

**PUGET SOUND ENERGY - GAS**  
 Customer Classified Revenue Requirement  
 12 Months Ended June 30, 2001

<b>Residential</b>				
<i>Rates 23, 24, 11, 16</i>				
Line No.	Category	Customer Classified Data From COSS	Full COSS Customer Unit Cost	Reduced COSS Customer Unit Costs*
	(a)	(b)	(c)	(d)
<b>Rate Base Components</b>				
(1)	Services	\$ 352,344,276		\$ 8.72
(2)	Meters, House Reg., Installations	\$ 70,034,897		\$ 1.73
(3)	Depreciation Reserve	\$ (141,827,274)		\$ (3.51)
(4)	<b>Rate Base Total</b>	<b>\$ 280,551,899</b>		<b>\$ 6.94</b>
<b>Expense Components</b>				
(5)	Mains and Services Expense	\$ 3,019,693		\$ 0.48
(6)	M&R Expense	\$ 2,729,945		\$ 0.44
(7)	Customer Accounts Expense	\$ 15,149,687		\$ 2.43
(8)	Cust. Ser. & Info. Sales Expense	\$ 1,721,608		\$ 0.28
(9)	Depreciation Expense	\$ 15,233,193		\$ 2.44
(10)	<b>O &amp; M Sub-total</b>	<b>\$ 22,620,934</b>		<b>\$ 6.07</b>
(11)	<b>Customer Cost Based Monthly Revenue Requirement</b>		<b>\$ 18.66</b>	<b>\$ 13.01</b>
<i>Assumptions:</i>				
(12)	Number of Customers	542,566		
(13)	Rate of Return	10.47%		
(14)	Expense adjustment factor	1.04454		
(15)	Tax adjustment factor	1.53846		
* Note: Excludes plant and expenses classified by customers in the COSS for Intangible Plant, Other Distribution Plant, General Plant, Other Rate Base, Other O&M Expense, A&G Expense, Other Expenses, and General Taxes.				