

**EXH. CGP-7C
DOCKETS UE-22 ___/UG-22 ___
2022 PSE GENERAL RATE CASE
WITNESS: CARA G. PETERMAN**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY,

Respondent.

**Docket UE-22 ___
Docket UG-22 ___**

**SIXTH EXHIBIT (CONFIDENTIAL) TO THE
PREFILED DIRECT TESTIMONY OF**

CARA G. PETERMAN

ON BEHALF OF PUGET SOUND ENERGY

REDACTED VERSION

JANUARY 31, 2022

PUGET SOUND ENERGY

**Utility Capital Structure
Proposed Cost of Capital and Rate of Return
Requested For Rate Year January 2024 through December 2024**

(A)	(B)	(C)	(D)	(E)
General Rate Case Request				
<u>Description</u>		<u>Ratio</u>	<u>Cost Rates</u>	<u>Cost of Capital</u>
Marginal Short-Term Debt Rate		2.4%	2.36%	0.06%
Commitment Fees				0.01%
Amortization of Short-Term Debt Issue Cost				0.01%
Weighted Short-Term Debt Rate		48.1%	5.07%	0.08%
Marginal Long-Term Debt Rate				2.44%
Amortization of Reacquired Debt				0.02%
Weighted Long-Term Debt Rate				2.46%
Total Debt		50.5%		2.54%
Common Equity		49.5%	9.90%	4.90%
Total		100.0%		7.44%
Test Year Capital Structure and Cost of Capital				
<u>Description</u>	<u>Amount (i)</u> <i>(\$ in 000's)</i>	<u>Ratio</u>	<u>Cost Rates</u>	<u>Cost of Capital</u>
Marginal Short-Term Debt Rate		2.6%	0.27%	0.01%
Commitment Fees	\$233,962,500			0.02%
Amortization of Short-Term Debt Issue Cost				0.01%
Weighted Short-Term Debt Rate		48.4%	5.28%	0.04%
Long Term Debt	\$4,338,044,407			2.56%
Amortization of Reacquired Debt				0.02%
Weighted Long-Term Debt Rate				2.58%
Total Debt	\$4,572,006,907	51.0%		2.62%
Common Equity	\$4,386,402,333	49.0%	9.43%	4.61%
Total	\$8,958,409,240	100.0%		7.23%

**Puget Sound Energy
Requested Cost of Debt
For The 12 Months Ended December 31, 2024**

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
	Bond	Interest Rate	Issue Date	Maturity Date	Net Proceeds Per \$100 (i)	Cost Rate (ii)	Annual Charge (\$'000)	Principal in 000's
6	MTN-C	7.150%	Dec-95	Dec-25	99.21	7.21%	1,082	15,000
7	MTN-C	7.200%	Dec-95	Dec-25	99.21	7.26%	145	2,000
8	MTN-A	7.020%	Dec-97	Dec-27	98.99	7.10%	21,300	300,000
9	MTN-B	7.000%	Mar-99	Mar-29	99.04	7.08%	7,080	100,000
10	SN	5.483%	May-05	Jun-35	84.89	6.65%	16,625	250,000
11	SN	6.724%	Jun-06	Jun-36	107.52	6.17%	15,425	250,000
12	SN	6.274%	Sep-06	Mar-37	98.81	6.36%	19,080	300,000
13	SN	5.757%	Sep-09	Oct-39	98.98	5.83%	20,405	350,000
14	SN	5.795%	Mar-10	Mar-40	98.96	5.87%	19,078	325,000
15	SN	5.764%	Jun-10	Jul-40	98.97	5.84%	14,600	250,000
16	SN	5.638%	Mar-11	Apr-41	98.97	5.71%	17,130	300,000
17	SN	4.434%	Nov-11	Nov-41	98.96	4.50%	11,250	250,000
18	SN	4.700%	Nov-11	Nov-51	98.86	4.76%	2,142	45,000
19	PCB	3.900%	May-13	Mar-31	98.94	3.98%	5,511	138,460
20	PCB	4.000%	May-13	Mar-31	98.94	4.08%	955	23,400
21	SN	4.300%	May-15	May-45	98.48	4.39%	18,658	425,000
22	SN	4.223%	Jun-18	Jun-48	98.89	4.29%	25,740	600,000
23	SN	3.250%	Aug-19	Sep-49	99.09	3.30%	14,850	450,000
24	SN	2.893%	Sep-21	Sep-51	98.86	2.95%	13,275	450,000
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Shaded information is designated as confidential per WAC 480-07-160

SHADED INFORMATION IS DESIGNATED AS
CONFIDENTIAL PER WAC 480-07-160

REDACTED VERSION

Total First Mortgage Bonds and Senior Notes at the end of the year

Total Long-term Debt	Cost of Interest on AMA basis	5.07%	261,554	\$5,161,360
Short-Term Debt	Cost of Interest	2.36%	6,127	\$259,303
Blended Cost of Interest (S,T&LT Debt)		4.94%	267,681	\$5,420,663
Projected AMA Long-term Debt in Rate year (\$ in 000's)			\$5,161,360	
Requested Long-term Debt Ratio in Rate Year			<u>48.1%</u>	
Implied AMA Total Capitalization in Rate Year (\$ in 000's)			\$10,733,986	

(i) Net proceeds are face amount less underwriter's fees and issuance expenses.
(ii) Cost Rate for each bond is the yield to maturity based on net proceeds.
(iii) For blended cost of interest for short-term debt and long-term debt, the cost rate is the total annual interest charge divided by the average outstanding balance for the period.

**Puget Sound Energy
Short Term Debt Interest and Fees Details
For The 12 Months Ended December 31, 2024**

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)
	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Average	
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(G) Monthly short-term interest is calculated on the average balance for the month times the interest rate for the month times the actual days in the month divided by 360 days.

Puget Sound Energy
Schedule of Annual Charges on Reacquired Debt
For The 12 Months Ended December 31, 2024

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
		Issue Date	Maturity Date	Redemption Date	Refinance Issue	Refinance Date	Maturity Date for Amort.	Monthly Amortization (i)	No. of Months in Period	Annual Amortization (i)
1										
2										
3										
4										
5	9.625% PP	15-Oct-90	15-Oct-97	7-Feb-94	30 Yr 7.350%	1-Feb-94	1-Feb-24	\$14,073	2	\$28,147
6	8.231% Capital Trust I (Tender)	6-Jun-97	1-Jun-27	1-Jun-05		1-Feb-94	1-Jun-27	\$19,150	12	\$229,804
7	PCB Series 1991A	7-Aug-91	1-Aug-21	11-Mar-03	2003 PCB's	11-Mar-03	1-Mar-31	\$3,790	12	\$45,480
8	PCB Series 1991B	7-Aug-91	1-Aug-21	11-Mar-03	2003 PCB's	11-Mar-03	1-Mar-31	\$2,880	12	\$34,561
9	PCB Series 1992	1-Mar-92	1-Mar-22	11-Mar-03	2003 PCB's	11-Mar-03	1-Mar-31	\$8,819	12	\$105,825
10	PCB Series 1993	1-Mar-92	1-Mar-22	11-Mar-03	2003 PCB's	11-Mar-03	1-Mar-31	\$2,691	12	\$32,298
11	PCB Series 2003	11-Mar-03	1-Mar-31	24-Jun-13	2013 PCB's	23-May-13	1-Mar-31	\$24,927	12	\$299,129
12	PCB Series 2003	11-Mar-03	1-Mar-31	24-Jun-13	2013 PCB's	23-May-13	1-Mar-31	\$4,213	12	\$50,553
13	\$200mm VRN	15-Jul-04	15-Jul-06	27-May-05	30 Yr 5.483%	27-May-05	27-May-35	\$1,424	12	\$17,087
14	8.40% Capital Trust II	24-May-01	30-Jun-41	30-Jun-06	30 Yr 6.724%	30-Jun-06	15-Jun-36	\$16,418	12	\$197,021
15	\$25M 9.57% Gas FMB's	1-Sep-90	1-Sep-20	23-Dec-11	40 Yr 4.70%	22-Nov-11	15-Nov-51	\$33,377	12	\$400,519
16	SN 5.197%	12-Oct-05	1-Oct-15	5-Jun-15	30 Yr 4.30%	26-May-15	20-May-45	\$6,859	12	\$82,302
17	SN 6.75%	23-Jan-09	15-Jan-16	5-Jun-15	30 Yr 4.30%	26-May-15	20-May-45	\$26,387	12	\$316,650
18	Jr. Subordinated Notes	4-Jun-07	1-Jun-67	27-Apr-18			1-Jun-67	\$8,388	12	\$100,653
19										
20	Implied Rate Year Capitalization									\$1,940,030
21										\$10,733,986,404
22	Weighted Cost of Reacquired Debt									0.02%
23										
24	(i) Amortization is over life of replacement issue or remaining life of called bond if no replacement issue.									