



## Board Action Memorandum

**TO:** Jackie Flowers, Director of Utilities  
**COPY:** Charleen Jacobs, Director and Board Offices  
**FROM:** Chris Robinson, Power Superintendent/COO  
Scott Dewhirst, Water Superintendent/COO  
**MEETING DATE:** November 18, 2020  
**DATE:** November 6, 2020

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**SUMMARY:** Tacoma Public Utilities requests a resolution to adopt proposed revisions to the Tacoma Municipal Code, Chapters 12.01 and 12.06. These revisions support implementation of the Advanced Metering Infrastructure Project, and include the addition of an advanced metering opt-out fee and associated fee discount, language specifying that PrePay customers will receive statements instead of invoices, and language specifying that remote meter disconnections, connections, and reconnections will not be charged a fee.

**BACKGROUND:** Tacoma Public Utilities (TPU) plans to deploy Advanced Metering Infrastructure (AMI) across its entire water and electric service territories, replacing or upgrading all non-communicating power and water meters with advanced two-way communicating technology. Advanced metering is a foundational element of Tacoma Public Utilities' Utility Modernization Strategy and will deliver customers new key benefits over time related to their power and water usage. Advanced metering technology will capture interval data, enable two-way communications, include remote capabilities, and provide advanced outage/issue detection and verification. Advanced metering will modernize utility operations and be a cornerstone to deliver customers improved services and benefits.

As a transformative initiative, the Advanced Metering Project has and continues to require a significant effort across TPU to implement the new processes, applications, technologies, and integrations needed to fully enable the functions and features of the solution. As part of this initiative, TPU has reviewed existing utility policies, procedures, and practices for essential changes required to implement advanced metering or to make other essential updates as needed.

Proposed revisions to the Tacoma Municipal Code, Title 12-Utilities (attached, with explanatory comments) include changes to Chapters 12.01 and 12.06 in the following sections:

- **12.01.010 B:** The word "Fees" is added to the section title, to clarify this section includes both adjustments and fees.

Language is added for the recommended \$15.00 AMI Opt-Out service fee, to be charged each billing cycle for opt-out customers (e.g. monthly). Specification is added regarding a fee discount percentage and that low-income senior and/or disabled Discount Rate Program customers are eligible to receive that program's discount on the fee. The fee is based on TPU's costs to provide opt-out service and shall be effective January 1<sup>st</sup>, 2021. Opt-Out of Advanced Metering Infrastructure is a voluntary option for customers.

- **12.01.010 B and C:** Language is added specifying there will not be a disconnection, connection, or reconnection fee charged to the customer if the action may ordinarily be performed remotely (without a field visit). Remote meter disconnection and reconnection is a benefit enabled by Advanced Metering Infrastructure.



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Historically, TPU did not charge remote meter disconnection and reconnection fees for PayGo (TPU's pilot prepayment program) and the utility recommends to continue this practice for PrePay going forward (TPU's upcoming prepayment program). Expanding this to all meters with remote capability provides consistency and is also cost of service based, with new automated processes minimizing/eliminating manual office procedures and field visits.

The primary benefit is to residential electric customers, with a small percentage of water meters also having remote disconnection/reconnection capability (not planned for wide use; approximately 200 bellwether water meters primarily to collect pressure/temperature in addition to usage).

- **12.06.110 A:** Language is added to clarify that PrePay customers will receive a statement, not an invoice, and that a PrePay statement itemizes activity during the previous billing period and does not have a due date. This aligns to the TPU Customer Services Policy regarding PrePay statements (section 4.2.2).

### **ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED?**

Yes, fee related revenue changes continue to be reviewed and planned for as advanced meters are deployed to customers.

### **IF THE EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED.**

N/A.

### **IF THE ACTION REQUESTED IS APPROVAL OF A CONTRACT, INCLUDE LANGUAGE IN RESOLUTION AUTHORIZING \$200,000 INCREASE IN ADMINISTRATIVE AUTHORITY TO DIRECTOR?**

N/A.

**ATTACHMENTS:** Proposed Tacoma Municipal Code Revisions and Explanatory Comments

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