

**Exhibit No. KHB-5C
Dockets UE-090704 and UG-090705
Witness: Kathryn H. Breda
REDACTED VERSION**

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY, INC.,

Respondent.

DOCKET UE-090704

DOCKET UG-090705

EXHIBIT TO TESTIMONY OF

KATHRYN H. BREDA

**STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

*Maintenance Expense Comparison, Company Proposed Change Versus
Current Accounting Method*

November 17, 2009

CONFIDENTIAL PER PROTECTIVE ORDER

Company Change in Accounting for Major Maintenance Activities vs. Current Accounting for Financial Reporting Purposes

Line No.	Plant Facility (a)	Maintenance Date (b)	Maintenance Amount (c)	Amortization Period (d)	Monthly Amount (e)	2010 (f)	2011 (g)	2012 (h)	2013 (i)	2014 (j)	Total Expense (k)
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Major Maintenance Under \$2 Million (Under Long-Term Service Contracts)

1	Sumas										
2	Goldendale										
4	Mint Farm										
5	Freddy 1 (PSE 49.8										
6	Total Maintenance										
7											
8											
9	Sumas GT										
10	TOTAL SUMAS										
11	Goldendale GT										
12											
13	TOTAL GOLDEN										
14	Mint Farm GT										
15											
16	Mint Farm ST										
17	TOTAL MINT FA										
18	Freddy 1										
19	Total Maintenance										
20											
21	Difference										
22											
23	Sumas										
24	Goldendale										
25	Mint Farm										
26	Freddy 1										
27	Total Increase in										
28											

Major Maintenance Activities over \$2 Million

Line No.	Plant Facility (a)	Maintenance Date (b)	Maintenance Amount (c)	Amortization Period (d)	Monthly Amount (e)	2010 (f)	2011 (g)	2012 (h)	2013 (i)	2014 (j)	Total Expense (k)
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Company's Proposal to Create a Regulatory Asset for Major Maintenance over \$2 million and Recover over 5 Years

31	Encogen										
32	Frederickson										
33	Fredonia										
34	Goldendale										
35											
36											
41	Total Major Maintenance over \$2.0 million requesting deferral										
42	Amortization Expense for five year based on May 2012 rate year										

Company's Current Accounting Practice for Major Maintenance over \$2 Million

43	Frederickson 1										
44	Frederickson 2										
45	TOTAL FREDERICKSON										
46	Encogen 3										
47	TOTAL ENCOGEN										
48	Fredonia 1										
49	TOTAL FREDONIA										
50	Total Maintenance										

Difference Between Company's Proposal for Rate Making Compare to Company's Current Accounting Practice for Major Maintenance under \$2 Million

51											
52											
53											
54											
55											
56											
57											
58											
59											
60											
61	Total Increase in Expense under Company's Proposal										