EXHIBIT NO. ___(JPE-3)
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)**

SECOND 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
Rate Design
Secondary Voltage, Schedule 26, Demand >350 kW

Line No.	Description	Bill Determinants	Tariff Rates, Excluding Sch 140 Effective 2013	Adjusted Tariff Rates, Excluding Sch 140 Effective 2013*	Proposed Rates, Including Sch 141 Effective 2013	ERF Rider	Proforma Revenue, Excluding Sch 140 Effective 2013	PCA Related Cost Allocation from Cost of Service	% Energy Related	% Demand Related	PCA Eligible Revenue Requirement	PCA Related Revenue Requirement	ERF Related Revenue Requirement	Proposed ERF Related Revenue Change	Proposed Revenue, Including Sch 141 Effective 2013	Notes:
	(a)	(b)	(c)	(d)	(e) = (d) + [(n) / (b)]	(f) = (e) - (d)	(g) = (b) * (d)	(h)	(i)	(j)	(k) = PCA eligible from (g)	(l) = (h) allocated on (k)	(m) = (g) - (l)	(n) = (m) * ERF Rate Change	(o) = (b) * (e)	(p)
1																
2	Basic Charges	9,746	$ 104.46	$ 104.46	**$ 110.46**	**$ 6.00**	$ 1,018,067				$ -	$ -	$ 1,018,067	$ 58,472	$ 1,076,543	**ERF Rate Change**
3																
4	Energy Charges															
5	All kWh	1,930,350,631	$ 0.062202	$ 0.056733	**$ 0.056733**	$ -	$ 109,514,582				$ 109,514,582	$ 109,514,582	$ -	$ -	$ 109,514,582	
6	Total Billed kWh Energy	1,930,350,631					$ 109,514,582				$ 109,514,582	$ 109,514,582	$ -	$ -	$ 109,514,582	
7																
8	Unbilled Revenue															
9	All kWh	(145,373)	$ 0.062202	$ 0.056733	$ 0.056733	$ -	$ (8,247)				$ (8,247)	$ (8,247)	$ -	$ -	$ (8,247)	
10	Other						$ (22,175)				$ (22,175)	$ (22,175)	$ -	$ -	$ (22,175)	
11	Total Unbilled	(145,373)					$ (30,422)				$ (30,422)	$ (30,422)	$ -	$ -	$ (30,422)	
12																
13	Total kWh	1,930,205,258					$ 109,484,160				$ 109,484,160	$ 109,484,160	$ -	$ -	$ 109,484,160	
14																
15	Demand Charges															
16	Winter (Oct to Mar)	2,325,743	$ 8.94	$ 11.65	**$ 12.14**	**$ 0.49**	$ 27,094,902				$ 27,094,902	$ 7,212,604	$ 19,882,298	$ 1,141,925	$ 28,234,515	**ERF Rate Change**
17	Summer (Apr to Sep)	2,363,250	$ 5.96	$ 7.76	**$ 8.09**	**$ 0.33**	$ 18,338,818				$ 18,338,818	$ 4,881,753	$ 13,457,064	$ 772,897	$ 19,118,690	**ERF Rate Change**
18	Total Demand	4,688,992					$ 45,433,719				$ 45,433,719	$ 12,094,357	$ 33,339,362	$ 1,914,822	$ 47,353,205	
19																
20	Reactive Power Charge (kVarh)**	875,681,415	$ 0.00124	$ 0.00124	**$ 0.00127**	**$ 0.00003**	$ 1,085,845				$ 1,085,845	$ 554,596	$ 531,249	$ 30,512	$ 1,112,115	**ERF Rate Change**
21																
22	Total Revenue						$ 157,021,791	$ 122,133,113	$ 98,927,822	$ 23,205,291	$ 156,003,724	$ 122,133,113	$ 34,888,678	$ 2,003,806	$ 159,026,024	
23									Peak Credit Demand %	19.0%						
24	Target Proposed Increase Sch 26								Actual Demand %	19.0%					**$ 2,003,806**	**Rate Spread Workpapers, Column F**
25	Target Proposed Revenue 26														$ 159,025,597	
26	Target Proposed % Increase														1.28%	**Average Class Rate Change**
27																
28	ERF Related Revenue Requirement														$ 34,888,678	
29	ERF Rate Change														5.74%	**ERF Rate Change**
30																
28	Over (Under) Recover Target Rate Spread														**$ 427**	

	Adjustments to Secondary Voltage Rates for Delivery at Primary Voltage		
31	Basic Charge Addition Sec Voltage Rate:	$ 246.45	
32	Demand Credit per kW to all Demand:	3.446%	$ 0.35
33	Energy Charge Reduction to Base Rates:	3.446%	$ 0.001955

T&D - Related Demand Charges	
Winter (Oct to Mar)	$ 9.04
Summer (Apr to Sep)	$ 6.02

35 * Note: The energy charges are adjusted to produce energy charge revenue halfway between levels at existing rates and the energy-related PCA costs in column (i). The reduced energy charge revenue is then added to the demand charge in proportion to the seasonal demand charge revenue.