THIS FILING IS	
Item 1: [X] An Initial (Original) Submission	OR [ ] Resubmission No. ____

Form 2 Approved
OMB No.1902-0028
(Expires 09/30/2017)

Form 3-Q Approved
OMB No.1902-0205
(Expires 11/30/2016)

FERC FINANCIAL REPORT
FERC FORM No. 2: Annual Report of Major Natural Gas Companies and Supplemental Form 3-Q: Quarterly Financial Report

These reports are mandatory under the Natural Gas Act, Sections 10(a), and 16 and 18 CFR Parts 260.1 and 260.300. Failure to report may result in criminal fines, civil penalties, and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider these reports to be of a confidential nature.

Exact Legal Name of Respondent (Company)		Year/Period of Report
Puget Sound Energy, Inc.	UBI # 179010055	End of 2015/Q4

QUARTERLY/ANNUAL REPORT OF MAJOR NATURAL GAS COMPANIES

IDENTIFICATION

01 Exact Legal Name of Respondent	Year/Period of Report
Puget Sound Energy, Inc.	End of 2015/Q4

03 Previous Name and Date of Change (If name changed during year)

04 Address of Principal Office at End of Year (Street, City, State, Zip Code)
P.O. Box 97034, Bellevue, WA 98009-9734

05 Name of Contact Person	06 Title of Contact Person
Michael J. Stranik	Controller & PAO

07 Address of Contact Person (Street, City, State, Zip Code)
P.O. Box 97034, Bellevue, WA 98009-9734

08 Telephone of Contact Person, Including Area Code	This Report Is:	10 Date of Report
425-462-3202	(1) [X] An Original (2) [ ] A Resubmission	*(Mo, Da, Yr)* 04/14/2016

ANNUAL CORPORATE OFFICER CERTIFICATION

The undersigned officer certifies that:

I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.

11 Name	12 Title
Michael J. Stranik	Controller & PAO
13 Signature Michael J. Stranik	14 Date Signed 04/14/2016

Title 18, U.S.C. 1001, makes it a crime for any person knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

List of Schedules (Natural Gas Company)

Enter in column (d) the terms "none," "not applicable," or "NA" as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the responses are "none," "not applicable," or "NA."

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Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

List of Schedules (Natural Gas Company) (continued)

Enter in column (d) the terms "none," "not applicable," or "NA" as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the responses are "none," "not applicable," or "NA."

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	[ ] Four copies will be submitted [X] No annual report to stockholders is prepared			

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

General Information

1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.

Puget Sound Energy, Inc.
Michael J. Stranik, Controller & Principal Accounting Officer
P.O. Box 97034 PSE-08S
Bellevue, Washington 98009-9734

2. Provide the name of the State under the laws of which respondent is incorporated and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized.

State of Washington - September 12, 1960

3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.

Not Applicable

4. State the classes of utility and other services furnished by respondent during the year in each State in which the respondent operated.

Electric - State of Washington
Gas - State of Washington

5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?

(1) [ ] Yes... Enter the date when such independent accountant was initially engaged:
(2) [X] No

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Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Control Over Respondent

1. Report in column (a) the names of all corporations, partnerships, business trusts, and similar organizations that directly, indirectly, or jointly held control (see page 103 for definition of control) over the respondent at the end of the year. If control is in a holding company organization, report in a footnote the chain of organization.
2. If control is held by trustees, state in a footnote the names of trustees, the names of beneficiaries for whom the trust is maintained, and the purpose of the trust.
3. In column (b) designate type of control over the respondent. Report an "M" if the company is the main parent or controlling company having ultimate control over the respondent. Otherwise, report a "D" for direct, an "I" for indirect, or a "J" for joint control.

Line No.	Company Name (a)	Type of Control (b)	State of Incorporation (c)	Percent Voting Stock Owned (d)
1	Puget Energy, Inc. (a holding company)	M	WA	100.00
2	Puget Equico, LLC (holds Puget Energy)	I	WA	100.00
3	Puget Intermediate Holding, Inc. (holds Puget Equi	I	WA	100.00
4	Puget Holdings, LLC (holds Puget Intermediate)	I	WA	100.00
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Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Corporations Controlled by Respondent

1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.
2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.
3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.
4. In column (b) designate type of control of the respondent as "D" for direct, an "I" for indirect, or a "J" for joint control.

DEFINITIONS

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1. See the Uniform System of Accounts for a definition of control.
2. Direct control is that which is exercised without interposition of an intermediary.
3. Indirect control is that which is exercised by the interposition of an intermediary that exercises direct control.
4. Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.

Line No.	Name of Company Controlled (a)	Type of Control (b)	Kind of Business (c)	Percent Voting Stock Owned (d)	Footnote Reference (e)
1	Puget Western, Inc.	D	Real Estate Operation	100	*Not used*
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Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Security Holders and Voting Powers

1. Give the names and addresses of the 10 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent, prior to the end of the year, had the highest voting powers in the respondent, and state the number of votes that each could cast on that date if a meeting were held. If any such holder held in trust, give in a footnote the known particulars of the trust (whether voting trust, etc.), duration of trust, and principal holders of beneficiary interests in the trust. If the company did not close the stock book or did not compile a list of stockholders within one year prior to the end of the year, or if since it compiled the previous list of stockholders, some other class of security has become vested with voting rights, then show such 10 security holders as of the close of the year. Arrange the names of the security holders in the order of voting power, commencing with the highest. Show in column (a) the titles of officers and directors included in such list of 10 security holders.
2. If any security other than stock carries voting rights, explain in a supplemental statement how such security became vested with voting rights and give other important details concerning the voting rights of such security. State whether voting rights are actual or contingent; if contingent, describe the contingency.
3. If any class or issue of security has any special privileges in the election of directors, trustees or managers, or in the determination of corporate action by any method, explain briefly in a footnote.
4. Furnish details concerning any options, warrants, or rights outstanding at the end of the year for others to purchase securities of the respondent or any securities or other assets owned by the respondent, including prices, expiration dates, and other material information relating to exercise of the options, warrants, or rights. Specify the amount of such securities or assets any officer, director, associated company, or any of the 10 largest security holders is entitled to purchase. This instruction is inapplicable to convertible securities or to any securities substantially all of which are outstanding in the hands of the general public where the options, warrants,

1. Give date of the latest closing of the stock book prior to end of year, and, in a footnote, state the purpose of such closing:	2. State the total number of votes cast at the latest general meeting prior to the end of year for election of directors of the respondent and number of such votes cast by proxy.	3. Give the date and place of such meeting:
12/31/2015	Total: By Proxy:	N/A

Line No.	Name (Title) and Address of Security Holder (a)	VOTING SECURITIES 4. Number of votes as of (date): Total Votes (b)	Common Stock (c)	Preferred Stock (d)	Other (e)
5	TOTAL votes of all voting securities	85,903,791	85,903,791		
6	TOTAL number of security holders	1	1		
7	TOTAL votes of security holders listed below	85,903,791	85,903,791		
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FOOTNOTE DATA

Schedule Page: 107 Line No.: 7 Column: c

Puget Energy is sole shareholder of Puget Sound Energy.

Give details concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Answer each inquiry. Enter "none" or "not applicable" where applicable. If the answer is given elsewhere in the report, refer to the schedule in which it appears.

1. Changes in and important additions to franchise rights: Describe the actual consideration and state from whom the franchise rights were acquired. If the franchise rights were acquired without the payment of consideration, state that fact.
2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.
3. Purchase or sale of an operating unit or system: Briefly describe the property, and the related transactions, and cite Commission authorization, if any was required. Give date journal entries called for by Uniform System of Accounts were submitted to the Commission.
4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other conditions. State name of Commission authorizing lease and give reference to such authorization.
5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and cite Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service.

Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc.

6. Obligations incurred or assumed by respondent as guarantor for the performance by another of any agreement or obligation, including ordinary commercial paper maturing on demand or not later than one year after date of issue: State on behalf of whom the obligation was assumed and amount of the obligation. Cite Commission authorization if any was required.
7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.
8. State the estimated annual effect and nature of any important wage scale changes during the year.
9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.
10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.
11. Estimated increase or decrease in annual revenues caused by important rate changes: State effective date and approximate amount of increase or decrease for each revenue classification. State the number of customers affected.
12. Describe fully any changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period.
13. In the event that the respondent participates in a cash management program(s) and its proprietary capital ratio is less than 30 percent please describe the significant events or transactions causing the proprietary capital ratio to be less than 30 percent, and the extent to which the respondent has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through a cash management program(s). Additionally, please describe plans, if any to regain at least a 30 percent proprietary ratio.

1. New (replacement) Franchises:

Location (WA)	Type	Start	End	Term (years)	Extension
Tacoma	Gas	9/23/2015	9/22/2040	25	
Yarrow Point	Dual	10/24/2015	10/23/2035	20	
Tukwila	Dual	10/27/2015	10/26/2030	15	
Roy	Electric	11/11/2015	11/10/2045	30	
Lakewood	Dual	1/23/2006	1/22/2026	20	Extended 12/12/2015

No consideration was paid to the granting jurisdiction for any of these franchises. Puget Sound Energy did reimburse

the City of Tukwila for costs incurred in the processing of our application as provided under Washington State Law.

2. None

3. None

4. None

5. None

6. On May 26, 2015, PSE issued $425.0 million of senior notes secured by first mortgage bonds. The notes mature in May 2045 and have an interest rate of 4.30%, which is payable semi-annually in May and November. Net proceeds of the issuance were used to fund the early retirement, including accrued interest and make-whole call premiums, of PSE's $150.0 million 5.197% senior notes maturing in October 2015 and PSE's $250.0 million 6.75% senior notes maturing in January 2016.

   As of December 31, 2015, no loans or letters of credit were outstanding under the PSE energy hedging facility, no loans or letters of credit were outstanding under the PSE liquidity facility and $159.0 million was outstanding under the commercial paper program. The credit agreements are syndicated among numerous lenders. PSE is allowed by the Washington Utilities and Transportation Commission (WUTC) to issue obligations as necessary to meet ongoing working capital needs.

7. None

8. Non-represented employees received on average 3% salary increase effective March 1, 2015. Employees represented by the IBEW received a 6% wage increase that went into effect November 1, 2014 and employees represented by the UA received a 3% wage increase that was effective October 1, 2015. The estimated annual effect of these changes is $8.3 million. The current labor contracts with the IBEW and UA expire March 31, 2017 and September 30, 2017, respectively.

9. **Regulation and Rates**

   PSE filed a settlement agreement with the Washington Commission on March 22, 2013. The agreement was intended to settle all issues regarding decoupling, a power purchase agreement with TransAlta Centralia and the expedited rate filing (ERF) which is limited in scope and rate impact, includes the property tax tracker, and is intended to establish baseline rates on which the decoupling mechanism are to operate. The Washington Commission placed the ERF and decoupling filings under a common procedural schedule.

   On June 25, 2013, the Washington Commission issued final orders resolving the amended decoupling petition, the ERF filing and the Petition for Reconsideration (related to the TransAlta Centralia power purchase agreement). Order No. 7 in the ERF/decoupling proceeding approved PSE's ERF filing with a small change to its cost of capital from 7.80% to7.77% to update long term debt costs. This order also approved the property tax tracker discussed below and approved the amended decoupling and rate plan filing with the further condition that PSE and the customers will share 50.0% each in earnings in excess of the 7.77% authorized rate of return. In addition, the rate plan increase allowed decoupling revenue per customer for the recovery of delivery system costs will subsequently increase by 3.0% for the electric customers and 2.2% for the gas customers on January 1 of each year, until the

conclusion of PSE's next GRC which will be filed before April 1, 2016. In the rate plan, increases are subject to a cap of 3.0% of the total revenue for customers. Order No. 8 in the TransAlta Centralia proceeding granted in part and denied in part PSE's Petition for Reconsideration, clarifying certain portions of the Washington Commission's original order regarding TransAlta Centralia.

On July 24, 2013, the Public Counsel Division of the Washington State Attorney General's Office (Public Counsel) and the Industrial Customers of Northwest Utilities (ICNU) each filed a petition in Thurston County Superior Court (the Court) seeking judicial reviews of various aspects of the Washington Commission's ERF and decoupling mechanism final order. The parties' petition argued that the order violates various procedural and substantive requirements of the Washington Administrative Procedure Act, and so requests that it be vacated and that the matter be remanded to the Washington Commission. Oral arguments regarding this matter were held on May 9, 2014. On June 25, 2014, the court issued a letter decision in which it affirmed the attrition adjustment (escalating factors referred to as the K-Factor) and the Washington Commission's decision not to consider the case as a GRC, but reversed and remanded the cost of equity for further adjudication consistent with the court's decision. The remand proceeding evidentiary hearings regarding return on equity (ROE) were held in February 2015 and initial briefs and reply briefs were filed in March 2015. The Washington Commission issued a final order on remand on June 29, 2015, in which it found that 9.8% is a reasonable ROE for PSE for the term of the rate plan, taking decoupling and other relevant factors into account.

Expedited Rate Filing

On June 25, 2013, the Washington Commission approved PSE's electric and natural gas decoupling mechanism and ERF tariff filings, effective July 1, 2013. The estimated revenue impact of the decoupling mechanism for electric and natural gas customers is an increase of $21.4 million, or 1.0%, annually and an increase of $10.8 million, or 1.1% annually, respectively. The estimated revenue impact of the ERF filings for electric and natural gas customers is an increase of $30.7 million, or 1.5%, annually and a decrease of $2.0 million, or a decrease of 0.2% annually, respectively. In its order, the Washington Commission approved a weighted cost of capital of 7.77% and a capital structure that included 48.0% common equity with a ROE of 9.8%. Subsequently, certain parties to this proceeding petitioned the Washington Commission to reconsider the order. On December 13, 2013, the Washington Commission approved the settlement agreements for rates effective January 1, 2014. These settlement agreements do not materially change the revenues originally approved in June 2013.

On February 4, 2013, PSE filed revised tariffs in an ERF proceeding seeking to update the rates set by the Washington Commission in the final order of May 2012 in PSE's general rate case (GRC). This ERF filing was limited in scope and rate impact. This filing was primarily intended to establish baseline rates on which the decoupling mechanisms, described below, were proposed to operate. The filing also provided for the collection of property taxes through a property tax tracker mechanism based on cash payments of property tax made by PSE during the year. Any difference between the cash payments and property tax accruals will be deferred and recovered in a property tax tracker.

Decoupling Filings

While fluctuations in weather conditions will continue to affect PSE's billed revenue and energy supply expenses from month to month, PSE's decoupling mechanisms, are expected to mitigate the impact of weather on operating

revenue and net income. The Washington Commission has allowed PSE to record a monthly adjustment to its electric and natural gas operating revenues related to electric transmission and distribution, natural gas operations and general administrative costs from residential, commercial and industrial customers to eliminate the effects of abnormal weather, conservation impacts and changes in usage patterns per customer with the exception of the electric business where PCA is not part of the decoupling mechanism. As a result, these electric and natural gas revenues will be recovered on a per customer basis regardless of actual consumption levels. The energy supply costs, which are part of the PCA and PGA mechanisms, are not included in the decoupling mechanism. The revenue recorded under the decoupling mechanisms will be affected by customer growth and not actual consumption. Following each calendar year, PSE will recover or refund the difference between allowed decoupling revenue and the corresponding actual revenue to affected customers during the following May to April time period. The decoupling mechanism will end on February 28, 2017 unless the continuation of the mechanism is approved in PSE's next GRC filing which PSE is required to file by April 1, 2016 at the latest.

On April 22, 2015, the Washington Commission approved PSE's request to change rates under its electric and natural gas decoupling mechanism, effective May 1, 2015. As part of this filing, PSE also requested to change the methodology of how decoupling deferrals are calculated going forward and adjust deferrals calculated in 2014. The change was done to ensure that the amortization of prior years' accumulated decoupling deferrals were not included in the calculation of the current year decoupling deferrals. The effect of the methodology change was a reduction of approximately $12.0 million previously recognized revenue from May through December of 2014. The overall changes represent a rate increase for electric customers of $53.8 million, or 2.6%, annually, and a rate increase for natural gas customers of $22.0 million, or 2.1%, annually, effective May 1, 2015. In addition, PSE exceeded the earnings test threshold for its natural gas business in 2014. As a result, PSE recorded a reduction in natural gas decoupling deferral and revenue of $1.3 million. This was reflected as a reduction to the natural gas rate increases noted above. As noted earlier, the Company is also limited to a 3.0% annual decoupling related cap on increases in total revenue. This limitation was triggered for certain rate classes. The resulting amount of deferral that was not included in the 2015 rate increase is $1.9 million for electric revenue and $8.2 million for natural gas revenue that was accrued through December 31, 2014. These amounts may be included in customer rates beginning in May 2016, subject to subsequent application of the earnings test and the 3.0% cap on decoupling related rate increases.

On April 24, 2014, the Washington Commission approved PSE's request to change rates under its electric and natural gas decoupling mechanism, effective May 1, 2014. The rate change incorporated the effects of an increase to the allowed delivery revenue per customer as well as true-ups to the rate from the prior year. This represents a rate increase for electric customers of $10.6 million, or 0.5% annually, and a rate decrease for natural gas customers of $1.0 million, or 0.1% annually.

On December 13, 2013, the Washington Commission approved a series of settlement agreements for rates effective January 1, 2014. These settlement agreements do not materially change the revenues originally approved in June 2013. As a result, certain high volume natural gas industrial customers rate schedules are excluded from the decoupling mechanism and will be subject to certain effects of abnormal weather, conservation impacts and changes in customer usage patterns.

Gas Regulation and Rates

Gas General Rate Cases and Other Filings Affecting Rates

Cost Recovery Mechanism

The purpose of the Cost Recovery Mechanism (CRM) is to recover depreciation expense and return on the investment in the Company's pipeline replacement program to enhance the safety of the natural gas distribution system until included in base rates for gas service.

The following table sets forth CRM rate adjustments approved by the Washington Commission and the corresponding impact on PSE's revenue based on the effective dates:

Effective Date	Average Percentage Increase (Decrease) in Rates	Increase (Decrease) in Revenue (Dollars in Millions)
November 1, 2015	0.5%$	5.3
November 1, 2014	0.2	2.3

Property Tax Tracker Mechanism

The purpose of the property tax tracker mechanism is to pass through the cost of all property taxes incurred by the Company. The mechanism was implemented in 2013 and removed property taxes from general rates and included those costs as a component rate. After the implementation, the mechanism acts as a tracker rate schedule and collects the total amount of property taxes assessed. The tracker will be adjusted each year in May based on that year's assessed property taxes.

The following table sets forth property tax tracker mechanism rate adjustments approved by the Washington Commission and the corresponding impact on PSE's revenue based on the effective dates:

Effective Date	Average Percentage Increase (Decrease) in Rates	Increase (Decrease) in Revenue (Dollars in Millions)
June 1, 2015	(0.2)%$	(2.3)
May 1, 2014	0.6	5.6

Purchased Gas Adjustment

PSE has a PGA mechanism that allows PSE to recover expected natural gas supply and transportation costs and defer, as a receivable or liability, any natural gas supply and transportation costs that exceed or fall short of this expected natural gas cost amount in PGA mechanism rates, including accrued interest. PSE is authorized by the Washington Commission to accrue carrying costs on PGA receivable and payable balances. A receivable or payable balance in the PGA mechanism reflects an under recovery or over recovery, respectively, of natural gas cost through the PGA mechanism.

The following table sets forth PGA rate adjustments approved by the Washington Commission and the corresponding impact on PSE's revenue based on the effective dates:

Effective Date	Average Percentage Increase (Decrease) in Rates	Increase (Decrease) in Revenue (Dollars in Millions)
November 1, 2015	(17.4)%$	(185.9)
November 1, 2014	2.5	23.3

Environmental Remediation

The Company is subject to environmental laws and regulations by the federal, state and local authorities and is required to undertake certain environmental investigative and remedial efforts as a result of these laws and regulations. The Company has been named by the environmental protection agency (EPA), the Washington State Department of Ecology and/or other third parties as potentially responsible at several contaminated sites and manufactured gas plant sites. PSE has implemented an ongoing program to test, replace and remediate certain underground storage tanks (UST) as required by federal and state laws. The UST replacement component of this effort is finished, but PSE continues its work remediating and/or monitoring relevant sites. During 1992, the Washington Commission issued orders regarding the treatment of costs incurred by the Company for certain sites under its environmental remediation program. The orders authorize the Company to accumulate and defer prudently incurred cleanup costs paid to third parties for recovery in rates established in future rate proceedings, subject to Washington Commission review. The Washington Commission consolidated the gas and electric methodological approaches to remediation and deferred accounting in an order issued October 8, 2008. Per the guidance of ASC 450, "Contingencies," the Company reviews its estimated future obligations and will record adjustments, if any, on a quarterly basis. Management believes it is probable and reasonably estimable that the impact of the potential outcomes of disputes with certain property owners and other potentially responsible parties will result in environmental remediation costs of $32.6 million for gas and $6.1 million for electric. The Company believes a significant portion of its past and future environmental remediation costs are recoverable from insurance companies, from third parties or from customers under a Washington Commission order. The Company is also subject to cost-sharing agreements with third parties regarding environmental remediation projects in Seattle, Washington and Bellingham, Washington. The Company has taken the lead for both projects, and as of December 31, 2015, the

Company's share of future remediation costs is estimated to be approximately $23.9 million. The Company's deferred electric environmental costs are $14.0 million and $13.4 million at December 31, 2015 and 2014, respectively, net of insurance proceeds. The Company's deferred natural gas environmental costs are $52.9 million and $52.6 million at December 31, 2015 and 2014, respectively, net of insurance proceeds.

Asset Retirement Obligation

The Company has recorded liabilities for steam generation sites, combustion turbine generation sites, combined cycle generation sites, wind generation sites, distribution and transmission poles, gas mains, and leased facilities where disposal is governed by ASC 410 "ARO".

On April 17, 2015, the U.S. EPA published a final rule, effective October 19, 2015, that regulates Coal Combustion Residuals (CCR) under the Resource Conservation and Recovery Act, Subtitle D. The CCR rule addresses the risks from coal ash disposal, such as leaking of contaminants into ground water, blowing of contaminants into the air as dust, and the catastrophic failure of coal ash surface impoundments by establishing technical requirements for CCR landfills and surface impoundments. The rule also sets out recordkeeping and reporting requirements including requirements to post specific information to a publicly-accessible website.

The CCR rule requires significant changes to the Company's Colstrip, Montana coal-fired steam electric generation facility(Colstrip) operations and those changes were reviewed by the Company and the plant operator in the second and third quarter of 2015. PSE had previously recognized a legal obligation under the EPA rules to dispose of coal ash material at Colstrip, in 2003. Due to the CCR rule, additional disposal costs were added to the ARO.

The actual ARO costs related to the CCR rule requirements may vary substantially from the estimates used to record the increased obligation due to uncertainty about the compliance strategies that will be used and the preliminary nature of available data used to estimate costs. We will continue to gather additional data and coordinate with the plant operator to make decisions about compliance strategies and the timing of closure activities. As additional information becomes available, the Company will update the ARO obligation for these changes, which could be material.

The following table describes the changes to the Company's ARO liability as of December 31, 2015 and 2014:

	At December 31,	
(Dollars in Thousands)	2015	2014
Asset retirement obligation at beginning of period	$ 48,909	$ 48,687
New asset retirement obligation recognized in the period	34,534	—
Liability adjustment in the period	(3,628)	(602)
Revisions in estimated cash flows	3,403	(480)
Accretion expense	1,810	1,304
Asset retirement obligation at end of period	$ 85,028	$ 48,909

Colstrip

PSE has a 50% ownership interest in Colstrip Units 1 and 2, and a 25% interest in Colstrip Units 3 and 4. On March

6, 2013, the Sierra Club and the Montana Environmental Information Center filed a Clean Air Act citizen suit against all Colstrip owners in the U.S. District Court, District of Montana. Based on a second amended complaint filed in August 2014, plaintiffs' lawsuit currently alleges violations of permitting requirements under the New Source Review program of the Clean Air Act and the Montana State Implementation Plan arising from seven projects undertaken at Colstrip during the time period from 2001 to 2012. Plaintiffs have since indicated that they do not intend to pursue claims with respect to three of the seven projects, leaving a total of four projects remaining subject to the lawsuit. The lawsuit claims that, for each of the four projects, the Colstrip plant should have obtained a permit and installed pollution control equipment at Colstrip. The Plaintiffs' complaint also seeks civil penalties and other appropriate relief. The case has been bifurcated into separate liability and remedy trials. The liability trial is currently set for May 2016, and a date for the remedy trial has yet to be determined. PSE is litigating the allegations set forth in the complaint, and as such, it is not reasonably possible to estimate the outcome of this matter.

Other Proceedings

The Company is also involved in litigation relating to claims arising out of its operations in the normal course of business. The Company has recorded reserves of $0.3 million and $1.7 million relating to these claims as of December 31, 2015 and 2014, respectively.

10. Kimberly Harris, the President and Chief Executive Officer, and a director of Puget Energy and PSE, is married to Kyle Branum, a principal at the law firm Riddell Williams P.S., one of PSE's primary law firms for nearly 50 years. In 2015 and 2014, Riddell Williams was paid $1.81 million and $1.98 million, respectively, for legal services provided to PSE and Mr. Branum is among the lawyers at Riddell Williams who provided such legal services. This work was performed under the supervision of PSE's General Counsel.

    On October 10, 2014, U.S. Bancorp announced the appointment of Kimberly Harris to its board of directors effective October 20, 2014. Ms. Harris is the president and chief executive officer of both Puget Energy and PSE. U.S. Bancorp is the parent company of U.S. Bank N.A., which directly or through its subsidiaries or affiliates provides credit, banking, investment and trust services to both Puget Energy and PSE. For the year ended December 31, 2015 and 2014, Puget Energy and PSE paid a total of approximately $1.0 million in fees and interest each year to U.S. Bank N.A. and its subsidiaries or affiliates.

    Scott Armstrong serves on the Board of Directors of the Company, and is the president and Chief Executive Officer of Group Health Cooperative (Group Health). Group Health provides coverage to over 600,000 residents in Washington and Northern Idaho. Certain employees of PSE elect Group Health as their medical provider and as a result, PSE paid Group Health a total of $20.3 million and $17.7 million for medical coverage for the year ended December 31, 2015 and 2014, respectively.

11. (Reserved)

12. None

13. In January 2015 Paul Wiegand, Senior Vice President of Energy Operations retired from his position. His responsibilities were assumed by the Vice President of Energy Supply Operations.

On January 22, 2015, William S. Ayer retired from his position as Chairman of the Board of Directors of Puget Sound Energy, Inc. Effective January 22, 2015, the Board of Directors appointed Melanie J. Dressel as Chairman of the Board of Directors to replace Mr. Ayer. Also effective January 22, 2015, the sole shareholder of each of the Companies appointed and elected Steven W. Hooper to the Boards of Directors of Puget Sound Energy, Inc. Mr. Hooper will serve on the Audit Committee of Puget Sound Energy.

On March 25, 2015 Booga Gibertson was named Senior Vice President of Operations. Previously she served as Vice President of Operations since 2011.

On April 23, 2015, the Company appointed and elected Paul McMillan to the Board of Directors. Mr McMillan was appointed to replace Benjamin Hawkins, who resigned from the Board of Directors effective the same day. Mr. McMillan will serve on the Audit Committee and the Governance and Public Affairs Committee.

On June 24, 2015, Herb B. Simon provided notice of his intent to resign from his position as a member of the Board of Directors and all of its committees to be effective as of January 21, 2016. Effective June 25, 2015 the Board of Directors appointed Scott Armstrong to the Board of Directors.

On August 20, 2015, Drew Murphy tendered his resignation from the Board of Directors of Puget Energy, Inc. and Puget Sound Energy, Inc. with such resignation effective on August 31, 2015.

14. None

Name of Respondent Puget Sound Energy, Inc.	This Report Is: (1) [X] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr) 04/14/2016	Year/Period of Report End of 2015/Q4

Comparative Balance Sheet (Assets and Other Debits)

Line No.	Title of Account (a)	Reference Page Number (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	**UTILITY PLANT**			
2	Utility Plant (101-106, 114)	200-201	13,279,421,639	12,970,138,750
3	Construction Work in Progress (107)	200-201	408,795,066	253,524,842
4	TOTAL Utility Plant (Total of lines 2 and 3)	200-201	13,688,216,705	13,223,663,592
5	(Less) Accum. Provision for Depr., Amort., Depl. (108, 111, 115)		5,029,301,219	4,762,767,983
6	Net Utility Plant (Total of line 4 less 5)		8,658,915,486	8,460,895,609
7	Nuclear Fuel (120.1 thru 120.4, and 120.6)		0	0
8	(Less) Accum. Provision for Amort., of Nuclear Fuel Assemblies (120.5)		0	0
9	Nuclear Fuel (Total of line 7 less 8)		0	0
10	Net Utility Plant (Total of lines 6 and 9)		8,658,915,486	8,460,895,609
11	Utility Plant Adjustments (116)	122	0	0
12	Gas Stored-Base Gas (117.1)	220	0	0
13	System Balancing Gas (117.2)	220	0	0
14	Gas Stored in Reservoirs and Pipelines-Noncurrent (117.3)	220	8,654,564	8,654,564
15	Gas Owed to System Gas (117.4)	220	0	0
16	**OTHER PROPERTY AND INVESTMENTS**			
17	Nonutility Property (121)		3,759,918	5,141,276
18	(Less) Accum. Provision for Depreciation and Amortization (122)		(398,836)	397,105
19	Investments in Associated Companies (123)	222-223	0	0
20	Investments in Subsidiary Companies (123.1)	224-225	29,897,629	29,865,413
21	(For Cost of Account 123.1 See Footnote Page 224, line 40)			
22	Noncurrent Portion of Allowances		0	0
23	Other Investments (124)	222-223	50,595,598	53,230,149
24	Sinking Funds (125)		0	0
25	Depreciation Fund (126)		0	0
26	Amortization Fund - Federal (127)		0	0
27	Other Special Funds (128)		20,161,963	20,163,074
28	Long-Term Portion of Derivative Assets (175)		5,225,474	3,170,484
29	Long-Term Portion of Derivative Assets - Hedges (176)		0	0
30	TOTAL Other Property and Investments (Total of lines 17-20, 22-29)		110,039,418	111,173,291
31	**CURRENT AND ACCRUED ASSETS**			
32	Cash (131)		39,443,112	31,703,689
33	Special Deposits (132-134)		3,659,936	32,775,117
34	Working Funds (135)		4,207,857	3,826,953
35	Temporary Cash Investments (136)	222-223	0	0
36	Notes Receivable (141)		3,312,955	835,576
37	Customer Accounts Receivable (142)		247,661,911	191,448,383
38	Other Accounts Receivable (143)		70,009,510	85,075,078
39	(Less) Accum. Provision for Uncollectible Accounts - Credit (144)		9,755,943	7,471,996
40	Notes Receivable from Associated Companies (145)		0	0
41	Accounts Receivable from Associated Companies (146)		459,716	440,712
42	Fuel Stock (151)		18,852,704	19,977,277
43	Fuel Stock Expenses Undistributed (152)		0	0

Name of Respondent Puget Sound Energy, Inc.	This Report Is: (1) [X] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr) 04/14/2016	Year/Period of Report End of 2015/Q4

Comparative Balance Sheet (Assets and Other Debits)(continued)

Line No.	Title of Account (a)	Reference Page Number (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
44	Residuals (Elec) and Extracted Products (Gas) (153)		0	0
45	Plant Materials and Operating Supplies (154)		74,041,849	78,091,011
46	Merchandise (155)		0	0
47	Other Materials and Supplies (156)		289,557	34,476
48	Nuclear Materials Held for Sale (157)		0	0
49	Allowances (158.1 and 158.2)		4,083	0
50	(Less) Noncurrent Portion of Allowances		0	0
51	Stores Expense Undistributed (163)		4,198,466	5,098,269
52	Gas Stored Underground-Current (164.1)	220	38,129,091	46,008,944
53	Liquefied Natural Gas Stored and Held for Processing (164.2 thru 164.3)	220	52,337	635,209
54	Prepayments (165)	230	26,475,197	25,570,607
55	Advances for Gas (166 thru 167)		0	0
56	Interest and Dividends Receivable (171)		0	0
57	Rents Receivable (172)		0	0
58	Accrued Utility Revenues (173)		217,273,664	168,038,918
59	Miscellaneous Current and Accrued Assets (174)		0	0
60	Derivative Instrument Assets (175)		29,643,789	24,348,745
61	(Less) Long-Term Portion of Derivative Instrument Assets (175)		5,225,474	3,170,484
62	Derivative Instrument Assets - Hedges (176)		0	0
63	(Less) Long-Term Portion of Derivative Instrument Assests - Hedges (176)		0	0
64	TOTAL Current and Accrued Assets (Total of lines 32 thru 63)		762,734,317	703,266,484
65	**DEFERRED DEBITS**			
66	Unamortized Debt Expense (181)		30,022,060	28,687,998
67	Extraordinary Property Losses (182.1)	230	125,776,619	118,823,668
68	Unrecovered Plant and Regulatory Study Costs (182.2)	230	10,358,135	15,534,174
69	Other Regulatory Assets (182.3)	232	603,400,255	608,272,969
70	Preliminary Survey and Investigation Charges (Electric)(183)		0	200,491
71	Preliminary Survey and Investigation Charges (Gas)(183.1 and 183.2)		0	0
72	Clearing Accounts (184)		0	0
73	Temporary Facilities (185)		0	19,301
74	Miscellaneous Deferred Debits (186)	233	244,826,311	247,074,196
75	Deferred Losses from Disposition of Utility Plant (187)		543,918	514,431
76	Research, Development, and Demonstration Expend. (188)		0	0
77	Unamortized Loss on Reacquired Debt (189)		44,984,231	35,667,413
78	Accumulated Deferred Income Taxes (190)	234-235	609,193,138	654,528,779
79	Unrecovered Purchased Gas Costs (191)		(12,589,440)	21,073,055
80	TOTAL Deferred Debits (Total of lines 66 thru 79)		1,656,515,227	1,730,396,475
81	TOTAL Assets and Other Debits (Total of lines 10-15,30,64,and 80)		11,196,859,012	11,014,386,423

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Comparative Balance Sheet (Liabilities and Other Credits)

Line No.	Title of Account (a)	Reference Page Number (b)	Current Year End of Quarter/Year Balance	Prior Year End Balance 12/31 (d)
1	**PROPRIETARY CAPITAL**			
2	Common Stock Issued (201)	250-251	859,038	859,038
3	Preferred Stock Issued (204)	250-251	0	0
4	Capital Stock Subscribed (202, 205)	252	0	0
5	Stock Liability for Conversion (203, 206)	252	0	0
6	Premium on Capital Stock (207)	252	478,145,250	478,145,250
7	Other Paid-In Capital (208-211)	253	2,804,096,691	2,775,196,691
8	Installments Received on Capital Stock (212)	252	0	0
9	(Less) Discount on Capital Stock (213)	254	0	0
10	(Less) Capital Stock Expense (214)	254	7,133,879	7,133,879
11	Retained Earnings (215, 215.1, 216)	118-119	251,173,234	217,249,893
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	(14,599,821)	(14,632,037)
13	(Less) Reacquired Capital Stock (217)	250-251	0	0
14	Accumulated Other Comprehensive Income (219)	117	(149,548,979)	(170,956,349)
15	TOTAL Proprietary Capital (Total of lines 2 thru 14)		3,362,991,534	3,278,728,607
16	**LONG TERM DEBT**			
17	Bonds (221)	256-257	3,773,860,000	3,760,860,000
18	(Less) Reacquired Bonds (222)	256-257	0	0
19	Advances from Associated Companies (223)	256-257	0	0
20	Other Long-Term Debt (224)	256-257	0	0
21	Unamortized Premium on Long-Term Debt (225)	258-259	0	0
22	(Less) Unamortized Discount on Long-Term Debt-Dr (226)	258-259	1,887,064	13,140
23	(Less) Current Portion of Long-Term Debt		0	0
24	TOTAL Long-Term Debt (Total of lines 17 thru 23)		3,771,972,936	3,760,846,860
25	**OTHER NONCURRENT LIABILITIES**			
26	Obligations Under Capital Leases-Noncurrent (227)		0	1,894,521
27	Accumulated Provision for Property Insurance (228.1)		0	0
28	Accumulated Provision for Injuries and Damages (228.2)		175,000	1,080,000
29	Accumulated Provision for Pensions and Benefits (228.3)		105,662,084	130,222,246
30	Accumulated Miscellaneous Operating Provisions (228.4)		302,749,690	331,913,968
31	Accumulated Provision for Rate Refunds (229)		0	0

Name of Respondent Puget Sound Energy, Inc.	This Report Is: (1) [X] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr) 04/14/2016	Year/Period of Report End of 2015/Q4

Comparative Balance Sheet (Liabilities and Other Credits)(continued)

Line No.	Title of Account (a)	Reference Page Number (b)	Current Year End of Quarter/Year Balance	Prior Year End Balance 12/31 (d)
32	Long-Term Portion of Derivative Instrument Liabilities		47,775,658	60,062,562
33	Long-Term Portion of Derivative Instrument Liabilities - Hedges		0	0
34	Asset Retirement Obligations (230)		85,027,508	48,909,172
35	TOTAL Other Noncurrent Liabilities (Total of lines 26 thru 34)		541,389,940	574,082,469
36	**CURRENT AND ACCRUED LIABILITIES**			
37	Current Portion of Long-Term Debt		0	0
38	Notes Payable (231)		159,004,000	85,000,000
39	Accounts Payable (232)		284,129,757	309,921,826
40	Notes Payable to Associated Companies (233)		0	28,932,785
41	Accounts Payable to Associated Companies (234)		0	0
42	Customer Deposits (235)		30,018,551	24,677,803
43	Taxes Accrued (236)	262-263	114,561,816	107,481,198
44	Interest Accrued (237)		47,771,880	55,345,644
45	Dividends Declared (238)		0	0
46	Matured Long-Term Debt (239)		0	0
47	Matured Interest (240)		0	0
48	Tax Collections Payable (241)		876,546	1,602,518
49	Miscellaneous Current and Accrued Liabilities (242)	268	20,571,461	19,310,895
50	Obligations Under Capital Leases-Current (243)		378,231	7,578,088
51	Derivative Instrument Liabilities (244)		179,195,973	194,980,461
52	(Less) Long-Term Portion of Derivative Instrument Liabilities		47,775,658	60,062,562
53	Derivative Instrument Liabilities - Hedges (245)		0	1,055,163
54	(Less) Long-Term Portion of Derivative Instrument Liabilities - Hedges		0	0
55	TOTAL Current and Accrued Liabilities (Total of lines 37 thru 54)		788,732,557	775,823,819
56	**DEFERRED CREDITS**			
57	Customer Advances for Construction (252)		70,204,450	59,178,236
58	Accumulated Deferred Investment Tax Credits (255)		0	0
59	Deferred Gains from Disposition of Utility Plant (256)		3,420,722	863,174
60	Other Deferred Credits (253)	269	352,032,418	330,906,907
61	Other Regulatory Liabilities (254)	278	138,764,099	136,458,810
62	Unamortized Gain on Reacquired Debt (257)	260	0	0
63	Accumulated Deferred Income Taxes - Accelerated Amortization (281)		0	0
64	Accumulated Deferred Income Taxes - Other Property (282)		1,797,521,701	1,729,060,789
65	Accumulated Deferred Income Taxes - Other (283)		369,828,655	368,436,752
66	TOTAL Deferred Credits (Total of lines 57 thru 65)		2,731,772,045	2,624,904,668
67	TOTAL Liabilities and Other Credits (Total of lines 15,24,35,55,and 66)		11,196,859,012	11,014,386,423

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Statement of Income

Quarterly
1. Enter in column (d) the balance for the reporting quarter and in column (e) the balance for the same three month period for the prior year.
2. Report in column (f) the quarter to date amounts for electric utility function; in column (h) the quarter to date amounts for gas utility, and in (j) the quarter to date amounts for other utility function for the current year quarter.
3. Report in column (g) the quarter to date amounts for electric utility function; in column (i) the quarter to date amounts for gas utility, and in (k) the quarter to date amounts for other utility function for the prior year quarter.
4. If additional columns are needed place them in a footnote.

Annual or Quarterly, if applicable
5. Do not report fourth quarter data in columns (e) and (f)
6. Report amounts for accounts 412 and 413, Revenues and Expenses from Utility Plant Leased to Others, in another utility columnin a similar manner to a utility department. Spread the amount(s) over lines 2 thru 26 as appropriate. Include these amounts in columns (c) and (d) totals.
7. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.
8. Report data for lines 8, 10 and 11 for Natural Gas companies using accounts 404.1, 404.2, 404.3, 407.1 and 407.2.
9. Use page 122 for important notes regarding the statement of income for any account thereof.
10. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in material refund to the utility with respect to power or gas purchases. State for each year effected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power or gas purchases.
11 Give concise explanations concerning significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purches, and a summary of the adjustments made to balance sheet, income, and expense accounts.
12. If any notes appearing in the report to stokholders are applicable to the Statement of Income, such notes may be included at page 122.
13. Enter on page 122 a concise explanation of only those changes in accounting mehods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also, give the appropriate dollar effect of such changes.
14. Explain in a footnote if the previous year's/quarter's figures are different from that reported in prior reports.
15. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles report the information in a footnote to this schedule.

Line No.	Title of Account (a)	Reference Page Number (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current Three Months Ended Quarterly Only No Fourth Quarter (e)	Prior Three Months Ended Quarterly Only No Fourth Quarter (f)
1	UTILITY OPERATING INCOME					
2	Gas Operating Revenues (400)	300-301	3,252,632,659	3,197,806,242	0	0
3	Operating Expenses					
4	Operation Expenses (401)	317-325	1,665,658,565	1,661,204,032	0	0
5	Maintenance Expenses (402)	317-325	162,856,032	165,811,329	0	0
6	Depreciation Expense (403)	336-338	376,896,678	369,492,120	0	0
7	Depreciation Expense for Asset Retirement Costs (403.1)	336-338	1,379,595	1,468,524	0	0
8	Amortization and Depletion of Utility Plant (404-405)	336-338	40,306,567	42,340,247	0	0
9	Amortization of Utility Plant Acu. Adjustment (406)	336-338	13,877,143	13,859,026	0	0
10	Amort. of Prop. Losses, Unrecovered Plant and Reg. Study Costs (407.1)		20,604,866	17,495,991	0	0
11	Amortization of Conversion Expenses (407.2)		0	0	0	0
12	Regulatory Debits (407.3)		45,864,474	50,352,083	0	0
13	(Less) Regulatory Credits (407.4)		49,385,761	94,502,619	0	0
14	Taxes Other than Income Taxes (408.1)	262-263	319,938,386	310,321,156	0	0
15	Income Taxes-Federal (409.1)	262-263	0	0	0	0
16	Income Taxes-Other (409.1)	262-263	800	0	0	0
17	Provision of Deferred Income Taxes (410.1)	234-235	760,663,099	2,294,996,459	0	0
18	(Less) Provision for Deferred Income Taxes-Credit (411.1)	234-235	549,912,827	2,118,990,660	0	0
19	Investment Tax Credit Adjustment-Net (411.4)		0	(2)	0	0
20	(Less) Gains from Disposition of Utility Plant (411.6)		694,857	694,857	0	0
21	Losses from Disposition of Utility Plant (411.7)		149,128	149,128	0	0
22	(Less) Gains from Disposition of Allowances (411.8)		37,355	47,072	0	0
23	Losses from Disposition of Allowances (411.9)		0	0	0	0
24	Accretion Expense (411.10)		1,798,351	1,303,578	0	0
25	TOTAL Utility Operating Expenses (Total of lines 4 thru 24)		2,809,962,884	2,714,558,463	0	0
26	Net Utility Operating Income (Total of lines 2 less 25) (Carry forward to page 116, line 27)		442,669,775	483,247,779	0	0

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Statement of Income

Line No.	Elec. Utility Current Year to Date (in dollars) (g)	Elec. Utility Previous Year to Date (in dollars) (h)	Gas Utility Current Year to Date (in dollars) (i)	Gas Utility Previous Year to Date (in dollars) (j)	Other Utility Current Year to Date (in dollars) (k)	Other Utility Previous Year to Date (in dollars) (l)
1						
2	2,305,084,095	2,184,947,113	947,548,564	1,012,859,129	0	0
3						
4	1,136,679,314	1,067,747,139	528,979,251	593,456,893	0	0
5	143,572,687	145,988,003	19,283,345	19,823,326	0	0
6	260,052,552	257,633,788	116,844,126	111,858,332	0	0
7	1,170,837	992,961	208,758	475,563	0	0
8	29,162,204	30,391,040	11,144,363	11,949,207	0	0
9	13,877,143	13,859,026	0	0	0	0
10	20,604,866	17,495,991	0	0	0	0
11	0	0	0	0	0	0
12	45,864,474	50,352,083	0	0	0	0
13	49,385,761	94,502,619	0	0	0	0
14	220,337,559	207,444,301	99,600,827	102,876,855	0	0
15	0	0	0	0	0	0
16	800	0	0	0	0	0
17	503,244,595	1,632,233,298	257,418,504	662,763,161	0	0
18	352,492,346	1,517,738,350	197,420,481	601,252,310	0	0
19	0	0	0	(2)	0	0
20	633,008	633,008	61,849	61,849	0	0
21	132,649	132,649	16,479	16,479	0	0
22	37,355	47,072	0	0	0	0
23	0	0	0	0	0	0
24	1,771,606	1,262,992	26,745	40,586	0	0
25	1,973,922,816	1,812,612,222	836,040,068	901,946,241	0	0
26	331,161,279	372,334,891	111,508,496	110,912,888	0	0

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Statement of Income(continued)

Line No.	Title of Account (a)	Reference Page Number (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current Three Months Ended Quarterly Only No Fourth Quarter (e)	Prior Three Months Ended Quarterly Only No Fourth Quarter (f)
27	Net Utility Operating Income (Carried forward from page 114)		442,669,775	483,247,779	0	0
28	**OTHER INCOME AND DEDUCTIONS**					
29	Other Income					
30	Nonutility Operating Income					
31	Revenues form Merchandising, Jobbing and Contract Work (415)		823,911	1,143,766	0	0
32	(Less) Costs and Expense of Merchandising, Job & Contract Work (416)		781,117	1,074,754	0	0
33	Revenues from Nonutility Operations (417)		15,197,033	13,964,522	0	0
34	(Less) Expenses of Nonutility Operations (417.1)		18,427,951	16,633,573	0	0
35	Nonoperating Rental Income (418)		0	0	0	0
36	Equity in Earnings of Subsidiary Companies (418.1)	119	32,216	1,899,754	0	0
37	Interest and Dividend Income (419)		7,054,660	5,619,834	0	0
38	Allowance for Other Funds Used During Construction (419.1)		9,325,338	7,002,239	0	0
39	Miscellaneous Nonoperating Income (421)		19,741,745	(16,771,841)	0	0
40	Gain on Disposition of Property (421.1)		143,184	7,483,196	0	0
41	TOTAL Other Income (Total of lines 31 thru 40)		33,109,019	2,633,143	0	0
42	Other Income Deductions					
43	Loss on Disposition of Property (421.2)		13,316	0	0	0
44	Miscellaneous Amortization (425)		795	795	0	0
45	Donations (426.1)	340	31,693	32,754	0	0
46	Life Insurance (426.2)		(2,991,858)	(2,942,394)	0	0
47	Penalties (426.3)		551,938	335,499	0	0
48	Expenditures for Certain Civic, Political and Related Activities (426.4)		5,314,770	5,650,148	0	0
49	Other Deductions (426.5)		13,205,298	74,267,981	0	0
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)	340	16,125,952	77,344,783	0	0
51	Taxes Applic. to Other Income and Deductions					
52	Taxes Other than Income Taxes (408.2)	262-263	336,682	294,473	0	0
53	Income Taxes-Federal (409.2)	262-263	0	0	0	0
54	Income Taxes-Other (409.2)	262-263	0	0	0	0
55	Provision for Deferred Income Taxes (410.2)	234-235	(84,869,098)	(87,659,631)	0	0
56	(Less) Provision for Deferred Income Taxes-Credit (411.2)	234-235	0	27,835	0	0
57	Investment Tax Credit Adjustments-Net (411.5)		0	0	0	0
58	(Less) Investment Tax Credits (420)		0	0	0	0
59	TOTAL Taxes on Other Income and Deductions (Total of lines 52-58)		(84,532,416)	(87,392,993)	0	0
60	Net Other Income and Deductions (Total of lines 41, 50, 59)		101,515,483	12,681,353	0	0
61	**INTEREST CHARGES**					
62	Interest on Long-Term Debt (427)		221,899,412	225,414,534	0	0
63	Amortization of Debt Disc. and Expense (428)	258-259	3,034,485	3,165,817	0	0
64	Amortization of Loss on Reacquired Debt (428.1)		2,619,485	2,379,511	0	0
65	(Less) Amortization of Premium on Debt-Credit (429)	258-259	0	0	0	0
66	(Less) Amortization of Gain on Reacquired Debt-Credit (429.1)		0	0	0	0
67	Interest on Debt to Associated Companies (430)	340	63,749	181,681	0	0
68	Other Interest Expense (431)	340	19,954,215	33,784,752	0	0
69	(Less) Allowance for Borrowed Funds Used During Construction-Credit (432)		7,574,924	5,611,082	0	0
70	Net Interest Charges (Total of lines 62 thru 69)		239,996,422	259,315,213	0	0
71	Income Before Extraordinary Items (Total of lines 27,60 and 70)		304,188,836	236,613,919	0	0
72	**EXTRAORDINARY ITEMS**					
73	Extraordinary Income (434)		0	0	0	0
74	(Less) Extraordinary Deductions (435)		0	0	0	0
75	Net Extraordinary Items (Total of line 73 less line 74)		0	0	0	0
76	Income Taxes-Federal and Other (409.3)	262-263	0	0	0	0
77	Extraordinary Items after Taxes (Total of line 75 less line 76)		0	0	0	0
78	Net Income (Total of lines 71 and 77)		304,188,836	236,613,919	0	0

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[Next Page is 117]

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Statement of Accumulated Comprehensive Income and Hedging Activities

1. Report in columns (b) (c) and (e) the amounts of accumulated other comprehensive income items, on a net-of-tax basis, where appropriate.

2. Report in columns (f) and (g) the amounts of other categories of other cash flow hedges.

3. For each category of hedges that have been accounted for as "fair value hedges", report the accounts affected and the related amounts in a footnote.

Line No.	Item (a)	Unrealized Gains and Losses on available-for-sale securities (b)	Minimum Pension liability Adjustment (net amount) (c)	Foreign Currency Hedges (d)	Other Adjustments (e)
1	Balance of Account 219 at Beginning of Preceding Year		(87,404,091)		
2	Preceding Quarter/Year to Date Reclassifications from Account 219 to Net Income				
3	Preceding Quarter/Year to Date Changes in Fair Value		(76,876,803)		
4	Total (lines 2 and 3)		(76,876,803)		
5	Balance of Account 219 at End of Preceding Quarter/Year		(164,280,894)		
6	Balance of Account 219 at Beginning of Current Year		(164,280,894)		
7	Current Quarter/Year to Date Reclassifications from Account 219 to Net Income		13,482,570		
8	Current Quarter/Year to Date Changes in Fair Value		6,921,976		
9	Total (lines 7 and 8)		20,404,546		
10	Balance of Account 219 at End of Current Quarter/Year		(143,876,348)		

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Statement of Accumulated Comprehensive Income and Hedging Activities(continued)

Line No.	Other Cash Flow Hedges Interest Rate Swaps (f)	Other Cash Flow Hedges (Insert Category) (g)	Totals for each category of items recorded in Account 219 (h)	Net Income (Carried Forward from Page 116, Line 78) (i)	Total Comprehensive Income (j)
1	(6,306,567)	(2,027,090)	(95,737,748)		
2	316,968	1,341,235	1,658,203		
3			(76,876,803)		
4	316,968	1,341,235	(75,218,600)	236,613,919	161,395,319
5	(5,989,599)	(685,855)	(170,956,348)		
6	(5,989,599)	(685,855)	(170,956,348)		
7	316,968	685,855	14,485,393		
8			6,921,976		
9	316,968	685,855	21,407,369	304,188,836	325,596,205
10	(5,672,631)		(149,548,979)		

FOOTNOTE DATA

Schedule Page: 117 Line No.: 1 Column: g

Category - Gas for Power

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Statement of Retained Earnings

1. Report all changes in appropriated retained earnings, unappropriated retained earnings, and unappropriated undistributed subsidiary earnings for the year.
2. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436-439 inclusive). Show the contra primary account affected in column (b).
3. State the purpose and amount for each reservation or appropriation of retained earnings.
4. List first Account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items, in that order.
5. Show dividends for each class and series of capital stock.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter Year to Date Balance (c)	Previous Quarter Year to Date Balance (d)
	UNAPPROPRIATED RETAINED EARNINGS			
1	Balance-Beginning of Period		205,361,316	286,201,805
2	Changes (Identify by prescribed retained earnings accounts)			
3	Adjustments to Retained Earnings (Account 439)			
4	TOTAL Credits to Retained Earnings (Account 439) (footnote details)			
5	TOTAL Debits to Retained Earnings (Account 439) (footnote details)		2,159,482	630,610
6	Balance Transferred from Income (Acct 433 less Acct 418.1)		304,156,620	234,714,165
7	Appropriations of Retained Earnings (Account 436)			
8	TOTAL Appropriations of Retained Earnings (Account 436) (footnote details)			
9	Dividends Declared-Preferred Stock (Account 437)			
10	TOTAL Dividends Declared-Preferred Stock (Account 437) (footnote details)			
11	Dividends Declared-Common Stock (Account 438)			
12	TOTAL Dividends Declared-Common Stock (Account 438) (footnote details)		270,233,279	323,424,044
13	Transfers from Account 216.1, Unappropriated Undistributed Subsidiary Earnings			8,500,000
14	Balance-End of Period (Total of lines 1, 4, 5, 6, 8, 10, 12, and 13)		237,125,175	205,361,316
15	APPROPRIATED RETAINED EARNINGS (Account 215)			
16	TOTAL Appropriated Retained Earnings (Account 215) (footnote details)		14,048,059	11,888,577
17	APPROPRIATED RETAINED EARNINGS-AMORTIZATION RESERVE, FEDERAL (Account			
18	TOTAL Appropriated Retained Earnings-Amortization Reserve, Federal (Account			
19	TOTAL Appropriated Retained Earnings (Accounts 215, 215.1) (Total of lines		14,048,059	11,888,577
20	TOTAL Retained Earnings (Accounts 215, 215.1, 216) (Total of lines 14 and 1		251,173,234	217,249,893
21	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account 216.1)			
	Report only on an Annual Basis no Quarterly			
22	Balance-Beginning of Year (Debit or Credit)		(14,632,036)	(8,031,790)
23	Equity in Earnings for Year (Credit) (Account 418.1)		32,215	1,899,754
24	(Less) Dividends Received (Debit)			8,500,000
25	Other Changes (Explain)			
26	Balance-End of Year		(14,599,821)	(14,632,036)

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Statement of Cash Flows

(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.
(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.
(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.
(4) Investing Activities: Include at Other (line 25) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instructions for explanation of codes) (a)	Current Year to Date Quarter/Year	Previous Year to Date Quarter/Year
1	Net Cash Flow from Operating Activities		
2	Net Income (Line 78(c) on page 116)	304,188,836	236,613,919
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	416,279,704	372,079,968
5	Amortization of (Specify) (footnote details)	34,482,029	31,355,017
6	Deferred Income Taxes (Net)	125,881,178	88,318,333
7	Investment Tax Credit Adjustments (Net)		
8	Net (Increase) Decrease in Receivables	(90,575,841)	166,236,690
9	Net (Increase) Decrease in Inventory	14,277,099	2,209,066
10	Net (Increase) Decrease in Allowances Inventory		
11	Net Increase (Decrease) in Payables and Accrued Expenses	(21,731,592)	(5,074,468)
12	Net (Increase) Decrease in Other Regulatory Assets	(160,379,348)	(247,794,087)
13	Net Increase (Decrease) in Other Regulatory Liabilities	58,827,352	18,363,850
14	(Less) Allowance for Other Funds Used During Construction	9,325,338	7,002,239
15	(Less) Undistributed Earnings from Subsidiary Companies	32,216	1,899,762
16	Other (footnote details):	63,137,221	237,823,571
17	Net Cash Provided by (Used in) Operating Activities		
18	(Total of Lines 2 thru 16)	735,029,084	891,229,858
19			
20	Cash Flows from Investment Activities:		
21	Construction and Acquisition of Plant (including land):		
22	Gross Additions to Utility Plant (less nuclear fuel)	(593,270,915)	(605,792,026)
23	Gross Additions to Nuclear Fuel		
24	Gross Additions to Common Utility Plant		
25	Gross Additions to Nonutility Plant		
26	(Less) Allowance for Other Funds Used During Construction	(9,325,338)	(7,002,239)
27	Other (footnote details):		
28	Cash Outflows for Plant (Total of lines 22 thru 27)	(583,945,577)	(598,789,787)
29			
30	Acquisition of Other Noncurrent Assets (d)		
31	Proceeds from Disposal of Noncurrent Assets (d)	8,966,724	9,706,447
32			
33	Investments in and Advances to Assoc. and Subsidiary Companies		
34	Contributions and Advances from Assoc. and Subsidiary Companies		8,500,000
35	Disposition of Investments in (and Advances to)		
36	Associated and Subsidiary Companies		
37			
38	Purchase of Investment Securities (a)		
39	Proceeds from Sales of Investment Securities (a)		

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Statement of Cash Flows (continued)

Line No.	Description (See Instructions for explanation of codes) (a)	Current Year to Date Quarter/Year	Previous Year to Date Quarter/Year
40	Loans Made or Purchased		
41	Collections on Loans		
42			
43	Net (Increase) Decrease in Receivables		
44	Net (Increase) Decrease in Inventory		
45	Net (Increase) Decrease in Allowances Held for Speculation		
46	Net Increase (Decrease) in Payables and Accrued Expenses		
47	Other (footnote details):	(2,581,566)	106,192,530
48	Net Cash Provided by (Used in) Investing Activities		
49	(Total of lines 28 thru 47)	(577,560,419)	(474,390,810)
50			
51	Cash Flows from Financing Activities:		
52	Proceeds from Issuance of:		
53	Long-Term Debt (b)	425,000,000	
54	Preferred Stock		
55	Common Stock		
56	Other (footnote details):		
57	Net Increase in Short-term Debt (c)		
58	Other (footnote details):	33,698,545	4,050,556
59	Cash Provided by Outside Sources (Total of lines 53 thru 58)	458,698,545	4,050,556
60			
61	Payments for Retirement of:		
62	Long-Term Debt (b)	(412,000,000)	
63	Preferred Stock		
64	Common Stock		
65	Other (footnote details):		
66	Net Decrease in Short-Term Debt (c)	45,071,215	(77,665,000)
67			
68	Dividends on Preferred Stock		
69	Dividends on Common Stock	(270,233,279)	(323,424,044)
70	Net Cash Provided by (Used in) Financing Activities		
71	(Total of lines 59 thru 69)	(178,463,519)	(397,038,488)
72			
73	Net Increase (Decrease) in Cash and Cash Equivalents		
74	(Total of line 18, 49 and 71)	(20,994,854)	19,800,560
75			
76	Cash and Cash Equivalents at Beginning of Period	68,305,759	48,505,189
77			
78	Cash and Cash Equivalents at End of Period	47,310,905	68,305,759

FOOTNOTE DATA

Schedule Page: 120 Line No.: 16 Column: b

Other components of operating cash flows	**2015**	**2014**
Other Long-Term Assets	$ 6,627,424	$ (76,572,486)
Other Long-Term Liabilities	(22,763,090)	143,094,493
Conservation Amortization	110,865,928	104,095,540
Pension Funding	(18,000,000)	(18,000,000)
Net Unrealized (Gain) Loss on Derivative Transactions	(12,688,453)	85,636,443
Prepayments and Other	(904,588)	(430,419)
	$ 63,137,221	$ 237,823,571

Schedule Page: 120 Line No.: 47 Column: b

Other components of investing cash flows	**2015**	**2014**
Treasury Grant	$ -	$ 107,875,804
Asset Retirement Salvage Value/Life insurance premiums	(2,581,566)	(1,683,274)
	$ (2,581,566)	$ 106,192,530

Schedule Page: 120 Line No.: 58 Column: b

Other components of financing cash flows	**2015**	**2014**
Debt Issuance Costs	$ (6,474,619)	$ (861,734)
Refundable cash received for customer construction projects	20,367,542	12,490,378
Landis Gyr Capital Lease	(9,094,378)	(7,578,088)
Investment from Puget Energy	28,900,000	-
	$ 33,698,545	$ 4,050,556

Notes to Financial Statements

1. Provide important disclosures regarding the Balance Sheet, Statement of Income for the Year, Statement of Retained Earnings for the Year, and Statement of Cash Flow, or any account thereof. Classify the disclosures according to each financial statement, providing a subheading for each statement except where a disclosure is applicable to more than one statement. The disclosures must be on the same subject matters and in the same level of detail that would be required if the respondent issued general purpose financial statements to the public or shareholders.
2. Furnish details as to any significant contingent assets or liabilities existing at year end, and briefly explain any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or a claim for refund of income taxes of a material amount initiated by the utility. Also, briefly explain any dividends in arrears on cumulative preferred stock.
3. Furnish details on the respondent's pension plans, post-retirement benefits other than pensions (PBOP) plans, and post-employment benefit plans as required by instruction no. 1 and, in addition, disclose for each individual plan the current year's cash contributions. Furnish details on the accounting for the plans and any changes in the method of accounting for them. Include details on the accounting for transition obligations or assets, gains or losses, the amounts deferred and the expected recovery periods. Also, disclose any current year's plan or trust curtailments, terminations, transfers, or reversions of assets. Entities that participate in multiemployer postretirement benefit plans (e.g. parent company sponsored pension plans) disclose in addition to the required disclosures for the consolidated plan, (1) the amount of cost recognized in the respondent's financial statements for each plan for the period presented, and (2) the basis for determining the respondent's share of the total plan costs.
4. Furnish details on the respondent's asset retirement obligations (ARO) as required by instruction no. 1 and, in addition, disclose the amounts recovered through rates to settle such obligations. Identify any mechanism or account in which recovered funds are being placed (i.e. trust funds, insurance policies, surety bonds). Furnish details on the accounting for the asset retirement obligations and any changes in the measurement or method of accounting for the obligations. Include details on the accounting for settlement of the obligations and any gains or losses expected or incurred on the settlement.
5. Provide a list of all environmental credits received during the reporting period.
6. Provide a summary of revenues and expenses for each tracked cost and special surcharge.
7. Where Account 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these item. See General Instruction 17 of the Uniform System of Accounts.
8. Explain concisely any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.
9. Disclose details on any significant financial changes during the reporting year to the respondent or the respondent's consolidated group that directly affect the respondent's gas pipeline operations, including: sales, transfers or mergers of affiliates, investments in new partnerships, sales of gas pipeline facilities or the sale of ownership interests in the gas pipeline to limited partnerships, investments in related industries (i.e., production, gathering), major pipeline investments, acquisitions by the parent corporation(s), and distributions of capital.
10. Explain concisely unsettled rate proceedings where a contingency exists such that the company may need to refund a material amount to the utility's customers or that the utility may receive a material refund with respect to power or gas purchases. State for each year affected the gross revenues or costs to which the contingency relates and the tax effects and explain the major factors that affect the rights of the utility to retain such revenues or to recover amounts paid with respect to power and gas purchases.
11. Explain concisely significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and summarize the adjustments made to balance sheet, income, and expense accounts.
12. Explain concisely only those significant changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also give the approximate dollar effect of such changes.
13. For the 3Q disclosures, respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.
14. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However were material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.
15. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.

COMBINED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(1) Summary of Significant Accounting Policies

Basis of Presentation

These financial statements were prepared in accordance with the accounting requirements of the Federal Energy Regulatory Commission (FERC) as set forth in its applicable Uniform System of Accounts and published accounting releases, which is a comprehensive basis of accounting other than generally accepted accounting principles. As a result, the presentation of these financial statements differs from generally accepted accounting principles. Certain disclosures which are required by generally accepted accounting principles and not required by FERC have been excluded from these financial statements.

As required by FERC, Puget Sound Energy, Inc. (PSE) classifies certain items in its Form 1 Balance Sheet (primarily the classification of the components of accumulated deferred income taxes, non-legal asset retirement obligations, certain miscellaneous current and accrued liabilities, maturities of long-term debt, deferred debits and deferred credits) in a manner different than that required by generally accepted accounting principles.

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

PSE is a public utility incorporated in the State of Washington that furnishes electric and natural gas services in a territory covering 6,000 square miles, primarily in the Puget Sound region. The results of PSE's subsidiaries are presented on an equity basis.

PSE collected Washington State excise taxes (which are a component of general retail customer rates) and municipal taxes totaling $234.2 million and $231.7 million for 2015 and 2014, respectively. PSE reports the collection of such taxes on a gross basis in operation revenue and as expense in taxes other than income taxes in the accompanying consolidated statements of income.

Utility Plant

PSE capitalizes, at original cost, additions to utility plant, including renewals and betterments. Costs include indirect costs such as engineering, supervision, certain taxes, pension and other employee benefits and an Allowance for Funds Used During Construction (AFUDC). Replacements of minor items of property are included in maintenance expense. When the utility plant is retired and removed from service, the original cost of the property is charged to accumulated depreciation and costs associated with removal of the property, less salvage, are charged to the cost of removal regulatory liability.

Planned Major Maintenance

Planned major maintenance is an activity that typically occurs when PSE overhauls or substantially upgrades various systems and equipment on its natural gas fired combustion turbines on a scheduled basis. Costs related to planned major maintenance are deferred and amortized to the next scheduled major maintenance. This accounting method also follows the Washington Utilities and Transportation Commission (Washington Commission) regulatory treatment related to these generating facilities.

Non-Utility Property, Plant and Equipment

For PSE, the costs of other property, plant and equipment are stated at historical cost. Expenditures for refurbishment and improvements that significantly add to productive capacity or extend useful life of an asset are capitalized. Replacement of minor items are expensed on a current basis. Gains and losses on assets sold or retired, which were previously recorded in utility plant, are apportioned between regulatory assets/liabilities and earnings. However, gains and losses on assets sold or retired, not previously recorded in utility plant, are reflected in earnings.

Depreciation and Amortization

For financial statement purposes, the Company provides for depreciation and amortization on a straight-line basis. Amortization is recorded for intangibles such as regulatory assets and liabilities, computer software and franchises. The depreciation of vehicles and equipment is allocated to the asset and expense accounts based on usage. The annual depreciation provision stated as a percent of a depreciable electric utility plant was 2.8%, for each of 2015 and 2014; depreciable natural gas utility plant was 3.4%, for each of 2015 and 2014; and depreciable common utility plant was 8.5%, for each of 2015 and 2014, respectively. Depreciation on other property, plant and equipment is calculated primarily on a straight-line basis over the useful lives of the assets. The cost of removal is collected from PSE's customers through depreciation expense and any excess is recorded as a regulatory liability.

Cash and Cash Equivalents

Cash and cash equivalents consist of demand bank deposits and short-term highly liquid investments with original maturities of three months or less at the time of purchase. The cash and cash equivalents balance at PSE was $39.5 million and $35.5 million as of December 31, 2015 and 2014, respectively. The 2015 and 2014 balance did not consist of cash equivalents.

Materials and Supplies

Materials and supplies are used primarily in the operation and maintenance of electric and natural gas distribution and transmission systems as well as spare parts for combustion turbines used for the generation of electricity. PSE records these items at weighted-average cost.

Fuel and Natural Gas Inventory

Fuel and natural gas inventory is used in the generation of electricity and for future sales to the Company's natural gas customers. Fuel inventory consists of coal, diesel and natural gas used for generation. Natural gas inventory consists of natural gas and liquefied natural gas (LNG) held in storage for future sales. PSE records these items at the lower of cost or market value using the weighted-average cost method.

Regulatory Assets and Liabilities

PSE accounts for its regulated operations in accordance with ASC 980 "Regulated Operations" (ASC 980). ASC 980 requires PSE to defer certain costs that would otherwise be charged to expense, if it is probable that future rates will permit recovery of such costs. It similarly requires deferral of revenues or gains and losses that are expected to be returned to customers in the future. Accounting under ASC 980 is appropriate as long as rates are established by or subject to approval by independent third-party regulators; rates are designed to recover the specific enterprise's cost of service; and in view of demand for service, it is reasonable to assume that rates set at levels that will recover costs can be charged to and collected from customers. In most cases, PSE classifies regulatory assets and liabilities as long-term due to the length of the amortization. For further details regarding regulatory assets and liabilities, see Note 3.

Allowance for Funds Used During Construction

AFUDC represents the cost of both the debt and equity funds used to finance utility plant additions during the construction period. The amount of AFUDC recorded in each accounting period varies depending primarily upon the level of construction work in progress and the AFUDC rate used. AFUDC is capitalized as a part of the cost of utility plant and is credited to interest expense and as a non-cash item to other income. Cash inflow related to AFUDC does not occur until these charges are reflected in rates.

The AFUDC rates authorized by the Washington Commission for natural gas and electric utility plant additions are based on the effective dates as follows:

Effective Date	Washington Commission AFUDC Rates
July 1, 2013 - present	7.77%

The Washington Commission authorized the Company to calculate AFUDC using its allowed rate of return. To the extent amounts calculated using this rate exceed the AFUDC calculated rate using the FERC formula, PSE capitalizes the excess as a deferred asset, crediting other income. The deferred asset is being amortized over the average useful life of PSE's non-project electric utility plant which is approximately 30 years.

Revenue Recognition

Operating utility revenue is recognized when the basis of services is rendered, which includes estimated unbilled revenue, in accordance with ASC 605, "Revenue Recognition" (ASC 605). PSE's estimate of unbilled revenue is based on a calculation using meter readings from its automated meter reading (AMR) system. The estimate calculates unbilled usage at the end of each month as the difference between the customer meter readings on the last day of the month and the last customer meter readings billed. The unbilled usage is then priced at published rates for each schedule to estimate the unbilled revenues by customer.

The non-utility subsidiary recognizes revenue when services are performed or upon the sale of assets. Revenue from retail sales is billed based on tariff rates approved by the Washington Commission. Sales of Renewable Energy Credits (RECs) are deferred as a regulatory liability.

PSE's electric and natural gas operations contain a revenue decoupling mechanism under which PSE's actual energy delivery revenues related to electric transmission and distribution, natural gas operations and general administrative costs are compared with authorized revenues allowed under the mechanism. The mechanism mitigates volatility in revenue due to weather and gross margin erosion related to energy efficiency. Any differences in revenue are deferred to a regulatory asset for under recovery or regulatory liability for over recovery under alternative revenue recognition standard. To record revenues under this program, the Company must be able to collect the revenue within 24 months based on alternative revenue recognition guidance. Decoupled rate increases are effective May 1 of each year subject to a 3.0% cap of total revenue for decoupled rate schedules. Any excess revenue above 3.0% will be included in the following year's decoupled rate. The Company will be able to recognize revenue below the 3.0% cap of total revenue for decoupled rate schedules. For revenue deferrals exceeding the annual 3.0% rate cap of total revenue for decoupled rate schedules, the Company will assess the excess amount to determine its ability to be collected within 24 months. If the excess amount cannot be collected within 24 months, for GAAP purposes only, the Company will not record any decoupling revenue unless it is within the 24 months of collection, but will collect non-recorded amounts when actually billed. Revenues associated with energy costs under the Power Cost Adjustment (PCA) mechanism and Purchased Gas Adjustment (PGA) mechanism are excluded from the decoupling mechanism.

Allowance for Doubtful Accounts

Allowance for doubtful accounts are provided for electric and natural gas customer accounts based upon a historical experience rate of write-offs of energy accounts receivable along with information on future economic outlook. The allowance account is adjusted monthly for this experience rate. The allowance account is maintained until either receipt of payment or the likelihood of collection is considered remote at which time the allowance account and corresponding receivable balance are written off.

The Company's allowance for doubtful accounts at December 31, 2015 and 2014 was $9.8 million and $7.5 million, respectively.

Self-Insurance

PSE is self-insured for storm damage and environmental contamination occurring on PSE-owned property. In addition, PSE is required to meet a deductible for a portion of the risk associated with comprehensive liability, workers' compensation claims and catastrophic property losses other than those which are storm related. The Washington Commission has approved the deferral of certain uninsured qualifying storm damage costs that exceed $8.0 million which will be requested for collection in future rates. Additionally, costs may only be deferred if the outage meets the Institute of Electrical and Electronics Engineers (IEEE) outage criteria for system average interruption duration index.

Federal Income Taxes

For presentation in PSE's separate financial statements, income taxes are allocated to the subsidiaries on the basis of separate company computations of tax, modified by allocating certain consolidated group limitations which are attributed to the separate company. Taxes payable or receivable are settled with Puget Holdings, who is the ultimate tax payer.

Natural Gas Off-System Sales and Capacity Release

PSE contracts for firm natural gas supplies and holds firm transportation and storage capacity sufficient to meet the expected peak winter demand for natural gas by its firm customers. Due to the variability in weather, winter peaking consumption of natural gas by most of its customers and other factors, PSE holds contractual rights to natural gas supplies and transportation and storage capacity in excess of its average annual requirements to serve firm customers on its distribution system. For much of the year, there is excess capacity available for third-party natural gas sales, exchanges and capacity releases. PSE sells excess natural gas supplies, enters into natural gas supply exchanges with third parties outside of its distribution area and releases to third parties excess interstate natural gas pipeline capacity and natural gas storage rights on a short-term basis to mitigate the costs of firm transportation and storage capacity for its core natural gas customers. The proceeds from such activities, net of transactional costs, are accounted for as reductions in the cost of purchased natural gas and passed on to customers through the PGA mechanism, with no direct impact on net income. As a result, PSE nets the sales revenue and associated cost of sales for these transactions in purchased natural gas.

Non-Core Natural Gas Sales

As part of the Company's electric operations, PSE purchases natural gas for its gas-fired generation facilities. The projected volume of natural gas for power is relative to the price of natural gas. Based on the market prices for natural gas, PSE may use the natural gas it has already purchased to generate power or PSE may sell the already purchased natural gas. The net proceeds from selling natural gas, previously purchased for power generation, are accounted for in other electric operating revenue and are included in the PCA mechanism.

Production Tax Credit

Production Tax Credits (PTCs) represent federal income tax incentives available to taxpayers that generate energy from qualifying renewable sources. PSE records the benefit of the PTCs as a regulatory liability until such time as PSE utilizes the tax credit on its tax return. Once utilized, PSE will pass the benefit to customers.

Accounting for Derivatives

ASC 815 requires that all contracts considered to be derivative instruments be recorded on the balance sheet at their fair value unless the contracts qualify for an exception. PSE enters into derivative contracts to manage its energy resource portfolio and interest rate exposure including forward physical and financial contracts and swaps. Some of PSE's physical electric supply contracts qualify for the Normal Purchase Normal Sale (NPNS) exception to derivative accounting rules. PSE may enter into financial fixed price contracts to economically hedge the variability of certain index-based contracts. Those contracts that do not meet the NPNS exception are marked-to-market to current earnings in the statements of income, subject to deferral under ASC 980, for energy related derivatives due to the PCA mechanism and PGA mechanism.

PSE elected to de-designate all energy related derivative contracts previously recorded as cash flow hedges for the purpose of simplifying its financial reporting in 2009. The contracts that were de-designated related to physical electric supply contracts and natural gas swap contracts used to fix the price of natural gas for electric generation. For these contracts and for contracts initiated after such date, all mark-to-market adjustments are recognized through earnings. The amount previously recorded in accumulated other comprehensive income (AOCI) is transferred to earnings in the same period or periods during which the hedged transaction affects earnings or sooner if management determines that the forecasted transaction is probable of not occurring. When these contracts are settled, the contract price becomes part of purchased electricity or electric generation fuel which becomes part of PSE's PCA mechanism and the unrealized gain or loss is listed separately under energy costs, as it represents the non-rate treatment of energy costs.

The Company may enter into swap instruments or other financial derivative instruments to manage the interest rate risk associated with its long-term debt financing and debt instruments. As of December 31, 2015, Puget Sound Energy did not have any interest rate swap contracts outstanding. For additional information, see Note 9 Accounting for Derivative Instruments and Hedging Activities.

Fair Value Measurements of Derivatives

ASC 820, "Fair Value Measurements and Disclosures" (ASC 820), defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). As permitted under ASC 820, the Company utilizes a mid-market pricing convention (the mid-point price between bid and ask prices) as a practical expedient for valuing the majority of its assets and liabilities measured and reported at fair value. The Company utilizes market data or assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated or generally unobservable. The Company primarily applies the market approach for recurring fair value measurements as it believes that the approach is used by market participants for these types of assets and liabilities. Accordingly, the Company utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs.

The Company values derivative instruments based on daily quoted prices from an independent external pricing service. When external quoted market prices are not available for derivative contracts, the Company uses a valuation model that uses volatility assumptions relating to future energy prices based on specific energy markets and utilizes externally available forward market price curves. All derivative instruments are sensitive to market price fluctuations that can occur on a daily basis. For additional information, see Note 10 Fair Value Measurements.

Debt Related Costs

Debt premiums, discounts, expenses and amounts received or incurred to settle hedges are amortized over the life of the related debt for the Company. The premiums and costs associated with reacquired debt are deferred and amortized over the life of the related new issuance, in accordance with ratemaking treatment for PSE.

(2) New Accounting Pronouncements

Revenue Recognition

In May 2014, the FASB issued Accounting Standards Update (ASU) No. 2014-09, "*Revenue from Contracts with Customers (Topic 606)*", which outlines a single comprehensive model for use in accounting for revenue arising from contracts with customers and supersedes most current revenue recognition guidance, including industry-specific guidance. The ASU is based on the principle that an entity should recognize revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The ASU also requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments and assets recognized from costs incurred to fulfill a contract.

In August 2015, the FASB issued ASU 2015-14, "*Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date,*" deferring the effective date for ASU 2014-09 to fiscal years, and interim periods within those fiscal years, beginning after December 15, 2017. In addition to the FASB's deferral decision, FASB provided reporting entities with an option to adopt ASU 2014-09 for the fiscal years, and interim periods within those fiscal years, beginning after December 15, 2016, the original effective date. The Company plans to adopt ASU 2014-09 according to the original effective date. Reporting entities also have the option of using either a full retrospective or a modified retrospective approach for the adoption of the new standard. The Company initiated a steering committee and project team to evaluate the impact of this standard, update any policies and procedures that may be affected and implement the new revenue recognition guidance. At this time, the Company cannot determine the impact this standard will have on its consolidated financial statements.

Debt Issuance Costs

In April 2015, the FASB issued ASU 2015-03, "*Interest-Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs.*" ASU 2015-03 requires debt issuance costs related to a recognized debt liability be presented in the balance sheet as a direct deduction from the carrying amount of the debt liability, consistent with the presentation of a debt discount. This new guidance affects only the presentation of debt issuance costs and not the recognition and measurement of debt issuance costs. ASU 2015-03 is to be applied on a retrospective basis, wherein the balance sheet of each individual period presented should be adjusted to reflect the period-specific effects of applying the new guidance.

In August 2015, the FASB issued ASU 2015-15, "*Interest-Imputation of Interest (Subtopic 835-30): Presentation and Subsequent Measurement of Debt Issuance Costs Associated with Line-of-Credit Arrangement.*" In accordance with the United States Securities and Exchange Commission (SEC) Staff Announcement at the June 18, 2015 Emerging Issues Task Force (EITF) meeting about debt issuance costs, ASU 2015-15 amended the accounting guidance updated by ASU 2015-03 to allow reporting entities the option to defer and present debt issuance costs related to line-of-credit arrangements as an asset and subsequently amortize the deferred debt issuance costs ratably over the term of the line-of-credit arrangement.

ASU 2015-03 and ASU 2015-15 are effective for financial statements issued for fiscal years beginning after December 15, 2015, and interim periods within those fiscal years. Early adoption of the amendments is permitted for financial statements that have not been previously issued. The Company plans to adopt the amendments during fiscal year 2016. The amount of unamortized debt issuance costs at PSE as of December 31, 2015 and 2014 totaled $30.0 million and $28.7 million, respectively.

Internal-Use Software

In April 2015, the FASB issued ASU 2015-05, "*Intangibles-Goodwill and Other-Internal-Use Software (Subtopic 350-40): Customer's Accounting for Fees Paid in a Cloud Computing Arrangement.*" ASU 2015-05 requires a customer in a cloud computing arrangement to follow internal-use software guidance if both of the following criteria are met: the customer has the contractual right to take possession of the software at any time during the cloud computing arrangement and can feasibly run the software on its own hardware. If the customer does not meet both criteria, the cloud computing arrangement is considered a service contract and separate

accounting for a license would not be permitted.

ASU 2015-05 is effective for annual reporting periods, including interim periods within those annual reporting periods, beginning after December 15, 2015. Early adoption is permitted. The Company plans to adopt ASU 2015-05 during fiscal year 2016 and is in the process of evaluating the potential impacts, if any, of this new guidance on its financial statements.

Fair Value Measurement

In May 2015, the FASB issued ASU 2015-07, "*Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities that Calculate Net Asset Value per Share (or Its Equivalent)*," which removes the requirement to categorize within the fair value hierarchy all investments for which their fair value is measured using the net asset value per share practical expedient. This ASU also removes the requirement to make certain disclosures for all investments that are eligible to be measured at fair value using the net asset value per share practical expedient. Instead, those disclosures will be limited to investments for which the Company has elected to measure the fair value using that practical expedient.

ASU 2015-07 is effective for annual reporting periods, and interim periods within those reporting periods, beginning after December 15, 2015, and requires reporting entities to apply this ASU retrospectively to all periods presented. Early adoption is permitted. The Company plans to adopt ASU 2015-07 during fiscal year 2016. At this time, the Company cannot determine the impact this standard will have on its consolidated financial statements.

Inventory

In July 2015, the FASB issued ASU 2015-11, "*Inventory (Topic 330): Simplifying the Measurement of Inventory.*" ASU 2015-11 requires inventory within the scope of this Topic 330 to be measured at the lower of cost and net realizable value. This amendment does not apply to inventory that is measured using last-in, first-out (LIFO) or the retail inventory method. This amendment applies to all other inventory, including inventory measured using first-in, first-out (FIFO) or average cost.

The new accounting guidance is effective for annual reporting periods, and interim periods within those annual reporting periods, beginning after December 15, 2016, with early adoption permitted. The Company plans to adopt ASU 2015-11 during fiscal year 2017. At this time, the Company cannot determine the impact this standard will have on its consolidated financial statements.

Retirement Benefits

In July 2015, the FASB issued ASU 2015-12, "*Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), and Health and Welfare Benefit Plans (Topic 965).*" ASU 2015-12 is made up of three parts: Part I, Fully Benefit-Responsive Investment Contracts (Part I); Part II, Plan Investment Disclosures (Part II); and Part III, Measurement Date Practical Expedient (Part III).

Part I requires fully benefit-responsive contracts to be measured, presented and disclosed only at contract value. Part II requires both participant-directed and nonparticipant-directed investments of employee benefit plans be grouped only by general type, and removes the requirement to include the disclosure of (i) the investment strategy of an investment measured using the net asset value per share practical expedient and is part of a fund that files a U.S. Department of Labor Form 5500; and (ii) the net appreciation or depreciation for investments by general type. Part III provides entities that have a fiscal year-end that does not coincide with a month-end a practical expedient to permit plans to measure investments and investment-related accounts as of a month-end date that is closest to the plan's fiscal year-end.

All three parts are effective for fiscal years beginning after December 15, 2015, and early adoption is permitted for each part. Parts I and II must be applied retrospectively for all financial statements presented. The amendments in Part III must be applied prospectively. The Company plans to adopt ASU 2015-12 during the fiscal year 2016, and is in the process of evaluating the potential impacts, if any, of this new guidance on its financial statements.

Derivatives and Hedging

In August 2015, the FASB Issues ASU 2015-13, "*Derivatives and Hedging (Topic 815): Application of the Normal Purchases and Normal Sales Scope Exception to Certain Electricity Contracts within Nodal Energy Markets.*" ASU 2015-13 allows certain reporting entities that enter into derivative contracts for the purchase or sale of electricity on a forward basis and arrange for transmission through a nodal energy market, to designate those contracts as normal purchase or normal sale contracts, if the physical delivery criterion is met. This designation removes the ASC 815, Derivatives and Hedging (ASC 815), requirement to measure those derivative contracts at fair value.

This amendment was effective upon issuance, and if elected, the guidance must be applied prospectively. The Company does not expect this guidance to have a material impact on its results of operations or financial position.

Deferred Income Taxes

In November 2015, the FASB issued ASU 2015-17, "*Income Taxes (Topic 740): Balance Sheet Classification of Deferred Taxes.*" ASU 2015-17 requires reporting entities to classify deferred tax liabilities and assets as noncurrent in a classified balance sheet instead of separating such deferred taxes into current and noncurrent amounts.

This amendment is effective for financial statements issued for annual periods beginning after December 15, 2016, and interim periods within those annual periods. Earlier adoption is permitted for all entities as of the beginning of any interim or annual reporting period. The Company has early adopted ASU 2015-17 for the annual reporting period ended December 31, 2015, and has applied this amendment retrospectively. Except for changes in Consolidated Balance Sheet presentation, this guidance does not have a material impact on the Company's results of operations or financial position. For additional information on the impact of this guidance, see Note 13, Income Taxes.

(3) Regulation and Rates

Regulatory Assets and Liabilities

Regulatory accounting allows PSE to defer certain costs that would otherwise be charged to expense, if it is probable that future rates will permit recovery of such costs. It similarly requires deferral of revenues or gains that are expected to be returned to customers in the future.

Below is a table with the allowed return on the net regulatory assets and liabilities and the associated time periods:

Period	Rate of Return	After-Tax Return
July 1, 2013 - present	7.77%	6.69%

The net regulatory assets and liabilities at December 31, 2015 and 2014 included the following:

(Dollars in Thousands)	Remaining Amortization Period	December 31, 2015	December 31, 2014
Storm damage costs electric	1 to 3 years	$ 125,777	$ 118,824
Chelan PUD contract initiation	15.8 Years	112,228	119,316
Deferred decoupling revenue		104,150	55,363
Decoupling revenue in excess of 2 years		(9,980)	—
Total deferred decoupling revenue	Less than 2 years	94,170	55,363
Lower Snake River	1 to 21.3 years	79,599	86,275
Deferred income taxes	(a)	72,694	94,913
Environmental remediation	(a)	66,887	66,018
Baker Dam licensing operating and maintenance costs	43 years	63,394	61,577
PGA deferral of unrealized losses on derivative instruments	(a)	60,889	69,280
Deferred Washington Commission AFUDC	35 years	52,197	53,709
Unamortized loss on reacquired debt	1 to 20.5 years	44,984	35,667
Property tax tracker	Less than 2 years	40,353	32,253
Energy conservation costs	1 to 2 years	36,646	42,374
White River relicensing and other costs	16.9 years	23,054	26,685
Mint Farm ownership and operating costs	9.3 years	18,320	20,320
Ferndale	3.8 years	15,253	19,232
Electron unrecovered loss	3 years	10,569	14,008
Snoqualmie licensing operating and maintenance costs	29 years	7,980	9,202
Colstrip common property	8.5 years	6,049	6,764
Colstrip major maintenance	2 years	5,897	2,712
Investment in Bonneville Exchange power contract	1.5 years	5,290	8,816
Snoqualmie	2.8 years	5,024	6,798
PGA receivable	1 year	—	21,073
Various other regulatory assets	Varies	24,248	16,223
Total PSE regulatory assets		$ 971,502	$ 987,402
Treasury grants	4 to 43 years	(157,102)	(180,496)
Production tax credits	(c)	(93,616)	(93,616)
Decoupling over-collection	Less than 2 years	(25,483)	(12,582)
PGA payable	1 year	(12,589)	—
Summit purchase option buy-out	4.8 years	(7,612)	(9,188)
Deferral of treasury grant amortization	Less than 4 years	(6,058)	(8,197)
Various other regulatory liabilities	Up to 4 years	(13,751)	(18,215)
Total PSE regulatory liabilities		$ (316,211)	$ (322,294)
PSE net regulatory assets (liabilities)		$ 655,291	$ 665,108

(a) Amortization periods vary depending on timing of underlying transactions or awaiting regulatory approval in a future Washington Commission rate proceeding.

(b) The balance is dependent upon the cost of removal of underlying assets and the life of utility plant.

(c) Amortization will begin once PTCs are utilized by PSE on its tax return.

If the Company determines that it no longer meets the criteria for continued application of ASC 980, the Company would be required to write-off its regulatory assets and liabilities related to those operations not meeting ASC 980 requirements. Discontinuation of ASC 980 could have a material impact on the Company's financial statements.

In accordance with guidance provided by ASC 410, "Asset Retirement and Environmental Obligations (ARO)," PSE reclassified from accumulated depreciation to a regulatory liability $347.5 million and $313.1 million in 2015 and 2014, respectively, for the cost of removal of utility plant. These amounts are collected from PSE's customers through depreciation rates.

2013 Expedited Rate Filing, Decoupling and Centralia Decision

PSE filed a settlement agreement with the Washington Commission on March 22, 2013. The agreement was intended to settle all issues regarding decoupling, a power purchase agreement with TransAlta Centralia and the expedited rate filing (ERF) which is limited in scope and rate impact, includes the property tax tracker, and is intended to establish baseline rates on which the decoupling mechanism are to operate. The Washington Commission placed the ERF and decoupling filings under a common procedural schedule.

On June 25, 2013, the Washington Commission issued final orders resolving the amended decoupling petition, the ERF filing and the Petition for Reconsideration (related to the TransAlta Centralia power purchase agreement). Order No. 7 in the ERF/decoupling proceeding approved PSE's ERF filing with a small change to its cost of capital from 7.80% to7.77% to update long term debt costs. This order also approved the property tax tracker discussed below and approved the amended decoupling and rate plan filing with the further condition that PSE and the customers will share 50.0% each in earnings in excess of the 7.77% authorized rate of return. In addition, the rate plan increase allowed decoupling revenue per customer for the recovery of delivery system costs will subsequently increase by 3.0% for the electric customers and 2.2% for the gas customers on January 1 of each year, until the conclusion of PSE's next GRC which will be filed before April 1, 2016. In the rate plan, increases are subject to a cap of 3.0% of the total revenue for customers. Order No. 8 in the TransAlta Centralia proceeding granted in part and denied in part PSE's Petition for Reconsideration, clarifying certain portions of the Washington Commission's original order regarding TransAlta Centralia.

On July 24, 2013, the Public Counsel Division of the Washington State Attorney General's Office (Public Counsel) and the Industrial Customers of Northwest Utilities (ICNU) each filed a petition in Thurston County Superior Court (the Court) seeking judicial reviews of various aspects of the Washington Commission's ERF and decoupling mechanism final order. The parties' petition argued that the order violates various procedural and substantive requirements of the Washington Administrative Procedure Act, and so requests that it be vacated and that the matter be remanded to the Washington Commission. Oral arguments regarding this matter were held on May 9, 2014. On June 25, 2014, the court issued a letter decision in which it affirmed the attrition adjustment (escalating factors referred to as the K-Factor) and the Washington Commission's decision not to consider the case as a GRC, but reversed and remanded the cost of equity for further adjudication consistent with the court's decision. The remand proceeding evidentiary hearings regarding return on equity (ROE) were held in February 2015 and initial briefs and reply briefs were filed in March 2015. The Washington Commission issued a final order on remand on June 29, 2015, in which it found that 9.8% is a reasonable ROE for PSE for the term of the rate plan, taking decoupling and other relevant factors into account.

Expedited Rate Filing

On June 25, 2013, the Washington Commission approved PSE's electric and natural gas decoupling mechanism and ERF tariff filings, effective July 1, 2013. The estimated revenue impact of the decoupling mechanism for electric and natural gas customers is an increase of $21.4 million, or 1.0%, annually and an increase of $10.8 million, or 1.1% annually, respectively. The estimated revenue impact of the ERF filings for electric and natural gas customers is an increase of $30.7 million, or 1.5%, annually and a decrease of $2.0 million, or a decrease of 0.2% annually, respectively. In its order, the Washington Commission approved a weighted cost of capital of 7.77% and a capital structure that included 48.0% common equity with a ROE of 9.8%. Subsequently, certain parties to this proceeding petitioned the Washington Commission to reconsider the order. On December 13, 2013, the Washington Commission approved the settlement agreements for rates effective January 1, 2014. These settlement agreements do not materially change the revenues originally approved in June 2013.

On February 4, 2013, PSE filed revised tariffs in an ERF proceeding seeking to update the rates set by the Washington Commission in the final order of May 2012 in PSE's general rate case (GRC). This ERF filing was limited in scope and rate impact. This filing was primarily intended to establish baseline rates on which the decoupling mechanisms, described below, were proposed to operate. The filing also provided for the collection of property taxes through a property tax tracker mechanism based on cash payments of property tax made by PSE during the year. Any difference between the cash payments and property tax accruals will be deferred and recovered in a property tax tracker.

Decoupling Filings

While fluctuations in weather conditions will continue to affect PSE's billed revenue and energy supply expenses from month to month, PSE's decoupling mechanisms, are expected to mitigate the impact of weather on operating revenue and net income. The Washington Commission has allowed PSE to record a monthly adjustment to its electric and natural gas operating revenues related to electric transmission and distribution, natural gas operations and general administrative costs from residential, commercial and industrial customers to eliminate the effects of abnormal weather, conservation impacts and changes in usage patterns per customer with the exception of the electric business where PCA is not part of the decoupling mechanism. As a result, these electric and natural gas revenues will be recovered on a per customer basis regardless of actual consumption levels. The energy supply costs, which are part of the PCA and PGA mechanisms, are not included in the decoupling mechanism. The revenue recorded under the decoupling mechanisms will be affected by customer growth and not actual consumption. Following each calendar year, PSE will recover or refund the difference between allowed decoupling revenue and the corresponding actual revenue to affected customers during the following May to April time period. The decoupling mechanism will end on February 28, 2017 unless the continuation of the mechanism is approved in PSE's next GRC filing which PSE is required to file by April 1, 2016 at the latest.

On April 22, 2015, the Washington Commission approved PSE's request to change rates under its electric and natural gas decoupling mechanism, effective May 1, 2015. As part of this filing, PSE also requested to change the methodology of how decoupling deferrals are calculated going forward and adjust deferrals calculated in 2014. The change was done to ensure that the amortization of prior years' accumulated decoupling deferrals were not included in the calculation of the current year decoupling deferrals. The effect of the methodology change was a reduction of approximately $12.0 million previously recognized revenue from May through December of 2014. The overall changes represent a rate increase for electric customers of $53.8 million, or 2.6%, annually, and a rate increase for natural gas customers of $22.0 million, or 2.1%, annually, effective May 1, 2015. In addition, PSE exceeded the earnings test threshold for its natural gas business in 2014. As a result, PSE recorded a reduction in natural gas decoupling deferral and revenue of $1.3 million. This was reflected as a reduction to the natural gas rate increases noted above. As noted earlier, the Company is also limited to a 3.0% annual decoupling related cap on increases in total revenue. This limitation was triggered for certain rate classes. The resulting amount of deferral that was not included in the 2015 rate increase is $1.9 million for electric revenue and $8.2 million for natural gas revenue that was accrued through December 31, 2014. These amounts may be included in customer rates beginning in May 2016, subject to subsequent application of the earnings test and the 3.0% cap on decoupling related rate increases.

On April 24, 2014, the Washington Commission approved PSE's request to change rates under its electric and natural gas decoupling mechanism, effective May 1, 2014. The rate change incorporated the effects of an increase to the allowed delivery revenue per customer as well as true-ups to the rate from the prior year. This represents a rate increase for electric customers of $10.6 million, or 0.5% annually, and a rate decrease for natural gas customers of $1.0 million, or 0.1% annually.

On December 13, 2013, the Washington Commission approved a series of settlement agreements for rates effective January 1, 2014. These settlement agreements do not materially change the revenues originally approved in June 2013. As a result, certain high volume natural gas industrial customers rate schedules are excluded from the decoupling mechanism and will be subject to certain effects of abnormal weather, conservation impacts and changes in customer usage patterns.

Electric Regulation and Rates

Storm Damage Deferral Accounting

The Washington Commission issued a GRC order that defined deferrable catastrophic/extraordinary losses and provided that costs in excess of $8.0 million annually may be deferred for qualifying storm damage costs that meet the modified IEEE outage criteria for system average interruption duration index. In 2015 and 2014, PSE incurred $33.6 million and $29.7 million, respectively, in storm-related electric transmission and distribution system restoration costs, of which $22.4 million was deferred in 2015 and $18.0 million was deferred in 2014.

Power Cost Only Rate Case

A limited-scope proceeding was approved in 2002 by the Washington Commission to periodically reset power cost rates. In addition to providing the opportunity to reset all power costs, the power cost only rate case (PCORC) proceeding also provides for timely review of new resource acquisition costs and inclusion of such costs in rates at the time the new resource goes into service. To achieve this objective, the Washington Commission has used an expedited six-month PCORC decision timeline rather than the statutory 11-month timeline for a GRC.

The following table sets forth PCORC rate adjustments approved by the Washington Commission and the corresponding impact on PSE's revenue based on the effective dates:

Effective Date	Average Percentage Increase (Decrease) in Rates	Increase (Decrease) in Revenue (Dollars in Millions)
December 1, 2014	(0.9)%$	(19.4)

Electric Property Tax Tracker Mechanism

The purpose of the property tax tracker mechanism is to pass through the cost of all property taxes incurred by the Company. The mechanism was implemented in 2013 and removed property taxes from general rates and included those costs as a component rate. After the implementation, the mechanism acts as a tracker rate schedule and collects the total amount of property taxes assessed. The tracker will be adjusted each year in May based on that year's assessed property taxes and true-ups to the rate from the prior year.

The following table sets forth property tax tracker mechanism rate adjustments approved by the Washington Commission and the corresponding impact on PSE's revenue based on the effective dates:

Effective Date	Average Percentage Increase (Decrease) in Rates	Increase (Decrease) in Revenue (Dollars in Millions)
May 1, 2015	0.4%$	8.4
May 1, 2014	0.5	11.0

Electric Conservation Rider

The electric conservation rider collects revenue to cover the costs incurred in providing services and programs for conservation. Rates change annually on May 1 to collect the annual budget that started the prior January.

The following table sets forth conservation rider rate adjustments approved by the Washington Commission and the corresponding impact on PSE's revenue based on the effective dates:

Effective Date	Average Percentage Increase (Decrease) in Rates	Increase (Decrease) in Revenue (Dollars in Millions)
May 1, 2014	0.6%$	12.2

Accounting Orders and Petitions

PSE completed the sale of its electric infrastructure assets located in Jefferson County and the transition of electrical services in the county to Jefferson County Public Utility District (JPUD) on March 31, 2013. The proceeds from the sale exceeded the transferred assets' net carrying value of $46.7 million resulting in a pre-tax gain of approximately $60.0 million. In accordance with a 2010 Washington Commission order, PSE deferred the gain and recorded it as a regulatory liability pending the Washington Commission's determination of the accounting and ratemaking treatment. On October 31, 2013, PSE filed an accounting petition for a Washington Commission order that would authorize PSE to retain the gain of $45.0 million and return $15.0 million to its remaining customers over a period of 48 months. On March 28, 2014, intervenors filed response testimonies containing their respective proposals for allocation of the gain, which included a proposal of up to $57.0 million to customers and $3.0 million to PSE. A final order was rendered on September 11, 2014 which authorized PSE to retain $7.5 million of the gain and return $52.7 million to customers. The customer portion was booked to a regulatory liability account in other current liabilities and accrued interest at PSE's after-tax rate of return. PSE paid this amount to customers through a bill credit in the month of December 2014.

Power Cost Adjustment Mechanism

PSE currently has a PCA mechanism that provides for the recovery of power costs from customers or refunding of power cost savings to customers in the event those costs vary from the "power cost baseline" included in revenue requirements. The "power cost baseline" levels are set, in part, based on normalized assumptions about weather and hydroelectric conditions. Excess power costs or power cost savings are apportioned between PSE and its customers pursuant to the graduated scale set forth in the PCA mechanism.

The graduated scale currently applicable is as follows:

Annual Power Cost Variability	Company's Share	Customers' Share
+/- $20 million	100%	—%
+/- $20 million - $40 million	50	50
+/- $40 million - $120 million	10	90
+/- $120 + million	5	95

On August 7, 2015 the Washington Commission issued an order approving the settlement proposing changes to the PCA mechanism. The settlement agreement will not take effect until January 1, 2017. Key components of the settlement will result in the following changes to the PCA mechanism:

	Company's Share		Customers' Share	
Annual Power Cost Variability	Over	Under	Over	Under
+/- $17 million	100%	100%	—%	—%
+/- $17 million - $40 million	35	50	65	50
+/- $40+ million	10	10	90	90

- Reduction to the cumulative deferral trigger for surcharge or refund from $30.0 million to $20.0 million;
- Removal of fixed production costs from the PCA mechanism and placing them in the decoupling mechanism, assuming the decoupling mechanism continues as part of the next GRC. If decoupling was not to continue, those fixed production costs would be treated the same as other non-PCA costs unless permission to treat them in another manner is obtained from the Washington Commission. These fixed production costs include: (i) return and depreciation/amortization on fixed production assets and regulatory assets and liabilities; (ii) return on depreciation, transmission expense and revenues on specific transmission assets; and (iii) hydro, other production and other power related expenses and O&M costs;
- Suspension of the requirement that a GRC must be filed within three months after rates are approved in a PCORC, and agreeing, for a five-year period, that PSE will not file a GRC or PCORC within six months of the date rates go into effect for a PCORC filing; and
- Establishment of a five-year moratorium on changes to the PCA/PCORC.

PSE had an unfavorable PCA imbalance during the year ended December 31, 2015, due to under recovering $8.7 million of power costs that exceeded the "power cost baseline" level of which no amounts were apportioned to customers. This compares to an unfavorable imbalance of $40.1 million for the year ended December 31, 2014 of which $10.1 million was apportioned to customers.

Federal Incentive Tracker Tariff

The Federal Incentive tracker tariff passes the benefits associated with treasury grants received by the company and PTCs available through to its customers. The filing results in a credit back to customers for pass-back of treasury grant amortization and pass-through of interest and any related true-ups. The filing is adjusted annually for new Federal benefits, actual versus forecast interest and to true-up for actual load being different than the forecasted load set in rates.

The following table sets forth Federal Incentive Tracker Tariff rate adjustments approved by the Washington Commission and the corresponding impact on PSE's revenue based on the effective dates:

Effective Date	Average Percentage Increase (Decrease) in Rates	Total credit to be passed back to eligible customers (Dollars in Millions)
January 1, 2016	(0.2)%$	(57.3)
January 1, 2015	(0.2)	(55.2)
January 1, 2014	(0.3)	(58.5)

Gas Regulation and Rates

Gas General Rate Cases and Other Filings Affecting Rates

Cost Recovery Mechanism

The purpose of the Cost Recovery Mechanism (CRM) is to recover depreciation expense and return on the investment in the Company's pipeline replacement program to enhance the safety of the natural gas distribution system until included in base rates for gas service. The following table sets forth CRM rate adjustments approved by the Washington Commission and the corresponding impact on PSE's revenue based on the effective dates:

Effective Date	Average Percentage Increase (Decrease) in Rates	Increase (Decrease) in Revenue (Dollars in Millions)
November 1, 2015	0.5%$	5.3
November 1, 2014	0.2	2.3

Property Tax Tracker Mechanism

The purpose of the property tax tracker mechanism is to pass through the cost of all property taxes incurred by the Company. The mechanism was implemented in 2013 and removed property taxes from general rates and included those costs as a component rate. After the implementation, the mechanism acts as a tracker rate schedule and collects the total amount of property taxes assessed. The tracker will be adjusted each year in May based on that year's assessed property taxes.

The following table sets forth property tax tracker mechanism rate adjustments approved by the Washington Commission and the corresponding impact on PSE's revenue based on the effective dates:

Effective Date	Average Percentage Increase (Decrease) in Rates	Increase (Decrease) in Revenue (Dollars in Millions)
June 1, 2015	(0.2)%$	(2.3)
May 1, 2014	0.6	5.6

Purchased Gas Adjustment

PSE has a PGA mechanism that allows PSE to recover expected natural gas supply and transportation costs and defer, as a receivable or liability, any natural gas supply and transportation costs that exceed or fall short of this expected natural gas cost amount in PGA mechanism rates, including accrued interest. PSE is authorized by the Washington Commission to accrue carrying costs on PGA receivable and payable balances. A receivable or payable balance in the PGA mechanism reflects an under recovery or over recovery, respectively, of natural gas cost through the PGA mechanism.

The following table sets forth PGA rate adjustments approved by the Washington Commission and the corresponding impact on PSE's revenue based on the effective dates:

	Average	Increase

Effective Date	Percentage Increase (Decrease) in Rates	(Decrease) in Revenue (Dollars in Millions)
November 1, 2015	(17.4)%$	(185.9)
November 1, 2014	2.5	23.3

Environmental Remediation

The Company is subject to environmental laws and regulations by the federal, state and local authorities and is required to undertake certain environmental investigative and remedial efforts as a result of these laws and regulations. The Company has been named by the environmental protection agency (EPA), the Washington State Department of Ecology and/or other third parties as potentially responsible at several contaminated sites and manufactured gas plant sites. PSE has implemented an ongoing program to test, replace and remediate certain underground storage tanks (UST) as required by federal and state laws. The UST replacement component of this effort is finished, but PSE continues its work remediating and/or monitoring relevant sites. During 1992, the Washington Commission issued orders regarding the treatment of costs incurred by the Company for certain sites under its environmental remediation program. The orders authorize the Company to accumulate and defer prudently incurred cleanup costs paid to third parties for recovery in rates established in future rate proceedings, subject to Washington Commission review. The Washington Commission consolidated the gas and electric methodological approaches to remediation and deferred accounting in an order issued October 8, 2008. Per the guidance of ASC 450, "Contingencies," the Company reviews its estimated future obligations and will record adjustments, if any, on a quarterly basis. Management believes it is probable and reasonably estimable that the impact of the potential outcomes of disputes with certain property owners and other potentially responsible parties will result in environmental remediation costs of $32.6 million for gas and $6.1 million for electric. The Company believes a significant portion of its past and future environmental remediation costs are recoverable from insurance companies, from third parties or from customers under a Washington Commission order. The Company is also subject to cost-sharing agreements with third parties regarding environmental remediation projects in Seattle, Washington and Bellingham, Washington. The Company has taken the lead for both projects, and as of December 31, 2015, the Company's share of future remediation costs is estimated to be approximately $23.9 million. The Company's deferred electric environmental costs are $14.0 million and $13.4 million at December 31, 2015 and 2014, respectively, net of insurance proceeds. The Company's deferred natural gas environmental costs are $52.9 million and $52.6 million at December 31, 2015 and 2014, respectively, net of insurance proceeds.

(4) Dividend Payment Restrictions

The payment of dividends by PSE to Puget Energy is restricted by provisions of certain covenants applicable to long-term debt contained in PSE's electric and natural gas mortgage indentures. At December 31, 2015, approximately $464.1 million of unrestricted retained earnings was available for the payment of dividends under the most restrictive mortgage indenture covenant.

Pursuant to the terms of the Washington Commission merger order, PSE may not declare or pay dividends if PSE's common equity ratio, calculated on a regulatory basis, is 44.0% or below except to the extent a lower equity ratio is ordered by the Washington Commission. Also, pursuant to the merger order, PSE may not declare or make any distribution unless on the date of distribution PSE's corporate credit/issuer rating is investment grade, or, if its credit ratings are below investment grade, PSE's ratio of earnings before interest, tax, depreciation and amortization (EBITDA) to interest expense for the most recently ended four fiscal quarter periods prior to such date is equal to or greater than 3 to one. The common equity ratio, calculated on a regulatory basis, was 47.7% at December 31, 2015, and the EBITDA to interest expense was 4.9 to one for the twelve months then ended December 31, 2015.

PSE's ability to pay dividends is also limited by the terms of its credit facilities, pursuant to which PSE is not permitted to pay dividends during any Event of Default (as defined in the facilities), or if the payment of dividends would result in an Event of Default, such as failure to comply with certain financial covenants.

At December 31, 2015, the Company was in compliance with all applicable covenants, including those pertaining to the payment of dividends.

(5) Utility Plant

Utility Plant (Dollars In Thousands)	Estimated Useful Life (Years)	At December 31, 2015	At December 31, 2014
Electric, natural gas and common utility plant classified by prescribed accounts :			
Distribution plant	10-50	$ 6,657,597	$ 6,417,551
Production plant	25-125	3,950,231	3,907,224
Transmission plant	45-65	1,351,216	1,306,009
General plant	5-35	563,850	553,130
Intangible plant (including capitalized software)	3-50	294,380	304,135
Plant acquisition adjustment	7-30	282,792	282,792
Underground storage	25-60	42,545	42,494
Liquefied natural gas storage	25-45	14,498	14,498
Plant held for future use	NA	56,042	55,148
Plant not classified	1-100	65,892	91,519
Capital leases, net of accumulated amortization [1]	5	378	9,473
Less: accumulated provision for depreciation		(5,029,301)	(4,762,767)
Subtotal		$ 8,250,120	$ 8,221,206
Construction work in progress	NA	408,795	239,690
Net utility plant		$ 8,658,915	$ 8,460,896

1 *Accumulated amortization of capital leases at PSE was $32.3 million in 2015 and $28.4 million in 2014.*

Jointly owned generating plant service costs are included in utility plant service cost at the Company's ownership share. The following table indicates the Company's percentage ownership and the extent of the Company's investment in jointly owned generating plants in service at December 31, 2015. These amounts are also included in the Utility Plant table above.

Jointly Owned Generating Plants (Dollars in Thousands)	Energy Source (Fuel)	Company's Ownership Share	Puget Sound Energy's Share: Plant in Service at Cost	Puget Sound Energy's Share: Accumulated Depreciation
Colstrip Units 1 & 2	Coal	50%	$ 327,843	$ (150,974)
Colstrip Units 3 & 4	Coal	25%	525,072	(304,636)
Colstrip Units 1 – 4 Common Facilities	Coal	various	252	(192)
Frederickson 1	Gas	49.85%	70,725	(16,715)
Jackson Prairie	Gas Storage	33.34%	42,579	(19,182)

Asset Retirement Obligation

The Company has recorded liabilities for steam generation sites, combustion turbine generation sites, combined cycle generation sites, wind generation sites, distribution and transmission poles, gas mains, and leased facilities where disposal is governed by ASC 410 "ARO".

On April 17, 2015, the U.S. EPA published a final rule, effective October 19, 2015, that regulates Coal Combustion Residuals (CCR) under the Resource Conservation and Recovery Act, Subtitle D. The CCR rule addresses the risks from coal ash disposal, such as leaking of contaminants into ground water, blowing of contaminants into the air as dust, and the catastrophic failure of coal ash surface impoundments by establishing technical requirements for CCR landfills and surface impoundments. The rule also sets out recordkeeping and reporting requirements including requirements to post specific information to a publicly-accessible website.

The CCR rule requires significant changes to the Company's Colstrip, Montana coal-fired steam electric generation facility(Colstrip) operations and those changes were reviewed by the Company and the plant operator in the second and third quarter of 2015. PSE had previously recognized a legal obligation under the EPA rules to dispose of coal ash material at Colstrip, in 2003. Due to the CCR rule, additional disposal costs were added to the ARO.

The actual ARO costs related to the CCR rule requirements may vary substantially from the estimates used to record the increased obligation due to uncertainty about the compliance strategies that will be used and the preliminary nature of available data used to estimate costs. We will continue to gather additional data and coordinate with the plant operator to make decisions about compliance strategies and the timing of closure activities. As additional information becomes available, the Company will update the ARO obligation for these changes, which could be material.

The following table describes the changes to the Company's ARO liability as of December 31, 2015 and 2014:

(Dollars in Thousands)	At December 31, 2015	2014
Asset retirement obligation at beginning of period	$ 48,909	$ 48,687
New asset retirement obligation recognized in the period	34,534	—
Liability adjustment in the period	(3,628)	(602)
Revisions in estimated cash flows	3,403	(480)
Accretion expense	1,810	1,304
Asset retirement obligation at end of period	$ 85,028	$ 48,909

The Company has identified the following obligations, as defined by ASC 410, "ARO," which were not recognized because the liability for these assets cannot be reasonably estimated at December 31, 2015 due to:

- A legal obligation under Federal Dangerous Waste Regulations to dispose of asbestos-containing material in facilities that are not scheduled for remodeling, demolition or sales. The disposal cost related to these facilities could not be measured since the retirement date is indeterminable; therefore, the liability cannot be reasonably estimated;
- An obligation under Washington state law to decommission the wells at the Jackson Prairie natural gas storage facility upon termination of the project. Since the project is expected to continue as long as the Northwest pipeline continues to operate, the liability cannot be reasonably estimated;
- An obligation to pay its share of decommissioning costs at the end of the functional life of the major transmission lines. The major transmission lines are expected to be used indefinitely; therefore, the liability cannot be reasonably estimated;
- A legal obligation under Washington state environmental laws to remove and properly dispose of certain under and above ground fuel storage tanks. The disposal costs related to under and above ground storage tanks could not be measured since

the retirement date is indeterminable; therefore, the liability cannot be reasonably estimated;

- An obligation to pay decommissioning costs at the end of utility service franchise agreements to restore the surface of the franchise area. The decommissioning costs related to facilities at the franchise area could not be measured since the decommissioning date is indeterminable; therefore, the liability cannot be reasonably estimated; and
- A potential legal obligation may arise upon the expiration of an existing FERC hydropower license if FERC orders the project to be decommissioned, although PSE contends that FERC does not have such authority. Given the value of ongoing generation, flood control and other benefits provided by these projects, PSE believes that the potential for decommissioning is remote and cannot be reasonably estimated.

(6) Long-Term Debt

(Dollars in Thousands)			At December 31,	
Series	Type	Due	2015	2014
Puget Sound Energy:				
7.350%	First Mortgage Bond	2015	$ —	$ 10,000
7.360%	First Mortgage Bond	2015	—	2,000
5.197%	Senior Secured Note	2015	—	150,000
6.750%	Senior Secured Note	2016	—	250,000
6.740%	Senior Secured Note	2018	200,000	200,000
7.150%	First Mortgage Bond	2025	15,000	15,000
7.200%	First Mortgage Bond	2025	2,000	2,000
7.020%	Senior Secured Note	2027	300,000	300,000
7.000%	Senior Secured Note	2029	100,000	100,000
3.900%	Pollution Control Bond	2031	138,460	138,460
4.000%	Pollution Control Bond	2031	23,400	23,400
5.483%	Senior Secured Note	2035	250,000	250,000
6.724%	Senior Secured Note	2036	250,000	250,000
6.274%	Senior Secured Note	2037	300,000	300,000
5.757%	Senior Secured Note	2039	350,000	350,000
5.795%	Senior Secured Note	2040	325,000	325,000
5.764%	Senior Secured Note	2040	250,000	250,000
4.434%	Senior Secured Note	2041	250,000	250,000
5.638%	Senior Secured Note	2041	300,000	300,000
4.300%	Senior Secured Note	2045	425,000	—
4.700%	Senior Secured Note	2051	45,000	45,000
6.974%	Junior Subordinated Note	2067	250,000	250,000
	Unamortized discount on senior notes		(1,888)	(13)
Total PSE long-term debt			$ 3,771,972	$ 3,760,847

PSE's senior secured notes will cease to be secured by the pledged first mortgage bonds on the date that all of the first mortgage bonds issued and outstanding under the electric or natural gas utility mortgage indenture have been retired. As of December 31, 2015, the latest maturity date of the first mortgage bonds, other than pledged first mortgage bonds, is December 22, 2025.

Puget Sound Energy Long-Term Debt

PSE has in effect a shelf registration statement under which it may issue, from time to time, senior notes secured by first mortgage bonds. As of December 31, 2015, PSE may issue up to $375.0 million of senior notes under the shelf registration statement which are secured by first mortgage bonds. PSE remains subject to the restrictions of PSE's indentures and credit agreements on the amount of

first mortgage bonds that PSE may issue.

Substantially all utility properties owned by PSE are subject to the lien of the Company's electric and natural gas mortgage indentures. To issue additional first mortgage bonds under these indentures, PSE's earnings available for interest must exceed certain minimums as defined in the indentures. At December 31, 2015, the earnings available for interest exceeded the required amount.

On May 26, 2015, PSE issued $425.0 million of senior notes secured by first mortgage bonds. The notes mature in May 2045 and have an interest rate of 4.30%, which is payable semi-annually in May and November. Net proceeds of the issuance were used to fund the early retirement, including accrued interest and make-whole call premiums, of the Company's $150.0 million 5.197% senior notes maturing in October 2015 and the Company's $250.0 million 6.75% senior notes maturing in January 2016.

Puget Sound Energy Pollution Control Bonds

PSE has two series of Pollution Control Bonds (the Bonds) outstanding. Amounts outstanding were borrowed from the City of Forsyth, Montana who obtained the funds from the sale of Customized Pollution Control Refunding Bonds issued to finance pollution control facilities at Colstrip Units 3 & 4.

Each series of the Bonds is collateralized by a pledge of PSE's first mortgage bonds, the terms of which match those of the Bonds. No payment is due with respect to the related series of first mortgage bonds so long as payment is made on the Bonds.

Long-Term Debt Maturities

The principal amounts of long-term debt maturities for the next five years and thereafter are as follows:

(Dollars in Thousands)	2016	2017	2018	2019	2020	Thereafter	Total
Maturities of:							
PSE long-term debt	$ —	$ —	$ 200,000	$ —	$ —	$ 3,573,860	$ 3,773,860

(7) Liquidity Facilities and Other Financing Arrangements

As of December 31, 2015 and 2014, PSE had $159.0 million and $85.0 million in short-term debt outstanding, respectively, exclusive of the demand promissory note with Puget Energy. PSE's weighted-average interest rate on short-term debt, including borrowing rate, commitment fees and the amortization of debt issuance costs, during 2015 and 2014 was 4.24% and 4.05%, respectively. As of December 31, 2015, PSE had several committed credit facilities that are described below.

Puget Sound Energy

Credit Facilities

PSE has two unsecured revolving credit facilities which provide, in aggregate, $1.0 billion of short-term liquidity needs. These facilities consist of a $650.0 million revolving liquidity facility (which includes a liquidity letter of credit facility and a swingline facility) to be used for general corporate purposes, including a backstop to the Company's commercial paper program and a $350.0 million revolving energy hedging facility (which includes an energy hedging letter of credit facility). The $650.0 million liquidity facility includes a swingline feature allowing same day availability on borrowings up to $75.0 million. The credit facilities also have an accordion feature which, upon the banks' approval, would increase the total size of these facilities to $1.450 billion.

In April 2014, the Company completed a one-year extension on both of the liquidity and hedging facilities, extending the maturity from February 2018 to April 2019, and updating or clarifying the definitions of other terms and conditions of the facilities from when they were committed in 2013. The credit agreements are syndicated among numerous lenders and contain usual and customary

affirmative and negative covenants that, among other things, place limitations on PSE's ability to transact with affiliates, make asset dispositions and investments or permit liens to exist. The credit agreements also contain a financial covenant of total debt to total capitalization of 65% or less. PSE certifies its compliance with such covenants to participating banks each quarter. As of December 31, 2015, PSE was in compliance with all applicable covenant ratios.

The credit agreements provide PSE with the ability to borrow at different interest rate options. The credit agreements allow PSE to borrow at the bank's prime rate or to make floating rate advances at the London Interbank Offered Rate (LIBOR) plus a spread that is based upon PSE's credit rating. PSE must pay a commitment fee on the unused portion of the credit facilities. The spreads and the commitment fee depend on PSE's credit ratings. As of the date of this report, the spread to the LIBOR is 1.25% and the commitment fee is 0.175%.

As of December 31, 2015, no amounts were drawn under either PSE's $650.0 million facility or PSE's $350.0 million energy hedging facility. No letters of credit were outstanding under either facility, and $159.0 million was outstanding under the commercial paper program. Outside of the credit agreements, PSE had a $3.9 million letter of credit in support of a long-term transmission contract and a $1.0 million letter of credit in support of natural gas purchases in Canada.

Demand Promissory Note

PSE entered into a revolving credit facility with Puget Energy, in the form of a credit agreement and a demand promissory note (Note) pursuant to which PSE may borrow up to $30.0 million from Puget Energy subject to approval by Puget Energy. Under the terms of the Note, PSE pays interest on the outstanding borrowings based on the lower of the weighted-average interest rates of PSE's outstanding commercial paper interest rate or PSE's senior unsecured revolving credit facility. Absent such borrowings, interest is charged at one-month LIBOR plus 0.25%. On June 30, 2015, PSE repaid in full the $28.9 million outstanding balance under the Note.

(8) Leases

PSE leases buildings and assets under operating leases. Certain leases contain purchase options, renewal options and escalation provisions. Operating lease expenses net of sublease receipts were:

(Dollars in Thousands)
At December 31,

Years	Operating Lease Expense
2015	$ 27,843
2014	30,737

Payments received for the subleases of properties were immaterial for each of the years ended 2015 and 2014. Future minimum lease payments for non-cancelable leases net of sublease receipts are:

(Dollars in Thousands)

At December 31,	Future Minimum Lease Payments	
Years	Operating	Capital
2016	$ 22,254	$ 391
2017	22,849	—
2018	20,468	—
2019	17,403	—
2020	15,425	—
Thereafter	108,085	—
Total minimum lease payments	$ 206,484	$ 391

(9) Accounting for Derivative Instruments and Hedging Activities

PSE employs various energy portfolio optimization strategies, but is not in the business of assuming risk for the purpose of realizing speculative trading revenue. The nature of serving regulated electric customers with its portfolio of owned and contracted electric generation resources exposes PSE and its customers to some volumetric and commodity price risks within the sharing mechanism of the PCA. Therefore, wholesale market transactions and PSE's related hedging strategies are focused on reducing costs and risks where feasible, thus reducing volatility in costs in the portfolio. In order to manage its exposure to the variability in future cash flows for forecasted energy transactions, PSE utilizes a programmatic hedging strategy which extends out three years. PSE's energy risk portfolio management function monitors and manages these risks using analytical models and tools. In order to manage risks effectively, PSE enters into forward physical electric and natural gas purchase and sale agreements, fixed-for-floating swap contracts, and commodity call/put options. The forward physical electric agreements are both fixed and variable (at index), while the physical natural gas contracts are variable. To fix the price of wholesale electricity and natural gas, PSE may enter into fixed-for-floating swap (financial) contracts with various counterparties. PSE also utilizes natural gas call and put options as an additional hedging instrument to increase the hedging portfolio's flexibility to react to commodity price fluctuations.

The Company manages its interest rate risk through the issuance of mostly fixed-rate debt with varied maturities. The Company utilizes internal cash from operations, borrowings under its commercial paper program, and its credit facilities to meet short-term funding needs. The Company may enter into swap instruments or other financial hedge instruments to manage the interest rate risk associated with these debts. As of December 31, 2015, PSE did not have any outstanding interest rate swap instruments.

The following table presents the volumes, fair values and locations of the Company's derivative instruments recorded on the balance sheets:

(Dollars in Thousands)	Year Ended December 31,					
	Volumes (millions)		Assets [1]		Liabilities [2]	
	2015	2014	2015	2014	2015	2014
Electric portfolio derivatives	*	*	23,443	4,822	112,106	107,228
Natural gas derivatives (MMBtus) [3]	369.5	360.4	6,200	19,526	67,090	88,807
Total derivative contracts			$ 29,643	$ 24,348	$ 179,196	$ 196,035
Current			$ 24,418	$ 21,178	$ 131,420	$ 135,973
Long-term			5,225	3,170	47,776	60,062
Total derivative contracts			$ 29,643	$ 24,348	$ 179,196	$ 196,035

1 *Balance sheet location: Current and Long-term Unrealized gain on derivative instruments.*

2 *Balance sheet location: Current and Long-term Unrealized loss on derivative instruments.*

3 *All fair value adjustments on derivatives relating to the natural gas business have been deferred in accordance with ASC 980, "Regulated Operations," due to the PGA mechanism. The net derivative asset or liability and offsetting regulatory liability or asset are related to contracts used to economically hedge the cost of physical gas purchased to serve natural gas customers.*

* *Net purchase and sale volumes for electric portfolio derivatives consist of electric generation fuel of 202.1 million One Million British Thermal Units (MMBtus) and purchased electricity of 0.1 million Megawatt Hours (MWhs) at December 31, 2015 and 140.2 million MMBtus and 5.4 million MWhs at December 31, 2014.*

For further details regarding the fair value of derivative instruments, see Note 10.

It is the Company's policy to record all derivative transactions on a gross basis at the contract level, without offsetting assets or liabilities. The Company generally enters into transactions using the following master agreements: WSPP, Inc. (WSPP) agreements which standardize physical power contracts; International Swaps and Derivatives Association (ISDA) agreements which standardize financial gas and electric contracts; and North American Energy Standards Board (NAESB) agreements which standardize physical gas contracts. The Company believes that such agreements reduce credit risk exposure because such agreements provide for the netting and offsetting of monthly payments as well as right of set-off in the event of counterparty default. The set-off provision can be used as a final settlement of accounts which extinguishes the mutual debts owed between the parties in exchange for a new net amount.

The following tables present the potential effect of netting arrangements, including rights of set-off associated with the Company's derivative assets and liabilities:

At December 31, 2015 (Dollars in Thousands)	Gross Amounts Recognized in the Statement of Financial Position [1]	Gross Amounts Offset in the Statement of Financial Position	Net of Amounts Presented in the Statement of Financial Position	Gross Amounts Not Offset in the Statement of Financial Position		Net Amount
				Commodity Contracts	Cash Collateral Received/Posted	
Assets						
Energy derivative contracts	$ 29,643	$ —	$ 29,643	$ (23,998)	$ —	$ 5,645
Liabilities						
Energy derivative contracts	179,196	—	179,196	(23,998)	—	155,198

At December 31, 2014 (Dollars in Thousands)	Gross Amounts Recognized in the Statement of Financial Position [1]	Gross Amounts Offset in the Statement of Financial Position	Net of Amounts Presented in the Statement of Financial Position	Gross Amounts Not Offset in the Statement of Financial Position		Net Amount
				Commodity Contracts	Cash Collateral Received/Posted	
Assets						
Energy derivative contracts	$ 24,348	$ —	$ 24,348	$ (23,066)	$ —	$ 1,282
Liabilities						
Energy derivative contracts	196,035	—	196,035	(23,066)	(20)	172,949

1 *All Derivative Contract deals are executed under ISDA, NAESB and WSPP Master Netting Agreements with Right of set-off.*

The following tables present the effect and locations of the Company's derivatives not designated as hedging instruments, recorded on the statements of income:

(Dollars in Thousands)	Location	Year Ended December 31, 2015	2014
Commodity contracts:			
Electric derivatives	Unrealized gain (loss) on derivative instruments, net	$ 12,688	$ (85,636)
	Electric generation fuel	(44,648)	6,511)
	Purchased electricity	(39,137)	(4,212))
Total gain (loss) recognized in income on derivatives		$ (71,097)	$ (83,337)

The unrealized gain or loss on derivative contracts is reported in the statement of cash flows under the operating activities section. For derivative instruments previously designated as cash flow hedges (including both commodity and interest rate swap contracts), the effective portion of the gain or loss on the derivative was recorded as a component of OCI, and then reclassified into earnings in the same period(s) during which the hedged transaction affects earnings. The Company does not attempt cash flow hedging for any new transactions and records all mark-to-market adjustments through earnings.

The following tables present the Company's pre-tax gain (loss) on derivatives that were previously in a cash flow hedge relationship, and subsequently reclassified out of accumulated OCI into income:

		Year Ended December 31,	
(Dollars in Thousands)	Location	2015	2014
Interest rate contracts:	Interest expense [1]	$ (488)	$ (488)
Commodity contracts:			
Electric derivatives	Purchased electricity	(1,055)	(2,063)
Total		$ (1,543)	$ (2,551)

1 *Within the next twelve months, $0.5 million of losses in AOCI will be reclassified into earnings.*

The Company is exposed to credit risk primarily through buying and selling electricity and natural gas to serve its customers. Credit risk is the potential loss resulting from a counterparty's non-performance under an agreement. The Company manages credit risk with policies and procedures for, among other things, counterparty credit analysis, exposure measurement, exposure monitoring and exposure mitigation.

The Company monitors counterparties that have significant swings in credit default swap rates, have credit rating changes by external rating agencies, have changes in ownership or are experiencing financial distress. Where deemed appropriate, the Company may request collateral or other security from its counterparties to mitigate potential credit default losses. Criteria employed in this decision include, among other things, the perceived creditworthiness of the counterparty and the expected credit exposure.

It is possible that volatility in energy commodity prices could cause the Company to have material credit risk exposure with one or more counterparties. If such counterparties fail to perform their obligations under one or more agreements, the Company could suffer a material financial loss. However, as of December 31, 2015, approximately 99.2% of the Company's energy portfolio exposure, excluding NPNS transactions, is with counterparties that are rated at least investment grade by the major rating agencies and 0.8% are either rated below investment grade or not rated by rating agencies. The Company assesses credit risk internally for counterparties that are not rated.

The Company computes credit reserves at a master agreement level by counterparty. The Company considers external credit ratings and market factors, such as credit default swaps and bond spreads, in the determination of reserves. The Company recognizes that external ratings may not always reflect how a market participant perceives a counterparty's risk of default. The Company uses both default factors published by Standard & Poor's and factors derived through analysis of market risk, which reflect the application of an industry standard recovery rate. The Company selects a default factor by counterparty at an aggregate master agreement level based on a weighted-average default tenor for that counterparty's deals. The default tenor is determined by weighting the fair value and contract tenors for all deals for each counterparty to derive an average value. The default factor used is dependent upon whether the counterparty is in a net asset or a net liability position after applying the master agreement levels.

The Company applies the counterparty's default factor to compute credit reserves for counterparties that are in a net asset position. The Company calculates a non-performance risk on its derivative liabilities by using its estimated incremental borrowing rate over the risk-free rate. Credit reserves are netted against unrealized gain (loss) positions. As of December 31, 2015, the Company was in a net

liability position with the majority of counterparties, so the default factors of counterparties did not have a significant impact on reserves for the quarter. The majority of the Company's derivative contracts are with financial institutions and other utilities operating within the Western Electricity Coordinating Council. As of December 31, 2015, PSE has posted a $1.0 million letter of credit as a condition of transacting on a physical energy exchange and clearinghouse in Canada. PSE did not trigger any collateral requirements with any of its counterparties nor were any of PSE's counterparties required to post collateral resulting from credit rating downgrades.

The table below presents the fair value of the overall contractual contingent liability positions for the Company's derivative activity at December 31, 2015:

Contingent Feature (Dollars in Thousands)	Fair Value Liability [1]	Posted Collateral	Contingent Collateral
Credit rating [2]	$ 24,187	$ —	$ 24,187
Requested credit for adequate assurance	67,003	—	—
Total	$ 91,190	$ —	$ 24,187

1 *Represents the derivative fair value of contracts with contingent features for counterparties in net derivative liability positions. Excludes NPNS, accounts payable and accounts receivable.*

2 *Failure by PSE to maintain an investment grade credit rating from each of the major credit rating agencies provides counterparties a contractual right to demand collateral.*

(10) Fair Value Measurements

ASC 820 established a fair value hierarchy that prioritizes the inputs used to measure fair value. The hierarchy categorizes the inputs into three levels with the highest priority given to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority given to unobservable inputs (Level 3 measurement). The three levels of the fair value hierarchy are as follows:

Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Level 1 primarily consists of financial instruments such as exchange-traded derivatives and listed equities. Equity securities that are also classified as cash equivalents are considered Level 1 if there are unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 - Pricing inputs are other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reporting date. Level 2 includes those financial instruments that are valued using models or other valuation methodologies. Instruments in this category include non-exchange-traded derivatives such as over-the-counter forwards and options.

Level 3 - Pricing inputs include significant inputs that have little or no observability as of the reporting date. These inputs may be used with internally developed methodologies that result in management's best estimate of fair value.

Financial assets and liabilities measured at fair value are classified in their entirety in the appropriate fair value hierarchy based on

the lowest level of input that is significant to the fair value measurement. The Company's assessment of the significance of a particular input to the fair value measurement requires judgment, and may affect the valuation of fair value assets and liabilities and their placement within the fair value hierarchy. The Company primarily determines fair value measurements classified as Level 2 or Level 3 using a combination of the income and market valuation approaches. The process of determining the fair values is the responsibility of the derivative accounting department which reports to the Controller and Principal Accounting Officer. Inputs used to estimate the fair value of forwards, swaps and options include market-price curves; contract terms and prices; credit-risk adjustments; and discount factors. Additionally, for options, the Black-Scholes option valuation model and implied market volatility curves are used. Inputs used to estimate fair value in industry-standard models are categorized as Level 2 inputs because substantially all assumptions and inputs are observable in active markets throughout the full term of the instruments. On a daily basis, the Company obtains quoted forward prices for the electric and natural gas markets from an independent external pricing service. For interest rate swaps, the Company obtains monthly mark-to-market values from an independent external pricing service for LIBOR forward rates, which is a significant input. Some of the inputs of the interest rate swap valuations, which are less significant, include the credit standing of the counterparties, assumptions for time value and the impact of the Company's nonperformance risk of its liabilities. The Company classifies cash and cash equivalents, and restricted cash as Level 1 financial instruments due to cash being at stated value, and cash equivalents at quoted market prices.

The Company considers its electric, natural gas and interest rate swap contracts as Level 2 derivative instruments as such contracts are commonly traded as over-the-counter forwards with indirectly observable price quotes. Management's assessment was based on the trading activity in real-time and forward electric and natural gas markets. Each quarter, the Company confirms the validity of pricing-service quoted prices (e.g., Level 2 in the fair value hierarchy) used to value commodity contracts with the actual prices of commodity contracts entered into during the most recent quarter. However, certain energy derivative instruments with maturity dates falling outside the range of observable price quotes are classified as Level 3 in the fair value hierarchy.

Assets and Liabilities with Estimated Fair Value

The following table presents the carrying value for cash, cash equivalents, restricted cash, notes receivable and short-term debt by level, within the fair value hierarchy. The carrying values below are representative of fair values due to the short-term nature of these financial instruments.

	Carrying / Fair Value At December 31, 2015			Carrying / Fair Value At December 31, 2014		
(Dollars in Thousands)	Level 1	Level 2	Total	Level 1	Level 2	Total
Assets:						
Cash and Cash Equivalents	$ 39,451	$ —	$ 39,451	$ 35,531	$ —	$ 35,531
Restricted Cash	7,860	—	7,860	32,775	—	32,775
Notes Receivable and Other	—	52,820	52,820	—	53,503	53,503
Total assets	$ 47,311	$ 52,820	$ 100,131	$ 68,306	$ 53,503	$ 121,809
Liabilities:						
Short-term debt	$ 159,004	$ —	$ 159,004	$ 85,000	$ —	$ 85,000
Short-term debt owed to parent	—	—	—	—	28,933	28,933
Total liabilities	$ 159,004	$ —	$ 159,004	$ 85,000	$ 28,933	$ 113,933

The fair value of the junior subordinated and long-term notes were estimated using the discounted cash flow method with U.S. Treasury yields and Company credit spreads as inputs, interpolating to the maturity date of each issue. Carrying values and estimated fair values were as follows:

		December 31, 2015		December 31, 2014	
(Dollars in Thousands)	Level	Carrying Value	Fair Value	Carrying Value	Fair Value
Liabilities:					
Junior subordinated notes	2	$ 250,000	$ 211,173	$ 250,000	$ 276,235
Long-term debt (fixed-rate), net of discount	2	3,521,972	4,326,875	3,510,847	4,434,816
Total		$ 3,771,972	$ 4,538,048	$ 3,760,847	$ 4,711,051

Assets and Liabilities Measured at Fair Value on a Recurring Basis

The following tables present the Company's financial assets and liabilities by level, within the fair value hierarchy, that were accounted for at fair value on a recurring basis and the reconciliation of the changes in the fair value of Level 3 derivatives in the fair value hierarchy:

	Fair Value At December 31, 2015			Fair Value At December 31, 2014		
(Dollars in Thousands)	Level 2	Level 3	Total	Level 2	Level 3	Total
Assets:						
Electric derivative instruments	$ 10,709	$ 12,734	$ 23,443	$ 1,654	$ 3,168	$ 4,822
Natural gas derivative instruments	4,538	1,662	6,200	18,064	1,462	19,526
Total assets	$ 15,247	$ 14,396	$ 29,643	$ 19,718	$ 4,630	$ 24,348
Liabilities:						
Electric derivative instruments	$ 92,027	$ 20,079	$ 112,106	$ 91,998	$ 15,230	$ 107,228
Natural gas derivative instruments	63,045	4,045	67,090	85,305	3,502	88,807
Total liabilities	$ 155,072	$ 24,124	$ 179,196	$ 177,303	$ 18,732	$ 196,035

Level 3 Roll-Forward Net (Liability)	Year Ended December 31, 2015			2014		
(Dollars in Thousands)	Electric	Gas	Total	Electric	Gas	Total
Balance at beginning of period	$ (12,062)	$ (2,040)	$ (14,102)	$ (15,421)	$ (361)	$ (15,782)
Changes during period						
Realized and unrealized energy derivatives:						
Included in earnings [1]	(6,432)	—	(6,432)	(5,537)	—	(5,537)
Included in regulatory assets / liabilities	—	3,695	3,695	—	1,630	1,630
Settlements [2]	902	(3,885)	(2,983)	1,036	(1,534)	(498)
Transferred into Level 3	(787)	—	(787)	5,155	(585)	4,570
Transferred out of Level 3	11,034	(153)	10,881	2,705	(1,190)	1,515
Balance at end of period	$ (7,345)	$ (2,383)	$ (9,728)	$ (12,062)	$ (2,040)	$ (14,102)

1 *Income Statement location: Unrealized (gain) loss on derivative instruments, net. Includes unrealized gains (losses) on derivatives still held in position as of the reporting date for electric derivatives of $(7.4) million and $(9.6) million for the years ended December 31, 2015 and 2014, respectively.*

2 *The Company had no purchases, sales or issuances during the reported periods.*

Realized gains and losses on energy derivatives for Level 3 recurring items are included in energy costs in the Company's consolidated statements of income under purchased electricity, electric generation fuel or purchased natural gas when settled. Unrealized gains and losses on energy derivatives for Level 3 recurring items are included in net unrealized (gain) loss on derivative instruments in the Company's consolidated statements of income.

In order to determine which assets and liabilities are classified as Level 3, the Company receives market data from its independent external pricing service defining the tenor of observable market quotes. To the extent any of the Company's commodity contracts extend beyond what is considered observable as defined by its independent pricing service, the contracts are classified as Level 3. The actual tenor of what the independent pricing service defines as observable is subject to change depending on market conditions. Therefore, as the market changes, the same contract may be designated Level 3 one month and Level 2 the next, and vice versa. The changes of fair value classification into or out of Level 3 are recognized each month, and reported in the Level 3 Roll-forward table above. The Company did not have any transfers between Level 2 and Level 1 during the years ended December 31, 2015 and 2014. The Company does periodically transact at locations, or market price points, that are illiquid or for which no prices are available from the independent pricing service. In such circumstances the Company uses a more liquid price point and performs a 15-month regression against the illiquid locations to serve as a proxy for market prices. Such transactions are classified as Level 3. The Company does not use internally developed models to make adjustments to significant unobservable pricing inputs.

The only significant unobservable input into the fair value measurement of the Company's Level 3 assets and liabilities is the forward price for electric and natural gas contracts. Below are the forward price ranges for the Company's commodity contracts, as of December 31, 2015:

(Dollars in Thousands)

Derivative Instrument	Fair Value		Valuation Technique	Unobservable Input	Range		Weighted Average
	Assets [1]	Liabilities [1]			Low	High	
Electric	$12,734	$20,079	Discounted cash flow	Power Prices	$10.69 per MWh	$29.18 per MWh	$23.39 per MWh
Natural gas	$1,662	$4,045	Discounted cash flow	Natural Gas Prices	$1.12 per MMBtu	$2.95 per MMBtu	$2.25 per MMBtu

1 *The valuation techniques, unobservable inputs and ranges are the same for asset and liability positions.*

The significant unobservable inputs listed above would have a direct impact on the fair values of the above instruments if they were adjusted. Consequently, significant increases or decreases in the forward prices of electricity or natural gas in isolation would result in a significantly higher or lower fair value for Level 3 assets and liabilities. Generally, interrelationships exist between market prices of natural gas and power. As such, an increase in natural gas pricing would potentially have a similar impact on forward power markets. At December 31, 2015, a hypothetical 10% increase or decrease in market prices of natural gas and electricity would change the fair value of the Company's derivative portfolio, classified as Level 3 within the fair value hierarchy, by $1.3 million.

(11) Employee Investment Plans

The Company's Investment Plan is a qualified employee 401(k) plan, under which employee salary deferrals and after-tax contributions are used to purchase several different investment fund options. PSE's contributions to the employee Investment Plan were $16.1 million and $14.9 million for the years 2015 and 2014, respectively. The employee Investment Plan eligibility requirements are set forth in the plan documents.

Non-represented employees and United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry (UA) represented employees hired before January 1, 2014, and International Brotherhood of Electrical Workers Local Union 77 (IBEW) represented employees hired before December 12, 2014, have the following company contributions:

- For employees under the Cash Balance retirement plan formula, PSE will match 100% of an employee's contribution up to 6% of plan compensation each paycheck, and will make an additional year-end contribution equal to 1% of base pay.
- For employees grandfathered under the Final Average Earning retirement plan formula, PSE will match 55% of an employee's contribution up to 6% of plan compensation each paycheck.

UA-represented employees hired on or after January 1, 2014 will have access to the 401(k) Plan. Non-represented employees hired on or after January 1, 2014, and IBEW-represented employees hired on or after December 12, 2014, will have access to the 401(k) plan and will choose how they want to accumulate funds for retirement, choosing from one of the two contribution sources from PSE:

- 401(k) Company Matching: New non-represented, UA-represented and IBEW-represented employees will receive company match each paycheck based on a new schedule-100% match on the first 3% of pay contributed and 50% match on the next 3% of pay contributed. An employee who contributes 6% of pay will receive 4.5% of pay in company match. Company matching

will be immediately vested.

- Company Contribution: New UA-represented employees will receive an annual company contribution of 4% of eligible pay placed in the Cash Balance retirement plan. New non-represented and IBEW-represented employees will receive an annual company contribution of 4% of eligible pay, placed either in the Investment Plan 401(k) plan or in PSE's Cash Balance retirement plan. New non-represented and IBEW-represented employees will make a one-time election within 30 days of hire and direct that PSE put the 4% contribution either into the 401(k) plan or into an account in the Cash Balance retirement plan. The Company's 4% contribution will vest after three years of service.

(12) Retirement Benefits

PSE has a defined benefit pension plan (Qualified Pension Benefits) covering the largest portion of PSE employees. Pension benefits earned are a function of age, salary, years of service and, in the case of employees in the cash balance formula plan, the applicable annual interest crediting rates. Starting with January 1, 2014, all newly hired non-represented employees, United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry employees, and International Brotherhood of Electrical Workers Local Union 77 hired on or after December 12, 2014 who elect to accumulate the Company contribution in the cash balance formula portion of the pension plan, will receive annual pay credits of 4% each year. They will also receive interest credits like other participants in the cash balance pension formula of the pension plan, which are at least 1% per quarter. When an employee with a vested cash balance formula benefit leaves PSE, he or she will have annuity and lump sum options for distribution. Those who select the lump sum option will receive their current cash balance amount. PSE also maintains a non-qualified Supplemental Executive Retirement Plan (SERP) for its key senior management employees.

In addition to providing pension benefits, PSE provides legacy group health care and life insurance benefits (Other Benefits) for certain retired employees. These benefits are provided principally through an insurance company. The insurance premiums, paid primarily by retirees, are based on the benefits provided during the prior year.

The following tables summarize the Company's change in benefit obligation, change in plan assets and amounts recognized in the Statements of Financial Position for the years ended December 31, 2015 and 2014:

	Qualified Pension Benefits		SERP Pension Benefits		Other Benefits	
(Dollars in Thousands)	2015	2014	2015	2014	2015	2014
Change in benefit obligation:						
Benefit obligation at beginning of period	$ 690,194	$ 573,317	$ 55,855	$ 47,279	$ 15,688	$ 14,939
Service cost	21,287	17,437	1,108	1,042	112	112
Interest cost	28,088	28,039	2,281	2,310	621	684
Actuarial loss (gain)	(55,665)	104,618	(4,430)	7,162	(1,416)	1,108
Benefits paid	(39,963)	(33,217)	(3,535)	(1,938)	(1,354)	(1,424)
Medicare part D subsidy received	—	—	—	—	295	269
Administrative expense	(853)	—	—	—	—	—
Benefit obligation at end of period	$ 643,088	$ 690,194	$ 51,279	$ 55,855	$ 13,946	$ 15,688

(Dollars in Thousands)	Qualified Pension Benefits 2015	Qualified Pension Benefits 2014	SERP Pension Benefits 2015	SERP Pension Benefits 2014	Other Benefits 2015	Other Benefits 2014
Change in plan assets:						
Fair value of plan assets at beginning of period	$ 626,173	$ 615,721	$ —	$ —	$ 8,360	$ 8,774
Actual return on plan assets	(4,489)	25,669	—	—	(378)	522
Employer contribution	18,000	18,000	3,535	1,938	575	488
Benefits paid	(39,963)	(33,217)	(3,535)	(1,938)	(1,354)	(1,424)
Administrative expense	(856)	—	—	—	—	—
Fair value of plan assets at end of period	$ 598,865	$ 626,173	$ —	$ —	$ 7,203	$ 8,360
Funded status at end of period	$ (44,223)	$ (64,021)	$ (51,279)	$ (55,855)	$ (6,743)	$ (7,328)

(Dollars in Thousands)	Qualified Pension Benefits 2015	Qualified Pension Benefits 2014	SERP Pension Benefits 2015	SERP Pension Benefits 2014	Other Benefits 2015	Other Benefits 2014
Amounts recognized in Statement of Financial Position consist of:						
Noncurrent assets	$ —	$ —	$ —	$ —	$ —	$ —
Current liabilities	—	—	(2,545)	(4,386)	(353)	(355)
Noncurrent liabilities	(44,223)	(64,021)	(48,734)	(51,469)	(6,390)	(6,973)
Net assets (liabilities)	$ (44,223)	$ (64,021)	$ (51,279)	$ (55,855)	$ (6,743)	$ (7,328)

(Dollars in Thousands)	Qualified Pension Benefits 2015	Qualified Pension Benefits 2014	SERP Pension Benefits 2015	SERP Pension Benefits 2014	Other Benefits 2015	Other Benefits 2014
Pension Plans with an Accumulated Benefit Obligation in excess of Plan Assets:						
Projected benefit obligation	$ 643,088	$ 690,194	$ 51,279	$ 55,855	$ 13,946	$ 15,688
Accumulated benefit obligation	635,599	681,745	46,978	50,137	13,828	15,553
Fair value of plan assets	598,865	626,173	—	—	7,203	8,360

The following tables summarize PSE's pension benefit amounts recognized in AOCI for the years ended December 31, 2015 and 2014:

(Dollars in Thousands)	Qualified Pension Benefits 2015	Qualified Pension Benefits 2014	SERP Pension Benefits 2015	SERP Pension Benefits 2014	Other Benefits 2015	Other Benefits 2014
Amounts recognized in Accumulated Other Comprehensive Income consist of:						
Net loss (gain)	$ 221,064	$ 247,331	$ 13,202	$ 19,751	$ 3,834	$ (3,733)
Prior service cost (credit)	(9,379)	(10,952)	295	339	—	3
Total	$ 211,685	$ 236,379	$ 13,497	$ 20,090	$ 3,834	$ (3,730)

The following tables summarize PSE's net periodic benefit cost for the years ended December 31, 2015 and 2014:

(Dollars in Thousands)	Qualified Pension Benefits 2015	Qualified Pension Benefits 2014	SERP Pension Benefits 2015	SERP Pension Benefits 2014	Other Benefits 2015	Other Benefits 2014
Components of net periodic benefit cost:						
Service cost	$ 21,287	$ 17,437	$ 1,108	$ 1,042	$ 112	$ 112
Interest cost	28,088	28,039	2,281	2,310	621	684
Expected return on plan assets	(45,462)	(43,252)	—	—	(531)	(535)
Amortization of prior service cost (credit)	(1,573)	(1,573)	44	44	3	3
Amortization of net loss(gain)	20,555	13,195	2,120	1,461	(406)	(702)
Net periodic benefit cost	$ 22,895	$ 13,846	$ 5,553	$ 4,857	$ (201)	$ (438)

The following tables summarize PSE's benefit obligations recognized in OCI for the years ended December 31, 2015 and 2014:

(Dollars in Thousands)	Qualified Pension Benefit 2015	Qualified Pension Benefit 2014	SERP Pension Benefits 2015	SERP Pension Benefits 2014	Other Benefits 2015	Other Benefits 2014
Other changes (pre-tax) in plan assets and benefit obligations recognized in other comprehensive income:						
Net loss (gain)	$ (5,711)	$ 122,202	$ (4,430)	$ 7,162	$ (508)	$ 1,121
Amortization of net (loss) gain	(20,556)	(13,195)	(2,120)	(1,461)	407	702
Amortization of prior service cost (credit)	1,573	1,573	(44)	(44)	(3)	(3)
Total change in other comprehensive income for year	$ (24,694)	$ 110,580	$ (6,594)	$ 5,657	$ (104)	$ 1,820

The estimated net (loss) gain and prior service cost (credit) for the pension plans that will be amortized from accumulated OCI into net periodic benefit cost in 2016 by PSE are $15.0 million and $1.6 million, respectively. The estimated net (loss) gain for the SERP that will be amortized from accumulated OCI into net periodic benefit cost in 2016 is $1.3 million. The estimated prior service cost (credit) for the SERP that will be amortized from accumulated OCI into net periodic benefit cost in 2016 is immaterial. The

estimated net (loss) gain and prior service cost (credit) for the other postretirement plans that will be amortized from accumulated OCI into net periodic benefit cost in 2016 is immaterial.

The aggregate expected contributions by the Company to fund the qualified pension plan, SERP and the other postretirement plans for the year ending December 31, 2016 are expected to be at least $18.0 million, $2.5 million and $0.5 million, respectively.

Assumptions

In accounting for pension and other benefit obligations and costs under the plans, the following weighted-average actuarial assumptions were used by the Company:

	Qualified Pension Benefits		SERP Pension Benefits		Other Benefits	
Benefit Obligation	2015	2014	2015	2014	2015	2014
Discount rate	4.65 %	4.25 %	4.65 %	4.25 %	4.65 %	4.25 %
Rate of compensation increase	4.50	4.50	4.50	4.50	4.50	4.50
Medical trend rate	—	—	—	—	7.20	5.70
Benefit Cost Assumptions						
Discount rate	4.25 %	5.10 %	4.25 %	5.10 %	4.25 %	5.10 %
Return on plan assets	7.75	7.75	—	—	7.00	7.00
Rate of compensation increase	4.50	4.50	4.50	4.50	4.50	4.50
Medical trend rate	—	—	—	—	7.20	6.70

The assumed medical inflation rate used to determine benefit obligations is 7.20% in 2016 grading down to 4.30% in 2017. A 1.0% change in the assumed medical inflation rate would have the following effects:

	2015		2014	
(Dollars in Thousands)	1% Increase	1% Decrease	1% Increase	1% Decrease
Effect on post-retirement benefit obligation	$ 52	$ (42)	$ 47	$ (47)
Effect on service and interest cost components	2	(2)	2	(2)

The Company has selected the expected return on plan assets based on a historical analysis of rates of return and the Company's investment mix, market conditions, inflation and other factors. The expected rate of return is reviewed annually based on these factors. The Company's accounting policy for calculating the market-related value of assets for the Company's retirement plan is as follows. PSE market-related value of assets is based on a five-year smoothing of asset gains (losses) measured from the expected return on market-related assets. This is a calculated value that recognizes changes in fair value in a systematic and rational manner over five years. The same manner of calculating market-related value is used for all classes of assets, and is applied consistently from year to year.

The discount rates were determined by using market interest rate data and the weighted-average discount rate from Citigroup Pension Liability Index Curve. The Company also takes into account in determining the discount rate the expected changes in market interest rates and anticipated changes in the duration of the plan liabilities.

Plan Benefits

The expected total benefits to be paid during the next five years and the aggregate total to be paid for the five years thereafter are as follows:

(Dollars in Thousands)	2016	2017	2018	2019	2020	2021-2025
Qualified Pension total benefits	$ 41,300	$ 42,400	$ 43,100	$ 43,300	$ 45,000	$ 235,600
SERP Pension total benefits	2,545	1,922	5,210	5,564	4,455	19,875
Other Benefits total with Medicare Part D subsidy	1,031	1,091	1,064	1,038	1,003	5,568
Other Benefits total without Medicare Part D subsidy	1,369	1,358	1,339	1,319	1,292	5,934

Plan Assets

Plan contributions and the actuarial present value of accumulated plan benefits are prepared based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, changes in these estimates and assumptions in the near term may be material to the financial statements.

The Company has a Retirement Plan Committee that establishes investment policies, objectives and strategies designed to balance expected return with a prudent level of risk. All changes to the investment policies are reviewed and approved by the Retirement Plan Committee prior to being implemented.

The Retirement Plan Committee invests trust assets with investment managers who have historically achieved above-median long-term investment performance within the risk and asset allocation limits that have been established. Interim evaluations are routinely performed with the assistance of an outside investment consultant. To obtain the desired return needed to fund the pension benefit plans, the Retirement Plan Committee has established investment allocation percentages by asset classes as follows:

	Allocation		
Asset Class	Minimum	Target	Maximum
Domestic large cap equity	25%	31%	40%
Domestic small cap equity	0	9	15
Non-U.S. equity	10	25	30
Fixed income	15	25	30
Real estate	0	0	10
Absolute return	5	10	15
Cash	0	0	5

Plan Fair Value Measurements

ASC 715, "Compensation – Retirement Benefits" (ASC 715) directs companies to provide additional disclosures about plan assets of a defined benefit pension or other postretirement plan. The objectives of the disclosures are to disclose the following: (1) how investment allocation decisions are made, including the factors that are pertinent to an understanding of investment policies and strategies; (2) major categories of plan assets; (3) inputs and valuation techniques used to measure the fair value of plan assets; (4) effect of fair value measurements using significant unobservable inputs (Level 3) on changes in plan assets for the period; and (5) significant concentrations of risk within plan assets.

ASC 820 allows the reporting entity, as a practical expedient, to measure the fair value of investments that do not have readily determinable fair values on the basis of the net asset value per share of the investment if the net asset value of the investment is calculated in a matter consistent with ASC 946, "Financial Services – Investment Companies." The standard requires disclosures about the nature and risk of the investments and whether the investments are probable of being sold at amounts different from the net asset value per share.

The following table sets forth by level, within the fair value hierarchy, the qualified pension plan as of December 31, 2015 and 2014:

	Recurring Fair Value Measures As of December 31, 2015				Recurring Fair Value Measures As of December 31, 2014			
(Dollars in Thousands)	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets:								
Equities:								
Non-US equity [1]	$ 69,127	$ 76,071	$ —	$ 145,198	$ 71,026	$ 74,131	$ —	$ 145,157
Domestic large cap equity [2]	119,512	65,287	—	184,799	134,765	68,336	—	203,101
Domestic small cap equity [3]	53,985	—	—	53,985	59,657	—	—	59,657
Total equities	242,624	141,358	—	383,982	265,448	142,467	—	407,915
Fixed income securities [4]	81,696	58,425	—	140,121	72,331	67,182	—	139,513
Absolute return [5]	—	—	64,925	64,925	—	—	65,251	65,251
Cash and cash equivalents [6]	340	17,041	—	17,381	12,650	—	—	12,650
Subtotal	$ 324,660	$ 216,824	$ 64,925	$ 606,409	$ 350,429	$ 209,649	$ 65,251	$ 625,329
Net (payable) receivable	—	—	—	(7,544)	—	—	—	844
Accrued income	—	—	—	—	—	—	—	—
Total assets				$ 598,865				$ 626,173

1 *Non – US Equity investments are comprised of a mutual fund (at level 1); and a commingled fund (at level 2). The investment in the mutual fund is valued at the daily closing price as reported by the funds. The investment in the commingled fund is valued at the net asset value per share multiplied by the number of shares held as of December 31, 2015.*

2 *Domestic large cap equity investments are comprised of common stock (at level 1), and a commingled fund (at level 2). Investments in common stock traded on a national securities exchange are valued at the last reported sales price on the last business day of the year. Securities traded in the over-the-counter market and listed securities for which no sale was reported on that date are valued at the last reported sale or bid price, as available or at values based upon bid quotations for identical or similar instruments. The investment in the commingled fund is valued at the net asset value per share multiplied by the number of shares held as of December 31, 2015.*

3 *Domestic small cap equity investments are comprised of common stock and a mutual fund, please see 1 and 2 above for a description.*

4 *Fixed income securities consist of mutual funds and US treasury bonds (at level 1), and government securities and corporate bonds (at level 2). Please see 1 above for a description of mutual funds. Government securities and corporate bonds are valued using pricing models maximizing the use of observable inputs for similar securities. When quoted prices are not available for identical or similar bonds, the bond is valued under a discounted cash flow approach maximizing observable inputs.*

5 *As of December 31, 2015 absolute return investments consist of two partnerships. The partnerships are valued based on the net asset value provided by the Plan's investment custodians, and reported in the funds' financial statements which are audited annually by independent accountants. These investments are at Level 3 under ASC 820 because the significant valuation inputs are primarily internal to the partnerships with little third party involvement.*

6 *The investment consists of a money market fund (at level 1) and a collective trust fund (at level 2). The money market fund is valued at the net asset value per share of $1.00 per unit as of December 31, 2015. The collective trust fund invests primarily in commercial paper, notes, repurchase agreements, and other evidences of indebtedness which are payable on demand or short-term in nature.*

Level 3 Roll-Forward

The following table sets forth a reconciliation of changes in the fair value of the plan's Level 3 assets:

	As of December 31, 2015		As of December 31, 2014	
(Dollars in Thousands)	Partnership	Total	Partnership	Total
Balance at beginning of year	$ 65,251	$ 65,251	$ 62,278	$ 62,278
Additional investments	—	—	—	—
Distributions	—	—	—	—
Realized losses on distributions	—	—	—	—
Unrealized gain (loss) instruments still held at the reporting date	(326)	(326)	2,973	2,973
Transferred in/out of level 3 [1]	—	—	—	—
Balance at end of year	$ 64,925	$ 64,925	$ 65,251	$ 65,251

1 *The plan had no transfers between level 2 and level 1 during the years ended December 31, 2015 or 2014.*

The following table sets forth by level, within the fair value hierarchy, the Other Benefits plan assets which consist of insurance benefits for retired employees, at fair value:

	Recurring Fair Value Measures As of December 31, 2015			Recurring Fair Value Measures As of December 31, 2014		
(Dollars in Thousands)	Level 1	Level 2	Total	Level 1	Level 2	Total
Assets:						
Mutual fund [1]	$ 7,135	$ —	$ 7,135	$ 8,301	$ —	$ 8,301
Cash equivalents [2]	—	68	68	59	—	59
Total assets	$ 7,135	$ 68	$ 7,203	$ 8,360	$ —	$ 8,360

1 *This is a publicly traded balanced mutual fund. The fund seeks regular income, conservation of principal, and an opportunity for long-term growth of principal and income. The fair value is determined by taking the number of shares owned by the plan, and multiplying by the market price as of December 31, 2015.*

2 *The investment consists of a money market fund (at level 1) and a collective trust fund (at level 2). The money market fund is valued at the net asset value per share of $1.00 per unit as of December 31, 2015. The collective trust fund invests primarily in commercial paper, notes, repurchase agreements, and other evidences of indebtedness which are payable on demand or short-term in nature.*

(13) Income Taxes

The details of income tax (benefit) expense are as follows:

	Year Ended December 31,	
(Dollars in Thousands)	2015	2014
Charged to expenses:		
Deferred:		
Federal	$ 125,882	$ 88,318
State	—	—
Total income tax expense	$ 125,882	$ 88,318

The following reconciliation compares pre-tax book income at the federal statutory rate of 35.0% to the actual income tax expense in the Statements of Income:

	Year Ended December 31,	
(Dollars in Thousands)	2015	2014
Income taxes at the statutory rate	$ 150,514	$ 113,061
Increase (decrease):		
Production tax credit	(19,470)	(23,073)
AFUDC excluded from taxable income	(5,386)	(3,790)
Capitalized interest	3,397	2,948
Utility plant differences	5,671	7,090
Treasury grant amortization	(8,807)	(8,808)
Other - net	(37)	890
Total income tax expense	$ 125,882	$ 88,318
Effective tax rate	29.3%	27.1 %

The Company's net deferred tax liability at December 31, 2015 and 2014 is composed of amounts related to the following types of temporary differences:

	At December 31,	
(Dollars In Thousands)	2015	2014
Utility plant and equipment	$ 1,788,078	$ 1,720,730
Regulatory asset for income taxes	72,694	94,913
Other deferred tax liabilities	80,351	50,229
Subtotal deferred tax liabilities	1,941,123	1,865,872
Net operating loss carryforward	(110,063)	(181,514)
Production tax credit carryforward	(178,075)	(158,604)
Regulatory liability on production tax credit	(94,828)	(84,344)
Subtotal deferred tax assets	(382,966)	(424,462)
Total net deferred tax liabilities	$ 1,558,157	$ 1,441,410

In November 2015, the FASB issued ASU 2015-17, "Income Taxes (Topic 740): Balance Sheet Classification of Deferred Taxes." ASU 2015-17 requires reporting entities to classify deferred tax liabilities and assets as noncurrent in a classified balance sheet instead of separating such deferred taxes into current and noncurrent amounts.

The Company adopted ASU 2015-17 for year ended December 31, 2015 and the impact to PSE was a reclass in 2014 from current to noncurrent of $208.4 million. Except for changes in Consolidated Balance Sheet presentation, this guidance does not have a material impact on the Company's results of operations or financial position.

The Company calculates its deferred tax assets and liabilities under ASC 740, "Income Taxes" (ASC 740). ASC 740 requires recording deferred tax balances, at the currently enacted tax rate, on assets and liabilities that are reported differently for income tax purposes than for financial reporting purposes. The utilization of deferred tax assets requires sufficient taxable income in future years. ASC 740 requires a valuation allowance on deferred tax assets when it is more likely than not that the deferred tax assets will not be realized. The Company's PTC carryforwards expire from 2027 through 2035. The Company's net operating loss carryforwards expire from 2029 through 2033. No valuation allowance has been provided for PTC or net operating loss carryforwards.

For ratemaking purposes, deferred taxes are not provided for certain temporary differences. PSE has established a regulatory asset for income taxes recoverable through future rates related to those temporary differences for which no deferred taxes have been provided, based on prior and expected future ratemaking treatment.

The Company accounts for uncertain tax position under ASC 740, which clarifies the accounting for uncertainty in income taxes recognized in the financial statements. ASC 740 requires the use of a two-step approach for recognizing and measuring tax positions taken or expected to be taken in a tax return. First, a tax position should only be recognized when it is more likely than not, based on technical merits, that the position will be sustained upon challenge by the taxing authorities and taken by management to the court of last resort. Second, a tax position that meets the recognition threshold should be measured at the largest amount that has a greater than 50.0% likelihood of being sustained.

As of December 31, 2015 and 2014, the Company had no material unrecognized tax benefits. As a result, no interest or penalties were accrued for unrecognized tax benefits during the year.

For ASC 740 purposes, the Company has open tax years from 2012 through 2015. The Company classifies interest as interest expense and penalties as other expense in the financial statements.

(14) Litigation

Colstrip

PSE has a 50% ownership interest in Colstrip Units 1 and 2, and a 25% interest in Colstrip Units 3 and 4. On March 6, 2013, the Sierra Club and the Montana Environmental Information Center filed a Clean Air Act citizen suit against all Colstrip owners in the U.S. District Court, District of Montana. Based on a second amended complaint filed in August 2014, plaintiffs' lawsuit currently alleges violations of permitting requirements under the New Source Review program of the Clean Air Act and the Montana State Implementation Plan arising from seven projects undertaken at Colstrip during the time period from 2001 to 2012. Plaintiffs have since indicated that they do not intend to pursue claims with respect to three of the seven projects, leaving a total of four projects remaining subject to the lawsuit. The lawsuit claims that, for each of the four projects, the Colstrip plant should have obtained a permit and installed pollution control equipment at Colstrip. The Plaintiffs' complaint also seeks civil penalties and other appropriate relief. The case has been bifurcated into separate liability and remedy trials. The liability trial is currently set for May 2016, and a date for the remedy trial has yet to be determined. PSE is litigating the allegations set forth in the complaint, and as such, it is not reasonably possible to estimate the outcome of this matter.

Other Proceedings

The Company is also involved in litigation relating to claims arising out of its operations in the normal course of business. The Company has recorded reserves of $0.3 million and $1.7 million relating to these claims as of December 31, 2015 and 2014, respectively.

(15) Commitments and Contingencies

For the year ended December 31, 2015, approximately 13.9% of the Company's energy output was obtained at an average cost of approximately $0.022 per Kilowatt Hour (kWh) through long-term contracts with three of the Washington Public Utility Districts (PUDs) that own hydroelectric projects on the Columbia River. The purchase of power from the Columbia River projects is on a pro rata share basis under which the Company pays a proportionate share of the annual debt service, operating and maintenance costs and other expenses associated with each project, in proportion to the contractual share of power that PSE obtains from that project. In these instances, PSE's payments are not contingent upon the projects being operable; therefore, PSE is required to make the payments even if power is not delivered. These projects are financed through substantially level debt service payments and their annual costs should not vary significantly over the term of the contracts unless additional financing is required to meet the costs of major maintenance, repairs or replacements, or license requirements. The Company's share of the costs and the output of the projects is subject to reduction due to various withdrawal rights of the PUDs and others over the contract lives.

The Company's expenses under these PUD contracts were as follows for the years ended December 31:

(Dollars in Thousands)	2015	2014
PUD contract costs	$ 72,833	$ 69,661

As of December 31, 2015, the Company purchased portions of the power output of the PUDs' projects as set forth in the following table:

(Dollars in Thousands)	Contract Expiration	Percent of Output	Megawatt Capacity	Company's Current Share of Estimated 2016 Costs	Company's Current Share of 2016 Debt Service Costs	Company's Current Share of Interest included in 2016 Debt Service Costs	Company's Current Share of Debt Outstanding
Chelan County PUD:							
Rock Island Project	2031	25.0%	156	$ 28,422	$ 10,496	$ 5,868	$ 92,603
Rocky Reach Project	2031	25.0%	325	31,243	7,870	3,117	49,081
Douglas County PUD:							
Wells Project	2018	29.9%	251	17,146	9,384	2,487	59,942
Grant County PUD:							
Priest Rapids Development	2052	0.6%	8	3,073	1,874	1,093	18,271
Wanapum Development	2052	0.6%	9	3,073	1,874	1,093	18,271
Total			749	$ 82,957	$ 31,498	$ 13,658	$ 238,168

The following table summarizes the Company's estimated payment obligations for power purchases from the Columbia River projects, contracts with other utilities and contracts with non-utilities. These contracts have varying terms and may include escalation and termination provisions.

(Dollars in Thousands)	2016	2017	2018	2019	2020	Thereafter	Total
Columbia River projects	$ 77,331	$ 77,474	$ 67,371	$ 55,866	$ 53,531	$ 566,081	$ 897,654
Other utilities	16,421	10,357	1,257	890	—	—	28,925
Non-utility contracts	158,874	199,125	204,658	209,590	213,352	1,164,975	2,150,574
Total	$ 252,626	$ 286,956	$ 273,286	$ 266,346	$ 266,883	$ 1,731,056	$ 3,077,153

Total purchased power contracts provided the Company with approximately 11.2 million, 12.1 million and 10.7 million MWhs of firm energy at a cost of approximately $373.8 million and $401.4 million for the years 2015 and 2014, respectively.

PSE enters into short-term energy supply contracts to meet its core customer needs. These contracts are sometimes classified as NPNS, however in most cases recorded at fair value in accordance with ASC 815. Commitments under these contracts are $133.0 million, $37.3 million and $7.3 million in 2016, 2017 and 2018, respectively.

Natural Gas Supply Obligations

The Company has entered into various firm supply, transportation and storage service contracts in order to ensure adequate availability of natural gas supply for its customers and generation requirements. The Company contracts for its long-term natural gas supply on a firm basis, which means the Company has a 100% daily take obligation and the supplier has a 100% daily delivery obligation to ensure service to PSE's customers and generation requirements. The transportation and storage contracts, which have remaining terms from less than one year to 29 years, provide that the Company must pay a fixed demand charge each month, regardless of actual usage. The Company incurred demand charges for 2015 for firm transportation, storage and peaking services for its natural gas customers of $120.3 million. The Company incurred demand charges in 2015 for firm transportation and storage services for the

natural gas supply for its combustion turbines in the amount of $35.1 million.

The following table summarizes the Company's obligations for future natural gas supply and demand charges through the primary terms of its existing contracts. The quantified obligations are based on the FERC and NEB (National Energy Board) currently authorized rates, which are subject to change.

Natural Gas Supply and Demand Charge Obligations
(Dollars in Thousands)

	2016	2017	2018	2019	2020	Thereafter	Total
Natural gas supply	$ 247,017	$ 204,798	$ 451,815	$ 233,865	$ 151,664	$ —	$ 1,289,159
Firm transportation service	153,590	147,998	143,076	138,360	132,391	612,778	1,328,193
Firm storage service	6,616	6,616	3,861	2,943	1,950	4,093	26,079
Total	$ 407,223	$ 359,412	$ 598,752	$ 375,168	$ 286,005	$ 616,871	$ 2,643,431

Service Contracts

The following table summarizes the Company's estimated obligations for service contracts through the terms of its existing contracts.

Service Contract Obligations
(Dollars in Thousands)

	2016	2017	2018	2019	2020	Thereafter	Total
Energy production service contracts	$ 50,557	$ 42,576	$ 23,038	$ 22,160	$ 39,948	$ 173,898	$ 352,177
Automated meter reading system	17,566	17,596	18,348	19,092	19,860	137,784	230,246
Total	$ 68,123	$ 60,172	$ 41,386	$ 41,252	$ 59,808	$ 311,682	$ 582,423

Other Commitments and Contingencies

For information regarding PSE's environmental remediation obligations, see Note 3 Regulation and Rates.

(16) Related Party Transactions

Scott Armstrong serves on the Board of Directors of the Company, and is the president and Chief Executive Officer of Group Health Cooperative (Group Health). Group Health provides coverage to over 600,000 residents in Washington and Northern Idaho. Certain employees of PSE elect Group Health as their medical provider and as a result, PSE paid Group Health a total of $20.3 million and $17.7 million for medical coverage for the year ended December 31, 2015 and 2014, respectively.

Kimberly Harris, the President and Chief Executive Officer, and a director of Puget Energy and PSE, is married to Kyle Branum, a principal at the law firm Riddell Williams P.S., one of PSE's primary law firms for nearly 50 years. In 2015 and 2014, Riddell Williams was paid $1.81 million and $1.98 million, respectively, for legal services provided to PSE and Mr. Branum is among the lawyers at Riddell Williams who provided such legal services. This work was performed under the supervision of PSE's General Counsel.

On October 10, 2014, U.S. Bancorp announced the appointment of Kimberly Harris to its board of directors effective October 20, 2014. Ms. Harris is the president and chief executive officer of both Puget Energy and PSE. U.S. Bancorp is the parent company of

U.S. Bank N.A., which directly or through its subsidiaries or affiliates provides credit, banking, investment and trust services to both Puget Energy and PSE. For the year ended December 31, 2015 and 2014, Puget Energy and PSE paid a total of approximately $1.0 million in fees and interest each year to U.S. Bank N.A. and its subsidiaries or affiliates.

(17) Segment Information

PSE operates one reportable business segment referred to as the regulated utility segment. PSE's regulated utility operation generates, purchases and sells electricity and purchases, transports and sells natural gas. The service territory of PSE covers approximately 6,000 square miles in the state of Washington. In managing the business, management reviews the consolidated financial statements for PSE during the year.

(18) Accumulated Other Comprehensive Income (Loss)

The following tables present the changes in the Company's (loss) AOCI by component for the years ended December 31, 2015 and 2014, respectively.

Changes in AOCI, net of tax (Dollars in Thousands)	Net unrealized gain (loss) and prior service cost on pension plans	Net unrealized gain (loss) on energy derivative instruments	Net unrealized gain (loss) on treasury interest rate swaps	Total
Balance at December 31, 2013	$ (87,405)	$ (2,027)	$ (6,307)	$ (95,739)
Other comprehensive income (loss) before reclassifications	(84,955)	—	—	(84,955)
Amounts reclassified from accumulated other comprehensive income (loss), net of tax	8,079	1,341	317	9,737
Net current-period other comprehensive income (loss)	(76,876)	1,341	317	(75,218)
Balance at December 31, 2014	$ (164,281)	$ (686)	$ (5,990)	$ (170,957)
Other comprehensive income (loss) before reclassifications	6,922	—	—	6,922
Amounts reclassified from accumulated other comprehensive income (loss), net of tax	13,482	686	317	14,485
Net current-period other comprehensive income (loss)	20,404	686	317	21,407
Balance at December 31, 2015	$ (143,877)	$ —	$ (5,673)	$ (149,550)

Details about the reclassifications out of AOCI (loss) for the years ended December 31, 2015 and 2014, respectively, are as follows:

Details about accumulated other comprehensive income (loss) components (Dollars in Thousands)	Affected line item in the statement where net income (loss) is presented		Amount reclassified from accumulated other comprehensive income (loss)	
			2015	2014
Net unrealized gain (loss) and prior service cost on pension plans:				
Amortization of prior service cost	(a)	$	1,526 $	1,526
Amortization of net gain (loss)	(a)		(22,268)	(13,954)
	Total before tax		(20,742)	(12,428)
	Tax (expense) or benefit		7,260	4,349
	Net of tax	$	(13,482)$	(8,079)
Net unrealized gain (loss) on energy derivative instruments:				
Commodity contracts: Electric derivatives	Purchased electricity		(1,055)	(2,063)
	Tax (expense) or benefit		369	722
	Net of Tax	$	(686)$	(1,341)
Net unrealized gain (loss) on treasury interest rate swaps:				
Interest rate contracts	Interest expense		(488)	(488)
	Tax (expense) or benefit		171	171
	Net of Tax	$	(317)$	(317)
Total reclassification for the period	Net of Tax	$	(14,485)$	(9,737)

(a) *These AOCI components are included in the computation of net periodic pension cost (see Note 12 for additional details).*

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Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Summary of Utility Plant and Accumulated Provisions for Depreciation, Amortization and Depletion

Line No.	Item (a)	Total Company For the Current Quarter/Year
1	UTILITY PLANT	
2	In Service	
3	Plant in Service (Classified)	12,874,317,089
4	Property Under Capital Leases	378,231
5	Plant Purchased or Sold	
6	Completed Construction not Classified	65,892,342
7	Experimental Plant Unclassified	
8	TOTAL Utility Plant (Total of lines 3 thru 7)	12,940,587,662
9	Leased to Others	
10	Held for Future Use	56,042,302
11	Construction Work in Progress	408,795,066
12	Acquisition Adjustments	282,791,675
13	TOTAL Utility Plant (Total of lines 8 thru 12)	13,688,216,705
14	Accumulated Provisions for Depreciation, Amortization, & Depletion	5,029,301,219
15	Net Utility Plant (Total of lines 13 and 14)	8,658,915,486
16	DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION	
17	In Service:	
18	Depreciation	4,793,517,561
19	Amortization and Depletion of Producing Natural Gas Land and Land Rights	
20	Amortization of Underground Storage Land and Land Rights	
21	Amortization of Other Utility Plant	124,309,224
22	TOTAL In Service (Total of lines 18 thru 21)	4,917,826,785
23	Leased to Others	
24	Depreciation	
25	Amortization and Depletion	
26	TOTAL Leased to Others (Total of lines 24 and 25)	
27	Held for Future Use	
28	Depreciation	(134,269)
29	Amortization	
30	TOTAL Held for Future Use (Total of lines 28 and 29)	(134,269)
31	Abandonment of Leases (Natural Gas)	
32	Amortization of Plant Acquisition Adjustment	111,608,703
33	TOTAL Accum. Provisions (Should agree with line 14 above)(Total of lines 22, 26, 30, 31, and 32)	5,029,301,219

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Summary of Utility Plant and Accumulated Provisions for Depreciation, Amortization and Depletion (continued)

Line No.	Electric (c)	Gas (d)	Other (specify) (e)	Common (f)
1				
2				
3	9,088,280,487	3,315,161,396		470,875,206
4				378,231
5				
6	35,067,732	30,778,732		45,878
7				
8	9,123,348,219	3,345,940,128		471,299,315
9				
10	49,903,527	6,138,775		
11	247,426,745	84,010,942		77,357,379
12	282,791,675			
13	9,703,470,166	3,436,089,845		548,656,694
14	3,560,045,779	1,278,270,641		190,984,799
15	6,143,424,387	2,157,819,204		357,671,895
16				
17				
18	3,418,665,999	1,272,611,416		102,240,146
19				
20				
21	29,905,346	5,659,225		88,744,653
22	3,448,571,345	1,278,270,641		190,984,799
23				
24				
25				
26				
27				
28	(134,269)			
29				
30	(134,269)			
31				
32	111,608,703			
33	3,560,045,779	1,278,270,641		190,984,799

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Gas Plant in Service (Accounts 101, 102, 103, and 106)

1. Report below the original cost of gas plant in service according to the prescribed accounts.
2. In addition to Account 101, Gas Plant in Service (Classified), this page and the next include Account 102, Gas Plant Purchased or Sold, Account 103, Experimental Gas Plant Unclassified, and Account 106, Completed Construction Not Classified-Gas.
3. Include in column (c) and (d), as appropriate corrections of additions and retirements for the current or preceding year.
4. Enclose in parenthesis credit adjustments of plant accounts to indicate the negative effect of such accounts.
5. Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c).Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d) reversals of tentative distributions of prior year's unclassified retirements. Attach supplemental statement showing the account distributions of these tentative classifications in columns (c) and (d),

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
1	INTANGIBLE PLANT		
2	301 Organization	158,692	
3	302 Franchises and Consents	302,025	97,640
4	303 Miscellaneous Intangible Plant	18,017,685	
5	TOTAL Intangible Plant (Enter Total of lines 2 thru 4)	18,478,402	97,640
6	PRODUCTION PLANT		
7	Natural Gas Production and Gathering Plant		
8	325.1 Producing Lands		
9	325.2 Producing Leaseholds		
10	325.3 Gas Rights		
11	325.4 Rights-of-Way		
12	325.5 Other Land and Land Rights		
13	326 Gas Well Structures		
14	327 Field Compressor Station Structures		
15	328 Field Measuring and Regulating Station Equipment		
16	329 Other Structures		
17	330 Producing Gas Wells-Well Construction		
18	331 Producing Gas Wells-Well Equipment		
19	332 Field Lines		
20	333 Field Compressor Station Equipment		
21	334 Field Measuring and Regulating Station Equipment		
22	335 Drilling and Cleaning Equipment		
23	336 Purification Equipment		
24	337 Other Equipment		
25	338 Unsuccessful Exploration and Development Costs		
26	339 Asset Retirement Costs for Natural Gas Production and		
27	TOTAL Production and Gathering Plant (Enter Total of lines 8		
28	PRODUCTS EXTRACTION PLANT		
29	340 Land and Land Rights		
30	341 Structures and Improvements		
31	342 Extraction and Refining Equipment		
32	343 Pipe Lines		
33	344 Extracted Products Storage Equipment		

Gas Plant in Service (Accounts 101, 102, 103, and 106) (continued)

including the reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Account 101 and 106 will avoid serious omissions of respondent's reported amount for plant actually in service at end of year.

6. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102. In showing the clearance of Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits to primary account classifications.

7. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirements of these pages.

8. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchaser, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give date of such filing.

Line No.	Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)
1				
2				158,692
3	7,703			391,962
4	2,989,084			15,028,601
5	2,996,787			15,579,255
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
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32				
33				

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Gas Plant in Service (Accounts 101, 102, 103, and 106) (continued)

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
34	345 Compressor Equipment		
35	346 Gas Measuring and Regulating Equipment		
36	347 Other Equipment		
37	348 Asset Retirement Costs for Products Extraction Plant		
38	TOTAL Products Extraction Plant (Enter Total of lines 29 thru 37)		
39	TOTAL Natural Gas Production Plant (Enter Total of lines 27 and		
40	Manufactured Gas Production Plant (Submit Supplementary	6,737,083	
41	TOTAL Production Plant (Enter Total of lines 39 and 40)	6,737,083	
42	NATURAL GAS STORAGE AND PROCESSING PLANT		
43	Underground Storage Plant		
44	350.1 Land	464,428	
45	350.2 Rights-of-Way		
46	351 Structures and Improvements	827,110	
47	352 Wells	11,253,441	37,967
48	352.1 Storage Leaseholds and Rights		
49	352.2 Reservoirs	1,757,701	
50	352.3 Non-recoverable Natural Gas	4,185,431	
51	353 Lines	2,585,602	
52	354 Compressor Station Equipment	17,901,160	55,484
53	355 Other Equipment	530,739	
54	356 Purification Equipment	2,662,647	
55	357 Other Equipment	325,708	
56	358 Asset Retirement Costs for Underground Storage Plant		
57	TOTAL Underground Storage Plant (Enter Total of lines 44 thru	42,493,967	93,451
58	Other Storage Plant		
59	360 Land and Land Rights	1,704,569	
60	361 Structures and Improvements	4,155,602	
61	362 Gas Holders	3,683,221	
62	363 Purification Equipment		
63	363.1 Liquefaction Equipment		
64	363.2 Vaporizing Equipment	1,197,749	
65	363.3 Compressor Equipment	6,019	
66	363.4 Measuring and Regulating Equipment	621,394	
67	363.5 Other Equipment	2,158,877	
68	363.6 Asset Retirement Costs for Other Storage Plant		
69	TOTAL Other Storage Plant (Enter Total of lines 58 thru 68)	13,527,431	
70	Base Load Liquefied Natural Gas Terminaling and Processing Plant		
71	364.1 Land and Land Rights		
72	364.2 Structures and Improvements		
73	364.3 LNG Processing Terminal Equipment		
74	364.4 LNG Transportation Equipment	970,581	
75	364.5 Measuring and Regulating Equipment		
76	364.6 Compressor Station Equipment		
77	364.7 Communications Equipment		
78	364.8 Other Equipment		
79	364.9 Asset Retirement Costs for Base Load Liquefied Natural Gas		
80	TOTAL Base Load Liquefied Nat'l Gas, Terminaling and	970,581	

Name of Respondent Puget Sound Energy, Inc.	This Report Is: (1) [X] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr) 04/14/2016	Year/Period of Report End of 2015/Q4

Gas Plant in Service (Accounts 101, 102, 103, and 106) (continued)

Line No.	Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)
34				
35				
36				
37				
38				
39				
40				6,737,083
41				6,737,083
42				
43				
44			(33,641)	430,787
45				
46				827,110
47				11,291,408
48				
49				1,757,701
50				4,185,431
51				2,585,602
52				17,956,644
53				530,739
54				2,662,647
55	10,905		2,348	317,151
56				
57	10,905		(31,293)	42,545,220
58				
59				1,704,569
60				4,155,602
61				3,683,221
62				
63				
64				1,197,749
65				6,019
66				621,394
67				2,158,877
68				
69				13,527,431
70				
71				
72				
73				
74				970,581
75				
76				
77				
78				
79				
80				970,581

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Gas Plant in Service (Accounts 101, 102, 103, and 106) (continued)

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)
81	TOTAL Nat'l Gas Storage and Processing Plant (Total of lines 57,	56,991,979	93,451
82	TRANSMISSION PLAN		
83	365.1 Land and Land Rights		
84	365.2 Rights-of-Way		
85	366 Structures and Improvements		
86	367 Mains		
87	368 Compressor Station Equipment		
88	369 Measuring and Regulating Station Equipment		
89	370 Communication Equipment		
90	371 Other Equipment		
91	372 Asset Retirement Costs for Transmission Plant		
92	TOTAL Transmission Plant (Enter Totals of lines 83 thru 91)		
93	DISTRIBUTION PLANT		
94	374 Land and Land Rights	17,984,143	142
95	375 Structures and Improvements	35,126,377	
96	376 Mains	1,624,568,454	77,490,883
97	377 Compressor Station Equipment		
98	378 Measuring and Regulating Station Equipment-General	105,564,257	2,253,146
99	379 Measuring and Regulating Station Equipment-City Gate		
100	380 Services	922,287,012	55,552,778
101	381 Meters	69,525,618	4,484,365
102	382 Meter Installations	154,618,352	1,919,600
103	383 House Regulators	15,936,820	336,582
104	384 House Regulator Installations	78,199,086	
105	385 Industrial Measuring and Regulating Station Equipment	37,670,662	4,048,339
106	386 Other Property on Customers' Premises	30,597,233	2,134,945
107	387 Other Equipment	6,102,300	556,972
108	388 Asset Retirement Costs for Distribution Plant	7,656,434	1,757,421
109	TOTAL Distribution Plant (Enter Total of lines 94 thru 108)	3,105,836,748	150,535,173
110	GENERAL PLANT		
111	389 Land and Land Rights	22,729	
112	390 Structures and Improvements	395,717	100,396
113	391 Office Furniture and Equipment	7,139,533	122,823
114	392 Transportation Equipment	6,302,462	
115	393 Stores Equipment	50,148	
116	394 Tools, Shop, and Garage Equipment	10,739,674	178,497
117	395 Laboratory Equipment	2,659,307	111,193
118	396 Power Operated Equipment	483,584	
119	397 Communication Equipment	4,561,540	2,258
120	398 Miscellaneous Equipment	216,306	
121	Subtotal (Enter Total of lines 111 thru 120)	32,571,000	515,167
122	399 Other Tangible Property		
123	399.1 Asset Retirement Costs for General Plant		
124	TOTAL General Plant (Enter Total of lines 121, 122 and 123)	32,571,000	515,167
125	TOTAL (Accounts 101 and 106)	3,220,615,212	151,241,431
126	Gas Plant Purchased (See Instruction 8)		
127	(Less) Gas Plant Sold (See Instruction 8)		
128	Experimental Gas Plant Unclassified		
129	TOTAL Gas Plant In Service (Enter Total of lines 125 thru 128)	3,220,615,212	151,241,431

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Gas Plant in Service (Accounts 101, 102, 103, and 106) (continued)

Line No.	Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)
81	10,905		(31,293)	57,043,232
82				
83				
84				
85				
86				
87				
88				
89				
90				
91				
92				
93				
94	12,536		46,786	18,018,535
95	57,647			35,068,730
96	6,564,839	274,626	(96,227)	1,695,672,897
97				
98	400,087			107,417,316
99				
100	4,292,940	56,426	96,226	973,699,502
101	1,712,169			72,297,814
102	769,492		(3,693,770)	152,074,690
103	52,905			16,220,497
104	50,428		3,693,770	81,842,428
105	4,010,218			37,708,783
106	4,299,232			28,432,946
107	758,885			5,900,387
108				9,413,855
109	22,981,378	331,052	46,785	3,233,768,380
110				
111			(13,145)	9,584
112				496,113
113	626,378			6,635,978
114				6,302,462
115				50,148
116			227,340	11,145,511
117				2,770,500
118				483,584
119			138,194	4,701,992
120				216,306
121	626,378		352,389	32,812,178
122				
123				
124	626,378		352,389	32,812,178
125	26,615,448	331,052	367,881	3,345,940,128
126				
127				
128				
129	26,615,448	331,052	367,881	3,345,940,128

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Gas Plant Held for Future Use (Account 105)

1. Report separately each property held for future use at end of the year having an original cost of $1,000,000 or more. Group other items of property held for future use.
2. For property having an original cost of $1,000,000 or more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.

Line No.	Description and Location of Property (a)	Date Originally Included in this Account (b)	Date Expected to be Used in Utility Service (c)	Balance at End of Year (d)
1	TOLT ROW EASEMENT (NE KING COUNTY)	06/01/2010	02/29/2016	4,702,851
2				
3	Other Property (less than $1,000,000)			1,435,924
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
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39				
40				
41				
42				
43				
44				
45	**Total**	[redacted]		6,138,775

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Construction Work in Progress-Gas (Account 107)

1. Report below descriptions and balances at end of year of projects in process of construction (Account 107).
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstration (see Account 107 of the Uniform System of Accounts).
3. Minor projects (less than $1,000,000) may be grouped.

Line No.	Description of Project (a)	Construction Work in Progress-Gas (Account 107) (b)	Estimated Additional Cost of Project (c)
1	Alaska Way Viaduct Gas Relocation Project	4,744,874	
2	Cross Bore Inspections Project	2,453,071	
3	Gas Control System Upgrade Project	3,669,511	
4	Gas Management System Project	3,512,565	
5	LNG Facility Project	16,020,378	
6	Tolt HP 16' Project	1,995,516	
7	Minor Projects Less than $1,000,000 each:		
8	Gas Distribution	47,847,842	
9	Gas General Plant & Intangibles	1,631,093	
10	Gas Underground Storage	2,136,092	
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
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38			
39			
40			
41			
42			
43			
44			
45	**Total**	**84,010,942**	

General Description of Construction Overhead Procedure

1. For each construction overhead explain: (a) the nature and extent of work, etc., the overhead charges are intended to cover, (b) the general procedure for determining the amount capitalized, (c) the method of distribution to construction jobs, (d) whether different rates are applied to different types of construction, (e) basis of differentiation in rates for different types of construction, and (f) whether the overhead is directly or indirectly assigned.
2. Show below the computation of allowance for funds used during construction rates, in accordance with the provisions of Gas Plant Instructions 3 (17) of the Uniform System of Accounts.
3. Where a net-of-tax rate for borrowed funds is used, show the appropriate tax effect adjustment to the computations below in a manner that clearly indicates the amount of reduction in the gross rate for tax effects.

EXPLANATION OF CONSTRUCTION OVERHEADS

INDIRECT OVERHEAD - REGULAR PROJECTS

Construction support:
Certain expenses applicable to construction including for service of personnel whose general activities preclude the charging of expenditures directly to specific orders are charged to CWIP through the Construction Support. The rate is a ratio of those expenses to construction charges capitalized during the period and applied on the current month construction charges only. For certain construction projects where services and/or equipment are purchased from a third party, the rate applied may be less than described above.

Materials:
Stores' expenses are allocated to CWIP on the basis of materials charged to orders. OH rate is a ratio of stores' expenses to outstanding balance on Inventory account.

Employee Pension and Benefits:
Expenditures for pension and benefits are allocated to CWIP on the basis of payroll charges.

INDIRECT OVERHEAD - MAJOR CONSTRUCTION PROJECTS

Puget as the sponsor of a Jointly Owned Project - Indirect overhead is applied monthly to direct payroll. The rate is contractually fixed as agreed upon by the participants.
Puget as a participant in Jointly Owned Project - No indirect overhead for administrative and general expenses is applied.

ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION

The AFUDC rate is the Company's rate of return allowed by the Washington Utilities and Transportation Commission. PSE's Gas Operation is not under the FERC's jurisdiction. Therefore, the significant deviation test per FERC Order #561 does not apply.
For recording the current month's AFUDC, work order accumulated charges at the beginning of the month are multiplied by 1/12 of the annual rate and current month's charges are multiplied by 1/24 the annual rate.

The Washington Utilities and Transportation Commission in Cause U-81-41 authorized the annual compounding of accrued allowance for funds used during construction. Cause U-83-54 changed the tax accounting for AFUDC from the normalization method to the flow-through method. Therefore, effective October 1984, the FERC and the WUTC rates were the gross-of-tax rate.

Periodically, the Short-Term debt balance has exceeded Construction Work in Progress. In accordance with Federal Power Commission Order 561-A, the AFUDC rate used was the weighted average Short-Term Debt Rate. To the extent the WUTC approved rate of return was greater than Short-Term rate, the difference between these two rates was credited to Account 419.1, Allowance for other funds used during construction.

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General Description of Construction Overhead Procedure (continued)

COMPUTATION OF ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION RATES

1. For line (5), column (d) below, enter the rate granted in the last rate proceeding. If not available, use the average rate earned during the preceding 3 years.
2. Identify, in a footnote, the specific entity used as the source for the capital structure figures.
3. Indicate, in a footnote, if the reported rate of return is one that has been approved in a rate case, black-box settlement rate, or an actual three-year average rate.

1. Components of Formula (Derived from actual book balances and actual cost rates):

Line No.	Title (a)		Amount (b)	Capitalization Ration (percent) (c)		Cost Rate Percentage (d)
	(1) Average Short-Term Debt	S	43,887,016			
	(2) Short-Term Interest				s	4.24
	(3) Long-Term Debt	D	3,760,860,000	53.31	d	6.16
	(4) Preferred Stock	P			p	
	(5) Common Equity	C	3,293,360,644	46.69	c	9.80
	(6) Total Capitalization		7,054,220,644	100.00		
	(7) Average Construction Work In Progress Balance	W	314,618,936			

2. Gross Rate for Borrowed Funds s(S/W) + d[(D/(D+P+C)) (1-(S/W))] 3.42

3. Rate for Other Funds [1-(S/W)] [p(P/(D+P+C)) + c(C/(D+P+C))] 3.94

4. Weighted Average Rate Actually Used for the Year:

a. Rate for Borrowed Funds - 3.07

b. Rate for Other Funds - 4.70

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Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Accumulated Provision for Depreciation of Gas Utility Plant (Account 108)

1. Explain in a footnote any important adjustments during year.
2. Explain in a footnote any difference between the amount for book cost of plant retired, line 10, column (c), and that reported for gas plant in service, page 204-209, column (d), excluding retirements of nondepreciable property.
3. The provisions of Account 108 in the Uniform System of Accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.
4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.
5. At lines 7 and 14, add rows as necessary to report all data. Additional rows should be numbered in sequence, e.g., 7.01, 7.02, etc.

Line No.	Item (a)	Total (c+d+e) (b)	Gas Plant in Service (c)	Gas Plant Held for Future Use (d)	Gas Plant Leased to Others (e)
	Section A. BALANCES AND CHANGES DURING YEAR				
1	Balance Beginning of Year	1,193,958,003	1,193,958,003		
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	110,355,104	110,355,104		
4	(403.1) Depreciation Expense for Asset Retirement Costs	154,842	154,842		
5	(413) Expense of Gas Plant Leased to Others				
6	Transportation Expenses - Clearing	569,480	569,480		
7	Other Clearing Accounts				
8	Other Clearing (Specify) (footnote details):				
9					
10	TOTAL Deprec. Prov. for Year (Total of lines 3 thru 8)	111,079,426	111,079,426		
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	(25,122,207)	(25,122,207)		
13	Cost of Removal	(7,580,522)	(7,580,522)		
14	Salvage (Credit)	(34,037)	(34,037)		
15	TOTAL Net Chrgs for Plant Ret. (Total of lines 12 thru 14)	(32,668,692)	(32,668,692)		
16	Other Debit or Credit Items (Describe) (footnote details):	242,679	242,679		
17					
18	Book Cost of Asset Retirement Costs				
19	Balance End of Year (Total of lines 1,10,15,16 and 18)	1,272,611,416	1,272,611,416		
	Section B. BALANCES AT END OF YEAR ACCORDING TO FUNCTIONAL CLASSIFICATIONS				
21	Productions-Manufactured Gas	6,173,904	6,173,904		
22	Production and Gathering-Natural Gas				
23	Products Extraction-Natural Gas				
24	Underground Gas Storage	19,607,832	19,607,832		
25	Other Storage Plant	4,215,795	4,215,795		
26	Base Load LNG Terminaling and Processing Plant	558,784	558,784		
27	Transmission				
28	Distribution	1,226,432,059	1,226,432,059		
29	General	15,623,042	15,623,042		
30	TOTAL (Total of lines 21 thru 29)	1,272,611,416	1,272,611,416		

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Gas Stored (Accounts 117.1, 117.2, 117.3, 117.4, 164.1, 164.2, and 164.3)

1. If during the year adjustments were made to the stored gas inventory reported in columns (d), (f), (g), and (h) (such as to correct cumulative inaccuracies of gas measurements), explain in a footnote the reason for the adjustments, the Dth and dollar amount of adjustment, and account charged or credited.
2. Report in column (e) all encroachments during the year upon the volumes designated as base gas, column (b), and system balancing gas, column (c), and gas property recordable in the plant accounts.
3. State in a footnote the basis of segregation of inventory between current and noncurrent portions. Also, state in a footnote the method used to report storage (i.e., fixed asset method or inventory method).

Line No.	Description (a)	(Account 117.1) (b)	(Account 117.2) (c)	Noncurrent (Account 117.3) (d)	(Account 117.4) (e)	Current (Account 164.1) (f)	LNG (Account 164.2) (g)	LNG (Account 164.3) (h)	Total (i)
1	Balance at Beginning of			8,654,564		46,008,944	635,209		55,298,717
2	Gas Delivered to Storage					38,454,355	93,128		38,547,483
3	Gas Withdrawn from					46,334,208	676,000		47,010,208
4	Other Debits and Credits								
5	Balance at End of Year			8,654,564		38,129,091	52,337		46,835,992
6	Dth			5,725,904		13,299,325	9,098		19,034,327
7	Amount Per Dth			1.5115		2.8670	5.7526		2.4606

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Investments (Account 123, 124, and 136)

1. Report below investments in Accounts 123, Investments in Associated Companies, 124, Other Investments, and 136, Temporary Cash Investments.
2. Provide a subheading for each account and list thereunder the information called for:

(a) Investment in Securities-List and describe each security owned, giving name of issuer, date acquired and date of maturity. For bonds, also give principal amount, date of issue, maturity, and interest rate. For capital stock (including capital stock of respondent reacquired under a definite plan for resale pursuant to authorization by the Board of Directors, and included in Account 124, Other Investments) state number of shares, class, and series of stock. Minor investments may be grouped by classes. Investments included in Account 136, Temporary Cash Investments, also may be grouped by classes.

(b) Investment Advances-Report separately for each person or company the amounts of loans or investment advances that are properly includable in Account 123. Include advances subject to current repayment in Account 145 and 146. With respect to each advance, show whether the advance is a note or open account.

Line No.	Description of Investment (a)	* (b)	Book Cost at Beginning of Year (If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference) (c)	Purchases or Additions During the Year (d)
1	Account 124 - Other Investments			
2	Life Insurance		50,907,414	2,987,135
3	Note Receivable - BOA Projects		1,591,162	
4	Notes Receivable - Intolight		634,590	221
5	Note Receivable - City of Buckley		94,231	
6	Notes Receivable - West Cost Hospitality		2,752	
7	Temporary Cash Investment - Taxable			1,570,000,000
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Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Investments (Account 123, 124, and 136) (continued)

List each note, giving date of issuance, maturity date, and specifying whether note is a renewal. Designate any advances due from officers, directors, stockholders, or employees.

3. Designate with an asterisk in column (b) any securities, notes or accounts that were pledged, and in a footnote state the name of pledges and purpose of the pledge.

4. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and cite Commission, date of authorization, and case or docket number.

5. Report in column (h) interest and dividend revenues from investments including such revenues from securities disposed of during the year.

6. In column (i) report for each investment disposed of during the year the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost) and the selling price thereof, not including any dividend or interest adjustment includible in column (h).

Line No.	Sales or Other Dispositions During Year (e)	Principal Amount or No. of Shares at End of Year (f)	Book Cost at End of Year (If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference) (g)	Revenues for Year (h)	Gain or Loss from Investment Disposed of (i)
1					
2	5,179,051		48,715,498	2,987,135	
3	281,915		1,309,247	75,342	
4	106,114		528,697	56,352	
5	52,075		42,156	2,075	
6	2,752				
7	1,570,000,000				
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Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Investments in Subsidiary Companies (Account 123.1)

1. Report below investments in Account 123.1, Investments in Subsidiary Companies.
2. Provide a subheading for each company and list thereunder the information called for below. Sub-total by company and give a total in columns (e), (f), (g) and (h).

(a) Investment in Securities-List and describe each security owned. For bonds give also principal amount, date of issue, maturity, and interest rate.

(b) Investment Advances - Report separately the amounts of loans or investment advances which are subject to repayment, but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. List each note giving date of issuance, maturity date, and specifying whether note is a renewal.

3. Report separately the equity in undistributed subsidiary earnings since acquisition. The total in column (e) should equal the amount entered for Account 418.1.

Line No.	Description of Investment (a)	Date Acquired (b)	Date of Maturity (c)	Amount of Investment at Beginning of Year (d)
1	PUGET WESTERN, INC.	05/31/1960		
2	Common			10,200
3	Retained Earnings			(14,632,031)
4	Additional Paid in Capital			44,487,244
5	Subtotal			29,865,413
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40	**TOTAL Cost of Account 123.1 $** 32,216		**TOTAL**	29,865,413

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Investments in Subsidiary Companies (Account 123.1) (continued)

4. Designate in a footnote, any securities, notes, or accounts that were pledged, and state the name of pledgee and purpose of the pledge.
5. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number.
6. Report in column (f) interest and dividend revenues from investments, including such revenues from securities disposed of during the year.
7. In column (h) report for each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost), and the selling price thereof, not including interest adjustments includible in column (f).
8. Report on Line 40, column (a) the total cost of Account 123.1.

Line No.	Equity in Subsidiary Earnings for Year (e)	Revenues for Year (f)	Amount of Investment at End of Year (g)	Gain or Loss from Investment Disposed of (h)
1				
2			10,200	
3	32,216		(14,599,815)	
4			44,487,244	
5	32,216		29,897,629	
6				
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40	32,216		29,897,629	

PREPAYMENTS (ACCOUNT 165)

1. Report below the particulars (details) on each prepayment.

Line No.	Nature of Payment (a)	Balance at End of Year (in dollars) (b)
1	Prepaid Insurance	5,595,265
2	Prepaid Rents	340,550
3	Prepaid Taxes	
4	Prepaid Interest	17,990
5	Miscellaneous Prepayments	20,521,392
6	TOTAL	26,475,197

Prepayments (Acct 165), Extraordinary Property Losses (Acct 182.1), Unrecovered Plant and Regulatory Study Costs (Acct 182.2) (continued)

EXTRAORDINARY PROPERTY LOSSES (ACCOUNT 182.1)

Line No.	Description of Extraordinary Loss [include the date of loss, the date of Commission authorization to use Account 182.1 and period of amortization (mo, yr, to mo, yr)] Add rows as necessary to report all data. (a)	Balance at Beginning of Year (b)	Total Amount of Loss (c)	Losses Recognized During Year (d)	Written off During Year Account Charged (e)	Written off During Year Amount (f)	Balance at End of Year (g)
7	12/13/2006 Storm	30,510,829	79,593,401		407	7,959,336	22,551,493
8	2010 Storm	10,044,328			407	7,518,060	2,526,268
9	2012 Storm	60,295,490					60,295,490
10	2014 Storm	17,973,019		212,654			18,185,673
11	2015 Storm			22,217,695			22,217,695
12							
13							
14							
15	**Total**	118,823,666	79,593,401	22,430,349		15,477,396	125,776,619

Prepayments (Acct 165), Extraordinary Property Losses (Acct 182.1), Unrecovered Plant and Regulatory Study Costs (Acct 182.2) (continued)

UNRECOVERED PLANT AND REGULATORY STUDY COSTS (ACCOUNT 182.2)

Line No.	Description of Unrecovered Plant and Regulatory Study Costs [Include in the description of costs, the date of Commission authorization to use Account 182.2 and period of amortization (mo, yr, to mo, yr)] Add rows as necessary to report all data. Number rows in sequence beginning with the next row number after the last row number used for extraordinary property losses. (a)	Balance at Beginning of Year (b)	Total Amount of Charges (c)	Costs Recognized During Year (d)	Written off During Year Account Charged (e)	Written off During Year Amount (f)	Balance at End of Year (g)
16	White River Plant Costs	31,255,625		(1,683)	407	1,494,702	29,759,240
17	White River Plant Sales	(30,211,680)					(30,211,680)
18	Upper Baker Regulatory Study Cost	482,536			407	241,268	241,268
19	Electron Unrecovered Plant Costs	14,007,694		(46,887)	407	3,391,500	10,569,307
20							
21							
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25							
26	**Total**	15,534,175		(48,570)		5,127,470	10,358,135

FOOTNOTE DATA

Schedule Page: 230 Line No.: 7 Column: a

The 12/13/2006 storm deferral cost was approved for amortization over 10 years in WUTC Dockets UE-072300 and UG-072301. Monthly amortization commenced on November 1, 2008 for $7,959,341 annually. The storm is amortized separately from the other storm losses.

Schedule Page: 230 Line No.: 8 Column: a

The 2010 storm deferral cost was approved for amortization over four years in WUTC Dockets UE-090704 and UG 090705. Monthly amortization commenced on May 14, 2012 for $7,518,060 annually. The 2010 storm has been continuing to be applied after completing the 2008 storm amortization in June 2014.

Schedule Page: 230 Line No.: 16 Column: a

In May 2005, WUTC approved PSE's request for rate recovery of its unrecovered investment in the White River Project of approximately $47.8 million over a 31 year period in Docket AC05-33-000. Monthly amortization for the recovery commenced in January 2004 for $1,494,702 annually and the amortization will be completed in 2035.

Schedule Page: 230 Line No.: 17 Column: a

In May 2009, WUTC approved the sale of certain assets related to White River Hydro Electric Project to Cascade Water Alliance in Docket UE-090399. PSE received $39.6 million for the sale which included $29.9 million purchased price along with reimbursement of $9.7 million for processing and conveyance costs. The White River land was sold to City of Buckley for $300K in April 2011.

The amortization for gain has not yet been approved and as per WUTC commission order is dependent upon the sale of all remaining properties associated with White River, with such approval to be sought in the rate filing thereafter.

Schedule Page: 230 Line No.: 18 Column: a

In December 2011, WUTC approved PSE's accounting petition to defer non-construction related regulatory study costs and to amortize $1.2 million over a five year period in Dockets UE-021577 and UE-070074. Monthly amortization for the regulatory study costs commenced in January 2012 for $241K annually and the amortization will be completing in 2016.

Schedule Page: 230 Line No.: 19 Column: a

In November 2014, WUTC approved Docket UE-141141 granted PSE's request for the recovery of Electron Unrecovered Plant cost as a regulatory asset amortized over 48 months. Monthly amortization for the regulatory costs commenced in December 2014 for $3,392K annually and the amortization will be completing in March 2019.

Schedule Page: 230 Line No.: 5 Column: b

Prepayments	Sum of Amount
Energy Purchase	3,891,223.75
LT Plant Maint	9,144,761.05
Misc	426,489.52
Permits	500,650.48
Software Maint	4,168,217.35
Statutory Assess	2,390,050.00
Grand Total	**20,521,392.15**

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Other Regulatory Assets (Account 182.3)

1. Report below the details called for concerning other regulatory assets which are created through the ratemaking actions of regulatory agencies (and not includable in other accounts).
2. For regulatory assets being amortized, show period of amortization in column (a).
3. Minor items (5% of the Balance at End of Year for Account 182.3 or amounts less than $250,000, whichever is less) may be grouped by classes.
4. Report separately any "Deferred Regulatory Commission Expenses" that are also reported on pages 350-351, Regulatory Commission Expenses.
5. Provide in a footnote, for each line item, the regulatory citation where authorization for the regulatory asset has been granted (e.g. Commission Order, state commission order, court decision).

Line No.	Description and Purpose of Other Regulatory Assets (a)	Balance at Beginning Current Quarter/Year (b)	Debits (c)	Written off During Quarter/Year Account Charged (d)	Written off During Period Amount Recovered (e)	Written off During Period Amount Deemed Unrecoverable (f)	Balance at End of Current Quarter/Year (g)
1	Unamortized Conservation Costs - 1 to 10 years	42,374,460	222,474,860	908	228,202,922		36,646,398
2	Deferred AFUDC	53,708,794	926,002	406	2,437,557		52,197,239
3	Colstrip Common - 37.5 years	7,947,724		406,501	1,076,479		6,871,245
4	Colstrip Deferred - 27.5 years	1,316,449		406	138,804		1,177,645
5	BPA Power Exchange - 27.5 years	8,816,458		555	3,526,620		5,289,838
6	Regulatory Tax Asset	94,913,489	20,355,055	283	42,574,819		72,693,725
7	Environmental Remidiation Costs	3,587,170	1,650,308	228	982,355		4,255,123
8	Property Tax Tracker	32,253,254	60,290,686	408	52,191,178		40,352,762
9	Decoupling Mechanism	55,363,162	138,181,370	456,182	89,394,928		104,149,604
10	Power Cost Adjustment Mechanism	4,623,329	125,398	557,419			4,748,727
11	White River Relicensing & Reg Asset	25,641,285	1,114,709	182	3,249,620		23,506,374
12	Chelan PUD - 20 years	119,315,771		555	7,088,065		112,227,706
13	Mint Farm Deferral - 1.9 years and 15 years	29,405,543		407	2,885,052		26,520,491
14	Lower Snake River Deferral - 4 years and 20 years	94,440,384		407,253	8,404,796		86,035,588
15	Ferndale Deferral	21,848,710		407	4,520,424		17,328,286
16	Baker Deferral - 6 years	2,581,181		407	673,356		1,907,825
17	Snoqualmie Deferral - 6 years	10,135,806		407	2,644,127		7,491,679
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40	**Total**	**608,272,969**	**445,118,388**		**449,991,102**	**0**	**603,400,255**

FOOTNOTE DATA

Schedule Page: 232 Line No.: 1 Column: a
Line#1 Included in Washington Commission Dockets UE-080389, EU080390, UE-970686 and UG-120812.

Schedule Page: 232 Line No.: 2 Column: a
Line#2 Included in Washington Commission Dockets UE-130137, UG-130138 UE-072300 and UG-072301.

Schedule Page: 232 Line No.: 3 Column: a
Included in Washington Commission Dockets U-89-2688, UE-111048 and UG-111049. Amortization Expires in June 2024 and December 2019.

Schedule Page: 232 Line No.: 4 Column: a
Included in Washington Commission Dockets UE072300 and UG-072301, UE-130137 and UG-130138. Amortization Expires in June 2024.

Schedule Page: 232 Line No.: 5 Column: a
Included in Washington Commission Dockets U-89-2688-T, UE-090704.. Amortization Expires in June 2017.

Schedule Page: 232 Line No.: 6 Column: a
No docket number required. FAS 109 balance.

Schedule Page: 232 Line No.: 7 Column: a
Included in Washington Commission Dockets UE-991796, UE-072300, UG-072301, UE-0911476, UE-021537, UE-130137 and UG-130138.

Schedule Page: 232 Line No.: 8 Column: a
Included in Washington Commission Dockets UE-130137 and UG-130138.

Schedule Page: 232 Line No.: 9 Column: a
Included in Washington Commission Dockets UE-121697, UG-121705.

Schedule Page: 232 Line No.: 10 Column: a
Included in Washington Commission Dockets UE-011570. Total includes interest recorded on the customer balance of the PCA.

Schedule Page: 232 Line No.: 11 Column: a
Included in Washington Commission Dockets UE-032043, UE-031471, UG-040640, and UE040641.

Schedule Page: 232 Line No.: 12 Column: a
Included in Washington Commission Dockets UE-060266 and UG-060539. Amortization began in November 2011 and expires in October 2031.

Schedule Page: 232 Line No.: 13 Column: a
Included in Washington Commission Dockets UE-090704, UG-090705. Amortization began April 2010 and expires in March 2025.

Schedule Page: 232 Line No.: 14 Column: a
Included in Washington Commission Dockets UE-111048, UG-111049, UE-130583, UE-131099 and UE-131230. Amortization began in May 2012 and expires in April 2016 and April 2037.

Schedule Page: 232 Line No.: 15 Column: a
Included in Washington Commission Dockets UE-130617, UE131230, UE-131099 and UE-130583. Amortization is for 6 years which began in November 2013 and expires in October 2019.

Schedule Page: 232 Line No.: 16 Column: a
Included in Washington Commission Dockets UE-130617, UE-130583, UE-131099, UE-131230. Amortization is for 6 years which began in November 2013 and expires in October 2019.

Schedule Page: 232 Line No.: 17 Column: a
Included in Washington Commission Dockets UE-130617, UE-130583, UE-131099, UE-131230. Amortization is for 6 years which began in November 2013 and expires in October 2019.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Miscellaneous Deferred Debits (Account 186)

1. Report below the details called for concerning miscellaneous deferred debits.
2. For any deferred debit being amortized, show period of amortization in column (a).
3. Minor items (less than $250,000) may be grouped by classes.

Line No.	Description of Miscellaneous Deferred Debits (a)	Balance at Beginning of Year (b)	Debits (c)	Credits Account Charged (d)	Credits Amount (e)	Balance at End of Year (f)
1	Incurred not Report Worker Comp	4,143,510	4,686,690	186,253	5,649,488	3,180,712
2	Carbon Offset Program	167,754	60,933	253	65,456	163,231
3	Damage Claims	3,443,589	27,339,377	184	27,004,035	3,778,931
4	Clearing Account Charges	230,130	154,774	184,186	238,576	146,328
5	FAS 133 Net Unrealized	69,280,455	795,693,828	244	804,084,908	60,889,375
6	Chelan Prepayments	7,813,209	80,977	555	468,962	7,425,224
7	Ferndale		2,843,428	186,513	77,743	2,765,685
8	Encogen		5,104,843	186	2,153,185	2,951,658
9	Environmental Remediation Exp	58,464,930	7,407,254	186,228	7,220,741	58,651,443
10	Real Estate	5,178,362	2,489,352	186,253	211,613	7,456,101
11	Snoqualmie	11,506,984	16,565	186,253	1,239,142	10,284,407
12	Baker	66,938,490	3,857,492	186,253	2,916,350	67,879,632
13	Colstrip	2,705,545	8,510,942	Various	5,292,418	5,924,069
14	Fredonia	6,582,516	1,216	553	699,028	5,884,704
15	Goldendale	3,761,745		513	1,437,308	2,324,437
16	Electron	909,655		186,228		909,655
17	Fredrickson	1,174,437		553	260,113	914,324
18	Mint Farm	3,331,537	1,703,189	553	1,823,736	3,210,990
19	Minor Items	1,441,348	19,677,268	Various	21,033,211	85,405
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39	Miscellaneous Work in Progress					
40	**Total**	**247,074,196**	**879,628,128**		**881,876,013**	**244,826,311**

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Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Accumulated Deferred Income Taxes (Account 190)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes.
2. At Other (Specify), include deferrals relating to other income and deductions.
3. Provide in a footnote a summary of the type and amount of deferred income taxes reported in the beginning-of-year and end-of-year balances for deferred income taxes that the respondent estimates could be included in the development of jurisdictional recourse rates.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Changes During Year Amounts Debited to Account 410.1 (c)	Changes During Year Amounts Credited to Account 411.1 (d)
1	Account 190			
2	Electric	576,602,520	(65,254,766)	63,254,184
3	Gas	77,926,261	(27,511,307)	17,340,140
4	Other Non-Operating			
5	Total (Total of lines 2 thru 4)	654,528,781	(92,766,073)	80,594,324
6	Other (Specify) (footnote details)			
7	TOTAL Account 190 (Total of lines 5 thru 6)	654,528,781	(92,766,073)	80,594,324
8	Classification of TOTAL			
9	Federal Income Tax	654,528,781	(92,766,073)	80,594,324
10	State Income Tax			
11	Local Income Tax			

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Accumulated Deferred Income Taxes (Account 190) (continued)

Line No.	Changes During Year Amounts Debited to Account 410.2 (e)	Changes During Year Amounts Credited to Account 411.2 (f)	Adjustments Debits Account No. (g)	Adjustments Debits Amount (h)	Adjustments Credits Account No. (i)	Adjustments Credits Amount (j)	Balance at End of Year (k)
1							
2				(154,554)		(153,367,823)	551,898,201
3						(65,482,771)	57,294,937
4							
5				(154,554)		(218,850,594)	609,193,138
6							
7				(154,554)		(218,850,594)	609,193,138
8							
9				(154,554)		(218,850,594)	609,193,138
10							
11							

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Capital Stock (Accounts 201 and 204)

1. Report below the details called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock.
2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.
3. Give details concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued.

Line No.	Class and Series of Stock and Name of Stock Exchange (a)	Number of Shares Authorized by Charter (b)	Par or Stated Value per Share (c)	Call Price at End of Year (d)
1	Common stock	150,000,000	0.01	
2				
3				
4	Total Common	150,000,000		
5				
6				
7				
8				
9				
10				
11				
12				
13				
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Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Capital Stock (Accounts 201 and 204)

4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or noncumulative.
5. State in a footnote if any capital stock that has been nominally issued is nominally outstanding at end of year.
6. Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purpose of pledge.

Line No.	Outstanding per Bal. Sheet (total amt outstanding without reduction for amts held by respondent) Shares (e)	Outstanding per Bal. Sheet Amount (f)	Held by Respondent As Reacquired Stock (Acct 217) Shares (g)	Held by Respondent As Reacquired Stock (Acct 217) Cost (h)	Held by Respondent In Sinking and Other Funds Shares (i)	Held by Respondent In Sinking and Other Funds Amount (j)
1	85,903,791	859,038				
2						
3						
4	85,903,791	859,038				
5						
6						
7						
8						
9						
10						
11						
12						
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Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Capital Stock: Subscribed, Liability for Conversion, Premium on, and Installments Recieved on (Accts 202, 203, 205, 206, 207, and 212)

1. Show for each of the above accounts the amounts applying to each class and series of capital stock.
2. For Account 202, Common Stock Subscribed, and Account 205, Preferred Stock Subscribed, show the subscription price and the balance due on each class at the end of year.
3. Describe in a footnote the agreement and transactions under which a conversion liability existed under Account 203, Common Stock Liability for Conversion, or Account 206, Preferred Stock Liability for Conversion, at the end of year.
4. For Premium on Account 207, Capital Stock, designate with an asterisk in column (b), any amounts representing the excess of consideration received over stated values of stocks without par value.

Line No.	Name of Account and Description of Item (a)	* (b)	Number of Shares (c)	Amount (d)
1	Premium on Common Stock Issued During 1961		326,682	7,782,690
2	Premium on Common Stock Issued During 1968		360,000	8,640,000
3	Premium on Common Stock Issued During 1970		1,752	29,927
4	Premium on Common Stock Issued During 1971		407,191	8,493,757
5	Premium on Common Stock Issued During 1972		12,900	276,268
6	Premium on Common Stock Issued During 1973		9,706	185,819
7	Premium on Common Stock Issued During 1974		612,802	7,055,455
8	Premium on Common Stock Issued During 1975		781,163	10,703,714
9	Premium on Common Stock Issued During 1976		954,797	19,264,821
10	Premium on Common Stock Issued During 1976 ($2.59)		800,000	2,000,000
11	Premium on Common Stock Issued During 1977 Stock Split		7,019,243	(68,994,489)
12	Premium on Common Stock Issued During 1977		2,519,571	22,613,874
13	Premium on Common Stock Issued During 1977 ($2.34)		1,000,000	2,500,000
14	Premium on Common Stock Issued During 1978		3,357,447	15,753,536
15	Premium on Common Stock Issued During 1979		3,657,643	16,751,584
16	Premium on Common Stock Issued During 1980		4,350,026	15,190,018
17	Premium on Common Stock Issued During 1981		5,056,169	14,045,545
18	Premium on Common Stock Issued During 1982		6,105,561	24,054,868
19	Premium on Common Stock Issued During 1982 ($4.375)		2,000,000	5,000,000
20	Premium on Common Stock Issued During 1983		6,204,992	26,567,671
21	Premium on Common Stock Issued During 1984		3,569,179	5,253,174
22	Premium on Common Stock Issued During 1985		2,344,132	11,106,933
23	Premium on Common Stock Issued During 1986		1,455,370	16,119,886
24	Premium on Common Stock Issued During 1987		1,866,732	19,129,717
25	Premium on Preferred Stock Transfer During 1987 to A/C 210			
26	$2.59		(800,000)	(2,000,000)
27	$2.34		(1,000,000)	(2,500,000)
28	$4.375		(2,000,000)	(5,000,000)
29	Premium on Common Stock Issued During 1988		1,795,188	16,129,075
30	Premium on Common Stock Issued During 1989		447,550	3,823,223
31	Premium on Common Stock Issued During 1992		3,012,986	49,837,127
32	Premium on Common Stock Issued During 1993		5,054,785	88,486,880
33	Premium on Common Stock Issued During 1994		11,443	124,437
34	Premium on Common Stock Issued During 1999		361,944	4,198,328
35	Premium on Common Stock Issued During 2000		981,549	13,294,693
36	Adjustment for Premium on Capital Stock previously issued by WA Energy Co.		9,581,729	122,817,919
37	Stock Purchase Plan 1997-2001			(591,200)
38				
39				
40	**Total**		**72,220,232**	**478,145,250**

FOOTNOTE DATA

Schedule Page: 252 Line No.: 36 Column: c

Adjustment for Premium on Capital Stock previously issued by Washington Energy Co. with shares adjusted for conversion ratio of .86; 9,583,670 shares for $122,847,945.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Other Paid-In Capital (Accounts 208-211)

1. Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as a total of all accounts for reconciliation with the balance sheet, page 112. Explain changes made in any account during the year and give the accounting entries effecting such change.

(a) Donations Received from Stockholders (Account 208) - State amount and briefly explain the origin and purpose of each donation.

(b) Reduction in Par or Stated Value of Capital Stock (Account 209) - State amount and briefly explain the capital changes that gave rise to amounts reported under this caption including identification with the class and series of stock to which related.

(c) Gain or Resale or Cancellation of Reacquired Capital Stock (Account 210) - Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related.

(d) Miscellaneous Paid-In Capital (Account 211) - Classify amounts included in this account according to captions that, together with brief explanations, disclose the general nature of the transactions that gave rise to the reported amounts.

Line No.	Item (a)	Amount (b)
1	Account 211 - Miscellaneous Paid in Capital	2,804,096,691
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40	**Total**	**2,804,096,691**

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

DISCOUNT ON CAPITAL STOCK (ACCOUNT 213)

1. Report the balance at end of year of discount on capital stock for each class and series of capital stock. Use as many rows as necessary to report all data.
2. If any change occurred during the year in the balance with respect to any class or series of stock, attach a statement giving details of the change. State the reason for any charge-off during the year and specify the account charged.

Line No.	Class and Series of Stock (a)	Balance at End of Year (b)
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3		
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7		
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9		
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11		
12		
13		
14		
	TOTAL	

CAPITAL STOCK EXPENSE (ACCOUNT 214)

1. Report the balance at end of year of capital stock expenses for each class and series of capital stock. Use as many rows as necessary to report all data. Number the rows in sequence starting from the last row number used for Discount on Capital Stock above.
2. If any change occurred during the year in the balance with respect to any class or series of stock, attach a statement giving details of the change. State the reason for any charge-off of capital stock expense and specify the account charged.

Line No.	Class and Series of Stock (a)	Balance at End of Year (b)
16	Account 214 - Common Stock Expense	7,133,879
17		
18		
19		
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28		
	TOTAL	7,133,879

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) X An Original (2) __ A Resubmission	04/14/2016	2015/Q4

Securities Issued or Assumed and Securities Refunded or Retired During the Year

1. Furnish a supplemental statement briefly describing security financing and refinancing transactions during the year and the accounting for the securities, discounts, premiums, expenses, and related gains or losses. Identify as to Commission authorization numbers and dates.
2. Provide details showing the full accounting for the total principal amount, par value, or stated value of each class and series of security issued, assumed, retired, or refunded and the accounting for premiums, discounts, expenses, and gains or losses relating to the securities. Set forth the facts of the accounting clearly with regard to redemption premiums, unamortized discounts, expenses, and gain or losses relating to securities retired or refunded, including the accounting for such amounts carried in the respondent's accounts at the date of the refunding or refinancing transactions with respect to securities previously refunded or retired.

3. Include in the identification of each class and series of security, as appropriate, the interest or dividend rate, nominal date of issuance, maturity date, aggregate principal amount, par value or stated value, and number of shares. Give also the issuance of redemption price and name of the principal underwriting firm through which the security transactions were consummated.
4. Where the accounting for amounts relating to securities refunded or retired is other than that specified in General Instruction 17 of the Uniform System of Accounts, cite the Commission authorization for the different accounting and state the accounting method.
5. For securities assumed, give the name of the company for which the liability on the securities was assumed as well as details of the transactions whereby the respondent undertook to pay obligations of another company. If any unamortized discount, premiums, expenses, and gains or losses were taken over onto the respondent's books, furnish details of these amounts with amounts relating to refunded securities clearly earmarked.

Securities Issued or Assumed:
NONE

Securities Refunded or Retired:
Common Stock $.01, Stated Value: NONE

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[Next Page is 256]

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Long-Term Debt (Accounts 221, 222, 223, and 224)

1. Report by Balance Sheet Account the details concerning long-term debt included in Account 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other Long-Term Debt.
2. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.
3. For Advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.
4. For receivers' certificates, show in column (a) the name of the court and date of court order under which such certificates were issued.

Line No.	Class and Series of Obligation and Name of Stock Exchange (a)	Nominal Date of Issue (b)	Date of Maturity (c)	Outstanding (Total amount outstanding without reduction for amts held by respondent) (d)
1	ACCOUNT 221			
2				
3	First Mortgage Bonds Senior MTN 7.02% Series A	12/22/1997	12/01/2027	300,000,000
4	First Mortgage Bonds Senior MTN 6.74% Series A	06/15/1998	06/15/2018	200,000,000
5	First Mortgage Bonds Senior MTN 7.00% Series B	03/09/1999	03/09/2029	100,000,000
6	5.483% Senior Notes Due 06/35	05/27/2005	06/01/2035	250,000,000
7	5.197% Senior Notes Due 10/15	10/12/2005	10/01/2015	
8	6.724% Senior Notes Due 06/36	06/30/2006	06/15/2036	250,000,000
9	6.274% Senior Notes Due 03/37	09/18/2006	03/15/2037	300,000,000
10	Junior Subordinated Notes (Hybrid) 6.974%	06/01/2007	06/01/1967	250,000,000
11	6.75% Senior Notes Due 01/16	01/23/2009	01/15/2016	
12	5.757% Senior Notes Due 10/39	09/11/2009	10/01/2039	350,000,000
13	5.795% Senior Notes Due 03/40	03/08/2010	03/15/2040	325,000,000
14	5.764% Senior Notes Due 07/40	06/29/2010	07/15/2040	250,000,000
15	4.434% Senior Notes Due 11/41	11/16/2011	11/15/2041	250,000,000
16	4.700% Senior Notes Due 11/51	11/22/2011	11/15/2051	45,000,000
17	5.638% Senior Notes Due 04/41	03/25/2011	04/15/2041	300,000,000
18	4.300% Senior Notes Due 05/45	05/26/2015	05/20/2045	425,000,000
19	3.9% Pollution Control Bonds Rev Series 2013A	05/23/2013	03/01/2031	138,460,000
20	4.0% Pollution Control Bonds Rev Series 2013B	05/23/2013	03/01/2031	23,400,000
21				
22				
23	Bonds assumed which were originally issued by Washington Natural Gas Company			
24				
25	Secured Medium Term Notes - 7.35% Series C	09/11/1995	09/11/2015	
26	Secured Medium Term Notes - 7.36% Series C	09/15/1995	09/15/2015	
27	Secured Medium Term Notes - 7.15% Series C	12/20/1995	12/19/2025	15,000,000
28	Secured Medium Term Notes - 7.20% Series C	12/22/1995	12/22/2025	2,000,000
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40	TOTAL			3,773,860,000

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Long-Term Debt (Accounts 221, 222, 223, and 224)

5. In a supplemental statement, give explanatory details for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year (b) interest added to principal amount, and (c) principal repaid during year. Give Commission authorization numbers and dates.
6. If the respondent has pledged any of its long-term debt securities, give particulars (details) in a footnote, including name of the pledgee and purpose of the pledge.
7. If the respondent has any long-term securities that have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
8. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (f). Explain in a footnote any difference between the total of column (f) and the total Account 427, Interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.
9. Give details concerning any long-term debt authorized by a regulatory commission but not yet issued.

Line No.	Interest for Year Rate (in %) (e)	Interest for Year Amount (f)	Held by Respondent Reacquired Bonds (Acct 222) (g)	Held by Respondent Sinking and Other Funds (h)	Redemption Price per $100 at End of Year (i)
1					
2					
3	7.020	21,060,000			
4	6.740	13,480,000			
5	7.000	7,000,000			
6	5.483	13,707,500			
7	5.197	3,334,742			
8	6.724	16,810,000			
9	6.274	18,822,000			
10	6.974	17,435,000			
11	6.750	7,171,875			
12	5.757	20,149,500			
13	5.795	18,833,750			
14	5.764	14,410,000			
15	4.434	11,085,000			
16	4.700	2,115,000			
17	5.638	16,914,000			
18	4.300	10,914,236			
19	3.900	5,399,940			
20	4.000	936,000			
21					
22					
23					
24					
25		512,458			
26		104,267			
27		1,072,500			
28		144,000			
29					
30					
31					
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34					
35					
36					
37					
38					
39					
40		221,411,768			

FOOTNOTE DATA

Schedule Page: 256 Line No.: 7 Column: a

The 5.197% Senior Note dated 10/12/15 was fully redeemed on 6/5/15 at the following price of the principal amount with interest accrued: CUSIP #745332BV7; Maturity Date 10/01/2015; Rate 5.197%; Amount $150M, Price 101.613805353%.

Schedule Page: 256 Line No.: 11 Column: a

The 6.75% Senior Note dated 1/23/09 was fully redeemed on 6/5/15 at the following price of the principal amount with interest accrued: CUSIP #745332BZ8; Maturity Date 1/15/16; Rate 6.75%; Amount $250M, Price 103.7254055%.

Schedule Page: 256 Line No.: 18 Column: a

A Commission authorization number was not requested.

Schedule Page: 256 Line No.: 25 Column: a

Medium Term Note for $10M at coupon rate of 7.35% fully amortized on 9/11/15; CUSIP #93936KBB4.

Schedule Page: 256 Line No.: 26 Column: a

Medium Term Note for $2M at coupon rate of 7.36% fully amortized on 9/15/15; CUSIP #93936KBF5.

Schedule Page: 256 Line No.: 40 Column: f

The total of Account 427 includes an additional $487,644 of treasury lock and forward swap interest expenses not reported in the Interest for Year Amount (i).

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Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Unamortized Debt Expense, Premium and Discount on Long-Term Debt (Accounts 181, 225, 226)

1. Report under separate subheadings for Unamortized Debt Expense, Unamortized Premium on Long-Term Debt and Unamortized Discount on Long-Term Debt, details of expense, premium or discount applicable to each class and series of long-term debt.
2. Show premium amounts by enclosing the figures in parentheses.
3. In column (b) show the principal amount of bonds or other long-term debt originally issued.
4. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.

Line No.	Designation of Long-Term Debt (a)	Principal Amount of Debt Issued (b)	Total Expense Premium or Discount (c)	Amortization Period Date From (d)	Amortization Period Date To (e)
1	Account 181 - Unamortized Debt Expense				
2	First Mortgage Bonds Senior MTN 7.02% Series A	300,000,000	3,010,746	12/22/1997	12/01/2027
3	First Mortgage Bonds Senior MTN 6.74% Series A	200,000,000	2,018,425	06/15/1998	06/15/2018
4	First Mortgage Bonds Senior MTN 7.00% Series B	100,000,000	954,608	03/09/1999	03/09/2029
5	5.483% Senior Notes Due 06/35	250,000,000	2,460,125	05/27/2005	06/01/2035
6	5.197% Senior Notes Due10/15		1,206,051	10/12/2005	10/01/2015
7	6.724% Senior Notes Due 06/36	250,000,000	2,527,628	06/30/2006	06/15/2036
8	6.274% Senior Notes Due 03/37	300,000,000	2,921,148	09/18/2006	03/15/2037
9	Junior Subordinate Notes 6.974%	250,000,000	4,400,860	06/01/2007	06/01/2017
10	6.75% Senior Notes Due 01/2016		1,900,142	01/23/2009	01/15/2016
11	PSE Operating Credit Agreement		1,251,236	02/04/2013	04/15/2019
12	PSE Hedging Credit Agreement		963,995	02/04/2013	04/15/2019
13	5.757% Senior Notes Due 10/39	350,000,000	3,557,361	09/11/2009	10/01/2039
14	5.795% Senior Notes Due 3/40	325,000,000	3,384,066	03/08/2010	03/15/2040
15	5.764% Senior Notes Due 7/40	250,000,000	2,587,276	06/29/2010	07/15/2040
16	5.638% Senior Notes Due 4/41	300,000,000	3,071,895	03/25/2011	04/15/2041
17	4.434% Senior Notes Due 11/41	250,000,000	2,592,616	11/16/2011	11/15/2041
18	4.70% Senior Notes Due 11/51	45,000,000	511,229	11/22/2011	11/15/2051
19	3.9% Pollution Control Rev Series 2013A Due 3/2031	138,460,000	1,473,301	05/23/2013	03/01/2031
20	4% Pollution Control Rev Series 2013B Due 3/2031	23,400,000	248,243	05/23/2013	03/01/2031
21	$350M Hedging Credit Facility PSE 2018		1,333,855	02/04/2013	02/04/2018
22	$650M Liquidity Credit Facility PSE 2018		2,438,676	02/04/2013	02/04/2018
23	$425MM 4.30% Sr Notes due 2045		3,718,750	05/26/2015	05/20/2045
24	Subtotal	3,331,860,000	48,532,232		
25					
26	ACCOUNT 226 - UNAMORTIZED DISCOUNT ON LONG-TERM DEBT				
27	5.638% Senior Notes Due 4/41	300,000,000	15,000	03/25/2011	04/15/2041
28	$425MM 4.30% Sr Notes due 2045	425,000,000	1,912,500	05/26/2015	05/20/2045
29	Subtotal	725,000,000	1,927,500		
30					
31	ACCOUNT 181 - UNAMORTIZED DEBT EXPENSE				
32	Bonds assumed which were originally issued by Washington Gas Company				
33	Secured MTN, Series C 2015 7.35%		113,301	09/11/1995	09/11/2015
34	Secured MTN, Series C 2015 7.36%		22,660	09/11/1995	09/15/2015
35	Secured MTN, Series C 2025 7.15%	15,000,000	112,500	12/20/1995	12/19/2025
36	Secured MTN, Series C 2025 7.20%	2,000,000	15,000	12/21/1995	12/22/2025
37	Subtotal	17,000,000	263,461		
38					
39					
40					

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Unamortized Debt Expense, Premium and Discount on Long-Term Debt (Accounts 181, 225, 226)

5. Furnish in a footnote details regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.
6. Identify separately undisposed amounts applicable to issues which were redeemed in prior years.
7. Explain any debits and credits other than amortization debited to Account 428, Amortization of Debt Discount and Expense, or credited to Account 429, Amortization of Premium on Debt-Credit.

Line No.	Balance at Beginning of Year (f)	Debits During Year (g)	Credits During Year (h)	Balance at End of Year (i)
1				
2	1,306,853		101,175	1,205,678
3	349,046		100,929	248,117
4	451,785		31,835	419,950
5	1,674,512		82,017	1,592,495
6	90,791		90,791	
7	1,816,910		84,609	1,732,301
8	2,126,692		95,941	2,030,751
9	1,051,386		448,997	602,389
10	274,381		274,381	
11	826,709		268,122	558,587
12	636,926		206,571	430,355
13	2,928,477		118,721	2,809,756
14	2,839,798		112,840	2,726,958
15	2,199,201		85,963	2,113,238
16	2,693,651		102,060	2,591,591
17	2,327,287		86,640	2,240,647
18	471,595		12,804	458,791
19	1,337,203		82,561	1,254,642
20	225,981		13,954	212,027
21	1,082,000		255,129	826,871
22	1,923,436		443,871	1,479,565
23		4,493,885	50,823	4,443,062
24	28,634,620	4,493,885	3,150,734	29,977,771
25				
26				
27	13,140		503	12,637
28		1,874,427		1,874,427
29	13,140	1,874,427	503	1,887,064
30				
31				
32				
33	3,853		3,853	
34	771		771	
35	43,019		3,940	39,079
36	5,736		526	5,210
37	53,379		9,090	44,289
38				
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FOOTNOTE DATA

Schedule Page: 258 Line No.: 6 Column: a

The 5.197% Senior Note dated 10/12/15 was fully redeemed on 6/5/15 at the following price of the principal amount with interest accrued: CUSIP #745332BV7; Maturity Date 10/01/2015; Rate 5.197%; Amount $150M, Price 101.613805353%.

Schedule Page: 258 Line No.: 10 Column: a

The 6.75% Senior Note dated 1/23/09 was fully redeemed on 6/5/15 at the following price of the principal amount with interest accrued: CUSIP #745332BZ8; Maturity Date 1/15/16; Rate 6.75%; Amount $250M, Price 103.7254055%.

Schedule Page: 258 Line No.: 33 Column: a

Medium Term Note for $10M at coupon rate of 7.35% fully amortized on 9/11/15; CUSIP #93936KBB4.

Schedule Page: 258 Line No.: 34 Column: a

Medium Term Note for $2M at coupon rate of 7.36% fully amortized on 9/15/15; CUSIP #93936KBF5.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Unamortized Loss and Gain on Reacquired Debt (Accounts 189, 257)

1. Report under separate subheadings for Unamortized Loss and Unamortized Gain on Reacquired Debt, details of gain and loss, including maturity date, on reacquisition applicable to each class and series of long-term debt. If gain or loss resulted from a refunding transaction, include also the maturity date of the new issue.
2. In column (c) show the principal amount of bonds or other long-term debt reacquired.
3. In column (d) show the net gain or net loss realized on each debt reacquisition as computed in accordance with General Instruction 17 of the Uniform Systems of Accounts.
4. Show loss amounts by enclosing the figures in parentheses.
5. Explain in a footnote any debits and credits other than amortization debited to Account 428.1, Amortization of Loss on Reacquired Debt, or credited to Account 429.1, Amortization of Gain on Reacquired Debt-Credit.

Line No.	Designation of Long-Term Debt (a)	Date Reacquired (b)	Principal of Debt Reacquired (c)	Net Gain or Loss (d)	Balance at Beginning of Year (e)	Balance at End of Year (f)
1	1st Mortgage Bonds 9.5/8% Series due 1/2024	02/07/1994	50,000,000	(4,911,597)	1,533,995	1,365,115
2	1st Mortgage Bonds 9.14% Series due 6/2018	06/22/1998	30,000,000	(70,146)	12,245	8,747
3	PCB 1991A 7.05% Series due 2/2031	03/24/2003	27,500,000	(1,270,958)	735,267	689,787
4	PCB 1991B 7.25% Series due 2/2031	03/24/2003	23,400,000	(965,944)	558,742	524,181
5	PCB 1992 6.8% Series due 2/2031	03/24/2003	87,500,000	(2,957,968)	1,710,845	1,605,019
6	PCB 1993 5.875% Series due 2/2031	03/24/2003	23,460,000	(902,771)	522,148	489,851
7	VRN Floating Rate Notes, due 6/2035	05/27/2005	200,000,000	(512,599)	348,850	331,763
8	Trust Prefered Notes 8.231% due 5/2027	06/02/2005	42,500,000	(5,144,214)	2,853,401	2,623,597
9	Capital Trust Bond 8.4% due 6/2036	06/30/2006	200,000,000	(5,899,813)	4,235,960	4,038,938
10	1st Mortgage Bonds 10.25% Series due 11/2016	12/15/1995	30,000,000	(382,790)	34,406	16,070
11	1st Mortgage Bonds 8.4% Series due 11/2021	03/27/2003	3,000,000	(21,491)	7,988	6,847
12	1st Mortgage Bonds 8.39% Series due 12/2021	03/27/2003	7,000,000	(50,146)	18,637	15,974
13	1st Mortgage Bonds 8.25% Series due 8/2022	05/29/2003	25,000,000	(1,208,364)	479,057	416,572
14	1st Mortgage Bonds 7.19% Series due 8/2023	08/18/2003	3,000,000	(213,220)	91,465	80,809
15	Capital Trust Bond 8.231% due 5/2017	06/01/2007	37,750,000	(1,909,548)	461,474	270,519
16	1st Mortgage Bonds 9.57% Series due 10/2051	12/23/2011	25,000,000	(15,987,378)	14,752,445	14,351,926
17	2009 PSE Operating CR Facility due 1/2018			(378,265)	195,181	131,879
18	2009 PSE Hedging CR Facility due 1/2018			(460,462)	256,378	173,228
19	2009 PSE CapEx CR Facility due 1/2018			(1,629,534)	1,021,911	690,480
20	PCB 5% Series 2003A Bonds due 2/2031	06/24/2013	138,460,000	(5,290,431)	4,835,915	4,536,787
21	PCB 5.1% Series 2003B Bonds due 2/2031	06/24/2013	23,400,000	(894,093)	817,279	766,726
22	2014 PSE Operating CR Facility due 4/2019			(127,965)	118,825	91,404
23	2014 PSE E Hedging CR Facility due 4/2019			(42,624)	40,299	30,999
24	2014 PSE G Hedging CR Facility due 4/2019			(26,124)	24,700	18,999
25	2015 Prem Exp Senior Note 5/2045			(2,462,215)		2,415,611
26	2015 Prem Exp Senior Note 5/2045			(9,473,106)		9,292,403
27	Subtotal Unamortized Losses (189)		976,970,000	(63,193,766)	35,667,413	44,984,231
28	Total Unamortized Loss/Gains (189 & 257)		976,970,000	(63,193,766)	35,667,413	44,984,231
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FOOTNOTE DATA

Schedule Page: 260 Line No.: 25 Column: a

5.197% Senior Note for $150M due on 10/1/2015 fully redeemed on 6/5/15.Call premium computed at $2,420,708.03.

Schedule Page: 260 Line No.: 26 Column: a

6.75% Senior Note for $250M due on 1/15/16 fully redeemed on 6/5/15. Call premium computed at $9,313,513.75.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Reconciliation of Reported Net Income with Taxable Income for Feder Income Taxes

1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal Income Tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.

2. If the utility is a member of a group that files consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignments, or sharing of the consolidated tax among the group members.

Line No.	Details (a)	Amount (b)
1	Net Income for the Year (Page 116)	304,188,836
2	Reconciling Items for the Year	
3		
4	Taxable Income Not Reported on Books	
5		
6		
7		
8	TOTAL	
9	Deductions Recorded on Books Not Deducted for Return	
10	Provision for Federal Income Taxes	125,881,973
11	Others	32,302,611
12		
13	TOTAL	158,184,584
14	Income Recorded on Books Not Included in Return	
15		
16		
17		
18	TOTAL	
19	Deductions on Return Not Charged Against Book Income	
20	Others	462,373,419
21		
22		
23		
24		
25		
26	TOTAL	462,373,419
27	Federal Tax Net Income	
28	Show Computation of Tax:	
29		
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35		

FOOTNOTE DATA

Schedule Page: 261 Line No.: 11 Column: b

Line 11 Details:

Capitalized Interest	9,705,987
Derivative Instruments	(12,688,450)
Electric and Gas Purchase Contracts	2,921,284
Non Deductible Items	2,377,120
Regulatory Asset for PTC	29,954,454
Income from Subsidiary	32,216
	32,302,611

Schedule Page: 261 Line No.: 20 Column: b

Line 20 Details:

Allowance for Funds Used During Construction	(15,388,707)
Conservation Activity	4,531,062
Decoupling Revenue	(25,906,227)
Depreciation Related Activity	(189,167,143)
Environmental Cost	(3,351,359)
Green Attributes	(972,033)
NOL Carryforward	(193,101,715)
Other Items	(8,958,595)
Pensions and Other Compensation	(3,380,647)
Property Tax Rate Tracker	(8,099,508)
Regulatory Assets	14,956,510
Renewable Energy Credits	(1,418,121)
Storm Related Activity	(6,952,955)
Treasury Grant Amortization	(25,163,981)
	(462,373,419)

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[Next Page is 262a]

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)

1. Give details of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes). Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to the portion of prepaid taxes charged to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

Line No.	Kind of Tax (See Instruction 5) (a)	Balance at Beg. of Year Taxes Accrued (b)	Balance at Beg. of Year Prepaid Taxes (c)
1	FEDERAL		
2	Inome		
3	Employment	21,437	
4	Other Federal Taxes	264	1,503
5			
6			
7	Property	72,976,044	
8	State Excise	18,235,687	
9	Municipal Excise	15,717,896	
10	Other	529,870	
11			
12			
13			
14			
15			
16			
17			
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	TOTAL	107,481,198	1,503

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged) (continued)

5. If any tax (exclude Federal and State income taxes) covers more than one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a footnote. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Show in columns (i) thru (p) how the taxes accounts were distributed. Show both the utility department and number of account charged. For taxes charged to utility plant, show the number of the appropriate balance sheet plant account or subaccount.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.
10. Items under $250,000 may be grouped.
11. Report in column (q) the applicable effective state income tax rate.

Line No.	Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)	Balance at End of Year Taxes Accrued (Account 236) (g)	Balance at End of Year Prepaid Taxes (Included in Acct 165) (h)
1					
2	800	(2,400)		(1,600)	
3	18,353,817	(18,370,136)		5,119	
4	12,979	(12,561)		264	1,085
5					
6					
7	79,077,484	(85,364,260)	8,166,198	74,855,465	
8	116,068,146	(112,850,399)		21,453,434	
9	118,390,770	(116,523,848)		17,584,817	
10	3,880,654	(3,746,207)		664,317	
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39					
	TOTAL 335,784,650	(336,869,811)	8,166,198	114,561,816	1,085

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)

1. Give details of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes). Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to the portion of prepaid taxes charged to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged.)

Line No.	Electric (Account 408.1, 409.1) (i)	Gas (Account 408.1, 409.1) (j)	Other Utility Dept. (Account 408.1, 409.1) (k)	Other Income and Deductions (Account 408.2, 409.2) (l)
1				
2				
3	9,247,159	4,186,093		
4				
5				
6				
7	51,323,139	19,421,833		336,682
8	80,664,654	35,071,151		
9	77,502,130	40,921,750		
10	1,600,477			
11				
12				
13				
14				
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TOTAL	220,337,559	99,600,827		336,682

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged) (continued)

5. If any tax (exclude Federal and State income taxes) covers more than one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a footnote. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Show in columns (i) thru (p) how the taxes accounts were distributed. Show both the utility department and number of account charged. For taxes charged to utility plant, show the number of the appropriate balance sheet plant account or subaccount.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.
10. Items under $250,000 may be grouped.
11. Report in column (q) the applicable effective state income tax rate.

DISTRIBUTION OF TAXES CHARGED (Show utility department where applicable and account charged.)

Line No.	Extraordinary Items (Account 409.3) (m)	Other Utility Opn. Income (Account 408.1, 409.1) (n)	Adjustment to Ret. Earnings (Account 439) (o)	Other (p)	State/Local Income Tax Rate (q)
1					
2				800	
3				4,920,565	
4				12,979	
5					
6					
7				7,995,830	
8				332,341	
9				(33,110)	
10				2,280,177	
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TOTAL				15,509,582	

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Miscellaneous Current and Accrued Liabilities (Account 242)

1. Describe and report the amount of other current and accrued liabilities at the end of year.
2. Minor items (less than $250,000) may be grouped under appropriate title.

Line No.	Item (a)	Balance at End of Year (b)
1	401(k) Company Contributions	2,550,081
2	401(k) Company Contributions - Incentive	914,196
3	FERC Hydropower Annual Fee for Land Use	247,308
4	FERC Trading Floor Payable	167,240
5	Lower Snake River Wind Facility Maintenance	1,001,094
6	Lower Snake River U.S. Treasury Grants	1,697,752
7	NERC Standards Compliance Loss Reserve	166,120
8	Wild Horse US Treasury Grants	250,782
9	WUTC Electric Utility Annual Regulatory Fees	4,222,911
10	WUTC Gas Utility Annual Regulatory Fees	1,915,057
11	WUTC SQI Penalty - Electric	491,261
12	WUTC SQI Penalty - Gas	353,895
13	Baker License Articles Funding	5,775,635
14	Miscellaneous	25,000
15	FERC Licensing Fees - Baker & Snoqualmie	793,129
16		
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45	**Total**	**20,571,461**

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Other Deferred Credits (Account 253)

1. Report below the details called for concerning other deferred credits.
2. For any deferred credit being amortized, show the period of amortization.
3. Minor items (less than $250,000) may be grouped by classes.

Line No.	Description of Other Deferred Credits (a)	Balance at Beginning of Year (b)	Debit Contra Account (c)	Debit Amount (d)	Credits (e)	Balance at End of Year (f)
1	Deferred Comp - Salary	11,420,672	Various	4,091,294	1,463,034	8,792,412
2	SFAS 106 Unfunded Liability	7,182,964	Various	5,285,522	6,639,867	8,537,309
3	Low Income Program	4,814,112	908	31,722,640	34,092,802	7,184,274
4	Sch 85 Extension Cost	8,952,054	456	303,991	1,178,692	9,826,755
5	Green Power Tariff	3,270,480	456	533,623	1,850,447	4,587,304
6	Landlord Incentives/Improvements	5,150,167	Various	2,033,199	6,965,167	10,082,135
7	PTC Deferred Post June '10	147,366,818	407		29,954,454	177,321,272
8	Landis Gyr AMR	1,748,000	902	1,509,833	50,833	289,000
9	Workers Comp - IBNR	4,143,509	186	1,683,694	720,894	3,180,709
10	Residential Exchange	28,241,478	555	195,687,321	172,899,643	5,453,800
11	Operating Leases Obligation	4,620,520	186	11,403	2,194,490	6,803,607
12	Decoupling		495,456	56,934,097	66,913,925	9,979,828
13	Lower Snake River	13,144,157	565,419	10,592,594	8,727,217	11,278,780
14	Snoqualmie	12,540,680	419,186	2,109,978	16,565	10,447,267
15	Ferndale	2,616,300	419	541,304		2,074,996
16	Baker	62,416,324	186,419	2,158,316	3,755,903	64,013,911
17	Unearned Revenue	3,148,477	454	6,475,011	6,400,683	3,074,149
18	Deferred Credit	9,345,717	419,186	2,682,641	2,058,243	8,721,319
19	Minor Items	784,478	Various	8,748,125	8,347,238	383,591
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45	**Total**	**330,906,907**		**333,104,586**	**354,230,097**	**352,032,418**

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Accumulated Deferred Income Taxes-Other Property (Account 282)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to accelerated amortization.
2. At Other (Specify), include deferrals relating to other income and deductions.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 282			
2	Electric	1,235,348,839	50,540,628	4,457,516
3	Gas	493,711,951	40,795,435	18,417,636
4	Other (Define) (footnote details)			
5	Total (Enter Total of lines 2 thru 4)	1,729,060,790	91,336,063	22,875,152
6	Other (Specify) (footnote details)			
7	TOTAL Account 282 (Enter Total of lines 5 thr	1,729,060,790	91,336,063	22,875,152
8	Classification of TOTAL			
9	Federal Income Tax	1,729,060,790	91,336,063	22,875,152
10	State Income Tax			
11	Local Income Tax			

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Accumulated Deferred Income Taxes-Other Property (Account 282) (continued)

3. Provide in a footnote a summary of the type and amount of deferred income taxes reported in the beginning-of-year and end-of-year balances for deferred income taxes that the respondent estimates could be included in the development of jurisdictional recourse rates.

Line No.	Changes during Year Amounts Debited to Account 410.2 (e)	Changes during Year Amounts Credited to Account 411.2 (f)	Adjustments Debits Acct. No. (g)	Adjustments Debits Amount (h)	Adjustments Credits Account No. (i)	Adjustments Credits Amount (j)	Balance at End of Year (k)
1							
2							1,281,431,951
3							516,089,750
4							
5							1,797,521,701
6							
7							1,797,521,701
8							
9							1,797,521,701
10							
11							

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Accumulated Deferred Income Taxes-Other (Account 283)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.
2. At Other (Specify), include deferrals relating to other income and deductions.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Changes During Year Amounts Debited to Account 410.1 (c)	Changes During Year Amounts Credited to Account 411.1 (d)
1	Account 283			
2	Electric	294,614,958	47,149,740	35,523,367
3	Gas	73,821,794	34,678,345	22,444,311
4	Other Non-Operating			
5	Total (Total of lines 2 thru 4)	368,436,752	81,828,085	57,967,678
6	Other (Specify) (footnote details)			
7	TOTAL Account 283 (Total of lines 5 thru	368,436,752	81,828,085	57,967,678
8	Classification of TOTAL			
9	Federal Income Tax	368,436,752	81,828,085	57,967,678
10	State Income Tax			
11	Local Income Tax			

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Accumulated Deferred Income Taxes-Other (Account 283) (continued)

3. Provide in a footnote a summary of the type and amount of deferred income taxes reported in the beginning-of-year and end-of-year balances for deferred income taxes that the respondent estimates could be included in the development of jurisdictional recourse rates.

Line No.	Changes during Year Amounts Debited to Account 410.2 (e)	Changes during Year Amounts Credited to Account 411.2 (f)	Adjustments Debits Acct. No. (g)	Adjustments Debits Amount (h)	Adjustments Credits Account No. (i)	Adjustments Credits Amount (j)	Balance at End of Year (k)
1							
2			Various	(31,329,198)	Various	(8,478,657)	283,390,790
3			Various	(2,860,452)	Various	(3,242,489)	86,437,865
4							
5				(34,189,650)		(11,721,146)	369,828,655
6							
7				(34,189,650)		(11,721,146)	369,828,655
8							
9				(34,189,650)		(11,721,146)	369,828,655
10							
11							

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Other Regulatory Liabilities (Account 254)

1. Report below the details called for concerning other regulatory liabilities which are created through the ratemaking actions of regulatory agencies (and not includable in other amounts).
2. For regulatory liabilities being amortized, show period of amortization in column (a).
3. Minor items (5% of the Balance at End of Year for Account 254 or amounts less than $250,000, whichever is less) may be grouped by classes.
4. Provide in a footnote, for each line item, the regulatory citation where the respondent was directed to refund the regulatory liability (e.g. Commission Order, state commission order, court decision).

Line No.	Description and Purpose of Other Regulatory Liabilities (a)	Balance at Beginning of Current Quarter/Year (b)	Written off during Quarter/Period Account Credited (c)	Written off During Period Amount Refunded (d)	Written off During Period Amount Deemed Non-Refundable (e)	Credits (f)	Balance at End of Current Quarter/Year (g)
1	Unamort. Gain from Disposition of Allowance	78,501	411.8	37,337			41,164
2	Summit Purchase Buyout	9,187,500	456,495	1,575,000			7,612,500
3	BNP-Westcoast Cap Agrmnt-Non-Core Gas	2,060,901	547	537,626			1,523,275
4	FBE-Westcoast Cap Agrmnt-Non-Core Gas	1,503,317	547	392,169			1,111,148
5	Renewable Energy Credits	3,056,543	456,431	33,073,404		32,861,968	2,845,107
6	Biogas Principal and Int	1,445,981	456,417	2,482,824		1,510,791	473,948
7	PTC Cost Deferral	93,615,823	407.3				93,615,823
8	Deferred Treasury grant Amortization	8,196,617	431,407.4	2,138,244			6,058,373
9	Decoupling	12,582,373	456,431	30,159,710		43,060,098	25,482,761
10	Total JPUD Gain to Customer	4,731,254	407,431	43,771,837		39,040,583	
11							
12							
13							
14							
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41							
42							
43							
44							
45	Total	136,458,810		114,168,151	0	116,473,440	138,764,099

FOOTNOTE DATA

Schedule Page: 278 Line No.: 1 Column: a

Included in Washington Commission Docket UE-001157. Effective in June 2000, each sale amortizes over ten years from the date of sale. Amortization will expire in May 2016, June 2017, May 2018, May 2019, April 2020, and in April 2021.

Schedule Page: 278 Line No.: 2 Column: a

Included in Washington Commission Docket UE-071876. Amortization expires October 2020.

Schedule Page: 278 Line No.: 3 Column: a

Included in Washington Commission Docket UE-100503. Amortization expires October 2018.

Schedule Page: 278 Line No.: 4 Column: a

Included in Washington Commission Docket UE-082013. Amortization expires October 2018.

Schedule Page: 278 Line No.: 5 Column: a

Included in Washington Commission Docket UE-070725, UE-101581, UE-111048, UE-120277. The REC liability balance is used to offset PTC receivables.

Schedule Page: 278 Line No.: 6 Column: a

Included in Washington Commission Docket UE-131276, effective in November 2013. Washington Commission Docket UE-132185, effective January 2014.

Schedule Page: 278 Line No.: 7 Column: a

Included in Washington Commission Docket UE-070725/ UE-101581. The REC liability balance is used to offset PTC receivables.

Schedule Page: 278 Line No.: 8 Column: a

Included in Washington Commission Docket UE-130583, UE-130617, UE131099, UE-131230. Amortization Expires June 2044. Included in Washington Commission Docket UE-141141. Amortization Expires October 2018.

Schedule Page: 278 Line No.: 9 Column: a

Included in Washington Commission Docket UG-121697 and UG121705, effective July 2013 and will remain in place, at minimum, until the effective date of new rates set in PSE's next general rate case which will be filed in March 11, 2016.

Schedule Page: 278 Line No.: 10 Column: a

Included in Washington Commission Docket UE-132027. PSE credited remaining amount by December 2015.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Gas Operating Revenues

1. Report below natural gas operating revenues for each prescribed account total. The amounts must be consistent with the detailed data on succeeding pages.
2. Revenues in columns (b) and (c) include transition costs from upstream pipelines.
3. Other Revenues in columns (f) and (g) include reservation charges received by the pipeline plus usage charges, less revenues reflected in columns (b) through (e). Include in columns (f) and (g) revenues for Accounts 480-495.

Line No.	Title of Account (a)	Revenues for Transition Costs and Take-or-Pay Amount for Current Year (b)	Revenues for Transition Costs and Take-or-Pay Amount for Previous Year (c)	Revenues for GRI and ACA Amount for Current Year (d)	Revenues for GRI and ACA Amount for Previous Year (e)
1	480 Residential Sales				
2	481 Commercial and Industrial Sales				
3	482 Other Sales to Public Authorities				
4	483 Sales for Resale				
5	484 Interdepartmental Sales				
6	485 Intracompany Transfers				
7	487 Forfeited Discounts				
8	488 Miscellaneous Service Revenues				
9	489.1 Revenues from Transportation of Gas of Others Through Gathering Facilities				
10	489.2 Revenues from Transportation of Gas of Others Through Transmission Facilities				
11	489.3 Revenues from Transportation of Gas of Others Through Distribution Facilities				
12	489.4 Revenues from Storing Gas of Others				
13	490 Sales of Prod. Ext. from Natural Gas				
14	491 Revenues from Natural Gas Proc. by Others				
15	492 Incidental Gasoline and Oil Sales				
16	493 Rent from Gas Property				
17	494 Interdepartmental Rents				
18	495 Other Gas Revenues				
19	Subtotal:				
20	496 (Less) Provision for Rate Refunds				
21	TOTAL:				

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Gas Operating Revenues

4. If increases or decreases from previous year are not derived from previously reported figures, explain any inconsistencies in a footnote.
5. On Page 108, include information on major changes during the year, new service, and important rate increases or decreases.
6. Report the revenue from transportation services that are bundled with storage services as transportation service revenue.

Line No.	Other Revenues Amount for Current Year (f)	Other Revenues Amount for Previous Year (g)	Total Operating Revenues Amount for Current Year (h)	Total Operating Revenues Amount for Previous Year (i)	Dekatherm of Natural Gas Amount for Current Year (j)	Dekatherm of Natural Gas Amount for Previous Year (k)
1	597,572,435	644,054,556	597,572,435	644,054,556	49,299,668	52,742,316
2	290,464,125	306,891,929	290,464,125	306,891,929	29,821,538	31,468,875
3						
4						
5						
6						
7	1,319,838	1,708,626	1,319,838	1,708,626		
8	4,904,835	2,465,630	4,904,835	2,465,630		
9						
10						
11	18,665,572	17,069,069	18,665,572	17,069,069	22,039,192	21,142,908
12	980,178	980,178	980,178	980,178		
13						
14						
15						
16	7,111,257	7,372,334	7,111,257	7,372,334		
17						
18	26,530,324	32,316,807	26,530,324	32,316,807		
19	947,548,564	1,012,859,129	947,548,564	1,012,859,129		
20						
21	947,548,564	1,012,859,129	947,548,564	1,012,859,129		

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Other Gas Revenues (Account 495)

Report below transactions of $250,000 or more included in Account 495, Other Gas Revenues. Group all transactions below $250,000 in one amount and provide the number of items.

Line No.	Description of Transaction (a)	Amount (in dollars) (b)
1	Commissions on Sale or Distribution of Gas of Others	
2	Compensation for Minor or Incidental Services Provided for Others	
3	Profit or Loss on Sale of Material and Supplies not Ordinarily Purchased for Resale	
4	Sales of Stream, Water, or Electricity, including Sales or Transfers to Other Departments	
5	Miscellaneous Royalties	
6	Revenues from Dehydration and Other Processing of Gas of Others except as provided for in the Instructions to Account 495	
7	Revenues for Right and/or Benefits Received from Others which are Realized Through Research, Development, and Demonstration Ventures	
8	Gains on Settlements of Imbalance Receivables and Payables	
9	Revenues from Penalties earned Pursuant to Tariff Provisions, including Penalties Associated with Cash-out Settlements	
10	Revenues from Shipper Supplied Gas	
11	Other revenues (Specify):	
12	Transactions $250,000 or more:	
13	Decoupling Revenue	25,942,756
14	Summit Buyout	548,892
15	Transactions bellow $250,000:	
16	Miscellaneus Other Gas Revenues	38,676
17		
18		
19		
20		
21		
22		
23		
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25		
26		
27		
28		
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35		
36		
37		
38		
39		
	Total	**26,530,324**

FOOTNOTE DATA

Schedule Page: 308 Line No.: 13 Column: b

The Washington Utilities and Transportation Commission Docket no. UG-121705 allowed PSE to implement decoupling mechanism for its natural gas operations. As part of the mechanism PSE is less dependent on the volumes of sales to customers and effects of weather on revenues. The decoupling mechanism went into effect on July 1, 2013 and will remain in place, at minimum, until the effective date of new rates set in PSE's next general rate case which will be filed in March 11, 2016.

Schedule Page: 308 Line No.: 14 Column: b

The Washington Utilities and Transportation Commission Docket no. UE-071876 authorized PSE to defer a gain of approximately $18.9 million that resulted from the termination of a purchase option to buy PSE's corporation headquarter facilities (Summit Building) in Bellevue, Washington. The gain will be amortized over the remaining life of the lease beginning November 2008.

Schedule Page: 308 Line No.: 16 Column: b

Miscellaneous Other Gas Revenues of $39K consists of gas miscellaneous income for non-consumption, carbon offset program, imbalance rule 29 for A/R miscellaneous and damage claims.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Gas Operation and Maintenance Expenses

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
1	1. PRODUCTION EXPENSES		
2	A. Manufactured Gas Production		
3	Manufactured Gas Production (Submit Supplemental Statement)	255,050	180,002
4	B. Natural Gas Production		
5	B1. Natural Gas Production and Gathering		
6	Operation		
7	750 Operation Supervision and Engineering	0	0
8	751 Production Maps and Records	0	0
9	752 Gas Well Expenses	0	0
10	753 Field Lines Expenses	0	0
11	754 Field Compressor Station Expenses	0	0
12	755 Field Compressor Station Fuel and Power	0	0
13	756 Field Measuring and Regulating Station Expenses	0	0
14	757 Purification Expenses	0	0
15	758 Gas Well Royalties	0	0
16	759 Other Expenses	0	0
17	760 Rents	0	0
18	TOTAL Operation (Total of lines 7 thru 17)	0	0
19	Maintenance		
20	761 Maintenance Supervision and Engineering	0	0
21	762 Maintenance of Structures and Improvements	0	0
22	763 Maintenance of Producing Gas Wells	0	0
23	764 Maintenance of Field Lines	0	0
24	765 Maintenance of Field Compressor Station Equipment	0	0
25	766 Maintenance of Field Measuring and Regulating Station Equipment	0	0
26	767 Maintenance of Purification Equipment	0	0
27	768 Maintenance of Drilling and Cleaning Equipment	0	0
28	769 Maintenance of Other Equipment	0	0
29	TOTAL Maintenance (Total of lines 20 thru 28)	0	0
30	TOTAL Natural Gas Production and Gathering (Total of lines 18 and 29)	0	0

Name of Respondent Puget Sound Energy, Inc.	This Report Is: (1) [X] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr) 04/14/2016	Year/Period of Report End of 2015/Q4

Gas Operation and Maintenance Expenses(continued)

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
31	B2. Products Extraction		
32	Operation		
33	770 Operation Supervision and Engineering	0	0
34	771 Operation Labor	0	0
35	772 Gas Shrinkage	0	0
36	773 Fuel	0	0
37	774 Power	0	0
38	775 Materials	0	0
39	776 Operation Supplies and Expenses	0	0
40	777 Gas Processed by Others	0	0
41	778 Royalties on Products Extracted	0	0
42	779 Marketing Expenses	0	0
43	780 Products Purchased for Resale	0	0
44	781 Variation in Products Inventory	0	0
45	(Less) 782 Extracted Products Used by the Utility-Credit	0	0
46	783 Rents	0	0
47	TOTAL Operation (Total of lines 33 thru 46)	0	0
48	Maintenance		
49	784 Maintenance Supervision and Engineering	0	0
50	785 Maintenance of Structures and Improvements	0	0
51	786 Maintenance of Extraction and Refining Equipment	0	0
52	787 Maintenance of Pipe Lines	0	0
53	788 Maintenance of Extracted Products Storage Equipment	0	0
54	789 Maintenance of Compressor Equipment	0	0
55	790 Maintenance of Gas Measuring and Regulating Equipment	0	0
56	791 Maintenance of Other Equipment	0	0
57	TOTAL Maintenance (Total of lines 49 thru 56)	0	0
58	TOTAL Products Extraction (Total of lines 47 and 57)	0	0

Name of Respondent Puget Sound Energy, Inc.	This Report Is: (1) [X] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr) 04/14/2016	Year/Period of Report End of 2015/Q4

Gas Operation and Maintenance Expenses(continued)

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
59	C. Exploration and Development		
60	Operation		
61	795 Delay Rentals	0	0
62	796 Nonproductive Well Drilling	0	0
63	797 Abandoned Leases	0	0
64	798 Other Exploration	0	0
65	TOTAL Exploration and Development (Total of lines 61 thru 64)	0	0
66	D. Other Gas Supply Expenses		
67	Operation		
68	800 Natural Gas Well Head Purchases	0	0
69	800.1 Natural Gas Well Head Purchases, Intracompany Transfers	0	0
70	801 Natural Gas Field Line Purchases	0	0
71	802 Natural Gas Gasoline Plant Outlet Purchases	0	0
72	803 Natural Gas Transmission Line Purchases	0	0
73	804 Natural Gas City Gate Purchases	361,213,849	488,850,660
74	804.1 Liquefied Natural Gas Purchases	0	0
75	805 Other Gas Purchases	61,010	63,907
76	(Less) 805.1 Purchases Gas Cost Adjustments	(33,572,232)	26,549,395
77	TOTAL Purchased Gas (Total of lines 68 thru 76)	394,847,091	462,365,172
78	806 Exchange Gas	0	0
79	Purchased Gas Expenses		
80	807.1 Well Expense-Purchased Gas	0	0
81	807.2 Operation of Purchased Gas Measuring Stations	216,323	416,792
82	807.3 Maintenance of Purchased Gas Measuring Stations	0	0
83	807.4 Purchased Gas Calculations Expenses	191,882	52,008
84	807.5 Other Purchased Gas Expenses	0	0
85	TOTAL Purchased Gas Expenses (Total of lines 80 thru 84)	408,205	468,800

Name of Respondent Puget Sound Energy, Inc.	This Report Is: (1) [X] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr) 04/14/2016	Year/Period of Report End of 2015/Q4

Gas Operation and Maintenance Expenses(continued)

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
86	808.1 Gas Withdrawn from Storage-Debit	52,102,813	58,397,346
87	(Less) 808.2 Gas Delivered to Storage-Credit	43,640,088	62,071,741
88	809.1 Withdrawals of Liquefied Natural Gas for Processing-Debit	0	0
89	(Less) 809.2 Deliveries of Natural Gas for Processing-Credit	0	0
90	Gas used in Utility Operation-Credit		
91	810 Gas Used for Compressor Station Fuel-Credit	0	0
92	811 Gas Used for Products Extraction-Credit	0	0
93	812 Gas Used for Other Utility Operations-Credit	73,332	105,715
94	TOTAL Gas Used in Utility Operations-Credit (Total of lines 91 thru 93)	73,332	105,715
95	813 Other Gas Supply Expenses	0	0
96	TOTAL Other Gas Supply Exp. (Total of lines 77,78,85,86 thru 89,94,95)	403,644,689	459,053,862
97	TOTAL Production Expenses (Total of lines 3, 30, 58, 65, and 96)	403,899,739	459,233,864
98	2. NATURAL GAS STORAGE, TERMINALING AND PROCESSING EXPENSES		
99	A. Underground Storage Expenses		
100	Operation		
101	814 Operation Supervision and Engineering	182,535	213,138
102	815 Maps and Records	0	0
103	816 Wells Expenses	17,497	32,446
104	817 Lines Expense	17,379	1,523
105	818 Compressor Station Expenses	191,566	171,735
106	819 Compressor Station Fuel and Power	30,435	35,753
107	820 Measuring and Regulating Station Expenses	7,036	20,335
108	821 Purification Expenses	12,353	0
109	822 Exploration and Development	0	0
110	823 Gas Losses	0	0
111	824 Other Expenses	79,891	86,032
112	825 Storage Well Royalties	41,975	41,697
113	826 Rents	0	(5,768)
114	TOTAL Operation (Total of lines of 101 thru 113)	580,667	596,891

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Gas Operation and Maintenance Expenses(continued)

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
115	Maintenance		
116	830 Maintenance Supervision and Engineering	162,869	194,102
117	831 Maintenance of Structures and Improvements	27,884	10,040
118	832 Maintenance of Reservoirs and Wells	55,434	27,947
119	833 Maintenance of Lines	7,304	4,080
120	834 Maintenance of Compressor Station Equipment	286,212	250,705
121	835 Maintenance of Measuring and Regulating Station Equipment	0	0
122	836 Maintenance of Purification Equipment	9,050	5,467
123	837 Maintenance of Other Equipment	20,729	14,704
124	TOTAL Maintenance (Total of lines 116 thru 123)	569,482	507,045
125	TOTAL Underground Storage Expenses (Total of lines 114 and 124)	1,150,149	1,103,936
126	B. Other Storage Expenses		
127	Operation		
128	840 Operation Supervision and Engineering	0	0
129	841 Operation Labor and Expenses	392,415	333,611
130	842 Rents	0	0
131	842.1 Fuel	0	0
132	842.2 Power	0	0
133	842.3 Gas Losses	0	0
134	TOTAL Operation (Total of lines 128 thru 133)	392,415	333,611
135	Maintenance		
136	843.1 Maintenance Supervision and Engineering	0	0
137	843.2 Maintenance of Structures	1,113	450
138	843.3 Maintenance of Gas Holders	0	0
139	843.4 Maintenance of Purification Equipment	0	0
140	843.5 Maintenance of Liquefaction Equipment	0	0
141	843.6 Maintenance of Vaporizing Equipment	0	0
142	843.7 Maintenance of Compressor Equipment	0	0
143	843.8 Maintenance of Measuring and Regulating Equipment	0	0
144	843.9 Maintenance of Other Equipment	0	0
145	TOTAL Maintenance (Total of lines 136 thru 144)	1,113	450
146	TOTAL Other Storage Expenses (Total of lines 134 and 145)	393,528	334,061

Name of Respondent Puget Sound Energy, Inc.	This Report Is: (1) [X] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr) 04/14/2016	Year/Period of Report End of 2015/Q4

Gas Operation and Maintenance Expenses(continued)

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
147	C. Liquefied Natural Gas Terminaling and Processing Expenses		
148	Operation		
149	844.1 Operation Supervision and Engineering	0	0
150	844.2 LNG Processing Terminal Labor and Expenses	0	0
151	844.3 Liquefaction Processing Labor and Expenses	0	0
152	844.4 Liquefaction Transportation Labor and Expenses	0	0
153	844.5 Measuring and Regulating Labor and Expenses	0	0
154	844.6 Compressor Station Labor and Expenses	0	0
155	844.7 Communication System Expenses	0	0
156	844.8 System Control and Load Dispatching	0	0
157	845.1 Fuel	0	0
158	845.2 Power	0	0
159	845.3 Rents	0	0
160	845.4 Demurrage Charges	0	0
161	(less) 845.5 Wharfage Receipts-Credit	0	0
162	845.6 Processing Liquefied or Vaporized Gas by Others	0	0
163	846.1 Gas Losses	0	0
164	846.2 Other Expenses	0	0
165	TOTAL Operation (Total of lines 149 thru 164)	0	0
166	Maintenance		
167	847.1 Maintenance Supervision and Engineering	0	0
168	847.2 Maintenance of Structures and Improvements	0	0
169	847.3 Maintenance of LNG Processing Terminal Equipment	0	0
170	847.4 Maintenance of LNG Transportation Equipment	0	0
171	847.5 Maintenance of Measuring and Regulating Equipment	0	0
172	847.6 Maintenance of Compressor Station Equipment	0	0
173	847.7 Maintenance of Communication Equipment	0	0
174	847.8 Maintenance of Other Equipment	0	0
175	TOTAL Maintenance (Total of lines 167 thru 174)	0	0
176	TOTAL Liquefied Nat Gas Terminaling and Proc Exp (Total of lines 165 and 175)	0	0
177	TOTAL Natural Gas Storage (Total of lines 125, 146, and 176)	1,543,677	1,437,997

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Gas Operation and Maintenance Expenses(continued)

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
178	3. TRANSMISSION EXPENSES		
179	Operation		
180	850 Operation Supervision and Engineering	0	0
181	851 System Control and Load Dispatching	0	0
182	852 Communication System Expenses	0	0
183	853 Compressor Station Labor and Expenses	0	0
184	854 Gas for Compressor Station Fuel	0	0
185	855 Other Fuel and Power for Compressor Stations	0	0
186	856 Mains Expenses	0	335
187	857 Measuring and Regulating Station Expenses	0	0
188	858 Transmission and Compression of Gas by Others	0	0
189	859 Other Expenses	0	0
190	860 Rents	0	0
191	TOTAL Operation (Total of lines 180 thru 190)	0	335
192	Maintenance		
193	861 Maintenance Supervision and Engineering	0	0
194	862 Maintenance of Structures and Improvements	0	0
195	863 Maintenance of Mains	0	0
196	864 Maintenance of Compressor Station Equipment	0	0
197	865 Maintenance of Measuring and Regulating Station Equipment	0	0
198	866 Maintenance of Communication Equipment	0	0
199	867 Maintenance of Other Equipment	0	0
200	TOTAL Maintenance (Total of lines 193 thru 199)	0	0
201	TOTAL Transmission Expenses (Total of lines 191 and 200)	0	335
202	4. DISTRIBUTION EXPENSES		
203	Operation		
204	870 Operation Supervision and Engineering	1,799,550	1,881,387
205	871 Distribution Load Dispatching	1,202,351	1,263,824
206	872 Compressor Station Labor and Expenses	0	0
207	873 Compressor Station Fuel and Power	0	0

Name of Respondent Puget Sound Energy, Inc.	This Report Is: (1) [X] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr) 04/14/2016	Year/Period of Report End of 2015/Q4

Gas Operation and Maintenance Expenses(continued)

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
208	874 Mains and Services Expenses	17,596,682	18,193,627
209	875 Measuring and Regulating Station Expenses-General	2,221,515	2,372,350
210	876 Measuring and Regulating Station Expenses-Industrial	134,437	129,631
211	877 Measuring and Regulating Station Expenses-City Gas Check Station	0	0
212	878 Meter and House Regulator Expenses	4,303,201	5,952,776
213	879 Customer Installations Expenses	4,894,238	4,965,144
214	880 Other Expenses	3,983,646	3,874,184
215	881 Rents	244,902	181,806
216	TOTAL Operation (Total of lines 204 thru 215)	36,380,522	38,814,729
217	Maintenance		
218	885 Maintenance Supervision and Engineering	0	0
219	886 Maintenance of Structures and Improvements	166,664	157,756
220	887 Maintenance of Mains	6,181,075	6,685,206
221	888 Maintenance of Compressor Station Equipment	0	0
222	889 Maintenance of Measuring and Regulating Station Equipment-General	836,322	649,356
223	890 Maintenance of Meas. and Reg. Station Equipment-Industrial	436,835	608,957
224	891 Maintenance of Meas. and Reg. Station Equip-City Gate Check Station	0	0
225	892 Maintenance of Services	3,420,472	3,123,439
226	893 Maintenance of Meters and House Regulators	982,645	745,623
227	894 Maintenance of Other Equipment	1,146,209	1,120,665
228	TOTAL Maintenance (Total of lines 218 thru 227)	13,170,222	13,091,002
229	TOTAL Distribution Expenses (Total of lines 216 and 228)	49,550,744	51,905,731
230	5. CUSTOMER ACCOUNTS EXPENSES		
231	Operation		
232	901 Supervision	120,142	116,894
233	902 Meter Reading Expenses	10,398,968	13,302,849
234	903 Customer Records and Collection Expenses	14,076,844	13,693,264

Name of Respondent Puget Sound Energy, Inc.	This Report Is: (1) [X] An Original (2) [ ] A Resubmission	Date of Report (Mo, Da, Yr) 04/14/2016	Year/Period of Report End of 2015/Q4

Gas Operation and Maintenance Expenses(continued)

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
235	904 Uncollectible Accounts	4,367,438	6,426,738
236	905 Miscellaneous Customer Accounts Expenses	1,650	0
237	TOTAL Customer Accounts Expenses (Total of lines 232 thru 236)	28,965,042	33,539,745
238	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES		
239	Operation		
240	907 Supervision	0	0
241	908 Customer Assistance Expenses	16,191,594	17,128,661
242	909 Informational and Instructional Expenses	723,087	707,218
243	910 Miscellaneous Customer Service and Informational Expenses	63,174	106,062
244	TOTAL Customer Service and Information Expenses (Total of lines 240 thru 243)	16,977,855	17,941,941
245	7. SALES EXPENSES		
246	Operation		
247	911 Supervision	0	0
248	912 Demonstrating and Selling Expenses	8,838	3,739
249	913 Advertising Expenses	0	0
250	916 Miscellaneous Sales Expenses	0	0
251	TOTAL Sales Expenses (Total of lines 247 thru 250)	8,838	3,739
252	8. ADMINISTRATIVE AND GENERAL EXPENSES		
253	Operation		
254	920 Administrative and General Salaries	13,497,195	13,746,145
255	921 Office Supplies and Expenses	1,399,401	2,491,833
256	(Less) 922 Administrative Expenses Transferred-Credit	81,980	91,983
257	923 Outside Services Employed	2,850,364	3,526,279
258	924 Property Insurance	673,513	526,039
259	925 Injuries and Damages	2,635,123	2,708,365
260	926 Employee Pensions and Benefits	14,082,959	13,008,054
261	927 Franchise Requirements	0	0
262	928 Regulatory Commission Expenses	2,206,171	2,580,968
263	(Less) 929 Duplicate Charges-Credit	0	0
264	930.1General Advertising Expenses	7,566	4,366
265	930.2Miscellaneous General Expenses	1,147,953	1,157,575
266	931 Rents	3,355,908	3,334,399
267	TOTAL Operation (Total of lines 254 thru 266)	41,774,173	42,992,040
268	Maintenance		
269	932 Maintenance of General Plant	5,542,528	6,224,827
270	TOTAL Administrative and General Expenses (Total of lines 267 and 269)	47,316,701	49,216,867
271	TOTAL Gas O&M Expenses (Total of lines 97,177,201,229,237,244,251, and 270)	548,262,596	613,280,219

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Gas Used in Utility Operations

1. Report below details of credits during the year to Accounts 810, 811, and 812.
2. If any natural gas was used by the respondent for which a charge was not made to the appropriate operating expense or other account, list separately in column (c) the Dth of gas used, omitting entries in column (d).

Line No.	Purpose for Which Gas Was Used (a)	Account Charged (b)	Natural Gas Gas Used Dth (c)	Natural Gas Amount of Credit (in dollars) (d)	Natural Gas Amount of Credit (in dollars) (d)	Natural Gas Amount of Credit (in dollars) (d)
1	810 Gas Used for Compressor Station Fuel - Credit					
2	811 Gas Used for Products Extraction - Credit					
3	Gas Shrinkage and Other Usage in Respondent's Own Processing					
4	Gas Shrinkage, etc. for Respondent's Gas Processed by Others					
5	812 Gas Used for Other Utility Operations - Credit (Report separately for each principal use. Group minor uses.)		24,544	73,332		
6						
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24						
25	**Total**		24,544	73,332		

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Miscellaneous General Expenses (Account 930.2)

1. Provide the information requested below on miscellaneous general expenses.
2. For Other Expenses, show the (a) purpose, (b) recipient and (c) amount of such items. List separately amounts of $250,000 or more however, amounts less than $250,000 may be grouped if the number of items of so grouped is shown.

Line No.	Description (a)	Amount (in dollars) (b)
1	Industry association dues.	554,718
2	Experimental and general research expenses.	[redacted]
	a. Gas Research Institute (GRI)	
	b. Other	
3	Publishing and distributing information and reports to stockholders, trustee, registrar, and transfer	[redacted]
	agent fees and expenses, and other expenses of servicing outstanding securities of the respondent	
4	Board of Director Fees and Expenses	312,468
5	Other Membership Dues	84,031
6	Communication Services	58,682
7	Treasury Fees & Expenses	89,820
8	Misc General Expenses - Gas	34,929
9	State/Fed Govt Related Industry Expenses	13,305
10		
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25	**Total**	1,147,953

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Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Depreciation, Depletion and Amortization of Gas Plant (Accts 403, 404.1, 404.2, 404.3, 405) (Except Amortization of Acquisition Adjustments)

1. Report in Section A the amounts of depreciation expense, depletion and amortization for the accounts indicated and classified according to the plant functional groups shown.
2. Report in Section B, column (b) all depreciable or amortizable plant balances to which rates are applied and show a composite total. (If more desirable, report by plant account, subaccount or functional classifications other than those pre-printed in column (a). Indicate in a footnote the manner in which column (b) balances are

Section A. Summary of Depreciation, Depletion, and Amortization Charges

Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Amortization Expense for Asset Retirement Costs (Account 403.1) (c)	Amortization and Depletion of Producing Natural Gas Land and Land Rights (Account 404.1) (d)	Amortization of Underground Storage Land and Land Rights (Account 404.2) (e)
1	Intangible plant				
2	Production plant, manufactured gas	60,214			
3	Production and gathering plant, natural gas				
4	Products extraction plant				
5	Underground gas storage plant	859,749			
6	Other storage plant	377,650			
7	Base load LNG terminaling and processing plant	31,156			
8	Transmission plant				
9	Distribution plant	107,743,452	154,842		
10	General plant	1,282,883			
11	Common plant-gas	6,489,022	53,916		
12	TOTAL	116,844,126	208,758		

Depreciation, Depletion and Amortization of Gas Plant (Accts 403, 404.1, 404.2, 404.3, 405) (Except Amortization of Acquisition Adjustments) (continued)

obtained. If average balances are used, state the method of averaging used. For column (c) report available information for each plant functional classification listed in column (a). If composite depreciation accounting is used, report available information called for in columns (b) and (c) on this basis. Where the unit-of-production method is used to determine depreciation charges, show in a footnote any revisions made to estimated gas reserves.

3. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state in a footnote the amounts and nature of the provisions and the plant items to which related.

Section A. Summary of Depreciation, Depletion, and Amortization Charges

Line No.	Amortization of Other Limited-term Gas Plant (Account 404.3) (f)	Amortization of Other Gas Plant (Account 405) (g)	Total (b to g) (h)	Functional Classification (a)
1	2,031,224		2,031,224	Intangible plant
2			60,214	Production plant, manufactured gas
3				Production and gathering plant, natural gas
4				Products extraction plant
5			859,749	Underground gas storage plant
6			377,650	Other storage plant
7			31,156	Base load LNG terminaling and processing plant
8				Transmission plant
9			107,898,294	Distribution plant
10			1,282,883	General plant
11	9,113,139		15,656,077	Common plant-gas
12	11,144,363		128,197,247	TOTAL

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Depreciation, Depletion and Amortization of Gas Plant (Accts 403, 404.1, 404.2, 404.3, 405) (Except Amortization of Acquisition Adjustments) (continued)

4. Add rows as necessary to completely report all data. Number the additional rows in sequence as 2.01, 2.02, 3.01, 3.02, etc.

Section B. Factors Used in Estimating Depreciation Charges

Line No.	Functional Classification (a)	Plant Bases (in thousands) (b)	Applied Depreciation or Amortization Rates (percent) (c)
1	Production and Gathering Plant		
2	Offshore (footnote details)		
3	Onshore (footnote details)	6,584	
4	Underground Gas Storage Plant (footnote details)	42,114	
5	Transmission Plant		
6	Offshore (footnote details)		
7	Onshore (footnote details)		
8	General Plant (footnote details)	32,447	
9	Intangible Plant	15,579	
10	LNG Terminating and Processing	12,793	
11	Distribution Plant	3,225,307	
12			
13			
14			
15			

Name of Respondent	This Report Is:	Date of Report	Year/Period of Report
	(1) * An Original	(Mo, Da, Yr)	
Puget Sound Energy, Inc.	(2) A Resubmission	04/13/2016	End of 2015/Q4

DEPRECIATION, DEPLETION, AND AMORTIZATION OF GAS PLANT (CONTINUED)

(Supplement to Page 338)

FACTORS USED IN ESTIMATING DEPRECIATION CHARGES

Line No.	Acct No.	Depreciable Plant Base	Estimated Avg Svc Life	Net Salvage (Percent)	Applied Depr Rates (Percent)	Mortality Curve Type	Average Remaining Life
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	301	158,692	N/A	N/A	N/A	N/A	N/A
2	302	391,962	N/A	N/A	N/A	N/A	N/A
3	303	15,028,601	N/A	N/A	N/A	N/A	N/A
4	TOTAL	15,579,255					
5	305	508,737	50	-5	0.50	R4	33.4
6	311	6,070,282	50	-10	0.95	R4	32.5
7	320	4,853	25	0	0.05	R4	18.6
8	TOTAL	6,583,872					
9	351.1	220,936	50	-10	1.63	R3	27.7
10	351.2	469,567	50	-10	0.25	R3	27.6
11	351.3	2,245	45	-10	0.00	R3	0.0
12	351.4	134,362	45	-10	1.50	R3	27.0
13	352.0	11,291,408	60	-15	1.20	R4	29.1
14	352.2	1,757,701	60	-15	2.02	R4	29.2
15	352.3	4,185,431	N/A	0	2.10	SQ	29.5
16	353	2,585,602	50	-20	2.50	R3	27.9
17	354	17,956,644	40	-10	2.56	R3	26.7
18	355	530,739	40	-10	3.27	R2	25.7
19	356	2,662,647	40	-5	1.88	R2	25.4
20	357	317,150	25	0	0.95	R3	18.9
21	TOTAL	42,114,432					
22	361	4,155,602	45	0	2.86	R3	32.3
23	362	3,683,221	40	-20	3.63	S3	32.2
24	363	3,984,039	40	-5	3.14	R2	30.0
25	364	970,581	25	10	3.21	L2	21.2
26	TOTAL	12,793,443					
27	366	0					
28	367	0					
29	369	0					
30	372	0					
31	TOTAL	0					
32	374.2	1,203,022	50	0	2.01	SQ	48.5
33	374.3	7,998,815	50	0	2.01	SQ	48.5
34	375.0	35,013,960	45	-5	2.19	R3	31.7
35	375.1	410,556	45	-5	2.19	R3	31.7
36	376.2 PE	1,131,298,555	50	-35	2.77	R4	40.2
38	376.4 STW	416,668,806	50	-50	3.27	R4	37.9
39	376.5 CP	34,883,014	N/A	0	2.90	N/A	34.5
40	376.6 STW	112,822,521	50	-50	3.27	R4	37.9
42	378.0	82,587,539	30	-20	4.17	R1.5	23.2
43	378.1	24,829,776	30	-20	4.17	R1.5	23.2
45	380.1 CP	20,346,991	N/A	N/A	2.90	N/A	34.5
46	380.2	915,502,264	40	-75	4.58	R2.5	28.8
47	380.3	37,800,443	40	-75	4.58	R2.5	28.8

Name of Respondent	This Report Is:	Date of Report	Year/Period of Report
	(1) * An Original	(Mo, Da, Yr)	
Puget Sound Energy, Inc.	(2) A Resubmission	04/13/2016	End of 2015/Q4

DEPRECIATION, DEPLETION, AND AMORTIZATION OF GAS PLANT (CONTINUED)

(Supplement to Page 338)

FACTORS USED IN ESTIMATING DEPRECIATION CHARGES

Line No.	Acct No.	Depreciable Plant Base	Estimated Avg Svc Life	Net Salvage (Percent)	Applied Depr Rates (Percent)	Mortality Curve Type	Average Remaining Life
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
48	380.4 BS	49,805	N/A	-13	5.18	SQ	8.0
50	381	72,297,814	35	0	2.73	R3	24.0
51	382	152,074,690	40	0	2.40	R2.5	35.2
52	383	16,220,497	40	-10	2.41	R4	29.9
53	384	81,842,428	40	0	2.46	R4	35.4
54	385	37,708,784	30	-10	3.91	R2.5	21.1
55	386.1	5,957,315	12	-10	2.55	R1	9.6
56	386.2	20,994,101	10	-10	5.52	R1	7.0
57	386.3	1,251,280	13	-5	1.37	L1.5	6.4
58	386.5	230,250	12	0	0.00	L2.5	0.0
59	387	5,900,387	25	0	2.66	R3	23.3
60	388 ARO	9,413,855	N/A	N/A	N/A	N/A	N/A
61	TOTAL	3,225,307,468					
62	390	140,327	35	-5	89.59	R4	23.4
63	391.1	6,495,214	20	0	5.00	SQ	3.0
64	391.2	140,763	5	0	20.00	SQ	1.1
65	392	6,302,462	10	10	9.00	SQ	1.5
66	393	50,148	20	0	5.00	SQ	2.5
67	394	11,145,513	20	0	5.00	SQ	7.4
68	395	2,770,499	20	0	5.00	SQ	17.5
69	396	483,584	15	10	6.00	SQ	11.5
70	397	4,701,993	15	0	6.67	SQ	3.9
71	398	216,306	15	0	6.67	SQ	1.9
72	TOTAL	32,446,809					
73	TOTAL PLANT	3,334,825,279					

Balances at 12/31/15. Effective 4/1/2011, per WUTC gas rate case settlement order UG-101644, new depreciation rates went into effect and there is no longer a need for a minimum depreciation expense for gas rental equipment.

NOTE: This form is required every 5 years to be submitted to the WUTC. Most recently PSE published Page 337 in 2011 and next one is due in 2016.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Particulars Concerning Certain Income Deductions and Interest Charges Accounts

Report the information specified below, in the order given, for the respective income deduction and interest charges accounts.

(a) Miscellaneous Amortization (Account 425)-Describe the nature of items included in this account, the contra account charged, the total of amortization charges for the year, and the period of amortization.

(b) Miscellaneous Income Deductions-Report the nature, payee, and amount of other income deductions for the year as required by Accounts 426.1, Donations; 426.2, Life Insurance; 426.3, Penalties; 426.4, Expenditures for Certain Civic, Political and Related Activities; and 426.5, Other Deductions, of the Uniform System of Accounts. Amounts of less than $250,000 may be grouped by classes within the above accounts.

(c) Interest on Debt to Associated Companies (Account 430)-For each associated company that incurred interest on debt during the year, indicate the amount and interest rate respectively for (a) advances on notes, (b) advances on open account, (c) notes payable, (d) accounts payable, and (e) other debt, and total interest. Explain the nature of other debt on which interest was incurred during the year.

(d) Other Interest Expense (Account 431) - Report details including the amount and interest rate for other interest charges incurred during the year.

Line No.	Item (a)	Amount (b)
1	Account 425 - Miscellaneous Amortization:	
2	Whitehorn Acquisition Amortization	795
3	Total	795
4		
5	Account 426.1 Donations:	
6	Civic	3,060
7	Education	15,100
8	Environment	100
9	Human Svcs	5,087
10	Miscellaneous	8,346
11	Arts & Culture	
12	Total	31,693
13		
14	Account 426.2 - Life Insurance:	
15	Gain on Corporate Life Insurance	(2,991,858)
16	Total	(2,991,858)
17		
18	Account 426.3 - Penalties:	
19	NERC Standards Compliance Penalty Reserve	(293,858)
20	Tax Penalties	640
21	Total	(293,218)
22		
23	Account 426.4 - Civic, Political & Related Activity:	
24	Federal	1,184,548
25	State	1,050,946
26	Local & Community	3,079,276
27	Total	5,314,770
28		
29	Account 426.5 - Other Deducations	
30	Employee Retirement Benefits	5,802,284
31	Customer Service Guaranteed	875,106
32	Low Income Weatherization	359,768
33	Dues and Memberships	114,896
34	SFAS 106 Post - Retirement Benefits	(279,000)
35	SFAS 133 Loss on FAir Value Purchases	6,122,791

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Particulars Concerning Certain Income Deductions and Interest Charges Accounts (continued)

Line No.	Item (a)	Amount (b)
1	Advertising & Trademarks	794,547
2	Miscellaneous Over $100K	180,100
3	Miscellaneous Under $100K	79,961
4	Total	14,050,453
5		
6	Account 430 - Interest on Debt to Associated Companies:	
7	Interest on Puget Energy Note	63,749
8	Total	63,749
9		
10	Account 431 - Other Interest Expense:	
11	Bond Interest	1,996,724
12	Interest on Federal Incentives	17,719,589
13	Interest on Deferred Compensation	476,974
14	Interest on Power Cost Adjustment/Purchase Gas Adjustment	224,772
15	Interest on Renewable Energy Credits	112,381
16	Interest on Biogas	63,218
17	Interest on Customer Deposits @3.25%	335,296
18	Interest on Decoupling Income	(974,739)
19	Interest on Tax	
20	Total	19,954,215
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Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Regulatory Commission Expenses (Account 928)

1. Report below details of regulatory commission expenses incurred during the current year (or in previous years, if being amortized) relating to formal cases before a regulatory body, or cases in which such a body was a party.
2. In column (b) and (c), indicate whether the expenses were assessed by a regulatory body or were otherwise incurred by the utility.

Line No.	Description (Furnish name of regulatory commission or body, the docket number, and a description of the case.) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expenses to Date (d)	Deferred in Account 182.3 at Beginning of Year (e)
1	WUTC Filing Fees	1,915,107			
2	FERC Natural Gas Compliance		76,511		
3	CNG Regulatory		1,634		
4	Compliance Council		(1,606)		
5	WUTC Misc		176,832		
6	2016 General Rate Case		37,016		
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
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24					
25	**Total**	1,915,107	290,387		

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Regulatory Commission Expenses (Account 928)

3. Show in column (k) any expenses incurred in prior years that are being amortized. List in column (a) the period of amortization.
4. Identify separately all annual charge adjustments (ACA).
5. List in column (f), (g), and (h) expenses incurred during year which were charges currently to income, plant, or other accounts.
6. Minor items (less than $250,000) may be grouped.

Line No.	Expenses Incurred During Year Charged Currently To Department (f)	Expenses Incurred During Year Charged Currently To Account No. (g)	Expenses Incurred During Year Charged Currently To Amount (h)	Expenses Incurred During Year Deferred to Account 182.3 (i)	Amortized During Year Contra Account (j)	Amortized During Year Amount (k)	Deferred in Account 182.3 End of Year (l)
1	Gas	928	1,915,107				
2	Gas	928	76,511				
3	Gas	928	1,634				
4	Gas	928	(1,606)				
5	Gas	928	176,832				
6	Gas	928	37,016				
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25			2,205,494				

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Employee Pensions and Benefits (Account 926)

1. Report below the items contained in Account 926, Employee Pensions and Benefits.

Line No.	Expense (a)	Amount (b)
1	Pensions – defined benefit plans	13,952,622
2	Pensions – other	
3	Post-retirement benefits other than pensions (PBOP)	9,892,729
4	Post- employment benefit plans	
5	Other (Specify)	980,603
6	Flex Benefits	20,668,087
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	Total	**45,494,041**

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[Next Page is 354]

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Distribution of Salaries and Wages

Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals and Other Accounts, and enter such amounts in the appropriate lines and columns provided. Salaries and wages billed to the Respondent by an affiliated company must be assigned to the particular operating function(s) relating to the expenses.

In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used. When reporting detail of other accounts, enter as many rows as necessary numbered sequentially starting with 75.01, 75.02, etc.

Line No.	Classification (a)	Direct Payroll Distribution (b)	Payroll Billed by Affiliated Companies (c)	Allocation of Payroll Charged for Clearing Accounts (d)	Total (e)
1	Electric				
2	Operation				
3	Production	19,362,805	209,678		19,572,483
4	Transmission	6,314,045	68,374		6,382,419
5	Distribution	14,128,749	152,999		14,281,748
6	Customer Accounts	11,246,595	121,789		11,368,384
7	Customer Service and Informational	1,376,684	14,908		1,391,592
8	Sales	264,990	2,870		267,860
9	Administrative and General	27,137,358	293,868		27,431,226
10	TOTAL Operation (Total of lines 3 thru 9)	79,831,226	864,486		80,695,712
11	Maintenance				
12	Production	5,316,224	57,570		5,373,794
13	Transmission	2,444,207	26,468		2,470,675
14	Distribution	13,654,419	147,863		13,802,282
15	Administrative and General	273,111	2,957		276,068
16	TOTAL Maintenance (Total of lines 12 thru 15)	21,687,961	234,858		21,922,819
17	Total Operation and Maintenance				
18	Production (Total of lines 3 and 12)	24,679,029	267,248		24,946,277
19	Transmission (Total of lines 4 and 13)	8,758,252	94,842		8,853,094
20	Distribution (Total of lines 5 and 14)	27,783,168	300,862		28,084,030
21	Customer Accounts (line 6)	11,246,595	121,789		11,368,384
22	Customer Service and Informational (line 7)	1,376,684	14,908		1,391,592
23	Sales (line 8)	264,990	2,870		267,860
24	Administrative and General (Total of lines 9 and 15)	27,410,469	296,825		27,707,294
25	TOTAL Operation and Maintenance (Total of lines 18 thru 24)	101,519,187	1,099,344		102,618,531
26	Gas				
27	Operation				
28	Production - Manufactured Gas	144,985	1,570		146,555
29	Production - Natural Gas(Including Exploration and Development)				
30	Other Gas Supply	324,020	3,509		327,529
31	Storage, LNG Terminaling and Processing	516,276	5,591		521,867
32	Transmission				
33	Distribution	19,259,484	208,560		19,468,044
34	Customer Accounts	7,678,001	83,144		7,761,145
35	Customer Service and Informational	998,129	10,809		1,008,938
36	Sales	7,405	80		7,485
37	Administrative and General	12,428,024	134,582		12,562,606
38	TOTAL Operation (Total of lines 28 thru 37)	41,356,324	447,845		41,804,169
39	Maintenance				
40	Production - Manufactured Gas	13			13
41	Production - Natural Gas(Including Exploration and Development)				
42	Other Gas Supply				
43	Storage, LNG Terminaling and Processing	268,430	2,907		271,337
44	Transmission				
45	Distribution	5,090,606	55,126		5,145,732

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Distribution of Salaries and Wages (continued)

Line No.	Classification	Direct Payroll Distribution	Payroll Billed by Affiliated Companies	Allocation of Payroll Charged for Clearing Accounts	Total
	(a)	(b)	(c)	(d)	(e)
46	Administrative and General	362,217	3,922		366,139
47	TOTAL Maintenance (Total of lines 40 thru 46)	5,721,266	61,955		5,783,221
48	Gas (Continued)				
49	Total Operation and Maintenance				
50	Production - Manufactured Gas (Total of lines 28 and 40)	144,998	1,570		146,568
51	Production - Natural Gas (Including Expl. and Dev.)(ll. 29 and 41)				
52	Other Gas Supply (Total of lines 30 and 42)	324,020	3,509		327,529
53	Storage, LNG Terminaling and Processing (Total of ll. 31 and 43)	784,706	8,498		793,204
54	Transmission (Total of lines 32 and 44)				
55	Distribution (Total of lines 33 and 45)	24,350,090	263,686		24,613,776
56	Customer Accounts (Total of line 34)	7,678,001	83,144		7,761,145
57	Customer Service and Informational (Total of line 35)	998,129	10,809		1,008,938
58	Sales (Total of line 36)	7,405	80		7,485
59	Administrative and General (Total of lines 37 and 46)	12,790,241	138,504		12,928,745
60	Total Operation and Maintenance (Total of lines 50 thru 59)	47,077,590	509,800		47,587,390
61	Other Utility Departments				
62	Operation and Maintenance				
63	TOTAL ALL Utility Dept. (Total of lines 25, 60, and 62)	148,596,777	1,609,144		150,205,921
64	Utility Plant				
65	Construction (By Utility Departments)				
66	Electric Plant	41,312,261	447,366		41,759,627
67	Gas Plant	19,935,878	215,884		20,151,762
68	Other	16,137,130	174,748		16,311,878
69	TOTAL Construction (Total of lines 66 thru 68)	77,385,269	837,998		78,223,267
70	Plant Removal (By Utility Departments)				
71	Electric Plant	2,555,479	27,673		2,583,152
72	Gas Plant	2,404,450	26,038		2,430,488
73	Other	891,311	9,652		900,963
74	TOTAL Plant Removal (Total of lines 71 thru 73)	5,851,240	63,363		5,914,603
75	Other Accounts (Specify) (footnote details)	22,815,172	247,064		23,062,236
76	TOTAL Other Accounts	22,815,172	247,064		23,062,236
77	TOTAL SALARIES AND WAGES	254,648,458	2,757,569		257,406,027

FOOTNOTE DATA

Schedule Page: 354 Line No.: 76 Column: b

Schedule Page: 354 Line No.: 75 Column: **a**

Other Accounts	Direct Payroll Distribution	Allocation of Payroll Charged for Clearing Accounts	Total
121 Non Utility Property	148,302	1,606	149,908
163 Store Expense	3,842,167	41,607	3,883,774
182 Regulatory Asset	14,216,031	153,944	14,369,975
185 Temporary Facilities	13,709	148	13,857
186 Misc. Deferred Debits	3,146,887	34,077	3,180,964
Misc. 400 Accounts	1,398,392	15,143	1,413,535
143 Accts Receivable Misc.	28,192	305	28,497
Prelim Survey OG 183	107	1	108
Misc. 200 Accounts	7,289	80	7,369
Jackson Prairie Joint Venture - Capital - PSE Share	14,096	153	14,249
Jackson Prairie Joint Venture - Expense - PSE Share	0	0	0
TOTAL	22,815,172	247,064	23,062,236

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Charges for Outside Professional and Other Consultative Services

1. Report the information specified below for all charges made during the year included in any account (including plant accounts) for outside consultative and other professional services. These services include rate, management, construction, engineering, research, financial, valuation, legal, accounting, purchasing, advertising,labor relations, and public relations, rendered for the respondent under written or oral arrangement, for which aggregate payments were made during the year to any corporation partnership, organization of any kind, or individual (other than for services as an employee or for payments made for medical and related services) amounting to more than $250,000, including payments for legislative services, except those which should be reported in Account 426.4 Expenditures for Certain Civic, Political and Related Activities.
(a) Name of person or organization rendering services.
(b) Total charges for the year.
2. Sum under a description "Other", all of the aforementioned services amounting to $250,000 or less.
3. Total under a description "Total", the total of all of the aforementioned services.
4. Charges for outside professional and other consultative services provided by associated (affiliated) companies should be excluded from this schedule and be reported on Page 358, according to the instructions for that schedule.

Line No.	Description (a)	Amount (in dollars) (b)
1	QUANTA SERVICES INC	145,990,748
2	INFRASOURCE SERVICES LLC	90,514,592
3	AA ASPHALTING INC	26,536,305
4	CELLNET TECHNOLOGY MIDWEST INC	19,028,212
5	ASPLUNDH TREE EXPERTS	18,209,513
6	VESTAS	14,179,081
7	HYDROMAX USA LLC	11,022,661
8	LANDIS + GYR TECHNOLOGY INC	7,424,993
9	SIEMENS ENERGY INC	6,218,734
10	POTTLE & SONS CONSTRUCTION INC	5,805,222
11	MICHELS CORPORATION	5,415,928
12	GE INTERNATIONAL INC	4,820,113
13	GEOENGINEERS INC	4,463,444
14	BROAD REACH IT INC	3,889,285
15	TETRA TECH INC	3,816,588
16	AEROTEK INC	3,731,762
17	USIC LOCATING SERVICES LLC	3,731,403
18	ETHOS ENERGY POWER PLANT	3,377,773
19	SAP AMERICA INC	3,247,427
20	PERKINS COIE LLP	3,239,361
21	NW UTILITY SERVICES LLC	3,201,060
22	KPMG LLP	2,881,583
23	SAP INDUSTRIES INC	2,610,925
24	PRICEWATERHOUSECOOPERS LLP	2,461,543
25	SURVEYS & ANALYSIS INC	2,451,453
26	POTELCO INC	2,328,760
27	ACTIVE TELESOURCE INC	2,203,132
28	CONVERGENT OUTSOURCING INC	1,968,600
29	NORTHWEST ENERGY EFFICIENCY	1,961,285
30	KPIT	1,897,106
31	CBI SERVICES INC	1,843,959
32	PELLCO CONSTRUCTION INC	1,767,874
33	DELOITTE CONSULTING LLP	1,756,360
34	TAMAZARI INC	1,708,195
35	CLEARESULT CONSULTING	1,704,784

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Charges for Outside Professional and Other Consultative Services (continued)

Line No.	Description (a)	Amount (in dollars) (b)
1	ELM LOCATING & UTILITY SERVICES	1,579,715
2	RIDDELL WILLIAMS PS	1,569,587
3	HDR ENGINEERING INC	1,515,288
4	FISERV ELECTRONIC PAYMENT SERVICES	1,513,599
5	ENVIROISSUES INC	1,511,782
6	AIM CONSULTING GROUP LLC	1,504,818
7	WILSON CONSTRUCTION CO INC	1,480,091
8	HODGE CONSTRUCTION INC	1,456,745
9	BANK OF AMERICA	1,390,655
10	ALLTECK LINE CONTRACTORS INC	1,381,966
11	KUBRA DATA TRANSFER LTD	1,357,547
12	ECOVA INC	1,284,421
13	FTI CONSULTING INC	1,280,685
14	OPOWER INC	1,211,262
15	BARNARD CONSTRUCTION COMPANY INC	1,170,013
16	KEMA INC	1,091,050
17	OPENLINK FINANCIAL LLC	1,090,189
18	PUGET SOUND SECURITY SERVICES INC	1,078,120
19	VAN NESS FELDMAN LLP	1,061,144
20	POWER SYSTEMS CONSULTANTS INC	1,001,338
21	WASHINGTON ENERGY SERVICES CO	964,130
22	NAVIGANT CONSULTING INC	959,408
23	R3 SERVICES LLC	951,755
24	DAVID EVANS & ASSOCIATES INC	915,753
25	MATISIA INC	900,920
26	SOUND VIEW STRATEGIES LLC	900,398
27	MCKINSTRY ESSENTION LLC	889,402
28	COLEHOUR & COHEN INC	873,721
29	TELVENT USA LLC	844,233
30	POWERPLAN INC	839,353
31	ARCTIC ARROW POWERLINE GROUP LTD	838,201
32	JOHANSEN EXCAVATING INC	815,576
33	STANDARD & POORS FINANCIAL	804,787
34	P2 SOLUTIONS GROUP LLC	777,666
35	ORACLE AMERICA INC	769,478

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Charges for Outside Professional and Other Consultative Services (continued)

Line No.	Description (a)	Amount (in dollars) (b)
1	MOODYS INVESTORS SERVICE INC	758,500
2	CALIFORNIA INDEPENDENT SYSTEM	750,000
3	RPC LIMITED PARTNERSHIP	742,484
4	KENWORTH NORTHWEST INC	720,899
5	STOEL RIVES LLP	718,019
6	APS SURVEY AND MAPPING LLC	690,534
7	MICHELS POWER	683,678
8	GORDON TILDEN THOMAS & CORDELL	667,033
9	LIMITED ENERGY SERVICES INC	641,963
10	SHANNON & WILSON INC	640,065
11	ALSTOM POWER INC	606,897
12	ESM CONSULTING ENGINEERS LLC	589,945
13	POWER ENGINEERS INC	579,141
14	UNIVERSAL FIELD SERVICES INC	570,072
15	DNA BRAND MECHANICS	548,875
16	SCOTTMADDEN INC	526,968
17	AMERICAN HYDRO CORPORATION	519,404
18	OSMOSE UTILITIES SERVICES INC	517,704
19	POINT B INC	505,219
20	GE ENERGY MANAGEMENT SERVICES INC	489,925
21	LAKERIDGE PAVING COMPANY	486,850
22	ADAPT INC	485,100
23	VALLEY POWER LINE CONTRACTING LTD	476,917
24	MACDONALD MILLER FACILITY SOLUTIONS	459,285
25	GOLDER ASSOCIATES INC	455,306
26	MAGNUM POWER LLC	441,126
27	COLUMBIAGRID INC	439,752
28	ALVAREZ & MARSAL BUSINESS CONSULTIN	433,336
29	BLACK & VEATCH CORPORATION	433,118
30	STENSTROM GROUP INC	421,763
31	CNC CONTRACTING LLC	421,196
32	NAVISTAR INC	416,651
33	PROTIVITI INC	396,340
34	QUANTA TECHNOLOGY LLC	394,884
35	UBISENSE INC	392,926

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Charges for Outside Professional and Other Consultative Services (continued)

Line No.	Description (a)	Amount (in dollars) (b)
1	UTILITIES UNDERGROUND LOCATION CTR	385,946
2	LITOSTROJ HYDRO INC	385,718
3	PUTNAM ROBY WILLIAMSON	375,030
4	POWER COSTS INC	374,948
5	FORD QUALITY FLEET CARE	367,012
6	WATERSHED COMPANY	363,583
7	MERCER HUMAN RESOURCE CONSULTING	358,210
8	VENTILATION POWER CLEANING INC	356,557
9	CITY OF BELLEVUE TREASURER	347,510
10	E M KAELIN TRUCKING	347,509
11	WIDENET CONSULTING GROUP	343,890
12	TEREX UTILITIES INC	343,007
13	MOZA CONSTRUCTION INC	339,677
14	NRC ENVIRONMENTAL SERVICES INC	337,272
15	STRUCTURED COMMUNICATION SYSTEMS	333,990
16	VECA ELECTRIC & TECHNOLOGIES	333,669
17	TD WELL SERVICE LLC	332,088
18	NORTH SKY ENGINEERING INC	328,368
19	NESS & CAMPBELL CRANE INC	321,782
20	WALKER HEAVY CONSTRUCTION INC	320,259
21	BONNEVILLE POWER ADMINISTRATION	320,000
22	WA STATE DEPT OF TRANSPORTATION	319,423
23	SOGETI USA LLC	316,459
24	NEXANT INC	307,982
25	AI ENGINEERING LLC	304,543
26	SIGNATURE LANDSCAPE SERVICES LLC	300,083
27	DIAMOND B CONSTRUCTORS INC	294,630
28	TOTL WESTERN INC	294,376
29	ROKSTAD POWER CORPORATION	293,853
30	DJS ELECTRICAL INC	290,902
31	APPLIED PROFESSIONAL SERVICES INC	289,510
32	KENT PERFORMANCE AUTO CENTER	288,056
33	SALISH CONSTRUCTION COMPANY	286,333
34	COM-STEEL LLC	284,504
35	WYSER CONSTRUCTION CO INC	283,325

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Charges for Outside Professional and Other Consultative Services (continued)

Line No.	Description (a)	Amount (in dollars) (b)
1	CA INC	282,427
2	SYSTEM TRANSFER & STORAGE CO	278,746
3	CONNEXIONS DATA INC	278,040
4	WESTERN ELECTRICAL SERVICES INC	276,181
5	EASI LLC	272,432
6	OREGON WASHINGTON LABORATORIES	269,125
7	AUTODESK INC	267,764
8	RENASCENCE PARTNERS INC	260,345
9	Others <$250,000	37,542,678
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11	TOTAL	527,204,177
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Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Compressor Stations

1. Report below details concerning compressor stations. Use the following subheadings: field compressor stations, products extraction compressor stations, underground storage compressor stations, transmission compressor stations, distribution compressor stations, and other compressor stations.

2. For column (a), indicate the production areas where such stations are used. Group relatively small field compressor stations by production areas. Show the number of stations grouped. Identify any station held under a title other than full ownership. State in a footnote the name of owner or co-owner, the nature of respondent's title, and percent of ownership if jointly owned.

Line No.	Name of Station and Location (a)	Number of Units at Station (b)	Certificated Horsepower for Each Station (c)	Plant Cost (d)
1	Jackson Prairie Storage Project (Note 1)	9	34,200	51,292,186
2				
3	Note 1: Jointly owned by:			
4	33.34% Puget Sound Energy, Inc.			
5	33.33% Avista			
6	33.33% Williams Gas Pipeline			
7				
8	Column (d) represents 100% of Plant Cost			
9	PSE's 33.34% interest = $17,100,814.97			
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Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Compressor Stations

Designate any station that was not operated during the past year. State in a footnote whether the book cost of such station has been retired in the books of account, or what disposition of the station and its book cost are contemplated. Designate any compressor units in transmission compressor stations installed and put into operation during the year and show in a footnote each unit's size and the date the unit was placed in operation.

3. For column (e), include the type of fuel or power, if other than natural gas. If two types of fuel or power are used, show separate entries for natural gas and the other fuel or power.

Line No.	Expenses (except depreciation and taxes) Fuel (e)	Expenses (except depreciation and taxes) Power (f)	Expenses (except depreciation and taxes) Other (g)	Gas for Compressor Fuel in Dth (h)	Electricity for Compressor Station in kWh (i)	Operational Data Total Compressor Hours of Operation During Year (j)	Operational Data Number of Compressors Operated at Time of Station Peak (k)	Date of Station Peak (l)
1	0			194,186		7,885	4	11/30/2015
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FOOTNOTE DATA

Schedule Page: 508 Line No.: 1 Column: e

Note 2: Expense Fuel
Fuel provided in kind by each of the owners.

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Transmission Lines

1. Report below, by state, the total miles of transmission lines of each transmission system operated by respondent at end of year.
2. Report separately any lines held under a title other than full ownership. Designate such lines with an asterisk, in column (b) and in a footnote state the name of owner, or co-owner, nature of respondent's title, and percent ownership if jointly owned.
3. Report separately any line that was not operated during the past year. Enter in a footnote the details and state whether the book cost of such a line, or any portion thereof, has been retired in the books of account, or what disposition of the line and its book costs are contemplated.
4. Report the number of miles of pipe to one decimal point.

Line No.	Designation (Identification) of Line or Group of Lines (a)	* (b)	Total Miles of Pipe (c)
1			
2			
3			
4			
5	NOTE - Although reported in the past, the Jackson Prairie station lines do not meet		
6	FERC's definition of transmisstion lines and therefore are no longer reported on		
7	Page 514.		
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Name of Respondent	This Report Is:	Date of Report	Year/Period of Report
Puget Sound Energy, Inc.	(1) * An Original (2) A Resubmission	(Mo, Da, Yr) 4/14/2016	End of 2015/Q4

TRANSMISSION MAINS

(Supplement to Page 514)

Type Of Material (A)	Diameter Pipe Inches (B)	Lengths of Pipe in Feet: Beginning Of Year (C)	Laid During Year (D)	Abandoned During Year (E)	End Of Year (F)
ST	2	0	0	0	0
ST	4	0	0	0	0
ST	6	0	0	0	0
ST	8	0	0	0	0
ST	12	0	0	0	0
ST	16	0	0	0	0
ST	20	0	0	0	0
STW	12	0	0	0	0
STW	16	0	0	0	0
STW	20	0	0	0	0
	Totals	0	0	0	0

NOTE - After review of the company's gas plant and applying definitions 29 (B) & (C) of the Uniform System of Accounts, it was determined that the company's gas mains are more appropriately classified as distribution property for accounting purposes.

Name of Respondent	This Report Is:		Date of Report	Year/Period of Report
Puget Sound Energy, Inc.	(1) * An Original (2) A Resubmission		(Mo, Da, Yr) 04/14/2016	End of 2015/Q4

DISTRIBUTION MAINS

(Supplement to Page 514)

Kind Of Material (A)	Diameter Pipe Inches (B)	Lengths of Pipe in Feet: Beginning Of Year (C)	Laid During Year (D)	Abandoned During Year (E)	Transferred During Year (F)	End Of Year (G)
CI	03.000	0	0	0	0	0
CI	04.000	0	0	0	0	0
CI	06.000	0	0	0	0	0
CI	08.000	0	0	0	0	0
CI	10.000	0	0	0	0	0
CI	12.000	0	0	0	0	0
CI	16.000	0	0	0	0	0
CI	20-24	0	0	0	0	0
Total Cast Iron		0	0	0	0	0
PE	01.125	80,211	38	236	16,221	96,234
PE	01.250	2,454,005	3,620	6,038	0	2,451,587
PE	02.000	17,428,986	463,031	28,199	(16,221)	17,847,597
PE	03.000	62,918	0	0	0	62,918
PE	04.000	5,722,445	87,169	35,780	0	5,773,834
PE	06.000	2,539,294	53,283	3,055	0	2,589,522
PE	08.000	765,028	12,432	439	0	777,021
PE	1.250-2	17,453,478	0	114,083	0	17,339,395
Total Plastic		46,506,365	619,573	187,830	0	46,938,108
ST (Bare Steel)	0.750-2.50	0	0	0	0	0
ST	03.000	0	0	0	0	0
ST	4.000-5	0	0	0	0	0
ST	06.000	0	0	0	0	0
ST	8.000-10	0	0	0	0	0
ST	12.000	0	0	0	0	0
ST	14.000-16	0	0	0	0	0
ST	16.000	0	0	0	0	0
ST	20.000	0	0	0	0	0
Total Bare Steel		0	0	0	0	0
STW (Steel Wrap)	0.750-01.750	7,944,946	0	5,127	0	7,939,819
STW	01.250	5,142,476	110	1,435	0	5,141,151
STW	02.000	3,746,209	5,553	50,728	0	3,701,034
STW	03.000	12,383	0	0	0	12,383
STW	04.000	1,304,110	1,762	1,877	1,525,091	2,829,086
STW	4.000-5	1,532,006	0	6,915	(1,525,091)	0
STW	06.000	1,896,203	200	3,055	0	1,893,348
STW	08.000	602,986	3,156	59	180,283	786,366
STW	8.000-10	181,041	0	758	(180,283)	0
STW	12.000	722,002	1,323	211	0	723,114
STW	14.000-16	6,696	0	0	0	6,696
STW	16.000	772,515	27,101	900	0	798,716
STW	20.000	39,242	0	0	0	39,242
Total Steel Wrap		23,902,815	39,205	71,065	0	23,870,955
Total Steel		23,902,815	39,205	71,065	0	23,870,955
Combined Total		70,409,180	658,778	258,895	0	70,809,063

Name of Respondent	This Report Is;	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) * An Original (2) A Resubmission	04/13/2016	End of 2015/Q4

SERVICE PIPES FERC 380- GAS

(Supplement to Page 514)

Number of services

Type of Service							
Type of Material (A)	Type of Service Facility (B)	Pipe Inches (C)	Beginning Of Year (D)	Added (E)	Retired (F)	End Of Year (G)	Average Length Feet (I)
KR	EXTN	.50 - 2.00	13	0	13	0	
KR	STUB	.50 - 2.00	33	0	33	0	
TOTAL KR			46	0	46	0	
PE	EUF	0.625	1	0	0	1	
PE	EXTN	0.625	542,587	166	2,057	540,696	21
PE	STUB	0.625	517,976	144	1,674	516,446	
PE	TWIN	0.625	17,309	2	433	16,878	
PE	EUF	1.125	79	0	6	73	
PE	EXTN	1.125	70,915	15,042	179	85,778	16
PE	STUB	1.125	70,724	9,999	98	80,625	
PE	TWIN	1.125	2,466	390	20	2,836	
PE	EUF	1.25	72	8	1	79	
PE	EXTN	1.25	21,781	579	114	22,246	36
PE	STUB	1.25	22,440	568	104	22,904	
PE	TWIN	1.25	166	25	8	183	
PE	EUF	2	59	0	0	59	
PE	EXTN	2	10,676	239	43	10,872	49
PE	STUB	2	10,234	230	40	10,424	
PE	TWIN	2	4	0	2	2	
PE	EUF	4	16	0	0	16	
PE	EXTN	4	1,736	9	4	1,741	28
PE	STUB	4	1,864	9	3	1,870	
PE	EXTN	6	28	1	0	29	
PE	STUB	6	36	1	0	37	
PE	EXTN	8	1	0	1	0	
PE	STUB	8	1	0	1	0	
TOTAL PE			1,291,171	27,412	4,788	1,313,795	
ST	EXTN	.750-1	0	0	0	0	
ST	STUB	.750-1	0	0	0	0	
ST	EXTN	1.250-2	0	0	0	0	
ST	STUB	1.250-2	0	0	0	0	
ST	EXTN	3-4	0	0	0	0	
ST	STUB	3-4	0	0	0	0	
ST	EXTN	6	0	0	0	0	
ST	STUB	6	0	0	0	0	
ST	EXTN	8	0	0	0	0	
ST	STUB	8	0	0	0	0	
ST	EXTN	12	0	0	0	0	
ST	STUB	12	0	0	0	0	
TOTAL ST			0	0	0	0	
STW	EXTN	0.75	26,099	41,918	1,502	66,515	2
STW	STUB	0.75	28,446	42,289	1,365	69,370	
STW	EXTN	1	47,876	5	40	47,841	547
STW	STUB	1	47,930	5	27	47,908	
STW	EXTN	.750-1	41,917	0	41,917	0	
STW	STUB	.750-1	42,288	0	42,288	0	
STW	EXTN	1.25	1,459	6,709	107	8,061	153
STW	STUB	1.25	2,635	5,890	84	8,441	
STW	EXTN	1.250-2	6,707	0	6,707	0	
STW	STUB	1.250-2	5,890	0	5,890	0	
STW	EXTN	2	6,421	16	33	6,404	66
STW	STUB	2	6,439	7	23	6,423	
STW	EXTN	3	46	204	0	250	
STW	STUB	3	52	203	1	254	
STW	EXTN	4	32	2	2	32	102
STW	STUB	4	24	1	3	22	
STW	EXTN	3-4	204	0	204	0	
STW	STUB	3-4	203	0	203	0	
STW	EUF	6	2	0	0	2	
STW	EXTN	6	32	0	0	32	
STW	STUB	6	32	0	0	32	
STW	EXTN	8	12	3	0	15	
STW	STUB	8	11	3	0	14	
STW	EXTN	12	3	0	3	0	
STW	STUB	12	3	0	3	0	
TOTAL STW			264,763	97,255	100,402	261,616	
		Total*	1,555,980	124,667	105,236	1,575,411	

Type of Material	Type of Service Facility	Pipe Inches	
PE = Plastic	EXTN = Extension	.500 = 1/2	1.125 = 1 1/8
ST = Steel Bare	STUB = Stub	.625 = 5/8	1.250 = 1 1/4
STW = Steel Wrap	TWIN = Twin		
KR = Copper	EUF = Extended Utility Facility		

Total* - indicates total pipes not number of services (services can be a combination of STUB, EXTN, EUF & TWIN pipes)

NOTE 1
MPE beginning balances, additions and retirements combined with PE balances for each size.

FERC FORM 2, 514d
Meters FERC 381 and 385
Year Ending December 31, 2015

Name of Respondent	This Report Is:	Date of Report	Year/Period of Report
	(1) * An Original	(Mo, Da, Yr)	
Puget Sound Energy, Inc.	(2) A Resubmission	04/14/2016	End of 2015/Q4

CUSTOMER METERS FERC 381 & 385
(Supplement to Page 514)

Size of Meter (Class)	(1) Type of Meter	(2) Make of Meter	Capacity of Meter	Number of Meters: Beginning Of Year	Added	Retired	End Of Year
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
100	A	R,Am,Sp	100-199	119,057	22	8,294	110,785
200	A	R,Am,Sp,Sch,Eq	200-299	718,995	14,316	13,968	719,343
300	A	Am	300-399	25	0	0	25
400	A	Sp,Am	400-599	40,403	5,543	1,430	44,516
600	A	Sp	600-699	2,057	768	0	2,825
700	A	R	700-749	2,343	0	2	2,341
800	A,R	Am,R,Dr	800-999	1,332	0	52	1,280
1000	A	Am	1000-1199	27,889	0	330	27,559
1200	A	Am	1200-1399	12	4	0	16
1400	A	Am	1400-1499	741	112	0	853
1500	R,RTC	Dr	1500-2299	60	1	0	61
2300	A	Am	2300-2999	878	131	0	1,009
3000	IC,R,RTC,A	Am,R,Dr	3000-4999	1,610	903	0	2,513
5000	A,R,RTC	Am,R,Dr	5000-6999	1,943	830	0	2,773
7000	R,RTC	Dr,Rm	7000-9999	582	296	0	878
10000	R,RTC	Am,R,Dr	10000-10999	43	0	0	43
11000	R,RTC	Dr	11000-15999	511	256	0	767
16000	R,T,RTC	Am,R	16000-17999	339	213	30	522
18000	T	Am,R	18000-22999	12	5	10	7
23000	R	Am,Dr	23000-24999	85	31	14	102
25000	R,T	Am,R,Dr	25000-29999	1	0	0	1
30000/6"	T	Am,R,Dr	30000-34999	90	0	0	90
35000	R,T	Am,R,Dr	35000-37999	1	0	0	1
38000	R	Dr	38000-59999	21	0	14	7
60000	T	Am,R	60000-139999	53	35	11	77
140000	T	Am,R,Dr	140000-149999	1	0	0	1
150000	T	Am	150000	18	6	1	23
				919,102	**23,472**	**24,156**	**918,418**

(1)--Meter Type Codes	(2)--Make of Meter	
A--Aluminum	Am--American	Sch--Schlumberger
IC--Iron Case	Eq--Equimeter	Sp--Sprague
R--Rotary	Dr--Dresser	
RTC--Rty.Temp.Comp	R--Rockwell	
T--Turbine	Rm--Romet	

NOTE
Misc. - Meter Install, Lg IND (Class >1000) has a year end quantity of 3,147.

FERC FORM 2, 514e
Regulators
Year Ending December 31, 2015

Name of Respondent	This Report Is:	Date of Report	Year/Period of Report
Puget Sound Energy, Inc.	(1) * An Original (2) A Resubmission	(Mo, Da, Yr) 04/14/2016	End of 2015/Q4

REGULATORS
(Supplement to Page 514)

Size (A)	Type (B)	Make (C)	Capacity (D)	Number of Regulators: In Service Beginning of Year (E)	Added During Year (F)	Retired During Year (G)	In Service End of Year (H)
3/4 X 1	S102	Fisher	430CFH	3,622		227	3,395
2 X 2 1-1/2 X 1-1/2	S202	Fisher	3750-3780CFH	878		48	830
3/4 X 1	S252	Fisher	425CFH	734,927	2,380	2,235	735,072
1-1/4 X 1-1/4	S302	Fisher	1250CFH	16,183		78	16,105
3/4 X 1	S402	Fisher	900-1500PSI	1,878			1,878
1-1/4 X 1	S800	Fisher	630CCF	1,123	672		1,795
3/4 X 1 1X1-1/4 1-1/4 X 1-1/4	1813C	American	425-1000CFH	2,538	335	952	1,921
3/4X1	1883B2	American	1200CFH	4			4
				761,153	**3,387**	**3,540**	761,000

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Auxiliary Peaking Facilities

1. Report below auxiliary facilities of the respondent for meeting seasonal peak demands on the respondent's system, such as underground storage projects, liquefied petroleum gas installations, gas liquefaction plants, oil gas sets, etc.
2. For column (c), for underground storage projects, report the delivery capacity on February 1 of the heating season overlapping the year-end for which this report is submitted. For other facilities, report the rated maximum daily delivery capacities.
3. For column (d), include or exclude (as appropriate) the cost of any plant used jointly with another facility on the basis of predominant use, unless the auxiliary peaking facility is a separate plant as contemplated by general instruction 12 of the Uniform System of Accounts.

Line No.	Location of Facility (a)	Type of Facility (b)	Maximum Daily Delivery Capacity of Facility Dth (c)	Cost of Facility (in dollars) (d)	Was Facility Operated on Day of Highest Transmission Peak Delivery?
1	SWARR STATION - RENTON	PROPANE AIR	30,000	5,999,767	**No**
2	DIERINGER/NORTH TACOMA STATION	PROPANE AIR		763,153	**No**
3	LNG SATELLITE - GIG HARBOR	LNG	16,082	14,523,117	**Yes**
4	JACKSON PRAIRIE - CHEHALIS	UNDERGROUND STORAGE	1,196,000	42,513,937	**Yes**
5					
6					
7	Schedule Page: 519 Line No: 4, Column: d				
8	Cost is shown for PSE's 1/3 share of				
9	entire plant that is jointly owned by:				
10	33.34% Puget Sound Energy Inc.				
11	33.33% Avista				
12	33.33% Williams Gas Pipeline				
13					
14	PSE's Non - recoverable Cushion Gas				
15	is valued at $4,185,430.83 and is				
16	included within the amount listed in 4d				
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) [X] An Original (2) [ ] A Resubmission	04/14/2016	End of 2015/Q4

Gas Account - Natural Gas

1. The purpose of this schedule is to account for the quantity of natural gas received and delivered by the respondent.
2. Natural gas means either natural gas unmixed or any mixture of natural and manufactured gas.
3. Enter in column (c) the year to date Dth as reported in the schedules indicated for the items of receipts and deliveries.
4. Enter in column (d) the respective quarter's Dth as reported in the schedules indicated for the items of receipts and deliveries.
5. Indicate in a footnote the quantities of bundled sales and transportation gas and specify the line on which such quantities are listed.
6. If the respondent operates two or more systems which are not interconnected, submit separate pages for this purpose.
7. Indicate by footnote the quantities of gas not subject to Commission regulation which did not incur FERC regulatory costs by showing (1) the local distribution volumes another jurisdictional pipeline delivered to the local distribution company portion of the reporting pipeline (2) the quantities that the reporting pipeline transported or sold through its local distribution facilities or intrastate facilities and which the reporting pipeline received through gathering facilities or intrastate facilities, but not through any of the interstate portion of the reporting pipeline, and (3) the gathering line quantities that were not destined for interstate market or that were not transported through any interstate portion of the reporting pipeline.
8. Indicate in a footnote the specific gas purchase expense account(s) and related to which the aggregate volumes reported on line No. 3 relate.
9. Indicate in a footnote (1) the system supply quantities of gas that are stored by the reporting pipeline, during the reporting year and also reported as sales,transportation and compression volumes by the reporting pipeline during the same reporting year, (2) the system supply quantities of gas that are stored by the reporting pipeline during the reporting year which the reporting pipeline intends to sell or transport in a future reporting year, and (3) contract storage quantities.
10. Also indicate the volumes of pipeline production field sales that are included in both the company's total sales figure and the company's total transportation figure. Add additional information as necessary to the footnotes.

Line No.	Item (a)	Ref. Page No. of (FERC Form Nos. 2/2-A) (b)	Total Amount of Dth Year to Date (c)	Current Three Months Ended Amount of Dth Quarterly Only
01	Name of System:			
2	GAS RECEIVED			
3	Gas Purchases (Accounts 800-805)		81,258,967	27,133,571
4	Gas of Others Received for Gathering (Account 489.1)	303		
5	Gas of Others Received for Transmission (Account 489.2)	305		
6	Gas of Others Received for Distribution (Account 489.3)	301	22,039,192	5,928,047
7	Gas of Others Received for Contract Storage (Account 489.4)	307		
8	Gas of Others Received for Production/Extraction/Processing (Account 490 and 491)			
9	Exchanged Gas Received from Others (Account 806)	328		
10	Gas Received as Imbalances (Account 806)	328		
11	Receipts of Respondent's Gas Transported by Others (Account 858)	332		
12	Other Gas Withdrawn from Storage (Explain)		13,980,172	4,108,801
13	Gas Received from Shippers as Compressor Station Fuel			
14	Gas Received from Shippers as Lost and Unaccounted for			
15	Other Receipts (Specify) (footnote details)			
16	Total Receipts (Total of lines 3 thru 15)		117,278,331	37,170,419
17	GAS DELIVERED			
18	Gas Sales (Accounts 480-484)		79,121,206	28,961,655
19	Deliveries of Gas Gathered for Others (Account 489.1)	303		
20	Deliveries of Gas Transported for Others (Account 489.2)	305		
21	Deliveries of Gas Distributed for Others (Account 489.3)	301	22,039,192	5,928,047
22	Deliveries of Contract Storage Gas (Account 489.4)	307		
23	Gas of Others Delivered for Production/Extraction/Processing (Account 490 and 491)			
24	Exchange Gas Delivered to Others (Account 806)	328		
25	Gas Delivered as Imbalances (Account 806)	328		
26	Deliveries of Gas to Others for Transportation (Account 858)	332		
27	Other Gas Delivered to Storage (Explain)		16,118,728	1,660,286
28	Gas Used for Compressor Station Fuel	509	276,180	117,126
29	Other Deliveries and Gas Used for Other Operations		316,368	58,852
30	Total Deliveries (Total of lines 18 thru 29)		117,871,674	36,725,966
31	GAS LOSSES AND GAS UNACCOUNTED FOR			
32	Gas Losses and Gas Unaccounted For		(593,343)	444,453
33	TOTALS			
34	Total Deliveries, Gas Losses & Unaccounted For (Total of lines 30 and 32)		117,278,331	37,170,419

FOOTNOTE DATA

Schedule Page: 520 Line No.: 32 Column: c

PSE Notes that distribution losses result from immaterial losses of inventory during deliveries and withdrawls of gas.

Schedule Page: 520 Line No.: 32 Column: d

PSE Notes that distribution losses result from immaterial losses of inventory during deliveries and withdrawls of gas.

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Puget Sound Energy, Inc.	(1) X An Original (2) __ A Resubmission	04/14/2016	2015/Q4

System Maps

1. Furnish five copies of a system map (one with each filed copy of this report) of the facilities operated by the respondent for the production, gathering, transportation, and sale of natural gas. New maps need not be furnished if no important change has occurred in the facilities operated by the respondent since the date of the maps furnished with a previous year's annual report. If, however, maps are not furnished for this reason, reference should be made in the space below to the year's annual report with which the maps were furnished.
2. Indicate the following information on the maps:
   (a) Transmission lines.
   (b) Incremental facilities.
   (c) Location of gathering areas.
   (d) Location of zones and rate areas.
   (e) Location of storage fields.
   (f) Location of natural gas fields.
   (g) Location of compressor stations.
   (h) Normal direction of gas flow (indicated by arrows).
   (i) Size of pipe.
   (j) Location of products extraction plants, stabilization plants, purification plants, recycling areas, etc.
   (k) Principal communities receiving service through the respondent's pipeline.
3. In addition, show on each map: graphic scale of the map; date of the facts the map purports to show; a legend giving all symbols and abbreviations used; designations of facilities leased to or from another company, giving name of such other company.
4. Maps not larger than 24 inches square are desired. If necessary, however, submit larger maps to show essential information. Fold the maps to a size not larger then this report. Bind the maps to the report.

"No updates needed to maps furnished in 2014."