PUGET SOUND ENERGY
ELECTRIC STATEMENT OF OPERATING INCOME
AND ADJUSTMENTS
2019 GENERAL RATE CASE
12 MONTHS ENDED DECEMBER 31, 2018

| LINI NO. | | ACTUAL ESULTS OF PERATIONS a | ESTATING DJUSTMENTS b | RESTATED RESULTS OF OPERATIONS c = a + b | | PROFORMA DJUSTMENTS d | R | ADJUSTED ESULTS OF PERATIONS e = c + d | C | T REVENUE CHANGE TO ASE RATES f | AFTER RATE INCREASE g = e + f |
|--|---|---|--|---|----|--|---|---|----|--|---|
| 1 2 3 4 5 | OPERATING REVENUES SALES TO CUSTOMERS SALES FROM RESALE-FIRM/SPECIAL CONTRACT SALES TO OTHER UTILITIES OTHER OPERATING REVENUES | \$ 2,165,233,767 340,432 155,333,122 122,175,867 | \$ (158,587,777) (12,104) - 17,627,312 | \$ 2,006,645,990 328,327 155,333,122 139,803,179 | \$ | (6,392,695) \$ 3,986 (146,289,483) (56,834,874) | 3 | 2,000,253,295 332,313 9,043,639 82,968,305 | \$ | 127,374,187 362,217 | \$ 2,127,627,481 694,530 9,043,639 82,968,305 |
| 6 7 8 9 | TOTAL OPERATING REVENUES OPERATING REVENUE DEDUCTIONS: POWER COSTS: | 2,443,083,188 | (140,972,569) | 2,302,110,619 | | (209,513,066) | | 2,092,597,553 | | 127,736,404 | 2,220,333,957 |
| 11 12 13 14 | | \$ 204,174,130 591,842,798 115,807,778 (77,453,660) | \$ 1,063,362 8,537,088 - 77,453,660 | \$ 205,237,493 600,379,885 115,807,778 | \$ | (41,222,168) \$ (100,879,192) (3,321,385) | 3 | 164,015,325 499,500,694 112,486,393 | | | \$ 164,015,325 499,500,694 112,486,393 |
| 15 16 | - | \$ 834,371,046 | \$ 87,054,110 | \$ 921,425,155 | \$ | (145,422,744) \$ | 3 | 776,002,411 | | - | \$ 776,002,411 |
| 17 18 19 20 21 | OTHER POWER SUPPLY EXPENSES TRANSMISSION EXPENSE DISTRIBUTION EXPENSE CUSTOMER ACCTS EXPENSES CUSTOMER SERVICE EXPENSES | \$ 127,167,993 24,439,502 83,251,239 53,199,861 22,140,921 | \$ (35,955) (119,633) 70,205 (774,803) (18,125,240) | \$ 127,132,038 24,319,869 83,321,444 52,425,058 4,015,681 | \$ | (17,913,746) \$ 488,386 2,247,363 (307,131) 67,859 | 3 | 109,218,292 24,808,255 85,568,807 52,117,927 4,083,540 | | 1,083,077 | \$ 109,218,292 24,808,255 85,568,807 53,201,004 4,083,540 |
| 23 24 25 26 | CONSERVATION AMORTIZATION ADMIN & GENERAL EXPENSE DEPRECIATION AMORTIZATION AMORTIZ OF PROPERTY GAIN/LOSS | 97,087,903 124,825,411 341,625,260 75,292,958 35,645,161 | (97,087,903) 752,398 3,138,499 15,699,258 | 125,577,809 344,763,759 90,992,216 35,645,161 | | 2,219,348 5,224,554 6,319,865 7,505,238 | | 127,797,157 349,988,313 97,312,080 43,150,399 | | 255,473 | 128,052,630 349,988,313 97,312,080 43,150,399 |
| 28 | OTHER OPERATING EXPENSES ASC 815 TAXES OTHER THAN INCOME TAXES INCOME TAXES | (21,632,954) (41,661,501) 234,440,433 22,841,555 | 31,433,178 41,661,501 (146,620,964) 60,720,495 | 9,800,224 - 87,819,469 83,562,050 | | 4,409,175 - (1,197,546) (15,005,122) | | 14,209,399 - 86,621,923 68,556,928 | | 4,905,844 25,513,303 | 14,209,399 - 91,527,768 94,070,231 |
| 31 32 | DEFERRED INCOME TAXES | \$ 38,907,708 | \$ (90,716,508) (112,951,364) | \$ (51,808,801) 1,938,991,133 | \$ | (9,006,372) (160,370,873) \$ | 3 | (60,815,173) 1,778,620,260 | \$ | 31,757,697 | \$ (60,815,173) 1,810,377,957 |
| 33 34 35 | NET OPERATING INCOME | \$ 391,140,691 | \$ (28,021,206) | \$ 363,119,486 | \$ | (49,142,193) \$ | 5 | 313,977,292 | \$ | 95,978,707 | \$ 409,955,999 |
| | RATE BASE | \$ 5,208,778,506 | \$ 153,068,105 | \$ 5,361,846,611 | \$ | 148,314,669 \$ | 6 | 5,510,161,281 | | | \$ 5,510,161,281 |
| 38 39 40 | RATE OF RETURN | 7.51% | | 6.77% | ` | | | 5.70% | | | 7.44% |
| 40 41 42 43 44 45 46 | RATE BASE: GROSS UTILITY PLANT IN SERVICE ACCUM DEPR AND AMORT DEFERRED DEBITS AND CREDITS DEFERRED TAXES ALLOWANCE FOR WORKING CAPITAL OTHER | \$ 10,572,466,950 (4,244,925,258) 285,841,342 (1,443,684,470) 145,303,205 (106,223,264) | \$ 321,312,561 (179,466,336) (12,697,239) 33,714,624 (7,927,989) (1,867,516) | \$ 10,893,779,511 (4,424,391,594) 273,144,103 (1,409,969,846) 137,375,216 (108,090,779) | | 159,316,020 \$ (10,136,430) (1,738,409) 873,488 | 3 | 11,053,095,532 (4,434,528,024) 271,405,694 (1,409,096,358) 137,375,216 (108,090,779) | | | \$ 11,053,095,532 (4,434,528,024) 271,405,694 (1,409,096,358) 137,375,216 (108,090,779) |
| | TOTAL RATE BASE | \$5,208,778,506 | \$153,068,105 | \$5,361,846,611 | | \$148,314,669 | | \$5,510,161,281 | | | \$5,510,161,281 |

PUGET SOUND ENERGY ELECTRIC STATEMENT OF OPERATING INCOME AND ADJUSTMENTS 2019 GENERAL RATE CASE 12 MONTHS ENDED DECEMBER 31, 2018

| | | | COMMON | COMMON | COMMON | COMMON | COMMON | COMMON | COMMON | COMMON | COMMON | COMMON |
|-------------|---|------------------------------------|------------------------------------|--|-----------------|--|---------------------------------------|-----------------------------------|--------------------------|------------------------------|--|------------------------------|
| | | | RESTATING | RESTATING | RESTATING | RESTATING | RESTATING | RESTATING | RESTATING | RESTATING | RESTATING | RESTATING |
| LINE NO. | DESCRIPTION | ACTUAL RESULTS OF OPERATIONS | 20.01 ER REVENUES & EXPENSES | 20.02 ER TEMPERATURE NORMALIZATION | | 20.04 ER TAX BENEFIT OF INTEREST | 20.05 ER PASS-THROUGH REV & EXP | 20.06 ER INJURIES & DAMAGES | 20.07 ER BAD DEBTS | 20.08 ER INCENTIVE PAY | 20.09 ER EXCISE TAX & FILING FEE | 20.10 ER D&O INSURANCE |
| | | a | b | с | d | e | f | g | h | i | j | k |
| 1 | OPERATING REVENUES | | | | | | | | | | | |
| 2 | SALES TO CUSTOMERS \$ | 2,165,233,767 | \$ 41,299,982 | \$ 6,547,835 | | ; | \$ (206,435,594) | | | | | |
| 3 | SALES FROM RESALE-FIRM/SPECIAL CONTRACT | 340,432 | 114 | 3,986 | | | (16,205) | | | | | |
| 4 | SALES TO OTHER UTILITIES | 155,333,122 | | | | | | | | | | |
| | OTHER OPERATING REVENUES | 122,175,867 | 2,744,404 | | | | 15,741,474 | | | | | |
| 6 | TOTAL OPERATING REVENUES | 2,443,083,188 | 44,044,501 | 6,551,821 | - | - | (190,710,325) | - | - | - | - | - |
| 7 | | | | | | | | | | | | |
| | OPERATING REVENUE DEDUCTIONS: | | | | | | | | | | | |
| 9 | | | | | | | | | | | | |
| | POWER COSTS: | | | | | | | | | | | |
| | FUEL \$ | | | | | | | | | (12.020) | | |
| 12 | PURCHASED AND INTERCHANGED | 591,842,798 | | | | | - | | | (12,929) | | |
| | WHEELING | 115,807,778 | | | | | 77,453,660 | | | | | |
| | RESIDENTIAL EXCHANGE TOTAL PRODUCTION EXPENSES \$ | (77,453,660) 834,371,046 | s - | \$ - | \$ - | \$ - | \$ 77,453,660 | ¢ | \$ - 5 | t (12.020) | \$ - | \$ - |
| 16 | TOTAL PRODUCTION EXPENSES | 654,571,040 | . | ъ - | ъ - | 5 - | \$ 77,433,000 | 5 - | 5 - 3 | \$ (12,929) | J | 5 - |
| | OTHER POWER SUPPLY EXPENSES \$ | 127,167,993 | | | | | | | | (43,337) | | |
| | TRANSMISSION EXPENSE | 24,439,502 | | | | | | | | (18,707) | | |
| | DISTRIBUTION EXPENSE | 83,251,239 | | | | | | | | (56,877) | | |
| | CUSTOMER ACCTS EXPENSES | 53,199,861 | 373,453 | 55,553 | | | (1,605,620) | | (383,739) | (22,041) | | |
| | CUSTOMER SERVICE EXPENSES | 22,140,921 | 575,155 | 55,555 | | | (18,123,263) | | (303,737) | (3,608) | | |
| | CONSERVATION AMORTIZATION | 97,087,903 | | | | | (97,087,903) | | | (-,, | | |
| 23 | ADMIN & GENERAL EXPENSE | 124,825,411 | 88,089 | 13,104 | | | (408,083) | (84,300) | | (56,644) | 14,062 | (6,711) |
| 24 | DEPRECIATION | 341,625,260 | | | | | | | | | | |
| 25 | AMORTIZATION | 75,292,958 | | | | | | | | | | |
| 26 | AMORTIZ OF PROPERTY GAIN/LOSS | 35,645,161 | | | | | | | | | | |
| 27 | OTHER OPERATING EXPENSES | (21,632,954) | 31,349,866 | | | | 83,312 | | | | | |
| 28 | ASC 815 | (41,661,501) | | | | | | | | | | |
| 29 | TAXES OTHER THAN INCOME TAXES | 234,440,433 | 1,691,573 | 251,629 | | | (148,546,496) | | | (18,952) | (104,992) | |
| | INCOME TAXES | 22,841,555 | 2,213,719 | 1,308,622 | 96,903,247 | (33,104,041) | (519,946) | 17,703 | 80,585 | 48,950 | 19,095 | 1,409 |
| | DEFERRED INCOME TAXES | 38,907,708 | | | (81,967,593) | | | | | | | |
| | TOTAL OPERATING REV. DEDUCT. | 2,051,942,497 | \$ 35,716,700 | \$ 1,628,908 | \$ 14,935,653 | \$ (33,104,041) | \$ (188,754,338) | \$ (66,597) | \$ (303,154) \$ | \$ (184,145) | \$ (71,835) | \$ (5,301) |
| 33 | | | | | | | | | | | | |
| | NET OPERATING INCOME | 391,140,691 | \$ 8,327,800 | \$ 4,922,913 | \$ (14,935,653) | \$ 33,104,041 | \$ (1,955,986) | \$ 66,597 | \$ 303,154 | \$ 184,145 | \$ 71,835 | \$ 5,301 |
| 35 | | | | | | | | | | | | |
| | RATE BASE | 5,208,778,506 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - 5 | \$ - | \$ - | \$ - |
| 37 | | | | | | | | | | | | |
| 38 | RATE OF RETURN | 7.51% | | | | | | | | | | |
| 39 | | | | | | | | | | | | |
| 40 | RATE BASE: | | | | | | | | | | | |
| 41 | GROSS UTILITY PLANT IN SERVICE | 10,572,466,950 | | | | | | | | | | |
| 42 | ACCUM DEPR AND AMORT | (4,244,925,258) | | | | | | | | | | |
| 43 | DEFERRED DEBITS AND CREDITS | 285,841,342 | | | | | | | | | | |
| 44 | DEFERRED TAXES | (1,443,684,470) | | | | | | | | | | |
| 45 | ALLOWANCE FOR WORKING CAPITAL | 145,303,205 | | | | | | | | | | |
| 46 | OTHER | (106,223,264) | | | Φ. | | | | Φ. | • | Φ. | |
| 47 | TOTAL RATE BASE | 5,208,778,506 | \$ - | \$ - | \$ - | \$ - | 5 - | \$ - | \$ - 5 | \$ - | \$ - | \$ - |
| | | | | | | | | | | | | |

PUGET SOUND ENERGY ELECTRIC STATEMENT OF OPERATING INCOME AND ADJUSTMENTS 2019 GENERAL RATE CASE

EXH. SEF-19E (BR-11) page 3 of 7

| 12 MO | NTHS ENDED DECEMBER 31, 2018 | | | | | | | | | | | |
|--|--|------------------------------|--|----------------------------------|-----------------------------|--|-----------------------------------|--------------------------------|-----------------------------------|--|---------------------------|-----------------------------------|
| | | COMMON RESTATING | COMMON RESTATING | COMMON RESTATING | COMMON RESTATING | COMMON RESTATING | COMMON RESTATING | COMMON RESTATING | COMMON RESTATING | COMMON RESTATING | | COMMON RESTATING |
| LINE NO. | DESCRIPTION | 20.10 ER D&O INSURANCE | 20.11 ER INTEREST ON CUST DEPOSITS | 20.12 ER RATE CASE EXPENSE | 20.13 ER PENSION PLAN | 20.14 ER PROPERTY AND LIAB INSURANCE | 20.15 ER WAGE & PAYROLL TAX | 20.16 ER INVESTMENT PLAN | 20.17 ER EMPLOYEE INSURANCE | | | 20.23 ER ANNUALIZE RENT EXP |
| 2 S 3 S 4 S | PERATING REVENUES ALES TO CUSTOMERS ALES FROM RESALE-FIRM/SPECIAL CONTRACT ALES TO OTHER UTILITIES THER ORD ATM/S DEVENUES | k | 1 | m | n | o | р | q | r | s | t | u (959.566) |
| 6 T 7 | OTHER OPERATING REVENUES OTAL OPERATING REVENUES OPERATING REVENUE DEDUCTIONS: | - | - | - | - | - | - | - | - | - | - | (858,566) (858,566) |
| 11 F | | | | | | | | | | | | |
| 13 V 14 F | PURCHASED AND INTERCHANGED WHEELING RESIDENTIAL EXCHANGE | 0 | | | | 0 | 6,341 | 0 | 0 | | | |
| 16 17 O | OTAL PRODUCTION EXPENSES OTHER POWER SUPPLY EXPENSES RANSMISSION EXPENSE | \$ - | \$ - | \$ - \$ | - | \$ - | \$ 6,341 7,382 6,418 | \$ - | \$ - \$ | · | - \$ | - |
| 19 D 20 C 21 C | ISTRIBUTION EXPENSE USTOMER ACCTS EXPENSES USTOMER SERVICE EXPENSES ONSERVATION AMORTIZATION | | 803,909 | | | | 5,813 3,681 1,632 | | | | | |
| 23 A 24 D 25 A 26 A | IDMIN & GENERAL EXPENSE DEPRECIATION MORTIZATION MORTIZ OF PROPERTY GAIN/LOSS | (6,711) | | 628,554 | 2,184,999 | (405,002) | 27,562 | 16,654 | 30,190 | | 5,699,418 15,699,258 | (1,290,076) |
| 28 A 29 T 30 II | OTHER OPERATING EXPENSES SC 815 AXES OTHER THAN INCOME TAXES NCOME TAXES DEFERRED INCOME TAXES | 1,409 | | (131,996) | (458,850) | 85,050 | 19,412 (16,431) | (3,497) | (6,340) | | (4,493,722) | 90,617 |
| 32 T | OTAL OPERATING REV. DEDUCT. | \$ (5,301) | \$ 803,909 | \$ 496,558 \$ | 1,726,149 | \$ (319,951) | \$ 61,810 | \$ 13,157 | \$ 23,850 \$ | - \$ | 16,904,953 \$ | (1,199,459) |
| 33 34 N 35 | TET OPERATING INCOME | \$ 5,301 | \$ (803,909) | \$ (496,558) \$ | (1,726,149) | \$ 319,951 | \$ (61,810) | \$ (13,157) | \$ (23,850) \$ | - \$ | (16,904,953) \$ | 340,893 |
| 36 R 37 | ATE BASE ATE OF RETURN | \$ - | \$ - | - \$ | - | - | \$ - | \$ - | - 5 | \$ 182,818,242 \$ | (16,904,953) \$ | - |
| 39 40 R 41 G 42 4 43 44 | ATE BASE: GROSS UTILITY PLANT IN SERVICE ACCUM DEPR AND AMORT DEFERRED DEBITS AND CREDITS DEFERRED TAXES ALLOWANCE FOR WORKING CAPITAL | | | | | | | | S | \$ 326,078,877 (143,742,278) (12,697,239) 22,974,387 (7,927,989) | (21,398,675) 4,493,722 | |
| | OTHER OTAL RATE BASE | \$ - | \$ - | s - s | | \$ - | \$ - | \$ - | \$ - 5 | (1,867,516) 182,818,242 \$ | (16,904,953) \$ | |
| 4/ 1 | OTAL KATE BASE | ψ - | φ - | φ - ֆ | | φ - | φ - | φ - | φ - 1 | 102,010,242 \$ | (10,704,733) \$ | |

PUGET SOUND ENERGY

ELECTRIC STATEMENT OF OPERATING INCOME

AND ADJUSTMENTS

2019 GENERAL RATE CASE

12 MONTHS ENDED DECEMBER 31, 2018

EXH. SEF-19E (BR-11) page 4 of 7

| 12 W | ONTHS ENDED DECEMBER 31, 2018 | COMMON RESTATING | ELECTRIC RESTATING | ELECTRIC RESTATING | ELECTRIC RESTATING | ELECTRIC RESTATING | ELECTRIC RESTATING | ELECTRIC RESTATING | | |
|--|---|---------------------------------------|---|---------------------------------|--|------------------------|-----------------------------|--------------------------------------|---|--|
| LINE NO. | DESCRIPTION | 20.30 ER REMOVE GREEN DIRECT RB | 21.01 ER POWER COSTS | 21.02 ER MONTANA TAX W | 21.03 ER WILD HORSE SOLAR | 21.04 ER ASC 815 | 21.05 ER STORM DAMAGE | 21.07 ER COLSTRIP DEPRECIATION | TOTAL RESTATING ADJUSTMENTS $ab = \sum b \text{ thru } aa$ | RESTATED RESULTS OF OPERATIONS |
| 2 3 4 5 6 7 | OPERATING REVENUES SALES TO CUSTOMERS SALES FROM RESALE-FIRM/SPECIAL CONTRACT SALES TO OTHER UTILITIES OTHER OPERATING REVENUES TOTAL OPERATING REVENUES OPERATING REVENUE DEDUCTIONS. | - | - - | - | | у - | z - | aa - | \$ (158,587,777) (12,104) - 17,627,312 (140,972,569) | ac = a + ab \$ 2,006,645,990 328,327 155,333,122 139,803,179 2,302,110,619 |
| 9 10 11 12 13 14 | OPERATING REVENUE DEDUCTIONS: POWER COSTS: FUEL PURCHASED AND INTERCHANGED WHEELING RESIDENTIAL EXCHANGE TOTAL PRODUCTION EXPENSES | | \$ 1,063,362 8,543,676 \$ 9,607,038 | s - | S - S | | \$ - | s - | 8,537,088 - 77,453,660 | \$ 205,237,493 600,379,885 115,807,778 - \$ 921,425,155 |
| 16 17 18 19 20 21 22 23 24 25 26 27 | OTHER POWER SUPPLY EXPENSES TRANSMISSION EXPENSE DISTRIBUTION EXPENSE CUSTOMER ACCTS EXPENSES CUSTOMER SERVICE EXPENSES CONSERVATION AMORTIZATION ADMIN & GENERAL EXPENSE DEPRECIATION AMORTIZATION AMORTIZATION AMORTIZ OF PROPERTY GAIN/LOSS OTHER OPERATING EXPENSES ASC 815 | | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | | (212,064) | 41,661,501 | (107,345) 121,270 | \$ (2,348,855) | (35,955) (119,633) 70,205 (774,803) (18,125,240) (97,087,903) 752,398 | \$ 127,132,038 24,319,869 83,321,444 52,425,058 4,015,681 125,577,809 344,763,759 90,992,216 35,645,161 9,800,224 |
| 29 30 31 | TAXES OTHER THAN INCOME TAXES INCOME TAXES DEFERRED INCOME TAXES TOTAL OPERATING REV. DEDUCT. | \$ - | (2,017,478) | 86,861 (18,241) \$ 68,620 | \$ (167,531) \$ | (8,748,915) | (2,924) \$ 11,001 | 680,428 \$ (1,668,426) | (146,620,964) 60,720,495 (90,716,508) | 87,819,469 83,562,050 (51,808,801) \$ 1,938,991,133 |
| 33 | NET OPERATING INCOME | s - | | | | | | | | |
| 37 38 | RATE BASE RATE OF RETURN | \$ (211,405) | - | - | \$ (1,615,371) \$ | - | \$ - | \$ (11,018,407) | \$ 153,068,105 | \$ 5,361,846,611 6.77% |
| 41 42 43 44 45 46 | RATE BASE: GROSS UTILITY PLANT IN SERVICE ACCUM DEPR AND AMORT DEFERRED DEBITS AND CREDITS DEFERRED TAXES ALLOWANCE FOR WORKING CAPITAL OTHER | \$ (227,316) 15,910 | | | \$ (4,539,000) \$ 2,120,000 \$ 803,629 | | | (16,445,383) 5,426,976.43 | (12,697,239) 33,714,624 -\$7,927,989.05 (1,867,516) | \$ 10,893,779,511 (4,424,391,594) 273,144,103 (1,409,969,846) 137,375,216 (108,090,779) |
| 47 | TOTAL RATE BASE | \$ (211,405) | \$ - | \$ - | \$ (1,615,371) \$ | - | \$ - | \$ (11,018,407) | \$ 153,068,105 | \$ 5,361,846,611 |

EXH. SEF-19E (BR-11) page 5 of 7

ELECTRIC STATEMENT OF OPERATING INCOME

AND ADJUSTMENTS

2019 GENERAL RATE CASE

12 MONTHS ENDED DECEMBER 31, 2018

| 12 MC | ON 1 HS ENDED DECEMBER 31, 2018 | COMMON PROFORMA | COMMON PROFORMA | COMMON PROFORMA | COMMON PROFORMA | COMMON PROFORMA | COMMON PROFORMA | COMMON PROFORMA | COMMON PROFORMA | COMMON PROFORMA | COMMON PROFORMA | COMMON PROFORMA |
|-------------|--|--|---------------------------------------|-------------------------------------|---|-------------------------------------|---|------------------------------------|--------------------------------------|---|---|---------------------------------|
| LINE NO. | DESCRIPTION | 20.01 EP REVENUES & EXPENSES ad | 20.02 EP TEMPERATURE NORMALIZATION af | 20.04 EP TAX BENEFIT OF INTEREST ag | reversing 20.09 EP EXCISE TAX & FILING FEE ah | reversing 20.10 EP D&O INSURANCE ai | 20.14 EP PROPERTY & LIABILITY INS aj | 20.15 EP WAGE INCREASE ak | 20.16 EP INVESTMENT PLAN al | 20.17 EP EMPLOYEE INSURANCE am | 20.20 EP DEFERRED G/L ON PROPERTY SALES an | 20.21 EP ENVIRON REMEDIATION ao |
| | OPERATING REVENUES SALES TO CUSTOMERS | \$ (17,794,395) | | ag | an | ai | aj | ak | ai | am | ali | ao |
| | SALES FROM RESALE-FIRM/SPECIAL CONTRACT SALES TO OTHER UTILITIES | | 3,986 | | | | | | | | | |
| | OTHER OPERATING REVENUES TOTAL OPERATING REVENUES | (16,381,469) | | - | - | - | - | - | - | - | - | |
| 7 8 | OPERATING REVENUE DEDUCTIONS: | | | | | | | | | | | |
| | POWER COSTS: | | | | | | | | | | | |
| 12 | FUEL PURCHASED AND INTERCHANGED | | | | | | | 245,951 | | | | |
| | WHEELING RESIDENTIAL EXCHANGE | | | | | | | | | | | |
| 15 ′ 16 | TOTAL PRODUCTION EXPENSES | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 245,951 | \$ - | \$ - | \$ - \$ | - |
| | OTHER POWER SUPPLY EXPENSES TRANSMISSION EXPENSE | | | | | | | 691,615 329,178 | | | | |
| | DISTRIBUTION EXPENSE CUSTOMER ACCTS EXPENSES | (289,777) | 96,709 | | | | | 869,409 344,111 | | | | |
| 21 | CUSTOMER SERVICE EXPENSES CONSERVATION AMORTIZATION | | | | | | | 67,859 | | | | |
| 23 | ADMIN & GENERAL EXPENSE DEPRECIATION | (68,352) | 22,811 | | (14,062) | 6,711 | 560,238 | 1,071,661 | 263,516 | 874,996 | | |
| 25 | AMORTIZATION | | | | | | | | | | | |
| 27 | AMORTIZ OF PROPERTY GAIN/LOSS OTHER OPERATING EXPENSES ASC 815 | | | | | | | | | | (3,533,964) | 152,048 |
| 29 | TAXES OTHER THAN INCOME TAXES | (1,312,558) | | 255.452 | 104,992 | 44.400 | (447.450) | 182,188 | (55.000) | (402.540) | 540.400 | (24.020) |
| 31 | INCOME TAXES DEFERRED INCOME TAXES | (6,826,087) | | 357,152 | (19,095) | (1,409) | | (798,414) | (55,338) | (183,749) | | (31,930) |
| 32 ° | TOTAL OPERATING REV. DEDUCT. | \$ (8,496,774) | \$ 2,835,672 | \$ 357,152 | \$ 71,835 0 | \$ 5,301 | | \$ 3,003,557 | \$ 208,177 | \$ 691,247 | \$ (2,791,832) \$ | 120,118 |
| 34 I 35 | NET OPERATING INCOME | \$ (25,679,090) | \$ 8,570,014 | \$ (357,152) | \$ (71,835) | \$ (5,301) | \$ (442,588) | \$ (3,003,557) | \$ (208,177) | \$ (691,247) | \$ 2,791,832 \$ | (120,118) |
| | RATE BASE | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - \$ | - |
| 38 | RATE OF RETURN | | | | | | | | | | | |
| 39 40 | RATE BASE: | | | | | | | | | | | |
| 41 | GROSS UTILITY PLANT IN SERVICE ACCUM DEPR AND AMORT | | | | | | | | | | | |
| 43 44 | DEFERRED DEBITS AND CREDITS DEFERRED TAXES | | | | | | | | | | | |
| 45 | ALLOWANCE FOR WORKING CAPITAL | | | | | | | | | | | |
| | OTHER TOTAL RATE BASE | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - \$ | - |

PUGET SOUND ENERGY ELECTRIC STATEMENT OF OPERATING INCOME AND ADJUSTMENTS 2019 GENERAL RATE CASE

EXH. SEF-19E (BR-11) page 6 of 7

| | ENERAL RATE CASE NTHS ENDED DECEMBER 31, 2018 | | | | | | | | | | | |
|------------|--|----|----------------|----------------|--------------|--------------|-------------------|-------------------|-------------------|-----------------|------------------|-----------|
| 12 MO | N1HS ENDED DECEMBER 31, 2018 | C | OMMON | COMMON | COMMON | COMMON | COMMON | COMMON | COMMON | COMMON | ELECTRIC | ELECTRIC |
| | | | OFORMA | PROFORMA | PROFORMA | PROFORMA | PROFORMA | PROFORMA | PROFORMA | PROFORMA | PROFORMA | PROFORMA |
| | | 2 | 20.22 EP | 20.23 EP | 20.24 EP | 20.25 EP | 20.26 EP | 20.27 EP | 20.28 EP | 20.29 EP | 21.01 EP | 21.02 EP |
| LINE | DESCRIPTION | | AMI | ANNUALIZE | GTZ PLANT | CREDIT CARD | | | CONTRACT | HD TODG | POWER | MONTANA |
| NO. | | | ap | RENT EXP aq | & DFRL ar | AMORT as | TECTED DFIT at | IMPROVEMENT au | ESCALATIONS av | HR TOPS aw | COST | TAX ay |
| 1 O | PERATING REVENUES | | up | uq | | | | | 4. | 4,7 | | , |
| 2 S. | ALES TO CUSTOMERS | | | | | | | | | | | |
| 3 S. | ALES FROM RESALE-FIRM/SPECIAL CONTRACT | Γ | | | | | | | | | | |
| 4 S. | ALES TO OTHER UTILITIES | | | | | | | | | | (146,289,483) | |
| 5 O | THER OPERATING REVENUES | | | | | | | | | | (40,453,405) | |
| | OTAL OPERATING REVENUES | | - | - | - | - | - | - | - | - | (186,742,888) | - |
| 7 | | | | | | | | | | | | |
| | PERATING REVENUE DEDUCTIONS: | | | | | | | | | | | |
| 9 | | | | | | | | | | | | |
| | OWER COSTS: | | | | | | | | | | | |
| 11 F | | | | | | | | | | \$ | | |
| | PURCHASED AND INTERCHANGED | | | | | | | | | | (101,125,142) | |
| | WHEELING | | | | | | | | | | (3,321,385) | |
| | RESIDENTIAL EXCHANGE | | 4 | | | | * | A | | | (145.550.505) (1 | |
| | OTAL PRODUCTION EXPENSES | \$ | - \$ | - 5 | - | \$ - | \$ - | \$ - | \$ - | \$ - \$ | (145,668,695) \$ | - |
| 16 | THER POWER SUPPLY EXPENSES | | | | | | | | | \$ | (18,605,360) | |
| | RANSMISSION EXPENSE | | | | | | | | 159,208 | ā. | (18,003,300) | |
| | ISTRIBUTION EXPENSE | | | | | | | | 1,377,954 | | | |
| | USTOMER ACCTS EXPENSES | | | | | (604,216 |) | | 146,042 | | | |
| | USTOMER SERVICE EXPENSES | | | | | (001,210 | , | | 1.0,0.12 | | | |
| | ONSERVATION AMORTIZATION | | | | | | | | | | | |
| | DMIN & GENERAL EXPENSE | | | (499,429) | | | | | 1,258 | | | |
| 24 D | EPRECIATION | | 3,518,944 | | | | | 737,379 | , | | | |
| 25 A | MORTIZATION | | | | 8,125,866 | | | | | 718,227 | | |
| 26 A | MORTIZ OF PROPERTY GAIN/LOSS | | | | | | | | | | | |
| 27 O | THER OPERATING EXPENSES | | 5,372,502 | | 7,921,689 | | | | | | | |
| 28 A | SC 815 | | | | | | | | | | | |
| 29 T | AXES OTHER THAN INCOME TAXES | | | | | | | | | | 56,751 | (666,966) |
| 30 IN | NCOME TAXES | | (1,867,204) | 104,880 | (3,369,987) | 126,885 | | (154,850) | (353,737) | (150,828) | (4,730,373) | 140,063 |
| | EFERRED INCOME TAXES | | | | | | (9,006,372 | , | | | | |
| | OTAL OPERATING REV. DEDUCT. | \$ | 7,024,243 \$ | (394,549) 5 | 12,677,569 | \$ (477,331 |) \$ (9,006,372 |) \$ 582,530 | \$ 1,330,726 | \$ 567,399 \$ | (168,947,676) \$ | (526,903) |
| 33 34 N | ET OPERATING INCOME | \$ | (7,024,243) \$ | 394,549 | (12,677,569) | \$ 477,331 | \$ 9,006,372 | \$ (582,530) | \$ (1,330,726) | \$ (567,399) \$ | (17,795,212) \$ | 526,903 |
| 34 IN | ET OFERATING INCOME | Þ | (7,024,243) \$ | 394,349 | (12,077,309) | 1 \$ 477,331 | \$ 9,000,372 | \$ (362,330) | \$ (1,550,720) | \$ (307,399) \$ | (17,793,212) \$ | 320,903 |
| | ATE DAGE | ¢ | 64.062.104 d | , | 26,000,200 | ¢. | d 4.502.106 | ¢ 25.767.062 | r. | e 5.700.250 e | | |
| | ATE BASE | \$ | 64,963,194 \$ | - 5 | 36,080,289 | \$ - | \$ 4,503,186 | \$ 25,767,063 | \$ - | \$ 5,798,358 \$ | - \$ | - |
| 37 20 P | ATTE OF DETERMINE | | | | | | | | | | | |
| | ATE OF RETURN | | | | | | | | | | | |
| 39 | | | | | | | | | | | | |
| | ATE BASE: | | | | | | | | | | | |
| | GROSS UTILITY PLANT IN SERVICE | \$ | 65,931,133 \$ | - 5 | , , | | | \$ 27,187,951 | | \$ 7,182,266 | | |
| | ACCUM DEPR AND AMORT | | (4,692,721) | - | (11,787,725) |) | | \$ (1,168,151) | | (987,239) | | |
| | DEFERRED DEBITS AND CREDITS | | 10,680,269 | | 19,017,838 | | 4 500 40 - | d (252.55 = 1 | | (396,669) | | |
| | DEFERRED TAXES | | (6,955,486) | - | (4,514,091) | 1 | 4,503,186 | \$ (252,736) | | | | |
| | ALLOWANCE FOR WORKING CAPITAL OTHER | | | | | | | | | | | |
| | OTAL RATE BASE | \$ | 64,963,194 \$ | - 5 | 36,080,289 | \$ | \$ 4,503,186 | \$ 25,767,063 | \$ - | \$ 5,798,358 \$ | - \$ | |
| 4/ 1 | OTAL KATE DASE | Φ | 07,703,174 \$ | - (| 30,000,209 | Ψ - | φ +,505,160 | ψ 43,101,003 | Ψ - | φ 2,170,230 Φ | - J | |

PUGET SOUND ENERGY

ELECTRIC STATEMENT OF OPERATING INCOME

ELECTRIC

ELECTRIC

AND ADJUSTMENTS

2019 GENERAL RATE CASE

12 MONTHS ENDED DECEMBER 31, 2018

EXH. SEF-19E (BR-11) page 7 of 7

| | | ROFORMA | ROFORMA | PROFORMA | | PROFORMA | PROFORM | | PROFORMA | | | |
|----------------------------|---|-----------------------------------|--|--------------------------------------|-------|---|-------------------------------------|------|--|----|---|--|
| LINE NO. | DESCRIPTION | 21.05 EP STORM DAMAGE az | 21.06 EP EGULATORY SETS & LIAB ba | 21.08 EP REMOVE EIM bb | | 21.09 EP EH MOLECULAR EIGHT CABLE bc | 21.10 EP ENERGY MG SYSTEM (EM | | 21.11 EP REMOVE RB- SHUFFLETON bf | A | TOTAL PROFORMING DJUSTMENTS $e = \sum$ ad thru bd | PROFORMA RESULTS OF OPERATIONS bf = ac + be |
| 2 3 4 | OPERATING REVENUES SALES TO CUSTOMERS SALES FROM RESALE-FIRM/SPECIAL CONTRAC'I SALES TO OTHER UTILITIES OTHER OPERATING REVENUES | | | | | | | | | \$ | (6,392,695) 3,986 (146,289,483) (56,834,874) | \$ 2,000,253,295 332,313 9,043,639 82,968,305 |
| 7 | TOTAL OPERATING REVENUES OPERATING REVENUE DEDUCTIONS: | - | - | - | | - | | - | - | | (209,513,066) | 2,092,597,553 |
| 11 12 13 | POWER COSTS: FUEL PURCHASED AND INTERCHANGED WHEELING RESIDENTIAL EXCHANGE | | | | | | | | | \$ | (41,222,168) (100,879,192) (3,321,385) | \$ 164,015,325 499,500,694 112,486,393 |
| | TOTAL PRODUCTION EXPENSES | \$ - | \$ - \$ | - | \$ | - | \$ | - | \$ - | \$ | (145,422,744) | \$ 776,002,411 |
| 17 18 19 20 | OTHER POWER SUPPLY EXPENSES TRANSMISSION EXPENSE DISTRIBUTION EXPENSE CUSTOMER ACCTS EXPENSES CUSTOMER SERVICE EXPENSES | | | | | | | | | | (17,913,746) 488,386 2,247,363 (307,131) 67,859 | \$ 109,218,292 24,808,255 85,568,807 52,117,927 4,083,540 |
| 23 24 25 26 27 | CONSERVATION AMORTIZATION ADMIN & GENERAL EXPENSE DEPRECIATION AMORTIZATION AMORTIZ OF PROPERTY GAIN/LOSS OTHER OPERATING EXPENSES | 13,521,272 | (6,016,034) (5,503,100) | (5,669,283 | 3) | 1,025,231 | 3,145, | 055 | (57,000) |) | 2,219,348 5,224,554 6,319,865 7,505,238 4,409,175 | 127,797,157 349,988,313 97,312,080 43,150,399 14,209,399 |
| 29 30 | ASC 815 TAXES OTHER THAN INCOME TAXES INCOME TAXES DEFERRED INCOME TAXES | (2,839,467) | 2,419,018 | 1,190,550 |) | (215,298) | (660, | 462) | 11,970 | | (1,197,546) (15,005,122) (9,006,372) | 86,621,923 68,556,928 (60,815,173) |
| | - | \$ 10,681,805 | \$ (9,100,115) \$ | (4,478,734 | 1) \$ | 809,932 | \$ 2,484, | 594 | \$ (45,030) | \$ | (160,370,873) | \$ 1,778,620,260 |
| 34 | NET OPERATING INCOME | \$ (10,681,805) | \$ 9,100,115 \$ | 4,478,734 | \$ | (809,932) | \$ (2,484, | 594) | \$ 45,030 | \$ | (49,142,193) | \$ 313,977,292 |
| 35 36 37 | RATE BASE | \$ - | \$ (23,391,892) \$ | (3,321,470 |)) \$ | 34,322,392 | \$ 4,143, | 549 | \$ (550,000) | \$ | 148,314,669 | \$ 5,510,161,281 |
| 39 | RATE OF RETURN | | | | | | | | | | | 5.70% |
| 41 42 43 44 45 | RATE BASE: GROSS UTILITY PLANT IN SERVICE ACCUM DEPR AND AMORT DEFERRED DEBITS AND CREDITS DEFERRED TAXES ALLOWANCE FOR WORKING CAPITAL | | \$ (31,039,847) 7,647,955 | (16,990,239 12,688,075 980,694 | 5 | 36,082,402 (1,470,355) (289,654) | \$ 9,767, (5,377, (246, | 313) | \$ (3,209,000) 2,659,000 | \$ | 159,316,020 (10,136,430) (1,738,409) 873,488 | \$ 11,053,095,532 (4,434,528,024) 271,405,694 (1,409,096,358) 137,375,216 |
| 46 47 | OTHER TOTAL RATE BASE | \$ - | \$ (23,391,892) \$ | (3,321,470 |)) \$ | 34,322,392 | \$ 4,143, | 549 | \$ (550,000) | \$ | 148,314,669 | \$ (108,090,779) 5,510,161,281 |

ELECTRIC

ELECTRIC

ELECTRIC

ELECTRIC

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

| LINE NO. | DESCRIPTION | ACTUAL RESULTS OF PPERATIONS a | ESTATING DJUSTMENTS b | RESTATED RESULTS OF OPERATIONS c = a + b | | PROFORMA DJUSTMENTS d | R | ADJUSTED RESULTS OF PERATIONS e = c + d | C | ET REVENUE CHANGE TO ASE RATES f | AFTER RATE INCREASE g = e + f |
|-------------|---|---|-----------------------------|---|------------|-----------------------------|----|---|----|---|-------------------------------|
| 1 | OPERATING REVENUES | | | | | | | | | | |
| | SALES TO CUSTOMERS | \$ 876,657,676 | \$ (151,442,424) | \$ 725,215,251 | \$ | 25,586,673 | \$ | 750,801,924 | \$ | 88,095,896 | \$ 838,897,820 |
| | MUNICIPAL ADDITIONS | - (2.5.000.000) | - | - | | - (0.054.050) | | - | | | - |
| 4 5 | OTHER OPERATING REVENUES TOTAL OPERATING REVENUES | (25,909,999) 850,747,677 | 46,115,262 (105,327,163) | 20,205,263 745,420,514 | | (9,854,969) 15,731,704 | | 10,350,294 | | 88,095,896 | 10,350,294 |
| 6 | TOTAL OPERATING REVENUES | 830,747,077 | (103,327,103) | 743,420,314 | | 13,/31,/04 | | 761,152,218 | | 88,093,890 | 849,248,114 |
| 7 | OPERATING REVENUE DEDUCTIONS: | | | | | | | | | | |
| 8 | OF ENTITIES REVERSE BEBUUTIONS. | | | | | | | | | | |
| | GAS COSTS: | | | | | | | | | | |
| 10 | | | | | | | | | | | |
| 11 | PURCHASED GAS | 296,699,052 | (19,369,201) | 277,329,851 | | 15,518,806 | | 292,848,657 | | | 292,848,657 |
| 12 | | - | - | - | | - | | - | | | <u> </u> |
| 13 | TOTAL PRODUCTION EXPENSES | \$ 296,699,052 | \$ (19,369,201) | \$ 277,329,851 | \$ | 15,518,806 | \$ | 292,848,657 | | - | \$ 292,848,657 |
| 14 | | | | | | | | | | | |
| | OTHER POWER SUPPLY EXPENSES | \$ 6,042,805 | \$ 18,584 | | \$ | 110,776 | \$ | 6,172,165 | | | \$ 6,172,165 |
| | TRANSMISSION EXPENSE | 2,111 | - | 2,111 | | 58 | | 2,169 | | | 2,169 |
| | DISTRIBUTION EXPENSE | 60,174,168 | 523,457 | 60,697,625 | | 1,628,823 | | 62,326,449 | | | 62,326,449 |
| | CUSTOMER ACCTS EXPENSES | 29,807,452 | (133,990) | 29,673,461 | | 24,677 | | 29,698,139 | | 451,403 | 30,149,542 |
| | CUSTOMER SERVICE EXPENSES | 6,574,431 | (4,811,195) | 1,763,236 | | 31,612 | | 1,794,848 | | | 1,794,848 |
| | CONSERVATION AMORTIZATION | 14,625,833 | (14,625,833) | 50 702 204 | | - | | | | 176 102 | |
| | ADMIN & GENERAL EXPENSE DEPRECIATION | 57,249,535 116,957,731 | 2,453,749 4,136,956 | 59,703,284 | | 904,880 | | 60,608,164 | | 176,192 | 60,784,355 |
| | AMORTIZATION | | | 121,094,686 34,307,586 | | 1,609,715 | | 122,704,401 38,825,168 | | | 122,704,401 38,825,168 |
| | AMORTIZATION AMORTIZ OF PROPERTY GAIN/LOSS | 26,117,570 | 8,190,016 | 34,307,380 | | 4,517,582 | | 36,623,106 | | | 36,623,106 |
| | OTHER OPERATING EXPENSES | 8,769,361 | - | 8,769,361 | | 7,109,782 | | 15,879,143 | | | 15,879,143 |
| | ASC 815 | 6,709,301 | | 6,709,301 | | 7,109,782 | | 13,679,143 | | | 13,679,143 |
| | TAXES OTHER THAN INCOME TAXES | 101,477,297 | (65,981,963) | 35,495,333 | | 843,395 | | 36,338,729 | | 3,376,099 | 39,714,828 |
| | INCOME TAXES | 31,944,159 | (27,474,214) | 4,469,945 | | (3,296,660) | | 1,173,284 | | 17,659,351 | 18,832,635 |
| | DEFERRED INCOME TAXES | (9,558,131) | 10,081,450 | 523,320 | | (722,630) | | (199,311) | | 17,005,001 | (199,311) |
| | TOTAL OPERATING REV. DEDUCT. | \$ 746,883,373 | \$ | \$ 639,891,187 | \$ | | \$ | 668,172,004 | \$ | 21,663,045 | \$ 689,835,049 |
| 31 | | | | | | <u> </u> | | | | | <u> </u> |
| 32 | NET OPERATING INCOME | \$ 103,864,304 | \$ 1,665,023 | \$ 105,529,327 | \$ | (12,549,113) | \$ | 92,980,214 | \$ | 66,432,851 | \$ 159,413,065 |
| 33 | | | | | | | | | | | |
| 34 | RATE BASE | \$ 1,951,252,143 | \$ 140,821,989 | \$ 2,092,074,132 | \$ | 50,574,593 | \$ | 2,142,648,725 | | | \$ 2,142,648,725 |
| 35 | | | | | | | | | | | |
| 36 | RATE OF RETURN | 5.32% | | 5.04% | · | | | 4.34% | | | 7.44% |
| 37 | | | | | ` | | | | | | |
| 38 | RATE BASE: | | | | | | | | | | |
| 39 | GROSS UTILITY PLANT IN SERVICE | \$ 4,100,600,279 | 200,226,770 | | | 58,735,319 | | 4,359,562,368 | | | \$ 4,359,562,368 |
| 40 | ACCUMULATED DEPRECIATION | (1,569,795,173) | (67,842,753) | (1,637,637,927) | | (14,428,183) | | (1,652,066,109) | | | (1,652,066,109) |
| 41 | ACCUMULATED DEFERRED FIT - LIBERALIZED | (604,032,301) | 6,355,142 | (597,677,159) | | (8,139,611) | | (605,816,770) | | | (605,816,770) |
| 42 | DEPRECIATION AND OTHER LIABILITIES | (29,952,462) | 2,958,805 | (26,993,657) | | (77,024) | | (27,070,681) | | | (27,070,681) |
| 43 | ALLOWANCE FOR WORKING CAPITAL | 54,431,800 | (875,974) | 53,555,826 | | - | | 53,555,826 | | | 53,555,826 |
| 44 | OTHER TOTAL PATE PAGE | e1 051 252 142 | - #140.921.000 | #2.002.074.122 | . e | 14,484,092 | | 14,484,092 | | | 14,484,092 |
| 45 | TOTAL RATE BASE | \$1,951,252,143 | \$140,821,989 | \$2,092,074,132 | ۷ ۵ | 50,574,593 | | \$2,142,648,725 | | | \$2,142,648,725 |

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

| 12 M | IONTHS ENDED DECEMBER 31, 2018 | | | | | | | | | | | | | | | | | | | | |
|-------------|---|----|----------------------------------|----|------------------|-------------------------|----|----------------------------|----|---|----|--------------------------|----|------------------|---------------------------------------|------|--------------------|---------------------|------|---------------------|--------|
| | | | | | OMMON STATING | COMMON RESTATING | | OMMON STATING | | COMMON ESTATING | | COMMON RESTATING | | OMMON STATING | COMMON RESTATING | | COMMON ESTATING | COMMON RESTATING | 3 | COMMO RESTATI | |
| | | | ACTUAL | | 0.01 GR | 20.02 GR | | 0.03 GR | | 20.04 GR | | 20.05 GR | | 0.06 GR | 20.07 GR | | 20.08 GR | reversing 20.09 GR | | eversing 20.10 G | |
| LINE NO. | | | RESULTS OF PERATIONS | | | TEMPERATURE ORMALIZATIO | | EDERAL OME TAX | | BENEFIT OF NTEREST | | ASS-THROUGH REV & EXP | | URIES & MAGES | BAD DEBTS | IN | NCENTIVE PAY | EXCISE TA | | D&O | |
| NO. | | · | a | αı | b | c c | п | d d | 11 | e | | f | DA | g | h | | i | i | E IE | k | ·CE |
| | OPERATING REVENUES | | | | | | | | | | | | | Ü | | | | , | | | |
| | SALES TO CUSTOMERS | \$ | 876,657,676 | \$ | (45,678,174) | \$ 71,805 | | | | | \$ | (105,836,056) | | | | | | | | | |
| | MUNICIPAL ADDITIONS OTHER OPERATING REVENUES | | (25,909,999) | | 2,691,479 | | | | | | | 43,423,783 | | | | | | | | | |
| | TOTAL OPERATING REVENUES | | 850,747,677 | | (42,986,695) | 71,805 | | - | | - | | (62,412,273) | | - | - | | - | - | | | - |
| 6 7 | OPERATING REVENUE DEDUCTIONS: | | | | | | | | | | | | | | | | | | | | |
| 8 | a. a | | | | | | | | | | | | | | | | | | | | |
| 9 10 | GAS COSTS: | | | | | | | | | | | | | | | | | | | | |
| | PURCHASED GAS | \$ | 296,699,052 | | (42,859,497) | | | | | | | 23,490,296 | | | | | | | | | |
| 12 | | | | | | | | | | | | | | | | | | | | | |
| 13 14 | TOTAL PRODUCTION EXPENSES | \$ | 296,699,052 | \$ | (42,859,497) | \$ - | \$ | - | \$ | - | \$ | 23,490,296 | \$ | - \$ | - | \$ | - | \$ - | . : | 5 | - |
| | OTHER POWER SUPPLY EXPENSES | \$ | 6,042,805 | | | | | | | | | | | | | \$ | 12,295 | | | | |
| | TRANSMISSION EXPENSE | | 2,111 | | | | | | | | | | | | | | - | | | | |
| | DISTRIBUTION EXPENSE CUSTOMER ACCTS EXPENSES | | 60,174,168 29,807,452 | | (220,264) | 368 | | | | | | (319,800) | | | 158,771 | | 120,834 29,476 | | | | |
| | CUSTOMER ACCTS EAFENSES CUSTOMER SERVICE EXPENSES | | 6,574,431 | | (220,204) | 300 | | | | | | (4,814,957) | | | 136,771 | | 3,037 | | | | |
| | CONSERVATION AMORTIZATION | | 14,625,833 | | | | | | | | | (14,625,833) | | | | | -, | | | | |
| | ADMIN & GENERAL EXPENSE | | 57,249,535 | | (85,973) | 144 | | | | | | (124,825) | | 1,590,277 | | | 51,936 | 54,1 | 98 | (4 | 4,849) |
| | DEPRECIATION | | 116,957,731 | | | | | | | | | | | | | | | | | | |
| | AMORTIZATION AMORTIZ OF PROPERTY GAIN/LOSS | | 26,117,570 | | | | | | | | | | | | | | | | | | |
| | OTHER OPERATING EXPENSES | | 8,769,361 | | | | | | | | | | | | | | | | | | |
| 26 | ASC 815 | | | | | | | | | | | | | | | | | | | | |
| | TAXES OTHER THAN INCOME TAXES | | 101,477,297 | | (1,647,379) | 2,752 | | (4.4. 0.000 0.40) | | | | (64,229,662) | | (222.020) | | | 19,256 | (142,6 | | | |
| | INCOME TAXES DEFERRED INCOME TAXES | | 31,944,159 (9,558,131) | | 383,548 | 14,394 | , | (11,297,869) 10,081,450 | | (12,916,466) | | (375,373) | | (333,958) | (33,342 |) | (49,735) | 18,5 | // | 1 | 1,018 |
| | TOTAL OPERATING REV. DEDUCT. | \$ | 746,883,373 | \$ | (44,429,566) | \$ 17,657 | \$ | (1,216,419) | \$ | (12,916,466) | \$ | (61,000,154) | \$ | 1,256,319 \$ | 125,429 | \$ | 187,098 | \$ (69,8 | 86) | 6 (3 | 3,831) |
| 31 | | | , i | | | | | | | • | | | | | · · · · · · · · · · · · · · · · · · · | | | | , | | |
| | NET OPERATING INCOME | \$ | 103,864,304 | \$ | 1,442,871 | \$ 54,148 | \$ | 1,216,419 | \$ | 12,916,466 | \$ | (1,412,119) | \$ | (1,256,319) \$ | (125,429 |) \$ | (187,098) | \$ 69,8 | 86 | 5 3 | 3,831 |
| 33 | RATE BASE | \$ | 1,951,252,143 | ¢. | _ | \$ - | ¢. | _ | ¢ | | \$ | _ | ¢ | - \$ | | \$ | _ | ¢ | - : | | |
| 35 | RATE BASE | Э | 1,951,252,145 | Э | - | 5 - | Э | - | Э | - | Э | - | Э | - 3 | - | Э | - | \$ | - , | • | - |
| | RATE OF RETURN | | 5.32% | | | | | | | | | | | | | | | | | | |
| 37 | | | | | | | | | | | | | | | | | | | | | |
| | RATE BASE: | | | | | | | | | | | | | | | | | | | | |
| 39 40 | GROSS UTILITY PLANT IN SERVICE ACCUMULATED DEPRECIATION | \$ | 4,100,600,279 (1,569,795,173) | | | | | | | | | | | | | | | | | | |
| 40 | ACCUMULATED DEFERRED FIT - LIBER | ξ. | (604,032,301) | | | | | | | | | | | | | | | | | | |
| 42 | DEPRECIATION AND OTHER LIABILITIE | | (29,952,462) | | | | | | | | | | | | | | | | | | |
| 43 | ALLOWANCE FOR WORKING CAPITAL | | 54,431,800 | | | | | | | | | | | | | | | | | | |
| | OTHER TOTAL RATE BASE | \$ | 1,951,252,143 | ¢ | | \$ - | ¢ | | ¢ | | S | - | ¢ | - \$ | | \$ | | ¢ | - ; | | |
| 43 | TOTAL RATE DASE | Þ | 1,731,434,143 | à | | φ - | Ф | - | φ | | Ф | | Ф | - 3 | | Э | - | φ | - : | , | |

PUGET SOUND ENERGY NATURAL GAS STATEMENT OF OPERATING INCOMI AND ADJUSTMENTS 2019 GENERAL RATE CASE 12 MONTHS ENDED DECEMBER 31, 2018

| | | OMMON STATING | COMMON RESTATING | COMMON RESTATING | COMMON RESTATING | COMMON RESTATING | COMMON RESTATING | COMMON RESTATING | COMMON RESTATING | COMMON RESTATING | COMMON RESTATING | COMMON RESTATING | | |
|--|----|----------------------------|----------------------------------|-----------------------------|--------------------------------|---------------------|--------------------------------|-----------------------------------|--|--|---------------------|---------------------------------------|---|--|
| NE DESCRIPTION D. | | 0.11 GR CUST DEP INT | 20.12 GR RATE CASE EXPENSE | 20.13 GR PENSION PLAN | 20.14 GR PROP & LIAB INS | PAYROLL TAX | 20.16 GR INVESTMENT PLAN | 20.17 GR EMPLOYEE INSURANCE | 20.18 GR AMA TO EOP RATE BASE | 20.19 GR AMA TO EOP DEPRECIATION | RENT EXP | 20.30 GR REMOVE GREEN DIRECT RB | TOTAL RESTATING ADJUSTMENTS $v = \sum b \text{ through } u$ | RESULTS OF OPERATIONS w = a + v |
| OPERATING REVENUES SALES TO CUSTOMERS MUNICIPAL ADDITIONS OTHER OPERATING REVENUES | | 1 | m | n | 0 | p | q | r | s | t | u | | \$ (151,442,424 46,115,262 | \$ 725,215,251 |
| TOTAL OPERATING REVENUES OPERATING REVENUE DEDUCTIONS: | | - | - | - | - | - | - | - | - | - | - | - | (105,327,163 | 745,420,514 |
| GAS COSTS: 1 PURCHASED GAS 2 | | | | | | | | | | | | | \$ (19,369,201 | 277,329,851 |
| 3 TOTAL PRODUCTION EXPENSES 4 | \$ | - S | = | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | s - | \$ - | \$ (19,369,201 | \$ 277,329,851 |
| 5 OTHER POWER SUPPLY EXPENSES 6 TRANSMISSION EXPENSE 7 DISTRIBUTION EXPENSE | | | | | | 6,288 402,623 | | | | | | | 18,584 523,457 | 2,111 |
| 8 CUSTOMER ACCTS EXPENSES 9 CUSTOMER SERVICE EXPENSES 0 CONSERVATION AMORTIZATION | | 204,504 | | | | 12,956 724 | | | | | | | (133,990 (4,811,195 (14,625,833 | 29,673,461 1,763,236 |
| ADMIN & GENERAL EXPENSE DEPRECIATION AMORTIZATION AMORTIZ OF PROPERTY GAIN/LOSS | | | 554,529 | 975,254 | 66,641 | 16,612 | 5,304 | 13,475 | | 4,136,956 8,190,016 | (658,974 |) | 2,453,749 4,136,956 8,190,016 | 121,094,686 34,307,586 |
| 5 OTHER OPERATING EXPENSES 6 ASC 815 7 TAXES OTHER THAN INCOME TAXES 8 INCOME TAXES | | | (116,451) | (204,803 |) (13,995 | 15,731 | (1.114) | (2,830) | | (2,588,664) | 138,384 | | (65,981,963 (27,474,214 | |
| 9 DEFERRED INCOME TAXES | | | | | | | (1,114) | | | | | | 10,081,450 | 523,320 |
| 0 TOTAL OPERATING REV. DEDUCT. 1 | \$ | 204,504 \$ | 438,078 | \$ 770,451 | \$ 52,646 | \$ 359,399 | \$ 4,190 | \$ 10,645 | \$ - | \$ 9,738,308 | \$ (520,589 |) \$ - | \$ (106,992,186 | 639,891,187 |
| 2 NET OPERATING INCOME 3 | \$ | (204,504) \$ | (438,078) | \$ (770,451 |) \$ (52,646 |) \$ (359,399) | \$ (4,190) | \$ (10,645) | \$ - | \$ (9,738,308) | \$ 520,589 | \$ - | \$ 1,665,023 | \$ 105,529,327 |
| 4 RATE BASE 5 | \$ | - \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 150,665,688 | \$ (9,738,308) | s - | \$ (105,392) | \$ 140,821,989 | \$ 2,092,074,132 |
| 6 RATE OF RETURN 7 8 RATE BASE: | | | | | | | | | | | | | | 5.04% |
| 8 RALE BASE: 9 GROSS UTILITY PLANT IN SERVICE 0 ACCUMULATED DEPRECIATION 1 ACCUMULATED DEFERRED FIT - LIBERALIZEI 2 DEPRECIATION AND OTHER LIABILITIES 3 ALLOWANCE FOR WORKING CAPITAL 4 OTHER |) | | | | | | | | \$ 200,340,093 (55,515,782 3,758,546 2,958,805 \$ (875,974.29) |) (12,326,972) 2,588,664 | | \$ (113,323) 7,932 | \$ 200,226,770 (67,842,753 6,355,142 2,958,805 \$ (875,974.29 | (1,637,637,927) (597,677,159) (26,993,657) |
| 5 TOTAL RATE BASE | \$ | - \$ | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 150,665,688 | \$ (9,738,308) | \$ - | \$ (105,392) | \$ 140,821,989 | \$ 2,092,074,132 |

PUGET SOUND ENERGY NATURAL GAS STATEMENT OF OPERATING INCOM AND ADJUSTMENTS

| 2019 GENERAL RATE CASE | |
|-----------------------------------|--|
| 12 MONTHS ENDED DECEMBER 31, 2018 | |

| 12.11 | ONTHS EADED DECEMBER 31, 2010 | PROFC | RMA | COMMON PROFORMA 20.02 GP | COMMON PROFORMA 20.04 GP | COMMON PROFORMA reversing 20.09 GP | COMMON PROFORMA reversing 20.10 GP | COMMON PROFORMA 20.14 GP | COMMON PROFORMA 20.15 GP | COMMON PROFORMA 20.16 GP | COMMON PROFORMA 20.17 GP | COMMON PROFORMA 20.20 GP | COMMON PROFORMA 20.21 GP | COMMON PROFORMA 20.22 GP |
|----------|---|---------|----------------------|--------------------------------|--------------------------------|------------------------------------|------------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|---|
| LINE | DESCRIPTION | REVE | | TEMPERATURE | | | D&O | PROPERTY & | WAGE | INVESTMENT | | DEFERRED G/L | ENVIRON | . 3.07 |
| NO. | | & EXPI | | NORMALIZATION y | z Z | aa aa | INSURANCE ab | LIABILITY INS ac | INCREASE ad | PLAN ae | af | PROPERTY SALES | ah | AMI ai |
| 2 3 | OPERATING REVENUES SALES TO CUSTOMERS MUNICIPAL ADDITIONS OTHER OPERATING REVENUES | \$ | 50,971 354,969) | \$ 32,516,223 | | | | | | | | C | | |
| | TOTAL OPERATING REVENUES | | 303,998) | | - | - | - | - | - | - | - | - | - | - |
| 7 | OPERATING REVENUE DEDUCTIONS: GAS COSTS: | | | | | | | | | | | | | |
| 10 | PURCHASED GAS | | | 15,518,806 | | | | | | | | | | |
| | TOTAL PRODUCTION EXPENSES | \$ | - | \$ 15,518,806 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 16 | OTHER POWER SUPPLY EXPENSES TRANSMISSION EXPENSE DISTRIBUTION EXPENSE | | | | | | | | 110,732 1,350,206 | | | | | |
| 19 | CUSTOMER ACCTS EXPENSES CUSTOMER SERVICE EXPENSES CONSERVATION AMORTIZATION | • | (50,236) | 166,613 | | | - | | 274,377 31,612 | | | | | |
| 22 23 | ADMIN & GENERAL EXPENSE DEPRECIATION AMORTIZATION AMORTIZ OF PROPERTY GAIN/LOSS | • | (19,608) | 65,032 | | (54,198) | 4,849 | 30,988 | 552,919 | 117,536 | 390,546 | | | 1,487,157 |
| 25 26 | OTHER OPERATING EXPENSES ASC 815 | | | | | | | | | | | (91,958) | 856,891 | 2,298,433 |
| 28 | TAXES OTHER THAN INCOME TAXES INCOME TAXES DEFERRED INCOME TAXES | | 375,719) 965,271) | | 182,704 | 142,661 (18,577) | (1,018 | (6,507) | 97,848 (507,716) | (24,683) | (82,015 |) 19,311 | (179,947) | (794,974) |
| | TOTAL OPERATING REV. DEDUCT. | \$ (2,4 | 10,834) | \$ 20,255,698 | \$ 182,704 | \$ 69,886 | | | \$ 1,909,978 | \$ 92,854 | \$ 308,532 | \$ (72,647) | \$ 676,944 | \$ 2,990,616 |
| | NET OPERATING INCOME | \$ (7,3 | 393,164) | \$ 12,260,525 | \$ (182,704) | | | 0 (24,480) | \$ (1,909,978) | \$ (92,854) | \$ (308,532 |) \$ 72,647 | \$ (676,944) | \$ (2,990,616) |
| | RATE BASE | \$ | - | \$ - | \$ - | \$ - | \$ | - \$ | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 27,075,365 |
| 37 | RATE OF RETURN RATE BASE: | | | | | | | | | | | | | moved deferral to other |
| | GROSS UTILITY PLANT IN SERVICE ACCUMULATED DEPRECIATION ACCUMULATED DEFERRED FIT - LIBERALIZED DEPRECIATION AND OTHER LIABILITIES ALLOWANCE FOR WORKING CAPITAL | | | | | | | | | | | | | \$ 29,612,614 (2,033,181) (5,273,805) |
| 44 | OTHER | \$ | | \$ - | \$ - | \$ - | \$ - | · \$ - | • | \$ - | \$ - | \$ - | \$ - | 4,769,737 \$ 27,075,365 |
| 43 | TOTAL MATE DASE | Ģ | | φ - | - ب | - ب | ٠ - | - ب | ٠ - | φ - | ٠ - | φ - | ٠ - | φ <u>21,013,303</u> |

PUGET SOUND ENERGY NATURAL GAS STATEMENT OF OPERATING INCOMAND ADJUSTMENTS 2019 GENERAL RATE CASE 12 MONTHS ENDED DECEMBER 31, 2018

| | | | | COMMON ROFORMA | COMMON PROFORMA | COMMON PROFORMA | | COMMON ROFORMA | COMMON PROFORMA | COMMON PROFORMA | GAS PROFORMA | GA PROFO | | | | |
|----------------------|---|-----|--|--|--|---|------|--------------------------------------|---|--|------------------------------------|--------------------|---------------------------|---|----|---|
| LINE NO. | DESCRIPTION | ANN | . <mark>23 GP</mark> UALIZE NT EXP aj | 20.24 GP GTZ ak | 20.25 GP CREDIT CARD AMORT al | 20.26 GP REMOVE UNPRO TECTED DFIT am |)- F | 20.27 GP PUBLIC ROVEMENT an | 20.28 GP CONTRACT ESCALATIONS ao | 20.29 GP HR TOP ap | 8.01 GP REMOVE 2018 CRM | 8.02 SCH. CR | . 149 :M | TOTAL PROFORMING ADJUSTMENTS as \(\sum \text{x} \) thru ar |] | PROFORMA'D RESULTS OF OPERATIONS at = w + as |
| 2 S 3 N | PERATING REVENUES ALES TO CUSTOMERS IUNICIPAL ADDITIONS ITHER OPERATING REVENUES | | aj | ак | ai | ani | | an | au | ар | ач | | 980,521) | _ | | 750,801,924 - 10,350,294 |
| 5 T 6 7 C 8 | OTAL OPERATING REVENUES PERATING REVENUE DEDUCTIONS: SAS COSTS: | | - | - | - | - | | - | - | - | - | (6,9 | 980,521) | 15,731,704 | | 761,152,218 |
| 10 11 P 12 | URCHASED GAS | | | | | | | | | | | | | \$ - 15,518,806 | \$ | 292,848,657 |
| 13 T 14 | OTAL PRODUCTION EXPENSES | \$ | - \$ | - | \$ - | \$ - | \$ | - | \$ - | \$ - | | \$ | - | \$ 15,518,806 | \$ | 292,848,657 |
| 16 Т 17 Г | THER POWER SUPPLY EXPENSES RANSMISSION EXPENSE SISTRIBUTION EXPENSE USTOMER ACCTS EXPENSES | | | | (435,568) | | | | \$ 44 58 278,618 105,258 | | | | (35,768) | 110,776 58 1,628,823 24,677 | \$ | 6,172,165 2,169 62,326,449 29,698,139 |
| 19 C 20 C | USTOMER SERVICE EXPENSES ONSERVATION AMORTIZATION DMIN & GENERAL EXPENSE | | (169,825) | | (100,000) | | | | 601 | | | | (13,961) | 31,612 - 904,880 | | 1,794,848 |
| 23 A | DEPRECIATION MORTIZATION MORTIZ OF PROPERTY GAIN/LOSS | | | 4,150,710 | | | | 162,102 | | 366,872 | (39,544) | | - | 1,609,715 4,517,582 | | 122,704,401 38,825,168 |
| 26 A | THER OPERATING EXPENSES SC 815 | | | 4,046,417 | | | | | | | | | | 7,109,782 | | 15,879,143 |
| 28 II 29 II | AXES OTHER THAN INCOME TAXES NCOME TAXES DEFERRED INCOME TAXES | | 35,663 | (1,721,397) | | (722,630 | _ | (34,041) | (80,762) | (77,043) | 8,304 | (1,3 | 267,515) 399,288) | (3,296,660) (722,630) |) | 36,338,729 1,173,284 (199,311) |
| 30 T 31 | OTAL OPERATING REV. DEDUCT. | \$ | (134,162) \$ | 6,475,730 | \$ (344,098) | \$ (722,630) |) \$ | 128,060 | \$ 303,817 | \$ 289,829 | \$ (31,240) | \$ (1, | 716,532) | \$ 28,280,817 | \$ | 668,172,004 |
| | ET OPERATING INCOME | \$ | 134,162 \$ | (6,475,730) | \$ 344,098 | \$ 722,630 | \$ | (128,060) | \$ (303,817) | \$ (289,829) | \$ 31,240 | \$ (5,2 | 263,989) | \$ (12,549,113) | \$ | 92,980,214 |
| | ATE BASE | \$ | - \$ | 18,429,892 | \$ - | \$ 361,315 | \$ | 17,461,761 | \$ - | \$ 2,961,814 | \$ (9,327,511) | \$ (6,3 | 388,044) | \$ 50,574,593 | \$ | 2,142,648,725 |
| 37 | ATE OF RETURN ATE BASE: | | m | oved deferral to other | | | | | | | | | | | | 4.34% |
| 39 40 41 42 | ATE DASE. GROSS UTILITY PLANT IN SERVICE ACCUMULATED DEPRECIATION ACCUMULATED DEFERRED FIT - LIBERALIZED DEPRECIATION AND OTHER LIABILITIES ALLOWANCE FOR WORKING CAPITAL | \$ | - \$ - | 17,042,542 (6,021,196) (2,305,808) | | 361,315 | \$ | 17,789,425 (250,640) (77,024) | | \$ 3,668,717 (504,284) (202,619) | \$ (9,377,979) 39,544 10,925 | \$ (5,0 | - 658,425) 729,618) | \$ 58,735,319 (14,428,183) (8,139,611) (77,024) | | 4,359,562,368 (1,652,066,109) (605,816,770) (27,070,681) 53,555,826 |
| 44 | OTHER | | | 9,714,354 | Φ. | 0 261215 | Φ. | 17 461 761 | Φ. | A 2061.014 | © (0.227.511) | 0 (6) | 200.044 | 14,484,092 | Φ. | 14,484,092 |
| 45 T | OTAL RATE BASE | \$ | - \$ | 18,429,892 | \$ - | \$ 361,315 | \$ | 17,461,761 | \$ - | \$ 2,961,814 | \$ (9,327,511) | \$ (6,3 | 388,044) | \$ 50,574,593 | \$ | 2,142,648,725 |