

**QUARTERLY DECOUPLING REPORT**

**July 1, 2018, through September 30, 2018**

### Washington Decoupling Mechanism Calculation

Base for 9/15/17  
Jun-2015

		ACTUAL 12 mo ending			Calendar Year 2018			
					Deferral Year 3			
Line No.	Calculation	(3)	(5)	(6)	July (7)	August (8)	September (10)	Total (21)
(1)	(2)	(3)	(5)	(6)	201807	201808	201809	(21)
<b>SCH. 16 - Residential</b>								
(1)	Avg Customers		105,259		107,642	107,693	107,820	
(2)	Decoupled Revenue per Customer	\$	790.47		\$ 46.15	\$ 61.72	\$ 56.81	
(3)	Allowed Decoupled Revenue	\$	83,203,768	(1)*(2)	\$ 4,967,983	\$ 6,646,764	\$ 6,125,456	\$ 17,740,203
(4)	Actual kWh		1,569,786,637		111,536,257	134,299,314	102,120,686	347,956,257
(5)	Decoupled Revenue per kWh Rate	\$	0.05300		\$ 0.05300	\$ 0.05300	\$ 0.05300	
(6)	Actual Decoupled Revenue			(4)*(5)	\$ 5,911,782	\$ 7,118,298	\$ 5,412,727	\$ 18,442,807
<b>Year 3 Current</b>								
(7)	Deferral - (Surcharge)/Sur-credit			(6)-(3)	\$ 943,800	\$ 471,534	\$ (712,729)	\$ 702,604
(8)	Interest on Deferral*				\$ 1,888	\$ 4,726	\$ 4,156	\$ 10,769
(9)	Current Period Cumulative Deferral				\$ 945,687	\$ 1,421,947	\$ 713,373	\$ 713,373
(10)	2.5 % Deferral Trigger							\$ (2,080,094)
(11)	Trigger Threshold met?							YES
(12)	5% Cap							
(13)	5% Cap met?							NO
<b>Year 1 Amortization</b>								
(14)	Combined Carryover Deferral - (Surcharge)/Sur-credit				\$ 2,294,335	\$ 2,294,335	\$ 2,294,335	\$ 2,294,335
(15)	(Sur-credit)/Surcharge Distribution				\$ (242,034)	\$ (291,430)	\$ (221,602)	\$ (755,066)
(16)	Interest on Deferral*				\$ 8,693	\$ 7,661	\$ 6,499	\$ 22,853
(17)	Cumulative Year 1 Deferral Balance				\$ 2,060,994	\$ 1,777,225	\$ 1,562,122	\$ 1,562,122
<b>Year 2 Amortization</b>								
(18)	Carryover Deferral - (Surcharge)/Sur-credit				\$ (2,281,867)	\$ (2,281,867)	\$ (2,281,867)	\$ (2,281,867)
(19)	Application of Excess Earnings				\$ -	\$ -	\$ -	\$ -
(20)	(Sur-credit)/Surcharge Distribution				\$ -	\$ -	\$ -	\$ -
(21)	Interest on Deferral*				\$ (9,127)	\$ (9,164)	\$ (8,971)	\$ (27,262)
(22)	Cumulative Year 2 Deferral Balance				\$ (2,290,994)	\$ (2,300,158)	\$ (2,309,129)	\$ (2,309,129)
(23)	Total Cumulative Deferral Balance - All Years				\$ 715,687	\$ 899,014	\$ (33,633)	\$ (33,633)
<b>SCH. 24 - Small General Service (&lt;100 kW)</b>								
(1)	Avg Customers		19,046		19,876	19,908	19,925	
(2)	Decoupled Revenue per Customer	\$	1,602		\$ 131.35	\$ 151.48	\$ 140.66	
(3)	Allowed Decoupled Revenue	\$	30,520,871	(1)*(2)	\$ 2,610,781	\$ 3,015,697	\$ 2,802,562	\$ 8,429,041
(4)	Actual kWh		536,266,600		47,447,284	54,691,541	48,036,751	150,175,576
(5)	Decoupled Revenue per kWh Rate	\$	0.05691		\$ 0.05691	\$ 0.05691	\$ 0.05691	
(6)	Actual Decoupled Revenue			(4)*(5)	\$ 2,700,396	\$ 3,112,693	\$ 2,733,945	\$ 8,547,035
<b>Year 3 Current</b>								
(7)	Deferral - (Surcharge)/Sur-credit			(6)-(3)	\$ 89,615	\$ 96,997	\$ (68,617)	\$ 117,995
(8)	Interest on Deferral*				\$ 179	\$ 553	\$ 597	\$ 1,329
(9)	Current Period Cumulative Deferral				\$ 89,794	\$ 187,344	\$ 119,324	\$ 119,324
(10)	2.5 % Deferral Trigger							\$ (763,022)
(11)	Trigger Threshold met?							NO
(12)	5% Cap							
(13)	5% Cap met?							NO
<b>Year 1 Amortization</b>								
(14)	Combined Carryover Deferral - (Surcharge)/Sur-credit				\$ 644,521	\$ 644,521	\$ 644,521	\$ 644,521
(15)	(Sur-credit)/Surcharge Distribution				\$ -	\$ -	\$ -	\$ -
(16)	Interest on Deferral*				\$ 2,578	\$ 2,588	\$ 2,534	\$ 7,700
(17)	Cumulative Year 1 Deferral Balance				\$ 647,100	\$ 649,688	\$ 652,222	\$ 652,222
<b>Year 2 Amortization</b>								
(18)	Carryover Deferral - (Surcharge)/Sur-credit				\$ (272,450)	\$ (272,450)	\$ (272,450)	\$ (272,450)
(19)	Application of Excess Earnings				\$ -	\$ -	\$ -	\$ -
(20)	(Sur-credit)/Surcharge Distribution				\$ -	\$ -	\$ -	\$ -
(21)	Interest on Deferral*				\$ (1,090)	\$ (1,094)	\$ (1,071)	\$ (3,255)
(22)	Cumulative Year 2 Deferral Balance				\$ (273,540)	\$ (274,634)	\$ (275,705)	\$ (275,705)
(23)	Total Cumulative Deferral Balance - All Years				\$ 463,354	\$ 562,398	\$ 495,840	\$ 495,840
<b>SCH. 36 - Large General Service (&gt;100 kW, &lt;1,000 kW)</b>								
(1)	Avg Customers		1,086		1,072	1,073	1,072	
(2)	Decoupled Revenue per Customer	\$	41,850		\$ 3,110.19	\$ 3,407.01	\$ 3,809.79	
(3)	Allowed Decoupled Revenue	\$	45,442,709	(1)*(2)	\$ 3,334,119	\$ 3,655,726	\$ 4,084,094	\$ 11,073,939
(4)	Actual kWh		928,614,078		77,273,519	82,009,314	88,713,210	247,996,043
(5)	Decoupled Revenue per kWh Rate	\$	0.04894		\$ 0.04894	\$ 0.04894	\$ 0.04894	
(6)	Actual Decoupled Revenue			(4)*(5)	\$ 3,781,461	\$ 4,013,212	\$ 4,341,274	\$ 12,135,948
<b>Year 3 Current</b>								
(7)	Deferral - (Surcharge)/Sur-credit			(6)-(3)	\$ 447,342	\$ 357,487	\$ 257,180	\$ 1,062,009
(8)	Interest on Deferral*				\$ 895	\$ 2,508	\$ 3,654	\$ 7,056
(9)	Current Period Cumulative Deferral				\$ 448,237	\$ 808,231	\$ 1,069,065	\$ 1,069,065
(10)	2.5 % Deferral Trigger							\$ (1,136,068)
(11)	Trigger Threshold met?							NO
(12)	5% Cap							
(13)	5% Cap met?							NO
<b>Year 1 Amortization</b>								
(14)	Combined Carryover Deferral - (Surcharge)/Sur-credit				\$ 437,049	\$ 437,049	\$ 437,049	\$ 437,049

(15)	(Sur-credit)/Surcharge Distribution				\$ -	\$ -	\$ -	\$ -
(16)	Interest on Deferral*				\$ 1,748	\$ 1,755	\$ 1,718	\$ 5,222
(17)	Cumulative Year 1 Deferral Balance				\$ 438,797	\$ 440,552	\$ 442,270	\$ 442,270
<b>Year 2 Amortization</b>								
(18)	Carryover Deferral - (Surcharge)/Sur-credit				\$ 270,467	\$ 270,467	\$ 270,467	\$ 270,467
(19)	Application of Excess Earnings				\$ -	\$ -	\$ -	\$ -
(20)	(Sur-credit)/Surcharge Distribution				\$ -	\$ -	\$ -	\$ -
(21)	Interest on Deferral*				\$ 1,082	\$ 1,086	\$ 1,063	\$ 3,231
(22)	Cumulative Year 2 Deferral Balance				\$ 271,549	\$ 272,635	\$ 273,698	\$ 273,698
(23)	Total Cumulative Deferral Balance - All Years				\$ 1,158,582	\$ 1,521,418	\$ 1,785,034	\$ 1,785,034
<b>SCH. 40 - Irrigation</b>								
(1)	Avg Customers	5,225			5,190	5,192	5,188	
(2)	Decoupled Revenue per Customer	\$ 1,797			\$ 330.78	\$ 373.72	\$ 303.77	
(3)	Allowed Decoupled Revenue	\$ 9,391,600	(1)*(2)		\$ 1,716,734	\$ 1,940,370	\$ 1,575,965	\$ 5,233,069
(4)	Actual kWh	160,874,872			32,913,365	34,471,257	29,435,733	96,820,355
(5)	Decoupled Revenue per kWh Rate	\$ 0.05838			\$ 0.05838	\$ 0.05838	\$ 0.05838	
(6)	Actual Decoupled Revenue		(4)*(5)		\$ 1,921,426	\$ 2,012,373	\$ 1,718,408	\$ 5,652,207
<b>Year 3 Current</b>								
(7)	Deferral - (Surcharge)/Sur-credit		(6)-(3)		\$ 204,692	\$ 72,003	\$ 142,443	\$ 419,138
(8)	Interest on Deferral*				\$ 409	\$ 964	\$ 1,362	\$ 2,736
(9)	Current Period Cumulative Deferral				\$ 205,101	\$ 278,069	\$ 421,874	\$ 421,874
(10)	2.5 % Deferral Trigger							\$ (234,790)
(11)	Trigger Threshold met?							YES
(12)	5% Cap							
(13)	5% Cap met?							NO
<b>Year 1 Amortization</b>								
(14)	Combined Carryover Deferral - (Surcharge)/Sur-credit				\$ (415,239)	\$ (415,239)	\$ (415,239)	\$ (415,239)
(15)	(Sur-credit)/Surcharge Distribution				\$ 108,943	\$ 114,100	\$ 97,432	\$ 320,475
(16)	Interest on Deferral*				\$ (1,443)	\$ (1,003)	\$ (569)	\$ (3,015)
(17)	Cumulative Year 1 Deferral Balance				\$ (307,739)	\$ (194,642)	\$ (97,779)	\$ (97,779)
<b>Year 2 Amortization</b>								
(18)	Carryover Deferral - (Surcharge)/Sur-credit				\$ 314,645	\$ 314,645	\$ 314,645	\$ 314,645
(19)	Application of Excess Earnings				\$ -	\$ -	\$ -	\$ -
(20)	(Sur-credit)/Surcharge Distribution				\$ -	\$ -	\$ -	\$ -
(21)	Interest on Deferral*				\$ 1,259	\$ 1,264	\$ 1,237	\$ 3,759
(22)	Cumulative Year 2 Deferral Balance				\$ 315,904	\$ 317,168	\$ 318,405	\$ 318,405
(23)	Total Cumulative Deferral Balance - All Years				\$ 213,266	\$ 400,594	\$ 642,499	\$ 642,499
<b>Year 3 Deferral Balance - (Surcharge/Sur-Credit)</b>								
					\$ 1,688,819	\$ 2,695,591	\$ 2,323,636	\$ 2,323,636
<b>Year 2 Deferral Balance - (Surcharge/Sur-Credit)</b>								
					\$ (1,977,081)	\$ (1,984,990)	\$ (1,992,731)	\$ (1,992,731)
<b>Year 1 Deferral Balance - (Surcharge/Sur-Credit)</b>								
					\$ 2,839,151	\$ 2,672,823	\$ 2,558,835	\$ 2,558,835
<b>Total Cumulative Deferral Balance - All Years (Surcharge/Sur-Credit)</b>					\$ 2,550,889	\$ 3,383,425	\$ 2,889,740	\$ 2,889,740
<b>Overall Revenue Impact for all Decoupling Years **</b>					\$ 1,559,428	\$ 832,536	\$ (493,684)	\$ 1,898,279
<b>Overall Revenue Impact for Year 3 Only - Current Month</b>					\$ 1,688,819	\$ 1,006,772	\$ (371,955)	\$ 2,323,636

\*Monthly FERC rate

\*\*Includes Year 3 plus Year 1 Schedule 93 balance reduction and Year 1 & 2 balance interest