October 22, 2008

Dave Danner, Secretary Washington Utilities and Transportation Commission PO Box 47250 Olympia, WA 98504-7250

Subject: 2008 Standard Inspection of Thurston/Lewis Counties Distribution System (Docket No. PG-080032)

Dear Mr. Danner:

Pursuant to Docket No. PG-080032 and in response to the Washington Transportation and Utilities Commission (WUTC) letter dated September 25, 2008, Puget Sound Energy (PSE) is submitting the following response.

PSE has reviewed the aforementioned letter and agrees to enter into an agreement to close Docket No. PG-080032 and to begin the process of drafting a WUTC Order. PSE understands that such an agreement will resolve all of the probable violations, area of concern, and any additional conditions noted in the September 25, 2008 letter.

If you have any questions, please call me at 425-462-3967.

Sincerely,

Helge Ferchert

Manager, Compliance and Regulatory Audits, Gas

cc:

Bert Valdman

Sue McLain

Mike Hobbs

Harry Shapiro

Duane Henderson

Tom DeBoer