

April 21, 2004

**VIA LEGAL MESSENGER**

Carole Washburn  
Executive Secretary  
Washington Utilities & Transportation Commission  
1300 S. Evergreen Pk. Dr. S.W.  
PO Box 47250  
Olympia, WA 98504-7250

Re: *In the Matter of the Application of PUGET SOUND ENERGY, INC. for  
Approval of Amendment to Service Quality Index Reporting Methodology:  
Electric Safety Response Time.*  
Docket No. UE-031946

Dear Ms. Washburn:

Public Counsel respectfully submits these reply comments pursuant to the Commission's April 6, 2004 Notice of Extension of Time to File Comments in this docket. Public Counsel recommends that the Commission approve Puget Sound Energy's Application as filed, without the conditions recommended by the Industrial Customers of Northwest Utilities (ICNU) in their April 5, 2004 comments.

On November 25, 2003, Puget Sound Energy ("PSE" or "the Company") filed an Application to amend the Service Quality Index Reporting Methodology for measure SQI-11: Electric Safety Response Time. SQI-11 is a new performance measure, added to the Company's Service Quality Index as part of the SQI stipulation in PSE's 2001 rate case (Exhibit J to the Settlement Stipulation for Electric and Common Issues) in Docket Nos. UE-011570 and UG-011571. The Company's proposed amendment would exempt PSE from SQI-11 reporting requirements on days that the Company determines are "localized emergency events," and would require PSE to submit supplemental reporting related to these events in its annual and semi-annual service quality reports. The purpose of this supplemental reporting, to be provided for a minimum of three years, is to develop an objective definition of "localized emergency events."

Public Counsel agrees with the comments and recommendations of Commission Staff and PSE that the Application should be approved as filed, and the conditions recommended by ICNU should not be adopted. Public Counsel was concerned with the discretion given to PSE under the Application, to identify localized emergency events. However, as Commission Staff point out in their reply comments, PSE remains subject to the SAIDI performance measure

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regarding duration of outages, as well as other service quality measures during localized emergency events. As Staff also indicate in their reply comments, there is limited data available on this new measure, and the Application requires fairly extensive supplemental reporting of localized emergency events. These factors provided assurance to Public Counsel that the Application represents a fair and reasonable balance of interests.

The reply comments of Commission Staff and PSE very capably describe the weaknesses of ICNU's proposed definition of "localized emergency events" and ICNU's proposal to provide supplemental reporting for two years rather than three years. We agree with the reply comments of Commission Staff and PSE, and do not repeat those arguments here.

Sincerely,

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