Notice of requested changes to PSE rates and public hearings

On December 9, 2020, we filed a power cost only rate case with the Washington Utilities and Transportation Commission (UTC) requesting an adjustment to electric rates. A power cost only rate case adjusts the costs from the purchase and generation of electricity that are included in electric rates.

We have requested the following

PSE's filing, if approved by the UTC, requests an increase of \$78.5 million in revenue and 3.67 percent in rates. Residential customers would see an overall average increase of 3.49 percent. A residential customer using 900 kWh per month would see a bill increase of \$3.42. All electric customers, except for retail wheeling and special contract customers, are affected by the change.

Reasons for requested rate increase

- Higher natural gas costs
- New power purchase agreements
- New and renewed transmission contracts
- Decreasing customer electricity usage

These cost increases are offset by a decrease in expenses from the shutdown of two coal-fired steam plants in Montana, Colstrip Units 1 and 2.

The UTC has the authority to approve rates which may be higher or lower than our request. New rates are expected to become effective upon completion of the UTC's examination of our proposed rates in June 2021.

Effects of proposed rate changes for residential electric service

Electric service for the average residential customer (using 900 kilowatt hours of electricity per month)	Current	Proposed (eff. June 2021)	Percent change
Kilowatt-hour charge for 0–600 kWh	\$54.97	\$57.25	4.15%
Kilowatt-hour charge for > 600 kWh	\$33.55	\$34.69	3.40%
Basic charge	\$7.49	\$7.49	0.00%
Total bill at 900 kWh per month	\$96.01	\$99.43	3.56%

Other ways to comment on the proposed rates

Online:	utc.wa.gov/comment
Email:	comments@utc.wa.gov
Phone:	1-888-333-WUTC (9882)
U.S. mail:	Washington Utilities and Transportation Commission P.O. Box 47250 Olympia, WA 98504

Overall proposed rate changes for electric and natural gas service, by rate schedule

Electric schedule	Type of service	Current average rate per kWh	Proposed average rate per kWh	Percent change*
7	Residential	\$0.108902	\$0.112702	3.49%
24, 8	Secondary voltage (50 kW or less)	\$0.108893	\$0.113109	3.87%
25, 11, 7A	Secondary voltage (over 50 kW to 350 kW)	\$0.098645	\$0.102586	3.99%
26, 12	Secondary or primary voltage (over 350 kW)	\$0.092505	\$0.096355	4.16%
29	Seasonal irrigation & drainage pumping	\$0.087525	\$0.091692	4.76%
31, 10	Primary voltage limited	\$0.091020	\$0.094731	4.08%
35	Primary voltage irrigation	\$0.061852	\$0.063890	3.29%
43	Interruptible total electric schools	\$0.095857	\$0.098734	3.00%
46	High voltage interruptible	\$0.073605	\$0.076297	3.66%
49	High voltage general	\$0.072387	\$0.075991	4.98%
50-59	Lighting (area & street)	\$0.262227	\$0.265701	1.33%
Overall				3.67%

* Represents overall average increase without specific energy use amount.

Copies of information on rules, rates, power supply fuel mix, regulations, customer rights and responsibilities, as well as an annual report, are available by calling 1-888-225-5773 and at <u>pse.com</u>.

Virtual public hearing date

Tuesday, April 20, 2021, 6 p.m.

You may comment on the requested changes to electric rates at a virtual public hearing held by the UTC.

You can participate by phone by calling 1-253-372-2181 and entering conference ID number 843-565-680# at the prompt, or using the application <u>Microsoft Teams</u> by visiting <u>pse.com/publichearing</u> on your computer, tablet or phone.

If you plan to speak at the hearing, please call 1-888-333-9882 at least one day in advance so you can be signed in. Failure to call in advance will not preclude you from calling the day of the hearing.

The UTC is committed to providing reasonable accommodation to participants with disabilities. If you need reasonable accommodation, please contact the UTC at:

Phone: 1-360-664-1234

Email: <u>human_resources@utc.wa.gov</u>

Residential and small business customers are represented in this case by the Public Counsel Unit of the Washington Office of the Attorney General.

Email: <u>utility@atg.wa.gov</u>

In your comments, please reference Docket UE-200980.

To contact PSE about the rate change proposal:

Email: <u>customercare@pse.com</u>

U.S. mail: Puget Sound Energy Customer Care P.O. Box 97034 Bellevue, WA 98009-9734

