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MAR 1, 2016 WA. UT. & TRANS. COMM. ORIGINAL

PUGET SOUND ENERGY

NATURAL GAS SUPPLEMENTAL SCHEDULE NO. 137 Carbon Offset Pilot

1. Availability: (T)

- Service under this schedule is available to all natural gas Customers as an option designed to
 provide Customers an opportunity to balance out the environmental impact of greenhouse gas
 emissions from their natural gas use by purchasing shares of a Carbon Offset. Service is on a
 continuing month to month basis unless terminated as provided herein.
- Participating Customers will support the development of greenhouse gas emission reduction and capture projects. Reducing the concentration of greenhouse gases such as methane and carbon dioxide in the atmosphere is achieved, for example, through methane-capture and forestry management projects. Priority will be given to projects which are located in the Pacific Northwest.
- Carbon Offset blocks under this program will be available for purchase April 1, 2011 and continue to April 1, 2020.
- 2. **Type of Service:** Service under this schedule is provided through Carbon Offsets created or obtained by the Company for purchase by its Customers. All Carbon Offsets will be verified and nationally certified by a third-party entity.
- 3. Monthly Rate: Customers may purchase an unlimited number of blocks at \$4.00 each. (T)

One block equals 400 pounds of Carbon Dioxide Equivalent or approximately one fifth of one Carbon Offset. The charge for the number of blocks chosen in this program will be on the Customer's bill every month until terminated by the Customer.

The purchase of two blocks is equal to offsetting emissions associated with the average natural gas consumption of a residential home. The minimum monthly purchase for Residential Customers is one block, or \$4.00. The minimum monthly purchase for Commercial and Industrial Customers is two blocks, or \$8.00.

The monthly charge in this program is in addition to all other charges contained in the rate schedule under which the Customer receives service. The monthly charge for Carbon Offset blocks under this program will be applied to the Customer's billing regardless of actual natural gas usage.

(Continued on Sheet No. 1137-A)

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