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January 23, 2007

BY ELECTRONIC AND U.S. MAIL

Administrative Law Judge Dennis Moss Washington Utilities and Transportation Commission P.O. Box 47250 1300 S. Evergreen Park Drive SW Olympia, WA 98504-7250

Re: Docket No. UE-061546

PacifiCorp d/b/a Pacific Power and Light Company

Dear Judge Moss:

On January 17, 2007, Commission Staff, PacifiCorp d/b/a Pacific Power and Light Company ("PacifiCorp") and The Energy Project (collectively, the "Settling Parties") filed a Settlement Stipulation in this proceeding. The Settlement Stipulation is a multi-party settlement which settles certain issues and proposes a process for resolving the remaining issues. Two days later, on January 19, 2007, the Settling Parties submitted documentation supporting the Settlement Stipulation, consisting of Joint Testimony, separate testimony of Alan P. Buckley, and two exhibits.

With the filing of the Settlement Stipulation, the focus of the proceeding turns to "whether [the] proposed settlement meets all pertinent legal and policy standards." In previous decisions, the Commission has applied this standard using a three-part inquiry:

- (1) We ask whether any aspect of the proposal is contrary to law;
- (2) We ask whether any aspect of the proposal offends public policy; and (3) We ask if the evidence supports the proposed

¹ WAC 480-07-740.

Judge Dennis Moss January 23, 2007 Page 2

elements of the Settlement Agreement as a reasonable resolution of the issue(s) at hand."²

Given this framing of the issues, the Settling Parties respectfully submit that the procedural schedule should be re-visited to allow the Commission to consider the Settlement Stipulation more promptly than under the existing procedural schedule. (In this regard, the Settling Parties appreciate the Commission's prompt convening of a prehearing conference to address scheduling issues.) Among other things, the Settlement Stipulation includes a recommendation that PacifiCorp be authorized to implement a rate increase effective as of April 1, 2007.³ WAC 480–07–740(1)(e), in turn, provides that "[t]he commission will endeavor to meet the parties' requested effective date." With these circumstances in mind, Staff and PacifiCorp have jointly developed a proposed schedule that we offer for the Commission's consideration:

Settling Parties file testimony in support of Stipulation	January 19
Non-Settling Parties file opposing testimony	February 13
Settling Parties file rebuttal testimony	February 27
Commission hearings	March 5-7

We look forward to further discussions regarding the proposed schedule at tomorrow's prehearing conference.

Very truly yours,

James M. Van Nostrand

JMV:dma

cc: Service List

² Docket UE-0320675, WUTC v. PacifiCorp, Order 06 at ¶ 59; Docket UG-060256, WUTC v. Cascade Natural Gas Corporation, Order 05 at ¶ 23.

³ Settlement Stipulation at ¶ 16.

CERTIFICATE OF SERVICE

I hereby certify that on this date I served the letter regarding Modification of the Procedural Schedule of PacifiCorp d/b/a Pacific Power and Light Company upon all parties of record in this proceeding by mailing a copy thereof in a sealed, first class postage prepaid envelope to each individual's last-known address, as listed below:

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DATED: January 23, 2007.

PERKINS COLE LLP

James M. Van Nostrand