



PSE pursues infrastructure investments to meet customer needs

In the next 20 years, our region's population is expected to grow by 1 million people, or nearly 30 percent. With that population increase comes increasing demand for both natural gas and electricity. Here are some of the steps PSE is taking to keep up with our customers' needs:



- ◆ **More renewable generation** – PSE has announced a proposed expansion to the Wild Horse Wind Facility in Kittitas County, increasing its generating capacity to the equivalent of the needs of more than 65,000 households.
- ◆ **More natural gas-fired generation** – PSE will finalize the purchase of a 125-megawatt generation plant in Sumas later this year.
- ◆ **More natural gas storage and delivery** – PSE has just finished drilling the last of 10 wells at our Jackson Prairie natural gas storage facility in Lewis County, which will increase capacity by 35 percent later this year.
- ◆ **Future projects** – Rising electricity use is expected to add demand equivalent to that of two cities the size of Seattle to PSE's service territory by the year 2025. In addition to increasing energy efficiency efforts, PSE's planners are examining new sources of wind power and other renewable energy sources, as well as natural gas supplies and natural gas-fired generation, through request for proposal processes.

Update on merger proposal

Shareholders of Puget Energy, the parent company of Puget Sound Energy, at a special meeting in April approved the merger with a consortium of North American infrastructure investors by more than the required two-thirds vote. Also in April, the Federal Energy Regulatory Commission conditionally approved the merger, which remains subject to review and approval by the Washington Utilities and Transportation Commission and other federal agencies. Puget Energy expects reviews of the merger to be completed in the second half of 2008. The merger will give PSE access to capital to upgrade and build the electric and natural gas systems, and invest in new generation resources.

Residential electric customers receive one-time credit

PSE residential electric customers are receiving a one-time rate cut. The 24 percent decrease is the result of a \$20 million benefit the Bonneville Power Administration has agreed to pay PSE as an interim way to share the Northwest's low-cost federal hydropower. The credit, which amounts to about \$22.44 for an average home, is appearing in PSE's bills for one month, from April 11 through May 11. PSE continues to work to restore the residential exchange credit, which was suspended by the BPA in May 2007.

04/11/08	05/11/08	Customer Charge		\$6.02
04/11/08	05/11/08	Energy Charge	600 KWHS @ \$.074636 Per KWH	\$44.78
04/11/08	05/11/08	Energy Charge	400 KWHS @ \$.092444 Per KWH	\$36.98
04/11/08	05/11/08	Electric Conservation Program Charge	1000 KWHS @ \$.003137 Per KWH	\$3.14
04/11/08	05/11/08	Power Cost Adjustment	1000 KWHS @ \$.003245 Per KWH	\$3.25
04/11/08	05/11/08	Energy Exchange Credit	1000 KWHS @ \$.022444 CR Per KWH	\$22.44CR
04/11/08	05/11/08	Wind Power Production Credit	1000 KWHS @ \$.001404 CR Per KWH	\$1.40CR
Current Electricity Charges				\$70.31

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We'll be there on time, guaranteed

When you make a service appointment with 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 services:

- ◆ 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, we will reschedule your appointment as quickly as possible.



Check the natural gas piping you own

PSE regularly inspects the underground natural gas pipelines in the street and to your meter to make sure they are operating properly and safely. If you have buried piping to personal property, including pools, hot tubs, natural gas barbecues or detached buildings, the piping is not maintained by PSE, unless PSE installed and agreed to maintain the piping.

Buried piping may leak or corrode if it is not maintained. Buried piping should be periodically inspected for leaks and corrosion and repaired if any unsafe condition is discovered. Have a licensed plumbing contractor do the inspection and any necessary repairs. If you plan to excavate near your buried piping, it should be located by the contractor in advance and the excavation should be done by hand.

Understanding meter readings

Your natural gas meter measures the amount of natural gas you use in therm units. Your electric meter measures the amount of electricity in kilowatt hour (kWh) units.

The amount of natural gas you use is listed on your bill in the "Delivery Charge" and "Cost of Gas" sections, and your electric use is itemized as the "Energy Charge." Your use of either natural gas or electricity appears on the bar graph of the chart. If you see \$.00 in the delivery or energy charge sections (see illustration) and no bar lines on the graph on your bill during a month you know you used the energy, please call us at 1-888-225-5773 to help us make sure your bill is correct.

Natural gas			
04/11/08	05/11/08	Customer Charge	\$8.25
04/11/08	05/11/08	Delivery Charge	\$.00
04/11/08	05/11/08	Cost of Gas	\$.00
			\$8.25
Electricity			
04/11/08	05/11/08	Customer Charge	\$6.02
04/11/08	05/11/08	Energy Charge	\$.00
			\$6.02

Ask Andy

AskAndy@PSE.com is a new way to get your energy efficiency questions answered. Meteorologist Andy Wappler, now part of the PSE team, is posting his answers to your questions at PSE.com.

Go paperless with your PSE bill

Log on to PSE.com and register for "My PSE Account" to monitor your daily energy use and pay your bills online.

ENERGY TIP:

Receive a rebate

Receive a rebate with free refrigerator pick-up

That old fridge or freezer taking up space in your garage or basement is also hogging energy (as much as four times the energy of newer models). For residential electric customers, PSE offers a \$30 rebate with free pick up and recycling for old refrigerators and/or freezers that are still working and have an inside measurement of 10 cubic feet or more. To schedule your pickup, visit www.jacoinc.net or call 1-877-577-0510.

