

EXHIBIT NO. ___(KJB-17)
DOCKET NO. UE-121373
DOCKET NO. UE-121697/UG-121705
DOCKET NO. UE-130137/130138
WITNESS: KATHERINE J. BARNARD

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

<p>In the Matter of the Petition of PUGET SOUND ENERGY, INC. For Approval of a Power Purchase Agreement for Acquisition of Coal Transition Power, as Defined in RCW 80.80.010, and the Recovery of Related Acquisition Costs</p>	<p>DOCKET NO. 121373</p>
<p>In the Matter of the Petition of PUGET SOUND ENERGY, INC. and NW ENERGY COALITION For an Order Authorizing PSE to Implement Electric and Natural Gas Decoupling Mechanisms and to Record Accounting Entries Associated with the Mechanisms</p>	<p>DOCKET NOS. UE-121697and UG-121705 (Consolidated)</p>
<p>WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION, Complainant, v. PUGET SOUND ENERGY, INC., Respondent.</p>	<p>DOCKET NOS. UE-130137 and UG-130138 (Consolidated)</p>

**SIXTH EXHIBIT (NONCONFIDENTIAL) TO THE
PREFILED REBUTTAL TESTIMONY OF
KATHERINE J. BARNARD
ON BEHALF OF PUGET SOUND ENERGY, INC.**

*In Support of the Multiparty Settlement
Re: Coal Transition PPA and other Pending Dockets*

MAY 8, 2013

**PUGET SOUND ENERGY
 INCREMENTAL RATEBASE SUPPORTED BY CUSTOMER GROWTH
 ELECTRIC OPERATIONS**

	Customer Count (1)	ERF Based Ratebase adjusted for forecasted customer growth (col A X Line 3)	Incremental Ratebase supported by Customer Forecast	KJB-5 Incremental Plant additions adjusted for Plant ADIT	Forecasted Ratebase (Col E, Line 4 + Col D)	Forecasted Ratebase Excluding NOL (2)	Incremental Ratebase not supported by Customer Growth, excl NOL (Col F - Column B) (3)
	A	B	C	D	E	F	G
1 ERF Filed Electric Ratebase		2,621,992			2,621,992		
2 Customer Count @ 6/30/12	1,085,350	2,681,466	59,475	215,130	2,837,122	2,790,386	108,919
3 ERF Ratebase/Customer	\$ 2,415.80	2,730,728	49,262	74,661	2,911,783	2,865,046	134,318
		2,783,694	52,966	118,813	3,030,596	2,983,860	200,166
			<u>161,703</u>	<u>408,604</u>			
4 June 2012 Counts	1,085,350	2,621,992			2,621,992		
5 December 2013 Counts	1,109,969	2,681,466	59,475	215,130	2,837,122	2,790,386	108,919
6 December 2014 Counts	1,130,361	2,730,728	49,262	74,661	2,911,783	2,865,046	134,318
7 December 2015 Counts	1,152,285	2,783,694	52,966	118,813	3,030,596	2,983,860	200,166

- (1) Note--Forecasted Customer Counts for 2013, 2014 and 2015 have been adjusted to remove the effects of the transition of customers to JPUD
- (2) Column F adjusts Forecasted ratebase to assume that entire benefit of NOL is utilized in 2013.
 Removed \$46,736,039 benefit that was included in ERF ratebase
- (3) Positive value represents incremental ratebase values greater than those sustained through customer growth.

PUGET SOUND ENERGY
INCREMENTAL RATEBASE SUPPORTED BY CUSTOMER GROWTH
NATURAL GAS OPERATIONS

1	ERF Ratebase	\$ 1,592,297,567																																																															
2	Customer Count @ 6/30/12	762,931																																																															
3	ERF Cost/Customer	\$ 2,087.08																																																															
<table border="0" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;"></th> <th style="width: 15%;">Customer Count</th> <th style="width: 15%;">ERF Based Ratebase adjusted for forecasted customer growth (col A X Line 3)</th> <th style="width: 10%;">Incremental Ratebase supported by Customer Growth</th> <th style="width: 10%;">KJB-5 Incremental Plant additions adjusted for Plant ADIT</th> <th style="width: 10%;">Forecasted Ratebase (Col E, Line 4 + Col D)</th> <th style="width: 10%;">Forecasted Ratebase Excluding NOL (1)</th> <th style="width: 10%;">Incremental Ratebase not supported by Customer Growth, excl NOL (Col F - Column B) (2)</th> </tr> <tr> <th></th> <th style="text-align: center;">A</th> <th style="text-align: center;">B</th> <th style="text-align: center;">C</th> <th style="text-align: center;">D</th> <th style="text-align: center;">E</th> <th style="text-align: center;">F</th> <th style="text-align: center;">G</th> </tr> </thead> <tbody> <tr> <td>4</td> <td>June 2012 Counts</td> <td style="text-align: right;">1,592,298</td> <td style="text-align: right;">35,039</td> <td style="text-align: right;">173,432</td> <td style="text-align: right;">1,592,298</td> <td style="text-align: right;">1,718,057</td> <td style="text-align: right;">90,721</td> </tr> <tr> <td>5</td> <td>December 2013 Counts</td> <td style="text-align: right;">1,627,336</td> <td style="text-align: right;">35,039</td> <td style="text-align: right;">173,432</td> <td style="text-align: right;">1,765,730</td> <td style="text-align: right;">1,718,057</td> <td style="text-align: right;">90,721</td> </tr> <tr> <td>6</td> <td>December 2014 Counts</td> <td style="text-align: right;">1,656,869</td> <td style="text-align: right;">29,533</td> <td style="text-align: right;">40,492</td> <td style="text-align: right;">1,806,222</td> <td style="text-align: right;">1,758,549</td> <td style="text-align: right;">101,680</td> </tr> <tr> <td>7</td> <td>December 2015 Counts</td> <td style="text-align: right;">1,692,471</td> <td style="text-align: right;">35,602</td> <td style="text-align: right;">28,432</td> <td style="text-align: right;">1,834,654</td> <td style="text-align: right;">1,786,981</td> <td style="text-align: right;">94,510</td> </tr> <tr> <td></td> <td></td> <td></td> <td style="text-align: right;"><u>100,174</u></td> <td style="text-align: right;"><u>242,357</u></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>											Customer Count	ERF Based Ratebase adjusted for forecasted customer growth (col A X Line 3)	Incremental Ratebase supported by Customer Growth	KJB-5 Incremental Plant additions adjusted for Plant ADIT	Forecasted Ratebase (Col E, Line 4 + Col D)	Forecasted Ratebase Excluding NOL (1)	Incremental Ratebase not supported by Customer Growth, excl NOL (Col F - Column B) (2)		A	B	C	D	E	F	G	4	June 2012 Counts	1,592,298	35,039	173,432	1,592,298	1,718,057	90,721	5	December 2013 Counts	1,627,336	35,039	173,432	1,765,730	1,718,057	90,721	6	December 2014 Counts	1,656,869	29,533	40,492	1,806,222	1,758,549	101,680	7	December 2015 Counts	1,692,471	35,602	28,432	1,834,654	1,786,981	94,510				<u>100,174</u>	<u>242,357</u>			
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(1) Column F adjusts Forecasted ratebase to assume that entire benefit of NOL is utilized in 2013.

Removed \$47,672,881 benefit that was included in ERF ratebase

(2) Positive value represents incremental ratebase values greater than those sustained through customer growth.

**PUGET SOUND ENERGY
NON-PRODUCTION PLANT
ADJUSTED FOR ESTIMATED NON-PRODUCTION ADIT**

Line#	Jun 2012	Dec 2013	Dec 2014	Dec 2015
ELECTRIC				
1	Net Plant in Service change:			
2	4,559,129	4,889,820	5,045,430	5,257,492
3	(1,566,365)	(1,630,743)	(1,712,361)	(1,809,090)
4	2,992,763	3,259,077	3,333,068	3,448,402
5				
6		266,314	73,991	115,333
	Plant Related ADIT (Note 1)	51,184	(670)	(3,480)
	Incremental Net Plant less ADIT	215,130	74,661	118,813
GAS				
7	Net Plant in Service change:			
8	2,988,914	3,234,871	3,359,681	3,482,857
9	(1,066,033)	(1,114,146)	(1,202,624)	(1,301,998)
10	1,922,881	2,120,725	2,157,058	2,180,859
11				
12		197,844	36,332	23,802
	Plant Related ADIT (Note 1)	24,412	(4,160)	(4,630)
	Incremental Net Plant less ADIT	173,432	40,492	28,432

(Note 1) Source: PSE Response to Public Counsel Data Request No. 12 in UE-121697 and UG-121705.

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Docket No. UE-121697
Docket No. UG-121705
Puget Sound Energy, Inc. and NW Energy Coalition
Joint Petition for Approval of a Decoupling Mechanism**

PUBLIC COUNSEL DATA REQUEST NO. 012

PUBLIC COUNSEL DATA REQUEST NO. 012:

Re: Exhibit No. KJB-5.

Please provide an estimate of the projected changes in plant-related Accumulate Deferred Income Tax Reserves separately for electric and gas operations for each forecast period shown.

Response:

The estimated changes in non-production related accumulated depreciation for gas and electric operations are as follows:

	<u>2013</u>	<u>2014</u>	<u>2015</u>
Non-Production Electric Operations	51,184	(670)	(3,480)
Non-Production Gas Operations	24,412	(4,160)	(4,630)