

**EXH. SEF-24
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-THIRD EXHIBIT (NONCONFIDENTIAL) TO THE
PREFILED DIRECT TESTIMONY OF**

SUSAN E. FREE

ON BEHALF OF PUGET SOUND ENERGY

FEBRUARY 15, 2024

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FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

IN REPLY REFER TO:

OCA-AS

OCT 10 1984

Mr. Bruce Holm
Controller
Puget Sound Power and Light Company
Puget Power Building
Bellevue, Washington 98009

Dear Mr. Holm:

This is in reply to your letter dated July 30, 1984, in which you requested our approval of your proposed accounting procedure to give recognition to the Washington Utilities and Transportation Commission (WUTC) rate order issued July 25, 1983, Cause No. U-82-38.

The WUTC rate order allows a net-of-tax Allowance for Funds Used During Construction (AFUDC) rate of 11.135% which exceeds the maximum net AFUDC rate allowed by using Commission Order No. 561 formulary requirements contained in Electric Plant Instruction 3(17). You indicated that the maximum net-of-tax AFUDC rate computed under the formula is 9.5%.

You propose to charge Account 186, Miscellaneous Deferred Debits with the difference between amounts of AFUDC accrued at the WUTC rate and the maximum rate allowed by Order No. 561 with a concurrent credit to Account 421, Miscellaneous Nonoperating Income. Amounts recorded in Account 186 would be amortized to Account 406, Amortization of Electric Plant Acquisition Adjustments.

Your proposed accounting procedure is approved provided that the manner in which amounts are amortized from Account 186 to Account 406 is consistent with the collection of such costs in WUTC rates and that in the computation of the Order No. 561

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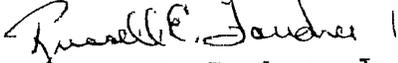
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Puget Sound Power and
Light Company

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rate the interest component of short and long term debt is fully tax effected in accordance with Order No. 561 guidelines. Amounts recorded in Account 186 are deemed to be carrying charges in the form of an equity allowance as afforded by the WUTC. Such approval is subject to adjustment should additional information warrant.

Sincerely yours,


Russell E. Faudree, Jr.
Chief Accountant