

March 10, 2008

On March 4, 2008, a PSE project management employee mistakenly forwarded an e-mail which contained non-public transmission information to a PSE energy affiliate employee. The e-mail discussed the procurement and engineering status of a 230 kV interconnection with Bonneville Power Administration. Employees involved in the e-mail exchange have been notified that the energy affiliate employee should not be receiving transmission project update information.

Body of the e-mail follows:

*This is my current report:*

*Engineering and procurement for Berrydale Substation and Covington-Berrydale 230 kV line are expected to be complete in second quarter of 2008 for summer construction. BPA has provided cost estimates for BPA Covington Station interconnection, and all work is targeted for completion by December 31, 2008.*

*This is from the last report...*

*12/28/2007 - The reroute of the Berrydale – Krain 115 kV line was completed and energized during November. This phase of the job clears the right a way for building the new 230 kV line. Construction of the 230 kV line and associated additions at PSE's Berrydale Substation are scheduled to begin during the summer of 2008.*

*BPA's Covington Substation portion of the job is now the key scheduling factor in completing the job due to anticipated delays in obtaining major materials. It is estimated that the Covington – Berrydale 230 kV line will be completed by December 31, 2008.*