

IMPORTANT NOTICE FOR PUGET SOUND ENERGY CUSTOMERS ABOUT CHANGES IN NATURAL GAS RATES

Puget Sound Energy (PSE) recently filed requests with the state Utilities and Transportation Commission (UTC) to adjust natural gas rates. The requested changes, proposed to be effective on November 1, 2022, include:

- **Purchased Gas Adjustment (PGA):** PSE has requested to increase natural gas bills under the purchased gas adjustment rate-setting mechanism, which allows utilities to adjust rates, up or down, to reflect fluctuations in the price of natural gas in the wholesale market. The PGA has two components – one is a projection of the average cost of natural gas supplies over the next year, the other is a true-up of the difference between prior years' projected costs and the actual costs of the supplies. For the true-up component, the actual wholesale price of natural gas supplies that PSE purchased for customers was higher than prices projected over the past year. Projected natural gas costs, which include a combination of short- and longer-term wholesale purchases, are anticipated to be higher than currently effective rates.

The net effect of the two components of the PGA would increase rates by an overall average of 17.32 percent. The cost of natural gas is shown on your monthly PSE bill as "Gas Cost". PSE is not allowed to profit on the natural gas it purchases for customers.

- **Cost Recovery Mechanism for Pipeline Replacement (CRM):** PSE has requested to increase natural gas rates by an overall average 0.54 percent, to recover costs from Nov. 1, 2021 through Oct. 31, 2022, for the replacement of aging natural gas pipes to ensure continued, safe and dependable service, as allowed by the CRM. The CRM rates are shown on your monthly PSE bill as "Other Natural Gas Charges & Credits".

The proposed overall average changes for natural gas customers are as follows:

EFFECTS ON TYPICAL RESIDENTIAL NATURAL GAS CUSTOMERS:

NATURAL GAS SERVICE	Current Bill	Bill Effective Nov. 1, 2022
Basic Charge	\$ 11.52	\$ 11.52
Energy—all therms	\$ 64.07	\$ 76.93
Total Bill at 64 therms per month	\$ 75.59	\$ 88.45
Percent Change		17.01% increase

NATURAL GAS RATE SCHEDULE Type of Service	Current Average Rate per Therm	Average Eff. Nov. 1, 2022	
		Rate per Therm	Percent Change
Residential—Schedules 23, 53	\$ 1.17894	\$ 1.37984	17.04% increase
Commercial & Industrial—Schedule 31	\$ 1.06990	\$ 1.26839	18.55% increase
Large Volume—Schedule 41	\$ 0.72397	\$ 0.92010	27.09% increase
Interruptible—Schedule 85	\$ 0.55865	\$ 0.75185	34.58% increase
Limited Interruptible—Schedule 86	\$ 0.66782	\$ 0.86082	28.90% increase
Non-exclusive Interruptible—Schedule 87	\$ 0.50925	\$ 0.70067	37.59% increase
Commercial & Industrial Transportation—Schedule 31T	\$ 0.76050	\$ 0.76535	0.64% increase
Large Volume Transportation—Schedule 41T	\$ 0.21904	\$ 0.22202	1.36% increase
Interruptible Transportation—Schedule 85T	\$ 0.11275	\$ 0.11333	0.51% increase
Limited Interruptible Transportation—Schedule 86T	\$ 0.20255	\$ 0.20433	0.88% increase
Non-exclusive Interruptible Transportation—Schedule 87T	\$ 0.04986	\$ 0.05010	0.48% increase
Gas Lighting—Schedule 16	\$ 1.15279	\$ 1.35369	17.43% increase
Special Contracts	\$ 0.04968	\$ 0.04972	0.08% increase

Note: The figures above represent averages by rate schedule including the basic charge. Individual customers will see a change that is greater or lesser than what is shown, depending on the amount of their usage. Most electric and all natural gas customers are billed monthly. Some electric customers are billed every other month. During the UTC's consideration of these proposed rates, other rates may change due to pending or previously approved rate filings.

Bill assistance programs are available to help those struggling to pay their energy bills. PSE customers can go to pse.com or call **1-888-333-9882** to learn if they are eligible. Payment plans are also available.

The UTC will review each filing and 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. To comment to the UTC on PSE's requested rate changes: use the online comment form at <http://www.utc.wa.gov/comment>; email comments@utc.wa.gov; phone **1-888-333-9882**; or write to P.O. Box 47250, Olympia, WA, 98504-7250. Please include your name, mailing address, the name of the company (PSE), and electric and natural gas docket number(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 or call **1-360-664-1132**.

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. To contact PSE about these proposals: email customer-care@pse.com; call **1-888-225-5773 (TTY: 1-800-962-9498)**; or write to Puget Sound Energy, ATTN: Customer Care, P.O. Box 97034, Bellevue, WA, 98009-9734.