Puget Sound Energy P.O. Box 97034 Bellevue, WA 98009-9734 PSE.com

December 21, 2012

Via Web Portal and U.S. Mail

Mr. David W. Danner, Executive Director and Secretary Washington Utilities and Transportation Commission P.O. Box 47250
Olympia, Washington 98504-7250

Re: Puget Sound Energy, Inc.

Docket No. U-110808 - Compliance with Settlement Agreement

Dear Mr. Danner:

Pursuant to paragraph 15 of the Settlement Agreement in the above docket, Puget Sound Energy, Inc. ("PSE") agreed to, within 60 business days of an order approving the Settlement Agreement, include language in the customer's Prior Obligation bill indicating that the customer cannot be disconnected for non-payment of that amount. Order No. 3 Approving and Adopting the Settlement Agreement became final on November 7, 2012 when a Notice of Finality was issued.

PSE began incorporating this language into customer's Prior Obligation bills as of December 7, 2012. Please see Attachment A for two sample customer bills which include this information.

If you have any questions, please contact me at (425) 462-3716.

Sincerely,

Katherine J. Barnard

Director, State Regulatory Affairs

Attachment

cc:

All Parties