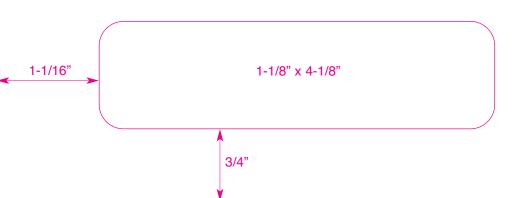
December 2009 Puget Sound Energy bill package inserts and information 1.5 million bills

- Outside envelope: For information on PSE's power supply fuel mix, please visit PSE.com
- 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 November/December Last chance to take advantage of energy-efficiency tax incentives; PSE's Rock the Bulb Tour gives away 500,000 CFLs; Give yourself a gift. Save time and postage with paperless billing and online payments; Bill payment assistance available; Give a gift of warmth; LSE lights make holidays bright; Lower rates, rebates and incentives to help with winter heating bills; We're getting ready for winter weather, here are a few highlights; In Your Community. When we blush, it might just mean turning green; Customer service guaranteed. Electricity: Power Supply Fuel Mix; 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
- 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: Ductless heat pump rebate: A ductless heat pump is a highly efficient heating and cooling system for electrically-heated homes. Call 1-800-562-1482 to see if you qualify for a PSE rebate.
- Insert: Water heater and furnace rebate: Heat for less this winter! PSE offers rebates on ENERGY STAR qualified natural gas furnaces and water heaters. For more information, visit PSE.com or call 1-800-562-1482.
- Insert: Clothes washer rebate: Save water, energy and receive up to a \$100 rebate from PSE for a premium-efficiency clothes washer meeting WashWise program standards.
- Insert: Free showerhead: PSE is offering single-family residential households a FREE energy- and water-saving showerhead and bathroom faucet aerator.

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

YOUR PUGET SOUND ENERGY BILL ENCLOSED

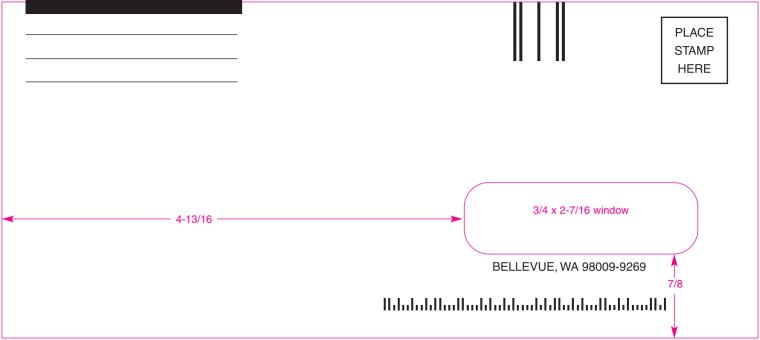




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Prints under flap

Imprint Line This envelope uses 100% post consumer recycled paper. For information on PSE's power supply fuel mix, please visit PSE.com







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

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



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 electricicdad 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

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

Customer Service Guarantees

1-888-225-5773 КРУГЛОСУТОЧНО

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.

Explanation of Terms UsedBasic 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.

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.

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.

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ENERGYWISE

NOVEMBER-DECEMBER 2009



Last chance to take advantage of energy-efficiency tax incentives

Time is running out for you to get up to \$1,500 in federal tax credits for energy-efficiency home upgrades. One-time federal-income tax credits under the American Recovery and Reinvestment Act of 2009 are available on your 2009 tax return for qualifying home improvements placed into service between Jan. 1 and Dec. 31, 2009.

In addition to tax credits, you may also qualify for energy-efficiency product or service rebates from PSE — all this on top of the energy savings you'll achieve for years to come. PSE encourages homeowners to upgrade windows, doors, insulation

and heating equipment to save energy, lower utility bills and help the environment.

For more information on PSE rebates, visit PSE.com. For a complete list of home improvements that qualify for tax credits, and the requirements for each category, visit the U.S. Department of Energy's Web site at

Rebate amounts available until Dec. 31, 2009

In addition to the rebates below, customers may be eligible for up to \$1,500 in federal tax credits.

Part of home	Equipment/upgrade	Rebate
Efficient appliances	Lighting fixtures Clothes washers	\$2-20 \$50-100
Efficient upgrades	Insulation Windows	\$100-1,600 \$1,000
Natural gas heating*	Natural gas furnace Natural gas water heater Stand alone natural gas water heater conversion Natural gas conversion	\$350 \$50-150 \$950 \$500-\$3,950
Electric heating upgrades*	Air source heat pumps Ductless heat pumps	\$200-350 \$1,200
Total available per h	\$7,000	

^{*} Typically customers would only select one or the other.

www.energystar.gov and click on the "Tax Credits for Energy Efficiency" tab at the bottom of the page.

For tax purposes, also consult with your tax professional and equipment contractor to determine what will qualify for the tax credit.

PSE's Rock the Bulb Tour gives away 500,000 CFLs

PSE's four-month Rock the Bulb Tour-Unplugged was a great hit with our residential electric customers who took home 500,000 compact fluorescent light bulbs (CFLs). This brings PSE's total number of CFL bulbs distributed since 2002 to 11 million, saving customers \$440 million in energy costs over the lifetime of their bulbs.

By replacing incandescent bulbs with CFLs, customers helped save 13.2 million kilowatt hours of electricity in just one year.

And, because saving energy helps the environment, those bulbs will also prevent 14.5 million pounds of CO² emissions annually.



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

Give yourself a gift

Save time and postage with paperless billing and online payments

When you sign up to receive and pay your energy bill online, you can choose recurring and one-time payment options. Log on to PSE.com and register for "My PSE Account" to monitor your daily energy use and pay your bills online. Each month, instead of a paper bill, you'll receive an email notification that a new bill is ready to view and be paid. Look for the "Go Paperless" option when you sign in to "My PSE Account" when you log on.



Bill payment assistance available

With the current economic crisis, we want to help ensure our customers have 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. During the 2008-09 heating season, the federal LIHEAP (Low Income Home Energy Assistance Program) assisted 35,000 PSE customers. In addition, our own HELP (Home Energy Lifeline Program) assisted 31,000 customers. Call toll free 1-866-223-5425 for the nearest agency.



This holiday season, make the switch and decorate your tree and home with light emitting diode (LED) lighting.

Because ENERGY STAR-rated energy-efficient LED lights use about one-tenth the amount of electricity as mini lights, you can celebrate the holidays with all the light of years past, but with substantially reduced energy use. LEDs last much longer than traditional bulbs, plus they are safe and cooler to the touch. Made of plastic, they're also extremely durable for outdoor use. Look for strings of LED lights in retail stores, and give the gift of energy efficiency this holiday season.

Give a gift of warmth

Winter's cold months can be difficult for many in our area who may struggle to stay warm. 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. We transfer all donations directly to The Salvation Army Warm Home Fund.



Lower rates, rebates and incentives to help with winter heating bills

The chill of winter's cold will be eased this year by a decrease in natural gas prices with PSE residential customers seeing their monthly bills rolled back to 2005 levels. The average customer's bill has dropped by nearly 18 percent compared to a year ago. With approval by the Washington Utilities and Transportation Commission, natural gas rates have gone down twice this year. In October, natural gas rates were reduced 16.1 percent (or \$14.88 per household each month) preceded by a 1.8 percent decrease that took effect June 1. The lower rates reflect a reduction in the wholesale price of natural gas.

PSE customers can also save this winter by taking advantage of the utility's rebates and programs for insulation, natural gas furnaces and water heaters, heat pumps, and lighting.

Now also is a good time for PSE electric customers to take advantage of these lower rates to convert from electricity

to natural gas for their home and water heating. For a limited time, PSE is offering rebates up to \$500 for buying ENERGY STAR®-qualified natural gas furnaces and water heaters and incentives up to \$4,450 for switching a home's electric heating equipment to natural gas. We also have information on financing options for customers who wish to extend a natural gas main to their home.

Please visit PSE.com or call a PSE Energy Advisor at 1-800-562-1482, Monday through Friday, to learn more about quick and easy savings tips, and incentives for energy efficient appliances and major home upgrades.

We're getting ready for winter weather

Forecasters predict an easier winter for Western Washington this year, thanks to El Niño — a weather pattern that usually means less cold and wet weather from now until spring. However, meteorologists also caution that even typical El Niño winter can pack a punch. The winter of 2006-2007 provides a vivid example. Despite El Niño conditions, that storm season began with a non-stop, six-week barrage of wild weather, from record November flooding, to heavy early December snow and then the

devastating Hanukkah Eve storm.

PSE employees and crews work year round to help ensure safe and reliable energy delivery during any season and especially during extreme weather



conditions, such as fierce wind storms and cold weather.

We're also working closely with agencies and governments in coordinating plans for possible flooding of the Green River Valley in King County due to the reduced waterstorage capacity at the Howard Hanson Dam.

Here are a few highlights:

- 54 power line crews each crew includes at least two people — always available to respond to an outage
- 78 PSE service linemen who assess damage to the electric system and identify needed crews
- 25 tree crews available to clear trees away from downed power lines
- Cleared tree limbs and trees away from 2,000 miles of power lines
- Replaced 500 poles
- Upgraded or replaced 16 miles of high pressure natural gas pipe
- Installed 138 miles of new or upgraded transmission lines

When storms or floods hit, PSE customers can get the latest information on PSE.com, including a Service Alert Map showing the impact of severe weather, and a new online outage reporting tool. In addition, TakeWinterByStorm.org provides a helpful winter preparedness checklist. Be sure to follow PSETalk on Twitter for ongoing news and updates and share your photos with images of PSE crews at work at http://www.flickr.com/groups/psepictures.



When we blush, it might just mean turning green

Our focus on customer service, commitment to the environment and long-standing dedication to community involvement has earned many honors. Recent recognition includes:

- 2009 Utility Green Power Provider of the Year granted by the Center for Resource Solutions, Department of Energy and Environmental Protection Agency (EPA) recognizing our nearly 25,000 customers who participate in the Green Power Program
- Winner of Seattle Business magazine's "Green Washington Awards" for benefiting the Northwest's environment and economy with our energy efficiency programs and renewable energy development
- Steward of America's Waters for our fish-migration systems on Skagit County's Baker River
- Natural Gas STAR Continuing Excellence award from the EPA
- EPA ENERGY STAR partner of the year

- LEED Gold certification by the U.S. Green Building Council for both our Renewable Energy Center at the Wild Horse Wind and Solar Facility, and our Skagit Service Center
- Institute of Electronics and Electrical Engineers (IEEE) award for support for engineering efforts in Western Washington
- Tree Line USA utility recognition by the Arbor Day Foundation award for outstanding tree-care efforts
- Best Large Utility award from the Northwest Solar Center
- 2009 Corporations for Communities Honorable Mention by the Washington Secretary of State

Thanks to our customers who help make these great programs possible.

Customer service — guaranteed

PSE makes two service guarantees to you. First, we commit to keeping scheduled appointments, and second, we commit to restoring power outages as soon as we can.

Here's how our quarantees work:

- If we don't keep an appointment to install new service, reconnect existing service, or inspect natural gas equipment, you'll receive a \$50 credit on your PSE bill.
- 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.



The two service guarantees are in addition to 10 service-quality measures that track PSE's performance in providing utility services to customers, and identify areas for improvement. Our service guarantees are subject to certain conditions and may be suspended during unusual and exceptional circumstances. For more information, visit PSE.com/guarantees.

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 Dr #101 Olympia – 2711 Pacific Ave SE Port Townsend – 181 Quincy St #101 Vashon Island – 18125 Vashon Highway SW

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

Your carbon footprint is showing.

But, **YOU** can shrink it!

Take charge by joining Puget Sound Energy's Green Power Program.

When you join the Green Power Program, PSE will purchase wind, biomass and solar renewable energy to cover up to 100 percent of your electricity use.

Every year, the average green power household reduces the same amount of CO₂ emissions as taking a car off the road. Join now and start shrinking your footprint!





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

Program Facts: **Green Power**

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 or call a PSE Energy Monday through Friday, 8 a.m. Advisor at 1-800-562-1482, to 5 p.m.



Get up to \$1,200 from Puget Sound Energy to

go DUCTLESS!

Save money and energy this winter and all year round. Upgrade your electric baseboard, wall heaters or forced-air furnace to a high-efficiency ductless heating and cooling system. You may qualify for up to a \$1,200 instant rebate from PSE, plus up to \$300 in additional contractor/distributor incentives. You may also be eligible for up to \$1,500 in federal tax credits.

To learn more, complete and return the form on the back, visit goingductless.com/PSE or call a PSE Energy Advisor at 1-800-562-1482, Mon. - Fri., 8 a.m. - 5 p.m.



PSE.com

Learn more about going **DUCTLESS!**

Visit goingductless.com/PSE

3403 10/09

- Call a PSE Energy Advisor at 1-800-562-1482 (Mon. Fri., 8 a.m. 5 p.m.)
- . Complete the form below and return it with your bill payment

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). <i>Your signature is required below.</i>			
Name(please print)	Signature		
Service Address	City	_State	_ZIP
Mailing Address (if different)	City	_State	_ZIP
Phone	PSE Account No.		
E-mail	(optional) Yes! Sign me up for PSE's fre	e <i>Energy at I</i>	Home e-newsletter.

Tax credits

For more information about federal tax credits for energy-efficient home improvements, visit energystar.gov/taxcredits or consult your tax advisor.



For more information, visit PSE.com or call a PSE Energy Advisor at 1-800-562-1482, Mon. - Fri. 8 a.m. - 5 p.m.

Puget Sound Energy rebates for ENERGY STAR® products

An ENERGY STAR qualified natural gas water heater can use 10 to 50 percent less energy* than a standard model.

An ENERGY STAR qualified natural gas furnace can save approximately \$110 annually* in heating costs compared to a standard model.

\$50 For an **ENERGY STAR** qualified natural gas water heater REBATE **\$150** For an **ENERGY STAR** qualified natural gas, tankless water heater REBATE **\$350** For an **ENERGY STAR** qualified

natural gas furnace

*Actual energy savings vary. To qualify for these rebates, qualifying equipment must be installed in PSE's natural gas service area. Natural gas water heater must have a 0.62 or higher energy factor and a capacity of 20-100 gallons of storage with a maximum input of 75,000 BTU per hour. Natural gas, tankless water heater must have a 0.82 or higher energy factor.

REBATE

See back side for more savings from PSE





Save energy, money and the environment with PSE rebates

√	Yes! I would like to receive more information about the following energy-efficient product rebates from PSE Yes! I'm ready to have one or more contractors call me and give me free estimates on the following products				
	ENERGY STAR qualified natural gas water heater	Fill out and return with your bill payment:			
	ENERGY STAR qualified natural gas furnace	Name:PSE Account# (optional):			
	Electric heat pump	Service Address:City:State:Zip:			
	Insulation/weatherization	Mailing Address: City: State: Zip:			
	CFL fixtures and bulbs	Daytime Phone: E-mail Address:			
	Refrigerator decommissioning	I give permission for PSE to provide my contact information to independent, pre-screened contractors from PSE's Contractor			
	Clothes washers	Referral Service. I can expect a telephone call from one or more contractors to arrange for no-obligation estimates.			
	FREE low-flow showerhead What type of water heater do you use? ☐ Electric ☐ Natural gas	Your signature is required below:			
	Rebates available to qualifying customers	For more information, visit PSE.com or call a PSE Energy Advisor at 1-800-562-1482 (Mon - Fri. 8 a.m 5 p.m.)			

Clean more than just your clothes

Help preserve the Puget Sound one load at a time.

Save water, energy and receive a \$50, \$75 or \$100 rebate from Puget Sound Energy when you purchase a premium-efficiency clothes washer meeting WashWise program standards.

To learn more, complete and return the form on the back, visit washwiserebate.com or call a PSE Energy Advisor at 1-800-562-1482, Mon.-Fri., 8 a.m.-5 p.m.



Yes, send me a WashWise rebate form and a list of qualifying models.



Easy ways to learn more:

- Return this form with your bill payment
- Visit washwiserebate.com
- Call a PSE Energy Advisor at 1-800-562-1482 (Mon.-Fri., 8 a.m.-5 p.m.)

Name(please print)	PSE account no.		
Service address	City	State	ZIP
Mailing address (if different)	City	State	ZIP
Phone	Best time to call		
E-mail	Yes! Sign me up for PS	E's free <i>Energy a</i>	<i>t Home</i> e-newsletter

Check here for information on other PSE rebates* for energy-efficient products

Compact fluorescent lighting (up to \$15)	Heat pump (up to \$1,200)	
Refrigerator recycling (\$30 rebate and free pickup)	Insulation and duct sealing (up to \$1,600)	
Window upgrade (up to \$1,000)		

PSE.com

*Rebate amounts valid until 12/31/09.



FREE efficient showerhead and bathroom faucet aerator

Without sacrificing performance, your new, easy-to-install efficient showerhead and bathroom faucet aerator from Puget Sound Energy will use up to 20 percent less water. When you use less water, you conserve a valuable resource for the environment, wildlife and our future. Heating less water also means using less energy.

It's easy to take advantage of this FREE offer!
Just fill out the form on the back and
return it with your bill payment.

Available to residents with natural gas or electric water heat from PSE in PSE's Washington state service area. Offer applies to existing single-family properties or attached housing with four units or less. This is a one-time offer with a limit of one kit per qualifying household. Offer available while supplies last. Please allow four to six weeks for delivery.

FREE efficient showerhead and bathroom faucet aerator from PSE

To receive a free kit:

Complete the form below and return it with your bill payment OR fill out the form online at www.freeshowerhead.com. Questions? Call a PSE Energy Advisor at 1-800-562-1482, Monday through Friday, 8 a.m. to 5 p.m.

	your show
power	

Customer name		
Service address	City/State/Zip	
Shipping address	_City/State/Zip	
Phone	What type of water heater do you use? Electric water	er heater Natural gas water heater

