

**Puget Sound Energy - 2019 Gas Cost of Service Study**  
**Proposed Test Year**  
**Summary**

Line No.	Description	Total Company	Residential (16,23,53)	Comm. & Indus. (31,31T)	Large Volume (41,41T)	Interruptible (85, 85T)	Limited Interruptible (86, 86T)	Non-Exclusive Interruptible (87, 87T)	Contracts	Rentals
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
<b>Rate Base</b>										
1	Plant in Service	\$ 4,320,470,005	\$ 2,801,154,653	\$ 1,196,726,321	\$ 151,430,831	\$ 76,155,785	\$ 9,649,796	\$ 53,817,518	\$ 8,186,460	\$ 23,348,641
2	Accumulated Reserve	(1,654,095,499)	(1,060,276,323)	(477,894,269)	(51,799,635)	(27,041,826)	(3,332,155)	(19,120,794)	(2,846,230)	(11,784,267)
3	Other Rate Base Items	(552,931,259)	(359,441,732)	(151,636,910)	(20,686,936)	(10,256,252)	(1,222,702)	(6,961,375)	(998,891)	(1,726,460)
4	<b>TOTAL RATE BASE</b>	<b>\$ 2,113,443,247</b>	<b>\$ 1,381,436,598</b>	<b>\$ 567,195,143</b>	<b>\$ 78,944,259</b>	<b>\$ 38,857,707</b>	<b>\$ 5,094,940</b>	<b>\$ 27,735,349</b>	<b>\$ 4,341,339</b>	<b>\$ 9,837,914</b>
<b>Revenue at Current Rates</b>										
5	Gas Service Revenue	445,447,746	315,481,526	93,663,669	19,499,458	8,489,398	1,989,280	4,605,200	1,719,216	-
6	Rental Revenues	5,310,381	-	-	-	-	-	-	-	5,310,381
7	Other Revenues	5,039,913	4,714,866	243,618	(14,275)	(117,055)	(101)	-	-	212,860
8	<b>TOTAL REVENUE</b>	<b>\$ 455,798,040</b>	<b>\$ 320,196,392</b>	<b>\$ 93,907,288</b>	<b>\$ 19,485,183</b>	<b>\$ 8,372,343</b>	<b>\$ 1,989,179</b>	<b>\$ 4,605,200</b>	<b>\$ 1,719,216</b>	<b>\$ 5,523,241</b>
<b>Expenses at Current Rates</b>										
9	Operation and Maintenance	158,421,091	112,900,447	34,449,344	4,652,126	2,146,000	386,265	1,798,057	375,685	1,713,167
10	Depreciation Expense	174,350,703	114,519,448	45,727,476	6,076,293	2,997,075	417,536	2,094,327	369,990	2,148,560
11	Taxes Other Than Income	24,633,879	17,256,312	5,130,901	1,003,281	443,711	99,331	269,823	94,091	336,429
12	Income Taxes	1,902,030	1,243,247.92	510,457	71,047	34,971	4,585	24,961	3,907	8,854
13	<b>TOTAL EXPENSES - Current</b>	<b>\$ 359,307,702</b>	<b>\$ 245,919,455</b>	<b>\$ 85,818,177</b>	<b>\$ 11,802,746</b>	<b>\$ 5,621,757</b>	<b>\$ 907,716</b>	<b>\$ 4,187,168</b>	<b>\$ 843,673</b>	<b>\$ 4,207,010</b>
14	Operating Income - Current	\$ 96,490,338	\$ 74,276,937	\$ 8,089,110	\$ 7,682,436	\$ 2,750,586	\$ 1,081,463	\$ 418,032	\$ 875,542	\$ 1,316,231
15	Current Rate of Return	4.57%	5.38%	1.43%	9.73%	7.08%	21.23%	1.51%	20.17%	13.38%
<b>Calculation of Rate Schedule Revenue Requirement at Equal Rates of Return</b>										
16	Required Return	7.48%	7.48%	7.48%	7.48%	7.48%	7.48%	7.48%	7.48%	7.48%
17	Required Operating Income	\$ 158,085,555	\$ 103,331,458	\$ 42,426,197	\$ 5,905,031	\$ 2,906,556	\$ 381,101	\$ 2,074,604	\$ 324,732	\$ 735,876
18	Operating Income (Deficiency)/Surplus	(61,595,217)	(29,054,520)	(34,337,086)	1,777,406	(155,971)	700,362	(1,656,572)	550,810	580,355
19	Revenue Conversion Factor	0.620450								
20	Revenue (Deficiency) / Surplus	\$ (81,680,762)	\$ (42,436,533)	\$ (39,448,297)	\$ 1,021,259	\$ (519,678)	\$ 646,028	\$ (1,906,466)	\$ 504,627	\$ 458,300
21	Revenue Requirement	\$ 537,478,802	\$ 362,632,925	\$ 133,355,585	\$ 18,463,924	\$ 8,892,021	\$ 1,343,151	\$ 6,511,666	\$ 1,214,589	\$ 5,064,941
22	Revenues Other Than Rate Sch. Rev.	5,039,913	4,714,866	243,618	(14,275)	(117,055)	(101)	-	-	212,860
23	Rate Schedule Revenue Requirement	532,438,888	357,918,059	133,111,967	18,478,199	9,009,076	1,343,252	6,511,666	1,214,589	4,852,081
24	Deficiency / (Surplus) as % of Rate Rev	19.53%	13.45%	42.12%	-5.24%	6.12%	-32.48%	41.40%	-29.35%	0.00%
<b>Expenses at Required Return</b>										
25	Operation and Maintenance	\$ 159,002,984	\$ 113,392,821	\$ 34,516,959	\$ 4,661,478	\$ 2,149,808	\$ 387,334	\$ 1,801,149	\$ 376,316	\$ 1,717,119
26	Depreciation Expense	174,350,703	114,519,448	45,727,476	6,076,293	2,997,075	417,536	2,094,327	369,990	2,148,560
27	Taxes Other Than Income	27,764,131	19,443,599	5,780,287	1,138,474	502,569	113,123	301,752	106,011	378,316
28	Income Taxes	18,275,429	11,945,599	4,904,667	682,649	336,012	44,057	239,834	37,541	85,071
29	<b>TOTAL EXPENSES - Required</b>	<b>\$ 379,393,247</b>	<b>\$ 259,301,468</b>	<b>\$ 90,929,388</b>	<b>\$ 12,558,893</b>	<b>\$ 5,985,464</b>	<b>\$ 962,050</b>	<b>\$ 4,437,062</b>	<b>\$ 889,856</b>	<b>\$ 4,329,065</b>
30	Rate Schedule Revenue as Proposed	\$ 548,642,429	\$ 380,515,601	\$ 122,624,590	\$ 21,509,082	\$ 9,364,529	\$ 1,989,268	\$ 6,028,944	\$ 1,757,818	\$ 4,852,595
31	Other Revenue	5,039,913	4,714,866	243,618	(14,275)	(117,055)	(101)	-	-	212,860
32	Revenue as Proposed	\$ 553,682,343	\$ 385,230,468	\$ 122,868,209	\$ 21,494,807	\$ 9,247,474	\$ 1,989,167	\$ 6,028,944	\$ 1,757,818	\$ 5,065,455
33	Proposed Revenue Increase	\$ 97,884,302	\$ 65,034,076	\$ 28,960,921	\$ 2,009,625	\$ 875,131	\$ (12)	\$ 1,423,745	\$ 38,603	\$ (457,786)
34	Proposed Revenue - Revenue Requirement	\$ 553,682,343	\$ 385,230,468	\$ 122,868,209	\$ 21,494,807	\$ 9,247,474	\$ 1,989,167	\$ 6,028,944	\$ 1,757,818	\$ 5,065,455
35	Current Revenue to Cost Ratio	0.84	0.88	0.70	1.06	0.94	1.48	0.71	1.42	1.09
36	Parity Ratio	1.00	1.05	0.84	1.26	1.13	1.77	0.85	1.69	1.31
37	Proposed Revenue to Cost Ratio	1.03	1.06	0.92	1.16	1.04	1.48	0.93	1.45	1.00
36	Parity Ratio	1.00	1.03	0.89	1.13	1.01	1.44	0.90	1.40	0.97

**Puget Sound Energy - 2019 Gas Cost of Service Study**  
**Proposed Test Year**  
**Functional Rate Base**

	System Total	Residential (16,23,53)	Comm. & Indus. (31,31T)	Large Volume (41,41T)	Interruptible (85, 85T)	Limited Interruptible (86, 86T)	Non-Exclusive Interruptible (87, 87T)	Contracts	Rentals
<b>Gas Supply</b>									
Demand	\$ 2,289,182	\$ 1,634,058	\$ 582,425	\$ 69,676	\$ 1,568	\$ 1,455	\$ -	\$ -	\$ -
Commodity	\$ 466,429	\$ 303,652	\$ 116,482	\$ 31,839	\$ 4,629	\$ 4,393	\$ 7,015	\$ (1,581)	\$ -
Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Transport	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ 2,755,611	\$ 1,937,710	\$ 698,908	\$ 101,514	\$ 6,197	\$ 5,848	\$ 7,015	\$ (1,581)	\$ -
<b>Storage</b>									
Demand	\$ 38,657,606	\$ 27,234,283	\$ 8,755,948	\$ 1,646,814	\$ 241,223	\$ 310,807	\$ 468,530	\$ -	\$ -
Commodity	\$ 6,016,509	\$ 3,086,520	\$ 1,184,202	\$ 435,717	\$ 456,030	\$ 46,576	\$ 620,662	\$ 186,802	\$ -
Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Sales	\$ 23,544,044	\$ 16,806,152	\$ 5,990,197	\$ 716,608	\$ 16,125	\$ 14,963	\$ -	\$ -	\$ -
Direct Transport	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ 68,218,159	\$ 47,126,956	\$ 15,930,346	\$ 2,799,139	\$ 713,379	\$ 372,346	\$ 1,089,192	\$ 186,802	\$ -
<b>Transmission</b>									
Demand	\$ 1,713	\$ 1,093	\$ 397	\$ 86	\$ 49	\$ 5	\$ 60	\$ 23	\$ -
Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Transport	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ 1,713	\$ 1,093	\$ 397	\$ 86	\$ 49	\$ 5	\$ 60	\$ 23	\$ -
<b>Distribution</b>									
Demand	\$ 785,957,389	\$ 550,391,229	\$ 196,241,245	\$ 31,318,997	\$ 4,539,154	\$ 499,826	\$ 1,580,873	\$ 1,386,065	\$ -
Commodity	\$ 370,333,031	\$ 208,671,690	\$ 80,060,826	\$ 29,457,716	\$ 25,391,019	\$ 2,593,266	\$ 22,954,939	\$ 1,203,573	\$ -
Customer	\$ 855,874,064	\$ 548,141,597	\$ 271,219,859	\$ 14,758,689	\$ 7,946,717	\$ 1,554,074	\$ 1,534,092	\$ 1,360,201	\$ 9,358,835
Direct Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Transport	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ 2,012,164,485	\$ 1,307,204,517	\$ 547,521,930	\$ 75,535,402	\$ 37,876,890	\$ 4,647,166	\$ 26,069,905	\$ 3,949,839	\$ 9,358,835
<b>Gas Costs</b>									
Demand	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Transport	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Sales Specific Costs</b>									
Demand	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Sales	\$ 29,454,302	\$ 25,166,322	\$ 3,042,733	\$ 436,504	\$ 92,366	\$ 67,001	\$ 170,297	\$ -	\$ 479,079
Direct Transport	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ 29,454,302	\$ 25,166,322	\$ 3,042,733	\$ 436,504	\$ 92,366	\$ 67,001	\$ 170,297	\$ -	\$ 479,079
<b>Transport Specific Costs</b>									
Demand	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Transport	\$ 848,976	\$ -	\$ 829	\$ 71,614	\$ 168,826	\$ 2,573	\$ 398,879	\$ 206,256	\$ -
Sub-total	\$ 848,976	\$ -	\$ 829	\$ 71,614	\$ 168,826	\$ 2,573	\$ 398,879	\$ 206,256	\$ -
<b>TOTAL</b>									
Demand	\$ 826,905,891	\$ 579,260,664	\$ 205,580,015	\$ 33,035,572	\$ 4,781,995	\$ 812,093	\$ 2,049,463	\$ 1,386,088	\$ -
Commodity	\$ 376,815,969	\$ 212,061,862	\$ 81,361,510	\$ 29,925,272	\$ 25,851,679	\$ 2,644,235	\$ 23,582,617	\$ 1,388,794	\$ -
Customer	\$ 855,874,064	\$ 548,141,597	\$ 271,219,859	\$ 14,758,689	\$ 7,946,717	\$ 1,554,074	\$ 1,534,092	\$ 1,360,201	\$ 9,358,835
Direct Sales	\$ 52,998,346	\$ 41,972,474	\$ 9,032,929	\$ 1,153,112	\$ 108,491	\$ 81,964	\$ 170,297	\$ -	\$ 479,079
Direct Transport	\$ 848,976	\$ -	\$ 829	\$ 71,614	\$ 168,826	\$ 2,573	\$ 398,879	\$ 206,256	\$ -
<b>TOTAL RATE BASE</b>	<b>\$ 2,113,443,247</b>	<b>\$ 1,381,436,598</b>	<b>\$ 567,195,143</b>	<b>\$ 78,944,259</b>	<b>\$ 38,857,707</b>	<b>\$ 5,094,940</b>	<b>\$ 27,735,349</b>	<b>\$ 4,341,339</b>	<b>\$ 9,837,914</b>

0.22%

**Puget Sound Energy - 2019 Gas Cost of Service Study**  
**Proposed Test Year**  
**Functional Revenue Requirement**

	System Total	Residential (16,23,53)	Comm. & Indus. (31,31T)	Large Volume (41,41T)	Interruptible (85, 85T)	Limited Interruptible (86, 86T)	Non-Exclusive Interruptible (87, 87T)	Contracts	Rentals
<b>Gas Supply</b>									
Demand	\$ 656,435	\$ 468,575	\$ 167,013	\$ 19,980	\$ 450	\$ 417	\$ -	\$ -	\$ -
Commodity	\$ 3,111,800	\$ 1,994,918	\$ 765,267	\$ 213,344	\$ 45,635	\$ 28,933	\$ 66,538	\$ (2,835)	\$ -
Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Transport	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ 3,768,234	\$ 2,463,492	\$ 932,280	\$ 233,323	\$ 46,085	\$ 29,350	\$ 66,538	\$ (2,835)	\$ -
<b>Storage</b>									
Demand	\$ 10,060,934	\$ 7,087,928	\$ 2,278,801	\$ 428,596	\$ 62,780	\$ 80,890	\$ 121,939	\$ -	\$ -
Commodity	\$ 1,198,158	\$ 614,665	\$ 235,828	\$ 86,771	\$ 90,816	\$ 9,275	\$ 123,602	\$ 37,201	\$ -
Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Sales	\$ 3,056,333	\$ 2,181,664	\$ 777,608	\$ 93,025	\$ 2,093	\$ 1,942	\$ -	\$ -	\$ -
Direct Transport	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ 14,315,425	\$ 9,884,257	\$ 3,292,237	\$ 608,392	\$ 155,690	\$ 92,108	\$ 245,540	\$ 37,201	\$ -
<b>Transmission</b>									
Demand	\$ 3,072	\$ 1,960	\$ 712	\$ 154	\$ 88	\$ 9	\$ 107	\$ 41	\$ -
Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Transport	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ 3,072	\$ 1,960	\$ 712	\$ 154	\$ 88	\$ 9	\$ 107	\$ 41	\$ -
<b>Distribution</b>									
Demand	\$ 158,569,458	\$ 110,695,998	\$ 39,493,571	\$ 6,377,509	\$ 1,044,950	\$ 113,894	\$ 504,973	\$ 338,563	\$ -
Commodity	\$ 112,630,257	\$ 68,999,679	\$ 24,045,058	\$ 7,523,413	\$ 5,745,995	\$ 686,169	\$ 4,917,012	\$ 383,531	\$ 329,398
Customer	\$ 217,802,235	\$ 146,285,554	\$ 61,910,401	\$ 2,983,351	\$ 1,615,052	\$ 318,676	\$ 303,844	\$ 276,766	\$ 4,108,590
Direct Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Transport	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ 489,001,949	\$ 325,981,232	\$ 125,449,030	\$ 16,884,274	\$ 8,405,998	\$ 1,118,739	\$ 5,725,829	\$ 998,861	\$ 4,437,988
<b>Gas Costs</b>									
Demand	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Transport	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Sales Specific Costs</b>									
Demand	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Sales	\$ 29,559,303	\$ 24,301,983	\$ 3,679,754	\$ 631,512	\$ 86,326	\$ 99,145	\$ 133,630	\$ -	\$ 626,953
Direct Transport	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ 29,559,303	\$ 24,301,983	\$ 3,679,754	\$ 631,512	\$ 86,326	\$ 99,145	\$ 133,630	\$ -	\$ 626,953
<b>Transport Specific Costs</b>									
Demand	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Transport	\$ 830,818	\$ -	\$ 1,571	\$ 106,269	\$ 197,835	\$ 3,800	\$ 340,022	\$ 181,321	\$ -
Sub-total	\$ 830,818	\$ -	\$ 1,571	\$ 106,269	\$ 197,835	\$ 3,800	\$ 340,022	\$ 181,321	\$ -
<b>TOTAL</b>									
Demand	\$ 169,289,898	\$ 118,254,461	\$ 41,940,098	\$ 6,826,238	\$ 1,108,269	\$ 195,210	\$ 627,018	\$ 338,605	\$ -
Commodity	\$ 116,940,214	\$ 71,609,263	\$ 25,046,153	\$ 7,823,528	\$ 5,882,446	\$ 724,378	\$ 5,107,152	\$ 417,897	\$ 329,398
Customer	\$ 217,802,235	\$ 146,285,554	\$ 61,910,401	\$ 2,983,351	\$ 1,615,052	\$ 318,676	\$ 303,844	\$ 276,766	\$ 4,108,590
Direct Sales	\$ 32,615,636	\$ 26,483,647	\$ 4,457,362	\$ 724,537	\$ 88,419	\$ 101,088	\$ 133,630	\$ -	\$ 626,953
Direct Transport	\$ 830,818	\$ -	\$ 1,571	\$ 106,269	\$ 197,835	\$ 3,800	\$ 340,022	\$ 181,321	\$ -
<b>TOTAL REVENUE REQUIREMENT</b>	<b>\$ 537,478,802</b>	<b>\$ 362,632,925</b>	<b>\$ 133,355,585</b>	<b>\$ 18,463,924</b>	<b>\$ 8,892,021</b>	<b>\$ 1,343,151</b>	<b>\$ 6,511,666</b>	<b>\$ 1,214,589</b>	<b>\$ 5,064,941</b>
<b>TOTAL FIXED COSTS</b>	<b>\$ 420,538,587</b>	<b>\$ 291,023,662</b>	<b>\$ 106,309,432</b>	<b>\$ 10,640,396</b>	<b>\$ 3,009,575</b>	<b>\$ 618,773</b>	<b>\$ 1,404,514</b>	<b>\$ 796,691</b>	<b>\$ 4,735,543</b>

0.27%

Puget Sound Energy - 2019 Gas Cost of Service Study

Proposed Test Year

Unit Costs

	System Total	Residential (16,23,53)	Comm. & Indus. (31,31T)	Large Volume (41,41T)	Interruptible (85, 85T)	Limited Interruptible (86, 86T)	Non-Exclusive Interruptible (87, 87T)	Contracts	Rentals
<b>Gas Supply</b>									
Demand (per Peak Day therm per month)	\$ 0.0054	\$ 0.0055	\$ 0.0055	\$ 0.0042	\$ 0.0006	\$ 0.0049	\$ -	\$ -	\$ -
Commodity (per therm)	\$ 0.0026	\$ 0.0033	\$ 0.0033	\$ 0.0025	\$ 0.0005	\$ 0.0031	\$ 0.0005	\$ (0.0001)	\$ -
Customer (per customer per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Sales (per sales customer per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Transport (per transp. cust. per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand and Commodity (per therm)	\$ 0.0032	\$ 0.0040	\$ 0.0040	\$ 0.0027	\$ 0.0005	\$ 0.0032	\$ 0.0005	\$ (0.0001)	\$ -
<b>Storage</b>									
Demand (per Peak Day therm per month)	\$ 0.0828	\$ 0.0836	\$ 0.0754	\$ 0.0894	\$ 0.0823	\$ 0.9572	\$ 0.4246	\$ -	\$ -
Commodity (per therm)	\$ 0.0010	\$ 0.0010	\$ 0.0010	\$ 0.0010	\$ 0.0010	\$ 0.0010	\$ 0.0010	\$ 0.0010	\$ -
Customer (per customer per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Sales (per sales customer per month)	\$ 0.3067	\$ 0.2355	\$ 1.1431	\$ 5.8075	\$ 6.1386	\$ 0.7162	\$ -	\$ -	\$ -
Direct Transport (per transp. cust. per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand and Commodity (per therm)	\$ 0.0094	\$ 0.0126	\$ 0.0107	\$ 0.0060	\$ 0.0017	\$ 0.0097	\$ 0.0020	\$ 0.0010	\$ -
<b>Transmission</b>									
Demand (per Peak Day therm per month)	\$ -	\$ -	\$ -	\$ -	\$ 0.0001	\$ 0.0001	\$ 0.0004	\$ 0.0001	\$ -
Commodity (per therm)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer (per customer per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Sales (per sales customer per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Transport (per transp. cust. per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand and Commodity (per therm)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Distribution</b>									
Demand (per Peak Day therm per month)	\$ 1.3043	\$ 1.3052	\$ 1.3065	\$ 1.3303	\$ 1.3706	\$ 1.3477	\$ 1.7582	\$ 0.5600	\$ -
Commodity (per therm)	\$ 0.0943	\$ 0.1126	\$ 0.1023	\$ 0.0870	\$ 0.0635	\$ 0.0742	\$ 0.0399	\$ 0.0103	\$ -
Customer (per customer per month)	\$ 21.8507	\$ 15.7881	\$ 91.0055	\$ 172.4680	\$ 1,030.0080	\$ 116.4324	\$ 1,688.0222	\$ 2,306.3837	\$ -
Direct Sales (per sales customer per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Transport (per transp. cust. per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand and Commodity (per therm)	\$ 0.2270	\$ 0.2932	\$ 0.2702	\$ 0.1607	\$ 0.0750	\$ 0.0865	\$ 0.0440	\$ 0.0195	\$ -
<b>Gas Costs</b>									
Demand (per Peak Day therm per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity (per therm)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer (per customer per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Sales (per sales customer per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Transport (per transp. cust. per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand and Commodity (per therm)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Sales Specific Costs</b>									
Demand (per Peak Day therm per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity (per therm)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer (per customer per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Sales (per sales customer per month)	\$ 2.966	\$ 2.623	\$ 5.409	\$ 39.425	\$ 253.154	\$ 36.558	\$ 2,227.170	\$ -	\$ -
Direct Transport (per transp. cust. per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Transport Specific Costs</b>									
Demand (per Peak Day therm per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity (per therm)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer (per customer per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Sales (per sales customer per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Transport (per transp. cust. per month)	\$ 296.403	\$ -	\$ 50.692	\$ 83.023	\$ 161.235	\$ 152.007	\$ 2,833.513	\$ 1,511.006	\$ -
Sub-total	\$ 296.403	\$ -	\$ 50.692	\$ 83.023	\$ 161.235	\$ 152.007	\$ 2,833.513	\$ 1,511.006	\$ -
<b>TOTAL</b>									
Demand (per Peak Day therm per month)	\$ 1.3925	\$ 1.3943	\$ 1.3874	\$ 1.4239	\$ 1.4537	\$ 2.3099	\$ 2.1832	\$ 0.5601	\$ -
Commodity (per therm)	\$ 0.0979	\$ 0.1168	\$ 0.1065	\$ 0.0904	\$ 0.0650	\$ 0.0783	\$ 0.0414	\$ 0.0113	\$ -
Customer (per customer per month)	\$ 21.85	\$ 15.79	\$ 91.01	\$ 172.47	\$ 1,030.01	\$ 116.43	\$ 1,688.02	\$ 2,306.38	\$ -
Direct Sales (per sales customer per month)	\$ 3.27	\$ 2.86	\$ 6.55	\$ 45.23	\$ 259.29	\$ 37.27	\$ 2,227.17	\$ -	\$ -
Direct Transport (per transp. cust. per month)	\$ 296.40	\$ -	\$ 50.69	\$ 83.02	\$ 161.23	\$ 152.01	\$ 2,833.51	\$ 1,511.01	\$ -
Demand and Commodity (per therm)	\$ 0.2396	\$ 0.3098	\$ 0.2849	\$ 0.1693	\$ 0.0772	\$ 0.0994	\$ 0.0465	\$ 0.0204	\$ -
All Customer (per customer per month)	\$ 25.21	\$ 18.65	\$ 97.56	\$ 220.50	\$ 1,212.57	\$ 154.75	\$ 4,319.42	\$ 3,817.39	\$ -
PDAY	121,572,960	84,811,016	30,229,088	4,794,156	762,387	84,510	287,208	604,596	0
COM 1	1,194,623,705	612,852,104	235,132,259	86,514,963	90,548,323	9,247,991	123,237,198	37,090,867	0
CUST	9,967,759	9,265,563	680,293	17,298	1,568	2,737	180	120	0
CUSTXT	9,964,956	9,265,563	680,262	16,018	341	2,712	60	0	0
TRANSCUS	2,803	0	31	1,280	1,227	25	120	120	0

**Puget Sound Energy - 2019 Gas Cost of Service Study**  
**Proposed Test Year**  
**Summary - Compromise Method**

Line No.	Description	Total Company	Residential (16,23,53)	Comm. & Indus. (31,31T)	Large Volume (41,41T)	Interruptible (85, 85T)	Limited Interruptible (86, 86T)	Non-Exclusive Interruptible (87, 87T)	Contracts	Rentals
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
<b>Rate Base</b>										
1	Plant in Service	\$ 4,320,470,005	\$ 2,783,254,449	\$ 1,190,021,209	\$ 149,409,250	\$ 76,035,898	\$ 10,744,573	\$ 61,010,312	\$ 26,645,672	\$ 23,348,641
2	Accumulated Reserve	(1,654,095,499)	(1,053,814,759)	(475,473,877)	(51,069,891)	(26,998,549)	(3,727,345)	(21,717,228)	(9,509,583)	(11,784,267)
3	Other Rate Base Items	(552,931,259)	(356,928,031)	(150,695,320)	(20,403,048)	(10,239,417)	(1,376,440)	(7,971,450)	(3,591,094)	(1,726,460)
4	<b>TOTAL RATE BASE</b>	<b>\$ 2,113,443,247</b>	<b>\$ 1,372,511,659</b>	<b>\$ 563,852,013</b>	<b>\$ 77,936,311</b>	<b>\$ 38,797,932</b>	<b>\$ 5,640,789</b>	<b>\$ 31,321,634</b>	<b>\$ 13,544,995</b>	<b>\$ 9,837,914</b>
<b>Revenue at Current Rates</b>										
5	Gas Service Revenue	445,447,746	315,481,526	93,663,669	19,499,458	8,489,398	1,989,280	4,605,200	1,719,216	-
6	Rental Revenues	5,310,381	-	-	-	-	-	-	-	5,310,381
7	Other Revenues	5,039,913	4,714,866	243,618	(14,275)	(117,055)	(101)	-	-	212,860
8	<b>TOTAL REVENUE</b>	<b>\$ 455,798,040</b>	<b>\$ 320,196,392</b>	<b>\$ 93,907,288</b>	<b>\$ 19,485,183</b>	<b>\$ 8,372,343</b>	<b>\$ 1,989,179</b>	<b>\$ 4,605,200</b>	<b>\$ 1,719,216</b>	<b>\$ 5,523,241</b>
<b>Expenses at Current Rates</b>										
9	Operation and Maintenance	158,421,091	112,517,561	34,305,922	4,608,884	2,143,436	409,682	1,951,911	770,528	1,713,167
10	Depreciation Expense	174,350,703	113,896,764	45,494,229	6,005,969	2,992,905	455,619	2,344,538	1,012,119	2,148,560
11	Taxes Other Than Income	24,633,879	17,245,473	5,126,840	1,002,056	443,638	99,994	274,179	105,269	336,429
12	Income Taxes	1,902,030	1,235,215.77	507,448	70,140	34,917	5,077	28,188	12,190	8,854
13	<b>TOTAL EXPENSES - Current</b>	<b>\$ 359,307,702</b>	<b>\$ 244,895,013</b>	<b>\$ 85,434,439</b>	<b>\$ 11,687,050</b>	<b>\$ 5,614,896</b>	<b>\$ 970,371</b>	<b>\$ 4,598,817</b>	<b>\$ 1,900,107</b>	<b>\$ 4,207,010</b>
14	Operating Income - Current	\$ 96,490,338	\$ 75,301,379	\$ 8,472,849	\$ 7,798,133	\$ 2,757,447	\$ 1,018,808	\$ 6,383	\$ (180,891)	\$ 1,316,231
15	Current Rate of Return	4.57%	5.49%	1.50%	10.01%	7.11%	18.06%	0.02%	-1.34%	13.38%
<b>Calculation of Rate Schedule Revenue Requirement at Equal Rates of Return</b>										
16	Required Return	7.48%	7.48%	7.48%	7.48%	7.48%	7.48%	7.48%	7.48%	7.48%
17	Required Operating Income	\$ 158,085,555	\$ 102,663,872	\$ 42,176,131	\$ 5,829,636	\$ 2,902,085	\$ 421,931	\$ 2,342,858	\$ 1,013,166	\$ 735,876
18	Operating Income (Deficiency)/Surplus	(61,595,217)	(27,362,493)	(33,703,282)	1,968,497	(144,639)	596,877	(2,336,475)	(1,194,057)	580,355
19	Revenue Conversion Factor	0.620450								
20	Revenue (Deficiency) / Surplus	\$ (81,680,762)	\$ (40,675,362)	\$ (38,788,593)	\$ 1,220,159	\$ (507,883)	\$ 538,315	\$ (2,614,153)	\$ (1,311,544)	\$ 458,300
21	Revenue Requirement	\$ 537,478,802	\$ 360,871,754	\$ 132,695,880	\$ 18,265,024	\$ 8,880,226	\$ 1,450,864	\$ 7,219,353	\$ 3,030,759	\$ 5,064,941
22	Revenues Other Than Rate Sch. Rev.	5,039,913	4,714,866	243,618	(14,275)	(117,055)	(101)	-	-	212,860
23	Rate Schedule Revenue Requirement	532,438,888	356,156,888	132,452,262	18,279,299	8,997,281	1,450,965	7,219,353	3,030,759	4,852,081
24	Deficiency / (Surplus) as % of Rate Rev	19.53%	12.89%	41.41%	-6.26%	5.98%	-27.06%	56.77%	76.29%	0.00%
<b>Expenses at Required Return</b>										
25	Operation and Maintenance	\$ 159,002,984	\$ 113,009,935	\$ 34,373,537	\$ 4,618,236	\$ 2,147,244	\$ 410,751	\$ 1,955,003	\$ 771,159	\$ 1,717,119
26	Depreciation Expense	174,350,703	113,896,764	45,494,229	6,005,969	2,992,905	455,619	2,344,538	1,012,119	2,148,560
27	Taxes Other Than Income	27,764,131	19,432,760	5,776,226	1,137,250	502,497	113,786	306,108	117,189	378,316
28	Income Taxes	18,275,429	11,868,423	4,875,758	673,933	335,495	48,777	270,845	117,127	85,071
29	<b>TOTAL EXPENSES - Required</b>	<b>\$ 379,393,247</b>	<b>\$ 258,207,882</b>	<b>\$ 90,519,750</b>	<b>\$ 12,435,388</b>	<b>\$ 5,978,140</b>	<b>\$ 1,028,933</b>	<b>\$ 4,876,494</b>	<b>\$ 2,017,593</b>	<b>\$ 4,329,065</b>
30	Rate Schedule Revenue as Proposed	\$ 548,642,429	\$ 380,515,601	\$ 122,624,590	\$ 21,509,082	\$ 9,364,529	\$ 1,989,268	\$ 6,028,944	\$ 1,757,818	\$ 4,852,595
31	Other Revenue	5,039,913	4,714,866	243,618	(14,275)	(117,055)	(101)	-	-	212,860
32	Revenue as Proposed	\$ 553,682,343	\$ 385,230,468	\$ 122,868,209	\$ 21,494,807	\$ 9,247,474	\$ 1,989,167	\$ 6,028,944	\$ 1,757,818	\$ 5,065,455
33	Proposed Revenue Increase	\$ 97,884,302	\$ 65,034,076	\$ 28,960,921	\$ 2,009,625	\$ 875,131	\$ (12)	\$ 1,423,745	\$ 38,603	\$ (457,786)
34	Proposed Revenue - Revenue Requirement	\$ 553,682,343	\$ 385,230,468	\$ 122,868,209	\$ 21,494,807	\$ 9,247,474	\$ 1,989,167	\$ 6,028,944	\$ 1,757,818	\$ 5,065,455
35	Current Revenue to Cost Ratio	0.84	0.89	0.71	1.07	0.94	1.37	0.64	0.57	1.09
36	Parity Ratio	1.00	1.06	0.85	1.28	1.13	1.64	0.76	0.68	1.31
37	Proposed Revenue to Cost Ratio	1.03	1.07	0.93	1.18	1.04	1.37	0.84	0.58	1.00
36	Parity Ratio	1.00	1.04	0.90	1.14	1.01	1.33	0.81	0.56	0.97

Puget Sound Energy - 2019 Gas Cost of Service Study

Proposed Test Year

Functional Rate Base - Compromise Method

	System Total	Residential (16,23,53)	Comm. & Indus. (31,31T)	Large Volume (41,41T)	Interruptible (85, 85T)	Limited Interruptible (86, 86T)	Non-Exclusive Interruptible (87, 87T)	Contracts	Rentals
<b>Gas Supply</b>									
Demand	\$ 2,289,182	\$ 1,634,058	\$ 582,425	\$ 69,676	\$ 1,568	\$ 1,455	\$ -	\$ -	\$ -
Commodity	\$ 466,429	\$ 303,652	\$ 116,482	\$ 31,839	\$ 4,629	\$ 4,393	\$ 7,015	\$ (1,581)	\$ -
Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Transport	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ 2,755,611	\$ 1,937,710	\$ 698,908	\$ 101,514	\$ 6,197	\$ 5,848	\$ 7,015	\$ (1,581)	\$ -
<b>Storage</b>									
Demand	\$ 38,657,606	\$ 27,234,283	\$ 8,755,948	\$ 1,646,814	\$ 241,223	\$ 310,807	\$ 468,530	\$ -	\$ -
Commodity	\$ 6,016,509	\$ 3,086,520	\$ 1,184,202	\$ 435,717	\$ 456,030	\$ 46,576	\$ 620,662	\$ 186,802	\$ -
Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Sales	\$ 23,544,044	\$ 16,806,152	\$ 5,990,197	\$ 716,608	\$ 16,125	\$ 14,963	\$ -	\$ -	\$ -
Direct Transport	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ 68,218,159	\$ 47,126,956	\$ 15,930,346	\$ 2,799,139	\$ 713,379	\$ 372,346	\$ 1,089,192	\$ 186,802	\$ -
<b>Transmission</b>									
Demand	\$ 1,713	\$ 1,093	\$ 397	\$ 86	\$ 49	\$ 5	\$ 60	\$ 23	\$ -
Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Transport	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ 1,713	\$ 1,093	\$ 397	\$ 86	\$ 49	\$ 5	\$ 60	\$ 23	\$ -
<b>Distribution</b>									
Demand	\$ 785,957,389	\$ 547,414,333	\$ 195,180,193	\$ 31,150,720	\$ 5,260,843	\$ 579,824	\$ 2,338,350	\$ 4,033,125	\$ -
Commodity	\$ 370,333,031	\$ 202,723,648	\$ 77,778,748	\$ 28,618,045	\$ 24,609,556	\$ 3,059,117	\$ 25,783,748	\$ 7,760,170	\$ -
Customer	\$ 855,874,064	\$ 548,141,597	\$ 271,219,859	\$ 14,758,689	\$ 7,946,717	\$ 1,554,074	\$ 1,534,092	\$ 1,360,201	\$ 9,358,835
Direct Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Transport	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ 2,012,164,485	\$ 1,298,279,579	\$ 544,178,800	\$ 74,527,454	\$ 37,817,115	\$ 5,193,016	\$ 29,656,190	\$ 13,153,496	\$ 9,358,835
<b>Gas Costs</b>									
Demand	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Transport	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Sales Specific Costs</b>									
Demand	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Sales	\$ 29,454,302	\$ 25,166,322	\$ 3,042,733	\$ 436,504	\$ 92,366	\$ 67,001	\$ 170,297	\$ -	\$ 479,079
Direct Transport	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ 29,454,302	\$ 25,166,322	\$ 3,042,733	\$ 436,504	\$ 92,366	\$ 67,001	\$ 170,297	\$ -	\$ 479,079
<b>Transport Specific Costs</b>									
Demand	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Transport	\$ 848,976	\$ -	\$ 829	\$ 71,614	\$ 168,826	\$ 2,573	\$ 398,879	\$ 206,256	\$ -
Sub-total	\$ 848,976	\$ -	\$ 829	\$ 71,614	\$ 168,826	\$ 2,573	\$ 398,879	\$ 206,256	\$ -
<b>TOTAL</b>									
Demand	\$ 826,905,891	\$ 576,283,768	\$ 204,518,964	\$ 32,867,296	\$ 5,503,684	\$ 892,091	\$ 2,806,940	\$ 4,033,148	\$ -
Commodity	\$ 376,815,969	\$ 206,113,820	\$ 79,079,432	\$ 29,085,600	\$ 25,070,215	\$ 3,110,086	\$ 26,411,426	\$ 7,945,390	\$ -
Customer	\$ 855,874,064	\$ 548,141,597	\$ 271,219,859	\$ 14,758,689	\$ 7,946,717	\$ 1,554,074	\$ 1,534,092	\$ 1,360,201	\$ 9,358,835
Direct Sales	\$ 52,998,346	\$ 41,972,474	\$ 9,032,929	\$ 1,153,112	\$ 108,491	\$ 81,964	\$ 170,297	\$ -	\$ 479,079
Direct Transport	\$ 848,976	\$ -	\$ 829	\$ 71,614	\$ 168,826	\$ 2,573	\$ 398,879	\$ 206,256	\$ -
<b>TOTAL RATE BASE</b>	<b>\$ 2,113,443,247</b>	<b>\$ 1,372,511,659</b>	<b>\$ 563,852,013</b>	<b>\$ 77,936,311</b>	<b>\$ 38,797,932</b>	<b>\$ 5,640,789</b>	<b>\$ 31,321,634</b>	<b>\$ 13,544,995</b>	<b>\$ 9,837,914</b>

1.02%

**Puget Sound Energy - 2019 Gas Cost of Service Study**  
**Proposed Test Year**  
**Functional Revenue Requirement - Compromise Method**

	System Total	Residential (16,23,53)	Comm. & Indus. (31,31T)	Large Volume (41,41T)	Interruptible (85, 85T)	Limited Interruptible (86, 86T)	Non-Exclusive Interruptible (87, 87T)	Contracts	Rentals
<b>Gas Supply</b>									
Demand	\$ 656,435	\$ 468,575	\$ 167,013	\$ 19,980	\$ 450	\$ 417	\$ -	\$ -	\$ -
Commodity	\$ 3,111,800	\$ 1,994,918	\$ 765,267	\$ 213,344	\$ 45,635	\$ 28,933	\$ 66,538	\$ (2,835)	\$ -
Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Transport	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ 3,768,234	\$ 2,463,492	\$ 932,280	\$ 233,323	\$ 46,085	\$ 29,350	\$ 66,538	\$ (2,835)	\$ -
<b>Storage</b>									
Demand	\$ 10,060,934	\$ 7,087,928	\$ 2,278,801	\$ 428,596	\$ 62,780	\$ 80,890	\$ 121,939	\$ -	\$ -
Commodity	\$ 1,198,158	\$ 614,665	\$ 235,828	\$ 86,771	\$ 90,816	\$ 9,275	\$ 123,602	\$ 37,201	\$ -
Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Sales	\$ 3,056,333	\$ 2,181,664	\$ 777,608	\$ 93,025	\$ 2,093	\$ 1,942	\$ -	\$ -	\$ -
Direct Transport	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ 14,315,425	\$ 9,884,257	\$ 3,292,237	\$ 608,392	\$ 155,690	\$ 92,108	\$ 245,540	\$ 37,201	\$ -
<b>Transmission</b>									
Demand	\$ 3,072	\$ 1,960	\$ 712	\$ 154	\$ 88	\$ 9	\$ 107	\$ 41	\$ -
Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Transport	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ 3,072	\$ 1,960	\$ 712	\$ 154	\$ 88	\$ 9	\$ 107	\$ 41	\$ -
<b>Distribution</b>									
Demand	\$ 158,569,458	\$ 110,108,563	\$ 39,284,192	\$ 6,344,302	\$ 1,187,362	\$ 129,680	\$ 654,447	\$ 860,911	\$ -
Commodity	\$ 112,630,257	\$ 67,825,944	\$ 23,594,733	\$ 7,357,720	\$ 5,591,787	\$ 778,096	\$ 5,475,225	\$ 1,677,354	\$ 329,398
Customer	\$ 217,802,235	\$ 146,285,554	\$ 61,910,401	\$ 2,983,351	\$ 1,615,052	\$ 318,676	\$ 303,844	\$ 276,766	\$ 4,108,590
Direct Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Transport	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ 489,001,949	\$ 324,220,061	\$ 124,789,325	\$ 16,685,374	\$ 8,394,202	\$ 1,226,452	\$ 6,433,516	\$ 2,815,031	\$ 4,437,988
<b>Gas Costs</b>									
Demand	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Transport	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Sales Specific Costs</b>									
Demand	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Sales	\$ 29,559,303	\$ 24,301,983	\$ 3,679,754	\$ 631,512	\$ 86,326	\$ 99,145	\$ 133,630	\$ -	\$ 626,953
Direct Transport	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ 29,559,303	\$ 24,301,983	\$ 3,679,754	\$ 631,512	\$ 86,326	\$ 99,145	\$ 133,630	\$ -	\$ 626,953
<b>Transport Specific Costs</b>									
Demand	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Transport	\$ 830,818	\$ -	\$ 1,571	\$ 106,269	\$ 197,835	\$ 3,800	\$ 340,022	\$ 181,321	\$ -
Sub-total	\$ 830,818	\$ -	\$ 1,571	\$ 106,269	\$ 197,835	\$ 3,800	\$ 340,022	\$ 181,321	\$ -
<b>TOTAL</b>									
Demand	\$ 169,289,898	\$ 117,667,026	\$ 41,730,719	\$ 6,793,032	\$ 1,250,680	\$ 210,996	\$ 776,492	\$ 860,953	\$ -
Commodity	\$ 116,940,214	\$ 70,435,527	\$ 24,595,827	\$ 7,657,834	\$ 5,728,239	\$ 816,305	\$ 5,665,364	\$ 1,711,720	\$ 329,398
Customer	\$ 217,802,235	\$ 146,285,554	\$ 61,910,401	\$ 2,983,351	\$ 1,615,052	\$ 318,676	\$ 303,844	\$ 276,766	\$ 4,108,590
Direct Sales	\$ 32,615,636	\$ 26,483,647	\$ 4,457,362	\$ 724,537	\$ 88,419	\$ 101,088	\$ 133,630	\$ -	\$ 626,953
Direct Transport	\$ 830,818	\$ -	\$ 1,571	\$ 106,269	\$ 197,835	\$ 3,800	\$ 340,022	\$ 181,321	\$ -
<b>TOTAL REVENUE REQUIREMENT</b>	<b>\$ 537,478,802</b>	<b>\$ 360,871,754</b>	<b>\$ 132,695,880</b>	<b>\$ 18,265,024</b>	<b>\$ 8,880,226</b>	<b>\$ 1,450,864</b>	<b>\$ 7,219,353</b>	<b>\$ 3,030,759</b>	<b>\$ 5,064,941</b>
<b>TOTAL FIXED COSTS</b>	<b>\$ 420,538,587</b>	<b>\$ 290,436,227</b>	<b>\$ 108,100,053</b>	<b>\$ 10,607,190</b>	<b>\$ 3,151,986</b>	<b>\$ 634,560</b>	<b>\$ 1,553,988</b>	<b>\$ 1,319,039</b>	<b>\$ 4,735,543</b>

0.94%

Puget Sound Energy - 2019 Gas Cost of Service Study

Proposed Test Year

Unit Costs - Compromise Method

	System Total	Residential (16,23,53)	Comm. & Indus. (31,31T)	Large Volume (41,41T)	Interruptible (85, 85T)	Limited Interruptible (86, 86T)	Non-Exclusive Interruptible (87, 87T)	Contracts	Rentals
<b>Gas Supply</b>									
Demand (per Peak Day therm per month)	\$ 0.0054	\$ 0.0055	\$ 0.0055	\$ 0.0042	\$ 0.0006	\$ 0.0049	\$ -	\$ -	\$ -
Commodity (per therm)	\$ 0.0026	\$ 0.0033	\$ 0.0033	\$ 0.0025	\$ 0.0005	\$ 0.0031	\$ 0.0005	\$ (0.0001)	\$ -
Customer (per customer per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Sales (per sales customer per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Transport (per transp. cust. per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand and Commodity (per therm)	\$ 0.0032	\$ 0.0040	\$ 0.0040	\$ 0.0027	\$ 0.0005	\$ 0.0032	\$ 0.0005	\$ (0.0001)	\$ -
<b>Storage</b>									
Demand (per Peak Day therm per month)	\$ 0.0828	\$ 0.0836	\$ 0.0754	\$ 0.0894	\$ 0.0823	\$ 0.9572	\$ 0.4246	\$ -	\$ -
Commodity (per therm)	\$ 0.0010	\$ 0.0010	\$ 0.0010	\$ 0.0010	\$ 0.0010	\$ 0.0010	\$ 0.0010	\$ 0.0010	\$ -
Customer (per customer per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Sales (per sales customer per month)	\$ 0.3067	\$ 0.2355	\$ 1.1431	\$ 5.8075	\$ 6.1386	\$ 0.7162	\$ -	\$ -	\$ -
Direct Transport (per transp. cust. per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand and Commodity (per therm)	\$ 0.0094	\$ 0.0126	\$ 0.0107	\$ 0.0060	\$ 0.0017	\$ 0.0097	\$ 0.0020	\$ 0.0010	\$ -
<b>Transmission</b>									
Demand (per Peak Day therm per month)	\$ -	\$ -	\$ -	\$ -	\$ 0.0001	\$ 0.0001	\$ 0.0004	\$ 0.0001	\$ -
Commodity (per therm)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer (per customer per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Sales (per sales customer per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Transport (per transp. cust. per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand and Commodity (per therm)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Distribution</b>									
Demand (per Peak Day therm per month)	\$ 1.3043	\$ 1.2983	\$ 1.2995	\$ 1.3233	\$ 1.5574	\$ 1.5345	\$ 2.2787	\$ 1.4239	\$ -
Commodity (per therm)	\$ 0.0943	\$ 0.1107	\$ 0.1003	\$ 0.0850	\$ 0.0618	\$ 0.0841	\$ 0.0444	\$ 0.0452	\$ -
Customer (per customer per month)	\$ 21.8507	\$ 15.7881	\$ 91.0055	\$ 172.4680	\$ 1,030.0080	\$ 116.4324	\$ 1,688.0222	\$ 2,306.3837	\$ -
Direct Sales (per sales customer per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Transport (per transp. cust. per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand and Commodity (per therm)	\$ 0.2270	\$ 0.2903	\$ 0.2674	\$ 0.1584	\$ 0.0749	\$ 0.0982	\$ 0.0497	\$ 0.0684	\$ -
<b>Gas Costs</b>									
Demand (per Peak Day therm per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity (per therm)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer (per customer per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Sales (per sales customer per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Transport (per transp. cust. per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Demand and Commodity (per therm)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Sales Specific Costs</b>									
Demand (per Peak Day therm per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity (per therm)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer (per customer per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Sales (per sales customer per month)	\$ 2.966	\$ 2.623	\$ 5.409	\$ 39.425	\$ 253.154	\$ 36.558	\$ 2,227.170	\$ -	\$ -
Direct Transport (per transp. cust. per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Transport Specific Costs</b>									
Demand (per Peak Day therm per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commodity (per therm)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Customer (per customer per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Sales (per sales customer per month)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Transport (per transp. cust. per month)	\$ 296.403	\$ -	\$ 50.692	\$ 83.023	\$ 161.235	\$ 152.007	\$ 2,833.513	\$ 1,511.006	\$ -
Sub-total	\$ 296.403	\$ -	\$ 50.692	\$ 83.023	\$ 161.235	\$ 152.007	\$ 2,833.513	\$ 1,511.006	\$ -
<b>TOTAL</b>									
Demand (per Peak Day therm per month)	\$ 1.3925	\$ 1.3874	\$ 1.3805	\$ 1.4169	\$ 1.6405	\$ 2.4967	\$ 2.7036	\$ 1.4240	\$ -
Commodity (per therm)	\$ 0.0979	\$ 0.1149	\$ 0.1046	\$ 0.0885	\$ 0.0633	\$ 0.0883	\$ 0.0460	\$ 0.0461	\$ -
Customer (per customer per month)	\$ 21.85	\$ 15.79	\$ 91.01	\$ 172.47	\$ 1,030.01	\$ 116.43	\$ 1,688.02	\$ 2,306.38	\$ -
Direct Sales (per sales customer per month)	\$ 3.27	\$ 2.86	\$ 6.55	\$ 45.23	\$ 259.29	\$ 37.27	\$ 2,227.17	\$ -	\$ -
Direct Transport (per transp. cust. per month)	\$ 296.40	\$ -	\$ 50.69	\$ 83.02	\$ 161.23	\$ 152.01	\$ 2,833.51	\$ 1,511.01	\$ -
Demand and Commodity (per therm)	\$ 0.2396	\$ 0.3069	\$ 0.2821	\$ 0.1670	\$ 0.0771	\$ 0.1111	\$ 0.0523	\$ 0.0694	\$ -
All Customer (per customer per month)	\$ 25.21	\$ 18.65	\$ 97.56	\$ 220.50	\$ 1,212.57	\$ 154.75	\$ 4,319.42	\$ 3,817.39	\$ -
PDAY	121,572,960	84,811,016	30,229,088	4,794,156	762,387	84,510	287,208	604,596	0
COM 1	1,194,623,705	612,852,104	235,132,259	86,514,963	90,548,323	9,247,991	123,237,198	37,090,867	0
CUST	9,967,759	9,265,563	680,293	17,298	1,568	2,737	180	120	0
CUSTXT	9,964,956	9,265,563	680,262	16,018	341	2,712	60	0	0
TRANSCUS	2,803	0	31	1,280	1,227	25	120	120	0