

Energy Efficiency Services

Exhibit 9 2010-2011 Condition Compliance Status

January 1, 2012



Exhibit 9

2010-2011 Condition Compliance Status

PSE 2010 ELCTRIC CONSERVATION SETTLEMENT CONDITIONS - COMPLIANCE STATUS

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32	A(1)	The following parties reached agreement on the terms for approval of Puget Sound Energy Inc's Ten-Year Achievable Conservation Potential and Biennial Conservation Target, which Puget Sound Energy filed in Docket UE-100177 on June 18, 2010: Puget Sound Energy, Inc. ("PSE" or the "Company"); the Staff of the Washington Utilities and Transportation Commission; the Public Counsel Section of the Attorney General's Office; Intervenor (sp) Industrial Customers of Northwest Utilities; and Intervenor NW Energy Coalition ("NWECC") (hereinafter referred to collectively as "Executing Parties"). This Settlement Agreement ("Agreement") is the agreement reached by the Executing Parties.	Executing Parties					No specific CRAG role					Not actionable
33	A(2)	The Executing Parties intend that this Agreement shall supersede and replace the Settlement Terms for Conservation, Exhibit F to the Settlement Stipulation in Docket UE-011570 for electric conservation. This Agreement addresses conservation of electricity only. It does not address conservation of natural gas. The Northwest Industrial Gas Users and The Energy Project, signatories to the Settlement Terms for Conservation, Exhibit F to the Settlement Stipulation in Docket UG-011571 but not parties in Docket UE-100177, participated in discussions about the preparation of this Agreement. Nothing in this settlement shall affect the natural gas Settlement Terms for Conservation, Exhibit F to the Settlement Stipulation in Docket UG-011571 with respect to natural gas conservation, which remains in full force and effect with respect to natural gas conservation issues. (Emphasis added.)	Executing Parties					No specific CRAG role					Not actionable
34	A(3)	The approval of Initiative 937 in 2006, codified in Chapter 19.285 of the Revised Code of Washington as the Energy Independence Act, and PSE's subsequent filing in Docket UE-100177, resulted in the need to update and amend the electric conservation provisions of the Settlement Terms for Conservation, Exhibit F to the Settlement Stipulation in Docket UE-011570. Those changes are included in this Agreement. RCW 19.285.040(1) and WAC 480-109-010 require utilities to identify achievable cost-effective conservation potential using methodologies consistent with those used by the Northwest Power and Conservation Council ("Council").	Executing Parties			18	Please see RCW-WAC Index page for complete RCW 19.285.040 and WAC 480-109-010	No specific CRAG role					Not actionable
35	B(4)	This Agreement establishes a conservation program with no sunset date. Any party may petition the Commission for modifications to the program, including in a general rate case proceeding. Nothing herein prevents any party from commenting on any filings under this or any other docket before the Commission.	Duration & Future Review					No specific CRAG role					Not actionable
36	B(4)(a)	Except where expressly stated, the conditions in Section K and all other provisions of this Agreement are intended to remain in effect notwithstanding the biennial review conducted under the Energy Independence Act. Any party may petition to, or the Commission may on its own motion and notice to parties, modify the conservation program if required by the results of the review.	Any party may petition for modification					No specific CRAG role					Not actionable
37	B(4)(b)	In the event that PSE is not required to set or achieve specific conservation savings targets by the Energy Independence Act or other state law, PSE agrees to continue a conservation program that is consistent with the provisions of the 2002 Settlement, such that the programs funded through PSE's tariff rider will be designed to achieve all savings that are not independently captured by consumer acquisition, that are cost-effective to the Company, and economically feasible for consumers, taking into account incentives provided by PSE.	Still achieve conservation			17		No specific CRAG role					Not actionable
38	C(5)	PSE shall set the ten-year conservation potential and the biennial conservation targets as required by the Energy Independence Act (RCW 19.285) and WAC 480-109 and consistent with this Agreement.	Savings Target			17		No specified CRAG role	Consistent will all subsequent requirements and conditions, PSE will build its 10-year potential and 2-year targets in compliance with RCW 19.285	PSE presents its 10-year potential and two-year targets to the CRAG, consistent with condition K(8)(f)	Completed	08/01/11	
39	C(6)	In general each individual energy efficiency program shall be designed to be cost-effective.	C/E		10(a)			No specified CRAG role	PSE will provide cost-effective analyses to the CRAG at a program level	PSE presents its Exhibit 2 in the Annual or Biennial Conservation Plans	Completed; presented to CRAG in Sept 29 meeting	09/29/11	
40	D(7)	PSE shall establish an external Advisory Committee. The Advisory Committee shall address, but not be limited to the issues identified in Section K.3 of this Agreement.	Advisory Group		K(3)								Not actionable

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41	D(8)	Advisory Committee membership shall be established as follows. The Company shall extend an invitation to serve as an Advisory Committee member to a representative from at least each of the following organizations: WUTC staff, Attorney General Office of Public Counsel, NW Energy Coalition, Energy Project, Natural Resources Defense Council, Pacific Northwest Electric Power and Conservation Council, Industrial Customers of Northwest Utilities, Northwest Industrial Gas Users, Washington State Department of Commerce, Northwest Energy Efficiency Council, and the Department Of Energy Weatherization Assistance Program provider network. Additionally, the Company shall seek customer representatives from the residential, commercial, industrial, and institutional sectors to serve on the Advisory Committee. Other interested parties may attend Advisory Committee meetings as well, but will not be considered Advisory Committee members. This ongoing committee is now called the Conservation Resources Advisory Group (CRAG).	Advisory Group			10		No specific CRAG role					Not actionable
42	E(9)	To determine which energy efficiency programs and measures are cost-effective, PSE shall rely on a calculation of avoided cost consistent with the Council methodology and with the Energy Independence Act.	Avoided Cost					No specified CRAG role	PSE will provide the CRAG with its avoided cost calculation methodology, indicating consistencies with Council methodologies	PSE has reviewed its avoided costs calculation methodology	Completed; reviewed methodology with CRAG at the Sept 29 meeting	09/29/11	
43	E(10)	PSE may modify, after consultation with the CRAG, the Company's calculation of avoided cost based upon the following: modification to one or more component values of the calculation, use of a forecasting tool or production cost model other than Aurora, establishment of load factors that are more specific to PSE's service territory, or other information relevant to the calculation of avoided cost.	Avoided Cost	C/E calculations				Consult	PSE will engage the CRAG if it considers a revised avoided cost calculation component to present its revised analyses.	PSE conveys the date that the CRAG was consulted.		09/29/11	
44	F(11)	The annual budget of the program will be built up from the bottom through the development of a mix of programs that deliver cost-effective savings in PSE's service territory. PSE's conservation targets developed under RCW 19.285.040(1) will direct development of the mix of cost effective programs that will establish the budgets for efficiency programs.	Program Metrics	Program Budget	K(8)(f)	1	RCW 19.285.040 (1) Each qualifying utility shall pursue all available conservation that is cost-effective, reliable, and feasible. (a) By January 1, 2010, using methodologies consistent with those used by the Pacific Northwest electric power and conservation planning council in its most recently published regional power plan, each qualifying utility shall identify its achievable cost-effective conservation potential through 2019. At least every two years thereafter, the qualifying utility shall review and update this assessment for the subsequent ten-year period. (b) Beginning January 2010, each qualifying utility shall establish and make publicly available a biennial acquisition target for cost-effective conservation consistent with its identification of achievable opportunities in (a) of this subsection, and meet that target during the subsequent two-year period. At a minimum, each biennial target must be no lower than the qualifying utility's pro rata share for that two-year period of its cost-effective conservation potential for the subsequent ten-year period. (c) In meeting its conservation targets, a qualifying utility may count high-efficiency cogeneration owned and used by a retail electric customer to meet its own needs. High-efficiency cogeneration is the sequential production of electricity and useful thermal energy from a common fuel source, where, under normal operating conditions, the facility has a useful thermal energy output of no less than thirty-three percent of the total energy output. The reduction in load due to high-efficiency cogeneration shall be: (i) Calculated as the ratio of the fuel chargeable to power heat rate of the cogeneration facility compared to the heat rate on a new and clean basis of a best-commercially available technology combined-cycle natural gas-fired combustion turbine; and (ii) counted towards meeting the biennial conservation target in the same manner as other conservation savings. (d) The commission may determine if a conservation program implemented by an investor-owned utility is cost-effective based on the commission's policies and practice. (e) The commission may rely on its standard practice for review and approval of investor-owned utility conservation targets.	No CRAG specific role	Each biennial EES budget will include all bottom-up program detailed views to show the derivation of savings goals and expenditure projections.	PSE provides to the CRAG its draft of biennial budgets and savings goals on September 1 each odd year.	Completed	09/01/11	
45	F(12)	Schedule 449 customers are eligible for self-direction under existing Schedule 258 and participation in efficiency programs offered by PSE, except as stated in paragraph 13. Schedule 258 customers who are not on Schedule 449 will be eligible to participate in other programs offered directly by PSE. Non-449 Schedule 258 customers will share in paying NEA/market transformation and administration costs consistent with all other non-449 customers.	Rates	Program Budget		10		No CRAG specific role	PSE will build Schedule 258 rates according to the requirement. PSE will provide the CRAG documentation of rate calculations.	PSE provides Schedule 120 and/or Schedule 258 work papers.		05/01/11	
46	F(13)	Each Schedule 449 customer can self-direct and/or participate in programs offered directly by PSE up to a total dollar cap equal to the annual efficiency funding level for that 449 customer minus 17.5% of that amount. The 17.5% represents payments for market transformation (10%) and for administration (7.5%).	Rates	Program Budget				No CRAG specific role	PSE will build Schedule 258 rates according to the requirement. PSE will provide the CRAG documentation of rate calculations.	PSE provides Schedule 120 and/or Schedule 258 work papers.		05/01/11	
47	G(14)	PSE will continue to honor Commitments 22 and 23 from U-072375 with regard to future funding levels for low-income energy conservation programs based on the 2010-2011 planning levels. PSE will continue to work with agencies to provide additional funding above that established by Commitment 22 if additional production through the existing or newly developed cost-effective programs warrants it. In addition, PSE will continue to contribute a total of \$300,000 of shareholder funds annually for low-income weatherization regardless of fuel type.	LIW	Program		3	22: PSE and Puget Holdings commit to maintain existing low-income programs or as such programs may be modified in any future proceeding. In addition, the Joint Applicants commit to increase the budgeted funding of low-income energy efficiency programs in future years at a level commensurate with increases in funding for energy efficiency programs for other residential customers through the CRAG process. 23: PSE and Puget Holdings commit to continue to work with low-income agencies to address issues of low-income customers.	No CRAG specific role	PSE will build Low Income Weatherization program budgets consistent with the requirements.	PSE provides its budget drafts to the CRAG on September 1 each year.		09/01/11	

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48	H(15)	The Company shall retain the existing rider mechanism going forward, subject to the Commission's Order in Docket No. UE-970686.	Rates	Cost Recovery		4	UE-970686: 1. Petitioner Puget Sound Energy is authorized to defer expenditures it incurred after December 31, 1996 pursuant to Schedule 83—Electricity Conservation Service. 2. Effective May 24, 1997, PSE shall implement an electric tariff rider, Schedule 120, for recovery of electricity conservation expenditures. The rate set forth in such Schedule 120 shall be designed to recover \$4.693 million. The revenue requirement associated with \$4.49 million in expenditures, on a peak credit basis for each class, during the period May 24, 1997 through March 31, 1998. 3. The rate set forth Schedule 120 shall be subject to revision effective April 1, 1998 to reflect (a) PSE's projected expenditures under its Schedule 83, Electricity Conservation Service, for calendar year 1998, and (b) the variance between actual expenditures during calendar year 1997 and expected revenue collections for the recovery period ending as of March 31, 1998. For purposes of this filing such revenue collections shall be the actual revenue collections through January 1998. Revenue collections for the remaining two months of the recovery period—February and March 1998—would be estimated, and subject to true-up at the time of the subsequent adjustment to the tariff rider. 4. The rate set forth Schedule 120 shall be subject to revision effective April 1 of each year to reflect (a) PSE's projected expenditures under its Schedule 83, Electricity Conservation Service, for the then-current calendar year, and (b) the variance between actual electricity conservation expenditures for the previous calendar year and expected revenue collections under Schedule 120 during the 12-month recovery period ending March 31 of the then current year. Revenue collections for the last two months of the recovery period—February and March—would be estimated, and subject to true-up at the time of the subsequent adjustment to the tariff rider. Such filing shall be submitted not less than thirty (30) days prior to the April 1 proposed effective date.	No CRAG specific role	PSE will continue using existing rider mechanisms.	PSE files its Schedule 120 each March 1.		03/01/11	
49	H(16)	The Company shall continue to use the peak credit method of assigning the costs of its electric conservation programs to each rate schedule with one exception, the Schedule 449 customers. (The CRAG will review cost allocation methodology per Section K, Paragraph (11)(c)). Schedule 449 customers currently pay 0.0944 cents per kWh toward the cost of the current Schedule 258 four-year conservation program (4/1/10 – 4/1/14). The current practice is to hold the payment amount constant over the Schedule 258 period. This amount is based on a \$164 million biennial electric conservation-only budget for 2010-11, and is scalable in the next Schedule 258 budget cycle depending on whether the overall conservation budget increases or decreases. In 2002, the Schedule 449 customers paid 0.045 cents per kWh toward the cost of the conservation program. This amount was based on a \$20 million annual budget.	Rates	Cost Recovery	K(11)(c)			No CRAG specific role	PSE began discussions with the CRAG on January 27, 2011. Schedule 258 and 120 were adjusted in its March 1, 2011 filing. Future CRAG meetings: Mar 31, May 16, July 21 and August 18 are scheduled to set aside discussion time to resolve any open issues.	A final revised Schedule 258 and any necessary condition revisions are filed.		03/01/11	
50	I(17)	Achievement of the biennial targets for savings from cost-effective electricity conservation programs shall be subject to the penalty/incentive provisions of the Energy Independence Act. In the event that statutory penalties/incentives no longer apply under the Energy Independence Act or other state law or Commission order, PSE agrees to develop and propose a replacement penalty mechanism in consultation with the CRAG. At the same time, PSE may propose an incentive mechanism in consultation with the CRAG.	Penalty			5	RCW 19.285.060(6): For a qualifying utility that is an investor-owned utility, the commission shall determine compliance with the provisions of this chapter and assess penalties for noncompliance as provided in subsection (1) of this section. [RCW 19.285.060(1)] (1) Except as provided in subsection (2) of this section, a qualifying utility that fails to comply with the energy conservation or renewable energy targets established in RCW 19.285.040 shall pay an administrative penalty to the state of Washington in the amount of fifty dollars for each megawatt-hour of shortfall. Beginning in 2007, this penalty shall be adjusted annually according to the rate of change of the inflation indicator, gross domestic product-implicit price deflator, as published by the bureau of economic analysis of the United States department of commerce or its successor.	No CRAG specific role	(RCW 19.285.060(1) indicates that the penalty is \$50/MWh of shortfall. Beginning in 2007, this penalty shall be adjusted annually according to the rate of change of the inflation indicator, gross domestic product-implicit price deflator, as published by the bureau of economic analysis of the United States department of commerce or its successor.) If necessary, PSE will calculate the amount of shortfall and pay any fines due.	Subsequent to the submittal and approval of its electric conservation achievements, PSE pays any agreed-to fines due.			2012 deliverable
51	I(18)	The Company shall provide biennial notification in a Conservation Report Card to its customers regarding the Company's performance related to its biennial savings targets under the Energy Independence Act. [The following is after I(18)(d)(3)] The report also may contain reference to PSE's ongoing energy efficiency programs, including encouragement for customers to participate in those programs. The report shall:	Reporting					No CRAG specific role	The conservation report card will be included as a customer bill insert on even-numbered years and document the required performance information.	Please see I(18)c	2008-2009 report card mailed to customers in May 2010.		2012 deliverable
52	I(18)(a)	Be distributed as a conspicuous stand-alone document accompanying a customer's bill or in a separate mailing and also posted to PSE's website.	Reporting					No CRAG specific role	The biennial report card will be included in a customer's bill, separately from the corporate SQI customer report.	Please see I(18)c			Explanatory paragraph. Only the condition section heading will be checked.
53	I(18)(b)	Be distributed to customers only after adequate consultation with Staff and the CRAG.	Reporting					No CRAG specific role	PSE will provide a draft of the EES report card at least two months prior to its mailing to customers, allowing time for CRAG comments. PSE will incorporate appropriate and feasible suggestions.	The CRAG receives the draft report card and estimated incremental mailing costs by August 1, 2012.			Explanatory paragraph. Only the condition section heading will be checked.

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54	I(18)(c)	Be distributed no later than 90 days after the Commission determination on the two-year report on conservation program achievement required by the Energy Independence Act and Commission rules.	Reporting		8(h)	2	Relative to "Commission determination on the two-year report...", indirect reference to WAC 480-109-040(2): Consistent with 8(h) regarding the filing of a biennial conservation report (concurrent with the corporate report of renewable resource targets, which states in part: "(2) Commission staff and other interested persons may file written comments regarding a utility's report within thirty days of the utility's filing. (a) After reviewing any written comments, the commission will decide whether to hear oral comments regarding the utility's filing at a subsequent open meeting. (b) The commission, considering any written or oral comments, may determine that additional scrutiny of the report is warranted. If the commission determines that additional review is needed, the commission will establish an adjudicative proceeding or other process to fully consider appropriate revisions." (c) Upon conclusion of the commission review of the utility's report, the commission will issue a decision determining whether the utility complied with its conservation and renewable resource targets. If the utility is not in compliance, the commission will determine the amount in megawatt-hours by which the utility was deficient in meeting those targets.	No CRAG specific role	The 2010-2011 biennial report is due June 1, 2012. PSE will commence mailing the 2010-2011 report card to customers on October 1, 2012.	The report card mailing to customers commences 90 days after the biennial report is filed with the UTC and Department of Commerce and after thirty days for written or oral comments: October 1 at the earliest.			Explanatory paragraph. Only the condition section heading will be checked.
55	I(18)(d)	Contain the following information, at a minimum: 1) A brief description of the purpose of the report. 2) A brief description of the benchmarks and an indication of whether the Company met the benchmarks in each biennial period. 3) The total amount of penalties imposed (or incentive earned) for the current reporting period.	Reporting					No CRAG specific role	Please see I(18)c				Explanatory paragraph. Only the condition section heading will be checked.
56	J(19)	PSE may adopt line extension policies that are designed to encourage (and particularly not discourage) builders, developers, and end-use customers to select a heating fuel that is most resource efficient and adopt construction practices that exceed current energy codes.	Line Extensions					No CRAG specific role	PSE will adhere to line extension policies established as a result of the 2002 Stipulation Agreement.	Policies are documented and are publicly accessible at PSE.com: electric Schedule 85 and gas Schedules 7, 107 and 307.			Not actionable by EES
57	K(1)	The Executing Parties recommend that PSE's Ten-Year Achievable Conservation Potential and Biennial Conservation Target, as identified in the Company's Report Identifying PSE's Ten-Year Achievable Conservation Potential and Biennial Conservation Target (Revised Report) filed on June 18, 2010 and this Agreement be approved pursuant to RCW 19.285.040(1)(e) and WAC 480-109-010(4)(c).	Ten-year potential			16a 16b	RCW 19.285.040: (1) Each qualifying utility shall pursue all available conservation that is cost-effective, reliable, and feasible. (e) The commission may rely on its standard practice for review and approval of investor-owned utility conservation targets. WAC 480-109-010: (4) Commission staff and other interested persons may file written comments regarding a utility's ten-year achievable conservation potential or its biennial conservation target within thirty days of the utility's filing. (c) Upon conclusion of the commission review, the commission will determine whether to approve, approve with conditions, or reject the utility's ten-year achievable conservation potential and biennial conservation target.	No CRAG specific role					Rule/opinion; not actionable
30	K(2)	Nothing within this Agreement relieves PSE of the sole responsibility for complying with RCW 19.285 and WAC 480-109, which requires PSE to use methodologies consistent with those used by the Pacific Northwest Electric Power and Conservation Planning Council ("Council"). Specifically, the conditions regarding the need for a high degree of transparency, and communication and consultation with external stakeholders, diminish neither PSE's operational authority nor its ultimate responsibility for meeting the biennial conservation target approved herein.	Company Retains Responsibility			6a 6b			Please see RCW-WAC Index page for complete Law and Rule	Emphasis added.			Not actionable
58	K(3)(a)	PSE must maintain and use an external conservation Advisory Group of stakeholders to advise the Company on the topics described in subparagraphs (i) through (ix) below. To meet this condition, PSE shall continue to use its Conservation Resources Advisory Group (CRAG), initially created under Docket UE-011570 and UG-011571, and its Integrated Resource Planning Advisory Group created under WAC 480-100-238. The Advisory Groups shall address but are not limited to the following issues:	Advisory Group			7a 7b	2002 Settlement Stipulation, UE-011570 & UG-011571: D. Establishment of a Formal Advisory Committee: 7. PSE shall establish an Advisory Committee [.....] Please see RCW-WAC Index page for complete WAC 480-100-238	No CRAG specific role	PSE will continue to engage its two advisory groups in the manners prescribed in the conditions.			09/01/10	
4	K(3)(a)(i)(1)	(1) Development of a written framework for evaluation, measurement, and verification (EM&V) as implemented by PSE which guides its approach to evaluation, measurement, and verification of energy savings. This framework must be reflected in the Biennial Conservation Plan for the next biennium, 2012-2013, and or	EM&V	EM&V Framework	6(e)			Review & Advise	Development: Ensure that EM&V framework is included as a CRAG meeting topic through the final draft of the framework Document: Document where and when opportunities to review & advise on its development, including documents provided, meeting discussions, correspondence. Filing: Include in the 2012-2013 BCP as an Appendix.	The EM&V framework is filed on November 1, 2011.	Completed	08/25/11	
5	K(3)(a)(i)(2)	(2) Modification of existing or development of new EM&V conservation protocols based on PSE's current evaluation, measurement and verification approach.	EM&V	EM&V Protocols	6(e) 6(f)(ii)			Review & Advise	Document where opportunities were provided to CRAG to comment	PSE provides the dates of comment opportunities are provided	Completed	08/25/11	
6	K(3)(a)(ii)	Development of conservation potential assessments under RCW 19.285.040(1)(a) and WAC 480-109-010(1).	IRPAG	Conservation Potential	3(e)	8a 8b	RCW 19.285.040: (1) Each qualifying utility shall pursue all available conservation that is cost-effective, reliable, and feasible. (a) By January 1, 2010, using methodologies consistent with those used by the Pacific Northwest electric power and conservation planning council in its most recently published regional power plan, each qualifying utility shall identify its achievable cost-effective conservation potential through 2019. At least every two years thereafter, the qualifying utility shall review and update this assessment for the subsequent ten-year period. WAC 480-109-010: (1) By January 1, 2010, and every two years thereafter, each utility must project its cumulative ten-year conservation potential.	Review & Advise	Document PSE's filed IRP date	PSE provides "IRP filed on <_/_/_>"	IRP in development - Draft circulated in April 2011	IRP filed on 5/31/2011	

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7	K(3)(a)(iii)	Guidance to PSE regarding methodology inputs and calculations for updating cost-effectiveness.	C/E	C/E calculations	10(c)			Review, Advise & Guidance	Consistent with Conditions K(6)(f), K(6)(f)(i) and K(10), PSE will include the CRAG in the appropriate level of cost-effectiveness discussion, using CRAG meetings and correspondence to ensure that the CRAG is engaged.	When a simple majority of CRAG members express agreement or consensus on the cost and benefit inputs definitions and sources PSE will use for each of the TRC, UCT, PCT and RIM cost-effectiveness tests.		9/29/2011	
8	K(3)(a)(iv)	Review the market assessments and the data values used in updating PSE's supply curves.	IRPAG	Supply Curve Data	3(a)(ii)			Review & Advise	Present market assessment analyses results during an IRPAG meeting.	Market assessment analyses are presented.	Cadmus reviewed data at the November 18, 2010 IRPAG meeting.	11/18/10	
9	K(3)(a)(v)	Review need for tariff modifications or mid-course program corrections.	Program Metrics	Tariff Modifications				Review need for	60-day review period does not apply to "mid-course corrections". PSE will engage the CRAG early in the sequence of events, using a combination of correspondence and CRAG meeting agenda that may lead to Schedule revisions. When it is agreed that a revision is necessary, PSE will seek appropriate levels of CRAG involvement to develop a draft for filing, ensuring that the CRAG has 60 days before the proposed effective date to review.	PSE documents the date of the first CRAG notification of a possible mid-course program correction or need of tariff modification.	Schedule 258 completed, 2012-2013 tariff revisions will be presented at Sept 29 CRAG meeting	8/16/2011	
10	K(3)(a)(vi)(1)	Review appropriate level of and planning for - Marketing conservation programs.	Program Design	Marketing				Review, Advise, Comment, & Hear Updates	A marketing overview is included in at least one face-to-face CRAG meeting annually and as needed at PSE's determination.	PSE documents the date of the review.	Marketing overview provided in 2011 ACP	11/01/10	
12	K(3)(a)(vi)(2)	Review appropriate level of and planning for - Incentives to customers for measures and services. Incentive levels and other methods of encouraging energy conservation need to be periodically examined to ensure that they are neither too high nor too low. Incentive levels and implementation methods should not unnecessarily limit the acquisition of all available conservation that is cost-effective, reliable, and feasible. PSE shall work with the CRAG to establish appropriate penetration levels consistent with Council methodology and the Energy Independence Act.	Program Design	Incentives	7(c)			Review & Advise, Periodically exam, Establish appropriate penetration levels	PSE's M&V/incentive level RFP will provide insight into how PSE sets its incentive levels and penetration rate. PSE will share the results of the evaluation and consult with the CRAG on next steps, including this subject as an agenda item in upcoming CRAG meetings.	Exhibit 4 revisions are presented to CRAG on a quarterly basis. Measure detail is provided in the BCP.	Q3 Exhibit 4 update provided October 6, 2011.	10/6/2011 (last of the year. Next iteration is 2012 BCP)	
13	K(3)(a)(vii)	Consideration of issues related to conservation programs for customers with low-income.	Program	Low Income				Review & Consider Issues	Review need for program revisions with CRAG via appropriate correspondence as determined by PSE.	ACP/BCP is acknowledged by Commission.	ACP acknowledged 12/28/2010 Percent of repair dollars unanimously approved by CRAG 11/4/2010	12/01/10	
14	K(3)(a)(viii)	Program achievement results with annual and biennial targets.	Program Metrics	Results vs. Targets	8(b)			Review	Program achievements are included in PSE's EES Annual and Semi-annual Reports. PSE also will review goals, projections and forecasts with the CRAG, either in correspondence or in face-to-face CRAG meetings, as appropriate.	The hard copy Annual Report is mailed to CRAG members.	Pending review period	02/15/11	
8	K(3)(a)(ix)	Review conservation program budgets; and review the actual expenditures compared to the program budgets. PSE shall inform the CRAG members when its projected expenditures indicate that the Company will spend more than 120% or less than 80% of its annual conservation budget.	Program Metrics	Budget vs. Expenditures				Review & Advise and be Informed	Document the filing and correspondence provided to the CRAG of the Semi-annual report and by end of Q3, provide forecasts with driver explanations.	(1) Q3 forecast is provided, clearly indicating an estimated spend-vs.-budget ratio, regardless of expected expenses or savings ratios. (2) If portfolio-level spending is forecast to be >120% or <80%, PSE will provide driver explanations.		08/25/11	
15	K(3)(b)	The CRAG shall meet face-to-face at least semi-annually to hear updates, review program modifications, or consider need for revisions. In addition, the CRAG shall meet at least two additional times per year through conference calls or face-to-face meetings. CRAG members may call meetings at any time with sufficient notice for meeting attendance. PSE shall make arrangements to hold a meeting within 2 weeks from the date of the request.	CRAG Meetings	Required Advisory Meetings				Shall Meet, Hear, Review, Consider, Advise	PSE will summarize CRAG meetings in its Annual Reports. Meetings will be classified as "in person" or "other".	The Annual Reports are published February 15 each year		02/15/11	
16	K(3)(c)	Except as provided in Paragraph (8) below, the Company will provide the CRAG an electronic copy of all tariff filings related to programs funded by the Electric Conservation Service Rider that the Company plans to submit to the Commission at least two months before any proposed effective date. When extraordinary circumstances dictate, the Company may provide the CRAG with a copy of a filing concurrent with the Commission filing. This condition does not apply to a general rate case filing.	Filing	Filings	6(d) 3(a)(v)			Receive Filings	Consistent with 3(a)(v) and 6(d), PSE will provide the CRAG as much advance notice as possible of future program changes or need of new/revised Schedules. PSE will provide all tariff page drafts and supporting work papers at least 60 days prior to the proposed effective date of the Schedule whenever possible.	PSE documents the date of providing the CRAG with the draft tariff filing.	Schedule 258, completed 2012-2013 tariff revisions to be provided in Sept 29 CRAG meeting	08/16/11	
17	K(3)(d)	The Company will notify the CRAG of public meetings scheduled to address the Company's integrated resource plan. The Company will also provide the CRAG with the assumptions and relevant information utilized in the development of PSE's integrated resource plan as they apply to development and/or modification of the ten-year conservation potential as requested through the integrated resource plan public process. This will include updated information such as conservation supply curves and avoided cost analysis.	IRPAG	IRP Meeting Notice	3(a)(ii)			Receive Notifications of IRPAG mtgs., Review assumptions & relevant info & Advise	1) Ensure that interested parties are on the IRPAG invite list, (a list of invitees will be published) 2) offer notice to new CRAG members 3) document IRPAG meeting dates.	Appendix A of the IRP provides a discussion of the IRPAG and CRAG, along with meeting dates with summaries.		04/01/11	

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- Red text in "Condition is met when" field indicate an update since the last matrix publication.

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ID# (Internal PSE sorting reference)	Section or Condition Number	Detailed Condition	Type	Description	Cross-Reference Condition	RCW/ WAC index #	Section of referenced or Applicable RCW, WAC, Commission rule or Order (When a condition references the complete RCW or WAC, that is noted in the "RCW-WAC Index" page.)	CRAG Role	PSE's Plan for Meeting Condition (Blank = no deliverable)	Condition is met when: (As PSE has consistently demonstrated over the past few years, we will respond to requests for details not already contained in provided filings, reports or analyses on an ongoing basis.)	Compliance Status	Deliverable Provided Date	Complete? Blank = No Date = Pending Check = Yes X = Out of Compliance
18	K(4)(a)	PSE must submit annual budgets to the Commission each year. The submissions must include program-level detail that shows planned expenses and the resulting projected energy savings. In odd-numbered years, the annual budget may be submitted as part of the Biennial Conservation Plan required under Paragraph 8(f) below. In even-numbered years, the annual budget may be submitted as part of the Annual Conservation Plan required under Paragraph 8(b) below. The Annual Conservation Plan will include program descriptions and annual budget details as contained in Attachment B to the Revised Report.	Program Metrics	Annual Budget				Review & Advise	PSE will review budget detail structure with the CRAG during an autumn CRAG meeting, prior to the tariff filing. PSE will review the details of two major programs during that CRAG meeting. All budget details are provided in Annual and Biennial Conservation Plans and in electronic form.	PSE mails hard copy versions to CRAG members	Completed; hard copies provided in November 4 2010 CRAG meeting	11/01/10	
59	K(4)(b)	PSE must provide its proposed budget in a detailed format with a summary page indicating the proposed budget and savings levels for each electric conservation program, and subsequent supporting spreadsheets providing further detail for each program and line item shown in the summary sheet.	Program Metrics	Annual Budget					PSE will provide its budgets at a portfolio, sector and program-level detail, broken down by cost element and measures groupings, consistent with the format provided in the 2011 Annual Conservation Plan.	PSE documents the date on which the budget is provided to the CRAG.	Done	11/01/10	
2	K(5)	PSE must maintain its conservation tariffs, with program descriptions, on file with the Commission. Program details about specific measures, incentives, and eligibility requirements must be filed as tariff attachments as shown in Attachment B of the Revised Report. PSE may propose other methods for managing its program details in the Biennial Conservation Plan required under Paragraph 8(f) below, after consultation with the CRAG as provided in Paragraph 9(b) below.	Filing	Program Details / Tariffs				Review	As outlined in its 2011 Annual Conservation Plan, PSE will file updated Exhibits, reflecting all measure offering revisions made during the previous quarter.	PSE provides to the CRAG the date(s) on which the Exhibits were updated on a quarterly basis, at a minimum.	Q1 Exhibit 4 update provided April 8, 2011.	04/22/11	
60	K(6)(a)	PSE has identified a number of potential conservation measures described in Attachment B of its Revised Report filed on June 18, 2010, in this Docket. The Commission is not obligated to accept savings identified in the Revised Report for purposes of compliance with RCW 19.285. PSE must demonstrate the prudence and cost-effectiveness of its conservation programs to the Commission after the savings are achieved. See RCW 19.285.040(1)(d).	C/E	Demonstrate Prudence	10(a)	9a 9b	RCW 19.285.040: (1) Each qualifying utility shall pursue all available conservation that is cost-effective, reliable and feasible. (d) The [C]ommission may determine if a conservation program implemented by an investor-owned utility is cost-effective based on the [C]ommission's policies and practice. RCW 80.52.030: "Cost-effective" means that a project or resource is forecast: (a) To be reliable and available within the time it is needed; and (b) To meet or reduce the electric power demand of the intended consumers at an estimated incremental system cost no greater than that of the least-cost similarly reliable and available alternative project or resource, or any combination thereof. (8) "System cost" means an estimate of all direct costs of a project or resource over its effective life, including, if applicable, the costs of distribution to the consumer, and, among other factors, waste disposal costs, end-of-cycle costs, and fuel costs (including projected increases), and such quantifiable environmental costs and benefits as are directly attributable to the project or resource.	No CRAG specific role	As condition 10(a) indicates that [The Commission uses the TRC, as modified by the Council, as its primary cost-effectiveness test. PSE's portfolio must pass the TRC test. In general, each program shall be designed to be cost-effective as measured by this test. PSE must demonstrate that the cost-effectiveness tests presented in support of its programs and portfolio are in compliance with the cost-effectiveness definition (RCW 80.52.030(7)) and system cost definition (RCW 80.52.030(8)) and incorporate, quantifiable non-energy benefits, the 10 percent conservation benefit and a risk adjuster consistent with the Council's approach. ...]. PSE will provide this information, as outlined in condition 10(a) plan in a compliance filing to the UTC as part of its Annual Reports.	The data is filed as an appendix to the Annual Report.	2/15/2011: Cost effectiveness analyses provided as Appendix D of the 2010 Annual report	02/15/11	
61	K(6)(b)	Except as provided in Paragraph (6)(c) below, PSE must use the Council's Regional Technical Forum's ("RTF's") "deemed" savings for electricity measures. As of the date of this Agreement, the RTF maintains a Web site at http://www.nw council.org/energy/rtf/ .	EM&V	RTF Savings	6(c)			No CRAG specific role	PSE uses the RTF values as the default for all prescriptive measures. When RTF does not have a value for the particular measure or there are substantiated regional or market differences, PSE will archive engineering or other data, supporting the PSE Deemed savings value.	The list of prescriptive measures, indicating the savings type, is provided as an appendix to the Annual Report.	2/15/2011: measure list presented in Annual report	02/15/11	
19	K(6)(c)	If PSE uses savings estimates that differ from those established by the RTF, such estimates must be based on generally accepted impact evaluation data and/or other reliable and relevant source data that has verified savings levels, and be presented to the CRAG for comment.	EM&V	Non-RTF Savings				Review and Comment	PSE will include a listing of all prescriptive measures: RTF Deemed and PSE Deemed in its Annual Report. Interested CRAG member may request source of savings details for selected measures.	PSE presents Appendix B of its Annual report.	2/15/2011: measure list presented in Annual report	02/15/11	
20	K(6)(d)	When PSE proposes a new program tariff schedule, it must present it to the CRAG for comment with program details fully defined. After consultation with the CRAG in accordance with Paragraph (3) above, PSE must file a revision to its Annual Conservation Plan in this Docket. The revision may be acknowledged by placement on the Commission's No Action Open Meeting agenda.	Filing	New Programs	3(d)			Review and Comment	PSE will provide all work papers, Schedule draft and updated ACP (in even-numbered years) with mark-ups to the CRAG at least 60 days prior to the proposed effective date. In odd-numbered years, PSE will provide to the CRAG its BCP, along with all supporting documentation.	The new Schedule and ACP (or BCP in odd-numbered years) revision are filed.	Two new Schedules presented (with program details presented September 1) to CRAG in compliance presentation of 10/3/2011	09/29/11	
21	K(6)(e)	PSE must provide opportunities for the CRAG to review and advise on the development of evaluation, measurement and verification protocols for conservation programs. See Paragraph 3(a)(i) above.	EM&V	EM&V	3(a)(i)			Review & Advise	PSE will ensure that the CRAG is engaged in the development of EM&V protocols. PSE will provide draft documentation of the EM&V framework and review its development with the CRAG either via correspondence or face-to-face CRAG meetings.	PSE documents the dates on which EM&V protocol drafts were provided to the CRAG and 30 days after the final draft is presented.	Completed	08/25/11	
62	K(6)(f)(i)	PSE must spend between one (1) and three (3) percent of its electric conservation program budget on electric evaluation activities, as defined in the Company's Biennial Conservation Plan, including a reasonable proportion on independent, third-party evaluation reports. For this calculation, the electric conservation program budget consists of non-NEEA conservation programs that have or may have electric energy savings. PSE may ask the Commission to modify this spending band following full CRAG consultation.	EM&V	EM&V				No CRAG specific role	PSE will document--showing the spending calculations--the proportions of evaluation spending as it relates to overall non-NEEA expenditures that have or may have electric energy savings. Spending on independent third-party evaluation reports will be enumerated. This information will be included in PSE's Annual report; either in its "EM&V" section or as an appendix.	The Annual report is filed.	11/01/2011: M&V evaluation in process by KEMA Consulting. Results expected by YE 2011.		
63	K(6)(f)(ii)	Measurement & Verification - In accordance with Paragraph 3(a)(i)(1) above, PSE shall provide detailed descriptions of its measurement and verification (M&V) policies, protocols, guidelines and processes to the CRAG for review and advice. Additionally, PSE shall provide to the CRAG an estimate of the costs associated with the detailed M&V plan and PSE will maintain M&V activities at levels that are at least commensurate with regional peers.	EM&V	M&V estimate				Review & Advise	PSE's participation in the statewide conservation work group, PSE will provide the costs of M&V analyses and include a discussion in an upcoming CRAG meeting agenda.	when detailed descriptions of PSE's measurement and verification (M&V) policies, protocols, guidelines and processes are presented to the CRAG for review and advice; when PSE provides the CRAG with an estimate of the costs associated with the detailed M&V plan; and when PSE shows that its M&V activity levels are at least commensurate with regional peers.	11/01/2011: M&V evaluation in process by KEMA Consulting. Results expected by YE 2011.		

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22	K(6)(g)	A one-time only, independent third-party evaluation of portfolio-level electric energy savings reported by PSE for the 2010-2011 biennial period, from existing conservation programs operated during that period, shall be conducted to verify those savings. The independent third-party evaluator shall be selected through an RFP process. The review will be funded by the PSE Electric Conservation Service Rider. The review will be managed by UTC and PSE staff with input on the scope, cost, RFP development, evaluator selection and ongoing oversight by the CRAG.	EM&V	One-Time 3rd Party Savings Review Scope	8(h)			Input & Ongoing Oversight	PSE is engaged in selecting the third-party evaluator.	(1) the evaluator is selected (2) when the initial report is provided and (3) when the final report is provided.	Preliminary report drafted & circulated	09/22/11	1) 2) 3)
64	K(6)(g)	This evaluation shall include a review of the Company's reported electric savings on a semi-annual basis, with results provided to Commission staff and PSE and then discussed with the CRAG. A final report for the entire 2010-2011 biennium shall be submitted as part of the Company's two-year report on conservation program achievement, required by Paragraph (8)(h) below. This condition terminates after the final report is submitted. The report shall be finalized and made available no later than June 2012 and may be implemented in phases and delivered as a final product at an earlier date, as needed by PSE. Funds spent in meeting this condition shall count toward PSE's expenditures required under Paragraph (6)(f)(i) above.	EM&V	One-Time 3rd Party Savings Review Scope	(concluding paragraph)				PSE will provide the CRAG iterative/draft reports after it reviews the findings and can make any clarifying comments. The first interim report will be provided to the CRAG after its release in early December, 2011. The final report will be included as an appendix to the biennial report in June, 2012.	The final evaluation report is filed with the Biennial Conservation Report in June, 2012.			Explanatory paragraph. Only the condition section heading will be checked.
23	K(7)(a)	All Sectors Included — PSE must offer a mix of tariff-based programs that ensure it is serving each customer sector, including programs targeted to the low-income subset of residential customers. Modifications to the programs must be filed with the Commission as revisions to tariffs or as revisions to PSE's Annual Conservation Plan, as appropriate.	Program Details	All Sectors Included/Program Modifications	K(5)			None	As outlined in its 2011 Annual Conservation Plan, PSE will file updated Exhibits, reflecting all measure offering revisions made during the previous quarter as appropriate.	PSE provides to the CRAG the date(s) on which the Exhibits were updated on a quarterly basis.	Q3 revision presented to CRAG on October 6, 2012-2013 Program Details provided on Sept 1.	09/01/11	
65	K(7)(b)	PSE must establish a strategy and proposed implementation budget for informing participants about program opportunities in the relevant market channels for each of its energy efficiency programs. PSE must share these strategies and budgets with the CRAG for review and comments, and provide updates at CRAG meetings.	Program Details	Outreach of programs	3(a)(vi)(1)			No CRAG specific role	This would be considered one of the elements of PSE's marketing strategy. Marketing reviews are not appropriate for every CRAG meeting. Marketing strategies and budgets are included in PSE's annual reports and Annual Conservation Plans. PSE will also include a marketing status review in at least one face-to-face CRAG meeting annually.	The outreach strategy and budgets have been shared and reviewed with the CRAG in a face-to-face CRAG meeting.		09/01/11	
66	K(7)(c)	PSE must offer a cost-effective portfolio of programs in order to achieve all available conservation that is cost-effective, reliable, and feasible. Programs, program services, and incentives may be directed to consumers, retailers, manufacturers, trade allies or other relevant market actors as appropriate for measures or activities that lead to electric energy savings. Incentive levels and other methods of encouraging energy conservation need to be periodically examined to ensure that they are neither too high nor too low. Incentive levels and implementation methods should not unnecessarily limit the acquisition of all available conservation that is cost-effective, reliable, and feasible. PSE shall work with the CRAG to establish appropriate penetration levels consistent with Council methodology and the Energy Independence Act.	Program Details	Incentives				Review	It its quarterly (at a minimum) notification to the CRAG of measure revisions/additions, PSE will include an overview of incentive level revisions, along with other measure attributes. A summary of incentive level-setting will be included when appropriate.	Exhibit 4 revisions are presented to CRAG on a quarterly basis. Measure detail is provided in the BCP.		09/01/11	
67	K(7)(d)	Conservation Efforts without Approved EM&V Protocol — PSE may spend up to ten (10) percent of its conservation budget on programs whose savings impact has not yet been measured, as long as the overall portfolio of conservation passes the Total Resource Cost (TRC) test as modified by the Council. These programs may include information-only, behavior change, and pilot projects. [From last paragraph] The Company may ask the Commission to modify this spending limit following full CRAG consultation. As of the date of this Agreement, an outline of the major elements of the Council's methodology for determining achievable conservation potential, including the Total Resource Cost test, is available on the Council's Web site at http://www.nwcouncil.org/energy/powerplan/6/supplycurves/1937/CouncilMethodology_outline%20_2_.pdf .	Program Details	Ten percent spending on programs without savings				No CRAG specific role	PSE provided the CRAG an analysis of its spending on conservation efforts without approved EM&V protocol in the November 4 CRAG meeting. PSE will provide a similar analysis in each Annual Conservation Plan.	The analysis is provided.	Done PSE presented analysis findings in November 4 CRAG meeting.	09/01/11	
68	K(7)(d)(i)	Information-only services refers to those information services that are not associated with an active incentive program or that include no on-site technical assistance or on-site delivery of school education programs. Information-only services and behavior change services shall be assigned no quantifiable energy savings value without full support of the CRAG.	Program Details	Information only				No CRAG specific role	PSE will conduct thorough reviews with the CRAG any information-oriented program that it believes may result in energy savings, both via correspondence and in face-to-face CRAG meetings. PSE will not claim energy savings for any such program unless it has obtained unanimous approval from the CRAG.	PSE documents the date and voting results of the CRAG for proposed savings claims on information-oriented measures.			Explanatory paragraph. Only the condition section heading will be checked.
69	K(7)(d)(ii)	If quantifiable energy savings have been identified and Commission-approved for any aspect of such programs, the budget associated with that aspect of the program will no longer be subject to this ten percent spending restriction.	Program Details	Quantifiable energy savings				No CRAG specific role	Consistent with condition 7(d)(i), PSE will provide an updated calculation of information-oriented or programs whose savings impact has not yet been measured to the CRAG as quickly as possible following CRAG and Commission approval of such a program.	PSE provides the date on which it provides its updated calculation of spending on information-oriented programs to the CRAG.			Only the condition section heading will be checked.
24	K(8)(a)	Semi-annual Conservation Acquisition Report, comparing budgeted to actual kWh's and expenditures, by August 15, 2010 as required in UE-970686.	Program Metrics	2010 & 2011 Semi-Annual Reports	8(e)		THE COMMISSION ORDERS: 1. That Puget Sound Energy is required to submit semi-annual reports on the progress of electricity conservation programs delivered under Schedule 83, Electricity Conservation Service, within 45 days of the end of the second and fourth quarters, until such time as the tariffed services are no longer offered.	Review & Comment	PSE will provide a program-level view of savings and spending achievement versus goals and budgets.	The Semi-annual report is filed with UTC and PSE mails hard-copy versions to CRAG members.	8/15/10: done	08/15/10	

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- PSE considers the Annual and Biennial Conservation Plans "tariff filings" for purposes of condition compliance.
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- The terms "Framework" and "Protocol" in applicable conditions in Section K are sometimes used interchangeably.
- RTF has updated the term "Deemed". Effective in 2011, measures with a standard savings value are now referred to as UES; Unit Energy Savings.
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As of: 10/25/11

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25	K(8)(b)	By December 1, 2010, the 2011 Annual Conservation Plan, containing any changes to program details and an annual budget with a requested acknowledgement date of January 1, 2011. The Annual Conservation Plan may be acknowledged by placement on the Commission's No Action Open Meeting agenda. A draft will be provided to the CRAG by November 1, 2010.	Program Metrics Program Details	2011 DSM Business Plan (changes to prgs/bdgt)				Review & Comment Prior To Filing		The ACP draft is provided to CRAG members in electronic and hard-copy form. Content layout is reviewed in a CRAG meeting. PSE responds to all filing questions.	12/1/2010: done	11/01/10	
26	K(8)(c)	2010 Annual Report on Conservation Acquisition, including an evaluation of cost-effectiveness and comparing budgets to actual, by February 15, 2011.	Program Metrics	2010 Annual Report	8(g)			No CRAG specific role	Annual report is filed with UTC	PSE files the annual report.	2/15/2011: 2010 Annual Report filed	02/15/11	
27	K(8)(d)	Revisions to cost recovery tariff by March 1, 2011, with requested effective date of May 1, 2011.	Program	Cost Recovery				Review & Comment Prior To Filing	PSE provided draft Schedule 120 filing cover letters, work papers and proposed Schedule 250 revisions to the CRAG prior to the March 1 Schedule 120 filing.	PSE documents the date on which the CRAG was presented with filing draft documents.		03/01/11	
70	K(8)(e)	Semi-annual Conservation Acquisition Report, comparing budget to actual kWh's and dollar activity, by August 15, 2011 as specified in UE-970686.	Program Metrics	Semi-annual reports			THE COMMISSION ORDERS: 1. That Puget Sound Energy is required to submit semi-annual reports on the progress of electricity conservation programs delivered under Schedule 83, Electricity Conservation Service, within 45 days of the end of the second and fourth quarters, until such time as the tariffed services are no longer offered.	No CRAG specific role	PSE will file Semi-annual reports by August 15 each year. PSE will also review comparisons to actual expenditures and savings during an autumn CRAG meeting.	The report is filed.		08/15/11	
28	K(8)(f)	PSE must consult with the Advisory Groups between April 1, 2011, and October 31, 2011, to identify achievable conservation potential for 2012-2021 and set annual and biennial targets for the 2012-2013 biennium, including necessary revisions to program details. Prior to filing the Biennial Conservation Plan, PSE shall provide the following information to the CRAG: ten-year conservation potential and two-year target by August 1, 2011; draft program details, including budgets, by September 1, 2011; and draft program tariffs by October 1, 2011. A report identifying its ten-year achievable potential and its biennial conservation target (Biennial Conservation Plan), including revised program details and program tariffs by November 1, 2011, requesting an effective date of January 1, 2012.	IRPAG - 10 CRAG - 2	2012-13 Conservation Plan	9(a) 9(b)			Be consulted on and Review & Comment Prior To Filing	In its CRAG meeting schedule, which coincides with the deliverable dates, PSE will allocate specific time to allow for discussion of the particular deliverable.	PSE provides (in odd years) (1) 10-year potential and 2-yr target on 8/1; (2) draft program details and budgets on 9/1; (3) draft program tariffs on Oct 1 (3); Lastly, PSE files complete package on Nov 1.		(1) provided 7/21/11 (2) provided 9/1/2011 (3) provided 10/03/2011 (4) Filed 11/01/2011	
71	K(8)(g)	2011 Annual Report on Conservation Acquisition, including an evaluation of cost-effectiveness, by Feb. 15th, 2012.	Program Metrics	2011 Annual report	8(c)				Annual report is filed with UTC	PSE files the annual report.			2012 Deliverable
29	K(8)(h)	Two-year report on conservation program achievement by June 1, 2012. This filing is the one required in WAC 480-109-040(1) and RCW 19.285.070, which require that the report also be filed with the Washington Department of Commerce.	Filing	Two-Year Report (2010-2011)		11a 11b	RCW 19.285.040: (1) Each qualifying utility shall pursue all available conservation that is cost-effective, reliable, and feasible. (a) By January 1, 2010, using methodologies consistent with those used by the Pacific Northwest electric power and conservation planning council in its most recently published regional power plan, each qualifying utility shall identify its achievable cost-effective conservation potential through 2019. At least every two years thereafter, the qualifying utility shall review and update this assessment for the subsequent ten-year period. (b) Beginning January 2010, each qualifying utility shall establish and make publicly available a biennial acquisition target for cost-effective conservation consistent with its identification of achievable opportunities in (a) of this subsection, and meet that target during the subsequent two-year period. At a minimum, each biennial target must be no lower than the qualifying utility's pro rata share for that two-year period of its cost-effective conservation potential for the subsequent ten-year period. (c) In meeting its conservation targets, a qualifying utility may count high-efficiency cogeneration owned and used by a retail electric customer to meet its own needs. High-efficiency cogeneration is the sequential production of electricity and useful thermal energy from a common fuel source, where, under normal operating conditions, the facility has a useful thermal energy output of no less than thirty-three percent of the total energy output. The reduction in load due to high-efficiency cogeneration shall be: (i) Calculated as the ratio of the fuel chargeable to power heat rate of the cogeneration facility compared to the heat rate on a new and clean basis of a best-commercially available technology combined-cycle natural gas-fired combustion turbine; and (ii) counted towards meeting the biennial conservation target in the same manner as other conservation savings. (d) The commission may determine if a conservation program implemented by an investor-owned utility is cost-effective based on the commission's policies and practice. (e) The commission may rely on its standard practice for review and approval of investor-owned utility conservation targets.	No CRAG specific role	Report requirements in WAC 480-109-040 applies to overall PSE renewables and conservation acquisition. This report will combine 2010 and 2011 program comments from the respective Annual reports, along with portfolio and program PTD spending and savings results. The law and rules only refer to two-year loads; not a complete biennial review of savings.	The report is filed with UTC and Department of Commerce on June 12, 2012 and annually thereafter each June.		2012 Deliverable	

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72	K(9)(a)	PSE must consult with the Advisory Groups to facilitate completion of a 10-year conservation potential analysis by November 1, 2011. See RCW 19.285.040(1)(a); WAC 480-109-010(1). This must be based on a current conservation potential assessment study of PSE's service area within Washington State. This may be conducted within the context of PSE's integrated resource plan. If PSE chooses to use the supply curves that make up the conservation potential in the Council's Northwest Power Plan, the supply curves must be updated for new assumptions and measures.	Public Involvement	Ten-year potential	8(f)	12a 12b	RCW 19.285.040: (1) Each qualifying utility shall pursue all available conservation that is cost-effective, reliable, and feasible. (a) By January 1, 2010, using methodologies consistent with those used by the Pacific Northwest electric power and conservation planning council in its most recently published regional power plan, each qualifying utility shall identify its achievable cost-effective conservation potential through 2019. At least every two years thereafter, the qualifying utility shall review and update this assessment for the subsequent ten-year period. WAC 480-109-010: (1) By January 1, 2010, and every two years thereafter, each utility must project its cumulative ten-year conservation potential. (a) This projection need only consider conservation resources that are cost-effective, reliable and feasible. (b) This projection must be derived from and reasonably consistent with one of two sources: (i) The utility's most recent IRP, including any information learned in its subsequent resource acquisition process, or the utility must document the reasons for any differences. When developing this projection, utilities must use methodologies that are consistent with those used by the conservation council in its most recent regional power plan. A utility may, with full documentation on the rationale for any modification, alter the conservation council's methodologies to better fit the attributes and characteristics of its service territory. (ii) The utility's proportionate share, developed as a percentage of its retail sales, of the conservation council's current power plan targets for the state of Washington.	No CRAG specific role	PSE will continue to keep the CRAG and IRPAG engaged as its 2012-2013 IRP is developed. PSE will review its IRP draft with the CRAG and IRPAG before the IRP compliance filing.	PSE files its 2011 IRP.		05/31/11	
73	K(9)(b)	PSE must consult with the Advisory Groups between April 1, 2011, and October 31, 2011, to identify achievable conservation potential for 2012-2021 and set annual and biennial targets for the 2012-2013 biennium, including necessary revisions to program details. See RCW 19.285.040(1)(b); WAC 480-109-010(2) and (3).	Public Involvement	Biennial targets	9(a) 8(f)	13a 13b	RCW 19.285.040: (1) Each qualifying utility shall pursue all available conservation that is cost-effective, reliable, and feasible. (b) Beginning January 2010, each qualifying utility shall establish and make publicly available a biennial acquisition target for cost-effective conservation consistent with its identification of achievable opportunities in (a) of this subsection, and meet that target during the subsequent two-year period. At a minimum, each biennial target must be no lower than the qualifying utility's pro rata share for that two-year period of its cost-effective conservation potential for the subsequent ten-year period. 480-109-010: (2) Beginning January 2010, and every two years thereafter, each utility must establish a biennial conservation target. (a) The biennial conservation target must identify all achievable conservation opportunities. (b) The biennial conservation target must be no lower than a pro rata share of the utility's ten-year cumulative achievable conservation potential. Each utility must fully document how it prorated its ten-year cumulative conservation potential to determine the minimum level for its biennial conservation target. (c) The biennial conservation target may be a range rather than a point target. (3) On or before January 31, 2010, and every two years thereafter, each utility must file with the commission a report identifying its ten-year achievable conservation potential and its biennial conservation target. (a) Participation by the commission staff and the public in the development of the ten-year conservation potential and the two-year conservation target is essential. The report must outline the extent of public and commission staff participation in the development of these conservation metrics. (b) This report must identify whether the conservation council's plan or the utility's IRP and acquisition process were the source of its ten-year conservation potential. The report must also clearly state how the utility prorated this ten-year projection to create its two-year conservation target. (c) If the utility uses its integrated resource plan and related information to determine its ten-year conservation potential, the report must describe the technologies, data collection, processes, procedures and assumptions the utility used to develop these figures. This report	No CRAG specific role	Consistent with condition 8(f), in its CRAG meeting schedule, which coincide with the deliverable dates, PSE will allocate specific time to allow for discussion of the particular deliverable.	PSE documents the date on which it provided to the CRAG its 10-year potential and 2-yr target on August 1.		IRP filed on 5/31/2011	
74	K(9)(c)	Fuel switching program will continue to use current practice of upgrading only to high-efficiency gas measures.	Public Involvement	Fuel Switching				No CRAG specific role	Schedule 216, Section 2, indicates that PSE is encouraging upgrades to highly efficiency natural gas space or water heating equipment. Similarly, Exhibit 4 provides detailed expectations of upgrades to high-efficiency equipment.	By maintaining its upgrade qualifications in all publications.	Done	01/01/11	
75	K(10)(a)	The Commission uses the TRC, as modified by the Council, as its primary cost-effectiveness test. PSE's portfolio must pass the TRC test. In general, each program shall be designed to be cost-effective as measured by this test. PSE must demonstrate that the cost-effectiveness tests presented in support of its programs and portfolio are in compliance with the cost-effectiveness definition (RCW 80.52.030(7)) and system cost definition (RCW 80.52.030(8)) and incorporate, quantifiable non-energy benefits, the 10 percent conservation benefit and a risk adder consistent with the Council's approach. An outline of the major elements of the Council's methodology for determining achievable conservation potential, including the Total Resource Cost test, is available on the Council's website at http://www.nwccouncil.org/energy/powerplan/6/supplycurves/1937/CouncilMethodology_outline%20_2_.pdf .	C/E	TRC is primary test	6(a)	14	RCW 80.52.030: (7) "Cost-effective" means that a project or resource is forecast: (a) To be reliable and available within the time it is needed; and (b) To meet or reduce the electric power demand of the intended consumers at an estimated incremental system cost no greater than that of the least-cost similarly reliable and available alternative project or resource, or any combination thereof. (8) "System cost" means an estimate of all direct costs of a project or resource over its effective life, including, if applicable, the costs of distribution to the consumer, and, among other factors, waste disposal costs, end-of-cycle costs, and fuel costs (including projected increases), and such quantifiable environmental costs and benefits as are directly attributable to the project or resource.	No CRAG specific role	PSE will incorporate all applicable calculation elements into its designated cost-effectiveness tests and reflect those in the cost-effectiveness appendix in the Annual Report.	This information will be included as Exhibit 2 in the BCP.	Included in Exhibit 2 of 2012-2013 BCP	11/01/11	
76	K(10)(b)	In addition to the Council-modified TRC, PSE must provide portfolio calculations of the Program Administrator Cost test (also called the Utility Cost test), Ratepayer Impact Measure test, and Participant Cost test described in the National Action Plan for Energy Efficiency's study "Understanding Cost-effectiveness of Energy Efficiency Programs." The study is available on the Web site of the United States Environmental Protection Agency at http://www.epa.gov/cleanenergy/documents/suca/cost-effectiveness.pdf .	C/E	RIM and PCT	10(c)			No CRAG specific role	9/2/2011: PSE reviewed an apparent inconsistency with the CRAG in its May 19, 2011 meeting. PSE learned that these tests cannot be performed as stipulated by the condition.	The Annual report is filed.	Reviewed at Sept 29 CRAG meeting. Portfolio view of two new tests are included in 2012-2013 BCP Exhibit 2	09/29/11	

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1	K(10)(c)	Overall conservation cost-effectiveness must be evaluated at the portfolio level. Costs included in the portfolio level analysis include conservation-related administrative costs. For the additional cost-effectiveness tests identified in 10b [NOTE--Addition of RIM and PCT] -PSE must consult with the CRAG to determine when it is appropriate to evaluate measure and program level cost-effectiveness. All cost-effectiveness calculations will assume a Net-to-Gross ratio of 1.0, consistent with the Council's methodology.	C/E	Cost-Effectiveness Tests - Portfolio / Program / Measure	10(b)			Be consulted on and determine appropriate-ness	For all report filings (Annual report, ACP, etc.) PSE will add the RIM and PCT values at the portfolio level. PSE will provide its analyses of the applicability, relative to the sectors and overall cost effectiveness evaluation and its recommendations for applicability of the RIM and PCT.	PSE documents the date that the new CE tests were provided.	PSE consulted with and reviewed results of two new test at Sept 29 CRAG meeting	09/29/11	
77	K(11)(a)	PSE's annual Electric Conservation Service Rider filing, required under Paragraph (8)(d) above, will recover the future year's budgeted expenses and any significant variances between budgeted and actual income and expenditures during the previous period.	Filing		8(d)				Explanation only---no deliverable.		Schedule 120 filed 3/1/2011 and approved 4/28/2011	03/01/11	
78	K(11)(b)	Funds collected through the Electric Conservation Service Rider must be used on approved conservation programs and their administrative costs. Additionally, Rider funds may be used as approved by the Commission; e.g., for net metering administration costs, small-scale renewable programs and demand response pilots.	Scope of Expenditures						Explanation only---no deliverable.			03/01/11	
3	K(11)(c)	Recovery for Each Customer Class — The Company shall retain existing Rider mechanisms, subject to the Commission's Order in Docket UE-970686. Prior to PSE's electric Schedule 120 filing in 2011, the CRAG will review the cost allocation methodology included in the 2002 Settlement Agreement and in Docket No. UE-970686	Rates	Cost Recovery - Customer Class Rates		15a 15b	Please see the RCW-WAC Index page for Section L of the 2002 Settlement Stipulation, UE-011570 UE-970686: WHEREFORE, THE COMMISSION HEREBY ORDERS: 1. Petitioner Puget Sound Energy is authorized to defer expenditures it incurred after December 31, 1996 pursuant to Schedule 83—Electricity Conservation Service. 2. Effective May 24, 1997, PSE shall implement an electric tariff rider, Schedule 120, for recovery of electricity conservation expenditures. The rate set forth in such Schedule 120 shall be designed to recover \$4.693 million. The revenue requirement associated with \$4.49 million in expenditures, on a peak credit basis for each class, during the period May 24, 1997 through March 31, 1998. 3. The rate set forth Schedule 120 shall be subject to revision effective April 1, 1998 to reflect (a) PSE's projected expenditures under its Schedule 83, Electricity Conservation Service, for calendar year 1998, and (b) the variance between actual expenditures during calendar year 1997 and expected revenue collections for the recovery period ending as of March 31, 1998. For purposes of this filing such revenue collections shall be the actual revenue collections through January 1998. Revenue collections for the remaining two months of the recovery period—February and March 1998—would be estimated, and subject to true-up at the time of the subsequent adjustment to the tariff rider. 4. The rate set forth Schedule 120 shall be subject to revision effective April 1 of each year to reflect (a) PSE's projected expenditures under its Schedule 83, Electricity Conservation Service, for the then-current calendar year, and (b) the variance between actual electricity conservation expenditures for the previous calendar year and expected revenue collections under Schedule 120 during the 12-month recovery period ending March 31 of the then current year. Revenue collections for the last two months of the recovery period—February and March—would be estimated, and subject to true-up at the time of the subsequent adjustment to the tariff rider. Such filing shall be submitted not less than thirty (30) days prior to the April 1 proposed effective date.	Review	PSE engaged the CRAG in cost allocation methodology discussions, starting with the January 27 2011 CRAG meeting. There have been several conference calls since, primarily focused on Schedule 258 issues, but with a cost allocation element, with several future discussions scheduled.	1) PSE provides the CRAG its cost allocation methodology 2) Issues relative to Schedule 258 apportionments have been identified for resolution.		04/28/11	

Section L is omitted from this matrix.

Program Details: Maintenance of measure offerings, incentives, vendor and contractor relationships, customer segments, penetration rates, etc.
Program Metrics: Financial details, savings achievement against goals for comparison against plans.

= In report card
 = exclude from report card

(Hide on report card view)

Blue column headings are hidden in report card view