Puget Sound Energy P.O. Box 97034 Bellevue, WA 98009-9734

January 29, 2010

VIA WUTC WEB-PORTAL AND REGULAR MAIL

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

Re: WAC-Required Report, WAC 480-109-010(3)

Dear Mr. Danner:

Enclosed for filing, please find Puget Sound Energy, Inc.'s ("PSE") report identifying its tenyear achievable conservation potential and its biennial conservation target, pursuant to WAC 480-109-010(3). An electronic copy is being submitted through the Records Center Web Portal.

This report meets the requirements of WAC 480-109-010(3) in that it:

- Identifies a ten-year achievable conservation potential;
- Identifies a biennial conservation target;
- Outlines the extent of public and commission staff participation in the development of the conservation metrics;
- Identifies whether the conservation council's plan or the utility's IRP and acquisition process were the source of the ten-year conservation potential; and
- States how the utility prorated the ten-year projection to create the two-year target.

As noted in the attached report, PSE has selected the Northwest Power and Conservation Council 5th Plan as the basis for the ten-year achievable conservation potential and biennial conservation target rather than the Company's Integrated Resource Plan.

If you have any questions about the information contained in this filing, please contact Cal Shirley, Vice-President Energy Efficiency Services, at 425-456-2426. Any other questions about this filing may be directed to me at 425-462-3495.

Sincerely,

Tom DeBoer

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Director – Federal & State Regulatory Affairs

Enclosure