



PUGET SOUND ENERGY

The Energy To Do Great Things

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

January 6, 2011

Via Web Portal and Overnight Courier

David Danner, Executive Director and Secretary
Washington Utilities and Transportation Commission
1300 Evergreen Park Drive SW
Olympia, WA 98504

Re: Affiliated Interest Filing for Puget Sound Energy, Inc.

Dear Mr. Danner:

Pursuant to RCW 80.16.020 and WAC 480-100-245, please find enclosed for filing an original and three copies of the following documents:

1. the Service Agreement for Firm Point-to-Point Transmission Service between PSE and Macquarie Energy LLC ("Macquarie Energy") dated February 1, 2011; and
2. the Service Agreement for Non-Firm Point-to-Point Transmission Service between PSE and Macquarie Energy dated February 1, 2011.

Also included in this filing is a verification of the above-referenced agreements.

Macquarie Energy is a Delaware limited liability company with its principal place of business in Houston, Texas. Macquarie Energy is an indirect, wholly-owned subsidiary of Macquarie Bank Limited, which in turn is wholly-owned by Macquarie Group Limited ("MGL"), an Australian-based company which is a global provider of banking, financial, advisory, investment and funds management services. Macquarie Energy is the surviving entity of an internal corporate reorganization that took effect on February 1, 2010, pursuant to which the power marketer, Macquarie Cook Power Inc. ("MCP"), merged into its affiliated natural gas marketer Macquarie Cook Energy, LLC, which then changed its name to Macquarie Energy LLC.

Macquarie Energy operates as a power marketer in various markets in the United States and is authorized to sell energy, capacity, and ancillary services in the United States.¹ Macquarie Energy is party to a tolling agreement for Camden Plant Holding, L.L.C. ("Camden Plant"), an approximately 150 MW natural gas-fired generating facility located in New Jersey in the PJM East submarket. Except with respect to the agreement with Camden Plant, ME does not own, operate or otherwise control any electric generation, transmission, or distribution facilities in the United States.

In addition to having market-based rates, Macquarie Energy is a natural gas trading and marketing company servicing North America's natural gas producers, utilities, industrial users, and other wholesale energy sector participants. Macquarie Energy does not own or control any generation facilities, transmission lines or distribution facilities. Macquarie Energy holds capacity rights on various interstate pipelines and at various interstate storage facilities throughout North America.

Following the merger with Puget Holdings on February 6, 2009, Macquarie Energy became an Affiliated Interest of PSE pursuant to RCW 80.16.020 and WAC 480-90-425.

The attached transmission service agreements will allow Macquarie Energy to purchase both firm and non-firm point-to-point transmission service on PSE's transmission system. These agreements are standard form agreements under PSE's *pro forma* Open Access Transmission Tariff (OATT) on file with the Federal Energy Regulatory Commission. Any transmission service provided under these agreements will be conducted pursuant to the terms of PSE's OATT. As noted in the attached agreements, PSE anticipates the agreements becoming effective on February 1, 2011.

If you have any questions, please contact me at tom.deboer@pse.com or (425) 462-3495.

Very truly yours,



Tom DeBoer
Director – Federal & State Regulatory Affairs

Enclosures

¹ Macquarie Energy succeeded to MCP, which received market-based rate authority in *Macquarie Cook Power, Inc.*, Letter Order, Docket No. ER07-157-000 (Dec. 21, 2006). See *Macquarie Energy LLC*, Letter Order, Docket No. ER10-622-000 (March 11, 2010) (accepting for filing ME's notice of succession to MCP's market-based rate tariff).

VERIFICATION

I, Tom DeBoer, Director – Federal & State Regulatory Affairs for Puget Sound Energy, Inc., verify that the attached:

1. Service Agreement for Firm Point-to-Point Transmission Service between PSE and Macquarie Energy LLC (“Macquarie”) dated February 1, 2011; and
2. Service Agreement for Non-Firm Point-to-Point Transmission Service between PSE and Macquarie dated February 1, 2011

are true and correct copies of the original document.

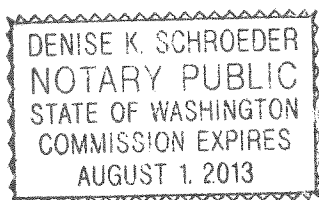
I declare under penalty of perjury that the foregoing is true and correct.

Executed on January 6, 2011 at Bellevue, Washington.

Tom DeBoer

Tom DeBoer
Director – Federal & State Regulatory Affairs
Puget Sound Energy, Inc.

Subscribed and Sworn to before me this 6th day of January, 2011.



Denise K Schroeder

Notary Public for Washington
My Commission Expires: 8-1-2013