

IMPORTANT NOTICE FOR PUGET SOUND ENERGY ELECTRIC CUSTOMERS ABOUT A PROPOSED RATE CHANGE

Puget Sound Energy on May 28 filed a request with the Washington Utilities and Transportation Commission (UTC) for a change in the "Wind Power Production Credit," the federal income tax benefit derived from PSE's investments in the Hopkins Ridge Wind Facility and Wild Horse Wind Facility that is passed through in its entirety to PSE electric-service customers.

Since PSE has been unable to take the tax credits previously reflected in the rate, the utility proposes to set the "Wind Power Production Credit" to zero. **PSE has requested that the UTC approve the change in the credit to be effective on July 1, 2010.**

For the typical residential customer using 1,000 kilowatts (kWh) per month, this adjustment results in a \$1.68 per month increase due to removing the credit that had been in effect, or a 1.72 percent increase in the monthly bill.

The overall average increase, or change due to this adjustment is as follows:

Schedule 7	1.63 percent
Schedules 24, 25, 26, 29.....	1.67 percent
Outdoor Lighting.....	0.74 percent
Schedules 31, 35, 43.....	1.71 percent
Schedule 40	1.97 percent
Schedules 46, 49.....	2.10 percent

The UTC has the authority to set final rates different from the request, either higher or lower depending on the results of their investigation. PSE customers may submit comments on this proposal by mailing, faxing or e-mailing your comments to the UTC at: UTC, P.O. Box 47250, Olympia, WA 98504-7250; or by e-mail at: comments@utc.wa.gov; or by fax at: 360-664-4291. For more information, see www.utc.wa.gov or call 1-888-333-WUTC (9882). If you write, include your name and mailing address, and the name of the company (PSE) and a description of the filing.

The public is represented by the Public Counsel Section of the Washington State Attorney General. You can write to: Public Counsel Assistant Attorney General, 800 5th Avenue, Suite 2000, Seattle, WA 98104-3188, or by e-mail at utility@atg.wa.gov.

If you have questions or comments for PSE about this proposal, you may submit them by mailing, e-mailing, or calling PSE at: Attn: Customer Service, P.O. Box 90868, Bellevue, WA 98009-0868; by e-mail at customer@pse.com; or by telephone at: 1-888-225-5773. Additional information about pending filings is available at www.pse.com/insidePSE/RateRegInformation.aspx.