

EXHIBIT NO. ___(JPE-2)
DOCKET NOS. UE-121697/UG-121705
WITNESSES: JON A. PILIARIS
KEVIN C. HIGGINS
THOMAS E. SCHOOLEY
NANCY HIRSH

BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Petition of

PUGET SOUND ENERGY, INC.
and NW ENERGY COALITION

For an Order Authorizing PSE To Implement
Electric and Natural Gas Decoupling
Mechanisms and To Record Accounting
Entries Associated With the Mechanisms

Docket No. UE-121697
Docket No. UG-121705
(Consolidated)

FIRST EXHIBIT (NONCONFIDENTIAL) TO THE JOINT TESTIMONY IN
SUPPORT OF THE JOINT RESPONSE TO PETITIONS FOR
RECONSIDERATION FILED BY THE KROGER COMPANY

NOVEMBER 1, 2013

**Puget Sound Energy
Decoupling Proposal
Development of Annual Allowed Delivery Revenue Per Customer - Electric Schedules 26 & 31**

| Line No. | (a) | Source (b) | Sch 26 (c) | Sch 31 (d) |
|----------|--|------------------|---------------|---------------|
| 1 | | | | |
| 2 | Test Year Allowed Delivery Revenue | UE-130137 WP | \$ 36,330,723 | \$ 27,596,119 |
| 3 | | | | |
| 4 | Test Year Customers | Quarterly Report | 789 | 480 |
| 5 | | | | |
| 6 | Test Year Volumetric Delivery Revenue Per Customer | (2) / (4) | \$ 46,031.96 | \$ 57,501.90 |
| 7 | | | | |
| 8 | K-Factor | | | |
| 9 | - Effective July 1, 2013 | Input | 1.030 | 1.030 |
| 10 | - Effective January 1, 2014 | Input | 1.030 | 1.030 |
| 11 | - Effective January 1, 2015 | Input | 1.030 | 1.030 |
| 12 | - Effective January 1, 2016 | Input | 1.030 | 1.030 |
| 13 | - Effective January 1, 2017** | Input | 1.030 | 1.030 |
| 14 | | | | |
| 15 | K-Factor Adjusted Volumetric Delivery Revenue Per Customer | | | |
| 16 | - Effective July 1, 2013 | (6) x (9) | \$ 47,412.92 | \$ 59,226.96 |
| 17 | - Effective January 1, 2014 | (16) x (10) | \$ 48,835.31 | \$ 61,003.77 |
| 18 | - Effective January 1, 2015 | (17) x (11) | \$ 50,300.37 | \$ 62,833.88 |
| 19 | - Effective January 1, 2016 | (18) x (12) | \$ 51,809.38 | \$ 64,718.90 |
| 20 | - Effective January 1, 2017** | (19) x (13) | \$ 53,363.66 | \$ 66,660.47 |
| 21 | | | | |
| 22 | Test Year Basic & Minimum Charge Revenue | UE-130137 WP | \$ 1,076,543 | \$ 2,115,049 |
| 23 | | | | |
| 24 | Test Year Basic Charge Revenue Per Customer | (22) / (4) | \$ 1,364.01 | \$ 4,407.12 |
| 25 | | | | |
| 26 | Annual Allowed Volumetric Delivery Revenue Per Customer | | | |
| 27 | - Effective July 1, 2013 | (16) - (24) | \$ 46,048.91 | \$ 54,819.84 |
| 28 | - Effective January 1, 2014 | (17) - (24) | \$ 47,471.30 | \$ 56,596.65 |
| 29 | - Effective January 1, 2015 | (18) - (24) | \$ 48,936.36 | \$ 58,426.76 |
| 30 | - Effective January 1, 2016 | (19) - (24) | \$ 50,445.37 | \$ 60,311.78 |
| 31 | - Effective January 1, 2017* | (20) - (24) | \$ 51,999.65 | \$ 62,253.35 |
| 32 | | | | |
| 33 | * Only if rates from PSE's next general rate case have not yet gone into effect. | | | |

**Puget Sound Energy
Decoupling Proposal
Development of Monthly Allowed Delivery Revenue Per Customer - Electric Schedules 26 & 31**

| Line No. | Source | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | TOTAL | |
|----------|--|------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|
| (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) | (k) | (l) | (m) | (n) | (o) | |
| 1 | | | | | | | | | | | | | | | |
| 2 | Electric Demand Charge Revenue | | | | | | | | | | | | | | |
| 3 | <u>Schedule 26</u> | | | | | | | | | | | | | | |
| 4 | - Demand Charge Revenue | Page 5a | 3,607,653 | 3,570,848 | 3,601,395 | 2,343,892 | 2,481,757 | 2,425,702 | 2,510,773 | 2,512,186 | 2,614,776 | 3,858,810 | 3,746,651 | 3,756,951 | 37,031,396 |
| 5 | - % of Annual Total | % of (C(o);R(4)) | 9.74% | 9.64% | 9.73% | 6.33% | 6.70% | 6.55% | 6.78% | 6.78% | 7.06% | 10.42% | 10.12% | 10.15% | 100.00% |
| 6 | | | | | | | | | | | | | | | |
| 7 | <u>Schedule 31</u> | | | | | | | | | | | | | | |
| 8 | - Demand Charge Revenue | Page 5b | 2,576,702 | 2,615,170 | 2,600,214 | 1,710,580 | 1,747,121 | 1,726,329 | 1,789,037 | 1,795,285 | 1,860,935 | 2,760,121 | 2,685,657 | 2,627,486 | 26,494,637 |
| 9 | - % of Annual Total | % of (C(o);R(8)) | 9.73% | 9.87% | 9.81% | 6.46% | 6.59% | 6.52% | 6.75% | 6.78% | 7.02% | 10.42% | 10.14% | 9.92% | 100.00% |
| 10 | | | | | | | | | | | | | | | |
| 11 | Monthly Allowed Delivery Revenue Per Customer (RPC) | | | | | | | | | | | | | | |
| 12 | <u>Schedule 26</u> | | | | | | | | | | | | | | |
| 13 | - 2013 Allowed Volumetric Delivery RPC | Page 1 | | | | | | | | | | | | | \$ 46,048.91 |
| 14 | - 2013 Monthly Allowed Volumetric Delivery RPC | (5) x (13) | \$ 4,486.15 | \$ 4,440.39 | \$ 4,478.37 | \$ 2,914.65 | \$ 3,086.09 | \$ 3,016.39 | \$ 3,122.17 | \$ 3,123.93 | \$ 3,251.50 | \$ 4,798.47 | \$ 4,659.00 | \$ 4,671.81 | \$ 46,048.91 |
| 15 | | | | | | | | | | | | | | | |
| 16 | - 2014 Allowed Volumetric Delivery RPC | Page 1 | | | | | | | | | | | | | \$ 47,471.30 |
| 17 | - 2014 Monthly Allowed Volumetric Delivery RPC | (5) x (16) | \$ 4,624.72 | \$ 4,577.54 | \$ 4,616.70 | \$ 3,004.68 | \$ 3,181.42 | \$ 3,109.56 | \$ 3,218.61 | \$ 3,220.42 | \$ 3,351.93 | \$ 4,946.69 | \$ 4,802.91 | \$ 4,816.11 | \$ 47,471.30 |
| 18 | | | | | | | | | | | | | | | |
| 19 | - 2015 Allowed Volumetric Delivery RPC | Page 1 | | | | | | | | | | | | | \$ 48,936.36 |
| 20 | - 2015 Monthly Allowed Volumetric Delivery RPC | (5) x (19) | \$ 4,767.45 | \$ 4,718.81 | \$ 4,759.18 | \$ 3,097.41 | \$ 3,279.60 | \$ 3,205.52 | \$ 3,317.94 | \$ 3,319.81 | \$ 3,455.38 | \$ 5,099.35 | \$ 4,951.14 | \$ 4,964.75 | \$ 48,936.36 |
| 21 | | | | | | | | | | | | | | | |
| 22 | - 2016 Allowed Volumetric Delivery RPC | Page 1 | | | | | | | | | | | | | \$ 50,445.37 |
| 23 | - 2016 Monthly Allowed Volumetric Delivery RPC | (5) x (22) | \$ 4,914.46 | \$ 4,864.33 | \$ 4,905.94 | \$ 3,192.93 | \$ 3,380.73 | \$ 3,304.37 | \$ 3,420.26 | \$ 3,422.18 | \$ 3,561.93 | \$ 5,256.60 | \$ 5,103.81 | \$ 5,117.84 | \$ 50,445.37 |
| 24 | | | | | | | | | | | | | | | |
| 25 | - 2017 Allowed Volumetric Delivery RPC | Page 1 | | | | | | | | | | | | | \$ 51,999.65 |
| 26 | - 2017 Monthly Allowed Volumetric Delivery RPC | (5) x (25) | \$ 5,065.88 | \$ 5,014.20 | \$ 5,057.10 | \$ 3,291.30 | \$ 3,484.89 | \$ 3,406.18 | \$ 3,525.64 | \$ 3,527.62 | \$ 3,671.68 | \$ 5,418.56 | \$ 5,261.06 | \$ 5,275.53 | \$ 51,999.65 |
| 27 | | | | | | | | | | | | | | | |
| 28 | <u>Schedule 31</u> | | | | | | | | | | | | | | |
| 29 | - 2013 Allowed Volumetric Delivery RPC | Page 1 | | | | | | | | | | | | | \$ 54,819.84 |
| 30 | - 2013 Monthly Allowed Volumetric Delivery RPC | (9) x (29) | \$ 5,331.43 | \$ 5,411.03 | \$ 5,380.08 | \$ 3,539.35 | \$ 3,614.95 | \$ 3,571.93 | \$ 3,701.68 | \$ 3,714.61 | \$ 3,850.45 | \$ 5,710.94 | \$ 5,556.87 | \$ 5,436.51 | \$ 54,819.84 |
| 31 | | | | | | | | | | | | | | | |
| 32 | - 2014 Allowed Volumetric Delivery RPC | Page 1 | | | | | | | | | | | | | \$ 56,596.65 |
| 33 | - 2014 Monthly Allowed Volumetric Delivery RPC | (9) x (32) | \$ 5,504.23 | \$ 5,586.41 | \$ 5,554.46 | \$ 3,654.07 | \$ 3,732.12 | \$ 3,687.71 | \$ 3,821.66 | \$ 3,835.01 | \$ 3,975.25 | \$ 5,896.05 | \$ 5,736.98 | \$ 5,612.72 | \$ 56,596.65 |
| 34 | | | | | | | | | | | | | | | |
| 35 | - 2015 Allowed Volumetric Delivery RPC | Page 1 | | | | | | | | | | | | | \$ 58,426.76 |
| 36 | - 2015 Monthly Allowed Volumetric Delivery RPC | (9) x (35) | \$ 5,682.22 | \$ 5,767.05 | \$ 5,734.07 | \$ 3,772.22 | \$ 3,852.80 | \$ 3,806.95 | \$ 3,945.24 | \$ 3,959.02 | \$ 4,103.79 | \$ 6,086.70 | \$ 5,922.49 | \$ 5,794.21 | \$ 58,426.76 |
| 37 | | | | | | | | | | | | | | | |
| 38 | - 2016 Allowed Volumetric Delivery RPC | Page 1 | | | | | | | | | | | | | \$ 60,311.78 |
| 39 | - 2016 Monthly Allowed Volumetric Delivery RPC | (9) x (38) | \$ 5,865.54 | \$ 5,953.11 | \$ 5,919.07 | \$ 3,893.93 | \$ 3,977.11 | \$ 3,929.78 | \$ 4,072.52 | \$ 4,086.74 | \$ 4,236.19 | \$ 6,283.08 | \$ 6,113.57 | \$ 5,981.15 | \$ 60,311.78 |
| 40 | | | | | | | | | | | | | | | |
| 41 | - 2017 Allowed Volumetric Delivery RPC | Page 1 | | | | | | | | | | | | | \$ 62,253.35 |
| 42 | - 2017 Monthly Allowed Volumetric Delivery RPC | (9) x (41) | \$ 6,054.37 | \$ 6,144.76 | \$ 6,109.61 | \$ 4,019.28 | \$ 4,105.14 | \$ 4,056.28 | \$ 4,203.63 | \$ 4,218.31 | \$ 4,372.56 | \$ 6,485.34 | \$ 6,310.38 | \$ 6,173.70 | \$ 62,253.35 |

**Puget Sound Energy
Decoupling Proposal
Development of Delivery Cost Energy Rate and Schedule 142 Rate - Electric Schedules 26 & 31
Initial Rate Period - January 1, 2014 through April 30, 2014**

| Line No. | Source | Sch 26 | Sch 31 |
|----------|--|--------------|-----------------------------|
| (a) | (b) | (c) | (d) |
| 1 | | | |
| 2 | Test Year Allowed Delivery Revenue | UE-130137 WP | \$ 36,330,723 \$ 27,596,119 |
| 3 | | | |
| 4 | Less: Test Year Basic & Minimum Charge Revenue | UE-130137 WP | \$ 1,076,543 \$ 2,115,049 |
| 5 | | | |
| 6 | Test Year Volumetric Delivery Revenue | (2) - (4) | \$ 35,254,180 \$ 25,481,070 |
| 7 | | | |
| 8 | Test Year Demand (KW) | UE-130137 WP | 4,688,992 3,327,197 |
| 9 | | | |
| 10 | Test Year Volumetric Delivery Revenue Per Unit (\$/KW) | (6) / (8) | \$ 7.52 \$ 7.66 |
| 11 | | | |
| 12 | 2013 Allowed Volumetric Delivery Revenue Per Customer | Page 1 | \$ 46,049 \$ 54,820 |
| 13 | | | |
| 14 | Forecasted Rate Year Customer Count | F2013 | 778 468 |
| 15 | | | |
| 16 | Forecasted Rate Year Allowed Delivery Revenue | (12) x (14) | \$ 35,814,540 \$ 25,664,822 |
| 17 | | | |
| 18 | Plus: Deferred Balance at End of Calendar Year 2012 | | - - |
| 19 | | | |
| 20 | Estimated Recoverable Delivery Revenue | (16) + (18) | \$ 35,814,540 \$ 25,664,822 |
| 21 | | | |
| 22 | Forecasted Rate Year Demand (KW) | F2013 | 4,842,963 3,436,597 |
| 23 | | | |
| 24 | Rate Year Delivery Revenue Per Unit (\$/KW) | (20) / (22) | \$ 7.40 \$ 7.47 |
| 25 | | | |
| 26 | Schedule 142 Rates (\$/KW) | (24) - (10) | \$ (0.12) \$ (0.19) |
| 27 | | | |
| 28 | Post-Rate Test Schedule 142 Rates (\$/KW) | Page 4 | \$ (0.12) \$ (0.19) |
| 29 | | | |
| 30 | Post-Rate Test Deferred Balance to Recover/(Refund) | Calculation | \$ - \$ - |

**Puget Sound Energy
Decoupling Proposal
3% Rate Test - 12 Months ending June 30, 2012
Initial Rate Period - January 1, 2014 through April 30, 2014**

| Line No. | (a) | Source (b) | Sch 26 (c) | Sch 31 (d) |
|----------|--|---------------|------------------|------------------|
| 1 | | | | |
| 2 | ERF Normalized Revenues | Work Paper | \$ 159,008,522 | \$ 106,573,063 |
| 3 | | | | |
| 4 | Less: Schedule 142 Revenues | | <u>\$ -</u> | <u>\$ -</u> |
| 5 | | | | |
| 6 | Adjusted ERF Normalized Revenues | (2) - (4) | \$ 159,008,522 | \$ 106,573,063 |
| 7 | | | | |
| 8 | ERF Test Year Demand (KW) | UE-130137 WP | <u>4,688,992</u> | <u>3,327,197</u> |
| 9 | | | | |
| 10 | Average Rate (\$/KW) | (2) / (8) | \$ 33.91 | \$ 32.03 |
| 11 | | | | |
| 12 | Plus: Current Schedule 142 Rates (\$/KW) | | <u>\$ -</u> | <u>\$ -</u> |
| 13 | | | | |
| 14 | Average Rate Including Schedule 142 (\$/KW) | (10) + (12) | \$ 33.91 | \$ 32.03 |
| 15 | | | | |
| 16 | Proposed Schedule 142 Rates (\$/KW) | Page 3 | \$ (0.12) | \$ (0.19) |
| 17 | | | | |
| 18 | Incremental Change in Volumetric Delivery Revenue per Unit (\$/KW) | (16) - (12) | \$ (0.12) | \$ (0.19) |
| 19 | | | | |
| 20 | % Change to Revenues | (18) / (14) | -0.35% | -0.59% |
| 21 | | | | |
| 22 | % above 3% Maximum | Calculation | 0.00% | 0.00% |
| 23 | | | | |
| 24 | Adjust Volumetric Delivery Revenue per Unit (\$/KW) | (14) x (22) | \$ - | \$ - |
| 25 | | | | |
| 26 | Post-Rate Test Schedule 142 Rates (\$/KW) | (16) - (24) | \$ (0.12) | \$ (0.19) |

**Puget Sound Energy
Decoupling Proposal
Development of Deferrals - Electric Schedules 26 & 26P
Calendar Year 2014**

| Line No. | Source | Jan-14 | Feb-14 | Mar-14 | Apr-14 | May-14 | Jun-14 | Jul-14 | Aug-14 | Sep-14 | Oct-14 | Nov-14 | Dec-14 | Total | |
|----------|---|---------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|
| (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) | (k) | (l) | (m) | (n) | (o) | |
| 1 | Forecasted Customers | F2013 | 779 | 780 | 781 | 782 | 784 | 785 | 787 | 788 | 789 | 790 | 791 | | |
| 2 | Monthly Allowed Delivery Revenue per Customer | Page 2 | \$ 4,624.72 | \$ 4,577.54 | \$ 4,616.70 | \$ 3,004.68 | \$ 3,181.42 | \$ 3,109.56 | \$ 3,218.61 | \$ 3,220.42 | \$ 3,351.93 | \$ 4,946.69 | \$ 4,802.91 | \$ 4,816.11 | |
| 3 | Allowed Volumetric Delivery Revenue | (1) x (2) | \$ 3,602,660 | \$ 3,570,483 | \$ 3,605,644 | \$ 2,349,662 | \$ 2,494,230 | \$ 2,441,002 | \$ 2,533,047 | \$ 2,537,693 | \$ 2,644,676 | \$ 3,907,883 | \$ 3,794,298 | \$ 3,809,544 | \$ 37,290,823 |
| 4 | | | | | | | | | | | | | | | |
| 5 | Sch 26 Forecasted Demand KW | F2013 | 402,218 | 398,097 | 401,463 | 395,141 | 400,820 | 391,904 | 405,958 | 406,119 | 422,836 | 418,425 | 405,778 | 406,982 | |
| 6 | Delivery Revenue Per Unit (\$/KW) | Calculation | \$ 8.92 | \$ 8.92 | \$ 8.92 | \$ 5.90 | \$ 6.16 | \$ 6.16 | \$ 6.16 | \$ 6.16 | \$ 6.16 | \$ 9.18 | \$ 9.18 | \$ 9.18 | |
| 7 | Monthly Actual Delivery Revenue | (5) x (6) | \$ 3,587,698 | \$ 3,550,938 | \$ 3,580,968 | \$ 2,331,867 | \$ 2,469,593 | \$ 2,414,657 | \$ 2,501,252 | \$ 2,502,242 | \$ 2,605,243 | \$ 3,841,053 | \$ 3,724,961 | \$ 3,736,004 | \$ 36,846,476 |
| 8 | | | | | | | | | | | | | | | |
| 9 | Sch 26P Forecasted Demand KW | F2013 | 2,328 | 2,323 | 2,384 | 2,166 | 2,093 | 1,901 | 1,638 | 1,711 | 1,640 | 2,011 | 2,457 | 2,372 | |
| 10 | Delivery Revenue Per Unit (\$/KW) | Calculation | \$ 8.57 | \$ 8.57 | \$ 8.57 | \$ 5.55 | \$ 5.81 | \$ 5.81 | \$ 5.81 | \$ 5.81 | \$ 5.81 | \$ 8.83 | \$ 8.83 | \$ 8.83 | |
| 11 | Monthly Actual Delivery Revenue | (9) x (10) | \$ 19,955 | \$ 19,910 | \$ 20,427 | \$ 12,025 | \$ 12,165 | \$ 11,046 | \$ 9,521 | \$ 9,945 | \$ 9,533 | \$ 17,757 | \$ 21,691 | \$ 20,946 | \$ 184,920 |
| 12 | | | | | | | | | | | | | | | |
| 13 | Total Actual Recovery | (7) + (11) | \$ 3,607,653 | \$ 3,570,848 | \$ 3,601,395 | \$ 2,343,892 | \$ 2,481,757 | \$ 2,425,702 | \$ 2,510,773 | \$ 2,512,186 | \$ 2,614,776 | \$ 3,858,810 | \$ 3,746,651 | \$ 3,756,951 | \$ 37,031,396 |
| 14 | | | | | | | | | | | | | | | |
| 15 | Deferral | (3) - (13) | \$ (4,993) | \$ (365) | \$ 4,249 | \$ 5,770 | \$ 12,472 | \$ 15,300 | \$ 22,274 | \$ 25,507 | \$ 29,900 | \$ 49,073 | \$ 47,646 | \$ 52,594 | \$ 259,427 |
| 16 | | | | | | | | | | | | | | | |
| 17 | Interest on Deferral | Workpapers | \$ (110) | \$ (221) | \$ (216) | \$ (202) | \$ (166) | \$ (107) | \$ (35) | \$ 52 | \$ 150 | \$ 280 | \$ 433 | \$ 591 | \$ 448 |
| 18 | | | | | | | | | | | | | | | |
| 19 | Cumulative Deferral | Σ((15) + (17)) | \$ (81,473) | \$ (82,058) | \$ (78,025) | \$ (72,457) | \$ (60,151) | \$ (44,958) | \$ (22,719) | \$ 2,840 | \$ 32,890 | \$ 82,242 | \$ 130,322 | \$ 183,506 | |
| 20 | | | | | | | | | | | | | | | |
| 21 | Deferral Amortization Rate (\$/kW) | Calculation | \$ - | \$ - | \$ - | \$ - | \$ (0.02) | \$ (0.02) | \$ (0.02) | \$ (0.02) | \$ (0.02) | \$ (0.02) | \$ (0.02) | \$ (0.02) | |
| 22 | | | | | | | | | | | | | | | |
| 23 | Deferral Amortization | (5 + 9) x (21) | \$ - | \$ - | \$ - | \$ - | \$ (8,058) | \$ (7,876) | \$ (8,152) | \$ (8,157) | \$ (8,490) | \$ (8,409) | \$ (8,165) | \$ (8,187) | |
| 24 | | | | | | | | | | | | | | | |
| 25 | Cumulative Deferral Net of Amortization | (25) + (15) + (17) - (23) | \$ (81,473) | \$ (82,058) | \$ (78,025) | \$ (72,457) | \$ (52,093) | \$ (29,024) | \$ 1,367 | \$ 35,083 | \$ 73,622 | \$ 131,383 | \$ 187,628 | \$ 248,999 | |
| 26 | | | | | | | | | | | | | | | |
| 27 | Schedule 142 Rate (\$ / kW) | Page 3 & 6 | \$ (0.12) | \$ (0.12) | \$ (0.12) | \$ (0.12) | \$ 0.14 | \$ 0.14 | \$ 0.14 | \$ 0.14 | \$ 0.14 | \$ 0.14 | \$ 0.14 | \$ 0.14 | |
| 28 | | | | | | | | | | | | | | | |
| 29 | Projected Schedule 142 Revenue | (5 + 9) x (27) | \$ (48,546) | \$ (48,050) | \$ (48,462) | \$ (47,677) | \$ 56,408 | \$ 55,133 | \$ 57,064 | \$ 57,096 | \$ 59,427 | \$ 58,861 | \$ 57,153 | \$ 57,310 | \$ 265,716 |
| 30 | | | | | | | | | | | | | | | |
| 31 | Projected Revenue | Workpapers | \$ 11,746,583 | \$ 13,427,230 | \$ 13,567,943 | \$ 13,488,784 | \$ 12,485,136 | \$ 13,514,996 | \$ 14,036,586 | \$ 14,208,093 | \$ 14,368,246 | \$ 13,559,362 | \$ 13,768,732 | \$ 13,511,183 | \$ 161,682,875 |
| 32 | | | | | | | | | | | | | | | |
| 33 | Rate Impact | (29) / (31) | -0.413% | -0.358% | -0.357% | -0.353% | 0.452% | 0.408% | 0.407% | 0.402% | 0.414% | 0.434% | 0.415% | 0.424% | 0.164% |

**Puget Sound Energy
Decoupling Proposal
Development of Deferrals - Electric Schedule 31
Calendar Year 2014**

| Line No. | Source | Jan-14 | Feb-14 | Mar-14 | Apr-14 | May-14 | Jun-14 | Jul-14 | Aug-14 | Sep-14 | Oct-14 | Nov-14 | Dec-14 | Total | |
|----------|---|--------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|----------------|
| (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) | (k) | (l) | (m) | (n) | (o) | |
| 1 | Forecasted Customers | F2013 | 469 | 470 | 470 | 471 | 472 | 472 | 473 | 474 | 474 | 474 | 475 | 475 | |
| 2 | Monthly Allowed Delivery Revenue per Customer | Page 2 | \$ 5,504.23 | \$ 5,586.41 | \$ 5,554.46 | \$ 3,654.07 | \$ 3,732.12 | \$ 3,687.71 | \$ 3,821.66 | \$ 3,835.01 | \$ 3,975.25 | \$ 5,896.05 | \$ 5,736.98 | \$ 5,612.72 | |
| 3 | Allowed Volumetric Delivery Revenue | (1) x (2) | \$ 2,581,486 | \$ 2,625,612 | \$ 2,610,596 | \$ 1,721,065 | \$ 1,761,562 | \$ 1,740,597 | \$ 1,807,646 | \$ 1,817,793 | \$ 1,884,267 | \$ 2,794,726 | \$ 2,725,065 | \$ 2,666,041 | \$ 26,736,454 |
| 4 | | | | | | | | | | | | | | | |
| 5 | Sch 31 Forecasted Demand KW | F2013 | 285,941 | 290,209 | 288,550 | 287,641 | 281,934 | 278,578 | 288,698 | 289,706 | 300,300 | 298,027 | 289,986 | 283,705 | |
| 6 | Delivery Revenue Per Unit (\$/KW) | Calculation | \$ 9.01 | \$ 9.01 | \$ 9.01 | \$ 5.95 | \$ 6.20 | \$ 6.20 | \$ 6.20 | \$ 6.20 | \$ 6.20 | \$ 9.26 | \$ 9.26 | \$ 9.26 | |
| 7 | Monthly Actual Delivery Revenue | (5) x (6) | \$ 2,576,702 | \$ 2,615,170 | \$ 2,600,214 | \$ 1,710,580 | \$ 1,747,121 | \$ 1,726,329 | \$ 1,789,037 | \$ 1,795,285 | \$ 1,860,935 | \$ 2,760,121 | \$ 2,685,657 | \$ 2,627,486 | \$ 26,494,637 |
| 8 | | | | | | | | | | | | | | | |
| 9 | Deferral | (3) - (7) | \$ 4,784 | \$ 10,442 | \$ 10,382 | \$ 10,484 | \$ 14,440 | \$ 14,268 | \$ 18,608 | \$ 22,508 | \$ 23,331 | \$ 34,605 | \$ 39,408 | \$ 38,555 | \$ 241,817 |
| 10 | | | | | | | | | | | | | | | |
| 11 | Interest on Deferral | Workpapers | \$ (72) | \$ (129) | \$ (101) | \$ (73) | \$ (32) | \$ 23 | \$ 82 | \$ 154 | \$ 232 | \$ 326 | \$ 443 | \$ 564 | \$ 1,417 |
| 12 | | | | | | | | | | | | | | | |
| 13 | Cumulative Deferral | Σ(9) + (11) | \$ (53,060) | \$ (42,748) | \$ (32,467) | \$ (22,056) | \$ (7,647) | \$ 6,644 | \$ 25,335 | \$ 47,997 | \$ 71,560 | \$ 106,491 | \$ 146,342 | \$ 185,461 | |
| 14 | | | | | | | | | | | | | | | |
| 15 | Deferral Amortization Rate (\$/kW) | Calculation | \$ - | \$ - | \$ - | \$ - | \$ (0.02) | \$ (0.02) | \$ (0.02) | \$ (0.02) | \$ (0.02) | \$ (0.02) | \$ (0.02) | \$ (0.02) | |
| 16 | | | | | | | | | | | | | | | |
| 17 | Deferral Amortization | (5) x (15) | \$ - | \$ - | \$ - | \$ - | \$ (5,639) | \$ (5,572) | \$ (5,774) | \$ (5,794) | \$ (6,006) | \$ (5,961) | \$ (5,800) | \$ (5,674) | |
| 18 | | | | | | | | | | | | | | | |
| 19 | Cumulative Deferral Net of Amortization | (19) + (9) + (11) - (17) | \$ (53,060) | \$ (42,748) | \$ (32,467) | \$ (22,056) | \$ (2,008) | \$ 17,854 | \$ 42,319 | \$ 70,775 | \$ 100,344 | \$ 141,236 | \$ 186,887 | \$ 231,679 | |
| 20 | | | | | | | | | | | | | | | |
| 21 | Schedule 142 Rate (\$ / kW) | Page 3 & 6 | \$ (0.19) | \$ (0.19) | \$ (0.19) | \$ (0.19) | \$ 0.06 | \$ 0.06 | \$ 0.06 | \$ 0.06 | \$ 0.06 | \$ 0.06 | \$ 0.06 | \$ 0.06 | |
| 22 | | | | | | | | | | | | | | | |
| 23 | Projected Schedule 142 Revenue | (5) x (21) | \$ (54,329) | \$ (55,140) | \$ (54,824) | \$ (54,652) | \$ 16,916 | \$ 16,715 | \$ 17,322 | \$ 17,382 | \$ 18,018 | \$ 17,882 | \$ 17,399 | \$ 17,022 | \$ (80,289) |
| 24 | | | | | | | | | | | | | | | |
| 25 | Projected Revenue | Workpapers | \$ 9,260,167 | \$ 9,347,698 | \$ 9,325,981 | \$ 7,872,492 | \$ 8,250,990 | \$ 8,714,249 | \$ 8,909,059 | \$ 9,020,582 | \$ 9,022,394 | \$ 9,534,595 | \$ 9,316,510 | \$ 11,430,691 | \$ 110,005,408 |
| 26 | | | | | | | | | | | | | | | |
| 27 | Rate Impact | (23) / (25) | -0.587% | -0.590% | -0.588% | -0.694% | 0.205% | 0.192% | 0.194% | 0.193% | 0.200% | 0.188% | 0.187% | 0.149% | -0.073% |

**Puget Sound Energy
Decoupling Proposal
Development of Delivery Cost Energy Rate and Schedule 142 Rate - Electric Schedules 26 & 31
Rate Year - May 2014 through April 30, 2015**

| Line No. | (a) | Source (b) | Sch 26 (c) | Sch 31 (d) |
|----------|--|----------------|---------------|---------------|
| 1 | | | | |
| 2 | Test Year Allowed Delivery Revenue | UE-130137 WP | \$ 36,330,723 | \$ 27,596,119 |
| 3 | | | | |
| 4 | Less: Test Year Basic & Minimum Charge Revenue | UE-130137 WP | \$ 1,076,543 | \$ 2,115,049 |
| 5 | | | | |
| 6 | Test Year Volumetric Delivery Revenue | (2) - (4) | \$ 35,254,180 | \$ 25,481,070 |
| 7 | | | | |
| 8 | Test Year Demand (KW) | UE-130137 WP | 4,688,992 | 3,327,197 |
| 9 | | | | |
| 10 | Test Year Volumetric Delivery Revenue Per Unit (\$/KW) | (6) / (8) | \$ 7.52 | \$ 7.66 |
| 11 | | | | |
| 12 | 2014 Allowed Volumetric Delivery Revenue Per Customer | Page 1 | \$ 47,471 | \$ 56,597 |
| 13 | | | | |
| 14 | Forecasted Rate Year Customer Count | F2013 | 790 | 474 |
| 15 | | | | |
| 16 | Forecasted Rate Year Allowed Delivery Revenue | (12) x (14) | \$ 37,494,415 | \$ 26,836,245 |
| 17 | | | | |
| 18 | Plus: Deferred Balance at End of Calendar Year 2013 | JPE-8, Page 3a | (76,369) | (57,773) |
| 19 | | | | |
| 20 | Estimated Recoverable Delivery Revenue | (16) + (18) | \$ 37,418,046 | \$ 26,778,472 |
| 21 | | | | |
| 22 | Forecasted Rate Year Demand (KW) | F2013 | 4,885,615 | 3,466,754 |
| 23 | | | | |
| 24 | Rate Year Delivery Revenue Per Unit (\$/KW) | (20) / (22) | \$ 7.66 | \$ 7.72 |
| 25 | | | | |
| 26 | Schedule 142 Rates (\$/KW) | (24) - (10) | \$ 0.14 | \$ 0.06 |
| 27 | | | | |
| 28 | Post-Rate Test Schedule 142 Rates (\$/KW) | Page 7 | \$ 0.14 | \$ 0.06 |
| 29 | | | | |
| 30 | Post-Rate Test Deferred Balance to Recover/(Refund) | Calculation | \$ (76,369) | \$ (57,773) |

**Puget Sound Energy
Decoupling Proposal
3% Rate Test - 12 Months ending December 31, 2013
Rate Year - May 1, 2014 through April 30, 2015**

| Line No. | Source | Sch 26 | Sch 31 |
|----------|--|-------------|-------------------------------|
| (a) | (b) | (c) | (d) |
| 1 | | | |
| 2 | Forecasted CBR Normalized Revenues | Work Paper | \$ 160,039,072 \$ 109,785,906 |
| 3 | | | |
| 4 | Less: Schedule 142 Revenues | Calculation | \$ 334,803 \$ 235,822 |
| 5 | | | |
| 6 | Adjusted ERF Normalized Revenues | (2) - (4) | \$ 159,704,269 \$ 109,550,084 |
| 7 | | | |
| 8 | Forecasted CBR Base Demand (KW) | Work Paper | 4,824,422 3,423,294 |
| 9 | | | |
| 10 | Average Rate (\$/KW) | (2) / (8) | \$ 33.17 \$ 32.07 |
| 11 | | | |
| 12 | Plus: Current Schedule 142 Rates (\$/KW) | Page 3 | \$ (0.12) \$ (0.19) |
| 13 | | | |
| 14 | Average Rate Including Schedule 142 (\$/KW) | (10) + (12) | \$ 33.05 \$ 31.88 |
| 15 | | | |
| 16 | Proposed Schedule 142 Rates (\$/KW) | Page 6 | \$ 0.14 \$ 0.06 |
| 17 | | | |
| 18 | Incremental Change in Volumetric Delivery Revenue per Unit (\$/KW) | (16) - (12) | \$ 0.26 \$ 0.25 |
| 19 | | | |
| 20 | % Change to Revenues | (18) / (14) | 0.79% 0.78% |
| 21 | | | |
| 22 | % above 3% Maximum | Calculation | 0.00% 0.00% |
| 23 | | | |
| 24 | Adjust Volumetric Delivery Revenue per Unit (\$/KW) | (14) x (22) | \$ - \$ - |
| 25 | | | |
| 26 | Post-Rate Test Schedule 142 Rates (\$/KW) | (16) - (24) | \$ 0.14 \$ 0.06 |

**Puget Sound Energy
Decoupling Proposal
Development of Deferrals - Electric Schedules 26 & 26P
Calendar Year 2015**

| Line No. | Source | Jan-15 | Feb-15 | Mar-15 | Apr-15 | May-15 | Jun-15 | Jul-15 | Aug-15 | Sep-15 | Oct-15 | Nov-15 | Dec-15 | Total | |
|----------|---|---------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|
| (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) | (k) | (l) | (m) | (n) | (o) | |
| 1 | Forecasted Customers | F2013 | 792 | 793 | 794 | 795 | 797 | 799 | 800 | 801 | 802 | 803 | 804 | 805 | |
| 2 | Monthly Allowed Delivery Revenue per Customer | Page 2 | \$ 4,767.45 | \$ 4,718.81 | \$ 4,759.18 | \$ 3,097.41 | \$ 3,279.60 | \$ 3,205.52 | \$ 3,317.94 | \$ 3,319.81 | \$ 3,455.38 | \$ 5,099.35 | \$ 4,951.14 | \$ 4,964.75 | |
| 3 | Allowed Volumetric Delivery Revenue | (1) x (2) | \$ 3,775,822 | \$ 3,742,020 | \$ 3,778,791 | \$ 2,462,443 | \$ 2,613,841 | \$ 2,561,214 | \$ 2,654,356 | \$ 2,659,169 | \$ 2,771,216 | \$ 4,094,780 | \$ 3,980,713 | \$ 3,996,621 | \$ 39,090,987 |
| 4 | | | | | | | | | | | | | | | |
| 5 | Sch 26 Forecasted Demand KW | F2013 | 403,432 | 399,299 | 402,675 | 396,334 | 402,030 | 393,087 | 407,184 | 407,345 | 424,113 | 419,688 | 407,004 | 408,210 | |
| 6 | Delivery Revenue Per Unit (\$/KW) | Calculation | \$ 9.18 | \$ 9.18 | \$ 9.18 | \$ 6.16 | \$ 6.57 | \$ 6.57 | \$ 6.57 | \$ 6.57 | \$ 6.57 | \$ 9.59 | \$ 9.59 | \$ 9.59 | |
| 7 | Monthly Actual Delivery Revenue | (5) x (6) | \$ 3,703,423 | \$ 3,665,477 | \$ 3,696,476 | \$ 2,441,954 | \$ 2,641,882 | \$ 2,583,113 | \$ 2,675,750 | \$ 2,676,808 | \$ 2,786,995 | \$ 4,024,723 | \$ 3,903,079 | \$ 3,914,651 | \$ 38,714,331 |
| 8 | | | | | | | | | | | | | | | |
| 9 | Sch 26P Forecasted Demand KW | F2013 | 2,336 | 2,330 | 2,391 | 2,173 | 2,100 | 1,906 | 1,643 | 1,716 | 1,645 | 2,017 | 2,464 | 2,379 | |
| 10 | Delivery Revenue Per Unit (\$/KW) | Calculation | \$ 8.83 | \$ 8.83 | \$ 8.83 | \$ 5.81 | \$ 6.22 | \$ 6.22 | \$ 6.57 | \$ 6.57 | \$ 6.57 | \$ 9.24 | \$ 9.59 | \$ 9.59 | |
| 11 | Monthly Actual Delivery Revenue | (9) x (10) | \$ 20,622 | \$ 20,576 | \$ 21,111 | \$ 12,626 | \$ 13,062 | \$ 11,861 | \$ 10,799 | \$ 11,279 | \$ 10,813 | \$ 18,637 | \$ 23,629 | \$ 22,818 | \$ 197,832 |
| 12 | | | | | | | | | | | | | | | |
| 13 | Total Actual Recovery | (7) + (11) | \$ 3,724,045 | \$ 3,686,053 | \$ 3,717,586 | \$ 2,454,580 | \$ 2,654,944 | \$ 2,594,974 | \$ 2,686,549 | \$ 2,688,087 | \$ 2,797,808 | \$ 4,043,360 | \$ 3,926,708 | \$ 3,937,469 | \$ 38,912,163 |
| 14 | | | | | | | | | | | | | | | |
| 15 | Deferral | (3) - (13) | \$ 51,777 | \$ 55,967 | \$ 61,205 | \$ 7,863 | \$ (41,102) | \$ (33,760) | \$ (32,193) | \$ (28,918) | \$ (26,591) | \$ 51,419 | \$ 54,006 | \$ 59,152 | \$ 178,824 |
| 16 | | | | | | | | | | | | | | | |
| 17 | Interest on Deferral | Workpapers | \$ 754 | \$ 922 | \$ 1,103 | \$ 1,218 | \$ 1,156 | \$ 1,001 | \$ 858 | \$ 721 | \$ 591 | \$ 568 | \$ 656 | \$ 756 | \$ 10,304 |
| 18 | | | | | | | | | | | | | | | |
| 19 | Cumulative Deferral | Σ((15) + (17)) | \$ 236,037 | \$ 292,926 | \$ 355,234 | \$ 364,314 | \$ 324,368 | \$ 291,609 | \$ 260,274 | \$ 232,077 | \$ 206,077 | \$ 258,065 | \$ 312,726 | \$ 372,634 | |
| 20 | | | | | | | | | | | | | | | |
| 21 | Deferral Amortization Rate (\$/kW) | Calculation | \$ (0.02) | \$ (0.02) | \$ (0.02) | \$ (0.02) | \$ 0.05 | \$ 0.05 | \$ 0.05 | \$ 0.05 | \$ 0.05 | \$ 0.05 | \$ 0.05 | \$ 0.05 | |
| 22 | | | | | | | | | | | | | | | |
| 23 | Deferral Amortization | (5 + 9) x (21) | \$ (8,115) | \$ (8,033) | \$ (8,101) | \$ (7,970) | \$ 20,206 | \$ 19,750 | \$ 20,441 | \$ 20,453 | \$ 21,288 | \$ 21,085 | \$ 20,473 | \$ 20,529 | |
| 24 | | | | | | | | | | | | | | | |
| 25 | Cumulative Deferral Net of Amortization | (25) + (15) + (17) - (23) | \$ 309,645 | \$ 374,567 | \$ 444,976 | \$ 462,027 | \$ 401,874 | \$ 349,366 | \$ 297,589 | \$ 248,939 | \$ 201,651 | \$ 232,553 | \$ 266,741 | \$ 306,120 | |
| 26 | | | | | | | | | | | | | | | |
| 27 | Schedule 142 Rate (\$ / kW) | Page 6 & 9 | \$ 0.14 | \$ 0.14 | \$ 0.14 | \$ 0.14 | \$ 0.55 | \$ 0.55 | \$ 0.55 | \$ 0.55 | \$ 0.55 | \$ 0.55 | \$ 0.55 | \$ 0.55 | |
| 28 | | | | | | | | | | | | | | | |
| 29 | Projected Schedule 142 Revenue | (5 + 9) x (27) | \$ 56,807 | \$ 56,228 | \$ 56,709 | \$ 55,791 | \$ 222,271 | \$ 217,246 | \$ 224,855 | \$ 224,984 | \$ 234,167 | \$ 231,938 | \$ 225,207 | \$ 225,824 | \$ 2,032,029 |
| 30 | | | | | | | | | | | | | | | |
| 31 | Projected Revenue | Workpapers | \$ 11,942,325 | \$ 13,684,637 | \$ 13,836,912 | \$ 13,728,611 | \$ 12,749,334 | \$ 13,810,346 | \$ 14,317,578 | \$ 14,506,932 | \$ 14,679,644 | \$ 13,840,623 | \$ 14,051,933 | \$ 13,790,060 | \$ 164,938,934 |
| 32 | | | | | | | | | | | | | | | |
| 33 | Rate Impact | (29) / (31) | 0.476% | 0.411% | 0.410% | 0.406% | 1.743% | 1.573% | 1.570% | 1.551% | 1.595% | 1.676% | 1.603% | 1.638% | 1.232% |

**Puget Sound Energy
Decoupling Proposal
Development of Deferrals - Electric Schedule 31
Calendar Year 2015**

| Line No. | Source | Jan-15 | Feb-15 | Mar-15 | Apr-15 | May-15 | Jun-15 | Jul-15 | Aug-15 | Sep-15 | Oct-15 | Nov-15 | Dec-15 | Total | |
|----------|---|--------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|----------------|
| (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) | (k) | (l) | (m) | (n) | (o) | |
| 1 | Forecasted Customers | F2013 | 475 | 475 | 475 | 476 | 477 | 478 | 479 | 479 | 480 | 480 | 480 | 481 | |
| 2 | Monthly Allowed Delivery Revenue per Customer | Page 2 | \$ 5,682.22 | \$ 5,767.05 | \$ 5,734.07 | \$ 3,772.22 | \$ 3,852.80 | \$ 3,806.95 | \$ 3,945.24 | \$ 3,959.02 | \$ 4,103.79 | \$ 6,086.70 | \$ 5,922.49 | \$ 5,794.21 | |
| 3 | Allowed Volumetric Delivery Revenue | (1) x (2) | \$ 2,699,054 | \$ 2,739,349 | \$ 2,723,683 | \$ 1,795,578 | \$ 1,837,788 | \$ 1,819,723 | \$ 1,889,769 | \$ 1,896,368 | \$ 1,969,819 | \$ 2,921,616 | \$ 2,842,795 | \$ 2,787,015 | \$ 27,922,557 |
| 4 | | | | | | | | | | | | | | | |
| 5 | Sch 31 Forecasted Demand KW | F2013 | 286,804 | 291,086 | 289,421 | 288,510 | 282,785 | 279,420 | 289,569 | 290,581 | 301,207 | 298,927 | 290,862 | 284,562 | |
| 6 | Delivery Revenue Per Unit (\$/KW) | Calculation | \$ 9.26 | \$ 9.26 | \$ 9.26 | \$ 6.20 | \$ 6.61 | \$ 6.61 | \$ 6.61 | \$ 6.61 | \$ 6.61 | \$ 9.67 | \$ 9.67 | \$ 9.67 | |
| 7 | Monthly Actual Delivery Revenue | (5) x (6) | \$ 2,656,182 | \$ 2,695,837 | \$ 2,680,420 | \$ 1,787,873 | \$ 1,868,338 | \$ 1,846,103 | \$ 1,913,163 | \$ 1,919,843 | \$ 1,990,049 | \$ 2,891,014 | \$ 2,813,019 | \$ 2,752,090 | \$ 27,813,931 |
| 8 | | | | | | | | | | | | | | | |
| 9 | Deferral | (3) - (7) | \$ 42,872 | \$ 43,512 | \$ 43,263 | \$ 7,705 | \$ (30,551) | \$ (26,380) | \$ (23,393) | \$ (23,475) | \$ (20,230) | \$ 30,602 | \$ 29,776 | \$ 34,925 | \$ 108,626 |
| 10 | | | | | | | | | | | | | | | |
| 11 | Interest on Deferral | Workpapers | \$ 689 | \$ 822 | \$ 955 | \$ 1,040 | \$ 990 | \$ 860 | \$ 738 | \$ 620 | \$ 505 | \$ 462 | \$ 488 | \$ 521 | \$ 8,689 |
| 12 | | | | | | | | | | | | | | | |
| 13 | Cumulative Deferral | $\Sigma((9) + (11))$ | \$ 229,022 | \$ 273,355 | \$ 317,573 | \$ 326,319 | \$ 296,758 | \$ 271,237 | \$ 248,582 | \$ 225,727 | \$ 206,002 | \$ 237,065 | \$ 267,329 | \$ 302,775 | |
| 14 | | | | | | | | | | | | | | | |
| 15 | Deferral Amortization Rate (\$/kW) | Calculation | \$ (0.02) | \$ (0.02) | \$ (0.02) | \$ (0.02) | \$ 0.07 | \$ 0.07 | \$ 0.07 | \$ 0.07 | \$ 0.07 | \$ 0.07 | \$ 0.07 | \$ 0.07 | |
| 16 | | | | | | | | | | | | | | | |
| 17 | Deferral Amortization | (5) x (15) | \$ (5,736) | \$ (5,822) | \$ (5,788) | \$ (5,770) | \$ 19,795 | \$ 19,559 | \$ 20,270 | \$ 20,341 | \$ 21,084 | \$ 20,925 | \$ 20,360 | \$ 19,919 | |
| 18 | | | | | | | | | | | | | | | |
| 19 | Cumulative Deferral Net of Amortization | (19) + (9) + (11) - (17) | \$ 280,976 | \$ 331,132 | \$ 381,138 | \$ 395,654 | \$ 346,298 | \$ 301,218 | \$ 258,293 | \$ 215,097 | \$ 174,288 | \$ 184,426 | \$ 194,330 | \$ 209,857 | |
| 20 | | | | | | | | | | | | | | | |
| 21 | Schedule 142 Rate (\$ / kW) | Page 6 & 9 | \$ 0.06 | \$ 0.06 | \$ 0.06 | \$ 0.06 | \$ 0.47 | \$ 0.47 | \$ 0.47 | \$ 0.47 | \$ 0.47 | \$ 0.47 | \$ 0.47 | \$ 0.47 | |
| 22 | | | | | | | | | | | | | | | |
| 23 | Projected Schedule 142 Revenue | (5) x (21) | \$ 17,208 | \$ 17,465 | \$ 17,365 | \$ 17,311 | \$ 132,909 | \$ 131,327 | \$ 136,098 | \$ 136,573 | \$ 141,567 | \$ 140,495 | \$ 136,705 | \$ 133,744 | \$ 1,158,768 |
| 24 | | | | | | | | | | | | | | | |
| 25 | Projected Revenue | Workpapers | \$ 9,434,876 | \$ 9,533,486 | \$ 9,519,503 | \$ 8,013,906 | \$ 8,378,931 | \$ 8,841,911 | \$ 9,044,767 | \$ 9,152,347 | \$ 9,156,118 | \$ 9,678,804 | \$ 9,448,389 | \$ 11,621,372 | \$ 111,824,411 |
| 26 | | | | | | | | | | | | | | | |
| 27 | Rate Impact | (23) / (25) | 0.182% | 0.183% | 0.182% | 0.216% | 1.586% | 1.485% | 1.505% | 1.492% | 1.546% | 1.452% | 1.447% | 1.151% | 1.036% |

**Puget Sound Energy
Decoupling Proposal
Development of Delivery Cost Energy Rate and Schedule 142 Rate - Electric Schedules 26 & 31
Rate Year - May 2015 through April 30, 2016**

| Line No. | (a) | Source (b) | Sch 26 (c) | Sch 31 (d) |
|----------|--|----------------|---------------------|---------------------|
| 1 | | | | |
| 2 | Test Year Allowed Delivery Revenue | UE-130137 WP | \$ 36,330,723 | \$ 27,596,119 |
| 3 | | | | |
| 4 | Less: Test Year Basic & Minimum Charge Revenue | UE-130137 WP | <u>\$ 1,076,543</u> | <u>\$ 2,115,049</u> |
| 5 | | | | |
| 6 | Test Year Volumetric Delivery Revenue | (2) - (4) | \$ 35,254,180 | \$ 25,481,070 |
| 7 | | | | |
| 8 | Test Year Demand (KW) | UE-130137 WP | <u>4,688,992</u> | <u>3,327,197</u> |
| 9 | | | | |
| 10 | Test Year Volumetric Delivery Revenue Per Unit (\$/KW) | (6) / (8) | <u>\$ 7.52</u> | <u>\$ 7.66</u> |
| 11 | | | | |
| 12 | 2015 Allowed Volumetric Delivery Revenue Per Customer | Page 1 | \$ 48,936 | \$ 58,427 |
| 13 | | | | |
| 14 | Forecasted Rate Year Customer Count | F2013 | <u>803</u> | <u>480</u> |
| 15 | | | | |
| 16 | Forecasted Rate Year Allowed Delivery Revenue | (12) x (14) | \$ 39,304,053 | \$ 28,054,583 |
| 17 | | | | |
| 18 | Plus: Deferred Balance at End of Calendar Year 2014 | Page 5a and 5b | <u>248,999</u> | <u>231,679</u> |
| 19 | | | | |
| 20 | Estimated Recoverable Delivery Revenue | (16) + (18) | \$ 39,553,052 | \$ 28,286,262 |
| 21 | | | | |
| 22 | Forecasted Rate Year Demand (KW) | F2013 | <u>4,901,551</u> | <u>3,478,071</u> |
| 23 | | | | |
| 24 | Rate Year Delivery Revenue Per Unit (\$/KW) | (20) / (22) | <u>\$ 8.07</u> | <u>\$ 8.13</u> |
| 25 | | | | |
| 26 | Schedule 142 Rates (\$/KW) | (24) - (10) | \$ 0.55 | \$ 0.47 |
| 27 | | | | |
| 28 | Post-Rate Test Schedule 142 Rates (\$/KW) | Page 10 | \$ 0.55 | \$ 0.47 |
| 29 | | | | |
| 30 | Post-Rate Test Deferred Balance to Recover/(Refund) | Calculation | \$ 248,999 | \$ 231,679 |

**Puget Sound Energy
Decoupling Proposal
3% Rate Test - 12 Months ending December 31, 2014
Rate Year - May 1, 2015 through April 30, 2016**

| Line No. | Source | Sch 26 | Sch 31 |
|----------|--|-------------|-------------------------------|
| (a) | (b) | (c) | (d) |
| 1 | | | |
| 2 | Forecasted CBR Normalized Revenues | Work Paper | \$ 161,682,875 \$ 110,005,408 |
| 3 | | | |
| 4 | Less: Schedule 142 Revenues | Page 5 | \$ 265,716 \$ (80,289) |
| 5 | | | |
| 6 | Adjusted ERF Normalized Revenues | (2) - (4) | \$ 161,417,159 \$ 110,085,696 |
| 7 | | | |
| 8 | Forecasted CBR Base Demand (KW) | Work Paper | 4,880,766 3,463,275 |
| 9 | | | |
| 10 | Average Rate (\$/KW) | (2) / (8) | \$ 33.13 \$ 31.76 |
| 11 | | | |
| 12 | Plus: Current Schedule 142 Rates (\$/KW) | Page 6 | \$ 0.14 \$ 0.06 |
| 13 | | | |
| 14 | Average Rate Including Schedule 142 (\$/KW) | (10) + (12) | \$ 33.27 \$ 31.82 |
| 15 | | | |
| 16 | Proposed Schedule 142 Rates (\$/KW) | Page 9 | \$ 0.55 \$ 0.47 |
| 17 | | | |
| 18 | Incremental Change in Volumetric Delivery Revenue per Unit (\$/KW) | (16) - (12) | \$ 0.41 \$ 0.41 |
| 19 | | | |
| 20 | % Change to Revenues | (18) / (14) | 1.23% 1.29% |
| 21 | | | |
| 22 | % above 3% Maximum | Calculation | 0.00% 0.00% |
| 23 | | | |
| 24 | Adjust Volumetric Delivery Revenue per Unit (\$/KW) | (14) x (22) | \$ - \$ - |
| 25 | | | |
| 26 | Post-Rate Test Schedule 142 Rates (\$/KW) | (16) - (24) | \$ 0.55 \$ 0.47 |