



**Donald E. Gaines**  
Vice President  
Finance & Treasurer

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

March 2, 2010

David Danner, Executive Director and Secretary  
Washington Utilities and Transportation Commission  
P.O. Box 47250  
Olympia, WA 98504-7250

Re: Planned Securities Issuance - \$325 Million Senior Secured Notes

Dear Mr. Danner:

Puget Sound Energy (the "Company" or "PSE") furnishes the following information, in compliance with RCW 80.08.040, (1), (2) and (3), with respect to a planned \$325 million senior secured note issue. The notes will be issued under PSE's existing S-3 shelf registration statement on file with the Securities and Exchange Commission dated January 15, 2010.

On February 26, 2010, PSE had \$347.9 million of short-term debt outstanding. On February 22, 2010, the Company's 7.96% series \$225 million bond matured. Proceeds from the planned sale of the senior secured notes will be used to replenish cash used to repay the \$225 million bond that matured and, in part, to repay short-term debt outstanding under PSE's \$400 million capital expenditure credit facility.

The following documents are attached in support of this filing:

- Attachment A - One page summary describing the transactions, provided to the Asset Management Committee
- Attachment B - The resolutions of the Asset Management Committee authorizing the Company to price the notes within certain terms

Certain items contained in Attachments A and B have been marked confidential as they contain valuable commercially sensitive or material non-public information. Accordingly, with regard to the contents, the Company claims confidentiality and protection from inspection or copying under WAC 480-07-160. We further understand that, prior to any release of this material; the Company will be notified in order to allow it to invoke any and all statutory procedures for securing a court order protecting the materials as proprietary and confidential.

As required by WAC 480-07-160, the Company identifies itself, its ultimate owners and its customers as the entities that might be directly affected by disclosure of the confidential information. Also, conforming to WAC 480-07-160, the confidential pages submitted herewith have been sealed in an envelope clearly marked "Confidential per WAC 480-07-160", and each page of the filing containing confidential information has been so marked.

The transaction is in the public interest inasmuch as it allows the Company to access funds from the long-term debt capital markets to replenish cash used to repay a \$225 million bond upon maturity and to repay short-term borrowings used to fund utility capital expenditures on reasonable terms.

In view of the foregoing, and in accordance with WAC 480-90-242 (1)(a) and WAC 480-100-242 (1)(a), the undersigned hereby certifies that the proceeds from this securities issuance will be used for one or more of the purposes allowed by RCW 80.08.030 and that the information provided herein is true and correct to the best of his knowledge and belief, under penalties of perjury as set forth in the laws of the State of Washington.

**The Company, having provided herewith all information and statements required by subsections (1), (2), and (3) of RCW 80.08.040, does NOT request an order affirming that it has complied with such requirements as part of these planned securities transactions.**

Thank you for your assistance.

Sincerely,

PUGET SOUND ENERGY

By

  
Donald E. Gaines

Vice President Finance & Treasurer

Attachments

cc: Simon J. ffitc