

**EXH. SEF-22
DOCKETS UE-240004/UG-240005
2024 PSE GENERAL RATE CASE
WITNESS: SUSAN E. FREE**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY,

Respondent.

**Docket UE-240004
Docket UG-240005**

**TWENTY-FIRST EXHIBIT (NONCONFIDENTIAL) TO THE
PREFILED DIRECT TESTIMONY OF**

SUSAN E. FREE

ON BEHALF OF PUGET SOUND ENERGY

FEBRUARY 15, 2024

Wildfire Tracker Revenue Requirement

Row	Description	2025	2026
3	WEIGHTED AVERAGE COST OF DEBT	2.67%	2.63%
4	REQUESTED RATE OF RETURN	7.65%	7.99%
5	STATUTORY FEDERAL INCOME TAX RATE	21%	21%
6	CONVERSION FACTOR	0.751313	0.751313
7			
8	RATE BASE - NET PLANT	\$ 17,535,281	\$ 60,096,977
9	RATE BASE - NET DEFERRAL	6,382,493	2,127,498
10	TOTAL WILDFIRE RATE BASE	23,917,773	62,224,474
11			
12	WILDFIRE NON-INSURANCE O&M	5,628,712	6,425,884
13	WILDFIRE INSURANCE LIABILITY EXPENSE	14,460,817	14,336,418
14	WILDFIRE INSURANCE LIABILITY CONSTRUCTION SUPPORT	(2,602,947)	(2,580,555)
15	DEPRECIATION EXPENSE	1,178,635	3,282,561
16	AMORTIZATION OF WILDFIRE LIABILITY INSURANCE DEFERRAL	5,386,070	5,386,070
17	TOTAL OPERATING EXPENSE	24,051,287	26,850,378
18			
19	FIT INCREASE/(DECREASE)	(5,050,770)	(5,638,579)
20			
21	TAX BENEFIT OF PROFORMA INTEREST	134,107	343,666
22			
23	NET OPERATING INCOME (NOI)	(18,866,410)	(20,868,133)
24			
25	RETURN ON RATE BASE	1,829,710	4,971,736
26			
27	NET OPERATING INCOME DEFICIENCY	20,696,119	25,839,869
28			
29	REVENUE REQUIREMENT	\$ 27,546,601	\$ 34,392,948
30	GROSSED UP DEFICIENCY BY YEAR	\$ 27,546,601	\$ 6,846,347