

EXHIBIT NO. ___(KJB-3)
DOCKET NO. UE-15___
PCA 13 COMPLIANCE
WITNESS: KATHERINE J. BARNARD

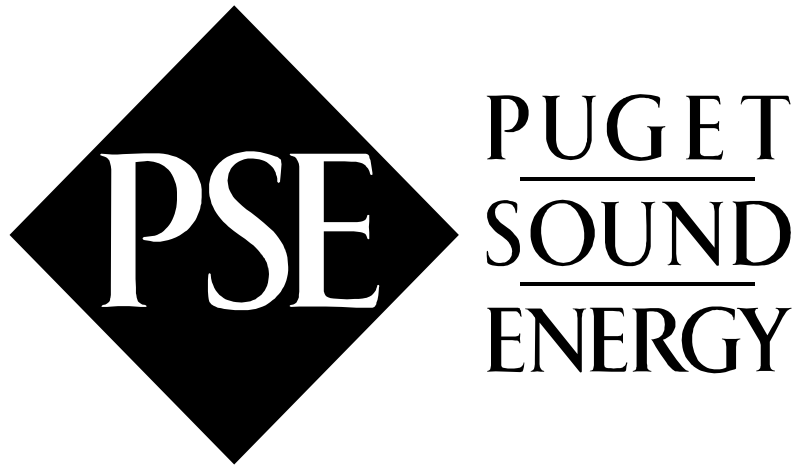
**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**In the Matter of the Petition of
PUGET SOUND ENERGY, INC.
For Approval of its March 2015 Power Cost
Adjustment Mechanism Report**

Docket No. UE-15___

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

MARCH 31, 2015



Power Cost Adjustment Mechanism Annual Report

PCA Period Thirteen

Twelve Months Ended December 31, 2014

**Puget Sound Energy
Power Cost Adjustment Mechanism
2014 Annual Report – PCA Period Thirteen
Twelve Months Ended December 31, 2014**

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Puget Sound Energy, Inc.

Power Cost Adjustment Mechanism
Annual Report for PCA Period Thirteen
Twelve Months Ended December 31, 2014

PCA Exhibits in Support of Updated Power Cost Rate
From January 1 through December 31, 2014

Description		Power Costs						Allocation of Power Costs			
		Actual	Baseline	Difference	Wholesale Customers	Total Cost Over (Under) Baseline	Company	Customers	Customer Interest	Total Customer Share With Interest	
12 mo end 6.30.03	1	\$ 844,964,750	\$ 843,126,410	\$ 1,838,340	\$ (10,042)	\$ 1,828,298	\$ 1,828,298	\$ -	\$ -	\$ -	
12 mo end 6.30.04	2	902,349,264	872,785,985	29,563,279	(11,956)	29,551,324	24,775,662	4,775,662	59,851	4,835,512	
12 mo end 6.30.05	3	959,374,104	949,412,459	9,961,645	(4,085)	9,957,561	9,957,560	-	318,471	318,471	
12 mo end 6.30.06	4	1,062,847,820	1,075,227,683	(12,379,863)	4,375	(12,375,488)	(12,375,488)	0	633,013	633,013	
6 mo end 12.31.06	5	596,418,335	597,089,567	(671,232)	198	(671,033)	(671,033)	-	97,549	97,549	
12 mo end 12.31.07	6	1,222,865,320	1,253,089,187	(30,223,868)	11,197	(30,212,670)	(25,106,334)	(5,106,336)	(57,570)	(5,163,907)	
12 mo end 12.31.08	7	1,328,115,191	1,329,880,671	(1,765,480)	556	(1,764,924)	(1,764,924)	-	(140,876)	(140,876)	
12 mo end 12.31.09	8	1,404,869,953	1,374,588,966	30,280,987	(10,889)	30,270,097	25,135,049	5,135,049	(28,888)	5,106,160	
12 mo end 12.31.10	9	1,373,029,096	1,336,852,576	36,176,520	(12,992)	36,163,528	28,081,764	8,081,764	228,424	8,310,188	
12 mo end 12.31.11	10	1,351,667,527	1,386,507,507	(34,839,980)	12,163	(34,827,818)	(27,413,909)	(7,413,909)	235,834	(7,178,074)	
12 mo end 12.31.12	11	1,291,380,391	1,317,033,978	(25,653,587)	9,023	(25,644,564)	(22,822,282)	(2,822,282)	(222,322)	(3,044,604)	
12 mo end 12.31.13	12	1,274,102,997	1,311,927,834	(37,824,837)	12,899	(37,811,938)	(28,905,969)	(8,905,969)	(212,001)	(9,117,970)	
12 mo end 12.31.14	13	1,287,974,218	1,247,832,651	40,141,567	(14,458)	40,127,109	30,012,711	10,114,398	(146,535)	9,967,864	
Cumulative		\$ 14,899,958,965	\$ 14,895,355,473	\$ 4,603,492	\$ (14,010)	\$ 4,589,482	\$ 731,105	\$ 3,858,377	\$ 764,950	\$ 4,623,327	

PUGET SOUND ENERGY
PCA MECHANISM ANNUAL REPORT - PCA 13
TWELVE MONTHS ENDED DECEMBER 31, 2014

Exhibit A-1 Power Cost Rate Updated: 1/1/2014 - 12/31/2014

Row	Test Year	Test Yr \$/MWh	
3	Regulatory Assets (1) (Variable) \$ 285,612,599		
4	Transmission Rate Base (Fixed) 91,714,590		
5	Production Rate Base (Fixed) 2,294,962,721		
6	\$ 2,672,289,910		
7	Net of tax rate of return 6.69%		
8			
9			
9A		(I)	
10	Regulatory Asset Recovery (on Row 3) \$ 29,441,541	\$ 1.431	(c)
10a	Equity Adder Centralia Coal Transition PPA 198,200	\$ 0.010	(c)
11	Fixed Asset Recovery Other (on Row 4) 9,439,637	\$ 0.459	(a)
12	Fixed Asset Recovery-Prod Factored (on Row 5) 240,302,815	\$ 11.679	(a)
13	501-Steam Fuel 81,919,012	\$ 3.981	(c)
14	555-Purchased power 394,350,813	\$ 19.166	(c)
15	557-Other Power Exp 6,470,600	\$ 0.314	(a)
15a	Payroll Overheads - Benefits (Inc. Worker's Comp) 6,720,476	\$ 0.327	(a)
15b	Property Insurance 2,935,157	\$ 0.143	(a)
15c	Montana Electric Energy Tax 1,722,250	\$ 0.084	(a)
15d	Payroll Taxes on Production Wages 2,063,367	\$ 0.100	(a)
16	547-Fuel 182,418,319	\$ 8.866	(c)
17	565-Wheeling 108,412,772	\$ 5.269	(c)
18	Variable Transmission Income (9,768,403)	\$ (0.475)	(c)
19	Production O&M 127,418,503	\$ 6.193	(a)
19a	Colstrip - Major Maint. Amort (Per UE-141141 Order) 542,346	\$ 0.026	(c)
20	447-Sales to Others (41,680,012)	\$ (2.026)	(c)
21	Purch/Sales Non-Core Gas (8,264,681)	\$ (0.402)	(c)
22	Transmission Exp - 500KV 970,038	\$ 0.047	(a)
23	Depreciation-Production (FERC 403) 121,231,524	\$ 5.892	(a)
24	Depreciation-Transmission 4,142,492	\$ 0.201	(a)
25	Amortization - Regulatory Assets (1) 26,266,332	\$ 1.277	(c)
26	Hedging Line of Credit 721,121	\$ 0.035	(c)
27	Subtotal & Baseline Rate \$ 1,287,974,218	\$ 62.596	(b)
28	Revenue Sensitive Items 0.9543790		
29	\$ 1,349,541,658		
30	Test Year DELIVERED Load (MWH's) 20,575,878		<-- includes Firm Whc
31			
32		<u>Before Rev.</u> <u>After Rev.</u>	
33		<u>Sensitive Items</u> <u>Sensitive Items</u>	
34	Power Cost in Rates with Revenue Sensitive	Rev Req (Column (I))	
35	Items (the adjusted baseline) \$ 62.596	\$ 65.589	
36	sum of (a) = Fixed Rate Component \$ 25.438	\$ 26.654	
37	(b) = Power Cost Rate \$ 62.596	\$ 65.589	
38	sum of (c) = Variable Power Rate Component \$ 37.158	\$ 38.934	
39			
40	(1) - Regulatory Assets are shown in detail on Exhibit D.		

Schedule B: Monthly Power Costs -- PCA PERIOD 13
Derived from Original PCA Exhibit B
Subject to PCA Sharing
UE-011570

Row	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Period to Date
7	\$ 787,026	\$ 787,026	\$ 787,026	\$ 787,026	\$ 787,026	\$ 787,026	\$ 787,026	\$ 787,026	\$ 787,026	\$ 787,026	\$ 787,026	\$ 782,350	\$ 9,439,637
8	\$ 20,170,624	\$ 20,170,624	\$ 20,170,624	\$ 20,170,624	\$ 20,170,624	\$ 20,170,624	\$ 20,170,624	\$ 20,170,624	\$ 20,170,624	\$ 20,170,624	\$ 20,170,624	\$ 18,226,955	\$ 248,302,815
9	\$ 20,957,650	\$ 20,957,650	\$ 20,957,650	\$ 20,957,650	\$ 20,957,650	\$ 20,957,650	\$ 20,957,650	\$ 20,957,650	\$ 20,957,650	\$ 20,957,650	\$ 20,957,650	\$ 19,206,305	\$ 248,742,462
10	\$ 538,327	\$ 538,327	\$ 538,327	\$ 538,327	\$ 538,327	\$ 538,327	\$ 538,327	\$ 538,327	\$ 538,327	\$ 538,327	\$ 538,327	\$ 549,006	\$ 6,470,600
11	\$ 554,321	\$ 554,321	\$ 554,321	\$ 554,321	\$ 554,321	\$ 554,321	\$ 554,321	\$ 554,321	\$ 554,321	\$ 554,321	\$ 554,321	\$ 622,948	\$ 7,204,476
12	\$ 246,231	\$ 246,231	\$ 246,231	\$ 246,231	\$ 246,231	\$ 246,231	\$ 246,231	\$ 246,231	\$ 246,231	\$ 246,231	\$ 246,231	\$ 226,617	\$ 2,735,157
13	\$ 143,310	\$ 143,310	\$ 143,310	\$ 143,310	\$ 143,310	\$ 143,310	\$ 143,310	\$ 143,310	\$ 143,310	\$ 143,310	\$ 143,310	\$ 145,841	\$ 1,722,250
14	\$ 172,620	\$ 172,620	\$ 172,620	\$ 172,620	\$ 172,620	\$ 172,620	\$ 172,620	\$ 172,620	\$ 172,620	\$ 172,620	\$ 172,620	\$ 164,560	\$ 2,063,367
15	\$ 10,693,717	\$ 10,693,717	\$ 10,693,717	\$ 10,693,717	\$ 10,693,717	\$ 10,693,717	\$ 10,693,717	\$ 10,693,717	\$ 10,693,717	\$ 10,693,717	\$ 10,693,717	\$ 9,787,618	\$ 127,418,503
16	\$ 81,100	\$ 81,100	\$ 81,100	\$ 81,100	\$ 81,100	\$ 81,100	\$ 81,100	\$ 81,100	\$ 81,100	\$ 81,100	\$ 81,100	\$ 81,100	\$ 970,038
17	\$ 10,167,514	\$ 10,167,514	\$ 10,167,514	\$ 10,167,514	\$ 10,167,514	\$ 10,167,514	\$ 10,167,514	\$ 10,167,514	\$ 10,167,514	\$ 10,167,514	\$ 10,167,514	\$ 9,368,869	\$ 121,231,524
18	\$ 344,736	\$ 344,736	\$ 344,736	\$ 344,736	\$ 344,736	\$ 344,736	\$ 344,736	\$ 344,736	\$ 344,736	\$ 344,736	\$ 344,736	\$ 350,388	\$ 4,142,492
19	\$ 22,941,875	\$ 22,941,875	\$ 22,941,875	\$ 22,941,875	\$ 22,941,875	\$ 22,941,875	\$ 22,941,875	\$ 22,941,875	\$ 22,941,875	\$ 22,941,875	\$ 22,941,875	\$ 21,313,784	\$ 273,674,406
20	\$ 43,899,525	\$ 43,899,525	\$ 43,899,525	\$ 43,899,525	\$ 43,899,525	\$ 43,899,525	\$ 43,899,525	\$ 43,899,525	\$ 43,899,525	\$ 43,899,525	\$ 43,899,525	\$ 40,522,088	\$ 523,416,856
21	\$ 6,879,638	\$ 7,305,948	\$ 6,521,812	\$ 6,468,933	\$ 5,224,325	\$ 6,091,617	\$ 7,018,856	\$ 8,477,647	\$ 7,150,162	\$ 7,634,723	\$ 6,467,443	\$ 10,637,834	\$ 81,919,012
22	\$ 24,328,220	\$ 23,827,154	\$ 25,232,344	\$ 5,423,226	\$ 5,848,547	\$ 6,887,434	\$ 17,797,330	\$ 26,749,752	\$ 25,225,279	\$ 15,871,515	\$ 13,568,407	\$ 10,637,834	\$ 18,498,523
23	\$ (1,269,419)	\$ (2,469,264)	\$ (2,462,726)	\$ (1,131,369)	\$ (943,118)	\$ (439,564)	\$ (93,269)	\$ (194,794)	\$ (81,453)	\$ (36,436)	\$ 144,312	\$ 629,547	\$ (8,264,681)
24	\$ 46,633,802	\$ 58,549,487	\$ 46,337,417	\$ 32,134,359	\$ 29,621,033	\$ 23,548,942	\$ 18,411,150	\$ 12,049,979	\$ 11,897,191	\$ 24,721,225	\$ 44,776,519	\$ 55,684,402	\$ 404,965,497
25	\$ (6,545,111)	\$ (6,545,111)	\$ (1,453,073)	\$ (1,815,106)	\$ (1,685,806)	\$ (3,081,633)	\$ (2,705,288)	\$ (4,348,497)	\$ (3,379,034)	\$ (2,914,577)	\$ (3,969,466)	\$ (3,746,882)	\$ (41,660,012)
26	\$ 8,753,573	\$ 9,317,866	\$ 8,881,335	\$ 8,814,078	\$ 8,583,113	\$ 8,586,336	\$ 8,753,545	\$ 9,270,500	\$ 9,331,684	\$ 9,751,838	\$ 9,432,980	\$ 9,235,814	\$ 106,412,772
27	\$ (870,692)	\$ (1,065,658)	\$ (1,043,762)	\$ (1,072,764)	\$ (1,042,605)	\$ (642,453)	\$ (712,086)	\$ (680,048)	\$ (689,642)	\$ (676,981)	\$ (676,981)	\$ (673,780)	\$ (9,768,403)
28	\$ 20,106	\$ 20,106	\$ 20,106	\$ 20,106	\$ 20,106	\$ 20,106	\$ 20,106	\$ 20,106	\$ 20,106	\$ 20,106	\$ 20,106	\$ 20,106	\$ 1,484,689
29	\$ 20,106	\$ 20,106	\$ 20,106	\$ 20,106	\$ 20,106	\$ 20,106	\$ 20,106	\$ 20,106	\$ 20,106	\$ 20,106	\$ 20,106	\$ 20,106	\$ 241,270
30	\$ 56,683	\$ 57,285	\$ 57,285	\$ 57,285	\$ 57,285	\$ 57,285	\$ 57,285	\$ 57,285	\$ 57,285	\$ 57,285	\$ 57,285	\$ 57,285	\$ 2,885,052
31	\$ 341,954	\$ 341,954	\$ 341,954	\$ 341,954	\$ 341,954	\$ 341,954	\$ 341,954	\$ 341,954	\$ 341,954	\$ 341,954	\$ 341,954	\$ 341,954	\$ 4,169,946
32	\$ 341,954	\$ 341,954	\$ 341,954	\$ 341,954	\$ 341,954	\$ 341,954	\$ 341,954	\$ 341,954	\$ 341,954	\$ 341,954	\$ 341,954	\$ 341,954	\$ 4,169,946
33	\$ 42,526	\$ 44,125	\$ 44,125	\$ 44,125	\$ 44,125	\$ 44,125	\$ 44,125	\$ 44,125	\$ 44,125	\$ 44,125	\$ 44,125	\$ 56,113	\$ 679,889
34	\$ 157,720	\$ 160,012	\$ 160,012	\$ 160,012	\$ 160,012	\$ 160,012	\$ 160,012	\$ 160,012	\$ 160,012	\$ 160,012	\$ 160,012	\$ 160,012	\$ 1,539,184
35	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 282,625
36	\$ 65,181	\$ 56,074	\$ 59,137	\$ 34,344	\$ 57,415	\$ 106,013	\$ 106,013	\$ 68,024	\$ 61,457	\$ 60,385	\$ 60,385	\$ 61,458	\$ (138,185)
37	\$ 126,181,086	\$ 136,695,075	\$ 111,391,764	\$ 96,575,172	\$ 93,356,977	\$ 87,527,240	\$ 96,295,966	\$ 99,122,121	\$ 97,296,067	\$ 102,212,121	\$ 117,974,711	\$ 123,146,583	\$ 1,287,776,016
38	\$ 79,759,472	\$ 90,286,128	\$ 64,880,453	\$ 50,187,895	\$ 46,971,693	\$ 41,116,785	\$ 49,836,443	\$ 52,710,645	\$ 50,878,003	\$ 55,737,624	\$ 71,561,286	\$ 80,110,171	\$ 734,196,488
39	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 29,441,541
40	\$ 65,181	\$ 56,074	\$ 59,137	\$ 34,344	\$ 57,415	\$ 106,013	\$ 106,013	\$ 68,024	\$ 61,457	\$ 60,385	\$ 60,385	\$ 61,458	\$ 1,287,776,016
41	\$ 126,181,086	\$ 136,695,075	\$ 111,391,764	\$ 96,575,172	\$ 93,356,977	\$ 87,527,240	\$ 96,295,966	\$ 99,122,121	\$ 97,296,067	\$ 102,212,121	\$ 117,974,711	\$ 123,146,583	\$ 1,287,776,016
42	\$ 79,759,472	\$ 90,286,128	\$ 64,880,453	\$ 50,187,895	\$ 46,971,693	\$ 41,116,785	\$ 49,836,443	\$ 52,710,645	\$ 50,878,003	\$ 55,737,624	\$ 71,561,286	\$ 80,110,171	\$ 734,196,488
43	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 29,441,541
44	\$ 65,181	\$ 56,074	\$ 59,137	\$ 34,344	\$ 57,415	\$ 106,013	\$ 106,013	\$ 68,024	\$ 61,457	\$ 60,385	\$ 60,385	\$ 61,458	\$ 1,287,776,016
45	\$ 126,181,086	\$ 136,695,075	\$ 111,391,764	\$ 96,575,172	\$ 93,356,977	\$ 87,527,240	\$ 96,295,966	\$ 99,122,121	\$ 97,296,067	\$ 102,212,121	\$ 117,974,711	\$ 123,146,583	\$ 1,287,776,016
46	\$ 79,759,472	\$ 90,286,128	\$ 64,880,453	\$ 50,187,895	\$ 46,971,693	\$ 41,116,785	\$ 49,836,443	\$ 52,710,645	\$ 50,878,003	\$ 55,737,624	\$ 71,561,286	\$ 80,110,171	\$ 734,196,488
47	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 29,441,541
48	\$ 65,181	\$ 56,074	\$ 59,137	\$ 34,344	\$ 57,415	\$ 106,013	\$ 106,013	\$ 68,024	\$ 61,457	\$ 60,385	\$ 60,385	\$ 61,458	\$ 1,287,776,016
49	\$ 126,181,086	\$ 136,695,075	\$ 111,391,764	\$ 96,575,172	\$ 93,356,977	\$ 87,527,240	\$ 96,295,966	\$ 99,122,121	\$ 97,296,067	\$ 102,212,121	\$ 117,974,711	\$ 123,146,583	\$ 1,287,776,016
50	\$ 79,759,472	\$ 90,286,128	\$ 64,880,453	\$ 50,187,895	\$ 46,971,693	\$ 41,116,785	\$ 49,836,443	\$ 52,710,645	\$ 50,878,003	\$ 55,737,624	\$ 71,561,286	\$ 80,110,171	\$ 734,196,488
51	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 29,441,541
52	\$ 65,181	\$ 56,074	\$ 59,137	\$ 34,344	\$ 57,415	\$ 106,013	\$ 106,013	\$ 68,024	\$ 61,457	\$ 60,385	\$ 60,385	\$ 61,458	\$ 1,287,776,016
53	\$ 126,181,086	\$ 136,695,075	\$ 111,391,764	\$ 96,575,172	\$ 93,356,977	\$ 87,527,240	\$ 96,295,966	\$ 99,122,121	\$ 97,296,067	\$ 102,212,121	\$ 117,974,711	\$ 123,146,583	\$ 1,287,776,016
54	\$ 79,759,472	\$ 90,286,128	\$ 64,880,453	\$ 50,187,895	\$ 46,971,693	\$ 41,116,785	\$ 49,836,443	\$ 52,710,645	\$ 50,878,003	\$ 55,737,624	\$ 71,561,286	\$ 80,110,171	\$ 734,196,488
55	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 29,441,541
56	\$ 65,181	\$ 56,074	\$ 59,137	\$ 34,344	\$ 57,415	\$ 106,013	\$ 106,013	\$ 68,024	\$ 61,457	\$ 60,385	\$ 60,385	\$ 61,458	\$ 1,287,776,016
57	\$ 126,181,086	\$ 136,695,075	\$ 111,391,764	\$ 96,575,172	\$ 93,356,977	\$ 87,527,240	\$ 96,295,966	\$ 99,122,121	\$ 97,296,067	\$ 102,212,121	\$ 117,974,711	\$ 123,146,583	\$ 1,287,776,016
58	\$ 79,759,472	\$ 90,286,128	\$ 64,880,453	\$ 50,187,895	\$ 46,971,693	\$ 41,116,785	\$ 49,836,443	\$ 52,710,645	\$ 50,878,003	\$ 55,737,624	\$ 71,561,286	\$ 80,110,171	\$ 734,196,488
59	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 2,453,948	\$ 29,441,541
60	\$ 65,181	\$ 56,074	\$ 59,137	\$ 34,344	\$ 57,415	\$ 106,013	\$ 106,013	\$ 68,024	\$ 61,457	\$ 60,385	\$ 60,385	\$ 61,458	\$ 1,287,776,016
61	\$ 126,181,086	\$ 136,695,075	\$ 111,391,764	\$ 96,575,172	\$ 93,356,977	\$ 87,527,240	\$ 96,295,966	\$ 99,122,121	\$ 97,296,067	\$ 102,212,121	\$ 117,974,711	\$ 123,146,583	\$ 1,287,776,016
62	\$ 79,759,472	\$ 90,286,128	\$ 64,880,453	\$ 50,187,895	\$ 46,971,693	\$ 41,116,785	\$ 49,836,						

Exhibit D: Regulatory Assets and Liabilities net of Accumulated Amortization and Deferred Taxes (PCA Periods)
12 Months Ended 12-2014
PCA Period 13

Ref	Description	12 Months Ended		PCA Period	Return A.T. %	Amount	Pre Tax	Monthly		
		Inte: Asset Amort	Balance net of ADFIT (Note 1)							
10										
11	BEP									
13	Dec 2014	\$ -	(3,526,620)	G/L Accts #18230071, #18230081, and #28300431 and Order #55500007 (3,526,620)	7,217,073	12/31/14	6.69%	482,822	742,803	61,900
17										
18	White River Relicensing									
20	Dec 2014	\$	25,791,699	G/L Accts #18230641, 691, #18236021, 31, 41, 51, 61, 71, 91, 6101, #19000021, #19000021 and #28300011 -	25,704,830	12/31/14	6.69%	1,719,653	2,645,620	220,468
24										
25	White River Plant Costs									
27	Dec 2014	\$	(1,494,702)	G/L Accts #18220011, #21, #31, #41 and #51 and Order #40700015, portion of #28200121 (1,494,702)	32,002,977	12/31/14	6.69%	2,140,999	3,293,845	274,487
31										
32	CWA Sales Proceeds									
34	Dec 2014	\$	(30,211,680)	G/L Accts #18220061 (30,211,680)		12/31/14	6.69%	(2,021,161)	(3,109,479)	(259,123)
38										
39	White River DFIT									
41	Dec 2014	\$	(9,392,475)	G/L Accts #28300651 (9,623,644)		12/31/14	6.69%	(643,822)	(990,495)	(82,541)
45										
46	FB Energy Capacity Payment - UE-082013									
48	Dec 2014	\$	392,170	G/L Accts #25300601 and #19000151 and Order #54700005 392,170	(1,104,611)	12/31/14	6.69%	(73,898)	(113,690)	(9,474)
54										
55	Mint Farm Deferral (Note 2)									
57	Dec 2014	\$	(2,885,052)	G/L Accts #18600351, 361, 371, #18235521, #28300601, 611, 661 and Orders #40740061 (2,885,052)	20,051,245	12/31/14	6.69%	1,341,428	2,063,736	171,978
61										
62	BNP Capacity - UE-100503 (Note 3)									
64	Dec 2014	\$	537,626	G/L Accts #19000711, #25302121, #25400191 and Order #54700010 537,626	(1,514,314)	12/31/14	6.69%	(101,308)	(155,858)	(12,988)
69										
70	Chelan PUD Contract Initiation (Note 3)									
71	Payment									
73	Dec 2014	\$	(7,088,066)	G/L Accts #18230351, #28300561, #18600271 Order #55500153 (7,088,066)	106,855,731	12/31/14	6.69%	7,148,648	10,997,921	916,493
77										
78	Chelan - Rock Island Security Deposit (Note 3)									
80	Dec 2014	\$	-	G/L Accts #12800001 -	18,500,000	12/31/14	6.69%	1,237,650	1,904,077	158,673
84										
85	Colstrip 1 and 2 (WECO) Note 4									
86	Reservation Payment									
88	Dec 2014	\$	(500,000)	G/L Accts #16599011, 18232321 Order #50106003 (500,000)	2,750,000	12/31/14	6.69%	183,975	283,038	23,587
92										
93	FERC PART 12 Non-Construction Study Costs \$1.2M									
95	Dec 2014	\$	(241,268)	G/L Accts #18220091 (241,268)	603,170	12/31/14	6.69%	40,352	62,080	5,173
98										
99	Lower Snake River Prepaid Transm Principal \$99.8M									
101	Dec 2014	\$	(3,098,754)	G/L Accts #18232301, 18600581 (3,098,754)	74575643.54	12/31/14	6.69%	4,989,111	7,675,555	639,630

Puget Sound Energy, Inc.

Power Cost Adjustment Mechanism
Annual Report for PCA Period Thirteen
Twelve Months Ended December 31, 2014

PCA Exhibits
From December 1 through December 31, 2014
PCA Exhibits Approved in 2014 PCORC in
Docket No. UE-141141

2014 PCORC Exhibit A-1 Power Cost Baseline Rate

As Approved from December 8, 2014 Compliance Filing in UE-141141

Exhibit A-1 Power Cost Baseline Rate

Row	Test Year			Production	
			Test Yr	Factor	Per Month for
			\$/MWh	0.99019	Schedule B
			(I)	(II)	(III)
3	Regulatory Assets (1) (Variable)	\$ 265,497,445			
4	Transmission Rate Base (Fixed)	91,215,648			
5	Production Rate Base (Fixed)	2,127,242,636			
6		\$ 2,483,955,728			
7	Net of tax rate of return	6.69%			
8					
9					
9A					
10	Regulatory Asset Recovery (on Row 3)	\$ 27,325,814	\$ 1.295 (c)		
10a	Equity Adder Centralia Coal Transition PPA	2,326,384	\$ 0.110 (c)		
11	Fixed Asset Recovery Other (on Row 4)	9,388,195	\$ 0.445 (a)	9,388,195	782,350
12	Fixed Asset Recovery-Prod Factored (on Row 5)	218,942,357	\$ 10.379 (a)	221,111,461	18,425,955
13	501-Steam Fuel	95,199,546	\$ 4.513 (c)		
14	555-Purchased power	389,511,955	\$ 18.464 (c)		
15	557-Other Power Exp	6,523,447	\$ 0.309 (a)	6,588,076	549,006
15a	Payroll Overheads - Benefits (Inc. Worker's Comp)	7,402,047	\$ 0.351 (a)	7,475,380	622,948
15b	Property Insurance	2,692,723	\$ 0.128 (a)	2,719,400	226,617
15c	Montana Electric Energy Tax	1,732,920	\$ 0.082 (a)	1,750,088	145,841
15d	Payroll Taxes on Production Wages	1,955,229	\$ 0.093 (a)	1,974,600	164,550
16	547-Fuel	166,825,562	\$ 7.908 (c)		
17	565-Wheeling	106,375,889	\$ 5.043 (c)		
18	Variable Transmission Income	(6,685,935)	\$ (0.317) (c)		
19	Production O&M	116,299,220	\$ 5.513 (a)	117,451,418	9,787,618
19a	Colstrip - Major Maint. Amort (Per UE-141141 Order)	1,320,253	\$ 0.063 (c)		
20	447-Sales to Others	(29,085,181)	\$ (1.379) (c)		
21	456-Purch/Sales Non-Core Gas	(5,342,456)	\$ (0.253) (c)		
22	Transmission Exp - 500KV	926,060	\$ 0.044 (a)	935,234	77,936
23	Depreciation-Production (FERC 403)	111,561,172	\$ 5.288 (a)	112,666,430	9,388,869
24	Depreciation-Transmission	4,204,776	\$ 0.199 (a)	4,204,776	350,398
25	Amortization - Regulatory Assets (1)	31,968,945	\$ 1.515 (c)		
26	Hedging Line of Credit	526,847	\$ 0.025 (c)		
27	Subtotal & Baseline Rate	\$ 1,261,895,770	\$ 59.819 (b)	\$486,265,059	\$40,522,088
28	Revenue Sensitive Items	0.954379			
29		\$ 1,322,216,614			
30	Test Year DELIVERED Load (MWH's)	21,095,348	<-- includes Firm Wholesale		
31					
32		Before Rev.	After Rev.		
33		Sensitive Items	Sensitive Items		
34	Power Cost in Rates with Revenue Sensitive	Rev Req (Column I)			
35	Items (the adjusted baseline)	\$ 59.819	\$ 62.678		
36	sum of (a) = Fixed Rate Component	\$ 22.831	\$ 23.922		
37	(b) = Power Cost Rate	\$ 59.819	\$ 62.678		
38	sum of (c) = Variable Power Rate Component	\$ 36.988	\$ 38.756		
39					
40	(1) - Regulatory Assets are shown in detail on Exhibit D.				

Exhibit A-3 Colstrip Fixed Costs (1 of 2)

From Compliance Filing in UE-141141

Row	Revenue Requirement for Colstrip	
3	Plant	790,039,876
4	Accumulated Depreciation	(447,378,353)
5	Deferred Taxes - AMA 12/31/2013	(84,750,942)
6	Net Plant	<u>257,910,581</u>
7	Rate of Return (net of Tax)	6.69%
8	Revenue Requirement after tax	17,254,218 (Line 6 X Line 7)
9	Plant Revenue Requirement	26,544,951 (Adjusted for Federal Tax) (Line 8 / (1 - 35%))
10	Expenses	<u>56,914,092</u>
11	Total Revenue Requirement	83,459,042 (before revenue sensitive items)
12		
13	Support for Revenue Requirement - Ratebase	

2012 December In Thousands	2013 December In Thousands	13 MONTH AMA	ANNUITY RATE	ANNUALIZED DEPRECIATION	AMA ACCUM. DEPR.		
14 FERC	DESCRIPTION						
15	COLSTRIP #1						
16 E311	Structures & Improvements	8,196	8,461	8,384,161	1.72%	144,308	(5,054,546)
17 E312	Boiler Plant Equipment	81,834	85,501	83,232,112	1.68%	1,394,502	(41,844,937)
18 E314	Turbo Generating Units	30,482	31,497	30,659,665	2.32%	710,057	(10,341,158)
19 E315	Accessory Electric Equipment	6,053	6,108	6,069,701	0.93%	56,531	(4,540,690)
20 E316	Misc. Power Plant Equipment	837	871	858,375	2.29%	19,689	(306,445)
21	TOTAL	<u>127,402</u>	<u>132,438</u>	<u>129,204,014</u>	<u>1.80%</u>	<u>2,325,087</u>	<u>(62,087,776)</u>
22	COLSTRIP #2						
23 E311	Structures & Improvements	3,407	3,655	3,593,945	1.29%	46,247	(1,072,377)
24 E312	Boiler Plant Equipment	71,101	73,217	71,392,628	1.75%	1,246,456	(33,527,346)
25 E314	Turbo Generating Units	27,424	32,687	27,666,095	2.01%	556,590	(4,694,730)
26 E315	Accessory Electric Equipment	3,025	3,080	3,031,727	1.36%	41,260	(1,377,907)
27 E316	Misc. Power Plant Equipment	959	960	959,671	2.38%	22,870	(405,916)
28	TOTAL	<u>105,916</u>	<u>113,599</u>	<u>106,644,066</u>	<u>1.79%</u>	<u>1,913,423</u>	<u>(41,078,276)</u>
29	COLSTRIP 1 & 2 COMMON						
30 E311	Structures & Improvements	31,062	31,131	31,064,969	0.40%	124,713	(25,374,520)
31 E312	Boiler Plant Equipment	6,160	6,175	6,160,779	1.27%	78,102	(5,047,871)
32 E314	Turbo Generating Units	3,821	3,821	3,821,241	1.24%	47,388	(3,429,667)
33 E315	Accessory Electric Equipment	2,287	2,287	2,286,589	1.14%	26,064	(1,851,039)
34 E316	Misc. Power Plant Equipment	6,206	6,206	6,205,597	1.40%	86,880	(5,048,841)
35	TOTAL	<u>49,536</u>	<u>49,620</u>	<u>49,539,175</u>	<u>0.73%</u>	<u>363,147</u>	<u>(40,751,938)</u>
36	COLSTRIP 3						
37 E311	Structures & Improvements	29,084	29,246	29,178,119	1.33%	387,920	(20,354,131)
38 E312	Boiler Plant Equipment	129,582	132,272	130,643,399	1.43%	1,868,231	(87,445,817)
39 E314	Turbo Generating Units	40,212	42,868	40,614,472	1.74%	706,059	(13,080,284)
40 E315	Accessory Electric Equipment	6,444	6,489	6,471,957	1.28%	82,781	(4,244,449)
41 E316	Misc. Power Plant Equipment	791	791	791,366	2.01%	15,932	(320,075)
42	TOTAL	<u>206,113</u>	<u>211,666</u>	<u>207,699,313</u>	<u>1.47%</u>	<u>3,060,923</u>	<u>(125,444,756)</u>
43	COLSTRIP 4						
44 E311	Structures & Improvements	27,205	27,423	27,306,371	1.42%	387,576	(18,191,032)
45 E312	Boiler Plant Equipment	116,083	119,867	117,989,635	1.63%	1,926,323	(71,533,921)
46 E314	Turbo Generating Units	40,132	46,881	42,830,033	1.90%	812,451	(19,075,914)
47 E315	Accessory Electric Equipment	5,742	5,911	5,848,060	1.39%	81,425	(3,563,258)
48 E316	Misc. Power Plant Equipment	918	938	930,540	1.93%	17,913	(362,069)
49	TOTAL	<u>190,080</u>	<u>201,020</u>	<u>194,904,639</u>	<u>1.66%</u>	<u>3,225,688</u>	<u>(112,726,194)</u>
50	COLSTRIP 3 & 4 COMMON						
51 E311	Structures & Improvements	70,392	70,407	70,392,983	1.13%	794,981	(48,874,491)
52 E312	Boiler Plant Equipment	14,552	15,675	14,599,081	1.44%	209,708	(8,670,811)
53 E314	Turbo Generating Units	11	11	10,515	26.59%	2,796	98,503
54 E315	Accessory Electric Equipment	7,550	7,645	7,553,954	1.27%	96,128	(4,983,371)
55 E316	Misc. Power Plant Equipment	4,444	4,444	4,444,375	1.63%	72,444	(2,675,497)
56	TOTAL	<u>96,949</u>	<u>98,182</u>	<u>97,000,908</u>	<u>1.21%</u>	<u>1,176,057</u>	<u>(65,105,667)</u>
57	COLSTRIP 1 & 2 / 3 & 4COMMON						
58 E317	Asset Retirement Obligation	14,385	1,167	2,818,900	0.00%	41,463	(942,152)
59	TOTAL	<u>14,385</u>	<u>1,167</u>	<u>2,818,900</u>	<u>0.00%</u>	<u>41,463</u>	<u>(942,152)</u>
60							
61							
62	COLSTRIP 1-4 COMMON						
63 E316	Misc. Power Plant Equip.	252	252	251,534	1.38%	3,468	(183,746)
64	TOTAL	<u>252</u>	<u>252</u>	<u>251,534</u>	<u>1.38%</u>	<u>3,468</u>	<u>(183,746)</u>
65							
66	Subtotal before Colstrip FERC Adjustments	790,633	807,944	788,062,549	1.54%	12,109,256	(447,378,353)
67	ARO - Electric Colstrip 1-4 (Acct: 23001021 and 23001031)			(3,052,073)		169,183	
68	Colstrip Common FERC Adj. (AMA is Net of Accum. Amort.)			3,883,622		354,669	
69	Colstrip Def Depr FERC Adj. (AMA is Net of Accum. Amort.)			1,145,778		104,311	
70	Totals			<u>790,039,876</u>	<u>1.61%</u>	<u>12,737,418</u>	<u>(447,378,353)</u>
71							

72		
73	Exhibit A-3 Colstrip Fixed Costs (Page 2 of 2)	
74		
75		
76		
77		
78	Support for Revenue Requirement - Expenses	12ME December 2013
79		Amount before
80	Order Description	Prod. Adj.
81	5E+07 Colstrip 1&2 - Supv & Eng'g - Steam Ope	128,799
82	5E+07 Colstrip 3&4 - Supv & Eng'g - Steam Ope	103,411
83	5E+07 Colstrip 1&2 - Steam Exp - Steam Gen Op	4,331,115
84	5E+07 Colstrip 3&4 - Steam Exp - Steam Gen Op	2,316,737
85	5E+07 Colstrip 1&2 - Electric Exp - Steam Gen	123,245
86	5E+07 Colstrip 3&4 - Electric Exp - Steam Gen	110,674
87	5E+07 Colstrip 1&2 - Misc Stm Pwr - Steam Gen	4,720,045
88	5E+07 Colstrip 1&2 - Steam Gen-Thermal Jnt O&PC	184,373
89	5E+07 Colstrip 3&4 - Misc Stm Pwr - Steam Gen	3,917,973
90	5E+07 Colstrip 3&4 - Steam Gen-Thermal Jnt O&PC	167,537
91	5E+07 Colstrip 1&2 - Rents - Steam Gen Oper	20,114
92	5E+07 Colstrip 3&4 - Rents - Steam Gen Oper	49,058
93	5E+07 Colstrip 1&2 - Supv & Eng'g - Steam Gen	770,891
94	5E+07 Colstrip 3&4 - Supv & Eng'g - Steam Gen	620,075
95	5E+07 Colstrip 1&2 - Structures - Steam Gen M	1,246,787
96	5E+07 Colstrip 3&4 - Structures - Steam Gen M	996,726
97	5E+07 Colstrip 1&2 - Boiler Plant - Steam Gen	5,444,942
98	5E+07 Colstrip 3&4 - Boiler Plant - Steam Gen	5,976,621
99	5E+07 Colstrip 1&2 - Electric Plant - Steam G	776,929
100	5E+07 Colstrip 3&4 - Electric Plant - Steam G	1,384,162
101	5E+07 Colstrip 1&2 -Misc Steam Plt -Steam Gen	968,274
102	5E+07 Colstrip 3&4 -Misc Steam Plt -Steam Gen	847,361
103	5E+07 Colstrip 1&2 Belmontez Settlement	-
104	5E+07 Colstrip 1&2 Global Settlement	-
105	5E+07 Colstrip 1&2 Ash Pond Settlement	-
106	5E+07 Colstrip 3&4 Global Settermt	-
107	5E+07 Colstrip 3&4 Ash Pond Settlement	1
108	Subtotal for the test year	<u>35,205,850</u>
109	Adjustment to the rate year	<u>7,220,735</u>
110	Subtotal on Orders	<u>42,426,585</u>
111		
112	Electric Energy Tax	1,750,088
113	403xxx Depreciation / Accretion	12,737,418
114		<u>\$ 56,914,092</u>

Exhibit D: Regulatory Assets and Liabilities net of Accumulated Amortization and Deferred Taxes (PCA Periods)
2014 PCORC - PCA Time Periods

Ref	Description	12 Months Ended		PCA Period			Rate			
		Asset Amort	Balance net of AA & ADFIT (Note 1)	Asset Amort	AMA Ratebase as of (Note 1)	Return A.T. %	Amount	Pre Tax	Monthly	
56	Dec 2011	\$ (2,885,052)	24,739,454	(2,885,052)	25,677,096	12/31/11	6.90%	1,771,720	2,725,723	227,144
57	Dec 2012	\$ (2,885,052)	22,864,164	(2,885,052)	23,801,809	12/31/12	6.9% & 6.71%	1,613,659	2,482,552	206,879
55	Dec 2013	\$ (2,885,052)	20,988,887	(2,885,052)	21,926,523	12/31/13	6.71%&6.69%	1,469,059	2,260,091	188,341
56	Dec 2014	\$ (2,885,052)	19,113,604	(2,885,052)	20,051,245	12/31/14	6.69%	1,341,428	2,063,736	171,978
57	Dec 2015	\$ (2,885,052)	17,238,320	(2,885,052)	18,175,962	12/31/15	6.69%	1,215,972	1,870,726	155,894
58	Dec 2016	\$ (2,885,052)	15,363,036	(2,885,052)	16,300,678	12/31/16	6.69%	1,090,515	1,677,716	139,810
59	Dec 2017	\$ (2,885,052)	13,487,752	(2,885,052)	14,425,394	12/31/17	6.69%	965,059	1,484,706	123,725
60										
61	BNP Capacity - UE-100503			G/L Accts # 19000711, # 25302121, #25400191 and Order #54700010						
62	Dec 2010	403,220	(2,737,413)	403,220	(2,267,178)	12/31/10	7.00%&6.90%	(127,037)	(195,441)	(20,083)
63	Dec 2011	537,626	(2,387,956)	537,626	(2,562,685)	12/31/11	6.90%	(176,825)	(272,039)	(22,670)
64	Dec 2012	\$ 537,626	(2,038,499)	537,626	(2,213,228)	12/31/12	6.9% & 6.71%	(150,047)	(230,842)	(19,237)
62	Dec 2013	\$ 537,626	(1,689,042)	537,626	(1,863,771)	12/31/13	6.71%&6.69%	(124,871)	(192,109)	(16,009)
63	Dec 2014	\$ 537,626	(1,339,585)	537,626	(1,514,314)	12/31/14	6.69%	(101,308)	(155,858)	(12,988)
64	Dec 2015	537,626	(990,128)	537,626	(1,164,857)	12/31/15	6.69%	(77,929)	(119,891)	(9,991)
65	Dec 2016	537,626	(640,671)	537,626	(815,400)	12/31/16	6.69%	(54,550)	(83,923)	(6,994)
66	Dec 2017	537,626	(291,214)	537,626	(465,943)	12/31/17	6.69%	(31,172)	(47,956)	(3,996)
67	Dec 2018	448,022	-	448,022	(121,339)	12/31/18	6.69%	(8,118)	(12,489)	(1,041)
68										
69	Goldendale -Def Asset			G/L Accts # 18600841, #18231011 Order #55362083 &553002864						
70	PP Exp-Planned Maj. Maint.									
71	Dec 2010	(259,040)	413,677	(259,040)	590,967	12/31/10	7.00%&6.90%	29,940	46,062	5,118
72	Dec 2011	(354,580)	59,097	(354,580)	236,387	12/31/11	6.90%	16,311	25,093	2,091
73	Dec 2012	\$ (59,097)	-	(59,097)	4,925	12/31/12	6.9% & 6.71%	124	191	48
74										
75	Mint Farm -Def Asset			G/L Accts # 18231031, 16500741, Order #5XX (Prod O&M)						
76	PP Exp-Planned Maj. Maint. (Note 3)									
77	Dec 2010	(456,270)	1,042,903	-456270.1439	678973.4284	12/31/10	7.00%&6.90%	27,468	42,258	6,037
78	Dec 2011	(782,177)	260,726	-782177.3896	651814.4913	12/31/11	6.90%	44,975	69,193	5,766
79	Dec 2012	\$ (260,726)	-	-260725.7965	43454.29942	12/31/12	6.9% & 6.71%	1,098	1,689	422
80										
69	Chelan PUD Contract Initiation			G/L Accts # 18230351, #28300561, #18600271 Order #55500153						
70	Payment									
71	Dec 2011	(1,181,344)	122,267,588	(1,181,344)	121,077,132	12/31/11	6.90%	1,396,202	2,148,003	1,074,001
72	Dec 2012	\$ (7,088,066)	116,102,845	(7,088,066)	119,185,216	12/31/12	6.9%&6.71%	8,080,237	12,431,133	1,035,928
71	Dec 2013	\$ (7,088,066)	109,938,102	(7,088,066)	113,020,474	12/31/13	6.71%&6.69%	7,572,279	11,649,660	970,805
72	Dec 2014	\$ (7,088,066)	103,773,360	(7,088,066)	106,855,731	12/31/14	6.69%	7,148,648	10,997,921	916,493
73	Dec 2015	\$ (7,088,066)	97,608,617	(7,088,066)	100,690,988	12/31/15	6.69%	6,736,227	10,363,426	863,619
74	Dec 2016	\$ (7,088,066)	91,443,875	(7,088,066)	94,526,246	12/31/16	6.69%	6,323,806	9,728,932	810,744
75	Dec 2017	\$ (7,088,066)	85,279,132	(7,088,066)	88,361,503	12/31/17	6.69%	5,911,385	9,094,438	757,870
76										
77	Chelan - Rock Island Security Deposit			G/L Accts # 12800001						
78	Dec 2012	\$ -	18,500,000	-	18,500,000	12/31/12	6.9%&6.71%	786,867	1,210,564	159,147
78	Dec 2013	\$ -	18,500,000	-	18,500,000	12/31/13	6.71%&6.69%	1,239,485	1,906,900	158,908
79	Dec 2014	\$ -	18,500,000	-	18,500,000	12/31/14	6.69%	1,237,650	1,904,077	158,673
80	Dec 2015	\$ -	18,500,000	-	18,500,000	12/31/15	6.69%	1,237,650	1,904,077	158,673
81	Dec 2016	\$ -	18,500,000	-	18,500,000	12/31/16	6.69%	1,237,650	1,904,077	158,673
82	Dec 2017	\$ -	18,500,000	-	18,500,000	12/31/17	6.69%	1,237,650	1,904,077	158,673
83										
84	Colstrip 1 and 2 (WECO)			G/L Accts # 16599011, 18232321 Order #50106003						
85	Reservation Payment									
86	Dec 2011	(555,556)	4,444,444	(555,556)	-	12/31/11	6.90%	0	0	0
87	Dec 2012	\$ (944,444)	3,500,000	(944,444)	3,912,809	12/31/12	6.9%&6.71%	265,271	408,110	34,009
86	Dec 2013	\$ (500,000)	3,000,000	(500,000)	3,250,000	12/31/13	6.71%&6.69%	217,747	334,996	27,916
87	Dec 2014	\$ (500,000)	2,500,000	(500,000)	2,750,000	12/31/14	6.69%	183,975	283,038	23,587
88	Dec 2015	\$ (500,000)	2,000,000	(500,000)	2,250,000	12/31/15	6.69%	150,525	231,577	19,298
89	Dec 2016	\$ (500,000)	1,500,000	(500,000)	1,750,000	12/31/16	6.69%	117,075	180,115	15,010
90	Dec 2017	\$ (500,000)	1,000,000	(500,000)	1,250,000	12/31/17	6.69%	83,625	128,654	10,721
96										
92	FERC PART 12 Non-Construction Study Cos			G/L Accts # 18220091						
93	Dec 2012	\$ (241,268)	965,072	(241,268)	1,035,442	12/31/12	6.9%&6.71%	70,198	107,998	9,000
93	Dec 2013	\$ (241,268)	723,804	(241,268)	844,438	12/31/13	6.71%&6.69%	56,577	87,041	7,253
94	Dec 2014	\$ (241,268)	482,536	(241,268)	603,170	12/31/14	6.69%	40,352	62,080	5,173
95	Dec 2015	\$ (241,268)	241,268	(241,268)	361,902	12/31/15	6.69%	24,211	37,248	3,104

Exhibit D: Regulatory Assets and Liabilities net of Accumulated Amortization and Deferred Taxes (PCA Periods)
2014 PCORC - PCA Time Periods

Ref	Description	12 Months Ended		PCA Period			Rate		
		Asset Amort	AA & ADFIT (Note 1)	Asset Amort	AMA Ratebase as of (Note 1)	Return A.T. %	Amount	Pre Tax	Monthly
157									
158	Period	From	To	Asset Amort	AMA Ratebase as of	Return A.T. %	Amount (Annualized)	Pre Tax	Monthly
159									
160	PCA #9	\$ 1/1/10	12/31/10	(52,290,307)	128,401,148 12/10	7.00%&6.90%	8,348,278	12,843,505	1,070,292
161	PCA #10	\$ 1/1/11	12/31/11	(57,775,335)	205,265,167 12/11	6.90%	6,858,474	10,551,498	879,292
162	PCA #11	\$ 1/1/12	12/31/12	(19,497,705)	317,135,770 12/12	6.9%&6.71%	17,913,456	27,559,163	2,745,214
163	PCA #12	\$ 1/1/13	12/31/13	(22,350,744)	310,831,090 12/13	6.71%&6.69%	20,032,307	30,818,934	2,670,080
164	PCA #13	\$ 1/1/14	12/31/14	(31,511,664)	287,434,175 12/14	6.69%	19,064,318	29,329,720	2,465,865
165	PCA #14	\$ 1/1/15	12/31/15	(32,295,308)	266,124,919 12/15	6.69%	17,803,757	27,390,396	2,282,533
166	PCA #15	\$ 1/1/16	12/31/16	(29,404,571)	242,684,342 12/16	6.69%	16,235,583	24,977,819	2,081,485
167	PCA #16	\$ 1/1/17	12/31/17	(26,027,118)	221,641,958 12/17	6.69%	14,827,847	22,812,072	1,901,006

169 Note: Amounts in bold and italics are different from May 23, 2014 original filing.

170 Note (1) Amounts in these columns are net of accumulated amortization AND the associated Deferred FIT liability / asset.

Puget Sound Energy, Inc.

Power Cost Adjustment Mechanism
Annual Report for PCA Period Thirteen
Twelve Months Ended December 31, 2014

PCA Exhibits
From January 1 through November 30, 2014
PCA Exhibits Approved in 2013 PCORC in
Docket No. UE-130617

**PUGET SOUND ENERGY
POWER COST ONLY RATE CASE
TEST YEAR SEPTEMBER 30, 2012
RATE YEAR END OCTOBER 31, 2014**

2013 PCORC Exhibit A-1 Power Cost Baseline Rate

As Filed in October 25, 2013 Compliance Filing in UE-130617

Row		Test Year	Test Yr \$/MWh		REVISED Production Factor 0.98248	Rate Year	Per month for Schedule B
			(I)			(II)	(III)
3	Regulatory Assets (1) (Variable)	\$ 284,772,615					
4	Transmission Rate Base (Fixed)	91,760,899					
5	Production Rate Base (Fixed)	2,310,529,556					
6		\$ 2,687,063,069					
7	Net of tax rate of return	6.69%					
8							
9							
9A							
10	Regulatory Asset Recovery (on Row 3)	\$ 29,309,674	\$ 1.401	(c)			
11	Fixed Asset Recovery Other (on Row 4)	9,444,314	\$ 0.452	(a)	\$ 9,444,314	\$ 787,026	
12	Fixed Asset Recovery-Prod Factored (on Row 5)	237,806,811	\$ 11.370	(a)	242,047,483	20,170,624	20,957,650
13	501-Steam Fuel	89,840,342	\$ 4.295	(c)			
14	555-Purchased power	397,269,316	\$ 18.994	(c)			
15	557-Other Power Exp	6,346,743	\$ 0.303	(a)	6,459,921	538,327	
15a	Payroll Overheads - Benefits (Inc. Worker's Comp)	6,535,308	\$ 0.312	(a)	6,651,848	554,321	
15b	Property Insurance	2,903,003	\$ 0.139	(a)	2,954,771	246,231	
15c	Montana Electric Energy Tax	1,689,589	\$ 0.081	(a)	1,719,719	143,310	
15d	Payroll Taxes on Production Wages	2,035,145	\$ 0.097	(a)	2,071,436	172,620	1,654,808
16	547-Fuel	148,918,498	\$ 7.120	(c)			
17	565-Wheeling	102,954,754	\$ 4.922	(c)			
18	Variable Transmission Income	(7,455,773)	\$ (0.356)	(c)			
19	Production O&M	126,076,354	\$ 6.028	(a)	128,324,601	10,693,717	
20	447-Sales to Others	(29,299,862)	\$ (1.401)	(c)			
21	Purch/Sales Non-Core Gas	(8,879,149)	\$ (0.425)	(c)			
22	Transmission Exp - 500KV	956,152	\$ 0.046	(a)	973,202	81,100	
23	Depreciation-Production (FERC 403)	119,872,551	\$ 5.731	(a)	122,010,169	10,167,514	
24	Depreciation-Transmission	4,136,830	\$ 0.198	(a)	4,136,830	344,736	
25	Amortization - Regulatory Assets (1)	29,072,399	\$ 1.390	(c)			
26	Property Taxes-Production	-	\$ -	(a)	-	-	
27	Property Taxes-Transmission	-	\$ -	(a)	-	-	
28	Hedging Line of Credit	785,409	\$ 0.038	(c)			
29	Subtotal & Baseline Rate	\$ 1,270,318,407	\$ 60.736	(b)	\$ 526,794,294	\$ 43,899,525	
30	Revenue Sensitive Items	0.9549940					
21		\$ 1,330,184,699					
32	Test Year DELIVERED Load (MWH's)	20,915,581		<-- includes Firm Wholesale			
33							
34							
35							
36	Power Cost in Rates with Revenue Sensitive						
37	Items (the adjusted baseline)	\$ 60.736	\$ 63.598				
38	sum of (a) = Fixed Rate Component	\$ 24.757	\$ 25.924				
39	(b) = Power Cost Rate	\$ 60.736	\$ 63.598				
40	sum of (c) = Variable Power Rate Component	\$ 35.979	\$ 37.674				
41							
42	(1) - Regulatory Assets are shown in detail on Exhibit D.						

As Filed in October 25, 2013 Compliance Filing in UE-130617

2013 PCORC Docket Number UE-130617
 Exhibit A-2 Transmission Rate Base

Row	FERC	Description	Plant AMA 09/30/2012	AMA Accum Deprec/Amort	Net	Annualized Depreciation
10						
11		TRANS - COLSTRIP 1 & 2				
12	E350	Land and Land Rights	10,247	-	10,247	-
13	E351	Easements	685,927	(433,658)	252,269	13,033
14	E352	Structures & Improvements	-	-	-	-
15	E353	Station Equipment	1,231,131	(1,022,844)	208,287	25,977
16	E354	Towers & Fixtures	14,574,175	(9,505,551)	5,068,624	243,356
17	E355	Poles & Fixtures	49,007	(51,576)	(2,569)	1,480
18	E356	OH Conductors & Devices	13,158,153	(9,417,025)	3,741,128	277,637
19	E359	Roads & Trails	113,968	(70,440)	43,528	1,630
20		TOTAL COLSTRIP 1&2 TRANSMISSION	29,822,608	(20,501,094)	9,321,514	563,112
21						
22		TRANS - COLSTRIP 3 & 4				
23	E351	Easements	1,071,124	(665,508)	405,616	20,351
24	E352	Structures & Improvements	488,761	(304,333)	184,428	8,309
25	E353	Station Equipment	20,676,024	(12,343,435)	8,332,589	436,791
26	E354	Towers & Fixtures	20,589,451	(13,160,434)	7,429,017	343,832
27	E355	Poles & Fixtures	88,692	(38,965)	49,727	2,679
28	E356	OH Conductors & Devices	19,996,419	(14,056,769)	5,939,650	421,933
29	E359	Roads & Trails	335,822	(205,035)	130,787	4,797
30		TOTAL COLSTRIP 3&4 TRANSMISSION	63,246,293	(40,774,479)	22,471,814	1,238,691
31						
32		TRANS - 3RD NW-SW INTERTIE				
33	E350	Land and Land Rights	1,769,178	-	1,769,178	-
34	E351	Easements	-	-	-	-
35	E352	Structures & Improvements	1,276,264	(430,248)	846,016	21,696
36	E353	Station Equipment	33,285,323	(13,328,798)	19,956,525	708,960
37	E354	Towers & Fixtures	22,781,417	(7,800,901)	14,980,516	380,450
38	E355	Poles & Fixtures	204,200	(80,829)	123,371	6,167
39	E356	OH Conductors & Devices	23,497,063	(10,778,222)	12,718,841	495,794
40	E359	Roads & Trails	59,215	(11,637)	47,578	847
41		TOTAL 3RD NW-SW INTERTIE	82,872,660	(32,430,635)	50,442,025	1,613,914
42						
43		TRANS - NORTHERN INTERTIE				
44	E350	Land and Land Rights	30,604	-	30,604	-
45	E351	Easements	-	-	-	-
46	E352	Structures & Improvements	-	-	-	-
47	E353	Station Equipment	-	-	-	-
39	E354	Towers & Fixtures-Whatcom	5,744,097	(1,493,068)	4,251,029	95,926
42	E355	Poles & Fixtures-Skagit	3,516,565	(1,444,426)	2,072,139	106,200
43	E356	OH Conductors & Devices-Skagit	12,700,860	(4,769,112)	7,931,748	267,988
43	E359	Roads & Trails	-	-	-	-
44		TOTAL NORTHERN INTERTIE	21,992,126	(7,706,606)	14,285,520	470,115
45						
46						
47		Total Transmission	\$ 197,933,687	\$ (101,412,814)	\$ 96,520,873	\$ 3,885,832
48		Accumulated Depreciation (AMA)	(101,412,814)			
49		Deferred Taxes (AMA)	(7,788,256)			
50		Transmission portion of:				
51		Colstrip Common FERC Adj. net of accum amort	2,606,288			213,630
52		Colstrip Def Depr FERC Adj. net of accum amort	421,993			37,367
53						
54		Total Transmission Rate Base	\$ 91,760,899			\$ 4,136,830

As Filed in October 25, 2013 Compliance Filing in UE-130617

**PUGET SOUND ENERGY
POWER COST ONLY RATE CASE
TEST YEAR SEPTEMBER 30, 2012
RATE YEAR OCTOBER 31, 2014**

Exhibit A-3 Colstrip Fixed Costs (1 of 2)

Row	Revenue Requirement for Colstrip	
11	Plant	788,314,049
12	Accumulated Depreciation	(458,047,351)
13	Deferred Taxes - AMA 9/30/2012	(81,238,720)
14	Net Plant	249,027,978
15	Rate of Return (net of Tax)	6.69%
16	Revenue Requirement after tax	16,659,972 (Line 6 X Line 7)
17	Plant Revenue Requirement	25,630,726 (Adjusted for Federal Tax) (Line 8 / (1 - 35%))
18	Expenses	64,707,150
19	Total Revenue Requirement	90,337,876 (before revenue sensitive items)

21 Support for Revenue Requirement - Ratebase

22 FERC	DESCRIPTION	2011 September In Thousands	2012 September In Thousands	13 MONTH AMA	ANNUITY RATE	ANNUALIZED DEPRECIATION	AMA ACCUM. DEPR.
23	COLSTRIP #1						
24 E311	Structures & Improvements	7,959	8,195	8,053,765	1.74%	140,034	(4,935,958)
25 E312	Boiler Plant Equipment	71,926	82,240	77,013,694	1.68%	1,290,616	(40,966,136)
26 E314	Turbo Generating Units	24,698	31,380	27,374,540	2.35%	642,160	(10,555,594)
27 E315	Accessory Electric Equipment	5,937	6,052	5,977,119	0.93%	55,589	(4,470,704)
28 E316	Misc. Power Plant Equipment	835	837	835,670	2.31%	19,290	(282,148)
29	TOTAL	111,355	128,704	119,254,788	1.80%	2,147,690	(61,210,540)
30	COLSTRIP #2						
31 E311	Structures & Improvements	3,151	3,396	3,255,812	1.32%	42,997	(1,072,602)
32 E312	Boiler Plant Equipment	71,286	73,931	72,866,753	1.79%	1,305,824	(34,950,143)
33 E314	Turbo Generating Units	34,578	34,874	34,797,312	2.28%	794,595	(11,208,976)
34 E315	Accessory Electric Equipment	2,936	3,024	2,962,901	1.36%	40,281	(1,327,510)
35 E316	Misc. Power Plant Equipment	957	959	957,671	2.38%	22,778	(377,401)
36	TOTAL	112,908	116,184	114,840,449	1.92%	2,206,475	(48,936,632)
37	COLSTRIP 1 & 2 COMMON						
38 E311	Structures & Improvements	31,192	31,140	31,150,455	0.63%	196,420	(26,262,311)
39 E312	Boiler Plant Equipment	6,207	6,186	6,190,571	1.27%	78,500	(4,979,512)
40 E314	Turbo Generating Units	3,821	3,821	3,821,272	1.24%	47,384	(3,370,468)
41 E315	Accessory Electric Equipment	2,290	2,287	2,287,246	1.14%	26,107	(1,819,059)
42 E316	Misc. Power Plant Equipment	6,228	6,206	6,210,185	1.40%	86,830	(4,944,678)
43 E317	Asset Retirement Obligation	540	833	771,691	0.00%	91,531	(527,845)
44	TOTAL	50,278	50,473	50,431,420	1.04%	526,772	(41,903,873)
45	COLSTRIP 3						
46 E311	Structures & Improvements	28,743	28,987	28,870,029	1.33%	383,759	(19,871,490)
47 E312	Boiler Plant Equipment	129,931	130,704	130,139,693	1.44%	1,868,533	(87,095,180)
48 E314	Turbo Generating Units	46,758	46,326	46,117,723	1.83%	845,912	(18,612,060)
49 E315	Accessory Electric Equipment	6,442	6,444	6,441,897	1.28%	82,230	(4,146,147)
50 E316	Misc. Power Plant Equipment	789	791	789,718	2.01%	15,863	(300,219)
51	TOTAL	212,663	213,252	212,359,060	1.51%	3,196,298	(130,025,096)
52	COLSTRIP 4						
53 E311	Structures & Improvements	26,937	27,153	27,050,773	1.42%	383,948	(17,708,747)
54 E312	Boiler Plant Equipment	115,290	116,088	115,705,810	1.64%	1,898,237	(69,745,732)
55 E314	Turbo Generating Units	39,901	40,007	39,958,779	1.92%	769,142	(18,170,566)
56 E315	Accessory Electric Equipment	5,678	5,734	5,695,405	1.40%	79,695	(3,463,193)
57 E316	Misc. Power Plant Equipment	916	918	917,187	1.93%	17,692	(339,867)
58	TOTAL	188,722	189,900	189,327,954	1.66%	3,148,714	(109,428,105)
59	COLSTRIP 3 & 4 COMMON						
60 E311	Structures & Improvements	70,457	70,422	70,429,572	1.21%	853,969	(49,141,001)
61 E312	Boiler Plant Equipment	15,900	15,699	15,740,956	1.49%	234,745	(9,535,099)
62 E314	Turbo Generating Units	11	11	10,515	26.55%	2,792	101,976
63 E315	Accessory Electric Equipment	7,645	7,645	7,645,315	1.28%	97,860	(4,953,526)
64 E316	Misc. Power Plant Equipment	4,475	4,444	4,450,691	1.63%	72,366	(2,591,259)
65 E317	Asset Retirement Obligation	334	334	333,978	0.00%	7,591	(244,789)
66	TOTAL	98,822	98,555	98,611,027	1.29%	1,269,323	(66,363,698)
67	COLSTRIP 1-4 COMMON						
68 E316	Misc. Power Plant Equip.	252	252	251,534	1.38%	3,471	(179,407)
69	TOTAL	252	252	251,534	1.38%	3,471	(179,407)
70							
71	Subtotal before Colstrip FERC Adjustments (Line 63 + 65)	775,000	797,320	785,076,232	1.59%	12,498,743	(458,047,351)
72	ARO - Electric Colstrip 1-4 (Acct: 23001021 and 23001031)			(2,787,301)		448,388	
73	Colstrip Common FERC Adj. (AMA is Net of Accum. Amort.)			4,326,958		354,669	
74	Colstrip Def Depr FERC Adj. (AMA is Net of Accum. Amort.)			1,698,160		104,311	
75	Totals			788,314,049	1.70%	13,406,111	(458,047,351)
76							

As Filed in October 25, 2013 Compliance Filing in UE-130617

**PUGET SOUND ENERGY
POWER COST ONLY RATE CASE
TEST YEAR SEPTEMBER 30, 2012
RATE YEAR OCTOBER 31, 2014**

Exhibit A-3 Colstrip Fixed Costs (2 of 2)

86		
87	Support for Revenue Requirement - Expenses	12ME September 2012
88		Amount before
89	Order Description	Prod. Adj.
90	50004011 Colstrip 1&2 - Supv & Eng'g - Steam Ope	111,132
91	50005011 Colstrip 3&4 - Supv & Eng'g - Steam Ope	85,285
92	50204001 Colstrip 1&2 - Steam Exp - Steam Gen Op	4,133,771
93	50205001 Colstrip 3&4 - Steam Exp - Steam Gen Op	2,670,279
94	50504001 Colstrip 1&2 - Electric Exp - Steam Gen	171,157
95	50505001 Colstrip 3&4 - Electric Exp - Steam Gen	154,666
96	50604001 Colstrip 1&2 - Misc Stm Pwr - Steam Gen	4,137,382
97	50604009 Colstrip 1&2 - Steam Gen-Thermal Jnt O&PC	166,191
98	50605001 Colstrip 3&4 - Misc Stm Pwr - Steam Gen	2,904,530
99	50605009 Colstrip 3&4 - Steam Gen-Thermal Jnt O&PC	155,704
100	50704001 Colstrip 1&2 - Rents - Steam Gen Oper	16,162
101	50705001 Colstrip 3&4 - Rents - Steam Gen Oper	45,830
102	51004001 Colstrip 1&2 - Supv & Eng'g - Steam Gen	819,366
103	51005001 Colstrip 3&4 - Supv & Eng'g - Steam Gen	571,125
104	51104001 Colstrip 1&2 - Structures - Steam Gen M	1,239,155
105	51105001 Colstrip 3&4 - Structures - Steam Gen M	849,075
106	51204001 Colstrip 1&2 - Boiler Plant - Steam Gen	7,635,230
107	51205001 Colstrip 3&4 - Boiler Plant - Steam Gen	5,087,128
108	51304001 Colstrip 1&2 - Electric Plant - Steam G	2,036,102
109	51305001 Colstrip 3&4 - Electric Plant - Steam G	636,704
110	51404001 Colstrip 1&2 -Misc Steam Plt -Steam Gen	1,549,837
111	51405001 Colstrip 3&4 -Misc Steam Plt -Steam Gen	781,469
112	50604002 Colstrip 1&2 Belmontez Settlement	-
113	50604003 Colstrip 1&2 Global Settlement	-
114	50604004 Colstrip 1&2 Ash Pond Settlement	-
115	50605003 Colstrip 3&4 Global Settemt	-
116	50605004 Colstrip 3&4 Ash Pond Settlement	-
117	Subtotal for the test year	<u>35,957,279</u>
118	Adjustment to the rate year	<u>4,318,279</u>
119	Subtotal on Orders	<u>40,275,558</u>
120	Property Taxes-Montana	9,288,038
121	Electric Energy Tax	1,737,443
122	403xxxxx Depreciation / Accretion	<u>13,406,111</u>
123		<u><u>\$ 64,707,150</u></u>

As Filed in October 25, 2013 Compliance Filing in UE-130617

Exhibit A-4 Production Adjustment (1 of 2)

PUGET SOUND ENERGY
POWER COST ONLY RATE CASE
TWELVE MONTHS ENDED SEPTEMBER 30, 2012
PRODUCTION ADJUSTMENT

LINE NO.	DESCRIPTION	PROFORMA AND RESTATED	PRODUCTION 1.752%	NET AMOUNT
1	O&M PRODUCTION RELATED			
2	EMPLOYEE BENEFITS & TAXES	8,723,284	(152,832)	8,570,452
3	PROPERTY INSURANCE	2,954,771	(51,768)	2,903,003
4				
5	TOTAL PRODUCTION O&M	11,678,055	(204,600)	11,473,456
6				
7	HEDGING LINE OF CREDIT	799,414	(14,006)	785,409
8				
9	DEPRECIATION / AMORTIZATION:			
10	DEPRECIATION	109,709,692	(1,922,114)	107,787,578
11	AMORTIZATION (OTHER THAN REGULATORY ASSETS/LIAB) x		(215,504)	12,084,973
12		122,010,169	(2,137,618)	119,872,551
13	TAXES OTHER-PRODUCTION PROPERTY:			
14	PROPERTY TAXES - PRODUCTION	-	-	-
15	ELECTRIC ENERGY TAX	1,719,719	(30,129)	1,689,589
16	TOTAL TAXES OTHER	1,719,719	(30,129)	1,689,589
17				
18	TOTAL PRODUCTION ADJUSTMENT TO BASELINE RATE	136,207,358	(2,386,353)	133,821,005
19	CK	-	-	-
20	EXPENSE ON REGULATORY ASSETS:			
21	ADJ. NO. 9 - FERNDALE DEFERRAL	4,135,549	(72,455)	4,063,094
22	ADJ. NO. 5 - SNOQUALMIE DEFERRAL	1,920,143	(33,641)	1,886,503
23	ADJ. NO. 7 - BAKER DEFERRAL	529,498	(9,277)	520,221
24	ADJ. NO. 12 - ELECTRON UNRECOVERED COSTS	-	-	-
25	ADJs - POWER COST & PROD O&M RELATED			
26	NO. 15 - BEP	3,526,620	(61,786)	3,464,834
27	NO. 18 - WESTCOAST PIPE CAP - UE-082013 (FB ENERG	(392,170)	6,871	(385,299)
28	NO. 18 - WESTCOAST PIPE CAP - UE-100503 (BNP PARIE	(537,626)	9,419	(528,207)
29	NO. 19 - CHELAN	7,088,066	(124,183)	6,963,883
30	NO. 20 - COLSTRIP 1&2 (WEC _o) PREPAYMENT	500,000	(8,760)	491,240
31	NO. 21 - LOWER SNAKE RIVER PREPAID TRANSM PRINC	3,012,679	(52,782)	2,959,896
32	NO. 20 - MINT FARM APRIL 2013 HOT GAS PATH INSPEC	-	-	-
33	ADJs - ALL OTHER			
34	NO. 16 - WHITE RIVER PLANT COSTS	1,494,702	(26,187)	1,468,515
35	NO. 17 - MINT FARM DEFFRED - UE-090704	2,885,052	(50,546)	2,834,506
36	NO. 17 - LOWER SNAKE RIVER PLANT DEFERRAL	4,499,635	(78,834)	4,420,801
37	NO. 20 - FERC PART 12 STUDY NON-CONSTRUCTION CC	241,268	(4,227)	237,041
38	NO. 21 - CARRYING CHARGES ON LSR PREPAID TRANS	687,415	(12,044)	675,371
39				
40	TOTAL REGULATORY ASSET ADJUSTMENT TO BASELINE R,	29,590,830	(518,431)	29,072,399
41	CK	-	-	-
42	INCREASE (DECREASE) EXPENSE		(2,904,784)	-
43				
44	PRODUCTION RATE BASE:			
45	DEPRECIABLE PRODUCTION PROPERTY	3,873,824,587	(67,869,407)	3,805,955,180
46	PRODUCTION PROPERTY ACCUM DEPR.	(1,373,449,519)	24,062,836	(1,349,386,683)
47	NON-DEPRECIABLE PRODUCTION PROPERTY	77,802,363	(1,363,097)	76,439,266
48	PRODUCTION PROPERTY ACCUM AMORT.	(5,230,652)	91,641	(5,139,011)
49	COLSTRIP COMMON FERC ADJUSTMENT	4,326,958	(75,808)	4,251,150
50	COLSTRIP DEFERRED DEPRECIATION FERC ADJ.	1,276,167	(22,358)	1,253,809
51	ACQUISITION ADJUSTMENT	281,526,234	(4,932,340)	276,593,894
52	ACCUMULATED AMORTIZATION ON ACQUISTION ADJ	(72,694,902)	1,273,615	(71,421,287)
53	NET PRODUCTION PROPERTY	2,787,381,235	(48,834,918)	2,738,546,317
54				
55	DEDUCT:			
56	LIBR. DEPREC. POST 1980 (AMA)	(475,157,262)	8,324,755	(466,832,507)
57	NOL DEFERRED TAX ASSET ATTRIBUTABLE TO PRODUC	39,507,925	(692,179)	38,815,746
58	ADJUSTMENT TO RATE BASE	(435,649,337)	7,632,576	(428,016,761)
59				
60	TOTAL ADJUSTMENT TO PRODUCTION RATE BASE	2,351,731,898	(41,202,342)	2,310,529,556
61	CK	-	-	-

Exhibit A-4 Production Adjustment (2 of 2)

PUGET SOUND ENERGY
POWER COST ONLY RATE CASE
TWELVE MONTHS ENDED SEPTEMBER 30, 2012
PRODUCTION ADJUSTMENT

LINE NO.	DESCRIPTION	PROFORMA AND RESTATED	PRODUCTION 1.752%	NET AMOUNT
62	REGULATORY ASSETS RATE BASE:			
63	TENASKA	-	-	-
64	BEP	7,616,843	(133,447)	7,483,396
65	WHITE RIVER PLANT COSTS	32,252,094	(565,057)	31,687,038
66	WHITE RIVER RELICENSING & CWIP	25,621,603	(448,890)	25,172,712
67	PROCEED FROM THE SALE OF WHITE RIVER	(30,211,681)	529,309	(29,682,372)
68	DFIT - WHITE RIVER REG ASSET	(9,681,693)	169,623	(9,512,069)
69	GOLDENDALE FIXED COSTS DEFERRAL	-	-	-
70	WESTCOAST PIPELINE CAPACITY - UE-082013 (FB ENERGY)	(1,147,096)	20,097	(1,126,999)
71	WESTCOAST PIPELINE CAPACITY - UE-100503 (BNP PARIBU)	(1,572,557)	27,551	(1,545,005)
72	MINT FARM DEFFRED - UE-090704	20,363,786	(356,774)	20,007,012
73	WILD HORSE EXPANSION DEFFRED - UE-090704	-	-	-
74	CHELAN PUD CONTRACT INITIATION	107,883,190	(1,890,113)	105,993,077
75	CHELAN - ROCK ISLAND SECURITY DEPOSIT	18,500,000	(324,120)	18,175,880
76	COLSTRIP 1&2 (WEC) PREPAYMENT	2,833,333	(49,640)	2,783,693
77	FERC PART 12 STUDY NON-CONSTRUCTION COSTS UE-070	643,382	(11,272)	632,110
78	CONTRACT MAJOR MAINTENANCE:	-	-	-
79	SUMAS NOVEMBER 2010 HOT GAS PATH INSPECTION	-	-	-
80	GOLDENDALE HOT GAS PATH	-	-	-
81	FREDDY 1 JULY 2009 HOT GAS PATH INSPECTION	-	-	-
82	GOLENDALE MAY 2009 COMBUSTION INSPECTION	-	-	-
83	MINT FARM JUNE 2010 COMBUSTION INSPECTION	-	-	-
84	MINT FARM APRIL 2013 HOT GAS PATH INSPECTION	-	-	-
85	LOWER SNAKE RIVER PREPAID TRANSM PRINCIPAL	77,081,163	(1,350,462)	75,730,701
86	CARRYING CHARGES ON LSR PREPAID TRANSM	10,276,851	(180,050)	10,096,800
87	LOWER SNAKE RIVER PLANT DEFERRAL	5,849,525	(102,484)	5,747,042
88	FERNDAL DEFERRAL	14,784,588	(259,026)	14,525,562
89	SNOQUALMIE DEFERRAL	6,864,513	(120,266)	6,744,247
90	BAKER DEFERRAL	1,892,955	(33,165)	1,859,791
91	ELECTRON UNRECOVERED PLANT COSTS	-	-	-
92	TOTAL ADJUSTMENT TO REGULATORY ASSETS RATE BASE	<u>289,850,800</u>	<u>(5,078,186)</u>	<u>284,772,614</u>
93	CK	-	-	-
94	TOTAL RATE BASE		<u>(46,280,528)</u>	-

As Filed in October 25, 2013 Compliance Filing in UE-130617

Exhibit A-5 Power Costs

**PUGET SOUND ENERGY
POWER COST ONLY RATE CASE
TWELVE MONTHS ENDED SEPTEMBER 30, 2012
RATE YEAR ENDED OCTOBER 31, 2014
POWER COST**

LINE NO.	DESCRIPTION	TEST YEAR	ADJUSTED TEST YEAR	ADJUSTMENT
1	PRODUCTION EXPENSES:			
2	FUEL:			
3	501-STEAM FUEL	\$ 70,102,791	\$ 89,840,342	\$ 19,737,552
4	547-FUEL	151,230,975	148,918,498	(2,312,477)
5	PURCHASED AND INTERCHANGED:			
6	555-PURCHASED POWER	619,576,589	397,269,316	(222,307,273)
8	557 - OTHER POWER EXPENSE	13,306,753	6,346,743	(6,960,010)
9	WHEELING	84,999,684	102,954,754	17,955,070
10	HYDRO AND OTHER POWER	112,384,447	126,076,354	13,691,907
11	TRANS. EXP. INCL. 500KV O&M	973,202	956,152	(17,051)
12	SALES FOR RESALE	(102,454,344)	(29,299,862)	73,154,483
13	PURCHASES/SALES OF NON-CORE GAS	24,051,167	(8,879,149)	(32,930,317)
14	VARIABLE TRANSMISSION INCOME - COLSTRIP, 3RD AC & NI	(6,326,170)	(7,455,773)	(1,129,602)
15	INCREASE (DECREASE) EXPENSE	\$ 967,845,094	\$ 826,727,375	\$ (141,117,719)

As Filed in October 25, 2013 Compliance Filing in UE-130617

Exhibit D: Reg. Assets and Liab. net of Accumulated Amortization and Deferred Taxes (PCA Periods)
2013 PCORC - PCA Time Periods

2009 GRC	4/7/2010	6.90%
2011 GRC	5/14/2012	6.71%
2013 ERF	7/1/2013	6.69%

Ref	Description	Interest	12 Months Ended		PCA Period							
			Asset Amort	Balance net of AA & AD FIT (Note 1)	Asset Amort	AMA Ratebase as of (Note 1)	A.T. %	Return Amount	Pre Tax	Monthly		
13												
14	BEP				G/L Accts #18230071, #18230081, and #28300431 and Order #55500007							
15	Dec 2012 \$	-	(3,526,620)	10,815,003	(3,526,620)	12,014,313	12/31/12	6.9% & 6.71%	814,518	1,253,104	104,425	
16	Dec 2013 \$	-	(3,526,620)	8,416,383	(3,526,620)	9,615,693	12/31/13	6.71% & 6.69%	644,244	991,144	82,595	
17	Dec 2014 \$	-	(3,526,620)	6,017,763	(3,526,620)	7,217,073	12/31/14	6.69%	482,822	742,803	61,900	
18	Dec 2015 \$	-	(3,526,620)	3,619,143	(3,526,620)	4,818,453	12/31/15	6.69%	322,355	495,930	41,328	
19	Dec 2016 \$	-	(3,526,620)	1,220,523	(3,526,620)	2,419,833	12/31/16	6.69%	161,887	249,057	20,755	
20	Dec 2017 \$	-	(1,763,261)	0	(1,763,261)	309,550	12/31/17	6.69%	20,709	31,860	2,655	
18												
19	White River Relicensing				G/L Accts #18230641, 691, #18236021, 31, 41, 51, 61, 71, 91, 6101, #18230971, #19000021 and #28300011							
20	Dec 2012 \$			25,620,616	-	25,552,383	12/31/12	6.9% & 6.71%	1,732,340	2,665,138	222,095	
21	Dec 2013 \$			25,621,603	-	25,621,559	12/31/13	6.71% & 6.69%	1,716,623	2,640,959	220,080	
22	Dec 2014 \$			25,621,603	-	25,621,603	12/31/14	6.69%	1,714,085	2,637,054	219,755	
23												
24	White River Plant Costs				G/L Accts #18220011, #21, #31, #41 and #51 and Order #40700015, portion of #28200121							
28	Dec 2010 \$	-	(1,494,702)	37,305,564	(1,494,702)	37,977,362	12/31/10	7.00%&6.90%	2,630,531	4,046,970	337,248	
29	Dec 2011 \$		(1,494,702)	35,810,862	(1,494,702)	36,558,213	12/31/11	6.90%	2,522,517	3,880,795	323,400	
25	Dec 2012 \$		(1,479,343)	34,245,030	(1,479,343)	35,024,982	12/31/12	6.9% & 6.71%	2,374,541	3,653,140	304,428	
29	Dec 2013 \$		(1,494,702)	32,750,328	(1,494,702)	33,497,679	12/31/13	6.71% & 6.69%	2,244,317	3,452,795	287,733	
30	Dec 2014 \$		(1,494,702)	31,255,627	(1,494,702)	32,002,977	12/31/14	6.69%	2,140,999	3,293,845	274,487	
26												
30	CWA Sales Proceeds				G/L Accts #18220061, #							
35	Dec 2010 \$			(24,911,730)		(25,951,720)	12/31/10	7.00%&6.90%	(1,797,565)	(2,765,485)	(230,457)	
36	Dec 2011 \$			(30,211,681)		(30,099,199)	12/31/11	6.90%	(2,076,845)	(3,195,146)	(266,262)	
31	Dec 2012 \$			(30,211,681)		(30,211,681)	12/31/12	6.9% & 6.71%	(2,048,220)	(3,151,107)	(262,592)	
36	Dec 2013 \$			(30,211,681)		(30,211,681)	12/31/13	6.71% & 6.69%	(2,024,158)	(3,114,089)	(259,507)	
37	Dec 2014 \$			(30,211,681)		(30,211,681)	12/31/14	6.69%	(2,021,161)	(3,109,479)	(259,123)	
32												
37	White River DFIT				G/L Accts #28300651, #28300011, #19000021							
42	Dec 2010 \$			(11,290,628)		(12,226,929)	12/31/10	7.00%&6.90%	(846,907)	(1,302,934)	(108,578)	
43	Dec 2011 \$			(10,847,618)		(11,061,440)	12/31/11	6.90%	(763,239)	(1,174,214)	(97,851)	
38	Dec 2012 \$			(10,378,888)		(10,631,619)	12/31/12	6.9% & 6.71%	(720,777)	(1,108,888)	(92,407)	
39	Dec 2013 \$			(9,856,075)		(10,117,634)	12/31/13	6.71% & 6.69%	(677,873)	(1,042,882)	(86,907)	
40	Dec 2014 \$			(9,332,929)		(9,594,502)	12/31/14	6.69%	(641,872)	(987,496)	(82,291)	
41												
42	FB Energy Capacity Payment - UE-082013				G/L Accts #25300601, #25400201 and #19000151 and Order #54700005							
43	Dec 2012 \$			392,170		392,170	(1,614,432)	12/31/12	6.9% & 6.71%	(109,451)	(168,387)	(14,032)
44	Dec 2013 \$			392,170		392,170	(1,359,521)	12/31/13	6.71% & 6.69%	(91,087)	(140,134)	(11,678)
51	Dec 2014 \$			392,170		392,170	(1,104,611)	12/31/14	6.69%	(73,898)	(113,690)	(9,474)
52	Dec 2015 \$			392,170		392,170	(849,701)	12/31/15	6.69%	(56,845)	(87,454)	(7,288)
53	Dec 2016 \$			392,170		392,170	(594,791)	12/31/16	6.69%	(39,791)	(61,218)	(5,101)
54	Dec 2017 \$			392,170		392,170	(339,880)	12/31/17	6.69%	(22,738)	(34,982)	(2,915)
55	Dec 2018 \$			326,808		326,808	(88,510)	12/31/18	6.69%	(5,921)	(9,110)	(759)
56	Dec 2019 \$			-		-	0	12/31/19	6.69%	0	0	0
57												
58	Mint Farm Deferral				G/L Accts #18600351, 361, 371, #18235521 and Orders #40740061, #40730051, #41900026, 28 and #55500136							
59	Dec 2010		(2,159,053)	26,614,738	(2,159,053)	26,528,891	12/31/10	7.00%&6.90%	1,344,034	2,067,744	229,749	
60	Dec 2011		(2,885,052)	24,739,454	(2,885,052)	25,677,096	12/31/11	6.90%	1,771,720	2,725,723	227,144	
61	Dec 2012 \$		(2,885,052)	22,864,164	(2,885,052)	23,801,809	12/31/12	6.9% & 6.71%	1,613,659	2,482,552	206,879	
62	Dec 2013 \$		(2,885,052)	20,988,880	(2,885,052)	21,926,522	12/31/13	6.71% & 6.69%	1,469,059	2,260,091	188,341	
63	Dec 2014 \$		(2,885,052)	19,113,597	(2,885,052)	20,051,238	12/31/14	6.69%	1,341,428	2,063,735	171,978	
64												
65	BNP Capacity - UE-100503				G/L Accts # 19000711, # 25302121, #25400191 and Order #54700010							
66	Dec 2010		403,220	(2,737,413)	403,220	(2,267,178)	12/31/10	7.00%&6.90%	(127,037)	(195,441)	(20,083)	
67	Dec 2011		537,626	(2,387,956)	537,626	(2,562,685)	12/31/11	6.90%	(176,825)	(272,039)	(22,670)	
66	Dec 2012 \$		537,626	(2,038,499)	537,626	(2,213,228)	12/31/12	6.9% & 6.71%	(150,047)	(230,842)	(19,237)	
67	Dec 2013 \$		537,626	(1,689,042)	537,626	(1,863,771)	12/31/13	6.71% & 6.69%	(124,871)	(192,109)	(16,009)	
68	Dec 2014 \$		537,626	(1,339,585)	537,626	(1,514,314)	12/31/14	6.69%	(101,308)	(155,858)	(12,988)	
71	Dec 2015		537,626	(990,128)	537,626	(1,164,857)	12/31/15	6.69%	(77,929)	(119,891)	(9,991)	
72	Dec 2016		537,626	(640,671)	537,626	(815,400)	12/31/16	6.69%	(54,550)	(83,923)	(6,994)	
73	Dec 2017		537,626	(291,214)	537,626	(465,943)	12/31/17	6.69%	(31,172)	(47,956)	(3,996)	
74	Dec 2018		448,022	-	448,022	(121,339)	12/31/18	6.69%	(8,118)	(12,489)	(1,041)	

Exhibit D: Reg. Assets and Liab. net of Accumulated Amortization and Deferred Taxes (PCA Periods)
2013 PCORC - PCA Time Periods

2009 GRC	4/7/2010	6.90%
2011 GRC	5/14/2012	6.71%
2013 ERF	7/1/2013	6.69%

Ref	Description	Interest	12 Months Ended		PCA Period						
			Asset Amort	Balance net of AA & ADFIT (Note 1)	Asset Amort	AMA Ratebase as of (Note 1)	A.T. %	Return Amount	Pre Tax	Monthly	
87	Goldendale -Def Asset				2 months left in 2012 (Jan -Feb 2012)						
88	PP Exp-Planned Maj. Maint.				G/L Accts # 18600841, #18231011 Order #55362083 &553002864						
89	Dec 2012 \$		(59,097)	-	(59,097)	4,925	12/31/12	6.9% & 6.71%	124	191	48
90											
91	Mint Farm -Def Asset				4 months left in 2012 (Jan - Apr 2012)						
92	PP Exp-Planned Maj. Maint.				G/L Accts # 18231031, 16500741, Order #5XX (Prod O&M)						
93	Dec 2012 \$		(260,726)	-	(260,726)	43,454	12/31/12	6.9% & 6.71%	1,098	1,689	422
94											
95	Chelan PUD Contract Initiation				G/L Accts # 18230351, #28300561, #18600271 Order #55500153						
96	Payment										
97	Dec 2012 \$		(7,088,066)	116,102,847	(7,088,066)	119,185,219	12/31/12	6.9% & 6.71%	8,080,237	12,431,134	1,035,928
98	Dec 2013 \$		(7,088,066)	109,938,105	(7,088,066)	113,020,476	12/31/13	6.71% & 6.69%	7,572,279	11,649,660	970,805
99	Dec 2014 \$		(7,088,066)	103,773,362	(7,088,066)	106,855,733	12/31/14	6.69%	7,148,649	10,997,921	916,493
100											
101	Chelan - Rock Island Security Deposit				G/L Accts # 12800001						
102	Dec 2012 \$		-	18,500,000	-	18,500,000	12/31/12	6.9% & 6.71%	786,867	1,210,564	159,147
103	Dec 2013 \$		-	18,500,000	-	18,500,000	12/31/13	6.71% & 6.69%	1,239,485	1,906,900	158,908
104	Dec 2014 \$		-	18,500,000	-	18,500,000	12/31/14	6.69%	1,237,650	1,904,077	158,673
105											
106	Sumas HGP Inspection Prepaid Maintenance				G/L Accts # 18231041, #16500711, #23200301, #553008200						
107	Dec 2012 \$		(302,240)	-	(302,240)	113,341	12/31/12	6.9% & 6.71%	7,684	11,822	985
108											
109	Colstrip 1 and 2 (WECco)				G/L Accts # 16599011, 18232321 Order #50106003						
110	Reservation Payment										
111	Dec 2012 \$		(944,444)	3,500,000	(944,444)	3,912,809	12/31/12	6.9% & 6.71%	265,271	408,110	34,009
112	Dec 2013 \$		(500,000)	3,000,000	(500,000)	3,250,000	12/31/13	6.71% & 6.69%	217,747	334,996	27,916
113	Dec 2014 \$		(500,000)	2,500,000	(500,000)	2,750,000	12/31/14	6.69%	183,975	283,038	23,587
114											
115	Goldendale HGP Inspection Prepaid Maintenance				G/L Accts # 18231071, #16500601, #16500591, #16500681, #553011340						
116	Dec 2012 \$		(283,727)	871,890	(283,727)	1,154,494	12/31/12	6.9% & 6.71%	29,165	44,870	11,217
117											
118	FERC PART 12 Non-Construction Study Costs \$1.2M				G/L Accts # 18220091						
119	Dec 2012 \$		(241,268)	965,072	(241,268)	1,035,442	12/31/12	6.9% & 6.71%	70,198	107,998	9,000
120	Dec 2013 \$		(241,268)	723,804	(241,268)	844,438	12/31/13	6.71% & 6.69%	56,577	87,041	7,253
121	Dec 2014 \$		(241,268)	482,536	(241,268)	603,170	12/31/14	6.69%	40,352	62,080	5,173
122											
123	Lower Snake River Prepaid Transm Principal \$99.8M				G/L Accts # 18232301, 18600581						
124	Dec 2012 \$		-	99,800,000	-	99,800,000	12/31/12	6.9% & 6.71%	4,244,827	6,530,503	858,536
125	Dec 2013 \$		(1,210,533)	78,089,467	(1,210,533)	93,535,558	12/31/13	6.71% & 6.69%	6,266,806	9,641,239	803,437
126	Dec 2014 \$		(3,030,581)	75,058,885	(3,030,581)	76,577,570	12/31/14	6.69%	5,123,039	7,881,599	656,800
127											
128	Carrying Charges on LSR Prepaid Transm \$99.8M				G/L Accts # 18232311, 18600591, 40730101						
129	Dec 2012 \$		(463,265)	10,990,950	(463,265)	12,744,430	12/31/12	6.9% & 6.71%	542,063	833,943	109,635
130	Dec 2013 \$		(693,650)	10,425,791	(693,650)	10,741,367	12/31/13	6.71% & 6.69%	719,663	1,107,173	92,264
131	Dec 2014 \$		(687,415)	9,978,971	(687,415)	10,202,381	12/31/14	6.69%	682,539	1,050,060	87,505
132											
133	Lower Snake River Plant Deferral \$18.3M				G/L Accts # 18232331, 18600311, 18600331, 18600391, 40730111						
134	Dec 2012 \$		(2,893,654)	9,793,061	(2,893,654)	8,953,340	12/31/12	6.9% & 6.71%	380,815	585,870	77,022
135	Dec 2013 \$		(4,567,099)	6,824,446	(4,567,099)	8,305,099	12/31/13	6.71% & 6.69%	556,435	856,054	71,338
136	Dec 2014 \$		(4,499,635)	3,899,684	(4,499,635)	5,362,065	12/31/14	6.69%	358,722	551,880	45,990
137											
138	Snoqualmie License Upgrade Deferral (NEW 2013 PCORC)										
139	Dec 2013		(320,024)	7,280,544	(320,024)	2,889,621	12/31/13	6.71% & 6.69%	32,308	49,704	24,852
140	Dec 2014		(1,920,143)	6,032,451	(1,920,143)	6,656,497	12/31/14	6.69%	445,320	685,107	57,092
141											
142	Baker License Upgrade Deferral (NEW 2013 PCORC)										
143	Dec 2013		(88,250)	2,007,680	(88,250)	621,616	12/31/13	6.71% & 6.69%	6,950	10,692	5,346
144	Dec 2014		(529,498)	1,663,506	(529,498)	1,835,593	12/31/14	6.69%	122,801	188,925	15,744
145											
146	Ferndale Deferral (NEW 2013 PCORC)										
147	Dec 2013		(689,258)	15,680,624	(689,258)	9,739,395	12/31/13	6.71% & 6.69%	108,892	167,526	83,763
148	Dec 2014		(4,135,549)	12,992,517	(4,135,549)	14,336,570	12/31/14	6.69%	959,117	1,475,564	122,964

Exhibit D: Reg. Assets and Liab. net of Accumulated Amortization and Deferred Taxes (PCA Periods)
2013 PCORC - PCA Time Periods

2009 GRC	4/7/2010	6.90%
2011 GRC	5/14/2012	6.71%
2013 ERF	7/1/2013	6.69%

Ref	Description	Interest	12 Months Ended		PCA Period					
			Asset Amort	Balance net of AA & ADFIT (Note 1)	Asset Amort	AMA Ratebase as of (Note 1)	A.T. %	Return Amount	Pre Tax	Monthly
166	Period		From	To	Asset Amort	AMA Ratebase as of	Return A.T. %	Amount	Pre Tax	Monthly
162										
163										
164										
165										
167								(Annualized)		
168	PCA #11	\$	1/1/12	12/31/12	(19,497,705)	317,169,981 12/31/12	6.9% & 6.71%	17,914,911	27,561,402	2,745,508
169	PCA #12	\$	1/1/13	12/31/13	(22,374,726)	308,556,416 12/31/13	6.71% & 6.69%	19,933,394	30,666,760	2,650,531
170	PCA #13	\$	1/1/14	12/31/14	(29,608,733)	286,147,364 12/31/14	6.69%	19,143,259	29,451,167	2,454,264

171

172

173 Note (1) Amounts in these columns are net of accumulated amortization AND the associated Deferred FIT liability / asset.