Neutral       |
| 22                            | 12.03G   | GREEN DIRECT                            | -                          | -                | -               | -                       | Staff         |
| 23                            |          | <b>Restated Results</b>                 | <b>2,303</b>               | <b>1,819</b>     | <b>8,403</b>    | <b>(1,585)</b>          |               |
| <i>Pro Forma Adjustments</i>  |          |   |                            |                  |                 |                         |               |
| 24                            | 6.01 GP  | REVENUES & EXPENSES                     | -                          | -                | -               | -                       | Neutral       |
| 25                            | 6.02 GP  | TEMPERATURE NORMALIZATION               | -                          | -                | -               | -                       | Neutral       |
| 26                            | 6.04 GP  | TAX BENEFIT OF INTEREST                 | (521)                      | (412)            | -               | 546                     | Neutral       |
| 27                            | 6.09 GP  | EXCISE TAX & FILING FEE                 | -                          | -                | -               | -                       | Neutral       |
| 28                            | 6.10 GP  | D&O INSURANCE                           | -                          | -                | -               | -                       | Neutral       |
| 29                            | 6.14 GP  | PROPERTY & LIABILITY INS                | -                          | -                | -               | -                       | Neutral       |
| 30                            | 6.15 GP  | WAGE INCREASE                           | -                          | -                | -               | -                       | Neutral       |
| 31                            | 6.16 GP  | INVESTMENT PLAN                         | -                          | -                | -               | -                       | Neutral       |
| 32                            | 6.17 GP  | EMPLOYEE INSURANCE                      | -                          | -                | -               | -                       | Neutral       |
| 33                            | 6.20 GP  | DEFERRED G/L PROPERTY SALES             | -                          | -                | -               | -                       | Neutral       |
| 34                            | 6.21 GP  | ENVIRON REMEDIATION                     | -                          | -                | -               | -                       | Neutral       |
| 35                            | 6.22 GP  | AMI                                     | -                          | -                | -               | -                       | Neutral       |
| 36                            | 6.23 GP  | ANNUALIZE RENT EXP                      | -                          | -                | -               | -                       | Neutral       |
| 37                            | 6.24 GP  | GTZ                                     | 2,924                      | 2,310            | (7,416)         | (3,794)                 | Staff         |
| 38                            | 6.25 GP  | CREDIT CARD AMORT                       | -                          | -                | -               | -                       | Neutral       |
| 39                            | 6.26 GP  | REMOVE UNPRO- TECTED DFIT               | 2,744                      | 2,168            | 1,084           | (2,768)                 | Staff         |
| 40                            | 6.27 GP  | PUBLIC IMPROVEMENT                      | 156                        | 124              | (5,947)         | (750)                   | Staff         |
| 41                            | 6.28 GP  | CONTRACT ESCALATIONS                    | -                          | -                | -               | -                       | Neutral       |
| 42                            | 6.29 GP  | HR TOP                                  | 348                        | 275              | (2,800)         | (641)                   | Staff         |
| 43                            | 8.01 GP  | REMOVE 2018 CRM                         | -                          | -                | -               | -                       | Neutral       |
| 44                            | 8.02 GP  | SCH. 149 CRM                            | -                          | -                | -               | -                       | Neutral       |
| 45                            | AWEC-1   | BOTHELL DATA CENTER                     | -                          | -                | (26,811)        | (2,642)                 | Proposed      |
| 46                            | 12.05G   | TACOMA LNG                              | 1,005                      | 794              | (26,191)        | (3,634)                 | Staff         |
| 47                            |          | <b>Pro Forma Results</b>                | <b>8,960</b>               | <b>7,079</b>     | <b>(59,678)</b> | <b>(15,267)</b>         |               |

**Electric Revenue Requirement Summary (\$000)  
with PSE Sept 24, 2019 Revised Workpapers as Base**

|                               |          |   | PSE Initial Filing (as Revised) |                  |                         | AWEC Proposed    |                  |                         |
|-------------------------------|----------|---|---------------------------------|------------------|-------------------------|------------------|------------------|-------------------------|
| Line                          | Adj. No. | Description                             | Net Oper. Income                | Rate Base        | Rev. Req. Def. / (Suf.) | Net Oper. Income | Rate Base        | Rev. Req. Def. / (Suf.) |
| 1                             |          | <b>Per Book Results (Y/E Dec. 2018)</b> | <b>\$ 103,864</b>               | <b>1,951,252</b> | <b>54,520</b>           | <b>\$103,864</b> | <b>1,951,252</b> | <b>54,520</b>           |
| <i>Restating Adjustments:</i> |          |   |                                 |                  |                         |                  |                  |                         |
| 2                             | 6.01 GR  | REVENUES & EXPENSES                     | 955                             | -                | (1,266)                 | 955              | -                | (1,266)                 |
| 3                             | 6.02 GR  | TEMPERATURE NORMALIZATION               | 32                              | -                | (42)                    | 32               | -                | (42)                    |
| 4                             | 6.03 GR  | FEDERAL INCOME TAX                      | 1,216                           | -                | (1,613)                 | 2,984            | 8,403            | (3,129)                 |
| 5                             | 6.04 GR  | TAX BENEFIT OF INTEREST                 | 12,917                          | -                | (17,129)                | 12,968           | -                | (17,197)                |
| 6                             | 6.05 GR  | PASS-THROUGH REV & EXP                  | (1,412)                         | -                | 1,873                   | (1,412)          | -                | 1,873                   |
| 7                             | 6.06 GR  | INJURIES & DAMAGES                      | (1,256)                         | -                | 1,666                   | (1,256)          | -                | 1,666                   |
| 8                             | 6.07 GR  | BAD DEBTS                               | (125)                           | -                | 166                     | (125)            | -                | 166                     |
| 9                             | 6.08 GR  | INCENTIVE PAY                           | (187)                           | -                | 248                     | (187)            | -                | 248                     |
| 10                            | 6.09 GR  | EXCISE TAX & FILING FEE                 | 70                              | -                | (93)                    | 70               | -                | (93)                    |
| 11                            | 6.10 GR  | D&O INSURANCE                           | 4                               | -                | (5)                     | 4                | -                | (5)                     |
| 12                            | 6.11 GR  | CUST DEP INT                            | (205)                           | -                | 271                     | (205)            | -                | 271                     |
| 13                            | 6.12 GR  | RATE CASE EXPENSE                       | (438)                           | -                | 581                     | (438)            | -                | 581                     |
| 14                            | 6.13 GR  | PENSION PLAN                            | (770)                           | -                | 1,022                   | (770)            | -                | 1,022                   |
| 15                            | 6.14 GR  | PROP & LIAB INS                         | (53)                            | -                | 70                      | (53)             | -                | 70                      |
| 16                            | 6.15 GR  | WAGE & PAYROLL TAX                      | (359)                           | -                | 477                     | (359)            | -                | 477                     |
| 17                            | 6.16 GR  | INVESTMENT PLAN                         | (4)                             | -                | 6                       | (4)              | -                | 6                       |
| 18                            | 6.17 GR  | EMPLOYEE INSURANCE                      | (11)                            | -                | 14                      | (11)             | -                | 14                      |
| 19                            | 6.18 GR  | AMA TO EOP RATE BASE                    | -                               | 150,666          | 14,845                  | -                | 150,560          | 14,834                  |
| 20                            | 6.19 GR  | AMA TO EOP DEPRECIATION                 | (9,738)                         | (9,738)          | 11,954                  | (9,738)          | (9,738)          | 11,954                  |
| 21                            | 6.23 GR  | ANNUALIZE RENT EXP                      | 521                             | -                | (690)                   | 521              | -                | (690)                   |
| 22                            | 12.03G   | GREEN DIRECT                            | -                               | -                | -                       | -                | -                | -                       |
| 23                            |          | <b>Restated Results</b>                 | <b>105,020</b>                  | <b>2,092,180</b> | <b>66,874</b>           | <b>106,838</b>   | <b>2,100,477</b> | <b>65,280</b>           |
| <i>Pro Forma Adjustments</i>  |          |   |                                 |                  |                         |                  |                  |                         |
| 24                            | 6.01 GP  | REVENUES & EXPENSES                     | (7,393)                         | -                | 9,804                   | (7,393)          | -                | 9,804                   |
| 25                            | 6.02 GP  | TEMPERATURE NORMALIZATION               | 13,373                          | -                | (17,734)                | 13,373           | -                | (17,734)                |
| 26                            | 6.04 GP  | TAX BENEFIT OF INTEREST                 | (184)                           | -                | 244                     | (596)            | -                | 790                     |
| 27                            | 6.09 GP  | EXCISE TAX & FILING FEE                 | (70)                            | -                | 93                      | (70)             | -                | 93                      |
| 28                            | 6.10 GP  | D&O INSURANCE                           | (4)                             | -                | 5                       | (4)              | -                | 5                       |
| 29                            | 6.14 GP  | PROPERTY & LIABILITY INS                | (24)                            | -                | 32                      | (24)             | -                | 32                      |
| 30                            | 6.15 GP  | WAGE INCREASE                           | (1,910)                         | -                | 2,533                   | (1,910)          | -                | 2,533                   |
| 31                            | 6.16 GP  | INVESTMENT PLAN                         | (93)                            | -                | 123                     | (93)             | -                | 123                     |
| 32                            | 6.17 GP  | EMPLOYEE INSURANCE                      | (309)                           | -                | 409                     | (309)            | -                | 409                     |
| 33                            | 6.20 GP  | DEFERRED G/L PROPERTY SALES             | 73                              | -                | (96)                    | 73               | -                | (96)                    |
| 34                            | 6.21 GP  | ENVIRON REMEDIATION                     | (677)                           | -                | 898                     | (677)            | -                | 898                     |
| 35                            | 6.22 GP  | AMI                                     | (2,113)                         | 13,883           | 4,170                   | (2,113)          | 13,883           | 4,170                   |
| 36                            | 6.23 GP  | ANNUALIZE RENT EXP                      | 134                             | -                | (178)                   | 134              | -                | (178)                   |
| 37                            | 6.24 GP  | GTZ                                     | (4,918)                         | 13,218           | 7,824                   | (2,647)          | 5,802            | 4,081                   |
| 38                            | 6.25 GP  | CREDIT CARD AMORT                       | 344                             | -                | (456)                   | 344              | -                | (456)                   |
| 39                            | 6.26 GP  | REMOVE UNPRO- TECTED DFIT               | 723                             | 361              | (923)                   | 2,891            | 1,445            | (3,691)                 |
| 40                            | 6.27 GP  | PUBLIC IMPROVEMENT                      | (124)                           | 5,947            | 750                     | -                | -                | -                       |
| 41                            | 6.28 GP  | CONTRACT ESCALATIONS                    | (304)                           | -                | 403                     | (304)            | -                | 403                     |
| 42                            | 6.29 GP  | HR TOP                                  | (275)                           | 2,800            | 641                     | -                | -                | -                       |
| 43                            | 8.01 GP  | REMOVE 2018 CRM                         | 31                              | (9,328)          | (960)                   | 31               | (9,328)          | (960)                   |
| 44                            | 8.02 GP  | SCH. 149 CRM                            | (5,264)                         | (6,388)          | 6,351                   | (5,264)          | (6,388)          | 6,351                   |
| 45                            | AWEC-1   | BOTHELL DATA CENTER                     | -                               | -                | -                       | -                | (26,811)         | (2,642)                 |
| 46                            | 12.05G   | TACOMA LNG                              | -                               | -                | -                       | 794              | (26,191)         | (3,634)                 |
| 47                            |          | <b>Pro Forma Results</b>                | <b>96,037</b>                   | <b>2,112,673</b> | <b>80,805</b>           | <b>103,075</b>   | <b>2,052,889</b> | <b>65,581</b>           |

**Electric Revenue Requirement Summary (\$000)  
with PSE Sept 24, 2019 Revised Workpapers as Base**

| Line                          | Adj. No. | Description                             | Impact of AWEC Adjustments |                  |                 |                         | AWEC Position |
|-------------------------------|----------|---|----------------------------|------------------|-----------------|-------------------------|---------------|
|                               |          |   | Pre-Tax Net Oper. Income   | Net Oper. Income | Rate Base       | Rev. Req. Def. / (Suf.) |               |
| 1                             |          | <b>Per Book Results (Y/E Dec. 2018)</b> |                            |                  |                 |                         |               |
| <i>Restating Adjustments:</i> |          |   |                            |                  |                 |                         |               |
| 2                             | 6.01 GR  | REVENUES & EXPENSES                     | -                          | -                | -               | -                       | Neutral       |
| 3                             | 6.02 GR  | TEMPERATURE NORMALIZATION               | -                          | -                | -               | -                       | Neutral       |
| 4                             | 6.03 GR  | FEDERAL INCOME TAX                      | 2,237                      | 1,767            | 8,403           | (1,516)                 | Oppose        |
| 5                             | 6.04 GR  | TAX BENEFIT OF INTEREST                 | 65                         | 51               | -               | (68)                    | Neutral       |
| 6                             | 6.05 GR  | PASS-THROUGH REV & EXP                  | -                          | -                | -               | -                       | Neutral       |
| 7                             | 6.06 GR  | INJURIES & DAMAGES                      | -                          | -                | -               | -                       | Neutral       |
| 8                             | 6.07 GR  | BAD DEBTS                               | -                          | -                | -               | -                       | Neutral       |
| 9                             | 6.08 GR  | INCENTIVE PAY                           | -                          | -                | -               | -                       | Neutral       |
| 10                            | 6.09 GR  | EXCISE TAX & FILING FEE                 | -                          | -                | -               | -                       | Neutral       |
| 11                            | 6.10 GR  | D&O INSURANCE                           | -                          | -                | -               | -                       | Neutral       |
| 12                            | 6.11 GR  | CUST DEP INT                            | -                          | -                | -               | -                       | Neutral       |
| 13                            | 6.12 GR  | RATE CASE EXPENSE                       | -                          | -                | -               | -                       | Neutral       |
| 14                            | 6.13 GR  | PENSION PLAN                            | -                          | -                | -               | -                       | Neutral       |
| 15                            | 6.14 GR  | PROP & LIAB INS                         | -                          | -                | -               | -                       | Neutral       |
| 16                            | 6.15 GR  | WAGE & PAYROLL TAX                      | -                          | -                | -               | -                       | Neutral       |
| 17                            | 6.16 GR  | INVESTMENT PLAN                         | -                          | -                | -               | -                       | Neutral       |
| 18                            | 6.17 GR  | EMPLOYEE INSURANCE                      | -                          | -                | -               | -                       | Neutral       |
| 19                            | 6.18 GR  | AMA TO EOP RATE BASE                    | -                          | -                | (105)           | (10)                    | Neutral       |
| 20                            | 6.19 GR  | AMA TO EOP DEPRECIATION                 | -                          | -                | -               | -                       | Neutral       |
| 21                            | 6.23 GR  | ANNUALIZE RENT EXP                      | -                          | -                | -               | -                       | Neutral       |
| 22                            | 12.03G   | GREEN DIRECT                            | -                          | -                | -               | -                       | Staff         |
| 23                            |          | <b>Restated Results</b>                 | <b>2,302</b>               | <b>1,819</b>     | <b>8,298</b>    | <b>(1,594)</b>          |               |
| <i>Pro Forma Adjustments</i>  |          |   |                            |                  |                 |                         |               |
| 24                            | 6.01 GP  | REVENUES & EXPENSES                     | -                          | -                | -               | -                       | Neutral       |
| 25                            | 6.02 GP  | TEMPERATURE NORMALIZATION               | -                          | -                | -               | -                       | Neutral       |
| 26                            | 6.04 GP  | TAX BENEFIT OF INTEREST                 | (521)                      | (412)            | -               | 546                     | Neutral       |
| 27                            | 6.09 GP  | EXCISE TAX & FILING FEE                 | -                          | -                | -               | -                       | Neutral       |
| 28                            | 6.10 GP  | D&O INSURANCE                           | -                          | -                | -               | -                       | Neutral       |
| 29                            | 6.14 GP  | PROPERTY & LIABILITY INS                | -                          | -                | -               | -                       | Neutral       |
| 30                            | 6.15 GP  | WAGE INCREASE                           | -                          | -                | -               | -                       | Neutral       |
| 31                            | 6.16 GP  | INVESTMENT PLAN                         | -                          | -                | -               | -                       | Neutral       |
| 32                            | 6.17 GP  | EMPLOYEE INSURANCE                      | -                          | -                | -               | -                       | Neutral       |
| 33                            | 6.20 GP  | DEFERRED G/L PROPERTY SALES             | -                          | -                | -               | -                       | Neutral       |
| 34                            | 6.21 GP  | ENVIRON REMEDIATION                     | -                          | -                | -               | -                       | Neutral       |
| 35                            | 6.22 GP  | AMI                                     | -                          | -                | -               | -                       | Neutral       |
| 36                            | 6.23 GP  | ANNUALIZE RENT EXP                      | -                          | -                | -               | -                       | Neutral       |
| 37                            | 6.24 GP  | GTZ                                     | 2,875                      | 2,271            | (7,416)         | (3,742)                 | Staff         |
| 38                            | 6.25 GP  | CREDIT CARD AMORT                       | -                          | -                | -               | -                       | Neutral       |
| 39                            | 6.26 GP  | REMOVE UNPRO- TECTED DFIT               | 2,744                      | 2,168            | 1,084           | (2,768)                 | Staff         |
| 40                            | 6.27 GP  | PUBLIC IMPROVEMENT                      | 156                        | 124              | (5,947)         | (750)                   | Staff         |
| 41                            | 6.28 GP  | CONTRACT ESCALATIONS                    | -                          | -                | -               | -                       | Neutral       |
| 42                            | 6.29 GP  | HR TOP                                  | 348                        | 275              | (2,800)         | (641)                   | Staff         |
| 43                            | 8.01 GP  | REMOVE 2018 CRM                         | -                          | -                | -               | -                       | Neutral       |
| 44                            | 8.02 GP  | SCH. 149 CRM                            | -                          | -                | -               | -                       | Neutral       |
| 45                            | AWEC-1   | BOTHELL DATA CENTER                     | -                          | -                | (26,811)        | (2,642)                 | Proposed      |
| 46                            | 12.05G   | TACOMA LNG                              | 1,005                      | 794              | (26,191)        | (3,634)                 | Staff         |
| 47                            |          | <b>Pro Forma Results</b>                | <b>8,910</b>               | <b>7,039</b>     | <b>(59,784)</b> | <b>(15,225)</b>         |               |

PUG PUGET SOUND ENERGY - AWEC REPLY  
 NATURAL GAS STATEMENT OF OPERATING INCOME  
 AND ADJUSTMENTS  
 2019 GENERAL RATE CASE  
 12 MONTHS ENDED DECEMBER 31, 2018

Contest

| LINE NO. | DESCRIPTION                        | ACTUAL RESULTS OF OPERATIONS<br>a | COMMON RESTATING                 | COMMON RESTATING                       | COMMON RESTATING                | COMMON RESTATING                     | COMMON RESTATING                    | COMMON RESTATING                | COMMON RESTATING       | COMMON RESTATING           | COMMON RESTATING                     | COMMON RESTATING           |
|----------|------------------------------------|-----------------------------------|----------------------------------|--|---------------------------------|--------------------------------------|-------------------------------------|---------------------------------|------------------------|----------------------------|--------------------------------------|----------------------------|
|          |                                    |                                   | 6.01 GR REVENUES & EXPENSES<br>b | 6.02 GR TEMPERATURE NORMALIZATION<br>c | 6.03 GR FEDERAL INCOME TAX<br>d | 6.04 GR TAX BENEFIT OF INTEREST<br>e | 6.05 GR PASS-THROUGH REV & EXP<br>f | 6.06 GR INJURIES & DAMAGES<br>g | 6.07 GR BAD DEBTS<br>h | 6.08 GR INCENTIVE PAY<br>i | 6.09 GR EXCISE TAX & FILING FEE<br>j | 6.10 GR D&O INSURANCE<br>k |
| 1        | OPERATING REVENUES                 |                                   |                                  |  |                                 |                                      |                                     |                                 |                        |                            |                                      |                            |
| 2        | SALES TO CUSTOMERS                 | \$ 876,657,676                    | \$ (47,098,326)                  | \$ 42,375                              |                                 |                                      |                                     | \$ (105,836,056)                |                        |                            |                                      |                            |
| 3        | MUNICIPAL ADDITIONS                |                                   |                                  |  |                                 |                                      |                                     |                                 |                        |                            |                                      |                            |
| 4        | OTHER OPERATING REVENUES           | (25,909,999)                      | 2,691,479                        |  |                                 |                                      |                                     | 43,423,783                      |                        |                            |                                      |                            |
| 5        | TOTAL OPERATING REVENUES           | 850,747,677                       | (44,406,847)                     | 42,375                                 | -                               | -                                    | -                                   | (62,412,273)                    | -                      | -                          | -                                    | -                          |
| 6        |                                    |                                   |                                  |  |                                 |                                      |                                     |                                 |                        |                            |                                      |                            |
| 7        | OPERATING REVENUE DEDUCTIONS:      |                                   |                                  |  |                                 |                                      |                                     |                                 |                        |                            |                                      |                            |
| 8        |                                    |                                   |                                  |  |                                 |                                      |                                     |                                 |                        |                            |                                      |                            |
| 9        | GAS COSTS:                         |                                   |                                  |  |                                 |                                      |                                     |                                 |                        |                            |                                      |                            |
| 10       |                                    |                                   |                                  |  |                                 |                                      |                                     |                                 |                        |                            |                                      |                            |
| 11       | PURCHASED GAS                      | \$ 296,699,052                    | (43,597,129)                     |  |                                 |                                      |                                     | 23,490,296                      |                        |                            |                                      |                            |
| 12       |                                    |                                   |                                  |  |                                 |                                      |                                     |                                 |                        |                            |                                      |                            |
| 13       | TOTAL PRODUCTION EXPENSES          | \$ 296,699,052                    | \$ (43,597,129)                  | \$ -                                   | \$ -                            | \$ -                                 | \$ -                                | 23,490,296                      | \$ -                   | \$ -                       | \$ -                                 | \$ -                       |
| 14       |                                    |                                   |                                  |  |                                 |                                      |                                     |                                 |                        |                            |                                      |                            |
| 15       | OTHER POWER SUPPLY EXPENSES        | \$ 6,042,805                      |                                  |  |                                 |                                      |                                     |                                 |                        | \$ 12,295                  |                                      |                            |
| 16       | TRANSMISSION EXPENSE               | 2,111                             |                                  |  |                                 |                                      |                                     |                                 |                        | -                          |                                      |                            |
| 17       | DISTRIBUTION EXPENSE               | 60,174,168                        |                                  |  |                                 |                                      |                                     |                                 |                        | 120,834                    |                                      |                            |
| 18       | CUSTOMER ACCTS EXPENSES            | 29,807,452                        | (227,541)                        | 217                                    |                                 |                                      |                                     | (319,800)                       | 158,771                | 29,476                     |                                      |                            |
| 19       | CUSTOMER SERVICE EXPENSES          | 6,574,431                         |                                  |  |                                 |                                      |                                     | (4,814,957)                     |                        | 3,037                      |                                      |                            |
| 20       | CONSERVATION AMORTIZATION          | 14,625,833                        |                                  |  |                                 |                                      |                                     | (14,625,833)                    |                        |                            |                                      |                            |
| 21       | ADMIN & GENERAL EXPENSE            | 57,249,535                        | (88,814)                         | 85                                     |                                 |                                      |                                     | (124,825)                       | 1,590,277              | 51,936                     | 54,198                               | (4,849)                    |
| 22       | DEPRECIATION                       | 116,957,731                       |                                  |  |                                 |                                      |                                     |                                 |                        |                            |                                      |                            |
| 23       | AMORTIZATION                       | 26,117,570                        |                                  |  |                                 |                                      |                                     |                                 |                        |                            |                                      |                            |
| 24       | AMORTIZ OF PROPERTY GAIN/LOSS      |                                   |                                  |  |                                 |                                      |                                     |                                 |                        |                            |                                      |                            |
| 25       | OTHER OPERATING EXPENSES           | 8,769,361                         |                                  |  |                                 |                                      |                                     |                                 |                        |                            |                                      |                            |
| 26       | ASC 815                            |                                   |                                  |  |                                 |                                      |                                     |                                 |                        |                            |                                      |                            |
| 27       | TAXES OTHER THAN INCOME TAXES      | 101,477,297                       | (1,701,804)                      | 1,624                                  |                                 |                                      |                                     | (64,229,662)                    |                        | 19,256                     | (142,661)                            |                            |
| 28       | INCOME TAXES                       | 31,944,159                        | 253,772                          | 8,494                                  | (11,297,869)                    | (12,968,345)                         |                                     | (375,373)                       | (333,958)              | (33,342)                   | (49,735)                             | 18,577                     |
| 29       | DEFERRED INCOME TAXES              | (9,558,131)                       |                                  |  | 8,314,013                       | -                                    |                                     |                                 |                        |                            |                                      |                            |
| 30       | TOTAL OPERATING REV. DEDUCT.       | \$ 746,883,373                    | \$ (45,361,514)                  | \$ 10,420                              | \$ (2,983,856)                  | \$ (12,968,345)                      | \$ (61,000,154)                     | \$ 1,256,319                    | \$ 125,429             | \$ 187,098                 | \$ (69,886)                          | \$ (3,831)                 |
| 31       |                                    |                                   |                                  |  |                                 |                                      |                                     |                                 |                        |                            |                                      |                            |
| 32       | NET OPERATING INCOME               | \$ 103,864,304                    | \$ 954,667                       | \$ 31,955                              | \$ 2,983,856                    | \$ 12,968,345                        | \$ (1,412,119)                      | \$ (1,256,319)                  | \$ (125,429)           | \$ (187,098)               | \$ 69,886                            | \$ 3,831                   |
| 33       |                                    | -                                 | (3,921,091)                      | 0                                      | -                               | (870,086)                            | (0)                                 | -                               | (0)                    | (18)                       | (0)                                  | (959)                      |
| 34       | RATE BASE                          | \$ 1,951,252,143                  | \$ -                             | \$ -                                   | \$ 8,402,901                    | \$ -                                 | \$ -                                | \$ -                            | \$ -                   | \$ -                       | \$ -                                 | \$ -                       |
| 35       |                                    |                                   |                                  |  |                                 |                                      |                                     |                                 |                        |                            |                                      |                            |
| 36       | RATE OF RETURN                     | 5.32%                             |                                  |  |                                 |                                      |                                     |                                 |                        |                            |                                      |                            |
| 37       |                                    |                                   |                                  |  |                                 |                                      |                                     |                                 |                        |                            |                                      |                            |
| 38       | RATE BASE:                         |                                   |                                  |  |                                 |                                      |                                     |                                 |                        |                            |                                      |                            |
| 39       | GROSS UTILITY PLANT IN SERVICE     | \$ 4,100,600,279                  |                                  |  |                                 |                                      |                                     |                                 |                        |                            |                                      |                            |
| 40       | ACCUMULATED DEPRECIATION           | (1,569,795,173)                   |                                  |  |                                 |                                      |                                     |                                 |                        |                            |                                      |                            |
| 41       | ACCUMULATED DEFERRED FIT - LIBERAL | (604,032,301)                     |                                  |  | 8,402,901                       |                                      |                                     |                                 |                        |                            |                                      |                            |
| 42       | DEPRECIATION AND OTHER LIABILITIES | (29,952,462)                      |                                  |  |                                 |                                      |                                     |                                 |                        |                            |                                      |                            |
| 43       | ALLOWANCE FOR WORKING CAPITAL      | 54,431,800                        |                                  |  |                                 |                                      |                                     |                                 |                        |                            |                                      |                            |
| 44       | OTHER                              |                                   |                                  |  |                                 |                                      |                                     |                                 |                        |                            |                                      |                            |
| 45       | TOTAL RATE BASE                    | \$ 1,951,252,143                  | \$ -                             | \$ -                                   | \$ 8,402,901                    | \$ -                                 | \$ -                                | \$ -                            | \$ -                   | \$ -                       | \$ -                                 | \$ -                       |
| 46       |                                    | \$0                               |                                  |  |                                 |                                      |                                     |                                 |                        |                            |                                      |                            |
| 47       | ROR                                | 7.43%                             | 7.43%                            | 7.43%                                  | 7.43%                           | 7.60%                                | 7.43%                               | 7.43%                           | 7.43%                  | 7.43%                      | 7.43%                                | 7.43%                      |
| 48       | CF                                 | 0.754097                          | 0.754097                         | 0.754097                               | 0.754097                        | 0.754097                             | 0.754097                            | 0.754097                        | 0.754097               | 0.754097                   | 0.754097                             | 0.754097                   |
| 49       | Surplus / (Deficiency)             | (41,113,730)                      | 954,667                          | 31,955                                 | 2,359,520                       | 12,968,345                           | (1,412,119)                         | (1,256,319)                     | (125,429)              | (187,098)                  | 69,886                               | 3,831                      |
| 50       | Revenue Requirement or (Surplus)   | 54,520,480                        | (1,265,974)                      | (42,375)                               | (3,128,935)                     | (17,197,184)                         | 1,872,595                           | 1,665,991                       | 166,330                | 248,109                    | (92,675)                             | (5,080)                    |

PUG PUGET SOUND ENERGY - AWEC REPLY  
 NATURAL GAS STATEMENT OF OPERATING I  
 AND ADJUSTMENTS  
 2019 GENERAL RATE CASE  
 12 MONTHS ENDED DECEMBER 31, 2018

| LINE NO. | DESCRIPTION                        | COMMON       | COMMON       | COMMON       | COMMON      | COMMON       | COMMON     | COMMON      | COMMON         | COMMON         | COMMON       | TOTAL              | RESTATED         |
|----------|------------------------------------|--------------|--------------|--------------|-------------|--------------|------------|-------------|----------------|----------------|--------------|--------------------|------------------|
|          |                                    | RESTATING    | RESTATING    | RESTATING    | RESTATING   | RESTATING    | RESTATING  | RESTATING   | RESTATING      | RESTATING      | RESTATING    | RESTATING          | RESTATING        |
|          |                                    | 6.11 GR      | 6.12 GR      | 6.13 GR      | 6.14 GR     | 6.15 GR      | 6.16 GR    | 6.17 GR     | 6.18 GR        | 6.19 GR        | 6.23 GR      |                    |                  |
|          |                                    | CUST         | RATE CASE    | PENSION      | PROP & LIAB | WAGE &       | INVESTMENT | EMPLOYEE    | AMA TO EOP     | AMA TO EOP     | ANNUALIZE    |                    |                  |
|          |                                    | DEP INT      | EXPENSE      | PLAN         | INS         | PAYROLL TAX  | PLAN       | INSURANCE   | RATE BASE      | DEPRECIATION   | RENT EXP     | ADJUSTMENTS        | OPERATIONS       |
|          |                                    | l            | m            | n            | o           | p            | q          | r           | s              | t              | u2           | v = Σ b through u2 | w = a + v        |
| 1        | OPERATING REVENUES                 |              |              |              |             |              |            |             |                |                |              |                    |                  |
| 2        | SALES TO CUSTOMERS                 |              |              |              |             |              |            |             |                |                |              | \$ (152,892,006)   | \$ 723,765,669   |
| 3        | MUNICIPAL ADDITIONS                |              |              |              |             |              |            |             |                |                |              | -                  | -                |
| 4        | OTHER OPERATING REVENUES           |              |              |              |             |              |            |             |                |                |              | 46,115,262         | 20,205,263       |
| 5        | TOTAL OPERATING REVENUES           | -            | -            | -            | -           | -            | -          | -           | -              | -              | -            | (106,776,745)      | 743,970,932      |
| 6        |                                    |              |              |              |             |              |            |             |                |                |              |                    |                  |
| 7        | OPERATING REVENUE DEDUCTIONS:      |              |              |              |             |              |            |             |                |                |              |                    |                  |
| 8        |                                    |              |              |              |             |              |            |             |                |                |              |                    |                  |
| 9        | GAS COSTS:                         |              |              |              |             |              |            |             |                |                |              |                    |                  |
| 10       |                                    |              |              |              |             |              |            |             |                |                |              | \$ -               | \$ -             |
| 11       | PURCHASED GAS                      |              |              |              |             |              |            |             |                |                |              | (20,106,833)       | 276,592,219      |
| 12       |                                    |              |              |              |             |              |            |             |                |                |              | -                  | -                |
| 13       | TOTAL PRODUCTION EXPENSES          | \$ -         | \$ -         | \$ -         | \$ -        | \$ -         | \$ -       | \$ -        | \$ -           | \$ -           | \$ -         | \$ (20,106,833)    | \$ 276,592,219   |
| 14       |                                    |              |              |              |             |              |            |             |                |                |              |                    |                  |
| 15       | OTHER POWER SUPPLY EXPENSES        |              |              |              |             | 6,288        |            |             |                |                |              | 18,584             | \$ 6,061,389     |
| 16       | TRANSMISSION EXPENSE               |              |              |              |             |              |            |             |                |                |              | -                  | 2,111            |
| 17       | DISTRIBUTION EXPENSE               |              |              |              |             |              | 402,623    |             |                |                |              | 523,457            | 60,697,625       |
| 18       | CUSTOMER ACCTS EXPENSES            | 204,504      |              |              |             |              | 12,956     |             |                |                |              | (141,418)          | 29,666,034       |
| 19       | CUSTOMER SERVICE EXPENSES          |              |              |              |             |              | 724        |             |                |                |              | (4,811,195)        | 1,763,236        |
| 20       | CONSERVATION AMORTIZATION          |              |              |              |             |              |            |             |                |                |              | (14,625,833)       | -                |
| 21       | ADMIN & GENERAL EXPENSE            |              | 554,529      | 975,254      | 66,641      | 16,612       | 5,304      | 13,475      |                |                | (658,974)    | 2,450,850          | 59,700,385       |
| 22       | DEPRECIATION                       |              |              |              |             |              |            |             |                | 4,136,956      |              | 4,136,956          | 121,094,686      |
| 23       | AMORTIZATION                       |              |              |              |             |              |            |             |                | 8,190,016      |              | 8,190,016          | 34,307,586       |
| 24       | AMORTIZ OF PROPERTY GAIN/LOSS      |              |              |              |             |              |            |             |                |                |              | -                  | -                |
| 25       | OTHER OPERATING EXPENSES           |              |              |              |             |              |            |             |                |                |              | -                  | 8,769,361        |
| 26       | ASC 815                            |              |              |              |             |              |            |             |                |                |              | -                  | -                |
| 27       | TAXES OTHER THAN INCOME TAXES      |              |              |              |             | 15,731       |            |             |                |                |              | (66,037,516)       | 35,439,781       |
| 28       | INCOME TAXES                       |              | (116,451)    | (204,803)    | (13,995)    | (95,537)     | (1,114)    | (2,830)     |                | (2,588,664)    | 138,384      | (27,661,769)       | 4,282,390        |
| 29       | DEFERRED INCOME TAXES              |              |              |              |             |              |            |             |                |                |              | 8,314,013          | (1,244,118)      |
| 30       | TOTAL OPERATING REV. DEDUCT.       | \$ 204,504   | \$ 438,078   | \$ 770,451   | \$ 52,646   | \$ 359,399   | \$ 4,190   | \$ 10,645   | \$ -           | \$ 9,738,308   | \$ (520,589) | \$ (109,750,688)   | \$ 637,132,685   |
| 31       |                                    |              |              |              |             |              |            |             |                |                |              |                    |                  |
| 32       | NET OPERATING INCOME               | \$ (204,504) | \$ (438,078) | \$ (770,451) | \$ (52,646) | \$ (359,399) | \$ (4,190) | \$ (10,645) | \$ -           | \$ (9,738,308) | \$ 520,589   | \$ 2,973,944       | \$ 106,838,247   |
| 33       |                                    | 96,726       | -            | -            | -           | -            | -          | -           | -              | -              | -            | -                  | -                |
| 34       | RATE BASE                          | \$ -         | \$ -         | \$ -         | \$ -        | \$ -         | \$ -       | \$ -        | \$ 150,560,297 | \$ (9,738,308) | \$ -         | \$ 149,224,891     | \$ 2,100,477,034 |
| 35       |                                    |              |              |              |             |              |            |             |                |                |              |                    |                  |
| 36       | RATE OF RETURN                     |              |              |              |             |              |            |             |                |                |              |                    | 5.09%            |
| 37       |                                    |              |              |              |             |              |            |             |                |                |              |                    |                  |
| 38       | RATE BASE:                         |              |              |              |             |              |            |             |                |                |              |                    |                  |
| 39       | GROSS UTILITY PLANT IN SERVICE     |              |              |              |             |              |            |             | \$ 200,226,770 |                |              | \$ 200,226,770     | \$ 4,300,827,049 |
| 40       | ACCUMULATED DEPRECIATION           |              |              |              |             |              |            |             | (55,515,782)   | (12,326,972)   |              | (67,842,753)       | (1,637,637,927)  |
| 41       | ACCUMULATED DEFERRED FIT - LIBERAL |              |              |              |             |              |            |             | 3,766,478      | 2,588,664      |              | 14,758,043         | (589,274,258)    |
| 42       | DEPRECIATION AND OTHER LIABILITIES |              |              |              |             |              |            |             | 2,958,805      |                |              | 2,958,805          | (26,993,657)     |
| 43       | ALLOWANCE FOR WORKING CAPITAL      |              |              |              |             |              |            |             | (875,974)      |                |              | (875,974)          | 53,555,826       |
| 44       | OTHER                              |              |              |              |             |              |            |             |                |                |              | -                  | -                |
| 45       | TOTAL RATE BASE                    | \$ -         | \$ -         | \$ -         | \$ -        | \$ -         | \$ -       | \$ -        | \$ 150,560,297 | \$ (9,738,308) | \$ -         | \$ 149,224,891     | \$ 2,100,477,034 |
| 46       |                                    |              |              |              |             |              |            |             |                |                |              |                    |                  |
| 47       | ROR                                | 7.43%        | 7.43%        | 7.43%        | 7.43%       | 7.43%        | 7.43%      | 7.43%       | 7.43%          | 7.43%          | 7.43%        | 7.43%              | 7.43%            |
| 48       | CF                                 | 0.754097     | 0.754097     | 0.754097     | 0.754097    | 0.754097     | 0.754097   | 0.754097    | 0.754097       | 0.754097       | 0.754097     | 0.754097           | 0.754097         |
| 49       | Surplus / (Deficiency)             | (204,504)    | (438,078)    | (770,451)    | (52,646)    | (359,399)    | (4,190)    | (10,645)    | (11,186,630)   | (9,014,751)    | 520,589      | (8,113,466)        | (49,227,196)     |
| 50       | Revenue Requirement or (Surplus)   | 271,190      | 580,931      | 1,021,687    | 69,813      | 476,596      | 5,557      | 14,117      | 14,834,471     | 11,954,366     | (690,348)    | 10,759,181         | 65,279,660       |

PUG PUGET SOUND ENERGY - AWEC REPLY  
 NATURAL GAS STATEMENT OF OPERATING I  
 AND ADJUSTMENTS  
 2019 GENERAL RATE CASE  
 12 MONTHS ENDED DECEMBER 31, 2018

| LINE NO. | DESCRIPTION                        | COMMON         | COMMON        | COMMON       | COMMON       | COMMON     | COMMON        | COMMON         | COMMON      | COMMON       | COMMON         | COMMON       | COMMON                  |
|----------|------------------------------------|----------------|---------------|--------------|--------------|------------|---------------|----------------|-------------|--------------|----------------|--------------|-------------------------|
|          |                                    | PROFORMA       | PROFORMA      | PROFORMA     | PROFORMA     | PROFORMA   | PROFORMA      | PROFORMA       | PROFORMA    | PROFORMA     | PROFORMA       | PROFORMA     | PROFORMA                |
|          |                                    | 6.01 GP        | 6.02 GP       | 6.04 GP      | 6.09 GP      | 6.10 GP    | 6.14 GP       | 6.15 GP        | 6.16 GP     | 6.17 GP      | 6.20 GP        | 6.21 GP      | 6.22 GP                 |
|          |                                    | REVENUES       | TEMPERATURE   | TAX BENEFIT  | EXCISE TAX   | D&O        | PROPERTY &    | WAGE           | INVESTMENT  | EMPLOYEE     | DEFERRED G/L   | ENVIRON      | AMI                     |
|          |                                    | & EXPENSES     | NORMALIZATION | OF INTEREST  | & FILING FEE | INSURANCE  | LIABILITY INS | INCREASE       | PLAN        | INSURANCE    | PROPERTY SALES | REMEDIATION  |                         |
|          |                                    | x              | y             | z            | aa           | ab         | ac            | ad             | ae          | af           | ag             | ah           | ai                      |
| 1        | OPERATING REVENUES                 |                |               |              |              |            |               |                |             |              |                |              |                         |
| 2        | SALES TO CUSTOMERS                 | \$ 50,971      | \$ 35,122,049 |              |              |            |               |                |             |              |                |              |                         |
| 3        | MUNICIPAL ADDITIONS                |                |               |              |              |            |               |                |             |              |                |              |                         |
| 4        | OTHER OPERATING REVENUES           | (9,854,969)    |               |              |              |            |               |                |             |              |                |              |                         |
| 5        | TOTAL OPERATING REVENUES           | (9,803,998)    | 35,122,049    | -            | -            | -          | -             | -              | -           | -            | -              | -            | -                       |
| 6        |                                    |                |               |              |              |            |               |                |             |              |                |              |                         |
| 7        | OPERATING REVENUE DEDUCTIONS:      |                |               |              |              |            |               |                |             |              |                |              |                         |
| 8        |                                    |                |               |              |              |            |               |                |             |              |                |              |                         |
| 9        | GAS COSTS:                         |                |               |              |              |            |               |                |             |              |                |              |                         |
| 10       |                                    |                |               |              |              |            |               |                |             |              |                |              |                         |
| 11       | PURCHASED GAS                      |                | 16,597,942    |              |              |            |               |                |             |              |                |              |                         |
| 12       |                                    |                |               |              |              |            |               |                |             |              |                |              |                         |
| 13       | TOTAL PRODUCTION EXPENSES          | \$ -           | \$ 16,597,942 | \$ -         | \$ -         | \$ -       | \$ -          | \$ -           | \$ -        | \$ -         | \$ -           | \$ -         | \$ -                    |
| 14       |                                    |                |               |              |              |            |               |                |             |              |                |              |                         |
| 15       | OTHER POWER SUPPLY EXPENSES        |                |               |              |              |            |               | 110,732        |             |              |                |              |                         |
| 16       | TRANSMISSION EXPENSE               |                |               |              |              |            |               |                |             |              |                |              |                         |
| 17       | DISTRIBUTION EXPENSE               |                |               |              |              |            |               | 1,350,206      |             |              |                |              |                         |
| 18       | CUSTOMER ACCTS EXPENSES            | (50,236)       | 179,965       |              |              | -          |               | 274,377        |             |              |                |              |                         |
| 19       | CUSTOMER SERVICE EXPENSES          |                |               |              |              |            |               | 31,612         |             |              |                |              |                         |
| 20       | CONSERVATION AMORTIZATION          |                |               |              |              |            |               |                |             |              |                |              |                         |
| 21       | ADMIN & GENERAL EXPENSE            | (19,608)       | 70,244        |              | (54,198)     | 4,849      | 30,988        | 552,919        | 117,536     | 390,546      |                |              |                         |
| 22       | DEPRECIATION                       |                |               |              |              |            |               |                |             |              |                |              | 608,663                 |
| 23       | AMORTIZATION                       |                |               |              |              |            |               |                |             |              |                |              |                         |
| 24       | AMORTIZ OF PROPERTY GAIN/LOSS      |                |               |              |              |            |               |                |             |              |                |              |                         |
| 25       | OTHER OPERATING EXPENSES           |                |               |              |              |            |               |                |             |              | (91,958)       | 856,891      | 2,065,892               |
| 26       | ASC 815                            |                |               |              |              |            |               |                |             |              |                |              |                         |
| 27       | TAXES OTHER THAN INCOME TAXES      | (375,719)      | 1,345,982     |              | 142,661      |            |               | 97,848         |             |              |                |              |                         |
| 28       | INCOME TAXES                       | (1,965,271)    | 3,554,862     | 595,584      | (18,577)     | (1,018)    | (6,507)       | (507,716)      | (24,683)    | (82,015)     | 19,311         | (179,947)    | (561,657)               |
| 29       | DEFERRED INCOME TAXES              |                |               |              |              |            |               |                |             |              |                |              |                         |
| 30       | TOTAL OPERATING REV. DEDUCT.       | \$ (2,410,834) | \$ 21,748,996 | \$ 595,584   | \$ 69,886    | \$ 3,831   | \$ 24,480     | \$ 1,909,978   | \$ 92,854   | \$ 308,532   | \$ (72,647)    | \$ 676,944   | \$ 2,112,898            |
| 31       |                                    |                |               |              | 0            | 0          |               |                |             |              |                |              |                         |
| 32       | NET OPERATING INCOME               | \$ (7,393,164) | \$ 13,373,053 | \$ (595,584) | \$ (69,886)  | \$ (3,831) | \$ (24,480)   | \$ (1,909,978) | \$ (92,854) | \$ (308,532) | \$ 72,647      | \$ (676,944) | \$ (2,112,898)          |
| 33       |                                    |                |               |              |              | (958.69)   |               |                |             |              |                |              |                         |
| 34       | RATE BASE                          | \$ -           | \$ -          | \$ -         | \$ -         | \$ -       | \$ -          | \$ -           | \$ -        | \$ -         | \$ -           | \$ -         | \$ 13,882,663           |
| 35       |                                    |                |               |              |              |            |               |                |             |              |                |              |                         |
| 36       | RATE OF RETURN                     |                |               |              |              |            |               |                |             |              |                |              | moved deferral to other |
| 37       |                                    |                |               |              |              |            |               |                |             |              |                |              |                         |
| 38       | RATE BASE:                         |                |               |              |              |            |               |                |             |              |                |              |                         |
| 39       | GROSS UTILITY PLANT IN SERVICE     |                |               |              |              |            |               |                |             |              |                |              | \$ 12,465,833           |
| 40       | ACCUMULATED DEPRECIATION           |                |               |              |              |            |               |                |             |              |                |              | (1,019,306)             |
| 41       | ACCUMULATED DEFERRED FIT - LIBERA  |                |               |              |              |            |               |                |             |              |                |              | (1,752,249)             |
| 42       | DEPRECIATION AND OTHER LIABILITIES |                |               |              |              |            |               |                |             |              |                |              |                         |
| 43       | ALLOWANCE FOR WORKING CAPITAL      |                |               |              |              |            |               |                |             |              |                |              |                         |
| 44       | OTHER                              |                |               |              |              |            |               |                |             |              |                |              | 4,188,384               |
| 45       | TOTAL RATE BASE                    | \$ -           | \$ -          | \$ -         | \$ -         | \$ -       | \$ -          | \$ -           | \$ -        | \$ -         | \$ -           | \$ -         | \$ 13,882,663           |
| 46       |                                    |                |               |              |              |            |               |                |             |              |                |              |                         |
| 47       | ROR                                | 7.43%          | 7.43%         | 7.43%        | 7.43%        | 7.43%      | 7.43%         | 7.43%          | 7.43%       | 7.43%        | 7.43%          | 7.43%        | 7.43%                   |
| 48       | CF                                 | 0.754097       | 0.754097      | 0.754097     | 0.754097     | 0.754097   | 0.754097      | 0.754097       | 0.754097    | 0.754097     | 0.754097       | 0.754097     | 0.754097                |
| 49       | Surplus / (Deficiency)             | (7,393,164)    | 13,373,053    | (595,584)    | (69,886)     | (3,831)    | (24,480)      | (1,909,978)    | (92,854)    | (308,532)    | 72,647         | (676,944)    | (3,144,380)             |
| 50       | Revenue Requirement or (Surplus)   | 9,803,996      | (17,733,863)  | 789,797      | 92,675       | 5,080      | 32,463        | 2,532,802      | 123,132     | 409,141      | (96,336)       | 897,688      | 4,169,729               |



PUG PUGET SOUND ENERGY - AWEC REPLY  
NATURAL GAS STATEMENT OF OPERATING I  
AND ADJUSTMENTS  
2019 GENERAL RATE CASE  
12 MONTHS ENDED DECEMBER 31, 2018

| LINE NO. | DESCRIPTION                        | COMMON                           | Staff                   | COMMON                          | Contest                                | Staff                            | COMMON                             | Staff                | Staff                    | Contest                          | GAS                           | GAS                        | TOTAL PROFORMING ADJUSTMENTS as $\sum$ x thru as |
|----------|------------------------------------|----------------------------------|-------------------------|---------------------------------|--|----------------------------------|------------------------------------|----------------------|--------------------------|----------------------------------|-------------------------------|----------------------------|--|
|          |                                    | PROFORMA                         | COMMON PROFORMA         | PROFORMA                        | COMMON PROFORMA                        | COMMON PROFORMA                  | PROFORMA                           | COMMON PROFORMA      | PROFORMA                 | PROFORMA                         | PROFORMA                      | PROFORMA                   |  |
|          |                                    | 6.23 GP ANNUALIZE RENT EXP<br>aj | 6.24 GP GTZ<br>ak       | 6.25 GP CREDIT CARD AMORT<br>al | 6.26 GP REMOVE UNPRO-TECTED DFIT<br>am | 6.27 GP PUBLIC IMPROVEMENT<br>an | 6.28 GP CONTRACT ESCALATIONS<br>ao | 6.29 GP HR TOP<br>ap | 12.05G TACOMA LNG<br>aqA | AWEC1 BOTHELL DATA CENTER<br>aqB | 8.01 GP REMOVE 2018 CRM<br>ar | 8.02 GP SCH. 149 CRM<br>as |  |
| 1        | OPERATING REVENUES                 |                                  |                         |                                 |  |                                  |                                    |                      |                          |                                  |                               |                            |  |
| 2        | SALES TO CUSTOMERS                 |                                  |                         |                                 |  |                                  |                                    |                      |                          |                                  |                               |                            |  |
| 3        | MUNICIPAL ADDITIONS                |                                  |                         |                                 |  |                                  |                                    |                      |                          |                                  |                               |                            |  |
| 4        | OTHER OPERATING REVENUES           |                                  |                         |                                 |  |                                  |                                    |                      |                          |                                  |                               |                            |  |
| 5        | TOTAL OPERATING REVENUES           | -                                | -                       | -                               | -                                      | -                                | -                                  | -                    | -                        | -                                | -                             | (6,980,521)                | 18,337,530                                       |
| 6        |                                    |                                  |                         |                                 |  |                                  |                                    |                      |                          |                                  |                               |                            |  |
| 7        | OPERATING REVENUE DEDUCTIONS:      |                                  |                         |                                 |  |                                  |                                    |                      |                          |                                  |                               |                            |  |
| 8        |                                    |                                  |                         |                                 |  |                                  |                                    |                      |                          |                                  |                               |                            |  |
| 9        | GAS COSTS:                         |                                  |                         |                                 |  |                                  |                                    |                      |                          |                                  |                               |                            |  |
| 10       |                                    |                                  |                         |                                 |  |                                  |                                    |                      |                          |                                  |                               |                            |  |
| 11       | PURCHASED GAS                      |                                  |                         |                                 |  |                                  |                                    |                      |                          |                                  |                               |                            | \$ -   |
| 12       |                                    |                                  |                         |                                 |  |                                  |                                    |                      |                          |                                  |                               |                            | 16,597,942                                       |
| 13       | TOTAL PRODUCTION EXPENSES          | \$ -                             | \$ -                    | \$ -                            | \$ -                                   | \$ -                             | \$ -                               | \$ -                 | \$ -                     | \$ -                             | \$ -                          | \$ -                       | \$ 16,597,942                                    |
| 14       |                                    |                                  |                         |                                 |  |                                  |                                    |                      |                          |                                  |                               |                            |  |
| 15       | OTHER POWER SUPPLY EXPENSES        |                                  |                         |                                 |  |                                  | \$ 44                              |                      | \$ (1,698)               |                                  |                               |                            | 109,078  |
| 16       | TRANSMISSION EXPENSE               |                                  |                         |                                 |  |                                  | 58                                 |                      |                          |                                  |                               |                            | 58   |
| 17       | DISTRIBUTION EXPENSE               |                                  |                         |                                 |  |                                  | 278,618                            |                      |                          |                                  |                               |                            | 1,628,823  |
| 18       | CUSTOMER ACCTS EXPENSES            |                                  |                         | (435,568)                       |  |                                  | 105,258                            |                      |                          |                                  |                               | (35,768)                   | 38,030   |
| 19       | CUSTOMER SERVICE EXPENSES          |                                  |                         |                                 |  |                                  |                                    |                      |                          |                                  |                               |                            | 31,612   |
| 20       | CONSERVATION AMORTIZATION          |                                  |                         |                                 |  |                                  |                                    |                      |                          |                                  |                               |                            | -  |
| 21       | ADMIN & GENERAL EXPENSE            | (169,825)                        |                         |                                 |  |                                  | 601                                |                      | (79,928)                 |                                  |                               | (13,961)                   | 830,163  |
| 22       | DEPRECIATION                       |                                  |                         |                                 |  |                                  |                                    |                      | (712,423)                |                                  |                               |                            | (143,304)  |
| 23       | AMORTIZATION                       |                                  | 1,469,535               |                                 |  |                                  |                                    |                      |                          |                                  | (39,544)                      |                            | 1,469,535  |
| 24       | AMORTIZ OF PROPERTY GAIN/LOSS      |                                  |                         |                                 |  |                                  |                                    |                      |                          |                                  |                               |                            | -  |
| 25       | OTHER OPERATING EXPENSES           |                                  | 1,880,687               |                                 |  |                                  |                                    |                      |                          |                                  |                               |                            | 4,711,512  |
| 26       | ASC 815                            |                                  |                         |                                 |  |                                  |                                    |                      |                          |                                  |                               |                            | -  |
| 27       | TAXES OTHER THAN INCOME TAXES      |                                  |                         |                                 |  |                                  |                                    |                      |                          |                                  |                               | (267,515)                  | 943,258  |
| 28       | INCOME TAXES                       | 35,663                           | (703,547)               | 91,469                          |  |                                  | (80,762)                           |                      |                          |                                  | 8,304                         | (1,399,288)                | (1,225,794)                                      |
| 29       | DEFERRED INCOME TAXES              |                                  |                         |                                 |  |                                  | (2,890,522)                        |                      |                          |                                  |                               |                            | (2,890,522)                                      |
| 30       | TOTAL OPERATING REV. DEDUCT.       | \$ (134,162)                     | \$ 2,646,676            | \$ (344,098)                    | \$ (2,890,522)                         | \$ -                             | \$ 303,817                         | \$ -                 | \$ (794,049)             | \$ -                             | \$ (31,240)                   | \$ (1,716,532)             | \$ 22,100,392                                    |
| 31       |                                    |                                  |                         |                                 |  |                                  |                                    |                      |                          |                                  |                               |                            |  |
| 32       | NET OPERATING INCOME               | \$ 134,162                       | \$ (2,646,676)          | \$ 344,098                      | \$ 2,890,522                           | \$ -                             | \$ (303,817)                       | \$ -                 | \$ 794,049               | \$ -                             | \$ 31,240                     | \$ (5,263,989)             | \$ (3,762,863)                                   |
| 33       |                                    |                                  |                         |                                 |  |                                  |                                    |                      |                          |                                  |                               |                            |  |
| 34       | RATE BASE                          | \$ -                             | \$ 5,802,322            | \$ -                            | \$ 1,445,261                           | \$ -                             | \$ -                               | \$ -                 | \$ (26,191,470)          | \$ (26,811,330)                  | \$ (9,327,511)                | \$ (6,388,044)             | \$ (47,588,109)                                  |
| 35       |                                    |                                  |                         |                                 |  |                                  |                                    |                      |                          |                                  |                               |                            |  |
| 36       | RATE OF RETURN                     |                                  | moved deferral to other |                                 |  |                                  |                                    |                      |                          |                                  |                               |                            |  |
| 37       |                                    |                                  |                         |                                 |  |                                  |                                    |                      |                          |                                  |                               |                            |  |
| 38       | RATE BASE:                         |                                  |                         |                                 |  |                                  |                                    |                      |                          |                                  |                               |                            |  |
| 39       | GROSS UTILITY PLANT IN SERVICE     | \$ -                             | \$ 4,408,606            |                                 |  | \$ -                             |                                    | \$ -                 | \$ (32,233,800)          | \$ (26,811,330)                  | \$ (9,377,979)                | \$ -                       | \$ (51,548,670)                                  |
| 40       | ACCUMULATED DEPRECIATION           | -                                | (2,449,226)             |                                 |  | \$ -                             |                                    | -                    | 1,111,624                |                                  | 39,544                        | (5,658,425)                | (7,975,789)                                      |
| 41       | ACCUMULATED DEFERRED FIT - LIBERAL | -                                | (858,776)               |                                 | 1,445,261                              |                                  |                                    | -                    | 4,930,706                |                                  | 10,925                        | (729,618)                  | 3,046,248  |
| 42       | DEPRECIATION AND OTHER LIABILITIES |                                  |                         |                                 |  | \$ -                             |                                    |                      |                          |                                  |                               |                            | -  |
| 43       | ALLOWANCE FOR WORKING CAPITAL      |                                  |                         |                                 |  |                                  |                                    |                      |                          |                                  |                               |                            |  |
| 44       | OTHER                              |                                  | 4,701,718               |                                 |  |                                  |                                    |                      |                          |                                  |                               |                            | 8,890,102  |
| 45       | TOTAL RATE BASE                    | \$ -                             | \$ 5,802,322            | \$ -                            | \$ 1,445,261                           | \$ -                             | \$ -                               | \$ -                 | \$ (26,191,470)          | \$ (26,811,330)                  | \$ (9,327,511)                | \$ (6,388,044)             | \$ (47,588,109)                                  |
| 46       |                                    |                                  |                         |                                 |  |                                  |                                    |                      |                          |                                  |                               |                            |  |
| 47       | ROR                                | 7.43%                            | 7.43%                   | 7.43%                           | 7.43%                                  | 7.43%                            | 7.43%                              | 7.43%                | 7.43%                    | 7.43%                            | 7.43%                         | 7.43%                      | 7.43%  |
| 48       | CF                                 | 0.754097                         | 0.754097                | 0.754097                        | 0.754097                               | 0.754097                         | 0.754097                           | 0.754097             | 0.754097                 | 0.754097                         | 0.754097                      | 0.754097                   | 0.754097   |
| 49       | Surplus / (Deficiency)             | 134,162                          | (3,077,788)             | 344,098                         | 2,783,139                              | -                                | (303,817)                          | -                    | 2,740,075                | 1,992,082                        | 724,274                       | (4,789,358)                | (227,066)  |
| 50       | Revenue Requirement or (Surplus)   | (177,910)                        | 4,081,422               | (456,305)                       | (3,690,691)                            | -                                | 402,889                            | -                    | (3,633,585)              | (2,641,678)                      | (960,452)                     | 6,351,116                  | 301,110  |

PUG PUGET SOUND ENERGY - AWEC REPLY  
NATURAL GAS STATEMENT OF OPERATING I  
AND ADJUSTMENTS  
2019 GENERAL RATE CASE  
12 MONTHS ENDED DECEMBER 31, 2018

| LINE NO. | DESCRIPTION                        | PROFORMA'D RESULTS OF OPERATIONS<br>at = w + as |
|----------|------------------------------------|---|
| 1        | OPERATING REVENUES                 |   |
| 2        | SALES TO CUSTOMERS                 | \$ 751,958,168                                  |
| 3        | MUNICIPAL ADDITIONS                | -   |
| 4        | OTHER OPERATING REVENUES           | 10,350,294                                      |
| 5        | TOTAL OPERATING REVENUES           | 762,308,462                                     |
| 6        |                                    |   |
| 7        | OPERATING REVENUE DEDUCTIONS:      |   |
| 8        |                                    |   |
| 9        | GAS COSTS:                         |   |
| 10       |                                    | \$ -  |
| 11       | PURCHASED GAS                      | 293,190,161                                     |
| 12       |                                    | -   |
| 13       | TOTAL PRODUCTION EXPENSES          | \$ 293,190,161                                  |
| 14       |                                    |   |
| 15       | OTHER POWER SUPPLY EXPENSES        | \$ 6,170,467                                    |
| 16       | TRANSMISSION EXPENSE               | 2,169   |
| 17       | DISTRIBUTION EXPENSE               | 62,326,449                                      |
| 18       | CUSTOMER ACCTS EXPENSES            | 29,704,063                                      |
| 19       | CUSTOMER SERVICE EXPENSES          | 1,794,848                                       |
| 20       | CONSERVATION AMORTIZATION          | -   |
| 21       | ADMIN & GENERAL EXPENSE            | 60,530,548                                      |
| 22       | DEPRECIATION                       | 120,951,382                                     |
| 23       | AMORTIZATION                       | 35,777,121                                      |
| 24       | AMORTIZ OF PROPERTY GAIN/LOSS      | -   |
| 25       | OTHER OPERATING EXPENSES           | 13,480,873                                      |
| 26       | ASC 815                            | -   |
| 27       | TAXES OTHER THAN INCOME TAXES      | 36,383,039                                      |
| 28       | INCOME TAXES                       | 3,056,596                                       |
| 29       | DEFERRED INCOME TAXES              | (4,134,639)                                     |
| 30       | TOTAL OPERATING REV. DEDUCT.       | \$ 659,233,077                                  |
| 31       |                                    |   |
| 32       | NET OPERATING INCOME               | \$ 103,075,385                                  |
| 33       |                                    |   |
| 34       | RATE BASE                          | \$ 2,052,888,925                                |
| 35       |                                    |   |
| 36       | RATE OF RETURN                     | 5.02%   |
| 37       |                                    |   |
| 38       | RATE BASE:                         |   |
| 39       | GROSS UTILITY PLANT IN SERVICE     | \$ 4,249,278,379                                |
| 40       | ACCUMULATED DEPRECIATION           | (1,645,613,716)                                 |
| 41       | ACCUMULATED DEFERRED FIT - LIBERA  | (586,228,010)                                   |
| 42       | DEPRECIATION AND OTHER LIABILITIES | (26,993,657)                                    |
| 43       | ALLOWANCE FOR WORKING CAPITAL      | 53,555,826                                      |
| 44       | OTHER                              | 8,890,102                                       |
| 45       | TOTAL RATE BASE                    | \$ 2,052,888,925                                |
| 46       |                                    |   |
| 47       | ROR                                | 7.43%   |
| 48       | CF                                 | 0.754097  |
| 49       | Surplus / (Deficiency)             | (49,454,262)                                    |
| 50       | Revenue Requirement or (Surplus)   | 65,580,771                                      |

PUGET SOUND ENERGY - NATURAL GAS - AWEC REPLY  
**FEDERAL INCOME TAX**  
 12 MONTHS ENDED DECEMBER 31, 2018  
 2019 GENERAL RATE CASE

| LINE NO. | DESCRIPTION                           | % 's | TY                  |                     | ADJ 6.03 GR                     |                     | PROFORMA               |  |
|----------|---------------------------------------|------|---------------------|---------------------|---------------------------------|---------------------|------------------------|--|
|          |                                       |      | ACTUAL (a)          | RESTATED (b)        | RESTATED ADJUSTMENT (c)=(b)-(a) | PROFORMA (d)        | ADJUSTMENT (e)=(d)-(b) |  |
| 1        | INCREASE(DECREASE) FIT                |      | \$ 31,944,159       | \$ 20,646,290       | \$ (11,297,869)                 | \$ 20,646,290       | \$ -                   |  |
| 2        | INCREASE(DECREASE) DEFERRED FIT       |      | (9,558,131)         | 523,320             | 10,081,450                      | 523,320             | -                      |  |
| 3        | AMORTIZE 01/2019-02/2019 EDFIT (1-YR) |      | -                   | (1,767,437)         | (1,767,437)                     | (1,767,437)         | -                      |  |
| 4        | INCREASE(DECREASE) NOI                |      | <b>(22,386,028)</b> | <b>(19,402,172)</b> | <b>2,983,856</b>                | <b>(19,402,172)</b> | -                      |  |
| 5        |                                       |      |                     |                     |                                 |                     |                        |  |
| 6        |                                       |      |                     |                     |                                 |                     |                        |  |
| 7        | RATE BASE                             |      |                     |                     |                                 |                     |                        |  |
| 8        | AMORTIZE 01/2019-02/2019 EDFIT (1-YR) |      | -                   | 883,719             | 883,719                         | 883,719             | -                      |  |
| 9        | APPLY SCH. 141X AMORT                 |      | -                   | 7,519,182           | 7,519,182                       | 7,519,182           | -                      |  |
| 10       | INCREASE(DECREASE) RATE BASE          |      | -                   | 8,402,901           | 8,402,901                       | 8,402,901           | -                      |  |

PUGET SOUND ENERGY - NATURAL GAS - AWEC REPLY  
**TAX BENEFIT OF PRO FORMA INTEREST**  
 12 MONTHS ENDED DECEMBER 31, 2018  
 2019 GENERAL RATE CASE

| LINE<br>NO. | DESCRIPTION               | % 's | TY<br>ACTUAL<br>(a) | RESTATED<br>(b)  | ADJ 6.04 GR                           | PROFORMA<br>(d)  | ADJ 6.04 GP                           |
|-------------|---------------------------|------|---------------------|------------------|---------------------------------------|------------------|---------------------------------------|
|             |                           |      |                     |                  | RESTATED<br>ADJUSTMENT<br>(c)=(b)-(a) |                  | PROFORMA<br>ADJUSTMENT<br>(e)=(d)-(b) |
| 1           | RATE BASE                 | \$   | -                   | \$ 2,100,477,034 | \$ 2,100,477,034                      | \$ 2,052,888,925 | \$ (47,588,109)                       |
| 2           |                           |      |                     |                  |                                       |                  |                                       |
| 3           |                           |      |                     |                  |                                       |                  |                                       |
| 4           |                           |      |                     |                  |                                       |                  |                                       |
| 5           | WEIGHTED COST OF DEBT     |      |                     | 2.94%            |                                       | 2.87%            |                                       |
| 6           | PROFORMA INTEREST         |      | -                   | 61,754,025       | 61,754,025                            | 58,917,912       | (2,836,112.65)                        |
| 7           |                           |      |                     |                  |                                       |                  |                                       |
| 8           | INCREASE (DECREASE) FIT @ | 21%  | -                   | (12,968,345)     | (12,968,345)                          | (12,372,762)     | 595,584                               |
| 9           | INCREASE (DECREASE) NOI   |      | -                   | 12,968,345       | 12,968,345                            | 12,372,762       | (595,584)                             |

PUGET SOUND ENERGY - NATURAL GAS - AWEC REPLY  
GET TO ZERO PROFORMA PLANT ADDITIONS AND DEFERRAL ADJUSTMENT  
12 MONTHS ENDED DECEMBER 31, 2018  
2019 GENERAL RATE CASE

| LINE NO. | DESCRIPTION                                  | %s     | TY ACTUAL (a) | RESTATED (b) | N/A<br>RESTATED ADJUSTMENT (c)=(b)-(a) | PROFORMA (d)   | ADJ 6.24 GP                     |
|----------|--|--------|---------------|--------------|--|----------------|---------------------------------|
|          |  |        |               |              |  |                | PROFORMA ADJUSTMENT (e)=(d)-(b) |
| 1        | <u>RATEBASE (AMA) UTILITY PLANT RATEBASE</u> |        |               |              |  |                |                                 |
| 2        | <u>UTILITY PLANT</u>                         |        |               |              |  |                |                                 |
| 3        | PLANT ADDITIONS JAN-JUN 2019                 |        | \$ -          | \$ -         | \$ -                                   | \$ 4,408,606   | \$ 4,408,606                    |
| 4        | ACCUM DEPRECIATION                           |        | -             | -            | -                                      | (2,449,226)    | (2,449,226)                     |
| 5        | DEFERRED INCOME TAX LIABILITY                |        | -             | -            | -                                      | 128,584        | 128,584                         |
| 6        | TOTAL UTILITY PLANT                          |        | -             | -            | -                                      | 2,087,965      | 2,087,965                       |
| 7        |  |        |               |              |  |                |                                 |
| 8        | <u>DEFERRALS</u>                             |        |               |              |  |                |                                 |
| 9        | DEPRECIATION DEFERRAL                        |        | -             | -            | -                                      | 5,642,062      | 5,642,062                       |
| 10       | ACCUM AMORT ON DEPRECIATION DEFERRAL         |        | -             | -            | -                                      | (940,344)      | (940,344)                       |
| 11       | DFIT ON DEPRECIATION DEFERRAL                |        | -             | -            | -                                      | (987,361)      | (987,361)                       |
| 12       | TOTAL DEPRECIATION DEFERRALS                 |        | -             | -            | -                                      | 3,714,357      | 3,714,357                       |
| 13       |  |        |               |              |  |                |                                 |
| 14       | NET RATEBASE                                 |        | \$ -          | \$ -         | \$ -                                   | \$ 5,802,322   | \$ 5,802,322                    |
| 15       |  |        |               |              |  |                | -                               |
| 16       | <u>OPERATING EXPENSE</u>                     |        |               |              |  |                |                                 |
| 17       | DEPRECIATION EXPENSE ON UTILITY PLANT        |        | \$ -          | \$ -         | \$ -                                   | \$ 1,469,535   | \$ 1,469,535                    |
| 18       | AMORTIZATION OF AMORTIZATION DEFERRAL        |        | -             | -            | -                                      | 1,880,687      | 1,880,687                       |
| 19       | AMORTIZATION OF CARRYING CHARGES DEFERRAL    |        | -             | -            | -                                      | -              | -                               |
| 20       | TOTAL OPERATING EXPENSES                     |        | \$ -          | \$ -         | \$ -                                   | \$ 3,350,223   | \$ 3,350,223                    |
| 21       | Four Factor Allocator                        | 66.19% |               |              |  |                |                                 |
| 22       | INCREASE (DECREASE ) EXPENSE                 |        | -             | -            | -                                      | 3,350,223      | \$ 3,350,223                    |
| 23       |  |        |               |              |  |                |                                 |
| 24       | INCREASE (DECREASE) FIT @                    | 21%    | -             | -            | -                                      | (703,547)      | (703,547)                       |
| 25       | INCREASE (DECREASE) NOI                      |        | \$ -          | \$ -         | \$ -                                   | \$ (2,646,676) | \$ (2,646,676)                  |

PUGET SOUND ENERGY - NATURAL GAS - AWEC REPLY  
**UNPROTECTED EXCESS DEFERRED INCOME TAXES**  
 12 MONTHS ENDED DECEMBER 31, 2018  
 2019 GENERAL RATE CASE

| LINE NO. | DESCRIPTION                           | %s  | TY                    |                       | N/A                             |                       | ADJ 6.26 GP                     |  |
|----------|---------------------------------------|-----|-----------------------|-----------------------|---------------------------------|-----------------------|---------------------------------|--|
|          |                                       |     | ACTUAL (a)            | RESTATED (b)          | RESTATED ADJUSTMENT (c)=(b)-(a) | PROFORMA (d)          | PROFORMA ADJUSTMENT (e)=(d)-(b) |  |
| 1        | <b>RATEBASE:</b>                      |     |                       |                       |                                 |                       |                                 |  |
| 2        | UNPROTECTED DFIT                      |     | \$ (2,890,522)        | \$ (2,890,522)        | \$ -                            | \$ (1,445,261)        | \$ 1,445,261                    |  |
| 3        | TOTAL RATE BASE                       |     | <u>\$ (2,890,522)</u> | <u>\$ (2,890,522)</u> | <u>\$ -</u>                     | <u>\$ (1,445,261)</u> | <u>\$ 1,445,261</u>             |  |
| 4        |                                       |     |                       |                       |                                 |                       |                                 |  |
| 5        | <b>EXPENSES:</b>                      |     |                       |                       |                                 |                       |                                 |  |
| 6        | 411.1 ANNUAL AMORTIZATION             |     | \$ -                  | \$ -                  | \$ -                            | \$ (2,890,522)        | \$ (2,890,522)                  |  |
| 7        | INCREASE (DECREASE) OPERATING EXPENSE |     | -                     | -                     | -                               | (2,890,522)           | (2,890,522)                     |  |
| 8        |                                       |     |                       |                       |                                 |                       |                                 |  |
| 9        | INCREASE (DECREASE) FIT               | 21% | N/A                   | N/A                   | N/A                             | N/A                   | N/A                             |  |
| 10       | INCREASE (DECREASE) NOI               |     | <u>\$ -</u>           | <u>\$ -</u>           | <u>\$ -</u>                     | <u>\$ 2,890,522</u>   | <u>\$ 2,890,522</u>             |  |

PUGET SOUND ENERGY - NATURAL GAS - AWEC REPLY

HR TOP

12 MONTHS ENDED DECEMBER 31, 2018  
2019 GENERAL RATE CASE

| LINE NO. | DESCRIPTION                           | % 's | TY ACTUAL (a) | RESTATED (b) | N/A                             | PROFORMA (d) | ADJ 6.29 GP                     |
|----------|---------------------------------------|------|---------------|--------------|---------------------------------|--------------|---------------------------------|
|          |                                       |      |               |              | RESTATED ADJUSTMENT (c)=(b)-(a) |              | PROFORMA ADJUSTMENT (e)=(d)-(b) |
| 1        | RATEBASE (AMA) UTILITY PLANT RATEBASE |      |               |              |                                 |              |                                 |
| 2        | HR TOPS                               |      |               |              |                                 |              |                                 |
| 3        | PLANT ADDITIONS                       |      | \$ -          | \$ -         | \$ -                            | \$ -         | \$ -                            |
| 4        | ACCUM DEPRECIATION                    |      | -             | -            | -                               | -            | -                               |
| 5        | DEFERRED INCOME TAX LIABILITY         |      | -             | -            | -                               | -            | -                               |
| 6        | TOTAL UTILITY PLANT                   |      | -             | -            | -                               | -            | -                               |
| 7        |                                       |      |               |              |                                 |              |                                 |
| 8        | NET RATEBASE                          |      | \$ -          | \$ -         | \$ -                            | \$ -         | \$ -                            |
| 9        |                                       |      |               |              |                                 |              |                                 |
| 10       | OPERATING EXPENSE                     |      |               |              |                                 |              |                                 |
| 11       | DEPRECIATION EXPENSE                  |      | \$ -          | \$ -         | \$ -                            | \$ -         | \$ -                            |
| 12       | TOTAL OPERATING EXPENSES              |      | -             | -            | -                               | -            | -                               |
| 13       |                                       |      |               |              |                                 |              |                                 |
| 14       | INCREASE (DECREASE ) EXPENSE          |      | -             | -            | -                               | -            | -                               |
| 15       |                                       |      |               |              |                                 |              |                                 |
| 16       | INCREASE (DECREASE) FIT @             | 21%  | -             | -            | -                               | -            | -                               |
| 17       | INCREASE (DECREASE) NOI               |      | \$ -          | \$ -         | \$ -                            | \$ -         | \$ -                            |

