

Transmission Contracts Department

Transmission Credit Policy

1. PURPOSE

For the purpose of determining the ability of a Transmission Customer to meet its financial obligations related to service under Puget Sound Energy, Inc.'s ("PSE") Open Access Transmission Tariff, FERC Electric Tariff, Seventh Revised Volume No. 7 (as may be amended) (hereinafter "Tariff"), Transmission Provider shall use the following credit review procedures. This review shall be made in accordance with Section 11 and Attachment L of the Tariff, this Transmission Credit Policy ("Transmission Credit Policy") and standard commercial practices. For purposes of this Transmission Credit Policy, the corporate-wide credit limit of a Transmission Customer at any time shall mean the maximum credit to be extended to Transmission Customer on a corporate-wide basis, as then determined by Transmission Provider, reduced by the total credit of Transmission Provider then extended to and used by Transmission Customer on a corporate-wide basis.

2. CORPORATE-WIDE CREDIT REVIEW

- (a) PSE's corporate credit manager manages corporate-wide credit risk exposure of PSE and its affiliates, including for both PSE's Transmission and Energy Resources Departments;. The corporate credit manager may disclose to PSE transmission employees any corporate-wide credit risk information of any Transmission Customer for use by those employees in the discharge of their responsibilities consistent with the Tariff.
- (b) A corporate-wide credit limit for a Transmission Customer may be determined for any Transmission Customer. Any such credit limit shall be based on an analysis of that counterparty's financial and operational condition. Analysis of credit risk is based on qualitative and quantitative factors. Such qualitative factors may include the following, among others:
 - Transmission Customer's history;
 - nature of organization and operating environment;
 - management;
 - contractual obligations;
 - governance policies;
 - financial and accounting policies;
 - risk management and credit policies;
 - market risk including price exposures, credit exposures, and operational exposures;
 - event risk; and
 - the state or local regulatory environment.

Such quantitative factors may include the following, among others:

- capital structure;
 - liquidity and financial flexibility;
 - credit ratings established by credit rating agencies; and
 - financial statements in general, and profitability and cashflow, in particular.
- (c) The Transmission Customer may be required to provide the following minimum information and also complete and provide the attached information form (Credit Contact and Identification Form) to allow PSE to conduct a credit review prior to entering into any agreement with the Transmission Customer:
- (1) The most recent two years of independently audited financial statements;
 - (2) Most recent annual and quarterly reports;
 - (3) DUNS number;
 - (4) Moody's Investor Service (Moody's) and/or Standard & Poor's (S&P's) senior long-term unsecured debt ratings; and
 - (5) any information of the foregoing qualitative and quantitative factors that Transmission Customer wishes to specifically call to Transmission Provider's attention in connection with its credit review.

Transmission Customer may also be required to provide any other commercially reasonable information as may be requested by PSE.

Transmission Customer's failure to provide satisfactory credit information may elicit a requirement for security or collateral as outlined in section 4 below.

- (d) The corporate credit manager may disclose to PSE transmission employees any then-available corporate-wide credit limit of any Transmission Customer for use by those employees in the discharge of their responsibilities consistent with the Tariff.

3. TRANSMISSION PROVIDER CREDIT REVIEW

The Transmission Provider may monitor the creditworthiness of Transmission Customers.

4. REQUIREMENT FOR SECURITY OR COLLATERAL

- (a) If, at any time Transmission Customer is required pursuant to section 2 of Attachment L to the Tariff to provide collateral or security, Transmission Customer shall:
- (1) not less than ten (10) days prior to commencement of new service or, for existing service, not less than thirty (10) days following Transmission Provider's written request, provide and maintain in effect during the term of any Service Agreement under the Tariff (A) an irrevocable standby letter of credit in the form attached hereto as Attachment A (or otherwise in form and substance acceptable to Transmission Provider), issued by a domestic bank, or a domestic branch of a foreign bank, with a senior debt rating of at least "A" (or its equivalent) from Standard and Poor's, Moody's, Fitch, DBRS or

CBRS, as security to meet its responsibilities and obligations under the Tariff, or (B) an alternative form of security proposed by the Transmission Customer and acceptable to the Transmission Provider and consistent with standard commercial practices that protects the Transmission Provider against the risk of non-payment; or

- (2) not less than ten (10) days prior to commencement of new service or, for existing service, not less than ten (10) days following Transmission Provider's written request, provide and maintain in effect during the term of any Service Agreement under this Tariff a corporate guaranty in the form attached as Attachment B (or otherwise in form and substance acceptable to Transmission Provider) by a corporate guarantor acceptable to the Transmission Provider that protects the Transmission Provider against risk of non-payment; or
 - (3) for short-term service requests of one month or less, pay the total charge for service by the earlier of (i) five (5) business days prior to commencement of service, or (ii) at the time of the request for transmission service; or
 - (4) for service requests of greater than one month, pay the total charge for each month's service not less than five (5) business days prior to the beginning of such month if and to the extent the charge is based on embedded cost. (This option (4) shall not be available if and to the extent the charge is based on incremental cost or the cost of Direct Assignment Facilities. For charges based on incremental cost or the cost of Direct Assignment Facilities, Transmission Customer shall provide collateral or security pursuant to options (1) or (2) above.)
- (b) The Transmission Provider shall pay interest on any prepayments pursuant to sections 4(a)(3) and 4(a)(4) above at the rate established from time to time pursuant to 18 C.F.R. § 35.19a(a)(2)(iii).

Attachment A – Form of Unconditional and Irrevocable Letter of Credit

IRREVOCABLE TRANSFERABLE STANDBY LETTER OF CREDIT
DATE OF ISSUANCE: _____

[Account Party]
[address]

Re: Credit No. _____

[Bank Name] (the “Issuing Bank”) hereby establishes an Irrevocable Standby Letter of Credit for the benefit of Puget Sound Energy, Inc. (“PSE” or “Beneficiary”) for the account of _____ (the “Account Party”), for the aggregate amount not exceeding _____ United States Dollars (\$_____), available to PSE at sight upon demand on or before the expiration hereof against presentation to Issuing Bank of the following statement, dated and signed by a representative of the Beneficiary:

“A Customer Default (as defined in section 7.3 of Puget Sound Energy’s Open Access Transmission Tariff, as the same may have been or may be amended (the “Tariff”)) has occurred and is continuing with respect to Account Party under the Tariff.”

The amount which may be drawn by PSE under this Letter of Credit shall be automatically reduced by the amount of any drawings paid through the Issuing Bank referencing this Letter of Credit No. _____. Partial drawings are permitted hereunder. The amount of this Letter of Credit may not be reduced by the Account Party, but may be reduced only by the amount of any drawings hereon by PSE, as beneficiary, or otherwise with the prior written consent of the Beneficiary.

This Letter of Credit shall expire days from the date of issuance, but shall automatically extend without amendment for additional _____ (____) day periods from such expiration date and from subsequent expiration dates, if PSE, as beneficiary, and the Account Party have not received due notice of Issuing Bank’s intention not to renew at least ninety (90) days prior to any such expiration date.

Issuing Bank hereby agrees that documents drawn under and in compliance with the terms of this Letter of Credit shall be duly honored upon presentation as specified.

This Letter of Credit shall be governed by the Uniform Customs and Practice for Documentary Credits, 1993 Revision, International Chamber of Commerce Publication No. 500 (the “UCP”), except to the extent that the terms hereof are inconsistent with the provisions of the UCP, including but not limited to Articles 13(b) and 17 of the UCP, in which case the terms of this Letter of Credit shall govern.

With respect to Article 13(b) of the UCP, the Issuing Bank shall have a reasonable amount of time, not to exceed three (3) banking days following the date of its receipt of documents from the Beneficiary, to examine the documents and determine whether to take up or refuse the documents and to inform the Beneficiary accordingly.

In the event of an Act of God, riot, civil commotion, insurrection, war or any other cause beyond the control of Issuing Bank that interrupts its business (collectively, an “Interruption Event”) and causes the place for presentation of this Letter of Credit to be closed for business on the last day

for presentation, the expiry date of this Letter of Credit will be automatically extended without amendment to a date thirty (30) calendar days after the place for presentation reopens for business.

This Letter of Credit is transferable, and Issuing Bank hereby consents to such transfer, but otherwise may not be amended, changed or modified without the express written consent of the beneficiary, the Issuing Bank and the Account Party.

[BANK SIGNATURE]

GUARANTEE

This GUARANTEE (this “Guarantee”), dated as of [____], is issued by [***], a company organized and existing under the laws of [***] (“Guarantor”) in favor of Puget Sound Energy, Inc., a Washington corporation (“Company” or “PSE”).

In connection with an agreement to procure services under the Company's Open Access Transmission Tariff (as amended from time to time, the “Tariff”), dated as of [____] (as the same may be amended, modified or supplemented from time to time, the “Service Agreement”), by and between Company and [____], a [____] corporation, of which Guarantor is the direct or indirect parent (“Subsidiary”), and by which Guarantor will indirectly benefit, Guarantor hereby covenants and agrees with Company as follows:

Section 1. Definitions. Capitalized terms used herein and not otherwise defined shall have their respective meanings set forth in the Tariff and Service Agreement.

Section 2. Guarantee.

(a) **Guarantee.** Guarantor hereby absolutely, irrevocably and unconditionally guarantees, to and for the benefit of Company, the full and prompt payment of each and every obligation of Subsidiary arising under the Service Agreement and the Tariff, including, without limitation, the payment when due of all indemnities, refunds and liquidated damages payable at any time under the Service Agreement and the Tariff (the “Guaranteed Obligations”). The Guaranteed Obligations shall further include, without limitation, (i) interest accruing as part of the Guaranteed Obligations according to the terms of the Service Agreement and the Tariff following the commencement by or against the Subsidiary of any case or proceeding under any applicable law relating to bankruptcy, insolvency, reorganization, winding-up, liquidation, dissolution or composition or adjustment of debt and (ii) all reasonable costs and expenses (including, without limitation, reasonable attorneys’ fees), if any, incurred in successfully enforcing Company’s rights under this Guarantee. Notwithstanding anything to the contrary in this Guarantee, the maximum aggregate liability of the Guarantor in respect of all amounts claimed under or pursuant to this Guarantee shall at no time exceed \$[_____]. Guarantor further agrees that if Subsidiary shall fail to pay in full when due all or any part of the Guaranteed Obligations, Guarantor will immediately pay (or procure the payment of) the same upon demand, up to the limitations set forth in the Service Agreement and the Tariff. This Guarantee is irrevocable and unconditional in nature and is made with respect to any Guaranteed Obligations now existing or hereafter arising and shall remain in full force and effect until the time when in accordance with the terms of the Service Agreement and the Tariff all of the Guaranteed Obligations are fully satisfied and discharged.

(b) **Nature of Guarantee.** This Guarantee and the obligations of Guarantor hereunder shall continue to be effective or be automatically reinstated, as the case may be, even if at any time payment of any of the Guaranteed Obligations is rendered unenforceable or is rescinded or must otherwise be returned by Company upon the occurrence of any action or event including, without limitation, the bankruptcy, reorganization, winding-up, liquidation, dissolution or insolvency of the Subsidiary, Guarantor, any other person or entity or otherwise, all as though the payment had not been made.

(c) **Absolute Guarantee.** Guarantor agrees that its obligations under this Guarantee are irrevocable, absolute, independent and unconditional and shall not be affected by any circumstance that constitutes a legal or equitable discharge of a guarantor or surety other than payment in full of

the Guaranteed Obligations. In furtherance of the foregoing and without limiting the generality thereof, Guarantor agrees, subject to the other terms and conditions hereof, as follows:

(i) this Guarantee is a guarantee of payment when due and not of collection;

(ii) Company may from time to time in accordance with the terms of the Service Agreement and the Tariff, without notice or demand and without affecting the validity or enforceability of this Guarantee or giving rise to any limitation, impairment or discharge of Guarantor's liability hereunder, (A) renew, extend, accelerate or otherwise change the time, place, manner or terms of payment of the Guaranteed Obligations, (B) settle, compromise, release or discharge, or accept or refuse any offer of performance with respect to, or substitutions for, the Guaranteed Obligations or any agreement relating thereto and/or subordinate the payment of the same to the payment of any other obligations, (C) request and accept other guarantees of the Guaranteed Obligations and take and hold security for the payment of this Guarantee or the Guaranteed Obligations, (D) release, exchange, compromise, subordinate or modify, with or without consideration, any security for payment of the Guaranteed Obligations, any other guarantees of the Guaranteed Obligations, or any other obligation of any person or entity with respect to the Guaranteed Obligations, (E) enforce and apply any security now or hereafter held by or for the benefit of Company in respect of this Guarantee or the Guaranteed Obligations and direct the order or manner of sale thereof, or exercise any other right or remedy that Company may have against any such security, as Company in its sole discretion may determine consistent with the Service Agreement, the Tariff and any applicable security agreement, and even though such action operates to impair or extinguish any right of reimbursement or subrogation or any other right or remedy of Guarantor against Subsidiary or any other guarantor of the Guaranteed Obligations or any other guarantee of or security for the Guaranteed Obligations, and (F) exercise any other rights available to Company under the Service Agreement and the Tariff, at law or in equity; and

(iii) this Guarantee and the obligations of Guarantor hereunder shall be valid and enforceable and shall not be subject to any limitation, impairment or discharge for any reason (other than payment in full of the Guaranteed Obligations and otherwise as set forth in this Guarantee), including, without limitation, the occurrence of any of the following, whether or not Guarantor shall have had notice or knowledge of any of them: (A) any failure to assert or enforce, or agreement not to assert or enforce, or the stay or enjoining, by order of court, by operation of law or otherwise, of the exercise or enforcement of, any claim or demand or any right, power or remedy with respect to the Guaranteed Obligations or any agreement relating thereto, or with respect to any other guarantee of or security for the payment of the Guaranteed Obligations; (B) any waiver, amendment or modification of, or any consent to departure from, any of the terms or provisions of the Service Agreement, the Tariff or any agreement or instrument executed pursuant thereto or of any other guarantee or security for the Guaranteed Obligations; (C) the Guaranteed Obligations, or any agreement relating thereto, at any time being found to be illegal, invalid or unenforceable in any respect; (D) the personal or corporate incapacity of any person or entity; (E) any change in the financial condition, or the bankruptcy, administration, receivership or insolvency of Subsidiary or any other person or entity, or any rejection, release, stay or discharge of Subsidiary's or any other person's or entity's obligations in connection with any bankruptcy, administration, receivership or similar proceeding or otherwise or any disallowance of all or any portion of any claim by Company, its successors or permitted assigns in connection with any such proceeding; (F) any change in the corporate existence of, or cessation of existence of, Guarantor or the Subsidiary (whether by way of merger, amalgamation, transfer, sale, lease or otherwise); (G) the failure to create, preserve, validate, perfect or protect any security interest granted to, or in favor of, any person or entity; (H) any substitution, modification, exchange, release, settlement or compromise of any security or collateral for or guaranty of any of the Guaranteed Obligations or failure to apply such security or collateral or failure to enforce such guaranty; (I) the existence of any claim, set-off, or other rights which

Guarantor or any affiliate thereof may have at any time against Company or any affiliate thereof in connection with any matter unrelated to the Service Agreement; and (J) any other act or thing or omission, or delay to do any other act or thing, which may or might in any manner or to any extent vary the risk of Guarantor as an obligor in respect of the Guaranteed Obligations.

(d) **Currency.** All payments made by Guarantor hereunder shall be made in U.S. dollars in immediately available funds. Notwithstanding Guarantor's obligation to make all payment in U.S. dollars, if any payment is made in another currency then, to the extent that the amount received, when converted falls short of the amount due under this Guarantee, Guarantor shall remain liable to Company in respect of the shortfall in accordance with the terms hereof.

Section 3. Other Provisions of the Guarantee.

(a) **Waivers by Guarantor.** Guarantor hereby waives, for the benefit of Company, to the maximum extent permitted by applicable law:

(i) any right to require Company, as a condition of payment by Guarantor, to (A) proceed against or exhaust its remedies against Subsidiary or any person or entity, including any other guarantor of the Guaranteed Obligations, or (B) proceed against or exhaust any security held from any person or entity other than the Subsidiary, including any other guarantor of the Guaranteed Obligations;

(ii) any defense arising by reason of the incapacity, lack of authority or any disability or other defense of Subsidiary including, without limitation, any defense based on or arising out of the lack of validity or the unenforceability of the Guaranteed Obligations or any agreement or instrument relating thereto or by reason of the cessation of the liability of Subsidiary from any cause other than payment in full of the Guaranteed Obligations or termination of this Guarantee in accordance with its terms;

(iii) any requirement that Company protect, secure, perfect or insure any security interest or lien or any property subject thereto;

(iv) notices of default under the Service Agreement, notices of any renewal, extension or modification of the Guaranteed Obligations or any agreement related thereto, and any right to consent to any thereof.

(b) Deferral of Subrogation. Until such time as the Guaranteed Obligations have been paid in full, notwithstanding any payment made by Guarantor hereunder or the receipt of any amounts by Company with respect to the Guaranteed Obligations, (i) Guarantor (on behalf of itself, its successors and assigns, including any surety) hereby expressly agrees not to exercise any right, or to assert the impairment of such rights, it may have to be subrogated to any of the rights of Company against Subsidiary or against any other collateral security held by Company for the payment of the Guaranteed Obligations, (ii) Guarantor agrees that it will not seek any reimbursement from Company in respect of payments made by Guarantor in connection with the Guaranteed Obligations, or amounts realized by Company in connection with the Guaranteed Obligations and (iii) Guarantor shall not claim or prove in a liquidation or other insolvency proceeding of the Subsidiary in competition with the Company. If any amount shall be paid to Guarantor on account of such subrogation rights at any time when all of the Guaranteed Obligations shall not have been paid in full or otherwise fully satisfied, such amount shall be held in trust by Guarantor for the benefit of Company and shall forthwith be paid to Company, to be credited and applied to the Guaranteed Obligations.

Section 4. Representations and Warranties of Guarantor. Guarantor hereby represents, warrants and undertakes to Company as follows:

(a) Guarantor is duly organized or formed, validly existing and in good standing under the laws of its jurisdiction of organization or formation.

(b) Guarantor has full power, authority and legal right to execute and deliver this Guarantee and all other instruments, documents and agreements required by the provisions of this Guarantee to be executed, delivered and performed by Guarantor, and to perform its obligations hereunder and thereunder.

(c) The execution, delivery and performance of this Guarantee and all other instruments, documents and agreements required by the provisions of this Guarantee to be executed, delivered and performed by Guarantor have been duly authorized by all necessary company action on the part of Guarantor and do not contravene or conflict with Guarantor's constitutive documents.

(d) This Guarantee and all other instruments, documents and agreements required by the provisions of this Guarantee to be executed, delivered and performed by Guarantor have been duly executed and delivered by Guarantor and constitute the legal, valid and binding obligations of Guarantor, enforceable against it in accordance with their respective terms.

(e) Neither the execution and delivery of this Guarantee nor the performance of the terms and conditions hereof by Guarantor shall result in (i) a violation or breach of, or a default under, or a right to accelerate, terminate or amend, any contract, commitment or other obligation to which Guarantor is a party or is subject or by which any of its assets are bound, or (ii) a violation by Guarantor of any applicable law, except, in either case for such violations, breaches, defaults or rights as would not, individually or in the aggregate, have a material adverse effect on the ability of Guarantor to perform its obligations under this Guarantee.

(f) There are no actions, suits, investigations, proceedings, condemnations or audits by or before any court or other governmental or regulatory authority or any arbitration proceeding pending or, to its knowledge, threatened against or affecting Guarantor, its properties, or its assets that, if adversely determined, would reasonably be expected to have a material and adverse effect on Guarantor's ability to perform its obligations under this Guarantee.

(g) All necessary action has been taken under the laws of [_____] to authorize the execution, delivery and performance of this Guarantee and to make this Guarantee admissible in

evidence in [____]. No governmental approvals or other consents, approvals, or notices of or to any person or entity are required in connection with the execution, delivery or performance by Guarantor, or the validity or enforceability, of this Guarantee.

Section 5. Notices. All notices, demands, instructions, waivers, consents, or other communications required or permitted hereunder shall be in writing in the English language and shall be sent by personal delivery, courier, certified mail or facsimile, to the following addresses:

(a) If to Guarantor:

[_____]

(b) If to Company:

Puget Sound Energy, Inc.
355 110th Avenue NE, EST-06E
P.O. Box 97034 EST-06E
Bellevue, WA 98009-9734
Attention: Manager, Transmission Contracts

The addresses and facsimile numbers of either party for notices given pursuant to this Guarantee may be changed by means of a written notice given to the other party at least ten (10) business days (being a day on which clearing banks are generally open for business in the jurisdiction of the party to whom a notice is sent) prior to the effective date of such change. Any notice received other than during the hours 9:00 a.m. to 5:00 p.m. inclusive local time on a business day shall be deemed to have been received at 9:00 a.m. of the business day immediately following actual receipt of such notice; subject thereto, notices shall be effective upon receipt. A copy of any notice sent by facsimile must be sent by personal delivery, courier or certified mail within two (2) business days thereafter.

Section 6. Miscellaneous Provisions.

(a) **Waiver; Remedies Cumulative.** No failure on the part of Company to exercise, and no delay on the part of Company in exercising, any right or remedy, in whole or in part hereunder shall operate as a waiver thereof. No single or partial exercise of any right or remedy shall preclude any other or further exercise thereof or the exercise of any other right or remedy. No waiver by Company shall be effective unless it is in writing and such writing expressly states that it is intended to constitute such waiver. Any waiver given by Company of any right, power or remedy in any one instance shall be effective only in that specific instance and only for the purpose for which given, and will not be construed as a waiver of any right, power or remedy on any future occasion. The rights and remedies of Company herein provided are cumulative and not exclusive of any rights or remedies provided by applicable law.

(b) **Successors and Assigns.** This Guarantee shall be binding upon the successors of Guarantor and shall inure to the benefit of Company and its successors and assigns. Guarantor shall not assign or transfer all or any part of its rights or obligations hereunder without the prior written consent of Company. Any purported assignment or delegation without such written consent shall be null and void. Company may assign its rights and obligations hereunder to any assignee of its rights under the Service Agreement permitted in accordance with the Service Agreement. No other persons shall be a beneficiary of this Guarantee or have or acquire any rights by reason of this Guarantee.

(c) **Amendment.** This Guarantee may not be modified, amended, terminated or revoked, in whole or in part, except by an agreement in writing signed by Company and Guarantor.

(d) **Termination, Limits and Release.** Upon the date all obligations of Subsidiary arising under the agreement are fully satisfied and discharged, then, and only then, this Guarantee shall automatically be released and shall be of no further force and effect; otherwise, it shall remain in full force and effect. Other than as set forth in the immediately preceding sentence, no release of this Guarantee shall be valid unless executed by Company and delivered to Guarantor.

(e) **Designation of Agent.** Guarantor designates and appoints [____], a [___] corporation, and such other persons or entities as may hereafter be selected by Guarantor irrevocably agreeing in writing to so serve, as its agent to receive on its behalf service of all process in any proceedings in any court, such service being hereby acknowledged by Guarantor to be effective and binding service in every respect. A copy of any such process so served shall be mailed by registered mail to Guarantor at its address provided on the signature page hereto except that unless otherwise provided by applicable law, any failure to mail such copy shall not affect the validity of service of process. If any agent appointed by Guarantor refuses to accept service, Guarantor hereby agrees that service upon it by mail shall constitute sufficient notice. Nothing herein shall affect the right to serve process in any other manner permitted by law, or shall limit the right of Company to bring proceedings against Guarantor in the courts of any other jurisdiction.

(f) **Law and Jurisdiction.**

(i) This Guarantee is governed by and shall be construed in accordance with laws of the State of Washington, without regard for any principles of conflicts of law that would direct or permit the application of the law of any other jurisdiction.

(ii) Guarantor irrevocably agrees that the courts of King County, Washington, shall have exclusive jurisdiction to hear and determine any suit, action or proceeding, and to settle any dispute, that may arise out of or in connection with this Guarantee, and for such purposes hereby irrevocably submits to the jurisdiction of such courts; provided that for the purpose only of enforcement of any judgment of the courts of King County, Washington, the jurisdiction of such courts shall be non-exclusive.

(g) **Survival.** All representations and warranties made in this Guarantee and by Guarantor in any other instrument, document or agreement delivered pursuant hereto or in connection herewith shall survive the execution and delivery of this Guarantee.

(h) **Severability.** Any provision of this Guarantee that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Where provisions of law or regulation resulting in such prohibition or unenforceability may be waived, they are hereby waived by Guarantor and Company to the full extent permitted by law so that this Guarantee shall be deemed a valid binding agreement in each case enforceable in accordance with its terms.

IN WITNESS WHEREOF, Guarantor has duly executed and delivered this Guarantee on the day and year first above written.

[Guarantor Name]

Name:

Title:

Name:

Title:

Credit Contact and Identification Form

Date: _____

Name of Entity for which a corporate-wide credit review is requested: _____

Address: _____

Phone: _____

Fax: _____

E-mail: _____

DUNS Number (required): _____

Credit Manager or Contact Person for requesting Entity: _____

Address: _____

Phone: _____

Fax: _____

E-mail: _____

Is the requesting Entity a subsidiary of another company? [] Yes [] No

If yes, please provide the following information for the direct and any indirect parent company of the requesting Entity:

Name: _____

Address: _____

DUNS Number: _____

Prepared By: _____

Name of requesting Entity: _____

By: _____

Its: _____

Phone: _____

E-mail: _____

Please submit this completed Credit Contact and Identification Form together with the following information:

- (i) the most recent two years of independently audited financial statements,
- (ii) the most recent annual and quarterly reports; the Moody's Investor Service (Moody's) and/or Standard & Poor's (S&P's) senior long-term unsecured debt ratings; and
- (iii) any other qualitative and quantitative factors that the requesting entity wishes to specifically call to Puget Sound Energy, Inc.'s attention in connection with its corporate-wide credit review.

Please direct such submittals to:

Chris Janak
Puget Sound Energy, Inc.
10885 N.E. 4th Street PSE-11S
Bellevue, WA 98004

Phone: 425-462-3396
christopher.janak@pse.com