

Attachment B

Proposed Facility Charge Calculation

**Table 1 - Washington**

<b>USE OF FACILITIES CHARGES, Annual, %</b>				
		1998	2018	
		Distribution	Distribution	Transmission
<b>Company Provides Initial Capital Investment (allowance)</b>				
1	Return on Capital	6.67%	4.29%	4.72%
2	Recovery of Capital	3.13%	3.20%	1.99%
3	State & Fed. Income Taxes	2.51%	1.74%	1.91%
4	Local Property Taxes	1.24%	0.59%	0.65%
5	Operation & Maintenance	2.49%	2.30%	0.88%
6	Administrative & General	1.50%	0.51%	0.51%
7	Other Taxes	0.05%	0.05%	0.02%
8	Customer Accts & Services	2.47%	1.24%	--
A1	<b>TOTAL (lines 1-8)</b>	<b>20.06%</b>	<b>13.92%</b>	<b>10.68%</b>
A2	<i>Monthly %</i>	1.67%	1.16%	0.89%
A3	<i>Monthly Proposed (rounded)</i>		<b>1.20%</b>	<b>0.90%</b>
		<b>1.67%</b>		
<b>Customer Provides Initial Capital Investment (customer advance)</b>				
9	Subtotal Lines 4-8	7.75%	4.69%	2.06%
10	Capital Replacement Annuity	1.21%	1.13%	0.62%
C1	<b>TOTAL (lines 4-8,10)</b>	<b>8.96%</b>	<b>5.82%</b>	<b>2.68%</b>
C2	<i>Monthly %</i>	0.75%	0.49%	0.22%
C3	<i>Monthly Proposed (rounded)</i>		<b>0.50%</b>	<b>0.20%</b>
D1	<b>TOTAL (lines 4-8)</b>	<b>7.75%</b>	<b>4.69%</b>	<b>2.06%</b>
D2	<i>Monthly %</i>	0.65%	0.39%	0.17%
D3		<b>0.67%</b>		

Existing Facility charge

Existing Facility charge