

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**Docket Nos. UE-111048 and UG-111049  
Puget Sound Energy, Inc.'s  
2011 General Rate Case**

**WUTC STAFF DATA REQUEST NO. 210**

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**RE: FIN 48 workpapers and analysis. Refer to the Rebuttal Testimony of Matthew Marcellia at page 49 and elsewhere where he refers to FIN 48.**

- 1) Please provide all PSE prepared FIN 48 analyses completed in 2009, 2010 and 2011.
- 2) Please admit that FIN 48 is part of generally accepted accounting principles and PSE must follow it.
- 3) If your answer to part b is anything other than an unqualified admission, please explain fully and provide all documents relied upon.
- 4) Please provide all FIN 48 analyses that PSE provided to its external auditors in 2009, 2010 and 2011.
- 5) Please provide all correspondence in 2009, 2010 and 2011 between PSE and its external auditors concerning uncertain tax positions and/or analyses which are required per FIN 48.
- 6) Please admit that PSE is required by generally accepted accounting principles to analyze each and every uncertain tax position it has and to record a reserve for each and every uncertain tax position it has that are more likely than not to be disallowed.
- 7) If your answer to part f is anything other than an unqualified admission, please explain fully and provide all documents relied upon.
- 8) Please admit that PSE has recorded no reserve for uncertain tax positions for repairs deductions in any year, 2008, 2009, 2010 or 2011.
- 9) If your answer to part h is anything other than an unqualified admission, please explain fully and provide all documents relied upon.

**Response:**

1. Attached as Attachment A to Puget Sound Energy, Inc.'s ("PSE") Response to WUTC Data Request No. 210, please find a copy of PSE's FIN 48 analysis for 2009, 2010, and 2011.
2. The accounting guidance formerly known as "FIN 48" has been incorporated into ASC 740, Income Taxes. ASC 740 is part of generally accepted accounting principals ("GAAP"). PSE follows GAAP in its financial statements.
3. Please see PSE's Response to WUTC Staff Data Request No. 210(2), above.
4. Please see PSE's Response to WUTC Staff Data Request No. 210(1), above.
5. Please see PSE's Response to WUTC Staff Data Request No. 210(1), above.
6. The provisions of FIN 48 apply only to income taxes that are subject to FAS 109. See the text in the box following paragraph 59 in FAS 109; also see ASC 105-10-05-6. As a result, the provisions of FIN 48 only apply to material items. Immaterial items are not subject to FIN 48.
7. Please see PSE's Response to WUTC Staff Data Request No. 210(6), above.
8. Please see PSE Response to WUTC Staff Data Request No. 124.
9. Please see PSE's Response to WUTC Staff Data Request No. 210(8), above.

Attachment A to PSE's Response to WUTC Staff Data Request No. 210 is  
CONFIDENTIAL per Protective Order in WUTC Docket Nos. UE-111048/ UG-111049.