



February 27, 2026

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. 2026-06
PSE's Natural Gas Tariff Filing**

Dear Executive Director Killip:

Puget Sound Energy (“PSE”) hereby submits proposed revisions to its Supplemental Schedule 120, Natural Gas Conservation Service Rider. This filing, pursuant to RCW 80.28.060 and Chapter 480-80 WAC, includes revisions to the following natural gas tariff sheet.

WN U-2 (Natural Gas Tariff):

| | | |
|---------------|--|--|
| 31st Revision | Sheet No. 1120 - Supplemental Schedule 120 | Natural Gas Conservation Service Rider |
|---------------|--|--|

The purpose of this filing is to implement rate changes under the conservation rider mechanism, as provided in Exhibit F to the Settlement Stipulation Agreement approved by the Commission in Dockets UE-011570 and UG011571, and consistent with the Commission’s Order 01 in Docket UG-250835. Specifically, this proposal changes the Natural Gas Conservation Service Rider charges in order to reflect actual costs and collections over the past years for conservation programs and the estimated expenditures during the 2026 program year. This filing reflects increased amounts budgeted for the upcoming year and a decrease in the true-up (and approval) of actual costs and actual collections during prior years.

In Docket UG-250835 the Commission approved PSE's 2026-2027 biennial acquisition target of 5,835,374 therms and PSE's two-year decoupling penalty threshold of 291,769 therms, pursuant to Order 8 in Docket UG-170034, subject to conditions outlined in Attachment A to Order 01. These conditions include requirements for program design, cost-effectiveness testing, and continued use of the Gas Conservation Service Rider for recovery of approved conservation program costs as specified in Condition 12.

The target level for acquisition of natural gas energy efficiency resources for the two-year period 2026 through 2027 is 5.8 million therms, as approved in the Commission's Order 01 in Docket UG-250835. This goal was set after discussions with the Conservation Resource Advisory Group

(“CRAG”) and incorporates the Company's Conservation Potential Assessment, adjustments for expected site-specific conservation opportunities, and compliance with the conditions specified in the Order.

The revenue requirement requested in this filing is \$55.7 million which includes 2026 conservation costs, true-up of 2024 and 2025, and load variances and revenue sensitive fees and taxes. The increase is \$17.6 million, representing an increase higher than the \$38.1 million requested in last year's filing under Docket UG-250124.

The \$17.6 million increase to the revenue requirement is comprised of the following:

- \$10.1 million - 2026 Program Year Budget
- \$7.5 million – True-up for spending, load variances and revenue sensitive fees and taxes

Expenditures fluctuated by conservation program in 2025 but generally ended up above budget. This trend was largely due to increased customer participation in programs and tracked the increase in savings. Natural gas total expenditures were 18.6 percent over budget (\$42.2 million actual vs. \$35.6 million budgeted) with savings coming in 57.4 percent above goal. These savings will be reflected in PSE's 2025 Annual Report of Energy Efficiency Conservation Accomplishments to be filed by June 15, 2026, as required by Condition 5(b) of Order 01.

Overall, this proposal results in an average 1.35 percent increase in customer bills. Firm and interruptible sales service schedules for natural gas services are affected by this increase. There is no impact to customers taking transportation services under Schedules 31T, 41T, 85T, 86T, 87T, 88T or special contracts, as they are not billed under the Natural Gas Conservation Service Rider. The typical residential customer using 64 therms per month would experience an increase to their monthly bill of \$1.36 or 1.27 percent. When utilizing actual revenues as stated in the Company's most recent Commission Basis Report, the \$17.6 million, would represent an average increase of 1.40 percent.

The tariff sheet described herein reflects an issue date of February 27, 2026, and an effective date of May 1, 2026. Posting of proposed tariff changes, as required by WAC 480-90-193, is being accomplished by posting the proposed tariff sheet 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 requested May 1, 2026, effective date.

Please contact Julie Waltari at julie.waltari@pse.com and Michael Kidd at michael.kidd@pse.com for additional information about this filing. For informal data requests, please contact PSEDRSDL@pse.com. If you have any other questions, please contact me at Birud.Jhaveri@pse.com.

PROPOSED

Sincerely,

/s/ Birud D. Jhaveri

Birud D. Jhaveri
Director, Regulatory Affairs
Puget Sound Energy
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cc: Tad O'Neill, Public Counsel
Sheree Carson, Perkins Coie

Attachments:
Natural Gas Tariff Sheet (as listed above)
Revenue Requirement Work Paper
Cost of Service Work Paper

PROPOSED

31st Revision of Sheet No. 1120
Canceling 30th Revision
of Sheet No. 1120

WN U-2

PUGET SOUND ENERGY
Natural Gas Tariff

SUPPLEMENTAL SCHEDULE 120
Natural Gas Conservation Service Rider

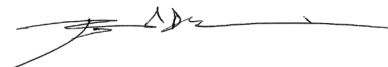
1. **Applicability:** Throughout territory served, to all firm and interruptible gas sales service Customers.
2. **Purpose:** This Schedule implements surcharges to collect costs incurred in providing service under Schedule 183 and gas Conservation Service Schedules numbered between 200 and 299.
3. **Rate:**
 1. The rates of gas sales service schedules listed in this paragraph will be adjusted as shown in all blocks of these rate schedules.
 - a. For firm sales service Schedules 23, 31, 41 and 53,
a charge of \$0.06424 per therm (I)
 - b. For gas lighting service under rate Schedule 16,
a charge of \$1.22 per mantle (I)
 - c. For interruptible sales service Schedules 85, 86 and 87,
a charge of \$0.05775 per therm (I)
 2. The rates named herein are subject to increase as set forth in Schedule 1.
4. **Adjustments:** Charges under this schedule and charges under the schedules for natural gas sales and transport service to which the surcharge in the Rate section above applies, are subject to adjustment by such other schedules in this tariff as may apply.
5. **General Rules and Provisions:** Service under this schedule is subject to the Rules and Regulations contained in this tariff as they may be modified from time to time.

Issued: February 27, 2026
Advice No.: 2026-06

Effective: May 1, 2026

Issued By Puget Sound Energy

By:



Birud D. Jhaveri

Title: Director, Regulatory Affairs