

**EXHIBIT NO. \_\_\_(JHS-16)  
DOCKET NOS. UE-111048/UG-111049  
2011 PSE GENERAL RATE CASE  
WITNESS: JOHN H. STORY**

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.**

**PUGET SOUND ENERGY, INC.,**

**Respondent.**

**Docket No. UE-111048  
Docket No. UG-111049**

**FIFTH EXHIBIT (NONCONFIDENTIAL) TO THE  
PREFILED SUPPLEMENTAL DIRECT TESTIMONY OF  
JOHN H. STORY  
ON BEHALF OF PUGET SOUND ENERGY, INC.**

**SEPTEMBER 1, 2011**

**PUGET SOUND ENERGY**  
**ELECTRIC RESULTS OF OPERATIONS**  
**FORECAST TWELVE MONTHS ENDED DECEMBER 31, 2010 VS DECEMBER 31, 2008 GENERAL RATE CASE**  
**UNIT COST**

LINE NO.	12/31/2010		12/31/2008		VARIANCE	
	RESTATED RESULTS OF OPERATIONS	UNIT COST Dollars/Kwh 21,143,300,002	RESTATED RESULTS OF OPERATIONS	UNIT COST Dollars/Kwh 21,821,673,792		
	<b>REVISED</b>					
1	<u>OPERATING REVENUES:</u>					
2	SALES TO CUSTOMERS	\$ 1,977,336,368	\$ 0.093521	\$ 2,034,174,915	\$ 0.093218	\$ (6,398,167)
3	SALES FROM RESALE-FIRM	1,217,748	0.000058	\$ 353,136	0.000016	(875,590)
4	SALES TO OTHER UTILITIES	<b>10,227,296</b>	<b>0.000484</b>	\$ 29,152,008	0.001336	<b>18,018,459</b>
5	OTHER OPERATING REVENUES	36,674,343	0.001735	\$ 40,410,071	0.001852	2,479,494
6	TOTAL OPERATING REVENUES	<b>\$ 2,025,455,754</b>	<b>\$ 0.095797</b>	\$ 2,104,090,130	\$ 0.096422	\$ 13,224,196
7						
8	OPERATING REVENUE DEDUCTIONS:					
9						
10	<u>POWER COSTS:</u>					
11	FUEL	\$ 236,545,230	\$ 0.011188	\$ 300,188,768	\$ 0.013756	\$ (54,311,524)
12	PURCHASED AND INTERCHANGED	<b>505,415,267</b>	<b>0.0239043</b>	630,151,589	0.0288773	<b>(105,146,701)</b>
13	WHEELING	<b>95,610,267</b>	<b>0.0045220</b>	82,203,316	0.0037670	<b>15,962,419</b>
14	RESIDENTIAL EXCHANGE	-	0.0000000	-	0.0000000	-
15	TOTAL PRODUCTION EXPENSES	<b>\$ 837,570,764</b>	<b>\$ 0.039614</b>	\$ 1,012,543,673	\$ 0.046401	\$ (143,495,806)
16						
17	OTHER POWER SUPPLY EXPENSES	\$ 127,393,044	\$ 0.006025	\$ 107,091,100	\$ 0.004908	23,631,102
18	TRANSMISSION EXPENSE	<b>11,957,565</b>	<b>0.000566</b>	8,899,925	0.000408	<b>3,334,313</b>
19	DISTRIBUTION EXPENSE	81,926,024	0.003875	74,958,556	0.003435	9,297,716
20	CUSTOMER ACCOUNT EXPENSES	47,712,480	0.002257	41,977,339	0.001924	7,040,097
21	CUSTOMER SERVICE EXPENSES	1,704,624	0.000081	2,200,805	0.000101	(427,765)
22	CONSERVATION AMORTIZATION	2,589	0.000000	1,062	0.000000	1,560
23	AMORTIZATION OF PROPERTY LOSS	16,940,733	0.000801	17,897,856	0.000820	(400,730)
24	OTHER OPERATING EXPENSES	3,560,572	0.000168	8,190,584	0.000375	(4,375,390)
25	ASC 815	-	0.000000	-	0.000000	-
26	ADMIN & GENERAL EXPENSE	<b>100,047,496</b>	<b>0.00473</b>	89,781,329	0.00411	<b>13,057,213</b>
27	Subtotal	<b>391,245,126</b>	<b>\$ 0.018504</b>	350,998,557	\$ 0.016085	<b>\$ 51,158,117</b>
28	DEPRECIATION	219,837,724	0.010398	175,753,602	0.008054	49,547,802
28	AMORTIZATION	39,947,888	0.001889	41,715,383	0.001912	(470,682)
29	TAXES OTHER INCOME TAXES	125,686,555	0.005945	122,553,987	0.005616	6,942,424
30	INCOME TAXES	<b>(75,348,458)</b>	<b>-0.003564</b>	47,621,990	0.002182	<b>(121,490,016)</b>
31	DEFERRED INCOME TAXES	168,465,833	0.007968	49,297,727	0.002259	120,700,632
32	TOTAL OPERATING REV. DEDUCT.	<b>\$ 1,707,405,433</b>	<b>\$ 0.080754</b>	\$ 1,800,484,919	\$ 0.082509	<b>\$ (37,107,529)</b>
33						
34	NET OPERATING INCOME	<b>\$ 318,050,321</b>	<b>\$ 0.015043</b>	\$ 303,605,211	\$ 0.013913	<b>\$ (23,883,332)</b>
35						
36	RATE BASE	\$ 4,904,756,946	\$ 0.231977	\$ 3,748,212,489	\$ 0.171766	
37	RATE OF RETURN	8.42%		8.10%		
38	RETURN ON RATE BASE	\$ 412,980,535	\$ 0.019532	\$ 303,605,212	\$ 0.013913	118,813,546
39	REVENUE DEFICIENCY - NET OF TAX	<b>\$ 94,930,214</b>		\$ 0		<b>\$ 94,930,215</b>

Note: Amounts presented in bold italic type have changed since the June 13 original filing.