

**EXHIBIT NO. ___(MRM-4)
DOCKET NO. UE-11___/UG-11___
2011 PSE GENERAL RATE CASE
WITNESS: MATTHEW R. MARCELIA**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY, INC.,

Respondent.

**Docket No. UE-11___
Docket No. UG-11___**

**THIRD EXHIBIT (NONCONFIDENTIAL) TO THE
PREFILED DIRECT TESTIMONY OF
MATTHEW R. MARCELIA
ON BEHALF OF PUGET SOUND ENERGY, INC.**

JUNE 13, 2011

Accumulated Deferred Taxes for the Repairs Deduction

	Electric	Tax Effected
Initial deduction for change in method (§481(a) adjustment)	87,783,755	30,724,314
Amended deduction	25,884,504	9,059,576
subtotal	113,668,259	39,783,891

Tax Deduction	481 and 2008	2009	2010	Total	Test Year
July-09	0				
August-09	0				
September-09	87,783,755	3,000,000		90,783,755	
October-09		333,333		333,333	
November-09		333,333		333,333	
December-09	25,884,504	410,217		26,294,721	
January-10			339,740	339,740	339,740
February-10			339,740	339,740	339,740
March-10			339,740	339,740	339,740
April-10			339,740	339,740	339,740
May-10			339,740	339,740	339,740
June-10			339,740	339,740	339,740
July-10			339,740	339,740	339,740
August-10			339,740	339,740	339,740
September-10		1,357,932	(1,379,944)	(22,012)	(22,012)
October-10			148,664	148,664	148,664
November-10			148,664	148,664	148,664
December-10			(1,332,283)	(1,332,283)	(1,332,283)
	113,668,259	5,434,815	303,021	119,406,095	1,660,953

Net ADIT	481 and 2008	2009	2010	Total	Where is it?							
					ADIT 282 cum	Cash 131	Cash 131 Cumulative	Tax Payable 236	Tax Payable 236 Cumulative	NOL 190	NOL 190 Cumulative	
July-09	0			0			0	0	0			0
August-09	0			0			0	0	0			0
September-09	(30,724,314)	(1,050,000)		(31,774,314)	(31,774,314)		0	31,774,314	31,774,314			0
October-09	0	(117,000)		(117,000)	(31,891,314)		0	117,000	31,891,314			0
November-09	0	(117,000)		(117,000)	(32,008,314)		0	117,000	32,008,314			0
December-09	(9,059,576)	(144,000)		(9,203,576)	(41,211,890)	30,724,314		(21,520,738)	10,487,577			0
January-10			(119,000)	(119,000)	(41,330,890)		30,724,314	0	10,487,577		119,000	119,000
February-10			(119,000)	(119,000)	(41,449,890)	9,059,578		(9,059,578)	1,427,999		119,000	238,000
March-10			(119,000)	(119,000)	(41,568,890)				1,427,999		119,000	357,000
April-10			(119,000)	(119,000)	(41,687,890)				0		119,000	476,000
May-10			(119,000)	(119,000)	(41,806,890)				0		119,000	595,000
June-10			(119,000)	(119,000)	(41,925,890)				0		119,000	714,000
July-10			(119,000)	(119,000)	(42,044,890)				0		119,000	833,000
August-10			(119,000)	(119,000)	(42,163,890)				0		119,000	952,000
September-10		(475,276)		7,704	(42,156,186)				475,276		(482,980)	469,020
October-10			(52,032)	(52,032)	(42,208,219)				0		52,032	521,052
November-10			(52,032)	(52,032)	(42,260,251)				0		52,032	573,084
December-10	(39,783,890)	(1,903,276)	(106,785)	(41,793,952)	(41,793,952)	39,783,892			0	1,903,275	(466,299)	106,785
									1,903,275			