

2026 PSE Gas Decarbonization RFP

Bidder Q&A and PSE General Guidance – Batch 3

Uploaded 7/10/26 to [PSE | Gas Decarb RFP](#)

Overarching PSE guidance

- Please see **Q&A Batches 1 & 2** on [PSE's Gas Decarb RFP webpage](#) for questions 1-98
 - Regarding the NREL LRMER WECC grid electricity emissions factor (Exhibit B LCA-Common 3.3), please use the [2024 workbook](#) and the following inputs:
 - **Emission:** CO₂e (inclusive of CO₂, CH₄, N₂O)
 - **Emissions stage:** Combined (assumes both combustion and pre-combustion)
 - **Discount rate (real):** 3%
 - **GWP:** 100-year IPCC AR5
 - **Scenario:** Mid-case
 - **Location:** End-use
 - **2025 Fraction:** 0.02
 - The start year and evaluation period will depend on your proposal. Please specify in your proposal what start date and evaluation period were used.
 - Using a start year of 2028 and evaluation period of 20 years should result in an emissions factor of 52.3 kgCO₂e/MWh.
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Eligibility

99. 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?

- a. [Answer: Proposals can integrate and clearly cite the anticipated intersections with existing programs.](#)

100. Question (5 parts): 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?
 - i. [Answer: Yes. For clarity, PSE's current rebate as described above has a 90% AMI eligibility threshold. This current incentive program ends at the end of 2026. Future programs will be determined through pending regulatory processes.](#)
- b. Does PSE have any intention of increasing that income cap to 150% AMI to match State definitions of "moderate-income"?

- i. **Answer: No, PSE does not anticipate adjusting the income cap of the current program.**
 - c. Would a project proposal that adds a gas-to-heat pump rebate for households *above 100% AMI* income group (or otherwise above the existing rebate's limits) be considered duplicative or conflicting with this existing PSE rebate?
 - i. **Answer: No, it would not conflict with PSE's existing program..**
 - 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?
 - i. **Answer: PSE will consider this kind of proposal as described. Be advised that the current incentive program ends at the end of 2026. Future programs will be determined through pending regulatory processes.**
 - e. Does PSE have any requirements/guidance at the moment for allowed income qualification processes?
 - i. **Answer: PSE is open to income qualification processes that balance factors such as customer experience and risk.**
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Appendix A Location 3 supplemental map

- 101. Question:** Usage units. The file implies 5 buildings in 5 different plats with widely varying #s of meters and average usage. "Average Yearly Usage (therms)" column shows values ranging from about 5 therms to roughly 79,600 therms. Could you confirm whether this figure represents the total annual gas usage for the building, or an average per meter? The distinction significantly affects how we estimate gas reductions and size our proposed approach.
- a. **Answer: The gas usage is total annual gas usage for the building. The difference between building gas loads is likely due to variation such as: buildings with decorative, rarely-used fireplaces; a boiler in the basement for hot water; or building heat for all units that is also part of the building's annual gas usage.**
- 102. Question:** Completeness of the target set. Are the five buildings in the map plats shown (189.067B, 189.067D, 189.068D, 189.068E, 190.069C) the complete set of buildings PSE is targeting for Location 3, or a representative sample?
- a. **Answer: The five buildings identified on the plat maps are the only buildings currently confirmed for Location 3.**
- 103. Question:** Objective confirmation. Given the Distribution Integrity Management Program driver described in Q&A Batch 2, #78, we understand the primary objective for Location 3 is retiring all end-use gas demand at the affected sites to avoid infrastructure replacement, regardless of the gas volume at any individual building. Could you confirm that the value PSE places on these projects is driven primarily by enabling infrastructure risk retirement rather than by the therm or emissions volume eliminated? This affects how we frame cost-effectiveness for these specific sites.
- a. **Answer: Both factors are important. The overall objective of the RFP is to achieve carbon emissions reductions through building electrification and other**

eligible measures. For projects located within Location 3 that meet the specified eligibility criteria, additional consideration is given because of their potential to support distribution infrastructure risk retirement and avoid future infrastructure replacement investments. As a result, project evaluation considers both the emissions reduction benefits and the opportunity to reduce or eliminate infrastructure risk within the Location 3 area.

LCA

104. Question: Will PSE please verify the Natural gas COMBUSTION emission factor listed in cell C62 of Exhibit B in the LCA-Common tab? The value provided in Exhibit B is 5.31145 kg CO₂e/therm. The value in the CFR table referenced is 53.06 kg CO₂/mmBtu. We believe the conversion factor from mmBtu to therm should be 99.97610 mmBTU/therm. Using this conversion factor results in a value of 5304.731866 kg CO₂e/therm. When using the provided value for Natural gas COMBUSTION emission factor, the “Annual GHG emissions (baseline) — calculated” in cell C14 of tab LCA-D1 in Exhibit B are significantly understated.

- a. Answer: The value in cell C62 of the LCA-Common tab is correct as published. It is derived from 40 CFR Part 98, Table C-1 (53.06 kg CO₂/mmBtu) plus the CH₄ and N₂O factors from Table C-2 (1.0×10^{-3} and 1.0×10^{-4} kg/mmBtu, respectively), converted to CO₂e using IPCC AR5 100-year GWPs (CH₄ = 28, N₂O = 265). This yields 53.1145 kg CO₂e/mmBtu. Because 1 therm = 100,000 Btu = 0.1 mmBtu, the resulting factor is 5.31145 kg CO₂e/therm. The conversion factor cited in the question (99.97610 mmBtu/therm) is inverted; the correct factor is approximately 0.09998 mmBtu per therm. Applying the correct conversion confirms the published value, and no change to the baseline emissions calculation in LCA-D1 is needed.

105. Question: For the LRMER from NREL Cambium's model, should we use the Combustion Emission Stage or Combustion & Pre-Combustion? The way we interpret "Upstream electricity generation" from LCA-Common sheet's section 1.5, we would only include the combustion emission stage.

- a. Answer: The Combined Stage should be used since both combustion and pre-combustion would occur upstream of electricity generation.
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Misc. topics

106. Question: What are the demographics of PSE's natural gas pipeline system?

- a. Answer: For the proportion of PSE natural gas customers that are residential, commercial, and industrial, see PSE's Form 10-K pages 18-19 "Natural Gas Utility Operating Statistics." The 10-K form will be uploaded to the RFP webpage. About 11.4% of PSE residential natural gas customers are known to be low-income.

107. Question: May the Mutual Non-Disclosure Agreement be executed...prior to the date of proposal submittal? [Bidder] would prefer to have the NDA in place before sharing company financials with PSE and the Independent Evaluator.

a. Answer: Yes, potential bidders can email signed agreements to PSEGasDecarbRFP2026@pse.com.

108. Question: Are there any specific requirements for access and/or onsite field work that ought to be taken into consideration [specifically related to purging pipes into or out of service]?

a. Answer: PSE's current standard practice when purging stranded gas from shut-in pipeline segments is to use the following methods in order of preference: drawdown the pressure into an adjacent lower pressure system, recompression, flaring, and venting. All work involving purging, recompressing, or flaring of natural gas should be capable of being safely performed in public Rights-of-Way. Any work on the gas system must be in compliance with requirements specified in PSE's Gas Operating Standards and Gas Field Procedures, which are subject to and based on 49 CFR 192 and WAC 480-93. All tasks on natural gas pipelines that are determined by PSE to be "covered tasks" per 49 CFR 192.801 shall be performed by operator qualified individuals or by individuals working under span of control of qualified individuals. PSE currently performs recompression under ASME 1653, but does not train and qualify individuals to perform vacuum purging and therefore it is not currently allowed. Operator Qualifications for the following covered tasks are required, at minimum, for purging or recompressing pipeline gas:

- i. ASME GAS-01 Hazards of Natural Gas and Prevention of Accidental Ignition
- ii. ASME AOC Abnormal Operating Conditions
- iii. ASME 1651 Perform Purging of Pipeline Facilities
- iv. ASME 1653 Recompression