

**Annual Report on Program Outcome of
PSE's "HELP" Low Income Program
For Program Year Oct. 2003 – Sept. 2004
May 31, 2005**

Description of Benefit

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

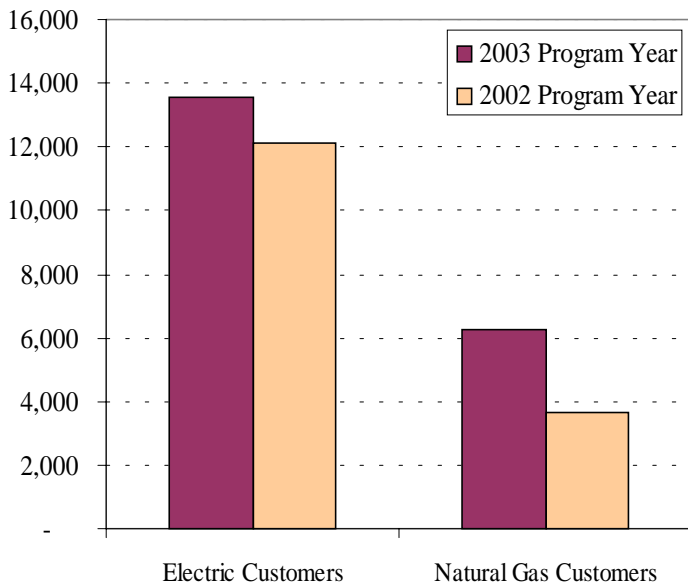
Electric customers	13,581
Natural Gas customers	6,252

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 17,754. Of the electric customers receiving benefits, 15% were also natural gas customers. Of the natural gas customers receiving benefits, 33% were also electric customers.

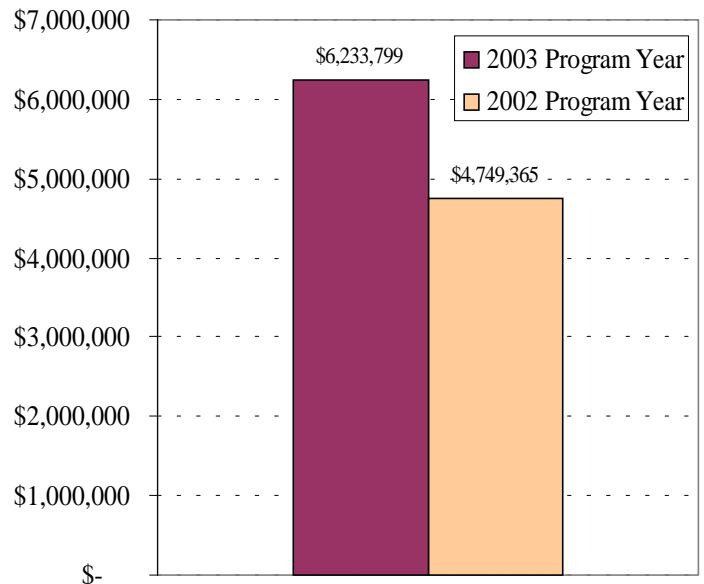
The total dollar amount of benefits paid to customers during the program year:

Electric	\$4,651,103
Natural Gas	<u>\$1,582,696</u>
Total	\$6,233,799

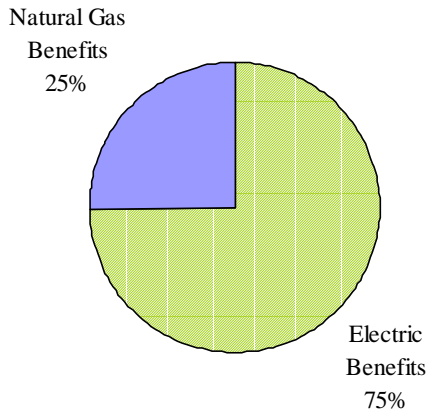
Number of Customers Receiving Benefits Comparison



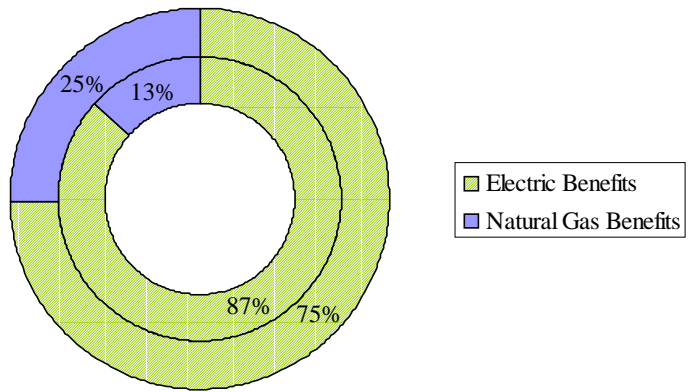
Comparison of Total Dollar Benefits Paid to Customers



Comparison of Benefits by Fuel Type
2003 Program Year

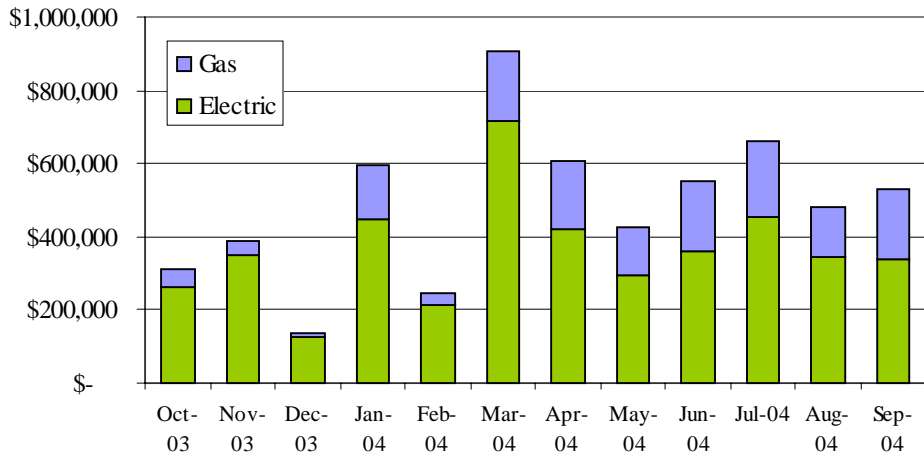


Comparison of Benefits by Fuel Type
2003 Program Year (Outer Ring) Compared to 2002 Program Year (Inner Ring)

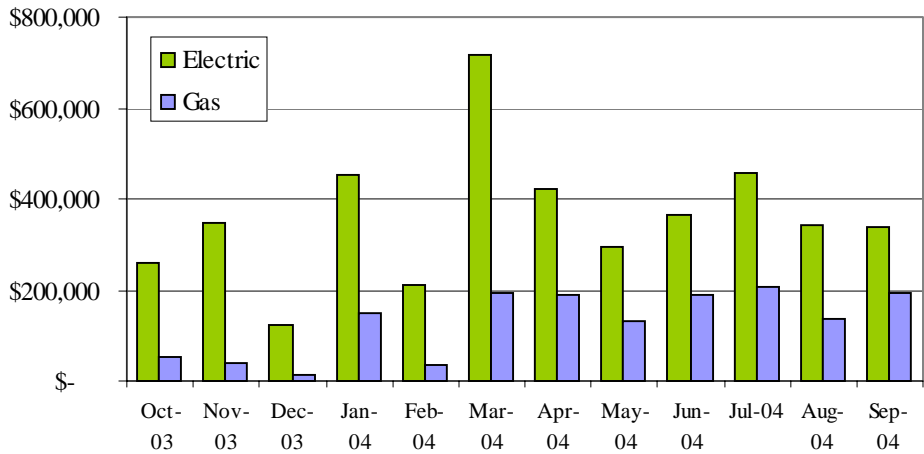


The charts above show the relative amount of benefits awarded with respect to electric and natural gas. The charts below show the monthly pattern of distribution of benefits to PSE customer households during the 2003-2004 program year. The first chart is a stacked bar chart with the both the electric and natural gas benefits. The second chart is a side-by-side bar chart with both the electric and natural gas benefits by month.

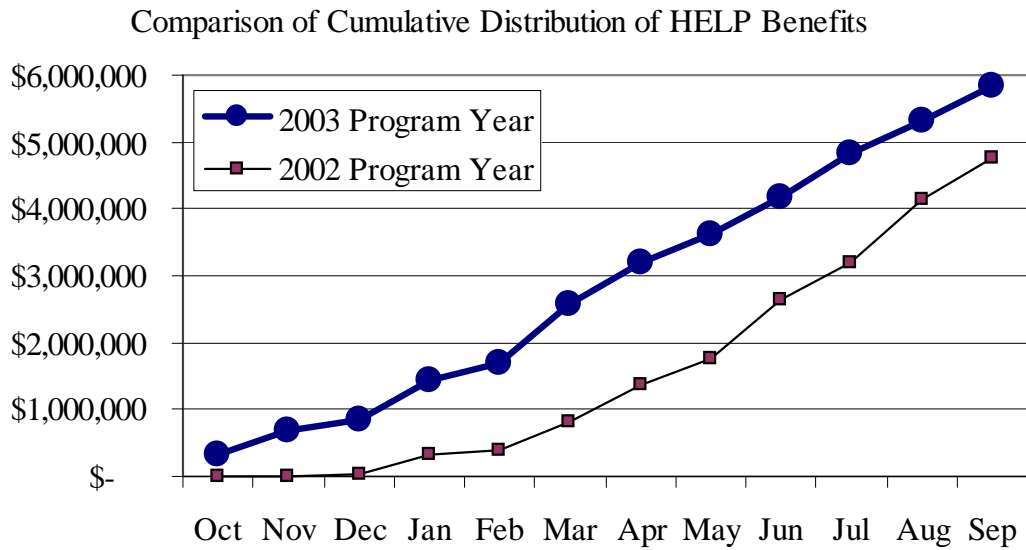
Monthly Pattern of Distribution of HELP Benefits



Monthly Pattern of Distribution of HELP Benefits



The following chart shows the cumulative amount of distribution of benefits to PSE customer households through each program year on a monthly basis. The chart shows a comparison of cumulative amount of benefits between the 2002-2003 program year and the program year 2003-2004. Distribution of benefits to low income customers in the most recently ended program year (starting Oct. 2003) was running, on average, \$1.4 million ahead of the previous year's distribution pace. Or put another way, the distribution of benefits was approximately three months earlier this program year compared to the previous year's pace.

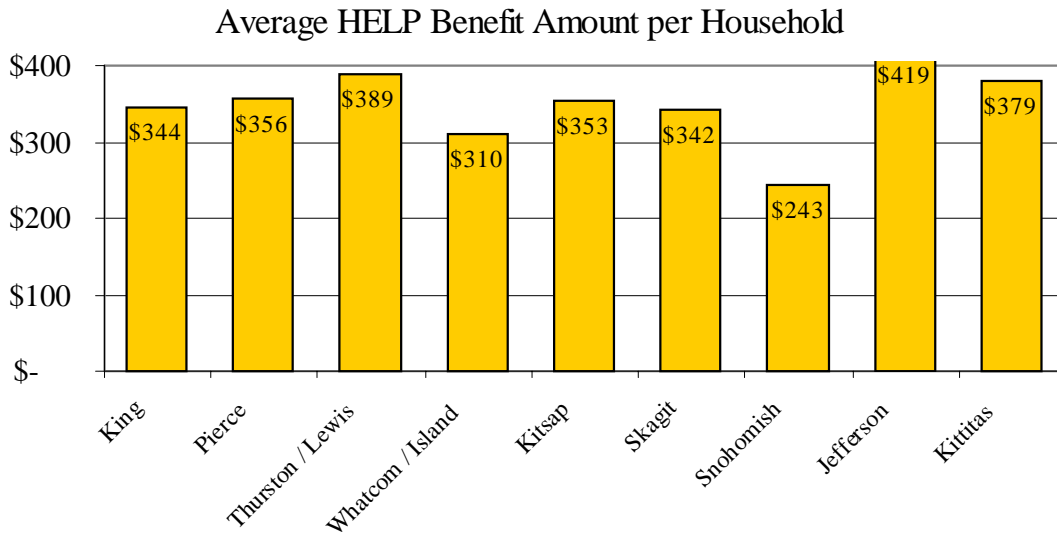


Demographics of Customer Households

The average level of HELP benefits to each qualifying low income household is \$344 for the 2003-2004 program year. The table and chart below show the average benefits per household for the various counties in PSE's service territory.

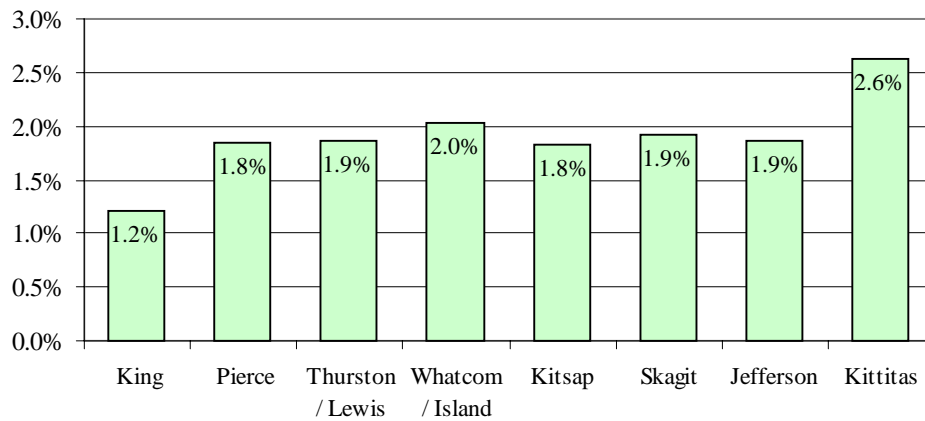
Average HELP Benefits Awarded per Qualifying Household by County

King	\$344
Pierce	\$356
Thurston / Lewis	\$389
Whatcom / Island	\$310
Kitsap	\$353
Skagit	\$342
Snohomish	\$243
Jefferson	\$419
Kittitas	\$379
<i>Average</i>	<i>\$344</i>

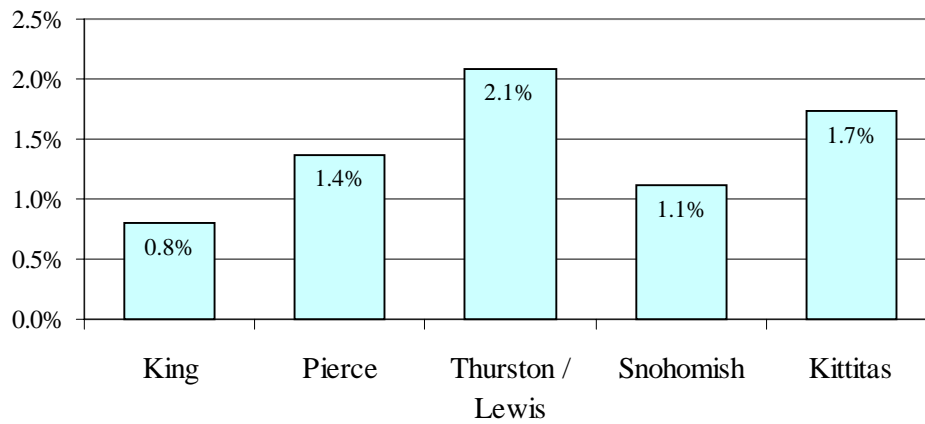


The following charts show the ratio between the number of customers receiving benefits on PSE’s HELP Low Income Program compared to the total number of residential customers in that county (March 2004). The first chart shows the percentage of electric customers, by county that received PSE HELP benefits. The overall average for electric customers in all counties is 1.6%. 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 1.0%.

Percentage of Residential Electric Customers Using HELP Program

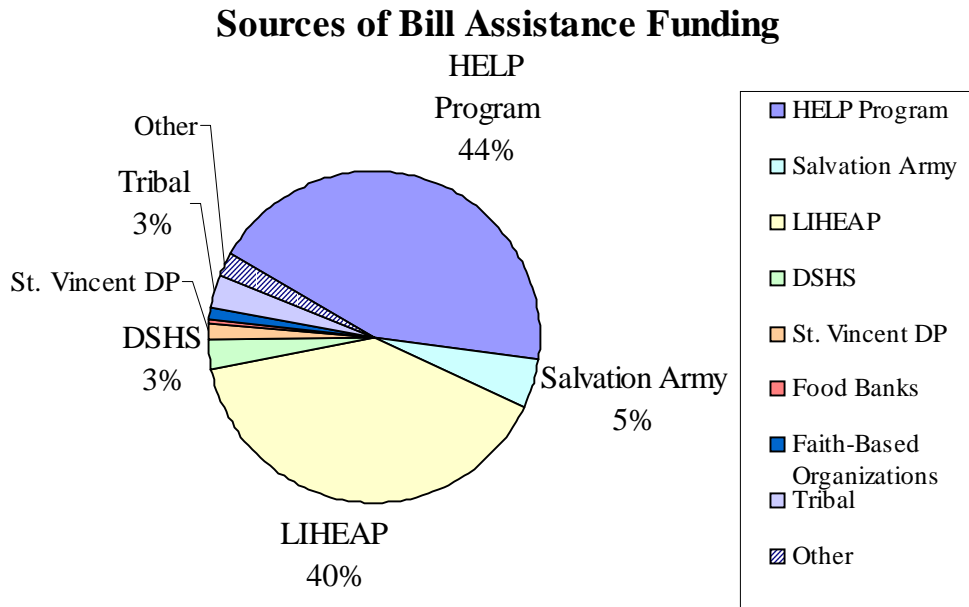


Percentage of Residential Natural Gas Customers Using HELP Program



Benefit Impacts

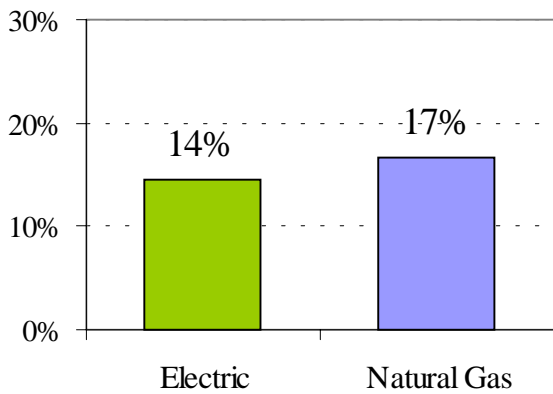
To get a better sense of the impact of benefits of the HELP and other bill assistance programs on customers, we present a few statistics on all bill assistance programs. The figures presented in this section are for all PSE customers receiving some sort of bill assistance sometime during the program year. As is shown in the chart below, the PSE HELP Program comprises about 44% of all bill assistance dollars awarded during the program year. Bill assistance funding from the federal government through the LIHEAP program comprises about 40% of all bill assistance. Other major sources of pledges for bill assistance include the Salvation Army (5%), Department of Social and Health Services (3%), and various Tribal Agencies (3%).



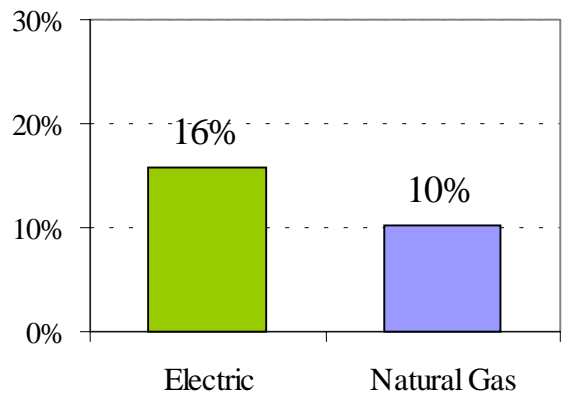
The two charts below compare the percentage of customers who received some sort of billing assistance during the program year and were also disconnected during the program year. Keep in mind these charts only show what happened to customers during the program year, this data does not tell us which event occurred first, namely the receipt of billing assistance or the disconnection. The first chart highlights the percent of customers who were disconnected and who also received some bill assistance. Overall, 15% of disconnected customers also received some bill assistance. For electric customers it was about 14% and for natural gas customers it was about 17%.

The second chart highlights the percent of customers who received some bill assistance and were also disconnected during the program year. Overall, 14% of customers receiving bill assistance also were disconnected sometime during the program year. For electric customers it was about 16% and for natural gas customers it was about 10%.

Percent of Disconnected Customers Who Received Some Bill Assistance

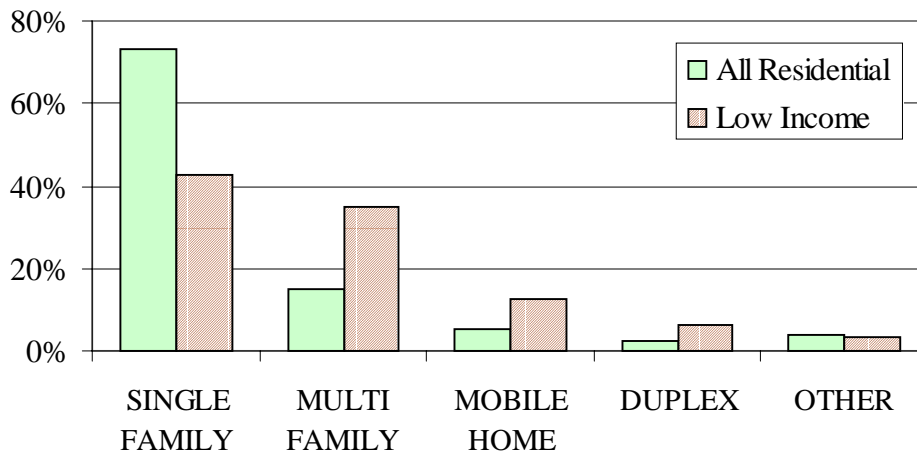


Percent of Customers Receiving Bill Assistance Who Were Disconnected



The chart below is a comparison of residential housing structure types between all residential customers and customers receiving some sort of bill assistance during the program year. Customers receiving bill assistance were more than twice as likely as all residential customers to live in a multi-family structure, a mobile home or a duplex.

Residential Structure Type Distribution

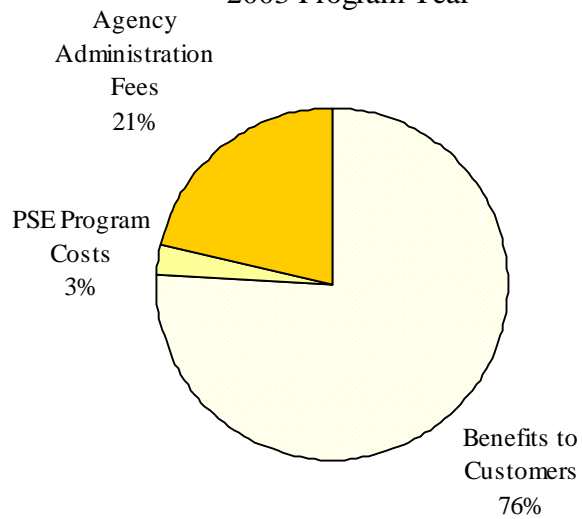


Administration of Program

During the program year, twelve Low Income Agencies became Qualifying Organizations to help PSE administer the HELP program.

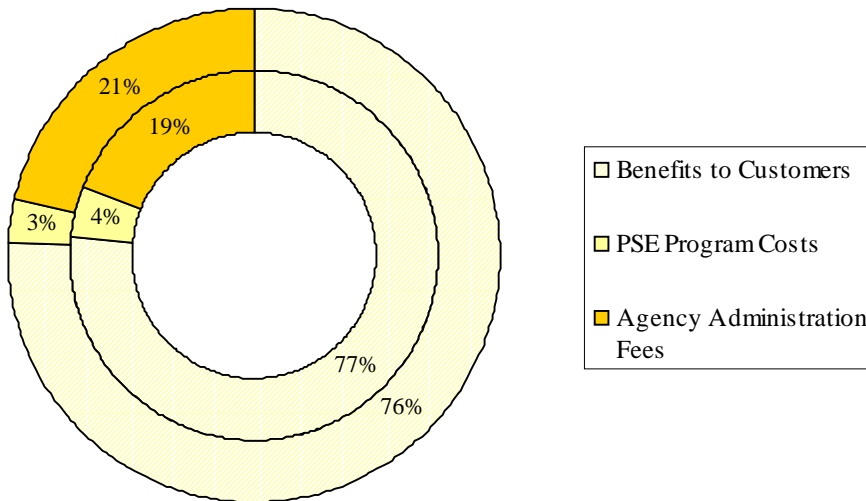
The chart below illustrates that the Agency Administration Fees, on average, comprised about 21% of the total program costs. This is up from 19% from the previous program year. The Agencies use these fees for program services, which includes, administration services, education services, and support services.

Allocation of Costs of HELP Program
2003 Program Year



Allocation of Costs of HELP Program

2003 Program Year (Outer Ring) Compared to 2002 Program Year (Inner Ring)



Marketing of PSE HELP Program

The following are some highlights regarding the marketing of the HELP program during the program year. In previous reports PSE has provided the Commission with copies of brochures in the following languages: English, Spanish, Russian, Korean, and Vietnamese. 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>

- Provided a multilingual recorded telephone line (866 223-5425) about the program and options for local agency contact information. (English, Spanish, Russian, Korean and Vietnamese)
- Cable TV schedule of 12 weeks in Western Washington and 8 weeks in Eastern Washington was run on selected networks in both markets and on the international channel in Spanish, Korean, Vietnamese, and Russian in Western Washington.
- A significant effort was made in 2003-2004 to address the areas of fund under-utilization, gas customers in general and specifically the Seattle metropolitan area.
 - Gas service crews were familiarized with the program and provided brochures for distribution.
 - Ran a schedule of 10 ads in metropolitan Seattle to improve customer participation with Central Area Motivation Program.
 - Sent press release to Central area newspapers and international newspapers regarding availability of funding for natural gas customers.
 - Bill insert mailed to Seattle natural gas customers June 15 – Aug 31 to stimulate response for natural gas funding.
 - An electronic poster in PDF format was developed for Central Area Motivation Program to email to community and service agencies, or to print and distribute locally at their option.
 - City of Seattle distributed HELP bill inserts at their community fairs.
 - City of Seattle featured the HELP program in their newsletter.
- Targeted late season bill inserts were mailed only to areas with unallocated funds. (Seattle, Whatcom and Island Counties).
- The customer newsletter, Energywise, featured the HELP program in October 2003, January 2004, and May 2004. The Energywise newsletter has an approximate circulation level of over 1,100,000.
- Bill inserts regarding the HELP program were run in October 2003 (#3486 – HELP 2-panel), January 2004 – March 2004 (#3519 – Conserve/Bill assist) to all customers; and June 2004 – October 2004 (#3575 HELP) and September 2004 – December 2004 (#3615 – Managing heating bills).