

PUGET SOUND ENERGY, INC.

MODIFIED EARNINGS-PRICE RATIO ANALYSIS

<u>COMPANY</u>	First Call Projected <u>2005 Earnings</u> (Per Share)	Market <u>Price</u> (Per share)	Earnings-Price <u>Ratio</u>	Current <u>R.O.E.</u> 2004	Projected <u>R.O.E.</u> 2007-2009
CV	\$1.70	\$19.86	8.56%	9.00%	9.50%
EAS	\$1.81	\$24.25	7.46%	7.50%	8.50%
FE	\$2.89	\$39.24	7.36%	10.00%	11.50%
PGN	\$3.64	\$42.32	8.60%	11.00%	9.00%
CIN	\$2.87	\$38.90	7.38%	12.00%	11.50%
CNL	\$1.34	\$17.20	7.79%	12.00%	12.00%
EDE	\$1.31	\$20.25	6.47%	6.00%	9.50%
ETR	\$4.70	\$58.15	8.08%	10.00%	9.50%
GXP	\$2.20	\$29.40	7.48%	14.50%	13.50%
HE	\$1.63	\$25.56	6.38%	9.00%	10.50%
PNM	\$1.52	\$20.86	7.29%	7.50%	7.00%
PNW	\$3.19	\$41.10	7.76%	8.00%	10.00%
PSD	\$1.69	\$21.83	<u>7.74%</u>	<u>7.50%</u>	<u>9.00%</u>
		AVERAGE	7.57%	9.54%	
		CURRENT M.E.P.R.		8.55%	
		AVERAGE	7.57%		10.08%
		PROJECTED M.E.P.R.		8.82%	