

June 30, 2006

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

Re: *W.U.T.C. v. Fragaria Landing Water Co.*
Complaint against Rates and Charges
Docket No. UW-060662

Dear Ms. Washburn:

On behalf of Staff I am notifying the Commission that Staff and the Fragaria Landing Water Company ("Company") have been unable to engage in settlement discussions on June 30, 2006 as provided in the scheduling order. Staff is working with the Company to reschedule these discussions.

The parties agreed to an accelerated procedural schedule at the company's request during Prehearing Conference on May 31, 2006. The parties agreed on the record that this schedule was based on a mutual understanding that the company would respond promptly and adequately to the Staff's data requests, and scheduled this date for a private settlement discussion with that expectation.

Staff delivered necessary data requests immediately on May 31, 2006 but did not receive full response until June 29, 2006. Staff was in contact with the Company to resolve this issue. Staff needs sufficient time to analyze the responses prior to meaningful settlement discussion, and remains committed to working towards a resolution.

Also, due to a family emergency, Staff's regulatory analyst will be out of the office from July 5 until approximately July 13. Because his participation is essential, Staff will work with the Company to reschedule discussions for after his return.

Finally, Staff anticipates proposing, in the near future, an extension of the procedural schedule, after conferring with the Company. We will keep the Commission informed as to the progress of settlement.

Please let me know if you have any questions.

Sincerely,

Michael A. Fassio
Assistant Attorney General

MAF:emd
Enclosure
cc: Parties