



Puget Sound Energy
P.O. Box 97034
Bellevue, WA 98009-9734
PSE.com

October 30, 2015

DELIVERED VIA WEB PORTAL AND COURIER

Steven V. King
Executive Director and Secretary
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive SW
Olympia, WA 98504-7250

RE: Electric and Gas Accounting Reports Pursuant to Order 07 in UE-130137/UG-130138 - Expedited Rate Filing ("ERF") and UE-121697/UG-121705 – Decoupling **Do Not Re-Docket**

Dear Mr. King:

Enclosed are an original and two copies of Puget Sound Energy, Inc.'s ("the Company") "Commission Basis" Results of Operations for the twelve-month period ended June 30, 2015. Two separate reports are being provided, one for electric and one for natural gas. These reports are being submitted pursuant to Order 07 in UE-130137 and UG-130138 (ERF) and UE-121697 and UG-121705 (Decoupling) ("Order No. 07") and are being submitted following WAC 480-07-880(3). These reports were prepared following the guidance of WAC 480-100-257 and WAC 480-90-257 and, therefore, do not necessarily reflect all adjustments the Company would submit in a rate filing. Additionally, there are no pro-forma adjustments made in these reports in accordance with WAC 480-100-257 and WAC 480-90-257.

Electronic workpapers supporting these reports are submitted with this filing. Please note that the workpapers include documents that are **CONFIDENTIAL PURSUANT TO WAC 480-07-160**. Additionally, the workpapers are in the form of fully inter-linked Excel files, therefore the files should not be renamed as it will make the links unusable.

In compliance with paragraph 215 of Order No. 07, on August 28, 2014, PSE participated in a recessed open meeting in which it reported on cost cutting and other initiatives. At the recessed open meeting, the Commissioners expressed the desire for PSE to provide additional information reflecting the impacts of these measures in its periodic Commission Basis Reports. Accordingly, also enclosed is an analysis and write-up associated with PSE's O&M costs for the reporting period.

The results for electric show a normalized overall rate of return of 7.95% and a return on actual common equity of 9.92%. The results for gas show a normalized overall rate of return of 8.13% and a return on actual common equity of 10.30%. The Company's authorized rate of return is 7.77% overall and 9.80% on common equity.

If you have any questions, please feel free to call me at (425) 456-2105.

Sincerely,



Susan E. Free,
Manager of Revenue Requirements

Enclosures

Electric Commission Basis Report Cover Letter
June 30, 2015

Page 1.01

		Adjusted Results of Operations	
Restated Net Operating Income	a	\$	418,163,126
Restated Rate Base	b	\$	5,258,815,426
Normalized Overall Rate of Return	c=a/b		7.95%
Restated Net Operating Income	d=a	\$	418,163,126
Restated Interest Expense	e	\$	167,756,212
Restated NOI less Restated Interest Exp	f=d-e	\$	250,406,913
Restated Rate Base	g=b	\$	5,258,815,426
Actual Equity Percent	h		47.98%
Equity Rate Base	i=g*h	\$	2,523,179,641
Restated Return on Actual Equity	j=f/i		9.92%

PUGET SOUND ENERGY, INC.

**Utility Capital Structure
Cost of Capital and Rate of Return
For The 12 Months Ending June 30, 2015**

	(A)	(B)	(C)	(D)	(E)
					Weighted Cost of Capital
	<u>Description</u>	<u>Amount (i)</u>	<u>Ratio</u>	<u>Cost</u>	<u>Capital</u>
1					
2					
3					
4					
5					
6					
7	Short Term Debt	\$48,727,252	0.66%	6.26%	0.04% (A)
8					
9	Long Term Debt	\$3,797,066,463	51.36%	6.13%	3.15% (A)
10					
11	Common Stock	<u>\$3,547,552,396</u>	<u>47.98%</u>	<u>9.80%</u>	<u>4.70%</u>
12					
13	Total	<u>\$7,393,346,111</u>	<u>100.00%</u>		<u>7.89%</u>
14					
15					
16	(i) - Average of Month-End Balances			Total (A)	3.19%

PUGET SOUND ENERGY
PERIODIC ALLOCATED RESULTS OF OPERATIONS
FOR THE 12 MONTHS ENDED JUNE 30, 2015

(Common cost is spread based on allocation factors developed for the 12 ME 06/30/2015)

	Electric	Gas	Total Amount
1 - OPERATING REVENUES:			
2 - SALES TO CUSTOMERS	\$ 1,925,318,203	\$ 909,115,970	\$ 2,834,434,173
3 - SALES FOR RESALE-FIRM	322,421	0	322,421
4 - SALES TO OTHER UTILITIES	99,588,783	-	99,588,783
5 - OTHER OPERATING REVENUES	88,788,188	66,168,034	154,956,221
6 - TOTAL OPERATING REVENUES	\$ 2,114,017,595	\$ 975,284,003	\$ 3,089,301,598
7			
8 - OPERATING REVENUE DEDUCTIONS:			
9			
10 - POWER COSTS:			
11 - FUEL	\$ 256,930,159	\$ -	\$ 256,930,159
12 - PURCHASED AND INTERCHANGED	431,346,431	427,010,945	858,357,376
13 - WHEELING	109,757,578	-	109,757,578
14 - RESIDENTIAL EXCHANGE	(148,179,755)	-	(148,179,755)
15 - TOTAL PRODUCTION EXPENSES	\$ 649,854,414	\$ 427,010,945	\$ 1,076,865,358
16			
17 - OTHER ENERGY SUPPLY EXPENSES	\$ 111,506,225	\$ 2,062,221	\$ 113,568,447
18 - TRANSMISSION EXPENSE	21,941,673	335	21,942,008
19 - DISTRIBUTION EXPENSE	80,373,356	50,493,246	130,866,601
20 - CUSTOMER ACCTS EXPENSES	56,025,514	32,997,939	89,023,453
21 - CUSTOMER SERVICE EXPENSES	19,032,771	6,378,172	25,410,942
22 - CONSERVATION AMORTIZATION	97,536,361	9,216,670	106,753,031
23 - ADMIN & GENERAL EXPENSE	111,859,877	49,074,058	160,933,935
24 - DEPRECIATION	259,607,776	114,805,312	374,413,088
25 - AMORTIZATION	45,150,536	11,671,061	56,821,598
26 - AMORTIZ OF PROPERTY LOSS	19,191,741	0	19,191,741
27 - OTHER OPERATING EXPENSES	(55,256,044)	(45,370)	(55,301,414)
28 - FAS 133	98,617,014	0	98,617,014
29 - TAXES OTHER THAN INCOME TAXES	207,250,971	99,494,590	306,745,562
30 - INCOME TAXES	0	0	0
31 - DEFERRED INCOME TAXES	115,314,881	60,414,214	175,729,095
32 - TOTAL OPERATING REV. DEDUCT.	\$ 1,838,007,066	\$ 863,573,392	\$ 2,701,580,459
NET OPERATING INCOME	\$ 276,010,528	\$ 111,710,611	\$ 387,721,139

**PUGET SOUND ENERGY
BALANCE SHEET
COMMISSION BASIS REPORT
As of JUNE 30, 2015**

FERC Account and Description	Jun-15	June 15 AMA
*ASSETS		
**UTILITY PLANT		
***Electric Plant		
101 Electric Plant in Service	9,010,722,793	8,905,110,992
105 Electric Plant Held for Future Use	51,865,081	49,566,502
106 Comp.Construction Not Classfd.-Electric	34,091,015	34,861,674
107 Construction Work in Prog. - Electric	196,463,275	190,797,056
114 Electric Plant Acquisition Adjustments	282,791,675	282,791,675
***Total Electric Plant	9,575,933,838	9,463,127,899
***Gas Plant		
101 Gas Plant in Service	3,230,126,554	3,169,391,406
105 Gas Plant Held for Future Use	6,138,574	5,717,185
106 Comp. Construction Not Classfd. - Gas	48,431,138	44,300,560
107 Construction Work in Progress - Gas	60,395,661	54,455,488
117.3 Gas Strd.in Resvr.& Pipln.-Noncurr.	8,654,564	8,654,564
***Total Gas Plant	3,353,746,492	3,282,519,204
***Common Plant		
101 Plant in Service - Common	467,731,836	461,189,565
101.1 Property Under Capital Leases	1,134,693	9,283,073
106 Comp Construction Not Classified - Common	449,386	1,774,036
107 Construction Work in Progress - Common	42,225,864	27,483,243
***Total Common Plant	511,541,778	499,729,916
***Accumulated Depreciation and Amortization		
108 Accumulated Provision for Depreciation	(4,655,567,200)	(4,553,735,099)
111 Accumulated Provision for Amortization	(122,055,652)	(119,185,588)
115 Accm.Prv.for Amort.of Plant Acquis.Adj.	(106,246,155)	(100,883,606)
***Less: Accumulated Depr and Amortizat	(4,883,869,007)	(4,773,804,293)
**NET UTILITY PLANT	8,557,353,101	8,471,572,726
**OTHER PROPERTY AND INVESTMENTS		
***Other Investments		
121 Nonutility Property	4,966,332	5,044,731
122 Accm.Prov.for Depr.& Amort.Non-utility P	(422,402)	(404,520)
123.1 Investment in Subsidiary Companies	29,622,649	32,700,840
124 Other Investments	50,829,506	51,975,028
***Total Other Investments	84,996,085	89,316,079
**TOTAL OTHER PROPERTY AND INVESTMENT	84,996,085	89,316,079

**PUGET SOUND ENERGY
BALANCE SHEET
COMMISSION BASIS REPORT
As of JUNE 30, 2015**

FERC Account and Description	Jun-15	June 15 AMA
**CURRENT ASSETS		
***Cash		
131 Cash	6,690,762	17,003,346
134 Other Special Deposits	7,875,142	34,970,432
135 Working Funds	3,762,335	3,695,418
136 Temporary Cash Investments	-	52,916,667
***Total Cash	18,328,240	108,585,862
***Restricted Cash		
***Total Restricted Cash	-	-
***Accounts Receivable		
141 Notes Receivable	3,336,180	1,571,136
142 Customer Accounts Receivable	146,558,085	171,883,560
143 Other Accounts Receivable	79,325,985	84,737,565
146 Accounts Receiv.from Assoc. Companies	702,460	671,825
171 Interest and Dividends Receivable	-	-
173 Accrued Utility Revenues	135,623,851	144,029,250
185 Temporary Facilities	5,789	13,781
191 Unrecovered Purchased Gas Costs	(14,889,668)	11,627,151
***Total Accounts Receivable	350,662,684	414,534,268
***Allowance for Doubtful Accounts		
144 Accm.Prov.for Uncollectible Accts-Credit	(9,128,600)	(8,815,498)
***Less: Allowance for Doubtful Accounts	(9,128,600)	(8,815,498)
***Materials and Supplies		
151 Fuel Stock	20,576,393	19,644,235
154 Plant Materials and Operating Supplies	78,213,451	78,492,714
156 Other Materials and Supplies	88,029	133,348
158.1 Carbon Allowances	34,267	18,561
163 Stores Expense Undistributed	5,245,881	5,247,230
164.1 Gas Stored - Current	34,657,341	40,884,280
164.2 Liquefied Natural Gas Stored	600,257	612,544
***Total Materials and Supplies	139,415,619	145,032,912
***Unrealized Gain-Derivative Instrumnts (ST)		
175 Invest in Derivative Instrumnts -Opt ST	17,950,978	16,213,989
176 Invest in Derivative Instrumnts-Gain ST	-	-
***Unrealized Gain on Derivatives (ST)	17,950,978	16,213,989
***Prepayments and Other Current Assets		
165 Prepayments	20,399,852	18,722,339
174 Misc.Current and Accrued Assets	3,766,264	4,803,525
186 Miscellaneous Deferred Debits	7,510	2,323
***Total Prepayments & Othr.Curr.Assets	24,173,626	23,528,187
Current Deferred Taxes		
Total Current Deferred Taxes	599,293,975	568,503,601
**TOTAL CURRENT ASSETS	1,140,696,521	1,267,583,322

**PUGET SOUND ENERGY
BALANCE SHEET
COMMISSION BASIS REPORT
As of JUNE 30, 2015**

FERC Account and Description	Jun-15	June 15 AMA
**LONG-TERM ASSETS		
128 Pension Assets	20,161,718	41,495,548
165 Long-Term Prepaid	3,023,585	4,437,544
175 Invest in Derivative Instrumnts -Opt LT	3,136,760	3,764,581
176 Invest in Derivative Instrumnts-Gain LT	-	-
181 Unamortized Debt Expense	31,365,588	29,176,980
182.1 Extraordinary Property Losses	111,296,772	111,688,739
182.2 Unrecovered Plant & Reg Study Costs	12,925,191	9,940,953
Subtotal WUTC AFUDC	52,755,305	53,706,683
182.3 Other Regulatory Assets	569,909,874	570,370,443
183 Prelm. Survey and Investigation Charges	-	82,803
184 Clearing Accounts	20,574	(409,326)
186 Miscellaneous Deferred Debits	239,520,016	214,538,814
187 Def.Losses from Dispos.of Utility Plant	565,440	470,884
189 Unamortized Loss on Reacquired Debt	46,378,322	36,163,817
**TOTAL LONG-TERM ASSETS	1,091,059,145	1,075,428,463
*TOTAL ASSETS	\$ 10,874,104,852	\$ 10,903,900,589
*CAPITALIZATION AND LIABILITIES		
**CURRENT LIABILITIES		
230 Asset Retirement Obligations	(2,185,752)	(2,256,587)
244 FAS 133 Opt Unrealized Loss ST	(124,139,068)	(88,473,121)
245 FAS 133 Unrealized Loss ST	-	(994,221)
231 Notes Payable	-	(21,000,000)
232 Accounts Payable	(236,698,412)	(248,920,676)
233 Notes Payable to Associated Companies	-	(27,727,253)
234 Accounts Payable to Asscted Companies	-	-
235 Customer Deposits	(25,854,989)	(25,468,390)
236 Taxes Accrued	(99,229,972)	(99,773,948)
237 Interest Accrued	(47,423,872)	(59,629,036)
238 Dividends Declared	-	-
241 Tax Collections Payable	(1,611,952)	(1,864,557)
242 Misc. Current and Accrued Liabilities	(25,787,957)	(27,090,582)
243 Obligations Under Cap.Leases - Current	(1,134,693)	(7,309,613)
**TOTAL CURRENT LIABILITIES	(564,066,665)	(610,507,983)
**DEFERRED TAXES		
***Reg. Liability for Def.Income Tax		
253 Other Deferred Credits	(74,425,943)	(111,480,616)
283 Accum.Deferred Income Taxes - Other	(74,425,943)	(111,480,616)
***Total Reg.Liab.for Def.Income Tax		
***Deferred Income Tax		
255 Accum.Deferred Investment Tax Credits	-	-
282 Accum. Def. Income Taxes - Other Prop.	(1,736,067,029)	(1,699,597,677)
283 Accum.Deferred Income Taxes - Other	(292,180,002)	(257,134,405)
***Total Deferred Income Tax	(2,028,247,031)	(1,956,732,082)
**TOTAL DEFERRED TAXES	(2,028,247,031)	(1,956,732,082)
**OTHER DEFERRED CREDITS		
Subtotal 227 Oblig Under Cap Lease - Noncurr	-	(1,973,460)

**PUGET SOUND ENERGY
BALANCE SHEET
COMMISSION BASIS REPORT
As of JUNE 30, 2015**

<u>FERC Account and Description</u>	<u>Jun-15</u>	<u>June 15 AMA</u>
Total Unrealized Loss on Derivatives -LT	(43,609,454)	(41,463,169)
228.2 Accum. Prov.for Injuries and Damages	(252,500)	(934,479)
228.3 Pension and Post Retirement Liabilities	(121,107,511)	(95,086,208)
228.4 Accum. Misc.Operating Provisions	(304,774,689)	(319,184,167)
229 Accum Provision for Rate Refunds	-	-
230 Asset Retirement Obligations (FAS 143)	(82,402,040)	(48,399,500)
252 Customer Advances for Construction	(71,435,258)	(65,026,537)
253 Other Deferred Credits	(332,629,683)	(347,351,150)
254 Other Regulatory Liabilities	(123,334,076)	(146,993,084)
256 Def. Gains from Dispos.of Utility Plt	(519,058)	(742,223)
257 Unamortized Gain on Reacquired Debt	-	-
**TOTAL OTHER DEFERRED CREDITS	<u>(1,080,064,269)</u>	<u>(1,067,153,975)</u>
**CAPITALIZATION		
***SHAREHOLDER'S EQUITY		
****Common Equity		
201 Common Stock Issued	(859,038)	(859,038)
207 Premium on Capital Stock	(478,145,250)	(478,145,250)
210 Gain on Resale/Cancel.of Reacq.Cap.Stk	(2,804,096,691)	(2,776,400,858)
214 Capital Stock Expense	7,133,879	7,133,879
215 Appropriated Retained Earnings	(11,888,577)	(11,757,200)
216 Unappropriated Retained Earnings	(211,452,684)	(255,528,022)
216.1 Unappr.Undistrib.Subsidiary Earnings	14,874,795	11,796,605
219 Other Comprehensive Income	162,637,601	131,597,731
433 Balance Transferred from Income	(171,799,361)	(162,252,678)
438 Dividends Declared - Common Stock	144,386,582	167,606,751
439 Adjustments to Retained Earnings	5,848,610	5,848,610
****Total Common Equity	<u>(3,343,360,134)</u>	<u>(3,360,959,470)</u>
***TOTAL SHAREHOLDER'S EQUITY	(3,343,360,134)	(3,360,959,470)
***REDEEMABLE SECURITIES AND LONG-TERM DEBT		
****Preferred Stock - Manditorily Redeemable	-	-
****Total Preferred Stock - Mand Redeem	-	-
****Corporation Obligated, Mand Redeemable Preferred Stock Subscribed	-	-
****Corporation Obligated, Mand Redeem	-	-
****Long-term Debt		
221 Junior Subordinated Debt	(250,000,000)	(250,000,000)
221 Bonds	(3,535,860,000)	(3,547,318,333)
226 Unamort.Disct. on Long-term Debt-Debit Long-term Debt	<u>1,919,191</u>	<u>251,870</u>
****Long-term Debt	(3,783,940,810)	(3,797,066,463)
***REDEEMABLE SECURITIES AND LTD	(3,783,940,810)	(3,797,066,463)
**TOTAL CAPITALIZATION	(7,127,300,943)	(7,158,025,933)
*TOTAL CAPITALIZATION AND LIABILITIES	<u>\$ (10,874,104,852) \$</u>	<u>(10,903,900,589)</u>

Puget Sound Energy
Commission Basis Report
Electric Rate Base
30-Jun-15

Page 2.03

1	Account	Description	AMA 6/30/2015
3		Rate Base	
4	101 / 102 / 230XXX1	Electric Plant in Service	\$ 8,869,379,937
5	101 / 253XXX3	Common Plant-Allocation to Electric	309,740,852
6	114XXX1	Electric Plant Aquisition Adjustment	282,791,675
6a	18600001 / 451/ 461	Snoqualmie Deferral -UE-130559	10,072,960
6b	18600801 / 811/ 821	Baker Deferral - UE-131387	2,568,693
6c	1822XXX1	White River Deferred Plant Costs	31,254,854
6d	1823XXX1	White River Deferred Relicensing & CWIP	(4,504,845)
6e	16599011 & 18232321	Prepaid Colstrip 1&2 WEC Co Coal Resrv Ded.	2,500,000
6f	18600531 / 671/ 691/791	Ferndale Deferral - UE-12843	21,815,300
6g	25300831	Hopkins II Wake Effect Settlement	-
6h	18230381/18230391	Goldendale Deferral -UE-070533	-
6i	18235521	Mint Farm Deferral	29,405,543
6j	1340XXXX	BPA Deposits	659,884
6k	18606XXX	WHE Deferred Costs-UE-090704	-
6l	18231041	Prepaid Major Maint Sumas	-
6m	18230351	Chelan PUD Contract Initiation	137,815,771
6n	18220091	Upper Baker - Unrecovered Plant & Reg. Study Costs	482,536
6o	18232301 & 311 & 331	LSR Deposit Carry Charge & Deferral UE-100882	94,430,421
6p	18220101	Electron Unrecovered Loss	8,415,244
7	18230041	Colstrip Common FERC Adj - Reg Asset	21,589,277
8	18230051	Accum Amortization Colstrip-Common FERC	(16,141,552)
9	18230061	Colstrip Def Depr FERC Adj - Reg	1,316,449
10	18230071	BPA Power Exch Invstmt - Reg Asset	113,632,921
11	18230081	BPA Power Exch Inv Amortization - Reg Asset	(104,816,463)
12	18230031	Electric - Def AFUDC - Regulatory Asset	53,416,194
13	1861051	Capitalized OH	-
14	10500001	Electric - Plant Held for Future Use	49,566,502
15	10500003	Common Plant Held for Fut Use-Alloc to Electric	-
16	10600501	Electric - Const Completed Non Classified	28,810,197
16a	10600503	Common - Const Completed Non Classified	1,113,559
17	108XXXX1	Elec-Accum Depreciation	(3,269,510,951)
18	108XXXX3	Common Accum Depr-Allocation to Electric	(61,957,500)
19	111XXXX1	Elec-Accum Amortization	(28,212,923)
20	11100003	Common Accum Amort-Allocation to Electric	(57,747,221)
21	115XXXX1	Accum Amort Acq Adj - Electric	(100,883,606)
22	18230221	Accum Unamort Consvr Costs	(110,064,991)
23	19000041	CIAC after 10/8/76 - Accum Def Income Tax	-
24	19000051	CIAC - 1986 Changes - Accum Def Income Tax	-
25	19000061	CIAC - 7/1/87 - Accum Def Income Tax	-
26	19000093	Vacation Pay - Accum Def Inc Taxes	-
26a	19000121	Cabot Gas Contract - Accum Def Inc Taxe	-
26b	19000151	DFIT - Westcoast Capacity Assignment - Electric	526,161
26c	19000711	DFIT- BNP Electric	721,315
27	19000191	RB-Consv Pre91 Tax Settlmt - Accum Def Inc Tax	-
27.1	19000701	DFFIT SSCM INT - ELEC	-
28	235XXXX1	Customer Deposits - Electric	(3,572,537)
28a	23500003	Customer Deposits - Common	(14,989,715)
29	25400081	Residential Exchange	-
29.1	25400191& 25400201	Westcoast Pipeline Capacity Regulatory Liabilities	(3,564,218)
30	252XXXX1	Cust Advances for Construction	(44,308,519)
31	28200101	Major Projects - Property Tax Expense	-
32	28200111	Def Inc Tax - Pre 1981 Additions	-
33	28200121, 161/28300341	Def Inc Tax - Post 1980 Additions	(1,188,542,609)
34	28200131	Colstrip 3 & 4 Deferred Inc Tax	-
35	28200141	Excess Def Taxes - Centralia Sale	-
35-1	28200151	Def FIT Indirect Cost Adj - Electric	-
35a	283XXXXX	Electric Portion of Common Deferred Taxes	(26,215,418)
35a2	19000433	NOL Carryforward	103,701,651
36	28300161	Def Inc Tax - Energy Conservation & FAS 133	-
37	28300261	Def FIT Bond Redemption Costs	-
37a	28300091	Accum Def Inc Tax - Snoqualmie	(3,525,536)

Puget Sound Energy
Commission Basis Report
Electric Rate Base
30-Jun-15

Page 2.03

1	Account	Description	AMA 6/30/2015
37b	28300741	Accum Def Inc Tax - Baker	(899,043)
37c	28300011	Def FIT - White River Water Right	(9,362,503)
37d	28300731	Accum Def Inc Tax - Ferndale	(7,635,355)
37e	28300431	Deferred Taxes WNP#3	(2,839,201)
37f	19000441	Deferred FIT FAS 143 Whitehorn 2 &3	4,584,480
37g	19000553	Common DFIT Summit Purchase Opt Buyout - Elec	208,786
37h	19000561	Def FIT - Wind Loss Settlement Agreemen	-
37i	28300541 \ 28300551	DFIT Goldendale Deferral -UE-070533	(2,524,425)
37j	28300601\28300611\2830066	DFIT Mint Fam Costs-UE-090704	(10,291,940)
37k	28300631\28300641\2830067	DFIT Wild Horse Costs-UE-090704	-
37l	28300561	DFIT - Interest Chelan PUD Reg Asset	(15,542,410)
37m	28300081 & 28300721	DFIT BPA Prepayment & LSR	(7,500,910)
38	124001X1	Conservation Rate Base	-
39	18230181	1995 Conservation Trust Rate Base	-
40			-
41	Working Capital- Rate Base		\$ 175,583,356
42	Rate Base		\$ 5,260,950,126
43			
44			
45			
46	Gross Utility Plant in Service		9,541,402,722
47	Less Accum Dep and Amort		(3,518,312,202)
48	Deferred Debits and Credits		293,848,196
49	Deferred Taxes		(1,165,136,956)
50	Allowance for Working Capital		175,583,356
51	Customer Deposits/Advances		(66,434,990)
52	Total Rate Base		5,260,950,126

Puget Sound Energy
Commission Basis Report
Combined Working Capital
30-Jun-15

Page 2.04

Line No.	Description	AMA 6/30/2015
1	Average Invested Capital	
2	Common Stock	\$ 859,038
3	Preferred Stock	-
4	Additional Paid in Capital	3,246,920,654
5	Unamortized Debt Expense	(26,267,854)
6	Unappropriated Retained Earnings	287,484,203
7	Notes Payable - Misc	-
8	Long Term Debt	3,797,066,463
9	Short Term Debt	48,727,253
10	Accumulated Deferred ITC	-
11	Treasury Grants	182,270,710
12	Deferred Debits-Other	-
13	Unamortized Gain/Loss on Debt	(36,163,817)
14	Total Average Invested Capital	7,500,896,650
15		
16	Average Operating Investments - Electric	
17		
18	Plant in Service (includes acquisition adj)	9,180,981,809
19	Electric Future Use Property	49,566,502
20	Customer Advances for Construction	(44,308,519)
21	Customer Deposits	(18,562,253)
22	Deferred Taxes	(1,011,993,938)
23	Deferred Debits/Credits - Other	240,113,820
24	Less: Accumulated Depreciation	(3,398,607,480)
25	Conservation Investment	(110,064,991)
26	Common Plant-Allocation to Electric	310,854,411
27	Common Accum Depr-Allocation to Electric	(119,704,721)
28	Common Deferred Taxes-Allocation to Electric	(26,006,632)
29	NOL Carryforward	103,701,651
30	Total Average Operating Investment - Electric	5,155,969,659
31		
32	Average Operating Investments - Gas	
33		
34	Gas Utility Plant in Service	3,211,089,452
35	Deferred Items - Other	56,798,161
36	Gas Stored Underground, Non-Current	8,654,564
37	Gas Accumulated Depreciation	(1,200,343,290)
38	Gas Customer Advances for Construction	(20,901,779)
39	Gas Customer Deposits	(6,905,867)
40	DFIT 17	(480,922,397)
41	PGA	11,627,151
42	Common Plant-Allocation to Gas	143,212,798
43	Common Accumulated Depreciation-Allocation to Gas	(55,148,801)
44	Common Deferred Tax	(11,981,437)
45	NOL Carryforward	30,977,792
46	Total Average Operating Investment - Gas	1,686,156,347
47		
48	Total Electric & Gas Operating Investment	6,842,126,006
49		
50	Construction Work in Progress	
51		
52	Elec Construction Work in Process	209,612,084
53	Gas Construction Work in Process	63,123,703
54	Other Work in Process	1,226,219
55	Electric Preliminary Surveys	82,803

Puget Sound Energy
Commission Basis Report
Combined Working Capital
30-Jun-15

Page 2.04

Line No.	Description	AMA 6/30/2015
56	Total Construction Work in Progress	274,044,809
57		
58	Nonoperating	
59		
60	Non-Utility Property	4,640,211
61	Investment in Associated Companies	31,399,204
62	Other Investments & FAS 133	(12,331,732)
63	Deferred Items-Other	194,451,823
64	Deferred Federal Income Tax	(75,856,346)
65	Investment Tracking Funds	4,354,098
66	Environmental Receivables	-
67	Current Accounts - Gas Allocation only	-
68	Merchandising Inventory - Gas Only	67,586
69	Total Non Operating Investment	146,724,844
70		
71	Total CWIP & Nonoperating Investment	420,769,653
72		
73	Total Average Investments	7,262,895,660
74	Rounding	
75	Total Investor Supplied Capital	\$ 238,000,990
Allocation of Working Capital		
Electric Working Capital		
	Total Investment	\$ 7,262,895,660
	Less: Electric CWIP	(209,612,084)
	Less: Gas	(63,123,703)
	Interest Bearing Regulatory Assets	
	Other Work in Progress	(1,226,219)
	Preliminary Surveys	(82,803)
	Total	6,988,850,851
	Electric Working Capital Ratio	3.4054%
	Electric Working Capital	\$ 175,583,356
Gas Working Capital		
	Total Investment	7,262,895,660
	Less: Electric CWIP	(209,612,084)
	Less: Gas CWIP	(63,123,703)
	Interest Bearing Regulatory Assets	
	Other Work in Progress	(1,226,219)
	Preliminary Surveys	(82,803)
	Total	6,988,850,851
	Gas Working Capital Ratio	3.4054%
	Gas Working Capital	\$ 57,421,011
	Non Operating Working Capital	\$ 4,996,624

PUGET SOUND ENERGY-ELECTRIC & GAS
FOR THE TWELVE MONTHS ENDED JUNE 30, 2015
ALLOCATION METHODS

<u>Method</u>	<u>Description</u>		<u>Electric</u>	<u>Gas</u>	<u>Total</u>
1	* <u>12 Month Average Number of Customers</u>	6/30/2015	1,097,419	790,184	1,887,603
	Percent		58.14%	41.86%	100.00%
2	* <u>Joint Meter Reading Customers</u>	6/30/2015	742,598	446,850	1,189,448
	Percent		62.43%	37.57%	100.00%
3	* <u>Non-Production Plant</u>				
	Distribution	6/30/2015	3,349,788,280	3,105,258,273	\$ 6,455,046,553
	Transmission	6/30/2015	1,344,167,397	-	1,344,167,397
	Direct General Plant	6/30/2015	210,437,608	32,110,384	242,547,992
	Total		\$ 4,904,393,285	\$ 3,137,368,657	\$ 8,041,761,942
	Percent		60.99%	39.01%	100.00%
4	* <u>4-Factor Allocator</u>				
	Number of Customers	6/30/2015	1,097,419	790,184	1,887,603
	Percent		58.14%	41.86%	100.00%
	Labor - Direct Charge to O&M	6/30/2015	52,399,874	21,593,934	\$ 73,993,808
	Percent		70.82%	29.18%	100.00%
	T&D O&M Expense (Less Labor)	6/30/2015	67,217,589	27,041,773	\$ 94,259,362
	Percent		71.31%	28.69%	100.00%
	Net Classified Plant (Excluding General (Common) Plant)	6/30/2015	5,461,591,072	1,960,843,365	7,422,434,437
	Percent		73.58%	26.42%	100.00%
	Total Percentages		273.85%	126.15%	400.00%
	Percent		68.46%	31.54%	100.00%
5	* <u>Employee Benefits</u>				
	Direct Labor Accts 500-935	6/30/2015	58,273,481	24,626,632	82,900,113
	Total		\$ 58,273,481	\$ 24,626,632	\$ 82,900,113
	Percent		70.29%	29.71%	100.00%

**PUGET SOUND ENERGY-ELECTRIC
RESULTS OF OPERATIONS
FOR THE TWELVE MONTHS ENDED JUNE 30, 2015
COMMISSION BASIS REPORT**

LINE NO.	ACTUAL RESULTS OF OPERATIONS	TOTAL ADJUSTMENTS	RESTATED RESULTS OF OPERATIONS
1	<u>OPERATING REVENUES:</u>		
2	\$ 1,925,318,203	\$ 73,510,001	\$ 1,998,828,204
3	322,421	6,947	329,368
4	99,588,783	-	99,588,783
5	88,788,188	(11,869,056)	76,919,132
6	2,114,017,595	61,647,892	2,175,665,487
7			
8	<u>OPERATING REVENUE DEDUCTIONS:</u>		
9			
10	<u>POWER COSTS:</u>		
11	\$ 256,930,159	\$ 100,884	\$ 257,031,043
12	431,346,431	11,106,402	442,452,833
13	109,757,578	-	109,757,578
14	(148,179,755)	148,179,755	-
15	649,854,414	159,387,041	809,241,454
16			
17	\$ 111,506,225	\$ -	\$ 111,506,225
18	21,941,673	-	21,941,673
19	80,373,356	-	80,373,356
20	56,025,514	(3,488,605)	52,536,909
21	19,032,771	(16,550,739)	2,482,032
22	97,536,361	(97,519,598)	16,762
23	111,859,877	(4,924)	111,854,953
24	259,607,776	(188,086)	259,419,691
25	45,150,536	-	45,150,536
26	19,191,741	-	19,191,741
27	(55,256,044)	66,939,461	11,683,417
28	98,617,014	(98,617,014)	-
29	207,250,971	(118,705,064)	88,545,908
30	0	83,132,421	83,132,421
31	115,314,881	(54,889,598)	60,425,283
32	\$ 1,838,007,066	\$ (80,504,705)	\$ 1,757,502,361
33			
34	\$ 276,010,528	\$ 142,152,597	\$ 418,163,126
35			
36	\$ 5,260,950,126	\$ (2,134,700)	\$ 5,258,815,426
37			
38	5.25%		7.95%
39			
40	<u>RATE BASE:</u>		
41	\$ 9,541,402,722	\$ (4,536,235)	\$ 9,536,866,487
42	(3,518,312,202)	1,342,833	(3,516,969,369)
43	293,848,196	-	293,848,196
44	(1,165,136,956)	1,058,702	(1,164,078,254)
45	175,583,356	-	175,583,356
46	(66,434,990)	-	(66,434,990)
47	\$ 5,260,950,126	\$ (2,134,700)	\$ 5,258,815,426

PUGET SOUND ENERGY-ELECTRIC
STATEMENT OF OPERATING INCOME AND ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED JUNE 30, 2015
COMMISSION BASIS REPORT

LINE NO.	ACTUAL RESULTS OF OPERATIONS 12 ME. JUN 30, 2015	TEMPERATURE NORMALIZATION	REVENUE & EXPENSE	POWER COSTS	FEDERAL INCOME TAX	TAX BENEFIT OF INTEREST	PASS-THROUGH REV & EXP	RATE CASE EXPENSES	BAD DEBITS
	3.01	3.02	3.03	3.04	3.05	3.06	3.07	3.08	
1	OPERATING REVENUES								
2	SALES TO CUSTOMERS	27,734,834	60,068,967	-	-	-	(14,293,800)		
3	SALES FROM RESALE-FIRM	322,421	6,947						
4	SALES TO OTHER UTILITIES	99,588,783							
5	OTHER OPERATING REVENUES	88,788,188	5,544,841			(17,413,896)			
6	TOTAL OPERATING REVENUES	2,114,017,595	27,741,781	65,613,808	-	-	(31,707,697)		
7									
8	OPERATING REVENUE DEDUCTIONS:								
9									
10	POWER COSTS:								
11	FUEL	256,930,159	-	-	100,884	-	-		
12	PURCHASED AND INTERCHANGED	431,346,431		12,607,640			(1,501,239)		
13	WHEELING	109,757,578							
14	RESIDENTIAL EXCHANGE	(148,179,755)				148,179,755			
15	TOTAL PRODUCTION EXPENSES	649,854,414	-	12,708,524	-	-	146,678,516		
16									
17	OTHER POWER SUPPLY EXPENSES	111,506,225							
18	TRANSMISSION EXPENSE	21,941,673							
19	DISTRIBUTION EXPENSE	80,373,356							
20	CUSTOMER ACCTS EXPENSES	56,025,514	187,534	406,066			(96,626)	(4,008,418)	
21	CUSTOMER SERVICE EXPENSES	19,032,771					(16,550,739)		
22	CONSERVATION AMORTIZATION	97,536,361					(97,519,598)		
23	ADMIN & GENERAL EXPENSE	111,859,877	55,484	120,138			(96,609)	495,240	
24	DEPRECIATION	259,607,776							
25	AMORTIZATION	45,150,536							
26	AMORTIZ OF PROPERTY GAIN/LOSS	19,191,741							
27	OTHER OPERATING EXPENSES	(55,256,044)		9,739,849			57,199,612		
28	ASC 815	98,617,014							
29	TAXES OTHER THAN F.I.T.	207,250,971	1,067,282	2,310,973			(122,054,981)		
30	FEDERAL INCOME TAXES	0	9,251,018	18,562,873	116,716,661	(58,714,674)	256,455	1,402,946	
31	DEFERRED INCOME TAXES	115,314,881			(89,405,553)				
32	TOTAL OPERATING REV. DEDUCT.	1,838,007,066	10,561,318	31,139,899	8,260,541	(58,714,674)	(32,183,971)	321,906	(2,605,472)
33									
34	NET OPERATING INCOME	276,010,528	17,180,463	34,473,908	(27,311,108)	58,714,674	476,274	(321,906)	2,605,472
35									
36	RATE BASE	5,260,950,126							
37									
38	RATE OF RETURN	5.25%							
39									
40	RATE BASE:								
41	GROSS UTILITY PLANT IN SERVICE	9,541,402,722							
42	ACCUMULATED DEPRECIATION	(3,518,312,202)							
43	DEFERRED DEBITS	293,848,196							
44	DEFERRED TAXES	(1,165,136,956)							
45	ALLOWANCE FOR WORKING CAPITAL	175,583,356							
46	OTHER	(66,434,990)							
47	TOTAL RATE BASE	5,260,950,126							

PUGET SOUND ENERGY-ELECTRIC
STATEMENT OF OPERATING INCOME AND ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED JUNE 30, 2015
COMMISSION BASIS REPORT

LINE NO.	INCENTIVE EXCISE TAX & PAY	D&O FILING FEE	MONTANA TAX	INTEREST ON CUST DEPOSITS	ASC 815	PENSION PLAN	INJURIES & DAMAGES	WILD HORSE SOLAR	TOTAL ADJUSTMENTS
	3.09	3.10	3.11	3.12	3.13	3.14	3.15	3.16	3.17
1	OPERATING REVENUES								
2	SALES TO CUSTOMERS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 73,510,001
3	SALES FROM RESALE-FIRM								6,947
4	SALES TO OTHER UTILITIES								-
5	OTHER OPERATING REVENUES								(11,869,056)
6	TOTAL OPERATING REVENUES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 61,647,892
7									
8	OPERATING REVENUE DEDUCTIONS:								
9									
10	POWER COSTS:								
11	FUEL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,884
12	PURCHASED AND INTERCHANGED								11,106,402
13	WHEELING								-
14	RESIDENTIAL EXCHANGE								148,179,755
15	TOTAL PRODUCTION EXPENSES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 159,387,041
16									
17	OTHER POWER SUPPLY EXPENSES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
18	TRANSMISSION EXPENSE								-
19	DISTRIBUTION EXPENSE								-
20	CUSTOMER ACCTS EXPENSES				22,839				(3,488,605)
21	CUSTOMER SERVICE EXPENSES								(16,550,739)
22	CONSERVATION AMORTIZATION								(97,519,598)
23	ADMIN & GENERAL EXPENSE	(201,103)	(41,608)	(18,657)			(346,893)	29,084	(4,924)
24	DEPRECIATION							(188,086)	(188,086)
25	AMORTIZATION								-
26	AMORTIZ OF PROPERTY GAIN/LOSS								-
27	OTHER OPERATING EXPENSES								66,939,461
28	ASC 815					(98,617,014)			(98,617,014)
29	TAXES OTHER THAN F.L.T.	(16,283)							(118,705,064)
30	FEDERAL INCOME TAXES	76,085	14,563	6,530					83,132,421
31	DEFERRED INCOME TAXES							(10,180)	65,830
32	TOTAL OPERATING REV. DEDUCT.	\$ (141,301)	\$ (27,045)	\$ (12,127)	\$ (7,836)	\$ 22,839	\$ (64,101,059)	\$ 18,904	\$ (122,256)
33									\$ (80,504,705)
34	NET OPERATING INCOME	\$ 141,301	\$ 27,045	\$ 12,127	\$ 7,836	\$ (22,839)	\$ 64,101,059	\$ (18,904)	\$ 122,256
35									\$ 142,152,597
36	RATE BASE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,134,700)
37									
38	RATE OF RETURN								
39									
40	RATE BASE:								
41	GROSS UTILITY PLANT IN SERVICE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4,536,235)
42	ACCUMULATED DEPRECIATION								1,342,833
43	DEFERRED DEBITS								-
44	DEFERRED TAXES								1,058,702
45	ALLOWANCE FOR WORKING CAPITAL								-
46	OTHER								-
47	TOTAL RATE BASE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,134,700)	\$ (2,134,700)

PUGET SOUND ENERGY-ELECTRIC
TEMPERATURE NORMALIZATION
FOR THE TWELVE MONTHS ENDED JUNE 30, 2015
COMMISSION BASIS REPORT

LINE

NO.	DESCRIPTION					
1	TEMPERATURE NORMALIZATION ADJUSTMENT:					
2		ACTUAL	TEMP ADJ	KWH	ADJ FOR LOSSES	
3		GPI KWH	GPI KWH	CHANGE	6.90%	
4	Jul-14	1,720,456	1,688,347	(32,109)	(29,894)	7.6%
5	Aug-14	1,719,157	1,686,435	(32,723)	(30,465)	7.5%
6	Sep-14	1,593,003	1,583,181	(9,822)	(9,144)	7.1%
7	Oct-14	1,709,670	1,793,111	83,441	77,683	8.0%
8	Nov-14	2,027,291	2,026,418	(873)	(813)	9.1%
9	Dec-14	2,226,074	2,343,962	117,888	109,754	10.5%
10	Jan-15	2,169,780	2,253,425	83,644	77,873	10.1%
11	Feb-15	1,799,268	1,935,603	136,335	126,927	8.7%
12	Mar-15	1,896,816	1,983,338	86,522	80,552	8.9%
13	Apr-15	1,745,628	1,765,437	19,808	18,442	7.9%
14	May-15	1,632,476	1,655,420	22,944	21,361	7.4%
15	Jun-15	1,659,644	1,627,623	(32,021)	(29,811)	7.3%
16		21,899,265	22,342,299	443,033	412,465	100.0%
17						
18	REVENUE ADJUST Schedule 7			372,512	25,304,968	
19	Schedule 24			22,236	1,382,859	
20	Schedule 25			11,133	690,224	
21	Schedule 26			(1,542)	(98,618)	
22	Schedule 29			(175)	(10,979)	
23	Schedule 31			426	19,615	
24	Schedule 43			6,862	391,454	
25	Schedule 40			815	55,311	
26	Firm Resale			198	6,947	
27	INCREASE (DECREASE) SALES TO CUSTOMERS			412,464	\$ 27,741,781	\$ 27,741,781
28				-		
29	UNCOLLECTIBLES @			0.0067600	\$ 187,534	
30	ANNUAL FILING FEE @			0.0020000	55,484	
31	INCREASE (DECREASE) EXPENSE					243,018
32						
33	STATE UTILITY TAX @			0.0384720	\$ 1,067,282	
34	INCREASE (DECREASE) TAXES OTHER					1,067,282
35						
36	INCREASE (DECREASE) OPERATING INCOME					26,431,481
37						
38	INCREASE (DECREASE) FIT @			35%		9,251,018
39	INCREASE (DECREASE) NOI					<u>\$ 17,180,463</u>

PUGET SOUND ENERGY-ELECTRIC
REVENUE & EXPENSE RESTATING
FOR THE TWELVE MONTHS ENDED JUNE 30, 2015
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	AMOUNT	ADJUSTMENT
1	SALES TO CUSTOMERS:		
2	<u>RESTATING ADJUSTMENTS:</u>		
3	REMOVE TEST YEAR EARNINGS SHARING ACCRUAL	\$ 3,535,000	
4	REMOVE 24 MONTH GAAP RESERVE	65,483	
5	REMOVE ERRATA ADJUSTMENT PERTAINING TO PRIOR PERIOD	1,944,357	
6	INCREASE (DECREASE) SALES TO CUSTOMERS	5,544,841	\$ 5,544,841
7			
8	<u>RESTATING ADJUSTMENTS:</u>		
9	REMOVE MERGER RATE CREDIT SCH 132	\$ 5,974,113	
10	REMOVE SCHEDULE 95A TREASURY GRANTS	54,094,854	
11	INCREASE (DECREASE) SALES TO CUSTOMERS	60,068,967	60,068,967
12			
13	INCREASE (DECREASE) REVENUES		65,613,808
14			
15	UNCOLLECTIBLES @	0.0067600 406,066	
16	ANNUAL FILING FEE @	0.0020000 120,138	
17	INCREASE (DECREASE) EXPENSE		526,204
18			
19	STATE UTILITY TAX @	0.0384720 2,310,973	
20	INCREASE (DECREASE) TAXES OTHER		2,310,973
21			
22			
23	OTHER OPERATING EXPENSES:		
24	REMOVE SCHEDULE 95A TREASURY GRANTS AMORTIZATION OF INTERES'	39,587,932	
25	REMOVE ACCRUAL FOR FUTURE PTC LIABILITY	(29,848,083)	
26	(ACTUAL PTC'S REMOVED IN FIT ADJUSTMENT NO. 3.04)		
27	INCREASE (DECREASE) OPERATING EXPENSES		9,739,849
28			
29	INCREASE (DECREASE) OPERATING INCOME		53,036,781
30			
31	INCREASE (DECREASE) FIT @	35%	18,562,873
32			
33	INCREASE (DECREASE) NOI		\$ 34,473,908

PUGET SOUND ENERGY-ELECTRIC
POWER COSTS
FOR THE TWELVE MONTHS ENDED JUNE 30, 2015
COMMISSION BASIS REPORT

LINE NO. DESCRIPTION	ACTUAL	RESTATED	INCREASE (DECREASE)
1 PRODUCTION EXPENSES:			
2 FUEL	256,930,159	257,031,043	\$ 100,884
3 PURCHASED AND INTERCHANGED	431,346,431	443,954,072	12,607,640
4 WHEELING	109,757,578	109,757,578	-
5 SALES TO OTHER UTILITIES	(99,588,783)	(99,588,783)	-
6 PURCHASES/SALES OF NON-CORE GAS & OTHER REV	6,829,943	6,829,943	-
7 SUBTOTAL - POWER COSTS TO BE ADJUSTED	\$ 705,275,328	\$ 717,983,853	\$ 12,708,524
8			
9 LESS: SALES FOR RESALE	99,588,783		
10 SCH. 94 - RES./FARM CREDIT	(148,179,755)		
11 TOTAL	\$ 656,684,357		
12 PURCHASES/SALES OF NON-CORE GAS	(6,829,943)		
13 PRODUCTION EXPENSES ON INCOME STATEMENT	\$ 649,854,414		
14 INCREASE(DECREASE) INCOME	-		\$ (12,708,524)
15			
16 INCREASE(DECREASE) FIT @	35%		(4,447,984)
17 INCREASE(DECREASE) NOI			<u>\$ (8,260,541)</u>

PUGET SOUND ENERGY-ELECTRIC
FEDERAL INCOME TAX
FOR THE TWELVE MONTHS ENDED JUNE 30, 2015
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	AMOUNT
1	TAXABLE INCOME	\$ 333,476,174
2		
3	FEDERAL INCOME TAX @	35% 116,716,661
4	CURRENTLY PAYABLE	<u>116,716,661</u>
5		
6	DEFERRED FIT - DEBIT	\$ 25,909,328
7	DEFERRED FIT - OTHER	-
8	DEFERRED FIT - INV TAX CREDIT, NET OF AMORT.	-
9	TOTAL RESTATED FIT	<u>\$ 142,625,989</u>
10		
11	FIT PER BOOKS:	
12	CURRENTLY PAYABLE	\$ -
13	DEFERRED FIT - DEBIT	1,673,834,197
14	DEFERRED FIT - CREDIT	(1,558,519,316)
15	DEFERRED FIT - INV TAX CREDIT, NET OF AMORT.	-
16	TOTAL CHARGED TO EXPENSE	<u>115,314,881</u>
17		
18	INCREASE(DECREASE) FIT	116,716,661
19	INCREASE(DECREASE) DEFERRED FIT	<u>(89,405,553)</u>
20	INCREASE(DECREASE) NOI	<u><u>\$ (27,311,108)</u></u>

PAGE 3.05

PUGET SOUND ENERGY-ELECTRIC
TAX BENEFIT OF RESTATED INTEREST
FOR THE TWELVE MONTHS ENDED JUNE 30, 2015
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	AMOUNT
1	RATE BASE	\$ 5,258,815,426
2		
3	WEIGHTED COST OF DEBT	<u>3.19%</u>
4	RESTATED INTEREST	<u>\$ 167,756,212</u>
5		
6		
7		
8		
9	INCREASE (DECREASE) INCOME	<u><u>\$ (167,756,212)</u></u>
10		
11	INCREASE (DECREASE) FIT @	35% \$ (58,714,674)
12		
13	INCREASE (DECREASE) NOI	<u><u>\$ 58,714,674</u></u>

PUGET SOUND ENERGY-ELECTRIC
PASS-THROUGH REVENUE & EXPENSE
FOR THE TWELVE MONTHS ENDED JUNE 30, 2015
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	AMOUNT	ADJUSTMENT
1	<u>REMOVE REVENUES ASSOCIATED WITH RIDERS:</u>		
2	CONSERVATION RIDER - SCHEDULE 120		\$ 102,181,207
3	PROPERTY TAX TRACKER - SCHEDULE 140		51,522,357
4	MUNICIPAL TAXES - SCHEDULE 81		75,459,931
5	LOW INCOME RIDER - SCHEDULE 129		15,837,518
6	RESIDENTIAL EXCHANGE - SCH 194		(155,263,008)
7	REC PROCEEDS - SCH 137 REC AND BIOGAS PROCEEDS		(9,826,390)
8	EXPENSE OFFSET FOR SCH 137 REC AND BIOGAS PROCEEDS		8,641,835
9	DECOUPLING SCH 142 REVENUE		(10,819,109)
10	DECOUPLING SCH 142 SURCHARGE AMORT EXPENSE		10,308,101
11	GREEN POWER - SCH 135/136		4,363,688
12	GREEN POWER - SCH 135/136 ELIMINATE OVER EXPENSED		(1,536,039)
13	REMOVE JPUD GAIN ON SALE SCH 133		(59,162,393)
14	TOTAL (INCREASE) DECREASE REVENUES		<u>31,707,697</u>
15			
16	<u>DECREASE REVENUE SENSITIVE ITEMS FOR DECREASE IN REVENUES:</u>		
17	BAD DEBTS	0.67600%	(96,626)
18	ANNUAL FILING FEE	0.20000%	(28,588)
19	STATE UTILITY TAX	3.84720%	(549,911)
20	TOTAL		<u>(675,125)</u>
21			
22	<u>REMOVE EXPENSES ASSOCIATED WITH RIDERS</u>		
23	CONSERVATION AMORTIZATON - SCHEDULE 120		(97,519,598)
24	PROPERTY TAX AMORTIZATION EXP - SCHEDULE 140		(49,171,857)
25	MUNICIPAL TAXES - SCHEDULE 81		(72,315,670)
26	LOW INCOME AMORTIZATION - SCHEDULE 129		(15,114,994)
27	RESIDENTIAL EXCHANGE - SCH 194		148,179,755
28	AMORT ON INTEREST ON REC PROCEEDS - SCH 137		736,266
29	GREEN POWER - SCH 135/136 TAGS CHARGED TO 557		(1,501,239)
30	GREEN POWER - SCH 135/136 CHARGED TO 908/909		(1,435,745)
31	GREEN POWER - SCH 135/136 BENEFITS PORTION OF ADMIN		(68,022)
32	GREEN POWER - SCH 135/136 TAXES PORTION OF ADMIN		(17,543)
33	REMOVE JPUD AMORT EXPENSE SCH 133		56,463,346
34	TOTAL INCREASE (DECREASE) EXPENSE		<u>(31,765,301)</u>
35			
36	INCREASE (DECREASE) OPERATING INCOME BEFORE FIT		732,730
37	INCREASE (DECREASE) FIT		256,455
38	INCREASE (DECREASE) NOI		\$ 476,274

PUGET SOUND ENERGY-ELECTRIC
RATE CASE EXPENSES
FOR THE TWELVE MONTHS ENDED JUNE 30, 2015
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	AMOUNT	
1	EXPENSES TO BE NORMALIZED		
2			
3	<u>EXPENSES OF LAST 2 COMPLETED GRCS</u>		
4	2011 AND 2009 GRC EXPENSES TO BE NORMALIZED	\$ 1,040,000	
5			
6	ANNUAL NORMALIZATION (LINE 4 ÷ 2 YEARS)	520,000	
7	LESS TEST YEAR EXPENSE	-	
8	INCREASE (DECREASE) EXPENSE	\$ 520,000	520,000
9			
10	<u>EXPENSES OF LAST 2 COMPLETED PCORCS</u>		
11	2013 AND 2007 PCORC EXPENSES TO BE NORMALIZED	\$ 273,000	
12			
13	ANNUAL NORMALIZATION (LINE 11 ÷ 4 YEARS)	68,250	
14	LESS TEST YEAR EXPENSE	93,010	
15	INCREASE (DECREASE) EXPENSE	\$ (24,760)	\$ (24,760)
16			
17			
18	TOTAL INCREASE (DECREASE) EXPENSE		\$ 495,240
19			
20	INCREASE(DECREASE) FIT @	35%	(173,334)
21	INCREASE(DECREASE) NOI		\$ (321,906)

PUGET SOUND ENERGY-ELECTRIC
BAD DEBTS
 FOR THE TWELVE MONTHS ENDED JUNE 30, 2015
 COMMISSION BASIS REPORT

LINE NO.	YEAR	NET	GROSS	SALES FOR	OTHER	SALES FOR	NET	PERCENT
		WRITEOFF'S	REVENUES	RESALE OTHER	OPERATING REVENUE	RESALE FIRM	REVENUES	WRITEOFFS TO REVENUE
		June	February	February	February	February	February	
1	12 ME 06/30/2012 and 2/28/2012	\$ 11,515,730	\$ 2,252,228,204	\$ 46,263,193	\$ 76,933,064	\$ 369,825	\$ 2,128,662,122	0.5410%
2	12 ME 06/30/2013 and 2/28/2013	\$ 14,303,772	\$ 2,139,849,885	\$ 23,404,895	\$ (4,205,235)	\$ 357,010	\$ 2,120,293,215	0.6746%
3	12 ME 06/30/2014 and 2/28/2014	\$ 16,933,464	\$ 2,168,129,074	\$ 61,281,977	\$ 22,000,393	\$ 352,692	\$ 2,084,494,011	0.8124%
4								
5	3-YR AVERAGE OF NET WRITE OFF RATE							0.6760%
6								
7	REPORTING PERIOD REVENUES		\$ 2,114,017,595	\$ 99,588,783	\$ 88,788,188	\$ 322,421	\$ 1,925,318,203	
8								
9	RESTATE BAD DEBT RATE						<u>0.6760%</u>	
10	RESTATE BAD DEBTS						\$ 13,015,151	
11								
12	UNCOLLECTIBLES CHARGED TO EXPENSE IN TEST YEAR						<u>17,023,569</u>	
13	INCREASE (DECREASE) EXPENSE							\$ (4,008,418)
14								
15	INCREASE (DECREASE) NOI							\$ 4,008,418
16	INCREASE (DECREASE) FIT						35%	1,402,946
17	INCREASE (DECREASE) NOI							<u>\$ 2,605,472</u>

PUGET SOUND ENERGY-ELECTRIC
INCENTIVE PLAN
FOR THE TWELVE MONTHS ENDED JUNE 30, 2015
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	ACTUAL	RESTATED	ADJUSTMENT
1	INCREASE(DECREASE) IN EXPENSE	\$ 7,174,925	\$ 6,973,822	\$ (201,103)
2				
3	PAYROLL TAXES ASSOCI WITH MERIT PAY	\$ 580,926	\$ 564,643	\$ (16,283)
4	INCREASE(DECREASE) IN EXPENSE	\$ 7,755,851	\$ 7,538,465	\$ (217,386)
5				
6	INCREASE (DECREASE) INCOME			217,386
7	INCREASE (DECREASE) FIT @		35%	76,085
8				
9	INCREASE (DECREASE) NOI			<u><u>\$ 141,301</u></u>

PUGET SOUND ENERGY-ELECTRIC
EXCISE TAX & FILING FEE
FOR THE TWELVE MONTHS ENDED JUNE 30, 2015
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	AMOUNT
1	RESTATED EXCISE TAXES	\$ 79,064,696
2	CHARGED TO EXPENSE FOR TEST YEAR	\$ 79,064,696
3	INCREASE(DECREASE) EXCISE TAX	\$ -
4		
5	RESTATED WUTC FILING FEE	\$ 3,976,601
6	CHARGED TO EXPENSE FOR TEST YEAR	4,018,209
7	INCREASE(DECREASE) WUTC FILING FEE	\$ (41,608)
8		
9	INCREASE(DECREASE) EXPENSE	\$ (41,608)
10		
11	INCREASE(DECREASE) OPERATING INCOME	\$ 41,608
12		
13	INCREASE(DECREASE) FIT	35% \$ 14,563
14		
15	INCREASE(DECREASE) NOI	<u>\$ 27,045</u>

PUGET SOUND ENERGY-ELECTRIC
D&O INSURANCE
FOR THE TWELVE MONTHS ENDED JUNE 30, 2015
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	TEST YEAR	RESTATED	ADJUSTMENT
1	D & O INS. CHG EXPENSE	\$ 143,565	\$ 124,908	\$ (18,657)
2				
3	INCREASE (DECREASE) IN EXPENSE	\$ 143,565	\$ 124,908	\$ (18,657)
4				
5	INCREASE (DECREASE) OPERATING INCOME			18,657
6				
7	INCREASE (DECREASE) FIT @		35%	6,530
8				
9	INCREASE (DECREASE) NOI			<u>\$ 12,127</u>

PAGE 3.12

PUGET SOUND ENERGY-ELECTRIC
MONTANA ENERGY TAX
FOR THE TWELVE MONTHS ENDED JUNE 30, 2015
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	AMOUNT
1	Actual KWh	4,556,049,000
2	Transmission Line Loss % for WECC	0.05
3	WETT Tax Rate	0.00015
4	WETT Tax	\$ 649,237
5		
6	EEELT Tax Rate	0.0002
7	EEELT Tax	\$ 911,210
8		
9	RESTATED ENERGY TAX	1,560,447
10	CHARGED TO EXPENSE	1,572,502
11	INCREASE (DECREASE) INCOME	\$ 12,055
12		
13	INCREASE (DECREASE) FIT @ 35%	4,219
14	INCREASE (DECREASE) NOI	\$ 7,836

PAGE 3.13

PUGET SOUND ENERGY-ELECTRIC
INTEREST ON CUSTOMER DEPOSITS
FOR THE TWELVE MONTHS ENDED JUNE 30, 2015
COMMISSION BASIS REPORT

LINE			
NO.	DESCRIPTION		AMOUNT
1	INTEREST EXPENSE FOR TEST YEAR	\$	22,839
2			
3			
4	INCREASE (DECREASE) NOI	<u>\$</u>	<u>(22,839)</u>

PUGET SOUND ENERGY-ELECTRIC
ASC 815
FOR THE TWELVE MONTHS ENDED JUNE 30, 2015
COMMISSION BASIS REPORT

LINE NO.		ACTUAL	RESTATED	ADJUSTMENT
1	ASC 815 OPERATING EXPENSE	\$ 98,617,014	\$ -	\$ (98,617,014)
2				
3	INCREASE (DECREASE) IN EXPENSE	\$ 98,617,014	\$ -	\$ (98,617,014)
4				
5	INCREASE (DECREASE) OPERATING INCOME			98,617,014
6				
7	INCREASE (DECREASE) DEFERRED FIT @	35%		34,515,955
8				
9	INCREASE (DECREASE) NOI			<u><u>\$ 64,101,059</u></u>

PUGET SOUND ENERGY-ELECTRIC
PENSION PLAN
FOR THE TWELVE MONTHS ENDED JUNE 30, 2015
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	ACTUAL	RESTATED	ADJUSTMENT
1	QUALIFIED RETIREMENT FUND	\$ 7,739,794	\$ 7,392,902	\$ (346,893)
2				
3	INCREASE (DECREASE) IN EXPENSE	\$ 7,739,794	\$ 7,392,902	\$ (346,893)
4				
5	INCREASE (DECREASE) INCOME			346,893
6	INCREASE (DECREASE) FIT @		35%	121,412
7				
8	INCREASE (DECREASE) NOI			<u>\$ 225,480</u>

PUGET SOUND ENERGY-ELECTRIC
INJURIES AND DAMAGES
FOR THE TWELVE MONTHS ENDED JUNE 30, 2015
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	ACTUAL	RESTATED	ADJUSTMENT
1	INJURIES & DAMAGES ACCRUALS	\$ 44,554	\$ 44,851	\$ 297
2	INJURIES & DAMAGES PAYMENTS IN EXCESS OF ACCRUALS	\$ 229,120	\$ 257,907	28,787
3	INCREASE/(DECREASE) IN EXPENSE	<u>273,674</u>	<u>302,758</u>	29,084
4				
5	INCREASE/(DECREASE) IN OPERATING EXPENSE (LINE 3)			\$ 29,084
6	INCREASE (DECREASE) FIT @		35%	<u>(10,180)</u>
7				
8	INCREASE (DECREASE) NOI			<u>\$ (18,904)</u>

PUGET SOUND ENERGY-ELECTRIC
WILD HORSE SOLAR
FOR THE TWELVE MONTHS ENDED JUNE 30, 2015
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	ACTUAL	RESTATED	ADJUSTMENT
1	<u>WILD HORSE SOLAR RATEBASE (AMA)</u>			
2	<u>UTILITY PLANT RATEBASE</u>			
3	PLANT BALANCE	\$ 4,536,235	\$ -	\$ (4,536,235)
4	ACCUM DEPRECIATION	(1,342,833)	-	1,342,833
5	DEFERRED INCOME TAX LIABILITY	(1,058,702)	-	1,058,702
6	NET WH SOLAR PLANT RATEBASE	2,134,700	-	(2,134,700)
7				
8	<u>WILD HORSE SOLAR OPERATING EXPENSE</u>			
9	DEPRECIATION EXPENSE	188,086		(188,086)
10				
11	INCREASE (DECREASE) EXPENSE	<u>\$ 188,086</u>	<u>\$ -</u>	<u>\$ (188,086)</u>
12				
13	INCREASE (DECREASE) FIT @		35%	65,830
14	INCREASE (DECREASE) NOI			<u>\$ 122,256</u>

PUGET SOUND ENERGY-ELECTRIC
CONVERSION FACTOR
FOR THE TWELVE MONTHS ENDED JUNE 30, 2015
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	RATE
1	BAD DEBTS	0.006760
2	ANNUAL FILING FEE	0.002000
3	STATE UTILITY TAX ((1 - LINE 1) * 3.8734%)	3.8734% 0.038472
4		
5	SUM OF TAXES OTHER	0.047232
6		
7	CONVERSION FACTOR EXCLUDING FEDERAL INCOME TAX (1 - LINE 5)	0.952768
8	FEDERAL INCOME TAX ((1 - LINE 5) * 35%)	35% 0.333469
9	CONVERSION FACTOR (1 - LINE 8)	0.619299

Gas Commission Basis Report Cover Letter
June 30, 2015

Page 1.01

		<u>Adjusted Results of Operations</u>
Restated Net Operating Income	a	\$ 137,371,038
Restated Rate Base	b	\$ 1,689,080,790
Normalized Overall Rate of Return	c=a/b	8.13%
Restated Net Operating Income	d=a	\$ 137,371,038
Restated Interest Expense	e	\$ 53,881,677
Restated NOI less Restated Interest Exp	f=d-e	\$ 83,489,361
Restated Rate Base	g=b	\$ 1,689,080,790
Actual Equity Percent	h	47.98%
Equity Rate Base	i=g*h	\$ 810,420,963
Restated Return on Actual Equity	j=f/i	10.30%

PUGET SOUND ENERGY, INC.

Utility Capital Structure
 Cost of Capital and Rate of Return
 For The 12 Months Ending June 30, 2015

1	(A)	(B)	(C)	(D)	(E)
2					
3					Weighted
4					Cost of
5	<u>Description</u>	<u>Amount (i)</u>	<u>Ratio</u>	<u>Cost</u>	<u>Capital</u>
6					
7	Short Term Debt	\$48,727,252	0.66%	6.26%	0.04% (A)
8					
9	Long Term Debt	\$3,797,066,463	51.36%	6.13%	3.15% (A)
12					
13	Common Stock	<u>\$3,547,552,396</u>	<u>47.98%</u>	9.80%	<u>4.70%</u>
14					
16	Total	<u>\$7,393,346,111</u>	<u>100.00%</u>		<u>7.89%</u>
18					
19					
21	(i) - Average of Month-End Balances			Total (A)	3.19%

PUGET SOUND ENERGY
PERIODIC ALLOCATED RESULTS OF OPERATIONS
FOR THE 12 MONTHS ENDED JUNE 30, 2015

(Common cost is spread based on allocation factors developed for the 12 ME 06/30/2015)

	Electric	Gas	Total Amount
1 - OPERATING REVENUES:			
2 - SALES TO CUSTOMERS	\$ 1,925,318,203	\$ 909,115,970	\$ 2,834,434,173
3 - SALES FOR RESALE-FIRM	322,421	0	322,421
4 - SALES TO OTHER UTILITIES	99,588,783	-	99,588,783
5 - OTHER OPERATING REVENUES	88,788,188	66,168,034	154,956,221
6 - TOTAL OPERATING REVENUES	\$ 2,114,017,595	\$ 975,284,003	\$ 3,089,301,598
7			
8 - OPERATING REVENUE DEDUCTIONS:			
9			
10 - POWER COSTS:			
11 - FUEL	\$ 256,930,159	\$ -	\$ 256,930,159
12 - PURCHASED AND INTERCHANGED	431,346,431	427,010,945	858,357,376
13 - WHEELING	109,757,578	-	109,757,578
14 - RESIDENTIAL EXCHANGE	(148,179,755)	-	(148,179,755)
15 - TOTAL PRODUCTION EXPENSES	\$ 649,854,414	\$ 427,010,945	\$ 1,076,865,358
16			
17 - OTHER ENERGY SUPPLY EXPENSES	\$ 111,506,225	\$ 2,062,221	\$ 113,568,447
18 - TRANSMISSION EXPENSE	21,941,673	335	21,942,008
19 - DISTRIBUTION EXPENSE	80,373,356	50,493,246	130,866,601
20 - CUSTOMER ACCTS EXPENSES	56,025,514	32,997,939	89,023,453
21 - CUSTOMER SERVICE EXPENSES	19,032,771	6,378,172	25,410,942
22 - CONSERVATION AMORTIZATION	97,536,361	9,216,670	106,753,031
23 - ADMIN & GENERAL EXPENSE	111,859,877	49,074,058	160,933,935
24 - DEPRECIATION	259,607,776	114,805,312	374,413,088
25 - AMORTIZATION	45,150,536	11,671,061	56,821,598
26 - AMORTIZ OF PROPERTY LOSS	19,191,741	0	19,191,741
27 - OTHER OPERATING EXPENSES	(55,256,044)	(45,370)	(55,301,414)
28 - FAS 133	98,617,014	0	98,617,014
29 - TAXES OTHER THAN INCOME TAXES	207,250,971	99,494,590	306,745,562
30 - INCOME TAXES	0	0	0
31 - DEFERRED INCOME TAXES	115,314,881	60,414,214	175,729,095
32 - TOTAL OPERATING REV. DEDUCT.	\$ 1,838,007,066	\$ 863,573,392	\$ 2,701,580,459
NET OPERATING INCOME	\$ 276,010,528	\$ 111,710,611	\$ 387,721,139

**PUGET SOUND ENERGY
BALANCE SHEET
COMMISSION BASIS REPORT
As of JUNE 30, 2015**

FERC Account and Description	Jun-15	June 15 AMA
*ASSETS		
**UTILITY PLANT		
***Electric Plant		
101 Electric Plant in Service	9,010,722,793	8,905,110,992
105 Electric Plant Held for Future Use	51,865,081	49,566,502
106 Comp.Construction Not Classfd.-Electric	34,091,015	34,861,674
107 Construction Work in Prog. - Electric	196,463,275	190,797,056
114 Electric Plant Acquisition Adjustments	282,791,675	282,791,675
***Total Electric Plant	9,575,933,838	9,463,127,899
***Gas Plant		
101 Gas Plant in Service	3,230,126,554	3,169,391,406
105 Gas Plant Held for Future Use	6,138,574	5,717,185
106 Comp. Construction Not Classfd. - Gas	48,431,138	44,300,560
107 Construction Work in Progress - Gas	60,395,661	54,455,488
117.3 Gas Strd.in Resvr.& Pipln.-Noncurr.	8,654,564	8,654,564
***Total Gas Plant	3,353,746,492	3,282,519,204
***Common Plant		
101 Plant in Service - Common	467,731,836	461,189,565
101.1 Property Under Capital Leases	1,134,693	9,283,073
106 Comp Construction Not Classified - Common	449,386	1,774,036
107 Construction Work in Progress - Common	42,225,864	27,483,243
***Total Common Plant	511,541,778	499,729,916
***Accumulated Depreciation and Amortization		
108 Accumulated Provision for Depreciation	(4,655,567,200)	(4,553,735,099)
111 Accumulated Provision for Amortization	(122,055,652)	(119,185,588)
115 Accm.Priv.for Amort.of Plant Acquis.Adj.	(106,246,155)	(100,883,606)
***Less: Accumulated Depr and Amortizat	(4,883,869,007)	(4,773,804,293)
**NET UTILITY PLANT	8,557,353,101	8,471,572,726
**OTHER PROPERTY AND INVESTMENTS		
***Other Investments		
121 Nonutility Property	4,966,332	5,044,731
122 Accm.Prov.for Depr.& Amort.Non-utility P	(422,402)	(404,520)
123.1 Investment in Subsidiary Companies	29,622,649	32,700,840
124 Other Investments	50,829,506	51,975,028
***Total Other Investments	84,996,085	89,316,079
**TOTAL OTHER PROPERTY AND INVESTMENT	84,996,085	89,316,079

**PUGET SOUND ENERGY
BALANCE SHEET
COMMISSION BASIS REPORT
As of JUNE 30, 2015**

FERC Account and Description	Jun-15	June 15 AMA
**CURRENT ASSETS		
***Cash		
131 Cash	6,690,762	17,003,346
134 Other Special Deposits	7,875,142	34,970,432
135 Working Funds	3,762,335	3,695,418
136 Temporary Cash Investments	-	52,916,667
***Total Cash	18,328,240	108,585,862
***Restricted Cash		
***Total Restricted Cash	-	-
***Accounts Receivable		
141 Notes Receivable	3,336,180	1,571,136
142 Customer Accounts Receivable	146,558,085	171,883,560
143 Other Accounts Receivable	79,325,985	84,737,565
146 Accounts Receiv.from Assoc. Companies	702,460	671,825
171 Interest and Dividends Receivable	-	-
173 Accrued Utility Revenues	135,623,851	144,029,250
185 Temporary Facilities	5,789	13,781
191 Unrecovered Purchased Gas Costs	(14,889,668)	11,627,151
***Total Accounts Receivable	350,662,684	414,534,268
***Allowance for Doubtful Accounts		
144 Accm.Prov.for Uncollectible Accts-Credit	(9,128,600)	(8,815,498)
***Less: Allowance for Doubtful Accounts	(9,128,600)	(8,815,498)
***Materials and Supplies		
151 Fuel Stock	20,576,393	19,644,235
154 Plant Materials and Operating Supplies	78,213,451	78,492,714
156 Other Materials and Supplies	88,029	133,348
158.1 Carbon Allowances	34,267	18,561
163 Stores Expense Undistributed	5,245,881	5,247,230
164.1 Gas Stored - Current	34,657,341	40,884,280
164.2 Liquefied Natural Gas Stored	600,257	612,544
***Total Materials and Supplies	139,415,619	145,032,912
***Unrealized Gain-Derivative Instrumnts (ST)		
175 Invest in Derivative Instrumnts -Opt ST	17,950,978	16,213,989
176 Invest in Derivative Instrumnts-Gain ST	-	-
***Unrealized Gain on Derivatives (ST)	17,950,978	16,213,989
***Prepayments and Other Current Assets		
165 Prepayments	20,399,852	18,722,339
174 Misc.Current and Accrued Assets	3,766,264	4,803,525
186 Miscellaneous Deferred Debits	7,510	2,323
***Total Prepayments & Othr.Curr.Assets	24,173,626	23,528,187
Current Deferred Taxes		
Total Current Deferred Taxes	599,293,975	568,503,601
**TOTAL CURRENT ASSETS	1,140,696,521	1,267,583,322

**PUGET SOUND ENERGY
BALANCE SHEET
COMMISSION BASIS REPORT
As of JUNE 30, 2015**

FERC Account and Description	Jun-15	June 15 AMA
**LONG-TERM ASSETS		
128 Pension Assets	20,161,718	41,495,548
165 Long-Term Prepaid	3,023,585	4,437,544
175 Invest in Derivative Instrumnts -Opt LT	3,136,760	3,764,581
176 Invest in Derivative Instrumnts-Gain LT	-	-
181 Unamortized Debt Expense	31,365,588	29,176,980
182.1 Extraordinary Property Losses	111,296,772	111,688,739
182.2 Unrecovered Plant & Reg Study Costs	12,925,191	9,940,953
Subtotal WUTC AFUDC	52,755,305	53,706,683
182.3 Other Regulatory Assets	569,909,874	570,370,443
183 Prelm. Survey and Investigation Charges	-	82,803
184 Clearing Accounts	20,574	(409,326)
186 Miscellaneous Deferred Debits	239,520,016	214,538,814
187 Def.Losses from Dispos.of Utility Plant	565,440	470,884
189 Unamortized Loss on Reacquired Debt	46,378,322	36,163,817
**TOTAL LONG-TERM ASSETS	1,091,059,145	1,075,428,463
*TOTAL ASSETS	\$ 10,874,104,852	\$ 10,903,900,589
*CAPITALIZATION AND LIABILITIES		
**CURRENT LIABILITIES		
230 Asset Retirement Obligations	(2,185,752)	(2,256,587)
244 FAS 133 Opt Unrealized Loss ST	(124,139,068)	(88,473,121)
245 FAS 133 Unrealized Loss ST	-	(994,221)
231 Notes Payable	-	(21,000,000)
232 Accounts Payable	(236,698,412)	(248,920,676)
233 Notes Payable to Associated Companies	-	(27,727,253)
234 Accounts Payable to Asscted Companies	-	-
235 Customer Deposits	(25,854,989)	(25,468,390)
236 Taxes Accrued	(99,229,972)	(99,773,948)
237 Interest Accrued	(47,423,872)	(59,629,036)
238 Dividends Declared	-	-
241 Tax Collections Payable	(1,611,952)	(1,864,557)
242 Misc. Current and Accrued Liabilities	(25,787,957)	(27,090,582)
243 Obligations Under Cap.Leases - Current	(1,134,693)	(7,309,613)
**TOTAL CURRENT LIABILITIES	(564,066,665)	(610,507,983)
**DEFERRED TAXES		
***Reg. Liability for Def.Income Tax		
253 Other Deferred Credits	(74,425,943)	(111,480,616)
283 Accum.Deferred Income Taxes - Other	(74,425,943)	(111,480,616)
***Total Reg.Liab.for Def.Income Tax		
***Deferred Income Tax		
255 Accum.Deferred Investment Tax Credits	-	-
282 Accum. Def. Income Taxes - Other Prop.	(1,736,067,029)	(1,699,597,677)
283 Accum.Deferred Income Taxes - Other	(292,180,002)	(257,134,405)
***Total Deferred Income Tax	(2,028,247,031)	(1,956,732,082)
**TOTAL DEFERRED TAXES	(2,028,247,031)	(1,956,732,082)
**OTHER DEFERRED CREDITS		
Subtotal 227 Oblig Under Cap Lease - Noncurr	-	(1,973,460)

**PUGET SOUND ENERGY
BALANCE SHEET
COMMISSION BASIS REPORT
As of JUNE 30, 2015**

<u>FERC Account and Description</u>	<u>Jun-15</u>	<u>June 15 AMA</u>
Total Unrealized Loss on Derivatives -LT	(43,609,454)	(41,463,169)
228.2 Accum. Prov.for Injuries and Damages	(252,500)	(934,479)
228.3 Pension and Post Retirement Liabilities	(121,107,511)	(95,086,208)
228.4 Accum. Misc.Operating Provisions	(304,774,689)	(319,184,167)
229 Accum Provision for Rate Refunds	-	-
230 Asset Retirement Obligations (FAS 143)	(82,402,040)	(48,399,500)
252 Customer Advances for Construction	(71,435,258)	(65,026,537)
253 Other Deferred Credits	(332,629,683)	(347,351,150)
254 Other Regulatory Liabilities	(123,334,076)	(146,993,084)
256 Def. Gains from Dispos.of Utility Plt	(519,058)	(742,223)
257 Unamortized Gain on Reacquired Debt	-	-
**TOTAL OTHER DEFERRED CREDITS	<u>(1,080,064,269)</u>	<u>(1,067,153,975)</u>
**CAPITALIZATION		
***SHAREHOLDER'S EQUITY		
****Common Equity		
201 Common Stock Issued	(859,038)	(859,038)
207 Premium on Capital Stock	(478,145,250)	(478,145,250)
210 Gain on Resale/Cancel.of Reacq.Cap.Stk	(2,804,096,691)	(2,776,400,858)
214 Capital Stock Expense	7,133,879	7,133,879
215 Appropriated Retained Earnings	(11,888,577)	(11,757,200)
216 Unappropriated Retained Earnings	(211,452,684)	(255,528,022)
216.1 Unappr.Undistrib.Subsidiary Earnings	14,874,795	11,796,605
219 Other Comprehensive Income	162,637,601	131,597,731
433 Balance Transferred from Income	(171,799,361)	(162,252,678)
438 Dividends Declared - Common Stock	144,386,582	167,606,751
439 Adjustments to Retained Earnings	5,848,610	5,848,610
****Total Common Equity	<u>(3,343,360,134)</u>	<u>(3,360,959,470)</u>
***TOTAL SHAREHOLDER'S EQUITY	(3,343,360,134)	(3,360,959,470)
***REDEEMABLE SECURITIES AND LONG-TERM DEBT		
****Preferred Stock - Manditorily Redeemable	-	-
****Total Preferred Stock - Mand Redeem	-	-
****Corporation Obligated, Mand Redeemable Preferred Stock Subscribed	-	-
****Corporation Obligated, Mand Redeem	-	-
****Long-term Debt		
221 Junior Subordinated Debt	(250,000,000)	(250,000,000)
221 Bonds	(3,535,860,000)	(3,547,318,333)
226 Unamort.Disct. on Long-term Debt-Debit Long-term Debt	<u>1,919,191</u>	<u>251,870</u>
****Long-term Debt	(3,783,940,810)	(3,797,066,463)
***REDEEMABLE SECURITIES AND LTD	(3,783,940,810)	(3,797,066,463)
**TOTAL CAPITALIZATION	(7,127,300,943)	(7,158,025,933)
*TOTAL CAPITALIZATION AND LIABILITIES	<u>\$ (10,874,104,852) \$</u>	<u>(10,903,900,589)</u>

**Puget Sound Energy
Gas Rate Base
As of June 30, 2015**

	4-Factor Allocation	NOL
Electric	68.46%	55.67%
Gas	31.54%	44.33%

Line No.	Description	AMA 06/30/15
1	Gas Utility Plant in Service	3,211,089,452
2	Common Plant-Allocation to Gas	143,212,798
3	Gas Stored Underground - Non current	8,654,564
4	Total Plant in Service and Other Assets	<u>3,362,956,814</u>
5	Accumulated Provision for Depreciation	(1,200,343,290)
7	Common Accumulated Depreciation-Allocation to Gas	(55,148,801)
8	Customer Advances for Construction	(20,901,779)
9	Contributions in Aid of Construction - Accum. Def. FIT.	-
10	Liberalized Depreciation Total Accum. Def. FIT - Liberalize	(478,975,090)
11	NOL Carryforward	30,977,792
12	Customer Deposits	<u>(6,905,867)</u>
12	Accumulated Depreciation and Other Liabilities	<u>(1,731,297,035)</u>
13	Net Operating Investment	<u>1,631,659,779</u>
14	Allowance for Working Capital	<u>57,421,011</u>
15	Total Gas Rate Base	<u><u>1,689,080,790</u></u>

Puget Sound Energy
Commission Basis Report
Combined Working Capital
30-Jun-15

Page 2.04

Line No.	Description	AMA 6/30/2015
1	Average Invested Capital	
2	Common Stock	\$ 859,038
3	Preferred Stock	-
4	Additional Paid in Capital	3,246,920,654
5	Unamortized Debt Expense	(26,267,854)
6	Unappropriated Retained Earnings	287,484,203
7	Notes Payable - Misc	-
8	Long Term Debt	3,797,066,463
9	Short Term Debt	48,727,253
10	Accumulated Deferred ITC	-
11	Treasury Grants	182,270,710
12	Deferred Debits-Other	-
13	Unamortized Gain/Loss on Debt	(36,163,817)
14	Total Average Invested Capital	7,500,896,650
15		
16	Average Operating Investments - Electric	
17		
18	Plant in Service (includes acquisition adj)	9,180,981,809
19	Electric Future Use Property	49,566,502
20	Customer Advances for Construction	(44,308,519)
21	Customer Deposits	(18,562,253)
22	Deferred Taxes	(1,011,993,938)
23	Deferred Debits/Credits - Other	240,113,820
24	Less: Accumulated Depreciation	(3,398,607,480)
25	Conservation Investment	(110,064,991)
26	Common Plant-Allocation to Electric	310,854,411
27	Common Accum Depr-Allocation to Electric	(119,704,721)
28	Common Deferred Taxes-Allocation to Electric	(26,006,632)
29	NOL Carryforward	103,701,651
30	Total Average Operating Investment - Electric	5,155,969,659
31		
32	Average Operating Investments - Gas	
33		
34	Gas Utility Plant in Service	3,211,089,452
35	Deferred Items - Other	56,798,161
36	Gas Stored Underground, Non-Current	8,654,564
37	Gas Accumulated Depreciation	(1,200,343,290)
38	Gas Customer Advances for Construction	(20,901,779)
39	Gas Customer Deposits	(6,905,867)
40	DFIT 17	(480,922,397)
41	PGA	11,627,151
42	Common Plant-Allocation to Gas	143,212,798
43	Common Accumulated Depreciation-Allocation to Gas	(55,148,801)
44	Common Deferred Tax	(11,981,437)
45	NOL Carryforward	30,977,792
46	Total Average Operating Investment - Gas	1,686,156,347
47		
48	Total Electric & Gas Operating Investment	6,842,126,006
49		
50	Construction Work in Progress	
51		
52	Elec Construction Work in Process	209,612,084
53	Gas Construction Work in Process	63,123,703
54	Other Work in Process	1,226,219
55	Electric Preliminary Surveys	82,803

Puget Sound Energy
Commission Basis Report
Combined Working Capital
30-Jun-15

Page 2.04

Line No.	Description	AMA 6/30/2015
56	Total Construction Work in Progress	274,044,809
57		
58	Nonoperating	
59		
60	Non-Utility Property	4,640,211
61	Investment in Associated Companies	31,399,204
62	Other Investments & FAS 133	(12,331,732)
63	Deferred Items-Other	194,451,823
64	Deferred Federal Income Tax	(75,856,346)
65	Investment Tracking Funds	4,354,098
66	Environmental Receivables	-
67	Current Accounts - Gas Allocation only	-
68	Merchandising Inventory - Gas Only	67,586
69	Total Non Operating Investment	146,724,844
70		
71	Total CWIP & Nonoperating Investment	420,769,653
72		
73	Total Average Investments	7,262,895,660
74	Rounding	
75	Total Investor Supplied Capital	\$ 238,000,990
Allocation of Working Capital		
Electric Working Capital		
	Total Investment	\$ 7,262,895,660
	Less: Electric CWIP	(209,612,084)
	Less: Gas	(63,123,703)
	Interest Bearing Regulatory Assets	
	Other Work in Progress	(1,226,219)
	Preliminary Surveys	(82,803)
	Total	6,988,850,851
	Electric Working Capital Ratio	3.4054%
	Electric Working Capital	\$ 175,583,356
Gas Working Capital		
	Total Investment	7,262,895,660
	Less: Electric CWIP	(209,612,084)
	Less: Gas CWIP	(63,123,703)
	Interest Bearing Regulatory Assets	
	Other Work in Progress	(1,226,219)
	Preliminary Surveys	(82,803)
	Total	6,988,850,851
	Gas Working Capital Ratio	3.4054%
	Gas Working Capital	\$ 57,421,011
	Non Operating Working Capital	\$ 4,996,624

PUGET SOUND ENERGY-ELECTRIC & GAS
FOR THE TWELVE MONTHS ENDED JUNE 30, 2015
ALLOCATION METHODS

<u>Method</u>	<u>Description</u>		<u>Electric</u>	<u>Gas</u>	<u>Total</u>
1	* <u>12 Month Average Number of Customers</u>	6/30/2015	1,097,419	790,184	1,887,603
	Percent		58.14%	41.86%	100.00%
2	* <u>Joint Meter Reading Customers</u>	6/30/2015	742,598	446,850	1,189,448
	Percent		62.43%	37.57%	100.00%
3	* <u>Non-Production Plant</u>				
	Distribution	6/30/2015	3,349,788,280	3,105,258,273	\$ 6,455,046,553
	Transmission	6/30/2015	1,344,167,397	-	1,344,167,397
	Direct General Plant	6/30/2015	210,437,608	32,110,384	242,547,992
	Total		\$ 4,904,393,285	\$ 3,137,368,657	\$ 8,041,761,942
	Percent		60.99%	39.01%	100.00%
4	* <u>4-Factor Allocator</u>				
	Number of Customers	6/30/2015	1,097,419	790,184	1,887,603
	Percent		58.14%	41.86%	100.00%
	Labor - Direct Charge to O&M	6/30/2015	52,399,874	21,593,934	\$ 73,993,808
	Percent		70.82%	29.18%	100.00%
	T&D O&M Expense (Less Labor)	6/30/2015	67,217,589	27,041,773	\$ 94,259,362
	Percent		71.31%	28.69%	100.00%
	Net Classified Plant (Excluding General (Common) Plant)	6/30/2015	5,461,591,072	1,960,843,365	7,422,434,437
	Percent		73.58%	26.42%	100.00%
	Total Percentages		273.85%	126.15%	400.00%
	Percent		68.46%	31.54%	100.00%
5	* <u>Employee Benefits</u>				
	Direct Labor Accts 500-935	6/30/2015	58,273,481	24,626,632	82,900,113
	Total		\$ 58,273,481	\$ 24,626,632	\$ 82,900,113
	Percent		70.29%	29.71%	100.00%

**PUGET SOUND ENERGY-GAS
RESULTS OF OPERATIONS
FOR THE TWELVE MONTHS ENDED JUNE 30, 2015
COMMISSION BASIS REPORT**

LINE NO.	ACTUAL RESULTS OF OPERATIONS	TOTAL ADJUSTMENTS	RESTATED RESULTS OF OPERATIONS
1	<u>OPERATING REVENUES:</u>		
2	\$ 867,219,672	\$ (48,720,648)	\$ 818,499,025
3	41,896,298	(41,896,298)	-
4	66,168,034	4,464,386	70,632,419
5	<u>\$ 975,284,003</u>	<u>\$ (86,152,559)</u>	<u>\$ 889,131,444</u>
6			
7			
8	<u>OPERATING REVENUE DEDUCTIONS:</u>		
9			
10	<u>GAS COSTS:</u>		
11			
12	\$ 427,010,945	\$ (18,561,267)	\$ 408,449,677
13			
14	<u>\$ 427,010,945</u>	<u>\$ (18,561,267)</u>	<u>\$ 408,449,677</u>
15			
16	\$ 2,062,221	\$ (92,283)	\$ 1,969,939
17	335	-	335
18	50,493,246	-	50,493,246
19	32,997,939	(1,481,910)	31,516,029
20	6,378,172	(4,337,616)	2,040,556
21	9,216,670	(9,216,670)	-
22	49,074,058	(239,988)	48,834,070
23	114,805,312	0	114,805,312
24	11,671,061	-	11,671,061
25	-	-	-
26	(45,370)	-	(45,370)
27	99,494,590	(63,729,792)	35,764,798
28	0	24,228,998	24,228,998
29	60,414,214	(38,382,459)	22,031,755
30	<u>\$ 436,562,448</u>	<u>\$ (93,251,719)</u>	<u>\$ 343,310,729</u>
31			
32	\$ 111,710,611	\$ 25,660,427	\$ 137,371,038
33			
34	\$ 1,689,080,790	\$0	\$ 1,689,080,790
35			
36	6.61%		8.13%
37			
38	<u>RATE BASE:</u>		
39	\$ 3,362,956,814	\$ -	\$ 3,362,956,814
40	(1,255,492,091)	-	(1,255,492,091)
41	(447,997,298)	-	(447,997,298)
42	(27,807,646)	-	(27,807,646)
43	<u>\$ 1,631,659,779</u>	<u>\$ -</u>	<u>\$ 1,631,659,779</u>
44	57,421,011	-	57,421,011
45	<u>\$ 1,689,080,790</u>	<u>\$ -</u>	<u>\$ 1,689,080,790</u>

PUGET SOUND ENERGY-GAS
STATEMENT OF OPERATING INCOME AND ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED JUNE 30, 2015
COMMISSION BASIS REPORT

LINE NO.	ACTUAL RESULTS OF OPERATIONS 12 ME. June 30, 2015	TEMPERATURE NORMALIZATION Adj 3.01	REVENUE & EXPENSE Adj 3.02	FEDERAL INCOME TAX Adj 3.03	TAX BENEFIT OF RESTATEMENT Adj 3.04	PASS-THROUGH REVENUE & EXPENSE Adj 3.05	RATE CASE EXPENSES Adj 3.06	BAD DEBITS Adj 3.07
1	OPERATING REVENUES							
2	SALES TO CUSTOMERS	\$ 867,219,672	\$ 2,472,437	\$ -	\$ -	\$(51,452,083)		\$ -
3	MUNICIPAL ADDITIONS	41,896,298				(41,896,298)		
4	OTHER OPERATING REVENUES	66,168,034	7,494,995			(3,030,609)		
5	TOTAL OPERATING REVENUES	\$ 975,284,003	\$ 9,967,432	\$ -	\$ -	\$(96,378,989)		\$ -
6								
7	OPERATING REVENUE DEDUCTIONS:							
8								
9								
10	GAS COSTS:							
11								
12	PURCHASED GAS	\$ 427,010,945	\$ -	\$ -	\$ -	\$(18,561,267)		\$ -
13								
14	TOTAL PRODUCTION EXPENSES	\$ 427,010,945	\$ -	\$ -	\$ -	\$(18,561,267)		\$ -
15								
16	OTHER ENERGY SUPPLY EXPENSES	\$ 2,062,221	\$ -	\$ -	\$ -	\$(92,283)		\$ -
17	TRANSMISSION EXPENSE	335						
18	DISTRIBUTION EXPENSE	50,493,246						
19	CUSTOMER ACCTS EXPENSES	32,997,939	1,285			(478,136)		(1,025,850)
20	CUSTOMER SERVICE EXPENSES	6,378,172				(4,337,616)		
21	CONSERVATION AMORTIZATION	9,216,670				(9,216,670)		
22	ADMIN & GENERAL EXPENSE	49,074,058	518			(192,758)		520,000
23	DEPRECIATION	114,805,312						
24	AMORTIZATION	11,671,061						
25	AMORTIZATION OF PROPERTY LOSS	-						
26	OTHER OPERATING EXPENSES	(45,370)						
27	TAXES OTHER THAN F.I.T.	99,494,590	9,927			(63,828,181.79)		
28	FEDERAL INCOME TAXES	86,544	86,544	39,057,254	(18,858,587)	114,773		359,048
29	DEFERRED INCOME TAXES	60,414,214		(38,382,459)				
30	TOTAL OPERATING REV. DEDUCT.	\$ 436,562,448	\$ 98,274	\$ 674,795	\$(18,858,587)	\$(78,030,872)	\$ 338,000	\$(666,802)
31								
32	NET OPERATING INCOME	\$ 111,710,611	\$ 160,724	\$(674,795)	\$ 18,858,587	\$ 213,150	\$(338,000)	\$ 666,802
33								
34	RATE BASE	\$ 1,689,080,790						
35								
36	RATE OF RETURN	6.61%						
37								
38	RATE BASE:							
39	UTILITY PLANT IN SERVICE AND OTHER ASSETS	\$ 3,362,956,814	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40	ACCUMULATED DEPRECIATION	(1,255,492,091)						
41	ACCUMULATED DEFERRED FIT - LIBERALIZED	(447,997,298)						
42	DEPRECIATION AND OTHER LIABILITIES	(27,807,646)						
43	TOTAL NET INVESTMENT	\$ 1,631,659,779	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
44	ALLOWANCE FOR WORKING CAPITAL	57,421,011						
45	TOTAL RATE BASE	\$ 1,689,080,790	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PUGET SOUND ENERGY-GAS
TEMPERATURE NORMALIZATION
FOR THE TWELVE MONTHS ENDED JUNE 30, 2015
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	ACTUAL	RESTATED	ADJUSTMENT
1	TEMPERATURE NORMALIZATION ADJUSTMENT:			
2		ACTUAL	TEMP ADJ	THERMS
3		<u>THERMS</u>	<u>THERMS</u>	<u>CHANGE</u>
4	Jul-14	15,952,499	15,952,499	0
5	Aug-14	16,167,667	16,167,667	0
6	Sep-14	16,454,868	16,986,321	531,453
7	Oct-14	18,273,115	19,949,263	1,676,148
8	Nov-14	21,027,459	21,156,222	128,763
9	Dec-14	23,021,507	24,662,103	1,640,596
10	Jan-15	20,194,899	21,195,875	1,000,976
11	Feb-15	20,523,958	22,295,142	1,771,184
12	Mar-15	22,694,410	24,089,843	1,395,433
13	Apr-15	20,674,507	20,957,948	283,441
14	May-15	19,663,517	20,341,640	678,123
15	Jun-15	18,934,885	19,821,306	886,421
16		<u>233,583,290</u>	<u>243,575,828</u>	<u>9,992,538</u>
17	REVENUE ADJUSTMENT:			
18				
19	TRANS. INTERRUPT WITH FIRM OPTION - COM		85T	71,804
20	TRANS. NON-EXCLUS INTER W/ FIRM OPTION - COM		87T	28,090
21	INTERRUPTIBLE WITH FIRM OPTION - COM		85	91,080
22	NON-EXCL INTERRUPT W/ FIRM OPTION - COM		87	34,800
23	SPECIAL CONTRACTS		SC	<u>33,224</u>
24	INCREASE (DECREASE) SALES TO CUSTOMERS			\$ 258,998
25				
26	OPERATING EXPENSES:			
27	PURCHASED GAS COSTS			<u>0</u>
28				\$ -
29	UNCOLLECTIBLES @		0.49610%	\$ 1,285
30	ANNUAL FILING FEE @		0.20000%	<u>518</u>
31	INCREASE (DECREASE) EXPENSE			1,803
32				
33	STATE UTILITY TAX @		3.83290%	<u>\$ 9,927</u>
34	INCREASE (DECREASE) TAXES OTHER			<u>9,927</u>
35				
36	INCREASE (DECREASE) OPERATING INCOME			247,268
37				
38	INCREASE (DECREASE) FIT @		35%	<u>86,544</u>
39	INCREASE (DECREASE) NOI			<u><u>\$ 160,724</u></u>

PUGET SOUND ENERGY-GAS
REVENUE & EXPENSE RESTATING
FOR THE TWELVE MONTHS ENDED JUNE 30, 2015
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	ADJUSTMENT	
1	SALES TO CUSTOMERS:		
2	RESTATING ADJUSTMENTS:		
3	REMOVE TEST YEAR EARNINGS SHARING ACCRUAL	\$	1,883,305
4			
5	REMOVE 24 MONTH GAAP RESERVE		5,193,960
6	DECOUPLING DEFERRAL CORRECTION - 2014		365,615
7	TOTAL INCREASE (DECREASE) RESTATING ADJUSTMENTS		\$ 7,442,879
8	SALES TO CUSTOMERS:		
9	REMOVE RENTALS ASSOC WITH SCH 132		2,472,437
10	OTHER OPERATING REVENUES:		
11	REMOVE RENTALS ASSOC WITH SCH 132		52,115
12			
13	TOTAL INCREASE (DECREASE) OPERATING REVENUES		\$ 2,524,553
14			
15	TOTAL INCREASE (DECREASE) REVENUES		9,967,432
16			
17	UNCOLLECTIBLES @	0.49610%	12,524
18	ANNUAL FILING FEE @	0.20000%	5,049
19	INCREASE (DECREASE) EXPENSE		17,573
20			
21	STATE UTILITY TAX @	3.83290%	\$ 96,764
22			
23	INCREASE (DECREASE) TAXES OTHER		96,764
24			
25	INCREASE (DECREASE) OPERATING INCOME		9,853,095
26	INCREASE (DECREASE) FIT @	35%	3,448,583
27	INCREASE (DECREASE) NOI		\$ 6,404,512

Adj 3.03

PUGET SOUND ENERGY-GAS
FEDERAL INCOME TAX
FOR THE TWELVE MONTHS ENDED JUNE 30, 2015
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	AMOUNT
1	TAXABLE INCOME	\$ 111,592,154
2		
3	FEDERAL INCOME TAX @	35%
4	CURRENTLY PAYABLE	\$ 39,057,254
5		
6	DEFERRED FIT - DEBIT	22,031,755
7	DEFERRED FIT - OTHER	-
8	TOTAL RESTATED FIT	<u>61,089,009</u>
9		
10	FIT PER BOOKS	
11	CURRENTLY PAYABLE	-
12	DEFERRED FIT - DEBIT	693,928,091
13	DEFERRED FIT - CREDIT	(633,513,877)
14	DEFERRED FIT - INV TAX CREDIT, NET OF AMORTIZATION	<u>-</u>
15		
16	TOTAL CHARGED TO EXPENSE	60,414,214
17		
18	INCREASE(DECREASE) FIT	\$ 39,057,254
19	INCREASE(DECREASE) DEFERRED FIT	(38,382,459)
20	INCREASE(DECREASE) ITC	-
21	INCREASE(DECREASE) NOI	<u><u>\$ (674,795)</u></u>

Adj 3.04

PUGET SOUND ENERGY-GAS
TAX BENEFIT OF RESTATED INTEREST
FOR THE TWELVE MONTHS ENDED JUNE 30, 2015
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	AMOUNT
1	RATE BASE	\$ 1,689,080,790
2		
3	NET RATE BASE	<u>\$ 1,689,080,790</u>
4		
5	WEIGHTED COST OF DEBT	<u>3.19%</u>
6	RESTATED INTEREST	\$ 53,881,677
7		
8		
9		
10	INCREASE (DECREASE) INCOME	\$ (53,881,677)
11		
12	INCREASE (DECREASE) FIT @	35% (18,858,587)
13	INCREASE (DECREASE) NOI	<u><u>\$ 18,858,587</u></u>

PUGET SOUND ENERGY-GAS
PASS-THROUGH REVENUE & EXPENSE
FOR THE TWELVE MONTHS ENDED JUNE 30, 2015
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	ADJUSTMENT
1	<u>REMOVE REVENUES ASSOCIATED WITH RIDERS:</u>	
2	REMOVE LOW INCOME RIDER - SCHEDULE 129	4,537,729
3	REMOVE CONSERVATION TRACKER - SCHEDULE 120	9,721,532
4	REMOVE PROPERTY TAX TRACKER - SCHEDULE 140	20,435,640
5	REMOVE REVENUE ASSOC WITH PGA AMORTIZATION - SCHEDULE 106	19,441,786
6	REMOVE CARBON OFFSET - SCHEDULE 137	100,088
7	REMOVE OTHER ASSOC WITH CARBON OFFSET - SCHEDULE 137	(3,462)
8	REMOVE DECOUPLING SCH 142 REVENUE	(2,784,693)
9	REMOVE DECOUPLING SCH 142 SURCHARGE AMORT EXPENSE	2,658,574
10	REMOVE MUNICIPAL TAXES ASSOC WITH SALES TO CUSTOMERS	41,896,298
11	REMOVE MUNICIPAL TAXES ASSOC WITH OTHER OPRTG REV	375,496
12	TOTAL (INCREASE) DECREASE REVENUES	<u>\$ 96,378,989</u>
13		
14	<u>DECREASE REVENUE SENSITIVE ITEMS FOR DECREASE IN REVENUES:</u>	
15	UNCOLLECTIBLES @ 0.004961	\$ (478,136)
16	ANNUAL FILING FEE 0.002000	(192,758)
17	STATE UTILITY TAX 0.038329	(3,694,110)
18	TOTAL	<u>\$ (4,365,004)</u>
19		
20	<u>REMOVE EXPENSES ASSOCIATED WITH RIDERS</u>	
21	REMOVE LOW INCOME AMORTIZATION - SCHEDULE 129	(4,337,616)
22	REMOVE CONSERVATION AMORTIZATION - SCHEDULE 120	(9,216,670)
23	REMOVE PROPERTY TAX AMORTIZATION EXP - SCHEDULE 140	(19,510,110)
24	REMOVE PGA DEFERRAL AMORTIZATION EXP - SCHEDULE 106	(18,561,267)
25	REMOVE CARBON OFFSET AMORTIZATION EXP - SCHEDULE 137	(92,283)
26	REMOVE MUNICIPAL TAXES ASSOC WITH SALES TO CUSTOMERS	(40,623,961)
27	TOTAL INCREASE (DECREASE) EXPENSE	<u>\$ (92,341,907)</u>
28		
29	INCREASE (DECREASE) OPERATING INCOME BEFORE FIT	\$ 327,923
30	INCREASE (DECREASE) FIT (LINE 26 * 35%)	114,773
31	INCREASE (DECREASE) NOI	<u>\$ 213,150</u>

PUGET SOUND ENERGY-GAS
RATE CASE EXPENSES
FOR THE TWELVE MONTHS ENDED JUNE 30, 2015
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	AMOUNT	
1	EXPENSES TO BE NORMALIZED:		
2	<u>EXPENSES OF LAST 2 COMPLETED GRCs</u>		
3	2011 AND 2009 GRC EXPENSES TO BE NORMALIZED	\$ 1,040,000	
4			
5	ANNUAL NORMALIZATION (LINE 3 / 2)	520,000	
6	LESS TEST YEAR EXPENSE: GRC DIRECT CHARGES TO O&M	<u>-</u>	
7	INCREASE (DECREASE) EXPENSE	\$ 520,000	<u>\$ 520,000</u>
8			
9			
10	TOTAL INCREASE (DECREASE) EXPENSE		\$ 520,000
11			
12	INCREASE(DECREASE) FIT @	35%	<u>(182,000)</u>
13	INCREASE(DECREASE) NOI		<u><u>\$ (338,000)</u></u>

PUGET SOUND ENERGY-GAS
BAD DEBTS
FOR THE TWELVE MONTHS ENDED JUNE 30, 2015
COMMISSION BASIS REPORT

LINE NO.	YEAR	NET WRITEOFFS	GROSS REVENUES	OTHER OPERATING REVENUE	NET REVENUES	PERCENT WRITEOFFS TO REVENUE
		June	February	February	February	
1	12 ME 06/30/2012 and 2/28/2012	\$ 4,671,505	\$ 1,164,738,301	\$ 14,103,030	\$ 1,150,635,271	0.4060%
2	12 ME 06/30/2013 and 2/28/2013	\$ 5,663,393	\$ 1,074,328,854	\$ 13,479,352	\$ 1,060,849,502	0.5339%
3	12 ME 06/30/2014 and 2/28/2014	\$ 5,595,418	\$ 1,027,824,696	\$ 7,258,950	\$ 1,020,565,746	0.5483%
4						
5	3-YR AVERAGE OF NET WRITE OFF RATE					0.4961%
6						
7	REPORTING PERIOD REVENUES		\$ 975,284,003	\$ 66,168,034	\$ 909,115,970	
8						
9	RESTATEMENT BAD DEBT RATE				0.4961%	
10	RESTATEMENT BAD DEBTS				\$ 4,510,124	
11						
12	UNCOLLECTIBLES CHARGED TO EXPENSE IN TEST YEAR				5,535,974	
13	INCREASE (DECREASE) EXPENSE					\$ (1,025,850)
14						
15	INCREASE(DECREASE) IN INCOME					\$ 1,025,850
16	INCREASE (DECREASE) FIT				35%	359,048
17	INCREASE (DECREASE) NOI					\$ 666,802

Adj 3.08

PUGET SOUND ENERGY-GAS
EXCISE TAX & FILING FEE
FOR THE TWELVE MONTHS ENDED JUNE 30, 2015
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	AMOUNT
1	RESTATED EXCISE TAXES	\$ 36,541,986
2	CHARGED TO EXPENSE FOR TEST YEAR	36,541,986
3	INCREASE(DECREASE) EXCISE TAX	\$ -
4		
5	RESTATED WUTC FILING FEE	1,955,441
6	CHARGED TO EXPENSE FOR TEST YEAR	1,926,432
7	INCREASE(DECREASE) WUTC FILING FEE	\$ 29,009
8		
9	INCREASE(DECREASE) EXPENSE	29,009
10		
11	INCREASE(DECREASE) OPERATING INCOME	(29,009)
12		
13	INCREASE(DECREASE) FIT 35%	(10,153)
14		
15	INCREASE(DECREASE) NOI	<u><u>\$ (18,856)</u></u>

Adj 3.09

PUGET SOUND ENERGY-GAS
INTEREST ON CUSTOMER DEPOSITS
FOR THE TWELVE MONTHS ENDED JUNE 30, 2015
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	AMOUNT
1	INTEREST EXPENSE FOR TEST YEAR	\$ 8,267
2		
3		
4	INCREASE (DECREASE) NOI	<u>\$ (8,267)</u>

PUGET SOUND ENERGY-GAS
PENSION PLAN
FOR THE TWELVE MONTHS ENDED JUNE 30, 2015
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	ACTUAL	RESTATED	ADJUSTMENT
1	QUALIFIED RETIREMENT FUND	\$ 3,271,437	\$ 3,124,813	\$ (146,624)
2				
3				
4	INCREASE (DECREASE) IN EXPENSE	\$ 3,271,437	\$ 3,124,813	\$ (146,624)
5				
6	INCREASE (DECREASE) INCOME			146,624
7	INCREASE (DECREASE) FIT @		35%	51,318
8				
9	INCREASE (DECREASE) NOI			<u>\$ 95,305</u>

PUGET SOUND ENERGY-GAS
D&O INSURANCE
FOR THE TWELVE MONTHS ENDED JUNE 30, 2015
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	TEST YEAR	RESTATED	ADJUSTMENT
1	D & O INS. CHG EXPENSE	\$ 103,365	\$ 89,932	\$ (13,433)
2				
3	INCREASE (DECREASE) IN EXPENSE	\$ 103,365	\$ 89,932	\$ (13,433)
4				
5	INCREASE (DECREASE) OPERATING INCOME			13,433
6				
7	INCREASE (DECREASE) FIT @		35%	4,701
8				
9	INCREASE (DECREASE) NOI			<u><u>\$ 8,731</u></u>

Adj 3.12

PUGET SOUND ENERGY-GAS
INJURIES AND DAMAGES
FOR THE TWELVE MONTHS ENDED JUNE 30, 2015
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	ACTUAL	RESTATED	ADJUSTMENT
1	INJURIES & DAMAGES ACCRUALS	\$ 402,477	\$ 109,419	\$ (293,057)
2	INJURIES & DAMAGES PAYMENTS IN EXCESS OF ACCRUALS	\$ 287,058	\$ 234,764	(52,294)
3	INCREASE/(DECREASE) IN EXPENSE	689,534	344,183	(345,351)
4				
5	INCREASE/(DECREASE) IN OPERATING EXPENSE (LINE 3)			\$ (345,351)
6	INCREASE (DECREASE) FIT @		35%	120,873
7				
8	INCREASE (DECREASE) NOI			\$ 224,478

PUGET SOUND ENERGY-GAS
INCENTIVE PAY
FOR THE TWELVE MONTHS ENDED JUNE 30, 2015
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	ACTUAL	RESTATED	ADJUSTMENT
1	INCENTIVE/MERIT PAY			
2	TOTAL INCENTIVE PAY	\$ 3,044,075	\$ 2,947,677	\$ (96,398)
3				
4	PAYROLL TAXES ASSOC WITH MERIT PAY	\$ 262,121	\$ 253,820	(8,301)
5	INCREASE(DECREASE) EXPENSE	3,306,196	3,201,498	(104,698)
6				
7	INCREASE (DECREASE) OPERATING EXPENSE			(104,698)
8				
9	INCREASE(DECREASE) FIT @		35%	36,644
10	INCREASE(DECREASE) NOI			\$ 68,054

Adj 4.01

PUGET SOUND ENERGY-GAS
CONVERSION FACTOR
FOR THE TWELVE MONTHS ENDED JUNE 30, 2015
COMMISSION BASIS REPORT

LINE NO.	DESCRIPTION	BASE	RATE	AMOUNT
1	BAD DEBTS			0.004961
2	ANNUAL FILING FEE			0.002000
3	STATE UTILITY TAX (3.852% - (LINE 1 * 3.852%))		3.8520%	0.038329
4				
5	SUM OF TAXES OTHER			0.045290
6				
7	CONVERSION FACTOR BEFORE FIT			0.954710
8	FEDERAL INCOME TAX ((1 - LINE 5) * 35%)		35%	0.334149
9	CONVERSION FACTOR (1 - (LINE 5 + LINE 7))			0.620561

**Additional Information Provided With
June 2015 Commission Basis Report
Compliance Filing UE-121697/UG-121705 and UE-130137/UG-130138**

PSE has provided O&M cost per customer consistent with the methodology utilized in the development of the K-Factor (KJB-16). The attached analysis reflects the Commission Basis Results for the non-production O&M on a cost per customer basis for the period encompassing calendar year 2011 through the twelve months ending June 2015. As demonstrated on page two, the overall annual average increase in O&M is lower than the historical growth rate and has slowed compared to that presented in the ERF/Decoupling proceedings at 2.0% versus 3.8%. Additionally, it has declined since the twelve months ended December 2014 when it was 2.8%.

On page four of the analysis, the electric annual growth rate is 3.5%, which is below the electric historical growth rate of 4.7% presented in the ERF/Decoupling proceedings. On page five of the analysis, the natural gas annual growth rate represents a decrease in cost per customer at -0.6% compared to the 2.2% historical natural gas growth rate presented in the ERF/Decoupling proceedings.

**PUGET SOUND ENERGY
COMBINED RESULTS OF OPERATIONS
COMMISSION BASIS REPORT**

LINE NO.	DESCR	12ME Dec 2011	12ME Dec 2012	12ME Dec 2013	12ME Dec 2014	12ME June 2015	COMPOUND GROWTH RATE
		RESTATED RESULTS OF OPERATIONS	RESTATED RESULTS OF OPERATIONS	RESTATED RESULTS OF OPERATIONS	RESTATED RESULTS OF OPERATIONS	RESTATED RESULTS OF OPERATIONS	
1	<u>COMBINED EXPENSES:</u>						
2	TRANSMISSION EXPENSE	\$ 9,530,907	\$ 19,073,045	\$ 19,383,744	\$ 21,589,406	\$ 21,942,008	
3	DISTRIBUTION EXPENSE	130,531,255	126,441,451	127,563,845	136,490,873	130,866,601	
4	CUSTOMER ACCOUNT EXPENSES	78,512,657	80,013,147	82,230,612	82,709,937	84,026,157	
5	CUSTOMER SERVICE EXPENSES	4,800,000	3,249,127	3,914,400	5,603,627	4,522,588	
6	ADMIN & GENERAL EXPENSE	142,745,361	145,172,486	154,517,147	159,194,144	160,844,858	
7	TOTAL EXPENSES	\$ 366,120,180	\$ 373,949,255	\$ 387,609,749	\$ 405,587,987	\$ 402,202,211	
8							
9	AVERAGE CUSTOMER COUNT	1,840,114	1,852,951	1,858,766	1,876,129	1,887,603	
10	ACTUAL COST PER CUSTOMER	\$ 198.97	\$ 201.81	\$ 208.53	\$ 216.18	\$ 213.08	CALCULATED 2.0%
11	2011 GROWN AT HISTORICAL RATE	\$ 198.97	\$ 206.45	\$ 214.22	\$ 222.28	\$ 226.46	3.8%

Calculation of Combined Escalation Factors from ERF

Description	2006 GRC			2011 GRC		
	Electric	Gas	Combined	Electric	Gas	Combined
7 Number of years between test years				5.25	5.25	5.25
8						
9 Transmission & Distribution Expense	\$ 65,086,999	\$ 34,532,486	\$ 99,619,485	\$ 92,084,397	\$ 49,783,566	\$ 141,867,963
10 Customer Account & Services Expenses	37,706,383	25,038,278	62,744,661	49,173,646	31,704,844	80,878,490
11 Admin & General Expenses	74,379,848	41,714,840	116,094,688	99,871,160	43,995,146	143,866,305
12						
13 Total O&M	177,173,230	101,285,604	278,458,834	241,129,203	125,483,555	366,612,758
14						
15 Average Customer Count	1,004,833	678,712	1,683,546	1,075,057	750,800	1,825,856
16						
17 Average Cost per Customer	\$ 176.32	\$ 149.23	\$ 165.40	\$ 224.29	\$ 167.13	\$ 200.79
18						
19						
20 Annual Escalation Factor				4.7%	2.2%	3.8%
21						
22						

**PUGET SOUND ENERGY
ELECTRIC RESULTS OF OPERATIONS
COMMISSION BASIS REPORT**

LINE NO.	DESCR	12ME Dec 2011	12ME Dec 2012	12ME Dec 2013	12ME Dec 2014	12ME June 2015	COMPOUND GROWTH RATE
		RESTATED RESULTS OF OPERATIONS	RESTATED RESULTS OF OPERATIONS	RESTATED RESULTS OF OPERATIONS	RESTATED RESULTS OF OPERATIONS	RESTATED RESULTS OF OPERATIONS	
1	<u>COMBINED EXPENSES:</u>						
2	TRANSMISSION EXPENSE	\$ 9,481,215	\$ 19,058,040	\$ 19,355,851	\$ 21,589,071	\$ 21,941,673	
3	DISTRIBUTION EXPENSE	78,245,091	74,862,781	77,321,920	84,585,141	80,373,356	
4	CUSTOMER ACCOUNT EXPENSES	48,140,876	49,220,845	50,570,101	51,078,600	52,536,865	
5	CUSTOMER SERVICE EXPENSES	3,719,955	2,032,132	2,090,482	2,575,945	2,482,032	
6	ADMIN & GENERAL EXPENSE	96,361,837	99,264,866	106,511,054	110,332,421	111,852,762	
7	TOTAL EXPENSES	\$ 235,948,974	\$ 244,438,664	\$ 255,849,409	\$ 270,161,178	\$ 269,186,687	
8							
9	AVERAGE CUSTOMER COUNT	1,083,403	1,089,296	1,085,381	1,091,517	1,097,419	
10	ACTUAL COST PER CUSTOMER	\$ 217.79	\$ 224.40	\$ 235.72	\$ 247.51	\$ 245.29	CALCULATED 3.5%
11	2011 GROWN AT HISTORICAL RATE	\$ 217.79	\$ 228.00	\$ 238.69	\$ 249.89	\$ 255.75	COMBINED ERF 4.7%

**PUGET SOUND ENERGY
GAS RESULTS OF OPERATIONS
COMMISSION BASIS REPORT**

LINE NO.	DESCR	12ME Dec 2011	12ME Dec 2012	12ME Dec 2013	12ME Dec 2014	12ME June 2015	COMPOUND GROWTH RATE
		RESTATED RESULTS OF OPERATIONS	RESTATED RESULTS OF OPERATIONS	RESTATED RESULTS OF OPERATIONS	RESTATED RESULTS OF OPERATIONS	RESTATED RESULTS OF OPERATIONS	
1	<u>COMBINED EXPENSES:</u>						
2	TRANSMISSION EXPENSE	\$ 49,692	\$ 15,005	\$ 27,893	\$ 335	\$ 335	
3	DISTRIBUTION EXPENSE	52,286,164	51,578,669	50,241,925	51,905,732	50,493,246	
4	CUSTOMER ACCOUNT EXPENSES	30,371,782	30,792,302	31,660,511	31,631,337	31,516,026	
5	CUSTOMER SERVICE EXPENSES	1,080,045	1,216,995	1,823,918	3,027,682	2,040,556	
6	ADMIN & GENERAL EXPENSE	46,383,523	45,907,620	48,006,093	48,861,723	48,828,153	
7	TOTAL EXPENSES	\$ 130,171,206	\$ 129,510,591	\$ 131,760,339	\$ 135,426,809	\$ 132,878,315	
8							
9	AVERAGE CUSTOMER COUNT	756,711	763,655	773,385	784,612	790,184	
10	ACTUAL COST PER CUSTOMER	\$ 172.02	\$ 169.59	\$ 170.37	\$ 172.60	\$ 168.16	CALCULATED -0.6%
11	2011 GROWN AT HISTORICAL RATE	\$ 172.02	\$ 175.77	\$ 179.61	\$ 183.53	\$ 185.53	COMBINED ERF 2.2%