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January 7, 2008

VIA WEB PORTLAL AND OVERNIGHT MAIL

David Danner, Executive Director and Secretary
Washington Utilities and Transportation Commission
1300 Evergreen Park Drive, SW
Olympia, WA 98504

**Re: WUTC v. Puget Sound Energy, Inc.
Docket Nos. UE-072300 and UG-072301**

Dear Mr. Danner:

Pursuant to Section 7 of the Partial Settlement Re: Natural Gas Rate Spread and Rate Design in the above captioned dockets, please be advised that the Natural Gas Cost of Service Collaborative process has now been completed. Enclosed please find a copy of the Facilitator's Report for filing.

If you have any questions, please contact either Sheree Carson at (425) 635-1422 or Jason Kuzma at (425) 635-1416.

Very truly yours,

Sheree Strom Carson

SSC:cgm

Enclosures

cc: Judge Moss
Judge Torem
All Parties

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