

PUGET SOUND ENERGY-ELECTRIC  
 RESULTS OF OPERATIONS  
 FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
 GENERAL RATE INCREASE

LINE NO.	ACTUAL RESULTS OF OPERATIONS	REVISED TOTAL ADJUSTMENTS	REVISED ADJUSTED RESULTS OF OPERATIONS	REVISED REVENUE DEFICIENCY	REVISED RATE INCREASE	
1	OPERATING REVENUES					
2	SALES TO CUSTOMERS	\$ (39) 2,042,334,319	\$ (5) (64,997,951)	\$ (5) 1,977,336,368	\$ (4) 1,576,337,039	\$ 2,129,673,407
3	SALES FROM RESALE-FIRM/SPECIAL CONTRACT	350,182	867,565	1,217,748	591,462	1,809,210
4	SALES TO OTHER UTILITIES	201,262,557	(191,035,261)	10,227,296		10,227,296
5	OTHER OPERATING REVENUES	30,706,333	5,968,010	36,674,343		36,674,343
6	TOTAL OPERATING REVENUES	2,274,653,391	(249,197,637)	2,025,455,754	152,928,501	2,178,384,255
7	OPERATING REVENUE DEDUCTIONS:					
8						
9						
10	POWER COSTS:					
11	FUEL	\$ 268,147,071	\$ (31,601,842)	\$ 236,545,230	\$ -	\$ 236,545,230
12	PURCHASED AND INTERCHANGED	832,711,097	(327,295,830)	505,415,267		505,415,267
13	WHEELING	78,564,669	17,045,598	95,610,267		95,610,267
14	RESIDENTIAL EXCHANGE	(75,109,150)	75,109,150	-		-
15	TOTAL PRODUCTION EXPENSES	1,104,313,687	(266,742,923)	837,570,764		837,570,764
16						
17	OTHER POWER SUPPLY EXPENSES	\$ 102,409,192	\$ 24,983,852	\$ 127,393,044	\$ -	\$ 127,393,044
18	TRANSMISSION EXPENSE	11,865,443	92,122	11,957,565		11,957,565
19	DISTRIBUTION EXPENSE	82,924,735	(998,711)	81,926,024		81,926,024
20	CUSTOMER ACCTS EXPENSES	50,172,086	(2,459,606)	47,712,480	679,614	48,392,094
21	CUSTOMER SERVICE EXPENSES	13,431,632	(11,727,008)	1,704,624		1,704,624
22	CONSERVATION AMORTIZATION	75,336,909	(75,334,320)	2,589		2,589
23	ADMIN & GENERAL EXPENSE	94,643,935	5,403,561	100,047,496	305,857	100,353,353
24	DEPRECIATION	190,243,449	29,592,275	219,837,724		219,837,724
25	AMORTIZATION	40,184,321	(236,433)	39,947,888		39,947,888
26	AMORTIZ OF PROPERTY GAIN/LOSS	17,493,031	(552,298)	16,940,733		16,940,733
27	OTHER OPERATING EXPENSES	30,169,560	(26,608,988)	3,560,572		3,560,572
28	ASC 815	166,953,097	(166,953,097)	-		-
29	TAXES OTHER THAN INCOME TAXES	193,255,907	(67,569,351)	125,686,555	5,896,617	131,583,173
30	INCOME TAXES	16,263,334	(91,611,792)	(75,348,458)	51,116,199	(24,232,260)
31	DEFERRED INCOME TAXES	(32,436,237)	200,902,071	168,465,833		168,465,833
32	TOTAL OPERATING REV. DEDUCT.	2,157,226,080	(449,820,647)	1,707,405,433	57,998,287	1,765,403,720
33						
34	NET OPERATING INCOME	\$ 117,427,311	\$ 200,623,010	\$ 318,050,321	\$ 94,930,214	\$ 412,980,535
35						
36	RATE BASE	\$ 4,100,870,913	\$ 803,886,033	\$ 4,904,756,946	\$ -	\$ 4,904,756,946
37						
38	RATE OF RETURN	2.86%		6.48%		8.42%
39						
40	RATE BASE:					
41	GROSS UTILITY PLANT IN SERVICE	\$ 7,157,671,291	\$ 693,485,863	\$ 7,851,157,154		\$ 7,851,157,154
42	ACCUM DEPR AND AMORT	(2,758,182,029)	7,805,936	(2,750,376,093)		(2,750,376,093)
43	DEFERRED DEBITS AND CREDITS	241,208,023	184,108,059	425,316,082		425,316,082
44	DEFERRED TAXES	(656,658,557)	(81,513,826)	(738,172,383)		(738,172,383)
45						
45	ALLOWANCE FOR WORKING CAPITAL	204,952,589	-	204,952,589		204,952,589
46	OTHER	(88,120,404)	-	(88,120,404)		(88,120,404)
47	TOTAL RATE BASE	\$ 4,100,870,913	\$ 803,886,033	\$ 4,904,756,946		\$ 4,904,756,946

Note: Amounts presented in bold italic have changed since the June 13 original filing.

PUGET SOUND ENERGY-ELECTRIC  
 STATEMENT OF OPERATING INCOME AND ADJUSTMENTS  
 FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
 Adjustment Detail (Page 1)

REVISED

LINE NO.	ACTUAL RESULTS OF OPERATIONS	POWER COSTS	LOWER RIVER	LSR PPD TRANSM DEP	MT ELECTRIC ENERGY TAX	WILD HORSE SOLAR	ASC 815 (PREV. SFAS 133)	STORM DAMAGE	REMOVE TENASKA
		12-01	12-02	12-03	12-04	12-05	12-06	12-07	12-08
1	OPERATING REVENUES								
2	SALES TO CUSTOMERS	\$ 2,042,334,319							
3	SALES FROM RESALE-FIRM/SPECIAL CONTRACT	350,182							
4	SALES TO OTHER UTILITIES	201,262,557							
5	OTHER OPERATING REVENUES	30,706,333							
6	TOTAL OPERATING REVENUES	\$ 2,274,653,391							
7	OPERATING REVENUE DEDUCTIONS:								
8	POWER COSTS:								
9	FUEL	\$ 268,147,071							
10	PURCHASED AND INTERCHANGED	832,711,097							
11	WHEELING	78,564,669							
12	RESIDENTIAL EXCHANGE	(75,109,150)							
13	TOTAL PRODUCTION EXPENSES	\$ 1,096,402,687							
14	OTHER POWER SUPPLY EXPENSES	\$ 102,409,192							
15	TRANSMISSION EXPENSE	11,865,443							
16	DISTRIBUTION EXPENSE	82,924,735							
17	CUSTOMER ACCTS EXPENSES	50,172,086							
18	CUSTOMER SERVICE EXPENSES	13,431,632							
19	CONSERVATION AMORTIZATION	75,336,909							
20	ADMIN & GENERAL EXPENSE	94,643,935							
21	DEPRECIATION	190,245,449							
22	AMORTIZATION	40,184,321							
23	AMORTIZ OF PROPERTY GAIN/LOSS	17,493,031							
24	OTHER OPERATING EXPENSES	30,169,560							
25	TAXES OTHER THAN INCOME TAXES	166,953,097							
26	ASC 815	193,255,907							
27	INCOME TAXES	16,263,334							
28	DEFERRED INCOME TAXES	(32,436,237)							
29	TOTAL OPERATING REV. DEDUCT.	\$ 2,157,226,080							
30	NET OPERATING INCOME	\$ 117,427,311							
31	RATE BASE	\$ 4,100,870,913							
32	RATE OF RETURN	2.86%							
33	RATE BASE:								
34	GROSS UTILITY PLANT IN SERVICE	\$ 7,157,671,291							
35	ACCUM DEPR AND AMORT	(2,758,182,029)							
36	DEFERRED DEBITS AND CREDITS	241,208,023							
37	DEFERRED TAXES	(656,638,557)							
38	ALLOWANCE FOR WORKING CAPITAL	204,952,589							
39	OTHER	(88,120,404)							
40	TOTAL RATE BASE	\$ 4,100,870,913							

Note: Amounts presented in bold italic have changed since the June 13 original filing.

PUGET SOUND ENERGY-ELECTRIC  
 STATEMENT OF OPERATING INCOME AND ADJUSTMENTS  
 FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
 Adjustment Detail (Page 2)

LINE NO.	DESCRIPTION	12-09	12-10	12-AT	13-01	13-02	13-03	13-04	13-05
1	OPERATING REVENUES								
2	SALES TO CUSTOMERS	15,09	13,10	13,11	14,01	14,02	14,03	14,04	14,05
3	SALES FROM RESALE-FIRM/SPECIAL CONTRACT				20,893,333	7,115,868	78,775,416		
4	SALES TO OTHER UTILITIES				3,093	864,472			
5	OTHER OPERATING REVENUES								
6	TOTAL OPERATING REVENUES	7,088,066	7,088,066	7,088,066	20,896,426	7,980,340	78,775,416	13,04	13,05
7	OPERATING REVENUE DEDUCTIONS:								
10	POWER COSTS:								
11	FUEL		486,511	7,855					
12	PURCHASED AND INTERCHANGED		1,209,583	(240,768)					
13	WHEELING		(2,076,858)	(208,282)					
14	RESIDENTIAL EXCHANGE								
15	TOTAL PRODUCTION EXPENSES		(380,764)	(441,195)					
16	OTHER POWER SUPPLY EXPENSES								
17	TRANSMISSION EXPENSE			(264,563)					
18	DISTRIBUTION EXPENSE								
19	CUSTOMER ACCTS EXPENSES				92,864	(23,177)	(494,471)		
20	CUSTOMER SERVICE EXPENSES						(11,759,103)		
21	CONSERVATION AMORTIZATION						(75,334,320)		
22	ADMIN & GENERAL EXPENSE				41,793	(10,431)	(275,781)		
23	DEPRECIATION			(176,391)					
24	AMORTIZATION			(2,011,850)					
25	AMORTIZ OF PROPERTY GAIN/LOSS			(236,432)					
26	OTHER OPERATING EXPENSES			(31,374)					
27	TAXES OTHER THAN INCOME TAXES			(80,129)					
28	ASC 815								
29	INCOME TAXES			(463,313)					
30	DEFERRED INCOME TAXES			1,410,886					
31	TOTAL OPERATING REV. DEDUCT.	(2,480,822)	1,983,324	1,410,886	6,984,616	802,520	(165,009)	(81,996,936)	(85,619,944)
32	NET OPERATING INCOME	4,607,243	3,683,316	2,294,360	7,924,997	6,705,648	(110,960,641)	60,471,551	(55,619,944)
33	RATE BASE								
34	RATE OF RETURN								
35	GROSS UTILITY PLANT IN SERVICE								
36	ACCUM DEPR AND AMORT								
37	DEFERRED DEBITS AND CREDITS								
38	DEFERRED TAXES								
39	ALLOWANCE FOR WORKING CAPITAL								
40	OTHER								
41	TOTAL RATE BASE	135,630,302	(19,546,418)	(50,346,992)					
42	TOTAL RATE BASE	135,630,302	(19,546,418)	(50,346,992)					

Note: Amounts presented in bold italic have changed since the June 13 original filing.

PUGET SOUND ENERGY-ELECTRIC  
 STATEMENT OF OPERATING INCOME AND ADJUSTMENTS  
 FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
 Adjustment Detail (Page 3)

REVISED

LINE NO.	OPERATING GENERAL PLANT NORMALIZE EXPENSES DEPRECIATION INJ & DMGS	BAD DEBTS	INCENTIVE PAY	PROPERTY TAXES	EXCISE TAX & FILING FEE	D&O INSURANCE	INTEREST ON CUST DEPOSITS	RATE CASE EXPENSES
1	OPERATING REVENUES							
2	SALES TO CUSTOMERS	13.07	13.10	13.41	13.12	13.13	13.14	13.15
3	SALES FROM RESALE-FIRM/SPECIAL CONTRACT	14.06	14.09	14.11	14.12	14.13	14.14	14.15
4	SALES TO OTHER UTILITIES							
5	OTHER OPERATING REVENUES							
6	TOTAL OPERATING REVENUES	13.07	13.10	13.41	13.12	13.13	13.14	13.15
7	OPERATING REVENUE DEDUCTIONS:							
8	POWER COSTS:							
10	FUEL							
11	PURCHASED AND INTERCHANGED							
12	WHEELING							
13	RESIDENTIAL EXCHANGE							
14	TOTAL PRODUCTION EXPENSES							
15	OTHER POWER SUPPLY EXPENSES							
16	TRANSMISSION EXPENSE							
17	DISTRIBUTION EXPENSE							
18	CUSTOMER ACCTS EXPENSES							
19	CUSTOMER SERVICE EXPENSES							
20	CONSERVATION AMORTIZATION							
21	ADMIN & GENERAL EXPENSE							
22	DEPRECIATION							
23	AMORTIZATION							
24	AMORTIZ OF PROPERTY GAIN/LOSS							
25	OTHER OPERATING EXPENSES							
26	ASC 815							
27	TAXES OTHER THAN INCOME TAXES							
28	INCOME TAXES							
29	DEFERRED INCOME TAXES							
30	TOTAL OPERATING REV. DEDUCT.							
31	NET OPERATING INCOME							
32	RATE BASE							
33	RATE OF RETURN							
34	RATE BASE:							
35	GROSS UTILITY PLANT IN SERVICE							
36	ACCUM DEPR AND AMORT							
37	DEFERRED DEBITS AND CREDITS							
38	DEFERRED TAXES							
39	ALLOWANCE FOR WORKING CAPITAL							
40	OTHER							
41	TOTAL RATE BASE							

Note: Amounts presented in bold italic have changed since the June 13 original filing.

PUGET SOUND ENERGY-ELECTRIC  
 STATEMENT OF OPERATING INCOME AND ADJUSTMENTS  
 FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
 Adjustment Detail (Page 4)

REVISED REVISED

LINE NO.	DEFERRED G/L ON PROPERTY SALES	PROPERTY & LIABILITIES	PENSION PLAN	WAGE INCREASE	INVESTMENT PLAN	EMPLOYEE INSURANCE	TOTAL ADJUSTMENTS	ADJUSTED RESULTS OF OPERATIONS
	13-16	12-17	12-18	12-19	13-20	13-21		
1	OPERATING REVENUES							
2	SALES TO CUSTOMERS	14.16	14.18	14.17	14.20	14.21	(64,997,951)	1,977,336,368
3	SALES FROM RESALE-FIRM/SPECIAL CONTRACT						867,565	1,217,748
4	SALES TO OTHER UTILITIES						(191,035,261)	10,227,296
5	OTHER OPERATING REVENUES						5,968,010	36,674,343
6	TOTAL OPERATING REVENUES						(249,197,637)	2,025,455,754
7	OPERATING REVENUE DEDUCTIONS:							
8	POWER COSTS:							
10	FUEL							
11	PURCHASED AND INTERCHANGED WHEELING							
12	RESIDENTIAL EXCHANGE							
13	OTHER POWER SUPPLY EXPENSES							
14	TRANSMISSION EXPENSE							
15	DISTRIBUTION EXPENSE							
16	CUSTOMER ACCTS EXPENSES							
17	CUSTOMER SERVICE EXPENSES							
18	CONSERVATION AMORTIZATION							
19	ADMIN & GENERAL EXPENSE							
20	DEPRECIATION							
21	AMORTIZ OF PROPERTY GAIN/LOSS							
22	OTHER OPERATING EXPENSES							
23	ASC 815							
24	TAXES OTHER THAN INCOME TAXES							
25	INCOME TAXES							
26	DEFERRED INCOME TAXES							
27	TOTAL OPERATING REV. DEDUCT.							
28	NET OPERATING INCOME							
29	RATE BASE							
30	RATE OF RETURN							
31	RATE BASE:							
32	GROSS UTILITY PLANT IN SERVICE							
33	ACCUM DEPR AND AMORT							
34	DEFERRED DEBITS AND CREDITS							
35	DEFERRED TAXES							
36	ALLOWANCE FOR WORKING CAPITAL							
37	OTHER							
38	TOTAL RATE BASE							
39								
40								
41								
42								
43								
44								
45								
46								
47								

Note: Amounts presented in bold italic have changed since the June 13 original filing.

**PUGET SOUND ENERGY-ELECTRIC  
POWER COSTS  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
GENERAL RATE INCREASE**

LINE NO. DESCRIPTION	<i>REVISED</i>		INCREASE (DECREASE)
	ACTUAL	PROFORMA	
1 SALES FOR RESALE	\$ 201,262,557	\$ <b><i>10,227,296</i></b>	\$ <b><i>(191,035,261)</i></b>
2			
3 PURCHASES/SALES OF NON-CORE GAS	(36,748,461)	-	36,748,461
4 WHEELING FOR OTHERS	10,703,023	11,378,098	675,075
5	<u>(26,045,439)</u>	<u>11,378,098</u>	<u>37,423,537</u>
6			
7 TOTAL OPERATING REVENUES	<u>175,217,118</u>	<b><i>21,605,394</i></b>	<b><i>(153,611,725)</i></b>
8			
9 FUEL	\$ 269,007,822	\$ <b><i>236,911,615</i></b>	\$ <b><i>(32,096,207)</i></b>
10			
11 PURCHASED AND INTERCHANGED	792,862,060	<b><i>492,764,529</i></b>	<b><i>(300,097,532)</i></b>
12 HEDGING	-	1,420,907	1,420,907
13			
14 SUBTOTAL PURCHASED AND INTERCHANGED	<u>\$ 792,862,060</u>	<u>\$ <b><i>494,185,436</i></b></u>	<u>\$ <b><i>(298,676,624)</i></b></u>
15 WHEELING	76,487,811	<b><i>85,895,611</i></b>	<b><i>9,407,800</i></b>
16			
17 TOTAL PRODUCTION EXPENSES	<u>\$ 1,138,357,693</u>	<u>\$ <b><i>816,992,662</i></b></u>	<u>\$ <b><i>(321,365,032)</i></b></u>
18 HYDRO AND OTHER POWER	101,194,084	115,053,360	13,859,275
19 TRANS. EXP. INCL. 500KV O&M	1,419,635	<b><i>1,389,837</i></b>	<b><i>(29,798)</i></b>
20			
21 TOTAL OPERATING EXPENSES	<u>\$ 1,240,971,412</u>	<u>\$ <b><i>933,435,858</i></b></u>	<u>\$ <b><i>(307,535,554)</i></b></u>
22			
23 INCREASE (DECREASE) OPERATING INCOME (LINE 7 - LINE 21)	\$ (1,065,754,294)	\$ <b><i>(911,830,464)</i></b>	\$ <b><i>153,923,830</i></b>
24			
25 STATE UTILITY TAX SAVINGS FOR LINE 4	3.873%		(26,146)
26 INCREASE (DECREASE) INCOME			\$ <b><i>153,897,684</i></b>
27 INCREASE (DECREASE) FIT @	35%		<b><i>53,864,189</i></b>
28 INCREASE (DECREASE) NOI			<u><u>\$ <b><i>100,033,495</i></b></u></u>

Note: Amounts presented in bold italic type have changed since the June 13 original filing.

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PUGET SOUND ENERGY-ELECTRIC  
LOWER SNAKE RIVER PROJECT  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
GENERAL RATE INCREASE

LINE NO.	DESCRIPTION	TEST YEAR	PROFORMA	ADJUSTMENT
1	<u>LOWER SNAKE RIVER RATEBASE (AMA)</u>			
2	<u>UTILITY PLANT RATEBASE</u>			
3	PLANT BALANCE	\$ 42,219	\$ 773,474,856	\$ 773,432,637
4	ACCUM DEPRECIATION	-	(17,848,252)	(17,848,252)
5	DEFERRED INCOME TAX LIABILITY	-	(67,873,620)	(67,873,620)
6				
7	NET LSR EXPANSION PLANT RATEBASE	<u>\$ 42,219</u>	<u>\$ 687,752,984</u>	<u>\$ 687,710,765</u>
8				
9	<u>LOWER SNAKE RIVER OPERATING EXPENSE</u>			
10	TAXABLE DEPRECIATION EXPENSE	\$ -	\$ 28,005,153	\$ 28,005,153
11	NON-TAXABLE DEPRECIATION EXPENSE		4,933,627	4,933,627
12	TOTAL DEPRECIATION EXPENSE	<u>\$ -</u>	<u>\$ 32,938,780</u>	<u>\$ 32,938,780</u>
13				
14				
15	<u>POWER COST AND O&amp;M RELATED TO LOWER SNAKE RIVER</u>			
16	PURCHASED POWER		\$ 776,099	\$ 776,099
17	WHEELING		9,922,939	9,922,939
18	PRODUCTION O&M	-	10,891,023	10,891,023
19	PROPERTY INSURANCE	-	517,501	517,501
20	PROPERTY TAXES		2,967,101	2,967,101
21	TOTAL POWER COST AND PROD O&M	-	25,074,663	25,074,663
22				
23	INCREASE ( DECREASE ) EXPENSE	-	58,013,442	58,013,442
24				
25	INCREASE (DECREASE) FIT ON ALL EXPENSES EXCEPT LINE 11 @		35%	(18,577,935)
26	INCREASE (DECREASE) NOI			<u>\$ (39,435,507)</u>

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Docket Number UE-11

Exhibit No. (JHS-05)

PAGE 5.03

PUGET SOUND ENERGY-ELECTRIC  
LOWER SNAKE RIVER PREPAID TRANSMISSION DEPOSITS  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
GENERAL RATE INCREASE

LINE NO.	DESCRIPTION	TEST YEAR	PROFORMA	ADJUSTMENT
1	<b><u>PRINCIPAL PORTION OF LSR PREPAID TRANSMISSION (AMA)</u></b>			
2	TOTAL PREPAID DEPOSIT	\$ 99,707,854	\$ 99,707,854	(1)
3	ACCUM AMORT. CREDIT PYMT FR. BPA	-	-	
4	NET LSR PREPAID TRANS. RATEBASE	\$ -	\$ 99,707,854	\$ 99,707,854
5				
6	<b><u>DEFERRED CARRYING CHARGES (AMA)</u></b>			
7	CARRYING CHARGES BALANCE	17,003,226	\$ 17,003,226	(2)
8	ACCUM AMORT. CARRYING CHARGES	(340,065)	\$ (340,065)	
9	DEFERRED INCOME TAX	(5,832,107)	\$ (5,832,107)	(2)
10	NET LSR CARRYING CHARGES RATEBASE	\$ -	\$ 10,831,055	\$ 10,831,055
11				
12	<b><u>TOTAL RATEBASE</u></b>	\$ -	\$ 110,538,909	\$ 110,538,909
13				
14	<b><u>OPERATING EXPENSE</u></b>			
15	AMORTIZATION OF PRINCIPAL (565)	\$ -	\$ -	
16	AMORTIZATION OF CARRYING CHARGES (407.3)	-	680,129	\$ 680,129 (2)
17				
18	INCREASE (DECREASE) EXPENSE	-	680,129	680,129
19				
20	INCREASE (DECREASE) FIT @		35%	(238,045)
21	INCREASE (DECREASE) NOI			\$ (442,084)

⊖ (A) 116,371,016 (2)



**PUGET SOUND ENERGY-ELECTRIC  
MONTANA ELECTRIC ENERGY TAX  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
GENERAL RATE INCREASE**

<b>LINE NO.</b>	<b>DESCRIPTION</b>	<b>AMOUNT</b>
1	PROFORMA KWH (COLSTRIP)	4,846,358,760
2	TAX RATE	<u>0.00035</u>
3		
4	PROFORMA ENERGY TAX	1,696,226
5	CHARGED TO EXPENSE	<u>1,542,094</u>
6	INCREASE (DECREASE) EXPENSE	\$ 154,131
7		
8	INCREASE (DECREASE) FIT @ 35%	<u>(53,946)</u>
9	INCREASE (DECREASE) NOI	<u>\$ (100,185)</u>

Handwritten circled '2' and a vertical line with a downward arrow pointing to the final amount.

PUGET SOUND ENERGY-ELECTRIC  
WILD HORSE SOLAR  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
GENERAL RATE INCREASE

LINE NO.	DESCRIPTION	ACTUAL	PROFORMA	ADJUSTMENT
1				
2	<u>RATEBASE (AMA) UTILITY PLANT RATEBASE</u>			
3	PLANT BALANCE	\$ 4,357,020		\$ (4,357,020)
4	ACCUM DEPRECIATION	(462,883)		462,883
5	DEFERRED INCOME TAX LIABILITY	(523,501)		523,501
6	NET WILD HORSE SOLAR PLANT RATEBASE	<u>\$ 3,370,636</u>	<u>\$ -</u>	<u>\$ (3,370,636)</u>
7				
8	<u>OPERATING EXPENSE</u>			
9	DEPRECIATION EXPENSE	\$ 275,497		\$ (275,497)
10				
11	INCREASE (DECREASE ) EXPENSE			(275,497)
12				
13	INCREASE (DECREASE) FIT @		35%	96,424
14	INCREASE (DECREASE) NOI			<u>\$ 179,073</u>

11

PUGET SOUND ENERGY-ELECTRIC  
ACCOUNTING STANDARDS CODIFICATION 815 (FORMERLY SFAS 133)  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
GENERAL RATE INCREASE

LINE NO.		ACTUAL	RESTATED	ADJUSTMENT
1	ASC 815 OPERATING EXPENSE	\$ 166,953,097	\$ -	\$ (166,953,097)
2				
3	INCREASE (DECREASE) IN EXPENSE	\$ 166,953,097	\$ -	\$ (166,953,097)
4				
5	INCREASE(DECREASE) OPERATING INCOME			166,953,097
6				
7	INCREASE (DECREASE) DEFERRED FIT @	35%		58,433,584
8				
9	INCREASE (DECREASE) NOI			\$ 108,519,513

PUGET SOUND ENERGY-ELECTRIC  
STORM DAMAGE  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
GENERAL RATE INCREASE

LINE NO.	DESCRIPTION	Transmission	Distribution	AMOUNT Total
1	NORMAL STORMS			
2	ACTUAL O&M:			
3	TWELVE MONTHS ENDED 12/31/05	\$ 122,468	\$ 3,449,456	\$ 3,571,923
4	TWELVE MONTHS ENDED 12/31/06	450,748	10,435,721	10,886,469
5	TWELVE MONTHS ENDED 12/31/07	376,353	8,672,798	9,049,151
6	TWELVE MONTHS ENDED 12/31/08	77,335	9,881,618	9,958,953
7	TWELVE MONTHS ENDED 12/31/09	41,126	4,617,466	4,658,592
8	TWELVE MONTHS ENDED 12/31/10	152,546	9,338,773	9,491,319
9	TOTAL NORMAL STORMS	1,220,576	46,395,832	47,616,408
10				
11	SIX-YEAR AVERAGE STORM EXPENSE FOR RATE YEAR	203,429	7,732,639	7,936,068
12				
13	CHARGED TO EXPENSE 12 MONTHS ENDED 12/31/10			
14	STORM DAMAGE EXPENSE (LINE 8)	152,546	9,338,773	9,491,319
15				
16	INCREASE (DECREASE) OPERATING EXPENSE	50,883	(1,606,134)	(1,555,251)
17				
18				
19	CATASTROPHIC STORMS			
20	DEFERRED BALANCES FOR UE-090704 4 YEAR AMORTIZATION			
21	AT START OF RATE YEAR (05/1/12):			
22	2006 STORM DAMAGE (EXCL 12/13/06 WIND STORM)	283,161		
23	2007 STORM DAMAGE	13,794,354		
24	2008 STORM DAMAGE	1,998,779		
25	2008 STORM DAMAGE-PENDING APPROVAL	86,185		
26	2010 STORM DAMAGE-PENDING APPROVAL	13,909,769		
27	DEFERRAL BALANCES BEG OF RY (LINE 22 THROUGH LINE 26)	30,072,248		
28				
29	ANNUAL AMORTIZATION (LINE 27 ÷ 48 MONTHS) x 12	7,518,062		
30				
31				
32	DEFERRED BALANCES FOR 10 YEAR AMORTIZATION AT			
33	START OF RATE YEAR (05/1/12):			
34	12/13/06 WIND STORM	51,735,725		
35	TOTAL (LINE 34)	51,735,725		
36	ORIGINAL AMORT PERIOD FROM UE-072300 WAS 10 YEARS			
37	FROM NOVEMBER 2008 THROUGH OCTOBER 2018			
38	ANNUAL AMORTIZATION (LINE 35 ÷ 78 (5/2012 - 10/2018) x 12)	7,959,342		
39	TOTAL RATE YEAR AMORTIZATION (LINE 29 + LINE 38)		15,477,404	
40	LESS TEST YEAR CATASTROPHIC STORM AMORTIZATION		15,998,329	
41				
42	INCREASE (DECREASE) OPERATING EXPENSE (LINE 38- LINE 39)			(520,925)
43				
44	TOTAL INCREASE (DECREASE) OPERATING EXPENSE (LINE 16 + LINE 42)			(2,076,176)
45				
46	INCREASE (DECREASE) FIT @ 35% (LINE 44 X 35%)		35%	726,662
47				
48	INCREASE (DECREASE) NOI			\$ 1,349,514

**PUGET SOUND ENERGY-ELECTRIC  
REMOVE COSTS ASSOCIATED WITH TENASKA REGULATORY ASSET  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	TEST YEAR	ADJUSTED TEST YEAR	ADJUSTMENT
1	<b>RATEBASE</b>			
2	REGULATORY ASSET	\$ 59,395,254	\$ -	\$ (59,395,254)
3	DEFERRED FIT	(2,899,125)	0	2,899,125
4				
5	NET RATEBASE	\$ 56,496,129	\$ -	\$ (56,496,129)
6				
7	<b>AMORTIZATION (NOTE 1) AND DISALLOWANCES</b>			
8	AMORTIZATION OF PURCHASE PRICE:			
9	TAXABLE - SEE LINE 18 FOR TAX (LINE 18 ÷ 35%)	14,334,286	-	(14,334,286)
10	NON-TAXABLE	16,823,714	-	(16,823,714)
11	TOTAL AMORTIZATION OF PURCHASE PRICE	31,158,000	-	(31,158,000)
12				
13	AMORTIZATION OF AFPC PORTION (NOTE 3)	6,374,000	-	(6,374,000)
14	DISALLOWANCES		-	-
15	SUBTOTAL NORMALIZED	6,374,000	-	(6,374,000)
16				
17	INCREASE (DECREASE ) EXPENSE			(37,532,000)
18	INCREASE (DECREASE) FIT (ON LINE 9)			5,017,000
19	INCREASE (DECREASE) FIT (ON LINE 15)		35%	2,230,900
20	INCREASE (DECREASE) NOI			
21	TOTAL NET OPERATING INCOME			\$ 30,284,100
22				
23				
24				
25	(NOTE 1) TOTAL AMORTIZATION = \$37,532,000 = \$14,334,286 TAXABLE PURCHASE PRICE +			
26	\$16,823,714 NON-TAXABLE PURCHASE PRICE + TAXABLE AFPC \$6,374,000.			
27				
28	(NOTE 2) THE IMPACT ON THE TAX BENEFIT OF PROFORMA INTEREST IS HANDLED IN			
29	ADJUSTMENT NO. 5.05			
30				
31	(NOTE 3) AFPC STANDS FOR ALLOWANCE FOR FUNDS ON POWER CONTRACTS			

EA 7,247,900 (2)

**PUGET SOUND ENERGY-ELECTRIC  
CONTRACT PAYMENTS TO CHELAN PUD  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	TEST YEAR	ADJUSTED RATE YEAR	ADJUSTMENT
1	<b><u>INITIATION PAYMENT AMA (UE-060539)</u></b>			
2	INITIATION PAYMENT BALANCE	\$ -	\$ 141,761,312	\$ 141,761,312
3	ACCUMULATED AMORTIZATION	0	(7,088,066)	(7,088,066)
4	DEFERRED INCOME TAX	-	(17,542,944)	(17,542,944)
5				
6	NET INITIATION PAYMENT RATEBASE AMA	\$ -	\$ 117,130,302	\$ 117,130,302
7				
8	<b><u>SECURITY DEPOSIT AMA</u></b>			
9	SECURITY DEPOSIT BALANCE	\$ -	\$ 18,500,000	\$ 18,500,000
10	ACCUMULATED AMORTIZATION	-	-	-
11	NET SECURITY DEPOSIT AMA	\$ -	\$ 18,500,000	\$ 18,500,000
12				
13	<b><u>INCREASE RATEBASE</u></b>	\$ -	\$ 135,630,302	\$ 135,630,302
14				
15	<b><u>OPERATING EXPENSE</u></b>			
16	AMORTIZATION OF INITIATION PAYMENT (555)	\$ -	7,088,066	7,088,066
17	INCREASE (DECREASE) EXPENSE	-	7,088,066	7,088,066
18				
19	INCREASE (DECREASE) FIT @		35%	(2,480,823)
20	INCREASE (DECREASE) NOI			\$ (4,607,243)

5

**PUGET SOUND ENERGY-ELECTRIC  
REGULATORY ASSETS AND LIABILITIES  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
GENERAL RATE INCREASE**

LINE NO.	DESCRIPTION	TEST YEAR	RATE YEAR	ADJUSTMENT
1	<u>AMA OF REGULATORY ASSET/LIABILITY NET OF ACCUM AMORT AND DFIT</u>			
2	BEP	16,250,380	11,214,773	(5,035,607)
3	WHITE RIVER PLANT COSTS	37,566,968	34,565,277	(3,001,690)
4	WHITE RIVER RELICENSING & CWIP	24,579,164	24,941,807	362,643
5	PROCEEDS FROM THE SALE OF WHITE RIVER ASSETS TO CWA	(25,951,720)	(29,911,730)	(3,960,010)
6	DFIT - WHITE RIVER REG ASSET	(11,889,662)	(10,331,528)	1,558,135
7	HOPKINS RIDGE PREPAID TRANSMISSION	1,394,050	-	(1,394,050)
8	GOLDENDALE FIXED COSTS DEFERRAL	3,605,729	-	(3,605,729)
9	HOPKINS RIDGE MITIGATION CREDIT	(326,871)	-	326,871
10	WESTCOAST PIPELINE CAPACITY - UE-082013 (FB ENERGY)	(2,135,222)	(1,529,462)	605,761
11	WESTCOAST PIPELINE CAPACITY - UE-100503 (BNP PARIBUS)	(2,286,406)	(2,096,742)	189,664
12	MINT FARM DEFERRAL - UE-090704	26,616,505	23,180,901	(3,435,604)
13	WILD HORSE EXPANSION DEFERRAL - UE-090704	2,331,479	-	(2,331,479)
14	COLSTRIP 1&2 (WECO) COAL CONTRACT PREPAYMENT	5,000,000	3,981,481	(1,018,519)
15	FERC PART 12 STUDY NON-CONSTRUCTION COSTS UE-070074	-	1,193,198	1,193,198
16	CONTRACT MAJOR MAINTENANCE:			-
17	SUMAS NOVEMBER 2010 HOT GAS PATH INSPECTION	82,651	82,651	-
18	FREDDY 1 JULY 2009 HOT GAS PATH INSPECTION	212,106	212,106	-
19	GOLENDALE MAY 2009 COMBUSTION INSPECTION	590,967	590,967	-
20	SUMAS NOVEMBER 2008 COMBUSTION INSPECTION	62,508	62,508	-
21	MINT FARM JUNE 2010 COMBUSTION INSPECTION	678,973	678,973	-
22	TOTAL REGULATORY ASSETS AND LIABILITIES RATEBASE	\$ 76,381,598	\$ 56,835,180	\$ (19,546,418)
23				
24				
25	<u>AMORTIZATION OF REGULATORY ASSET/LIABILITY</u>			
26	BEP (555)	3,526,620	3,526,620	-
27	WHITE RIVER PLANT COSTS (407)	1,494,702	1,494,702	(0)
28	HOPKINS RIDGE PREPAID TRANSMISSION (565)	2,076,858	-	(2,076,858)
29	GOLDENDALE FIXED COSTS DEFERRAL (407.3)	4,162,154	-	(4,162,154)
30	HOPKINS RIDGE MITIGATION CREDIT (555)	(1,209,583)	-	1,209,583
31	WESTCOAST PIPELINE CAPACITY - UE-082013 (FB ENERGY) (547)	(457,531)	(392,170)	65,362
32	WESTCOAST PIPELINE CAPACITY - UE-100503 (BNP PARIBUS) (547)	(403,220)	(537,626)	(134,407)
33	MINT FARM DEFERRAL - UE-090704 (407.3)	2,159,053	2,872,182	713,129
34	WILD HORSE EXPANSION DEFERRAL - UE-090704 (407.3)	2,102,006	-	(2,102,006)
35	COLSTRIP 1&2 (WECO) COAL CONTRACT PREPAYMENT (501)	-	555,556	555,556
36	FERC PART 12 STUDY NON-CONSTRUCTION COSTS UE-070074 (407.3)	-	265,155	265,155
37	CONTRACT MAJOR MAINTENANCE (PROD O&M):			
38	SUMAS NOVEMBER 2010 HOT GAS PATH INSPECTION	61,034	61,034	-
39	FREDDY 1 JULY 2009 HOT GAS PATH INSPECTION	223,889	223,889	-
40	GOLENDALE MAY 2009 COMBUSTION INSPECTION	354,580	354,580	-
41	SUMAS NOVEMBER 2008 COMBUSTION INSPECTION	119,333	119,333	-
42	MINT FARM JUNE 2010 COMBUSTION INSPECTION	456,270	456,270	-
43	TOTAL AMORTIZATION OF REGULATORY ASSETS AND LIABILITIES	14,666,166	8,999,526	(5,666,640)
44				
45				
46				
47	INCREASE (DECREASE) EXPENSE			(5,666,640)
48				
49	INCREASE (DECREASE) FIT		35%	1,983,324
50				
51	INCREASE (DECREASE) NOI			\$ 3,683,316

**PUGET SOUND ENERGY-ELECTRIC  
 PRODUCTION ADJUSTMENT  
 FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
 GENERAL RATE INCREASE**

LINE NO. DESCRIPTION	PROFORMA AND RESTATED	PRODUCTION 2.099%	FIT 35%
1 <u>O&amp;M ON PRODUCTION PROPERTY</u>			
2 PRODUCTION WAGE ADJUSTMENTS AND INCENTIVE:			
3 PURCHASED POWER	\$ 79,814	\$ (1,675)	586
4 OTHER POWER SUPPLY	498,117	(10,455)	3,659
5 TOTAL WAGE RELATED ADJUSTMENTS	<u>577,931</u>	<u>(12,131)</u>	<u>4,245</u>
6			
7 ADMIN & GENERAL EXPENSES			
8 PAYROLL OVERHEADS	5,050,730	(106,015)	37,105
9 PROPERTY INSURANCE	2,835,322	(59,513)	20,830
10 TOTAL ADMIN & GENERAL EXPENSES	<u>7,886,052</u>	<u>(165,528)</u>	<u>57,935</u>
11			
12 DEPRECIATION / AMORTIZATION:			
13 DEPRECIATION	95,848,019	(2,011,850)	820,843
14 AMORTIZATION (OTHER THAN REGULATORY ASSETS/LIAB)	11,264,042	(236,432)	80,107
15 TOTAL DEPRECIATION AND AMORTIZATION (FERC 403)	<u>107,112,061</u>	<u>(2,248,282)</u>	<u>900,950</u>
16			
17 TAXES OTHER-PRODUCTION PROPERTY:			
18 PROPERTY TAXES - WASHINGTON	7,396,041	(155,243)	54,335
19 PROPERTY TAXES - MONTANA	7,977,272	(167,443)	58,605
20 ELECTRIC ENERGY TAX	1,696,226	(35,604)	12,461
21 PAYROLL TAXES	2,036,377	(42,744)	14,960
22 TOTAL TAXES OTHER	<u>19,105,916</u>	<u>(401,033)</u>	<u>140,361</u>
23			
24 <u>LOWER SNAKE RIVER</u>			
25			
26 PURCHASED POWER	776,099	(16,290)	5,702
27 WHEELING	9,922,939	(208,282)	72,899
28 SALES FOR RESALE	-	-	-
29 PRODUCTION O&M	10,891,023	(228,603)	80,011
30 PROPERTY INSURANCE	517,501	(10,862)	3,802
31 PROPERTY TAX	2,967,101	(62,279)	21,798
32 TOTAL OPERATING EXPENSES LOWER SNAKE RIVER	<u>25,074,663</u>	<u>(526,317)</u>	<u>184,212</u>
33			
34 <u>AMORTIZATION ON REGULATORY ASSETS:</u>			
35 BEP (555)	3,526,620	(74,024)	25,908
36 WHITE RIVER PLANT COSTS (407)	1,494,702	(31,374)	10,981
37 WHITE RIVER RELICENSING & CWIP	-	-	-
38 HOPKINS RIDGE PREPAID TRANSMISSION (565)	0	-	-
39 GOLDENDALE FIXED COSTS DEFERRAL (407.3)	0	-	-
40 HOPKINS RIDGE MITIGATION CREDIT (555)	0	-	-
41 WESTCOAST PIPELINE CAPACITY - UE-082013 (FB ENERGY) (547)	(392,170)	8,232	(2,881)
42 WESTCOAST PIPELINE CAPACITY - UE-100503 (BNP PARIBUS) (547)	(537,626)	11,285	(3,950)
43 MINT FARM DEFERRAL (407.3)	2,872,182	(60,287)	21,100
44 WILD HORSE EXPANSION DEFERRAL (407.3)	0	-	-
45 COLSTRIP 1&2 (WECO) COAL CONTRACT PREPAYMENT (501)	555,556	(11,661)	4,081
46 FERC PART 12 NON-CONSTRUCTION STUDY COSTS UE-070074 (407.3)	265,155	(5,566)	1,948
47 MAJOR MAINTENANCE (SUMMARIZED) (PROD O&M)	1,215,107	(25,505)	8,927
48 LOWER SNAKE RIVER PREPAID TRANS DEPOSITS (407.3)	680,129	(14,276)	4,997
49 CHELAN RESERVATION PREPAYMENT (555)	7,088,066	(148,778)	52,072
50			
51 TOTAL AMORTIZATION OF REGULATORY ASSETS AND LIABILITIES	<u>16,767,720</u>	<u>(351,954)</u>	<u>123,183</u>
52			
53			
54 INCREASE(DECREASE) EXPENSE		176,524,343	(3,705,246)
55 INCREASE(DECREASE) FIT			1,410,886
56 INCREASE(DECREASE) NOI			<u>\$ 2,294,360</u>
57			
58 <u>PRODUCTION PROPERTY RATE BASE:</u>			
59 DEPRECIABLE PRODUCTION PROPERTY (INCL LSR AND WH SOLAR)	\$ 3,310,587,583	\$ (69,489,233)	
60 PRODUCTION PROPERTY ACCUM DEPR. (INCL LSR AND WH SOLAR)	(1,190,080,368)	24,979,787	
61 NON-DEPRECIABLE PRODUCTION PROPERTY	77,287,156	(1,622,257)	



PUGET SOUND ENERGY-ELECTRIC  
PRODUCTION ADJUSTMENT  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
GENERAL RATE INCREASE

LINE NO.	DESCRIPTION	PROFORMA AND RESTATED	PRODUCTION 2.099%	FIT 35%
62	PRODUCTION PROPERTY ACCUM AMORT.	(4,080,190)	85,643	
63	COLSTRIP COMMON FERC ADJUSTMENT	4,947,628	(103,851)	
64	COLSTRIP DEFERRED DEPRECIATION FERC ADJ.	1,458,712	(30,618)	
65	ACQUISITION ADJUSTMENTS	250,524,822	(5,258,516)	
66	ACCUMULATED AMORTIZATION ON ACQUISITION ADJ	(54,306,612)	1,139,896	
67	NET PRODUCTION PROPERTY	2,396,338,732	(50,299,149)	
68				
69	LIBR. DEPREC. POST 1980 (AMA)	(315,759,925)	6,627,801	
70	NOL DEFERRED TAX ASSET ATTRIBUTABLE TO PRODUCTION	15,034,874	(315,582)	
71	SUBTOTAL	(300,725,051)	6,312,219	
72				
73	TOTAL PRODUCTION PROPERTY RATE BASE	\$ 2,095,613,681	\$ (43,986,930)	\$ 2,051,626,751
74				
75	REGULATORY ASSETS RATE BASE:			
76	BEP	11,214,773	(235,398)	
77	WHITE RIVER PLANT COSTS	34,565,277	(725,525)	
78	WHITE RIVER RELICENSING & CWIP	24,941,807	(523,529)	
79	PROCEEDS FROM THE SALE OF WHITE RIVER ASSETS TO CWA	(29,911,730)	627,847	
80	DFIT WHITE RIVER REG ASSETS	(10,331,528)	216,859	
81	WESTCOAST PIPELINE CAPACITY - UE-082013 (FB ENERGY)	(1,529,462)	32,103	
82	WESTCOAST PIPELINE CAPACITY - UE-100503 (BNP PARIBUS)	(2,096,742)	44,011	
83	MINT FARM DEFERRAL UE-090704	23,180,901	(486,567)	
84	COLSTRIP 1&2 (WECO) COAL CONTRACT PREPAYMENT	3,981,481	(83,571)	
85	FERC PART 12 NON-CONSTRUCTION STUDY COSTS UE-070074	1,193,198	(25,045)	
84	LOWER SNAKE RIVER PREPAID TRANSMISSION DEPOSITS	99,707,854	(2,092,868)	
85	CARRYING CHARGES ON LSR PREPAID TRANSM DEPOSITS	10,831,055	(227,344)	
86	CHELAN RESERVATION PAYMENT	117,130,302	(2,458,565)	
87	CHELAN SECURITY DEPOSIT	18,500,000	(388,315)	
88	MAJOR MAINTENANCE (SUMMARIZED)	1,627,205	(34,155)	
89	TOTAL REGULATORY ASSETS AND LIABILITIES RATE BASE	\$ 303,004,391	\$ (6,360,062)	\$ 296,644,329
90				
91	TOTAL ADJUSTMENT TO RATEBASE (LINE 73 + LINE 89)		\$ (50,346,992)	

**PUGET SOUND ENERGY-ELECTRIC  
 TEMPERATURE NORMALIZATION  
 FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
 GENERAL RATE INCREASE**

LINE

NO. DESCRIPTION

1	TEMPERATURE NORMALIZATION ADJUSTMENT:				
2		ACTUAL	TEMP ADJ	MWH	ADJ FOR LOSSES
3		GPI MWH	GPI MWH	CHANGE	6.80%
4	Jan-10	2,154,814	2,282,983	128,169	119,453
5	Feb-10	1,895,526	1,986,793	91,267	85,061
6	Mar-10	2,022,382	2,041,217	18,835	17,554
7	Apr-10	1,844,814	1,833,221	(11,593)	(10,805)
8	May-10	1,764,805	1,748,090	(16,715)	(15,578)
9	Jun-10	1,618,462	1,630,730	12,267	11,433
10	Jul-10	1,688,022	1,697,904	9,882	9,210
11	Aug-10	1,703,415	1,695,906	(7,509)	(6,999)
12	Sep-10	1,637,493	1,642,184	4,691	4,372
13	Oct-10	1,814,110	1,830,543	16,433	15,316
14	Nov-10	2,122,228	2,059,041	(63,187)	(58,890)
15	Dec-10	2,328,203	2,397,719	69,516	64,789
16		<u>22,594,274</u>	<u>22,846,330</u>	<u>252,056</u>	<u>234,916</u>
17					
18	REVENUE ADJUSTMEN. SCHEDULE 7			133,624,643	13,759,867
19	SCHEDULE 24			34,368,345	2,990,016
20	SCHEDULE 25			34,964,494	2,241,783
21	SCHEDULE 26			15,451,095	951,927
22	SCHEDULE 29			(107,335)	(5,741)
23	SCHEDULE 31			9,574,376	570,154
24	SCHEDULE 43			3,801,197	212,913
25	SCHEDULE 40 - MED SEC VOLTAGE				
26	SCHEDULE 40 - LARGE SEC VOLTAG			3,151,344	172,414
27	SCHEDULE 40 - PRIMARY VOLTAGE				
28	LIGHTING				
29	FIRM RESALE			88,248	3,093
30	INCREASE (DECREASE) SALES TO CUSTOMERS				\$ 20,896,426
31					
32	UNCOLLECTIBLES @			0.0044440	\$ 92,864
33	ANNUAL FILING FEE @			0.0020000	41,793
31	INCREASE (DECREASE) EXPENSES				134,657
32					
33	STATE UTILITY TAX @			0.0385580	\$ 805,724
34	INCREASE (DECREASE) TAXES OTHER				805,724
35					
36	INCREASE (DECREASE) INCOME				19,956,045
37					
38	INCREASE (DECREASE) FIT @			35%	6,984,616
39	INCREASE (DECREASE) NOI				\$ 12,971,429

PUGET SOUND ENERGY-ELECTRIC  
REVENUES AND EXPENSES  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
GENERAL RATE INCREASE

LINE NO.	DESCRIPTION	ADJUSTMENT
1	SALES TO CUSTOMERS:	
2	RESTATING ADJUSTMENTS:	
3	ADD GRC INCREASE DOCKET UE-090704	\$ 6,061,237
4	REMOVE PCA INCREASE	(4,974)
5	REMOVE SCHEDULE 95A PRODUCTION TAX CREDITS	16,481,251
6	RECLASS TRANSPORTATION IMBALANCE REVENUE TO OTHER OPERATING REVENUE	(1,936,015)
7	REMOVE MERGER RATE CREDIT SCH 132	6,253,914
8	REMOVE TENASKA REGULATORY ASSET TRACKER (SCH 133)	(35,143,487)
9	MISCELLANEOUS RESTATING ADJUSTMENT	1,385,860
10	RESTATING ADJUSTMENTS SALES TO CUSTOMERS	<u>(6,902,214)</u>
11		
12		
13	PROFORMA ADJUSTMENTS:	
14	RECLASS OF CUSTOMERS BETWEEN TARIFFS	<u>(213,655)</u>
15	PROFORMA ADJUSTMENTS SALES TO CUSTOMERS	<u>(213,655)</u>
16		
17	TOTAL INCREASE (DECREASE) SALES TO CUSTOMERS	\$ (7,115,868) <sup>(3)</sup>
18		
19	SALES FOR RESALE - SMALL FIRM AND SPECIAL CONTRACT	
20	MISCELLANEOUS RESTATING ADJUSTMENT	(15,398)
21	RECLASS SPECIAL CONTRACT REVENUE FROM OTHER OPERATING	<u>879,870</u>
22		
23	TOTAL INCREASE (DECREASE) SALES FOR RESALE - SMALL FIRM	864,472
24		
25	OTHER OPERATING REVENUES:	
26	POLE ATTACHMENT REVENUES	(20,001)
27	RECLASS TRANSPORTATION IMBALANCE REVENUE FROM SALES TO CUSTOMERS	1,936,015
28	RECLASS SPECIAL CONTRACT REVENUE TO SALES TO CUSTOMERS	<u>(879,870)</u>
29		
30	TOTAL INCREASE (DECREASE) OTHER OPERATING REVENUE	<u>1,036,143</u>
31		
32	TOTAL INCREASE (DECREASE) REVENUES	(5,215,253)
33		
34	OPERATING EXPENSES:	
35	REMOVE EXPENSE ASSOCIATED WITH FUTURE PTC LIABILITY	(7,273,471)
36		
37	UNCOLLECTIBLES @	0.0044440 \$ (23,177) <sup>(3)</sup>
38	ANNUAL FILING FEE @	0.0020000 <u>(10,431)</u>
39	INCREASE (DECREASE) EXPENSES	(33,607)
40		
41	STATE UTILITY TAX @	0.0385580 \$ <u>(201,090)</u>
42	INCREASE (DECREASE) TAXES OTHER	<u>(201,090)</u>
43		
44	INCREASE (DECREASE) INCOME	2,292,915
45		
46	INCREASE (DECREASE) FIT @	35% 802,520 <sup>(3)</sup>
47	INCREASE (DECREASE) NOI	<u>\$ 1,490,395</u>

PUGET SOUND ENERGY-ELECTRIC  
PASS-THROUGH REVENUES AND EXPENSES  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
GENERAL RATE INCREASE

LINE NO.	DESCRIPTION	ADJUSTMENT
1	<u>REMOVE REVENUE ASSOCIATED WITH RIDERS:</u>	
2	REMOVE CONSERVATION RIDER - SCHEDULE 120	78,809,572
3	REMOVE MUNICIPAL TAXES - SCHEDULE 81	75,028,227
4	REMOVE LOW INCOME AMORTIZATION - SCHEDULE 129	11,261,428
5	REMOVE RESIDENTIAL EXCHANGE - SCH 194	(78,576,305)
6	GREEN POWER - SCH 135/136 (TAGS ELIM IN PAGE 4.03)	3,243,190
7	GREEN POWER - SCH 135/136 ELIMINATE UNDER EXPENSED	394,979
8	REMOVE REC REVENUES - SCH 137	(10,990,696)
9	REMOVE OFFSET TO REDUCTION OF REC LIABILITY - SCH 137	10,504,775
10	REMOVE OFFSET TO REDUCTION OF REC LIABILITY - PTC OFFSETS	21,591,916
11	TOTAL (INCREASE) DECREASE IN REVENUES	111,267,086
12		
13	<u>DECREASE REVENUE SENSITIVE ITEMS FOR DECREASE IN REVENUES:</u>	
14	BAD DEBTS	0.44440% (494,471)
15	ANNUAL FILING FEE	0.20000% (222,534)
16	STATE UTILITY TAX	3.85580% (4,290,236)
17	TOTAL	(5,007,241)
18		
19	<u>REMOVE EXPENSES ASSOCIATED WITH RIDERS</u>	
20	REMOVE CONSERVATION RIDER - SCHEDULE 120	(75,334,320)
21	REMOVE MUNICIPAL TAXES - SCHEDULE 81	(72,142,816)
22	REMOVE LOW INCOME AMORTIZATION - SCHEDULE 129	(10,768,146)
23	REMOVE RESIDENTIAL EXCHANGE - SCH 194	75,109,150
24	GREEN POWER - SCH 135/136 (TAGS ELIM IN PAGE 4.03)	(990,957)
25	GREEN POWER - SCH 135/136 BENEFITS PORTION OF ADMIN	(53,247)
26	GREEN POWER - SCH 135/136 TAXES PORTION OF ADMIN	(16,139)
27	REMOVE EXPENSE RECOGNIZED FOR FUTURE PTC LIABILITY	(21,591,916)
28	TOTAL INCREASE (DECREASE) EXPENSE	(105,788,390)
29		
30	INCREASE (DECREASE) OPERATING INCOME BEFORE FIT	(471,454)
31	INCREASE (DECREASE) FIT	(165,009)
32	INCREASE (DECREASE) NOI	(306,445)

PUGET SOUND ENERGY-ELECTRIC  
FEDERAL INCOME TAX  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
GENERAL RATE INCREASE

LINE NO.	DESCRIPTION	AMOUNT
1	TAXABLE INCOME (LOSS) (NOTE 1)	\$ (187,810,292)
2		
3	FEDERAL INCOME TAX EXPENSE (BENEFIT) @ 35%	(65,733,602)
4	CURRENTLY PAYABLE	(65,733,602)
5		
6	DEFERRED FIT - DEBIT	125,546,463
7	DEFERRED FIT - CREDIT	(15,514,214)
8	ADDITIONAL DEFERRED CREDITS	-
9	TOTAL RESTATED FIT	44,298,647
10		
11	FIT PER BOOKS:	
12	CURRENTLY PAYABLE	\$ 16,263,334
13	DEFERRED FIT - DEBIT	205,470,964
14	DEFERRED FIT - CREDIT	(237,907,201)
15	DEFERRED FIT - INV TAX CREDIT, NET OF AMORT.	
16	TOTAL CHARGED TO EXPENSE	(16,172,903)
17		
18	INCREASE(DECREASE) FIT	(81,996,936)
19	INCREASE(DECREASE) DEFERRED FIT	142,468,487
20	INCREASE(DECREASE) NOI	\$ (60,471,551)
21		
22		
23	(NOTE 1)	
24	DOES NOT INCLUDE A DEDUCTION FOR INTEREST AS THE TAX EFFECT FOR TOTAL	
25	PROFORMA INTEREST IS CALCULATED IN ADJUSTMENT 6.05	

Handwritten mark resembling a stylized 'J' or 'L' with a circle at the top.

PUGET SOUND ENERGY-ELECTRIC  
TAX BENEFIT OF PRO FORMA INTEREST  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
GENERAL RATE INCREASE

LINE NO.	DESCRIPTION	AMOUNT
1	RATE BASE	\$ 4,904,756,946
2		
3	NET RATE BASE	\$ 4,904,756,946
4		
5	WEIGHTED COST OF DEBT	3.24%
6	PROFORMA INTEREST	\$ 158,914,125
7		
8	INCREASE (DECREASE) INCOME	\$ (158,914,125)
9		
10	INCREASE (DECREASE) FIT @	35% (55,619,944)
11	INCREASE (DECREASE) NOI	\$ 55,619,944

Handwritten annotations: a circled '3' next to line 8, and a vertical line with a downward arrow next to lines 10 and 11.

PUGET SOUND ENERGY-ELECTRIC  
MISCELLANEOUS OPERATING EXPENSE  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
GENERAL RATE INCREASE

LINE NO.	DESCRIPTION	REVISED ACTUAL	REVISED PROFORMA RESTATED	ADJUSTMENT
1	<u>OPERATING EXPENSES</u>			
2	REMOVE DEFERRAL OF MINT FARM COSTS	\$ (3,790,493)	\$ -	\$ 3,790,493 (A)
3	REMOVE DEFERRAL OF WILD HORSE EXPANSION COSTS	(1,569,757)	0	1,569,757
4	LAI D OFF EMPLOYEES:			
5	OTHER PRODUCTION EXPENSES	77,825	0	(77,825) (4)
6	DISTRIBUTION	112,534	0	(112,534) (4)
7	ADMIN & GENERAL	34,160	0	(34,160) (4)
8	EXECUTIVE SALARY	502,917	122,640	(380,277) (4)
9	BENEFITS ON THE ABOVE WAGE ADJUSTMENTS	198,812	0	(198,812) (4)
10	PAYROLL TAXES ON THE ABOVE WAGE ADJUSTMENTS	29,687	1,910	(27,777) (4)
11	ADJUST FERC LAND USE FEES	(315,680)	340,291	655,971 (4)
12	<b>RECLASS FERC 557</b>	<b>0</b>	<b>1,464,898</b>	<b>1,464,898</b> (4)
13	REMOVE NON-BUSINESS OR NON-UTILITY RELATED EXPENSES	63,989	47,110	(16,879) (4)
14	INCREASE (DECREASE) IN EXPENSE	<b>\$ (4,656,006)</b>	<b>\$ 1,976,849</b>	<b>\$ 6,632,855</b>
15				
16	INCREASE(DECREASE) OPERATING EXPENSE			<b>6,632,855</b>
17	INCREASE(DECREASE) FIT @		35%	<b>(2,321,499)</b> (4)
18				
19	INCREASE(DECREASE) NOI			<b>\$ (4,311,356)</b>

Σ (A) = 5,30,250 (4)

Σ (B) = 25,843 (4)

Note: Amounts presented in bold italic type have changed since the June 13 original filing.

PUGET SOUND ENERGY-ELECTRIC  
GENERAL PLANT DEPRECIATION  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
GENERAL RATE INCREASE

LINE NO.	DESCRIPTION	TEST YEAR	RESTATED	ADJUSTMENT
1	<u>ADJUSTMENT TO RATE BASE</u>			
2	ACCUMULATED DEPRECIATION - ELECTRIC	\$ -	\$ (359,644)	\$ (359,644)
3	ACCUMULATED DEFERRED FIT	-	125,875	125,875
4	TOTAL ADJUSTMENT TO RATE BASE	-	(233,769)	(233,769)
5				
6	<u>ADJUSTMENT TO OPERATING EXPENSES</u>			
7	DEPRECIATION EXPENSE	10,971,543	9,912,385	(1,059,158)
8				
9	INCREASE (DECREASE) EXPENSE			(1,059,158)
10				
11	INCREASE(DECREASE) FIT @		35%	370,705
12				
13	INCREASE (DECREASE) NOI			\$ 688,453



PUGET SOUND ENERGY-ELECTRIC  
NORMALIZE INJURIES AND DAMAGES  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
GENERAL RATE INCREASE

LINE NO.	DESCRIPTION	TEST YEAR	RESTATED	ADJUSTMENT
1	INJURIES & DAMAGES ACCRUALS	\$ 195,771	\$ 1,109,328	\$ 913,557
2	INJURIES & DAMAGES PAYMENTS IN EXCESS OF ACCRUALS	615,331	818,110	202,779
3	INCREASE/(DECREASE) IN EXPENSE	811,102	1,927,438	1,116,336
4				
5	INCREASE/(DECREASE) IN OPERATING EXPENSE (LINE 3)			1,116,336
6	INCREASE (DECREASE) FIT @		35%	(390,718)
7				
8	INCREASE (DECREASE) NOI			\$ (725,618)

PUGET SOUND ENERGY-ELECTRIC  
BAD DEBTS  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
GENERAL RATE INCREASE

LINE NO.	YEAR	NET WRITEOFF'S	GROSS REVENUES	SALES FOR RESALE OTHER	OTHER OPERATING REVENUES	SALES FOR RESALE FIRM	NET REVENUES	PERCENT WRITEOFF'S TO REVENUE				
1	12 MOS ENDED	DECEMBER	AUGUST	AUGUST	AUGUST	AUGUST	AUGUST					
2	2007	\$ 6,924,812	\$ 1,922,618,327	\$ 111,070,231	\$ 43,200,762	\$ 373,024	\$ 1,767,974,310	0.3917%				
3	2008	\$ 8,122,860	\$ 2,132,433,310	\$ 95,513,282	\$ 59,332,118	\$ 374,652	\$ 1,977,213,258	0.4108%				
4	2009	\$ 10,727,813	\$ 2,093,755,523	\$ 64,642,019	\$ 7,215,398	\$ 360,829	\$ 2,021,537,277	0.5307%				
5	3-YR AVERAGE OF NET WRITE OFF RATE								0.4444%			
6												
7	TEST PERIOD REVENUES	\$	2,274,653,391	\$	201,262,557	\$	30,706,333	\$	350,182	\$	2,042,334,319	
8												
9	PROFORMA BAD DEBT RATE							0.4444%				
10	PROFORMA BAD DEBTS						\$	9,076,134				
11												
12	UNCOLLECTIBLES CHARGED TO EXPENSE IN TEST YEAR							11,596,412				
13	INCREASE (DECREASE) EXPENSE								\$	(2,520,278)		
14												
15	INCREASE (DECREASE) FIT								35%	882,097		
16	INCREASE (DECREASE) NOI									\$	1,638,181	

4

PUGET SOUND ENERGY-ELECTRIC  
INCENTIVE PAY  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
GENERAL RATE INCREASE

LINE NO.	DESCRIPTION	ACTUAL	RESTATED	ADJUSTMENT
1	<u>OPERATING EXPENSES</u>			
2	PURCHASED POWER	\$ 261,243	\$ 228,708	\$ (32,535) <sup>(4)</sup>
3	OTHER POWER SUPPLY	1,299,242	1,147,368	(151,874) <sup>(4)</sup>
4	TRANSMISSION	210,121	184,355	(25,766) <sup>(4)</sup>
5	DISTRIBUTION	1,505,513	1,332,437	(173,076) <sup>(4)</sup>
6	CUSTOMER ACCTS	893,833	791,674	(102,159) <sup>(4)</sup>
7	CUSTOMER SERVICE	79,167	69,618	(9,549) <sup>(4)</sup>
8	SALES	7,752	6,788	(964) <sup>(4)</sup>
9	ADMIN. & GENERAL	1,532,695	1,343,053	(189,642) <sup>(4)</sup>
10	TOTAL INCENTIVE/MERIT PAY	\$ 5,789,566	\$ 5,104,001	\$ (685,565)
11				
12	PAYROLL TAXES ASSOC WITH MERIT PAY	475,543	419,232	(56,311) <sup>(4)</sup>
13	INCREASE(DECREASE) EXPENSE	6,265,109	5,523,233	(741,876)
14				
15	INCREASE (DECREASE) OPERATING EXPENSE			(741,876)
16				
17	INCREASE (DECREASE) FIT @		35%	259,656 <sup>(4)</sup>
18	INCREASE (DECREASE) NOI			\$ 482,220 <sup>(4)</sup>

$\Sigma(A) = (10,513) \text{ (4)}$

PUGET SOUND ENERGY-ELECTRIC  
PROPERTY TAXES  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
GENERAL RATE INCREASE

LINE NO.	DESCRIPTION	WASHINGTON	MONTANA	OREGON	TOTAL
1	RESTATED PROPERTY TAX	\$ 28,650,318	\$ 8,976,872	\$ 619,081	\$ 38,246,271
2	CHARGED TO EXPENSE IN TY	23,853,529	8,578,000	645,632	33,077,161
3	INCREASE(DECREASE) EXPENSE	\$ 4,796,789	\$ 398,872	\$ (26,551)	\$ 5,169,110
4					
5	INCREASE(DECREASE) FIT @			35%	(1,809,189)
6					
7	INCREASE(DECREASE) NOI				\$ (3,359,921)

4

PUGET SOUND ENERGY-ELECTRIC  
EXCISE TAX & FILING FEE  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
GENERAL RATE INCREASE

LINE NO.	DESCRIPTION	AMOUNT
1	RESTATED EXCISE TAXES	\$ 79,150,521
2	CHARGED TO EXPENSE FOR TEST YEAR	78,841,323
3	INCREASE (DECREASE) EXCISE TAX	\$ 309,198
4		
5	RESTATED WUTC FILING FEE	\$ 4,157,945
6	CHARGED TO EXPENSE FOR TEST YEAR	4,157,945
7	INCREASE(DECREASE) WUTC FILING FEE	\$ -
8		
9	INCREASE(DECREASE) EXPENSE	309,198
10		
11	INCREASE(DECREASE) FIT @ 35%	(108,219)
12	INCREASE(DECREASE) NOI	\$ (200,979)

Handwritten vertical line and arrow pointing down from line 9 to line 12.

PUGET SOUND ENERGY-ELECTRIC  
DIRECTORS & OFFICERS INSURANCE  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
GENERAL RATE CASE

LINE NO.	DESCRIPTION	TEST YEAR	RESTATED	ADJUSTMENT
1	D & O INS. CHG EXPENSE	\$ 322,484	\$ 270,816	\$ (51,667)
2				
3	INCREASE (DECREASE) IN EXPENSE	\$ 322,484	\$ 270,816	\$ (51,667)
4				
5	INCREASE(DECREASE) OPERATING EXPENSE (LINE 3)			(51,667)
6				
7	INCREASE (DECREASE) FIT @		35%	18,084
8				
9	INCREASE (DECREASE) NOI			\$ 33,584

Handwritten vertical line with a circled '29' at the top and an arrow pointing down.

PUGET SOUND ENERGY-ELECTRIC  
INTEREST ON CUSTOMER DEPOSITS  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
GENERAL RATE INCREASE

LINE NO.	DESCRIPTION	AMOUNT
1	INTEREST EXPENSE AT MOST CURRENT INTEREST RATE	\$ 47,149 (L)
2		
3	INCREASE (DECREASE) NOI	\$ (47,149)

PUGET SOUND ENERGY-ELECTRIC  
RATE CASE EXPENSES  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
GENERAL RATE INCREASE

LINE NO.	DESCRIPTION		AMOUNT
1	EXPENSES TO BE NORMALIZED:		
2			
3	2007 AND 2009 GRC EXPENSES TO BE NORMALIZED	\$ 982,000	
4			
5	ANNUAL NORMALIZATION (LINE 3 ÷ 2 YEARS)	491,000	
6	LESS TEST YEAR EXPENSE	641,575	
7	INCREASE (DECREASE) EXPENSE	\$ (150,575)	(150,575)
8			
9	2005 AND 2007 PCORC EXPENSES TO BE NORMALIZED	\$ 329,000	
10			
11	ANNUAL NORMALIZATION (LINE 9 ÷ 4 YEARS)	82,250	
12	LESS TEST YEAR EXPENSE	-	
13	INCREASE (DECREASE) EXPENSE	\$ 82,250	82,250
14			
15			
16	TOTAL INCREASE (DECREASE) EXPENSE		\$ (68,325)
17			
18	INCREASE(DECREASE) FIT @	35%	23,914
19	INCREASE(DECREASE) NOI		\$ 44,411

Handwritten marks and a vertical line with an arrow pointing down.



PUGET SOUND ENERGY-ELECTRIC  
DEFERRED GAINS/LOSSES ON PROPERTY SALES  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
GENERAL RATE INCREASE

LINE NO.	DESCRIPTION	AMOUNT
1	DEFERRED GAINS RECORDED FOR UE-090704, et al. at 4/30/2012	\$ (1,822,806)
2	DEFERRED LOSSES RECORDED FOR UE-090704, et al. at 4/30/2012	107,709
3	TOTAL DEFERRED NET GAINS FOR UE-090704, et al. at 4/30/2012	\$ (1,715,097)
4		
5	DEFERRED GAINS PENDING APPROVAL SINCE UE-090704	(76,217)
6	DEFERRED LOSSES PENDING APPROVAL SINCE UE-090704	290,236
7	NET DEFERRED LOSSES PENDING APPROVAL	214,019
8		
9	NET GAIN (LINE 3 + LINE 7)	(1,501,078)
10		
11	ANNUAL AMORTIZATION (LINE 9 ÷ 36 MONHS) x 12 MONTHS	(500,359)
12		
13	AMORTIZATION OF DEFERRED NET GAIN FOR TEST YEAR	(2,082,384)
14		
15	INCREASE (DECREASE) EXPENSE	1,582,025
16		
17	INCREASE (DECREASE) FIT @ 35%	(553,709)
18		
19	INCREASE (DECREASE) NOI	\$ (1,028,316)

5

PUGET SOUND ENERGY-ELECTRIC  
PROPERTY & LIABILITY INSURANCE  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
GENERAL RATE INCREASE

LINE NO.	DESCRIPTION	ACTUAL	PROFORMA	ADJUSTMENT
1	PROPERTY INSURANCE EXPENSE	\$ 2,661,295	\$ 2,817,401	\$ 156,106
2	LIABILITY INSURANCE EXPENSE	1,594,752	1,630,150	35,398
3	INCREASE(DECREASE) EXPENSE	\$ 4,256,047	\$ 4,447,551	\$ 191,504
4				
5	INCREASE (DECREASE) OPERATING EXPENSE			191,504
6				
7	INCREASE (DECREASE) FIT @	35%		(67,026)
8	INCREASE (DECREASE) NOI			\$ (124,477)

5  
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PUGET SOUND ENERGY-ELECTRIC  
PENSION PLAN  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
GENERAL RATE INCREASE

LINE NO.	DESCRIPTION	ACTUAL	RESTATED	ADJUSTMENT
1	QUALIFIED RETIREMENT FUND	\$ 3,279,192	\$ 5,594,713	\$ 2,315,521
2	SERP PLAN	469,392	-	(469,392)
3	INCREASE(DECREASE) EXPENSE	\$ 3,748,584	\$ 5,594,713	\$ 1,846,129
4				
5	INCREASE(DECREASE) OPERATING EXPENSE			1,846,129
6				
7	INCREASE (DECREASE) FIT @	35%		(646,145)
8	INCREASE (DECREASE) NOI			\$ (1,199,984)

5  
f

PUGET SOUND ENERGY-ELECTRIC  
WAGE INCREASE  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
GENERAL RATE INCREASE

LINE NO.	DESCRIPTION	TEST YEAR	RATE YEAR	ADJUSTMENT
1	WAGES:			
2	PURCHASED POWER	\$ 3,782,810	\$ 3,895,159	\$ 112,349 (S)
3	OTHER POWER SUPPLY	18,813,086	19,540,902	727,816 +
4	TRANSMISSION	3,042,579	3,139,382	96,803 +
5	DISTRIBUTION	21,799,940	22,692,972	893,032 +
6	CUSTOMER ACCTS	12,942,747	13,483,213	540,466 +
7	CUSTOMER SERVICE	1,146,347	1,185,620	39,273 (A)
8	SALES	112,249	115,583	3,334 +
9	ADMIN. & GENERAL	22,193,516	22,873,698	680,182 (S)
10	TOTAL WAGE INCREASE	83,833,274	86,926,529	3,093,255
11				
12	PAYROLL TAXES	7,347,779	7,544,699	196,920 (S)
13	TOTAL WAGES & TAXES	91,181,053	94,471,228	3,290,175
14				
15	INCREASE (DECREASE) OPERATING EXPENSE			\$ 3,290,175
16	INCREASE (DECREASE) FIT @ 35%			(1,151,561) (S)
17	INCREASE (DECREASE) NOI			\$ (2,138,614) +

≤ (A) 42,607 (S)

PUGET SOUND ENERGY-ELECTRIC  
INVESTMENT PLAN  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
GENERAL RATE INCREASE

LINE NO.	DESCRIPTION		AMOUNT
1	NON-UNION (EXCLUDING EXECUTIVES)		
2	INVESTMENT PLAN APPLICABLE TO MANAGEMENT		\$5,398,753
3	RATE YEAR MANAGEMENT WAGE INCREASE	2.97%	160,343
4	TOTAL COMPANY CONTRIBUTION FOR MANAGEMENT		5,559,096
5			
6	NON-UNION (EXECUTIVES)		
7	INVESTMENT PLAN APPLICABLE TO MANAGEMENT		132,722
8	RATE YEAR MANAGEMENT WAGE INCREASE	0.00%	0
9	TOTAL COMPANY CONTRIBUTION FOR MANAGEMENT		132,722
10			
11	IBEW		
12	INVESTMENT PLAN APPLICABLE TO IBEW		1,409,136
13	RATE YEAR IBEW WAGE INCREASE	4.51%	63,609
14	TOTAL COMPANY CONTRIBUTION FOR IBEW		1,472,744
15			
16	UA		
17	INVESTMENT PLAN APPLICABLE TO UA		936,139
18	RATE YEAR UA WAGE INCREASE	5.33%	49,900
19	TOTAL COMPANY CONTRIBUTION FOR UA		986,038
20			
21	TOTAL		
22	TOTAL PROFORMA COSTS (LN 4 + LN 9 + LN 14 + LN 19)		8,150,600
23	PRO FORMA COSTS APPLICABLE TO OPERATIONS	60.56%	4,936,004
24	CHARGED TO EXPENSE FOR YEAR ENDED 12/31/10		4,770,159
25	INCREASE (DECREASE) EXPENSE		165,844
26			
27	INCREASE (DECREASE) FIT @	35%	(58,046)
28	INCREASE (DECREASE) NOI		(\$107,798)

5

PUGET SOUND ENERGY-ELECTRIC  
EMPLOYEE INSURANCE  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
GENERAL RATE INCREASE

LINE NO.	DESCRIPTION		AMOUNT
1	<u>BENEFIT CONTRIBUTION:</u>		
2	SALARIED EMPLOYEES	\$	12,773,399
3	UNION EMPLOYEES		9,751,140
4	PRO FORMA INSURANCE COSTS		22,524,539
5			
6	APPLICABLE TO OPERATIONS @	60.56%	13,640,861
7	CHARGED TO EXPENSE DURING TEST YEAR		13,515,093
8	INCREASE(DECREASE) EXPENSE		125,768
9			
10	INCREASE(DECREASE) FIT @	35%	(44,019)
11			
12	INCREASE(DECREASE) NOI	\$	(81,749)

5



40

Puget Sound Energy  
 Electric Rate Base  
 As of December 31, 2010

	4-Factor	NOL
Electric	66.51%	55.67%
Gas	33.49%	44.33%

Account	Description	UE-090704		UE-11	
		AMA 13 Months Ended 12/31/08	AMA 13 Months Ended 12/31/10	Variance December 2008 vs December 2010	
	<b>Rate Base</b>				
4	101 / 102 / 230XXX1	Electric Plant in Service	\$ 5,696,007,913	\$ 6,451,164,408	\$ 755,156,495
5	101 / 253XXX3	Common Plant-Allocation to Electric	308,651,602	275,854,090	(32,797,512)
6	114XXX1	Electric Plant Aquisition Adjustment	84,158,653	251,773,352	167,614,700
6a	18230001	Tenaska	124,973,754	59,395,254	(65,578,500)
6b	18230171	Cabot	352,508	-	(352,508)
6c	1822XXX1	White River Deferred Plant Costs	41,085,521	37,566,968	(3,518,553)
6d	1823XXX1	White River Deferred Relicensing & CWIP	22,072,347	(1,372,560)	(23,444,907)
6e	14300061 & 25400021	Net Regulatory Liability - Canwest	(474,682)	-	474,682
6f	18230231/ 18230371	Hopkins Ridge BPA Transmission	6,017,545	1,394,050	(4,623,495)
6g	25300831	Hopkins II Wake Effect Settlement	(1,068,465)	(503,995)	564,470
6h	18230381/18230391	Goldendale Deferral -UE-070533	12,019,763	5,549,541	(6,470,222)
6i	18230351-71	Mint Farm Deferral	126,491	41,432,583	41,306,092
6j	1340xxxx	BPA Deposits	-	8,813,309	8,813,309
6k	18606XX	WHE Deferred Costs-UE-090704	-	3,607,896	3,607,896
6l	1860xxx	Prepaid Major Maint Sumas/Gold./Freddy	-	1,627,205	1,627,205
6m	16599011	Prepaid Colstrip 1&2 WEC Co Coal Resv Ded.	-	5,000,000	5,000,000
7	18230041	Colstrip Common FERC Adj - Reg Asset	21,589,277	21,589,277	-
	18230051	Accum Amortization Colstrip-Common FERC	(12,394,441)	(13,547,398)	(1,152,957)
9	18230061	Colstrip Def Depr FERC Adj - Reg	2,218,675	1,941,067	(277,608)
10	18230071	BPA Power Exch Invstmt - Reg Asset	113,632,921	113,632,921	-
11	18230081	BPA Power Exch Inv Amortization - Reg Asset	(81,893,433)	(88,946,673)	(7,053,240)
12	18230031	Electric - Def AFUDC - Regulatory Asset	35,858,600	50,853,329	14,994,729
13	1861051	Capitalized OH	2,633,392	-	(2,633,392)
14	10500001	Electric - Plant Held for Future Use	14,617,009	28,549,726	13,932,718
15	10500003	Common Plant Held for Fut Use-Alloc to Electric	-	-	-
16	10605001	Electric - Const Completed Non Classified	78,711,148	150,099,394	71,388,246
16a	10600003	Common - Const Completed Non Classified	1,427,664	230,320	(1,197,344)
17	108XXX1	Elec-Accum Depreciation	(2,307,531,209)	(2,557,947,742)	(250,416,534)
18	108XXX3	Common Accum Depr-Allocation to Electric	(22,470,822)	(20,972,009)	1,498,813
19	111XXX1	Elec-Accum Amortization	(9,973,002)	(13,237,797)	(3,264,795)
20	11100003	Common Accum Amort-Allocation to Electric	(154,235,775)	(110,697,581)	43,538,195
21	115XXX1	Accum Amort Acq Adj - Electric	(39,559,386)	(55,326,900)	(15,767,514)
22	18230221	Accum Unamort Consvr Costs	-	-	-
23	19000041	CIAC after 10/8/76 - Accum Def Income Tax	10,958	-	(10,958)
24	19000051	CIAC - 1986 Changes - Accum Def Income Tax	-	-	-
25	19000061	CIAC - 7/1/87 - Accum Def Income Tax	78,708,749	91,760,556	13,051,808
26	19000093	Vacation Pay - Accum Def Inc Taxes	-	-	-
26a	19000121	Cabot Gas Contract - Accum Def Inc Taxe	120,250	-	(120,250)
26b	19000151	DFIT - Westcoast Capacity Assignment - Electric	51,458	1,168,263	1,116,805
26c	19000711	DFIT- BNP Electric	-	1,234,859	1,234,859
27	19000191	RB-Consrv Pre91 Tax Settltmt - Accum Def Inc Tax	-	-	-
27.1	19000701	DFFIT SSCM INT - ELEC	897,536	-	(897,536)
28	235XXX1	Customer Deposits - Electric	(15,143,164)	(20,606,765)	(5,463,601)
	25400081	Residential Exchange	-	-	-
28.1	25400191& 25400201	Westcoast Pipeline Capacity Regulatory Liabilities	(764,730)	(6,824,750)	(6,060,021)
30	252XXXX1	Cust Advances for Construction	(73,838,784)	(67,513,639)	6,325,145



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Puget Sound Energy  
 Electric Rate Base  
 As of December 31, 2010

Electric 4-Factor 66.51% NOL 55.67%  
 Gas 33.49% 44.33%

Account	Description	UE-090704		UE-11		Variance December 2008 vs December 2010
		AMA 13 Months Ended 12/31/08	AMA 13 Months Ended 12/31/10	AMA 13 Months Ended 12/31/10	AMA 13 Months Ended 12/31/10	
31	28200101	Major Projects - Property Tax Expense	(2,571,208)	-	-	2,571,208
32	28200111	Def Inc Tax - Pre 1981 Additions	(4,147,369)	-	-	4,147,369
33	28200121	DFIT - Electric Plant	(555,703,872)	(727,032,274)	-	(171,328,402)
34	28200131	Colstrip 3 & 4 Deferred Inc Tax	(708,208)	-	-	708,208
35	28200141	Excess Def Taxes - Centralia Sale	-	-	-	-
35-1	28200151	Def FIT Indirect Cost Adj - Electric	-	-	-	-
35a	283XXXXX	Electric Portion of Common Deferred Taxes	(11,629,942)	(8,166,988)	-	3,462,955
35a2	19000433	NOL Carryforward	-	23,235,929	-	23,235,929
36	28300161	Def Inc Tax - Energy Conservation & FAS 133	-	-	-	-
37	28300261	Def FIT Bond Redemption Costs	-	-	-	-
37a	28300451	Accum Def Inc Tax - Tenaska Purchase	(6,807,667)	(2,899,125)	-	3,908,542
37b	28300461	Accum Def Inc Tax - Cabot Gas Contract	(112,333)	-	-	112,333
37c	28300011	Def FIT - White River Water Right	(2,244,021)	(11,889,662)	-	(9,645,641)
37d	19000451	Deferred FIT - Canwest Gas Supply - Ele	154,750	-	-	(154,750)
37e	28300431	Deferred Taxes WNP#3	(10,025,293)	(8,435,868)	-	1,589,425
37f	19000441	Deferred FIT FAS 143 Whitehorn 2 & 3	2,725,801	1,766,755	-	(959,046)
37g	19000553	Common DFIT Summit Purchase Opt Buyout - Elec	30,371	458,181	-	427,809
37h	19000561	Def FIT - Wind Loss Settlement Agreemen	292,792	177,124	-	(115,668)
	28300541 \ 28300551	DFIT Goldendale Deferral -UE-070533	(4,239,167)	(1,943,812)	-	2,295,355
37j	28300601\28300611\28300661	DFIT Mint Fam Costs-UE-090704	-	(14,816,078)	-	(14,816,078)
37k	28300631\28300641\28300671	DFIT Wild Horse Costs-UE-090704	-	(1,276,416)	-	(1,276,416)
38	124001X1	Conservation Rate Base	-	-	-	-
39	18230181	1995 Conservation Trust Rate Base	-	-	-	-
40			-	-	-	-
41	Working Capital- Rate Base		132,602,669	204,952,589	-	72,349,920
42	Rate Base					
43						
44	Electric Rate Base Change		\$ 3,464,213,140	\$ 4,100,870,913		\$ 636,657,773
45						
46	Gross Utility Plant in Service	Lines 4-6 & 14-16a	6,183,573,988	7,157,671,291	974,097,303	
47	Less Accum Dep and Amort	Lines 17-21	(2,533,770,195)	(2,758,182,029)	(224,411,835)	
48	Deferred Debits and Credits	Lines 6a-13 & 22 & 29.1	285,985,043	241,208,023	(44,777,020)	
49	Deferred Taxes	Lines 23-27.1 & 31-37k	(515,196,416)	(656,658,556)	(141,462,140)	
50	Allowance for Working Capital	Line 41	132,602,669	204,952,589	72,349,920	
51	Customer Deposits/Advances	Lines 28 & 30	(88,981,948)	(88,120,404)	861,544	
52	Total Rate Base		\$ 3,464,213,140	\$ 4,100,870,913	\$ 636,657,773	

**PUGET SOUND ENERGY-ELECTRIC  
GENERAL RATE INCREASE  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
GENERAL RATE INCREASE**

<b>LINE NO. DESCRIPTION</b>	<b>REVISED</b>
1 RATE BASE	\$ 4,904,756,946
2 RATE OF RETURN	<u>8.42%</u>
3	
4 OPERATING INCOME REQUIREMENT	412,980,535
5	
6 PRO FORMA OPERATING INCOME	<u>318,050,321</u>
7 OPERATING INCOME DEFICIENCY	<u>94,930,214</u> ①
8	
9 CONVERSION FACTOR	<u>0.6207490</u>
10 REVENUE REQUIREMENT DEFICIENCY	<u>152,928,501</u> ①
11 LARGE FIRM WHOLESale	<u>427,352</u> ④
12 SALES FROM RESALE-FIRM	<u>164,110</u> ✓
13 REVENUE REQUIREMENT DEFICIENCY	<u><u>\$ 152,337,039</u></u> ①

Σ ④ = 591,462 ①

*Note: Amounts presented in bold italic type have changed since the June 13 original filing.*

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Docket Number UE-11  
Exhibit No. (JHS-07)

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PUGET SOUND ENERGY-ELECTRIC  
PRO FORMA COST OF CAPITAL  
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010  
GENERAL RATE INCREASE

LINE NO.	DESCRIPTION	PRO FORMA CAPITAL %	COST %	COST OF CAPITAL
1	SHORT TERM DEBT	4.00%	4.62%	0.18%
2	LONG TERM DEBT	48.00%	6.37%	3.06%
3	PREFERRED	0.00%	0.00%	0.00%
4	EQUITY	48.00%	10.80%	5.18%
5	TOTAL	100.00%		8.42%
6				
7	AFTER TAX SHORT TERM DEBT ( (LINE 1)* 65%)	4.00%	3.00%	0.12%
8	AFTER TAX LONG TERM DEBT ( (LINE 2)* 65%)	48.00%	4.14%	1.99%
9	PREFERRED	0.00%	0.00%	0.00%
10	EQUITY	48.00%	10.80%	5.18%
11	TOTAL AFTER TAX COST OF CAPITAL	100.00%		7.29%