

**Exhibit H to  
Settlement Stipulation**

***PSE GENERAL RATE CASE  
DOCKET NOS. UE-011570 and UG-011571***

**SETTLEMENT TERMS FOR  
ELECTRIC LINE EXTENSIONS**

**A. Executing Parties**

1. The following parties have participated in the Electric Line Extension collaborative in Docket Nos. UE-011570 and UG-011571, and have reached consensus on the terms of settlement with respect to issues in dispute in this proceeding regarding electric Schedule 85, as set forth in this Agreement: Puget Sound Energy, Inc. ("PSE" or the "Company"); the Staff of the Washington Utilities and Transportation Commission; the Public Counsel Section of the Attorney General's Office; Intervenor Industrial Customers of Northwest Utilities, Intervenor Microsoft Corporation, Joint Intervenor NW Energy Coalition and Natural Resources Defense Council; and Intervenor AT&T Wireless Services, Inc., (hereinafter referred to collectively as "Executing Parties").

**B. Substitution of Agreed Electric Schedule 85**

2. The version of Electric Schedule 85 that was filed by PSE in its general rate case filing in Docket Nos. UE-011570 and UG-011571 shall be withdrawn and replaced by the version of Electric Schedule 85 that is attached hereto as Appendix 1.

**C. Miscellaneous Provisions**

3. **Binding on Parties:** The Executing Parties agree to support the terms and conditions of this Agreement, as described above. The Executing Parties understand that this Agreement is subject to Commission approval.

4. **Integrated Terms of Settlement:** The Executing Parties have negotiated this Agreement as an integrated document. Accordingly, the Executing Parties agree to recommend that the Commission adopt this Agreement in its entirety.

5. **Negotiated Agreement:** This Agreement represents a fully negotiated agreement. Each Executing Party has been afforded the opportunity, which it has exercised, to review the terms of the Agreement. Each Party has been afforded the

opportunity, which it has exercised, to consult with legal counsel of its choice concerning such terms and their implications. The Agreement shall not be construed for or against any Executing Party based on the principle that ambiguities are construed against the drafter.

6. **Execution:** This Agreement may be executed by the Executing Parties in several counterparts, through original and/or facsimile signature, and as executed shall constitute one agreement.

DATED this 3rd day of June, 2002.

**PUGET SOUND ENERGY, INC.**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION  
STAFF**

By \_\_\_\_\_  
Kimberly Harris  
Vice President of Regulatory  
Affairs

By \_\_\_\_\_  
Robert Cedarbaum  
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**INDUSTRIAL CUSTOMERS OF  
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Bradley Van Cleve  
Attorney for ICNU

**MICROSOFT CORPORATION**

**NW ENERGY COALITION AND  
NATURAL RESOURCES DEFENSE  
COUNCIL**

By \_\_\_\_\_  
Harvard P. Spigal  
Attorney for Microsoft  
Corporation

By \_\_\_\_\_  
Its \_\_\_\_\_

**AT&T WIRELESS SERVICES, INC.**

By \_\_\_\_\_  
Its \_\_\_\_\_

**Appendix 1**  
**New Schedule 85**