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SANDY J. HANCOCK
GENERAL MANAGER
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May 3, 2002

Ms. Carole J. Washburn, Secretary
Washington Utilities and Transportation Commission
P.O. Box 47250
Olympia, WA 98504-7250

**Re: PSE Service Quality Program Semi-Annual Report
Docket Nos. UE-951270 and UE-960195**

Dear Ms. Washburn:

Pursuant to the Supplemental Stipulation Re Customer Service Program in Docket Nos. UE-951270 and UE-960195, Puget Sound Energy ("PSE" or "the Company") provides herewith its semi-annual service quality report for the six-month period ending March 2002.

Attachment A to this report details PSE's monthly performance for the ten service quality indices for the current six-month period. As shown, the Company's performance meets or exceeds the required performance level for nine of these ten indices. With respect to SQI No. 1 Overall Customer Satisfaction -- the report indicates that, for the six-month period, 84% of surveyed customers rated their overall satisfaction at 5 or higher on a 7-point scale (as compared with the benchmark of 90%).

Customer Satisfaction is down from the fall 2001 Survey (88%). Gas-only customers have the highest satisfaction, combination gas/electric customers have the lowest satisfaction, but all are down across the board. These levels are near the lows seen in spring 2001 (at the height of the "energy crisis"). However, this is not a seasonal trend. It appears that the ratings may be influenced by external factors such as: publicity about PSE rate case settlement and resulting rate increase, loss of trust and credibility in utilities in the wake of the Enron scandal, and general consumer pessimism due to continued soft economy. In addition, publicity about unnecessarily long-term high electricity prices and erroneous high bills of Seattle City Light may be leading to possible "guilt by association" perception of other utilities. The survey also measures satisfaction of other electric utilities (from our 'gas-only' customers) and other gas utilities (from our 'electric-only' customers that say they have non-PSE natural gas service). The ratings for the other utilities have experienced drops similar to those realized by PSE¹.

¹ The supplemental questions included in the recent surveys are directed towards electric and gas customer satisfaction when PSE is not the serving utility. That is, customer satisfaction with gas service in Whatcom County would pertain to Cascade Natural Gas, and customer satisfaction with electric service in the city of Seattle would relate to the customer's satisfaction with Seattle City Light.

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Ms. Carole J. Washburn
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Attachment B describes the Company's latest findings regarding the effectiveness of its efforts to inform the customer of the service guarantee.

There is no penalty calculation associated with this semi-annual report.

If you have any questions regarding this report, please contact me at 425-456-2797.

Sincerely,

PUGET SOUND ENERGY, INC.

By  _____

Karl R. Karzmar

Manager, Revenue Requirements

Enclosures

cc Lisa Steel, Assistant Director Energy
Mary Kimball, Public Counsel

- Monthly SQI Performance Results For The 10 SQI Measures
- Summary Of Missed Appointments Report
- Detailed Missed Appointments Report

ATTACHMENT A

Table 1

Monthly SQI Performance

For Measurement Period: October 2001 through March 2002

SIQI #	Benchmark	October 2001	November 2001	December 2001	January 2002	February 2002	March 2002	Overall Performance	Difference from Benchmark
1	Overall Customer Satisfaction 90% rating of 5 or higher on 7 point scale						84%	84%	-6%
2	WUTC Complaint Ratio 0.5 complaints per 1000 customers	0.029	0.018	0.017	0.024	0.019	0.030	0.3	-0.07
3	SAIDI 136.1 minutes per customer per year	27.2	10.7	34.9	8.6	5.5	7.7	119.8	-16.3
4	SAIFI 1.384 interruptions per year	0.171	0.076	0.162	0.063	0.045	0.045	0.936	-0.448
5	Telephone Center Answering Performance 75% of calls answered live by company rep within 30 seconds of request to speak to live operator	78%	83%	78%	78%	74%	73%	77%	2%
6	Telephone Center Transactions Customer Satisfaction 91% rating of 5 or higher on 7 point scale	93%	90%	90%	91%	96%	95%	93%	2%
7	Gas Safety Response Time 55 minutes from customer call to arrival of field technician	39	39	38	35	32	31	36	-19
8	Field Service Operations Transactions Customer Satisfaction 85% rating of 5 or higher on 7 point scale	95%	90%	90%	93%	90%	90%	91%	6%
9	Disconnection Ratio 0.038 of customers disconnected for non-payment of amounts due when WUTC disconnection policy would permit service curtailment	0.0026	0.0018	0.0015	0.0021	0.0024	0.0024	0.025	-0.013
10	Missed Appointments 8% of appointments missed	2%	2%	2%	2%	2%	2%	2%	-6%

ATTACHMENT A
Table 2
Summary Missed Appointments Report

6 Months All Service Type:		October	2001	March	2002	Total Kept	Canceled	Service Guarantee Payment
Total Appts (Exclude Canceled)	Missed Approved	Missed Denied	Missed Open	Total Missed	Manual Kept	System Kept		
Electric								
Permanent SVC	5,817	68	1	87	156	4,756	5,661	3,400
Reconnection	14,862	34	485	-	519	14,343	14,343	1,700
Sub-total	20,679	102	486	87	675	19,099	20,004	\$5,100
Gas								
Diagnostic	29,753	2	176	-	178	29,575	29,575	100
Permanent SVC	6,978	59	7	97	163	5,494	6,815	2,950
Reconnection	12,521	-	142	-	142	12,379	12,379	-
Sub-total	49,252	61	325	97	483	47,448	48,769	\$3,050
Grand Total	69,931	163	811	184	1,158	66,547	68,773	\$8,150

ATTACHMENT A

Table 3

Detailed Missed Appointments Report

Month	Fuel	Type	Total Appts (Exclude Canceled)	Missed Approved	Missed Denied	Missed Open	Total Missed	Manual Kept	System Kept	Total Kept	Canceled	Service Guarantee Payment
Oct-01	Electric	Permanent SVC	1,284	13	-	2	15	217	1,052	1,269	-	\$650
Oct-01	Electric	Reconnection	3,144	1	-	116	117	-	3,027	3,027	351	\$0
Oct-01	Gas	Diagnostic	3,111	-	-	12	12	-	3,099	3,099	1,491	\$0
Oct-01	Gas	Permanent SVC	1,566	14	4	3	21	340	1,205	1,545	-	\$700
Oct-01	Gas	Reconnection	1,447	-	-	13	13	-	1,434	1,434	190	\$0
Oct-01 Total			10,552	28	4	146	178	557	9,817	10,374	2,032	\$1,350
Nov-01	Electric	Permanent SVC	981	13	-	-	13	184	784	968	-	\$650
Nov-01	Electric	Reconnection	2,386	-	-	59	59	-	2,327	2,327	245	\$0
Nov-01	Gas	Diagnostic	2,455	17	2	15	15	247	2,440	2,440	1,636	\$0
Nov-01	Gas	Permanent SVC	1,237	-	-	6	6	-	965	1,212	-	\$850
Nov-01	Gas	Reconnection	977	30	2	13	13	431	964	964	255	\$0
Nov-01 Total			8,036	20	1	10	31	160	7,480	7,911	2,136	\$1,500
Dec-01	Electric	Permanent SVC	888	20	1	62	62	196	697	857	-	\$1,000
Dec-01	Electric	Reconnection	1,988	-	-	18	18	-	1,926	1,926	196	\$0
Dec-01	Gas	Diagnostic	2,831	8	-	4	12	177	2,813	2,813	1,131	\$0
Dec-01	Gas	Permanent SVC	1,031	-	-	17	17	-	842	1,019	-	\$400
Dec-01	Gas	Reconnection	1,024	28	1	111	140	337	1,007	1,007	267	\$0
Dec-01 Total			7,762	5	-	4	9	149	7,285	7,622	1,594	\$1,400
Jan-02	Electric	Permanent SVC	988	2	-	70	70	230	830	979	-	\$250
Jan-02	Electric	Reconnection	2,293	13	-	15	17	-	2,223	2,223	230	\$0
Jan-02	Gas	Diagnostic	3,223	13	1	2	16	224	3,206	3,206	913	\$100
Jan-02	Gas	Permanent SVC	1,160	20	1	13	13	-	920	1,144	-	\$650
Jan-02	Gas	Reconnection	1,309	9	-	104	125	373	1,296	1,296	286	\$0
Jan-02 Total			8,973	5	-	13	22	136	8,475	8,848	1,429	\$1,000
Feb-02	Electric	Permanent SVC	820	2	-	63	63	282	662	798	-	\$450
Feb-02	Electric	Reconnection	2,387	1	-	13	13	-	2,324	2,324	282	\$0
Feb-02	Gas	Diagnostic	2,674	1	-	10	11	206	2,661	2,661	599	\$0
Feb-02	Gas	Permanent SVC	949	10	-	16	16	-	732	938	-	\$50
Feb-02	Gas	Reconnection	1,544	8	-	115	125	342	1,528	1,528	269	\$0
Feb-02 Total			8,374	20	-	115	125	59	7,907	8,249	1,150	\$500
Mar-02	Electric	Permanent SVC	856	14	-	58	66	186	731	790	-	\$400
Mar-02	Electric	Reconnection	2,452	8	-	129	129	-	2,323	2,323	271	\$0
Mar-02	Gas	Diagnostic	3,688	6	-	23	23	127	3,665	3,665	761	\$0
Mar-02	Gas	Permanent SVC	1,035	14	-	72	78	-	830	957	-	\$300
Mar-02	Gas	Reconnection	2,432	14	-	18	18	-	2,414	2,414	366	\$0
Mar-02 Total			10,463	52	-	300	314	186	9,963	10,149	1,398	\$700

CUSTOMER AWARENESS OF SERVICE GUARANTEE

1. Pursuant to the Second Supplemental Stipulation Re Customer Service Program Exhibit B in Docket Nos. UE-951270 and UE-960195, PSE has promoted the \$50 service guarantee and, in turn, has assessed customer awareness levels of the guarantee resulting from these promotions. The following is an assessment of our customers' awareness levels¹ of the \$50 service guarantee.

Assessment of Customer Awareness Levels

PSE has been surveying field service customers since January 1999 to determine the overall level of awareness by this group of the service guarantee. For the current 6-month reporting period, October 2001 through March 2002, 20% of customers reported an awareness of the service guarantee. The highest reported level of awareness (since surveying commenced) was 27% in November 2001.

Regarding new construction customers' awareness of the service guarantee, the initial survey in March 1999 indicated that 5% of surveyed customers were aware of the service guarantee. In the most recent survey cycle fielded in December 2001, new construction customers' awareness was found to be 54%.

PSE is encouraged that the actions it has taken, and continues to take, regarding service guarantee promotions will continue to result in increases in customer awareness levels.

The following table provides the detailed results of each survey instrument, including the number of customer surveyed each cycle or month, and the specific questions asked each customer.

¹ These surveys are 1) a monthly survey of field service customers (CFS), and 2), a periodic survey of new construction customers (NCC).

**ATTACHMENT B
Customer Awareness of Service Guarantee**

Jan-99 Feb-99 Mar-99 Apr-99 May-99 Jun-99 Jul-99 Aug-99 Sep-99 Total

CFS Survey

Q26A. When you called to make the appointment for a service technician to come out, did the customer service representative tell you about PSE \$50 Service Guarantee?

Yes (Continue to Q.2)	1	2	2	2	1	4	-	-	12
No	46	104	75	70	82	71	82	85	724
Don't Know	18	9	16	18	14	14	16	15	143
Refused	1	9	7	10	3	11	2	-	43
Total Customers Surveyed	64	120	100	100	100	100	100	100	922

Q26B. Did a PSE representative call you to reschedule your appointment?

Yes (Continue to Q.3)	-	-	-	-	-	-	-	-	-
No	1	2	2	2	1	4	- <td>- <td>12</td> </td>	- <td>12</td>	12
Don't Know	-	-	-	-	-	-	-	-	-
Total Customers Surveyed	1	2	2	2	1	4	-	-	12

Q26C. Which of the following best fits your understanding of how the service guarantee works if a scheduled appointment has to be changed by PSE.

- A. You are given the \$50.00 service guarantee if the rescheduled time causes you inconvenience.
- B. Whenever PSE changes an appointment, you are given the \$50.00.
- C. You have no understanding or expectations about this part of the service guarantee plan.
- Don't Know

Total Customers Surveyed

NCC Survey

Q12. Are you aware of Puget Sound Energy's \$50 service guarantee to meet scheduled work dates?

Yes:	10	10	10	10	10	10	10	10	10
No	176	176	176	176	176	176	176	176	176
Refused Response:	1	1	1	1	1	1	1	1	1
Don't Know	-	-	-	-	-	-	-	-	-
Total Customers Surveyed	187	187	187	187	187	187	187	187	187

ATTACHMENT B
Customer Awareness of Service Guarantee

Oct-99 Nov-99 Dec-99 Jan-00 Feb-00 Mar-00 Apr-00 May-00 Jun-00 Jul-00 Aug-00 Sep-00 Total

CFS Survey

Q26A. When you called to make the appointment for a service technician to come out, did the customer service representative tell you about PSE \$50 Service Guarantee?

Yes (Continue to Q.2)	3	1	6	2	6	4	10	3	6	10	6	58
No	82	75	77	80	74	71	60	75	77	68	885	
Don't Know	16	24	17	18	21	25	29	21	17	22	255	
Refused	1						1	1			3	
Total Customers Surveyed	100	100	100	100	101	100	100	100	100	100	100	1,201

Q26B. Did a PSE representative call you to reschedule your appointment?

Yes (Continue to Q.3)	1	1	6	2	1	4	9	3	6	-	9
No	1	2	6	2	5	4	9	3	6	9	48
Don't Know											1
Total Customers Surveyed	1	3	6	2	6	4	10	3	6	10	58

Q26C. Which of the following best fits your understanding of how the service guarantee works if a scheduled appointment has to be changed by PSE.

A. You are given the \$50.00 service guarantee if the rescheduled time causes you inconvenience.	-	-	1	-	-	-	-	-	-	-	-	1
B. Whenever PSE changes an appointment, you are given the \$50.00	1	2	-	-	1	-	-	-	-	-	-	4
C. You have no understanding or expectations about this part of the service guarantee plan.	-	1	-	-	-	-	-	-	-	-	-	1
Don't Know	-	-	-	-	-	-	1	-	-	-	-	1
Total Customers Surveyed	1	3	1	-	1	-	1	-	-	-	-	7

NCC Survey

Q12. Are you aware of Puget Sound Energy's \$50 service guarantee to meet scheduled work dates?

Yes:	102	137	111	350
No	185 <td>138 <td>132 <td>455</td> </td></td>	138 <td>132 <td>455</td> </td>	132 <td>455</td>	455
Refused Response:	3	5	1	9
Don't Know				
Total Customers Surveyed	290	280	244	814

**ATTACHMENT B
Customer Awareness of Service Guarantee**

Oct-00 Nov-00 Dec-00 Jan-01 Feb-01 Mar-01 Apr-01 May-01 Jun-01 Jul-01 Aug-01 Sep-01 Total

CFS Survey

Q26A. When you called to make the appointment for a service technician to come out, did the customer service representative tell you about PSE \$50 Service Guarantee?

Yes (Continue to Q.2)	10	4	19	10	9	14	14	8	10	6	11	131
No	72	37	100	70	70	59	68	60	61	79	66	801
Don't Know	20	10	28	21	20	26	27	23	21	23	23	267
Refused								1				1
Total Customers Surveyed	102	51	147	101	99	100	108	92	92	108	100	1,200

Q26B. Did a PSE representative call you to reschedule your appointment?

Yes (Continue to Q.3)	1	18	10	8	16	14	13	8	6	11	118
No	10	4	19	10	9	14	14	1	6	11	1
Don't Know											
Total Customers Surveyed	10	4	19	10	9	14	14	8	6	11	121

Q26C. Which of the following best fits your understanding of how the service guarantee works if a scheduled appointment has to be changed by PSE.

A. You are given the \$50.00 service guarantee if the rescheduled time causes you inconvenience.	1
B. Whenever PSE changes an appointment, you are given the \$50.00.	
C. You have no understanding or expectations about this part of the service guarantee plan.	
Don't Know	1
Total Customers Surveyed	1

NCC Survey

Q12. Are you aware of Puget Sound Energy's \$50 service guarantee to meet scheduled work dates?

Yes:	140	114	138	392
No	139	129	105	373
Refused Response:	2	3	5	10
Don't Know	1	2	248	778
Total Customers Surveyed	282	248	248	778

ATTACHMENT B
Customer Awareness of Service Guarantee

Oct-01 Nov-01 Dec-01 Jan-02 Feb-02 Mar-02 Total Grand Total

CFS Survey

Q26A. When you called to make the appointment for a service technician to come out, did the customer service representative tell you about PSE \$50 Service Guarantee?

	Oct-01	Nov-01	Dec-01	Jan-02	Feb-02	Mar-02	Total	Grand Total
Yes (Continue to Q.2)	14	22	13	15	14	17	95	201
No	59	60	62	67	63	64	375	2,410
Don't Know	26	18	26	18	23	19	130	665
Refused	1	-	-	-	-	-	1	47
Total Customers Surveyed	100	100	101	100	100	100	601	3,323

Q26B. Did a PSE representative call you to reschedule your appointment?

	Oct-01	Nov-01	Dec-01	Jan-02	Feb-02	Mar-02	Total	Grand Total
Yes (Continue to Q.3)	-	-	-	-	-	1	1	11
No	13	21	13	15	14	16	92	178
Don't Know	1	1	-	-	-	-	2	2
Total Customers Surveyed	14	22	13	15	14	17	95	191

Q26C. Which of the following best fits your understanding of how the service guarantee works if a scheduled appointment has to be changed by PSE.

	Oct-01	Nov-01	Dec-01	Jan-02	Feb-02	Mar-02	Total	Grand Total
B. Whenever PSE changes an appointment, you are given the \$50.00 service guarantee	-	-	-	-	-	-	-	2
C. You have no understanding or expectations about this part of the service guarantee plan.	-	-	-	-	-	-	-	1
Don't Know	-	-	-	-	-	-	-	9
Total Customers Surveyed	-	-	-	-	-	-	-	11

NCC Survey

Q12. Are you aware of Puget Sound Energy's \$50 service guarantee to meet scheduled work dates?

	Oct-01	Nov-01	Dec-01	Jan-02	Feb-02	Mar-02	Total	Grand Total
Yes:								
No	128	109	109	109	109	109	604	2,410
Refused Response:								
Don't Know	2	2	2	2	2	2	12	47
Total Customers Surveyed	132	113	113	113	113	113	604	2,410