

PSE's Time-Varying Rates

Stakeholder Collaborative #1

May 7, 2025



**PUGET
SOUND
ENERGY**

Welcome, Introduction & Ground Rules

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Ground Rules

- Meeting is being recorded; please mute yourself
- Come with a clean slate and open mind
- Be respectful of diverse viewpoints
- Listen actively to others and ask questions –no question is too elementary
- Leave the meeting with a clear sense of next steps

Agenda

- Introduction
- Safety Moment
- Pilot Transition Plan
- Opt-out vs Opt-in
- Residential Rate Design
- Low Income Customer Solutions
- Next Steps



Personal Protection in the Spring

- Wear appropriate clothing for changing weather
- Use proper sun protection as days get longer
- Stay hydrated as temperatures rise
- Be aware of seasonal allergies that may affect alertness

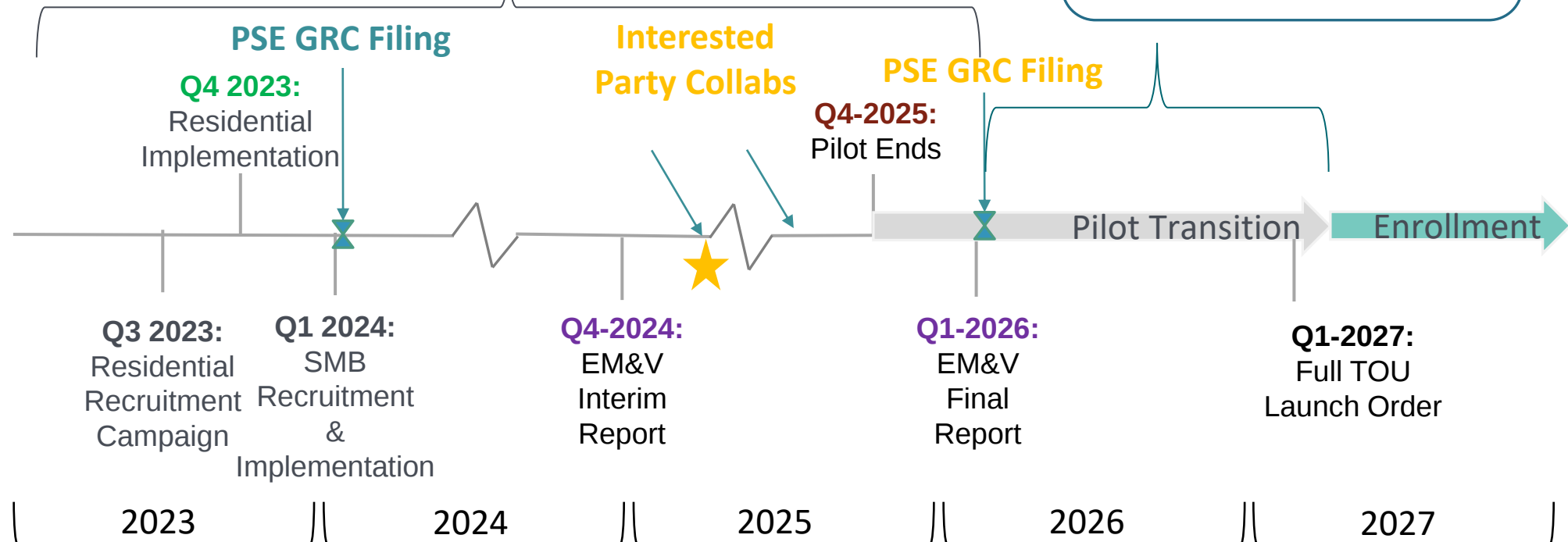


TOU Pilot Timeline

Pilot Duration **October 2023** through **September 2025**

- EM&V Interim Report using data ending **September 2024**
- EM&V Final Report using data ending **September 2025**

Calibrate TOU Pilot Findings
for Full Scale **Residential**
Deployment(s)



Pilot Transition Plan

On or after October 1st, 2025

Proposal

- Close SCH 317 & allow enrolled customers to opt-in to either SCH 307 or 327 (or default to 7)
- Close SCH 324 & transition customers back to SCH 24
 - Pros
 - Aligns with 2024 GRC testimony (UE-240004;EXH. BDJ-1T)
 - May speed 2027 Full Scale Deployment
 - Mitigates launch obstacle for opt-out enrollment in Behavioral Demand Response
 - Considerations
 - Would require modifying caps
 - Decoupling mechanism required if caps lifted
 - Bill Protection and Enabling Technology provisions TBD

Activities

- File modified tariffs with Commission in July/August
- Initiate IT activities
- Customer outreach and awareness

Opt-out vs Opt-in for Full-scale Time-Varying Rates

Potential Residential Customer Options:

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- Likely Enrollment Level
1. Opt-in to TOU at will
 2. New customers enrolled in TOU with opt-out, existing customers can opt-in
 3. All customers migrated to TOU rate with opt-out to schedule 7 or other TOU
 4. All customers migrated to TOU rate with opt-out to premium schedule 7+ (higher rates + demand response) or other TOU
 5. All customers migrated to TOU rate with other TOU option(s); schedule 7 decommissioned

Residential Rates for Full-scale TVR Launch Starting Q1 2027

Maintain multiple tariffs to increase customer choice? (1, 2, or 3 tariffs?)

- General TOU (2 price period)?
- Whole home + EV TOU (3 price period)?

3-hour or 4-hour peak periods?

Maintain distinct winter morning peak?

Mandatory participation in demand response?

Low Income Customer Solutions

Since designing and launching the Pilot PSE has deployed or expanded a variety of capabilities to support income-eligible customers in reducing their energy burden.

-Enabling Technology

Smart Thermostats

EV Chargers

Heat Pump Water Heaters

-Income Eligible

Bill Discount Rate

Home Energy Lifeline Program (HELP)

Past Due Bill Forgiveness

Low-Income Home Energy Assistance Program (LIHEAP)

Next Steps

PSE to share polling data and slide deck

PSE to schedule Collaboration #2 for late June or early July

PSE to distribute Year 1 EM&V Bill Impact Analysis