

**Puget Sound Energy
 Electric Residential Customer Costs
 (Cost of Equity @ PSE Proposed)**

Residential

Gross Plant
Meters \$73,742,332
 Total Gross Plant \$73,742,332

Depreciation Reserve
Meters -\$27,129,698
 Total Depreciation Reserve -\$27,129,698

Total Net Plant \$46,612,634
Total Rate Base \$46,612,634

Operation & Maintenance Expenses
 Dist Oper - Meters \$898,321
 Dist Oper - Cust Installations - Meters \$1,740,635
 Meter Reading \$11,481,990
 Records & Collections \$13,681,729
Dist Maint - Meters \$123,635
 Total O & M Expenses \$27,926,311

Depreciation Expense
Meters \$1,710,822 Rate Per PSE Depreciation Study 2.32%
 Total Depreciation Expense \$1,710,822

Revenue Requirement

Interest \$1,742,362
 Equity return \$2,266,578
Income Tax \$1,220,465
 Revenue For Return 5,229,405

	Cost of Capital		
	PCI	Cost	WGHT Cost
Debt	54.97%	6.80%	3.74%
Preferred	0.03%	8.61%	0.00%
<u>Common</u>	<u>45.00%</u>	<u>10.80%</u>	<u>4.86%</u>
Total	100.00%		8.60%

O & M Expenses \$27,926,311
 Depreciation Expense \$1,710,822

Total Customer Revenue Requirement Before Gross up \$34,866,537
Gross Up for Uncollect., WUTC Fee, and Excise Tax 0.956050
 Total Customer Revenue Requirement \$36,469,366

Per Witness Story

Number of Bills 11,067,864

Monthly Cost \$3.30

**Puget Sound Energy
Electric Residential Customer Costs
(Cost of Equity @ Public Counsel Proposed)**

	Residential
Gross Plant	
<u>Meters</u>	<u>\$73,742,332</u>
Total Gross Plant	\$73,742,332

Depreciation Reserve	
<u>Meters</u>	<u>-\$27,129,698</u>
Total Depreciation Reserve	-\$27,129,698

Total Net Plant	<u>\$46,612,634</u>
Total Rate Base	\$46,612,634

Operation & Maintenance Expenses	
Dist Oper - Meters	\$898,321
Dist Oper - Cust Installations - Meters	\$1,740,635
Meter Reading	\$11,481,990
Records & Collections	\$13,681,729
<u>Dist Maint - Meters</u>	<u>\$123,635</u>
Total O & M Expenses	\$27,926,311

Depreciation Expense			
<u>Meters</u>	<u>\$1,710,822</u>	Rate Per PSE Depreciation Study	2.32%
Total Depreciation Expense	\$1,710,822		

	Cost of Capital		
	PCT	Cost	WGHT Cost
Interest	\$1,742,362	Debt	54.97%
Equity return	\$1,941,455	Preferred	0.03%
<u>Income Tax</u>	<u>\$1,045,399</u>	<u>Common</u>	<u>45.00%</u>
Revenue For Return	4,729,215	Total	100.00%
O & M Expenses	\$27,926,311		
Depreciation Expense	\$1,710,822		
Total Customer Revenue Requirement Before Gross up	\$34,366,348		
<u>Gross Up for Uncollect., WUTC Fee, and Excise Tax</u>	<u>0,956,050</u>	Per Witness Story	
Total Customer Revenue Requirement	\$35,946,183		
Number of Bills	11,067,864		
Monthly Cost	\$3.25		