



## RESOLUTION NO. U-11033

A RESOLUTION relating to amending and revising Chapter 12.06 of the Tacoma Municipal Code ("TMC") regarding electric regulations and rates.

WHEREAS the City of Tacoma, Department of Public Utilities, Power Division (d.b.a. "Tacoma Power"), has completed its revenue requirement analysis and has developed proposed rates and regulations for the 2019-2021 biennium, and

WHEREAS Tacoma Power's revenue requirements analysis for the 24-month budget period (April 1, 2019, through March 31, 2021) indicates a revenue shortfall of approximately \$21.9 million at current rates. Expenses driving this shortfall are related to general inflationary increases in operating and capital expenses such as technology upgrades, regulatory compliance, and cybersecurity enhancements, and

WHEREAS, based on this analysis, Tacoma Power is recommending the following Revenue Requirement adjustments:

Proposed Increase in Revenue Requirement by Class		
Rate Class		Rate Increase (two-step, levelized)
Residential	A	0.9%
Small General	B	0.7%
General	G	4.0%
High Voltage General	HVG	3.1%
Contract Industrial	CP	2.2%
Street Lighting	H-1	4.0%
Traffic Signals	H-1	0.0%
Private Off-Street Lighting	H2	4.0%



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26


WHEREAS this resolution provides for two system average 2.0% electric rate increases, one that will become effective April 1, 2019, and the other that will become effective April 1, 2020, and the rate increases are distributed to different customer classes based on a Cost-of-Service Analysis, and

WHEREAS revisions regarding electric regulations and rates require approval by the Public Utility Board and Tacoma City Council, pursuant to Tacoma City Charter section 4.11, and

WHEREAS the recommended changes to the rates and regulations are just, fair and reasonable, and are in the best interest of the citizens of Tacoma and the customers of Tacoma Power, and Tacoma Power requests that the Board approve said revisions and amendments; Now, Therefore,

BE IT RESOLVED BY THE PUBLIC UTILITY BOARD OF THE CITY OF TACOMA:

Sec. 1. The proposed revisions to Tacoma Power's regulations, rates and charges are hereby approved, and the Council of the City of Tacoma is requested to pass an ordinance approving such revisions by amending Chapter 12.06 of the Tacoma Municipal Code, as set forth in the attached Exhibit "A-1" effective April 16, 2019, and Exhibit "A-2" effective April 1, 2020, and as substantially in the form as on file with the Clerk of the Board, and in final form to be approved by the City Attorney.

Approved as to form and legality:  
  
\_\_\_\_\_  
Chief Deputy City Attorney  
\_\_\_\_\_  
Clerk

\_\_\_\_\_  
Chair  
\_\_\_\_\_  
Secretary  
\_\_\_\_\_  
Adopted