June 29, 2010

NOTICE OF HEARING (Set for Tuesday, August 17, 2010, 1:30 p.m.)

NOTICE REOPENING RECORD

NOTICE POSTPONING DATE FOR ENTRY OF ORDER ON PETITIONS FOR RECONSIDERATION (Rescheduled to Tuesday, August 31, 2010)

RE: Washington Utilities and Transportation Commission v. Puget Sound Energy, Inc., Docket UE-070725

TO THE PARTIES:

THE COMMISSION GIVES NOTICE, pursuant to WAC 480-07-850(4), that it will hold a hearing in this matter at 1:30 p.m., on August 17, 2010, in the Commission's Hearing Room, Second Floor, Richard Hemstad Building, 1300 S. Evergreen Park Drive S.W., Olympia, Washington for the purpose of hearing oral argument on the pending petitions for reconsideration filed respectively by the Energy Project and by Staff. The specific issues requiring further argument are outlined below.

THE COMMISSION GIVES FURTHER NOTICE, pursuant to WAC 480-07-830, that it will reopen the record in this proceeding for the receipt of additional evidence concerning specific questions raised by these pending petitions for reconsideration, as discussed below.

The Commission gives further notice pursuant to WAC 480-07-850 (5)(b) that it will postpone entry of its order resolving all pending petitions for reconsideration, currently noticed for June 30, 2010, until August 31, 2010.

The Commission's purpose in allowing additional evidence and argument is limited to aiding in the determination of specific questions related to its decision in Order 03 to allow PSE to expend \$4.57 million in REC proceeds to underwrite the capture of additional cost-effective conservation under the Company's low-income conservation program during the 2010 – 2011 program period. In particular, the Commission requires additional information

DOCKET UE-070725 PAGE 2

concerning the specific funds available to the Energy Project and other organizations that are expected to receive funds for the purpose of capturing cost-effective conservation from low-income customers in PSE's service territory during the 2010-2011 program period. The Commission requires additional, specific information concerning the additional amounts of cost-effective conservation that can be achieved during that period and the amount and source(s) of funds available to achieve it. No additional evidence or argument will be received or heard concerning the argument by Staff that allowing REC proceeds to be expended for this purpose constitutes an undue preference, or other issues raised by the various petitions for reconsideration.

Parties may present one or more witnesses to give oral testimony and may present documentary evidence. Each party intending to present evidence must provide a witness list, estimate of time required for presenting direct testimony, and a list of proposed exhibits by Thursday, August 12, 2010. Cross-examination will be allowed, as appropriate, and there will be inquiry from the Bench.

Thank you for your attention to these matters.

Sincerely,

DENNIS J. MOSS Administrative Law Judge