

**EXHIBIT NO. ___(PKW-10)
DOCKET NO. UE-09___/UG-09___
2009 PSE GENERAL RATE CASE
WITNESS: PAUL K. WETHERBEE**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

PUGET SOUND ENERGY, INC.,

Respondent.

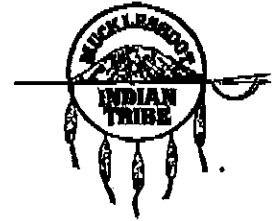
**Docket No. UE-09___
Docket No. UG-09___**

**NINTH EXHIBIT (NONCONFIDENTIAL) TO THE
PREFILED DIRECT TESTIMONY OF
PAUL K. WETHERBEE
ON BEHALF OF PUGET SOUND ENERGY, INC.**

MAY 8, 2009



MUCKLESHOOT INDIAN TRIBE
OFFICE OF THE TRIBAL ATTORNEY
39015 - 172ND Avenue S.E. • Auburn, Washington 98092-9763
Phone: (253) 939-3311 • FAX: (253) 876-3181



FACSIMILE TRANSMITTAL SHEET


TO: Stephen P. Reynolds Paul Wiegand	FROM: John Daniels, Jr.
DATE: January 27, 2006	
FAX NO: 425-462-3300	PHONE/FAX NO: 253-876-3365
PHONE NO:	TOTAL NO. OF PAGES INCLUDING COVER: 3
RE: White River Wildlife Lands	

URGENT FOR REVIEW PLEASE COMMENT PLEASE REPLY PLEASE RECYCLE


NOTES/COMMENTS:

IF YOU DO NOT RECEIVE ALL THE PAGES OR HAVE ANY PROBLEMS, PLEASE CALL Dhyana Story at (253) 876-3185

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MUCKLESHOOT TRIBAL COUNCIL



39015 172nd Avenue S.E. • Auburn, Washington 98092-9763
(253) 939-3311 • Fax (253) 931-8570

January 27, 2006

By US Mail and Fax to 425-462-3300

Stephen P. Reynolds
CEO and Chairman Board of Directors
Puget Sound Energy
P.O. Box 97034
Bellevue, WA 98009-9734

Paul Wiegand
Vice President Project Development and Contract Management
Puget Sound Energy
P.O. Box 97034
Bellevue, WA 98009-9734

Gentlemen:

The Muckleshoot Indian Tribe requests the opportunity to meet with you at your earliest convenience to discuss a purchase of PSE's "White River Wildlife Lands" as well as other PSE lands in the vicinity of the Muckleshoot Reservation. These properties contain important fish and wildlife habitat and significant Tribal traditional cultural use areas. Presently an active steward of natural resources on these lands, the Tribe seeks to acquire this property to protect its natural and cultural resources from commercial development and other adverse impacts.

The Muckleshoot Tribe understands that PSE intends to place the "Wildlife Lands" on the market, and that a number of private parties and public entities have expressed interest in some or all of the property. The Tribe's priorities are to purchase the entire property in order to preserve its integrity under a single ownership, and to pursue a straightforward and timely transaction. To facilitate purchase discussions, the Tribe proposes that a joint appraisal be conducted to determine fair market value and serve as the basis for negotiation of the purchase price and binding purchase agreement.

Puget Sound Energy
January 27, 2006
Page 2

We look forward to working together with PSE on this transaction. Please contact the Tribe's senior attorney Rob Otsea at 253-876-3146 in response to this letter. At present, and until such time as PSE and the Tribe may meet and agree upon a course of action, the Tribe requests that preliminary discussions regarding its potential purchase of the Wildlife Lands remain within your organization. Thank you for your consideration.

Sincerely,



John Daniels, Jr., Chair
Muckleshoot Indian Tribe



MUCKLESHOOT TRIBAL COUNCIL

39015 172nd Avenue S.E. • Auburn, Washington 98092-9763
(253) 939-3311 • Fax (253) 931-8570



July 16, 2007

Stephen P. Reynolds
Chairman and Chief Executive Officer
Puget Sound Energy
P.O. Box 97034
Bellevue, WA 98009-9734

Gene Duvernoy, Director
Cascade Land Conservancy
615 Second Avenue, Suite 625
Seattle, Washington 98104

Gentlemen:

Over a year ago, the Muckleshoot Tribe contacted Puget Sound Energy regarding its interest in purchasing all of Puget's White River Lands. The Tribe expressed its desire "to purchase the entire property in order to preserve its integrity under a single ownership; and to pursue a straightforward and timely transaction." Tribal representatives were referred to the Cascade Land Conservancy for further discussions. The Tribe has been frustrated by the lack of progress and concerned with the fact that Cascade is apparently now engaged in negotiation with a number of other parties to "carve out" various parcels from the White River Lands package before engaging in serious discussions regarding the Tribe's offer. When the Tribe approached Puget regarding the proposed purchase, we understood that there would be limited carve outs for rights-of-way for the Cascade Water Alliance's operations along the flume; a riparian corridor conservation easement or similar dedication of 500 acres to the Washington Department of Ecology; and the potential for a sale of a small parcel to the Town of Buckley for its storm water facility.

I am writing to reiterate the Tribe's strong interest in acquiring all of Puget's White River Lands without further carve outs other than those identified above. To move this matter forward in an expeditious manner, the Tribe hereby offers to purchase Puget's White River lands subject to the three carve outs identified above on the following terms.

- The purchase price will be the fair market value based upon the final review appraisal contracted by Cascade Land Conservancy as applied to all lands listed in Attachment 1, which Cascade has represented to be the final parcel list for the White River properties, reflecting partial conveyance only where riparian corridor parcels are subject to easement. This offer is based on the Tribe's understanding that the fair market value determined by the review appraisal is approximately \$14,400,000.00. However, I note that Cascade has not provided the Tribe with

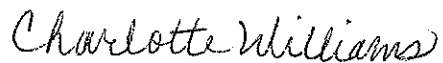
a copy of the review appraisal. The final purchase price will be adjusted by excluding the value of the timber subject to conservation easements, as well as, the value of other agreed easements and carve outs.

- Agreement by the Tribe and Seller on the terms of the conservation and access easements affecting the property.

- An Environmental Assessment and Title Reports acceptable to the Tribe.

Members of the Tribal Council would like to meet you at your earliest convenience to discuss the Tribe's offer to purchase the White River Lands. Please contact Rob Otsea, Tribal Attorney, at (253) 876-3146, regarding a meeting time and place.

Sincerely,



Charlotte Williams
Chairperson

Attachment

**ATTACHMENT 1
Parcels**

Pierce County Parcel	King County Parcel	Conveyance	Exhibit B-2 Page Reference
0620354000		Full	1
	3420069026	Full	1
	3520069020	Full	1
	3520069021	Partial *	1
	3520069023	Full	1
	3520069024	Partial *	1
	3520069025	Partial *	1
	6427000435	Full	1
	6427000450	Full	1
	6427000635	Full	1
	6427006666	Full	1
0619032036		Partial *	2
0619041002		Partial *	2
0619041004		Partial *	2
0620334000		Partial *	2
0620334001		Full	2
0620343000		Partial *	2
	3320069011	Full	2
	3320069012	Full	2

Pierce County Parcel	King County Parcel	Conveyance	Exhibit B-2 Page Reference
	3420069019	Full	2
	3220069001	Full	3
0620321001		Full	3
0620333002		Partial *	3
	3320069006	Full	3
	3320069007	Full	3
	3320069008	Full	3
	3320069010	Full	3
0620293000		Full	4
0620293001		Full	4
0620293002		Full	4
0620301000		Full	4
0620304000		Full	4
	0006400004	Full	4
	0006400005	Full	4
	2920069006	Full	4
	2920069007	Full	4
	2920069008	Full	4
	2920069009	Full	4
	2920069010	Full	4
	2920069011	Full	4
	2920069012	Full	4

Pierce County Parcel	King County Parcel	Conveyance	Exhibit B-2 Page Reference
	3020069001	Full	4
	3020069003	Full	4
	3020069004	Full	4
0520252002		Full	5
0520254039		Full	5
0620193000		Full	5
0620301000	3020069002	Full	5
0620302000	3020069002	Full	5
0620302000	3020069005	Full	5
0620302000	3020069006	Full	5
0620303000		Full	5
0620303001		Full	5
0520241000		Full	6
0520241001		Full	6
0520242021	2420059001	Full	6
520242022	2420059001	Full	6
0520243005		Full	6
0520243006		Full	6
0520244000		Full	6
	1920069007	Full	6
	1920069009	Full	6
	1920069010	Full	6

Pierce County Parcel	King County Parcel	Conveyance	Exhibit B-2 Page Reference
	1920069011	Full	6
	1920069012	Full	6
	2420059002	Full	6
0520132001		Full	7
0520132002		Full	7
0520133000		Full	7
	1320059002	Full	7
	1320059003	Full	7
	1320059005	Full	7
	1320059006	Full	7
	1320059007	Full	7
	1320059008	Full	7
	1320059009	Full	7
	1320059011	Full	7
0520111000		Full	8
0520111001	1120059001	Full	8
0520111001	1120059002	Full	8
0520112012		Full	8
	1120059003	Full	8

* All partial tax parcels shall be subject to the Real Property Separation process.