PUGET SOUND ENERGY
The Energy To Do Great Things

Puget Sound Energy
P.O. Box 97034
Bellevue, WA 98009-9734
PSE.com

April 30, 2010

Mr. David Danner, Executive Director and Secretary
Washington Utilities and Transportation Commission
P.O. Box 47250
Olympia, WA 98504-7250

Re: PSE Meter and Billing Performance Quarterly Filing
Docket Nos. UE-072300 and UG-072301 (consolidated)

Dear Mr. Danner:

Pursuant to the Partial Settlement Stipulation of Service Quality, Meter and Billing Performance, and Low-Income Bill Assistance ("Settlement Stipulation") adopted by the Commission on October 8, 2008, in consolidated Docket Nos. UE-072300 and UG-072301 Order 12 ("Order"); Puget Sound Energy ("PSE") provides herewith an original and twelve copies of PSE's Meter and Billing Performance Quarterly Filing for the period ended March 31, 2010.

This filing addresses requirements and conditions set forth in the Order and is in accordance with additional detailed terms prescribed in the Settlement Stipulation. In particular, for this reporting period, this filing includes the Meter and Billing Performance Quarterly Report for the first quarter of 2010. The Meter and Billing Performance Quarterly Report details, as of March 31, 2010:

- PSE's ability and plan to track and report monthly vintages of potential meter and billing problems (per paragraph 34.i of the Settlement Stipulation)
- PSE's meter and billing performance under the phase-in period standards for meter and billing problems identified in 2008 and under the ongoing standards for problems identified in 2009 and after (per paragraph 36 of the Settlement Stipulation)

Please contact Mei Cass at (425) 462-3800 for additional information about this filing. If you have any other questions, please contact me at (425) 462-3495.

Sincerely,

E-E. Englert
Manager, Regulatory Initiatives & Tariffs
for Tom DeBoer
Director, Federal & State Regulatory Affairs

Enclosure

cc: Chuck Eberdt - The Energy Project
Simon ffitch - Public Counsel
Robert Cedarbaum - WUTC
Steve King – WUTC
Thomas Schooley – WUTC

Puget Sound Energy

Meter and Billing Performance Quarterly Report

for the Quarter Ending March 31, 2010

Filed April 30, 2010

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In accordance with the multi-party Settlement Stipulation of Service Quality, Meter and Billing Performance, and Low-income Bill Assistance ("Settlement Stipulation") adopted by the Washington Utilities and Transportation Commission on October 8, 2008, in Docket Nos. UE-072300 and UG-072301 Order 12: Final Order Approving and Adopting Settlement Stipulations; Authorizing and Requiring Compliance Filing, Puget Sound Energy ("PSE" or the "Company") submits this report for the quarter ending December 31, 2009.

Definitions and Standards per the Settlement Stipulation

Definitions of "Identified"

The following definitions are used throughout this document and define when a specific category of meter issues is considered "identified".

a. Stopped Meter: Date the meter is validated to be a probable stopped meter from manual analysis of the zero consumption report or other similar report.

b. Unassigned Energy Usage ("UEU"): Date that energy usage reaches the following established thresholds:

Customer group	Gas	Electric
Residential	100 therms	1,000 kWh
Commercial and Industrial	100 therms	7,150 kWh

c. Lost Meter: Date that the meter has been correctly transmitting energy usage for more than sixty days; yet no associated account exists in the ConsumerLinX ("CLX") system.

d. Meter Mix/Other Field Identified: Date of notification of a potential meter mix (meter correctly recording and transmitting energy, but is assigned to an incorrect account in CLX) or other field identified problem as reported either from a customer or a PSE field representative.

e. Other: For meter and billing problems that do not fall into one of the above categories, that problem will be considered "identified" when it is first brought to the attention of a PSE representative by any party, or when through the course of normal work, a representative identifies a meter and billing error or problem.

Definition of "Resolved"

An identified meter and billing problem will be considered resolved when a correct bill is issued to the customer and any associated equipment problems are corrected.

Performance Standards

Phase-in Standards

Group One: As of June 30, 2008, PSE had identified potential problems with 17,276 meters. PSE commits to resolving 100 percent of this legacy population by June 30, 2009. The Company will also resolve 75 percent of the population by December 31, 2008.

Interim: PSE will resolve potential gas and electric meter and billing problems identified between July 1, 2008, and December 31, 2008, by June 30, 2009.

Ongoing Standards, applicable starting January 1, 2009

Natural Gas: PSE will resolve identified potential natural gas meter and billing problems for each monthly vintage within four months of identification; 75 percent will be resolved within two months of identification. Potential metering and billing problems identified within the same month will be of the same vintage. (For example, potential problems identified on the 5th of the month or the 20th of the month will have the same monthly vintage.)

Electric: PSE will resolve identified potential electric meter and billing problems for each monthly vintage within two months of identification; 50 percent will be resolved within one month of identification. Potential metering and billing problems identified within the same month will be of the same vintage. (For example, potential problems identified on the 5th of the month or the 20th of the month will have the same monthly vintage.)

Summary Progress to Date

As of March 31, 2010, PSE has resolved 100% of the meter and billing problems within their specific timeframes and met its performance standards set for the following vintages: Phase-in Group One, Phase-in Interim, natural gas problems identified between January and November 2009, and electric problems identified between January 2009 and January 2010. PSE has rounded the results in this report to the nearest whole percentage and realizes that some results rounded to 100% do not reflect resolution of all meter and billing problems. These differences are discussed on the following pages of this report.

Meter and Billing Performance as of March 31, 2010

(Percent of completion shown are rounded to the nearest whole percentage)

Phase-in Vintages

Electric meter information

Phase-in Vintage	# Electric Meter and Billing Issues	Resolved Within Standards	% Resolved Within Standards
Group One	5,538	5,537	100%
Interim	19,735	19,734	100%

Natural gas meter information:

Phase-in Vintage	# Gas Meter and Billing Issues	Resolved Within Standards	% Resolved Within Standards
Group One	11,738	11,734	100%
Interim	64,403	64,400	100%

Combined electric and natural gas meter information:

Phase-in Vintage	Total # Meter and Billing Issues	Resolved Within Standards	% Resolved Within Standards
Group One	17,276	17,271	100%
Interim	84,138	84,134	100%

Steady State (Ongoing Vintages) as March 31, 2010

Electric meter information

Ongoing Vintage	# Electric Meter and Billing Issues	Resolved Within 1 Month of Identification	% Resolved Within 1 Month of Identification	Resolved Within 2 Months of Identification	% Resolved Within 2 Months of Identification	# of Issues Identified As Reported in 2009 Q4	Reason for Change
Jan-09	2,180	1,657	76%	2,178	100%		
Feb-09	1,667	1,339	80%	1,665	100%		
Mar-09	2,187	1,879	86%	2,186	100%		
Apr-09	1,574	1,242	79%	1,573	100%		
May-09	4,473	4,334	97%	4,473	100%		
Jun-09	3,257	1,713	53%	3,257	100%		
Jul-09	2,703	2,440	90%	2,702	100%		
Aug-09	2,013	1,939	96%	2,013	100%		
Sep-09	6,571	6,424	98%	6,567	100%		
Oct-09	2,837	2,729	96%	2,836	100%		
Nov-09	3,791	3,649	96%	3,790	100%	3,789	Note 1
Dec-09	3,189	2,905	91%	3,189	100%	3,134	Note 1
Jan-10	3,322	3,101	93%	3,321	100%		
Feb-10	2,513	2,408	96%	2,408	96%		
Mar-10	4.985	3,138	63%	3,138	63%		

Natural gas meter information

Ongoing Vintage	# Gas Meter and Billing Issues	Resolved Within 2 Months of Identification	% Resolved Within 2 Months of Identification	Resolved Within 4 Months of Identification	% Resolved Within 4 Months of Identification	# of Issues Identified As Reported in 2009 Q4	Reason for Change
Jan-09	2,936	2,707	92%	2,931	100%		
Feb-09	3,124	2,885	92%	3,123	100%		
Mar-09	4,180	3,803	91%	4,180	100%		
Apr-09	2,489	2,290	92%	2,489	100%		
May-09	7,754	7,382	95%	7,753	100%		
Jun-09	8,723	8,615	99%	8,722	100%		
Jul-09	33,155	33,112	100%	33,155	100%		
Aug-09	15,202	15,191	100%	15,202	100%		
Sep-09	13,484	13,416	99%	13,484	100%	13,448	Note 1
Oct-09	10,231	10,190	100%	10,230	100%		
Nov-09	5,879	5,744	98%	5,879	100%	5,882	Note 2
Dec-09	9,506	9,251	97%	9,251	97%	9,379	Note 3
Jan-10	7,716	7,588	98%	7,588	98%		
Feb-10	4,828	4,099	85%	4,099	85%		
Mar-10	6,412	3,795	59%	3,795	59%		

Notes

1. In each vintage noted, additional meters related to a meter mix issue needed to be added to complete the investigation of the meter mix issue.

2. There was a duplication of 3 meters in a single meter mix investigation discovered in the November 2009 vintage.
3. Some Dec-09 UEU meters were not included in the electric or natural gas total for the vintages in the Q4 report due to a timing issue with the UEU report. The report is not ready at the time the quarterly report was prepared. Typically, the UEU report is finalized around the 1st day of the following month.

Phase-in Group One

As of June 30, 2008, PSE identified and resolved 17,276 meter problems.

- 17,271 items (100 percent) were resolved within Phase-in Standards.
- One meter problem, associated with electric meter ID 9694 has been located and resolved on August 11, 2009.
- The four remaining items (which constitute less than .02 percent) are lost meters and will be discussed in the *Issues Discussion* section of this report.

Phase-in Interim Group

From July 1, 2008, to December 31, 2008, PSE had identified potential problems with 84,138 meters.

- 84,134 items (100 percent) were resolved within Phase-in Standards
- Three items, electric meter ID 8923 and natural gas meter IDs 4974 and 9711, were resolved outside of the Standards in July 2009.
- The remaining one item is a Lost Meter and will be discussed in the *Issues Discussion* section.

Steady State (Ongoing Standards)

This section describes the progress of 2010 monthly vintages and the 2009 monthly vintages with residual unresolved meter or billing problems although PSE has met its benchmark of 100 percent for each of the vintages. The meter and billing problems associated with the 2009 vintages not listed below have been resolved completely and detailed results can be found in PSE's 2009 4th quarter report.

For some of the monthly vintages, the total number of meter and billing problems varies from what PSE previous presented in its quarterly reports. The reason for the change for each of affected vintages is noted at the end of the *Summary Progress to Date* section above. The following discussion is based upon the revised monthly results as of March 31, 2010.

Electric Meter Issue Resolution

- April 2009 vintage: PSE identified potential problems with 1,574 electric meters. Of those meters, 1,242 (79 percent) were resolved within one month of identification and 1,573 (100 percent) were resolved within two months. The exception (which constitutes less than .07 percent) will be discussed in the *Issues Discussion* section.

- November 2009: PSE identified potential problems with 3,791 electric meters. Of those meters 3,649 (96 percent) were resolved within one month of identification and 3,790 (100 percent) were resolved within 2 months. The only exception (which constitutes less than .03 percent) will be discussed in the *Issues Discussion* section.

- December 2009: PSE identified potential problems with 3,189 electric meters. 2,905 (91 percent) were resolved within one month of identification and all 3,189 (100 percent) were resolved within 2 months of identification.

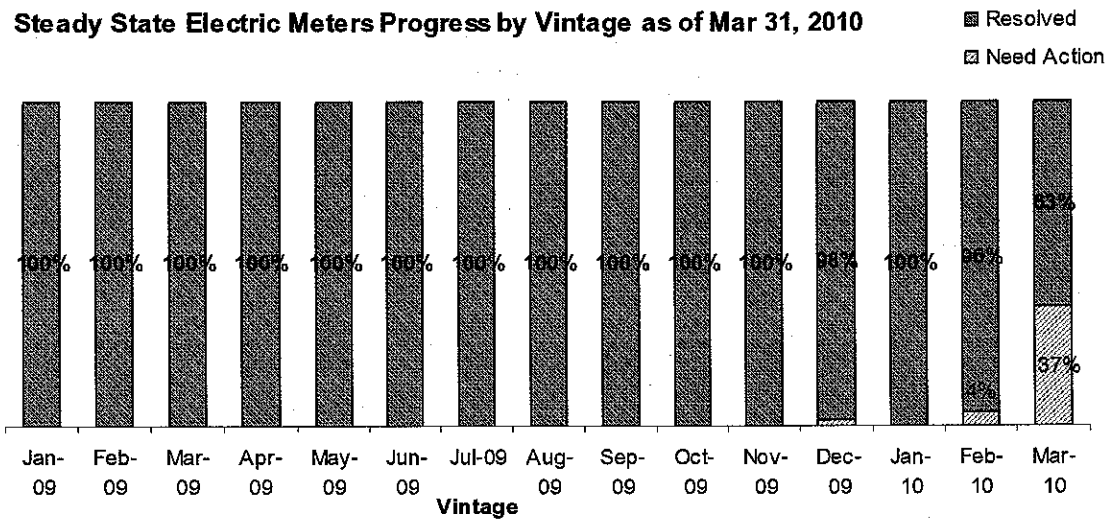
- January 2010: PSE identified potential problems with 3,322 electric meters. 3,101 (93 percent) were resolved within one month identification and 3,321 (100 percent) were resolved within 2 months. The only exception (which constitutes less than .03 percent) will be discussed in the *Issues Discussion* section.

- February 2010: PSE identified potential problems with 2,513 electric meters. 2,408 (96 percent) were resolved at the time this report was filed. PSE is on track to resolve 100 percent of the potential problems by April 30, 2010.

- March 2010: PSE identified potential problems with 4,985 electric meters. 3,138 (63 percent) were resolved at the time this report was filed. PSE is on track to resolve 100 percent of the potential problems by May 31, 2010

Aging and Composition comparisons

The following chart shows the aging of the Steady State electric meter vintages as of March 31, 2010.



The following table details the composition of Steady State electric meters by vintage as of March 31, 2010.

	Stopped Meter	Lost Meter	UEU	Meter Mix	Total
JAN_09	998	33	917	232	2,180
FEB_09	733	31	670	233	1,667
MAR_09	902	11	955	319	2,187
APR_09	644	18	673	239	1,574
MAY_09	4,052	29	269	123	4,473
JUN_09	2198	20	747	292	3,257
JUL_09	1,883	18	597	205	2,703
AUG_09	1,683	23	126	181	2,013

	Stopped Meter	Lost Meter	UEU	Meter Mix	Total
SEP_09	6,020	22	188	341	6,571
OCT_09	2,367	22	255	193	2,837
NOV_09	3,121	19	408	243	3,791
DEC_09	2,105	32	882	170	3,189
JAN_10	2,315	16	715	276	3,322
FEB_10	1,794	20	443	256	2,513
MAR_10	4,213	4	465	303	4985

Gas Meter Issue Resolution

- June 2009 vintage: PSE identified potential problems with 8,723 gas meters. Within two months of identification, 8,615 (99 percent) were resolved. 8,722 of the issues were resolved by October 31, 2009. The one exception (which constitutes less than .01 percent) will be discussed in the *Issues Discussion* section.

- September 2009: PSE identified potential problems with 13,484 gas meters. 13,416 (99 percent) were resolved within 2 month and all 13, 484 (100 percent) were resolved by January 31, 2010.

- October 2009: PSE identified potential problems with 10,231 gas meters. 10,190 (99.6 percent) were resolved within 2 month and 10,230 (100 percent) within 4 months. The one exception (which constitutes less than .01 percent) was resolved on March 11, 2010.

- November 2009: PSE identified potential problems with 5,879 gas meters. 5,744 (98 percent) were resolved within 2 months of identification and all 5,879 (100 percent) were resolved by March 31, 2010.

- December 2009: PSE identified potential problems with 9,506 gas meters. 9,251 (97 percent) of the issues were resolved were resolved by the end of February 2010. PSE is on track to resolve 100 percent of the potential problems by April 30, 2010.

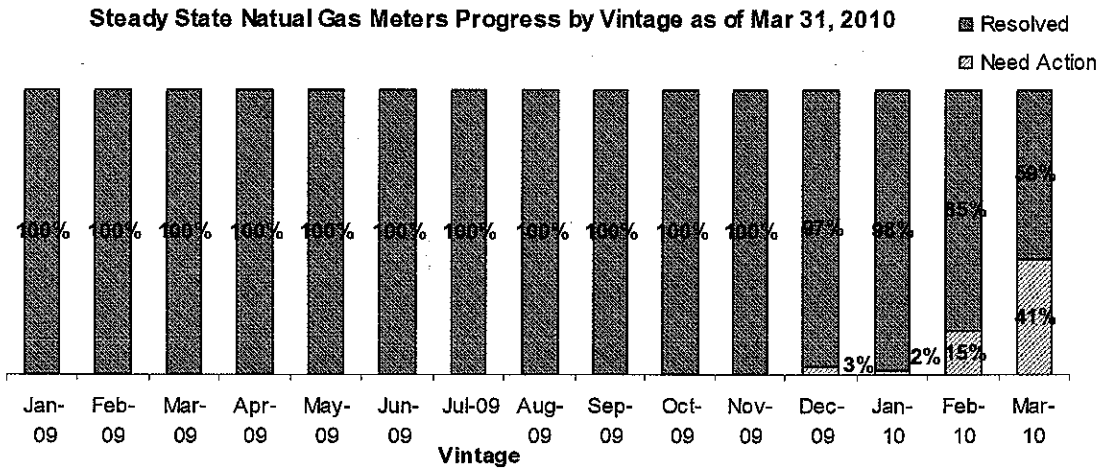
- January 2010: PSE identified potential problems with 7,716 gas meters. 7,588 (98 percent) were resolved within 2 months. PSE is on track to resolve 100 percent of the potential problems by May 31, 2010.

- February 2010: PSE identified potential problems with 4,828 gas meters. 4,099 (85 percent) were resolved at the time this report was prepared. PSE is on track to resolve 100 percent of the potential problems by the end of June 2010.

- March 2010: PSE identified potential problems with 6,412 gas meters. 3,795 (59 percent) were resolved as of March 31, 2010. PSE is on track to resolve 100 percent of the potential problems by the end of July 31, 2010.

Aging and Composition comparisons

The following chart shows the aging of the Steady State natural gas meter vintages as of March 31, 2010.



The following table details the composition of Steady State natural gas meters by vintage as of March 31, 2010.

	Stopped Meter	Lost Meter	UEU	Meter Mix	Total
Jan-09	1,573	57	922	384	2,936
Feb-09	2,201	37	540	346	3,124
Mar-09	3,086	28	534	532	4,180
Apr-09	1,762	28	332	367	2,489
May-09	7,527	22	25	180	7,754
Jun-09	8,262	37	183	241	8,723
Jul-09	32,835	21	84	215	33,155
Aug-09	14,961	15	60	166	15,202
Sep-09	13,138	20	85	241	13,484
Oct-09	9,734	9	251	237	10,231
Nov-09	4,827	8	895	149	5,879
Dec-09	7,595	12	1,629	270	9,506
Jan-10	6,549	11	933	223	7,716
Feb-10	4,029	18	494	287	4,828
Mar-10	5,548	9	546	309	6,412

Tracking and Reporting Monthly Vintage of Meter/Billing Issues

In the first quarter of 2010, PSE standardized and finished the interface between two source systems of the meter and billing performance data: MDW (Meter Data Warehouse) and MEMS (Meter Exception Management System). The tie between the two systems ensures that all meter exceptions are captured and resolved within the proper timelines. MEMS allows PSE's Meter Network Services and Corporate Billing departments to manage their meter and billing problems related work volumes through a centralized system. The system has also incorporated the stopped meter processes implemented in December 2009 into a single, robust, maintainable system.

Future phases will expand MEMS to include de-scoped processes and a data mining mart for regular reporting of the performance results and ad-hoc reporting to better support WUTC inquiries and PSE operational improvement.

Other Actions Taken by PSE and Assessment of Impact

There is no other action except the aforementioned MEMS related initiative at this time.

Issues Discussion

The following table lists these unresolved meters as of March 31, 2010:

Vintage	Redacted Meter ID	Category	Issue Type
Group One Gas	0432	Lost Meter	Not Located
Group One Gas	0947	Lost Meter	Not Located
Group One Gas	1426	Lost Meter	Not Located
Group One Gas	9421	Lost Meter	Not Located
Interim Gas	1760	Lost Meter	Not Located
Apr-09 Electric	3028	Lost Meter	Not Located
Jun-09 Gas	5722	Lost Meter	Not Located
Nov-09 Electric	8280	Lost Meter	Not Located
Jan-10 Electric	0203	Lost Meter	Not Located

Not Located Issue

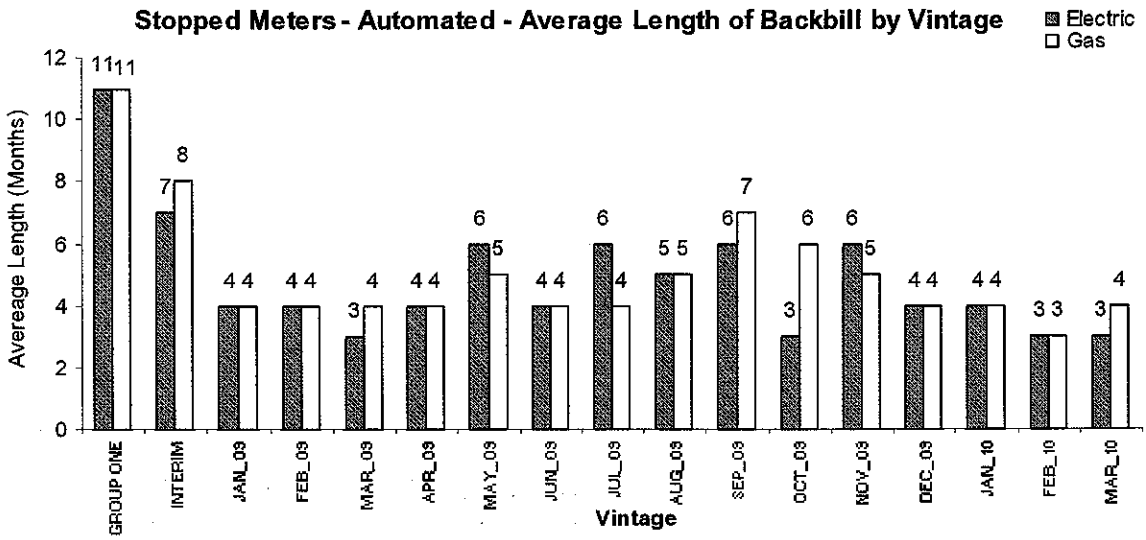
PSE has not been able to locate the nine meters since the end of last quarter. PSE continues to make every effort to locate all lost meters and will include status updates on these meter problems in the next quarterly report.

Addendum Reporting

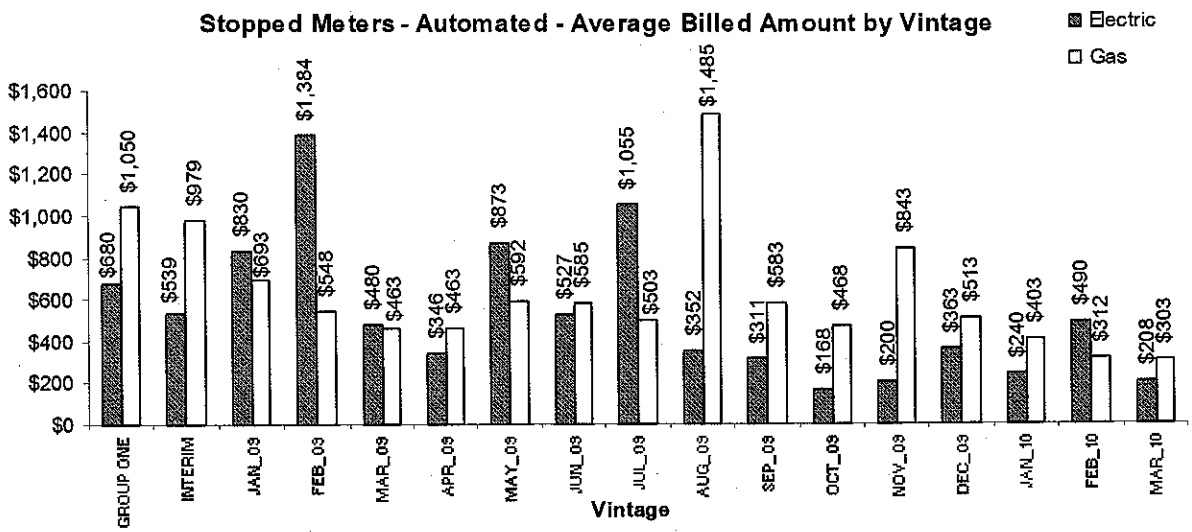
The following information relates to meters with Stopped Meter issue on the average length of meter issue and the average billed amount by vintage. This additional data is included in the quarterly filing per a WUTC staff informal request in September 2009.

As shown in the charts, PSE's backbilling performance for manually-read meters and automated meters is very different. PSE will continue to show separately the data for manually-read meters until the backbilling results for manually-read meters are similar to that of automated meters.

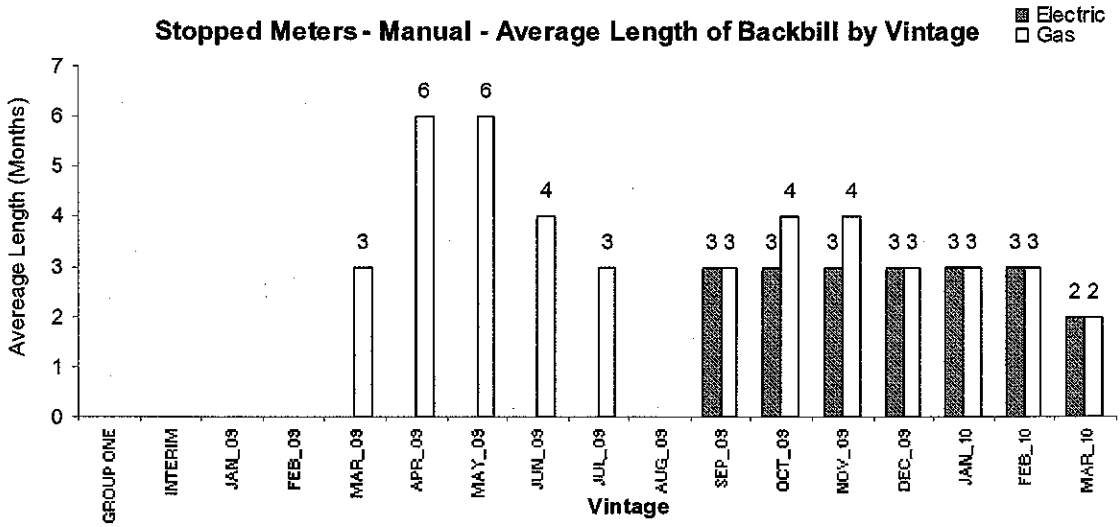
The chart below shows the average length of backbilling in months of automated meters with Stopped Meter issue by vintage as of March 31, 2010.



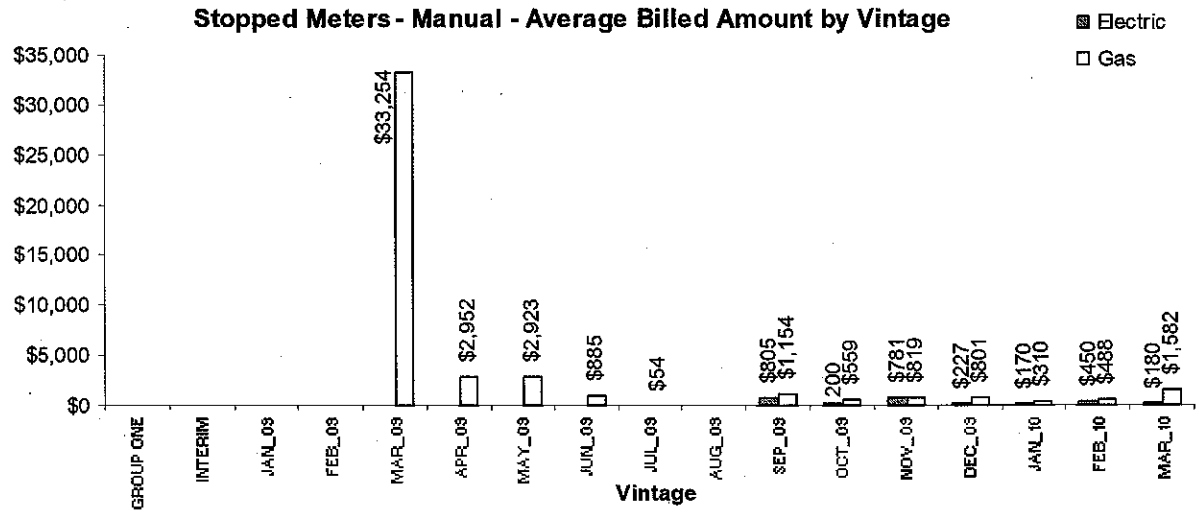
The chart below shows the average billed amount by vintage for automated meters with Stopped Meter issues as of March 31, 20010.



The chart below shows the average backbilling length in months of manually-read meters with Stopped Meter issue by vintage as of March 31, 2010.



The chart below shows the average backbilled amount by vintage for manually-read meters with Stopped Meters as of March 31, 2010.



The average amount billed by vintage is different from the results PSE reported in the previous report. Reporting queries from the back billing Access database have always been run to include all vintages from the Phase-In data up to the latest monthly vintage. PSE's goal is to provide consistent and reproducible reporting of the back billing results. However, a couple of issues have surfaced since the end of 2009 that make it difficult to reproduce previously reported results from the Access database:

- If another payment resolution was reached with a customer and the estimated bill was reprocessed, this can result in an increase or decrease in the back billing amounts.

This can impact vintages closed several months ago, which PSE reported in its previous quarterly report.

- The back billing data in this report includes vintages that are still in progress. Average number of days and average dollar amounts can change by the time the vintages are closed or in next quarterly reporting.

Access databases were built to monitor the process and workload for stopped meters and did not include the requirements needed for the Performance Standards reporting. PSE recognized the opportunity to further improve the data integrity by building an application that would interface with MDW. The Access database has been retired and the average back billing reporting will now originate from MEMS going forward.