



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

May 13, 2011

Mr. David Danner  
Executive Director and Secretary  
Washington Utilities and Transportation Commission  
1300 S. Evergreen Park Drive SW  
P.O. Box 47250  
Olympia, WA 98504-7250

Dear Mr. Danner,

In accordance with the rules and regulations governing accounting for public service companies as set forth in Chapters 480-90-275 and 480-100-275 WAC, the Company is submitting herewith its Quarterly Reports for the period ending March 31, 2011. The materials also include an allocated rate base and the regulated capital structure.

Please contact me at (425) 462-3885 should you have any questions.

Sincerely,

John H. Story  
Director, Cost & Regulation

Enclosure

Cc: Thomas Schooley      WUTC Regulatory Analyst  
Mike Parvinen              WUTC Assistant Director of Energy

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STATE OF WASH.  
UTIL. AND TRANSP.  
COMMISSION

**PUGET SOUND ENERGY  
BALANCE SHEET**

| FERC Account and Description                        | Jan 2011               | Feb 2011               | Mar 2011               |
|---|------------------------|------------------------|------------------------|
| <b>*ASSETS</b>                                      |                        |                        |                        |
| <b>**UTILITY PLANT</b>                              |                        |                        |                        |
| <b>***Electric Plant</b>                            |                        |                        |                        |
| 101 Electric Plant in Service                       | 6,752,502,716          | 6,769,392,242          | 6,774,192,250          |
| 101.1 - Property under capital leases               | -                      | -                      | -                      |
| 102 Electric Plant Purchased or Sold                | -                      | -                      | -                      |
| 105 Electric Plant Held for Future Use              | 29,445,702             | 29,447,324             | 29,487,079             |
| 106 Comp.Construction Not Classfd.-Electric         | 30,220,261             | 24,659,574             | 25,581,456             |
| 107 Construction Work in Prog. - Electric           | 707,291,723            | 725,339,579            | 788,655,197            |
| 114 Electric Plant Acquisition Adjustments          | 251,782,251            | 251,782,251            | 251,782,251            |
| <b>Total Electric Plant</b>                         | <b>7,771,242,653</b>   | <b>7,800,620,970</b>   | <b>7,869,698,232</b>   |
| <b>***Gas Plant</b>                                 |                        |                        |                        |
| 101 Gas Plant in Service                            | 2,672,107,412          | 2,698,983,211          | 2,705,635,662          |
| 105 Gas Plant Held for Future Use                   | 24,652,060             | 4,702,851              | 4,702,851              |
| 106 Comp. Construction Not Classfd.- Gas            | 18,677,132             | 11,228,685             | 10,464,846             |
| 107 Construction Work in Progress - Gas             | 32,417,292             | 30,508,319             | 30,896,975             |
| 117.3 Gas Strd.in Resvr.& Pipln.-Noncurr.           | 8,102,271              | 8,149,969              | 8,182,711              |
| <b>Total Gas Plant</b>                              | <b>2,755,956,167</b>   | <b>2,753,573,035</b>   | <b>2,759,883,044</b>   |
| <b>***Common Plant</b>                              |                        |                        |                        |
| 101 Plant in Service - Common                       | 383,965,429            | 391,587,637            | 402,827,850            |
| 106 Comp Construction Not Classfd. - Common         | 7,288,778              | 9,922,133              | 2,787,540              |
| 107 Construction Work in Progress - Common          | 35,424,314             | 35,032,730             | 36,444,561             |
| <b>Total Common Plant</b>                           | <b>426,678,522</b>     | <b>436,542,500</b>     | <b>442,059,950</b>     |
| <b>***Accumulated Depreciation and Amortization</b> |                        |                        |                        |
| 108 Accumulated Provision for Depreciation          | (3,543,478,428)        | (3,562,643,364)        | (3,571,578,407)        |
| 111 Accumulated Provision for Amortization          | (114,395,657)          | (116,459,501)          | (119,782,216)          |
| 115 Accm.Priv.for Amort.of Plant Acquis.Adj.        | (60,920,885)           | (61,719,227)           | (62,517,569)           |
| <b>Less: Accumulated Depr and Amortizat</b>         | <b>(3,718,794,970)</b> | <b>(3,740,822,092)</b> | <b>(3,753,878,193)</b> |
| <b>**NET UTILITY PLANT</b>                          | <b>7,235,082,371</b>   | <b>7,249,914,414</b>   | <b>7,317,763,034</b>   |
| <b>**OTHER PROPERTY AND INVESTMENTS</b>             |                        |                        |                        |
| <b>***Other Investments</b>                         |                        |                        |                        |
| 121 Nonutility Property                             | 4,213,318              | 4,213,318              | 4,289,233              |
| 122 Accm.Prov.for Depr.& Amort.Non-utility P        | (863,647)              | (863,647)              | (863,647)              |
| 123.1 Investment in Subsidiary Companies            | 49,380,155             | 49,380,155             | 48,898,724             |
| 124 Other Investments                               | 68,734,827             | 68,704,655             | 69,205,488             |
| <b>***Total Other Investments</b>                   | <b>121,464,653</b>     | <b>121,434,480</b>     | <b>121,529,798</b>     |
| <b>**TOTAL OTHER PROPERTY AND INVESTMENT</b>        | <b>121,464,653</b>     | <b>121,434,480</b>     | <b>121,529,798</b>     |
| <b>**CURRENT ASSETS</b>                             |                        |                        |                        |
| <b>***Cash</b>                                      |                        |                        |                        |
| 131 Cash  | 163,438,161            | 12,894,795             | 18,406,958             |
| 134 Other Special Deposits                          | 4,258,318              | 4,179,560              | 4,191,422              |
| 135 Working Funds                                   | 3,618,947              | 3,445,169              | 3,583,687              |

**PUGET SOUND ENERGY  
BALANCE SHEET**

| FERC Account and Description                             | Jan 2011             | Feb 2011             | Mar 2011             |
|--|----------------------|----------------------|----------------------|
| 136 Temporary Cash Investments                           | 122,000,000          | 28,000,000           | 11,000,000           |
| <b>***Total Cash</b>                                     | <b>293,315,426</b>   | <b>48,519,524</b>    | <b>37,182,066</b>    |
| <b>***Restricted Cash</b>                                |                      |                      |                      |
| <b>***Total Restricted Cash</b>                          |                      |                      |                      |
| <b>***Accounts Receivable</b>                            |                      |                      |                      |
| 141 Notes Receivable                                     | 3,486,655            | 3,429,594            | 3,034,741            |
| 142 Customer Accounts Receivable                         | 298,387,556          | 311,177,418          | 298,980,170          |
| 143 Other Accounts Receivable                            | 76,375,180           | 73,098,832           | 68,301,015           |
| 146 Accounts Receiv.from Assoc. Companies                | 125,664              | 107,489              | 132,637              |
| 171 Interest and Dividends Receivable                    | -                    | -                    | -                    |
| 173 Accrued Utility Revenues                             | 182,458,030          | 174,653,781          | 135,291,646          |
| 185 Temporary Facilities                                 | 33,514               | 31,203               | 35,590               |
| 191 Unrecovered Purchased Gas Costs                      | 8,328,102            | 1,413,431            | (2,757,576)          |
| <b>***Total Accounts Receivable</b>                      | <b>569,194,701</b>   | <b>563,911,748</b>   | <b>503,018,222</b>   |
| <b>***Allowance for Doubtful Accounts</b>                |                      |                      |                      |
| 144 - Accumulated provision for uncollectible account cr | (10,093,489)         | (10,196,372)         | (9,533,827)          |
| <b>***Less: Allowance for Doubtful Accounts</b>          | <b>(10,093,489)</b>  | <b>(10,196,372)</b>  | <b>(9,533,827)</b>   |
| <b>***Materials and Supplies</b>                         |                      |                      |                      |
| 151 Fuel Stock   | 16,274,355           | 13,457,189           | 15,519,896           |
| 154 Plant Materials and Operating Supplies               | 81,647,869           | 81,501,321           | 83,740,573           |
| 163 Stores Expense Undistributed                         | 4,597,973            | 4,794,044            | 4,964,209            |
| 164.1 Gas Stored - Current                               | 62,475,531           | 45,334,161           | 40,504,798           |
| 164.2 Liquefied Natural Gas Stored                       | 645,997              | 622,383              | 622,383              |
| <b>***Total Materials and Supplies</b>                   | <b>165,641,725</b>   | <b>145,709,097</b>   | <b>145,351,859</b>   |
| <b>***Unrealized Gain-Derivative Instrumnts (ST)</b>     |                      |                      |                      |
| 175 Invest in Derivative Instrumnts -Opt ST              | 7,703,237            | 7,637,375            | 10,354,675           |
| 176 Invest in Derivative Instrumnts-Gain ST              | -                    | -                    | -                    |
| <b>***Unrealized Gain on Derivatives (ST)</b>            | <b>7,703,237</b>     | <b>7,637,375</b>     | <b>10,354,675</b>    |
| <b>***Prepayments and Other Current Assets</b>           |                      |                      |                      |
| 165 Prepayments  | 12,845,568           | 13,251,466           | 15,001,170           |
| 174 Misc.Current and Accrued Assets                      | -                    | -                    | -                    |
| 186 Miscellaneous Deferred Debits                        | -                    | -                    | -                    |
| <b>***Total Prepayments &amp; Othr.Curr.Assets</b>       | <b>12,845,568</b>    | <b>13,251,466</b>    | <b>15,001,170</b>    |
| <b>Current Deferred Taxes</b>                            |                      |                      |                      |
| Total Current Deferred Taxes                             | 531,400,029          | 533,261,815          | 510,364,410          |
| <b>**TOTAL CURRENT ASSETS</b>                            | <b>1,570,007,197</b> | <b>1,302,094,654</b> | <b>1,211,738,575</b> |
| <b>**LONG-TERM ASSETS</b>                                |                      |                      |                      |
| 165 Long-Term Prepaid                                    | 8,665,732            | 15,903,777           | 16,022,324           |
| 175 Invest in Derivative Instrumnts -Opt LT              | 5,643,152            | 5,995,781            | 9,705,807            |
| 176 Invest in Derivative Instrumnts-Gain LT              | -                    | -                    | -                    |
| 181 Unamortized Debt Expense                             | 43,324,211           | 42,763,347           | 44,841,023           |
| 182.1 Extraordinary Property Losses                      | 102,128,754          | 100,880,077          | 99,503,482           |

**PUGET SOUND ENERGY  
BALANCE SHEET**

| FERC Account and Description                | Jan 2011                | Feb 2011                | Mar 2011                |
|---|-------------------------|-------------------------|-------------------------|
| 182.2 Unrecovered Plant & Reg Study Costs   | 7,269,274               | 7,144,716               | 7,020,157               |
| Subtotal WUTC AFUDC                         | 53,997,444              | 55,501,871              | 56,740,526              |
| 182.3 Other Regulatory Assets               | 421,738,196             | 412,642,163             | 398,810,586             |
| 183 Prelm. Survey and Investigation Charges | 2,200,856               | 2,200,856               | 2,200,856               |
| 184 Clearing Accounts                       | 456,418                 | 823,061                 | 1,743,652               |
| 186 Miscellaneous Deferred Debits           | 347,132,534             | 352,068,171             | 328,860,634             |
| 187 Def.Losses from Dispos.of Utility Plant | 671,568                 | 657,009                 | 642,451                 |
| 189 Unamortized Loss on Reacquired Debt     | 18,201,317              | 18,098,402              | 17,995,488              |
| <b>**TOTAL LONG-TERM ASSETS</b>             | <b>1,011,429,454</b>    | <b>1,014,679,231</b>    | <b>984,086,985</b>      |
| <b>*TOTAL ASSETS</b>                        | <b>\$ 9,937,983,675</b> | <b>\$ 9,688,122,779</b> | <b>\$ 9,635,118,392</b> |

**\*CAPITALIZATION AND LIABILITIES**

**\*\*CURRENT LIABILITIES**

|  |                        |                        |                      |
|--|------------------------|------------------------|----------------------|
| 230 Asset Retirement Obligations           | (1,708,874)            | (1,708,874)            | (1,708,874)          |
| 244 FAS 133 Opt Unrealized Loss ST         | (221,008,191)          | (241,582,431)          | (210,518,023)        |
| 245 FAS 133 Unrealized Loss ST             | -                      | -                      | -                    |
| 231 Notes Payable                          | (437,000,000)          | (368,600,000)          | (126,600,000)        |
| 232 Accounts Payable                       | (433,888,479)          | (276,294,139)          | (267,976,875)        |
| 233 Notes Payable to Associated Companies  | (22,597,785)           | (22,597,785)           | (29,997,785)         |
| 234 Accounts Payable to Asscted Companies  | (616,351)              | (525,211)              | (501,582)            |
| 235 Customer Deposits                      | (30,351,165)           | (30,439,954)           | (30,488,952)         |
| 236 Taxes Accrued                          | (70,962,440)           | (75,883,386)           | (85,077,447)         |
| 237 Interest Accrued                       | (56,819,293)           | (69,387,028)           | (44,683,081)         |
| 238 Dividends Declared                     | -                      | -                      | -                    |
| 241 Tax Collections Payable                | (1,564,899)            | (2,924,650)            | (3,074,890)          |
| 242 Misc. Current and Accrued Liabilities  | (22,269,988)           | (23,000,050)           | (21,901,136)         |
| 243 Obligations Under Cap.Leases - Current | -                      | -                      | -                    |
| <b>**TOTAL CURRENT LIABILITIES</b>         | <b>(1,298,787,466)</b> | <b>(1,112,943,508)</b> | <b>(822,528,646)</b> |

**\*\*DEFERRED TAXES**

**\*\*\*Reg. Liability for Def.Income Tax**

|   |                     |                     |                     |
|---|---------------------|---------------------|---------------------|
| 283 Accum.Deferred Income Taxes - Other     | (68,200,691)        | (68,200,691)        | (63,897,691)        |
| <b>***Total Reg.Liab.for Def.Income Tax</b> | <b>(68,200,691)</b> | <b>(68,200,691)</b> | <b>(63,897,691)</b> |

**\*\*\*Deferred Income Tax**

|  |                        |                        |                        |
|--|------------------------|------------------------|------------------------|
| 255 Accum.Deferred Investment Tax Credits  | (101,785)              | (92,571)               | (78,270)               |
| 282 Accum. Def. Income Taxes - Other Prop. | (1,215,833,201)        | (1,228,987,463)        | (1,242,140,794)        |
| 283 Accum.Deferred Income Taxes - Other    | (223,619,208)          | (224,693,088)          | (209,439,853)          |
| <b>***Total Deferred Income Tax</b>        | <b>(1,439,554,194)</b> | <b>(1,453,773,122)</b> | <b>(1,451,658,917)</b> |

**\*\*TOTAL DEFERRED TAXES**

**(1,507,754,885) (1,521,973,813) (1,515,556,608)**

**\*\*OTHER DEFERRED CREDITS**

|  |               |               |               |
|--|---------------|---------------|---------------|
| Subtotal 227 Oblig Under Cap Lease - Noncurr | -             | -             | -             |
| Total Unrealized Loss on Derivatives -LT     | (150,606,720) | (144,320,805) | (111,860,167) |
| 228.2 Accum. Prov.for Injuries and Damages   | (300,000)     | (300,000)     | (225,000)     |
| 228.3 Pension & Post Retirement Liabilities  | (58,840,021)  | (53,659,440)  | (53,612,642)  |
| 228.4 Accum. Misc.Operating Provisions       | (70,182,634)  | (70,182,634)  | (69,378,010)  |
| 230 Asset Retirement Obligations (FAS 143)   | (23,819,459)  | (23,931,524)  | (23,036,645)  |
| 252 Customer Advances for Construction       | (94,731,822)  | (95,063,369)  | (95,155,636)  |

**PUGET SOUND ENERGY  
BALANCE SHEET**

| FERC Account and Description   | Jan 2011                  | Feb 2011                  | Mar 2011                  |
|--|---------------------------|---------------------------|---------------------------|
| 253 Other Deferred Credits   | (154,708,522)             | (157,650,439)             | (157,534,796)             |
| 254 Other Regulatory Liabilities   | (94,265,305)              | (87,813,015)              | (85,109,174)              |
| 256 Def. Gains from Dispos.of Utility Plt                                    | (4,846,570)               | (4,665,820)               | (4,481,445)               |
| 257 Unamortized Gain on Reacquired Debt                                      | -                         | -                         | -                         |
| <b>**TOTAL OTHER DEFERRED CREDITS</b>  | <b>(652,301,054)</b>      | <b>(637,587,047)</b>      | <b>(600,393,515)</b>      |
| <b>**CAPITALIZATION</b>  |                           |                           |                           |
| <b>***SHAREHOLDER'S EQUITY</b>   |                           |                           |                           |
| <b>****Common Equity</b>   |                           |                           |                           |
| 201 Common Stock Issued  | (859,038)                 | (859,038)                 | (859,038)                 |
| 207 Premium on Capital Stock   | (478,145,250)             | (478,145,250)             | (478,145,250)             |
| 211 Miscellaneous Paid-in Capital  | (2,488,196,691)           | (2,663,196,691)           | (2,663,196,691)           |
| 214 Capital Stock Expense  | 7,133,879                 | 7,133,879                 | 7,133,879                 |
| 215 Appropriated Retained Earnings   | (8,376,461)               | (8,376,461)               | (8,376,461)               |
| 216 Unappropriated Retained Earnings   | (165,076,493)             | (165,076,493)             | (165,557,924)             |
| 216.1 Unappr.Undistrib.Subsidiary Earnings                                   | (4,882,711)               | (4,882,711)               | (4,401,280)               |
| 219 Other Comprehensive Income   | 153,579,382               | 149,691,844               | 143,580,093               |
| 433 Balance Transferred from Income  | (41,665,463)              | (64,070,558)              | (103,439,451)             |
| 438 Dividends Declared - Common Stock  | 5,359,966                 | 10,174,458                | 74,618,899                |
| 439 Adjustments to Retained Earnings   | 5,848,610                 | 5,848,610                 | 5,848,610                 |
| <b>****Total Common Equity</b>   | <b>(3,015,280,270)</b>    | <b>(3,211,758,411)</b>    | <b>(3,192,794,613)</b>    |
| <b>***TOTAL SHAREHOLDER'S EQUITY</b>   | <b>(3,015,280,270)</b>    | <b>(3,211,758,411)</b>    | <b>(3,192,794,613)</b>    |
| <b>***REDEEMABLE SECURITIES AND LONG-TERM DEBT</b>                           |                           |                           |                           |
| <b>****Preferred Stock - Manditorily Redeemable Capital</b>                  | -                         | -                         | -                         |
| <b>****Total Preferred Stock - Mand Redeem</b>                               | -                         | -                         | -                         |
| <b>****Corporation Obligated, Mand Redeemable Preferred Stock Subscribed</b> |                           |                           |                           |
| <b>****Corporation Obligated, Mand Redeem</b>                                | -                         | -                         | -                         |
| <b>****Long-term Debt</b>  |                           |                           |                           |
| 221 Junior Subordinated Debt   | (250,000,000)             | (250,000,000)             | (250,000,000)             |
| 221 Bonds  | (3,213,860,000)           | (2,953,860,000)           | (3,253,860,000)           |
| 226 Unamort.Disct. on Long-term Debt-Debit                                   | -                         | -                         | 14,990                    |
| <b>Long-term Debt</b>  | <b>(3,463,860,000)</b>    | <b>(3,203,860,000)</b>    | <b>(3,503,845,010)</b>    |
| <b>****Long-term Debt Total</b>  | <b>(3,463,860,000)</b>    | <b>(3,203,860,000)</b>    | <b>(3,503,845,010)</b>    |
| <b>***REDEEMABLE SECURITIES AND LTD</b>                                      | <b>(3,463,860,000)</b>    | <b>(3,203,860,000)</b>    | <b>(3,503,845,010)</b>    |
| <b>**TOTAL CAPITALIZATION</b>  | <b>(6,479,140,270)</b>    | <b>(6,415,618,411)</b>    | <b>(6,696,639,623)</b>    |
| <b>*TOTAL CAPITALIZATION AND LIABILITIES</b>                                 | <b>\$ (9,937,983,675)</b> | <b>\$ (9,688,122,779)</b> | <b>\$ (9,635,118,392)</b> |

**PUGET SOUND ENERGY**  
**PERIODIC ALLOCATED RESULTS OF OPERATIONS**  
**FOR THE 12 MONTHS ENDED MARCH 31, 2011**

April through December 2010 spread is based on allocation factors developed for the 12 ME 12/31/2009)

January through March 2011 spread is based on allocation factors developed for the 12 ME 12/31/2010)

|   | Electric                | Gas                     | Total Amount          |
|---|-------------------------|-------------------------|-----------------------|
| 1 - OPERATING REVENUES:                                   |                         |                         |                       |
| 2 - SALES TO CUSTOMERS                                    | \$ 2,111,377,363        | \$ 1,093,453,100        | \$ 3,204,830,463      |
| 3 - SALES FOR RESALE-FIRM                                 | 363,190                 | -                       | 363,190               |
| 4 - SALES TO OTHER UTILITIES                              | 169,871,199             | -                       | 169,871,199           |
| 5 - OTHER OPERATING REVENUES                              | 46,424,006              | 14,296,058              | 60,720,064            |
| 6 - TOTAL OPERATING REVENUES                              | \$ 2,328,035,758        | \$ 1,107,749,158        | \$ 3,435,784,916      |
| 7   |                         |                         |                       |
| 8 - OPERATING REVENUE DEDUCTIONS:                         |                         |                         |                       |
| 9   |                         |                         |                       |
| 10 - POWER COSTS:   |                         |                         |                       |
| 11 - FUEL   | \$ 257,124,610          | \$ -                    | \$ 257,124,610        |
| 12 - PURCHASED AND INTERCHANGED                           | 781,203,774             | 595,822,398             | 1,377,026,171         |
| 13 - WHEELING   | 80,701,280              | -                       | 80,701,280            |
| 14 - RESIDENTIAL EXCHANGE                                 | (74,329,958)            | -                       | (74,329,958)          |
| 15 - TOTAL PRODUCTION EXPENSES                            | \$ 1,044,699,705        | \$ 595,822,398          | \$ 1,640,522,103      |
| 16  |                         |                         |                       |
| 17 - OTHER ENERGY SUPPLY EXPENSES                         | \$ 102,568,166          | \$ 1,636,080            | \$ 104,204,246        |
| 18 - TRANSMISSION EXPENSE                                 | 11,939,157              | 258,957                 | 12,198,114            |
| 19 - DISTRIBUTION EXPENSE                                 | 85,341,542              | 51,266,249              | 136,607,790           |
| 20 - CUSTOMER ACCTS EXPENSES                              | 49,867,990              | 32,174,996              | 82,042,986            |
| 21 - CUSTOMER SERVICE EXPENSES                            | 13,713,082              | 4,828,216               | 18,541,298            |
| 22 - CONSERVATION AMORTIZATION                            | 86,206,406              | 17,962,077              | 104,168,484           |
| 23 - ADMIN & GENERAL EXPENSE                              | 93,159,637              | 42,758,654              | 135,918,290           |
| 24 - DEPRECIATION   | 192,397,590             | 104,488,380             | 296,885,970           |
| 25 - AMORTIZATION   | 38,124,110              | 12,216,917              | 50,341,027            |
| 26 - AMORTIZ OF PROPERTY LOSS                             | 17,804,772              | -                       | 17,804,772            |
| 27 - OTHER OPERATING EXPENSES                             | 66,365,809              | (153,987)               | 66,211,822            |
| 28 - FAS 133  | 47,952,308              | -                       | 47,952,308            |
| 29 - TAXES OTHER THAN INCOME TAXES                        | 200,582,324             | 108,500,071             | 309,082,395           |
| 30 - INCOME TAXES   | 19,346,334              | 8,022,117               | 27,368,451            |
| 31 - DEFERRED INCOME TAXES                                | 24,723,835              | 12,646,823              | 37,370,658            |
| 32 - TOTAL OPERATING REV. DEDUCT.                         | \$ 2,094,792,768        | \$ 992,427,947          | \$ 3,087,220,714      |
| <b>NET OPERATING INCOME</b>                               | <b>\$ 233,242,990</b>   | <b>\$ 115,321,211</b>   | <b>\$ 348,564,201</b> |
| <b>RATE BASE (AMA For 12 Months Ended March 31, 2010)</b> | <b>\$ 4,080,840,029</b> | <b>\$ 1,636,997,475</b> |                       |

**PUGET SOUND ENERGY**  
**ACTUAL RESULTS OF OPERATIONS**  
**FOR THE 12 MONTHS ENDED MARCH 31, 2011**

|                                    | Electric              | Gas                   | Common                  | Energy N/A              | Total Amount          |
|------------------------------------|-----------------------|-----------------------|-------------------------|-------------------------|-----------------------|
| <b>OPERATING INCOME</b>            |                       |                       |                         |                         |                       |
| 1 - OPERATING REVENUES:            |                       |                       |                         |                         |                       |
| 2 - SALES TO CUSTOMERS             | \$ 2,111,377,363      | \$1,093,453,100       | \$ -                    | \$ -                    | \$ 3,204,830,463      |
| 3 - SALES FOR RESALE-FIRM          | 363,190               | -                     | -                       | -                       | 363,190               |
| 4 - SALES TO OTHER UTILITIES       | 169,871,199           | -                     | -                       | -                       | 169,871,199           |
| 5 - OTHER OPERATING REVENUES       | 46,424,006            | 14,296,058            | -                       | -                       | 60,720,064            |
| 6 - TOTAL OPERATING REVENUES       | \$ 2,328,035,758      | \$1,107,749,158       | \$ -                    | \$ -                    | \$ 3,435,784,916      |
| 7                                  |                       |                       |                         |                         |                       |
| 8 - OPERATING REVENUE DEDUCTIONS:  |                       |                       |                         |                         |                       |
| 9                                  |                       |                       |                         |                         |                       |
| 10 - POWER COSTS:                  |                       |                       |                         |                         |                       |
| 11 - FUEL                          | \$ 257,124,610        | \$ -                  | \$ -                    | \$ -                    | \$ 257,124,610        |
| 12 - PURCHASED AND INTERCHANGED    | 781,203,774           | 595,822,398           | -                       | -                       | 1,377,026,171         |
| 13 - WHEELING                      | 80,701,280            | -                     | -                       | -                       | 80,701,280            |
| 14 - RESIDENTIAL EXCHANGE          | (74,329,958)          | -                     | -                       | -                       | (74,329,958)          |
| 15 - TOTAL PRODUCTION EXPENSES     | \$ 1,044,699,705      | \$ 595,822,398        | \$ -                    | \$ -                    | \$ 1,640,522,103      |
| 16                                 |                       |                       |                         |                         |                       |
| 17 - OTHER ENERGY SUPPLY EXPENSES  | \$ 102,568,166        | \$ 1,636,080          | \$ -                    | \$ -                    | \$ 104,204,246        |
| 18 - TRANSMISSION EXPENSE          | 11,939,157            | 258,957               | -                       | -                       | 12,198,114            |
| 19 - DISTRIBUTION EXPENSE          | 85,341,542            | 51,266,249            | -                       | -                       | 136,607,790           |
| 20 - CUSTOMER ACCTS EXPENSES       | 31,568,927            | 19,479,386            | 30,994,674              | -                       | 82,042,986            |
| 21 - CUSTOMER SERVICE EXPENSES     | 12,395,610            | 3,911,468             | 2,234,220               | -                       | 18,541,298            |
| 22 - CONSERVATION AMORTIZATION     | 86,206,406            | 17,962,077            | -                       | -                       | 104,168,484           |
| 23 - ADMIN & GENERAL EXPENSE       | 39,892,056            | 14,100,984            | 81,925,250              | -                       | 135,918,290           |
| 24 - DEPRECIATION                  | 177,803,332           | 96,702,190            | 22,380,448              | -                       | 296,885,970           |
| 25 - AMORTIZATION                  | 17,894,255            | 1,438,341             | 31,008,431              | -                       | 50,341,027            |
| 26 - AMORTIZ OF PROPERTY LOSS      | 17,804,772            | -                     | -                       | -                       | 17,804,772            |
| 27 - OTHER OPERATING EXPENSES      | 66,365,809            | (153,987)             | -                       | -                       | 66,211,822            |
| 28 - FAS 133                       | 47,952,308            | -                     | -                       | -                       | 47,952,308            |
| 29 - TAXES OTHER THAN INCOME TAXES | 197,749,369           | 107,010,959           | 4,322,068               | -                       | 309,082,395           |
| 30 - INCOME TAXES                  | 19,346,334            | 8,022,117             | -                       | -                       | 27,368,451            |
| 31 - DEFERRED INCOME TAXES         | 16,657,780            | 8,356,155             | 12,356,723              | -                       | 37,370,658            |
| 32 - TOTAL OPERATING REV. DEDUCT.  | \$ 1,976,185,527      | \$ 925,813,373        | \$ 185,221,814          | \$ -                    | \$ 3,087,220,714      |
| <b>NET OPERATING INCOME</b>        | \$ 351,850,231        | \$ 181,935,785        | \$ (185,221,814)        | \$ -                    | \$ 348,564,201        |
| <b>NON-OPERATING INCOME</b>        |                       |                       |                         |                         |                       |
| 99 - OTHER INCOME                  | \$ -                  | \$ -                  | \$ -                    | \$ (33,429,924)         | \$ (33,429,924)       |
| 999 - INTEREST                     | -                     | -                     | -                       | 214,186,042             | 214,186,042           |
| 9999 - EXTRAORDINARY ITEMS         | -                     | -                     | -                       | -                       | -                     |
| <b>TOTAL NON-OPERATING INCOME</b>  | \$ -                  | \$ -                  | \$ -                    | \$ 180,756,118          | \$ 180,756,118        |
| <b>NET INCOME</b>                  | <b>\$ 351,850,231</b> | <b>\$ 181,935,785</b> | <b>\$ (185,221,814)</b> | <b>\$ (180,756,118)</b> | <b>\$ 167,808,083</b> |

**PUGET SOUND ENERGY**  
**INCOME STATEMENT DETAIL**  
**FOR THE 12 MONTHS ENDED MARCH 31, 2011**

| FERC Account Description                           | Electric             | Gas                  | Common   | Total                |
|--|----------------------|----------------------|----------|----------------------|
| <b>1 - OPERATING REVENUES</b>                      |                      |                      |          |                      |
| 2 - SALES TO CUSTOMERS                             |                      |                      |          |                      |
| (2) 440 - Electric Residential Sales               | 1,125,335,343        | -                    | -        | 1,125,335,343        |
| (2) 442 - Electric Commercial & Industrial Sales   | 965,177,659          | -                    | -        | 965,177,659          |
| (2) 444 - Public Street & Highway Lighting         | 18,437,698           | -                    | -        | 18,437,698           |
| (2) 456 - Other Electric Revenues                  | -                    | -                    | -        | -                    |
| (2) 456 - Other Electric Revenues - Unbilled       | 220,579              | -                    | -        | 220,579              |
| (2) 456 - Other Electric Revenues - Conservation   | 2,206,084            | -                    | -        | 2,206,084            |
| (2) 480 - Gas Residential Sales                    | -                    | 716,098,108          | -        | 716,098,108          |
| (2) 481 - Gas Commercial & Industrial Sales        | -                    | 362,922,356          | -        | 362,922,356          |
| (2) 489 - Rev From Transportation Of Gas To Others | -                    | 14,432,636           | -        | 14,432,636           |
| (2) SUBTOTAL                                       | 2,111,377,363        | 1,093,453,100        | -        | 3,204,830,463        |
| 3 - SALES FOR RESALE-FIRM                          |                      |                      |          | -                    |
| (3) 447 - Electric Sales For Resale                | 363,190              | -                    | -        | 363,190              |
| (3) SUBTOTAL                                       | 363,190              | -                    | -        | 363,190              |
| 4 - SALES TO OTHER UTILITIES                       |                      |                      |          | -                    |
| (4) 447 - Electric Sales For Resale - Sales        | 54,682,944           | -                    | -        | 54,682,944           |
| (4) 447 - Electric Sales For Resale - Purchases    | 115,188,255          | -                    | -        | 115,188,255          |
| (4) SUBTOTAL                                       | 169,871,199          | -                    | -        | 169,871,199          |
| 5 - OTHER OPERATING REVENUES                       |                      |                      |          | -                    |
| (5) 412 - Lease Inc Everett Delta to NWP - Gas     | -                    | -                    | -        | -                    |
| (5) 450 - Forfeited Discounts                      | 4,070,741            | -                    | -        | 4,070,741            |
| (5) 451 - Electric Misc Service Revenue            | 7,009,511            | -                    | -        | 7,009,511            |
| (5) 454 - Rent For Electric Property               | 14,672,444           | -                    | -        | 14,672,444           |
| (5) 456 - Other Electric Revenues                  | 20,671,310           | -                    | -        | 20,671,310           |
| (5) 487 - Forfeited Discounts                      | -                    | 1,778,900            | -        | 1,778,900            |
| (5) 488 - Gas Misc Service Revenues                | -                    | 2,743,934            | -        | 2,743,934            |
| (5) 4894 - Gas Revenues from Storing Gas of Others | -                    | 1,050,000            | -        | 1,050,000            |
| (5) 493 - Rent From Gas Property                   | -                    | 8,168,857            | -        | 8,168,857            |
| (5) 495 - Other Gas Revenues                       | -                    | 554,367              | -        | 554,367              |
| (5) SUBTOTAL                                       | 46,424,006           | 14,296,058           | -        | 60,720,064           |
| <b>(1) TOTAL OPERATING REVENUES</b>                | <b>2,328,035,758</b> | <b>1,107,749,158</b> | <b>-</b> | <b>3,435,784,916</b> |
| <b>10 - ENERGY COST</b>                            |                      |                      |          |                      |
| 11 - FUEL  |                      |                      |          |                      |
| (11) 501 - Steam Operations Fuel                   | 69,697,641           | -                    | -        | 69,697,641           |
| (11) 547 - Other Power Generation Oper Fuel        | 187,426,968          | -                    | -        | 187,426,968          |
| (11) SUBTOTAL                                      | 257,124,610          | -                    | -        | 257,124,610          |
| 12 - PURCHASED AND INTERCHANGED                    |                      |                      |          | -                    |
| (12) 555 - Purchased Power                         | 769,173,250          | -                    | -        | 769,173,250          |
| (12) 557 - Other Power Supply Expense              | 12,030,524           | -                    | -        | 12,030,524           |
| (12) 804 - Natural Gas City Gate Purchases         | -                    | 578,084,104          | -        | 578,084,104          |
| (12) 805 - Other Gas Purchases                     | -                    | -                    | -        | -                    |
| (12) 8051 - Purchased Gas Cost Adjustments         | -                    | (5,015,882)          | -        | (5,015,882)          |
| (12) 8081 - Gas Withdrawn From Storage             | -                    | 95,781,691           | -        | 95,781,691           |
| (12) 8082 - Gas Delivered To Storage               | -                    | (73,027,515)         | -        | (73,027,515)         |
| (12) SUBTOTAL                                      | 781,203,774          | 595,822,398          | -        | 1,377,026,171        |

Unallocated Detail



**PUGET SOUND ENERGY**  
**INCOME STATEMENT DETAIL**  
**FOR THE 12 MONTHS ENDED MARCH 31, 2011**

| FERC Account Description                         | Electric             | Gas                | Common | Total                |
|--|----------------------|--------------------|--------|----------------------|
| <i>13 - WHEELING</i>                             |                      |                    |        | -                    |
| (13) 565 - Transmission Of Electricity By Others | 80,701,280           | -                  | -      | 80,701,280           |
| (13) SUBTOTAL                                    | 80,701,280           | -                  | -      | 80,701,280           |
| <i>14 - RESIDENTIAL EXCHANGE</i>                 |                      |                    |        | -                    |
| (14) 555 - Purchased Power                       | (74,329,958)         | -                  | -      | (74,329,958)         |
| (14) SUBTOTAL                                    | (74,329,958)         | -                  | -      | (74,329,958)         |
| <b>(10) TOTAL ENERGY COST</b>                    | <b>1,044,699,705</b> | <b>595,822,398</b> | -      | <b>1,640,522,103</b> |
| <b>GROSS MARGIN</b>                              | <b>1,283,336,053</b> | <b>511,926,760</b> | -      | <b>1,795,262,813</b> |
| <b>OPERATING EXPENSES</b>                        |                      |                    |        | -                    |
| OPERATING AND MAINTENANCE                        |                      |                    |        | -                    |
| <i>17 - OTHER ENERGY SUPPLY EXPENSES</i>         |                      |                    |        | -                    |
| (17) 500 - Steam Oper Supv & Engineering         | 557,022              | -                  | -      | 557,022              |
| (17) 502 - Steam Oper Steam Expenses             | 8,057,472            | -                  | -      | 8,057,472            |
| (17) 505 - Steam Oper Electric Expense           | 2,319,274            | -                  | -      | 2,319,274            |
| (17) 506 - Steam Oper Misc Steam Power           | 4,462,203            | -                  | -      | 4,462,203            |
| (17) 507 - Steam Operations Rents                | 40,384               | -                  | -      | 40,384               |
| (17) 510 - Steam Maint Supv & Engineering        | 1,748,161            | -                  | -      | 1,748,161            |
| (17) 511 - Steam Maint Structures                | 2,221,258            | -                  | -      | 2,221,258            |
| (17) 512 - Steam Maint Boiler Plant              | 12,433,787           | -                  | -      | 12,433,787           |
| (17) 513 - Steam Maint Electric Plant            | 3,069,046            | -                  | -      | 3,069,046            |
| (17) 514 - Steam Maint Misc Steam Plant          | 2,478,312            | -                  | -      | 2,478,312            |
| (17) 535 - Hydro Oper Supv & Engineering         | 3,520,083            | -                  | -      | 3,520,083            |
| (17) 536 - Hydro Oper Water For Power            | -                    | -                  | -      | -                    |
| (17) 537 - Hydro Oper Hydraulic Expenses         | 4,313,373            | -                  | -      | 4,313,373            |
| (17) 538 - Hydro Oper Electric Expenses          | 272,308              | -                  | -      | 272,308              |
| (17) 539 - Hydro Oper Misc Hydraulic Exp         | 3,089,011            | -                  | -      | 3,089,011            |
| (17) 540 - Hydro Office Rents                    | -                    | -                  | -      | -                    |
| (17) 541 - Hydro Maint Supv & Engineering        | 1,188                | -                  | -      | 1,188                |
| (17) 542 - Hydro Maint Structures                | 475,134              | -                  | -      | 475,134              |
| (17) 543 - Hydro Maint Res. Dams & Waterways     | 516,226              | -                  | -      | 516,226              |
| (17) 544 - Hydro Maint Electric Plant            | 432,556              | -                  | -      | 432,556              |
| (17) 545 - Hydro Maint Misc Hydraulic Plant      | 4,200,037            | -                  | -      | 4,200,037            |
| (17) 546 - Other Pwr Gen Oper Supv & Eng         | 3,808,887            | -                  | -      | 3,808,887            |
| (17) 548 - Other Power Gen Oper Gen Exp          | 7,691,500            | -                  | -      | 7,691,500            |
| (17) 549 - Other Power Gen Oper Misc             | 4,450,387            | -                  | -      | 4,450,387            |
| (17) 550 - Other Power Gen Oper Rents            | 4,750,092            | -                  | -      | 4,750,092            |
| (17) 551 - Other Power Gen Maint Supv & Eng      | 668,316              | -                  | -      | 668,316              |
| (17) 552 - Other Power Gen Maint Structures      | 950,877              | -                  | -      | 950,877              |
| (17) 553 - Other Power Gen Maint Gen & Elec      | 23,614,647           | -                  | -      | 23,614,647           |
| (17) 554 - Other Power Gen Maint Misc            | 962,413              | -                  | -      | 962,413              |
| (17) 556 - System Control & Load Dispatch        | 1,464,213            | -                  | -      | 1,464,213            |
| (17) 710 - Production Operations Supv & Enginee  | -                    | -                  | -      | -                    |
| (17) 717 - Liquefied Petroleum Gas Expenses      | -                    | 181,377            | -      | 181,377              |
| (17) 735 - Misc Gas Production Exp               | -                    | -                  | -      | -                    |

Unallocated Detail

**PUGET SOUND ENERGY**  
**INCOME STATEMENT DETAIL**  
**FOR THE 12 MONTHS ENDED MARCH 31, 2011**

| FERC Account Description                           | Electric    | Gas       | Common | Total       |
|--|-------------|-----------|--------|-------------|
| (17) 741 - Production Plant Maint Structures       | -           | 8,364     | -      | 8,364       |
| (17) 742 - Production Plant Maint Prod Equip       | -           | 2,834     | -      | 2,834       |
| (17) 8072 - Purchased Gas Expenses                 | -           | 314,449   | -      | 314,449     |
| (17) 8074 - Purchased Gas Calculation Exp          | -           | 210,150   | -      | 210,150     |
| (17) 812 - Gas Used For Other Utility Operations   | -           | (134,894) | -      | (134,894)   |
| (17) 813 - Other Gas Supply Expenses               | -           | -         | -      | -           |
| (17) 814 - Undergrnd Strge - Operation Supv & Er   | -           | 136,666   | -      | 136,666     |
| (17) 815 - Undergrnd Strge - Oper Map & Records    | -           | -         | -      | -           |
| (17) 816 - Undergrnd Strge - Oper Wells Expense    | -           | 9,797     | -      | 9,797       |
| (17) 817 - Undergrnd Strge - Oper Lines Expense    | -           | 2,286     | -      | 2,286       |
| (17) 818 - Undergrnd Strge - Oper Compressor St    | -           | 138,594   | -      | 138,594     |
| (17) 819 - Undergrnd Strge - Oper Compressor St    | -           | 29,626    | -      | 29,626      |
| (17) 820 - Undergrnd Strge - Oper Meas & Reg St    | -           | 9,155     | -      | 9,155       |
| (17) 821 - Undergrnd Strge - Oper Purification Exj | -           | -         | -      | -           |
| (17) 823 - Storage Gas Losses                      | -           | -         | -      | -           |
| (17) 824 - Undergrnd Strge - Oper Other Expense    | -           | 32,805    | -      | 32,805      |
| (17) 825 - Undergrnd Strge - Oper Storage Well F   | -           | 43,762    | -      | 43,762      |
| (17) 826 - Undergrnd Strge - Oper Other Storage    | -           | (1,954)   | -      | (1,954)     |
| (17) 830 - Undergrnd Strge - Maint Supv & Engine   | -           | 120,984   | -      | 120,984     |
| (17) 831 - Undergrnd Strge - Maint Structures      | -           | 4,591     | -      | 4,591       |
| (17) 832 - Undergrnd Strge - Maint Reservoirs & v  | -           | 11,311    | -      | 11,311      |
| (17) 833 - Undergrnd Strge - Maint Of Lines        | -           | 502       | -      | 502         |
| (17) 834 - Undergrnd Strge - Maint Compressor S    | -           | 235,748   | -      | 235,748     |
| (17) 835 - Undergrnd Strge - Maint Meas & Reg S    | -           | -         | -      | -           |
| (17) 836 - Undergrnd Strge - Maint Purification Eq | -           | 2,570     | -      | 2,570       |
| (17) 837 - Undergrnd Strge-Maint Other Equipmer    | -           | 10,861    | -      | 10,861      |
| (17) 841 - Operating Labor & Expenses              | -           | 254,230   | -      | 254,230     |
| (17) 8432 - Maint Struc & Impro                    | -           | 3,270     | -      | 3,270       |
| (17) 8433 - Maintenance of Gas Holders             | -           | 2,564     | -      | 2,564       |
| (17) 8436 - Maintenance of Vaporizing Equipment    | -           | 2,389     | -      | 2,389       |
| (17) 8438 - Maint Measure & Reg                    | -           | 2,273     | -      | 2,273       |
| (17) 8439 - Other Gas Maintenance                  | -           | 1,769     | -      | 1,769       |
| (17) SUBTOTAL                                      | 102,568,166 | 1,636,080 | -      | 104,204,246 |
| <b>18 - TRANSMISSION EXPENSE</b>                   |             |           |        | -           |
| (18) 560 - Transmission Oper Supv & Engineering    | 1,623,066   | -         | -      | 1,623,066   |
| (18) 561 - Transmission Oper Load Dispatching      | (13,149)    | -         | -      | (13,149)    |
| (18) 5611 - Transmission Oper Load Dispatching     | 171,242     | -         | -      | 171,242     |
| (18) 5612 - Load Dispatch - Monitor & Oper Trans   | 747,180     | -         | -      | 747,180     |
| (18) 5613 - Load Dispatch - Service and Scheduling | 655,787     | -         | -      | 655,787     |
| (18) 5615 - Reliability Planning & Standards       | 139,465     | -         | -      | 139,465     |
| (18) 5616 - Transmission Svc Studies               | 11,949      | -         | -      | 11,949      |
| (18) 5617 Gen Intercnct Studies                    | 39,490      | -         | -      | 39,490      |
| (18) 5618 - Reliability Planning                   | -           | -         | -      | -           |
| (18) 562 - Transmission Oper Station Expense       | 113,651     | -         | -      | 113,651     |
| (18) 563 - Transmission Oper Overhead Line Exp     | 326,834     | -         | -      | 326,834     |

Unallocated Detail

**PUGET SOUND ENERGY**  
**INCOME STATEMENT DETAIL**  
**FOR THE 12 MONTHS ENDED MARCH 31, 2011**

| FERC Account Description                           | Electric   | Gas        | Common | Total      |
|--|------------|------------|--------|------------|
| (18) 566 - Transmission Oper Misc                  | 3,020,589  | -          | -      | 3,020,589  |
| (18) 567 - Transmission Oper Rents                 | 269,030    | -          | -      | 269,030    |
| (18) 568 - Transmission Maint Supv & Eng           | 133,725    | -          | -      | 133,725    |
| (18) 569 - Transmission Maint Structures           | 1,428      | -          | -      | 1,428      |
| (18) 5691 - Transmission Computer Hardware Ma      | -          | -          | -      | -          |
| (18) 5692 - Transmission Maint Structures          | 286,147    | -          | -      | 286,147    |
| (18) 570 - Transmission Maint Station Equipment    | 515,785    | -          | -      | 515,785    |
| (18) 571 - Transmission Maint Overhead Lines       | 3,896,938  | -          | -      | 3,896,938  |
| (18) 572 - Transmission Maint Underground Lines    | -          | -          | -      | -          |
| (18) 850 - Transmission Oper Supv & Engineering    | -          | -          | -      | -          |
| (18) 856 - Transmission Oper Mains Expenses        | -          | 500        | -      | 500        |
| (18) 857 - Transmission Oper Meas & Reg Sta Ex     | -          | -          | -      | -          |
| (18) 862 - Transmission Maint Structures & Impro   | -          | 158,789    | -      | 158,789    |
| (18) 863 - Transmission Maint Supv & Eng           | -          | 34,654     | -      | 34,654     |
| (18) 865 - Transmission Maint of measur & regul s  | -          | -          | -      | -          |
| (18) 867 - Transmission Maint Other Equipment      | -          | 65,013     | -      | 65,013     |
| (18) SUBTOTAL                                      | 11,939,157 | 258,957    | -      | 12,198,114 |
| 19 - DISTRIBUTION EXPENSE                          |            |            |        | -          |
| (19) 580 - Distribution Oper Supv & Engineering    | 2,483,077  | -          | -      | 2,483,077  |
| (19) 581 - Distribution Oper Load Dispatching      | 1,282,651  | -          | -      | 1,282,651  |
| (19) 582 - Distribution Oper Station Expenses      | 1,893,960  | -          | -      | 1,893,960  |
| (19) 583 - Distribution Oper Overhead Line Exp     | 4,170,789  | -          | -      | 4,170,789  |
| (19) 584 - Distribution Oper Underground Line Exp  | 2,415,104  | -          | -      | 2,415,104  |
| (19) 585 - Distribution Oper St Lighting & Signal  | 1,044,337  | -          | -      | 1,044,337  |
| (19) 586 - Distribution Oper Meter Expense         | 1,259,050  | -          | -      | 1,259,050  |
| (19) 587 - Distribution Oper Cust Installation     | 4,201,920  | -          | -      | 4,201,920  |
| (19) 588 - Distribution Oper Misc Dist Exp         | 2,727,867  | -          | -      | 2,727,867  |
| (19) 589 - Distribution Oper Rents                 | 692,727    | -          | -      | 692,727    |
| (19) 590 - Distribution Maint Superv & Engineering | -          | -          | -      | -          |
| (19) 591 - Distribution Maint Structures           | -          | -          | -      | -          |
| (19) 592 - Distribution Maint Station Equipment    | 4,982,206  | -          | -      | 4,982,206  |
| (19) 593 - Distribution Maint Overhead Lines       | 42,871,871 | -          | -      | 42,871,871 |
| (19) 594 - Distribution Maint Underground Lines    | 12,707,724 | -          | -      | 12,707,724 |
| (19) 595 - Distribution Maint Line Transformers    | 215,133    | -          | -      | 215,133    |
| (19) 596 - Distribution Maint St Lighting/Signal   | 1,886,402  | -          | -      | 1,886,402  |
| (19) 597 - Distribution Maint Meters               | 506,723    | -          | -      | 506,723    |
| (19) 598 - Distribution Maint Misc Dist Plant      | -          | -          | -      | -          |
| (19) 870 - Distribution Oper Supv & Engineering    | -          | 1,502,084  | -      | 1,502,084  |
| (19) 871 - Distribution Oper Load Dispatching      | -          | 578,795    | -      | 578,795    |
| (19) 874 - Distribution Oper Mains & Services Exp  | -          | 15,025,043 | -      | 15,025,043 |
| (19) 875 - Distribution Oper Meas & Reg Sta Gen    | -          | 2,123,155  | -      | 2,123,155  |
| (19) 876 - Distribution Oper Meas & Reg Sta Indu:  | -          | 278,452    | -      | 278,452    |
| (19) 878 - Distribution Oper Meter & House Reg     | -          | 7,320,130  | -      | 7,320,130  |
| (19) 879 - Distribution Oper Customer Install Exp  | -          | 4,593,459  | -      | 4,593,459  |
| (19) 880 - Distribution Oper Other Expense         | -          | 3,569,849  | -      | 3,569,849  |
| (19) 881 - Distribution Oper Rents Expense         | -          | 266,656    | -      | 266,656    |

Unallocated Detail

**PUGET SOUND ENERGY**  
**INCOME STATEMENT DETAIL**  
**FOR THE 12 MONTHS ENDED MARCH 31, 2011**

| FERC Account Description                         | Electric    | Gas         | Common      | Total       |
|--|-------------|-------------|-------------|-------------|
| (19) 887 - Distribution Maint Mains              | -           | 6,109,481   | -           | 6,109,481   |
| (19) 889 - Distribution Maint Meas & Reg Sta Gen | -           | 480,595     | -           | 480,595     |
| (19) 890 - Distribution Maint Meas & Reg Sta Ind | -           | 425,957     | -           | 425,957     |
| (19) 892 - Distribution Maint Services           | -           | 6,500,413   | -           | 6,500,413   |
| (19) 893 - Distribution Maint Meters & House Reg | -           | 1,522,469   | -           | 1,522,469   |
| (19) 894 - Distribution Maint Other Equipment    | -           | 969,711     | -           | 969,711     |
| (19) SUBTOTAL                                    | 85,341,542  | 51,266,249  | -           | 136,607,790 |
| <i>20 - CUSTOMER ACCTS EXPENSES</i>              |             |             |             | -           |
| (20) 901 - Customer Accounts Supervision         | -           | -           | 423,713     | 423,713     |
| (20) 902 - Meter Reading Expense                 | 17,081,330  | 12,206,662  | 495,487     | 29,783,479  |
| (20) 903 - Customer Records & Collection Expens  | 3,502,892   | 1,972,357   | 30,192,801  | 35,668,050  |
| (20) 904 - Uncollectible Accounts                | 10,984,704  | 5,300,368   | -           | 16,285,072  |
| (20) 905 - Misc. Customer Accounts Expense       | -           | -           | (117,327)   | (117,327)   |
| (20) SUBTOTAL                                    | 31,568,927  | 19,479,386  | 30,994,674  | 82,042,986  |
| <i>21 - CUSTOMER SERVICE EXPENSES</i>            |             |             |             | -           |
| (21) 908 - Customer Assistance Expense           | 11,451,820  | 3,696,252   | 1,131,687   | 16,279,759  |
| (21) 909 - Info & Instructional Advertising      | 834,597     | 10,608      | 1,031,634   | 1,876,839   |
| (21) 910 - Misc Cust Svc & Info Expense          | -           | -           | 70,899      | 70,899      |
| (21) 911 - Sales Supervision Exp                 | 2,922       | -           | -           | 2,922       |
| (21) 912 - Demonstration & Selling Expense       | 103,280     | 204,608     | -           | 307,888     |
| (21) 913 - Advertising Expenses                  | -           | -           | -           | -           |
| (21) 916 - Misc. Sales Expense                   | 2,990       | -           | -           | 2,990       |
| (21) SUBTOTAL                                    | 12,395,610  | 3,911,468   | 2,234,220   | 18,541,298  |
| <i>22 - CONSERVATION AMORTIZATION</i>            |             |             |             | -           |
| (22) 908 - Customer Assistance Expense           | 86,206,406  | 17,962,077  | -           | 104,168,484 |
| (22) SUBTOTAL                                    | 86,206,406  | 17,962,077  | -           | 104,168,484 |
| <i>23 - ADMIN &amp; GENERAL EXPENSE</i>          |             |             |             | -           |
| (23) 920 - A & G Salaries                        | 6,775,365   | 1,557,162   | 27,359,201  | 35,691,728  |
| (23) 921 - Office Supplies and Expenses          | 972,012     | 220,337     | 6,607,460   | 7,799,808   |
| (23) 922 - Admin Expenses Transferred            | -           | -           | (290,338)   | (290,338)   |
| (23) 923 - Outside Services Employed             | 2,951,043   | 631,879     | 13,235,135  | 16,818,057  |
| (23) 924 - Property Insurance                    | 3,637,851   | 305,421     | 2,300,945   | 6,244,217   |
| (23) 925 - Injuries & Damages                    | 825,085     | 322,052     | 4,900,608   | 6,047,745   |
| (23) 926 - Emp Pension & Benefits                | 17,092,994  | 8,016,257   | 11,635,289  | 35,744,540  |
| (23) 928 - Regulatory Commission Expense         | 5,088,773   | 2,391,404   | 410,746     | 7,890,924   |
| (23) 9301 - Gen Advertising Exp                  | -           | -           | 357,476     | 357,476     |
| (23) 9302 - Misc. General Expenses               | 1,900,403   | 391,592     | 1,350,991   | 3,642,987   |
| (23) 931 - Rents                                 | 247,696     | -           | 6,961,046   | 7,208,742   |
| (23) 932 - Maint Of General Plant- Gas           | -           | 264,880     | -           | 264,880     |
| (23) 935 - Maint General Plant - Electric        | 400,834     | -           | 7,096,690   | 7,497,523   |
| (23) SUBTOTAL                                    | 39,892,056  | 14,100,984  | 81,925,250  | 135,918,290 |
| TOTAL OPERATING AND MAINTENANCE                  | 369,911,864 | 108,615,201 | 115,154,144 | 593,681,208 |
| DEPRECIATION, DEPLETION AND AMORTIZATION         |             |             |             | -           |
| <i>24 - DEPRECIATION</i>                         |             |             |             | -           |
| (24) 403 - Depreciation Expense                  | 177,837,929 | 96,616,708  | 22,397,593  | 296,852,230 |

Unallocated Detail

**PUGET SOUND ENERGY**  
**INCOME STATEMENT DETAIL**  
**FOR THE 12 MONTHS ENDED MARCH 31, 2011**

| FERC Account Description                               | Electric           | Gas                | Common               | Total              |
|--|--------------------|--------------------|----------------------|--------------------|
| (24) 4031 - Depreciation Expense - FAS143              | (34,597)           | 85,483             | (17,145)             | 33,740             |
| (24) SUBTOTAL  | 177,803,332        | 96,702,190         | 22,380,448           | 296,885,970        |
| <b>25 - AMORTIZATION</b>                               |                    |                    |                      | -                  |
| (25) 404 - Amort Ltd-Term Plant                        | 4,440,496          | 1,222,672          | 31,007,361           | 36,670,529         |
| (25) 406 - Amortization Of Plant Acquisition Adj       | 12,398,637         | -                  | -                    | 12,398,637         |
| (25) 4111 - Accretion Exp - FAS143                     | 1,055,121          | 215,668            | 1,071                | 1,271,861          |
| (25) SUBTOTAL  | 17,894,255         | 1,438,341          | 31,008,431           | 50,341,027         |
| <b>26 - AMORTIZ OF PROPERTY LOSS</b>                   |                    |                    |                      | -                  |
| (26) 407 - Amortization Of Prop. Losses                | 17,804,772         | -                  | -                    | 17,804,772         |
| (26) SUBTOTAL  | 17,804,772         | -                  | -                    | 17,804,772         |
| <b>27 - OTHER OPERATING EXPENSES</b>                   |                    |                    |                      | -                  |
| (27) 4073 - Regulatory Debits                          | 70,634,161         | -                  | -                    | 70,634,161         |
| (27) 4074 - Regulatory Credits                         | (1,970,423)        | -                  | -                    | (1,970,423)        |
| (27) 4116 - Gains From Disposition Of Utility Plant    | (2,022,349)        | (209,921)          | -                    | (2,232,270)        |
| (27) 4117 - Losses From Disposition Of Utility Plai    | 121,768            | 55,934             | -                    | 177,702            |
| (27) 4118 - Gains From Disposition Of Allowances       | (397,348)          | -                  | -                    | (397,348)          |
| (27) 414 - Other Utility Operating Income              | -                  | -                  | -                    | -                  |
| (27) SUBTOTAL  | 66,365,809         | (153,987)          | -                    | 66,211,822         |
| <b>28 - FAS 133</b>                                    |                    |                    |                      | -                  |
| (28) 421 - FAS 133 Gain                                | (8,222,616)        | -                  | -                    | (8,222,616)        |
| (28) 4265 - FAS 133 Loss                               | 56,174,924         | -                  | -                    | 56,174,924         |
| (28) SUBTOTAL  | 47,952,308         | -                  | -                    | 47,952,308         |
| <b>TOTAL DEPRECIATION, DEPLETION AND AMORTIZA</b>      | <b>327,820,476</b> | <b>97,986,544</b>  | <b>53,388,879</b>    | <b>479,195,899</b> |
| <b>29 - TAXES OTHER THAN INCOME TAXES</b>              |                    |                    |                      | -                  |
| (29) 4081 - Taxes Other-Util Income                    | 197,749,369        | 107,010,959        | 4,322,068            | 309,082,395        |
| (29) SUBTOTAL  | 197,749,369        | 107,010,959        | 4,322,068            | 309,082,395        |
| <b>30 - INCOME TAXES</b>                               |                    |                    |                      | -                  |
| (30) 4081 - Montana Corp. License Taxes                | 766,186            | -                  | -                    | 766,186            |
| (30) 4091 - Montana Corp license Tax                   | (863,409)          | -                  | -                    | (863,409)          |
| (30) 4091 - Fit-Util Oper Income                       | 19,443,557         | 8,022,117          | -                    | 27,465,674         |
| (30) SUBTOTAL  | 19,346,334         | 8,022,117          | -                    | 27,368,451         |
| <b>31 - DEFERRED INCOME TAXES</b>                      |                    |                    |                      | -                  |
| (31) 4101 - Def Fit-Util Oper Income                   | 190,616,912        | 83,309,604         | 21,813,259           | 295,739,775        |
| (31) 4111 - Def Fit-Cr - Util Oper Income              | (173,959,132)      | (74,711,601)       | (9,456,536)          | (258,127,269)      |
| (31) 4114 - Inv Tax Cr Adj-Util Operations             | -                  | (241,848)          | -                    | (241,848)          |
| (31) SUBTOTAL  | 16,657,780         | 8,356,155          | 12,356,723           | 37,370,658         |
| <b>NET OPERATING INCOME</b>                            | <b>351,850,231</b> | <b>181,935,785</b> | <b>(185,221,814)</b> | <b>348,564,201</b> |
| <b>NON-OPERATING INCOME</b>                            |                    |                    |                      | -                  |
| <b>99 - OTHER INCOME</b>                               |                    |                    |                      | -                  |
| (99) 4082 - Taxes Other - Other Income                 | 99,999             | -                  | -                    | 99,999             |
| (99) 4092 - Fit - Other Income                         | (1,797,001)        | -                  | (1,775,777)          | (3,572,778)        |
| (99) 4102 - Def Fit - Other Income                     | -                  | -                  | 393,939              | 393,939            |
| (99) 4112 - Provision for Deferred FIT - Credit & Othe | -                  | -                  | -                    | -                  |
| (99) 415 - Revenues From Merchandising And Jobbi       | -                  | -                  | (2,987,223)          | (2,987,223)        |

Unallocated Detail

**PUGET SOUND ENERGY**  
**INCOME STATEMENT DETAIL**  
**FOR THE 12 MONTHS ENDED MARCH 31, 2011**

| FERC Account Description                              | Electric              | Gas                   | Common                  | Total                 |
|---|-----------------------|-----------------------|-------------------------|-----------------------|
| (99) 416 - Expenses Of Merchandising And Jobbing      | -                     | -                     | 2,523,376               | 2,523,376             |
| (99) 417 - Revenues From Non-Utility Operations       | -                     | -                     | (29,209)                | (29,209)              |
| (99) 4171 - Merger Related Costs                      | -                     | -                     | -                       | -                     |
| (99) 4171 - Expenses of Non-Utility Operations        | -                     | -                     | 4,828,974               | 4,828,974             |
| (99) 418 - Nonoperating Rental Income                 | -                     | -                     | -                       | -                     |
| (99) 4181 - Equity in Earnings of Subsidiaries        | -                     | -                     | 1,294,744               | 1,294,744             |
| (99) 419 - Interest And Dividend Income               | -                     | -                     | (18,125,733)            | (18,125,733)          |
| (99) 4191 - Allowance For Other Funds Used During     | (12,808,256)          | (903,355)             | (780,917)               | (14,492,528)          |
| (99) 421 - Misc. Non-Operating Income                 | (1,096,275)           | (1,150,646)           | (4,798)                 | (2,251,719)           |
| (99) 4211 - Gain On Disposition Of Property           | (10,866)              | -                     | (99,680)                | (110,545)             |
| (99) 4212 - Loss On Disposition Of Property           | -                     | -                     | -                       | -                     |
| (99) 4213 - Misc. Non-Op Income - AFUDC(WUTC)         | (6,348,347)           | -                     | -                       | (6,348,347)           |
| (99) 4214 - Misc. Non-Op Income - AFUCE               | -                     | -                     | -                       | -                     |
| (99) 425 - Miscellaneous Amortization                 | 795                   | -                     | -                       | 795                   |
| (99) 4261 - Donations                                 | -                     | -                     | 1,010,216               | 1,010,216             |
| (99) 4262 - Life Insurance                            | -                     | -                     | (4,489,062)             | (4,489,062)           |
| (99) 4263 - Penalties                                 | -                     | -                     | 6,200                   | 6,200                 |
| (99) 4264 - Expenses For Civic & Political Activities | -                     | -                     | 3,788,225               | 3,788,225             |
| (99) 4265 - Other Deductions                          | -                     | -                     | 5,030,754               | 5,030,754             |
| (99) SUBTOTAL   | (21,959,951)          | (2,054,001)           | (9,415,972)             | (33,429,924)          |
| 999 - INTEREST  |                       |                       |                         | -                     |
| (999) 427 - Interest On Long Term Debt                | -                     | -                     | 214,360,493             | 214,360,493           |
| (999) 4271 - Interest on Preferred Stock              | -                     | -                     | -                       | -                     |
| (999) 428 - Amortization Of Debt Discount & Expense   | -                     | -                     | 6,859,197               | 6,859,197             |
| (999) 4281 - Amortization Of Loss On Required Debt    | -                     | -                     | 1,234,974               | 1,234,974             |
| (999) 429 - Amortization Of Premium On Debt-Cr        | -                     | -                     | -                       | -                     |
| (999) 4291 - Amortization Gain On Reacquired Debt     | -                     | -                     | (100,831)               | (100,831)             |
| (999) 430 - Int on Debt to Assoc. Companies           | -                     | -                     | 220,852                 | 220,852               |
| (999) 431 - Other Interest Expense                    | 4,890,588             | 504,986               | 2,026,733               | 7,422,307             |
| (999) 432 - Allowances For Borrowed Funds             | (14,385,228)          | (668,186)             | (757,536)               | (15,810,950)          |
| (999) SUBTOTAL  | (9,494,640)           | (163,199)             | 223,843,881             | 214,186,042           |
| 9999 - EXTRAORDINARY ITEMS                            |                       |                       |                         | -                     |
| (9999) 4111 - Def Fit-Cr - Util Oper Income           | -                     | -                     | -                       | -                     |
| (9999) 435 - Extraordinary Deductions                 | -                     | -                     | -                       | -                     |
| (9999) SUBTOTAL                                       | -                     | -                     | -                       | -                     |
| <b>TOTAL NON-OPERATING INCOME</b>                     | <b>(31,454,591)</b>   | <b>(2,217,200)</b>    | <b>214,427,909</b>      | <b>180,756,118</b>    |
| <b>NET INCOME</b>                                     | <b>\$ 383,304,822</b> | <b>\$ 184,152,985</b> | <b>\$ (399,649,723)</b> | <b>\$ 167,808,083</b> |

Unallocated Detail

**PUGET SOUND ENERGY**  
**ALLOCATION OF COMMON CHARGES**  
**FOR THE 12 MONTHS ENDED MARCH 31, 2011**

April through December 2010 spread is based on allocation factors developed for the 12 ME 12/31/2009)

January through March 2011 spread is based on allocation factors developed for the 12 ME 12/31/2010)

| FERC Account and Description                     | Allocated Electric    | Allocated Gas        | Allocation Method [1] | Blended Electric Rate | Blended Gas Rate | Common                |
|--|-----------------------|----------------------|-----------------------|-----------------------|------------------|-----------------------|
| <b>20 - CUSTOMER ACCTS EXPENSES</b>              |                       |                      |                       |                       |                  |                       |
| (20) 901 - Customer Accounts Supervision         | \$ 249,853            | \$ 173,861           | 1                     | 58.97%                | 41.03%           | \$ 423,713            |
| (20) 902 - Meter Reading Expense                 | \$ 314,457            | \$ 181,030           | 2                     | 63.46%                | 36.54%           | \$ 495,487            |
| (20) 903 - Customer Records & Collection Expense | \$ 17,803,939         | \$ 12,388,861        | 1                     | 58.97%                | 41.03%           | \$ 30,192,801         |
| (20) 905 - Misc. Customer Accounts Expense       | \$ (69,185)           | \$ (48,142)          | 1                     | 58.97%                | 41.03%           | \$ (117,327)          |
| <b>SUBTOTAL</b>                                  | <b>\$ 18,299,064</b>  | <b>\$ 12,695,610</b> |                       |                       |                  | <b>\$ 30,994,674</b>  |
| <b>21 - CUSTOMER SERVICE EXPENSES</b>            |                       |                      |                       |                       |                  |                       |
| (21) 908 - Customer Assistance Expense           | \$ 667,326            | \$ 464,360           | 1                     | 58.97%                | 41.03%           | \$ 1,131,687          |
| (21) 909 - Info & Instructional Advertising      | \$ 608,339            | \$ 423,296           | 1                     | 58.97%                | 41.03%           | \$ 1,031,634          |
| (21) 910 - Misc Cust Svc & Info Expense          | \$ 41,808             | \$ 29,091            | 1                     | 58.97%                | 41.03%           | \$ 70,899             |
| (21) 911 - Sales Supervision Exp                 | \$ -                  | \$ -                 | 1                     | 0.00%                 | 10.00%           | \$ -                  |
| (21) 912 - Demonstration & Selling Expense       | \$ (0)                | \$ -                 | 1                     | 0.00%                 | 0.00%            | \$ -                  |
| (21) 913 - Advertising Expense                   | \$ -                  | \$ -                 | 1                     | 0.00%                 | 0.00%            | \$ -                  |
| (21) 916 - Misc. Sales Expense                   | \$ -                  | \$ -                 | 1                     | 0.00%                 | 0.00%            | \$ -                  |
| <b>SUBTOTAL</b>                                  | <b>\$ 1,317,472</b>   | <b>\$ 916,748</b>    |                       |                       |                  | <b>\$ 2,234,220</b>   |
| <b>23 - ADMIN &amp; GENERAL EXPENSE</b>          |                       |                      |                       |                       |                  |                       |
| (23) 920 - A & G Salaries                        | \$ 17,846,086         | \$ 9,513,115         | 4                     | 65.23%                | 34.77%           | \$ 27,359,201         |
| (23) 921 - Office Supplies and Expenses          | \$ 4,309,997          | \$ 2,297,462         | 4                     | 65.23%                | 34.77%           | \$ 6,607,460          |
| (23) 922 - Admin Expenses Transferred            | \$ (189,551)          | \$ (100,787)         | 4                     | 65.29%                | 34.71%           | \$ (290,338)          |
| (23) 923 - Outside Services Employed             | \$ 8,630,939          | \$ 4,604,196         | 4                     | 65.21%                | 34.79%           | \$ 13,235,135         |
| (23) 924 - Property Insurance                    | \$ 1,400,461          | \$ 900,484           | 3                     | 60.86%                | 39.14%           | \$ 2,300,945          |
| (23) 925 - Injuries & Damages                    | \$ 2,889,771          | \$ 2,010,837         | 1                     | 58.97%                | 41.03%           | \$ 4,900,608          |
| (23) 926 - Emp Pension & Benefits                | \$ 7,828,339          | \$ 3,806,950         | 5                     | 67.28%                | 32.72%           | \$ 11,635,289         |
| (23) 928 - Regulatory Commission Expense         | \$ 266,391            | \$ 144,355           | 4                     | 64.86%                | 35.14%           | \$ 410,746            |
| (23) 9301 - Gen Advertising Exp                  | \$ 231,685            | \$ 125,791           | 4                     | 64.81%                | 35.19%           | \$ 357,476            |
| (23) 9302 - Misc. General Expenses               | \$ 882,509            | \$ 468,482           | 4                     | 65.32%                | 34.68%           | \$ 1,350,991          |
| (23) 931 - Rents                                 | \$ 4,539,678          | \$ 2,421,368         | 4                     | 65.22%                | 34.78%           | \$ 6,961,046          |
| (23) 932 - Maint Of General Plant- Gas           | \$ -                  | \$ -                 | 4                     | 0.00%                 | 0.00%            | \$ -                  |
| (23) 935 - Maint General Plant - Electric        | \$ 4,631,273          | \$ 2,465,417         | 4                     | 65.26%                | 34.74%           | \$ 7,096,690          |
| <b>SUBTOTAL</b>                                  | <b>\$ 53,267,580</b>  | <b>\$ 28,657,670</b> |                       |                       |                  | <b>\$ 81,925,250</b>  |
| <b>24 - DEPRECIATION/AMORTIZATION</b>            |                       |                      |                       |                       |                  |                       |
| (24) 403 - Depreciation Expense                  | \$ 14,605,387         | \$ 7,792,206         | 4                     | 65.21%                | 34.79%           | \$ 22,397,593         |
| (24) 4031 - Depreciation Expense - FAS143        | \$ (11,129)           | \$ (6,017)           | 4                     | 64.91%                | 35.09%           | \$ (17,145)           |
| <b>SUBTOTAL</b>                                  | <b>\$ 14,594,258</b>  | <b>\$ 7,786,190</b>  |                       |                       |                  | <b>\$ 22,380,448</b>  |
| <b>25 - AMORTIZATION</b>                         |                       |                      |                       |                       |                  |                       |
| (25) 404 - Amort Ltd-Term Plant                  | \$ 20,229,153         | \$ 10,778,207        | 4                     | 65.24%                | 34.76%           | \$ 31,007,361         |
| (25) 406 - Amortization Of Plant Acquisition Adj | \$ -                  | \$ -                 | 4                     | 0.00%                 | 0.00%            | \$ -                  |
| (25) 4111 - Accretion Exp - FAS143               | \$ 702                | \$ 369               | 4                     | 65.56%                | 34.44%           | \$ 1,071              |
| <b>SUBTOTAL</b>                                  | <b>\$ 20,229,855</b>  | <b>\$ 10,778,576</b> |                       |                       |                  | <b>\$ 31,008,431</b>  |
| <b>29 - TAXES OTHER THAN INCOME TAXES</b>        |                       |                      |                       |                       |                  |                       |
| (29) 4081 - Taxes Other-Util Income              | \$ 2,832,956          | \$ 1,489,112         | 4                     | 65.55%                | 34.45%           | \$ 4,322,068          |
| <b>SUBTOTAL</b>                                  | <b>\$ 2,832,956</b>   | <b>\$ 1,489,112</b>  |                       |                       |                  | <b>\$ 4,322,068</b>   |
| <b>30 - INCOME TAXES</b>                         |                       |                      |                       |                       |                  |                       |
| (30) 4091 - Fit-Util Oper Income                 | \$ -                  | \$ -                 |                       | N/A                   | N/A              | \$ -                  |
| <b>SUBTOTAL</b>                                  | <b>\$ -</b>           | <b>\$ -</b>          |                       |                       |                  | <b>\$ -</b>           |
| <b>31 - DEFERRED INCOME TAXES</b>                |                       |                      |                       |                       |                  |                       |
| (31) 4101 - Def Fit-Util Oper Income             | \$ 14,232,706         | \$ 7,580,553         | 4                     | 65.25%                | 34.75%           | \$ 21,813,259         |
| (31) 4111 - Def Fit-Cr - Util Oper Income        | \$ (6,166,651)        | \$ (3,289,885)       | 4                     | 65.21%                | 34.79%           | \$ (9,456,536)        |
| <b>SUBTOTAL</b>                                  | <b>\$ 8,066,055</b>   | <b>\$ 4,290,668</b>  |                       |                       |                  | <b>\$ 12,356,723</b>  |
| <b>GRAND TOTAL</b>                               | <b>\$ 118,607,240</b> | <b>\$ 66,614,574</b> |                       |                       |                  | <b>\$ 185,221,814</b> |

| Allocation Method                        | Electric          | Gas    | Electric          | Gas    |
|--|-------------------|--------|-------------------|--------|
|  | April 10 - Dec 10 |        | Jan 11 - March 11 |        |
| 1 - 12 Month Average number of Customers | 58.97%            | 41.03% | 58.96%            | 41.04% |
| 2 - Joint Meter Reading Customers        | 63.50%            | 36.50% | 63.35%            | 36.65% |
| 3 - Non-Production Plant                 | 60.86%            | 39.14% | 60.89%            | 39.11% |
| 4 - 4-Factor Allocator                   | 64.79%            | 35.21% | 66.51%            | 33.49% |

Common by Account

**PUGET SOUND ENERGY**  
**PERIODIC ALLOCATED RESULTS OF OPERATIONS**  
**FOR THE MONTH ENDED JANUARY 31, 2011**

(Based on allocation factors developed for the 12 ME 12/31/2010)

|                                    | Electric             | Gas                  | Total Amount         |
|------------------------------------|----------------------|----------------------|----------------------|
| 1 - OPERATING REVENUES:            |                      |                      |                      |
| 2 - SALES TO CUSTOMERS             | \$ 216,502,299       | \$ 147,897,656       | \$ 364,399,956       |
| 3 - SALES FOR RESALE-FIRM          | 48,395               | -                    | 48,395               |
| 4 - SALES TO OTHER UTILITIES       | 9,989,688            | -                    | 9,989,688            |
| 5 - OTHER OPERATING REVENUES       | 7,227,032            | 1,110,764            | 8,337,796            |
| 6 - TOTAL OPERATING REVENUES       | \$ 233,767,415       | \$ 149,008,420       | \$ 382,775,835       |
| 7                                  |                      |                      |                      |
| 8 - OPERATING REVENUE DEDUCTIONS:  |                      |                      |                      |
| 9                                  |                      |                      |                      |
| 10 - POWER COSTS:                  |                      |                      |                      |
| 11 - FUEL                          | \$ 19,550,310        | \$ -                 | \$ 19,550,310        |
| 12 - PURCHASED AND INTERCHANGED    | 79,875,367           | 84,537,990           | 164,413,358          |
| 13 - WHEELING                      | 6,857,027            | -                    | 6,857,027            |
| 14 - RESIDENTIAL EXCHANGE          | (8,057,627)          | -                    | (8,057,627)          |
| 15 - TOTAL PRODUCTION EXPENSES     | \$ 98,225,078        | \$ 84,537,990        | \$ 182,763,068       |
| 16                                 |                      |                      |                      |
| 17 - OTHER ENERGY SUPPLY EXPENSES  | \$ 7,212,178         | \$ 115,706           | \$ 7,327,883         |
| 18 - TRANSMISSION EXPENSE          | 595,170              | (17,516)             | 577,655              |
| 19 - DISTRIBUTION EXPENSE          | 5,713,665            | 3,834,250            | 9,547,915            |
| 20 - CUSTOMER ACCTS EXPENSES       | 4,044,206            | 2,503,276            | 6,547,482            |
| 21 - CUSTOMER SERVICE EXPENSES     | 1,360,564            | 588,679              | 1,949,243            |
| 22 - CONSERVATION AMORTIZATION     | 8,939,146            | 2,544,080            | 11,483,226           |
| 23 - ADMIN & GENERAL EXPENSE       | 7,676,132            | 3,537,641            | 11,213,773           |
| 24 - DEPRECIATION                  | 16,077,414           | 8,681,003            | 24,758,416           |
| 25 - AMORTIZATION                  | 2,927,794            | 831,339              | 3,759,133            |
| 26 - AMORTIZ OF PROPERTY LOSS      | 1,485,752            | -                    | 1,485,752            |
| 27 - OTHER OPERATING EXPENSES      | 11,588,650           | (12,613)             | 11,576,037           |
| 28 - FAS 133                       | (606,155)            | -                    | (606,155)            |
| 29 - TAXES OTHER THAN INCOME TAXES | 19,902,711           | 13,893,756           | 33,796,467           |
| 30 - INCOME TAXES                  | -                    | -                    | -                    |
| 31 - DEFERRED INCOME TAXES         | 12,941,010           | 6,914,647            | 19,855,657           |
| 32 - TOTAL OPERATING REV. DEDUCT.  | \$ 198,083,314       | \$ 127,952,238       | \$ 326,035,552       |
| <b>NET OPERATING INCOME</b>        | <b>\$ 35,684,101</b> | <b>\$ 21,056,182</b> | <b>\$ 56,740,284</b> |



**PUGET SOUND ENERGY**  
**ACTUAL RESULTS OF OPERATIONS**  
**FOR THE MONTH ENDED JANUARY 31, 2011**

|                                    | Electric       | Gas            | Common          | Energy N/A      | Total Amount   |
|------------------------------------|----------------|----------------|-----------------|-----------------|----------------|
| <b>OPERATING INCOME</b>            |                |                |                 |                 |                |
| 1 - OPERATING REVENUES:            |                |                |                 |                 |                |
| 2 - SALES TO CUSTOMERS             | \$ 216,502,299 | \$ 147,897,656 | \$ -            | \$ -            | \$ 364,399,956 |
| 3 - SALES FOR RESALE-FIRM          | 48,395         | -              | -               | -               | 48,395         |
| 4 - SALES TO OTHER UTILITIES       | 9,989,688      | -              | -               | -               | 9,989,688      |
| 5 - OTHER OPERATING REVENUES       | 7,227,032      | 1,110,764      | -               | -               | 8,337,796      |
| 6 - TOTAL OPERATING REVENUES       | \$ 233,767,415 | \$ 149,008,420 | \$ -            | \$ -            | \$ 382,775,835 |
| 7                                  |                |                |                 |                 |                |
| 8 - OPERATING REVENUE DEDUCTIONS:  |                |                |                 |                 |                |
| 9                                  |                |                |                 |                 |                |
| 10 - POWER COSTS:                  |                |                |                 |                 |                |
| 11 - FUEL                          | \$ 19,550,310  | \$ -           | \$ -            | \$ -            | \$ 19,550,310  |
| 12 - PURCHASED AND INTERCHANGED    | 79,875,367     | 84,537,990     | -               | -               | 164,413,358    |
| 13 - WHEELING                      | 6,857,027      | -              | -               | -               | 6,857,027      |
| 14 - RESIDENTIAL EXCHANGE          | (8,057,627)    | -              | -               | -               | (8,057,627)    |
| 15 - TOTAL PRODUCTION EXPENSES     | \$ 98,225,078  | \$ 84,537,990  | \$ -            | \$ -            | \$ 182,763,068 |
| 16                                 |                |                |                 |                 |                |
| 17 - OTHER ENERGY SUPPLY EXPENSES  | \$ 7,212,178   | \$ 115,706     | \$ -            | \$ -            | \$ 7,327,883   |
| 18 - TRANSMISSION EXPENSE          | 595,170        | (17,516)       | -               | -               | 577,655        |
| 19 - DISTRIBUTION EXPENSE          | 5,713,665      | 3,834,250      | -               | -               | 9,547,915      |
| 20 - CUSTOMER ACCTS EXPENSES       | 2,583,768      | 1,489,860      | 2,473,855       | -               | 6,547,482      |
| 21 - CUSTOMER SERVICE EXPENSES     | 1,271,982      | 527,020        | 150,241         | -               | 1,949,243      |
| 22 - CONSERVATION AMORTIZATION     | 8,939,146      | 2,544,080      | -               | -               | 11,483,226     |
| 23 - ADMIN & GENERAL EXPENSE       | 3,259,788      | 1,272,187      | 6,681,798       | -               | 11,213,773     |
| 24 - DEPRECIATION                  | 14,874,744     | 8,075,419      | 1,808,253       | -               | 24,758,416     |
| 25 - AMORTIZATION                  | 1,518,024      | 121,473        | 2,119,636       | -               | 3,759,133      |
| 26 - AMORTIZ OF PROPERTY LOSS      | 1,485,752      | -              | -               | -               | 1,485,752      |
| 27 - OTHER OPERATING EXPENSES      | 11,588,650     | (12,613)       | -               | -               | 11,576,037     |
| 28 - FAS 133                       | (606,155)      | -              | -               | -               | (606,155)      |
| 29 - TAXES OTHER THAN INCOME TAXES | 19,512,424     | 13,697,234     | 586,809         | -               | 33,796,467     |
| 30 - INCOME TAXES                  | -              | 0              | -               | -               | -              |
| 31 - DEFERRED INCOME TAXES         | 4,844,364      | 2,837,716      | 12,173,577      | -               | 19,855,657     |
| 32 - TOTAL OPERATING REV. DEDUCT.  | \$ 181,018,578 | \$ 119,022,805 | \$ 25,994,169   | \$ -            | \$ 326,035,552 |
| <b>NET OPERATING INCOME</b>        | \$ 52,748,837  | \$ 29,985,615  | \$ (25,994,169) | \$ -            | \$ 56,740,284  |
| <b>NON-OPERATING INCOME</b>        |                |                |                 |                 |                |
| 99 - OTHER INCOME                  | \$ -           | \$ -           | \$ -            | \$ (3,326,792)  | \$ (3,326,792) |
| 999 - INTEREST                     | -              | -              | -               | 18,401,613      | 18,401,613     |
| 9999 - EXTRAORDINARY ITEMS         | -              | -              | -               | -               | -              |
| <b>TOTAL NON-OPERATING INCOME</b>  | \$ -           | \$ -           | \$ -            | \$ 15,074,821   | \$ 15,074,821  |
| <b>NET INCOME</b>                  | \$ 52,748,837  | \$ 29,985,615  | \$ (25,994,169) | \$ (15,074,821) | \$ 41,665,463  |

**PUGET SOUND ENERGY  
INCOME STATEMENT DETAIL  
FOR THE MONTH ENDED JANUARY 31, 2011**

| FERC Account Description                       | Electric           | Gas                | Common   | Total              |
|--|--------------------|--------------------|----------|--------------------|
| <b>1 - OPERATING REVENUES</b>                  |                    |                    |          |                    |
| <i>2 - SALES TO CUSTOMERS</i>                  |                    |                    |          |                    |
| (2) 440 - Electric Residential Sales           | 131,133,484        | -                  | -        | 131,133,484        |
| (2) 442 - Electric Commercial & Industrial S   | 87,854,210         | -                  | -        | 87,854,210         |
| (2) 444 - Public Street & Highway Lighting     | 1,595,115          | -                  | -        | 1,595,115          |
| (2) 456 - Other Electric Revenues              | -                  | -                  | -        | -                  |
| (2) 456 - Other Electric Revenues - Unbilled   | (4,345,527)        | -                  | -        | (4,345,527)        |
| (2) 456 - Other Electric Revenues - Conser     | 265,019            | -                  | -        | 265,019            |
| (2) 480 - Gas Residential Sales                | -                  | 102,055,930        | -        | 102,055,930        |
| (2) 481 - Gas Commercial & Industrial Sale     | -                  | 44,544,320         | -        | 44,544,320         |
| (2) 489 - Rev From Transportation Of Gas       | -                  | 1,297,406          | -        | 1,297,406          |
| (2) SUBTOTAL                                   | 216,502,299        | 147,897,656        | -        | 364,399,956        |
| <i>3 - SALES FOR RESALE-FIRM</i>               |                    |                    |          |                    |
| (3) 447 - Electric Sales For Resale            | 48,395             | -                  | -        | 48,395             |
| (3) SUBTOTAL                                   | 48,395             | -                  | -        | 48,395             |
| <i>4 - SALES TO OTHER UTILITIES</i>            |                    |                    |          |                    |
| (4) 447 - Electric Sales For Resale - Sales    | 2,929,467          | -                  | -        | 2,929,467          |
| (4) 447 - Electric Sales For Resale - Purchase | 7,060,221          | -                  | -        | 7,060,221          |
| (4) SUBTOTAL                                   | 9,989,688          | -                  | -        | 9,989,688          |
| <i>5 - OTHER OPERATING REVENUES</i>            |                    |                    |          |                    |
| (5) 412 - Lease Inc Everett Delta to NWP -     | -                  | -                  | -        | -                  |
| (5) 450 - Forfeited Discounts                  | 349,522            | -                  | -        | 349,522            |
| (5) 451 - Electric Misc Service Revenue        | 547,129            | -                  | -        | 547,129            |
| (5) 454 - Rent For Electric Property           | 1,200,574          | -                  | -        | 1,200,574          |
| (5) 456 - Other Electric Revenues              | 5,129,809          | -                  | -        | 5,129,809          |
| (5) 487 - Forfeited Discounts                  | -                  | 169,935            | -        | 169,935            |
| (5) 488 - Gas Misc Service Revenues            | -                  | 155,165            | -        | 155,165            |
| (5) 4894 - Gas Revenues from Storing Gas       | -                  | 87,500             | -        | 87,500             |
| (5) 493 - Rent From Gas Property               | -                  | 655,140            | -        | 655,140            |
| (5) 495 - Other Gas Revenues                   | -                  | 43,025             | -        | 43,025             |
| (5) SUBTOTAL                                   | 7,227,032          | 1,110,764          | -        | 8,337,796          |
| <b>(1) TOTAL OPERATING REVENUES</b>            | <b>233,767,415</b> | <b>149,008,420</b> | <b>-</b> | <b>382,775,835</b> |
| <b>10 - ENERGY COST</b>                        |                    |                    |          |                    |
| <i>11 - FUEL</i>                               |                    |                    |          |                    |
| (11) 501 - Steam Operations Fuel               | 6,309,883          | -                  | -        | 6,309,883          |
| (11) 547 - Other Power Generation Oper Fu      | 13,240,427         | -                  | -        | 13,240,427         |
| (11) SUBTOTAL                                  | 19,550,310         | -                  | -        | 19,550,310         |
| <i>12 - PURCHASED AND INTERCHANGED</i>         |                    |                    |          |                    |
| (12) 555 - Purchased Power                     | 79,099,857         | -                  | -        | 79,099,857         |
| (12) 557 - Other Power Supply Expense          | 775,510            | -                  | -        | 775,510            |
| (12) 804 - Natural Gas City Gate Purchases     | -                  | 74,068,128         | -        | 74,068,128         |
| (12) 805 - Other Gas Purchases                 | -                  | -                  | -        | -                  |
| (12) 8051 - Purchased Gas Cost Adjustmer       | -                  | (2,314,041)        | -        | (2,314,041)        |
| (12) 8081 - Gas Withdrawn From Storage         | -                  | 19,623,263         | -        | 19,623,263         |
| (12) 8082 - Gas Delivered To Storage           | -                  | (6,839,359)        | -        | (6,839,359)        |
| (12) SUBTOTAL                                  | 79,875,367         | 84,537,990         | -        | 164,413,358        |
| <i>13 - WHEELING</i>                           |                    |                    |          |                    |

**PUGET SOUND ENERGY  
INCOME STATEMENT DETAIL  
FOR THE MONTH ENDED JANUARY 31, 2011**

| FERC Account Description                     | Electric           | Gas               | Common | Total              |
|--|--------------------|-------------------|--------|--------------------|
| (13) 565 - Transmission Of Electricity By Of | 6,857,027          | -                 | -      | 6,857,027          |
| (13) SUBTOTAL                                | 6,857,027          | -                 | -      | 6,857,027          |
| 14 - RESIDENTIAL EXCHANGE                    |                    |                   |        | -                  |
| (14) 555 - Purchased Power                   | (8,057,627)        | -                 | -      | (8,057,627)        |
| (14) SUBTOTAL                                | (8,057,627)        | -                 | -      | (8,057,627)        |
| <b>(10) TOTAL ENERGY COST</b>                | <b>98,225,078</b>  | <b>84,537,990</b> | -      | <b>182,763,068</b> |
| <b>GROSS MARGIN</b>                          | <b>135,542,337</b> | <b>64,470,430</b> | -      | <b>200,012,767</b> |
| <b>OPERATING EXPENSES</b>                    |                    |                   |        | -                  |
| OPERATING AND MAINTENANCE                    |                    |                   |        | -                  |
| 17 - OTHER ENERGY SUPPLY EXPENSES            |                    |                   |        | -                  |
| (17) 500 - Steam Oper Supv & Engineer        | 54,491             | -                 | -      | 54,491             |
| (17) 502 - Steam Oper Steam Expenses         | 679,719            | -                 | -      | 679,719            |
| (17) 505 - Steam Oper Electric Expense       | 137,858            | -                 | -      | 137,858            |
| (17) 506 - Steam Oper Misc Steam Pow         | 542,238            | -                 | -      | 542,238            |
| (17) 507 - Steam Operations Rents            | 27                 | -                 | -      | 27                 |
| (17) 510 - Steam Maint Supv & Enginee        | 152,976            | -                 | -      | 152,976            |
| (17) 511 - Steam Maint Structures            | 126,382            | -                 | -      | 126,382            |
| (17) 512 - Steam Maint Boiler Plant          | 1,162,980          | -                 | -      | 1,162,980          |
| (17) 513 - Steam Maint Electric Plant        | 135,582            | -                 | -      | 135,582            |
| (17) 514 - Steam Maint Misc Steam Plar       | 171,659            | -                 | -      | 171,659            |
| (17) 535 - Hydro Oper Supv & Engineeri       | 157,739            | -                 | -      | 157,739            |
| (17) 536 - Hydro Oper Water For Power        | -                  | -                 | -      | -                  |
| (17) 537 - Hydro Oper Hydraulic Expens       | 192,617            | -                 | -      | 192,617            |
| (17) 538 - Hydro Oper Electric Expense:      | 16,142             | -                 | -      | 16,142             |
| (17) 539 - Hydro Oper Misc Hydraulic E)      | 125,771            | -                 | -      | 125,771            |
| (17) 540 - Hydro Office Rents                | -                  | -                 | -      | -                  |
| (17) 541 - Hydro Maint Supv & Engineer       | 0                  | -                 | -      | 0                  |
| (17) 542 - Hydro Maint Structures            | 48,964             | -                 | -      | 48,964             |
| (17) 543 - Hydro Maint Res. Dams & Wa        | 42,113             | -                 | -      | 42,113             |
| (17) 544 - Hydro Maint Electric Plant        | 7,037              | -                 | -      | 7,037              |
| (17) 545 - Hydro Maint Misc Hydraulic P      | 210,767            | -                 | -      | 210,767            |
| (17) 546 - Other Pwr Gen Oper Supv & l       | 238,228            | -                 | -      | 238,228            |
| (17) 548 - Other Power Gen Oper Gen E        | 625,074            | -                 | -      | 625,074            |
| (17) 549 - Other Power Gen Oper Misc         | 219,520            | -                 | -      | 219,520            |
| (17) 550 - Other Power Gen Oper Rents        | 456,175            | -                 | -      | 456,175            |
| (17) 551 - Other Power Gen Maint Supv        | 52,077             | -                 | -      | 52,077             |
| (17) 552 - Other Power Gen Maint Struc       | 28,792             | -                 | -      | 28,792             |
| (17) 553 - Other Power Gen Maint Gen i       | 1,345,757          | -                 | -      | 1,345,757          |
| (17) 554 - Other Power Gen Maint Misc        | 144,452            | -                 | -      | 144,452            |
| (17) 556 - System Control & Load Dispa       | 137,038            | -                 | -      | 137,038            |
| (17) 710 - Production Operations Supv & E    | -                  | -                 | -      | -                  |
| (17) 717 - Liquefied Petroleum Gas Exp       | -                  | 13,110            | -      | 13,110             |
| (17) 735 - Misc Gas Production Exp           | -                  | -                 | -      | -                  |
| (17) 741 - Production Plant Maint Structi    | -                  | 2,610             | -      | 2,610              |
| (17) 742 - Production Plant Maint Prod E     | -                  | 964               | -      | 964                |
| (17) 8072 - Purchased Gas Expenses           | -                  | 24,837            | -      | 24,837             |

**PUGET SOUND ENERGY  
INCOME STATEMENT DETAIL  
FOR THE MONTH ENDED JANUARY 31, 2011**

| FERC Account Description                 | Electric  | Gas      | Common | Total     |
|--|-----------|----------|--------|-----------|
| (17) 8074 - Purchased Gas Calculation    | -         | 2,749    | -      | 2,749     |
| (17) 812 - Gas Used For Other Utility Op | -         | (19,975) | -      | (19,975)  |
| (17) 813 - Other Gas Supply Expenses     | -         | -        | -      | -         |
| (17) 814 - Undergrnd Strge - Operation   | -         | 14,140   | -      | 14,140    |
| (17) 815 - Undergrnd Strge - Oper Map    | -         | -        | -      | -         |
| (17) 816 - Undergrnd Strge - Oper Wells  | -         | 51       | -      | 51        |
| (17) 817 - Undergrnd Strge - Oper Lines  | -         | 474      | -      | 474       |
| (17) 818 - Undergrnd Strge - Oper Comj   | -         | 12,714   | -      | 12,714    |
| (17) 819 - Undergrnd Strge - Oper Comj   | -         | 2,234    | -      | 2,234     |
| (17) 820 - Undergrnd Strge - Oper Meas   | -         | 9,155    | -      | 9,155     |
| (17) 821 - Undergrnd Strge - Oper Purifi | -         | -        | -      | -         |
| (17) 823 - Storage Gas Losses            | -         | -        | -      | -         |
| (17) 824 - Undergrnd Strge - Oper Other  | -         | 3,405    | -      | 3,405     |
| (17) 825 - Undergrnd Strge - Oper Stora  | -         | -        | -      | -         |
| (17) 826 - Undergrnd Strge - Oper Other  | -         | (237)    | -      | (237)     |
| (17) 830 - Undergrnd Strge - Maint Supv  | -         | 9,931    | -      | 9,931     |
| (17) 831 - Undergrnd Strge - Maint Struc | -         | -        | -      | -         |
| (17) 832 - Undergrnd Strge - Maint Rese  | -         | 1,315    | -      | 1,315     |
| (17) 833 - Undergrnd Strge - Maint Of Li | -         | -        | -      | -         |
| (17) 834 - Undergrnd Strge - Maint Com   | -         | 21,199   | -      | 21,199    |
| (17) 835 - Undergrnd Strge - Maint Mea:  | -         | -        | -      | -         |
| (17) 836 - Undergrnd Strge - Maint Purif | -         | 0        | -      | 0         |
| (17) 837 - Undergrnd Strge-Maint Other   | -         | 907      | -      | 907       |
| (17) 841 - Operating Labor & Expenses    | -         | 12,409   | -      | 12,409    |
| (17) 8432 - Maint Struc & Impro          | -         | 622      | -      | 622       |
| (17) 8433 - Maintenance of Gas Holders   | -         | 883      | -      | 883       |
| (17) 8436 - Maintenance of Vaporizing E  | -         | 823      | -      | 823       |
| (17) 8438 - Maint Measure & Reg          | -         | 783      | -      | 783       |
| (17) 8439 - Other Gas Maintenance        | -         | 602      | -      | 602       |
| (17) SUBTOTAL                            | 7,212,178 | 115,706  | -      | 7,327,883 |
| <b>18 - TRANSMISSION EXPENSE</b>         |           |          |        | -         |
| (18) 560 - Transmission Oper Supv & E    | 73,512    | -        | -      | 73,512    |
| (18) 561 - Transmission Oper Load Disp   | -         | -        | -      | -         |
| (18) 5611 - Transmission Oper Load Dis   | 8,344     | -        | -      | 8,344     |
| (18) 5612 - Load Dispatch - Monitor & O  | 62,081    | -        | -      | 62,081    |
| (18) 5613 - Load Dispatch - Service and  | 76,264    | -        | -      | 76,264    |
| (18) 5615 - Reliability Planning & Stand | 28,009    | -        | -      | 28,009    |
| (18) 5616 - Transmission Svc Studies     | 2,663     | -        | -      | 2,663     |
| (18) 5617 Gen Intercnct Studies          | 11,150    | -        | -      | 11,150    |
| (18) 5618 - Reliability Planning         | -         | -        | -      | -         |
| (18) 562 - Transmission Oper Station E   | 8,616     | -        | -      | 8,616     |
| (18) 563 - Transmission Oper Overhead    | 12,074    | -        | -      | 12,074    |
| (18) 566 - Transmission Oper Misc        | 54,820    | -        | -      | 54,820    |
| (18) 567 - Transmission Oper Rents       | 31,258    | -        | -      | 31,258    |
| (18) 568 - Transmission Maint Supv & E   | 12,574    | -        | -      | 12,574    |
| (18) 569 - Transmission Maint Structure  | -         | -        | -      | -         |
| (18) 5691 - Transmission Computer Har    | -         | -        | -      | -         |

**PUGET SOUND ENERGY  
INCOME STATEMENT DETAIL  
FOR THE MONTH ENDED JANUARY 31, 2011**

| FERC Account Description                    | Electric  | Gas       | Common | Total     |
|---|-----------|-----------|--------|-----------|
| (18) 5692 - Transmission Maint Structur     | 27,306    | -         | -      | 27,306    |
| (18) 570 - Transmission Maint Station E     | 23,069    | -         | -      | 23,069    |
| (18) 571 - Transmission Maint Overhead      | 163,430   | -         | -      | 163,430   |
| (18) 572 - Transmission Maint Undergro      | -         | -         | -      | -         |
| (18) 850 - Transmission Oper Supv & E       | -         | -         | -      | -         |
| (18) 856 - Transmission Oper Mains Exp      | -         | (109)     | -      | (109)     |
| (18) 857 - Transmission Oper Meas & R       | -         | -         | -      | -         |
| (18) 862 - Transmission Maint Structure     | -         | 7,050     | -      | 7,050     |
| (18) 863 - Transmission Maint Supv & E      | -         | (26,864)  | -      | (26,864)  |
| (18) 865 - Transmission Maint of measu      | -         | -         | -      | -         |
| (18) 867 - Transmission Maint Other Equ     | -         | 2,407     | -      | 2,407     |
| (18) SUBTOTAL                               | 595,170   | (17,516)  | -      | 577,655   |
| 19 - DISTRIBUTION EXPENSE                   |           |           |        | -         |
| (19) 580 - Distribution Oper Supv & Eng     | 113,684   | -         | -      | 113,684   |
| (19) 581 - Distribution Oper Load Dispat    | 91,153    | -         | -      | 91,153    |
| (19) 582 - Distribution Oper Station Expe   | 143,123   | -         | -      | 143,123   |
| (19) 583 - Distribution Oper Overhead Li    | 233,852   | -         | -      | 233,852   |
| (19) 584 - Distribution Oper Underground    | 188,847   | -         | -      | 188,847   |
| (19) 585 - Distribution Oper St Lighting &  | 70,985    | -         | -      | 70,985    |
| (19) 586 - Distribution Oper Meter Exper    | 9,728     | -         | -      | 9,728     |
| (19) 587 - Distribution Oper Cust Installa  | 368,234   | -         | -      | 368,234   |
| (19) 588 - Distribution Oper Misc Dist Ex   | 124,768   | -         | -      | 124,768   |
| (19) 589 - Distribution Oper Rents          | 15,777    | -         | -      | 15,777    |
| (19) 590 - Distribution Maint Superv & E    | -         | -         | -      | -         |
| (19) 591 - Distribution Maint Structures    | -         | -         | -      | -         |
| (19) 592 - Distribution Maint Station Equ   | 391,832   | -         | -      | 391,832   |
| (19) 593 - Distribution Maint Overhead L    | 2,769,187 | -         | -      | 2,769,187 |
| (19) 594 - Distribution Maint Undergrou     | 896,867   | -         | -      | 896,867   |
| (19) 595 - Distribution Maint Line Transf   | 7,199     | -         | -      | 7,199     |
| (19) 596 - Distribution Maint St Lighting/A | 245,322   | -         | -      | 245,322   |
| (19) 597 - Distribution Maint Meters        | 43,106    | -         | -      | 43,106    |
| (19) 598 - Distribution Maint Misc Dist Pl  | -         | -         | -      | -         |
| (19) 870 - Distribution Oper Supv & Eng     | -         | 114,821   | -      | 114,821   |
| (19) 871 - Distribution Oper Load Dispat    | -         | 72,528    | -      | 72,528    |
| (19) 874 - Distribution Oper Mains & Ser    | -         | 1,031,693 | -      | 1,031,693 |
| (19) 875 - Distribution Oper Meas & Req     | -         | 139,118   | -      | 139,118   |
| (19) 876 - Distribution Oper Meas & Req     | -         | 45,128    | -      | 45,128    |
| (19) 878 - Distribution Oper Meter & Ho     | -         | 617,869   | -      | 617,869   |
| (19) 879 - Distribution Oper Customer Ir    | -         | 486,893   | -      | 486,893   |
| (19) 880 - Distribution Oper Other Exper    | -         | 213,920   | -      | 213,920   |
| (19) 881 - Distribution Oper Rents Exper    | -         | 18,205    | -      | 18,205    |
| (19) 887 - Distribution Maint Mains         | -         | 418,296   | -      | 418,296   |
| (19) 889 - Distribution Maint Meas & Req    | -         | 35,471    | -      | 35,471    |
| (19) 890 - Distribution Maint Meas & Req    | -         | 41,667    | -      | 41,667    |
| (19) 892 - Distribution Maint Services      | -         | 393,229   | -      | 393,229   |
| (19) 893 - Distribution Maint Meters & H    | -         | 109,433   | -      | 109,433   |
| (19) 894 - Distribution Maint Other Equip   | -         | 95,980    | -      | 95,980    |

**PUGET SOUND ENERGY  
INCOME STATEMENT DETAIL  
FOR THE MONTH ENDED JANUARY 31, 2011**

| FERC Account Description                        | Electric          | Gas              | Common           | Total             |
|---|-------------------|------------------|------------------|-------------------|
| (19) SUBTOTAL                                   | 5,713,665         | 3,834,250        | -                | 9,547,915         |
| <b>20 - CUSTOMER ACCTS EXPENSES</b>             |                   |                  |                  | -                 |
| (20) 901 - Customer Accounts Supervisi          | -                 | -                | 32,792           | 32,792            |
| (20) 902 - Meter Reading Expense                | 1,482,886         | 1,056,754        | 42,220           | 2,581,861         |
| (20) 903 - Customer Records & Collecti          | 308,368           | 144,922          | 2,409,426        | 2,862,716         |
| (20) 904 - Uncollectible Accounts               | 792,513           | 288,184          | -                | 1,080,698         |
| (20) 905 - Misc. Customer Accounts Exp          | -                 | -                | (10,584)         | (10,584)          |
| (20) SUBTOTAL                                   | 2,583,768         | 1,489,860        | 2,473,855        | 6,547,482         |
| <b>21 - CUSTOMER SERVICE EXPENSES</b>           |                   |                  |                  | -                 |
| (21) 908 - Customer Assistance Expens           | 1,184,370         | 511,635          | 102,147          | 1,798,152         |
| (21) 909 - Info & Instructional Advertisin      | 82,283            | -                | 42,760           | 125,043           |
| (21) 910 - Misc Cust Svc & Info Expense         | -                 | -                | 4,949            | 4,949             |
| (21) 911 - Sales Supervision Exp                | -                 | -                | -                | -                 |
| (21) 912 - Demonstration & Selling Expe         | 5,329             | 15,385           | 385              | 21,099            |
| (21) 913 - Advertising Expenses                 | -                 | -                | -                | -                 |
| (21) 916 - Misc. Sales Expense                  | -                 | -                | -                | -                 |
| (21) SUBTOTAL                                   | 1,271,982         | 527,020          | 150,241          | 1,949,243         |
| <b>22 - CONSERVATION AMORTIZATION</b>           |                   |                  |                  | -                 |
| (22) 908 - Customer Assistance Expens           | 8,939,146         | 2,544,080        | -                | 11,483,226        |
| (22) SUBTOTAL                                   | 8,939,146         | 2,544,080        | -                | 11,483,226        |
| <b>23 - ADMIN &amp; GENERAL EXPENSE</b>         |                   |                  |                  | -                 |
| (23) 920 - A & G Salaries                       | 556,822           | 166,105          | 2,387,569        | 3,110,497         |
| (23) 921 - Office Supplies and Expenses         | 51,794            | 8,170            | 361,065          | 421,030           |
| (23) 922 - Admin Expenses Transferred           | -                 | -                | (26,066)         | (26,066)          |
| (23) 923 - Outside Services Employed            | 86,092            | 22,402           | 1,082,271        | 1,190,765         |
| (23) 924 - Property Insurance                   | 300,210           | 23,517           | 81,177           | 404,904           |
| (23) 925 - Injuries & Damages                   | 58,528            | 32,013           | 425,942          | 516,484           |
| (23) 926 - Emp Pension & Benefits               | 1,352,595         | 645,908          | 1,125,102        |                   |
| (23) 928 - Regulatory Commission Expe           | 651,728           | 323,837          | -                | 975,565           |
| (23) 9301 - Gen Advertising Exp                 | -                 | -                | 1,928            | 1,928             |
| (23) 9302 - Misc. General Expenses              | 191,962           | 39,070           | 59,971           | 291,004           |
| (23) 931 - Rents                                | 20,596            | -                | 567,721          | 588,317           |
| (23) 932 - Maint Of General Plant- Gas          | -                 | 11,163           | -                | 11,163            |
| (23) 935 - Maint General Plant - Electric       | (10,540)          | -                | 615,118          | 604,578           |
| (23) SUBTOTAL                                   | 3,259,788         | 1,272,187        | 6,681,798        | 11,213,773        |
| <b>TOTAL OPERATING AND MAINTENANCE</b>          | <b>29,575,697</b> | <b>9,765,587</b> | <b>9,305,893</b> | <b>48,647,178</b> |
| <b>DEPRECIATION, DEPLETION AND AMORTIZATION</b> |                   |                  |                  | -                 |
| <b>24 - DEPRECIATION</b>                        |                   |                  |                  | -                 |
| (24) 403 - Depreciation Expense                 | 14,876,239        | 8,060,493        | 1,809,432        | 24,746,164        |
| (24) 4031 - Depreciation Expense - FAS          | (1,495)           | 14,925           | (1,179)          | 12,252            |
| (24) SUBTOTAL                                   | 14,874,744        | 8,075,419        | 1,808,253        | 24,758,416        |
| <b>25 - AMORTIZATION</b>                        |                   |                  |                  | -                 |
| (25) 404 - Amort Ltd-Term Plant                 | 386,797           | 102,584          | 2,119,476        | 2,608,857         |
| (25) 406 - Amortization Of Plant Acquisit       | 1,038,781         | -                | -                | 1,038,781         |
| (25) 4111 - Accretion Exp - FAS143              | 92,447            | 18,889           | 160              | 111,495           |
| (25) SUBTOTAL                                   | 1,518,024         | 121,473          | 2,119,636        | 3,759,133         |

**PUGET SOUND ENERGY  
INCOME STATEMENT DETAIL  
FOR THE MONTH ENDED JANUARY 31, 2011**

| FERC Account Description                     | Electric          | Gas               | Common              | Total             |
|--|-------------------|-------------------|---------------------|-------------------|
| <b>26 - AMORTIZ OF PROPERTY LOSS</b>         |                   |                   |                     | -                 |
| (26) 407 - Amortization Of Prop. Losses      | 1,485,752         | -                 | -                   | 1,485,752         |
| (26) SUBTOTAL                                | 1,485,752         | -                 | -                   | 1,485,752         |
| <b>27 - OTHER OPERATING EXPENSES</b>         |                   |                   |                     | -                 |
| (27) 4073 - Regulatory Debits                | 12,166,616        | -                 | -                   | 12,166,616        |
| (27) 4074 - Regulatory Credits               | (386,059)         | -                 | -                   | (386,059)         |
| (27) 4116 - Gains From Disposition Of L      | (167,181)         | (17,194)          | -                   | (184,375)         |
| (27) 4117 - Losses From Disposition Of       | 9,977             | 4,581             | -                   | 14,559            |
| (27) 4118 - Gains From Disposition Of A      | (34,704)          | -                 | -                   | (34,704)          |
| (27) 414 - Other Utility Operating Income    | -                 | -                 | -                   | -                 |
| (27) SUBTOTAL                                | 11,588,650        | (12,613)          | -                   | 11,576,037        |
| <b>28 - FAS 133</b>                          |                   |                   |                     | -                 |
| (28) 421 - FAS 133 Gain                      | 1,567,402         | -                 | -                   | 1,567,402         |
| (28) 4265 - FAS 133 Loss                     | (2,173,557)       | -                 | -                   | (2,173,557)       |
| (28) SUBTOTAL                                | (606,155)         | -                 | -                   | (606,155)         |
| <b>TOTAL DEPRECIATION, DEPLETION AND A</b>   | <b>28,861,015</b> | <b>8,184,279</b>  | <b>3,927,889</b>    | <b>40,973,183</b> |
|  |                   |                   |                     | -                 |
| <b>29 - TAXES OTHER THAN INCOME TAXES</b>    |                   |                   |                     | -                 |
| (29) 4081 - Taxes Other-Util Income          | 19,512,424        | 13,697,234        | 586,809             | 33,796,467        |
| (29) SUBTOTAL                                | 19,512,424        | 13,697,234        | 586,809             | 33,796,467        |
| <b>30 - INCOME TAXES</b>                     |                   |                   |                     | -                 |
| (30) 4081 - Montana Corp. License Taxes      | -                 | -                 | -                   | -                 |
| (30) 4091 - Montana Corp license Tax         | -                 | -                 | -                   | -                 |
| (30) 4091 - Fit-Util Oper Income             | -                 | -                 | -                   | -                 |
| (30) SUBTOTAL                                | -                 | -                 | -                   | -                 |
| <b>31 - DEFERRED INCOME TAXES</b>            |                   |                   |                     | -                 |
| (31) 4101 - Def Fit-Util Oper Income         | 16,527,111        | 10,197,159        | 1,072,787           | 27,797,057        |
| (31) 4111 - Def Fit-Cr - Util Oper Income    | (11,682,747)      | (7,345,675)       | 11,100,790          | (7,927,632)       |
| (31) 4114 - Inv Tax Cr Adj-Util Operations   | -                 | (13,768)          | -                   | (13,768)          |
| (31) SUBTOTAL                                | 4,844,364         | 2,837,716         | 12,173,577          | 19,855,657        |
|  |                   |                   |                     | -                 |
| <b>NET OPERATING INCOME</b>                  | <b>52,748,837</b> | <b>29,985,615</b> | <b>(25,994,169)</b> | <b>56,740,284</b> |
|  |                   |                   |                     | -                 |
| <b>NON-OPERATING INCOME</b>                  |                   |                   |                     | -                 |
| <b>99 - OTHER INCOME</b>                     |                   |                   |                     | -                 |
| (99) 4082 - Taxes Other - Other Income       | 10,833            | -                 | -                   | 10,833            |
| (99) 4092 - Fit - Other Income               | -                 | -                 | -                   | -                 |
| (99) 4102 - Def Fit - Other Income           | -                 | -                 | (775,806)           | (775,806)         |
| (99) 4112 - Provision for Deferred FIT - Cre | -                 | -                 | -                   | -                 |
| (99) 415 - Revenues From Merchandising /     | -                 | -                 | (374,420)           | (374,420)         |
| (99) 416 - Expenses Of Merchandising And     | -                 | -                 | 301,063             | 301,063           |
| (99) 417 - Revenues From Non-Utility Oper    | -                 | -                 | (2,000)             | (2,000)           |
| (99) 4171 - Merger Related Costs             | -                 | -                 | -                   | -                 |
| (99) 4171 - Expenses of Non-Utility Operati  | -                 | -                 | 439,565             | 439,565           |
| (99) 418 - Nonoperating Rental Income        | -                 | -                 | -                   | -                 |
| (99) 4181 - Equity in Earnings of Subsidiari | -                 | -                 | -                   | -                 |
| (99) 419 - Interest And Dividend Income      | -                 | -                 | (1,488,039)         | (1,488,039)       |

**PUGET SOUND ENERGY  
INCOME STATEMENT DETAIL  
FOR THE MONTH ENDED JANUARY 31, 2011**

| FERC Account Description                              | Electric             | Gas                  | Common                 | Total                |
|---|----------------------|----------------------|------------------------|----------------------|
| (99) 4191 - Allowance For Other Funds Used            | (1,114,212)          | (59,839)             | (61,494)               | (1,235,545)          |
| (99) 421 - Misc. Non-Operating Income                 | -                    | (119,707)            | (519)                  | (120,226)            |
| (99) 4211 - Gain On Disposition Of Property           | -                    | -                    | -                      | -                    |
| (99) 4212 - Loss On Disposition Of Property           | -                    | -                    | -                      | -                    |
| (99) 4213 - Misc. Non-Op Income - AFUDC               | (800,550)            | -                    | -                      | (800,550)            |
| (99) 4214 - Misc. Non-Op Income - AFUCE               | -                    | -                    | -                      | -                    |
| (99) 425 - Miscellaneous Amortization                 | 66                   | -                    | -                      | 66                   |
| (99) 4261 - Donations                                 | -                    | -                    | 55,040                 | 55,040               |
| (99) 4262 - Life Insurance                            | -                    | -                    | -                      | -                    |
| (99) 4263 - Penalties                                 | -                    | -                    | -                      | -                    |
| (99) 4264 - Expenses For Civic & Political Activities | -                    | -                    | 295,987                | 295,987              |
| (99) 4265 - Other Deductions                          | -                    | -                    | 367,239                | 367,239              |
| (99) SUBTOTAL   | (1,903,863)          | (179,546)            | (1,243,383)            | (3,326,792)          |
| <b>999 - INTEREST</b>                                 |                      |                      |                        | -                    |
| (999) 427 - Interest On Long Term Debt                | -                    | -                    | 18,439,304             | 18,439,304           |
| (999) 4271 - Interest on Preferred Stock              | -                    | -                    | -                      | -                    |
| (999) 428 - Amortization Of Debt Discount             | -                    | -                    | 576,094                | 576,094              |
| (999) 4281 - Amortization Of Loss On Requirement      | -                    | -                    | 102,915                | 102,915              |
| (999) 429 - Amortization Of Premium On Debt           | -                    | -                    | -                      | -                    |
| (999) 4291 - Amortization Gain On Reacquisition       | -                    | -                    | (10,083)               | (10,083)             |
| (999) 430 - Int on Debt to Assoc. Companies           | -                    | -                    | 21,600                 | 21,600               |
| (999) 431 - Other Interest Expense                    | 257,635              | 15,104               | 367,575                | 640,313              |
| (999) 432 - Allowances For Borrowed Funds             | (1,263,951)          | (44,394)             | (60,185)               | (1,368,530)          |
| (999) SUBTOTAL  | (1,006,316)          | (29,290)             | 19,437,219             | 18,401,613           |
| <b>9999 - EXTRAORDINARY ITEMS</b>                     |                      |                      |                        | -                    |
| (9999) 4111 - Def Fit-Cr - Util Oper Income           | -                    | -                    | -                      | -                    |
| (9999) 435 - Extraordinary Deductions                 | -                    | -                    | -                      | -                    |
| (9999) SUBTOTAL                                       | -                    | -                    | -                      | -                    |
| <b>TOTAL NON-OPERATING INCOME</b>                     | <b>(2,910,179)</b>   | <b>(208,837)</b>     | <b>18,193,836</b>      | <b>15,074,821</b>    |
| <b>NET INCOME</b>                                     | <b>\$ 55,659,016</b> | <b>\$ 30,194,452</b> | <b>\$ (44,188,005)</b> | <b>\$ 41,665,463</b> |
| <b>RATE BASE</b>                                      |                      |                      |                        |                      |



**PUGET SOUND ENERGY**  
**ALLOCATION OF COMMON CHARGES**  
**FOR THE MONTH ENDED JANUARY 31, 2011**  
(Based on allocation factors developed for the 12 ME 12/31/2010)

| FERC Account and Description                     | Allocated Electric   | Allocated Gas       | Allocation Method [1] | Share (Allocated Electric / Common) | Share (Allocated Gas / Common) | Common               |
|--|----------------------|---------------------|-----------------------|-------------------------------------|--------------------------------|----------------------|
| <b>20 - CUSTOMER ACCTS EXPENSES</b>              |                      |                     |                       |                                     |                                |                      |
| (20) 901 - Customer Accounts Supervision         | \$ 19,334            | \$ 13,458           | 1                     | 58.96%                              | 41.04%                         | \$ 32,792            |
| (20) 902 - Meter Reading Expense                 | 26,747               | 15,474              | 2                     | 63.35%                              | 36.65%                         | \$ 42,220            |
| (20) 903 - Customer Records & Collection Expense | 1,420,597            | 988,828             | 1                     | 58.96%                              | 41.04%                         | \$ 2,409,426         |
| (20) 905 - Misc. Customer Accounts Expense       | (6,240)              | (4,344)             | 1                     | 58.96%                              | 41.04%                         | \$ (10,584)          |
| <b>SUBTOTAL</b>                                  | <b>\$ 1,460,438</b>  | <b>\$ 1,013,416</b> |                       |                                     |                                | <b>\$ 2,473,855</b>  |
| <b>21 - CUSTOMER SERVICE EXPENSES</b>            |                      |                     |                       |                                     |                                |                      |
| (21) 908 - Customer Assistance Expense           | \$ 60,226            | \$ 41,921           | 1                     | 58.96%                              | 41.04%                         | \$ 102,147           |
| (21) 909 - Info & Instructional Advertising      | 25,211               | 17,549              | 1                     | 58.96%                              | 41.04%                         | \$ 42,760            |
| (21) 910 - Misc Cust Svc & Info Expense          | 2,918                | 2,031               | 1                     | 58.96%                              | 41.04%                         | \$ 4,949             |
| (21) 911 - Sales Supervision Exp                 | 0                    | 0                   | 1                     | 58.96%                              | 41.04%                         | \$ -                 |
| (21) 912 - Demonstration & Selling Expense       | 227                  | 158                 | 1                     | 58.96%                              | 41.04%                         | \$ 385               |
| (21) 913 - Advertising Expense                   | 0                    | 0                   | 1                     | 58.96%                              | 41.04%                         | \$ -                 |
| (21) 916 - Misc. Sales Expense                   | 0                    | 0                   | 1                     | 58.96%                              | 41.04%                         | \$ -                 |
| <b>SUBTOTAL</b>                                  | <b>\$ 88,582</b>     | <b>\$ 61,659</b>    |                       |                                     |                                | <b>\$ 150,241</b>    |
| <b>23 - ADMIN &amp; GENERAL EXPENSE</b>          |                      |                     |                       |                                     |                                |                      |
| (23) 920 - A & G Salaries                        | \$ 1,587,972         | \$ 799,597          | 4                     | 66.51%                              | 33.49%                         | \$ 2,387,569         |
| (23) 921 - Office Supplies and Expenses          | 240,145              | 120,921             | 4                     | 66.51%                              | 33.49%                         | \$ 361,065           |
| (23) 922 - Admin Expenses Transferred            | (17,337)             | (8,730)             | 4                     | 66.51%                              | 33.49%                         | \$ (26,066)          |
| (23) 923 - Outside Services Employed             | 719,818              | 362,452             | 4                     | 66.51%                              | 33.49%                         | \$ 1,082,271         |
| (23) 924 - Property Insurance                    | 49,429               | 31,748              | 3                     | 60.89%                              | 39.11%                         | \$ 81,177            |
| (23) 925 - Injuries & Damages                    | 251,136              | 174,807             | 1                     | 58.96%                              | 41.04%                         | \$ 425,942           |
| (23) 926 - Emp Pension & Benefits                | 757,306              | 367,796             | 5                     | 67.31%                              | 32.69%                         | \$ 1,125,102         |
| (23) 928 - Regulatory Commission Expense         | 0                    | 0                   | 4                     | 66.51%                              | 33.49%                         | \$ -                 |
| (23) 9301 - Gen Advertising Exp                  | 1,283                | 646                 | 4                     | 66.51%                              | 33.49%                         | \$ 1,928             |
| (23) 9302 - Misc. General Expenses               | 39,887               | 20,084              | 4                     | 66.51%                              | 33.49%                         | \$ 59,971            |
| (23) 931 - Rents                                 | 377,591              | 190,130             | 4                     | 66.51%                              | 33.49%                         | \$ 567,721           |
| (23) 932 - Maint Of General Plant- Gas           | 0                    | 0                   | 4                     | 66.51%                              | 33.49%                         | \$ -                 |
| (23) 935 - Maint General Plant - Electric        | 409,115              | 206,003             | 4                     | 66.51%                              | 33.49%                         | \$ 615,118           |
| <b>SUBTOTAL</b>                                  | <b>\$ 4,416,344</b>  | <b>\$ 2,265,454</b> |                       |                                     |                                | <b>\$ 6,681,798</b>  |
| <b>24 - DEPRECIATION/AMORTIZATION</b>            |                      |                     |                       |                                     |                                |                      |
| (24) 403 - Depreciation Expense                  | 1,203,453            | 605,979             | 4                     | 66.51%                              | 33.49%                         | \$ 1,809,432         |
| (24) 4031 - Depreciation Expense - FAS143        | (784)                | (395)               | 4                     | 66.51%                              | 33.49%                         | \$ (1,179)           |
| <b>SUBTOTAL</b>                                  | <b>\$ 1,202,669</b>  | <b>\$ 605,584</b>   |                       |                                     |                                | <b>\$ 1,808,253</b>  |
| <b>25 - AMORTIZATION</b>                         |                      |                     |                       |                                     |                                |                      |
| (25) 404 - Amort Ltd-Term Plant                  | 1,409,664            | 709,813             | 4                     | 66.51%                              | 33.49%                         | \$ 2,119,476         |
| (25) 406 - Amortization Of Plant Acquisition Adj | -                    | -                   | 4                     | 66.51%                              | 33.49%                         | \$ -                 |
| (25) 4111 - Accretion Exp - FAS143               | 106                  | 54                  | 4                     | 66.51%                              | 33.49%                         | \$ 160               |
| <b>SUBTOTAL</b>                                  | <b>\$ 1,409,770</b>  | <b>\$ 709,866</b>   |                       |                                     |                                | <b>\$ 2,119,636</b>  |
| <b>29 - TAXES OTHER THAN INCOME TAXES</b>        |                      |                     |                       |                                     |                                |                      |
| (29) 4081 - Taxes Other-Util Income              | \$ 390,287           | \$ 196,522          | 4                     | 66.51%                              | 33.49%                         | \$ 586,809           |
| <b>SUBTOTAL</b>                                  | <b>\$ 390,287</b>    | <b>\$ 196,522</b>   |                       |                                     |                                | <b>\$ 586,809</b>    |
| <b>30 - INCOME TAXES</b>                         |                      |                     |                       |                                     |                                |                      |
| (30) 4091 - Fit-Util Oper Income                 | \$ -                 | \$ -                |                       | N/A                                 | N/A                            | \$ -                 |
| <b>SUBTOTAL</b>                                  | <b>\$ -</b>          | <b>\$ -</b>         |                       |                                     |                                | <b>\$ -</b>          |
| <b>31 - DEFERRED INCOME TAXES</b>                |                      |                     |                       |                                     |                                |                      |
| (31) 4101 - Def Fit-Util Oper Income             | \$ 713,511           | \$ 359,276          | 4                     | 66.51%                              | 33.49%                         | \$ 1,072,787         |
| (31) 4111 - Def Fit-Cr - Util Oper Income        | 7,383,135            | 3,717,655           | 4                     | 66.51%                              | 33.49%                         | \$ 11,100,790        |
| <b>SUBTOTAL</b>                                  | <b>\$ 8,096,646</b>  | <b>\$ 4,076,931</b> |                       |                                     |                                | <b>\$ 12,173,577</b> |
| <b>GRAND TOTAL</b>                               | <b>\$ 17,064,736</b> | <b>\$ 8,929,433</b> |                       |                                     |                                | <b>\$ 25,994,169</b> |

| Allocation Method | Electric                             | Gas    |        |
|-------------------|--------------------------------------|--------|--------|
| 1                 | 12 Month Average number of Customers | 58.96% | 41.04% |
| 2                 | Joint Meter Reading Customers        | 63.35% | 36.65% |
| 3                 | Non-Production Plant                 | 60.89% | 39.11% |
| 4                 | 4-Factor Allocator                   | 66.51% | 33.49% |
| 5                 | Direct Labor                         | 67.31% | 32.69% |

**PUGET SOUND ENERGY, INC.**  
**AVERAGE NUMBER OF CUSTOMERS**  
**January 31, 2011**

**ELECTRIC**

**Month Ended**

| <b><u>Customers</u></b>          | <b><u>Actual</u></b> | <b><u>Prior Year</u></b> | <b><u>Variance from Prior Year</u></b> |                 |
|----------------------------------|----------------------|--------------------------|--|-----------------|
|                                  |                      |                          | <b><u>Amount</u></b>                   | <b><u>%</u></b> |
| Residential                      | 955,777              | 950,657                  | 5,120                                  | 0.5%            |
| Commercial - Firm                | 118,572              | 118,287                  | 285                                    | 0.2%            |
| Commercial Interruptible         | 176                  | 177                      | (1)                                    | (0.6%)          |
| Industrial - Firm                | 3,638                | 3,676                    | (38)                                   | (1.0%)          |
| Industrial Interruptible         | 4                    | 4                        | -                                      | 0.0%            |
| Outdoor Lighting                 | 3,430                | 3,406                    | 24                                     | 0.7%            |
| Electric Sales for Resale - Firm | 8                    | 9                        | (1)                                    | (11.1%)         |
| Transportation - Electric        | 17                   | 17                       | -                                      | 0.0%            |
| <b>Total Number of Customers</b> | <b>1,081,622</b>     | <b>1,076,233</b>         | <b>5,389</b>                           | <b>0.5%</b>     |

**Twelve Months Ended**

| <b><u>Customers</u></b>          | <b><u>Actual</u></b> | <b><u>Prior Year</u></b> | <b><u>Variance from Prior Year</u></b> |                 |
|----------------------------------|----------------------|--------------------------|--|-----------------|
|                                  |                      |                          | <b><u>Amount</u></b>                   | <b><u>%</u></b> |
| Residential                      | 953,229              | 947,785                  | 5,444                                  | 0.6%            |
| Commercial - Firm                | 118,443              | 118,252                  | 191                                    | 0.2%            |
| Commercial Interruptible         | 176                  | 177                      | (1)                                    | (0.6%)          |
| Industrial - Firm                | 3,652                | 3,688                    | (36)                                   | (1.0%)          |
| Industrial Interruptible         | 4                    | 3                        | 1                                      | 33.3%           |
| Outdoor Lighting                 | 3,420                | 3,399                    | 21                                     | 0.6%            |
| Electric Sales for Resale - Firm | 8                    | 9                        | (1)                                    | (11.1%)         |
| Transportation - Electric        | 17                   | 17                       | -                                      | 0.0%            |
| <b>Total Number of Customers</b> | <b>1,078,949</b>     | <b>1,073,330</b>         | <b>5,619</b>                           | <b>0.5%</b>     |

**PUGET SOUND ENERGY, INC.**  
**AVERAGE NUMBER OF CUSTOMERS**  
**January 31, 2011**

**GAS**

| <u><b>Customers</b></u>          | <b>Month Ended</b>   |                          | <u><b>Variance from Prior Year</b></u> |                 |
|----------------------------------|----------------------|--------------------------|--|-----------------|
|                                  | <u><b>Actual</b></u> | <u><b>Prior Year</b></u> | <u><b>Amount</b></u>                   | <u><b>%</b></u> |
| Residential                      | 698,346              | 693,144                  | 5,202                                  | 0.8%            |
| Commercial - Firm                | 53,749               | 54,050                   | (301)                                  | (0.6%)          |
| Commercial Interruptible         | 354                  | 368                      | (14)                                   | (3.8%)          |
| Industrial - Firm                | 2,484                | 2,521                    | (37)                                   | (1.5%)          |
| Industrial Interruptible         | 16                   | 19                       | (3)                                    | (15.8%)         |
| Gas Transportation               | 171                  | 150                      | 21                                     | 14.0%           |
| <b>Total Number of Customers</b> | <b>755,120</b>       | <b>750,252</b>           | <b>4,868</b>                           | <b>0.6%</b>     |

| <u><b>Customers</b></u>          | <b>Twelve Months Ended</b> |                          | <u><b>Variance from Prior Year</b></u> |                 |
|----------------------------------|----------------------------|--------------------------|--|-----------------|
|                                  | <u><b>Actual</b></u>       | <u><b>Prior Year</b></u> | <u><b>Amount</b></u>                   | <u><b>%</b></u> |
| Residential                      | 694,519                    | 689,857                  | 4,662                                  | 0.7%            |
| Commercial - Firm                | 53,678                     | 54,019                   | (341)                                  | (0.6%)          |
| Commercial Interruptible         | 362                        | 377                      | (15)                                   | (4.0%)          |
| Industrial - Firm                | 2,486                      | 2,529                    | (43)                                   | (1.7%)          |
| Industrial Interruptible         | 18                         | 19                       | (1)                                    | (5.3%)          |
| Gas Transportation               | 154                        | 142                      | 12                                     | 8.5%            |
| <b>Total Number of Customers</b> | <b>751,217</b>             | <b>746,943</b>           | <b>4,274</b>                           | <b>0.6%</b>     |

**PUGET SOUND ENERGY**  
**PERIODIC ALLOCATED RESULTS OF OPERATIONS**  
**FOR THE MONTH ENDED FEBRUARY 28, 2011**

(Based on allocation factors developed for the 12 ME 12/31/2010)

|                                    | Electric             | Gas                  | Total Amount         |
|------------------------------------|----------------------|----------------------|----------------------|
| 1 - OPERATING REVENUES:            |                      |                      |                      |
| 2 - SALES TO CUSTOMERS             | \$ 196,151,449       | \$ 142,682,037       | \$ 338,833,486       |
| 3 - SALES FOR RESALE-FIRM          | 44,155               | -                    | 44,155               |
| 4 - SALES TO OTHER UTILITIES       | 10,107,222           | -                    | 10,107,222           |
| 5 - OTHER OPERATING REVENUES       | 3,356,350            | 1,210,246            | 4,566,596            |
| 6 - TOTAL OPERATING REVENUES       | \$ 209,659,176       | \$ 143,892,283       | \$ 353,551,459       |
| 7                                  |                      |                      |                      |
| 8 - OPERATING REVENUE DEDUCTIONS:  |                      |                      |                      |
| 9                                  |                      |                      |                      |
| 10 - POWER COSTS:                  |                      |                      |                      |
| 11 - FUEL                          | \$ 14,828,831        | -                    | \$ 14,828,831        |
| 12 - PURCHASED AND INTERCHANGED    | 75,916,616           | 82,064,774           | 157,981,390          |
| 13 - WHEELING                      | 6,994,593            | -                    | 6,994,593            |
| 14 - RESIDENTIAL EXCHANGE          | (6,757,514)          | -                    | (6,757,514)          |
| 15 - TOTAL PRODUCTION EXPENSES     | \$ 90,982,525        | \$ 82,064,774        | \$ 173,047,299       |
| 16                                 |                      |                      |                      |
| 17 - OTHER ENERGY SUPPLY EXPENSES  | \$ 6,568,499         | \$ 88,766            | \$ 6,657,265         |
| 18 - TRANSMISSION EXPENSE          | 524,277              | 17,202               | 541,480              |
| 19 - DISTRIBUTION EXPENSE          | 6,467,985            | 4,019,317            | 10,487,302           |
| 20 - CUSTOMER ACCTS EXPENSES       | 3,790,121            | 2,428,121            | 6,218,242            |
| 21 - CUSTOMER SERVICE EXPENSES     | 1,207,124            | 556,003              | 1,763,127            |
| 22 - CONSERVATION AMORTIZATION     | 8,089,382            | 2,471,800            | 10,561,182           |
| 23 - ADMIN & GENERAL EXPENSE       | 7,623,124            | 3,466,587            | 11,089,710           |
| 24 - DEPRECIATION                  | 16,107,928           | 8,783,155            | 24,891,083           |
| 25 - AMORTIZATION                  | 3,725,428            | 1,203,512            | 4,928,939            |
| 26 - AMORTIZ OF PROPERTY LOSS      | 1,485,752            | -                    | 1,485,752            |
| 27 - OTHER OPERATING EXPENSES      | 9,796,441            | (12,613)             | 9,783,828            |
| 28 - FAS 133                       | 14,213,058           | -                    | 14,213,058           |
| 29 - TAXES OTHER THAN INCOME TAXES | 18,674,028           | 13,119,237           | 31,793,265           |
| 30 - INCOME TAXES                  | -                    | -                    | -                    |
| 31 - DEFERRED INCOME TAXES         | 5,547,987            | 5,386,651            | 10,934,638           |
| 32 - TOTAL OPERATING REV. DEDUCT.  | \$ 194,803,658       | \$ 123,592,512       | \$ 318,396,170       |
| <b>NET OPERATING INCOME</b>        | <b>\$ 14,855,517</b> | <b>\$ 20,299,771</b> | <b>\$ 35,155,288</b> |

**PUGET SOUND ENERGY**  
**ACTUAL RESULTS OF OPERATIONS**  
**FOR THE MONTH ENDED FEBRUARY 28, 2011**

|                                    | Electric       | Gas            | Common          | Energy N/A      | Total Amount   |
|------------------------------------|----------------|----------------|-----------------|-----------------|----------------|
| <b>OPERATING INCOME</b>            |                |                |                 |                 |                |
| 1 - OPERATING REVENUES:            |                |                |                 |                 |                |
| 2 - SALES TO CUSTOMERS             | \$ 196,151,449 | \$ 142,682,037 | \$ -            | \$ -            | \$ 338,833,486 |
| 3 - SALES FOR RESALE-FIRM          | 44,155         | -              | -               | -               | 44,155         |
| 4 - SALES TO OTHER UTILITIES       | 10,107,222     | -              | -               | -               | 10,107,222     |
| 5 - OTHER OPERATING REVENUES       | 3,356,350      | 1,210,246      | -               | -               | 4,566,596      |
| 6 - TOTAL OPERATING REVENUES       | \$ 209,659,176 | \$ 143,892,283 | \$ -            | \$ -            | \$ 353,551,459 |
| 7                                  |                |                |                 |                 |                |
| 8 - OPERATING REVENUE DEDUCTIONS:  |                |                |                 |                 |                |
| 9                                  |                |                |                 |                 |                |
| 10 - POWER COSTS:                  |                |                |                 |                 |                |
| 11 - FUEL                          | \$ 14,828,831  | \$ -           | \$ -            | \$ -            | \$ 14,828,831  |
| 12 - PURCHASED AND INTERCHANGED    | 75,916,616     | 82,064,774     | -               | -               | 157,981,390    |
| 13 - WHEELING                      | 6,994,593      | -              | -               | -               | 6,994,593      |
| 14 - RESIDENTIAL EXCHANGE          | (6,757,514)    | -              | -               | -               | (6,757,514)    |
| 15 - TOTAL PRODUCTION EXPENSES     | \$ 90,982,525  | \$ 82,064,774  | \$ -            | \$ -            | \$ 173,047,299 |
| 16                                 |                |                |                 |                 |                |
| 17 - OTHER ENERGY SUPPLY EXPENSES  | \$ 6,568,499   | \$ 88,766      | \$ -            | \$ -            | \$ 6,657,265   |
| 18 - TRANSMISSION EXPENSE          | 524,277        | 17,202         | -               | -               | 541,480        |
| 19 - DISTRIBUTION EXPENSE          | 6,467,985      | 4,019,317      | -               | -               | 10,487,302     |
| 20 - CUSTOMER ACCTS EXPENSES       | 2,316,785      | 1,405,322      | 2,496,135       | -               | 6,218,242      |
| 21 - CUSTOMER SERVICE EXPENSES     | 1,151,551      | 517,320        | 94,256          | -               | 1,763,127      |
| 22 - CONSERVATION AMORTIZATION     | 8,089,382      | 2,471,800      | -               | -               | 10,561,182     |
| 23 - ADMIN & GENERAL EXPENSE       | 3,402,762      | 1,314,463      | 6,372,485       | -               | 11,089,710     |
| 24 - DEPRECIATION                  | 14,893,785     | 8,171,794      | 1,825,505       | -               | 24,891,083     |
| 25 - AMORTIZATION                  | 1,572,807      | 119,596        | 3,236,537       | -               | 4,928,939      |
| 26 - AMORTIZ OF PROPERTY LOSS      | 1,485,752      | -              | -               | -               | 1,485,752      |
| 27 - OTHER OPERATING EXPENSES      | 9,796,441      | (12,613)       | -               | -               | 9,783,828      |
| 28 - FAS 133                       | 14,213,058     | -              | -               | -               | 14,213,058     |
| 29 - TAXES OTHER THAN INCOME TAXES | 18,266,063     | 12,913,814     | 613,388         | -               | 31,793,265     |
| 30 - INCOME TAXES                  | -              | 0              | -               | -               | -              |
| 31 - DEFERRED INCOME TAXES         | 923,375        | 3,058,005      | 6,953,258       | -               | 10,934,638     |
| 32 - TOTAL OPERATING REV. DEDUCT.  | \$ 180,655,047 | \$ 116,149,559 | \$ 21,591,564   | \$ -            | \$ 318,396,170 |
| <b>NET OPERATING INCOME</b>        | \$ 29,004,129  | \$ 27,742,724  | \$ (21,591,564) | \$ -            | \$ 35,155,288  |
| <b>NON-OPERATING INCOME</b>        |                |                |                 |                 |                |
| 99 - OTHER INCOME                  | \$ -           | \$ -           | \$ -            | \$ (4,039,135)  | \$ (4,039,135) |
| 999 - INTEREST                     | -              | -              | -               | 16,789,328      | 16,789,328     |
| 9999 - EXTRAORDINARY ITEMS         | -              | -              | -               | -               | -              |
| <b>TOTAL NON-OPERATING INCOME</b>  | \$ -           | \$ -           | \$ -            | \$ 12,750,193   | \$ 12,750,193  |
| <b>NET INCOME</b>                  | \$ 29,004,129  | \$ 27,742,724  | \$ (21,591,564) | \$ (12,750,193) | \$ 22,405,095  |

**PUGET SOUND ENERGY  
INCOME STATEMENT DETAIL  
FOR THE MONTH ENDED FEBRUARY 28, 2011**

| FERC Account Description                         | Electric           | Gas                | Common   | Total              |
|--|--------------------|--------------------|----------|--------------------|
| <b>1 - OPERATING REVENUES</b>                    |                    |                    |          |                    |
| <i>2 - SALES TO CUSTOMERS</i>                    |                    |                    |          |                    |
| (2) 440 - Electric Residential Sales             | 118,272,879        | -                  | -        | 118,272,879        |
| (2) 442 - Electric Commercial & Industrial Sales | 85,137,674         | -                  | -        | 85,137,674         |
| (2) 444 - Public Street & Highway Lighting       | 1,566,756          | -                  | -        | 1,566,756          |
| (2) 456 - Other Electric Revenues                | -                  | -                  | -        | -                  |
| (2) 456 - Other Electric Revenues - Unbilled     | (8,957,882)        | -                  | -        | (8,957,882)        |
| (2) 456 - Other Electric Revenues - Conservatio  | 132,023            | -                  | -        | 132,023            |
| (2) 480 - Gas Residential Sales                  | -                  | 96,236,235         | -        | 96,236,235         |
| (2) 481 - Gas Commercial & Industrial Sales      | -                  | 45,281,206         | -        | 45,281,206         |
| (2) 489 - Rev From Transportation Of Gas To OI   | -                  | 1,164,596          | -        | 1,164,596          |
| (2) SUBTOTAL                                     | 196,151,449        | 142,682,037        | -        | 338,833,486        |
| <i>3 - SALES FOR RESALE-FIRM</i>                 |                    |                    |          |                    |
| (3) 447 - Electric Sales For Resale              | 44,155             | -                  | -        | 44,155             |
| (3) SUBTOTAL                                     | 44,155             | -                  | -        | 44,155             |
| <i>4 - SALES TO OTHER UTILITIES</i>              |                    |                    |          |                    |
| (4) 447 - Electric Sales For Resale - Sales      | 2,585,373          | -                  | -        | 2,585,373          |
| (4) 447 - Electric Sales For Resale - Purchases  | 7,521,849          | -                  | -        | 7,521,849          |
| (4) SUBTOTAL                                     | 10,107,222         | -                  | -        | 10,107,222         |
| <i>5 - OTHER OPERATING REVENUES</i>              |                    |                    |          |                    |
| (5) 412 - Lease Inc Everett Delta to NWP - Gas   | -                  | -                  | -        | -                  |
| (5) 450 - Forfeited Discounts                    | 360,867            | -                  | -        | 360,867            |
| (5) 451 - Electric Misc Service Revenue          | 541,493            | -                  | -        | 541,493            |
| (5) 454 - Rent For Electric Property             | 1,358,143          | -                  | -        | 1,358,143          |
| (5) 456 - Other Electric Revenues                | 1,095,846          | -                  | -        | 1,095,846          |
| (5) 487 - Forfeited Discounts                    | -                  | 188,204            | -        | 188,204            |
| (5) 488 - Gas Misc Service Revenues              | -                  | 189,427            | -        | 189,427            |
| (5) 4894 - Gas Revenues from Storing Gas of O    | -                  | 87,500             | -        | 87,500             |
| (5) 493 - Rent From Gas Property                 | -                  | 697,634            | -        | 697,634            |
| (5) 495 - Other Gas Revenues                     | -                  | 47,481             | -        | 47,481             |
| (5) SUBTOTAL                                     | 3,356,350          | 1,210,246          | -        | 4,566,596          |
| <b>(1) TOTAL OPERATING REVENUES</b>              | <b>209,659,176</b> | <b>143,892,283</b> | <b>-</b> | <b>353,551,459</b> |
| <b>10 - ENERGY COST</b>                          |                    |                    |          |                    |
| <i>11 - FUEL</i>                                 |                    |                    |          |                    |
| (11) 501 - Steam Operations Fuel                 | 5,929,078          | -                  | -        | 5,929,078          |
| (11) 547 - Other Power Generation Oper Fuel      | 8,899,753          | -                  | -        | 8,899,753          |
| (11) SUBTOTAL                                    | 14,828,831         | -                  | -        | 14,828,831         |
| <i>12 - PURCHASED AND INTERCHANGED</i>           |                    |                    |          |                    |
| (12) 555 - Purchased Power                       | 75,101,192         | -                  | -        | 75,101,192         |
| (12) 557 - Other Power Supply Expense            | 815,424            | -                  | -        | 815,424            |
| (12) 804 - Natural Gas City Gate Purchases       | -                  | 57,960,364         | -        | 57,960,364         |
| (12) 805 - Other Gas Purchases                   | -                  | -                  | -        | -                  |
| (12) 8051 - Purchased Gas Cost Adjustments       | -                  | 6,939,425          | -        | 6,939,425          |
| (12) 8081 - Gas Withdrawn From Storage           | -                  | 19,593,627         | -        | 19,593,627         |
| (12) 8082 - Gas Delivered To Storage             | -                  | (2,428,643)        | -        | (2,428,643)        |
| (12) SUBTOTAL                                    | 75,916,616         | 82,064,774         | -        | 157,981,390        |

**PUGET SOUND ENERGY  
INCOME STATEMENT DETAIL  
FOR THE MONTH ENDED FEBRUARY 28, 2011**

| FERC Account Description                         | Electric           | Gas               | Common | Total              |
|--|--------------------|-------------------|--------|--------------------|
| <i>13 - WHEELING</i>                             |                    |                   |        | -                  |
| (13) 565 - Transmission Of Electricity By Others | 6,994,593          | -                 | -      | 6,994,593          |
| (13) SUBTOTAL                                    | 6,994,593          | -                 | -      | 6,994,593          |
| <i>14 - RESIDENTIAL EXCHANGE</i>                 |                    |                   |        | -                  |
| (14) 555 - Purchased Power                       | (6,757,514)        | -                 | -      | (6,757,514)        |
| (14) SUBTOTAL                                    | (6,757,514)        | -                 | -      | (6,757,514)        |
| <b>(10) TOTAL ENERGY COST</b>                    | <b>90,982,525</b>  | <b>82,064,774</b> | -      | <b>173,047,299</b> |
| <b>GROSS MARGIN</b>                              | <b>118,676,650</b> | <b>61,827,509</b> | -      | <b>180,504,159</b> |
| <b>OPERATING EXPENSES</b>                        |                    |                   |        | -                  |
| OPERATING AND MAINTENANCE                        |                    |                   |        | -                  |
| <i>17 - OTHER ENERGY SUPPLY EXPENSES</i>         |                    |                   |        | -                  |
| (17) 500 - Steam Oper Supv & Engineering         | 48,224             | -                 | -      | 48,224             |
| (17) 502 - Steam Oper Steam Expenses             | 635,118            | -                 | -      | 635,118            |
| (17) 505 - Steam Oper Electric Expense           | 138,635            | -                 | -      | 138,635            |
| (17) 506 - Steam Oper Misc Steam Power           | 531,751            | -                 | -      | 531,751            |
| (17) 507 - Steam Operations Rents                | 1,530              | -                 | -      | 1,530              |
| (17) 510 - Steam Maint Supv & Engineering        | 150,431            | -                 | -      | 150,431            |
| (17) 511 - Steam Maint Structures                | 135,552            | -                 | -      | 135,552            |
| (17) 512 - Steam Maint Boiler Plant              | 808,766            | -                 | -      | 808,766            |
| (17) 513 - Steam Maint Electric Plant            | 83,980             | -                 | -      | 83,980             |
| (17) 514 - Steam Maint Misc Steam Plant          | 190,388            | -                 | -      | 190,388            |
| (17) 535 - Hydro Oper Supv & Engineering         | 115,856            | -                 | -      | 115,856            |
| (17) 536 - Hydro Oper Water For Power            | -                  | -                 | -      | -                  |
| (17) 537 - Hydro Oper Hydraulic Expenses         | 326,510            | -                 | -      | 326,510            |
| (17) 538 - Hydro Oper Electric Expenses          | 16,224             | -                 | -      | 16,224             |
| (17) 539 - Hydro Oper Misc Hydraulic Exp         | 174,757            | -                 | -      | 174,757            |
| (17) 540 - Hydro Office Rents                    | -                  | -                 | -      | -                  |
| (17) 541 - Hydro Maint Supv & Engineering        | 676                | -                 | -      | 676                |
| (17) 542 - Hydro Maint Structures                | 47,153             | -                 | -      | 47,153             |
| (17) 543 - Hydro Maint Res. Dams & Waterw        | 19,332             | -                 | -      | 19,332             |
| (17) 544 - Hydro Maint Electric Plant            | 31,831             | -                 | -      | 31,831             |
| (17) 545 - Hydro Maint Misc Hydraulic Plant      | 230,645            | -                 | -      | 230,645            |
| (17) 546 - Other Pwr Gen Oper Supv & Eng         | 248,223            | -                 | -      | 248,223            |
| (17) 548 - Other Power Gen Oper Gen Exp          | 603,272            | -                 | -      | 603,272            |
| (17) 549 - Other Power Gen Oper Misc             | 289,037            | -                 | -      | 289,037            |
| (17) 550 - Other Power Gen Oper Rents            | 390,031            | -                 | -      | 390,031            |
| (17) 551 - Other Power Gen Maint Supv & Er       | 31,486             | -                 | -      | 31,486             |
| (17) 552 - Other Power Gen Maint Structures      | 16,408             | -                 | -      | 16,408             |
| (17) 553 - Other Power Gen Maint Gen & Ele       | 1,132,967          | -                 | -      | 1,132,967          |
| (17) 554 - Other Power Gen Maint Misc            | 48,902             | -                 | -      | 48,902             |
| (17) 556 - System Control & Load Dispatch        | 120,816            | -                 | -      | 120,816            |
| (17) 710 - Production Operations Supv & Eng      | -                  | -                 | -      | -                  |
| (17) 717 - Liquefied Petroleum Gas Expense       | -                  | 10,991            | -      | 10,991             |
| (17) 735 - Misc Gas Production Exp               | -                  | -                 | -      | -                  |
| (17) 741 - Production Plant Maint Structures     | -                  | 2,175             | -      | 2,175              |

**PUGET SOUND ENERGY  
INCOME STATEMENT DETAIL  
FOR THE MONTH ENDED FEBRUARY 28, 2011**

| FERC Account Description                       | Electric  | Gas      | Common | Total     |
|--|-----------|----------|--------|-----------|
| (17) 742 - Production Plant Maint Prod Equip   | -         | 803      | -      | 803       |
| (17) 8072 - Purchased Gas Expenses             | -         | 17,491   | -      | 17,491    |
| (17) 8074 - Purchased Gas Calculation Exp      | -         | 2,330    | -      | 2,330     |
| (17) 812 - Gas Used For Other Utility Operati  | -         | (17,488) | -      | (17,488)  |
| (17) 813 - Other Gas Supply Expenses           | -         | -        | -      | -         |
| (17) 814 - Undergrnd Strge - Operation Supv    | -         | 9,870    | -      | 9,870     |
| (17) 815 - Undergrnd Strge - Oper Map & Re     | -         | -        | -      | -         |
| (17) 816 - Undergrnd Strge - Oper Wells Exp    | -         | 101      | -      | 101       |
| (17) 817 - Undergrnd Strge - Oper Lines Exp    | -         | -        | -      | -         |
| (17) 818 - Undergrnd Strge - Oper Compress     | -         | 11,515   | -      | 11,515    |
| (17) 819 - Undergrnd Strge - Oper Compress     | -         | 2,604    | -      | 2,604     |
| (17) 820 - Undergrnd Strge - Oper Meas & R     | -         | -        | -      | -         |
| (17) 821 - Undergrnd Strge - Oper Purificatio  | -         | -        | -      | -         |
| (17) 823 - Storage Gas Losses                  | -         | -        | -      | -         |
| (17) 824 - Undergrnd Strge - Oper Other Exp    | -         | 1,864    | -      | 1,864     |
| (17) 825 - Undergrnd Strge - Oper Storage V    | -         | -        | -      | -         |
| (17) 826 - Undergrnd Strge - Oper Other Stoi   | -         | -        | -      | -         |
| (17) 830 - Undergrnd Strge - Maint Supv & E    | -         | 9,484    | -      | 9,484     |
| (17) 831 - Undergrnd Strge - Maint Structure:  | -         | -        | -      | -         |
| (17) 832 - Undergrnd Strge - Maint Reservoir   | -         | 819      | -      | 819       |
| (17) 833 - Undergrnd Strge - Maint Of Lines    | -         | 5        | -      | 5         |
| (17) 834 - Undergrnd Strge - Maint Compres:    | -         | 14,037   | -      | 14,037    |
| (17) 835 - Undergrnd Strge - Maint Meas & R    | -         | -        | -      | -         |
| (17) 836 - Undergrnd Strge - Maint Purificatic | -         | 1,042    | -      | 1,042     |
| (17) 837 - Undergrnd Strge-Maint Other Equi    | -         | 994      | -      | 994       |
| (17) 841 - Operating Labor & Expenses          | -         | 17,035   | -      | 17,035    |
| (17) 8432 - Maint Struc & Impro                | -         | 519      | -      | 519       |
| (17) 8433 - Maintenance of Gas Holders         | -         | 736      | -      | 736       |
| (17) 8436 - Maintenance of Vaporizing Equip    | -         | 686      | -      | 686       |
| (17) 8438 - Maint Measure & Reg                | -         | 653      | -      | 653       |
| (17) 8439 - Other Gas Maintenance              | -         | 502      | -      | 502       |
| (17) SUBTOTAL                                  | 6,568,499 | 88,766   | -      | 6,657,265 |
| <b>18 - TRANSMISSION EXPENSE</b>               |           |          |        | -         |
| (18) 560 - Transmission Oper Supv & Engine     | 72,364    | -        | -      | 72,364    |
| (18) 561 - Transmission Oper Load Dispatch     | -         | -        | -      | -         |
| (18) 5611 - Transmission Oper Load Dispatc     | 8,778     | -        | -      | 8,778     |
| (18) 5612 - Load Dispatch - Monitor & Oper T   | 55,662    | -        | -      | 55,662    |
| (18) 5613 - Load Dispatch - Service and Sch    | 71,635    | -        | -      | 71,635    |
| (18) 5615 - Reliability Planning & Standards   | 31,206    | -        | -      | 31,206    |
| (18) 5616 - Transmission Svc Studies           | 2,984     | -        | -      | 2,984     |
| (18) 5617 Gen Intercnct Studies                | 12,423    | -        | -      | 12,423    |
| (18) 5618 - Reliability Planning               | -         | -        | -      | -         |
| (18) 562 - Transmission Oper Station Expens    | 8,179     | -        | -      | 8,179     |
| (18) 563 - Transmission Oper Overhead Line     | 16,773    | -        | -      | 16,773    |
| (18) 566 - Transmission Oper Misc              | 57,915    | -        | -      | 57,915    |
| (18) 567 - Transmission Oper Rents             | 250       | -        | -      | 250       |



**PUGET SOUND ENERGY  
INCOME STATEMENT DETAIL  
FOR THE MONTH ENDED FEBRUARY 28, 2011**

| FERC Account Description                       | Electric  | Gas       | Common | Total     |
|--|-----------|-----------|--------|-----------|
| (18) 568 - Transmission Maint Supv & Eng       | 14,663    | -         | -      | 14,663    |
| (18) 569 - Transmission Maint Structures       | -         | -         | -      | -         |
| (18) 5691 - Transmission Computer Hardwar      | -         | -         | -      | -         |
| (18) 5692 - Transmission Maint Structures      | 7,306     | -         | -      | 7,306     |
| (18) 570 - Transmission Maint Station Equipr   | 29,144    | -         | -      | 29,144    |
| (18) 571 - Transmission Maint Overhead Line    | 134,995   | -         | -      | 134,995   |
| (18) 572 - Transmission Maint Underground l    | -         | -         | -      | -         |
| (18) 850 - Transmission Oper Supv & Engine     | -         | -         | -      | -         |
| (18) 856 - Transmission Oper Mains Expense     | -         | -         | -      | -         |
| (18) 857 - Transmission Oper Meas & Reg S      | -         | -         | -      | -         |
| (18) 862 - Transmission Maint Structures & l   | -         | 6,320     | -      | 6,320     |
| (18) 863 - Transmission Maint Supv & Eng       | -         | 444       | -      | 444       |
| (18) 865 - Transmission Maint of measur & r    | -         | -         | -      | -         |
| (18) 867 - Transmission Maint Other Equipm     | -         | 10,438    | -      | 10,438    |
| (18) SUBTOTAL                                  | 524,277   | 17,202    | -      | 541,480   |
| <b>19 - DISTRIBUTION EXPENSE</b>               |           |           |        | -         |
| (19) 580 - Distribution Oper Supv & Engineer   | 121,710   | -         | -      | 121,710   |
| (19) 581 - Distribution Oper Load Dispatching  | 85,385    | -         | -      | 85,385    |
| (19) 582 - Distribution Oper Station Expense   | 119,729   | -         | -      | 119,729   |
| (19) 583 - Distribution Oper Overhead Line E   | 380,017   | -         | -      | 380,017   |
| (19) 584 - Distribution Oper Underground Lin   | 139,614   | -         | -      | 139,614   |
| (19) 585 - Distribution Oper St Lighting & Sig | 79,967    | -         | -      | 79,967    |
| (19) 586 - Distribution Oper Meter Expense     | 39,504    | -         | -      | 39,504    |
| (19) 587 - Distribution Oper Cust Installation | 350,979   | -         | -      | 350,979   |
| (19) 588 - Distribution Oper Misc Dist Exp     | 164,805   | -         | -      | 164,805   |
| (19) 589 - Distribution Oper Rents             | 25,658    | -         | -      | 25,658    |
| (19) 590 - Distribution Maint Superv & Engine  | -         | -         | -      | -         |
| (19) 591 - Distribution Maint Structures       | -         | -         | -      | -         |
| (19) 592 - Distribution Maint Station Equipme  | 406,664   | -         | -      | 406,664   |
| (19) 593 - Distribution Maint Overhead Lines   | 3,262,972 | -         | -      | 3,262,972 |
| (19) 594 - Distribution Maint Underground Lir  | 1,068,363 | -         | -      | 1,068,363 |
| (19) 595 - Distribution Maint Line Transforme  | 11,536    | -         | -      | 11,536    |
| (19) 596 - Distribution Maint St Lighting/Sign | 170,367   | -         | -      | 170,367   |
| (19) 597 - Distribution Maint Meters           | 40,715    | -         | -      | 40,715    |
| (19) 598 - Distribution Maint Misc Dist Plant  | -         | -         | -      | -         |
| (19) 870 - Distribution Oper Supv & Engineer   | -         | 124,847   | -      | 124,847   |
| (19) 871 - Distribution Oper Load Dispatching  | -         | 93,551    | -      | 93,551    |
| (19) 874 - Distribution Oper Mains & Services  | -         | 1,187,754 | -      | 1,187,754 |
| (19) 875 - Distribution Oper Meas & Reg Sta    | -         | 177,189   | -      | 177,189   |
| (19) 876 - Distribution Oper Meas & Reg Sta    | -         | 36,389    | -      | 36,389    |
| (19) 878 - Distribution Oper Meter & House F   | -         | 549,509   | -      | 549,509   |
| (19) 879 - Distribution Oper Customer Install  | -         | 431,479   | -      | 431,479   |
| (19) 880 - Distribution Oper Other Expense     | -         | 251,739   | -      | 251,739   |
| (19) 881 - Distribution Oper Rents Expense     | -         | 16,539    | -      | 16,539    |
| (19) 887 - Distribution Maint Mains            | -         | 499,076   | -      | 499,076   |
| (19) 889 - Distribution Maint Meas & Reg Sta   | -         | 31,789    | -      | 31,789    |

**PUGET SOUND ENERGY  
INCOME STATEMENT DETAIL  
FOR THE MONTH ENDED FEBRUARY 28, 2011**

| FERC Account Description                        | Electric          | Gas              | Common           | Total             |
|---|-------------------|------------------|------------------|-------------------|
| (19) 890 - Distribution Maint Meas & Reg Sta    | -                 | 32,162           | -                | 32,162            |
| (19) 892 - Distribution Maint Services          | -                 | 380,359          | -                | 380,359           |
| (19) 893 - Distribution Maint Meters & House    | -                 | 113,475          | -                | 113,475           |
| (19) 894 - Distribution Maint Other Equipmen    | -                 | 93,460           | -                | 93,460            |
| (19) SUBTOTAL                                   | 6,467,985         | 4,019,317        | -                | 10,487,302        |
| <b>20 - CUSTOMER ACCTS EXPENSES</b>             |                   |                  |                  | -                 |
| (20) 901 - Customer Accounts Supervision        | -                 | -                | 36,009           | 36,009            |
| (20) 902 - Meter Reading Expense                | 1,522,213         | 1,082,782        | 36,783           | 2,641,778         |
| (20) 903 - Customer Records & Collection Exp    | 278,820           | 175,002          | 2,431,869        | 2,885,691         |
| (20) 904 - Uncollectible Accounts               | 515,752           | 147,538          | -                | 663,291           |
| (20) 905 - Misc. Customer Accounts Expense      | -                 | -                | (8,526)          | (8,526)           |
| (20) SUBTOTAL                                   | 2,316,785         | 1,405,322        | 2,496,135        | 6,218,242         |
| <b>21 - CUSTOMER SERVICE EXPENSES</b>           |                   |                  |                  | -                 |
| (21) 908 - Customer Assistance Expense          | 1,065,371         | 501,884          | 79,291           | 1,646,546         |
| (21) 909 - Info & Instructional Advertising     | 79,808            | -                | 10,064           | 89,873            |
| (21) 910 - Misc Cust Svc & Info Expense         | -                 | -                | 4,601            | 4,601             |
| (21) 911 - Sales Supervision Exp                | -                 | -                | -                | -                 |
| (21) 912 - Demonstration & Selling Expense      | 6,371             | 15,436           | 300              | 22,107            |
| (21) 913 - Advertising Expenses                 | -                 | -                | -                | -                 |
| (21) 916 - Misc. Sales Expense                  | -                 | -                | -                | -                 |
| (21) SUBTOTAL                                   | 1,151,551         | 517,320          | 94,256           | 1,763,127         |
| <b>22 - CONSERVATION AMORTIZATION</b>           |                   |                  |                  | -                 |
| (22) 908 - Customer Assistance Expense          | 8,089,382         | 2,471,800        | -                | 10,561,182        |
| (22) SUBTOTAL                                   | 8,089,382         | 2,471,800        | -                | 10,561,182        |
| <b>23 - ADMIN &amp; GENERAL EXPENSE</b>         |                   |                  |                  | -                 |
| (23) 920 - A & G Salaries                       | 535,935           | 125,924          | 2,113,583        | 2,775,442         |
| (23) 921 - Office Supplies and Expenses         | 77,193            | 28,510           | 261,536          | 367,239           |
| (23) 922 - Admin Expenses Transferred           | -                 | -                | (29,609)         | (29,609)          |
| (23) 923 - Outside Services Employed            | 319,560           | 110,463          | 1,173,345        | 1,603,368         |
| (23) 924 - Property Insurance                   | 301,498           | 28,122           | 103,956          | 433,576           |
| (23) 925 - Injuries & Damages                   | 100,027           | 25,127           | 280,791          | 405,945           |
| (23) 926 - Emp Pension & Benefits               | 1,308,990         | 625,044          | 1,132,984        |                   |
| (23) 928 - Regulatory Commission Expense        | 534,002           | 320,330          | 6,538            | 860,871           |
| (23) 9301 - Gen Advertising Exp                 | -                 | -                | 2,153            | 2,153             |
| (23) 9302 - Misc. General Expenses              | 169,632           | 39,070           | 77,064           | 285,767           |
| (23) 931 - Rents                                | 20,596            | -                | 619,124          | 639,721           |
| (23) 932 - Maint Of General Plant- Gas          | -                 | 11,872           | -                | 11,872            |
| (23) 935 - Maint General Plant - Electric       | 35,329            | -                | 631,019          | 666,348           |
| (23) SUBTOTAL                                   | 3,402,762         | 1,314,463        | 6,372,485        | 11,089,710        |
| <b>TOTAL OPERATING AND MAINTENANCE</b>          | <b>28,521,241</b> | <b>9,834,191</b> | <b>8,962,876</b> | <b>47,318,308</b> |
| <b>DEPRECIATION, DEPLETION AND AMORTIZATION</b> |                   |                  |                  | -                 |
| <b>24 - DEPRECIATION</b>                        |                   |                  |                  | -                 |
| (24) 403 - Depreciation Expense                 | 14,895,706        | 8,156,868        | 1,825,505        | 24,878,080        |
| (24) 4031 - Depreciation Expense - FAS143       | (1,922)           | 14,925           | -                | 13,004            |
| (24) SUBTOTAL                                   | 14,893,785        | 8,171,794        | 1,825,505        | 24,891,083        |

**PUGET SOUND ENERGY  
INCOME STATEMENT DETAIL  
FOR THE MONTH ENDED FEBRUARY 28, 2011**

| FERC Account Description                          | Electric          | Gas               | Common              | Total             |
|---|-------------------|-------------------|---------------------|-------------------|
| <b>25 - AMORTIZATION</b>                          |                   |                   |                     | -                 |
| (25) 404 - Amort Ltd-Term Plant                   | 441,115           | 100,603           | 3,236,376           | 3,778,094         |
| (25) 406 - Amortization Of Plant Acquisition /    | 1,038,781         | -                 | -                   | 1,038,781         |
| (25) 4111 - Accretion Exp - FAS143                | 92,912            | 18,992            | 161                 | 112,065           |
| (25) SUBTOTAL                                     | 1,572,807         | 119,596           | 3,236,537           | 4,928,939         |
| <b>26 - AMORTIZ OF PROPERTY LOSS</b>              |                   |                   |                     | -                 |
| (26) 407 - Amortization Of Prop. Losses           | 1,485,752         | -                 | -                   | 1,485,752         |
| (26) SUBTOTAL                                     | 1,485,752         | -                 | -                   | 1,485,752         |
| <b>27 - OTHER OPERATING EXPENSES</b>              |                   |                   |                     | -                 |
| (27) 4073 - Regulatory Debits                     | 10,652,844        | -                 | -                   | 10,652,844        |
| (27) 4074 - Regulatory Credits                    | (664,495)         | -                 | -                   | (664,495)         |
| (27) 4116 - Gains From Disposition Of Utility     | (167,181)         | (17,194)          | -                   | (184,375)         |
| (27) 4117 - Losses From Disposition Of Utilit     | 9,977             | 4,581             | -                   | 14,559            |
| (27) 4118 - Gains From Disposition Of Allowa      | (34,705)          | -                 | -                   | (34,705)          |
| (27) 414 - Other Utility Operating Income         | -                 | -                 | -                   | -                 |
| (27) SUBTOTAL                                     | 9,796,441         | (12,613)          | -                   | 9,783,828         |
| <b>28 - FAS 133</b>                               |                   |                   |                     | -                 |
| (28) 421 - FAS 133 Gain                           | 1,103,479         | -                 | -                   | 1,103,479         |
| (28) 4265 - FAS 133 Loss                          | 13,109,579        | -                 | -                   | 13,109,579        |
| (28) SUBTOTAL                                     | 14,213,058        | -                 | -                   | 14,213,058        |
| <b>TOTAL DEPRECIATION, DEPLETION AND AMOR</b>     | <b>41,961,842</b> | <b>8,278,776</b>  | <b>5,062,042</b>    | <b>55,302,660</b> |
|   |                   |                   |                     | -                 |
| <b>29 - TAXES OTHER THAN INCOME TAXES</b>         |                   |                   |                     | -                 |
| (29) 4081 - Taxes Other-Util Income               | 18,266,063        | 12,913,814        | 613,388             | 31,793,265        |
| (29) SUBTOTAL                                     | 18,266,063        | 12,913,814        | 613,388             | 31,793,265        |
| <b>30 - INCOME TAXES</b>                          |                   |                   |                     | -                 |
| (30) 4081 - Montana Corp. License Taxes           | -                 | -                 | -                   | -                 |
| (30) 4091 - Montana Corp license Tax              | -                 | -                 | -                   | -                 |
| (30) 4091 - Fit-Util Oper Income                  | -                 | -                 | -                   | -                 |
| (30) SUBTOTAL                                     | -                 | -                 | -                   | -                 |
| <b>31 - DEFERRED INCOME TAXES</b>                 |                   |                   |                     | -                 |
| (31) 4101 - Def Fit-Util Oper Income              | 15,207,550        | 6,780,715         | 2,592,430           | 24,580,695        |
| (31) 4111 - Def Fit-Cr - Util Oper Income         | (14,284,175)      | (3,713,496)       | 4,360,828           | (13,636,843)      |
| (31) 4114 - Inv Tax Cr Adj-Util Operations        | -                 | (9,214)           | -                   | (9,214)           |
| (31) SUBTOTAL                                     | 923,375           | 3,058,005         | 6,953,258           | 10,934,638        |
|   |                   |                   |                     | -                 |
| <b>NET OPERATING INCOME</b>                       | <b>29,004,129</b> | <b>27,742,724</b> | <b>(21,591,564)</b> | <b>35,155,288</b> |
|   |                   |                   |                     | -                 |
| <b>NON-OPERATING INCOME</b>                       |                   |                   |                     | -                 |
| <b>99 - OTHER INCOME</b>                          |                   |                   |                     | -                 |
| (99) 4082 - Taxes Other - Other Income            | 10,833            | -                 | -                   | 10,833            |
| (99) 4092 - Fit - Other Income                    | -                 | -                 | -                   | -                 |
| (99) 4102 - Def Fit - Other Income                | -                 | -                 | (1,184,479)         | (1,184,479)       |
| (99) 4112 - Provision for Deferred FIT - Credit & | -                 | -                 | -                   | -                 |
| (99) 415 - Revenues From Merchandising And J      | -                 | -                 | (424,250)           | (424,250)         |
| (99) 416 - Expenses Of Merchandising And Jobl     | -                 | -                 | 371,604             | 371,604           |

**PUGET SOUND ENERGY  
INCOME STATEMENT DETAIL  
FOR THE MONTH ENDED FEBRUARY 28, 2011**

| FERC Account Description                          | Electric             | Gas                  | Common                 | Total                |
|---|----------------------|----------------------|------------------------|----------------------|
| (99) 417 - Revenues From Non-Utility Operation    | -                    | -                    | (1,329)                | (1,329)              |
| (99) 4171 - Merger Related Costs                  | -                    | -                    | -                      | -                    |
| (99) 4171 - Expenses of Non-Utility Operations    | -                    | -                    | 494,093                | 494,093              |
| (99) 418 - Nonoperating Rental Income             | -                    | -                    | -                      | -                    |
| (99) 4181 - Equity in Earnings of Subsidiaries    | -                    | -                    | -                      | -                    |
| (99) 419 - Interest And Dividend Income           | -                    | -                    | (1,363,313)            | (1,363,313)          |
| (99) 4191 - Allowance For Other Funds Used D      | (894,768)            | (56,048)             | (51,096)               | (1,001,913)          |
| (99) 421 - Misc. Non-Operating Income             | -                    | (126,083)            | (517)                  | (126,600)            |
| (99) 4211 - Gain On Disposition Of Property       | -                    | -                    | -                      | -                    |
| (99) 4212 - Loss On Disposition Of Property       | -                    | -                    | -                      | -                    |
| (99) 4213 - Misc. Non-Op Income - AFUDC(WU)       | (1,685,325)          | -                    | -                      | (1,685,325)          |
| (99) 4214 - Misc. Non-Op Income - AFUCE           | -                    | -                    | -                      | -                    |
| (99) 425 - Miscellaneous Amortization             | 66                   | -                    | -                      | 66                   |
| (99) 4261 - Donations                             | -                    | -                    | 50,700                 | 50,700               |
| (99) 4262 - Life Insurance                        | -                    | -                    | -                      | -                    |
| (99) 4263 - Penalties                             | -                    | -                    | -                      | -                    |
| (99) 4264 - Expenses For Civic & Political Activi | -                    | -                    | 289,893                | 289,893              |
| (99) 4265 - Other Deductions                      | -                    | -                    | 530,883                | 530,883              |
| (99) SUBTOTAL                                     | (2,569,194)          | (182,131)            | (1,287,810)            | (4,039,135)          |
| <b>999 - INTEREST</b>                             |                      |                      |                        | -                    |
| (999) 427 - Interest On Long Term Debt            | -                    | -                    | 16,717,599             | 16,717,599           |
| (999) 4271 - Interest on Preferred Stock          | -                    | -                    | -                      | -                    |
| (999) 428 - Amortization Of Debt Discount & Exp   | -                    | -                    | 560,863                | 560,863              |
| (999) 4281 - Amortization Of Loss On Required     | -                    | -                    | 102,915                | 102,915              |
| (999) 429 - Amortization Of Premium On Debt-C     | -                    | -                    | -                      | -                    |
| (999) 4291 - Amortization Gain On Reacquired I    | -                    | -                    | -                      | -                    |
| (999) 430 - Int on Debt to Assoc. Companies       | -                    | -                    | 19,509                 | 19,509               |
| (999) 431 - Other Interest Expense                | 187,013              | 34,301               | 444,645                | 665,960              |
| (999) 432 - Allowances For Borrowed Funds         | (1,180,988)          | (41,468)             | (55,062)               | (1,277,518)          |
| (999) SUBTOTAL                                    | (993,975)            | (7,167)              | 17,790,469             | 16,789,328           |
| <b>9999 - EXTRAORDINARY ITEMS</b>                 |                      |                      |                        | -                    |
| (9999) 4111 - Def Fit-Cr - Util Oper Income       | -                    | -                    | -                      | -                    |
| (9999) 435 - Extraordinary Deductions             | -                    | -                    | -                      | -                    |
| (9999) SUBTOTAL                                   | -                    | -                    | -                      | -                    |
| <b>TOTAL NON-OPERATING INCOME</b>                 | <b>(3,563,168)</b>   | <b>(189,298)</b>     | <b>16,502,659</b>      | <b>12,750,193</b>    |
| <b>NET INCOME</b>                                 | <b>\$ 32,567,297</b> | <b>\$ 27,932,021</b> | <b>\$ (38,094,224)</b> | <b>\$ 22,405,095</b> |

**PUGET SOUND ENERGY**  
**ALLOCATION OF COMMON CHARGES**  
**FOR THE MONTH ENDED FEBRUARY 28, 2011**  
 (Based on allocation factors developed for the 12 ME 12/31/2010)

| FERC Account and Description                     | Allocated Electric   | Allocated Gas       | Allocation Method [1] | Share (Allocated Electric / Common) | Share (Allocated Gas / Common) | Common               |
|--|----------------------|---------------------|-----------------------|-------------------------------------|--------------------------------|----------------------|
| <b>20 - CUSTOMER ACCTS EXPENSES</b>              |                      |                     |                       |                                     |                                |                      |
| (20) 901 - Customer Accounts Supervision         | \$ 21,231            | \$ 14,778           | 1                     | 58.96%                              | 41.04%                         | \$ 36,009            |
| (20) 902 - Meter Reading Expense                 | 23,302               | 13,481              | 2                     | 63.35%                              | 36.65%                         | \$ 36,783            |
| (20) 903 - Customer Records & Collection Expense | 1,433,830            | 998,039             | 1                     | 58.96%                              | 41.04%                         | \$ 2,431,869         |
| (20) 905 - Misc. Customer Accounts Expense       | (5,027)              | (3,499)             | 1                     | 58.96%                              | 41.04%                         | \$ (8,526)           |
| <b>SUBTOTAL</b>                                  | <b>\$ 1,473,336</b>  | <b>\$ 1,022,799</b> |                       |                                     |                                | <b>\$ 2,496,135</b>  |
| <b>21 - CUSTOMER SERVICE EXPENSES</b>            |                      |                     |                       |                                     |                                |                      |
| (21) 908 - Customer Assistance Expense           | \$ 46,750            | \$ 32,541           | 1                     | 58.96%                              | 41.04%                         | \$ 79,291            |
| (21) 909 - Info & Instructional Advertising      | 5,934                | 4,130               | 1                     | 58.96%                              | 41.04%                         | \$ 10,064            |
| (21) 910 - Misc Cust Svc & Info Expense          | 2,713                | 1,888               | 1                     | 58.96%                              | 41.04%                         | \$ 4,601             |
| (21) 911 - Sales Supervision Exp                 | 0                    | 0                   | 1                     | 58.96%                              | 41.04%                         | \$ -                 |
| (21) 912 - Demonstration & Selling Expense       | 177                  | 123                 | 1                     | 58.96%                              | 41.04%                         | \$ 300               |
| (21) 913 - Advertising Expense                   | 0                    | 0                   | 1                     | 58.96%                              | 41.04%                         | \$ -                 |
| (21) 916 - Misc. Sales Expense                   | 0                    | 0                   | 1                     | 58.96%                              | 41.04%                         | \$ -                 |
| <b>SUBTOTAL</b>                                  | <b>\$ 55,573</b>     | <b>\$ 38,683</b>    |                       |                                     |                                | <b>\$ 94,256</b>     |
| <b>23 - ADMIN &amp; GENERAL EXPENSE</b>          |                      |                     |                       |                                     |                                |                      |
| (23) 920 - A & G Salaries                        | \$ 1,405,744         | \$ 707,839          | 4                     | 66.51%                              | 33.49%                         | \$ 2,113,583         |
| (23) 921 - Office Supplies and Expenses          | 173,948              | 87,588              | 4                     | 66.51%                              | 33.49%                         | \$ 261,536           |
| (23) 922 - Admin Expenses Transferred            | (19,693)             | (9,916)             | 4                     | 66.51%                              | 33.49%                         | \$ (29,609)          |
| (23) 923 - Outside Services Employed             | 780,392              | 392,953             | 4                     | 66.51%                              | 33.49%                         | \$ 1,173,345         |
| (23) 924 - Property Insurance                    | 63,299               | 40,657              | 3                     | 60.89%                              | 39.11%                         | \$ 103,956           |
| (23) 925 - Injuries & Damages                    | 165,554              | 115,237             | 1                     | 58.96%                              | 41.04%                         | \$ 280,791           |
| (23) 926 - Emp Pension & Benefits                | 762,611              | 370,372             | 5                     | 67.31%                              | 32.69%                         | \$ 1,132,984         |
| (23) 928 - Regulatory Commission Expense         | 4,349                | 2,190               | 4                     | 66.51%                              | 33.49%                         | \$ 6,538             |
| (23) 9301 - Gen Advertising Exp                  | 1,432                | 721                 | 4                     | 66.51%                              | 33.49%                         | \$ 2,153             |
| (23) 9302 - Misc. General Expenses               | 51,255               | 25,809              | 4                     | 66.51%                              | 33.49%                         | \$ 77,064            |
| (23) 931 - Rents                                 | 411,780              | 207,345             | 4                     | 66.51%                              | 33.49%                         | \$ 619,124           |
| (23) 932 - Maint Of General Plant- Gas           | 0                    | 0                   | 4                     | 66.51%                              | 33.49%                         | \$ -                 |
| (23) 935 - Maint General Plant - Electric        | 419,691              | 211,328             | 4                     | 66.51%                              | 33.49%                         | \$ 631,019           |
| <b>SUBTOTAL</b>                                  | <b>\$ 4,220,362</b>  | <b>\$ 2,152,123</b> |                       |                                     |                                | <b>\$ 6,372,485</b>  |
| <b>24 - DEPRECIATION/AMORTIZATION</b>            |                      |                     |                       |                                     |                                |                      |
| (24) 403 - Depreciation Expense                  | 1,214,144            | 611,362             | 4                     | 66.51%                              | 33.49%                         | \$ 1,825,505         |
| (24) 4031 - Depreciation Expense - FAS143        | -                    | -                   | 4                     | 66.51%                              | 33.49%                         | \$ -                 |
| <b>SUBTOTAL</b>                                  | <b>\$ 1,214,144</b>  | <b>\$ 611,362</b>   |                       |                                     |                                | <b>\$ 1,825,505</b>  |
| <b>25 - AMORTIZATION</b>                         |                      |                     |                       |                                     |                                |                      |
| (25) 404 - Amort Ltd-Term Plant                  | 2,152,514            | 1,083,862           | 4                     | 66.51%                              | 33.49%                         | \$ 3,236,376         |
| (25) 406 - Amortization Of Plant Acquisition Adj | -                    | -                   | 4                     | 66.51%                              | 33.49%                         | \$ -                 |
| (25) 4111 - Accretion Exp - FAS143               | 107                  | 54                  | 4                     | 66.51%                              | 33.49%                         | \$ 161               |
| <b>SUBTOTAL</b>                                  | <b>\$ 2,152,621</b>  | <b>\$ 1,083,916</b> |                       |                                     |                                | <b>\$ 3,236,537</b>  |
| <b>29 - TAXES OTHER THAN INCOME TAXES</b>        |                      |                     |                       |                                     |                                |                      |
| (29) 4081 - Taxes Other-Util Income              | \$ 407,965           | \$ 205,424          | 4                     | 66.51%                              | 33.49%                         | \$ 613,388           |
| <b>SUBTOTAL</b>                                  | <b>\$ 407,965</b>    | <b>\$ 205,424</b>   |                       |                                     |                                | <b>\$ 613,388</b>    |
| <b>30 - INCOME TAXES</b>                         |                      |                     |                       |                                     |                                |                      |
| (30) 4091 - Fit-Util Oper Income                 | \$ -                 | \$ -                |                       | N/A                                 | N/A                            | \$ -                 |
| <b>SUBTOTAL</b>                                  | <b>\$ -</b>          | <b>\$ -</b>         |                       |                                     |                                | <b>\$ -</b>          |
| <b>31 - DEFERRED INCOME TAXES</b>                |                      |                     |                       |                                     |                                |                      |
| (31) 4101 - Def Fit-Util Oper Income             | \$ 1,724,225         | \$ 868,205          | 4                     | 66.51%                              | 33.49%                         | \$ 2,592,430         |
| (31) 4111 - Def Fit-Cr - Util Oper Income        | 2,900,387            | 1,460,441           | 4                     | 66.51%                              | 33.49%                         | \$ 4,360,828         |
| <b>SUBTOTAL</b>                                  | <b>\$ 4,624,612</b>  | <b>\$ 2,328,646</b> |                       |                                     |                                | <b>\$ 6,953,258</b>  |
| <b>GRAND TOTAL</b>                               | <b>\$ 14,148,612</b> | <b>\$ 7,442,953</b> |                       |                                     |                                | <b>\$ 21,591,564</b> |

| Allocation Method                      | Electric | Gas    |         |
|--|----------|--------|---------|
| 1 12 Month Average number of Customers | 58.96%   | 41.04% | 100.00% |
| 2 Joint Meter Reading Customers        | 63.35%   | 36.65% | 100.00% |
| 3 Non-Production Plant                 | 60.89%   | 39.11% | 100.00% |
| 4 4-Factor Allocator                   | 66.51%   | 33.49% | 100.00% |
| 5 Direct Labor                         | 67.31%   | 32.69% | 100.00% |

**PUGET SOUND ENERGY, INC.**  
**AVERAGE NUMBER OF CUSTOMERS**  
**February 28, 2011**

**ELECTRIC**

**Month Ended**

| <u><b>Customers</b></u>          | <u><b>Actual</b></u> | <u><b>Prior Year</b></u> | <u><b>Variance from Prior Year</b></u> |                 |
|----------------------------------|----------------------|--------------------------|--|-----------------|
|                                  |                      |                          | <u><b>Amount</b></u>                   | <u><b>%</b></u> |
| Residential                      | 956,108              | 951,359                  | 4,749                                  | 0.5%            |
| Commercial - Firm                | 118,755              | 118,283                  | 472                                    | 0.4%            |
| Commercial Interruptible         | 177                  | 177                      | -                                      | 0.0%            |
| Industrial - Firm                | 3,640                | 3,675                    | (35)                                   | (1.0%)          |
| Industrial Interruptible         | 4                    | 4                        | -                                      | 0.0%            |
| Outdoor Lighting                 | 3,438                | 3,414                    | 24                                     | 0.7%            |
| Electric Sales for Resale - Firm | 8                    | 9                        | (1)                                    | (11.1%)         |
| Transportation - Electric        | 17                   | 17                       | -                                      | 0.0%            |
| <b>Total Number of Customers</b> | <b>1,082,147</b>     | <b>1,076,938</b>         | <b>5,209</b>                           | <b>0.5%</b>     |

**Year-To-Date**

| <u><b>Customers</b></u>          | <u><b>Actual</b></u> | <u><b>Prior Year</b></u> | <u><b>Variance from Prior Year</b></u> |                 |
|----------------------------------|----------------------|--------------------------|--|-----------------|
|                                  |                      |                          | <u><b>Amount</b></u>                   | <u><b>%</b></u> |
| Residential                      | 955,943              | 951,008                  | 4,935                                  | 0.5%            |
| Commercial - Firm                | 118,664              | 118,285                  | 379                                    | 0.3%            |
| Commercial Interruptible         | 177                  | 177                      | -                                      | 0.0%            |
| Industrial - Firm                | 3,639                | 3,676                    | (37)                                   | (1.0%)          |
| Industrial Interruptible         | 4                    | 4                        | -                                      | 0.0%            |
| Outdoor Lighting                 | 3,434                | 3,410                    | 24                                     | 0.7%            |
| Electric Sales for Resale - Firm | 8                    | 9                        | (1)                                    | (11.1%)         |
| Transportation - Electric        | 17                   | 17                       | -                                      | 0.0%            |
| <b>Total Number of Customers</b> | <b>1,081,886</b>     | <b>1,076,586</b>         | <b>5,300</b>                           | <b>0.5%</b>     |

**Twelve Months Ended**

| <u><b>Customers</b></u>          | <u><b>Actual</b></u> | <u><b>Prior Year</b></u> | <u><b>Variance from Prior Year</b></u> |                 |
|----------------------------------|----------------------|--------------------------|--|-----------------|
|                                  |                      |                          | <u><b>Amount</b></u>                   | <u><b>%</b></u> |
| Residential                      | 953,625              | 948,247                  | 5,378                                  | 0.6%            |
| Commercial - Firm                | 118,482              | 118,262                  | 220                                    | 0.2%            |
| Commercial Interruptible         | 176                  | 178                      | (2)                                    | (1.1%)          |
| Industrial - Firm                | 3,649                | 3,685                    | (36)                                   | (1.0%)          |
| Industrial Interruptible         | 4                    | 4                        | -                                      | 0.0%            |
| Outdoor Lighting                 | 3,422                | 3,403                    | 19                                     | 0.6%            |
| Electric Sales for Resale - Firm | 8                    | 9                        | (1)                                    | (11.1%)         |
| Transportation - Electric        | 17                   | 17                       | -                                      | 0.0%            |
| <b>Total Number of Customers</b> | <b>1,079,383</b>     | <b>1,073,805</b>         | <b>5,578</b>                           | <b>0.5%</b>     |

**PUGET SOUND ENERGY, INC.**  
**AVERAGE NUMBER OF CUSTOMERS**  
**February 28, 2011**

**GAS**

| <u><b>Customers</b></u>          | <b>Month Ended</b>   |                          | <u><b>Variance from Prior Year</b></u> |                 |
|----------------------------------|----------------------|--------------------------|--|-----------------|
|                                  | <u><b>Actual</b></u> | <u><b>Prior Year</b></u> | <u><b>Amount</b></u>                   | <u><b>%</b></u> |
|                                  | Residential          | 699,170                  | 693,893                                | 5,277           |
| Commercial - Firm                | 53,863               | 54,077                   | (214)                                  | (0.4%)          |
| Commercial Interruptible         | 349                  | 367                      | (18)                                   | (4.9%)          |
| Industrial - Firm                | 2,485                | 2,514                    | (29)                                   | (1.2%)          |
| Industrial Interruptible         | 16                   | 20                       | (4)                                    | (20.0%)         |
| Gas Transportation               | 172                  | 149                      | 23                                     | 15.4%           |
| <b>Total Number of Customers</b> | <b>756,055</b>       | <b>751,020</b>           | <b>5,035</b>                           | <b>0.7%</b>     |

| <u><b>Customers</b></u>          | <b>Year-To-Date</b>  |                          | <u><b>Variance from Prior Year</b></u> |                 |
|----------------------------------|----------------------|--------------------------|--|-----------------|
|                                  | <u><b>Actual</b></u> | <u><b>Prior Year</b></u> | <u><b>Amount</b></u>                   | <u><b>%</b></u> |
|                                  | Residential          | 698,758                  | 693,519                                | 5,239           |
| Commercial - Firm                | 53,806               | 54,064                   | (258)                                  | (0.5%)          |
| Commercial Interruptible         | 352                  | 368                      | (16)                                   | (4.3%)          |
| Industrial - Firm                | 2,485                | 2,518                    | (33)                                   | (1.3%)          |
| Industrial Interruptible         | 16                   | 20                       | (4)                                    | (20.0%)         |
| Gas Transportation               | 172                  | 150                      | 22                                     | 14.7%           |
| <b>Total Number of Customers</b> | <b>755,589</b>       | <b>750,639</b>           | <b>4,950</b>                           | <b>0.7%</b>     |

| <u><b>Customers</b></u>          | <b>Twelve Months Ended</b> |                          | <u><b>Variance from Prior Year</b></u> |                 |
|----------------------------------|----------------------------|--------------------------|--|-----------------|
|                                  | <u><b>Actual</b></u>       | <u><b>Prior Year</b></u> | <u><b>Amount</b></u>                   | <u><b>%</b></u> |
|                                  | Residential                | 694,959                  | 690,261                                | 4,698           |
| Commercial - Firm                | 53,660                     | 54,008                   | (348)                                  | (0.6%)          |
| Commercial Interruptible         | 360                        | 376                      | (16)                                   | (4.3%)          |
| Industrial - Firm                | 2,484                      | 2,524                    | (40)                                   | (1.6%)          |
| Industrial Interruptible         | 18                         | 19                       | (1)                                    | (5.3%)          |
| Gas Transportation               | 156                        | 143                      | 13                                     | 9.1%            |
| <b>Total Number of Customers</b> | <b>751,637</b>             | <b>747,331</b>           | <b>4,306</b>                           | <b>0.6%</b>     |

**PUGET SOUND ENERGY**  
**PERIODIC ALLOCATED RESULTS OF OPERATIONS**  
**FOR THE MONTH ENDED MARCH 31, 2011**

(Based on allocation factors developed for the 12 ME 12/31/2010)

|                                    | Electric             | Gas                  | Total Amount         |
|------------------------------------|----------------------|----------------------|----------------------|
| 1 - OPERATING REVENUES:            |                      |                      |                      |
| 2 - SALES TO CUSTOMERS             | \$ 194,230,371       | \$ 124,405,508       | \$ 318,635,878       |
| 3 - SALES FOR RESALE-FIRM          | 46,061               | -                    | 46,061               |
| 4 - SALES TO OTHER UTILITIES       | 8,240,949            | -                    | 8,240,949            |
| 5 - OTHER OPERATING REVENUES       | 4,594,428            | 1,317,513            | 5,911,941            |
| 6 - TOTAL OPERATING REVENUES       | \$ 207,111,809       | \$ 125,723,021       | \$ 332,834,830       |
| 7                                  |                      |                      |                      |
| 8 - OPERATING REVENUE DEDUCTIONS:  |                      |                      |                      |
| 9                                  |                      |                      |                      |
| 10 - POWER COSTS:                  |                      |                      |                      |
| 11 - FUEL                          | \$ 10,843,615        | \$ -                 | \$ 10,843,615        |
| 12 - PURCHASED AND INTERCHANGED    | 70,901,622           | 70,151,429           | 141,053,051          |
| 13 - WHEELING                      | 6,648,298            | -                    | 6,648,298            |
| 14 - RESIDENTIAL EXCHANGE          | (6,867,254)          | -                    | (6,867,254)          |
| 15 - TOTAL PRODUCTION EXPENSES     | \$ 81,526,280        | \$ 70,151,429        | \$ 151,677,709       |
| 16                                 |                      |                      |                      |
| 17 - OTHER ENERGY SUPPLY EXPENSES  | \$ 9,031,665         | \$ 112,454           | \$ 9,144,119         |
| 18 - TRANSMISSION EXPENSE          | 971,859              | 17,490               | 989,349              |
| 19 - DISTRIBUTION EXPENSE          | 8,261,504            | 4,694,249            | 12,955,754           |
| 20 - CUSTOMER ACCTS EXPENSES       | 4,032,265            | 2,462,799            | 6,495,064            |
| 21 - CUSTOMER SERVICE EXPENSES     | 1,295,239            | 577,659              | 1,872,898            |
| 22 - CONSERVATION AMORTIZATION     | 8,056,643            | 2,112,077            | 10,168,720           |
| 23 - ADMIN & GENERAL EXPENSE       | 8,875,990            | 3,949,795            | 12,825,785           |
| 24 - DEPRECIATION                  | 16,299,497           | 8,832,091            | 25,131,588           |
| 25 - AMORTIZATION                  | 3,359,365            | 1,024,364            | 4,383,728            |
| 26 - AMORTIZ OF PROPERTY LOSS      | 1,485,752            | -                    | 1,485,752            |
| 27 - OTHER OPERATING EXPENSES      | 10,512,390           | (12,613)             | 10,499,777           |
| 28 - FAS 133                       | (19,590,878)         | -                    | (19,590,878)         |
| 29 - TAXES OTHER THAN INCOME TAXES | 20,718,479           | 14,065,067           | 34,783,546           |
| 30 - INCOME TAXES                  | -                    | -                    | -                    |
| 31 - DEFERRED INCOME TAXES         | 10,596,168           | 7,299,677            | 17,895,845           |
| 32 - TOTAL OPERATING REV. DEDUCT.  | \$ 165,432,218       | \$ 115,286,538       | \$ 280,718,756       |
| <b>NET OPERATING INCOME</b>        | <b>\$ 41,679,591</b> | <b>\$ 10,436,483</b> | <b>\$ 52,116,074</b> |



**PUGET SOUND ENERGY**  
**ACTUAL RESULTS OF OPERATIONS**  
**FOR THE MONTH ENDED MARCH 31, 2011**

|                                    | Electric       | Gas            | Common       | Energy N/A      | Total Amount   |
|------------------------------------|----------------|----------------|--------------|-----------------|----------------|
| <b>OPERATING INCOME</b>            |                |                |              |                 |                |
| 1 - OPERATING REVENUES:            |                |                |              |                 |                |
| 2 - SALES TO CUSTOMERS             | \$ 194,230,371 | \$ 124,405,508 | \$ -         | \$ -            | \$ 318,635,878 |
| 3 - SALES FOR RESALE-FIRM          | 46,061         | -              | -            | -               | 46,061         |
| 4 - SALES TO OTHER UTILITIES       | 8,240,949      | -              | -            | -               | 8,240,949      |
| 5 - OTHER OPERATING REVENUES       | 4,594,428      | 1,317,513      | -            | -               | 5,911,941      |
| 6 - TOTAL OPERATING REVENUES       | \$ 207,111,809 | \$ 125,723,021 | \$ -         | \$ -            | \$ 332,834,830 |
| 7                                  |                |                |              |                 |                |
| 8 - OPERATING REVENUE DEDUCTIONS:  |                |                |              |                 |                |
| 9                                  |                |                |              |                 |                |
| 10 - POWER COSTS:                  |                |                |              |                 |                |
| 11 - FUEL                          | \$ 10,843,615  | \$ -           | \$ -         | \$ -            | \$ 10,843,615  |
| 12 - PURCHASED AND INTERCHANGED    | 70,901,622     | 70,151,429     | -            | -               | 141,053,051    |
| 13 - WHEELING                      | 6,648,298      | -              | -            | -               | 6,648,298      |
| 14 - RESIDENTIAL EXCHANGE          | (6,867,254)    | -              | -            | -               | (6,867,254)    |
| 15 - TOTAL PRODUCTION EXPENSES     | \$ 81,526,280  | \$ 70,151,429  | \$ -         | \$ -            | \$ 151,677,709 |
| 16                                 |                |                |              |                 |                |
| 17 - OTHER ENERGY SUPPLY EXPENSES  | \$ 9,031,665   | \$ 112,454     | \$ -         | \$ -            | \$ 9,144,119   |
| 18 - TRANSMISSION EXPENSE          | 971,859        | 17,490         | -            | -               | 989,349        |
| 19 - DISTRIBUTION EXPENSE          | 8,261,504      | 4,694,249      | -            | -               | 12,955,754     |
| 20 - CUSTOMER ACCTS EXPENSES       | 2,390,213      | 1,322,751      | 2,782,100    | -               | 6,495,064      |
| 21 - CUSTOMER SERVICE EXPENSES     | 1,161,323      | 484,445        | 227,129      | -               | 1,872,898      |
| 22 - CONSERVATION AMORTIZATION     | 8,056,643      | 2,112,077      | -            | -               | 10,168,720     |
| 23 - ADMIN & GENERAL EXPENSE       | 3,855,404      | 1,366,022      | 7,604,359    | -               | 12,825,785     |
| 24 - DEPRECIATION                  | 15,082,778     | 8,219,432      | 1,829,378    | -               | 25,131,588     |
| 25 - AMORTIZATION                  | 1,527,775      | 102,097        | 2,753,857    | -               | 4,383,728      |
| 26 - AMORTIZ OF PROPERTY LOSS      | 1,485,752      | -              | -            | -               | 1,485,752      |
| 27 - OTHER OPERATING EXPENSES      | 10,512,390     | (12,613)       | -            | -               | 10,499,777     |
| 28 - FAS 133                       | (19,590,878)   | -              | -            | -               | (19,590,878)   |
| 29 - TAXES OTHER THAN INCOME TAXES | 20,252,733     | 13,830,549     | 700,264      | -               | 34,783,546     |
| 30 - INCOME TAXES                  | -              | 0              | -            | -               | -              |
| 31 - DEFERRED INCOME TAXES         | 20,992,125     | 12,534,387     | (15,630,667) | -               | 17,895,845     |
| 32 - TOTAL OPERATING REV. DEDUCT.  | \$ 165,517,567 | \$ 114,934,769 | \$ 266,420   | \$ -            | \$ 280,718,756 |
| <b>NET OPERATING INCOME</b>        | \$ 41,594,242  | \$ 10,788,251  | \$ (266,420) | \$ -            | \$ 52,116,074  |
| <b>NON-OPERATING INCOME</b>        |                |                |              |                 |                |
| 99 - OTHER INCOME                  | \$ -           | \$ -           | \$ -         | \$ (4,328,703)  | \$ (4,328,703) |
| 999 - INTEREST                     | -              | -              | -            | 17,075,885      | 17,075,885     |
| 9999 - EXTRAORDINARY ITEMS         | -              | -              | -            | -               | -              |
| <b>TOTAL NON-OPERATING INCOME</b>  | \$ -           | \$ -           | \$ -         | \$ 12,747,181   | \$ 12,747,181  |
| <b>NET INCOME</b>                  | \$ 41,594,242  | \$ 10,788,251  | \$ (266,420) | \$ (12,747,181) | \$ 39,368,893  |

**PUGET SOUND ENERGY  
INCOME STATEMENT DETAIL  
FOR THE MONTH ENDED MARCH 31, 2011**

| FERC Account Description                         | Electric           | Gas                | Common   | Total              |
|--|--------------------|--------------------|----------|--------------------|
| <b>1 - OPERATING REVENUES</b>                    |                    |                    |          |                    |
| <i>2 - SALES TO CUSTOMERS</i>                    |                    |                    |          |                    |
| (2) 440 - Electric Residential Sales             | 119,909,142        | -                  | -        | 119,909,142        |
| (2) 442 - Electric Commercial & Industrial Sales | 87,090,091         | -                  | -        | 87,090,091         |
| (2) 444 - Public Street & Highway Lighting       | 1,543,192          | -                  | -        | 1,543,192          |
| (2) 456 - Other Electric Revenues                | -                  | -                  | -        | -                  |
| (2) 456 - Other Electric Revenues - Unbilled     | (14,353,196)       | -                  | -        | (14,353,196)       |
| (2) 456 - Other Electric Revenues - Conservatio  | 41,142             | -                  | -        | 41,142             |
| (2) 480 - Gas Residential Sales                  | -                  | 83,322,729         | -        | 83,322,729         |
| (2) 481 - Gas Commercial & Industrial Sales      | -                  | 39,819,206         | -        | 39,819,206         |
| (2) 489 - Rev From Transportation Of Gas To OI   | -                  | 1,263,573          | -        | 1,263,573          |
| (2) SUBTOTAL                                     | 194,230,371        | 124,405,508        | -        | 318,635,878        |
| <i>3 - SALES FOR RESALE-FIRM</i>                 |                    |                    |          |                    |
| (3) 447 - Electric Sales For Resale              | 46,061             | -                  | -        | 46,061             |
| (3) SUBTOTAL                                     | 46,061             | -                  | -        | 46,061             |
| <i>4 - SALES TO OTHER UTILITIES</i>              |                    |                    |          |                    |
| (4) 447 - Electric Sales For Resale - Sales      | 3,433,275          | -                  | -        | 3,433,275          |
| (4) 447 - Electric Sales For Resale - Purchases  | 4,807,674          | -                  | -        | 4,807,674          |
| (4) SUBTOTAL                                     | 8,240,949          | -                  | -        | 8,240,949          |
| <i>5 - OTHER OPERATING REVENUES</i>              |                    |                    |          |                    |
| (5) 412 - Lease Inc Everett Delta to NWP - Gas   | -                  | -                  | -        | -                  |
| (5) 450 - Forfeited Discounts                    | 425,358            | -                  | -        | 425,358            |
| (5) 451 - Electric Misc Service Revenue          | 513,854            | -                  | -        | 513,854            |
| (5) 454 - Rent For Electric Property             | 1,062,561          | -                  | -        | 1,062,561          |
| (5) 456 - Other Electric Revenues                | 2,592,655          | -                  | -        | 2,592,655          |
| (5) 487 - Forfeited Discounts                    | -                  | 219,173            | -        | 219,173            |
| (5) 488 - Gas Misc Service Revenues              | -                  | 310,400            | -        | 310,400            |
| (5) 4894 - Gas Revenues from Storing Gas of O    | -                  | 87,500             | -        | 87,500             |
| (5) 493 - Rent From Gas Property                 | -                  | 652,913            | -        | 652,913            |
| (5) 495 - Other Gas Revenues                     | -                  | 47,527             | -        | 47,527             |
| (5) SUBTOTAL                                     | 4,594,428          | 1,317,513          | -        | 5,911,941          |
| <b>(1) TOTAL OPERATING REVENUES</b>              | <b>207,111,809</b> | <b>125,723,021</b> | <b>-</b> | <b>332,834,830</b> |
| <b>10 - ENERGY COST</b>                          |                    |                    |          |                    |
| <i>11 - FUEL</i>                                 |                    |                    |          |                    |
| (11) 501 - Steam Operations Fuel                 | 6,284,947          | -                  | -        | 6,284,947          |
| (11) 547 - Other Power Generation Oper Fuel      | 4,558,668          | -                  | -        | 4,558,668          |
| (11) SUBTOTAL                                    | 10,843,615         | -                  | -        | 10,843,615         |
| <i>12 - PURCHASED AND INTERCHANGED</i>           |                    |                    |          |                    |
| (12) 555 - Purchased Power                       | 68,873,588         | -                  | -        | 68,873,588         |
| (12) 557 - Other Power Supply Expense            | 2,028,034          | -                  | -        | 2,028,034          |
| (12) 804 - Natural Gas City Gate Purchases       | -                  | 61,141,998         | -        | 61,141,998         |
| (12) 805 - Other Gas Purchases                   | -                  | -                  | -        | -                  |
| (12) 8051 - Purchased Gas Cost Adjustments       | -                  | 4,180,068          | -        | 4,180,068          |
| (12) 8081 - Gas Withdrawn From Storage           | -                  | 7,817,724          | -        | 7,817,724          |
| (12) 8082 - Gas Delivered To Storage             | -                  | (2,988,361)        | -        | (2,988,361)        |
| (12) SUBTOTAL                                    | 70,901,622         | 70,151,429         | -        | 141,053,051        |
| <i>13 - WHEELING</i>                             |                    |                    |          |                    |
|  |                    |                    |          | -                  |

**PUGET SOUND ENERGY  
INCOME STATEMENT DETAIL  
FOR THE MONTH ENDED MARCH 31, 2011**

| FERC Account Description                         | Electric           | Gas               | Common | Total              |
|--|--------------------|-------------------|--------|--------------------|
| (13) 565 - Transmission Of Electricity By Others | 6,648,298          | -                 | -      | 6,648,298          |
| (13) SUBTOTAL                                    | 6,648,298          | -                 | -      | 6,648,298          |
| <i>14 - RESIDENTIAL EXCHANGE</i>                 |                    |                   |        | -                  |
| (14) 555 - Purchased Power                       | (6,867,254)        | -                 | -      | (6,867,254)        |
| (14) SUBTOTAL                                    | (6,867,254)        | -                 | -      | (6,867,254)        |
| <b>(10) TOTAL ENERGY COST</b>                    | <b>81,526,280</b>  | <b>70,151,429</b> | -      | <b>151,677,709</b> |
| <b>GROSS MARGIN</b>                              | <b>125,585,529</b> | <b>55,571,592</b> | -      | <b>181,157,121</b> |
| <b>OPERATING EXPENSES</b>                        |                    |                   |        | -                  |
| OPERATING AND MAINTENANCE                        |                    |                   |        | -                  |
| <i>17 - OTHER ENERGY SUPPLY EXPENSES</i>         |                    |                   |        | -                  |
| (17) 500 - Steam Oper Supv & Engineering         | 86,368             | -                 | -      | 86,368             |
| (17) 502 - Steam Oper Steam Expenses             | 720,301            | -                 | -      | 720,301            |
| (17) 505 - Steam Oper Electric Expense           | 165,570            | -                 | -      | 165,570            |
| (17) 506 - Steam Oper Misc Steam Power           | 638,054            | -                 | -      | 638,054            |
| (17) 507 - Steam Operations Rents                | 1,624              | -                 | -      | 1,624              |
| (17) 510 - Steam Maint Supv & Engineering        | 212,874            | -                 | -      | 212,874            |
| (17) 511 - Steam Maint Structures                | 222,482            | -                 | -      | 222,482            |
| (17) 512 - Steam Maint Boiler Plant              | 1,411,868          | -                 | -      | 1,411,868          |
| (17) 513 - Steam Maint Electric Plant            | 26,790             | -                 | -      | 26,790             |
| (17) 514 - Steam Maint Misc Steam Plant          | 265,305            | -                 | -      | 265,305            |
| (17) 535 - Hydro Oper Supv & Engineering         | 180,803            | -                 | -      | 180,803            |
| (17) 536 - Hydro Oper Water For Power            | -                  | -                 | -      | -                  |
| (17) 537 - Hydro Oper Hydraulic Expenses         | 395,348            | -                 | -      | 395,348            |
| (17) 538 - Hydro Oper Electric Expenses          | 19,349             | -                 | -      | 19,349             |
| (17) 539 - Hydro Oper Misc Hydraulic Exp         | 231,256            | -                 | -      | 231,256            |
| (17) 540 - Hydro Office Rents                    | -                  | -                 | -      | -                  |
| (17) 541 - Hydro Maint Supv & Engineering        | -                  | -                 | -      | -                  |
| (17) 542 - Hydro Maint Structures                | 48,759             | -                 | -      | 48,759             |
| (17) 543 - Hydro Maint Res. Dams & Waterw        | 106,440            | -                 | -      | 106,440            |
| (17) 544 - Hydro Maint Electric Plant            | 68,122             | -                 | -      | 68,122             |
| (17) 545 - Hydro Maint Misc Hydraulic Plant      | 257,441            | -                 | -      | 257,441            |
| (17) 546 - Other Pwr Gen Oper Supv & Eng         | 580,247            | -                 | -      | 580,247            |
| (17) 548 - Other Power Gen Oper Gen Exp          | 677,577            | -                 | -      | 677,577            |
| (17) 549 - Other Power Gen Oper Misc             | 251,060            | -                 | -      | 251,060            |
| (17) 550 - Other Power Gen Oper Rents            | 430,398            | -                 | -      | 430,398            |
| (17) 551 - Other Power Gen Maint Supv & Er       | 78,704             | -                 | -      | 78,704             |
| (17) 552 - Other Power Gen Maint Structures      | 27,489             | -                 | -      | 27,489             |
| (17) 553 - Other Power Gen Maint Gen & Ele       | 1,724,468          | -                 | -      | 1,724,468          |
| (17) 554 - Other Power Gen Maint Misc            | 54,057             | -                 | -      | 54,057             |
| (17) 556 - System Control & Load Dispatch        | 148,913            | -                 | -      | 148,913            |
| (17) 710 - Production Operations Supv & Eng      | -                  | -                 | -      | -                  |
| (17) 717 - Liquefied Petroleum Gas Expense       | -                  | 17,747            | -      | 17,747             |
| (17) 735 - Misc Gas Production Exp               | -                  | -                 | -      | -                  |
| (17) 741 - Production Plant Maint Structures     | -                  | 2,790             | -      | 2,790              |
| (17) 742 - Production Plant Maint Prod Equip     | -                  | 1,030             | -      | 1,030              |
| (17) 8072 - Purchased Gas Expenses               | -                  | 22,556            | -      | 22,556             |

**PUGET SOUND ENERGY  
INCOME STATEMENT DETAIL  
FOR THE MONTH ENDED MARCH 31, 2011**

| FERC Account Description                       | Electric  | Gas      | Common | Total     |
|--|-----------|----------|--------|-----------|
| (17) 8074 - Purchased Gas Calculation Exp      | -         | 2,988    | -      | 2,988     |
| (17) 812 - Gas Used For Other Utility Operati  | -         | (20,068) | -      | (20,068)  |
| (17) 813 - Other Gas Supply Expenses           | -         | -        | -      | -         |
| (17) 814 - Undergrnd Strge - Operation Supv    | -         | 11,479   | -      | 11,479    |
| (17) 815 - Undergrnd Strge - Oper Map & Re     | -         | -        | -      | -         |
| (17) 816 - Undergrnd Strge - Oper Wells Exp    | -         | -        | -      | -         |
| (17) 817 - Undergrnd Strge - Oper Lines Exp    | -         | 1        | -      | 1         |
| (17) 818 - Undergrnd Strge - Oper Compress     | -         | 10,992   | -      | 10,992    |
| (17) 819 - Undergrnd Strge - Oper Compress     | -         | 3,196    | -      | 3,196     |
| (17) 820 - Undergrnd Strge - Oper Meas & R     | -         | -        | -      | -         |
| (17) 821 - Undergrnd Strge - Oper Purificatio  | -         | -        | -      | -         |
| (17) 823 - Storage Gas Losses                  | -         | -        | -      | -         |
| (17) 824 - Undergrnd Strge - Oper Other Exp    | -         | 8,884    | -      | 8,884     |
| (17) 825 - Undergrnd Strge - Oper Storage V    | -         | 67       | -      | 67        |
| (17) 826 - Undergrnd Strge - Oper Other Sto    | -         | (785)    | -      | (785)     |
| (17) 830 - Undergrnd Strge - Maint Supv & E    | -         | 10,868   | -      | 10,868    |
| (17) 831 - Undergrnd Strge - Maint Structure:  | -         | 135      | -      | 135       |
| (17) 832 - Undergrnd Strge - Maint Reservoir   | -         | 3,440    | -      | 3,440     |
| (17) 833 - Undergrnd Strge - Maint Of Lines    | -         | 225      | -      | 225       |
| (17) 834 - Undergrnd Strge - Maint Compres:    | -         | 15,708   | -      | 15,708    |
| (17) 835 - Undergrnd Strge - Maint Meas & R    | -         | -        | -      | -         |
| (17) 836 - Undergrnd Strge - Maint Purificatic | -         | 556      | -      | 556       |
| (17) 837 - Undergrnd Strge-Maint Other Equi    | -         | 249      | -      | 249       |
| (17) 841 - Operating Labor & Expenses          | -         | 16,424   | -      | 16,424    |
| (17) 8432 - Maint Struc & Impro                | -         | 665      | -      | 665       |
| (17) 8433 - Maintenance of Gas Holders         | -         | 944      | -      | 944       |
| (17) 8436 - Maintenance of Vaporizing Equip    | -         | 880      | -      | 880       |
| (17) 8438 - Maint Measure & Reg                | -         | 837      | -      | 837       |
| (17) 8439 - Other Gas Maintenance              | -         | 644      | -      | 644       |
| (17) SUBTOTAL                                  | 9,031,665 | 112,454  | -      | 9,144,119 |
| <b>18 - TRANSMISSION EXPENSE</b>               |           |          |        | -         |
| (18) 560 - Transmission Oper Supv & Engine     | 138,461   | -        | -      | 138,461   |
| (18) 561 - Transmission Oper Load Dispatch     | -         | -        | -      | -         |
| (18) 5611 - Transmission Oper Load Dispatc     | 10,147    | -        | -      | 10,147    |
| (18) 5612 - Load Dispatch - Monitor & Oper 1   | 68,405    | -        | -      | 68,405    |
| (18) 5613 - Load Dispatch - Service and Sch    | 86,902    | -        | -      | 86,902    |
| (18) 5615 - Reliability Planning & Standards   | 39,982    | -        | -      | 39,982    |
| (18) 5616 - Transmission Svc Studies           | 3,802     | -        | -      | 3,802     |
| (18) 5617 Gen Intercnct Studies                | 15,917    | -        | -      | 15,917    |
| (18) 5618 - Reliability Planning               | -         | -        | -      | -         |
| (18) 562 - Transmission Oper Station Expens    | 10,955    | -        | -      | 10,955    |
| (18) 563 - Transmission Oper Overhead Line     | 19,579    | -        | -      | 19,579    |
| (18) 566 - Transmission Oper Misc              | 70,741    | -        | -      | 70,741    |
| (18) 567 - Transmission Oper Rents             | 1,754     | -        | -      | 1,754     |
| (18) 568 - Transmission Maint Supv & Eng       | 10,455    | -        | -      | 10,455    |
| (18) 569 - Transmission Maint Structures       | 1         | -        | -      | 1         |
| (18) 5691 - Transmission Computer Hardwar      | -         | -        | -      | -         |

**PUGET SOUND ENERGY  
INCOME STATEMENT DETAIL  
FOR THE MONTH ENDED MARCH 31, 2011**

| FERC Account Description                        | Electric  | Gas       | Common | Total      |
|---|-----------|-----------|--------|------------|
| (18) 5692 - Transmission Maint Structures       | 7,306     | -         | -      | 7,306      |
| (18) 570 - Transmission Maint Station Equipr    | 41,978    | -         | -      | 41,978     |
| (18) 571 - Transmission Maint Overhead Line     | 445,474   | -         | -      | 445,474    |
| (18) 572 - Transmission Maint Underground L     | -         | -         | -      | -          |
| (18) 850 - Transmission Oper Supv & Engine      | -         | -         | -      | -          |
| (18) 856 - Transmission Oper Mains Expense      | -         | -         | -      | -          |
| (18) 857 - Transmission Oper Meas & Reg S       | -         | -         | -      | -          |
| (18) 862 - Transmission Maint Structures & I    | -         | 3,674     | -      | 3,674      |
| (18) 863 - Transmission Maint Supv & Eng        | -         | 3,703     | -      | 3,703      |
| (18) 865 - Transmission Maint of measur & r     | -         | -         | -      | -          |
| (18) 867 - Transmission Maint Other Equipm      | -         | 10,113    | -      | 10,113     |
| (18) SUBTOTAL                                   | 971,859   | 17,490    | -      | 989,349    |
| <i>19 - DISTRIBUTION EXPENSE</i>                |           |           |        | -          |
| (19) 580 - Distribution Oper Supv & Engineer    | 441,527   | -         | -      | 441,527    |
| (19) 581 - Distribution Oper Load Dispatching   | 106,503   | -         | -      | 106,503    |
| (19) 582 - Distribution Oper Station Expense    | 195,351   | -         | -      | 195,351    |
| (19) 583 - Distribution Oper Overhead Line E    | 549,425   | -         | -      | 549,425    |
| (19) 584 - Distribution Oper Underground Lin    | 204,393   | -         | -      | 204,393    |
| (19) 585 - Distribution Oper St Lighting & Sig  | 122,054   | -         | -      | 122,054    |
| (19) 586 - Distribution Oper Meter Expense      | 136,783   | -         | -      | 136,783    |
| (19) 587 - Distribution Oper Cust Installation  | 412,340   | -         | -      | 412,340    |
| (19) 588 - Distribution Oper Misc Dist Exp      | 179,118   | -         | -      | 179,118    |
| (19) 589 - Distribution Oper Rents              | 22,600    | -         | -      | 22,600     |
| (19) 590 - Distribution Maint Superv & Engine   | -         | -         | -      | -          |
| (19) 591 - Distribution Maint Structures        | -         | -         | -      | -          |
| (19) 592 - Distribution Maint Station Equipme   | 534,261   | -         | -      | 534,261    |
| (19) 593 - Distribution Maint Overhead Lines    | 4,238,640 | -         | -      | 4,238,640  |
| (19) 594 - Distribution Maint Underground Lir   | 874,831   | -         | -      | 874,831    |
| (19) 595 - Distribution Maint Line Transforme   | 15,546    | -         | -      | 15,546     |
| (19) 596 - Distribution Maint St Lighting/Signa | 174,569   | -         | -      | 174,569    |
| (19) 597 - Distribution Maint Meters            | 53,562    | -         | -      | 53,562     |
| (19) 598 - Distribution Maint Misc Dist Plant   | -         | -         | -      | -          |
| (19) 870 - Distribution Oper Supv & Engineer    | -         | 175,542   | -      | 175,542    |
| (19) 871 - Distribution Oper Load Dispatching   | -         | 117,043   | -      | 117,043    |
| (19) 874 - Distribution Oper Mains & Service    | -         | 1,181,419 | -      | 1,181,419  |
| (19) 875 - Distribution Oper Meas & Reg Sta     | -         | 174,211   | -      | 174,211    |
| (19) 876 - Distribution Oper Meas & Reg Sta     | -         | 36,115    | -      | 36,115     |
| (19) 878 - Distribution Oper Meter & House F    | -         | 623,483   | -      | 623,483    |
| (19) 879 - Distribution Oper Customer Install   | -         | 438,488   | -      | 438,488    |
| (19) 880 - Distribution Oper Other Expense      | -         | 669,081   | -      | 669,081    |
| (19) 881 - Distribution Oper Rents Expense      | -         | 19,481    | -      | 19,481     |
| (19) 887 - Distribution Maint Mains             | -         | 482,341   | -      | 482,341    |
| (19) 889 - Distribution Maint Meas & Reg Sta    | -         | 69,929    | -      | 69,929     |
| (19) 890 - Distribution Maint Meas & Reg Sta    | -         | 50,353    | -      | 50,353     |
| (19) 892 - Distribution Maint Services          | -         | 453,929   | -      | 453,929    |
| (19) 893 - Distribution Maint Meters & House    | -         | 96,073    | -      | 96,073     |
| (19) 894 - Distribution Maint Other Equipmen    | -         | 106,761   | -      | 106,761    |
| (19) SUBTOTAL                                   | 8,261,504 | 4,694,249 | -      | 12,955,754 |

**PUGET SOUND ENERGY  
INCOME STATEMENT DETAIL  
FOR THE MONTH ENDED MARCH 31, 2011**

| FERC Account Description                        | Electric   | Gas        | Common     | Total      |
|---|------------|------------|------------|------------|
| <i>20 - CUSTOMER ACCTS EXPENSES</i>             |            |            |            |            |
| (20) 901 - Customer Accounts Supervision        | -          | -          | 41,793     | 41,793     |
| (20) 902 - Meter Reading Expense                | 1,567,634  | 1,118,476  | 39,308     | 2,725,417  |
| (20) 903 - Customer Records & Collection Exp    | 338,224    | 228,531    | 2,710,460  | 3,277,215  |
| (20) 904 - Uncollectible Accounts               | 484,355    | (24,256)   | -          | 460,099    |
| (20) 905 - Misc. Customer Accounts Expense      | -          | -          | (9,461)    | (9,461)    |
| (20) SUBTOTAL                                   | 2,390,213  | 1,322,751  | 2,782,100  | 6,495,064  |
| <i>21 - CUSTOMER SERVICE EXPENSES</i>           |            |            |            |            |
| (21) 908 - Customer Assistance Expense          | 1,078,303  | 462,119    | 112,873    | 1,653,294  |
| (21) 909 - Info & Instructional Advertising     | 74,505     | -          | 109,367    | 183,872    |
| (21) 910 - Misc Cust Svc & Info Expense         | -          | -          | 5,575      | 5,575      |
| (21) 911 - Sales Supervision Exp                | -          | -          | -          | -          |
| (21) 912 - Demonstration & Selling Expense      | 8,176      | 22,327     | (685)      | 29,817     |
| (21) 913 - Advertising Expenses                 | -          | -          | -          | -          |
| (21) 916 - Misc. Sales Expense                  | 340        | -          | -          | 340        |
| (21) SUBTOTAL                                   | 1,161,323  | 484,445    | 227,129    | 1,872,898  |
| <i>22 - CONSERVATION AMORTIZATION</i>           |            |            |            |            |
| (22) 908 - Customer Assistance Expense          | 8,056,643  | 2,112,077  | -          | 10,168,720 |
| (22) SUBTOTAL                                   | 8,056,643  | 2,112,077  | -          | 10,168,720 |
| <i>23 - ADMIN &amp; GENERAL EXPENSE</i>         |            |            |            |            |
| (23) 920 - A & G Salaries                       | 680,529    | 154,055    | 2,479,079  | 3,313,663  |
| (23) 921 - Office Supplies and Expenses         | 162,401    | 7,793      | 1,064,854  | 1,235,048  |
| (23) 922 - Admin Expenses Transferred           | -          | -          | (28,116)   | (28,116)   |
| (23) 923 - Outside Services Employed            | 323,743    | 30,380     | 994,086    | 1,348,210  |
| (23) 924 - Property Insurance                   | 315,729    | 27,982     | 167,940    | 511,651    |
| (23) 925 - Injuries & Damages                   | 69,256     | 22,060     | 465,934    | 557,250    |
| (23) 926 - Emp Pension & Benefits               | 1,578,717  | 732,680    | 942,902    |            |
| (23) 928 - Regulatory Commission Expense        | 543,176    | 316,802    | 9,090      | 869,068    |
| (23) 9301 - Gen Advertising Exp                 | -          | -          | 330        | 330        |
| (23) 9302 - Misc. General Expenses              | 173,846    | 39,070     | 281,692    | 494,609    |
| (23) 931 - Rents                                | 20,596     | -          | 535,038    | 555,634    |
| (23) 932 - Maint Of General Plant- Gas          | -          | 35,198     | -          | 35,198     |
| (23) 935 - Maint General Plant - Electric       | (12,589)   | -          | 691,530    | 678,941    |
| (23) SUBTOTAL                                   | 3,855,404  | 1,366,022  | 7,604,359  | 12,825,785 |
| TOTAL OPERATING AND MAINTENANCE                 | 33,728,612 | 10,109,488 | 10,613,588 | 54,451,689 |
| <i>DEPRECIATION, DEPLETION AND AMORTIZATION</i> |            |            |            |            |
| <i>24 - DEPRECIATION</i>                        |            |            |            |            |
| (24) 403 - Depreciation Expense                 | 15,085,095 | 8,204,565  | 1,829,378  | 25,119,038 |
| (24) 4031 - Depreciation Expense - FAS143       | (2,317)    | 14,867     | -          | 12,550     |
| (24) SUBTOTAL                                   | 15,082,778 | 8,219,432  | 1,829,378  | 25,131,588 |
| <i>25 - AMORTIZATION</i>                        |            |            |            |            |
| (25) 404 - Amort Ltd-Term Plant                 | 395,614    | 83,001     | 2,753,695  | 3,232,310  |
| (25) 406 - Amortization Of Plant Acquisition /  | 1,038,781  | -          | -          | 1,038,781  |
| (25) 4111 - Accretion Exp - FAS143              | 93,380     | 19,096     | 162        | 112,638    |
| (25) SUBTOTAL                                   | 1,527,775  | 102,097    | 2,753,857  | 4,383,728  |
| <i>26 - AMORTIZ OF PROPERTY LOSS</i>            |            |            |            |            |
| (26) 407 - Amortization Of Prop. Losses         | 1,485,752  | -          | -          | 1,485,752  |

**PUGET SOUND ENERGY  
INCOME STATEMENT DETAIL  
FOR THE MONTH ENDED MARCH 31, 2011**

| FERC Account Description                                | Electric          | Gas               | Common           | Total             |
|---|-------------------|-------------------|------------------|-------------------|
| (26) SUBTOTAL   | 1,485,752         | -                 | -                | 1,485,752         |
| <b>27 - OTHER OPERATING EXPENSES</b>                    |                   |                   |                  | -                 |
| (27) 4073 - Regulatory Debits                           | 11,183,459        | -                 | -                | 11,183,459        |
| (27) 4074 - Regulatory Credits                          | (508,835)         | -                 | -                | (508,835)         |
| (27) 4116 - Gains From Disposition Of Utility           | (167,181)         | (17,194)          | -                | (184,375)         |
| (27) 4117 - Losses From Disposition Of Utility          | 9,977             | 4,581             | -                | 14,559            |
| (27) 4118 - Gains From Disposition Of Allowance         | (5,031)           | -                 | -                | (5,031)           |
| (27) 414 - Other Utility Operating Income               | -                 | -                 | -                | -                 |
| (27) SUBTOTAL   | 10,512,390        | (12,613)          | -                | 10,499,777        |
| <b>28 - FAS 133</b>                                     |                   |                   |                  | -                 |
| (28) 421 - FAS 133 Gain                                 | (1,730,678)       | -                 | -                | (1,730,678)       |
| (28) 4265 - FAS 133 Loss                                | (17,860,200)      | -                 | -                | (17,860,200)      |
| (28) SUBTOTAL   | (19,590,878)      | -                 | -                | (19,590,878)      |
| <b>TOTAL DEPRECIATION, DEPLETION AND AMORTIZATION</b>   | <b>9,017,816</b>  | <b>8,308,916</b>  | <b>4,583,235</b> | <b>21,909,967</b> |
|   |                   |                   |                  | -                 |
| <b>29 - TAXES OTHER THAN INCOME TAXES</b>               |                   |                   |                  | -                 |
| (29) 4081 - Taxes Other-Util Income                     | 20,252,733        | 13,830,549        | 700,264          | 34,783,546        |
| (29) SUBTOTAL   | 20,252,733        | 13,830,549        | 700,264          | 34,783,546        |
| <b>30 - INCOME TAXES</b>                                |                   |                   |                  | -                 |
| (30) 4081 - Montana Corp. License Taxes                 | -                 | -                 | -                | -                 |
| (30) 4091 - Montana Corp license Tax                    | -                 | -                 | -                | -                 |
| (30) 4091 - Fit-Util Oper Income                        | -                 | -                 | -                | -                 |
| (30) SUBTOTAL   | -                 | -                 | -                | -                 |
| <b>31 - DEFERRED INCOME TAXES</b>                       |                   |                   |                  | -                 |
| (31) 4101 - Def Fit-Util Oper Income                    | 23,178,543        | 18,419,722        | 2,142,661        | 43,740,926        |
| (31) 4111 - Def Fit-Cr - Util Oper Income               | (2,186,418)       | (5,871,034)       | (17,773,328)     | (25,830,780)      |
| (31) 4114 - Inv Tax Cr Adj-Util Operations              | -                 | (14,301)          | -                | (14,301)          |
| (31) SUBTOTAL   | 20,992,125        | 12,534,387        | (15,630,667)     | 17,895,845        |
|   |                   |                   |                  | -                 |
| <b>NET OPERATING INCOME</b>                             | <b>41,594,242</b> | <b>10,788,251</b> | <b>(266,420)</b> | <b>52,116,074</b> |
|   |                   |                   |                  | -                 |
| <b>NON-OPERATING INCOME</b>                             |                   |                   |                  | -                 |
| <b>99 - OTHER INCOME</b>                                |                   |                   |                  | -                 |
| (99) 4082 - Taxes Other - Other Income                  | 10,833            | -                 | -                | 10,833            |
| (99) 4092 - Fit - Other Income                          | -                 | -                 | -                | -                 |
| (99) 4102 - Def Fit - Other Income                      | -                 | -                 | (155,587)        | (155,587)         |
| (99) 4112 - Provision for Deferred FIT - Credit & Debit | -                 | -                 | -                | -                 |
| (99) 415 - Revenues From Merchandising And Joint        | -                 | -                 | (376,170)        | (376,170)         |
| (99) 416 - Expenses Of Merchandising And Joint          | -                 | -                 | 275,781          | 275,781           |
| (99) 417 - Revenues From Non-Utility Operation          | -                 | -                 | (6,046)          | (6,046)           |
| (99) 4171 - Merger Related Costs                        | -                 | -                 | -                | -                 |
| (99) 4171 - Expenses of Non-Utility Operations          | -                 | -                 | (108,539)        | (108,539)         |
| (99) 418 - Nonoperating Rental Income                   | -                 | -                 | -                | -                 |
| (99) 4181 - Equity in Earnings of Subsidiaries          | -                 | -                 | 481,431          | 481,431           |
| (99) 419 - Interest And Dividend Income                 | -                 | -                 | (1,504,316)      | (1,504,316)       |
| (99) 4191 - Allowance For Other Funds Used During       | (1,367,010)       | (65,537)          | (64,474)         | (1,497,021)       |
| (99) 421 - Misc. Non-Operating Income                   | -                 | (136,643)         | (438)            | (137,081)         |
| (99) 4211 - Gain On Disposition Of Property             | -                 | -                 | -                | -                 |

**PUGET SOUND ENERGY  
INCOME STATEMENT DETAIL  
FOR THE MONTH ENDED MARCH 31, 2011**

| FERC Account Description                          | Electric             | Gas                  | Common                 | Total                |
|---|----------------------|----------------------|------------------------|----------------------|
| (99) 4212 - Loss On Disposition Of Property       | -                    | -                    | -                      | -                    |
| (99) 4213 - Misc. Non-Op Income - AFUDC(WU        | (1,419,553)          | -                    | -                      | (1,419,553)          |
| (99) 4214 - Misc. Non-Op Income - AFUCE           | -                    | -                    | -                      | -                    |
| (99) 425 - Miscellaneous Amortization             | 66                   | -                    | -                      | 66                   |
| (99) 4261 - Donations                             | -                    | -                    | 168,650                | 168,650              |
| (99) 4262 - Life Insurance                        | -                    | -                    | (511,765)              | (511,765)            |
| (99) 4263 - Penalties                             | -                    | -                    | (305,490)              | (305,490)            |
| (99) 4264 - Expenses For Civic & Political Activi | -                    | -                    | 328,407                | 328,407              |
| (99) 4265 - Other Deductions                      | -                    | -                    | 427,696                | 427,696              |
| (99) SUBTOTAL                                     | (2,775,665)          | (202,180)            | (1,350,859)            | (4,328,703)          |
| <b>999 - INTEREST</b>                             |                      |                      |                        | -                    |
| (999) 427 - Interest On Long Term Debt            | -                    | -                    | 17,046,482             | 17,046,482           |
| (999) 4271 - Interest on Preferred Stock          | -                    | -                    | -                      | -                    |
| (999) 428 - Amortization Of Debt Discount & Exp   | -                    | -                    | 562,643                | 562,643              |
| (999) 4281 - Amortization Of Loss On Required     | -                    | -                    | 102,915                | 102,915              |
| (999) 429 - Amortization Of Premium On Debt-C     | -                    | -                    | -                      | -                    |
| (999) 4291 - Amortization Gain On Reacquired I    | -                    | -                    | -                      | -                    |
| (999) 430 - Int on Debt to Assoc. Companies       | -                    | -                    | 23,871                 | 23,871               |
| (999) 431 - Other Interest Expense                | 146,731              | 55,384               | 895,377                | 1,097,491            |
| (999) 432 - Allowances For Borrowed Funds         | (1,643,540)          | (48,617)             | (65,360)               | (1,757,517)          |
| (999) SUBTOTAL                                    | (1,496,809)          | 6,767                | 18,565,927             | 17,075,885           |
| <b>9999 - EXTRAORDINARY ITEMS</b>                 |                      |                      |                        | -                    |
| (9999) 4111 - Def Fit-Cr - Util Oper Income       | -                    | -                    | -                      | -                    |
| (9999) 435 - Extraordinary Deductions             | -                    | -                    | -                      | -                    |
| (9999) SUBTOTAL                                   | -                    | -                    | -                      | -                    |
| <b>TOTAL NON-OPERATING INCOME</b>                 | <b>(4,272,473)</b>   | <b>(195,413)</b>     | <b>17,215,068</b>      | <b>12,747,181</b>    |
| <b>NET INCOME</b>                                 | <b>\$ 45,866,716</b> | <b>\$ 10,983,665</b> | <b>\$ (17,481,488)</b> | <b>\$ 39,368,893</b> |



**PUGET SOUND ENERGY**  
**ALLOCATION OF COMMON CHARGES**  
**FOR THE MONTH ENDED MARCH 31, 2011**

(Based on allocation factors developed for the 12 ME 12/31/2010)

| FERC Account and Description                     | Allocated Electric     | Allocated Gas         | Allocation Method [1] | Share (Allocated Electric / Common) | Share (Allocated Gas / Common) | Common                 |
|--|------------------------|-----------------------|-----------------------|-------------------------------------|--------------------------------|------------------------|
| <b>20 - CUSTOMER ACCTS EXPENSES</b>              |                        |                       |                       |                                     |                                |                        |
| (20) 901 - Customer Accounts Supervision         | \$ 24,641              | \$ 17,152             | 1                     | 58.96%                              | 41.04%                         | \$ 41,793              |
| (20) 902 - Meter Reading Expense                 | 24,901                 | 14,406                | 2                     | 63.35%                              | 36.65%                         | \$ 39,308              |
| (20) 903 - Customer Records & Collection Expense | 1,598,087              | 1,112,373             | 1                     | 58.96%                              | 41.04%                         | \$ 2,710,460           |
| (20) 905 - Misc. Customer Accounts Expense       | (5,578)                | (3,883)               | 1                     | 58.96%                              | 41.04%                         | \$ (9,461)             |
| <b>SUBTOTAL</b>                                  | <b>\$ 1,642,052</b>    | <b>\$ 1,140,048</b>   |                       |                                     |                                | <b>\$ 2,782,100</b>    |
| <b>21 - CUSTOMER SERVICE EXPENSES</b>            |                        |                       |                       |                                     |                                |                        |
| (21) 908 - Customer Assistance Expense           | \$ 66,550              | \$ 46,323             | 1                     | 58.96%                              | 41.04%                         | \$ 112,873             |
| (21) 909 - Info & Instructional Advertising      | 64,483                 | 44,884                | 1                     | 58.96%                              | 41.04%                         | \$ 109,367             |
| (21) 910 - Misc Cust Svc & Info Expense          | 3,287                  | 2,288                 | 1                     | 58.96%                              | 41.04%                         | \$ 5,575               |
| (21) 911 - Sales Supervision Exp                 | 0                      | 0                     | 1                     | 58.96%                              | 41.04%                         | \$ -                   |
| (21) 912 - Demonstration & Selling Expense       | (404)                  | (281)                 | 1                     | 58.96%                              | 41.04%                         | \$ (685)               |
| (21) 913 - Advertising Expense                   | 0                      | 0                     | 1                     | 58.96%                              | 41.04%                         | \$ -                   |
| (21) 916 - Misc. Sales Expense                   | 0                      | 0                     | 1                     | 58.96%                              | 41.04%                         | \$ -                   |
| <b>SUBTOTAL</b>                                  | <b>\$ 133,916</b>      | <b>\$ 93,214</b>      |                       |                                     |                                | <b>\$ 227,129</b>      |
| <b>23 - ADMIN &amp; GENERAL EXPENSE</b>          |                        |                       |                       |                                     |                                |                        |
| (23) 920 - A & G Salaries                        | \$ 1,648,835           | \$ 830,243            | 4                     | 66.51%                              | 33.49%                         | \$ 2,479,079           |
| (23) 921 - Office Supplies and Expenses          | 708,234                | 356,620               | 4                     | 66.51%                              | 33.49%                         | \$ 1,064,854           |
| (23) 922 - Admin Expenses Transferred            | (18,700)               | (9,416)               | 4                     | 66.51%                              | 33.49%                         | \$ (28,116)            |
| (23) 923 - Outside Services Employed             | 661,167                | 332,920               | 4                     | 66.51%                              | 33.49%                         | \$ 994,086             |
| (23) 924 - Property Insurance                    | 102,259                | 65,681                | 3                     | 60.89%                              | 39.11%                         | \$ 167,940             |
| (23) 925 - Injuries & Damages                    | 274,715                | 191,219               | 1                     | 58.96%                              | 41.04%                         | \$ 465,934             |
| (23) 926 - Emp Pension & Benefits                | 634,667                | 308,235               | 5                     | 67.31%                              | 32.69%                         | \$ 942,902             |
| (23) 928 - Regulatory Commission Expense         | 6,046                  | 3,044                 | 4                     | 66.51%                              | 33.49%                         | \$ 9,090               |
| (23) 9301 - Gen Advertising Exp                  | 220                    | 111                   | 4                     | 66.51%                              | 33.49%                         | \$ 330                 |
| (23) 9302 - Misc. General Expenses               | 187,353                | 94,339                | 4                     | 66.51%                              | 33.49%                         | \$ 281,692             |
| (23) 931 - Rents                                 | 355,854                | 179,184               | 4                     | 66.51%                              | 33.49%                         | \$ 535,038             |
| (23) 932 - Maint Of General Plant- Gas           | 0                      | 0                     | 4                     | 66.51%                              | 33.49%                         | \$ -                   |
| (23) 935 - Maint General Plant - Electric        | 459,937                | 231,593               | 4                     | 66.51%                              | 33.49%                         | \$ 691,530             |
| <b>SUBTOTAL</b>                                  | <b>\$ 5,020,586</b>    | <b>\$ 2,583,773</b>   |                       |                                     |                                | <b>\$ 7,604,359</b>    |
| <b>24 - DEPRECIATION/AMORTIZATION</b>            |                        |                       |                       |                                     |                                |                        |
| (24) 403 - Depreciation Expense                  | 1,216,719              | 612,659               | 4                     | 66.51%                              | 33.49%                         | \$ 1,829,378           |
| (24) 4031 - Depreciation Expense - FAS143        | -                      | -                     | 4                     | 66.51%                              | 33.49%                         | \$ -                   |
| <b>SUBTOTAL</b>                                  | <b>\$ 1,216,719</b>    | <b>\$ 612,659</b>     |                       |                                     |                                | <b>\$ 1,829,378</b>    |
| <b>25 - AMORTIZATION</b>                         |                        |                       |                       |                                     |                                |                        |
| (25) 404 - Amort Ltd-Term Plant                  | 1,831,483              | 922,213               | 4                     | 66.51%                              | 33.49%                         | \$ 2,753,695           |
| (25) 406 - Amortization Of Plant Acquisition Adj | -                      | -                     | 4                     | 66.51%                              | 33.49%                         | \$ -                   |
| (25) 4111 - Accretion Exp - FAS143               | 107                    | 54                    | 4                     | 66.51%                              | 33.49%                         | \$ 162                 |
| <b>SUBTOTAL</b>                                  | <b>\$ 1,831,590</b>    | <b>\$ 922,267</b>     |                       |                                     |                                | <b>\$ 2,753,857</b>    |
| <b>29 - TAXES OTHER THAN INCOME TAXES</b>        |                        |                       |                       |                                     |                                |                        |
| (29) 4081 - Taxes Other-Util Income              | \$ 465,746             | \$ 234,518            | 4                     | 66.51%                              | 33.49%                         | \$ 700,264             |
| <b>SUBTOTAL</b>                                  | <b>\$ 465,746</b>      | <b>\$ 234,518</b>     |                       |                                     |                                | <b>\$ 700,264</b>      |
| <b>30 - INCOME TAXES</b>                         |                        |                       |                       |                                     |                                |                        |
| (30) 4091 - Fit-Util Oper Income                 | \$ -                   | \$ -                  |                       | N/A                                 | N/A                            | \$ -                   |
| <b>SUBTOTAL</b>                                  | <b>\$ -</b>            | <b>\$ -</b>           |                       |                                     |                                | <b>\$ -</b>            |
| <b>31 - DEFERRED INCOME TAXES</b>                |                        |                       |                       |                                     |                                |                        |
| (31) 4101 - Def Fit-Util Oper Income             | \$ 1,425,084           | \$ 717,577            | 4                     | 66.51%                              | 33.49%                         | \$ 2,142,661           |
| (31) 4111 - Def Fit-Cr - Util Oper Income        | (11,821,040)           | (5,952,288)           | 4                     | 66.51%                              | 33.49%                         | \$ (17,773,328)        |
| <b>SUBTOTAL</b>                                  | <b>\$ (10,395,957)</b> | <b>\$ (5,234,710)</b> |                       |                                     |                                | <b>\$ (15,630,667)</b> |
| <b>GRAND TOTAL</b>                               | <b>\$ (85,348)</b>     | <b>\$ 351,768</b>     |                       |                                     |                                | <b>\$ 266,420</b>      |

| Allocation Method | Electric                             | Gas    |        |
|-------------------|--------------------------------------|--------|--------|
| 1                 | 12 Month Average number of Customers | 58.96% | 41.04% |
| 2                 | Joint Meter Reading Customers        | 63.35% | 36.65% |
| 3                 | Non-Production Plant                 | 60.89% | 39.11% |
| 4                 | 4-Factor Allocator                   | 66.51% | 33.49% |
| 5                 | Direct Labor                         | 67.31% | 32.69% |

Common by Account

**PUGET SOUND ENERGY, INC.**  
**AVERAGE NUMBER OF CUSTOMERS**  
**March 31, 2011**

**ELECTRIC**

**Month Ended**

| <u><b>Customers</b></u>          | <u><b>Actual</b></u> | <u><b>Prior Year</b></u> | <u><b>Variance from Prior Year</b></u> |                 |
|----------------------------------|----------------------|--------------------------|--|-----------------|
|                                  |                      |                          | <u><b>Amount</b></u>                   | <u><b>%</b></u> |
| Residential                      | 956,297              | 951,944                  | 4,353                                  | 0.5%            |
| Commercial - Firm                | 118,814              | 118,369                  | 445                                    | 0.4%            |
| Commercial Interruptible         | 176                  | 177                      | (1)                                    | (0.6%)          |
| Industrial - Firm                | 3,645                | 3,670                    | (25)                                   | (0.7%)          |
| Industrial Interruptible         | 4                    | 4                        | -                                      | 0.0%            |
| Outdoor Lighting                 | 3,440                | 3,415                    | 25                                     | 0.7%            |
| Electric Sales for Resale - Firm | 8                    | 8                        | -                                      | 0.0%            |
| Transportation - Electric        | 17                   | 17                       | -                                      | 0.0%            |
| <b>Total Number of Customers</b> | <b>1,082,401</b>     | <b>1,077,604</b>         | <b>4,797</b>                           | <b>0.4%</b>     |

**Year-To-Date**

| <u><b>Customers</b></u>          | <u><b>Actual</b></u> | <u><b>Prior Year</b></u> | <u><b>Variance from Prior Year</b></u> |                 |
|----------------------------------|----------------------|--------------------------|--|-----------------|
|                                  |                      |                          | <u><b>Amount</b></u>                   | <u><b>%</b></u> |
| Residential                      | 956,061              | 951,320                  | 4,741                                  | 0.5%            |
| Commercial - Firm                | 118,714              | 118,313                  | 401                                    | 0.3%            |
| Commercial Interruptible         | 176                  | 177                      | (1)                                    | (0.6%)          |
| Industrial - Firm                | 3,641                | 3,674                    | (33)                                   | (0.9%)          |
| Industrial Interruptible         | 4                    | 4                        | -                                      | 0.0%            |
| Outdoor Lighting                 | 3,436                | 3,412                    | 24                                     | 0.7%            |
| Electric Sales for Resale - Firm | 8                    | 9                        | (1)                                    | (11.1%)         |
| Transportation - Electric        | 17                   | 17                       | -                                      | 0.0%            |
| <b>Total Number of Customers</b> | <b>1,082,057</b>     | <b>1,076,926</b>         | <b>5,131</b>                           | <b>0.5%</b>     |

**Twelve Months Ended**

| <u><b>Customers</b></u>          | <u><b>Actual</b></u> | <u><b>Prior Year</b></u> | <u><b>Variance from Prior Year</b></u> |                 |
|----------------------------------|----------------------|--------------------------|--|-----------------|
|                                  |                      |                          | <u><b>Amount</b></u>                   | <u><b>%</b></u> |
| Residential                      | 953,988              | 948,721                  | 5,267                                  | 0.6%            |
| Commercial - Firm                | 118,519              | 118,284                  | 235                                    | 0.2%            |
| Commercial Interruptible         | 176                  | 178                      | (2)                                    | (1.1%)          |
| Industrial - Firm                | 3,647                | 3,681                    | (34)                                   | (0.9%)          |
| Industrial Interruptible         | 4                    | 4                        | -                                      | 0.0%            |
| Outdoor Lighting                 | 3,424                | 3,406                    | 18                                     | 0.5%            |
| Electric Sales for Resale - Firm | 8                    | 9                        | (1)                                    | (11.1%)         |
| Transportation - Electric        | 17                   | 17                       | -                                      | 0.0%            |
| <b>Total Number of Customers</b> | <b>1,079,783</b>     | <b>1,074,300</b>         | <b>5,483</b>                           | <b>0.5%</b>     |

**PUGET SOUND ENERGY, INC.**  
**AVERAGE NUMBER OF CUSTOMERS**  
**March 31, 2011**

**GAS**

| <u><b>Customers</b></u>          | <b>Month Ended</b>   |                          | <u><b>Variance from Prior Year</b></u> |                 |
|----------------------------------|----------------------|--------------------------|--|-----------------|
|                                  | <u><b>Actual</b></u> | <u><b>Prior Year</b></u> | <u><b>Amount</b></u>                   | <u><b>%</b></u> |
| Residential                      | 699,713              | 694,263                  | 5,450                                  | 0.8%            |
| Commercial - Firm                | 53,921               | 54,089                   | (168)                                  | (0.3%)          |
| Commercial Interruptible         | 343                  | 367                      | (24)                                   | (6.5%)          |
| Industrial - Firm                | 2,488                | 2,508                    | (20)                                   | (0.8%)          |
| Industrial Interruptible         | 16                   | 19                       | (3)                                    | (15.8%)         |
| Gas Transportation               | 173                  | 149                      | 24                                     | 16.1%           |
| <b>Total Number of Customers</b> | <b>756,654</b>       | <b>751,395</b>           | <b>5,259</b>                           | <b>0.7%</b>     |

| <u><b>Customers</b></u>          | <b>Year-To-Date</b>  |                          | <u><b>Variance from Prior Year</b></u> |                 |
|----------------------------------|----------------------|--------------------------|--|-----------------|
|                                  | <u><b>Actual</b></u> | <u><b>Prior Year</b></u> | <u><b>Amount</b></u>                   | <u><b>%</b></u> |
| Residential                      | 699,076              | 693,767                  | 5,309                                  | 0.8%            |
| Commercial - Firm                | 53,844               | 54,072                   | (228)                                  | (0.4%)          |
| Commercial Interruptible         | 349                  | 367                      | (18)                                   | (4.9%)          |
| Industrial - Firm                | 2,486                | 2,514                    | (28)                                   | (1.1%)          |
| Industrial Interruptible         | 16                   | 19                       | (3)                                    | (15.8%)         |
| Gas Transportation               | 172                  | 149                      | 23                                     | 15.4%           |
| <b>Total Number of Customers</b> | <b>755,943</b>       | <b>750,888</b>           | <b>5,055</b>                           | <b>0.7%</b>     |

| <u><b>Customers</b></u>          | <b>Twelve Months Ended</b> |                          | <u><b>Variance from Prior Year</b></u> |                 |
|----------------------------------|----------------------------|--------------------------|--|-----------------|
|                                  | <u><b>Actual</b></u>       | <u><b>Prior Year</b></u> | <u><b>Amount</b></u>                   | <u><b>%</b></u> |
| Residential                      | 695,413                    | 690,657                  | 4,756                                  | 0.7%            |
| Commercial - Firm                | 53,646                     | 53,993                   | (347)                                  | (0.6%)          |
| Commercial Interruptible         | 358                        | 375                      | (17)                                   | (4.5%)          |
| Industrial - Firm                | 2,482                      | 2,519                    | (37)                                   | (1.5%)          |
| Industrial Interruptible         | 18                         | 19                       | (1)                                    | (5.3%)          |
| Gas Transportation               | 158                        | 144                      | 14                                     | 9.7%            |
| <b>Total Number of Customers</b> | <b>752,075</b>             | <b>747,707</b>           | <b>4,368</b>                           | <b>0.6%</b>     |

**PSE Regulated Capital Structure**  
**31-Mar-10**  
**(Dollars in Thousands)**

|                           | <b>Amount</b>    | <b>Percent</b> |
|---------------------------|------------------|----------------|
| <b>Puget Sound Energy</b> |                  |                |
| Short-Term Debt           | 156,598          | 2.2%           |
| Long-Term Debt            | 3,503,845        | 49.3%          |
| Regulated Equity          | 3,444,804        | 48.5%          |
| Total Capitalization      | <u>7,105,247</u> | <u>100.0%</u>  |

**Regulated Equity:**

|  |                  |
|--|------------------|
| Common Equity (Book)   | 3,192,795        |
| Adjustments  |                  |
| Less: Unregulated Subsidiary - PWI                                     | 4,401            |
| Less: Unregulated Subsidiary - HEDC                                    | -                |
| Less: Unrealized Derivative Gains / Losses - Income Statement (Note 1) | (112,831)        |
| Less: OCI Derivatives and Pension/Benefits                             | (143,580)        |
| <b>Total Regulated Equity</b>  | <u>3,444,804</u> |

**Note 1**

Impact on Regulated Equity of Unrealized gains / losses on derivative instruments running through Income Statement