



Puget Sound Energy
P.O. Box 97034
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PSE.com

May 24, 2017

Filed Via Web Portal

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") 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 third 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.

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,

/s/ Kenneth S. Johnson

Ken Johnson
Director, State Regulatory Affairs
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cc: Lisa Gafken
Attachment: PSE Fee Free Payment Program Update