

## **November 2008 Puget Sound Energy bill package inserts and information 1.4 million bills**

- Outside envelope: Customer Service Guarantee message
- Return envelope:
- Back of bill: Ways to pay your bill; Customer services phone numbers; Bill statement codes; Bill statement definitions; Emergency or power outage phone numbers in English, Spanish, Chinese and Russian; Customer Service Guarantee; Contact for questions about your bill or service; and Late payment fee information
- EnergyWise Newsletter November/December – We're ready for winter, New electricity and natural gas rates set, Bill payment assistance available, Updates on generation and delivery infrastructure, Be prepared, Energy Tip: Light up the holidays safely and efficiently Safety tips for holiday lighting, Customers reach milestones in renewable energy, Renovation projects may require upgraded energy system, A diversified mix of resources used to generate your power, We'll be on time, guaranteed, Monitor energy use and pay your bill online.
- Bill print message
- Insert: Energy-saving and bill-payment resources with manage your heating bills
- Insert: Retain heat and save energy by improving you home insulation.
- Insert: Sign up for PSE's Contractor Referral Service program and receive information on residential heating and weatherization incentives.
- Insert: Be a part of your green community!



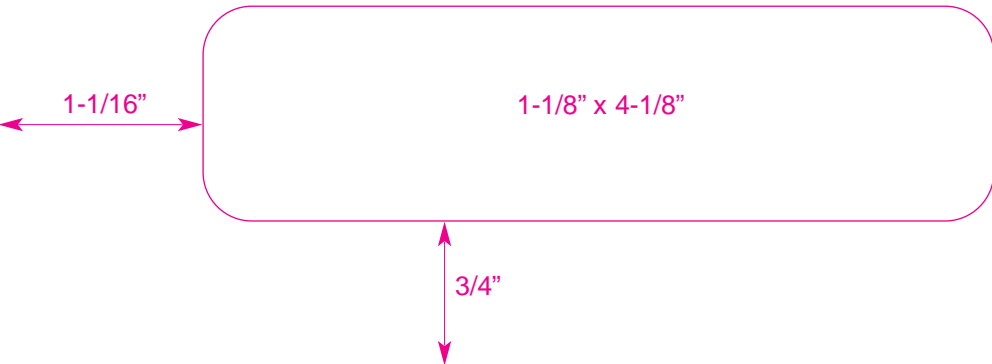
**PUGET SOUND ENERGY**

*The Energy To Do Great Things*

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

PRESORTED  
FIRST-CLASS MAIL  
U.S. POSTAGE PAID  
PSE

YOUR PUGET SOUND ENERGY BILL ENCLOSED



### *Customer Service Guarantee*

*When you make a service appointment with Puget Sound Energy, we'll be there on time. We guarantee that we will arrive at the time mutually agreed upon to:*

- ▶ Connect new permanent service lines and meters.*
- ▶ Re-establish existing natural gas or electric service following move-out/move-in or disconnection for nonpayment.*
- ▶ Keep natural gas equipment service appointments.*

*If we cannot meet our commitment, we'll credit \$50 to your PSE bill. This guarantee applies in the absence of major storms, earthquakes, supply interruptions, or other significant adverse events beyond our control. In those cases, appointments will be rescheduled as soon as possible.*





PLACE  
STAMP  
HERE





Prints on flap



This envelope uses 100% post consumer recycled paper.

## Ways to Pay Your Bill

For your convenience, Puget Sound Energy (PSE) 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**

**Local, outside Washington state or Internet 1-425-452-1234**

**TTY hearing/speech impaired 1-800-962-9498**

**TRS Telecommunications Relay Services 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. to 5 p.m. Monday – Friday

## Bill Statement Codes

ESTM — *Estimated* PRRT — *Prorated*

CORR — *Corrected/Adjusted* 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.

Just call **1-888-225-5773**

## Customer Service Guarantee

When you make a service appointment with PSE to install new service, re-establish existing service, or for natural gas appliance diagnostic and repair service, we'll be there on time. If we cannot meet our commitment, we'll credit \$50 to your PSE bill. Exceptions apply for major storms or adverse events beyond our control.

## Questions about Your Bill or Service

If you have questions or concerns or a dispute regarding your energy bill or service, please call us 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](http://www.wutc.wa.gov). Copies of information on rules, rates, regulations and 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 more than 11 business days after the due date of the bill. A 30-day delay of the late fee will be granted to low-income customers who notify PSE of their application 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.

## Bill Statement Definitions

### Customer Charge

A customer 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.

### 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

The credit is from Columbia River benefits supplied by the Bonneville Power Administration. The credit is paid to our residential and small farm electricity customers of low-cost power generated by federal hydroelectric dams.

### 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 burning for 10 hours would use approximately one therm of natural gas. One therm of natural gas is equivalent to 29.3 kWh of electricity.

### kWh

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

# ENERGYWISE

NOVEMBER-DECEMBER 2008



## We're ready for winter weather

Two years ago, the area awoke to the devastation of the Hanukkah Eve Storm of December 2006, leaving 700,000, or 75 percent, of PSE customers and a total of more than 1 million without power in Western Washington. Since then, PSE has worked hard to improve response processes and to

strengthen the reliability of our electric system.

Over the past two years, PSE has invested \$297 million in wires, substations, transformers and other power delivery enhancements, \$150 million in new power plants and \$25 million in tree trimming.



One-fourth of the natural gas Pacific Northwest homes and businesses require on a cold winter day can be drawn from Puget Sound Energy's newly expanded Jackson Prairie gas-storage facility in Lewis County.

PSE also has doubled the number of employees — from 79 to 197 — assigned and trained as damage assessors for faster decisions on the number of necessary repair crews and equipment, and improved our ability to communicate better with customers by expanding our call center capabilities and improving our service alert map on PSE.com.

To ensure winter readiness for cold temperatures, PSE over the past two years has completed \$109 million of natural gas-system upgrade projects, including the \$42 million two-year expansion of the Jackson Prairie natural gas storage facility near Chehalis. On a cold day, natural gas withdrawn from the facility can supplement the region's supply by 25 percent.

## New electricity and natural gas rates set

### Household bills: electricity down, natural gas up

Electricity bills for PSE residential customers dropped by 1.4 percent while natural gas bills increased 15 percent, as a result of new rates set by state regulators this fall.

About 970,000 PSE residential and small farm customers have received a credit on their monthly electric bills with restoration of the federal power benefits provided by the Bonneville Power Administration.

Listed as "Energy Exchange Credit" on billing statements, the credit was suspended in June 2007 following a federal court ruling to withhold payment to PSE and other investor-owned utility customers in the Pacific Northwest. BPA has provided

federal power benefits to these customers since 1980.

Resumption of the credit helps offset a residential rate increase of approximately \$7.50 a month resulting from an October decision to PSE's general rate case filed December 2007. For households using 1,000 kilowatt hours of electricity per month, the monthly bill now averages about \$91.50.

Natural gas rates, adjusted in October to recover the higher wholesale cost of natural gas and to set new general rates, now result in a yearly average monthly bill of about \$94.75 for households using 68 therms a month.

For more information about the new rates, call 1-888-225-5773 or visit PSE.com.

11/1/2008	12/1/2008	Customer Charge	Month	@ \$ 7.00	per month	\$ 7.00
11/1/2008	12/1/2008	Energy Charge	600 kwh	@ \$ 0.084772	per kWh	\$ 50.86
11/1/2008	12/1/2008	Energy Charge	400 kwh	@ \$ 0.102581	per kWh	\$ 41.03
11/1/2008	12/1/2008	Electric Conservation Program Charge	1,000 kwh	@ \$ 0.003137	per kWh	\$ 3.14
11/1/2008	12/1/2008	Power Cost Adjustment	1,000 kwh	@ \$ -	per kWh	\$ -
11/1/2008	12/1/2008	Energy Exchange Credit	1,000 kwh	@ \$(0.009135)	per kWh	\$ (9.14)
11/1/2008	12/1/2008	Wind Power Production Credit	1,000 kwh	@ \$(0.001404)	per kWh	(1.40)
<b>Current Electricity Charges</b>						<b>\$ 91.49</b>

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



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## Bill payment assistance available

With the current economic crisis, we want to help PSE customers obtain access to energy assistance and bill payment programs.

We urge qualified low income customers to contact their local energy-assistance agency to apply for bill-payment credits provided by the federal government and PSE. A list by area can be found on [www.PSE.com](http://www.PSE.com).

Both the federal LIHEAP (Low Income Home Energy Assistance Program) and PSE's HELP (Home Energy Lifeline Program) received increased funding for the upcoming winter. Call toll free 1-866-223-5425 for the nearest agency.

For customers whose income exceeds the federal guidelines for low income, PSE suggests the easiest and quickest way to reduce energy consumption and bills is energy conservation. A simple step that can make a big difference is lowering the thermostat a few degrees, particularly at bedtime. Setting the thermostat to 55 degrees during sleep hours can decrease a natural gas bill by up to 7 percent.

If you have difficulty paying your heating bills, please contact us to work out payment arrangements by calling 1-888-225-5773.



## Be prepared

This winter's neutral weather forecast suggests the potential for unpredictable weather patterns. It's best to be prepared for whatever Mother Nature brings our way.

- ◆ Stay far away from a downed power line or anything it may be touching.
- ◆ Do not use charcoal or a gas grill to cook indoors. Both can cause a buildup of poisonous carbon monoxide gas.
- ◆ Create an outage kit equipped with a three-day supply of bottled water and nonperishable food, can opener, flashlights, extra batteries and a battery-powered radio to keep track of storm developments and PSE's progress in restoring power.



## Updates on generation and delivery infrastructure



A helicopter was used this fall to install 15 steel transmission power line structures in Snohomish County's Ebey Slough basin. The installation replaces decades-old transmission lines and structures and helps increase the safety and reliability of the regional high-voltage electric transmission system.



PSE's Baker River Hydroelectric Project, which includes Upper Baker Dam (shown), recently received a new federal operating license that authorizes another 50 years of PSE power generation at the North Cascades facility. Under the new license, PSE will boost salmon runs, enhance wildlife habitat, and provide greater recreational opportunities. The Baker River facility, PSE's largest hydroelectric operation, meets the total power needs of 60,000 households.



PSE expects soon to complete the purchase of the 310-megawatt natural-gas-fired "Mint Farm" power plant in Longview to help meet customers' growing electricity needs. The facility, using clean-burning natural gas, employs combined-cycle technology generating electricity from both natural gas and the turbines' exhaust heat, a steam cycle.



## ENERGY TIP:

### Light up the holidays safely and efficiently

This holiday season, save energy and money by purchasing energy-efficient LED (light-emitting diode) strands to decorate your home or business.

LED lights can operate 30 times longer than traditional incandescent, icicle and miniature holiday lights, and reduce energy consumption by 75 percent per string. Since LED holiday lights last a long time, their bulbs don't need to be replaced often. If a bulb does need replacing, the other bulbs stay lit so you can easily identify and replace the bad bulb.

Most stores selling holiday lights carry the ENERGY STAR®-rated long-lasting LED lights.



The chart shows the energy use and operating cost of LED holiday lights compared to incandescent and miniature lights.

Type of light	Hours of light	Number of bulbs	Average operating cost
C7 incandescent lights	300	50	\$8.00
Icicle/miniature lights	300	100	\$1.30
C7 LED lights (shown in photo)	300	75	\$0.14



### Safety tips for holiday lighting

#### Be safe when decorating your home with holiday lights. PSE offers the following safety tips.

- Install ENERGY STAR LED holiday lights (see Energy Tip), which are shatterproof, shock resistant, and produce almost no heat, reducing the risk of fire.
- Check for overhead power lines before installing outdoor lights. Make sure you, ladders and your lights are at least 15 feet away from overhead power lines.
- Never use indoor lights outdoors.
- Make sure outdoor tree limbs to be decorated are not near power lines. A tree, its branches and even the ground adjacent to a tree can become energized when it brushes against power lines.
- Discard light strands with bare wires, worn cords or broken plugs to prevent fires.
- Follow the manufacturer's instructions on the number of light strings that can safely be connected together.
- Turn off tree and decorative lights—indoors and outdoors—when leaving the house and before going to bed.
- Do not place your tree near a heat vent or fireplace to avoid it drying out being at risk of catching fire.

### Customers reach milestones in renewable energy

PSE customers are taking their own bold action in stimulating development of clean, renewable energy through their voluntary participation in the Green Power Program and by generating solar power.

With more than 21,000 customers purchasing more than 290,000 megawatt hours of power, PSE's Green Power Program is one of the largest in the nation.

Customers choosing to participate in the Green Power Program agree to pay an additional charge on their monthly bill to support the development of renewable resources in the region.

PSE customers also are leading the way in generating electricity from the sun on the rooftops of their homes and businesses. Nearly 320 customers collectively have the capacity to generate 1.1 megawatts of solar power — or enough to meet 25 to 50 percent of their electric power needs. The recent extension of the federal tax credits for homeowners and businesses who invest in solar arrays should stimulate additional solar-system installations in the region. The new law provides a federal tax credit of 30 percent of the cost of the solar array.

For more information about PSE's Green Power Program and incentives for owning renewable energy systems, call 1-800-562-1482 or visit PSE.com.



## Renovation projects may require upgraded energy system

If your home's renovation project includes any new heating or cooling equipment, in particular a tankless water heater, electric heat pump, central air conditioning or natural-gas fired generator, contact PSE to make sure there's proper sizing of the natural gas and electric systems serving your home.

Some products require larger-sized natural gas meters and piping to allow proper operation of a generator or

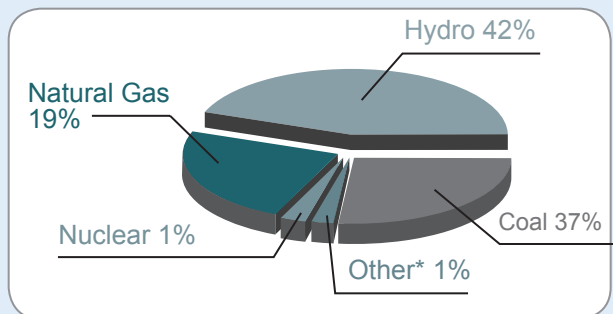
new appliances. In the case of heat pumps and central air conditioning, the power transformer in your neighborhood may require upgrading.

Before installing these products, contact PSE's Customer Construction Services department at 1-888-321-7779 to make sure the utility system can accommodate your new generating unit and heating and cooling appliances.

### A diversified mix of resources used to generate your power

The electricity that PSE delivers to customers is generated using a number of different resources. The fuel mix resources used for generating electricity delivered in 2007 are shown in the following table and chart:

	Percentage
Coal	37
Hydroelectric	42
Natural Gas	19
Nuclear	1
Other*	1
<b>Total</b>	<b>100</b>



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

In 2007, PSE sold renewable energy credits (RECs) associated with the power output of its two wind-power facilities, so this power is not included in the fuel-mix report.

Source of data:

As reported by PSE to, and published by, the State of Washington Office of Community, Trade and Economic Development, Energy Policy Section, 2007.

### Monitor energy use and pay your bill online

For convenience, use our online tools to view your previous day's electricity and natural gas usage to help manage energy use, and pay your bill. Just log onto PSE.com and sign up under "My PSE Account."

### We'll be on time, guaranteed

When you make a service appointment with PSE, we guarantee that we will be on time – if not, we'll credit \$50 to your PSE bill. The guarantee applies to the following services:

- New permanent service line and meter connections
- Re-connects of existing natural gas or electric service after move-outs and move-ins, or following disconnection for nonpayment
- Natural gas equipment service appointments

Our customer service guarantee almost always applies, with only a few exceptions: during and after major storms, earthquakes, energy supply interruptions, or other significant events beyond PSE's control. In these cases, we will reschedule your appointment as quickly as possible.



**Bill print message on all customer bills**

Your bill this month reflects changes in rates that went into effect Nov. 1.

The Energy Exchange Credit, which is the Federal Columbia River Benefits supplied by the Bonneville Power Administration, resumes for residential and small farm customers with electric service

# Manage your heating bills



**PUGET SOUND ENERGY**

*The Energy To Do Great Things*

## Keep your home warm and cozy while saving energy and money

### First — Get ready. Weatherize your home

- ✓ Caulk around windows and seal other air leaks. Chip out and replace old cracked caulking.
- ✓ Add weather stripping around — and under — drafty doors.
- ✓ Seal between the foundation and siding, and wherever brick and wood meet.
- ✓ Insulate. Insulation can make the biggest difference in keeping your home warm.



### Next — Use your energy wisely

Maintain your heating system.

- ✓ Clean or replace furnace filters regularly during the heating season.
- ✓ Keep your house at the lowest comfortable temperature. A rule of thumb is that for each degree you consistently lower your thermostat, you can reduce your heating costs by two percent.
- ✓ Use a programmable thermostat so your house is warm when you need it and cooler when you don't.
- ✓ Look for the ENERGY STAR® when replacing appliances to ensure long term savings on energy.

# Energy-saving and bill-payment resources



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## **PSE Energy Advisors**

Call 1-800-562-1482, or visit [PSE.com](http://PSE.com) in the Your Home section for tips, rebates and online tools for saving energy and money.



## **Low Income Weatherization**

Call 1-800-562-1482, or visit [PSE.com](http://PSE.com) in the Community section to learn about weatherization improvements available to qualifying applicants.



## **PSE HELP Program**

The Home Energy Lifeline Program (HELP) assists low-income households with payment of their natural gas and electricity bills. For information about federal energy assistance and PSE's HELP, call 1-866-223-5425.



## **PSE Warm Home Fund**

The Warm Home Fund, administered by The Salvation Army, provides short-term, emergency bill-payment assistance. Call 1-888-225-5773.



## **Community Assistance at 2-1-1**

Call 2-1-1 to reach social service agencies for information about help with paying utility bills and where to receive food or shelter.

# Take comfort in your home year-round



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If your home never seems warm enough in winter or cool enough in summer, the culprit may be inadequate home insulation. Improve your comfort and save energy with instant rebates from Puget Sound Energy (PSE) on weatherization services.

**Floor insulation: PSE pays 50% of the cost, up to \$400**

**Attic insulation: PSE pays 50% of the cost, up to \$400**

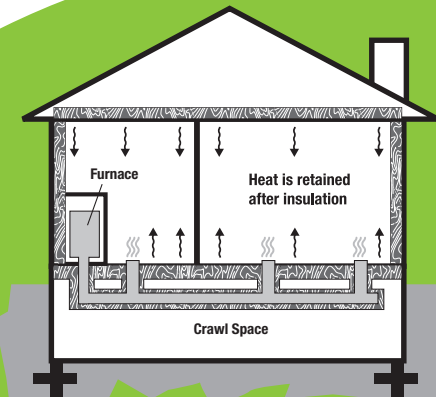
**Wall insulation: PSE pays 50% of the cost, up to \$400**

**Duct insulation: PSE pays 50% of the cost, up to \$200**

**Duct sealing: PSE pays 50% of the cost, up to \$200**

These instant rebates are available to PSE customers living in a building with four units or less, who use natural gas as their primary heating source. Work must be completed by an independent contractor, pre-authorized by PSE. Participating contractors will test the carbon monoxide level in your home and provide a free carbon monoxide alarm.

*Insulation is like a protective wrap for your home, holding in the winter warmth and blocking out the summer sun.*



# Receive **instant rebates** from PSE **for insulation.**



**PUGET SOUND ENERGY**

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*It's easy; either fill out the information below and return it in your payment envelope, call a PSE Energy Advisor at 1.800.562.1482 or visit PSE.com.*

I give permission for Puget Sound Energy (PSE) 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. \_\_\_\_\_  
(optional)

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

I would also like a referral for:

90% Natural Gas Furnace\*  
(\$350 rebate\*)

Natural Gas Water Heater\*  
(\$50 rebate\*)

Tankless Water Heater\*  
(\$150 rebate\*)

Windows

\* Available for qualifying models.

For more information,  
call a PSE Energy Advisor  
at 1.800.562.1482.

**PSE.com**

3911 10/08

## *Join your neighbors – choose green power!*

Thanks to customers like you who care about the environment, Puget Sound Energy's Green Power Program has been **ranked one of the top ten green power programs in the nation** by the National Renewable Energy Laboratory for the fourth year in a row.

Puget Sound Energy's Green Power Program supports the development and use of electricity from renewable sources here in the Pacific Northwest including wind (86%), sun (1%) and biomass (14%).

### *Be a part of your green community!*

It's easy to participate, simply fill out this form and return it in your bill payment envelope or visit [PSE.com](http://PSE.com) or call 1.800.562.1482.



Questions? Please call an Energy Advisor at 1.800.562.1482

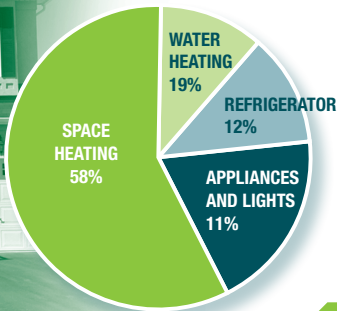








## ***LOOKING FOR WAYS TO SAVE ENERGY? PSE CAN HELP.***



Space heating and water heating can account for up to 77 percent of the energy usage in your home. Take advantage of PSE's rebates to save energy and increase your comfort. PSE can even recommend pre-screened, independent contractors to help with the purchase and installation of energy-efficient equipment.

**For more information, call a  
PSE Energy Advisor at 1.800.562.1482.**

**PSE.com**



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*The Energy To Do Great Things*

# Save energy and money with rebates from PSE

Please fill out this form and return it in your bill payment envelope.

I give permission for Puget Sound Energy (PSE) to provide my contact information to independent, pre-screened contractors from PSE's Contractor Referral Service. I can expect a telephone call from one or more contractors to arrange for a no-obligation estimate(s). *Your signature is required below.*

ADDITIONAL  
INCENTIVES  
AVAILABLE!

Name \_\_\_\_\_ Signature \_\_\_\_\_  
(please print)

Service Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ ZIP \_\_\_\_\_

Mailing Address (if different) \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ ZIP \_\_\_\_\_

Phone \_\_\_\_\_ PSE Account No. \_\_\_\_\_  
(optional)

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

## I would also like a referral for:

- Natural Gas Furnace (\$350 rebate\*)
- Air-Source Heat Pump (Up to a \$350 rebate\*)
- Natural Gas Tankless Water Heater (\$150 rebate\*)
- Natural Gas Water Heater (\$50 rebate\*)
- Weatherization (Up to \$1,600 in rebates†)