

EXHIBIT NO. ___(RG-27)
DOCKET NO. UE-09___/UG-09___
2009 PSE GENERAL RATE CASE
WITNESS: ROGER GARRATT

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___

**TWENTY-SIXTH EXHIBIT (NONCONFIDENTIAL) TO THE
PREFILED DIRECT TESTIMONY OF
ROGER GARRATT
ON BEHALF OF PUGET SOUND ENERGY, INC.**

MAY 8, 2009



GE Capital Commercial Inc.

c/o GE Capital Solutions

44 Old Ridgebury Road
Danbury, CT 06810

T (203) 796-1000

November 14, 2008

Puget Sound Energy, Inc.
411 108th Avenue NE
Bellevue, WA 98009-9734
Attn.: Mr. Donald E. Gaines, Vice President Finance & Treasurer

Re: Lease: Master Leasing Agreement dated as of September 1, 1988 between Lessor and Lessee (as supplemented, modified and amended from time to time, the "Lease")

Lessee: Puget Sound Energy, Inc. (f/k/a known as Puget Sound Power & Light Company)

Lessor: GE Capital Commercial Inc. (f/k/a Citicorp Leasing, Inc., successor-in-interest to BLC Corporation)

Dear Sir or Madam:

Reference is made to the above-referenced Lease. Capitalized terms used and not otherwise defined herein shall have the meanings set forth in the Lease.


Please be advised that pursuant to Section 16 of the Lease, Lessor is hereby providing notice to Lessee of Lessor's election to terminate the Lease, effective as of sixty (60) days from the date hereof ("Termination Date"). We call your attention to (i) your obligation under Section 16 of the Lease to arrange for and effect a termination of the lease of all Equipment under the Lease and a sale of all Equipment, as provided in Section 10 of the Lease; or (ii) your right under Section 16 of the Lease to purchase all Equipment under the Lease for its then Unamortized Value, in each case not later than one (1) year from the Termination Date.

Further, please be advised that no further Extended Term shall be effected under Lease as of the Termination Date unless otherwise agreed in writing by the parties to the Lease.

If you would like to discuss this matter, please feel free to contact the undersigned at 203-796-1000.

Very truly yours,

GE Capital Commercial Inc.

By: 

Name: James Gavaghan
Title: Authorized Representative