

PUGET SOUND ENERGY
PERIODIC ALLOCATED RESULTS OF OPERATIONS
FOR THE 12 MONTHS ENDED SEPTEMBER 30, 2017

(October through December 2016 spread is based on allocation factors developed for the 12 ME 12/31/2015)

(January through September 2017 spread is based on allocation factors developed for the 12 ME 12/31/2016)

	Electric	Gas	Total Amount
1 - OPERATING REVENUES:			
2 - SALES TO CUSTOMERS	\$ 2,234,414,230	\$ 981,338,068	\$ 3,215,752,298
3 - SALES FOR RESALE-FIRM	351,655	-	351,655
4 - SALES TO OTHER UTILITIES	140,946,507	-	140,946,507
5 - OTHER OPERATING REVENUES	60,497,671	(451,214)	60,046,457
6 - TOTAL OPERATING REVENUES	\$ 2,436,210,063	\$ 980,886,854	\$ 3,417,096,918
7			
8 - OPERATING REVENUE DEDUCTIONS:			
9			
10 - POWER COSTS:			
11 - FUEL	\$ 201,761,930	\$ -	\$ 201,761,930
12 - PURCHASED AND INTERCHANGED	560,994,533	356,743,873	917,738,406
13 - WHEELING	117,642,884	-	117,642,884
14 - RESIDENTIAL EXCHANGE	(73,544,672)	-	(73,544,672)
15 - TOTAL PRODUCTION EXPENSES	\$ 806,854,676	\$ 356,743,873	\$ 1,163,598,549
16			
17 - OTHER ENERGY SUPPLY EXPENSES	\$ 126,057,988	\$ 4,050,310	\$ 130,108,297
18 - TRANSMISSION EXPENSE	20,757,159	-	20,757,159
19 - DISTRIBUTION EXPENSE	80,641,858	60,179,858	140,821,716
20 - CUSTOMER ACCTS EXPENSES	47,440,085	27,646,305	75,086,390
21 - CUSTOMER SERVICE EXPENSES	21,030,176	7,992,633	29,022,809
22 - CONSERVATION AMORTIZATION	100,009,059	16,070,474	116,079,533
23 - ADMIN & GENERAL EXPENSE	127,246,737	63,662,661	190,909,397
24 - DEPRECIATION	278,134,686	129,052,353	407,187,039
25 - AMORTIZATION	56,203,576	15,133,164	71,336,740
26 - AMORTIZ OF PROPERTY LOSS	20,423,915	-	20,423,915
27 - OTHER OPERATING EXPENSES	(28,527,732)	(7,769)	(28,535,501)
28 - ASC 815	(3,478,343)	-	(3,478,343)
29 - TAXES OTHER THAN INCOME TAXES	243,151,716	111,604,456	354,756,173
30 - INCOME TAXES	46,057,216	10,309,082	56,366,298
31 - DEFERRED INCOME TAXES	126,269,465	63,341,121	189,610,586
32 - TOTAL OPERATING REV. DEDUCT.	\$ 2,068,272,236	\$ 865,778,521	\$ 2,934,050,757
NET OPERATING INCOME	<u>\$ 367,937,828</u>	<u>\$ 115,108,333</u>	<u>\$ 483,046,161</u>
RATE BASE (AMA For 12 Months Ended September 30, 2017)	\$ 5,122,040,307	\$ 1,773,185,702	

PUGET SOUND ENERGY
ACTUAL RESULTS OF OPERATIONS
FOR THE 12 MONTHS ENDED SEPTEMBER 30, 2017

	Electric	Gas	Common	Energy N/A	Total Amount
OPERATING INCOME					
1 - OPERATING REVENUES:					
2 - SALES TO CUSTOMERS	\$ 2,234,414,230	\$ 981,338,068	\$ -	\$ -	\$ 3,215,752,298
3 - SALES FOR RESALE-FIRM	351,655	-	-	-	351,655
4 - SALES TO OTHER UTILITIES	140,946,507	-	-	-	140,946,507
5 - OTHER OPERATING REVENUES	60,497,671	(451,214)	-	-	60,046,457
6 - TOTAL OPERATING REVENUES	\$ 2,436,210,063	\$ 980,886,854	\$ -	\$ -	\$ 3,417,096,918
7					
8 - OPERATING REVENUE DEDUCTIONS:					
9					
10 - POWER COSTS:					
11 - FUEL	\$ 201,761,930	\$ -	\$ -	\$ -	\$ 201,761,930
12 - PURCHASED AND INTERCHANGED	560,994,533	356,743,873	-	-	917,738,406
13 - WHEELING	117,642,884	-	-	-	117,642,884
14 - RESIDENTIAL EXCHANGE	(73,544,672)	-	-	-	(73,544,672)
15 - TOTAL PRODUCTION EXPENSES	\$ 806,854,676	\$ 356,743,873	\$ -	\$ -	\$ 1,163,598,549
16					
17 - OTHER ENERGY SUPPLY EXPENSES	\$ 126,057,988	\$ 4,050,310	\$ -	\$ -	\$ 130,108,297
18 - TRANSMISSION EXPENSE	20,757,159	-	-	-	20,757,159
19 - DISTRIBUTION EXPENSE	80,641,858	60,179,858	0	-	140,821,716
20 - CUSTOMER ACCTS EXPENSES	26,384,196	12,533,560	36,168,634	-	75,086,390
21 - CUSTOMER SERVICE EXPENSES	19,320,967	6,760,396	2,941,447	-	29,022,809
22 - CONSERVATION AMORTIZATION	100,009,059	16,070,474	0	-	116,079,533
23 - ADMIN & GENERAL EXPENSE	39,113,538	19,897,973	131,897,886	-	190,909,397
24 - DEPRECIATION	261,782,549	121,063,723	24,340,767	-	407,187,039
25 - AMORTIZATION	31,113,975	2,835,343	37,387,422	-	71,336,740
26 - AMORTIZ OF PROPERTY LOSS	20,423,915	-	-	-	20,423,915
27 - OTHER OPERATING EXPENSES	(28,609,158)	(45,370)	119,027	-	(28,535,501)
28 - ASC 815	(3,478,343)	-	-	-	(3,478,343)
29 - TAXES OTHER THAN INCOME TAXES	239,141,493	109,623,594	5,991,086	-	354,756,173
30 - INCOME TAXES	46,057,216	10,309,082	-	-	56,366,298
31 - DEFERRED INCOME TAXES	126,269,465	63,341,121	0	-	189,610,586
32 - TOTAL OPERATING REV. DEDUCT.	\$ 1,911,840,551	\$ 783,363,936	\$ 238,846,270	\$ -	\$ 2,934,050,757
NET OPERATING INCOME	\$ 524,369,513	\$ 197,522,918	\$ (238,846,270)	\$ -	\$ 483,046,161
NON-OPERATING INCOME					
99 - OTHER INCOME	\$ -	\$ -	\$ -	\$ (95,472,630)	\$ (95,472,630)
999 - INTEREST	-	-	-	231,473,254	231,473,254
9999 - EXTRAORDINARY ITEMS	-	-	-	-	-
TOTAL NON-OPERATING INCOME	\$ -	\$ -	\$ -	\$ 136,000,624	\$ 136,000,624
NET INCOME	\$ 524,369,513	\$ 197,522,918	\$ (238,846,270)	\$ (136,000,624)	\$ 347,045,537

PUGET SOUND ENERGY
INCOME STATEMENT DETAIL
FOR THE 12 MONTHS ENDED SEPTEMBER 30, 2017

Account Description	Electric	Gas	Common	Total
1 - OPERATING REVENUES				
2 - SALES TO CUSTOMERS				
(2) 440 - Electric Residential Sales	1,214,820,059	-	-	1,214,820,059
(2) 442 - Electric Commercial & Industrial Sales	1,000,600,112	-	-	1,000,600,112
(2) 444 - Public Street & Highway Lighting	18,994,059	-	-	18,994,059
(2) 480 - Gas Residential Sales	-	670,370,006	-	670,370,006
(2) 481 - Gas Commercial & Industrial Sales	-	289,435,595	-	289,435,595
(2) 489 - Rev From Transportation Of Gas To Others	-	21,532,466	-	21,532,466
(2) SUBTOTAL	2,234,414,230	981,338,068	-	3,215,752,298
3 - SALES FOR RESALE-FIRM				
(3) 447 - Electric Sales For Resale	351,655	-	-	351,655
(3) SUBTOTAL	351,655	-	-	351,655
4 - SALES TO OTHER UTILITIES				
(4) 447 - Electric Sales For Resale - Sales	50,495,331	-	-	50,495,331
(4) 447 - Electric Sales For Resale - Purchases	90,451,177	-	-	90,451,177
(4) SUBTOTAL	140,946,507	-	-	140,946,507
5 - OTHER OPERATING REVENUES				
(5) 412 - Lease Inc Everett Delta to NWP - Gas	-	-	-	-
(5) 450 - Forfeited Discounts	2,822,236	-	-	2,822,236
(5) 451 - Electric Misc Service Revenue	12,814,195	-	-	12,814,195
(5) 454 - Rent For Electric Property	16,699,064	-	-	16,699,064
(5) 456 - Other Electric Revenues - Transportation	7,734,034	-	-	7,734,034
(5) 456 - Other Electric Revenues - Unbilled	-	-	-	-
(5) 456 - Other Electric Revenues	20,428,143	-	-	20,428,143
(5) 487 - Forfeited Discounts	-	1,052,145	-	1,052,145
(5) 488 - Gas Misc Service Revenues	-	3,417,259	-	3,417,259
(5) 4894 - Gas Revenues from Storing Gas of Others	-	980,025	-	980,025
(5) 493 - Rent From Gas Property	-	6,860,228	-	6,860,228
(5) 495 - Other Gas Revenues	-	(12,760,872)	-	(12,760,872)
(5) SUBTOTAL	60,497,671	(451,214)	-	60,046,457
(1) TOTAL OPERATING REVENUES	2,436,210,063	980,886,854	-	3,417,096,918
10 - ENERGY COST				
11 - FUEL				
(11) 501 - Steam Operations Fuel	84,040,085	-	-	84,040,085
(11) 547 - Other Power Generation Oper Fuel	117,721,845	-	-	117,721,845
(11) SUBTOTAL	201,761,930	-	-	201,761,930
12 - PURCHASED AND INTERCHANGED				
(12) 555 - Purchased Power	560,109,757	-	-	560,109,757
(12) 557 - Other Power Supply Expense	884,776	-	-	884,776
(12) 804 - Natural Gas City Gate Purchases	-	353,130,486	-	353,130,486
(12) 805 - Other Gas Purchases	-	44,570	-	44,570
(12) 8051 - Purchased Gas Cost Adjustments	-	3,927,919	-	3,927,919
(12) 8081 - Gas Withdrawn From Storage	-	44,511,949	-	44,511,949
(12) 8082 - Gas Delivered To Storage	-	(44,871,052)	-	(44,871,052)
(12) SUBTOTAL	560,994,533	356,743,873	-	917,738,406
13 - WHEELING				
(13) 565 - Transmission Of Electricity By Others	117,642,884	-	-	117,642,884
(13) SUBTOTAL	117,642,884	-	-	117,642,884
14 - RESIDENTIAL EXCHANGE				
(14) 555 - Purchased Power	(73,544,672)	-	-	(73,544,672)
(14) SUBTOTAL	(73,544,672)	-	-	(73,544,672)

(10) TOTAL ENERGY COST

806,854,676	356,743,873	-	1,163,598,549
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GROSS MARGIN

1,629,355,388	624,142,981	-	2,253,498,369
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OPERATING EXPENSES

OPERATING AND MAINTENANCE

17 - OTHER ENERGY SUPPLY EXPENSES

(17) 500 - Steam Oper Supv & Engineering	1,911,693	-	-	1,911,693
(17) 502 - Steam Oper Steam Expenses	8,765,354	-	-	8,765,354
(17) 505 - Steam Oper Electric Expense	1,881,536	-	-	1,881,536
(17) 506 - Steam Oper Misc Steam Power	9,337,434	-	-	9,337,434
(17) 507 - Steam Operations Rents	112,768	-	-	112,768
(17) 510 - Steam Maint Supv & Engineering	1,690,771	-	-	1,690,771
(17) 511 - Steam Maint Structures	2,753,650	-	-	2,753,650
(17) 512 - Steam Maint Boiler Plant	15,853,769	-	-	15,853,769
(17) 513 - Steam Maint Electric Plant	8,890,364	-	-	8,890,364
(17) 514 - Steam Maint Misc Steam Plant	2,830,508	-	-	2,830,508
(17) 535 - Hydro Oper Supv & Engineering	1,883,474	-	-	1,883,474
(17) 536 - Hydro Oper Water For Power	-	-	-	-
(17) 537 - Hydro Oper Hydraulic Expenses	3,219,024	-	-	3,219,024
(17) 538 - Hydro Oper Electric Expenses	236,505	-	-	236,505
(17) 539 - Hydro Oper Misc Hydraulic Exp	2,630,659	-	-	2,630,659
(17) 540 - Hydro Office Rents	-	-	-	-
(17) 541 - Hydro Maint Supv & Engineering	(33,670)	-	-	(33,670)
(17) 542 - Hydro Maint Structures	602,119	-	-	602,119
(17) 543 - Hydro Maint Res. Dams & Waterways	463,846	-	-	463,846
(17) 544 - Hydro Maint Electric Plant	1,142,421	-	-	1,142,421
(17) 545 - Hydro Maint Misc Hydraulic Plant	4,790,447	-	-	4,790,447
(17) 546 - Other Pwr Gen Oper Supv & Eng	3,627,355	-	-	3,627,355
(17) 548 - Other Power Gen Oper Gen Exp	10,037,573	-	-	10,037,573
(17) 549 - Other Power Gen Oper Misc	4,956,905	-	-	4,956,905
(17) 550 - Other Power Gen Oper Rents	6,117,042	-	-	6,117,042
(17) 551 - Other Power Gen Maint Supv & Eng	812,905	-	-	812,905
(17) 552 - Other Power Gen Maint Structures	710,203	-	-	710,203
(17) 553 - Other Power Gen Maint Gen & Elec	29,225,877	-	-	29,225,877
(17) 554 - Other Power Gen Maint Misc	1,523,573	-	-	1,523,573
(17) 556 - System Control & Load Dispatch	83,884	-	-	83,884
(17) 710 - Production Operations Supv & Engineering	-	-	-	-
(17) 717 - Liquefied Petroleum Gas Expenses	-	153,022	-	153,022
(17) 735 - Misc Gas Production Exp	-	-	-	-
(17) 741 - Production Plant Maint Structures	-	-	-	-
(17) 742 - Production Plant Maint Prod Equip	-	-	-	-
(17) 8072 - Purchased Gas Expenses	-	186,745	-	186,745
(17) 8074 - Purchased Gas Calculation Exp	-	45,899	-	45,899
(17) 8075 - Purchased Gas Other Expense	-	1,554,705	-	1,554,705
(17) 812 - Gas Used For Other Utility Operations	-	(57,961)	-	(57,961)
(17) 813 - Other Gas Supply Expenses	-	259,594	-	259,594
(17) 814 - Undergrnd Strge - Operation Supv & Eng	-	163,271	-	163,271
(17) 815 - Undergrnd Strge - Oper Map & Records	-	-	-	-
(17) 816 - Undergrnd Strge - Oper Wells Expense	-	24,389	-	24,389
(17) 817 - Undergrnd Strge - Oper Lines Expense	-	30,476	-	30,476
(17) 818 - Undergrnd Strge - Oper Compressor Sta Exp	-	256,438	-	256,438
(17) 819 - Undergrnd Strge - Oper Compressor Sta Fuel	-	30,174	-	30,174
(17) 820 - Undergrnd Strge - Oper Meas & Reg Sta Exp	-	52,524	-	52,524
(17) 821 - Undergrnd Strge - Oper Purification Exp	-	-	-	-
(17) 823 - Storage Gas Losses	-	-	-	-
(17) 824 - Undergrnd Strge - Oper Other Expenses	-	112,574	-	112,574
(17) 825 - Undergrnd Strge - Oper Storage Well Royalty	-	20,850	-	20,850
(17) 826 - Undergrnd Strge - Oper Other Storage Rents	-	-	-	-
(17) 830 - Undergrnd Strge - Maint Supv & Engineering	-	139,609	-	139,609
(17) 831 - Undergrnd Strge - Maint Structures	-	33,092	-	33,092

(17) 832 - Undergrnd Strge - Maint Reservoirs & Wells	-	112,844	-	112,844
(17) 833 - Undergrnd Strge - Maint Of Lines	-	20,182	-	20,182
(17) 834 - Undergrnd Strge - Maint Compressor Sta Equip	-	310,364	-	310,364
(17) 835 - Undergrnd Strge - Maint Meas & Reg Sta E	-	-	-	-
(17) 836 - Undergrnd Strge - Maint Purification Equip	-	34,172	-	34,172
(17) 837 - Undergrnd Strge-Maint Other Equipment	-	13,301	-	13,301
(17) 841 - Operating Labor & Expenses	-	553,016	-	553,016
(17) 8432 - Maint Struc & Impro	-	-	-	-
(17) 8433 - Maintenance of Gas Holders	-	-	-	-
(17) 8436 - Maintenance of Vaporizing Equipment	-	-	-	-
(17) 8438 - Maint Measure & Reg	-	-	-	-
(17) 8439 - Other Gas Maintenance	-	-	-	-
(17) 8441 - Gas LNG Oper Sup & Eng	-	1,030	-	1,030
(17) SUBTOTAL	126,057,988	4,050,310	-	130,108,297
18 - TRANSMISSION EXPENSE				
(18) 560 - Transmission Oper Supv & Engineering	1,746,579	-	-	1,746,579
(18) 561 - Transmission Oper Load Dispatching	-	-	-	-
(18) 5611 - Transmission Oper Load Dispatching	36,500	-	-	36,500
(18) 5612 - Load Dispatch - Monitor & Oper Trans System	847,897	-	-	847,897
(18) 5613 - Load Dispatch - Service and Scheduling	359,341	-	-	359,341
(18) 5615 - Reliability Planning & Standards	1,798,548	-	-	1,798,548
(18) 5616 - Transmission Svc Studies	-	-	-	-
(18) 5617 Gen Intercnct Studies	2,851,281	-	-	2,851,281
(18) 5618 - Reliability Planning	139,003	-	-	139,003
(18) 562 - Transmission Oper Station Expense	1,229,556	-	-	1,229,556
(18) 563 - Transmission Oper Overhead Line Exp	342,906	-	-	342,906
(18) 566 - Transmission Oper Misc	1,590,824	-	-	1,590,824
(18) 567 - Transmission Oper Rents	128,526	-	-	128,526
(18) 568 - Transmission Maint Supv & Eng	94,661	-	-	94,661
(18) 569 - Transmission Maint Structures	269	-	-	269
(18) 5691 - Transmission Computer Hardware Maint	-	-	-	-
(18) 5692 - Maintenance of Computer Software	123,905	-	-	123,905
(18) 570 - Transmission Maint Station Equipment	2,755,750	-	-	2,755,750
(18) 571 - Transmission Maint Overhead Lines	6,550,595	-	-	6,550,595
(18) 572 - Transmission Maint Underground Lines	10,366	-	-	10,366
(18) 573 - Transm Maint Misc	150,651	-	-	150,651
(18) 850 - Transmission Oper Supv & Engineering	-	-	-	-
(18) 856 - Transmission Oper Mains Expenses	-	-	-	-
(18) 857 - Transmission Oper Meas & Reg Sta Exp	-	-	-	-
(18) 862 - Transmission Maint Structures & Improvements	-	-	-	-
(18) 863 - Transmission Maint Supv & Eng	-	-	-	-
(18) 865 - Transmission Maint of measur & regul station equip	-	-	-	-
(18) 867 - Transmission Maint Other Equipment	-	-	-	-
(18) SUBTOTAL	20,757,159	-	-	20,757,159
19 - DISTRIBUTION EXPENSE				
(19) 580 - Distribution Oper Supv & Engineering	(4,910,515)	-	-	(4,910,515)
(19) 581 - Distribution Oper Load Dispatching	2,871,856	-	-	2,871,856
(19) 582 - Distribution Oper Station Expenses	1,250,461	-	-	1,250,461
(19) 583 - Distribution Oper Overhead Line Exp	2,482,721	-	-	2,482,721
(19) 584 - Distribution Oper Underground Line Exp	4,288,350	-	-	4,288,350
(19) 585 - Distribution Oper St Lighting & Signal	400,656	-	-	400,656
(19) 586 - Distribution Oper Meter Expense	(1,513,762)	-	-	(1,513,762)
(19) 587 - Distribution Oper Cust Installation	3,631,529	-	-	3,631,529
(19) 588 - Distribution Oper Misc Dist Exp	13,498,456	-	-	13,498,456
(19) 589 - Distribution Oper Rents	1,149,970	-	-	1,149,970
(19) 590 - Distribution Maint Superv & Engineering	314,411	-	-	314,411
(19) 591 - Distribution Maint Structures	-	-	-	-
(19) 592 - Distribution Maint Station Equipment	1,895,180	-	-	1,895,180
(19) 593 - Distribution Maint Overhead Lines	38,882,286	-	-	38,882,286
(19) 594 - Distribution Maint Underground Lines	13,394,472	-	-	13,394,472
(19) 595 - Distribution Maint Line Transformers	160,776	-	-	160,776

(19) 596 - Distribution Maint St Lighting/Signal	2,363,770	-	-	2,363,770
(19) 597 - Distribution Maint Meters	481,242	-	-	481,242
(19) 598 - Distribution Maint Misc Dist Plant	-	-	-	-
(19) 870 - Distribution Oper Supv & Engineering	-	2,033,345	-	2,033,345
(19) 871 - Distribution Oper Load Dispatching	-	474,527	-	474,527
(19) 874 - Distribution Oper Mains & Services Exp	-	17,091,464	-	17,091,464
(19) 875 - Distribution Oper Meas & Reg Sta Gen	-	1,521,167	-	1,521,167
(19) 876 - Distribution Oper Meas & Reg Sta Indus	-	282,113	-	282,113
(19) 878 - Distribution Oper Meter & House Reg	-	3,159,242	-	3,159,242
(19) 879 - Distribution Oper Customer Install Exp	-	4,432,063	-	4,432,063
(19) 880 - Distribution Oper Other Expense	-	13,758,220	-	13,758,220
(19) 881 - Distribution Oper Rents Expense	-	162,636	-	162,636
(19) 885 - Dist Maint Supv & Engineering	-	385,478	-	385,478
(19) 886 - Maint of Facilities and Structures	-	235,391	-	235,391
(19) 887 - Distribution Maint Mains	-	8,695,867	-	8,695,867
(19) 889 - Distribution Maint Meas & Reg Sta Gen	-	738,912	-	738,912
(19) 890 - Distribution Maint Meas & Reg Sta Ind	-	412,449	-	412,449
(19) 892 - Distribution Maint Services	-	5,597,463	-	5,597,463
(19) 893 - Distribution Maint Meters & House Reg	-	444,034	-	444,034
(19) 894 - Distribution Maint Other Equipment	-	755,486	-	755,486
(19) SUBTOTAL	80,641,858	60,179,858	-	140,821,716
20 - CUSTOMER ACCTS EXPENSES				
(20) 901 - Customer Accounts Supervision	-	-	221,487	221,487
(20) 902 - Meter Reading Expense	10,003,536	7,690,263	853,832	18,547,632
(20) 903 - Customer Records & Collection Expense	1,101,881	1,106,171	35,093,314	37,301,367
(20) 904 - Uncollectible Accounts	15,278,779	3,737,126	-	19,015,904
(20) 905 - Misc. Customer Accounts Expense	-	-	-	-
(20) SUBTOTAL	26,384,196	12,533,560	36,168,634	75,086,390
21 - CUSTOMER SERVICE EXPENSES				
(21) 908 - Customer Assistance Expense	17,304,696	6,637,230	1,412,810	25,354,735
(21) 909 - Info & Instructional Advertising	1,344,580	123,166	1,486,662	2,954,408
(21) 910 - Misc Cust Svc & Info Expense	-	-	41,975	41,975
(21) 911 - Sales Supervision Exp	-	-	-	-
(21) 912 - Demonstration & Selling Expense	677,158	-	-	677,158
(21) 913 - Advertising Expenses	-	-	-	-
(21) 916 - Misc. Sales Expense	(5,467)	-	-	(5,467)
(21) SUBTOTAL	19,320,967	6,760,396	2,941,447	29,022,809
22 - CONSERVATION AMORTIZATION				
(22) 908 - Customer Assistance Expense	100,009,059	16,070,474	-	116,079,533
(22) SUBTOTAL	100,009,059	16,070,474	-	116,079,533
23 - ADMIN & GENERAL EXPENSE				
(23) 920 - A & G Salaries	3,032,237	1,603,993	68,497,985	73,134,215
(23) 921 - Office Supplies and Expenses	408,737	174,428	451,210	1,034,375
(23) 922 - Admin Expenses Transferred	-	-	(26,152,041)	(26,152,041)
(23) 923 - Outside Services Employed	1,287,099	878,176	19,449,737	21,615,012
(23) 924 - Property Insurance	4,896,780	270,824	62,931	5,230,535
(23) 925 - Injuries & Damages	1,513,123	3,645,761	6,189,681	11,348,566
(23) 926 - Emp Pension & Benefits	18,403,197	9,438,090	19,160,031	47,001,317
(23) 928 - Regulatory Commission Expense	6,961,252	2,408,128	1,838,806	11,208,187
(23) 9301 - Gen Advertising Exp	-	-	74,493	74,493
(23) 9302 - Misc. General Expenses	1,477,204	510,616	2,171,253	4,159,073
(23) 931 - Rents	220,871	-	18,585,649	18,806,520
(23) 932 - Maint Of General Plant- Gas	-	967,957	-	967,957
(23) 935 - Maint General Plant - Electric	913,038	-	21,568,151	22,481,189
(23) SUBTOTAL	39,113,538	19,897,973	131,897,886	190,909,397
TOTAL OPERATING AND MAINTENANCE	412,284,764	119,492,570	171,007,968	702,785,302
DEPRECIATION, DEPLETION AND AMORTIZATION				
24 - DEPRECIATION				
(24) 403 - Depreciation Expense	255,346,118	120,923,805	24,340,767	400,610,690
(24) 4031 - Depreciation Expense - FAS143	6,436,431	139,918	-	6,576,349

(24) SUBTOTAL	261,782,549	121,063,723	24,340,767	407,187,039
25 - AMORTIZATION				
(25) 404 - Amort Ltd-Term Plant	14,659,583	2,810,368	37,387,422	54,857,374
(25) 406 - Amortization Of Plant Acquisition Adj	11,648,257	-	-	11,648,257
(25) 4111 - Accretion Exp - FAS143	4,806,134	24,974	-	4,831,108
(25) SUBTOTAL	31,113,975	2,835,343	37,387,422	71,336,740
26 - AMORTIZ OF PROPERTY LOSS				
(26) 407 - Amortization Of Prop. Losses	20,423,915	-	-	20,423,915
(26) SUBTOTAL	20,423,915	-	-	20,423,915
27 - OTHER OPERATING EXPENSES				
(27) 4073 - Regulatory Debits	15,517,689	-	-	15,517,689
(27) 4074 - Regulatory Credits	(43,611,842)	-	119,027	(43,492,815)
(27) 4116 - Gains From Disposition Of Utility Plant	(633,008)	(61,849)	-	(694,857)
(27) 4117 - Losses From Disposition Of Utility Plant	132,649	16,479	-	149,127
(27) 4118 - Gains From Disposition Of Allowances	(14,646)	-	-	(14,646)
(27) 414 - Other Utility Operating Income	-	-	-	-
(27) SUBTOTAL	(28,609,158)	(45,370)	119,027	(28,535,501)
28 - ASC 815				
(28) 421 - FAS 133 Gain	3,218,208	-	-	3,218,208
(28) 4265 - FAS 133 Loss	(6,696,552)	-	-	(6,696,552)
(28) SUBTOTAL	(3,478,343)	-	-	(3,478,343)
TOTAL DEPRECIATION, DEPLETION AND AMORTIZATION	281,232,938	123,853,695	61,847,216	466,933,849
29 - TAXES OTHER THAN INCOME TAXES				
(29) 4081 - Taxes Other-Util Income	239,141,493	109,623,594	5,991,086	354,756,173
(29) SUBTOTAL	239,141,493	109,623,594	5,991,086	354,756,173
30 - INCOME TAXES				
(30) 4081 - Montana Corp. License Taxes	-	-	-	-
(30) 4091 - Montana Corp license Tax	19,620	-	-	19,620
(30) 4091 - Fit-Util Oper Income	46,037,596	10,309,082	-	56,346,679
(30) SUBTOTAL	46,057,216	10,309,082	-	56,366,298
31 - DEFERRED INCOME TAXES				
(31) 4101 - Def Fit-Util Oper Income	587,355,334	269,774,792	-	857,130,126
(31) 4111 - Def Fit-Cr - Util Oper Income	(461,085,868)	(206,433,671)	-	(667,519,540)
(31) 4114 - Inv Tax Cr Adj-Util Operations	-	-	-	-
(31) SUBTOTAL	126,269,465	63,341,121	-	189,610,586
NET OPERATING INCOME	524,369,513	197,522,918	(238,846,270)	483,046,161
NON-OPERATING INCOME				
99 - OTHER INCOME				
(99) 4082 - Taxes Other - Other Income	349,288	-	-	349,288
(99) 4092 - Fit - Other Income	-	-	(56,346,680)	(56,346,680)
(99) 4102 - Def Fit - Other Income	-	-	(22,333,530)	(22,333,530)
(99) 4112 - Provision for Deferred FIT - Credit & Other Income	-	-	-	-
(99) 415 - Revenues From Merchandising And Jobbing	-	-	(521,147)	(521,147)
(99) 416 - Expenses Of Merchandising And Jobbing	-	-	469,768	469,768
(99) 417 - Revenues From Non-Utility Operations	-	-	(38,825,478)	(38,825,478)
(99) 4171 - Merger Related Costs	-	-	-	-
(99) 4171 - Expenses of Non-Utility Operations	-	-	33,260,522	33,260,522
(99) 418 - Nonoperating Rental Income	-	-	-	-
(99) 4181 - Equity in Earnings of Subsidiaries	-	-	288,391	288,391
(99) 419 - Interest And Dividend Income	-	-	(7,351,555)	(7,351,555)
(99) 4191 - Allowance For Other Funds Used During Construction	(7,466,536)	(2,584,478)	(3,022,256)	(13,073,270)
(99) 421 - Misc. Non-Operating Income	(3,150)	(4,350)	(5,939)	(13,439)
(99) 4211 - Gain On Disposition Of Property	(183,542)	-	-	(183,542)
(99) 4212 - Loss On Disposition Of Property	-	-	-	-
(99) 4213 - Misc. Non-Op Income - AFUDC(WUTC)	(1,692,816)	-	-	(1,692,816)
(99) 4214 - Misc. Non-Op Income - AFUCE	-	-	-	-
(99) 425 - Miscellaneous Amortization	-	-	-	-

(99) 4261 - Donations	-	-	60,428	60,428
(99) 4262 - Life Insurance	-	-	(2,461,181)	(2,461,181)
(99) 4263 - Penalties	-	-	(437,600)	(437,600)
(99) 4264 - Expenses For Civic & Political Activities	-	-	5,653,683	5,653,683
(99) 4265 - Other Deductions	-	-	7,685,528	7,685,528
(99) SUBTOTAL	(8,996,755)	(2,588,828)	(83,887,047)	(95,472,630)
<i>999 - INTEREST</i>				
(999) 427 - Interest On Long Term Debt	-	-	218,136,834	218,136,834
(999) 4271 - Interest on Preferred Stock	-	-	-	-
(999) 428 - Amortization Of Debt Discount & Expenses	-	-	2,773,332	2,773,332
(999) 4281 - Amortization Of Loss On Required Debt	9,300	5,700	2,695,479	2,710,479
(999) 429 - Amortization Of Premium On Debt-Cr	-	-	-	-
(999) 4291 - Amortization Gain On Reacquired Debt	-	-	-	-
(999) 430 - Int on Debt to Assoc. Companies	-	-	-	-
(999) 431 - Other Interest Expense	14,060,475	439,262	2,846,820	17,346,557
(999) 432 - Allowances For Borrowed Funds	(5,614,898)	(1,687,561)	(2,191,490)	(9,493,949)
(999) SUBTOTAL	8,454,877	(1,242,599)	224,260,976	231,473,254
<i>9999 - EXTRAORDINARY ITEMS</i>				
(9999) 4111 - Def Fit-Cr - Util Oper Income	-	-	-	-
(9999) 435 - Extraordinary Deductions	-	-	-	-
(9999) SUBTOTAL	-	-	-	-
TOTAL NON-OPERATING INCOME	(541,878)	(3,831,427)	140,373,929	136,000,624
NET INCOME	524,911,391	201,354,345	(379,220,199)	347,045,537

PUGET SOUND ENERGY
ALLOCATION OF COMMON CHARGES
FOR THE 12 MONTHS ENDED SEPTEMBER 30, 2017
(October through December 2016 spread is based on allocation factors developed for the 12 ME 12/31/2015)
(January through September 2017 spread is based on allocation factors developed for the 12 ME 12/31/2016)

FERC Account and Description	Allocated Electric	Allocated Gas	Allocation Method	Blended Electric Rate	Blended Gas Rate	Common
20 - CUSTOMER ACCTS EXPENSES						
(20) 901 - Customer Accounts Supervision	\$ 128,701	\$ 92,786	1	58.11%	41.89%	\$ 221,487
(20) 902 - Meter Reading Expense	535,745	318,087	2	62.75%	37.25%	853,832
(20) 903 - Customer Records & Collection Expense	20,391,442	14,701,873	1	58.11%	41.89%	35,093,314
(20) 905 - Misc. Customer Accounts Expense	-	-	1			-
SUBTOTAL	21,055,888	15,112,746				36,168,634
21 - CUSTOMER SERVICE EXPENSES						
(21) 908 - Customer Assistance Expense	820,967	591,843	1	58.11%	41.89%	1,412,810
(21) 909 - Info & Instructional Advertising	863,843	622,819	1	58.11%	41.89%	1,486,662
(21) 910 - Misc Cust Svc & Info Expense	24,400	17,576	1	58.13%	41.87%	41,975
(21) 911 - Sales Supervision Exp	-	-	1			-
(21) 912 - Demonstration & Selling Expense	-	-	1			-
(21) 913 - Advertising Expense	-	-	1			-
(21) 916 - Misc. Sales Expense	-	-	1			-
SUBTOTAL	1,709,210	1,232,237				2,941,447
23 - ADMIN & GENERAL EXPENSE						
(23) 920 - A & G Salaries	45,886,447	22,611,537	4	66.99%	33.01%	68,497,985
(23) 921 - Office Supplies and Expenses	347,880	103,330	4	77.10%	22.90%	451,210
(23) 922 - Admin Expenses Transferred	(17,462,940)	(8,689,100)	4	66.77%	33.23%	(26,152,041)
(23) 923 - Outside Services Employed	13,032,196	6,417,541	4	67.00%	33.00%	19,449,737
(23) 924 - Property Insurance	38,251	24,680	3	60.78%	39.22%	62,931
(23) 925 - Injuries & Damages	3,596,566	2,593,115	1	58.11%	41.89%	6,189,681
(23) 926 - Emp Pension & Benefits	13,020,709	6,139,322	5	67.96%	32.04%	19,160,031
(23) 928 - Regulatory Commission Expense	1,230,149	608,658	4			1,838,806
(23) 9301 - Gen Advertising Exp	50,948	23,545	4	68.39%	31.61%	74,493
(23) 9302 - Misc. General Expenses	1,458,412	712,841	4	67.17%	32.83%	2,171,253
(23) 931 - Rents	12,457,373	6,128,277	4	67.03%	32.97%	18,585,649
(23) 932 - Maint Of General Plant- Gas	-	-	4			-
(23) 935 - Maint General Plant - Electric	14,477,208	7,090,943	4	67.12%	32.88%	21,568,151
SUBTOTAL	88,133,199	43,764,688				131,897,886
24 - DEPRECIATION/AMORTIZATION						
(24) 403 - Depreciation Expense	16,352,136	7,988,630	4	67.18%	32.82%	24,340,767
(24) 4031 - Depreciation Expense - ASC 815	-	-	4			-
SUBTOTAL	16,352,136	7,988,630				24,340,767
25 - AMORTIZATION						
(25) 404 - Amort Ltd-Term Plant	25,089,601	12,297,821	4	67.11%	32.89%	37,387,422
(25) 406 - Amortization Of Plant Acquisition Adj	-	-	4			-
(25) 4111 - Accretion Exp - FAS143	-	-	4			-
SUBTOTAL	25,089,601	12,297,821				37,387,422
27- OTHER OPERATING EXPENSES						
(27) 4073 - Regulatory Debits	-	-				-
(27) 4074 - Regulatory Credits	81,427	37,601	4	68.41%	31.59%	119,027
(27) 4116 - Gains From Disposition Of Utility Plant	-	-	4			-
(27) 4117 - Losses From Disposition Of Utility Plant	-	-	4			-
(27) 4118 - Gains From Disposition Of Allowances	-	-				-
(27) 414 - Other Utility Operating Income	-	-				-
(27) SUBTOTAL	81,427	37,601				119,027
29-TAXES OTHER THAN INCOME TAXES						
(29) 4081 - Taxes Other-Util Income	4,010,224	1,980,862	4	66.94%	33.06%	5,991,086
SUBTOTAL	4,010,224	1,980,862				5,991,086
30 - INCOME TAXES						
(30) 4091 - Fit-Util Oper Income	-	-	4			-
SUBTOTAL	-	-				-
31 - DEFERRED INCOME TAXES						
(31) 4101 - Def Fit-Util Oper Income	-	-	4			-
(31) 4111 - Def Fit-Cr - Util Oper Income	-	-	4			-
SUBTOTAL	-	-				-
GRAND TOTAL	\$ 156,431,685	\$ 82,414,585				\$ 238,846,270

Allocation Method		Electric		Gas	
		Oct 16 - Dec 16		Jan 17 - Sep 17	
		Electric	Gas	Electric	Gas
1	12 Month Average number of Customers	58.13%	41.87%	58.10%	41.90%
2	Joint Meter Reading Customers	62.68%	37.32%	62.77%	37.23%
3	Non-Production Plant	60.94%	39.06%	60.78%	39.22%
4	4-Factor Allocator	68.41%	31.59%	66.77%	33.23%
5	Direct Labor	69.99%	30.01%	67.53%	32.47%