

PUGET SOUND ENERGY, INC.
DEFERRED ENVIRONMENTAL COST SUMMARY GAS
March 31, 2008

September 1998 - forward SAP ORDER	SAP ACCOUNT	Site Description	12/31/2007 Account Balance	Activity	3/31/2008 Account Balance	Env Services Project Cost Estimates 3/31/2008	Remaining 18608022 18236022 22840002	Amortization Through 3/31/2008 Dr. 40700002	Balance 3/31/2008 Closing
		SUBTOTAL	59,043.75	-	59,043.75	1,000,000.00	1,000,000.00		59,043.75
18614102	18609312	LAKE UNION							
		Remediation costs	7,291,238.81	193,548.10	7,484,786.91	25,000,000.00	17,515,213.09		7,484,786.91
18614202	18600082	Legal Costs	297,830.41	106,378.99	404,209.40				404,209.40
		SUBTOTAL	7,589,069.22	299,927.09	7,888,996.31	25,000,000.00	17,515,213.09		7,888,996.31
18603202	18609532	BAY STATION							
		Remediation costs	111,676.96	4,739.23	116,416.19	250,000.00	133,583.81		116,416.19
18614402	18609542	OLYMPIA - COLUMBIA ST.							
		Remediation costs	74.86	-	74.86	15,000.00	14,925.14		74.86
		Estimated Future Costs	29,729,203.71	-	29,507,146.84				29,507,146.84 (a)
		Insurance and Third Party Inception-to-Date Recoveries	(67,211,605.91)	(4.76)	(67,211,610.67)				
		TOTAL - FORMER MANUFACTURED GAS SITES	\$ 35,603,872.59	\$ 299,522.96	\$ 35,903,395.55	\$ 50,365,000.00	\$ 29,507,146.84 (a)	\$ -	\$ 35,903,395.55
		GAS UNDERGROUND STORAGE TANKS AND OTHER SITES							
18230210	18237122	SOUTH SEATTLE GATE STATION							
		NORTH OPERATING BASE	44,057.16	-	44,057.16	75,000.00	30,942.84		44,057.16
18230212	18237112	SWARR STATION							
		ESTIMATED FUTURE COSTS	216,523.66	5,305.36	221,829.02	50,000.00	50,000.00		221,829.02
			83,476.34	-	134,113.82	275,000.00	53,170.98		221,829.02
18236032	18236032	ESTIMATED FUTURE INSURANCE RECOVERIES							
		LIAB - GAS UNDERGROUND STORAGE TANKS	324,057.16	55,942.84	400,000.00	400,000.00	134,113.82 (d)		400,000.00
		TOTAL - GAS STORAGE TANKS AND	\$ 324,057.16	\$ 55,942.84	\$ 400,000.00	\$ 400,000.00	\$ 134,113.82 (d)	\$ -	\$ 400,000.00
		MANUFACTURED GAS SITES	\$ 35,947,929.75	\$ 355,465.80	\$ 36,303,395.55	\$ 50,765,000.00	\$ 29,641,260.66 (b)	\$ -	\$ 36,303,395.55

NOTES:
(a) Represents balance in Account 18608022 after quarterly true-up
(b) Represents balance in Account 22840002 after quarterly true-up
(c) Represents the low end of the probable future cost estimate range

PUGET SOUND ENERGY, INC.
DEFERRED ENVIRONMENTAL COST SUMMARY ELECTRIC
MARCH 31, 2008

September 2000 - forward		Quarterly Account Roll-Forward		3/31/2008		Actual Costs		Future		Total		Insurance	
SAP ORDER	SAP ACCOUNT	SITE DESCRIPTION	12/31/2007	Quarterly Activity	SAP Account Balance	Through 3/31/2008	Cost	Estimates	Cost	Estimates	Through 3/31/2008	Recoveries	Through 3/31/2008
			(a)	(b)	(c) = (a) + (b)	(d)	(e)	(f) = (d) + (e)	(g)				
18230009	18232221	Env Rem - Buckley-White River Phase II (Future Cost Est)	864,722.19	(7,734.11)	856,988.08	643,011.92	856,988.08	856,988.08	643,011.92	856,988.08	643,011.92		0.00
	18232251	Buckley Phase II - Burn Pile & Wood Debris Env Rem Cost	635,277.81	7,734.11	643,011.92	643,011.92							
		Subtotal Buckley Headworks Site	1,500,000.00	0.00	1,500,000.00	643,011.92	856,988.08	1,500,000.00					0.00
18230021	18232271	Env Rem - Duwamish River Site (former Georgetown)	56,800.68		56,800.68	56,800.68		56,800.68					
	18233061	Env Rem - UG Tank - Foulisbo Service Center (Future Cost Est)	10,000.00		10,000.00		10,000.00	10,000.00					
	18230311	Env Rem - UG Tank - Whidbey Is. (Future Cost Est.)	15,000.00		15,000.00		15,000.00	15,000.00					
18230041	18230321	Env Rem - UG Tank - Tenino (Future Cost Est.)	52,471.63		52,471.63	22,528.37	52,471.63	52,471.63	22,528.37	52,471.63	22,528.37		0.00
	18233091	Env Rem - UG Tank - Tenino Service Center	22,528.37		22,528.37	22,528.37							
		Subtotal Tenino Service Center	75,000.00	0.00	75,000.00	22,528.37	52,471.63	75,000.00					0.00
18230051	18233121	Env Rem - UG Tank - Bremerton (Future Cost Est.)	0.00		0.00	184,695.74	0.00	0.00	184,695.74	0.00	184,695.74		0.00
	18233101	Env Rem - Bremerton UST Def Site	184,695.74		184,695.74	184,695.74							
		Subtotal Bremerton UST Def Site	184,695.74	0.00	184,695.74	184,695.74	0.00	184,695.74					0.00
18230061	18233141	Env Rem - UG Tank - Factoria (Future Cost Est.)	0.00		0.00	94,432.02	55,567.98	55,567.98	94,432.02	55,567.98	94,432.02		0.00
	18233131	Env Rem - Factoria UST Def Site	39,921.05		39,921.05	94,432.02							
		Subtotal Factoria UST Def Site	39,921.05	110,078.95	150,000.00	94,432.02	55,567.98	150,000.00					0.00
Total Deferred Environmental Costs			1,881,417.47	110,078.95	1,991,496.42	1,001,468.73	990,027.69	1,991,496.42	1,001,468.73	990,027.69	1,991,496.42	0.00	
22840031	22840031	Olympia UST Def Site	(129,471.05)		(129,471.05)	20,528.95	129,471.05	150,000.00					(150,000.00) (A)
22840081	22840081	Puyallup Garage Expensed Site	(453,028.42)		(453,028.42)	14,971.58	453,028.42	468,000.00					(350,000.00) (A)
	22840131	Crystal Mountain Expensed Site	(974,265.74)		(974,265.74)	14,142,541.06 (C)	857,458.94	15,000,000.00 (C)					(7,598,814.61) (C)
	22841001	Accu Misc Oper Prov - Unallo Def Elec Env Reme Recoveries	(887,361.24)		(4,900,787.94) (B)								(4,900,787.94)
Totals			(562,708.98)	(3,739,605.59)	(4,302,314.57)	15,179,510.32	2,429,986.10	17,609,496.42	(12,999,602.55)				

(A) Represents allocated proceeds from the insurance recoveries.

(B) Represents allocated proceeds from Loyds Insurance Settlement.

(C) Crystal Mountain is being expensed in orders 55450078 - 80, 54850007 and 59362020. Insurance Receivable is being credited out of order 55450079 to account 14300211.

(D) No environmental actions are planned for Bremerton Service Center site at this time, per John Rork, 3/28/2008.

(E) Record the estimated future costs for Factoria Remedial Heating Oil Tanks Removal Site.