



Exhibit 9

Condition Compliance Checklist

2014

Condition Compliance Checklist

PSE 2014-2015 ENERGY EFFICIENCY DELIVERABLES---COMPLIANCE STATUS


As of: 01/12/15

Section or Condition Number	Detailed Condition	<p style="text-align: center;">Condition is met when:</p> <p><i>(As PSE has consistently demonstrated over the past few years, we will respond to requests for details not already contained in provided filings, reports or analyses on an ongoing basis.)</i></p>	<p>Complete?</p> <p>Blank = No Date = Pending Check = Yes Hourglass = In Progress X = Non-compliant</p>
A(1)	<p>The following parties reached agreement on the terms for approval of Puget Sound Energy Inc's Ten-Year Achievable Conservation Potential and Biennial Conservation Target, which Puget Sound Energy filed in Docket UE- 100177 on June 18, 2010: Puget Sound Energy, Inc. ("PSE" or the "Company"); the Staff of the Washington Utilities and Transportation Commission; the Public Counsel Section of the Attorney General's Office; Intervenor (sp) Industrial Customers of Northwest Utilities; and Intervenor NW Energy Coalition ("NWECC ") (hereinafter referred to collectively as "Executing Parties"). This Settlement Agreement ("Agreement") is the agreement reached by the Executing Parties.</p>		Not applicable-- No deliverable
A(2)	<p>The Executing Parties intend that this Agreement shall supersede and replace the Settlement Terms for Conservation, Exhibit F to the Settlement Stipulation in Docket UE-011570 for electric conservation. This Agreement addresses conservation of electricity only. It does not address conservation of natural gas. The Northwest Industrial Gas Users and The Energy Project, signatories to the Settlement Terms for Conservation, Exhibit F to the Settlement Stipulation in Docket UG-011571 but not parties in Docket UE-100177, participated in discussions about the preparation of this Agreement. Nothing in this settlement shall affect the natural gas Settlement Terms for Conservation, Exhibit F to the Settlement Stipulation in Docket UG-011571 with respect to natural gas conservation, which remains in full force and effect with respect to natural gas conservation issues.</p> <p>(Emphasis added.)</p>		Not applicable -- No deliverable
A(3)	<p>The approval of Initiative 937 in 2006, codified in Chapter 19.285 of the Revised Code of Washington as the Energy Independence Act, and PSE's subsequent filing in Docket UE-100177, resulted in the need to update and amend the electric conservation provisions of the Settlement Terms for Conservation, Exhibit F to the Settlement Stipulation in Docket UE-011570. Those changes are included in this Agreement. RCW 19.285.040(1) and WAC 480-109-010 require utilities to identify achievable cost-effective conservation potential using methodologies consistent with those used by the Northwest Power and Conservation Council ("Council").</p>		Not applicable -- No deliverable
B(4)	<p>This Agreement establishes a conservation program with no sunset date. Any party may petition the Commission for modifications to the program, including in a general rate case proceeding. Nothing herein prevents any party from commenting on any filings under this or any other docket before the Commission.</p>		Not applicable -- No deliverable
B(4)(a)	<p>Except where expressly stated, the conditions in Section K and all other provisions of this Agreement are intended to remain in effect notwithstanding the biennial review conducted under the Energy Independence Act. Any party may petition to, or the Commission may on its own motion and notice to parties, modify the conservation program if required by the results of the review.</p>		Not applicable -- No deliverable
B(4)(b)	<p>In the event that PSE is not required to set or achieve specific conservation savings targets by the Energy Independence Act or other state law, PSE agrees to continue a conservation program that is consistent with the provisions of the 2002 Settlement, such that the programs funded through PSE's tariff rider will be designed to achieve all savings that are not independently captured by consumer acquisition, that are cost-effective to the Company, and economically feasible for consumers, taking into account incentives provided by PSE.</p>		Not applicable -- No deliverable

PSE 2014-2015 ENERGY EFFICIENCY DELIVERABLES---COMPLIANCE STATUS

Last Updated: 1/12/2015





As of: 01/12/15

Section or Condition Number	Detailed Condition	<p style="text-align: center;">Condition is met when: (As PSE has consistently demonstrated over the past few years, we will respond to requests for details not already contained in provided filings, reports or analyses on an ongoing basis.)</p>	<p>Complete?</p> <p>Blank = No Date = Pending Check = Yes Hourglass = In Progress X = Non-compliant</p>
C(5)	PSE shall set the ten-year conservation potential and the biennial conservation targets as required by the Energy Independence Act (RCW 19.285) and WAC 480-109 and consistent with this Agreement.		Not applicable -- No deliverable
C(6)	In general each individual energy efficiency program shall be designed to be cost-effective.		Not applicable -- No deliverable
D(7)	PSE shall establish an external Advisory Committee. The Advisory Committee shall address, but not be limited to the issues identified in Section K.3 of this Agreement.		Not applicable -- No deliverable
D(8)	Advisory Committee membership shall be established as follows. The Company shall extend an invitation to serve as an Advisory Committee member to a representative from at least each of the following organizations: WUTC staff, Attorney General Office of Public Counsel, NW Energy Coalition, Energy Project, Natural Resources Defense Council, Pacific Northwest Electric Power and Conservation Council, Industrial Customers of Northwest Utilities, Northwest Industrial Gas Users, Washington State Department of Commerce, Northwest Energy Efficiency Council, and the Department Of Energy Weatherization Assistance Program provider network. Additionally, the Company shall seek customer representatives from the residential, commercial, industrial, and institutional sectors to serve on the Advisory Committee. Other interested parties may attend Advisory Committee meetings as well, but will not be considered Advisory Committee members. This ongoing committee is now called the Conservation Resources Advisory Group (CRAG).		Not applicable -- No deliverable
E(9)	To determine which energy efficiency programs and measures are cost-effective, PSE shall rely on a calculation of avoided cost consistent with the Council methodology and with the Energy Independence Act.		Not applicable -- No deliverable
UG-011571 (2002 Rate Case Stipulation Agreement) F.16	PSE shall develop, in conjunction with its August 2002 filing, avoided costs for natural gas efficiency programs, with review from the Advisory Committee, by analyzing similar components of system costs.	PSE presents its Annual or Biennial Conservation Plan, that includes gas program avoided costs in Exhibit 2.	
E(10)	PSE may modify, after consultation with the CRAG, the Company's calculation of avoided cost based upon the following: modification to one or more component values of the calculation, use of a forecasting tool or production cost model other than Aurora, establishment of load factors that are more specific to PSE's service territory, or other information relevant to the calculation of avoided cost.	PSE conveys the date that the CRAG was consulted.	

PSE 2014-2015 ENERGY EFFICIENCY DELIVERABLES---COMPLIANCE STATUS

Last Updated: 1/12/2015





As of: 01/12/15

Section or Condition Number	Detailed Condition	Condition is <u>met</u> when: <i>(As PSE has consistently demonstrated over the past few years, we will respond to requests for details not already contained in provided filings, reports or analyses on an ongoing basis.)</i>	Complete? Blank = No Date = Pending Check = Yes Hourglass = In Progress X = Non-compliant
F(11)	The annual budget of the program will be built up from the bottom through the development of a mix of programs that deliver cost-effective savings in PSE's service territory. PSE's conservation targets developed under RCW 19.285.040(1) will direct development of the mix of cost effective programs that will establish the budgets for efficiency programs.	PSE provides to the CRAG its draft of biennial budgets and savings goals on September 1 each odd year.	
UG-011571 (2002 Rate Case Stipulation) H.25	Tariff-rider funds shall only be used on programs and their associated administrative costs that result in energy savings through energy efficiency investments or fuel switching. This may include reasonable administration costs for PSE's net metering program. (Emphasis added.)	PSE provides its annual budgets in its Conservation Plans and reports expenditures in its Annual Reports.	
F(12)	Schedule 449 customers are eligible for self-direction under existing Schedule 258 and participation in efficiency programs offered by PSE, except as stated in paragraph 13. Schedule 258 customers who are not on Schedule 449 will be eligible to participate in other programs offered directly by PSE. Non-449 Schedule 258 customers will share in paying NEEA/market transformation and administration costs consistent with all other non-449 customers.	PSE provides Schedule 120 and/or Schedule 258 work papers.	
F(13)	Each Schedule 449 customer can self-direct and/or participate in programs offered directly by PSE up to a total dollar cap equal to the annual efficiency funding level for that 449 customer minus 17.5% of that amount. The 17.5% represents payments for market transformation (10%) and for administration (7.5%).	PSE provides Schedule 120 and/or Schedule 258 work papers.	

PSE 2014-2015 ENERGY EFFICIENCY DELIVERABLES---COMPLIANCE STATUS

Last Updated: 1/12/2015




As of: 01/12/15

Section or Condition Number	Detailed Condition	Condition is met when: (As PSE has consistently demonstrated over the past few years, we will respond to requests for details not already contained in provided filings, reports or analyses on an ongoing basis.)	Complete? Blank = No Date = Pending Check = Yes Hourglass = In Progress X = Non-compliant
G(14)	PSE will continue to honor Commitments 22 and 23 from U-072375 with regard to future funding levels for low-income energy conservation programs based on the 2010-2011 planning levels. PSE will continue to work with agencies to provide additional funding above that established by Commitment 22 if additional production through the existing or newly developed cost-effective programs warrants it. In addition, PSE will continue to contribute a total of \$300,000 of shareholder funds annually for low-income weatherization regardless of fuel type.	PSE provides its budget drafts to the CRAG on September 1 each year.	
H(15)	The Company shall retain the existing rider mechanism going forward, subject to the Commission's Order in Docket No. UE-970686.	PSE files its Schedule 120 each March 1. Gas Tracker converted to Rider mechanism, Docket No UG-120812.	
H(16)	The Company shall continue to use the peak credit method of assigning the costs of its electric conservation programs to each rate schedule with one exception, the Schedule 449 customers. (The CRAG will review cost allocation methodology per Section K, Paragraph (11)(c)). Schedule 449 customers currently pay 0.0944 cents per kWh toward the cost of the current Schedule 258 four-year conservation program (4/1/10 – 4/1/14). The current practice is to hold the payment amount constant over the Schedule 258 period. This amount is based on a \$164 million biennial electric conservation-only budget for 2010-11, and is scalable in the next Schedule 258 budget cycle depending on whether the overall conservation budget increases or decreases. In 2002, the Schedule 449 customers paid 0.045 cents per kWh toward the cost of the conservation program. This amount was based on a \$20 million annual budget.	A final revised Schedule 258 was filed and approved in August, 2011.	
UG-011571 (2002 Rate Case Stipulation) L.38	Gas conservation program costs will be allocated in a manner consistent with the gas program in effect in May 2002. No gas conservation program costs shall be allocated for recovery from natural gas transportation customers. Natural gas program cost recovery allocations made to natural gas sales customers shall be made according to the peak credit (i.e., bridge) methodology that underlies Puget's recovery for surcharges for its current conservation programs as approved in March 2002 in Docket No. UG-020264.		

PSE 2014-2015 ENERGY EFFICIENCY DELIVERABLES---COMPLIANCE STATUS

Last Updated: 1/12/2015



As of: 01/12/15

Section or Condition Number	Detailed Condition	Condition is met when: (As PSE has consistently demonstrated over the past few years, we will respond to requests for details not already contained in provided filings, reports or analyses on an ongoing basis.)	Complete? Blank = No Date = Pending Check = Yes Hourglass = In Progress X = Non-compliant
I(17)	Achievement of the biennial targets for savings from cost-effective electricity conservation programs shall be subject to the penalty/incentive provisions of the Energy Independence Act. In the event that statutory penalties/incentives no longer apply under the Energy Independence Act or other state law or Commission order, PSE agrees to develop and propose a replacement penalty mechanism in consultation with the CRAG. At the same time, PSE may propose an incentive mechanism in consultation with the CRAG.	Subsequent to the submittal and approval of its electric conservation achievements, PSE pays any agreed-to fines due.	
UG-011571 (2002 Rate Case Stipulation Agreement) M.43	<p>The financial penalties for failure to achieve the annual conservation savings targets are as follows.</p> <ul style="list-style-type: none"> • Achieve savings that are 90 to 99% of the goal: \$200,000 penalty applies • Achieve savings that are 75% to 89% of the goal: \$500,000 penalty applies <p>Achieve savings that are less than 75% of the goal: \$750,000 penalty applies</p>	PSE documents the presentation of the penalty calculation figures and the resultant indication of penalty/no penalty status.	Due in 2016
I(18)	The Company shall provide biennial notification in a Conservation Report Card to its customers regarding the Company's performance related to its biennial savings targets under the Energy Independence Act. [The following is after I(18)(d)(3)] The report also may contain reference to PSE's ongoing energy efficiency programs, including encouragement for customers to participate in those programs. The report shall:	Please see I(18)c	
UG-011571 (2002 Rate Case Stipulation Agreement) M.44	The Company shall provide biennial notification in a Conservation Report Card to its customers regarding the Company's performance related to its annual savings targets. The report shall: (All agree with I(18)(a), I(18)(b). M.44.c, though, indicates: Be distributed no later than 90 days after the filing of the Annual Conservation report (currently due February 15), beginning in 2006 and every two years thereafter.	PSE provides documentation of the notification "proof" and the first delivery date.	
I(18)(a)	Be distributed as a conspicuous stand-alone document accompanying a customer's bill or in a separate mailing and also posted to PSE's website.	Please see I(18)c	Only the condition section heading will be checked.

PSE 2014-2015 ENERGY EFFICIENCY DELIVERABLES---COMPLIANCE STATUS

Last Updated: 1/12/2015







As of: 01/12/15

Section or Condition Number	Detailed Condition	<p>Condition is met when: (As PSE has consistently demonstrated over the past few years, we will respond to requests for details not already contained in provided filings, reports or analyses on an ongoing basis.)</p>	<p>Complete?</p> <p>Blank = No Date = Pending Check = Yes Hourglass = In Progress X = Non-compliant</p>
I(18)(b)	Be distributed to customers only after adequate consultation with Staff and the CRAG.	The CRAG received the gas report card at the March 22 CRAG meeting. The electric report card will commence delivery 90 days after the Commission acknowledges PSE 2010-2011 electric conservation achievement.	Only the condition section heading will be checked.
I(18)(c)	Be distributed no later than 90 days after <i>the Commission determination on the two-year report on conservation program achievement required by the Energy Independence Act and Commission rules.</i>	The report card mailing to customers commences 90 days after the biennial report is filed with the UTC and Department of Commerce and after thirty days for written or oral comments; October 27 at the earliest.	Only the condition section heading will be checked.
I(18)(d)	Contain the following information, at a minimum: 1) A brief description of the purpose of the report. 2) A brief description of the benchmarks and an indication of whether the Company met the benchmarks in each biennial period. 3) The total amount of penalties imposed (or incentive earned) for the current reporting period.	Please see I(18)c	Only the condition section heading will be checked.
J(19)	PSE may adopt line extension policies that are designed to encourage (and particularly not discourage) builders, developers, and end-use customers to select a heating fuel that is most resource efficient and adopt construction practices that exceed current energy codes.	Policies are documented and are publicly accessible at PSE.com: electric Schedule 85 and gas Schedules 7, 107 and 307.	
Effective June 2012, no longer SECTION K of Docket No UE-100177. Now, "Commission Order 01, Docket No. UE-111881". Effective January, 2014: Docket No. UE-132043.			
(1)(a)	Puget Sound Energy's 2014-2023 ten-year achievable electric conservation potential of 2,730,408 megawatt-hours (311.7 average megawatts), and Puget Sound Energy's 2014-2015 biennial conservation target of 485,770 megawatt-hours (55.5 average megawatts) at the customer meter, identified in Puget Sound Energy's 2014-2015 Biennial Conservation Plan (BCP) filed on November 1, 2013, are approved with conditions pursuant to RCW 19.285.040(1)(e) and WAC 480-109-010(4)(c). This approval is subject to the Conditions described in Paragraphs (2) through (12) below. The Conditions in this Order, and not those in Section K of the EIA Settlement filed September 3, 2010 and approved by the Commission in Order 05 in Docket UE-100177, nor the Conditions listed in Order 01 of Docket No. UE-111881, shall apply to Puget Sound Energy's 2014-2023 Ten-Year Achievable Conservation Potential and Puget Sound Energy's 2014-2015 Biennial Conservation Target.		Not applicable -- No deliverable
(1)(b)	As part of Puget Sound Energy's biennial conservation acquisition efforts, Puget Sound Energy will continue to pursue regional electric market transformation, in collaboration with funding from other parties and with other strategic market partners in this biennium that:		Only the condition section heading will be checked.
(1)(b)(i)	Complements Puget Sound Energy's energy efficiency programs, services, and measures,	PSE presents it NEEA plans in annual conservation plan filings.	

PSE 2014-2015 ENERGY EFFICIENCY DELIVERABLES---COMPLIANCE STATUS

Last Updated: 1/12/2015









As of: 01/12/15

Section or Condition Number	Detailed Condition	<p>Condition is met when: (As PSE has consistently demonstrated over the past few years, we will respond to requests for details not already contained in provided filings, reports or analyses on an ongoing basis.)</p>	<p>Complete?</p> <p>Blank = No Date = Pending Check = Yes Hourglass = In Progress X = Non-compliant</p>
(1)(b)(ii)	Achieve long-term cost-effective, reliable, and feasible electric energy savings. Cost effectiveness will be consistent with methodologies described in Paragraph (10) below, and will be developed by the regional market transformation entity or entities. Puget Sound Energy will conduct cost-effectiveness tests independently of the regional market transformation entity or entities.	PSE provides NEEA results in Annual Report Exhibit 10.	
UE-121697 UG-121705 (Decoupling)	Section D.2.c, ¶ 108: [...] PSE does, however, agree to participate in the Northwest Energy Efficiency Alliance study on gas conservation. [...]	NEEA indicates that gas initiatives are having an effect on the market and that transformation is underway.	
(2)	Nothing within this Agreement relieves PSE of the sole responsibility for complying with RCW 19.285 and WAC 480-109, which requires PSE to use methodologies consistent with those used by the Pacific Northwest Electric Power and Conservation Planning Council ("Council"). Specifically, the conditions regarding the need for a high degree of transparency, and communication and consultation with external stakeholders, diminish neither PSE's operational authority nor its ultimate responsibility for meeting the biennial conservation target approved herein.		
(3)(a)	PSE must maintain and use an external conservation Advisory Group of stakeholders to advise the Company on the topics described in subparagraphs (i) through (ix) below. To meet this condition, PSE shall continue to use its Conservation Resources Advisory Group (CRAG), initially created under Docket UE-011570 and UG-011571, and its Integrated Resource Planning Advisory Group created under WAC 480-100-238. The Advisory Groups shall address but are not limited to the following issues:		
(3)(a)(i)(1)	(1) Updates to the evaluation, measurement, and verification (EM&V) framework as implemented by PSE which guides its approach to evaluation, measurement, and verification of energy savings. This framework must be reflected in the Biennial Conservation Plan for the next biennium; and	The EM&V framework is filed on November 1, 2013.	
(3)(a)(i)(2)	(2) Modification of existing or development of new EM&V conservation protocols based on PSE's current evaluation, measurement and verification approach.	PSE provides the dates of comment opportunities are provided	
(3)(a)(ii)	Development of conservation potential assessments under RCW 19.285.040(1)(a) and WAC 480-109-010(1).	PSE provides "IRP filed on <_/_/_>"	

PSE 2014-2015 ENERGY EFFICIENCY DELIVERABLES---COMPLIANCE STATUS

Last Updated: 1/12/2015








As of: 01/12/15

Section or Condition Number	Detailed Condition	<p>Condition is met when: (As PSE has consistently demonstrated over the past few years, we will respond to requests for details not already contained in provided filings, reports or analyses on an ongoing basis.)</p>	<p>Complete?</p> <p>Blank = No Date = Pending Check = Yes Hourglass = In Progress X = Non-compliant</p>
(3)(a)(iii)	Guidance to PSE regarding methodology inputs and calculations for updating cost-effectiveness.	When a simple majority of CRAG members express agreement or consensus on the cost and benefit inputs definitions and sources PSE will use for each of the TRC, UCT, cost-effectiveness tests.	
(3)(a)(iv)	Review the market assessments and the data values used in updating PSE's supply curves.	Market assessment analyses are presented as part of the IRP.	
(3)(a)(v)	Review need for tariff modifications or mid-course program corrections.	PSE documents the date of the first CRAG notification of a possible mid-course program correction or need of tariff modification.	
(3)(a)(vi)(1)	Review appropriate level of and planning for - Marketing conservation programs.	PSE documents the date of the review.	
(3)(a)(vi)(2)	Review appropriate level of and planning for - Incentives to customers for measures and services.	Exhibit 4 revisions are presented to CRAG on a quarterly basis. Measure detail is provided in the BCP.	
(3)(a)(vii)	Consideration of issues related to conservation programs for customers with low-income.	ACP/BCP is acknowledged by Commission.	
(3)(a)(viii)	Program achievement results with annual and biennial targets.	The hard copy Annual Report is mailed to CRAG members.	
(3)(a)(ix)	Review conservation program budgets; and review the actual expenditures compared to the program budgets. PSE shall inform the CRAG members when its projected expenditures indicate that the Company will spend more than 120% or less than 80% of its annual conservation budget.	(1) Q3 forecast is provided, clearly indicating an estimated spend-vs.-budget ratio, regardless of expected expenses or savings ratios. (2) If portfolio-level spending is forecast to be >120% or <80%, PSE will provide driver explanations.	

PSE 2014-2015 ENERGY EFFICIENCY DELIVERABLES---COMPLIANCE STATUS

Last Updated: 1/12/2015








As of: 01/12/15

Section or Condition Number	Detailed Condition	<p>Condition is met when: (As PSE has consistently demonstrated over the past few years, we will respond to requests for details not already contained in provided filings, reports or analyses on an ongoing basis.)</p>	<p>Complete?</p> <p>Blank = No Date = Pending Check = Yes Hourglass = In Progress X = Non-compliant</p>
(3)(b)	The CRAG shall meet face-to-face at least semi-annually to hear updates, review program modifications, or consider need for revisions. In addition, the CRAG shall meet at least two additional times per year through conference calls or face-to-face meetings. CRAG members may call meetings at any time with sufficient notice for meeting attendance. PSE shall make arrangements to hold a meeting within 2 weeks from the date of the request.	The Annual Reports are published February 15 each year	
(3)(c)	Except as provided in Paragraph (8) below, the Company will provide the CRAG an electronic copy of all tariff filings related to programs funded by the Electric Conservation Service Rider that the Company plans to submit to the Commission at least two months before any proposed effective date. When extraordinary circumstances dictate, the Company may provide the CRAG with a copy of a filing concurrent with the Commission filing. This condition does not apply to a general rate case filing.	PSE documents the date of providing the CRAG with the draft tariff filing.	
(3)(d)	Puget Sound Energy will notify CRAG members of public meetings scheduled to address Puget Sound Energy's integrated resource plan. Puget Sound Energy will also provide CRAG members with an opportunity to meet with the entity conducting the conservation potential assessment regarding the scope and design of the study, as well as the assumptions and relevant information utilized in the development of Puget Sound Energy's integrated resource plan as they apply to development and/or modification of the ten-year conservation potential as requested through the integrated resource plan public process.	<p>Appendix A of the IRP provides a discussion of the IRPAG and CRAG, along with meeting dates with summaries.</p> <p>The CRAG is copied on all IRPAG meeting notifications</p>	
(4)(a)	PSE must submit annual budgets to the Commission each year. The submissions must include program-level detail that shows planned expenses and the resulting projected energy savings. In odd-numbered years, the annual budget may be submitted as part of the Biennial Conservation Plan required under Paragraph 8(f) below. In even-numbered years, the annual budget may be submitted as part of the Annual Conservation Plan required under Paragraph 8(b) below. The Annual Conservation Plan will include program descriptions and annual budget details as contained in the BCP.	PSE mails hard copy versions to CRAG members	
UG-011571 (2001 Rate Case Stipulation) E.14	Electric and gas conservation annual savings targets and budgets will be periodically adjusted as presented below in Tables A-1 and A-2.	PSE provides Annual or Biennial Conservation Plans.	
U-072375 (Merger) Appendix A 22	PSE and Puget Holding commit to maintain existing low-income programs or as such program may be modified in any future proceeding. In addition, the Joint Applicants commit to increase the budgeted funding of low-income energy efficiency programs in future years at a level commensurate with increased in funding for energy efficiency programs for other residential customers through the CRAG process.	Annual Biennial Conservation programs are filed.	
UE-121697 UG-121705 (Decoupling)	Section F, ¶ 178: [...] The settlement included an additional \$500,000 for low-income energy efficiency. [...]	The ACP is filed with UTC and PSE mails hard-copy (or flash drive) versions to CRAG members.	

PSE 2014-2015 ENERGY EFFICIENCY DELIVERABLES---COMPLIANCE STATUS

Last Updated: 1/12/2015








As of: 01/12/15

Section or Condition Number	Detailed Condition	<p>Condition is met when: (As PSE has consistently demonstrated over the past few years, we will respond to requests for details not already contained in provided filings, reports or analyses on an ongoing basis.)</p>	<p>Complete?</p> <p>Blank = No Date = Pending Check = Yes Hourglass = In Progress X = Non-compliant</p>
UE-121697 UG-121705 (Decoupling)	Section F, ¶ 178: [...] In addition, PSE's investors offered to provide \$100,000 per year for low-income energy efficiency funding. [...]	The ACP is filed with UTC and PSE mails hard-copy (or flash drive) versions to CRAG members.	
(4)(b)	PSE must provide its proposed budget in a detailed format with a summary page indicating the proposed budget and savings levels for each electric conservation program, and subsequent supporting spreadsheets providing further detail for each program and line item shown in the summary sheet.	PSE documents the date on which the budget is provided to the CRAG.	
(5)	Puget Sound Energy must maintain its conservation tariffs, with program descriptions, on file with the Commission. Program details about specific measures, incentives, and eligibility requirements must be filed and updated in the Annual Conservation Plan in this Docket. Puget Sound Energy may propose other methods for managing its program details in the Biennial Conservation Plan required under Paragraph (8)(d) below, after consultation with the CRAG as provided in Paragraph (9)(b) below.	PSE provides to the CRAG the date(s) on which the Exhibits were updated.	
(6)(a)	PSE has identified a number of potential conservation measures described in the BCP. The Commission is not obligated to accept savings identified in the BCP for purposes of compliance with RCW 19.285. PSE must demonstrate the prudence and cost-effectiveness of its conservation programs to the Commission after the savings are achieved. See RCW 19.285.040(1)(d).	The data is filed as an exhibit to the Annual Report.	
(6)(b)	Except as provided in Paragraph (6)(c) below, Puget Sound Energy must use the Council's Regional Technical Forum's ("RTF's") "unit energy savings" ("UES") and approved methods and protocols for electricity measures, and distribution efficiency. As of the date of this Agreement, the RTF maintains a Web site at http://www.nwcouncil.org/energy/rtf/ .	The list of prescriptive measures, indicating the savings type, is provided as an appendix to the Annual Report.	
(6)(c)	If Puget Sound Energy uses savings estimates, methods or protocols that differ from those established by the RTF, such estimates, methods or protocols must be based on generally accepted impact evaluation data and/or other reliable and relevant source data that has verified savings levels, and be presented to the CRAG for comment.	PSE presents Exhibit 4 of its Annual Report.	
¶ 48, Commission Policy Statement, UG- 121207	We also ask (utilities) to standardize the unit energy savings (UES) values for natural gas measures, as the Council's Regional Technical Forum does for the electric sector.	All prescriptive measure UES values' sources of savings are documented	

PSE 2014-2015 ENERGY EFFICIENCY DELIVERABLES---COMPLIANCE STATUS

Last Updated: 1/12/2015







As of: 01/12/15

Section or Condition Number	Detailed Condition	<p>Condition is met when: (As PSE has consistently demonstrated over the past few years, we will respond to requests for details not already contained in provided filings, reports or analyses on an ongoing basis.)</p>	<p>Complete?</p> <p>Blank = No Date = Pending Check = Yes Hourglass = In Progress X = Non-compliant</p>
¶ 49, Commission Policy Statement, UG-121207	A reasonable first step towards this standardization is for each natural gas utility to file an annual or biennial conservation plan, and for each natural gas utility to publish its technical workbooks supporting the calculation of UES values on the Northwest Energy Efficiency Association's ConduitNW.org website.	Annual gas conservation plans are filed and gas UES values are posted on Conduit	
(6)(d)	When Puget Sound Energy proposes a new program tariff schedule, it must present it to the CRAG for comment with program details fully defined. After consultation with the CRAG in accordance with Paragraph (3) above, PSE must file a revision to its Annual Conservation Plan in this Docket. The revision may be acknowledged by placement on the Commission's No Action Open Meeting agenda.	The new Schedule and ACP revision are filed.	
(6)(e)	PSE must provide opportunities for the CRAG to review and advise on the development of evaluation, measurement and verification protocols for conservation programs. See Paragraph 3(a)(i) above.	PSE documents the dates on which EM&V protocol drafts were provided to the CRAG and 30 days after the final draft is presented.	
(6)(f)	PSE must spend a reasonable amount of its conservation budget on EM&V, including a reasonable proportion on independent, third-party EM&V. PSE must perform EM&V annually, on a four-year schedule of selected programs such that, over the EM&V cycle, all major programs are covered. The EM&V function includes impact, process, market and cost test analyses. The results must verify the level at which claimed energy savings have occurred, evaluate the existing internal review processes, and suggest improvements to the program and ongoing EM&V processes. Evaluation reports involving analysis of both program impacts and process impacts of the programs evaluated in the prior year must be part of the Annual Report on Conservation Acquisition described in Paragraphs (8)(c) and (g) below.	The Annual Report is filed.	
(6)(g)	<p>An independent third-party review of portfolio-level electric energy savings reported by Puget Sound Energy for the 2014-2015 biennial period, from existing conservation programs operated during that period, shall be conducted. The independent third-party reviewer shall be selected through an RFP process, unless unanimously agreed by the CRAG. The review will be funded by the Puget Sound Energy Electric Conservation Service Rider. The review will be managed by UTC and Puget Sound Energy staff with input on the scope, cost, RFP development, reviewer selection and ongoing oversight by the CRAG.</p> <p>A final report for the entire 2014-2015 biennium shall be submitted as part of Puget Sound Energy's two-year report on conservation program achievement, required by Paragraph (8)(e) below. The report shall be finalized and made available no later than June 2016 and may be implemented in phases and delivered as a final product at an earlier date, as needed by Puget Sound Energy.</p>	<p>(1) the evaluator is selected</p> <p>(2) when the initial report is provided and</p> <p>(3) when the final report is provided.</p>	
(7)(a)	All Sectors Included — PSE must offer a mix of tariff-based programs that ensure it is serving each customer sector, including programs targeted to the low-income subset of residential customers. Modifications to the programs must be filed with the Commission as revisions to tariffs or as revisions to PSE's Annual Conservation Plan, as appropriate.	PSE provides to the CRAG the date(s) on which the Exhibits were updated on a quarterly basis.	
U-072375 (Decoupling) Appendix A 23	PSE and Puget Holdings commit to continue to work with low-income agencies to address issues of low-income customers.	PSE files its Annual Conservation Reports	

PSE 2014-2015 ENERGY EFFICIENCY DELIVERABLES---COMPLIANCE STATUS

Last Updated: 1/12/2015





As of: 01/12/15

Section or Condition Number	Detailed Condition	<p>Condition is met when: (As PSE has consistently demonstrated over the past few years, we will respond to requests for details not already contained in provided filings, reports or analyses on an ongoing basis.)</p>	<p>Complete?</p> <p>Blank = No Date = Pending Check = Yes Hourglass = In Progress X = Non-compliant</p>
(7)(b)	Outreach on Programs — PSE must establish a strategy and proposed implementation budget for informing participants about program opportunities in the relevant market channels for each of its energy efficiency programs. PSE must share these strategies and budgets with the CRAG for review and comments, and provide updates at CRAG meetings.	The outreach strategy and budgets have been shared and reviewed with the CRAG in a face-to-face CRAG meeting.	
(7)(c)	Incentives and Conservation Program Implementation — PSE must offer a cost-effective portfolio of programs in order to achieve all available conservation that is cost-effective, reliable, and feasible. Programs, program services, and incentives may be directed to consumers, retailers, manufacturers, trade allies or other relevant market actors as appropriate for measures or activities that lead to electric energy savings. Incentive levels and other methods of encouraging energy conservation need to be periodically examined to ensure that they are neither too high nor too low. Incentive levels and implementation methods should not unnecessarily limit the acquisition of all available conservation that is cost-effective, reliable, and feasible. PSE shall work with the CRAG to establish appropriate penetration levels consistent with Council methodology and the Energy Independence Act.	PSE files applicable program Exhibits, including but not limited to Exhibit 3 (Program Details) and Exhibit 4 (Measures, Incentives & Eligibility)	
(7)(d)	Conservation Efforts without Approved EM&V Protocol — Puget Sound Energy may spend up to ten (10) percent of its conservation budget on programs whose savings impact has not yet been measured, as long as the overall portfolio of conservation passes the Total Resource Cost (TRC) test as modified by the Council. These programs may include information-only, behavior change, and pilot projects.	The analysis is provided.	
(7)(d)(i)	Information-only services refers to those information services that are not associated with an active incentive program or that include no on-site technical assistance or on-site delivery of school education programs. Information-only services and behavior change services shall be assigned no quantifiable energy savings value without full support of the CRAG.	PSE documents the date and voting results of the CRAG for proposed savings claims on information-oriented measures.	Only the condition section heading will be checked.
(7)(d)(ii)	If quantifiable energy savings have been identified and Commission-approved for any aspect of such programs, the budget associated with that aspect of the program will no longer be subject to this ten percent spending restriction.	PSE provides the date on which it provides its updated calculation of spending on information-oriented programs to the CRAG.	Only the condition section heading will be checked.
(8)	Required Reports and Filings		
(8)(a)	By December 1, of each even-numbered year, the following year's Annual Conservation Plan (ACP), containing any changes to program details and an annual budget with a requested acknowledgement date of January 1, of that following year. The Annual Conservation Plan may be acknowledged by placement on the Commission's No Action Open Meeting agenda. A draft will be provided to the CRAG by November 1, of the even-numbered year.	The ACP is filed with UTC and PSE mails hard-copy (or flash drive) versions to CRAG members.	
(8)(b)	An Annual Report on Conservation Acquisition for the previous year, including an evaluation of cost-effectiveness and comparing budgets to actual, by March 1, of the following year.	The Annual Report is filed and hard copy/flash drive versions are provided to the CRAG. PSE responds to all filing questions.	
¶ 48, Commission Policy Statement, UG-121207	We ask that Commission staff, utilities and stakeholders standardize the format of biennial and annual conservation plans, and the schedule of when the utilities file these plans with the Commission	Regulatory Stakeholders acknowledge the value of PSE's reporting consistency	

PSE 2014-2015 ENERGY EFFICIENCY DELIVERABLES---COMPLIANCE STATUS

Last Updated: 1/12/2015






As of: 01/12/15

Section or Condition Number	Detailed Condition	Condition is met when: (As PSE has consistently demonstrated over the past few years, we will respond to requests for details not already contained in provided filings, reports or analyses on an ongoing basis.)	Complete? Blank = No Date = Pending Check = Yes Hourglass = In Progress X = Non-compliant																
(8)(c)	Revisions to cost recovery tariff (Schedule 120) by March 1 each year, with requested effective date of May 1 of that same year.	PSE files Schedule 120.																	
(8)(d)	A report identifying its ten-year achievable potential and its biennial conservation target (Biennial Conservation Plan, or BCP), including revised program details and program tariffs by November 1, every odd year, requesting an effective date of January 1, of the following, even year. In addition to the usual customer-based measures, the plan will also include both distribution and generation energy efficiency program plans as required by RCW 19.285. Prior to filing the Biennial Conservation Plan, Puget Sound Energy shall provide the following information to the CRAG: draft ten-year conservation potential and two-year target by August 1, of that same odd year; draft program details, including budgets, by September 1, of the same year; and draft program tariffs by October 1, of the same year.	The BCP is filed and hard copy/flash drive copies are provided to the CRAG.																	
(8)(e)	Two-year report on conservation program achievement (Biennial Conservation Report, or BCR) by June 1, every even year. This filing is the one required in WAC 480 109 040(1) and RCW 19.285.070, which require that the report also be filed with the Washington Department of Commerce.	The report is filed.																	
(8)(f)	<p>Examples of even/odd years, discussed in parts (8)(a) through (e) above</p> <table border="1" data-bbox="237 1052 846 1203"> <thead> <tr> <th>"Even" Year (ACP, BCR)</th> <th>"Odd" Year (BCP)</th> <th>"Subsequent" or "Following" Year</th> <th>"Previous" Year</th> </tr> </thead> <tbody> <tr> <td>2016</td> <td></td> <td>2017</td> <td>2015</td> </tr> <tr> <td></td> <td>2017</td> <td>2018</td> <td>2016</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	"Even" Year (ACP, BCR)	"Odd" Year (BCP)	"Subsequent" or "Following" Year	"Previous" Year	2016		2017	2015		2017	2018	2016						Not applicable -- No deliverable
"Even" Year (ACP, BCR)	"Odd" Year (BCP)	"Subsequent" or "Following" Year	"Previous" Year																
2016		2017	2015																
	2017	2018	2016																
(8)(g)	If a due date of a required filing or report falls on a weekend or holiday, the deliverable is due on the business day immediately prior. Annual Conservation Plans apply to the odd year of a biennium. Biennial Conservation Plans address an even-and-odd year combination.	PSE files the Annual Report.	Not applicable -- No deliverable																
(9)	Required Public Involvement in Preparation for the 2014-2015 Biennium																		
(9)(a)	Puget Sound Energy must consult with the Advisory Groups on the scope and design of a 10-year conservation potential analysis, which shall be completed by November 1, 2015. See RCW 19.285.040(1)(a); WAC 480 109 010(1). This must be based on a current conservation potential assessment study of Puget Sound Energy's service area within Washington State. This may be conducted within the context of Puget Sound Energy's integrated resource plan. [sic] If Puget Sound Energy chooses to use the supply curves that make up the conservation potential in the Council's Northwest Power Plan, the supply curves must be updated for new assumptions and measures.	PSE files its 2012-2013 IRP.																	

PSE 2014-2015 ENERGY EFFICIENCY DELIVERABLES---COMPLIANCE STATUS

Last Updated: 1/12/2015




As of: 01/12/15

Section or Condition Number	Detailed Condition	Condition is met when: <i>(As PSE has consistently demonstrated over the past few years, we will respond to requests for details not already contained in provided filings, reports or analyses on an ongoing basis.)</i>	Complete? Blank = No Date = Pending Check = Yes Hourglass = In Progress X = Non-compliant
(9)(b)	Puget Sound Energy must consult with the Advisory Groups starting no later than July 1, 2015, to begin to identify achievable conservation potential for 2016-2025 and to begin to set annual and biennial targets for the 2016-2017 biennium, including necessary revisions to program details. See RCW 19.285.040(1)(b); WAC 480 109 010(2) and (3).	PSE documents the date on which it provided to the CRAG its 10-year potential and 2-yr target on August 1.	
(9)(c)	Fuel switching program will continue to use current practice of upgrading only to high-efficiency gas measures.	By maintaining its upgrade qualifications in all publications.	
(10)(a)	The Commission uses the Total Resource Cost Test (TRC), as modified by the Council, as its primary cost-effectiveness test. The Council-modified TRC test includes quantifiable non-energy benefits, a risk adder, and a 10 percent conservation benefit adder. Puget Sound Energy's portfolio must pass the TRC test. All cost-effectiveness calculations will assume a Net-to-Gross ratio of 1.0, consistent with the Council's methodology.	The Annual Report is filed.	
(10)(b)	Puget Sound Energy must also provide calculations of the Program Administrator Cost Test (also called the Utility Cost Test) as described in the National Action Plan for Energy Efficiency's study "Understanding Cost-Effectiveness of Energy Efficiency Programs."	The Annual Report is filed.	
(10)(c)	Puget Sound Energy must calculate cost-effectiveness at the portfolio and program levels. Conservation-related administrative costs must be included in portfolio level analysis.	PSE documents the date that the proposed inclusion of the new CE tests was provided.	

PSE 2014-2015 ENERGY EFFICIENCY DELIVERABLES---COMPLIANCE STATUS

Last Updated: 1/12/2015



As of: 01/12/15

Section or Condition Number	Detailed Condition	Condition is met when: <i>(As PSE has consistently demonstrated over the past few years, we will respond to requests for details not already contained in provided filings, reports or analyses on an ongoing basis.)</i>	Complete? Blank = No Date = Pending Check = Yes Hourglass = In Progress X = Non-compliant
(11)	Recovery Through an Electric Conservation Service Rider		
(11)(a)	Annual filing — PSE’s annual Electric Conservation Service Rider filing, required under Paragraph (8)(c) above, will recover the future year’s budgeted expenses and any significant variances between budgeted and actual income and expenditures during the previous period.		
(11)(b)	Scope of Expenditures — Funds collected through the Electric Conservation Service Rider must be used on approved conservation programs and their administrative costs. Additionally, Rider funds may be used as approved by the Commission; e.g., for net metering administration costs, small-scale renewable programs and demand response pilots.		Explanation only -- No deliverable
(11)(c)	Recovery for Each Customer Class — The Company shall retain existing Rider mechanisms, subject to the Commission’s Order in Docket UE-970686.	1) PSE provides the CRAG its cost allocation methodology 2) Issues relative to Schedule 258 apportionments have been identified for resolution.	
11(d)	Recovery of costs associated with distribution and production efficiency initiative are not funded through the Electric Conservation Service Rider because these programs are not customer conservation initiatives. These are company conservation programs. As such, these costs are recovered in the general rate making process over time and may be requested through a general rate case, a deferred accounting petition or other allowed mechanism.	PSE does not charge CVR costs to the Conservation Rider	
(12)	Additional Commitments		

PSE 2014-2015 ENERGY EFFICIENCY DELIVERABLES---COMPLIANCE STATUS

Last Updated: 1/12/2015

As of: 01/12/15

Section or Condition Number	Detailed Condition	Condition is met when: (As PSE has consistently demonstrated over the past few years, we will respond to requests for details not already contained in provided filings, reports or analyses on an ongoing basis.)	Complete? Blank = No Date = Pending Check = Yes Hourglass = In Progress X = Non-compliant
(12)(a)	<p>Puget Sound Energy will continue to review the feasibility of pursuing cost-effective conservation in the form of reduction in electric power consumption resulting from increases in the efficiency of energy use at electric power production facilities it owns in whole or in part and inform the CRAG at least semi-annually regarding progress in making efficiency improvements in those facilities. Puget Sound Energy shall work with the CRAG to identify options for overcoming obstacles.</p> <p>PSE shall also work with the CRAG to determine how to avoid double-counting of efficiency savings achieved at electric power production facilities owned in whole or in part by PSE and located within the service territory of a separate electric utility.</p>	PSE provides records of CRAG meeting discussions, agreements, and/or verified savings.	
U-072375 (Merger) Appendix A 47	Each of the Joint Applicants agrees that PSE will undertake a study, in collaboration with stakeholders, to identify potential energy efficiency improvements in its distribution, transmission and generation assets (consistent with any analysis required as part of the Integrated Resource Plan ("IRP) process) and present the results of such study to the Conservation Resource Advisory Group (CRAG) for its consideration and potential inclusion as part of PSE's energy efficiency portfolio. These potential improvements in PSE's energy efficiency improvements in its distributio, transmission and generation assets are in addition to end-use energy efficiency improvements.		
UE-100177	Sections Still in Effect from the 2010 Electric Settlement Agreement		
L(22)	The Executing Parties agree to support the terms and conditions of this Agreement, as described above. The Executing Parties understand that this Agreement is subject to Commission approval.		Explanation only -- No deliverable
L(23)	The Executing Parties have negotiated this Agreement as an integrated document. Accordingly, the Executing Parties agree to recommend that the Commission adopt this Agreement in its entirety.		Explanation only -- No deliverable
L(24)	This Agreement represents a fully negotiated agreement. Each Executing Party has been afforded the opportunity, which it has exercised, to review the terms of the Agreement. Each Party has been afforded the opportunity, which it has exercised, to consult with legal counsel of its choice concerning such terms and their implications. The Agreement shall not be construed for or against any Executing Party based on the principle that ambiguities are construed against the drafter.		Explanation only -- No deliverable
L(25)	This Agreement may be executed by the Executing Parties in several counterparts, through original and/or facsimile signature, and as executed shall constitute one agreement.		Explanation only -- No deliverable

- Unless specified, the above conditions are treated as equal requirements for both electric and gas conservation efforts.
- This table is intended to provide an overview of PSE's achievement of the conditions and the status of conservation deliverables. It is revised to reflect the conditions included in Attachment A of Order 01, Docket No. UE-132043, which does not address sections A-J and section L of the 2010 EIA Settlement Agreement (UE-100177). Those deliverables are also still in force. Effective June, 2013, natural gas-specific requirements

PSE 2014-2015 ENERGY EFFICIENCY DELIVERABLES---COMPLIANCE STATUS

Last Updated: 1/12/2015

As of: 01/12/15

Section or Condition Number	Detailed Condition	Condition is met when: <i>(As PSE has consistently demonstrated over the past few years, we will respond to requests for details not already contained in provided filings, reports or analyses on an ongoing basis.)</i>	Complete? Blank = No Date = Pending Check = Yes Hourglass = In Progress X = Non-compliant
-----------------------------	--------------------	---	---

enumerated in Exhibit F of Docket No. UG-011571 are also included. In 2014, Applicable Merger Agreement and Decoupling Agreement requirements are also added. Thus, this document is not an electric-specific checklist.

- Only current conservation-specific requirements are logged in this table. For instance, Merger Agreement commitments that address ring-fencing or #62 & #63 (decoupling).
- Unless provided in a specific condition, when documentation is provided to the CRAG for review or comment---that doesn't have a specified review period---PSE will provide 30 calendar days--that takes into account very full demands on CRAG members' time--before it classifies a deliverable as "completed". Draft filing documents will have a review period of 60 days prior to the proposed effective date, per the applicable condition(s).
- If the condition doesn't indicate a specific CRAG deliverable ("review", "comment", "advise", etc.) the condition is considered met when the document, calculation, report, etc., is filed or submitted.
- If the condition indicates that PSE must perform some task *if* a change is requested (for instance, condition (7)(d)(ii)), and there is no such change requested, the compliance status will be checked "completed".
- As PSE has consistently demonstrated, we will respond to requests for details not already contained in provided filings, reports or analyses, regardless of elapsed time, while maintaining the completed status of a condition.
- PSE considers the Annual and Biennial Conservation Plans "tariff filings" for purposes of condition compliance.
- The terms "Framework" and "Protocol" in applicable conditions in Attachment A are sometimes used interchangeably.



= completed



= in progress



= did not complete



'= will be completed by current year filing



'= Not started

card view)

Energy Efficiency Condition Compliance Status

Includes Order 01 of UE-132043, Natural Gas-Specific Sections of UG-011571, and sections of UE-100177 still in effect.

