

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 be effective on May 1, 2016, include:

- **Conservation Program Charge** (listed on statement): An increase in natural gas rates to offset the costs of investments made in energy efficiency programs that are made available to customers.
- **Property Tax Adjustment:** An increase in electric and natural gas rates to pass through costs of PSE's property tax charges. The proposed increase would be reflected in the Electricity charge listed on the electric statement and in the Delivery charge listed on the natural gas statement.
- **Revenue Decoupling Adjustment:** An increase in electric and natural gas rates under the decoupling mechanism, which adjusts rates up or down based on allowed revenue and projected revenue for the year. The proposed increase would be reflected in the Electricity charge listed on the electric statement and in the Delivery charge listed on the natural gas statement.

If approved by the UTC, the requests will increase electric rates by an overall average of 0.7 percent and natural gas rates by an overall average of 3.4 percent. For the typical residential customer using 1,000 kilowatt hours (kWh) of electricity per month, the proposed adjustments will result in an overall increase of \$1.46 per month.

The overall average increase for electric customers is as follows:

TYPE OF SERVICE—ELECTRIC SCHEDULE	PERCENT CHANGE
Residential Service (Schedule 7).....	1.4 increase
Small General Service (Schedules 24 & 8).....	0.7 decrease
Medium General Service (Schedules 7A, 25 & 11)	0.2 decrease
Large General Service (Schedules 26 & 12)	1.2 increase
Seasonal Irrigation & Drainage Pumping Service (Schedule 29)	0.4 decrease
Primary Voltage General Service (Schedules 31 & 10).....	1.3 increase
Primary Voltage Irrigation & Drainage Pumping (Schedule 35)	1.3 decrease
Large General Service Greater Than 3 aMW (Schedule 40)	2.0 decrease
Primary Voltage Interruptible Schools (Schedule 43).....	0.8 decrease
High Voltage Interruptible Service (Schedule 46).....	1.3 decrease
High Voltage General Service (Schedule 49).....	0.8 decrease
Lighting (Schedules 50-59)	1.0 decrease

For the typical residential customer using 68 therms of natural gas per month, the proposed adjustments, will result in an overall increase of \$2.62 per month. The overall average increase for natural gas customers is as follows:

TYPE OF SERVICE—NATURAL GAS SCHEDULE	PERCENT CHANGE
Residential Service (Schedules 23 & 53).....	3.8 increase
Lighting (Schedule 16)	0.6 increase
Commercial & Industrial (Schedule 31)	2.8 increase
Commercial & Industrial Transportation (Schedule 31T).....	4.5 increase
Large Volume (Schedule 41).....	2.4 increase
Large Volume Transportation (Schedule 41T).....	5.8 increase
Interruptible with Firm Option (Schedule 85)	0.6 increase
Interruptible with Firm Option Transportation (Schedule 85T)	0.3 increase
Limited Interruptible (Schedule 86)	2.5 increase
Limited Interruptible Transportation (Schedule 86T)	4.6 increase
Non-Exclusive Interruptible Gas Service (Schedule 87)	0.6 increase
Non-Exclusive Interruptible Gas Service Transportation (Schedule 87T)	0.3 increase

PSE requested these changes through the existing Conservation Rider, Property Tax Tracker, and Decoupling Adjustment 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.

Comments or questions on proposals: PSE customers may submit comments to the UTC about these proposals 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. 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 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).

The public is represented by the Public Counsel Section of the Office of the Attorney General. 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.

To contact PSE about these proposals: by email, customer care@pse.com, in writing, ATTN: Customer Care, P.O. Box 97034, Bellevue, WA 98009-9734, by phone, 888-225-5773. Additional information about the electric and natural gas filings is available at www.pse.com.