



RESOLUTION NO. 39347

1 A RESOLUTION relating to Click! Network; authorizing Tacoma Power to prepare
2 a business plan to provide, in addition to retail cable television, retail internet
3 services including voice over data internet protocol (“VoIP”), commercial
4 broadband and Gigabit service (“Retail Services”).

5 WHEREAS, in 1997, the City of Tacoma, through its electrical utility,
6 embarked on an effort to construct and operate a state-of-the-art
7 telecommunication system for the benefit of its electric utility and its electric utility
8 customers, and

9 WHEREAS the telecommunications system was constructed and has
10 been in continuous operation since 1999, and has proven to provide benefits for
11 the City electric utility and electric utility customers located both inside and
12 outside City limits, and

13 WHEREAS the telecommunication system is now a vital component of the
14 City’s electric utility and continued operation and maintenance of the system is
15 an essential function of the electric utility, and

16 WHEREAS some of the benefits the City’s electric utility and electric utility
17 customers have received from the system include (1) enhanced control, reliability
18 and efficiency of the City’s electrical system; (2) increased capability to meet the
19 expanding telecommunication requirements in an evolving competitive electric
20 market, including the ability to make real-time, two-way interactive
21 communications with individual energy consumers; (3) improved traditional
22 electric products provided to consumers; (3) diversified revenue streams through
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new business lines (i.e., internet transport, cable TV, etc.); and (5) maximized
1 return on the City's electric system assets, and

2 WHEREAS telecommunication technology is constantly evolving and
3 improving, including recent developments in the areas of voice over data internet
4 protocol, over-the-top video, and Gigabit-type service, and
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6 WHEREAS the City's electric utility telecommunication system needs to
7 be updated and modernized to keep up with current technology, and

8 WHEREAS some benefits of updating and modernizing the City's electric
9 utility telecommunication system include allowing the utility to continue to
10 efficiently and effectively meet the demands of new federal regulations relating to
11 reliability of the electrical system, combating threats from possible cyberterrorism
12 acts, participating in energy transactions and trades to balance the energy
13 markets in less than 15-minute increments, enhancing communication between
14 electric utility assets and electric utility consumers, and providing electric utility
15 customers a means to instantly access electric utility accounts information for
16 payment of bills, report outages, and obtain energy usage and conservation
17 information, and
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20 WHEREAS the expenditure of City electric utility revenues to update and
21 modernize the electric utility telecommunication system is a necessary operating
22 expense of the utility, and
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24 WHEREAS the updating and modernization of the telecommunication
25 system will have ancillary benefits to the City's electric utility customers by
26 allowing them to access advanced telecommunication products such as voice



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over data internet protocol, retail and commercial broadband, digital cable television and video on-demand products, Gigabit service, Smart Cities technology, and related and enhanced services offered as new technologies become available (“ancillary benefits”), and

WHEREAS the efficient and orderly development and distribution of these ancillary benefits to electric utility customers through the electric utility telecommunication system must come through careful and deliberate planning, and

WHEREAS the Public Utility Board passed Amended Resolution No. U-10828, recommending the development of a business plan to the City Council, and

WHEREAS City Council has determined that development and evaluation of a draft business plan is in the best interests of the electric utility customers and the City; Now, Therefore,

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

Section 1. That Tacoma Power shall develop a business, financial and marketing plan (the “Business Plan”) to provide customers with comprehensive, accessible, competitive retail cable television and internet services including voice over data internet protocol, retail and commercial broadband, Gigabit service and related and enhanced services responsive to market demand and competition as new technologies and services become available.



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Section 2. The Utility Board and the City Council shall, upon adoption of this Resolution, appoint a Click! Engagement Committee to provide oversight and assistance to Click! in the development of the Business Plan. The Click! Engagement Committee shall be comprised of two (2) Public Utility Board Members, two (2) City Council members, two (2) members of the public who have experience in the broadband industry, one selected by the Utility Board Chair and one selected by the Mayor, and one (1) Tacoma Power ratepayer at large selected by the Mayor. All appointments shall be approved by the Board and Council. The Click! Engagement Committee shall meet to consult with Click! on a regularly scheduled basis established by the Committee and Click!.

Section 3. That Tacoma Power shall present an initial Business Plan to the Public Utility Board and City Council on or before April 29, 2016.

Adopted _____

Mayor

Attest:

City Clerk

Approved as to form:

City Attorney