



200306030085

Skagit County Auditor

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After Recording Return to:
Perkins Coie LLP
411 - 108th Avenue N.E., Suite 1800
Bellevue, Washington 98004
Attention: Jason Kuzma

FIRST AMERICAN TITLE CO.

ACCOMMODATION RECORDING ONLY

Document Title(s) (or transactions contained therein): Agreement of Resignation, Appointment and Acceptance of Trustee	M8107
Reference Number(s) of Documents assigned or released: See Mortgage recorded in Skagit County on June 30, 1924, under Auditor's Fee Number 175397, and all supplemental indentures thereto, including, without limitation, the Fortieth Supplemental Indenture and the Seventy-Eighth Supplemental Indenture, recorded on November 2, 2000, under Auditor's Fee Number 200011030066.	
Grantor: Puget Sound Energy, Inc., a Washington corporation	
Grantee: U.S. Bank National Association, a national banking association, as Trustee	
Legal Description (abbreviated: i.e., lot, block, plat or section, township, range) None listed.	
Assessor's Property Tax Parcel/Account Number None listed.	

February 15, 2003

Ms. Cheryl Krueger, Senior Treasury Analyst
Puget Sound Energy
411 108th Avenue NE, OBC 03S
Bellevue, WA 98004-5515

Re: Trustee under First Mortgage dated as for June 2, 1924 as supplemented and modified (the "Mortgage") for Puget Sound Power & Light Company First Mortgage Bonds and First Mortgage Bonds Series B

Dear Ms. Krueger:


U.S. Bank National Association has acquired substantially all of the corporate trust business of State Street Bank and Trust Company, successor to The First National Bank of Boston ("State Street").

U.S. Bank National Association ("U.S. Bank") stands ready to assume all duties, obligations and responsibilities of the Trustee as outlined in the above referenced Mortgage. U.S. Bank is a national bank with a principal corporate trust office at 100 Wall Street, Suite 1600, New York, NY 10005
Attention: Corporate Trust Services.

We have enclosed a Resignation and Appointment Agreement, which provides for the resignation of State Street and the appointment of U.S. Bank as successor Trustee. We ask that you sign the enclosed Resignation and Appointment Agreement and return it to the undersigned as soon as possible. Please retain a copy for your files.

If you have any questions or comments concerning the enclosed document, please contact Ward Spooner, your Account Manager, at 212-361-6175.

Very truly yours,


Ward Spooner
Vice President

Enclosure: Resignation & Appointment Agreement

cc: Bondholders



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February 15, 2003

Ms. Cheryl Krueger, Senior Treasury Analyst
Puget Sound Energy
411 108th Avenue NE, OBC 03S
Bellevue, WA 98004-5515

Re: Trustee under First Mortgage dated as for June 2, 1924 as supplemented and modified (the "Mortgage") for Puget Sound Power & Light Company First Mortgage Bonds and First Mortgage Bonds Series B

Dear Ms. Krueger:

In connection with the acquisition by U.S. Bank National Association ("U.S. Bank") of the corporate trust business of State Street Bank and Trust Company, successor to The First National Bank of Boston, we hereby notify you of our intent to resign as Trustee under the above referenced Mortgage subject to the appointment of U.S. Bank as successor Trustee.

Such resignation shall take effect upon the appointment of U.S. Bank as successor Trustee, subject to the express provisions of the Mortgage.

Very truly yours,

State Street Bank and Trust Company,
successor to The First National Bank of Boston
Trustee

By: 

Attorney-in-Fact

cc: Bondholders



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Resignation and Appointment Agreement dated as of February 15, 2003 among Puget Sound Energy ("Company"), State Street Bank and Trust Company, successor to The First National Bank of Boston ("State Street"), and U.S. Bank National Association ("U.S. Bank").

Recitals

State Street was appointed as Trustee under the First Mortgage dated as for June 2, 1924 as supplemented and modified (the "Mortgage"). U.S. Bank recently acquired substantially all of the corporate trust business of State Street and the parties hereto wish to substitute U.S. Bank for State Street as Trustee under the Mortgage.

SECTION 1. Resignation and Appointment. State Street hereby resigns as Trustee under the Mortgage and the Company hereby appoints U.S. Bank as the successor Trustee under the Mortgage. Such resignation and appointment shall be effective as of the date first above written (the "Effective Date").

SECTION 2. Acceptance. U.S. Bank hereby accepts, as of the Effective Date, its appointment as successor Trustee under the Mortgage and assumes all of the rights, powers, duties, immunities and trusts of the Trustee under the Mortgage.

SECTION 3. Transfer of Property. State Street has delivered and transferred to, or holds as custodial agent for, U.S. Bank as successor Trustee all securities, applicable monies and other properties held by it, if any, as Trustee under the Mortgage.

SECTION 4. Miscellaneous. This Resignation and Appointment Agreement shall be governed by the same laws as specified under the Mortgage.

SECTION 5. Duplicate Originals and Counterparts. This Resignation and Appointment Agreement may be signed in duplicate originals, and each such duplicate original may be signed in counterparts, each of which counterparts shall be regarded as the original and all of which shall constitute one and the same agreement.

SECTION 6. Notices. All notices and communications to be delivered to U.S. Bank as Trustee under the Mortgage shall be delivered in the manner provided therein to U.S. Bank at: 100 Wall Street, Suite 1600, New York, NY 10005 Attention: Corporate Trust Services.

SECTION 7. Consent. The undersigned hereby consents to the within appointment.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed by their respective duly authorized officers as of the date first above written.

Puget Sound Energy as Company

By: Don Gaines
Don Gaines
Vice President Finance & Treasurer

State Street Bank and Trust Company,
successor to The First National Bank of
Boston as Trustee

By: Attorney-in-Fact
Attorney-in-Fact

Puget Sound Energy as Company

By: James W. Eldredge
James W. Eldredge
Corporate Secretary & Controller

U.S. Bank National Association as Successor
Trustee

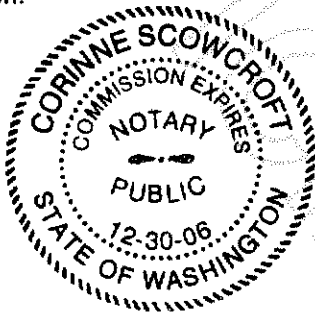
By: Ward A. Spooner
Ward A. Spooner
Vice Pre:



200306030085
Skagit County Auditor

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

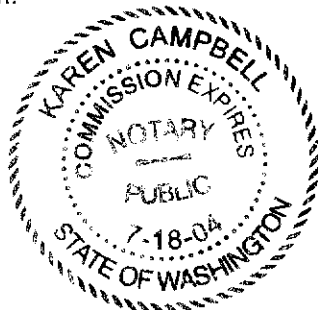
On this 28th day of May, 2003, before me, the undersigned, a Notary Public in and for the state of Washington, duly commissioned and sworn, personally appeared Donald E. Gaines, to me known to be the person who signed as Vice President Finance & Treasurer of PUGET SOUND ENERGY, INC., a Washington corporation, the corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, and on the oath stated that he was duly elected, qualified and acting as said office of the corporation, that he was authorized to execute said instrument. IN WITNESS WHEREOF I have hereunto set my hand and official seal the day and year first above written.



Corinne Scowcroft
Print Name Corinne Scowcroft
Notary and Public in and for the State of Washington,
residing at Sammamish WA 98074
My commission expires: 12/30/06

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this 28th day of May, 2003, before me, the undersigned, a Notary Public in and for the state of Washington, duly commissioned and sworn, personally appeared James W. Eldredge, to me known to be the person who signed as Corporate Secretary & Controller of PUGET SOUND ENERGY, INC., a Washington corporation, the corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, and on the oath stated that he was duly elected, qualified and acting as said office of the corporation, that he was authorized to execute said instrument. IN WITNESS WHEREOF I have hereunto set my hand and official seal the day and year first above written.



Karen Campbell
Print Name Karen Campbell
Notary and Public in and for the State of Washington,
residing at Bellevue
My commission expires: 7/18/04

STATE OF NEW YORK)
) ss.
COUNTY OF NEW YORK)

On this 30th day of May, 2003, before me, the undersigned, a Notary Public in and for the state of New York, duly commissioned and sworn, personally appeared JAMES E. MURPHY to me known to be the person who signed as Attorney-in-Fact of STATE STREET BANK AND TRUST COMPANY, successor to THE FIRST NATIONAL BANK OF BOSTON, a Massachusetts trust company, the trust company that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said trust company for the uses and purposes therein mentioned, and on the oath stated that [he/she] was duly elected, qualified and acting as said officer of the trust company, that [he/she] was authorized to execute said instrument. IN WITNESS WHEREOF I have hereunto set my hand and official seal the day and year first above written.

Carolyn R. Sinclair

Print Name CAROLYN R. SINCLAIR
Notary and Public in and for NOTARY PUBLIC STATE OF NEW YORK
residing at QUALIFIED IN QUEENS COUNTY
My commission expires: MY COMMISSION EXPIRES 12/20/2005
REGISTRATION 01SI6034857

STATE OF NEW YORK)
) ss.
COUNTY OF NEW YORK)

On this 30th day of May, 2003, before me, the undersigned, a Notary Public in and for the state of New York, duly commissioned and sworn, personally appeared Walter A. Spooner, to me known to be the person who signed as Vice President of U.S. BANK NATIONAL ASSOCIATION, a Delaware banking corporation, the corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said national corporation for the uses and purposes therein mentioned, and on the oath stated that he was duly elected, qualified and acting as said office of the corporation, that he was authorized to execute said instrument.

IN WITNESS WHEREOF I have hereunto set my hand and official seal the day and year first above written.

Carolyn R. Sinclair

Print Name CAROLYN R. SINCLAIR
Notary and Public in and for NOTARY PUBLIC STATE OF NEW YORK
residing at QUALIFIED IN QUEENS COUNTY
My commission expires: MY COMMISSION EXPIRES 12/20/2005
REGISTRATION 01SI6034957



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Skagit County Auditor