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Jeff Killip, Executive Director and Secretary Washington
 Utilities and Transportation Commission
 621 Woodland Square Loop SE
 Lacey, WA 98503

**RE: Advice No. 2024-28
 Puget Sound Energy’s Electric Tariff Revision**

Dear Executive Director and Secretary Killip:

Pursuant to RCW 80.28.060, WAC 480-80-101 and -105 please find enclosed for filing the following proposed revisions to the WN U-60, tariff for electric service of Puget Sound Energy (“PSE” or “the Company”):

1 st Revision	Sheet No. 667	Purchases from Distributed Solar Photovoltaic Systems
1 st Revision	Sheet No. 667-C	Purchases from Distributed Solar Photovoltaic Systems (Continued)
1 st Revision	Sheet No. 667-D	Purchases from Distributed Solar Photovoltaic Systems (Continued)
Original	Sheet No. 686	Solar Energy Credit Multi-Occupant Allocation Service
Original	Sheet No. 686-A	Solar Energy Credit Multi-Occupant Allocation Service (Continued)
Original	Sheet No. 686-B	Solar Energy Credit Multi-Occupant Allocation Service (Continued)
Original	Sheet No. 686-C	Solar Energy Credit Multi-Occupant Allocation Service (Continued)
Original	Sheet No. 686-D	Solar Energy Credit Multi-Occupant Allocation Service (Continued)
Original	Sheet No. 686-E	Solar Energy Credit Multi-Occupant Allocation Service (Continued)

The purposes of this tariff filing are to: 1) expand the availability of Schedule 667 Purchases from Distributed Solar Photovoltaic Systems with the removal of a minimum project size restriction, align and simplify solar incentive funding, and incorporate other updates in response to customer feedback; and 2) to propose new electric service Schedule 686 Solar Energy Credit Multi-Occupant Allocation Service.

The proposed updates to Schedule 667 further support PSE’s Clean Energy Implementation Plan (“CEIP”) and would expand customer’s options for solar photovoltaic customer-generators,

reduce barriers for participation for named communities, and encourage new renewable generation to be built to support the distribution system.

The proposed new Schedule 686 is also designed to support PSE's CEIP goals by partnering with customers to reduce load with carbon free energy and allows PSE to purchase the excess renewable resource capacity and renewable energy generated by a participant's solar photovoltaic system. Furthermore, the solar energy credits generated by a Schedule 686 participant's solar photovoltaic system will be allotted to designated occupants at the specification of the Schedule 686 participant. For Tribal entities that choose to participate in Schedule 686, allowances have been included for those entities to more broadly allocate their solar energy credits to members of their tribal community.

PSE proposes these revised and new tariff services after working with interested parties and prospective customers to help ensure the tariff services promote equitable access to the benefits of solar. More information is provided in the equity-focused and Equity Advisory Group engagement sections below.

Schedule 667 Purchases from Distributed Solar Photovoltaic Systems

The key proposed changes to Schedule 667 are noted below.

- The removal of the 100 kW minimum solar photovoltaic system size requirement gives customers more options to choose from to sell their energy to PSE. For example,
 - A multifamily property installs a solar array to meet clean building standards, but their common load is much smaller than their annual production. This customer may prefer Schedule 667 over 150 to avoid losing banked kWh credits during the annual bank reset.
 - An industrial manufacturer forecasts production to be down that will in turn significantly reduce its annual load below their solar PV annual generation. This customer may decide to switch from Schedule 150 to 667.
 - A solar installer is preparing a proposal for a new commercial project. Instead of basing the PV project size on conservative load estimates, the installer prepares a proposal with system designs and quotes that factor in compensation under both schedule 150 and 667.
- The removal of the requirement that the Solar System's designed generation energy output not exceed 120% of the annual load at the Premise to further incent the installation of distributed solar and allow customers to maximize benefits received from that system through participation in Schedule 667.
- Include an incentive increase from a maximum of 50% to 100% of an approved equity-focused customer's solar photovoltaic system eligible costs. The Equity Advisory Group played a large part in providing feedback so the incentive could increase access to more under-resourced organizations.

Schedule 686 Solar Energy Credit Multi-Occupant Allocation Service

Schedule 686 makes available an allocation service of the solar energy credits from participants with an approved solar photovoltaic system to their designated occupants of the same location of the system. These specific occupants will then receive energy credits on their PSE electric service bill. The value of the solar energy credit aligns with the value of solar within PSE's 2023 Integrated Resource Plan Progress Report¹, which was the same source methodology for the Commission approved solar energy credit in Schedule 667 Purchases from Distributed Solar Photovoltaic Systems² and Schedule 134 Community Solar Project Services³.

The Schedule 686 multi-occupant allocation service intends to help occupants including renters at any multifamily properties or properties of local housing authorities. This service may also be available to solar projects at non-residential locations such as a port or a shopping center to create solar energy credit allocations at the request of the participant who operates the distributed solar photovoltaic system.

PSE will also provide a limited quantity of incentives to reduce the upfront cost of installing a solar photovoltaic system and the associated interconnection costs. This benefit is exclusively for equity focused customers, taking service under this schedule, as defined in the tariff schedule and through verification during the application process.

The Company's goal with Schedule 686 equity focused funding is to increase access and impact from local clean energy projects.

PSE's Schedule 686 equity-focused incentive is a targeted grant that compliments existing public programs, providing additional funding and financing options for other solar projects. These programs include: Federal Investment Tax Credit, Washington solar energy sales tax exemption, and Washington State Department of Commerce Solar Grant Programs. Furthermore, recent developments have expanded solar access for vulnerable populations. The U.S. Environmental Protection Agency has awarded the Washington State Department of Commerce funding through the Solar for All grant competition. This funding will support Tribal solar deployment and help multifamily affordable housing properties access solar energy. These initiatives, combined with existing federal and state incentives, will help make solar energy more accessible and equitable for our customers.

For a solar photovoltaic system operated by a member of Native American or located on a tribal land, the Schedule 686 multi-occupant allocation service is applicable to their tribal members to enhance existing and future public and PSE funding opportunities, to encourage participation in Schedule 686 service and to maximize their outreach to tribal members.

¹ Docket UE-200304, filed with the Commission on March 31, 2023.

² Docket UE-230591, approved by the Commission on August 24, 2023.

³ Docket UE-230660, approved by the Commission on September 28, 2023.

Equity-focused Community Engagement

PSE is increasing procedural equity in its product design by giving Named Communities and their service providers a seat at the design table. From September 2022 through May 2023, PSE conducted community engagement on future DER products, including solar.

Across the topics of batteries, solar and demand response, the Company engaged over 250 low-income residents and over 40 agencies, municipalities, organizations, and tribal entities who serve those aforementioned residents in 1:1 interviews, focus groups, workshops, and surveys to hear from them directly about the benefits and barriers customers may face when it comes to DER products, and how future product design can alleviate these barriers and maximize the desired benefits.

The service addresses multiple points of feedback:

- The benefits of solar are difficult for renters to access because they don't have ownership or decision rights over their roof. This lack of access is amplified for residents of multi-occupant buildings. Customers asked for PSE to create programs that entice property owners to install solar, which residents may then benefit from.
- Upfront costs associated with asset procurement and installation, along with the ongoing maintenance, were consistently highlighted as a key barrier for affordable housing providers. There was a clear ask for financial incentives that substantially offset or entirely removed the financial costs these customers may encounter when participating in solar products.
- Reduction in energy bills was consistently highlighted as the primary benefit sought out by customers in named communities when considering participating in solar products.

Interested Party Feedback

PSE would like to thank the interested parties who have provided comments, questions, and their experience in the development of this tariff filing. These groups were comprised of representatives from named communities and their service providers, as well as the Conservation Resources Advisory Group ("CRAG"), the Equity Advisory Group ("EAG")⁴, and local solar photovoltaic system installers. The following sections detail those engagements and how PSE incorporated the input from these groups to help inform this tariff filing.

Equity Advisory Group ("EAG") Engagement

Engagement with the EAG on the topic of the tariff schedules included in this filing have been comprised of:

⁴ Condition 8 to Final Order 08 – PSE must work with the equity advisory group and an advisory group (either new or existing) with sufficient expertise and interest to develop a new or revised DER selection process that is 1) consistent with the distributed energy resources planning process outlined in RCW 19.280.100, and 2) transparent, technology neutral, and robust in its comparison of DER programs considering cost and non-cost factors.

- Presentation and discussion of the customer journey for Schedule 667 participants at EAG meeting on January 16, 2024
- Presentation and discussion of Schedule 686 at EAG meeting on March 19, 2024
- Update on solar equity focused incentives at EAG meeting on May 21, 2024

Conservation Resources Advisory Group (“CRAG”) Engagement

Engagement with the CRAG on the topic of the tariff schedules included in this filing have been comprised of:

- Presentation and discussion of the Distributed Energy Resources product roadmap, and overview of Schedule 686 desired outcomes and benefits at a CRAG meeting on March 27, 2024.
- Presented overview of Schedule 686 product design, including benefits, eligibility, technical requirements, and equity considerations and solicited feedback at a CRAG meeting on May 22, 2024;
- Distribution and preview of the draft tariff Schedule 667 revisions and draft tariff Schedule 686 pertaining to this filing to the CRAG via electronic mail on June 5, 2024, for a 30-day review and comment period concluding on July 5, 2024;

As shown in the above timeline, CRAG members were given the opportunity to provide feedback on the initial product offerings and design concepts beginning May 22, 2024, and to review and provide comment on the draft tariff sheets beginning June 5, 2024. PSE received no written comments from CRAG members by July 5th, which concluded the 30 day review period.

Contractors and Installers

PSE’s engagement with contractors and installers on the topic of the tariff schedules included in this filing, has included meetings and phone calls with renewable energy installers to discuss questions and comments on the proposed product and design concept.

Cost Recovery

The costs for the implementation of these proposed new electric service schedules will be recovered through the Commission-approved Schedule 141CEI Clean Energy Implementation Tracker⁵.

Reporting

These services are specific actions of the Company’s Clean Energy Implementation Plan (CEIP). Any progress towards CEIP goals made by Schedule 667 and Schedule 686 will be reflected in the CEIP reporting.

As detailed in the CEIP, the Company is committed to creating a cleaner energy future as we proactively work to do our part to support Washington’s clean energy goals. The Company believes the revised electric service schedule 667 and new proposed electric service schedule 686 are a positive step toward meeting that objective and will help accelerate clean energy goals in

⁵ Docket UE-230591, allowed to go into effect as filed by the Commission on August 24, 2023

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Washington State, deliver benefits to all customers, and alleviate barriers and maximize the desired benefit for its Equity-Focused Customers. The Company thanks the Commission, its customers, and valued interested parties for their support as PSE takes the next steps in executing on the strategies laid out in its CEIP.

The tariff sheets described herein reflect an issue date of July 22, 2024, and effective date of August 30, 2024. Posting of proposed tariff changes, as required by law and the Commission's rules and regulations, is being completed through web, telephone and mail access in accordance with WAC 480-100-193.

Please contact Veronica Martin at veronica.martin@pse.com for additional information about this filing. If you have other questions, please contact me at birud.jhaveri@pse.com.

Sincerely,

/s/ Birud D. Jhaveri

Birud D. Jhaveri
Director, Regulatory Affairs
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cc: Lisa Gafken, Public Counsel
Sheree Carson, Perkins Coie

Attachments: Electric Tariff Sheets (listed above)