

**EXHIBIT NO. \_\_\_(MJS-4)  
DOCKET NO. UE-072300/UG-072301  
2007 PSE GENERAL RATE CASE  
WITNESS: MICHAEL J. STRANIK**

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.**

**PUGET SOUND ENERGY, INC.,**

**Respondent.**

**Docket No. UE-072300  
Docket No. UG-072301**

**THIRD EXHIBIT (NONCONFIDENTIAL) TO THE  
PREFILED REBUTTAL TESTIMONY OF  
MICHAEL J. STRANIK  
ON BEHALF OF PUGET SOUND ENERGY, INC.**

**JULY 3, 2008**

Accounts affected by the implementation of FIN 47 on PSE's financial statements.

<b>Asset Retirement Cost</b>	<b>FERC</b>	<b>Debit</b>	<b>Credit</b>
ARO Hopkins Ridge Wind project	347	\$ 639,847	
ARO Bare steel pipe	388	2,201,197	
ARO Distribution Poles	374	4,184,226	
ARO Contaminated Oil & Related Equipment	374	2,887,489	
ARO Transmission Poles	359	1,716,098	
ARO Asbestos - Electric	390	16,026	
ARO Asbestos - Common	390	12,097	
ARO Gas Mains	388	1,751,537	
<b>Total Asset Retirement Costs</b>	<b>101</b>	<b>\$13,408,517</b>	

<b>Accumulated Depreciation ARC</b>	<b>FERC</b>	<b>Debit</b>	<b>Credit</b>
ARO Hopkins Ridge Wind project	108		\$ 13,614
ARO Bare steel pipe	108		523,823
ARO Distribution Poles	108		3,086,243
ARO Contaminated Oil & Related Equipment	108		489,926
ARO Transmission Poles	108		887,403
ARO Asbestos – Electric	108		15,082
ARO Asbestos – Common	108		11,196
ARO Gas Mains	108		440,254
<b>Total Accumulated Depr. ARC</b>	<b>108</b>		<b>\$5,467,541</b>

<b>Accumulated Depreciation</b>	<b>FERC</b>	<b>Debit</b>	<b>Credit</b>
Hopkins Ridge Wind project	108	\$ 40,699	
Bare steel pipe	108	500,594	
Distribution Poles	108	11,260,218	
Contaminated Oil & Related Equipment	108	895,014	
Transmission Poles	108	3,113,044	
Asbestos - Electric	108	--	
Asbestos - Common	108	--	
Gas Mains	108	1,069,448	
<b>Total Accumulated Depr.</b>	<b>108</b>	<b>\$16,879,017</b>	

<b>Asset Retirement Obligation Liability</b>	<b>FERC</b>	<b>Debit</b>	<b>Credit</b>
ARO Hopkins Ridge Wind project	230		\$ 666,932
ARO Bare steel pipe	230		2,177,968
ARO Distribution Poles	230		12,358,201
ARO Contaminated Oil & Related Equipment	230		3,292,577
ARO Transmission Poles	230		3,941,739
ARO Asbestos - Electric	230		62,948
ARO Asbestos - Common	230		47,517
ARO Gas Mains	230		2,380,731
<b>Total ARO Liability</b>	<b>230</b>		<b>\$24,928,613</b>

<b>Income Statement Impact</b>	<b>FERC</b>	<b>Debit</b>	<b>Credit</b>
Cumulative effect of accounting change	435		
Asbestos - Electric		\$62,004	
Cumulative effect of accounting change	435		
Asbestos - Common		46,616	
<b>Total Expense</b>	<b>435</b>	<b>\$108,620</b>	