October 30, 2007

NOTICE OF CONTINUANCE OF PREHEARING CONFERENCE (To Thursday, January 17, 2008, at 9:30 a.m.)

RE: Washington Utilities and Transportation Commission v. Puget Sound Energy, Inc., Docket PG-060215

TO ALL PARTIES:

On June 28, 2007, the Washington Utilities and Transportation Commission (Commission) entered Order 01—Prehearing Conference Order, scheduling a second prehearing conference in this matter for September 20, 2007, at 10:00 a.m.

On September 19, 2007, Commission Staff and PSE informally notified Judge Torem via e-mail of the progress made in discovery. Based on the progress, the parties requested that the prehearing conference be continued to the last week of October in order to allow additional time to schedule several depositions and to continue their work toward resolving the matter. Therefore, based on the parties' agreed request, it was reasonable to grant a continuance of the prehearing conference and reschedule it to occur on November 1, 2007, at 9:30 a.m.

On October 30, 2007, Commission Staff and PSE sent a letter and a status report to Judge Torem indicating that additional progress was being made in the matter, that discovery was still not complete, and that settlement of the matter was a possibility.

Based on the parties' agreed request, it remains reasonable to grant another continuance of the prehearing conference, this time for several additional months, which interval should allow sufficient time for settlement of those issues which might be resolved by the parties. As noted in the parties' status report, any such settlement would require Commission approval.

NOTICE IS GIVEN That the prehearing conference in this matter is continued to Thursday, January 17, 2008, at 9:30 a.m., in Room 108 of the Commission's headquarters, Richard Hemstad Building, 1300 S. Evergreen Park Drive S.W., Olympia, Washington.

Sincerely,

ADAM E. TOREM Administrative Law Judge