

**PUGET SOUND ENERGY  
Electric Tariff G**

**SCHEDULE NO. 139  
VOLUNTARY LONG TERM RENEWABLE ENERGY  
PURCHASE RIDER**

(N)

**1. PREFACE:**

- a. The Company and many Customers have worked together to encourage the development of Renewable Energy resources that (i) will provide clean energy to Customers at a long-term contracted rate, (ii) support the local economy, and (iii) could be publicized and leveraged for external benefit.
- b. This Schedule is designed to provide Customers a voluntary opportunity to purchase Renewable Energy as established by RCW 19.29A.090.
- c. Service under this Schedule is provided through: 1) the purchase of Renewable Energy from resources the Company owns or contracts for and delivered to the Company's Balancing Authority Area, and 2) Renewable Energy Credits, where applicable, obtained by the Company and transferred to the Customer that have been created with the electricity production.
- d. As this is a retail product, the Renewable Energy Credits, when available, must be retired by the Customer in WREGIS or they may be retired by the Company on behalf of the Customer.

**2. AVAILABILITY:**

- a. Service under this Schedule is available after January 1, 2017, to Customers taking Electric Service on any of the following schedules: 24, 25, 26, 31, 40, 43, 46 and 49.
- b. At the time an Enrollment Request is submitted, Customers must have a minimum aggregated load of 10,000,000 kWh annually with PSE, or be a municipal, county, state or federal institution. Customers may choose which service address(es) to subscribe to this service. Customers must contract for 100% of the load of all meters located at each service address under contract for Renewable Energy.

(Continued on Sheet No. 139-A)

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**SCHEDULE NO. 139 (N)  
VOLUNTARY LONG TERM RENEWABLE ENERGY  
PURCHASE RIDER (Continued)**

**2. AVAILABILITY (Continued):**

- c. Service is available after entering into a Service Agreement under this Schedule (the "Service Agreement" attached to this Schedule as Attachment A) for a minimum term. After expiration of such term, service is available under another multi-year contract, unless terminated as provided herein.
- d. The aggregate subscription under this Schedule will be initially limited to a total load of 75 average megawatts (aMW) and the load amount will be re-evaluated when the 75 aMW amount is reached.

**3. DEFINITIONS:** The following terms shall have the meanings specified below when used in this Schedule.

- a. Balancing Authority Area: The collection of generation, transmission, and loads within the metered boundaries of the Balancing Authority. The Balancing Authority maintains load-resource balance within this area. Where the Balancing Authority is defined as: the responsible entity that integrates resource plans ahead of time, maintains load-interchange-generation balance within a Balancing Authority Area, and supports interconnection frequency in real time.
- b. Enrollment Request: A Customer request for service under this Schedule.
- c. Renewable Energy: Energy defined in RCW 19.29A.090 as qualified alternative energy resources, means the electricity produced from generation facilities fueled by energy sources that include wind; solar energy; geothermal energy; landfill gas; wave or tidal action; gas produced during the treatment of wastewater; qualified hydropower; or biomass energy based on animal waste or solid organic fuels from wood, forest, or field residues or dedicated energy crops that do not include wood pieces that have been treated with chemical preservatives such as creosote, pentachlorophenol, or copper-chrome-arsenic.

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**SCHEDULE NO. 139 (N)**  
**VOLUNTARY LONG TERM RENEWABLE ENERGY**  
**PURCHASE RIDER (Continued)**

- 3. **DEFINITIONS:** The following terms shall have the meanings specified below when used in this Schedule (Continued).
  - d. Open Season: The time periods described in Section 6 of this Schedule when Customers may submit Enrollment Requests to the Company.
  - e. Renewable Energy Credits: Also known as Renewable Energy Certificates or RECs, represent the environmental attributes associated with 1 megawatt-hour of renewable electricity generated and delivered to the power grid.
  - f. Renewable Subscription Resource Option or Resource Option: The resource listed in Section 10 of this Schedule that is chosen by the Customer.
  - g. WREGIS: The Western Renewable Energy Generation Information System is an independent, Renewable Energy tracking system for the region covered by the Western Electricity Coordinating Council.

**4. TYPE OF SERVICE:**

Service under this Schedule is provided through: 1) the purchase of Renewable Energy provided through resources the Company owns or contracts and delivered to the Company's Balancing Authority Area, and 2) Renewable Energy Credits, where applicable, obtained by the Company and transferred to the Customer that have been created with the electricity production. The Customer will continue to receive fully bundled service.

**5. CONDITIONS OF SERVICE:**

- a. The Customer may receive service under this Schedule through: i) an enrollment process during designated Open Seasons, and ii) a multi-year Service Agreement.
- b. Customer participation in this program may be limited by the Company to balance Customer demand with available qualified alternative Renewable Energy resources, adequate transmission facilities, and capacity to the Company's Balancing Authority Area.

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**SCHEDULE NO. 139 (N)  
VOLUNTARY LONG TERM RENEWABLE ENERGY  
PURCHASE RIDER (Continued)**

**5. CONDITIONS OF SERVICE (Continued):**

- c. Service is available after entering into a Service Agreement under this Schedule (the "Service Agreement" attached to this Schedule as Attachment A) for a minimum term. After expiration of such term, service is available under another multi-year contract, unless terminated as provided herein.
- d. The aggregate subscription under this Schedule will be initially limited to a total load of 75 average megawatts (aMW) and the load amount will be re-evaluated when the 75 aMW amount is reached.
- e. If the Renewable Energy produced by the Resource Option(s) and purchased by the Company is insufficient in any calendar year to satisfy the full requirements of the Customer, the Company will work with the Customer to source and retire for the Customer RECs from alternative resources, with costs limited to the net amount to be collected under Schedule 139 from the Customer for the remainder of the calendar year.
- f. If, at the Company's determination, the resources will not be adequate to meet the full requirements of the Customer, the Company may terminate the Service Agreement with no liability to the Customer or to the Company. If a replacement resource can be mutually agreed upon then a new Service Agreement will be created.
- g. The Company may file a request to discontinue this Schedule with the WUTC at any time in the future. Termination of this Schedule will terminate all Service Agreements entered into with Customers effective on the date of such termination. Prior to the effective date of such termination, the Company may work with participating Customers to transition them to an existing green power option that the Company is providing at that time.
- h. Customer authorizes that the Company may run a credit report on Customer and/or request audited financial statements for the purpose of determining the Customer's creditworthiness for this service.

(Continued on Sheet No. 139-D)

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**SCHEDULE NO. 139 (N)**  
**VOLUNTARY LONG TERM RENEWABLE ENERGY**  
**PURCHASE RIDER (Continued)**

**6. ENROLLMENT:**

- a. Customers who choose to take service under this Schedule must complete the Company's enrollment process to participate in this service. Initiation of service under this rider will occur following acceptance and processing of the Enrollment Request by the Company.
- b. Customers interested in the Renewable Subscription Resource Option will complete an Enrollment Request during the designated Open Season. Customers may also request additional resources to be built/purchased at a future date which will meet the guidelines of RCW 19.29A.090.
- c. The Company will manage the overall quantity of Renewable Energy that can be contracted under this option. The available quantity will depend on the amount of resource(s) that are available upon completion of the resource acquisition. The Company will endeavor to provide the Renewable Energy preferred by the Customer, but reserves the right to designate at the time of entering the Service Agreement.
- d. The first Open Season will begin no sooner than 1:00 p.m. on September 1, 2016 and remain open until 5:00 p.m. on October 31, 2016. The first Resource Options will be available for delivery no earlier than January 1, 2019, under this Schedule.
- e. From 2017 onward, the annual Open Season will begin at 1:00 p.m. the first business day on or after May 1st and remain open until 5:00 p.m. the last full business day before or on July 31st of the same year.
- f. The Customer and Company will execute a Service Agreement (Attachment A) that will include the contract period, energy rates, early termination fee and other additional terms and conditions.

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**SCHEDULE NO. 139 (N)**  
**VOLUNTARY LONG TERM RENEWABLE ENERGY**  
**PURCHASE RIDER (Continued)**

**7. TERMINATION BY CUSTOMER:**

Customers who choose to discontinue their service under this Schedule will be charged for the net cost of the remaining Renewable Energy that was to be delivered to the Customer under the remaining term of the Service Agreement. This amount will be based on: 1) the remaining term of the Service Agreement, 2) the amount of annual Renewable Energy needs ("full requirements") of each of the discontinued Customer' locations as listed in Section 5 of the Service Agreement, 3) the contracted energy rates agreed to in Section 7 of the Service Agreement, and 4) a credit for PSE's then-current avoided costs (filed consistent with WAC 480-107-055). Termination of service under this Schedule will follow receipt and processing of the termination request by the Company.

**8. MONTHLY RATES:**

In addition to charges under the Customer's existing Electric Service schedule, Schedule 139 monthly rates include: 1) a credit for the energy-related power cost component of the Energy Charge of the Customer's Electric Service schedule, and 2) a charge for the Renewable Energy. Charges will commence with the Customer's normal billing cycle for that specific account(s) under which the Customer is already taking Electric service.

- a. Energy Charge Credit:  
(\$0.0470009) per kWh
- b. Resource Option Energy Charge:  
Listed in Section 9.

Charges under this Schedule will be in addition to all the other charges under the Customer's existing Electric Service schedule. The Energy Charge Credit will be updated with each general rate case, power cost only rate case, or other power-related filings.

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**SCHEDULE NO. 139  
 VOLUNTARY LONG TERM RENEWABLE ENERGY  
 PURCHASE RIDER (Continued)**

(N)

9. **RESOURCE OPTIONS:**

a. Wind: 20 Year (13901W20)

<b>Calendar Year</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Rate per kWh</b>	\$0.05021	\$0.05122	\$0.05224	\$0.05329	\$0.05435

<b>Calendar Year</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>
<b>Rate per kWh</b>	\$0.05544	\$0.05655	\$0.05768	\$0.05883	\$0.06001

<b>Calendar Year</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>
<b>Rate per kWh</b>	\$0.06121	\$0.06244	\$0.06368	\$0.06496	\$0.06626

<b>Calendar Year</b>	<b>2034</b>	<b>2035</b>	<b>2036</b>	<b>2037</b>	<b>2038</b>
<b>Rate per kWh</b>	\$0.06758	\$0.06893	\$0.07031	\$0.07172	\$0.07315

b. Wind: 15 Year (13901W15)

<b>Calendar Year</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>Rate per kWh</b>	\$0.05063	\$0.05164	\$0.05268	\$0.05373	\$0.05480

<b>Calendar Year</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>
<b>Rate per kWh</b>	\$0.05590	\$0.05702	\$0.05816	\$0.05932	\$0.06051

<b>Calendar Year</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>
<b>Rate per kWh</b>	\$0.06172	\$0.06295	\$0.06421	\$0.06549	\$0.06680

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**PURCHASE RIDER (Continued)**

(N)

9. **RESOURCE OPTIONS** (Continued):

c. Wind: 10 Year (13901W10)

Calendar Year	2019	2020	2021	2022	2023
Rate per kWh	\$0.05111	\$0.05213	\$0.05318	\$0.05424	\$0.05532

Calendar Year	2024	2025	2026	2027	2028
Rate per kWh	\$0.05643	\$0.05756	\$0.05871	\$0.05989	\$0.06108

10. **ADJUSTMENTS:** Rates in this Schedule are subject to adjustment by such other schedules in this Tariff as may apply.

11. **GENERAL RULES AND PROVISIONS:** Service under this Schedule is subject to the General Rules and Provisions contained in the Company's Tariff, as they may be modified from time to time, and to other schedules of this Tariff that may from time to time apply to this schedule.

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**PUGET SOUND ENERGY****SCHEDULE 139  
VOLUNTARY LONG TERM RENEWABLE ENERGY SERVICE AGREEMENT****Attachment "A" – Service Agreement**

THIS SCHEDULE 139 VOLUNTARY LONG TERM RENEWABLE ENERGY SERVICE AGREEMENT ("Service Agreement"), dated as of the \_\_\_\_\_, is made and entered into by and between \_\_\_\_\_ (the "Customer") and PUGET SOUND ENERGY, a Washington Corporation, (the "Company"), for service under the Company's Electric Tariff G Schedule 139. Terms defined in Schedule 139 and in the General Rules and Provisions (Schedule 80) of the Company's tariff for electric service shall have the same meanings where used in this Agreement.

**RECITALS**

- A. The Company is a public service company engaged in the sale and delivery of electric energy pursuant to its Electric Tariff G.
- B. Customer is receiving Electric Service under the Company's Electric Tariff G, Schedule 24, 25, 26, 31, 40, 43, 46 or 49, and desires to participate in the Company's Voluntary Long Term Renewable Energy program offered under Schedule 139.
- C. The Company and the Customer have worked jointly to encourage the development of Renewable Energy projects that (i) could provide clean energy to customers at a long-term contracted rate, (ii) support the local economy, and (iii) could be publicized and leveraged for external benefit. The Parties agree that the \_\_\_\_\_ (the "Resource Option") should meet these criteria, and the Parties thus now agree to enter into this Service Agreement with each other, for mutual benefit.
- D. The Company will sell and the Customer will purchase from the Company Renewable Energy Credits (RECs), where applicable, and Renewable Energy at a contracted volume equal to 100% of the load of all meters located at each subscribed service address (the sum of Anticipated Average Annual Loads) as listed in Section 5, with such amount to be allocated from Renewable Energy generated by the Resource Option, pursuant to one of the contracted rates described.

**AGREEMENT**

- 1. **Request and Acknowledgement.** The Customer requests service under Schedule 139 and acknowledges that Schedule 139 requires a minimum term. Service under Schedule 139 will be billed on the Customer's existing statement. The Resource Option Energy Charge is fixed as shown in Section 7. The Energy Charge Credit will be updated with each general rate case, power cost only rate case or other power-related filings.
- 2. **Resource.** Under this Service Agreement the Company will receive Renewable Energy into its Balancing Authority Area from where it can serve the Customer.
- 3. **Renewable Energy Credits.** The Company will acquire the RECs that are created with the electricity production, where applicable. The Company will transfer the RECs to the Customer

**PUGET SOUND ENERGY**

which must be retired in WREGIS. Alternatively, at the Customer's request, the Company will retire the RECs in WREGIS. As the Customer is receiving a retail product, the RECs may not be resold or transferred to another party.

4. **Resource Option.**

Number: \_\_\_\_\_  
Description: \_\_\_\_\_

5. **Customer Service Address and Account Numbers.** The Customer requests service under this Service Agreement for the service addresses, account numbers and meter numbers listed in Attachment B. The aggregated Anticipated Average Annual Load is included in Attachment B.

6. **Term.** The term of this Service Agreement shall commence in the year \_\_\_\_\_, on the first day of the Customer's normal billing cycle, in the first month following the commencement of commercial operation of the Resource Option, and delivery therefrom of energy to the Company sufficient to satisfy the obligations set forth in this Service Agreement. This Service Agreement terminates in the year \_\_\_\_\_ after \_\_\_\_\_ billing cycles.

7. **Rates.** Schedule 139 rates are in addition to all charges under the Customer's existing Electric Service schedule. Rates include a charge per kWh for the contracted energy as outlined in Table 1 and a credit for the energy-related power cost component of the Energy Charge set forth in Schedule 24, 25, 26, 31, 40, 43, 46 or 49 of the Electric Tariff WN U-60 under which the Customer is taking Electric Service. The Energy Charge Credit will be updated with each general rate case, power cost only rate case, or other power-related filings, while the Resource Option Energy Charge will remain fixed as outlined in the Table 1. below.

Table 1

Calendar Year	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Rate per kWh										
Calendar Year	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Rate per kWh										

8. **Early Exit Fee.** Customers may elect to terminate this Service Agreement prior to the Termination Date with 60 days' notice to the Company. Customers who choose to discontinue their service under this Schedule will be charged for the net cost of the remaining Renewable Energy that was to be delivered to the Customer under the remaining term of the Service Agreement. This amount will be based on: 1) the remaining term of the Service Agreement, 2) the amount of annual Renewable Energy needs ("full requirements") of each of the discontinued Customer' locations as listed in Section 5 of the Service Agreement, 3) the contracted energy rates agreed to in Section 7 of the Service Agreement, and 4) a credit for PSE's then-current

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Attachment "A" to Schedule 139, Page 3

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**PUGET SOUND ENERGY**

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avoided costs (filed consistent with WAC 480-107-055). Termination of service under this Schedule will follow receipt and processing of the termination request by the Company.

- 9. **Resource Option Inadequacy.** If the Resource Option will not be available at the start of the commencement year, the Customer's agreement will be delayed to align with the Resource Option. If the Renewable Energy produced by the Resource Option and purchased by the Company is insufficient in any calendar year to satisfy the full requirements of the Customer, the Company will work with the Customer to source and retire for the Customer RECs from alternative resources, with costs for the RECs limited to the net amount to be collected under Schedule 139 from the Customer for the remainder of the calendar year. If, at the Company's determination, the Resource Option will not be adequate to meet the full requirements of the Customer, then this Service Agreement will be terminated with no liability to the Customer or to the Company. If a replacement project can be sourced and mutually agreed upon, a new Service Agreement will be created.
- 10. **Credit.** Customer authorizes that the Company may run a credit report on Customer and/or request audited financial statements for the purpose of determining the Customer's creditworthiness for this service.
- 11. **Energy Efficiency Services.** The Customer and the Company will continue to partner on mutually beneficial energy efficiency projects which will reduce energy demand on an annual basis. These services will have no bearing on the cost of energy as proposed in Table 1.
- 12. **Electrical Work.** In order to ensure continued qualification for service under Schedule 139, the Customer must contact the Company through their business account services representative when any electrical work is being conducted.
- 13. **Governing Law.** This Service Agreement will be governed by and interpreted, construed and enforced in accordance with the laws of the State of Washington.

IN WITNESS WHEREOF, the Parties, by their duly authorized representatives, have executed this Agreement as of the date first written above.

**PUGET SOUND ENERGY**

By \_\_\_\_\_

Its \_\_\_\_\_

**CUSTOMER**

\_\_\_\_\_

By \_\_\_\_\_

Its \_\_\_\_\_

42<sup>nd</sup> Revision of Sheet No. 2-A  
Canceling 41<sup>st</sup> Revision  
of Sheet No. 2-A

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**PUGET SOUND ENERGY**  
**Electric Tariff G**

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