

February 15, 2005

VIA E-MAIL AND REGULAR MAIL

Ms. Carole J. Washburn, Executive Secretary
Washington Utilities and Transportation Commission
PO Box 47250
Olympia, WA 98504-7250

**Re: PSE Service Quality Program - Service Provider Report
Docket Nos. UE-011570 and UG-011571**

Dear Ms. Washburn:

Pursuant to Exhibit J of the Settlement Stipulation Re Service Quality Index (SQI) in Docket Nos. UE-011570 and UG-011571 and as amended by UE-031946, Puget Sound Energy ("PSE" or "the Company") provides herewith an original and 12 copies of PSE's Service Quality Program - Service Provider Report for the twelve-month period ending December 2004. An electronic copy of the same is delivered via email to records@wutc.wa.gov.

The enclosed report shows detailed performance for each Service Provider Index (SPI) by service provider and applicable service quality metric for the reporting period for PSE's service providers, Quanta and Pilchuck. (With the exception of SPI No. 2, performance is gathered and reported on a monthly basis.) The benchmark thresholds of performance for PSE's Service Providers were established using the Company's inhouse performance prior to the implementation of the Service Provider contracts. The thresholds are outlined below.

- SPI No 1. Standards Compliance - 95% of possible site audit check list points,
- SPI No 2. Customer Satisfaction (NCC) - Pilchuck, 83% satisfied (rating of 5 or higher on a 7-point scale) and Quanta, 75% satisfied (rating of 5 or higher on a 7-point scale),
- SPI No 3. Appointments Kept - Meet at least 92% of all commitment dates, and
- SPI No 4. Second Safety Response - Gas, Average of 60 minutes or less from First Response arrival and assessment completed to Second Response arrival.

The Company hopes the information contained in this report is helpful. PSE would be happy to meet with interested parties to discuss more fully the data elements included in the enclosed report and to discuss how the report might be modified if necessary, in order to meet any additional SPI data needs.

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If you have any questions regarding this report, please contact me at 425-456-2797.

Sincerely,

Karl R. Karzmar
Director, Regulatory Relations

Enclosures

cc: Joelle Steward - Washington Utilities & Transportation Commission
Mary Kimball - Public Counsel
Chuck Eberdt - Opportunity Council