

September 6, 2005

**NOTICE OF PREHEARING CONFERENCE  
ADDRESSING SETTLEMENT HEARING PROCEDURES  
(Set for Friday, September 9, 2005 at 9:00 a.m.)**

Re: WUTC v. Puget Sound Energy, Inc. (Emergency Adjudication)  
Docket No. PG-041624

TO ALL PARTIES:

On August 24, 2005, the parties filed a settlement agreement and supporting narrative in this proceeding. The settlement agreement proposes a complete resolution to the complaint filed by the Commission against Puget Sound Energy, Inc. related to an explosion that occurred in the Spiritridge neighborhood of Bellevue, Washington on September 2, 2004.

A hearing to review the settlement agreement has been scheduled for September 14, 2005 at 3:30 p.m.

It appears that neither the settlement agreement nor the supporting narrative filed by the parties provide: 1) assistance to the Commission in assessing this settlement in comparison with other gas pipeline safety settlements where penalties have been imposed; 2) authority for Commission imposition of consultant costs in lieu of penalties; 3) a discussion of the type of liability imposed on gas distribution companies under RCW 80.28.210; and, 4) how the remedial actions included in the settlement should be treated for ratemaking purposes. To insure that these issues will be adequately addressed during the settlement review hearing, the Commission will convene a prehearing conference as noticed below.

**NOTICE IS GIVEN That a prehearing conference to address settlement review hearing procedural issues will be convened on Friday, September 9, 2005 at 9 a.m. in Room 108 at the offices of the Washington Utilities and Transportation Commission, 1300 S. Evergreen Park Drive, S. W., Olympia WA 98504. The parties may participate by contacting the Commission's conference bridge at 360-664-3846 if they are unable to attend in person.**

Sincerely,

THEODORA M. MACE  
Administrative Law Judge