

**EXHIBIT NO. \_\_\_(KJB-8)  
DOCKETS UE-17\_\_\_/UG-17\_\_\_  
2017 PSE GENERAL RATE CASE  
WITNESS: KATHERINE J. BARNARD**

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.**

**PUGET SOUND ENERGY,**

**Respondent.**

**Docket UE-17\_\_\_**

**Docket UG-17\_\_\_**

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

**KATHERINE J. BARNARD**

**ON BEHALF OF PUGET SOUND ENERGY**

**JANUARY 13, 2017**

## Exhibit A-1 Power Cost Baseline Rate 2017 GRC

Row		Test Year					
3	Regulatory Assets (1) (Fixed)	\$	194,247,638				
4	Transmission Rate Base (Fixed)		85,738,601				
5	Production Rate Base (Fixed)		1,911,730,859				
6		\$	2,191,717,098				
7	Net of tax rate of return		6.69%				
8							
9							
9A							
10	Regulatory Asset Recovery (on Row 3)	\$	19,992,565	\$	0.965	F	\$ 19,992,565
10a	Equity Adder Centralia Coal Transition PPA		4,769,481	\$	0.230	V	
11	Fixed Asset Recovery Other (on Row 4)		8,824,481	\$	0.426	F	8,824,481
12	Fixed Asset Recovery-Prod Factored (on Row 5)		196,761,222	\$	9.495	F	196,761,222
13	501-Steam Fuel <b>Incl PC Reg Amort</b>		79,063,626	\$	3.815	V	
14	555-Purchased power <b>Incl PC Reg Amort</b>		433,414,853	\$	20.914	V	
15	557-Other Power Exp		9,328,088	\$	0.450	F	9,328,088
15a	Payroll Overheads - Benefits (Inc. Worker's Comp)		8,001,731	\$	0.386	F	8,001,731
15b	Property Insurance		2,693,724	\$	0.130	F	2,693,724
15c	Montana Electric Energy Tax		1,414,593	\$	0.068	V	
15d	Payroll Taxes on Production Wages		2,043,861	\$	0.099	F	2,043,861
15e	Brokerage Fees 55700003		313,332	\$	0.015	V	
16	547-Fuel <b>Incl PC Reg Amort</b>		128,580,540	\$	6.205	V	
17	565-Wheeling <b>Incl PC Reg Amort</b>		108,574,738	\$	5.239	V	
18	Transmission Revenue 456.1		(9,692,026)	\$	(0.468)	F	(9,692,026)
19	Production O&M		135,758,890	\$	6.551	F	135,758,890
20	447-Sales to Others		(28,431,646)	\$	(1.372)	V	
21	456-Purch/Sales Non-Core Gas		(15,588,634)	\$	(0.752)	V	
22	Transmission Exp - 500KV		645,352	\$	0.031	F	645,352
23	Depreciation-Production (FERC 403)		157,488,027	\$	7.600	F	157,488,027
24	Depreciation-Transmission		3,490,805	\$	0.168	F	3,490,805
25	Amortization - Regulatory Assets & Liab - <b>Non PC Only</b> (1)		19,055,507	\$	0.920	F	19,055,507
26	<b>N/A (formerly hedging line of credit)</b>						
27	Subtotal & Baseline Rate	\$	1,266,503,108	\$	61.115		\$ 554,392,226
28	Revenue Sensitive Items		0.9523860	0.9523860			0.9523860
29	Grossed up for RSI	\$	1,329,821,216	\$	64.171		\$ 582,108,752
30	Test Year DELIVERED Load (MWH's)		20,723,206				\$ 747,712,464
31		\$	19,551,068				
32	Baseline Rate Summarized						
33	BLR Before RSI			\$	61.115		\$ 26.752
34	BLR Net of RSI			\$	64.171		\$ 28.090
35							
36	(1) - Amortization is picked up in Regulatory Assets and Liabilities Adjustment and White River Adjustment.						