

Incidents of Disclosure (18 CFR 358.5(b)(3))

On 12/13/05, a PSE employee inadvertently included a PSE merchant function employee on the distribution list for the following e-mail regarding providing temporary electric service for a proposed co-generation facility. Commercially sensitive information has been redacted at the customer's request. Although it is not clear that the e-mail violates the Standards of Conduct rules, PSE is posting the e-mail out of an abundance of caution.

From: Gates, Stephen F
Sent: Tuesday, December 13, 2005 3:32 PM
Subject: Sierra Pacific- Skagit County

I was involved in a meeting today to investigate providing primary-metered temporary service to a large forest products mill being built in Skagit County. While the issues related to temporary service were fairly simple to deal with, the questions the site manager had pertaining to how to connect their proposed 115kV customer-owned substation to our system were not. They evidently are planning to build a co-gen on this site, and have apparently signed a contract with *[redacted text]* to purchase the facility's *[redacted text]* excess power.

Can one of you gentlemen help us by determining who from PSE should be the contact person to facilitate the negotiation and connection of this customer to our transmission system? I'd like to provide contact information to the customer as soon as possible. They claim to want to have the substation, mill, and co-gen up and running in less than a year. If we want any input on the configuration of the customer's substation, we'll want to get involved immediately. Thanks...