

**Annual Report on Program Outcome of  
PSE's "HELP" Low Income Program  
For Program Year October 2006 – September 2007  
May 30, 2008**

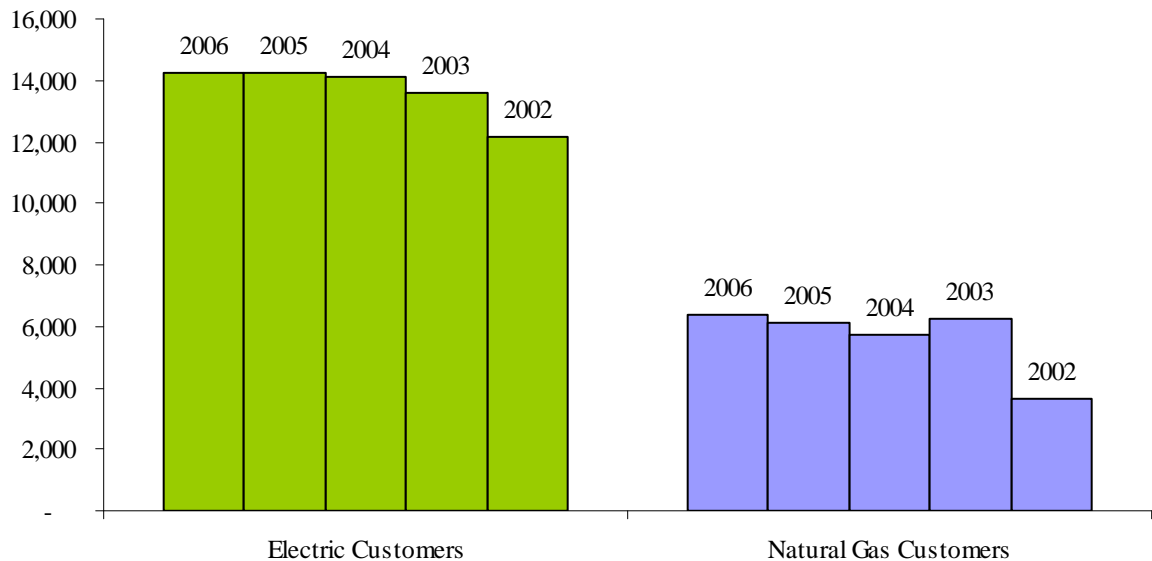
**Description of Benefit**

The following table shows the number of PSE customers receiving benefits from the HELP program in the 2006 program year, the 12-month period 10/2006 through 9/2007.

|                       |        |
|-----------------------|--------|
| Electric customers    | 14,244 |
| Natural Gas customers | 6,343  |

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 18,087. Of the electric customers receiving benefits, 18% were also natural gas customers. Of the natural gas customers receiving benefits, 39% were also electric customers. The chart below is a comparison of number of customers receiving benefits since the inception of the HELP program by fuel type and program year.

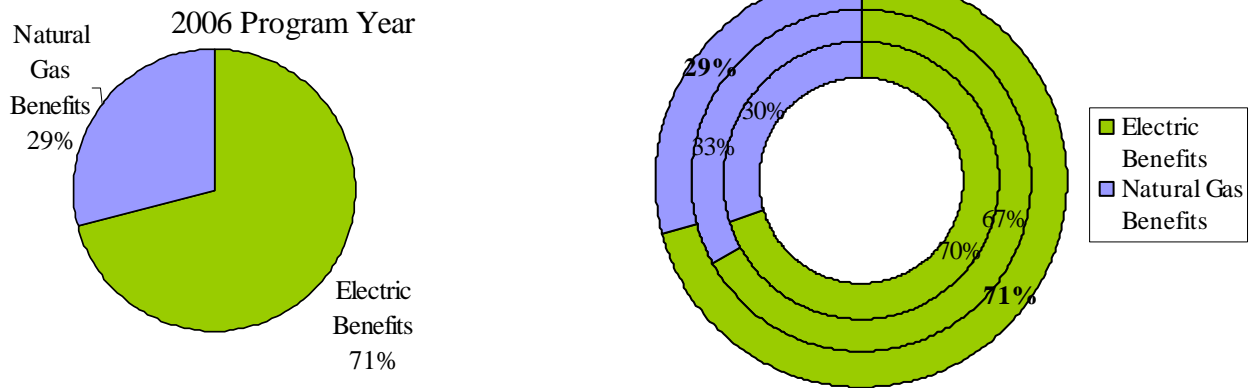
Comparison of Number of Customers Receiving Benefits by Fuel Type by Program Year



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

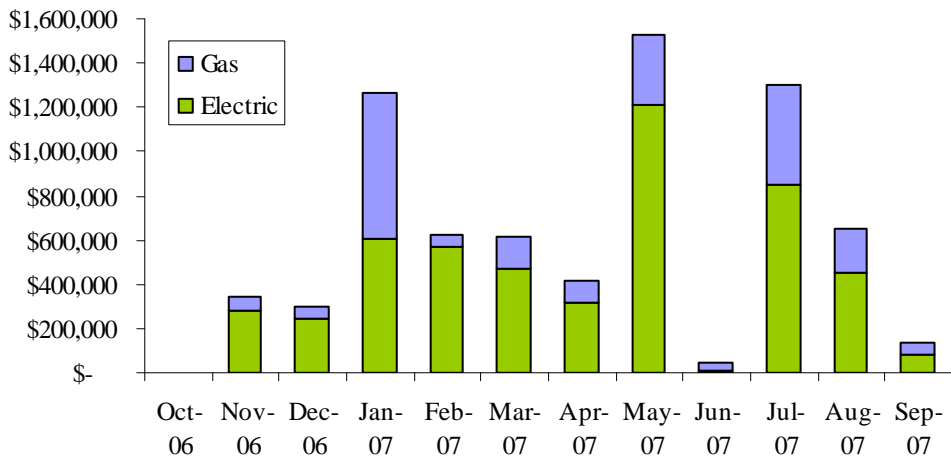
|              |                    |
|--------------|--------------------|
| Electric     | \$5,318,848        |
| Natural Gas  | \$2,182,858        |
| <b>Total</b> | <b>\$7,501,705</b> |

Comparison of Benefits by Fuel Type  
2006 Program Year (Outer Ring) Compared to 2005 and  
2004 (Inner Ring)

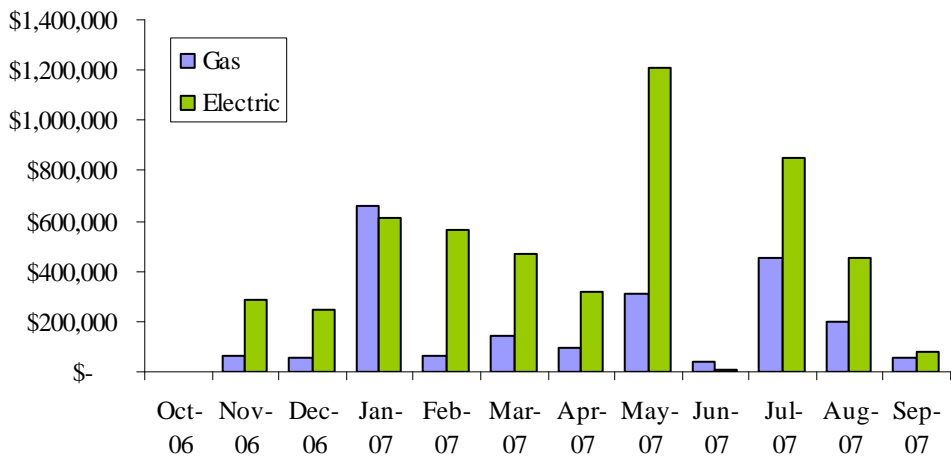


The charts above show the relative amount of benefits awarded with respect to electric and natural gas. The charts below show the monthly pattern of distribution of benefits to PSE customer households during the 2006 program year. The first chart is a stacked bar chart with both the electric and natural gas benefits. The second chart is a side-by-side bar chart with both the electric and natural gas benefits by month.

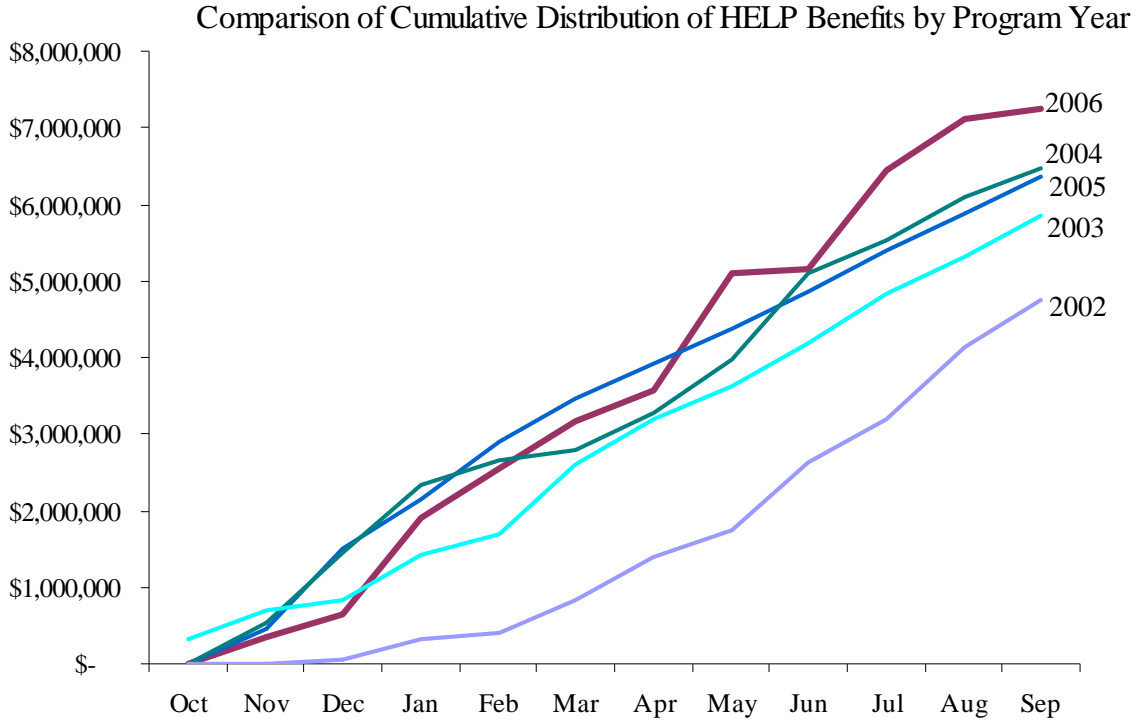
Combined Monthly Pattern of Distribution of HELP Benefits



Monthly Pattern of Distribution of HELP Benefits by Fuel Type

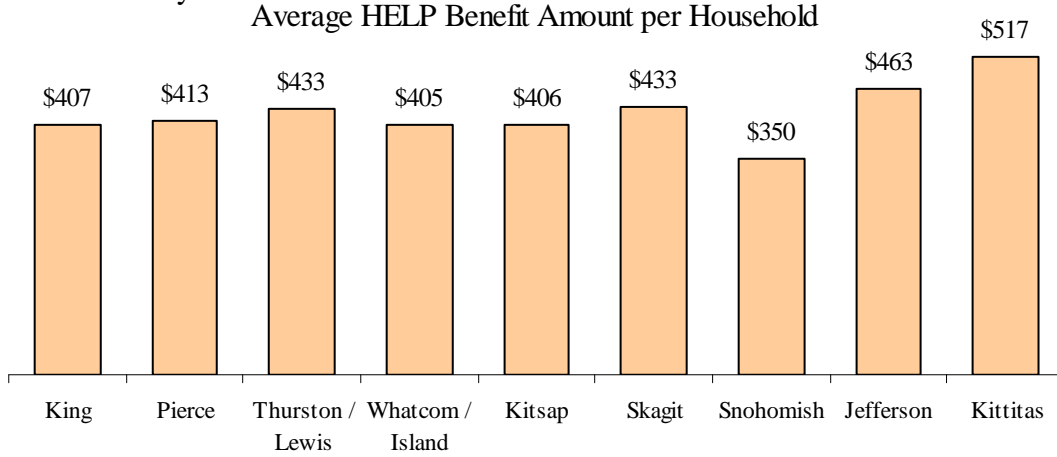


The chart below shows a comparison of the cumulative amount of benefits on a monthly basis between the 2006 program year and the previous four program years. The overall total increase in the HELP benefits since the 2002 program year is 58%.



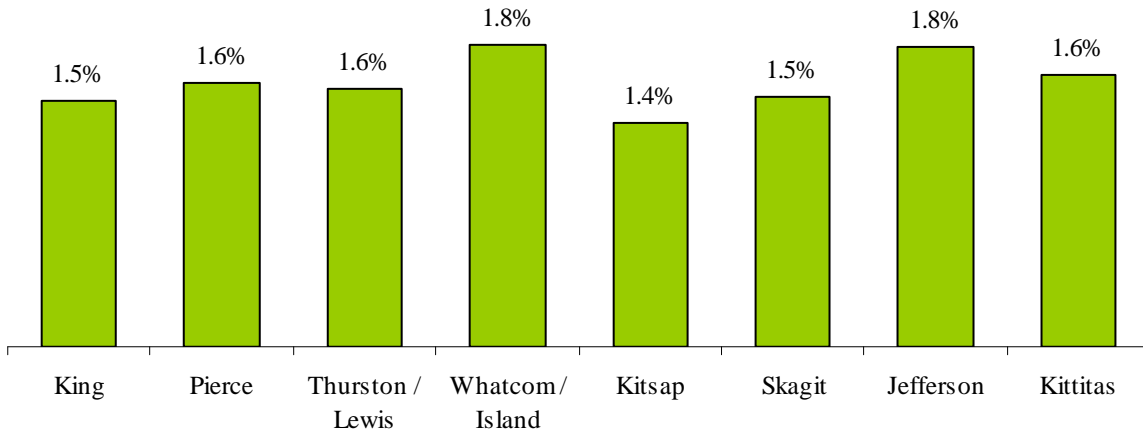
## Demographics of Customer Households

The average level of HELP benefits to each qualifying low income household is \$415 for the 2006 program year. The chart below shows the average benefits per household for the various counties in PSE’s service territory.

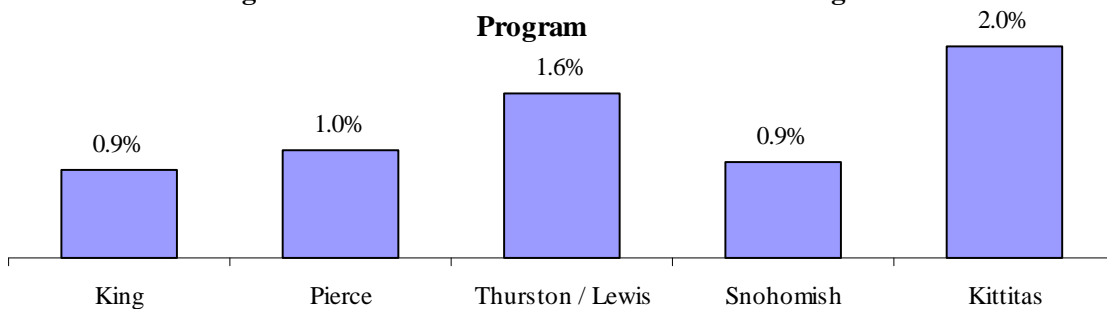


The following charts show the ratio between the number of customers receiving benefits on PSE’s HELP Low Income Program compared to the total number of residential customers in that county (March 2007). The first chart shows the percentage of electric customers, by county that received PSE HELP benefits. The overall average for electric customers in all counties is 1.5%. 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

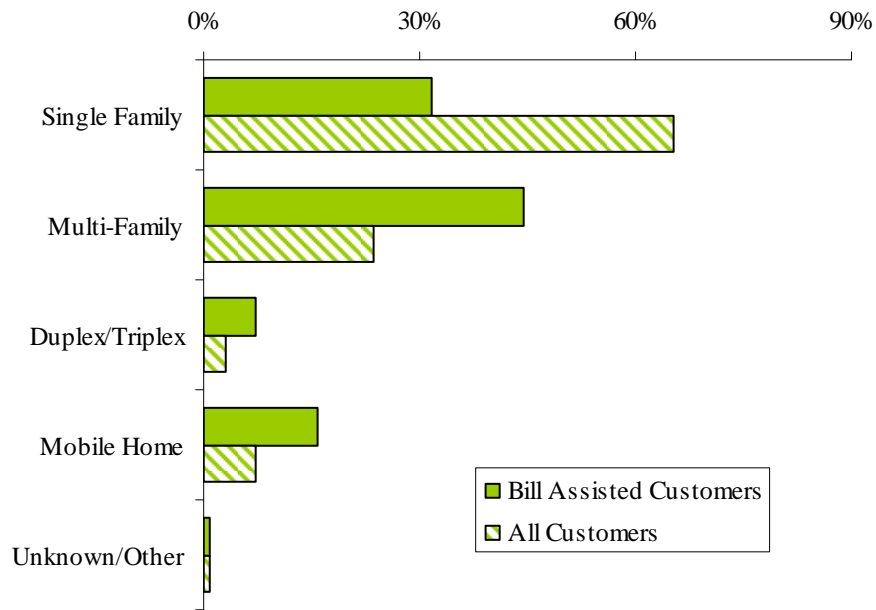


### Percentage of Residential Natural Gas Customers Using HELP Program

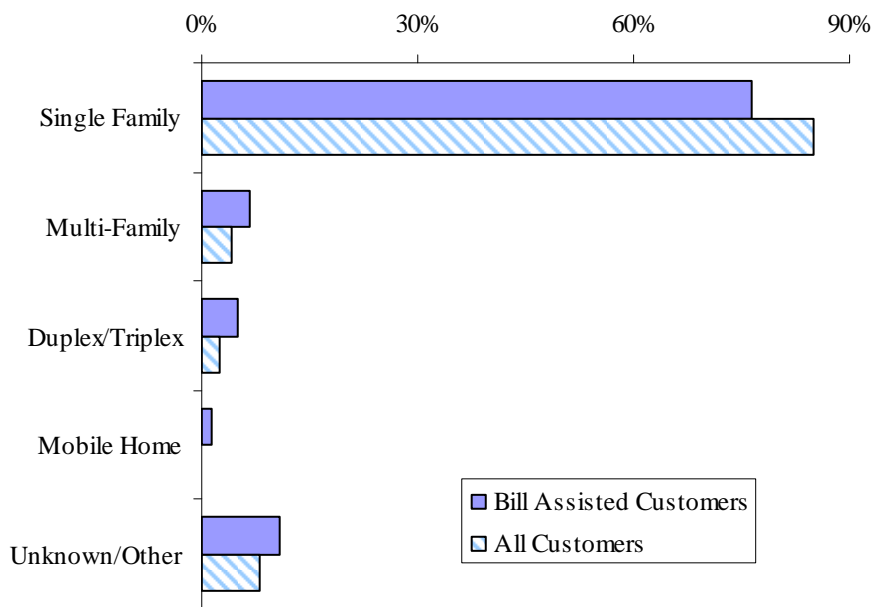


The two charts below show comparisons by fuel type of residential housing structure types between all residential customers and customers receiving some sort of bill assistance during the program year. Overall, customers receiving bill assistance were more than twice as likely as all residential customers to live in a multi-family structure, a mobile home or a duplex.

Electric Residential Structure Type Distribution  
(Program Year 2006)

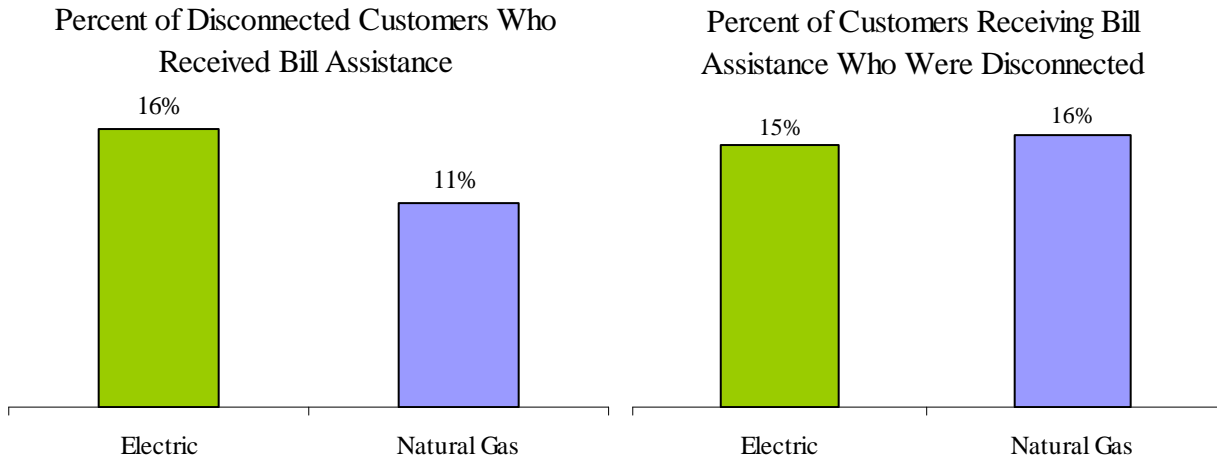


Natural Gas Residential Structure Type Distribution  
(Program Year 2006)



## 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 sometime 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 percentage of customers who were disconnected and who also received some bill assistance. Overall, 14% of disconnected customers also received some bill assistance. For electric customers it was about 16% and for natural gas customers it was about 11%. The second chart highlights the percentage of customers who received some bill assistance and were also disconnected during the program year. Overall, 15% of customers receiving bill assistance also were disconnected sometime during the program year. For electric customers it was about 15% and for natural gas customers it was about 16%.

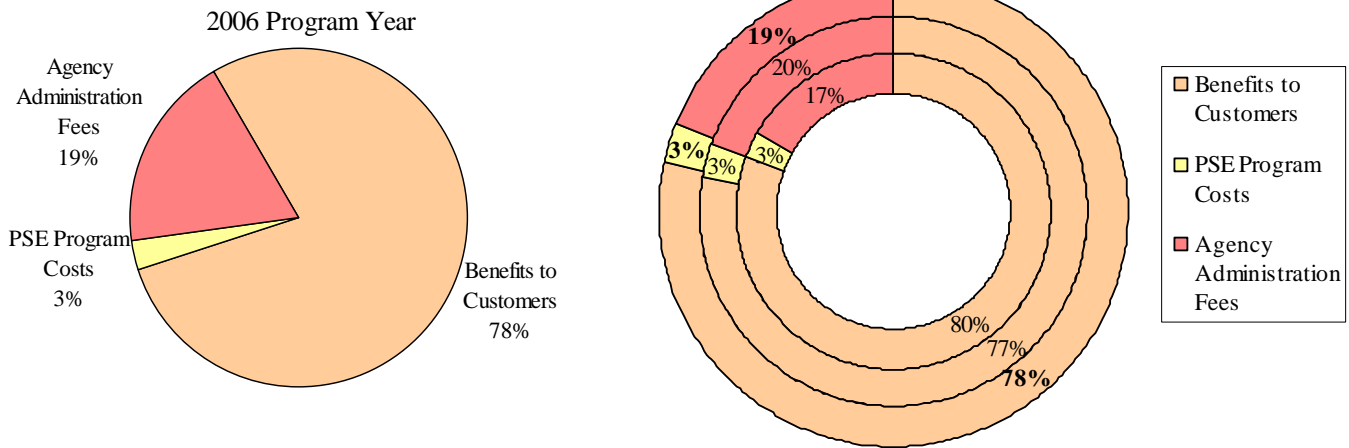


## Administration of Program

During the 2006 program year, there were twelve qualifying low income agencies helping PSE administer the HELP program and distributing the benefits to customers. In addition, the agencies use the administration fees for the HELP program related services, which include, education services, and support services.

The chart below illustrates that the agency administration fees, on average, comprised about 19% of the total 2006 program costs. This is a slight decrease from the 20% of the previous program year. PSE's HELP program costs have been at 3% since the 2003 program year.

Allocation of Costs of HELP Program  
2006 Program Year (Outer Ring) Compared to 2005, 2004 (Inner Ring)



## **Marketing of PSE HELP Program**

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

- Multilingual brochures (English, Spanish, Russian, Korean and Vietnamese) with information about income eligibility and assistance centers were available at low income agencies and upon request to all customers.
- The multilingual recorded telephone line (866-223-5425) about the program and options for local agency contact information (English, Spanish, Russian, Korean and Vietnamese) was accessible 24/7.
- November 28, 2006 PSE news release, “PSE Helps Customers Manage Winter Heating Costs,” provided energy-efficiency tips and rebates and bill assistance information. The news release was distributed throughout PSE service territory and posted on [www.pse.com](http://www.pse.com).
- February 1, 2007 PSE news release, “Puget Sound Energy Recommends Easy Steps to Save Energy and Money During High Heating Bill Season,” provided energy-saving tips and contact information on getting bill assistance. The news release was distributed throughout PSE service territory and posted on [www.pse.com](http://www.pse.com).
- PSE field personnel were re-familiarized with the program and provided brochures for distribution.
- Frequently Asked Questions brochure was provided to all the twelve qualifying low income agencies and PSE customer service representatives. The brochure helps answer questions about payment of the PSE HELP grants and impacts on subsequent bills.
- November-December 2006 EnergyWise customer newsletter, sent to all PSE customers, included article, “PSE Works to Help You manage Energy Bills”.
- February-March 2007 EnergyWise customer newsletter, sent to all PSE customers, included article, “Falling Temperatures Spike Energy Bills”.
- All credit notice letters included the “Need Help Paying Your PSE Gas or Electric Bill?” brochure and the “Energy Assistance for PSE Customers” brochure.
- Year-round HELP promotion posted on PSE.com at three different sites—“Home Solutions,” “Business Solutions,” and “Community.”