

**LOW INCOME WEATHERIZATION (LIW)  
2017 COMMUNITY AGENCY AGREEMENT (PSE-EE-LIW-010)**

This Agreement, effective for program year commencing January 1, 2017 is made and entered into by and between **Puget Sound Energy, Inc. (PSE)**, a Washington Corporation and **Snohomish County**, a political subdivisions of the State of Washington (Weatherizing Agency).

**RECITALS**

- a) PSE is an investor-owned utility supplying electricity and natural gas, and whose rates, services, charges and practices are subject to the regulatory authority of the Washington Utilities and Transportation Commission ("Commission").
- b) PSE provides, to Eligible Customers, certain benefits under its Low Income Weatherization Program ("Program") pursuant to PSE's Electric and Gas Tariff Schedule 201.
- c) **"Weatherizing Agency"** is any approved department grantee, tribal nation, or any public service company, municipality, public utility district, mutual or cooperative, or other entity that bears the responsibility for ensuring the performance of weatherization of residences under chapter 70.164 RCW and has been approved by the Department and which interfaces directly with Eligible Customers and companies providing Program services as related to this Community Agency Agreement.
- d) PSE and Weatherizing Agency desire to set forth in this Agreement all of the terms and conditions governing Weatherizing Agency participation in the Program and Weatherizing Agency's performance of certain administrative obligations relative to the implementation of the Program.

**AGREEMENT**

The parties, therefore, agree as follows:

**Section 1. Definitions**

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

**“Administration Services”** means the services performed or to be performed by Weatherizing Agency in connection with the Program that relate to or includes tracking, recordkeeping, reporting, insurance and bonding, accounting and auditing, as described in Section 3.

**“Allocation”** means that a portion of the total Program funds allocated to a Weatherizing Agency for that Program Year, as determined and as may be adjusted from time to time during the Program Year by PSE pursuant to the Program Rules are found in Section 3 of this document. The Allocation for a given Program Year is comprised of the Approved Funding Amount and the fixed Service Fee Amount for that Program Year.

**“Approved Funding Amount”** means the difference between the Allocation and the fixed Service Fee Amount for that Program Year that represents the portion of the Allocation available to Weatherizing Agency for electric and/or gas funding under the Program during the specified Program Year.

**“Weatherization Agency Agreement”** means this document.

**“Company Information”** means any information that Weatherizing Agency obtains from sources under this Agreement, which concerns prospective and existing customers or employees of (1) PSE or (2) PSE's affinity marketing partners.

**“Department”** means WA State Department of Commerce.

**“Education Services”** means the services provided by Weatherizing Agency including materials and individual instruction to Customers regarding personal energy management, conservation and related topics.

**“Eligible Customer”** means a Customer that qualifies as a "low-income household," as defined by the Department. In making such determination, the term "income" will have the meaning used by the Department for such purposes and, without limiting the foregoing, may mean untaxed income or taxable income adjusted in accordance with guidelines by the Department.

**“Program Online Tracking and Reporting System”** means PSE's internet based reporting system designed to accept monthly reporting from Weatherizing Agency.

**“Measures”** mean category headings (or categories) eligible for PSE funding under the Program.

**“Program”** means PSE's Low Income Weatherization Program.

**“Program Rules”** means the administrative and other rules for the Program as defined in Section 3 of this Community Agency Agreement established and amended by PSE from time to time pursuant to Section 4.4.

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

**“Program Year”** means a period of twelve (12) consecutive calendar months commencing on January 1 and ending on December 31.

**“Service Fee Amount”** means, with respect to a given Program Year, that portion of the Allocation for that Program Year which is available to Weatherizing Agency to cover the actual costs it incurs in performing the Program Services during the Program Year, as specified and adjusted by PSE pursuant to Section 5 and Exhibit A.

**“Support Services”** means the services performed or to be performed by Weatherizing Agency in connection with the Program that relate to the certification of Eligible Customers, identifying and qualifying Service Providers, verification of documents, creation and storage of files of Eligible Customers, appointment scheduling, Customer outreach and coordination of Measure benefits, as described in Section 3.2.

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

- 2.1 General.** PSE and Weatherizing Agency will cooperate and coordinate their efforts under this Agreement to ensure that the Program is implemented and administered in accordance with the Program Rules in Section 3 of this document, the applicable provisions of the Program Schedules, all other applicable PSE tariffs on file with the Commission and all applicable laws and regulations. In the event of any conflict or inconsistency between the provisions of this Agreement and any provision of the Program Schedules, the provision of the Program Schedules will govern and control.
- 2.2 Designated Representative.** Promptly after the execution of this Agreement, each party will designate in writing an authorized individual to represent such party in the administration of this Agreement and the Program. Each party may change its authorized representative from time to time by giving written notice of such change to the other party.
- 2.3 Independent Contractor.** Weatherizing Agency will be and act as an independent contractor (and not an employee or agent of PSE) in the performance of the Program Services and this Agreement. Weatherizing Agency will not represent that it is, or hold itself out as, an employee or agent of PSE. Weatherizing Agency will not be authorized to enter into any agreements or undertakings for or on behalf of PSE or to act as or be an employee or agent of PSE without PSE's prior written consent. Nothing in this Agreement shall be construed to create an employee-employer relationship between Weatherizing Agency and PSE.

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

**3.1 Program Rules.** During the Program Year, Weatherizing Agency will perform the following Program Services (administrative and other services) in connection with the implementation of the Program, all in accordance with and subject to the applicable provisions of the Program Rules, the Program Schedules and all terms and conditions of this Agreement:

- a) Weatherizing Agency will make available to the Customers pro forma applications, in form and content for use by the Customers in applying to receive Weatherization Measures under the Program.
- b) Weatherizing Agency will accept and review each such application submitted to Weatherizing Agency by a Customer and determine, in accordance with the eligibility criteria set forth by the Department, the eligibility of the Customer to receive Measure benefits under the Program.
- c) On or before the end of each month, Weatherizing Agency will submit to PSE the Measure data through the Program Web-Based Data System (provided by PSE). This list includes the name, address and account number of each Eligible Customer identified by Weatherizing Agency during such month) and the corresponding electric and/or gas Measure benefits for which the Eligible Customer qualifies under the Program.
- d) Weatherizing Agency will coordinate the administration of Program Measures and Program in accordance with the procedures set forth in Section 3.2 and any applicable provisions of the Program Rules.
- e) Weatherizing Agency will insure that products installed in Eligible Customer homes meet, at a minimum, the health and safety requirements as defined by the Department.
- f) Weatherizing Agency is responsible for selecting Service Providers to perform services to Eligible Customers. The Weatherizing Agency shall comply with all applicable local, state and federal licensing and accrediting requirements/standards and any other standards or criteria established by the Department to assure quality of services necessary for the performance of the Agreement. The Weatherizing Agency shall apply these requirements to all Service Providers utilized for Program projects covered by this Agreement.
- g) Weatherizing Agency will track, report, monitor and inspect measure installations awarded to Eligible Customer. Monitoring and inspection of Program will also be performed by the Department as coordinated with the Weatherizing Agency.

**3.2 Coordination of Funding.** In connection with each application for Weatherization Measures received by the Weatherizing Agency from a Customer, the Weatherizing Agency will determine the Customer's eligibility to receive Weatherization Measure

benefits and will coordinate the delivery of such Weatherization Measures in accordance with the applicable provisions of the Program Rules, the Program Schedules and the following:

- a) If the Customer is an Eligible Customer for purposes of the Program and this Agreement, Weatherizing Agency will provide the Customer electric and/or gas benefits, as applicable and appropriate, under the Program to the extent permitted under the applicable provisions of the Program.
- b) If the Customer does not meet eligibility requirements for Program benefits, no funds may be awarded.

**3.3 Monthly Reports.** Weatherizing Agency will submit monthly reporting data to PSE utilizing the PSE Program Web-Based Data System. Reports are automatically generated when the Weatherizing Agency correctly enters data into the system.

**3.4 Qualifications.** Throughout the Program Year, Weatherizing Agency will take all steps necessary to ensure that it meets all of the criteria for qualifying as a Weatherizing Agency as defined by the Department. In addition, Weatherizing Agency will, to PSE's satisfaction, be capable (financially and otherwise) of obtaining, maintaining and operating throughout the Program Year the personnel, equipment and other resources needed to perform the Program Services in accordance with the Program Rules and this Agreement.

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

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

**3.7 Confidentiality.** Refer to Exhibit B.

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

**4.1 Program Implementation.** During the Program Year, PSE will implement and administer the Program in accordance with the requirements set forth in the Program Rules, the applicable Program Schedule and the following:

- a) Pay Weatherizing Agency a fixed fee for Administrative Services as specified in Section 5.
- b) At the commencement of each Program Year during the Program Year, PSE will notify Weatherizing Agency in writing of its Allocation for such Program Year. Thereafter, PSE will notify Weatherizing Agency in writing of any adjustments to the Allocation made by PSE during the Program Year based on a reallocation of funding or other adjustment implemented in accordance with the Program Rules. The Allocations in effect as of the date of this Agreement are set forth in the attached Exhibit A.
- c) Provide prompt and thorough response to Weatherizing Agency questions and procedures regarding the Program.
- d) Provide training/education to Weatherizing Agency on the use of the PSE Program Online Tracking and Reporting System used for monthly reporting.

**4.2 Access to Customer Data.** During the Program Year, and contingent upon Weatherizing Agency's continued compliance with its eligibility, confidentiality obligations under Section 3.7 and all other provisions of this Agreement, PSE will provide to Weatherizing Agency access to data and information regarding the energy consumption and account history of those Customers seeking benefits under the Program, in accordance with and subject to any applicable provisions of the Program Rules and the following:

- a) PSE may limit Weatherizing Agency's access solely to the data and information deemed necessary and appropriate by PSE for the proper and efficient implementation and administration of the Program;
- b) PSE will furnish Weatherizing Agency access to the data and information through secure protocols. PSE will provide to Weatherizing Agency, during the Program Year initial and on-going technical support and assistance, as deemed necessary by PSE, relative to the method of secure delivery selected by PSE with respect to such data and information.

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

- 4.4 Changes to Program Rules.** PSE may from time to time during the Agreement term make changes to the Program Rules. Change will become effective sixty (60) days after PSE gives Weatherizing Agency written notice of the change. During such sixty (60) day period, Weatherizing Agency may provide comments and input to PSE regarding the impact of the change on the performance of the Program Services, and PSE will, on request, discuss such comments and input with Weatherizing Agency. All such changes will apply to Weatherizing Agency after the end of the above sixty (60) day period unless Weatherizing Agency terminates the Term in accordance with Section 7.3. PSE has sole authority to make and/or retain changes.

## **Section 5. Administrative Fees**

- 5.1 Administrative Fee Amount.** The Administrative Fee for the Program Year is no greater than 20% of total Weatherizing Agency funding identified in Exhibit A.
- 5.2 Payment.** Administrative Fee is paid after the close of each month and within 10 business days. Payment will be made in the manner mutually acceptable to both parties.

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

- 6.1 Records.** Throughout the Program Year and for a period of three (3) years after the expiration or termination of the Program Year, Weatherizing Agency will keep and maintain for examination, copying and audit by PSE complete and accurate records with regard to the Program, Program Services and this Agreement, including, but not limited to, records and documents generated by Weatherizing Agency in the performance of its obligations under this Agreement and records and documents generated by the Customers, Service Providers, and PSE and submitted to Weatherizing Agency. Upon PSE's request, Weatherizing Agency will transfer such records to PSE, at PSE's sole cost.
- 6.2 Records Audits.** During the Program Year and for a period of three (3) after the expiration or termination of the Program Year, Weatherizing Agency will, upon PSE's request from time to time, and at PSE's sole cost, provide to PSE representatives and/or independent auditors access to the records maintained by Weatherizing Agency under Section 6.1 and other relevant records and documentation (other than any records which have been previously transferred to PSE pursuant to Section 6.1) for examination, reproduction and audit. Each such audit will be conducted during the Weatherizing Agency's business hours.
- 6.3 Financial Audit.** PSE reserves the right to request from the Weatherizing Agency a copy a financial audit of Weatherizing Agency's PSE project files and records. The

financial audit will be delivered within one (1) year after the end of each fiscal year of Weatherizing Agency during the Program Year and be conducted by the public auditor assigned by law to perform the audit. Each such audit will be conducted in accordance with Generally Accepted Auditing Standards and will be supported by such documents, certificates and other information as PSE may reasonably request.

- 6.4 Evaluation.** PSE reserves the right to undertake an evaluation of Weatherizing Agency's performance of the Program Services, Weatherizing Agency's compliance with the Program Rules and other provisions of this Agreement, and Weatherizing Agency's capability (both financial and otherwise) and qualifications to perform all obligations under this Agreement relating to the administration and implementation of the Program. Weatherizing Agency will, following completion of such evaluation, make such changes and adjustments in its performance as PSE deems reasonably necessary or appropriate based on the results of the evaluation.

## **Section 7. Program Year and Termination**

- 7.1 Program Year.** The Program Year of this Agreement (the "Program Year") will commence on the date of this Agreement and, unless earlier terminated in accordance with Section 7.2 or Section 7.3, will end on the December 31<sup>st</sup> of the same year or unless otherwise extended by Agreement amendment .
- 7.2 Termination for Cause.** Either party may terminate the Program Year upon written notice to the other party if the other party breaches material provision of this Agreement and fails to cure such breach with sixty (60) days after it receipt of written notice regarding the breach.
- 7.3 Other Termination.** In the event PSE notifies Weatherizing Agency of any material change in the Program Rules pursuant to Section 4.4, Weatherizing Agency may thereafter terminate the Program Year by giving PSE written notice of termination at any time prior to the expiration of the sixty (60) day period described in Section 4.4 and refunding to PSE any portion of the advances previously paid to Weatherizing Agency under Section 5.1 which have not been allocated to cover the actual costs incurred by Weatherizing Agency prior to the effective date of termination.
- 7.4 Effect of Termination.** All provisions of this Agreement, which may reasonably be interpreted or construed as surviving the expiration or termination of this Agreement, will survive the expiration or termination of this Agreement.

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

Weatherizing Agency represents and warrants as follows:

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

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

## **Section 9. Indemnification**

- 9.1 **By Weatherizing Agency.** Weatherizing Agency will indemnify, hold harmless and, unless PSE elects otherwise as provided below, defend PSE from and against any and all third party suits, sanctions, liabilities, legal proceedings, claims, demands, fines, penalties, losses, costs and expenses of whatever kind or character, including but not limited to reasonable attorneys' fees and expenses, for injury to or death of persons or loss of or damage to property to the extent arising out of any act, omission, fault, strict liability or negligence of Weatherizing Agency in connection with the performance of the Program Services or this Agreement. PSE may, at its sole option, elect to defend itself, and at its sole cost, against any Loss with counsel of its own choosing unless (and then only to the extent) the Loss (a) is solely a claim for money damages, (b) is fully covered by an insurance policy maintained by Weatherizing Agency pursuant to Section 10, and (c) is not the subject of a proceeding before the Commission or any other governmental Weatherizing Agency having jurisdiction.
- 9.2 **By PSE.** PSE will indemnify, defend and hold harmless Weatherizing Agency from and against any and all third party suits, sanctions, liabilities, legal proceedings, claims, demands, fines, penalties, losses, costs and expenses of whatever kind or character, including but not limited to reasonable attorneys' fees and expenses, for injury to or death of persons or loss of or damage to property to the extent the same is caused by the negligence or willful misconduct of PSE in performing its obligations under this Agreement; provided that Weatherizing Agency gives PSE written notice within 30-days of receipt of any such suit, legal proceeding, claim or demand and fully cooperates with PSE in the defense and settlement of the same.

## **Section 10. Insurance**

- 10.1 **Workers' Compensation.** Weatherizing Agency will ensure that, with respect to all persons performing the Program Services, Weatherizing Agency maintains in effect at all times during the performance of the Program Services statutory coverage for workers' compensation and employer's liability insurance.

- 10.2 General Requirements.** Weatherizing Agency will maintain in effect at all times during performance of the Program Services such liability insurance as will protect Weatherizing Agency and PSE from and against any and all claims and liabilities arising out of bodily harm (including death) or property damage that performance is by Weatherizing Agency or its suppliers or contractors. All such insurance will be placed with such insurers and under such forms of policies as may be acceptable to PSE. Weatherizing Agency will ensure that all policies of insurance required under this Agreement will provide that such policies will not be terminated, cancelled, altered or allowed to expire without giving PSE at least thirty (30) days' advance written notice thereof. Weatherizing Agency may fulfill all or part of the requirements in this Insurance Section 10 with self-insurance acceptable to PSE and provide a self- insurance letter as certification.
- 10.3 Specific Coverage.** Without limiting the generality of Section 10.2, Weatherizing Agency's insurance will include umbrella insurance with limits of at least two million dollars (\$2,000,000) per occurrence.
- 10.4 Additional Assurance.** Weatherizing Agency will furnish PSE with such certificates of insurance and evidence of insurance (such as copies of all insurance policies certified by an authorized representative of the insurer) as PSE may from time to time request.
- 10.5 Subrogation Rights.** Weatherizing Agency will ensure that any policies of insurance that Weatherizing Agency carries against loss of or damage to property or against liability for property damage or bodily harm (including death) that may occur in connection with the Program Services or this Agreement will include a waiver of the insurer's rights of subrogation against PSE. To the extent permitted by its insurance policies, Weatherizing Agency hereby waives such rights of subrogation.
- 10.6 Reservation of Rights.** The requirements of this Agreement as to insurance and acceptability to PSE of insurers and insurance to be maintained by Weatherizing Agency are not intended to and will not in any way limit or qualify the liabilities and obligations of or assumed by Weatherizing Agency under this Agreement.

## **Section 11. Miscellaneous**

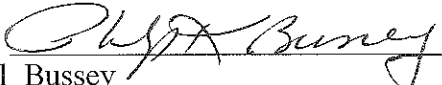
- 11.1 No Assignment.** Weatherizing Agency will not assign all or any part of this Agreement or any of its rights hereunder (including, without limitation, any of its rights in or to the Allocation), or subcontract any of the Program Services, without the prior written consent of PSE. Any such assignment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

this Agreement or from its responsibility for performance of any of its other obligations under this Agreement.

- 11.2 Notices.** Any notice or other communication under this Agreement will be in writing and will be delivered in person, by facsimile, or mailed, properly addressed and stamped, to the Authorized representative of the Weatherizing Agency. Either party may change its address by giving the other party notice of the change in accordance with this paragraph.
- 11.3 No Waiver.** The failure of either party to insist upon or enforce strict performance by the other of any of the provisions of this Agreement or to exercise any right under this Agreement will not be construed as a waiver or relinquishment of its right to assert or rely upon any provision or right in that or any other instance; rather, the provision and right will remain in full force and effect.
- 11.4 PSE Tariffs.** This Agreement is subject to the Program Schedules and the General Rules and Provisions set forth in Tariff Schedule 201 Gas as approved by the Commission and as the same may be amended from time to time.
- 11.5 Governing Law.** This Agreement will be governed by and construed in accordance with the laws of the State of Washington, without reference to its choice of law rules. Weatherizing Agency will not commence or prosecute any suit against PSE, proceeding or claim arising under or by virtue of this Agreement other than in the courts of the State of Washington located in Snohomish County or the United States District Court for the Western District of Washington. Weatherizing Agency hereby irrevocably consents to the jurisdiction of the foregoing courts.
- 11.6 Amendment.** No amendments or modifications of this Agreement will be valid unless evidenced in writing and signed by duly authorized representatives of both parties.
- 11.7 Entire Agreement.** This Agreement contains the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior written or oral negotiations, undertakings and agreements with respect to the subject matter hereof.
- 11.8 Signature Authority.** Signers of this Agreement must have signature authority to commit Weatherizing Agency to terms and conditions contained herein.

**PSE:**  
**Puget Sound Energy, Inc.**

**Weatherizing Agency:**  
**Snohomish County**

By:   
Phil Bussey  
Senior VP and Chief Customer Officer

By:  **SUSAN NEELY**  
Executive Director  
for Dave Somers  
County Executive

Date: 1/11/17

Date: 12/14/16

**PSE's Address:**  
**Puget Sound Energy, Inc.**

Sandra M. Sieg  
Customer Solutions  
19900 North Creek Parkway (BOT-01H)  
Bothell, WA 98011

**Weatherizing Agency's Address:**  
**Snohomish County**

Cinque Finnie  
Snohomish County  
3000 Rockefeller Ave., MS-305  
Everett, WA 98201

## EXHIBITS

- Exhibit A : Program Allocation Amount to Weatherizing Agency (sign and return)
- Exhibit B: Non-Disclosure Agreement (NDA) (sign and return)

**EXHIBIT A**  
**LIW Allocation Amounts to Agency**  
**Low Income Weatherization Program**  
**Puget Sound Energy**

**2017 Puget Sound Energy Funds**  
**Contract Face Sheet**

**Agency Name and Address:**

Snohomish County Human Services  
3000 Rockefeller Ave., MS-305  
Everett, WA 98201

**Contract No:** PSE-EE-LIW-010

**Amendment Code:**

**Contract Period:**

January 1, 2017 - December 31, 2017

**Contract Amount:** \$ 81,280.00

**Funding Authority:**

Puget Sound Energy

**Purpose:** To provide funding for low-income weatherization services

**Requests for Reimbursement are**  
**Subject to the Following Budget:**

**Service Area By County:**  
Snohomish County

**Total 2017**

Shareholder \$ 24,280.00  
Gas Tariff Funds \$ 57,000.00

Total funding \$ 81,280.00

**Breakout for Amendment**

Shareholder \$ -  
Gas Tariff Funds \$ -

**Additional funding Amendment + \$ -**

**Total funding includes Service Delivery Fee that is 20% of Total**  
**Labor and Materials cost.**

**THE RIGHTS AND OBLIGATIONS OF BOTH PARTIES ARE GOVERNED BY THE ATTACHED DOCUMENTS WHICH ARE INCORPORATED**  
**HEREIN AS THOUGH SET FORTH IN FULL.**

**APPROVAL: THE AGENCY AND PUGET SOUND ENERGY ACKNOWLEDGE AND ACCEPT THE TERMS OF THIS CONTRACT. SIGNATURE**  
**FOR BOTH PARTIES ARE REQUIRED BELOW.**

**For Puget Sound Energy**

  
Phil Bussey  
VP and Chief Customer Officer  
Date 1/11/17

**For the Agency**

**SUSAN NEELY**  
Executive Director

  
Dave Somers  
County Executive  
Date 12/14/16

**WORKING COPY**

# MUTUAL NONDISCLOSURE AGREEMENT

**Exhibit B. Puget Sound Energy, Inc.** a Washington corporation with offices at 10885 NE 4<sup>th</sup> St., Bellevue, WA ("PSE") and the "Other Party" identified on the signature page below are considering a business transaction (the "Transaction"). In connection with the proposed Transaction, the parties are willing to disclose confidential information to each other on the terms and conditions stated in this agreement (this "Agreement").

The parties, intending to be legally bound, agree that:

## I. Confidentiality.

1. In connection with the Transaction, each party (a "Disclosing Party") is prepared to make available to the other party (a "Receiving Party") certain Confidential Information regarding the Disclosing Party's business. The Receiving Party agrees to keep such information confidential, and protect all Confidential Information from disclosure by using the highest practical degree of care and at least the same care the Receiving Party uses to protect its own confidential information.

2. "Confidential Information" means: (i) any and all information with respect to the status of or the terms of the Transaction, and (ii) any trade secrets or other confidential or proprietary information of the Disclosing Party, whether of a technical, business or other nature (including, without limitation, the relationship between the parties, and information relating to the Disclosing Party's technology, software, products, services, designs, methodologies, know how, business plans, finances, marketing plans, customers, employees, prospects or other affairs). Confidential Information also includes any information that has been made available to the Disclosing Party by third parties that the Disclosing Party is obligated to keep confidential.

3. Receiving Party may not disclose Confidential Information, unless required by applicable law, to third parties; provided, however, that notwithstanding the foregoing, Receiving Party may disclose Confidential Information to its employees, consultants, advisors, or other agents (its "Representatives") only to the extent necessary for such Representatives to assist the Receiving Party in evaluating the Transaction, provided that such Representatives agree to keep such Confidential Information confidential in accordance with this Agreement. A breach of this Agreement by a Representative of Receiving Party will be deemed a breach by the Receiving Party, and Receiving Party agrees, at its sole expense, to take all reasonable measures (including but not limited to court proceedings) to restrain its Representatives from prohibited or unauthorized disclosure of the Confidential Information. Receiving Party shall immediately notify Disclosing Party of any actual, probable or reasonably suspected disclosure or unauthorized access to the Disclosing Party's Confidential Information.

4. Receiving Party will not use or allow others to use Confidential Information for any purpose other than evaluating the Transaction.

5. At Disclosing Party's request, Receiving Party will return all materials furnished by Disclosing Party that contain Confidential Information and will destroy or deliver to Disclosing Party any other materials containing Confidential Information, including materials prepared by Receiving Party, unless such Confidential Information is required to be retained by the Receiving Party to comply with applicable law, regulatory requirements or internal document retention policies. Notwithstanding the foregoing, the parties acknowledge that Receiving Party's computer systems may automatically back-up and retain electronic copies of the Confidential Information. To the extent that such systems create copies of the Confidential Information, the Receiving Party may retain such copies in its archival or back-up computer storage. If the Receiving Party retains a copy of any Confidential Information for any reason, including copies on electronic

backup media, then such information shall in all respects remain subject to the terms and conditions of this Agreement.

6. The provisions of this Part I shall not apply to Confidential Information that: (a) is or becomes publicly available through no fault of Receiving Party; (b) is or has been received in good faith by Receiving Party without restriction on use or disclosure from a third party having no obligation of confidentiality to Disclosing Party; or (c) is or has been independently developed by Receiving Party without reference to Confidential Information received from Disclosing Party, as evidenced by Receiving Party's written records.

7. The fact that portions of Confidential Information may be publicly available or otherwise not subject to this Agreement will not affect Receiving Party's obligations with respect to the remaining portion.

8. If Receiving Party is required by applicable law, judicial or administrative process to disclose Confidential Information, Receiving Party shall promptly notify Disclosing Party and allow Disclosing Party a reasonable time to oppose such process. If disclosure is nonetheless required, Receiving Party may disclose only the Confidential Information that, in the written opinion of counsel acceptable to Disclosing Party, Receiving Party is legally required to disclose. Receiving Party shall use its best efforts to limit the dissemination of Confidential Information that is disclosed.

9. This Agreement will not apply to information disclosed to Receiving Party after Receiving Party receives written notice from Disclosing Party that further disclosures will not be treated as confidential.

10. In providing Confidential Information pursuant to this Agreement, Disclosing Party makes no representation, either express or implied, as to adequacy, sufficiency, or freedom from fault of such Confidential Information and incurs no responsibility nor obligation whatsoever by reason thereof; and the furnishing of such Confidential Information will not convey any rights or license with respect to such Confidential Information.

**II. No Commitment to Enter Into Transaction.** The parties acknowledge that nothing in this Agreement is intended to create or constitute any agency or partnership among the parties, or any legally binding obligation for either party to enter into, or negotiate to enter into, the Transaction.

## III. Miscellaneous.

1. This Agreement shall continue in full force and effect for two (2) years from the Effective Date, unless terminated earlier or extended by mutual agreement of the parties.

2. In the event of a default under this Agreement, the non-breaching party will be entitled to injunctive relief, without posting bond, in addition to any other available remedies, including damages. In any litigation concerning this Agreement, the prevailing party will be entitled to recover all reasonable expenses of litigation, including reasonable attorney fees at trial and on any appeal.

3. Any failure by a party to enforce another party's strict performance of any provision of this Agreement will not constitute a waiver of its right to subsequently enforce such provision or any other provision of this Agreement.

4. This Agreement will be governed by and construed and enforced in accordance with the internal laws of the state of Washington, without regard to contrary principles of conflicts of law. The federal and state courts within the State of Washington shall have exclusive jurisdiction to adjudicate any dispute arising out of and relating to this Agreement. Venue for purposes of any litigation arising under this Agreement will be in King County, Washington.

5. All additions or modifications to this Agreement must be in writing and executed by all parties.

**EFFECTIVE DATE: date last signed below**

Puget Sound Energy, Inc.

Authorized Signature: Philip K. Bussey  
 Name: Philip K. Bussey  
 Title: SVP & CLO  
 Date: 1/11/17

Other Party: \_\_\_\_\_  
 Authorized Signature: Susan Neely  
 Name: SUSAN NEELY  
 Title: Executive Director  
 Date: 12-14-16

WORKING COPY

LOG NUMBERS

BGT.

12/19/16 CEO 20057948 DEC 16 2016

## EXECUTIVE/COUNCIL APPROVAL FORM

## MANAGEMENT ROUTING:

EXECUTIVE Dave Somers  
 EXEC. DIRECTOR Susan Neely  
 DIRECTOR/ELECTED Mary Jane Brell-Vujovic  
 DEPARTMENT Human Services  
 DIV. MGR. Jackie M. Anderson  
 DIVISION Housing & Comm. Svcs  
 ORIGINATOR Michele Anton  
 DATE 12/19/2016 EXT. 7485

TO:

## COUNCIL CHAIRPERSON:

SNOHOMISH COUNTY COUNCIL

## EXECUTIVE RECOMMENDATION:

Approve \_\_\_\_\_ No Recommendation \_\_\_\_\_  
 Further Processing \_\_\_\_\_  
 Requested By \_\_\_\_\_

Executive Office Signature

CEO Staff Review

Received at Council Office

1 1  
 12/14/16  
 1 1

## DOCUMENT TYPE:

BUDGET ACTION:  
 \_\_\_\_\_ Emergency Appropriation  
 \_\_\_\_\_ Supplemental Appropriation  
 \_\_\_\_\_ Budget Transfer  
 X CONTRACT:  
 \_\_\_\_\_ New  
 \_\_\_\_\_ Amendment

GRANT APPLICATION

ORDINANCE

Amendment to Ord. # \_\_\_\_\_

PLAN

OTHER

## DOCUMENT / AGENDA TITLE:

2017 Puget Sound Energy (PSE) Low Income Weatherization Program (LIW) Contract PSE-EE-LIW-010

## APPROVAL AUTHORITY:

EXECUTIVE

X

COUNCIL

CITE BASIS

SCC 2.10.010(28) Motion 16-416

## HANDLING:

NORMAL

X

EXPEDITE

URGENT

DEADLINE DATE

## PURPOSE:

Executive signature for approval of the 2017 Puget Sound Energy (PSE) Low Income Weatherization Program (LIW) Contract PSE-EE-LIW-010

## BACKGROUND:

The 2017 Puget Sound Energy (PSE) Low Income Weatherization Program (LIW) Contract provides \$81,280 to the Snohomish County Weatherization Program for weatherization services from 1/1/2017 to 12/31/2017. Families will be better able to understand and control their energy use, and more units of safe affordable housing will be maintained throughout the County.

SCC 2.10.010(28) authorizes the Executive to "approve grant documents (including but not limited to applications, certifications, contracts, and subsequent amendments) on behalf of the county for funds contributed to the county by grants that are included in a grant work plan approved by the county council by motion in accordance with SCC 4.26.025." SCC 4.26.025 also authorizes approval in amounts up to \$50,000 greater than the amount stated in the approved grant work plan. Motion 16-416 approved the 2017 Human Services Department Grant Work Plan.

This contract was included in the 2017 Human Services Grants Work Plan.

**FISCAL IMPLICATIONS:**

| EXPEND: FUND, AGY, ORG, ACTY, OBJ, AU              | 2016 | 2017     | 2018 |
|----------------------------------------------------|------|----------|------|
| 124-504220(Weather. Admin Staff & Operating Costs) |      | \$16,256 |      |
| 124-5042224171 PSE Direct Service                  |      | \$65,024 |      |
|                                                    |      |          |      |
| TOTAL                                              |      | \$81,280 |      |

| REVENUE: FUND, AGY, ORG, REV, SOURCE | 2016 | 2017     | 2018 |
|--------------------------------------|------|----------|------|
| 124-3042206711 PSE Admin             |      | \$16,256 |      |
| 124-3042226711 PSE Direct Service    |      | \$65,024 |      |
|                                      |      |          |      |
| TOTAL                                |      | \$81,280 |      |

**DEPARTMENT FISCAL IMPACT NOTES:**

There will be no impact to County funds as all costs will be reimbursed by grant funds. These funds are not expected to exceed the amount budgeted for the 2017 Budget at the program level. No Match is required.

BUDGET REVIEW: Analyst VMF Administrator NK Recommend Approval ✓

**CONTRACT INFORMATION:**

|          |          |            |                       |        |                 |
|----------|----------|------------|-----------------------|--------|-----------------|
| ORIGINAL | <u>X</u> | CONTRACT # | <u>PSE-EE-LIW-010</u> | AMOUNT | <u>\$81,280</u> |
|          |          |            | <u>Total</u>          |        | <u>\$81,280</u> |

**CONTRACT PERIOD:**

ORIGINAL Start 1/1/17 End 12/31/17

**CONTRACT / PROJECT TITLE:**

**2017 Puget Sound Energy (PSE) Low Income Weatherization Program (LIW) Contract PSE-EE-LIW-010**

**CONTRACTOR NAME & ADDRESS (City/State only):**

**Puget Sound Energy  
Bellevue, WA**

**APPROVED:**

RISK MANAGEMENT Yes 10/3/16 No \_\_\_\_\_

COMMENTS Keith Marshall

PROSECUTING ATTY - AS TO FORM: Yes Reviewed 10/17/16 No \_\_\_\_\_

**OTHER DEPARTMENTAL REVIEW / COMMENTS:****ELECTRONIC ATTACHMENTS :****NON-ELECTRONIC ATTACHMENTS:**

2 Originals 2017 Puget Sound Energy PSE-EE-LIW-010  
Copy Motion 16-416  
Copy 2017 Grant Work Plan Summary

**GRANTS ECAF  
SUMMARY WORKSHEET**

**I. REVENUE:**

| Revenue Source         | Original Grant  | Amendment(s) | Total           | Match      |
|------------------------|-----------------|--------------|-----------------|------------|
| Puget Sound Energy LIW | \$81,280        |              | \$81,280        |            |
| <b>Total</b>           | <b>\$81,280</b> |              | <b>\$81,280</b> | <b>\$0</b> |

**II. EXPENDITURES:**

| Item/Service   | Original Grant  | Amendment(s) | Total           | Match      |
|----------------|-----------------|--------------|-----------------|------------|
| Administration | \$16,256        |              | \$16,256        | \$0        |
| Direct Service | \$65,024        |              | \$65,024        | \$0        |
| <b>Total</b>   | <b>\$81,280</b> |              | <b>\$81,280</b> | <b>\$0</b> |

**III. FTE's:** List any new FTEs that will be required. (N/A if not applicable)

| Quantity | Classification | Type (Regular or Project) | Duration |
|----------|----------------|---------------------------|----------|
|          | N/A            |                           |          |
|          |                |                           |          |

**IV. SC 17 Completed:** ☒ Yes

**V. Revenue Information**

Was grant **revenue** included in the current year's budget? ☒ Yes ☐ No

If "no" check appropriate box for accompanying action request. n/a (covered within existing appropriation) ☐ Budget Transfer ☐ Supplemental Appropriation ☐ Emergency Appropriation

Will related program be terminated at grant end date? ☐ Yes ☒ No

a. If no, what is the source of ongoing funding?

b. If yes, what costs might the County expect to incur at termination (including possible unemployment compensation costs)? None expected

**VI. PROJECTED ADDITIONAL COUNTY COST IMPACT:** (N/A if in current budget)

| Source/Narrative | Current Year | Next Year | Ongoing Annual |
|------------------|--------------|-----------|----------------|
| N/A              | \$           | \$        | \$             |
|                  |              |           |                |
| <b>Total</b>     | <b>\$</b>    | <b>\$</b> | <b>\$</b>      |

Will potential increase of future County funds be required? (If "yes" complete a. and b. below.) ☐ Yes ☒ No

a. Include a brief description of costs

b. Describe how program will be funded after grant expires.

☒ Yes    ☐ No

☐ Yes   ☐ No   ☒ N/A

What cuts or reductions in service will be implemented to reduce or offset the increased cost to the County due to the grant?

| Circumstance                  | Percentage of respondents |
|-------------------------------|---------------------------|
| If someone is attacking you   | 85%                       |
| If someone is threatening you | 75%                       |
| If someone is harassing you   | 65%                       |
| If someone is insulting you   | 55%                       |
| If someone is annoying you    | 45%                       |

| Source/Narrative | Current Year | Next Year | Ongoing Annual |
|------------------|--------------|-----------|----------------|
| N/A              |              |           |                |
|                  |              |           |                |
| Total            |              |           |                |

\_\_\_\_\_

# HUMAN SERVICES DEPARTMENT UPLINE TRACKING SHEET

All lines must contain information or n/a

|                          |                               |           |                  |
|--------------------------|-------------------------------|-----------|------------------|
| APPLICATION OR CONTRACT# | PSE-EE-LIW-010                | DIVISION  | Hous & Comm Srvs |
| AMENDMENT #              |                               | PROGRAM   | Weatherization   |
| FUNDING AGENCY           | 2017 Puget Sound Energy (PSE) | STAFF/EXT | M Anton - 7485   |

| ACTIONS TAKEN                                                                                       | DATE     | INITIAL |
|-----------------------------------------------------------------------------------------------------|----------|---------|
| <b>PROGRAM:</b>                                                                                     |          |         |
| Received By Program Staff                                                                           | 12-1-16  | ma      |
| Prepare ECAF and Worksheet                                                                          | 12-1-16  | ma      |
| Prepare Motion for Council                                                                          | NA       |         |
| Prepare PA Memo*                                                                                    | NA       |         |
| <b>FISCAL:</b>                                                                                      |          |         |
| Fiscal Review                                                                                       | 12/6/16  |         |
| Complete SC17 for Finance                                                                           | 12/6/16  |         |
| Included in Grant Work Plan? ** Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> | 12/6/16  |         |
| <b>APPROVAL:</b>                                                                                    |          |         |
| Supervisor Review                                                                                   | 12/6/16  | CHF     |
| Division Manager Review                                                                             | 12-8-16  | JA      |
| Proofed/Returned to Supervisor for Revisions                                                        | 12/8/16  | VB      |
| Logged In                                                                                           | 12/9/16  | VB      |
| To PA for Review                                                                                    | NA       |         |
| Rcvd Back from PA                                                                                   | NA       |         |
| Director Review***                                                                                  | 12/9/16  |         |
| <b>DISBURSEMENT:</b>                                                                                |          |         |
| Request Electronic Documents                                                                        |          |         |
| Move Documents to "G" Drive                                                                         | 12/9/16  | VB      |
| Copies To Pending File                                                                              | 12/9/16  | VB      |
| Send To Budget/Finance                                                                              |          |         |
| Director Briefing                                                                                   | 12/14/16 | VB      |
| Received From Executive/Council                                                                     | 12/14/16 | VB      |
| Sent to Funding Source                                                                              | 12/14/16 | VB      |
| Rcvd Executed Contract From Funding Source                                                          | 1/12/17  | VB      |
| Email Recording pdf to Contact.Council                                                              | 1/17/17  | VB      |
| Original To Fiscal/Working Copy Electronic File                                                     |          |         |
| Email Staff Hyperlink of Executed Contract                                                          |          |         |

\* Required if non-state or federal funds, or if substantive changes have been made and/or services added

\*\* Grants Work Plan located in S:\ADMIN\Grant Work Plan.

\*\*\* All amendments \$50,000 and under Director can sign.

SEE CONTRACT MANUAL FOR further detail on approval authority.