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STATE OF WASH.
UTIL. AND TRANSP.
COMMISSION

May 28, 2004

VIA FACSIMILE AND US MAIL

Ms. Carole Washburn, Executive Secretary
Washington Utilities and Transportation Commission
P.O. Box 47250
Olympia, Washington 98504-7250

Re: Docket Nos. UE-011570 & UG-011571 Low Income Program Outcome Compliance Filing

Dear Ms. Washburn:

The purpose of this filing is to comply with the Commission's Twelfth Supplemental Order: Rejecting Tariff Filing; Approving And Adopting Settlement Stipulation Subject to Modifications, Clarifications, and Conditions; Authorizing And Requiring Compliance Filing in Docket Nos. UE-011570 and UG-011571 (the "Order"). The attached Program Outcome Annual Report seeks to provide submission of information regarding the Puget Sound Energy (the "Company") Low Income Program to the Commission.

There are some topics in the report on which the Company plans to provide more information in future reports. This is especially true for the topics of Demographics of Customer Households and Benefit Impacts. This annual report meets the Commission's minimum requirements of providing the Commission with the number of participants, total amount of assistance paid, and average level of assistance per household.

Sincerely,

Karl R. Karzmar
Director, Regulatory Relations

Attachments

cc: Simon ffitich
Kirstin Dodge

**Annual Report on Program Outcome of
PSE's "HELP" Low Income Program
For Program Year Oct. 2002 – Sept. 2003
May 28, 2004**

Description of Benefit

The following table shows the number of PSE customers receiving benefits.

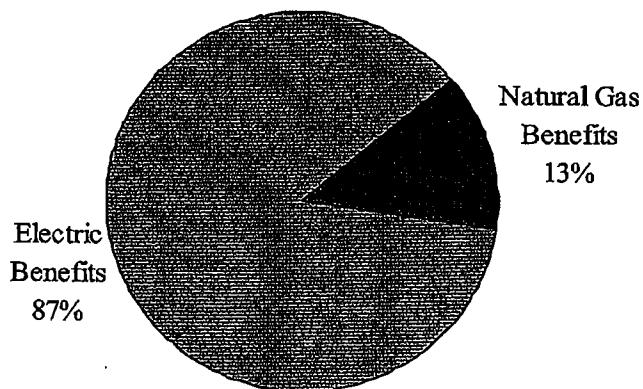
Electric customers	12,148
Natural Gas customers	3,653

Since some households are both natural gas and electric customers, the number of households receiving benefits is somewhat lower than the sum of the two numbers above. The total number of households that received benefits is 14,263. Of the electric customers receiving benefits, 13% were also natural gas customers. Of the natural gas customers receiving benefits, 42% were also electric customers.

The total dollar amount of benefits paid to customers during the program year:

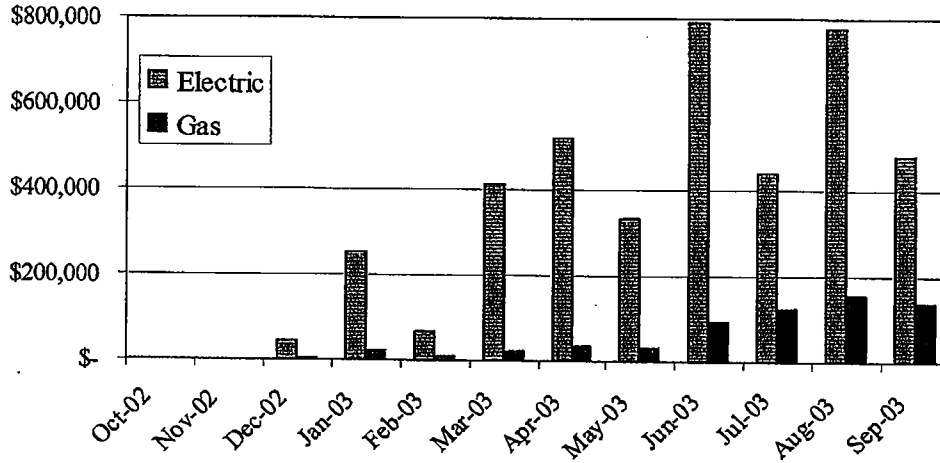
Electric	\$4,111,524
<u>Natural Gas</u>	<u>\$ 637,841</u>
Total	\$4,749,365

Comparison of Benefits By Type of Customer

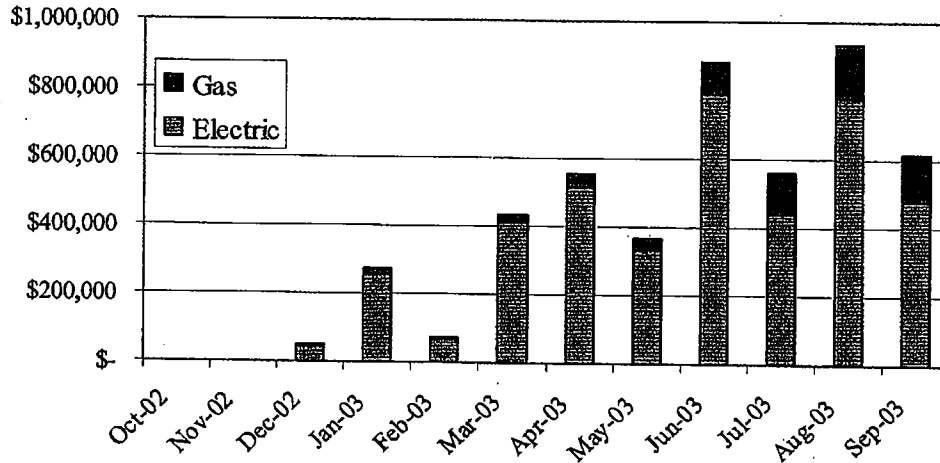


The following charts show the monthly pattern of distribution of benefits to PSE customer households during the 2002-2003 program year. The first chart is a stacked bar chart with the both the electric and natural gas benefits. The second chart is a side-by-side bar chart with both the electric and natural gas benefits by month.

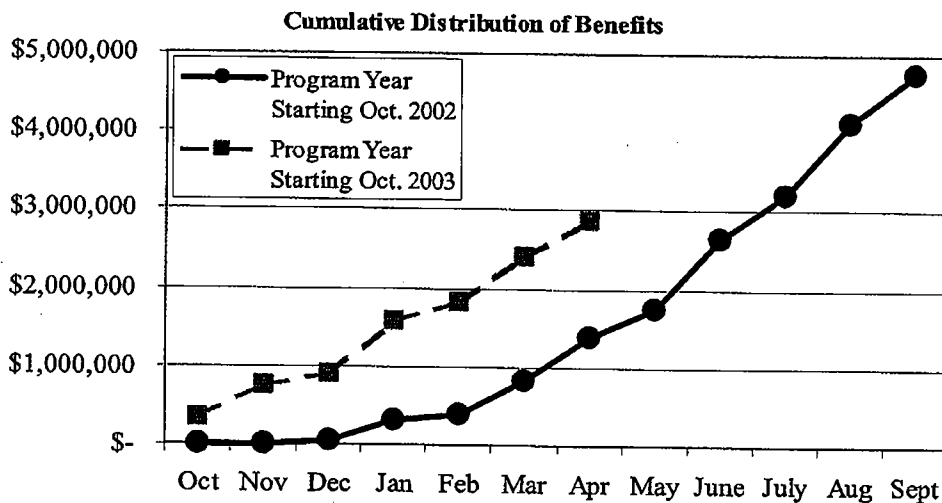
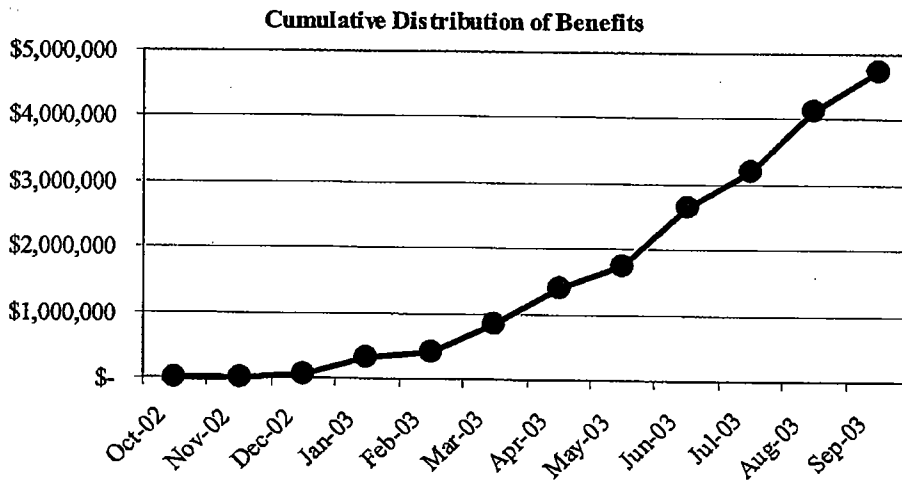
Monthly Pattern of Distribution of HELP Benefits



Monthly Pattern of Distribution of HELP Benefits



The following charts show the cumulative amount of distribution of benefits to PSE customer households. The first chart shows the cumulative amount of distribution of benefits to PSE customer households during the 2002-2003 program year. The second chart shows a comparison of cumulative amount of benefits between the 2002-2003 program year and the current program year. Distribution of benefits to low income customers in the current program year (starting Oct. 2003) is running, on average, \$1.1 million ahead of last year's distribution pace. This will likely mean that, at least for the electric side of the program, the collection of funds from all customers will likely be increased back to the level stipulated in last general rate case settlement. Last year the collection of funds was decreased due to an over-collection of funds on both the electric and natural gas sides of the program.

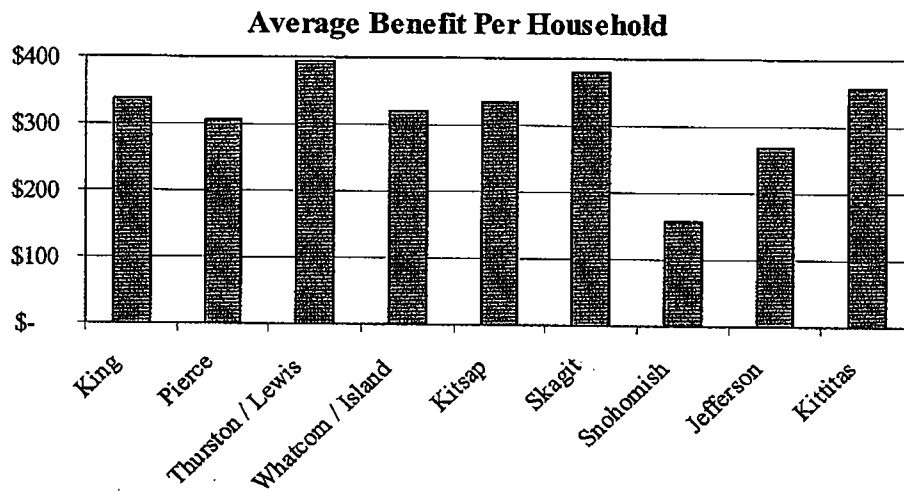


Demographics of Customer Households

The average level of benefits to each qualifying low income household is \$333 for the 2002-2003 program year. The table and chart below show the average benefits per household for the various counties in PSE's service territory.

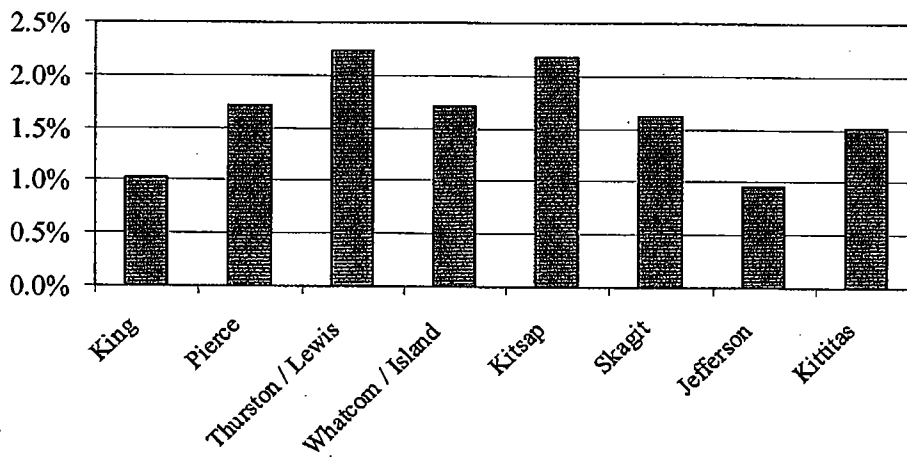
Average Benefits Awarded per Qualifying Household by County

King	\$337
Pierce	\$305
Thurston / Lewis	\$394
Whatcom / Island	\$321
Kitsap	\$335
Skagit	\$381
Snohomish	\$156
Jefferson	\$268
Kittitas	\$357
<i>Average</i>	<i>\$333</i>

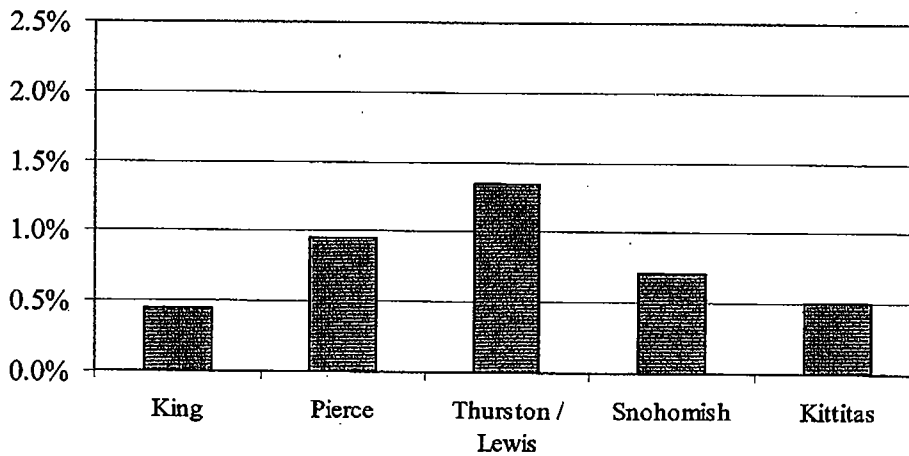


The following charts show the ratio between the number of customers receiving benefits on PSE's HELP Low Income Program compared to the total number of residential customers in that county (year-end 2002). The first chart shows the percentage of electric customers, by county that received PSE HELP benefits. The overall average for electric customers in all counties is 1.4%. The second chart shows the percentage of natural gas customers, by county that received PSE HELP benefits. The overall average for natural gas customers in all counties is 0.6%.

Percentage of Residential Electric Customers Using HELP Program



Percentage of Residential Gas Customers Using HELP Program



Benefit Impacts

In future reports this section will describe how the HELP program has had an impact on other aspects of a customer's payment experience with PSE.

Since the May 2003 report, PSE has been working on enhancing and expanding the information which can be reported regarding the low income program recipients. Phase 1 of this work (to be completed June 2004) has focused on mining PSE billing system for applicable/available data. When completed, PSE will likely be able to provide the following additional information (as available from the source system) for the current program year or month.

- Arrangements - Pledge and budget arrangement information for the low income consumer for the current program year
- Move-out - Data related to the consumer, service product and location where the low income consumer moved out of during the current program month
- Move-in - Data related to the consumer, service product and the location where the low income consumer moved into during the current program month
- Communication items - Data related to communication items sent to the low income consumer during the current program month
- Assessment fees - Data related to assessment fees (returned checks, late payments, etc) for the current program month

Phase 2 of this work (to be completed July 2004) will bring in the following data from the billing system as applicable/available:

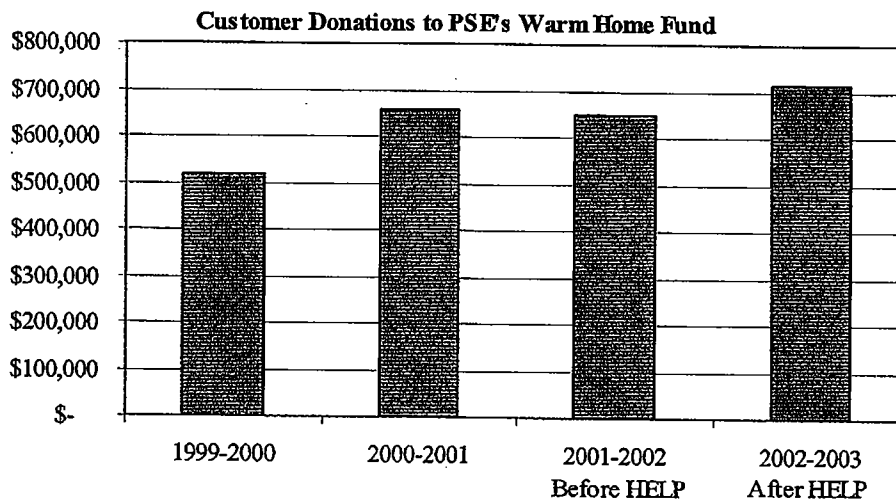
Disconnects - Consumer Data related to the consumer who was disconnected including information about the location and service product where the disconnect occurred

As a result, examples of the types of information that may be reported - once implemented and if available from the source system - include

- More detailed geographic information (city, zip, and zip+4)
- Dwelling/structure type of location
- Move in and move out statistics for dwellings in which low income recipients have resided
- Benefits paid by agency and city
- Usage and billing amounts (therms, kWhs, revenue, etc)
- Program participation by the low income recipient in other PSE programs as evidenced by receipt of certain communication items.
- Types of charges and fees to which the low income award were applied

Impact on PSE's Warm Home Fund

PSE will continue to monitor the impact of the HELP Low Income Program on other energy assistance programs that our customers utilize, such as the Warm Home Fund and LIHEAP. The chart below illustrates the amount of customer donations to PSE's Salvation Army Warm Home Fund over a period of time before and after the HELP Program was put in place. During this timeframe the collection of HELP funds from all our customers does not appear to have had a negative impact on the amount of voluntary donations made to the Warm Home Fund. We will continue to monitor the level of distribution of benefits made to customers from this fund. We will continue to monitor the level of distribution of LIHEAP benefits made to our customers as well.



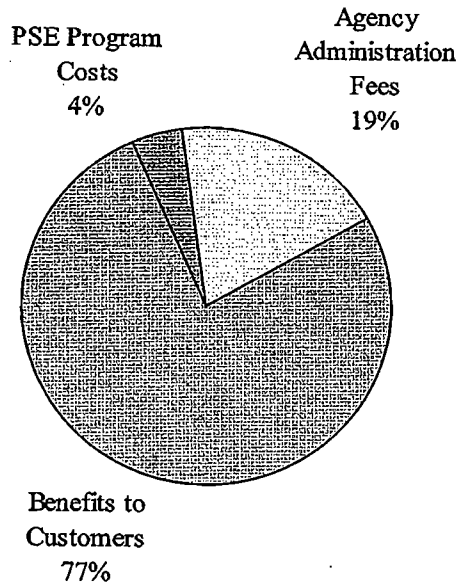
Administration of Program

During the first program year, eleven Low Income Agencies became Qualifying Organizations to help PSE administer this program. Throughout the year PSE hosted several working group meetings whereby Agencies had the opportunity to advise PSE on low income issues regarding the program. Operating procedures were discussed in order to improve the program, as well as discussions of ways to improve customer participation in the program, especially for natural gas customers. Such working group meetings were held on October 23, 2002, February 6, 2003, June 4, 2003, June 5, 2003, June 19, 2003, July 7, 2003 and Sept. 23, 2003.

During the current (second) program year, twelve Low Income Agencies became Qualifying Organizations to help PSE administer this program as contractors. During the current program year, PSE has already hosted working group meetings. These meetings were held on January 22, 2004 and April 9, 2004 and another is scheduled for July 14, 2004.

The chart below illustrates that the Agency Administration Fees, on average, comprised about 19% of the total program costs. The Agencies use these fees for program services, which includes, administration services, education services, and support services.

Allocation of Costs of HELP Program



Marketing of PSE HELP Program

The following pages contain copies of promotional and educational materials that PSE used to promote the PSE ("HELP") Low Income Program, in both the first and second program years.

The first document, produced by PSE, is a brochure describing the program in Vietnamese. In last year's Annual Report on Program Outcome filed with the Commission on May 30, 2003, the Company had previously provided the Commission with brochures in the following languages: English, Spanish, Russian, and Korean. In this year's report we have also included electronic copies of all these brochures on the attached CD. All these brochures can be accessed on our website at the following two addresses:

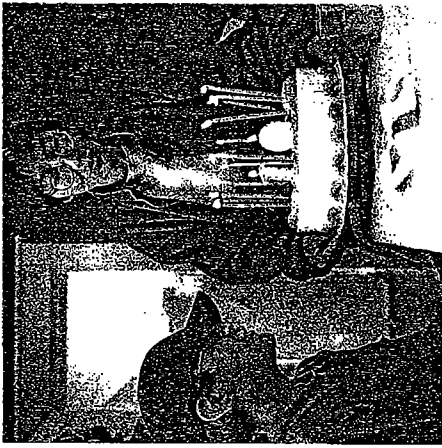
<http://www.pse.com/community/programs/assistanceprograms.html>
<http://www.pse.com/energy/brochuresonline.html#link3>

The approximate amount of production for these brochures is:

English	50,000 printed
Spanish	10,000 printed
Vietnamese	10,000 printed
Russian	10,000 printed
Korean	10,000 printed

The second set of attached documents is a copy of the program being described in the PSE Monthly newsletter to all customers, "Energywise". During the first program year, the low income program was mentioned in the August 2002, October 2002, and April 2003 newsletters. So far, during the second program year, the low income program was mentioned in the October 2003, January 2004 and May 2004 newsletters. The Energywise newsletter has an approximate circulation level of 1,150,000. PSE has also sent a bill insert to customers regarding the low income program. As reported in last year's report, PSE estimates it has sent approximately 1,750,000 copies of this bill insert to customers in the beginning of the first program year.

During the current (second) program year PSE has embarked on a Cable TV campaign for the promotion of the low income program. Of particular focus, is targeting the metropolitan Seattle area to increase participation in the natural gas side of the program. Announcement-style commercials using photos and voice over were produced in English, Spanish, Russian, Korean and Vietnamese. They featured the new PSE toll free number and the web address which has links to the foreign language brochures. All versions are multi-cultural and multi-generational. These commercials are included on the attached CD, in all the various languages. PSE is also preparing for a summer 2004 cable TV campaign. The proposed schedule and coverage maps are the final set of attached documents.



Có thêm HELP (GIÚP ĐỠ TÀI CHÁNH)

Khách hàng mua điện và khí đốt của Puget Sound Energy (PSE) có thể được trợ giúp đáng kể để trả tiền hóa đơn tiện ích. Nhờ một chương trình mới của PSE có tên gọi là HELP (GIÚP ĐỠ TÀI CHÁNH), nay các gia đình làm việc hội đủ điều kiện, người cao niên, người khuyết tật, cha hoặc mẹ sống độc thân nuôi con, và những người khác có lợi tức giới hạn sẽ được trợ giúp trả hóa đơn tiện ích nhiều hơn gấp đôi. Ngoài ra, chương trình HELP mới quy định mức giới hạn lợi tức cao hơn mà vẫn hội đủ điều kiện so với chương trình trợ giúp năng lượng đã có lâu nay của liên bang.

Tôi có thể nhận được HELP (GIÚP ĐỠ TÀI CHÁNH) bao nhiêu?

Chương trình HELP trợ cấp \$85 trả hóa đơn tiện ích cho khách hàng hội đủ điều kiện, đến tối đa là \$750 mỗi năm. Số trợ cấp chính xác sẽ tùy theo lợi tức trong nhà và số tiền hóa đơn đơn điện hoặc khí đốt thiên nhiên của khách hàng. Nhờ ngân khoản HELP mới này, nay có thêm khoảng 20,000 nhà khách hàng của PSE có thể được giúp trả hóa đơn tiện ích của họ.

AI hội đủ điều kiện của chương trình HELP (GIÚP ĐỠ TÀI CHÁNH)

Khách hàng tư gia của PSE có lợi tức trong nhà dưới 150 phần trăm mức tiêu chuẩn nghèo khó của liên bang có thể hội đủ điều kiện được giúp đỡ HELP. (Lưu ý: Tại một số quận, mức giới hạn trợ cấp của HELP còn thấp hơn mức 150 phần trăm mức tiêu chuẩn nghèo khó của liên bang.) Bảng bên phải cho thấy mức giới hạn lợi tức của HELP.

Số Người Trong Nhà Lợi Tức Hàng Tháng

1	\$1,123
2	\$1,515
3	\$1,908
4	\$2,300
5	\$2,693
6	\$3,085
7	\$3,478
8	\$3,870
9	\$4,263
10	\$4,655

* Mức giới hạn lợi tức thấp hơn tại một số quận. Những mức trợ cấp này có hiệu lực từ 10/1/03 - 9/30/04.

Chương trình trợ giúp khách hàng này chỉ được cung cấp qua các cơ quan địa phương liệt kê ở trang bìa sau.

Cần Được Giúp Trả Tiền Hóa Đơn Tiện Ích?



Xin HELP (GIÚP ĐỠ TÀI CHÁNH) ở đâu
 Muốn biết thêm chi tiết về chương trình HELP (GIÚP ĐỠ TÀI CHÁNH) của Puget Sound Energy hoặc muốn xin trợ giúp, hãy liên lạc với trung tâm trợ giúp năng lượng gần nhất (liệt kê dưới đây) trong quận quý vị.

- Quận Island**
 The Opportunity Council
 (cho quận này)
 360-679-6577
 1-800-817-5427
- Quận Jefferson**
 Community Action Programs
 360-985-2571
- Quận King**
 Multi-Service Center
 (cho quận này)
 253-474-4928
 (Federal Way)
 253-950-1338 (Kent)
- Hopewick**
 (cho quận bắc & đông)
 425-899-6027
 1-800-348-7144
- Central Area Motivation Program**
 206-326-2556 (cho Seattle)
- Quận Kitsap**
 Kitsap Community Resources
 360-478-1507
- Quận Kittitas**
 Kittitas County Action Council
 509-825-1446 (Ellensburg)
 509-874-2375 (Ch Elum)
- Quận Lewis**
 Community Action Council of Lewis/Các Quận Mason & Thurston
 360-438-1100
- Quận Whatcom**
 The Opportunity Council
 360-255-2192
 1-888-586-7283
- Quận Thurston**
 Community Action Council of Lewis/Các Quận Mason & Thurston
 360-438-1100
- Quận Skagit**
 Skagit Community Action Agency
 360-428-1011 (Mount Vernon)
- Quận Snohomish**
 Snohomish County Human Services Department
 425-986-7261
- Quận Sturgeon**
 Metropolitan Development Council
 253-572-5557 (Cư dân tại Tacoma)
- Quận Pierce**
 Pierce County Dept. of Community Services
 1-866-223-1068 (Cư dân trong Quận)
- Quận Lewis**
 Community Action Council of Lewis/Các Quận Mason & Thurston
 360-736-1800



Muốn biết chi tiết về các chương trình hoặc dịch vụ của Puget Sound Energy hãy gọi số điện thoại miễn phí của PSE 1-888-225-5773.

Puget Sound Energy Ấn Loát và Phiến Dịch.

EnergyWise

October 2003 Volume 7 • Issue 10

When Mother Nature chills out

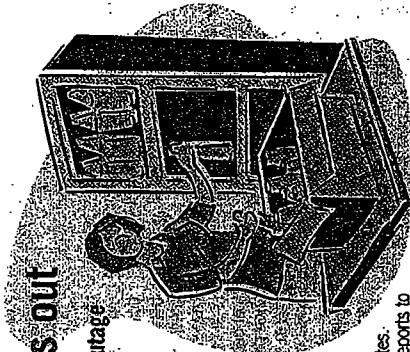
Puget Sound Energy is ready to respond quickly whenever a severe storm results in an outage, but your own preparation can help you stay safer and more comfortable.

Before a storm

- * Stock up on canned and other non-perishable foods, and a manual can opener.
- * Set aside one gallon of bottled water per person per day.
- * Have an emergency kit that includes a first aid kit, flashlight and extra batteries, battery-powered radio or emergency radio, matches and a fire extinguisher.
- * Keep an adequate blanket supply for extended outages. (Blankets and cardboard can be hung over windows and doorways to minimize heat loss.)
- * Attend a generator safety seminar if you plan to use a generator. Call 1-888-225-5773 for dates and locations.

If there is a power outage

- * Report power outages or downed lines by calling PSE toll free at 1-888-225-5773. The automated outage reporting system allows you to input outage information directly and helps speed restoration.
- * Use a battery-powered radio or TV to get updates. (PSE provides regular reports to local media during storms.)
- * Turn off or unplug appliances so they are not damaged by an electrical overload. Leave one light switch turned on to indicate when power is restored.
- * Avoid opening and closing refrigerators or freezers. A closed freezer will stay cold for up to 12 hours.



- * Open faucets slightly so they constantly drip to prevent pipes from freezing.
- * Don't cook indoors with a charcoal or gas grill as they generate poisonous carbon monoxide fumes.
- * If you use a portable home generator, follow the manufacturer's instructions.

A rule of thumb is that you can save 1% of your total heating bill for each degree of thermostat setback maintained for 8 hours.

Program your heat — SAVE BUCKS

Setting back your thermostat at night and when you're not home can help you save energy and money. A rule of thumb is that you can save 1% of your total heating bill for each degree of thermostat setback maintained for 8 hours. You can do this manually, but a programmable thermostat lets you wake or return to a warm home and still save money.

Many of the original thermostats offered relatively limited ability to set the times and degrees of setbacks. New programmable thermostats offer a wide range of options in terms of programming specific days, precise

setback degrees, setback lock-in when you travel, and tracking heating system run time. Battery stats retain their programming during power failures.

Make temperature setbacks carefully during severe cold weather when nighttime temperatures may drop below freezing. Under these conditions, some heating systems may lack capacity to return the house to comfortable temperatures and poorly protected water pipes may freeze. Heat pumps operate best when temperature range setbacks remain stable and setbacks may

The utility billing about a gas fireplace is

- * The demand meter is used to measure the amount of gas used during peak hours.
- * Gas usage is billed in increments of 100 cubic feet.
- * The demand meter is used to measure the amount of gas used during peak hours.
- * Gas usage is billed in increments of 100 cubic feet.
- * The demand meter is used to measure the amount of gas used during peak hours.
- * Gas usage is billed in increments of 100 cubic feet.

\$250 rebate
Call 1-800-562-1482 for details.

BILL PAYING ASSISTANCE for PSE customers

PSE's new HELP program provides bill-payment assistance (beyond federal programs) to qualified PSE customers. Eligible customers can receive \$50 up to \$750 per year in credits toward their electricity or natural-gas bills. Customers may qualify even with income levels higher than Federal low income standards. For example, a couple may qualify for aid with income of \$1,515 or less per month. The funds are administered through local agencies who are listed in the Community section of our Web site, pse.com, or you may call 1-888-CALL PSE for more information.

FOR OUR BUSINESS CUSTOMERS

Some businesses use electricity steadily, with little fluctuation in their kilowatt-hour usage. Other businesses have large swings in their rate of consumption, depending on variables such as equipment operation schedules, production cycles, and building occupancy times. Because PSE must maintain generation and transmission capacity to meet the needs of all its customers' needs, businesses that need large amounts of power for short periods of time are more expensive to serve. They pay for having this power available on demand.

Demand charges can be a significant portion of the bill for commercial electric customers whose electricity use fluctuates greatly. The charge is based on the highest average number of kilowatts used in any 15-minute period during the month. Demand charges apply only to commercial customers with peak demand greater than 50 KW.

A demand cost or charge reduction strategy should include reviewing and reducing overall base (steady) load and using manual techniques or automatic demand controllers and timers to avoid simultaneous operation of large, energy-using equipment.

- Some specific ways to lower demand charges include:
 - Upgrade the efficiency of steady base loads such as lights, fans and pumps
 - Make sure to turn these loads off when not needed
 - Stagger equipment startup times to avoid simultaneous "peaking" of the equipment.
 - Use energy information tools such as monitoring and metering to identify periods of peak use and take steps to manage your loads.
- The demand rate is higher October through March when there is more overall demand for electricity. If you would like more information on how to reduce demand charges at your facility, contact a PSE Energy Management Engineer at 1-800-562-1482.

Natural gas costs rise

As Energywise goes to press, residential natural gas bills are expected to rise about 12.5% starting October 1, 2003. This increase is subject to approval by the Washington Utilities and Transportation Commission, and is based on the continuing increase in natural gas prices at the wholesale level. If approved, the average residential bill for 80 therms per month will rise about \$7.81, bringing the average monthly bill to \$70.21 — about what you paid during the 2001-02 winter.

PSE requested this increase through a Purchased Gas (cost) Adjustment mechanism (PGA), that allows PSE and other gas utilities to periodically adjust natural gas prices to reflect the increasing or decreasing cost of gas on the wholesale market. The price of gas fluctuates, and the PGA allows for regular adjustments to avoid huge increases or decreases in your bill at one time. PSE is not allowed to make a profit on the cost of natural gas, but is only allowed to recover actual costs.

EnergyWISE

January 2004

Volume 8 • Issue 1

Use care and GOOD SENSE with Supplemental HEATING

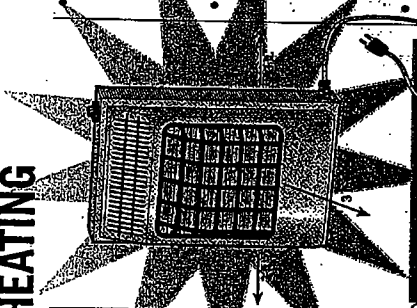
The majority of home heating fires involve supplemental space heaters according to the National Fire Protection Association (NFPA). The most common problems leading to fires are failing to clean devices, placing them too close to combustible items, flaws in construction or design, and improper fueling.

All space heaters can be used safely if close attention is paid to the rules of safe installation, usage, and maintenance. NFPA makes these recommendations:

- When buying a new unit, make sure that a qualified technician installs the unit or checks that the unit has been installed properly.
- When turning a heating device on or off, follow the manufacturer's instructions. When buying heaters, choose devices with automatic shut-off features.
- Keep space heaters at least 3 feet away from anything that can burn.

For wood or coal stoves or fireplaces, have a professional inspect the chimney, chimney connector and other related equipment every year, and have them cleaned as often as the inspections indicate.

- Fuel portable kerosene heaters in a well-ventilated area away from clothes or other heat sources, and only when the device has cooled completely. Use only the type of kerosene specified by the manufacturer, and never use gasoline. Use only if such heaters are legal in your community.
- Make sure any gas-fueled heating device is adequately ventilated. Never use liquefied-petroleum gas (propane) heaters with self-contained fuel supplies in the home.

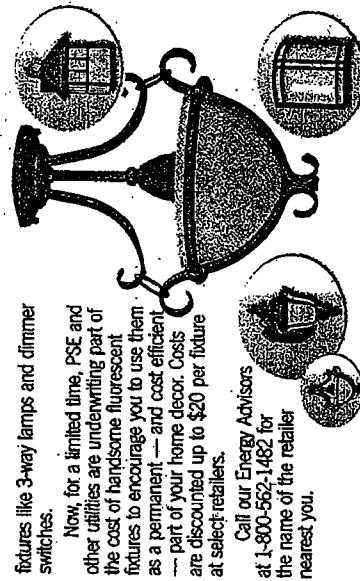


#1 Keep space heaters at least 3 feet away from anything that can burn.

Fluorescent HOME FIXTURES step out in STYLE

You may have noticed in recent years that PSE and other energy companies have been encouraging customers to use compact fluorescent light bulbs (CFLs) in their homes. The reasons are simple. PSE needs your help to meet conservation goals that will benefit the region. CFLs not only save a lot of energy — up to 75% — they last up to 10 times as long as incandescent bulbs.

The new bulbs have gotten more customer friendly. The light is warmer and bulbs have been developed to work with specialty



fixtures like 3-way lamps and dimmer switches.

Now, for a limited time, PSE and other utilities are underwriting part of the cost of handsome fluorescent fixtures to encourage you to use them as a permanent — and cost efficient — part of your home decor. Costs are discounted up to \$20 per fixture at select retailers.

Call our Energy Advisors at 1-800-562-1482 for the name of the retailer nearest you.

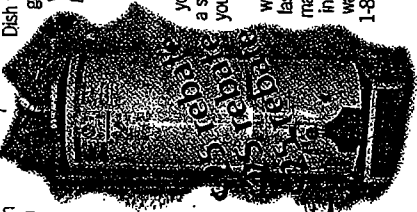
Save \$25 on a gas water heater — your home's 2nd largest energy user

That hard working, reliable gas water heater in your garage or basement will usually provide you with hot water for a dozen years. But when you need to replace it, you'll want to check the energy use guide, because it can make a BIG difference in your energy bill.

PSE is now offering a \$25 rebate to natural gas customers who buy a natural gas water heater with the new higher minimum qualification .62 Energy Factor (EF). The rebate will cover part of the increased cost of the water heater, and you'll get years of savings on your energy bill.

When buying a water heater, bigger tanks are not always

better. Decide how many gallons of hot water you might need in the first hour, which is called your First Hour Rating, or FHR, and don't pay for heating lots more. Figure 20 gallons for a shower and 25 for a bath. Dish washing will take 15 gallons and clothes washing about 36 gallons.



Natural gas water heaters can heat water up to twice as fast as an electric model, so you may be able to use a smaller tank size than your FHR would indicate.

Any water heater will perform better and last longer if properly maintained. For more information about the water heater rebate, call 1-800-562-1482.

FOR OUR BUSINESS CUSTOMERS

Winter saving tips for your HVAC system

You can save an estimated 30% or more on your HVAC energy bills with proper maintenance and operating procedures. Here are some ways:

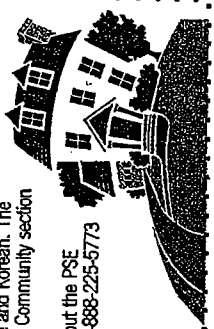
- Have your fuel burning HVAC system tested for combustion efficiency, and adjusted if necessary. Inefficient fuel burning is costly.
- Reprogram thermostats from summer to winter settings and adjust for holidays, changes in work hours and occupancy levels. (Set heating at 70° F).
- Consider a locking enclosure for your thermostat if it is subject to tampering.
- Maintain a 5 degree separation, or "deadband" between settings for heating systems and cooling systems so both don't come on at once.
- Check to see that unoccupied areas such as storage spaces aren't being heated
- Inspect duct system, including crawl spaces, and seal any leaks with duct sealant.
- Close curtains, shades and blinds at night and during unoccupied periods to retain heat, and open them on sunny days to take advantage of solar heating.

Need HELP with winter energy bills? Check out PSE's Energy Assistance program

With colder weather comes higher energy bills, and for many this is a major strain on the budget. PSE's HELP program provides bill-payment assistance (beyond the federal LIHEAP program) to qualified PSE customers. Eligible customers can receive \$50 up to \$750 per year in credits on their electricity or natural gas bills. They may qualify even though their income levels are higher than Federal low income standards. For example, a single person may qualify for aid with income of \$1,123 or less per month.

The funds for the PSE HELP program are administered through local energy assistance agencies. You can find the agency nearest you by calling our recorded HELP information line, toll free at 1-866 223-5425 and selecting the county in which you live. Messages are provided in English, Spanish, Russian, Vietnamese and Korean. The agencies are also listed in the Community section of our Web site, www.pse.com.

For more information about the PSE HELP program, call toll free 1-888-225-5773 (1-888-CALL PSE).



Puget Sound Energy 1-888-225-5773 (24 hours for emergencies)



Puget Sound Energy 1-888-225-5773 (24 hours for emergencies)

www.pse.com

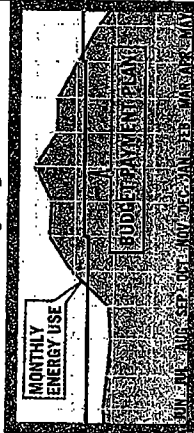
Your Rates and Rights as a Customer
If you would like to know your rights as a customer, or access your natural gas or electric rates, we have them available on the web and in printed copies. They can be found on our Web site, www.pse.com, in the Brochures Online section, or they can be ordered by calling our Customer Care Center at 1-888-225-5773. (1-888-CALL-PSE)
A copy of WUTC rule 480-90 for natural gas and 480-100 for electric can be obtained at www.wutc.wa.gov or by calling the Washington Utilities and Transportation Commission at 1-800-562-6150.

ENERGYWISE

May 2004

Volume 8 • Issue 5

BUDGET your PSE payments



PSE customers can level out the peaks in their natural gas and electricity bills by using our Budget Payment Plan. This plan allows you to spread your energy bills more evenly over the year. The budget payment amount is based on your past 12 months actual energy use. We review your account 3 times a year, and we increase or decrease your payment based on your actual use.

Once a year in June your account is reconciled, and your new payment amount established. If the cost of the energy you used during the past year exceeded your payments, the balance due will be added to your June bill. If you paid more than your actual bill would have been, you will receive a credit on your June bill.

The Budget Payment Plan is available to PSE residential customers, and small businesses that don't have an outstanding balance. Sign up during summer to keep your average monthly bill lower. Your payments must be kept current to remain on the program. To sign up, call 1-888-225-5773 or e-mail us at customerservice@pse.com. Please put Budget Payment Plan in the header, and include your name, account number and a phone number where you can be reached in the message.

Still paying off winter heating bills? PSE may be able to HELP



Eligible customers can receive from \$50 up to \$750 per year in credits on their electricity or natural gas bills.

Many people may still be paying off high heating bills from last winter's cold spell. PSE's HELP program can provide bill-payment assistance to qualified PSE customers beyond the Federal LIHEAP monies. They may qualify for assistance even though their income level may be higher than federal low income standards. For example, a single person may qualify for aid with income of \$1,123 or less per month.

The funds for the PSE HELP program are administered through local energy assistance agencies. You can find the agency nearest you by calling our recorded HELP

information line, toll free at 1-866-223-5425 and selecting the county in which you live. Messages are recorded in English, Spanish, Russian, Vietnamese and Korean. The agencies are also listed in the Community section of our Web site, www.pse.com.

Puget Sound Energy 1-888-225-5773 (24 hours for emergencies)

www.pse.com

Natural gas odor makes it easy to DETECT

Natural gas smells like rotten eggs. At least it does after PSE adds mercaptan, a harmless odorant that allows you to detect the presence of gas at concentrations far below combustible levels. In its natural state, natural gas is tasteless, colorless and odorless. It is a safe, clean and efficient fuel when properly contained and used.

If you smell the rotten egg smell of natural gas escaping, avoid creating sparks:

- Do not light a match, smoke, or do anything that might create sparks.
- Do not turn on/off any switches or appliances.

- Do not use the phone, even a cell phone.
- Do not leave the building and call PSE immediately at 1-888-225-5773 from another building or outside. Our personnel will respond 24 hours a day to any emergency call.
- Do not open doors and windows on the way out.

Signs of a gas leak underground include a hissing sound, bubbles rising in a puddle or dirt blowing upwards.



For free copies of our Natural Gas Safety, "scratch-and-sniff" brochure with the rotten egg smell, call 1-888-225-5773.

FOR OUR BUSINESS CUSTOMERS

Variable-speed drives SAVE ENERGY, and WEAR AND TEAR on equipment

The annual cost to operate a motor over its life is usually many times more than its initial purchase price, according to the U.S. Department of Energy, so upgrades to optimize and improve efficiency can save significant amounts of energy and money.

Motors drive pumps, fans, blowers, air compressors and other equipment used in all types of businesses. Traditional systems often waste energy by running motors continuously at full capacity, regardless of the load.

Variable-speed drives vary the frequency of AC electricity in response to an electrical signal. When coupled with a fan or pump motor, the change in frequency will result in a change in motor speed. Large reductions in electricity are achieved when fans or pumps operate at reduced speeds to handle less than full loads.

Now, motors can be equipped or retrofitted with variable-speed drives that allow the motor to more closely match its power output with the energy required for the task.

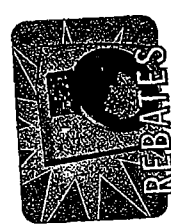
For more information about variable-speed drives and to find out about available rebates for business customers with PSE electric service, call a PSE Energy Advisor at 1-800-562-1482.



purchase of an ultra-high efficiency clothes washer (Level 2). See your local retailer for information about eligible models and rebate forms, or see the Spring Savings section of www.pse.com. This offer is available only to PSE electric customers to encourage conserving electricity. Limit 1 rebate per washing machine purchased.

www.pse.com

Puget Sound Energy 1-888-225-5773 (24 hours for emergencies)



Get \$60 - \$100 in REBATES on efficient clothes washers

Save up to \$100 now on a new ENERGY STAR®-qualified clothes washer, as well as enjoy long term savings on your energy bill. If you need a new clothes washer, take advantage of the PSE Double Your Savings with Energy Star promotion that runs through July 15, 2004.

Here's how it works. Ten manufacturers are offering \$25 rebates on the purchase of Efficiency Level 1 Energy Star-qualified clothes washers, and \$50 on Level 2 ultra-high efficiency models.

PSE will add an extra rebate of \$35 for a Level 1 or \$50 for the

Our Community

Puget Sound Energy strives to be a good corporate citizen by supporting local and regional community activities.

One of these is the Amber Alert program which enlists the public to help locate abducted children in the first hours after abduction, when safe recovery is most likely. When law enforcement



authorities declare an Amber Alert, you can access information and photos of these children by clicking on the Amber Alert button at the bottom of the pse.com home page.

Another important area PSE supports is preserving the Mountains to Sound Greenway along the I-90 corridor. This year, PSE is a sponsor of summer-long activities in communities from Thorpe to Puget Sound, 100

Things to do in 100 Miles will highlight the Mountains to Sound Greenway Discovery Days, June 11-13. It will focus on family and environmental activities and education. For more information about the programs or activities in this Northwest treasure, see www.mtsgreenway.org.

PSE ENERGY

PSE proposes new natural gas and electric rates

Puget Sound Energy has proposed new rates for natural gas and electricity to be in effect starting on June 1, 2004. The proposed rates are based on the actual cost of the energy and the cost of the service provided. The proposed rates are available on our website at www.pse.com.

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PUGET SOUND ENERGY													
Summer 2004 HELP Low Income TV Schedule													
May 26, 2004	Weeks:	May 24 - 30	May 30 - June 6	June 7 - 13	June 14 - 20	June 21 - 27	June 28 - July 4	July 5 - 11	July 12 - 18	July 19 - 25	July 26 - Aug 1	Aug 2 - 8	Aug 9 - 15
Program/Time	Days	Comms	Comms	Comms	Comms	Comms	Comms	Comms	Comms	Comms	Comms	Comms	Comms
SEATTLE MARKET													
Animal Planet													
4 - 7 pm	Su, Mon, Tu	6	6	6									
7 - 11 pm	Su, Mon, Tu	7	7	7							7	7	7
Hallmark													
4 - 7 pm	Su, Mon, Tu	6	6	6									
7 - 11 pm	Su, Mon, Tu	7	7	7							7	7	7
TBS													
4 - 7 pm	Su, Mon, Tu	6	6	6							6	6	6
7 - 11 pm	Su, Mon, Tu	7	7	7									
USA													
7 - 11 pm	Su, Mon, Tu										8	8	8
SEATTLE DMA													
Animal Planet													
10 a - 6 pm	Su, Mon, Tu				12	12	12		12	12			
Hallmark													
10 a - 6 pm	Su, Mon, Tu				12	12			12	12			
TBS													
10 a - 6 pm	Su, Mon, Tu						12	12	12	12			
USA													
10 a - 6 pm	Su, Mon, Tu				12	12	12	12		12			
ELLENSBURG													
Lifetime													
4 - 11 pm	Su, Mon, Tu	10	10	10	10	10	10						
USA													
4 - 11 pm	Su, Mon, Tu	10	10	10	10	10	10						
TBS													
4 - 11 pm	Su, Mon, Tu	10	10	10	10	10	10						



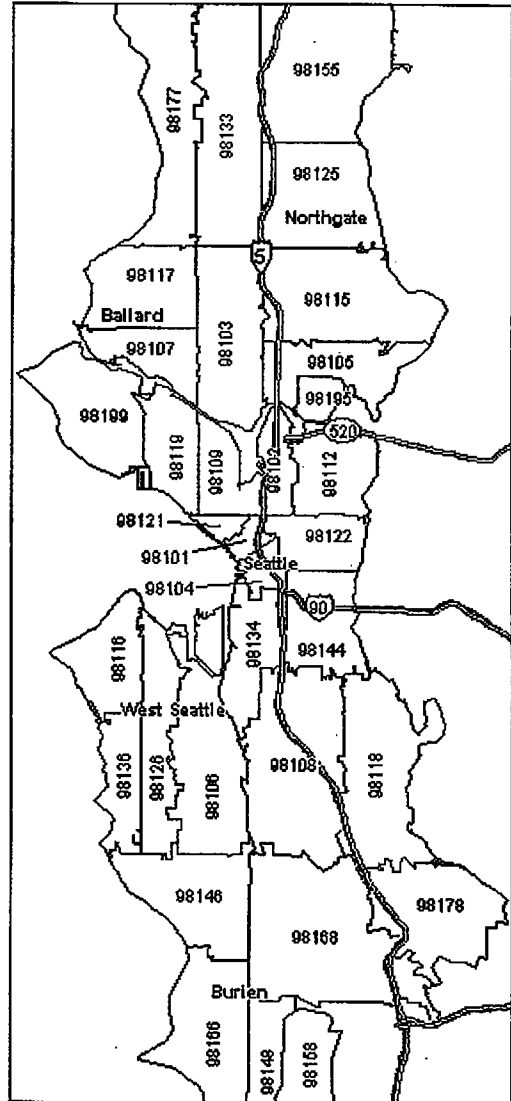
Seattle Zone

Seattle Office

18 W. Mercer St., Ste 100
 Seattle, WA 98119
 (206) 286-1818
 Fax: (206) 286-9010

Comcast Cable Viewers
137,756

Zip Code	Neighborhood Name	Zip Code	Neighborhood Name
98101	Seattle	98125	Lake City
98102	Broadway	98126	W. Seattle
98103	Greenwood	98133	Bitter Lake
98104	Seattle	98134	Seattle
98105	Seattle	98136	W. Seattle
98106	White Center	98144	Int'l District
98107	Ballard	98146	White Center
98108	Georgetown	98148	Burien
98109	Queen Anne	98155	Forest Park
98112	Capitol Hill	98158	Sea-Tac AMF
98115	Wedgwood	98166	Burien
98116	W. Seattle	98168	Riverton Hghts.
98117	Ballard	98177	Bitter Lake
98118	Columbia	98178	Skyway
98119	Queen Anne	98195	Seattle
98121	Seattle	98199	Magnolia
98122	East Union		



Area Demographics

<u>Education Level</u>		<u>Household Income</u>		<u>Age Breakout</u>	
High School Grad	22%	under \$35,000	30%	18-24	14%
Some College	40%	\$35-\$49,000	19%	25-34	22%
College Degree	17%	\$50-\$74,000	19%	35-44	21%
Post Grad Degree	12%	\$75,000+	32%	45-54	18%
				55-64	10%
				65+	17%

Source: Scarborough Sep02-Aug03 Seattle DMA



