



PUGET SOUND ENERGY

The Energy To Do Great Things

Puget Sound Energy
P.O. Box 97034
Bellevue, WA 98009-9734
PSE.com

March 31, 2011

Mr. David Danner
Executive Director and Secretary
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive SW
P.O. Box 47250
Olympia, WA 98504-7250

Dear Mr. Danner,

Attached are revised regulated capital structure reports for each of the four quarters in 2010. Previously filed reports included adjustments to book equity to remove unregulated subsidiary income or loss as well as adjustments to other comprehensive income related to accounting for unrealized gains or losses on derivative instruments and pensions and benefits. However, adjustments to regulated equity for the effects of accounting for unrealized gains or losses on derivative instruments recorded through income were inadvertently omitted. The attached revised reports include such adjustments.

The reports being provided are related to Commitment 35 of the merger agreement set forth in final commission order U-072375.

Please contact me at (425) 462-3885 should you have any questions.

Sincerely,

John H. Story
Director, Cost & Regulation

Enclosure

Cc: Thomas Schooley WUTC Regulatory Analyst
Mike Parvinen WUTC Assistant Director of Energy

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PSE Regulated Capital Structure
31-Dec-10
(Dollars in Thousands)
Revised 03/31/2011

	Amount	Percent
Puget Sound Energy		
Short-Term Debt	269,598	3.9%
Long-Term Debt	3,463,860	49.6%
Regulated Equity	3,244,391	46.5%
Total Capitalization	<u>6,977,849</u>	<u>100.0%</u>

Regulated Equity:

Common Equity (Book)	2,974,908
Adjustments	
Less: Unregulated Subsidiary - PWI	4,883
Less: Unregulated Subsidiary - HEDC	-
Less: Unrealized Derivative Gains / Losses - Income Statement (Note 1)	(116,720)
Less: OCI Derivatives and Pension/Benefits	(157,646)
Total Regulated Equity	<u>3,244,391</u>

Note 1

Impact on Regulated Equity of Unrealized gains / losses on derivative instruments running through Income Statement

PSE Regulated Capital Structure
30-Sep-10
(Dollars in Thousands)
Revised 03/31/2011

	Amount	Percent
Puget Sound Energy		
Short-Term Debt	99,898	1.5%
Long-Term Debt	3,463,860	51.3%
Regulated Equity	3,193,199	47.3%
Total Capitalization	<u>6,756,957</u>	<u>100.0%</u>

Regulated Equity:

Common Equity (Book)	2,892,282
Adjustments	
Less: Unregulated Subsidiary - PWI	5,240
Less: Unregulated Subsidiary - HEDC	-
Less: Unrealized Derivative Gains / Losses - Income Statement (Note 1)	(138,657)
Less: OCI Derivatives and Pension/Benefits	(167,500)
Total Regulated Equity	<u>3,193,199</u>

Note 1

Impact on Regulated Equity of Unrealized gains / losses on derivative instruments running through Income Statement

PSE Regulated Capital Structure
30-Jun-10
(Dollars in Thousands)
Revised 03/31/2011

	Amount	Percent
Puget Sound Energy		
Short-Term Debt	22,898	0.3%
Long-Term Debt	3,470,860	51.9%
Regulated Equity	3,191,858	47.7%
Total Capitalization	<u>6,685,616</u>	<u>100.0%</u>

Regulated Equity:

Common Equity (Book)	2,928,875
Adjustments	
Less: Unregulated Subsidiary - PWI	5,550
Less: Unregulated Subsidiary - HEDC	-
Less: Unrealized Derivative Gains / Losses - Income Statement (Note 1)	(87,593)
Less: OCI Derivatives and Pension/Benefits	<u>(180,940)</u>
Total Regulated Equity	<u>3,191,858</u>

Note 1

Impact on Regulated Equity of Unrealized gains / losses on derivative instruments running through Income Statement

PSE Regulated Capital Structure
31-Mar-10
(Dollars in Thousands)
Revised 03/31/2011

	Amount	Percent
Puget Sound Energy		
Short-Term Debt	62,898	1.0%
Long-Term Debt	3,220,860	49.0%
Preferred Stock		0.0%
Regulated Equity	3,285,774	50.0%
Total Capitalization	<u>6,569,532</u>	<u>100.0%</u>

Regulated Equity:

Common Equity (Book)	2,988,958
Adjustments	
Less: Unregulated Subsidiary - PWI	5,695
Less: Unregulated Subsidiary - HEDC	(30,412)
Less: Unrealized Derivative Gains / Losses - Income Statement (Note 1)	(81,661)
Less: OCI Derivatives and Pension/Benefits	(190,438)
Total Regulated Equity	<u>3,285,774</u>

Note 1

Impact on Regulated Equity of Unrealized gains / losses on derivative instruments running through Income Statement