Puget Sound Energy P.O. Box 97034 Bellevue, WA 98009-9734 **PSE.co**m

August 13, 2010

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

RE: Docket No. UE-970686 Semi-Annual Report of Energy Conservation Accomplishments (January – June 2010)

Dear Mr. Danner:

Enclosed are an original and three copies of Puget Sound Energy, Inc.'s (PSE or the Company) 2010 Semi-annual Report of Energy Efficiency Service's (EES's) conservation program results.

Overall portfolio results outlined in the report demonstrate that 17.6 average megawatts (aMW) of electric conservation and 2,555,377 therms of gas conservation were achieved during the first six months of the year (January – June). EES's expenditures were \$37,370,858 for electric programs and \$11,345,630 for gas programs. Detailed expenditure and saving figures are provided for electric and gas conservation programs in Exhibit 1.

Many significant upgrades were made to this report to enhance readability, provide additional details and address questions and requests PSE has received regarding its reporting since its last report. Some key differences that are notable in this report include:

- An introductory section, providing an overview of the report contents;
- An overview of EM&V activities that are common to all EES departments, these activities have not been specifically addressed in previous semi-annual reports;
- Sector overview and savings and expense performance summary tables and charts for Residential, Business and Support Activities sectors were added;
- Addition of Direct Benefit to Customer performance for each program that contributes to conservation savings;
- Photos and web "screen shots" to enhance the overall content;
- An addition of a Stakeholder Activities section, highlighting the Company's relationships with its primary stakeholders, the CRAG and the WUTC;
- Exhibit 2; measure listings for Residential and Business Rebates programs, showing measure details and savings classifications by end-use type; and

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Exhibit 3; Cost-effective table for EES.

This report was prepared in accordance with the Second Supplemental Order in Docket No. UE-970686, Requiring Reporting on Programs Funded by the Tariff Rider Mechanism. As required by that order, this report is submitted within 45 days of the end of the second quarter.

Please contact Eric Englert at (425) 456-2312 for additional information about this filing. If you have any other questions please contact me at (425) 462-3495.

Very truly yours,

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Tom DeBoer

Director, Federal & State Regulatory Affairs

Enclosures

cc: Simon J. ffitch, Public Counsel

Sheree Carson, Perkins Coie