

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

Last Updated: 2/25/2016



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2010 Settlement Agreement Sections Still in Effect					
A(1)	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 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.	No specific CRAG role			Not applicable-- No deliverable
A(2)	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. (Emphasis added.)	No specific CRAG role			Not applicable -- No deliverable
A(3)	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 480-109-100 require utilities to identify achievable cost-effective conservation potential using methodologies consistent with those used by the Northwest Power and Conservation Council ("Council").	No specific CRAG role			Not applicable -- No deliverable
B(4)	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.	No specific CRAG role			Not applicable -- No deliverable
B(4)(a)	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.	No specific CRAG role			Not applicable -- No deliverable
B(4)(b)	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.	No specific CRAG role			Not applicable -- No deliverable
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.	No specific CRAG role			Not applicable -- No deliverable
C(6)	In general each individual energy efficiency program shall be designed to be cost-effective.	No specific CRAG role			Not applicable -- No deliverable

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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).	No specific CRAG role			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.	No specific CRAG role			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.	PSE included gas avoided costs in its 2015 ACP and 2016-2017 BCP 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.	Consult	PSE conveys the date that the CRAG was consulted.	PSE included electric avoided costs in its 2015 ACP Exhibit 2.	
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.	No CRAG specific role	PSE provides to the CRAG its draft of biennial budgets and savings goals on September 1 each odd year.	Budget details, built from the bottom-up, were provided in the 2015 ACP Exhibit 1.	
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.)	Review	PSE provides its annual budgets in its Conservation Plans and reports expenditures in its Annual Reports.	Budget details, built from the bottom-up, were provided in the 2015 ACP Exhibit 1.	
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.	No CRAG specific role	PSE provides Schedule 120 and/or Schedule 258 work papers.	Schedule 449 treatment was detailed in Schedule 120 filing workpapers.	
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%).	No CRAG specific role	PSE provides Schedule 120 and/or Schedule 258 work papers.	Administrative and NEEA payments were detailed in 2014 Annual Report Exhibit 1 and 2016-2017 BCP Exhibit 1 detail pages.	

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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.	No CRAG specific role Andy Hemstreet: This is replicated in condition (11).	PSE provides its budget drafts to the CRAG on September 1 each year.	LIW budgets are detailed in Exhibit 1.	
H(15)	The Company shall retain the existing rider mechanism going forward, subject to the Commission's Order in Docket No. UE-970686.	No CRAG specific role	PSE files its Schedule 120 each March 1. Gas Tracker converted to Rider mechanism, Docket No UG-120812.	Schedule 120 filed in March 2015.	
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.	No CRAG specific role	PSE files its Schedule 258 revisions each four years, and provides Schedule 258 funding details in annual Schedule 120 workpaper details.	Updated Schedule 258 effective January 9, 2015.	
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 presents its gas budgets in annual Exhibit 1: Savings & Budgets	Detailed gas budgets were presented in the 2015 ACP and 2016-2017 BCP.	
(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.	No CRAG specific role	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.		

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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:	No CRAG specific role	Please see I(18)c Andy Hemstreet: This is (somewhat) replicated in WAC 480-109-070 (?).	2012-2013 report card mailed to customers in September 2014.	
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.	2012-2013 report card mailed to customers in May 2014.	
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.	No CRAG specific role	Please see I(18)c		Only the condition section heading will be checked.
I(18)(b)	Be distributed to customers only after adequate consultation with Staff and the CRAG.	No CRAG specific role	PSE provides the CRAG a proof copy for comment prior to the report card mailing.		Only the condition section heading will be checked.
I(18)(c)	Be distributed no later than 90 days after the Commission determination on the two-year report on conservation program achievement required by the Energy Independence Act and Commission rules.	No CRAG specific role	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.	No CRAG specific role	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.	No CRAG specific role	Policies are documented and are publicly accessible at PSE.com: electric Schedule 85 and gas Schedules 7, 107 and 307.		
Effective 2014, no longer SECTION K of Docket No UE-100177. Now, "Commission Order 01, Docket No. UE-132043".					
Introduction, Ten-Year Potential, Two-Year Target					
WAC 480-109-100 (2)	By January 1, 2010, and every two years thereafter, a utility must project its cumulative ten-year conservation potential. (a) This projection must consider all available conservation resources that are cost-effective, reliable, and feasible. (b) This projection must be derived from the utility's most recent IRP, including any information learned in its subsequent resource acquisition process, or the utility must document the reasons for any differences. When developing this projection, utilities must use methodologies that are consistent with those used in the Northwest Conservation and Electric Power Plan. (c) The projection must include a list of each measure used in the potential, its unit energy savings value, and the source of that value.	Review	The BCP is filed.	Completed	

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WAC 480-109-100 (3)	(3) Biennial conservation target. Beginning January 2010, and every two years thereafter, a utility must establish a biennial conservation target. (a) The biennial conservation target must identify, and quantify in megawatt-hours, all available conservation that is cost-effective, reliable, and feasible. (b) The biennial conservation target must be no lower than a pro rata share of the utility's ten-year conservation potential.	Review	The BCP is filed.	Completed	
WAC 480-109-100(3)(c)	Excess conservation. No more than twenty-five percent of any biennial target may be met with excess conservation savings allowed by this subsection. Excess conservation may only be used to mitigate shortfalls in the immediately subsequent two biennia and may not be used to adjust a utility's ten-year conservation potential or biennial target. The presence of excess conservation does not relieve a utility of its obligation to pursue the level of conservation in its biennial target.	Review	The BCR is filed and approved by the Commission.	Pending filing of the 2014-2015 BCR.	
WAC 480-109-100(3)(c)	(i) Cost-effective conservation achieved in excess of a biennial conservation target may be used to meet up to twenty percent of each of the immediately subsequent two biennial targets.	No Crag specific role		Not a deliverable requirement	No deliverable.
WAC 480-109-100(3)(c)	(ii) A utility may use single large facility conservation savings achieved in excess of its biennial target to meet up to five percent of each of the immediately subsequent two biennial conservation targets.	No Crag specific role		Not a deliverable requirement	No deliverable.
WAC 480-109-100(3)(c)	(iii) Until December 31, 2017, a utility with an industrial facility located in a county with a population between ninety-five thousand and one hundred fifteen thousand that is directly interconnected with electricity facilities that are capable of carrying electricity at transmission voltage, may use cost-effective excess conservation savings from that industrial facility to meet the subsequent two biennial conservation targets. For purposes of this subsection, transmission voltage is 100,000 volts or higher.	No Crag specific role		Not a deliverable requirement	No deliverable.
(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 480-109-120(5) . 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:				Not applicable-- No deliverable
(1)(b)(i)	Complements Puget Sound Energy's energy efficiency programs, services, and measures,	Review, Advise, Comment	PSE presents it NEEA plans in annual conservation plan filings.	PSE included the NEEA plan in the 2015 ACP and the 2016-2017 BCP.	
(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.	Review, Advise, Comment	PSE provides NEEA results in Annual Report Exhibit 10.	PSE included 2014 NEEA results in its Annual Report, Exhibit 10.	

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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. [...]	Review, Advise, Comment	NEEA indicates that gas initiatives are having an effect on the market and that transformation is underway.	PSE is a major funder of the NEEA gas market transformation initiative.	
(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.		PSE provides program details in its Conservation Plans with corresponding information in its Annual Reports.	PSE has added periodic CRAG newsletters to enhance and sustain transparency.	
WAC 480-109-100(9)	Utility incentives. A utility may propose to the commission positive incentives designed to stimulate the utility to exceed its biennial conservation target as identified in RCW 19.285.060(4). Any proposed utility incentive must be included in the utility's biennial conservation plan.	No CRAG specific role		Not a deliverable requirement	No deliverable.
Advisory Group					
(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:	No CRAG specific role			
WAC 480-109-110(1)	(a) [A utility must maintain and use an external conservation advisory group....to advise on....] Conservation programs and measures.	Review	PSE provides the dates of comment opportunities are provided	Completed. Numerous CRAG meetings, emails and newsletter provided throughout 2014 & 2015.	
(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	Review & Advise	The EM&V framework is filed on November 1, 2015.	Provided to CRAG in draft BCP, October 1, 2015.	
(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.	Review & Advise	PSE provides the dates of comment opportunities are provided	Provided to CRAG in draft BCP, October 1, 2015.	
WAC 480-109-110(1)	(i)(3) Review appropriate level of and planning for - Impact, market, and process evaluations.	Review	PSE reviews evaluation status at CRAG meetings, emails and newsletters	Completed.	
WAC 480-109-110(1)	(d) Independent third-party evaluation of portfolio-level biennial conservation achievement.	Review and advise	Independent, 3rd party provides biennial BECAR.	2014-2015 BECAR underway, with completion expected in April 2016. PSE has kept the CRAG abreast of developments.	
(3)(a)(ii)	Development of conservation potential assessments under RCW 19.285.040(1)(a) and WAC 480-109-110(1) .	Review & Advise	PSE provides "IRP filed on <_/_/_>"	Provided in 2016-2017 BCP as Exhibit i.	
(3)(a)(iii)	Guidance to PSE regarding methodology inputs and calculations for updating cost-effectiveness.	Review, Advise & Guidance	When a simple majority of CRAG members express agreement or consensus on the cost and benefit inputs definitions and sources PSE will use for the TRC & UC.	Exhibit 2 provides all CE inputs, included in 2016-2017 BCP filing.	

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(3)(a)(iv)	Review the market assessments and the data values used in updating PSE's supply curves.	Review & Advise	Market assessment analyses are presented as part of the IRP.	IRP results presented to CRAG in May 21 meeting, as well as IRPAG and TAG meetings.	
WAC 480-109-110(1)	(g) The data sources and values used to develop and update supply curves.	Review	PSE provides the CRAG with IRP and CPA input background	Completed. PSE reviewed inputs during IRPAG, TAG and May 21, 2015 CRAG meeting.	
(3)(a)(v)	Review need for tariff modifications or mid-course program corrections.	Review need for	PSE documents the date of the first CRAG notification of a possible mid-course program correction or need of tariff modification.	Presented tariff revisions to CRAG in September 17 2015 CRAG meeting	
(3)(a)(vi)(1)	Review appropriate level of and planning for - Marketing conservation programs.	Review, Advise, Comment, & Hear Updates	PSE documents the date of the review.	Marketing overview provided in 2015 ACP & in May 21 CRAG meetings	
(3)(a)(vi)(2)	Review appropriate level of and planning for - Incentives to customers for measures and services.	Review & Advise, Periodically examine	Exhibit 4 revisions are presented to CRAG on an as-needed basis. Measure detail is provided in the BCP.	Updated Exhibit 4 included in 2015 ACP and 2016-2017 BCP. Additional details are provided in 2016-2017 Exhibit 5.	
WAC 480-109-110(1)(i)	(3) Impact, market, and process evaluations.	Review	PSE provides Exhibit 6: Evaluation Plan	Completed. PSE reviewed evaluation updates with the CRAG at some CRAG meetings and provided Exhibit 6: Evaluation Plan in 2016-2017 BCP. Also provided all previous-year evaluations in 2014 Annual Report.	
(3)(a)(vii)	Consideration of issues related to conservation programs for customers with low-income.	Review & Consider Issues	ACP/BCP is acknowledged by Commission.	LIW details provided to CRAG in draft Exhibit 3	
WAC 480-109-110(1)	(k) Establishment of the biennial conservation target and	Review & Comment	PSE provides the BCP	Completed.	
(3)(a)(viii)	Program achievement results with annual and biennial targets.	Review	The hard copy Annual Report is mailed to CRAG members.	2014 Annual Report provided details of results. Updates to budgets and savings provided in May 21 CRAG meeting.	
(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.	Review & Advise and be Informed	(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.	Periodic CRAG newsletters provide updates, along with program status updates in regular CRAG meetings.	
WAC 480-109-110(1)	(m) Development and implementation of new and pilot programs.	Review & Comment	PSE provides program updates and the BCP	Completed.	
(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.	Shall Meet, Hear, Review, Consider, Advise	The Annual Reports are published March 1 each year, providing summaries of CRAG meetings.	4 CRAG meetings in 2014. 4 CRAG meeting completed in 2015.	
(3)(c)	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. This condition does not apply to a general rate case filing.	Receive Filings	PSE documents the date of providing the CRAG with the draft tariff filing.	Tariff updates provided in 2016-2017 BCP, Exhibit 11, and at September 17 CRAG meeting.	

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(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.	Receive Notifications of IRPAG mtgs., Review assumptions & relevant info & Advise	Appendix A of the IRP provides a discussion of the IRPAG and CRAG, along with meeting dates with summaries. The CRAG is copied on all IRPAG meeting notifications.	Completed; CRAG members notified of all public IRP meetings.	
Annual Budgets					
(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.	Review & Advise	PSE mails hard copy versions to CRAG members	The CRAG is provided USB drives with electronic versions of Conservation Plans and Annual Reports. Annual budgets are included in the 2016-2017 BCP.	
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.	2015 ACP filed on November 1, 2014. 2016-2017 BCP draft presented to CRAG on October 1, with final filing made on October 30, 2015.	
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.	Review	Annual Biennial Conservation programs are filed.	Ongoing	
UE-121697 UG-121705 (Decoupling)	Section F, ¶ 178: [...] The settlement included an additional \$500,000 for low-income energy efficiency. [...]	Review, comment	The ACP is filed with UTC and PSE mails hard copy (or flash drive) versions to CRAG members.	The Conservation Plans included an additional \$500,000 in LIW funding	
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. [...]	Review, comment	The ACP is filed with UTC and PSE mails hard copy (or flash drive) versions to CRAG members.	The Conservation Plans included an additional \$100,000 in LIW shareholder funding.	
(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.	Exhibit 1 in the 2015 ACP included detailed budgets.	
WAC 480-109-100(4)	Prudence. A utility retains the responsibility to demonstrate the prudence of all conservation expenditures, consistent with RCW 19.285.050(2).	Review	PSE files its Annual Reports	Completed. PSE provided its 2013 Annual Report in March 2014 and its 2014 Annual Report in March 2015.	
Program Details					
(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.	Review	PSE provides to the CRAG the date(s) on which the Exhibits were updated.	2015 Exhibit 4 provided in 2015 ACP filing. Exhibits 3 and 4 included in 2016-2017 BCP.	
Strategies for Selecting & Evaluating					

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(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).	No CRAG specific role	The data is filed as an Exhibit in the Annual Report.	4 supplements to Exhibit 1 and Exhibit 2 provide spending and cost-effectiveness details.	
(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/ .	No CRAG specific role	The list of prescriptive measures, indicating the savings type, is provided as an appendix to the Annual Report.	Exhibit 5 of the 2015 ACP details those prescriptive measures that use RTF values.	
(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.	Review and Comment	PSE presents Exhibit 4 of its Annual Report.	Exhibit 5 of the 2015 ACP details those prescriptive measures that use PSE Deemed values.	
¶ 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.	Review & Advise	All prescriptive measure UES values' sources of savings are documented	UES value SoS documentation's consistency has dramatically increased since 2012	
¶ 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.	Review & Advise	Annual gas conservation plans are filed and gas UES values are posted on Conduit	Gas UES values were posted on Conduit site in early March 2014	
(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.	Review & Advise	New Schedule and ACP revision are filed.	Not applicable in 2014-2015. No new tariff Schedules filed. Completed	
(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.	Review & Advise	PSE documents the dates on which EM&V protocol drafts were provided to the CRAG and 30 days after the final draft is presented.	Completed. PSE provided the CRAG a draft EM&V Framework on October 1, 2015	
(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.	No CRAG specific role	The Annual Report is filed.	Proportions of EM&V are indicated in Exhibit 1	

Andy Hemstreet:
Now addressed by WAC 480-109-110(1)(c)

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(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>	Input & Ongoing Oversight	<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>	2014-2015 review underway	
Program Design & Implementation					
WAC 480-109-100(1)	(a) Process. A utility's obligation to pursue all available conservation that is cost-effective, reliable, and feasible includes the following process:				Title Only Not applicable -- No deliverable
WAC 480-109-100(1)(a)	(i) Identify potential. Identify the cost-effective, reliable, and feasible potential of possible technologies and conservation measures in the utility's service territory.	Review & Advise	PSE files its BCP	Completed. PSE filed its 2016-2017 BCP on October 20, 2015	
WAC 480-109-100(1)(a)	(ii) Develop portfolio. Develop a conservation portfolio that includes all available, cost-effective, reliable, and feasible conservation. A utility must develop programs to acquire available conservation from all of the types of conservation identified in subsection (b) of this section. If no cost-effective, reliable and feasible conservation is available from one of the types of conservation, a utility is not obligated to acquire such a resource.	Review & Advise	PSE files its BCP	Completed. PSE filed its 2016-2017 BCP on October 20, 2015	
WAC 480-109-100(1)(a)	(iii) Implement programs. Implement conservation programs identified in the portfolio to the extent the portfolio remains cost-effective, reliable, and feasible. Implementation methods shall not unnecessarily limit the acquisition of all available conservation that is cost-effective, reliable and feasible.	Review & Advise	PSE files its BCP	Completed. PSE filed its 2016-2017 BCP on October 20, 2015	
(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.	None	PSE provides program details in its Conservation Plans and Annual Reports.	All sectors included in 2016-2017 BCP.	
U-072375 (Merger) Appendix A 23	PSE and Puget Holdings commit to continue to work with low-income agencies to address issues of low-income customers.	Review	PSE files its Annual Conservation Reports	2014 Annual Report provided LIW details.	
(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.	No CRAG specific role	The outreach strategy and budgets have been shared and reviewed with the CRAG in a face-to-face CRAG meeting.	PSE includes a discussion of its outreach efforts in the Energy Efficient Communities sections of its Annual Reports. PSE also provided an outreach overview at the October 9, 2014 CRAG meeting. Outreach is extensively discussed in the 2016-2017 BCP.	

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(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.	Review	PSE files applicable program Exhibits, including but not limited to Exhibit 3 (Program Details) and Exhibit 4 (Measures, Incentives & Eligibility)	Program details are provided in the 2015 ACP, the 2014 Annual Report, and the 2016-2017 BCP.	
(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.	No CRAG specific role	PSE indicates the proportion of information-only/non-savings functions and activities in blue highlighting in Exhibit 1's portfolio view.	The 2015 ACP indicated that information-only spending was 7.1% overall. 2016-2017 planned info-only spending is 6.6%.	
(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.	No CRAG specific role	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.	No CRAG specific role	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.
WAC 480-109-100(1)(a)	(iv) Adaptively manage. Continuously review and update as appropriate the conservation portfolio to adapt to changing market conditions and developing technologies. A utility must research emerging conservation technologies, and assess the potential of such technologies for implementation in its service territory.	Review	PSE files its BCP	Completed. PSE filed its 2016-2017 BCP on October 20, 2015	
WAC 480-109-100(1)(b)	Types. Types of conservation include, but are not limited to: (i) End-use efficiency; (ii) Behavioral programs; (iii) High-efficiency cogeneration; (iv) Production efficiency; (v) Distribution efficiency; and (vi) Market transformation.	Review	PSE files its BCP	Completed. PSE filed its 2016-2017 BCP on October 20, 2015	
WAC 480-109-100(1)(c)	Pilots. A utility must implement pilot projects when appropriate and expected to produce cost-effective savings within the current or immediately subsequent biennium, as long as the overall portfolio remains cost-effective.	No specific CRAG role			No deliverable requirement
WAC 480-109-100(6)	High efficiency cogeneration. A utility may count as conservation savings a portion of the electricity output of a high efficiency cogeneration facility in its service territory that is owned by a retail electric customer and used by that customer to meet its heat and electricity needs. Heat and electricity output provided to anyone other than the facility owner is not available for consideration in determining conservation savings. High efficiency cogeneration savings must be certified by a professional engineer licensed by the Washington department of licensing.	No specific CRAG role			No deliverable requirement
Reporting & Filing					
(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.	Review & Comment	The ACP is filed with UTC and PSE mails hard copy (or flash drive) versions to CRAG members.	2015 ACP filed November 1 2014	

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WAC 480-109-120 (2)	On or before November 15th of each even-numbered year, a utility must file with the commission, in the same docket as its current biennial conservation plan, an annual conservation plan containing any changes to program details and annual budget.	Review & Comment	PSE files its Annual Conservation Plan	Not applicable to 2014-2015 Biennium. Will track for 2016-2017.	Not Applicable
(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.	Review & Comment Prior To Filing	The Annual Report is filed and hard copy/flash drive versions are provided to the CRAG. PSE responds to all filing questions.	Annual Report filed February 27, 2015	
WAC 480-109-120 (3)	(a) On or before June 1st of each year, a utility must file with the commission, in the same docket as its current biennial conservation plan, an annual conservation report regarding its progress in meeting its conservation target during the preceding year. (b) The annual conservation report must include, but is not limited to: (i) The biennial conservation target. (ii) Planned and claimed electricity savings from conservation, including a description of the key sources of variance between the planned and actual savings. (iii) Budgeted and actual expenditures made to acquire conservation through the conservation recovery adjustment clause described in WAC 480-109-130. (iv) The portfolio- and program-level cost-effectiveness of the actual electricity savings from conservation. (v) All program evaluations completed in the preceding year. (vi) A discussion of the steps taken to adaptively manage conservation programs through-out the preceding year. (c) A utility must submit to the department a conservation report as described in WAC 194-37-060, and file a copy of that report with the commission in the same docket as its current biennial conservation plan.	Review & Comment	<div style="border: 1px solid black; padding: 2px; display: inline-block;"> Andy Hemstreet: The 2014 Annual Report was consistent with the requirements. </div> PSE files its Annual Report	PSE filed its 2014 Annual Report in March 2015.	
¶ 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	Review and comment	Regulatory Stakeholders acknowledge the value of PSE's reporting consistency	PSE has used the same reporting and planning documentation formatting for several years.	
(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.	Review & Comment Prior To Filing	PSE files Schedule 120.	Schedule 120 filed February 27, 2015	
(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.	Review & Comment Prior To Filing	The BCP is filed and hard copy/flash drive copies are provided to the CRAG.	2016-2017 BCP filed October 29, 2015	

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WAC 480-109-120 (1)	<p>(a) On or before November 1st of every odd-numbered year, a utility must file with the commission a biennial conservation plan.</p> <p>(b) The plan must include, but is not limited to:</p> <ul style="list-style-type: none"> (i) A request that the commission approve its ten-year conservation potential and biennial conservation target. (ii) The extent of public participation in the development of the ten-year conservation potential and the biennial conservation target. (iii) The ten-year conservation potential, the biennial conservation target, biennial program details, biennial program budgets, and cost-effectiveness calculations. (iv) A description of the technologies, data collection, processes, procedures and assumptions the utility used to develop the figures in (b)(iii) of this subsection. (v) A description of and support for any changes from the assumptions or methodologies used in the utility's most recent conservation potential assessment. (vi) An evaluation, measurement, and verification plan for the biennium including, but not limited to: <ul style="list-style-type: none"> (A) The evaluation, measurement, and verification framework; (B) The evaluation, measurement, and verification budget; and (C) Identification of programs that will be evaluated during the biennium. <p>(c) For the purposes of this section, ten-year conservation potential is derived pursuant to WAC 480-109-100(2).</p>	Review & Comment	PSE files its BCP	Completed. PSE filed its 2016-2017 BCP on October 29, 2015	
(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 480-109-120(4) and RCW 19.285.070, which require that the report also be filed with the Washington Department of Commerce.	No CRAG specific role	The report is filed.		
WAC 480-109-120(4)	<p>(a) On or before June 1st of each even-numbered year, a utility must file with the commission, in the same docket as its current biennial conservation plan, a biennial conservation report regarding its progress in meeting its conservation target during the preceding two years.</p> <p>(b) The biennial conservation report must include:</p> <ul style="list-style-type: none"> (i) The biennial conservation target; (ii) Planned and claimed electricity savings from conservation; (iii) Budgeted and actual expenditures made to acquire conservation; (iv) The portfolio-level cost-effectiveness of the actual electricity savings from conservation; (v) An independent third-party evaluation of portfolio-level biennial conservation savings achievement; (vi) A summary of the steps taken to adaptively manage conservation programs throughout the preceding two years; and (vii) Any other information needed to justify the conservation savings achievement. <p>(c) A utility must provide a summary of the biennial conservation report to its customers by bill insert or other suitable method within ninety days of the commission's final action on the report.</p> <p>(d) A utility may file the annual conservation report and the biennial conservation report to-gether as one report, provided that the report includes all of the information required in subsections (3) and (4) of this section and states that it serves as both the annual conservation report and the biennial conservation report.</p>	Review & Comment	PSE files its BCR	Pending--PSE will file the 2014-2015 BCR by June 1, 2016	
WAC 480-109-120(5)	<p>Plan and report review. (a) Interested persons may file written comments regarding the biennial conservation plan and biennial conservation report within thirty days of the utility's filing.</p> <p>(b) Upon conclusion of the commission review of the utility's biennial report or plan, the commission will issue a decision accepting or rejecting the calculation of the utility's conservation target; or determining whether the utility has acquired enough conservation resources to comply with its conservation target. If the utility does not meet its biennial conservation target described in WAC 480-109-100, the commission will determine the amount in megawatt-hours by which the utility was deficient.</p> <p>(c) If a utility revises its annual or biennial conservation report as a result of the commission review, the utility must submit a revised copy of the report required in WAC 480-109-120(3)(c) to the department.</p> <p>(d) Annual plans and reports may be reviewed through the commission's open meeting process, as described in chapter 480-07 WAC.</p>				No deliverable requirement

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WAC 480-109-120(6)	All conservation plans and reports required by RCW 19.285 and this section since January 1, 2010, as well as a summary of planned and actual savings and expenditures reflected in the plans and reports, must be posted and maintained on the utility's website. Plans and reports must be posted on the utility's website within 30 days of commission acknowledgement of the plan or order approving the report. A copy of any such plan, report, or summary must be provided to any person upon request.	No specific CRAG role			No deliverable requirement											
(8)(f)	Examples of even/odd years, discussed in parts (8)(a) through (e) above <table border="1"> <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> </tbody> </table>	"Even" Year (ACP, BCR)	"Odd" Year (BCP)	"Subsequent" or "Following" Year	"Previous" Year	2016		2017	2015		2017	2018	2016	No CRAG specific role		Example only- 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.	No CRAG specific role	PSE files the Annual Report.		Example only- no deliverable											
Public Involvement																
(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 480-109-100(2) . 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.	Review calculations and determinants of IRP.	PSE files its 2015 IRP.	2015 IRP development completed. Several CRAG members also participate in the IRPAG. Final filing due in December 2015.												
(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 480-109-100(2)&(3) .	No CRAG specific role	PSE documents the date on which it provided to the CRAG its 10-year potential and 2-yr target on August 1.	PSE provided the CRAG an overview of the two-year target development at the May 21 2015 CRAG meeting.												
(9)(c)	Fuel switching program will continue to use current practice of upgrading only to high-efficiency gas measures.	No CRAG specific role	By maintaining its upgrade qualifications in all publications.	Done												
Cost-Effectiveness Tests																
(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.	No CRAG specific role	The Annual Report is filed.	2014 Annual Report filed February 27, 2015												

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WAC 480-109-100(8)	Cost-effectiveness. A utility's conservation portfolio must pass a cost-effectiveness test consistent with that used in the Northwest Conservation and Electric Power Plan. A utility must evaluate conservation using cost-effectiveness tests consistent with those used by the council, and as required by the commission, except as provided by WAC 480-109-100(10).	Review	PSE files its annual conservation plans and reports, containing Exhibit 2: Cost-Effectiveness Calculations	Completed	
(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."	No CRAG specific role	The Annual Report is filed.	2014 Annual Report filed February 27, 2015	
(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.	Be consulted on and determine appropriateness	PSE indicates program and portfolio cost-effectiveness tests in Exhibit 2.	Exhibit 2 included in the 2015 ACP, the 2014 Annual Report, and the 2016-2017 BCP.	
WAC 480-109-100(10)	(a) A utility may fully fund low-income conservation measures that are determined by the implementing agency to be cost-effective consistent with the <i>Weatherization Manual</i> maintained by the department. Measures identified through the priority list in the <i>Weatherization Manual</i> are considered cost-effective. In addition, a utility may fully fund repairs, administrative costs, and health and safety improvements associated with cost-effective low-income conservation measures.	Review	PSE discusses how it is implementing the condition in conservation plans and reports	Completed. An extensive discussion is noted in the 2016-2017 BCP.	
WAC 480-109-100(10)	(b) A utility may exclude low-income conservation from portfolio-level cost-effectiveness calculations.	Review	PSE files its annual conservation plans and reports, containing Exhibit 2: Cost-Effectiveness Calculations	Completed. LIW cost-effective elements are included in the 2016-2017 BCP.	
WAC 480-109-100(10)	(c) A utility must count savings from low-income conservation toward meeting its biennial conservation target. Savings may be those calculated consistent with the procedures in the <i>Weatherization Manual</i> .	Review	Low Income Weatherization savings totals are reflected in conservation annual plans and reports	Completed. LIW savings are included in 2016-2017 BCP savings totals.	
Recovery through Conservation 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.		Schedule 120 is filed.	Schedule 120 filed February 27, 2015	
WAC 480-109-130	(1) Utilities must file with the commission for recovery of all expected conservation cost changes and amortization of deferred balances. A utility must include its conservation recovery procedures in its tariff.	Review	PSE provides its Schedule 120 filing each March 1.	Completed. PSE added its cost recovery methodology in Schedule 120 tariff revision.	
WAC 480-109-130	(2) A utility must make a conservation cost recovery filing no later than June 1st of each year, with a requested effective date at least sixty days after the filing. If the utility believes that a filing is unnecessary, then it must file a request for exception and supporting documents no later than May 1st of each year demonstrating why a rate change is not necessary.	Review	PSE provides its Schedule 120 filing each March 1.	Completed.	
WAC 480-109-130	(3) A utility may not accrue interest or incur carrying charges on deferred conservation cost balances. Utilities must base conservation recovery rates on forward-looking budgeted conservation program costs for the future year with revisions to recover only actual program costs of the prior year. Utilities must also include the effects of variations in actual sales on the recovery of conservation costs in the prior year.	No specific CRAG role			Explanation only -- No deliverable

PSE 2014-2015 ENERGY EFFICIENCY DELIVERABLES—COMPLIANCE STATUS

Last Updated: 2/25/2016



Section or Condition Number	Detailed Condition	CRAG Role	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>	Compliance Status	Complete? Start = Not started Date = Pending Check = Yes Hourglass = In Progress X = Non-compliant
(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.	Review	1) PSE provides the CRAG its cost allocation methodology 2) Issues relative to Schedule 258 apportionments have been identified for resolution.	The 2015 Schedule 120 filing on February 27 was consistent with existing Rider mechanisms.	
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.	No specific CRAG role	PSE does not charge CVR costs to the Conservation Rider	PSE excluded systems costs from Exhibit 1.	
Additional Commitments					
(12)(a)	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. 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.	Review, Advise	PSE provides records of CRAG meeting discussions, agreements, and/or verified savings.	PSE provided a generation discussion at its June 5, 2014 CRAG meeting, and reviewed generation energy efficiency upgrade potentials with the CRAG throughout the 2016-2017 BCP planning process.	
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.	No CRAG specific role		Completed	
Sections Still in Effect from 2010 Settlement Agreement, UE-100177					
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.	No CRAG specific role		Not applicable -- No deliverable	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.	No CRAG specific role		Not applicable -- No deliverable	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.	No CRAG specific role		Not applicable -- No deliverable	Explanation only -- No deliverable





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

Last Updated: 2/25/2016



Section or Condition Number	Detailed Condition	CRAG Role	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>	Compliance Status	Complete? Start = Not started Date = Pending Check = Yes Hourglass = In Progress X = Non-compliant
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.	No CRAG specific role		Not applicable -- No deliverable	Explanation only -- No deliverable

- Unless specified, the below 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 Appendix 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 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".
- 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.

	= Pending Completion		= Completed
	= Not Started		= Condition Not Met
			= Underway/Started

card view)
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