

May 31, 2011

Via Email: director@fasb.org

Technical Director
Financial Accounting Standards Board
401 Merritt 7
PO Box 5116
Norwalk, CT 06856-5116

Dear Technical Director:

RE: Proposed Accounting Standards Update, Intangibles – Goodwill and Other (File Reference No. 2011-180)

Puget Energy, Inc. (Puget Energy) appreciates the opportunity to respond to the Financial Accounting Standards Board's (FASB) Proposed Accounting Standards Update Exposure Draft regarding Testing Goodwill for Impairment. We support the efforts of the FASB to simplify how an entity is required to test goodwill for impairment and believe that the option to first assess qualitatively whether it is necessary to perform the current two-step goodwill impairment test should reduce costs and complexity. Moreover, we recommend that the FASB consider extending the qualitative assessment option to include other indefinite-lived intangible assets. Puget Energy's responses to the specific questions are as follows:

Question 1: Please describe the entity or individual responding to this request.

Puget Energy is a privately held energy services holding company that owns Puget Sound Energy, Inc. (PSE). PSE is a utility company incorporated in the state of Washington that furnishes electric and natural gas services primarily in the Puget Sound region with annual revenue of approximately \$3.1 billion.

Question 2: For preparers, do you believe that the proposed amendments will reduce overall costs and complexity compared with existing guidance? If not, please explain why.

We believe that allowing a qualitative assessment of impairment prior to applying the two-step goodwill impairment test would, in most cases, simplify the process of determining if it was more likely than not that a reporting unit's fair value is less than its carrying amount. Where a qualitative assessment indicates that it is not more likely than not that goodwill is impaired, the costs of a quantitative assessment, including the services of a valuation firm, could be avoided. In addition, for impairment testing of other indefinite-live intangible assets, which is not currently in the scope of this Exposure Draft, we believe the proposed amendments may reduce costs with a qualitative analysis depending on the complexity of intangible assets.

Question 3: For preparers, do you expect your entity will choose to perform the qualitative assessment proposed in the amendments, or will your entity choose to proceed directly to performing the first step of the two-step impairment test? Please explain.

We expect to utilize the qualitative assessment for goodwill testing as proposed prior to performing the first step of the two-step impairment test.

Questions 4 – 5: Not applicable to preparers

Question 6: Do you agree that the proposed examples of events and circumstances to be assessed are adequate? If not, what changes do you suggest?

We believe the proposed examples of events and circumstances are adequate to guide the preparer in determining whether it is more likely than not that the fair value of goodwill is less than its carrying amount. We understand that the proposed examples are not intended to be all-inclusive and other events and circumstances need to be considered when performing the qualitative assessment.

Question 7: Do you agree that the guidance in the proposed amendments about how an entity should assess relevant events or circumstances is clear? If not, how can the guidance be improved?

We agree that the proposed amendments provide clear guidance regarding how to qualitatively assess relevant events and circumstances.

Question 8: Do you agree with the Board's decision to make the proposed amendments applicable to both public entities and nonpublic entities? If not, please explain why.

We agree with the FASB's decision to make the proposed amendment applicable to both public and nonpublic entities.

Question 9: Do you agree with the proposed effective date provisions? If not, please explain why.

We agree with the proposed amendments effective for annual periods beginning after December 15, 2011, including early adoption.

Thank you for your consideration of our comments. If you have any questions, please contact me at 425-462-3202

Respectfully yours,



Michael J. Stranik
Assistant Controller