



PUGET SOUND ENERGY

The Energy To Do Great Things

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PSE.com

August 15, 2011

Mr. David Danner, Executive Director and Secretary
Washington Utilities and Transportation Commission
P.O. Box 47250
Olympia, WA 98504-7250

RE: Docket Nos. UE-970686 & UE-100177
Semi-Annual Conservation Acquisition Report (January – June 2011)
Submitted via UTC Web Portal & Overnight Mail

Dear Mr. Danner,

Enclosed are an original and three copies of Puget Sound Energy, Inc.'s ("PSE" or the "Company") 2011 Semi-annual Conservation Acquisition Report, in accordance with condition K(8)(e) of The Agreed Conditions for Approval of Puget Sound Energy, Inc.'s 2010-2011 Biennial Electric Conservation Targets Under RCW 19.285 ("EIA Settlement") approved and adopted in Order 05 of Docket Nos. UE-011570, UG-011571, and UE-100177 and as specified in the Second Supplemental Order in Docket No. UE-970686.

The report provides the portfolio results of Energy Efficiency Services' ("EES") mid-year electric and natural gas conservation savings results and expenditures. In addition to sector and program-level results, the report also contains six-month program progress descriptions of all EES programs, functions and activities. Three appendices are attached to the report. Appendix A is a detailed table of program-level savings and natural gas results for both conservation savings and expenditures, compared against the 2011 plan. Appendix B is a comprehensive table of the Company's EIA Settlement compliance status. Appendix C is a 2011 Semi-Annual Report by the Northwest Energy Efficiency Alliance (NEEA), compiled by NEEA specifically for inclusion with the PSE report.

Highlights of the report include first-year¹ conservation savings of 139,876 MWh, against a year-end goal of 338,960 MWh and 1.65 million therms of natural gas conservation savings versus an annual goal of 4.79 million therms. Expenditures are below 50 percent at the 2011 mid-point: 34.0 percent (\$30.8 million) in the electric sector and 32.3 percent (\$6.2 million) in the natural gas sector.

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As discussed in the report, despite a number of challenging economic, market, energy code, regional influences, and other factors, events or conditions beyond our control, the Company is on target to meet or exceed its 2011 and 2010-2011 biennial energy conservation savings targets. Residential Energy Management (REM) and Business Energy Management (BEM) departments have made a number of adjustments and additions to their suite of customer offerings and communications that show signs of counteracting these influences.

Please contact Lynn Logen at (425) 462-3872 for additional information about this filing. If you have any other questions, please contact me at (425) 462-3495.

Very truly yours,



Tom DeBoer
Director, Federal & State Regulatory Affairs

Enclosure

Cc: Simone J. ffitch, Public Counsel
Sheree Carson, Perkins Coie

¹ All savings figures reported by PSE are stated as first-year savings. Most measures create conservation savings for multiple years (i.e. CFL lamps, for instance have a measure life of 5 years). PSE does not report the accumulated savings – only the first-year savings for each measure.