

**Exh. JL-29**  
**Dockets UE-190529/UG-190530 and**  
**UE-190274/UG-190275 (*consolidated*)**  
**Witness: Jing Liu**

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,**

**Complainant,**

**v.**

**PUGET SOUND ENERGY,**

**Respondent.**

**DOCKETS UE-190529  
and UG-190530 (*consolidated*)**

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**In the Matter of the Petition of**

**PUGET SOUND ENERGY**

**For an Order Authorizing Deferral  
Accounting and Ratemaking Treatment  
for Short-life UT/Technology Investment**

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**DOCKETS UE-190274 and  
UG-190275 (*consolidated*)**

**EXHIBIT TO CROSS-ANSWERING TESTIMONY OF**

**Jing Liu**

**STAFF OF  
WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION**

***HELP Service Contract between PSE and Community Action Agencies  
(PSE Response to UTC Staff Data Request No. 234)***

**January 15, 2020**

**BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**Dockets UE-190529 & UG-190530  
Puget Sound Energy  
2019 General Rate Case**

**WUTC STAFF DATA REQUEST NO. 234:**

**Re: service contract**

Please provide the latest contract between PSE and community action agencies for delivering HELP services.

**Response:**

Please see Attachments A through E to Puget Sound Energy's ("PSE") Response to WUTC Staff Data Request No. 234 for the latest contract materials between PSE and Community Action Agencies delivering PSE Home Energy Lifeline Program services.

**ATTACHMENTS A-E to PSE's Response  
to  
WUTC Staff Data Request No. 234**

## LOW INCOME PROGRAM AGENCY AGREEMENT

This Agreement, effective \_\_\_\_\_, 2019, is made and entered into by and between Puget Sound Energy, Inc., a Washington corporation (“PSE”), and \_\_\_\_\_, a \_\_\_\_\_ [corporation][municipal corporation][county] (“Agency”).

### RECITALS

A. PSE is an investor-owned utility supplying electricity and natural gas, and whose rates, services, charges and practices are subject to the regulatory authority of the Washington Utilities and Transportation Commission (“Commission”).

B. PSE provides to eligible customers certain benefits under its Low Income Program (“Program”) pursuant to Schedule 129 of PSE’s Electric Tariff G (“Electric Schedule 129”) and Schedule 129 of PSE’s Gas Tariff WN-U2 (“Gas Schedule 129”), as the same may be amended from time to time (together, the “LIP Schedules”).

C. Agency is a Qualifying Organization (as defined below) that is experienced in administering energy assistance programs and meets all the requisite criteria for administering the benefits and assistance under the Program.

D. PSE and Agency desire to set forth in this Agreement all of the terms and conditions governing Agency’s participation in the Program and Agency’s performance of certain administrative obligations relative to the implementation of the Program.

### AGREEMENT

The parties, therefore, agree as follows:

#### Section 1. Definitions

Unless specifically defined otherwise herein, all terms used or defined in the LIP Schedules will have the same meanings when used in this Agreement. As used in this Agreement, the following terms will have the following specified meanings:

“**Administration Services**” means the services performed or to be performed by Agency in connection with the Program that relate to staff supervision and training, Program review and monitoring, award tracking, recordkeeping, reporting, insurance and bonding, accounting and auditing pledges, all as more particularly described in Section 3.1 and/or the Program Rules.

“**Allocation**” means, with respect to a given Program Year, that portion of the total Program funds allocated to Agency under the Program for that Program Year, as determined and adjusted from time to time during the Program Year by PSE pursuant to the Program

Rules. The Allocation for a given Program Year is comprised of the Available Benefit Amount and the initial Service Fee Amount for that Program Year.

**“Available Benefit Amount”** means, with respect to a given Program Year, an amount equal to the difference between the Allocation and the initial Service Fee Amount for that Program Year and represents that portion of the Allocation available to Agency for electric and/or gas Benefit Awards under the Program during such Program Year.

**“Awarded Benefit Amount”** means, with respect to a given Program Year, the aggregate of all electric and/or gas Benefit Awards approved and awarded by Agency for the Program Year.

**“Benefit Award”** means an award of any portion of the Available Benefit Amount made by Agency to an Eligible Customer for electric and/or gas benefits under the Program.

**“Education Services”** means the services performed or to be performed by Agency in connection with the Program that relate to materials and individual instruction of Customers regarding personal energy management, conservation and related topics pledges, all as more particularly described in Section 3.1 and/or the Program Rules.

**“Eligible Customer”** means a Customer that qualifies as a "very low-income household," as defined by the Washington State Department of Commerce for purposes of affordable housing in RCW 43.63A.510, and as modified in the applicable LIP Schedule. In making such determination, the term "income" will have the meaning used by the Department of Commerce for such purposes and, without limiting the foregoing, may mean untaxed income or taxable income adjusted in accordance with guidelines followed by the Department of Commerce in its administration of LIHEAP.

**“LIHEAP”** means the energy assistance program established by the Low-Income Home Energy Assistance Act of 1981, 42 U.S.C. § 8621 et seq., as amended.

**“Overflow”** means, with respect to a given program year, an Available Benefit Amount originating in the prior or current program year from Awarded Benefit amounts remaining after customers have moved from PSE service territory.

**“Program Rules”** means the administrative and other rules for the Program established and amended by PSE from time to time pursuant to Section 4.5. The Program Rules in effect as of the date of this Agreement are set forth in the attached Exhibit A.

**“Program Services”** means any Administration Services, Education Services or Support Services, together with any other services performed or to be performed by Agency under this Agreement in connection with the Program.

**“Program Year”** means any period of twelve (12) consecutive calendar months commencing on October 1 and ending on September 30.

**“Qualifying Organization”** means an organization that (a) meets all of the criteria for a "Qualifying Organization" as defined in RCW 82.16.0497 ("Credit--Light and Power Business, Gas Distribution Business"), and (b) is otherwise able and qualified (as determined by PSE) to perform all obligations under this Agreement relating to the administration and implementation of the Program.

**“Quarter”** means any period of three (3) consecutive calendar months commencing on October 1, January 1, April 1 or July 1.

**“Service Fee Amount”** means, with respect to a given Program Year, that portion of the Allocation for that Program Year which is available to Agency to cover the actual costs it incurs in performing the Program Services during the Program Year, as specified and adjusted by PSE pursuant to Section 5.5 or otherwise.

**“Support Services”** means the services performed or to be performed by Agency in connection with the Program that relate to the certification of Eligible Customers, verification of documents, creation and storage of files of Eligible Customers, appointment scheduling, Customer outreach and coordination of funding pledges, all as more particularly described in Section 3.1 and/or the Program Rules.

## **Section 2. Administration of the Program**

### **2.1 General**

PSE and Agency will cooperate and coordinate their efforts under this Agreement to ensure that the Program is implemented and administered in accordance with the Program Rules, the applicable provisions of the LIP Schedules, all other applicable PSE tariffs on file with the Commission and all applicable laws and regulations, including, but not necessarily limited to, applicable provisions of Title 80 of the Revised Code of Washington and Title 480 of the Washington Administrative Code. In the event of any conflict or inconsistency between the provisions of this Agreement and any provision of the LIP Schedules, the provision of the LIP Schedules will govern and control.

### **2.2 Designated Representative**

Promptly after the execution of this Agreement, each party will designate in writing an authorized individual to represent such party in the administration of this Agreement and the Program. Each party may change its authorized representative from time to time by giving written notice of such change to the other party.

### **2.3 Independent Contractor**

Agency will be and act as an independent contractor (and not an employee or agent of PSE) in the performance of the Program Services and this Agreement. Agency will not represent that it is, or hold itself out as, an employee or agent of PSE. Agency will not be

authorized to enter into any agreements or undertakings for or on behalf of PSE or to act as or be an employee or agent of PSE without PSE's prior written consent.

### **Section 3. Obligations of Agency**

#### **3.1 Program Services**

During the Term, Agency will perform the following administrative duties and other services in connection with the implementation of the Program, all in accordance with and subject to the applicable provisions of the Program Rules, the LIP Schedules and all terms and conditions of this Agreement:

(a) Agency will install, maintain and operate such equipment and other items specified by PSE that are necessary to facilitate the exchange of data and information between Agency and PSE in connection with the Program, including, but not limited to, a modem line dedicated exclusively to communications between Agency and PSE; provided, however, the equipment loaned to Agency by PSE under Section 4.2 will be installed by PSE and maintained and operated by Agency.

(b) Agency will make available to the Customers pro forma applications, in form and content approved in advance by PSE, for use by the Customers in applying to receive Benefit Awards under the Program.

(c) Agency will accept and review each such application submitted to Agency by a Customer and promptly determine, in accordance with the eligibility criteria set forth in the LIP Schedules, the eligibility of the Customer to receive any Benefit Award under the Program.

(d) On or before the end of each month, or such other time period specified by PSE from time to time, Agency will deliver to PSE via e-mail or another mutually agreed upon delivery mechanism a written report, in form and content specified by to PSE, which lists the name, address and account number of each Eligible Customer identified by Agency during such month (or other specified time period) and the corresponding electric and/or gas Benefit Award for which the Eligible Customer qualifies under the Program.

(e) Agency will provide to PSE, within thirty (30) days of PSE's request, a statement showing the income of a given Eligible Customer (as reported to Agency by the Eligible Customer and corrected for any inaccuracies that are known or should be known to Agency) for the sole purpose of verifying Program eligibility.

(f) Agency will coordinate the administration of LIHEAP benefits and Program benefits in accordance with the procedures set forth in Section 3.2 and any applicable provisions of the Program Rules.

(g) Agency will provide education and information to Eligible Customers in accordance with the requirements set forth in Section 3.3.

(h) Agency will otherwise assist with and coordinate the overall Program implementation, as reasonably requested by PSE.

### **3.2 Coordination of Benefits**

In connection with each application for benefits received by Agency from a Customer, Agency will determine the Customer's eligibility to receive benefits under LIHEAP and the Program and will coordinate the delivery of such benefits in accordance with the applicable provisions of the Program Rules, the LIP Schedules and the following:

(a) If the Customer is eligible for LIHEAP benefits, Agency will provide the Customer LIHEAP funds until such funds are exhausted or otherwise not available before considering the Customer for benefits under the Program.

(b) If the Customer is not eligible for LIHEAP benefits, but is an Eligible Customer for purposes of the Program and this Agreement, Agency will consider the Customer for benefits under the Program.

(c) If the Customer is an Eligible Customer for purposes of the Program and this Agreement, Agency will provide the Customer electric and/or gas benefits, as applicable and appropriate, under the Program to the extent permitted under the applicable provisions of the LIP Schedules and the Program Rules.

(d) Agency will ensure that (i) no Eligible Customer receives an electric and/or gas Benefit Award more than once in any Program Year, (ii) the electric and/or gas Benefit Award provided to a given Eligible Customer does not exceed the maximum electric and/or gas Benefit Award allowable under the Program, (iii) the Awarded Benefit Amount for a given Program Year does not exceed the Available Benefit Amount for such Program Year without the prior written consent of PSE, and (iv) each Eligible Customer is requalified annually for eligibility under the Program, as required under the provisions of the LIP Schedules and the Program Rules.

### **3.3 Education and Information**

During the Term, Agency will provide to all Eligible Customers, at such times and in the manner reasonably specified by PSE from time to time, the following education and information, as required by the LIP Schedules:

(a) low-income weatherization program information;

(b) personal energy management/time of day rate education based on training or materials provided to Agency by PSE;



- (c) information on deferred payment arrangements and budget billing; and
- (d) conservation education and information.

### **3.4 Progress Reports**

Agency will furnish to PSE such reports and other information regarding Agency's performance of the Program Services as PSE may request from time to time, including, but not limited to, any reports required or requested by the Commission. The reports may include, among other things, information about any problems experienced or anticipated and other information regarding the Program and Agency's performance of the Program Services.

### **3.5 Qualifications**

Throughout the Term, Agency will be a Qualifying Organization and will take all steps necessary to ensure that it meets all of the criteria for a Qualifying Organization. In addition, Agency will, to PSE's satisfaction, be capable (financially and otherwise) of obtaining, maintaining and operating throughout the Term the personnel, equipment and other resources needed to perform the Program Services in accordance with the Program Rules and this Agreement (including, without limitation, the equipment loaned to Agency and installed by PSE under Section 4.2 for use in the exchange of data and information between Agency and PSE).

### **3.6 Performance**

Agency will efficiently, expeditiously and effectually perform the Program Services in an orderly and professional manner and in accordance with the terms and conditions of this Agreement. Agency will ensure that only properly trained and qualified persons perform the Program Services.

### **3.7 Compliance with Laws**

Agency will comply, and will ensure that the Program Services comply, with all applicable laws, ordinances, rules, regulations, orders and other requirements, now or hereafter in effect, of any governmental authority (including, but not limited to, such requirements as may be expressly set forth in the Program Rules or otherwise imposed upon PSE and applicable to the Program). All laws, ordinances, rules, regulations, orders, licenses and permits required to be incorporated in agreements of this character are incorporated herein by this reference. If Agency at any time has specific knowledge that any portion of the Program Services do not comply with any applicable law, ordinance, rule, regulation, order or other requirement, now or hereafter in effect, of any governmental authority, Agency will promptly notify PSE in writing.

### **3.8 Confidentiality**

respect to all data and information collected or learned by, or furnished or made accessible to, Agency in connection with the Program or this Agreement, including, but not limited to, all data and information relating to the consumption history, energy usage, account balances and payments of any Eligible Customer or other Customer, Agency will:

(a) keep and maintain such data and information in strict confidence, and not disclose, publish or disseminate such data or information in any way to any person or entity (other than employees of Agency who have a need to know such data or information for purposes of performing the Program Services and who have executed the confidentiality agreement required under Section 3.8(d)) without the prior written consent of PSE;

(b) ensure that, to the extent any such data or information is furnished or made accessible to Agency by PSE pursuant to Section 4.2 or otherwise, neither Agency nor its employees access, obtain or view any data or information of any Customer who has not previously contacted Agency to make an appointment to meet with Agency for purposes of submitting a fully executed application for benefits under the Program and given oral consent for Agency to access, obtain and view the data and information of the Customer;

(c) ensure that each Customer whose data or information is accessed, obtained or viewed by Agency or its employees based on the initial contact and oral consent described in Section 3.8(b) thereafter signs and submits to Agency a valid, complete and fully executed application for benefits under the Program, regardless of whether the Customer is eligible to, or does, receive such benefits, unless the Customer fails to meet with Agency at the appointed time and Agency thereafter destroys all materials containing any such data or information within five (5) days;

(d) ensure that each employee or other person who has access to any such data or information has previously executed the confidentiality agreement attached as Exhibit B and that a copy of the fully executed confidentiality agreement has been delivered to PSE; and

(e) create, implement and maintain in effect policies and procedures acceptable to PSE that will ensure Agency's compliance with this Section 3.8.

### **3.9 Exceptions**

Notwithstanding any contrary provision that may be contained herein, any party to this Agreement (and each employee, representative, or other agent of any such party) may disclose to any and all persons, without limitation of any kind, the United States federal income tax treatment and United States federal income tax structure of the transactions contemplated by this Agreement and all materials of any kind (including opinions or other tax analyses) that are provided to such party relating to such tax treatment and tax structure;

provided, however, that the foregoing shall not serve to authorize the disclosure of such information to the extent such information is subject to restrictions reasonably necessary to comply with applicable securities laws, and provided, further that the foregoing shall not serve to authorize the disclosure of the identity of any party or any confidential business information of any party to the extent the disclosure of such identity or information is not related to the United States federal income tax treatment and United States federal income tax structure of the transactions contemplated by this Agreement. The parties to this Agreement acknowledge that they have no knowledge or reason to know that such disclosure is otherwise limited.

#### **Section 4. Obligations of PSE**

##### **4.1 Program Implementation**

During the Term, PSE will implement and administer the Program in accordance with the requirements set forth in the Program Rules, the applicable LIP Schedule and the following:

(a) Promptly after the commencement of each Program Year during the Term, PSE will notify Agency in writing of its Allocation for such Program Year. Thereafter, PSE will notify Agency in writing of any adjustments to the Allocation made by PSE during the Program Year based on a reallocation of funding or other adjustment implemented in accordance with the Program Rules. The Allocations in effect as of the date of this Agreement are set forth in the attached Exhibit C.

(b) During the Term, PSE will bill each Eligible Customer for electric and/or gas usage as follows: PSE will first determine the actual cost of the home energy supplied by PSE to the Eligible Customer, calculated under normal billing processes (the "Initial Account Balance"). PSE will then deduct from the Initial Account Balance the amount of any available LIHEAP benefits to arrive at a LIHEAP-adjusted account balance (the "Interim Account Balance"). PSE will then bill the Eligible Customer the amount by which the Interim Account Balance exceeds the amount of any unused portion (i.e., not previously applied to the Eligible Customer's account with PSE) of the electric and/or gas Benefit Award, as applicable, properly awarded to such Eligible Customer by Agency. If the unused portion of any such Benefit Award exceeds the Interim Account Balance for the relevant period, the difference will be carried over and applied as a credit to future amounts owing by the Eligible Customer on the same PSE account until the Benefit Award is exhausted or is reallocated by PSE. Any such credit remaining at the time the Eligible Customer's account with PSE is closed will be voided out and will be reallocated by PSE in accordance with the Program Rules.

(c) PSE will, during the Term, print and furnish to Agency a reasonable supply of the pro forma applications described in Section 3.1(b) for use by the Customers in applying to receive benefits under the Program.

(d) PSE will provide to Agency such training and/or materials regarding personal energy management/time of day rate education as PSE reasonably determines is necessary to assist Agency in providing such education to Eligible Customers.

#### **4.2 Access to Customer Data**

During the Term, and contingent upon Agency's continued compliance with its confidentiality obligations under Section 3.8 and all other provisions of this Agreement, PSE will provide to Agency access to data and information regarding the energy consumption and account history of those Customers seeking benefits under the Program, in accordance with and subject to any applicable provisions of the Program Rules and the following:

(a) PSE may limit Agency's access solely to the data and information deemed necessary and appropriate by PSE for the proper and efficient implementation and administration of the Program;

(b) PSE will furnish Agency access to the data and information via a connection to PSE's mainframe through Virtual Desktop Interface to Agency by PSE under Section 4.2 or, at PSE's election, by other means of delivery such as fax or email; and

(c) PSE will provide to Agency during the Term initial and on-going technical support and assistance, as deemed necessary by PSE, relative to the method of delivery selected by PSE with respect to such data and information.

#### **4.3 Information and Education**

During the Term, PSE will provide to all Eligible Customers, at such times and in the manner reasonably determined by PSE from time to time, information on delinquent utility bills and how to access low-income assistance, as required by the LIP Schedules.

#### **4.4 Changes to Program Rules**

PSE may from time to time during the Term make changes to the Program Rules. No such change will be effective as to Agency until thirty (30) days after PSE gives Agency written notice of the change. During such thirty (30) day period, Agency may provide comments and input to PSE regarding the impact of the change on the performance of the Program Services, and PSE will, on request, discuss such comments and input with Agency. All such changes will apply to Agency after the end of the above thirty (30) day period unless Agency terminates the Term in accordance with Section 7.3.

## **Section 5. Administrative Fees**

### **5.1 Payment**

Subject to the terms and conditions of this Agreement, PSE will, with respect to each month during each Program Year, provide to Agency a payment toward costs incurred by Agency in performing Program Services during such month. The payment will be used by Agency solely to cover costs incurred by Agency, at its discretion, in its performance of the Administration Services, Education Services, Support Services and other Program Services during the Program Year. Agency will retain onsite records and documentation relating to its use of the payment for audit and review, with appropriate notice to Agency, by PSE and/or its representatives in accordance with Section 6.

### **5.2 Invoices**

Within ten (10) business days following the end of each month during the Term of the program, Agency will submit to PSE an invoice for the expenses incurred and payable to Agency.

### **5.3 Payment of Invoices**

Within ten (10) days after PSE's receipt and verification of each invoice submitted by Agency under Section 5.2 PSE will pay Agency the amounts properly payable under such invoice. Payment will be made in the manner mutually acceptable to both parties. Monthly, Agency will submit to PSE a detailed statement showing the actual costs incurred by Agency in its performance of the Program Services during such Month.

### **5.4 Statement Expectations**

By the thirty-first (31) of October each program year, Agency will provide to PSE a Service Fee budget forecast for the current program year. If at any time the Service Fee budget forecast needs to be adjusted for the current and/or succeeding months, Agency will notify PSE of the adjusted monthly budget two (2) days prior to the end of the month in which the adjustment takes place. Each such statement will be in form and content acceptable to PSE and will be supported by such receipts and other information as PSE may request.

### **5.5 Service Fee Amount**

PSE will specify the initial Service Fee Amount for each Program Year by written notice to Agency given prior to the first day of the Program Year. The initial Service Fee Amount for the Program Year commencing on October 1, 2018, will equal twenty-one percent (21%) of the Allocation for that Program Year. PSE may, by written notice to Agency, adjust the Service Fee Amount for any month of the Program Year based on PSE's review and assessment of, among other relevant factors, a comparison of the then-current Service Fee Amount, the actual costs incurred by Agency, the number of applications for benefits under the Program processed by Agency, and the Awarded Benefit Amount for the

current and prior Program Year(s). Each such adjustment by PSE will be effective from and after the first day of the month immediately following the date of PSE's written notice. PSE's determination of the Service Fee Amount for each month of the Program Year will be final and binding on the parties.

## **Section 6. Audits and Annual Evaluation**

### **6.1 Records**

Throughout the Term and for a period of three (3) years after the expiration or termination of the Term, Agency will keep and maintain for examination, copying and audit by PSE complete and accurate records with regard to the Program, the Program Services and this Agreement, including, but not limited to, records and documents generated by Agency in the performance of its obligations under this Agreement and records and documents generated by the Customers and PSE and submitted to Agency. Upon PSE's request, Agency will transfer such records to PSE.

### **6.2 Records Audits**

During the Term and for a period of three (3) after the expiration or termination of the Term, Agency will, upon PSE's request from time to time, provide to PSE representatives and/or independent auditors access to the records maintained by Agency under Section 6.1 and other relevant records and documentation (other than any records which have been previously transferred to PSE pursuant to Section 6.1) for examination, reproduction and audit. Each such audit will be conducted during the Agency's business hours.

### **6.3 Financial Audit**

Agency will deliver to PSE annually a copy of a financial audit of Agency's books and records. The financial audit will (a) if Agency is a municipal corporation, county or other governmental agency, be delivered within one (1) year after the end of each fiscal year of Agency during the Term and be conducted by the public auditor assigned by law to perform the audit, and (b) otherwise be delivered within five (5) months after the end of each fiscal year of Agency during the Term and be conducted by an independent certified public accountant selected by Agency and reasonably acceptable to PSE. Each such audit will be conducted in accordance with Generally Accepted Auditing Standards and will be supported by such documents, certificates and other information as PSE may reasonably request.

### **6.4 Annual Evaluation**

Once each Program Year, at the time and in the manner specified by PSE, the parties will undertake a detailed evaluation of Agency's performance of the Program Services, Agency's compliance with the Program Rules and other provisions of this Agreement, and Agency's capability (both financial and otherwise) and qualifications to perform all obligations under this Agreement relating to the administration and implementation of the Program. Agency will, following completion of such evaluation, make such changes and

adjustments in its performance as PSE deems necessary or appropriate based on the results of the evaluation.

## **Section 7. Term and Termination**

### **7.1 Term**

The term of this Agreement (the "Term") will commence on the effective date of this Agreement and, unless earlier terminated in accordance with Section 7.2 or Section 7.3, will end on the first anniversary of the effective date of this Agreement.

### **7.2 Termination for Cause**

Either party may terminate the Term upon written notice to the other party if the other party breaches any provision of this Agreement and fails to cure such breach within thirty (30) days after receipt of written notice regarding the breach.

### **7.3 Other Termination**

In the event PSE notifies Agency of any material change in the Program Rules pursuant to Section 4.4, Agency may thereafter terminate the Term by giving PSE written notice of termination at any time prior to the expiration of the thirty (30) day period described in Section 4.4 and refunding to PSE any portion of the advances previously paid to Agency under Section 5.1 which have not been used to cover the actual costs incurred by Agency prior to the effective date of termination in performing the Program Services.

### **7.4 Effect of Termination**

Sections 1, 2.3, 3.8, 4.2, 6, 7, 8, 9 and 11 (and all other provisions of this Agreement which may reasonably be interpreted or construed as surviving the expiration or termination of this Agreement) will survive the expiration or termination of this Agreement.

## **Section 8. Representations and Warranties**

Agency represents and warrants as follows:

- (a) Agency is duly organized, validly existing, and in good standing under the laws of the State of Washington and Agency has all requisite power and authority to carry on its business;
- (b) Agency currently meets, and throughout the Term will continue to meet, all of the criteria for a Qualifying Organization;
- (c) the execution, delivery, and performance of this Agreement and all actions and transactions contemplated hereby: (i) will not violate any provision of law applicable to Agency or the corporate articles or by-laws of Agency, any order of any court or other agency of government to which Agency is a party or by which it or

any of its properties is bound; and (ii) will not violate, be in conflict with, result in a breach of, or constitute (with notice or lapse of time or both) a default under any indenture, agreement, or other instrument to which Agency is a party or which has not been waived or consented to, or result in the creation or imposition of any lien, charge, or encumbrance of any nature whatsoever upon any of its property or assets; and

(d) Agency will perform the Program Services in a professional and skillful manner, in accordance with the terms of this Agreement and in compliance with all standards and rules reasonably established by PSE from time to time.

## **Section 9. Indemnification**

### **9.1 By Agency**

Agency will indemnify, defend and hold harmless PSE from and against any and all third party suits, sanctions, liabilities, legal proceedings, claims, demands, fines, penalties, losses, costs and expenses of whatever kind or character, including but not limited to reasonable attorneys' fees and expenses, for injury to or death of persons or loss of or damage to property to the extent the same is caused by the negligence or willful misconduct of Agency in performing its obligations under this Agreement; provided that PSE gives Agency prompt written notice of any such suit, legal proceeding, claim or demand and fully cooperates with Agency in the defense and settlement of the same.

### **9.2 By PSE**

PSE will indemnify, defend and hold harmless Agency from and against any and all third party suits, sanctions, liabilities, legal proceedings, claims, demands, fines, penalties, losses, costs and expenses of whatever kind or character, including but not limited to reasonable attorneys' fees and expenses, for injury to or death of persons or loss of or damage to property to the extent the same is caused by the negligence or willful misconduct of PSE in performing its obligations under this Agreement; provided that Agency gives PSE prompt written notice of any such suit, legal proceeding, claim or demand and fully cooperates with PSE in the defense and settlement of the same.

## **Section 10. Insurance**

### **10.1 Workers' Compensation**

Agency will ensure that, with respect to all persons performing the Program Services, Agency maintains in effect at all times during the performance of the Program Services coverage or insurance in accordance with the applicable laws relating to workers' compensation and employer's liability insurance, regardless of whether such coverage or insurance is mandatory or merely elective under the law.



## **10.2 General Requirements**

Agency will maintain in effect at all times during performance of the Program Services such liability insurance as will protect Agency and PSE from and against any and all claims and liabilities arising out of bodily harm (including death) or property damage that may result from performance of the Program Services or this Agreement, whether such performance is by Agency or its suppliers or contractors. All such insurance will be placed with such insurers and under such forms of policies as may be acceptable to PSE. Agency will ensure that all policies of insurance required under this Agreement will be endorsed to name PSE as an additional insured, and provide that such policies will not be terminated, cancelled, altered or allowed to expire without giving PSE at least thirty (30) days' advance written notice thereof.

## **10.3 Specific Coverage**

Without limiting the generality of Section 10.2, Agency's insurance will include umbrella insurance with limits of at least one million dollars (\$1,000,000) per occurrence.

## **10.4 Additional Assurance**

Agency will furnish PSE with such certificates of insurance and additional assurances and evidence of insurance (such as copies of all insurance policies certified by an authorized representative of the insurer) as PSE may from time to time request.

## **10.5 Subrogation Rights**

Agency will ensure that any policies of insurance that Agency carries against loss of or damage to property or against liability for property damage or bodily harm (including death) that may occur in connection with the Program Services or this Agreement will include a waiver of the insurer's rights of subrogation against PSE. To the extent permitted by its insurance policies, Agency hereby waives such rights of subrogation.

## **10.6 Reservation of Rights**

The requirements of this Agreement as to insurance and acceptability to PSE of insurers and insurance to be maintained by Agency are not intended to and will not in any way limit or qualify the liabilities and obligations of or assumed by Agency under this Agreement.

## **Section 11. Miscellaneous**

### **11.1 No Assignment**

Agency will not assign all or any part of this Agreement or any of its rights hereunder (including, without limitation, any of its rights in or to the Allocation), or subcontract any of the Program Services, without the prior written consent of PSE. Any such assignment or

attempted assignment (or transfer or attempted transfer of any portion of the Allocation) to a third party without such consent of PSE will be null and void unless PSE, at its option, declares it valid in writing. No such assignment or subcontracting will relieve Agency from its responsibility for performance of the Program Services in accordance with this Agreement or from its responsibility for performance of any of its other obligations under this Agreement.

### **11.2 Notices**

Any notice or other communication under this Agreement will be in writing and will be delivered in person, by facsimile, or mailed, properly addressed and stamped, to the intended recipient at the address appearing on the signature page of this Agreement. Notices will be deemed received only upon actual receipt. Either party may change its address by giving the other party notice of the change in accordance with this paragraph.

### **11.3 No Waiver**

The failure of either party to insist upon or enforce strict performance by the other of any of the provisions of this Agreement or to exercise any right under this Agreement will not be construed as a waiver or relinquishment of its right to assert or rely upon any provision or right in that or any other instance; rather, the provision and right will remain in full force and effect.

### **11.4 PSE Tariffs**

This Agreement is subject to the LIP Schedules, the General Rules and Provisions set forth in Tariff Schedule 80 of PSE's Electric Tariff G, the General Rules and Provisions set forth in Gas Rules 01 through 27-1 of PSE's Gas Tariff WN-U2 as each is approved by the Commission and as the same may be amended from time to time.

### **11.5 Governing Law**

This Agreement will be governed by and construed in accordance with the laws of the State of Washington, without reference to its choice of law rules. Agency will not commence or prosecute any suit, proceeding or claim arising under or by virtue of this Agreement other than in the courts of the State of Washington located in King County or the United States District Court for the Western District of Washington. Agency hereby irrevocably consents to the jurisdiction of the foregoing courts.

### **11.6 Amendment**

No amendments or modifications of this Agreement will be valid unless evidenced in writing and signed by duly authorized representatives of both parties.

**11.7 Entire Agreement**

This Agreement contains the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior written or oral negotiations, undertakings and agreements with respect to the subject matter hereof.

PSE:

**Puget Sound Energy, Inc.**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Date: \_\_\_\_\_

Agency:

\_\_\_\_\_

By: \_\_\_\_\_

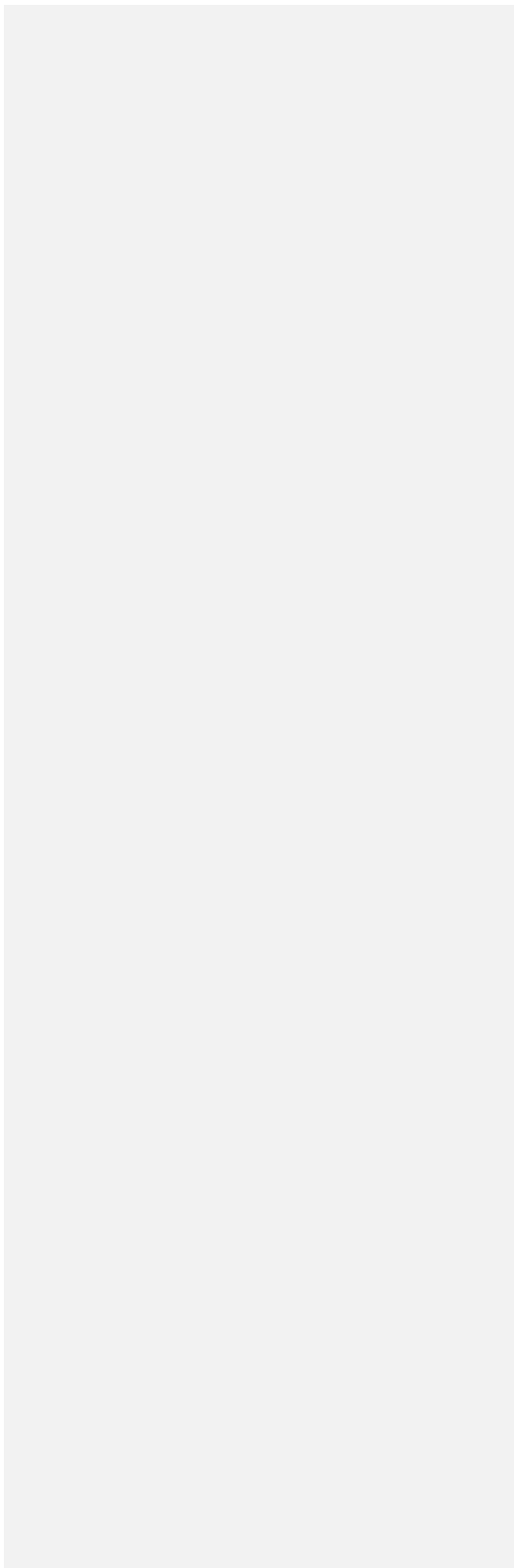
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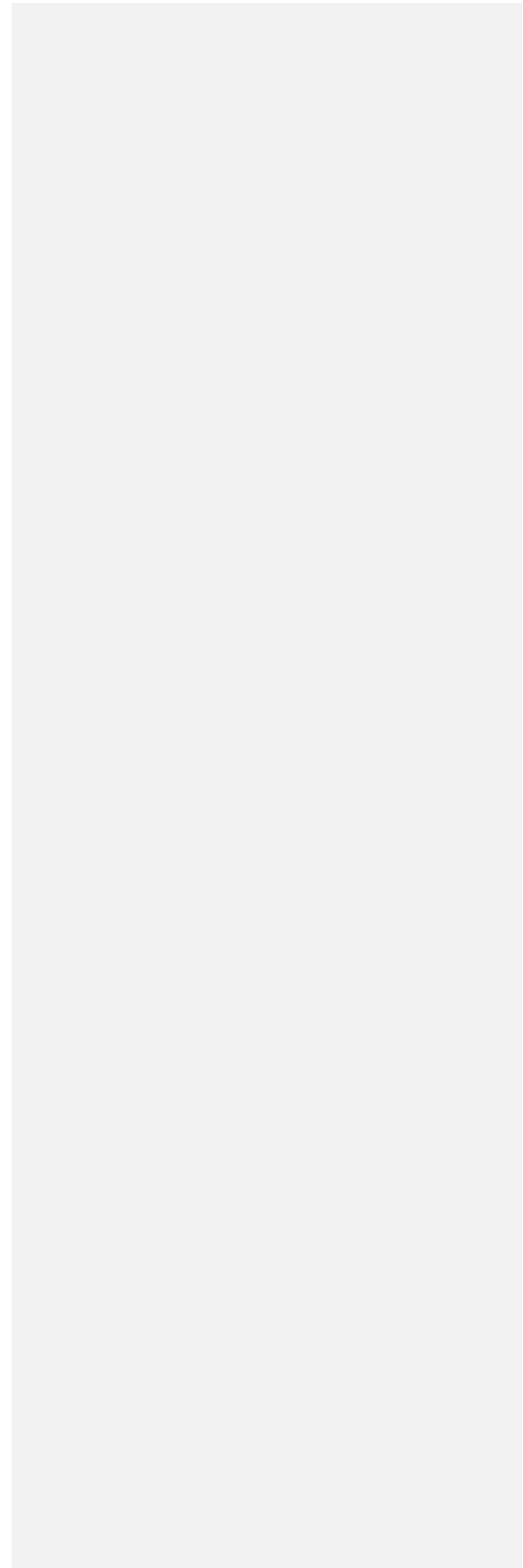
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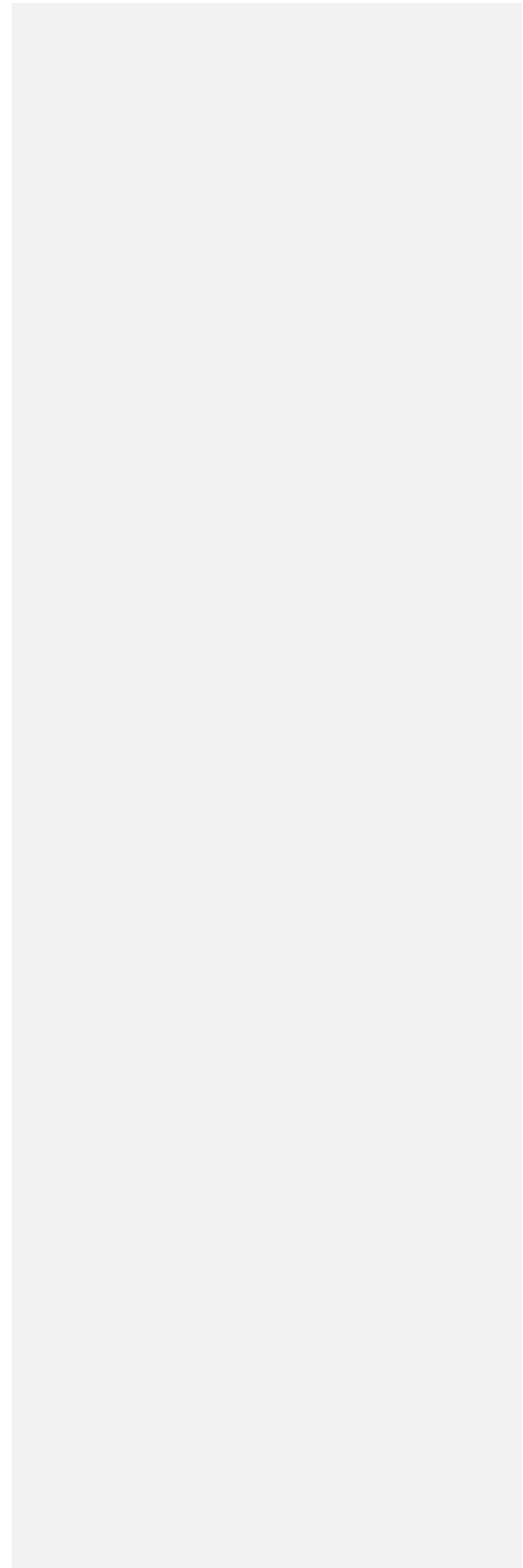
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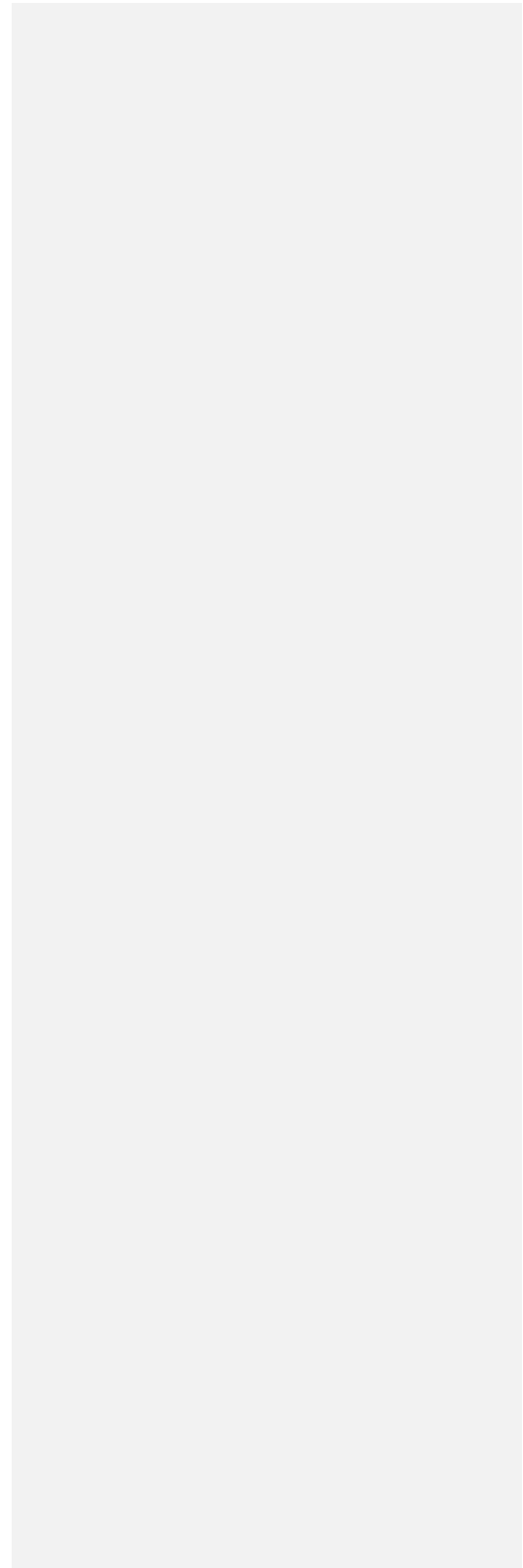
**EXHIBIT A**  
**Program Rules**



**EXHIBIT B**  
**Form Confidentiality Agreement**



**EXHIBIT C**  
**Agency Allocations**



## LOW INCOME PROGRAM AGENCY AGREEMENT

This Agreement, effective \_\_\_\_\_, 2019, is made and entered into by and between Puget Sound Energy, Inc., a Washington corporation ("PSE"), and Snohomish County, a political subdivision of the State of Washington.

### RECITALS

A. PSE is an investor-owned utility supplying electricity and natural gas, and whose rates, services, charges and practices are subject to the regulatory authority of the Washington Utilities and Transportation Commission ("Commission").

B. PSE provides to eligible customers certain benefits under its Low Income Program ("Program") pursuant to Schedule 129 of PSE's Electric Tariff G ("Electric Schedule 129") and Schedule 129 of PSE's Gas Tariff WN-U2 ("Gas Schedule 129"), as the same may be amended from time to time (together, the "LIP Schedules").

C. Agency is a Qualifying Organization (as defined below) that is experienced in administering energy assistance programs and meets all the requisite criteria for administering the benefits and assistance under the Program.

D. PSE and Agency desire to set forth in this Agreement all of the terms and conditions governing Agency's participation in the Program and Agency's performance of certain administrative obligations relative to the implementation of the Program.

### AGREEMENT

The parties, therefore, agree as follows:

#### Section 1. Definitions

Unless specifically defined otherwise herein, all terms used or defined in the LIP Schedules will have the same meanings when used in this Agreement. As used in this Agreement, the following terms will have the following specified meanings:

**"Administration Services"** means the services performed or to be performed by Agency in connection with the Program that relate to staff supervision and training, Program review and monitoring, award tracking, recordkeeping, reporting, insurance and bonding, accounting and auditing pledges, all as more particularly described in Section 3.1 and/or the Program Rules.

**"Allocation"** means, with respect to a given Program Year, that portion of the total Program funds allocated to Agency under the Program for that Program Year, as determined and adjusted from time to time during the Program Year by PSE pursuant to the Program

Rules. The Allocation is comprised of the Available Benefit Amount and the Operating Fee Amount.

**“Available Benefit Amount”** means, with respect to a given Program Year, an amount equal to the difference between the Allocation and the Operating Fee Amount for that Program Year and represents that portion of the Allocation available to Agency for electric and/or gas Benefit Awards under the Program during such Program Year.

**“Awarded Benefit Amount”** means, with respect to a given Program Year, the aggregate of all electric and/or gas Benefit Awards approved and awarded by Agency for the Program Year.

**“Benefit Award”** means an award of any portion of the Available Benefit Amount made by Agency to an Eligible Customer for electric and/or gas benefits under the Program.

**“Education Services”** means the services performed or to be performed by Agency in connection with the Program that relate to materials and individual instruction of Customers regarding personal energy management, conservation and related topics pledges, all as more particularly described in Section 3.1 and/or the Program Rules.

**“Eligible Customer”** means a Customer that qualifies as a "very low-income household," as defined by the Washington State Department of Commerce for purposes of affordable housing in RCW 43.63A.510, and as modified in the applicable LIP Schedule. In making such determination, the term "income" will have the meaning used by the Department of Commerce for such purposes and, without limiting the foregoing, may mean untaxed income or taxable income adjusted in accordance with guidelines followed by the Department of Commerce in its administration of LIHEAP.

**“LIHEAP”** means the energy assistance program established by the Low-Income Home Energy Assistance Act of 1981, 42 U.S.C. § 8621 et seq., as amended.

**“Operating Fee Amount”** means, with respect to a given Program Year, the percentage of the Allocation for that Program Year which is available to Agency to cover the actual costs it incurs in performing the Program Services during the Program Year, as specified and adjusted by PSE pursuant to Section 5.5 or otherwise.

**"Overflow"** means, with respect to a given program year, an Available Benefit Amount originating in the current program year from Awarded Benefit amounts remaining after customers have moved from PSE service territory.

**“Program Rules”** means the administrative and other rules for the Program established and amended by PSE from time to time pursuant to Section 4.5. The Program Rules in effect as of the date of this Agreement are set forth in the attached Exhibit A.



**“Program Services”** means any Administration Services, Education Services or Support Services, together with any other services performed or to be performed by Agency under this Agreement in connection with the Program.

**“Program Year”** means any period of twelve (12) consecutive calendar months commencing on October 1 and ending on September 30.

**“Qualifying Organization”** means an organization that (a) meets all of the criteria for a "Qualifying Organization" as defined in RCW 82.16.0497 ("Credit--Light and Power Business, Gas Distribution Business"), and (b) is otherwise able and qualified (as determined by PSE) to perform all obligations under this Agreement relating to the administration and implementation of the Program.

**“Quarter”** means any period of three (3) consecutive calendar months commencing on October 1, January 1, April 1 or July 1.

**“Support Services”** means the services performed or to be performed by Agency in connection with the Program that relate to the certification of Eligible Customers, verification of documents, creation and storage of files of Eligible Customers, appointment scheduling, Customer outreach and coordination of funding pledges, all as more particularly described in Section 3.1 and/or the Program Rules.

## **Section 2. Administration of the Program**

### **2.1 General**

PSE and Agency will cooperate and coordinate their efforts under this Agreement to ensure that the Program is implemented and administered in accordance with the Program Rules, the applicable provisions of the LIP Schedules, all other applicable PSE tariffs on file with the Commission and all applicable laws and regulations, including, but not necessarily limited to, applicable provisions of Title 80 of the Revised Code of Washington and Title 480 of the Washington Administrative Code. In the event of any conflict or inconsistency between the provisions of this Agreement and any provision of the LIP Schedules, the provision of the LIP Schedules will govern and control.

### **2.2 Designated Representative**

Promptly after the execution of this Agreement, each party will designate in writing an authorized individual to represent such party in the administration of this Agreement and the Program. Each party may change its authorized representative from time to time by giving written notice of such change to the other party.

### **2.3 Independent Contractor**

Agency will be and act as an independent contractor (and not an employee or agent of PSE) in the performance of the Program Services and this Agreement. Agency will not

represent that it is, or hold itself out as, an employee or agent of PSE. Agency will not be authorized to enter into any agreements or undertakings for or on behalf of PSE or to act as or be an employee or agent of PSE without PSE's prior written consent.

### **Section 3. Obligations of Agency**

#### **3.1 Program Services**

During the Term, Agency will perform the following administrative duties and other services in connection with the implementation of the Program, all in accordance with and subject to the applicable provisions of the Program Rules, the LIP Schedules and all terms and conditions of this Agreement:

(a) Agency will install, maintain and operate a modem line dedicated exclusively to communications between Agency and PSE; provided, however, the equipment loaned to Agency by PSE under Section 4.2 will be installed by PSE and maintained and operated by Agency.

(b) Agency will make available to the Customers pro forma applications, in form and content approved in advance by PSE, for use by the Customers in applying to receive Benefit Awards under the Program.

(c) Agency will accept and review each such application submitted to Agency by a Customer and promptly determine, in accordance with the eligibility criteria set forth in the LIP Schedules, the eligibility of the Customer to receive any Benefit Award under the Program.

(d) On or before the end of each month, or such other time period specified by PSE from time to time, Agency will deliver to PSE via e-mail or another mutually agreed upon delivery mechanism a written report, in form and content specified by to PSE, which lists the name, address and account number of each Eligible Customer identified by Agency during such month (or other specified time period) and the corresponding electric and/or gas Benefit Award for which the Eligible Customer qualifies under the Program.

(e) Agency will provide to PSE, within thirty (30) days of PSE's request, a statement showing the income of a given Eligible Customer (as reported to Agency by the Eligible Customer and corrected for any inaccuracies that are known or should be known to Agency) for the sole purpose of verifying Program eligibility.

(f) Agency will coordinate the administration of LIHEAP benefits and Program benefits in accordance with the procedures set forth in Section 3.2 and any applicable provisions of the Program Rules.

(g) Agency will provide education and information to Eligible Customers in accordance with the requirements set forth in Section 3.3.

(h) Agency will otherwise assist with and coordinate the overall Program implementation, as reasonably requested by PSE.

### **3.2 Coordination of Benefits**

In connection with each application for benefits received by Agency from a Customer, Agency will determine the Customer's eligibility to receive benefits under LIHEAP and the Program and will coordinate the delivery of such benefits in accordance with the applicable provisions of the Program Rules, the LIP Schedules and the following:

(a) If the Customer is eligible for LIHEAP benefits, Agency will provide the Customer LIHEAP funds until such funds are exhausted or otherwise not available before considering the Customer for benefits under the Program.

(b) If the Customer is not eligible for LIHEAP benefits, but is an Eligible Customer for purposes of the Program and this Agreement, Agency will consider the Customer for benefits under the Program.

(c) If the Customer is an Eligible Customer for purposes of the Program and this Agreement, Agency will provide the Customer electric and/or gas benefits, as applicable and appropriate, under the Program to the extent permitted under the applicable provisions of the LIP Schedules and the Program Rules unless the Customer elects, by written notice to PSE, to participate in a time of day discount assistance program under Schedules 308 and 309 of PSE's Electric Tariff G.

(d) Agency will ensure that (i) no Eligible Customer receives an electric and/or gas Benefit Award more than once in any Program Year, (ii) the electric and/or gas Benefit Award provided to a given Eligible Customer does not exceed the maximum electric and/or gas Benefit Award allowable under the Program, (iii) the Awarded Benefit Amount for a given Program Year does not exceed the Available Benefit Amount for such Program Year without the prior written consent of PSE, and (iv) each Eligible Customer is requalified annually for eligibility under the Program, as required under the provisions of the LIP Schedules and the Program Rules.

### **3.3 Education and Information**

During the Term, Agency will provide to all Eligible Customers, at such times and in the manner reasonably specified by PSE from time to time, the following education and information, as required by the LIP Schedules:

- (a) low-income weatherization program information;
- (b) personal energy management/time of day rate education based on training or materials provided to Agency by PSE;
- (c) information on deferred payment arrangements and budget billing; and

(d) conservation education and information.

### **3.4 Progress Reports**

Agency will furnish to PSE such reports and other information regarding Agency's performance of the Program Services as PSE may request from time to time, including, but not limited to, any reports required or requested by the Commission. The reports may include, among other things, information about any problems experienced or anticipated and other information regarding the Program and Agency's performance of the Program Services.

### **3.5 Qualifications**

Throughout the Term, Agency will be a Qualifying Organization and will take all steps necessary to ensure that it meets all of the criteria for a Qualifying Organization. In addition, Agency will, to PSE's satisfaction, be capable (financially and otherwise) of obtaining, maintaining and operating throughout the Term the personnel, equipment and other resources needed to perform the Program Services in accordance with the Program Rules and this Agreement (including, without limitation, the equipment loaned to Agency and installed by PSE under Section 4.2 for use in the exchange of data and information between Agency and PSE).

### **3.6 Performance**

Agency will efficiently, expeditiously and effectually perform the Program Services in an orderly and professional manner and in accordance with the terms and conditions of this Agreement. Agency will ensure that only properly trained and qualified persons perform the Program Services.

### **3.7 Compliance with Laws**

Agency will comply, and will ensure that the Program Services comply, with all applicable laws, ordinances, rules, regulations, orders and other requirements, now or hereafter in effect, of any governmental authority (including, but not limited to, such requirements as may be expressly set forth in the Program Rules or otherwise imposed upon PSE and applicable to the Program). All laws, ordinances, rules, regulations, orders, licenses and permits required to be incorporated in agreements of this character are incorporated herein by this reference. If Agency at any time has specific knowledge that any portion of the Program Services do not comply with any applicable law, ordinance, rule, regulation, order or other requirement, now or hereafter in effect, of any governmental authority, Agency will promptly notify PSE in writing.

### **3.8 Confidentiality**

With respect to all data and information collected or learned by, or furnished or made accessible to, Agency in connection with the Program or this Agreement, including, but not limited to, all data and information relating to the consumption history, energy usage, account balances and payments of any Eligible Customer or other Customer, Agency will:

(a) keep and maintain such data and information in strict confidence, and not disclose, publish or disseminate such data or information in any way to any person or entity (other than employees of Agency who have a need to know such data or information for purposes of performing the Program Services and who have executed the confidentiality agreement required under Section 3.8(d)) without the prior written consent of PSE, or as otherwise required by law or court order;

(b) ensure that, to the extent any such data or information is furnished or made accessible to Agency by PSE pursuant to Section 4.2 or otherwise, neither Agency nor its employees access, obtain or view any data or information of any Customer who has not previously contacted Agency to make an appointment to meet with Agency for purposes of submitting a fully executed application for benefits under the Program and given oral consent for Agency to access, obtain and view the data and information of the Customer;

(c) use its best efforts to ensure that each Customer whose data or information is accessed, obtained or viewed by Agency or its employees based on the initial contact and oral consent described in Section 3.8(b) thereafter signs and submits to Agency a valid, complete and fully executed application for benefits under the Program, regardless of whether the Customer is eligible to, or does, receive such benefits, unless the Customer fails to meet with Agency at the appointed time and Agency thereafter destroys all materials containing any such data or information within five (5) days;

(d) ensure that each employee or other person who has access to any such data or information has previously executed the confidentiality agreement attached as Exhibit B and that a copy of the fully executed confidentiality agreement has been delivered to PSE; and

(e) create, implement and maintain in effect policies and procedures acceptable to PSE that will ensure Agency's compliance with this Section 3.8.

### **3.9 Exceptions**

Notwithstanding any contrary provision that may be contained herein, any party to this Agreement (and each employee, representative, or other agent of any such party) may disclose to any and all persons, without limitation of any kind, the United States federal

income tax treatment and United States federal income tax structure of the transactions contemplated by this Agreement and all materials of any kind (including opinions or other tax analyses) that are provided to such party relating to such tax treatment and tax structure; provided, however, that the foregoing shall not serve to authorize the disclosure of such information to the extent such information is subject to restrictions reasonably necessary to comply with applicable securities laws, and provided, further that the foregoing shall not serve to authorize the disclosure of the identity of any party or any confidential business information of any party to the extent the disclosure of such identity or information is not related to the United States federal income tax treatment and United States federal income tax structure of the transactions contemplated by this Agreement. The parties to this Agreement acknowledge that they have no knowledge or reason to know that such disclosure is otherwise limited.

### **3.10 Publicity**

Agency will not disclose or release this Agreement, or the details of any of the terms of this Agreement or any of the transactions contemplated by this Agreement, to any third party other than its accountants, attorneys or other representatives who have a need to know the same and who are bound to keep the same confidential (e.g., by contract or rules of professional conduct), except (a) as and only to the extent legally required to do so under any applicable public disclosure or similar laws pursuant to a demand properly made by a third party, or (b) with the prior written consent of PSE. With respect to any disclosure or release required under (a), above, Agency will, unless legally prevented from doing so, give PSE written notice of the planned release or disclosure sufficiently in advance to enable PSE to seek protection from or otherwise minimize the extent of the release or disclosure.

## **Section 4. Obligations of PSE**

### **4.1 Program Implementation**

During the Term, PSE will implement and administer the Program in accordance with the requirements set forth in the Program Rules, the applicable LIP Schedule and the following:

(a) Promptly after the commencement of each Program Year during the Term, PSE will notify Agency in writing of its Allocation for such Program Year. Thereafter, PSE will notify Agency in writing of any adjustments to the Allocation made by PSE during the Program Year based on a reallocation of funding or other adjustment implemented in accordance with the Program Rules. The Allocations in effect as of the date of this Agreement are set forth in the attached Exhibit C.

(b) During the Term, PSE will bill each Eligible Customer for electric and/or gas usage as follows: PSE will first determine the actual cost of the home energy supplied by PSE to the Eligible Customer, calculated under normal billing

processes (the "Initial Account Balance"). PSE will then deduct from the Initial Account Balance the amount of any available LIHEAP benefits to arrive at a LIHEAP-adjusted account balance (the "Interim Account Balance"). PSE will then bill the Eligible Customer the amount by which the Interim Account Balance exceeds the amount of any unused portion (i.e., not previously applied to the Eligible Customer's account with PSE) of the electric and/or gas Benefit Award, as applicable, properly awarded to such Eligible Customer by Agency. If the unused portion of any such Benefit Award exceeds the Interim Account Balance for the relevant period, the difference will be carried over and applied as a credit to future amounts owing by the Eligible Customer on the same PSE account until the Benefit Award is exhausted or is reallocated by PSE. Any such credit remaining at the time the Eligible Customer's account with PSE is closed will be voided out and will be reallocated by PSE in accordance with the Program Rules.

(c) PSE will, during the Term, print and furnish to Agency a reasonable supply of the pro forma applications described in Section 3.1(b) for use by the Customers in applying to receive benefits under the Program.

(d) PSE will provide to Agency such training and/or materials regarding personal energy management/time of day rate education as PSE reasonably determines is necessary to assist Agency in providing such education to Eligible Customers.

#### **4.2 Access to Customer Data**

During the Term, and contingent upon Agency's continued compliance with its confidentiality obligations under Section 3.8 and all other provisions of this Agreement, PSE will provide to Agency access to data and information regarding the energy consumption and account history of those Customers seeking benefits under the Program, in accordance with and subject to any applicable provisions of the Program Rules and the following:

(a) PSE may limit Agency's access solely to the data and information deemed necessary and appropriate by PSE for the proper and efficient implementation and administration of the Program;

(b) PSE will furnish Agency access to the data and information via a connection to PSE's mainframe through Virtual Desktop Interface or, at PSE's election, by other means of delivery such as fax or email; and

(c) PSE will provide to Agency during the Term initial and on-going technical support and assistance, as deemed necessary by PSE, relative to the method of delivery selected by PSE with respect to such data and information.

### **4.3 Information and Education**

During the Term, PSE will provide to all Eligible Customers, at such times and in the manner reasonably determined by PSE from time to time, information on delinquent utility bills and how to access low-income assistance, as required by the LIP Schedules.

### **4.4 Changes to Program Rules**

PSE may from time to time during the Term make changes to the Program Rules. No such change will be effective as to Agency until thirty (30) days after PSE gives Agency written notice of the change. During such thirty (30) day period, Agency may provide comments and input to PSE regarding the impact of the change on the performance of the Program Services, and PSE will, on request, discuss such comments and input with Agency. All such changes will apply to Agency after the end of the above thirty (30) day period unless Agency terminates the Term in accordance with Section 7.3.

## **Section 5. Administrative Fees**

### **5.1 Payment**

Subject to the terms and conditions of this Agreement, PSE will, with respect to each month during each Program Year, provide to Agency a payment toward costs incurred by Agency in performing Program Services during such month. The payment will be used by Agency solely to cover costs incurred by Agency, at its discretion, in its performance of the Administration Services, Education Services, Support Services and other Program Services during the Program Year. Agency will retain onsite records and documentation relating to its use of the payment for audit and review, with appropriate notice to Agency, by PSE and/or its representatives in accordance with Section 6.

### **5.2 Invoices**

Within ten (10) business days following the end of each month during the Term of the program, Agency will submit to PSE an invoice for the expenses incurred and payable to Agency.

### **5.3 Payment of Invoices**

Within ten (10) days after PSE's receipt and verification of each invoice submitted by Agency under Section 5.2 PSE will pay Agency the amounts properly payable under such invoice. Payment will be made in the manner mutually acceptable to both parties. Monthly, Agency will submit to PSE a detailed statement showing the actual costs incurred by Agency in its performance of the Program Services during such Month.



## **5.4 Statement Expectations**

By the thirty-first (31) of October each program year, Agency will provide to PSE a Service Fee budget forecast for the current program year. If at any time the Service Fee budget forecast needs to be adjusted for the current and/or succeeding months, Agency will notify PSE of the adjusted monthly budget two (2) days prior to the end of the month in which the adjustment takes place. Each such statement will be in form and content acceptable to PSE and will be supported by such receipts and other information as PSE may request.

## **5.5 Service Fee Amount**

PSE will specify the initial Service Fee Amount for each Program Year by written notice to Agency given prior to the first day of the Program Year. The initial Service Fee Amount for the Program Year commencing on October 1, 2018, will equal twenty-one percent (21%) of the Allocation for that Program Year. PSE may, by written notice to Agency, adjust the Service Fee Amount for any month of the Program Year based on PSE's review and assessment of, among other relevant factors, a comparison of the then-current Service Fee Amount, the actual costs incurred by Agency, the number of applications for benefits under the Program processed by Agency, and the Awarded Benefit Amount for the current and prior Program Year(s). Each such adjustment by PSE will be effective from and after the first day of the month immediately following the date of PSE's written notice. PSE's determination of the Service Fee Amount for each month of the Program Year will be final and binding on the parties.

## **Section 6. Audits and Annual Evaluation**

### **6.1 Records**

Throughout the Term and for a period of three (3) years after the expiration or termination of the Term, Agency will keep and maintain for examination, copying and audit by PSE complete and accurate records with regard to the Program, the Program Services and this Agreement, including, but not limited to, records and documents generated by Agency in the performance of its obligations under this Agreement and records and documents generated by the Customers and PSE and submitted to Agency. Upon PSE's request, Agency will transfer copies of such records to PSE, at PSE's expense.

### **6.2 Records Audits**

During the Term and for a period of three (3) after the expiration or termination of the Term, Agency will, upon PSE's request from time to time, provide to PSE representatives and/or independent auditors access to the records maintained by Agency under Section 6.1 and other relevant records and documentation (other than any records which have been previously transferred to PSE pursuant to Section 6.1) for examination, reproduction and audit. Each such audit will be conducted during the Agency's business hours.

### **6.3 Financial Audit**

Agency will deliver to PSE annually a copy of a financial audit of Agency's books and records. The financial audit will (a) if Agency is a municipal corporation, county or other governmental agency, be delivered within one (1) year after the end of each fiscal year of Agency during the Term and be conducted by the public auditor assigned by law to perform the audit, and (b) otherwise be delivered within five (5) months after the end of each fiscal year of Agency during the Term and be conducted by an independent certified public accountant selected by Agency and reasonably acceptable to PSE. Each such audit will be conducted in accordance with Generally Accepted Auditing Standards and will be supported by such documents, certificates and other information as PSE may reasonably request.

### **6.4 Annual Evaluation**

Once each Program Year, at the time and in the manner specified by PSE, the parties will undertake a detailed evaluation of Agency's performance of the Program Services, Agency's compliance with the Program Rules and other provisions of this Agreement, and Agency's capability (both financial and otherwise) and qualifications to perform all obligations under this Agreement relating to the administration and implementation of the Program. Agency will, following completion of such evaluation, make such changes and adjustments in its performance as PSE deems necessary or appropriate based on the results of the evaluation.

## **Section 7. Term and Termination**

### **7.1 Term**

The term of this Agreement (the "Term") will commence on the effective date of this Agreement and, unless earlier terminated in accordance with Section 7.2 or Section 7.3, will end on the first anniversary of the effective date of this Agreement.

### **7.2 Termination for Cause**

Either party may terminate the Agreement upon written notice to the other party if the other party breaches any provision of this Agreement and fails to cure such breach with thirty (30) days after it receipt of written notice regarding the breach.

### **7.3 Other Termination**

In the event PSE notifies Agency of any material change in the Program Rules pursuant to Section 4.4 or any adjustment of the Operating Fee Amount pursuant to Section 5.5, Agency may thereafter terminate the Term by giving PSE written notice of termination at any time prior to the expiration of the thirty (30) day period described in Section 4.4 and refunding to PSE any portion of the advances previously paid to Agency under Section 5.1 which have not been used to cover the actual costs incurred by Agency prior to the effective date of termination in performing the Program Services.

#### **7.4 Effect of Termination**

Sections 1, 2.3, 3.8, 4.2, 6, 7, 8, 9 and 11 (and all other provisions of this Agreement which may reasonably be interpreted or construed as surviving the expiration or termination of this Agreement) will survive the expiration or termination of this Agreement.

#### **Section 8. Representations and Warranties**

Agency represents and warrants as follows:

(a) Agency is duly organized, validly existing, and in good standing under the laws of the State of Washington and Agency has all requisite power and authority to carry on its business;

(b) Agency currently meets, and throughout the Term will continue to meet, all of the criteria for a Qualifying Organization;

(c) the execution, delivery, and performance of this Agreement and all actions and transactions contemplated hereby: (i) will not violate any provision of law applicable to Agency or the corporate articles or by-laws of Agency, any order of any court or other agency of government to which Agency is a party or by which it or any of its properties is bound; and (ii) will not violate, be in conflict with, result in a breach of, or constitute (with notice or lapse of time or both) a default under any indenture, agreement, or other instrument to which Agency is a party or which has not been waived or consented to, or result in the creation or imposition of any lien, charge, or encumbrance of any nature whatsoever upon any of its property or assets; and

(d) Agency will perform the Program Services in a professional and skillful manner, in accordance with the terms of this Agreement and in compliance with all standards and rules reasonably established by PSE from time to time.

#### **Section 9. Indemnification**

##### **9.1 By Agency**

Agency shall indemnify, defend and hold harmless PSE from and against any and all third party suits, sanctions, liabilities, legal proceedings, claims, demands, fines, penalties, losses, costs and expenses of whatever kind or character, including but not limited to reasonable attorneys' fees and expenses, for (a) any injury to or death of persons or loss of or damage to property to the extent arising out of the negligent or intentional acts or omissions of the Agency, or its elected and appointed officials, officers, employees and agents, in performing its obligations under this Agreement, or (b) any failure of Agency, or its elected or appointed officials, officers, employees or agents, to comply with this Agreement, the Program Rules or the LIP Schedules. PSE will give Agency prompt written notice of any

such suit, legal proceeding, claim or demand and fully cooperate with Agency (at Agency's expense) in the defense and settlement of the same.

## **9.2 By PSE**

PSE shall indemnify, defend and hold harmless Agency, its elected and appointed officials, officers, employees and agents, from and against any and all third party suits, sanctions, liabilities, legal proceedings, claims, demands, fines, penalties, losses, costs and expenses of whatever kind or character, including but not limited to reasonable attorneys' fees and expenses, for (a) any injury to or death of persons or loss of or damage to property to the extent the same is caused by the negligent acts or omissions of PSE in performing its obligations under this Agreement, or (b) any infringement of a U.S. copyright based on Agency's permitted and proper use of the software furnished by PSE under Section 4.2. Agency will give PSE prompt written notice of any such suit, legal proceeding, claim or demand and fully cooperate with PSE (at PSE's expense) in the defense and settlement of the same.

## **Section 10. Insurance**

### **10.1 Workers' Compensation**

Agency will ensure that, with respect to all persons performing the Program Services, Agency maintains in effect at all times during the performance of the Program Services coverage or insurance in accordance with the applicable laws relating to workers' compensation and employer's liability insurance, regardless of whether such coverage or insurance is mandatory or merely elective under the law.

### **10.2 General Requirements**

Agency will maintain in effect at all times during performance of the Program Services such liability insurance as will protect Agency and PSE from and against any and all claims and liabilities arising out of bodily harm (including death) or property damage that may result from performance of the Program Services or this Agreement, whether such performance is by Agency or its suppliers or contractors. All such insurance will be placed with such insurers and under such forms of policies as may be acceptable to PSE. Agency will ensure that all policies of insurance required under this Agreement will be endorsed to name PSE as an additional insured, and provide that such policies will not be terminated, cancelled, altered or allowed to expire without giving PSE at least thirty (30) days' advance written notice thereof.

### **10.3 Specific Coverage**

Without limiting the generality of Section 10.2, Agency's insurance will include umbrella insurance with limits of at least one million dollars (\$1,000,000) per occurrence.

#### **10.4 Additional Assurance**

Agency will furnish PSE with such certificates of insurance and additional assurances and evidence of insurance (such as copies of all insurance policies certified by an authorized representative of the insurer) as PSE may from time to time request.

#### **10.5 Subrogation Rights**

Agency will ensure that any policies of insurance that Agency carries against loss of or damage to property or against liability for property damage or bodily harm (including death) that may occur in connection with the Program Services or this Agreement will include a waiver of the insurer's rights of subrogation against PSE. To the extent permitted by its insurance policies, Agency hereby waives such rights of subrogation.

#### **10.6 Reservation of Rights**

The requirements of this Agreement as to insurance and acceptability to PSE of insurers and insurance to be maintained by Agency are not intended to and will not in any way limit or qualify the liabilities and obligations of or assumed by Agency under this Agreement.

### **Section 11. Miscellaneous**

#### **11.1 No Assignment**

Agency will not assign all or any part of this Agreement or any of its rights hereunder (including, without limitation, any of its rights in or to the Allocation), or subcontract any of the Program Services, without the prior written consent of PSE. Any such assignment or attempted assignment (or transfer or attempted transfer of any portion of the Allocation) to a third party without such consent of PSE will be null and void unless PSE, at its option, declares it valid in writing. No such assignment or subcontracting will relieve Agency from its responsibility for performance of the Program Services in accordance with this Agreement or from its responsibility for performance of any of its other obligations under this Agreement.

#### **11.2 Notices**

Any notice or other communication under this Agreement will be in writing and will be delivered in person, by facsimile, or mailed, properly addressed and stamped, to the intended recipient at the address appearing on the signature page of this Agreement. Notices will be deemed received only upon actual receipt. Either party may change its address by giving the other party notice of the change in accordance with this paragraph.

### **11.3 No Waiver**

The failure of either party to insist upon or enforce strict performance by the other of any of the provisions of this Agreement or to exercise any right under this Agreement will not be construed as a waiver or relinquishment of its right to assert or rely upon any provision or right in that or any other instance; rather, the provision and right will remain in full force and effect.

### **11.4 PSE Tariffs**

This Agreement is subject to the LIP Schedules, the General Rules and Provisions set forth in Tariff Schedule 80 of PSE's Electric Tariff G, the General Rules and Provisions set forth in Gas Rules 01 through 27-1 of PSE's Gas Tariff WN-U2 as each is approved by the Commission and as the same may be amended from time to time.

### **11.5 Governing Law**

This Agreement will be governed by and construed in accordance with the laws of the State of Washington, without reference to its choice of law rules. Agency will not commence or prosecute any suit, proceeding or claim arising under or by virtue of this Agreement other than in the courts of the State of Washington located in King or Snohomish County or the United States District Court for the Western District of Washington. Agency hereby irrevocably consents to the jurisdiction of the foregoing courts.

### **11.6 Amendment**

No amendments or modifications of this Agreement will be valid unless evidenced in writing and signed by duly authorized representatives of both parties.

### **11.7 Entire Agreement**

This Agreement contains the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior written or oral negotiations, undertakings and agreements with respect to the subject matter hereof.

PSE:

**Puget Sound Energy, Inc.**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Date: \_\_\_\_\_

Agency:

\_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT A**

**Program Rules**



**EXHIBIT B**

**Form Confidentiality Agreement**

**EXHIBIT C**

**Current Allocations**

## **EXHIBIT A**

### **Program Rules**

These Program Rules set forth certain administrative and other rules established by Puget Sound Energy, Inc. ("PSE"), with respect to its Low Income Program ("Program") under Schedule 129 of PSE's Electric Tariff G ("Electric Schedule 129") and Schedule 129 of PSE's Gas Tariff WN-U2 ("Gas Schedule 129"), as the same may be amended from time to time (each, an "LIP Schedule"). They are binding on each agency contracting with PSE to participate in the administration and implementation of the Program (each, a "Participating Agency"). In the event of any conflict or inconsistency between any Program Rule and any provision of an LIP Schedule or the Participating Agency's contract with PSE (the "Agency Agreement"), the provision of the LIP Schedule or Agency Agreement, as applicable, will govern and control. Unless specifically defined otherwise herein, all terms used or defined in the LIP Schedules or the Agency Agreement will have the same meanings when used in these Program Rules.

#### **A. Participation Requirements**

##### **1. Qualifications**

Each Participating Agency must meet, and continue to meet, all qualifications for participation in the Program as specified in the LIP Schedules and/or the Agency Agreement.

##### **2. Technical Requirements**

(a) **Database Connection.** Each Participating Agency will install, operate, and maintain a phone modem, digital subscriber line or cable modem that is dedicated and compatible to receiving data from PSE. Under no circumstances will the connection or any data received through the connection be used for any purpose other than determining a Customer's eligibility to receive benefits under the Program.

(b) **Other.** As reasonably specified by PSE from time to time.

#### **B. Funding Allocation Procedures**

##### **1. Initial Determination**

The Allocation for each Participating Agency with respect to a given Program Year will be determined by PSE in accordance with its standard benefit allocations processes in effect from time to time and in a manner consistent with the LIP Schedules. To the extent consistent with such process and LIP Schedules, the Allocation for a given Participating

Agency in a given Program Year will be proportional to the LIHEAP benefits distributed by that Participating Agency through PSE during the immediately preceding Program Year.

## **2. Reallocation and Adjustments**

The Allocation for each Participating Agency with respect to a given Program Year is subject to reallocation and adjustment by PSE in accordance with its standard benefit reallocation and adjustment processes in effect from time to time and in a manner consistent with the applicable provisions of the Agency Agreement and the LIP Schedules.

Allocated funds may be reallocated by PSE to another agency at the discretion of PSE, and the associated Service Fee percent shall be likewise transferred to the receiving agency. The receiving agency may utilize the associated Service Fees toward client benefit dollars if they elect to forego the use of the money to offset actual costs to administer the program. PSE will acknowledge the transfer of all funds by signing an agency-initiated contract amendment.

If Agency's allocated funds are depleted and a surplus exists with another agency, as determined by PSE on or before June 1<sup>st</sup> of each program year, PSE may, by written notice to Agency, adjust the original Allocation in order to reallocate funds to another Agency, based on PSE's review and assessment of factors it deems appropriate, including an Agency Spending Forecast of benefit dollars for the current program year and historical spending patterns.

Once each Program Year, at the time and in the manner specified by PSE, Agency will furnish to PSE, a spending forecast of benefit dollars for the current program year.

## **C. Program Eligibility**

### **1. Initial Screening**

Upon being contacted by a Customer about the Program, the Participating Agency will furnish a PSE-approved application for Program benefits to the Customer and make best efforts to determine the Customer's:

- (a) Identity;
- (b) Address;
- (c) PSE Account;
- (d) Monthly/Annual Income; and
- (e) Energy usage history (electric and/or gas).

In accessing any data or information from PSE regarding the Customer, the Participating Agency will comply with all access and confidentiality procedures and requirements set forth in the Agency Agreement. The Participating Agency will ensure that each Customer whose

data or information from PSE is obtained, viewed or accessed by any employee of the Participating Agency subsequently (at the first available opportunity) signs an application for benefits that includes a valid and effective authorization for the disclosure of such data and information to the Participating Agency.

## 2. Application Processing

(a) **Review.** Each application for benefits under the Program received by the Participating Agency will be promptly reviewed and processed by the Participating Agency. The Participating Agency will keep the Customer informed of the status of the application and will use best efforts to reach a final determination as to the Customer's eligibility for benefits within ten (10) days after receipt of the application.

(b) **Documentation.** The Participating Agency will ensure that each Customer seeking benefits under the Program submits to the Participating Agency the following documents before making a final determination as to the Customer's eligibility for benefits under the Program:

(i) a complete and fully executed application for benefits that includes a valid and effective authorization for the disclosure of PSE data and information to the Participating Agency;

(ii) a copy of the Customer's current photo identification with birth date (e.g., driver's license, government-issued identification card or passport);

(iii) a copy of Customer's proof of current address;

(iv) a copy of Customer's proof of PSE account; and

(v) a copy of all documents necessary to verify Customer's average gross monthly income for the immediately preceding month. If the household is determined to be ineligible using the immediately preceding month's income, the applicant must be offered the opportunity to provide the immediately preceding 3 month's or 12 month's income documentation to re-determine eligibility.

(c) **Energy Usage History.** The Participating Agency will, with respect to each Customer seeking benefits under the Program, calculate and determine the Customer's energy usage history as follows before making a final determination as to the Customer's eligibility for benefits under the Program:

(i) if Customer has had a PSE account continuously for twelve (12) or more months, Customer's twelve (12) month energy usage history (electric and/or gas) will be based on the actual energy usage information from PSE;

(ii) if Customer has not had a PSE account continuously for at least twelve (12) months, Customer's twelve (12) month energy usage history (electric

and/or gas) will be based on the actual energy usage information from PSE for the Customer's current residence;

(iii) if Customer has never had a PSE account, Customer's twelve (12) month energy usage history (electric and/or gas) will be based on the twelve (12) month meter history for the Customer's current residence; and

(iv) if Customer has never had a PSE account and is a new resident within PSE's service area, Customer's twelve (12) month energy usage history (electric and/or gas) will be based on the then-current average consumption data table furnished to Agency by PSE.

**(d) Educational Information.** With respect to each Customer that signs and submits to the Participating Agency an application for benefits under the Program, or otherwise requests information from the Participating Agency regarding the Program, the Participating Agency will provide the Customer with PSE-approved information regarding:

- (i) the Program;
- (ii) PSE's low-income weatherization program;
- (iii) PSE's personal energy management/time of day rate program;
- (iv) PSE's deferred payment arrangements and budget billing; and
- (v) energy conservation.

### **3. Eligibility Determination**

**(a) General.** The Participating Agency will, with respect to each Customer that submits an application for benefits under the Program, determine the Customer's eligibility for benefits in accordance with the eligibility criteria and other requirements set forth in the LIP Schedules, the Agency Agreement and these Program Rules.

**(b) Persons Eligible.** Any Customer that meets the eligibility criteria and other requirements set forth in the LIP Schedules, the Agency Agreement and these Program Rules is eligible for benefits under the Program.

**(c) Persons Not Eligible.** The following persons are not eligible for benefits under the Program:

- (i) any person who is not a Customer;
- (ii) any person whose name does not appear on a valid PSE account, unless the person's name is added as a secondary name on the PSE account;
- (iii) any Customer having a landlord PSE account;
- (iv) any Customer having a commercial PSE account;

(v) any Customer having an industrial PSE account; and

(vi) any Customer that does not meet the eligibility criteria or other requirements set forth in the LIP Schedules, the Agency Agreement and these Program Rules for benefits under the Program.

**D. Benefit Award Determination**

**1. Amount**

(a) **General.** The Participating Agency will, with respect to each Eligible Customer, determine the amount of the Benefit Award to be provided to the Eligible Customer under the Program in accordance with all applicable criteria and requirements set forth in the LIP Schedules, the Agency Agreement and these Program Rules.

(b) **Specific Criteria.**

**PSE Formula**

$$.70 - \left( \frac{194.61}{1950.39 - \text{mi/ha}} \right) \times \text{AEC} = \text{Benefit Award}$$

**PSE Formula if LIHEAP Awarded.**

$$.70 - \left( \frac{194.61}{1950.39 - \text{mi/ha}} \right) \times (\text{AEC} - \text{LIHEAP}) = \text{Benefit}$$

**mi = monthly income**

**ha = household size adjuster**

**AEC = annual energy cost**

(c) **Minimum Benefit.** A customer who meets the income qualifications, and who's benefit results in a negative number, will be granted the minimum award of \$100.00.

(d) **Limitations.** Each Participating Agency will ensure that the amount of any Benefit Award does not exceed the maximum amount for which the Eligible Customer is

eligible under the LIP Schedules or, if less, the total amount of the Eligible Customer's energy costs for the immediately preceding Program Year.

## **2. Allocation of Benefit Award**

Each Participating Agency will allocate any Benefit Award provided to an Eligible Customer between electric and gas benefits as follows:

(a) **Dual Service.** If the Eligible Customer receives both electric and gas service from PSE, then the benefit split between electric and gas must be calculated proportionately to the household's usage.

For example: If the total energy usage for the home is \$1,000.00, with \$600 for gas consumption and \$400 for electric consumption. The proportional split of the benefit amount will be 60/40. 60% disbursed from the gas funds and 40% dispersed from the electric funds.

(b) **Electric Service Only.** As reasonably specified by PSE from time to time in a manner consistent with the LIP Schedules.

(c) **Gas Service Only.** As reasonably specified by PSE from time to time in a manner consistent with the LIP Schedules.

## **3. Coordination with Other Programs**

Each Participating Agency will coordinate the benefits provided to an Eligible Customer under the Program and any benefits provided to the Eligible Customer under LIHEAP or any other low income program in accordance with the applicable provisions of the LIP Schedules, the Agency Agreement and these Program Rules.

### **(a) Clarification to "LIHEAP Exhausted"**

An Agency **May** consider that LIHEAP funds are exhausted if the following condition is met:

- A customer has received a LIHEAP benefit, and the customer's account shows a credit balance of up to \$600 or less. PSE may, by written notice to Agency, adjust the 'LIHEAP Exhausted' Amount for any Quarter of the Program Year based on PSE's review and assessment of large credit balances, among other relevant factors. Each such adjustment by PSE will be effective from and after the first day of the Quarter immediately following the date of PSE's written notice. PSE's determination of the 'LIHEAP Exhausted' Amount for each Quarter of the Program Year will be final and binding on the parties.



**Example:** Mr. Smith has an outstanding balance in his PSE account of \$250. He applies for LIHEAP and receives \$850. His account shows a credit balance of \$600: Therefore, Mr. Smith’s LIHEAP is exhausted and he is eligible for PSE HELP.

An Agency **may** consider that LIHEAP funds are exhausted if the following condition is met:

- The proportion of LIHEAP payments the Agency has made to PSE in the current program year equals or exceeds the proportion of LIHEAP payments made to PSE in the prior year. This calculation shall only be used for purposes of determining when LIHEAP funds are considered “exhausted”, it shall in no way determine or limit the amount of LIHEAP available to PSE Customers. A table showing the average proportion for each agency is attached.

**Example:** Last year, the Agency has disbursed LIHEAP to all vendors in the amount of \$150,000. Of this PSE received \$25,000. PSE’s average proportion was  $\$25,000/\$150,000= 17\%$ . In the current year, the Agency is allocated \$200,000 in LIHEAP. Once \$34,000 of LIHEAP is disbursed to PSE, LIHEAP is exhausted and the Agency may begin disbursing HELP funds to all PSE customers who meet other eligibility requirements.

**Comparison of Total LIHEAP Assistance to PSE Customers and Total Agency Spending**

Agency	Total Agency 2019 Spending Total 9/20/19	PSE 2019 Spending Total 9/20/19	Spending on PSE Customers as a % of Total LIHEAP Spending
Byrd Barr Place	\$ 1,809,005	\$ 165,842	9.2%
Hopelink	\$ 1,600,082	\$ 1,375,248	85.9%
Kitsap CR	\$ 817,576	\$ 690,432	84.4%
HopeSource	\$ 412,540	\$ 145,684	35.3%
CAC of LMT	\$ 2,114,602	\$ 1,130,588	53.5%
MDC	\$ 1,095,834	\$ 82,677	7.5%
Multi-Service Center	\$ 2,735,943	\$ 2,468,574	90.2%
Pierce County	\$ 1,474,838	\$ 832,611	56.5%
CA of Skagit County	\$ 609,561	\$ 405,523	66.5%
Snohomish County	\$ 1,329,815	\$ 140,252	10.5%
Opportunity Council	\$ 1,575,982	\$ 1,096,231	69.6%
<b>Total</b>	<b>\$ 15,586,280</b>	<b>\$ 8,543,254</b>	<b>54.8%</b>

**E. Benefit Award Processing**

**1. Information to PSE**

For any week in which the Participating Agency has determined a Customer to be eligible for benefits under the Program, the Participating Agency will deliver to PSE a report that, at a minimum, contains the following information for each Eligible Customer:

- (a) the Eligible Customer's PSE Account Number;
- (b) the Eligible Customer's address of record with PSE; and
- (c) the size and allocation of the Benefit Award.

**2. Reporting Requirements**

Each Participating Agency will submit its weekly report to the designated representative of PSE by 5:00 P.M. on Thursday of that week. If such Thursday is a legally recognized holiday, the Participating Agency will submit the report to PSE by 5:00 P.M. on the day immediately preceding that Thursday which is not a legally recognized holiday.

**3. Application of Award Credit**

The Benefit Award will be applied to the Eligible Customer's account by PSE in accordance with its standard credit processes in effect from time to time and in a manner consistent with the applicable provisions of the Agency Agreement and the LIP Schedules.

**F. Relocation/Account Termination**

**1. Change of Address**

If an Eligible Customer relocates with a positive Benefit Award balance and remains a Customer after relocation, then the positive Benefit Award balance will be available for use with respect to the Eligible Customer's new PSE account.

**2. Account Termination**

If an Eligible Customer relocates with a positive Benefit Award balance and does not remain a Customer after relocation, then the positive Benefit Award balance will be voided and removed from the Eligible Customer's account and reallocated within the Program as PSE determines in its sole discretion.

**G. Service Fee Amounts**

The Service Fee Amount for each Participating Agency with respect to a given Program Year will be established by PSE in accordance with its standard allocation processes in effect from time to time and in a manner consistent with the applicable provisions of the Agency Agreement and the LIP Schedules.

**H. Termination of Participation**

Upon termination of the Agency Agreement for any Participating Agency, the Participating Agency will, upon demand, refund to PSE the unused portion of the advances of the Service Fee Amount paid to such Participating Agency for the then-current Program Year. Unless otherwise agreed by the parties in writing, such unused portion will be deemed to be the sum of all advances of the Service Fee Amount paid to the Participating Agency for the Program Year less the direct costs actually and reasonably incurred by Agency prior to the effective date of termination in the performance of the Program Services during the Program Year.

## **EXHIBIT B**

### **Form Confidentiality Agreement**

In consideration of my employment or engagement as an employee or independent consultant of \_\_\_\_\_ ("Agency"), the opportunities for advancement that such employment or engagement provides me, the compensation paid to me by Agency, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, I agree as follows:

1. I understand that (a) Agency and Puget Sound Energy, Inc. ("PSE"), have entered into a Low Income Program Agency Agreement, dated \_\_\_\_\_ (the "LIP Agreement"), under which Agency will provide certain services in support of PSE's low income assistance program (the "Program"), (b) in connection with those services I may have access to information and data that relates to PSE and its customers and is not generally available to the public (the "PSE Information"), and (c) my execution of this confidentiality agreement (the "Agreement") and my strict compliance with its terms are express requirements of the LIP Agreement and are being relied upon by PSE in making the PSE Information available to Agency and to me.

2. I acknowledge the confidential nature of the PSE Information and will keep the PSE Information strictly confidential. In furtherance of the foregoing, I will (a) protect all PSE Information from any unauthorized access, use, disclosure, copying, dissemination or distribution, (b) make the PSE Information available only to those employees of Agency who have a need to know the same for purposes of providing services in support of the Program in accordance with the LIP Agreement, and (c) respect and safeguard the privacy of all PSE customers and maintain the confidentiality of all information relating to those customers.

3. I will not (a) access or use any PSE Information except as strictly required to perform the services in support of the Program in accordance with the LIP Agreement, (b) disclose, publish, disseminate, display or distribute any PSE Information to any third party, or (c) remove any markings on the PSE Information indicating its confidential nature.

4. I will notify Agency of any unauthorized use, access, disclosure, dissemination or distribution of any PSE Information by me or any other person immediately after the same is made known to or discovered by me.

5. I will not use the computer sign-on, access code or password of any other person or provide my computer sign-on, access code or password to any other person. I will not access or view any PSE Information unless it is properly authorized by Agency and permitted under the terms of the LIP Agreement. In addition, I will not, without proper authorization, copy or preserve by paper writing, electronic, or any other means any PSE Information. If I am in doubt about whether the authorization provided is proper, I will seek and obtain guidance from a representative of Agency and/or PSE.

6. I will comply with any and all applicable laws relating to the use, disclosure, copying, dissemination and distribution of any PSE Information.

7. This Agreement is not a contract of employment and no rights of employment are hereby created. This Agreement will survive any termination of my employment.

8. PSE will be a third-party beneficiary of this Agreement. In the event of any breach of this Agreement, PSE may suffer irreparable harm and have no adequate remedy at law. In such event or the threat of any such event, PSE will be entitled (in addition to any and all other remedies) to injunctive relief, specific performance and other equitable remedies without proof of monetary damages or the inadequacy of other remedies.

9. This Agreement will be interpreted, construed and enforced in accordance with the laws of the State of Washington without regard to its choice of law principles to the contrary. I hereby irrevocably consent to the jurisdiction and venue of any state or federal court located in King County, Washington, with regard to any legal action or proceeding relating to this Agreement.

10. This Agreement may not be amended, except by a writing signed by the party against whom such amendment is to be enforced.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Full Name (print or type)

Accepted:

**[Agency]**

By: \_\_\_\_\_

Its: \_\_\_\_\_

### Exhibit C 2019-2020

The following Schedule sets forth the Available Benefit Amount for each agency. In addition, the amount to be paid to the agencies for Service Fees as described in the Low Income Agency agreement, is listed.

#### Puget Sound Energy Low Income Program 2019-2020 Agency Allocations

County	LIHEAP Contractor	Electric Allocation	Gas Allocation	Total Allocation	Electric Benefit Amount	Gas Benefit Amount	Total Benefit Amount	Total Operating Fees Allocation
				<b>100%</b>			<b>79%</b>	<b>21%</b>
King	2. Multi-Service Center	5,768,465	870,954	6,639,420	\$ 4,557,088	\$688,054	\$5,245,141	\$1,394,278
	3. Hopelink	2,890,587	1,037,544	3,928,130	\$ 2,283,563	\$819,659	\$3,103,223	\$824,907
	4. Byrd Barr Place	0	721,119	721,119	\$ -	\$569,684	\$569,684	\$151,435
Kitsap	5. Kitsap Community Resources	1,755,844	0	1,755,844	\$ 1,387,117	\$0	\$1,387,117	\$368,727
Hopesource	12. HopeSource	364,608	10,057	374,666	\$ 288,040	\$7,945	\$295,986	\$78,680
Lewis/Thurston	6. CAC of Lewis/Mason/Thurston Co.	2,514,446	616,835	3,131,281	\$ 1,986,412	\$487,300	\$2,473,712	\$657,569
Pierce	7. Pierce Co. Human Services	1,820,571	507,556	2,328,127	\$ 1,438,251	\$400,969	\$1,839,220	\$488,907
	8. MDC	0	359,498	359,498	\$ -	\$284,004	\$284,004	\$75,495
Skagit	9. Community Action of Skagit County	1,031,289	0	1,031,289	\$ 814,718	\$0	\$814,718	\$216,571
Snohomish	10. Snohomish Human Service Department	0	609,848	609,848	\$ -	\$481,780	\$481,780	\$128,068
Whatcom/Island	11. The Opportunity Council	2,787,835	0	2,787,835	\$ 2,202,389	\$0	\$2,202,389	\$585,445
<b>TOTALS</b>		<b>18,933,644</b>	<b>4,733,411</b>	<b>23,667,055</b>	<b>\$ 14,957,579</b>	<b>\$3,739,395</b>	<b>\$18,696,973</b>	<b>\$4,970,082</b>