July 29, 2008

NOTICE SETTING PROCEDURAL SCHEDULE (Settlement Hearing Set for August 25, 2008, 9:30 a.m.)

NOTICE OF ADDITIONAL PUBLIC COMMENT HEARING (Set for August 27, 2008, 6:30 p.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

On July 25, 2008, the Commission suspended the procedural schedule in this proceeding and convened a prehearing conference to consider a new schedule to accommodate the process required to consider a multi-party settlement entered into by PSE, Puget Holdings, Commission Staff, ICNU, NWIGU, The Energy Project, Kroger, and the NWEC, and opposed by Public Counsel. Following additional, informal discussion between the parties and the presiding Administrative Law Judge, the Commission established a procedural schedule that meets the parties' and the Commission's needs.

The new procedural schedule in this proceeding uses hearing days previously set for hearing in PSE's pending general rate case proceeding, Dockets UE-072300 & UG-072301. It accordingly will be necessary to reschedule the general rate case hearings, which is done by separate notice given today in that proceeding.

THE COMMISSION GIVES NOTICE that it adopts the following procedural schedule

Settling Parties File

Supporting Testimony July 29, 2008

Public Counsel Files

Response Testimony August 5, 2008

Settling Parties File

Rebuttal Testimony August 12, 2008

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Hearing August 25 – 27, 2008

Public Comment Hearing August 27, 2008

Briefs September 19, 2008

The Commission will continue to receive written comments from the public until the close of the public comment hearing on September 27, 2008.

NOTICE IS FURTHER GIVEN That a final public hearing will be in Olympia on Wednesday, July 27, 2008, at 6:30 p.m., in the Commission's Hearing Room, Second Floor, Richard Hemstad Building, 1300 S. Evergreen Park Drive S.W., Olympia, Washington. The Commission will begin taking comments from members of the public at 6:30 p.m., ending no later than 8:00 p.m.

Sincerely,

DENNIS J. MOSS Administrative Law Judge