

## IMPORTANT NOTICE FOR PUGET SOUND ENERGY CUSTOMERS ABOUT PROPOSED CHANGES IN RATES

Puget Sound Energy (PSE) recently filed requests with the state Utilities and Transportation Commission (UTC) to adjust electric and natural gas rates. The requested changes, proposed to be effective on May 1, 2019, include:

- **Conservation Program Charge** (listed on bill): An overall increase in natural gas rates and an overall decrease in electric rates to offset the costs of investments made in energy efficiency programs that are made available to customers.
- **Property Tax Adjustment**: An overall increase in electric and natural gas rates to pass through costs of PSE's property tax charges. The proposed increases would be reflected in the Electricity charge listed on the electric bill and in the Delivery charge listed on the natural gas bill.
- **Revenue Decoupling Adjustment**: An overall increase in electric rates and an overall decrease in natural gas rates under the decoupling mechanism previously approved by the UTC, which allows PSE to periodically adjust rates up or down based on differences between actual and allowed revenue from the past year. The proposed changes would be reflected in the Electricity charge listed on the electric bill and in the Delivery charge listed on the natural gas bill.
- **Cost of Gas** (listed on bill): A temporary increase in natural gas rates resulting from higher than normal winter demand and a reduction in gas supply due to an out-of-state explosion on a supplier's pipeline. This temporary rate increase is proposed to be in place for two years.
- **Federal Tax Reform Credit**: A temporary decrease in electric and natural gas rates which finalizes the return of taxes previously collected between Jan. and Apr. 2018. This rate decrease is proposed to be in place for one year. The proposed temporary adjustments would be reflected in the Electricity charge listed on the electric bill and in the Delivery charge listed on the natural gas bill.
- **Power Cost Adjustment Clause** (listed on bill): The first of two electric rate adjustments resulting from Microsoft's move from bundled energy service to delivery-only service. This adjustment increases electric rates. A larger offsetting rate decrease is planned for the summer of 2019.

PSE requested changes to the Conservation Program Charge and the Property Tax Adjustment through existing mechanisms previously approved by the UTC. The mechanisms allow PSE to periodically adjust its electric and natural gas rates to reflect changes in actual costs. 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.

### EFFECTS ON TYPICAL RESIDENTIAL CUSTOMERS:

ELECTRIC SERVICE	Current Bill	Proposed, effective May 1, 2019
Basic Charge—One Phase	\$7.49	\$7.49
Energy—First 600 kWh	\$51.56	\$51.54
Energy—Over 600 kWh	\$31.47	\$31.46
Total Bill at 900 kWh per month	\$90.52	\$90.49

NATURAL GAS SERVICE	Current Bill	Proposed, effective May 1, 2019
Basic Charge	\$11.52	\$11.52
Energy—All therms	\$49.32	\$48.66
Total Bill at 64 therms per month	\$60.84	\$60.18

ELECTRIC SCHEDULE Type of Service	Current Average Rate per kWh	Proposed Average Rate per kWh	Percent Change
Residential—Schedule 7	\$0.102661	\$0.102633	0.03 decrease
Secondary Voltage (50kW or less)—Schedule 24	\$0.103902	\$0.103918	0.01 increase
Secondary Voltage (over 50 kW to 350 kW)—Schedule 25	\$0.097135	\$0.093201	4.05 decrease
Secondary Voltage (over 350 kW)—Schedule 26	\$0.088260	\$0.087579	0.77 decrease
Seasonal Irrigation & Drainage Pumping—Schedule 29	\$0.078443	\$0.074921	4.49 decrease
Primary Voltage General—Schedule 31	\$0.086175	\$0.084847	1.54 decrease
Primary Voltage Irrigation—Schedule 35	\$0.058369	\$0.055173	5.47 decrease
Interruptible Total Electric Schools—Schedule 43	\$0.095164	\$0.091270	4.09 decrease
Special Contracts/Campus Rate—Schedule 40	\$0.079470	\$0.081350	2.37 increase
High Voltage Interruptible—Schedule 46	\$0.071723	\$0.069979	2.43 decrease
High Voltage General—Schedule 49	\$0.071018	\$0.069075	2.74 decrease
Lighting (Area & Street)—Schedules 50–59	\$0.247511	\$0.245173	0.94 decrease
Choice/Retail Wheeling—Schedules 449/459	\$0.005312	\$0.005164	2.77 decrease

NATURAL GAS SCHEDULE Type of Service	Current Average Rate per Therm	Proposed Average Rate per Therm	Percent Change
Residential—Schedules 23, 53	\$0.95036	\$0.94018	1.07 decrease
Commercial & Industrial—Schedule 31	\$0.75192	\$0.78651	4.60 increase
Large Volume—Schedule 41	\$0.52137	\$0.55792	7.01 increase
Interruptible—Schedule 85	\$0.34829	\$0.40696	16.85 increase
Limited Interruptible—Schedule 86	\$0.49489	\$0.53025	7.15 increase
Non-exclusive Interruptible—Schedule 87	\$0.28504	\$0.34361	20.55 increase
Commercial & Industrial Transportation—Schedule 31T	\$0.72400	\$0.69907	3.44 decrease
Large Volume Transportation—Schedule 41T	\$0.24346	\$0.22043	9.46 decrease
Interruptible Transportation—Schedule 85T	\$0.10361	\$0.10265	0.93 decrease
Limited Interruptible Transportation—Schedule 86T	\$0.27181	\$0.24497	9.87 decrease
Non-exclusive Interruptible Transportation—Schedule 87T	\$0.04250	\$0.04144	2.49 decrease
Gas Lighting—Schedule 16	\$0.85516	\$0.90712	6.08 increase
Special Contracts	\$0.04571	\$0.04484	1.90 decrease
Rentals—Schedules 71, 72, 74	\$16.01	\$15.97	0.25 decrease

*Note: The figures above represent averages by rate schedule including the basic charge. Individual rate schedules will see a greater or lesser increase than what is shown, depending on the amount of usage. Most electric and all natural gas customers are billed monthly. Some electric customers are billed every other month.*

**Comments/Questions:** The UTC is accepting comments online at <http://www.utc.wa.gov/comment>; email [comments@utc.wa.gov](mailto:comments@utc.wa.gov); phone 888-333-9882; fax 360-664-4291 or write to P.O. Box 47250, Olympia, WA, 98504-7250. Please include your name, mailing address, the name of the company (PSE), and a description of the filing(s). If you have questions about the UTC's process, please contact the UTC using one of the above methods. The UTC provides reasonable accommodation to participants with disabilities; for accommodations, please email [human\\_resources@utc.wa.gov](mailto:human_resources@utc.wa.gov) or call 360-664-1132. The public is represented by the Public Counsel Section of the Washington Attorney General's office and can be reached by writing to Public Counsel, Assistant Attorney General, 800 5th Avenue, Suite 2000, Seattle, WA 98104-3188, or by emailing [utility@atg.wa.gov](mailto:utility@atg.wa.gov). To contact PSE about these proposals: email [customer-care@pse.com](mailto:customer-care@pse.com); call 888-225-5773 (TTY: 800-962-9498); or write to Puget Sound Energy, ATTN: Customer Care, P.O. Box 97034, Bellevue, WA 98009-9734.