

**PUGET SOUND ENERGY-GAS
FEDERAL INCOME TAX
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2018
GENERAL RATE CASE**

LINE NO.	DESCRIPTION	AMOUNT	
1	TAXABLE INCOME	98,315,668	
2			
3	FEDERAL INCOME TAX		
4	CURRENT FIT @	20,646,290	
5	DEFERRED FIT - DEBIT	523,320	
6	DEFERRED FIT - OTHER	-	
7	DEFERRED FIT - INV TAX CREDIT, NET OF AMORTIZATION	-	
8	TOTAL RESTATED FIT	<u>21,169,610</u>	- <==check
9			
10	FIT PER BOOKS:		
11	CURRENT FIT	31,944,159	
12	DEFERRED FIT - DEBIT	46,080,716	
13	DEFERRED FIT - CREDIT	(55,638,847)	
14	DEFERRED FIT - INV TAX CREDIT, NET OF AMORTIZATION	<u>-</u>	
15			
16	TOTAL CHARGED TO EXPENSE	22,386,028	
17			
18	INCREASE(DECREASE) FIT	(11,297,869)	
19	INCREASE(DECREASE) DEFERRED FIT	10,081,450	
20	INCREASE(DECREASE) ITC	-	
21	INCREASE(DECREASE) NOI	<u><u>1,216,419</u></u>	

Puget Sound Energy, Inc.
January 2018 - December 2018

Gas NOI 103,864,303.99
SAP Taxes 22,386,028.29
Pretax NOI 126,250,332.28

Description	M Item Activity	DefTax Effected	21%	Variance from 21%
Bad Debt Expense	(440,479)	92,501	(92,501)	(0)
Land Sales	115,150	(24,181)	24,181	0
Environmental Remediation	5,600,668	(1,176,140)	1,176,140	0
Pension-common	(3,114,450)	654,035	(654,035)	(0)
Demand Charges	(481,199)	101,052	(101,052)	-
JP Storage - Sec 263A	(105,064)	22,063	(22,063)	-
Deferred Compensation-common	302,783	(63,584)	63,584	0
International Paper Capacity Assignment	(26,989)	5,668	(5,668)	0
Summit Purch Opt Buyout	(548,892)	115,267	(115,267)	-
Vacation Pay-common	74,365	(15,617)	15,617	(0)
481(a) Adj - Depr Turnaround on Retirements	(285,160)	97,810	(59,884)	37,926
Bothell Data Ctr Prepaid Lease Exp-common	(47,409)	9,956	(9,956)	0
Reserve for Injuries and Damages Norm	(2,675,000)	561,750	(561,750)	-
Self Insurance - IBNR	223,843	(47,007)	47,007	0
Summit Landlord Incentive-common	(48,824)	10,253	(10,253)	(0)
Property Tax	1,519,485	(319,092)	319,092	-
Staples Loyalty Incentive-common	613	(129)	129	(0)
Workers Compensation- IBNR	5,871	(1,233)	1,233	(0)
Credit Card Deferral	(958,295)	201,242	(201,242)	(0)
Rate Refunds	10,523,931	(2,210,026)	2,210,026	-
Meals & Entertainment	409,322	-	85,958	85,958
Fringe benefits	1,119,441	-	235,083	235,083
§162(m) limitation	1,066,660	-	223,999	223,999
PT - Plant Related	(40,165,036)	2,508,732	8,434,657	(5,925,925)
Total Tax adjustments	(27,934,665)	523,320	11,003,035	(5,342,960)
Taxable NOI	98,315,668			
				x21%
Tax Curr/Deferred	20,646,290	523,320	21,169,610	

Rate Reconciliation

pretax	126,250,332	
at 21%	26,512,570	21%
Meals & Entertainment	85,958	0.07%
PT - Plant Related	(5,887,999)	-4.66%
§162(m) limitation	223,999	0.18%
Fringe benefits	235,083	0.19%
Total Current and Deferred Taxes	21,169,610	16.77%

(0)

POWERTAX

	electric	gas	total
normalized	174,182,144	(12,108,289)	162,073,856
F/T	(102,352,299)	(32,010,339)	(134,362,638)
cwip reversal	7,377,560	3,791,648	11,169,208
topside	(76,074)	161,944	85,870
total timing	79,131,330	(40,165,036)	38,966,295
	21%	21%	21%
FAS 109	16,617,579	(8,434,657)	8,182,922
APB 11 DIT	(36,562,275)	2,508,732	(34,053,542)
F/T	(19,944,695)	(5,925,925)	(25,870,620)

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Orders: Actual 12 Month Ended

Orders	12 Months	Dec-18	Nov-18	Oct-18	Sep-18	Aug-18	Jul-18	Jun-18	May-18	Apr-18	Mar-18	Feb-18	Jan-18
41010301 Deferred FIT - Gas - Operating Deferred	46,080,716.04	2,134,051.97	4,024,171.18	7,666,122.09	2,202,942.93	666,435.58	1,072,659.29	(48,634,476.08)	4,493,824.12	53,425,140.96	7,427,283.03	3,900,850.30	7,701,710.67
Debit	46,080,716.04	2,134,051.97	4,024,171.18	7,666,122.09	2,202,942.93	666,435.58	1,072,659.29	(48,634,476.08)	4,493,824.12	53,425,140.96	7,427,283.03	3,900,850.30	7,701,710.67
Over/underabsorption	46,080,716.04	2,134,051.97	4,024,171.18	7,666,122.09	2,202,942.93	666,435.58	1,072,659.29	(48,634,476.08)	4,493,824.12	53,425,140.96	7,427,283.03	3,900,850.30	7,701,710.67

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Orders: Actual 12 Month Ended

Orders	12 Months	Dec-18	Nov-18	Oct-18	Sep-18	Aug-18	Jul-18	Jun-18	May-18	Apr-18	Mar-18	Feb-18	Jan-18
41110301 Prov for Def FIT - Gas - Credit Operat	(55,638,847)	4,430,861	(5,433,989)	(8,648,611)	(6,710,386)	(970,621)	(2,762,256)	(2,466,457)	(3,379,352)	(2,827,793)	(9,454,919)	(8,396,372)	(9,018,952)
Debit	(55,638,847)	4,430,861	(5,433,989)	(8,648,611)	(6,710,386)	(970,621)	(2,762,256)	(2,466,457)	(3,379,352)	(2,827,793)	(9,454,919)	(8,396,372)	(9,018,952)
Over/underabsorption	(55,638,847)	4,430,861	(5,433,989)	(8,648,611)	(6,710,386)	(970,621)	(2,762,256)	(2,466,457)	(3,379,352)	(2,827,793)	(9,454,919)	(8,396,372)	(9,018,952)