

PSE 2026 Gas Decarbonization RFP: Bidders' Conference

Patrick Weaver

Mgr. Budget & Administration

Wendy Gerlitz

Dir. Regulatory Policy

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**PUGET
SOUND
ENERGY**

Agenda

1. PSE + Carbon Direct introductions
2. RFP overview & eligibility
3. Q&A
 1. Questions received via email
 2. Additional questions
4. Next steps

Puget Sound Energy (PSE) provides electric and natural gas service to homes and businesses primarily in the vibrant Puget Sound area.

Carbon Direct is the Independent Evaluator (“IE”) for this Gas Decarb RFP. Carbon Direct is a trusted energy and climate solutions company that combines world-class scientific expertise, technical rigor, and market insights to help clients achieve their business goals.

RFP context and motivation

The logo for PSE (Pacific States Energy) is located in the top right corner. It consists of a teal diamond shape with the letters 'PSE' in white, set against a background of red and teal geometric shapes.

PSE

PSE already pursues numerous emissions reduction strategies for our gas distribution system – such as lower carbon fuels, advanced leak detection, recompression, non-pipeline alternatives, a thermal energy network pilot, several demand-side initiatives, and more.

The goal of this RFP is to identify and fund projects to **further reduce emissions**.

PSE will evaluate any technically viable proposal that complies with all applicable laws and regulations and meets the minimum requirements as described in the RFP.

RFP Timeline

Table 1. 2026 Gas Decarb RFP Schedule

Date	Milestone
May 15, 2026	PSE issues final Gas Decarb RFP
June 8, 2026, 12pm Pacific	PSE hosts a bidders' conference. PSE will post conference details and registration instructions on the Gas Decarb RFP website as they become available.
July 15, 2026 by 5pm Pacific	Offers due to PSE
Q3 2026 – Q4 2026	PSE completes evaluation, selects final list of potential projects, and files final list with WUTC for approval. Respondents will be notified ahead of time about any delays.
Q4 2026 – Q1 2027	Following UTC approval, PSE executes agreements for WUTC-approved proposal(s).

The timeline is driven by using funding from the 2026 revenue from CCA no-cost allowances, so PSE needs to make timely decisions per the UTC-approved proposal.

RFP Eligibility Highlights

The logo for PSE (Pacific States Energy) is located in the top right corner. It consists of a teal diamond shape with the letters "PSE" in white, set against a background of red and teal geometric shapes.

Projects must directly reduce carbon emissions from PSE's gas distribution system.

Proposals that aim to identify ways to reduce carbon emissions would not be eligible.

Target operational date

Per the RFP, "PSE is seeking projects that can be operational by December 31, 2028, but projects that are projected to be operational later should still apply and PSE will consider them in the evaluation." PSE is open to funding a program with operational dates of 2027-2030, for example.

Duplication questions

The logo for PSE (Puget Sound Energy) is located in the top right corner. It consists of a dark teal diamond shape with the letters "PSE" in white, sans-serif font. The diamond is partially overlapped by a red triangle and a teal triangle.

RFP: "Proposals that duplicate or conflict with existing PSE decarbonization programs may be referred to other programs and/or eliminated from consideration in this RFP process."

Reasoning: Proposal needs to go beyond what PSE is already committed to doing – per CCA statute (RCW 70A.65.130(2)(b)).

Existing PSE demand-side gas decarbonization programs – 2 categories:

Customer-funded programs – including weatherization, heat pump incentives, commercial rebates and custom incentives, and targeted electrification for strategic locations.

- **Limitations:** must be cost-effective for PSE.
- **RFP context:** open to additive proposals; since the RFP is CCA-funded, we can go beyond cost-effective measures.
- WUTC docket [UG-250835, Exhibit 3 Program Details](#)
- See pse.com/rebates

CCA-funded heat pump installation programs and grants

- **Limitations:** must benefit low-income customers, multi-family premises with low-income customers or in named communities, and/or small businesses in named communities.
- **RFP context:** these are existing programs with existing funding available and related submissions will be referred to the existing program for consideration.
- WUTC docket [UG-240884, CCA Decarbonization Programs 2026 Annual Report for CY2025](#)
- See also pse.com/cca

Q&A

We will address some questions received via email before this meeting, then open it up for additional questions.

Official PSE answers will be posted on the RFP webpage after this meeting.

If there are questions we can't answer today, we'll post answers on the webpage.

Additional questions?

Next steps

1. Answers to today's questions, and questions received via PSEGasDecarbRFP2026@pse.com, will be posted on the [Gas Decarb RFP webpage](#).
2. Those who submitted an Intent to Bid form will be notified via email when answers are posted.
3. Proposals are due July 15th by 5 p.m. Pacific