

**PUGET SOUND ENERGY**  
**Electric Tariff G**

**SCHEDULE 83**

**ELECTRICITY CONSERVATION SERVICE (Continued)**

Measure savings used by the Company are based on, but not limited to:

- a. Company-approved Prescriptive Base Measure savings estimates,
- b. Energy savings analyses performed on a Site-Specific Basis using Company-approved engineering analysis methods,
- c. Company-approved Performance Basis methods.

**7. MEASURES:**

In addition to meeting the definition of Measure in Section 4, a Measure must reasonably be expected to satisfy the Total Resource Cost Test and the Utility Cost Test. The Company may, at its sole discretion, review and implement Customer-proposed Measures that meet all Measure evaluation criteria. The Company may, at its sole discretion, provide payments, funding or other remuneration that may be less than the maximum allowed under the Energy Efficiency Cost Effectiveness Standard, based on market conditions and/or available funding.

**8. ENVIRONMENTAL ATTRIBUTES OWNERSHIP:**

Environmental Attributes, Reporting Rights, as well as the Energy savings associated with these Conservation/energy efficiency Measures installed under the Company's Energy Efficiency Programs will accrue to the ownership and beneficial use of the Company.

**9. SPECIAL CONDITIONS:**

- a. Low Income: Low Income Customers are qualified by government agencies, using federal low income guidelines. Approved Low Income agencies may receive Measure funding equal to the lesser of one hundred percent (100%) of the Measure Cost or the value that will result in a Total Resource Cost Benefit/Cost ratio of a minimum of 0.667. During the period of January 1, 2018 through December 31, 2019, measures will be deemed to be cost-effective if they meet either the Department of Commerce Weatherization Guide cost-effectiveness requirements, consistent with WAC 480-109-100(10)(a), or meet a Total Resource Cost test of 0.667, whichever provides the greater assistance to qualifying Low-Income Customers. Funding is in accordance with funding described in Electric Energy Efficiency Schedule 201. (N)
- b. Regional Market Transformation: Northwest regional programs include projects aimed at advancing new promising technologies or changes to standards, codes and practices, which are anticipated to be cost-effective from a Total Resource Cost Test perspective over time. The NEEA Board recognizes, and acknowledges risks associated with determining cost-effectiveness in undertaking these long-range, Market Transformation activities.
- c. Pilot Programs and Demonstration Projects: Pilot programs and demonstration projects may be undertaken to determine whether certain strategies and Measures are cost-effective over an extended period of time. Pilots are employed to test cost-effective ways to demonstrate market opportunities for energy efficiency. Pilots may include tests of Measure Cost and performance, Customer acceptance or delivery methods. Pilots are not subject to achieving energy savings sufficient to demonstrate cost-effectiveness in the short term. (N)

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**SCHEDULE 83**  
**ELECTRICITY CONSERVATION SERVICE (Continued)**

10. **EXPENDITURES:** For years 2018 through 2019, the Company has budgeted \$180.71 million to implement and affect residential and commercial/industrial cost-effective energy efficiency Measures and Conservation initiatives to achieve electricity Conservation objectives mutually agreed to by the Company and the Conservation Resource Advisory Group (CRAG). (C) (R)

In addition, during the years 2018 through 2019, the amount of \$2.16 million is budgeted for the Schedule 150 Net Metering program. (C) (R)  
(D)

11. **TERMINATION:** Programs under this tariff will terminate

a. When any of the following or similar conditions exist or arise, with 30 days written notice to the CRAG:

- Regional economic downturn, resulting in the cancellation of all or a portion of energy efficiency projects,
- Force Majeure, such as events affecting the environment, regional economy, infrastructure, etc.,
- Lack of Customer participation due to either of the above or other conditions beyond the Company's influence
- Lack of qualified contractors to install approved Measures
- The Company has achieved significant market penetration.

b. When a program is no longer cost effective; or

c. December 31, 2019, whichever comes first. However, commitments entered into prior to termination will be honored and Schedule 258 will continue through December 31, 2022. (C)  
(C)

12. **CUSTOMERS WHO CHANGE PROVIDER OF ELECTRIC SERVICE:** Customers who have received funding from the Company for a Conservation Measure or Measures who, after receipt of such funding, have all or a portion of the electricity provided by a party other than the Company and thereby no longer contribute to the recovery of costs of Energy Efficiency Programs, except for amounts less than \$100, shall be obligated to refund to the Company, by the due date of the Company's invoice for such refund, an amount equal to the ratio of the unused Measure Life of the Measure to the total Measure Life of the Measure multiplied by the dollar amount of the Conservation funding provided by the Company, for each Measure. The Customer will have the option to enter into an installment plan when amounts owing are greater than \$3,000. Terms of the installment plan will allow the Customer to repay over a period not to exceed 10 years, with a minimum monthly payment of not less than \$250. The monthly installment will be based on a simple annuity calculation, or the minimum monthly installment of \$250, and will include interest at the Company's after tax overall authorized rate of return grossed up for taxes at the time the installment plan is established.

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**SCHEDULE 201**  
**ELECTRICITY ENERGY EFFICIENCY PROGRAM (Continued)**  
**Residential Low-Income**

**3. FUNDING:**

Funding for some LIW Measures will be agreed to with approved LIW Agencies. The total Energy savings under this schedule will be within limits of the Total Resource Cost Test. Some Low Income Measures may qualify for Matchmaker funds under agreements with Commerce.

The Company, at its sole discretion, may inspect installations prior to fulfillment of the incentive. Costs of Low Income incentives, Measures, grants or other remuneration may be recovered through, but not limited to: Schedule 120, Bonneville Power Administration (BPA) credits, other federal or state government programs, proceeds from the sale of Renewable Energy Credits as made available in Docket No. UE-070725 ("REC Funding"), agreements made in Special Contracts, Company funds or other approved sources. (N)

A portion of Schedule 120 funding, funding from Special Contracts, and REC Funding available under this Schedule can be applied to necessary energy-related repairs in which the total spending of the particular funding source is subject to the Total Resource Cost Test. (N)

**4. ADMINISTRATIVE PAYMENTS:**

Approved local Agencies may be paid a fee based on a percentage of the Measure Cost, the percentage of the fee will be determined by the Company. Commerce may be paid a flat annual administrative fee for services such as for inspections and monitoring by Agencies.

**5. SCHEDULE 83:**

Service under this schedule is subject to the provisions of Schedule 83, Electricity Conservation Service, contained in this tariff.

**6. GENERAL RULES AND PROVISIONS:**

Service under this schedule is subject to the General Rules and Provisions contained in this tariff.

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**SCHEDULE 253**  
**ELECTRICITY ENERGY EFFICIENCY PROGRAM**

- Resource Conservation Management (Energy Performance Incentive Programs)** (T)
1. **AVAILABILITY:** Any Customer, owner, or tenant with appropriate owner consent, of a commercial or industrial facility with multiple accounts or facilities with qualifying usage receiving Electric Service under Schedules 7A, 24, 25,26, 29, 31, 35, 40, 43, 46, 49 (or their equivalent) of Electric Tariff G from the Company. (N) (C)
  2. **MEASURES:** Cost-effective electricity savings, as well as savings involving other resources (e.g., natural gas, propane, oil, water, sewer, solid waste and recycling) will be achieved through Energy Management. Measures proposed by the Customer, owner or tenant may be reviewed at the Company's discretion. Measure categories are applicable to, but not limited to the categories below: (N)
    - a. Operations, maintenance, and process improvements (N)
    - b. Occupant behavior change to reduce energy consumption (N)
    - c. Capital investments to increase Energy Efficiency (N)
  3. **ANALYSIS:** Baseline energy use will be established using historical data prior to program implementation. An energy management plan will be established and put in place. Tracking of implementation activities and monitoring of consumption will be conducted on an ongoing basis. Savings will be calculated using whole building analysis in accordance with standard practices. (C) (C) (N)
  4. **SERVICES:** The Company will make a preliminary estimate with the Customer of the cost-effectiveness of the program. Services may include, but are not limited to the following, negotiated to meet the specific needs of the Customer: (C)
    - a. Assistance in development of baseline energy use, energy management plans, energy management plan implementation tracking, and ongoing monitoring and reporting of energy use. (C)
    - b. Access to PSE on-line software tools for tracking energy use data. (C)
    - c. Company hosted periodic meetings to allow Energy Managers to review and evaluate energy management techniques with peers and Company subject matter experts. (C)

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**SCHEDULE 253**

**ELECTRICITY ENERGY EFFICIENCY PROGRAM (Continued)**

**Resource Conservation Management (Energy Performance Incentive Programs)**

(T)

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5. **FUNDING:** Funding is subject to Company-approved savings estimates and analysis. Funding for Customers on Schedules 448, 449, 458 and 459 will be through their individual allocations under Schedule 258.

6. **CUSTOMER OBLIGATIONS:** Customers shall enter into an agreement with the Company, and therein must agree to designate an Energy Manager for participating facilities. The Energy Manager will routinely prepare energy accounting reports for each facility that will include information on implemented efficiency measures as well as changes to facility use that impact energy consumption, showing energy use and costs for each facility. Customers must commit staff necessary to continue resource monitoring efforts at a "match" of the time period for which the Company provides any guarantee. Furthermore, the Customer agrees to adopt an energy management plan and incorporate the guidelines from the energy management plan into standard practice for facility operations. The Agreement will be reviewed annually to determine the cost-effectiveness and assess continuance, following which either party may terminate the agreement with 30 days written notice. (C)

7. **SCHEDULE 83:** Service under this schedule is subject to the provisions of Schedule 83, Electricity Conservation Service, contained in this tariff.

8. **GENERAL RULES AND PROVISIONS:** Service under this schedule is subject to the General Rules and Provisions contained in this tariff.

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**SCHEDULE 258**  
**ELECTRICITY ENERGY EFFICIENCY PROGRAM**  
**Large Power User Self-Directed Program**

**1. AVAILABILITY:**

Customers receiving Electrical Service from the Company under a Special Contract, or Schedules 40, 46, 49, 448, 449, 458 or 459 of Electric Tariff G with cost-effective electric energy efficiency projects are eligible to respond to the Company's Request for Proposals (RFPs) and are eligible for other services offered under the Schedule. The RFPs will be developed jointly with representative Customers and Industrial Customers of Northwest Utilities (ICNU).

(N)

**2. MEASURES:**

Customer may propose Measures shown to meet the Company's cost effectiveness standard for electrical energy savings. Measure categories may include but are not limited to those shown below. Cost-effective Fuel Conversion and Fuel Switching Measures that convert energy use from electric to natural gas may be proposed under the program.

HVAC and Refrigeration	Building Thermal Improvements
Controls	Building Commissioning
Process Efficiency Improvements	Optimization
Lighting Improvements	

Eligible Customers may receive funding for Prescriptive Basis Measures and Performance Basis Measures offered under Schedules 250, 251, 253 and 262.

The Company may review and implement Customer-proposed Measures that meet all Measure evaluation criteria. Specific guidelines will be included in the Company's RFP.

**3. ANALYSIS:**

Electricity savings are to be calculated using standard engineering practices, and with operations schedules documented by the Customer. The Company will review electricity savings calculations, and reserves the right to modify energy savings estimates. Actual savings may be trued up based on post-installation energy use monitoring. Further details will be provided in the RFP.

**4. FUNDING:**

Funding is subject to Company-approved savings estimates and analyses. Project incentive funding will not exceed the Company's Energy Efficiency Cost Effectiveness Standard. Funding is available directly to the Customer upon Company verification of completed installation. Total funding for projects under this Schedule will be up to the amount of conservation revenues collected from the Schedule 258-eligible Customers under Schedule 120 of this Tariff from January 1, 2014, through December 31, 2017, reduced by the Company's costs to administer this program (7.5%) and also by the cost to support the Northwest Energy Efficiency Alliance (NEEA) market transformation activities (10%) and also reduced by the deduction allowed to be implemented in Docket No. UE-110400.

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**SCHEDULE 258  
ELECTRICITY ENERGY EFFICIENCY PROGRAM (Continued)  
Large Power User Self-Directed Program**

**6. GENERAL CONDITIONS:**

Customers eligible for Schedule No. 258 are also eligible to receive incentive amounts equivalent to those offered for Prescriptive Basis Measures and Performance Basis Measures offered under Schedule Nos. 250, 251, 253 and 262. Customers receiving service under Schedules 448, 449, 458, 459 or Special Contracts must use their Schedule No. 258 allocation for these incentives and cannot receive funding from other programs. (T) (N)

Annual incentive amounts for this program will be subject to the Company's annual budget for Energy Efficiency Programs. Further provisions will be provided and funding allocations designated in the RFP. All Customers eligible for services under Schedule 258, except Customers receiving Electric Service under Schedules 448, 449, 458, and 459, shall have the costs of Electricity Energy Efficiency Programs assigned to them using the peak credit method.

**7. PROGRAM CYCLE:**

Each program cycle is comprised of a non-competitive phase and a competitive phase. The current program cycle is from January 1, 2015 through December 31, 2018. Customers are required to complete Measures funded during the 2015 – 2018 program cycle by December 14, 2018. The current non-competitive phase allocations are based on estimated collections from January 1, 2014 through December 31, 2017. The non-competitive phase is from April 1, 2015 through March 31, 2017. The competitive phase begins May 15, 2017.

**8. CUSTOMER OBLIGATIONS:**

Customers are responsible for developing project proposals, including estimates of electrical savings and project costs. Selection and use of a third party to develop, build, install or verify the project, will be the Customer's responsibility. Upon acceptance by the Company, the Customer shall complete the project over the mutually determined time frame, to allow for verification of the Measure installation by deadlines established by the RFPs. The Customer agrees to provide the Company access to information necessary to verify energy savings and cost-effectiveness. Further provisions are provided in the RFP.

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