

**Annual Report on Program Outcome of
PSE's "HELP" Low Income Bill Assistance Program
For The 2004 Program Year, Oct. 2004 – Sept. 2005
May 31, 2006**

Description of Benefit

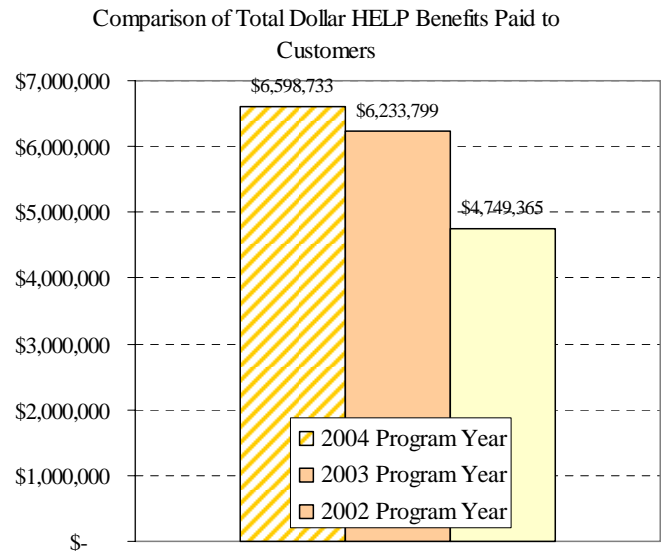
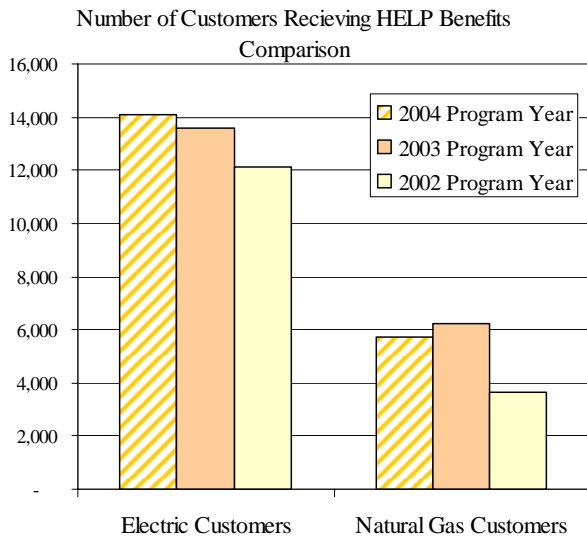
The following table shows the number of PSE customers receiving benefits from the HELP program.

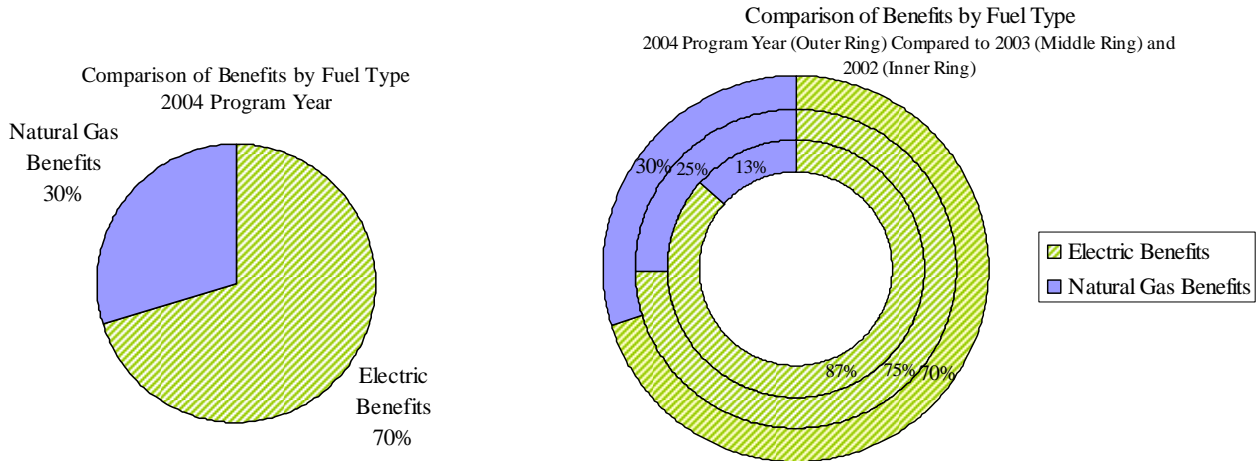
Electric customers	14,086
Natural Gas customers	5,707

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 17,605. Of the electric customers receiving benefits, 16% were also natural gas customers. Of the natural gas customers receiving benefits, 38% were also electric customers.

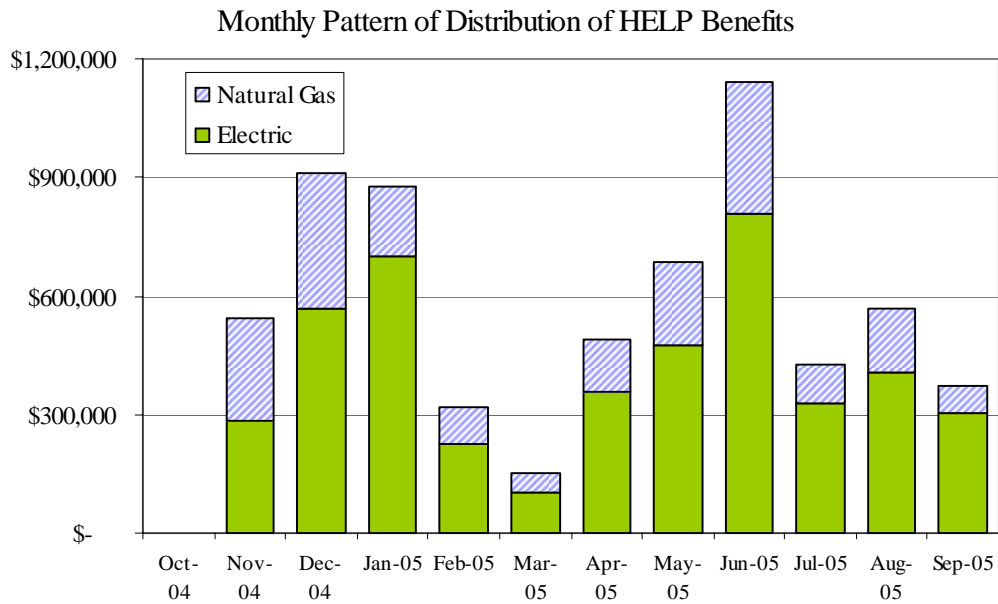
The total dollar amount of benefits paid to customers during the program year:

Electric	\$4,638,424
<u>Natural Gas</u>	<u>\$1,960,309</u>
Total	\$6,598,733

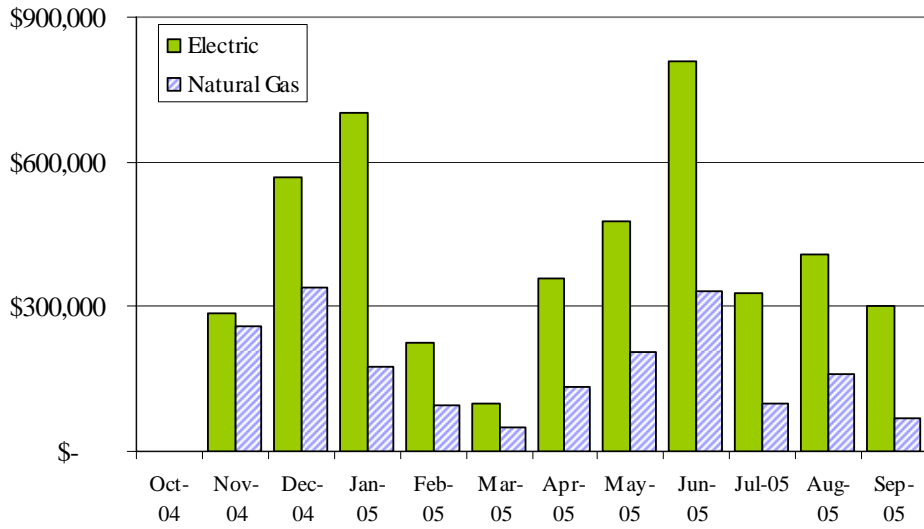




The charts above show the relative amount of benefits awarded with respect to electric and natural gas. The two charts below show the monthly pattern of distribution of benefits to PSE customer households during the 2004-2005 program year. The first chart is a stacked bar chart with the both the electric and natural gas benefits. The second chart is a side-by-side bar chart with both the electric and natural gas benefits by month.

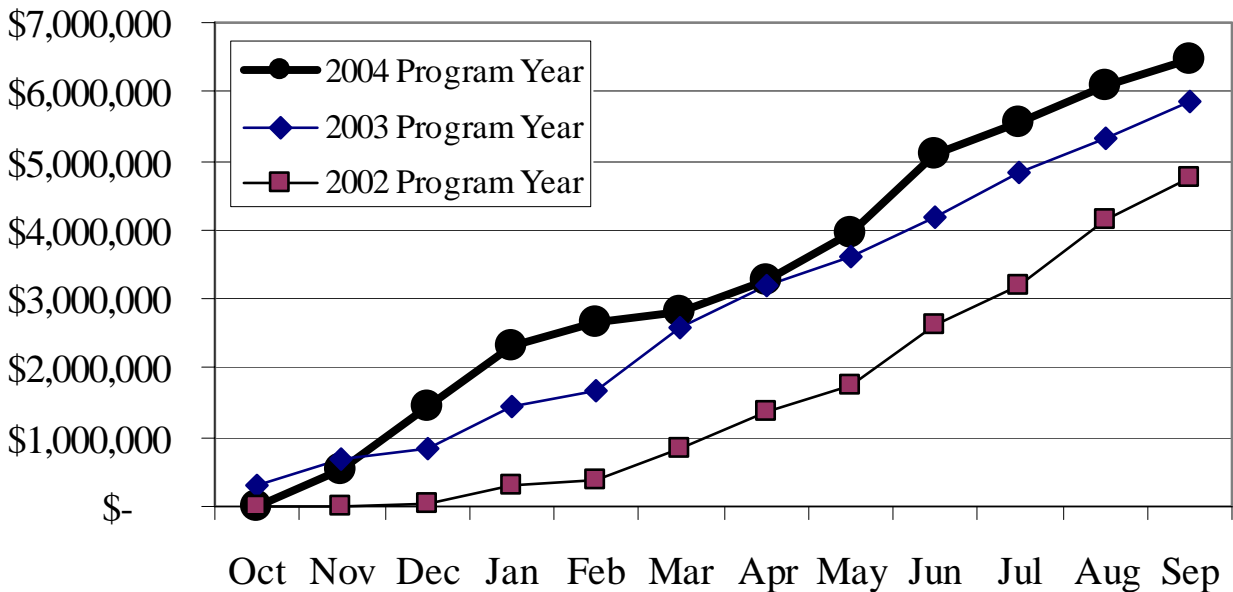


Monthly Pattern of Distribution of HELP Benefits



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 2004-2005 program year and the previous two program years.

Comparison of Cumulative Distribution of HELP Benefits



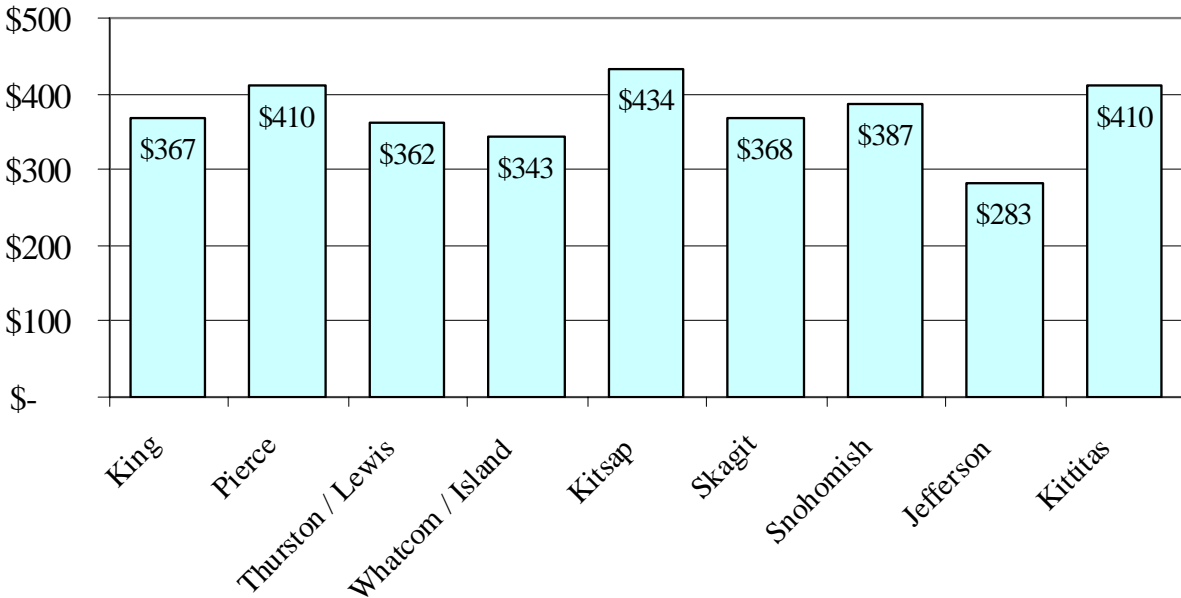
Demographics of Customer Households

The average level of HELP benefits to each qualifying low income household is \$374 for the 2004-2005 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

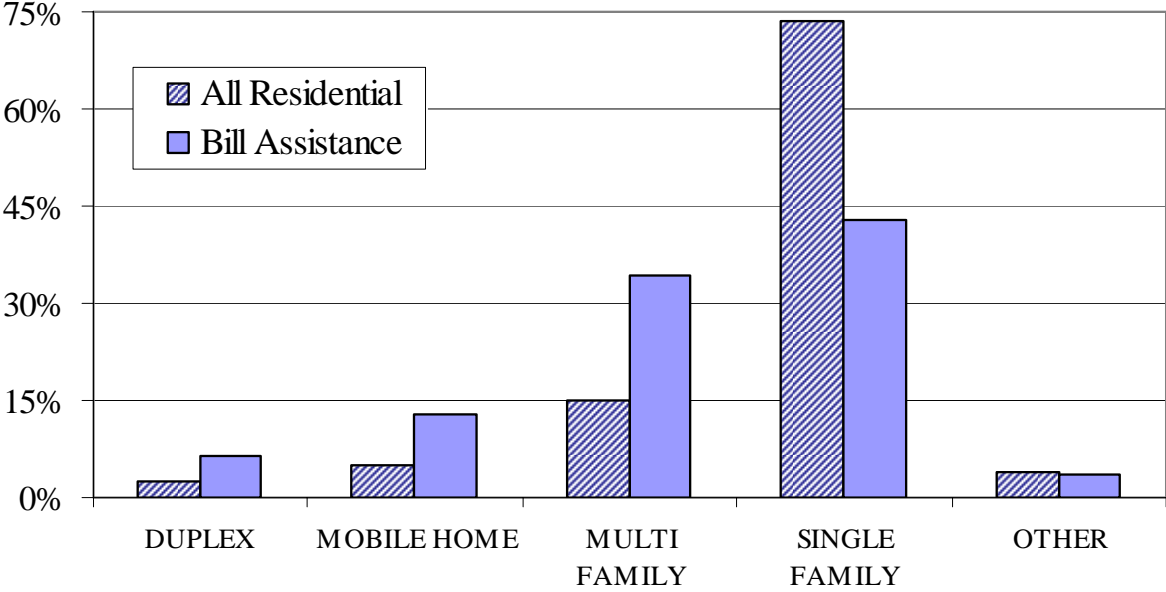
King	\$367
Pierce	\$410
Thurston / Lewis	\$362
Whatcom / Island	\$343
Kitsap	\$434
Skagit	\$368
Snohomish	\$387
Jefferson	\$283
Kittitas	\$410
<i>Average</i>	<i>\$374</i>

Average HELP Benefit Amount per Household



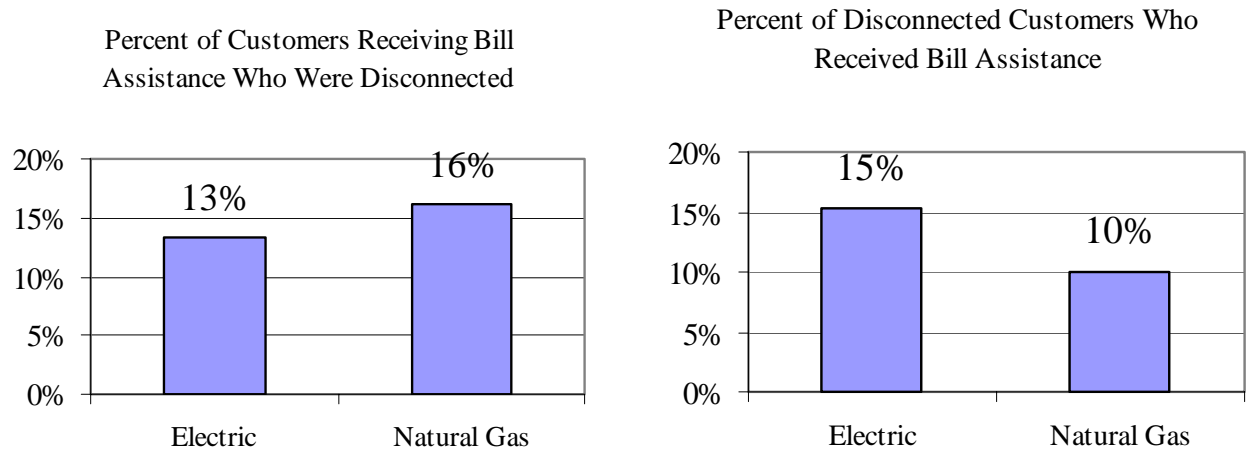
The chart below is a comparison of residential housing structure types between all residential customers and customers receiving some sort of bill assistance during the program year. Customers receiving bill assistance were more than twice as likely as all residential customers to live in a multi-family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

Residential Structure Type Distribution



Benefit Impacts

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 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 13% and for natural gas customers it was about 16%. The second chart highlights the percent of customers who were disconnected and who also received some bill assistance. Overall, about 13% of disconnected customers also received some bill assistance. For electric customers it was about 15% and for natural gas customers it was about 10%.

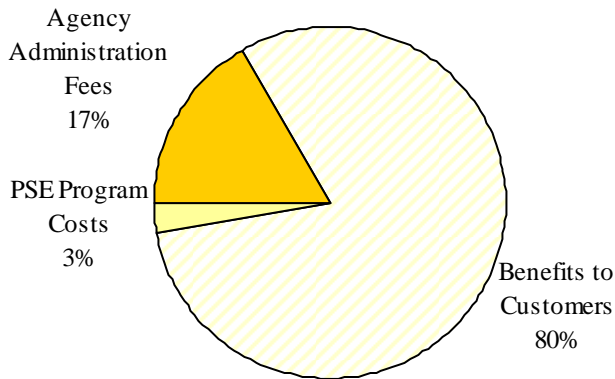


Administration of Program

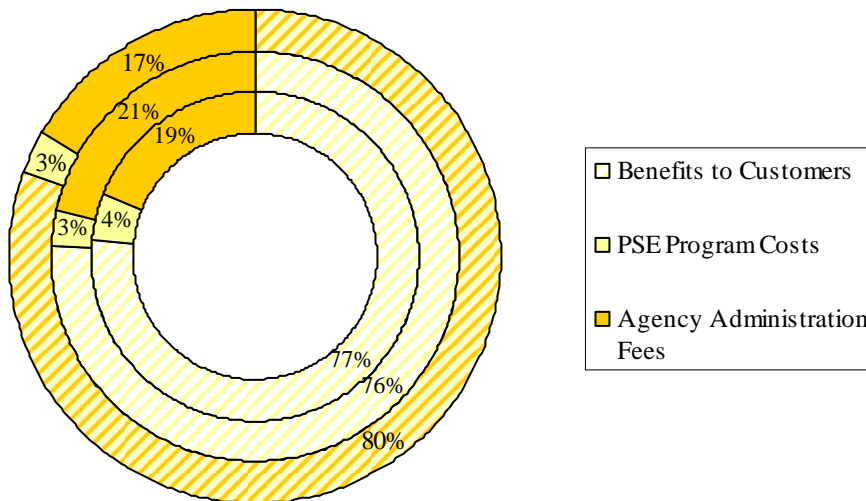
During the program year, twelve Low Income Agencies became Qualifying Organizations to help PSE administer the HELP program.

The chart below illustrates that the Agency Administration Fees, on average, comprised about 17% of the total program costs. This is down from 21% 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
2004 Program Year



Allocation of Costs of HELP Program
2004 Program Year (Outer Ring) Compared to 2003 (Middle Ring) 2002
(Inner Ring)



Marketing of PSE HELP Program

The following are some highlights regarding the marketing of the HELP program during the program year.

- Updated multilingual brochures (English, Spanish, Russian, Korean and Vietnamese) with information about income eligibility and assistance centers.
- 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)
- Dec. 21, 2004 PSE news release, “Low-income PSE customers can get HELP to reduce their utility bills,” acknowledged need for bill-payment assistance during coldest months. News release distributed throughout PSE service territory and included foreign-language media. News release posted on www.pse.com.
- January 7, 2005 PSE news release, “Chilly weather will mean higher Puget Sound Energy heating bills,” recognized record-setting cold weather and its impact on heating bills with mention of PSE’s *HELP* program as a resource. News release posted on www.pse.com.
- Aug. 29, 2005 PSE news release about higher gas costs included in regulatory request (Purchased Gas Agreement), mentioned PSE’s *HELP* program for assistance with higher heating bills. Home page of www.pse.com prominently notified customers about prospect of higher 2005-06 winter heating bills.
- Housing authorities within PSE service territory were briefed about pass-through of higher natural gas costs and availability of *HELP* program.
- Gas service crews were familiarized with the program and provided brochures for distribution.
- January 2005 *EnergyWise* customer newsletter, sent to all PSE customers, included article, “Funds for home heating available for low income customers”
- Bill insert, “Managing Heating Bills” ran Oct 2004, Dec. 2004
- All credit letters Oct. 2004-Sept 2005 included “Managing Heating Bills” information
- Electronic posters with county-specific income and agency information were developed and provided to all county agencies for the program year October 1, 2004 – September 30, 2005.