

P.O. Box 97034 Bellevue, WA 98009-9734

July 29, 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 Filing 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, Puget Sound Energy, Inc. ("PSE" or "the Company") provides herewith an original and 12 copies of PSE's Service Quality Program Report for the six-month period ending June 2005.

The enclosed report includes:

- Monthly data for the reporting period January through June 2005 for each of the 11 SQIs (Attached as Exhibit A),
- The number of missed appointments and missed commitments and payments to customers, by category, under the Service Guarantee for the reporting period January 2005 through June 2005 (Attached as Exhibit B), and
- The survey results of customer awareness of the \$50 service guarantee for the reporting period January through June 2005 (Attached as Exhibit C).

As shown in Exhibit A, the Company's performance meets or exceeds the required performance level for eight of these eleven indices.

With respect to SQI No. 1 -- Overall Customer Satisfaction -- the report indicates that, for the sixmonth period, 84% of surveyed customers rated their overall satisfaction at 5 or higher on a 7-point scale (as compared with the benchmark of 90%).

With respect to SQI No. 5 -- Telephone Center Answering Performance -- the report indicates a sixmonth average of 67% of the calls answered live within thirty seconds (as compared with the benchmark of 75%). PSE has in place a plan to mitigate this performance over the next six months. The Company expects that the twelve month average performance will be at or above the required 75% benchmark by December 2005, the end of the current annual reporting period.

With respect to SQI No. 8 -- Field Service Operations Transactions Customer Satisfaction -- for the six-month period, 89% of surveyed customers rated their overall satisfaction at 5 or higher on a 7-point scale (as compared with the benchmark of 90%) as shown in Exhibit A.

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There is no penalty calculation associated with this semi-annual report.

If you have any questions regarding this report, please contact Mei Cass at 425-462-3800 or me at 425-456-2797.

Very truly yours,

Karl R. Karzmar Director, Regulatory Relations

Enclosures

cc: Joelle Steward – WUTC Steven Johnson – Public Counsel Chuck Eberdt – Opportunity Council

Exhibit A

Monthly SQI Performance Results For The 11 SQI Measures

Exhibit B

- Summary Of Missed Appointments Report
- Detailed Missed Appointments Report

Exhibit C

• Customer Awareness of Service Guarantee