### Puget Sound Energy Natural Gas Residential Customer Costs (Cost of Equity @ PSE Proposed)

\$41,601,625				
\$141,416,119 \$9,537,413				
\$25,690,051				
\$218,245,210				
-\$13,867,592				
-\$20,083,214				
-\$42,056,701				
\$176,100,500				
<u>\$176,188,508</u>				
\$176,188,508				
<b>*</b>				
- ,				
\$4,535,126				
\$3,344,352				
\$385,729				
\$10,208,788				
\$ <u>9,792,521</u>				
\$32,866,355				
01.425				
			2.73%	
\$3,153,579	Rate Per PSC Depreciation Study		2.23%	
\$229,852	Poto Do-DOOD		2.41%	
<u>\$716,752</u>				
\$5,235,908		-	2.7070	
		•		
	Pr			
\$6,585,856				HT Cost
				3.74%
			8.61%	0.00%
	·	<u>45.00%</u>	<u>10.80%</u>	4.86%
\$19,766,337	Total	100.00%		8.60%
\$20.000 <del></del>			*	
\$32,866,355 \$5,235,908				
057.05				
35/ 868 600				
\$57,868,600 ·	Per Witness Karzmar			
<u>0.95686</u>	Per Witness Karzmar		•	
<u>0.95686</u> \$60,477,603	Per Witness Karzmar			
<u>0.95686</u>	Per Witness Karzmar		·	
<u>0.95686</u> \$60,477,603	Per Witness Karzmar		·	
	\$218,245,210  -\$13,867,592 -\$20,083,214 -\$3,570,812 -\$4,535,084 -\$42,056,701  \$176,188,508  \$176,188,508  \$4,599,839 \$4,535,126 \$3,344,352 \$385,729 \$10,208,788 \$9,792,521 \$32,866,355  \$1,135,724 \$3,153,579 \$229,852 \$716,752 \$5,235,908  \$6,585,856 \$8,567,312 \$4,613,168 \$19,766,337  \$32,866,355	\$218,245,210  -\$13,867,592 -\$20,083,214 -\$3,570,812 -\$4,535,084 -\$42,056,701  \$176,188,508  \$176,188,508  \$176,188,508  \$4,599,839 \$4,535,126 \$3,344,352 \$385,729 \$10,208,788 \$9,792,521 \$32,866,355  \$1,135,724 \$3,153,579 Rate Per PSC Depreciati \$229,852 Rate Per PSC Depreciati \$229,852 Rate Per PSC Depreciati \$216,752 Rate Per PSC Depreciati \$716,752 Rate Per PSC Depreciati \$716,752 \$5,235,908  PC  \$6,585,856 Debt \$8,567,312 Preferred \$4,613,168 Common \$19,766,337 Total	\$218,245,210  -\$13,867,592 -\$20,083,214 -\$3,570,812 -\$4,535,084 -\$42,056,701  \$176,188,508  \$176,188,508  \$176,188,508  \$4,599,839 \$4,535,126 \$3,344,352 \$385,729 \$10,208,788 \$9,792,521 \$32,866,355  \$1,135,724 Rate Per PSC Depreciation Study \$3,153,579 Rate Per PSC Depreciation Study \$229,852 Rate Per PSC Depreciation Study \$716,752 Rate Per PSC Depreciation Study \$5,235,908  \$6,585,856 Debt 54,97% \$8,567,312 Preferred 0.03% \$4,613,168 Common 45,00% \$19,766,337 Total 100.00%	\$218,245,210  -\$13,867,592 -\$20,083,214 -\$3,570,812 -\$4,535,084 -\$42,056,701  \$176,188,508  \$176,188,508  \$176,188,508  \$176,188,508  \$1,135,724 \$3,344,352 \$3,344,352 \$31,23,579 \$32,866,355  \$1,135,724  Rate Per PSC Depreciation Study 2.73% \$229,852 Rate Per PSC Depreciation Study 2.23% \$229,852 Rate Per PSC Depreciation Study 2.41% \$716,752 \$5,235,908  \$6,585,856 Debt \$4,974 Cost WG  \$6,585,856 Debt \$4,974 \$4,613,168 Common 45,00% \$10,80% \$32,866,355

#### Puget Sound Energy Natural Gas Residential Customer Costs (Cost of Equity @ Public Counsel Proposed)

		Residential				
Gross Plan						
	Meters	\$41,601,625				
	Meter Installations House Regulators	\$141,416,119	•			
	House Regulator Installations	\$9,537,413 <u>\$25,690,051</u>				
	Total Gross Plant	\$218,245,210				
Depreciatio	n Reserve					
	Meters	-\$13,867,592		•		
	Meter Installations	-\$20,083,214				
	House Regulators	-\$3,570,812				
	House Regulator Installations	-\$4,535,084				
	Total Depreciation Reserve	-\$42,056,701				
Total Net PI	ant	<u>\$176,188,508</u>			,	
Total Rate E	Base	\$176,188,508				
Operation &	Maintenance Expenses					
	Oper Meter & House Reg	\$4,599,839				
	Oper Customer Install Exp	\$4,535,126				
	Maint Services	\$3,344,352				
	Maint Meters & House Reg	\$385,729				
	Meter Reading Expense	\$10,208,788				
	Cust. Records & Collection Exp.	\$9,792,521				
	Total O & M Expenses	\$32,866,355				
Depreciation	n Expense					·
	Meters	\$1,135,724	Rate Per PSC Depreciatio	n Study	2.73%	
	Meter Installations	\$3,153,579	Rate Per PSC Depreciation Study		2.23%	
	House Regulators	\$229,852	Rate Per PSC Depreciation Study		2.41%	
	House Regulator Installations	<u>\$716,752</u>	Rate Per PSC Depreciation Study		2.79%	
	Total Depreciation Expense	\$5,235,908	· ·		2.1 570	
Revenue Red	quirement			Cost of Capital	· .	
			PC'	Γ Cost	WG	T Cost
	Interest	\$6,585,856	Debt	54.97%	6.80%	3.74%
	Equity return	\$7,338,398	Preferred	0.03%	8.61%	0.00%
	Income Tax	<u>\$3,951,445</u>	<u>Common</u>	45.00%	9.25%	<u>4.16%</u>
	Revenue For Return	\$17,875,698	Total	100.00%		7.90%
	O & M Expenses	\$32,866,355				
	Depreciation Expense	\$5,235,908				
				•		
	Total Customer Revenue Requirement Before Gross Up	\$55,977,961				
	Gross Up for Uncollectibles, WUTC Fees, and Excise T	0.95686	Per Witness Karzmar			
	Total Customer Revenue Requirement	\$58,501,726				
	Number of Bills	8,081,247				
	Monthly Cost	\$7.24				•

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# Puget Sound Energy Natural Gas Residential Customer Costs (No Rate Base)

### Residential

\$4.25

## Operation & Maintenance Expenses

Monthly Cost

Oper Meter & House Reg	\$4,599,839
Oper Customer Install Exp	\$4,535,126
Maint Services	\$3,344,352
Maint Meters & House Reg	\$385,729
Meter Reading Expense	\$10,208,788
Cust. Records & Collection Exp.	<u>\$9,792,521</u>
Total O & M Expenses	\$32,866,355

Total Customer Revenue Requirement Before Gross Up  Gross Up for Uncollectibles, WUTC Fees, and Excise Ta	\$32,866,355 <u>0.95686</u>	Per Witness Karzmar
Total Customer Revenue Requirement	\$34,348,133	
Normalism of Dille		
Number of Bills	8,081,247	