

February 2008 Puget Sound Energy bill package inserts and information 1.4 million bills

- Outside envelope: Customer Service Guarantee message
- Return envelope: Go paperless with e-Bill message
- 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 January/February
- Insert: Join the Lacey Green Power Challenge!
- Insert: Who knew saving energy could be so attractive?
- Insert: Invest in a bright future.



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.*

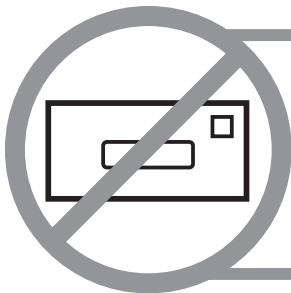
If we cannot meet our commitment, we'll credit \$50 to your PSE bill. This guarantee applies in the absence of major storms, earthquakes, supply interruptions, or other significant adverse events beyond our control. In those cases, appointments will be rescheduled as soon as possible.



PUGET SOUND ENERGY

The Energy To Do Great Things

Prints on flap



Go Paperless with e-Bill.

**Sign up for Puget Sound Energy's
free online bill payment service at
www.pse.com.**

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 dia, 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. Copies of information on rules, rates, regulations and customer rights and responsibilities are available by calling 1-888-225-5773 and at PSE.com.

Late Payment Fee

Your bill is due upon delivery. When a bill remains unpaid for more than 30 days after the bill mailing date, a 1 percent per month late fee will be applied to the unpaid balance. The late payment fee will be delayed 30 days for customers with past due balances who have notified PSE that they have applied to an agency for financial aid. Customers on the Budget Payment Plan will be exempt from the late payment fee as long as they remain on the Budget Payment Plan

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

JANUARY-FEBRUARY 2008

2008 Outlook: Advancing regional reliability

As Puget Sound Energy heads into 2008, we're focused on improving service and reliability to our growing customer base in this robust region. We connected nearly 35,000 new electric and natural gas customers in 2007 and are geared up to meet the similar customer growth needs in 2008.

Here is a brief summary of 10 PSE accomplishments in 2007:

- 1 Completed our second wind-power project — Wild Horse — with our two wind farms now producing enough clean, renewable electricity to serve about 100,000 homes.
- 2 Built the Pacific Northwest's largest solar-power generating plant, located at our Wild Horse Wind Facility. The plant is designed to serve about 300 households.
- 3 Helped customers save 203 million kilowatt-hours of electricity and 2.5 million therms of natural gas (*January-November 2007*). That's enough electricity to meet the power needs of more than 17,000 households, and enough natural gas to serve more than 3,000 homes.
- 4 Constructed a new, state-of-the-art fish-passage system at our Baker River Hydroelectric Project. The facility will serve as a global model for safely collecting and moving juvenile fish around a large hydro dam.
- 5 Purchased a 277-megawatt (MW) power-generating facility and signed agreements to buy a 125-MW power plant and secure 50 MW of power from a wind facility to help meet our customers' increasing energy needs.
- 6 Increased our capability to withdraw natural gas from our Jackson Prairie storage reservoir to assure more customers receive stable natural gas service on the coldest days.
- 7 Installed or replaced 300 miles of natural gas pipeline, and began providing natural gas service to customers in the city of Cle Elum.
- 8 Built four new substations, upgraded six others, and installed 500 miles of transmission and distribution power lines to strengthen electric-system reliability.



NEW YEAR RINGS GREEN WITH NEW LOOK

Energywise is going green in 2008 with made-in-Washington recycled paper from Grays Harbor Paper and a brand new format. We redesigned our customer newsletter to recognize our commitment to sustainability and to better provide our customers with up to date information about improvements we're making to your utility service and energy-saving and safety tips.

- 9 Equipped our natural gas emergency response and service vehicles with new wireless dispatching technology enabling faster response to emergency locations and arrivals for service appointments.
- 10 Announced plans to merge with an investor consortium, providing our utility with the access to capital necessary to invest in future energy supplies and PSE's energy infrastructure.

These and many other milestones in 2007 positioned PSE well for the coming years. In 2008, we will continue to invest in our pipes and wires and energy supply infrastructure and new programs to provide customers with the tools, equipment, and information necessary to increase energy efficiency in their homes and businesses.

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

PSE

PUGET SOUND ENERGY

The Energy To Do Great Things

Know how to detect a natural gas leak

We add an unpleasant odor to natural gas so that it's easier to detect leaks. The distinctive odor, called mercaptan, smells like sulfur, or rotten eggs, and alerts you if there is a natural gas leak in your home or elsewhere. Other signs of a possible natural gas leak, particularly near a pipeline, include a hissing sound, blowing dirt, or bubbles rising in a puddle. If you suspect a natural gas leak, call PSE at 1-888-225-5773 or 911.



PSE works with you to manage energy bills

Because January is typically the coldest month of the year, we know some customers have difficulty paying their heating bills. Please call us to work out payment arrangements and available financial energy assistance. We offer a Budget Payment Plan that evens out payments

for a 12-month period. Our customer assistance programs, such as HELP (Home Energy Lifeline Program) for income-eligible customers, and The Salvation Army Warm Home Fund also are available. Visit PSE.com or call us at 1-888-225-5773.



Monitor energy use and pay your bill online

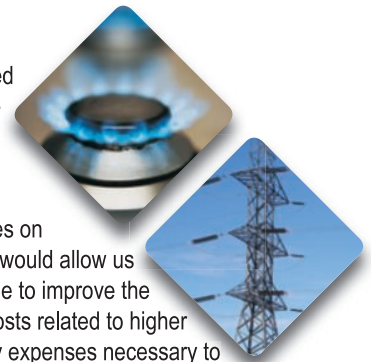
More than 320,000, or about 20 percent, of our 1 million electric and 725,000 natural gas customers use our online tools to enjoy the convenience of viewing as well as paying their bills online. When you log onto PSE.com and register for "My PSE Account," you can view your previous days' electricity and natural gas usage to help manage energy use and bills.



New natural-gas and electric rates proposed for late 2008

In December 2007, PSE filed a general rate case with the Washington Utilities and Transportation Commission (WUTC) asking to increase natural-gas and electric rates on Nov. 1, 2008. The increase would allow us to recover investments made to improve the energy infrastructure and costs related to higher operating and power-supply expenses necessary to serve our growing customer base.

We recognize the strain that rising costs, including energy costs, can have on households, and are also asking the WUTC to approve increasing bill-payment assistance for our low-income customers.



ENERGY TIP: *New savings for 2008*

Insulation rebates for natural gas heated homes

PSE offers up to \$1,600 in insulation rebates to help you save money on your energy bills. Call a PSE Energy Advisor at 1-800-562-1482 or visit PSE.com

Puget Sound Energy 1-888-225-5773 (1-888-CALL PSE) • PSE.com

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



JOIN THE LACEY GREEN POWER CHALLENGE!

You can make a difference



To celebrate the City of Lacey's designation by the U.S. Environmental Protection Agency as one of only twelve Green Power Communities in the nation, a friendly challenge has been made to Lacey residents and businesses to reach 1,000 participants in Puget Sound Energy's Green Power Program. **For reaching the goal, the community will receive a solar demonstration project from PSE.**

Puget Sound Energy's Green Power Program supports the development and use of electricity made here in the Pacific Northwest from clean, renewable sources including wind (86%), sun (1%) and biomass (14%). **Questions? Please visit PSE.com or call a PSE Energy Advisor at 1.800.562.1482.**



City of Lacey
GREEN POWER
C H A L L E N G E



Join PSE's Green Power Program

Please sign me up for PSE's Green Power Program*
at a per month level of:

- \$4/month (minimum) \$6/month **100 Percent Option†** (adjusts to green all of your kWh electric usage each month.)
 Other _____ \$4 min.+ any multiple of \$2/month



Please return this completed form with your bill payment.

The amount of your green power purchase will be added to your Puget Sound Energy (PSE) electric bill each month until you call 1.800.562.1482 to discontinue your participation.

Name _____ (optional) PSE Account #

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Service Address _____ City _____ State _____ ZIP _____

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

Phone _____ Best time to call _____

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

Who knew **saving energy** could be so **attractive?**

Make your home shine with ENERGY STAR® qualified pin-based compact fluorescent light (CFL) fixtures. CFL fixtures come in many styles that look great in any room and can save you money on your energy bills.

**Save up to \$20 per qualified fixture
with an instant rebate from Puget Sound Energy**

Visit participating local retailers & showrooms for more information.



Ready to look good and **save energy?**

1 Fill out this form and return with your bill payment:

Please send me the following (check your choices):

- ENERGY STAR® qualified pin-based CFL fixture rebate - up to \$20
- List of participating CFL fixture retailers and showrooms

Also send information on other Puget Sound Energy (PSE) rebates:

- ENERGY STAR® qualified CFL bulb rebate – up to \$3 per bulb
- WashWise clothes washer rebate – up to \$100
- Premium-efficiency heat pump rebate – \$250

2 OR call an Energy Advisor at 1.800.562.1482 to request any of the information above.

PSE.com

CFL bulbs contain a very small amount of mercury, so you should not put used CFLs in the garbage. Instead, take them to your local collection site. As energy-efficient lighting becomes more popular, it is important that we all dispose of the products safely and responsibly. Visit PSE.com or call 1.800.562.1482 for information on proper disposal of used CFLs.

Name _____ PSE Account#

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Service Address _____ City _____ State _____ Zip _____

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

Phone (_____) _____ Best time to call _____

E-mail _____

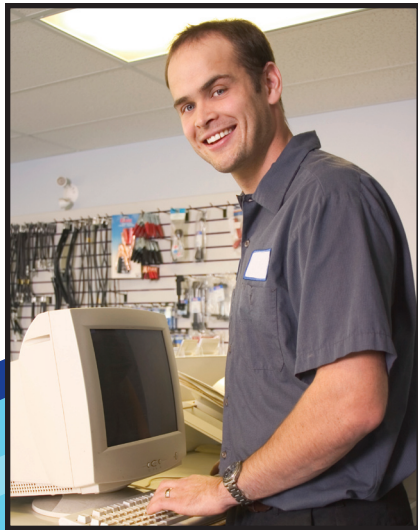


Yes! Sign me up for PSE's free *Energy at Home* e-newsletter.

Invest in a **bright future**



Upgrade your business' lighting and receive up to 70 percent of your project cost in rebates from Puget Sound Energy. You'll find that new energy-efficient lighting lasts longer, uses less energy to operate, and provides financial savings on your energy bill that you can invest for the future.



Receive up to **70 percent** of your project cost
in rebates* for **new lighting**



PUGET SOUND ENERGY
The Energy To Do Great Things

How to participate



Return this completed form in your bill payment envelope



Call a PSE Energy Advisor at 1.800.562.1482



Fax this completed form Attn: Small Business Lighting Program, 425.456.2731

PSE.com
3189 8/07, EST-10E

Ready for a bright future?

- I give permission for Puget Sound Energy (PSE) to provide my contact information to independent contractors familiar with PSE's Small Business Lighting program. I can expect a telephone call from one or more contractors to arrange for a no-obligation estimate(s). *Your signature is required for a referral.*
- I have my own electrician, please send me more information on PSE's Small Business Lighting program rebate.

Name _____ Signature _____
(please print)

Service Address _____ City _____ State _____ ZIP _____

Mailing Address _____ City _____ State _____ ZIP _____

Phone _____ PSE Account No. [] [] [] [] [] [] [] [] [] []
(optional)

E-mail _____ Yes! Sign me up for PSE's free *Energy in Business* e-newsletter.

*Must be PSE electric rate schedule 24 or 08 to be eligible.