



Puget Sound Energy
P.O. Box 97034
Bellevue, WA 98009-9734
pse.com

September 30, 2025

Received
Records Management
Sep 30, 2025

Filed Via Web Portal

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

**RE: Advice No. 2025-40
Puget Sound Energy's Natural Gas Tariff Revision**

Dear Executive Director Killip:

Pursuant to RCW 80.28.060, and WAC 480-80-101 and -105, please find enclosed for filing the following proposed revisions to the WN U-2, tariff for natural gas service of Puget Sound Energy ("PSE" or "the Company"):

WN U-2 - (Natural Gas Tariff):

1 st Revision	Sheet No. 1141LNG-A	Liquefied Natural Gas Rate Adjustment (Continued)
1 st Revision	Sheet No. 1141LNG-B	Liquefied Natural Gas Rate Adjustment (Continued)
1 st Revision	Sheet No. 1141LNG-C	Liquefied Natural Gas Rate Adjustment (Continued)

On April 24, 2024, the Commission issued its Final Order 07 Rejecting Tariff Sheets; Authorizing and Requiring Compliance Filing in Docket UG-230393, where PSE proposed the establishment and recovery of Schedule 141LNG Liquefied Natural Gas Rate Adjustment. The proposed schedule allowed PSE to recover the costs incurred with the development, construction, and operation of the Tacoma Liquefied Natural Gas Facility in compliance with the Commission's Final Order 24/10 in Dockets UE-220066, UG-220067, and UG-210918 (Consolidated).¹ Modifications to Schedule 141D Distribution Pipeline Provisional Recovery Adjustment were also included in Docket UG-230393.

In Docket UG-240701, the UTC allowed PSE's modification to the Cost Recovery and True-Up section of Schedule 141LNG to become effective by operation of law. The tariff revision allowed annual rate filings to commence in 2025 with rates effective November 1, 2025. PSE submits this first annual true-up calculation and resulting proposed rate adjustment filing for Schedule 141LNG in accordance with its approved tariff.

¹ Appendix C to Final Order 24/10 – Tacoma LNG Settlement

This tariff filing reflects a revenue requirement of \$57.2 million which represents a \$14.5 million increase compared to the prior revenue requirement submitted in PSE's compliance filing in Docket UG-230393 and an average increase of 1.43 percent in overall bills for all customers affected by this tariff change. A typical residential customer using 64 therms per month would experience an increase of \$1.61 per month or 1.57 percent.

This increase is driven by the following key components:

- \$5.2 million increase in amortization for the inclusion of the deferrals allowed under Docket UG-210918 that have not yet been included in rates. Rates approved in PSE's filing in Docket UG-230393 included deferrals only through October 2023, as PSE had requested the rates become effective November 2023. However, the filing was suspended and rates did not become effective until May 2024. During the intervening period, the deferral continued to grow. Accordingly, this filing incorporates the remaining deferral of costs for the facility from November 2023 through April 2024 with an amortization period of 36 months to coincide closely with the end of the amortization period for the deferral already set in rates.
- \$9.3 million increase related to truing up rates from the prior period through July 2025, the most current month where actual results are known prior to filing. The rates currently in effect from UG-230393 were designed for a twelve-month period to start in November 2023. However, as mentioned, they did not go into effect until May 2024 and have been in effect for a 15-month period. This period included three additional months where usage was lower than the average of the previous twelve that better align with the way rates were originally set (i.e., due to the highly seasonal nature of gas sales). Therefore, because revenue is recovered through this tariff schedule based on gas sales, average revenue during the 15-month period that rates were in effect from May 2024 to July 2025 were lower than the average costs over the same period, which are far less seasonal in nature.

Bill assistance programs such as PSE's Bill Discount Rate ("BDR"), PSE Home Energy Lifeline Program ("HELP"), the Low-Income Home Energy Assistance Program ("LIHEAP"), Past Due Bill Forgiveness and Arrearage Management Plan, and the Salvation Army Warm Home Fund ("WHF") are available to qualified customers who need help with their energy bills. PSE customers can go online to pse.com/assistance or call 1-888-225-5773 to learn if they are eligible. Payment plans are also available.

The tariff sheets described herein reflect an issue date of September 30, 2025, and an effective date of November 1, 2025. Posting of proposed tariff changes, as required by WAC 480-90-193, is being accomplished by posting the proposed tariff sheets on the PSE web site coincident with the date of this transmittal letter. Notice to the public under the provisions of WAC 480-90-194 will be provided within 30 days of the November 1, 2025, effective date.

Jeff Killip, Executive Director and Secretary

September 30, 2025

Page 3 of 3

Please contact Julie Waltari at julie.waltari@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
PO Box 97034, BEL10W
Bellevue, WA 98009-9734
Birud.Jhaveri@pse.com

cc: Tad O'Neill, Public Counsel
Sheree Carson, Perkins Coie

Attachments:

Natural Gas Tariff Sheets (listed above)

Work Paper – Revenue Requirement

Work Paper – Rate Design