

TER Project Grant Overview

I. Information

What: PSE is offering annual, competitive Transportation Emission Reduction (TER) Project Grants to organizations developing Transportation Electrification (TE) projects in PSE’s electric service area that primarily benefit residential customers and Designated Communities¹. Project Grants can cover up to 100% of the Eligible Costs for studying, planning, promoting or deploying TE technology and projects. Projects must be implemented and functioning within approximately 18 months of receiving funding².

Please note: Projects that include a vehicle request must also provide details on how the vehicle will be charged, regardless of whether the project includes charging equipment.

If your project only includes the installation of EV chargers, please first visit [PSE Up & Go Electric](#) to see if your project is eligible for one of our public, workplace, multifamily or fleet charging incentive programs.

Who: Eligible entities must be non-residential PSE customers (e.g., non-profit organizations, municipalities, tribes, etc.) or be actively partnered³ with a non-residential PSE customer.

For projects with physical assets, such as EVSEs and EVs, project hosts must be a PSE non-residential electric customer.

Partners must clearly define their role(s) and task(s) within the project scope of work through a formal partnership letter. Both partners must sign the TER Grants Terms and Conditions before their application can be submitted.

When: PSE will provide one competitive grant cycle per year, typically opening in the Spring and closing in the Summer.

TER Project Grant timeline

Phase 1: Application solicitation	Application open period begins in April and closes in July.
Phase 2: Evaluation	Applicants may be asked to provide additional project information and attend scheduled interviews
Phase 3: Selection and notification	PSE will finalize selections, enter into grant agreements and issue funding awards beginning in late Q4 of the same year.

II. Eligibility

Non-residential PSE customers, such as multi-unit dwellings on non-residential rates, community-based organizations, educational institutions, non-profit organizations, government agencies or Tribal entities are eligible for funding.

Non-residential entities who are not PSE customers are eligible to apply as long as their intended project will primarily serve PSE customers, be located in PSE’s electric service area, and they are actively partnered with a non-residential PSE customer.

Project requirements

Project Grant recipients will be responsible for project management, equipment purchase and installation, awareness building, data collection, and information sharing with PSE. Additionally, awardees will be responsible for covering ongoing costs of operating and maintaining EVSE, vehicles or other physical assets associated with the project.

Please note that if selected for the TER Project Grant:

1. Project elements must be listed in the [Eligible Costs](#) document to qualify for TER Project Grant funding.
2. Awardees must submit reports to PSE describing the project’s progress each calendar quarter until the project is fully implemented and functioning. PSE will provide quarterly report deadline reminders. The first report will be due 90 days after the funding Agreement is signed and all payment information has been submitted.
3. Awardees will receive 75% of the Grant funding upon approval and delivery of their organization’s W-9, payment information, and signed funding Agreement.
4. The remaining 25% Award amount will be remitted once the project is implemented and functioning and a final report with closeout documentation has been submitted.
5. Projects should be implemented and functioning within 18 months² of receiving funding.
6. PSE reserves the right to contact any parties who are listed in or who have signed the application form and acquire information related to the project defined in the application form.

III. How will applications be evaluated?

The TER Project Grant is a competitive Grant. PSE will partner with a third-party evaluator to review applications, although funding is distributed at the sole discretion of PSE. Higher priority will be given to applicants whose intended projects will provide direct benefits to Designated Communities¹ in PSE’s service area. Higher priority will also be given to organizations that have not received the TER Project Grant within the last 3 years.

The following criteria will be used to review and score applications:

45%: Community engagement and equitable distribution of benefits, especially for Designated Communities ¹	<ul style="list-style-type: none">• The project is designed with meaningful input and involvement from local and impacted communities to ensure it meets their needs.• The project advances the organization’s mission to provide benefits to local communities.• The project includes awareness efforts to make the project and its benefits visible to the community.
30%: Feasibility, planning and timeline	<ul style="list-style-type: none">• The project demonstrates a clear, achievable project plan and timeline for implementation.• The project involves key collaborators and partners in execution.• The technical approach, tools and/or methods are strong and supported by effective risk mitigation strategies.• The project team demonstrates readiness with clearly defined roles and responsibilities.
25%: Project sustainability and use of funds	<ul style="list-style-type: none">• The project demonstrates a need for funding and has a well-planned budget and financial plan.• The project is designed to ensure continuous impact over its lifetime and/or will be adapted to the needs of the community over time.

IV. Steps to apply

1. **Review requirements:** Review all requirements and eligibility details, including the [Terms and Conditions](#) and [Funding Agreement](#), before completing your application form.
2. **Gather supporting documents:** Collect the necessary information and supporting documents for your application.
 - a. **Required supporting documents include:**
 - i. [Project Budget Template](#)
 - ii. [Project Timeline Template](#)
 - iii. [Partnership Letter \(if applicable\)](#)
 - iv. Estimates, bids, quotes or assessments that can be used to justify your budget
 - b. **Optional documents include:**
 - i. [Letters of Support](#) from key community members
3. **Complete and submit application:** Fill out the application form and provide supporting documents.
 - a. You must complete all required fields in the [application form](#) for your project to be considered for funding.
 - b. If you encounter issues completing and submitting your application and supporting documents, please contact TERGrants@PSE.com.
4. **Funding Availability:** PSE anticipates approximately \$7.5 million in total funding will be available for the 2026 TER Project Grant cycle. Funding amounts awarded to individual projects will vary based on project scope, scale, readiness and alignment with evaluation criteria.

For reference, during the 2025 TER Project Grant cycle, the average award amount per project was approximately \$250,000.

Endnotes

1. Designated Communities are comprised of multiple groups:
 - Vulnerable populations:** Those who experience a disproportionate cumulative risk from environmental burdens due to: **(a)** adverse socioeconomic factors, including unemployment, high housing and transportation costs relative to income, access to food and health care, and linguistic isolation; and **(b)** sensitivity factors, such as low birth weight and higher rates of hospitalization
 - Limited income populations:** Household incomes that do not exceed the higher of eighty percent of area median income or two hundred percent of federal poverty level, adjusted for household size (WAC 194-40-030).
 - Communities specifically designated by the Environmental Protection Agency (EPA) or Washington State Department of Health (DOH):** Census tracts designated by the EPA as nonattainment or maintenance areas; or identified by the DOH as a 9 or 10 on the Environmental Health Disparities Map.Location alone does not qualify a project as benefiting Designated Communities. For more details, please see the [Designated Communities Map](#) and Grant overview documents.
2. PSE is flexible and understands that project delays can happen during implementation. We have a process for change requests if significant deviations from the timeline occur during project implementation.
3. An active partnership is one in which an applicant teams up with a PSE non-residential customer, The PSE non-residential customer who plays an active role in delivering the project, rather than serving in an advisory or endorsement-only capacity. The partner contributes essential time, expertise, resources, access or community relationships and has decision-making authority through shared milestones, regular coordination or co-led responsibilities. The partner must be responsible for at least one major project activity or workstream.