

July 25, 2008

**NOTICE SUSPENDING PROCEDURAL SCHEDULE
(Canceling Hearing Set for July 28, 2008, 10:30 a.m.)**

RE: *In the Matter of the Joint Application of PUGET HOLDINGS LLC AND PUGET SOUND ENERGY, INC. For an Order Authorizing Proposed Transaction, Docket U-072375*

TO ALL PARTIES:

On July 21, 2008, Commission Staff filed a letter on behalf of itself, PSE, Puget Holdings, ICNU, NWIGU, The Energy Project, Kroger, and the NWEC informing the Commission that these parties have reached an agreed resolution of all issues before the Commission in this docket. The Cogeneration Coalition indicated it would not oppose the Settlement. The Federal Executive Agencies took no position.

On July 22, 2008, the settling parties filed their Settlement Stipulation. Public Counsel, it appears, will oppose the Commission's adoption of the Settlement Stipulation. The Commission will conduct a hearing to consider the Settlement Stipulation and Public Counsel's opposition to it.

The settling parties ask that the Commission suspend the evidentiary hearings currently scheduled for July 28 -31, 2008, and request that a prehearing conference be convened to determine a procedural schedule for a hearing on the settlement. The Commission has given notice of a prehearing conference to be held on July 25, 2008, at 3:00 p.m. in the Commission's hearing room at its offices in Olympia, Washington.

Although the presiding Administrative Law Judge has worked informally with the parties in off-the-record discussions concerning the procedural schedule, the parties have not agreed to a schedule among themselves. It is now necessary, to avoid unduly short notice to the public, to suspend the procedural schedule and cancel the hearing proceedings scheduled for the week of July 28, 2008. The Commission will establish at the prehearing conference today a schedule for settlement hearings to begin on a date after August 1, 2008, and will give at least five days notice of the schedule, which will be available on the Commission's web pages at www.utc.wa.gov.

THE COMMISSION GIVES NOTICE that the evidentiary hearing previously scheduled to begin on July 28, 2008, at 10:30 a.m. is cancelled and all other procedural dates in this docket are suspended.

DENNIS J. MOSS
Administrative Law Judge