



Puget Sound Energy  
P.O. Box 97034  
Bellevue, WA 98009-9734  
PSE.com

May 1, 2015

Dear Customer:

Puget Sound Energy, on May 1, 2015, filed a request with the state UTC for an overall reduction in natural gas rates due to a decrease in property taxes actually paid by PSE. This request results in a decrease in rates for most customers but an increase for some customers. The reason that you are receiving this letter is because this request results in an increase in rates for your natural gas service. The reason for the increase is primarily because the projected usage being lower in the upcoming year for those customers on Schedule 87. Property taxes are a fixed cost but are included in rates as a volumetric charge, the lower volumes result in a higher charge per therm. The request is proposed to become effective on June 1, 2015.

The overall average change for natural gas customers is as follows:

<b>Schedules/Type of Service</b>	<b>Percent Change</b>
Schedules 16, 23 & 53 - Residential Service	0.21% decrease
Schedules 31 & 31T – Commercial & Industrial	0.27% decrease
Schedules 41 & 41T – Large Volume	0.16% decrease
Schedules 85 & 85T – Interruptible with Firm Option	0.09% decrease
Schedules 86 & 86T – Limited Interruptible	0.41% decrease
Schedules 87 & 87T – Non-Exclusive Interruptible	0.21% increase

PSE requested these changes through the existing Property Tax Tracker mechanism previously approved by the UTC. The mechanism allows PSE to periodically adjust its natural gas rates to reflect changes in actual costs and projected loads.

The UTC has the authority to set final rates that may vary from PSE’s requests, either higher or lower or structured differently depending on the results of its review.

**Comments or questions on proposals:**

PSE customers may submit comments to the UTC about this proposal by using the online comment form at <http://www.utc.wa.gov/comment>; e-mailing to [comments@utc.wa.gov](mailto:comments@utc.wa.gov); faxing to 360-664-4291; or mailing your comments to the UTC at: P.O. Box 47250, Olympia, WA, 98504. If you write, include your name and mailing address, the name of the company (PSE), and specify that your comments pertain to Advice No. 2015-10 for natural gas property tax. You may also ask questions of the UTC and request that the UTC notify you of the open meeting at which these proposals will be considered by the Commission. The UTC is committed to providing reasonable accommodation to participants with disabilities. If you need reasonable accommodation, please contact the commission at (360) 664-1132 or [human\\_resources@utc.wa.gov](mailto:human_resources@utc.wa.gov).

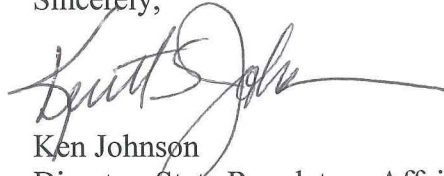
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The public, including residential and small business customers, is represented by the Public Counsel Section of the Washington State Attorney General's office. You can reach the Public Counsel Section by writing to Public Counsel, Assistant Attorney General, 800 5<sup>th</sup> Avenue, Suite 2000, Seattle, WA 98104-3188, or by e-mail at [utility@atg.wa.gov](mailto:utility@atg.wa.gov).

If you have questions or comments for PSE about this proposal, you may submit those questions or comments by mailing, e-mailing or calling PSE at: Puget Sound Energy, ATTN: Customer Service, P.O. Box 90868, Bellevue, WA 98009-0868, by e-mail at [customer care@pse.com](mailto:customer care@pse.com) or by telephone at 1-888-225-5773. Additional information about the natural gas filing is available at [www.pse.com](http://www.pse.com).

Sincerely,

A handwritten signature in black ink, appearing to read "Ken Johnson", with a long horizontal flourish extending to the right.

Ken Johnson  
Director, State Regulatory Affairs