

CCA DECARBONIZATION GRANT AGREEMENT

This AGREEMENT is made this 16th day of March, 2026, by and between **PUGET SOUND ENERGY** (“PSE”) and **City of Olympia** (“Participant”).

RECITALS

- A. Under PSE’s Climate Commitment Act (CCA) Decarbonization Program funding, as currently in effect and on file with the Washington Utilities and Transportation Commission, PSE offers grants for certain decarbonization measures installed or implemented at facilities that receive natural gas service from PSE.
- B. Participant intends to install, implement, purchase, or finance decarbonization measures and is requesting a grant from PSE.

AGREEMENTS

PSE and Participant agree as follows:

1. **PROJECT PREMISES/METER LOCATION ADDRESS:** Participant will install, implement, purchase, or finance the decarbonization measures listed in paragraph 2 (“Decarbonization Measures”) at the eligible locations identified (the “Premises”) by the Participant. Premise eligibility will be determined by the Participant’s program guidelines and the confirmation that the Premise uses PSE natural gas to fuel the main source of space and/or water heating. Participant represents either (a) that it is the owner or otherwise has the lawful authority to make the statements herein on behalf of the owner of the Premises, (b) that it is the lawful tenant of the Premises and that it has obtained written authorization from the owner of the Premises, or (c) is a third-party supporting the installation, implementation, purchase, or financing of the Decarbonization Measures and has obtained written authorization from the owner or lawful tenant of the premises. Customer represents either (a) that it is the owner or otherwise has the lawful authority to make the statements herein on behalf of the owner of the Premises, or (b) that it is the lawful tenant of the Premises and that it has obtained written authorization from the owner of the Premises.
2. **Decarbonization Measures.** Participant represents that it will purchase equipment or materials or has entered or will enter into an agreement with one or more contractors (the “Contractor”) for the installation, implementation, purchase, or financing at the Premises of the Decarbonization Measures which are detailed in *Attachment A: Participant SOW*, at the following costs:

	Decarbonization Measures	Eligible Grant ¹
1.	PSE Natural Gas Equipment Replacement(s) with Heat Pump Systems	\$350,000
	TOTAL (includes sales tax)	\$350,000

¹ The grant amount may be reduced at PSE’s sole discretion in the event of project cost reductions. See Section 3.

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3. **Grant.** Upon the execution by all parties and PSE's receipt of this Decarbonization Grant Agreement, PSE agrees to grant the Participant 25% of the grant amount within 30 days. Participant agrees to provide monthly reports (*Attachment C: Monthly Report Form*) within the first week of each month for the duration of Grant Agreement. Upon project completion, final 75% of the grant amount will be issued by PSE to the Participant within 30 days of the receipt of the Participant's *Attachment D: Project Completion Report Form* and all final invoices. The summation of the two payments to the Participant will not exceed the eligible grant amount. The parties agree that all the Decarbonization Measures must be installed, and the Grant paid within 18 months of the signing of this Decarbonization Grant Agreement. If for any reason the installed cost of the Decarbonization Measures is less than the amount shown above and on Attachment A, PSE may decrease pro rata the amount of the Grant. In addition, the following are not eligible for reimbursement: fees incurred for project estimate or bids, site evaluation expenses, engineering expenses incurred prior to project funding, landscaping costs, construction bond costs, future maintenance or repair costs, donated, in-kind, or volunteer materials or labor. The Participant shall be responsible for paying any amount in excess of the amount of the Grant.
4. **Separate Contract.** Participant and participating Customers acknowledges and agrees that PSE is not, and shall not be deemed to be, a party to any purchase or installation contract relating to Decarbonization Measures, which shall be installed pursuant to a contract between Participant and its Contractor(s). Participant expressly acknowledges that PSE's involvement with respect to any aspect of the Decarbonization Measures is limited to the furnishing of the Grant. **PSE HAS NOT MADE AND DOES NOT MAKE (AND PARTICIPANT ACKNOWLEDGES THAT PSE DOES NOT MAKE) ANY IMPLIED OR EXPRESS WARRANTY (INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS) REPRESENTATION, OR PROMISE WITH RESPECT TO EITHER (A) THE DECARBONIZATION MEASURES, (B) ANY MATERIALS AND LABOR REQUIRED FOR OR USED IN THE INSTALLATION OF THE DECARBONIZATION MEASURES, OR (C) THE INSTALLATION OF THE DECARBONIZATION MEASURES.**
5. **Final Cost Documentation, Access & Inspection:** Participant and Customer agree to promptly provide PSE, upon request: (1) documentation verifying equipment purchased and/or work performed in connection with the Decarbonization Measures installed; (2) reasonable access to and inspection of the Facility and Decarbonization Measures installed therein before, during and/or after implementation. Participating customers agree to authorize PSE to release customer account information, including billing and energy usage information, to an independent, third-party evaluator solely for the purposes of evaluating this program and other quality assurance purposes. The disclosure of this private information will comply with PSE's privacy policy and state regulation, which can be found at www.pse.com/privacypolicy.
6. **Release.** Participant and participating Customers release PSE from any and all claims, losses, harm, costs, liabilities, damages and expenses directly or indirectly resulting from or in connection with (a) the Decarbonization Measures, (b) any materials and labor required for or used in the installation of the Decarbonization Measures, (c) the installation of the Decarbonization Measures, or (d) the identification, handling and disposal of any associated hazardous waste materials.
7. **Termination.** In the event the Participant has received upfront grant funds from PSE and does not complete the Decarbonization Measure(s) within the approved project period, as set forth in this agreement, the Participant agrees to and shall refund PSE the amount of the grant not applied to completed Decarbonization Measures. In the event PSE provides upfront grant funds to the Participant and the Participant does not document to PSE's satisfaction, in its sole discretion, that the grant funds were used for the intended

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Decarbonization Measure(s) as outlined in this agreement, the Participant agrees to and shall refund PSE an amount equal to the grant less those dollars spent on the intended Decarbonization Measures, as verified by PSE. Any amounts owed shall be returned to PSE within thirty (30) days of written notice or within thirty (30) days of the end of the approved project period, and PSE may offset such amounts against any current or future payments awarded to Participant.

8. **Entire Agreement.** This Agreement and its attachments set forth the entire agreement between the parties and supersede any and all prior agreements with respect to the Decarbonization Measures. No change, amendment or modification of any provision of this Agreement shall be valid unless set forth in writing and signed by all parties.

PUGET SOUND ENERGY

PARTICIPANT

By: _____

By: _____

Name: _____

Print Name: _____

Title: _____

Title: _____

Approved as to form:

Michael M. Young

Senior Deputy City Attorney



Attachment A

Project Summary: Safe Housing and Rental Efficiency (SHARE) Accelerator Pilot Program

Applicant: City of Olympia

Grant Amount: \$350,000. 25% upfront, 75% upon completion

Project Timeline: Q1 2026 - Q4 2026

Scope of Work

Primary Objective: Install heat pump space conditioning and heat pump water heating systems in up to 10 affordable rental housing units in Olympia to replace existing natural gas equipment.

Key Work Components:

1. Equipment Installation

- Heat pump space conditioning systems
- Heat pump water heaters
- Replace natural gas heating equipment with electric alternatives

2. Electrical Infrastructure

- Electrical panel upgrades as required
- Service upgrades to support new electric equipment
- Safety remediation work

3. Permitting & Compliance

- City of Olympia mechanical, electrical, and plumbing permits
- Code compliance verification

4. Education & Support

- Post-installation consultation with property owners and tenant education resources
- Operation and maintenance guidance materials

Target Properties:

- Single-family and 2-4 unit multifamily rental properties serving low-income tenants ($\leq 80\%$ AMI) that are located within PSE's natural gas service area in Olympia
- Properties with existing natural gas space and water heating

Expected Outcomes:

- Decarbonization through electrification of 10 rental units
- Reduced energy burdens for low-income tenants
- Improved indoor air quality and comfort
- Long-term housing affordability preservation

REPORTING REQUIREMENTS SUMMARY

Reports should follow the structure outlined in Attachment C and D.

PSE Residential Decarbonization Grants 2026 Application Form

Program Overview

Puget Sound Energy (PSE) is pleased to announce the availability of a minimum \$6,500,000 in competitive grant funding through Washington State's Climate Commitment Act auction proceeds. These funds will support decarbonization projects scheduled for completion in 2026, with a focus on targeted electrification initiatives that replace natural gas equipment with electric alternatives.

Eligible Project Types: While heat pumps represent common electrification measures for space and water heating, PSE will consider all qualifying upgrades that eliminate natural gas usage in favor of electric systems.

Target Communities: This program is intended to provide funding for projects in underserved communities, highly impacted communities, vulnerable populations, and low-income households in both single-family and multi-family residential settings.

Application Process

Step 1: Review Requirements

Carefully review the program timeline and eligibility criteria outlined below. All application resources and supporting materials are available at www.pse.com/DecarbGrants

Step 2: Submit Inquiries

Direct all program questions to DecarbGrants@pse.com no later than **January 9, 2026**.

Step 3: Prepare Application Materials

Complete the application form and supplemental document checklist in collaboration with any project partners. All required fields must be completed for consideration. Provide comprehensive, detailed responses to ensure adequate project evaluation.

Step 4: Submit Complete Application

Submit all application materials via email to DecarbGrants@pse.com by **Friday, January 16, 2026, at 5:00 p.m. PT**.

Submission Requirements

- Application form must be submitted in Microsoft Word format (docx or .doc)
- Supplemental documents may be submitted in Word, PDF, Excel, or other standard file formats.
- Ensure all files are clearly labeled and organized.

Application Timeline

- **December 3, 2025** - Grants application is released online at www.pse.com/DecarbGrants
- **December 10, 2025 (9:00 a.m.)** - Live applicant Q&A session. The registration link to this webinar can be found at www.pse.com/DecarbGrants
- **January 9, 2026** - Final day to submit questions to DecarbGrants@pse.com
- **January 16, 2026** - Submission deadline for application and supplemental documents
- **January 30, 2026** - Awardees are notified.

PSE Residential Decarbonization Grants 2026 Application Form

A. Eligibility questions

The applicant must be able to answer “yes” to the following questions to be eligible for funding.

Is the project site located in PSE’s natural gas service area? Yes No

Is the applicant a Community Action Agency or other low-income weatherization provider; government related entities such as county agencies or city agencies; or non-profit housing provider that specifically serves vulnerable populations (defined as transitional housing, low-income housing, etc.)? Yes No

B. Summary

APPLICANT INFORMATION	
Organization Name	City of Olympia
Taxpayer Identification Number	91-6001261
Organization Description <i>Including mission, history, purpose and who the organization serves.</i>	<p>The City of Olympia is the capital city of Washington state, located in the South Puget Sound, along Interstate 5 at the gateway to the Olympic Peninsula. The City of Olympia honors and acknowledges the indigenous people who have stewarded this land since time immemorial and who still inhabit the area today, the Steh-Chass Band of Indigenous people of the Squaxin Island Tribe.</p> <p>Olympia has a population of approximately 55,605 residents, a majority of which are renters. We strive to provide housing that meets the needs of all residents, from low-income families to seniors and students, ensuring that no one is left behind. Additionally, we prioritize the health and well-being of communities that are disproportionately burdened by environmental impacts and actively work to address past harms.</p>
Primary Organization Contact <i>Please note - this person will also be responsible for providing ongoing quarterly reporting for the project.</i>	<p>Name: Dominic Jones</p> <p>Title: Building Decarbonization Program Manager</p> <p>Phone Number: 360.753.8347</p> <p>E-mail: djones@ci.olympia.wa.us</p> <p>Organization: City of Olympia</p>

PSE Residential Decarbonization Grants 2026 Application Form

Installer/Contractor
(if available)

Name:

TBD

Title:

Phone Number:

E-mail:

Organization:

Light blue rectangular area covering the right side of the form, likely representing redacted information or a placeholder for a signature.

PSE Residential Decarbonization Grants 2026 Application Form

PROJECT INFORMATION	
Project Name	Safe Housing and Rental Efficiency (SHARE) Accelerator Pilot Program
Physical Address(es) of Project (if known) <i>Include property name, street address, city, zip code. You may include a map if there are multiple buildings.</i>	Addresses TBD throughout City of Olympia limits
Customer Information: For the next four sections, provide as much detail as you have available. If project participation will not be determined until after an event, please explain.	
Physical Address(es) of Project <i>Include property name, street address, city, zip code. You may include a map if there are multiple buildings.</i>	Addresses TBD throughout City of Olympia limits
Site Owner(s) <i>Include lessee/lessor information. If applicant is the site owner, enter "N/A."</i>	Multiple Site Owners TBD, dependent upon applications received
PSE Account Number(s) <i>This is a 12-digit number, beginning with a 2, that can be found on customers' bills and online at www.pse.com. Please note if the building has multiple accounts.</i>	TBD
Account Holder(s) <i>What name is listed on the site's PSE natural gas bill?</i>	TBD

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C. Project Narrative

PROJECT DETAILS

1. Provide a summary of the proposed project.

Program Overview

The [Safe Housing and Rental Efficiency \(SHARE\) Accelerator](#) is a City of Olympia pilot program, developed in partnership with Olympia Community Solar, that supports owners of affordable rental housing by providing direct funding, technical assistance, and coordinated resources to implement critical health and safety repairs alongside energy efficiency and electrification upgrades. The program is designed to improve the quality, safety, comfort, and energy performance of Olympia's existing rental housing, streamline compliance with the City's Rental Registry and Inspection Program, and preserve long-term housing affordability while reducing energy burdens for renters. Following two years of program design and planning, the City will launch a pilot in early 2026 serving approximately 10 rental units.

Purpose

The SHARE Accelerator is designed to address structural barriers that prevent energy efficiency improvements in rental housing and to respond to documented community needs.

- Addressing the split incentive: In rental housing, property owners typically bear the cost of capital improvements while tenants receive the benefits of reduced energy bills. This split incentive limits investment in energy efficiency upgrades, even as renters experience disproportionately high energy burdens. The SHARE Accelerator directly addresses this challenge by pairing funding for building improvements with affordability protections for tenants.
- Meeting the needs of a renter-majority community: Olympia is a majority-tenant community, with approximately 55% of residents living in rental housing. An estimated 67% of renter households earn less than 80% of Area Median Income, underscoring the importance of targeted investments that reduce housing and energy costs for low-income renter households.
- Responding to renter-identified health and safety concerns: In Fall 2022, the City conducted a fair housing survey with targeted outreach to organizations serving disadvantaged communities and low-income households. Renters identified their top environmental health concerns as:
 - High heating costs or insufficient heat
 - High cooling costs or insufficient cooling
 - Mold and poor indoor air quality

Program Structure

PSE Residential Decarbonization Grants 2026 Application Form

The SHARE Accelerator will be delivered through a structured, four-phase process that provides end-to-end support for participating building owners.

Phase 1: Building Assessments and Upgrade Planning (Q2 2026)

The purpose of Phase 1 is to assess building conditions and identify opportunities to improve building safety, comfort, and resilience, while advancing energy efficiency and decarbonization. Program participants will receive two building assessments: a health and safety inspection focused on tenant livability and an energy audit to identify efficiency and electrification opportunities. Based on these assessments, building owners will receive a comprehensive Building Upgrade Report outlining required and priority improvements, estimated costs, proposed phasing and timing, and available incentives and funding resources. Additionally, program staff will provide materials to tenants in participating units which includes staff contact information, resources on energy efficiency and electrification, as well as referrals to PSE customer programs (such as demand response enrollment and bill assistance programs), as well as the [City of Olympia Utility Lifeline programs](#).

Upgrades will be organized using a tiered framework that prioritizes tenant health and safety, cost-effectiveness, and potential for energy savings, decarbonization, and utility bill reductions:

- Tier 1: Prerequisite Health and Safety Upgrades (Required)
Program participants must address any identified health and safety risks. These requirements align with the City’s Rental Registry and Inspection Program and ensure that efficiency investments are made in safe, habitable buildings.
- Tier 2: High-Priority Energy Upgrades (Required)
Program participants will be required to implement high-impact energy efficiency and electrification measures, including:
 - Heat pump space conditioning
 - Heat pump water heating
 - Light building envelope upgrades
- Tier 3: Optional Energy Upgrades (Optional)
Program participants may pursue additional upgrades that further enhance tenant quality of life or generate additional energy savings. These measures will be implemented based on funding availability and owner and tenant interest.

For more information on SHARE Accelerator upgrade priorities and program offerings, please see the Proposed Upgrade Matrix and Participant Journey attached as supplemental information.

Phase 2: Funding Agreement Development (Q3 2026)

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In Phase 2, program staff work with the property owner to develop a Funding Strategy for the proposed work, including any grant- and owner-funded upgrades. Staff will obtain contractor quotes for program-funded work, execute a Funding Agreement that defines the final project scope and terms, and execute a 7-year affordability covenant with the property owner to ensure continued rental affordability for tenants.

Phase 3: Project Implementation and Technical Assistance (Q4 2026 – 2028)

After the Funding Agreement is executed, property owners will have up to two years to complete the approved upgrades. Throughout this period, program staff will provide ongoing technical assistance, including project management support, help with funding and incentive applications, and quality assurance reviews of program-funded work.

If awarded PSE Decarbonization Grant funding, all heat pump space conditioning and water heater upgrades would be completed in Q4 2026.

Phase 4: Project Closeout and Affordability Compliance

In the final phase, program staff will verify that all upgrades outlined in the Funding Agreement have been completed. Building owners then submit annual affordability certifications to the City, in accordance with the terms of their affordability covenant.

FUNDING REQUEST

We are seeking a PSE Residential Decarbonization Grant to fund targeted electrification upgrades, including heat pump space conditioning, heat pump water heaters, and enabling electrical upgrades, for up to 10 affordable rental housing units with existing natural gas space heating and water heating in Olympia. These installations would occur in Q4 2026, as part of Phase 3 of the SHARE Accelerator pilot program.

This grant award would allow the City to dedicate existing program resources to prerequisite critical home repairs, weatherization upgrades, and renewable energy installations. Leveraging these funds will directly reduce energy burdens for low-income tenants in our community, while supporting decarbonization and long-term housing affordability.

2. Please describe the project team that will be leading the installation to completion.

City of Olympia:

Dominic Jones (Building Decarbonization Program Manager): Dominic Jones will be the City of Olympia lead on the SHARE Accelerator Pilot Program, and provide project management oversight, as well as managing the program contracts and budget.

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Dominic has a background managing and implementing energy efficiency programs such as [Energize Olympia](#), and [Energize Thurston](#), which have resulted in over 400 heat pump and heat pump water installations in the City, and throughout Thurston County. This includes administration of state and federal clean energy grant awards to provide subsidized equipment installations for low- and moderate-income households within grant timelines.

Sarah Williams (Rental Registry Program Manager): Sarah Williams has assisted with program design and will support the SHARE Accelerator Pilot Program by helping review applications, verifying participant eligibility, verifying compliance with City of Olympia rental housing requirements, and ensuring program participants are meeting affordability requirements after upgrades have been completed. Sarah will also help respond to potential tenant concerns about participation in the SHARE Accelerator.

Sarah manages the City of Olympia's [Rental Registration and Inspection Program](#) in which she works with landlords to register their rental properties, helps oversee completion of health and safety inspections of rental units, and gathers data about housing trends. Sarah also has a background in tenant protections, which includes developing and providing resources to tenants.

Olympia Community Solar:

Mason Rolph (Executive Director): Mason has served as Olympia Community Solar's lead on the SHARE Accelerator, supporting the original concept application, and development of the pilot program. Mason, a graduate of The Evergreen State College, has co-authored publications with both the National Renewable Energy Laboratory (NREL) and the Smart Electric Power Association (SEPA). He has over seven years of program and project management experience and will directly support the Program Administrator.

Program Administrator: The project team will be supported by a 0.5 FTE Program Administrator whose duties will include facilitation of the building assessments, creating the building upgrade reports, providing technical assistance to landlords, quality assurance for energy efficiency upgrades, and supporting program evaluation.

Additionally, Olympia Community Solar has applied to the [Washington Climate Corps Network](#) for a fellow that would serve as an administrative assistant to the Program Administrator.

Contractors:

Equipment installations funded by the PSE Decarbonization Grant will be completed by competitively selected heat pump and heat pump water heater installers. Program staff will solicit estimates and bids to qualified contractors, with a focus on contractors who are participating in Energize Thurston, PSE Trade Allies, or the Washington State Department of Commerce HOMES and HARP rebate Qualified Contractor Network, in order to maximize potential incentives for landlords.

3. Describe the qualifications of the chosen installer(s), including their experience with similar projects.

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Specific installers have not been selected yet, however, we expect to solicit bids for program-funded work in Q3-Q4 2026. For PSE Decarbonization Grant-funded work, program staff would solicit bids from at least 3 qualified heat pump and heat pump water heater installers per rental unit, and select the best-value bid, based on contractor experience, and ability to leverage additional incentives such as PSE residential rebates, and rebates/discounts from other regional programs such as Energize Thurston, and the HOMES and HARP rebates. Requirements for selected installers would include manufacturer-led certifications and training to maximize warranty options provided to SHARE Accelerator participants, PSE Trade Ally or Recommended Energy Professional status, demonstrated commitment to customer support and education, as well as support of the SHARE Accelerator’s goal to decarbonize rental units, and reduce tenant energy burdens.

4. Describe the current status of the project. Include planning and design work completed to date and the estimated project completion date.

In July of 2023, City began working with OCS to design and launch the Safe Housing and Rental Efficiency Accelerator (SHARE Accelerator), to streamline critical home repairs and deep energy retrofits for affordable rental housing throughout Olympia. Early work to develop this program was supported by a \$400,000 US Department Of Energy (DOE) Buildings Upgrade Prize (Buildings UP) Phase 1 award for the SHARE Accelerator Concept Application.

In 2024-2025, the City and OCS worked together to identify common goals, desired outcomes, and an implementation strategy for the SHARE Accelerator Pilot Program. Program staff anticipate the launch of a 10-unit pilot program in Q1 2026, with completion of PSE Decarbonization Grant-funded upgrades in Q4 2026

5. Identify potential challenges and risks to completing the project on time and within budget, and your strategy for mitigating each of those risks.

Please include any resourcing constraints you may be experiencing.

The most significant risk to the SHARE Accelerator is landlords opting out of the program, due to high upfront costs, uncertainty around program incentives, or executing a restrictive Affordability Covenant. The project team intends to mitigate these risks by providing a robust funding and financing package through existing program funds, and leveraging discounts through alignment with local energy efficiency programs such as Energize Thurston, PSE rebates, and the upcoming Washington State IRA HOMES and HARP programs.

The project team will create an individualized funding strategy for each participating unit, based on the specific needs of the property, and results of the building assessments. Program staff will provide recommendations on which building improvements should be funded by each program funding source, as well as providing suggested phasing, in order to minimize contracting or administrative delays from stacking multiple sources of funding. Additionally, building owners will be provided with 20 hours of technical and project management assistance, which can be used for support identifying, and applying for grants, rebates and financing.

If awarded a PSE Decarbonization Grant, we will be able to reserve existing program funds to provide property owners additional funding to address critical deferred maintenance, health and safety issues, and building envelope improvements. Providing property owners a greater incentive,

PSE Residential Decarbonization Grants 2026 Application Form

and increases the likelihood of completing building upgrades, and mitigates the largest risk to program success.

6. Describe the long-term maintenance plan, including sources of funding to implement the plan.

Identify who will oversee maintenance and any agreements with maintenance service providers, if known.

Landlords receiving funding through the SHARE Accelerator will be responsible for the long-term maintenance and care of installed equipment. However, if awarded PSE Decarbonization Grant Funding, existing program funds through the BUP Phase 1 prize will be reserved to provide property owners one year of professional service from the installation provider, as well as industry-standard labor and equipment warranties.

Additionally, program staff will provide landlords and tenants resources and guidance on how to use, and maintain their equipment properly. This includes a program closeout meeting, and post-installation pamphlets with information on how to operate equipment for maximum energy efficiency, recommended maintenance tips for system longevity, how often the systems should be professionally serviced, and service provider contact information.

CUSTOMERS SERVED (75% of Application Score)

7. Is the project serving low-income customers and/or customers located in a PSE Named Community?

The SHARE Accelerator program will directly serve low-income tenants in single family, or 2-4 unit multifamily rental units in Olympia. Prior to acceptance in the SHARE Accelerator, program staff will confirm landlords are charging affordable rents in participating rental units. For the purposes of this program, affordable rents are defined as follows:

- Subsidized affordable housing, such as Project-Based Section 8 housing, Low-Income Housing Tax Credit properties, and housing projects with local Home Fund or statewide Housing Trust Fund investment.
- Naturally occurring (i.e., non-subsidized) rental housing that is [affordable for households whose income is 80% or below of the area median income \(AMI\)](#). Rents are considered affordable when the monthly rent plus utilities, excluding telephone, do not exceed 30% of a household's monthly income.
- Rental housing that is occupied by low-income households, defined as 80% of AMI, including multifamily buildings where greater than 50% of the households earn 80% or less of AMI.

Although specific property addresses haven't been identified, 86% of City of Olympia's Census blocks are located in PSE Named Communities, so it is highly likely that SHARE Accelerator participants will be in a PSE Named Community. This includes 55% of Olympia's Census blocks in High Vulnerability areas, and 31% in Medium Vulnerability areas.

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8. Is the project serving any of the following customer segments, and if so which ones: seniors, disabled individuals, transitional housing residents, tribal members.

Additionally, the SHARE Accelerator, the program is a renter-focused initiative. According to American Community Survey (ACS) data on Olympia's tenant population:

- 36% of Olympia's renter population is seniors over the age of 60
- 19% of Olympia residents have disabilities
- 67% of Olympia renters have incomes below 80% Area Median Income (AMI)
- 100% of Olympia's American Indian or Alaska Native households are renters
- 55% of all Olympia residents are renters

Based on these demographics, it is highly likely that our program will serve the target customer segments of the PSE Decarbonization Grant. As we open applications for the SHARE Accelerator pilot in early 2026 we will encourage participation of rental units serving seniors, disabled individuals and tribal members, by directly contacting community organizations such as the Community Action Council of Lewis, Mason, and Thurston Counties, or Homes First, and targeting outreach to landlords serving seniors and disabled individuals.

9. Is the project serving owned or rented homes? If rented, are there any agreements in place to hold rent prices stable for any period of time?

The SHARE Accelerator program serves rental units within City of Olympia limits. As a requirement to receive funding and assistance, building owners must enter a contract with the City of Olympia, that includes an Affordability Covenant to ensure rental pricing remains affordable to low-income households for a 7-year period and upgrade costs aren't being passed on to tenants. Violation of this affordability covenant may result in the property owner repaying SHARE Accelerator funding, including potential PSE Decarbonization Grant funding.

The Affordability Covenants require annual certification of rental affordability to City staff. The covenants will be executed concurrently with any Funding Agreements, and triggers a two-year period of performance to complete their building upgrades.

PROJECT IMPLEMENTATION (25% of Application Score)

10. The grants are intended to help fill funding gaps for projects. What other funding sources have been pursued? If any, what is the status of additional funding requests?

The City has been awarded \$350,000 of [US Department of Energy \(US DOE\) Buildings UP](#) Phase 1 Prize funding, which will be allocated towards implementation of the SHARE Accelerator Pilot Program. As a Phase 1 Buildings Up Prize Recipient, we anticipated that we would be eligible for additional funding through future phases of the Buildings UP Prize between \$800,000 and \$960,000. However, due to an indefinite pause in program funding, we have been left with a significant funding gap for implementation. We are actively seeking funding to fill this gap by applying for additional funding and support through programs such as US DOE Weatherization

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Assistance Program Grants, American Council for an Energy Efficient Economy (ACEEE) Energy Equity for Renters technical assistance program, and Washington Climate Corps grant program.

In addition to providing direct funding to property owners for building upgrades, the SHARE Accelerator will encourage landlords to leverage existing state, local and utility programs such as:

- The Thurston Climate Mitigation Collaborative [Energize Thurston](#) program
- Washington State Inflation Reduction Act [HOMES and HARP](#) rebate programs
- [Puget Sound Energy Rebates](#)

11. Does the project provide any workforce development opportunities to low-income and/or community members? Are the contractors for the project MWBE and/or veteran owned?

Contractors for the SHARE Accelerator program have not yet been selected, however, we will advertise solicitations through the Washington Office of Minority and Women’s Business Enterprises (OMWBE) website to increase visibility to MWBE companies. Additionally, we are considering partnered outreach in coordination with Apex Accelerator, focused on outreach to small, and disadvantaged businesses that may be interested in working on SHARE Accelerator projects.

OTHER (OPTIONAL)

1. SHARE Accelerator Budget

2. SHARE Accelerator Upgrade Measures

3. SHARE Accelerator Participant Journey

4. [SHARE Accelerator Webpage](#)

5. Olympia Community Solar Letter of Support

6. Konstruct Letter of Support

- | | |
|---|--|
| <input checked="" type="checkbox"/> Email or print newsletter | <input checked="" type="checkbox"/> Social media |
| <input checked="" type="checkbox"/> Press release | <input checked="" type="checkbox"/> Website |
| <input type="checkbox"/> Ribbon cutting event | <input type="checkbox"/> Other: |

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D. Project Budget

PROJECT BUDGET

Please provide an itemized budget for eligible costs including the categories listed below. Preliminary estimates are acceptable at this time, but please note that final costs will be required prior to release of the final grant payment. If preferred, in lieu of the table below, you may submit a Supplemental Budget with your application detailing, but not limited to, the information below in an alternate format.

Eligible Costs	Amount	Line-item Description
System installation costs (equipment and labor), including sales tax	\$315,000	Heat pump and heat pump water heater retrofits for 10 rental units
Permitting fees, if applicable (please itemize)	\$4,000	City of Olympia permits
Other installation costs (please itemize)		
Education and outreach costs (if applicable)	\$1,000	Operation and maintenance one-pager, and staff time for post-installation consultation
Electrical upgrades or other electrification readiness costs including remediation for safety	\$30,000	Electrical panel or service upgrades, as required
Administrative costs or percent	\$0	
TOTAL ELIGIBLE PROJECT COSTS	\$350,000	
TOTAL COSTS REQUESTED OF PSE	\$350,000	
ADDITIONAL FUNDING SOURCES		
If funding request is less than 100% of project costs, please be clear about the source of additional funding.	\$350,000	Buildings UP Phase 1 Prize (Program Administration and rental rehabilitation, please see SHARE Accelerator Budget attached as supplemental information)
	\$150,000	In-kind staff time by City of Olympia Climate and Housing staff

Reminder: The following costs are typically NOT eligible for reimbursement:

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- Fees incurred for project estimates or bids
- Site evaluation expenses
- Engineering expenses incurred prior to project funding
- Landscaping costs
- Construction bond costs
- Future maintenance or repair costs
- Donated, in-kind, or volunteer materials or labor

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E. Project Timeline

PROJECT TIMELINE

Please provide estimated dates for project milestones listed below, and any additional comments regarding project timeline. PSE is willing to work with each grantee to on unique budget and cashflow needs.

Milestone	Date	Comments
Award notification	February 2026	
Equipment procured	October 2026	
Drawings and engineering completed	N/A	
Permits received	October 2026	Over the counter mechanical, electrical and plumbing permits
Equipment delivered	November 2026	
Construction begins	November 2026	
Construction completed	November 2026	
Inspections completed	November 2026	
Commissioning	November 2026	

Additional comments regarding timeline:

The exact timing of upgrade implementation is dependent on the existing conditions of the rental unit participating in the SHARE Accelerator program. We anticipate opening applications in Q1 2026, providing building assessments in Q2-Q3 2026, and installing PSE Decarbonization Grant-funded equipment in Q4 2026. .

G. Supplemental Document Checklist (Optional)

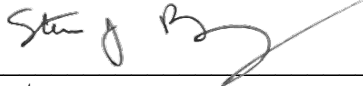
While not required, these documents can help bolster an application. Please clearly label each attachment included in your application with the following **bolded** labels.

- Installer Bids.** Proposals or bids to support budget estimates.
- Testimonials or Letters of Support.** Applicants may show their community impact and the satisfaction of their clients by submitting testimonials or letters of support.
- Detailed Schedule/Budget**

Certification by person authorized to enter into contract on behalf of organization:

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I certify that in preparation for submitting this application I have reviewed the eligibility and grantee requirements, understand that should this project be awarded funding, my organization will be able to meet the grantee requirements as described by Puget Sound Energy, and attest that the information provided above responding to this application is both accurate and current. I also understand that submitting an application in no way obligates Puget Sound Energy to provide funding and that funds are distributed at the sole discretion of Puget Sound Energy.

	1/16/26
<hr/> Signature	<hr/> Date
Steven J. Burney	City Manager
<hr/> Printed Name	<hr/> Title

ATTACHMENT C SUGGESTED MONTHLY REPORT FORMAT

PSE Decarbonization Grant Monthly Report

Report Period: [Month/Year]

Organization: [Organization Name]

Project Name: [Project Name]

Contact: [Name, Email, Phone]

1. PROJECT STATUS

Overall Status: On Track Minor Delays Significant Delays

Percent Complete: []%

Current Phase: Planning Procurement Installation Commissioning

2. THIS MONTH'S PROGRESS

Installations Completed: [Number] homes/units

Total Installations to Date: [Number] of [Target Number]

Key Activities:

-
-

3. FINANCIAL STATUS

Funds Expended This Month: \$[Amount]

Total Expended: \$[Amount] of \$[Total Award] ([]%)

Budget Status: On Budget Under Budget Over Budget

4. TIMELINE UPDATE

Any changes to project completion date? No Yes

If yes, new completion date: [Date]

Reason for change: [Brief explanation]

5. CHALLENGES & NEXT STEPS

Current Challenges: [Brief description]

Next Month's Goals:

-
-

Support Needed from PSE: [If any]

If this report accompanies a billing/payment request, as deemed by the Grant Agreement, please attach a spreadsheet with installation details. Include one row per customer with these columns:

- Customer Name
- Full Address
- PSE Account Number
- Electric Service Provider
- Equipment Installed (include model and AHRI numbers)
- Conservation/Electrical Services Provided
- Total Cost per Site
- Additional Notes (if applicable)

ATTACHMENT D PROJECT COMPLETION REPORT FORMAT

PSE Decarbonization Grant Project Completion Report

Report Period: [Month/Year]

Organization: [Organization Name]

Project Name: [Project Name]

Contact: [Name, Email, Phone]

Please submit this completed project report within 30 days of project completion and send it to DecarbGrants@pse.com. Complete all applicable fields in the report. For data-heavy sections like Appendix A, spreadsheets are preferred and should be included as attachments.

1. PROJECT OVERVIEW

Original Project Goals:

- [Goal 1]
- [Goal 2]
- [Goal 3]

Final Project Scope: [Description of actual work completed]

2. QUANTITATIVE OUTCOMES

Installation Metrics			
Metric	Target	Achieved	Variance
Total homes/units served			
Heat pumps installed			
Heat pump water heaters installed			
Other equipment installed			

Community Impact		
Demographic	No. Served	Percentage of Total Customers Served
Low-income households ($\leq 80\%$ AMI)		
Moderate-income households (80-150% AMI)		
Named Communities		
Rural households		
Other priority populations		

Geographic Distribution: [List cities/areas served with number of installations]

3. FINANCIAL SUMMARY

Category	Budgeted	Actual	Variance
Equipment & installation costs	[\$Amount]	[\$Amount]	[\$Amount]
Program administration	[\$Amount]	[\$Amount]	[\$Amount]
Other costs	[\$Amount]	[\$Amount]	[\$Amount]
TOTAL	[\$Amount]	[\$Amount]	[\$Amount]

(Average) Cost per Installation: [\$Amount]

Leveraged Funding: [\$Amount from other sources]

4. TIMELINE ANALYSIS

Milestones	Target Date	Actual Date	Variance	Comments
Project start				
Equipment procurement				
First installation				
50% completion				
Final installation				
Project completion				

Overall Timeline Performance: Ahead of Schedule On Schedule Behind Schedule

5. CONTRACTOR PERFORMANCE

Please list all contractors used on this project and provide your performance rating for each:



[Contractor 1]: [Number of installations] - Performance: Excellent Good Satisfactory

[Contractor 2]: [Number of installations] - Performance: Excellent Good Satisfactory

MWBE/Diverse Business Participation: [Report on diversity metrics and spending]

Quality Metrics:

Installation pass rate: []%

6. CUSTOMER EXPERIENCE

Total households contacted: [Number]

Enrollment rate: []%

Average time from application to installation: [Days]

7. CHALLENGES & SOLUTIONS

Major Challenges Encountered:

- [Challenge]: [How it was addressed]
- [Challenge]: [How it was addressed]
- [Challenge]: [How it was addressed]

Supply Chain Issues, if any:

[Description and impact]

Permitting/Regulatory Issues, if any:

[Description and resolution]

8. LESSONS LEARNED & BEST PRACTICES

What Worked Well:

- [Key success factor 1]
- [Key success factor 2]
- [Key success factor 3]

Areas for Improvement:

- [Improvement area 1]
- [Improvement area 2]

Recommendations for Future Programs:

- [Recommendation 1]
- [Recommendation 2]
- [Recommendation 3]

9. PROGRAM SUSTAINABILITY & FOLLOW-UP (if applicable)

Long-term Maintenance Plan:

[Description of maintenance arrangements]

[Warranty coverage details]

Ongoing Customer Support:
[Description of post-installation support]

Program Continuation:
[Plans for continuing similar work]
[Additional funding secured]

10. PARTNERSHIP & COLLABORATION (if applicable)

Key Partners:
[Partner organization]: [Role and contribution]
[Partner organization]: [Role and contribution]

PSE Collaboration:
[Description of PSE support and coordination]
[Utility rebate stacking results]

11. MARKETING & OUTREACH RESULTS (if applicable)

Outreach Activities:
Community workshops: [Number] with [Total attendance]
Marketing materials distributed: [Number/Type]
Media coverage: [Brief description]
Social media reach: [Metrics if available]
Referral Sources:
[Source 1]: [Percentage of customers]
[Source 2]: [Percentage of customers]

12. TECHNICAL PERFORMANCE

Equipment Performance:
Average heat pump efficiency ratings: [HSPF/SEER]
Installation quality metrics: [Pass rates, inspection results]
Post-installation issues: [Number and types]

13. APPENDICES

- A. Comprehensive list of customers served with the following: Name(s), Address(es), PSE Account Number, Electric Service Provider, Equipment Installed (model numbers and AHRI numbers), Conservation/Electrical Services Provided, Total Cost per Site, Additional Notes (if applicable)
 - B. Financial documentation and receipts
 - C. Permit number and/or documentation
 - D. Customer satisfaction survey results/Anecdotes, if any
 - E. Installation photos and case studies, if any
 - F. Contractor certifications and qualifications, if different from initial application
 - G. Marketing materials used, if any
-



Project Certification: I certify that this project has been completed in accordance with the grant agreement and that all information provided is accurate and complete.

Signature: _____ Date: _____

Print Name: _____ Title: _____

For PSE Use Only:

Final report reviewed by: [PSE Staff Name]

Review date: [Date]

Project closeout approved: Yes No

Final payment authorized: Yes No