

1826 E. Hamlin St.
Seattle, WA. 98112
August 1, 2003

Washington Utilities and Transportation Commission
Records Department
Olympia, WA

Re: Docket Nos. UE-030594 and UG-030595

Dear Commission members:

I am a residential gas customer of PGE and have experienced substantial reduction in heating costs (we have hot water heat: we also use gas for hot water and the dryer) as a result of installing a new high efficiency gas furnace combined with a closed cycle hot water heating tank (i.e. one with no burner of its own-it uses a dedicated loop of the heating system), together with new zoned thermostats. Even with higher gas costs, we are saving a lot because our usage is down by 50% or more in the winter. Thus the potential for energy saving and resource availability presented by encouraging, and even subsidizing, such improvements, is very real. PSE actually now has a small "cash reward" program for such improvements but the amount is very nominal.

I think it is vital as a long-term strategy to educate the customers about the financial advantages of upgrading their equipment in addition to providing real incentives to do so. It has to be far more cost effective than simply buying more reserves (if available). PSE should be required to address these matters meaningfully in its planning.

I also want to express concurrence with the comments submitted by the Northwest Energy Coalition.

Yours very truly,

A handwritten signature in black ink, appearing to read "Roger M. Leed". The signature is written in a cursive style with a vertical line to its left.

Roger M. Leed