



News Release

PSE Selects List of Proposals for Boosting Energy-Efficiency Program; PSE Representatives to Participate in June 7-8 'Green Energy' Conference in Seattle

BELLEVUE, Wash.--(BUSINESS WIRE)--June 5, 2006--In an effort to help its customers save more electricity and natural gas, Puget Sound Energy (utility subsidiary of Puget Energy (NYSE:PSD)) has selected five outside proposals for broadening the utility's already expansive energy-efficiency services.

Washington state's largest natural gas and electric utility has steadily enhanced its energy-efficiency program over the past five years. The latest move came last fall when PSE issued a "request for proposals" (RFP) to further expand the energy-saving services it provides to households and businesses.

"We serve a robust region with a steadily growing appetite for more energy," said Cal Shirley, PSE vice president of Energy Efficiency Services. "The first place we look in our effort to serve customers' needs is efficiency."

Of nineteen separate proposals submitted in response to the November RFP, five have been chosen for contract negotiation and project implementation, the utility said today. The five selected projects, with a combined cost of \$6.3 million, include:

- A comprehensive efficiency program for multifamily housing that targets 4.9 million kilowatt-hours of electricity savings and 51,000 therms of natural gas savings;
- A single-family residential weatherization program that seeks 410,000 therms of natural gas savings;
- A single-family residential refrigerator-recycling program that seeks 1.5 million kilowatt-hours of electricity savings;
- A pilot program to curb peak-hour energy usage among residential customers; and
- A pilot program to curb peak-demand energy usage by commercial customers.

If contracts are successfully reached, three of the proposed projects are scheduled to be implemented in 2006 and two are scheduled for 2007 implementation.

Puget Sound Energy doubled the scope and funding of its energy-conservation program in 2002. The utility recently estimated that its energy-efficiency services should be able to help PSE customers save 43 million therms of natural gas and 279 average-megawatts of electricity by 2015. The power savings would be sufficient to serve the long-term electricity needs of about 200,000 households. By comparison, PSE's energy-efficiency offerings between 1980 and 2004 are helping its customers save close to 250 average-megawatts of electricity.

On Wednesday (June 7) in Seattle, Shirley is scheduled to address the West Coast Energy Management Congress, a major gathering of experts in the field of energy efficiency and renewable energy. Shirley will discuss PSE's aggressive pursuit of "green utility" initiatives. In addition, Bob Stolarski, PSE's manager of Energy Efficiency Services, will lead a panel discussion that same morning on the challenges and opportunities that lie in sustainable energy practices.

More information on the two-day congress, which PSE is hosting, can be found on the Web at www.energyevent.com.

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