

LOW INCOME PROGRAM AND BILL DISCOUNT RATE AGENCY

AGREEMENT

This Low Income Program and Bill Discount Rate Agency Agreement (“Agreement”), effective October 1, 2023 (“Effective Date”), is made and entered into by and between Puget Sound Energy, Inc., a Washington corporation (“PSE”), and Snohomish County Human Services, a county [corporation][municipal corporation][county] (“Agency”). PSE and Agency are referred to individually as a “Party” and collectively as the “Parties”.

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 (as defined below) certain benefits under its Low Income Program (“PSE Home Energy Lifeline Program” or “PSE HELP”), pursuant to Schedule 129 of PSE’s Electric Tariff G (“Electric Schedule 129”) and Schedule 129 of PSE’s Gas Tariff WN-U2 (“Gas Schedule 129”), as the same may be amended from time to time (together, the “LIP Schedules”), located at pse.com/page/rate or at utc.wa.gov. PSE provides to Eligible Customers (as defined below) certain benefits under its Bill Discount Rate (“BDR”) pursuant to Schedule 7BDR of PSE’s Electric Tariff G (“Electric Schedule 7BDR”) and Schedule 23BDR of PSE’s Gas Tariff WN-U2 (“Gas Schedule 23BDR”), as the same may be amended from time to time (together, the “BDR Schedules”), located at pse.com/page/rate or at utc.wa.gov. If LIP Schedules or BDR Schedules (together, the “Schedules”) change during a Program Year (as defined below), an addendum or amendment will be issued which Agency has the right to sign or refuse. If Agency refuses an addendum or amendment, PSE will collaborate with Agency to agree on a unique contract or failing such agreement, to terminate the Agreement.

C. Agency is a Qualifying Organization (as defined below) that is experienced in administering energy assistance programs and meets all the requisite criteria for administering the benefits and assistance under PSE HELP and BDR (together, the “Program”).

D. PSE and Agency desire to set forth in this Agreement the terms and conditions governing Agency's participation in the Program and 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 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 Agency in connection with the Program that relate to staff supervision and training, Program review and monitoring, award tracking, recordkeeping, reporting, insurance and bonding, accounting and auditing pledges, all as more particularly described in Section 3.1 and/or the Program Rules.

“Allocation” means, with respect to a given Program Year, that portion of the total Program funds allocated to Agency under the Program for that Program Year, as determined and adjusted from time to time during the Program Year by PSE pursuant to the Program Rules. The Allocation for a given Program Year is comprised of the Available Benefit Amount and the initial Service Fee Amount for that Program Year.

“Advanced Metering Infrastructure” means a communicating meter.

“AMI Meter Opt Out Benefit Award” means an award of any portion of the Available Benefit Amount made by Agency to an Eligible Customer for the monthly cost of their electric and/or gas Non-Communicating Meter.

“Available Benefit Amount” means, with respect to a given Program Year, the amount equal to the difference between the Allocation and the Service Fee Amount for that Program Year and represents that portion of the Allocation available to Agency for electric and/or gas Benefit Awards under the Program during such Program Year. This is a set amount communicated by PSE to Agency at the start of each Program Year.

“Awarded Benefit Amount” means, with respect to a given Program Year, the aggregate of all electric and/or gas Benefit Awards approved and awarded by Agency for the Program Year.

“Benefit Award” means an award of any portion of the Available Benefit Amount made by Agency to an Eligible Customer for electric and/or gas benefits under PSE HELP which is applied as a credit to the Eligible Customer’s energy account.

“Bill Discount Rate Adjustment” means a percentage of credit which will apply to the Eligible Customer’s bill and is calculated as defined in the BDR Schedules.

“Customer” means a PSE customer of electric and/or gas services.

“Direct Costs” means costs that can be identified specifically with the administration of this Program or that can be directly assigned to such activities easily with a high degree of accuracy. Costs incurred for the same purpose in like circumstances must be treated consistently as either direct or indirect costs. Typical direct costs include compensation of staff for work on the Program, their related fringe benefit costs, the costs of materials and other items of expense incurred in administration of the Program.

“Discount Amount” means the percentage used to calculate the Bill Discount Rate Adjustment.

“Education Services” means the services performed or to be performed by Agency in connection with the Program that relate to materials and individual instruction of Customers regarding personal energy management, conservation and related topics pledges, all as more particularly described in Section 3.1 and/or the Program Rules.

“Eligibility Verification” means the process by which a Participating Agency requests and reviews documents from a Customer receiving a Bill Discount Rate Adjustment and determines whether the household size and income Customer stated on their application is accurate.

“Eligible Customer” means a Customer that qualifies as a "low-income household" as defined by RCW 19.405.020(25), and as stated in the applicable LIP Schedule or BDR Schedule. In making such determination, the term "income" will have the meaning used by the Department of Commerce for such purposes and, without limiting the foregoing, may mean untaxed income or taxable income adjusted in accordance with guidelines followed by the Department of Commerce in its administration of LIHEAP.

“Eligible Charges” means charges that qualify to receive a Bill Discount Rate Adjustment as identified in the BDR Schedules.

“Enrollment Term” means the length of time that an Eligible Customer is enrolled in the Bill Discount Rate program before they must re-apply or have their Bill Discount Rate Adjustment ended.

“Indirect Costs” means those costs that cannot be directly assigned to the administration of the Program. Indirect costs can be broadly categorized as Facilities and Administration. Facilities costs include depreciation on buildings, equipment and capital improvement, interest on debt associated with buildings, equipment and capital improvements, and operations and maintenance expenses. Administration costs mean general administration and general expenses such as the director’s office, accounting, personnel and other expenditures.

“LIHEAP” means the energy assistance program established by the Low-Income Home Energy Assistance Act of 1981, 42 U.S.C. § 8621 et seq., as amended. Agency’s administration of LIHEAP is under a separate agreement with PSE (“LIHEAP Agreement”).

“Non-Communicating Meter” means a substitute for a meter with Advanced Metering Infrastructure module.

“Overflow” means, with respect to a given Program Year, an Available Benefit Amount originating in a prior or current Program Year created when an Eligible Customer has moved from PSE service territory prior to depleting their Benefit Award, at which time the remaining Benefit Award is returned to the Program funds.

“Program Rules” means the administrative and other rules for the Program established and amended by PSE from time to time pursuant to Section 4.5. The PSE HELP Program Rules in effect as of the date of this Agreement are set forth in the attached Exhibit A. The BDR Program Rules in effect as of the date of this Agreement are set forth in the attached Exhibit E. Together, the PSE HELP Program Rules and the BDR Program Rules are the “Program Rules”.

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

“Program Year” means any period of twelve (12) consecutive calendar months commencing on October 1 and ending on September 30.

“Qualifying Organization” means an organization that (a) meets all of the criteria for a "Qualifying Organization" as defined in RCW 82.16.0497 ("Credit--Light and Power Business, Gas Distribution Business"), and (b) is otherwise able and qualified (as determined by PSE) to perform all obligations under this Agreement relating to the administration and implementation of the Program.

“Quarter” means any period of three (3) consecutive calendar months commencing on October 1, January 1, April 1 or July 1.

“Self-Declaration” means a Customer states their household size, household gross income, and that the information provided is accurate without having to provide documentation at the time of application that supports their statement.

“Service Fee Amount” means, with respect to a given Program Year, that portion of the Allocation for that Program Year which is available to Agency to cover the actual costs it incurs in performing the Program Services during the Program Year, as specified and as may be adjusted by PSE pursuant to Section 5.5 or otherwise.

“Short-Term Arrearage Management Program” means the 2023-2024 Program Year program from which an Eligible Customer with an arrearage that remains after their PSE HELP Benefit Award may receive an additional Benefit Award.

“Support Services” means the services performed or to be performed by Agency in connection with the Program that relate to the certification of Eligible Customers, verification of eligibility, creation and storage of files of Eligible Customers, appointment scheduling

where applicable, Customer outreach and coordination of funding pledges, all as more specifically described in Section 3.1 and/or the Program Rules.

Section 2. Administration of the Program

2.1 General

PSE and 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, the applicable provisions of the Schedules, all other applicable PSE tariffs on file with the Commission and all applicable laws and regulations, including, but not necessarily limited to, applicable provisions of Title 80 of the Revised Code of Washington and Title 480 of the Washington Administrative Code. In the event of any conflict or inconsistency between the provisions of this Agreement and any provision of the LIP Schedules, the provision of the LIP Schedules will govern and control. In the event of any conflict or inconsistency between the provisions of this Agreement and any provision of the BDR Schedules, the provision of the BDR 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 as set forth in Section 11.2.

2.3 Independent Contractor

The Parties acknowledge and agree that Agency will at all times be an independent contractor. This Agreement will not create the relationship of employer and employee, a partnership, joint venture, or other relationship between PSE and Agency. Agency will have no authority to bind, obligate, or commit PSE by any promise or representation without the prior written consent of PSE.

Section 3. Obligations of Agency

3.1 Program Services

During the Term (defined in Section 7.1), Agency will perform the following administrative duties 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 Schedules and all terms and conditions of this Agreement:

- (a) Agency will install, maintain and operate such equipment, software, and other items specified by PSE that are necessary to facilitate the exchange of data and information between Agency and PSE in connection with the Program, including, but not limited to, a high speed internet service connection with appropriate securities compatible to receiving data from PSE.

(b) Agency and PSE will make available to Customers pro forma applications, in electronic and paper form, with content approved in advance by PSE, for use by Customers in applying to receive Benefit Awards and/or Bill Discount Rate Adjustments under the Program. Should application requirements change during the Program Year, PSE will notify Agency of those changes.

(c) Agency will accept and review each such PSE HELP application submitted to Agency or PSE by a Customer and promptly determine, in accordance with the eligibility criteria set forth in the LIP Schedules, the eligibility of the Customer to receive any Benefit Award under PSE HELP. PSE will accept and review each such BDR application submitted to Agency or PSE by a Customer and promptly determine, in accordance with the eligibility criteria set forth in the BDR Schedules, the eligibility of the Customer to receive any Bill Discount Rate Adjustment under BDR.

(d) On or before the end of each month, or such other time period specified by PSE from time to time, Agency will deliver to PSE via the MiUtility EnergyHelp platform or another mutually agreed upon delivery mechanism an electronic report, in form and content specified by to PSE, which lists the name, address and account number of each Eligible Customer identified by Agency during such month (or other specified time period) and the corresponding electric and/or gas Benefit Award for which the Eligible Customer qualifies under the Program. This is commonly referred to as a "Pay List".

(e) Agency will provide to PSE in the format requested by PSE, within thirty (30) days of PSE's request, a statement showing the income of a given Eligible Customer (as reported to Agency by the Eligible Customer and corrected for any inaccuracies that are known or made known to Agency) for the sole purpose of verifying Program eligibility.

(f) Agency will coordinate the administration of LIHEAP benefits and Program benefits in accordance with the procedures set forth in Section 3.2, any applicable provisions of the Program Rules, and the LIHEAP Agreement.

(g) Agency will provide education and information to Eligible Customers in accordance with the requirements set forth in Section 3.3.

(h) Agency will otherwise assist with and coordinate the overall Program implementation, as reasonably requested by PSE.

(i) Agency will complete eligibility verification of the Eligibility Verification Selection List in accordance with the procedures set forth in the Program Rules.

3.2 Coordination of Benefits

In connection with each application for benefits received by Agency from a Customer, Agency will determine the Customer's eligibility to receive benefits under PSE HELP and will

coordinate the delivery of such benefits in accordance with the applicable provisions of the Program Rules, the LIP Schedules, the LIHEAP Agreement (if applicable), and the following:

(a) If the Customer is an Eligible Customer for purposes of the Program and this Agreement, Agency will provide the Customer electric and/or gas benefits, as applicable and appropriate, under PSE HELP to the extent permitted under the applicable provisions of the LIP Schedules and the Program Rules.

(b) Agency will ensure that: (i) no Eligible Customer receives an electric and/or gas Benefit Award more than once in any Program Year; and (ii) the electric and/or gas Benefit Award provided to a given Eligible Customer does not exceed the maximum electric and/or gas Benefit Award allowable under the Program.

(c) Agencies may allow senior, disabled, and other steady-income Eligible Customers to certify their Program eligibility for a two-year period. Otherwise, each Eligible Customer is requalified annually for eligibility under PSE HELP, as required under the provisions of the LIP Schedules and the Program Rules.

(d) Agency will ensure that the Awarded Benefit Amount for a given Program Year does not exceed the Available Benefit Amount for such Program Year without the prior written consent of PSE.

(e) If an Eligible Customer is also eligible for LIHEAP benefits, Agency will provide the Customer LIHEAP credit funds, as applicable and appropriate under the LIHEAP Agreement.

3.3 Education Services and Information

During the Term, Agency will make available to all Eligible Customers, at such times and in the manner reasonably specified by PSE from time to time, the following education and information, as required by the LIP Schedules:

- (a) low-income weatherization program information;
- (b) personal energy management/time of day rate education based on training or materials provided to Agency by PSE;
- (c) information on deferred payment arrangements and budget billing; and
- (d) conservation education and information.

3.4 Progress Reports

Agency will furnish to PSE such reports and other information regarding Agency's performance of the Program Services as PSE may request from time to time, including, but not limited to, any reports required or requested by the Commission. The reports may include, among other things, information about any problems experienced or anticipated and other

information regarding the Program and Agency's performance of the Program Services. Agency will furnish such reports and other information no more than ten (10) Agency business days after PSE submits their request.

3.5 Qualifications

Throughout the Term, Agency will be a Qualifying Organization and will take all steps necessary to ensure that it meets all of the criteria for a Qualifying Organization. In addition, Agency will, to PSE's satisfaction, be capable (financially and otherwise) of obtaining, maintaining and operating throughout the Term the personnel, software and other resources needed to perform the Program Services in accordance with the Program Rules and this Agreement. If Agency ceases to be a Qualifying Organization, this Agreement will be terminated, Agency's unused Allocation will be returned to Program funds, and that amount will be distributed among the Qualifying Organizations.

3.6 Performance

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 and the Program Rules. Agency will ensure that only properly trained and qualified persons perform the Program Services. Agency will conduct a background check on any new staff member before that individual first performs Program Services. Agency will repeat background checks on each staff member performing Program Services every five (5) years.

3.7 Compliance with Laws

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 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, Agency will promptly notify PSE in writing.

3.8 Confidentiality and Security

With respect to all data and information collected or learned by, or furnished or made accessible to, Agency in connection with the Program or this Agreement ("PSE Information"), including, but not limited to, all data and information relating to the consumption history, energy usage, account balances and payments of any Eligible Customer or other Customer ("Customer Information"), Agency will:

- (a) keep and maintain, and will cause its employees to keep and maintain, the PSE Information in strict confidence, and will not disclose, publish or disseminate

the PSE Information in any way to any person or entity without the prior written consent of an authorized representative of PSE (other than employees of Agency who have a need to know the PSE Information for purposes of performing the Program Services and who have executed the confidentiality agreement required under Section 3.8(d));

(b) ensure that, to the extent any Customer Information is furnished or made accessible to Agency by PSE under this Agreement, its employees may not access, obtain or view any Customer Information of any Customer who has not previously given oral or written consent for Agency to access, obtain and view the Customer's Customer Information;

(c) ensure that each Customer whose Customer Information is accessed, obtained or viewed by Agency and is eligible to, or does, receive such benefits thereafter signs and submits to Agency a valid, complete and fully executed application for benefits under the Program. Agency will destroy all materials containing Customer Information of any Customer who does not submit a complete application within thirty (30) days of receipt of the initial application;

(d) ensure that each employee or other person who has access to any PSE Information has previously executed the confidentiality agreement attached as Exhibit B and that a copy of the fully executed confidentiality agreement has been delivered to PSE as an electronic copy via email or as a physical copy via mail in the manner set forth in Section 11.3;

(e) process PSE Confidential Information in accordance with all applicable laws, rules, regulations, orders, ordinances, regulatory guidance, and industry self-regulations;

(f) restrict access to records and files containing PSE Information to employees who need such information to perform their job duties; encrypting of all PSE Information on laptops and other portable devices; and encrypting of all records and files containing PSE Information that will (i) travel across public networks without secure connections or VPN; (ii) will be transmitted wirelessly, or (iii) will be transmitted outside of the Agency's System;

(g) create, implement, and maintain physical and logical security controls ("Agency System"), acceptable to PSE, designed to prevent unauthorized access, collection, storage, disclosure, misuse, damage or destruction of PSE Information in its possession or control;

(h) ensure that Agency Systems are protected by anti-virus/anti-malware software; and

(i) notify PSE of any recognized, suspected, or attempted physical or logical breach of the security of Agency's System (each a "Security Breach") as

follows: (i) recognized Security Breach involving PSE Information: 2 hours; and (ii) suspected Security Breach involving PSE Information: 4 hours.

A breach of this Section 3.8 by an employee or representative of Agency (“Representatives”) will be deemed a breach by Agency, and Agency 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 PSE Information or Customer Information. Agency will immediately notify PSE of any actual, probable or reasonably suspected disclosure or unauthorized access to the PSE Information or Customer Information. At any time during the Term, PSE may conduct or engage an independent third party to conduct (subject to such third party entering into a commercially reasonable, mutually agreed upon non-disclosure agreement with Agency), an information security audit of the Agency’s documentation of security controls required of Agency under this Section 3.8, at PSE’s sole expense.

3.9 Exceptions

(a) Notwithstanding any contrary provision that may be contained herein, either Party to this Agreement (and each employee, representative, or other agent of any such Party) may disclose to any and all persons, without limitation of any kind, the United States federal income tax treatment and United States federal income tax structure of the transactions contemplated by this Agreement and all materials of any kind (including opinions or other tax analyses) that are provided to such party relating to such tax treatment and tax structure; provided, however, that the foregoing shall not serve to authorize the disclosure of such information to the extent such information is subject to restrictions reasonably necessary to comply with applicable securities laws, and provided, further that the foregoing shall not serve to authorize the disclosure of the identity of any party or any confidential business information of any party to the extent the disclosure of such identity or information is not related to the United States federal income tax treatment and United States federal income tax structure of the transactions contemplated by this Agreement. The Parties to this Agreement acknowledge that they have no knowledge or reason to know that such disclosure is otherwise limited.

(b) Use of any PSE logo in any promotional materials of Agency requires PSE’s prior written approval, which PSE may withhold in its sole discretion. In the event PSE approves the use of its name, trademark, or service mark in any promotional materials of Agency, all of the content must be submitted to PSE’s Corporate Communications Department for review prior to each publication.

3.10 Publicity

Agency will not disclose or release this Agreement, or the details of any of the terms of this Agreement or any of the transactions contemplated by this Agreement, to any third party other than its accountants, attorneys or other representatives who have a need to know the same and who are bound to keep the same confidential (e.g., by contract or rules of professional conduct),

except (a) as and only to the extent legally required to do so under any applicable public disclosure or similar laws pursuant to a demand properly made by a third party, or (b) with the prior written consent of PSE. With respect to any disclosure or release required under (a), above, Agency will, unless legally prevented from doing so, give PSE written notice of the planned release or disclosure sufficiently in advance to enable PSE to seek protection from or otherwise minimize the extent of the release or disclosure.

Section 4. Obligations of PSE

4.1 Program Implementation

During the Term, PSE will implement and administer the Program in accordance with the requirements set forth in the Program Rules, the applicable Schedule and the following:

(a) Promptly after the commencement of each Program Year during the Term, PSE will notify Agency in writing of its Allocation for such Program Year. Thereafter, PSE will notify 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 C.

(b) During the Term, PSE will bill each Eligible Customer for electric and/or gas usage as follows: PSE will first determine the actual cost of the home energy supplied by PSE to the Eligible Customer, calculated under normal billing processes (the "Initial Account Balance"). PSE will then determine the Bill Discount Rate Adjustment based on the Discount Amount applied to the Eligible Charges and deduct that amount from the actual cost of the home energy. PSE will then bill the Eligible Customer the amount by which the Initial Account Balance exceeds the amount of any unused portion (i.e., not previously applied to the Eligible Customer's account with PSE) of the electric and/or gas Benefit Award, as applicable, properly awarded to such Eligible Customer by Agency. If the unused portion of any such Benefit Award exceeds the Initial Account Balance for the relevant period, the difference will be carried over and applied as a credit to future amounts owing by the Eligible Customer on the same PSE account until the Benefit Award is exhausted or is reallocated by PSE. Any such credit remaining at the time the Eligible Customer's account with PSE is closed will be voided out and will be reallocated by PSE in accordance with the Program Rules.

(c) PSE will, during the Term, print and furnish to Agency a reasonable supply of the pro forma applications described in Section 3.1(b) for use by the Customers in applying to receive benefits under the Program.

(d) PSE will provide to Agency such training and/or materials regarding personal energy management/time of day rate education as PSE reasonably determines is necessary to assist Agency in providing such education to Eligible Customers.

4.2 Access to Customer Data

During the Term, and contingent upon Agency's continued compliance with its confidentiality obligations under Section 3.8 and all other provisions of this Agreement and the Program Rules, PSE will provide to 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 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 Agency access to the data and information via a connection to PSE's MiUtility EnergyHelp software system or, at PSE's election, by other means of delivery such as email; and
- (c) PSE will provide to Agency during the Term initial and on-going technical support and assistance, as deemed necessary by PSE, relative to the method of delivery selected by PSE with respect to such data and information.

4.3 Information and Education

During the Term, 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, as required by the LIP Schedules.

4.4 Changes to Program Rules

PSE may from time to time during the Term make changes to the Program Rules. No such change will be effective as to Agency until thirty (30) days after PSE gives Agency written notice of the change. During such thirty (30) day period, 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 Agency. All such changes will apply to Agency after the end of the above thirty (30) day period unless Agency terminates the Agreement in accordance with Section 7.3.

Section 5. Administrative Service Fees

5.1 Payment of Service Fees

Subject to the terms and conditions of this Agreement, PSE will, with respect to each month during each Program Year, provide to Agency a payment toward costs incurred by Agency in performing Program Services during such month. The payment will be used by Agency solely to cover necessary and reasonable costs incurred by Agency, at its discretion, in its performance of the Administration Services, Education Services, Support Services and other Program Services during the Program Year. Agency will retain onsite records and

documentation relating to its use of the payment for audit and review, with appropriate notice to Agency, by PSE and/or its representatives in accordance with Section 6.

5.2 Invoices

Within ten (10) business days following the end of each month during the Term of the Program, Agency will submit to PSE a detailed, itemized invoice showing the actual costs incurred by Agency in its performance of the Program Services during such month for the expenses incurred and payable to Agency. The itemized invoice will list the cost for the Eligibility Verification process performed by Agency separately from the cost for other Program Services. The itemized invoice should be in PSE's preferred format, which is Microsoft Excel. The itemized invoice will identify each item as a Direct Cost or Indirect Cost, and under no circumstances can an item be both a Direct Cost and an Indirect Cost. Agency allocation of costs should be consistent between invoices and Agency should retain documentation in support of its costs and allocation methodology. Documentation should be available for audit in accordance with Section 6.

5.3 Payment of Invoices

Within ten (10) days after PSE's receipt and verification of each invoice submitted by Agency under Section 5.2, PSE will pay Agency the amounts properly payable under such invoice. Payment will be made in the manner mutually acceptable to both Parties. PSE may choose not to pay submitted costs that are not included on the list of allowable costs in Section 5.6

5.4 Statement Expectations

By the thirty-first (31) of October each Program Year, Agency will provide to PSE a Service Fee budget forecast for the current Program Year along with Agency cost allocation plan. PSE will conduct a detailed review of the cost allocation plan for consistency and legitimacy, documenting approval to Agency in the first quarter of the program year. If at any time the Service Fee budget forecast needs to be adjusted for the current and/or succeeding months, Agency will notify PSE of the adjusted monthly budget two (2) days prior to the end of the month in which the adjustment takes place. Each such statement will be in form and content acceptable to PSE and will be supported by such receipts and other information as PSE may request.

5.5 Service Fee Amount

PSE will specify the initial Service Fee Amount for each Program Year by written notice to Agency, provided prior to the first day of the Program Year. The initial Service Fee Amount for the Program Year commencing on October 1, 2023, will equal twenty-three percent (23%) of the Allocation for that Program Year. Agency may reallocate Service Fees to Benefit Awards if they elect to forego the use of such funds allocated to offset Program administration costs. PSE may, by written notice to Agency, adjust the Service Fee Amount for any month of the Program Year based on PSE's review and assessment of, among other relevant factors, a comparison of the then-current Service Fee Amount, the actual costs

incurred by Agency, the number of applications for benefits under the Program processed by Agency, and the Awarded Benefit Amount for the current and prior Program Year(s). Notwithstanding Section 4.4, each such adjustment by PSE will be effective from and after the first day of the month immediately following the date of PSE's written notice. PSE's determination of the Service Fee Amount for each month of the Program Year will be final and binding on the Parties.

5.6 Allowable Costs

Refer to Exhibit D for the detailed list of allowed and disallowed costs with reference to CFR 200. What follows is a summary of that information and if the two are in conflict, the CFR 200 takes precedence.

The following are allowable Direct Costs that the Agency can submit for reimbursement under Section 5.2:

- Compensation of staff for work on the Program, their related fringe benefit costs.
- Advertising, Marketing and Public Relations costs related to the Program or recruitment of personnel to administer the Program.
- Communication costs directly attributable to the Program.
- Equipment and other Capital Expenditure costs specifically for the administration of the Program.
- Insurance and Indemnification costs related to and necessary for compliance with this Agreement.
- Maintenance and Repair costs when they are necessary to carry out and used for the administration of the Program.
- Material and Supply costs when they are necessary and used for the administration of the Program.
- Professional Service Costs for professional or consultant services rendered by members of a particular profession or with a special skill who are not employees of the Agency and are needed to support the administration of the Program.
- Rental costs of buildings and equipment when incurred specifically for the administration of the Program.

Allowable indirect costs are those that have been incurred for common or joint objectives and cannot be readily identified with a particular final cost objective. A cost may not be allocated to the Program as an indirect cost if any other cost incurred for the same purpose, in like circumstances, has been assigned to a Program award as a direct cost.

The following costs are not eligible for reimbursement:

- Alcoholic beverages
- Contributions and donations
- Entertainment costs including social activities

- Fines and penalties
- Goods or services for personal use
- Housing and personal living expenses
- Lobbying costs
- Losses on Other Sponsored Agreements or Contracts

Costs without supporting documentation are not allowable. This documentation does not have to be submitted with each invoice, but should be retained by Agency and accessible for review or audit by PSE and/or its representatives in accordance with Section 6, with appropriate notice to Agency.

A cost, even if listed above, is not allowable if it was included as a cost for another Agency administered program that the Agency has or will seek reimbursement for.

Section 6. Audits and Annual Evaluation

6.1 Records

Throughout the Term and for a period of six (6) years after the expiration or termination of the Term, Agency will keep and maintain for examination, copying and audit by PSE complete and accurate records with regard to the Program, the Program Services and this Agreement, including, but not limited to, records and documents generated by Agency in the performance of its obligations under this Agreement and records and documents generated by Customers and PSE and submitted to Agency (excluding any records collected as per Section 3.8(c)). These documents should include support for the allocation of costs included on invoices submitted to PSE in accordance with Section 5. Upon PSE's request and at Agency's expense, Agency will transfer such records to PSE. All such records and documents shall be protected in strict compliance with Section 3.8. Six (6) years after expiration of the Program Year or termination of the Term, so long as the destruction does not violate any laws or regulations, Agency shall destroy the records in a secure manner that ensures the maintenance of confidentiality during the destruction process and certifies such destruction to PSE in writing.

6.2 Records Audits

During the Term and for a period of six (6) after the expiration or termination of the Term, Agency will, upon PSE's request from time to time, provide to PSE representatives and/or independent auditors access to the records maintained by 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 Agency's business hours.

6.3 Financial Audit

Agency will deliver to PSE annually a copy of a financial audit of Agency's books and records. The financial audit will (a) if Agency is a municipal corporation, county or other

governmental agency, be delivered within one (1) year after the end of each fiscal year of Agency during the Term, and be conducted by the public auditor assigned by law to perform the audit, and (b) otherwise be delivered within five (5) months after the end of each fiscal year of Agency during the Term, and be conducted by an independent certified public accountant selected by Agency and reasonably acceptable to PSE. 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 Annual Evaluation

Once each Program Year, at the time and in the manner specified by PSE, the Parties will undertake a detailed evaluation of Agency's performance of the Program Services, Agency's compliance with the Program Rules and other provisions of this Agreement, and 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. Agency will, following completion of such evaluation, make such changes and adjustments in its performance as PSE deems necessary or appropriate based on the results of the evaluation.

Section 7. Term and Termination

7.1 Term

The term of this Agreement (the "Term") will commence on the Effective Date of this Agreement and, unless earlier terminated in accordance with Section 7.2 or Section 7.3, will end on the first anniversary of the Effective Date of this Agreement.

7.2 Termination for Cause

Either Party may terminate the Term upon written notice to the other Party if the other Party breaches any provision of this Agreement and fails to cure such breach within thirty (30) days after receipt of written notice regarding the breach.

7.3 Other Termination

In the event PSE notifies Agency of any material change in the Program Rules pursuant to Section 4.4, Agency may thereafter terminate the Agreement by giving PSE written notice of termination at any time prior to the expiration of the thirty (30) day period described in Section 4.4. Agency shall promptly refund to PSE any portion of the advances previously paid to Agency under Section 5.1 which have not been used to cover the actual costs incurred by Agency in performing the Program Services prior to the effective date of termination.

7.4 Effect of Termination

Sections 1, 2.3, 3.8, 4.2, 6, 7, 8, 9 and 11 (and all other 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

8.1 Agency represents and warrants as follows:

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

(b) Agency currently meets, and throughout the Term will continue to meet, all of the criteria for a Qualifying Organization;

(c) 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 Agency or the corporate articles or by-laws of Agency, any order of any court or other agency of government to which 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 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; and

(d) Agency will perform the Program Services in a professional and skillful manner, in accordance with the terms of this Agreement and the Program Rules, and in compliance with all standards and rules reasonably established by PSE from time to time.

8.2 Mutual Warranties

(a) Each Party warrants to the other that: (i) it has full power and authority to enter into and to perform its obligations under the Agreement; (ii) the Agreement does not violate any law or breach any other agreements to which it is a party or is otherwise bound; and (iii) it will comply with all laws in performing its obligations under the Agreement.

(b) EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT AND TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAWS, NEITHER PARTY MAKES ANY OTHER WARRANTIES WITH RESPECT TO THE AGREEMENT, WHETHER WRITTEN, ORAL, EXPRESS OR IMPLIED, AND EACH PARTY EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USAGE OF TRADE, WITH RESPECT TO THE AGREEMENT.

Section 9. Indemnification

9.1 By Agency

Agency shall indemnify, defend and hold harmless 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 (a) any injury to or death of persons or loss of or damage to property to the extent arising out of the negligent or intentional acts or omissions of the Agency, or its elected and appointed officials, officers, employees and agents, in performing its obligations under this Agreement, or (b) any failure of Agency, or its elected or appointed officials, officers, employees or agents, to comply with this Agreement, the Program Rules or the LIP Schedules. PSE will give Agency prompt written notice of any such suit, legal proceeding, claim or demand and fully cooperate with Agency (at Agency's expense) in the defense and settlement of the same.

9.2 By PSE

PSE shall indemnify, defend and hold harmless Agency, its elected and appointed officials, officers, employees and agents, 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 (a) any injury to or death of persons or loss of or damage to property to the extent the same is caused by the negligent acts or omissions of PSE in performing its obligations under this Agreement, or (b) any infringement of a U.S. copyright based on Agency's permitted and proper use of the software furnished by PSE under Section 4.2. Agency will give PSE prompt written notice of any such suit, legal proceeding, claim or demand and fully cooperate with PSE (at PSE's expense) in the defense and settlement of the same.

Section 10. Insurance

10.1 Workers' Compensation

Agency will ensure that, with respect to all persons performing the Program Services, Agency maintains in effect at all times during the performance of the Program Services coverage or insurance in accordance with the applicable laws relating to workers' compensation and employer's liability insurance, regardless of whether such coverage or insurance is mandatory or merely elective under the law.

10.2 General Requirements

Agency will maintain in effect at all times during performance of the Program Services such liability insurance as will protect Agency and PSE from and against any and all claims and liabilities arising out of bodily harm (including death) or property damage that may result from performance of the Program Services or this Agreement, whether such performance is by 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. Agency will ensure that all policies of insurance required under this Agreement will be endorsed to name PSE as an additional insured, and 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.

10.3 Specific Coverage

Without limiting the generality of Section 10.2, Agency's insurance will include umbrella insurance with limits of at least one million dollars (\$1,000,000) per occurrence and cyber/privacy liability insurance with limits of at least one million dollars (\$1,000,000).

10.4 Additional Assurance

Agency will furnish PSE with such certificates of insurance and additional assurances 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

Agency will ensure that any policies of insurance that 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, 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 Agency are not intended to and will not in any way limit or qualify the liabilities and obligations of or assumed by Agency under this Agreement.

Section 11. Miscellaneous

11.1 Agency will be held to PSE's responsible supplier and contractor guidelines, at <https://www.pse.com/pages/contractors-and-suppliers/responsible-supplier-and-contractor-guidelines>. PSE has entered into this Agreement with Agency based upon PSE's reasonable belief that Agency adheres to the strictest of ethical standards. In connection thereof, Agency has reviewed PSE's Corporate Ethics and Compliance Code at <http://www.pse.com/aboutpse/CorporateInfo/Pages/Our-Ethics.aspx>.

11.2 No Assignment

Agency will not (by contract, operation of law, or otherwise) assign, transfer, delegate 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 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.

11.3 Notices

Any legal notice or other communication under this Agreement will be in writing and will be delivered by courier or registered or certified mail, return receipt requested, postage paid to the addresses for legal notices in the signature block hereunder. Notices will be deemed received only upon actual receipt. Either Party may change its address by giving the other party notice of the change in accordance with this paragraph. Other communication under this Agreement related to Program administration will be in writing (where email is an acceptable form of writing) to the address(es) for Program administration in the signature block hereunder, or sent via the MiUtility EnergyHelp software system.

11.4 No Waiver

No waiver by any Party of any of the provisions of the Agreement will be effective unless explicitly set forth in writing and signed by the Party so waiving. 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.

11.5 Force Majeure

No Party will be liable or responsible to the other Party, nor be deemed to have defaulted under or breached this Agreement, for any failure or delay in fulfilling or performing any term of the Agreement (except for any obligations to make payments to the other Party hereunder), when and to the extent such failure or delay is caused by or results from the following (each, a "Force Majeure Event"): (a) acts of God; (b) epidemic, flood, fire, earthquake, or explosion; (c) war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, riot, or other civil unrest; (d) government order or law; (e) actions, embargoes, or blockades in effect on or after the date of the Agreement; (f) action by any governmental authority; (g) national or regional emergency; (h) strikes, labor stoppages or slowdowns, or other industrial disturbances; or (i) shortage of adequate power or transportation facilities. The affected Party must give notice to the other Party ("FME Notice") within twenty-four (24) hours of the Force Majeure Event, stating the period of time the occurrence is expected to continue. The affected Party must use diligent efforts to end the failure or delay and ensure the effects of such Force Majeure Event are minimized, and will resume performance of its obligations as soon as reasonably practicable after the removal of the cause. Notwithstanding anything herein to the contrary, PSE will not be liable for payment for any services it does not receive due to a Force Majeure Event affecting Agency's performance of its obligations under this Agreement.

11.6 PSE Tariffs

This Agreement is subject to the LIP Schedules, the BDR Schedules, the General Rules and Provisions set forth in Tariff Schedule 80 of PSE's Electric Tariff G, the General Rules and Provisions set forth in Gas Rules 01 through 27-1 of PSE's Gas Tariff WN-U2 as each is approved by the Commission and as the same may be amended from time to time.

11.7 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. Agency will not commence or prosecute any suit, proceeding or claim arising under or by virtue of this Agreement other than in the courts of the State of Washington located in King County or the United States District Court for the Western District of Washington. Agency hereby irrevocably consents to the jurisdiction of the foregoing courts.

11.8 Amendment

No amendments or modifications of this Agreement will be valid unless evidenced in writing and signed by duly authorized representatives of both Parties.

11.9 Each Party acknowledges and agrees that a breach or threatened breach by a Party of any of its obligations under Section 3.8 would give rise to irreparable harm to the other Party for which monetary damages would not be an adequate remedy. In the event of such breach or threatened breach the non-breaching Party will, in addition to all other rights and remedies that may be available to it at law, at equity, or otherwise, be entitled to equitable relief (including injunctive relief or specific performance) without posting bond in addition to any other available remedies, including damages. In any litigation concerning a breach of Section 3.8, the prevailing Party will be entitled to recover all reasonable expenses of litigation, including reasonable attorney fees at trial and on any appeal.

11.10 Except as otherwise specifically stated in the Agreement, the rights and remedies of a Party set forth in any provision of the Agreement are in addition to and do not in any way limit any other rights or remedies afforded to that Party by any other provision of the Agreement, or by law.

11.11 Entire Agreement

This Agreement together with the Program Rules and any related exhibits contain 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.

Signature Page Follows

Intending to be legally bound, PSE and Agency have caused their duly authorized representatives to execute this Low Income Program Agency Agreement in the space provided below.

PSE:

Puget Sound Energy, Inc.

By: Carol Wallace
Title: Director Customer Solutions

Address: 355 110 Ave. N.E.
BEL07W

Date: 11/30/2023

Agency:

Snohomish County

By: [Signature]
Title: Mary Jane Brell Vujovic, Director

Address: 3000 Rockefeller Avenue
M/S 305
Everett, WA 98201

Date: 11/13/2023

Address for Legal Notices:

Puget Sound Energy, Inc.
Attn: Procurement
PO Box 97034, (BOT-01O)
Bellevue, WA 98009-9734

Address for Legal Notices:

Address for Program Administration:

Puget Sound Energy, Inc.
Attn: Supervisor Energy Assistance Programs
PO Box 97034 BOT-01O
Bellevue, WA 98009-9734

EXHIBIT A

PSE HELP Program Rules

These Puget Sound Energy Home Energy Lifeline Program Rules ("PSE HELP Program Rules") set forth certain administrative and other rules established by Puget Sound Energy, Inc. ("PSE"), with respect to its Low Income Program ("Program") under Schedule 129 of PSE's Electric Tariff G ("Electric Schedule 129") and Schedule 129 of PSE's Gas Tariff WN-U2 ("Gas Schedule 129"), as the same may be amended from time to time (each, an "LIP Schedule"). They are binding on each agency contracting with PSE to participate in the administration and implementation of PSE HELP (each, a "Participating Agency"). In the event of any conflict or inconsistency between any PSE HELP Program Rule and any provision of an LIP Schedule or the Participating Agency's contract with PSE (the "Agency Agreement"), the provision of: (1) the LIP Schedule; or (2) the Agency Agreement, as applicable, will govern and control. Unless specifically defined otherwise herein, all capitalized terms used or defined in the LIP Schedules or the Agency Agreement will have the same meanings when used in these Program Rules.

A. Participation Requirements

1. Qualifications

Each Participating Agency must meet, and continue to meet, all qualifications for participation in PSE HELP as specified in the LIP Schedules and/or the Agency Agreement.

2. Technical Requirements

(a) **Database Connection.** Each Participating Agency will install, operate, and maintain a high speed internet service connection with appropriate securities compatible to receiving data from PSE. Under no circumstances will the connection or any data received through the connection be used for any purpose other than determining a Customer's eligibility to receive benefits under the Program.

(b) **Other.** As reasonably specified by PSE from time to time.

B. Funding Allocation Procedures

1. Initial Determination

The Allocation for each Participating Agency with respect to a given Program Year will be determined by PSE in accordance with its standard benefit allocations processes in effect from time to time and in a manner consistent with the LIP Schedules. To the extent consistent with such process and LIP Schedules, the Allocation for a given Participating Agency in a given Program Year will be proportional to the LIHEAP benefits distributed by that Participating Agency through PSE during the immediately preceding Program Year.

2. Reallocation and Adjustments

The Allocation for each Participating Agency with respect to a given Program Year is subject to reallocation and adjustment by PSE in accordance with its standard benefit reallocation and adjustment processes in effect from time to time and in a manner consistent with the applicable provisions of the Agency Agreement and the LIP Schedules.

Allocated funds may be reallocated by PSE to another Participating Agency at the discretion of PSE, and the associated Service Fee percent shall be likewise transferred to the receiving agency. Participating Agencies may also agree to the transfer of funds between themselves. PSE will acknowledge the transfer of all funds by signing a three-way Participating Agency-initiated contract amendment.

If a Participating Agency's allocated funds are depleted and a surplus exists with another Participating Agency, as determined by PSE on or before June 1st of each Program Year, PSE may, by written notice to Agency, adjust the original Allocation in order to reallocate funds to another Participating Agency, based on PSE's review and assessment of factors it deems appropriate, including an Agency Spending Forecast of benefit dollars for the current Program Year and historical spending patterns.

Once each Program Year, at the time and in the manner specified by PSE, Participating Agency will furnish to PSE, a spending forecast of the Available Benefit dollars for the current Program Year.

C. Program Eligibility

1. Initial Screening

Upon being contacted by a Customer about the Program, the Participating Agency will furnish a PSE-approved application for Program benefits to the Customer and make best efforts to determine the Customer's:

- (a) Identity;
- (b) Address;
- (c) PSE Account;
- (d) Household Monthly/Annual Income;
- (e) Household Size;
- (f) Energy usage history (electric and/or gas);
- (g) Housing Type (i.e. 1-3 Family, Hi-Rise, 4+ Family, Mobile or RV); and
- (h) Housing Status (i.e. Own/Buy, Subsidized or Rental).

In accessing any Customer Information from PSE, the Participating Agency will comply with all access and confidentiality procedures and requirements set forth in the Agency Agreement. The Participating Agency will ensure that each Customer whose data or information from PSE is obtained, viewed or accessed by any employee of the Participating Agency subsequently (at the first available opportunity) signs an application for benefits that includes a valid and effective authorization for the disclosure of such data and information to the Participating

Agency. Customer can provide authorization through a physical, electronic or verbal signature. Participating Agency may choose to require a physical or electronic signature on a case-by-case basis. Except for reasons stated in the Agreement, these PSE HELP Program Rules, or the LIP Schedules, each Customer is allowed to Self-Declare on their application. An application is only considered complete if the Customer agrees to submit to eligibility verification.

2. Application Processing

(a) Review. Each application for benefits under PSE HELP received by the Participating Agency or PSE will be promptly reviewed and processed by the Participating Agency. The Participating Agency will keep the Customer informed of the status of the PSE HELP application and will use best efforts to reach a final determination as to the Customer's eligibility for benefits within ten (10) business days after receipt of the completed PSE HELP application.

(i) If Participating Agency processes PSE HELP applications in their own platform rather than within the MiUtility EnergyHelp platform and the Customer submits an application through PSE then Participating Agency will use the information from MiUtility EnergyHelp to create and process a PSE HELP application in their Agency's platform. If Customer has already submitted an application through Participating Agency then Participating Agency will use the information on the application submitted to Participating Agency to determine the PSE HELP Benefit Award.

(b) Documentation. The Participating Agency will ensure that each Customer seeking benefits under the Program submits to the Participating Agency the following documents before making a final determination as to the Customer's eligibility for benefits under the Program:

(i) a complete and fully executed application for benefits that includes a valid and effective authorization for the disclosure of Customer data from PSE and information to the Participating Agency;

(c) Energy Usage History. The Participating Agency will, with respect to each Customer seeking benefits under the Program, calculate and determine the Customer's energy usage history as follows before making a final determination as to the Customer's eligibility for benefits under the Program:

(i) if Customer has had a PSE account continuously for twelve (12) or more months, Customer's twelve (12) month energy usage history (electric and/or gas) will be based on the actual energy usage information from PSE;

(ii) if Customer has not had a PSE account continuously for at least twelve (12) months, Customer's twelve (12) month energy usage history (electric and/or gas) will be based on the actual energy usage information from PSE for the Customer's current residence;

(iii) if Customer has never had a PSE account, Customer's twelve (12) month energy usage history (electric and/or gas) will be based on the twelve (12) month meter history for the Customer's current residence; and

(iv) if Customer has never had a PSE account and is a new resident within PSE's service area, Customer's twelve (12) month energy usage history (electric and/or gas) will be based on the then-current average consumption data table furnished to Participating Agency by PSE.

(d) Educational Information. With respect to each Customer that signs and submits to the Participating Agency an application for benefits under the Program, or otherwise requests information from the Participating Agency regarding the Program, the Participating Agency will provide the Customer with PSE-approved information regarding:

- (i) PSE HELP and Bill Discount Rate;
- (ii) PSE's low-income weatherization program;
- (iii) PSE's personal energy management/time of day rate program;
- (iv) PSE's deferred payment arrangements and budget billing; and
- (v) energy conservation.

3. Eligibility Determination

(a) General. The Participating Agency will, with respect to each Customer that submits an application for benefits under the Program, determine the Customer's eligibility for benefits in accordance with the eligibility criteria and other requirements set forth in the LIP Schedules, the Agency Agreement and these PSE HELP Program Rules.

(b) Persons Eligible. Any Customer that meets the eligibility criteria and other requirements set forth in the LIP Schedules, the Agency Agreement and these PSE HELP Program Rules is eligible for benefits under the Program.

(c) Persons Not Eligible. The following persons are not eligible for benefits under the Program:

- (i) any person who is not a Customer;
- (ii) any person whose name does not appear on a valid PSE account, unless the person's name is added as a secondary name on the PSE account;
- (iii) any Customer having a landlord PSE account;
- (iv) any Customer having a commercial PSE account;
- (v) any Customer having an industrial PSE account; and

(vi) any Customer that does not meet the eligibility criteria or other requirements set forth in the LIP Schedules, the Agency Agreement and these PSE HELP Program Rules for benefits under the Program.

D. Benefit Award Determination

1. Amount

(a) **General.** The Participating Agency will, with respect to each Eligible Customer, determine the amount of the Benefit Award to be provided to the Eligible Customer under the Program in accordance with all applicable criteria and requirements set forth in the LIP Schedules, the Agency Agreement and these PSE HELP Program Rules.

(b) **Specific Criteria.**

PSE Formula

$$2.221 - \left(\frac{39185.432}{24177.694 - \text{mi/ha}} \right) \times \text{AEC} = \text{Benefit Award}$$

PSE Formula if LIHEAP Awarded

$$2.221 - \left(\frac{39185.432}{24177.694 - \text{mi/ha}} \right) \times \text{AEC} = \text{Benefit Award}$$

mi = monthly income

ha = household size adjuster

AEC = annual energy cost

(c) **Minimum Benefit.** A Customer who meets the income qualifications, and whose Benefit Award results in a negative number, will be granted the minimum award of \$250.00.

(d) **Limitations.** Each Participating Agency will ensure that the amount of any Benefit Award does not exceed the maximum amount for which the Eligible Customer is eligible under the LIP Schedules or, if less, the total amount of the Eligible Customer's energy costs for the immediately preceding Program Year.

2. Allocation of Benefit Award

Each Participating Agency will allocate any electric and/or gas Benefit Award provided to an Eligible Customer as follows:

(a) **Dual Service.** If the Eligible Customer receives both electric and gas service from PSE, then the benefit split between electric and gas must be calculated proportionately to the household's usage.

For example: If the total energy usage for the home is \$1,000.00, with \$600 for gas consumption and \$400 for electric consumption, the proportional split of the Benefit Award will be 60/40. Sixty percent (60%) will be disbursed from the gas funds and forty percent (40%) disbursed from the electric funds.

(b) **Electric Service Only.** As reasonably specified by PSE from time to time in a manner consistent with the LIP Schedules.

(c) **Gas Service Only.** As reasonably specified by PSE from time to time in a manner consistent with the LIP Schedules.

3. Coordination with Other Programs

Each Participating Agency will coordinate the benefits provided to an Eligible Customer under the Program and any benefits provided to the Eligible Customer under LIHEAP or any other low income program in accordance with the applicable provisions of the LIP Schedules, the Agency Agreement and these PSE HELP Program Rules.

E. Advanced Metering Infrastructure Meter Opt Out Benefit Award Determination

For an Eligible Customer with a Non-Communicating Meter, Participating Agency will contact PSE to request the Advanced Metering Infrastructure ("AMI") Meter Opt Out Benefit Award amount. PSE will, with respect to each Eligible Customer, determine the AMI Meter Opt Out Benefit Award amount in accordance with all applicable criteria and requirements set forth in Electric Schedule 171, Gas Schedule 171, the Agency Agreement and these PSE HELP Program Rules. PSE will notify Participating Agency of the AMI Meter Opt Out Benefit Award amount.

F. Short-Term Arrearage Management Program

The Short-Term Arrearage Management Program ("Short-Term AMP") is a temporary program intended to provide assistance to Eligible Customers with an arrearage during the 2023-2024 Program Year. The Short-Term AMP Benefit Award is part of the Awarded Benefit Amount.

1. Benefit Award Determination. Participating Agency will calculate the Short-Term AMP Benefit Award at the same time it determines the PSE HELP Benefit Award. Participating Agency will determine the total Short-Term AMP Benefit Award by deducting

the PSE HELP Benefit Award from the Eligible Customer's arrearage then use the lesser of that amount and five hundred dollars (\$500) as the total Short-Term AMP Benefit Award. If the arrearage is less than the PSE HELP Benefit Award or there is not an arrearage, the Eligible Customer will not receive a Short-Term AMP Benefit Award. For an electric only customer, that total Short-Term AMP Benefit Award is the Electric Short-Term AMP Benefit Award amount and Eligible Customer will not receive a Gas Short-Term AMP Benefit Award. For a gas only customer, that total Short-Term AMP Benefit Award is the Gas Short-Term AMP Benefit Award amount and Eligible Customer will not receive an Electric Short-Term AMP Benefit Award. For a dual fuel customer where the arrearage is greater than or equal to five hundred dollars (\$500) after the PSE HELP Benefit Award, Participating Agency will split the total Short-Term AMP Benefit Award between electric and gas with fifty-three percent (53%) of the total as an Electric award and forty-seven percent (47%) of the total as a Gas award. For a dual fuel customer where the arrearage is less than five hundred dollars (\$500) after the PSE HELP Benefit Award, Participating Agency will split the total based on the actual Electric arrearage and actual Gas arrearage. The Short-Term AMP Benefit Award for each energy source will be rounded to the nearest whole dollar amount.

G. Benefit Award Processing

1. Information to PSE

Within 15 business days of receipt of Customer's complete application, Participating Agency will include the Customer on a pledge report or Deny or Cancel the PSE HELP application. If all information required to complete the application is not received within 30 business days of Participating Agency receiving the initial application, Participating Agency will Deny or Cancel the PSE HELP application.

For any week in which the Participating Agency has determined a Customer to be eligible for benefits under the Program, the Participating Agency will deliver to PSE a pledge report in the agreed upon format and without errors via the MiUtility EnergyHelp platform that, at a minimum, contains the following information for each Eligible Customer:

- (a) the Eligible Customer's PSE Account Number;
- (b) the Eligible Customer's address of record with PSE;
- (c) the size and allocation of the PSE HELP Benefit Award;
- (d) the size and allocation of the AMI Meter Opt Out Benefit Award; and
- (e) the size and allocation of the Short-Term AMP Benefit Award.

2. Reporting Requirements

Each Participating Agency will submit its weekly report to the designated representative of PSE by 5:00 P.M. on Thursday of that week. If such Thursday is a legally recognized holiday, the Participating Agency will submit the report to PSE by 5:00 P.M. on the day immediately preceding that Thursday which is not a legally recognized holiday. At least 80% of the accounts on a pledge report will be included on a payment list within 15 business days of PSE processing the pledge report. Participating Agency will submit all

payment lists to PSE in the agreed upon format and without errors via the MiUtility EnergyHelp platform.

Each Participating Agency will use commercially reasonable efforts to increase its number of Eligible Customers receiving PSE HELP by at least one percent (1%) over the previous Program Year.

3. Application of Award Credit

The Benefit Award will be applied to the Eligible Customer's account by PSE in accordance with its standard credit processes in effect from time to time and in a manner consistent with the applicable provisions of the Agency Agreement and the LIP Schedules.

H. Eligibility Verification

The Eligibility Verification process will occur in a manner consistent with the applicable provisions of the Agency Agreement, the BDR Schedules, and the Bill Discount Rate (“BDR”) Program Rules.

1. Impact of Eligibility Verification Outcome on PSE HELP Benefit

(a) Customer qualifies for current BDR tier. If the PSE HELP benefit has not been paid, Agency will update the PSE HELP application information to what was found during eligibility verification and will recalculate and communicate about the PSE HELP grant amount in accordance with the PSE HELP Program Rules. If the PSE HELP benefit has been paid, Agency will not update the PSE HELP application and will not recalculate the PSE HELP grant.

(b) Customer qualifies for a different BDR tier. If the PSE HELP benefit has not been paid, Agency will update the PSE HELP application information to what was found during eligibility verification and will recalculate and communicate about the PSE HELP grant amount in accordance with the PSE HELP Program Rules. If the PSE HELP benefit has been paid, Agency will not update the PSE HELP application and will not recalculate the PSE HELP grant.

(c) Customer does not qualify for a BDR tier. If the PSE HELP benefit has not been paid, Agency will update the PSE HELP application as Denied and Customer is no longer eligible to receive a PSE HELP benefit within one year using self-declaration. If the PSE HELP benefit has been paid, Agency will not update the PSE HELP application and Customer will retain their PSE HELP benefit.

(d) Customer does not respond to eligibility verification request. If the PSE HELP benefit has not been paid, Agency will deny the PSE HELP application and Customer is no longer eligible to receive a PSE HELP benefit within one year using self-declaration. If the PSE HELP benefit has been paid, Agency will not update the PSE HELP application and Customer will retain their PSE HELP benefit.

2. Documentation

If Customer is not eligible to receive a PSE HELP benefit using self-declaration, Customer must provide documentation to Participating Agency that demonstrates Customer's eligibility to receive a benefit under the Program. The Customer must submit to the Participating Agency a copy of all documents necessary to verify Customer's household average gross monthly income for the immediately preceding month. If the household is determined to be ineligible using the immediately preceding month's income, the applicant must be offered the opportunity to provide the immediately preceding three (3) consecutive months' or twelve (12) preceding months' income documentation to re-determine eligibility.

I. Relocation/Account Termination

1. Change of Address

If an Eligible Customer relocates with a positive Benefit Award balance and remains a Customer after relocation, then the positive Benefit Award balance will be available for use with respect to the Eligible Customer's new PSE account.

2. Account Termination

If an Eligible Customer relocates with a positive Benefit Award balance and does not remain a Customer after relocation, then the positive Benefit Award balance will be voided and removed from the Eligible Customer's account and reallocated within the Program as PSE determines in its sole discretion.

J. Customer Reported Corrections

If an Eligible Customer reports an error or correction to PSE on their PSE HELP application, PSE will notify Participating Agency of the corrected information. When Participating Agency receives a correction to a PSE HELP application from an Eligible Customer or PSE and Customer's PSE HELP benefit award has not been paid, Participating Agency will update the PSE HELP application and benefit award calculation based on the correct information. If the PSE HELP benefit award has been paid, Participating Agency will contact the PSE Program Supervisor who will determine the appropriate action on a case-by-case basis.

K. Customer Reported Changes

Neither PSE nor a Participating Agency will update a PSE HELP application or benefit award if an Eligible Customer reports a change to their household size and/or their household income even if the change would result in a different benefit award.

L. Service Fee Amounts

The Service Fee Amount for each Participating Agency with respect to a given Program Year will be established by PSE in accordance with its standard allocation processes in effect

from time to time and in a manner consistent with the applicable provisions of the Agency Agreement and the LIP Schedules.

M. Termination of Participation

Upon termination of the Agency Agreement for any Participating Agency, the Participating Agency will, upon demand, refund to PSE the unused portion of the advances of the Service Fee Amount paid to such Participating Agency for the then-current Program Year. Unless otherwise agreed by the Parties in writing, such unused portion will be deemed to be the sum of all advances of the Service Fee Amount paid to the Participating Agency for the Program Year less the direct costs actually and reasonably incurred by Participating Agency prior to the effective date of termination in the performance of the Program Services during the Program Year.

EXHIBIT B

Form Confidentiality Agreement

The parties wish to set out further terms and conditions of the undersigned employee's ("Employee") employment or engagement by _____ ("Agency"), whether as an employee of Agency or its affiliate or as an independent consultant. In consideration of such future employment or engagement, and other good and valuable consideration, the parties agree as follows:

1. Employee understands that (a) Agency and Puget Sound Energy, Inc. ("PSE"), have entered into a Low Income Program and Bill Discount Rate Agency Agreement, dated _____ (the "LIP and BDR Agreement"), under which Agency will provide certain services in support of PSE's low income assistance program (the "LIP Program" also referred to as the "Puget Sound Energy Home Energy Lifeline Program" or "PSE HELP") and Bill Discount Rate ("BDR") (together, the "Program"), (b) in connection with those services may have access to information and data that relates to PSE and its customers and is not generally available to the public (the "PSE Information"), and (c) Employee's execution of this confidentiality agreement (the "Agreement") and strict compliance with its terms are express requirements of the LIP and BDR Agreement and are being relied upon by PSE in making the PSE Information available to Agency and to me.

2. Employee will keep the PSE Information strictly confidential. In furtherance of the foregoing, Employee will (a) protect all PSE Information from any unauthorized access, use, disclosure, copying, dissemination or distribution, (b) make the PSE Information available only to those employees of Agency who are administering the Program, (c) without limiting the generality of the foregoing, respect and safeguard the privacy of all PSE customers and maintain the confidentiality of all information relating to those customers that comprises PSE Information, (d) not access or use any PSE Information except as required to perform the Agency's services in support of the Program, and (e) not remove any markings on the PSE Information indicating its confidential nature.

3. Employee will promptly notify Agency of any unauthorized use, access, disclosure, dissemination or distribution of any PSE Information by me or any other person immediately after the same is made known to or discovered by me.

4. Employee will not use the computer sign-on, access code or password of any other person or provide my computer sign-on, access code or password to any other person. Employee will not access, view, or copy any PSE Information unless it is properly authorized by Agency and permitted under the terms of the LIP and BDR Agreement. If I am in doubt about whether the authorization provided is proper, I will seek and obtain guidance from a representative of Agency and/or PSE.

5. This Agreement will survive any termination of my employment.

6. PSE will be a third-party beneficiary of this Agreement. In the event of any breach of this Agreement, PSE may suffer irreparable harm and have no adequate remedy at law. In such event or the threat of any such event, PSE will be entitled (in addition to any and all other remedies) to injunctive relief, specific performance and other equitable remedies without proof of monetary damages or the inadequacy of other remedies.

7. This Agreement will be interpreted, construed and enforced in accordance with the laws of the State of Washington without regard to its choice of law principles to the contrary.

8. This Agreement may not be amended, except by a writing signed by the party against whom such amendment is to be enforced.

Signature

Full Name (print or type)

Accepted:

[Agency]

By: _____

Its: _____

EXHIBIT C

Agency Allocations

The following Schedule sets forth the Available Benefit Amount for each Agency. In addition, the amount to be paid to the agencies for Service Fees as described in the Low Income Program and Bill Discount Rate Agency Agreement is listed.

Puget Sound Energy Low Income Program 2023-2024 Agency Allocations

County	LIHEAP Contractor	Electric Allocation	Gas Allocation	Total Allocation		Electric Benefit Amount		Gas Benefit Amount		Total Benefit Amount		Total Operating Fees Allocation
				100%						77%		23%
King	2. Multi-Service Center	\$13,169,229	\$1,584,307	\$14,753,536		\$10,140,307		\$1,219,916		\$11,360,223		\$3,393,313
	3. Hopelink	\$6,085,994	\$1,333,768	\$7,419,762		\$4,686,216		\$1,027,001		\$5,713,217		\$1,706,545
	4. Byrd Barr Place	\$0	\$1,310,104	\$1,310,104		\$0		\$1,008,780		\$1,008,780		\$301,324
Kitsap	5. Kitsap Community Resources	\$1,064,712	\$0	\$1,064,712		\$819,828		\$0		\$819,828		\$244,884
Kittitas	12. HopeSource	\$631,419	\$12,304	\$643,723		\$486,193		\$9,474		\$495,667		\$148,056
Lewis/ Thurston	6. CAC of Lewis/Mason/ Thurston Co.	\$6,036,159	\$1,215,713	\$7,251,872		\$4,647,842		\$936,099		\$5,583,941		\$1,667,931
Pierce	7. Pierce Co. Human Services	\$3,198,899	\$753,448	\$3,952,347		\$2,463,152		\$580,155		\$3,043,307		\$909,040
	8. MDC	\$0	\$254,444	\$254,444		\$0		\$195,922		\$195,922		\$58,522
Skagit	9. Community Action of Skagit County	\$1,906,709	\$0	\$1,906,709		\$1,468,166		\$0		\$1,468,166		\$438,543
Snohomish	10. Snohomish Human Service Department	\$0	\$775,797	\$775,797		\$0		\$597,364		\$597,364		\$178,433
Whatcom/ Island	11. The Opportunity Council	\$3,899,557	\$0	\$3,899,557		\$3,002,659		\$0		\$3,002,659		\$896,898
TOTALS		\$35,992,678	\$7,239,885	\$43,232,563		\$27,714,363		\$5,574,711		\$33,289,074		\$9,943,489

EXHIBIT D

Allowable Costs

2 CFR 200 Reference (part number listed below)	Type of Cost	✓ Allowable as a Direct Cost (defined as §200.413)	✗ Unallowable as a Direct Cost
421	Advertising & Public Relations	Allowable only if related to and necessary for performance of the sponsored project (i.e., recruitment of personnel, procurement of goods and services etc.)	Unallowable for advertising related to the general image. Unallowable for promotional items and memorabilia, including models, gifts and souvenirs.
423	Alcoholic Beverages	Unallowable	Unallowable
Appendix III,B6(1)(2)	Communication Costs	Allowable ONLY for costs directly attributable to a specific project (ex. long distance calls).	Unallowable for recurring line charges, network charges, local telephone costs, or other general/generic communication expenses.
430	Compensation for Personal Services	Salaries, wages and fringe benefits of personnel who directly contribute to the project's technical purpose (i.e. Faculty, other technical & research staff)	Unallowable for salaries & wages of administrative & clerical staff. See code 2 CFR 200.413(c) for exceptions and potential treatment as indirect costs
434	Contributions & Donations	Unallowable	Unallowable
436	Depreciation	Unallowable	See § 200.436 ; if included as indirect costs adequate records must be kept and provided upon request.
438	Entertainment Costs	Unallowable	Unallowable - includes amusement, diversion, and social activities and any costs directly associated with such costs.
439	Equipment & other Capital Expenditures	Allowable only for special purpose equipment - used exclusively for research, medical, scientific, or other technical activities. Prior approval from awarding agency required for items with a unit cost of \$5,000 or more.	See § 200.439

441	Fines & Penalties	Unallowable except when incurred as a result of compliance with specific federal award provisions	Unallowable except when incurred as a result of compliance with specific federal award provisions
445	Goods or Services for Personal Use	Unallowable	Unallowable
Appendix III,B5	Housing & Personal Living Expenses	Unallowable	Unallowable
447	Insurance & Indemnification	Allowable if related to and necessary for the performance of the sponsored project	See § 200.447
450	Most Lobbying Costs	Unallowable	Unallowable
451	Losses on Other Sponsored Agreements or Contracts	Unallowable	Unallowable
452	Maintenance & Repair Costs	Allowable as a direct cost as necessary to carry out the technical and scientific aspects of and actually used for the performance of a sponsored project.	See § 200.452
453	Material & Supplies Costs	Allowable as a direct cost when necessary and used for the performance of a sponsored project.	Generally unallowable as a direct cost for routine office supplies & postage
454	Memberships, Subscriptions & Professional Activity Costs	Unallowable	See § 200.454
459	Professional Service Costs	Allowable when professional and consultant services rendered by persons who are members of a particular profession or possess a special skill, and who are not officers or employees are required to support the award.	Unallowable for officers or employees of the institution.
465	Rental Costs of Buildings and Equipment	Allowable for reasonable costs (when incurred specifically for the sponsored project.)	Unallowable costs include amounts paid for profit, management fees, and taxes that would not have been incurred had the institution purchased the facility.
467	Selling and marketing costs	Unallowable, except with prior written approval.	Generally unallowable as direct costs.
471	Telecommunication costs and video surveillance costs	Allowable for telecommunications and video surveillance services or equipment such as phones, internet, video surveillance, cloud servers, etc.	Unallowable - certain equipment is prohibited per § 200.216

EXHIBIT E

Bill Discount Rate Program Rules

These Bill Discount Rate Program Rules ("BDR Program Rules") set forth certain administrative and other rules established by Puget Sound Energy, Inc. ("PSE"), with respect to its Bill Discount Rate ("BDR") under Schedule 7BDR of PSE's Electric Tariff G ("Electric Schedule 7BDR") and Schedule 23BDR of PSE's Gas Tariff WN-U2 ("Gas Schedule 23BDR"), as the same may be amended from time to time (each, a "BDR Schedule"). They are binding on each agency contracting with PSE to participate in the administration and implementation of BDR (each, a "Participating Agency"). In the event of any conflict or inconsistency between any Program Rule and any provision of a BDR Schedule or the Participating Agency's contract with PSE (the "Agency Agreement"), the provision of: (1) the BDR Schedule; or (2) the Agency Agreement, as applicable, will govern and control. Unless specifically defined otherwise herein, all capitalized terms used or defined in the BDR Schedules or the Agency Agreement will have the same meanings when used in these Program Rules.

A. Participation Requirements

1. Qualifications

Each Participating Agency must meet, and continue to meet, all qualifications for participation in BDR as specified in the BDR Schedules and/or the Agency Agreement.

2. Technical Requirements

(a) **Database Connection.** Each Participating Agency will install, operate, and maintain a high speed internet service connection with appropriate securities compatible to receiving data from PSE. Under no circumstances will the connection or any data received through the connection be used for any purpose other than determining a Customer's eligibility to receive benefits under BDR.

(b) **Other.** As reasonably specified by PSE from time to time.

B. Administrative Fees

Administrative Fees for Participating Agency are included as part of the PSE HELP Administrative Fees, which are found in the PSE HELP Program Rules.

C. Program Eligibility

1. Initial Screening

Upon being contacted by a Customer about the Program, PSE or the Participating Agency will furnish a PSE-approved application for Program benefits to the Customer and make best efforts to determine the Customer's:

- (a) Identity;
- (b) Address;
- (c) PSE Account;
- (d) Household Monthly/Annual Income;
- (e) Household Size;
- (f) Energy usage history (electric and/or gas);
- (g) Housing Type (i.e. 1-3 Family, Hi-Rise, 4+ Family, Mobile or RV); and
- (h) Housing Status (i.e. Own/Buy, Subsidized or Rental).

In accessing any Customer Information from PSE, the Participating Agency will comply with all access and confidentiality procedures and requirements set forth in the Agreement. PSE will ensure that each Customer whose data or information from PSE is obtained, viewed or accessed by any employee of the Participating Agency subsequently (at the first available opportunity) signs an application for benefits that includes a valid and effective authorization for the disclosure of such data and information to the Participating Agency. Customer can provide authorization through a physical, electronic or verbal signature. Except for reasons stated in the Agreement, these BDR Program Rules, or the BDR Schedules, each Customer is allowed to self-declare their household income and household member count on their application. An application is only considered complete if the Customer agrees to submit to Eligibility Verification.

2. Application Processing

(a) **Review.** Each application for BDR received by the Participating Agency or by PSE will be promptly reviewed and processed by PSE. PSE will keep the Customer informed of the status of the application and will use best efforts to reach a final determination as to the Customer's eligibility for BDR within ten (10) business days after receipt of the completed application.

(b) **Documentation.** PSE will ensure that each Customer seeking a Bill Discount Rate Adjustment submits to PSE the following documents before making a final determination as to the Customer's eligibility for a Bill Discount Rate Adjustment:

- (i) **All customers.** A complete and fully executed application for benefits that includes a valid and effective authorization for the disclosure of Customer data from PSE and information to the Participating Agency
- (ii) **Customers not eligible to self-declare.** For any Customer not eligible to self-declare, Customer must apply through Participating Agency.

Participating Agency will inform the Customer of documents needed to complete the application. The application will not be considered complete until receipt of all required documents. The Customer is to provide a copy of all documents necessary to verify Customer's Household gross monthly income stated on the BDR application. If Participating Agency does not receive a response from the Customer within thirty (30) days of the initial notification to the Customer of the documentation required, Participating Agency will deny the application.

(c) **Educational Information.** With respect to each Customer that signs and submits to the Participating Agency or PSE an application under BDR PSE will provide the Customer with information regarding:

- (i) Bill Discount Rate;
- (ii) additional assistance that may be available through Participating Agencies.

3. Eligibility Determination

(a) **General.** PSE will, with respect to each Customer that submits an application under BDR, determine the Customer's eligibility for BDR in accordance with the eligibility criteria and other requirements set forth in the BDR Schedules, the Agency Agreement and these Program Rules.

(b) **Persons Eligible.** Any Customer that meets the eligibility criteria and other requirements set forth in the BDR Schedules, the Agency Agreement and these BDR Program Rules is eligible for benefits under the Program.

(c) **Persons Not Eligible.** The following persons are not eligible for benefits under the Program:

- (i) any person who is not a Customer;
- (ii) any person whose name does not appear on a valid PSE account, unless the person's name is added as a secondary name on the PSE account;
- (iii) any Customer having a landlord PSE account;
- (iv) any Customer having a commercial PSE account;
- (v) any Customer having an industrial PSE account; and
- (vi) any Customer that does not meet the eligibility criteria or other requirements set forth in the BDR Schedules, the Agency Agreement and these Program Rules for benefits under the Program.

D. Bill Discount Rate Adjustment Determination

1. Discount Tier

(a) **General.** PSE will, with respect to each Eligible Customer, determine the Discount Tier to place the Eligible Customer on in accordance with all applicable criteria and requirements set forth in the BDR Schedules, the Agency Agreement and these BDR Program Rules. The Eligible Customer will receive a Bill Discount Rate Adjustment as a percentage of credit based on their Discount Tier.

Discount Tier	Qualifying Monthly Household Income Limit	Discount Amount
1	0% FPL to \leq 20% FPL	45%
2	>20% FPL to \leq 50% FPL	40%
3	>50% FPL to \leq 100% FPL	20%
4	>100% FPL to \leq 150% FPL	15%
5	>150% FPL to \leq 200% FPL	10%
6	>200% FPL to \leq 80% AMI	5%

FPL = Federal Poverty Level

AMI = Area Median Income

2. Application of Bill Discount Rate Adjustment

The Bill Discount Rate Adjustment will be applied to the Eligible Customer's account by PSE in accordance with its standard credit processes in effect from time to time and in a manner consistent with the applicable provisions of the Agency Agreement and the BDR Schedules. The standard Enrollment Term is 13 months.

E. Eligibility Verification

1. Selection

The amount of Eligible Customers selected for Eligibility Verification in any month will equal five percent (5%) of customers receiving a Bill Discount Rate Adjustment in the previous month. Included in the five percent (5%) will be all Eligible Customers who self-report a change of household income and/or household size. The remainder of the five percent (5%) will be randomly selected from each Participating Agency's service area. For each month

where Eligibility Verification occurs, PSE will generate and upload the Eligibility Verification selection list to MiUtility EnergyHelp and notify Participating Agency of the upload.

2. Timeframe and Documentation

Participating Agency will review each BDR application selected for Eligibility Verification to determine if Eligible Customer needs to provide documentation. If documents supporting eligibility are needed, Participating Agency will update the BDR application status in MiUtility EnergyHelp to "Documents Requested" which will trigger an email from MiUtility EnergyHelp to the Eligible Customer of their selection for Eligibility Verification and the Eligibility Verification process, including deadline for completion. If no email is on file, Participating Agency may contact Eligible Customer via mailed letter or phone call. Participating Agency must notify each Eligible Customer selected for Eligibility Verification within 10 business days of PSE notifying Participating Agency of Eligible Customer's selection. Participating Agency must allow Eligible Customer ninety (90) days from the date the email is sent from MiUtility EnergyHelp, the date that they mail a letter, or the date that they call the Eligible Customer to complete Eligibility Verification.

Participating Agency will ensure that each Customer selected for Eligibility Verification submits to the Participating Agency the following documents:

(i) A copy of all documents necessary to verify Customer's household gross monthly income at the time the Customer applied for BDR. If Customer is unable to provide those documents, Customer may provide a copy of all documents necessary to verify Customer's current household gross monthly income. Customer may be offered the opportunity to provide the preceding three (3) consecutive months or the prior twelve (12) months' income to determine eligibility. Participating Agency may use documentation collected for another program instead of requesting documentation from the customer if the documents were collected within the six (6) months prior to the selection for Eligibility Verification;

(ii) A copy of the Customer's current photo identification with birth date (e.g., driver's license, government-issued identification card or passport) that is currently valid or has expired within the last 12 months. If a Customer does not have this type of identification then Participating Agency will note in Customer's file the reason Customer does not have this type of identification and will proceed with Eligibility Verification without identification. In this instance, current photo identification is not required to complete Eligibility Verification;

(iii) a copy of Customer's proof of current address; and

(iv) a copy of Customer's proof of PSE account.

If Customer is selected for Eligibility Verification on a BDR application that was created as a result of Eligibility Verification, Participating Agency may use the documentation from the previous Eligibility Verification.

3. Eligibility Verification Outcomes

(a) **Customer qualifies for current BDR tier.** Participating Agency will mark the household income as verified and update the status of the BDR application to “Verified” which will restart the thirteen (13)-month enrollment term. Customer will be exempt from further Eligibility Verification for that enrollment term.

(b) **Customer qualifies for a different BDR tier.** Participating Agency will terminate the Eligible Customer’s existing BDR enrollment and create a new BDR application using the accurate household size and household income amounts. The new BDR application will include restarting the thirteen (13)-month enrollment term. The processing of this new application will follow the standard process outlined in the BDR Program Rules.

(c) **Customer does not qualify for a BDR tier.** Participating Agency will terminate the Eligible Customer’s BDR enrollment. Customer will be allowed to apply for BDR again but an application occurring within one year will not be eligible for self-declaration and Customer must supply all documentation required by Eligibility Verification to be enrolled in BDR.

(d) **Customer does not respond to eligibility verification request.** On day 91 of the BDR application being in a status of “Documents Requested” MiUtility EnergyHelp will update the BDR application to a status of “Denied.” Customer will be allowed to apply for BDR again but an application occurring within one year will not be eligible for self-declaration and Customer must supply all documentation required by Eligibility Verification to be enrolled in BDR.

4. Communication to Customers

Participating Agency will ensure that all Eligible Customers selected for Eligibility Verification are notified of their selection, the steps needed to be successfully verified, and the outcome of their Eligibility Verification. Notification will come from PSE via MiUtility EnergyHelp when Participating Agency selects the appropriate status reflecting the outcome.

F. Relocation/Account Termination

1. Change of Address

If an Eligible Customer relocates with a Bill Discount Rate Adjustment and remains an Eligible Customer after relocation, then the Bill Discount Rate Adjustment will be applied to the Eligible Customer's new PSE account.

2. Account Termination

If an Eligible Customer relocates with a Bill Discount Rate Adjustment and does not remain a Customer after relocation, then the Bill Discount Rate Adjustment will be ended as of the move out date.

G. Customer Reported Corrections

If an Eligible Customer reports an error on or correction to their BDR application to Participating Agency, Participating Agency will notify PSE of the error and provide the correct information. If an Eligible Customer or Participating Agency reports to PSE an error on or correction to a BDR application, PSE will cancel that BDR application, note the reason for the cancellation, and create a new BDR application with the correct information. The processing of this new application will follow the standard process outlined in the BDR Program Rules.

H. Customer Reported Changes

1. No Change to Discount Amount

If an Eligible Customer reports a change in household income and/or household size that would not result in a change to their Discount Amount then neither a Participating Agency nor PSE will make a change to the BDR Application.

2. Change to Discount Amount

(i) If an Eligible Customer reports a change in household income and/or household size that would result in a smaller Discount Amount, then neither Participating Agency nor PSE will make a change to the BDR Application or Discount Amount. If an Eligible Customer insists on an update being made then Participating Agency and PSE will follow the process outlined for a change resulting in a larger Discount Amount.

(ii) If Participating Agency finds an Eligible Customer is over income for BDR during the LIHEAP process, no changes will be made to the Eligible Customer's Discount Amount and their enrollment in BDR will not be ended as a result of the LIHEAP finding.

(iii) If an Eligible Customer reports a change in household income and/or household size that would result in a larger Discount Amount then:

(a) If the reported change would change the Discount Amount and Eligible Customer reports the change to a Participating Agency, Participating Agency will notify PSE of the updated household income and/or household size and will include the Customer First and Last Name and Account Number. PSE will terminate the existing Discount Amount and create a new BDR Application. PSE will process the new BDR Application following the same process as any other new BDR Application, as outlined in these BDR Program Rules. This Customer will be selected for Eligibility Verification.

(b) If the reported change would change the Discount Amount and Eligible Customer reports the change to PSE, PSE will terminate the existing Discount Amount and create a new BDR Application. PSE will process the new BDR Application following the same process as any other new BDR

Application, as outlined in these BDR Program Rules. This Customer will be selected for Eligibility Verification.

I. Service Fee Amounts

The Service Fee Amount for each Participating Agency will be determined in accordance with the PSE HELP Program Rules.