Commission Basis Report Cover Letter	Page 1.0 ^o		
	•	June 30, 2014 Electric	
Restated Net Operating Income Restated Rate Base	\$ \$	418,128,562 a 5,401,721,310 b	
Normalized Overall Rate of Return		7.74% c	=a/b
Restated Net Operating Income Restated Interest Expense	\$ \$	418,128,562 d 171,234,566 e	
Restated NOI less Restated Interest Exp	\$	246,893,997 f=	=d-e
Restated Rate Base Actual Equity Percent	\$	5,401,721,310 g 48.19% h	•
Equity Rate Base	\$	2,603,089,499 i=	=g*h
Restated Return on Actual Equity		9.48 % j=	=f/i

Page 1.02

PUGET SOUND ENERGY, INC.

Utility Capital Structure Cost of Capital and Rate of Return For The 12 Months Ending June 30, 2014

1	(A)	(B)	(C)	(D)	(E)
2					
3					Weighted
4					Cost of
5	<u>Description</u>	Amount (i)	<u>Ratio</u>	Cost	<u>Capital</u>
6					
7 S	hort Term Debt	\$83,625,910	1.13%	3.36%	0.04% (A)
8					
9 L o	ong Term Debt	\$3,764,138,025	50.68%	6.17%	3.13% (A)
10					
11 C	ommon Stock	<u>\$3,579,522,475</u>	<u>48.19%</u>	9.80%	<u>4.72%</u>
12					
13 T	otal	<u>\$7,427,286,410</u>	<u>100.00%</u>		<u>7.89%</u>
14					
15					
16 (i)	- Average of Month-End Balances				
			Т	otal (A)	3.17%

PUGET SOUND ENERGY PERIODIC ALLOCATED RESULTS OF OPERATIONS FOR THE 12 MONTHS ENDED JUNE 30, 2014

(Common cost is spread based on allocation factors developed for the 12 ME 06/30/2014)

	Electric		Gas		Total Amount		
1 - OPERATING REVENUES:							
2 - SALES TO CUSTOMERS	\$ 2,084,321,770	\$	1,017,514,422	\$	3,101,836,192		
3 - SALES FOR RESALE-FIRM	349,909		-		349,909		
4 - SALES TO OTHER UTILITIES	152,683,961		-		152,683,961		
5 - OTHER OPERATING REVENUES	83,069,942		16,726,499		99,796,440		
6 - TOTAL OPERATING REVENUES	\$ 2,320,425,582	\$	1,034,240,920	\$	3,354,666,502		
7							
8 - OPERATING REVENUE DEDUCTIONS:							
9							
10 - POWER COSTS:							
11 - FUEL	\$ 271,740,686	\$	-	\$	271,740,686		
12 - PURCHASED AND INTERCHANGED	542,462,295		486,308,838		1,028,771,133		
13 - WHEELING	102,047,887		-		102,047,887		
14 - RESIDENTIAL EXCHANGE	(97,162,538)		-		(97,162,538)		
15 - TOTAL PRODUCTION EXPENSES	\$ 819,088,329	\$	486,308,838	\$	1,305,397,167		
16							
17 - OTHER ENERGY SUPPLY EXPENSES	\$ 115,898,327	\$	1,885,023	\$	117,783,350		
18 - TRANSMISSION EXPENSE	19,471,020		9,091		19,480,111		
19 - DISTRIBUTION EXPENSE	85,258,266		50,828,502		136,086,768		
20 - CUSTOMER ACCTS EXPENSES	58,626,737		34,008,732		34,008,732		92,635,470
21 - CUSTOMER SERVICE EXPENSES	18,796,581		8,055,854		8,055,854		26,852,435
22 - CONSERVATION AMORTIZATION	90,243,004	10,585,647			100,828,652		
23 - ADMIN & GENERAL EXPENSE	110,048,638		47,843,439		157,892,077		
24 - DEPRECIATION	258,202,605		111,287,000		369,489,605		
25 - AMORTIZATION	46,515,560		12,307,894		58,823,454		
26 - AMORTIZ OF PROPERTY LOSS	17,213,410		-		17,213,410		
27 - OTHER OPERATING EXPENSES	(5,363,592)		(45,370)		(5,408,962)		
28 - FAS 133	(77,878,862)		-		(77,878,862)		
29 - TAXES OTHER THAN INCOME TAXES	211,551,213		106,034,478		317,585,691		
30 - INCOME TAXES	(0)		-		(0)		
31 - DEFERRED INCOME TAXES	170,934,365		59,475,632		230,409,997		
32 - TOTAL OPERATING REV. DEDUCT.	\$ 1,938,605,600	\$	928,584,762	\$	2,867,190,362		
NET OPERATING INCOME	\$ 381,819,981	\$	105,656,159	\$	487,476,140		

FERC Account and Description	Jun-14	Jun-14 AMA
*ASSETS **UTILITY PLANT ***Electric Plant		
101 Electric Plant in Service 102 Electric Plant Purchased or Sold	8,789,199,614	8,623,744,933
105 Electric Plant Held for Future Use	49,316,730	29,464,274
106 Comp.Construction Not ClassfdElectric	41,462,843	66,757,308
107 Construction Work in Prog Electric	240,725,426	278,325,430
114 Electric Plant Acquisition Adjustments	282,791,675	282,791,397
***Total Electric Plant	9,403,496,288	9,281,083,342
***Gas Plant		
101 Gas Plant in Service	3,083,149,736	3,028,610,689
105 Gas Plant Held for Future Use	5,314,007	5,048,758
106 Comp. Construction Not Classfd Gas	57,057,384	38,794,702
107 Construction Work in Progress - Gas	53,085,592	52,935,957
117.3 Gas Strd.in Resvr.& PiplnNoncurr. ***Total Gas Plant	8,654,564 3,207,261,283	8,654,564 3,134,044,670
Total Gas Flatit	3,207,201,203	3,134,044,070
***Common Plant	400 004 750	507.000.000
101 Plant in Service - Common	463,694,756	507,908,998
101.1 Property Under Capital Leases 106 Comp Construction Not Classified - Common	13,261,653 1,122,631	17,050,697 432,064
107 Construction Work in Progress - Common	19,416,068	16,298,059
***Total Common Plant	497,495,108	541,689,818
***Accumulated Depreciation and Amortization		
108 Accumulated Provision for Depreciation	(4,452,737,361)	(4,325,577,394)
111 Accumulated Provision for Amortization	(117,655,654)	(127,667,113)
115 Accm.Prv.for Amort.of Plant Acquis.Adj.	(95,521,057)	(90,158,508)
***Less: Accumulated Depr and Amortizat	(4,665,914,072)	(4,543,403,015)
**NET UTILITY PLANT	8,442,338,607	8,413,414,815
OTHER PROPERTY AND INVESTMENTS *Other Investments		
121 Nonutility Property	5,028,618	5,185,086
122 Accm.Prov.for Depr.& Amort.Non-utilty P	(394,886)	(395,163)
123.1 Investment in Subsidiary Companies	35,987,641	36,516,674
124 Other Investments	52,691,575	53,295,599
***Total Other Investments	93,312,949	94,602,196
**TOTAL OTHER PROPERTY AND INVESTMENT	93,312,949	94,602,196
**CURRENT ASSETS		
***Cash		
131 Cash	12,266,808	21,924,182
134 Other Special Deposits	54,875,398	17,009,990
135 Working Funds	3,294,092	3,313,063

FERC Account and Description	Jun-14	Jun-14 AMA
136 Temporary Cash Investments	52,000,000	9,958,333
***Total Cash	122,436,298	52,205,568
***Restricted Cash	-	_
***Total Restricted Cash	-	-
***Accounts Receivable		
141 Notes Receivable	835,576	645,024
142 Customer Accounts Receivable	172,581,662	200,321,045
143 Other Accounts Receivable	105,772,257	112,446,332
146 Accounts Receiv.from Assoc. Companies	842,583	1,706,401
171 Interest and Dividends Receivable	-	-
173 Accrued Utility Revenues	112,304,208	159,396,593
185 Temporary Facilities	49,028	57,607
191 Unrecovered Purchased Gas Costs	12,539,248	(3,883,337)
***Total Accounts Receivable	404,924,563	470,689,665
***Allowance for Doubtful Accounts		
144 Accm.Prov.for Uncollectble Accts-Credit	(10,516,715)	(7,677,731)
***Less: Allowance for Doubtful Accounts	(10,516,715)	(7,677,731)
•		(, , , , , , , , , , , , , , , , , , ,
***Materials and Supplies		
151 Fuel Stock	20,648,167	20,649,876
154 Plant Materials and Operating Supplies	77,236,284	81,733,433
156 Other Materials and Supplies	95,181	72,193
163 Stores Expense Undistributed	5,421,554	5,431,693
164.1 Gas Stored - Current	40,223,620	40,913,018
164.2 Liquefied Natural Gas Stored	588,466	607,990
***Total Materials and Supplies	144,213,271	149,408,202
***Unrealized Gain-Derivative Instrumnts (ST)		
175 Invest in Derivative Instrumnts -Opt ST	44,404,562	33,252,416
176 Invest in Derivative Instrumnts-Gain ST	-	-
***Unrealized Gain on Derivatives (ST)	44,404,562	33,252,416
***Prepayments and Other Current Assets		
165 Prepayments	20,025,143	17,265,556
174 Misc.Current and Accrued Assets	, , , <u>-</u>	7,326,221
186 Miscellaneous Deferred Debits	4,026	5,684
***Total Prepayments & Othr.Currt.Assets	20,029,169	24,597,461
Current Deferred Taxes		
Total Current Deferred Taxes	491,971,347	541,557,576
rotal culton bolonica raxes	101,071,017	011,007,070
**TOTAL CURRENT ASSETS	1,217,462,494	1,264,033,157
**LONG-TERM ASSETS		
128 Pension Assets	65,577,093	43,735,015
165 Long-Term Prepaid	3,855,180	6,050,950
175 Invest in Derivative Instrumnts -Opt LT	7,678,440	9,680,422
176 Invest in Derivative Instrumnts-Gain LT	-	-

FERC Account and Description	Jun-14	Jun-14 AMA
181 Unamortized Debt Expense	30,252,792	31,243,574
182.1 Extraordinary Property Losses	108,589,345	116,328,036
182.2 Unrecovered Plant & Reg Study Costs	2,394,466	3,262,451
Subtotal WUTC AFUDC	54,687,250	55,305,883
182.3 Other Regulatory Assets	571,802,417	532,518,508
183 Prelm. Survey and Investigation Charges	126,329	41,032
184 Clearing Accounts	(387,391)	(601,427)
186 Miscellaneous Deferred Debits	159,057,738	193,455,479
187 Def.Losses from Dispos.of Utility Plant	306,938	383,135
189 Unamortized Loss on Reacquired Debt	36,870,204	37,865,795
**TOTAL LONG-TERM ASSETS	1,040,810,801	1,029,268,853
TOTAL LONG TERMINOSETS	-	-
*TOTAL ASSETS	\$ 10,793,924,851	\$ 10,801,319,021
*CAPITALIZATION AND LIABILITIES **CURRENT LIABILITIES		
230 Asset Retirement Obligations	(491,992)	(1,098,957)
244 FAS 133 Opt Unrealized Loss ST	(14,880,559)	(54,334,023)
245 FAS 133 Unrealized Loss ST	(2,014,419)	(3,113,864)
231 Notes Payable	-	(54,166,667)
232 Accounts Payable	(256,949,795)	(271,360,652)
233 Notes Payable to Associated Companies	(28,932,785)	(29,459,244)
234 Accounts Payable to Asscred Companies	=	-
235 Customer Deposits	(25,220,112)	(28,680,342)
236 Taxes Accrued	(92,022,605)	(95,961,459)
237 Interest Accrued	(55,216,191)	(59,634,834)
238 Dividends Declared	(00,210,101)	(00,001,001)
241 Tax Collections Payable	(2,436,575)	(2,288,403)
242 Misc. Current and Accrued Liabilities	(25,080,578)	(25,578,644)
243 Obligations Under Cap.Leases - Current	(7,578,088)	(7,578,088)
**TOTAL CURRENT LIABILITIES	(510,823,697)	(633,255,175)
	(310,023,031)	(000,200,170)
**DEFERRED TAXES		
***Reg. Liability for Def.Income Tax	/	/
253 Other Deferred Credits	(149,813,490)	(141,196,595)
283 Accum.Deferred Income Taxes - Other	(149,813,490)	(141,196,595)
***Total Reg.Liab.for Def.Income Tax		
***Deferred Income Toy		
***Deferred Income Tax		(420)
255 Accum.Deferred Investment Tax Credits	-	(438)
282 Accum. Def. Income Taxes - Other Prop.	(1,645,017,652)	(1,601,275,883)
283 Accum.Deferred Income Taxes - Other	(224,194,193)	(225,275,226)
***Total Deferred Income Tax	(1,869,211,845)	(1,826,551,547)
**TOTAL DEFERRED TAXES	(2,019,025,335)	(1,967,748,142)
**OTHER DEFERRED CREDITS		
Subtotal 227 Oblig Under Cap Lease - Noncurr	(5,683,565)	(9,472,609)
Total Unrealized Loss on Derivatives -LT	(16,207,545)	(33,078,891)
228.2 Accum. Prov.for Injuries and Damages	(975,000)	(1,029,375)
228.3 Pension and Post Retirement Liabilities	(56,024,410)	(93,405,605)
220.01 GHOIDH AND 1 OOLINGHIGHIGHL LIADIIILIGS	(30,024,410)	(33,403,003)

228.4 Accum. Misc. Operating Provisions (329,987,922) (254,628,476) (229 Accum Provision for Rate Retfunds	FERC Account and Description	Jun-14	Jun-14 AMA
230 Asset Retirement Obligations (FAS 143) (48.412,176) (46,511,481) 252 Customer Advances for Construction (61,980,920) (65,15,366) 253 Other Deferred Credits (422,067,192) (371,961,047) 254 Other Regulatory Liabilities (140,597,865) (132,783,303) 256 Def. Gains from Dispos of Utility Plt (946,594) (1,253,029) 257 Unamontized Gain on Reacquired Debt "TOTAL OTHER DEFERRED CREDITS" (1,082,883,189) (1,009,249,182) "**CAPITALIZATION"***SHAREHOLDER'S EQUITY"***Common Equity 201 Common Stock Issued (859,038) (859,038) (859,038) 207 Premium on Capital Stock (478,145,250) (478,145,250) 214 Capital Stock Expense 7,133,879 7,13		(329,987,922)	(254,628,476)
252 Customer Advances for Construction (61,980,920) (65,125,366) 253 Other Deferred Credits (422,067,192) (371,961,047) 254 Other Regulatory Liabilities (140,597,665) (132,783,303) 256 Def. Gains from Dispos of Utility Pit (946,594) (1,253,029) 257 Unamortized Gain on Reacquired Debt		-	-
253 Other Deferred Credits (422,067,192) (371,961,047) 254 Other Regulatory Liabilities (140,597,865) (132,783,303) 256 Def. Gains from Dispos. of Utility Pit (946,594) (1,253,029) 257 Unamortized Gain on Reacquired Debt "TOTAL OTHER DEFERRED CREDITS" (1,082,883,189) (1,009,249,182) *****CAPITALIZATION "SHAREHOLDER'S EQUITY ****Common Equity 201 Common Stock Issued (859,038) (859,038) 207 Premium on Capital Stock (478,145,250) (478,145,250) (478,145,250) (478,145,250) (1,194,531) 214 Capital Stock Expense 7,133,879 7,133,879 (1,133,879) 215 Appropriated Retained Earnings (11,257,967) (11,194,531) 216 Unappropriated Retained Earnings (292,528,427) (321,772,241) 216.1 Unappropriated Retained Earnings (292,528,427) (321,772,241) 216.1 Unappropriated Retained Earnings (178,916,415) (202,949,119) 243 Dividends Declared - Common Stock 203,627,94 (202,949,119) 243 Dividends Declared - Common Stock 203,627,994 (210,693,156 439 Adjustments to Retained Earnings (3,420,346,021) (3,426,928,497) ****TOTAL SHAREHOLDER'S EQUITY (3,420,346,021) (3,426,928,497) *****TOTAL SHAREHOLDER'S EQUITY (3,42			
254 Other Regulatory Liabilities (140,597,865) (132,783,303) 256 Def. Gains from Dispos. of Utility Plt (946,594) (1,253,029) 257 Unamortized Gain on Reacquired Debt (1,082,883,189) (1,009,249,182) ******CAPITALIZATION ****CAPITALIZATION ****CAPITALIZATION ****CAPITALIZATION ****CAPITALIZATION ****CAPITALIZATION ****Common Equity 201 Common Stock Issued (859,038) (478,145,250) (478,145,250) 210 Gain on Resale/Cancel. of Reacq.Cap.Stk (2,775,196,691) (2,775,196,691) 214 Capital Stock Expense 7,133,879 7,133,879 7,133,879 215 Appropriated Retained Earnings (11,257,967) (111,194,531) 216 Unappropriated Retained Earnings (292,528,427) (321,772,241) 216.1 Unappr. Undistrib. Subsidiary Earnings 8,509,803 7,980,770 219 Other Comprehensive Income 91,437,481 131,531,958 433 Balance Transferred from Income (178,916,415) (202,949,119) 438 Dividends Declared - Common Stock 203,627,994 210,693,156 439 Adjustments to Retained Earnings 5,848,610 5,848,610 ****TOTAL Common Equity (3,420,346,021) (3,426,928,497) *****TOTAL SHAREHOLDER'S EQUITY (3,420,346,021) (3,426,928,497) ******TOTAL SHAREHOLDER'S EQUITY (3,420,346,021) (3,426,928,497) ************************************			
256 Def. Gains from Dispos. of Utility Pit (946,594) (1,253,029) 257 Unamortized Gain on Reacquired Debt "TOTAL OTHER DEFERRED CREDITS (1,082,883,189) (1,009,249,182) "****CAPITALIZATION ****CAPITALIZATION ****CAPITALIZATION ****SHAREHOLDER'S EQUITY *****Common Equity 201 Common Stock Issued (859,038) (859,038) (859,038) 207 Premium on Capital Stock (478,145,250) (478,145,250) (478,145,250) (1,091,241,251) (2,775,196,691) (2,7			
#**TOTAL OTHER DEFERRED CREDITS (1,082,883,189) (1,009,249,182) ***CAPITALIZATION ***SHAREHOLDER'S EQUITY ****Ommon Equity 201 Common Stock Issued (859,038) (859,038) 207 Premium on Capital Stock (478,145,250) (478,145,250) 210 Gain on Resale/Cancel. of Reacq.Cap.Stk (2,775,196,691) 214 Capital Stock Expense 7,133,879 7,133,879 215 Appropriated Retained Earnings (11,257,967) (11,194,531) 216 Unappropriated Retained Earnings (292,528,427) (321,772,241) 216.1 Unappr. Undistrib. Subsidiary Earnings 8,509,803 7,980,770 219 Other Comprehensive Income 91,437,481 131,531,958 433 Balance Transferred from Income (178,916,415) (202,949,119) 438 Dividends Declared - Common Stock 203,627,994 210,693,156 439 Adjustments to Retained Earnings 5,848,610 5,848,610 ****TOTAL CAPITALISAND LONG-TERM DEBT ****TOTAL SHAREHOLDER'S EQUITY (3,420,346,021) (3,426,928,497) ****REDEEMABLE SECURITIES AND LONG-TERM DEBT *****Preferred Stock - Manditorily Redeemable Preferred Stock - Mand Redeem *****Corporation Obligated, Mand Redeem ******Corporation Obligated, Mand Redeem *****Corporation Obligated, Mand Redeem *****Corporation Obligated, Mand Redeem *****Corporation Obligated, Mand Redeem *****Corporation Obligated, Mand Redeem ******Corporation Obligated, Mand Redeem *****Corporation Obligated, Mand Red			·
***TOTAL OTHER DEFERRED CREDITS		(946,594)	(1,253,029)
****CAPITALIZATION ***SHAREHOLDER'S EQUITY ****Common Equity 201 Common Stock Issued 207 Premium on Capital Stock 207 Premium on Capital Stock 210 Gain on Resale/Cancel.of Reacq.Cap.Stk 207 Capital Stock Expense 7,133,879 215 Appropriated Retained Earnings 216 Unappropriated Retained Earnings 216 Unappropriated Retained Earnings 217 Other Comprehensive Income 219 Other Comprehensive Income 219 Other Comprehensive Income 219 Again Suividends Declared - Common Stock 203,627,994 210 Again Suividends Declared - Common Stock 203,627,994 210,693,156 238 Adjustments to Retained Earnings 25,848,610 26,848,610 27**TOTAL SHAREHOLDER'S EQUITY ****TOTAL SHAREHOLDER'S EQUITY ****TOTAL SHAREHOLDER'S EQUITY ****TOTAL SHAREHOLDER'S EQUITY ****Corporation Obligated, Mand Redeemable Preferred Stock - Manditorily Redeemable Preferred Stock Subscribed *****Corporation Obligated, Mand Redeemable Preferred Stock Subscribed 221 Junior Subordinated Debt 222 Gunamort.Disct. on Long-term Debt-Debit Long-term Debt *****Corporation Obligated, Mand Redeem *****Corporation Deligated, Mand Redeem ********Corporation Deligated, Mand Redeem *******Corporation Obligated, Mand Redeem *********Corporation Obligated, Mand Redeem *********Corporation Obligated, Mand Redeem ***********Corporation Obligated, Mand Redeem *********************************		-	-
****SHAREHOLDER'S EQUITY *****Common Equity 201 Common Stock Issued (859,038) (859,038) 207 Premium on Capital Stock (478,145,250) (478,145,250) 210 Gain on Resale/Cancel.of Reacq.Cap.Stk (2,775,196,691) (2,775,196,691) 214 Capital Stock Expense 7,133,879 7,133,879 215 Appropriated Retained Earnings (11,257,967) (11,194,531) 216 Unappropriated Retained Earnings (292,528,427) (321,772,241) 216.1 Unappr.Undistrib.Subsidiary Earnings 8,509,803 7,980,770 219 Other Comprehensive Income 91,437,481 131,531,958 433 Balance Transferred from Income (178,916,415) (202,949,119) 438 Dividends Declared - Common Stock 203,627,994 210,693,156 439 Adjustments to Retained Earnings 5,848,610 5,848,610 ****Total Common Equity (3,420,346,021) (3,426,928,497) ****REDEEMABLE SECURITIES AND LONG-TERM DEBT *****Total Preferred Stock - Manditorily Redeemable *****Total Preferred Stock - Manditorily Redeemable *****Total Preferred Stock - Mand Redeem	**TOTAL OTHER DEFERRED CREDITS	(1,082,883,189)	(1,009,249,182)
****SHAREHOLDER'S EQUITY *****Common Equity 201 Common Stock Issued (859,038) (859,038) 207 Premium on Capital Stock (478,145,250) (478,145,250) 210 Gain on Resale/Cancel.of Reacq.Cap.Stk (2,775,196,691) (2,775,196,691) 214 Capital Stock Expense 7,133,879 7,133,879 215 Appropriated Retained Earnings (11,257,967) (11,194,531) 216 Unappropriated Retained Earnings (292,528,427) (321,772,241) 216.1 Unappr.Undistrib.Subsidiary Earnings 8,509,803 7,980,770 219 Other Comprehensive Income 91,437,481 131,531,958 433 Balance Transferred from Income (178,916,415) (202,949,119) 438 Dividends Declared - Common Stock 203,627,994 210,693,156 439 Adjustments to Retained Earnings 5,848,610 5,848,610 ****Total Common Equity (3,420,346,021) (3,426,928,497) ****REDEEMABLE SECURITIES AND LONG-TERM DEBT *****Total Preferred Stock - Manditorily Redeemable *****Total Preferred Stock - Manditorily Redeemable *****Total Preferred Stock - Mand Redeem	**CAPITALIZATION		
*****Common Equity 201 Common Stock Issued 207 Premium on Capital Stock 207 Premium on Capital Stock 208 (478,145,250) 210 Gain on Resale/Cancel.of Reacq.Cap.Stk 207 Premium on Capital Stock Expense 215 Appropriated Retained Earnings 215 Appropriated Retained Earnings 216 Unappropriated Retained Earnings 216 Unappropriated Retained Earnings 217,72,241) 216.1 Unappr.Undistrib.Subsidiary Earnings 229,2528,427) 219 Other Comprehensive Income 31,437,481 31,531,958 433 Balance Transferred from Income 4178,916,415) 438 Dividends Declared - Common Stock 203,627,994 210,693,156 439 Adjustments to Retained Earnings 5,848,610 5,848,610 ****Total Common Equity 3,420,346,021) 3,426,928,497) ****TOTAL SHAREHOLDER'S EQUITY *****Corporation Obligated, Mand Redeemable Preferred Stock - Manditorily Redeemable Preferred Stock Subscribed			
201 Common Stock Issued			
207 Premium on Capital Stock (478,145,250) (478,145,250) 210 Gain on Resale/Cancel.of Reacq.Cap.Stk (2,775,196,691) (2,775,196,691) 214 Capital Stock Expense 7,133,879 7,133,879 215 Appropriated Retained Earnings (11,257,967) (11,194,531) 216 Unappropriated Retained Earnings (292,528,427) (321,772,241) 216.1 Unappr. Undistrib. Subsidiary Earnings 8,509,803 7,980,770 219 Other Comprehensive Income 91,437,481 131,531,958 433 Balance Transferred from Income (178,916,415) (202,949,119) 438 Dividends Declared - Common Stock 203,627,994 210,693,156 439 Adjustments to Retained Earnings 5,848,610 5,848,610 *****Total Common Equity (3,420,346,021) (3,426,928,497) *****TOTAL SHAREHOLDER'S EQUITY (3,420,346,021) (3,426,928,497) *****Corporation Obligated, Mand Redeemable - - ******Corporation Obligated, Mand Redeemable - - ******Corporation Obligated, Mand Redeemable - - ******Corporation Obligated, Mand Redeemable - - ******Long-term Debt (3,510,860,000) (3		(859,038)	(859,038)
210 Gain on Resale/Cancel.of Reacq.Cap.Stk (2,775,196,691) (2,775,196,691) (214 Capital Stock Expense 7,133,879 7,13			
214 Capital Stock Expense 7,133,879 7,133,879 215 Appropriated Retained Earnings (11,257,967) (11,194,531) 216 Unappropriated Retained Earnings (292,528,427) (321,772,241) 219 Other Comprehensive Income 91,437,481 131,531,958 433 Balance Transferred from Income (178,916,415) (202,949,119) 438 Dividends Declared - Common Stock 203,627,994 210,693,156 439 Adjustments to Retained Earnings 5,848,610 5,848,610 ****TOtal Common Equity (3,420,346,021) (3,426,928,497) ****TOTAL SHAREHOLDER'S EQUITY (3,420,346,021) (3,426,928,497) *****REDEEMABLE SECURITIES AND LONG-TERM DEBT - - *****Total Preferred Stock - Mand Redeemable - - ******Corporation Obligated, Mand Redeemable - - ******Corporation Obligated, Mand Redeem - - ******Long-term Debt (250,000,000) (250,000,000) 221 Junior Subordinated Debt (250,000,000) (3,514,151,667) 226 Unamort.Disct. on Long-term Debt-Debit 13,391 13,642 Long-term Debt (3,760,846,609) (3,764,138,025)	· · · · · · · · · · · · · · · · · · ·	· · · · · · · · · · · · · · · · · · ·	·
215 Appropriated Retained Earnings (11,257,967) (11,194,531) 216 Unappropriated Retained Earnings (292,528,427) (321,772,241) 216.1 Unappr.Undistrib.Subsidiary Earnings 8,509,803 7,980,770 219 Other Comprehensive Income 91,437,481 131,531,958 433 Balance Transferred from Income (178,916,415) (202,949,119) 438 Dividends Declared - Common Stock 203,627,994 210,693,156 439 Adjustments to Retained Earnings 5,848,610 5,848,610 *****Total Common Equity (3,420,346,021) (3,426,928,497) *****TOTAL SHAREHOLDER'S EQUITY (3,420,346,021) (3,426,928,497) *****REDEEMABLE SECURITIES AND LONG-TERM DEBT - - ******Corporation Obligated, Mand Redeemable - - ******Corporation Obligated, Mand Redeemable - - ******Corporation Obligated, Mand Redeem - - ******Corporation Obligated, Mand Redeem - - ******Corporation Obligated, Mand Redeem - - ******Long-term Debt (250,000,000) (250,000,000) *21 Junior Subordinated Debt (250,000,000) (3,514,151,667)			·
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216.1 Unappr.Undistrib.Subsidiary Earnings 8,509,803 7,980,770 219 Other Comprehensive Income 91,437,481 131,531,958 433 Balance Transferred from Income (178,916,415) (202,949,119) 438 Dividends Declared - Common Stock 203,627,994 210,693,156 439 Adjustments to Retained Earnings 5,848,610 5,848,610 *****Total Common Equity (3,420,346,021) (3,426,928,497) *****TOTAL SHAREHOLDER'S EQUITY (3,420,346,021) (3,426,928,497) *****Preferred Stock - Manditorily Redeemable - - *****Total Preferred Stock - Mand Redeemable - - ******Corporation Obligated, Mand Redeemable - - Preferred Stock Subscribed - - ******Corporation Obligated, Mand Redeem - - ******Long-term Debt (3,510,860,000) (3,514,151,667) 226 Unamort. Disct. on Long-term Debt-Debit			
219 Other Comprehensive Income 91,437,481 131,531,958 433 Balance Transferred from Income (178,916,415) (202,949,119) 438 Dividends Declared - Common Stock 203,627,994 210,693,156 439 Adjustments to Retained Earnings 5,848,610 5,848,610 ****Total Common Equity (3,420,346,021) (3,426,928,497) ****TOTAL SHAREHOLDER'S EQUITY (3,420,346,021) (3,426,928,497) ****REDEEMABLE SECURITIES AND LONG-TERM DEBT *****Total Preferred Stock - Mand Redeemable *****Corporation Obligated, Mand Redeemable Preferred Stock Subscribed - - *****Corporation Obligated, Mand Redeem - - *****Long-term Debt 221 Junior Subordinated Debt (250,000,000) (250,000,000) 221 Bonds (3,760,860,000) (3,764,138,025) *****Long-term Debt (3,760,846,609) (3,764,138,025) *****REDEEMABLE SECURITIES AND LTD (3,760,846,609) (3,764,138,025) ***TOTAL CAPITALIZATION (7,181,192,630) (7,191,066,522)			
433 Balance Transferred from Income (178,916,415) (202,949,119) 438 Dividends Declared - Common Stock 203,627,994 210,693,156 439 Adjustments to Retained Earnings 5,848,610 5,848,610 ****Total Common Equity (3,420,346,021) (3,426,928,497) ****TOTAL SHAREHOLDER'S EQUITY (3,420,346,021) (3,426,928,497) ****REDEEMABLE SECURITIES AND LONG-TERM DEBT *****Preferred Stock - Manditorily Redeemable - - *****Corporation Obligated, Mand Redeemable Preferred Stock Subscribed - - *****Corporation Obligated, Mand Redeem - - *****Corporation Obligated, Mand Redeem - - *****Long-term Debt (250,000,000) (250,000,000) 221 Junior Subordinated Debt (250,000,000) (3,514,151,667) 226 Unamort. Disct. on Long-term Debt-Debit 13,391 13,642 Long-term Debt (3,760,846,609) (3,764,138,025) *****REDEEMABLE SECURITIES AND LTD (3,760,846,609) (3,764,138,025) ***TOTAL CAPITALIZATION (7,181,192			
438 Dividends Declared - Common Stock 203,627,994 210,693,156 439 Adjustments to Retained Earnings 5,848,610 5,848,610 *****TOTAL Common Equity (3,420,346,021) (3,426,928,497) *****TOTAL SHAREHOLDER'S EQUITY (3,420,346,021) (3,426,928,497) *****REDEEMABLE SECURITIES AND LONG-TERM DEBT - - *****Preferred Stock - Manditorily Redeemable - - *****Corporation Obligated, Mand Redeemable - - Preferred Stock Subscribed - - *****Corporation Obligated, Mand Redeem - - *****Long-term Debt (250,000,000) (250,000,000) 221 Junior Subordinated Debt (250,000,000) (3,514,151,667) 226 Unamort.Disct. on Long-term Debt-Debit 13,391 13,642 Long-term Debt (3,760,846,609) (3,764,138,025) *****Long-term Debt (3,760,846,609) (3,764,138,025) *****REDEEMABLE SECURITIES AND LTD (3,760,846,609) (3,764,138,025) ****TOTAL CAPITALIZATION (7,181,192,630) (7,191,066,522)			
439 Adjustments to Retained Earnings 5,848,610 5,848,610 *****Total Common Equity (3,420,346,021) (3,426,928,497) ****TOTAL SHAREHOLDER'S EQUITY (3,420,346,021) (3,426,928,497) ****REDEEMABLE SECURITIES AND LONG-TERM DEBT — — *****Preferred Stock - Manditorily Redeemable — — *****Corporation Obligated, Mand Redeemable — — Preferred Stock Subscribed — — *****Corporation Obligated, Mand Redeem — — *******Corporation Obligated, Mand Redeem — — ******Long-term Debt (250,000,000) (250,000,000) 221 Junior Subordinated Debt (250,000,000) (3,514,151,667) 226 Unamort Disct. on Long-term Debt-Debit 13,391 13,642 Long-term Debt (3,760,846,609) (3,764,138,025) *****Long-term Debt (3,760,846,609) (3,764,138,025) *****REDEEMABLE SECURITIES AND LTD (3,760,846,609) (3,764,138,025) ****TOTAL CAPITALIZATION (7,181,192,630) (7,191,066,522)			
****Total Common Equity (3,420,346,021) (3,426,928,497) ****TOTAL SHAREHOLDER'S EQUITY (3,420,346,021) (3,426,928,497) ****REDEEMABLE SECURITIES AND LONG-TERM DEBT *****Preferred Stock - Manditorily Redeemable *****Corporation Obligated, Mand Redeemable Preferred Stock Subscribed *****Corporation Obligated, Mand Redeem *****Corporation Obligated, Mand Redeem *****Corporation Obligated, Mand Redeem *****Long-term Debt 221 Junior Subordinated Debt 221 Junior Subordinated Debt 222 Unamort.Disct. on Long-term Debt-Debit Long-term Debt *****Long-term Debt (3,760,846,609) (3,764,138,025) *****Long-term Debt *****REDEEMABLE SECURITIES AND LTD (7,181,192,630) (7,191,066,522)			
TOTAL SHAREHOLDER'S EQUITY ***REDEEMABLE SECURITIES AND LONG-TERM DEBT *Preferred Stock - Manditorily Redeemable			
REDEEMABLE SECURITIES AND LONG-TERM DEBT *Preferred Stock - Manditorily Redeemable		(0, 120,0 10,021)	(0, .20,020, .0.)
****Preferred Stock - Manditorily Redeemable	***TOTAL SHAREHOLDER'S EQUITY	(3,420,346,021)	(3,426,928,497)
****Preferred Stock - Manditorily Redeemable	***REDEEMARI E SECURITIES AND LONG-TERM DERT		
****Total Preferred Stock - Mand Redeem ****Corporation Obligated, Mand Redeemable Preferred Stock Subscribed ****Corporation Obligated, Mand Redeem		_	_
*****Corporation Obligated, Mand Redeemable Preferred Stock Subscribed		_	_
Preferred Stock Subscribed - - *****Corporation Obligated, Mand Redeem - - *****Long-term Debt (250,000,000) (250,000,000) 221 Junior Subordinated Debt (3,510,860,000) (3,514,151,667) 226 Unamort.Disct. on Long-term Debt-Debit 13,391 13,642 Long-term Debt (3,760,846,609) (3,764,138,025) *****Long-term Debt (3,760,846,609) (3,764,138,025) ****REDEEMABLE SECURITIES AND LTD (3,760,846,609) (3,764,138,025) ***TOTAL CAPITALIZATION (7,181,192,630) (7,191,066,522)	Total Froience Glook Waha Redeem		
****Corporation Obligated, Mand Redeem ****Long-term Debt 221 Junior Subordinated Debt (250,000,000) (250,000,000) 221 Bonds (3,510,860,000) (3,514,151,667) 226 Unamort.Disct. on Long-term Debt-Debit 13,391 13,642 Long-term Debt (3,760,846,609) (3,764,138,025) ****Long-term Debt (3,760,846,609) (3,764,138,025) ****REDEEMABLE SECURITIES AND LTD (3,760,846,609) (3,764,138,025) ***TOTAL CAPITALIZATION (7,181,192,630) (7,191,066,522)	****Corporation Obligated, Mand Redeemable		
****Long-term Debt 221 Junior Subordinated Debt 221 Bonds 226 Unamort.Disct. on Long-term Debt-Debit Long-term Debt ****Long-term Debt (3,760,846,609) (3,764,138,025) ****REDEEMABLE SECURITIES AND LTD (3,760,846,609) (3,764,138,025) ***TOTAL CAPITALIZATION (7,181,192,630) (250,000,000) (250,000,000) (3,514,151,667) (3,514,151,667) (3,760,846,609) (3,764,138,025) (3,764,138,025) (7,191,066,522)	Preferred Stock Subscribed	-	-
221 Junior Subordinated Debt (250,000,000) (250,000,000) 221 Bonds (3,510,860,000) (3,514,151,667) 226 Unamort.Disct. on Long-term Debt-Debit 13,391 13,642 Long-term Debt (3,760,846,609) (3,764,138,025) ****REDEEMABLE SECURITIES AND LTD (3,760,846,609) (3,764,138,025) **TOTAL CAPITALIZATION (7,181,192,630) (7,191,066,522)	****Corporation Obligated, Mand Redeem	-	-
221 Junior Subordinated Debt (250,000,000) (250,000,000) 221 Bonds (3,510,860,000) (3,514,151,667) 226 Unamort.Disct. on Long-term Debt-Debit 13,391 13,642 Long-term Debt (3,760,846,609) (3,764,138,025) ****REDEEMABLE SECURITIES AND LTD (3,760,846,609) (3,764,138,025) **TOTAL CAPITALIZATION (7,181,192,630) (7,191,066,522)	****Long-term Debt		
221 Bonds (3,510,860,000) (3,514,151,667) 226 Unamort.Disct. on Long-term Debt-Debit 13,391 13,642 Long-term Debt (3,760,846,609) (3,764,138,025) ****REDEEMABLE SECURITIES AND LTD (3,760,846,609) (3,764,138,025) **TOTAL CAPITALIZATION (7,181,192,630) (7,191,066,522)		(250,000,000)	(250,000,000)
226 Unamort.Disct. on Long-term Debt-Debit 13,391 13,642 Long-term Debt (3,760,846,609) (3,764,138,025) *****Long-term Debt (3,760,846,609) (3,764,138,025) ****REDEEMABLE SECURITIES AND LTD (3,760,846,609) (3,764,138,025) **TOTAL CAPITALIZATION (7,181,192,630) (7,191,066,522)			
Long-term Debt (3,760,846,609) (3,764,138,025) ****Long-term Debt (3,760,846,609) (3,764,138,025) ***REDEEMABLE SECURITIES AND LTD (3,760,846,609) (3,764,138,025) **TOTAL CAPITALIZATION (7,181,192,630) (7,191,066,522)			
****Long-term Debt (3,760,846,609) (3,764,138,025) ***REDEEMABLE SECURITIES AND LTD (3,760,846,609) (3,764,138,025) **TOTAL CAPITALIZATION (7,181,192,630) (7,191,066,522)		·	•
***REDEEMABLE SECURITIES AND LTD (3,760,846,609) (3,764,138,025) **TOTAL CAPITALIZATION (7,181,192,630) (7,191,066,522)	Long-term Debt	(3,700,040,009)	(3,704,130,023)
TOTAL CAPITALIZATION (7,181,192,630) (7,191,066,522)	**Long-term Debt	(3,760,846,609)	(3,764,138,025)
TOTAL CAPITALIZATION (7,181,192,630) (7,191,066,522)	*DEDEEMADLE SECLIDITIES AND LTD	(2.760.946.600)	(2.764.129.025)
	VEDEEMADLE SECORITIES AND FID	(3,700,040,009)	(3,704,130,025)
*TOTAL CAPITALIZATION AND LIABILITIES \$ (10,793,924,851) \$ (10,801,319,021)	**TOTAL CAPITALIZATION	(7,181,192,630)	(7,191,066,522)
	*TOTAL CAPITALIZATION AND LIABILITIES \$	(10,793,924,851) \$	(10,801,319,021)

Puget Sound Energy Commission Basis Report Electric Rate Base June 30, 2014 Page 2.03

4-Factor Electric 68.72% Gas 31.28%

		Gas	31.28%
			AMA
1	Account	Description	6/30/2014
3		Rate Base	
4	101 / 102 / 230XXXX1	Electric Plant in Service	\$ 8,584,934,323
5	101 / 253XXXX3	Common Plant-Allocation to Electric	343,914,960
6	114XXXX1	Electric Plant Aquisition Adjustment	282,791,397
6a	18600001 / 451/ 461	Snoqualmie Deferral -UE-130559	10,294,657
6b	18600801 / 811/ 821	Baker Deferral - UE-131387	2,440,122
6c	1822XXX1	White River Deferred Plant Costs	32,750,327
6d	1823XXX1	White River Deferred Relicensing & CWIP	(4,557,556)
6e	16599011 &18232321	Prepaid Colstrip 1&2 WECo Coal Resrv Ded.	3,000,000
6f	18600531 / 671/ 691/791	Ferndale Deferral - UE-12843	24,024,524
6g	25300831	Hopkins II Wake Effect Settlement	21,021,021
6h	18230381/18230391	Goldendale Deferral -UE-070533	_
6i	18235521.000000	Mint Farm Deferral	32,290,595
	1340XXXX	BPA Deposits	532,828
6j 6k	18606XXX	WHE Deferred Costs-UE-090704	332,020
6l			-
	18231041	Prepaid Major Maint Sumas	444 002 027
6m	18230351	Chelan PUD Contract Initiation	144,903,837
6n	18220091	Upper Baker - Unrecovered Plant & Reg. Study Cos	
60	18232301 & 311 & 331	LSR Deposit Carry Charge & Deferral UE-100882	109,296,935
_		in Ferndale Deferral Accounts	-
7	18230041	Colstrip Common FERC Adj - Reg Asset	21,589,277
8	18230051	Accum Amortization Colstrip-Common FERC	(15,565,074)
9	18230061	Colstrip Def Depr FERC Adj - Reg	1,455,253
10	18230071	BPA Power Exch Invstmt - Reg Asset	113,632,921
11	18230081	BPA Power Exch Inv Amortization - Reg Asset	(101,289,843)
12	18230031	Electric - Def AFUDC - Regulatory Asset	54,588,037
13	1861051	Capitalized OH	-
14	10500001	Electric - Plant Held for Future Use	29,464,274
15	10500003	Common Plant Held for Fut Use-Alloc to Electric	-
16	10600501	Electric - Const Completed Non Classified	66,757,308
16a	10600503	Common - Const Completed Non Classified	296,914
17	108XXXX1	Elec-Accum Depreciation	(3,112,304,242)
18	108XXXX3	Common Accum Depr-Allocation to Electric	(68,423,862)
19	111XXXX1	Elec-Accum Amortization	(22,040,843)
20	11100003	Common Accum Amort-Allocation to Electric	(69,600,404)
21	115XXXX1	Accum Amort Acq Adj - Electric	(90,158,508)
22	18230221	Accum Unamort Consrv Costs	(20,117,653)
23	19000041	CIAC after 10/8/76 - Accum Def Income Tax	-
24	19000051	CIAC - 1986 Changes - Accum Def Income Tax	-
25	19000061	CIAC - 7/1/87 - Accum Def Income Tax	-
26	19000093	Vacation Pay - Accum Def Inc Taxes	-
26a	19000121	Cabot Gas Contract - Accum Def Inc Taxe	-
26b	19000151	DFIT - Westcoast Capacity Assignment - Electric	663,420
26c	19000711	DFIT- BNP Electric	909,484
27	19000191	RB-Consv Pre91 Tax Settlmt - Accum Def Inc Tax	-
27.1	19000701	DFFIT SSCM INT - ELEC	_
28	235XXXX1	Customer Deposits - Electric	(2,662,964)
_5		Castomor Doposito Licotilo	(2,002,004)

Puget Sound Energy Commission Basis Report Electric Rate Base June 30, 2014

48

49

50

51

52

Deferred Debits and Credits

Allowance for Working Capital Customer Deposits/Advances

Deferred Taxes

Total Rate Base

Page 2.03

4-Factor

409,992,992

(65,414,470) 5,404,113,600

(1,095,451,827) 209,355,587

Julie J	0, 2014		4-1 actor
		Electric	68.72%
		Gas	31.28%
			AMA
1	Account	Description	6/30/2014
28a	23500003	Customer Deposits - Common	(17,878,397)
29	25400081	Residential Exchange	-
29.1	25400191& 25400201	Westcoast Pipeline Capacity Regulatory Liabilities	(4,494,014)
30	252XXXX1	Cust Advances for Construction	(40,379,094)
31	28200101	Major Projects - Property Tax Expense	-
32	28200111	Def Inc Tax - Pre 1981 Additions	-
33	28200121, 161/28300341	Def Inc Tax - Post 1980 Additions	(1,123,334,382)
34	28200131	Colstrip 3 & 4 Deferred Inc Tax	-
35	28200141	Excess Def Taxes - Centralia Sale	-
35-1	28200151	Def FIT Indirect Cost Adj - Electric	-
35a	283XXXXX	Electric Portion of Common Deferred Taxes	(25,490,965)
35a2	19000433	NOL Carryforward	111,562,761
36	28300161	Def Inc Tax - Energy Conservation & FAS 133	-
37	28300261	Def FIT Bond Redemption Costs	-
37a	28300091	Accum Def Inc Tax - Snoqualmie	(3,603,130)
37b	28300741	Accum Def Inc Tax - Baker	(854,043)
37c	28300011	Def FIT - White River Water Right	(9,867,470)
37d	28300731	Accum Def Inc Tax - Ferndale	(8,408,583)
37e	28300431	Deferred Taxes WNP#3	(3,988,881)
37f	19000441	Deferred FIT FAS 143 Whitehorn 2 &3	3,789,475
37g	19000553	Common DFIT Summit Purchase Opt Buyout - Elec	268,066
37h	19000561	Def FIT - Wind Loss Settlement Agreemen	-
37i	28300541 \ 28300551	DFIT Goldendale Deferral -UE-070533	-
37j	28300601\28300611\28300	06 DFIT Mint Fam Costs-UE-090704	(11,301,708)
37k	28300631\28300641\28300	06 DFIT Wild Horse Costs-UE-090704	-
37I	28300561	DFIT - Interest Chelan PUD Reg Asset	(16,465,733)
37m	28300081 & 28300721	DFIT BPA Prepayment & LSR	(9,330,139)
38	124001X1	Conservation Rate Base	-
39	18230181	1995 Conservation Trust Rate Base	-
40			
41	Working Capital- Rate Base	e	209,355,587
42	Rate Base		\$ 5,404,113,600
43			
44			
45			
46	Gross Utility Plant in Service		\$ 9,308,159,177
47	Less Accum Dep and Amor	rt	(3,362,527,859)
40	Defense d Debite and One dit	_	400 000 000

Puget Sound Energy Commission Basis Report Combined Working Capital June 30, 2014 Page 2.04

4-Factor Electric 68.72% Gas 31.28%

10		Gas	31.28%
Common Stock \$ 859,036		Description	
Common Stock \$ 859,036	1	Average Invested Capital	
3			\$ 850.038
4 Additional Paid in Capital 3,245,716,487 5 Unamortized Debt Expense (38,985,752 6 Unappropriated Retained Earnings 324,474,327 7 Notes Payable - Misc 324,474,327 8 Long Term Debt 8,625,910 9 Short Term Debt 83,625,910 10 Accumulated Deferred ITC 438 11 Treasury Grants 204,657,398 12 Deferred Debits-Other (79,099 13 Unamortized Gain/Loss on Debt 7,546,540,977 14 Total Average Invested Capital 7,546,540,977 15 Average Operating Investments - Electric 29,464,274 16 Average Operating Investments - Electric 40,379,094 21 Customer Advances for Construction (30,324,503,593 22 Deferred Debits/Credits - Other 4148,1648 24 Less: Accumulated Depreciation (3,224,503,593 25 Conservation Investment (20,264,511 26 Common Plant-Allocation to Electric (31,380,421,216			φ 000,000
5 Unamortized Debt Expense (38,985,753 6 Unappropriated Retained Earnings 324,474,327 7 Notes Payable - Misc 3,764,138,025 8 Long Term Debt 3,764,138,025 9 Short Term Debt 83,625,910 10 Accumulated Deferred ITC 204,657,393 11 Treasury Grants 204,657,393 12 Deferred Debits-Other (79,095 13 Unamortized Gain/Loss on Debt (79,095 14 Total Average Invested Capital 7,546,540,977 15 Average Operating Investments - Electric 6,746,797 16 Average Operating Investments - Electric 29,464,274 20 Customer Deposits (20,541,362 21 Customer Deposits (20,541,362 22 Deferred Taxes (958,036,08 23 Deferred Debits/Credits - Other 148,164,844 24 Less: Accumulated Depreciation (3,224,503,593 25 Conservation Investment (20,264,511 26 Common Plant-Allocation to			3 245 716 487
6 Unappropriated Retained Earnings 324,474,327 7 Notes Payable - Misc 3,764,138,025 8 Long Term Debt 3,764,138,025 9 Short Term Debt 436 10 Accumulated Deferred ITC 438 11 Treasury Grants 204,657,398 12 Deferred Debits-Other (79,098 13 Unamortized Gain/Loss on Debt (37,865,798 14 Total Average Invested Capital 7,546,540,977 15 Average Operating Investments - Electric 17 Belant in Service (includes acquisition adj) 8,934,483,028 19 Electric Future Use Property 29,464,274 20 Customer Advances for Construction (40,379,094 21 Customer Deposits (20,541,366 22 Deferred Taxes (958,036,088 23 Deferred Debits/Credits - Other 148,164,844 24 Less: Accumulated Depreciation (3,224,503,593 25 Conservation Investment (20,264,511 26 Common Plant-Allocation to Electric<			
7 Notes Payable - Misc 3,764,138,025 8 Long Term Debt 3,764,138,025 10 Accumulated Deferred ITC 438 11 Treasury Grants 204,657,395 12 Deferred Debits-Other (79,095 13 Unamortized Gain/Loss on Debt (37,865,798 14 Total Average Invested Capital 7,546,540,977 15 Average Operating Investments - Electric 17 18 Plant in Service (includes acquisition adj) 8,934,483,028 19 Electric Future Use Property 29,464,274 20 Customer Advances for Construction (40,379,094 21 Customer Deposits (958,036,086 22 Deferred Taxes (958,036,086 23 Deferred Debits/Credits - Other 148,164,844 24 Less: Accumulated Depreciation (3,224,503,593 25 Conservation Investment (20,264,511 26 Common Plant-Allocation to Electric (344,211,875 27 Common Deferred Taxes-Allocation to Electric (32,394,396		•	, , , ,
8 Long Term Debt 3,764,138,025 9 Short Term Debt 83,625,911 10 Accumulated Deferred ITC 438 11 Treasury Grants 204,657,398 12 Deferred Debits-Other (79,095 13 Unamortized Gain/Loss on Debt 7,546,540,977 15 Average Operating Investments - Electric 7,546,540,977 16 Average Operating Investments - Electric 8,934,483,028 17 Blant in Service (includes acquisition adj) 8,934,483,028 19 Electric Future Use Property 29,464,274 20 Customer Advances for Construction (40,379,099 21 Customer Advances for Construction (40,379,099 21 Customer Deposits (20,541,362 22 Deferred Taxes (958,036,08 23 Deferred Debits/Credits - Other 148,164,84 24 Less: Accumulated Depreciation (3,224,503,593 25 Conservation Investment (20,264,511 26 Common Plant-Allocation to Electric (38,024,266			-
9 Short Term Debt 83,625,910 10 Accumulated Deferred ITC 438 11 Treasury Grants 204,657,398 12 Deferred Debits-Other (79,090 13 Unamortized Gain/Loss on Debt (37,865,798 14 Total Average Invested Capital 7,546,540,977 15 Average Operating Investments - Electric 7,546,540,977 16 Average Operating Investments - Electric 20 17 18 Plant in Service (includes acquisition adj) 8,934,483,025 19 Electric Future Use Property 29,464,274 20 Customer Advances for Construction (40,379,094 21 Customer Deposits (20,541,362 22 Deferred Taxes (958,036,086 23 Deferred Debits/Credits - Other 148,164,844 24 Less: Accumulated Depreciation (3,224,503,593 25 Conservation Investment (20,264,511 26 Common Plant-Allocation to Electric (344,211,875 27 Common Deferred Taxes-Allocation to Electric (32			3,764,138,025
10	9	•	83,625,910
12	10	Accumulated Deferred ITC	438
13	11	Treasury Grants	204,657,399
13	12	•	(79,099)
Average Operating Investments - Electric	13	Unamortized Gain/Loss on Debt	(37,865,795)
Average Operating Investments - Electric 17	14	Total Average Invested Capital	7,546,540,977
Plant in Service (includes acquisition adj)	15		
18	16	Average Operating Investments - Electric	
19	17]
20 Customer Advances for Construction (40,379,094) 21 Customer Deposits (20,541,362) 22 Deferred Taxes (958,036,086) 23 Deferred Debits/Credits - Other 148,164,844 24 Less: Accumulated Depreciation (3,224,503,593) 25 Conservation Investment (20,264,511) 26 Common Plant-Allocation to Electric (344,211,875) 27 Common Accum Depr-Allocation to Electric (138,024,266) 28 Common Deferred Taxes-Allocation to Electric (32,394,39) 29 NOL Carryforward 111,562,761 30 Total Average Operating Investment - Electric 5,133,743,480 31 Average Operating Investments - Gas 3,064,081,709 33 Average Operating Investments - Gas 3,064,081,709 34 Gas Utility Plant in Service 3,064,081,709 35 Deferred Items - Other 9,068,666 36 Gas Stored Underground, Non-Current 8,654,564 37 Gas Accumulated Depreciation (1,118,049,210 38 Gas Custo	18	Plant in Service (includes acquisition adj)	8,934,483,028
21 Customer Deposits (20,541,362) 22 Deferred Taxes (958,036,086) 23 Deferred Debits/Credits - Other 148,164,844 24 Less: Accumulated Depreciation (3,224,503,593) 25 Conservation Investment (20,264,511) 26 Common Plant-Allocation to Electric 344,211,875 27 Common Accum Depr-Allocation to Electric (138,024,266) 28 Common Deferred Taxes-Allocation to Electric (32,394,394) 29 NOL Carryforward 111,562,761 30 Total Average Operating Investment - Electric 5,133,743,480 31 Average Operating Investments - Gas 33 Average Operating Investments - Gas 3,064,081,709 34 Gas Stored Underground, Non-Current 8,654,564 37 Gas Accumulated Depreciation (1,118,049,210 38 Gas Customer Advances for Construction (25,444,567) 39 Gas Customer Deposits (8,137,897) 40 DFIT 17 (436,485,577) 41 PGA (3,883,337)	19		29,464,274
22 Deferred Taxes (958,036,086 23 Deferred Debits/Credits - Other 148,164,844 24 Less: Accumulated Depreciation (3,224,503,593 25 Conservation Investment (20,264,517 26 Common Plant-Allocation to Electric 344,211,875 27 Common Deferred Taxes-Allocation to Electric (138,024,266 28 Common Deferred Taxes-Allocation to Electric (32,394,390 30 Total Average Operating Investment - Electric 5,133,743,480 31 Average Operating Investments - Gas 31 32 Average Operating Investments - Gas 3,064,081,709 33 Average Operating Investments - Gas 3,064,081,709 34 Gas Utility Plant in Service 3,064,081,709 35 Deferred Items - Other 9,068,669 36 Gas Stored Underground, Non-Current 8,654,564 37 Gas Accumulated Depreciation (1,118,049,210 38 Gas Customer Advances for Construction (25,444,567 40 DFIT 17 (436,485,570 41 PGA	20		(40,379,094)
23 Deferred Debits/Credits - Other 148,164,844 24 Less: Accumulated Depreciation (3,224,503,593) 25 Conservation Investment (20,264,511) 26 Common Plant-Allocation to Electric 344,211,876 27 Common Deferred Taxes-Allocation to Electric (138,024,266) 28 Common Deferred Taxes-Allocation to Electric (32,394,396) 29 NOL Carryforward 111,562,761 30 Total Average Operating Investment - Electric 5,133,743,480 31 Average Operating Investments - Gas 33 Average Operating Investments - Gas 3,064,081,709 34 Gas Utility Plant in Service 3,064,081,709 35 Deferred Items - Other 9,068,669 36 Gas Stored Underground, Non-Current 8,654,564 37 Gas Accumulated Depreciation (1,118,049,210 38 Gas Customer Advances for Construction (25,444,567 39 Gas Customer Deposits (8,137,897 40 DFIT 17 (436,485,570 41 PGA (3,883,337	21	Customer Deposits	(20,541,362)
24 Less: Accumulated Depreciation (3,224,503,593,593,593,593,593,593,593,593,593,59	22	Deferred Taxes	(958,036,086)
25 Conservation Investment (20,264,512) 26 Common Plant-Allocation to Electric 344,211,875 27 Common Accum Depr-Allocation to Electric (138,024,266 28 Common Deferred Taxes-Allocation to Electric (32,394,390 29 NOL Carryforward 111,562,761 30 Total Average Operating Investment - Electric 5,133,743,480 31 Average Operating Investments - Gas 5,133,743,480 31 Average Operating Investments - Gas 3,064,081,703 33 Average Operating Investments - Gas 3,064,081,703 34 Gas Utility Plant in Service 3,064,081,703 35 Deferred Items - Other 9,068,669 36 Gas Stored Underground, Non-Current 8,654,564 37 Gas Accumulated Depreciation (1,118,049,210 38 Gas Customer Advances for Construction (25,444,567 39 Gas Customer Deposits (8,137,897 40 DFIT 17 (436,485,577 41 PGA (3,883,337 42 Common Plant-Allocation to Gas	23	Deferred Debits/Credits - Other	148,164,844
26 Common Plant-Allocation to Electric 344,211,875 27 Common Accum Depr-Allocation to Electric (138,024,266 28 Common Deferred Taxes-Allocation to Electric (32,394,390 29 NOL Carryforward 111,562,761 30 Total Average Operating Investment - Electric 5,133,743,480 31 Average Operating Investments - Gas 5,133,743,480 31 Average Operating Investments - Gas 3,064,081,709 33 Average Operating Investments - Gas 3,064,081,709 34 Gas Utility Plant in Service 3,064,081,709 35 Deferred Items - Other 9,068,669 36 Gas Stored Underground, Non-Current 8,654,564 37 Gas Accumulated Depreciation (1,118,049,210 38 Gas Customer Advances for Construction (25,444,567 39 Gas Customer Deposits (8,137,897 40 DFIT 17 (436,485,570 41 PGA (3,883,333 42 Common Plant-Allocation to Gas (56,678,513 43 Common Deferred Tax <t< td=""><td>24</td><td>Less: Accumulated Depreciation</td><td>(3,224,503,593)</td></t<>	24	Less: Accumulated Depreciation	(3,224,503,593)
27 Common Accum Depr-Allocation to Electric (138,024,266 28 Common Deferred Taxes-Allocation to Electric (32,394,390 29 NOL Carryforward 111,562,767 30 Total Average Operating Investment - Electric 5,133,743,480 31 Average Operating Investments - Gas 5,133,743,480 31 Average Operating Investments - Gas 3,064,081,709 33 Average Operating Investments - Gas 3,064,081,709 35 Deferred Items - Other 9,068,669 36 Gas Stored Underground, Non-Current 8,654,564 37 Gas Accumulated Depreciation (1,118,049,210 38 Gas Customer Advances for Construction (25,444,567 39 Gas Customer Deposits (8,137,897 40 DFIT 17 (436,485,577 41 PGA (3,883,337 42 Common Plant-Allocation to Gas 156,678,513 43 Common Accumulated Depreciation-Allocation to Ga (62,825,946 44 Common Deferred Tax (14,745,293 45 NOL Carryforward <td< td=""><td>25</td><td>Conservation Investment</td><td>(20,264,511)</td></td<>	25	Conservation Investment	(20,264,511)
28 Common Deferred Taxes-Allocation to Electric (32,394,390) 29 NOL Carryforward 111,562,761 30 Total Average Operating Investment - Electric 5,133,743,480 31 Average Operating Investments - Gas 5,133,743,480 31 Average Operating Investments - Gas 3,064,081,709 33 Average Operating Investments - Gas 3,064,081,709 35 Deferred Items - Other 9,068,669 36 Gas Stored Underground, Non-Current 8,654,564 37 Gas Accumulated Depreciation (1,118,049,210 38 Gas Customer Advances for Construction (25,444,567 39 Gas Customer Deposits (8,137,897 40 DFIT 17 (436,485,577 41 PGA (3,883,337 42 Common Plant-Allocation to Gas 156,678,513 43 Common Accumulated Depreciation-Allocation to Ga (62,825,946 44 Common Deferred Tax (14,745,293 45 NOL Carryforward 33,568,422 46 Total Average Operating Investment - Gas	26	Common Plant-Allocation to Electric	344,211,875
29 NOL Carryforward 111,562,763 30 Total Average Operating Investment - Electric 5,133,743,480 31 Average Operating Investments - Gas 33 Average Operating Investments - Gas 33 34 Gas Utility Plant in Service 3,064,081,709 35 Deferred Items - Other 9,068,669 36 Gas Stored Underground, Non-Current 8,654,564 37 Gas Accumulated Depreciation (1,118,049,210 38 Gas Customer Advances for Construction (25,444,567 39 Gas Customer Deposits (8,137,897 40 DFIT 17 (436,485,570 41 PGA (3,883,337 42 Common Plant-Allocation to Gas 156,678,513 43 Common Accumulated Depreciation-Allocation to Ga (62,825,946 44 Common Deferred Tax (14,745,293 45 NOL Carryforward 33,568,422 46 Total Average Operating Investment - Gas 1,602,480,057 47 48 Total Electric & Gas Operating Investment 6,736,223,536 </td <td>27</td> <td></td> <td>(138,024,266)</td>	27		(138,024,266)
30	28	Common Deferred Taxes-Allocation to Electric	(32,394,390)
Average Operating Investments - Gas 3,064,081,709 35 Deferred Items - Other 9,068,669 36 Gas Stored Underground, Non-Current 8,654,564 37 Gas Accumulated Depreciation (1,118,049,210 38 Gas Customer Advances for Construction (25,444,567 39 Gas Customer Deposits (8,137,897 40 DFIT 17 (436,485,570 41 PGA (3,883,337 42 Common Plant-Allocation to Gas 156,678,513 43 Common Accumulated Depreciation-Allocation to Ga (62,825,946 44 Common Deferred Tax (14,745,293 33,568,422 45 NOL Carryforward 33,568,422 46 Total Average Operating Investment - Gas 1,602,480,057 47 48 Total Electric & Gas Operating Investment 6,736,223,536 47 48 Total Electric & Gas Operating Investment 6,736,223,536 47 48 Total Electric & Gas Operating Investment 6,736,223,536 47 48 Total Electric & Gas Operating Investment 6,736,223,536 47 48 Total Electric & Gas Operating Investment 6,736,223,536 47 48 Total Electric & Gas Operating Investment 6,736,223,536 47 48 Total Electric & Gas Operating Investment 6,736,223,536 47 48 Total Electric & Gas Operating Investment 6,736,223,536 48 48 Total Electric & Gas Operating Investment 6,736,223,536 48 48 Total Electric & Gas Operating Investment 6,736,223,536 48 48 48 48 48 48 48 4	29		111,562,761
32	30	Total Average Operating Investment - Electric	5,133,743,480
33 34 Gas Utility Plant in Service 3,064,081,705 35 Deferred Items - Other 9,068,665 36 Gas Stored Underground, Non-Current 8,654,564 37 Gas Accumulated Depreciation (1,118,049,210) 38 Gas Customer Advances for Construction (25,444,567) 39 Gas Customer Deposits (8,137,897) 40 DFIT 17 (436,485,570) 41 PGA (3,883,337) 42 Common Plant-Allocation to Gas 156,678,513 43 Common Accumulated Depreciation-Allocation to Ga (62,825,946) 44 Common Deferred Tax (14,745,293) 45 NOL Carryforward 33,568,422 46 Total Average Operating Investment - Gas 1,602,480,057 47 48 Total Electric & Gas Operating Investment 6,736,223,536	31		
34 Gas Utility Plant in Service 3,064,081,709 35 Deferred Items - Other 9,068,669 36 Gas Stored Underground, Non-Current 8,654,564 37 Gas Accumulated Depreciation (1,118,049,210 38 Gas Customer Advances for Construction (25,444,567 39 Gas Customer Deposits (8,137,897 40 DFIT 17 (436,485,570 41 PGA (3,883,337 42 Common Plant-Allocation to Gas 156,678,513 43 Common Accumulated Depreciation-Allocation to Ga (62,825,946 44 Common Deferred Tax (14,745,293 45 NOL Carryforward 33,568,422 46 Total Average Operating Investment - Gas 1,602,480,057 47 Total Electric & Gas Operating Investment 6,736,223,536		Average Operating Investments - Gas	
35 Deferred Items - Other 9,068,669 36 Gas Stored Underground, Non-Current 8,654,564 37 Gas Accumulated Depreciation (1,118,049,210 38 Gas Customer Advances for Construction (25,444,567 39 Gas Customer Deposits (8,137,897 40 DFIT 17 (436,485,570 41 PGA (3,883,337 42 Common Plant-Allocation to Gas 156,678,513 43 Common Accumulated Depreciation-Allocation to Ga (62,825,946 44 Common Deferred Tax (14,745,293 45 NOL Carryforward 33,568,422 46 Total Average Operating Investment - Gas 1,602,480,057 47 Total Electric & Gas Operating Investment 6,736,223,536			
36 Gas Stored Underground, Non-Current 8,654,564 37 Gas Accumulated Depreciation (1,118,049,210 38 Gas Customer Advances for Construction (25,444,567 39 Gas Customer Deposits (8,137,897 40 DFIT 17 (436,485,570 41 PGA (3,883,337 42 Common Plant-Allocation to Gas 156,678,513 43 Common Accumulated Depreciation-Allocation to Ga (62,825,946 44 Common Deferred Tax (14,745,293 45 NOL Carryforward 33,568,422 46 Total Average Operating Investment - Gas 1,602,480,057 47 Total Electric & Gas Operating Investment 6,736,223,536	_	•	
37 Gas Accumulated Depreciation (1,118,049,210) 38 Gas Customer Advances for Construction (25,444,567) 39 Gas Customer Deposits (8,137,897) 40 DFIT 17 (436,485,570) 41 PGA (3,883,337) 42 Common Plant-Allocation to Gas 156,678,513 43 Common Accumulated Depreciation-Allocation to Ga (62,825,946) 44 Common Deferred Tax (14,745,293) 45 NOL Carryforward 33,568,422 46 Total Average Operating Investment - Gas 1,602,480,057 47 Total Electric & Gas Operating Investment 6,736,223,536			9,068,669
38 Gas Customer Advances for Construction (25,444,567) 39 Gas Customer Deposits (8,137,897) 40 DFIT 17 (436,485,570) 41 PGA (3,883,337) 42 Common Plant-Allocation to Gas 156,678,513 43 Common Accumulated Depreciation-Allocation to Ga (62,825,946) 44 Common Deferred Tax (14,745,293) 45 NOL Carryforward 33,568,422 46 Total Average Operating Investment - Gas 1,602,480,057 47 Total Electric & Gas Operating Investment 6,736,223,536			8,654,564
39 Gas Customer Deposits (8,137,897) 40 DFIT 17 (436,485,570) 41 PGA (3,883,337) 42 Common Plant-Allocation to Gas 156,678,513 43 Common Accumulated Depreciation-Allocation to Ga (62,825,946) 44 Common Deferred Tax (14,745,293) 45 NOL Carryforward 33,568,422 46 Total Average Operating Investment - Gas 1,602,480,057 47 Total Electric & Gas Operating Investment 6,736,223,536		·	(1,118,049,210)
40 DFIT 17 41 PGA 42 Common Plant-Allocation to Gas 43 Common Accumulated Depreciation-Allocation to Ga 44 Common Deferred Tax 45 NOL Carryforward 46 Total Average Operating Investment 48 Total Electric & Gas Operating Investment 40 (436,485,570 (3,883,337 (156,678,513 (62,825,946 (14,745,293 (14,745,293 (14,745,293 (15602,480,057 (17602,480,057 (17602,480,057 (17602,480,057 (17602,23,536 (1			(25,444,567)
41 PGA (3,883,337) 42 Common Plant-Allocation to Gas 156,678,513 43 Common Accumulated Depreciation-Allocation to Ga (62,825,946) 44 Common Deferred Tax (14,745,293) 45 NOL Carryforward 33,568,422 46 Total Average Operating Investment - Gas 1,602,480,057 47 Total Electric & Gas Operating Investment 6,736,223,536		•	(8,137,897)
42 Common Plant-Allocation to Gas 156,678,513 43 Common Accumulated Depreciation-Allocation to Ga (62,825,946 44 Common Deferred Tax (14,745,293 45 NOL Carryforward 33,568,422 46 Total Average Operating Investment - Gas 1,602,480,057 47 Total Electric & Gas Operating Investment 6,736,223,536	_		
43 Common Accumulated Depreciation-Allocation to Ga (62,825,946 44 Common Deferred Tax (14,745,293 45 NOL Carryforward 33,568,422 46 Total Average Operating Investment - Gas 1,602,480,057 47 Total Electric & Gas Operating Investment 6,736,223,536			
44 Common Deferred Tax (14,745,293) 45 NOL Carryforward 33,568,422 46 Total Average Operating Investment - Gas 1,602,480,057 47 48 Total Electric & Gas Operating Investment 6,736,223,536			
45 NOL Carryforward 33,568,422 46 Total Average Operating Investment - Gas 1,602,480,057 47 48 Total Electric & Gas Operating Investment 6,736,223,536			
46 Total Average Operating Investment - Gas 1,602,480,057 47			, , ,
47 48 Total Electric & Gas Operating Investment 6,736,223,536		· · · · · · · · · · · · · · · · · · ·	
48 Total Electric & Gas Operating Investment 6,736,223,536		Total Average Operating Investment - Gas	1,602,480,057
		T. 151 00 0	
		rotar Electric & Gas Operating Investment	6,736,223,536
	49		
50 Construction Work in Progress		Construction Work in Progress	
51			
			289,525,457
			58,033,990
			2,260,715
			41,032
56 Total Construction Work in Progress 349,861,194	56	Total Construction Work in Progress	349,861,194

Puget Sound Energy
Commission Basis Report
Combined Working Capital
June 30, 2014

Electric 68.72%
Gas 31.28%

		Gas 31.26%
Line No.	Description	AMA 6/30/2014
57	Description	0/30/2014
_	Nenenovetina	
58	Nonoperating	
59	Non Hillity Droporty	4 700 000
60	Non-Utility Property	4,789,923
61	Investment in Associated Companies	28,750,466
62	Other Investments & FAS 133	30,229,769
63	Deferred Items-Other	221,790,315
64	Deferred Federal Income Tax	(112,534,227)
65	Investment Tracking Funds	5,377,874
66	Environmental Receivables	-
67	Current Accounts - Gas Allocation only	-
68	Merchandising Inventory - Gas Only	68,750
69	Total Non Operatting Investment	178,472,870
70		
71	Total CWIP & Nonoperating Investment	528,334,064
72		
73	Total Average Investments	7,264,557,600
74	Rounding	
75	Total Investor Supplied Capital	\$ 281,983,377
Allocation	of Working Capital	
Allocation	Electric Working Captial	
	Total Investment	\$7,264,557,600
	Less: Electric CWIP	\$ (289,525,457)
	Less: Gas	\$ (58,033,990)
	Interest Bearing Regulatory Assets	\$ (50,055,990)
	Other Work in Progress	(2,260,715)
	Preliminary Surveys	(41,032)
	Total	
	rotar	6,914,696,406
	Electric Working Capital Ratio	4.0780%
	Electric Working Capital	\$ 209,355,587
	Gas Working Capital	
	Total Investment	7,264,557,600
	Less: Electric CWIP	(289,525,457)
	Less: Gas CWIP	(58,033,990)
	Interest Bearing Regulatory Assets	(==,===,===)
	Other Work in Progress	(2,260,715)
	Preliminary Surveys	(41,032)
	Total	6,914,696,406
		5,5 1 1,555, 765
	Gas Working Capital Ratio	4.0780%
	Gas Working Capital	\$ 65,349,614
	Non Operating Working Capital	\$ 7,278,177

PUGET SOUND ENERGY-ELECTRIC & GAS FOR THE 12 MONTHS ENDED JUNE 30, 2014 ALLOCATION METHODS

<u>/lethod</u>	Description			Electric	Gas		Total
1 '	12 Month Average Number of Customers	6/30/2014		1,086,414	778,923		1,865,337
	Percent			58.24%	41.76%	1	100.00%
2 *	Joint Meter Reading Customers	6/30/2014		731,781	441,243		1,173,024
	Percent		_	62.38%	37.62%)	100.00%
3 ,	Non-Production Plant						
	Distribution	6/30/2014		3,251,535,946	2,957,812,978	\$	6,209,348,924
	Transmission	6/30/2014		1,232,284,042	-		1,232,284,042
	Direct General Plant	6/30/2014		203,334,680	34,716,332		238,051,012
	Total		\$	4,687,154,668	\$ 2,992,529,310	\$	7,679,683,978
	Percent			61.03%	38.97%)	100.00%
4 3	4-Factor Allocator						
-	Number of Customers	6/30/2014		1,086,414	778,923		1,865,337
	Percent	0/30/2014		58.24%	41.76%		100.00%
	Labor - Direct Charge to O&M	6/30/2014		50,585,855	21,515,539	\$	72,101,394
	Percent		_	70.16%	29.84%		100.00%
	T&D O&M Expense (Less Labor)	6/30/2014		71,350,102	27,252,445	\$	98,602,546
	Percent			72.36%	27.64%	1	100.00%
	Net Classified Plant (Excluding General (Common) Plant)	6/30/2014		5,450,589,238	1,902,189,039		7,352,778,276
	Percent			74.13%	25.87%		100.00%
	Total Percentages			274.89%	125.11%		400.00%
	Percent			68.72%	31.28%		100.00%
5 *	Employee Benefits	0/00/55:		#0.455.5 45	04		04 055 555
	Direct Labor Accts 500-935	6/30/2014	_	56,422,046	24,806,849		81,228,895
	Total		\$	56,422,046			
	Percent		_	69.46%	30.54%)	100.00%

Page 3 Summary

PUGET SOUND ENERGY-ELECTRIC RESULTS OF OPERATIONS FOR THE TWELVE MONTHS ENDED JUNE 30, 2014 COMMISSION BASIS REPORT

SALES FROM RESALE-FIRM 349,909 1,387 355 4 SALES TO OTHER UTILITIES 152,688,3961 152,688,3961 152,688,3961 152,688,3961 152,688,3961 152,688,3961 152,688,3961 152,688,3961 152,688,3961 152,688,3961 152,688,3961 152,688,3961 152,688,3961 152,688,3961 152,688,3961 152,688,3961 152,688,3961 152,688,3961 152,392,392 15	LINE NO.			ACTUAL RESULTS OF DPERATIONS	AD	TOTAL JUSTMENTS		RESTATED RESULTS OF DPERATIONS
SALES FROM RESALE-FIRM 349,909 1,387 355 4 SALES TO OTHER UTILITIES 152,683,961 152,688 5 OTHER OPERATING REVENUES 2,320,425,582 (62,673,324) 2,257,75 7 OFTAL OPERATING REVENUES 2,320,425,582 (62,673,324) 2,257,75 8 OPERATING REVENUE DEDUCTIONS:	1	OPERATING REVENUES:						
SALES FROM RESALE-FIRM 349,909 1,387 525,684 5 OTHER OPTERATING REVENUES 152,683,961 (12,479,539) 70,59 70,59 70,50 70,5	2	SALES TO CUSTOMERS	\$	2,084,321,770	\$	(50,195,172)	\$	2,034,126,598
SALES TO OTHER UTILITIES	3	SALES FROM RESALE-FIRM						351,296
5 OTHER OPERATING REVENUES 83,069,942 (12,479,539) 70,59 6 TOTAL OPERATING REVENUES 2,320,425,582 (62,673,324) 2,257,75 7 TOTAL OPERATING REVENUE DEDUCTIONS: 9 40,225,582 (62,673,324) 2,257,75 8 OPERATING REVENUE DEDUCTIONS: 9 7 10 10 100,084 \$ 271,740,686 \$ (100,884) \$ 271,63 \$ 271,63 \$ 271,63,686 \$ (100,884) \$ 271,63 \$ 271,63 \$ 271,63,686 \$ (100,884) \$ 271,63				*		-,		152,683,961
TOTAL OPERATING REVENUES 2,320,425,582 (62,673,324) 2,257,75	5					(12,479,539)		70,590,403
OPERATING REVENUE DEDUCTIONS: 9			_					2,257,752,258
POWER COSTS:	7			,, -,		(= ,==,= ,		, , ,
POWER COSTS:		OPERATING REVENUE DEDUCTIONS:						
FUEL \$271,740,686 \$ (100,884) \$271,631 PURCHASED AND INTERCHANGED 542,462,295 (12,305,290) 530,15 WHEELING 102,047,887 - 102,04 RESIDENTIAL EXCHANGE (97,162,538) 97,162,538 TOTAL PRODUCTION EXPENSES 819,088,329 84,756,364 903,84 TOTAL PRODUCTION EXPENSES 819,088,329 84,756,364 903,84 TOTHER POWER SUPPLY EXPENSES 115,898,327 \$ - \$ 1115,89 TRANSMISSION EXPENSE 19,471,020 - 19,47 DISTRIBUTION EXPENSE 85,258,266 - 19,47 DISTRIBUTION EXPENSES 85,626,737 (7,438,275) 51,18 CUSTOMER ACCOUNT EXPENSES 58,626,737 (7,438,275) 51,18 CUSTOMER SERVICE EXPENSES 18,796,581 (16,654,895) 2,14 CUSTOMER SERVICE EXPENSES 110,048,638 (2,595,754) 107,45 DEPRECIATION 258,020,605 (187,950) 258,01 AMORTIZATION 46,515,560 (187,950) 258,01 AMORTIZOF PROPERTY GAIN/LOSS 17,213,410 - 17,21 OTHER OPERATING EXPENSES (5,363,592) 11,269,283 5,90 ASC 815 (77,878,862) 77,878,862 TAXES OTHER THAN F.I.T. 211,551,213 (122,128,873) 89,42 ASC 815 (77,878,862) 77,878,862 TAXES OTHER THAN F.I.T. 211,551,213 (122,128,873) 89,42 TOTAL OPERATING REV. DEDUCT. \$ 1,938,605,600 \$ (98,981,905) \$ 1,839,62 ANDER OPERATING REV. DEDUCT. \$ 1,938,605,600 \$ (98,981,905) \$ 1,839,62 AND OPERATING REV. DEDUCT. \$ 1,938,605,600 \$ (98,981,905) \$ 1,839,62 AND OPERATING REV. DEDUCT. \$ 1,938,605,600 \$ (2,392,290) \$ 5,401,72 AND OPERATING REV. DEDUCT. \$ 1,938,605,600 \$ (2,392,290) \$ 5,401,72 AND OPERATING REV. DEDUCT. \$ 1,938,605,600 \$ (98,981,905) \$ 1,839,62 AND OPERATING REV. DEDUCT. \$ 1,938,605,600 \$ (98,981,905) \$ 1,839,62 AND OPERATING REV. DEDUCT. \$ 1,938,605,600 \$ (98,981,905) \$ 1,839,62 AND OPERATING REV. DEDUCT. \$ 1,938,605,600 \$ (98,981,905) \$ 1,839,62 AND OPERATING REV. DEDUCT. \$ 1,938,605,600 \$ (98,981,905) \$ 1,839,62 AND OPERATING REV. DEDUCT. \$ 1,938,605,600 \$ (98,981,905								
FUEL \$271,740,686 \$ (100,884) \$271,631 PURCHASED AND INTERCHANGED 542,462,295 (12,305,290) 530,15 WHEELING 102,047,887 - 102,04 RESIDENTIAL EXCHANGE (97,162,538) 97,162,538 TOTAL PRODUCTION EXPENSES 819,088,329 84,756,364 903,84 TOTAL PRODUCTION EXPENSES 819,088,329 84,756,364 903,84 TOTHER POWER SUPPLY EXPENSES 115,898,327 \$ - \$ 1115,89 TRANSMISSION EXPENSE 19,471,020 - 19,47 DISTRIBUTION EXPENSE 85,258,266 - 19,47 DISTRIBUTION EXPENSES 85,626,737 (7,438,275) 51,18 CUSTOMER ACCOUNT EXPENSES 58,626,737 (7,438,275) 51,18 CUSTOMER SERVICE EXPENSES 18,796,581 (16,654,895) 2,14 CUSTOMER SERVICE EXPENSES 110,048,638 (2,595,754) 107,45 DEPRECIATION 258,020,605 (187,950) 258,01 AMORTIZATION 46,515,560 (187,950) 258,01 AMORTIZOF PROPERTY GAIN/LOSS 17,213,410 - 17,21 OTHER OPERATING EXPENSES (5,363,592) 11,269,283 5,90 ASC 815 (77,878,862) 77,878,862 TAXES OTHER THAN F.I.T. 211,551,213 (122,128,873) 89,42 ASC 815 (77,878,862) 77,878,862 TAXES OTHER THAN F.I.T. 211,551,213 (122,128,873) 89,42 TOTAL OPERATING REV. DEDUCT. \$ 1,938,605,600 \$ (98,981,905) \$ 1,839,62 ANDER OPERATING REV. DEDUCT. \$ 1,938,605,600 \$ (98,981,905) \$ 1,839,62 AND OPERATING REV. DEDUCT. \$ 1,938,605,600 \$ (98,981,905) \$ 1,839,62 AND OPERATING REV. DEDUCT. \$ 1,938,605,600 \$ (2,392,290) \$ 5,401,72 AND OPERATING REV. DEDUCT. \$ 1,938,605,600 \$ (2,392,290) \$ 5,401,72 AND OPERATING REV. DEDUCT. \$ 1,938,605,600 \$ (98,981,905) \$ 1,839,62 AND OPERATING REV. DEDUCT. \$ 1,938,605,600 \$ (98,981,905) \$ 1,839,62 AND OPERATING REV. DEDUCT. \$ 1,938,605,600 \$ (98,981,905) \$ 1,839,62 AND OPERATING REV. DEDUCT. \$ 1,938,605,600 \$ (98,981,905) \$ 1,839,62 AND OPERATING REV. DEDUCT. \$ 1,938,605,600 \$ (98,981,905) \$ 1,839,62 AND OPERATING REV. DEDUCT. \$ 1,938,605,600 \$ (98,981,905		POWER COSTS:						
PURCHASED AND INTERCHANGED 542,462,295 (12,305,290) 530,15 13 WHEELING 102,047,887 - 102,04 102,04 102,047,887 - 102,04 102		· · · · · · · · · · · · · · · · · · ·	\$	271.740.686	\$	(100.884)	\$	271,639,802
102,047,887 97,162,538 102,047,887 07,162,538 102,044,887 07,162,538	12	PURCHASED AND INTERCHANGED				, , ,		530,157,005
RESIDENTIAL EXCHANGE	13					-		102,047,887
TOTAL PRODUCTION EXPENSES	14	RESIDENTIAL EXCHANGE				97.162.538		-
16 17 OTHER POWER SUPPLY EXPENSES \$ 115,898,327 \$ - \$ \$ 115,89 18 TRANSMISSION EXPENSE 19,471,020 - 82,25 19 DISTRIBUTION EXPENSE 85,258,266 - 85,25 20 CUSTOMER ACCOUNT EXPENSES 58,626,737 (7,438,275) 51,18 21 CUSTOMER SERVICE EXPENSES 18,796,581 (16,654,895) 2,14 22 CONSERVATION AMORTIZATION 90,243,004 (90,228,853) 1 23 ADMIN & GENERAL EXPENSE 110,048,638 (2,595,754) 107,45 24 DEPRECIATION 258,202,605 (187,950) 258,01 25 AMORTIZATION 46,515,560 - 46,51 26 AMORTIZ OF PROPERTY GAIN/LOSS 17,213,410 - 17,21 27 OTHER OPERATING EXPENSES (5,363,592) 11,269,283 5,90 28 ASC 815 (77,878,862) 77,878,862 77,878,862 77,878,862 77,878,862 17,21 12,212,8873 89,42 33 34 DEFERRED INCOME TAXES 170,934,365 (117,573,57								903,844,693
17 OTHER POWER SUPPLY EXPENSES \$ 115,898,327 \$ - \$ 115,898 18 TRANSMISSION EXPENSE \$ 19,471,020 - \$ 19,47 19 DISTRIBUTION EXPENSE \$ 85,258,266 - \$ 85,25 20 CUSTOMER ACCOUNT EXPENSES \$ 58,626,737 (7,438,275) \$ 51,18 21 CUSTOMER SERVICE EXPENSES \$ 18,796,581 (16,654,895) \$ 2,14 22 CONSERVATION AMORTIZATION \$ 90,243,004 (90,228,853) \$ 1 23 ADMIN & GENERAL EXPENSE \$ 110,048,638 (2,595,754) \$ 107,485 24 DEPRECIATION \$ 258,202,605 (187,950) \$ 258,01 25 AMORTIZATION \$ 46,515,560 - \$ 46,51 26 AMORTIZ OF PROPERTY GAIN/LOSS \$ 17,213,410 - \$ 17,21 27 OTHER OPERATING EXPENSES (5,363,592) \$ 11,269,283 5,90 28 ASC 815 (77,878,862) 77,878,862 29 TAXES OTHER THAN F.I.T. \$ 211,551,213 (122,128,873) 89,42 31 DEFERRED INCOME TAXES \$ 1,093,4365 (117,573,578) \$ 53,36 32 TOTAL OPERATING REV. DEDUCT. \$ 1,338,605,600 \$ (98,981,905) \$ 1,839,62	16			, ,		,,,,,,,,,		, , , , , , , , , , , , , , , , , , , ,
18 TRANSMISSION EXPENSE 19,471,020 - 19,47 19 DISTRIBUTION EXPENSE 85,258,266 - 85,25 20 CUSTOMER ACCOUNT EXPENSES 58,626,737 (7,438,275) 51,18 21 CUSTOMER SERVICE EXPENSES 18,796,581 (16,654,895) 2,14 22 CONSERVATION AMORTIZATION 90,243,004 (90,228,853) 1 23 ADMIN & GENERAL EXPENSE 110,048,638 (2,595,754) 107,45 24 DEPRECIATION 258,202,605 (187,950) 258,01 25 AMORTIZATION 46,515,560 - 46,51 26 AMORTIZ OF PROPERTY GAIN/LOSS 17,213,410 - 17,21 27 OTHER OPERATING EXPENSES (5,363,592) 11,269,283 5,90 28 ASC 815 (77,878,862) 77,878,862 29 TAXES OTHER THAN F.I.T. 211,551,213 (122,128,873) 89,42 31 DEFERRED INCOME TAXES (0) 83,921,764 83,92 32 TOTAL OPERATING REV. DEDUCT. \$1,938,605,600 (98,981,905) \$1,839,62 33 RATE BASE \$5,404,113,600 \$(2,392,290)		OTHER POWER SUPPLY EXPENSES	\$	115.898.327	\$	_	\$	115,898,327
DISTRIBUTION EXPENSE 85,258,266			Ψ		Ψ	_	Ψ	19,471,020
20 CUSTOMER ACCOUNT EXPENSES 58,626,737 (7,438,275) 51,18 21 CUSTOMER SERVICE EXPENSES 18,796,581 (16,654,895) 2,14 22 CONSERVATION AMORTIZATION 90,243,004 (90,228,853) 1 23 ADMIN & GENERAL EXPENSE 110,048,638 (2,595,754) 107,45 24 DEPRECIATION 258,202,605 (187,950) 258,01 25 AMORTIZATION 46,515,560 - 46,51 26 AMORTIZATION 46,515,560 - 46,51 26 AMORTIZATION 46,515,560 - 46,51 27 OTHER OPERATING EXPENSES (77,878,862) 71,878,862 28 ASC 815 (77,878,862) 77,878,862 29 TAXES OTHER THAN F.I.T. 211,551,213 (122,128,873) 89,42 30 FEDERAL INCOME TAXES (0) 83,921,764 83,92 31 DEFERRED INCOME TAXES 170,934,365 (117,573,578) 53,36 32 TOTAL OPERATING INCOME \$381,819,981	19	DISTRIBUTION EXPENSE				_		85,258,266
21 CUSTOMER SERVICE EXPENSES 18,796,581 (16,654,895) 2,14 22 CONSERVATION AMORTIZATION 90,243,004 (90,228,853) 1 23 ADMIN & GENERAL EXPENSE 110,048,638 (2,595,754) 107,45 24 DEPRECIATION 258,202,605 (187,950) 258,01 25 AMORTIZATION 46,515,560 - 46,51 26 AMORTIZ OF PROPERTY GAIN/LOSS 17,213,410 - 17,21 27 OTHER OPERATING EXPENSES (5,363,592) 11,269,283 5,90 28 ASC 815 (77,878,862) 77,878,862 29 TAXES OTHER THAN F.I.T. 211,551,213 (122,128,873) 89,42 30 FEDERAL INCOME TAXES (0) 83,921,764 83,92 31 DEFERRED INCOME TAXES 170,934,365 (117,573,578) 53,36 32 TOTAL OPERATING REV. DEDUCT. \$ 1,938,605,600 \$ (98,981,905) \$ 1,839,62 33 NET OPERATING INCOME \$ 381,819,981 \$ 36,308,581 \$ 418,12 35 TOTAL OPERATING INCOME \$ 381,819,981 \$ 36,308,581 \$ 418,12 36 RATE BASE						(7.438.275)		51,188,462
22 CONSERVATION AMORTIZATION 90,243,004 (90,228,853) 1 23 ADMIN & GENERAL EXPENSE 110,048,638 (2,595,754) 107,45 24 DEPRECIATION 258,202,605 (187,950) 258,01 25 AMORTIZATION 46,515,560 - 46,51 26 AMORTIZ OF PROPERTY GAIN/LOSS 17,213,410 - 17,21 27 OTHER OPERATING EXPENSES (5,363,592) 11,269,283 5,90 28 ASC 815 (77,878,862) 77,878,862 77,878,862 29 TAXES OTHER THAN F.I.T. 211,551,213 (122,128,873) 89,42 30 FEDERAL INCOME TAXES (0) 83,921,764 83,92 31 DEFERRED INCOME TAXES 17,934,365 (117,573,578) 53,36 32 TOTAL OPERATING REV. DEDUCT. \$1,938,605,600 \$(98,981,905) \$1,839,62 33 NET OPERATING INCOME \$381,819,981 \$36,308,581 \$418,12 35 36 RATE BASE \$5,404,113,600 \$(2,392,290) \$5,401,72 37 38 RATE OF RETURN 7.07% \$36,205,277,859 \$36,205,277,859								2,141,686
ADMIN & GENERAL EXPENSE 110,048,638 (2,595,754) 107,45 24 DEPRECIATION 258,202,605 (187,950) 258,01 25 AMORTIZATION 46,515,560 - 46,51 26 AMORTIZ OF PROPERTY GAIN/LOSS 17,213,410 - 17,21 27 OTHER OPERATING EXPENSES (5,363,592) 11,269,283 5,90 28 ASC 815 (77,878,862) 77,878,862 29 TAXES OTHER THAN F.I.T. 211,551,213 (122,128,873) 89,42 30 FEDERAL INCOME TAXES (0) 83,921,764 83,92 31 DEFERRED INCOME TAXES (0) 83,921,764 83,92 32 TOTAL OPERATING REV. DEDUCT. \$1,938,605,600 \$(98,981,905) \$1,839,62 33 34 NET OPERATING INCOME \$381,819,981 \$36,308,581 \$418,12 35 36 RATE BASE \$5,404,113,600 \$(2,392,290) \$5,401,72 37 38 RATE OF RETURN 7.07% 39 40 RATE BASE: \$9,308,159,177 \$ (4,530,703) \$9,303,62 42 ACCUMULATED DEPRECIATION (3,362,527,859) 1,060,869 (3,361,466) 43 DEFERRED TAXES (1,095,451,827) 1,077,544 (1,094,37) 44 DEFERRED TAXES (1,095,451,827) 1,077,544 (1,094,37) 45 ALLOWANCE FOR WORKING CAPITAL 209,355,587 - 209,35								14,151
24 DEPRECIATION 258,202,605 (187,950) 258,01 25 AMORTIZATION 46,515,560 - 46,51 26 AMORTIZ OF PROPERTY GAIN/LOSS 17,213,410 - 17,21 27 OTHER OPERATING EXPENSES (5,363,592) 11,269,283 5,90 28 ASC 815 (77,878,862) 77,878,862 - 29 TAXES OTHER THAN F.I.T. 211,551,213 (122,128,873) 89,42 30 FEDERAL INCOME TAXES (0) 83,921,764 83,92 31 DEFERRED INCOME TAXES 170,934,365 (117,573,578) 53,36 32 TOTAL OPERATING REV. DEDUCT. \$1,938,605,600 (98,981,905) \$1,839,62 33 NET OPERATING INCOME \$381,819,981 \$36,308,581 \$418,12 35 36 RATE BASE \$5,404,113,600 \$(2,392,290) \$5,401,72 37 38 RATE OF RETURN 7.07% \$39 40 RATE BASE: \$9,308,159,177 \$(4,530,703) \$9,303,62 42 ACCUMULATED DEPRECIATION (3,362,527,859) 1,060,869 (3,361,46								107,452,884
25 AMORTIZATION 46,515,560 - 46,51 26 AMORTIZ OF PROPERTY GAIN/LOSS 17,213,410 - 17,21 27 OTHER OPERATING EXPENSES (5,363,592) 11,269,283 5,90 28 ASC 815 (77,878,862) 77,878,862 29 TAXES OTHER THAN F.I.T. 211,551,213 (122,128,873) 89,42 30 FEDERAL INCOME TAXES (0) 83,921,764 83,92 31 DEFERRED INCOME TAXES 170,934,365 (117,573,578) 53,36 32 TOTAL OPERATING REV. DEDUCT. \$ 1,938,605,600 \$ (98,981,905) \$ 1,839,62 33 NET OPERATING INCOME \$ 381,819,981 \$ 36,308,581 \$ 418,12 35 RATE BASE \$ 5,404,113,600 \$ (2,392,290) \$ 5,401,72 37 7.07% 7.07% 7.07% 7.07% 39 RATE BASE: \$ 9,308,159,177 \$ (4,530,703) \$ 9,303,62 41 GROSS UTILITY PLANT IN SERVICE \$ 9,308,159,177 \$ (4,530,703) \$ 9,303,62 42 ACCUMULATED DEPRECIATION (3,362,527,859) 1,060,869 (3,361,46 43 DEFERRED DEBITS 409,992,992 - 409,99 44 DEFERRED TAXES (1,095,45								258,014,655
26 AMORTIZ OF PROPERTY GAIN/LOSS 17,213,410 - 17,21 27 OTHER OPERATING EXPENSES (5,363,592) 11,269,283 5,90 28 ASC 815 (77,878,862) 77,878,862 - 29 TAXES OTHER THAN F.I.T. 211,551,213 (122,128,873) 89,42 30 FEDERAL INCOME TAXES (0) 83,921,764 83,92 31 DEFERRED INCOME TAXES 170,934,365 (117,573,578) 53,36 32 TOTAL OPERATING REV. DEDUCT. \$1,938,605,600 \$ (98,981,905) \$ 1,839,62 33 *** <td></td> <td></td> <td></td> <td></td> <td></td> <td>-</td> <td></td> <td>46,515,560</td>						-		46,515,560
28 ASC 815 (77,878,862) 77,878,862 29 TAXES OTHER THAN F.I.T. 211,551,213 (122,128,873) 89,42 30 FEDERAL INCOME TAXES (0) 83,921,764 83,92 31 DEFERRED INCOME TAXES 170,934,365 (117,573,578) 53,36 32 TOTAL OPERATING REV. DEDUCT. \$1,938,605,600 \$ (98,981,905) \$1,839,62 33 34 NET OPERATING INCOME \$381,819,981 \$ 36,308,581 \$ 418,12 35 36 RATE BASE \$5,404,113,600 \$ (2,392,290) \$5,401,72 37 38 RATE OF RETURN 7.07% 39 40 RATE BASE: 41 GROSS UTILITY PLANT IN SERVICE \$9,308,159,177 \$ (4,530,703) \$9,303,62 42 ACCUMULATED DEPRECIATION (3,362,527,859) 1,060,869 (3,361,464) 43 DEFERRED TAXES (1,095,451,827) 1,077,544 (1,094,374) 45 ALLOWANCE FOR WORKING CAPITAL 209,355,587 - 209,35	26	AMORTIZ OF PROPERTY GAIN/LOSS				-		17,213,410
29 TAXES OTHER THAN F.I.T. 211,551,213 (122,128,873) 89,42 30 FEDERAL INCOME TAXES (0) 83,921,764 83,92 31 DEFERRED INCOME TAXES 170,934,365 (117,573,578) 53,36 32 TOTAL OPERATING REV. DEDUCT. \$1,938,605,600 \$(98,981,905) \$1,839,62 33 34 NET OPERATING INCOME \$381,819,981 \$36,308,581 \$418,12 35 36 RATE BASE \$5,404,113,600 \$(2,392,290) \$5,401,72 37 38 RATE OF RETURN 7.07% 39 40 RATE BASE: 41 GROSS UTILITY PLANT IN SERVICE \$9,308,159,177 \$(4,530,703) \$9,303,62 42 ACCUMULATED DEPRECIATION (3,362,527,859) 1,060,869 (3,361,46 43 DEFERRED DEBITS 409,992,992 - 409,99 44 DEFERRED TAXES (1,095,451,827) 1,077,544 (1,094,374,455) ALLOWANCE FOR WORKING CAPITAL 209,355,587 - 209,35	27	OTHER OPERATING EXPENSES		(5,363,592)		11,269,283		5,905,692
30 FEDERAL INCOME TAXES 31 DEFERRED INCOME TAXES 32 TOTAL OPERATING REV. DEDUCT. 33 SH1,819,981 \$ 36,308,581 \$ 418,12 \$ 35	28	ASC 815		(77,878,862)		77,878,862		-
31 DEFERRED INCOME TAXES 170,934,365 (117,573,578) 53,36 32 TOTAL OPERATING REV. DEDUCT. \$ 1,938,605,600 \$ (98,981,905) \$ 1,839,62 33 NET OPERATING INCOME \$ 381,819,981 \$ 36,308,581 \$ 418,12 35 \$ 5,404,113,600 \$ (2,392,290) \$ 5,401,72 37 \$ 7.07% \$ 7.07% 39 \$ 7.07% \$ 9,308,159,177 \$ (4,530,703) \$ 9,303,62 40 RATE BASE: \$ 9,308,159,177 \$ (4,530,703) \$ 9,303,62 42 ACCUMULATED DEPRECIATION (3,362,527,859) 1,060,869 (3,361,46 43 DEFERRED DEBITS 409,992,992 - 409,99 44 DEFERRED TAXES (1,095,451,827) 1,077,544 (1,094,377,454) 45 ALLOWANCE FOR WORKING CAPITAL 209,355,587 - 209,35	29	TAXES OTHER THAN F.I.T.		211,551,213		(122,128,873)		89,422,340
32 TOTAL OPERATING REV. DEDUCT. \$ 1,938,605,600 \$ (98,981,905) \$ 1,839,62 33 34 NET OPERATING INCOME \$ 381,819,981 \$ 36,308,581 \$ 418,12 35 36 RATE BASE \$ 5,404,113,600 \$ (2,392,290) \$ 5,401,72 37 38 RATE OF RETURN 7.07% 39 40 RATE BASE: 41 GROSS UTILITY PLANT IN SERVICE \$ 9,308,159,177 \$ (4,530,703) \$ 9,303,62 42 ACCUMULATED DEPRECIATION (3,362,527,859) 1,060,869 (3,361,46 43 DEFERRED DEBITS 409,992,992 - 409,99 44 DEFERRED TAXES (1,095,451,827) 1,077,544 (1,094,374,455) ALLOWANCE FOR WORKING CAPITAL 209,355,587 - 209,35	30	FEDERAL INCOME TAXES		(0)		83,921,764		83,921,764
32 TOTAL OPERATING REV. DEDUCT. \$ 1,938,605,600 \$ (98,981,905) \$ 1,839,62 33 34 NET OPERATING INCOME \$ 381,819,981 \$ 36,308,581 \$ 418,12 35 36 RATE BASE \$ 5,404,113,600 \$ (2,392,290) \$ 5,401,72 37 38 RATE OF RETURN 7.07% 39 40 RATE BASE: 41 GROSS UTILITY PLANT IN SERVICE \$ 9,308,159,177 \$ (4,530,703) \$ 9,303,62 42 ACCUMULATED DEPRECIATION (3,362,527,859) 1,060,869 (3,361,46 43 DEFERRED DEBITS 409,992,992 - 409,99 44 DEFERRED TAXES (1,095,451,827) 1,077,544 (1,094,37 45 ALLOWANCE FOR WORKING CAPITAL 209,355,587 - 209,35	31	DEFERRED INCOME TAXES		170,934,365		(117,573,578)		53,360,787
34 NET OPERATING INCOME \$ 381,819,981 \$ 36,308,581 \$ 418,12 35 36 RATE BASE \$ 5,404,113,600 \$ (2,392,290) \$ 5,401,72 37 38 RATE OF RETURN 7.07% 39 40 RATE BASE: 41 GROSS UTILITY PLANT IN SERVICE \$ 9,308,159,177 \$ (4,530,703) \$ 9,303,62 42 ACCUMULATED DEPRECIATION (3,362,527,859) 1,060,869 (3,361,46) 43 DEFERRED DEBITS 409,992,992 - 409,99 44 DEFERRED TAXES (1,095,451,827) 1,077,544 (1,094,376) 45 ALLOWANCE FOR WORKING CAPITAL 209,355,587 - 209,35	32	TOTAL OPERATING REV. DEDUCT.	\$		\$		\$	1,839,623,695
35 36 RATE BASE \$ 5,404,113,600 \$ (2,392,290) \$ 5,401,72 37 38 RATE OF RETURN 7.07% 39 40 RATE BASE: 41 GROSS UTILITY PLANT IN SERVICE \$ 9,308,159,177 \$ (4,530,703) \$ 9,303,62 42 ACCUMULATED DEPRECIATION (3,362,527,859) 1,060,869 (3,361,46 43 DEFERRED DEBITS 409,992,992 - 409,99 44 DEFERRED TAXES (1,095,451,827) 1,077,544 (1,094,374) 45 ALLOWANCE FOR WORKING CAPITAL 209,355,587 - 209,35	33							
36 RATE BASE \$ 5,404,113,600 \$ (2,392,290) \$ 5,401,72 \$ (2,392,290) \$ 5,401,72 \$ (2,392,290) \$ 5,401,72 \$ (2,392,290) \$ 5,401,72 \$ (3,382,290) \$ 5,401,72 \$ (3,382,290) \$ 5,401,72 \$ (3,382,290) \$ 5,401,72 \$ (4,530,703) \$ 5,401,72 \$ (4,530,703) \$ (4,530,70	34	NET OPERATING INCOME	\$	381,819,981	\$	36,308,581	\$	418,128,562
37 38 RATE OF RETURN 39 40 RATE BASE: 41 GROSS UTILITY PLANT IN SERVICE \$ 9,308,159,177 \$ (4,530,703) \$ 9,303,62 42 ACCUMULATED DEPRECIATION (3,362,527,859) 1,060,869 (3,361,46 43 DEFERRED DEBITS 409,992,992 - 409,99 44 DEFERRED TAXES (1,095,451,827) 1,077,544 (1,094,374) 45 ALLOWANCE FOR WORKING CAPITAL 209,355,587 - 209,35	35							
38 RATE OF RETURN 7.07% 39 7.07% 40 RATE BASE: 41 GROSS UTILITY PLANT IN SERVICE \$ 9,308,159,177 \$ (4,530,703) \$ 9,303,62 42 ACCUMULATED DEPRECIATION (3,362,527,859) 1,060,869 (3,361,46 43 DEFERRED DEBITS 409,992,992 - 409,99 44 DEFERRED TAXES (1,095,451,827) 1,077,544 (1,094,374) 45 ALLOWANCE FOR WORKING CAPITAL 209,355,587 - 209,355	36	RATE BASE	\$	5,404,113,600	\$	(2,392,290)	\$	5,401,721,310
39 40 RATE BASE: 41 GROSS UTILITY PLANT IN SERVICE \$ 9,308,159,177 \$ (4,530,703) \$ 9,303,62 42 ACCUMULATED DEPRECIATION (3,362,527,859) 1,060,869 (3,361,46 43 DEFERRED DEBITS 409,992,992 - 409,99 44 DEFERRED TAXES (1,095,451,827) 1,077,544 (1,094,37) 45 ALLOWANCE FOR WORKING CAPITAL 209,355,587 - 209,35	37							
40 RATE BASE: 41 GROSS UTILITY PLANT IN SERVICE \$ 9,308,159,177 \$ (4,530,703) \$ 9,303,62 42 ACCUMULATED DEPRECIATION (3,362,527,859) 1,060,869 (3,361,46 43 DEFERRED DEBITS 409,992,992 - 409,99 44 DEFERRED TAXES (1,095,451,827) 1,077,544 (1,094,37 45 ALLOWANCE FOR WORKING CAPITAL 209,355,587 - 209,35	38	RATE OF RETURN		7.07%				7.74%
41 GROSS UTILITY PLANT IN SERVICE \$ 9,308,159,177 \$ (4,530,703) \$ 9,303,62 42 ACCUMULATED DEPRECIATION (3,362,527,859) 1,060,869 (3,361,46 43 DEFERRED DEBITS 409,992,992 - 409,99 44 DEFERRED TAXES (1,095,451,827) 1,077,544 (1,094,37) 45 ALLOWANCE FOR WORKING CAPITAL 209,355,587 - 209,35	39							
42 ACCUMULATED DEPRECIATION (3,362,527,859) 1,060,869 (3,361,46 43 DEFERRED DEBITS 409,992,992 - 409,99 44 DEFERRED TAXES (1,095,451,827) 1,077,544 (1,094,37) 45 ALLOWANCE FOR WORKING CAPITAL 209,355,587 - 209,35	40	RATE BASE:						
43 DEFERRED DEBITS 409,992,992 - 409,99 44 DEFERRED TAXES (1,095,451,827) 1,077,544 (1,094,37) 45 ALLOWANCE FOR WORKING CAPITAL 209,355,587 - 209,35	41	GROSS UTILITY PLANT IN SERVICE	\$	9,308,159,177	\$	(4,530,703)	\$	9,303,628,474
44 DEFERRED TAXES (1,095,451,827) 1,077,544 (1,094,37) 45 ALLOWANCE FOR WORKING CAPITAL 209,355,587 - 209,35	42	ACCUMULATED DEPRECIATION		(3,362,527,859)		1,060,869		(3,361,466,990)
45 ALLOWANCE FOR WORKING CAPITAL 209,355,587 - 209,35	43	DEFERRED DEBITS		409,992,992		-		409,992,992
45 ALLOWANCE FOR WORKING CAPITAL 209,355,587 - 209,35	44	DEFERRED TAXES				1,077,544		(1,094,374,283)
	45	ALLOWANCE FOR WORKING CAPITAL		209,355,587		-		209,355,587
	46	OTHER		(65,414,470)		-		(65,414,470)
47 TOTAL RATE BASE \$ 5,404,113,600 \$ (2,392,290) \$ 5,401,72	47	TOTAL RATE BASE	\$	5,404,113,600	\$	(2,392,290)	\$	5,401,721,310

Page 3-A

PUGET SOUND ENERGY-ELECTRIC STATEMENT OF OPERATING INCOME AND ADJUSTMENTS FOR THE TWELVE MONTHS ENDED JUNE 39, 2014 COMMISSION BASIS REPORT

LINE		ACI OF	ACTUAL RESULTS OF OPERATIONS 12 MF Inn 30 2014	TEMPE NORMAL	TEMPERATURE NORMALIZATION 3.01	REVENUE & EXPENSE 3.02	POWER COSTS	>>>>>>>> FEI INCO	FEDERAL INCOME TAX 3.04	>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>	PASS-	PASS-THROUGH RATE CASE REV & EXP EXPENSES 3.07	RATE CASE EXPENSES 3.07	BAD DEBTS 3.08
-	OPER ATTING PRIVENTIES													
7	SALES TO CUSTOMERS	69	2.084.321.770	es.	6.794.055	67.175.347	€9	69	9		8	(124.164.574)	99	,
3	SALES FROM RESALE-FIRM		349,909											
4	SALES TO OTHER UTILITIES		152,683,961					,						
5	OTHER OPERATING REVENUES											(11,547,185)		Ī
9 1	TOTAL OPERATING REVENUES	S	2,320,425,582	s	6,795,442 \$	67,175,347	\$ (932,354)	354) \$			S	(135,711,759)	S	ı
~ 8	OPERATING REVENUE DEDUCTIONS:													
6														
2	POWER COSTS:	,	!		,				•		,		,	
= :	FUEL	S	271,740,686	ss.	9		\$ (100,884)	884) \$			s> .	1	S	•
13	PURCHASED AND INTERCHANGED WHEELING		542,462,295				(10,478,012)	012)				(1,827,278)		
14	RESIDENTIAL EXCHANGE		(97,162,538)					,				97,162,538		
15	TOTAL PRODUCTION EXPENSES	s	819,088,329	s	\$		\$ (10,578,896)	\$ (968	\$		\$ -	95,335,260	S	
16														
17	OTHER POWER SUPPLY EXPENSES	S		S	·			S					S	1
× 5	I KANSMISSION EXPENSE DISTRIBUTION EXPENSE		19,471,020											1
5 5	CITETOMED A CCTS EXPENSES		69,230,200		70 047	102 701						(751 703)		- 050 551 57
21	CUSTOMER SERVICE EXPENSES		18.796.581		40,047	403,791						(16.654.895)		(1,137,034)
22	CONSERVATION AMORTIZATION		90,243,004									(90,228,853)		
23	ADMIN & GENERAL EXPENSE		110,048,638		13,591	134,351						(311,504)	334,229	
24	DEPRECIATION		258,202,605											
25	AMORTIZATION		46,515,560											
07 6	AMONTIE OF PROFENT I GAIN/LOSS		17,213,410			901 505 01						280 25		
78	OTHER OFERATING EAFENSES FAS 133		(3,363,392)			10,793,196						4/0,000		
29	TAXES OTHER THAN F.I.T.		211,551,213		261,631	2,586,318					Ū	(124,814,220)		
30	FEDERAL INCOME TAXES		(0)		2,267,781	18,640,191	3,376,290		115,657,346	(59,932,098)		433,324	(116,980)	2,504,969
31	DEFERRED INCOME TAXES	6		6				6	(90,315,977)	00 000 020	6		0.00	(100 01)
33	TOTAL OPERATING REV. DEDOCT.	9	1,938,003,000	9	\$ 000,000,7	52,337,848	\$ (7,202,000)	•	3,341,309	(98,752,098)	•	; (cnc,01c,0c1)	6 217,249 6	(4,022,083)
34	NET OPERATING INCOME	9	381,819,981	S	4,211,592 \$	34,617,499	\$ 6,270,252		\$ (25,341,369) \$	59,932,098	& &	804,746	\$ (217,249) \$	4,652,085
36	RATE BASE	S	5,404,113,600	s	\$		S	S	9				S	
37														
38	RATE OF RETURN		7.07%											
£ 4	RATE BASE:													
41	GROSS UTILITY PLANT IN SERVICE	8		S	\$		S	\$	· ·		<i>\$</i>	,	s - s	
4 5	ACCUMULATED DEPRECIATION	so.	(3,362,527,859)											
3 4	DEFERRED TAXES		(1,095,451,827)											
45	ALLOWANCE FOR WORKING CAPITAL		209,355,587											
40	OTHER TOTAL RATE BASE	ø.	(65,414,470)	€.	1		es.	69	1		645 1	1	·	
:		,						٠			٠			

PUGET SOUND ENERGY-ELECTRIC
STATEMENT OF OPERATING INCOME AND ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED JUNE 39, 2014
COMMISSION BASIS REPORT

LINE NO.	п	INCENTIVE EXCISE TAX & PAY FILING FEE 3.09 3.10	EXCISI FILIN 3.	XCISE TAX & FILING FEE 3.10	D&O INSURANCE 3.11		MONTANA TAX 3.12		INTEREST ON CUST DEPOSITS 3.13		ASC 815	PEN PL	PENSION II PLAN I	INJURIES & DAMAGES 3.16		WILD HORSE SOLAR 3.17	ADJI	TOTAL ADJUSTMENTS
1 C C S S S S S S S S S S S S S S S S S	OPERATING REVENUES SALES TO CUSTOMERS SALES FROM RESALE-FIRM SALES TO OTHER UTILITIES OTHER OPERATING REVENUES		99	'	es.	<i>s</i> >		∞-		€9	'	∽					s	(50,195,172) 1,387 -
	TOTAL OPERATING REVENUES OPERATING REVENUE DEDUCTIONS:		∞	1	∞	· ·		S		69	'	∞	1	s	\$	1	S	(62,673,324)
9 5 1 1 2 1 4 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	POWER COSTS: FUEL PURCHASED AND INTERCHANGED WHEELING RESIDENTIAL EXCHANGE		∞	•	∨	ss .	·		,	∞	1	∞					6 9	(100,884) (12,305,290) - 97,162,538
	TOTAL PRODUCTION EXPENSES \$		89	1	⇔			s		6	'	S	1	es.	se :		8	84,756,364
	OTHER POWER SUPPLY EXPENSES TRANSMISSION EXPENSE		⇔	1	se.	·	•	\$	'	69	,	⇔	1				∽	
	CUSTOMER ACCTS EXPENSES CUSTOMER SERVICE EXPENSES								25,844									7,438,275) (16,654,895)
22 C 23 A 24 D 25 A	CONSERVATION AMORTIZATION ADMIN & GENERAL EXPENSE DEPRECIATION AMORTIZATION	(858,414)		80,113		(986)						(1,9	(1,952,931)	(34,203)	203)	(187,950)		(90,228,853) (2,595,754) (187,950)
	AMORTIZ OF PROPERTY GAIN/LOSS OTHER OPERATING EXPENSES																	- 11,269,283
28 A	ASC 815 TAXES OTHER THAN F.I.T.	(56.965)		'			(105.638)	æ		77	77,878,862							77,878,862
	FEDERAL INCOME TAXES DEFERRED INCOME TAXES	320,383		(28,039)		345	36,973	î m		(27.	(27.257.602)		683,526	11,971	171	65,782	, ,	83,921,764
	TOTAL OPERATING REV. DEDUCT. \$	(594,996)	s	52,073	\$	(641) \$	(68,664)	s (t	25,844	S	50,621,260		\$ (1,269,405) \$	\$ (22,232)	232) \$	(122,167)	s	(98,981,905)
33 34 N	NET OPERATING INCOME \$	594,996	S	(52,073)	€	641 \$	68,664	s ·	(25,844)		\$ (50,621,260)	\$ 1,269,405		\$ 22,232	232 \$	122,167	8	36,308,581
	RATE BASE		8	'	s,	٠	·	s	1	ss.		S	1	es.	%	(2,392,290)	S	(2,392,290)
	RATE OF RETURN																	
0 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4	KATE BASE: GROSS UTILITY PLANT IN SERVICE \$ ACCUMULATED DEPRECIATION DEFERRED DEBITS DEFERRED TAXES ALLOWANCE FOR WORKING CAPITAL	. 4	↔		∞	⇔		⇔	•	∞	1	s	1	s	ses .	(4,530,703) 1,060,869 1,077,544	⇔	(4,530,703) 1,060,869 - 1,077,544
	OTHER TOTAL BATE BASE		s		ø	9		s		¥		s		¥	9	\$ (060 050)	v	- (000 000 0)
ì	TOTAL MALL MALL MALL MALL MALL MALL MALL M		>		9	÷		>		>		>			>	(~,~,~,~,	>	(4,00,4)

PUGET SOUND ENERGY-ELECTRIC

TEMPERATURE NORMALIZATION

FOR THE TWELVE MONTHS ENDED JUNE 30, 2014 COMMISSION BASIS REPORT

	4						
NO.	DESCRIPTION						
1	TEMPERATURE NOR	MALIZATION ADJ	USTMENT:				
2		ACTUAL	TEMP ADJ	KWH	ADJ FOR LOSSES		
3		<u>GPI KWH</u>	<u>GPI KWH</u>	<u>CHANGE</u>	<u>7.00%</u>		
4	Jul-13	1,679,288,569	1,659,086,454	(20,202,115)	(18,787,967)		
5	Aug-13	1,682,030,165	1,659,817,145	(22,213,020)	(20,658,108)		
6	Sep-13	1,636,730,321	1,631,902,617	(4,827,704)	(4,489,765)		
7	Oct-13	1,860,322,773	1,839,376,550	(20,946,223)	(19,479,987)		
8	Nov-13	2,004,525,320	2,055,895,697	51,370,377	47,774,450		
9	Dec-13	2,435,996,873	2,424,640,512	(11,356,361)	(10,561,416)		
10	Jan-14	2,241,985,379	2,297,964,198	55,978,819	52,060,302		
11	Feb-14	2,098,568,767	2,069,981,538	(28,587,229)	(26,586,123)		
12	Mar-14	1,998,765,723	2,036,665,418	37,899,695	35,246,716		
13	Apr-14	1,741,668,736	1,774,674,142	33,005,406	30,695,027		
14	May-14	1,637,784,221	1,672,277,125	34,492,904	32,078,401		
15	Jun-14	1,563,321,899	1,564,329,344	1,007,445	936,924		
16	_	22,580,988,746	22,686,610,739	105,621,993	98,228,454	•	
17							
18	REVENUE ADJUSTIS	chedule 7		102,203,624	\$ 7,066,549		
19	S	chedule 24		1,588,694	94,465		
20	S	chedule 25		(1,735,124)	(119,196)		
21	S	chedule 26		(3,618,195)	(227,988)		
22	S	chedule 29		(76,942)	(4,906)		
23	S	chedule 31		(1,746,666)	(105,461)		
24	S	chedule 43		2,133,201	122,488		
25	S	chedule 40		(559,573)	(31,896)		
26	F	irm Resale		39,433	1,387	_	
27	INCREASE (DECREA	SE) SALES TO CUS	STOMERS	98,228,454	\$ 6,795,442	\$	6,795,442
28							
29	UNCOLLECTIBLES @	9		0.0060110	\$ 40,847		
30	ANNUAL FILING FEE	Ε@		0.0020000	13,591	_	
31	INCREASE (DECREA	SE) EXPENSE					54,438
32							
33	STATE UTILITY TAX	(@		0.0385010	\$ 261,631	_	
34	INCREASE (DECREA	SE) TAXES OTHER					261,631
35							
36	INCREASE (DECREA	SE) OPERATING IN	NCOME				6,479,373
37							
38	INCREASE (DECREA	*		35%			2,267,781
39	INCREASE (DECREA	SE) NOI				\$	4,211,592
40							

- 41 (NOTE 1) AFTER JUNE 30, 2013, PSE'S DELIVERY REVENUE IS DECOUPLED AND SO NO
- 42 LONGER REQUIRES AN ADJUSTMENT FOR TEMPERATURE NORMALIZATION.
- 43 AMOUNTS REFLECTED AFTER JUNE 30, 2013 ARE THE TEMPERATURE
- 44 NORMALIZATION OF THE PORTION OF PSE'S REVENUE THAT RECOVERS
- 45 ITEMS INCLUDED IN PSE'S PCA MECHANISM.

PUGET SOUND ENERGY-ELECTRIC

REVENUE & EXPENSE RESTATING

FOR THE TWELVE MONTHS ENDED JUNE 30, 2014 COMMISSION BASIS REPORT

NO.	DESCRIPTION		AMOUNT	AD	JUSTMENT
1	SALES TO CUSTOMERS:				
2	REMOVE MERGER RATE CREDIT SCH 132		\$ 6,046,287		
3	REMOVE SCHEDULE 95A TREASURY GRANTS		61,129,060		
4		-			
5	INCREASE (DECREASE) SALES TO CUSTOMERS		67,175,347		
6		-		•	
7	INCREASE (DECREASE) REVENUES			\$	67,175,347
8					
9	UNCOLLECTIBLES @ 0	.0060110	\$ 403,791		
10	ANNUAL FILING FEE @ 0	.0020000	134,351	•	
11	INCREASE (DECREASE) EXPENSE				538,142
12					
13	STATE UTILITY TAX @ 0	.0385010	\$ 2,586,318	1	
14	INCREASE (DECREASE) TAXES OTHER				2,586,318
15					
16					
17					
18	OTHER OPERATING EXPENSES:				
19	REMOVE SCHEDULE 95A TREASURY GRANTS				
20	AMORTIZATION OF INTEREST AND GRANTS		45,696,783		
21	REMOVE ACCRUAL FOR FUTURE PTC LIABILITY				
22	(ACTUAL PTC'S REMOVED IN FIT ADJUSTMENT NO. 3.06)	-	(34,903,585)		
23	INCREASE (DECREASE) OPERATING EXPENSES				10,793,198
24					
25	INCREASE (DECREASE) OPERATING INCOME BEFORE FIT				53,257,690
26					
27	INCREASE (DECREASE) FIT @	35%			18,640,191
28	NIGHT AGE (DEGRE AGE) NOV			Φ.	24 617 400
29	INCREASE (DECREASE) NOI			\$	34,617,499

PUGET SOUND ENERGY-ELECTRIC

POWER COSTS

FOR THE TWELVE MONTHS ENDED JUNE 30, 2014 COMMISSION BASIS REPORT

LINE					I	NCREASE
NO.	DESCRIPTION	ACTUAL]	RESTATED	(I	DECREASE)
1	PRODUCTION EXPENSES:					
2	FUEL	\$ 271,740,686	\$	271,639,802	\$	(100,884)
3	PURCHASED AND INTERCHANGED	542,462,295		531,984,283		(10,478,012)
4	WHEELING	102,047,887		102,047,887		-
5	SALES TO OTHER UTILITIES	(152,683,961)		(152,683,961)		-
6	PURCHASES/SALES OF NON-CORE GAS & OTHER REV	(5,247,447)		(4,315,094)		932,354
7	SUBTOTAL - POWER COSTS TO BE ADJUSTED	\$ 758,319,459	\$	748,672,916	\$	(9,646,542)
8						
9	LESS: SALES FOR RESALE	152,683,961				
10	SCH. 94 - RES./FARM CREDIT	(97,162,538)				
11	TOTAL	\$ 813,840,882				
12	PURCHASES/SALES OF NON-CORE GAS	5,247,447				
13	PRODUCTION EXPENSES ON INCOME STATEMENT	\$ 819,088,329				
14	INCREASE(DECREASE) INCOME				\$	9,646,542
15						
16	INCREASE(DECREASE) FIT @	35%				3,376,290
17	INCREASE(DECREASE) NOI				\$	6,270,252

PUGET SOUND ENERGY-ELECTRIC FEDERAL INCOME TAX

FOR THE TWELVE MONTHS ENDED JUNE 30, 2014 COMMISSION BASIS REPORT

NO.	DESCRIPTION		AMOUNT
1	TAXABLE INCOME	\$	330,449,560
2			
3	FEDERAL INCOME TAX @ 35%	\$	115,657,346
4	DEFERRED FIT - DEBIT		80,618,388
5	DEFERRED FIT - CREDIT		-
6	DEFERRED FIT - INV TAX CREDIT, NET OF AMORT.		
7	TOTAL RESTATED FIT	\$	196,275,734
8			
9	FIT PER BOOKS:		
10	CURRENTLY PAYABLE	-	
11	DEFERRED FIT - DEBIT \$337,635,617		
12	DEFERRED FIT - CREDIT (\$166,701,253)	
13	DEFERRED FIT - INV TAX CREDIT, NET OF AMOR'	-	
14	TOTAL CHARGED TO EXPENSE	\$	170,934,365
15			
16	INCREASE(DECREASE) FIT (LINE 3 - LINE 10)		115,657,346
17	INCREASE(DECREASE) DEFERRED FIT (LINES 4 + 5 + 6 - 11 - 12 - 13)		(90,315,977)
18	INCREASE(DECREASE) NOI	\$	(25,341,369)

PUGET SOUND ENERGY-ELECTRIC

TAX BENEFIT OF RESTATED INTEREST

FOR THE TWELVE MONTHS ENDED JUNE 30, 2014 ${\bf COMMISSION\ BASIS\ REPORT}$

NO.	DESCRIPTION		AMOUNT
1	RATE BASE	\$ 5,401,721,310	
2			
3	WEIGHTED COST OF DEBT	3.17%	
4	RESTATED INTEREST		\$ 171,234,566
5			
6			
7			
8			
9	INCREASE (DECREASE) INCOME		\$ (171,234,566)
10			
11	INCREASE (DECREASE) FIT @	35%	\$ (59,932,098)
12			
13	INCREASE (DECREASE) NOI		\$ 59,932,098

PUGET SOUND ENERGY-ELECTRIC

PASS-THROUGH REVENUE & EXPENSE

FOR THE TWELVE MONTHS ENDED JUNE 30, 2014 COMMISSION BASIS REPORT

NO.	DESCRIPTION	AMOUNT	ΑI	DJUSTMENT
1	REMOVE REVENUES ASSOCIATED WITH RIDERS:			
2	CONSERVATION RIDER - SCHEDULE 120		\$	94,519,323
3	PROPERTY TAX TRACKER - SCHEDULE 140			42,708,935
4	MUNICIPAL TAXES - SCHEDULE 81			81,902,283
5	LOW INCOME RIDER - SCHEDULE 129			16,088,735
6	RESIDENTIAL EXCHANGE - SCH 194			(101,790,046)
7	REC PROCEEDS - SCH 137 REC AND BIOGAS PROCEEDS			(11,759,650)
8	EXPENSE OFFSET FOR SCH 137 REC AND BIOGAS PROCEEDS	S		10,750,082
9	DECOUPLING SCH 142 REVENUE			(2,037,301)
10	DECOUPLING SCH 142 SURCHARGE AMORT EXPENSE			1,944,357
11	GREEN POWER - SCH 135/136			4,532,296
12	GREEN POWER - SCH 135/136 ELIMINATE OVER EXPENSED			(1,147,254)
13				
14	TOTAL (INCREASE) DECREASE REVENUES		\$	135,711,759
15				
16	DECREASE REVENUE SENSITIVE ITEMS FOR DECREASE IN I	REVENUES:		
17	BAD DEBTS	0.60110%	\$	(751,703)
18	ANNUAL FILING FEE	0.20000%		(250,109)
19	STATE UTILITY TAX	3.85010%		(4,814,728)
20	TOTAL		\$	(5,816,541)
21				
22	REMOVE EXPENSES ASSOCIATED WITH RIDERS			
23	CONSERVATION AMORTIZATON - SCHEDULE 120		\$	(90,228,853)
24	PROPERTY TAX AMORTIZATION EXP - SCHEDULE 140			(41,396,135)
25	MUNICIPAL TAXES - SCHEDULE 81			(78,587,265)
26	LOW INCOME AMORTIZATION - SCHEDULE 129			(15,359,238)
27	RESIDENTIAL EXCHANGE - SCH 194			97,162,538
28	AMORT ON INTEREST ON REC PROCEEDS - SCH 137			476,086
29	GREEN POWER - SCH 135/136 TAGS CHARGED TO 557			(1,827,278)
30	GREEN POWER - SCH 135/136 CHARGED TO 908/909			(1,295,657)
31	GREEN POWER - SCH 135/136 BENEFITS PORTION OF ADMIN			(61,394)
32	GREEN POWER - SCH 135/136 TAXES PORTION OF ADMIN			(16,091)
33	TOTAL INCREASE (DECREASE) EXPENSE		\$	(131,133,288)
34				
35	INCREASE (DECREASE) OPERATING INCOME BEFORE FIT		\$	1,238,070
36	INCREASE (DECREASE) FIT			433,324
37	INCREASE (DECREASE) NOI		\$	804,745

PUGET SOUND ENERGY-ELECTRIC RATE CASE EXPENSES

FOR THE TWELVE MONTHS ENDED JUNE 30, 2014 COMMISSION BASIS REPORT

NO.	DESCRIPTION			AMOUNT
1	EXPENSES TO BE NORMALIZED			
2				
3				
4	2011 AND 2009 GRC EXPENSES TO BE NORMALIZED	\$	1,040,000	
5				
6	ANNUAL NORMALIZATION (LINE $4 \div 2$ YEARS)		520,000	
7	LESS TEST YEAR EXPENSE		-	
8	INCREASE (DECREASE) EXPENSE	\$	520,000	520,000
9				
10	2013 AND 2007 PCORC EXPENSES TO BE NORMALIZED	\$	405,000	
11				
12	ANNUAL NORMALIZATION (LINE 10 ÷ 4 YEARS)		101,250	
13	LESS TEST YEAR EXPENSE		287,021	
14	INCREASE (DECREASE) EXPENSE	\$	(185,771)	\$ (185,771)
15				
16				
17	TOTAL INCREASE (DECREASE) EXPENSE			\$ 334,229
18				
19	INCREASE(DECREASE) FIT @	35%		 (116,980)
20	INCREASE(DECREASE) NOI		,	\$ (217,249)

PUGET SOUND ENERGY-ELECTRIC

BAD DEBTS

FOR THE TWELVE MONTHS ENDED JUNE 30, 2014 ${\bf COMMISSION\ BASIS\ REPORT}$

								OTHER				P	ERCENT
LINE			NET	GROSS	S	ALES FOR	(PERATING	S	ALES FOR	NET	W	RITEOFFS
NO.	YEAR	W	RITEOFF'S	REVENUES	RES	SALE OTHER		REVENUE	RE	SALE FIRM	REVENUES	то	REVENUE
			June	February		February		February		February	February		
1	12 ME 6/30/2010 AND 2/28/2010	\$	11,723,957	\$ 2,063,613,800	\$	81,845,099	\$	(13,052,326)	\$	355,271	\$ 1,994,465,756		0.5878%
2	12 ME 6/30/2012 AND 2/29/2012	\$	11,515,730	\$ 2,252,228,204	\$	46,263,193	\$	76,933,064	\$	369,825	\$ 2,128,662,122		0.5410%
3	12 ME 6/30/2013 AND 2/28/2013	\$	14,303,772	\$ 2,139,849,885	\$	23,404,895	\$	(4,205,235)	\$	357,010	\$ 2,120,293,215		0.6746%
4													
5	3-YR AVERAGE OF NET WRITE O	FF F	RATE										0.6011%
6													
7	REPORTING PERIOD REVENUES			2,320,425,582		152,683,961		83,069,942		349,909	\$ 2,084,321,770		
8													
9	RESTATED BAD DEBT RATE										0.6011%		
10	RESTATED BAD DEBTS									•	\$ 12,528,858	-	
11													
12	UNCOLLECTIBLES CHARGED TO	EXI	PENSE IN TE	ST YEAR							19,685,912		
13	INCREASE (DECREASE) EXPENSE	3								•		\$	(7,157,054)
14													
15	INCREASE (DECREASE) NOI											\$	7,157,054
16	INCREASE (DECREASE) FIT										35%		2,504,969
17	INCREASE (DECREASE) NOI											\$	4,652,085
												_	

PUGET SOUND ENERGY-ELECTRIC INCENTIVE PLAN

FOR THE TWELVE MONTHS ENDED JUNE 30, 2014 COMMISSION BASIS REPORT

NO.	DESCRIPTION	ACTUAL	RESTATED	AD	JUSTMENT
1	INCREASE(DECREASE) IN EXPENSE	\$ 7,440,448	\$ 6,582,034	\$	(858,414)
2					
3	PAYROLL TAXES ASSOCI WITH MERIT PAY	493,751	436,786	\$	(56,965)
4	INCREASE(DECREASE) IN EXPENSE	\$ 7,934,199	\$ 7,018,820	\$	(915,379)
5					
6	INCREASE (DECREASE) INCOME				915,379
7	INCREASE (DECREASE) FIT @		35%		320,383
8					
9	INCREASE (DECREASE) NOI			\$	594,996

PUGET SOUND ENERGY-ELECTRIC

EXCISE TAX & FILING FEE

FOR THE TWELVE MONTHS ENDED JUNE 30, 2014 COMMISSION BASIS REPORT

NO.	DESCRIPTION	AMOUNT		
1	RESTATED EXCISE TAXES		\$	81,882,508
2	CHARGED TO EXPENSE FOR TEST YEAR			\$81,882,508
3	INCREASE(DECREASE) EXCISE TAX		\$	-
4				
5	RESTATED WUTC FILING FEE		\$	4,362,188
6	CHARGED TO EXPENSE FOR TEST YEAR			4,282,076
7	INCREASE(DECREASE) WUTC FILING FEE		\$	80,113
8				
9	INCREASE(DECREASE) EXPENSE		\$	80,113
10				
11	INCREASE(DECREASE) OPERATING INCOME		\$	(80,113)
12				
13	INCREASE(DECREASE) FIT	35%	\$	(28,039)
14				
15	INCREASE(DECREASE) NOI		\$	(52,073)

PUGET SOUND ENERGY-ELECTRIC

D&O INSURANCE

FOR THE TWELVE MONTHS ENDED JUNE 30, 2014 COMMISSION BASIS REPORT

NO.	DESCRIPTION	TE	TEST YEAR RESTATED		ESTATED	ADJUSTMENT	
1	D & O INS. CHG EXPENSE	\$	115,221	\$	114,234	\$	(986)
2							
3	INCREASE (DECREASE) IN EXPENSE	\$	115,221	\$	114,234	\$	(986)
4							
5	INCREASE (DECREASE) OPERATING INCOME						986
6							
7	INCREASE (DECREASE) FIT @				35%		345
8							
9	INCREASE (DECREASE) NOI					\$	641

PUGET SOUND ENERGY-ELECTRIC MONTANA ENERGY TAX

FOR THE TWELVE MONTHS ENDED JUNE 30, 2014 COMMISSION BASIS REPORT

NO.	DESCRIPTION			A	MOUNT
1	Actual KWh			3,	887,984,000
2	Transmission Line Loss % for WECC		0.05		
3	WETT Tax Rate		0.00015		
4	WETT Tax				554,038
5					
6	EEELT Tax Rate		0.0002		
7	EEELT Tax				777,597
8					
9	RESTATED ENERGY TAX				1,331,635
	CHARGED TO EXPENSE				1,437,272
	INCREASE (DECREASE) INCOME		-	\$	105,638
	INCREASE (DECREASE) FIT @	35%			36,973
	INCREASE (DECREASE) NOI		-	\$	68,664

PUGET SOUND ENERGY-ELECTRIC INTEREST ON CUSTOMER DEPOSITS

FOR THE TWELVE MONTHS ENDED JUNE 30, 2014 COMMISSION BASIS REPORT

NO.	DESCRIPTION	AMOUNT
1	INTEREST EXPENSE FOR TEST YEAR	\$ 25,844
2		
3		
4	INCREASE (DECREASE) NOI	\$ (25,844)

PUGET SOUND ENERGY-ELECTRIC

ASC 815

FOR THE TWELVE MONTHS ENDED JUNE 30, 2014 COMMISSION BASIS REPORT

NO.			ACTUAL	RESTATED		AD	JUSTMENT
1 2	ASC 815 OPERATING EXPENSE	\$	(77,878,862)	\$	-	\$	77,878,862
3	INCREASE (DECREASE) IN EXPENSE	\$	(77,878,862)	\$	-	\$	77,878,862
5	INCREASE (DECREASE) OPERATING INCOM	1E					(77,878,862)
7	INCREASE (DECREASE) DEFERRED FIT @		35%				(27,257,602)
8 9	INCREASE (DECREASE) NOI					\$	(50,621,260)

PUGET SOUND ENERGY-ELECTRIC PENSION PLAN

FOR THE TWELVE MONTHS ENDED JUNE 30, 2014 COMMISSION BASIS REPORT

NO.	DESCRIPTION	CTUAL RESTATED		AD	JUSTMENT	
						_
1	QUALIFIED RETIREMENT FUND	\$ 7,744,545	\$	5,791,615	\$	(1,952,931)
2						
3	INCREASE (DECREASE) IN EXPENSE	\$ 7,744,545	\$	5,791,615	\$	(1,952,931)
4						
5	INCREASE (DECREASE) INCOME					1,952,931
6	INCREASE (DECREASE) FIT @			35%		683,526
7						
8	INCREASE (DECREASE) NOI				\$	1,269,405

PUGET SOUND ENERGY-ELECTRIC INJURIES AND DAMAGES

FOR THE TWELVE MONTHS ENDED JUNE 30, 2014 COMMISSION BASIS REPORT

NO.	DESCRIPTION	A	CTUAL	RESTATED		ADJ	USTMENT
							_
1	INJURIES & DAMAGES ACCRUALS	\$	(20,000)	\$	78,333	\$	98,333
2	INJURIES & DAMAGES PAYMENTS IN EXCESS OF ACCRUALS	\$	312,528	\$	179,992		(132,536)
3	INCREASE/(DECREASE) IN EXPENSE		292,528		258,325		(34,203)
4							
5	INCREASE/(DECREASE) IN OPERATING EXPENSE (LINE 3)					\$	(34,203)
6	INCREASE (DECREASE) FIT @				35%		11,971
7							
8	INCREASE (DECREASE) NOI					\$	22,232

PUGET SOUND ENERGY-ELECTRIC WILD HORSE SOLAR

FOR THE TWELVE MONTHS ENDED JUNE 30, 2014 COMMISSION BASIS REPORT

NO.	DESCRIPTION	1	ACTUAL	RESTATED	AD	JUSTMENT
1	WILD HORSE SOLAR RATEBASE (AMA)					
2	UTILITY PLANT RATEBASE					
3	PLANT BALANCE	\$	4,530,703		\$	(4,530,703)
4	ACCUM DEPRECIATION		(1,060,869)			1,060,869
5	DEFERRED INCOME TAX LIABILITY		(1,077,544)			1,077,544
6	NET WH SOLAR PLANT RATEBASE		2,392,290			(2,392,290)
7						
8	WILD HORSE SOLAR OPERATING EXPENSE					
9	DEPRECIATION EXPENSE		187,950			(187,950)
10						
11	INCREASE (DECREASE) EXPENSE	\$	187,950	\$ -	\$	(187,950)
12						
13	INCREASE (DECREASE) FIT @			35%)	65,782
14	INCREASE (DECREASE) NOI				\$	122,167

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PUGET SOUND ENERGY-ELECTRIC

CONVERSION FACTOR

FOR THE TWELVE MONTHS ENDED JUNE 30, 2014 COMMISSION BASIS REPORT

NO.	DESCRIPTION		RATE
1	BAD DEBTS		0.006011
2	ANNUAL FILING FEE		0.002000
3	STATE UTILITY TAX ((1 - LINE 1) * 3.8734%)	3.8734%	0.038501
4		-	
5	SUM OF TAXES OTHER		0.046512
6			
7	CONVERSION FACTOR EXCLUDING FEDERAL INCOME TAX (1 - L	INE 5)	0.953488
8	FEDERAL INCOME TAX ((1 - LINE 5) * 35%)	35%	0.333721
9	CONVERSION FACTOR (1 - LINE 8)	-	0.619767