



Puget Sound Energy
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pse.com

October 1, 2025

Received
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Oct 1, 2025

Jeff Killip, Executive Director and Secretary
Washington Utilities and Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503

**Re: Advice No. 2025-43
PSE's Electric Tariff Filing**

Dear Executive Director Killip:

Pursuant to RCW 80.28.060 and WAC 480-80-101 and WAC 480-80-105(1)(c), please find enclosed for filing the following proposed revisions to the WN U-60, Tariff G for electric service of Puget Sound Energy ("PSE"):

29 th Revision	Sheet No. 81-B	Schedule 81	Tax Adjustment (Continued)
4 th Revision	Sheet No. 81-D	Schedule 81	Tax Adjustment (Continued)

The purpose of this filing is to update Schedule 81 Tax Adjustment to reflect the City of Lynden's ("City") increased city utility tax rates and changes to the threshold of the monthly electric service charge applicable to the respective tax rates, per the City's Ordinance No. ORD-25-1714 ("Ordinance"). The Ordinance effectuated the tax changes beginning September 1, 2025, the Company will not begin collecting changes to revenues resulting from the Ordinance until the effective date of this filing. The Ordinance is included in this filing as Attachment A.

The increase includes a change to the amount of monthly gross revenue per customer that is subject to a 6 percent utility tax owed to the City by raising the threshold from \$5,000 to \$10,000. The Ordinance also increases the tax rate on monthly gross revenues per customer over \$10,000 from 1 percent to 5 percent. This change impacts electric utility customers whose monthly charges are \$5,000 or greater, about 0.23 percent of PSE customers in the City of Lynden. A typical residential electric customer using an average of 800 kWh of electricity per month would see an average monthly bill change of \$0.00.

The Ordinance also increases the \$10,000 threshold to \$25,000 effective July 1, 2026, and then to \$50,000 effective July 1, 2027. This raises the tax rate applied to monthly per customer gross revenues over \$10,000 up to \$25,000 from 5 percent to 6 percent effective July 1, 2026, and raises the tax rate applied to monthly per customer gross revenues over \$25,000 up to \$50,000 from 5 percent to 6 percent effective July 1, 2027.

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Consistent with Schedule 81, Section 2, Tax Adjustment, the Washington Utilities and Transportation Commission (“UTC”) allows PSE to increase the amount it charges its customers to recover the cost of a jurisdiction imposing a utility tax levy and the additional expenses associated with collecting the jurisdiction imposing a utility tax. The effect of a jurisdictional utility tax rate as shown in Schedule 81 reflects both the jurisdictional utility tax levy rate and the associated adjustments.

PSE does not profit from passing through a jurisdictional utility tax and these grossed up adjustments. PSE incurs additional taxes and expenses as a result of the collection of a jurisdictional utility tax levy. With each increase in gross revenue, additional tax and fee amounts become payable. Therefore, the effect of the tax rate in a jurisdictional utility tax ordinance needs to be grossed up to reflect Washington State Public Utility Tax per RCW 82.16, and UTC regulatory fee per RCW 80.24.010, and additional bad debt expenses associated with the collection of the jurisdictional utility tax for the city.

The tariff sheets described herein reflect an issue date of October 1, 2025, and an effective date of November 1, 2025. Posting of the proposed tariff changes for public inspection and review, as required by law and the UTC’s rules and regulations, is being completed in accordance with WAC 480-100-193(1). Public notice to all customers, in accordance with the provisions of WAC 480-100-194, will be provided within 30 days of the proposed November 1, 2025, effective date.

Please contact at jared.regan@pse.com for additional information about this filing. If you have any other questions, please contact me at birud.jhaveri@pse.com.

Sincerely,

/s/ Birud D. Jhaveri

Birud D. Jhaveri
Director, Regulatory Affairs
Puget Sound Energy
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Bellevue, WA 98009-9734
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cc: Tad O’Neill, Public Counsel
Sheree Carson, Perkins Coie

Attachments:

Electric Tariff Sheets (listed above)

Attachment A - City of Lynden Ordinance No. ORD-25-1714