



News Release

Home Heating Costs and Environmental Concerns Prompt Puget Sound Residents to Switch to Natural Gas

PSE Helps with Furnace and Water Heater Rebates and Contractor Referral Service

BELLEVUE, Wash., Nov 17, 2008 (BUSINESS WIRE) -- Graph six, first sentence should read: PSE encourages natural gas customers to use energy efficient appliances to offset conversion costs and help the environment by offering \$350 for qualifying natural gas furnaces, \$50 for qualifying natural gas water heaters, and \$150 for tankless natural gas water heaters. (sted: PSE encourages natural gas customers to use energy efficient appliances to offset conversion costs and help the environment by offering \$350 for ENERGY STAR(R)-qualified natural gas furnaces, \$50 for ENERGY STAR natural gas water heaters, and \$150 for tankless natural gas water heaters.)

The corrected release reads:

HOME HEATING COSTS AND ENVIRONMENTAL CONCERNS PROMPT PUGET SOUND RESIDENTS TO SWITCH TO NATURAL GAS

PSE Helps with Furnace and Water Heater Rebates and Contractor Referral Service

Puget Sound Energy announced today that inquiries regarding natural gas conversions have accelerated in recent months as colder winter weather approaches, due largely to homeowners' concerns about home heating costs. Since mid-year, actual orders for natural gas service as a result of those inquiries are higher than PSE has seen in recent years due to the company's rebates, contractor referrals, and distribution line availability.

"Typically, 90 percent of callers convert to natural gas heating, with the help of PSE's energy efficiency rebates and contractor referral service as long as their neighborhood has easy access to our natural gas distribution facilities," said Cal Shirley, vice president of Energy Efficiency Services for PSE.

"Our natural gas customers know that, even with the current price volatility, heating with natural gas is less expensive, more convenient and better for the environment than most fuel sources, particularly oil," added Shirley.

Analysts at PSE estimate there are 50,000 homes in its six-county natural gas service area that still use heating oil, mostly aggregated in urban areas--metropolitan Seattle, in particular--where homes built in the earlier part of the twentieth century originally heated with oil.

PSE calculations based on the efficiency of natural gas indicate that conversion costs can be recouped within a few years. The cost of using natural gas to generate the same amount of heat as a gallon of oil is \$1.75. A gallon of heating oil can cost close to double that amount.

PSE encourages natural gas customers to use energy efficient appliances to offset conversion costs and help the environment by offering \$350 for qualifying natural gas furnaces, \$50 for qualifying natural gas water heaters, and \$150 for tankless natural gas water heaters. The utility's Contractor Referral Service is also available to help customers locate qualified technicians to install the natural gas equipment.

Natural gas is the cleanest burning fossil fuel available. Households that switch from heating oil to natural gas can expect to reduce carbon dioxide emissions by more than 40 percent, based on estimates from PSE.

According to the King County hazardous waste division, old heating oil tanks have an 80 percent chance of leaking, which could result in ground water or soil contamination. In fact, the City of Seattle requires decommissioning of underground heating oil tanks that are inactive for as little as one year.

In 2007, PSE facilitated more than 4,400 natural gas conversions from all fuel sources in the utility's six-county natural gas service area in Western Washington, with county-specific numbers as follows:

- King County accounted for nearly half of all conversions with 2,100; with Seattle leading the region with 1,200 oil-to-natural gas conversions.
- Snohomish County, where PSE provides natural gas to about half of the county residents and businesses, accounted for 1,033 conversions;
- Pierce County accounted for 816 conversions;
- Thurston County accounted for 408 conversions;
- Kittitas and Lewis counties, where PSE is the natural gas provider to a small portion of the total area, accounted for 60 conversions.

In Kittitas, PSE last year built the city of Cle Elum's initial natural gas grid in the downtown area and is now completing an expansion westward. The work followed PSE's construction of a major natural gas-delivery pipeline in 2006 from Thorp to Cle Elum.

Homeowners who wish to convert from heating oil to natural gas can work with PSE to 1) determine natural gas availability to their address, 2) submit a Gas Service Agreement, 3) select a contractor and equipment, and 4) take advantage of rebates.

For more information about working with PSE to convert to natural gas, visit www.PSE.com or call a PSE Energy Advisor at 1-800-562-1482.

About Puget Sound Energy

Washington state's oldest and largest energy utility, with a 6,000-square-mile service area stretching across 11 counties, Puget Sound Energy (PSE) serves more than 1 million electric customers and almost 750,000 natural gas customers. PSE, a subsidiary of Puget Energy (NYSE:PSD), meets the energy needs of its growing customer base primarily in Western Washington through incremental, cost-effective energy conservation, procurement of sustainable energy resources, and far-sighted investment in the energy-delivery infrastructure. PSE employees are dedicated to providing great customer service to deliver energy that is safe, reliable, reasonably priced, and environmentally responsible. For more information, visit www.PSE.com.

SOURCE: Puget Sound Energy

Puget Sound Energy

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