



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

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August 10, 2012

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

**RE: Energy Efficiency Services Semi-annual Conservation Acquisition Report, Docket No. UE-111881 and UE-970686.**

Dear Mr. Danner:

Enclosed are a color original and three black and white copies of Puget Sound Energy, Inc.'s ("The Company") Semi-annual Conservation Acquisition Report, consistent with Docket No. UE-111881 Order 01, paragraph 37, item (8)(e) and the Commission Second Supplemental Order in Docket No. UE-970686.

The report provides the portfolio results of Customer Solutions/Energy Efficiency (CS/EE) mid-year electric and natural gas savings results and expenditures. In addition to sector and program-level expenditure and savings results, the report also contains discussions of all CS/EE program updates and revisions occurring since the publication of the 2012-2013 Biennial Conservation Plan, also filed under Docket No. UE-111881. Three Exhibits and one Supplement are also attached. Exhibit 1 is a detailed table of program-level savings and natural gas results for both savings and expenditures, compared against the 2012 plan. Supplement 2 to Exhibit 1 is the CS/EE savings adjustment log through June. Exhibit 9 is a comprehensive table of the Company's Electric 2012-2013 order compliance status. Exhibit 10 is NEEA's (Northwest Energy Efficiency Alliance) Q1 and Q2 status report for PSE-focused activities.

Highlights of the report include year-to-date electric savings of over 154,000 MWh, against a year-end goal of 336,600 MWh and 1.56 million therms of natural gas savings versus an annual goal of 4.88 million therms. Expenditures are 42.4 percent (\$41.7 million) in the electric sector and 44.8 percent (\$6.0 million) in the natural gas sector.

As discussed in the report, despite a number of challenging economic, market, energy code and regional influences, the Company is on target to meet or exceed its 2012 savings goals. Residential Energy Management (REM) and Business Energy Management (BEM) departments

have made a number of adjustments and additions to their suite of customer offerings and communications that show signs of counteracting these influences.

Please contact Lynn Logen at (425) 462-3872 for additional information about this filing. If you have any other questions, please contact me at (425) 462-3495.

Very truly yours,

A handwritten signature in black ink that reads "Tom DeBoer". The signature is written in a cursive, slightly slanted style.

Tom DeBoer  
Director, Federal & State Regulatory Affairs

Enclosure

Cc: Simon J. ffitich, Public Counsel  
Sheree Carson, Perkins Coie