

Energy WISE

November-December 2007

PSE's winter season focus:

In the year since Mother Nature slammed our region with one of the worst windstorms on record, Puget Sound Energy (PSE) has not let a day pass without working hard to prepare for what this winter may bring. This effort has centered on improving the reliability of our electric and natural gas systems, and on better communicating outage information to customers.

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.

Here are a few highlights of PSE's multi-million dollar reliability efforts:

- ▶ Replaced 740 poles, in addition to the more than 700 poles replaced after the storm.
- ▶ Installed 40 miles of new or upgraded transmission lines.
- ▶ Completed 95 miles of electric cable repairs.
- ▶ Replaced or upgraded 17.4 miles of underground electric distribution line.
- ▶ Installed 35 circuit miles of storm-resistant "tree wire".
- ▶ Cleared tree limbs and trees away from 2,876 miles of power lines.
- ▶ Upgraded or replaced 33 miles of natural gas pipe.
- ▶ Increased system pressure along 300 miles of natural pressure.



What has PSE done to prepare? We have focused on three areas:



Bert Valdman, PSE's executive vice president and chief operating officer, says PSE is focused on restoring power as quickly as possible and better communicating power restoration times to our customers.

1. Enhancing the reliability of our physical distribution system by:

- ▶ Expanding our vegetation management programs. Roughly 90 percent of our outages from storms are tree-related. We typically spend \$10 million a year; this year we will spend \$12 million.
- ▶ Additional vegetation management and other steps will help free up access to our transmission lines through enforcing our existing rights of way to enable our crews to get to and fix problem spots faster.

2. Improving our internal processes by:

- ▶ Training more damage assessors allowing us to get a quicker read on the extent of storm damage to our system.
- ▶ Enhancing the logistical support to remote storm bases to accelerate storm restoration — while still maintaining our commitment to safety.

3. Working with local community partners.

- ▶ We are engaged in an ongoing dialogue with state and county emergency centers and city managers to make sure that we work together in the most efficient way possible.

Most importantly, we've expanded our definition of success from restoring power as quickly as possible to restoring power as quickly as possible and communicating power restoration times to our customers. Going forward, our customers will receive timely, accurate information — and information that is relevant to their particular circumstances so they can plan how best to manage their lives during power outages.

New solar plant online; while, wind farms set record

PSE's solar demonstration project scheduled for final completion in early 2008, recently began producing its first test power at the company's Wild Horse Wind Facility in Kittitas County.

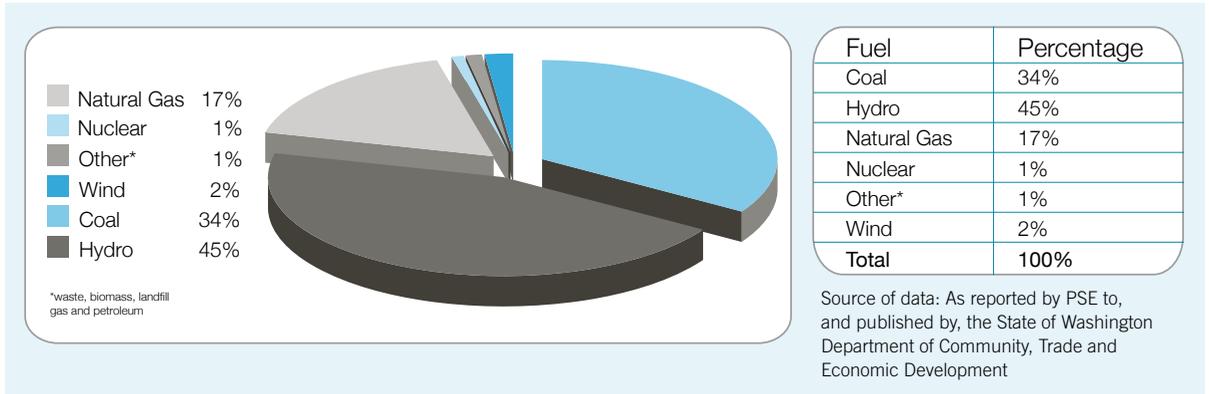
When completely finished, the 500-kilowatt solar installation, will be the Pacific Northwest's largest solar-power facility — approximately three times the size of the next largest. PSE already is the largest utility producer of renewable energy in the Northwest. Our Wild Horse and Hopkins Ridge wind farms, both completed within the last two years, have already surpassed



1 million megawatt-hours of power output. They are designed to serve the annual electricity needs of 100,000 households.

Electricity: Power Supply Fuel Mix

The electricity that Puget Sound Energy (PSE) delivers to customers is generated using a number of different resources. The fuel mix for these resources for electricity delivered in 2006 is shown in the following table and chart:



What can I do to be ready for storm season?

1. Make sure your trees are trimmed, especially ones close to our power lines. If you have a sick, dying tree in danger of falling into power lines, call PSE at 1-888-225-5773 and we'll have professionals trained in working around power lines review it.
2. Make sure that you have adequate supplies — water, canned food, flashlights and batteries — to support your family for a three-day period.
3. Check all fuel-burning appliances, including your natural gas furnace to make sure it is operating safely and properly. If you have a generator, make sure you follow the manufacturer's instructions for operating it.

As always, PSE encourages customers to review their own storm readiness plans. Visit PSE.com for tips on how to prepare.

Stay comfortable while saving energy

During the winter months, natural gas and electric furnaces are typically your home's biggest consumer of energy. But even simple, inexpensive steps to improve energy efficiency in your home can translate to a warmer home.

PSE provides a variety of services and tools to help you save energy and cut your utility bill. For more information on ways to save, call a PSE Energy Advisor toll-free at 1-800-562-1482, or visit us at PSE.com.



Never burn charcoal inside.

The carbon monoxide it creates can kill you.

Nunca use su parrillera adentro de su casa.
El monóxido de carbono que se produce puede causar la muerte.

No- or low-cost energy-saving tips

- ▶ Seal air leaks around drafty windows and doors.
- ▶ Check furnace filters monthly and if they're dirty, clean or replace them.
- ▶ Keep heating outlets and return registers clear of furniture or other objects.
- ▶ Keep fireplace dampers and glass doors closed when a fireplace is not in use.
- ▶ Have furnaces inspected and serviced to ensure they're in top working order.
- ▶ Lower your home's thermostat a few degrees.



Check the natural gas piping you own

We regularly inspect the underground natural gas pipelines in the street and to your meter to make sure they are operating properly and safely. If you own buried piping beyond PSE's meter, such as piping to pools, hot tubs, natural gas barbecues or detached buildings, it is your responsibility to conduct periodic inspections for leaks and corrosion. To identify and repair natural gas leaks and corrosion, please have a licensed plumber qualified do the work.

Keep gas meter clear during winter

During the winter it is important to keep snow and ice from building up and covering your natural gas meter.

- ▶ Check your gas meter regularly to ensure there is no build-up of ice or snow.
- ▶ Use a broom to gently clear snow or ice around your meter.
- ▶ Don't shovel snow up against your gas meter or piping.
- ▶ Don't allow water to drip onto the gas meter equipment.

If you see ice build-up and suspect there is a problem, call PSE at 1-888-225-5773.



Help with paying heating bills

There are a number of different options for customers seeking assistance with their energy bill:

- ▶ PSE's \$7.9 million Home Energy Lifeline Program, or HELP, assists qualifying low-income customers with up to \$750 in utility bill credits. Nearly 18,000 families participated last year.
- ▶ PSE's Warm Home Fund extends short-term emergency bill assistance to qualifying customers through The Salvation Army. You may make a holiday donation to the Warm Home Fund when you pay your PSE bill.
- ▶ A new community assistance information hotline created to provide Washington residents with information on energy assistance and other social services can be reached by dialing 2-1-1.
- ▶ PSE's Budget Payment Plan, available to all residential customers, averages bill payments over a 12-month period.

For energy-saving tips or for more information about bill assistance, call us at 1-888-225-5773 or visit PSE.com.



TIP:

Save heating costs with an energy-efficient furnace

Need a new furnace?

Puget Sound Energy offers a \$250 rebate on ENERGY STAR® qualified natural gas furnaces. Call a PSE Energy Advisor at 1-800-562-1482 or visit PSE.com.

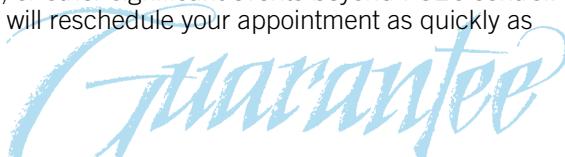


We'll be there on time, guaranteed

When you make a service appointment with Puget Sound Energy (PSE), we guarantee that we'll be on time. What's more, we'll credit \$50 to your PSE bill if we're unable to follow through with our commitment. The guarantee applies to the following types of service:

- ▶ New permanent service line and meter connections
- ▶ Re-connects of existing natural gas or electric service after move-outs and move-ins, or following disconnection for nonpayment
- ▶ Natural gas equipment service appointments

Our customer service guarantee almost always applies, with only a few exceptions: during and after major storms, earthquakes, energy supply interruptions, or other significant events beyond PSE's control. In these cases, PSE will reschedule your appointment as quickly as possible.



Natural gas rates lowered

Good news if you heat your home with PSE natural gas. For the first time in five years, you will see a lower rate on your natural gas bills. Lower wholesale prices for natural gas supplies are the reason for the reduced bills. On Oct. 1 rates were lowered an average 13 percent .