

Exhibit No. ____ (NEH-12)

Docket No. U-072375

Witness: Nancy E. Hirsh

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Joint Application of

PUGET HOLDINGS LLC

and

PUGET SOUND ENERGY, INC.

For an Order Authorizing Proposed Transaction

Docket No. U-072375

EXHIBIT TO TESTIMONY OF

NANCY E. HIRSH

ON BEHALF OF NW ENERGY COALITION

Response to NWECA Data Request No. 1.08

June 18, 2008

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**Docket No. U-072375
Puget Holdings LLC and Puget Sound Energy, Inc.
Joint Application for an Order Authorizing Proposed Transaction**

NWEC DATA REQUEST NO. 01.08

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[JA, p. 26, ll. 16-18 and Leslie, p. 42, ll. 6 and 8] Please explain what is meant by the words “commit to maintain” and “commit to continue to work” in these statements and in the context used by the JA and by Mr. Leslie. For example (but without limitation):

- 1.8.1 Do the words mean that Holdings and the Consortium will maintain the existence of the programs but will not commit to increasing program funding over time?
- 1.8.2 Do the words mean that Holdings and the Consortium commit to increasing PSE’s funding for the programs commensurate with program needs and the needs of low-income customers?

Response:

As used in the Joint Application at page 26, lines 16 through 18, and the Prefiled Direct Testimony of Christopher J. Leslie, Exhibit No. ____ (CJL-1T), at page 42, lines 6 through 8, the phrases “commit to maintain” and “commit to continue to work” have the ordinary meaning of such phrases.

- 1.8.1 Each of Puget Holdings LLC (“Puget Holdings”) and the Investor Consortium has committed to maintain the low income programs of Puget Sound Energy, Inc. (“PSE”). Neither Puget Holdings nor the Investor Consortium has made any commitment to increase the low income programs of PSE in this proceeding. Each of Puget Holdings and the Investor Consortium will consider potential increases to the low income programs of PSE as the needs of those programs change over time.
- 1.8.2 Each of Puget Holdings and the Investor Consortium has committed to maintain the low income programs of PSE. Neither Puget Holdings nor the Investor Consortium has made any commitment to increase the low income programs of

PSE in this proceeding. Each of Puget Holdings and the Investor Consortium will consider potential increases to the low income programs of PSE as the needs of those programs change over time.