

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

LINE NO. DESCRIPTION	ACTUAL	REVISED PROFORMA	INCREASE (DECREASE)
1 SALES FOR RESALE	\$ 201,262,557	\$ <i>10,227,296</i>	\$ <i>(191,035,261)</i>
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	(26,045,439)	11,378,098	37,423,537
6			
7 TOTAL OPERATING REVENUES	175,217,118	<i>21,605,394</i>	<i>(153,611,725)</i>
8			
9 FUEL	\$ 269,007,822	\$ <i>236,911,615</i>	\$ <i>(32,096,207)</i>
10			
11 PURCHASED AND INTERCHANGED	792,862,060	<i>492,764,529</i>	<i>(300,097,532)</i>
12 HEDGING	-	1,420,907	1,420,907
13	-	0	-
14 SUBTOTAL PURCHASED AND INTERCHANGED	\$ 792,862,060	\$ <i>494,185,436</i>	\$ <i>(298,676,624)</i>
15 WHEELING	76,487,811	<i>85,895,611</i>	<i>9,407,800</i>
16			
17 TOTAL PRODUCTION EXPENSES	\$ 1,138,357,693	\$ <i>816,992,662</i>	\$ <i>(321,365,032)</i>
18 HYDRO AND OTHER POWER	101,194,084	115,053,360	13,859,275
19 TRANS. EXP. INCL. 500KV O&M	1,419,635	<i>1,389,837</i>	<i>(29,798)</i>
20			
21 TOTAL OPERATING EXPENSES	\$ 1,240,971,412	\$ <i>933,435,858</i>	\$ <i>(307,535,554)</i>
22			
23 INCREASE (DECREASE) OPERATING INCOME (LINE 7 - LINE 21)	\$ (1,065,754,294)	\$ <i>(911,830,464)</i>	\$ <i>153,923,830</i>
24			
25 STATE UTILITY TAX SAVINGS FOR LINE 4	3.873%		(26,146)
26 INCREASE (DECREASE) INCOME			\$ <i>153,897,684</i>
27 INCREASE (DECREASE) FIT @	35%		\$ <i>53,864,189</i>
28 INCREASE (DECREASE) NOI			\$ <u><u><i>100,033,495</i></u></u>

Supporting w/p's can be found
 in Adjustment B.01

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