**EXHIBIT NO. \_\_\_(SEF-5)**

**DOCKET NO. UG-15\_\_\_\_**

**WITNESS:  SUSAN E. FREE**

**BEFORE THE**

**WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

|  |  |
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| **In the Matter of the Petition of****PUGET SOUND ENERGY, INC.** **for (i) Approval of a Special Contract for Liquefied Natural Gas Fuel Service with Totem Ocean Trailer Express, Inc. and (ii) a Declaratory Order Approving the Methodology for Allocating Costs Between Regulated and Non-regulated Liquefied Natural Gas Services** | **DOCKET NO. UG-15\_\_\_\_** |

**FOURTH EXHIBIT (NONCONFIDENTIAL) TO THE
PREFILED DIRECT TESTIMONY OF SUSAN E. FREE
ON BEHALF OF PUGET SOUND ENERGY, INC.**

**AUGUST 11, 2015**

**Tacoma LNG Facility Revenues, Expenses and Capital that
Will be Directly Assigned to Regulated or Non-regulated Operations**

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| **Category** | **Basis for Allocation** |
| Bunkering Capital and O&M Costs | 100% to TOTE Fuel Sales. A revenue credit will be transferred above the line and provided to TOTE when other marine customers utilize bunkering services. |
| Vaporization Capital and O&M Costs | 100% to PSE |
| Revenue | Tariffed Rates (PSE), Special Contract Revenue (TOTE),Non-Regulated Revenues per Contract, Distribution Revenues from Non-Regulated Customers. |
| Gas Costs | Contractual or market rates applied to assigned consumption |
| Non-Regulated Fuel Sales Distribution Revenues and Expenses | Distribution service will be taken by customers taking non-regulated fuel sales service. The Regulated Distribution Revenue and the Non-Regulated Distribution Expense will both be directly assigned. |
| Certain Labor and Labor and Corporate Overheads | Directly charged by employees |
| Certain Maintenance Expenses | Labor, labor and corporate overheads and materials and supplies, etc. that can be directly charged |
| Depreciation Expense | Approved depreciation rates applied to assigned capital expenditures that have been placed in service |
| Regulated Interest Expense | Weighted average cost of debt applied to assigned capital expenditures |
| Revenue Sensitive Fees & Taxes | Approved rates applied to revenues of each operation |
| Federal Income Tax | Federal rate applied to revenues and expenses of each operation |