SCHEDULE 151

RENEWABLE ENERGY PRODUCTION INCENTIVE PAYMENT PROGRAM

1. ADOPTION OF RULES OF REGULATORY AUTHORITIES:

The rules regulating renewable energy system cost recovery payments as provided in State of (D) Washington law, RCW 82.16.110 through 82.16.150, and by WAC 458-20 are hereby adopted and (D) by this reference are made a part of this schedule.

2. AVAILABILITY:

- a. This schedule applies to Schedule 150 Net Metering Service for Customer-Generator Systems, (C) and Schedule 91 Cogeneration and Small Power Production Customer-Generators who receive Т electric service from the Company, and Community Solar Administrators, who are Participants in I the Washington State Renewable Energy System Cost Recovery Incentive Program where the I I Renewable Energy System will be interconnected with the Company's distribution system under the provisions of a separate interconnection agreement. Service under this schedule is only L available during the effectiveness of an interconnection agreement between Customer-(C) Generator and the Company. Terms and conditions of the interconnection process are enumerated in this tariff, most specifically in Schedule 152 of this tariff.
- b. A Renewable Energy System installed on real property that is not interconnected with the (D)(C) Company's electrical system is not eligible for service under this schedule. (D)
- c. Under the provisions of WAC 458-20-273, participation in this Program by the Company is (C) voluntary and the Company may terminate its participation at any time. Termination of T participation will be effective fifteen days after the Company notifies Washington State University I Extension Energy Program in writing. A termination of participation by the Company does not T affect the Company's obligation to continue to make annual incentive payments for electricity L generated by systems that were certified prior to the effective date of termination. Should the L location of the Renewable Energy System or the Customer-Generator receiving service from the (C) Company be transferred to another electric utility, service under this schedule shall terminate on the date of such transfer and all contracts entered into to implement this schedule or for interconnection shall be null and void.
- d. Participants who receive Certification by September 30, 2017 will continue to receive Incentive (N) Payments for Kilowatt Hours Generated through June 30, 2020 at rates paid to Participants for T electricity produced between July 1, 2015 and June 30, 2016. However, in order to continue I eligibility in the Program, Participants must apply to the Washington State University Extension I Energy Program by April 30, 2018 for re-Certification. I
- e. Participants who receive Certification after September 30, 2017 are eligible for up to eight years of Incentive Payments, through no later than June 30, 2029. (N)

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By:

Ken Johnson

Title: Director, State Regulatory Affairs

SCHEDULE 151

RENEWABLE ENERGY PRODUCTION INCENTIVE PAYMENT PROGRAM (Continued)

- f.
 Eligible Customer-Generators and Community Solar Administrators who choose to be
 (C)

 Participants in the Program must first attain Certification from the Washington State Program
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 Administrator in accordance with RCW 82.16.110 through 82.16.150. In the case of Community
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 Solar Projects, a Community Solar Administrator must apply to the state for Certification on
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 behalf of each of the other owners of the Community Solar Project or members of the
 I

 Community Solar Company.
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 g.
 Availability of this program is determined by the State of Washington under the provisions of
 I
- g. Availability of this program is determined by the State of Washington under the provisions of RCW 82.16.110 through 82.16.150. The Company will follow the State's guidance on which electric service account holders to pay, and the amount, each year.

3. **DEFINITIONS:**

The following terms, when used in this schedule and in the Agreement shall have the meanings given below, and other terms used in this schedule shall have the meanings given in RCW 82.16.110 unless otherwise clearly indicated:

a. Community Solar Administrator: An assignee of a Community Solar Project, or a Community Solar Company that is responsible for applying for Certification on behalf of each of the project participants and performing such administrative tasks on behalf of the owners or members as may be necessary such as; (i) receiving Incentive Payments, and (ii) allocating and paying appropriate amounts of such payments to the other owners or members.

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By:

SCHEDULE 151

RENEWABLE ENERGY PRODUCTION INCENTIVE PAYMENT PROGRAM (Continued)

b.	Certification: The authorization issued by the Washington State Program Administrator	(D) (D)	(N)
	establishing a Customer Generator or Community Solar Administrator's eligibility to receive an Incentive Payment from the Company for the program term.	(D)	(N)
C.	Community Solar Project: A solar energy system that is (i) located in Washington State, (ii) Interconnected with the Company's electric system, and (iii) further defined in RCW 82.16.110.	(T)	(C) I
d.		(T)	I I
e.	Incentive Payment: An annual amount paid to Participants of the Program by the Company. The Washington State Program Administrator will calculate the Incentive Payment and notify the Company of the amount due to each Participant.	(T)	
f.	Kilowatt Hours Generated: The total amount of electricity, as measured in kilowatt hours	(T)	Ι
	(kWh) produced by a Participant's Renewable Energy System. The Company will meter	(D)	Ι
	Participants' Renewable Energy Systems and report the Kilowatt Hours Generated July 1-	Ι	Ι
	June 30 th of each program year to the Washington State Program Administrator.	(D)	Ι
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By:

SCHEDULE 151

RENEWABLE ENERGY PRODUCTION INCENTIVE PAYMENT PROGRAM (Continued)

g.	Participants: A Customer-Generator or Community Solar Project Administrator that has received Certification, as defined in RCW 82.16, from Washington State Program Administrator.	4) (D) (T) 	
h.	Production Meter: A Company-owned utility-grade meter or meters, supplied and installed by the Company, used to accurately measure the total Kilowatt Hours Generated by a Renewable Energy System.	I (T) I (C I I I I I I I I I I I I I I I I I I I	
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Issued: September 22, 2017 **Advice No.:** 2017-15 Effective: October 1, 2017

By Authority of Order 01 of the Washington Utilities and Transportation Commission in Docket UE-170994 Issued By Puget Sound Energy

SCHEDULE 151

RENEWABLE ENERGY PRODUCTION INCENTIVE PAYMENT PROGRAM (Continued)

i.	Program: The Company will measure and report Kilowatt Hours Generated by		(T)	(C)
	Participants' Renewable Energy Systems and make Incentive Payments, on an annual			I
	basis, to eligible Participants, as determined by the Washington State Program			I
	Administrator.	(D)		I
		Ι		I
j.	Renewable Energy System: A solar energy system, including a Community Solar Project,		(T) (N	/) I
	an anaerobic digester as defined in RCW 82.08.900, or a wind generator used for		I	I
	producing electricity.	Ι	I	I
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(M) Transferred from Sheet No. 151-B

Issued: September 22, 2017 **Advice No.:** 2017-15 Effective: October 1, 2017

(D)

By Authority of Order 01 of the Washington Utilities and Transportation Commission in Docket UE-170994 Issued By Puget Sound Energy

By:

SCHEDULE 151

RENEWABLE ENERGY PRODUCTION INCENTIVE PAYMENT PROGRAM (Continued)

4. FEES:

- (T) a. The Customer-Generator shall pay to the Company costs for production metering and (C) providing or retrofitting a meter base or bases, including the following:
 - (1) A one-time, non-refundable Production Meter(s) installation fee (plus any applicable adjustments) according to the following schedule for the installation of Production Meters, when required by new or existing Customer-Generators to measure the complete output of the Renewable Energy System, ensure safe operations, and accurately measure Kilowatt Hours Generated.

(a)	2S uni-directional meter – standard residential 240V inverter	\$83 & \$60
	installations	(each additional
		meter)
(b)	12S uni-directional meter – commercial 120V/208V inverter	\$129 & \$106
	installations	(each additional
		meter)
(C)	16S uni-directional meter – commercial 3 phase inverter	\$268 & \$244
	installations	(each additional
		meter)
(d)	1S uni-directional meter – 120V installations	\$107 & \$85
		(each additional
		meter)

(2) Renewable Energy Systems incorporating battery back-up banks or modules may require the installation of one or more advanced Production Meters, depending on the system configuration and design complexity. The following one-time non-refundable Production Meter installation fees (plus any applicable tax adjustments) shall apply and shall be paid by Custom-Generator:

(a) 2S bi-directional meter – 120V inverter battery back-up	\$363 & \$330
systems	(each additional
	meter)
(b) 12S bi-directional meter – 120V inverter battery back-up	\$404 & \$371
systems	(each additional
	meter)

Effective: October 1, 2017

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By Authority of Order 01 of the Washington Utilities and Transportation Commission in Docket UE-170994 Issued By Puget Sound Energy

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Ken Johnson

SCHEDULE 151

RENEWABLE ENERGY PRODUCTION INCENTIVE PAYMENT PROGRAM (Continued)

4. FEES: (Continued)

- (T)
- (3) Installation fees are based upon standard circuit configurations, which are determined by the Company's Meter Engineering department. Renewable Energy Systems having
 (C) other than standard configurations may require one or more advanced Production
 Meters in order to measure the complete output of the Customer-Generator's Renewable
 (C) Energy System. Modifications to the Renewable Energy System may require the
 (C) installation of additional Production Meters or replacement of the existing Production
 Meter; one-time fees to be paid by the Customer-Generator shall apply to those additional or replacement meters.
- (4) Standard system configurations are enumerated and defined in the Company's Production Meter Standards. Where the fees provided above will not compensate the Company for the cost of Production Meters for an unusual or complex design, the Company will base charges for Production Meters on the cost of direct labor, materials and related overheads for the production metering system installed.
- (D) | | | | | (D)

Issued: September 22, 2017 **Advice No.:** 2017-15

Effective: October 1, 2017

By Authority of Order 01 of the Washington Utilities and Transportation Commission in Docket UE-170994 Issued By Puget Sound Energy

SCHEDULE 151

RENEWABLE ENERGY PRODUCTION INCENTIVE PAYMENT PROGRAM (Continued)

5. AGREEMENT:

(D) As provided in RCW 82.16.150, owners of a Community Solar Project must agree to hold harmless the Company, including any employee, for the good faith reliance on the information Т L (C) contained in the Agreement, interconnection agreement, or other documentation submitted by an Community Solar Administrator. In addition, the Company and any employee are immune for Т Т Т L civil liability for the good faith reliance on any misstatement that may be made in such I Agreement, interconnection agreement, or other documentation. Should the Company or (C) employee prevail upon the defense provided in this section, it is entitled to recover expenses and T reasonable attorneys' fees incurred in establishing defense.

6. SYSTEM REQUIREMENTS:

Kilowatt Hours Generated by the Participant's Renewable Energy System will be recorded by one or more Company-owned Production Meter(s). The Production Meter(s) shall be installed in Company-approved meter base(s) or socket(s). All aspects of the Production Meter installation and specifications shall be controlled by the Company's Production Metering standards and practices. Customer-Generator-owned Production Meters are not acceptable as a part of the Program. It is not the Company's responsibility to attach the electric connections between the meter base for the Production Meter and the generating circuit but such connection is subject to Company approval.

Issued: September 22, 2017 **Advice No.:** 2017-15

Effective: October 1, 2017

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By Authority of Order 01 of the Washington Utilities and Transportation Commission in Docket UE-170994 Issued By Puget Sound Energy

By:

SCHEDULE 151

RENEWABLE ENERGY PRODUCTION INCENTIVE PAYMENT PROGRAM (Continued)

6.	SY	STEM REQUIREMENTS: (Continued)	(T)	
	a.	The Customer-Generator shall bear all costs associated with providing or retrofitting a meter base or bases that meet the Company's metering standards for the installation of the Production Meter(s).		(C)
	b.	Production Meter installation costs incurred by the Company are recovered by the Production Meter installation fees. Generation Systems designed outside of the Company's standard configurations may require engineering evaluation. The actual costs of time, materials and overheads shall be paid by the Customer-Generator for such an engineering evaluation.		(C)
	C.	The Customer-Generator shall grant the Company reasonable access to the Production Meter(s) in accordance with Schedules 80 and 152 of this tariff.		(C)
	d.	Customer-Generator shall promptly notify the Company of any modifications to the Renewable Energy System which may or may not increase the generating capacity.		(C)

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Issued: September 22, 2017 **Advice No.:** 2017-15 Effective: October 1, 2017

By Authority of Order 01 of the Washington Utilities and Transportation Commission in Docket UE-170994 Issued By Puget Sound Energy

SCHEDULE 151

RENEWABLE ENERGY PRODUCTION INCENTIVE PAYMENT PROGRAM (Continued)

7. PAYMENTS:

a. Participants with Certifications prior to September 30, 2017 and who meet reCertification and eligibility requirements described in RCW 82.16 will continue to receive
payments up to \$5,000 per year for electricity produced through June 30, 2020 at the
following rates, which are rates the Company paid to Participants for electricity produced
between July 1, 2015 and June 30, 2016. Individual Participant eligibility for a given
(D) (N)
(D) (N)</l

	Price per	(D) (D)
Customer-Generators	kWh	(C)
(1) Solar modules AND inverter manufactured in Washington State.	\$0.504	(C)
(2) Solar modules manufactured in Washington State.	\$0.336	
(3) Solar or wind generating equipment with an <u>inverter</u> manufactured in	\$0.168	
Washington State.		
(4) Anaerobic digester or other solar equipment without components	\$0.140	
manufactured in Washington State.		
(5) Wind generator equipped with <u>blades</u> manufactured in Washington State.	\$0.140	
(6) All other electricity produced by wind.	\$0.112	(C)
	Price per	(D) (D)
Community Solar Projects (as defined in RCW 82.16.110(2)(a)(i))	kWh	(C)
(1) Solar modules AND inverter manufactured in Washington State.	\$1.044	(C)
(2) Solar modules manufactured in Washington State.	\$0.696	
(3) Solar equipment with an <u>inverter</u> manufactured in Washington State.	\$0.348	
(4) Solar equipment without <u>components</u> manufactured in Washington State.	\$0.290	(D) (D) (C)
Company-Owned Community Solar Projects (as defined in RCW	Price per	(N) (N)
82.16.110(2)(a)(iii))	kWh	
(1) <u>Solar modules AND inverter</u> manufactured in Washington State.	\$0.936	(N) (N)

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SCHEDULE 151

RENEWABE ENERGY PRODUCTION INCENTIVE PAYMENT PROGRAM (Continued)

7. **PAYMENTS:** (Continued)

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b. Participants with Certifications on or after October 1, 2017, who maintain ongoing eligibility requirements as described in RCW 82.16 are eligible for up to eight years of annual Incentive Payments on Kilowatt Hours Generated July 1, 2017 through no later than June 30, 2029. Individual Participant eligibility for a given rate, term, payment limit, and Incentive Payment amounts are determined by the Washington State Program Administrator, based on RCW 82.16, including the following incentive rate guidelines.

Fiscal Year of System Certification	Base Rate – Residential- Scale	Base Rate – Commercial- Scale	Base Rate – Community Solar	Base Rate – Shared Commercial Solar	Made in Washington Bonus
2018	\$0.16	\$0.06	\$0.16	\$0.06	\$0.05
2019	\$0.14	\$0.04	\$0.14	\$0.04	\$0.04
2020	\$0.12	\$0.02	\$0.12	\$0.02	\$0.03
2021	\$0.10	\$0.02	\$0.10	\$0.02	\$0.02

- c. Overpayments made to Participants will be investigated, and if verified, the overpayment will be billed to Participant with interest charged on the amount of the overpayment.
 Interest shall be calculated in the same manner that the Department of Revenue assesses interest upon delinquent taxes under RCW 82.32.050.
- d. Underpayments made to Participants will be investigated, and if verified, a check will be (T) (C) issued in the amount of the underpayment to the Participant. No interest will be included (C) in the payment of an underpayment.
- e. Incentive Payments are made to Participants in the amounts and for the terms (T) (C) determined by the Washington State Program Administrator, within ninety (90) days of | receipt of this information, in accordance with RCW 82.16.110 through 82.16.150.

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SCHEDULE 151

RENEWABLE ENERGY PRODUCTION INCENTIVE PAYMENT PROGRAM (Continued)

7. **PAYMENTS:** (Continued)

 f.
 If a Participant's eligibility is terminated during the Washington State fiscal year, the
 (T) (D) (C)

 Company will report to the State with regularly scheduled annual reporting, the Kilowatt
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 Hours Generated by the Participant for the portion of the year during which the Participant
 |

 was eligible. Annual payments to partial-year Participants will be made at the regularly
 |

 scheduled annual time period, regardless of the date of termination.
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(K) Transferred to Sheet No. 151-L

Issued: September 22, 2017 Advice No.: 2017-15

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SCHEDULE 151

RENEWABLE ENERGY PRODUCTION INCENTIVE PAYMENT PROGRAM (Continued)

8. CUSTOMER INFORMATION:

a. The Participant grants to the Company the right to receive each Participant's personal (T) (C) information, relative to this Program, from the Washington State Department of Revenue and the Washington State Program Administrator. Personal information includes, but may not be limited to, Washington State tax identification codes, all application and certification documents provided to the State of Washington and Washington State Administrator, documents provided lby the State of Washington and the Washington State Administrator to the Participant related to the Program, and all other information necessary to effectuate the processing of the Participant's Agreement for the Program. Each Participant also grants to the Company the right to share information related to the Program with the Department of Revenue and the Washington State Program Administrator as required. The Company will make appropriate efforts to safeguard Participants' confidential information.
9. TAX CREDITS:

The State of Washington shall grant to the Company tax credits commensurate with the exact (D) (N) amount of Incentive Payments paid. | 10. GENERAL RULES AND PROVISIONS: | Service under this schedule is subject to the General Rules and Provisions contained in this tariff. | | | | | | | | | | | | | | | | | | | | |

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