2026 PSE Gas Decarbonization RFP
Bidder Q&A and PSE General Guidance – Batch 2

Uploaded 7/1/26 to PSE | Gas Decarb RFP

Overarching PSE guidance

- Please see **Q&A Batch 1** uploaded 6/18/26 to PSE's Gas Decarb RFP webpage for questions 1-49.
- Review the scoring criteria in Exhibit A to see how much weight is given to different aspects of each proposal.

BEPS

50. **Question:** Would PSE be inclined to support projects that would deliver emissions reductions or gas removals ahead of compliance deadlines (e.g., BEPS)?
    a. Answer: Yes, the RFP could fund projects that would deliver emissions reductions ahead of compliance deadlines. However, the lifetime emissions impacts reported in proposals should only account for the period of time prior to the relevant compliance date (e.g., 2040 for BEPS).
51. **Question:** In eligibility bullet #2 [RFP page 6], PSE notes that proposals should not be pursued in existing requirements. In the context of Seattle's BEPS law which requires large buildings to decarbonize by 2050, does accelerating a BEPS-resulting change count as a viable project? For example, using funding to decarbonize a building by 2028 that would otherwise not need to decarbonize until 2040.
    a. Answer: See answer above. Yes, accelerating a building's BEPS compliance would count as a viable project for this RFP. However, the lifetime emissions impacts reported in proposals should only account for the period of time prior to the relevant compliance date (e.g., 2040 for BEPS).

Environmental attributes

52. **Question:** Does PSE assign a value to green attributes? It would be great to know what that value roughly is, so that we can quickly evaluate that before submitting
    a. Yes, PSE assigns value to green attributes, to the extent that this RFP aims to reduce PSE's Climate Commitment Act (CCA) compliance costs by reducing emissions. Emissions reductions have a real value to customers that are incorporated into all of our cost-effectiveness calculations and would be incorporated here. That's the rationale for needing to retain all the green attributes since those are needed to reduce PSE's CCA obligations.
53. **Question:** At the bidder's conference yesterday, someone asked: if the PSE Gas Decarb program partially funds a decarbonization project, does PSE claim all associated environmental benefits (carbon credits)? The PSE representative quicky responded yes and there was no further discussion. I'm following up to confirm this. I'll do it through an

example: if a decarbonization project, say electrifying a gas heated building, is half funded by PSE and half funded by a multi-national corporation with ESG goals, resulting in GHG emissions reductions of 2,000 metric tons/year, PSE would claim all 2,000 metric tons and the other funder could claim none even though they paid for half of it?

    a. Answer: Yes, PSE would claim all environmental attributes associated with projects funded by this RFP, even for projects that have additional funding outside of this RFP. PSE does not intend to register any project funded by this RFP for voluntary carbon emissions credits, so splitting credits per the example in the question would not be feasible. The exception is RNG projects, for which PSE would only claim the environmental attributes (Renewable Thermal Credits) for RNG delivered to PSE's system, as long as those Renewable Thermal Credits are calculated based on the amount of RNG delivered to PSE's system and meet the retirement standards in WAC 173-441.

54. **Question:** The RFP states that environmental attributes will be retained by PSE. If a project is funding in part with other non-PSE funds, would PSE still retain those environmental attributes?
    a. Answer: Yes. See answer above.

Eligibility

55. **Question:** Regarding CCUS proposals - If our capture site host is a CCA covered entity with their own compliance obligation, how does PSE handle the environmental attribute allocation? Does the host's reduction in combustion emissions count toward their own CCA compliance, or does everything flow to PSE? And how should we think about double-counting under CCA accounting?
    a. Answer: If the CCUS capture site is a CCA-covered entity, the project would not be eligible for funding under this RFP because it would not reduce emissions from PSE's system. A CCA-covered capture site host has their own compliance obligation and is accounting for their own gas usage, meaning PSE does not have any compliance obligation for those emissions.
56. **Question:** [Potential bidder] has several projects in Washington state under development in the Moses Lake and Sunnyside areas. I know those are still 65 miles to Kittitas, your closest distribution line point. Are we still able to qualify for the RFP? I saw there is a requirement in Exhibit A page 6 that RNG qualifies if injected inside PSE's own distribution pipeline. Our projects would be able to be connected via pipeline to your distribution line, but are not injecting directly.
    a. Answer: Yes. Projects may still qualify for the RFP provided they demonstrate a viable pathway to connect to and ultimately deliver RNG into PSE's distribution system.
57. **Question:** Would a methane emissions reduction and verification program be considered responsive to the objectives of this RFP?
    a. Answer: No. A methane emissions reduction and verification program would not be considered responsive to the objectives of this RFP. Proposals are not eligible for funding if they focus on activities that PSE is already required to perform

under existing laws or regulations, or if they reflect initiatives that PSE has already planned or intends to pursue independently.

58. **Question:** Is PSE interested in proposals that focus on measured methane abatement and optimization of repair investments within the existing gas distribution system?
    a. Answer: No. PSE is not interested in proposals that focus on measured methane abatement or optimization of repair investments within the existing gas distribution system as a primary objective. Proposals are not eligible for funding if they focus on activities that PSE is already required to perform under existing laws or regulations, pursuant to RCW 70A.65.130(2)(b). Additionally, proposals are not eligible if they reflect initiatives that PSE has already planned or committed to pursuing independently. While PSE recognizes that methane reductions and improved data insights may occur as secondary benefits, the company is not seeking proposals that center on core leak detection activities, repair prioritization, or compliance-driven work within the existing gas distribution system.
59. **Question:** Are natural gas transportation customers eligible through this RFP?
    a. Answer: Yes, unless the transportation customer is a covered entity under the Climate Commitment Act (CCA) and responsible for their own CCA compliance obligation associated with their gas consumption.
60. **Question:** I have an existing project that is scheduled to start in August that will be removing natural gas for heating of the building and leaving the gas hat water heater system in place. I would like to know if my project would qualify for application to this proposal opportunity.
    a. Answer: Per the schedule in Table 1 of the RFP (page 10), PSE will be evaluating proposals throughout Q3 2026 then filing a list of selected projects with the Washington Utilities and Transportation Commission (WUTC) for approval. August 2026 is too soon for PSE to have WUTC approval.
61. **Question:** [Bidder] is considering an application that would reduce gas usage in city-owned buildings. I don't believe this would be a duplication of an existing PSE program – can you provide any advice on the eligibility of this project?
    a. Answer: Reducing gas usage in municipal buildings would not be duplicative of existing PSE programs unless it is an energy efficiency proposal. PSE has existing energy efficiency programs; for more information, see WUTC docket UG-250835, Exhibit 3 Program Details and pse.com/rebates.
62. **Question:** Could the following project scopes potentially be eligible? a) A program that works with *residential buildings that are low- and moderate-income* to perform *energy efficiency* or *electrification* upgrades that reduce natural gas use and promotes decarbonization b) Building system or equipment upgrades for municipality, nonprofit, or privately-owned commercial buildings
    a. Answer: Regarding (a), an electrification program that serves moderate-income multifamily buildings outside of PSE's named communities could potentially be eligible for funding under this RFP. However, an electrification program that serves low-income residential buildings and/or moderate-income multi-family buildings in PSE's named communities would be better suited for funding under PSE's CCA Low Income and Named Community Programs. If you think your

proposal may qualify for funding from the CCA Low Income and Named Community Programs, please reach out to PSEGasDecarbRFP2026@pse.com and we will connect you to the appropriate PSE contact. As for energy efficiency, per RCW 80.86.070, projects must not include any form of rebate, incentive, or other inducement to residential natural gas customers to purchase any natural gas appliance or equipment (for example, a more efficient natural gas appliance). Exceptions in effect through January 1, 2031 include rebates and incentives for electric heat pumps that include natural gas backups and rebates and incentives for commercial and industrial gas customers.

b. Regarding (b), those project scopes could be eligible as long as the building is not defined as a small business *and* located in a PSE named community. Definition of small business under PSE's gas CCA tariff (eff. Jan. 27, 2026): "Small business means a Customer on gas Schedule 31 and, if also taking electric service from the Company a Customer on electric Schedule 24 or Schedule 25, with a footprint of 10,000 square feet or less and with 50 or fewer employees at that Premise." If the building is a "small business" in a named community, refer to PSE's CCA Low Income and Named Community Programs.

63. **Question:** "I'm not sure if this project would qualify for the 2026 Gas Decarbonization RFP because the project owner is not a named community, not small business, and not residential. Does that seem right?
    a. Answer: For demand-side proposals, the building is *not* required to be residential, a small business, or in a named community. In fact, the following buildings are not eligible for RFP funding since they are qualified for existing funding through PSE's CCA Low Income and Named Community Programs: low-income residential, multi-family residential that has low-income residents and/or is located in a PSE named community, and small businesses in a PSE named community. If you think your proposal may qualify for funding from the CCA Low Income and Named Community Programs, please reach out to PSEGasDecarbRFP2026@pse.com and we will connect you to the appropriate PSE contact.

64. **Question:** [Would this project qualify -] Owner is [non-profit], project is to electrify the boiler system…SCL electric, not PSE. The building is 37,816 SF."
    a. Answer: This project may be eligible for the RFP unless the building meets the PSE definition of small business *and* is located in a PSE named community. Definition of small business under PSE's gas CCA tariff (eff. Jan. 27, 2026): "Small business means a Customer on gas Schedule 31 and, if also taking electric service from the Company a Customer on electric Schedule 24 or Schedule 25, with a footprint of 10,000 square feet or less and with 50 or fewer employees at that Premise." If the building is a small business in a named community, it would be better suited for funding under PSE's CCA Low Income and Named Community Programs. If you think your proposal may qualify for funding from the CCA Low Income and Named Community Programs, please reach out to PSEGasDecarbRFP2026@pse.com and we will connect you to the appropriate PSE contact.

65. **Question:** We understand generally these funds are not meant to address work already served by PSE's existing programs, like the commercial decarbonization grant program or heat pump installation programs for low-income and named community customers. Beyond these examples, could PSE provide other examples of project scopes that are eligible given the RFP parameters, including projects that might fit the supply-side, demand-side, or carbon capture utilization and storage classifications referenced?
    a. Answer: PSE created the RFP with a broad scope with the intent of gathering a wide variety of proposals for reducing emissions from PSE's gas distribution system. Providing examples of projects may give the appearance of favoring those types of projects. PSE is not more interested in one type of project over another. Please refer to Exhibit A to see how proposals will be evaluated and scored.
66. **Question:** I wanted to reach out and confirm that it is OK for [bidder] to apply [for the RFP after having previously applied for a separate PSE grant.]
    a. Answer: Yes, you are welcome to submit a proposal to this RFP. Please review the RFP documents and Q&A Batch 1 to see if your project would be eligible.

Evaluation criteria

67. **Question:** How does PSE view the relative value of verified methane emissions reductions compared to other decarbonization pathways being considered under this solicitation?
    a. Answer: PSE is not more interested in one type of project over another. Please refer to Exhibit A to see how proposals will be evaluated and scored.
68. **Question:** How do we handle proposals where the RFP funds are only for a portion of the capital cost? Do we need to proportionally allocate the decarbonization by the % of the $?
    a. Answer: No, do not calculate emissions reductions based on PSE's percentage of total project funding - please report total expected emissions reductions from the project. PSE would claim all environmental attributes associated with projects funded by this RFP, even for projects that have additional funding outside of this RFP. PSE does not intend to register any project funded by this RFP for voluntary carbon emissions credits, so splitting credits per the example in the question would not be feasible. The exception is RNG projects, for which PSE would only claim the environmental attributes (Renewable Thermal Credits) for RNG delivered to PSE's system, as long as those Renewable Thermal Credits are calculated based on the amount of RNG delivered to PSE's system and meet the retirement standards in WAC 173-441.
69. **Question:** C2 cost basis. For C2 (System Cost Impact) scoring, is project cost evaluated against the dollars requested from this RFP, or against a broader total resource cost that includes customer co-pay and other stacked incentives? If multiple framings are evaluated, how are they weighted?
    a. Answer: In Exhibit B, C2 has two primary components. C2a asks for total funding requested from the PSE Gas Decarb RFP (i.e., "CCA" funding) per expected

MTCO2e reduction. C2b asks for total project funding (including other funding sources) per expected MTCO2e reduction. C2b is aimed at understanding the full project cost so that it can be evaluated in a holistic manner by assessing the level of additionality that the CCA funding provides.

70. **Question:** Grid emissions accounting. For modeling fuel-switching emissions over equipment lifetime, does PSE prefer marginal or average grid factors? If marginal, is there a preferred source (NREL Cambium, WECC, PSE's IRP)? And should bidders model PSE's CETA decarbonization trajectory — if so, is there a published PSE grid emissions trajectory to reference?
    a. Answer: The grid emissions factor for fuel-switching projects is marginal (consequential). For all grid emissions factors, please use NREL Cambium Long-Run Marginal Emission Rates (LRMER) WECC region, which embeds regional grid decarbonization trajectories. In the Exhibit B LCA-Common sheet, bidders should apply the Cambium annual series across project life and enter its levelized lifetime average in section 3.3. Bidders should not attempt to model PSE's or any other utility's CETA decarbonization trajectory.
71. **Question:** Are there any specific expectations regarding emissions accounting, quantification methodologies, or MRV approaches that proposers should consider?
    a. Answer: The level of rigor that we are looking for is described or implied by the descriptions of the criteria in Exhibit A. There are many methodologies across technologies that could be considered rigorous. We will be assessing ultimately whether the selected methodology aligns with what has been described in Exhibit A.
72. **Question:** Seek clarification on Exhibit A, B1 and B2, these are applicable for the Demand side when the word 'and' is used. If proposing a Supply side technology, is 'not applicable' an acceptable answer? Or ought the word "and' be changed to 'or'?
    a. B1 - "Projected annual reduction in natural gas consumption (therms/year), annual increase in electricity consumption (kWh/year) or other fuel consumption, and overall GHG emissions reduction (MTCO2e/year)."
    b. B2 - "Total lifetime reduction in natural gas consumption (therms), lifetime increase in electricity consumption (kWh) or other fuel consumption, and overall GHG emission reductions (MTCO2e). Assess assumed project lifetime, persistence of savings, and degradation or decay factors applied."
    c. Answer: Please refer to the Proposal Form (Exhibit B). Criteria B1 and B2 each require multiple responses and you may reply "not applicable" as appropriate.
73. **Question:** How should the bidder propose customer incentives? i.e. Under which category(ies) of the 'Cost Model' tab of Exhibit B should that budget be allocated?
    a. Answer: If the bidder is proposing an incentive that would buy-down an itemized cost, it should be input in Section 4 Customer co-pay B41 and they should describe/disclose the rebate in Section 5 (row 46). The itemized cost should be reported at full value to avoid double counting. If the incentive is a cash inducement, and one-off, it should be reported in Section 2 under Other (describe) row 21; if it's recurring, then place it in Section 3 under Other

(describe) row 34 across all relevant years. Bidders should disclose/describe the incentive in Section 5 (row 46).

74. **Question:** If a bidder is submitting a demand-side electrification proposal with a focus on program delivery services, what information would PSE like to see included in the Labor Plan (Exhibit N)?
    a. Answer: Per Exhibit B Section EQ4, the Labor Plan (Exhibit N) should include information such as workforce composition by trade, sourcing/recruitment approach, prevailing-wage and apprenticeship-utilization commitments, safety qualifications, any local-hire or diverse-business subcontracting plans, and community workforce agreements.

RFP Appendix A

75. **General PSE guidance for Appendix A:**
    a. Proposals are *not required* to be located in one of the areas specified in Appendix A. Demand-side proposals located in the areas specified in Appendix A will receive up to 2 points in the scoring process per criteria D1.5 in Exhibit A.
    b. For Appendix A Locations 1-2, PSE is interested in gas reduction for *any PSE customer in the listed zip codes*.
    c. For Appendix A Location 3, PSE is interested in whole-building electrification projects for *specific (confidential) PSE customer buildings*. If bidders pursue this option, proposals should demonstrate their overall approach, capabilities, and readiness to deliver whole-building electrification projects.
76. **Question (2 parts):** The RFP indicates Location 3 addresses will be shared "upon agreement and selection."
    a. Could PSE share a general area, customer count, and approximate gas volume for Location 3 under the executed NDA before proposals are due, to support bidder scoping?
        i. Answer: Please refer to the "Appendix A Location 3 supplemental map" that includes estimated customer usage and meter counts for the target area. Bidders should note that additional or revised project locations may be identified within the Location 3 area in the future.
    b. Alternatively, would PSE accept a proposal that scopes a bidder-defined candidate area (for example, Vashon Island) for Location-3-style treatment, contingent on PSE engineering confirmation after selection?
        i. Answer: PSE would accept such a proposal, but it would not qualify for points under criteria D1.5. For this RFP, to qualify for the D1.5 points, proposals should be based on the locations and parameters defined by PSE.
77. **Question:** Since you have a list of buildings already for Location 3 that you're interested in, but in the RFP, we need legally binding rights to develop the project and we need to know how many projects, how much it's going to cost, how much we're going to save, but we haven't seen that list yet. Are we able to submit a range of cost and a range of

savings? How do we address the fact that we don't know which buildings you're interested in?

   a. Answer: Please refer to the “Appendix A Location 3 supplemental map” that includes estimated customer counts and annual usage for the target area. If submitting a proposal for Location 3, bidders may base their proposals on this information and present *reasonable ranges for costs and expected annual GHG reductions*.

78. **Question:** Can you describe the nature of the infrastructure investment PSE is seeking to avoid through Location 3? Understanding the specific infrastructure driver would help proposers design programs that directly address PSE's need.
    a. Answer: The specific infrastructure investments may vary by project; however, the primary objective is to address identified system risks through non-pipeline alternatives rather than proceeding with traditional capital infrastructure replacements. These projects have been identified through PSE’s Distribution Integrity Management Program (DIMP) and typically involve locations where mitigating risk would otherwise require significant infrastructure investment. For Location 3, proposed solutions should consider approaches that enable the retirement of all end-use gas demand at affected sites, thereby allowing PSE to address underlying system risks without completing the traditional infrastructure project.
79. **Question:** What type of PSE historical operational data for vented emissions is available in regard to natural gas pipelines? Are data elements such as annual vented emissions from purging operations, quantity of pipe being decommissioned annually, and quantity of new pipe being installed available?
    a. Answer: PSE is able to provide publicly available data as reported through EPA and Washington State greenhouse gas reporting programs, including resources such as the GHG Reporting Program Publication available via data.wa.gov. However, detailed operational data elements—such as annual vented emissions from specific activities (e.g., purging operations), quantities of pipe decommissioned, or new pipe installation volumes—are not available for this RFP.

Financial qualifications

80. **Question:** Performance assurance. For a demand-side project measured in customer installs and verified savings (rather than a single capital asset), what form of performance assurance does PSE typically require — letter of credit, cash collateral, parental guaranty, performance bond? And how is the required amount usually sized: percentage of total project value, annual contract value, liquidated damages exposure, or other?
    a. Answer: Given the broad range of project sizes that may be bid in to the RFP, PSE provides the following clarifications of the minimum “credit documentation” required under Section 5 of the RFP.

For proposals below $100,000 of “total project cost requested from CCA funds” (Exhibit B, answer A5a), PSE will accept the following as being sufficient to satisfy the “credit documentation”: contractor license bonds.
For proposals below $1,000,000 of “total project cost requested from CCA funds” (Exhibit B, answer A5a), PSE will accept the following as being sufficient to satisfy the “credit documentation”:

- Unaudited financial statements. If the company has fewer than 3 years of financial statements, then provide statements for each operating year
- Current interim financial statements
- Performance bonds.

For proposals above $1,000,000 of “total project cost requested from CCA funds” (Exhibit B, answer A5a), generally PSE needs the bidder to be an investment grade entity to obtain an unsecured credit line and relies on CPA audited financials when an issuer credit rating is not available. If the bidding entity has not yet established 3 years’ worth of audited financials and has a Credit Support Provider, the bidder can provide its Credit Support Provider’s 3-year audited financials as long as it is investment grade.

81. **Question:** I also have questions about the credit documentation. As a small woman-owned business I have financial statements and strong personal credit, and would be working with established partners, but wonder if I would be barred by a limited company lending history
    a. Answer: Given the broad range of project sizes that may be bid in to the RFP, PSE provides the following clarifications of the minimum “credit documentation” required under Section 5 of the RFP.
    For proposals below $100,000 of “total project cost requested from CCA funds” (Exhibit B, answer A5a), PSE will accept the following as being sufficient to satisfy the “credit documentation”: contractor license bonds.
    For proposals below $1,000,000 of “total project cost requested from CCA funds” (Exhibit B, answer A5a), PSE will accept the following as being sufficient to satisfy the “credit documentation”:
        - Unaudited financial statements. If the company has fewer than 3 years of financial statements, then provide statements for each operating year
        - Current interim financial statements
        - Performance bonds.

    For proposals above $1,000,000 of “total project cost requested from CCA funds” (Exhibit B, answer A5a), generally PSE needs the bidder to be an investment grade entity to obtain an unsecured credit line and relies on CPA audited financials when an issuer credit rating is not available. If the bidding entity has not yet established 3 years’ worth of audited financials and has a Credit Support Provider, the bidder can provide its Credit Support Provider’s 3-year audited financials as long as it is investment grade.
82. **Question:** The RFP includes financial qualification requirements such as three years of audited financial statements, credit documentation, and performance history. As a recently formed startup, we do not have three years of operating history. Are these

intended as minimum eligibility requirements, or can newer project developers still be considered if they can demonstrate technical capability, customer commitments, and a credible path to project execution?

   a. Answer: Answer: Given the broad range of project sizes that may be bid in to the RFP, PSE provides the following clarifications of the minimum "credit documentation" required under Section 5 of the RFP.
   For proposals below $100,000 of "total project cost requested from CCA funds" (Exhibit B, answer A5a), PSE will accept the following as being sufficient to satisfy the "credit documentation": contractor license bonds.
   For proposals below $1,000,000 of "total project cost requested from CCA funds" (Exhibit B, answer A5a), PSE will accept the following as being sufficient to satisfy the "credit documentation":
      - Unaudited financial statements. If the company has fewer than 3 years of financial statements, then provide statements for each operating year
      - Current interim financial statements
      - Performance bonds.

   For proposals above $1,000,000 of "total project cost requested from CCA funds" (Exhibit B, answer A5a), generally PSE needs the bidder to be an investment grade entity to obtain an unsecured credit line and relies on CPA audited financials when an issuer credit rating is not available. If the bidding entity has not yet established 3 years' worth of audited financials and has a Credit Support Provider, the bidder can provide its Credit Support Provider's 3-year audited financials as long as it is investment grade.

83. **Question:** The RFP states that respondents must "currently own or have legally binding rights to develop the project(s)." For customer-sited electrification projects, what documentation would satisfy this requirement? For example, would letters of intent, development agreements, or site access agreements with host customers be sufficient?
    a. Answer: Yes, letters of intent, development agreements, or site access agreements would be sufficient.
84. **Question:** The information in Exhibit B indicates that bidders need to submit our last three years of audited financial statements. In the RFP document itself, Section 5. Credit Requirements, includes a much longer list of financial qualifications (Credit Documentation, Corporate Structure, and Performance History). Can PSE please confirm the required documentation to be provided as Exhibit J is only the last three years of audited financials and no other information?
    a. Answer: If the intent is an unsecured line of credit for a value over $1,000,000, then all Section 5 credit documentation documents are required.
85. **Question:** If entities are interested in teaming, do all subs [subcontractors] need to provide all financial documentation listed?
    a. Answer: No, If the prime bidder meets the financial requirements, then subcontractors would not need to provide financial documents.
86. **Question:** For Section 5 (Credit Requirements), are these requirements to be addressed upon award and not required during the proposal submission process?

    a. Answer: No, the documents described in the RFP Section 5 Credit Requirements are to be addressed during the proposal submission process.

87. **Question:** Does PSE have a specific compensation structure in mind or may the bidder propose one? If the bidder may propose one, where (in Exhibit B or elsewhere) should this be addressed?
    a. Answer: The bidder may propose a compensation structure. PSE is flexible about where this is described. Options include Exhibit B item A5g or Cost Model section 5.

Miscellaneous topics

88. **Question:** Due to the complexity of the exhibits and the number of questions being asked for the 'Round 2' of answers, would PSE consider a two-week extension? The holiday week of the 4th of July is also a minor consideration in developing this proposal.
    a. Answer: No, PSE is not able to extend the timeline for this RFP. See Q&A Batch 1 for more context about the RFP timeline.
89. **Question:** To help strengthen the proposal and quantify potential benefits, does PSE have any upcoming projects or specific candidate sites targeted for implementation and demonstration under this solicitation, specifically related to purging pipes into or out of service?
    a. Answer: At this time, PSE has not identified specific projects or candidate sites related to pipeline purging for implementation under this solicitation. If a technology is selected, PSE will work collaboratively with the selected bidder to identify and confirm appropriate demonstration location.
90. **Question:** Regarding the Mutual Nondisclosure Agreement, would PSE be willing to: a) modify the agreement to state "while the Parties will honor the terms of the agreement, if a Public Records Act request is made, the Disclosing Party will notify the Non-Disclosing Party and provide the Non-Disclosing Party an opportunity to respond within five (5) business days and prior to any release of records pursuant to the Public Records Act." and b) remove Clause 12 for publicly-submitting entities, i.e., local government proposers?
    a. Answer: Yes, PSE will issue a modified version of Exhibit D Mutual Nondisclosure Agreement. The response period would be (10) business days instead of five.
91. **Question:** When the applicants submit Exhibit D, Mutual Non-Disclosure Agreement, can the applicants propose edits to the NDA?
    a. Answer: No, applicants should not submit an edited version of Exhibit D Mutual Non-Disclosure Agreement. If you would like to propose edits, please email PSEGasDecarbRFP2026@pse.com.
92. **Question:** In Exhibit B, Section C – Energy Equity and Impact to Customers, Section C5 is Customer and Community Outreach and Engagement. In that section, the narrative response question asks for bidders' outreach and engagement approach. It also asks if bidders have submitted a Customer Outreach and Engagement Plan. Can PSE please confirm if bidders are meant to submit a separate Customer Outreach and Engagement

Plan as Exhibit L or if the narrative response in Section C5 accomplishes that requirement? If we should provide a separate attachment, can PSE please clarify what that plan should include?

a. Answer: PSE updated Exhibit B to replace response C5b with a prompt to submit Exhibit L Outreach and Engagement Plan. The Plan should be right-sized to reflect the scope, scale and magnitude of your intervention, including outreach and engagement activities that address the energy equity implications of any impacted or target communities. For example, if your project plans to target named communities where there is a high degree of Limited English Proficiency or language diversity, your Plan should detail language access approaches.

93. **Question:** What is the contract term?
    a. Answer: The contract term will depend on the expected lifetime of the proposed project.
94. **Question:** Understanding the projects selected under this solicitation will be fully funded through PSE's Decarbonization Grant funds, we are seeking clarifications on the following. Are the Decarbonization Grant funds coming from the CCA program, if so, would the project proceed if CCA funding was unavailable? If unavailable, are the prime applicants expected to identify or secure funding sources in addition to the CCA/grant funding being requested?
    a. Answer: The first sentence in this question is inaccurate – proposals selected via this RFP will not be funded through PSE's "Decarbonization Grant" funds. Proposals selected via this RFP will be funded by revenue generated from the consignment of PSE's CCA gas no-cost allowances at auction. This CCA funding is already available – the Washington Utilities and Transportation Commission has approved an award amount up to a maximum of $40 million. PSE's Residential Decarbonization Grants Program is separate from this RFP; it is part of PSE's CCA Low Income and Named Community Programs described in Q&A Batch 1.
95. **Question:** Some Y/N questions in Exhibit B that use a drop-down option also ask: if yes, briefly describe. In that case, where should bidders type their description given the relevant cell is just a drop-down menu?
    a. Answer: Descriptions can be inserted into Column G of the same row as the relevant question.
96. **Question:** Can PSE provide a list of its commercial and industrial customers (ideally number, size, type, and annual natural gas usage)?
    a. Answer: No, PSE is not able to share this customer information.
97. **Question:** Are any customers that would be eligible for this RFP also customers that can opt out from participating?
    a. Answer: Yes, customers can opt out of participating in a demand-side project.
98. **Question:** We are interested in submitting a proposal in response to this RFP. However, the RFP Section 6 calls for submission to be via email. Unsecured email is inappropriate for transmission of confidential and proprietary information, such as the company financials and credit reports the RFP is requiring. It is also cumbersome for the sheet quantity of documents and appendices required in your RFP. Please amend the RFP

and develop a secure portal, Box, etc. for proposals to submit sensitive proposal documents.

a. Answer: PSE will provide a secure file transfer portal upon request to PSEGasDecarbRFP2026@pse.com. Bidders who request this can expect two emails from MoveItDMZ: one with a web address and one with a unique password. Once logged in, bidders can click ‘send package’ to deliver files to PSEGasDecarbRFP2026@pse.com.

The questions listed below will be addressed in a separate Q&A document as soon as possible. Thank you for your patience. If you don't see your question listed, please let us know.

- **Question:** For a proposal that might integrate weatherization-first sequencing in its programming that includes some audits, would an applicant be able to integrate/cite program use or reliance on PSE's existing In-Home Energy Assessment program for single family buildings, or would an applicant need to provide a fully stand-alone proposal, i.e., integrate funding for independent audits in program delivery?
- **Question:** PSE has a $4,000 heat pump rebate for single fuel (gas-only) customers and this rebate seems to be for households in the 80%-100% Area Median Income bracket. Given that context, we wanted to know project viability for the following with respect to this RFP:
    a. Would a gas-to-heat pump rebate with funding from this RFP be allowed and stackable with the existing $4,000 rebate mentioned above?
    b. Does PSE have any intention of increasing that income cap to 150% AMI to match State definitions of "moderate-income"?
    c. Would a project proposal that adds a gas-to-heat pump rebate for households *above 100% AMI* income group be considered duplicative or conflicting with this existing PSE rebate?
    d. Would a project proposal that adds a gas-to-heat pump rebate for households in the *80%-100% AMI* income group be considered duplicative or conflicting with the existing PSE rebate if it stacks on top of the existing rebate?
    e. Does PSE have any requirements/guidance at the moment for allowed income qualification processes?
- **Question:** What are the demographics of PSE's natural gas pipeline system?
- **Question:** Are there any specific requirements for access and/or onsite field work that ought to be taken into consideration?