

BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

PUGET SOUND ENERGY, INC.,

Respondent.

Docket No. UE-070565

NOTICE OF SETTLEMENT AND
REQUEST FOR STAY OF
PROCEEDINGS

Puget Sound Energy, Inc. ("PSE" or "the Company") hereby provides notice that a "full settlement" in principle has been reached between Commission Staff, Industrial Customers of Northwest Utilities ("ICNU"), Public Counsel and PSE.¹ Accordingly, PSE on behalf of the above listed parties, hereby requests a stay of all proceedings in this matter while final settlement documents are prepared by the parties.

PSE's rebuttal testimony is currently scheduled to be filed on Monday, July 2, 2007. Due to the recent settlement agreement, however, PSE will not be filing rebuttal testimony in this matter. Rather, Commission Staff, ICNU, Public Counsel, and PSE will use their best efforts to file a full settlement agreement on Tuesday, July 3, 2007 with supporting testimony to be filed thereafter. The parties will also request that the settlement agreement be presented to the

Commission for adoption and approval on July 23, 2007, which is the date already set for commencement of evidentiary hearings.

No other parties have filed testimony in this case.

DATED this 28 day of June, 2007.

PERKINS COIE LLP

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Attorneys for Puget Sound Energy, Inc.

¹ The Federal Executive Agencies and the Kroger Co. are parties to this case, but have chosen not to participate in the discussions that lead to our settlement agreement. Thus, the agreement will be filed as full settlement under WAC 480-07-730(1).

NOTICE OF SETTLEMENT
AND REQUEST FOR STAY OF PROCEEDING 2 -
07771-0053/LEGAL13363254.1

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