

PUGET SOUND ENERGY-ELECTRIC  
 STORM DAMAGE  
 FOR THE 12ME TWELVE MONTHS ENDED SEPTEMBER 30, 2007  
 2007 GENERAL RATE CASE

| LINE NO. | DESCRIPTION   | Puget AMOUNT        |                     |                 | FEA Proposed Amount | FEA Adjustment |
|----------|---|---------------------|---------------------|-----------------|---------------------|----------------|
| 1        | <b>NORMAL STORMS</b>  | <b>Transmission</b> | <b>Distribution</b> | <b>Total</b>    |                     |                |
| 2        | ACTUAL O&M:   |                     |                     |                 |                     |                |
| 3        | TWELVE MONTHS ENDED 9/30/02   | \$ (4,894)          | \$ 6,583,315        | \$ 6,578,420    |                     |                |
| 4        | TWELVE MONTHS ENDED 9/30/03   | \$ 6,615            | \$ 5,325,797        | \$ 5,332,412    |                     |                |
| 5        | TWELVE MONTHS ENDED 9/30/04   | \$ 202,197          | \$ 12,062,138       | \$ 12,264,335   |                     |                |
| 6        | TWELVE MONTHS ENDED 9/30/05   | \$ 50,866           | \$ 1,947,137        | \$ 1,998,004    |                     |                |
| 7        | TWELVE MONTHS ENDED 9/30/06   | \$ 417,714          | \$ 10,336,885       | \$ 10,754,599   |                     |                |
| 8        | TWELVE MONTHS ENDED 9/30/07   | \$ 495,730          | \$ 10,500,628       | \$ 10,996,358   |                     |                |
| 9        | TOTAL NORMAL STORMS   | \$ 1,168,228        | \$ 46,755,899       | \$ 47,924,127   |                     |                |
| 10       |   |                     |                     |                 |                     |                |
| 11       | SIX-YEAR AVERAGE STORM EXPENSE FOR RATE YEAR (LINE 9 / 6 YEARS)     | \$ 194,705          | \$ 7,792,650        | \$ 7,987,354    | \$ 7,987,354        | \$ -           |
| 12       |   |                     |                     |                 |                     |                |
| 13       | <u>CHARGED TO EXPENSE 12 MONTH ENDED 9/30/07:</u>                   |                     |                     |                 |                     |                |
| 14       | STORM DAMAGE EXPENSE (LINE 8)                                       | \$ 495,730          | \$ 10,500,628       | \$ 10,996,358   | \$ 10,996,358       | \$ -           |
| 15       |   |                     |                     |                 |                     |                |
| 16       | INCREASE (DECREASE) OPERATING EXPENSE (LINE 11-LINE 14)             | \$ (301,025)        | \$ (2,707,978)      | \$ (3,009,003)  | \$ (3,009,003)      | \$ -           |
| 17       |   |                     |                     |                 |                     |                |
| 18       |   |                     |                     |                 |                     |                |
| 19       | <b>CATASTROPHIC STORMS</b>  |                     |                     |                 |                     |                |
| 20       | DEFERRED BALANCES FOR 3 YEAR AMORTIZATION AT                        |                     |                     |                 |                     |                |
| 21       | START OF RATE YEAR (11/1/08):                                       |                     |                     |                 |                     |                |
| 22       | 12/4/03 WINDSTORM   | 3,313,916           |                     |                 |                     |                |
| 23       | 2006 STORM DAMAGE (EXCL 12/13/07 WIND STORM)                        | 24,436,289          |                     |                 |                     |                |
| 24       | 2007 STORM DAMAGE   | 781,320             |                     |                 |                     |                |
| 25       | TOTAL (LINE 22 + LINE 23 + LINE 24)                                 | 28,531,525          |                     |                 |                     |                |
| 26       | ANNUAL AMORTIZATION (LINE 25 , 3 YEARS)                             | \$ 9,510,508        |                     |                 | \$ 9,510,508        | \$ -           |
| 27       |   |                     |                     |                 |                     |                |
| 28       | DEFERRED BALANCES FOR 6 YEAR AMORTIZATION AT                        |                     |                     |                 |                     |                |
| 29       | START OF RATE YEAR (11/1/08):                                       |                     |                     |                 |                     |                |
| 30       | 12/13/06 WIND STORM   | 79,849,846          |                     |                 |                     |                |
| 31       | TOTAL (LINE 30)   | 79,849,846          |                     |                 |                     |                |
| 32       | ANNUAL AMORTIZATION (LINE 31 , 6 YEARS)                             | \$ 13,308,308       |                     |                 | \$ 7,984,985        | \$ (5,323,323) |
| 33       | TOTAL RATE YEAR AMORTIZATION (LINE 26 + LINE 32)                    | \$ 22,818,816       | \$ 22,818,816       | \$ 22,818,816   | \$ 17,495,493       | \$ (5,323,323) |
| 34       | LESS CATASTROPHIC STORM AMORT AS (9/30/07)                          | \$ 3,843,257        | \$ 3,843,257        | \$ 3,843,257    | \$ 3,843,257        |                |
| 35       |   |                     |                     |                 |                     |                |
| 36       | INCREASE (DECREASE) OPERATING EXPENSE (LINE 26 + LINE 32 - LINE 34) |                     |                     | \$ 18,975,558   | \$ 13,652,235       | \$ (5,323,323) |
| 37       |   |                     |                     |                 |                     |                |
| 38       | TOTAL INCREASE (DECREASE) OPERATING EXPENSE (LINE 16 + LINE 36)     |                     |                     | \$ 15,966,555   | \$ 10,643,232       | \$ (5,323,323) |
| 39       |   |                     |                     |                 |                     |                |
| 40       | INCREASE (DECREASE) FIT @ 35% (LINE 38 X 35%)                       |                     |                     | \$ (5,588,294)  | \$ (3,725,131)      | \$ 1,863,163   |
| 41       |   |                     |                     |                 |                     |                |
| 42       | INCREASE (DECREASE) NOI   |                     |                     | \$ (10,378,261) | \$ (6,918,101)      | \$ 3,460,160   |

(Note) Amounts presented in bold italic type have changed since the December 3, 2007 original filing.