

PUGET SOUND ENERGY
ELECTRIC RESULTS OF OPERATIONS
FORECAST TWELVE MONTHS ENDED DECEMBER 31, 2010 VS DECEMBER 31, 2008 GENERAL RATE CASE
UNIT COST

LINE NO.	12/31/2010		12/31/2008		VARIANCE	
	RESTATED RESULTS OF OPERATIONS	UNIT COST	RESTATED RESULTS OF OPERATIONS	UNIT COST		
		Dollars/Kwh		Dollars/Kwh		
		21,143,300,002		21,821,673,792		
1	REVISED					
2	<u>OPERATING REVENUES:</u>					
2	SALES TO CUSTOMERS	\$ 1,977,336,368	\$ 0.093521	2,034,174,915	\$ 0.093218	\$ (6,398,167)
3	SALES FROM RESALE-FIRM	1,217,748	0.000058	353,136	0.000016	(875,590)
4	SALES TO OTHER UTILITIES	10,227,296	0.000484	29,152,008	0.001336	18,018,459
5	OTHER OPERATING REVENUES	36,674,343	0.001735	40,410,071	0.001852	2,479,494
6	TOTAL OPERATING REVENUES	\$ 2,025,455,754	\$ 0.095797	\$ 2,104,090,130	\$ 0.096422	\$ 13,224,196
7						
8	OPERATING REVENUE DEDUCTIONS:					
9						
10	<u>POWER COSTS:</u>					
11	FUEL	\$ 236,545,230	\$ 0.011188	300,188,768	\$ 0.013756	\$ (54,311,524)
12	PURCHASED AND INTERCHANGED	505,415,267	0.0239043	630,151,589	0.0288773	(105,146,701)
13	WHEELING	95,610,267	0.0045220	82,203,316	0.0037670	15,962,419
14	RESIDENTIAL EXCHANGE	-	0.0000000	-	0.0000000	-
15	TOTAL PRODUCTION EXPENSES	\$ 837,570,764	\$ 0.039614	\$ 1,012,543,673	\$ 0.046401	\$ (143,495,806)
16						
17	OTHER POWER SUPPLY EXPENSES	\$ 127,393,044	\$ 0.006025	107,091,100	\$ 0.004908	23,631,102
18	TRANSMISSION EXPENSE	11,957,565	0.000566	8,899,925	0.000408	3,334,313
19	DISTRIBUTION EXPENSE	81,926,024	0.003875	74,958,556	0.003435	9,297,716
20	CUSTOMER ACCOUNT EXPENSES	47,712,480	0.002257	41,977,339	0.001924	7,040,097
21	CUSTOMER SERVICE EXPENSES	1,704,624	0.000081	2,200,805	0.000101	(427,765)
22	CONSERVATION AMORTIZATION	2,589	0.000000	1,062	0.000000	1,560
23	AMORTIZATION OF PROPERTY LOSS	16,940,733	0.000801	17,897,856	0.000820	(400,730)
24	OTHER OPERATING EXPENSES	3,560,572	0.000168	8,190,584	0.000375	(4,375,390)
25	ASC 815	-	0.000000	-	0.000000	-
26	ADMIN & GENERAL EXPENSE	100,047,496	0.00473	89,781,329	0.00411	13,057,213
27	Subtotal	391,245,126	\$ 0.018504	350,998,557	\$ 0.016085	\$ 51,158,117
28	DEPRECIATION	219,837,724	0.010398	175,753,602	0.008054	49,547,802
29	AMORTIZATION	39,947,888	0.001889	41,715,383	0.001912	(470,682)
30	TAXES OTHER INCOME TAXES	125,686,555	0.005945	122,553,987	0.005616	6,942,424
31	INCOME TAXES	(75,348,458)	-0.003564	47,621,990	0.002182	(121,490,016)
32	DEFERRED INCOME TAXES	168,465,833	0.007968	49,297,727	0.002259	120,700,632
33	TOTAL OPERATING REV. DEDUCT.	\$ 1,707,405,433	\$ 0.080754	\$ 1,800,484,919	\$ 0.082509	\$ (37,107,529)
34	NET OPERATING INCOME	\$ 318,050,321	\$ 0.015043	\$ 303,605,211	\$ 0.013913	\$ (23,883,332)
35						
36	RATE BASE	\$ 4,904,756,946	\$ 0.231977	3,748,212,489	\$ 0.171766	
37	RATE OF RETURN	8.42%		8.10%		
38	RETURN ON RATE BASE	\$ 412,980,535	\$ 0.019532	303,605,212	\$ 0.013913	118,813,546
39	REVENUE DEFICIENCY - NET OF TAX	\$ 94,930,214		\$ 0		\$ 94,930,215

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

PUGET SOUND ENERGY-ELECTRIC
 RESULTS OF OPERATIONS
 FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010
 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	\$ 2,042,334,319	\$ (64,997,951)	\$ 1,977,336,368	\$ 152,334,086
3	SALES FROM RESALE-FIRM/SPECIAL CONTRACT	350,182	867,565	1,217,748	594,415
4	SALES TO OTHER UTILITIES	201,262,557	(191,035,261)	10,227,296	1,812,163
5	OTHER OPERATING REVENUES	30,706,333	5,968,010	36,674,343	10,227,296
6	TOTAL OPERATING REVENUES	2,274,653,391	(249,197,637)	2,025,455,754	36,674,343
7	OPERATING REVENUE DEDUCTIONS:			152,928,501	2,178,384,255
8					
9	POWER COSTS:				
10	FUEL	\$ 268,147,071	\$ (31,601,842)	\$ 236,545,230	\$ -
11	PURCHASED AND INTERCHANGED	832,711,097	(327,295,830)	505,415,267	-
12	WHEELING	78,564,669	17,045,598	95,610,267	-
13	RESIDENTIAL EXCHANGE	(75,109,150)	75,109,150	-	-
14	TOTAL PRODUCTION EXPENSES	1,104,313,687	(266,742,923)	837,570,764	-
15	OTHER POWER SUPPLY EXPENSES	\$ 102,409,192	\$ 24,983,852	\$ 127,393,044	\$ -
16	TRANSMISSION EXPENSE	11,865,443	92,122	11,957,565	-
17	DISTRIBUTION EXPENSE	82,924,735	(998,711)	81,926,024	-
18	CUSTOMER ACCTS EXPENSES	50,172,086	(2,459,606)	47,712,480	679,614
19	CUSTOMER SERVICE EXPENSES	13,431,632	(11,727,008)	1,704,624	1,704,624
20	CONSERVATION AMORTIZATION	75,336,909	(75,334,320)	2,589	2,589
21	ADMIN & GENERAL EXPENSE	94,643,935	5,403,561	100,047,496	305,857
22	DEPRECIATION	190,245,449	29,592,275	219,837,724	219,837,724
23	AMORTIZATION	40,184,321	(236,433)	39,947,888	39,947,888
24	AMORTIZ OF PROPERTY GAIN/LOSS	17,493,031	(552,298)	16,940,733	16,940,733
25	OTHER OPERATING EXPENSES	30,169,560	(26,608,988)	3,560,572	3,560,572
26	ASC 815	166,953,097	(166,953,097)	-	-
27	TAXES OTHER THAN INCOME TAXES	193,255,907	(67,569,351)	125,686,555	5,896,617
28	INCOME TAXES	16,263,334	(91,611,792)	(75,348,458)	51,116,199
29	DEFERRED INCOME TAXES	(32,436,237)	200,902,071	168,465,833	168,465,833
30	TOTAL OPERATING REV. DEDUCT.	2,157,226,080	(449,820,647)	1,707,405,433	57,998,287
31	NET OPERATING INCOME	\$ 117,427,311	\$ 200,623,010	\$ 318,050,321	\$ 94,930,214
32	RATE BASE	\$ 4,100,870,913	\$ 803,886,033	\$ 4,904,756,946	\$ -
33	RATE OF RETURN	2.86%	6.48%	8.42%	
34	RATE OF RETURN				
35	RATE BASE:				
36	GROSS UTILITY PLANT IN SERVICE	\$ 7,157,671,291	\$ 693,485,863	\$ 7,851,157,154	
37	ACCUM DEPR AND AMORT	(2,758,182,029)	7,805,936	(2,750,376,093)	
38	DEFERRED DEBITS AND CREDITS	241,208,023	184,108,059	425,316,082	
39	DEFERRED TAXES	(656,658,557)	(81,513,826)	(738,172,383)	
40	ALLOWANCE FOR WORKING CAPITAL	204,952,589	-	204,952,589	
41	OTHER	(88,120,404)	-	(88,120,404)	
42	TOTAL RATE BASE	\$ 4,100,870,913	\$ 803,886,033	\$ 4,904,756,946	

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

PUGET SOUND ENERGY-ELECTRIC
RESULTS OF OPERATIONS
FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2008
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	\$ 1,988,945,644	\$ 23,523,321	\$ 2,012,468,965	\$ 2,034,174,915
3	SALES FROM RESALE-FIRM	369,320	(20,041)	349,279	353,136
4	SALES TO OTHER UTILITIES	173,342,971	(144,190,963)	29,152,008	29,152,008
5	OTHER OPERATING REVENUES	55,432,486	(15,033,177)	40,399,308	40,410,071
6	TOTAL OPERATING REVENUES	2,218,090,420	(135,720,860)	2,082,369,560	2,104,090,130
7	OPERATING REVENUE DEDUCTIONS:				
8					
9					
10	POWER COSTS:				
11	FUEL	\$ 212,332,676	\$ 87,856,093	\$ 300,188,768	\$ 300,188,768
12	PURCHASED AND INTERCHANGED	920,346,551	(290,194,962)	630,151,589	630,151,589
13	WHEELING	70,713,346	11,489,970	82,203,316	82,203,316
14	RESIDENTIAL EXCHANGE	(40,663,861)	40,663,861	-	-
15	TOTAL PRODUCTION EXPENSES	1,162,728,712	(150,185,039)	1,012,543,673	1,012,543,673
16					
17	OTHER POWER SUPPLY EXPENSES	\$ 102,819,798	\$ 4,271,302	\$ 107,091,100	\$ 107,091,100
18	TRANSMISSION EXPENSE	9,234,124	(334,199)	8,899,925	8,899,925
19	DISTRIBUTION EXPENSE	76,776,331	(1,817,775)	74,958,556	74,958,556
20	CUSTOMER ACCTS EXPENSES	43,145,324	(1,246,658)	41,898,667	41,977,339
21	CUSTOMER SERVICE EXPENSES	10,019,493	(7,818,688)	2,200,805	2,200,805
22	CONSERVATION AMORTIZATION	53,980,110	(53,979,048)	1,062	1,062
23	ADMIN & GENERAL EXPENSE	89,418,696	319,192	89,737,888	89,781,329
24	DEPRECIATION	173,307,040	2,446,561	175,753,602	175,753,602
25	AMORTIZATION	34,012,299	7,703,084	41,715,383	41,715,383
26	AMORTIZ OF PROPERTY GAIN/LOSS	6,493,409	11,404,447	17,897,856	17,897,856
27	OTHER OPERATING EXPENSES	(483,686)	8,674,270	8,190,584	8,190,584
28	FAS 133	7,537,999	(7,537,999)	-	-
29	TAXES OTHER THAN INCOME TAXES	188,816,368	(67,100,577)	121,715,790	122,553,987
30	INCOME TAXES	4,629,482	35,726,413	40,355,895	47,621,990
31	DEFERRED INCOME TAXES	30,323,152	18,974,575	49,297,727	49,297,727
32	TOTAL OPERATING REV. DEDUCT.	1,992,758,652	(200,500,138)	1,792,258,513	8,226,405
33					
34	NET OPERATING INCOME	225,331,768	64,779,278	290,111,047	303,605,211
35					
36	RATE BASE	3,464,213,140	283,999,348	3,748,212,489	3,748,212,489
37					
38	RATE OF RETURN	6.50%		7.74%	8.10%
39					
40	RATE BASE:				
41	GROSS UTILITY PLANT IN SERVICE	\$ 6,183,573,988	\$ 587,866,840	\$ 6,771,440,828	
42	ACCUM DEPR AND AMORT	(2,533,770,195)	(133,731,202)	(2,667,501,397)	
43	DEFERRED DEBITS	286,749,772	(119,227,068)	167,522,704	
44	DEFERRED TAXES	(515,196,416)	(50,909,223)	(566,105,639)	
45	ALLOWANCE FOR WORKING CAPITAL	132,602,669	-	132,602,669	
46	OTHER	(89,746,678)	-	(89,746,678)	
47	TOTAL RATE BASE	3,464,213,140	283,999,348	3,748,212,489	

Note: Amounts presented in bold italic type have changed since PSE's December 17, 2009 Rebuttal filing.

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Puget Sound Energy
Production Factor
For the Twelve Months Ended 12/31/2010

Line	Description	Production Amount
1	TEST YEAR <u>BILLED</u> LOAD	21,033,671,724
2	CHANGE IN UNBILLED KWHS (<i>positive for the period</i>)	(125,288,128)
3	TEST YEAR CORE DELIVERED LOAD BEFORE PROFORMA/RESTATING	
4	ADJUSTMENTS (<i>agrees to Sales of Electricity Report- Total Retail Sales</i>)	20,908,383,596
5	PROFORMA ADJUSTMENTS (<i>temp norm</i>)	234,916,406
6		
7	TOTAL ADJUSTED TEST YEAR <u>DELIVERED</u> LOAD	21,143,300,002 (i)
8	FORECASTED RATE YEAR KWH	21,596,717,808
9		
10	LINE 11 DIVIDED BY LINE 12	0.97901
11		
12	PRODUCTION FACTOR= (1-LINE 14)	0.02099

detailed support for this workpaper
can be found at w/p (40) in
Adj. 13.11 "Prod Adj"

Note: Amounts presented in bold italic have changed since the Sept 28 supplemental filing.

Puget Sound Energy
Production Factor
For the Twelve Months Ended 12/31/2008

Line	Description	Production Amount
1	TEST YEAR <u>BILLED</u> LOAD	21,942,220,069
2	CHANGE IN UNBILLED KWHS (<i>positive for the period</i>)	80,374,723
3	TEST YEAR CORE DELIVERED LOAD BEFORE PROFORMA/RESTATING	
4	ADJUSTMENTS (<i>agrees to Sales of Electricity Report- Total Retail Sales</i>)	22,022,594,792
5	RESTATING ADJUSTMENTS (<i>out of period items</i>)	
6	RESTATING ADJUSTMENTS (<i>Sch 40 Interim kWh</i>)	
7	RESTATING ADJUSTMENTS (<i>end of period customers</i>)	
8	PROFORMA ADJUSTMENTS (<i>large power load and Sch 40</i>)	
9	PROFORMA ADJUSTMENTS (Conservation)	
9	PROFORMA ADJUSTMENTS (<i>temp norm</i>)	(200,921,000)
10		
11	TOTAL ADJUSTED TEST YEAR <u>DELIVERED</u> LOAD	21,821,673,792
12	FORECASTED RATE YEAR KWH	21,444,292,028
13		
14	LINE 11 DIVIDED BY LINE 12	1.01760
15		
16	PRODUCTION FACTOR= (1-LINE 14)	(0.01760)

From 2009 GRC W/p's

Note: Amounts presented in bold italic have changed since the Sept 28 supplemental filing.