

February 2010 Puget Sound Energy bill package inserts and information 1.5 million bills

- Outside envelope: Difficulty paying your PSE bill?
- Return envelope: 811 message; know what's below. Call before you dig.
- Back of bill: Ways to pay your bill; Ways to reach us; Customer service phone number; Bill statement codes; Explanation of terms used; Emergency or power outage phone numbers in English, Spanish, Chinese and Russian; Contact for questions about your bill or service; and Late payment fee information
- EnergyWise Newsletter January/February – PSE's energy future is now; Customers break energy-use records; Energy assistance funds expected to serve 30,000 PSE customers; Energy-assistance centers; Help us help you, Help people in need; Electricity: Power Supply Fuel Mix; Energy Efficiency 2010 Rebates, shop now; Monitor your energy use online to manage your bill; Keep natural gas meters clear of snow and overhead icicles; Check your natural gas piping; In Your Community; PSE report shows path toward stronger communities; PSE helps energize green vehicles: Cold weather tips; Visit our local customer service offices; For more information about rates and your rights and responsibilities, please call or visit us on line at PSE.com
- Bill print message: Propane customers only
- Insert: Green Power: Support renewable energy by signing up for PSE's Green Power Program. To join, visit PSE.com/GreenPower or call 1-800-562-1482.
- Insert: PSE is offering up to \$2,100 in instant rebates for qualifying weatherization upgrades completed before March 31, 2010.
- Insert: PSE offers rebates on qualifying energy-efficiency heating systems for homes heated with natural gas or electricity.



PUGET SOUND ENERGY
The Energy To Do Great Things

*P.O. Box 90868
Bellevue, WA 98009-0868*

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$7/8''$

$1-1/4'' \times 4-1/2''$

$3/4''$



Prints under flap

Difficulty paying your PSE bill?

Please call us at 1-888-225-5773 for information about payment options and assistance programs, or visit PSE.com.



PSE.com



This envelope uses 100% post consumer recycled paper.

For information on PSE's power supply fuel mix, please visit PSE.com



PLACE
STAMP
HERE





PUGET SOUND ENERGY

The Energy To Do Great Things



**Know what's below.
Call before you dig.**

**Determina lo que está bajo tierra.
Llama antes de excavar.**



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Ways to Pay Your Bill

Puget Sound Energy offers several payment options:

- **Online at PSE.com** via My PSE Account
- **Automatic withdrawal** from your bank account
- **Credit/debit cards or check by phone** (transaction fee applies)
- **By mail to:** Puget Sound Energy, Payment Processing BOT-01H, P.O. Box 91269, Bellevue, WA 98009-9269
- **Budget Payment Plan** helps even out bills
- **In person** at an authorized pay station, see PSE.com for payment locations

Ways to Reach Us

- **PSE Customer Service 1-888-225-5773**
- **TTY hearing/speech impaired 1-800-962-9498**
- **TRS Telecommunications Relay Service 1-866-831-5161**
- **PSE Customer Construction Services 1-888-321-7779**
Business hours: 7 a.m.–5 p.m. Monday–Friday
- **PSE Energy Advisors 1-800-562-1482**
Business hours: 8 a.m.–5 p.m. Monday–Friday

Bill Statement Codes

- **ESTM** — *Estimated*
- **CORR** — *Corrected/Adjusted*
- **PRRT** — *Prorated*
- **ACTL** — *Actual*

Emergency or Power Outage

Dial 1-888-225-5773

To report a natural gas or electric emergency or a power outage, 24 hours a day, call **1-888-225-5773**

Para informar sobre la emergencia del fallo de gas o electricidad 24 horas al día, llame **1-888-225-5773**

若欲報告有關煤氣或電力故障，或停電，每天24小時均可致電 **1-888-225-5773**

Чтобы сообщить об аварии, связанной с природным газом или электроэнергией, или о перерыве в подаче электроэнергии, звоните по телефону **1-888-225-5773** круглосуточно

We can translate for other languages. Call **1-888-225-5773**.

Customer Service Guarantees

Appointments: You will receive a \$50 credit on your PSE bill if we do not keep a set appointment to install new or reconnect existing service or inspect natural gas equipment. Exceptions apply during major storms or significant events beyond our control.

Electric service restoration: If your electric service is out for 120 consecutive hours or longer, you may be eligible to receive a \$50 credit on your PSE bill after you report the outage or request the credit within seven days of the outage. Certain conditions beyond our control will cause the guarantee to be suspended.

Questions about Your Bill or Service

If you have questions or concerns or a dispute regarding your energy bill or service, please call us during business hours Monday–Friday, 7:30 a.m. to 6:30 p.m. at 1-888-225-5773 for billing inquiries. Any necessary corrections will be made promptly. If further follow-up is required, ask a PSE Customer Services supervisor to assist you. Every effort will be made to resolve disagreements and misunderstandings. If you are dissatisfied with the resolution, you may contact the Consumer Affairs section of the Washington Utilities and Transportation Commission at 1-800-562-6150 or complete an online complaint form at www.wutc.wa.gov. Copies of information on rules, rates, power supply fuel mix, regulations, customer rights and responsibilities, as well as an annual report, are available by calling 1-888-225-5773 and at PSE.com.

Late Payment Fee

Your bill is due and payable upon delivery. A late payment fee of 1 percent per month will be assessed on balances which remain unpaid for more than 10 business days after the due date on the bill. A 30-day delay of the late fee will be granted to low-income customers who notify PSE that they have applied to a low-income organization for financial aid. Customers participating in the Budget Payment Plan will be exempt from any late payment fee as long as the agreed-upon payment terms are kept current.

Explanation of Terms Used

Basic Charge

The basic charge covers a portion of the costs for billing, meter reading and other related fixed costs. These fixed costs do not vary with the amount of electricity or natural gas used or the number of days covered by the bill.

Delivery Charge

This charge is for the construction, operation and maintenance of natural gas pipes, gate stations, pressure regulators and other equipment necessary for the delivery of natural gas to you, based on the amount of natural gas used.

Electric/Natural Gas Conservation Program Charge

Every customer helps pay for the costs of weatherization and conservation programs.

Energy Exchange Credit

This credit applies to residential and qualified small farm electricity customers only. It is a pass-through of the Federal Columbia River Benefits supplied by BPA. These benefits are from low-cost power generated by federal hydroelectric dams.

kWh

A kilowatt hour is a measure of 1,000 watts of electricity consumed in 1 hour. A 100-watt light bulb consumes 1 kWh of electricity over 10 hours.

Btu Factor

British thermal unit is a measure of heat content. The Btu factor is an adjustment factor based on the actual heat content of the natural gas.

CCF

CCF stands for hundreds of cubic feet, a measure of the volume of natural gas used.

Therm

A therm is a unit of heat that equals 100,000 Btu. A therm is the volume of gas (CCF) that when multiplied by the Btu factor equals 100,000 Btu. A natural gas stovetop burner on for 10 hours would use approximately one therm of natural gas. One therm of natural gas is equivalent to 29.3 kWh of electricity.

ENERGYWISE

JANUARY-FEBRUARY 2010



2005 Expansion 2008
Hopkins Ridge Wind Facility



2006 Expansion 2009
Wild Horse Wind Facility



2007
Wild Horse Solar Facility



2007
Goldendale Natural Gas Plant



2008
Sumas Natural Gas Plant



2008
Jackson Prairie



2008
Mint Farm Natural Gas Plant

PSE's energy future is now

Plunging temperatures at the end of 2009 proved our Northwest winters always pack a punch — and also demonstrated the need for ample energy resources to meet our region's daily and peak power and natural gas needs.

A decade ago, deregulation was expected to sweep the energy industry and bring increased competition and lower prices to consumers. Independent power producers and energy traders — not utilities — would develop the new power supplies needed to meet the public's growing energy demands. But this approach proved risky, and when Enron collapsed, more than 60 proposed power plants were cancelled in less than two years. The traditional, tightly regulated vertically integrated utility model remained the standard.

PSE's long-term strategy for meeting the needs of our growing customer base calls for a new generation of utility-owned and -operated power supplies and natural gas storage facilities. Since 2003, PSE has emerged as a leader in developing renewable resources. Our Hopkins Ridge Wind Facility in Eastern Washington entered service in 2005, followed in 2006 by the Wild Horse Wind Facility, then a solar station in 2007 at the same location in Central Washington. In 2009, we expanded Wild Horse with 22 more wind turbines. PSE is now the largest Pacific Northwest utility owner of wind energy, and the second largest in the United States. For the future, we are working to develop the Lower Snake River Wind Energy Project in southeastern Washington, which would triple our wind portfolio if fully completed.

By building these facilities now, PSE is well-positioned

to meet Washington state's renewable portfolio standard, which requires utilities to satisfy 15 percent of their customers' electricity needs by 2020 through resources such as wind or solar power.

But because the wind doesn't always blow and a dry year may curtail hydropower supplies, PSE also is acquiring new natural gas-fired power plants. Since 2007, the company has acquired three natural gas power plants with a combined capacity of 700 megawatts of electricity. These clean-burning facilities are an excellent complement to our hydroelectric and wind power plants, and were purchased under very favorable terms due to the current recession.

As the operator and joint owner of the underground Jackson Prairie Natural Gas Storage Facility, we oversaw its 2008 expansion to accommodate peak daily natural gas demand of 1.2 million homes across the Northwest.

Owning and operating energy plants for customers rather than purchasing electricity from a third party allows us to limit our exposure to volatile energy markets and keep energy costs reasonable, and gives added assurance the resource will be there when we need it. Our customers also play a key role in our 20-year integrated resource strategy, developed in consultation with state utility regulators and updated every two years, along with PSE's energy efficiency programs. There's no more economical way to "produce" energy than to use less of it, and during the past two decades no Pacific Northwest utility has helped its customers save more energy than PSE.

Customers break energy-use records

PSE customers broke all-time electric and natural gas-use records when freezing temperatures heated up energy consumption the week of Dec. 7.

Recent investments in new power supplies, natural gas-storage infrastructure, and energy-transmission and distribution systems help ensure sufficient supplies of electricity and natural gas meet high demand.

New records set week of Dec. 7, 2009

ENERGY TYPE	ENERGY-USE RECORD SET	AVERAGE DECEMBER USE
Natural gas	812,813 MMBtu <small>(million British thermal units over 24-hour period)</small>	500,000 MMBtu
Electricity	4,912 MW <small>(megawatts used in 1-hour period)</small>	4,150 MW

Puget Sound Energy 1-888-225-5773 • PSE.com • Manage your account and pay online.



PUGET SOUND ENERGY
The Energy To Do Great Things

Energy assistance funds expected to serve 30,000 PSE customers

Customers having trouble paying their winter heating bill may be eligible to receive up to \$2,000 in assistance from two programs.

The federal government recently appropriated \$14 million to the community energy-assistance agencies serving PSE customers for this winter's Low Income Home Energy Assistance Program (LIHEAP).

In addition, PSE's Home Energy Lifeline Program, or HELP, will provide nearly \$14.6 million to help low-income households pay their natural gas and electricity bills.

Depending on income and household size, a qualified low-income recipient can receive up to \$1,000 in LIHEAP bill credits and another \$1,000 from HELP. For the 2009-10 heating season, more than 30,000 families are expected to receive bill assistance from LIHEAP and PSE's HELP funds.

Also of note, funds for low-income weatherization recently received a boost of more than \$2.1 million from the 2005

Energy-assistance centers

Island County
Opportunity Council
360-679-6577
1-800-317-5427

Jefferson County
Olympic Community Action Programs
360-385-2571

King County
Multi-Service Center (for South King County)
1-800-348-7144

Hopelink (for North and East King County)
1-800-348-7144

Central Area Motivation Program (for Seattle)
1-800-348-7144

Kitsap County
Kitsap Community Resources
360-479-1507
www.kcr.org

Kittitas County
HopeSource
1-509-674-2375 (Cle Elum)
1-509-962-0435 (Ellensburg)
www.hopesource.us

Lewis County
Community Action Council of Lewis, Mason and Thurston counties
360-736-1800
www.caclmt.org

Pierce County
Pierce County Department of Community Services (county residents)
1-866-223-1359

Metropolitan Development Council (Tacoma residents)
253-572-5557

Skagit County
Skagit County Community Action Agency
1-360-428-1011

Snohomish County
Snohomish County Human Services Department
425-388-3880

Thurston County
Community Action Council of Lewis, Mason and Thurston counties
360-438-1100
www.caclmt.org

Whatcom County
Opportunity Council
360-255-2192
1-888-586-7293

Enron settlement reached with the Washington State Attorney General's Office. In 2010, these funds are added to the \$3.25 million budgeted for PSE's Low-Income Weatherization Program, which helps qualifying customers save money by upgrading their homes with insulation, duct sealing and weather stripping.

Help us help you

Because January is typically the coldest month of the year, energy usage increases as customers heat their homes. We know some customers have difficulty paying their heating bills. PSE can help. Please call us to work out payment arrangements. Visit PSE.com or call us at 1-888-225-5773.

Help people in need

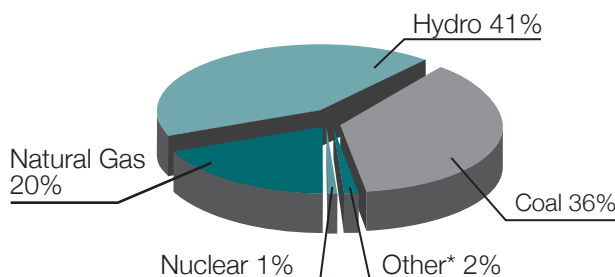
This winter consider donating to The Salvation Army Warm Home Fund, which provides short-term, emergency bill-payment assistance to PSE customers facing financial difficulties. To donate to the Warm Home Fund, simply include a little extra in your next PSE bill payment, and check the donation box on your payment stub or online payment page.



Electricity: Power Supply Fuel Mix

The electricity that Puget Sound Energy delivers to customers is generated using a number of different resources. The fuel mix for these resources for electricity delivered in 2008 is shown in the following table and chart:

Fuel	Percentage
Coal	36
Hydroelectric	41
Natural Gas	20
Nuclear	1
Other*	2
Total	100



* Biomass, landfill gas, petroleum, waste and wind.

Source of data: As reported by PSE to, and published by, the State of Washington Office of Trade and Economic Development, Energy Policy Section, 2008.



PSE offers rebates for 2010

If you're in the market for water and space heating equipment, you're just in time to take advantage of PSE's new energy-efficiency rebates for 2010. For our electric and natural gas residential customers, we're offering seven new rebates and incentives for home improvements and equipment that reduce energy use and lower bills. Many of these same measures qualify for as much as \$1,500 in federal tax credits.

PSE's new rebates include:

- ◆ Electric ENERGY STAR qualified geothermal heat pump: \$1,500
- ◆ Conversion from electric forced-air-furnace to heat pump: \$1,000 (customer pre-approval required)
- ◆ Natural gas ENERGY STAR qualified boilers: \$350
- ◆ Electric waste water heat recovery: \$250
- ◆ Electric ENERGY STAR® qualified heat pump water heater: \$250
- ◆ Natural gas ENERGY STAR qualified tankless water heaters: \$150-200
- ◆ High-efficiency electric storage water heater: \$50



These rebates are in addition to our ongoing incentives for energy-efficient electric heat pumps, natural gas furnaces, insulation and windows.

In 2008, our conservation programs resulted in enough savings to supply 23,000 local homes with electricity, and 4,000 homes with natural gas. Final 2009 figures are not available.

For more information about PSE's rebates and energy efficiency programs, call a PSE Energy Advisor at 1-800-562-1482, or visit PSE.com.

Monitor your energy use online to manage your bill

More than a quarter of all PSE customers now access the Web to follow their energy use, view their statements, and pay their monthly utility bills. While online bill-payment offers convenience and saves postage, the ability to track day-to-day usage can make it easier to identify and positively change energy-use patterns to lower your bill.



Simply go to PSE.com and register for "My PSE Account."

In addition to paying your bill online, you can sign up to go paperless and receive your statement via e-mail. Look for the "Go Paperless" sign in the upper right hand corner when you log on.

Keep natural gas meters clear of snow and overhead icicles

During the winter, it is important to keep snow and ice build-up from covering your natural gas meter. Use a broom to gently clear snow or ice from around the meter, and be careful not to shovel snow up against the meter and piping. Also, don't allow water to drip onto the natural gas meter equipment. If you see ice build-up and suspect there is a problem, call PSE at 1-888-225-5773.



Check your natural gas piping

PSE regularly inspects the underground natural gas pipelines in the street and to your meter to make sure they are operating properly and safely. If you have buried piping to pools, hot tubs, natural gas barbecues or detached buildings, the piping is not maintained by PSE. There are a few special cases where PSE installed and agreed to maintain the piping.

Buried piping may leak or corrode if it is not maintained. It should be periodically inspected and repaired if any unsafe condition is discovered. Have a licensed plumbing contractor do the work. If you plan to excavate near your buried piping, it should be located by the contractor in advance and the excavation should be done by hand.



In Your Community

PSE report shows path toward stronger communities

Hot off the virtual “press,” PSE’s community report, *A Legacy of Service*, summarizes the long-standing commitment of PSE, our employees and the Puget Sound Energy Foundation to help build stronger communities in the areas we serve and in which we operate. Beyond providing great energy service, we are proud of all that we have accomplished to help our neighbors in need and be personally engaged with our local communities. With key phone numbers and a variety of useful links, *A Legacy of Service* is also a good resource for customers seeking help or services from PSE. To view the report, visit PSE.com and click on “Community” and then on “Community Investment.”



PSE helps energize green vehicles

For 25 years, PSE has been working with local agencies, automakers and other regional leaders as alternative modes of transportation emerge.

In December, PSE and the C-7 New Energy Partnership (comprised of the cities of Bellevue, Issaquah, Kirkland, Mercer Island, Redmond, Renton and Sammamish) sponsored the local debut of the new Nissan LEAF — an all-electric, zero-emissions family car that will be available in five U.S. metropolitan areas, including the Puget Sound region, in late 2010.

PSE is currently using a variety of hybrid, plug-in and natural gas vehicles in its fleet, and will provide electricity to more than 2,000 charging stations being built by Nissan and its partners.

Also in the Puget Sound region are refueling stations for hundreds of vehicles that operate on compressed natural gas (CNG) — a clean-burning fuel used in cars, trucks and buses since the 1980s.

Tacoma-based Pierce Transit, the first transit agency in the U.S. to test CNG as a safe and environmentally beneficial fuel source, operates its entire fleet of “Clean Machine” buses on natural gas. Vehicles operating on CNG can reduce nitrogen oxide and carbon monoxide emissions by 90 percent compared to ones fueled by diesel.

Using electricity and natural gas for transportation helps address the challenge of climate change, and also the demand for greater energy independence and less reliance on foreign oil.



A Pierce Transit “Clean Machine” bus, operating on clean-burning compressed natural gas, provides an environmentally smart option for commuters.



The Nissan LEAF, a zero-emissions, all-electric passenger vehicle, is set to debut in the Puget Sound region in late 2010.

Cold weather tips

Brrrrr! Here are some ways you can stay warm and energy efficient at the same time during these cold winter months:

- ◆ Keep your home at the lowest comfortable temperature. For most homes, the heating bill drops by about 2 percent for every degree the thermostat is lowered.
- ◆ Check the furnace filter every month during the heating season and clean or replace it.
- ◆ Turn down the furnace thermostat at night during the time when you are sleeping.

Visit our local customer service offices

Most offices are open Monday-Friday, 9 a.m. - 5 p.m.

Bellingham – 1329 N. State St.
Burlington – 1660 Park Lane
Ellensburg – 207 N. Pearl St.

Freeland – 1794 Main St.
Oak Harbor – 231 SE Barrington Drive #101
Olympia – 2711 Pacific Ave. SE

Port Townsend – 181 Quincy St. #101
Vashon Island – 18125 Vashon Highway SW

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For information about rates and your rights and responsibilities, please call or visit us online.



February bill print messages

Bill-print message for propane customers only

Your bill reflects a change in the cost of gas that went into effect Feb. 1, 2010.



The one New Year's resolution you can keep.

Making the right choice has never been so easy. Puget Sound Energy's Green Power Program only costs an additional 1.25 cents per kilowatt hour (kWh). Enrolling today has the equivalent environmental impact of not driving your car over the next year.

Make the switch to 100 percent clean energy with PSE's Green Power Program and begin reducing your carbon footprint today!

To join, complete the form on the reverse side and return with your bill payment, visit **PSE.com/GreenPower** or call a PSE Energy Advisor at **1-800-562-1482**, Monday through Friday, 8 a.m. to 5 p.m.



Keep your New Year's resolution!

Choose how much green power you want to buy each month:

100 percent. Green all of your monthly electricity use for only 1.25 cents per kWh—usually about \$10 to \$12 additional per month for the average customer.

OR Choose a dollar amount below or fill in your own increment of \$2/month. Every \$2 supports 160 kWh of renewable energy.

___\$4.00 ___\$6.00 ___\$8.00 ___\$10.00

___Other amount (minimum \$4.00): \$_____

Complete this form: Name: _____

Service Address: _____ City: _____

Zip: _____ Daytime Phone or E-mail: _____

Account Number (optional): _____

Return this form with your bill payment. The amount of your purchase will be added to your bill each month. Available to PSE electric customers only. You may cancel participation at any time without penalty.

Green Power Program Facts:

- Certified by a non-profit (www.green-e.org)
- Supports wind (71%), biomass (28%) and solar (<1%) energy from the Pacific Northwest
- PSE does not make a profit on the Green Power Program



For more information, visit PSE.com/GreenPower or call a PSE Energy Advisor at 1-800-562-1482, Monday through Friday, 8 a.m. to 5 p.m.



GET YOUR HEAT TO STICK AROUND LONGER

Get up to \$2,100 in rebates for insulation and window upgrades

If your home just never seems warm enough no matter how high you blast the heat, you may need to weatherize. Particularly, if your home was built before 1980, well, let's just say there's a good chance you've got some room for improvement in the insulation and windows department. Puget Sound Energy is offering **up to \$2,100** in instant rebates for qualifying weatherization upgrades completed before **March 31, 2010**.

Floor insulation:	50 percent of the cost, up to \$400
Attic insulation:	50 percent of the cost, up to \$400
Wall insulation:	50 percent of the cost, up to \$400
Duct insulation:	50 percent of the cost, up to \$200
Duct sealing:	50 percent of the cost, up to \$200
Window upgrade:	Up to \$500 per fully insulated home

Who qualifies? Residents living in a building with four units or less, heated mainly by electricity or natural gas from PSE. Work must be completed by an independent contractor pre-authorized by PSE.

PSE.COM/FORYOURHOME



USE LESS ENERGY TO KEEP COZY THIS WINTER

Get a rebate for a qualifying energy-efficient heating system

Did you know that we in the Pacific Northwest spend up to 50 percent of our energy bill on keeping warm? Get the most heat for your money by upgrading to a qualifying high-efficiency heating system. Puget Sound Energy offers rebates and can help you figure out the best equipment for your home.

If you heat with electricity:

Ductless heat pump (1.0 ton minimum)	\$800
ENERGY STAR® geothermal heat pump	\$1,500
Forced-air furnace to heat pump conversion	\$1,000*
Heat pump upgrade	\$200-\$350

**Requires pre-approval from PSE*

If you heat with natural gas:

ENERGY STAR boiler (95%)	\$350
ENERGY STAR furnace	\$250

*Who qualifies? Residents living in a building with four units or less, heated mainly by electricity or natural gas from PSE. **Additional qualifications apply.***

[PSE.COM/FORYOURHOME](https://www.pse.com/foryourhome)

Saving energy is good for you and the environment. PSE can help you get started.

For more information, complete and return this form with your bill payment. Or visit PSE.com/ForYourHome or call a PSE Energy Advisor at 1-800-562-1482, Monday through Friday, 8 a.m. to 5 p.m.

I give PSE permission to provide my contact information to independent contractors pre-authorized by PSE. I can expect a telephone call from one or more contractors to arrange for a no-obligation estimate(s). *Your signature is required below.*

Name _____ Signature _____
(please print)

Service Address _____ City _____ State _____ ZIP _____

Mailing Address (if different) _____ City _____ State _____ ZIP _____

Phone _____ PSE Account No.

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(optional)

E-mail _____ Yes! Sign me up for PSE's free Energy at Home e-newsletter.

EARN TAX CREDITS

Energy-efficient home improvements may earn you credits on your taxes.

For more information, visit energystar.gov/taxcredits or consult your tax advisor.