

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

Puget Sound Energy recently filed requests with the state Utilities and Transportation Commission (UTC) to adjust electric and natural gas rates. The requested changes, proposed to become effective on October 1, 2015, include:

- **Energy Exchange Credit** (listed on statement): An increase in electric rates for residential and small farm customers due to a decrease in the amount of the Energy Exchange Credit based on an agreement with the Bonneville Power Administration (BPA). This credit to customers of PSE and other investor-owned utilities in the Pacific Northwest represents customers' share of the federal power benefit. Based on the updated agreement, the lower Energy Exchange Credit would be 0.6794 cents per kilowatt hour (kWh), a 0.2485-cent decrease in the credit amount. BPA's lowering of the credit will increase the typical residential electric bill, based on 1,000 kWh average monthly usage by \$2.49 a month, or 2.43 percent.
- **Low-income program** (included in "Other Charges" listed on statement): PSE has asked the UTC to increase natural gas rates by an overall average of 12 hundredths of 1 percent and electric rates by an overall average of 5.7 hundredths of 1 percent to offset the actual costs of the low income bill assistance program.

If the requests are approved by the UTC, households using a 12-month average of 1,000 kilowatt hours (kWh) of electricity per month, electric rates will increase by 2.49 percent, or \$2.55 per month. The proposed, overall average increase for electric customers is:

TYPE OF SERVICE—ELECTRIC SCHEDULE	PERCENT CHANGE
Residential Service (Schedule 7).....	2.62 increase
Small General Service (Schedule 8).....	2.81 increase
Small General Service (Schedule 24).....	0.07 increase
Medium General Service (Schedule 11).....	3.04 increase
Medium General Service (Schedules 7A & 25).....	0.06 increase
Large General Service (Schedule 12).....	3.44 increase
Large General Service (Schedule 26).....	5.05 increase
Seasonal Irrigation & Drainage Pumping Service (Schedule 29).....	3.35 increase
Primary Voltage General Service (Schedule 10).....	3.47 increase
Primary Voltage General Service (Schedule 31).....	0.05 increase
Primary Voltage Irrigation & Drainage Pumping (Schedule 35).....	5.22 increase
Large General Service Greater Than 3 aMW (Schedule 40).....	0.08 increase
Primary Voltage Interruptible Schools (Schedule 43).....	0.07 increase
High Voltage Interruptible Service (Schedule 46).....	0.09 increase
High Voltage General Service (Schedule 49).....	0.07 increase
Lighting (Schedules 50-59).....	0.17 increase

If the request is approved by the UTC, households using a 12-month average of 68 therms of natural gas per month, natural gas rates will increase by 12 hundredths of 1 percent, or 10 cents per month. The proposed, overall average increase for natural gas customers is:

TYPE OF SERVICE—NATURAL GAS SCHEDULE	PERCENT CHANGE
Residential Service (Schedules 23 & 53).....	0.13 increase
Commercial & Industrial (Schedules 31 & 31T).....	0.09 increase
Large Volume (Schedules 41 & 41T).....	0.08 increase
Interruptible with Firm Option (Schedules 85 & 85T).....	0.11 increase
Limited Interruptible (Schedules 86 & 86T).....	0.07 increase
Non-Exclusive Interruptible Gas Service (Schedules 87 & 87T).....	0.05 increase

PSE requested these changes through the existing low income assistance mechanism previously approved by the UTC and the Residential and Farm Energy Exchange Benefit. The mechanism allows PSE to periodically adjust its electric and natural gas rates to reflect changes in actual sales and 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. PSE bills all natural gas and most electric customers every month; some electric customers are billed every other month.

Comments or questions on proposals: PSE customers may submit comments to the UTC on any or all of these proposed filings by using the online comment form, at www.utc.wa.gov/comment; e-mailing to comments@utc.wa.gov; faxing to 360-664-4291; or mailing your comments to the UTC at: P.O. Box 47250, Olympia, WA, 98504-7250. If you write, include your name and mailing address, the name of the company (PSE), and a description of the filing(s). 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.

The public 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 5th Avenue, Suite 2000, Seattle, WA 98104-3188, or by e-mail at utility@atg.wa.gov.

If you have questions or comments for PSE about these proposals, you may submit them by mailing, e-mailing or calling PSE at: Puget Sound Energy, ATTN: Customer Care, P.O. Box 97034, Bellevue, WA 98009-9734, by e-mail at customer-care@pse.com or by telephone at 888-225-5773. Additional information about the electric and natural gas filings is available at www.pse.com.