



Donald E. Gaines
Vice President
Finance & Treasurer

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

March 9, 2010

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

**Re: Securities Issuance Filing – \$325 Million Senior Secured Notes
WUTC Docket No. UE-100365**

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 two copies of the final terms and conditions of the transaction described in the notice dated March 2, 2010, filed in compliance with RCW 80.08.040.

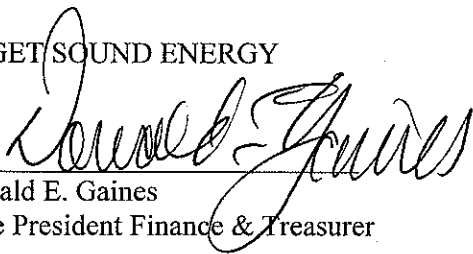
On March 3, 2010, the Company priced \$325 million 5.795% Senior Secured Notes due 2040 as described in the term sheet, enclosed herewith as Attachment A, outlining the final terms and conditions of the transaction. Net proceeds of \$322,156,250 were received on March 8, 2010 and will be applied as described in 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 his knowledge and belief.

Thank you for your assistance with this matter.

Sincerely,

PUGET SOUND ENERGY

By 
Donald E. Gaines
Vice President Finance & Treasurer

Attachment
cc: Simon J. ffitich

ATTACHMENT A

**Final Term Sheet
\$325 million 5.795% Secured Notes due 2040**



Puget Sound Energy, Inc.

\$325,000,000 5.795% Senior Notes (Fall-away FMBs) due 2040

Confirmation of Terms

| Puget Sound Energy, Inc. | | |
|-----------------------------|---|--------------|
| Security | Senior Notes (Fall-away FMBs) | |
| Ratings (outlook) | Baa1 / A- (Stable / Stable) | |
| Principal Amount | \$325,000,000 | |
| Pricing Date | March 3, 2010 | |
| Settlement Date (T + 3) | March 8, 2010 | |
| Maturity Date | March 15, 2040 | |
| First Coupon Date | September 15, 2010 | |
| Treasury Benchmark | 4.375% due November 15, 2039 | |
| Benchmark Price | 96 - 14+ | |
| Benchmark Yield | 4.595% | |
| Reoffer Spread to Benchmark | +120 bp | |
| Reoffer Yield | 5.795% | |
| Coupon | 5.795% | |
| Reoffer Price (%) | 100.000% | |
| Gross Spread (%) | 0.875% | |
| Selling Concession (%) | 0.500% | |
| Reallowance (%) | 0.250% | |
| Net to Company (%) | 99.125% | |
| Reoffer Price (\$) | \$325,000,000 | |
| Gross Spread (\$) | \$2,843,750 | |
| Net Proceeds (\$) | \$322,156,250 | |
| All-in Yield (%) | 5.857% | |
| Call Provisions | Make Whole Call at T+20 bp | |
| Payment Dates | Semi-annually each March 15 and September 15 | |
| Day Count Convention | 30 / 360, following business day, unadjusted for period end dates | |
| CUSIP / ISIN | 745332 CB0 / US745332CB04 | |
| Bookrunners (Economics) | Barclays Capital Inc. (18.75%) | \$60,937,500 |
| | KeyBanc Capital Markets Inc. (18.75%) | \$60,937,500 |
| | Scotia Capital (USA) Inc. (18.75%) | \$60,937,500 |
| | Wells Fargo Securities, LLC (18.75%) | \$60,937,500 |
| Co-Managers (Economics) | Banc of America Securities LLC (5%) | \$16,250,000 |
| | Commerzbank Capital Markets Corp. (5%) | \$16,250,000 |
| | Fifth Third Securities, Inc. (5%) | \$16,250,000 |
| | J.P. Morgan Securities Inc. (5%) | \$16,250,000 |
| | Macquarie Capital (USA) Inc. (5%) | \$16,250,000 |





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