

APPROVED 4-13-16

MINUTES
 City of Tacoma
 Public Utility Board Study Session
 March 23, 2016
 3:00 p.m.

Mr. Flint called the Public Utility Board study session to order at 3:03 p.m. at the Public Utilities Administration Building.

Present: Bryan Flint, Woodrow Jones, Mark Patterson, Karen Larkin (left at 4:35), Monique Trudnowski (arrived 4:00)

Tacoma Power: Click! Engagement Committee Status report

Tenzin Gyaltzen, Click! General Manager, provided a summary of the actions of the Click! Engagement Committee to date. The committee is made up of Mayor Strickland, Council Member Campbell, TPU Board Members Patterson and Larkin, Andrea Cobb, Janine Terrano, and Terry Dillon. Staff participation is by Director Gaines, Power Superintendent Robinson, Deputy Director Mack, Chief Deputy City Fosbre, Click! General Manager Gyaltzen, and other TPU staff as necessary. Lyn Wiltse is the professional meeting facilitator. The legal consultant is the law firm of Foster Pepper. Business consultants include CCG Consulting and the Electric Power Board of Chattanooga. There have been nine, 2 to 3 hour meetings. The committee has received presentations on the historical background; current status; regulatory regime; strategic planning efforts; public outreach and public opinion poll; advanced metering infrastructure; Chattanooga comparison and contrast report; operational summary/cash flow; Internet Service Provider relationship; and alternative business models. Current work includes questions for the committee and business model concepts. Next steps include the selection of a foundational business model and work on an iterative process to refining the emerging business model.

Customer Service: Low-Income Assistance Program Update

Francine Artis, Customer Solutions Manager, provided an overview of the history of TPU's assistance programs. The goal of TPU's assistance programs is to provide education and resources to empower customers seeking assistance so they can successfully manage their utility bills. Ms. Artis outlined program usage statistics. There are no recommended changes to the discount rate program for seniors and

disabled customers. It is recommended that the grant programs (Power Aid, Family Need, and Water/Environmental Services) change to a new bill credit program. The new recommended approach was summarized. Household incomes up to 150 percent of the federal poverty guidelines are eligible for the program. The bill must be paid in-full and on-time. The credit amount depends on the number of services. The maximum monthly credit is \$39 monthly/\$468 annually. Also recommended, is a financial education course credit of \$120 upon completion. The participant's history at the end of one year is evaluated. Community outreach efforts, projected costs, and program comparison with peer utilities were outlined. The next step is to present this information at a joint Council/Board study session.

Tacoma Power: Strategic Plan Update

Chris Robinson, Power Superintendent, made introductory remarks and introduced consultant, Cliff Lewis. Tacoma Power has identified ten strategic objectives: engaging customers and employees; satisfy customers' needs; economic development; wholesale revenue optimization; Click!; safety; strategic people management; doing the right things right; utility technology engagement; and maintain financial strength. Superintendent Robinson provided details on each of these items. Elements still in progress are the formation of the mission, vision, values; strategy management program; and strategic communications program. A draft is expected at the end of May.

Tacoma Power: Fish Hatchery Update

Keith Underwood, Natural Resources Manager, outlined Tacoma Power's compliance responsibilities to the Federal Energy Regulatory Commission, and environmental and safety regulators. The fish program objectives at the Cushman Hydroelectric Project are to introduce chinook and sockeye, expand coho and steelhead and create a harvest opportunity. Andy Ollenburg, Cushman Fish Facilities Manager, provided an overview of the Cushman dams including fish collection and release. Florian Leischner, Fisheries Biologist, summarized Cushman's fish habitat improvements. Eric Shoblom, Cowlitz Fish Facilities Manager, reviewed the Cowlitz salmon and trout hatchery activity. Mr. Underwood summarized the Cowlitz river fish habitat, restoration, recovery, monitoring, and evaluation activities. Kirk Kessler, Senior Principal Engineer, reviewed construction for the Cowlitz Falls North Shore Collector. Construction began in April 2015 and completion is expected at the end of 2016 with an in-service date of April 15, 2017. The construction costs were detailed.

Miscellaneous

Superintendent Robinson reported that last week Tacoma Power's Reliability and Compliance program underwent the 3-year audit by NERC and WECC and there were no findings.

Adjournment

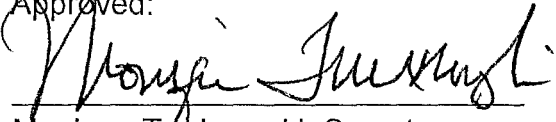
The study session was adjourned at 5:52 p.m. until the next regularly scheduled study session on Wednesday, April 13, 2016 at 3:00 p.m.

Approved:



Bryan Funt, Chair

Approved:



Monique Tardnowski, Secretary