



Legislation Passed April 4, 2017

The Tacoma City Council, at its regular City Council meeting of April 4, 2017, adopted the following resolutions and/or ordinances. The summary of the contents of said resolutions and/or ordinances are shown below. To view the full text of the document, click on the bookmark at the left of the page.

Resolution No. 39694

A resolution setting Tuesday, April 18, 2017, at approximately 5:15 p.m., as the date for a public hearing by the City Council on the 2017-2018 Annual Action Plan for Housing and Community Development.

[Martha Anderson, Assistant Director; Ricardo Noguera, Director, Community and Economic Development]

Resolution No. 39695

A resolution approving the final plat of Harbor View Heights, a 40-lot subdivision for single-family development, located at 5402 25th Street Northeast.

(ESM Consulting Engineers, LLC; File No. LU16-0303)

[Charla Kinlow, Associate Planner; Peter Huffman, Director, Planning and Development Services]

Resolution No. 39696

A resolution awarding a contract to Green Earthworks Construction, Inc., in the amount of \$255,078.35, plus sales tax, budgeted from the Building and Land Use Services Demolition Fund, for on-call demolition and disposal of buildings and structures across the City - Specification No. NC16-0353F.

[Said Seddiki, P.E., Senior Engineer; Nadia Chandler Hardy, Director, Neighborhood and Community Services]

Resolution No. 39697

A resolution authorizing an increase to the contract with Wendt Consulting and GIS Services, in the amount of \$40,000, plus sales tax, for a total of \$211,660, budgeted from the Fire Miscellaneous Special Revenue Fund, for professional consulting and GIS data support services, through December 31, 2017 - Direct Negotiation.

[Michael Fitzgerald, Assistant to the Chief; James P. Duggan, Fire Chief]

Ordinance No. 28406

An ordinance amending Chapter 13.06 of the Municipal Code, relating to Zoning, to reclassify approximately 1.5 acres of undeveloped property, located at the southeast corner of the intersection of Norpoint Way Northeast and 29th Street Northeast, from an R-2 Single-Family Residential District to a C-1 General Neighborhood Commercial District, to allow for construction of 47 apartment units and associated parking for 60 vehicles. (LPI Holdings, LLC; File No. LU16-0194)

[Phyllis K. Macleod, Hearing Examiner]

Ordinance No. 28421

An ordinance amending Chapter 1.12 of the Municipal Code, relating to the Compensation Plan, to implement rates of pay and compensation for employees represented by District Lodge #160 of the International Association of Machinists and Aerospace Workers, General Unit and Supervisors' Unit; and changes in classifications to reflect the organizational structure.

[Jude Kelley, Labor Negotiator; Gary Buchanan, Interim Director, Human Resources]

Ordinance No. 28422

An ordinance amending Chapter 12.06 of the Municipal Code, relating to Electric Energy - Regulations and Rates, for two rate adjustments effective April 16, 2017, and April 1, 2018, and approving changes to the Tacoma Power Electric Rates and Financial Policy.

[Bill Berry, Rates, Planning, and Analysis Manager; Chris Robinson, Power Superintendent]



RESOLUTION NO. 39694

1 A RESOLUTION setting April 18, 2017, as the date for a public hearing on the
2 recommendations of the Community and Economic Development
3 Department for the 2017-2018 Annual Action Plan for Housing and
Community Development.

4 WHEREAS the Annual Action Plan to the U.S. Department of Housing and
5 Urban Development ("HUD") will ensure the City will receive federal funds to
6 manage its housing, community and economic development, neighborhood
7 improvement, homeless assistance and social service programs, and
8

9 WHEREAS the Annual Action Plan outlined the City's uses of Community
10 Development Block Grant ("CDBG"), HOME Investment Partnership ("HOME"),
11 and Emergency Solutions Grant ("ESG") funds, and
12

13 WHEREAS, based on guidance by the U.S. Department of Housing and
14 Urban Development ("HUD"), the City anticipates that it will be entitled to apply to
15 HUD for entitlement grant allocations as follows: (1) CDBG, in the amount of
16 \$2,250,000; (2) HOME, in the amount of \$998,000; and (3) ESG, in the amount
17 of \$201,000, and
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19 WHEREAS, because the City of Lakewood ("Lakewood") does not qualify
20 to apply for HOME funds independently, the City and Lakewood formed a
21 consortium in 1999 for the HOME Program, and
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23 WHEREAS, as a result of the consortium, a portion of the HOME funds
24 will be allocated to Lakewood, and
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26 WHEREAS the City intends to reprogram \$209,666 in existing CDBG
funds, as set forth in the Annual Action Plan, and



1 WHEREAS, during January and February 2017, the Tacoma Community
2 Redevelopment Authority and Human Services Commission reviewed
3 applications for funding, heard presentations by agencies applying for funding,
4 considered the historic performance of those agencies and the needs of the
5 community, and prepared funding recommendations based thereon, and

6 WHEREAS funding recommendations were finalized at the March 9, 2017,
7 meeting of the Community Vitality and Safety Committee, and were
8 recommended for consideration by the City Council at its meeting of May 2,
9 2017, and
10

11 WHEREAS, before submission of the Annual Action Plan to HUD, the City
12 must fulfill certain citizen participation requirements, including holding a public
13 hearing on the proposed plan, and

14 WHEREAS the draft Annual Action Plan will be available for public review
15 for a period of 30 days, beginning on April 1, 2017, and ending on April 30, 2017;
16
17 Now, Therefore,

18 BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TACOMA:

19 Section 1. That Tuesday, April 18, 2017, at approximately 5:15 p.m., is
20 hereby fixed as the time, and the City Council Chambers on the First Floor of the
21 Tacoma Municipal Building, 747 Market Street, Tacoma, Washington, as the
22 place when and where a public hearing shall be held on the recommendations of
23 the Community and Economic Development Department for the City's proposed
24 2017-2018 Annual Action Plan for Housing and Community Development.
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Section 2. That the City Clerk shall give proper notice of the time and place of said hearing.

Adopted _____

Mayor

Attest:

City Clerk

Approved as to form:

Deputy City Attorney



RESOLUTION NO. 39695

1 A RESOLUTION relating to the platting and subdivision of real property;
2 approving the final plat of HARBOR VIEW HEIGHTS, a 40-lot subdivision
3 for single-family development, located at 5402 25th Street NE.

4 WHEREAS all owners of the following legally described real property:

5 The north half of the Northwest Quarter of the Southwest
6 Quarter of Section 25, Township 21 North, Range 3 East
7 of the Willamette Meridian;

8 EXCEPT the Northerly 2 feet as dedicated to the City
9 of Tacoma pursuant to Right-of-Way Deed No. 7255
10 recorded under Pierce County Recording
11 Number 201407150897.

12 Situate in the City of Tacoma, County of Pierce, State of
13 Washington;

14 have joined in a plat of the property to be known and designated as HARBOR
15 VIEW HEIGHTS, and

16 WHEREAS the preliminary plat of HARBOR VIEW HEIGHTS was
17 conditionally approved on September 2, 2014, and the Director of Planning and
18 Development Services ("Director"), has issued written Findings and Conclusions
19 contained in his Recommendation of Approval, dated March 16, 2017, finding
20 therein that the preliminary plat conditions have now been complied with by the
21 owners of the property, and

22 WHEREAS the plat, evidenced by the official drawing thereof, has been
23 approved by the Director of Public Works/City Engineer, representatives of the
24 Water and Light Divisions of the Department of Public Utilities, and the
25 Tacoma-Pierce County Health Department, and the City Attorney, and all other
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requirements of Chapter 13.04 of the Tacoma Municipal Code have been fully
complied with, and

WHEREAS the HARBOR VIEW HEIGHTS plat is hereby submitted to the
City Council for acceptance and approval; Now, Therefore,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TACOMA:

Section 1. That the final plat of HARBOR VIEW HEIGHTS is hereby
accepted and approved.

Section 2. That the Mayor and the proper City officers are hereby
authorized to indicate upon the original tracing(s) of the plat the acceptance by
the City Council of the same as provided in Chapter 13.04 of the Tacoma
Municipal Code.

Adopted _____

Mayor

Attest:

City Clerk

Approved as to form:

Deputy City Attorney

Legal Description Approved:

Chief Surveyor
Public Works Department



RESOLUTION NO. 39696

1 A RESOLUTION related to the purchase of materials, supplies or equipment,
2 and the furnishing of services; authorizing the execution of a contract
3 with Green Earthworks Construction, Inc., in the amount of \$255,078.35,
4 plus sales tax, budgeted from the Building and Land Use Services
5 Demolition Fund, for on-call demolition and disposal of buildings and
6 structures across the City, pursuant to Specification No. NC16-0353F.

7 WHEREAS the City has complied with all applicable laws and processes
8 governing the acquisition of those supplies, and/or the procurement of those
9 services, inclusive of public works, as is shown by the attached Exhibit "A,"
10 incorporated herein as though fully set forth, and

11 WHEREAS the Board of Contracts and Awards has concurred with the
12 recommendation for award as set forth in the attached Exhibit "A"; Now,

13 Therefore,

14 BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TACOMA:

15 Section 1. That the Council of the City of Tacoma concurs with the
16 Board of Contracts and Awards to adopt the recommendation for award as set
17 forth in the attached Exhibit "A."

18 Section 2. That the proper officers of the City are hereby authorized to
19 enter into a contract with A RESOLUTION related to the purchase of materials,
20 supplies or equipment, and the furnishing of services; authorizing the execution
21 of a contract with Green Earthworks Construction, Inc., in the amount of
22 \$255,078.35, plus sales tax, budgeted from the Building and Land Use
23 Services Demolition Fund, for on-call demolition and disposal of buildings and
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structures across the City, pursuant to Specification No. NC16-0353F,
consistent with Exhibit "A."

Adopted _____

Mayor

Attest:

City Clerk

Approved as to form:

Acting City Attorney



RESOLUTION NO. 39697

1 A RESOLUTION related to the purchase of materials, supplies or equipment, and
2 the furnishing of services; authorizing the increase of Contract
3 No. 4600006944 with Wendt Consulting and GIS Services, in the amount of
4 \$40,000, plus sales tax, for a cumulative total of \$211,660, budgeted from
5 the Fire Miscellaneous Special Revenue Fund, for professional consulting
6 and GIS data support services through December 31, 2017.

7 WHEREAS the City has complied with all applicable laws and processes
8 governing the acquisition of those supplies, and/or the procurement of those
9 services, inclusive of public works, as is shown by the attached Exhibit "A,"
10 incorporated herein as though fully set forth, and

11 WHEREAS the Board of Contracts and Awards has concurred with the
12 recommendation for award as set forth in the attached Exhibit "A"; Now,
13 Therefore,

14 BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TACOMA:

15 Section 1. That the Council of the City of Tacoma concurs with the
16 Board of Contracts and Awards to adopt the recommendation for award as set
17 forth in the attached Exhibit "A."

18 Section 2. That the proper officers of the City are hereby authorized to
19 increase Contract No. 4600006944 with Wendt Consulting and GIS Services, in the
20 amount of \$40,000, plus sales tax, for a cumulative total of \$211,660, budgeted
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1 from the Fire Miscellaneous Special Revenue Fund, for professional consulting and
2 GIS data support services through December 31, 2017, consistent with Exhibit "A."

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4 Adopted _____

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6 _____
7 Mayor

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9 Attest:

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11 _____
12 City Clerk

13 Approved as to form:

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15 _____
16 Acting City Attorney

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ORDINANCE NO. 28406

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3 AN ORDINANCE relating to zoning, in which the applicant is seeking a
4 rezoned of approximately 1.5 acres of undeveloped property, located at
5 the southeast corner of the intersection of Norpoint Way NE and
6 29th Street NE, from an R-2 Single-Family Residential District to a
C-1 General Neighborhood Commercial District, to allow for construction
of 47 apartment units and associated parking for 60 vehicles.

7 WHEREAS LPI Holdings, LLC is seeking the rezoned of a 1.5 acre
8 parcel of undeveloped property, located at the southeast corner of the
9 intersection of Norpoint Way NE and 29th Street NE, to allow for construction
10 of 47 apartment units and associated parking for 60 vehicles, and
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12 WHEREAS the site is located between Norpoint Way NE and existing
13 townhomes and residences on lots to the east and south, with an apartment
14 building and day care center across Norpoint Way NE from the site, and a
15 gas station, mini-mart, and car wash situated diagonally across the
16 intersection from the property, and
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18 WHEREAS the surrounding area includes a mix of zoning designations
19 that are the result of a number of rezones over the years, and



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WHEREAS, in 2015, Comprehensive Plan amendments designated the property on all four corners of the intersection as “Neighborhood Commercial,” and this proposed rezone would implement the new Comprehensive Plan designation for the subject property, and

WHEREAS the initial project design contains a 47-unit apartment complex with a mix of studio, one-, two-, and three-bedroom units, and construction would comply with the City’s design guidelines governing building layout, landscaping, parking, pedestrian access, and signage, and

WHEREAS the applicant will participate in the City’s affordable housing program through compliance with the Affordable Housing Incentives and Bonuses provisions of Tacoma Municipal Code 1.39, and

WHEREAS the Traffic Impact Analysis concluded that the additional traffic impacts generated by the project would be offset by a traffic signal modification at the intersection, consisting of a flashing yellow arrow and sign governing turns from 29th Street NE to Norpoint Way NE, and further demonstrated that the signal modification would result in a net improvement in the backup on 29th Street NE, even with additional traffic from the proposed project, and

WHEREAS the project would be accessed off of 61st Avenue NE, which would be upgraded to include a sidewalk and storm water facilities, and



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WHEREAS the complex would serve as a transitional buffer between the busy arterials at this location and nearby residences, and

WHEREAS the Hearing Examiner concluded that the project would be a benefit to the public and that the rezone would bring the property into compliance with the Comprehensive Plan, and is recommending approval of the rezone with conditions as set forth in the Hearing Examiner's Recommendation; Now, Therefore,

BE IT ORDAINED BY THE CITY OF TACOMA:

Section 1. That the City Council hereby adopts the Hearing Examiner's Findings, Conclusions, and Recommendations contained in the Hearing Examiner's Report dated November 10, 2016, bearing File No. LU16-0194, which Report is on file in the office of the City Clerk.

Section 2. That the request to rezone the following portion of the property located at the southeast corner of the intersection of Norpoint Way NE and 29th Street NE, to allow for construction of 47 apartment units and associated parking for 60 vehicles, subject to conditions contained in the Hearing Examiner's Recommendation, is hereby approved:

That portion of the Southeast quarter of the Northwest quarter of Section 25, Township 21 North, Range 03 East, W.M., more particularly described as follows:

Commencing at the Southeast corner of the Northwest quarter of said Section 25;



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Thence North 01°31'26" East along the East line of the Northwest quarter of said Section 25, 984.56 feet to its intersection with the center line of 28th Street North East and the Point of Beginning;

Thence North 89°38'46" West along center line of 28th Street North East, 279.86 feet to its intersection with the center line of Norpoint Way North East;

Thence North 02°47'39" East along the center line of Norpoint Way North East, 349.80 feet to its intersection with the center line of 29th Street North East;

Thence South 89°56'58" East along the center line of 29th Street North East, 272.13 feet to the East line of aforementioned Section 25;

Thence South 01°31'26" West along said East line, 351.00 feet to the Point of Beginning.

Passed _____

Mayor

Attest: _____

City Clerk

Approved as to form: _____

Property description approved: _____

Deputy City Attorney

Chief Surveyor
Public Works Department

Location: Southeast corner of intersection of Norpoint Way NE and 29th Street NE
Petitioner: LPI Holdings, LLC
Request No.: LU16-0194



ORDINANCE NO. 28421

1 AN ORDINANCE relating to pay and compensation; amending Chapter 1.12 of the
 2 Tacoma Municipal Code to implement rates of pay and compensation for
 3 employees represented by District Lodge #160 of the International
 4 Association of Machinists and Aerospace Workers, General Unit and
 Supervisors' Unit; and to implement changes to reflect the organizational
 structure; and declaring the effective dates thereof.

5 BE IT ORDAINED BY THE CITY OF TACOMA:

6 Section 1. That Section 1.12.355 of the Tacoma Municipal Code is hereby
 7 amended, effective retroactive to January 1, 2017, to read as follows:
 8

Code	A	Job Title	1	2	3	4	5
5332		Equipment Mechanic, Heavy	<u>32.60</u>				
5310		Fabrication Welder	<u>32.56</u>	<u>34.18</u>			
5335		Fire & Marine Diesel Mechanic	<u>35.56</u>				
5336		Fire & Marine Shop Supervisor	<u>44.42</u>				
5312		Machinist	<u>33.18</u>				
5338		Solid Waste Mechanic	<u>30.01</u>				
5330		Vehicle & Equipment Shop Attendant	<u>23.52</u>	<u>24.68</u>	<u>25.93</u>	<u>27.21</u>	<u>28.58</u>
5334		Vehicle & Equipment Shop Supervisor	<u>40.29</u>	<u>42.30</u>			
5346		Vehicle & Equipment Communications Technician	<u>26.51</u>	<u>27.84</u>	<u>29.23</u>	<u>30.69</u>	<u>32.22</u>
5099		WWTP Assistant	<u>25.12</u>	<u>26.39</u>	<u>27.70</u>	<u>29.08</u>	<u>30.54</u>
5105		WWTP Maintenance Machinist	<u>32.98</u>	<u>34.62</u>	<u>36.36</u>	<u>38.18</u>	
5106		WWTP Maintenance Machinist, Senior	<u>39.98</u>	<u>41.99</u>			

Code	A	Job Title	1	2	3	4	5
5332		Equipment Mechanic, Heavy	<u>33.33</u>				
5310		Fabrication Welder	<u>33.29</u>	<u>34.95</u>			
5335		Fire & Marine Diesel Mechanic	<u>36.36</u>				
5336		Fire & Marine Shop Supervisor	<u>45.42</u>				
5312		Machinist	<u>33.93</u>				
5338		Solid Waste Mechanic	<u>30.69</u>				
5330		Vehicle & Equipment Shop Attendant	<u>24.04</u>	<u>25.24</u>	<u>26.50</u>	<u>27.83</u>	<u>29.22</u>
5334		Vehicle & Equipment Shop Supervisor	<u>41.19</u>	<u>43.25</u>			
5099		WWTP Assistant	<u>25.69</u>	<u>26.98</u>	<u>28.33</u>	<u>29.74</u>	<u>31.23</u>
5105		WWTP Maintenance Machinist	<u>33.72</u>	<u>35.41</u>	<u>37.18</u>	<u>39.04</u>	
5106		WWTP Maintenance Machinist, Senior	<u>40.89</u>	<u>42.93</u>			



Section 2. That Section 1.12.355 of the Tacoma Municipal Code is hereby amended, effective January 1, 2018, to read as follows:

Code	A	Job Title	1	2	3	4	5
5332		Equipment Mechanic, Heavy	<u>33.33</u>				
5310		Fabrication Welder	<u>33.29</u>	<u>34.95</u>			
5335		Fire & Marine Diesel Mechanic	<u>36.36</u>				
5336		Fire & Marine Shop Supervisor	<u>45.42</u>				
5312		Machinist	<u>33.93</u>				
5338		Solid Waste Mechanic	<u>30.69</u>				
5330		Vehicle & Equipment Shop Attendant	<u>24.04</u>	<u>25.24</u>	<u>26.50</u>	<u>27.83</u>	<u>29.22</u>
5334		Vehicle & Equipment Shop Supervisor	<u>41.19</u>	<u>43.25</u>			
5099		WWTP Assistant	<u>25.69</u>	<u>26.98</u>	<u>28.33</u>	<u>29.74</u>	<u>31.23</u>
5105		WWTP Maintenance Machinist	<u>33.72</u>	<u>35.41</u>	<u>37.18</u>	<u>39.04</u>	
5106		WWTP Maintenance Machinist, Senior	<u>40.89</u>	<u>42.93</u>			

Code	A	Job Title	1	2	3	4	5
5332		Equipment Mechanic, Heavy	<u>34.16</u>				
5310		Fabrication Welder	<u>34.12</u>	<u>35.82</u>			
5335		Fire & Marine Diesel Mechanic	<u>37.27</u>				
5336		Fire & Marine Shop Supervisor	<u>46.56</u>				
5312		Machinist	<u>34.78</u>				
5338		Solid Waste Mechanic	<u>31.46</u>				
5330		Vehicle & Equipment Shop Attendant	<u>24.64</u>	<u>25.87</u>	<u>27.16</u>	<u>28.53</u>	<u>29.95</u>
5334		Vehicle & Equipment Shop Supervisor	<u>42.22</u>	<u>44.33</u>			
5099		WWTP Assistant	<u>26.33</u>	<u>27.65</u>	<u>29.04</u>	<u>30.48</u>	<u>32.01</u>
5105		WWTP Maintenance Machinist	<u>34.56</u>	<u>36.30</u>	<u>38.11</u>	<u>40.02</u>	
5106		WWTP Maintenance Machinist, Senior	<u>41.91</u>	<u>44.00</u>			

Section 3. That Section 1.12.355 of the Tacoma Municipal Code is hereby amended, effective January 1, 2019, to read as follows:

Code	A	Job Title	1	2	3	4	5
5332		Equipment Mechanic, Heavy	<u>34.16</u>				
5310		Fabrication Welder	<u>34.12</u>	<u>35.82</u>			
5335		Fire & Marine Diesel Mechanic	<u>37.27</u>				
5336		Fire & Marine Shop Supervisor	<u>46.56</u>				
5312		Machinist	<u>34.78</u>				
5338		Solid Waste Mechanic	<u>31.46</u>				
5330		Vehicle & Equipment Shop Attendant	<u>24.64</u>	<u>25.87</u>	<u>27.16</u>	<u>28.53</u>	<u>29.95</u>



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Code	A	Job Title	1	2	3	4	5
5334		Vehicle & Equipment Shop Supervisor	42.22	44.33			
5099		WWTP Assistant	26.34	27.65	29.04	30.48	32.04
5105		WWTP Maintenance Machinist	34.56	36.30	38.11	40.02	
5106		WWTP Maintenance Machinist, Senior	41.94	44.00			

Code	A	Job Title	1	2	3	4	5
5332		Equipment Mechanic, Heavy	35.01				
5310		Fabrication Welder	34.97	36.72			
5335		Fire & Marine Diesel Mechanic	38.20				
5336		Fire & Marine Shop Supervisor	47.72				
5312		Machinist	35.65				
5338		Solid Waste Mechanic	32.25				
5330		Vehicle & Equipment Shop Attendant	25.26	26.52	27.84	29.24	30.70
5334		Vehicle & Equipment Shop Supervisor	43.28	45.44			
5099		WWTP Assistant	26.99	28.34	29.77	31.24	32.81
5105		WWTP Maintenance Machinist	35.42	37.21	39.06	41.02	
5106		WWTP Maintenance Machinist, Senior	42.96	45.10			

Section 4. That Section 1.12.355 of the Tacoma Municipal Code is hereby amended, effective April 3, 2017, to read as follows:

Code	A	Job Title	1	2	3	4	5
5102		WWTP Maintenance Supervisor	42.68	44.74	46.89	49.16	51.53

Code	A	Job Title	1	2	3	4	5
5102		WWTP Maintenance Supervisor	43.35	45.52	47.79	50.18	52.69

Section 5. That Section 1.12.355 of the Tacoma Municipal Code is hereby amended, effective January 1, 2018, to read as follows:

Code	A	Job Title	1	2	3	4	5
5102		WWTP Maintenance Supervisor	43.35	45.52	47.79	50.18	52.69

Code	A	Job Title	1	2	3	4	5
5102		WWTP Maintenance Supervisor	44.33	46.54	48.87	51.31	53.88

Section 6. That Section 1.12.355 of the Tacoma Municipal Code is hereby amended, effective January 1, 2019, to read as follows:



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Code	A	Job Title	1	2	3	4	5
5102		WWTP Maintenance Supervisor	44.33	46.54	48.87	51.31	53.88

Code	A	Job Title	1	2	3	4	5
5102		WWTP Maintenance Supervisor	45.33	47.59	49.97	52.46	55.09

Section 7. That Section 1.12.640 of the Tacoma Municipal Code is hereby amended, effective retroactive to January 1, 2017, to read as follows:

1.12.640 Application of additional rates.

5099 A Wastewater Treatment Plant Assistant (CSC 5099), upon completion of 50 percent of the training modules toward a certificate, will be assigned an applied rate of 3 percent above their current step rate of pay, ~~and upon attainment of a certificate, will be assigned an applied rate of 6 percent above their current step rate of pay.~~ Effective January 1, 2017, this application of rate will not be available to employees that are hired after the implementation date of the 2012-2016 collective bargaining agreement for any future employees, and will only be available for employees who are receiving the premium and only as long as they remain in the WWTP Assistant classification.

Section 8. That Section 1.12.640 of the Tacoma Municipal Code is hereby amended, effective January 1, 2018, to read as follows:

5332 See 5310, 5332.

5332 A Heavy Equipment Mechanic (CSC 5332) shall receive an applied rate of 5 percent above their base rate of pay when, at the sole discretion of management, is assigned to act in a lead capacity on a defined project.

5332 An employee who meets the certification requirements established by the collective bargaining agreement, in the classifications of Heavy Equipment Mechanic (CSC 5332) shall receive an additional 5 percent over their regular rate of pay. Effective January 1, 2018, a Heavy Equipment Mechanic (CSC 5332) who holds an additional International organization of Fluid Power and Motion Control Professionals Mobile Hydraulics certification as outlined in the collective bargaining agreement will receive an additional 1 percent premium over their base rate of pay. Effective January 1, 2019, this premium increases to 2 percent of their base pay.



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5335 An employee who meets the certification requirements established by the collective bargaining agreement, in the classification of Fire and Marine Diesel Mechanic (CSC 5335) shall receive an additional 5 percent above their regular rate of pay. A Fire and Marine Diesel Mechanic shall be eligible for an application of rate of an additional 2 percent, for a total of 7 percent above their base rate, for holding both certifications outlined in the collective bargaining agreement. Effective January 1, 2018, a Fire and Marine Diesel Mechanic (CSC 5335) who holds an additional International organization of Fluid Power and Motion Control Professionals Mobile Hydraulics certification as outlined in the collective bargaining agreement will receive an additional 1 percent premium over their base rate of pay. Effective January 1, 2019, this premium increases to 2 percent of their base pay.

5336 An employee who meets the certification requirements established by the collective bargaining agreement, in the classification of Fire and Marine Shop Supervisor (CSC 5336) shall receive an additional 5 percent above their regular rate of pay.

5336 A Fire and Marine Shop Supervisor (CSC 5336) shall be eligible for an application of rate of an additional 2 percent, for a total of 7 percent above their base rate, for holding both certifications outlined in the collective bargaining agreement. Effective January 1, 2018, a Fire and Marine Shop Supervisor (CSC 5336) who holds an additional International organization of Fluid Power and Motion Control Professionals Mobile Hydraulics certification as outlined in the collective bargaining agreement will receive an additional 1 percent premium over their base rate of pay. Effective January 1, 2019, this premium increases to 2 percent of their base pay.

Section 9. That Sections 1 and 7 are effective retroactive to January 1, 2017. That Sections 2, 5, and 8 are effective January 1, 2018. That Sections 3 and 6 are effective January 1, 2019. That Section 4 is effective April 3, 2017.

Passed _____

Mayor

Attest:

City Clerk

Approved as to form:

Deputy City Attorney



ORDINANCE NO. 28422

1 AN ORDINANCE relating to the Department of Public Utilities, Power Division;
2 amending Chapter 12.06 of the Tacoma Municipal Code, relating to electric
3 energy regulations, rates and fees, by amending Sections 12.06.140,
4 12.06.160, 12.06.170, 12.06.215, 12.06.225, 12.06.260, 12.06.290, and
5 12.06.300 thereof, and by adding thereto two new sections, to be known
6 as 12.06.295, "Street lighting service – Schedule H-3" and
7 12.06.370, "Renewable Energy Program."

8 WHEREAS the City of Tacoma, Department of Public Utilities, Power
9 Division (d.b.a. "Tacoma Power") revenue requirements analysis for the 24-month
10 rate period of April 1, 2017, through March 31, 2019, indicates a revenue shortfall
11 of approximately \$58.7 million due to lower wholesale and retail revenues, and to a
12 lesser degree, increases in the Gross Earnings Tax, assessments, and personnel
13 costs, and

14 WHEREAS Tacoma Power is requesting approval for an approximate
15 overall rate increase of 5.9 percent effective April 16, 2017, and an approximate
16 overall rate increase of 5.9 percent effective April 1, 2018, to be distributed to
17 different customer classes based on a cost-of-service analysis, to generate
18 projected revenue requirements for utility operations, and

19 WHEREAS Tacoma Power is recommending the addition of two new rate
20 schedules: (1) H-3 Street Lighting Service, which is a new tariff for utility-owned,
21 municipally-maintained street lighting service; and (2) Renewable Energy Program,
22 which is a voluntary rate tariff for customers who want to buy qualified alternative
23 renewable energy resources, and

24 WHEREAS Tacoma Power is recommending additional changes to
25 Chapter 12.06 of the Tacoma Municipal Code ("TMC"), as follows:
26



1 (1) TMC12.06.140, relating to tampering and injury to City equipment, to
2 clarify that the customer, or the owner of the premises when there is no current
3 customer of utility services, is responsible for energy consumption and costs
4 associated with the investigation and resealing of the power meter when illegal
5 tampering has been discovered; and (2) TMC 12.06.225, relating to high voltage
6 general service, to require customers over 8 Megawatts to have a contract with
7 Tacoma Power or be served at the General Service Rate Schedule, and to include
8 a requirement that customers who begin taking service at the high voltage general
9 rate after April 16, 2017, be required to enter into a contract with Tacoma Power,
10 and
11

12 WHEREAS Tacoma Power is recommending changes to its Electric Rates
13 and Financial Policy, as follows: (1) correct a reference (Section IV.A); (2) update
14 language regarding demand/energy classification of BPA purchased power to
15 reflect current practice (Section IV.B.2.b.2); and (3) update the New Large Load
16 language to reflect the 15 percent new resource adder for loads over 8 Megawatts
17 (Section IV.B.2.c), to replace outdated language based on Bonneville Power
18 Administration's New Large Single Load policy from the 1980s, and
19

20 WHEREAS, pursuant to Tacoma City Charter Section 4.11, revisions to
21 Tacoma Power rates and regulations and the Electric Rate and Financial Policy
22 require approval by the Public Utility Board and City Council, and
23

24 WHEREAS a public comment on this matter was taken by the Public Utility
25 Board ("Board") on February 8, 2017, February 22, 2017, March 8, 2017, and
26 March 22, 2017 and, based on feedback received, Tacoma Power has modified its



1 proposed increase by including approximately 50 percent of the residential and
 2 small general service rate class increase into the customer charge, and
 3 approximately 50 percent into the variable charge, and

4 WHEREAS the Board approved the recommended changes at its regular
 5 meeting held on March 22, 2017, and

6 WHEREAS the recommended changes to the rates, regulations and policies
 7 are just, fair, and reasonable, and are in the best interest of the citizens of Tacoma
 8 and the customers of Tacoma Power; Now, Therefore,

9 BE IT ORDAINED BY THE CITY OF TACOMA:

10 Section 1. That Chapter 12.06 of the Tacoma Municipal Code is hereby
 11 amended as set forth in the attached Exhibit "A," to become effective April 16, 2017.
 12

13 Section 2. That Chapter 12.06 of the Tacoma Municipal Code is hereby
 14 amended as set forth in the attached Exhibit "B," to become effective April 1, 2018.
 15

16 Section 3. That the proposed revisions to the Electric Rate and Financial
 17 Policy, as set forth in the attached Exhibit "C," are hereby approved.

18 Passed _____

19 _____
 Mayor

20 Attest:

21 _____
 22 City Clerk

23 Approved as to Form:

24 _____
 25 Acting City Attorney

26 Requested by Public Utility Board
 Amended Resolution No. U-10917

EXHIBIT “A”
Effective April 16, 2017

Chapter 12.06
ELECTRIC ENERGY – REGULATIONS AND RATES

Sections:

- 12.06.010 General application.
- 12.06.020 Definitions.
- 12.06.030 Available voltages.
- 12.06.040 Application for service and contract.
- 12.06.050 Inspection.
- 12.06.060 Equipment and wires.
- 12.06.070 Rearranging lines or equipment.
- 12.06.080 Metering.
- 12.06.090 Connected load.
- 12.06.100 Deposits and connection charges.
- 12.06.110 Billing - Payment of bills and delinquency.
- 12.06.115 Disconnection of electric service.
- 12.06.120 Resale of electric energy prohibited.
- 12.06.130 Diversion of current.
- 12.06.140 Tampering and injury to City equipment.
- 12.06.150 City not liable for damages.
- 12.06.160 Residential service – Schedule A-1. Effective April 16, 2017, [through March 31, 2018.](#)
- 12.06.165 Low-income/senior and/or low-income/disabled discount residential service - Schedule A-2.
- 12.06.170 Small general service – Schedule B. Effective April 16, 2017, [through March 31, 2018.](#)
- 12.06.180 *Repealed.*
- 12.06.190 *Repealed.*
- 12.06.210 *Repealed.*
- 12.06.215 General service – Schedule G. Effective April 16, 2017, [through March 31, 2018.](#)
- 12.06.220 *Repealed.*
- 12.06.225 High voltage general service – Schedule HVG. Effective April 16, 2017, [through March 31, 2018.](#)
- 12.06.240 *Repealed.*
- 12.06.250 *Repealed.*
- 12.06.260 Contract industrial service – Schedule CP. Effective April 16, 2017, [through March 31, 2018.](#)
- 12.06.270 *Repealed.*
- 12.06.280 *Repealed.*
- 12.06.290 Street lighting and traffic signal service – Schedule H-1. Effective April 16, 2017, [through March 31, 2018.](#)
- [12.06.295 Street lighting service – Schedule H-3. Effective April 16, 2017, through March 31, 2018.](#)
- 12.06.300 Private off-street lighting service – Schedule H-2. Effective April 16, 2017, [through March 31, 2018.](#)
- 12.06.310 Power factor provisions - Schedule P.
- 12.06.314 Tax credit - Schedule TC.
- 12.06.315 *Repealed.*
- 12.06.317 *Repealed.*
- 12.06.318 *Repealed.*
- 12.06.320 Additional rules may be made by director.
- 12.06.330 Customer service policies - Additional rules and regulations.
- 12.06.340 Violations - Penalties - Enforcement.
- 12.06.350 Severability.
- 12.06.360 Repealed.
- [12.06.370 Renewable Energy Program.](#)

* * *

12.06.140 Tampering and injury to City equipment.

A. It shall be unlawful for any person, other than a duly authorized employee of the Department acting under the authority of the Director to connect any house, premises, wires or appliances with the City's electric circuits for the purpose of securing the electric current therefrom, or for any other purpose whatever. If such unlawful action is taken, the Department shall have the right to disconnect the service at the service source and demand a minimum restoration fee as set forth in City Code Section 12.01.010 plus all other unpaid charges owing the Department.

B. If the seal on the City's meter is broken, or the meter from any cause does not properly register, or any other evidence of energy having been used illegally is found, ~~the customer shall be charged with a consumption estimated by the Director and bill rendered accordingly~~ the Director shall charge the customer, or the owner of the premises when there is no current customer of utility services, with an energy consumption estimate along with all costs associated with the investigation and resealing of the meter.

C. The civil remedies set forth herein are in addition to all other civil or criminal remedies available under State law, including but not limited to RCW 80.28.240 and/or RCW Title 9A, this Code, or Customer Service Policies adopted hereunder.

* * *

12.06.160 Residential service – Schedule A-1. Effective April 16, 2017~~5~~, through March 31, 2018.

A. Availability. Available for domestic purposes in residences, apartments, duplex houses and multiple family dwellings.

B. Applicability. To single residences, individually metered apartments and per apartment for collectively metered apartments.

C. Monthly Rate. The sum of the following energy, delivery and customer charges:

1. Energy: All energy measured in kilowatt-hours at \$0.~~039710-042437~~ per kWh.

2. Delivery: All energy delivered in kilowatt-hours at \$0.034435 per kWh.

3. Customer Charge: \$~~40.5013.50~~ per month, or any fraction thereof, for all but collectively metered apartments; \$~~8.5011.00~~ per month, or any fraction thereof, for collectively metered apartments.

4. Exceptions:

(a) Within the City of Fife:

(1) Energy: All energy measured in kilowatt-hours at \$0.~~039710-042437~~ per kWh.

(2) Delivery: All energy delivered in kilowatt-hours at \$0.034435 per kWh.

(3) Customer Charge: \$~~40.5013.50~~ per month, or any fraction thereof, for all but collectively metered apartments; \$~~8.5011.00~~ per month, or any fraction thereof, for collectively metered apartments.

(b) Within the City of Fircrest:

(1) Energy: All energy measured in kilowatt-hours at \$0.~~039710-042437~~ per kWh.

(2) Delivery: All energy delivered in kilowatt-hours at \$0.034435 per kWh.

(3) Customer Charge: \$~~40.5013.50~~ per month, or any fraction thereof, for all but collectively metered apartments; \$~~8.5011.00~~ per month, or any fraction thereof, for collectively metered apartments.

(c) Within the City of Lakewood:

(1) Energy: All energy measured in kilowatt-hours at \$0.~~039710-042437~~ per kWh.

(2) Delivery: All energy delivered in kilowatt-hours at \$0.034435 per kWh.

(3) Customer Charge: \$~~40.5013.50~~ per month, or any fraction thereof, for all but collectively metered apartments; \$~~8.5011.00~~ per month, or any fraction thereof, for collectively metered apartments.

(d) Within the City of Steilacoom:

(1) Energy: All energy measured in kilowatt-hours at \$0.~~039710~~042437 per kWh.

(2) Delivery: All energy delivered in kilowatt-hours at \$0.034435 per kWh.

(3) Customer Charge: \$~~10.50~~13.50 per month, or any fraction thereof, for all but collectively metered apartments; \$~~8.50~~11.00 per month, or any fraction thereof, for collectively metered apartments.

(e) Within the City of University Place:

(1) Energy: All energy measured in kilowatt-hours at \$0.~~039710~~042437 per kWh.

(2) Delivery: All energy delivered in kilowatt-hours at \$0.034435 per kWh.

(3) Customer Charge: \$~~10.50~~13.50 per month, or any fraction thereof, for all but collectively metered apartments; \$~~8.50~~11.00 per month, or any fraction thereof, for collectively metered apartments.

D. Service Conditions.

1. Where load conditions warrant, three-phase electric service may be made available by prior written agreement.

2. Applicable provisions of the Tacoma Municipal Code, General Provisions, and Customer Service Policies governing the sale of electric energy shall apply.

* * *

12.06.170 Small general service – Schedule B. Effective April 16, 2017~~5~~, through March 31, 2018.

A. Availability. For nonresidential lighting, heating, and incidental power uses where a demand meter may be installed. Also for nonresidential incidental power uses where a meter is not installed. The customer's actual demand as determined by Tacoma Power may not exceed 50 kilovolt amperes or total connected load as estimated by Tacoma Power may not exceed 65 kilowatts upon initial service energization.

B. Monthly Rate. The sum of the following energy, delivery and customer charges:

1. Energy: All energy measured in kilowatt-hours at \$0.~~042507~~043549 per kWh.

2. Delivery: All energy delivered in kilowatt-hours at \$0.034587 per kWh.

3. Customer Charge: \$~~19.00~~20.75 per month or any fraction thereof for all but unmetered services; \$~~14.75~~16.10 per month or any fraction thereof for unmetered services.

4. Exceptions:

(a) Within the City of Fife:

(1) Energy: All energy measured in kilowatt-hours at \$0.~~042507~~043549 per kWh.

(2) Delivery: All energy delivered in kilowatt-hours at \$0.034587 per kWh.

(3) Customer Charge: \$~~19.00~~20.75 per month or any fraction thereof for all but unmetered services; \$~~14.75~~16.10 per month or any fraction thereof for unmetered services.

(b) Within the City of Fircrest:

(1) Energy: All energy measured in kilowatt-hours at \$0.~~042507~~043549 per kWh.

(2) Delivery: All energy delivered in kilowatt-hours at \$0.034587 per kWh.

(3) Customer Charge: \$~~19.00~~20.75 per month or any fraction thereof for all but unmetered services; \$~~14.75~~16.10 per month or any fraction thereof for unmetered services.

(c) Within the City of Lakewood:

(1) Energy: All energy measured in kilowatt-hours at \$0.~~042507~~043549 per kWh.

(2) Delivery: All energy delivered in kilowatt-hours at \$0.034587 per kWh.

(3) Customer Charge: \$~~19.00~~20.75 per month or any fraction thereof for all but unmetered services; \$~~14.75~~16.10 per month or any fraction thereof for unmetered services.

(d) Within the City of Steilacoom:

(1) Energy: All energy measured in kilowatt-hours at \$0.~~042507043549~~ per kWh.

(2) Delivery: All energy delivered in kilowatt-hours at \$0.034587 per kWh.

(3) Customer Charge: \$~~19.00~~20.75 per month or any fraction thereof for all but unmetered services; \$~~14.75~~16.10 per month or any fraction thereof for unmetered services.

(e) Within the City of University Place:

(1) Energy: All energy measured in kilowatt-hours at \$0.~~042507043549~~ per kWh.

(2) Delivery: All energy delivered in kilowatt-hours at \$0.034587 per kWh.

(3) Customer Charge: \$~~19.00~~20.75 per month or any fraction thereof for all but unmetered services; \$~~14.75~~16.10 per month or any fraction thereof for unmetered services.

C. Service Conditions.

1. The maximum allowable total connected motor rating is 7.5 horsepower (5.6 kilowatts) exclusive of motors of 1/4 horsepower and under for standard plug-in applications.

2. At the option of Tacoma Power, a customer may be transferred to a demand metered rate if the customer's actual demand has exceeded 50 kilovolt amperes at least three times in the prior 24-month period.

3. Power factor provision applicable.

4. Applicable provisions of the Tacoma Municipal Code, General Provisions, and Customer Service Policies governing the sale of electric energy shall apply.

* * *

12.06.215 General service – Schedule G. Effective April 16, 2017~~5~~, through March 31, 2018.

A. Availability. For general power use where a demand meter is installed, for standby capacity to customers generating all or a part of their electric power requirements, and for intermittent use. The customer's actual demand as determined by Tacoma Power must exceed 50 kilovolt amperes or total connected load as estimated by Tacoma Power must exceed 65 kilowatts upon initial service energization.

For customers providing all their own transformation from Tacoma Power's distribution system voltage, a discount for transformer investment and maintenance will be provided by reducing the monthly bill by 0.8 percent. For customers metered on the primary side of a transformer, a discount for transformer losses will be provided by reducing the monthly bill by 1 percent. These discount percentages are additive, and not compounded.

B. Monthly Rate. The sum of the following energy, delivery, and customer charges:

1. Energy: All energy measured in kilowatt-hours at \$~~0.0411920.042964~~ per kWh.

2. Delivery: All kilowatts of Billing Demand delivered at \$~~7.507.91~~ per kW.

3. Customer Charge: \$~~5063~~.00 per month or any fraction thereof.

4. Exceptions:

(a) Within the City of Fife:

(1) Energy: All energy measured in kilowatt-hours at \$~~0.0411920.042964~~ per kWh.

(2) Delivery: All kilowatts of Billing Demand delivered at \$~~7.507.91~~ per kW.

(3) Customer Charge: \$~~5063~~.00 per month or any fraction thereof.

(b) Within the City of Fircrest:

(1) Energy: All energy measured in kilowatt-hours at \$~~0.0411920.042964~~ per kWh.

(2) Delivery: All kilowatts of Billing Demand delivered at \$~~7.507.91~~ per kW.

(3) Customer Charge: \$~~5063.00~~ per month or any fraction thereof.

(c) Within the City of Lakewood:

(1) Energy: All energy measured in kilowatt-hours at \$~~0.0411920.042964~~ per kWh.

(2) Delivery: All kilowatts of Billing Demand delivered at \$~~7.507.91~~ per kW.

(3) Customer Charge: \$~~5063.00~~ per month or any fraction thereof.

(d) Within the City of Steilacoom:

(1) Energy: All energy measured in kilowatt-hours at \$~~0.0411920.042964~~ per kWh.

(2) Delivery: All kilowatts of Billing Demand delivered at \$~~7.507.91~~ per kW.

(3) Customer Charge: \$~~5063.00~~ per month or any fraction thereof.

(e) Within the City of University Place:

(1) Energy: All energy measured in kilowatt-hours at \$~~0.0411920.042964~~ per kWh.

(2) Delivery: All Kilowatts of Billing Demand delivered at \$~~7.507.91~~ per kW.

(3) Customer Charge: \$~~5063.00~~ per month or any fraction thereof.

C. Billing Demand. Determined by means of a demand meter, 30-minute interval, reset monthly. The Billing Demand shall be the highest of:

1. The highest measured demand for the month adjusted for power factor;
2. 60 percent of the highest measured demand occurring during any of the preceding 11 months after adjustment for power factor; or
3. 100 percent of the standby capacity.

For purposes of the determination of Billing Demand in subsection 2 above, the 11 months of history shall be carried forward from the customer's previous account(s).

D. Standby Capacity. That amount of power requested by written application or estimated by the Director to be made continuously available for exclusive use of the customer.

E. Service Conditions.

1. At the option of Tacoma Power, primary metering may be installed where the service transformers aggregate 500 kVA or more.
2. At the option of Tacoma Power, a customer may be transferred to a non-demand metered rate if the customer's actual demand has not exceeded 50 kilovolt amperes in the prior 24-month period.
3. Power factor provision applicable.
4. Applicable provisions of the Tacoma Municipal Code, General Provisions, and Customer Service Policies governing the sale of electric energy shall apply.

* * *

12.06.225 High voltage general service – Schedule HVG. Effective April 16, 2017, through March 31, 2018.

A. Availability. For general power use where a demand meter is installed and where a customer served does not require the use of Tacoma Power's distribution facilities other than substation transformation. Customers over 8 Megawatts who do not have a Power Service Agreement (Contract) with Tacoma Power will take service under TMC 12.06.215 General Service. A Power Service Agreement (Contract) with Tacoma Power is required for customers who begin taking service under TMC 12.06.225 High voltage general service after April 16, 2017. For customers who provide all of their own transformation from Tacoma Power's transmission system voltage, a credit of ~~45.8324.00~~ percent will be applicable to the delivery charge.

High voltage general service customers shall be billed the following rates under Subsection 12.06.225.B (a two-step rate increase effective April 16, 2017 and April 1, 2018) unless the Customer files by April 21, 2017, a written notice in a form approved by Tacoma Power that irrevocably elects to be billed under the alternative rates under Subsection 12.06.225.C (a one-step rate increase effective April 16, 2017 with a second default rate increase effective April 1, 2019, unless superseded prior to the effective date).

B. Monthly Rate: The sum of the following energy, delivery and customer charges:

1. Energy: All energy measured in kilowatt-hours at ~~\$0.0351750~~.038295 per kWh.
2. Delivery: All kilowatts of Billing Demand delivered at ~~\$4.004~~.51 per kW.
3. Customer Charge: ~~\$210.00850~~.00 per month or any fraction thereof.

4. Exceptions:

(a) Within the City of Fife:

- (1) Energy: All energy measured in kilowatt-hours at ~~\$0.0351750~~.038295 per kWh.
- (2) Delivery: All kilowatts of Billing Demand delivered at ~~\$4.004~~.51 per kW.
- (3) Customer Charge: ~~\$210.00850~~.00 per month or any fraction thereof.

(b) Within the City of Fircrest:

- (1) Energy: All energy measured in kilowatt-hours at ~~\$0.0351750~~.038295 per kWh.
- (2) Delivery: All kilowatts of Billing Demand delivered at ~~\$4.004~~.51 per kW.
- (3) Customer Charge: ~~\$210.00850~~.00 per month or any fraction thereof.

(c) Within the City of Lakewood:

- (1) Energy: All energy measured in kilowatt-hours at ~~\$0.0351750~~.038295 per kWh.
- (2) Delivery: All kilowatts of Billing Demand delivered at ~~\$4.004~~.51 per kW.
- (3) Customer Charge: ~~\$210.00850~~.00 per month or any fraction thereof.

(d) Within the City of Steilacoom:

- (1) Energy: All energy measured in kilowatt-hours at ~~\$0.0351750~~.038295 per kWh.
- (2) Delivery: All kilowatts of Billing Demand delivered at ~~\$4.004~~.51 per kW.
- (3) Customer Charge: ~~\$210.00850~~.00 per month or any fraction thereof.

(e) Within the City of University Place:

- (1) Energy: All energy measured in kilowatt-hours at ~~\$0.0351750~~.038295 per kWh.
- (2) Delivery: All kilowatts of Billing Demand delivered at ~~\$4.004~~.51 per kW.
- (3) Customer Charge: ~~\$210.00850~~.00 per month or any fraction thereof.

C. Monthly Rate (a one-step rate increase effective April 16, 2017, with a second default rate increase effective April 1, 2019, unless superseded prior to the effective date).

	<u>Effective 4/16/17</u>	<u>Effective 4/1/19 unless superseded prior to effective date</u>
<u>Energy</u>	<u>\$0.039987</u>	<u>\$0.041691</u>
<u>Delivery</u>	<u>\$4.63</u>	<u>\$4.75</u>
<u>Customer Charge</u>	<u>\$1,175.00</u>	<u>\$1,490.00</u>
<u>Exceptions:</u>		
<u>Within the City of Fife</u>		
<u>Energy</u>	<u>\$0.039987</u>	<u>\$0.041691</u>
<u>Delivery</u>	<u>\$4.63</u>	<u>\$4.75</u>
<u>Customer Charge</u>	<u>\$1,175.00</u>	<u>\$1,490.00</u>
<u>Within the City of Fircrest</u>		
<u>Energy</u>	<u>\$0.039987</u>	<u>\$0.041691</u>
<u>Delivery</u>	<u>\$4.63</u>	<u>\$4.75</u>
<u>Customer Charge</u>	<u>\$1,175.00</u>	<u>\$1,490.00</u>
<u>Within the City of Lakewood</u>		
<u>Energy</u>	<u>\$0.039987</u>	<u>\$0.041691</u>
<u>Delivery</u>	<u>\$4.63</u>	<u>\$4.75</u>
<u>Customer Charge</u>	<u>\$1,175.00</u>	<u>\$1,490.00</u>
<u>Within the City of Steilacoom</u>		
<u>Energy</u>	<u>\$0.039987</u>	<u>\$0.041691</u>
<u>Delivery</u>	<u>\$4.63</u>	<u>\$4.75</u>
<u>Customer Charge</u>	<u>\$1,175.00</u>	<u>\$1,490.00</u>
<u>Within the City of University Place</u>		
<u>Energy</u>	<u>\$0.039987</u>	<u>\$0.041691</u>
<u>Delivery</u>	<u>\$4.63</u>	<u>\$4.75</u>
<u>Customer Charge</u>	<u>\$1,175.00</u>	<u>\$1,490.00</u>

CD. Billing Demand. Determined by means of a demand meter, 30-minute interval, reset monthly. The billing demand shall be the higher of:

1. The highest measured demand for the month adjusted for power factor, or
2. 60 percent of the highest measured demand occurring during any of the preceding 11 months after adjustment for power factor.

For purposes of the determination of Billing Demand in subsection 2 above, the 11 months of history shall be carried forward from the customer's previous account(s).

DE. Service Conditions.

1. Power factor provision applicable.

2. Applicable provisions of the Tacoma Municipal Code, General Provisions, and Customer Service Policies governing the sale of electric energy shall apply.

* * *

12.06.260 Contract industrial service – Schedule CP. Effective April 16, 2017~~5~~, through March 31, 2018.

A. Availability. For major industrial power use upon the execution of a written Power Service Agreement (Contract) with Tacoma Power, which shall require among other conditions:

1. A minimum Contract Demand (as set forth in the Contract) of not less than 8,000 kilowatts;
2. Delivery of power at one primary voltage;
3. Metering at primary voltage but in no case at less than nominal 4,160 volts;
4. Power factor adjustment to 95 percent lagging or better; and
5. Service is subject to curtailment and certain notice provisions are applicable.

B. Monthly Rate. The sum of the following power service, delivery, customer and other charges:

1. Power Service Charges:

(a) Energy: All Contract Energy (as set forth in the Contract) measured in kilowatt-hours at ~~\$0.02848~~0.030675 per kWh.

(b) Demand: All kilowatts of Billing Demand delivered at \$4.33 per kW.

(c) Minimum Charge: The Demand Charge.

(d) Contract Energy Overrun: All energy measured in excess of the Contract Energy (as set forth in the Contract) is subject to a Contract Energy Overrun charge, pursuant to the following formula:

Contract Energy Overrun Charge =
(MWh + Losses) x (THI + Tx) x 120%.

Where: MWh = the aggregate MWh over the day the customer's total measured daily load was above the Contract Energy amount; Losses = MWh x 1.9%; THI = the highest hourly price observed on the Tacoma Hourly Index within the day of overrun; Tx = applicable BPA or successor organization, transmission rate in \$ per MWh.

(e) Contract Demand Overrun: A Contract Demand Overrun charge shall be imposed when the total measured demand (highest 30-minute integrated demand) exceeds the Contract Demand (as set forth in the Contract). Said charge is pursuant to the following formula:

Contract Demand Overrun Charge =
MW x 300% x DC

Where: MW = MW of metered Demand in excess of the Contract Demand; DC = Demand Charge.

2. Delivery: All kilowatts of Billing Demand delivered at \$4.00 per kW.

3. Customer Charge: ~~\$760.00~~1,870.00 per month or any fraction thereof.

4. Exceptions:

(a) Within the City of Fife:

(1) Power Service Charges:

(i) Energy: All Contract Energy (as set forth in the Contract) measured in kilowatt-hours at ~~\$0.02848~~0.030675 per kWh.

(ii) Demand: All kilowatts of Billing Demand delivered at \$4.33 per kW.

(iii) Minimum Charge: The Demand Charge.

(iv) Contract Energy Overrun: All energy measured in excess of the Contract Energy (as set forth in the Contract) is subject to a Contract Energy Overrun charge, pursuant to the following formula:

Contract Energy Overrun Charge =
(MWh + Losses) x (THI + Tx) x 124.1319%

Where: MWh = the aggregate MWh over the day the customer's total measured daily load was above the Contract Energy amount; Losses = MWh x 1.9%; THI = the highest hourly price observed on the Tacoma Hourly Index within the day of overrun; Tx = applicable BPA or successor organization, transmission rate in \$ per MWh.

(v) Contract Demand Overrun: A Contract Demand Overrun charge shall be imposed when the total measured demand (highest 30-minute integrated demand) exceeds the Contract Demand (as set forth in the Contract). Said charge is pursuant to the following formula:

Contract Demand Overrun Charge =
MW x 300% x DC

Where: MW = MW of metered Demand in excess of the Contract Demand; DC = Demand Charge.

(2) Delivery: All kilowatts of Billing Demand delivered at \$4.00 per kW.

(3) Customer Charge: ~~\$760.00~~1,870 per month or any fraction thereof.

C. Billing Demand. Determined by means of a demand meter, 30-minute interval, reset monthly.

1. The Billing Demand shall be the highest of:

(a) The highest measured demand for the month, adjusted for power factor;

(b) 60 percent of the highest measured demand occurring during any of the preceding 11 months after adjustment for power factor;

(c) A demand level equal to the Contract Energy, in average megawatt (as set forth in the Contract); or

(d) 60 percent of the highest Contract Demand (as set forth in the Contract) during any of the preceding 11 months.

D. Service Conditions.

1. Power factor provision applicable; and

2. Applicable provisions of the Tacoma Municipal Code, General Provisions, and Customer Service Policies governing the sale of electric energy and delivery services shall apply.

* * *

12.06.290 Street lighting and traffic signal service – Schedule H-1. Effective April 16, 2017~~5~~, through March 31, 2018.

A. Availability: Available for:

1. Public street lighting service where the lighting system is in operation during hours of darkness and where the street light system and equipment is owned by the customer, or there have been other suitable prior written arrangements agreed to by Tacoma Power and the applicant; and

2. Traffic controllers, signal lights, warning lights, danger lights, pedestrian lights and similar uses, where the traffic control system and equipment is owned and maintained by the customer.

B. Monthly Rate: Rates stated herein are for (1) unmetered installations [items 1 and 2] where charges are per fixture and shall be applied to the number of installed units on the system as determined by Tacoma Power at the time the billing is rendered, and (2) metered installations [item 3].

1. Street Lighting Units (Unmetered):

(a) Incandescent Lamps:

Nominal Wattage	Energy Charge Per Unit
Up to 150 Watts	\$2. 78 <u>91</u>
151-220 Watts	\$4. 05 <u>27</u>
221-320 Watts	\$ 5.84 <u>6.20</u>
321-520 Watts	\$ 9.51 <u>10.08</u>
521 & Over Watts	\$ 13.58 <u>15.90</u>

(b) High Intensity Discharge Lamps:

Energy Charge Per Unit			
Nominal Wattage	Continuous	Dusk to Dawn	Dusk to 2:20 a.m.
50 Watts	\$2. 55 <u>15</u>	\$1. 30 <u>16</u>	\$0. 80 <u>73</u>
70 Watts	\$3. 37 <u>02</u>	\$ 1.71 <u>1.63</u>	\$1. 20 <u>03</u>
100 Watts	\$4. 86 <u>31</u>	\$ 2.51 <u>2.33</u>	\$ 1.70 <u>1.47</u>
150 Watts	\$ 7.24 <u>6.46</u>	\$ 3.26 <u>3.49</u>	\$ 2.51 <u>2.20</u>
175 Watts	\$ 7.59 <u>7.54</u>	\$ 4.05 <u>4.07</u>	\$2. 62 <u>56</u>
200 Watts	\$ 8.48 <u>8.62</u>	\$ 4.38 <u>4.65</u>	\$2. 87 <u>93</u>
250 Watts	\$ 10.93 <u>10.77</u>	\$ 5.37 <u>5.82</u>	\$3. 78 <u>66</u>
310 Watts	\$ 12.53 <u>13.35</u>	\$ 6.42 <u>7.21</u>	\$4. 20 <u>54</u>
400 Watts	\$ 16.73 <u>17.23</u>	\$ 8.67 <u>9.31</u>	\$5. 71 <u>86</u>
700 Watts	\$ 28.72 <u>30.16</u>	\$ 14.69 <u>16.29</u>	\$ 9.84 <u>10.26</u>
1000 Watts	\$ 41.39 <u>39.49</u>	\$ 20.83 <u>21.33</u>	\$ 14.17 <u>13.43</u>
1500 Watts	\$ 59.64 <u>64.62</u>	\$ 30.80 <u>34.90</u>	\$ 20.47 <u>1.98</u>

(c) ~~At the discretion of Tacoma Power, all lamps not listed above may be charged the following equivalent rate:~~ Energy charge for lamp installations ~~not listed in the above tabulations shall be~~ at the rate of \$~~36.92~~35.90, \$~~18.81~~19.39, and \$~~12.35~~12.21 per month per kilowatt of total connected load for Continuous, Dusk to Dawn, and Dusk to 2:20 a.m. lamps, respectively.

2. Traffic Control Units (Unmetered):

(a)

Unit Type		Energy Charge Per Unit
(1)	Red - Amber - Green	
	Controllers	\$2. 04 <u>2.29</u>
	Heads	\$2. 72 <u>3.47</u>
(2)	Flashing	
	Controllers	\$0. 63 <u>1.15</u>
	Heads	\$1. 61 <u>1.73</u>

(1) Incandescent Lamps:

Unit Type	Energy Charge Per Unit					
	Red	Amber	Green	Flashing	Walk	Wait
8 Inch Bulb	\$1.07 <u>1.91</u>	\$0.10	\$0.78 <u>1.46</u>	\$0.99 <u>1.73</u>		
12 Inch Bulb	\$2.61 <u>4.66</u>	\$0.24 <u>25</u>	\$1.91 <u>3.56</u>	\$2.37 <u>4.23</u>		
Pedestrian Head					\$0.39 <u>1.73</u>	\$1.56 <u>73</u>

(2) Light Emitting Diodes (LED) Lamps:

Unit Type	Energy Charge Per Unit					
	Red	Amber	Green	Flashing	Walk	Wait
8 Inch LED	\$0.16 <u>0.23</u>	\$0.02	\$0.08 <u>0.15</u>	\$0.15 <u>0.21</u>		
12 Inch LED	\$0.22 <u>0.36</u>	\$0.03 <u>02</u>	\$0.47 <u>30</u>	\$0.49 <u>32</u>		
Pedestrian Head					\$0.06 <u>21</u>	\$0.34 <u>21</u>

(3) Neon Lamps:

Unit Type	Energy Charge Per Unit	
	Walk	Wait
Pedestrian Head	\$0.19 <u>7</u>	\$0.74 <u>67</u>

(4) Controllers:

Unit Type	Energy Charge Per Unit
Traffic	\$2.04 <u>2.29</u>
Flashing	\$0.63 <u>1.15</u>

(5) All lamps or controllers not listed above: Energy charge for lamp or controller installations not listed in the above tabulations shall be calculated by multiplying the unit wattage (in kW) x 730 hours x percent active x ~~\$0.045230~~050993 per kWh per month.

3. Street Lighting and Traffic Control Units (Metered): The sum of the following energy, delivery and customer charges:

- (a) Energy: All energy measured in kilowatt-hours at ~~\$0.0329220~~034278 per kWh.
- (b) Delivery: All energy delivered in kilowatt-hours at ~~\$0.0117900~~013281 per kWh.
- (c) Customer Charge: ~~\$6.228~~.10 per month or any fraction thereof.

C. Service Conditions. Applicable provisions of the Tacoma Municipal Code, General Provisions, and Customer Service Policies governing the sale of electric energy shall apply.

12.06.295 Street Lighting Service – Schedule H-3. Effective April 16, 2017, through March 31, 2018.

A. For the purpose of this section, the following definitions apply:

- 1. “Jurisdiction” shall mean a city, town, county, or other political subdivision of the state of Washington within the Tacoma Power service territory.
- 2. “Service Point” shall have the same meaning as defined in the Tacoma Power Customer Service Policies (as authorized under TMC 12.06.330), which is the point where the customer’s service conductors are connected to Tacoma Power’s service utility conductors.
- 3. “Street Lighting Service” shall mean lighting service supplied by Tacoma Power, where Tacoma Power owns the streetlight fixtures and provides power to the Service Point during the duration of the service.

4. “Capital Recovery Period” shall mean the time period over which Tacoma Power will levy a charge equal to the amortized value of the investment cost for the streetlight fixtures. Unless an alternative time period is mutually determined in writing between Tacoma Power and the Jurisdiction, this period will be 15 years. Streetlight fixtures remain the property of Tacoma Power after the Capital Recovery Period unless a Transfer of Ownership Charge has been paid.

5. “Transfer of Ownership Charge” shall mean a charge levied when an unamortized balance remains and the Jurisdiction requests ownership of the fixtures. The charge is determined by costs of equipment, installation, Capital Recovery Period, and Utility Financing Cost minus payments made to date for the specific fixtures.

6. “Termination Charge” shall mean a charge levied when an unamortized balance remains and the Jurisdiction requests termination of Street Lighting Service. The charge is determined by costs of equipment, installation, removal, disposal, Capital Recovery Period, and Utility Financing Cost minus payments made to date for the specific fixtures.

7. “Utility Financing Cost” shall mean the current cost of capital financing to Tacoma Power, as determined solely by Tacoma Power.

B. Schedule H-3 Availability.

1. To qualify for Street Lighting Service under the Schedule H-3, the Jurisdiction must agree to convert a minimum of 300 Jurisdiction streetlights.

2. For service under Schedule H-3, a Jurisdiction must submit a request in writing to Tacoma Power. Tacoma Power reserves the right to delay provision of service under Schedule H-3 for up to two years after the request date.

C. Service Conditions.

1. Monthly Rate: Rates stated herein are charged per fixture installed.

2. Streetlight Fixtures: Streetlight fixtures provided under the Schedule H-3 are owned by Tacoma Power unless the Transfer of Ownership provisions in this section are completed. Under the Schedule H-3, Tacoma Power will provide replacement streetlight fixtures as fixtures become inoperable.

3. Transfer of Ownership: A Jurisdiction may request in writing to purchase and transfer the ownership of and responsibility for a portion or all of a Jurisdiction’s streetlight fixtures under this Schedule H-3 at any time. Transfer of ownership shall occur after the Jurisdiction has paid a Transfer of Ownership Charge. Until the Transfer of Ownership Charge payment is received by Tacoma Power, the Jurisdiction will be billed and must pay for service under the Schedule H-3. After transfer of ownership, service will be billed under the Schedule H-1 for non-Tacoma Power owned streetlight fixtures.

4. Termination: A Jurisdiction may request in writing to terminate Schedule H-3 Street Lighting Service for a portion or all of Tacoma Power owned streetlight fixtures at any time. In the event of termination, the Jurisdiction shall pay the Termination Charge. Until the Termination Charge payment is received by Tacoma Power, the Jurisdiction will be billed and must pay for service under the Schedule H-3.

5. Fixture Specifications: Tacoma Power will provide fixtures that meet the Jurisdiction Traffic Engineer’s specifications. Tacoma Power may solicit input from the Jurisdiction on other fixture features, requirements, and options but retains final authority for fixture selection and purchase. Tacoma Power will purchase only such lighting fixture options as are directly related to Street Lighting Service. Non-streetlight related options that are determined by Tacoma Power to be compatible with the streetlight fixture are allowed. The Jurisdiction will be solely responsible for installation, operation, maintenance, and all costs associated with non-streetlight related options. The Jurisdiction shall notify Tacoma Power of the type, quantity, location, and energy requirements of all non-streetlight related options installed.

6. Liability: The Jurisdiction is wholly responsible for all illumination engineering to meet roadway lighting specifications and the operation of all non-streetlight related options. By accepting Street Lighting Service under Schedule H-3, the Jurisdiction agrees to hold Tacoma Power harmless from any claim for damages associated with the streetlight fixtures provided under this Schedule H-3.

7. Installation: Tacoma Power may authorize the Jurisdiction to install some or all streetlight fixtures covered under this Schedule H-3. If the Jurisdiction elects to perform such installations, the cost shall be at the expense of the Jurisdiction.

8. Service Point: Schedule H-3 will be available to provide Street Lighting Service to customer Service Points with existing streetlight fixtures only.

9. Poles and Circuits: The Jurisdiction that owns the poles and circuits associated with light service under Schedule H-3 shall be responsible for the appropriate maintenance of said poles and circuits. The Jurisdiction is responsible for the safe operation of the poles, circuits, and light fixtures. Tacoma Power reserves the right to refuse or discontinue service under Schedule H-3 if Tacoma Power determines a pole or circuit is inadequate to provide safe Street Lighting Service. In the event a Schedule H-3 streetlight fixture must be discontinued due to an unsafe condition, the Jurisdiction shall remedy the condition immediately or follow the Termination provision above.

10. Maintenance and Repair: The Jurisdiction is responsible for performing, at its sole expense, all maintenance and repair activities associated with the streetlight fixture provided by Tacoma Power under this Schedule H-3. Maintenance and repair includes, but is not limited to, labor and equipment. In the event a Schedule H-3 streetlight fixture fails, the Jurisdiction shall return the failed streetlight fixture to Tacoma Power for replacement. If the Jurisdiction damages a streetlight fixture while performing maintenance, the Jurisdiction will be responsible for the cost to repair or replace the streetlight fixture.

11. Energy: Tacoma Power will provide energy for the streetlight fixture up to the Jurisdiction provided Service Point.

12. Additional Rules: Applicable provisions of the Tacoma Municipal Code, General Provisions, and Customer Service Policies governing the sale of electric energy shall apply.

D. Monthly Rates: The sum of the following energy and capital recovery charges:

1. Energy: Energy charge for lamp installations shall be at the rate of \$35.90, \$19.39, and \$12.21 per month per kilowatt of total connected load for Continuous, Dusk to Dawn, and Dusk to 2:20 a.m. lamps, respectively.

2. Capital Recovery Charge: For the biennium during which the fixtures shall be installed, the Capital Recovery Charge shall be calculated as follows:

(a) The monthly amount required to achieve full expense recovery from the Jurisdiction over the Capital Recovery Period shall be a net present value calculation based on the Utility Financing Cost and estimated installation cost.

(b) The amount calculated in a) shall be multiplied by the number of months in the rate period.

(c) The amount in b) shall be divided by the estimated number of fixture-months to be billed during the rate period.

Accounting records shall be kept that record the differences between actual and estimated installation cost, and actual and estimated fixture-months billed. For biennia subsequent to that in which the fixtures are installed, the Capital Recovery Charge shall be calculated as follows:

(a) The amount required to be recovered from the Jurisdiction each month of the Capital Recovery Period shall be a net present value calculation based on the Utility Financing Cost and actual installation cost.

(b) The amount calculated in (a) shall be multiplied by the number of months in the rate period.

(c) The amount in (b) shall be divided by the estimated number of fixture-months to be billed during the rate period.

(d) The amount in (c) shall be adjusted to reflect in difference between actual and estimated expenses and recoveries during the biennium during which the fixtures were installed.

* * *

12.06.300 Private off-street lighting service – Schedule H-2. Effective April 16, 2017~~5~~, through March 31, 2018.

A. Availability. Available for ~~high pressure sodium~~ outdoor lighting service along private street and roadways, over parking lots, and for general area lighting of private property, but excluding public streets within the City of Tacoma.

B. Character of Service.

1. Lighting under this schedule shall be limited to the hours of darkness when street and highway lights are normally in use. The hours of use shall be regulated by a photoelectric control.

2. Tacoma Power will install, own, and maintain the equipment.

3. Energy will be provided on an unmetered basis.

C. Monthly Rate.

1. High Pressure Sodium Lamps:

Lamp Rating (Watts/Lamp)	Type	Rental Charge
100-Watt	Sodium Vapor	\$12.95
200-Watt	Sodium Vapor	\$16.43
400-Watt	Sodium Vapor	\$26.28 <u>\$30.44</u>

2. All Other Lamps:

<u>Lamp Rating (Watts- Equivalent/Lamp)</u>	<u>Rental Charge</u>
<u>0-200 Watt Equivalent</u>	<u>\$14.69</u>
<u>201-400 Watt Equivalent</u>	<u>\$30.44</u>
<u>401-800 Watt Equivalent</u>	<u>\$46.19</u>
<u>801-1000 Watt Equivalent</u>	<u>\$61.94</u>
<u>1001-1500 Watt Equivalent</u>	<u>\$77.69</u>

~~All lamps not listed above: Energy charge for lamp installations not listed in the above tabulations shall be at the rate of \$36.92, \$18.81, and \$12.35 per month per kilowatt of total connected load for Continuous, Dusk to Dawn, and Dusk to 2:20 a.m. lamps, respectively.~~

~~3. Additional Equipment: Fixtures will be installed on existing poles. However, additional poles, wires, and accessories required for a lighting installation may be installed at applicant expense. will be charged for in addition to the "Rental Charge." A maximum of three poles will be allowed at a cost of \$624.23 per pole. Ancillary materials will be an additional expense. The customer shall pay the entire installation cost prior to installation. on any one installation. The customer shall pay the entire installation cost of \$624.23 per pole at the time of installation.~~

4. For customers billed under low-income senior and/or low-income disabled discount residential service, Rate Schedule A-2, a discount will be provided by reducing the monthly bill by 30 percent.

D. Service Conditions. Applicable provisions of the Tacoma Municipal Code, General Provisions, and Customer Service Policies governing the sale of electric energy shall apply.

12.06.370 Renewable Energy Program.

A. Availability. Available to all customers taking permanent retail metered service to purchase qualified alternative energy resources to purchase on a voluntary basis.

B. Applicability. In compliance with RCW 19.29A.090, Tacoma Power is offering its customers the option to purchase Tacoma Power supplied renewable energy credits. Customer participation is strictly on a voluntary basis. Customers may voluntarily begin or terminate their participation at any time by notifying Tacoma Power of their choice.

C. Rate. The Renewable Energy Premium per kWh of renewable energy purchased under this rate schedule is:

Renewable Energy Premium: \$0.012000 per kWh

D. General Provisions. Base rates and other terms of electric service shall be governed by the rate schedule under which the customer takes primary services. This Renewable Energy Premium rate does not include electric service or electric power. Charges specified under this Renewable Energy Premium Rate Schedule are in addition to the charges specified in the rate schedule under which the customer takes its primary electricity service. The voluntary Renewable Energy program payments, less the costs of program administration, marketing, and renewable energy education, ("Net Renewable Energy Program Revenue"), will be used to purchase qualified alternative energy resources. Subject to the provisions of the ordinances authorizing issuance of Tacoma Power revenue obligations, Tacoma Power shall make available from its budgeted funds, for the purchase or development of new qualified alternative energy resources, an amount equal to the Net Renewable Energy Program Revenue allocated to existing Tacoma Power qualified alternative energy resources.

EXHIBIT “B”
Effective April 1, 2018

Chapter 12.06
ELECTRIC ENERGY – REGULATIONS AND RATES

Sections:

- 12.06.010 General application.
- 12.06.020 Definitions.
- 12.06.030 Available voltages.
- 12.06.040 Application for service and contract.
- 12.06.050 Inspection.
- 12.06.060 Equipment and wires.
- 12.06.070 Rearranging lines or equipment.
- 12.06.080 Metering.
- 12.06.090 Connected load.
- 12.06.100 Deposits and connection charges.
- 12.06.110 Billing - Payment of bills and delinquency.
- 12.06.115 Disconnection of electric service.
- 12.06.120 Resale of electric energy prohibited.
- 12.06.130 Diversion of current.
- 12.06.140 Tampering and injury to City equipment.
- 12.06.150 City not liable for damages.
- 12.06.160 Residential service – Schedule A-1. Effective April ~~16, 2017, through March 31~~, 2018.
- 12.06.165 Low-income/senior and/or low-income/disabled discount residential service - Schedule A-2.
- 12.06.170 Small general service – Schedule B. Effective April ~~16, 2017, through March 31~~, 2018.
- 12.06.180 *Repealed.*
- 12.06.190 *Repealed.*
- 12.06.210 *Repealed.*
- 12.06.215 General service – Schedule G. Effective April ~~16, 2017, through March 31~~, 2018.
- 12.06.220 *Repealed.*
- 12.06.225 High voltage general service – Schedule HVG. Effective April ~~16, 2017, through March 31~~, 2018.
- 12.06.240 *Repealed.*
- 12.06.250 *Repealed.*
- 12.06.260 Contract industrial service – Schedule CP. Effective April ~~16, 2017, through March 31~~, 2018.
- 12.06.270 *Repealed.*
- 12.06.280 *Repealed.*
- 12.06.290 Street lighting and traffic signal service – Schedule H-1. Effective April ~~16, 2017, through March 31~~, 2018.
- 12.06.295 Street lighting service – Schedule H-3. Effective April ~~16, 2017, through March 31~~, 2018.
- 12.06.300 Private off-street lighting service – Schedule H-2. Effective April ~~16, 2017, through March 31~~, 2018.
- 12.06.310 Power factor provisions - Schedule P.
- 12.06.314 Tax credit - Schedule TC.
- 12.06.315 *Repealed.*
- 12.06.317 *Repealed.*
- 12.06.318 *Repealed.*
- 12.06.320 Additional rules may be made by director.
- 12.06.330 Customer service policies - Additional rules and regulations.
- 12.06.340 Violations - Penalties - Enforcement.
- 12.06.350 Severability.
- 12.06.360 *Repealed.*
- 12.06.370 Renewable Energy Program.

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12.06.160 Residential service – Schedule A-1. Effective April 16, 2017, through March 31, 2018.

A. Availability. Available for domestic purposes in residences, apartments, duplex houses and multiple family dwellings.

B. Applicability. To single residences, individually metered apartments and per apartment for collectively metered apartments.

C. Monthly Rate. The sum of the following energy, delivery and customer charges:

1. Energy: All energy measured in kilowatt-hours at \$0.~~042437~~045351 per kWh.

2. Delivery: All energy delivered in kilowatt-hours at \$0.034435 per kWh.

3. Customer Charge: \$~~1316.50~~ per month, or any fraction thereof, for all but collectively metered apartments; \$~~1+003.50~~ per month, or any fraction thereof, for collectively metered apartments.

4. Exceptions:

(a) Within the City of Fife:

(1) Energy: All energy measured in kilowatt-hours at \$0.~~042437~~045351 per kWh.

(2) Delivery: All energy delivered in kilowatt-hours at \$0.034435 per kWh.

(3) Customer Charge: \$~~13506.50~~ per month, or any fraction thereof, for all but collectively metered apartments; \$~~1+003.50~~ per month, or any fraction thereof, for collectively metered apartments.

(b) Within the City of Fircrest:

(1) Energy: All energy measured in kilowatt-hours at \$0.~~042437~~045351 per kWh.

(2) Delivery: All energy delivered in kilowatt-hours at \$0.034435 per kWh.

(3) Customer Charge: \$~~1316.50~~ per month, or any fraction thereof, for all but collectively metered apartments; \$~~1+003.50~~ per month, or any fraction thereof, for collectively metered apartments.

(c) Within the City of Lakewood:

(1) Energy: All energy measured in kilowatt-hours at \$0.~~042437~~045351 per kWh.

(2) Delivery: All energy delivered in kilowatt-hours at \$0.034435 per kWh.

(3) Customer Charge: \$~~1316.50~~ per month, or any fraction thereof, for all but collectively metered apartments; \$~~1+03.50~~ per month, or any fraction thereof, for collectively metered apartments.

(d) Within the City of Steilacoom:

(1) Energy: All energy measured in kilowatt-hours at \$0.~~042437~~045351 per kWh.

(2) Delivery: All energy delivered in kilowatt-hours at \$0.034435 per kWh.

(3) Customer Charge: \$~~1316.50~~ per month, or any fraction thereof, for all but collectively metered apartments; \$~~1+03.50~~ per month, or any fraction thereof, for collectively metered apartments.

(e) Within the City of University Place:

(1) Energy: All energy measured in kilowatt-hours at \$0.~~042437~~045351 per kWh.

(2) Delivery: All energy delivered in kilowatt-hours at \$0.034435 per kWh.

(3) Customer Charge: \$~~1316.50~~ per month, or any fraction thereof, for all but collectively metered apartments; \$~~1+003.50~~ per month, or any fraction thereof, for collectively metered apartments.

D. Service Conditions.

1. Where load conditions warrant, three-phase electric service may be made available by prior written agreement.

2. Applicable provisions of the Tacoma Municipal Code, General Provisions, and Customer Service Policies governing the sale of electric energy shall apply.

* * *

12.06.170 Small general service – Schedule B. Effective April 16, 2017, through March 31, 2018.

A. Availability. For nonresidential lighting, heating, and incidental power uses where a demand meter may be installed. Also for nonresidential incidental power uses where a meter is not installed. The customer's actual demand as determined by Tacoma Power may not exceed 50 kilovolt amperes or total connected load as estimated by Tacoma Power may not exceed 65 kilowatts upon initial service energization.

B. Monthly Rate. The sum of the following energy, delivery and customer charges:

1. Energy: All energy measured in kilowatt-hours at \$0.043549044616 per kWh.

2. Delivery: All energy delivered in kilowatt-hours at \$0.034587 per kWh.

3. Customer Charge: \$20.7522.50 per month or any fraction thereof for all but unmetered services; \$16.4017.50 per month or any fraction thereof for unmetered services.

4. Exceptions:

(a) Within the City of Fife:

(1) Energy: All energy measured in kilowatt-hours at \$0.043549044616 per kWh.

(2) Delivery: All energy delivered in kilowatt-hours at \$0.034587 per kWh.

(3) Customer Charge: \$20.7522.50 per month or any fraction thereof for all but unmetered services; \$16.4017.50 per month or any fraction thereof for unmetered services.

(b) Within the City of Fircrest:

(1) Energy: All energy measured in kilowatt-hours at \$0.043549044616 per kWh.

(2) Delivery: All energy delivered in kilowatt-hours at \$0.034587 per kWh.

(3) Customer Charge: \$20.7522.50 per month or any fraction thereof for all but unmetered services; \$16.4017.50 per month or any fraction thereof for unmetered services.

(c) Within the City of Lakewood:

(1) Energy: All energy measured in kilowatt-hours at \$0.043549044616 per kWh.

(2) Delivery: All energy delivered in kilowatt-hours at \$0.034587 per kWh.

(3) Customer Charge: \$20.7522.50 per month or any fraction thereof for all but unmetered services; \$16.4017.50 per month or any fraction thereof for unmetered services.

(d) Within the City of Steilacoom:

(1) Energy: All energy measured in kilowatt-hours at \$0.043549044616 per kWh.

(2) Delivery: All energy delivered in kilowatt-hours at \$0.034587 per kWh.

(3) Customer Charge: \$20.7522.50 per month or any fraction thereof for all but unmetered services; \$16.4017.50 per month or any fraction thereof for unmetered services.

(e) Within the City of University Place:

(1) Energy: All energy measured in kilowatt-hours at \$0.043549044616 per kWh.

(2) Delivery: All energy delivered in kilowatt-hours at \$0.034587 per kWh.

(3) Customer Charge: \$20.7522.50 per month or any fraction thereof for all but unmetered services; \$16.4017.50 per month or any fraction thereof for unmetered services.

C. Service Conditions.

1. The maximum allowable total connected motor rating is 7.5 horsepower (5.6 kilowatts) exclusive of motors of 1/4 horsepower and under for standard plug-in applications.
2. At the option of Tacoma Power, a customer may be transferred to a demand metered rate if the customer's actual demand has exceeded 50 kilovolt amperes at least three times in the prior 24-month period.
3. Power factor provision applicable.
4. Applicable provisions of the Tacoma Municipal Code, General Provisions, and Customer Service Policies governing the sale of electric energy shall apply.

* * *

12.06.215 General service – Schedule G. Effective April 16, 2017, thru March 31, 2018.

A. Availability. For general power use where a demand meter is installed, for standby capacity to customers generating all or a part of their electric power requirements, and for intermittent use. The customer's actual demand as determined by Tacoma Power must exceed 50 kilovolt amperes or total connected load as estimated by Tacoma Power must exceed 65 kilowatts upon initial service energization.

For customers providing all their own transformation from Tacoma Power's distribution system voltage, a discount for transformer investment and maintenance will be provided by reducing the monthly bill by 0.8 percent. For customers metered on the primary side of a transformer, a discount for transformer losses will be provided by reducing the monthly bill by 1 percent. These discount percentages are additive, and not compounded.

B. Monthly Rate. The sum of the following energy, delivery, and customer charges:

1. Energy: All energy measured in kilowatt-hours at \$0.~~042964~~044813 per kWh.
2. Delivery: All kilowatts of Billing Demand delivered at ~~\$7.918.35~~ per kW.
3. Customer Charge: ~~\$63.0076.00~~ per month or any fraction thereof.

4. Exceptions:

(a) Within the City of Fife:

- (1) Energy: All energy measured in kilowatt-hours at \$0.~~042964~~044813 per kWh.
- (2) Delivery: All kilowatts of Billing Demand delivered at ~~\$7.918.35~~ per kW.
- (3) Customer Charge: ~~\$63.0076.00~~ per month or any fraction thereof.

(b) Within the City of Fircrest:

- (1) Energy: All energy measured in kilowatt-hours at \$0.~~042964~~044813 per kWh.
- (2) Delivery: All kilowatts of Billing Demand delivered at ~~\$7.918.35~~ per kW.
- (3) Customer Charge: ~~\$63.0076.00~~ per month or any fraction thereof.

(c) Within the City of Lakewood:

- (1) Energy: All energy measured in kilowatt-hours at \$0.~~042964~~044813 per kWh.
- (2) Delivery: All kilowatts of Billing Demand delivered at ~~\$7.918.35~~ per kW.
- (3) Customer Charge: ~~\$63.0076.00~~ per month or any fraction thereof.

(d) Within the City of Steilacoom:

- (1) Energy: All energy measured in kilowatt-hours at \$0.~~042964~~044813 per kWh.
- (2) Delivery: All kilowatts of Billing Demand delivered at ~~\$7.918.35~~ per kW.
- (3) Customer Charge: ~~\$63.0076.00~~ per month or any fraction thereof.

(e) Within the City of University Place:

(1) Energy: All energy measured in kilowatt-hours at \$0.~~042964~~~~044813~~ per kWh.

(2) Delivery: All Kilowatts of Billing Demand delivered at \$~~7.91~~~~8.35~~ per kW.

(3) Customer Charge: \$~~63.00~~~~76.00~~ per month or any fraction thereof.

C. Billing Demand. Determined by means of a demand meter, 30-minute interval, reset monthly. The Billing Demand shall be the highest of:

1. The highest measured demand for the month adjusted for power factor;
2. 60 percent of the highest measured demand occurring during any of the preceding 11 months after adjustment for power factor; or
3. 100 percent of the standby capacity.

For purposes of the determination of Billing Demand in subsection 2 above, the 11 months of history shall be carried forward from the customer's previous account(s).

D. Standby Capacity. That amount of power requested by written application or estimated by the Director to be made continuously available for exclusive use of the customer.

E. Service Conditions.

1. At the option of Tacoma Power, primary metering may be installed where the service transformers aggregate 500 kVA or more.
2. At the option of Tacoma Power, a customer may be transferred to a non-demand metered rate if the customer's actual demand has not exceeded 50 kilovolt amperes in the prior 24-month period.
3. Power factor provision applicable.
4. Applicable provisions of the Tacoma Municipal Code, General Provisions, and Customer Service Policies governing the sale of electric energy shall apply.

* * *

12.06.225 High voltage general service – Schedule HVG. Effective April 16, 2017, thru March 31, 2018.

A. Availability. For general power use where a demand meter is installed and where a customer served does not require the use of Tacoma Power's distribution facilities other than substation transformation. Customers over 8 Megawatts who do not have a Power Service Agreement (Contract) with Tacoma Power will take service under TMC 12.06.215 General Service. A Power Service Agreement (Contract) with Tacoma Power is required for customers who begin taking service under TMC 12.06.225 High voltage general service after April 16, 2017. For customers who provide all of their own transformation from Tacoma Power's transmission system voltage, a credit of 24.00 percent will be applicable to the delivery charge.

High voltage general service customers shall be billed the following rates under Subsection 12.06.225.B (a two-step rate increase effective April 16, 2017 and April 1, 2018) unless the Customer files by April 21, 2017, a written notice in a form approved by Tacoma Power that irrevocably elects to be billed under the alternative rates under Subsection 12.06.225.C (a one-step rate increase effective April 16, 2017 with a second default rate increase effective April 1, 2019, unless superseded prior to the effective date).

B. Monthly Rate: The sum of the following energy, delivery and customer charges:

1. Energy: All energy measured in kilowatt-hours at \$0.~~038295~~~~041691~~ per kWh.
2. Delivery: All kilowatts of Billing Demand delivered at \$~~4.51~~~~4.75~~ per kW.
3. Customer Charge: \$~~850.00~~~~1,490.00~~ per month or any fraction thereof.

4. Exceptions:

(a) Within the City of Fife:

- (1) Energy: All energy measured in kilowatt-hours at \$0.~~038295~~~~041691~~ per kWh.

(2) Delivery: All kilowatts of Billing Demand delivered at \$~~4.514.75~~ per kW.

(3) Customer Charge: \$~~850.00~~1,490.00 per month or any fraction thereof.

(b) Within the City of Fircrest:

(1) Energy: All energy measured in kilowatt-hours at \$0.~~038295~~041691 per kWh.

(2) Delivery: All kilowatts of Billing Demand delivered at \$~~4.514.75~~ per kW.

(3) Customer Charge: \$~~850.00~~1,490.00 per month or any fraction thereof.

(c) Within the City of Lakewood:

(1) Energy: All energy measured in kilowatt-hours at \$0.~~038295~~041691 per kWh.

(2) Delivery: All kilowatts of Billing Demand delivered at \$~~4.514.75~~ per kW.

(3) Customer Charge: \$~~850.00~~1,490.00 per month or any fraction thereof.

(d) Within the City of Steilacoom:

(1) Energy: All energy measured in kilowatt-hours at \$0.~~038295~~041691 per kWh.

(2) Delivery: All kilowatts of Billing Demand delivered at \$~~4.514.75~~ per kW.

(3) Customer Charge: \$~~850.00~~1,490.00 per month or any fraction thereof.

(e) Within the City of University Place:

(1) Energy: All energy measured in kilowatt-hours at \$0.~~038295~~041691 per kWh.

(2) Delivery: All kilowatts of Billing Demand delivered at \$~~4.514.75~~ per kW.

(3) Customer Charge: \$~~850.00~~1,490.00 per month or any fraction thereof.

C. Monthly Rate (a one-step rate increase effective April 1, 2017, with a second default rate increase effective April 1, 2019, unless superseded prior to the effective date).

	Effective 4/16/17	Effective 4/1/19 unless superseded prior to effective date
Energy	\$0.039987	\$0.041691
Delivery	\$4.63	\$4.75
Customer Charge	\$1,175.00	\$1,490.00
Exceptions:		
<u>Within the City of Fife</u>		
Energy	\$0.039987	\$0.041691
Delivery	\$4.63	\$4.75
Customer Charge	\$1,175.00	\$1,490.00
<u>Within the City of Fircrest</u>		
Energy	\$0.039987	\$0.041691
Delivery	\$4.63	\$4.75
Customer Charge	\$1,175.00	\$1,490.00

<u>Within the City of Lakewood</u>		
Energy	\$0.039987	\$0.041691
Delivery	\$4.63	\$4.75
Customer Charge	\$1,175.00	\$1,490.00
<u>Within the City of Steilacoom</u>		
Energy	\$0.039987	\$0.041691
Delivery	\$4.63	\$4.75
Customer Charge	\$1,175.00	\$1,490.00
<u>Within the City of University Place</u>		
Energy	\$0.039987	\$0.041691
Delivery	\$4.63	\$4.75
Customer Charge	\$1,175.00	\$1,490.00

D. Billing Demand. Determined by means of a demand meter, 30-minute interval, reset monthly. The billing demand shall be the higher of:

1. The highest measured demand for the month adjusted for power factor, or
2. 60 percent of the highest measured demand occurring during any of the preceding 11 months after adjustment for power factor.

For purposes of the determination of Billing Demand in subsection 2 above, the 11 months of history shall be carried forward from the customer's previous account(s).

E. Service Conditions.

1. Power factor provision applicable.
2. Applicable provisions of the Tacoma Municipal Code, General Provisions, and Customer Service Policies governing the sale of electric energy shall apply.

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12.06.260 Contract industrial service – Schedule CP. Effective April 16, 2017, thru March 31, 2018.

A. Availability. For major industrial power use upon the execution of a written Power Service Agreement (Contract) with Tacoma Power, which shall require among other conditions:

1. A minimum Contract Demand (as set forth in the Contract) of not less than 8,000 kilowatts;
2. Delivery of power at one primary voltage;
3. Metering at primary voltage but in no case at less than nominal 4,160 volts;
4. Power factor adjustment to 95 percent lagging or better; and
5. Service is subject to curtailment and certain notice provisions are applicable.

B. Monthly Rate. The sum of the following power service, delivery, customer and other charges:

1. Power Service Charges:

(a) Energy: All Contract Energy (as set forth in the Contract) measured in kilowatt-hours at \$0.~~030675~~033038 per kWh.

(b) Demand: All kilowatts of Billing Demand delivered at \$4.33 per kW.

(c) Minimum Charge: The Demand Charge.

(d) Contract Energy Overrun: All energy measured in excess of the Contract Energy (as set forth in the Contract) is subject to a Contract Energy Overrun charge, pursuant to the following formula:

Contract Energy Overrun Charge =
(MWh + Losses) x (THI + Tx) x 120%.

Where: MWh = the aggregate MWh over the day the customer's total measured daily load was above the Contract Energy amount; Losses = MWh x 1.9%; THI = the highest hourly price observed on the Tacoma Hourly Index within the day of overrun; Tx = applicable BPA or successor organization, transmission rate in \$ per MWh.

(e) Contract Demand Overrun: A Contract Demand Overrun charge shall be imposed when the total measured demand (highest 30-minute integrated demand) exceeds the Contract Demand (as set forth in the Contract). Said charge is pursuant to the following formula:

Contract Demand Overrun Charge =
MW x 300% x DC

Where: MW = MW of metered Demand in excess of the Contract Demand; DC = Demand Charge.

2. Delivery: All kilowatts of Billing Demand delivered at \$4.00 per kW.

3. Customer Charge: ~~\$1,870.00~~2,980.00 per month or any fraction thereof.

4. Exceptions:

(a) Within the City of Fife:

(1) Power Service Charges:

(i) Energy: All Contract Energy (as set forth in the Contract) measured in kilowatt-hours at ~~\$0.030675~~0.033038 per kWh.

(ii) Demand: All kilowatts of Billing Demand delivered at \$4.33 per kW.

(iii) Minimum Charge: The Demand Charge.

(iv) Contract Energy Overrun: All energy measured in excess of the Contract Energy (as set forth in the Contract) is subject to a Contract Energy Overrun charge, pursuant to the following formula:

Contract Energy Overrun Charge =
(MWh + Losses) x (THI + Tx) x 124.1319%

Where: MWh = the aggregate MWh over the day the customer's total measured daily load was above the Contract Energy amount; Losses = MWh x 1.9%; THI = the highest hourly price observed on the Tacoma Hourly Index within the day of overrun; Tx = applicable BPA or successor organization, transmission rate in \$ per MWh.

(v) Contract Demand Overrun: A Contract Demand Overrun charge shall be imposed when the total measured demand (highest 30-minute integrated demand) exceeds the Contract Demand (as set forth in the Contract). Said charge is pursuant to the following formula:

Contract Demand Overrun Charge =
MW x 300% x DC

Where: MW = MW of metered Demand in excess of the Contract Demand; DC = Demand Charge.

(2) Delivery: All kilowatts of Billing Demand delivered at \$4.00 per kW.

(3) Customer Charge: ~~\$1,870~~2,980.00 per month or any fraction thereof.

C. Billing Demand. Determined by means of a demand meter, 30-minute interval, reset monthly.

1. The Billing Demand shall be the highest of:

(a) The highest measured demand for the month, adjusted for power factor;

(b) 60 percent of the highest measured demand occurring during any of the preceding 11 months after adjustment for power factor;

- (c) A demand level equal to the Contract Energy, in average megawatt (as set forth in the Contract); or
- (d) 60 percent of the highest Contract Demand (as set forth in the Contract) during any of the preceding 11 months.

D. Service Conditions.

- 1. Power factor provision applicable; and
- 2. Applicable provisions of the Tacoma Municipal Code, General Provisions, and Customer Service Policies governing the sale of electric energy and delivery services shall apply.

* * *

12.06.290 Street lighting and traffic signal service – Schedule H-1. Effective April 16, 2017 thru March 31, 2018.

A. Availability: Available for:

- 1. Public street lighting service where the lighting system is in operation during hours of darkness and where the street light system and equipment is owned by the customer, or there have been other suitable prior written arrangements agreed to by Tacoma Power and the applicant; and
- 2. Traffic controllers, signal lights, warning lights, danger lights, pedestrian lights and similar uses, where the traffic control system and equipment is owned and maintained by the customer.

B. Monthly Rate: Rates stated herein are for (1) unmetered installations [items 1 and 2] where charges are per fixture and shall be applied to the number of installed units on the system as determined by Tacoma Power at the time the billing is rendered, and (2) metered installations [item 3].

1. Street Lighting Units (Unmetered):

(a) Incandescent Lamps:

Nominal Wattage	Energy Charge Per Unit
Up to 150 Watts	\$2.91 <u>3.10</u>
151-220 Watts	\$4.27 <u>4.55</u>
221-320 Watts	\$6.20 <u>6.61</u>
321-520 Watts	\$10.08 <u>10.74</u>
521 & Over Watts	\$15.90 <u>16.94</u>

(b) High Intensity Discharge Lamps:

Energy Charge Per Unit			
Nominal Wattage	Continuous	Dusk to Dawn	Dusk to 2:20 a.m.
50 Watts	\$2.30 <u>\$2.15</u>	\$1.24 <u>\$1.16</u>	\$0.78 <u>\$0.73</u>
70 Watts	\$3.21 <u>\$3.02</u>	\$1.74 <u>\$1.63</u>	\$1.09 <u>\$1.03</u>
100 Watts	\$4.59 <u>\$4.31</u>	\$2.48 <u>\$2.33</u>	\$1.56 <u>\$1.47</u>
150 Watts	\$6.89 <u>\$6.46</u>	\$3.72 <u>\$3.49</u>	\$2.34 <u>\$2.20</u>
175 Watts	\$8.03 <u>\$7.54</u>	\$4.34 <u>\$4.07</u>	\$2.73 <u>\$2.56</u>
200 Watts	\$9.18 <u>\$8.62</u>	\$4.96 <u>\$4.65</u>	\$3.12 <u>\$2.93</u>
250 Watts	\$11.48 <u>\$10.77</u>	\$6.20 <u>\$5.82</u>	\$3.90 <u>\$3.66</u>
310 Watts	\$14.23 <u>\$13.35</u>	\$7.69 <u>\$7.21</u>	\$4.84 <u>\$4.54</u>
400 Watts	\$18.36 <u>\$17.23</u>	\$9.92 <u>\$9.31</u>	\$6.24 <u>\$5.86</u>
700 Watts	\$32.13 <u>\$30.16</u>	\$17.35 <u>\$16.29</u>	\$10.93 <u>\$10.26</u>
1000 Watts	\$42.08 <u>\$39.49</u>	\$22.73 <u>\$21.33</u>	\$14.31 <u>\$13.43</u>
1500 Watts	\$68.85 <u>\$64.62</u>	\$37.19 <u>\$34.90</u>	\$23.42 <u>\$21.98</u>

(c) At the discretion of Tacoma Power, all lamps may be charged the following equivalent rate: Energy charge for lamp installations at the rate of ~~\$35.90~~ \$38.25, ~~\$19.39~~ \$20.66, and ~~\$12.24~~ \$13.01 per month per kilowatt of total connected load for Continuous, Dusk to Dawn, and Dusk to 2:20 a.m. lamps, respectively.

2. Traffic Control Units (Unmetered):

(a)

Unit Type	Energy Charge Per Unit
(1) Red - Amber - Green	
Controllers	\$2.29 <u>\$2.78</u>
Heads	\$4.21 <u>\$3.47</u>
(2) Flashing	
Controllers	\$1.15 <u>\$1.39</u>
Heads	\$2.10 <u>\$1.73</u>

(1) Incandescent Lamps:

Unit Type	Energy Charge Per Unit					
	Red	Amber	Green	Flashing	Walk	Wait
8 Inch Bulb	\$2.31 <u>\$1.91</u>	\$0.13 <u>\$0.10</u>	\$1.77 <u>\$1.46</u>	\$2.10 <u>\$1.73</u>		
12 Inch Bulb	\$5.65 <u>\$4.66</u>	\$0.31 <u>\$0.25</u>	\$4.31 <u>\$3.56</u>	\$5.13 <u>\$4.23</u>		
Pedestrian Head					\$1.73 <u>\$2.10</u>	\$1.73 <u>\$2.10</u>

(2) Light Emitting Diodes (LED) Lamps:

Unit Type	Energy Charge Per Unit					
	Red	Amber	Green	Flashing	Walk	Wait
8 Inch LED	\$0.27 <u>\$0.23</u>	\$0.02 <u>\$0.02</u>	\$0.18 <u>\$0.15</u>	\$0.25 <u>\$0.21</u>		
12 Inch LED	\$0.43 <u>\$0.36</u>	\$0.02 <u>\$0.02</u>	\$0.36 <u>\$0.30</u>	\$0.39 <u>\$0.32</u>		
Pedestrian Head					\$0.21 <u>\$0.25</u>	\$0.21 <u>\$0.25</u>

(3) Neon Lamps:

Unit Type	Energy Charge Per Unit	
	Walk	Wait
Pedestrian Head	\$0.49 <u>\$0.21</u>	\$0.74 <u>\$0.83</u>

(4) Controllers:

Unit Type	Energy Charge Per Unit
Traffic	\$2.29 <u>\$2.78</u>
Flashing	\$1.45 <u>\$1.39</u>

(5) All lamps or controllers not listed above: Energy charge for lamp or controller installations not listed in the above tabulations shall be calculated by multiplying the unit wattage (in kW) x 730 hours x percent active x \$0.~~050993~~ 054960 per kWh per month.

3. Street Lighting and Traffic Control Units (Metered): The sum of the following energy, delivery and customer charges:

- (a) Energy: All energy measured in kilowatt-hours at \$0.~~034278~~ 035690 per kWh.
- (b) Delivery: All energy delivered in kilowatt-hours at \$0.~~013281~~ 014961 per kWh.
- (c) Customer Charge: ~~\$8.40~~ \$10.00 per month or any fraction thereof.

C. Service Conditions. Applicable provisions of the Tacoma Municipal Code, General Provisions, and Customer Service Policies governing the sale of electric energy shall apply.

12.06.295 Street Lighting Service – Schedule H-3. Effective April 16, 2017 thru March 31, 2018.

A. For the purpose of this section, the following definitions apply:

1. “Jurisdiction” shall mean a city, town, county, or other political subdivision of the state of Washington within the Tacoma Power service territory.
2. “Service Point” shall have the same meaning as defined in the Tacoma Power Customer Service Policies (as authorized under TMC 12.06.330), which is the point where the customer’s service conductors are connected to Tacoma Power’s service utility conductors.
3. “Street Lighting Service” shall mean lighting service supplied by Tacoma Power, where Tacoma Power owns the streetlight fixtures and provides power to the Service Point during the duration of the service.
4. “Capital Recovery Period” shall mean the time period over which Tacoma Power will levy a charge equal to the amortized value of the investment cost for the streetlight fixtures. Unless an alternative time period is mutually determined in writing between Tacoma Power and the Jurisdiction, this period will be 15 years. Streetlight fixtures remain the property of Tacoma Power after the Capital Recovery Period unless a Transfer of Ownership Charge has been paid.
5. “Transfer of Ownership Charge” shall mean a charge levied when an unamortized balance remains and the Jurisdiction requests ownership of the fixtures. The charge is determined by costs of equipment, installation, Capital Recovery Period, and Utility Financing Cost minus payments made to date for the specific fixtures.

6. "Termination Charge" shall mean a charge levied when an unamortized balance remains and the Jurisdiction requests termination of Street Lighting Service. The charge is determined by costs of equipment, installation, removal, disposal, Capital Recovery Period, and Utility Financing Cost minus payments made to date for the specific fixtures.

7. "Utility Financing Cost" shall mean the current cost of capital financing to Tacoma Power, as determined solely by Tacoma Power.

B. Schedule H-3 Availability.

1. To qualify for Street Lighting Service under the Schedule H-3, the Jurisdiction must agree to convert a minimum of 300 Jurisdiction streetlights.

2. For service under Schedule H-3, a Jurisdiction must submit a request in writing to Tacoma Power. Tacoma Power reserves the right to delay provision of service under Schedule H-3 for up to two years after the request date.

C. Service Conditions.

1. Monthly Rate: Rates stated herein are charged per fixture installed.

2. Streetlight Fixtures: Streetlight fixtures provided under the Schedule H-3 are owned by Tacoma Power unless the Transfer of Ownership provisions in this section are completed. Under the Schedule H-3, Tacoma Power will provide replacement streetlight fixtures as fixtures become inoperable.

3. Transfer of Ownership: A Jurisdiction may request in writing to purchase and transfer the ownership of and responsibility for a portion or all of a Jurisdiction's streetlight fixtures under this Schedule H-3 at any time. Transfer of ownership shall occur after the Jurisdiction has paid a Transfer of Ownership Charge. Until the Transfer of Ownership Charge payment is received by Tacoma Power, the Jurisdiction will be billed and must pay for service under the Schedule H-3. After transfer of ownership, service will be billed under the Schedule H-1 for non-Tacoma Power owned streetlight fixtures.

4. Termination: A Jurisdiction may request in writing to terminate Schedule H-3 Street Lighting Service for a portion or all of Tacoma Power owned streetlight fixtures at any time. In the event of termination, the Jurisdiction shall pay the Termination Charge. Until the Termination Charge payment is received by Tacoma Power, the Jurisdiction will be billed and must pay for service under the Schedule H-3.

5. Fixture Specifications: Tacoma Power will provide fixtures that meet the Jurisdiction Traffic Engineer's specifications. Tacoma Power may solicit input from the Jurisdiction on other fixture features, requirements, and options but retains final authority for fixture selection and purchase. Tacoma Power will purchase only such lighting fixture options as are directly related to Street Lighting Service. Non-streetlight related options that are determined by Tacoma Power to be compatible with the streetlight fixture are allowed. The Jurisdiction will be solely responsible for installation, operation, maintenance, and all costs associated with non-streetlight related options. The Jurisdiction shall notify Tacoma Power of the type, quantity, location, and energy requirements of all non-streetlight related options installed.

6. Liability: The Jurisdiction is wholly responsible for all illumination engineering to meet roadway lighting specifications and the operation of all non-streetlight related options. By accepting Street Lighting Service under Schedule H-3, the Jurisdiction agrees to hold Tacoma Power harmless from any claim for damages associated with the streetlight fixtures provided under this Schedule H-3.

7. Installation: Tacoma Power may authorize the Jurisdiction to install some or all streetlight fixtures covered under this Schedule H-3. If the Jurisdiction elects to perform such installations, the cost shall be at the expense of the Jurisdiction.

8. Service Point: Schedule H-3 will be available to provide Street Lighting Service to customer Service Points with existing streetlight fixtures only.

9. Poles and Circuits: The Jurisdiction that owns the poles and circuits associated with light service under Schedule H-3 shall be responsible for the appropriate maintenance of said poles and circuits. The Jurisdiction is responsible for the safe operation of the poles, circuits, and light fixtures. Tacoma Power reserves the right to refuse or discontinue service under Schedule H-3 if Tacoma Power determines a pole or circuit is inadequate to provide safe Street Lighting Service. In the event a Schedule H-3 streetlight fixture must be discontinued due to an unsafe condition, the Jurisdiction shall remedy the condition immediately or follow the Termination provision above.

10. Maintenance and Repair: The Jurisdiction is responsible for performing, at its sole expense, all maintenance and repair activities associated with the streetlight fixture provided by Tacoma Power under this Schedule H-3. Maintenance and repair includes, but is not limited to, labor and equipment. In the event a Schedule H-3 streetlight fixture fails, the Jurisdiction shall return the failed streetlight fixture to Tacoma Power for replacement. If the Jurisdiction damages a streetlight fixture while performing maintenance, the Jurisdiction will be responsible for the cost to repair or replace the streetlight fixture.

11. Energy: Tacoma Power will provide energy for the streetlight fixture up to the Jurisdiction provided Service Point.

12. Additional Rules: Applicable provisions of the Tacoma Municipal Code, General Provisions, and Customer Service Policies governing the sale of electric energy shall apply.

D. Monthly Rates: The sum of the following energy and capital recovery charges:

1. Energy: Energy charge for lamp installations shall be at the rate of ~~\$35.90~~38.25, ~~\$19.39~~20.66, and ~~\$12.24~~13.01 per month per kilowatt of total connected load for Continuous, Dusk to Dawn, and Dusk to 2:20 a.m. lamps, respectively.

2. Capital Recovery Charge: For the biennium during which the fixtures shall be installed, the Capital Recovery Charge shall be calculated as follows:

- (a) The monthly amount required to achieve full expense recovery from the Jurisdiction over the Capital Recovery Period shall be a net present value calculation based on the Utility Financing Cost and estimated installation cost.
- (b) The amount calculated in a) shall be multiplied by the number of months in the rate period.
- (c) The amount in b) shall be divided by the estimated number of fixture-months to be billed during the rate period.

Accounting records shall be kept that record the differences between actual and estimated installation cost, and actual and estimated fixture-months billed. For biennia subsequent to that in which the fixtures are installed, the Capital Recovery Charge shall be calculated as follows:

- (a) The amount required to be recovered from the Jurisdiction each month of the Capital Recovery Period shall be a net present value calculation based on the Utility Financing Cost and actual installation cost.
- (b) The amount calculated in (a) shall be multiplied by the number of months in the rate period.
- (c) The amount in (b) shall be divided by the estimated number of fixture-months to be billed during the rate period.
- (d) The amount in (c) shall be adjusted to reflect in difference between actual and estimated expenses and recoveries during the biennium during which the fixtures were installed.

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12.06.300 Private off-street lighting service – Schedule H-2. Effective April 16, ~~2017~~ thru March 31, 2018.

A. Availability. Available for outdoor lighting service along private street and roadways, over parking lots, and for general area lighting of private property, but excluding public streets within the City of Tacoma.

B. Character of Service.

- 1. Lighting under this schedule shall be limited to the hours of darkness when street and highway lights are normally in use. The hours of use shall be regulated by a photoelectric control.
- 2. Tacoma Power will install, own, and maintain the equipment.
- 3. Energy will be provided on an unmetered basis.

C. Monthly Rate.

- 1. High Pressure Sodium Lamps:

Lamp Rating (Watts/Lamp)	Type	Rental Charge
100-Watt	Sodium Vapor	\$12.95 \$12.95
200-Watt	Sodium Vapor	\$16.66 \$16.43
400-Watt	Sodium Vapor	\$33.32 \$30.44

2. All Other Lamps:

Lamp Rating (Watts-Equivalent/Lamp)	Rental Charge
0-200 Watt Equivalent	\$14. 69 81
201-400 Watt Equivalent	\$30.44 33.32
401-800 Watt Equivalent	\$46.19 51.84
801-1000 Watt Equivalent	\$61.94 70.35
1001-1500 Watt Equivalent	\$77.69 88.87

3. Additional Equipment: Fixtures will be installed on existing poles. Additional poles required for a lighting installation may be installed at applicant expense. A maximum of three poles will be allowed at a cost of \$624.23 per pole. Ancillary materials will be an additional expense. The customer shall pay the entire installation cost prior to installation.

4. For customers billed under low-income senior and/or low-income disabled discount residential service, Rate Schedule A-2, a discount will be provided by reducing the monthly bill by 30 percent.

D. Service Conditions. Applicable provisions of the Tacoma Municipal Code, General Provisions, and Customer Service Policies governing the sale of electric energy shall apply.

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EXHIBIT "C" – Electric Rates and Financial Policy

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ELECTRIC RATE & FINANCIAL POLICY

April 14, ~~2015~~2017

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EXECUTIVE SUMMARY

The Electric Rate & Financial Policy gives direction to future short-term and long-term planning decisions and helps ensure that reliable service is provided to all customers at the lowest possible cost consistent with prudent utility management.

This booklet contains the Electric Rate & Financial Policy which results from review and revision of the Electric Rate Policy adopted in 1984 and revised in 1989, 1991, 1993, 1994, 1996, 2003, 2005, 2007, 2013, ~~and~~ 2015, and 2017. The 1996 changes were extensive and incorporated language which provided Tacoma Power flexibility to compete in a rapidly changing economic environment. The 2005 change modifies the projected cash balances from 45 to 63 days. The 2007 changes modify the projected cash balances from 63 to 90 days and modify the language concerning planned debt service coverage. The 2013 changes added a language pertaining to the Rate Stabilization Fund. The 2015 changes added guidance for using long and short-term debt to finance capital projects, additional clarification pertaining to financial metrics, and additional language pertaining to the Rate Stabilization Fund. [The 2017 changes modify the New Large Load policy.](#)

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ELECTRIC RATE & FINANCIAL POLICY

MISSION STATEMENT: Tacoma Power is an innovative, citizen-owned electric utility that generates, transmits and distributes electricity and provides energy and telecommunications services in an increasingly competitive marketplace.

We are committed to provide high-value, competitively priced products and services to our customers through the quality of our employees and the responsiveness that results from local ownership.

We will continue to serve our customers in Tacoma and neighboring communities and serve new markets to benefit both existing and new customers.

PURPOSE: The Electric Rate & Financial Policy provides direction and guidance in the development of the rates and prices for Tacoma Power services as well as the structure of financing to support sound financial planning and practices. The policy guides prudent decision-making and planning on matters that affect the quality, cost and competitiveness of Tacoma Power services. It is the intent of this policy to provide an enhanced level of service to our customers and demonstrate to credit rating agencies, investors, and capital markets that Tacoma Power is well-managed and prepared to meet all financial and rate-related obligations.

I. Rate Setting Objectives

A. Serving Customer Needs in a Competitive Electric Industry

Tacoma Power services, including rates and prices for those services, will be designed to meet customer needs and respond to increasing competition in the electric utility industry. Tacoma Power will seek to both unbundle and offer a greater variety of services to its customers who desire to make more of their own choices. Services or rates designed to meet the needs of one group of customers will be accomplished without negative impacts to other Tacoma Power customers.

B. Recovery of Tacoma Power Costs

Costs that Tacoma Power incurs to provide services will be recovered through the rates and prices it charges to its customers.

C. Cost Analysis for Tacoma Power Services

Regular reviews will be performed to determine the adequacy of rates, and a full revenue requirements study will be performed every two years.

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To the extent practicable, short-run and long-run costs will be identified for all Tacoma Power services, including services provided at cost-based rates and services sold at flexible or market-based prices.

D. Review of Major Commitments

Capital investments and other commitments that would significantly affect costs, rates or prices for Tacoma Power services will be evaluated and documented before commitments are made. Such evaluations will address known, as well as potential or uncertain, incremental impacts on costs and revenues. Impacts on Tacoma Power competitiveness will also be assessed.

E. Cost-Based Rates

Rates charged to each class of customer will generally be set to reflect the costs of providing their service. This includes any taxes levied by the various jurisdictions that Tacoma Power serves.

F. Exceptions to Cost-Based Rates

Exceptions to cost-based rates for Tacoma Power services will be made only in circumstances where customers have access to competing providers for the service, or as otherwise authorized by the Public Utility Board.

G. Low-Income Customers

The needs of low-income electric customers will be considered when establishing rate levels.

H. Electric Rate & Financial Policy Revisions

Any decision to revise electric rate or financial policies will be done in an orderly fashion and formalized by resolution.

I. Public Involvement

Tacoma Power will provide information and gather citizen input to its rate setting process.

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II. Rate Review Process

A. Traditional Retail Electric Services

The rate review process shall consist of the following four interrelated, yet distinct, steps for traditional retail electric services.

1. Review of Electric Rate & Financial Policy

The Public Utility Board will review the existing Electric Rate & Financial Policy well in advance of consideration of each general rate adjustment. Any required changes must be formalized by Board and Council resolutions.

2. Revenue Requirements Analysis

A Revenue Requirements Analysis will be accomplished to study the projected revenue, expenses and capital improvements for the period to be covered by the rate change.

3. Cost-Of-Service and Cost Allocation

A cost-of-service study will be accomplished to determine the cost of serving each customer class and will be used to allocate class responsibility for the projected expenses of the system.

4. Rate Design

Rate schedules will be developed for each customer class to recover the revenue requirements determined in the cost-of-service procedure.

B. Non-Traditional Retail Electric Services

The rate review process will include estimates of costs and revenues associated with non-traditional services that may be offered during the general rate period and will reflect the policies incorporated in Section III.C. Rates for new non-traditional energy-related services, including unbundled and non-portfolio services, may be set at times other than the general rate setting process.

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III. Rate Setting Policies

A. Policies Applicable to All Tacoma Power Services

All Tacoma Power services, including rates and prices, will be designed to:

1. Meet a broadening range of customer needs;
2. Enhance competitiveness of Tacoma Power services;
3. Recover all costs of service;
4. Satisfy statutory and regulatory requirements; and
5. Maintain Tacoma Power's financial strength as illustrated in the rating criteria for AA-category utilities.

B. Policies Applicable to Traditional Electric Services

Traditional Tacoma Power retail electric utility services (e.g., transmission, distribution, portfolio power supply), including rates and prices, will be designed to:

1. Unbundle and set rates or prices for services to facilitate increased customer choice;
2. Set rates or prices for each service at actual cost, except where specifically authorized;
3. Minimize cross-subsidies between services or between classes of customers, except where specifically authorized; and
4. Identify and mitigate cost shifts, stranded costs, or other negative impacts that may result from increased customer choice.

C. Policies Applicable to Non-Traditional Energy-Related Services

Non-traditional Tacoma Power services (e.g., retail energy services, non-portfolio and ancillary power supply services) will be offered with pricing flexibility, subject to the following guidelines. Non-traditional services must:

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1. Return positive net benefits to Tacoma Power's traditional retail electric customers;
2. Maximize productive, cost-effective use of Tacoma Power assets and capabilities;
3. Offer lower prices and/or better quality than competing providers;
4. For existing assets or capabilities, seek to recover the fully allocated cost-of-service; and
5. Recover the fully allocated cost of new assets or capabilities added to provide the service.

IV. Financial Targets and Rate Setting Practices

Tacoma Power will endeavor to maintain sound financial metrics that support current and future financing needs, support maintenance or improvement of credit ratings, and minimize the cost of funds and risks associated with borrowing. While this policy includes minimum requirements for liquidity and debt service coverage, it is the goal of Tacoma Power to maintain or improve current debt ratings, and the utility will maintain higher levels of coverage and liquidity as required to achieve this goal.

A. Assumptions and Criteria for Rate Setting

1. Rates will be set at levels to provide projected cash balances equivalent to a minimum of 90 days of current budgeted expenditures. It is recognized, however, that seasonal fluctuations may cause cash balances to be below recommended levels, but rates should be set such that the minimum cash balance in any month does not drop more than 40 percent below the recommended level.
2. Tacoma Power will maintain sufficient liquidity to support Tacoma Power's operational objectives, preserve financial and management flexibility, and plan for maintaining or improving credit ratings. Liquidity measures may include cash, the unused portion of dedicated bank lines, the Rate Stabilization Fund, and other short-term debt agreements.
3. The Utility will maintain a minimum Debt Service Coverage Ratio of approximately 1.5 based on net revenues including surplus power sales consistent with water supply planning noted in subsection [4-5](#)

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below or at higher levels consistent with sound financial practice in the electric industry. The Utility will plan to a minimum Debt Service Coverage Ratio of 1.8 based on net revenues including surplus sales estimated using median water availability or at higher levels consistent with sound financial practice in the electric industry.

4. In order to maintain an appropriate Debt to Equity Ratio, the Utility, over time, will finance its capital program in a manner which strives for a balance in the use of revenue and debt. Under normal circumstances, major capital projects will be financed primarily with debt and fifty percent of all other capital requirements will be financed through rate revenues. Any debt financing will not be used for longer than the useful life of the capital project.
5. Water supply planning for surplus power available during the rate adjustment period will be based on water conditions that have historically been exceeded 75 percent of the time.

B. Rate Setting for Traditional Retail Electric Services

1. Revenue Requirements

- a. The projected load forecast for the rate review process shall include the consumption effects of price and local economic and demographic conditions. Projected retail revenues will be based on average weather assumptions.
- b. The level of annual funding for low-income assistance will be determined by the Public Utility Board.
- c. Both the short-term and long-term rate impacts of conservation programs and generating resource development will be considered when establishing current funding levels.

2. Cost-of-Service

- a. An embedded cost-of-service study will be the basis for allocating the cost of providing electricity to the rate classes. Below are listed the only exceptions to cost-of-service principles that will be considered in the rate-making process:

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1. A modified electric rate will be considered to help low-income senior or low-income disabled electric customers pay their bills.
 2. A rate surcharge may be considered for new construction and conversions not conforming to existing model conservation standards.
- b. Resource cost classifications between demand and energy will be reflected in the rates in the following ways:
1. Energy and demand classification factors for Tacoma's existing hydro resources will be determined by operating characteristics of the resources.
 2. Power purchases from the Bonneville Power Administration (BPA) will be classified between demand and energy ~~in the same manner as purchased~~based on the new resource rate for BPA.
 3. Demand and energy classification will reflect the incremental value to the Utility at the time of purchase of all new resources and existing resources not covered in 1 or 2 above.
- c. ~~Resource cost of supplying new large single loads.~~Rates for New Large Loads
1. A New Large Load is a new or expanding existing load greater than 8 MW but less than 20 MW within a twelve-month period. Rates for new or expanding existing loads greater than 20 MW within a twelve-month period require a negotiated contract to be approved by the Public Utility Board.
 2. The execution of a written power service contract with Tacoma Power is required for service under the New Large Load designation.
 3. Rates for a New Large Load will be based on:

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- a. The energy, demand, delivery, customer, and other charges of Tacoma Power's Contract Power (CP) rate, or its successor rate, plus
- b. a marginal cost adder of 15 percent that will be effective for a period of ten consecutive years from the beginning of service. After ten consecutive years of service, the New Large Load will become a standard Contract Power, or successor rate, customer. The marginal cost adder is based on Tacoma Power's next-resource cost levelized over a ten-year period.
- c. Consideration will be given to other factors including but not limited to load factor, energy usage intensity, and customer creditworthiness. These factors may cause Tacoma Power to customize the rate adder and term to address the specific situation of each New Large Load customer.

~~Rates for new or additional large single loads of 10 average MW or more within a twelve-month period will be designated to recover up to the full additional BPA charges or other power suppliers for that incremental load plus applicable transmission, distribution and customer charges.~~

3. Rate Design

- a. Consideration will be given to simplifying and reducing the number of rate schedules by combining customers of similar usage and cost-of-service characteristics.
- b. Rates should maintain a seasonal differential that reflects any significant differences in cost-of-service between the seasons.
- c. A flat seasonal demand rate will be maintained for all non-residential customer classes.
- d. Each rate schedule will contain a monthly customer charge which will reflect, at a minimum, the administrative and billing costs.

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- e. Consideration will be given to rate designs that encourage conservation.
- f. Consideration may be given to rate designs which will reflect existing costs of providing electric service at different times of the day.
- g. The costs and benefits of the current discounted rate for the low-income/senior and low-income/disabled, together with other low-income programs, will be evaluated, along with an analysis of other utility programs that provide assistance to the low-income customer. The low-income rate may be discontinued at the discretion of the Public Utility Board if it is determined that the rate discount is not an effective method of providing assistance to the low-income customers.

V. Rate Stabilization Fund

- A. Tacoma Power will maintain a Rate Stabilization Fund as a means of managing potential volatility in Rates and augmenting reserve policies. Funds are intended to mitigate the need for large changes in rates from one year to the next.

The Fund also may be used as a rate stabilization account for purposes of the ordinances authorizing Tacoma Power debt and provides that amounts withdrawn from the Fund are deducted from revenues in the year they are deposited into the Fund and counted as revenues in the year withdrawn from the Fund. Amounts withdrawn can only be used for purposes mandated in Ordinance #21862 as amended.

- B. General Guidelines for use of the Fund are as follows:
 - 1. At the conclusion of each fiscal year, Tacoma Power will evaluate the adequacy of the amount in the Fund for meeting the forecast difference between critical and adverse water conditions over the next two fiscal years.
 - 2. To the extent the Fund is determined to be inadequate, Tacoma Power will take steps to return the Fund to adequate levels over a period of up to four years, including establishing budgets designed to generate sufficient net revenue to meet all requirements as described below and provide for deposits to the Fund.
 - 3. Prior to depositing amounts into the Fund in a given fiscal year, all obligations related to Operating and Maintenance Expense, Bond

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Parity Obligations or other debt, and Gross Earnings Tax must first be met.

4. Deposit must not cause the Current Fund Balance to go below 90 days of expenditures for the fiscal year of deposit.
5. Deposit must not cause the Debt Service Coverage ratio to go below 1.5x for the fiscal year of deposit.
6. Deposit should allow for achievement of metrics for liquidity and debt service coverage consistent with achieving the policy goal of maintaining or improving debt ratings.

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GLOSSARY

ANCILLARY SERVICES – Those services, other than power itself, necessary for the transmission and delivery of power.

AVERAGE COST – See EMBEDDED COST.

AVERAGE COST PRICING – A method of pricing electrical service to recover total costs that have been identified with such service, thereby making total revenue equal to total cost.

BACKUP RESERVES – Generation resources (or interrupted customer loads) that are capable, for a sustained period, of replacing the loss of generation resources or of serving unexpectedly high loads. The “sustained period” will generally exceed ten minutes, but may last for hours or weeks.

BONNEVILLE POWER ADMINISTRATION (BPA) – The federal agency responsible for marketing the power produced from federally owned hydroelectric projects in the Pacific Northwest; based in Portland, Oregon.

CHARGE

CUSTOMER CHARGE – An amount to be paid periodically by a customer for electric service that reflects specific customer-related costs incurred for metering, meter reading, billings, etc., exclusive of demand or energy consumption, traceable to the type and number of customers, and not varying with the volume of metered sales.

DEMAND CHARGE – That portion of the charge for electric service based upon the customer’s use of the system’s electric capacity consumed at the time of the system peak or at the time of the customer’s maximum demand and billed on the basis of billing demand under an applicable rate schedule or contract.

ENERGY CHARGE – That portion of the charge for electric service based upon the customer’s electric energy (kWh) consumed and billed under an applicable rate schedule or contract.

HOOK-UP CHARGE – An amount to be paid by the customer in a lump sum, or in installments, for connecting the customer’s facilities to the supplier’s facilities.

CLASS OF SERVICE – A group of customers with similar characteristics which are identified for the purpose of setting a rate for electric service.

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CLASSIFICATION – The process of classifying functionalized costs to demand, energy and customer-related components for allocation to the various customer classes by examining the nature of the investment or expense with respect to the manner in which it was incurred.

CONSERVATION – A reduction in energy usage for the purpose of reducing energy consumption.

CONTRACT DEMAND – The amount of power that a supplier of electric service agrees to make continuously available for delivery to a particular consumer and that the consumer agrees to purchase.

CONTRACT POWER CUSTOMER – A customer that purchases power under contract demand and in accordance with the terms of a written contract.

CONTROL AREA – A (usually contiguous) region within the system with metering at all its boundaries, intended to be used as the basis for frequency regulation and balancing of supply and demand in real time.

COST COMPONENTS – The classifications into which operating expenses and capital investment in electric facilities are assigned and known as demand, energy, customer, or direct assignment related costs.

COST-OF-SERVICE STANDARD (COSS) – A rate making standard or pricing concept traditionally used as the primary basis for designing electric rate schedules. This concept attempts to maintain correspondence between utility costs and utility revenues for the various classes of usage and customers served.

COST-OF-SERVICE STUDY (COS) – A study of the costs incurred by the utility in producing, transmitting and distributing electricity to its customers, by customer class, in relation to revenues collected from each class or projected to be collected under existing or proposed rates.

COSTING METHODOLOGY – Use of average cost concepts, marginal cost concepts, or some combination, to allocate costs among customer classes or jurisdictions.

CUSTOMER CLASS – A distinction between users of electrical energy. Customer class is usually defined by usage patterns, usage levels, and conditions of service. Classes are usually categorized generically by customer activity, i.e., residential, commercial, industrial, etc.

DEMAND COSTS – Costs that are related to and vary with power demand (i.e., kW), such as fixed production costs, transmission costs, and a portion of distribution costs.

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EMBEDDED COSTS – Embedded costs represent monies already spent for investment in plant and in operating expenses. The terms embedded and fully allocated embedded are synonymous.

FREQUENCY REGULATION – The automatic changing of supply (and, in some cases, demand) as the frequency of a system changes.

FULLY ALLOCATED COSTS – Costs assigned to a product or service such that no cross-subsidy exists for that product or service.

FUNDAMENTAL SERVICES – Services traditionally provided by the local electric utility, i.e., metered electricity service (hook-up, billing and upkeep).

HOOK-UP – Connection of a customer's facilities to the supplier's facilities.

INCREMENTAL VALUE – The avoided cost of acquiring a megawatt-hour of energy and a megawatt of demand.

LONG RUN – A period of time long enough that all inputs to production, including capital, are variable.

MARGINAL COST – The change in total costs associated with a unit change in quantity supplied.

SHORT-RUN MARGINAL COST – The change in total costs when output is increased or decreased by an increment or block of output in a short period of time (e.g., one year), during which system capacity cannot be altered without purchasing power from an outside source.

LONG-RUN MARGINAL COST – The change in total costs when output is increased or decreased by an increment or block of output for an extended period of time (e.g., 10 years), during which system capacity can be altered.

MARGINAL COST CONCEPTS – A rate structure that attempts to reflect costs of incremental resources rather than on an accounted-for basis. Marginal cost concepts can be used in either an average cost pricing or marginal cost pricing methodology.

NON-PORTFOLIO RESOURCES – One or a combination of non-utility owned resources.

NON-TRADITIONAL SERVICE – Goods and services which have normally not been offered by electric utilities. These may include, but are not limited to, ancillary, control area and other power supply services, as well as energy brokering and energy service consulting.

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OPERATING RESERVE – Reserve available on short (10-30 minute) notice.

PORTFOLIO RESOURCES – A combination of owned or contractual resources controlled by Tacoma Power.

POWER QUALITY – The description of a condition where electricity is delivered at a specific voltage and frequency with little or no harmonic (i.e., multiples of the stated frequency) distortion.

RATE STRUCTURE – The design and organization of billing charges by customer class to distribute the Revenue Requirement among customer classes and rating periods.

REGULATION – The process of following moment-to-moment variations in load and, thereby, maintaining power system frequency.

REVENUE REQUIREMENT – The amount of revenue a utility must receive to cover the sum of the estimated operation and maintenance expenses, debt service, taxes and, in the case of a publicly-owned, non-profit utility, sufficient additional revenues to provide for the portion of the projected capital budget not provided by long- or short-term borrowing of funds.

SHORT RUN – A period of time of such duration that some inputs to production can be varied and others cannot. For electric utilities, fuel inputs from the utility's generators can be varied over the short run, but new generators cannot be added.

SPINNING RESERVES – Generation resources that are capable of serving load immediately.

SUPPLEMENTAL RESERVES – Generation resources (or interrupted customer loads) that are capable of serving load within a short period, such as ten minutes.

TIME OF DAY PRICING – Pricing of service during periods of the day based on the cost of supplying the service during the various times of the day; the objective being to shift load from the peak period to the off-peak period by providing an economic incentive, thus reducing the requirements for additional high-cost generating capacity.

TIME OF SEASON PRICING – Pricing of service during seasons of the year based on the cost of supplying the service during the various seasons of the year; the objective being to shift load from the peak period to the off-peak period by providing an economic incentive, thus reducing the requirements for additional high-cost generating capacity.

UNBUNDLED SERVICES – Packaged services that do not include all fundamental services.

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VOLTAGE REGULATION – The ability of certain components of the system to adjust some internal parameter(s) to control the voltage at some system location(s).

WORKING CAPITAL – The excess of current assets (primarily cash, marketable securities, and accounts receivable) over current liabilities (primarily wages and salaries and accounts payable).