

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**Docket Nos. UE-111048 and UG-111049  
Puget Sound Energy, Inc.'s  
2011 General Rate Case**

**PUBLIC COUNSEL DATA REQUEST NO. 224**

**PUBLIC COUNSEL DATA REQUEST NO. 224:**

Please provide the low income population in all PSE service territory census tracts as reported in the most current United States census data.

**Response:**

The population of low income customers in the table below is based on the percentage of households in counties served by Puget Sound Energy, Inc. ("PSE") that fall below two income thresholds: 125 percent and 150 percent of federal poverty level. These are the income thresholds that qualify for assistance programs. The source of this data is the U.S. Census' 2005-2009 American Community Survey 5-year estimates.

Applying these percentages to PSE's year-end 2010 total residential customer count of approximately 1,300,000, there are 204,000 customers below 125 percent of federal poverty level and 255,000 below 150 percent of federal poverty level (rounded to nearest 1,000).

	Households below 150% of 2009 Poverty Level* (\$27,000)	Households below 125% of 2009 Poverty Level* (\$22,500)
Whatcom	21,315	17,424
Island	6,387	4,970
King	138,879	111,964
Kitsap	17,721	13,977
Kittitas	5,524	4,715
Pierce	61,410	49,570
Skagit	10,068	8,038
Thurston	18,787	14,860
Snohomish	43,442	34,274
Lewis	8,259	6,612
Jefferson	3,737	3,035
<b>Total</b>	<b>335,528</b>	<b>269,439</b>
<i>Source: U.S. Census Bureau, 2005-2009 American Community Survey 5-Year Estimates</i>		
<i>*Poverty level based on family size of 3; 2010 average HH size in Seattle metro area was 2.5</i>		
<b>Total HHs in 11 counties of PSE Service Territory</b>	<b>1,711,618</b>	<b>1,711,618</b>
<b>% below level</b>	<b>19.6%</b>	<b>15.7%</b>
<b>Total PSE residential customers (2010)</b>	<b>1,300,000</b>	<b>1,300,000</b>
	<b>x 19.6%</b>	<b>x 15.7%</b>
<b>PSE customers below level (i.e. "low income")</b>	<b>255,000</b>	<b>204,000</b>

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**Docket Nos. UE-111048 and UG-111049  
Puget Sound Energy, Inc.'s  
2011 General Rate Case**

**PUBLIC COUNSEL DATA REQUEST NO. 225**

**PUBLIC COUNSEL DATA REQUEST NO. 225:**

Provide PSE's annual reports on program outcome of PSE's HELP low income program for program years 2008, 2009, 2010, 2011.

**Response:**

Attached as Attachments A, B, and C to Puget Sound Energy, Inc.'s ("PSE") Response to Public Counsel's Data Request No. 225, please find PSE's annual reports of PSE's Home Energy Lifeline Program (HELP) for the following program periods: October 2007 through September 2008, October 2008 through September 2009, and October 2009 through September 2010, respectively. The results for the 12-month ended September 2011 will be available in 2012.

**ATTACHMENT A**  
**TO PSE'S RESPONSE TO PUBLIC COUNSEL DATA NO. 225**

**Puget Sound Energy**

**Annual Report on Program Outcome of PSE's Low Income Program, HELP**

**For 2007 Program Year  
October 2007 – September 2008**

Filed May 29, 2009

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**Description of Benefit**

Puget Sound Energy's ("PSE's") low income bill assistance program, the Home Energy Lifeline Program ("HELP"), provides bill-payment assistance to qualified PSE customers. The funding of HELP is through PSE's electric and natural gas Schedules 129, Low Income Program. HELP benefits are supplemental to the Federal Low Income Home Energy Assistance Program ("LIHEAP") and are available year-round to eligible customers. Eligible customers may receive up to \$750 per year in low-income credit to offset their electricity or natural gas bills.

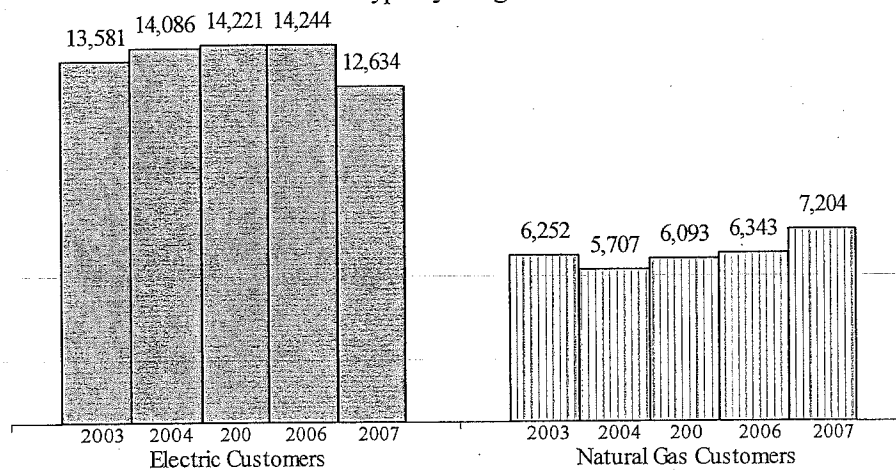
**Benefits by Fuel Type and Program Year**

The following table shows the number of PSE residential customers who received benefits from PSE's HELP during the 2007 program year, the 12-month period of October, 2007 through September, 2008.

Electric customers	12,634
Natural gas customers	7,204

The number of households that received benefits is somewhat lower than the sum of the two numbers above since some households are both PSE natural gas and electric customers. The total number of households that received benefits is 17,758. Of the electric customers who received benefits, 16% were also natural gas customers. Of the natural gas customers who received benefits, 29% were also electric customers. The chart below is a comparison of number of customers who received benefits since the inception of HELP by fuel type and by program year.

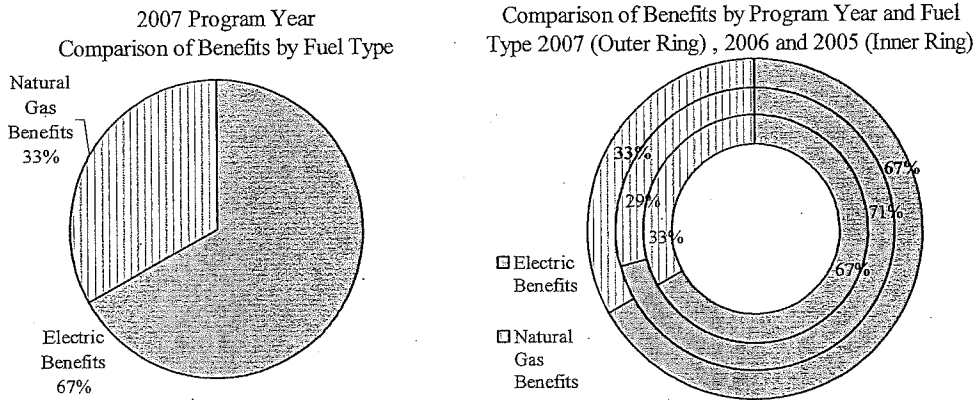
Comparison of Number of Customers Received Benefits by Fuel Type by Program Year



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

Electric	\$5,301,983
Natural Gas	\$2,622,299
<b>Total</b>	<b>\$7,924,281</b>

The charts below show the relative amount of benefits awarded with respect to electric and natural gas residential customers by program year.



The actual percentages of benefits awarded to each fuel are slightly different from the original allocated percentages. The actual percentages are 67% electric and 33% natural gas (see charts above) vs. the initial allocation (based on the Four Factor Allocator) of 66% electric and 34% natural gas (see table below).

In comparison with the percentages of residential customers and of residential revenues, electric customers were allocated relatively more HELP benefits than that of natural gas customers as shown in the table below.

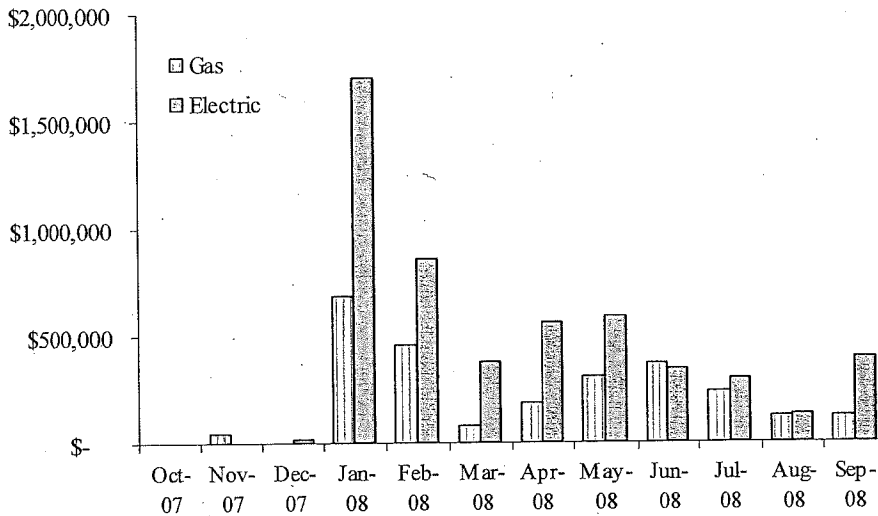
	% of Residential Customers	% of Residential Revenues	% of Benefit Allocation per Docket Nos. UE-11570 & UG-011571 (Annual Four Factor Allocator)	% of Benefit Allocation per Docket Nos. UE-072300 & UG-072301 (fixed)
Electric	58%	58%	66%	75%
Natural Gas	42%	42%	34%	25%

The benefit allocation between electric and natural gas based on the annual Four Factor Allocator as prescribed in Docket Nos. UE-11570 and UG-011571 was effective through the end of 2007 program year, September 31, 2008. Starting on October 1, 2008, the beginning of the 2008 program year, HELP benefits have been distributed to electric and natural gas customers at the fixed ratio of 75% and 25%, respectively. The Commission adopted this revision in Docket Nos. UE-072300 and UE-072301, in addition to the increase in low income annual funding from \$10.25 million to \$15 million and other revisions.



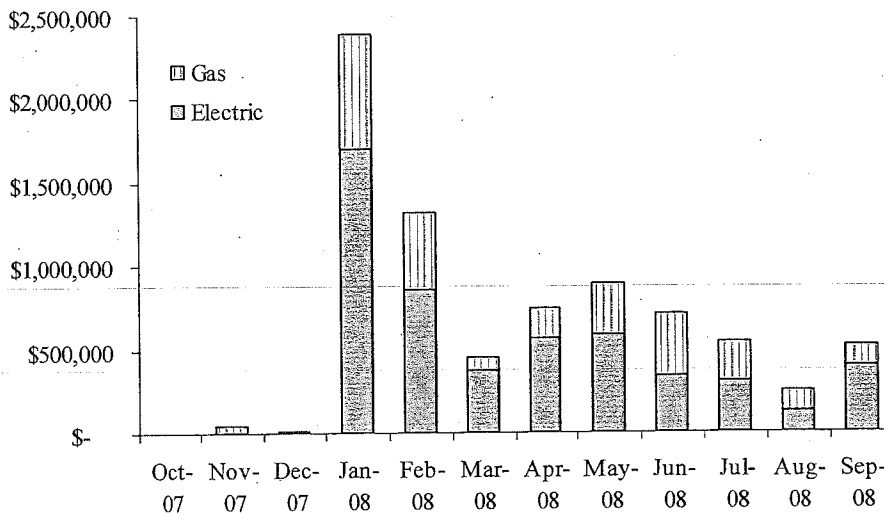
The following two charts show the monthly pattern of distribution of benefits to PSE customer households during the 2007 program year by fuel type. The first chart is a side-by-side bar chart with both the electric and natural gas benefits.

Monthly Pattern of Distribution of HELP Benefits by Fuel Type

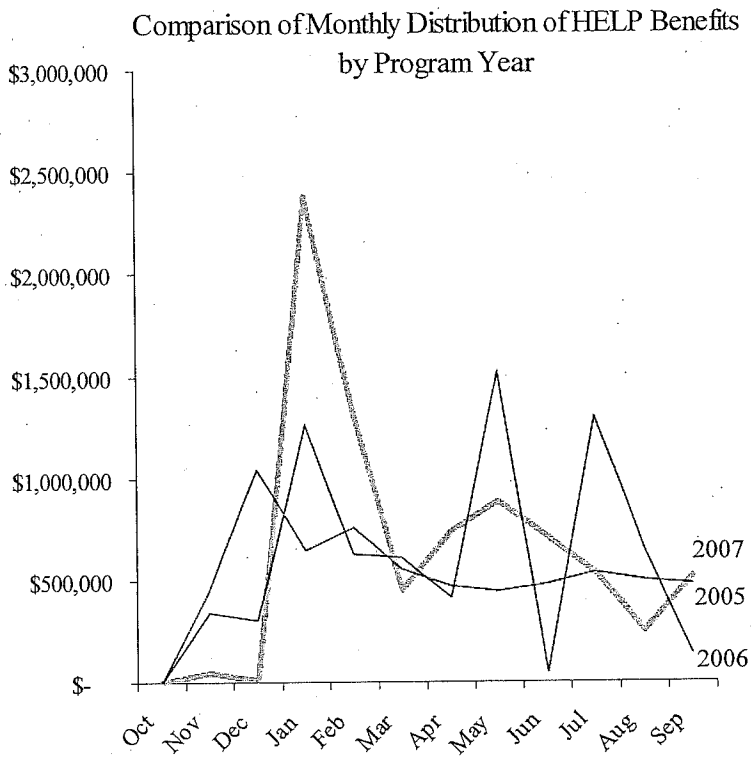


The second chart is a stacked bar chart with both the electric and natural gas benefits by month.

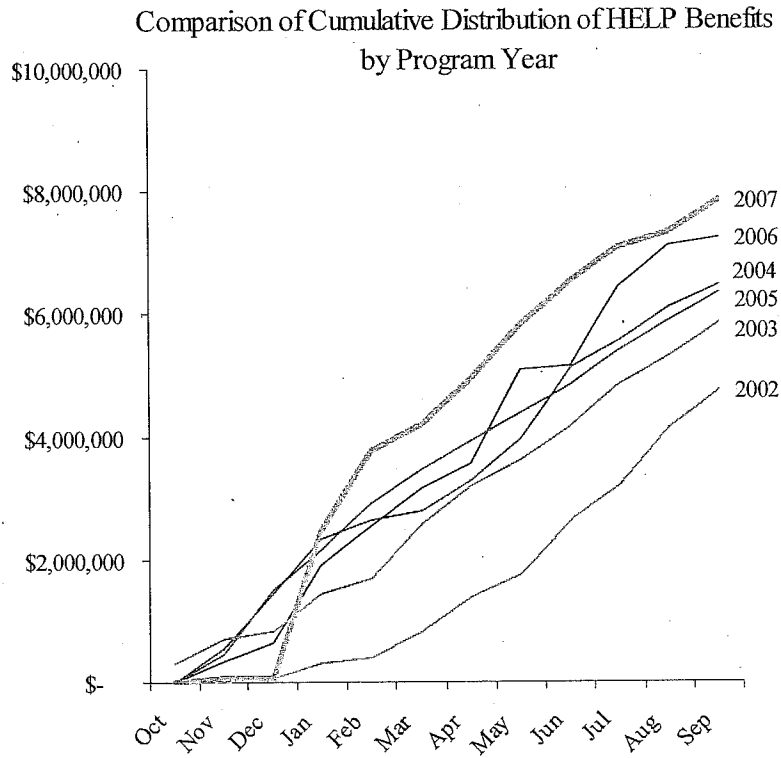
Combined Monthly Pattern of Distribution of HELP Benefits



The chart below shows the combined electric and natural gas awarded benefits on a monthly basis for the 2007 program year (depicted by the heavy line) and the previous two program years (in light lines).



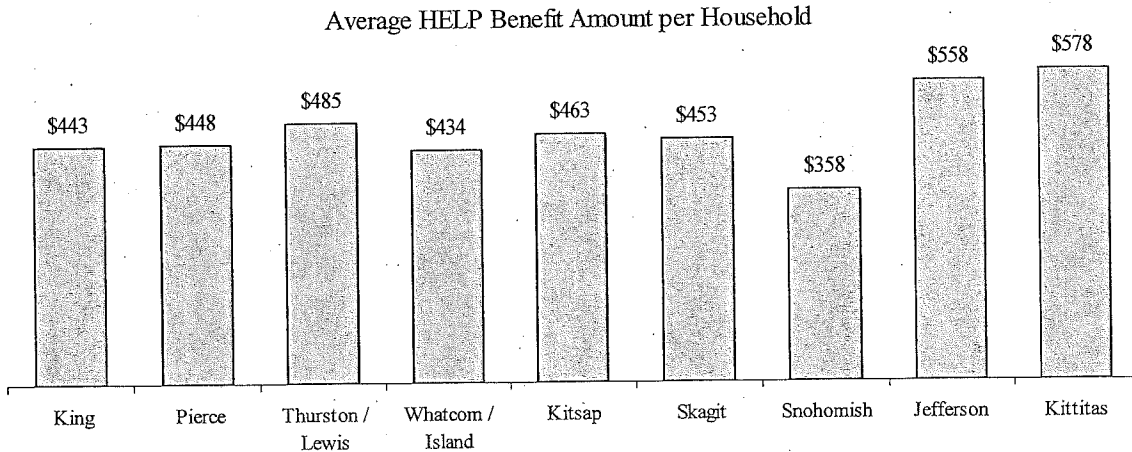
The chart below shows a comparison of the cumulative amount of awarded benefits on a monthly basis for the 2007 program year (shown in heavy line) and the previous five program years (in light lines). The overall increase in the HELP benefits since the inception of the program, the 2002 program, is 65%.



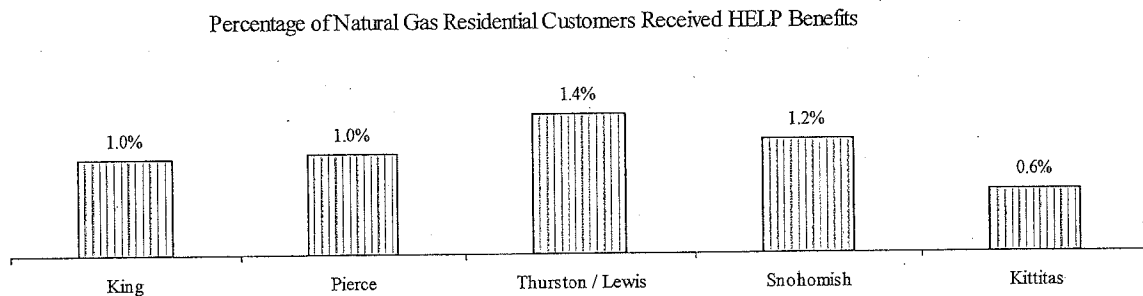
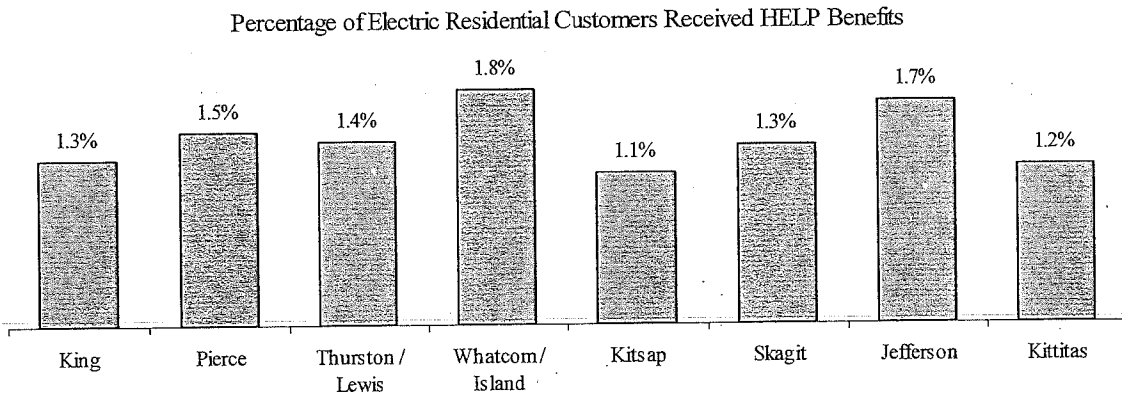
**Demographics of Customer Households**

**Benefits by County**

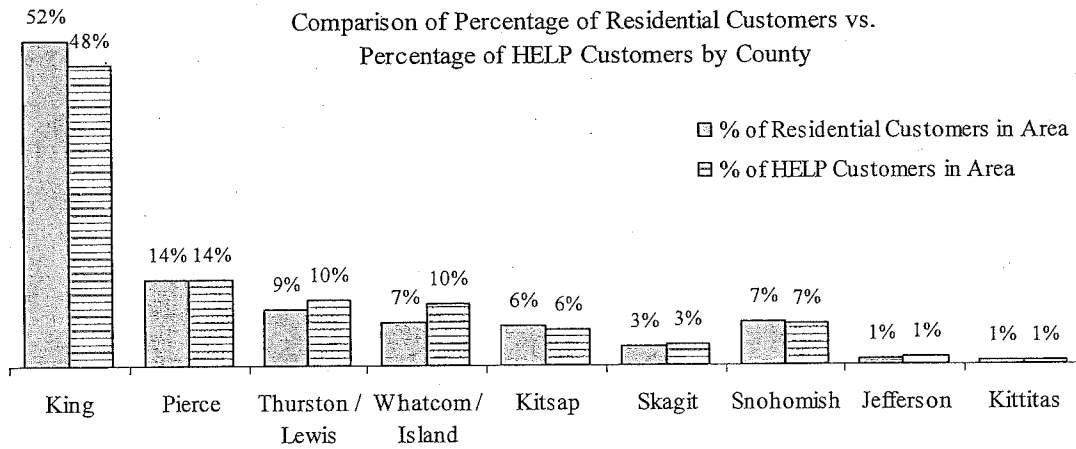
The average level of HELP benefits to each qualifying low income household is \$446 for this program year. The chart below shows the average benefits per household for the various counties in PSE's service territory.



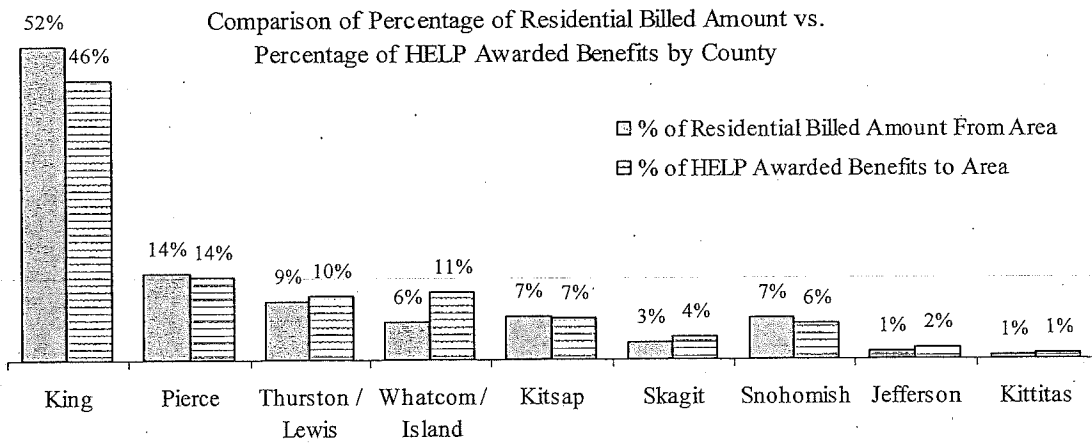
The following charts show the number of customers receiving HELP benefits as percentage of the number of residential customers in a county area. The overall percentages for electric and natural gas are 1.3% and 1.1%, respectively.



The chart below shows the percentage of PSE residential electric and natural gas customers in a county area compared to the percentage of customers receiving HELP benefits in that area. Most of the areas received HELP benefits proportionally to the percentage of total residential customers in each of those areas, except King, Thurston/Lewis, and Whatcom/Island Counties.



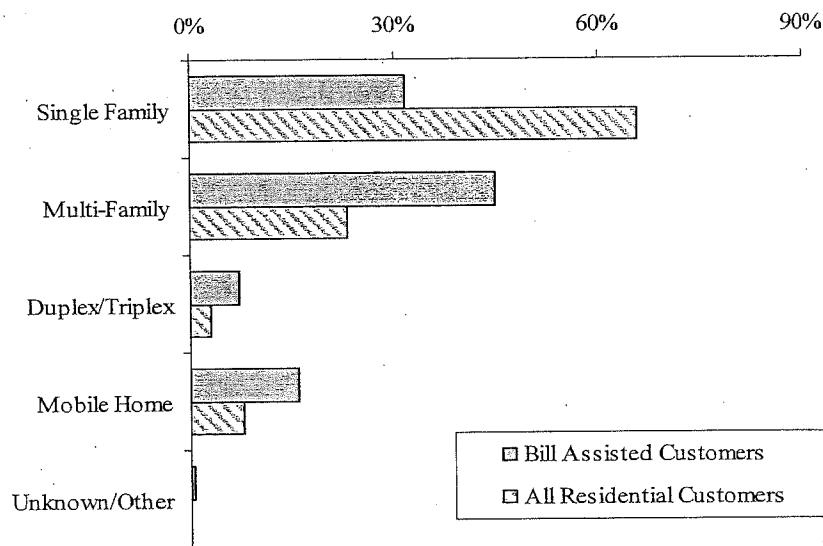
The chart below shows the percentage of PSE residential electric and natural gas total billed amount in a county area compared to the percentage of HELP benefits awarded to that area by county area. Only three out of the nine areas received HELP benefits level similar to the percentage of total electric and natural gas billed amount from that area. These three areas are Pierce, Kitsap, and Kittitas Counties.



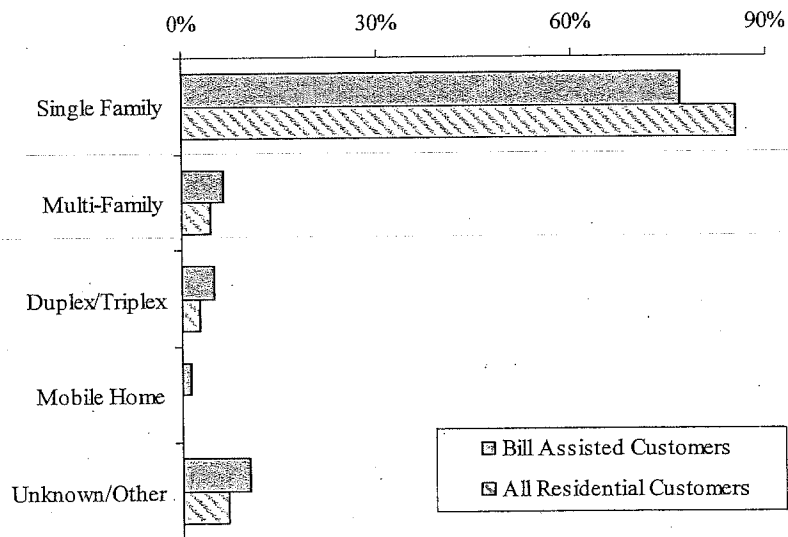
### Benefits by Residential Housing Structure

The two charts below show comparisons by fuel type and residential housing structure type between PSE residential customers and the customers receiving some sort of HELP bill assistance during the program year. Overall, the HELP customers 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

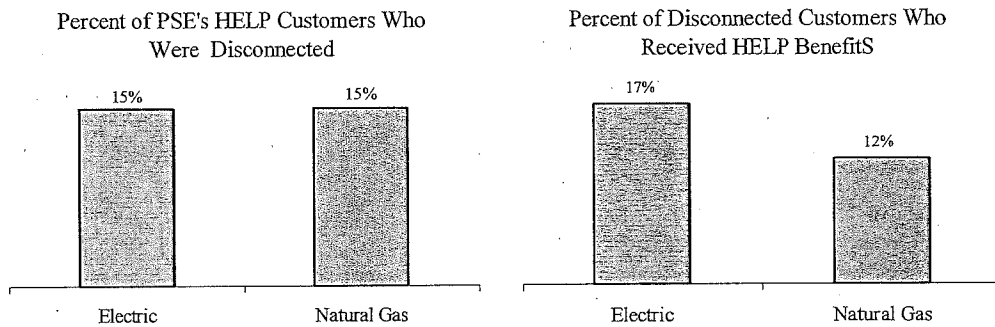


Natural Gas Residential Structure Type Distribution



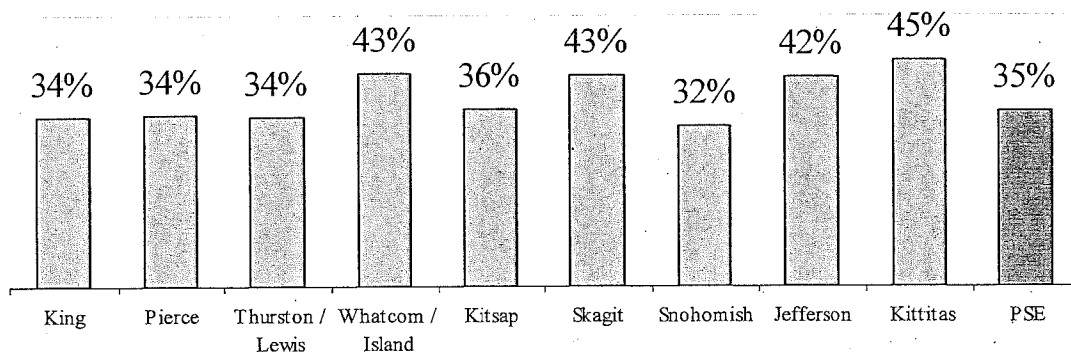
**Benefit Impacts**

The two charts below compare the percentage of customers who received billing assistance through PSE's HELP during the 2007 program year and who were also disconnected sometime during the same period. Keep in mind these charts only show what happened to these customers during the program year, this data does not indicate 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, 16% of disconnected customers also received some bill assistance. For electric customers it was about 17% and for natural gas customers it was about 12%. The second chart highlights the percentage of customers who received HELP 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 also about 15%.



The chart below compares the ratio of average HELP benefits per account to average annual bill per account for the 2007 program year by county area. It demonstrates, on average, how much of a residential electric or natural gas customer's energy bill could be mitigated by HELP benefits. The overall PSE average ratio is 35%, i.e. the HELP benefits alone would pay for 35% of a customer's annual energy bills. Among PSE service areas, Kittitas County has the highest ratio of 45% and Snohomish County has the lowest ratio of 32%.

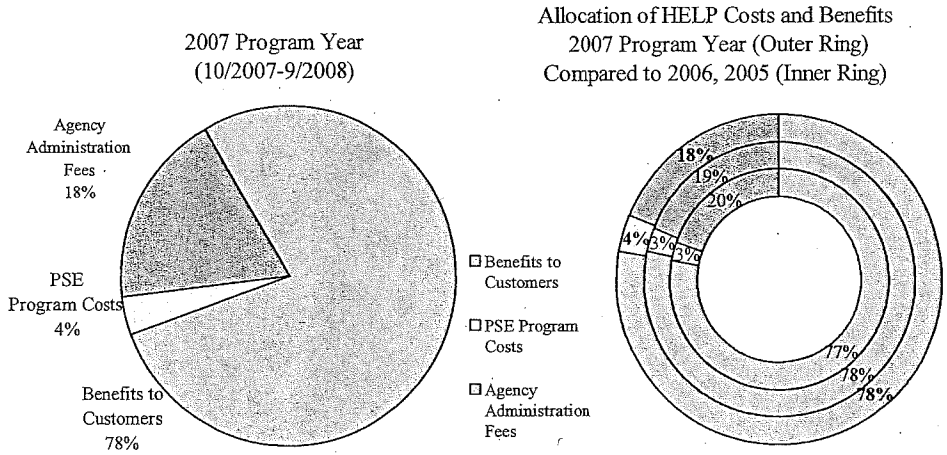
**Ratio of Average HELP Benefits per Account to Average Annual Bill per Account for the 12-month period of 10/2007-9/2008**



Administration of Program

During the 2007 program year, there were twelve qualifying low income agencies administering HELP and distributing benefits to customers for PSE. These agencies received an additional allotment of funding from PSE for administrative fees to run HELP and related services such as customer education, eligibility evaluation, benefit determination and distribution, and other support services.

The charts below illustrate the allocation of the HELP costs and benefits to customers by program year. For this program year, the agency administration fees, on average, comprised about 18% of the total funding of the low income program, which is a slight decrease from the 19% of the previous program year. PSE's own program costs were at 4%, an increase 1% from the 2006 program year.





**Marketing of PSE's Home Energy Lifeline Program**

The following are some highlights regarding the marketing of the HELP during this 2007 program year, the 12-month period of October, 2007 through September, 2008:

- Multilingual brochures (English, Spanish, Russian, Korean and Vietnamese) with information about income eligibility and assistance centers were available at low income agencies, in PSE customer service offices, and posted on PSE.com.
- The multilingual recorded telephone line (1-866-223-5425) about the program and options for local agency contact information (English, Spanish, Russian, Korean and Vietnamese) was accessible 24/7.
- June 2, 2008 PSE news release, "Money available to help pay PSE bills," provided utility-bill credit and bill assistance information. The news release was distributed throughout PSE service territory and posted on PSE.com. This news release generated several news stories.
- March-April 2008 EnergyWise customer newsletter article, "PSE programs can help pay the bills," included in U.S. mailed PSE bill statements, linked to online PSE bill statements, and posted on PSE.com throughout year.
- January-February 2008 EnergyWise customer newsletter article, "PSE works with you to manage energy bills," included in U.S. mailed PSE bill statements, linked to online PSE bill statements, and posted on PSE.com throughout year.
- November-December 2007 EnergyWise customer newsletter article, "Help with paying heating bills," included in U.S. mailed PSE bill statements, linked to online PSE bill statements, and posted on PSE.com throughout year.
- November-December 2007 bill insert, "Energy-saving and bill-payment resources," included in U.S. mailed PSE bill statements, linked to online PSE bill statements, and posted on PSE.com throughout year.
- 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.
- 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 "Home & Business Solutions" site.

**ATTACHMENT B**  
**TO PSE'S RESPONSE TO PUBLIC COUNSEL DATA NO. 225**

**Puget Sound Energy**

**Annual Report on Program Outcome of PSE's Low Income Program, HELP**

**For 2008 Program Year  
October 2008 – September 2009**

Filed May 28, 2010

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**Introduction and Background**

Puget Sound Energy's ("PSE's" or "Company's") low income bill assistance program, the Home Energy Lifeline Program ("HELP"), provides bill-payment assistance to qualified PSE customers. The funding of HELP is through PSE's electric and natural gas Schedules 129, Low Income Program. HELP benefits are supplemental to the Federal Low Income Home Energy Assistance Program ("LIHEAP") and are available year-round to eligible customers. Upon the approval of their qualification, the customers may receive up to \$750 per year in HELP credit to offset their electricity or natural gas bills.

Puget Sound Energy's HELP was first implemented in accordance with Exhibit G to Settlement Stipulation Agreement approved by the Commission in consolidated Dockets UE-011570 and UG-011571 Twelfth Supplemental Order dated June 20, 2002, which was amended by the Partial Settlement Agreement approved by the Commission on January 5, 2007, in Dockets UE-060266 and UG-060267.

On October 8, 2008, the Commission approved three changes to HELP in its Order 12: Final Order Approving and Adoption Settlement Stipulations; Authorizing and Requiring Compliance Filing in consolidated Docket Nos, UE-072300 and UG-072301 ("Order"). Appendix D to the Order ("Appendix D") set forth details of these three changes which had become effective on October 1, 2008, the beginning of the 2008 program year. The changes are:

1. HELP funding is to distribute to electric and natural gas customers at the fixed ratio of 75% and 25%, respectively.
2. The total annual HELP funding is increased from \$10.25 million to \$15 million.
3. Any HELP funds not distributed to customers in any single program year will be carried over to the next program year as supplemental HELP funding.

These changes are also affirmed as Commitments 22, 23, and 42 of Multiparty Settlement Stipulation approved by the Commission on December 30, 2008, in Docket No. U-072375. The Company has incorporated the changes in its annual update of low income program rates since the August 28, 2008, HELP filings.

**Description of Help Funding**

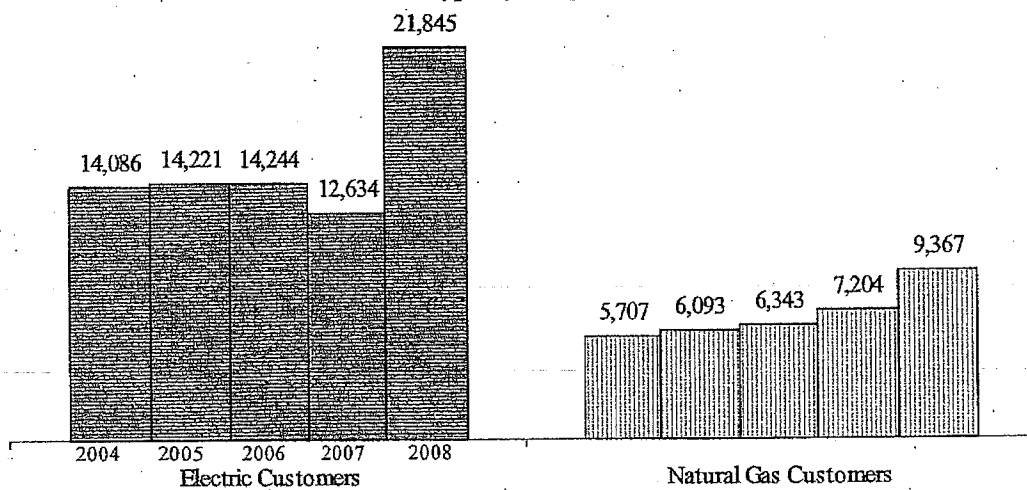
**Funding by Fuel Type and Program Year**

The following table shows the number of PSE residential customers who received funding from PSE's HELP during the 2008 program year, the 12-month period of October 2008 through September 2009.

Electric customers	21,845
Natural gas customers	9,367

The number of households that received funding is somewhat lower than the sum of the two numbers above since some households are both PSE natural gas and electric customers. The total number of households that received funding is 27,103. Of the electric customers who received funding, 19% were also natural gas customers. Of the natural gas customers who received funding, 44% were also electric customers. The chart below is a comparison of number of customers who received funding since the inception of HELP by fuel type and by program year. The large increase in the number of electric HELP customers is driven both by the increased funding (from \$10.25 million to \$15 million) and the revised funding allocation starting in the 2008 program year. Prior to this 2008 program year, the benefit allocation between electric and natural gas customers had been based on the annual Four Factor Allocator as prescribed in Docket Nos. UE-11570 and UG-011571, which had been around 70% electric and 30% natural gas. However, more natural gas customers were able to get help because of the funding increase.

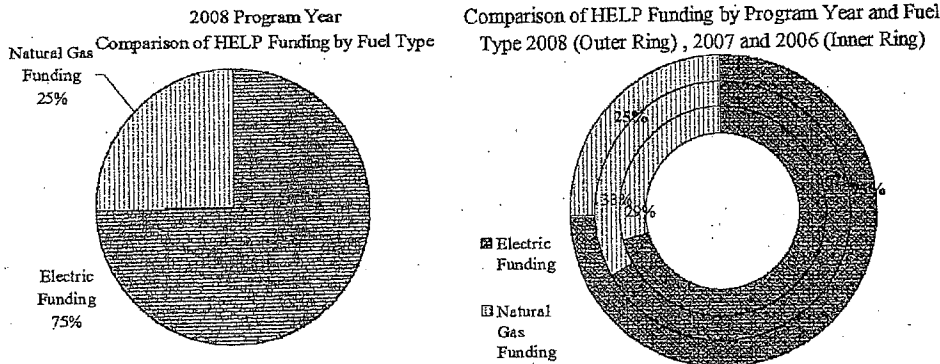
Comparison of Number of Customers Received HELP Funding by Fuel Type by Program Year



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

Electric	\$9,064,676
Natural Gas	\$3,053,412
<b>Total</b>	<b>\$12,118,088</b>

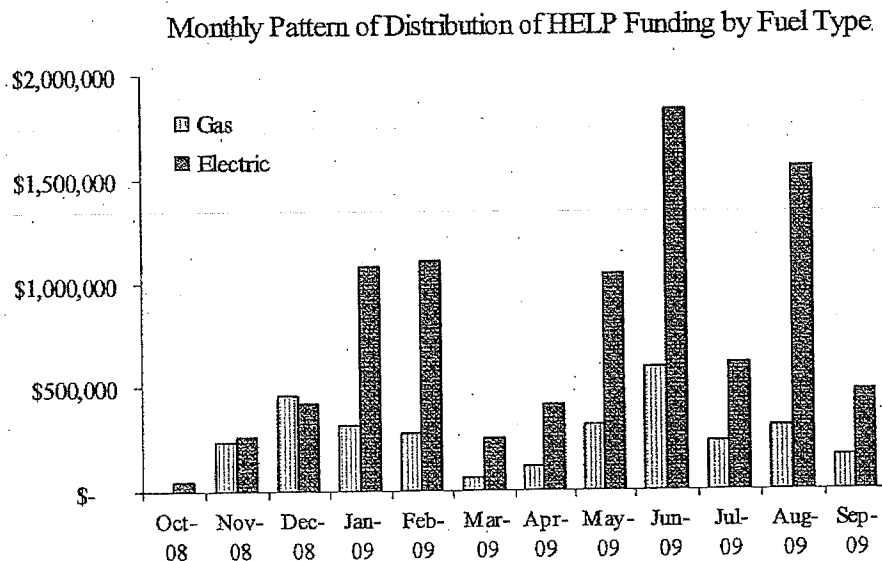
The charts below show the relative amount of funding awarded with respect to electric and natural gas residential customers by program year.



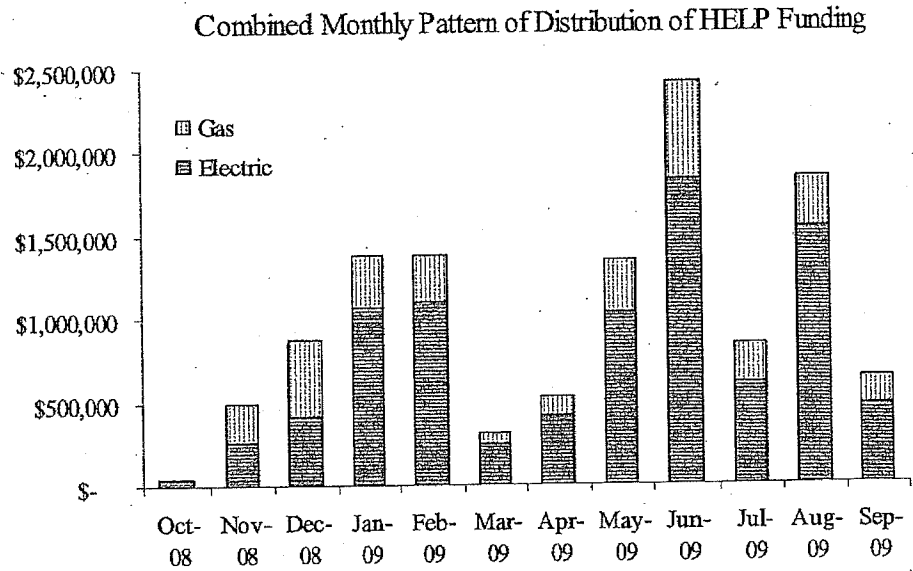
The actual percentages of funding awarded to each fuel are 75% electric and 25% natural gas, as prescribed in the Appendix D of the Order. The table below shows a comparison of the percentages of HELP funding allocated and awarded with the percentages of residential customers and of residential revenues. Electric customers were allocated relatively more HELP funding than that of natural gas customers based on the proportion of revenue and customer count percentages.

	% of HELP Funding Allocation per Docket Nos. UE-072300 & UG-072301	% of Actual Awarded HELP Funding	% of Residential Customers	% of Residential Revenues
Electric	75%	75%	58%	56%
Natural Gas	25%	25%	42%	44%

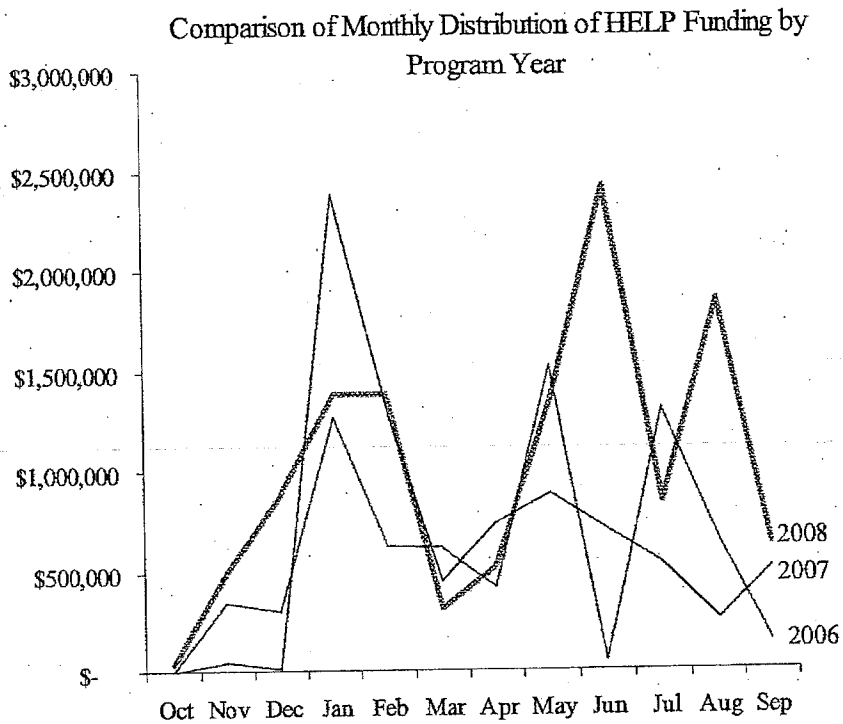
The following two charts show the monthly pattern of distribution of funding to PSE customers during the 2008 program year by fuel type. The first chart is a side-by-side bar chart with both the electric and natural gas funding.



The second chart is a stacked bar chart with both the electric and natural gas funding by month.

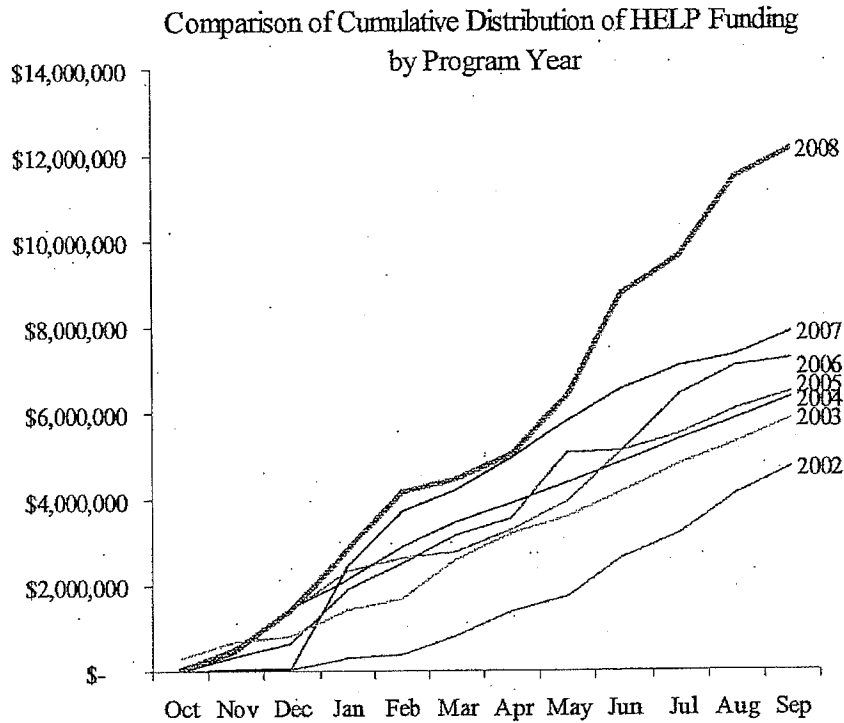


The chart below shows the combined electric and natural gas awarded HELP funding on a monthly basis for the 2008 program year (depicted by the heavy line) and the previous two program years (in light lines).





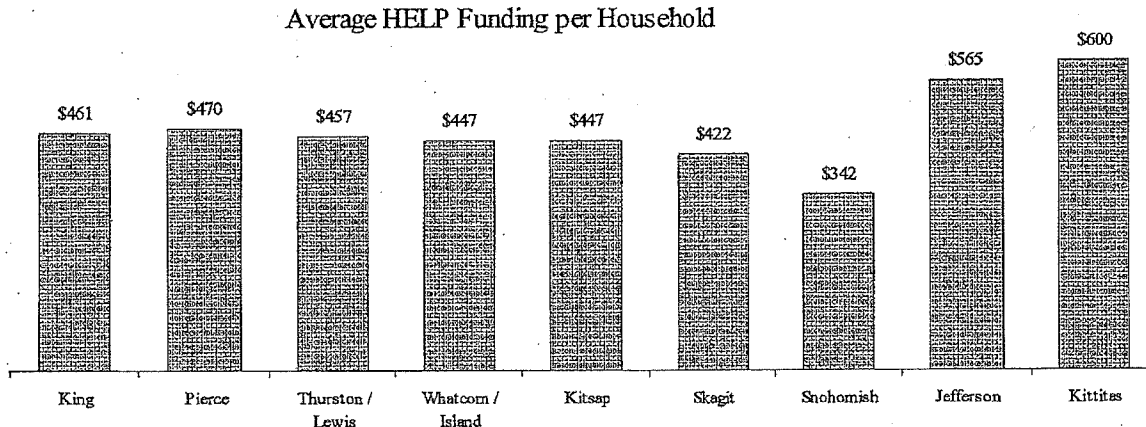
The chart below shows a comparison of the cumulative amount of awarded HELP funding on a monthly basis for the 2008 program year (shown in heavy line) and the previous five program years (in light lines). The overall funding increase since the inception of the program is 155% which is mainly due to the significant increase in HELP funding starting this program year.



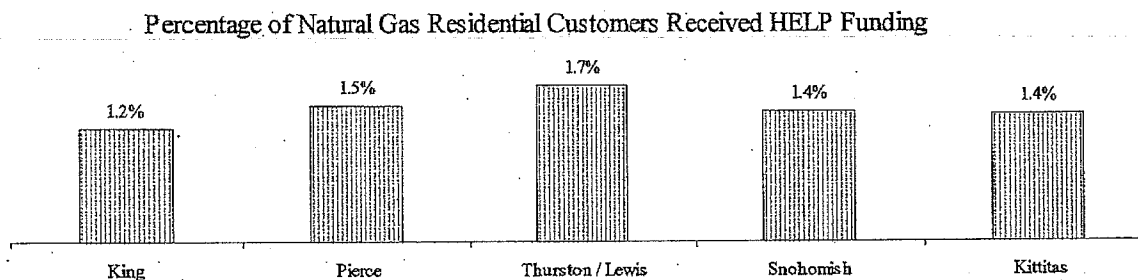
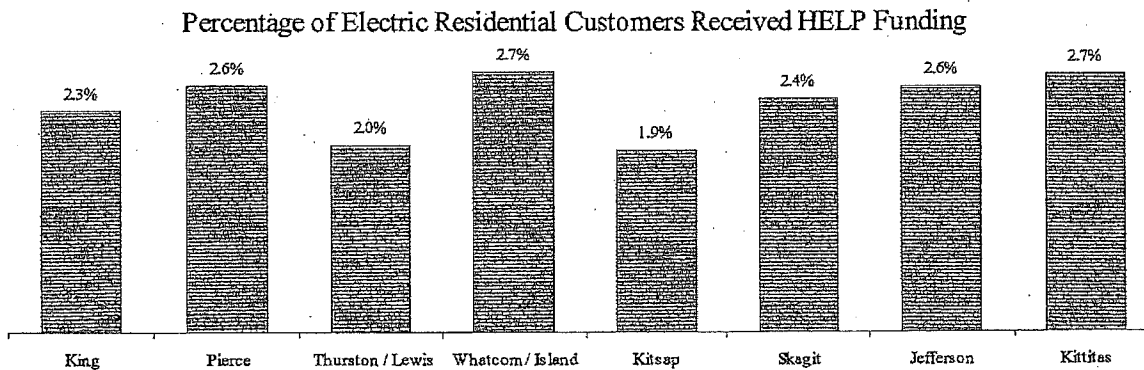
**Demographics of Customer Households**

**HELP Funding by County**

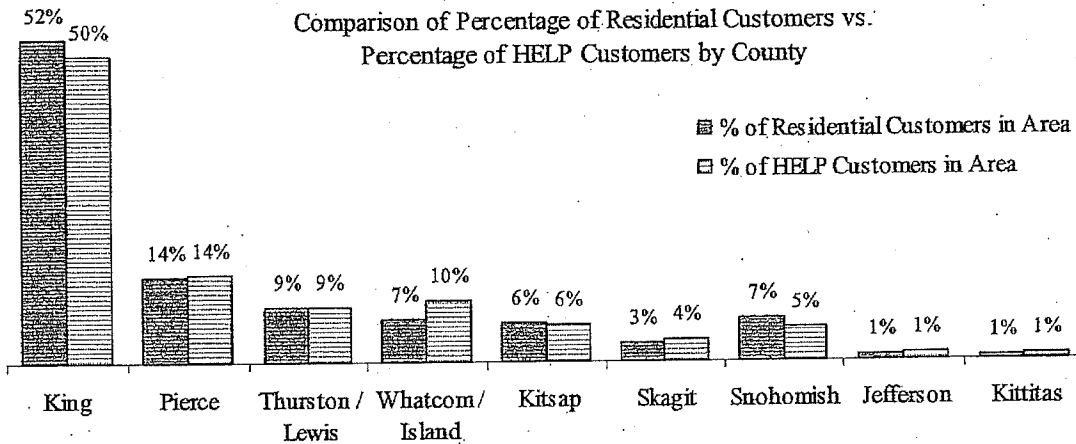
The average level of HELP funding to each qualifying low income household is \$453 for this program year. The chart below shows the average funding per household for the various counties in PSE's service territory.



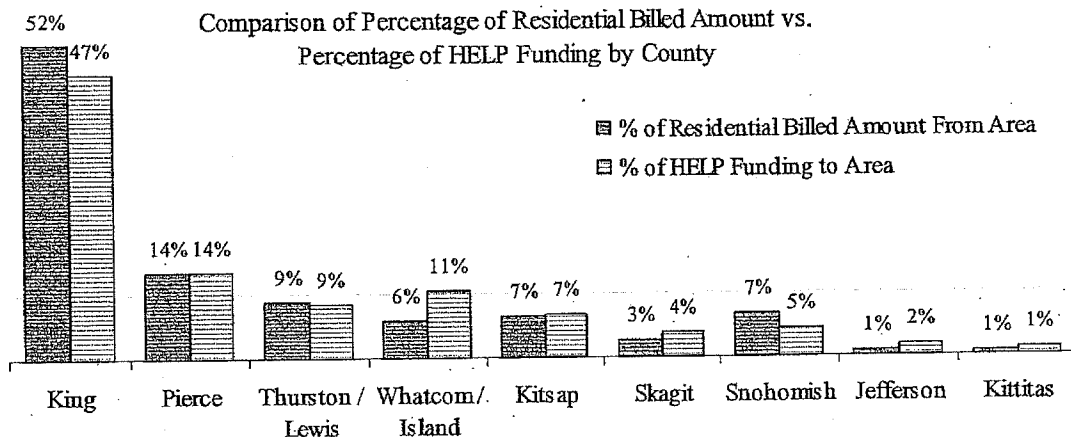
The following charts show the number of customers receiving HELP funding as percentage of the number of residential customers in a county area. The overall percentages for electric and natural gas are 2.3% and 1.4%, respectively.



The chart below shows the percentage of PSE residential electric and natural gas customers in a county area compared to the percentage of customers receiving HELP funding in that area. Five out of the nine areas received HELP funding proportionally to the percentage of total residential customers in each of those areas. The exceptions are King, Whatcom/Island, Skagit, and Snohomish Counties. King and Snohomish received less; Whatcom/Island and Skagit received more.

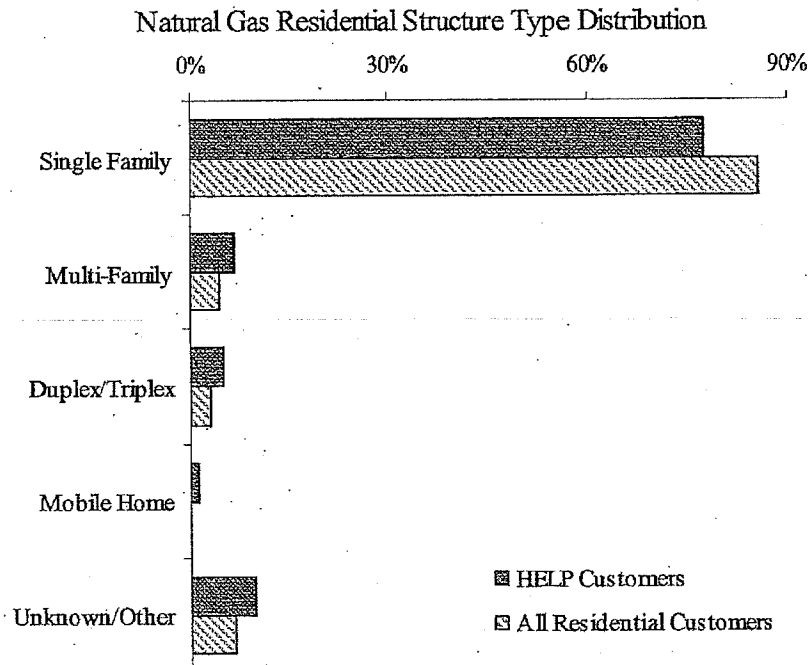
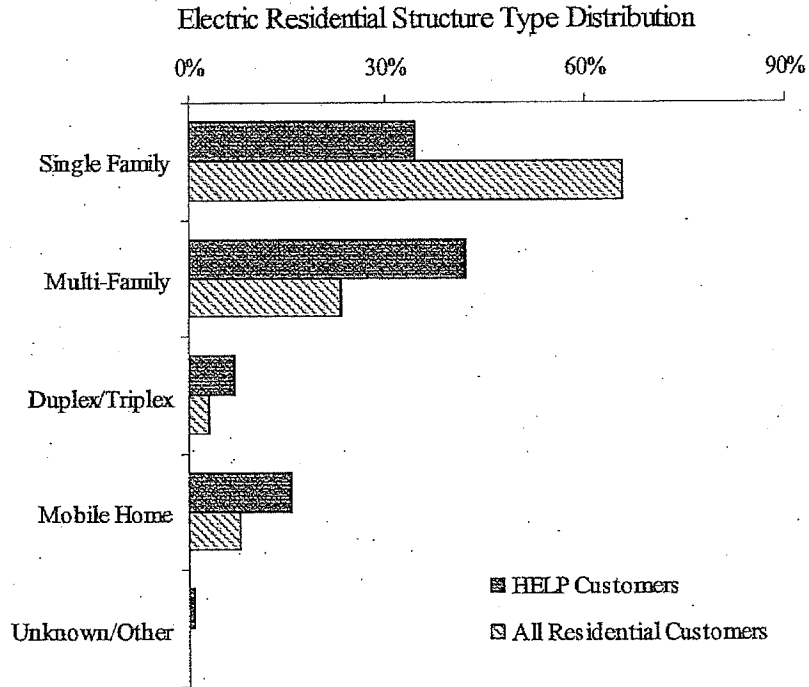


The chart below shows the percentage by county area of PSE residential electric and natural gas total billed amount in a county area compared to the percentage of HELP funding awarded to that area. Four out of the nine areas received HELP funding level similar to the percentage of total electric and natural gas billed amount from that area. The exceptions are King, Whatcom/Island, Skagit, Snohomish, and Jefferson Counties. King and Snohomish received less; Whatcom/Island, Skagit, and Jefferson received more.



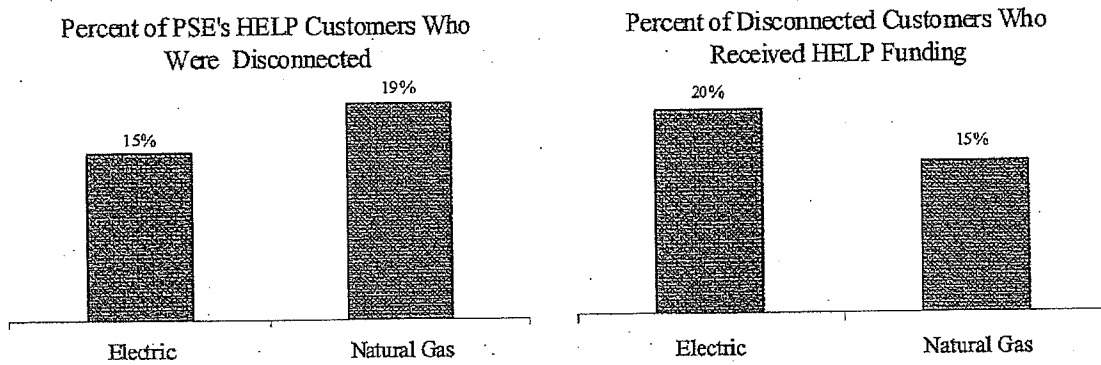
### HELP Funding by Residential Housing Structure

The two charts below show comparisons by fuel type and residential housing structure type between PSE residential customers and the customers receiving HELP funding during the program year. Electric HELP customers were more likely to live in a multi-family structure, a mobile home, or a duplex but natural gas HELP customers were mostly to live in a single-family structure.

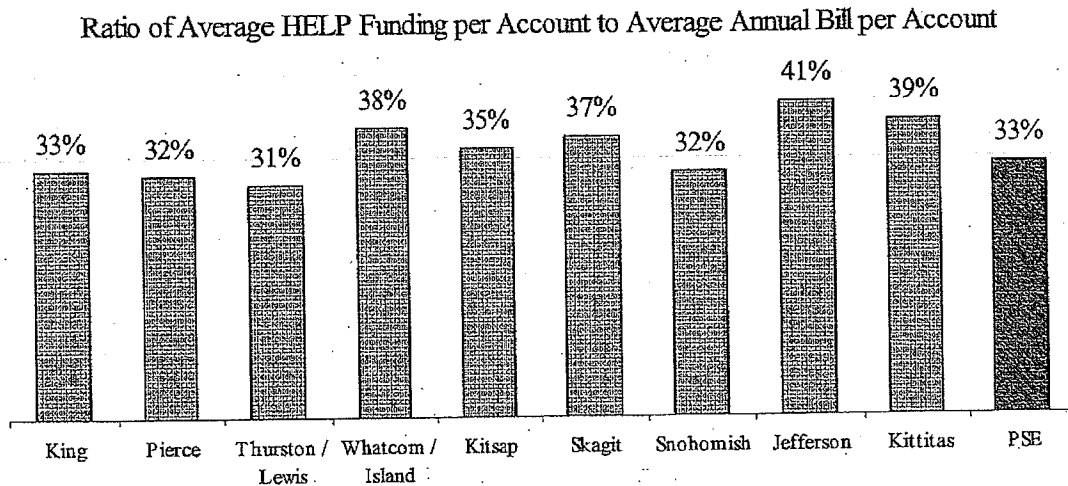


**HELP Funding Impacts**

The two charts below show the relationship between disconnection events and HELP billing assistance in the 2008 program. Keep in mind these charts only show what happened to customers during the program year and this data does not indicate which event occurred first, namely the receipt of billing assistance or the disconnection. The first chart highlights the percentage of customers who received HELP assistance but were disconnected. Overall, 16% of HELP customers experienced service disconnection. For electric customers it was about 15% and for natural gas customers it was about 19%. The second chart highlights the percentage of disconnection customers who received HELP assistance during the program year. For electric customers it was about 20% and for natural gas customers it was also about 15%. The combined percentage of the two fuel types is 18%.



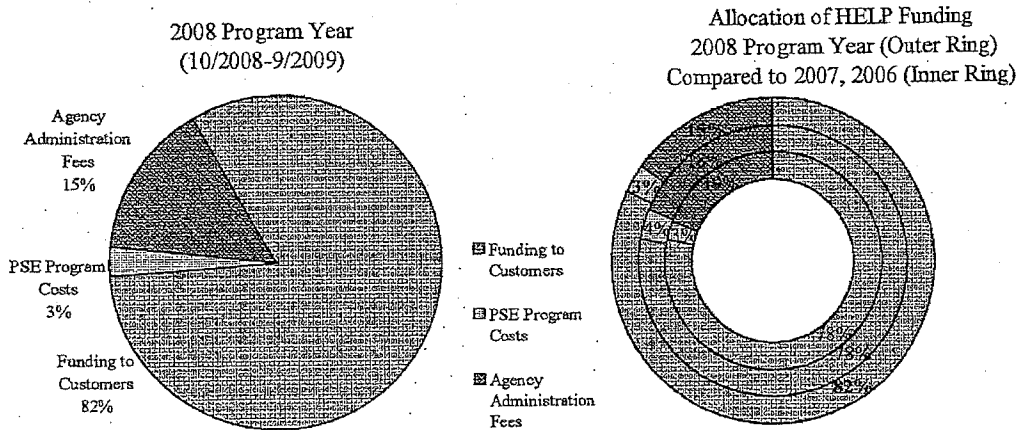
The chart below compares the ratio of average HELP funding per account to average annual bill per account for the 2008 program year by county area. It demonstrates, on average, how much of a residential electric or natural gas customer's energy bill could be mitigated by HELP funding. The overall PSE average ratio is 33%, i.e. the HELP funding alone would pay for 33% of a customer's annual energy bills. Among PSE service areas, Jefferson County has the highest ratio of 41% and the Thurston/Lewis area has the lowest ratio of 31%.



Administration of Program

During the 2008 program year, there were twelve qualifying low income agencies administering HELP and distributing funding to customers for PSE. These agencies received an additional allotment of funding from PSE for administrative fees to run HELP and related services such as customer education, eligibility evaluation, funding level determination and distribution, and other support services.

The charts below illustrate the allocation of the HELP costs and funding to customers by program year. For this program year, the overall agency administration fees comprised about 15% of the total funding of the HELP, which is a 3% decrease from the 18% of the previous program year. PSE's own program administrative costs were at 3%, a decrease of 1% from the 2007 program year.



### Marketing of PSE's Home Energy Lifeline Program

The following are some highlights regarding the marketing of the HELP program during the program year, October 2008-September 2009:

- Multilingual brochures (English, Spanish, Russian, Korean, and Vietnamese) with information about income eligibility and assistance centers were available at low income agencies, in PSE customer service offices, and posted on PSE.com.
- The multilingual recorded telephone line (1-866-223-5425) about the program and options for local agency contact information (English, Spanish, Russian, Korean, and Vietnamese) was accessible 24/7.
- January 14, 2009, PSE news release, "PSE reminds customers low-income and other assistance is available for heating bills", provided utility-bill credit and bill assistance information. The news release was distributed throughout PSE service territory and posted on PSE.com. This news release generated several news stories.
- February 11, 2009, PSE news release, "PSE goes to Capitol Hill to push for full funding of low income heating assistance", provided utility-bill credit and bill assistance information. The news release was distributed throughout PSE service territory and posted on PSE.com. This news release generated several news stories.
- March 13, 2009, PSE news release, "\$13 million in bill-payment assistance still available to PSE customers", provided utility-bill credit and bill assistance information. The news release was distributed throughout PSE service territory and posted on PSE.com. This news release generated several news stories.
- June 3, 2009 PSE news release, "PSE offers payment plans, assistance and energy efficiency incentives to help customers manage energy costs", provided utility-bill credit and bill assistance information. The news release was distributed throughout PSE service territory and posted on PSE.com. This news release generated several news stories.
- September-October 2008 bill insert, "Energy-saving and bill-payment resources", listed the energy assistance agencies and was sent in PSE bill statements, linked to online PSE bill statements, and posted on PSE.com throughout year.
- November-December 2008 bill insert, "Energy-saving and bill-payment resources", sent in PSE bill statements, linked to online PSE bill statements, and posted on PSE.com throughout year.
- November-December 2008 EnergyWise customer newsletter article, "Bill payment assistance available", sent in PSE bill statements, linked to online PSE bill statements, and posted on PSE.com throughout year.
- January-February 2009 EnergyWise customer newsletter articles, "Energy assistance funds boosted" and "Help people in need this winter", sent in PSE bill statements, linked to online PSE bill statements, and posted on PSE.com throughout year.

- March-April 2009 EnergyWise customer newsletter article, "PSE and federal programs help customers", sent in PSE bill statements, linked to online PSE bill statements, and posted on PSE.com throughout year.
- May-June 2009 EnergyWise customer newsletter article, "Bill payment assistance available", sent in PSE bill statements, linked to online PSE bill statements, and posted on PSE.com throughout year.
- 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.
- All credit notice letters through July 2009 included the "Need Help Paying Your PSE Gas or Electric Bill?" insert and the "Energy Assistance for PSE Customers" insert.
- Year-round HELP promotion posted on PSE.com at "Home & Business Solutions" site.



**ATTACHMENT C  
TO PSE'S RESPONSE TO PUBLIC COUNSEL DATA NO. 225**

**Puget Sound Energy**

**Annual Report on Program Outcome of PSE's Low Income Program, HELP**

**For 2009 Program Year  
October 2009 – September 2010**

Filed May 26, 2011

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### ***Introduction and Background***

Puget Sound Energy's ("PSE's" or "Company's") low income bill assistance program, the Home Energy Lifeline Program ("HELP"), provides bill-payment assistance to eligible PSE customers. The funding of HELP is through PSE's electric and natural gas Schedules 129, Low Income Program. HELP benefits are supplemental to the Federal Low Income Home Energy Assistance Program ("LIHEAP"), which are available year-round to eligible customers. For the 2009 program year, eligible customers may receive up to \$1,000 per year per customer in HELP credit to offset their electricity or natural gas bills, which is an increase of \$250 from the annual maximum of \$750 for the 2008 program year.

Puget Sound Energy's HELP was first implemented in accordance with Exhibit G to Settlement Stipulation Agreement approved by the Commission in consolidated Dockets UE-011570 and UG-011571 Twelfth Supplemental Order dated June 20, 2002, which was amended by the Partial Settlement Agreement approved by the Commission on January 5, 2007, in Dockets UE-060266 and UG-060267. The HELP settlement terms allow qualifying low income customers to receive bill-payment assistance and they do not limit how the benefits are applied to amounts owed (past, present, and future) by these customers to PSE.

On October 8, 2008, the Commission approved three changes to HELP in its Order 12: Final Order Approving and Adoption Settlement Stipulations; Authorizing and Requiring Compliance Filing in consolidated Docket Nos, UE-072300 and UG-072301 ("Order"). Appendix D to the Order ("Appendix D") set forth details of these three changes which had become effective on October 1, 2008, the beginning of the 2008 program year. The changes are:

1. HELP funding is distributed to electric and natural gas customers at the fixed ratio of 75% and 25%, respectively.
2. The total annual HELP funding is increased from \$10.25 million to \$15 million.
3. Any HELP funds not distributed to customers in any single program year will be carried over to the next program year as supplemental HELP funding.

These changes are also affirmed as Commitments 22, 23, and 42 of Multiparty Settlement Stipulation approved by the Commission on December 30, 2008, in Docket No. U-072375. The Company has incorporated the changes in its annual update of low income program rates since the August 28, 2008, HELP filings.

Starting with the next HELP year, October 2010 through September 2011, additional funding will be available to low income customers to mitigate the effect of PSE electric and natural gas rate increases by indexing HELP funding to the subsequent residential rate increase approved by the Commission since the Commission's approval of the Order in 2008. The HELP report for the October 2010 through September 2011 program year will include further discussion of this change and its impact.

**Description of Help Funding**

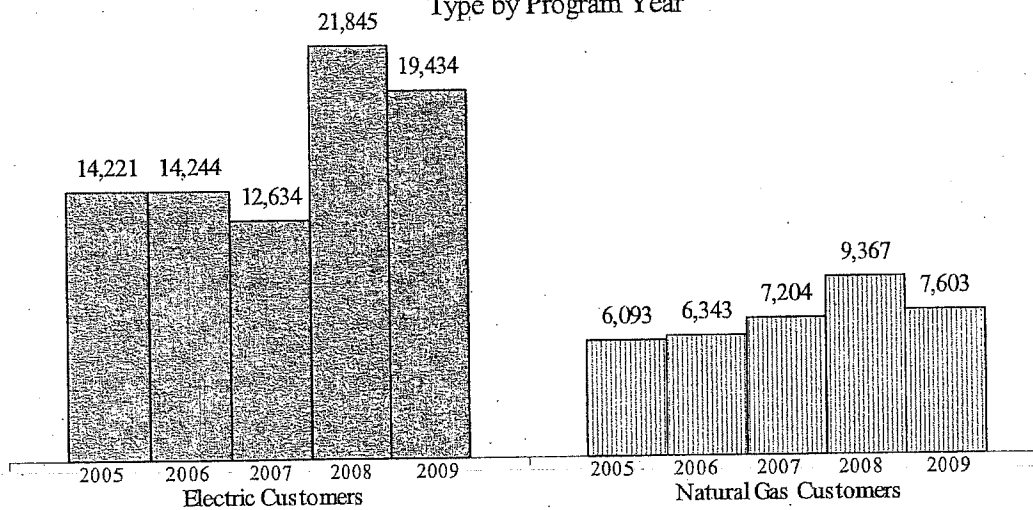
**Funding by Fuel Type and Program Year**

The following table shows the number of PSE residential customers who received funding from PSE's HELP during the 2009 program year, the 12-month period of October 2009 through September 2010.

Electric customers	19,434
Natural gas customers	7,603

The number of households that received funding is somewhat lower than the sum of the two numbers above since some households are both PSE natural gas and electric customers. The total number of households that received funding is 23,789. Of the electric customers who received funding, 17% were also natural gas customers. Of the natural gas customers who received funding, 43% were also electric customers. The chart below is a comparison of number of customers who received funding since 2005 by fuel type and by program year. The decrease in the numbers of electric and natural gas customers is due to increasing benefit to individual HELP customers as the annual HELP benefit cap per customer was increased by \$250 from \$750 of the 2008 program year to \$1,000 for the 2009 program year.

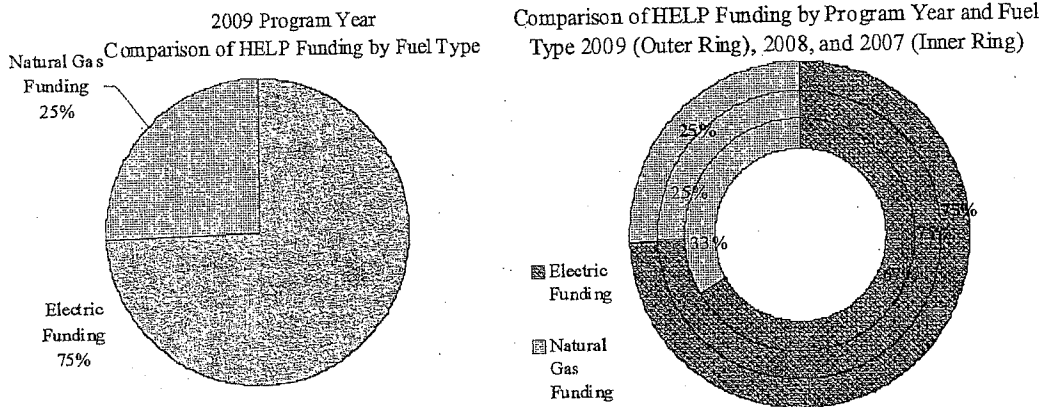
Comparison of Number of Customers Receiving HELP Funding by Fuel Type by Program Year



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

Electric	\$8,904,710
Natural Gas	\$2,938,903
Total	\$11,843,613

The charts below show the relative amount of funding awarded to electric and natural gas residential customers by program year.

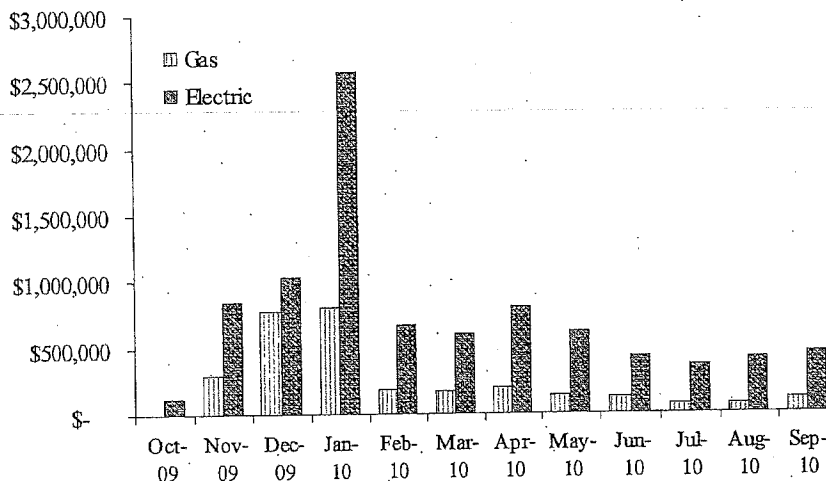


The actual percentages of funding awarded to each fuel are 75% electric and 25% natural gas, as prescribed in the Appendix D of the Order. The table below shows a comparison of the percentages of HELP funding allocated and awarded with the percentages of residential customers and of residential revenues. Electric customers were allocated relatively more HELP funding than that of natural gas customers based on the proportion of revenue and customer count percentages.

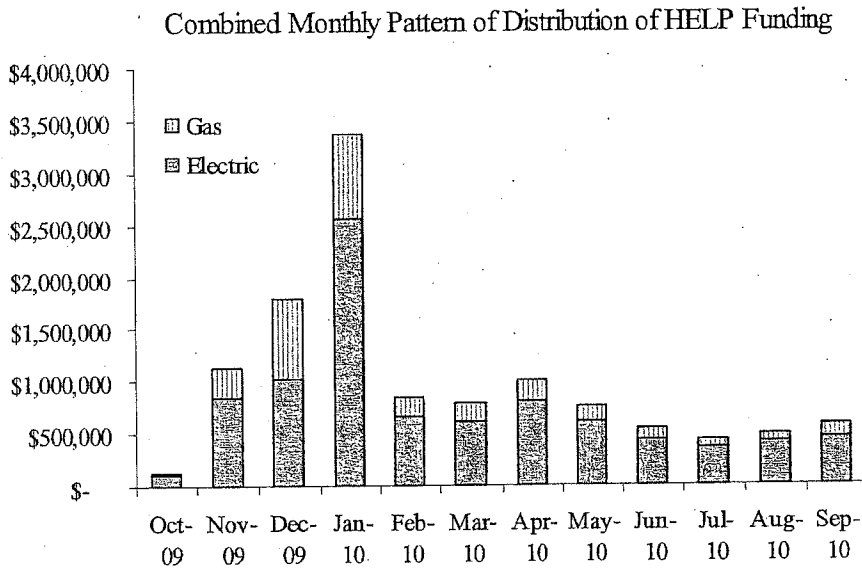
	% of HELP Funding Allocation per Docket Nos. UE-072300 & UG-072301	% of Actual Awarded HELP Funding	% of Residential Customers	% of Residential Revenues
Electric	75%	75%	58%	62%
Natural Gas	25%	25%	42%	38%

The following two charts show the monthly pattern of distribution of funding to PSE customers during the 2009 program year by fuel type. The first chart is a side-by-side bar chart with both the electric and natural gas funding.

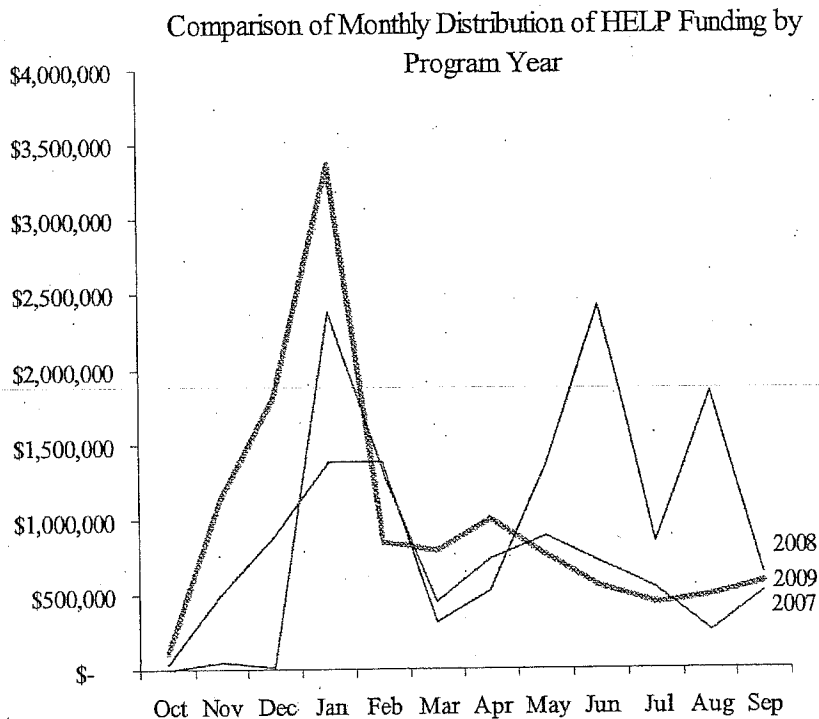
Monthly Pattern of Distribution of HELP Funding by Fuel Type



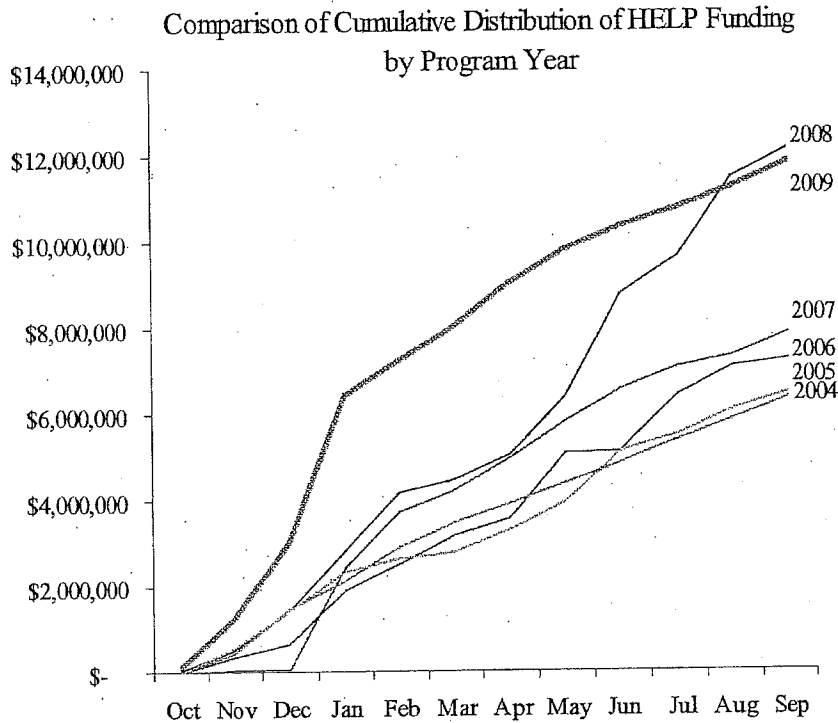
The second chart is a stacked bar chart with both the electric and natural gas funding by month.



The chart below shows the combined electric and natural gas awarded HELP funding on a monthly basis for the 2009 program year (depicted by the heavy line) and the previous two program years (in light lines).



The chart below shows a comparison of the cumulative amount of awarded HELP funding on a monthly basis for the 2009 program year (shown in heavy line) and the previous five program years (in light lines). Less HELP funding was awarded to customers during the 2009 program year compared with that of the 2008 program year due to a 3% increase in Agency Administration Fees.

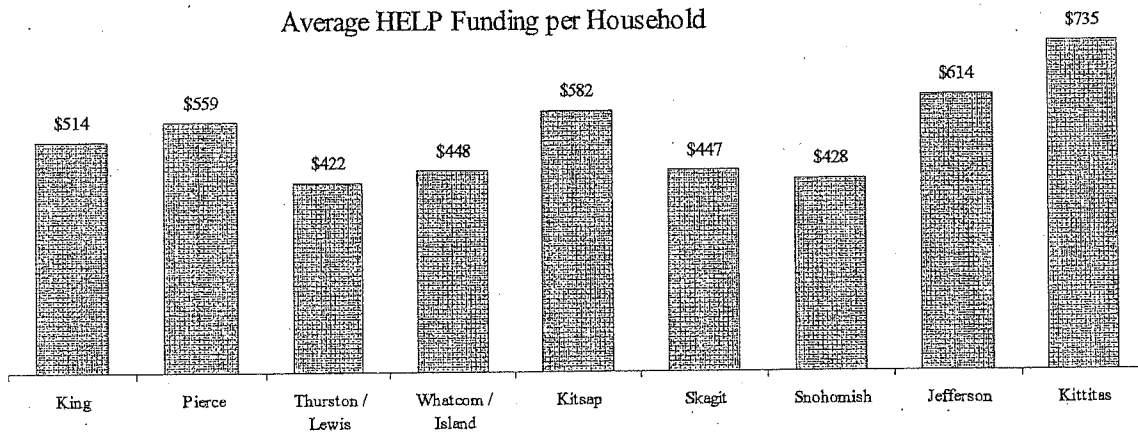




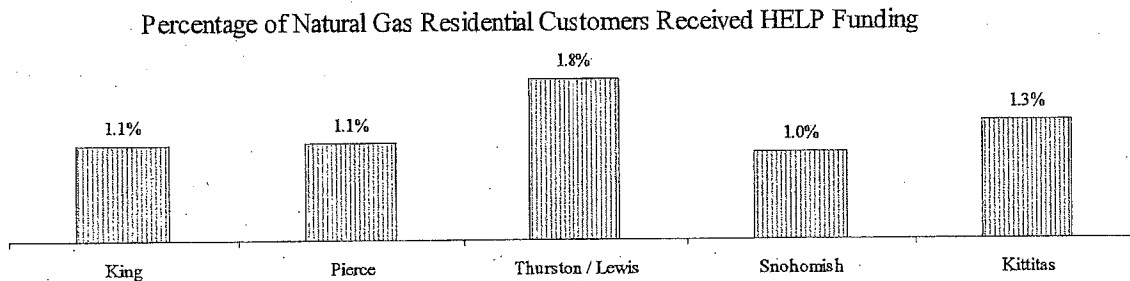
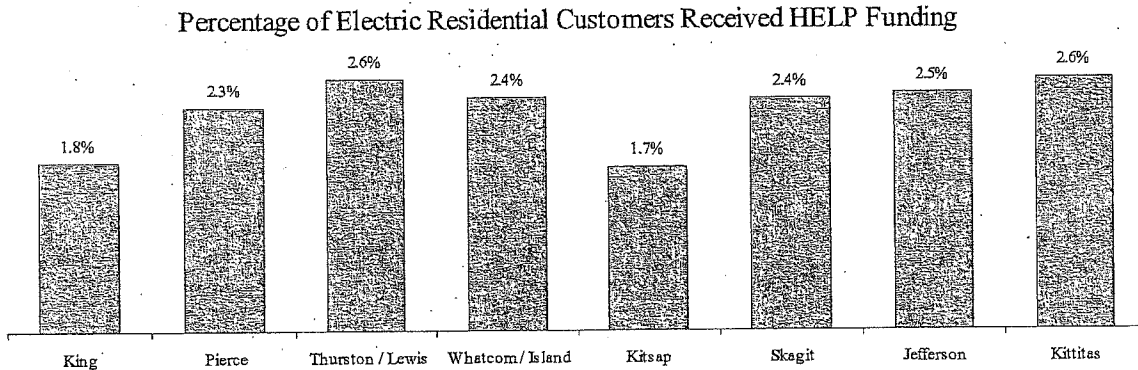
**Demographics of Customer Households**

**HELP Funding by County**

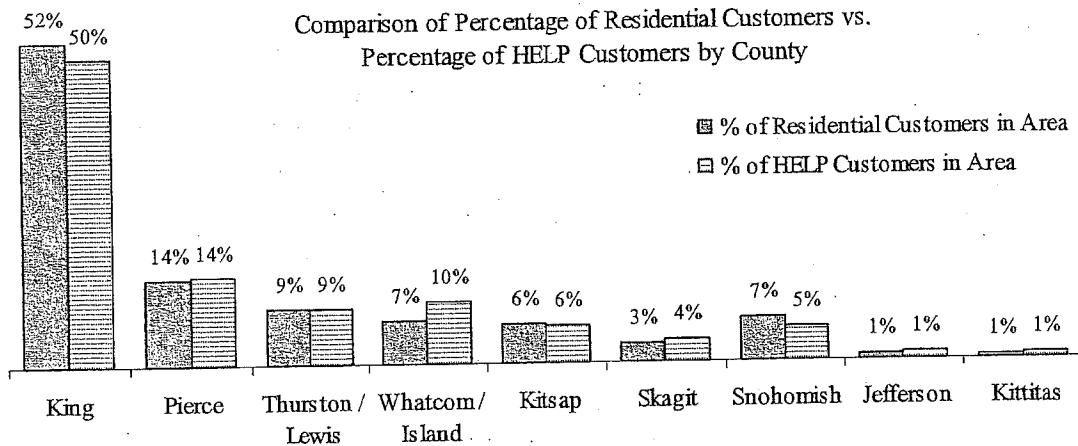
The average level of HELP funding to each qualifying low income household is \$503 for this program year. It is a \$50 increase from the \$453 of the 2008 program which reflects the increase in the annual HELP cap. The chart below shows the average funding per household for the various counties in PSE's service territory.



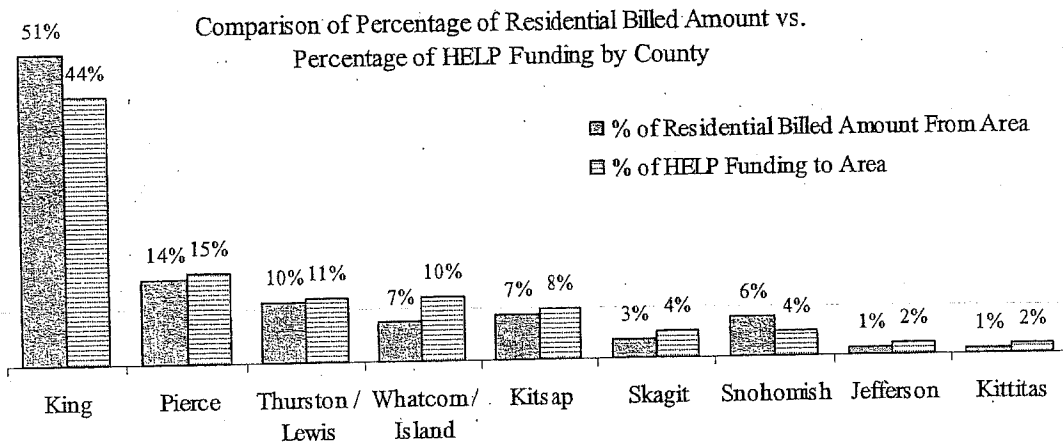
The following charts show the number of customers receiving HELP funding as percentage of the number of residential customers in a county area. The overall percentages for electric and natural gas are 2.0% and 1.1%, respectively.



The chart below shows the percentage of PSE residential electric and natural gas customers in a county area compared to the percentage of customers receiving HELP funding in that area. Five out of the nine areas received HELP funding proportionally to the percentage of total residential customers in each of those areas. The exceptions are King, Whatcom/Island, Skagit, and Snohomish Counties. King and Snohomish received less; Whatcom/Island and Skagit received more.

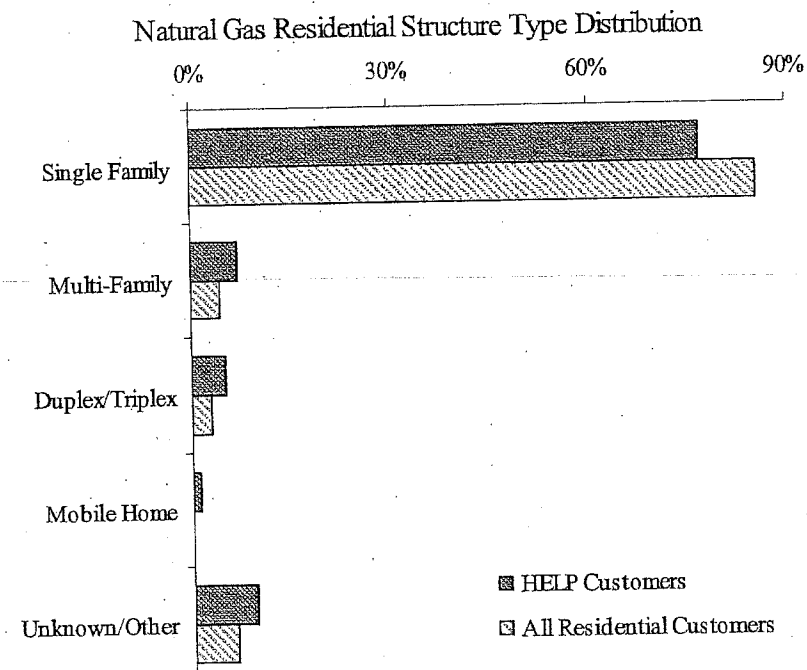
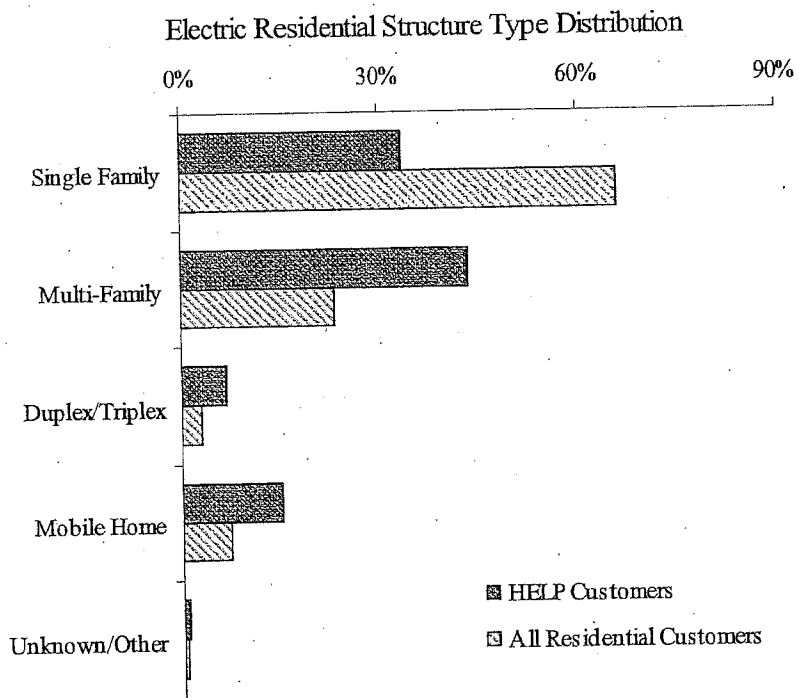


The chart below shows the percentage by county area of PSE residential electric and natural gas total billed amount in a county area compared to the percentage of HELP funding awarded to that area. Six out of the nine areas received HELP funding level similar to the percentage of total electric and natural gas billed amount from that area. The exceptions are King, Whatcom/Island, and Snohomish Counties. King and Snohomish received less; Whatcom/Island received more.



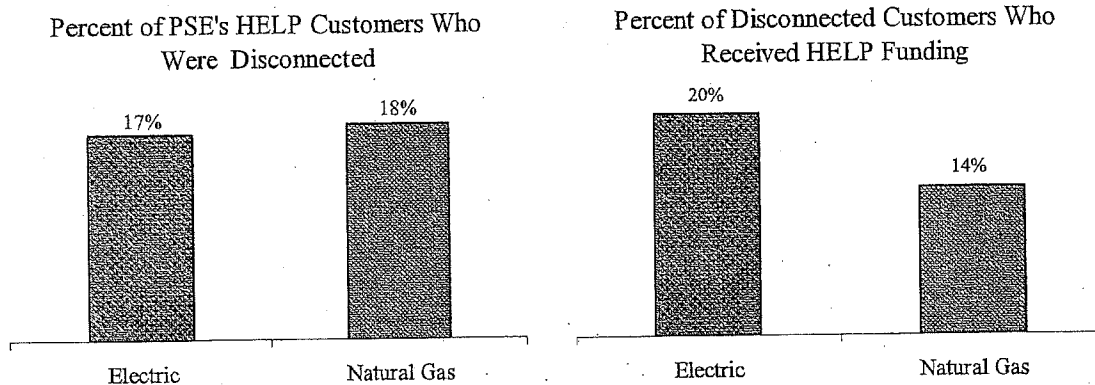
### HELP Funding by Residential Housing Structure

The two charts below show comparisons by fuel type and residential housing structure type between PSE residential customers and the customers receiving HELP funding during the program year. Electric HELP customers were more likely to live in a multi-family structure but natural gas HELP customers were mostly to live in a single-family structure.

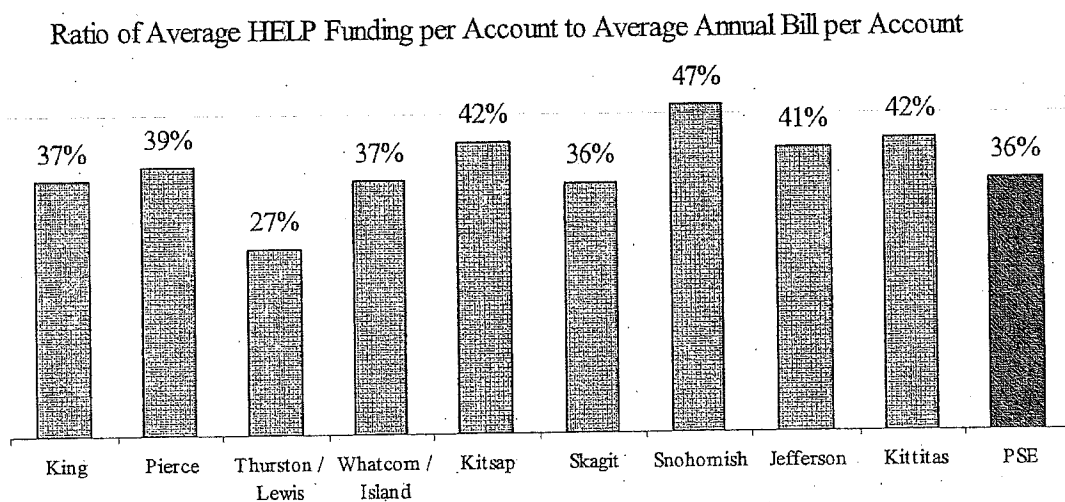


**HELP Funding Impacts**

The two charts below show the relationship between disconnection events and HELP billing assistance in the 2008 program. Keep in mind these charts only show what happened to customers during the program year and this data does not indicate which event occurred first, namely the receipt of billing assistance or the disconnection. The first chart highlights the percentage of customers who received HELP assistance and were disconnected. Overall, 17% of HELP customers experienced service disconnection. For electric customers it was about 17% and for natural gas customers it was about 18%. The second chart highlights the percentage of disconnection customers who received HELP assistance during the program year. For electric customers it was about 20% and for natural gas customers it was also about 15%. The combined percentage of the two fuel types is 18%.



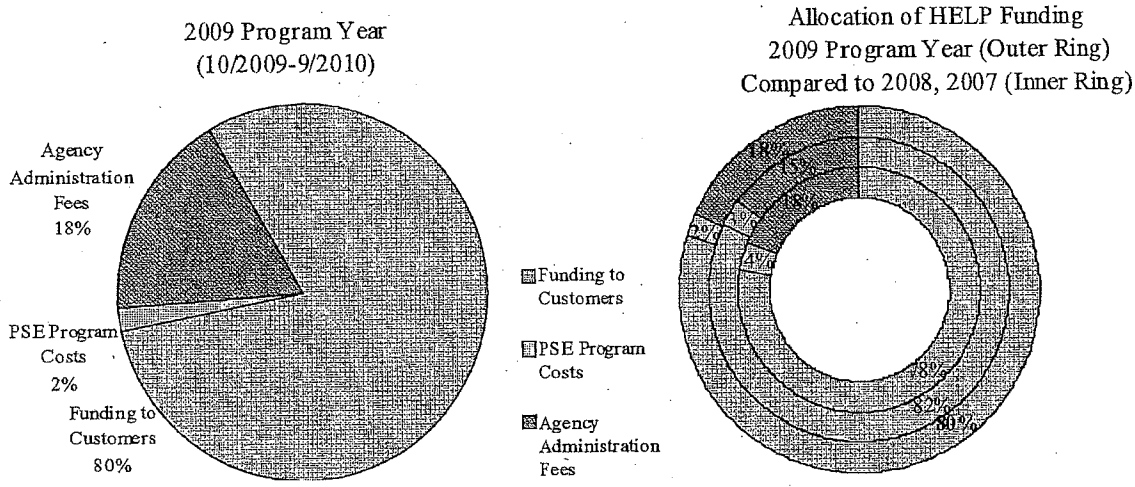
The chart below compares the ratio of average HELP funding per account to average annual bill per account for the 2009 program year by county area. It demonstrates, on average, how much of a residential electric or natural gas customer's energy bill could be mitigated by HELP funding. The overall PSE average ratio is 36%, i.e. the HELP funding alone would pay for 36% of a customer's annual energy bills. Among PSE service areas, Snohomish County has the highest ratio of 47% and the Thurston/Lewis area has the lowest ratio of 27%.



**Administration of Program**

During the 2009 program year, there were twelve qualifying low income agencies administering HELP and distributing funding to customers for PSE. These agencies received an additional allotment of funding from PSE for administrative fees to run HELP and related services such as customer education, eligibility evaluation, grant determination and distribution, and other support services.

The charts below illustrate the allocation of the HELP costs and funding to customers by program year. For this program year, the overall agency administration fees comprised about 18% of the total funding of the HELP, which is a 3% increase from the 15% of the previous program year. PSE's own program administrative costs were at 2%, a decrease of 1% from the 2008 program year.



### ***Marketing of PSE Home Energy Lifeline Program***

The following are some highlights regarding the marketing of the HELP during the 2009 program year, October 2009 through September 2010.

- November-December 2009 EnergyWise customer newsletter article, "Bill payment assistance available," sent in PSE bill statements, linked to online PSE bill statements, and posted on PSE.com throughout year.
- December 18, 2009, PSE news release, "Nearly \$29 Million Available to Help PSE Low-Income Customers Pay Their Heating Bills This Winter," provided utility-bill credit and bill assistance information. The news release was distributed throughout PSE service territory and posted on PSE.com. This news release generated several news stories including Auburn Reporter and Covington Maple Valley Reporter.
- January-February 2010 EnergyWise customer newsletter articles, "Energy assistance funds expected to serve 30,000 PSE customers," "Help us help you," "Help people in need," sent in PSE bill statements, linked to online PSE bill statements, and posted on PSE.com throughout year.
- January-May 2010, all billing envelopes included messaging about payment options and payment assistance programs.
- March-April 2010 EnergyWise customer newsletter articles, "Bill-payment assistance available," and "Help people in need," sent in PSE bill statements, linked to online PSE bill statements, and posted on PSE.com throughout year.
- May-June 2010 EnergyWise customer newsletter article, "Bill payment assistance available," sent in PSE bill statements, linked to online PSE bill statements, and posted on PSE.com throughout year.
- All credit notice letters through July 2010 included the "Need Help Paying Your PSE Gas or Electric Bill?" insert and the "Energy Assistance for PSE Customers" insert.
- September 1, 2010, PSE news release, "Snohomish County Human Services Department Helped PSE Customers with More Than \$1 Million in Bill-Payment Assistance," provided utility-bill credit and bill assistance information. The news release was distributed throughout PSE service territory and posted on PSE.com. This news release generated several news stories.
- September 1, 2010, PSE news release, "Skagit County Community Action Agency Helped PSE Customers with More Than \$900,000 in Bill-Payment Assistance," provided utility-bill credit and bill assistance information. The news release was distributed throughout PSE service territory and posted on PSE.com. This news release generated several news stories in Skagit Valley Herald, Skagit Argus, and Anacortes American.

- September 1, 2010, PSE news release, "The Opportunity Council Helped PSE Customers with Nearly \$2.5 Million in Bill-Payment Assistance," provided utility-bill credit and bill assistance information. The news release was distributed throughout PSE service territory and posted on PSE.com. This news release generated several news stories including Kirkland Reporter.
- September 1, 2010, PSE news release, "Kitsap Community Resources Helped PSE Customers with More than \$24 Million in Bill-Payment Assistance," provided utility-bill credit and bill assistance information. The news release was distributed throughout PSE service territory and posted on PSE.com. This news release generated several news stories including Bremerton Patriot.
- September 1, 2010, PSE news release, "Central Area Motivation Program Helped PSE Customers with More than \$1 Million in Bill-Payment Assistance," provided utility-bill credit and bill assistance information. The news release was distributed throughout PSE service territory and posted on PSE.com. This news release generated several news stories including Federal Way Mirror.
- September 1, 2010, PSE news release, "Metropolitan Development Council Helped PSE Customers with More than \$550,000 in Bill-Payment Assistance," provided utility-bill credit and bill assistance information. The news release was distributed throughout PSE service territory and posted on PSE.com. This news release generated several news stories.
- September 30, 2010, PSE news release, "PSE Customer Donations to the Salvation Army Warm Home Fund Surpassed \$610,000 and Assisted 3,900 Families In Need with 2009-10 Heating Bills," provided utility-bill credit and bill assistance information. The news release was distributed throughout PSE service territory and posted on PSE.com. This news release generated several news stories. Read coverage from Redmond Reporter.
- Multilingual HELP brochures (English, Spanish, Russian, Korean and Vietnamese) with information about income eligibility and assistance centers were available at low income agencies, in PSE customer service offices, and posted on PSE.com. Brochures were updated in September of 2010 and posted online in October 2010.
- 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.
- Year-round HELP promotion posted on PSE.com at "Accounts and Services" site.
- The multilingual recorded telephone line (1-866-223-5425) about the HELP and options for local agency contact information (English, Spanish, Russian, Korean and Vietnamese) was accessible 24/7.