

Donald E. Gaines
Vice President
Finance & Treasurer

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

January 23, 2009

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

**Re: Securities Issuance Filing – \$250 Million Senior Secured Notes
WUTC Docket No. UE-090004**

Dear Mr. Danner:

In accordance with WAC 480-90-242(6) and WAC 480-100-242(6), Puget Sound Energy (the "Company") encloses for filing an original and three copies of the final terms and conditions of the transaction described in the notice dated January 2, 2009, filed in compliance with RCW 80.08.040.

In the original filing, the Company notified the Commission of its plans to issue up to \$250 million new senior secured notes, the proceeds of which were to be used to repay short-term debt.

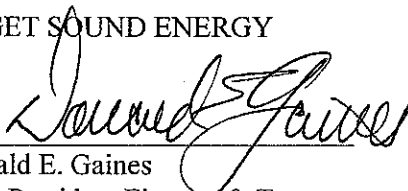
On January 23, 2009 the Company issued \$250 million 6.75% Senior Secured Notes due 2016 as described in the term sheet, enclosed herewith as Attachment A, outlining the final terms and conditions of the transaction. Net proceeds of \$248,437,500 were applied as described above and in accordance with the Company's original notice.

In view of the foregoing, and in accordance with WAC 480-90-242(6) and WAC 480-100-242(6), the undersigned hereby certifies that the information provided herein is true and correct to the best of my knowledge and belief.

Thank you for your assistance with this matter.

Sincerely,

PUGET SOUND ENERGY

By 
Donald E. Gaines
Vice President Finance & Treasurer

Enclosures
cc: Simon J. ffitich

ATTACHMENT A

**Final Term Sheet
\$250 million 6.75% Secured Notes due 2016**



PUGET SOUND ENERGY

Confirmation of Terms

Puget Sound Energy

\$250,000,000 6.75% Senior Notes due 2016

Puget Sound Energy	
Security	\$250,000,000 6.75% Senior Notes due 2016
Ratings	Baa2/A- (stable/stable)
Principal Amount	\$250,000,000
Pricing Date	January 20, 2009
Settlement Date (T + 3)	January 23, 2009
Maturity Date	January 15, 2016
First Coupon Date	July 15, 2009
Treasury Benchmark	4.50% due February 15, 2016
Benchmark Price	116-25
Benchmark Yield	1.947%
Reoffer Spread to Benchmark	+480.3 bp
Reoffer Yield	6.750%
Coupon	6.750%
Reoffer Price (%)	100.000%
Gross Spread (%)	0.625%
Selling Concession (%)	0.375%
Reallowance (%)	0.250%
Net to Company (%)	99.375%
Reoffer Price (\$)	\$250,000,000
Gross Spread (\$)	\$1,562,500
Net Proceeds (\$)	\$248,437,500
All-in Yield (%)	6.864%
Call Provisions	Make Whole Call at T+50 bp
Payment Dates	Semi-annually each January 15 and July 15
CUSIP / ISIN (144A)	745332 BZ8 / US745332BZ80
Bookrunners (Economics)	Barclays Capital (25%), Scotia Capital (25%), Wachovia Securities (25%)
Co-Managers (Economics)	Key Banc Capital Markets (8.34%), Banc of America Securities LLC (8.33%), Dresdner Kleinwort (8.33%)

