



## News Release

### PSE's Aggressive Energy Efficiency Plans Mean More Customer Incentives, Bigger Energy Savings

BELLEVUE, Wash.--(BUSINESS WIRE)--April 1, 2008--With climate change issues of increasing concern and wholesale energy costs on the rise, Puget Sound Energy is launching new energy efficiency offerings and increased incentives to help customers conserve electricity and natural gas and save on their energy bills. These programs, part of the utility's strategy to meet increasing energy demands in the growing Puget Sound region and protect the environment, will displace 53.3 average megawatts (aMW) of generation and 5.3 million therms of natural gas over the next two years.

"Our plan for meeting growing energy demands begins with aggressive energy efficiency programs," said Cal Shirley, vice president of Energy Efficiency Services for PSE. "Conservation is the right thing to do for the environment and costs less than building new power plants or buying energy on today's wholesale market, helping to preserve our robust region and save our customers money."

The new energy efficiency programs expand on PSE's existing rebates and conservation services, and offer several new programs in 2008 and 2009. New residential customer programs include PSE's home energy analysis program scheduled for late summer 2008. The program will have PSE Energy Advisors, upon request, examine customer homes and perform diagnostic testing to determine areas of energy loss and provide recommendations for increased energy efficiency. In addition, PSE will launch two pilot programs. One where in-home electricity monitors will be available to view energy consumption in real time, helping customers track kilowatt hours used and dollars spent on their energy use throughout the day. The other where select customers will receive home energy reports describing energy use averages and how they compare to homes of similar age and size in their neighborhoods. Business customers also will benefit from several increases in incentives for energy efficient projects.

Commercial and industrial energy efficient retrofits, as well as small business lighting retrofit projects, now qualify for up to 70 percent funding, up from last year's 50 percent. New construction projects now qualify for incentives up to 100 percent of the cost difference between complying with current codes and building to highly energy efficient standards.

Since 1979, PSE programs have reduced customers' ongoing power usage by about 222 aMW - enough to serve the electricity needs of nearly 170,000 homes. PSE's current plans would save enough energy over the next 20 years to supply electricity to all the residences in Seattle, Bellevue, Bellingham, and Olympia combined and negate the need for building two additional midsized, 250-MW power plants.

Customer energy savings, Shirley said, are especially important for PSE, a utility in need of new power supplies to serve the growing region. Since 2001, PSE has added approximately 96,000 new electric customers and 106,000 new natural gas customers. The utility must acquire by 2015 more than 1,600 average-MW of additional power supply - more than Seattle's entire electricity load - to meet its customers' increasing power needs.

Using PSE incentives, PSE customers during the past five years have more than doubled their annual electricity savings and more than tripled their natural gas savings. "With PSE's nationally recognized energy efficiency programs and the aggressive targets we continue to achieve, on average 20 percent of our incremental new supply could come from energy efficiency programs," said Shirley.

The steady rise in energy demand within PSE's 11-county service area can't be met entirely by energy efficiency, Shirley noted, "but every megawatt-hour of electricity we save through cost-effective conservation is power we don't have to acquire - at even higher costs to our customers."

The cost of PSE's energy efficiency program is covered by a small, usage-based charge on the monthly bills of all PSE customers. Effective April 1, a typical household electricity bill (based on 1,000 kilowatt-hours (kWhs) of electricity) would increase 1.46 percent, or \$1.34 a month. A typical natural gas bill (based on 68 therms), would increase 0.11 percent, or \$0.09 a month. PSE customers can obtain energy-efficiency information and assistance from PSE by visiting PSE.com, or by calling 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 729,000 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](http://www.PSE.com).

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