

[Service Date January 7, 2004]

January 7, 2004

Mr. Harvard P. Spigal
Preston Gates & Ellis LLP
222 SW Columbia Street
Suite 1400
Portland, OR 97201-8632

RE: Washington Utilities and Transportation Commission v. Puget Sound
Energy, Inc., Docket No. UE-031389

Dear Mr. Spigal:

As Microsoft was not represented at the December 18, 2003, prehearing conference, we have no record of your client's view on the settlement proposed by some but not all of the parties to this docket.

Please state in writing no later than **Monday, January 12, 2004**, Microsoft's position regarding the proposed settlement—whether Microsoft supports, has no objection to, or opposes the Commission's adoption of the settlement proposal as its resolution of the issues in the docket—and whether Microsoft desires that the Commission conduct an oral hearing on the proposal. A submission by telefacsimile, followed by an original hard copy, will be accepted.

Sincerely,

C. ROBERT WALLIS
Administrative Law Judge

cc: Parties of Record