

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

		Residential				
<b>Gross Plant</b>						
	<u>Meters</u>	\$69,876,077				
	Total Gross Plant	\$69,876,077				
<b>Depreciation Reserve</b>						
	<u>Meters</u>	-\$21,622,858				
	Total Depreciation Reserve	-\$21,622,858				
	<b>Total Net Plant</b>	<b>\$48,253,219</b>				
	<b>Total Rate Base</b>	<b>\$48,253,219</b>				
<b>Operation &amp; Maintenance Expenses</b>						
	Dist Oper - Meters	\$1,104,914				
	Dist Oper - Cust Installations - Meters	\$2,065,959				
	Meter Reading	\$14,131,978				
	<u>Records &amp; Collections</u>	<u>\$14,552,140</u>				
	Total O & M Expenses	\$31,854,991				
<b>Depreciation Expense</b>						
	<u>Meters @ 2.32% Depreciation Rate</u>	<u>\$1,621,125</u>	1/			
	Total Depreciation Expense	\$1,621,125				
<b>Revenue Requirement</b>			Cost of Capital			
	Interest	\$1,602,007	Debt	52.00%	6.38%	3.32%
	Equity return	\$2,501,447				
	<u>Income Tax @ 35%</u>	<u>\$1,346,933</u>	Common	48.00%	10.80%	5.18%
	Revenue For Return	5,450,387	Total	100.00%	8.50%	
	O & M Expenses	\$31,854,991				
	Depreciation Expense	\$1,621,125				
	Total Customer Revenue Requirement Before Gross up	\$38,926,503				
	<u>Gross Up for Uncollect., WUTC Fee, and Excise Tax</u>	<u>0,955,800</u>	2/			
	Total Customer Revenue Requirement	\$40,726,619				
	Number of Bills	11,273,280				
	<b>Monthly Cost</b>	<b>\$3.61</b>				

1/ Per Docket Number UE-072300 and testimony of John Story, page 53 in this case.

2/ Per Exhibit No.\_\_(JHS-5), Page 5.03

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

	Residential	Cost of Capital		
		PCT	Cost	WGHT Cost
<b>Gross Plant</b>				
<u>Meters</u>	\$69,876,077			
Total Gross Plant	\$69,876,077			
<b>Depreciation Reserve</b>				
<u>Meters</u>	-\$21,622,858			
Total Depreciation Reserve	-\$21,622,858			
<b>Total Net Plant</b>	<u>\$48,253,219</u>			
<b>Total Rate Base</b>	\$48,253,219			
<b>Operation &amp; Maintenance Expenses</b>				
Dist Oper - Meters	\$1,104,914			
Dist Oper - Cust Installations - Meters	\$2,065,959			
Meter Reading	\$14,131,978			
<u>Records &amp; Collections</u>	<u>\$14,552,140</u>			
Total O & M Expenses	\$31,854,991			
<b>Depreciation Expense</b>				
<u>Meters @ 2.32% Depreciation</u>	<u>\$1,621,125</u>	1/		
Total Depreciation Expense	\$1,621,125			
<b>Revenue Requirement</b>				
Interest	\$1,706,234	Debt	52.00%	6.80%
Equity return	\$2,200,347			3.54%
<u>Income Tax @ 35%</u>	<u>\$1,184,802</u>	<u>Common</u>	<u>48.00%</u>	<u>9.50%</u>
Revenue For Return	5,091,383	Total	100.00%	8.10%
O & M Expenses	\$31,854,991			
Depreciation Expense	\$1,621,125			
Total Customer Revenue Requirement Before Gross up	\$38,567,499			
<u>Gross Up for Uncollect., WJTC Fee, and Excise Tax</u>	<u>0,955,800</u>	2/		
Total Customer Revenue Requirement	\$40,351,014			
Number of Bills	11,273,280			
<u>Monthly Cost</u>	<u>\$3.58</u>			

1/ Per Docket Number UE-072300 and testimony of John Story, page 53 in this case.

2/ Per Exhibit No.\_\_(JHS-5), Page 5.03