



PUGET SOUND ENERGY

The Energy To Do Great Things

Puget Sound Energy
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PSE.com

November 23, 2016

Filed Via Web Portal and Overnight Courier

Mr. Steven V. King, Executive Director and Secretary
Washington Utilities and Transportation Commission
P.O. Box 47250
Olympia, Washington 98504-7250

**RE: Puget Sound Energy's Fee-Free Payment Program Update
Docket Nos. UE-160203 and UG-160204**

Dear Mr. King:

On March 24, 2016, the Commission granted Puget Sound Energy's ("PSE's") Amended Accounting Petition ("Petition") in the above-referenced dockets. PSE's fee-free payment program for its residential and small-business customers, including customers who pay with a credit or debit card, was implemented on August 25, 2016.

Paragraph 26 of the Petition granted by Order 01 in this proceeding requires PSE to provide updates to the Commission every three months after the program is implemented on the deferred balance, participation rates, and fees incurred by month.

PSE's first fee-free payment program update is attached and includes the required information including participation rates, fees incurred and the cumulative deferral balance which as approved by the Order is accruing to FERC account 182.3-Other regulatory assets. The update also includes additional information that is not required, but ultimately helpful in increasing understanding of PSE's fee-free payment program including average costs per transaction and total number of payments per month. PSE's current third-party vendor in implementing its fee-free program is Fiserv. PSE did not receive an October invoice from Fiserv in time to include October data in this report, but will provide October data in the next quarterly report. Finally, it is important to note that the data set for August 2016 does not represent a full month, but ranges from the program start date, August 25, to the end of the month, August 31.

Mr. Steven V. King
November 23, 2016
Page 2

Please contact Nate Hill at (425) 457-5524 for general information about this filing or contact Lori Roth at (425) 456-2721 for additional information. If you have any other questions please contact me at (425) 456-2110.

Sincerely,

A handwritten signature in blue ink, appearing to read "Ken Johnson", with a large, stylized flourish extending to the right.

Ken Johnson
Director, Rates & Regulatory Affairs

Enclosures

cc: Lisa Gafken
Sheree Carson