

**EXHIBIT NO. ___(MJS-3)
DOCKET NO. UE-09___/UG-09___
2009 PSE GENERAL RATE CASE
WITNESS: MICHAEL J. STRANIK**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY, INC.,

Respondent.

**Docket No. UE-09___
Docket No. UG-09___**

**SECOND EXHIBIT (NONCONFIDENTIAL) TO THE
PREFILED DIRECT TESTIMONY OF
MICHAEL J. STRANIK
ON BEHALF OF PUGET SOUND ENERGY, INC.**

MAY 8, 2009

PUGET SOUND ENERGY
INCOME STATEMENT
For The Twelve Months Ended September 30, 2007 and December 31, 2008

	WUTC Docket No. UG-072301 Actual Results of Operation 9/30/07	WUTC Docket No. UE-09____ Actual Results of Operation 12/31/08
	Total Gas	Total Gas
1 - OPERATING REVENUES:		
2 - SALES TO CUSTOMERS	\$ 1,169,255,872	\$ 1,149,587,418
3 - MUNICIPAL ADDITIONS	49,479,594	49,950,978
4 - OTHER OPERATING REVENUES	17,032,367	17,329,860
5 - TOTAL OPERATING REVENUES	\$ 1,235,767,832	\$ 1,216,868,256
6		
7		
8 - OPERATING REVENUE DEDUCTIONS:		
9		
10 - GAS COSTS:		
11		
12 - PURCHASED GAS	\$ 800,512,866	\$ 737,851,058
13		
14 - TOTAL PRODUCTION EXPENSES	\$ 800,512,866	\$ 737,851,058
15		
16 - OTHER ENERGY SUPPLY EXPENSES:	\$ 1,700,509	\$ 1,873,117
17 - TRANSMISSION EXPENSE	\$ 570,155	\$ 394,280
18 - DISTRIBUTION EXPENSE	\$ 40,817,492	\$ 51,612,729
19 - CUSTOMER ACCOUNT EXPENSES	\$ 25,226,971	\$ 28,177,045
20 - CUSTOMER SERVICE EXPENSES	\$ 4,652,566	\$ 4,829,560
21 - CONSERVATION AMORTIZATION	\$ 4,796,112	\$ 7,669,601
22 - ADMIN & GENERAL EXPENSE	\$ 38,296,979	\$ 44,215,773
23 - DEPRECIATION	\$ 72,897,010	\$ 82,190,938
24 - AMORTIZATION	\$ 14,088,267	\$ 15,618,788
25 - AMORTIZATION OF PROPERTY LOSS	\$ -	\$ -
26 - OTHER OPERATING EXPENSES	\$ 511,054	\$ 781,404
27 - FAS 133	\$ -	\$ -
28 - TAXES OTHER THAN F.I.T.	\$ 110,684,987	\$ 108,410,162
29 - FEDERAL INCOME TAXES	\$ 10,002,284	\$ (21,984,884)
30 - DEFERRED INCOME TAXES	\$ 7,046,149	\$ 43,878,484
31 - TOTAL OPERATING REV. DEDUCT.	\$ 1,131,803,402	\$ 1,105,518,056
32		
33 - NET OPERATING INCOME	\$ 103,964,431	\$ 111,350,201
34		
35 - RATE BASE	\$ 1,351,400,166	\$ 1,474,337,487
36		
37		
38 - RATE OF RETURN	7.69%	7.55%

PUGET SOUND ENERGY
BALANCE SHEET
September 30, 2007 and December 31, 2008

FERC Account and Description	Sep-07	Sept-07 AMA	Dec-08	Dec-08 AMA
*ASSETS				
**UTILITY PLANT				
***Electric Plant				
101 Electric Plant in Service	5,502,952,632	5,230,171,776	6,048,482,343	5,719,028,068
101.1 Property Under Capital Leases	22,881,587	16,248,974	69,911,858	24,722,124
102 Electric Plant Purchased or Sold	-	(12,153,779)	-	(1,389,543)
105 Electric Plant Held for Future Use	8,480,844	8,390,149	16,765,058	14,617,009
106 Comp.Construction Not Classfd.-Electric	-	-	58,874,298	78,711,148
107 Construction Work in Prog. - Electric	229,102,241	235,649,245	173,554,075	187,899,782
114 Electric Plant Acquisition Adjustments	77,871,127	77,871,127	228,771,745	84,158,653
***Total Electric Plant	5,841,288,432	5,556,177,493	6,596,359,376	6,107,747,241
***Gas Plant				
101 Gas Plant in Service	2,197,462,687	2,123,370,167	2,381,048,218	2,288,973,795
105 Gas Plant Held for Future Use	64,439	64,439	64,439	64,439
106 Comp. Construction Not Classfd.- Gas	-	-	65,726,596	39,275,309
107 Construction Work in Progress - Gas	66,853,572	55,369,822	46,359,520	61,260,783
117.3 Gas Strd.in Resvr.& Pipln.-Noncurr.	6,137,783	5,771,153	7,036,931	6,692,694
***Total Gas Plant	2,270,518,482	2,184,575,581	2,500,235,704	2,396,267,020
***Common Plant				
101 Plant in Service - Common	474,791,599	450,069,920	513,616,774	489,348,331
106 Comp Construction Not Classified - Common	-	-	1,451,001	2,209,322
107 Construction Work in Progress - Common	7,582,566	15,138,413	35,300,052	31,851,300
***Total Common Plant	482,374,164	465,208,333	550,367,827	523,408,953
***Accumulated Depreciation and Amortization				
108 Accumulated Provision for Depreciation	(2,938,265,383)	(2,787,864,516)	(3,193,189,220)	(3,072,588,827)
111 Accumulated Provision for Amortization	(227,326,793)	(208,076,914)	(281,038,245)	(259,068,828)
115 Accm.Prv.for Amort.of Plant Acquis.Adj.	(37,526,552)	(36,181,602)	(41,258,757)	(39,559,386)
***Less: Accumulated Depr and Amortizat	(3,203,118,728)	(3,032,123,032)	(3,515,486,222)	(3,371,217,041)
**NET UTILITY PLANT	5,391,062,349	5,173,838,374	6,131,476,685	5,656,206,174
**OTHER PROPERTY AND INVESTMENTS				
***Other Investments				
121 Nonutility Property	3,138,905	3,044,867	1,743,539	2,744,023
122 Accm.Prov.for Depr.& Amort.Non-utility Plant	(445,522)	(445,522)	(446,721)	(446,394)
123.1 Investment in Subsidiary Companies	65,544,371	62,632,927	54,941,378	56,141,997
124 Other Investments	60,599,235	57,663,645	66,588,134	62,873,953
***Total Other Investments	128,836,989	122,895,917	122,826,330	121,313,578
**TOTAL OTHER PROPERTY AND INVESTMENT	128,836,989	122,895,917	122,826,330	121,313,578
**CURRENT ASSETS				
***Cash				
131 Cash	186,761	2,929,229	4,266,107	2,710,857
134 Other Special Deposits	2,476,813	2,149,990	18,079,011	11,809,988
135 Working Funds	2,370,320	2,513,265	2,840,964	2,767,911
136 Temporary Cash Investments	2,637,717	8,643,238	19,912,977	46,593,008
***Total Cash	7,671,611	16,235,722	45,099,060	63,881,763
***Restricted Cash	-	-	-	-
***Total Restricted Cash	-	-	-	-
***Accounts Receivable				
141 Notes Receivable	3,173,323	2,453,009	4,856,611	3,772,361
142 Customer Accounts Receivable	131,595,865	199,013,378	265,885,158	199,881,624
143 Other Accounts Receivable	115,855,747	101,344,200	97,238,297	111,236,511
146 Accounts Receiv.from Assoc. Companies	298,072	274,461	4,253,162	3,122,110
171 Interest and Dividends Receivable	1,275	651	101	459
173 Accrued Utility Revenues	115,237,544	140,050,394	248,648,600	151,677,365
185 Temporary Facilities	(436,423)	(339,476)	(181,738)	(275,805)
191 Unrecovered Purchased Gas Costs	(61,157,957)	(141,199)	(8,891,908)	(40,067,601)
***Total Accounts Receivable	304,567,445	442,655,417	611,808,282	429,347,024

PUGET SOUND ENERGY
BALANCE SHEET
September 30, 2007 and December 31, 2008

FERC Account and Description	Sep-07	Sept-07 AMA	Dec-08	Dec-08 AMA
***Allowance for Doubtful Accounts				
144 Accm.Prov.for Uncollectible Accts-Credit	(1,811,378)	(1,385,116)	(1,473,346)	(1,951,728)
***Less: Allowance for Doubtful Accounts	(1,811,378)	(1,385,116)	(1,473,346)	(1,951,728)
***Materials and Supplies				
151 Fuel Stock	7,265,263	7,730,850	13,057,562	9,635,340
154 Plant Materials and Operating Supplies	58,567,811	49,269,603	58,571,047	57,734,271
163 Stores Expense Undistributed	2,631,440	2,273,435	3,453,134	3,403,563
164.1 Gas Stored - Current	108,863,763	87,647,515	106,543,193	82,122,693
164.2 Liquefied Natural Gas Stored	667,967	653,880	603,868	646,169
***Total Materials and Supplies	177,996,244	147,575,283	182,228,805	153,542,036
***Unrealized Gain-Derivative Instrumnts (ST)				
175 Invest in Derivative Instrumnts -Opt ST	231,815	405,473	15,565,520	45,803,773
176 Invest in Derivative Instrumnts-Gain ST	12,291,619	20,560,916	52,883	47,622,024
***Unrealized Gain on Derivatives (ST)	12,523,434	20,966,389	15,618,403	93,425,797
***Prepayments and Other Current Assets				
165 Prepayments	8,227,582	9,045,343	13,957,869	12,364,456
174 Misc.Current and Accrued Assets	16,292,762	3,894,022	-	3,747,044
186 Miscellaneous Deferred Debits	10,132	6,475	8,751	7,810
***Total Prepayments & Othr.Curr.Assets	24,530,476	12,945,840	13,966,620	16,119,310
Current Deferred Taxes				
Total Current Deferred Taxes	6,049,009	1,508,162	9,439,050	(5,412,710)
**TOTAL CURRENT ASSETS	531,526,842	640,501,697	876,686,874	748,951,493
***LONG-TERM ASSETS				
128 Pension Assets	-	-	-	120,225,730
165 Long-Term Prepaid	5,000,000	2,708,333	7,466,344	5,322,714
175 Invest in Derivative Instrumnts -Opt LT	-	-	6,295,402	17,576,278
176 Invest in Derivative Instrumnts-Gain LT	31,891	5,116,921	416,171	47,891,463
181 Unamortized Debt Expense	25,796,188	23,804,487	23,449,157	24,308,068
182.1 Extraordinary Property Losses	115,279,883	94,478,118	120,104,230	122,821,460
182.2 Unrecovered Plant & Reg Study Costs	42,238,442	43,007,057	40,316,907	41,085,521
Subtotal WUTC AFUDC	35,305,284	7,296,300	42,822,914	39,413,840
182.3 Other Regulatory Assets	512,210,531	526,016,855	448,179,447	469,203,173
183 Prelm. Survey and Investigation Charges	814,255	713,292	1,672,916	1,006,718
184 Clearing Accounts	(3,097,511)	(142,202)	280,246	746,577
186 Miscellaneous Deferred Debits	179,141,202	196,904,896	336,133,817	39,791,822
187 Def.Losses from Dispos.of Utility Plant	1,848,080	2,222,956	934,518	1,263,375
189 Unamortized Loss on Reacquired Debt	22,317,897	21,547,656	20,774,179	21,391,666
**TOTAL LONG-TERM ASSETS	936,886,141	923,674,670	1,048,846,250	952,048,404
*TOTAL ASSETS	\$ 6,988,312,322	\$ 6,860,910,658	\$ 8,179,836,139	\$ 7,478,519,649
***CAPITALIZATION AND LIABILITIES				
***CURRENT LIABILITIES				
230 Asset Retirement Obligations	(2,305,000)	(2,120,268)	(1,456,717)	(1,067,090)
244 FAS 133 Opt Unrealized Loss ST	(904,104)	(487,493)	(151,546,566)	(38,224,376)
245 FAS 133 Unrealized Loss ST	(55,764,225)	(49,489,912)	(85,319,254)	(16,381,120)
231 Notes Payable	(378,039,000)	(348,099,458)	(964,700,000)	(350,100,917)
232 Accounts Payable	(256,108,243)	(272,714,603)	(369,164,027)	(286,886,366)
233 Notes Payable to Associated Companies	(24,282,078)	(24,305,264)	(26,053,395)	(25,135,076)
234 Accounts Payable to Asscted Companies	(1,113,828)	(1,511,318)	(4,833,330)	(1,834,011)
235 Customer Deposits	(21,683,576)	(19,963,145)	(22,884,889)	(22,116,941)
236 Taxes Accrued	(24,562,129)	(55,640,970)	(66,771,552)	(61,825,330)
237 Interest Accrued	(57,279,930)	(51,848,432)	(36,112,295)	(54,997,240)
241 Tax Collections Payable	(47,786)	(2,573,954)	(2,162,493)	(1,818,897)
242 Misc. Current and Accrued Liabilities	(11,869,671)	(10,610,561)	(14,626,783)	(15,427,260)
243 Obligations Under Cap.Leases - Current	(83,855)	(956,772)	(68,586,141)	(21,871,623)
**TOTAL CURRENT LIABILITIES	(834,043,427)	(840,322,150)	(1,814,217,441)	(897,686,245)
***DEFERRED TAXES				
***Reg. Liability for Def.Income Tax				
253 Other Deferred Credits	(100,000)	(100,000)	-	(44,443)
283 Accum.Deferred Income Taxes - Other	(81,260,689)	(87,284,814)	(89,053,132)	(91,816,620)
***Total Reg.Liab.for Def.Income Tax	(81,360,689)	(87,384,814)	(89,053,132)	(91,861,063)

PUGET SOUND ENERGY
BALANCE SHEET
September 30, 2007 and December 31, 2008

FERC Account and Description	Sep-07	Sept-07 AMA	Dec-08	Dec-08 AMA
***Deferred Income Tax				
190 Accum.Deferred Income Taxes	159,193,686	141,196,858	322,941,911	181,676,251
255 Accum.Deferred Investment Tax Credits	(1,438,711)	(1,600,609)	(667,966)	(1,059,332)
282 Accum. Def. Income Taxes - Other Prop.	(665,689,824)	(630,981,943)	(832,014,769)	(757,251,239)
283 Accum.Deferred Income Taxes - Other	(188,205,090)	(175,963,766)	(151,526,078)	(192,093,141)
***Total Deferred Income Tax	(696,139,938)	(667,349,460)	(661,266,901)	(768,727,461)
**TOTAL DEFERRED TAXES	(777,500,627)	(754,734,274)	(750,320,033)	(860,588,524)
**OTHER DEFERRED CREDITS				
Subtotal 227 Oblig Under Cap Lease - Noncurr	(22,825,683)	(19,163,192)	-	(2,842,400)
Total Unrealized Loss on Derivatives -LT	(9,064,762)	(974,992)	(158,422,984)	(26,844,931)
228.2 Accum. Prov.for Injuries and Damages	(500,000)	(1,028,553)	(2,650,000)	(1,419,191)
228.3 Pension and Post Retirement Liabilities	-	-	(116,686,929)	(45,622,010)
228.4 Accum. Misc.Operating Provisions	(34,083,640)	(34,626,289)	(49,278,785)	(43,523,139)
230 Asset Retirement Obligations (FAS 143)	(26,055,931)	(26,339,915)	(28,203,821)	(29,134,669)
252 Customer Advances for Construction	(96,217,305)	(84,467,595)	(100,546,771)	(100,888,586)
253 Other Deferred Credits	(135,657,554)	(132,890,830)	(172,861,169)	(108,161,854)
254 Other Regulatory Liabilities	(52,009,730)	(57,128,085)	(54,245,235)	(42,108,334)
256 Def. Gains from Dispos.of Utility Plt	(2,587,533)	(2,786,328)	(2,215,342)	(2,546,759)
257 Unamortized Gain on Reacquired Debt	(403,324)	(463,823)	(252,078)	(312,576)
**TOTAL OTHER DEFERRED CREDITS	(379,405,462)	(359,869,600)	(685,363,115)	(403,404,450)
**CAPITALIZATION				
***SHAREHOLDER'S EQUITY				
****Common Equity				
201 Common Stock Issued	(859,037,900)	(859,037,900)	(859,037,900)	(859,037,900)
207 Premium on Capital Stock	(478,145,250)	(478,145,250)	(478,145,250)	(478,145,250)
210 Gain on Resale/Cancel.of Reacq.Cap.Stk	(338)	(338)	(338)	(338)
211 Miscellaneous Paid-in Capital	(530,525,795)	(526,972,260)	(824,996,420)	(824,213,144)
214 Capital Stock Expense	7,133,879	7,133,879	7,133,879	7,133,879
215 Appropriated Retained Earnings	(7,823,240)	(7,738,630)	(8,312,487)	(8,054,093)
216 Unappropriated Retained Earnings	(275,841,204)	(258,643,671)	(360,595,580)	(356,247,978)
216.1 Unappr.Undistrib.Subsidiary Earnings	20,459,999	22,706,936	23,010,728	21,850,269
219 Other Comprehensive Income	36,711,276	23,403,480	262,803,989	(29,725,402)
433 Balance Transferred from Income	(129,180,705)	(110,478,472)	(162,735,519)	(108,509,177)
438 Dividends Declared - Common Stock	79,135,870	58,359,909	145,840,137	83,498,785
439 Adjustments to Retained Earnings	-	-	5,848,610	4,630,150
****Total Common Equity	(2,137,113,406)	(2,129,412,317)	(2,249,186,150)	(2,546,820,197)
***TOTAL SHAREHOLDER'S EQUITY	(2,137,113,406)	(2,129,412,317)	(2,249,186,150)	(2,546,820,197)
***REDEEMABLE SECURITIES AND LONG-TERM DEBT				
****Preferred Stock - Manditorily Redeemable	(1,889,400)	(1,889,400)	(1,889,400)	(1,889,400)
****Total Preferred Stock - Mand Redeem	(1,889,400)	(1,889,400)	(1,889,400)	(1,889,400)
****Corporation Obligated, Mand Redeemable Preferred Stock Subscribed	-	(26,739,583)	-	-
****Corporation Obligated, Mand Redeem	-	(26,739,583)	-	-
****Long-term Debt				
221 Bonds	(2,858,360,000)	(2,747,943,333)	(2,428,860,000)	(2,528,547,500)
221 Junior Subordinated Debt	-	-	(250,000,000)	(239,583,333)
Long-term Debt	(2,858,360,000)	(2,747,943,333)	(2,678,860,000)	(2,768,130,833)
****Long-term Debt	(2,858,360,000)	(2,747,943,333)	(2,678,860,000)	(2,768,130,833)
***REDEEMABLE SECURITIES AND LTD	(2,860,249,400)	(2,776,572,317)	(2,680,749,400)	(2,770,020,233)
**TOTAL CAPITALIZATION	(4,997,362,806)	(4,905,984,634)	(4,929,935,550)	(5,316,840,430)
*TOTAL CAPITALIZATION AND LIABILITIES	\$ (6,988,312,322)	\$ (6,860,910,658)	\$ (8,179,836,139)	\$ (7,478,519,649)

Certain amounts previously reported have been reclassified to conform with current year presentations with no effect on total equity.

Puget Sound Energy
Gas Rate Base
As of December 31, 2008

Electric 64.62%

Gas 35.38%

Line No.	Description	AMA 12/31/08
1	Gas Utility Plant in Service	2,320,065,833
2	Common Plant-Allocation to Gas	169,771,037
3	Gas Stored Underground - Non current	<u>6,692,694</u>
4	Total Plant in Service and Other Assets	2,496,529,564
5	Accumulated Provision for Depreciation	(740,571,678)
7	Common Accumulated Depreciation-Allocation to Gas	(96,748,366)
8	Customer Advances for Construction	(27,028,861)
9	Contributions in Aid of Construction - Accum. Def. FIT.	3,476,667
10	Liberalized Depreciation Total Accum. Def. FIT - Liberalized	<u>(212,422,716)</u>
11	Accumulated Depreciation and Other Liabilities	(1,073,294,954)
12	Net Operating Investment	<u>1,423,234,610</u>
13	Allowance for Working Capital	<u>51,102,877</u>
14	Total Gas Rate Base	<u><u>1,474,337,487</u></u>

**Puget Sound Energy
Combined Working Capital
For the Twelve Month Period Ended December 31, 2008**

Line No.	Description	31-Dec-08	
		AMA	Notes
1	Average Invested Capital		
2	Common Stock	859,037,900	
3	Preferred Stock	-	
4	Additional Paid in Capital	1,291,464,743	
5	Unamortized Debt Expense	(24,308,068)	
6	Unappropriated Retained Earnings	358,789,938	
7	Notes Payable - Misc	-	
8	Long Term Debt	2,770,020,233	
9	Short Term Debt	375,235,993	
10	Accumulated Deferred ITC	1,059,331	
11	Deferred Debits-Other	(53,736)	
12	Unamortized Gain/Loss on Debt	(21,079,090)	
13			
14	Total Average Invested Capital	<u>5,610,167,244</u>	
15			
16	Average Operating Investments - Electric		
17			
18	Plant in Service (includes acquisition adj)	5,858,612,136	
19	Electric Future Use Property	14,617,009	
20	Customer Advances for Construction	(73,838,784)	
21	Customer Deposits	(15,143,164)	
22	Deferred Taxes	(493,976,058)	
23	Deferred Debits - Other	428,348,457	
24	Less: Accumulated Depreciation	(2,354,960,711)	
25	Conservation Investment	-	
26	Common Plant-Allocation to Electric	310,057,632	
27	Common Accum Depr-Allocation to Electric	(176,713,714)	
28	Common Deferred Taxes-Allocation to Electric	(16,707,772)	
29			
30	Total Average Operating Investment - Electric	<u>3,480,295,031</u>	
31			
32	Average Operating Investments - Gas		
33			
34	Gas Utility Plant in Service	2,320,065,833	
35	Deferred Items - Other	19,031,550	
36	Gas Stored Underground, Non-Current	6,692,694	
37	Gas Accumulated Depreciation	(740,571,678)	
38	Gas Customer Advances for Construction	(27,094,246)	
39	DFIT 17	(204,417,619)	
40	PGA	(40,067,601)	
41	Common Plant-Allocation to Gas	169,759,193	
42	Common Deferred Tax	(9,147,647)	
43	Common Accumulated Depreciation-Allocation	(96,752,263)	
44			
45	Total Average Operating Investment - Gas	<u>1,397,498,216</u>	
46			
47	Total Electric & Gas Operating Investment	<u><u>4,877,793,247</u></u>	
48			
49	Construction Work in Progress		
50			
51	Elec Construction Work in Process	208,482,092	
52	Gas Construction Work in Process	72,529,772	
53	Other Work in Process	2,405,366	
54	Electric Preliminary Surveys	<u>1,006,718</u>	

**Puget Sound Energy
Combined Working Capital
For the Twelve Month Period Ended December 31, 2008**

Line No.	Description	31-Dec-08	
		AMA	Notes
55	Total Construction Work in Progress	284,423,948	
56			
57	Nonoperating		
58			
59	Non-Utility Property	12,351,262	
60	Investment in Associated Companies	424,590,279	
61	Other Investments & FAS 133	(283,436,064)	
62	Deferred Items-Other	264,690,414	
63	Deferred Federal Income Tax	(98,288,077)	
55	Environmental Receivables	(67,392,847)	
56	Current Accounts - Gas Allocation only	1,290	
57	Merchandising Inventory - Gas Only	80,351	
58	Total Non Operatting Investment	252,596,608	
59			
60	Total CWIP & Nonoperating Investment	537,020,556	
61			
62	Total Average Investments	5,414,813,803	
63	Rounding		
64	Total Investor Supplied Capital	195,353,441	
65			
66			
67			
	Allocation of Working Capital		
69	Electric Working Capital		
70	Total Investment	5,414,813,803	
71	Less: Electric CWIP	(208,482,092)	
72	Interest Bearing Regulatory Assets		
73	Other Work in Progress	(2,405,366)	
74	Preliminary Surveys	(1,006,718)	
75	Total	5,202,919,627	
76			
77	Electric Working Capital Ratio	3.7547%	(195,353,441 / 5,202,919,627)
78			
79	Electric Working Capital	130,674,248	(0.037547* 3,480,295,031)
80			
81	Gas Working Capital		
82	Total Investment	5,414,813,803	
83	Less: Gas CWIP	(72,529,772)	
84	Total	5,342,284,031	
85			
86	Gas Working Capital Ratio	3.6567%	(195,353,441 / 5,342,284,031)
87			
88	Gas Working Capital	51,102,877	(0.0366* 1,397,498,216)
89			
90	Non Operating Working Capital	13,576,316	(195,353,441- 130,674,248-51,102,877)
91			
92		Allocation factor	
93		Electric 64.62%	
94		Gas 35.38%	

**PUGET SOUND ENERGY-ELECTRIC & GAS
GENERAL RATE INCREASE
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008
ALLOCATION METHODS**

Method	Description		Electric	Gas	Total
1	* <u>12 Month Average Number of Customers</u>	12/31/2008	1,063,954	737,851	1,801,805
	Percent		59.05%	40.95%	100.00%
2	* <u>Joint Meter Reading Customers</u>	12/31/2008	688,992	395,536	1,084,528
	Percent		63.53%	36.47%	100.00%
3	* <u>Non-Production Plant</u>				
	Distribution	12/31/2008	\$ 3,136,327,552	\$ 2,219,008,985	\$ 5,355,336,537
	Transmission	12/31/2008	341,902,139	-	341,902,139
	Direct General Plant	12/31/2008	144,259,073	48,833,233	193,092,306
	Total		\$ 3,622,488,764	\$ 2,267,842,218	\$ 5,890,330,982
Percent		61.50%	38.50%	100.00%	
4	* <u>4-Factor Allocator</u>				
	Number of Customers	12/31/2008	1,063,954	737,851	1,801,805
	Percent		59.05%	40.95%	100.00%
	Labor - Direct Charge to O&M	12/31/2008	\$ 40,028,307	\$ 21,973,240	\$ 62,001,547
	Percent		64.56%	35.44%	100.00%
	T&D O&M Expense (Less Labor)	12/31/2008	\$ 62,673,171	\$ 31,222,288	\$ 93,895,460
	Percent		66.75%	33.25%	100.00%
	Net Classified Plant (Excluding General Plant)	12/31/2008	\$ 3,378,503,702	\$ 1,579,494,155	\$ 4,957,997,857
	Percent		68.14%	31.86%	100.00%
	Total Percentages		258.50%	141.50%	400.00%
Percent		64.62%	35.38%	100.00%	
5	* <u>Labor</u>				
	Benefit Assessment Distribution	12/31/2008	\$ 14,461,698	\$ 7,806,225	\$ 22,267,922
	Total		\$ 14,461,698	\$ 7,806,225	\$ 22,267,922
Percent		64.94%	35.06%	100.00%	