

March 15, 2002

Carole J. Washburn, Secretary
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Dr. SW
P. O. Box 47250
Olympia, Washington 98504-7250

Re: Puget Sound Energy
Docket No. UE-011570/UG-011571

Dear Ms. Washburn:

By prior letters, I informed you that the Commission Staff, Puget Sound Energy, Public Counsel, the Industrial Customers of Northwest Utilities and the Kroger Company were engaged in settlement discussions in these proceedings. Please be advised that these parties intend to file a Settlement Stipulation by noon on March 20, 2002. Other parties to the general rate case may join in that Settlement Stipulation.

We also understand that the Commission has time available in the afternoon of March 25, 2002 for presentation of the Settlement Stipulation. The parties request that the Commission issue a notice of hearing for that time and purpose.

Finally, hearings for cross-examination of the Company's direct case are scheduled currently for the week of April 1-5, 2002. In light of the parties intent to seek Commission approval of their Settlement Stipulation, we request that the Commission suspend those hearings. Should the Commission not approve the Settlement Stipulation, those hearings would need to be rescheduled for a later time.

I will contact you should there be a change to the parties filing goal. Please contact me should you have any questions

Sincerely,

Robert D. Cedarbaum
Senior Counsel

cc: Parties of record by e-mail
Judge Dennis Moss