

**EXHIBIT NO. ___(KRK-5)
DOCKET NO. UE-051828/UE-051966
WITNESS: KARL R. KARZMAR**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WESTERN VILLAGE, LLC, D/B/A
WESTERN VILLAGE ESTATES,

Complainant,**

v.

**PUGET SOUND ENERGY, INC.

Respondent.**

Docket No. UE-051828

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,**

v.

**PUGET SOUND ENERGY, INC.,

Respondent.**

Docket No. UE-051966

**FOURTH EXHIBIT TO THE PREFILED TESTIMONY OF
KARL R. KARZMAR
ON BEHALF OF PUGET SOUND ENERGY, INC.
IN RESPONSE TO THE
PREFILED TESTIMONY OF WESTERN VILLAGE, LLC
DATED MARCH 8, 2006**

APRIL 19, 2006



**STONE
& WEBSTER** Management Consultants, Inc.

PUGET SOUND POWER & LIGHT COMPANY

DEPRECIATION STUDY

DECEMBER 31, 1981

JUNE 1981

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**STONE
& WEBSTER** Management Consultants, Inc.

90 Broad Street
New York, New York 10004
212-269-4224

June 5, 1981

Mr. Bruce M. Holm, Controller
Puget Sound Power & Light Company
Puget Power Building
Bellevue, Washington 98009

Dear Mr. Holm:

In accordance with your request, we have performed a depreciation study of the Puget Sound Power & Light Company plant in service as of December 31, 1979, the results of which are presented herein.

Our determination of the appropriate average service lives and retirement patterns were based on test results using simulated plant record and turnover period procedures of those plant accounts where sufficient data were available to provide meaningful results. For the other accounts which did not permit the employment of these procedures the lives and curves selected were based on our experience and judgment.

The estimated salvage and retirement costs reflected in the study represent our conclusions on the basis of the data obtained from the books and records of the Company for those accounts where data were available. For other accounts where data were not available because of limited retirements we have estimated the salvage proceeds or retirement costs on the basis of our experience.

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We are most appreciative of the assistance provided by you and your associates in satisfying our inquiries for data and information.

Yours very truly,


R. R. Bird
Senior Vice President

PUGET SOUND POWER AND LIGHT COMPANY
 SUMMARY OF ANNUAL DEPRECIATION AMOUNTS AND RATES
 UTILITY PLANT IN SERVICE AT DECEMBER 31, 1979

Account Number	Description	Plant Balance	Estimated Salvage or Retirement Cost		Estimated Service Value	Mortality Dispersion Years	Curve	Book Depreciation Reserve	Unrecovered Service Value	Estimated Remaining Life	Annual Depreciation	
			Percent	Amount							Amount	Percent
Distribution Plant												
361	Structures and Improvements	\$ 863,194			\$ 863,194	45	R3	\$ 137,209	\$ 725,985	36.4	\$ 19,945	2.31
362	Station Equipment	70,685,473	20	\$ 14,137,094	56,548,379	30	S5	14,110,151	42,438,228	21.0	2,020,868	2.86
364	Poles, Towers and Fixtures	107,515,164			107,515,164	31	R1.5	24,231,347	83,283,817	22.6	3,685,125	3.43
365	Overhead Conductors and Devices	97,122,751			97,122,751	28	R2.5	23,080,393	74,042,358	20.0	3,702,118	3.81
366	Underground Conduit	52,077,667			52,077,667	50	R3	4,418,165	47,659,502	44.9	1,061,459	2.04
367	Underground Conductors and Devices	70,769,072	5	3,538,454	67,230,618	30	R4	9,133,395	58,097,223	25.1	2,314,630	3.27
368	Line Transformers	97,729,827	(15)	(14,659,474)	112,389,301	35	R1	17,093,349	95,295,952	28.6	3,332,026	3.41
369	Services	56,146,950	(10)	(5,614,695)	61,761,645	30	R2	11,643,854	50,117,791	23.2	2,160,250	3.85
370	Meters	22,394,350	(15)	(3,359,152)	25,753,502	34	R0.5	3,906,064	21,847,438	27.8	785,879	3.51
373	Street Lighting and Signal Systems	11,994,938	5	599,747	11,395,191	35	R1.5	1,895,580	9,499,611	28.0	339,272	2.83
374	Easements	3,264,330			3,264,330	30	R2	543,018	2,721,312	24.0	113,388	3.47
	Total	590,563,716		(5,358,026)	595,921,742			110,192,525	485,729,217		19,534,960	3.31
General Plant												
390	Structures and Improvements	16,564,665			16,564,665	47	R2	3,441,331	13,123,334	36.8	356,612	2.15
391	Office Furniture and Equipment	5,948,198	5	297,410	5,650,788	21	R5	1,081,884	4,568,904	16.8	271,959	4.57
393	Stores Equipment	448,631			448,631	31	R3	108,059	340,572	23.2	14,680	3.27
394	Tools, Shop and Garage Equipment	1,164,928			1,164,928	11	L3	334,550	830,378	7.7	107,861	9.26
395	Laboratory Equipment	1,009,689			1,009,689	31	S4	212,020	797,669	24.2	32,962	3.26
397	Communication Equipment	4,753,966			4,753,966	26	R3	1,295,257	3,458,709	18.6	185,952	3.91
398	Miscellaneous Equipment	78,461			78,461	18	R1	19,195	59,266	13.4	4,423	5.64
	Total	29,968,538		297,410	29,671,128			6,492,296	23,178,832		974,429	3.25
	Total Depreciable Plant	986,404,546		\$(11,156,532)	\$997,561,081			175,617,937	\$821,943,144		\$31,035,920	3.15