

ATTACHMENT A

Five Page Presentation Describing the Proposed Transaction

**Puget Sound Energy
Planned \$250 Million Senior Secured Notes Issuance
RCW 80.08.030 (1), (2) and (3) Compliance Filing**

A black and white photograph of a hand holding a glass of water. The hand is in the foreground, and the glass is filled with water. In the background, a wind turbine is visible against a light sky. The text 'PSE Senior Secured Note Offering Dis' is overlaid on the image.

PSE Senior Secured Note Offering Dis



PUGET SOUND ENERGY

The Energy To Do Great Things

June 15, 2010

PSE Senior Secured Note Issue

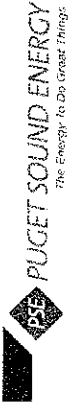


- The January multi-year plan assumed PSE would issue the following notes:
 - March 2010 \$375 million 30-year notes 6.05%
 - Sept 2010 \$200 million 10-year notes 5.02%
- The PSE 2010 Budget assumed PSE would issue the following notes:
 - March 2010 \$325 million 30-year notes 6.05%
 - Sept 2010 \$250 million 10-year notes 5.02%
- PSE issued \$325 million of 30-year notes in March 2010 at a 5.795%
- Management recommends proceeding with a \$250 million issue of senior secured notes in June:
 - PSE has funded LSR-related turbine and BPA payments with short-term debt
 - Short-term debt is expected to be \$225 million at the end of June and will grow in early July
 - PSE could issue senior secured notes today at:
 - 10-year [REDACTED]
 - 30-year [REDACTED]
 - We favor a 30-year issue with rates at or below 6.00%
 - A final determination will be made based on conditions at pricing
- The Asset Management Committee has the authority to increase the offering by up to \$50 million to a maximum of \$300 million

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Syndicate Structure Discussion



- When selecting underwriters, PSE seeks to:
 - Select co-leads who have demonstrated expertise in the type of issue contemplated
 - Use those with less expertise as co-managers
 - Maintain current market convention in allocating economics
 - 75% to co-leads
 - 25% to co-managers
 - Allocate economics to leads and co-managers so that, over time, economics are proportional to credit facility lending commitments
 - When there are two deals in one year, strive to provide some level of economics to all relationship banks during that year

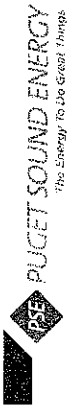
Proposed Syndicate Structure



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PSE Senior Secured Note Issue Schedule



Indicative Timetable

	Description	Status
Week 1	<ul style="list-style-type: none"> Begin drafting Prospectus Supplement Begin drafting one-page summary and resolutions Identify lead banks Discuss need for comfort letter with PwC 	<ul style="list-style-type: none"> In process at Perkins Coie In process at PSE In process at PSE In process at PSE/PwC
Week 2	<ul style="list-style-type: none"> Finalize Prospectus Supplement Pre-issuance due diligence call Pricing Approval – Asset Management Committee “Heads up” call with rating agencies 	<ul style="list-style-type: none"> June 15
Week 3	<ul style="list-style-type: none"> Organizational meeting, preliminary due diligence Business and legal due diligence conference call Notification Filing with the WUTC Pre-issuance due diligence call Announce PSE Notes offering Price Offering 	<ul style="list-style-type: none"> mid to late June
Week 4	<ul style="list-style-type: none"> Bring-down due diligence call Close and fund Notes offering (T + 3 days) Final filing with the WUTC 	<ul style="list-style-type: none"> late June late June to early July immediately after closing

ATTACHMENT B

Resolutions of the Asset Management Committee Meeting

**Puget Sound Energy
Planned \$250 Million Senior Secured Notes Issuance
RCW 80.08.030 (1), (2) and (3) Compliance Filing**

PUGET SOUND ENERGY, INC.
CERTIFICATE OF SECRETARY

I, the undersigned, hereby certify that I am the Corporate Secretary of Puget Sound Energy, Inc., a Washington corporation; and that the following is a true, correct and complete copy of a resolution duly adopted by the Board Asset Management Committee of said Company at a meeting of the Committee duly convened and held on June 15, 2010, at which meeting a quorum was present and acting throughout.

I further certify that said resolution has not been amended or revoked and that the same is now in full force and effect.

AUTHORIZING PRICING, ISSUANCE AND SALE OF SENIOR NOTES

Mr. Reynolds asked Mr. Markell to report on the planned issuance of senior notes. Mr. Markell stated PSE management requests approval to price, issue and sell up to \$300 million of senior secured notes. Such notes will be issued under the existing shelf registration statement that became effective on January 25, 2010. Mr. Markell asked Mr. Gaines to review the materials provided to the Committee in advance of this meeting, a copy of which is filed with the records of this meeting. After full discussion, the following resolutions were unanimously adopted by the Committee:

WHEREAS, on March 3, 2009, the Board of Directors of the Company authorized the issuance and sale, from time to time, by the Company of, among other securities, senior notes (the "*Senior Notes*"), which may be secured by first mortgage bonds of the Company, having maturities, interest rates and such other terms, including redemption provisions, redemption premiums and sinking fund payments, as specified officers of the Company may determine, subject to the approval of such terms by this Committee,

WHEREAS, on January 12, 2010, the Board of Directors approved the Company's Business Plan for the calendar years 2010 - 2014 which contemplate the issuance of up to \$575 million of Senior Notes during 2010,

WHEREAS, with Committee approval, the Company issued and sold \$325 million of Senior Notes in March 2010, and

WHEREAS, management now requests approval for an issuance of up to \$300 million of Senior Notes, which exceeds the amount of Senior Notes set forth in the approved 2010 Budget by \$50 million, and

WHEREAS, this Committee's charter permits the Committee to authorize and approve the entry by the Company into material contracts or arrangements not previously approved as part of the Company's Budget or Business Plan in an amount of up to \$50 million,

WHEREAS, this Committee desires to permit the Company to respond quickly to favorable conditions in the capital markets in connection with the proposed issuance of Senior Notes,

NOW, THEREFORE, BE IT

RESOLVED, that this Committee, authorizes the pricing, issuance and sale of up to \$300,000,000 in principal amount of the Senior Notes (in one or more tranches to be designated by interest rate and maturity date of such principal amounts) having maturities of, alternatively, (i) 30 years, bearing a stated coupon of not more than [REDACTED] or (ii) 10 years, bearing a stated coupon of not more than [REDACTED] and such other terms, including redemption provisions, redemption premiums and sinking fund payments, as the President and Chief Executive Officer, the Executive Vice President and Chief Financial Officer, the Vice President Finance & Treasurer, Assistant Secretary and Assistant Treasurer (collectively, the "Designated Officers"), or any two of them, may determine, provided that the specific terms of the Senior Notes are determined within a period of time not to extend beyond thirty (30) calendar days from the date of this approval.

RESOLVED, FURTHER, that the Senior Notes shall be issued under the Indenture of the Company dated as of December 1, 1997 between the Company and U.S. Bank National Association, as trustee, and the Fourth Supplemental Indenture thereto, dated as of May 1, 2003 and authorized by the Board of Directors of the Company on April 16, 2003.

RESOLVED, FURTHER, that the first mortgage bonds of the Company issued to secure the Senior Notes shall be issued under the Indenture of First Mortgage of Washington Natural Gas Company dated as of April 1, 1957 (the "Gas Mortgage") between the Company and The Bank of New York Mellon Trust Company, N.A., as trustee, and the Thirty-Second Supplemental Indenture to the Gas Mortgage, dated as of April 1, 2005,

RESOLVED, FURTHER, that the execution and delivery by the Designated Officers, or any of them, of such agreements, documents or instruments, including purchase, underwriting and/or distribution agreements, which the Designated Officers, or any of them, deem to be necessary or advisable in connection with the issuance and sale of the Senior Notes, in such forms the Designated Officers, or any of them, may deem necessary or advisable is hereby approved.

RESOLVED, FURTHER, that the Designated Officers, or any of them, are hereby authorized to use the proceeds from the sale of the Senior Notes in the manner described at this meeting and as set forth in the prospectus supplement relating to the offering and sale of the Senior Notes under the heading "Use of Proceeds."

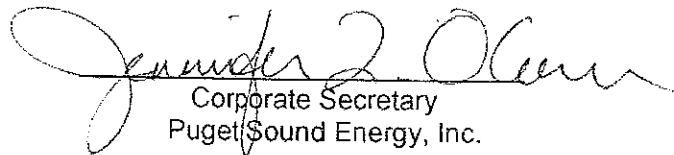
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General Authority

RESOLVED, FURTHER, that any and all actions taken by the Designated Officers of the Company, or any of them, including the execution and delivery in the name and on behalf of the Company of agreements or other instruments and agreements deemed by such officers to be necessary or advisable to effectuate the transactions contemplated by the foregoing resolutions, whether prior to or subsequent to this action by this Committee, are hereby authorized, approved and ratified, and the taking of any and all such actions and the performance of any and all such things in connection with the foregoing shall conclusively establish such officers' authority therefore from the Company and the approval and ratification thereof by this Committee.

IN WITNESS WHEREOF, I have hereunto set my hand and have affixed the corporate seal of said Company this 18 day of June 2010.


Corporate Secretary
Puget Sound Energy, Inc.