2008 Puget Sound Energy Performance Report Card.

Each year Puget Sound Energy measures how well we deliver our services to you and all of our customers in three key areas: Customer Satisfaction, Customer Services and Operations Services. Combined, these areas represent 11 specific service-quality indexes. Based on customer surveys and other measurements, we match our performance against a set of benchmarks. (See table on other side.) Here are the highlights.

2008 Performance Highlights

Customer Satisfaction

- In 2008, in addition to meeting nine of the 11 service metrics, we are pleased to report improvements from the prior year in three of our four standards for measuring customer satisfaction. The better scores included:
 - services you received when you called PSE
 - customer satisfaction on how we responded and completed your natural gas service request
 - fewer customer complaints registered with our regulator, the Washington Utilities and Transportation Commission

While customers' evaluation of specific customersatisfaction services showed improvement, we missed the target in achieving overall customer satisfaction with our services and performance. Customer satisfaction is our hallmark for success, and we are working hard to meet and exceed your and all of our customers' expectations for high level of service.

Customer Services

 Our ratings in customer services improved slightly.
 We answered more calls live within 30 seconds or less. And we had fewer disconnections of service for nonpayment of PSE bills.

Operations Services

◆ Among the five standards represented in Operations Services, we missed the mark by 27 minutes on meeting the target of 2 hours and 16 minutes for the average amount of time it took us to restore power outages. The average outage duration of 2 hours and 43 minutes per customer in 2008, however, was a four-minute improvement over our 2007 results.

PSE incurred a \$446,691 penalty for missing the benchmark for the average outage duration per customer in 2008. PSE refunded the penalty to customers as an offset to costs included in our electric conservation program charge reduction effective April 1, 2009.

Through our Customer Service Guarantee, we back up our pledge to you when you make a service appointment by crediting \$50 to your PSE bill if we do not meet our commitment. PSE credited customers a total of \$10,300 for missing 1 percent of our total 121,400 scheduled appointments in 2008 for our more than 1 million electric and nearly 750,000 natural gas customers.

Our dedicated employees are always striving to raise the bar by delivering higher standards of service. We aim to continue our success in maintaining and improving your and all of our customers' satisfaction with our service.

PSE PUGET SOUND ENERGY
The Feeren To Do Great Things



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KEY MEASUREMENT	BENCHMARK	2008 PERFORMANCE	ACHIEVEE
CUSTOMER SATISFACTION			
Percent of customers satisfied with our overall			
services and performance, based on survey	At least 90 percent	83 percent	
Percent of customers satisfied with our telephone			
center services, based on survey	At least 90 percent	93 percent	S
Percent of customers satisfied with field services,			
based on survey	At least 90 percent	91 percent	<u> </u>
Number of complaints to the WUTC per 1,000 customers	s Less than 0.50	0.25	V
CUSTOMER SERVICES			
Percent of calls answered live within 30 seconds			
by our telephone center	At least 75 percent	77 percent	V
Percent of customers disconnected for non-payment	No more than 3.0 percent	2.4 percent	V
OPERATIONS SERVICES			· <u>-</u>
Frequency of non-major-storm power outages,			
per year, per customer	Less than 1.30 outages	1.01 outages	ď
Length of non-major-storm power outages per year Le	ess than 2 hours, 16 minutes	2 hours, 43 minutes	
Time from customer call to arrival of field technicians			*
in response to power system emergencies	No more than 55 minutes	55 minutes	Y
Time from customer call to arrival of field technicians			· · · · · · · · · · · · · · · · · · ·
in response to natural gas emergencies	No more than 55 minutes	35 minutes	ď
Percent of service appointments kept, as promised	At least 92 percent	99 percent	Ø



