

**PUGET SOUND ENERGY, INC.**  
**Deferred Environmental Cost Summary Gas**  
**September 30, 2016**

September 1998 - forward SAP Order	Liability	SAP Account	Site Description	SAP Account Balance 9/30/2016 (a)	Quarterly Activity (b)	Account Balance 9/30/2016 (c) = (a) + (b)	Actual Costs Through 9/30/2016 (d)	Future Cost Estimates (e)	Total Cost Estimates (f) = (d) + (e)	Recoveries Through 9/30/2016 (g)
<b>FORMER MANUFACTURED GAS SITES:</b>										
	22840012	18609572	Tacoma Gas Company (Upload Source Control) (Future Cost Est.)							
18606102		18608612	Tacoma Gas Company (Upload Source Control) (Remediation Costs)	782,101.95	3,855.38	785,957.33	785,957.33			
			<b>Subtotal Tacoma Gas Company</b>							
18607102	22840022	18609582	Thea Foss Waterway (Future Cost Est.)							
18607103		18608712	Thea Foss Waterway (Remediation Costs)	5,357,529.82	3,678.75	5,361,208.57	5,361,208.37			
18607203		18607222	Thea Foss Recovery	8,781.25		8,781.25	8,781.25			
		18608742	Thea Foss Waterway (Legal Costs)							
		18608772	<b>Subtotal Thea Foss Waterway</b>							
			Thea Foss Waterway (WADOT Settlement)	(3,488,999.10)	-	(3,488,999.10)	(3,488,999.10)			
		18609592	Everett MGP (Future Cost Est.)							
18602102	22840032	18609592	Everett MGP (Remediation Costs)	1,466,508.01	4,344.24	1,470,852.25	1,470,852.25			
		18608212	<b>Subtotal Everett MGP</b>							
		18608782	Everett MGP (WADOT Settlement)	(801,550.75)	-	(801,550.75)	(801,550.75)			
		18609602	Chehalis MGP (Future Cost Est.)							
18603102	22840042	18609602	Chehalis MGP (Remediation Costs)	3,961,262.00		3,961,262.00	3,961,262.00			
		18608312	<b>Subtotal Chehalis MGP</b>							
		18609422	Gas Works Park (Future Cost Est.)							
18606302	22840332	18609422	Post - Nov 2012 Gas Works Park (Remediation Costs)	6,513,036.91	359,336.71	6,872,373.62	6,872,373.62			
18604102		18608412	Pre-Nov 2012 Gas Works Park (Remediation Costs)	2,651,381.74		2,651,381.74	2,651,381.74			
18614102		18609312	Pre-Nov 2012 Lake Union Sediments (Remediation Costs)	12,405,154.71	-	12,405,154.71	12,405,154.71			
			<b>Subtotal Gas Works Park &amp; Lake Union</b>							
		18609622	Quendall Terminal (Future Cost Est.)							
18612102	22840062	18609622	Quendall Terminal (Remediation Costs)	54,328.86	173,490.50	227,819.36	227,819.36			
		18609512	<b>Subtotal Quendall Terminal</b>							
		18609642	Tacoma Tar Pits (Future Cost Est.)							
18601102	22840082	18608112	Post-June 1999 Tacoma Tar Pits (Remediation Costs)	4,115,183.90	32,624.95	4,147,808.85	4,147,808.85			
18601102		18608112	Pre-June 1999 Tacoma Tar Pits (Remediation Costs)	34,881,722.38	-	34,881,722.38	34,881,722.38			
			<b>Subtotal Tacoma Tar Pits</b>							
		18609652	Bay Station (Future Cost Est.)							
18603202	22840092	18609652	Bay Station (Remediation Costs)	232,919.84	203,938.90	436,858.74	436,858.74			
		18609532	<b>Subtotal Bay Station</b>							
		18609662	Olympia Columbia Street MGP (Future Cost Est.)							
18614402	22840102	18609542	Olympia Columbia Street MGP (Remediation Costs)	1,255,840.19	8,133.35	1,263,973.54	1,263,973.54			
		18608792	<b>Subtotal Olympia Columbia Street MGP</b>							
			Olympia Columbia Street MGP (WADOT Settlement)	(160,310.15)	-	(160,310.15)	(160,310.15)			
		18609672	Verbeek Autowrecking (Future Cost Est.)							
18608302	22840112	18608752	Verbeek Autowrecking (Remediation Costs)	2,050,122.67	-	2,050,122.67	2,050,122.67			
		18608752	<b>Subtotal Verbeek Autowrecking</b>							
		18608752	Verbeek Autowrecking (Reimbursement of Remed Cost from 3rd Party)	(1,114,592.67)	-	(1,114,592.67)	(1,114,592.67)			
		18608012	Downtown Property (Future Cost Est.)							
18607104	22840162	18608002	Downtown Property (Remediation Costs)	517,794.22	408.25	518,202.47	518,202.47			
		18608062	<b>Subtotal Downtown Property</b>							
			Unallocated Insurance and Third Party Recoveries	(50,267,724.64)	-	(50,267,724.64)	-			

REDACTED

REDACTED

**PUGET SOUND ENERGY, INC.**  
**Deferred Environmental Cost Summary Gas**  
**September 30, 2016**

September 1988 - forward SAP Order	Liability	SAP Account	Site Description	SAP Account Balance 6/30/2016	Quarterly Activity	SAP Account Balance 9/30/2016	Actual Costs Through 9/30/2016	Future Cost Estimates	Total Cost Estimates	Recoveries Through 9/30/2016
			<b>GAS UNDERGROUND STORAGE TANKS AND OTHER SITES</b>							
		18609682	SWARR STATION (Future Cost Est.)	279,321.20	9,799.99	289,121.19	289,121.19			
18230212	22840122	18237112	SWARR STATION							
			<b>Subtotal SWARR Station</b>							
		18609692	NORTH OPERATING BASE (Future Cost Est.)							
18230210	22840132	18236912	NORTH OPERATING BASE							
			<b>Subtotal NORTH Operating Base</b>							
		18237122	(A) SOUTH SEATTLE GATE STATION	169,602.13	-	169,602.13	169,602.13			
		18237132	(A) NORTH TACOMA GATE STATION	133,750.43	-	133,750.43	133,750.43			
		18237142	(A) NORTH SEATTLE GATE STATION	53,995.63	-	53,995.63	53,995.63			
		18237152	(A) COVINGTON GATE STATION	67,987.45	-	67,987.45	67,987.45			
			<b>TOTAL - GAS STORAGE TANKS AND OTHER SITES (182.3)</b>							
			<b>TOTAL - FORMER MANUFACTURED GAS SITES (186.0)</b>							
			<b>MANUFACTURED GAS SITES (182.3 and 186.0)</b>							
				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**REDACTED**

Footnotes:  
(A) Represents sites where no additional remedial actions are planned. Currently anticipating entering into insurance recoveries discussion in 2016.  
(B) Order 18607203 was re-opened in the 3rd Q of 2010 for posting legal cost related to THEA FOSS WATERWAY.  
(C) (Comment not used) includes the reimbursement from Seattle Public Utilities for site-wide costs that PSE incurred to support the development of the Remedial Investigation and Feasibility Studies (RIFS) for the Gas Works site, for the period of 12/15/2012 - 6/14/13 (\$185,450.59).  
(D) Represents the legal dispute settlement between WADOT, Pacific and PSE on 10/22/2013.

**PUGET SOUND ENERGY, INC.**  
**Deferred Environmental Cost Summary Electric**  
**September 30, 2016**

September 2000 - forward SAP Order	Liability Account	SAP Account	Site Description	SAP Account Balance 6/30/2016 (a)	Quarterly Activity (b) /	SAP Account Balance 9/30/2016 (c) = (a) + (b)	Actual Costs Through 9/30/2016 (d)	Future Cost Estimates (e)	Total Cost Estimates (f) = (d) + (e)	Recoveries Through 9/30/2016 (g)
	22840351	18231241	Env Rem - White River/Buckley Phase I Headworks (Future Cost Est.)							
18230010		18231251	Env Rem - White River/Buckley Phase I Headworks (Remediation Cost)	1,928.75	3,977.50	5,906.25	5,906.25			
			<b>Subtotal White River/Buckley Phase I Headworks Site</b>							
	22840021	18232221	Env Rem - White River/Buckley Phase II Burn Pile and Wood Debris (Future Cost Est.)							
18230009		18232251	Env Rem - White River/Buckley Phase II Burn Pile and Wood Debris (Remediation Cost)	2,147,072.81	486.50	2,147,559.11	2,147,559.11			
			<b>Subtotal White River/Buckley Phase II Burn Pile and Wood Debris Site</b>							
	22840221	18232261	Env Rem - Lower Duwamish Waterway (Future Cost Est.)							
18230021		18232271	Env Rem - Lower Duwamish Waterway (Remediation Cost)	474,368.05	(9,322.11)	465,045.94	465,045.94			
18230021		18232271	Env Rem - Lower Duwamish Waterway - Insurance Recoveries	(71,171.44)		(71,171.44)	(71,171.44)			
			<b>Subtotal Lower Duwamish Waterway Site</b>							
	22840051	18230311	Env Rem - Whidbey Service Center UST (Future Cost Est.)							
	22840111	18233061	Env Rem - Poulsbo Service Center UST (Future Cost)							
			<b>Subtotal Service Centers</b>							
	22840061	18230321	Env Rem - Tenino Service Center UST (Future Cost Est.)							
18230041		18233091	Env Rem - Tenino Service Center UST (Remediation)	198,092.16		198,092.16	198,092.16			
			<b>Subtotal Tenino Service Center UST</b>							
			<b>Subtotal 182.3</b>							
	22840161	18608011	Env Rem - Lower Baker Power Plant (Future Cost Est.)							
18601120		18608001	Env Rem - Lower Baker Power Plant (Remediation Cost)	425,344.58	15,652.31	440,996.89	440,996.89			
			<b>Subtotal Lower Baker Power Plant Site</b>							
	22840171	18608031	Env Rem - Snoqualmie Hydro Generation (Power Plant) Future Cost Est.							
18601121		18608021	Env Rem - Snoqualmie Hydro Generation (Remediation Cost)	2,254,508.17		2,254,508.17	2,254,508.17			
			<b>Subtotal Snoqualmie Hydro Generation Site</b>							
	22840181	18608051	Env Rem - Bellingham South State Street MGP (former Blvd Park) (Future Cost Est.)							
18601122		18608041	Env Rem - Bellingham South State Street MGP (Remediation)	2,218,851.95	23,559.11	2,242,411.06	2,242,411.06			
			<b>Subtotal Bellingham South State Street MGP (former Blvd Park) Site</b>							
	22840191	18608041	Env Rem - Bellingham South State Street MGP - Insurance Rec	(662,553.87)		(662,553.87)	(662,553.87)			
18601125		18608081	Env Rem - Electron Flume (Future Cost Est.)							
			<b>Subtotal Electron Flume (Remediation Cost)</b>							
	22840231	18608151	Env Rem - Talbot Hill Substation and Switchyard (Future Cost Est.)							
18601128		18608141	Env Rem - Talbot Hill Substation and Switchyard (Remediation Cost)	224,879.76		224,879.76	224,879.76			
			<b>Subtotal Talbot Hill Substation &amp; Switchyard Site</b>							
	22840281	18608181	Env Rem - Sammamish Substation (Future Cost Est.)							
18601130		18608191	Env Rem - Sammamish Substation (Remediation Cost)	400,495.47		400,495.47	400,495.47			
			<b>Subtotal Sammamish Substation Site</b>							
	22840301	18608221	Env Rem - City of Olympia v PSE Plumb Street Station (Future Cost Est.)							

**REDACTED**

Project completed

**PUGET SOUND ENERGY, INC.**  
**Deferred Environmental Cost Summary Electric**  
**September 30, 2016**

September 2000 - forward SAP Order	Liability Account	SAP Account	Site Description	SAP Account Balance 6/30/2016 (a)	Quarterly Activity (b)	SAP Account Balance 9/30/2016 (c) = (a) + (b)	Actual Costs Through 9/30/2016 (d)	Future Cost Estimates (e)	Total Cost Estimates (f) = (d) + (e)	Recoveries Through 9/30/2016 (g)
18601161		18608231	Env Rem - City of Olympia v PSE Plum Street Station (Remediation)	324,688.12	(92,939.88)	231,698.24	231,688.24			
			<b>Subtotal City of Olympia v PSE Plum Street Station</b>							
18601171		18608241	Env Rem - Whitehorn UST Remediation (Future Cost Est.)							
		18608251	Env Rem - Whitehorn UST (Remediation)	695.75	-	695.75	695.75			
			<b>Subtotal Whitehorn UST</b>							
			Env Rem - Everett Asarco	212,588.68	-	212,588.68	212,588.68			
			<b>Subtotal Everett Asarco Site</b>							
18601151		18608211	Env Rem - Pt. Robinson Cable Station	111,880.23	-	111,880.23	111,880.23			
			<b>Subtotal Pt. Robinson Cable Station</b>							
			<b>Subtotal 186</b>							
			<b>Total Asset</b>							
22840081		22840081	Env Rem - Puyallup Garage Site	(550,000.00)	-	(550,000.00)	14,834.14			
			<b>Subtotal Puyallup Garage Site</b>							
22840131		22840131	Env Rem - Crystal Mountain Generator Station Site (Future Cost)	(500,000.00)	3,275.00	(496,725.00)	14,583,472.68			
			Env Rem - Crystal Mountain Generator Station Site Remediation							
			<b>Subtotal Crystal Mountain Generator Station Site</b>							
22840031		22840031	Env Rem - Olympia Service Center UST	(258,000.00)	-	(258,000.00)	20,528.95			
22841001		22841001	Accum Misc Oper Provi - Unallocated Def Elec Env Rem Recoveries							
			<b>Total Liabilities</b>							
			<b>Grand Total</b>							
			<b>Subtotal UST sites</b>							

**REDACTED**

Footnotes:

PUGET SOUND ENERGY UST REMEDIAL COST ESTIMATES (Page 1 of 2)  
 (Updated Sept 2016)

PSE Facility/Location	Proposed Remedial Action	Estimated Cost of Proposed Remedial Action (\$)
Whidbey Service Center Oak Harbor, WA	USTs and majority of contaminated soil removed in 1999. Small volume of contaminated soil remains beneath building	VCP Program and GW Monitoring (New Wells) Soil excavation when building(s) is removed
Tenino Service Center Tenino, WA	USTs and majority of contaminated soil removed in 1991. Remaining small volume of contaminated soil removed Q4 2009.	Groundwater monitoring completed in 2012. Well abandonment to be completed in the future. Remedial excavation completed in Q4 2009.
Poulsbo Service Center Poulsbo, WA	6,000 gal. Gas & Diesel USTs removed.	Natural Attenuation Soil excavation when building is removed.
Olympia Service Center (Post-EPRI Diesel Remediation) Olympia, WA	Contaminated soil and ground water remains after EPRI air sparging program. Gas Spill Nov 99	Natural Attenuation and GW Monitoring (Existing Wells) Soil excavation when building(s) is removed
North Operating Base Seattle, WA	USTs removed in 1999. Diesel-contaminated soil remains beneath fuel island.	Site Characterization and GW Monitoring (New Wells) Soil excavation when fuel island is removed Groundwater monitoring
Whitehorn Combustion Turbine	Leaking false start USTs discovered. Contaminated soil and groundwater is present.	Three false start tanks removed and one decommissioned in-place in 2012. Accessible contaminated soil was removed. Contaminated soil remains adjacent to buildings at two locations. Soil excavation to be completed if buildings are removed in the future.

REDACTED

REDACTED

## PUGET SOUND ENERGY UST REMEDIAL COST ESTIMATES (Page 2 of 2)

PSE Facility/Location	Site Status	Proposed Remedial Action	Estimated Cost of Proposed Remedial Action (\$)
Green Mt. Micro Wave Bremerton, WA	One UST	None	0
Rattlesnake Mt. Micro Wave Issaquah, WA	One UST	None	0
Baker River Lower Concrete, WA	2,500 gal. Gas and Diesel USTs	None	0
Baker River Upper Concrete, WA	1,000 gal. Gas and Diesel USTs	None	0
Bellingham Service Center Bellingham, WA	10,000 gal. Gas and Diesel USTs removed Feb. 2016. No known USTs remain at site.	None	<b>REDACTED</b>
Factoria Service Center Kittitas Service Center Thorp, WA	10,000 gal. Gas and Diesel USTs 3,000 gal. Gas and Diesel USTs	None	0
		None	0

**Cost Estimate Totals:**

**Notes**

- <sup>1</sup> Unless noted, remedial costs do not include demolition of facilities and buildings to access contaminated soil.
- <sup>2</sup> Unless noted, groundwater monitoring estimate assumes three years of monitoring/sampling.
- <sup>3</sup> All estimated costs should be considered conceptual. They are not based on a detailed scope of service or design.