



ORDINANCE NO. 28489

1 AN ORDINANCE relating to the City's Department of Public Utilities, Light Division,
2 d.b.a. Tacoma Power; approving proposed modifications to the Customer
3 Service Policies, which expressly authorize and support the proration of fixed
4 charges applicable to utility services provided by Tacoma Power; and
amending Chapter 12.06 of the Tacoma Municipal Code to provide for said
modifications to Tacoma Power utility services.

5 WHEREAS the City of Tacoma, Department of Public Utilities, Light Division
6 (d.b.a. "Tacoma Power"), has requested amendments to the Tacoma Municipal
7 Code ("TMC") and Customer Service Policies applicable to the Light and Customer
8 Service Divisions, respectively, that support the proration of fixed charges
9 applicable to utility services provided by Tacoma Power, and
10 applicable to utility services provided by Tacoma Power, and

11 WHEREAS, under current billing practices, customers pay the fixed Customer
12 Charge rate in full, even if they receive service for only a portion of a month, and

13 WHEREAS Tacoma Power is recommending amendments to
14 Sections 12.06.160, 12.06.170, 12.06.215, 12.06.225, 12.06.260, and 12.06.290
15 of the TMC to allow for the proration of the fixed Customer Charge rate, and

16 WHEREAS Tacoma Power further desires to include the fixed charge
17 proration provisions in the Customer Service Policies documents applicable to the
18 Light and Customer Service Divisions, respectively, and
19 Light and Customer Service Divisions, respectively, and
20 Light and Customer Service Divisions, respectively, and

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

24 WHEREAS, by adoption of Public Utility Board Resolution U-10979 on
25 December 13, 2017, the proposed amendments to the TMC and Customer
26 Services Policies were approved, pending confirmation by the City Council, and



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WHEREAS the recommended changes are just, fair, and reasonable, and
are in the best interest of the citizens of Tacoma and the customers of Tacoma
Power; Now, Therefore,

BE IT ORDAINED BY THE CITY OF TACOMA:

Section 1. That Chapter 12.06 of the Tacoma Municipal Code is hereby
amended by amending Sections 12.06.160, 12.06.170, 12.06.215, 12.06.225,
12.06.260, and 12.06.290 thereof, as set forth in the attached Exhibit "A."

Section 2. That the proposed modifications to the Customer Service
Policies, as on file in the office of the City Clerk, which expressly authorize and
support the proration of fixed charges applicable to utility services provided by
Tacoma Power, are hereby approved.

Passed _____

Mayor

Attest:

City Clerk

Approved as to form:

Deputy City Attorney

Requested by Public Utility Board
Resolution No. U-10979



EXHIBIT "A"

Chapter 12.06

ELECTRIC ENERGY – REGULATIONS AND RATES

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 per kWh.

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

3. Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies: \$13.50 per month, ~~or any fraction thereof~~, for all but collectively metered apartments; \$11.00 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 \$0.042437 per kWh.

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

(3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies: \$13.50 per month, ~~or any fraction thereof~~, for all but collectively metered apartments; \$11.00 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 \$0.042437 per kWh.

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

(3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies: \$13.50 per month, ~~or any fraction thereof~~, for all but collectively metered apartments; \$11.00 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 \$0.042437 per kWh.

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

(3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies: \$13.50 per month, ~~or any fraction thereof~~, for all but collectively metered apartments; \$11.00 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 \$0.042437 per kWh.

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



(3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies: \$13.50 per month, ~~or any fraction thereof~~, for all but collectively metered apartments; \$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 \$0.042437 per kWh.

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

(3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies: \$13.50 per month, ~~or any fraction thereof~~, for all but collectively metered apartments; \$11.00 per month, ~~or any fraction thereof~~, for collectively metered apartments.

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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 \$0.043549 per kWh.

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

3. Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies: \$20.75 per month, ~~or any fraction thereof~~ for all but unmetered services; \$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 \$0.043549 per kWh.

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

(3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies: \$20.75 per month, ~~or any fraction thereof~~ for all but unmetered services; \$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 \$0.043549 per kWh.

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

(3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies: \$20.75 per month, ~~or any fraction thereof~~ for all but unmetered services; \$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 \$0.043549 per kWh.

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

(3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies: \$20.75 per month, ~~or any fraction thereof~~ for all but unmetered services; \$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 \$0.043549 per kWh.

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

(3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies: \$20.75 per month, ~~or any fraction thereof~~ for all but unmetered services; \$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 \$0.043549 per kWh.

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

(3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies: \$20.75 per month, ~~or any fraction thereof~~ for all but unmetered services; \$16.10 per month, ~~or any fraction thereof~~ for unmetered services.

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12.06.215 General service – Schedule G. Effective April 16, 2017, 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 \$0.042964 per kWh.

2. Delivery: All kilowatts of Billing Demand delivered at \$7.91 per kW.

3. Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies: \$63.00 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 per kWh.

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

(3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies: \$63.00 per month ~~or any fraction thereof~~.

(b) Within the City of Fircrest:

(1) Energy: All energy measured in kilowatt-hours at \$0.042964 per kWh.

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

(3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies: \$63.00 per month ~~or any fraction thereof~~.

(c) Within the City of Lakewood:

(1) Energy: All energy measured in kilowatt-hours at \$0.042964 per kWh.



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

(3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies: \$63.00 per month ~~or any fraction thereof.~~

(d) Within the City of Steilacoom:

(1) Energy: All energy measured in kilowatt-hours at \$0.042964 per kWh.

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

(3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies: \$63.00 per month ~~or any fraction thereof.~~

(e) Within the City of University Place:

(1) Energy: All energy measured in kilowatt-hours at \$0.042964 per kWh.

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

(3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies: \$63.00 per month ~~or any fraction thereof.~~

* * *

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 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 per kWh.

2. Delivery: All kilowatts of Billing Demand delivered at \$4.51 per kW.

3. Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies: \$850.00 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 per kWh.

(2) Delivery: All kilowatts of Billing Demand delivered at \$4.51 per kW.

(3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies: \$850.00 per month ~~or any fraction thereof.~~

(b) Within the City of Fircrest:

(1) Energy: All energy measured in kilowatt-hours at \$0.038295 per kWh.

(2) Delivery: All kilowatts of Billing Demand delivered at \$4.51 per kW.



(3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies: \$850.00 per month ~~or any fraction thereof.~~

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(c) Within the City of Lakewood:

(1) Energy: All energy measured in kilowatt-hours at \$0.038295 per kWh.

(2) Delivery: All kilowatts of Billing Demand delivered at \$4.51 per kW.

(3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies: \$850.00 per month ~~or any fraction thereof.~~

(d) Within the City of Steilacoom:

(1) Energy: All energy measured in kilowatt-hours at \$0.038295 per kWh.

(2) Delivery: All kilowatts of Billing Demand delivered at \$4.51 per kW.

(3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies: \$850.00 per month ~~or any fraction thereof.~~

(e) Within the City of University Place:

(1) Energy: All energy measured in kilowatt-hours at \$0.038295 per kWh.

(2) Delivery: All kilowatts of Billing Demand delivered at \$4.51 per kW.

(3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies: \$850.00 per month ~~or any fraction thereof.~~

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12.06.260 Contract industrial service – Schedule CP. Effective April 16, 2017, 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 \$0.030675 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:

$$\text{Contract Energy Overrun Charge} = (\text{MWh} + \text{Losses}) \times (\text{THI} + \text{Tx}) \times 120\%.$$

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:

$$\text{Contract Demand Overrun Charge} = \text{MW} \times 300\% \times \text{DC}$$

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: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies: \$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 \$0.030675 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:

$$\text{Contract Energy Overrun Charge} = (\text{MWh} + \text{Losses}) \times (\text{THI} + \text{Tx}) \times 124.1319\%$$

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:

$$\text{Contract Demand Overrun Charge} = \text{MW} \times 300\% \times \text{DC}$$

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: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies: \$1,870 per month ~~or any fraction thereof~~.

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

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 per kWh.

(b) Delivery: All energy delivered in kilowatt-hours at \$0.013281 per kWh.

(c) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies: \$8.10 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.
