

SERVICE DATE

DEC 18 1998

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Proposal by)	
)	
PUGET SOUND POWER & LIGHT COMPANY)	DOCKET NO. UE-951270
)	
to Transfer Revenues from PRAM Rates to General Rates)	
.....)	
)	
In the Matter of the Application of)	
)	
PUGET SOUND POWER & LIGHT COMPANY and WASHINGTON NATURAL GAS COMPANY)	DOCKET NO. UE-960195
)	
for an Order Authorizing Merger of WASHINGTON ENERGY COMPANY and WASHINGTON NATURAL GAS COMPANY with and into PUGET SOUND POWER & LIGHT COMPANY, and Authorizing the Issuance of Assumptions of Obligations, Adoption of Tariffs, and Authorizations in Connection Therewith)	TWENTY-FIRST SUPPLEMENTAL ORDER LIFTING A SUSPENDED PENALTY FOR NON-PERFORMANCE IN PUGET SOUND ENERGY'S SERVICE QUALITY INDEX PROGRAM
.....)	

BACKGROUND

On October 16, 1997, Puget Sound Energy, Inc. (PSE or Company), filed its 1997 annual report on its compliance with a service quality index (SQI) program accepted by the Commission in the Seventeenth Supplemental Order in this proceeding. The report detailed PSE's performance in the ten customer service quality indices specified for measurement and evaluation as fully detailed in the Supplemental Stipulation jointly recommended by PSE, Commission Staff, and Public Counsel.

On December 31, 1997, the Commission entered its *Order Accepting Stipulation to Mitigate Penalties*, assessing a penalty for failure to meet the prescribed benchmarks of two of the SQI program's indices -- Telephone Center-Answering Performance and Telephone Center-Transaction Customer Satisfaction.

The Commission assessed a penalty of \$208,250, and suspended the balance of the accrued penalty, \$253,723, pending PSE's compliance with the two indices during the 1998 measurement and evaluation period.

MEMORANDUM

On October 16, 1998, PSE filed its 1998 annual report on its compliance with the SQI program. The report, covering the period from October 1, 1997, through September 30, 1998, indicates that the Company has successfully met all eight of the Service Quality Indices established for the program, therefore no penalties were proposed for this reporting period.

Since the two indices specified in the Commission's December 31, 1997 order -- Telephone Center-Answering Performance and Telephone Center-Transaction Customer Satisfaction -- were met during the most recent measurement period, Commission Staff and Public Counsel recommended lifting the suspended balance of the accrued penalty (\$253,723) at the Commission's December 9, 1998, Open Meeting.

PSE's 1998 report indicates that the Telephone Center-Answering Performance was 81 percent of calls answered live within 30 seconds and the Telephone Center-Transaction Customer Satisfaction was 92 percent of customers "more than satisfied" with PSE's customer call center. The benchmarks for these two indices are 75 and 91 percent, respectively.

ORDER

THE COMMISSION ORDERS:

1. The balance of the suspended penalty of \$253,723, is permanently waived in recognition of successful compliance by the Company with the two target benchmarks established in its Service Quality Program.

2. The Commission retains jurisdiction to ensure Puget Sound Energy, Inc.'s continued compliance with the Service Quality Index program.

DATED at Olympia, Washington and effective this *18th* day of December 1998.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION



ANNE LEVINSON, Chair



RICHARD HEMSTAD, Commissioner