

**EXH. SEF-4  
DOCKET UE-20\_\_\_\_  
2020 PSE PCORC  
WITNESS: SUSAN E. FREE**

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.**

**PUGET SOUND ENERGY,**

**Respondent**

**Docket UE-20\_\_\_\_**

**THIRD EXHIBIT (NONCONFIDENTIAL) TO THE  
PREFILED DIRECT TESTIMONY OF**

**SUSAN E. FREE**

**ON BEHALF OF PUGET SOUND ENERGY**

**DECEMBER 9, 2020**

**Puget Sound Energy**  
**REVENUE (SURPLUS) / DEFICIENCY**  
**2020 PCORC compared to 2019 GRC**  
*48.5% Equity / 6.80% Net of tax rate of return*

Row		2020 PCORC	2019 GRC	Revenue Deficiency (Surplus)
	TY	Jul '19 ~ Jun '20	Jan '18 -Dec '18	
	RY	Jun '21 ~ May '22	Oct '20 - Sep '21	
14	<b><u>VARIABLE DEFICIENCY (SURPLUS)</u></b>			
15				
16	Total Variable Costs	\$ 768,181,323	\$ 713,651,644	
17	Conversion Factor for Revenue Sensitive Items ("RSI")	<u>0.9511150</u>	<u>0.9511150</u>	
18				
19	Total Variable Costs Grossed-up RSI's	807,663,977	750,331,604	
20	Test Year DELIVERED Load (MWh's)	19,685,487	20,535,749	
21				
22	Total Variable Costs per MWh (Line 19 / Line 20)	\$ 41.028	\$ 36.538	\$ 4.490
23				
24	2020 PCORC Test Year Delivered Load			19,685,487
25				
26	PROFORMA PCORC INCREASE - VARIABLE:			<b>\$ 88,387,835</b>
27				
28	<b><u>FIXED PRODUCTION DEFICIENCY (SURPLUS)</u></b>			
29				
30	Total Fixed Costs	\$ 426,958,268	\$ 455,200,098	
31	RSI Conversion Factor	<u>0.9511150</u>	<u>0.9511150</u>	
32				
33	Total Fixed Costs	448,902,886	478,596,277	
34	Test Year DELIVERED Load (MWh's)	19,685,487	20,535,749	
35				
36	Total Fixed Costs per MWh (Line 33 / Line 34)	\$ 22.804	\$ 23.306	\$ (0.502)
37				
38	2020 PCORC Test Year Delivered Load			19,685,487
39				
40	PROFORMA PCORC DECREASE - FIXED:			<b>\$ (9,882,114)</b>
41				
42	<b><u>TOTAL PCORC DEFICIENCY (SURPLUS)</u></b>			<b>\$ 78,505,720</b>
43				
44	Operating Revenues from Exh. BDJ-8			\$ 2,129,426,836
45				
46	Percentage Increase			3.687%