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PUGET SOUND ENERGY

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

November 6, 2006

Ms. Carole J. Washburn, Executive Secretary
Washington Utilities and Transportation Commission
P.O. Box 47250
Olympia, Washington 98504-7250

Re: Puget Sound Energy, Inc. Application for an Order approving an Agreement
Between Puget Sound Energy and the City of Ellensburg

Dear Ms. Washburn:

Enclosed, pursuant to WAC 480-07-145(3)(a), for filing are an original and twelve (12) copies of an Application of Puget Sound Energy, Inc. ("PSE" or the "Company") for a Commission Order approving an Agreement For Transfer of Distribution Facilities ("Agreement") with the City of Ellensburg ("Ellensburg"). A copy of this letter and the Application in electronic format has been submitted through the Commission's web portal.

The enclosed Agreement provides for the transfer of certain distribution facilities and related customers' service to the City of Ellensburg. This Agreement would resolve duplicative service issues in a small, specific area of the City. PSE and the City are also engaged in a broad discussion of common issues between PSE and the City of Ellensburg that may lead to broader more comprehensive agreement on service area boundaries and related issues. Attachment 1 to the Agreement is a map that shows the location of the facilities and customers, which are currently customers of the PSE and whose service will be transferred to Ellensburg. Attachment 2 is a listing of the addresses, PSE account numbers and meters numbers of the customers whose service is to be transferred to Ellensburg. Attachment 3 is a detailed list of the equipment that will be transferred to Ellensburg as a result of the Agreement.

The Company respectfully requests that the Commission approve this Application within thirty days so that the actual transfer of customers' service can occur during the fall when the short outage required for transfer will have the little impact on customers.

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Thank you for your assistance. If the Commission or its staff have any questions or need any additional information regarding this filing, please contact Lynn Logen by telephone at (425) 462-3872, by fax at (425) 462-3414 or by email at lynn.logen@pse.com. If you have any other questions please contact me at (425) 462-3495.

Very truly yours,



Tom DeBoer
Director, Rates & Regulatory Affairs

Enclosures

cc: Simon J. ffitch – Public Counsel
Jerry Lutz – Perkins Coie