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January 19, 2011

## VIA ELECTRONIC FILING AND U.S. MAIL

Mr. David Danner, Executive Director and Secretary Washington Utilities and Transportation Commission P.O. Box 47250 Olympia, Washington 98504-7250

RE: Docket No. UE-110060 – Do Not Redocket

Substitute Puget Sound Energy, Inc. Electric Service Reliability Plan

Dear Mr. Danner:

The purpose of this filing is to provide a substitute electric service reporting outline and a revised Puget Sound Energy, Inc. ("PSE") Electric Service Reliability Plan ("the Plan") that reflects all PSE's electric service reliability related commitments and meets the following electric service reliability requirements:

WAC 480-100-388, Electric service reliability definitions WAC 480-100-393, Electric service reliability monitoring and reporting plan WAC 480-100-398, Electric service reliability reports

PSE filed the electric service reliability reporting outline portion of the Plan in its December 13, 2010 filing. Since that time and in conjunction with Commission Staff's review of the filing, PSE realized that the electric service reliability monitoring and reporting plan also needed updates to reflect the additional reliability measurements that PSE has been including in its electric service reliability reporting since 2002 and some housekeeping changes.

Attachment A to this filing is PSE's updated electric service reliability monitoring and reporting plan per WAC 480-100-393, which was not part of the December 13 filing. Specific reliability statistics and information that PSE will be monitoring and reporting to the Commission and PSE's baseline reliability statistics as defined in WAC 480-100-388 are detailed and discussed in the attachment. This attachment also addresses the additional reliability reporting requirement prescribed in Order 12 of Docket Nos. UE-072300 and UG-072301 (consolidated) regarding use of customer complaints in PSE's circuit reliability evaluation.

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Attachment B is a substitute of the electric service reliability reporting outline in the December 13, 2010 filing. In addition to containing all the requirements of WAC 480-100-398 as in the original filing, this revised electric service reliability reporting outline ("Reporting Outline") reflects suggestions from the Commission Staff following their review of the December 13 filing. This Reporting Outline will be incorporated into PSE's combined annual report of the Service Quality Index program ("SQI") and electric service reliability reporting starting with the 2010 reporting period in compliance with Order 17 of Docket Nos. UE-072300 and UG-072301 (consolidated). SQI measurements not related to electric service reliability are not subject to WAC 480-100-388, WAC 480-100-393, and WAC 480-100-398 therefore the outline for the SQI section of the combined report is not included in this filing.

Per WAC 480-100-388, PSE establishes 2003 as its baseline year as the performance from that year was about average for each of the reliability measurements. Attachment C summarizes PSE's baseline year performance results and the 1997-2009 annual electric service reliability statistics—i.e., system average interruption duration and frequency indices—based on various measurements. However, PSE cautions against the usefulness of assessing year-to-year trends based on a single baseline year performance. Factors such as variation in weather, natural disasters, and normal random variation in events such as third-party damage should be considered while comparing the annual electric reliability performance results against the baseline statistics.

Please contact Mei Cass at (425) 462-3800 or <u>mei.cass@pse.com</u> for additional information about this filing. If you have any other questions please contact me at (425) 462-3495.

Very truly yours,

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Tom DeBoer

Director, Federal & State Regulatory Affairs

Enclosure

cc: S

Simon J. ffitch, Public Counsel Sheree Strom Carson, Perkins Coie