



News Release

President Bush Advocates 'Smart Meters' as Innovative Tool for Managing Energy Costs

BELLEVUE, Wash.--(BUSINESS WIRE)--May 17, 2001-- PSE's time-of-day metering aims to lower customers' power costs, ease energy crisis, help environment

Unveiling his administration's proposal for a national energy policy, President George W. Bush today cited "smart electric meters" as an innovative new conservation tool for boosting America's energy efficiency and lowering consumers' power costs.

"Thanks to new technology," the president said, "it (conservation) can mean doing better and smarter and cheaper. Innovation helps us all make better choices. Smart electric meters can tell homeowners how they're using power and how they might reduce their monthly electric bill."

Puget Sound Energy, the Bellevue, Wash. -based utility subsidiary of Puget Energy (NYSE:PSD), is operating more than 1 million smart meters on a system that enables customers to monitor how much energy they're using at any given hour of the day. The utility's wireless metering system, which relies on a new PSE customer-information software system called ConsumerLinX(TM), also shows customers how their energy usage tracks against peak- and off-peak periods during the day and the relative cost of power during those periods.

PSE expects to have about 1.4 million automated meters installed at customer homes and businesses in the year 2002. Under a trial program launched May 1, about 300,000 PSE electricity customers are now being rewarded with lower power rates for energy consumed during the low-demand, "off-peak" hours of the day.

One of the concerns recognized by Bush's national energy policy is that consumers "do not receive timely signals about rising electricity costs...When consumers' peak costs are averaged with off-peak costs, the higher cost of peak electricity supplies is masked. As a result, consumers may not recognize the benefits of investing in technologies that best target peak consumption."

"We believe time-of-day pricing answers those concerns and is key to the next generation of energy conservation," said Gary Swofford, Puget Sound Energy's chief operating officer. "It gives consumers the ability and incentive to use energy more wisely. They not only can save money, but they'll help wring more efficiency out of the existing power system. That's good for our customers' pocketbooks and it's good for the environment."

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