

Puget Sound Energy, Inc.

Affiliated Interest and Subsidiary Transaction Report For the Year-to-Date December 31, 2013

1. Refer to Exhibit 1 for a summary of all transactions, except transactions provided at tariff rates, which occurred between Puget Sound Energy, Inc. (PSE), its affiliated interests and subsidiary.

Refer to Exhibit 2 for the corporate organization chart of PSE and its affiliated interests and subsidiaries.

2. Financial information for affiliated interests and subsidiary with total transactions with PSE that equal or exceed \$100,000 during the reporting period:
 - A. Refer to Exhibit 3 for balance sheets and income statements for affiliated interests and subsidiary.
 - B. Refer to Exhibit 2 for a description of the products or services provided to or from PSE and each affiliated interest or subsidiary.
 - C. Refer to Exhibit 4 for a description of the pricing basis or costing method, and procedures for allocating costs for such products or services. Corporate common costs were allocated on a monthly basis. Corporate policy regarding the allocation of common costs is outlined in PSE's Controller Manual CTM-8, attached as Exhibit 4. Refer to Exhibit 1 for the amount and accounts charged during the year.
 - D. Affiliated interest loan terms are as follows:
 - Puget Energy loan to PSE: maximum loan amount is \$30.0 million;
 - Average interest rate for the twelve months ended December 31, 2013 was 0.37%;
 - The year end loan balance is provided in Exhibit 1.
 - E. There were no obligations or liabilities assumed by PSE on behalf of any affiliated interest or subsidiary during the year ended December 31, 2013.
 - F. Refer to Exhibit 2 for a description of activities of each affiliated interest or subsidiary having transactions with PSE.
 - G. Refer to Exhibit 2 for a list of officers and directors common to PSE and affiliated interests and subsidiaries.
3. Not Applicable
4. All outstanding contracts from the current and previous years have been filed with the commission.