July 16, 2002

Carole J. Washburn, Secretary Washington Utilities and Transportation Commission 1300 S. Evergreen Park Dr. SW P. O. Box 47250 Olympia, Washington 98504-7250

Re: <u>Puget Sound Energy</u> Docket No. UG-011571

Dear Ms. Washburn:

On July 12, 2002, the Northwest Industrial Gas Users filed a Motion for Leave to File Cross Rebuttal Testimony. Seattle Steam joined in that Motion.

Staff requests that the Commission hold in abeyance its decision on the Motion until after Staff, Public Counsel and intervenors file their direct testimony and exhibits on August 30, 2002. Staff is not necessarily opposed to cross-rebuttal testimony. However, it may be that all arguments the parties would address through cross-rebuttal testimony will be addressed in their direct cases. Under those circumstances, cross-rebuttal testimony would not foster an efficient and focused process. Rather, it would be duplicative, inefficient, and a waste of valuable resources. Ruling on the Motion after August 30th will allow the Commission and the parties to better understand the true necessity for cross-rebuttal, and would not prejudice any party's preparation of such testimony if allowed.

Should the Commission grant the Motion, however, it should allow cross-rebuttal testimony only for those parties that file direct cases. No party should be allowed to rebut another party unless it also presents its position through direct testimony subject to cross-rebuttal from others.

Thank you for your consideration of this matter.

Very truly yours,

ROBERT D. CEDARBAUM Senior Counsel

RDC:kll cc: Dennis Moss, ALJ Parties