

PUGET SOUND ENERGY-GAS
 RESULTS OF OPERATIONS
 FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2003
 GENERAL RATE INCREASE

LINE NO.	ACTUAL RESULTS OF OPERATIONS	TOTAL ADJUSTMENTS	ADJUSTED RESULTS OF OPERATIONS	REVENUE REQUIREMENT DEFICIENCY	AFTER RATE INCREASE
1	OPERATING REVENUES:				
2	SALES TO CUSTOMERS	\$ 522,553,139	\$ 180,452,607	\$ 703,005,746	\$ 713,842,867
3	MUNICIPAL ADDITIONS	21,624,997	5,646,846	27,271,843	27,689,945
4	OTHER OPERATING REVENUES	11,020,477	(7,145,647)	3,874,830	3,874,830
5	TOTAL OPERATING REVENUES	\$ 555,198,613	\$ 178,953,806	\$ 734,152,419	\$ 745,407,642
6				11,255,223	
7					
8	OPERATING REVENUE DEDUCTIONS:				
9					
10	GAS COSTS:				
11					
12	PURCHASED GAS	\$ 260,366,708	\$ 169,899,443	\$ 430,266,151	\$ 430,266,151
13					
14	TOTAL PRODUCTION EXPENSES	\$ 260,366,708	\$ 169,899,443	\$ 430,266,151	\$ 430,266,151
15					
16	OTHER POWER SUPPLY EXPENSES	\$ 1,134,458	\$ 22,158	\$ 1,156,616	\$ 1,156,616
17	TRANSMISSION EXPENSE	360,965	11,146	372,112	372,112
18	DISTRIBUTION EXPENSE	25,045,610	672,656	25,718,265	25,718,265
19	CUSTOMER ACCOUNT EXPENSES	20,751,969	(283,562)	20,468,406	20,468,406
20	CUSTOMER SERVICE EXPENSES	4,862,124	(3,129,575)	1,732,549	1,732,549
21	CONSERVATION AMORTIZATION	2,008,929	(1,160,780)	848,149	848,149
22	ADMIN & GENERAL EXPENSE	26,373,760	5,796,059	32,169,820	32,226,992
23	DEPRECIATION	57,653,006	(8,405,429)	49,229,577	49,229,577
24	AMORTIZATION	9,600,784	0	9,600,784	9,600,784
25	AMORTIZATION OF PROPERTY LOSS	36,543	0	36,543	36,543
26	OTHER OPERATING EXPENSES	600,936	0	600,936	600,936
27	TAXES OTHER THAN F.I.T.	56,143,334	16,164,534	72,307,868	73,176,667
28	FEDERAL INCOME TAXES	(11,871,394)	5,781,090	(6,090,304)	(2,475,066)
29	DEFERRED INCOME TAXES	20,693,494	918,606	21,612,100	21,612,100
30	TOTAL OPERATING REV. DEDUCT.	\$ 213,376,518	\$ 16,386,903	\$ 229,763,421	\$ 234,304,630
31				4,541,209	
32	NET OPERATING INCOME	\$ 81,455,387	\$ (7,332,540)	\$ 74,122,847	\$ 80,836,861
33				6,714,014	
34	RATE BASE	\$ 1,064,535,666	(\$28,165,652)	\$ 1,036,370,013	\$ 1,036,370,013
35				-	
36	RATE OF RETURN	7.65%		7.15%	7.80%
37					
38	RATE BASE:				
39	UTILITY PLANT IN SERVICE AND OTHER ASSETS	\$ 1,755,514,587	\$ (47,587,765)	\$ 1,707,926,822	\$ 1,707,926,822
40	ACCUMULATED DEPRECIATION	(540,807,236)	16,391,876	(524,415,360)	(524,415,360)
41	ACCUMULATED DEFERRED FIT - LIBERALIZED	(3,434,953)	3,030,237	(131,312,718)	(131,312,718)
42	DEPRECIATION AND OTHER LIABILITIES	(17,174,520)	-	(17,174,520)	(17,174,520)
43	TOTAL NET INVESTMENT	\$ 1,063,189,876	\$ (28,165,652)	\$ 1,035,024,223	\$ 1,035,024,223
44	ALLOWANCE FOR WORKING CAPITAL	3,457,990	-	1,345,790	1,345,790
45	TOTAL RATE BASE	\$ 1,064,535,666	\$ (28,165,652)	\$ 1,036,370,013	\$ 1,036,370,013

PUGET SOUND ENERGY-GAS
STATEMENT OF OPERATING INCOME AND ADJUSTMENTS
FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2003
RESTATING AND PRO FORMA ADJUSTMENTS

LINE NO.	ACTUAL RESULTS OF OPERATIONS 12ME Sept 30, 2003	REVENUE & PURCHASED GAS 2.01	FEDERAL INCOME TAX 2.02	TAX BENEFIT OF PRO FORMA INTL. 2.03	DEPRECIATION/AMORTIZATION 2.04	CONSERVATION 2.05
		Miriham/Russell	Russell	Parvinen	Parvinen	Parvinen

1	OPERATING REVENUES	\$ 522,553,139				
2	SALES TO CUSTOMERS	21,624,997				
3	MUNICIPAL ADDITIONS	11,020,477				
4	OTHER OPERATING REVENUES	555,198,613				
5	TOTAL OPERATING REVENUES	\$ 1,134,458	\$ 187,091,126	\$ -	\$ -	\$ -
6						
7						
8	OPERATING REVENUE DEDUCTIONS:					
9						
10	GAS COSTS:					
11						
12	PURCHASED GAS	\$ 260,366,708	\$ 169,899,443	\$ -	\$ -	\$ -
13						
14	TOTAL PRODUCTION EXPENSES	\$ 260,366,708	\$ 169,899,443	\$ -	\$ -	\$ -
15						
16	OTHER ENERGY SUPPLY EXPENSES	\$ 1,134,458	\$ -	\$ -	\$ -	\$ -
17	TRANSMISSION EXPENSE	360,965				
18	DISTRIBUTION EXPENSE	25,045,610				
19	CUSTOMER ACCTS EXPENSES	20,751,969	594,875			
20	CUSTOMER SERVICE EXPENSES	4,862,124				
21	CONSERVATION AMORTIZATION	2,008,929				
22	ADMIN & GENERAL EXPENSE	26,373,760				
23	DEPRECIATION	57,635,006				
24	AMORTIZATION	9,600,784				
25	AMORTIZATION OF PROPERTY LOSS	36,543				
26	OTHER OPERATING EXPENSES	600,936				
27	TAXES OTHER THAN F.I.T.	56,143,334	14,797,172			
28	FEDERAL INCOME TAXES	(11,871,394)	629,873			
29	DEFERRED INCOME TAXES	20,693,494				
30	TOTAL OPERATING REV. DEDUCT.	\$ 213,376,518	\$ 16,021,920	\$ 1,221,100	\$ 5,700,092	\$ 156,853
31						
32	NET OPERATING INCOME	\$ 81,455,387	\$ 1,169,763	\$ (1,221,100)	\$ (5,700,092)	\$ (156,853)
33						
34	RATE BASE	\$ 1,064,535,666				
35						
36	RATE OF RETURN	7.65%				
37						
38	RATE BASE:					
39	UTILITY PLANT IN SERVICE AND OTHER ASSETS	\$ 1,755,514,587				
40	ACCUMULATED DEPRECIATION	(340,807,236)				
41	ACCUMULATED DEFERRED F.T. - LIBERALIZED	(134,342,955)				
42	DEPRECIATION AND OTHER LIABILITIES	(17,174,520)				
43	TOTAL NET INVESTMENT	\$ 1,063,189,876				
44	ALLOWANCE FOR WORKING CAPITAL	1,345,790				
45	TOTAL RATE BASE	\$ 1,064,535,666	\$ -	\$ -	\$ -	\$ (120,656)

(1,160,780)

(1,149,900)

(84,459)

406,273

(754,507)

(747,435)

402,465

754,507

747,435

(120,656)

(120,656)

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(120,656)

(120,656)

PUGET SOUND ENERGY-GAS
 STATEMENT OF OPERATING INCOME AND ADJUSTMENTS
 FOR THE TWELVE MONTHS ENDED SEPTEMBER 30, 2003
 RESTATING AND PRO FORMA ADJUSTMENTS

LINE NO.	DESCRIPTION	Parishien	Parishien	Parishien	Parishien	Parishien	TOTAL ADJUSTMENTS	ADJUSTED RESULTS OF OPERATIONS
		2.13	2.14	2.15	2.16	2.17		
1	OPERATING REVENUES							
2	SALES TO CUSTOMERS						180,452,607	703,005,746
3	MUNICIPAL ADDITIONS						5,646,846	27,271,843
4	OTHER OPERATING REVENUES						(7,145,647)	3,874,830
5	TOTAL OPERATING REVENUES						178,953,806	734,152,419
6								
7	OPERATING REVENUE DEDUCTIONS:							
8								
9	GAS COSTS:							
10								
11								
12	PURCHASED GAS						169,899,443	430,266,151
13								
14	TOTAL PRODUCTION EXPENSES						169,899,443	430,266,151
15								
16	OTHER ENERGY SUPPLY EXPENSES						22,158	1,156,616
17	TRANSMISSION EXPENSE						11,146	372,112
18	DISTRIBUTION EXPENSE						672,656	25,718,265
19	CUSTOMER ACCTS EXPENSES						(283,562)	20,468,406
20	CUSTOMER SERVICE EXPENSES						(3,129,575)	1,732,549
21	CONSERVATION AMORTIZATION						(1,160,780)	848,149
22	ADMIN & GENERAL EXPENSE						5,796,059	32,169,820
23	DEPRECIATION						(8,405,429)	49,229,577
24	AMORTIZATION OF PROPERTY LOSS						-	9,600,784
25	AMORTIZATION OF DEFERRED INCOME TAXES						-	36,543
26	OTHER OPERATING EXPENSES						-	600,936
27	TAXES OTHER THAN F.I.T.						16,164,534	72,307,868
28	FEDERAL INCOME TAXES						5,781,090	(6,090,304)
29	DEFERRED INCOME TAXES						918,606	21,612,100
30	TOTAL OPERATING REV. DEDUCT.						16,386,903	229,763,421
31								
32	NET OPERATING INCOME						(7,332,540)	74,122,847
33								
34	RATE BASE						(28,165,652)	1,036,370,013
35								
36	RATE OF RETURN							7.15%
37								
38	RATE BASE:							
39	UTILITY PLANT IN SERVICE AND OTHER ASSETS						(47,587,765)	1,707,926,822
40	ACCUMULATED DEPRECIATION						16,391,876	(524,415,360)
41	ACCUMULATED DEFERRED FIT - LIBERALIZED						3,030,237	(131,312,718)
42	DEPRECIATION AND OTHER LIABILITIES						(17,174,520)	(17,174,520)
43	TOTAL NET INVESTMENT						(28,165,652)	1,035,024,223
44	ALLOWANCE FOR WORKING CAPITAL						(28,165,652)	1,345,790
45	TOTAL RATE BASE						(28,165,652)	1,036,370,013