



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

March 3, 2010

VIA WEB PORTAL AND OVERNIGHT MAIL

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, Puget Sound Energy, Inc. (PSE) tenders for filing an original and three copies of a draft Purchase Agreement, described below.

On March 2, 2010, PSE filed in compliance with RCW 80.08.040 notice of a planned securities issuance of \$325 million secured note issue. That filing documented the possibility that Macquarie Capital (USA) Inc. might be involved in the transaction, along with other co-managers.

On March 3, 2010, as the final terms and conditions of the transaction were being finalized, Macquarie Capital (USA) Inc., agreed to participate as a co-manager along with four other banks. Affiliates of Macquarie Capital (USA) Inc. indirectly own an equity interest in the Company of approximately 45.5% and therefore may constitute an "affiliated interest" under the Revised Code of Washington. In connection with its participation in the transaction, Macquarie Capital (USA) Inc. will be listed as an underwriter in Schedule A of the final Purchase Agreement to be finalized on and effective as of March 3, 2010. Macquarie Capital (USA) Inc. is subject to the same terms and conditions as the other Underwriters and was not party to, and did not participate in, any discussions or negotiations relating to the final terms and conditions of the transaction or the Purchase Agreement, a draft of which is provided as Attachment A. PSE expects the transaction to close and that it will receive the net proceeds on March 8, 2010.

Mr. David Danner
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If you have any other questions, please contact me at 425-462-3495.

Very truly yours,

A handwritten signature in black ink that reads "Tom DeBoer". The signature is written in a cursive, slightly slanted style.

Tom DeBoer
Director – Federal & State Regulatory Affairs

Enclosures