

**MINUTES OF THE
TELEPHONIC ASSET MANAGEMENT COMMITTEE MEETING
FOR PUGET SOUND ENERGY, INC.**

REDACTED

MAY 1, 2013

Pursuant to a notice duly given, a telephonic meeting of the Asset Management Committee for Puget Sound Energy, Inc. (PSE) was held on Wednesday, May 1, 2013, originating at PSE's Executive Offices beginning at 1 p.m.

MEETING ATTENDANCE

Asset Management Committee

Andrew Chapman	Macquarie Infrastructure and Real Assets, Inc.
Dan Fetter	Canada Pension Plan Investment Board
David MacMillan	Canada Pension Plan Investment Board
Kimberly Harris	Puget Sound Energy

PSE Board

Chris Trumpy	British Columbia Investment Management Corporation
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Puget Holdings and PSE Management

Durga Doraisamy	Director Budgeting and Corporate Secretary
Daniel Doyle	Senior Vice President and Chief Financial Officer
Donald Gaines	Vice President Finance and Treasurer
Brandon Lohse	Assistant Treasurer
Steve Secrist	Vice President, General Counsel and Chief Ethics and Compliance Officer
Mike Stranik	Controller and Principal Accounting Officer

PSE Management

Certain officer and director-level employees

Investor Management

Heidi Boyd	Macquarie Infrastructure & Real Assets, Inc.
Mark Fay	Macquarie Infrastructure & Real Assets, Inc.
Drew Murphy	Macquarie Infrastructure & Real Assets, Inc.
Dan Schechner	Macquarie Infrastructure & Real Assets, Inc.
Marie Perpeluk	Alberta Investment Management Corporation
Steve Turner	British Columbia Investment Management Corporation
Richard Dinneny	British Columbia Investment Management Corporation
Annie Harlow	Canada Pension Plan Investment Board

Ms. Harris presided and Ms. Doraisamy kept the records of the meeting.

REDACTED

CALL MEETING TO ORDER

Ms. Harris called the meeting to order and welcomed those present.

DASHBOARD AND RESULTS REPORT YEAR-TO-DATE MARCH 2013

Ms. Harris led a discussion describing PSE's key performance indicators for March 2013. A copy of her report is filed with the records of this meeting.

APPROVAL OF POLLUTION CONTROL BOND REFINANCING PLAN

REDACTED

After full discussion, the following resolutions were unanimously adopted by the Committee:

WHEREAS, on February 28, 2013, the Board of Directors of the Company authorized the Company to refinance certain Pollution Control Revenue Refunding Bonds (the "Prior PCBs") previously issued to finance pollution control equipment and facilities that are part of Colstrip Units 1, 2, 3 and 4;

WHEREAS, at the meeting of this Asset Management Committee, a plan to refinance the Prior PCBs was presented, which included, among other things, (a) the issuance of new Pollution Control Revenue Refunding Bonds (the "New PCBs"), (b) the issuance of senior notes of PSE, secured by first mortgage bonds of PSE, and (c) the entry into certain related agreements (the "Refinancing Plan");

WHEREAS, this Committee desires to permit the Company to respond quickly to favorable conditions in the capital markets in connection with the Refinancing Plan;

NOW, THEREFORE, BE IT:

RESOLVED, that this Committee hereby approves the Refinancing Plan on substantially the terms as presented at this meeting, together with such other changes thereto as the Chief Executive Officer and President, the Senior Vice President and Chief Financial Officer, the Treasurer, the Controller and Principal Accounting Officer and the Assistant Treasurer of the Company (hereinafter the "Designated Officers"), or any one of them, may deem necessary or desirable.

FURTHER RESOLVED, that this Committee hereby authorizes and approves the issuance by the City of Forsyth (Rosebud County, Montana) (the "City") of the New PCBs on substantially the terms presented at this meeting, subject to the pricing (coupon) parameters proposed at this meeting, together with such other changes thereto as the Designated Officers, or any one of them, may deem necessary or desirable, the proceeds received from the sale of which shall be loaned by the City to

the Company pursuant to a Loan Agreement between the Company and the City (the "Loan Agreement").

FURTHER RESOLVED, that this Committee hereby approves the provisions of the Indenture (the "Pollution Bond Indenture") between the City and Wells Fargo Bank, National Association (the "Pollution Bond Trustee") providing for the creation of the New PCBs on substantially the terms as presented at this meeting, including optional and extraordinary optional redemption, maturity dates and interest rates, subject to the pricing (coupon) parameters proposed at this meeting, together with such other changes thereto as the Designated Officers, or any one of them may deem necessary or advisable.

FURTHER RESOLVED, for the purpose of securing the Company's obligations under the Loan Agreement, the Designated Officers, or any one of them, are hereby authorized, directed and empowered to execute, or cause to be executed by a facsimile of their signatures, in the name and on behalf of the Company, to seal with its corporate seal (as necessary); and to deliver to U.S. Bank National Association (or its successor), as trustee (the "Senior Note Trustee"), for authentication and delivery to the Company, senior notes pursuant to the Indenture of the Company, dated as of December 1, 1997 (the "Senior Note Indenture") and a Fourth Supplemental Indenture to the Senior Note Indenture dated as of May 1, 2003 between the Company and the Senior Note Trustee in an aggregate principal amount equal to the aggregate principal of the New PCBs (the "PCB Senior Notes") which PCB Senior Notes shall be secured by first mortgage bonds of the Company (the "PCB Pledged Bonds") issued pursuant to the Company's First Mortgage dated as of June 2, 1924 between the Company and U.S. Bank National Association, as trustee, as supplemented and modified, with each of the PCB Senior Notes and PCB Pledged Bonds having substantially the terms as presented at this meeting, including optional and extraordinary optional redemption, maturity dates and interest rates, subject to the pricing (coupon) parameters proposed at this meeting, together with such other terms as the Designated Officers, or any one of them, may deem necessary or desirable.

FURTHER RESOLVED, that this Committee hereby authorizes the Designated Officers to enter into such documents as necessary to consummate the Refinancing Plan as presented at this meeting, subject to the pricing (coupon) parameters proposed at this meeting, including the Bond Purchase Contract among the Company, certain purchasers of the New PCBs and the City, the Loan Agreement, the Pledge Agreement between the Company and the Pollution Bond Trustee, and the Pollution Bond Indenture.

FURTHER RESOLVED, if determined necessary or advisable by the Designated Officers, or any one of them, to refinance the 2003B series of Prior PCBs by utilizing the Company's credit facilities, such Designated Officers, or any one of them, are hereby authorized to take such actions as may be required to effect such a refinancing in lieu of the issuance of a new Pollution Control Revenue Refunding Bond in respect of such 2003B series of Prior PCBs.

General Authority

RESOLVED, that the Designated Officers, or any one of them, are hereby authorized and empowered to take or cause to be taken all such actions as may be necessary or advisable to implement the Refinancing Plan and provide for the execution,

acknowledgment and delivery of the agreements and the transactions contemplated thereby and for the performance and observance by the Company, at all times while any of the agreements shall be in effect, of the terms and conditions contained in the agreements, including, without limiting the generality of the foregoing, the making of any and all payments, the making and execution of any necessary or desirable instruments, certificates, affidavits or other documents, the opening of any bank accounts, the signing or endorsement of any checks and the payment of any fees or taxes, and, from time to time, to take any and all actions to make, execute, verify, record and file all applications, certificates, documents or other instruments and to do any and all other acts and things that they or any one of them shall deem necessary or advisable in connection with the implementation of the Refinancing Plan and the execution, delivery and performance of the agreements and the transactions contemplated thereby or in order to carry out the intent and purpose of the foregoing resolutions.

ADJOURNMENT


There being no further business to come before the meeting, the meeting was adjourned.

ATTEST:

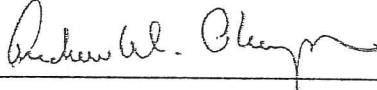


Durga Doraisamy
Secretary

ACCEPTED:



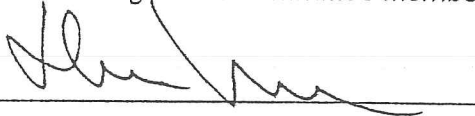
Kimberly Harris
Asset Management Committee member



Andrew Chapman
Asset Management Committee member



Dan Fetter
Asset Management Committee member



David MacMillan
Asset Management Committee member