EXHIBIT NO. ___(EMM-3)
DOCKET NO. UE-07___/UG-07__
2007 MERGER PROCEEDING
WITNESS: ERIC M. MARKELL

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Joint Application of PUGET HOLDINGS LLC	
and	Docket No. UE-07 Docket No. UG-07
PUGET SOUND ENERGY, INC.	Docket No. UG-07
For an Order Authorizing Proposed Transaction	

SECOND EXHIBIT (NONCONFIDENTIAL) TO THE PREFILED DIRECT TESTIMONY OF ERIC M. MARKELL ON BEHALF OF PUGET SOUND ENERGY, INC.

DECEMBER 17, 2007

Sources and Uses of Initial Equity Placement

2	Puget Energy, Inc.
3	Sources:
4	Gross proceeds from stock sale\$295,875,000
5	<u>Uses:</u>
6 7 8	Equity transaction fee
9	Puget Sound Energy, Inc.
10	Sources:
11	Equity investment from Puget Energy, Inc\$293,286,094
12	Sources:
13	Repay short-term debt\$293,286,094