

January 19, 2010

Douglas A. Rauh
12266 Kenneth Place NE
Bainbridge Island, WA 98110-1301
206.842.7046
rauh01@msn.com

Doug Rauhs comments on Puget Sound Energy (PSE) Rate Increase request.

I believe PSE could keep the electric generation and distribution expenses lower through more conservation efforts. Specifically by providing the retail electric customers with real time (15 minute delay for processing) usage information delivered through the internet and time of day pricing of electricity.

I would also like to see the 10.15% shareholder profit margin lowered, due to the general lowering of all profit margins due to the current economic slowdown that has occurred world wide.

I am very displeased with PSE for selling the renewable-energy credits to California the day the Macquarie Investment Bank and Canadian Pension funds acquired ownership in 2009. All related expenses should not be charged to Washington PSE rate payers. The Washington Utilities and Transportation Commission (WUTC) should count any revenue received from California as if it came from the Washington rate payers.

The money being spent on Wind Power would be better spent on natural gas electric generation now that natural gas is below \$6 per million British thermal units. Even T. Boone Pickens has stopped his West Texas Wind Farm due to the sharp fall in Natural Gas price. (The Wall Street Journal January 13, 2010 article (Pickens shelves Texas Wind Project).

I would like to ask the WUTC to monitor Washington House Bill 2590. This bill would allow PSE to charge each rate payer \$1.90 per month. If HB2590 pass this session I would like WUTC to lower the PSE electric rate payers rate by \$1.90 per month. PSE new owners Macquarie promised in 2009 to invest \$1,000,000 per year for 5 years into infrastructure. This amounts to \$1,000 per rate payer per year. I feel \$5,000 of new debt per rate payer over the next 5 years is more than sufficient to grow the alternative energy portion of PSE.

This new infrastructure investment will raise the electric rate payer's bill by hundreds of dollars per year for the next 20 years.

Please think about those rate payers that are living on fixed income or have lost their jobs in this down economy.

Thanks.

Douglas A. Rauh