May 3, 2004

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

RE: In the Matter of the Application of Puget Sound Energy, Inc. for Approval of Amendment of Service Quality Index Reporting Methodology: Electric Safety Response Time Docket No. UE-031946

Dear Ms. Washburn:

This docket involves an application by Puget Sound Energy, Inc. (PSE) to amend the Commission's Twelfth Supplemental Order in Docket Nos. UE-011570 and UG-011571, with respect to the reporting requirements for Service Quality Index 11: Electric Safety Response Time. The Industrial Customers of Northwest Utilities (ICNU) request that the Commission condition approval of PSE's application on certain requirements. PSE, Commission Staff, and Public Counsel oppose ICNU's conditions.

By letter dated April 28, 2004, the Commission requested the parties' input as to whether a hearing is necessary to resolve this controversy. If a hearing is held, the Commission also asked the parties whether a formal adjudication before an administrative law judge (ALJ) is required, as opposed to adjudication of the dispute during an Open Public Meeting. Carole J. Washburn May 3, 2004 Page 2

I have been authorized by Commission Staff, PSE, Public Counsel and ICNU to advise the Commission that all parties agree that the Commission need not convene a hearing to resolve this matter. The parties agree to submit the case for decision on the basis of the written materials that have already been filed with the Commission.

The parties also agree that, if the Commission itself decides to convene a hearing, such hearing need not be a formal adjudication before an ALJ. The parties agree that any such hearing may be convened before the commissioners during an Open Public Meeting.

Please contact me if you have any questions concerning this matter.

Very truly yours,

ROBERT D. CEDARBAUM Senior Counsel

cc: Parties