

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Joint Application
of

PUGET HOLDINGS LLC

and

PUGET SOUND ENERGY, INC.

For an Order Authorizing Proposed
Transaction.

DOCKET NO. U-072375

MOTION TO REOPEN THE
RECORD

I. MOTION

Pursuant to WAC 480-07-830, the Public Counsel Section of the Washington State Attorney General's Office (Public Counsel) hereby moves to reopen the record in the above-captioned case so that it may submit evidence essential to the Commission's decision that was unavailable at the time of the hearing.¹

II. MEMORANDUM

Since the Commission concluded its evidentiary hearing, a number of developments in the financial markets have occurred that are relevant to this case. These include, *inter alia*, the Federal government take over of Fannie Mae and Freddie Mac, the Chapter 11 bankruptcy filing by Lehman Brothers, the sale of Merrill Lynch, financial difficulties at AIG insurance, loss of

¹ WAC 480-07-830 provides:

Any party may file a motion to reopen the record at any time after the close of the record and before entry of the final order. The commission may reopen the record in a proceeding on its own motion. In uncontested proceedings, the commission may exercise its discretion to reopen the record to allow receipt of written evidence when otherwise lawful. In contested proceedings, the commission may reopen the record to allow receipt of evidence that is essential to a decision and that was unavailable and not reasonably discoverable with due diligence at the time of the hearing or for any other good and sufficient cause. The commission will give all parties an opportunity to respond to any evidence received after the record is closed. The commission may enter a final order or may return the matter to the presiding officer for further consideration, including further hearing or other process when appropriate.

value for the Macquarie Group, and major downturns in U.S. and global stock markets. News reports regarding these events are attached to this motion as Attachments.

Information regarding these developments is essential to the Commission’s consideration of the proposed transaction in this case. The health and stability of financial markets impacts the level of risk which this transaction poses for Puget and its customers, and, accordingly, affects whether or not the transaction should be approved as proposed. This information was previously unavailable because it concerns events occurring after the conclusion of the hearing.²

Accordingly, Public Counsel seeks to supplement and update information currently in the record on this topic.³

Public Counsel does not believe allowing the record to be supplemented as requested will prejudice any party. These additional materials do not introduce a new issue and are being provided over one week in advance of the deadline for briefing in this case.⁴

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² Given the fluid and uncertain state of the financial markets, there may be additional developments that are relevant to the case prior to the final order. In that event, the Commission may wish to exercise its discretion to reopen the record on its own motion under WAC 480-07-030 as appropriate to include additional relevant information and allow for party response. To the extent such information constitutes a “judicially cognizable fact” the Commission can also take official notice of that information under WAC 480-07-495(2). For example, bankruptcy filings, or actions of federal financial regulatory agencies would constitute judicially cognizable facts.

³ Exh. No. 260, pp. 16-18 (Hill Response to Settlement); Exh. No. 191 (Schmidt Direct); Exh. Nos. 194-200, 235-239; Exh. No. 68; Bench Exh. No. 417.

⁴ The Commission extended the time for filing briefs until September 24, 2008. *See In the Matter of the Joint Application of Puget Holdings, LLC and Puget Sound Energy, Inc. for an Order Authorizing Proposed Transaction*, Docket No. U-072375, Notice Revising Procedural Schedule (served August 28, 2008).

III. CONCLUSION

For the foregoing reasons, Public Counsel respectfully requests that the Commission reopen the record in this case to allow submission of relevant essential evidence that was previously unavailable.

DATED this 16th day of September, 2008.

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