

<u>Tariff Number</u>	<u>Summary of Schedules 611 and 667 Related Comment(s)</u>	<u>Comment Incorporated into Tariff's?</u>	<u>PSE Response</u>
Public Counsel, received by PSE on August 24, 2023			
611	It would be helpful to define the parameters around the dispatch events. Right now with the way the tariff is written there are no limitations or guardrails on the number of dispatch events or the duration/time of those events. PacifiCorp provides more detail surrounding dispatch event parameters, duration, periods, days and number of events for their residential demand response (DR) tariff. I have attached PacifiCorp's program description for reference.	No	In order to accommodate future battery programs and build in flexibility, PSE did not include specific event parameters in the tariff. PSE intends to incorporate dispatch event parameters that are clear to customers into the program materials, including the Terms and Conditions of the programs that will be a part of the enrollment process.
611	Public Counsel believes that enrolled customers should receive notifications of dispatch events as the default and be allowed to opt-out of notifications. This will allow the customer to plan or adapt accordingly if they rely on their BESS. There may also be a non-monetary benefit to the customer knowing that they are helping out their neighbors, and it could provide additional incentive for the customer to stay in the program.	Yes	PSE will strike the requirement that customers must consent to receive no notifications from the customer responsibilities section and will work with third party providers to incorporate notification options into the program design.
611	Public Counsel believes there should be periodic reporting on the frequency and duration of when residential BESS is used. The PacifiCorp document that I attached outlines the dispatch notification expectations for each of their residential DR programs.	No	PSE will include in the annual CEIP compliance filing. Additionally, PSE has included a reporting section in the filing cover letter to address this comment.
611	In the section on BESS Load Management Incentives, PSE should change the word "may" to "will" in the first sentence. The rest of the language in that section uses the term "will", so this makes it consistent and provides assurance that a customer who enrolls with qualified BESS will receive an incentive.	Yes	Noted. PSE has made this change.
WUTC staff, Received by PSE on September 13, 2023			
611	Why couldn't an individually metered multi-family residential customer participate (provided they have sufficient clearance from condo HOA/property manager to install a battery)? (Availability C)	No	This is not the intended use case given the site control issue. PSE does intend to evaluate program options for multifamily in the future.
611	What does "interconnection Customer" refer to in this context? Does this eligibility imply customers must be NEM/PURPA customers as well? (Definitions A)	YES	We want batteries to be interconnected to PSE's grid. A battery can be interconnected without also being a NEM customer. In this case, an interconnection customer is defined in Schedule 80 General Rules and Provisions, Schedule 150 NEM, and Schedule 152 Interconnection with Electric Generators (which is taken directly from WAC 480 108). They do not need to be PURPA.
611	Is there a way for customers to identify if they reside in an "area of greatest concern"? (Definitions E)	No	Yes. A customer could contact PSE to determine if they reside in an area of greatest concern.

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611	Does PSE intend not to notify customers of a battery charge/discharge, and if so what is the rationale for that? (Customer Responsibility A)	YES	PSE will strike the requirement that customers must consent to receive no notifications from the customer responsibilities section and will work with third party providers to incorporate notification options into the program design.
611	How can a customer reliably consent to never rely only on their BESS to power life support? (Customer Responsibility E)	NO	The intent here was to include this in the program T&Cs as well, which would be signed prior to any incentive.
611	How is the enrollment incentive of "up to \$1,000" and the participation incentive of "up to \$500" determined? (BESS Load Management Incentives)	NO	These amounts were the incentive amounts bid by our vendor in their program design. Assuming that a customer participates for 10 years, that is approximately ½ the cost of a battery.
611	Are the customer-owned BESS purchase incentives separate from or in addition to the load management incentives? (customer-owned BESS purchase incentive)	YES	In addition to. In order to qualify for a customer-owned BESS purchase incentives, the customer must install a BESS that is compatible with the VPP and enroll in the VPP.
611	Can a vulnerable population customer in a reliability-focused area receive both incentives, or is it one or the other? (customer-owned BESS purchase incentive)	YES	One or the other. A customer would always receive the maximum incentive that they qualified for. PSE modified language to clarify this point.
611	Does operating a BESS under Schedule 150 or Schedule 152 count against the 4% NEM solar threshold (see RCW 80.60.020(1)(a))? (Application for Interconnection)	NO	A stand-alone BESS is not eligible for Schedule 150 (Net Metering systems per law include a renewable fuel source) so they do NOT count toward the 4% NEM threshold. However, systems that are PV+BESS together behind a customer meter DO qualify for Schedule 150 and thus DO count in the 4% threshold but PSE use the max output of the PV, NOT the max output of PV + max output of battery.
611	Could a customer terminate services immediately after receiving their incentive? (Funding)	NO	A customer could do this. In regards to the purchase incentive, there is not currently language in the tariff to 'claw back' incentives for this program in the instance of a customer installing a BESS and then un-enrolling in the program. PSE will be monitoring unenrollment rates and make updates to the program materials as needed. If this was to occur, although PSE would not have the ability to call on the BESS during dispatch events, the program would still be contributing to customers that may not have otherwise have adopted a BESS adopting technology and accessing other benefits from the BESS (back-up power).

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667	What defines a "qualifying" customer, as based on Schedules for Electric Service numbered 7 through 49 of the tariff? (Availability A)	Yes	Customer under schedules 7-49 are eligible and would be able to participate in this schedule if they meet the other availability requirements set forth in section A.
667	Will schedule 152 require tariff updates, as this tariff overlaps with it? (Availability D)	No	No. To receive this optional Solar Energy Credit, customer's solar PV system generation and interconnection has to meet schedule 152 interconnection requirements.
667	How do customers reliably ensure that their energy output doesn't exceed 120% of annual load? (Terms and Conditions A)	Yes	It is a qualification criteria we would evaluate on a case by case basis. The following is a draft of the evaluation criteria: Maximum PV system sizing is based on the sum of the highest energy use in the past 12 consecutive months of the last 24 months multiplied by 120% (x 1.2). This value will be compared against a PV Watts energy production model provided by the contractor and based on the Customer's system specifications and location. If energy has not been consumed at a location for 12 consecutive months, or a Customer has a change of circumstances that would make the usage calculation incorrect, then a licensed Electrical Engineer's estimated energy usage may be used as an input to the maximum PV system sizing. This is a qualification criteria only, and will not be re-evaluated after the customer has been approved.
667	Terms and Conditions G, regarding credits/payments/banking, differs from how NEM works – why is that?	No	Net metering is a state mandated program that values the energy exported as a one to one retail credit. The new tariff solar services and product are directed at systems that exceed the NEM KW threshold. The intent is to compensate customers each month for the energy exported to the grid, even if that value exceeds their total bill amount.
667	How is the monthly credit determined?	Yes	The customer's monthly credit is determined by the measured 'returned' energy (kWh) multiplied by the Solar Energy Credit rate.
667	Is the Solar Energy Credit provided the same as the same community solar "credit", meaning it is based on the levelized cost of DER solar from 2023 Electric IRP Progress Report? (Solar Energy Credit)	No	Yes