

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**Docket Nos. UE-090704 and UG-090705  
 Puget Sound Energy, Inc.'s  
 2009 General Rate Case**

**PUBLIC COUNSEL DATA REQUEST NO. 140**

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**(Markell Direct, p. 17, ll. 6, 7)**

Please provide the Puget Energy and Puget Sound Energy accounting entries accompanying the transfer of \$809 Million in capital from the former to the latter on February 6, 2009.

**Response:**

Below are journal entries recorded by both Puget Energy, Inc. ("Puget Energy") and Puget Sound Energy, Inc. ("PSE"):

**Puget Energy Journal Entries for equity contributions to PSE:**

To record the initial capital contribution from Puget Energy.

Account	Description	DR	CR
12400300 (a)	Investment in PSE	521,323,610.47	
22400500	Puget Energy Barclays Term Loan		521,323,560.47
12400300 (a)	Investment in PSE	8,820,105.43	
23400000	A/P Associated Companies – TP 1000	24,295,050.19	
22400500	Puget Energy Barclays Term Loan		33,115,155.62
12400300 (a)	Investment in PSE	258,000,000.00	
22400600	Puget Energy Barclays Cap Ex		258,000,000.00

To transfer back to PSE merger expenses that cannot be reported on Puget Energy's books. Puget Energy will make an additional capital contribution to PSE to reflect the payment of these expenses by PSE.

Account	Description	DR	CR
12400300 (a)	Investment in PSE	20,795,672.63	
93020500	PE Merger Transaction Costs LTIP PS		15,466,840.53
93020500	PE Merger Transaction Costs LTIP taxes		574,347.15
93020500	PE Merger Transaction Costs Change in control		4,754,484.95

To correct the Long-Term Incentive Plan ("LTIP") true-up pay-out at PSE and the capital contribution, which was recorded in June 2009.

Account	Description	DR	CR
21101000	Consortium Equity	3,655,335.33	
12400300 (a)	Investment in PSE		3,655,335.33

(a) The capital contribution from Puget Energy to PSE equals \$805,284,053.20. Below are the amounts that make up the capital contribution.

Account	Description	Amount
12400300 (a)	Investment in PSE	\$ 521,323,610.47
12400300 (a)	Investment in PSE	8,820,105.43
12400300 (a)	Investment in PSE	258,000,000.00
12400300 (a)	Investment in PSE	20,795,672.63
	Subtotal:	808,939,388.53
12400300 (a)	Investment in PSE	(3,655,335.33)*
		<u>\$ 805,284,053.20</u>

\*Subject to review by auditors during the second quarter financial statement preparation for the PSE Form 10-Q.

**PSE Journal Entries reflecting equity contributions from Puget Energy:**

Record the capital contribution from Puget Energy to PSE.

Account	Description	DR	CR
14600000	AR Associated – TP 500	778,844,143.90	
21100003 (b)	Miscellaneous Paid in Capital		778,844,143.90
14600000	AR Associated – TP 500	479,466.57	
21100003 (b)	Miscellaneous Paid in Capital		479,466.57
13101023	Cash – Key Bank Concentration Account	33,115,155.62	
14600000	AR Associated – TP 500		24,295,050.19
21100003 (b)	Miscellaneous Paid in Capital		8,820,105.43

To transfer back to PSE merger expenses that cannot be reported on PE's books. Puget Energy will make an additional capital contribution to PSE to reflect the payment of these expenses by PSE.

Order	Description	DR	CR
41710257	Merger Related Costs	15,466,840.53	
41710257	Merger Related Costs	574,347.15	
41710257	Merger Related Costs	4,754,484.95	
21100003 (b)	Miscellaneous Paid		20,795,672.63

To correct the LTIP true-up pay-out at PSE and the capital contribution, which was recorded in June 2009.

Order	Description	DR	CR
21100003 (b)	Miscellaneous Paid in Capital	3,655,335.33	
41710257	Merger Related Costs		3,655,335.33

(b) The capital contribution from Puget Energy to PSE equal \$805,284,053.20. Below are the amounts which make up the capital contribution.

Account	Description	Amount
21100003 (b)	Miscellaneous Paid in Capital	\$ 778,844,143.90
21100003 (b)	Miscellaneous Paid in Capital	479,466.57
21100003 (b)	Miscellaneous Paid in Capital	8,820,105.43
21100003 (b)	Miscellaneous Paid in Capital	20,795,672.63
		808,939,388.53
21100003 (b)	Miscellaneous Paid in Capital	(3,655,335.33)*
		<u>\$ 805,284,053.20</u>

\*Subject to review by auditors during the second quarter financial statement preparation for the PSE Form 10-Q.