THIS FILING IS
Item 1: ☑ An Initial (Original) Submission OR ☐ Resubmission No.

FERC FINANCIAL REPORT
FERC FORM No. 2: Annual Report of Major Natural Gas Companies and Supplemental Form 3-Q: Quarterly Financial Report

These reports are mandatory under the Natural Gas Act, Sections 10(a), and 16 and 18 CFR Parts 260.1 and 260.300. Failure to report may result in criminal fines, civil penalties, and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider these reports to be of a confidential nature.

Exact Legal Name of Respondent (Company)	Year/Period of Report:
Puget Sound Energy, Inc.	End of: 2022/ Q4

INSTRUCTIONS FOR FILING FERC FORMS 2, 2-A and 3-Q

GENERAL INFORMATION

I. Purpose

FERC Forms 2, 2-A, and 3-Q are designed to collect financial and operational information from natural gas companies subject to the jurisdiction of the Federal Energy Regulatory Commission. These reports are also considered to be a non-confidential public use forms.

II. Who Must Submit

Each natural gas company whose combined gas transported or stored for a fee exceed 50 million dekatherms in each of the previous three years must submit FERC Form 2 and 3-Q.

Each natural gas company not meeting the filing threshold for FERC Form 2, but having total gas sales or volume transactions exceeding 200,000 dekatherms in each of the previous three calendar years must submit FERC Form 2-A and 3-Q.

Newly established entities must use projected data to determine whether they must file the FERC Form 3-Q and FERC Form 2 or 2-A.

III. What and Where to Submit

a. Submit FERC Form Nos. 2, 2-A and 3-Q electronically through the eCollection portal at https://eCollection.ferc.gov, and according to the specifications in the Form 2, 2-A and 3-Q taxonomies..

b. The Corporate Officer Certification must be submitted electronically as part of the FERC Form 2 and 3-Q filings.

c. Submit immediately upon publication, by either eFiling or mailing two (2) copies to the Secretary of the Commission, the latest Annual Report to Stockholders and any annual financial or statistical report regularly prepared and distributed to bondholders, security analysts, or industry associations. Do not include monthly and quarterly reports. Indicate by checking the appropriate box on Form 2, Page 3, List of Schedules, if the reports to stockholders will be submitted or if no annual report to stockholders is prepared. Unless eFiling the Annual Report to Stockholders, mail these reports to the Secretary of the Commission at:

   Secretary of the Commission
   Federal Energy Regulatory Commission
   888 First Street, NE
   Washington, DC 20426

d. For the Annual CPA certification, submit with the original submission of this form, a letter or report (not applicable to respondents classified as Class C or Class D prior to January 1, 1984) prepared in conformity with the current standards of reporting which will:

   i. Contain a paragraph attesting to the conformity, in all material respects, of the schedules listed below with the Commission's applicable Uniform Systems of Accounts (including applicable notes relating thereto and the Chief Accountant's published accounting releases), and

   ii. be signed by independent certified public accountants or an independent licensed public accountant certified or licensed by a regulatory authority of a State or other political subdivision of the U. S. (See 18 C.F.R. §§ 158.10-158.12 for specific qualifications.)

Reference	Reference Schedules Pages
Comparative Balance Sheet	110-113
Statement of Income	114-117
Statement of Retained Earnings	118-119

estimated to average 295.66 hours per response. The public reporting burden for the Form 3-Q collection of information is estimated to average 167 hours per response.

Send comments regarding these burden estimates or any aspect of these collections of information, including suggestions for reducing burden, to the Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426 (Attention: Information Clearance Officer); and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503 (Attention: Desk Officer for the Federal Energy Regulatory Commission). No person shall be subject to any penalty if any collection of information does not display a valid control number (44 U.S.C. § 3512 (a)).

GENERAL INSTRUCTIONS

I. Prepare all reports in conformity with the Uniform System of Accounts (USofA) (18 C.F.R. Part 201). Interpret all accounting words and phrases in accordance with the USofA.

II. Enter in whole numbers (dollars or Dth) only, except where otherwise noted. (Enter cents for averages and figures per unit where cents are important. The truncating of cents is allowed except on the four basic financial statements where rounding is required.) The amounts shown on all supporting pages must agree with the amounts entered on the statements that they support. When applying thresholds to determine significance for reporting purposes, use for balance sheet accounts the balances at the end of the current reporting period, and use for statement of income accounts the current year's year to date amounts.

III. Complete each question fully and accurately, even if it has been answered in a previous report. Enter the word "None" where it truly and completely states the fact.

IV. For any page(s) that is not applicable to the respondent, indicate whether a schedule has been omitted by entering "NA," "NONE," or "Not Applicable" in column (d) on the List of Schedules, page 2.

V. Enter the month, day, and year for all dates. Use customary abbreviations. **The "Date of Report" included in the header of each page is to be completed only for resubmissions.**

VI. Generally, except for certain schedules, all numbers, whether they are expected to be debits or credits, must be reported as positive. Numbers having a sign that is different from the expected sign must be reported by enclosing the numbers in parentheses.

VII. For any resubmissions, please explain the reason for the resubmission in a footnote to the data field.

VIII. Footnote and further explain accounts or pages as necessary.

IX. Do not make references to reports of previous periods/years or to other reports in lieu of required entries, except as specifically authorized.

X. Wherever (schedule) pages refer to figures from a previous period/year, the figures reported must be based upon those shown by the report of the previous period/year, or an appropriate explanation given as to why the different figures were used.

XI. Report all gas volumes in Dth unless the schedule specifically requires the reporting in another unit of measurement.

XII. Schedule specific instructions are found in the applicable taxonomy and on the applicable blank rendered form.

DEFINITIONS

I. Btu per cubic foot – The total heating value, expressed in Btu, produced by the combustion, at constant pressure, of the amount of the gas which would occupy a volume of 1 cubic foot at a temperature of 60°F if saturated with water vapor and under a pressure equivalent to that of 30°F, and under standard gravitational force (980.665 cm. per sec) with air of the same temperature and pressure as the gas, when the products of combustion are cooled to the initial temperature of gas and air when the water formed by combustion is condensed to the liquid state (called gross heating value or total heating value).

Commission Authorization – The authorization of the Federal Energy Regulatory Commission

Statement of Retained Earnings 118-119
Statement of Cash Flows 120-121
Notes to Financial Statements 122-123

Filers should state in the letter or report, which, if any, of the pages above do not conform to the Commission's requirements. Describe the discrepancies that exist

e. Filers are encouraged to file their Annual Report to Stockholders, and the CPA Certification Statement using eFiling. Further instructions are found on the Commission website at https://www.ferc.gov/ferc-online/ferc-online/frequently-asked-questions-faqs-efilingferc-online .

f. Federal, State and Local Governments and other authorized users may obtain additional blank copies of FERC Form 2 and 2-A free of charge from: https://www.ferc.gov/industries-data/natural-gas/industry-forms . Copies may also be obtained from the Public Reference and Files Maintenance Branch, Federal Energy Regulatory Commission, 888 First Street, NE. Room 2A, Washington, DC 20426 or by calling (202).502-8371

IV. When to Submit:

FERC Forms 2, 2-A, and 3-Q must be filed by the dates:

a. FERC Form 2 and 2-A --- by April 18th of the following year (18 C.F.R. §§ 260.1 and 260.2)

b. FERC Form 3-Q --- Natural gas companies that file a FERC Form 2 must file the FERC Form 3-Q within 60 days after the reporting quarter (18 C.F.R.§ 260.300), and

c. FERC Form 3-Q --- Natural gas companies that file a FERC Form 2-A must file the FERC Form 3-Q within 70 days after the reporting quarter (18 C.F.R. § 260.300).

V. Where to Send Comments on Public Reporting Burden.

The public reporting burden for the Form 2 collection of information is estimated to average 1,671.66 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data-needed, and completing and reviewing the collection of information. The public reporting burden for the Form 2A collection of information is

II. Commission Authorization -- The authorization of the Federal Energy Regulatory Commission, or any other Commission. Name the commission whose authorization was obtained and give date of the authorization.

III. Dekatherm – A unit of heating value equivalent to 10 therms or 1,000,000 Btu.

IV. Respondent – The person, corporation, licensee, agency, authority, or other legal entity or instrumentality on whose behalf the report is made.

EXCERPTS FROM THE LAW

Natural Gas Act, 15 U.S.C. 717-717w

"Sec. 10(a). Every natural-gas company shall file with the Commission such annual and other periodic or special reports as the Commission may by rules and regulations or order prescribe as necessary or appropriate to assist the Commission in the proper administration of this act. The Commission may prescribe the manner and form in which such reports shall be made and require from such natural-gas companies specific answers to all questions upon which the Commission may need information. The Commission may require that such reports include, among other things, full information as to assets and liabilities, capitalization, investment and reduction thereof, gross receipts, interest dues and paid, depreciation, amortization, and other reserves, cost of facilities, costs of maintenance and operation of facilities for the production, transportation, delivery, use, or sale of natural gas, costs of renewal and replacement of such facilities, transportation, delivery, use and sale of natural gas..."

"Section 16. The Commission shall have power to perform all and any acts, and to prescribe, issue, make, amend, and rescind such orders, rules, and regulations as it may find necessary or appropriate to carry out the provisions of this act. Among other things, such rules and regulations may define accounting, technical, and trade terms used in this act; and may prescribe the form or forms of all statements declarations, applications, and reports to be filed with the Commission, the information which they shall contain, and time within they shall be filed..."

General Penalties

The Commission may assess up to $1 million per day per violation of its rules and regulations. See NGA § 22(a), 15 U.S.C. §717t-1(a).

FERC FORM NO. 2 REPORT OF MAJOR NATURAL GAS COMPANIES		
IDENTIFICATION		
01 Exact Legal Name of Respondent Puget Sound Energy, Inc.		02 Year/ Period of Report End of: 2022/ Q4
03 Previous Name and Date of Change (if name changed during year) /		
04 Address of Principal Office at End of Year (Street, City, State, Zip Code) P.O. Box 97034, Bellevue, WA, 98009-9734		
05 Name of Contact Person Stacy Smith		06 Title of Contact Person Controller and Principal Accounting Officer
07 Address of Contact Person (Street, City, State, Zip Code) P.O. Box 97034, Bellevue, WA, 98009-9734		
08 Telephone of Contact Person, Including Area Code (425) 454-6363	09 This Report is An Original / A Resubmission (1) ☑ An Original (2) ☐ A Resubmission	10 Date of Report (Mo, Da, Yr) 04/14/2023

Annual Corporate Officer Certification	
The undersigned officer certifies that: I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.	
11 Name Stacy Smith	12 Title Controller and Principal Accounting Officer
13 Signature Stacy Smith	14 Date Signed 04/14/2023
Title 18, U.S.C. 1001 makes it a crime for any person to knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.	

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

List of Schedules (Natural Gas Company)

Enter in column (d) the terms "none," "not applicable," or "NA" as appropriate, to indicate no information or amounts have been reported for certain pages.

	GAS PLANT STATISTICAL DATA			
66	**Compressor Stations**	508	REV 12-07	
67	**Gas Storage Projects**	512	12-96	N/A
67	**Gas Storage Projects**	513	12-96	
68	**Transmission Lines**	514	12-96	
69	**Transmission System Peak Deliveries**	518	12-96	N/A
70	**Auxiliary Peaking Facilities**	519	12-96	
71	**Gas Account - Natural Gas**	520	REV 01-11	
72	**Shipper Supplied Gas for the Current Quarter**	521	REVISED 02-11	N/A
73	**System Maps**	522.1	REV. 12-96	
74	**Footnote Reference**			
75	**Footnote Text**			
76	**Stockholder's Reports (check appropriate box)**			
	☐ Four copies will be submitted ☑ No annual report to stockholders is prepared			

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

General Information

1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept, and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.

Stacy Smith, Controller and Principal Accounting Officer

P.O. Box 97034, Bellevue, WA 98009-9734

2. Provide the name of the State under the laws of which respondent is incorporated, and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized.

State of Incorporation: WA

Date of Incorporation: 09/12/1960

Incorporated Under Special Law:

3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.

N/A
(a) Name of Receiver or Trustee Holding Property of the Respondent:

(b) Date Receiver took Possession of Respondent Property:

(c) Authority by which the Receivership or Trusteeship was created:

(d) Date when possession by receiver or trustee ceased:

4. State the classes or utility and other services furnished by respondent during the year in each State in which the respondent operated.

Electric - State of WashingtonNatural Gas - State of Washington

5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?

(1) ☐ Yes

(2) ☑ No

Control Over Respondent

1. Report in column (a) the names of all corporations, partnerships, business trusts, and similar organizations that directly, indirectly, or jointly held control (see page 103 for definition of control) over the respondent at the end of the year. If control is in a holding company organization, report in a footnote the chain of organization.
2. If control is held by trustees, state in a footnote the names of trustees, the names of beneficiaries for whom the trust is maintained, and the purpose of the trust.
3. In column (b) designate type of control over the respondent. Report an "M" if the company is the main parent or controlling company having ultimate control over the respondent. Otherwise, report a "D" for direct, an "I" for indirect, or a "J" for joint control.

Line No.	Company Name (a)	Type of Control (b)	State of Incorporation (c)	Percent Voting Stock Owned (d)
1	Puget Energy, Inc. (a holding company)	M	WA	100%
2	Puget Equico, LLC (holds Puget Energy - PE)	I	WA	100%
3	Puget Intermediate Holdings, Inc. (holds Puget Eq)	I	WA	100%
4	Puget Holdings, LLC (holds Puget Intermediate)	I	WA	100%

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Corporations Controlled by Respondent

1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.
2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.
3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.
4. In column (b) designate type of control of the respondent as "D" for direct, an "I" for indirect, or a "J" for joint control.

DEFINITIONS
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1. See the Uniform System of Accounts for a definition of control.
2. Direct control is that which is exercised without interposition of an intermediary.
3. Indirect control is that which is exercised by the interposition of an intermediary that exercises direct control.
4. Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.

Line No.	Name of Company Controlled (a)	Type of Control (b)	Kind of Business (c)	Percent Voting Stock Owned (d)	Footnote Reference (e)
1	Puget Western, Inc.	D	Real Estate Operations	100%	Not used

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Security Holders and Voting Powers

1. Give the names and addresses of the 10 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent, prior to the end of the year, had the highest voting powers in the respondent, and state the number of votes that each could cast on that date if a meeting were held. If any such holder held in trust, give in a footnote the known particulars of the trust (whether voting trust, etc.), duration of trust, and principal holders of beneficiary interests in the trust. If the company did not close the stock book or did not compile a list of stockholders within one year prior to the end of the year, or if since it compiled the previous list of stockholders, some other class of security has become vested with voting rights, then show such 10 security holders as of the close of the year. Arrange the names of the security holders in the order of voting power, commencing with the highest. Show in column (a) the titles of officers and directors included in such list of 10 security holders.
2. If any security other than stock carries voting rights, explain in a supplemental statement how such security became vested with voting rights and give other important details concerning the voting rights of such security. State whether voting rights are actual or contingent; if contingent, describe the contingency.
3. If any class or issue of security has any special privileges in the election of directors, trustees or managers, or in the determination of corporate action by any method, explain briefly in a footnote.
4. Furnish details concerning any options, warrants, or rights outstanding at the end of the year for others to purchase securities of the respondent or any securities or other assets owned by the respondent, including prices, expiration dates, and other material information relating to exercise of the options, warrants, or rights. Specify the amount of such securities or assets any officer, director, associated company, or any of the 10 largest security holders is entitled to purchase. This instruction is inapplicable to convertible securities or to any securities substantially all of which are outstanding in the hands of the general public where the options, warrants.

1. Give date of the latest closing of the stock book prior to end of year, and, in a footnote, state the purpose of such closing:	2. State the total number of votes cast at the latest general meeting prior to the end of year for election of directors of the respondent and number of such votes cast by proxy. Total: By Proxy:	3. Give the date and place of such meeting:

Line No.	Name (Title) and Address of Security Holder (a)	VOTING SECURITIES 4. Number of votes as of (date): Total Votes (b)	Common Stock (c)	Preferred Stock (d)	Other (e)
5	TOTAL votes of all voting securities	85,903,791	85,903,791		
6	TOTAL number of security holders		1		
7	TOTAL votes of security holders listed below	85,903,791	[(a)] 85,903,791		
8					
9					
10					
11					
12					
13					
14					
15					

16					
17					
18					
19					
20					

FOOTNOTE DATA

(a) Concept: NumberOfVotesOfSecurityHolders
Puget Energy is the sole shareholder of Puget Sound Energy.

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Important Changes During the Year

Give details concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Answer each inquiry. Enter "none" or "not applicable" where applicable. If the answer is given elsewhere in the report, refer to the schedule in which it appears.

1. Changes in and important additions to franchise rights: Describe the actual consideration and state from whom the franchise rights were acquired. If the franchise rights were acquired without the payment of consideration, state that fact.
2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.
3. Purchase or sale of an operating unit or system: Briefly describe the property, and the related transactions, and cite Commission authorization, if any was required. Give date journal entries called for by Uniform System of Accounts were submitted to the Commission.
4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other conditions. State name of Commission authorizing lease and give reference to such authorization.
5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and cite Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc.
6. Obligations incurred or assumed by respondent as guarantor for the performance by another of any agreement or obligation, including ordinary commercial paper maturing on demand or not later than one year after date of issue: State on behalf of whom the obligation was assumed and amount of the obligation. Cite Commission authorization if any was required.
7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.
8. State the estimated annual effect and nature of any important wage scale changes during the year.
9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.
10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.
11. Estimated increase or decrease in annual revenues caused by important rate changes: State effective date and approximate amount of increase or decrease for each revenue classification. State the number of customers affected.
12. Describe fully any changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period.
13. In the event that the respondent participates in a cash management program(s) and its proprietary capital ratio is less than 30 percent please describe the significant events or transactions causing the proprietary capital ratio to be less than 30 percent, and the extent to which the respondent has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through a cash management program(s). Additionally, please describe plans, if any to regain at least a 30 percent proprietary ratio.

1. Changes in and important additions to franchise rights: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact.

Q1:

Location (WA)	County	Type	Category	Initial Term	Consideration
Kirkland	King	Natural Gas	Expired		$ -

Q2: None

Q3:

Location (WA)	County	Type	Category	Initial Term	Consideration
Lake Forest Park	King	Electric and Natural Gas	New	15 years	$ -

Q4: None
2. None.

3. None.

4. None.

5. None.

6.

Credit Facilities

As of December 31, 2022, no amount was drawn under PSE's credit facility and $357.0 million was outstanding under the commercial paper program. Outside of the credit agreement, PSE had a $2.3 million letter of credit in support of a long-term transmission contract and had $28.0 million issued under a standby letter of credit in support of natural gas purchases.

Long Term Debt

In August 2022, PSE filed an S-3 shelf registration statement under which it may issue up to $1.4 billion aggregate principal amount of senior notes secured by first mortgage bonds. As of the date of this report, $1.4 billion was available to be issued. The shelf registration will expire in August 2025. For further information, see Note 6, "Long-Term Debt" and Note 7, "Liquidity Facilities and Other Financing Arrangements" in the Company's most recent Annual Report on Form 1 for the year ended December 31, 2021.

7. None.

8.

Non-represented employees received on average a 3.50% increase effective on March 1, 2022. Employees of the IBEW received a 3.0% salary increase effective on January 1, 2022. Employees of the UA received a 3.5% salary increase effective on October 1, 2022. The estimated annual effect of these changes is $11.3 million. The current contracts with the IBEW and UA will expire March 31, 2026 and September 30, 2025, respectively.

9. Legal Proceedings:

Regulation and Rates

General Rate Case

PSE filed a general rate case (GRC) which includes a three-year multiyear rate plan with the Washington Commission on January 31, 2022, requesting an overall increase in electric and natural gas rates of 13.6% and 13.0% respectively in 2023; 2.5% and 2.3%, respectively in 2024; and 1.2% and 1.8%, respectively, in 2025. PSE requested a return on equity of 9.9% in all three rate years. PSE requested an overall rate of return of 7.39% in 2023; 7.44% in 2024; and 7.49% in 2025. The filing requests recovery of forecasted plant additions through 2022 as required by Revised Code of Washington (RCW) 80.28.425 as well as forecasted plant additions through 2025, the final year of the multiyear rate plan.

On January 6, 2023, the Washington Commission approved PSE’s natural gas rates in its compliance filing with an overall increase of $70.8 million or 6.4% in 2023 and $19.5 million or 1.65% in 2024, with an effective date of January 7, 2023. On January 10, 2023, the Washington Commission approved PSE’s electric rates in its compliance filing with an overall increase of $247.0 million or 10.75% in 2023 and $33.1 million or 1.33% in 2024 with an effective date of January 11, 2023.

Revenue Decoupling Adjustment Mechanism

On January 6, 2023, the Washington Commission approved the natural gas 2022 GRC filing. As part of this filing the annual gas delivery allowed revenue was updated to reflect changes in the approved revenue requirement. Additionally, the Commission approved the removal of the earnings test from the decoupling mechanism in accordance with RCW 80.28.425(6). The changes took effect on January 7, 2023.

On January 10, 2023, the Washington Commission approved the electric 2022 GRC filing. As part of this filing the annual electric delivery and fixed power cost allowed revenue was updated to reflect changes in the approved revenue requirement. Additionally, the Commission approved the removal of the earnings test from the decoupling mechanism in accordance with RCW 80.28.425(6). The changes took effect on January 11, 2023.

Power Cost Adjustment Clause Filing

PSE exceeded the $20.0 million cumulative deferral balance in its PCA mechanism in 2021. During 2021, actual power costs were higher than baseline power costs, thereby creating an under-recovery of $68.0 million. Under the terms of the PCA’s sharing mechanism for under-recovered power costs, PSE absorbed $31.3 million of the under-recovered amount, and customers were responsible for the remaining $36.7 million, or $38.4 million including interest. On October 27, 2022, the Washington Commission approved PSE's 2021 PCA report that proposes to recover the deferred balance for 2021 PCA period by keeping the current rates and allowing recovery from January 1, 2023 through November 30, 2023.

PSE's 2021 PCA report that proposes to recover the deferred balance for 2021 PCA period by keeping the current rates and allowing recovery from January 1, 2023 through November 30, 2023.

Purchased Gas Adjustment Mechanism

On October 27, 2022, the Washington Commission approved PSE's request for PGA rates in Docket No. UG-220715, effective November 1, 2022. As part of that filing, PSE requested an annual revenue increase of $155.3 million; where PGA rates, under Schedule 101, increase annual revenue by $142.1 million, and the tracker rates under Schedule 106, increase annual revenue by $13.2 million.

On November 15, 2022, the FERC approved a settlement of a counterparty, FERC Docket No. RP17-346. Under the terms, PSE was allocated $24.2 million related to PSE natural gas services which was recorded on December 31, 2022 and included below. The 2022 GRC order requires PSE to amortize the refund in 2023 as a credit against natural gas costs and therefore pass back the refund to customers through the PGA mechanism.

Environmental Remediation

The Company is subject to environmental laws and regulations by the federal, state and local authorities and is required to undertake certain environmental investigative and remedial efforts as a result of these laws and regulations. The Company has been named by the Environmental Protection Agency (EPA), the Washington State Department of Ecology and/or other third parties as potentially responsible at several contaminated sites and former manufactured gas plant sites. In accordance with the guidance of ASC 450, “Contingencies,” the Company reviews its estimated future obligations and will record adjustments, if any, on a quarterly basis. Management believes it is probable and reasonably estimable that the impact of the potential outcomes of disputes with certain property owners and other potentially responsible parties will result in environmental remediation costs of $84.4 million for natural gas and $48.3 million for electric. The Company believes a significant portion of its past and future environmental remediation costs are recoverable from insurance companies, from third parties or from customers under a Washington Commission order. The Company is also subject to cost-sharing agreements with third parties regarding environmental remediation projects in Seattle, Tacoma, Everett, and Bellingham, Washington.

As of December 31, 2022, the Company’s share of future remediation costs is estimated to be approximately $61.5 million. The Company's deferred electric environmental costs are $51.5 million and $52.2 million at December 31, 2022 and 2021, respectively, net of insurance proceeds. The Company's deferred natural gas environmental costs are $90.4 million and $75.8 million at December 31, 2022 and 2021, respectively, net of insurance proceeds.

Litigation

From time to time, the Company is involved in litigation or legislative rulemaking proceedings relating to its operations in the normal course of business. The following is a description of pending proceedings that are material to PSE’s operations:

Colstrip

PSE has a 50% ownership interest in Colstrip Units 1 and 2 and a 25% interest in each of Colstrip Units 3 and 4, which are coal-fired generating units located in Colstrip, Montana. PSE has accelerated the depreciation of Colstrip Units 3 and 4 to December 31, 2025 as part of the 2019 GRC. The 2017 GRC repurposed PTCs and hydro-related treasury grants to recover unrecovered plant costs and to fund and recover decommissioning and remediation costs for Colstrip Units 1 through 4. On September 2, 2022, PSE and Talen Energy reached an agreement to transfer PSE's ownership interest in Colstrip Units 3 and 4 to Talen Energy on December 31, 2025. Management evaluated Colstrip Units 3 and 4 and determined that the applicable held for sale accounting criteria were not met as of December 31, 2022. As such, Colstrip Units 3 and 4 are classified as Electric Utility Plant on the Company's balance sheet as of December 31, 2022.

Consistent with a June 2019 announcement, Talen permanently shut down Units 1 and 2 at the end of 2019 due to operational losses associated with the Units. Colstrip Units 1 and 2 were retired effective December 31, 2019. The Washington Clean Energy Transformation Act requires the Washington Commission to provide recovery of the investment, decommissioning, and remediation costs associated with the facilities that are not recovered through the repurposed PTCs and hydro-related treasury grants. The full scope of decommissioning activities and costs may vary from the estimates that are available at this time.

On May 19, 2021, PSE along with the Colstrip owners, Avista Corporation, PacifiCorp and Portland General Electric Company filed a lawsuit against the Montana Attorney General challenging the constitutionality of Montana Senate Bill 266. On October 13, 2021, the United States District Court for the District of Montana issued a preliminary injunction finding it likely that Senate Bill 266 unconstitutionally violates the Commerce Clause and Contract Clause of the United States Constitution. Since then, a motion for summary judgment was filed requesting a permanent injunction against enforcement of Senate Bill 266. On September 29, 2022, the magistrate judge in the District Court proceeding issued a recommendation to the presiding U.S. District Court Judge that a permanent injunction against enforcement of Senate Bill 266 be granted. On October 18, 2022, the U.S. District Court Judge accepted in full the magistrate judge recommendation for a permanent injunction against enforcement of Senate Bill 266.

10. Related Party Transactions

Tacoma LNG Facility

In August 2015, PSE filed a proposal with the Washington Commission to develop a liquified nature gas (LNG) facility at the Port of Tacoma. The Tacoma LNG facility will provide peak-shaving services to PSE’s natural gas customers, and will provide LNG as fuel to transportation customers, particularly in the marine market. Following a mediation process and the filing of a settlement stipulation by PSE and all parties, the Washington Commission issued an order on October 31, 2016, that allowed PSE’s parent company, Puget Energy, to create a wholly-owned subsidiary, named Puget LNG, which was formed on November 29, 2016, for the sole purpose of owning, developing and financing the non-regulated activity of the Tacoma LNG facility. Puget LNG has entered into one fuel supply agreement with a maritime customer and is marketing the facility’s expected output to other potential customers.

On February 1, 2022, the Tacoma LNG facility at the Port of Tacoma completed commissioning and commenced commercial operations. Pursuant to the Washington Commission’s order, PSE will be allocated 43.0% of the capital and operating costs of the Tacoma LNG facility. PSE and Puget LNG are considered related parties with similar ownership by Puget Energy. Therefore, capital and operating costs that occur under PSE and are allocated to Puget LNG are related party transactions by nature. Per this allocation of costs, $245.7 million of Natural Gas Plant related to PSE's portion of the Tacoma LNG facility is reported in the Utility plant financial statement line item as of December 31, 2022, as PSE is a regulated entity. The portion of the Tacoma LNG facility allocated to PSE will be subject to regulation by the Washington Commission.

11.

General Rate Case Filing

PSE filed a general rate case (GRC) which includes a three-year multiyear rate plan with the Washington Commission on January 31, 2022, requesting an overall increase in electric and natural gas rates of 13.6% and 13.0% respectively in 2023; 2.5% and 2.3%, respectively in 2024; and 1.2% and 1.8%, respectively, in 2025. PSE requested a return on equity of 9.9% in all three rate years. PSE requested an overall rate of return of 7.39% in 2023; 7.44% in 2024; and 7.49% in 2025. The filing requests recovery of forecasted plant additions through 2022 as required by Revised Code of Washington (RCW) 80.28.425 as well as forecasted plant additions through 2025, the final year of the multiyear rate plan.

On January 6, 2023, the Washington Commission approved PSE’s natural gas rates in its compliance filing with an overall increase of $70.8 million or 6.4% in 2023 and $19.5 million or 1.65% in 2024, with an effective date of January 7, 2023. On January 10, 2023, the Washington Commission approved PSE’s electric rates in its compliance filing with an overall increase of $247.0 million or 10.75% in 2023 and $33.1 million or 1.33% in 2024 with an effective date of January 11, 2023.

Cost Recovery Mechanism for Pipeline Replacement

The purpose of the cost recovery mechanism (CRM) is to recover costs related to projects included in PSE's pipeline replacement program plan on file with the Washington Commission with the intended effect of enhancing the safety of the natural gas distribution system. Rates change annually on November 1. In its 2022 GRC, PSE requested and the Washington Commission approved the recovery of its natural gas CRM investments in the multiyear rate plan. Effective January 7, 2023 PSE will no longer use the CRM annual filing to recover these pipeline replacement program investments.

Revenue Decoupling Adjustment Mechanism

On January 6, 2023, the Washington Commission approved the natural gas 2022 GRC filing. As part of this filing the annual gas delivery allowed revenue was updated to reflect changes in the approved revenue requirement. Additionally, the Commission approved the removal of the earnings test from the decoupling mechanism in accordance with RCW 80.28.425(6). The changes took effect on January 7, 2023.

Purchased Gas Adjustment Mechanism

On October 28, 2021, the Washington Commission approved PSE's request for PGA rates in Docket No. UG-210721, effective November 1, 2021. As part of that filing, PSE requested an annual revenue increase of $59.1 million; where PGA rates, under Schedule 101, increase annual revenue by $80.6 million, and the tracker rates under Schedule 106, decrease annual revenue by $21.5 million. Those annual 2021 PGA rate increases were set in addition to continuing the collection on the remaining balance of $69.4 million under Supplemental Schedule 106B, which were set, in effect, through September 30, 2023 per the 2019 GRC.

On October 27, 2022, the Washington Commission approved PSE's request for PGA rates in Docket No. UG-220715, effective November 1, 2022. As part of that filing, PSE requested an annual revenue increase of $155.3 million; where PGA rates, under Schedule 101, increase annual revenue by $142.1 million, and the tracker rates under Schedule 106, increase annual revenue by $13.2 million.

On November 15, 2022, the FERC approved a settlement of a counterparty, FERC Docket No. RP17-346. Under the terms, PSE was allocated $24.2 million related to PSE natural gas services which was recorded on December 31, 2022 and included below. The 2022 GRC order requires PSE to amortize the refund in 2023 as a credit against natural gas costs and therefore pass back the refund to customers through the PGA mechanism.

The following table presents the PGA mechanism balances and activity at December 31, 2022 and December 31, 2021:

Puget Energy and
Puget Sound Energy

(Dollars in Thousands)	At December 31, 2022	At December 31, 2021
PGA receivable balance and activity		
PGA receivable beginning balance	$ 57,935	$ 87,655
Actual natural gas costs	457,950	364,775
Allowed PGA recovery	(496,879)	(396,236)
Interest	1,674	1,741
Refund from counterparty settlement	(24,216)	—
PGA (liability)/receivable ending balance	$ (3,536)	$ 57,935

Natural Gas Operating Revenue

Natural gas operating revenue increased $142.2 million primarily due to higher retail sales of $149.7 million and transportation and other revenue of $10.6 million. This increase was partially offset by decreased decoupling revenue of $14.3 million and other decoupling revenue of $3.8 million. These items are discussed in the following details:

- **Natural gas retail sales** increased $149.7 million due to an increase in rates of $92.8 million and an increase in natural gas load of 5.2% or $56.9 million of natural gas sales. The increase in rates is due to the tariffs filed pursuant to the Company's most recent CRM and PGA effective November 1, 2021 and Conservation rider effective May 1, 2022, see Management's Discussion and Analysis, "Regulation of PSE Rates and Recovery of PSE Costs" included in Item 7 of this report for natural gas rate changes. The increase in load is driven by an increase of commercial and residential usage of 9.2% and 3.5%, respectively. The increase in commercial usage was largely due to employees returning to work after business shut downs and lack of staffing in 2021 due to COVID-19. Residential usage increased due to an 5.5% increase in heating degree days due to lower than normal temperatures, primarily in the 2nd quarter of 2022.
- **Decoupling revenue** decreased $14.3 million, primarily attributable to increased usage in 2022 and lower allowed revenue per customer compared to 2021. This resulted in actual natural gas revenues being higher than allowed natural gas revenues in the current period, whereas in 2021, actual revenues were lower than allowed revenues.
- **Other decoupling revenue** decreased $3.8 million due to an increase in current period amortization of prior year revenues compared to 2021. This is attributable to increased usage in 2022 as well as increased amortization rates, both of which increase the rate at which deferral revenues are recovered from customers.
- **Transportation and other revenue** increased $10.6 million primarily due to LNG return deferral revenue of $18.9 million which started in 2022; partially offset by a decrease of $6.2 million related to the IRS PLR which included revenue recognition in 2021 and amortization of the PLR to offset recovery through rates in 2022, see Management's Discussion and Analysis, "Regulation of PSE Rates and Recovery of PSE Costs" included in Item 7 of this report.

Natural Gas number of customers and revenue by customer class

The following tables present the number of PSE customers and revenue by customer class for natural gas as of December 31, 2022, and 2021:

Customer Count by Class	2022 December 31,	2021	Percent Change
Residential	812,921	806,264	0.8%
Commercial	57,158	56,983	0.3%
Industrial	2,277	2,279	-0.1%
Other	203	219	-7.3%
Total	872,559	865,745	0.8%

(Dollars in Thousands) **Retail Revenue by Class**	2021 December 31,	2020	Percent Change
Residential	808,376	722,002	12.0%
Commercial	352,243	292,217	20.5%
Industrial	25,096	21,726	15.5%
Other	21,050	20,104	4.7%
Total	1,206,765	1,056,049	14.3%

12.

Changes of Ownership:

None.

Changes of Directors or Certain Officers:

a. Effective February 22, 2022, Christopher Hind and Mary McWilliams were removed from the board of directors, and Aaron Rubin and Chris Parker were appointed as board directors of PSE.

Mr. Rubin is currently responsible for Macquarie Asset Management's Real Assets investment team that focuses on sustainable energy investments in the Americas. Since joining Macquarie in 2008, Mr. Rubin has had responsibility for investment origination and execution and the management of portfolio companies. Mr. Rubin currently serves on the board of directors of Cyrq Energy, Cleco Corporation and Lordstown Energy Center. Mr. Rubin was selected by Clean Energy JV Sub 1, LP and pursuant to the Amended and Restated Bylaws of each of the Companies, will serve as an Owner Director on their respective Boards of Directors. Mr. Rubin will not receive any director compensation from the Companies for his service as an Owner Director on the Boards, but will be reimbursed for out-of-pocket expenses.

Mr. Parker is currently a member of the Ontario Teachers' Pension Plan North America Infrastructure team where he focuses on origination, execution and management of infrastructure investments. He joined Ontario Teachers' Pension Plan in 2011 and has served on the board of directors of Northern Star Generation, Intergen, Express Pipeline, Ontario Teachers' New Zealand Forest Investments and Sydney Desalination Plant. He currently serves on the board of directors of Chicago Skyway. Prior to joining Ontario Teachers', Chris worked on power and utility investments at Brookfield Asset Management. Mr. Parker was selected by Clean Energy JV Sub 2, LP and pursuant to the Amended and Restated Bylaws of each of the Companies, will serve as an Owner Director on their respective Boards of Directors. Mr. Parker will not receive any director compensation from the Companies for his service as an Owner Director on the Boards, but will be reimbursed for out-of-pocket expenses.

b. Effective March 1, 2022, Lorna Luebbe, director and Assistant General Counsel, has been named Vice President of Sustainability and Deputy General Counsel.

c. On May 2, 2022, Adrian Rodriguez, Senior Vice President of Regulatory and Strategy informed PSE that he will be departing on or about May 20, 2022 to pursue another opportunity.

d. Effective May 5, 2022, the board of directors (the "Board") of Puget Sound Energy, Inc. ("PSE") appointed and elected Diana Birkett Rakow to the Board of PSE.

Ms. Birkett Rakow currently serves as Senior Vice President for Public Affairs & Sustainability at Alaska Air Group, Inc., which position she has held since November 2021. She previously served as Vice President of External Relations at Alaska Airlines from September 2017 to February 2021. Ms. Birkett Rakow also currently serves as the current board chair for the Alaska Airlines Foundation, and serves on the boards of Philanthropy Northwest, the Bay Area Council, and the Pacific Science Center.

e. On July 1, 2022, Puget Sound Energy, Inc. and Puget Energy, Inc. (together, the "Companies") announced that Wade Smith has been appointed to serve as Executive Vice President and Chief Operating Officer ("COO") of the Companies. Mr. Smith will report to Mary E. Kipp, the Company's President and Chief Executive Officer. It is anticipated that Mr. Smith will begin his service on July 18, 2022.

Mr. Smith, who is 57, previously served as the Senior Vice President, Electric Operations of Pacific Gas and Electric Company, a role he held since May 2021. Prior to this, Mr. Smith served American Electric Power Company, Inc., as Senior Vice President, Grid Development from 2015 to 2021, and as President and Chief Operating Officer of AEP Texas from 2010 to 2015.

f. On October 11, 2022, Steve Secrist, Senior Vice President, General Counsel and Chief Ethics & Compliance Officer of the Companies informed PSE that he will retire from his positions effective on November 30, 2022.

g. On October 10, 2022, the company announced that Lorna Luebbe, Vice President of Sustainability and Deputy General Counsel, will assume the role of Senior Vice President, Chief Sustainability Office and General Counsel effective on December 1, 2022.
h. On October 10, 2022, the company announced that Sam Osborne, Director, Assistant General Counsel, will assume the role of Corporate Secretary effective on December 1, 2022.

i. On November 7, 2022, Stephen J. King notified Puget Sound Energy, Inc. and Puget Energy, Inc. (together, the "Companies") of his intent to resign from his position as Controller and Principal Accounting Officer of the Companies, effective November 17, 2022. Following Mr. King's departure, Matthew R. Marcelia, the Companies' Director of Tax, will serve as interim Controller and Principal Accounting Officer of the Companies.

j. On December 19, 2022, Puget Sound Energy, Inc. and Puget Energy, Inc. (together, the "Companies") appointed Stacy Smith to serve as Controller and Principal Accounting Officer of the Companies. Mr. Smith will report to Kazi Hasan, the Company's Executive Vice President and Chief Financial Officer.

Mr. Smith, who is 37, previously served as the Manager of Revenue Requirements of the Companies since 2019. Prior to this, Mr. Smith served as the Manager of Energy and Derivatives Accounting of the Companies from 2018 to 2019, and as the Manager of Contract to Pay Accounting of Nike, Inc. from 2017 to 2018.

k. Effective February 24, 2023, the Boards of Directors (the "Boards") of Puget Energy, Inc. and Puget Sound Energy, Inc. (together, the "Companies") appointed Christine Gregoire as a director of the Companies. The Boards have not yet determined the board committee or committees, if any, on which Ms. Gregoire will serve.

Ms. Gregoire, age 75, currently serves as the CEO of Challenge Seattle, an alliance of CEOs from 21 of the region's largest private-sector employers, a position she has held since 2015. Prior this role Ms. Gregoire served for two terms as the Governor of the State of Washington from 2005 until 2013. Before serving as Governor Ms. Gregoire served for three terms as the Attorney General for the State of Washington from 1993 to 2005. In addition to her role as CEO of Challenge Seattle, Ms. Gregoire has served as the former chair of the Fred Hutch Cancer Research Center, a member of the National Bipartisan Governor's Council, and as chair of the National Export-Import Bank Advisory Board.

14. None.

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Comparative Balance Sheet (Assets And Other Debits)

Line No.	Title of Account (a)	Reference Page Number (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	**UTILITY PLANT**			
2	Utility Plant (101-106, 114)	200-201	17,795,827,941	17,074,294,317
3	Construction Work in Progress (107)	200-201	861,801,465	870,203,996
4	TOTAL Utility Plant (Total of lines 2 and 3)	200-201	18,657,629,406	17,944,498,313
5	(Less) Accum. Provision for Depr., Amort., Depl. (108, 111, 115)		7,461,206,807	7,068,316,701
6	Net Utility Plant (Total of line 4 less 5)		11,196,422,599	10,876,181,612
7	Nuclear Fuel (120.1 thru 120.4, and 120.6)			
8	(Less) Accum. Provision for Amort., of Nuclear Fuel Assemblies (120.5)			
9	Nuclear Fuel (Total of line 7 less 8)			
10	Net Utility Plant (Total of lines 6 and 9)		11,196,422,599	10,876,181,612
11	Utility Plant Adjustments (116)	122		
12	Gas Stored-Base Gas (117.1)	220	8,783,943	8,654,564
13	System Balancing Gas (117.2)	220		
14	Gas Stored in Reservoirs and Pipelines-Noncurrent (117.3)	220		
15	Gas Owed to System Gas (117.4)	220		
16	**OTHER PROPERTY AND INVESTMENTS**			
17	Nonutility Property (121)		3,650,229	3,641,000
18	(Less) Accum. Provision for Depreciation and Amortization (122)		24,655	24,655
19	Investments in Associated Companies (123)	222-223		
20	Investments in Subsidiary Companies (123.1)	224-225	38,582,474	38,311,820
22	Noncurrent Portion of Allowances			
23	Other Investments (124)	222-223	54,983,320	53,233,594

24	Sinking Funds (125)			
25	Depreciation Fund (126)			
26	Amortization Fund - Federal (127)			
27	Other Special Funds (128)		20,191,500	20,189,628
28	Long-Term Portion of Derivative Assets (175)		94,621,186	26,197,403
29	Long-Term Portion of Derivative Assets - Hedges (176)			
30	TOTAL Other Property and Investments (Total of lines 17-20, 22-29)		212,004,054	141,548,790
31	**CURRENT AND ACCRUED ASSETS**			
32	Cash (131)		88,139,126	31,760,949
33	Special Deposits (132-134)		60,437,596	41,080,450
34	Working Funds (135)		2,607,514	5,124,797
35	Temporary Cash Investments (136)	222-223		
36	Notes Receivable (141)			91,410
37	Customer Accounts Receivable (142)		370,953,313	307,295,202
38	Other Accounts Receivable (143)		326,048,954	115,595,688
39	(Less) Accum. Provision for Uncollectible Accounts - Credit (144)		41,961,715	34,957,745
40	Notes Receivable from Associated Companies (145)			
41	Accounts Receivable from Associated Companies (146)		4,043,420	4,603,705
42	Fuel Stock (151)		21,182,653	17,117,974
43	Fuel Stock Expenses Undistributed (152)			
44	Residuals (Elec) and Extracted Products (Gas) (153)			
45	Plant Materials and Operating Supplies (154)		131,283,900	111,671,567
46	Merchandise (155)			
47	Other Materials and Supplies (156)		221,957	(628)
48	Nuclear Materials Held for Sale (157)			
49	Allowances (158.1 and 158.2)		731,067	600,920
50	(Less) Noncurrent Portion of Allowances			
51	Stores Expense Undistributed (163)		156,825	1,014,123

52	Gas Stored Underground-Current (164.1)	220	66,796,355	39,594,587
53	Liquefied Natural Gas Stored and Held for Processing (164.2 thru 164.3)	220	979,449	49,533
54	Prepayments (165)	230	51,382,582	50,079,311
55	Advances for Gas (166 thru 167)			
56	Interest and Dividends Receivable (171)			
57	Rents Receivable (172)			
58	Accrued Utility Revenues (173)		284,014,591	271,606,144
59	Miscellaneous Current and Accrued Assets (174)		3,331,136	2,094,716
60	Derivative Instrument Assets (175)		681,650,782	154,408,115
61	(Less) Long-Term Portion of Derivative Instrument Assets (175)		94,621,186	26,197,403
62	Derivative Instrument Assets - Hedges (176)			
63	(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176)			
64	TOTAL Current and Accrued Assets (Total of lines 32 thru 63)		1,957,378,319	1,092,633,415
65	**DEFERRED DEBITS**			
66	Unamortized Debt Expense (181)		24,172,621	23,861,685
67	Extraordinary Property Losses (182.1)	230	127,524,176	127,789,135
68	Unrecovered Plant and Regulatory Study Costs (182.2)	230		
69	Other Regulatory Assets (182.3)	232	565,039,247	613,483,209
70	Preliminary Survey and Investigation Charges (Electric)(183)		106,872	93,253
71	Preliminary Survey and Investigation Charges (Gas)(183.1 and 183.2)			
72	Clearing Accounts (184)			
73	Temporary Facilities (185)		137,168	17,943
74	Miscellaneous Deferred Debits (186)	233	284,321,034	216,613,372
75	Deferred Losses from Disposition of Utility Plant (187)		5,741,557	5,741,557
76	Research, Development, and Demonstration Expend. (188)			
77	Unamortized Loss on Reacquired Debt (189)		33,731,648	35,804,700

78	Accumulated Deferred Income Taxes (190)	234-235	430,016,445	319,267,771
79	Unrecovered Purchased Gas Costs (191)		(3,536,308)	57,934,878
80	TOTAL Deferred Debits (Total of lines 66 thru 79)		1,467,254,460	1,400,607,503
81	TOTAL Assets and Other Debits (Total of lines 10-15,30,64,and 80)		14,841,843,375	13,519,625,884

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Comparative Balance Sheet (Liabilities and Other Credits)

Line No.	Title of Account (a)	Reference Page Number (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	**PROPRIETARY CAPITAL**			
2	Common Stock Issued (201)	250-251	859,038	859,038
3	Preferred Stock Issued (204)	250-251		
4	Capital Stock Subscribed (202, 205)	252		
5	Stock Liability for Conversion (203, 206)	252		
6	Premium on Capital Stock (207)	252	478,145,250.00	478,145,250
7	Other Paid-In Capital (208-211)	253	3,064,096,691	3,014,096,691
8	Installments Received on Capital Stock (212)	252		
9	(Less) Discount on Capital Stock (213)	254		
10	(Less) Capital Stock Expense (214)	254	7,133,879	7,133,879
11	Retained Earnings (215, 215.1, 216)	118-119	1,451,424,351	996,139,844
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	(13,264,970)	(13,535,624)
13	(Less) Reacquired Capital Stock (217)	250-251		
14	Accumulated Other Comprehensive Income (219)	117	(103,045,030)	(113,138,548)
15	TOTAL Proprietary Capital (Total of lines 2 thru 14)		4,871,081,451	4,355,432,772
16	**LONG TERM DEBT**			
17	Bonds (221)	256-257	4,823,860,000	4,823,860,000
18	(Less) Reacquired Bonds (222)	256-257		
19	Advances from Associated Companies (223)	256-257		
20	Other Long-Term Debt (224)	256-257		
21	Unamortized Premium on Long-Term Debt (225)	258-259		
22	(Less) Unamortized Discount on Long-Term Debt-Dr (226)	258-259	15,729,451	16,328,252

23	(Less) Current Portion of Long-Term Debt			
24	TOTAL Long-Term Debt (Total of lines 17 thru 23)		4,808,130,549	4,807,531,748
25	**OTHER NONCURRENT LIABILITIES**			
26	Obligations Under Capital Leases-Noncurrent (227)		283,782,671	277,813,392
27	Accumulated Provision for Property Insurance (228.1)			
28	Accumulated Provision for Injuries and Damages (228.2)		88,000	1,920,000
29	Accumulated Provision for Pensions and Benefits (228.3)		(28,709,995)	(10,441,647)
30	Accumulated Miscellaneous Operating Provisions (228.4)		135,051,835	142,404,664
31	Accumulated Provision for Rate Refunds (229)			
32	Long-Term Portion of Derivative Instrument Liabilities		18,366,683	40,964,763
33	Long-Term Portion of Derivative Instrument Liabilities - Hedges			
34	Asset Retirement Obligations (230)		205,559,099	205,337,831
35	TOTAL Other Noncurrent Liabilities (Total of lines 26 thru 34)		614,138,293	657,999,003
36	**CURRENT AND ACCRUED LIABILITIES**			
37	Current Portion of Long-Term Debt			
38	Notes Payable (231)		357,000,000	140,000,000
39	Accounts Payable (232)		708,906,799	480,600,340
40	Notes Payable to Associated Companies (233)			
41	Accounts Payable to Associated Companies (234)		291,713	7,330,825
42	Customer Deposits (235)		13,733,533	22,253,544
43	Taxes Accrued (236)	262-263	116,472,982	133,407,822
44	Interest Accrued (237)		52,169,671	51,831,806
45	Dividends Declared (238)			
46	Matured Long-Term Debt (239)			
47	Matured Interest (240)			
48	Tax Collections Payable (241)		3,951,481	1,929,509
49	Miscellaneous Current and Accrued Liabilities (242)	268	40,266,693	26,338,339
50	Obligations Under Capital Leases-Current (243)		23,509,170	22,139,920

51	Derivative Instrument Liabilities (244)		143,342,442	104,273,341
52	(Less) Long-Term Portion of Derivative Instrument Liabilities		18,366,683	40,964,763
53	Derivative Instrument Liabilities - Hedges (245)			
54	(Less) Long-Term Portion of Derivative Instrument Liabilities - Hedges			
55	TOTAL Current and Accrued Liabilities (Total of lines 37 thru 54)		1,441,277,801	949,140,683
56	**DEFERRED CREDITS**			
57	Customer Advances for Construction (252)		123,708,753	107,479,955
58	Accumulated Deferred Investment Tax Credits (255)			
59	Deferred Gains from Disposition of Utility Plant (256)		1,928,264	6,926,248
60	Other Deferred Credits (253)	269	518,347,061	313,123,797
61	Other Regulatory Liabilities (254)	278	891,629,751	916,467,662
62	Unamortized Gain on Reacquired Debt (257)	260		
63	Accumulated Deferred Income Taxes - Accelerated Amortization (281)			
64	Accumulated Deferred Income Taxes - Other Property (282)		1,177,028,707	1,189,912,772
65	Accumulated Deferred Income Taxes - Other (283)		394,572,745	215,611,244
66	TOTAL Deferred Credits (Total of lines 57 thru 65)		3,107,215,281	2,749,521,678
67	TOTAL Liabilities and Other Credits (Total of lines 15,24,35,55,and 66)		14,841,843,375	13,519,625,884

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Statement of Income

Quarterly

1. Enter in column (d) the balance for the reporting quarter and in column (e) the balance for the same three month period for the prior year.
2. Report in column (g) the quarter to date amounts for electric utility function; in column (i) the quarter to date amounts for gas utility, and in (k) the quarter to date amounts for other utility function for the current year quarter.
3. Report in column (g) the quarter to date amounts for electric utility function; in column (i) the quarter to date amounts for gas utility, and in (k) the quarter to date amounts for other utility function for the prior year quarter.
4. If additional columns are needed place them in a footnote.

Annual or Quarterly, if applicable

5. Do not report fourth quarter data in columns (e) and (f)
6. Report amounts for accounts 412 and 413, Revenues and Expenses from Utility Plant Leased to Others, in another utility column in a similar manner to a utility department. Spread the amount(s) over lines 2 thru 26 as appropriate. Include these amounts in columns (c) and (d) totals.
7. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.
8. Report data for lines 8, 10 and 11 for Natural Gas companies using accounts 404.1, 404.2, 404.3, 407.1 and 407.2.
9. Use page 122 for important notes regarding the statement of income for any account thereof.
10. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in material refund to the utility with respect to power or gas purchases. State for each year effected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power or gas purchases.
11. Give concise explanations concerning significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense accounts.
12. If any notes appearing in the report to stockholders are applicable to the Statement of Income, such notes may be included at page 122.
13. Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also, give the appropriate dollar effect of such changes.
14. Explain in a footnote if the previous year's/quarter's figures are different from that reported in prior reports.
15. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles report the information in a footnote to this schedule.

Line No.	Title of Account (a)	Reference Page Number (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current Three Months Ended Quarterly Only No Fourth Quarter (e)	Prior Three Months Ended Quarterly Only No Fourth Quarter (f)	Elec. Utility Current Year to Date (in dollars) (g)	Elec. Utility Previous Year to Date (in dollars) (h)	Gas Utiity Current Year to Date (in dollars) (i)	Gas Utility Previous Year to Date (in dollars) (j)	Other Utility Current Year to Date (in dollars) (k)	Other Utility Previous Year to Date (in dollars) (l)
1	UTILITY OPERATING INCOME											
2	Gas Operating Revenues (400)	300-301	4,388,121,714	3,831,603,991			3,178,485,486	2,764,186,180	1,209,636,228	1,067,417,811		
3	Operating Expenses											
4	Operation Expenses (401)	317-325	2,635,508,553	2,079,834,572			1,970,839,868	1,525,854,659	664,668,685	553,979,913		

5	Maintenance Expenses (402)	317-325	175,029,070	170,368,398			147,385,918	143,511,276	27,643,152	26,857,122		
6	Depreciation Expense (403)	336-338	524,822,928	500,594,143			374,468,383	361,930,254	150,354,545	138,663,889		
7	Depreciation Expense for Asset Retirement Costs (403.1)	336-338	9,365,324	9,797,122			8,902,654	9,599,069	462,670	198,053		
8	Amort. & Depl. of Utility Plant (404-405)	336-338	101,835,503	122,988,498			69,876,938	84,047,727	31,958,565	38,940,771		
9	Amortization of Utility Plant Acu. Adjustment (406)	336-338	11,687,828	12,016,844			11,687,828	12,016,844				
10	Amort. of Prop. Losses, Unrecovered Plant and Reg. Study Costs (407.1)		21,846,432	21,846,432			21,846,432	21,846,432				
11	Amortization of Conversion Expenses (407.2)											
12	Regulatory Debits (407.3)		21,725,532	21,419,171			12,725,650	12,419,289	8,999,882	8,999,882		
13	(Less) Regulatory Credits (407.4)		42,514,738	28,070,896			32,370,162	26,419,076	10,144,576	1,651,820		
14	Taxes Other Than Income Taxes (408.1)	262-263	386,340,822	361,591,022			259,360,685	250,040,104	126,980,137	111,550,918		
15	Income Taxes-Federal (409.1)	262-263	81,592,777	76,870,089			41,484,612	43,477,587	40,108,165	33,392,502		
16	Income Taxes-Other (409.1)	262-263	869,191	670,177			869,191	670,177				
17	Provision of Deferred Income Taxes (410.1)	234-235	465,808,227	233,337,043			264,566,257	157,313,055	201,241,970	76,023,988		
18	(Less) Provision for Deferred Income Taxes-Credit (411.1)	234-235	467,480,717	241,957,595			263,542,456	166,899,178	203,938,261	75,058,417		
19	Investment Tax Credit Adjustment-Net (411.4)											

20	(Less) Gains from Disposition of Utility Plant (411.6)		5,013,242	6,483,881			5,013,242	6,486,120		(2,239)		
21	Losses from Disposition of Utility Plant (411.7)			(198,954)				(142,578)		(56,376)		
22	(Less) Gains from Disposition of Allowances (411.8)											
23	Losses from Disposition of Allowances (411.9)											
24	Accretion Expense (411.10)		3,834,848	3,912,946			3,539,560	3,655,310	295,288	257,636		
25	TOTAL Utility Operating Expenses (Total of lines 4 thru 24)		3,925,258,338	3,338,535,131			2,886,628,116	2,426,434,831	1,038,630,222	912,100,300		
26	Net Utility Operating Income (Total of lines 2 less 25)		462,863,376	493,068,860			291,857,370	337,751,349	171,006,006	155,317,511		
28	OTHER INCOME AND DEDUCTIONS											
29	Other Income											
30	Nonutilty Operating Income											
31	Revenues From Merchandising, Jobbing and Contract Work (415)		271,813	934,329								
32	(Less) Costs and Expense of Merchandising, Job & Contract Work (416)		988,707	259,725								
33	Revenues From Nonutility Operations (417)		44,808,060	42,469,398								
34	(Less) Expenses of Nonutility Operations (417.1)		40,561,238	37,327,480								
35	Nonoperating Rental Income (418)											

36	Equity in Earnings of Subsidiary Companies (418.1)	119	270,654	7,223,763								
37	Interest and Dividend Income (419)		(8,731,661)	5,636,780								
38	Allowance for Other Funds Used During Construction (419.1)		28,310,136	27,805,618								
39	Miscellaneous Nonoperating Income (421)		289,517,265	59,116,248								
40	Gain on Disposition of Property (421.1)		235,262	172,334								
41	TOTAL Other Income (Total of lines 31 thru 40)		313,131,584	105,771,265								
42	Other Income Deductions											
43	Loss on Disposition of Property (421.2)											
44	Miscellaneous Amortization (425)											
45	Donations (426.1)	340	36,800	49,738								
46	Life Insurance (426.2)		(1,759,020)	(1,905,421)								
47	Penalties (426.3)		1,529,387	981,370								
48	Expenditures for Certain Civic, Political and Related Activities (426.4)		8,488,691	8,241,911								
49	Other Deductions (426.5)		40,784,988	50,315,731								
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)	340	49,080,846	57,683,329								
51	Taxes Applic. to Other Income and Deductions											
52	Taxes Other Than Income Taxes (408.2)	262-263	681,438	468,920								

53	Income Taxes-Federal (409.2)	262-263	(67,633)	(26,493,236)									
54	Income Taxes-Other (409.2)	262-263											
55	Provision for Deferred Income Taxes (410.2)	234-235	(498,795)	(406,133)									
56	(Less) Provision for Deferred Income Taxes-Credit (411.2)	234-235											
57	Investment Tax Credit Adjustments-Net (411.5)												
58	(Less) Investment Tax Credits (420)												
59	TOTAL Taxes on Other Income and Deductions (Total of lines 52-58)		115,010	(26,430,449)									
60	Net Other Income and Deductions (Total of lines 41, 50, 59)		263,935,728	74,518,385									
61	INTEREST CHARGES												
62	Interest on Long-Term Debt (427)		240,203,334	230,981,897									
63	Amortization of Debt Disc. and Expense (428)	258-259	2,651,955	2,535,826									
64	Amortization of Loss on Reacquired Debt (428.1)		2,168,876	2,186,293									
65	(Less) Amortization of Premium on Debt-Credit (429)	258-259											
66	(Less) Amortization of Gain on Reacquired Debt-Credit (429.1)												
67	Interest on Debt to Associated Companies (430)	340											

68	Other Interest Expense (431)	340	9,268,172	12,562,249								
69	(Less) Allowance for Borrowed Funds Used During Construction-Credit (432)		18,443,620	16,743,127								
70	Net Interest Charges (Total of lines 62 thru 69)		235,848,717	231,523,138								
71	Income Before Extraordinary Items (Total of lines 27, 60 and 70)		490,950,387	336,064,107								
72	EXTRAORDINARY ITEMS											
73	Extraordinary Income (434)											
74	(Less) Extraordinary Deductions (435)											
75	Net Extraordinary Items (Total of line 73 less line 74)											
76	Income Taxes-Federal and Other (409.3)	262-263										
77	Extraordinary Items after Taxes (line 75 less line 76)											
78	Net Income (Total of line 71 and 77)		490,950,387	336,064,107								

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Statement of Accumulated Comprehensive Income and Hedging Activities

1. Report in columns (b) (c) and (e) the amounts of accumulated other comprehensive income items, on a net-of-tax basis, where appropriate.
2. Report in columns (f) and (g) the amounts of other categories of other cash flow hedges.
3. For each category of hedges that have been accounted for as "fair value hedges", report the accounts affected and the related amounts in a footnote.

Line No.	Item (a)	Unrealized Gains and Losses on available-for-sale securities (b)	Minimum Pension liabililty Adjustment (net amount) (c)	Foreign Currency Hedges (d)	Other Adjustments (e)	Other Cash Flow Hedges Interest Rate Swaps (f)	Other Cash Flow Hedges [Insert Footnote at Line 1 to specify] (g)	Totals for each category of items recorded in Account 219 (h)	Net Income (Carried Forward from Page 114, Line 78) (i)	Total Comprehensive Income (j)
1	Balance of Account 219 at Beginning of Preceding Year		(175,986,902)			(4,968,236)		(180,955,138)		
2	Preceding Quarter/Year to Date Reclassifications from Account 219 to Net Income		18,165,893			385,239		18,551,132		
3	Preceding Quarter/Year to Date Changes in Fair Value		49,265,458					49,265,458		
4	Total (lines 2 and 3)		67,431,351			385,239		67,816,590	336,064,107	403,880,697
5	Balance of Account 219 at End of Preceding Quarter/Year		(108,555,551)			(4,582,997)		(113,138,548)		
6	Balance of Account 219 at Beginning of Current Year		(108,555,551)			(4,582,997)		(113,138,548)		
7	Current Quarter/Year to Date Reclassifications from Account 219 to Net Income		14,223,604			385,239		14,608,843		
8	Current Quarter/Year to Date Changes in Fair Value		(4,515,325)					(4,515,325)		
9	Total (lines 7 and 8)		9,708,279			385,239		10,093,518	490,950,387	501,043,905
10	Balance of Account 219 at End of Current Quarter/Year		(98,847,272)			(4,197,758)		(103,045,030)		

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Statement of Retained Earnings

1. Report all changes in appropriated retained earnings, unappropriated retained earnings, and unappropriated undistributed subsidiary earnings for the year.
2. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436-439 inclusive). Show the contra primary account affected in column (b).
3. State the purpose and amount for each reservation or appropriation of retained earnings.
4. List first Account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items, in that order.
5. Show dividends for each class and series of capital stock.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
	UNAPPROPRIATED RETAINED EARNINGS			
1	Balance-Beginning of Period		961,917,281	865,025,834
2	Changes (Identify by prescribed retained earnings accounts)			
3	Adjustments to Retained Earnings (Account 439)			
3.1	TOTAL Credits to Retained Earnings (Account 439) (footnote details)			
3.2	TOTAL Debits to Retained Earnings (Account 439) (footnote details)		(1,810,100)	(2,090,515)
3.3	Balance Transferred from Income (Acct 433 less Acct 418.1)		490,679,733	328,840,344
4	Adjustments to Retained Earnings Credit (Debit)			
6	Balance Transferred from Income (Account 433 less Account 418.1)			
7	Appropriations of Retained Earnings (Account 436)			
7.1	TOTAL Appropriations of Retained Earnings (Account 436) (footnote details)			
8	Appropriations of Retained Earnings Amount			
9	Dividends Declared-Preferred Stock (Account 437)			
9.1	TOTAL Dividends Declared-Preferred Stock (Account 437) (footnote details)			
10	Dividends Declared-Preferred Stock Amount			
11	Dividends Declared-Common Stock (Account 438)			
11.1	TOTAL Dividends Declared-Common Stock (Account 438) (footnote details)		(35,395,226)	(229,858,382)

12	Dividends Declared-Common Stock Amount			
13	Transfers from Account 216.1, Unappropriated Undistributed Subsidiary Earnings			
14	Balance-End of Period (Total of lines 1, 4, 5, 6, 8, 10, 12, and 13)		1,415,391,688	961,917,281
15	APPROPRIATED RETAINED EARNINGS (Account 215)			
16	TOTAL Appropriated Retained Earnings (Account 215) (footnote details)		36,032,663	34,222,563
17	APPROPRIATED RETAINED EARNINGS-AMORTIZATION RESERVE, FEDERAL (Account 215.1)			
18	TOTAL Appropriated Retained Earnings-Amortization Reserve, Federal (Account 215.1)			
19	TOTAL Appropriated Retained Earnings (Accounts 215, 215.1) (Total of lines of 16 and 18)		36,032,663	34,222,563
20	TOTAL Retained Earnings (Accounts 215, 215.1, 216) (Total of lines 14 and 19)		1,451,424,351	996,139,844
21	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account 216.1)			
	Report only on an Annual Basis no Quarterly			
22	Balance-Beginning of Year (Debit or Credit)		(13,535,624)	(20,759,387)
23	Equity in Earnings for Year (Credit) (Account 418.1)		270,654	7,223,763
24	(Less) Dividends Received (Debit)			
25	Other Changes (Explain)			
25.1	Other Changes (Explain)			
26	Balance-End of Year		(13,264,970)	(13,535,624)

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Statement of Cash Flows

1. Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.
2. Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.
3. Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.
4. Investing Activities: Include at Other (line 27) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instructions for explanation of codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
1	Net Cash Flow from Operating Activities		
2	Net Income (Line 78(c) on page 114)	490,950,387	336,064,107
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	623,814,810	627,046,435
5	Amortization of (Specify) (footnote details)		
5.1	Amortization of (Specify) (footnote details)		
5.2	Utility Plant Adjustments	11,687,828	12,016,844
5.3	Property Losses	21,846,432	21,846,432
6	Deferred Income Taxes (Net)	(39,619,118)	(9,026,686)
7	Investment Tax Credit Adjustments (Net)		
8	Net (Increase) Decrease in Receivables	(251,651,225)	(100,240,377)
9	Net (Increase) Decrease in Inventory	(51,304,130)	(4,183,182)
10	Net (Increase) Decrease in Allowances Inventory		
11	Net Increase (Decrease) in Payables and Accrued Expenses	227,465,622	129,386,988
12	Net (Increase) Decrease in Other Regulatory Assets	(95,264,559)	(129,708,563)
13	Net Increase (Decrease) in Other Regulatory Liabilities	71,182,691	16,577,484
14	(Less) Allowance for Other Funds Used During Construction	28,310,136	27,805,618

15	(Less) Undistributed Earnings from Subsidiary Companies	270,654	7,223,763
16	Other Adjustments to Cash Flows from Operating Activities		
16.1	Other Adjustments to Cash Flows from Operating Activities		
16.2	Other Long-Term Assets	(5,886,051)	(22,518,995)
16.3	Other Long-Term Liabilities	7,902,780	2,979,964
16.4	Conservation Amortization	116,941,715	103,147,450
16.5	Pension Funding	(18,000,000)	(18,000,000)
16.6	Net Unrealized (Gain) Loss on Derivative Transactions	(261,177,050)	(13,784,942)
16.7	Amortization of TCJA Over Collection		(1,191,866)
16.8	Smart Burn GRC Disallowance		
16.9	IRS PLR		(24,507,486)
16.10	Other	(3,540,771)	9,103,091
18	Net Cash Provided by (Used in) Operating Activities (Total of Lines 2 thru 16)	816,768,571	899,977,317
20	Cash Flows from Investment Activities:		
21	Construction and Acquisition of Plant (including land):		
22	Gross Additions to Utility Plant (less nuclear fuel)	(1,029,123,626)	(936,075,783)
23	Gross Additions to Nuclear Fuel		
24	Gross Additions to Common Utility Plant		
25	Gross Additions to Nonutility Plant		
26	(Less) Allowance for Other Funds Used During Construction	(28,310,136)	(27,805,618)
27	Other Construction and Acquisition of Plant, Investment Activities		
27.1	Other Construction and Acquisition of Plant, Investment Activities		
28	Cash Outflows for Plant (Total of lines 22 thru 27)	(1,000,813,490)	(908,270,165)
30	Acquisition of Other Noncurrent Assets (d)		
31	Proceeds from Disposal of Noncurrent Assets (d)	20,200	545,785
33	Investments in and Advances to Associated and Subsidiary Companies		
34	Contributions and Advances from Associated and Subsidiary Companies		

36	Disposition of Investments in (and Advances to) Associated and Subsidiary Companies		
38	Purchase of Investment Securities (a)		
39	Proceeds from Sales of Investment Securities (a)		
40	Loan Made or Purchased		
41	Collections on Loans		
43	Net (Increase) Decrease in Receivables		
44	Net (Increase) Decrease in Inventory		
45	Net (Increase) Decrease in Allowances Held for Speculation		
46	Net Increase (Decrease) in Payables and Accrued Expenses		
47	Other Adjustments to Cash Flows from Investment Activities:		
47.1	Other Adjustments to Cash Flows from Investment Activities:		
47.2	Life Insurance Death Benefit		768,076
47.3	Renewable Energy Credits	(587,046)	53,309
49	Net Cash Provided by (Used in) Investing Activities (Total of lines 28 thru 47)	(1,001,380,336)	(906,902,995)
51	Cash Flows from Financing Activities:		
52	Proceeds from Issuance of:		
53	Proceeds from Issuance of Long-Term Debt (b)		446,062,500
54	Proceeds from Issuance of Preferred Stock		
55	Proceeds from Issuance of Common Stock		
56	Net Increase in Debt (Long Term Advances)		
56.1	Net Increase in Debt (Long Term Advances)		
56.2	Investment from Parent	50,000,000	
56.3	Debt Issue (Redemption) Costs	(8,458)	(1,354,380)
56.4	Refundable cash Received for Customer Construction Projects	26,233,489	24,430,007
56.5	Bank Overdraft		1,618
57	Net Increase in Short-term Debt (c)	217,000,000	
59	Cash Provided by Outside Sources (Total of lines 53 thru 58)	293,225,031	469,139,745

61	Payments for Retirement		
62	Payments for Retirement of Long-Term Debt (b)		
63	Payments for Retirement of Preferred Stock		
64	Payments for Retirement of Common Stock		
65	Other Retirements		
65.1	Other Retirements		
66	Net Decrease in Short-Term Debt (c)		(233,800,000)
67	Other Adjustments to Financing Cash Flows		
67.1	Other Adjustments to Financing Cash Flows		
68	Dividends on Preferred Stock		
69	Dividends on Common Stock	(35,395,226)	(229,858,382)
70	Net Cash Provided by (Used in) Financing Activities (Total of lines 59 thru 69)	257,829,805	5,481,363
73	Net Increase (Decrease) in Cash and Cash Equivalents		
74	(Total of line 18, 49 and 71)	73,218,040	(1,444,315)
76	Cash and Cash Equivalents at Beginning of Period	77,966,196	79,410,511
78	Cash and Cash Equivalents at End of Period	151,184,236	77,966,196

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Notes to Financial Statements

1. Provide important disclosures regarding the Balance Sheet, Statement of Income for the Year, Statement of Retained Earnings for the Year, and Statement of Cash Flow, or any account thereof. Classify the disclosures according to each financial statement, providing a subheading for each statement except where a disclosure is applicable to more than one statement. The disclosures must be on the same subject matters and in the same level of detail that would be required if the respondent issued general purpose financial statements to the public or shareholders.
2. Furnish details as to any significant contingent assets or liabilities existing at year end, and briefly explain any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or a claim for refund of income taxes of a material amount initiated by the utility. Also, briefly explain any dividends in arrears on cumulative preferred stock.
3. Furnish details on the respondent's pension plans, post-retirement benefits other than pensions (PBOP) plans, and post-employment benefit plans as required by instruction no. 1 and, in addition, disclose for each individual plan the current year's cash contributions. Furnish details on the accounting for the plans and any changes in the method of accounting for them. Include details on the accounting for transition obligations or assets, gains or losses, the amounts deferred and the expected recovery periods. Also, disclose any current year's plan or trust curtailments, terminations, transfers, or reversions of assets. Entities that participate in multiemployer postretirement benefit plans (e.g. parent company sponsored pension plans) disclose in addition to the required disclosures for the consolidated plan, (1) the amount of cost recognized in the respondent's financial statements for each plan for the period presented, and (2) the basis for determining the respondent's share of the total plan costs.
4. Furnish details on the respondent's asset retirement obligations (ARO) as required by instruction no. 1 and, in addition, disclose the amounts recovered through rates to settle such obligations. Identify any mechanism or account in which recovered funds are being placed (i.e. trust funds, insurance policies, surety bonds). Furnish details on the accounting for the asset retirement obligations and any changes in the measurement or method of accounting for the obligations. Include details on the accounting for settlement of the obligations and any gains or losses expected or incurred on the settlement.
5. Provide a list of all environmental credits received during the reporting period.
6. Provide a summary of revenues and expenses for each tracked cost and special surcharge.
7. Where Account 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these item. See General Instruction 17 of the Uniform System of Accounts.
8. Explain concisely any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.
9. Disclose details on any significant financial changes during the reporting year to the respondent or the respondent's consolidated group that directly affect the respondent's gas pipeline operations, including: sales, transfers or mergers of affiliates, investments in new partnerships, sales of gas pipeline facilities or the sale of ownership interests in the gas pipeline to limited partnerships, investments in related industries (i.e., production, gathering), major pipeline investments, acquisitions by the parent corporation(s), and distributions of capital.
10. Explain concisely unsettled rate proceedings where a contingency exists such that the company may need to refund a material amount to the utility's customers or that the utility may receive a material refund with respect to power or gas purchases. State for each year affected the gross revenues or costs to which the contingency relates and the tax effects and explain the major factors that affect the rights of the utility to retain such revenues or to recover amounts paid with respect to power and gas purchases.
11. Explain concisely significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and summarize the adjustments made to balance sheet, income, and expense accounts.
12. Explain concisely only those significant changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also give the approximate dollar effect of such changes.
13. For the 3Q disclosures, respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.
14. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However were material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.
15. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.

(1) Summary of Significant Accounting Policies

Basis of Presentation

These financial statements were prepared in accordance with the accounting requirements of the Federal Energy Regulatory Commission (FERC) as set forth in its applicable Uniform System of Accounts and published accounting releases, which is a comprehensive basis of accounting other than generally accepted accounting principles. As a result, the presentation of these financial statements differs from generally accepted accounting principles. Certain disclosures which are required by generally accepted accounting principles and not required by FERC have been excluded from these financial statements.

As required by FERC, Puget Sound Energy, Inc. (PSE) classifies certain items in its Form 1 Balance Sheet (primarily the classification of the components of accumulated deferred income taxes, non-legal asset retirement obligations, certain miscellaneous current and accrued liabilities, maturities of long-term debt, deferred debits and deferred credits) in a manner different than that required by generally accepted accounting principles.

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

PSE is a public utility incorporated in the state of Washington that furnishes electric and natural gas services in a territory covering approximately 6,000 square miles, primarily in the Puget Sound region.

Utility Plant

PSE capitalizes, at original cost, additions to utility plant, including renewals and betterments. Costs include indirect costs such as engineering, supervision, certain taxes, pension and other employee benefits and an allowance for funds used during construction (AFUDC). Replacements of minor items of property are included in maintenance expense. When the utility plant is retired and removed from service, the original cost of the property is charged to accumulated depreciation and costs associated with removal of the property, less salvage, are charged to the cost of removal regulatory liability.

Planned Major Maintenance

Planned major maintenance is an activity that typically occurs when PSE overhauls or substantially upgrades various systems and equipment on a scheduled basis. Costs related to planned major maintenance are deferred and amortized to the next scheduled major maintenance. This accounting method also follows the Washington Utilities and Transportation Commission (Washington Commission) regulatory treatment related to these generating facilities.

Other Property and Investments

The costs of other property and investments (i.e., non-utility) are stated at historical cost. Expenditures for refurbishment and improvements that significantly add to productive capacity or extend useful life of an asset are capitalized. Replacements of minor items are expensed on a current basis. Gains and losses on assets sold or retired, which were previously recorded in utility plant, are apportioned between regulatory assets/liabilities and earnings. However, gains and losses on assets sold or retired, not previously recorded in utility plant, are reflected in earnings.

Depreciation and Amortization

The Company provides for depreciation and amortization on a straight-line basis. Amortization is recorded for intangibles such as regulatory assets and liabilities, computer software and franchises. The annual depreciation provision stated as a percent of a depreciable electric utility plant was 3.4% in 2022 and 2021; depreciable natural gas utility plant was 2.9% and 2.8% in 2022 and 2021, respectively; and depreciable common utility plant was 7.1%, and 6.8% in 2022 and 2021, respectively. The cost of removal is collected from PSE’s customers through depreciation expense and any excess is recorded as a regulatory liability.

Tacoma LNG Facility

In February 2022, the Tacoma LNG facility at the Port of Tacoma completed commissioning and commenced commercial operations. In December 2019, the Puget Sound Clean Air Agency (PSCAA) issued the air quality permit for the facility, and the Pollution Hearings Control Board of Washington State upheld the approval following extended litigation. The Tacoma LNG facility provides peak-shaving services to PSE’s natural gas customers, and provides LNG as fuel to transportation customers, particularly in the marine market at a lower cost due to the facility's scale.

Pursuant to an order by the Washington Commission, PSE will be allocated approximately 43.0% of common capital and operating costs, consistent with the regulated portion of the Tacoma LNG facility. For PSE, $245.7 million and $239.6 million of plant in service and construction work in progress related to PSE’s portion of the Tacoma LNG facility is reported in the PSE “Utility plant - Natural gas plant” financial statement line item as of December 31, 2022, and December 31, 2021, respectively, as PSE is a regulated entity.

Cash and Cash Equivalents

Cash and cash equivalents consist of demand bank deposits and short-term highly liquid investments with original maturities of three months or less at the time of purchase. The carrying amounts of cash and cash equivalents are reported at cost and approximate fair value, due to the short-term maturity.

Restricted Cash

Restricted cash amounts primarily represent cash posted as collateral for derivative contracts as well as funds required to be set aside for contractual obligations related to transmission and generation facilities.

Materials and Supplies

Materials and supplies are used primarily in the operation and maintenance of electric and natural gas distribution and transmission systems as well as spare parts for combustion turbines used for the generation of electricity. The Company records these items at weighted-average cost.

Fuel and Natural Gas Inventory

Fuel and natural gas inventory is used in the generation of electricity and for future sales to the Company’s natural gas customers. Fuel inventory consists of coal, diesel and natural gas used for generation. Natural gas inventory consists of natural gas and LNG held in storage for future sales. The Company records these items at average cost.

Regulatory Assets and Liabilities

PSE accounts for its regulated operations in accordance with ASC 980, “Regulated Operations” (ASC 980). ASC 980 requires PSE to defer certain costs or losses that would otherwise be charged to expense, if it is probable that future rates will permit recovery of such costs. It similarly requires deferral of revenues or gains that are expected to be returned to customers in the future. Accounting under ASC 980 is appropriate as long as rates are established by or subject to approval by independent third-party regulators; rates are designed to recover the specific enterprise’s cost of service; and in view of demand for service, it is reasonable to assume that rates set at levels that will recover costs can be charged to and collected from customers. In most cases, PSE classifies regulatory assets and liabilities as long-term when amortization periods extend longer than one year. For further details regarding regulatory assets and liabilities, see Note 3, "Regulation and Rates".

Allowance for Funds Used During Construction

Allowance for Funds Used During Construction

AFUDC represents the cost of both the debt and equity funds used to finance utility plant additions during the construction period. The amount of AFUDC recorded in each accounting period varies depending primarily upon the level of construction work in progress and the AFUDC rate used. AFUDC is capitalized as a part of the cost of utility plant; the AFUDC debt portion is credited to interest expense, while the AFUDC equity portion is credited to other income. Cash inflow related to AFUDC does not occur until these charges are reflected in rates. The AFUDC rate authorized by the Washington Commission for natural gas and electric utility plant additions effective December 19, 2017, was 7.60%. Effective October 1, 2020 for natural gas and October 15, 2020 for electric the authorized AFUDC rate is 7.39%.

The Washington Commission authorized the Company to calculate AFUDC using its allowed rate of return. To the extent amounts calculated using this rate exceed the AFUDC calculated rate using the Federal Energy Regulatory Commission (FERC) formula, PSE capitalizes the excess as a deferred asset, crediting other income. The deferred asset is being amortized over the average useful life of PSE's non-project electric utility plant which is approximately 30 years.

Allowance for Credit Losses

The Company measures expected credit losses on trade receivables on a collective basis by receivable type, which include electric retail receivables, gas retail receivables, and electric wholesale receivables. The estimate of expected credit losses considers historical credit loss information that is adjusted for current conditions and reasonable and supportable forecasts.

The following table presents the activity in the allowance for credit losses for accounts receivable at December 31, 2022, and 2021:

Puget Sound Energy

(Dollars in Thousands)	Year Ended December 31,	
Allowance for credit losses:	2022	2021
Beginning balance	$ 34,958	$ 20,080
Provision for credit loss expense[1]	28,316	27,204
Receivables charged-off	(21,312)	(12,326)
Total ending allowance balance	$ 41,962	$ 34,958

[1] $7.1 million and $2.8 million of provision were deferred as cost specific to COVID-19 in 2022 and 2021, respectively.

Self-Insurance

PSE is self-insured for storm damage and certain environmental contamination associated with current operations occurring on PSE-owned property. In addition, PSE is required to meet a deductible for a portion of the risk associated with comprehensive liability, workers' compensation claims and catastrophic property losses other than those which are storm

related. The cumulative annual cost threshold for deferral of storms under the mechanism is $10.0 million. Additionally, costs may only be deferred if the outage meets the Institute of Electrical and Electronics Engineers outage criteria for system average interruption duration index and qualifying costs exceed $0.5 million per qualified storm.

Federal Income Taxes

For presentation in PSE's separate financial statements, income taxes are allocated to the subsidiaries on the basis of separate company computations of tax, modified by allocating certain consolidated group limitations which are attributed to the separate company.

Natural Gas Off-System Sales and Capacity Release

PSE contracts for firm natural gas supplies and holds firm transportation and storage capacity sufficient to meet the expected peak winter demand for natural gas by its firm customers. Due to the variability in weather, winter peaking consumption of natural gas by most of its customers and other factors, PSE holds contractual rights to natural gas supplies and transportation and storage capacity in excess of its average annual requirements to serve firm customers on its distribution system. For much of the year, there is excess capacity available for third-party natural gas sales, exchanges and capacity releases. PSE sells excess natural gas supplies, enters into natural gas supply exchanges with third parties outside of its distribution area and releases to third parties excess interstate natural gas pipeline capacity and natural gas storage rights on a short-term basis to mitigate the costs of firm transportation and storage capacity for its core natural gas customers. The proceeds from such activities, net of transactional costs, are accounted for as reductions in the cost of purchased natural gas and passed on to customers through the PGA mechanism, with no direct impact on net income. As a result, PSE nets the sales revenue and associated cost of sales for these transactions in purchased natural gas.

As part of the Company's electric operations, PSE purchases natural gas for its gas-fired generation facilities. The projected volume of natural gas for power is relative to the price of natural gas. Based on the market prices for natural gas, PSE may use the natural gas it has already purchased to generate power or PSE may sell the already purchased natural gas. The net proceeds from selling natural gas, previously purchased for power generation, are accounted for in electric operating revenue and are included in the PCA mechanism.

Accounting for Derivatives

ASC 815, "Derivatives and Hedging" (ASC 815) requires that all contracts considered to be derivative instruments be recorded on the balance sheet at their fair value unless the contracts qualify for an exception. PSE enters into derivative contracts to manage its energy resource portfolio and interest rate exposure including forward physical and financial contracts and swaps. Some of PSE's physical electric supply contracts qualify for the normal purchase normal sale (NPNS) exception to derivative accounting rules. PSE may enter into financial fixed price contracts to economically hedge the variability of certain index-based contracts. Those contracts that do not meet the NPNS exception are marked-to-market to current earnings in the statements of income, subject to deferral under ASC 980, for natural gas related derivatives due to the PGA mechanism. For additional information, see Note 9, "Accounting for Derivative Instruments and Hedging Activities".

Fair Value Measurements of Derivatives

ASC 820, "Fair Value Measurements and Disclosures" (ASC 820), defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). As permitted under ASC 820, the Company utilizes a mid-market pricing convention (the mid-point price between bid and ask prices) as a practical expedient for valuing the majority of its assets and liabilities measured and reported at fair value. The Company utilizes market data or assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated or generally unobservable. The Company primarily applies the market approach for recurring fair value measurements as it believes that the approach is used by market participants for these types of assets and liabilities. Accordingly, the Company utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs.

The Company values derivative instruments based on daily quoted prices from an independent external pricing service. When external quoted market prices are not available for derivative contracts, the Company uses a valuation model that uses volatility assumptions relating to future energy prices based on specific energy markets and utilizes externally

available forward market price curves. All derivative instruments are sensitive to market price fluctuations that can occur on a daily basis. For additional information, see Note 10, "Fair Value Measurements".

Debt Related Costs

Debt premiums, discounts, expenses and amounts received or incurred to settle hedges are amortized over the life of the related debt for the Company. The premiums and costs associated with reacquired debt are deferred and amortized over the life of the related

Debt premiums, discounts, expenses and amounts received or incurred to settle hedges are amortized over the life of the related debt for the Company. The premiums and costs associated with reacquired debt are deferred and amortized over the life of the related new issuance, in accordance with ratemaking treatment for PSE and presented net of long-term liabilities on the balance sheet.

Leases

The Company has adopted ASU 2016-02 as of January 1, 2019, which resulted in the recognition of right-of-use asset and lease liabilities that have not previously been recorded and are material to the balance sheet. Under FERC Docket AI-19-1-000, operating leases are not required to be capitalized and reported in the balance sheet accounts established for capital leases. However, a jurisdictional entity is permitted to implement the ASU's guidance to report operating leases with a lease term in excess of 12 months as right of use assets, with corresponding lease obligations, in the balance sheet accounts established for capital leases. Accordingly the Company's operating leases are recognized on the balance sheet in Account 101.1 (Property Under Capital Leases), Account 227 (Obligations Under Capital Leases- Noncurrent), and Account 243 (Obligations Under Capital Leases — Current). Adoption of the standard did not have a material impact on the income statement.

ROU assets represent the right to use an underlying asset for the lease term, and consist of the amount of the initial measurement of the lease liability, any lease payments made to the lessor at or before the commencement date, minus any lease incentives received, and any initial direct costs incurred by the lessee. Lease liabilities represent our obligation to make lease payments arising from the lease and are measured at present value of the lease payments not yet paid, discounted using the discount rate for the lease, at commencement. As most of PSE's leases do not provide an implicit interest rate, PSE uses the incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments. For fleet, IT and wind farm leases, this rate is applied using a portfolio approach. The lease terms may include options to extend or terminate the lease when it is reasonably certain that PSE will exercise that option. On the statement of income, operating leases are generally accounted for under a straight-line expense model, while finance leases, which were previously referred to as capital leases, are generally accounted for under a financing model. Consistent with the previous lease guidance, however, the standard allows rate-regulated utilities to recognize expense consistent with the timing of recovery in rates.

PSE has lease agreements with lease and non-lease components. Non-lease components comprise common area maintenance and utilities, and are accounted for separately from lease components.

Variable Interest Entities

On April 12, 2017, PSE entered into a Power Purchase Agreement (PPA) with Skookumchuck Wind Energy Project, LLC (Skookumchuck) in which Skookumchuck would develop a wind generation facility and, once completed, sell bundled energy and associated attributes, namely renewable energy credits to PSE over a term of 20 years. Skookumchuck commenced commercial operation in November 2020. PSE has no equity investment in Skookumchuck but is Skookumchuck's only customer. Based on the terms of the contract, PSE will receive all of the output of the facility, subject to curtailment rights. PSE has concluded that it is not the primary beneficiary of this VIE since it does not control the commercial and operating activities of the facility. Additionally, PSE does not have the obligation to absorb losses or receive benefits. Therefore, PSE will not consolidate the VIE. Purchased energy of $14.6 million was recognized in purchased electricity on the Company's consolidated statements of income for the year ended December 31, 2022 and $1.4 million is included in accounts payable on the Company's consolidated balance sheet for the year ended December 31, 2022. Purchased energy of $19.0 million was recognized in purchased electricity on the Company's consolidated statements of income and $2.7 million included in accounts payable on the Company's consolidated balance sheet for the year ended December 31, 2021.

On May 28, 2020, PSE entered into a PPA with Golden Hills Wind Farm, LLC (Golden Hills) pursuant to which Golden Hills would develop a wind generation facility and, once completed, sell bundled energy and associated attributes, namely RECs to PSE over a term of 20 years. On April 29, 2022, Golden Hills commenced commercial operations. PSE has no equity investment in Golden Hills but is Golden Hills's only customer. Based on the terms of the contract, PSE will receive all of the output of the facility, subject to curtailment rights. PSE has concluded that Golden Hills is a VIE and that PSE is not the primary beneficiary of this VIE since it does not control the commercial and operating activities of the facility. Additionally, PSE does not have the obligation to absorb losses or receive benefits. Therefore, PSE will not consolidate the VIE. Purchased energy of $18.3 million was recognized in purchased electricity on the Company's consolidated statements of income for the year ended December 31, 2022. There was no balance in accounts payable on the Company's balance sheet as of December 31, 2022.

On February 3, 2021, PSE entered into a PPA with Clearwater Wind Project, LLC (Clearwater) in which Clearwater will develop a wind generation facility on a site located in Rosebud, Custer and Garfield counties, Montana; and, once completed, sell energy and associated attributes to PSE over a term of 25 years. On November 8th, 2022, Clearwater commenced commercial operations. PSE has no equity investment in Clearwater but is Clearwater's only customer. Based on the terms of the contract, PSE will receive all of the output of the facility, subject to curtailment rights. PSE has concluded that Clearwater is a VIE and that PSE is not the primary beneficiary of this VIE since it does not control the commercial and operating activities of the facility. Additionally, PSE does not have the obligation to absorb losses or receive benefits. Therefore, PSE will not consolidate the VIE. Purchased energy of $5.7 million was recognized in purchased electricity on the Company's consolidated statements of income for the year ended December 31, 2022. Additionally, $2.5 million was included in accounts payable on the Company's balance sheet as of December 31, 2022.

(2) New Accounting Pronouncements

Recently Adopted Accounting Guidance

Reference Rate Reform

In March 2020, the FASB issued ASU 2020-04, *"Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting*". ASU 2020-04 provides temporary optional expedients and exceptions to the current guidance on contract modifications to ease the financial reporting burdens related to the expected market transition from London Interbank Offered Rate (LIBOR) and other interbank offered rates to alternative reference rates. In December 2022, the FASB issued ASU 2022-06, *"Reference Rate Reform (Topic 848): Deferral of the Sunset Date of Topic 848"*. ASU 2022-06 postpones the sunset date of Topic 848 from December 31, 2022 to December 31, 2024. The Company has promissory notes that reference LIBOR. As of December 31, 2022, the Company has not utilized any of the expedients discussed within this ASU; however, it continues to assess other agreements to determine if LIBOR is included and if the expedients would be utilized through the allowed period of December 2024.

Fair Value Measurement

In 2018, the FASB issued ASU 2018-13, *"Fair Value Measurement (Topic 820): Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurement"*. The amendments in this update modify the disclosure requirements on fair value measurements in Topic 820, Fair Value Measurement, based on the concepts in the Concepts Statement, including the consideration of costs and benefits. The amendments are effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. The Company adopted this update as of January 1, 2020, and it impacted Note 11, "Fair Value Measurements". As the amendment contemplates changes in disclosures only, it did not have a material impact on the Company's results of operations, cash flows, or consolidated balance sheets.

(3) Regulation and Rates

Regulatory Assets and Liabilities

Regulatory accounting allows PSE to defer certain costs that would otherwise be charged to expense, if it is probable that future rates will permit recovery of such costs. It similarly requires deferral of revenues or gains that are expected to be returned to customers in the future.

The net regulatory assets and liabilities at December 31, 2022, and 2021, are included in the following tables:

Puget Sound Energy	Remaining Amortization Period	December 31,	
(Dollars in Thousands)		2022	2021
Environmental remediation	(a)	$ 141,893	$ 127,977
Storm damage costs electric	3 to 5 years	127,524	127,789
PCA mechanism	N/A	112,207	79,546
Chelan PUD contract initiation	8.8 years	62,611	69,699
Deferred Washington Commission AFUDC	30 years	61,463	62,244
Baker Dam licensing operating and maintenance costs	(b)	55,049	54,525
Get to zero depreciation expense deferral (c)	1 to 4 years	49,605	50,220
Lower Snake River	14.4 years	48,536	53,757
Decoupling deferrals and interest (d)	Less than 2 years	36,773	79,125

Unamortized loss on reacquired debt	1 to 45 years		33,732		35,805
Advanced metering infrastructure	3 years		30,431		23,037
Washington Commission LNG	N/A		25,188		1,764
PGA receivable	2 years		—		57,935
Generation plant major maintenance, excluding Colstrip	3 to 7 years		20,374		12,094
Low Income Program Costs	N/A		17,370		21,755
Property tax tracker	Less than 2 years		12,398		25,896
Energy conservation costs	(a)		10,296		3,573
Washington Commission electric vehicle (c)	4 years		7,796		6,109
Regulatory filing fee deferral	N/A		7,559		—
Snoqualmie licensing operating and maintenance costs	(b)		7,445		7,446
Washington Commission COVID-19	N/A		7,051		3,657
Water heater rental property loss	N/A		5,725		5,725
Mint Farm ownership and operating costs	2.3 years		4,317		6,318
Colstrip major maintenance (c)	3 years		4,035		4,035
Various other regulatory assets	(a)		7,060		32,508
Total PSE regulatory assets		$	896,438	$	952,539
Deferred income taxes (e)	N/A		(811,724)		(866,541)
Cost of removal	(f)		(639,320)		(563,129)
PGA unrealized gain	N/A		(287,725)		(60,728)
Repurposed production tax credits	N/A	(133,855)		(134,270)	
Decoupling liability	Less than 2 years		(63,206)		(36,506)
Green direct	N/A	(11,837)		(13,194)	
Refund on counterparty settlement	1 year		(4,353)	—	
PGA liability	2 years	(3,536)		—	
Various other regulatory liabilities	(a)		(5,583)		(35,093)
Total PSE regulatory liabilities			(1,961,139)		(1,709,461)
PSE net regulatory assets (liabilities)		$	(1,064,701)	$	(756,922)

(a) *Amortization periods vary depending on timing of underlying transactions.*

(b) *The FERC license requires PSE to incur various O&M expenses over the life of the 40 year and 50 year license for Snoqualmie and Baker, respectively. The regulatory asset represents the net present value of future expenditures and will be offset by actual costs incurred.*

(c) *Amortization period approved in 2022 GRC, beginning January 2023.*

(d) *Decoupling deferrals and interest includes a 24 month GAAP reserve of* zero *and $3.0 million for December 31, 2022 and 2021, respectively.*

(e) *For additional information, see Note 13,"Income Taxes"..*

(f) *The balance is dependent upon the cost of removal of underlying assets and the life of utility plant.*

If the Company determines that it no longer meets the criteria for continued application of ASC 980, the Company would be required to write-off its regulatory assets and liabilities related to those operations not meeting ASC 980 requirements. Discontinuation of ASC 980 could have a material impact on the Company's financial statements.

In accordance with guidance provided by ASC 410, “Asset Retirement and Environmental Obligations (ARO),” PSE reclassified from accumulated depreciation to a regulatory liability $639.3 million and $563.1 million in 2022 and 2021, respectively, for the cost of removal of utility plant. These amounts are collected from PSE’s customers through depreciation rates.

General Rate Case Filing

PSE filed a general rate case (GRC) which includes a three-year multiyear rate plan with the Washington Commission on January 31, 2022, requesting an overall increase in electric and natural gas rates of 13.6% and 13.0% respectively in 2023; 2.5% and 2.3%, respectively in 2024; and 1.2% and 1.8%, respectively, in 2025. PSE requested a return on equity of 9.9% in all three rate years. PSE requested an overall rate of return of 7.39% in 2023; 7.44% in 2024; and 7.49% in 2025. The filing requests recovery of forecasted plant additions through 2022 as required by Revised Code of Washington (RCW) 80.28.425 as well as forecasted plant additions through 2025, the final year of the multiyear rate plan.

On January 6, 2023, the Washington Commission approved PSE’s natural gas rates in its compliance filing with an overall increase of $70.8 million or 6.4% in 2023 and $19.5 million or 1.65% in 2024, with an effective date of January 7, 2023. On January 10, 2023, the Washington Commission approved PSE’s electric rates in its compliance filing with an overall increase of $247.0 million or 10.75% in 2023 and $33.1 million or 1.33% in 2024 with an effective date of January 11, 2023.

PSE filed a GRC with the Washington Commission on June 20, 2019, requesting an overall increase in electric and natural gas rates of 6.9% and 7.9% respectively. On July 8, 2020, the Washington Commission issued its order on PSE’s 2019 GRC. The ruling provided for a weighted cost of capital of 7.39% or 6.8% after-tax, and a capital structure of 48.5% in common equity with a return on equity of 9.4%. The order also resulted in a combined net increase to electric of $29.5 million, or 1.6%, and to natural gas of $36.5 million, or 4.0%. However, the Washington Commission extended the amortization of certain regulatory assets, PSE’s electric decoupling deferral, and PSE’s PGA deferral to mitigate the impact of the rate increase in response to the economic uncertainty created by the COVID-19 pandemic. This reduced the electric revenue increase to approximately $0.9 million, or 0.1% and the natural gas increase to $1.3 million, or 0.2% and became effective October 15, 2020 and October 1, 2020, respectively.

In July 2021, PSE received a Private Letter Ruling (PLR) from the IRS which concluded that in the 2019 GRC the Washington Commission’s methodology for reversing plant-related excess deferred income taxes was an impermissible methodology under the IRS normalization and consistency rules. The PLR required adjustments to PSE's rates to bring PSE back into compliance with IRS rules. In September 2021, the Washington Commission amended its order in accordance with the PLR. The annualized overall rate impact was an increase of $15.8 million, or 0.7%, for electric and $3.1 million, or 0.3%, for natural gas for a total of $18.9 million with rates effective October 1, 2021. This led to a combined annualized net increase to electric rates of $77.1 million, or 3.7%, an increase of $17.5 million above the $59.6 million granted in the revised final order. The order also led to a combined annualized net increase to natural gas rates of $45.3 million, or 5.9%, an increase of $2.4 million above the $42.9 million granted in the revised final order. The Washington Commission maintained adjustments that mitigated the impacts of the rate increases in response to the economic instability created by the COVID-19 pandemic, which reduced the electric revenue increase to approximately $48.3 million, or 2.3%, and the natural gas increase to $4.9 million, or 0.6%.

Power Cost Only Rate Case

On December 9, 2020, PSE filed its 2020 power cost only rate case (PCORC). The filing proposed an increase of $78.5 million (or an average of approximately 3.7%) in the Company's overall power supply costs with an anticipated effective date in June 2021. On February 2, 2021, PSE supplemented the PCORC to update its power costs, leading to a requested increase from $78.5 million to $88.0 million (or an average of approximately 4.1%).

On March 2, 2021, several of the parties to the PCORC reached a multiparty settlement in principle, which was unopposed. The settlement resulted in an estimated revenue increase of $65.3 million or 3.1%. On June 1, 2021, the Washington Commission issued its Final Order approving and adopting the settlement and authorizing and requiring a power cost update through a compliance filing. On June 17, 2021, PSE filed a compliance filing with the Washington Commission with a revenue increase of $70.9 million or 3.3% due to the update on power costs with rates effective July 1, 2021. Per the

2022 GRC Final Order in Docket No. UE-220066, PCORC rates were set to zero as of January 11, 2023 and PSE agreed not to file a PCORC during 2023 and 2024, the two-year rate plan agreed to in the GRC settlement.

Revenue Decoupling Adjustment Mechanism

On July 8, 2020, the Washington Commission issued the final order in Dockets No. UE-190529 and UG-190530, which instructed PSE to extend the collection of amortization balances for electric decoupling delivery and fixed power cost sections originally filed through the annual May 2020 decoupling filing. The extension requires PSE to move amortization balances for electric decoupling as of August 31, 2020 to be collected from customers for a two-year period, instead of the originally approved one-year period. Additionally, through approving the electric cost of service, the final order approved the re-allocation of decoupling balances from Schedule 40 to the remaining electric decoupling groups.

On December 23, 2020, the Washington Commission approved PSE’s filing to update Schedule 142 decoupling amortization rates, with an effective date of January 1, 2021, by zeroing out rates still effective past October 15, 2020 on tariff sheet Schedule 142-H, which was replaced by rates on tariff sheet Schedule 142-I effective October 15, 2020. PSE included a true up of the over-collection amounts for the period of October 15, 2020 through December 31, 2020 in PSE’s annual May 2021 decoupling filing.

On June 1, 2021, the Washington Commission approved the multi-party settlement agreement which was filed within PSE’s PCORC filing. As part of this settlement agreement, the electric annual fixed power cost allowed revenue was updated to reflect changes in the approved revenue requirement. The changes took effect on July 1, 2021.

On September 28, 2021, the Washington Commission approved 2019 GRC filing updated to PLR changes. As part of this filing, the annual electric and gas delivery cost allowed revenue was updated to reflect changes in the approved revenue requirement. The changes took effect on October 1, 2021.

On January 6, 2023, the Washington Commission approved the natural gas 2022 GRC filing. As part of this filing the annual gas delivery allowed revenue was updated to reflect changes in the approved revenue requirement. Additionally, the Commission approved the removal of the earnings test from the decoupling mechanism in accordance with RCW 80.28.425(6). The changes took effect on January 7, 2023.

On January 10, 2023, the Washington Commission approved the electric 2022 GRC filing. As part of this filing the annual electric delivery and fixed power cost allowed revenue was updated to reflect changes in the approved revenue requirement. Additionally, the Commission approved the removal of the earnings test from the decoupling mechanism in accordance with RCW 80.28.425(6). The changes took effect on January 11, 2023.

On December 31, 2022, PSE performed an analysis to determine if electric and natural gas decoupling revenue deferrals would be collected from customers within 24 months of the annual period, per ASC 980. If not, for GAAP purposes only, PSE would need to record a reserve against the decoupling revenue and regulatory asset balance. Once the reserve is probable of collection within 24 months from the end of the annual period, the reserve can be recognized as decoupling revenue. The analysis indicated that electric and natural gas deferred revenue will be collected within 24 months of the annual period; therefore no reserve adjustment was booked to 2022 electric and natural gas decoupling revenue. This compares to $3.0 million of electric deferred revenue not being collected within 24 months of the annual period in 2021; therefore, a reserve adjustment was booked to 2021 electric decoupling revenue. Natural gas deferred revenue would be collected within 24 months of the annual period; therefore no reserve adjustment was booked to 2021 natural gas decoupling revenue.

Power Cost Adjustment Mechanism

PSE currently has a PCA mechanism that provides for the deferral of power costs that vary from the “power cost baseline” level of power costs. The “power cost baseline” levels are set, in part, based on normalized assumptions about weather and hydroelectric conditions. Excess power costs or savings are apportioned between PSE and its customers pursuant to the graduated scale set forth in the PCA mechanism and will trigger a surcharge or refund when the cumulative deferral trigger is reached.

Effective January 1, 2017, the following graduated scale is used in the PCA mechanism:

	Company's Share		Customers' Share	
Annual Power Cost Variability	Over	Under	Over	Under
Over or Under Collected by up to $17 million	100%	100%	—%	—%
Over or Under Collected by between $17 million - $40 million	35	50	65	50
Over or Under Collected beyond $40 + million	10	10	90	90

For the year ended December 31, 2022, in its PCA mechanism, PSE under recovered its allowable costs by $110.1 million of which $74.6 million was apportioned to customers and $1.5 million of interest was accrued on the deferred customer balance. This compares to an under recovery of allowable costs of $68.0 million, for the year ended December 31, 2021, of which $36.7 million was apportioned to customers and accrued $1.7 million of interest on the total deferred customer balance.

Power Cost Adjustment Clause

On July 8, 2020, the Washington Commission issued the final order in Dockets No. UE-190529 and UG-190530, which instructed PSE to remove Schedule 95 collection on decoupling allowed rates for Special Contracts, which are included in allowed rates under the Decoupling Schedule 142 effective October 15, 2020.

PSE exceeded the $20.0 million cumulative deferral balance in its PCA mechanism in 2020. The surcharging of deferrals can be triggered by the Company when the balance in the deferral account is a credit of $20.0 million or more. During 2020, actual power costs were higher than baseline power costs; thereby, creating an under-recovery of $76.1 million. Under the terms of the PCA’s sharing mechanism for under-recovered power costs, PSE absorbed $32.1 million of the under-recovered amount, and customers were responsible for the remaining $44.0 million, or $46.0 million including interest. PSE filed to recover the deferred balance in Docket No. UE-210300, and the Washington Commission allowed the recovery effective December 1, 2021.

Additionally, PSE exceeded the $20.0 million cumulative deferral balance in its PCA mechanism in 2021. During 2021, actual power costs were higher than baseline power costs, thereby creating an under-recovery of $68.0 million. Under the terms of the PCA’s sharing mechanism for under-recovered power costs, PSE absorbed $31.3 million of the under-recovered amount, and customers were responsible for the remaining $36.7 million, or $38.4 million including interest. On October 27, 2022, the Washington Commission approved PSE's 2021 PCA report that proposes to recover the deferred balance for 2021 PCA period by keeping the current rates and allowing recovery from January 1, 2023 through November 30, 2023.

Purchased Gas Adjustment Mechanism

On October 28, 2021, the Washington Commission approved PSE's request for PGA rates in Docket No. UG-210721, effective November 1, 2021. As part of that filing, PSE requested an annual revenue increase of $59.1 million; where PGA rates, under Schedule 101, increase annual revenue by $80.6 million, and the tracker rates under Schedule 106, decrease annual revenue by $21.5 million. Those annual 2021 PGA rate increases were set in addition to continuing the collection on the remaining balance of $69.4 million under Supplemental Schedule 106B, which were set, in effect, through September 30, 2023 per the 2019 GRC.

On October 27, 2022, the Washington Commission approved PSE's request for PGA rates in Docket No. UG-220715, effective November 1, 2022. As part of that filing, PSE requested an annual revenue increase of $155.3 million; where PGA rates, under Schedule 101, increase annual revenue by $142.1 million, and the tracker rates under Schedule 106, increase annual revenue by $13.2 million.

On November 15, 2022, the FERC approved a settlement of a counterparty, FERC Docket No. RP17-346. Under the terms, PSE was allocated $24.2 million related to PSE natural gas services which was recorded on December 31, 2022 and included below. The 2022 GRC order requires PSE to amortize the refund in 2023 as a credit against natural gas costs and therefore pass back the refund to customers through the PGA mechanism.

The following table presents the PGA mechanism balances and activity at December 31, 2022 and December 31, 2021:

Puget Sound Energy		
(Dollars in Thousands)	At December 31,	At December 31,
PGA receivable balance and activity	2022	2021
PGA receivable beginning balance	$ 57,935	$ 87,655
Actual natural gas costs	457,950	364,775
Allowed PGA recovery	(496,879)	(396,236)
Interest	1,674	1,741

Refund from counterparty settlement	(24,216)	—
PGA (liability)/receivable ending balance	$ (3,536)	$ 57,935

Get to Zero Depreciation Deferral

On April 10, 2019, PSE filed an accounting petition with the Washington Commission, requesting authorization to defer depreciation expense associated with Get To Zero (GTZ) projects that were placed in service after June 30, 2018. The GTZ project consists of a number of short-lived technology upgrades. The depreciation expense associated with the GTZ projects with lives of 10 years or less that were placed in service after June 30, 2018, were deferred beginning May 1 per the petition request. For the year ended December 31, 2022 and December 31, 2021, PSE deferred $11.8 million and $6.6 million of depreciation expense for GTZ, respectively. In addition to the deferral of depreciation expense, PSE had also requested to defer carrying charges on the GTZ deferral, to be calculated utilizing the FERC quarterly rate of return. The 2022 GRC final order authorized recovery of all remaining GTZ depreciation and carrying charge balances as of December 2022. Finally, all GTZ deferrals ended as of December 2022.

Crisis Affected Customer Assistance Program

On April 6, 2020, PSE filed with the Washington Commission revisions to its currently effective electric and natural gas service tariffs. The purpose of this filing was to incorporate into PSE's low-income tariff a new temporary bill assistance program, Crisis Affected Customer Assistance Program (CACAP-1) (Dockets No. UE-200331 and UG-200332), to mitigate the economic impact of the COVID-19 pandemic on PSE's customers. CACAP-1 allowed PSE customers facing financial hardship due to COVID-19 to receive up to $1,000 in bill assistance. The program made available $11.0 million in unspent low income funds from prior years, therefore resulting in no rate impact, and supplemented other forms of financial assistance. CACAP-1 ran from April 13, 2020, to September 30, 2020.

On March 28, 2021, the Washington Commission approved PSE's CACAP-2 (Dockets No. UE-210137 and UG-210138). With a program budget of $20.0 million for electric customers and $7.7 million for natural gas customers, CACAP-2, which ran from April 12, 2021, to March 29, 2022, provided up to $2,500 per year in bill assistance for arrearages for each qualifying low-income household.

On October 15, 2021, PSE submitted for the Washington Commission's review and approval a Supplemental CACAP (Dockets No UE-210792 and UG-210793) filing to continue assistance for PSE customers facing financial hardship due to COVID-19. The Washington Commission approved the Supplemental CACAP program to be effective on November 15, 2021. The Supplemental CACAP utilized carry-over funds not expended in any prior years under PSE's Schedule 129 Home Energy Lifeline Program (HELP), with a combined total budget of $34.5 million for both electric and natural gas residential customers (capped at $23.7 million and $10.8 million, respectively). Supplemental CACAP benefits offered to cover a qualifying residential customer's past due balance, up to $2,500. PSE applied the Supplemental CACAP benefits automatically, with an opt-out option, in December 2021.

Storm Loss Deferral Mechanism

The Washington Commission has defined deferrable weather-related events and provided that costs in excess of the annual cost threshold may be deferred for qualifying damage costs that meet the modified Institute of Electrical and Electronics Engineers outage criteria for system average interruption duration index. For the year ended December 31, 2022, PSE incurred $32.2 million in weather-related electric transmission and distribution system restoration costs, of which the Company deferred $21.4 million and $0.2 million as regulatory assets related to storms that occurred in 2022 and 2021, respectively. This compares to $51.4 million incurred in weather-related electric transmission and distribution system restoration costs for the year ended December 31, 2021, of which the Company deferred $40.9 million and $0.2 million as regulatory assets related to storms that occurred in 2021 and 2020, respectively. Under the 2017 GRC Order, the storm loss deferral mechanism approved the following: (i) the cumulative annual cost threshold for deferral of storms under the mechanism at $10.0 million; and (ii) qualifying events where the total qualifying cost is less than $0.5 million will not qualify for deferral and these costs will also not count toward the $10.0 million annual cost threshold.

Environmental Remediation

The Company is subject to environmental laws and regulations by the federal, state and local authorities and is required to undertake certain environmental investigative and remedial efforts as a result of these laws and regulations. The Company has been named by the Environmental Protection Agency (EPA), the Washington State Department of Ecology and/or other third parties as potentially responsible at several contaminated sites and former manufactured gas plant sites. In accordance with the guidance of ASC 450, "Contingencies," the Company reviews its estimated future obligations and will record adjustments, if any, on a quarterly basis. Management believes it is probable and reasonably estimable that the impact of the potential outcomes of disputes with certain property owners and other potentially responsible parties will result in environmental remediation costs of $84.4 million for natural gas and $48.3 million for electric. The Company believes a significant portion of its past and future environmental remediation costs are recoverable from insurance companies, from third parties or from customers under a Washington Commission order. The Company is also subject to cost-sharing agreements with third parties regarding environmental remediation projects in Seattle, Tacoma, Everett, and Bellingham, Washington.

As of December 31, 2022, the Company's share of future remediation costs is estimated to be approximately $61.5 million. The Company's deferred electric environmental costs are $51.5 million and $52.2 million at December 31, 2022 and 2021, respectively, net of insurance proceeds. The Company's deferred natural gas environmental costs are $90.4 million and $75.8 million at December 31, 2022 and 2021, respectively, net of insurance proceeds.

(4) Dividend Payment Restrictions

The payment of dividends by PSE to Puget Energy is restricted by provisions of certain covenants applicable to long-term debt contained in PSE's electric and natural gas mortgage indentures. At December 31, 2022, approximately $1.4 billion of unrestricted retained earnings was available for the payment of dividends under the most restrictive mortgage indenture covenant.

Pursuant to the terms of the Washington Commission merger order, PSE may not declare or pay dividends if PSE's common equity ratio, calculated on a regulatory basis, is 44.0% or below except to the extent a lower equity ratio is ordered by the Washington Commission. Also, pursuant to the merger order, PSE may not declare or make any distribution unless on the date of distribution PSE's corporate credit/issuer rating is investment grade, or, if its credit ratings are below investment grade, PSE's ratio of earnings before interest, tax, depreciation and amortization (EBITDA) to interest expense for the most recently ended four fiscal quarter periods prior to such date is equal to or greater than 3.0 to 1.0. The common equity ratio, calculated on a regulatory basis, was 48.1% at December 31, 2022, and the EBITDA to interest expense was 5.0 to 1.0 for the twelve months ended December 31, 2022.

PSE's ability to pay dividends is also limited by the terms of its credit facilities, pursuant to which PSE is not permitted to pay dividends during any Event of Default (as defined in the facilities), or if the payment of dividends would result in an Event of Default, such as failure to comply with certain financial covenants.

At December 31, 2022, PSE was in compliance with all applicable covenants, including those pertaining to the payment of dividends.

(5) Utility Plant

The following table presents electric, natural gas and common utility plant classified by account:

		Puget Sound Energy	
Utility Plant	Estimated Useful Life[1]	December 31,	
(Dollars in Thousands)	(Years)	2022	2021
Distribution plant	7-65	$ 9,406,017	$ 9,026,042
Production plant	3-90	3,780,910	3,815,599
Transmission plant	44-75	1,683,737	1,663,559
General plant	5-75	760,094	773,662
Intangible plant (including capitalized software)[2]	3-50	745,973	788,240
Plant acquisition adjustment	N/A	282,792	282,792
Underground storage	25-60	58,716	56,820

Liquefied natural gas storage	25-50	14,498	14,498
Plant held for future use	N/A	46,232	46,172
Recoverable Cushion Gas	N/A	8,784	8,655
Plant not classified	N/A	723,383	316,933
Finance leases, net of accumulated amortization[3]	N/A	99,967	105,020
Less: accumulated provision for depreciation		(6,688,033)	(6,416,246)
Subtotal		$ 10,923,070	$ 10,481,746
Construction work in progress		861,801	870,204
Net utility plant		$ 11,784,871	$ 11,351,950

1. *Estimated Useful Life years have been approved in the 2022 GRC.*
2. *Intangible assets include capitalized software and franchise agreements with useful lives ranging between 3-10 years and 10-50 years, respectively.*
3. *At December 31, 2022, and 2021, accumulated amortization of finance leases at PSE was $7.3 million and $2.6 million, respectively.*

Jointly owned generating plant service costs are included in utility plant service cost at the Company's ownership share. The Company provides financing for its ownership interest in the jointly owned utility plants. The following tables indicate the Company's percentage ownership and the extent of the Company's investment in jointly owned generating plants in service at December 31, 2022. These amounts are also included in the Utility Plant table above. The Company's share of fuel costs and operating expenses for plant in service are included in the corresponding accounts in the Consolidated Statements of Income.

Puget Sound Energy

Jointly Owned Generating Plants (Dollars in Thousands)	Energy Source (Fuel)	Company's Ownership Share	Plant in Service at Cost	Construction Work in Progress	Accumulated Depreciation
Colstrip Units 3 & 4	Coal	25.00 %	$ 579,019	$ —	$ (434,099)
Frederickson 1	Natural Gas	49.85	69,415	—	(27,962)
Jackson Prairie	Natural Gas	33.34	58,716	837	(26,186)
Tacoma LNG	Natural Gas	various	245,690	503	(5,052)

In June 2019, Talen, the plant operator of Colstrip Units 1 and 2, announced a plan to shut down as of December 31, 2019. The Company retired Colstrip 1&2 from Utility Plant and transferred the unrecovered plant amount of $126.5 million to regulatory assets, offset by depreciation as included in base rates until the 2019 GRC became effective in October 2020.

Consistent with the GRC settlement in 2017, monetization of the PTCs will fund the following: (i) Colstrip Community Transition Fund, (ii) unrecovered Colstrip plant and (iii) incurred decommissioning and remediation costs for Colstrip. At December 31, 2022, and December 31, 2021, the unrecovered plant for Colstrip 1&2 was fully offset with PTCs.

On September 2, 2022, PSE and Talen Energy reached an agreement to transfer PSE's ownership interest in Colstrip Units 3 and 4 to Talen Energy on December 31, 2025. Management evaluated Colstrip Units 3 and 4 and determined that the applicable held for sale accounting criteria were not met as of December 31, 2022. As such, Colstrip Units 3 and 4 are classified as Electric Utility Plant on the Company's balance sheet as of December 31, 2022.

Asset Retirement Obligation

The Company has recorded liabilities for steam generation sites, combustion turbine generation sites, wind generation sites, distribution and transmission poles, natural gas mains, liquefied natural gas storage sites, and leased facilities where disposal is governed by ASC 410-20 "Asset Retirement and Environmental Obligations" (ARO). The Company records its ARO liabilities for its electric transmission and distribution poles as well as gas distribution mains aligned with its underlying asset data with future estimates of retirements.

For the twelve months ended December 31, 2022, the Company reviewed the estimated remediation costs at Colstrip and determined no change was warranted for the Colstrip ARO liability for Colstrip Units 1 and 2 and Colstrip Units 3 and 4. For the twelve months ended December 31, 2021, the Company reviewed the estimated remediation costs at Colstrip and decreased the Colstrip ARO liability by $1.5 million for Colstrip Units 1 and 2, and $3.1 million for Colstrip Units 3 and 4. The 2021 decrease to Colstrip 1 and 2 is primarily due to remediation plans approved by the Montana Department of Environmental Quality under a 2012 settlement between the plant operator and the state for the remaining sites at Colstrip. The plant operator previously contested the approved plan for Colstrip Units 1 and 2 under the defined process in the settlement with the state and reached a settlement agreement regarding the ability to still present another option under the settlement terms and conditions. The Company had previously recorded these incremental costs in 2020 for remediation work on the older ponds under ASC 410-20 "Asset Retirement and Environmental Obligations" and ASC 410-30 "Environmental Remediation". For the twelve months ended December 31, 2022 and 2021, the Company also recorded relief of ARO and environmental remediation liability of $6.9 million and $13.1 million, respectively.

In addition, the Company recorded Tacoma LNG facility ARO liability of $3.9 million and $3.8 million for PSE as of December 31, 2022 and December 31, 2021, respectively. The 2022 and 2021 increases to the Tacoma LNG facility ARO liabilities are primarily due to continued construction of the plant. In 2022, the ARO liability associated with the Tacoma LNG facility was fully recorded as construction was essentially complete and commissioning activities are on-going.

Puget Sound Energy	December 31,	
(Dollars in Thousands)	2022	2021
Asset retirement obligation at beginning of the period	$ 205,338	$ 208,745
Relief of liability	(6,867)	(13,145)
Revisions in estimated cash flows	1,519	3,948
Accretion expense	5,569	5,790
Asset retirement obligation at end of period	$ 205,559	$ 205,338

The Company has identified the following obligations, as defined by ASC 410, "ARO," which were not recognized because the liability for these assets cannot be reasonably estimated at December 31, 2022:

- A legal obligation under Federal Dangerous Waste Regulations to dispose of asbestos-containing material in facilities that are not scheduled for remodeling, demolition or sales. The disposal cost related to these facilities could not be measured since the retirement date is indeterminable; therefore, the liability cannot be reasonably estimated;
- An obligation under Washington state law to decommission the wells at the Jackson Prairie natural gas storage facility upon termination of the project. Since the project is expected to continue as long as the Northwest pipeline continues to operate, the liability cannot be reasonably estimated;

liability cannot be reasonably estimated;

- An obligation to pay its share of decommissioning costs at the end of the functional life of the major transmission lines. The major transmission lines are expected to be used indefinitely; therefore, the liability cannot be reasonably estimated;
- A legal obligation under Washington state environmental laws to remove and properly dispose of certain under and above ground fuel storage tanks. The disposal costs related to under and above ground storage tanks could not be measured since the retirement date is indeterminable; therefore, the liability cannot be reasonably estimated;
- An obligation to pay decommissioning costs at the end of utility service franchise agreements to restore the surface of the franchise area. The decommissioning costs related to facilities at the franchise area could not be measured since the decommissioning date is indeterminable; therefore, the liability cannot be reasonably estimated; and
- A potential legal obligation may arise upon the expiration of an existing FERC hydropower license if the FERC orders the project to be decommissioned, although PSE contends that the FERC does not have such authority. Given the value of ongoing generation, flood control and other benefits provided by these projects, PSE believes that the potential for decommissioning is remote and cannot be reasonably estimated.

6) Long-Term Debt

The following table presents outstanding long-term debt due dates and principal amounts, net of debt discount, issuance and other costs as of 2022 and 2021:

(Dollars in Thousands)			December 31,	
Series	Type	Due	2022	2021
Puget Sound Energy:				
7.150%	First Mortgage Bond	2025	$ 15,000	$ 15,000
7.200%	First Mortgage Bond	2025	2,000	2,000
7.020%	Senior Secured Note	2027	300,000	300,000
7.000%	Senior Secured Note	2029	100,000	100,000
3.900%	Pollution Control Bond	2031	138,460	138,460
4.000%	Pollution Control Bond	2031	23,400	23,400
5.483%	Senior Secured Note	2035	250,000	250,000
6.724%	Senior Secured Note	2036	250,000	250,000
6.274%	Senior Secured Note	2037	300,000	300,000
5.757%	Senior Secured Note	2039	350,000	350,000
5.795%	Senior Secured Note	2040	325,000	325,000
5.764%	Senior Secured Note	2040	250,000	250,000
4.434%	Senior Secured Note	2041	250,000	250,000
5.638%	Senior Secured Note	2041	300,000	300,000
4.300%	Senior Secured Note	2045	425,000	425,000
4.223%	Senior Secured Note	2048	600,000	600,000
3.250%	Senior Secured Note	2049	450,000	450,000
2.893%	Senior Secured Note	2051	450,000	450,000
4.700%	Senior Secured Note	2051	45,000	45,000
*	Debt discount, issuance cost and other	*	(37,095)	(39,141)
Total PSE long-term debt			$ 4,786,765	$ 4,784,719

* *Not Applicable.*

PSE's senior secured notes will cease to be secured by the pledged first mortgage bonds on the date (the "Substitution Date") that all of the first mortgage bonds issued and outstanding under the electric or natural gas utility mortgage indenture have been retired. As of December 31, 2022, the latest maturity date of the first mortgage bonds, other than pledged first mortgage bonds, is December 22, 2025. On the Substitution Date, PSE will deliver to the trustee for PSE's senior secured notes substitute pledged first mortgage bonds to be issued under a new mortgage indenture. As a result, as of the Substitution Date PSE's outstanding senior secured notes and any future series of PSE's senior secured notes will be secured by substitute pledged first mortgage bonds.

Puget Sound Energy Long-Term Debt

On September 15, 2021, PSE issued $450.0 million of senior secured notes at an interest rate of 2.893%. The notes were issued for a period of 30 years, mature on September 15, 2051, and pay interest semi-annually on March 15 and September 15 of each year. The proceeds from the issuance will be used for repayment of commercial paper as well as general corporate purposes.

In August 2022, PSE filed an S-3 shelf registration statement under which it may issue up to $1.4 billion aggregate principal amount of senior notes secured by first mortgage bonds. As of the date of this report, $1.4 billion was available to be issued. The shelf registration will expire in August 2025.

Long-Term Debt Maturities

The principal amounts of long-term debt maturities for the next five years and thereafter are as follows:

(Dollars in Thousands)	2023	2024	2025	2026	2027	Thereafter	Total
Maturities of:							
PSE	$ —	$ —	$ 17,000	$ —	$ 300,000	$ 4,506,860	$ 4,823,860
Total long-term debt	$ —	$ —	$ 17,000	$ —	$ 300,000	$ 4,506,860	$ 4,823,860

(7) Liquidity Facilities and Other Financing Arrangements

As of December 31, 2022, and 2021, PSE had $357.0 million and $140.0 million in short-term debt outstanding, respectively. PSE's weighted-average interest rate on short-term debt, including borrowing rate, commitment fees and the amortization of debt issuance costs, during 2022 and 2021 was 6.1% and 1.6%, respectively. As of December 31, 2022, PSE had several committed credit facilities that are described below.

Puget Sound Energy

Credit Facility

On May 16, 2022, PSE entered into a new $800.0 million credit facility to replace the existing facility. The terms and conditions, including fees, financial covenant, expansion feature and credit spreads remain substantially the same. The base interest rate on loans has changed to the Secured Overnight Financing Rate (SOFR), as the London Interbank Offer Rate (LIBOR) is being discontinued in 2023. The proceeds of the PSE credit facility are to be used for general corporate purposes. The maturity date of the credit facility is May 14, 2027. The credit facility includes a swingline feature allowing same day availability on borrowings up to $75.0 million and has an expansion feature which, upon receipt of commitments from one or more lenders, could increase the total size of the facility up to $1.4 billion.

The credit agreement is syndicated among numerous lenders and contains usual and customary affirmative and negative covenants that, among other things, place limitations on PSE's ability to transact with affiliates, make asset dispositions and investments or permit liens to exist. The credit agreement also contains a leverage ratio that requires the ratio of (a) total funded indebtedness to (b) total capitalization to be 65% or less at all times. PSE certifies its compliance with such covenants to participating banks each quarter. As of December 31, 2022, PSE was in compliance with all applicable covenant ratios.

The credit agreement allows PSE to borrow at a prime based rate or to make floating rate advances at the SOFR, in either case, plus a spread that is based upon PSE's credit rating. PSE must pay a commitment fee on the unused portion of the credit facility. The spreads and the commitment fee depend on PSE's credit ratings. As of the date of this report, interest was calculated as SOFR plus 0.10% SOFR adjustment plus 1.25% spread over the adjusted SOFR rate and the commitment fee was 0.175%.

As of December 31, 2022, no amount was drawn under PSE's credit facility and $357.0 million was outstanding under the commercial paper program. Outside of the credit agreement, PSE had a $2.3 million letter of credit in support of a long-term transmission contract and had $28.0 million issued under a standby letter of credit in support of natural gas purchases.

Demand Promissory Note

In 2006, PSE entered into a revolving credit facility with Puget Energy, in the form of a credit agreement and a demand promissory note pursuant to which PSE may borrow up to $30.0 million from Puget Energy subject to approval by Puget Energy. Under the terms of the promissory note, PSE pays interest on the outstanding borrowings based on the lower of the weighted-average interest rates of PSE's outstanding commercial paper or PSE's senior unsecured revolving credit facility. Absent such borrowings, interest is charged at one-month LIBOR plus 0.25%. As of December 31, 2022, there was no outstanding balance under the promissory note.

(8) Leases

During 2021, mechanical completion was achieved for the Puget LNG facility which triggered an increase in the lease payments for the Port of Tacoma lease. This remeasurement resulted in an increase of the operating lease ROU asset and operating lease liabilities of $26.3 million, of which $0.4 million was recorded in current operating lease liabilities and $25.9 million was recorded in operating lease liabilities. Additionally, two finance leases commenced for service center facilities in Kent and Puyallup, Washington. The Kent lease has a term of 20 years and resulted in an increase of electric utility plant and finance lease liabilities of $45.1 million, of which $1.0 million was recorded in other current liabilities and $44.1 million was recorded in finance lease liabilities, respectively. The Puyallup lease has a term of 20 years and resulted in an increase in common utility plant and finance lease liabilities of $61.3 million, of which $0.4 million was recorded in other current liabilities and $59.9 million was recorded in finance lease liabilities.

During 2022, there were no material changes regarding the Company's leases.

The components of lease cost were as follows:

Puget Sound Energy (Dollars in Thousands)		Year Ended December 31, 2022		Year Ended December 31, 2021
Finance lease cost:				
Amortization of right-of-use asset	$	2,465	$	1,291
Interest on lease liabilities		2,482		358
Total finance lease cost	$	4,947	$	1,649
Operating lease cost	$	22,471	$	22,568

Supplemental cash flow information related to leases was as follows:

Puget Sound Energy (Dollars in Thousands)		Year Ended December 31, 2022		Year Ended December 31, 2021
Cash paid for amounts included in the measurement of lease liabilities:				
Operating cash flow for operating leases	$	16,574	$	16,440
Investing cash flow for operating leases		5,896		6,143
Operating cash flow for finance leases		2,482		358
Financing cash flow for finance leases		2,465		1,291
Non-cash disclosure upon commencement of new lease				
Right-of-use assets obtained in exchange for new operating lease liabilities	$	5,338	$	4,820
Right-of-use assets obtained in exchange for new finance lease liabilities		—		105,176
Non-cash disclosure upon modification of existing lease				
Modification of operating lease right-of-use assets	$	21,068	$	26,287

Supplemental balance sheet information related to leases was as follows:

Puget Sound Energy (Dollars in Thousands) **Operating Leases**		At December 31, 2022		At December 31, 2021
Operating lease right-of-use asset	$	193,509	$	184,957

Operating leases liabilities current	$ 20,342	$ 20,398
Operating lease liabilities long-term	181,265	172,510
Total operating lease liabilities	$ 201,607	$ 192,908
Finance Leases		
Common plant	$ 58,391	$ 61,227
Electric plant	41,576	43,793
Total finance lease assets	$ 99,967	$ 105,020
Other current liabilities	$ 3,167	$ 1,742
Finance lease liabilities	102,518	105,303
Total finance lease liabilities	$ 105,685	$ 107,045
Weighted Average Remaining Lease Term		
Operating leases	22.00 Years	22.80 Years
Finance leases	19.10 Years	20.15 Years
Weighted Average Discount Rate		
Operating leases	3.62 %	3.27 %
Finance leases	3.07 %	3.07 %

The following table summarizes the Company’s estimated future minimum lease payments as of December 31, 2022:

Maturities of lease liabilities (Dollars in Thousands)	Future Minimum Lease Payments	
At December 31,	Operating Leases	Finance Leases
2023	$ 23,676	$ 6,383
2024	23,232	6,408
2025	21,887	6,534
2026	21,472	6,591
2027	21,047	6,670
Thereafter	172,969	109,882
Total lease payments	$ 284,283	$ 142,468
Less imputed interest	(82,676)	(36,783)
Total net present value	$ 201,607	$ 105,685

(9) Accounting for Derivative Instruments and Hedging Activities

PSE employs various energy portfolio optimization strategies, but is not in the business of assuming risk for the purpose of realizing speculative trading revenue. The nature of serving regulated electric customers with its portfolio of owned and contracted electric generation resources exposes PSE and its customers to some volumetric and commodity price risks within the sharing mechanism of the Power Cost Adjustment. Therefore, wholesale market transactions and PSE's related hedging strategies are focused on reducing costs and risks where feasible, thus reducing volatility in costs in the portfolio. In order to manage its exposure to the variability in future cash flows for forecasted energy transactions, PSE utilizes a programmatic hedging strategy which extends out three years. PSE's hedging strategy includes a risk-responsive component for the core natural gas portfolio, which utilizes quantitative risk-based measures with defined objectives to balance both portfolio risk and hedge costs.

PSE's energy risk portfolio management function monitors and manages these risks using analytical models and tools. In order to manage risks effectively, PSE enters into forward physical electric and natural gas purchase and sale agreements, fixed-for-floating swap contracts, and commodity call/put options. Currently, the Company does not apply cash flow hedge accounting, and therefore records all mark-to-market gains or losses through earnings.

The Company manages its interest rate risk through the issuance of mostly fixed-rate debt with varied maturities. The Company utilizes internal cash from operations, borrowings under its commercial paper program, and its credit facilities to meet short-term funding needs. The Company may enter into swap instruments or other financial hedge instruments to manage the interest rate risk associated with these debts.

The following table presents the volumes, fair values and classification of the Company's derivative instruments recorded on the balance sheets:

Puget Sound Energy (Dollars in Thousands)	Year Ended December 31,					
	Volumes (millions)		Assets[1]		Liabilities[2]	
	2022	2021	2022	2021	2022	2021
Electric portfolio derivatives	*	*	$ 337,703	$ 74,829	$ 87,120	$ 85,424
Natural gas derivatives (MMBtus)[3]	322	347	343,947	79,578	56,222	18,850
Total derivative contracts			$ 681,650	$ 154,407	$ 143,342	$ 104,274
Current			587,029	128,210	124,976	63,309
Long-term			94,621	26,197	18,366	40,965
Total derivative contracts			$ 681,650	$ 154,407	$ 143,342	$ 104,274

1. *Balance sheet classification: Current and Long-term Unrealized gain on derivative instruments.*
2. *Balance sheet classification: Current and Long-term Unrealized loss on derivative instruments.*
3. *All fair value adjustments on derivatives relating to the natural gas business have been deferred in accordance with ASC 980, "Regulated Operations," due to the PGA mechanism. The net derivative asset or liability and offsetting regulatory liability or asset are related to contracts used to economically hedge the cost of physical gas purchased to serve natural gas customers.*

* *Electric portfolio derivatives consist of electric generation fuel of 234.9 million One Million British Thermal Units (MMBtus) and purchased electricity of 5.3 million megawatt hours (MWhs) at December 31, 2022, and 238.0 million MMBtus and 8.1 million MWhs at December 31, 2021.*

It is the Company's policy to record all derivative transactions on a gross basis at the contract level without offsetting assets or liabilities. The Company generally enters into transactions using the following master agreements: WSPP, Inc. (WSPP) agreements, which standardize physical power contracts; International Swaps and Derivatives Association (ISDA) agreements, which standardize financial natural gas and electric contracts; and North American Energy Standards Board (NAESB) agreements, which standardize physical natural gas contracts. The Company believes that such agreements reduce credit risk exposure because such agreements provide for the netting and offsetting of monthly payments as well as the right of set-off in the event of counterparty default. The set-off provision can be used as a final settlement of accounts which extinguishes the mutual debts owed between the parties in exchange for a new net amount. For further details regarding the fair value of derivative instruments, see Note 10, "Fair Value Measurements".

The following tables present the potential effect of netting arrangements, including rights of set-off associated with the Company's derivative assets and liabilities:

Puget Sound Energy

December 31, 2022						
(Dollars in Thousands)	Gross Amount Recognized in the Consolidated Balance Sheet[1]	Gross Amounts Offset in the Consolidated Balance Sheet	Net of Amounts Presented in the Consolidated Balance Sheet	Gross Amounts Not Offset in the Consolidated Balance Sheet		
				Commodity Contracts[2]	Cash Collateral Received/Pledged	Net Amount
Assets:						
Energy derivative contracts	$ 681,650	$ —	$ 681,650	$ (125,334)	$ —	$ 556,316
Liabilities:						
Energy derivative contracts	143,342	—	143,342	(125,334)	(5,661)	$ 12,347

Puget Sound Energy

December 31, 2021						
(Dollars in Thousands)	Gross Amount Recognized[1]	Gross Amounts Offset in the Consolidated Balance Sheet	Net of Amounts Presented in the Consolidated Balance Sheet	Gross Amounts Not Offset in the Consolidated Balance Sheet		
				Commodity Contracts[2]	Cash Collateral Received/Pledged	Net Amount
Assets:						
Energy derivative contracts	$ 154,407	$ —	$ 154,407	$ (40,833)	$ —	$ 113,574
Liabilities:						
Energy derivative contracts	104,274	—	104,274	(40,833)	(1,743)	$ 61,698

1. *All derivative contract deals are executed under ISDA, NAESB and WSPP master agreements with right of set-off.*
2. *Amounts reflect netting by Counterparty and right of set-off*

The following table presents the effect and locations of the realized and unrealized gains (losses) of the Company's derivatives recorded on the statements of income:

Puget Sound Energy

(Dollars in Thousands)	Location	Year Ended December 31, 2022	2021
Gas for Power Derivatives:			
Unrealized	Unrealized gain (loss) on derivative instruments, net	61,761	26,686
Realized	Electric generation fuel	158,550	76,504
Power Derivatives:			
Unrealized	Unrealized gain (loss) on derivative instruments, net	199,416	(12,901)
Realized	Purchased electricity	20,917	(3,044)
Total gain (loss) recognized in income on derivatives		$ 440,644	$ 87,245

The Company is exposed to credit risk primarily through buying and selling electricity and natural gas to serve its customers. Credit risk is the potential loss resulting from a counterparty's non-performance under an agreement. The Company manages credit risk with policies and procedures for, among other things, counterparty credit analysis, exposure measurement, and exposure monitoring and mitigation.

The Company monitors counterparties for significant swings in credit default swap rates, credit rating changes by external rating agencies, ownership changes or financial distress. Where deemed appropriate, the Company may request collateral or other security from its counterparties to mitigate potential credit default losses. Criteria employed in this decision include, among other things, the perceived creditworthiness of the counterparty and the expected credit exposure.

It is possible that volatility in energy commodity prices could cause the Company to have material credit risk exposure with one or more counterparties. If such counterparties fail to perform their obligations under one or more agreements, the Company could suffer a material financial loss. However, as of December 31, 2022, approximately 99.4% of the Company's energy portfolio exposure, excluding normal purchase normal sale (NPNS) transactions, is with counterparties that are rated investment grade by rating agencies and 0.6% are either rated below investment grade or not rated by rating agencies. The Company assesses credit risk internally for counterparties that are not rated by the major rating agencies.

The Company computes credit reserves at a master agreement level by counterparty. The Company considers external credit ratings and market factors in the determination of reserves, such as credit default swaps and bond spreads. The Company recognizes that external ratings may not always reflect how a market participant perceives a counterparty's risk of default. The Company uses both default factors published by Standard & Poor's and factors derived through analysis of market risk, which reflect the application of an industry standard recovery rate. The Company selects a default factor by counterparty at an aggregate master agreement level based on a weighted average default tenor for that counterparty's deals. The default tenor is determined by weighting the fair value and contract tenors for all deals for each counterparty to derive an average value. The default factor used is dependent upon whether the counterparty is in a net asset or a net liability position after applying the master agreement levels.

The Company applies the counterparty's default factor to compute credit reserves for counterparties that are in a net asset position. The Company calculates a non-performance risk on its derivative liabilities by using its estimated incremental borrowing rate over the risk-free rate. Credit reserves are netted against unrealized gain (loss) positions. As of December 31, 2022, the Company was in a net liability position with the majority of counterparties, so the default factors of counterparties did not have a significant impact on reserves for the period. The majority of the Company's derivative contracts are with financial institutions and other utilities operating within the Western Electricity Coordinating Council. PSE also transacts power futures contracts on the Intercontinental Exchange (ICE), and natural gas contracts on the ICE NGX exchange platform. Execution of contracts on ICE requires the daily posting of margin calls as collateral through a futures and clearing agent. As of December 31, 2022, PSE had cash posted as collateral of $23.2

(ICE), and natural gas contracts on the ICE NGX exchange platform. Execution of contracts on ICE requires the daily posting of margin calls as collateral through a futures and clearing agent. As of December 31, 2022, PSE had cash posted as collateral of $23.2 million related to contracts executed on the ICE platform. In August 2022, PSE entered into a standby letter of credit agreement with TD Bank allowing standby letter of credit postings of up to $50.0 million as a condition of transacting on the ICE NGX platform. As of December 31, 2022, PSE had $33.0 million in cash posted with ICE NGX and $28.0 million issued under the standby letter of credit agreement. PSE

did not trigger any collateral requirements with any of its counterparties nor were any of PSE's counterparties required to post collateral resulting from credit rating downgrades during the twelve months ended December 31, 2022.

The following table presents the aggregate fair value of all derivative instruments with credit-risk-related contingent features that are in a liability position and the amount of additional collateral the Company could be required to post:

Puget Sound Energy	December 31,					
(Dollars in Thousands)	2022			2021		
Contingent Feature	Fair Value[1] Liability	Posted Collateral	Contingent Collateral	Fair Value[1] Liability	Posted Collateral	Contingent Collateral
Credit rating[2]	$ 3,157	$ —	$ 3,157	$ 52,537	$ —	$ 52,537
Requested credit for adequate assurance	4,157	—	—	9,380	—	—
Forward value of contract[3]	5,661	56,200	N/A	1,743	12,782	N/A
Total	$ 12,975	$ 56,200	$ 3,157	$ 63,660	$ 12,782	$ 52,537

1. *Represents the derivative fair value of contracts with contingent features for counterparties in net derivative liability positions. Excludes NPNS, accounts payable and accounts receivable.*
2. *Failure by PSE to maintain an investment grade credit rating from each of the major credit rating agencies provides counterparties a contractual right to demand collateral.*
3. *Collateral requirements may vary, based on changes in the forward value of underlying transactions relative to contractually defined collateral thresholds.*

(10) Fair Value Measurements

ASC 820 established a fair value hierarchy that prioritizes the inputs used to measure fair value. The hierarchy categorizes the inputs into three levels with the highest priority given to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority given to unobservable inputs (Level 3 measurement). The three levels of the fair value hierarchy are as follows:

Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Level 1 primarily consists of financial instruments such as exchange-traded derivatives and listed equities. Equity securities that are also classified as cash equivalents are considered Level 1 if there are unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 - Pricing inputs are other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reporting date. Level 2 includes those financial instruments that are valued using models or other valuation methodologies. Instruments in this category include non-exchange-traded derivatives such as over-the-counter forwards and options.

Level 3 - Pricing inputs include significant inputs that have little or no observability as of the reporting date. These inputs may be used with internally developed methodologies that result in management's best estimate of fair value.

Financial assets and liabilities measured at fair value are classified in their entirety in the appropriate fair value hierarchy based on the lowest level of input that is significant to the fair value measurement. The Company's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the valuation of fair value assets and liabilities and their placement within the fair value hierarchy. The Company primarily determines fair value measurements classified as Level 2 or Level 3 using a combination of the income and market valuation approaches. The

process of determining the fair values is the responsibility of the derivative accounting department which reports to the Controller and Principal Accounting Officer. Inputs used to estimate the fair value of forwards, swaps and options include market-price curves, contract terms and prices, credit-risk adjustments, and discount factors. Additionally, for options, the Black-Scholes option valuation model and implied market volatility curves are used. Inputs used to estimate fair value in industry-standard models are categorized as Level 2 inputs as substantially all assumptions and inputs are observable in active markets throughout the full term of the instruments. On a daily basis, the Company obtains quoted forward prices for the electric and natural gas markets from an independent external pricing service.

The Company considers its electric and natural gas contracts as Level 2 derivative instruments as such contracts are commonly traded as over-the-counter forwards with indirectly observable price quotes. However, certain energy derivative instruments with maturity dates falling outside the range of observable price quotes or that are transacted at illiquid delivery locations are classified as Level 3 in the fair value hierarchy. Management's assessment is based on the trading activity in real-time and forward electric and natural gas markets. Each quarter, the Company confirms the validity of pricing-service quoted prices used to value Level 2 commodity contracts with the actual prices of commodity contracts entered into during the most recent quarter.

Assets and Liabilities with Estimated Fair Value

The carrying values of cash and cash equivalents, restricted cash, and short-term debt as reported on the balance sheet are reasonable estimates of their fair value due to the short-term nature of these instruments and are classified as Level 1 in the fair value hierarchy. The carrying value of other investments of $55.0 million and $53.2 million at December 31, 2022, and 2021, respectively, are included in "Other property and investments" on the balance sheet. These values are also reasonable estimates of their fair value and classified as Level 2 in the fair value hierarchy as they are valued based on market rates for similar transactions.

The fair value of long-term notes were estimated using the discounted cash flow method with U.S. Treasury yields and Company's credit spreads as inputs, interpolating to the maturity date of each issue.

The carrying values and estimated fair values were as follows:

Puget Sound Energy		December 31, 2022		December 31, 2021	
(Dollars in Thousands)	Level	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial liabilities:					
Long-term debt (fixed-rate), net of discount[1]	2	$ 4,786,765	$ 4,379,010	$ 4,784,719	$ 6,145,639
Total		$ 4,786,765	$ 4,379,010	$ 4,784,719	$ 6,145,639

1. *The carrying value includes debt issuances costs of $21.4 million and $22.8 million for December 31, 2022, and 2021, respectively, which are not included in fair value.*

Assets and Liabilities Measured at Fair Value on a Recurring Basis

The following tables present the Company's financial assets and liabilities by level, within the fair value hierarchy, that were accounted for at fair value on a recurring basis and the reconciliation of the changes in the fair value of Level 3 derivatives in the fair

The following tables present the Company's financial assets and liabilities by level, within the fair value hierarchy, that were accounted for at fair value on a recurring basis and the reconciliation of the changes in the fair value of Level 3 derivatives in the fair value hierarchy:

Puget Sound Energy	Fair Value December 31, 2022			Fair Value December 31, 2021		
(Dollars in Thousands)	Level 2	Level 3	Total	Level 2	Level 3	Total
Assets:						
Electric derivative instruments	$ 218,610	$ 119,093	$ 337,703	$ 68,011	$ 6,818	$ 74,829
Gas derivative instruments	342,988	959	343,947	79,526	52	79,578
Total derivative assets	$ 561,598	$ 120,052	$ 681,650	$ 147,537	$ 6,870	$ 154,407
Liabilities:						
Electric derivative instruments	$ 84,105	$ 3,015	$ 87,120	$ 35,854	$ 49,570	$ 85,424
Gas derivative instruments	55,136	1,086	56,222	16,678	2,172	18,850
Total derivative liabilities	$ 139,241	$ 4,101	$ 143,342	$ 52,532	$ 51,742	$ 104,274

Puget Sound Energy Level 3 Roll-Forward Net Asset(Liability) (Dollars in Thousands)	Year Ended December 31, 2022 Electric	2022 Natural Gas	2022 Total	2021 Electric	2021 Natural Gas	2021 Total
Balance at beginning of period	$ (42,752)	$ (2,120)	$ (44,872)	$ (23,718)	$ (1,135)	$ (24,853)
Changes during period						
Realized and unrealized energy derivatives:						
Included in earnings[1]	180,533	—	180,533	(15,839)	—	(15,839)
Included in regulatory assets / liabilities	—	301	301	—	(1,749)	(1,749)
Settlements[2]	(21,972)	1,369	(20,603)	(3,195)	764	(2,431)
Transferred into Level 3	—	—	—	—	—	—
Transferred out Level 3	269	323	592	—	—	—
Balance at end of period	$ 116,078	$ (127)	$ 115,951	$ (42,752)	$ (2,120)	$ (44,872)

1. *Income Statement classification: Unrealized gain (loss) on derivative instruments, net. Includes unrealized gains (losses) on derivatives still held in position as of the reporting date for electric derivatives of $147.1 million and $(21.6) million for the years ended December 31, 2022 and 2021, respectively.*
2. *The Company had no purchases or sales of options during the reported periods.*

Realized gains and losses on energy derivatives for Level 3 recurring items are included in energy costs in the Company's consolidated statements of income under purchased electricity, electric generation fuel or purchased natural gas when settled. Unrealized gains and losses on energy derivatives for Level 3 recurring items are included in net unrealized (gain) loss on derivative instruments in the Company's consolidated statements of income.

In order to determine which assets and liabilities are classified as Level 3, the Company receives market data from its independent external pricing service defining the tenor of observable market quotes. To the extent any of the Company's commodity contracts extend beyond what is considered observable as defined by its independent pricing service, the contracts are classified as Level 3. The actual tenor of what the independent pricing service defines as observable is subject to change depending on market conditions. Therefore, as the market changes, the same contract may be designated Level 3 one month and Level 2 the next, and vice versa. The changes of fair value classification into or out of Level 3 are recognized each month and reported in the Level 3 Roll-forward table above. The Company did not have any transfers between Level 2 and Level 1 during the years ended December 31, 2022 and 2021. The Company does transact at locations, or market price points, that are illiquid or for which no prices are available from the independent pricing service. In such circumstances the Company uses a more liquid price point and adjusts the price for transportation costs to the illiquid locations to serve as a proxy for market prices. Such transactions are classified as Level 3. The Company does not use internally developed models to make adjustments to significant unobservable pricing inputs.

The only significant unobservable input into the fair value measurement of the Company's Level 3 assets and liabilities is the forward price for electric and natural gas contracts.

Below are the forward price ranges for the Company's commodity contracts, as of December 31, 2022:

Puget Sound Energy	Fair Value				Range		
(Dollars in Thousands)	Assets[1]	Liabilities[1]	Valuation Technique	Unobservable Input	Low	High	Weighted
Electricity	$ 119,093	$ 3,015	Discounted cash flow	Power Prices (per MWh)	$ 55.79	$ 291.03	$ 131.51
Natural Gas	$ 959	$ 1,086	Discounted cash flow	Natural Gas Prices (per MMBtu)	$ 3.84	$ 7.00	$ 4.87

1 *The valuation techniques, unobservable inputs and ranges are the same for asset and liability positions.*

The significant unobservable inputs listed above would have a direct impact on the fair values of the above instruments if they were adjusted. Consequently, significant increases or decreases in the forward prices of electricity or natural gas in isolation would result in a significantly higher or lower fair value for Level 3 assets and liabilities. Generally, interrelationships exist between market prices of natural gas and power. As such, an increase in natural gas pricing would potentially have a similar impact on forward power markets. At December 31, 2022, a hypothetical 10% increase or decrease in market prices of natural gas and electricity would change the fair value of the Company's derivative portfolio, classified as Level 3 within the fair value hierarchy, by $37.6 million.

(11) Employee Investment Plans

The Company's Investment Plan is a qualified employee 401(k) plan, under which employee salary deferrals and after-tax contributions are used to purchase several different investment fund options. PSE’s contributions to the employee Investment Plan were $25.2 million and $23.6 million for the years 2022 and 2021, respectively. The employee Investment Plan eligibility requirements are set forth in the plan documents.

Non-represented employees and United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry (UA) represented employees hired before January 1, 2014, and International Brotherhood of Electrical Workers Local Union 77 (IBEW) represented employees hired before December 12, 2014, have the following company contributions:

1. For employees under the Cash Balance retirement plan formula, PSE will match 100% of an employee's contribution up to 6.0% of plan compensation each paycheck, and will make an additional year-end contribution equal to 1.0% of base pay.
2. For employees grandfathered under the Final Average Earning retirement plan formula, PSE will match 55.0% of an employee's contribution up to 6.0% of plan compensation each paycheck.

Non-represented and UA-represented employees hired on or after January 1, 2014 along with IBEW-represented employees hired on or after December 12, 2014, will have access to the 401(k) plan. The two contribution sources from PSE are below:

1. 401(k) Company Matching: For non-represented, UA-represented and IBEW-represented employees PSE will match: 100% match on the first 3.0% of pay contributed and 50.0% match on the next 3.0% of pay contributed, such that an employee who contributes 6.0% of pay will receive 4.5% of pay in company match. Company matching will be immediately vested.
2. Company Contribution: For UA-represented employees will receive an annual company contribution of 4.0% of eligible pay placed in the Cash Balance retirement plan. Non-represented and IBEW-represented employees will receive an annual company contribution of 4.0% of eligible pay, placed either in the Investment Plan 401(k) plan or in PSE's Cash Balance retirement plan. Non-represented and IBEW-represented employees will make a one-time election within 30 days of hire and direct that PSE put the 4.0% contribution either into the 401(k) plan or into an account in the Cash Balance retirement plan. The Company's 4.0% contribution will vest after three years of service.

(12) Retirement Benefits

PSE has a defined benefit pension plan (Qualified Pension Benefits) covering a substantial majority of PSE employees. For employees hired prior to 2014, pension benefits earned are a function of age, salary, years of service and, in the case of employees in the cash balance formula plan, the applicable annual interest crediting rates. Effective January 1, 2014, all new UA represented employees hired or rehired receive annual pay credits of 4.0% of eligible pay each year in the cash balance formula of the defined pension plan. Effective January 1, 2014 for non-represented employees, and December 12, 2014 for employees represented by the IBEW, newly hired or rehired employees receive annual employer contributions of 4.0% of eligible play each year into the cash balance formula of the defined benefit pension or 401k plan account. PSE also has a non-qualified Supplemental Executive Retirement Plan (SERP) for certain key senior management employees that closed to new participants in 2019. Effective 2019, PSE has an officer restoration benefit for new officers who join PSE or are promoted, such that company contributions under PSE's applicable tax-qualified plan, which otherwise would have been credited if not for IRS limitations, are credited at 4.0% of earnings to an account with the Deferred Compensation Plan.

In addition to providing pension benefits, PSE provides legacy group health care and life insurance benefits (Other Benefits) for certain retired employees. These benefits are provided principally through an insurance company. The insurance premiums, paid primarily by retirees, are based on the benefits provided during the prior year. On June 11, 2019, the Company's Welfare Benefits Committee approved the termination of the Plan effective December 31, 2019, and the creation of a Retiree Health Reimbursement Account (HRA) Plan effective January 1, 2020.

The following tables summarize the Company's change in benefit obligation, change in plan assets and amounts recognized in the Statements of Financial Position for the years ended December 31, 2022, and 2021:

Puget Sound Energy	Qualified Pension Benefits		SERP Pension Benefits		Other Benefits	
(Dollars in Thousands)	2022	2021	2022	2021	2022	2021
Change in benefit obligation:						
Benefit obligation at beginning of period	$ 834,960	$ 849,383	$ 43,155	$ 46,742	$ 11,654	$ 12,114
Amendments	—	—	—	—	38	205
Service cost	26,351	26,888	557	456	217	155
Interest cost	24,263	22,381	1,253	1,183	311	302
Actuarial loss (gain)	(215,005)	(6,826)	(5,260)	828	(2,397)	(514)
Benefits paid	(80,226)	(55,831)	(7,659)	(6,054)	(808)	(803)
Medicare part D subsidy received	—	—	—	—	—	195
Administrative expense	(1,065)	(1,035)	—	—	—	—
Benefit obligation at end of period	$ 589,278	$ 834,960	$ 32,046	$ 43,155	$ 9,015	$ 11,654

Puget Sound Energy	Qualified Pension Benefits		SERP Pension Benefits		Other Benefits	
(Dollars in Thousands)	2022	2021	2022	2021	2022	2021
Change in plan assets:						
Fair value of plan assets at beginning of period	$ 898,550	$ 834,655	$ —	$ —	$ 6,341	$ 5,918
Actual return on plan assets	(176,537)	102,787	—	—	(550)	1,005
Employer contribution	18,000	18,000	7,659	6,054	207	222
Benefits paid	(80,226)	(55,831)	(7,659)	(6,054)	(808)	(804)
Administrative expense	(1,254)	(1,061)	—	—	—	—
Fair value of plan assets at end of period	$ 658,533	$ 898,550	$ —	$ —	$ 5,190	$ 6,341
Funded status at end of period	$ 69,255	$ 63,590	$ (32,046)	$ (43,155)	$ (3,825)	$ (5,313)

Puget Sound Energy	Qualified Pension Benefits		SERP Pension Benefits		Other Benefits	
(Dollars in Thousands)	2022	2021	2022	2021	2022	2021
Amounts recognized in Consolidated Balance Sheet consist of:						
Noncurrent assets	$ 69,255	$ 63,590	$ —	$ —	$ —	$ —
Current liabilities	—	—	(3,532)	(2,822)	(252)	(280)
Noncurrent liabilities	—	—	(28,514)	(40,333)	(3,573)	(5,033)

Net assets (liabilities)	$ 69,255	$ 63,590	$ (32,046)	$ (43,155)	$ (3,825)	$ (5,313)

Puget Sound Energy	Qualified Pension Benefits		SERP Pension Benefits		Other Benefits	
(Dollars in Thousands)	2022	2021	2022	2021	2022	2021
Change in plan obligation and plan asset:						
Projected benefit obligation	$ 589,278	$ 834,960	$ 32,046	$ 43,155	$ 9,015	$ 11,654
Accumulated benefit obligation	582,538	823,418	29,763	40,773	8,929	11,549
Fair value of plan assets	658,533	898,550	—	—	5,190	6,341

The following tables summarize PSE's pension benefit amounts recognized in accumulated other comprehensive income (AOCI) for the years ended December 31, 2022, and 2021:

Puget Sound Energy	Qualified Pension Benefits		SERP Pension Benefits		Other Benefits	
(Dollars in Thousands)	2022	2021	2022	2021	2022	2021
Amounts recognized in Accumulated Other Comprehensive Income consist of:						
Net loss (gain)	$ 124,767	$ 127,111	$ 1,864	$ 10,103	$ (2,056)	$ (622)
Prior service cost (credit)	—	—	289	578	258	242
Total	$ 124,767	$ 127,111	$ 2,153	$ 10,681	$ (1,798)	$ (380)

The following table summarizes PSE's net periodic benefit cost for the years ended December 31, 2022 and 2021:

Puget Sound Energy	Qualified Pension Benefits		SERP Pension Benefits		Other Benefits	
(Dollars in Thousands)	2022	2021	2022	2021	2022	2021
Components of net periodic benefit cost:						
Service cost	$ 26,351	$ 26,888	$ 557	$ 456	$ 217	$ 155
Interest cost	24,263	22,381	1,253	1,183	311	302
Expected return on plan assets	(51,016)	(48,242)	—	—	(379)	(355)
Amortization of prior service cost (credit)	—	(1,513)	289	349	22	6
Amortization of net loss (gain)	15,080	21,862	2,648	2,344	(35)	(52)
Net periodic benefit cost	$ 14,678	$ 21,376	$ 4,747	$ 4,332	$ 136	$ 56

The following table summarizes PSE's benefit obligations recognized in other comprehensive income (OCI) for the years ended December 31, 2022 and 2021:

Puget Sound Energy	Qualified Pension Benefits		SERP Pension Benefits		Other Benefits	
(Dollars in Thousands)	2022	2021	2022	2021	2022	2021
Other changes (pre-tax) in plan assets and benefit obligations recognized in other comprehensive income:						
Net loss (gain)	$ 12,736	$ (61,345)	$ (5,260)	$ 828	$ (1,468)	$ (1,164)
Amortization of net (loss) gain	(15,080)	(21,862)	(2,648)	(2,343)	35	53
Settlements, mergers, sales, and closures	—	—	(331)	(886)	—	—
Prior service cost (credit)	—	—	—	—	38	205
Amortization of prior service (cost) credit	—	1,513	(289)	(349)	(22)	(6)
Total change in other comprehensive income for year	$ (2,344)	$ (81,694)	$ (8,528)	$ (2,750)	$ (1,417)	$ (912)

The aggregate expected contributions by the Company to fund the qualified pension plan, SERP and the other postretirement plans for the year ending December 31, 2023, are expected to be at least $18.0 million, $3.5 million and $0.3 million, respectively.

Assumptions

In accounting for pension and other benefit obligations and costs under the plans, the following weighted-average actuarial assumptions were used by the Company:

	Qualified Pension Benefits		SERP Pension Benefits		Other Benefits	
Benefit Obligation Assumptions	2022	2021	2022	2021	2022	2021
Discount rate	5.60%	3.00%	5.60%	3.00%	5.60%	3.00%

Rate of compensation increase	4.50	4.50	4.50	4.50	4.50	4.50
Interest crediting rate	4.00	4.00	N/A	N/A	N/A	N/A
Benefit Cost Assumptions						
Discount rate	3.00	2.70	3.00	2.70	3.00	2.70
Return on plan assets	6.50	6.50	—	—	7.00	7.00
Rate of compensation increase	4.50	4.50	4.50	4.50	4.50	4.50
Interest crediting rate	4.00	4.00	N/A	N/A	N/A	N/A

The Company has selected the expected return on plan assets based on a historical analysis of rates of return and the Company’s investment mix, market conditions, inflation and other factors. The expected rate of return is reviewed annually based on these factors. The Company’s accounting policy for calculating the market-related value of assets for the Company’s retirement plan is based on a five-year smoothing of asset gains (losses) measured from the expected return on market-related assets. This is a calculated value that recognizes changes in fair value in a systematic and rational manner over five years. The same manner of calculating market-related value is used for all classes of assets, and is applied consistently from year to year.

The discount rates were determined by using market interest rate data and the weighted-average discount rate from the FTSE Pension Discount Curve (formerly known as the Citigroup Pension Liability Index Curve). The Company also takes into account in determining the discount rate the expected changes in market interest rates and anticipated changes in the duration of the plan liabilities. The Company's projected benefit obligation for pension plans experienced an actuarial gain of $215.0 million in 2022. This is primarily due to the increase in the discount rate used in measuring the benefit obligation.

Plan Benefits

The expected total benefits to be paid during the next five years and the aggregate total to be paid for the five years thereafter are as follows:

(Dollars in Thousands)	2023	2024	2025	2026	2027	2028-2032
Qualified Pension total benefits	$ 46,500	$ 47,800	$ 48,700	$ 49,900	$ 50,700	$ 260,700
SERP Pension total benefits	3,532	1,844	7,634	2,271	10,956	7,479
Other Benefits total	912	890	881	879	854	3,829

Plan Assets

Plan contributions and the actuarial present value of accumulated plan benefits are prepared based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, changes in these estimates and assumptions in the near term may be material to the financial statements.

The Company has a Retirement Plan Committee that establishes investment policies, objectives and strategies designed to balance expected return with a prudent level of risk. All changes to the investment policies are reviewed and approved by the Retirement Plan Committee prior to being implemented.

The Retirement Plan Committee invests trust assets with investment managers who have historically achieved above-median long-term investment performance within the risk and asset allocation limits that have been established. Interim evaluations are routinely performed with the assistance of an outside investment consultant.

To obtain the desired return needed to fund the pension benefit plans, the Retirement Plan Committee has established investment allocation percentages by asset classes as follows:

	Allocation		
Asset Class	Minimum	Target	Maximum
Domestic large cap equity	25 %	31 %	40 %
Domestic small cap equity	—	9	15
Non-U.S. equity	10	25	30
Fixed income	25	35	40
Real estate	—	—	10
Cash	—	—	5

Plan Fair Value Measurements

ASC 715, “Compensation – Retirement Benefits” (ASC 715) directs companies to provide additional disclosures about plan assets of a defined benefit pension or other postretirement plan. The objectives of the disclosures are to disclose the following: (i) how investment allocation decisions are made, including the factors that are pertinent to an understanding of investment policies and strategies; (ii) major categories of plan assets; (iii) inputs and valuation techniques used to measure the fair value of plan assets; (iv) effect of fair value measurements using significant unobservable inputs (Level 3) on changes in plan assets for the period; and (v) significant concentrations of risk within plan assets.

ASC 820 allows the reporting entity, as a practical expedient, to measure the fair value of investments that do not have readily determinable fair values on the basis of the net asset value per share of the investment if the net asset value of the investment is calculated in a matter consistent with ASC 946, “Financial Services – Investment Companies”. The standard requires disclosures about the nature and risk of the investments and whether the investments are probable of being sold at amounts different from the net asset value per share.

The following table sets forth by level, within the fair value hierarchy, the qualified pension plan as of December 31, 2022, and 2021:

	Recurring Fair Value Measures				Recurring Fair Value Measures			
	December 31, 2022				December 31, 2021			
(Dollars in Thousands)	Level 1	Level 2	Other	Total	Level 1	Level 2	Other	Total
Assets:								
Common Stock								
– Domestic	$175,969	$298	$—	$176,267	$249,021	$99	$—	$249,120
– Foreign	17,767	—	—	17,767	25,963	—	—	25,963
Government Securities	61,693	8,828	—	70,521	65,266	2,470	—	67,736
Corporate Securities								
– Domestic	—	16,005	—	16,005	—	12,820	—	12,820

– Foreign	—	6,525	—	6,525	—	5,239	—	5,239
Cash and cash equivalents	4,678	(632)	—	4,046	3,638	(540)	—	3,098
Investments measured at NAV								
- Collective Investment Funds	—	—	262,910	262,910	—	—	359,861	359,861
- Partnership	—	—	86,827	86,827	—	—	115,570	115,570
- Mutual Funds	—	—	46,005	46,005	—	—	80,724	80,724
- Other	—	—	846	846	—	—	1,434	1,434
Net (payable) receivable	—	—	(29,186)	(29,186)	—	—	(23,015)	(23,015)
Total assets	$260,107	$31,024	$367,402	$658,533	$343,888	$20,088	$534,574	$898,550

The following table sets forth by level, within the fair value hierarchy, the Other Benefits plan assets which consist of insurance benefits for retired employees, at fair value:

	Recurring Fair Value Measures December 31, 2022				Recurring Fair Value Measures December 31, 2021			
(Dollars in Thousands)	Level 1	Level 2	Other	Total	Level 1	Level 2	Other	Total
Assets:								
Money markets	$ —	$ —	$ —	$ —	$ 4	$ —	$ —	$ 4
Mutual fund	—	5,190	—	5,190	—	6,337	—	6,337
Net (payable) receivable	—	—	—	—	—	—	—	—
Total assets	$ —	$ 5,190	$ —	$ 5,190	$ 4	$ 6,337	$ —	$ 6,341

The following discussion provides information regarding the methods used in valuation of the various asset class investments held for the pension and other postretirement benefit plans.

- Mutual funds classified as Level 1 securities have pricing inputs that are based on unadjusted prices in an active market. Principal markets for equity prices include published exchanges such as NASDAQ and New York Stock Exchange (NYSE). Mutual fund assets not included in the fair value hierarchy are privately held funds. These funds are not actively traded and utilize net asset value (NAV) as a practical expedient to measure fair value.
- Common stock investments are traded in active markets on national and international securities exchanges and are valued at closing prices on the last business day of each period presented. They are classified as Level 1 securities.
- Corporate and some government debt securities are valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings. Some government debt securities have quoted prices such as certain treasury securities and are classified as Level 1 securities.
- Cash and cash equivalents comprise mostly of money market funds and foreign currency held. Money market funds are classified as Level 1 instruments as pricing inputs are based on unadjusted prices in an active market while foreign currency held is classified as a Level 2 investment based on inputs that are indirectly observable.
- Investments in collective trust funds and partnerships are stated at the NAV as determined by the issuer of fund and are based on the fair value of the underlying investments held by the fund less its liabilities. The NAV is used as a practical expedient to estimate fair value. These funds are primarily invested in a blend of corporate and government debt securities as well as international equities.

(13) Income Taxes

The details of income tax (benefit) expense are as follows:

Puget Sound Energy	Year Ended December 31,	
(Dollars in Thousands)	2022	2021
Charged to operating expenses:		
Current:		
Federal	$ 81,597	$ 52,616
State	869	670
Deferred:		
Federal	(2,243)	(11,266)
State	—	—
Total income tax expense	$ 80,223	$ 42,020

The following reconciliation compares pre-tax book income at the federal statutory rate of 21.0% to the actual income tax expense in the Statements of Income:

Puget Sound Energy	Year Ended December 31,	
(Dollars in Thousands)	2022	2021
Income taxes at the statutory rate	$ 119,962	$ 79,868
Increase (decrease):		
Utility plant differences[1]	$ (23,028)	$ (22,325)
AFUDC, net	(3,567)	1,509
Executive Compensation	1,821	1,386
Treasury grant amortization	(5,717)	(5,424)
Tax reform	(13,722)	(13,392)
Other–net	4,474	398

Total income tax expense	$ 80,223	$ 42,020
Effective tax rate	14.0 %	11.0 %

1. Utility plant differences include the reversal of excess deferred taxes using the average rate assumption method in the amount of $27.2 million and $27.6 million in 2022 and 2021, respectively.

The Company's net deferred tax liability at December 31, 2022, and 2021, is composed of amounts related to the following types of temporary differences:

Puget Sound Energy	Year Ended December 31,	
(Dollars in Thousands)	2022	2021
Utility plant and equipment	$ 1,852,644	$ 1,892,674
Unrealized gain on derivative instruments	143,147	31,940
Other deferred tax liabilities	281,593	227,806
Subtotal deferred tax liabilities	2,277,384	2,152,420
Net regulatory liability for income taxes	(811,724)	(866,541)
Other deferred tax assets	(293,977)	(178,211)
Unrealized loss on derivative instruments	(30,102)	(21,412)
Subtotal deferred tax assets	(1,135,803)	(1,066,164)
Total net deferred tax liabilities	$ 1,141,581	$ 1,086,256

The Company calculates its deferred tax assets and liabilities under ASC 740, "Income Taxes" (ASC 740). ASC 740 requires recording deferred tax balances, at the currently enacted tax rate, on assets and liabilities that are reported differently for income tax purposes than for financial reporting purposes. The utilization of deferred tax assets requires sufficient taxable income in future years. ASC 740 requires a valuation allowance on deferred tax assets when it is more likely than not that the deferred tax assets will not be realized. PSE fully utilized its PTC balance in 2021 and had no carryforwards at the end of 2021. Net operating losses generated in 2018 and thereafter have no expiration date. No valuation allowance has been provided for net operating loss carryforwards.

Unrecognized Tax Benefits

The Company accounts for uncertain tax positions under ASC 740, which clarifies the accounting for uncertainty in income taxes recognized in the financial statements. ASC 740 requires the use of a two-step approach for recognizing and measuring tax positions taken or expected to be taken in a tax return. First, a tax position should only be recognized when it is more likely than not, based on technical merits, that the position will be sustained upon challenge by the taxing authorities and taken by management to the court of last resort. Second, a tax position that meets the recognition threshold should be measured at the largest amount that has a greater than 50.0% likelihood of being sustained.

As of December 31, 2022, and 2021, the Company had no material unrecognized tax benefits. As a result, no interest or penalties were accrued for unrecognized tax benefits during the year.

The Company has open tax years from 2019 through 2022. The Company classifies interest as interest expense and penalties as other expense in the financial statements.

(14) Litigation

From time to time, the Company is involved in litigation or legislative rulemaking proceedings relating to its operations in the normal course of business. The following is a description of pending proceedings that are material to PSE's operations:

Colstrip

PSE has a 50% ownership interest in Colstrip Units 1 and 2 and a 25% interest in each of Colstrip Units 3 and 4, which are coal-fired generating units located in Colstrip, Montana. PSE has accelerated the depreciation of Colstrip Units 3 and 4 to December 31, 2025 as part of the 2019 GRC. The 2017 GRC repurposed PTCs and hydro-related treasury grants to recover unrecovered plant costs and to fund and recover decommissioning and remediation costs for Colstrip Units 1 through 4. On September 2, 2022, PSE and Talen Energy reached an agreement to transfer PSE's ownership interest in Colstrip Units 3 and 4 to Talen Energy on December 31, 2025. Management evaluated Colstrip Units 3 and 4 and determined that the applicable held for sale accounting criteria were not met as of December 31, 2022. As such, Colstrip Units 3 and 4 are classified as Electric Utility Plant on the Company's balance sheet as of December 31, 2022.

Consistent with a June 2019 announcement, Talen permanently shut down Units 1 and 2 at the end of 2019 due to operational losses associated with the Units. Colstrip Units 1 and 2 were retired effective December 31, 2019. The Washington Clean Energy Transformation Act requires the Washington Commission to provide recovery of the investment, decommissioning, and remediation costs associated with the facilities that are not recovered through the repurposed PTCs and hydro-related treasury grants. The full scope of decommissioning activities and costs may vary from the estimates that are available at this time.

On May 19, 2021, PSE along with the Colstrip owners, Avista Corporation, PacifiCorp and Portland General Electric Company filed a lawsuit against the Montana Attorney General challenging the constitutionality of Montana Senate Bill 266. On October 13, 2021, the United States District Court for the District of Montana issued a preliminary injunction finding it likely that Senate Bill 266 unconstitutionally violates the Commerce Clause and Contract Clause of the United States Constitution. Since then, a motion for summary judgment was filed requesting a permanent injunction against enforcement of Senate Bill 266. On September 29, 2022, the magistrate judge in the District Court proceeding issued a recommendation to the presiding U.S. District Court Judge that a permanent injunction against enforcement of Senate Bill 266 be granted. On October 18, 2022, the U.S. District Court Judge accepted in full the magistrate judge recommendation for a permanent injunction against enforcement of Senate Bill 266.

Puget LNG

In January 2018, the Puget Sound Clean Air Agency (PSCAA) determined a Supplemental Environmental Impact Statement (SEIS) was necessary in order to rule on the air quality permit for the facility. In December 2019, PSCAA issued the air quality permit for the facility, a decision which was appealed to the Washington Pollution Control Hearings Board (PCHB) by each of the Puyallup Tribe of Indians and nonprofit law firm Earthjustice. In November 2021, the PCHB affirmed the PSCAA ruling in PSE's favor. In December 2021, the PCHB decision was appealed with the Pierce County Superior Court by each of the Puyallup Tribe of Indians and nonprofit law firm Earthjustice. The appeal did not delay commissioning or commercial operations at the plant, which commenced on February 1, 2022.

(15) Commitments and Contingencies

For the year ended December 31, 2022, approximately 16.4% of the Company's energy output was obtained at an average cost of approximately $0.034 per Kilowatt Hour (kWh) through long-term contracts with three of the Washington Public Utility Districts (PUDs) that own hydroelectric projects on the Columbia River. The purchase of power from the Columbia River projects is on a pro rata share basis under which the Company pays a proportionate share of the annual debt service, operating and maintenance costs and other expenses associated with each project, in proportion to the contractual share of power that PSE obtains from that project. In these instances, PSE's payments are not contingent upon the projects being operable; therefore, PSE is required to make the payments even if power is not delivered. These projects are financed substantially through debt service payments and their annual costs should not vary significantly over the term of the contracts unless additional financing is required to meet the costs of major maintenance, repairs or replacements, or license requirements. The Company’s share of the costs and the output of the projects is subject to reduction due to various withdrawal rights of the PUDs and others over the contract lives.

The Company's expenses under these PUD contracts were as follows for the years ended December 31:

(Dollars in Thousands)	2022	2021
PUD contract costs	$ 149,575	$ 117,812

As of December 31, 2022, the Company purchased portions of the power output of the PUDs' projects as set forth in the following table:

		Company's Current Share of					
(Dollars in Thousands)	Contract Expiration	2023 Percent of Output	2023 Megawatt Capacity	Estimated 2023 Total Costs	2023 Debt Service Costs	Interest included in 2023 Debt Service Costs	Debt Outstanding
Chelan County PUD[1]:							
Rock Island Project	2031	30.0 %	187	$ 47,892	$ 12,072	$ 5,132	$ 93,493
Rocky Reach Project	2031	30.0	390	54,022	5,039	1,907	33,757
Douglas County PUD[2]:							
Wells Project	2028	32.8	276	45,489	—	—	—
Grant County PUD[3]:							
Priest Rapids Development	2052	4.8	45	28,243	747	376	9,768
Wanapum Development	2052	4.8	58	28,243	747	376	9,768
Total			956	$ 203,889	$ 18,605	$ 7,791	$ 146,786

1. *In March 2021, PSE entered into a new PPA with Chelan County PUD for additional Rocky Reach and Rock Island output. The contract began on January 1, 2022, and continues through December 31, 2026. This agreement increases PSE’s share of output by 5% for each project, which equates to an additional capacity of 31MW for Rock Island and 65MW for Rocky Reach.*
2. *In March 2021, PSE entered into a new agreement with Douglas County PUD for the extension of the Wells Project Output that began on October 1, 2021, and continues through September 30, 2024. This agreement increases PSE's share of output by 5.5% for the Wells Project, which equates to an additional capacity of 46MW.*
3. *In November 2022, PSE elected to take its portion of the Priest Rapid Meaningful Priority and was granted 4.13% share of the 2023 Priest Rapids Project output. This one-year contract begins on January 1, 2023, and continues through December 31, 2023. This agreement increases PSE's share of output by 4.13%, which equates to an additional capacity of 39MW for Priest Rapids Development and 51 MW for Wanapum Development.*

The following table summarizes the Company’s estimated payment obligations for power purchases from the Columbia River projects, electric portfolio contracts and electric wholesale market transactions. These contracts have varying terms and may include escalation and termination provisions.

(Dollars in Thousands)	2023	2024	2025	2026	2027	Thereafter	Total
Columbia River projects	$ 191,618	$ 145,078	$ 140,887	$ 138,482	$ 123,152	$ 394,875	$ 1,134,092
Electric portfolio contracts	380,559	385,807	345,257	142,273	133,903	1,776,703	3,164,502
Electric wholesale market transactions	414,278	148,628	11,616	11,616	—	—	586,138
Total	$ 986,455	$ 679,513	$ 497,760	$ 292,371	$ 257,055	$ 2,171,578	$ 4,884,732

Total purchased power contracts provided the Company with approximately 15.3 million and 13.1 million MWhs of firm energy at a cost of approximately $892.7 million and $631.4 million for the years 2022 and 2021, respectively.

Natural Gas Supply Obligations

The Company has entered into various firm supply, transportation and storage service contracts in order to ensure adequate availability of natural gas supply for its customers and generation requirements. The Company contracts for its long-term natural gas supply on a firm basis, which means the Company has a 100% daily take obligation and the supplier has a 100% daily delivery obligation to ensure service to PSE’s customers and generation requirements. The transportation and storage contracts, which have remaining terms from 1 year to 22 years, provide that the Company must pay a fixed demand charge each month, regardless of actual usage.

The Company incurred demand charges of $138.3 million and $136.4 million for firm transportation, storage and peaking services for its natural gas customers for the years 2022 and 2021. The Company incurred demand charges of $53.9 million and $52.8 million for firm transportation, storage and peaking services for the natural gas supply for its combustion turbines for the years 2022 and 2021.

The following table summarizes the Company’s obligations for future natural gas supply and demand charges through the primary terms of its existing contracts. The quantified obligations are based on the FERC and Canadian Energy Regulator currently authorized rates, which are subject to change.

Natural Gas Supply and Demand Charge Obligations (Dollars in Thousands)	2023	2024	2025	2026	2027	Thereafter	Total
Natural gas wholesale market transactions	$ 1,013,547	$ 377,588	$ 351,129	$ 255,577	$ 76,453	$ —	$ 2,074,294
Firm transportation service	175,136	146,675	112,327	94,417	94,123	570,687	1,193,365
Firm storage service	9,350	7,923	7,448	7,432	7,352	1,838	41,343
Total	$ 1,198,033	$ 532,186	$ 470,904	$ 357,426	$ 177,928	$ 572,525	$ 3,309,002

Service Contracts

The following table summarizes the Company’s estimated obligations for service contracts through the terms of its existing contracts.

The following table summarizes the Company's estimated obligations for service contracts through the terms of its existing contracts:

Service Contract Obligations (Dollars in Thousands)	2023	2024	2025	2026	2027	Thereafter	Total
Energy production service contracts	$33,971	$34,812	$35,772	$18,728	$19,221	$79,655	$222,159
Automated meter reading system	50,124	47,301	47,668	48,803	—	—	193,896
Total	$84,095	$82,113	$83,440	$67,531	$19,221	$79,655	$416,055

Chelan PUD Power Purchase Agreement

On February 7, 2023, PSE and Chelan PUD entered into a new power purchase agreement, under which PSE will continue to purchase 25% of the total output from the Rocky Reach and Rock Island hydroelectric projects from November 1, 2031 through October 31, 2051. Estimated payment obligations under the new power sales agreement total $3.1 billion.

Other Commitments and Contingencies

For information regarding PSE's environmental remediation obligations, see Note 3, "Regulation and Rates".

(16) Related Party Transactions

The Company identified no material related party transactions during the year ended December 31, 2022 and December 31, 2021.

(17) Accumulated Other Comprehensive Income (Loss)

The following tables present the changes in the Company’s (loss) AOCI by component for the years ended December 31, 2022 and 2021, respectively:

Puget Sound Energy Changes in AOCI, net of tax (Dollars in Thousands)	Net unrealized gain (loss) and prior service cost on pension plans	Net unrealized gain (loss) on treasury interest rate swaps	Total
Balance at December 31, 2020	$ (175,972)	$ (4,984)	$ (180,956)
Other comprehensive income (loss) before reclassifications	49,265	—	49,265
Amounts reclassified from accumulated other comprehensive income (loss), net of tax	18,166	384	18,550
Net current-period other comprehensive income (loss)	67,431	384	67,815
Balance at December 31, 2021	$ (108,541)	$ (4,600)	$ (113,141)
Other comprehensive income (loss) before reclassifications	(4,512)	—	(4,512)
Amounts reclassified from accumulated other comprehensive income (loss), net of tax	14,223	386	14,609
Net current-period other comprehensive income (loss)	9,711	386	10,097
Balance at December 31, 2022	$ (98,830)	$ (4,214)	$ (103,044)

Details about the reclassifications out of AOCI (loss) for the years ended December 31, 2022 and 2021, respectively, are as follows:

Puget Sound Energy
(Dollars in Thousands)

Details about accumulated other comprehensive income (loss) components	Affected line item in the statement where net income (loss) is presented	Amount reclassified from accumulated other comprehensive income (loss) 2022	2021
Net unrealized gain (loss) and prior service cost on pension plans:			
Amortization of prior service cost	(a)	$ (311)	$ 1,158
Amortization of net gain (loss)	(a)	(17,693)	(24,153)
	Total before tax	$ (18,004)	$ (22,995)
	Tax (expense) or benefit	3,781	4,829
	Net of tax	$ (14,223)	$ (18,166)
Net unrealized gain (loss) on treasury interest rate swaps:			
Interest rate contracts	Interest expense	(488)	(487)
	Tax (expense) or benefit	102	103
	Net of Tax	$ (386)	$ (384)
Total reclassification for the period	Net of Tax	$ (14,609)	$ (18,550)

(a) *These AOCI components are included in the computation of net periodic pension cost, see Note 12, "Retirement Benefits" for additional details.*

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Summary of Utility Plant and Accumulated Provisions for Depreciation, Amortization and Depletion

Line No.	Item (a)	Total Company For the Current Quarter/Year (b)	Electric (c)	Gas (d)	Other (Specify) (e)	Common (f)
1	UTILITY PLANT					
2	In Service					
3	Plant in Service (Classified)	16,449,945,708	10,650,307,509	4,795,295,870		1,004,342,329
4	Property Under Capital Leases	293,475,429	41,575,741			251,899,688
5	Plant Purchased or Sold					
6	Completed Construction not Classified	723,383,148	342,443,905	355,745,484		25,193,759
7	Experimental Plant Unclassified					
8	TOTAL Utility Plant (Total of lines 3 thru 7)	17,466,804,285	11,034,327,155	5,151,041,354		1,281,435,776
9	Leased to Others					
10	Held for Future Use	46,231,981	38,857,747	7,374,234		
11	Construction Work in Progress	861,801,465	715,554,479	108,956,528		37,290,458
12	Acquisition Adjustments	282,791,675	282,791,676			
13	TOTAL Utility Plant (Total of lines 8 thru 12)	18,657,629,406	12,071,531,057	5,267,372,116		1,318,726,234
14	Accumulated Provisions for Depreciation, Amortization, & Depletion	7,461,206,807	5,074,629,251	1,916,418,469		470,159,087
15	Net Utility Plant (Total of lines 13 and 14)	11,196,422,599	6,996,901,806	3,350,953,647		848,567,147
16	DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION					
17	In Service:					
18	Depreciation	6,854,925,784	4,810,159,731	1,904,777,615		139,988,438
19	Amortization and Depletion of Producing Natural Gas Land and Land Rights					
20	Amortization of Underground Storage Land and Land Rights					

21	Amortization of Other Utility Plant	434,822,265	93,010,762	11,640,854		330,170,649
22	TOTAL In Service (Total of lines 18 thru 21)	7,289,748,049	4,903,170,493	1,916,418,469		470,159,087
23	Leased to Others					
24	Depreciation					
25	Amortization and Depletion					
26	TOTAL Leased to Others (Total of lines 24 and 25)					
27	Held for Future Use					
28	Depreciation	162,425	162,425			
29	Amortization					
30	TOTAL Held for Future Use (Total of lines 28 and 29)	162,425	162,425			
31	Abandonment of Leases (Natural Gas)					
32	Amortization of Plant Acquisition Adjustment	171,296,333	171,296,333			
33	TOTAL Accum. Provisions (Should agree with line 14 above)(Total of lines 22, 26, 30, 31, and 32)	7,461,206,807	5,074,629,251	1,916,418,469		470,159,087

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Gas Plant in Service (Accounts 101, 102, 103, and 106)

1. Report below the original cost of gas plant in service according to the prescribed accounts.
2. In addition to Account 101, Gas Plant in Service (Classified), this page and the next include Account 102, Gas Plant Purchased or Sold, Account 103, Experimental Gas Plant Unclassified, and Account 106, Completed Construction Not Classified-Gas.
3. Include in column (c) and (d), as appropriate corrections of additions and retirements for the current or preceding year.
4. Enclose in parenthesis credit adjustments of plant accounts to indicate the negative effect of such accounts.
5. Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d) reversals of tentative distributions of prior year's unclassified retirements. Include in a footnote, the account distributions of these tentative classifications in columns (c) and (d), including the reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Account 101 and 106 will avoid serious omissions of respondent's reported amount for plant actually in service at end of year.
6. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102. In showing the clearance of Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits to primary account classifications.
7. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirements of these pages.
8. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchaser, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give date of such filing.

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)
1	INTANGIBLE PLANT						
2	301 Organization	158,692					158,692
3	302 Franchise and Consents	666,540		17,970			648,570
4	303 MiscellaneousIntangiblePlant	54,579,034	52,047	20,102,723			34,528,358
5	Total Intangible Plant (Total of lines 2 thru 4)	55,404,266	52,047	20,120,693			35,335,620
6	PRODUCTION PLANT						
7	Natural Gas Production and Gathering Plant						
8	325.1 Producing Lands						
9	325.2 Producing Leaseholds						
10	325.3 Gas Rights						
11	325.4 RIghts-of-Way						
12	325.5 Other Land and Land Rights						

13	326 Gas Well Structures						
14	327 Field Compressor Station Structures						
15	328 Field Measuring and Regulating Station Structures						
16	329 Other Structures						
17	330 Producing Gas Wells-Well Construction						
18	331 Producing Gas Wells-Well Equipment						
19	332 Field Lines						
20	333 Field Compressor Station Equipment						
21	334 Field Measuring and Regulating Station Equipment						
22	335 Drilling and Cleaning Equipment						
23	336 Purification Equipment						
24	337 Other Equipment						
25	338 Unsuccessful Exploration and Development Costs						
26	339 Asset Retirement Costs for Natural Gas Production and Gathering Plant						
27	Total Production and Gathering Plant (Total of lines 8 thru 26)						
28	PRODUCTS EXTRACTION PLANT						
29	340 Land and Land Rights						
30	341 Structures and Improvements						
31	342 Extraction and Refining Equipment						
32	343 Pipe Lines						
33	344 Extracted Products Storage Equipment						
34	345 Compressor Equipment						
35	346 Gas Measuring and Regulating Equipment						
36	347 Other equipment						

37	348 Asset Retirement Costs for Products Extraction Plant						
38	Total Products Extraction Plant (Total of lines 29 thru 37)						
39	Total Natural Gas Production Plant (Total of lines 27 and 38)						
40	Manufactured Gas Production Plant (Submit supplementary information in a footnote)	2,043					2,043
41	Total Production Plant (Total of lines 39 and 40)	2,043					2,043
42	NATURAL GAS STORAGE AND PROCESSING PLANT						
43	Underground storage plant						
44	350.1 Land	1,342,895					1,342,895
45	350.2 Rights-of-Way	37,078					37,078
46	351 Structures and Improvements	1,094,047	56,730				1,150,777
47	352 Wells	17,062,195	1,470,979				18,533,174
48	352.1 Storage Leaseholds and Rights						
49	352.2 Reservoirs	1,757,701					1,757,701
50	352.3 Non-recoverable Natural Gas	4,185,431					4,185,431
51	353 Lines	3,330,266					3,330,266
52	354 Compressor Station Equipment	23,392,507	340,405	67,070			23,665,842
53	355 Measuring and Regulating Equipment	1,336,294					1,336,294
54	356 Purification Equipment	2,821,447	51,622				2,873,069
55	357 Other Equipment	460,451	52,474	9,013			503,912
56	358 Asset Retirement Costs for Underground Storage Plant						
57	Total Underground Storage Plant (Total of lines 44 thru 56)	56,820,312	1,972,210	76,083			58,716,439
58	Other Storage Plant						
59	360 Land and Land Rights	1,704,569					1,704,569

60	361 Structures and Improvements	4,155,602	80,821,250				84,976,852
61	362 Gas Holders	3,683,221	110,724,940				114,408,161
62	363 Purification Equipment		5,830,357				5,830,357
63	363.1 Liquefaction Equipment		6,788,563				6,788,563
64	363.2 Vaporizing Equipment	1,197,749	21,328,297				22,526,046
65	363.3 Compressor Equipment	6,019	3,011,907				3,017,926
66	363.4 Measuring and Regulating Equipment	621,394					621,394
67	363.5 Other Equipment	2,158,877	6,959,806				9,118,683
68	363.6 Asset Retirement Costs for Other Storage Plant						
69	Total Other Storage Plant (Total of lines 58 thru 68)	13,527,431	235,465,120				248,992,551
70	Base Load Liquefied Natural Gas Terminaling and Processing Plant						
71	364.1 Land and Land Rights						
72	364.2 Structures and Improvements						
73	364.3 LNG Processing Terminal Equipment		3,650,392				3,650,392
74	364.4 LNG Transportation Equipment	970,581	698,283				1,668,864
75	364.5 Measuring and Regulating Equipment		1,881,654				1,881,654
76	364.6 Compressor Station Equipment		963,302				963,302
77	364.7 Communications Equipment						
78	364.8 Other Equipment						
79	364.9 Asset Retirement Costs for Base Load Liquefied Natural Gas	3,237,250					3,237,250
80	Total Base Load Liquified Natural Gas , Terminating and Processing Plant (Total of lines 71 thru 79)	4,207,831	7,193,631				11,401,462
81	Total Nat'l Gas Storage and Processing Plant (Total of lines 57, 69, and 80)	74,555,574	244,630,961	76,083			319,110,452
82	TRANSMISSION PLAN						

83	365.1 Land and Land Rights						
84	365.2 Rights-of-Way						
85	366 Structures and Improvements						
86	367 Mains						
87	368 Compressor Station Equipment						
88	369 Measuring and Regulating Station Equipment						
89	370 Communication Equipment						
90	371 Other Equipment						
91	372 Asset Retirement Costs for Transmission Plant						
92	Total Transmission Plant (Total of line 81 thru 91)						
93	DISTRIBUTION PLANT						
94	374 Land and Land Rights	23,522,275	309,131				23,831,406
95	375 Structures and Improvements	19,997,778	129				19,997,907
96	376 Mains	2,376,666,631	91,359,700	1,952,024			2,466,074,307
97	377 Compressor Station Equipment						
98	378 Measuring and Regulating Station Equipment-General	139,150,827	6,859,542				146,010,369
99	379 Measuring and Regulating Station Equipment-City Gate						
100	380 Services	1,403,748,324	66,154,905	2,854,381			1,467,048,848
101	381 Meters	179,578,945	21,161,870	1,881,385			198,859,430
102	382 Meter Installations	237,564,237	16,687,460	788,820			253,462,877
103	383 House Regulators	20,110,848	1,145,401	303,797			20,952,452
104	384 House Regulator Installations	83,586,449	354,572	24,507			83,916,514
105	385 Industrial Measuring and Regulating Station Equipment	51,825,519	1,661,660				53,487,179
106	386 Other Property on Customers' Premises	1,414,231					1,414,231

107	387 Other Equipment	5,456,654					5,456,654
108	388 Asset Retirement Costs for Distribution Plant	16,424,230	(2,565,505)				13,858,725
109	Total Distribution Plant (Total of lines 94 thru 108)	4,559,046,948	203,128,865	7,804,914			4,754,370,899
110	GENERAL PLANT						
111	389 Land and Land Rights	121,045					121,045
112	390 Structures and Improvements	19,817,362					19,817,362
113	391 Office Furniture and Equipment	4,635,829	404,893	179,459			4,861,263
114	392 Transportation Equipment	3,694,493	1,136,151	3,236,920			1,593,724
115	393 Stores Equipment						
116	394 Tools, Shop, and Garage Equipment	7,107,995	2,515,185	259,733			9,363,447
117	395 Laboratory Equipment	2,750,795		112,298			2,638,497
118	396 Power Operated Equipment	16,711	126,239				142,950
119	397 Communication Equipment	1,999,080	1,577,827	48,478			3,528,429
120	398 Miscellaneous Equipment	155,624					155,624
121	Subtotal (Total of lines 111 thru 120)	40,298,934	5,760,295	3,836,888			42,222,341
122	399 Other Tangible Property						
123	399.1 Asset Retirement Costs for General Plant						
124	Total General Plant (Total of lines 121, 122, and 123)	40,298,934	5,760,295	3,836,888			42,222,341
125	Total (Accounts 101 and 106)	4,729,307,765	453,572,168	31,838,578			5,151,041,355
126	Gas Plant Purchased (See Instruction 8)						
127	(Less) Gas Plant Sold (See Instruction 8)						
128	Experimental gas plant unclassified						
129	Total Gas Plant In Service (Total of lines 125 thru 128)	4,729,307,765	453,572,168	31,838,578			5,151,041,355

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Gas Property and Capacity Leased from Others

1. Report below the information called for concerning gas property and capacity leased from others for gas operations.
2. For all leases in which the average annual lease payment over the initial term of the lease exceeds $500,000, describe in column (c), if applicable: the property or capacity leased. Designate associated companies with an asterisk in column (b).

Line No.	Name of Lessor (a)	* (b)	Description of Lease (c)	Lease Payments for Current Year (d)
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45	Total			

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Gas Property and Capacity Leased to Others

1. For all leases in which the average lease income over the initial term of the lease exceeds $500,000 provide in column (c), a description of each facility or leased capacity that is classified as gas plant in service, and is leased to others for gas operations.
2. In column (d) provide the lease payments received from others.
3. Designate associated companies with an asterisk in column (b).

Line No.	Name of Lessee (a)	* (b)	Description of Lease (c)	Lease Payments for Current Year (d)
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45	Total			

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Gas Plant Held for Future Use (Account 105)

1. Report separately each property held for future use at end of the year having an original cost of $1,000,000 or more. Group other items of property held for future use.
2. For property having an original cost of $1,000,000 or more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and in column (b) the date the original cost was transferred to Account 105.

Line No.	Description and Location of Property (a)	Date Originally Included in this Account (b)	Date Expected to be Used in Utility Service (c)	Balance at End of Year (d)
1	Property Held for Future Use $1 Mil. or More			
2	SWARR STATION	03/31/2019	12/31/2024	5,999,767
3	Other Property (less than $1,000,000)			1,374,467
45	Total			7,374,234

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Construction Work in Progress-Gas (Account 107)

1. Report below descriptions and balances at end of year of projects in process of construction (Account 107).
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstration (see Account 107 of the Uniform System of Accounts).
3. Minor projects (less than $1,000,000) may be grouped.

Line No.	Description of Project (a)	Construction work in progress - Gas (Account 107) (b)	Estimated Additional Cost of Project (c)
1	LNG Facility Project	558,418	
2	IWM Release Gas Operations Project		
3	CWIP less than $1,000,000 each - Gas Distribution	92,158,609	
4	CWIP less than $1,000,000 each - Gas General Plant &	4,456,665	
5	IntangiblesCWIP less than $1,000,000 each - Gas Underground		
6	Storage		
7	Vashon HP Upgrade	10,849,088	
8	JP - Compressor Station Filtration	920,597	
9	CWIP less than $1,000,000 each - Gas Generation	13,151	
45	TOTAL	108,956,528	

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Non-Traditional Rate Treatment Afforded New Projects

1. The Commission's Certificate Policy Statement provides a threshold requirement for existing pipelines proposing new projects is that the pipeline must be prepared to financially support the project without relying on subsidization from its existing customers. See Certification of New Interstate Natural Gas Pipeline Facilities, 88 FERC P61,227 (1999); order clarifying policy, 90 FERC P61,128 (2000); order clarifying policy, 92 FERC P61,094 (2000) (Policy Statement). In column a, list the name of the facility granted non-traditional rate treatment.
2. In column b, list the CP Docket Number where the Commission authorized the facility.
3. In column c, indicate the type of rate treatment approved by the Commission (e.g. incremental, at risk)
4. In column d, list the amount in Account 101, Gas Plant in Service, associated with the facility.
5. In column e, list the amount in Account 108, Accumulated Provision for Depreciation of Gas Utility Plant, associated with the facility.
6. In column f, list the amount in Account 190, Accumulated Deferred Income Tax; Account 281, Accumulated Deferred Income Taxes – Accelerated Amortization Property; Account 282, Accumulated Deferred Income Taxes – Other Property; Account 283, Accumulated Deferred Income Taxes – Other, associated with the facility.
7. In column g, report the total amount included in the gas operations expense accounts during the year related to the facility (Account 401, Operation Expense).
8. In column h, report the total amount included in the gas maintenance expense accounts during the year related to the facility.
9. In column i, report the amount of depreciation expense accrued on the facility during the year.
10. In column j, list any other expenses(including taxes) allocated to the facility.
11. In column k, report the incremental revenues associated with the facility.
12. Identify the volumes received and used for any incremental project that has a separate fuel rate for that project.
13. Provide the total amounts for each column.

Line No.	Name of Facility (a)	CP Docket No. (b)	Type of Rate Treatment (c)	Gas Plant in Service (d)	Accumulated Depreciation (e)	Accumulated Deferred Income Taxes (f)	Operating Expense (g)	Maintenance Expense (h)	Depreciation Expense (i)	Other Expenses (including taxes) (j)	Incremental Revenues (k)
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37	Gas Plant In Service										

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

General Description of Construction Overhead Procedure

1. For each construction overhead explain: (a) the nature and extent of work, etc., the overhead charges are intended to cover, (b) the general procedure for determining the amount capitalized, (c) the method of distribution to construction jobs, (d) whether different rates are applied to different types of construction, (e) basis of differentiation in rates for different types of construction, and (f) whether the overhead is directly or indirectly assigned.
2. Show below the computation of allowance for funds used during construction rates, in accordance with the provisions of Gas Plant Instructions 3 (17) of the Uniform System of Accounts.
3. Where a net-of-tax rate for borrowed funds is used, show the appropriate tax effect adjustment to the computations below in a manner that clearly indicates the amount of reduction in the gross rate for tax effects.

EXPLANATION OF CONSTRUCTION OVERHEADS

INDIRECT OVERHEAD - REGULAR PROJECTS
Construction support:
Certain expenses applicable to construction including for service of personnel whose general activities preclude the charging of expenditures directly to specific orders are charged to CWIP through the Construction Support. The rate is a ratio of those expenses to construction charges capitalized during the period and applied on the current month construction charges only. For certain construction projects where services and/or equipment are purchased from a third party, the rate applied may be less than described above.
Materials:
Stores' expenses are allocated to CWIP on the basis of materials charged to orders. OH rate is a ratio of stores' expenses to outstanding balance on Inventory account.

Employee Pension and Benefits:
Expenditures for pension and benefits are allocated to CWIP on the basis of payroll charges.

INDIRECT OVERHEAD - MAJOR CONSTRUCTION PROJECTS
Puget as the sponsor of a Jointly Owned Project - Indirect overhead is applied monthly to direct payroll. The rate is contractually fixed as agreed upon by the participants. Puget as a participant in Jointly Owned Project - No indirect overhead for administrative and general expenses is applied.

ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION
The AFUDC rate is the Company's rate of return allowed by the Washington Utilities and Transportation Commission. PSE's Gas Operation is not under the FERC's jurisdiction. Therefore, the significant deviation test per FERC Order #561 does not apply. For recording the current month's AFUDC, work order accumulated charges at the beginning of the month are multiplied by 1/12 of the annual rate and current month's charges are multiplied by 1/24 the annual rate.

The Washington Utilities and Transportation Commission in Cause U-81-41 authorized the annual compounding of accrued allowance for funds used during construction. Cause U-83-54 changed the tax accounting for AFUDC from the normalization method to the flow-through method. Therefore, effective October 1984, the FERC and the WUTC rates were the gross-of-tax rate.

Periodically, the Short-Term debt balance has exceeded Construction Work in Progress. In accordance with Federal Power Commission Order 561-A, the AFUDC rate used was the weighted average Short-Term Debt Rate. To the extent the WUTC approved rate of return was greater than Short-Term rate, the difference between these two rates was credited to Account 419.1, Allowance for other funds used during construction.

COMPUTATION OF ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION RATES

1. For line (5), column (e) below, enter the rate granted in the last rate proceeding. If not available, use the average rate earned during the preceding 3 years.
2. Identify in column (c), the specific entity used as the source for the capital structure figures.
3. Indicate in column (f), if the reported rate of return is one that has been approved in a rate case, black-box settlement rate, or an actual three-year average rate.

1. Components of Formula (Derived from actual book balances and actual cost rates):

Line No.	Title (a)	Amount (b)	Entity Name (c)	Capitalization Ration (percent) (d)	Cost Rate Percentage (e)	Rate Indicator (f)
	(1) Average Short-Term Debt	S 80,326,397				

	(2) Short-Term Interest				s 4.08%	
	(3) Long-Term Debt	D 4,468,765,614		49.99%	d 5.21%	
	(4) Preferred Stock	P			p	
	(5) Common Equity	C 4,471,264,292		50.01%	c 9.4%	
	(6) Total Capitaization	8,940,029,906		100%		
	(7) Average Construction Work in Progress Balance	W 776,417,669				

2. Gross Rate for Borrowed Funds s(S/W) + d[(D/(D+P+C)) (1-(S/W))] -	2.76%
3. Rate for Other Funds [1-(S/W)] [p(P/(D+P+C)) + c(C/(D+P+C))] -	4.22%
4. Weighted Average Rate Actually Used for the Year:	
(a) Rate for Borrowed Funds -	2.89%
(b) Rate for Other Funds -	4.65%

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Accumulated Provision for Depreciation of Gas Utility Plant (Account 108)

1. Explain in a footnote any important adjustments during year.
2. Explain in a footnote any difference between the amount for book cost of plant retired, line 12, column (c), and that reported for gas plant in service, page 204, column (d), excluding retirements of nondepreciable property.
3. The provisions of Account 108 in the Uniform System of Accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.
4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.
5. At lines 7 and 14, add rows as necessary to report all data. Additional rows should be numbered in sequence, e.g., 7.01, 7.02, etc.

Line No.	Item (a)	Total (c+d+e) (b)	Gas Plant in Service (c)	Gas Plant held for Future Use (d)	Gas Plant Leased to Others (e)
	Section A. BALANCES AND CHANGES DURING YEAR				
1	Balance Beginning of Year	1,794,180,867	1,794,180,867		
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	140,104,599	140,104,599		
4	(403.1) Depreciation Expense for Asset Retirement Costs	462,670	462,670		
5	(413) Expense of Gas Plant Leased to Others				
6	Transportation Expenses - Clearing				
7	Other Clearing Accounts				
8	Other Clearing (Specify) (footnote details):				
9.1	Other Clearing (Specify) (footnote details):	(54,495)	(54,495)		
10	TOTAL Deprec. Prov. for Year (Total of lines 3 thru 8)	140,512,774	140,512,774		
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	(11,717,885)	(11,717,885)		
13	Cost of Removal	(18,226,087)	(18,226,087)		
14	Salvage (Credit)	27,946	27,946		
15	TOTAL Net Chrgs for Plant Ret. (Total of lines 12 thru 14)	(29,916,026)	(29,916,026)		

16	Other Debit or Credit Items (Describe in footnote details)				
17.1	Other Debit or Credit Items (Describe) (footnote details):				
18	Book Cost of Asset Retirement Costs				
19	Balance End of Year (Total of lines 1,10,15,16 and 18)	1,904,777,615	1,904,777,615		
	Section B. BALANCES AT END OF YEAR ACCORDING TO FUNCTIONAL CLASSIFICATIONS				
21	Productions-Manufactured Gas	6,297,044	6,297,044		
22	Production and Gathering-Natural Gas	60,576	60,576		
23	Products Extraction-Natural Gas				
24	Underground Gas Storage	26,369,889	26,369,889		
25	Other Storage Plant	11,861,011	11,861,011		
26	Base Load LNG Terminaling and Processing Plant	739,581	739,581		
27	Transmission				
28	Distribution	1,847,673,051	1,847,673,051		
29	General	11,776,463	11,776,463		
30	TOTAL (Total of lines 21 thru 29)	1,904,777,615	1,904,777,615		

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Gas Stored (Accounts 117.1, 117.2, 117.3, 117.4, 164.1, 164.2, and 164.3)

1. If during the year adjustments were made to the stored gas inventory reported in columns (d), (f), (g), and (h) (such as to correct cumulative inaccuracies of gas measurements), explain in a footnote the reason for the adjustments, the Dth and dollar amount of adjustment, and account charged or credited.
2. Report in (e) all encroachments during the year upon the volumes designated as base gas, column (b), and system balancing gas, column (c), and gas property recordable in the plant accounts.
3. State in a footnote the basis of segregation of inventory between current and noncurrent portions. Also, state in a footnote the method used to report storage (i.e., fixed asset method or inventory method).

Line No.	Description (a)	(Account 117.1) (b)	(Account 117.2) (c)	Noncurrent (Account 117.3) (d)	(Account 117.4) (e)	Current (Account 164.1) (f)	LNG (Account 164.2) (g)	LNG (Account 164.3) (h)	Total (i)
1	Balance at Beginning of Year	8,654,564				39,594,587	49,533		48,298,684
2	Gas Delivered to Storage	129,378				84,812,384	2,250,284		87,192,046
3	Gas Withdrawn from Storage					57,610,616	1,320,368		58,930,984
4	Other Debits and Credits								
5	Balance at End of Year	8,783,943				66,796,355	979,449		76,559,747
6	Dth	5,749,198				16,199,230	233,497		22,181,925
7	Amount Per Dth	1.5279				4.1234	4.1947		3.4514

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Investments (Account 123, 124, and 136)

1. Report below investments in Accounts 123, Investments in Associated Companies, 124, Other Investments, and 136, Temporary Cash Investments. List Account number in column (a).
2. Provide a subheading for each account and list thereunder the information called for: (a) Investment in Securities-List and describe each security owned, giving name of issuer, date acquired and date of maturity. For bonds, also give principal amount, date of issue, maturity, and interest rate. For capital stock (including capital stock of respondent reacquired under a definite plan for resale pursuant to authorization by the Board of Directors, and included in Account 124, Other Investments) state number of shares, class, and series of stock. Minor investments may be grouped by classes. Investments included in Account 136, Temporary Cash Investments, also may be grouped by classes. (b) Investment Advances-Report separately for each person or company the amounts of loans or investment advances that are properly includable in Account 123. Include advances subject to current repayment in Account 145 and 146. With respect to each advance, show whether the advance is a note or open account. List each note, giving date of issuance, maturity date, and specifying whether note is a renewal. Designate any advances due from officers, directors, stockholders, or employees.
3. Designate with an asterisk in column (b) any securities, notes or accounts that were pledged, and in a footnote state the name of pledges and purpose of the pledge.
4. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and cite Commission, date of authorization, and case or docket number.
5. Report in column (k) interest and dividend revenues from investments including such revenues from securities disposed of during the year.
6. In column (l) report for each investment disposed of during the year the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost) and the selling price thereof, not including any dividend or interest adjustment includible in column (k).

Line No.	Description of Investment (a)	* (b)	Date Acquired (c)	Date Matured (d)	Book Cost at Beginning of Year (If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference) (e)	Purchases or Additions During the Year (f)	Sales or Other Dispositions During Year (g)	Principal Amount (h)	No. of Shares at End of Year (i)	Book Cost at End of Year (If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference) (j)	Revenues for Year (k)	Gain or Loss from Investment Disposed of (l)
1												
2												
3												
4	Total Investment in Associated Companies											
1	Account 124 - Other Investments	false										
2	Life Insurance	false			52,659,716	1,759,020				54,418,736	1,759,020	
3	Notes Receivable - Intolight	false			39,508		9,294			30,214	3,300	
4	Notes Receivable - BOA Projects	false			534,370					534,370	0	

5	Total Other Investments				53,233,594	1,759,020	9,294			54,983,320	1,762,320	
1	Temporary Cash Investment - Taxable	false				661,000,000	661,000,000					
2	Total Temporary Cash Investments					661,000,000	661,000,000					
4	Total Investments				53,233,594	662,759,020	661,009,294			54,983,320	1,762,320	

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Investments in Subsidiary Companies (Account 123.1)

1. Report below investments in Account 123.1, Investments in Subsidiary Companies.
2. Provide a subheading for each company and list thereunder the information called for below. Sub-total by company and give a total in columns (e), (f), (g) and (h). (a) Investment in Securities-List and describe each security owned. For bonds give also principal amount, date of issue, maturity, and interest rate. (b) Investment Advances - Report separately the amounts of loans or investment advances which are subject to repayment, but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. List each note giving date of issuance, maturity date, and specifying whether note is a renewal.
3. Report separately the equity in undistributed subsidiary earnings since acquisition. The total in column (e) should equal the amount entered for Account 418.1.
4. Designate in a footnote, any securities, notes, or accounts that were pledged, and state the name of pledgee and purpose of the pledge.
5. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number.
6. Report in column (f) interest and dividend revenues from investments, including such revenues from securities disposed of during the year.
7. In column (h) report for each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost), and the selling price thereof, not including interest adjustments includible in column (f).
8. Report on Line 40, column (a) the total cost of Account 123.1.

Line No.	Description of Investment (a)	Date Acquired (b)	Date of Maturity (c)	Amount of Investment at Beginning of Year (d)	Equity in Subsidiary earnings for Year (e)	Revenues for Year (f)	Amount of Investment at End of Year (g)	Gain or Loss from Investment Disposed of (h)
1	Common	05/31/1960		10,200			10,200	
2	Retained Earnings	05/31/1960		(13,535,624)	270,654		(13,264,970)	
3	Additional Paid in Capital	05/31/1960		51,837,244			51,837,244	
40	TOTAL Cost of Account 123.1 $		Total	38,311,820	270,654		38,582,474	

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Prepayments (Acct 165), Extraordinary Property Losses (Acct 182.1), Unrecovered Plant and Regulatory Study Costs (Acct 182.2)

PREPAYMENTS (ACCOUNT 165)

1. Report below the particulars (details) on each prepayment.

Line No.	Nature of Payment (a)	Balance at End of Year (in dollars) (b)
1	Prepaid Insurance	11,136,133
2	Prepaid Rents	
3	Prepaid Taxes	
4	Prepaid Interest	586,831
5	Miscellaneous Prepayments	[(a)] 39,659,618
6	TOTAL	51,382,582

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

FOOTNOTE DATA

(a) Concept: MiscellaneousPrepayments

Row Labels	Sum of AMOUNT
Energy Purchase	1,822,400.00
HW/SW Maint	25,489,987.85
LT Plant Maint	3,715,911.54
Misc	8,353,541.71
Netting LT/ST	—
Permits	277,777.14
Misc Total	**39,659,618.24**

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Prepayments (Acct 165), Extraordinary Property Losses (Acct 182.1), Unrecovered Plant and Regulatory Study Costs (Acct 182.2) (continued)

EXTRAORDINARY PROPERTY LOSSES (ACCOUNT 182.1)

1. Include the date of loss, the date of Commission authorization to use Account 182.1 and period of amortization (mo, yr, to mo, yr)].
2. Add rows as necessary to report all data. Number rows in sequence beginning with the next row number after the last row number used for extraordinary property losses.

Line No.	Description of Extraordinary Loss [include the date of loss, the date of Commission authorization to use Account 182.1 and period of amortization (mo, yr, to mo, yr)] Add rows as necessary to report all data. (a)	Balance at Beginning of Year (b)	Total Amount of Loss (c)	Losses Recognized During Year (d)	Written off During Year Account Charged (e)	Written off During Year Amount (f)	Balance at End of Year (g)
7	[a] 2012 Storm	2,846,812			407	2,846,812	
8	2015 Storm						
9	2016 Storm	6,931,618			407	6,931,618	
10	2017 Storm Excess Costs	12,707,858					12,707,858
11	2017 Storm Recovery	12,215,519			407	12,068,002	147,517
12	2018 Storm Excess Costs	12,247,269					12,247,269
13	2019 Storm Excess Costs	28,513,473					28,513,473
14	2020 Storm Excess Costs	11,400,537					11,400,537
15	2021 Storm Excess Costs	40,926,049		150,757			41,076,806
16	2022 Storm Excess Costs			21,430,716			21,430,716
15	TOTAL	127,789,135		21,581,473		21,846,432	127,524,176

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

FOOTNOTE DATA

(a) Concept: DescriptionOfExtraordinaryPropertyLoss

The final orders for the 2019 GRC modified the 4-year and 6-year amortization periods, previously approved for storms approved under UE-170033, to a 5-year amortization period. Therefore, all approved storm deferral accounts should be amortized over 5 years using the monthly amounts approved in the rate case which were based on estimated June 2020 balances. Based on the authorized annual amortization of $21,846,431, the monthly entry will be $1,820,536. The monthly entry started on October 15, 2020 with 2012 storm deferral costs, which was the effective date of electric rates (pro-rated for October).

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Prepayments (Acct 165), Extraordinary Property Losses (Acct 182.1), Unrecovered Plant and Regulatory Study Costs (Acct 182.2) (continued)

UNRECOVERED PLANT AND REGULATORY STUDY COSTS (ACCOUNT 182.2)

1. Include in the description of costs, the date of Commission authorization to use Account 182.2 and period of amortization (mo, yr, to mo, yr).
2. Add rows as necessary to report all data. Number rows in sequence beginning with the next row number after the last row number used for extraordinary property losses.

Line No.	Description of Unrecovered Plant and Regulatory Study Costs [Include in the description of costs, the date of Commission authorization to use Account 182.2 and period of amortization (mo, yr, to mo, yr)] Add rows as necessary to report all data. Number rows in sequence beginning with the next row number after the last row number used for extraordinary property losses. (a)	Balance at Beginning of Year (b)	Total Amount of Charges (c)	Costs Recognized During Year (d)	Written off During Year Account Charged (e)	Written off During Year Amount (f)	Balance at End of Year (g)
16	[(a)] Colstrip 1&2 Unrecovered Plant	110,972,219					110,972,219
17	[(b)] Contra PTCs Monetized for Unrecovered Plant	(110,972,219)					(110,972,219)
26	TOTAL						

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

FOOTNOTE DATA

(a) Concept: DescriptionOfUnrecoveredPlantAndRegulatoryStudyCosts
Colstrip units 1&2 have been shut down with an effective date of 12/31/2019 which will be considered the retirement date. All assets related to Colstrip units 1&2 have been retired in PowerPlant, and transferred to a 182.2 account for unrecovered plant. Per the 2019 GRC order, PSE’s rates no longer include depreciation expense for Colstrip Units 1&2, therefore all depreciation related to Colstrip Units 1&2 should cease being recorded effective on the eventual rate effective date for electric (pro-rated for October 2020).
(b) Concept: DescriptionOfUnrecoveredPlantAndRegulatoryStudyCosts
Colstrip units 1&2 have been shut down with an effective date of 12/31/2019 which will be considered the retirement date. All assets related to Colstrip units 1&2 have been retired in PowerPlant, and transferred to a 182.2 account for unrecovered plant. Per the 2017 GRC order, unrecovered plant is recoverable through existing balances of Production Tax Credits (PTC's). Per the 2019 GRC order, PSE’s rates no longer include depreciation expense for Colstrip Units 1&2, therefore all depreciation related to Colstrip Units 1&2 should cease being recorded effective on the eventual rate effective date for electric (pro-rated for October 2020).

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Other Regulatory Assets (Account 182.3)

1. Report below the details called for concerning other regulatory assets which are created through the ratemaking actions of regulatory agencies (and not includable in other accounts).
2. For regulatory assets being amortized, show period of amortization in column (b).
3. Minor items (5% of the Balance at End of Year for Account 182.3 or amounts less than $250,000, whichever is less) may be grouped by classes.
4. Report separately any "Deferred Regulatory Commission Expenses" that are also reported on pages 350-351, Regulatory Commission Expenses.
5. Provide in column (c), for each line item, the regulatory citation where authorization for the regulatory asset has been granted (e.g. Commission Order, state commission order, court decision).

Line No.	Description and Purpose of Other Regulatory Assets (a)	Amortization Period (b)	Regulatory Citation (c)	Balance at Beginning Current Quarter/Year (d)	Debits (e)	Written off During Quarter/Year Account Charged (f)	Written off During Period Amount Recovered (g)	Written off During Period Amount Deemed Unrecoverable (h)	Balance at End of Current Quarter/Year (i)
1	[a] Unamortized Energy Conservation Costs			3,573,098	304,544,366	182, 908	297,821,575		10,295,889
2	[b] WUTC Deferred AFUDC			62,244,484	2,218,899	406	3,000,294		61,463,089
3	[c] Colstrip 1&2 Western Energy Coal Reserve - 10 years			126,136,893	12,247,031	186, 406	9,628,880		128,755,044
4	[d] Colstrip 3&4 Deferred Depreciation - 17.5 years			344,821		406	138,804		206,017
5	[e] Environmental Remediation Costs			20,760,361	3,598,314	228, 407, 822	9,489,796		14,868,879
6	[f] Property Tax Tracker			25,895,676	36,410,721	408	49,908,516		12,397,881
7	[g] Decoupling Mechanism			82,104,365	98,262,081	Multiple	143,593,374		36,773,072
8	[h] Low Income Home Energy Assistance Program			820	54,307,223	Multiple	36,937,561		17,370,482
9	[i] Power Cost Adjustment Mechanism			79,546,584	296,069,852	419, 557	263,409,314		112,207,122
10	[j] White River Regulatory Asset - 3 years			3,780					3,780
11	[k] Chelan PUD - 20 years			69,699,311		555	7,088,065		62,611,246

12	(l) Mint Farm Deferral - 15 years			9,210,179		407.0	2,885,052		6,325,127
13	(m) Lower Snake River Deferral - 25 years			57,999,724		253, 407	5,498,523		52,501,201
14	(n) WUTC AMI, EV and GTZ Deferral			55,900,892	19,773,583	182, 407	35,921,143		39,753,332
15	(o) PLR EDIT			18,850,453	14,205,060	456, 495	34,128,893		(1,073,380)
16	(p) SPI Biomass			1,211,768		407	612,720		599,048
17	LNG Exp Deferral				9,981,418				9,981,418
40	TOTAL			613,483,209	851,618,548		900,062,510		565,039,247

FOOTNOTE DATA

(a) Concept: DescriptionAndPurposeOfOtherRegulatoryAssets

Included in Washington Commission Dockets UE-080389, UG-080390, UE-970686 and UG-120812.

(b) Concept: DescriptionAndPurposeOfOtherRegulatoryAssets

Included in Washington Commission Dockets UE-130137, UG-130138, UE-072300 and UG-072301.

(c) Concept: DescriptionAndPurposeOfOtherRegulatoryAssets

Included in Washington Commission Dockets UE-111048 and UG-111049. Amortization of Colstrip 1&2 ReserveDedication effective until December 2019. Amortization of Colstrip 3&4 Common - AFUDC Adjustment effective through May 2024.

(d) Concept: DescriptionAndPurposeOfOtherRegulatoryAssets

Included in Washington Commission Dockets UE-072300 and UG-072301. Amortization effective through May 2024.

(e) Concept: DescriptionAndPurposeOfOtherRegulatoryAssets

Included in Washington Commission Dockets UE-991796, UE-072300, UG-072301, UE-911476, UE-021537, UE-130137 and UG-130138.

(f) Concept: DescriptionAndPurposeOfOtherRegulatoryAssets

Included in Washington Commission Dockets UE-111048, UG-111049, and UE -140599 effective May 2014.

(g) Concept: DescriptionAndPurposeOfOtherRegulatoryAssets

Included in Washington Commission Dockets UE-170033 and UG-170034.

(h) Concept: DescriptionAndPurposeOfOtherRegulatoryAssets

No docket number required.

(i) Concept: DescriptionAndPurposeOfOtherRegulatoryAssets

Included in Washington Commission Docket UE-011570. Total includes interest recorded on the customer balance of the PCA.

(j) Concept: DescriptionAndPurposeOfOtherRegulatoryAssets

Included in Washington Commission Dockets UE-170033 and UG-170034. New GRC 2017 for White River amortization of 3 years. Effective December 19, 2017 through December 2020. Balance forward for White River Surplus Land Sales from 2019.

(k) Concept: DescriptionAndPurposeOfOtherRegulatoryAssets

Included in Washington Commission Dockets UE-060266 and UE-060539. Amortization effective November 2011 through October 2031.

(l) Concept: DescriptionAndPurposeOfOtherRegulatoryAssets

Included in Washington Commission Docket UE-090704. Amortization effective April 2010 through March 2025.

(m) Concept: DescriptionAndPurposeOfOtherRegulatoryAssets

Included in Washington Commission Dockets UE-111048, UG-111049, UE-130583, UE-131099 and UE-131230. Amortization effective May 2012 through April 2037.

(n) Concept: DescriptionAndPurposeOfOtherRegulatoryAssets

Included in Washington Commission Dockets UE-180899, UG-180900, UE-190129, UE-160799 and UE-180877. Amortization effective March 2019.

(o) Concept: DescriptionAndPurposeOfOtherRegulatoryAssets

Included in Washington Commission Dockets UE-190530 and UE-190529 for recovery of over-funded Gas and Electric protected EDIT. Amortization effective October 2021.

(p) Concept: DescriptionAndPurposeOfOtherRegulatoryAssets

Included in Washington Commission Docket UE-200980. Amortization effective July 2021 through June 2023.

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Miscellaneous Deferred Debits (Account 186)

1. Report below the details called for concerning miscellaneous deferred debits.
2. For any deferred debit being amortized, show period of amortization in column (b).
3. Minor items (less than $250,000) may be grouped by classes.

Line No.	Description of Miscellaneous Deferred Debits (a)	Amortization Period (b)	Balance at Beginning of Year (c)	Debits (d)	Credits Account Charged (e)	Credits Amount (f)	Balance at End of Year (g)
1	Incurred not Reported Worker Comp		1,682,850	134,195	186,253	356,613	1,460,432
2	Tacoma LNG		(108,727,349)	30,826,218	182, 419	12,390,163	(90,291,294)
3	Damage Claims		4,749,763	14,346,304	186	13,862,712	5,233,355
4	Clearing Account Charges		362,274	3,181,286	184,186	1,258,495	2,285,065
5	FAS133 Net Unrealized						
6	Chelan Prepayments - 20 Yrs		5,068,694	465,554	555	562,805	4,971,443
7	Ferndale Maintenance - 12 Yrs		1,322,720	5,076,699	553	240,495	6,158,924
8	Encogen Maintenance - 10 Yrs		5,181,586		553	1,172,145	4,009,441
9	Environmental Remediation Exp		107,217,129	25,203,388	186, 228, 822	5,396,361	127,024,156
10	Real Estate Operating Leases - 7 Yrs		8,442,441	11,813	253, 931	117,344	8,336,910
11	FSAS 71 - Snoqualmie License		7,446,472		253	1,692	7,444,780
12	Baker Article		6,173,916	850,474	242	350,658	6,673,732
13	SFAS 71 - Baker License		54,524,623	867,098	253	342,102	55,049,619
14	Colstrip Maintenance - 4 Yrs		6,478,468	2,047	513	662,590	5,817,925
15	AMI		19,730,437	17,394,598	253	1,592,775	35,532,260
16	Fredonia Maintenance - 9-11 Yrs		5,093,850		553	1,073,705	4,020,145
17	Fredrickson Maintenance - 7 Yrs		1,824,778		513,553	862,293	962,485
18	Goldendale Maintenance - 4-8 Yrs		4,170,031	3,599,484	514, 553, 822	1,855,781	5,913,734
19	Whitehorn Maintenance - 6-12 Yrs		829,027		186,553	213,912	615,115

20	Mint Farm Maintenance - 3-7 Yrs		4,805,266	3,818,040	553, 186, 822	1,744,234	6,879,072
21	Sumas Maintenance - 11 Yrs		2,200,359		553	322,720	1,877,639
22	Non-Temp Facility		19,139,313	19,705,634	186	19,771,466	19,073,481
23	Residential Exchange		10,782,445	145,984,279	253	140,981,615	15,785,109
24	GTZ Depreciation		11,443,973	11,081,022	407, 419	23,956	22,501,039
25	Minor Items		11,259,822	58,444,451	Various	57,327,429	12,376,844
26	COVID-19 Items		25,410,484	38,754,994	Various	57,114,721	7,050,757
27	Regulatory Fees			11,646,555	407	4,087,689	7,558,866
39	Miscellaneous Work in Progress						
40	TOTAL		216,613,372	391,394,133		323,686,471	284,321,034

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Accumulated Deferred Income Taxes (Account 190)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes.
2. At Other (Specify), include deferrals relating to other income and deductions.
3. Provide in a footnote a summary of the type and amount of deferred income taxes reported in the beginning-of-year and end-of-year balances for deferred income taxes that the respondent estimates could be included in the development of jurisdictional recourse rates.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Changes During Year Amounts Debited to Account 410.1 (c)	Changes During Year, Amounts Credited to Account 411.1 (d)	Changes During Year Amounts Debited to Account 410.2 (e)	Changes During Year Amounts Credited to Account 411.2 (f)	Adjustments Debits Account No. (g)	Adjustments Debits Amount (h)	Adjustments Credits Account No. (i)	Adjustments Credits Amount (j)	Balance at End of Year (k)
1	Account 190										
2	Electric	240,691,157	30,462,657	93,605,381			Various	(31,890,443)	Various	(43,088,249)	292,636,075
3	Gas	76,628,940	68,452,863	125,512,844			Various	(13,942,864)	Various	(20,872,498)	126,759,287
4	Other (Define)	1,947,674	25,902,160	33,230,029			Various	(2,958,810)	Various	(1,613,270)	10,621,083
5	Total (Total of lines 2 thru 4)	319,267,771	124,817,680	252,348,254				(48,792,117)		(65,574,017)	430,016,445
6	Other (Specify)										
7	TOTAL Account 190 (Total of lines 5 thru 6)	319,267,771	124,817,680	252,348,254				(48,792,117)		(65,574,017)	430,016,445
8	Classification of TOTAL										
9	Federal Income Tax										
10	State Income Tax										
11	Local Income Tax										

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Capital Stock (Accounts 201 and 204)

1. Report below the details called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock.
2. Entries in column (c) should represent the number of shares authorized by the articles of incorporation as amended to end of year.
3. Give details concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued.
4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or noncumulative.
5. State in a footnote if any capital stock that has been nominally issued is nominally outstanding at end of year.
6. Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purpose of pledge.

Line No.	Class and Series of Stock and Name of Stock Exchange (a)	Number of Shares Authorized by Charter (b)	Par or Stated Value per Share (c)	Call Price at End of Year (d)	Outstanding per Bal. Sheet (total amt outstanding without reduction for amts held by respondent) Shares (e)	Outstanding per Bal. Sheet Amount (f)	Held by Respondent As Reacquired Stock (Acct 217) Shares (g)	Held by Respondent As Reacquired Stock (Acct 217) Cost (h)	Held by Respondent In Sinking and Other Funds Shares (i)	Held by Respondent In Sinking and Other Funds Amount (j)
1	Common Stock (Account 201)									
2		150,000,000	0.01		85,903,791	859,038				
3										
4										
5	Total	150,000,000			85,903,791	859,038				
6	Preferred Stock (Account 204)									
7										
8										
9										
10	Total									
11	Total									

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Capital Stock: Subscribed, Liability for Conversion, Premium on, and Installments Received on (Accts 202, 203, 205, 206, 207, and 212)

1. Show for each of the above accounts the amounts applying to each class and series of capital stock.
2. For Account 202, Common Stock Subscribed, and Account 205, Preferred Stock Subscribed, show the subscription price and the balance due on each class at the end of year.
3. Describe in a footnote the agreement and transactions under which a conversion liability existed under Account 203, Common stock Liability for Conversion, or Account 206, Preferred Stock Liability for Conversion, at the end of year.
4. For Premium on Account 207, Capital Stock, designate with an asterisk in column (b), any amounts representing the excess of consideration received over stated values of stocks without par value.

Line No.	Name of Account and Description of Item (a)	* (b)	Number of Shares (c)	Amount (d)
1	Common Stock, Subscribed (Account 202)			
2				
3				
4				
5	Total			
6	Common Stock, Converted to Liability (Account 203)			
7				
8				
9				
10	Total			
11	Preferred Stock, Subscribed (Account 205)			
12				
13				
14				
15	Total			
16	Preferred Stock Liability for Conversion (Account 206)			
17				
18				
19				

20	Total			
21	Premium on Capital Stock (Account 207)			
22	Premium on Common Stock Issued During 1961		326,682	7,782,690
23	Premium on Common Stock Issued During 1968		360,000	8,640,000
24	Premium on Common Stock Issued During 1970		1,752	29,927
25	Premium on Common Stock Issued During 1971		407,191	8,493,757
26	Premium on Common Stock Issued During 1972		12,900	276,268
27	Premium on Common Stock Issued During 1973		9,706	185,819
28	Premium on Common Stock Issued During 1974		612,802	7,055,455
29	Premium on Common Stock Issued During 1975		781,163	10,703,714
30	Premium on Common Stock Issued During 1976		954,797	19,264,821
31	Premium on Common Stock Issued During 1976 ($2.59)		800,000	2,000,000
32	Premium on Common Stock Issued During 1977 Stock Split		7,019,243	(68,994,489)
33	Premium on Common Stock Issued During 1977		2,519,571	22,613,874
34	Premium on Common Stock Issued During 1977 ($2.34)		1,000,000	2,500,000
35	Premium on Common Stock Issued During 1978		3,357,447	15,753,536
36	Premium on Common Stock Issued During 1979		3,657,643	16,751,584
37	Premium on Common Stock Issued During 1980		4,350,026	15,190,018
38	Premium on Common Stock Issued During 1981		5,056,169	14,045,545
39	Premium on Common Stock Issued During 1982		6,105,561	24,054,868
40	Premium on Common Stock Issued During 1982 ($4.375)		2,000,000	5,000,000
41	Premium on Common Stock Issued During 1983		6,204,992	26,567,671
42	Premium on Common Stock Issued During 1984		3,569,179	5,253,174
43	Premium on Common Stock Issued During 1985		2,344,132	11,106,933
44	Premium on Common Stock Issued During 1986		1,455,370	16,119,886
45	Premium on Common Stock Issued During 1987		1,866,732	19,129,717
46	Premium on Preferred Stock Transfer During 1987 to A/C 210			
47	$2.59		(800,000)	(2,000,000)

48	$2.34		(1,000,000)	(2,500,000)
49	$4.375		(2,000,000)	(5,000,000)
50	Premium on Common Stock Issued During 1988		1,795,188	16,129,075
51	Premium on Common Stock Issued During 1989		447,550	3,823,223
52	Premium on Common Stock Issued During 1992		3,012,986	49,837,127
53	Premium on Common Stock Issued During 1993		5,054,785	88,486,880
54	Premium on Common Stock Issued During 1994		11,443	124,437
55	Premium on Common Stock Issued During 1999		361,944	4,198,328
56	Premium on Common Stock Issued During 2000		981,549	13,294,693
57	Adjustment for Premium on Capital Stock previously issued by WA Energy Co.		[(a)]9,581,729	122,817,919
58	Stock Purchase Plan 1997-2001			(591,200)
59	Total		72,220,232.00	478,145,250.00
60	Installments on Capital Stock (Account 212)			
61				
62				
63				
64	Total			
40	Total		72,220,232.00	478,145,250.00

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

FOOTNOTE DATA

(a) Concept: PremiumOnCapitalStockShares
Adjustment for Premium on Capital Stock previously issued by Washington Energy Co. with shares adjusted for conversion ratio of $.86; 9,581,729 shares for $122,817,919.

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Other Paid-In Capital (Accounts 208-211)

1. Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as a total of all accounts for reconciliation with the balance sheet, page 112. Explain changes made in any account during the year and give the accounting entries effecting such change.

a. Donations Received from Stockholders (Account 208) - State amount and briefly explain the origin and purpose of each donation.
b. Reduction in Par or Stated Value of Capital Stock (Account 209) - State amount and briefly explain the capital changes that gave rise to amounts reported under this caption including identification with the class and series of stock to which related.
c. Gain or Resale or Cancellation of Reacquired Capital Stock (Account 210) - Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related.
d. Miscellaneous Paid-In Capital (Account 211) - Classify amounts included in this account according to captions that, together with brief explanations, disclose the general nature of the transactions that gave rise to the reported amounts.

Line No.	Item (a)	Amount (b)
1	**Donations Received from Stockholders (Account 208)**	
2	Beginning Balance Amount	
3.1	Increases (Decreases) from Sales of Donations Received from Stockholders	
4	Ending Balance Amount	
5	**Reduction in Par or Stated Value of Capital Stock (Account 209)**	
6	Beginning Balance Amount	
7.1	Increases (Decreases) Due to Reductions in Par or Stated Value of Capital Stock	
8	Ending Balance Amount	
9	**Gain or Resale or Cancellation of Reacquired Capital Stock (Account 210)**	
10	Beginning Balance Amount	
11.1	Increases (Decreases) from Gain or Resale or Cancellation of Reacquired Capital Stock	
12	Ending Balance Amount	
13	**Miscellaneous Paid-In Capital (Account 211)**	
14	Beginning Balance Amount	3,014,096,691
15.1	Increases (Decreases) Due to Miscellaneous Paid-In Capital	50,000,000
16	Ending Balance Amount	3,064,096,691
17	**Other Paid in Capital**	

18	Beginning Balance Amount	
19.1	Increases (Decreases) in Other Paid-In Capital	
20	Ending Balance Amount	
40	Total	3,064,096,691

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

DISCOUNT ON CAPITAL STOCK (ACCOUNT 213)

1. Report the balance at end of year of discount on capital stock for each class and series of capital stock. Use as many rows as necessary to report all data.
2. If any change occurred during the year in the balance with respect to any class or series of stock, attach a statement giving details of the change. State the reason for any charge-off during the year and specify the account charged.

Line No.	Class and Series of Stock (a)	Balance at End of Year (b)
15	Total	

Capital Stock Expense (Account 214)

1. Report the balance at end of year of capital stock expenses for each class and series of capital stock. Use as many rows as necessary to report all data. Number the rows in sequence starting from the last row number used for Discount on Capital Stock above.
2. If any change occurred during the year in the balance with respect to any class or series of stock, attach a statement giving details of the change. State the reason for any charge-off of capital stock expense and specify the account charged.

Line No.	Class and Series of Stock (a)	Balance at End of Year (b)
16	Account 214 - Common Stock Expense	7,133,879
29	Total	7,133,879

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Securities Issued or Assumed and Securities Refunded or Retired During the Year

1. Furnish a supplemental statement briefly describing security financing and refinancing transactions during the year and the accounting for the securities, discounts, premiums, expenses, and related gains or losses. Identify as to Commission authorization numbers and dates.
2. Provide details showing the full accounting for the total principal amount, par value, or stated value of each class and series of security issued, assumed, retired, or refunded and the accounting for premiums, discounts, expenses, and gains or losses relating to the securities. Set forth the facts of the accounting clearly with regard to redemption premiums, unamortized discounts, expenses, and gain or losses relating to securities retired or refunded, including the accounting for such amounts carried in the respondent's accounts at the date of the refunding or refinancing transactions with respect to securities previously refunded or retired.
3. Include in the identification of each class and series of security, as appropriate, the interest or dividend rate, nominal date of issuance, maturity date, aggregate principal amount, par value or stated value, and number of shares. Give also the issuance of redemption price and name of the principal underwriting firm through which the security transactions were consummated.
4. Where the accounting for amounts relating to securities refunded or retired is other than that specified in General Instruction 17 of the Uniform System of Accounts, cite the Commission authorization for the different accounting and state the accounting method.
5. For securities assumed, give the name of the company for which the liability on the securities was assumed as well as details of the transactions whereby the respondent undertook to pay obligations of another company. If any unamortized discount, premiums, expenses, and gains or losses were taken over onto the respondent's books, furnish details of these amounts with amounts relating to refunded securities clearly earmarked.

Securities Issued or Assumed:
NONE

Securities Refunded or Retired:
Common Stock $0.01, Stated Value: NONE

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Long-Term Debt (Accounts 221, 222, 223, and 224)

1. Report by Balance Sheet Account the details concerning long-term debt included in Account 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other Long-Term Debt.
2. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.
3. For Advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.
4. For receivers' certificates, show in column (a) the name of the court and date of court order under which such certificates were issued.
5. In a supplemental statement, give explanatory details for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a)principal advanced during year (b) interest added to principal amount, and (c) principal repaid during year. Give Commission authorization numbers and dates.
6. If the respondent has pledged any of its long-term debt securities, give particulars (details) in a footnote, including name of the pledgee and purpose of the pledge.
7. If the respondent has any long-term securities that have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
8. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (f). Explain in a footnote any difference between the total of column (f) and the total Account 427, Interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.
9. Give details concerning any long-term debt authorized by a regulatory commission but not yet issued.

Line No.	Class and Series of Obligation and Name of Stock Exchange (a)	Nominal Date of Issue (b)	Date of Maturity (c)	Outstanding (Total amount outstanding without reduction for amts held by respondent) (d)	Interest for Year Rate (in %) (e)	Interest for Year Amount (f)	Held by Respondent Reacquired Bonds (Acct 222) (g)	Held by Respondent Sinking and Other Funds (h)	Redemption Price per $100 at End of Year (i)
1	Bonds (Account 221)								
2	First Mortgage Bonds Senior MTN 7.02% Series A	12/22/1997	12/01/2027	300,000,000	7.02%	21,060,000			
3	First Mortgage Bonds Senior MTN 7.00% Series B	03/09/1999	03/09/2029	100,000,000	7%	7,000,000			
4	5.483% Senior Notes Due 06/35	05/27/2005	06/01/2035	250,000,000	5.483%	13,707,500			
5	6.724% Senior Notes Due 06/36	06/30/2006	06/15/2036	250,000,000	6.724%	16,810,000			
6	6.274% Senior Notes Due 03/37	09/18/2006	03/15/2037	300,000,000	6.274%	18,822,000			
7	5.757% Senior Notes Due 10/39	09/11/2009	10/01/2039	350,000,000	5.757%	20,149,500			
8	5.795% Senior Notes Due 03/40	03/08/2010	03/15/2040	325,000,000	5.795%	18,833,750			
9	5.764% Senior Notes Due 07/40	06/29/2010	07/15/2040	250,000,000	5.764%	14,410,000			
10	4.434% Senior Notes Due 11/41	11/16/2011	11/15/2041	250,000,000	4.434%	11,085,000			
11	4.700% Senior Notes Due 11/51	11/22/2011	11/15/2051	45,000,000	4.7%	2,115,000			
12	5.638% Senior Notes Due 04/41	03/25/2011	04/15/2041	300,000,000	5.638%	16,914,000			
13	4.300% Senior Notes Due 05/45	05/26/2015	05/20/2045	425,000,000	4.3%	18,275,000			

14	4.223% Senior Notes Due 06/48	06/04/2018	06/15/2048	600,000,000	4.223%	25,338,000			
15	3.250% Senior Notes Due 09/49	08/30/2019	09/15/2049	450,000,000	3.25%	14,625,000			
16	3.9% Pollution Control Bonds Rev Series 2013A	05/23/2013	03/01/2031	138,460,000	3.9%	5,399,940			
17	4.0% Pollution Control Bonds Rev Series 2013B	05/23/2013	03/01/2031	23,400,000	4%	936,000			
18	2.893% Senior Notes Due 09/51	09/15/2021	09/15/2051	450,000,000	2.893%	13,018,500			
19	Bonds assumed which were originally issued by Washington Natural Gas Company								
20	Secured Medium Term Notes - 7.15% Series C	12/20/1995	12/19/2025	15,000,000	7.15%	1,072,500			
21	Secured Medium Term Notes - 7.20% Series C	12/22/1995	12/22/2025	2,000,000	7.2%	144,000			
22	Subtotal			4,823,860,000		239,715,690			
23	Reacquired Bonds (Account 222)								
24									
25									
26									
27									
28									
29									
30									
31									
32	Subtotal								
33	Advances from Associated Companies (Account 223)								
34									
35									
36									
37									
38									

39									
40									
41									
42	Subtotal								
43	Other Long Term Debt (Account 224)								
44									
45									
46									
47									
48									
49									
50									
51									
52	Subtotal								
40	TOTAL			4,823,860,000		239,715,690			

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Unamortized Debt Expense, Premium and Discount on Long-Term Debt (Accounts 181, 225, 226)

1. Report under separate subheadings for Unamortized Debt Expense, Unamortized Premium on Long-Term Debt and Unamortized Discount on Long-Term Debt, details of expense, premium or discount applicable to each class and series of long-term debt.
2. Show premium amounts by enclosing the figures in parentheses.
3. In column (b) show the principal amount of bonds or other long-term debt originally issued.
4. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.
5. Furnish in a footnote details regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.
6. Identify separately undisposed amounts applicable to issues which were redeemed in prior years.
7. Explain any debits and credits other than amortization debited to Account 428, Amortization of Debt Discount and Expense, or credited to Account 429, Amortization of Premium on Debt-Credit.

Line No.	Designation of Long-Term Debt (a)	Principal Amount of Debt Issued (b)	Total expense - Premium; Discount; or Debt Issuance Costs (c)	Amortization Period Date From (d)	Amortization Period Date To (e)	Balance at Beginning of Year (f)	Debits During Year (g)	Credits During Year (h)	Balance at End of Year (i)
1	Unamortized Debt Expense (Account 181)								
2	First Mortgage Bonds Senior MTN 7.02% Series A	300,000,000	3,010,746	12/22/1997	12/01/2027	598,623		101,176	497,447
3	First Mortgage Bonds Senior MTN 7.00% Series B	100,000,000	954,608	03/09/1999	03/09/2029	228,943		31,834	197,109
4	5.483% Senior Notes Due 06/35	250,000,000	2,460,125	05/27/2005	06/01/2035	1,100,393		82,017	1,018,376
5	6.724% Senior Notes Due 06/36	250,000,000	2,527,628	06/30/2006	06/15/2036	1,224,637		84,611	1,140,026
6	6.274% Senior Notes Due 03/37	300,000,000	2,921,148	09/18/2006	03/15/2037	1,455,105		95,941	1,359,164
7	[(a)] Amort Costs for $600M Sr Notes Due June 2048	600,000,000	1,429,461	06/14/2018	06/14/2048	1,275,865		48,298	1,227,567
8	PSE $800M Credit Facility due 2022		2,765,284	11/30/2017	11/30/2022	1,046,672		1,046,672	
9	5.757% Senior Notes Due 10/39	350,000,000	3,557,361	09/11/2009	10/01/2039	2,097,424		118,722	1,978,702
10	5.795% Senior Notes Due 3/40	325,000,000	3,384,066	03/08/2010	03/15/2040	2,049,920		112,840	1,937,080
11	5.764% Senior Notes Due 7/40	250,000,000	2,587,276	06/29/2010	07/15/2040	1,597,465		85,962	1,511,503
12	[(b)] 5.638% Senior Notes Due 4/41	300,000,000	3,071,895	03/25/2011	04/15/2041	1,979,222		102,062	1,877,160
13	4.434% Senior Notes Due 11/41	250,000,000	2,592,616	11/16/2011	11/15/2041	1,720,239		86,735	1,633,504

14	4.70% Senior Notes Due 11/51	45,000,000	511,229	11/22/2011	11/15/2051	381,970		12,804	369,166
15	3.9% Pollution Control Rev Series 2013A Due 3/2031	138,460,000	1,473,301	05/23/2013	03/01/2031	758,300		82,724	675,576
16	4% Pollution Control Rev Series 2013B Due 3/2031	23,400,000	248,243	05/23/2013	03/01/2031	128,148		13,980	114,168
17	$350M Hedging Credit Facility PSE 2018		1,333,855	02/04/2013	11/01/2022	51,835		51,835	
18	$650M Liquidity Credit Facility PSE 2018		2,438,676	02/04/2013	11/01/2022	102,114		102,114	
19	[c] $425M 4.30% Sr Notes due 2045	425,000,000	3,718,750	05/26/2015	05/20/2045	3,602,187		154,379	3,447,808
20	[d] $450M 3.25% Sr Notes due 2049	450,000,000	1,083,311	08/30/2019	08/29/2049	1,230,117		44,462	1,185,655
21	$450M 2.893% Sr Notes Due 9/2051 Debt Iss Cost 9/2021	450,000,000	956,250	09/15/2021	09/15/2051	1,215,014	8,458	41,218	1,182,254
22	PSE 2022 Credit Agreement		3,212,000	05/31/2022	05/31/2027		3,395,418	588,089	2,807,329
23	Bonds assumed wich were originally issued by Washington Gas Company:								
24	Secured MTN, Series C 2025 7.15%	15,000,000	112,500	12/20/1995	12/19/2025	15,438		3,940	11,498
25	Secured MTN, Series C 2025 7.20%	2,000,000	15,000	12/21/1995	12/22/2025	2,055		526	1,529
26	Subtotal	4,823,860,000	46,365,329			23,861,686	3,403,876	3,092,941	24,172,621
27	Premium on Long-Term Debt (Account 225)								
28	Subtotal								
29	Discount on Long-Term Debt (Account 226)								
30	5.638% Senior Notes Due 4/41	300,000,000	15,000	03/25/2011	04/15/2041	9,625		502	9,123
31	$425MM 4.30% Senior Notes Discount	425,000,000	1,912,500	05/26/2015	05/20/2045	1,491,927		63,750	1,428,177
32	$450M 3.25% Sr Notes due 2049	450,000,000	6,849,000	08/30/2019	08/29/2049	6,297,275		228,300	6,068,975
33	$600M Sr Notes Due June 2048	600,000,000	5,250,000	06/14/2018	06/14/2048	4,630,208		175,000	4,455,208
34	$450M Sr Note Disc Amort due Sept 2051	450,000,000	3,937,500	09/15/2021	09/15/2051	3,899,219		131,250	3,767,969
35	Subtotal	2,225,000,000	(17,964,000)			16,328,254		598,802	15,729,452

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

FOOTNOTE DATA

(a) Concept: DesignationOfLongTermDebt
This bond has both unamortized expenses (Account 181) and unamortized discounts (Account 226) and is therefore reported twice on this page. See line 33
(b) Concept: DesignationOfLongTermDebt
This bond has both unamortized expenses (Account 181) and unamortized discounts (Account 226) and is therefore reported twice on this page. See line 30
(c) Concept: DesignationOfLongTermDebt
This bond has both unamortized expenses (Account 181) and unamortized discounts (Account 226) and is therefore reported twice on this page. See line 31
(d) Concept: DesignationOfLongTermDebt
This bond has both unamortized expenses (Account 181) and unamortized discounts (Account 226) and is therefore reported twice on this page. See line 32

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Unamortized Loss and Gain on Reacquired Debt (Accounts 189, 257)

1. Report under separate subheadings for Unamortized Loss and Unamortized Gain on Reacquired Debt, details of gain and loss, including maturity date, on reacquisition applicable to each class and series of long-term debt. If gain or loss resulted from a refunding transaction, include also the maturity date of the new issue.
2. In column (d) show the principal amount of bonds or other long-term debt reacquired.
3. In column (e) show the net gain or net loss realized on each debt reacquisition as computed in accordance with General Instruction 17 of the Uniform Systems of Accounts.
4. Show loss amounts by enclosing the figures in parentheses.
5. Explain in a footnote any debits and credits other than amortization debited to Account 428.1, Amortization of Loss on Reacquired Debt, or credited to Account 429.1, Amortization of Gain on Reacquired Debt-Credit.

Line No.	Designation of Long-Term Debt (a)	Date of Maturity (b)	Date Reacquired (c)	Principal of Debt Reacquired (d)	Net Gain or Loss (e)	Balance at Beginning of Year (f)	Balance at End of Year (g)
1	Unamortized Loss (Account 189)						
2	1st Mortgage Bonds 9.5/8% Series due 1/2024		02/07/1994	50,000,000	(4,911,597)	351,834	182,954
3	PCB 1991A 7.05% Series due 2/2031		03/24/2003	27,500,000	(1,270,958)	416,904	371,423
4	PCB 1991B 7.25% Series due 2/2031		03/24/2003	23,400,000	(965,944)	316,812	282,251
5	PCB 1992 6.8% Series due 2/2031		03/24/2003	87,500,000	(2,957,968)	970,066	864,240
6	PCB 1993 5.875% Series due 2/2031		03/24/2003	23,460,000	(902,771)	296,064	263,766
7	VRN Floating Rate Notes, due 6/2035		05/27/2005	200,000,000	(512,599)	229,244	212,158
8	Trust Prefered Notes 8.231% due 5/2027		06/02/2005	42,500,000	(5,144,214)	1,244,772	1,014,968
9	Capital Trust Bond 8.4% due 6/2036		06/30/2006	200,000,000	(5,899,813)	2,856,810	2,659,788
10	$650M Liquidity Credit Facility 2013 10/2022					15,801	
11	1st Mortgage Bonds 8.25% Series due 8/2022		05/29/2003	25,000,000	(1,208,364)	41,657	
12	1st Mortgage Bonds 7.19% Series due 8/2023		08/18/2003	3,000,000	(213,220)	16,874	6,218
13	Loss on Extinguishment on Jr.					4,571,308	4,470,656
14	1st Mortgage Bonds 9.57% Series due 10/2051		12/23/2011	25,000,000	(15,987,378)	11,948,813	11,548,294
15	PCB 5% Series 2003A Bonds due 2/2031		06/24/2013	138,460,000	(5,290,431)	2,742,014	2,442,886

16	PCB 5.1% Series 2003B Bonds due 2/2031		06/24/2013	23,400,000	(894,093)	463,406	412,853
17	2015 Prem Exp Senior Note 5/2045 A				(2,462,215)	1,921,796	1,839,493
18	2015 Prem Exp Senior Note 5/2045 B				(9,473,106)	7,392,505	7,075,855
19	$350M Hedging Facility 2013 10/2022				(48,124)	8,021	
20	$800M Credit Facility Unamortized Costs due 5/2027						83,846
21	Unamortized Gain (Account 257)						
22	Subtotal Unamortized Losses (189)			869,220,000	(58,142,795)	35,804,701	33,731,649
23	Total Unamortized Loss/Gains (189 & 257)			869,220,000	(58,142,795)	35,804,701	33,731,649

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Reconciliation of Reported Net Income with Taxable Income for Federal Income Taxes

1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal Income Tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.
2. If the utility is a member of a group that files consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignments, or sharing of the consolidated tax among the group members.

Line No.	Details (a)	Amount (b)
1	Net Income for the Year (Page 114)	490,950,387
2	Reconciling Items for the Year	
3		
4	Taxable Income Not Reported on Books	
5		
6		
7		
8	Total	
9	Deductions Recorded on Books Not Deducted for Return	
10	Provision for Federal Income Taxes	80,223,051
11	Others	[(a)]212,057,350
13	Total	292,280,401
14	Income Recorded on Books Not Included in Return	
15		
16		
17		
18	Total	
19	Deductions on Return Not Charged Against Book Income	
20	Other	[(b)](395,015,813)

26	Total	(395,015,813)
27	Federal Tax Net Income	
28	Show Computation of Tax:	
29	Taxable Income	388,214,975
30	Tax @21%	81,525,145
31	PTC	
32	Current Federal Tax	81,525,145
33	Current State Tax	869,191
34	Deferred Tax	(2,171,285)
35	Total Tax	80,223,051

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

FOOTNOTE DATA

(a) Concept: DeductionsRecordedOnBooksNotDeductedForReturn

Line 11 Details	
Capitalized Interest	31,207,596
Decoupling Revenue	69,051,764
Plant Related	84,289,668
Non-Deductible Items	10,243,661
Other Adjustment	8,289,303
Property Tax Rate Tracker	8,975,362
Subtotal	212,057,355

(b) Concept: DeductionsOnReturnNotChargedAgainstBookIncome

Line 20 Details	
Allowance for Funds Used During Construction	(48,191,464)
Conservation Activity	(6,722,793)
Derivative Instruments	(261,177,050)
Electric and Gas Purchase Contracts	(24,724,667)
Pensions and Other Compensation	(5,547,896)
Regulatory Assets	(25,836,098)
Treasury Grant Amortization	(21,946,654)
Subtotal	(394,146,622)
Total Adjustments to Tax Expense	(182,089,267.00)

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acc

1. Give details of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes). Enter the amounts in both columns (g) and (h). The balancing of this pa
3. Include in column (g) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to the portion of prepaid taxes accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.
5. If any tax (exclude Federal and State income taxes) covers more than one year, show the required information separately for each tax year, identifying the year in column (d).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (i) and explain each adjustment in a footnote. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Show in columns (l) thru (s) how the taxes accounts were distributed. Show both the utility department and number of account charged. For taxes charged to utility plant, show the number of the appro
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.
10. Items under $250,000 may be grouped.
11. Report in column (t) the applicable effective state income tax rate.

Line No.	Kind of Tax (See Instruction 5) (a)	Type of Tax (b)	Tax Jurisdiction (c)	Tax Year (d)	Balance at Beg. of Year Taxes Accrued (e)	Balance at Beg. of Year Prepaid Taxes (f)	Taxes Charged During Year (g)	Taxes Paid During Year (h)	Adjustments (i)	Balance at End of Year Taxes Accrued (Account 236) (j)	Balance at End of Year Prepaid Taxes (Included in Acct 165) (k)	Electric (Account 408.1, 409.1) (l)	Gas (Account 408.1, 409.1) (m)	Other Utility Dept. (Account 408.1, 409.1) (n)
1	Municipal	Local Tax	WA	2021	20,207,471		148,010,315	145,326,481		22,891,305		93,960,045	54,050,180	
2	**Subtotal Local Tax**				20,207,471		148,010,315	145,326,481		22,891,305		93,960,045	54,050,180	
3	Other	Other Taxes	WA	2021	908,269	(285)	2,926,654	2,702,206		1,133,002		3,161,911	(2,138,495)	
4	**Subtotal Other Tax**				908,269	(285)	2,926,654	2,702,206		1,133,002		3,161,911	(2,138,495)	
5	Property	Ad Valorem Tax	WA, OR, MT	2021	74,192,205	273,169	68,716,215	78,015,477		64,619,774		53,342,664	21,452,264	
6	**Subtotal Property Tax**				74,192,205	273,169	68,716,215	78,015,477		64,619,774		53,342,664	21,452,264	
7	Income	Income Tax	Fed, CA, MT, OR	2021	10,914,743	7,735	81,954,336	93,657,801		(796,457)		41,913,804	40,108,165	
8	**Subtotal Income Tax**				10,914,743	7,735	81,954,336	93,657,801		(796,457)		41,913,804	40,108,165	

9	Excise	Excise Tax	WA	2021	27,180,959	(176,335)	148,827,535	147,563,817		28,621,012		98,742,092	49,658,295	
10	**Subtotal Excise Tax**				27,180,959	(176,335)	148,827,535	147,563,817		28,621,012		98,742,092	49,658,295	
11	Employment	Payroll Tax	Fed, WA, OR, TX, MI	2021	4,175		28,022,845	28,022,674		4,346		10,593,972	3,957,893	
12	**Subtotal Payroll Tax**				4,175		28,022,845	28,022,674		4,346		10,593,972	3,957,893	
40	Total				133,407,822	104,284	478,457,900	495,288,456		116,472,982		301,714,488	167,088,302	

Miscellaneous Current and Accrued Liabilities (Account 242)

1. Describe and report the amount of other current and accrued liabilities at the end of year.
2. Minor items (less than $250,000) may be grouped under appropriate title.

Line No.	Item (a)	Balance at End of Year (b)
1	401(K) Company Contributions	6,904,959
2	401(K) Company Contributions - Incentive	1,713,310
3	FERC Trading Floor Payable	296,411
4	Lower Snake River Wind Facility Maintenance	261,253
5	NERC Standards Compliance Loss Reserve	2,872,500
6	WUTC Electric Utility Annual Regulatory Fees	11,473,641
7	WUTC Gas Utility Annual Regulatory Fees	4,807,934
8	California Carbon Obligation	1,007,703
9	WUTC Electric SQI Penalty	432,092
10	WUTC Gas SQI Penalty	310,408
11	Deferral of Transferred Frequency Response	807,051
12	FERC Licensing & Land Use Fees - Snoqualmie, Baker	698,440
13	U.S. Treasury Grants	(1,726,071)
14	Baker License Articles Funding	9,778,828
15	Baker License Agreement	628,234
45	Total	40,266,693

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Other Deferred Credits (Account 253)

1. Report below the details called for concerning other deferred credits.
2. For any deferred credit being amortized, show the period of amortization.
3. Minor items (less than $250,000) may be grouped by classes.

Line No.	Description of Other Deferred Credits (a)	Balance at Beginning of Year (b)	Debit Contra Account (c)	Debit Amount (d)	Credits (e)	Balance at End of Year (f)
1	Deferred Comp - Salary	8,417,775	Various	4,020,589	2,901,847	7,299,033
2	SFAS 106 Unfunded Liability	13,251,015	Various	12,549,796	20,267,117	20,968,337
3	Low Income Program	15,326,887	Various	42,479,985	52,970,508	25,817,410
4	Sch 85 Line Extension Cost	16,171,051	456	591,428	1,584,535	17,164,158
5	Green Power Tariff	6,731,072	456	1,471,952	3,343,819	8,602,939
6	Landlord Incentives - 5-11 Yrs	12,326,778	931	4,859,048	5,734,161	13,201,891
7	Workers Comp - IBNR	1,997,243	186	334,357	111,939	1,774,825
8	Residential Exchange		555	274,314,683	274,314,683	
9	Decoupling	2,979,105	456	2,979,105		
10	Lower Snake River License O&M - 25 Yrs	8,158,187	Various	8,913,249	8,418,016	7,662,955
11	Snoqualmie License O&M	7,446,472	186	1,692		7,444,780
12	Baker License Misc Def	54,524,623	186	342,102	867,098	55,049,619
13	Unearned Revenue - 11-20 Yrs	3,966,809	253, 454	7,541,733	4,889,688	1,314,764
14	Deferred Pole Contact		822	57,951	57,951	
15	PGA Unrealized Gain	60,728,494	175, 244	1,702,689,325	1,929,685,841	287,725,009
16	Equity Reserve AMI	7,669,442	419, 186	1,592,775	3,820,604	9,897,270
17	Montana PTC	45,328,445	108	45,328,445		
18	Unclaimed Property	126,442	131	934,979	1,260,041	451,505
19	Colstrip 3&4 Final	246,143	131	1,814,589	1,678,883	110,437
20	Mint Farm Misc Def Credit - 15 Yrs	2,892,541	419	884,724		2,007,818

21	Deferred Interchange		555	6,257,731	6,257,731	
22	Tacoma LNG	14,232,893	419		8,187,912	22,420,805
23	Minor Items	691,891	Various	1,164,744	984,306	511,452
24	Covid-19 Help	14,924,390	Various	11,061,182	1,148,579	5,011,786
25	Microsoft EA		232, 143		1,752,928	1,752,928
26	LT Payable - Franchise	14,450,730	Various			14,450,730
27	Bid and Success Fees	535,369	923	535,368		
28	AMI Topside Entry		253		7,706,610	7,706,610
45	TOTAL	313,123,797		2,132,721,532	2,337,944,797	518,347,061

Accumulated Deferred Income Taxes-Other Property (Account 282)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to accelerated amortization.
2. At Other (Specify), include deferrals relating to other income and deductions.
3. Provide in a footnote a summary of the type and amount of deferred income taxes reported in the beginning-of-year and end-of-year balances for deferred income taxes that the respondent estimates could be included in the development of jurisdictional recourse rates.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Changes During Year Amounts Debited to Account 410.1 (c)	Changes During Year Amounts Credited to Account 411.1 (d)	Changes During Year Amounts Debited to Account 410.2 (e)	Changes During Year Amounts Credited to Account 411.2 (f)	Adjustments Debits Account No. (g)	Adjustments Debits Amount (h)	Adjustments Credits Account No. (i)	Adjustments Credits Amount (j)	Balance at End of Year (k)
1	Account 282										
2	Electric	804,626,637	1,149,455	36,186,566					Various	(21,374,587)	[a]790,964,113
3	Gas	385,888,909	2,383,308	5,290,925					Various	(5,771,196)	[b]388,752,488
4	Other (Define)	(602,774)	(2,085,120)								(2,687,894)
5	Total (Total of lines 2 thru 4)	1,189,912,772	1,447,643	41,477,491			—		—	(27,145,783)	1,177,028,707
6	Other (Specify)										
7	TOTAL Account 282 (Total of lines 5 thru 6)	1,189,912,772	1,447,643	41,477,491			—		—	(27,145,783)	1,177,028,707
8	Classification of TOTAL										
9	Federal Income Tax	1,189,912,772	1,447,643	41,477,491						(27,145,783)	1,177,028,707
10	State Income Tax										
11	Local Income Tax										

FOOTNOTE DATA

(a) Concept: AccumulatedDeferredIncomeTaxesOtherProperty

Balance as of 12/31/2022 of ($464,996,896) related to Electric FAS 109.

(b) Concept: AccumulatedDeferredIncomeTaxesOtherProperty

Balance as of 12/31/2022 of ($210,618,286) related to Gas FAS 109.

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Accumulated Deferred Income Taxes-Other (Account 283)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.
2. At Other (Specify), include deferrals relating to other income and deductions.
3. Provide in a footnote a summary of the type and amount of deferred income taxes reported in the beginning-of-year and end-of-year balances for deferred income taxes that the respondent estimates could be included in the development of jurisdictional recourse rates.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Changes During Year Amounts Debited to Account 410.1 (c)	Changes During Year Amounts Credited to Account 411.1 (d)	Changes During Year Amounts Debited to Account 410.2 (e)	Changes During Year Amounts Credited to Account 411.2 (f)	Adjustments Debits Account No. (g)	Adjustments Debits Amount (h)	Adjustments Credits Account No. (i)	Adjustments Credits Amount (j)	Balance at End of Year (k)
1	Account 283										
2	Electric	150,361,455	100,214,323	35,058,829							215,516,949
3	Gas	34,890,493	130,400,785	71,145,065							94,146,213
4	Other (Define)	[(a)]30,359,296	117,490,840	62,791,309			Various	(149,244)			84,909,583
5	Total (Total of lines 2 thru 4)	215,611,244	348,105,948	168,995,203				(149,244)			394,572,745
6	Other (Specify)										
7	TOTAL Account 283 (Total of lines 5 thru 6)	215,611,244	348,105,948	168,995,203				(149,244)			394,572,745
8	Classification of TOTAL										
9	Federal Income Tax										
10	State Income Tax										
11	Local Income Tax										

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

FOOTNOTE DATA

(a) Concept: AccumulatedDeferredIncomeTaxesOther

Electric and gas derivative instruments reported within operating electric and gas in 2021 were moved to non-operating for 2022 reporting, as electric and gas derivatives are non-operating in nature.

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Other Regulatory Liabilities (Account 254)

1. Report below the details called for concerning other regulatory liabilities which are created through the ratemaking actions of regulatory agencies (and not includable in other amounts).
2. For regulatory liabilities being amortized, show period of amortization in column (a).
3. Minor items (5% of the Balance at End of Year for Account 254 or amounts less than $250,000, whichever is less) may be grouped by classes.
4. Provide in a footnote, for each line item, the regulatory citation where the respondent was directed to refund the regulatory liability (e.g. Commission Order, state commission order, court decision).

Line No.	Description and Purpose of Other Regulatory Liabilities (a)	Balance at Beginning of Current Quarter/Year (b)	Written off during Quarter/Period Account Credited (c)	Written off During Period Amount Refunded (d)	Written off During Period Amount Deemed Non-Refundable (e)	Credits (f)	Balance at End of Current Quarter/Year (g)
1	[a] Renewable Energy Credits	369,249	Multiple	1,558,931		1,072,192	(117,490)
2	[b] Treasury Grants - Wind Project Expansion	(114,751)	254, 407.4	1,763,061		1,704,836	(172,976)
3	[c] PTC Cost Deferral	1	108	1			
4	[d] Decoupling Mechanisms	36,506,000	Multiple	95,309,014		122,008,588	63,205,574
5	[e] Regulatory Liability Tax Reform	838,172,923	190	42,177,654		4,729,819	800,725,088
6	[f] Green Direct Liquidated Damages	13,193,615	456	1,357,066			11,836,549
7	[g] Gain on Sale Shuffleton - Electric	(26,753)					(26,753)
8	[h] FAS 109 EDIT Unprotected Gas & Electric	28,367,379	190, 283	17,369,123			10,998,256
9	[i] Lund Hill Liquidated Damages					828,503	828,503
10	[j] NWP Refund for Electric					4,353,000	4,353,000
11	[k] FAS 109 EDIT Protected Gas & Electric	(1)		(1)			
45	Total	916,467,662		159,534,849		134,696,938	891,629,751

FOOTNOTE DATA

(a) Concept: DescriptionAndPurposeOfOtherRegulatoryLiabilities

Included in Washington Commission Dockets UE-111048 and UE-111049 (Schedule 137) effective January 1, 2018. The REC liablility balance is used to offset PTC receivables.

(b) Concept: DescriptionAndPurposeOfOtherRegulatoryLiabilities

Included in Washington Commission Docket UE-120277 "Interest on the unamortized balance of U.S. Treasury Department Grant"and UE-171086 (Schedule 95A) effective January 1, 2018. The updated name is to reflect the liabilities being reviewed which remains the same from previous quarters.

(c) Concept: DescriptionAndPurposeOfOtherRegulatoryLiabilities

Included in Washington Commission Dockets UE-070725, UE-101581, UE-170033, and UG-170034. The REC liability balance isused to offset PTC receivables.

(d) Concept: DescriptionAndPurposeOfOtherRegulatoryLiabilities

Included in Washington Commission Dockets UE-170033 and UG-170034 effective December 19, 2017.

(e) Concept: DescriptionAndPurposeOfOtherRegulatoryLiabilities

PSE re-evaluated it's deferred tax liability in December 2017 due to the 2017 Tax reform and has requested deferral accounting in apetition filed with the Washington Commission on December 29, 2017.

(f) Concept: DescriptionAndPurposeOfOtherRegulatoryLiabilities

Shookumchuck Wind Energy Project accural on liquidated damages. The foundation completion of 11 Turbines to be erected hascurrently been achieved as of December 16, 2019.

(g) Concept: DescriptionAndPurposeOfOtherRegulatoryLiabilities

Included in Washington Commission Docket UE-190606 effective August 29, 2019. On July 16, 2019, PSE filed with Washington Commission anapplication seeking a determination that 7.74 acres at its Shuffleton Switching Station Property will no longer be necessary or useful under WAC 480-143-180, and authorization for accounting treatment for the gain on sale will be recorded in FERC Account 254 (Other Regulatory Liabilities).

(h) Concept: DescriptionAndPurposeOfOtherRegulatoryLiabilities

To record the unprotected FAS 109 EDIT in accordance with the 2019 GRC Order. New 254 Accounts created September 2020.

(i) Concept: DescriptionAndPurposeOfOtherRegulatoryLiabilities

To record receipt of liquidated damages per Lund Hill PPA amendment #3.

(j) Concept: DescriptionAndPurposeOfOtherRegulatoryLiabilities

Northwest Pipeline is refunding PSE due to overcharges. PSE will pass back to customers using a split between gas and electric. New account created January 2023.

(k) Concept: DescriptionAndPurposeOfOtherRegulatoryLiabilities

To record the protected FAS 109 EDIT in accordance with the 2019 GRC Order. New 254 Accounts created September 2020.

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Monthly Quantity & Revenue Data by Rate Schedule

1. Reference to account numbers in the USofA is provided in parentheses beside applicable data. Quantities must not be adjusted for discounts.
2. Total Quantities and Revenues in whole numbers.
3. Report revenues and quantities of gas by rate schedule. Where transportation services are bundled with storage services, reflect only transportation Dth. When reporting storage, report Dth of gas withdrawn from storage and revenues by rate schedule.
4. Revenues in Column (c) include transition costs from upstream pipelines. Revenue (Other) in Column (e) includes reservation charges received by the pipeline plus usage charges, less revenues reflected in Columns (c) and (d). Include in Column (e), revenue for Accounts 490-495.
5. Enter footnotes as appropriate.

Line No.	Item (a)	Month 1 Quantity (b)	Month 1 Revenue Costs and Take-or-Pay (c)	Month 1 Revenue (GRI & ACA) (d)	Month 1 Revenue (Other) (e)	Month 1 Revenue (Total) (f)	Month 2 Quantity (g)	Month 2 Revenue Costs and Take-or-Pay (h)	Month 2 Revenue (GRI & ACA) (i)	Month 2 Revenue (Other) (j)	Month 2 Revenue (Total) (k)	Month 3 Quantity (l)	Month 3 Revenue Costs and Take-or-Pay (m)	Month 3 Revenue (GRI & ACA) (n)	Month 3 Revenue (Other) (o)	Month Reven (Total (p)
1	Total Sales (480-488)															
2	Transportation of Gas for Others (489.2 and 489..3)															
3																
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63	Total Transportation (Other than Gathering)															
64	Storage (489.4)															
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90	Total Storage															
91	Gathering (489.1)															
92	Gathering-Firm															
93	Gathering-Interruptible															
94	Total Gathering (489.1)															

95	Additional Revenues																
96	Products Sales and Extraction (490-492)																
97	Rents (493-494)																
98	(495) Other Gas Revenues																
99	(496) (Less) Provision for Rate Refunds																
100	Total Additional Revenues																
101	Total Operating Revenues (Total of Lines 1,63,90,94 & 100)																

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Gas Operating Revenues

1. Report below natural gas operating revenues for each prescribed account total. The amounts must be consistent with the detailed data on succeeding pages.
2. Revenues in columns (b) and (c) include transition costs from upstream pipelines.
3. Other Revenues in columns (f) and (g) include reservation charges received by the pipeline plus usage charges, less revenues reflected in columns (b) through (e). Include in columns (f) and (g) revenues for Accounts 480-495.
4. If increases or decreases from previous year are not derived from previously reported figures, explain any inconsistencies in a footnote.
5. On Page 108, include information on major changes during the year, new service, and important rate increases or decreases.
6. Report the revenue from transportation services that are bundled with storage services as transportation service revenue.

Line No.	Title of Account (a)	Revenues for Transition Costs and Take-or-Pay Amount for Current Year (b)	Revenues for Transaction Costs and Take-or-Pay Amount for Previous Year (c)	Revenues for GRI and ACA Amount for Current Year (d)	Revenues for GRI and ACA Amount for Previous Year (e)	Other Revenues Amount for Current Year (f)	Other Revenues Amount for Previous Year (g)	Total Operating Revenues Amount for Current Year (h)	Total Operating Revenues Amount for Previous Year (i)	Dekatherm of Natural Gas Amount for Current Year (j)	Dekatherm of Natural Gas Amount for Previous Year (k)
1	(480) Residential Sales					808,377,190	722,002,483	808,377,190	722,002,483	63,214,503	61,102,774
2	(481) Commercial and Industrial Sales					377,288,846	313,942,945	377,288,846	313,942,945	36,766,833	33,893,111
3	(482) Other Sales to Public Authorities										
4	(483) Sales for Resale										
5	(484) Interdepartmental Sales										
6	(485) Intracompany Transfers										
7	(487) Forfeited Discounts					(70)	(2,422)	(70)	(2,422)		
8	(488) Miscellaneous Service Revenues					1,984,120	4,369,687	1,984,120	4,369,687		
9	(489.1) Revenues from Transportation of Gas of Others Through Gathering Facilities										
10	(489.2) Revenues from Transportation of Gas of Others Through Transmission Facilities										

11	(489.3) Revenues from Transportation of Gas of Others Through Distribution Facilities					20,331,607	20,030,443	20,331,607	20,030,443	21,905,815	21,980,489
12	(489.4) Revenues from Storing Gas of Others					2,397,440	1,829,752	2,397,440	1,829,752		
13	(490) Sales of Prod. Ext. from Natural Gas										
14	(491) Revenues from Natural Gas Proc. by Others										
15	(492) Incidental Gasoline and Oil Sales										
16	(493) Rent from Gas Property					9,832	62,167	9,832	62,167		
17	(494) Interdepartmental Rents										
18	(495) Other Gas Revenues					(752,737)	4,790,747	(752,737)	4,790,747		
19	Subtotal:					1,209,636,228	1,067,025,802	1,209,636,228	1,067,025,802		
20	(496) (Less) Provision for Rate Refunds						(392,009)		(392,009)		
21	TOTAL					1,209,636,228	1,067,417,811	1,209,636,228	1,067,417,811		

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Revenues from Transporation of Gas of Others Through Gathering Facilities (Account 489.1)

1. Report revenues and Dth of gas delivered through gathering facilities by zone of receipt (i.e. state in which gas enters respondent's system).
2. Revenues for penalties including penalties for unauthorized overruns must be reported on page 308.

Line No.	Rate Schedule and Zone of Receipt (a)	Revenues for Transition Costs and Take-or-Pay Amount for Current Year (b)	Revenues for Transaction Costs and Take-or-Pay Amount for Previous Year (c)	Revenues for GRI and ACA Amount for Current Year (d)	Revenues for GRI and ACA Amount for Previous Year (e)	Other Revenues Amount for Current Year (f)	Other Revenues Amount for Previous Year (g)	Total Operating Revenues Amount for Current Year (h)	Total Operating Revenues Amount for Previous Year (i)	Dekatherm of Natural Gas Amount for Current Year (j)	Dekatherm of Natural Gas Amount for Previous Year (k)
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Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Revenues from Transportation of Gas of Others Through Transmission Facilities (Account 489.2)

1. Report revenues and Dth of gas delivered by Zone of Delivery by Rate Schedule. Total by Zone of Delivery and for all zones. If respondent does not have separate zones, provide totals by rate schedule.
2. Revenues for penalties including penalties for unauthorized overruns must be reported on page 308.
3. Other Revenues in columns (f) and (g) include reservation charges received by the pipeline plus usage charges for transportation and hub services, less revenues reflected in columns (b) through (e).
4. Delivered Dth of gas must not be adjusted for discounting.
5. Each incremental rate schedule and each individually certificated rate schedule must be separately reported.
6. Where transportation services are bundled with storage services, report total revenues but only transportation Dth.

Line No.	Zone of Delivery, Rate Schedule (a)	Revenues for Transition Costs and Take-or-Pay Amount for Current Year (b)	Revenues for Transaction Costs and Take-or-Pay Amount for Previous Year (c)	Revenues for GRI and ACA Amount for Current Year (d)	Revenues for GRI and ACA Amount for Previous Year (e)	Other Revenues Amount for Current Year (f)	Other Revenues Amount for Previous Year (g)	Total Operating Revenues Amount for Current Year (h)	Total Operating Revenues Amount for Previous Year (i)	Dekatherm of Natural Gas Amount for Current Year (j)	Dekatherm of Natural Gas Amount for Previous Year (k)
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40	Total										

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Revenues from Storing Gas of Others (Account 489.4)

1. Report revenues and Dth of gas withdrawn from storage by Rate Schedule and in total.
2. Revenues for penalties including penalties for unauthorized overruns must be reported on page 308.
3. Other revenues in columns (f) and (g) include reservation charges, deliverability charges, injection and withdrawal charges, less revenues reflected in columns (b) through (e).
4. Dth of gas withdrawn from storage must not be adjusted for discounting.
5. Where transportation services are bundled with storage services, report only Dth withdrawn from storage.

Line No.	Rate Schedule (a)	Revenues for Transition Costs and Take-or-Pay Amount for Current Year (b)	Revenues for Transaction Costs and Take-or-Pay Amount for Previous Year (c)	Revenues for GRI and ACA Amount for Current Year (d)	Revenues for GRI and ACA Amount for Previous Year (e)	Other Revenues Amount for Current Year (f)	Other Revenues Amount for Previous Year (g)	Total Operating Revenues Amount for Current Year (h)	Total Operating Revenues Amount for Previous Year (i)	Dekatherm of Natural Gas Amount for Current Year (j)	Dekatherm of Natural Gas Amount for Previous Year (k)
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Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Other Gas Revenues (Account 495)

Report below transactions of $250,000 or more included in Account 495, Other Gas Revenues. Group all transactions below $250,000 in one amount and provide the number of items.

Line No.	Description of Transaction (a)	Amount (in dollars) (b)
1	Commissions on Sale or Distribution of Gas of Others	
2	Compensation for Minor or Incidental Services Provided for Others	
3	Profit or Loss on Sale of Material and Supplies not Ordinarily Purchased for Resale	
4	Sales of Stream, Water, or Electricity, including Sales or Transfers to Other Departments	
5	Miscellaneous Royalties	
6	Revenues from Dehydration and Other Processing of Gas of Others except as provided for in the Instructions to Account 495	
7	Revenues for Right and/or Benefits Received from Others which are Realized Through Research, Development, and Demonstration Ventures	
8	Gains on Settlements of Imbalance Receivables and Payables	
9	Revenues from Penalties earned Pursuant to Tariff Provisions, including Penalties Associated with Cash-out Settlements	
10	Revenues from Shipper Supplied Gas	
11	Other revenues (Specify):	
12	Other revenues (Specify):	
13	Transactions $250,000 or more	
14	Decoupling Revenue	(19,569,410)
15	PLR EDIT Gas Other Op Rev	(3,079,668)
16	AMI Return Deferral - Gas	2,757,455
17	LNG Return Deferral	18,870,409
18	Transactions below $250,000	
19	Miscellaneous Other Gas Revenue	268,478
40	TOTAL	(752,736)

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Discounted Rate Services and Negotiated Rate Services

1. In column b, report the revenues from discounted rate services.
2. In column c, report the volumes of discounted rate services.
3. In column d, report the revenues from negotiated rate services.
4. In column e, report the volumes of negotiated rate services.

Line No.	Account (a)	Discounted Rate Services Revenue (b)	Discounted Rate Services Volumes (c)	Negotiated Rate Services Revenue (d)	Negotiated Rate Services Volumes (e)
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40	Total				

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Gas Operation and Maintenance Expenses

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
1	1. PRODUCTION EXPENSES		
2	A. Manufactured Gas Production		
3	Manufactured Gas Production (Submit Supplemental Statement)	136,705	107,473
4	B. Natural Gas Production		
5	B1. Natural Gas Production and Gathering		
6	Operation		
7	750 Operation Supervision and Engineering		
8	751 Production Maps and Records		
9	752 Gas Well Expenses		
10	753 Field Lines Expenses		
11	754 Field Compressor Station Expenses		
12	755 Field Compressor Station Fuel and Power		
13	756 Field Measuring and Regulating Station Expenses		
14	757 Purification Expenses		
15	758 Gas Well Royalties		
16	759 Other Expenses		
17	760 Rents		
18	TOTAL Operation (Total of lines 7 thru 17)		
19	Maintenance		
20	761 Maintenance Supervision and Engineering		
21	762 Maintenance of Structures and Improvements		
22	763 Maintenance of Producing Gas Wells		
23	764 Maintenance of Field Lines		

24	765 Maintenance of Field Compressor Station Equipment		
25	766 Maintenance of Field Measuring and Regulating Station Equipment		
26	767 Maintenance of Purification Equipment		
27	768 Maintenance of Drilling and Cleaning Equipment		
28	769 Maintenance of Other Equipment		
29	TOTAL Maintenance (Total of lines 20 thru 28)		
30	TOTAL Natural Gas Production and Gathering (Total of lines 18 and 29)		
31	B2. Products Extraction		
32	Operation		
33	770 Operation Supervision and Engineering		
34	771 Operation Labor		
35	772 Gas Shrinkage		
36	773 Fuel		
37	774 Power		
38	775 Materials		
39	776 Operation Supplies and Expenses		
40	777 Gas Processed by Others		
41	778 Royalties on Products Extracted		
42	779 Marketing Expenses		
43	780 Products Purchased for Resale		
44	781 Variation in Products Inventory		
45	(Less) 782 Extracted Products Used by the Utility-Credit		
46	783 Rents		
47	TOTAL Operation (Total of lines 33 thru 46)		
48	Maintenance		
49	784 Maintenance Supervision and Engineering		
50	785 Maintenance of Structures and Improvements		

51	786 Maintenance of Extraction and Refining Equipment		
52	787 Maintenance of Pipe Lines		
53	788 Maintenance of Extracted Products Storage Equipment		
54	789 Maintenance of Compressor Equipment		
55	790 Maintenance of Gas Measuring and Regulating Equipment		
56	791 Maintenance of Other Equipment		
57	TOTAL Maintenance (Total of lines 49 thru 56)		
58	TOTAL Products Extraction (Total of lines 47 and 57)		
59	C. Exploration and Development		
60	Operation		
61	795 Delay Rentals		
62	796 Nonproductive Well Drilling		
63	797 Abandoned Leases		
64	798 Other Exploration		
65	TOTAL Exploration and Development (Total of lines 61 thru 64)		
66	D. Other Gas Supply Expenses		
67	Operation		
68	800 Natural Gas Well Head Purchases		
69	800.1 Natural Gas Well Head Purchases, Intracompany Transfers		
70	801 Natural Gas Field Line Purchases		
71	802 Natural Gas Gasoline Plant Outlet Purchases		
72	803 Natural Gas Transmission Line Purchases		
73	804 Natural Gas City Gate Purchases	488,213,854	375,389,069
74	804.1 Liquefied Natural Gas Purchases		
75	805 Other Gas Purchases	1,315,000	501,250
76	(Less) 805.1 Purchases Gas Cost Adjustments	(39,037,247)	(31,536,792)
77	TOTAL Purchased Gas (Total of lines 68 thru 76)	528,566,101	407,427,111
78	806 Exchange Gas		

79	Purchased Gas Expenses		
80	807.1 Well Expense-Purchased Gas		
81	807.2 Operation of Purchased Gas Measuring Stations		
82	807.3 Maintenance of Purchased Gas Measuring Stations		
83	807.4 Purchased Gas Calculations Expenses		
84	807.5 Other Purchased Gas Expenses	3,009,503	2,272,754
85	TOTAL Purchased Gas Expenses (Total of lines 80 thru 84)	3,009,503	2,272,754
86	808.1 Gas Withdrawn from Storage-Debit	65,884,348	38,831,834
87	(Less) 808.2 Gas Delivered to Storage-Credit	93,601,739	47,706,072
88	809.1 Withdrawals of Liquefied Natural Gas for Processing-Debit		
89	(Less) 809.2 Deliveries of Natural Gas for Processing-Credit		
90	Gas used in Utility Operation-Credit		
91	810 Gas Used for Compressor Station Fuel-Credit		
92	811 Gas Used for Products Extraction-Credit		
93	812 Gas Used for Other Utility Operations-Credit	40,308	47,864
94	TOTAL Gas Used in Utility Operations-Credit (Total of lines 91 thru 93)	40,308	47,864
95	813 Other Gas Supply Expenses	611,756	530,526
96	TOTAL Other Gas Supply Exp. (Total of lines 77,78,85,86 thru 89,94,95)	504,429,661	401,308,289
97	TOTAL Production Expenses (Total of lines 3, 30, 58, 65, and 96)	504,566,366	401,415,762
98	2. NATURAL GAS STORAGE, TERMINALING AND PROCESSING EXPENSES		
99	A. Underground Storage Expenses		
100	Operation		
101	814 Operation Supervision and Engineering	182,335	165,672
102	815 Maps and Records		
103	816 Wells Expenses	15,807	17,307
104	817 Lines Expense	29,991	38,317
105	818 Compressor Station Expenses	294,068	314,029

106	819 Compressor Station Fuel and Power	65,491	64,538
107	820 Measuring and Regulating Station Expenses	120	8,421
108	821 Purification Expenses		
109	822 Exploration and Development		
110	823 Gas Losses		
111	824 Other Expenses	100,350	88,484
112	825 Storage Well Royalties	21,646	23,669
113	826 Rents		
114	TOTAL Operation (Total of lines of 101 thru 113)	709,808	720,437
115	Maintenance		
116	830 Maintenance Supervision and Engineering	164,320	146,789
117	831 Maintenance of Structures and Improvements	47,143	35,088
118	832 Maintenance of Reservoirs and Wells	1,352,351	1,310,679
119	833 Maintenance of Lines	9,140	2,848
120	834 Maintenance of Compressor Station Equipment	489,270	528,148
121	835 Maintenance of Measuring and Regulating Station Equipment	125	
122	836 Maintenance of Purification Equipment	8,980	43,165
123	837 Maintenance of Other Equipment	16,632	9,663
124	TOTAL Maintenance (Total of lines 116 thru 123)	2,087,961	2,076,380
125	TOTAL Underground Storage Expenses (Total of lines 114 and 124)	2,797,769	2,796,817
126	B. Other Storage Expenses		
127	Operation		
128	840 Operation Supervision and Engineering		229,300
129	841 Operation Labor and Expenses	919,259	744,586
130	842 Rents		
131	842.1 Fuel		
132	842.2 Power		
133	842.3 Gas Losses		

134	TOTAL Operation (Total of lines 128 thru 133)	919,259	973,886
135	Maintenance		
136	843.1 Maintenance Supervision and Engineering		
137	843.2 Maintenance of Structures		
138	843.3 Maintenance of Gas Holders		
139	843.4 Maintenance of Purification Equipment		
140	843.5 Maintenance of Liquefaction Equipment		
141	843.6 Maintenance of Vaporizing Equipment		
142	843.7 Maintenance of Compressor Equipment		
143	843.8 Maintenance of Measuring and Regulating Equipment		
144	843.9 Maintenance of Other Equipment		
145	TOTAL Maintenance (Total of lines 136 thru 144)		
146	TOTAL Other Storage Expenses (Total of lines 134 and 145)	919,259	973,886
147	C. Liquefied Natural Gas Terminaling and Processing Expenses		
148	Operation		
149	844.1 Operation Supervision and Engineering	(20,842)	1,313
150	844.2 LNG Processing Terminal Labor and Expenses		
151	844.3 Liquefaction Processing Labor and Expenses		
152	844.4 Liquefaction Transportation Labor and Expenses		
153	844.5 Measuring and Regulating Labor and Expenses		
154	844.6 Compressor Station Labor and Expenses		
155	844.7 Communication System Expenses	(823)	
156	844.8 System Control and Load Dispatching		
157	845.1 Fuel		
158	845.2 Power		
159	845.3 Rents		
160	845.4 Demurrage Charges		

161	(less) 845.5 Wharfage Receipts-Credit		
162	845.6 Processing Liquefied or Vaporized Gas by Others		
163	846.1 Gas Losses		
164	846.2 Other Expenses	(1,991)	
165	TOTAL Operation (Total of lines 149 thru 164)	(23,656)	1,313
166	Maintenance		
167	847.1 Maintenance Supervision and Engineering		
168	847.2 Maintenance of Structures and Improvements		
169	847.3 Maintenance of LNG Processing Terminal Equipment		
170	847.4 Maintenance of LNG Transportation Equipment		
171	847.5 Maintenance of Measuring and Regulating Equipment		
172	847.6 Maintenance of Compressor Station Equipment		
173	847.7 Maintenance of Communication Equipment	(42)	
174	847.8 Maintenance of Other Equipment		
175	TOTAL Maintenance (Total of lines 167 thru 174)	(42)	
176	TOTAL Liquefied Nat Gas Terminaling and Proc Exp (Total of lines 165 and 175)	(23,698)	1,313
177	TOTAL Natural Gas Storage (Total of lines 125, 146, and 176)	3,693,330	3,772,016
178	3. TRANSMISSION EXPENSES		
179	Operation		
180	850 Operation Supervision and Engineering		
181	851 System Control and Load Dispatching		
182	852 Communication System Expenses		
183	853 Compressor Station Labor and Expenses		
184	854 Gas for Compressor Station Fuel		
185	855 Other Fuel and Power for Compressor Stations		
186	856 Mains Expenses		
187	857 Measuring and Regulating Station Expenses		
188	858 Transmission and Compression of Gas by Others		

189	859 Other Expenses		
190	860 Rents		
191	TOTAL Operation (Total of lines 180 thru 190)		
192	Maintenance		
193	861 Maintenance Supervision and Engineering		
194	862 Maintenance of Structures and Improvements		
195	863 Maintenance of Mains		
196	864 Maintenance of Compressor Station Equipment		
197	865 Maintenance of Measuring and Regulating Station Equipment		
198	866 Maintenance of Communication Equipment		
199	867 Maintenance of Other Equipment		
200	TOTAL Maintenance (Total of lines 193 thru 199)		
201	TOTAL Transmission Expenses (Total of lines 191 and 200)		
202	4. DISTRIBUTION EXPENSES		
203	Operation		
204	870 Operation Supervision and Engineering	1,733,895	2,098,480
205	871 Distribution Load Dispatching	305,962	287,313
206	872 Compressor Station Labor and Expenses		
207	873 Compressor Station Fuel and Power		
208	874 Mains and Services Expenses	20,762,773	20,880,745
209	875 Measuring and Regulating Station Expenses-General	1,366,045	1,500,593
210	876 Measuring and Regulating Station Expenses-Industrial	967,966	1,038,826
211	877 Measuring and Regulating Station Expenses-City Gas Check Station		
212	878 Meter and House Regulator Expenses	1,912,271	1,910,181
213	879 Customer Installations Expenses	1,874,811	1,528,814
214	880 Other Expenses	17,528,071	16,028,709
215	881 Rents	254,482	254,629

216	TOTAL Operation (Total of lines 204 thru 215)	46,706,276	45,528,290
217	Maintenance		
218	885 Maintenance Supervision and Engineering	34,655	57,351
219	886 Maintenance of Structures and Improvements	128,800	106,039
220	887 Maintenance of Mains	8,692,658	8,761,308
221	888 Maintenance of Compressor Station Equipment		
222	889 Maintenance of Measuring and Regulating Station Equipment-General	901,501	821,011
223	890 Maintenance of Meas. and Reg. Station Equipment-Industrial	162,470	48,384
224	891 Maintenance of Meas. and Reg. Station Equip-City Gate Check Station		
225	892 Maintenance of Services	4,754,188	4,484,180
226	893 Maintenance of Meters and House Regulators	540,324	511,839
227	894 Maintenance of Other Equipment	346,909	375,862
228	TOTAL Maintenance (Total of lines 218 thru 227)	15,561,505	15,165,974
229	TOTAL Distribution Expenses (Total of lines 216 and 228)	62,267,781	60,694,264
230	5. CUSTOMER ACCOUNTS EXPENSES		
231	Operation		
232	901 Supervision	88,568	90,086
233	902 Meter Reading Expenses	9,723,372	9,716,532
234	903 Customer Records and Collection Expenses	11,102,401	10,541,199
235	904 Uncollectible Accounts	4,503,640	4,491,994
236	905 Miscellaneous Customer Accounts Expenses		
237	TOTAL Customer Accounts Expenses (Total of lines 232 thru 236)	25,417,981	24,839,811
238	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES		
239	Operation		
240	907 Supervision		
241	908 Customer Assistance Expenses	24,692,574	24,729,295
242	909 Informational and Instructional Expenses	1,266,887	1,568,768
243	910 Miscellaneous Customer Service and Informational Expenses		126

244	TOTAL Customer Service and Information Expenses (Total of lines 240 thru 243)	25,959,461	26,298,189
245	7. SALES EXPENSES		
246	Operation		
247	911 Supervision		
248	912 Demonstrating and Selling Expenses	(97,338)	(79,810)
249	913 Advertising Expenses		
250	916 Miscellaneous Sales Expenses		
251	TOTAL Sales Expenses (Total of lines 247 thru 250)	(97,338)	(79,810)
252	8. ADMINISTRATIVE AND GENERAL EXPENSES		
253	Operation		
254	920 Administrative and General Salaries	31,959,368	27,035,089
255	921 Office Supplies and Expenses	2,971,668	4,336,114
256	(Less) 922 Administrative Expenses Transferred-Credit	14,338,422	12,689,264
257	923 Outside Services Employed	7,583,367	6,218,926
258	924 Property Insurance	334,929	(104,585)
259	925 Injuries and Damages	4,426,604	3,528,997
260	926 Employee Pensions and Benefits	13,176,836	15,502,659
261	927 Franchise Requirements		
262	928 Regulatory Commission Expenses	6,799,142	2,881,358
263	(Less) 929 Duplicate Charges-Credit		
264	930.1General Advertising Expenses	10,013	167
265	930.2Miscellaneous General Expenses	3,768,700	4,139,999
266	931 Rents	3,818,323	3,432,575
267	TOTAL Operation (Total of lines 254 thru 266)	60,510,528	54,282,035
268	Maintenance		
269	932 Maintenance of General Plant	9,993,728	9,614,768
270	TOTAL Administrative and General Expenses (Total of lines 267 and 269)	70,504,256	63,896,803

271	TOTAL Gas O&M Expenses (Total of lines 97,177,201,229,237,244,251, and 270)	692,311,837	580,837,035

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Exchange and Imbalance Transactions

1. Report below details by zone and rate schedule concerning the gas quantities and related dollar amount of imbalances associated with system balancing and no-notice service. Also, report certificated natural gas exchange transactions during the year. Provide subtotals for imbalance and no-notice quantities for exchanges. If respondent does not have separate zones, provide totals by rate schedule. Minor exchange transactions (less than 100,000 Dth) may be grouped.

Line No.	Zone/Rate Schedule (a)	Gas Received from Others Amount (b)	Gas Received from Others Dth (c)	Gas Delivered to Others Amount (d)	Gas Delivered to Others Dth (e)
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					

21					
22					
23					
24					
25	Total				

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Gas Used in Utility Operations

1. Report below details of credits during the year to Accounts 810, 811, and 812.
2. If any natural gas was used by the respondent for which a charge was not made to the appropriate operating expense or other account, list separately in column (c) the Dth of gas used, omitting entries in column (d).

Line No.	Purpose for Which Gas Was Used (a)	Account Charged (b)	Natural Gas Gas Used Dth (c)	Natural Gas Amount of Credit (in dollars) (d)
1	810 Gas Used for Compressor Station Fuel - Credit			
2	811 Gas Used for Products Extraction - Credit			
3	Gas Shrinkage and Other Usage in Respondent's Own Processing - Credit			
4	Gas Shrinkage, etc. for Respondent's Gas Processed by Others - Credit			
5	812 Gas Used for Other Utility Operations - Credit (Report separately for each principal use. Group minor uses.)		12,658	40,308
25	Total		12,658	40,308

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Transmission and Compression of Gas by Others (Account 858)

1. Report below details concerning gas transported or compressed for respondent by others equaling more than 1,000,000 Dth and amounts of payments for such services during the year. Minor items (less than 1,000,000) Dth may be grouped. Also, include in column (c) amounts paid as transition costs to an upstream pipeline.
2. In column (a) give name of companies, points of delivery and receipt of gas. Designate points of delivery and receipt so that they can be identified readily on a map of respondent's pipeline system.
3. Designate associated companies with an asterisk in column (b).

Line No.	Name of Company and Description of Service Performed (a)	* (b)	Amount of Payment (c)	Dth of Gas Delivered (d)
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				

21				
22				
23				
24				
25	Total			

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Other Gas Supply Expenses (Account 813)

1. Report other gas supply expenses by descriptive titles that clearly indicate the nature of such expenses. Show maintenance expenses, revaluation of monthly encroachments recorded in Account 117.4, and losses on settlements of imbalances and gas losses not associated with storage separately. Indicate the functional classification and purpose of property to which any expenses relate. List separately items of $250,000 or more.

Line No.	Description (a)	Amount (in dollars) (b)
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		

21		
22		
23		
24		
25	Total	611,756

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Miscellaneous General Expenses (Account 930.2)

1. Provide the information requested below on miscellaneous general expenses.
2. For Other Expenses, show the (a) purpose, (b) recipient and (c) amount of such items. List separately amounts of $250,000 or more however, amounts less than $250,000 may be grouped if the number of items of so grouped is shown.

Line No.	Description (a)	Amount (b)
1	Industry association dues.	485,005
2	Experimental and general research expenses	
2a	a. Gas Research Institute (GRI)	
2b	b. Other	
3	Publishing and distributing information and reports to stockholders, trustee, registrar, and transfer agent fees and expenses, and other expenses of servicing outstanding securities of the respondent	
4	Board of Director Fees and Expenses	277,753
5	Other Membership Dues	280,671
6	Communication Services	
7	Treasury Fees & Expenses	76,649
8	Misc General Expenses	2,645,220
9	State/Fed Govt Related Industry Expenses	3,402
25	TOTAL	3,768,700

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Depreciation, Depletion and Amortization of Gas Plant (Accts 403, 404.1, 404.2, 404.3, 405) (Except Amortization of Acquisition Adjustments)

1. Report in Section A the amounts of depreciation expense, depletion and amortization for the accounts indicated and classified according to the plant functional groups shown.
2. Report in Section B, column (b) all depreciable or amortizable plant balances to which rates are applied and show a composite total. (If more desirable, report by plant account, subaccount or functional classifications other than those pre-printed in column (a). Indicate in a footnote the manner in which column (b) balances are obtained. If average balances are used, state the method of averaging used. For column (c) report available information for each plant functional classification listed in column (a). If composite depreciation accounting is used, report available information called for in columns (b) and (c) on this basis. Where the unit-of-production method is used to determine depreciation charges, show in a footnote any revisions made to estimated gas reserves.
3. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state in a footnote the amounts and nature of the provisions and the plant items to which related.
4. Add rows as necessary to completely report all data. Number the additional rows in sequence as 2.01, 2.02, 3.01, 3.02, etc.

Section A. Summary of Depreciation, Depletion, and Amortization Charges

Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Amortization Expense for Asset Retirement Costs (Account 403.1) (c)	Amortization and Depletion of Producing Natural Gas Land and Land Rights (Account 404.1) (d)	Amortization of Underground Storage Land and Land Rights (Account 404.2) (e)	Amortization of Other Limited-term Gas Plant (Account 404.3) (f)	Amortization of Other Gas Plant (Account 405) (g)	Total (b to g) (h)
1	Intangible plant					4,779,900		4,779,900
2	Production plant, manufactured gas							
3	Production and Gathering Plant							
4	Products extraction plant							
5	Underground Gas Storage Plant (footnote details)	1,397,920						1,397,920
6	Other storage plant	336,846						336,846
7	Base load LNG terminaling and processing plant	34,269						34,269
8	Transmission Plant							
9	Distribution plant	130,949,702	408,176					131,357,878
10	General Plant (footnote details)	2,073,775						2,073,775
11	Common plant-gas	15,562,033	54,494			27,178,665		42,795,192
12	Total	150,354,545	462,670			31,958,565		182,775,780

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Depreciation, Depletion and Amortization of Gas Plant (Accts 403, 404.1, 404.2, 404.3, 405) (Except Amortization of Acquisition Adjustments)

1. Report in Section A the amounts of depreciation expense, depletion and amortization for the accounts indicated and classified according to the plant functional groups shown.
2. Report in Section B, column (b) all depreciable or amortizable plant balances to which rates are applied and show a composite total. (If more desirable, report by plant account, subaccount or functional classifications other than those pre-printed in column (a). Indicate in a footnote the manner in which column (b) balances are obtained. If average balances are used, state the method of averaging used. For column (c) report available information for each plant functional classification listed in column (a). If composite depreciation accounting is used, report available information called for in columns (b) and (c) on this basis. Where the unit-of-production method is used to determine depreciation charges, show in a footnote any revisions made to estimated gas reserves.
3. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state in a footnote the amounts and nature of the provisions and the plant items to which related.
4. Add rows as necessary to completely report all data. Number the additional rows in sequence as 2.01, 2.02, 3.01, 3.02, etc.

Section B. Factors Used in Estimating Depreciation Charges

Line No.	Functional Classification (a)	Plant Bases (in thousands) (b)	Applied Depreciation or Amortization Rates (percent) (c)
1	Production and Gathering Plant		
2	Offshore (footnote details)		
3	Onshore (footnote details)	6,584	
4	Underground Gas Storage Plant (footnote details)	57,374	
5	Transmission Plant		
6	Offshore (footnote details)		
7	Onshore (footnote details)		
8	General Plant (footnote details)	43,258	
9	Intangible Plant	35,177	
10	LNG Terminating and Processing	258,689	
11	Distribution Plant	4,741,052	
12	TOTAL	5,142,134	

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Particulars Concerning Certain Income Deductions and Interest Charges Accounts

Report the information specified below, in the order given, for the respective income deduction and interest charges accounts.

a. Miscellaneous Amortization (Account 425)-Describe the nature of items included in this account, the contra account charged, the total of amortization charges for the year, and the period of amortization.
b. Miscellaneous Income Deductions-Report the nature, payee, and amount of other income deductions for the year as required by Accounts 426.1, Donations; 426.2, Life Insurance; 426.3, Penalties; 426.4, Expenditures for Certain Civic, Political and Related Activities; and 426.5, Other Deductions, of the Uniform System of Accounts. Amounts of less than $250,000 may be grouped by classes within the above accounts.
c. Interest on Debt to Associated Companies (Account 430)-For each associated company that incurred interest on debt during the year, indicate the amount and interest rate respectively for (a) advances on notes, (b) advances on open account, (c) notes payable, (d) accounts payable, and (e) other debt, and total interest. Explain the nature of other debt on which interest was incurred during the year.
d. Other Interest Expense (Account 431) - Report details including the amount and interest rate for other interest charges incurred during the year.

Line No.	Item (a)	Amount (b)
1	Account 425 - Miscellaneous Amortization	
2		
3		
4		
5	TOTAL Account 425 - Miscellaneous Amortization	
6	Account 426.1 - Donations	
7	Education	15,000
8	Environment	
9	Human Services	22,800
10	Miscellaneous	(1,000)
11	TOTAL Account 426.1 - Donations	36,800
12	Account 426.2 - Life Insurance	
13	Gain on Corporate Life Insurance	(1,759,020)
14	TOTAL Account 426.2 - Life Insurance	(1,759,020)
15	Account 426.3 - Penalties	
16	Tax Penalties	2,842
17	NERC Standards Compliance Penalty	1,751,000

18	WUTC Penality - Gas	315,407
19	Unclaimed property penalties	5,144
20	WUTC Fines & Penalties - Electric	(545,006)
21	TOTAL Account 426.3 - Penalties	1,529,387
22	Account 426.4 Expenditures for Certain Civic, Political, and Related Activities	
23	Federal	1,327,512
24	Local	6,402,824
25	State	758,355
26	Total Account 426.4 - Expenditues for Certain Civic, Political, and Related Activities	8,488,691
27	Account 426.5 - Other Deductions	
28	Advertising & Trademarks	429,725
29	Customer Service Guaranteed	42,800
30	Donations	
31	Dues & Memberships	572,000
32	EIM SOC Penalties	
33	Employee Retirement Benefits	5,249,450
34	Low Income Weatherization	1,129,898
35	Miscellaneous Over $100K	3,960,854
36	Miscellaneous Under $100K	97,182
37	Non-Utility Write Off	3,279,397
38	SFAS 106 Post Retirement Benefits	
39	SFAS 133 Loss on Fair Value Purchases	26,023,682
40	TOTAL Account 426.5 - Other Deductions	40,784,988
41	Account 430 - Interest on Debt to Associated Companies	
42		
43		
44		
45	TOTAL Account 430 - Interest on Debt to Associated Companies	

46	Account 431 - Other Interest Expense	
47	Bond Interest	4,130,867
48	Interest on Capital Lease	
49	Interest on Customer Deposits @ 4.91%	881,746
50	Interest on Deferred Compensation	(1,748,914)
51	Interest on Federal Incentive	771,870
52	Interest on Decoupling	1,791,197
53	Interest on Expense	
54	Interest on Tax	3,433,920
55	Renewable Energy Credits	7,486
56	TOTAL Account 431 - Other Interest Expense	9,268,172

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Regulatory Commission Expenses (Account 928)

1. Report below details of regulatory commission expenses incurred during the current year (or in previous years, if being amortized) relating to formal cases before a regulatory body, or cases in which such a body was a party.
2. In column (b) and (c), indicate whether the expenses were assessed by a regulatory body or were otherwise incurred by the utility.
3. Show in column (k) any expenses incurred in prior years that are being amortized. List in column (a) the period of amortization.
4. Identify separately all annual charge adjustments (ACA).
5. List in column (f), (g), and (h) expenses incurred during year which were charges currently to income, plant, or other accounts.
6. Minor items (less than $250,000) may be grouped.

Line No.	Description (Furnish name of regulatory commission or body the docket or case number and a description of the case) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expenses to Date (d)	Deferred in Account 182.3 at Beginning of Year (e)	Expenses Incurred During Year Charged Currently To Department (f)	Expenses Incurred During Year Charged Currently To Account No. (g)	Expenses Incurred During Year Charged Currently To Amount (h)	Expenses Incurred During Year Deferred to Account 182.3 (i)	Amortized During Year Contra Account (j)	Amortized During Year Amount (k)	Deferred in Account 182.3 End of Year (l)
1	WUTC Filing Fee	4,828,821		4,828,821		Gas	928	4,828,821				
2	FERC Regulatory Compliance		118,525	118,525		Gas	928	118,525				
3	State Regulatory Legal Fees		112,484	112,484		Gas	928	112,484				
4	General Rate Case Legal Fees		1,741,306	1,741,306		Gas	928	1,741,306				
25	TOTAL	4,828,821	1,972,315	6,801,136				6,801,136				

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Employee Pensions and Benefits (Account 926)

1. Report below the items contained in Account 926, Employee Pensions and Benefits.

Line No.	Expense (a)	Amount (in dollars) (b)
1	Pensions - defined benefit plans	3,663,955
2	Pensions - other	
3	Post-retirement benefits other than pensions (PBOP)	6,771,194
4	Post-employment benefit plans	
5	Other	(9,748,704)
6	Health & Warfare	12,490,391
40	Total	13,176,836

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Distribution of Salaries and Wages

Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals and Other Accounts, and enter such amounts in the appropriate lines and columns provided. Salaries and wages billed to the Respondent by an affiliated company must be assigned to the particular operating function(s) relating to the expenses.

In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used. When reporting detail of other accounts, enter as many rows as necessary numbered sequentially starting with 75.01, 75.02, etc.

Line No.	Classification (a)	Direct Payroll Distribution (b)	Payroll Billed by Affiliated Companies (c)	Allocation of Payroll Charged for Clearing Accounts (d)	Total (e)
1	Electric				
2	Operation				
3	Production	24,850,297		199,913	25,050,209
4	Transmission	10,319,321		83,015	10,402,337
5	Distribution	26,373,857		212,168	26,586,026
6	Customer Accounts	8,123,062		65,347	8,188,409
7	Customer Service and Informational	2,392,878		19,250	2,412,128
8	Sales	758,325		6,100	764,425
9	Administrative and General	40,571,604		326,384	40,897,988
10	TOTAL Operation (Total of lines 3 thru 9)	113,389,344		912,177	114,301,521
11	Maintenance				
12	Production	4,182,702		33,649	4,216,351
13	Transmission	2,163,255		17,403	2,180,657
14	Distribution	8,836,579		71,087	8,907,666
15	Administrative and General	98,003		788	98,791
16	TOTAL Maintenance (Total of lines 12 thru 15)	15,280,539		122,927	15,403,466
17	Total Operation and Maintenance				
18	Production (Total of lines 3 and 12)	29,032,999		233,562	29,266,561

19	Transmission (Total of lines 4 and 13)	12,482,576		100,418	12,582,994
20	Distribution (Total of lines 5 and 14)	35,210,436		283,255	35,493,691
21	Customer Accounts (line 6)	8,123,062		65,347	8,188,409
22	Customer Service and Informational (line 7)	2,392,878		19,250	2,412,128
23	Sales (line 8)	758,325		6,100	764,425
24	Administrative and General (Total of lines 9 and 15)	40,669,607		327,172	40,996,779
25	TOTAL Operation and Maintenance (Total of lines 18 thru 24)	128,669,883		1,035,104	129,704,987
26	Gas				
27	Operation				
28	Production - Manufactured Gas	65,351		526	65,877
29	Production - Natural Gas(Including Exploration and Development)				
30	Other Gas Supply	2,734,150		21,995	2,756,145
31	Storage, LNG Terminaling and Processing	1,099,690		8,847	1,108,537
32	Transmission				
33	Distribution	21,736,736		174,864	21,911,600
34	Customer Accounts	5,838,066		46,965	5,885,031
35	Customer Service and Informational	1,088,685		8,758	1,097,443
36	Sales	(68,110)		(548)	(68,658)
37	Administrative and General	17,562,822		141,287	17,704,108
38	TOTAL Operation (Total of lines 28 thru 37)	50,057,390		402,694	50,460,084
39	Maintenance				
40	Production - Manufactured Gas				
41	Production - Natural Gas(Including Exploration and Development)				
42	Other Gas Supply				
43	Storage, LNG Terminaling and Processing	303,147		2,439	305,585
44	Transmission				

45	Distribution	5,394,526		43,397	5,437,923
46	Administrative and General	91,129		733	91,862
47	TOTAL Maintenance (Total of lines 40 thru 46)	5,788,802		46,569	5,835,371
49	Total Operation and Maintenance				
50	Production - Manufactured Gas (Total of lines 28 and 40)	65,351		526	65,877
51	Production - Natural Gas (Including Expl. and Dev.) (ll. 29 and 41)				
52	Other Gas Supply (Total of lines 30 and 42)	2,734,150		21,995	2,756,145
53	Storage, LNG Terminaling and Processing (Total of ll. 31 and 43)	1,402,837		11,286	1,414,123
54	Transmission (Total of lines 32 and 44)				
55	Distribution (Total of lines 33 and 45)	27,131,262		218,261	27,349,523
56	Customer Accounts (Total of line 34)	5,838,066		46,965	5,885,031
57	Customer Service and Informational (Total of line 35)	1,088,685		8,758	1,097,443
58	Sales (Total of line 36)	(68,110)		(548)	(68,658)
59	Administrative and General (Total of lines 37 and 46)	17,653,951		142,020	17,795,971
60	Total Operation and Maintenance (Total of lines 50 thru 59)	55,846,192		449,263	56,295,455
61	Other Utility Departments				
62	Operation and Maintenance				
63	TOTAL ALL Utility Dept. (Total of lines 25, 60, and 62)	184,516,075		1,484,367	186,000,442
64	Utility Plant				
65	Construction (By Utility Departments)				
66	Electric Plant	76,228,815		613,233	76,842,048
67	Gas Plant	30,720,678		247,136	30,967,814
68	Other	59,809,295		481,145	60,290,440
69	TOTAL Construction (Total of lines 66 thru 68)	166,758,788		1,341,514	168,100,302
70	Plant Removal (By Utility Departments)				
71	Electric Plant	2,554,986		20,554	2,575,540

72	Gas Plant	2,324,285		18,698	2,342,983
73	Other	276,568		2,225	278,793
74	TOTAL Plant Removal (Total of lines 71 thru 73)	5,155,839		41,477	5,197,316
75.1	[(a)] Other Accounts (Specify) (footnote details)	28,236,359		227,151	28,463,510
76	TOTAL Other Accounts	28,236,359		227,151	28,463,510
77	TOTAL SALARIES AND WAGES	384,667,061		3,094,509	387,761,570

FOOTNOTE DATA

(a) Concept: DescriptionOfDistributionSalariesAndWagesOtherAccount

Description	Direct Payroll Distribution (b)	Allocation of Payroll Charged to Clearing Accounts (c)	Total (d) (Col-7 + Col8)
121 Non Utility Property	4,506	36	4,542
163 Store Expense	4,322,017	34,769	4,356,786
182 Regulatory Asset	16,664,417	134,058	16,798,475
185 Temporary Facilities	24,942	201	25,143
149 Misc. Deferred Debits	1,568,579	12,619	1,581,198
186 Misc. Deferred Debits	2,940,183	23,653	2,963,836
Misc. 400 Accounts	2,704,387	21,756	2,726,143
143 Accts Receivable Misc.	—	—	—
Prelim Survey OG 183	6,404	52	6,456
Allocated OG 184	—	—	—
Misc. 200 Accounts	924	7	931
Jackson Prairie Joint Venture - Capital - PSE Share	—	—	—
Jackson Prairie Joint Venture - Expense - PSE Share	—	—	—
TOTAL	28,236,359	227,151	28,463,510

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Charges for Outside Professional and Other Consultative Services

1. Report the information specified below for all charges made during the year included in any account (including plant accounts) for outside consultative and other professional services. These services include rate, management, construction, engineering, research, financial, valuation, legal, accounting, purchasing, advertising, labor relations, and public relations, rendered for the respondent under written or oral arrangement, for which aggregate payments were made during the year to any corporation partnership, organization of any kind, or individual (other than for services as an employee or for payments made for medical and related services) amounting to more than $250,000, including payments for legislative services, except those which should be reported in Account 426.4 Expenditures for Certain Civic, Political and Related Activities. (a) Name of person or organization rendering services. (b) Total charges for the year.
2. Sum under a description "Other", all of the aforementioned services amounting to $250,000 or less.
3. Total under a description "Total", the total of all of the aforementioned services.
4. Charges for outside professional and other consultative services provided by associated (affiliated) companies should be excluded from this schedule and be reported on Page 358, according to the instructions for that schedule.

Line No.	Description (a)	Amount (in dollars) (b)
1	QUANTA SERVICES INC	200,995,581
2	INFRASOURCE SERVICES LLC	102,931,882
3	LOWER BAKER CONSTRUCTORS LLC	69,054,460
4	WILSON CONSTRUCTION COMPANY	41,761,149
5	AA ASPHALTING LLC	31,347,440
6	ASPLUNDH TREE EXPERT LLC	26,814,661
7	LANDIS + GYR TECHNOLOGY INC	25,279,837
8	HYDROMAX USA LLC	18,139,965
9	VESTAS	17,136,214
10	ELM LOCATING & UTILITY SERVICE	14,304,836
11	SIEMENS GAMESA RENEWABLE ENERG	10,265,925
12	PAYMENTUS CORPORATION	9,702,505
13	PERKINS COIE LLP	8,799,623
14	METER READINGS HOLDING LLC	7,807,217
15	GE INTERNATIONAL INC	6,685,338
16	ACCENTURE INTERNATIONAL LIMITE	6,105,569
17	NW UTILITY SERVICES LLC	6,049,467
18	ACTALENT SERVICES LLC	5,964,478

19	CBI SERVICES LLC	5,000,042
20	POTTLE & SONS CONSTRUCTION INC	4,456,351
21	ASPLUNDH ENGINEERING SERVICES	4,402,528
22	HDR ENGINEERING INC	4,276,633
23	BGIS GLOBAL INTEGRATED SOLUTIO	3,501,307
24	BAIN & COMPANY INC	3,450,000
25	ASPLUNDH CONSTRUCTION LLC	3,287,395
26	VAN NESS FELDMAN LLP	3,135,099
27	PRICEWATERHOUSECOOPERS LLP	3,010,122
28	DAVID EVANS & ASSOCIATES INC	2,990,214
29	GEOENGINEERS INC	2,883,607
30	APEX SYSTEMS LLC	2,739,490
31	OSMOSE UTILITIES SERVICES INC	2,719,800
32	ORACLE AMERICA INC	2,680,154
33	LIMITED ENERGY SERVICES INC	2,558,985
34	GARTNER INC	2,340,115
35	ESM CONSULTING ENGINEERS LLC	2,277,648
36	CONVERGENT OUTSOURCING INC	2,130,987
37	SCHNEIDER ELECTRIC SMART GRID	2,052,679
38	SHANNON & WILSON INC	2,015,218
39	BHI ENERGY POWER SERVICES LLC	1,958,608
40	COHEN VENTURES INC	1,886,807
41	ALIGHT HOLDING COMPANY LLC	1,884,947
42	CANNON CONSTRUCTORS LLC	1,867,920
43	PACIFIC NETTING PRODUCTS INC	1,848,476
44	CONCENTRIX CVG CUSTOMER MANAGE	1,826,813
45	VECA ELECTRIC & TECHNOLOGIES	1,761,715
46	HAPPY VALLEY INTERMEDIATE HOLD	1,742,005

47	WILLDAN ENERGY SOLUTIONS	1,668,747
48	MECHANICAL DYNAMICS & ANALYSIS	1,635,432
49	CBRE INC	1,622,547
50	DNV ENERGY INSIGHTS USA INC	1,564,362
51	KPMG LLP	1,556,037
52	NAVISTAR INC	1,529,254
53	MEDIA MOSAIC INC	1,482,402
54	WELLS FARGO BANK NA	1,431,481
55	INSIGHT GLOBAL INC	1,401,229
56	NORTHWEST ENERGY EFFICIENCY	1,395,539
57	TAMAZARI INC	1,375,228
58	KUBRA DATA TRANSFER LTD	1,214,720
59	SNOWS OIL FIELD SERVICE INC	1,211,579
60	BONNEVILLE POWER ADMINISTRATIO	1,206,913
61	WYSER CONSTRUCTION CO INC	1,185,581
62	WASTE MANAGEMENT INC	1,154,287
63	PEREGRINE STIMULATION SERVICES	1,133,951
64	MONARCH LANDSCAPING WA LLC	1,126,345
65	BAKER BOTTS LLP	1,122,781
66	POWER ENGINEERS INC	1,113,490
67	WEATHERFORD US LP	1,085,633
68	A AND R SOLAR SPC	1,084,196
69	CENTRAL PUGET SOUND REGIONAL	1,074,551
70	SIEMENS INDUSTRY INC	1,070,768
71	BUDGET TOWING & AUTO REPAIR IN	1,048,473
72	GORDON TILDEN THOMAS & CORDELL	1,047,573
73	IMAGINE ENERGY LLC	1,042,853
74	KENT PERFORMANCE AUTO CENTER	1,029,386

75	COMMONSTREET CONSULTING LLC	1,027,000
76	PUGET SOUND SECURITY SERVICES	1,013,298
77	APPLIED PROFESSIONAL SERVICES	985,894
78	PATTERSON SERVICES INC	949,716
79	ALTEC INDUSTRIES INC	947,914
80	WATERSHED COMPANY	931,133
81	SURVEYING AND MAPPING LLC	891,961
82	COLEHOUR & COHEN INC	890,796
83	PALAMERICAN SECURITY INC	887,697
84	LONQUIST FIELD SERVICE LLC	881,951
85	SOLAR TURBINES INC	869,178
86	WALKER HEAVY CONSTRUCTION INC	864,346
87	FABER CONSTRUCTION CORP	858,707
88	SAP INDUSTRIES INC	848,400
89	MARSH USA INC	815,557
90	MARK N LOWRY	814,348
91	GEOSYNTEC CONSULTANTS INC	793,473
92	HARRIS PACIFIC NORTHWEST LLC	792,966
93	UTILITIES INTERNATIONAL INC	792,085
94	MAGNUM POWER LLC	786,218
95	DAVID C RYDER PS	781,153
96	CITY OF SAMMAMISH	777,084
97	HANGING H COMPANIES LLC	767,340
98	UTILITIES UNDERGROUND LOCATION	761,796
99	CITY OF BELLEVUE	752,753
100	STANDARD & POORS FINANCIAL	748,905
101	MOODYS INVESTORS SERVICE INC	722,300
102	TBL MISSION CRITICAL LLC	708,638

103	ACTALENT INC	704,216
104	ZECO SYSTEMS INC	692,913
105	CLEARESULT CONSULTING INC	690,380
106	CUSTOM INSTM SVCS CORP - CISCO	675,432
107	ENERGY & ENVIRONMENTAL ECONOMI	671,023
108	SUPPRESSION SYSTEMS INC	642,648
109	GROOME INDUSTRIAL SERVICE GROU	641,857
110	TERRA DYNAMICS INC	639,297
111	ALLIED POWER GROUP LLC	628,103
112	NELSON ELECTRIC	616,377
113	POTELCO INC	615,114
114	EN ENGINEERING LLC	614,787
115	THE CADMUS GROUP LLC	608,864
116	MAUL FOSTER & ALGONI INC	601,534
117	POWER TAKEOFF INC	598,203
118	ARCTIC ARROW POWERLINE GROUP L	596,076
119	LES SCHWAB TIRE CENTERS OF	594,825
120	ARCUS DATA LLC	585,000
121	WOODBURN COMPANY	583,993
122	JOHANSEN CONSTRUCTION COMPANY	578,964
123	ELECTRIC POWER RESEARCH INSTIT	578,529
124	GUIDACENT INC	577,006
125	ENVIROISSUES INC	573,133
126	PLANNING & MANAGEMENT SERVICES	570,944
127	WIDENET CONSULTING GROUP	558,430
128	EMERALD CITY MOVING & STORAGE	557,311
129	DAVIS WRIGHT TREMAINE LLP	530,765
130	PROTIVITI INC	524,456

131	WORKIVA INC	521,491
132	BASLER ELECTRIC COMPANY	510,905
133	MCKINSTRY CO LLC	507,417
134	UNIVERSITY MECHANICAL CONTRACT	502,436
135	UNUM LIFE INSURANCE COMPANY OF	494,621
136	ALTUS TRAFFIC MANAGEMENT LLC	494,575
137	GUIDEHOUSE INC	489,459
138	TEKSYSTEMS INC	482,141
139	TEREX USA LLC	475,145
140	FISERV SOLUTIONS LLC	466,621
141	AVEVA SOFTWARE LLC	447,850
142	POWERPLAN INC	444,375
143	MITSUBISHI POWER AERO LLC	443,100
144	FITCH RATINGS INC	440,200
145	PORT OF TACOMA	438,699
146	SEYFARTH SHAW LLP	423,653
147	RESOURCE INNOVATIONS INC	415,366
148	ENERGY 350 INC	412,588
149	AMERICAN HYDRO CORPORATION	405,643
150	MCMILLEN INC	402,347
151	STOEL RIVES LLP	390,752
152	TJ AUTOMOTIVE INC	384,063
153	OPTIV SECURITY INC	383,353
154	STEAM GENERATION CORPORATION	382,631
155	ASAM HOLDINGS INC	381,231
156	E M KAELIN TRUCKING	379,931
157	SAFWAY INTERMEDIATE HOLDING LL	378,637
158	OPEN ACCESS TECHNOLOGY	375,825

159	DALTON OLMSTED & FUGLEVAND	374,025
160	OMEGA MORGAN CRANES LLC	372,963
161	TRANE US INC	363,405
162	ACCENTURE LLP	361,200
163	EVERGREEN FIRE ALARMS LLC	360,113
164	JRH HYDRAULICS & FABRICATION I	343,888
165	PIERCE COUNTY RECYCLING COMPOS	342,878
166	BROTHERS PIPELINE CORP	341,761
167	UNIVERSAL FIELD SERVICES INC	341,608
168	THE LISBON GROUP LLC	339,132
169	PRESIDIO NETWORKED SOLUTIONS I	334,501
170	MACDONALD MILLER FACILITY SOLU	329,662
171	PROSOURCE HOLDINGS INC	323,097
172	LANDAU ASSOCIATES INC	322,998
173	ERM-WEST INC	322,500
174	BAKER HUGHES HOLDINGS LLC	320,246
175	HASKELL CORPORATION	319,709
176	INSIGHT STRATEGIC PARTNERS LLC	317,500
177	SUMMIT LAW GROUP PLLC	313,629
178	FIRE PROTECTION INC	312,582
179	CASCADE LANDSCAPE SERVICES INC	312,390
180	LIMEADE INC	306,257
181	WA STATE HOUSING FINANCE COMMI	300,000
182	SLR INTERNATIONAL CORP	296,648
183	IRON HORSE TRENCHING INC	294,820
184	LG CONSULTING LLC	294,548
185	CLEAN HARBORS ENVIRONMENTAL	293,796
186	COWLITZ CLEAN SWEEP	291,225

187	SOUND VIEW STRATEGIES LLC	284,624
188	ENGINEERING ECONOMICS INC	283,185
189	CREATIVE CIRCLE LLC	281,008
190	U-TEGRATION LLC	279,360
191	AVERTRA CORP	278,847
192	TRAFFIC MANAGEMENT INC	274,960
193	AON CONSULTING INC	272,763
194	QUANTUM PRODUCTIONS INC	271,099
195	POWER COSTS INC	269,799
196	SIA PARTNERS US INC	269,150
197	CENTRIC CONSULTING, LLC	267,470
198	SYSTEM TRANSFER & STORAGE CO	266,713
199	LANGTON SPIETH LLC	263,446
200	COMMUNITY ACTION OF SKAGIT COU	262,330
201	SIREX LLC	258,938
202	PORTLAND ENGINEERING INC	258,208
203	PUTNAM ROBY WILLIAMSON	257,311
204	RPC LIMITED PARTNERSHIP	255,012
205	WA STATE DEPT OF FISH & WILDLI	250,318
206	Other<=$250,000	40,228,266
207	TOTAL	828,914,880

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Transactions with Associated (Affiliated) Companies

1. Report below the information called for concerning all goods or services received from or provided to associated (affiliated) companies amounting to more than $250,000.
2. Sum under a description “Other”, all of the aforementioned goods and services amounting to $250,000 or less.
3. Total under a description “Total”, the total of all of the aforementioned goods and services.
4. Where amounts billed to or received from the associated (affiliated) company are based on an allocation process, explain in a footnote the basis of the allocation.

Line No.	Description of the Good or Service (a)	Name of Associated/Affiliated Company (b)	Account(s) Charged or Credited (c)	Amount Charged or Credited (d)
1	Goods or Services Provided by Affiliated Company			
19	TOTAL			
20	Goods or Services Provided for Affiliated Company			
21	General and Adminstrative Expenses	Puget Energy, Inc.	146	295,996
22	Operations and Maintenance Expenses	Puget LNG, LLC	146	1,387,665
23	General and Adminstrative Expenses	Puget Holdings, LLC	146	1,401,428
24	Operations and Maintenance Expenses	Puget Holdings, LLC	146	251,312
40	TOTAL			3,336,401

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Compressor Stations

1. Report below details concerning compressor stations. Use the following subheadings: field compressor stations, products extraction compressor stations, underground storage compressor stations, tra compressor stations, distribution compressor stations, and other compressor stations.
2. For column (a), indicate the production areas where such stations are used. Group relatively small field compressor stations by production areas. Show the number of stations grouped. Identify any sta under a title other than full ownership. State in a footnote the name of owner or co-owner, the nature of respondent's title, and percent of ownership if jointly owned.

Line No.	Name and Location of Compressor Station (a)	Compressor Type (b)	Number of Units at Compressor Station (c)	Certificated Horsepower for Each Compressor Station (d)	Plant Cost (e)	Expenses (except depreciation and taxes) Fuel (f)	Expenses (except depreciation and taxes) Power (g)	Expenses (except depreciation and taxes) Other (h)	Gas for Compressor Fuel in Dth (i)	Electricity for Compressor Station in kWh (j)	Operational Data Total Compressor Hours of Operation During Year (k)	Operational Data Number of Compressors Operated at Time of Station Peak (l)
1	Jackson Prairie Storage Project (Note 1)	Underground Storage Compressor Stations	9	34,200	66,947,488				298,767		5187	6
2	Note 1: Jointly owned by:	Underground Storage Compressor Stations										
3	33.34% Puget Sound Energy, Inc.	Underground Storage Compressor Stations										
4	33.33% Avista	Underground Storage Compressor Stations										
5	33.33% Williams Gas Pipeline	Underground Storage Compressor Stations										
6	Column (e) represents 100% of Plant Cost	Underground Storage Compressor Stations										
7	PSE's 33.34% interest = $22,320,292.45	Underground Storage Compressor Stations										

25	Total												

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Gas Storage Projects

1. Report injections and withdrawals of gas for all storage projects used by respondent.

Line No.	Item (a)	Gas Belonging to Respondent (Dth) (b)	Gas Belonging to Others (Dth) (c)	Total Amount (Dth) (d)
	STORAGE OPERATIONS (in Dth)			
1	Gas Delivered to Storage			
2	January			
3	February			
4	March			
5	April			
6	May			
7	June			
8	July			
9	August			
10	September			
11	October			
12	November			
13	December			
14	TOTAL (Total of lines 2 thru 13)			
15	Gas Withdrawn from Storage			
16	January			
17	February			
18	March			
19	April			
20	May			

21	June			
22	July			
23	August			
24	September			
25	October			
26	November			
27	December			
28	TOTAL (Total of lines 16 thru 27)			

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Gas Storage Projects

1. On line 4, enter the total storage capacity certificated by FERC.
2. Report total amount in Dth or other unit, as applicable on lines 2, 3, 4, 7. If quantity is converted from Mcf to Dth, provide conversion factor in a footnote.

Line No.	Item (a)	Total Amount (b)
	STORAGE OPERATIONS	
1	Top or Working Gas End of Year	
2	Cushion Gas (Including Native Gas)	
3	Total Gas in Reservoir (Total of line 1 and 2)	
4	Certificated Storage Capacity	
5	Number of Injection - Withdrawal Wells	
6	Number of Observation Wells	
7	Maximum Days' Withdrawal from Storage	
8	Date of Maximum Days' Withdrawal	
9	LNG Terminal Companies (in Dth)	
10	Number of Tanks	
11	Capacity of Tanks	
12	**LNG Volume**	
13	Received at "Ship Rail"	
14	Transferred to Tanks	
15	Withdrawn from Tanks	
16	"Boil Off" Vaporization Loss	

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Transmission Lines

1. Report below, by state, the total miles of transmission lines of each transmission system operated by respondent at end of year.
2. Report separately any lines held under a title other than full ownership. Designate such lines with an asterisk, in column (d) and in a footnote state the name of owner, or co-owner, nature of respondent's title, and percent ownership if jointly owned.
3. Report separately any line that was not operated during the past year. Enter in a footnote the details and state whether the book cost of such a line, or any portion thereof, has been retired in the books of account, or what disposition of the line and its book costs are contemplated.
4. Report the number of miles of pipe to one decimal point.

Line No.	Designation (Identification) of Line or Group of Lines (a)	State (b)	Operation Type (c)	* (d)	Total Miles of Pipe (e)
1	NOTE - Although reported in the past, the Jackson Prairie station lines do not meet FERC's definition of transmission lines and therefore are no longer reported on page 514.				
25	TOTAL				

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Transmission System Peak Deliveries

1. Report below the total transmission system deliveries of gas (in Dth), excluding deliveries to storage, for the period of system peak deliveries indicated below, during the 12 months embracing the heating season overlapping the year's end for which this report is submitted. The season's peak normally will be reached before the due date of this report, April 30, which permits inclusion of the peak information required on this page. Add rows as necessary to report all data. Number additional rows 6.01, 6.02, etc.

Line No.	Description (a)	Dth of Gas Delivered to Interstate Pipelines (b)	Dth of Gas Delivered to Others (c)	Total (b) + (c) (d)
	SECTION A: SINGLE DAY PEAK DELIVERIES			
1	Date(s):			
2	Volumes of Gas Transported			
3	No-Notice Transportation			
4	Other Firm Transportation			
5	Interruptible Transportation			
6	Other (Specify)			
6.1				
7	TOTAL			
8	Volumes of gas Withdrawn form Storage under Storage Contract			
9	No-Notice Storage			
10	Other Firm Storage			
11	Interruptible Storage			
12	Other (Specify)			
12.1				
13	TOTAL			
14	Other Operational Activities			
15	Gas Withdrawn from Storage for System Operations			
16	Reduction in Line Pack			
17	Other (Specify)			

17.1				
18	TOTAL			
19	SECTION B: CONSECUTIVE THREE-DAY PEAK DELIVERIES			
20	Date(s):			
22	No-Notice Transportation			
23	Other Firm Transportation			
24	Interruptible Transportation			
25	Other (Specify)			
25.1				
26	TOTAL			
27	Volumes of gas Withdrawn form Storage under Storage Contract			
28	No-Notice Storage			
29	Other Firm Storage			
30	Interruptible Storage			
31	Other (Specify)			
31.1				
32	TOTAL			
33	Other Operational Activities			
34	Gas Withdrawn from Storage for System Operations			
35	Reduction in Line Pack			
36	Other (Specify)			
36.1				
37	TOTAL			

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Auxiliary Peaking Facilities

1. Report below auxiliary facilities of the respondent for meeting seasonal peak demands on the respondent's system, such as underground storage projects, liquefied petroleum gas installations, gas liquefaction plants, oil gas sets, etc.
2. For column (c), for underground storage projects, report the delivery capacity on February 1 of the heating season overlapping the year-end for which this report is submitted. For other facilities, report the rated maximum daily delivery capacities.
3. For column (d), include or exclude (as appropriate) the cost of any plant used jointly with another facility on the basis of predominant use, unless the auxiliary peaking facility is a separate plant as contemplated by general instruction 12 of the Uniform System of Accounts.

Line No.	Location of Facility (a)	Type of Facility (b)	Maximum Daily Delivery Capacity of Facility Dth (c)	Cost of Facility (in dollars) (d)	Was Facility Operated on Day of Highest Transmission Peak Delivery? (e)
1	LNG SATELLITE - GIG HARBOR	LNG	16,082	14,523,117	true
2	JACKSON PRAIRIE - CHEHALIS	UNDERGROUND STORAGE	1,196,000	58,716,441	true
3	PSE's Non - Recoverable Cushion Gas				
4	is valued at $4,185,430.83 and is				
5	included within the amount listed in 2d				
6	Schedule Page # 519 Line No. 2, Column: d				
7	Cost is shown for PSEs 1/3 share of				
8	entire plant that is jointly owned by:				
9	33.34% Puget Sound Energy Inc.				
10	33.33% Avista				
11	33.33% Williams Gas Pipeline				

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Gas Account - Natural Gas

1. The purpose of this schedule is to account for the quantity of natural gas received and delivered by the respondent.
2. Natural gas means either natural gas unmixed or any mixture of natural and manufactured gas.
3. Enter in column (c) the year to date Dth as reported in the schedules indicated for the items of receipts and deliveries.
4. Enter in column (d) the respective quarter's Dth as reported in the schedules indicated for the items of receipts and deliveries.
5. Indicate in a footnote the quantities of bundled sales and transportation gas and specify the line on which such quantities are listed.
6. If the respondent operates two or more systems which are not interconnected, submit separate pages for this purpose.
7. Indicate by footnote the quantities of gas not subject to Commission regulation which did not incur FERC regulatory costs by showing (1) the local distribution volumes another jurisdictional pipeline delivered to the local distribution company portion of the reporting pipeline (2) the quantities that the reporting pipeline transported or sold through its local distribution facilities or intrastate facilities and which the reporting pipeline received through gathering facilities or intrastate facilities, but not through any of the interstate portion of the reporting pipeline, and (3) the gathering line quantities that were not destined for interstate market or that were not transported through any interstate portion of the reporting pipeline.
8. Indicate in a footnote the specific gas purchase expense account(s) and related to which the aggregate volumes reported on line No. 3 relate.
9. Indicate in a footnote (1) the system supply quantities of gas that are stored by the reporting pipeline, during the reporting year and also reported as sales, transportation and compression volumes by the reporting pipeline during the same reporting year, (2) the system supply quantities of gas that are stored by the reporting pipeline during the reporting year which the reporting pipeline intends to sell or transport in a future reporting year, and (3) contract storage quantities.
10. Also indicate the volumes of pipeline production field sales that are included in both the company's total sales figure and the company's total transportation figure. Add additional information as necessary to the footnotes.

Line No.	Item (a)	Ref. Page No. of (FERC Form Nos. 2/2-A) (b)	Total Amount of Dth Year to Date (c)	Current Three Months Ended Amount of Dth Quarterly Only (d)
1	Name of System			
2	GAS RECEIVED			
3	Gas Purchases (Accounts 800-805)		100,925,542	30,071,454
4	Gas of Others Received for Gathering (Account 489.1)	303		
5	Gas of Others Received for Transmission (Account 489.2)	305		
6	Gas of Others Received for Distribution (Account 489.3)	301	21,905,815	5,821,870
7	Gas of Others Received for Contract Storage (Account 489.4)	307		
8	Gas of Others Received for Production/Extraction/Processing (Account 490 and 491)			
9	Exchanged Gas Received from Others (Account 806)	328		
10	Gas Received as Imbalances (Account 806)	328		
11	Receipts of Respondent's Gas Transported by Others (Account 858)	332		
12	Other Gas Withdrawn from Storage (Explain)		17,841,377	7,452,292

13	Gas Received from Shippers as Compressor Station Fuel			
14	Gas Received from Shippers as Lost and Unaccounted for			
15	Other Receipts (Specify) (footnote details)			
15.1	Other Receipts (Specify) (footnote details)			
16	Total Receipts (Total of lines 3 thru 15)		140,672,734	43,345,616
17	GAS DELIVERED			
18	Gas Sales (Accounts 480-484)		99,981,336	33,490,204
19	Deliveries of Gas Gathered for Others (Account 489.1)	303		
20	Deliveries of Gas Transported for Others (Account 489.2)	305		
21	Deliveries of Gas Distributed for Others (Account 489.3)	301	21,905,815	5,821,870
22	Deliveries of Contract Storage Gas (Account 489.4)	307		
23	Gas of Others Delivered for Production/Extraction/Processing (Account 490 and 491)			
24	Exchange Gas Delivered to Others (Account 806)	328		
25	Gas Delivered as Imbalances (Account 806)	328		
26	Deliveries of Gas to Others for Transportation (Account 858)	332		
27	Other Gas Delivered to Storage (Explain)		18,659,769	2,760,560
28	Gas Used for Compressor Station Fuel	509	282,822	65,917
29	Other Deliveries and Gas Used for Other Operations			
29.1	Other Deliveries and Gas Used for Other Operations		395,497	108,162
30	Total Deliveries (Total of lines 18 thru 29)		141,225,239	42,246,713
31	GAS LOSSES AND GAS UNACCOUNTED FOR			
32	Gas Losses and Gas Unaccounted For		(552,505)	1,098,903
33	TOTALS			
34	Total Deliveries, Gas Losses & Unaccounted For (Total of lines 30 and 32)		140,672,734	43,345,616

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Shipper Supplied Gas for the Current Quarter

1. Report monthly (1) shipper supplied gas for the current quarter and gas consumed in pipeline operations, (2) the disposition of any excess, the accounting recognition given to such disposition and the charged or credited, and (3) the source of gas used to meet any deficiency, the accounting recognition given to the gas used to meet the deficiency, including the accounting basis of the gas and the sp charged or credited.
2. On lines 7, 14, 22 and 30 report only the dekatherms of gas provided by shippers under tariff terms and conditions for gathering , production/ extraction/processing, transmission, distribution and storag use of that gas for compressor fuel, other operational purposes and lost and unaccounted for. The dekatherms must be broken out by functional categories on Lines 2-6, 9-13, 16-21 and 24-29. The de reported in column (d) unless the company has discounted or negotiated rates which should be reported in columns (b) and (c).
3. On lines 7, 14, 22 and 30 report only the dollar amounts of gas provided by shippers under tariff terms and conditions for gathering, production/ extraction/processing, transmission, distribution and stor use of that gas for compressor fuel, other operational purposes and lost and unaccounted for. The dollar amounts must be broken out by functional categories on Lines 2-6, 9-13, 16-21 and 23-29. The be reported in column (h) unless the company has discounted or negotiated rates which should be reported in columns (f) and (g). The accounting should disclose the account(s) debited and credited i (o).
4. Indicate in a footnote the basis for valuing the gas reported in Columns (f), (g) and (h).
5. Report in columns (j), (k) and (l) the amount of fuel waived, discounted or reduced as part of a negotiated rate agreement.
6. On lines 32-37 report the dekatherms and dollar value of the excess or deficiency in shipper supplied gas broken out by functional category and whether recourse rate, discounted or negotiated rate.
7. On lines 39 through 51 report the dekatherms, the dollar amount and the account(s) credited in Column (o) for the dispositions of gas listed in column (a).
8. On lines 53 through 65 report the dekatherms, the dollar amount and the account(s) debited in Column (n) for the sources of gas reported in column (a).
9. On lines 66 and 67, report forwardhaul and backhaul volume in Dths of throughput.
10. Where appropriate, provide a full explanation of the allocation process used in reported numbers in a footnote.

Line No.	Item (a)	Month 1												Acco Del (
						Amount Collected (Dollars)				Volume (in Dth) Not Collected				
		Discounted rate Dth (b)	Negotiated Rate Dth (c)	Recourse Rate Dth (d)	Total Dth (e)	Discounted Rate, Amount (f)	Negotiated Rate Amount (g)	Recourse rate Amount (h)	Total Amount (i)	Waived Dth (j)	Discounted Dth (k)	Negotiated Dth (l)	Total Dth (m)	
1	SHIPPER SUPPLIED GAS (LINES 13 AND 14 , PAGE 520)													
2	Gathering													
3	Production/Extraction/Processing													
4	Transmission													
5	Distribution													
6	Storage													
7	Total Shipper Supplied Gas													
	LESS GAS USED FOR COMPRESSOR STATION FUEL (LINE 28, PAGE 520)													
9	Gathering													
10	Production/Extraction/Processing													

11	Transmission													
12	Distribution													
13	Storage													
14	Total gas used in compressors													
15	LESS GAS USED FOR OTHER DELIVERIES AND GAS USED FOR OTHER OPERATIONS (LINE 29, PAGE 520) (Footnote)													
16	Gathering													
17	Production/Extraction/Processing													
18	Transmission													
19	Distribution													
20	Storage													
21	Other Deliveries (specify) (footnote details)													
22	Total Gas Used For Other Deliveries And Gas Used For Other Operations													
23	LESS GAS LOST AND UNACCOUNTED FOR (LINE 32, PAGE 520)													
24	Gathering													
25	Production/Extraction/Processing													
26	Transmission													
27	Distribution													
28	Storage													
29	Other Losses (specify) (footnote details)													
30	Total Gas Lost And Unaccounted For													
30.1	NET EXCESS OR (DEFICIENCY)													
31	Other Losses													
32	Gathering													

33	Production/Extraction/Processing													
34	Transmission													
35	Distribution													
36	Storage													
37	Total Net Excess Or (Deficiency)													
38	DISPOSITION OF EXCESS GAS:													
39	Gas sold to others													
40	Gas used to meet imbalances													
41	Gas added to system gas													
42	Gas returned to shippers													
43.1														
43.2														
43.3														
43.4														
43.5														
43.6														
43.7														
43.8														
51	Total Disposition Of Excess Gas													
52	GAS ACQUIRED TO MEET DEFICIENCY:													
53	System gas													
54	Purchased gas													
55.1														
55.2														
55.3														
55.4														
55.5														

55.6														
55.7														
55.8														
55.9														
55.10														
65	Total Gas Acquired To Meet Deficiency													

SEPARATION OF FORWARDHAUL AND BACKHAUL THROUGHPUT

Line No.	Item (a)	Quarter Dth (b)
66	Forwardhaul Volume in Dths for the Quarter	
67	Backhaul Volume in Dths for the Quarter	
68	TOTAL (Lines 66 and 67)	

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Shipper Supplied Gas for the Current Quarter

1. Report monthly (1) shipper supplied gas for the current quarter and gas consumed in pipeline operations, (2) the disposition of any excess, the accounting recognition given to such disposition and the charged or credited, and (3) the source of gas used to meet any deficiency, the accounting recognition given to the gas used to meet the deficiency, including the accounting basis of the gas and the sp charged or credited.
2. On lines 7, 14, 22 and 30 report only the dekatherms of gas provided by shippers under tariff terms and conditions for gathering , production/ extraction/processing, transmission, distribution and storag use of that gas for compressor fuel, other operational purposes and lost and unaccounted for. The dekatherms must be broken out by functional categories on Lines 2-6, 9-13, 16-21 and 24-29. The de reported in column (d) unless the company has discounted or negotiated rates which should be reported in columns (b) and (c).
3. On lines 7, 14, 22 and 30 report only the dollar amounts of gas provided by shippers under tariff terms and conditions for gathering, production/ extraction/processing, transmission, distribution and stor use of that gas for compressor fuel, other operational purposes and lost and unaccounted for. The dollar amounts must be broken out by functional categories on Lines 2-6, 9-13, 16-21 and 23-29. The be reported in column (h) unless the company has discounted or negotiated rates which should be reported in columns (f) and (g). The accounting should disclose the account(s) debited and credited i (o).
4. Indicate in a footnote the basis for valuing the gas reported in Columns (f), (g) and (h).
5. Report in columns (j), (k) and (l) the amount of fuel waived, discounted or reduced as part of a negotiated rate agreement.
6. On lines 32-37 report the dekatherms and dollar value of the excess or deficiency in shipper supplied gas broken out by functional category and whether recourse rate, discounted or negotiated rate.
7. On lines 39 through 51 report the dekatherms, the dollar amount and the account(s) credited in Column (o) for the dispositions of gas listed in column (a).
8. On lines 53 through 65 report the dekatherms, the dollar amount and the account(s) debited in Column (n) for the sources of gas reported in column (a).
9. On lines 66 and 67, report forwardhaul and backhaul volume in Dths of throughput.
10. Where appropriate, provide a full explanation of the allocation process used in reported numbers in a footnote.

Line No.	Item (a)	Month 2												Acco Del (
						Amount Collected (Dollars)				Volume (in Dth) Not Collected				
		Discounted rate Dth (b)	Negotiated Rate Dth (c)	Recourse Rate Dth (d)	Total Dth (e)	Discounted Rate, Amount (f)	Negotiated Rate Amount (g)	Recourse rate Amount (h)	Total Amount (i)	Waived Dth (j)	Discounted Dth (k)	Negotiated Dth (l)	Total Dth (m)	
1	SHIPPER SUPPLIED GAS (LINES 13 AND 14 , PAGE 520)													
2	Gathering													
3	Production/Extraction/Processing													
4	Transmission													
5	Distribution													
6	Storage													
7	Total Shipper Supplied Gas													
8	LESS GAS USED FOR COMPRESSOR STATION FUEL (LINE 28, PAGE 520)													
9	Gathering													
10	Production/Extraction/Processing													

11	Transmission													
12	Distribution													
13	Storage													
14	Total gas used in compressors													
15	LESS GAS USED FOR OTHER DELIVERIES AND GAS USED FOR OTHER OPERATIONS (LINE 29, PAGE 520) (Footnote)													
16	Gathering													
17	Production/Extraction/Processing													
18	Transmission													
19	Distribution													
20	Storage													
21	Other Deliveries (specify) (footnote details)													
22	Total Gas Used For Other Deliveries And Gas Used For Other Operations													
23	LESS GAS LOST AND UNACCOUNTED FOR (LINE 32, PAGE 520)													
24	Gathering													
25	Production/Extraction/Processing													
26	Transmission													
27	Distribution													
28	Storage													
29	Other Losses (specify) (footnote details)													
30	Total Gas Lost And Unaccounted For													
30.1	NET EXCESS OR (DEFICIENCY)													
31	Other Losses													
32	Gathering													

33	Production/Extraction/Processing													
34	Transmission													
35	Distribution													
36	Storage													
37	Total Net Excess Or (Deficiency)													
38	DISPOSITION OF EXCESS GAS:													
39	Gas sold to others													
40	Gas used to meet imbalances													
41	Gas added to system gas													
42	Gas returned to shippers													
43.1														
43.2														
43.3														
43.4														
43.5														
43.6														
43.7														
43.8														
51	Total Disposition Of Excess Gas													
52	GAS ACQUIRED TO MEET DEFICIENCY:													
53	System gas													
54	Purchased gas													
55.1														
55.2														
55.3														
55.4														
55.5														

55.6														
55.7														
55.8														
55.9														
55.10														
65	Total Gas Acquired To Meet Deficiency													

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

Shipper Supplied Gas for the Current Quarter

1. Report monthly (1) shipper supplied gas for the current quarter and gas consumed in pipeline operations, (2) the disposition of any excess, the accounting recognition given to such disposition and the charged or credited, and (3) the source of gas used to meet any deficiency, the accounting recognition given to the gas used to meet the deficiency, including the accounting basis of the gas and the sp charged or credited.
2. On lines 7, 14, 22 and 30 report only the dekatherms of gas provided by shippers under tariff terms and conditions for gathering , production/ extraction/processing, transmission, distribution and storag use of that gas for compressor fuel, other operational purposes and lost and unaccounted for. The dekatherms must be broken out by functional categories on Lines 2-6, 9-13, 16-21 and 24-29. The de reported in column (d) unless the company has discounted or negotiated rates which should be reported in columns (b) and (c).
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4. Indicate in a footnote the basis for valuing the gas reported in Columns (f), (g) and (h).
5. Report in columns (j), (k) and (l) the amount of fuel waived, discounted or reduced as part of a negotiated rate agreement.
6. On lines 32-37 report the dekatherms and dollar value of the excess or deficiency in shipper supplied gas broken out by functional category and whether recourse rate, discounted or negotiated rate.
7. On lines 39 through 51 report the dekatherms, the dollar amount and the account(s) credited in Column (o) for the dispositions of gas listed in column (a).
8. On lines 53 through 65 report the dekatherms, the dollar amount and the account(s) debited in Column (n) for the sources of gas reported in column (a).
9. On lines 66 and 67, report forwardhaul and backhaul volume in Dths of throughput.
10. Where appropriate, provide a full explanation of the allocation process used in reported numbers in a footnote.

Line No.	Item (a)	Month 3												
						Amount Collected (Dollars)				Volume (in Dth) Not Collected				
		Discounted rate Dth (b)	Negotiated Rate Dth (c)	Recourse Rate Dth (d)	Total Dth (e)	Discounted Rate, Amount (f)	Negotiated Rate Amount (g)	Recourse rate Amount (h)	Total Amount (i)	Waived Dth (j)	Discounted Dth (k)	Negotiated Dth (l)	Total Dth (m)	Acco Del (
1	SHIPPER SUPPLIED GAS (LINES 13 AND 14 , PAGE 520)													
2	Gathering													
3	Production/Extraction/Processing													
4	Transmission													
5	Distribution													
6	Storage													
7	Total Shipper Supplied Gas													
8	LESS GAS USED FOR COMPRESSOR STATION FUEL (LINE 28, PAGE 520)													
9	Gathering													
10	Production/Extraction/Processing													

11	Transmission													
12	Distribution													
13	Storage													
14	Total gas used in compressors													
15	LESS GAS USED FOR OTHER DELIVERIES AND GAS USED FOR OTHER OPERATIONS (LINE 29, PAGE 520) (Footnote)													
16	Gathering													
17	Production/Extraction/Processing													
18	Transmission													
19	Distribution													
20	Storage													
21	Other Deliveries (specify) (footnote details)													
22	Total Gas Used For Other Deliveries And Gas Used For Other Operations													
23	LESS GAS LOST AND UNACCOUNTED FOR (LINE 32, PAGE 520)													
24	Gathering													
25	Production/Extraction/Processing													
26	Transmission													
27	Distribution													
28	Storage													
29	Other Losses (specify) (footnote details)													
30	Total Gas Lost And Unaccounted For													
30.1	NET EXCESS OR (DEFICIENCY)													
31	Other Losses													
32	Gathering													

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65	Total Gas Acquired To Meet Deficiency												

Name of Respondent: Puget Sound Energy, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/14/2023	Year/Period of Report: End of: 2022/ Q4

System Maps

1. Furnish five copies of a system map (one with each filed copy of this report) of the facilities operated by the respondent for the production, gathering, transportation, and sale of natural gas. New maps need not be furnished if no important change has occurred in the facilities operated by the respondent since the date of the maps furnished with a previous year's annual report. If, however, maps are not furnished for this reason, reference should be made in the space below to the year's annual report with which the maps were furnished.
2. Indicate the following information on the maps: (a) Transmission lines. (b) Incremental facilities. (c) Location of gathering areas. (d) Location of zones and rate areas. (e) Location of storage fields. (f) Location of natural gas fields. (g) Location of compressor stations. (h) Normal direction of gas flow (indicated by arrows). (i) Size of pipe. (j) Location of products extraction plants, stabilization plants, purification plants, recycling areas, etc. (k) Principal communities receiving service through the respondent's pipeline.
3. In addition, show on each map: graphic scale of the map; date of the facts the map purports to show; a legend giving all symbols and abbreviations used; designations of facilities leased to or from another company, giving name of such other company.
4. Maps not larger than 24 inches square are desired. If necessary, however, submit larger maps to show essential information. Fold the maps to a size not larger then this report. Bind the maps to the report.

1		No changes to facilities listed.