

IMPORTANT NOTICE FOR PUGET SOUND ENERGY CUSTOMERS ABOUT PROPOSED RATE CHANGES IN CONSERVATION PROGRAM CHARGE

Puget Sound Energy on Feb. 28, 2014 filed two requests with the state Utilities and Transportation Commission (UTC) to adjust electric and natural gas rates to offset the costs of investments made in energy efficiency programs that are made available to customers. Both requests—1) an increase in electric rates through the Electric Conservation Program Charge and 2) an increase in natural gas rates through the Gas Conservation Program Charge. Both charges are listed on PSE bills. PSE has requested that the UTC approve the changed rates to be effective on May 1, 2014.

If approved by the UTC, the requests will increase electric rates by an overall average of 0.637 percent (637 one-thousandths of 1 percent) and natural gas by an overall average of 0.034 percent (34 one-thousandths of 1 percent).

For the typical residential customer using 1,000 kilowatt hours (kWh) of electricity per month, the adjustment to the Conservation Program Charge will increase 83 cents per month, increasing the total monthly Electric Conservation Program Charge to \$5.46.

The overall average increase to electric customers is as follows:

ELECTRIC SCHEDULE—TYPE OF SERVICE	PERCENT CHANGE
Residential Service (Schedule 7).....	0.736 increase
Small General Service (Schedule 24)	0.401 increase
Medium General Service (Schedule 25)	0.411 increase
Large General Service (Schedule 26)	0.734 increase
Seasonal Irrigation & Drainage Pumping Service (Schedule 29)	0.583 increase
Primary Voltage General Service (Schedule 31).....	0.430 increase
Primary Voltage Irrigation & Drainage Pumping (Schedule 35)	0.502 increase
Large General Service Greater Than 3 aMW (Schedule 40)	1.001 increase
Primary Voltage Interruptible Schools (Schedule 43).....	0.541 increase
High Voltage Interruptible Service (Schedule 46).....	0.849 increase
High Voltage General Service (Schedule 49).....	0.341 increase
Outdoor Lighting Service (Schedules 50-59)	0.239 increase
High Voltage Transportation (Schedules 448, 449)	2.954 increase
Primary Voltage Transportation (Schedules 448, 449)	1.404 increase

For the typical residential customer using 68 therms of natural gas per month, the adjustment to the Conservation Program Charge will increase 2 cents per month, increasing the total monthly Natural Gas Conservation Program Charge to 86 cents.

The overall average increase to natural gas customers is as follows:

NATURAL GAS SCHEDULE—TYPE OF SERVICE	PERCENT CHANGE
Schedule 23—Residential Service.....	0.033 increase
Schedule 53—Residential Propane Service.....	0.033 increase
Schedule 16—Residential Lighting Service.....	0.033 increase
Schedule 31—Commercial & Industrial Service.....	0.038 increase
Schedule 41—Commercial & Industrial Large Volume Service.....	0.053 increase
Schedule 85—Interruptible Service.....	0.035 increase
Schedule 86—Limited Interruptible Service.....	0.030 increase
Schedule 87—Non-exclusive Interruptible Service.....	0.038 increase

PSE requested these changes through the existing conservation rider mechanism previously approved by the UTC. The mechanism allows PSE to periodically adjust its electric and natural gas rates to reflect changes in investments in energy efficiency for customers made by the company.

The UTC has the authority to set final rates that may vary from PSE's request, 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 this proposal by using the online comment form at <http://www.utc.wa.gov/comment>; emailing to comments@utc.wa.gov; faxing to 360-664-4291; or mailing 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 Docket No. UE-140330 for electric or Docket No. UG-140331 for natural gas. You may also ask questions of the UTC and request that 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.

The public is represented by the Public Counsel Section of the Washington State Attorney General's Office. 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 email at utility@atg.wa.gov.

If you have questions or comments for PSE about these proposals, you may submit them in writing to PSE at: Puget Sound Energy, ATTN: Customer Service, P.O. Box 97034, Bellevue, WA 98009-9734, by email at customer@pse.com or by telephone at 1-888-225-5773. Additional information about the electric and natural gas conservation filings is available at www.pse.com.