

BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Application of PUGET
SOUND ENERGY, INC. for an Order Approving
an Amendment to the Service Area Agreement
With the CITY OF TACOMA

NO. UE-900794

PROPOSED ORDER

By application filed _____, 2001, Puget Sound Energy, Inc. ("Puget"), the successor in interest to Puget Sound Power & Light Company, seeks Commission approval of an amendment to the Service Area Agreement between Puget and the City of Tacoma, Washington (dba "Tacoma Power"), Puget's participation in which the Commission approved on August 22, 1990.

A description of the parties and the Service Area Agreement ("Agreement") is set forth in the Commission's August 22, 1990 Order approving the Service Area Agreement.

Exhibit C to the Agreement depicts Puget's Distribution Facilities located in the Tacoma Service Area. Agreement at ¶ 3.2. The parties have amended the Agreement pursuant to the terms and conditions of Amendment 2 Updating the Boundary Agreement, a copy of which is attached hereto as Exhibit A ("Amendment 2"). Puget now seeks to have the Commission approve Amendment 2.

The Commission holds that it has authority to approve Puget's participation in the proposed Amendment 2 under Chapter 54.48 RCW.

Having reviewed the Application and Amendment 2, the Commission is of the opinion that (i) Amendment 2 is consistent with the legislative policy enunciated in Chapter 54.48 RCW; (ii) the objectives and purposes specified in that legislation would be reasonably achieved by approval of Amendment 2; and (iii) that such approval is consistent with the public interest.

ORDER

WHEREFORE, IT IS HEREBY ORDERED that the Agreement originally approved by the Commission on August 22, 1990, and subsequently amended and approved on January 11, 2001, is further amended by the terms and conditions of Amendment 2, pursuant to the provisions and requirements of RCW 54.48 *et seq.*

Nothing herein shall be construed to waive or otherwise impair the jurisdiction of this Commission over the rates, services, accounts and practices of Puget Sound Energy, Inc.

DATED at Olympia, Washington, and effective this ____ day of _____, 2001.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

Exhibit A

Amendment 2 Updating the Boundary Agreement