October 1, 1999

Ms. Carole J. Washburn, Secretary Washington Utilities and Transportation Commission P.O. Box 47250 Olympia, WA 98504-7250

Re: Docket No. UG-990294 —Review of WAC 480-90

Dear Ms. Washburn:

Attached, please find Puget Sound Energy's (PSE or the Company) comments on Commission Staff's (Staff) First Draft document in the above referenced docket. Please note the there is a great deal of material to address in these rules. We appreciate the magnitude and complexity of Staff's task to fully review these rules. PSE has endeavored to provide comments as comprehensive as possible at this time; however, our silence on any individual proposal should not necessarily be interpreted as support or disagreement. Staff's plan to work through this material over the next several months is appreciated.

After discussions with WUTC Staff, PSE is optimistic that the October 14-15 workshops will be productive. This forum will provide two important opportunities. First, the interested parties will be able discuss Staff's and other parties' overall interests as well as the particular considerations driving specific proposals. Additionally, the workshops will allow the interested parties to more fully explore each others' interests and positions. Once this occurs, further comments should be even more useful in this process. Overall, the workshops can be quite helpful in forming a foundation for review and revision of these rules.

We look forward to continuing to work with various interested parties to help the Commission complete its review of these rules in accordance with Executive Order 97-02 and to ensure the rules are otherwise in the public interest. If we can be of any additional assistance, please contact Phillip Popoff at (425) 462-3229.

Sincerely,

Christy A. Omohundro
Director, Rates and Regulatory Policy