



**TO:** Elizabeth Pauli, City Manager  
**FROM:** Jackie Flowers, Director of Utilities, Tacoma Public Utilities  
**COPY:** City Council and City Clerk  
**SUBJECT:** Proposed Rate Ordinance – Amend and revise TMC Chapter 12.06 regarding Electric Vehicle Public Charging  
**DATE:** November 15, 2022

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**SUMMARY AND PURPOSE:**

Tacoma Power requests approval by the City Council for a new tariff schedule — Electric Vehicle Public Charging (Schedule EVPC), effective January 1, 2023.

**BACKGROUND:**

**This Department’s Recommendation is Based On:**

Tacoma Power has provided electric service to utility-owned electric vehicle (EV) charging stations since 2012. Currently, the utility operates 51 EV chargers. It is estimated there will be 55 chargers by the end of 2022 and over 80 by the end of 2023. The current charge is set at \$2 per 5 hours.

In 2021, Washington state passed Senate Bill 5192 on EV service provider disclosures, codified as RCW 19.94.560. Among other things, RCW 19.94.560 requires that all EV service providers must disclose to the user the price to refuel in U.S. dollars per kilowatt-hour (kWh) or megajule (MJ) by January 1, 2023. In compliance with the new state regulation, Tacoma Power developed a cost-based price for EV public charging of \$0.21 per kWh to replace the current set fee of \$2 per five hours. The price is based on the Schedule B (Small General) electric rate, plus networking fees, maintenance cost, and all relevant taxes.

**COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:**

Tacoma Power researched the prices charged by other utilities and private companies for public EV charging service. The new rate is competitive with rates offered by other service providers in the region. Tacoma Power has notified EV charging vendors about the upcoming changes.

**2025 STRATEGIC PRIORITIES:**

**Equity and Accessibility: (Mandatory)**

The new EV charging price is based on an existing cost-of-service rate (Schedule B Small General). All EV public charging sites owned by Tacoma Power are accessible to the general public. The public-charging program as a whole is designed to expand access to EV charging services in low-opportunity neighborhoods and for those customers who do not have access to at-home charging. Cost-effective public charging removes barriers to accessing the benefits of EVs, such as lower long-run transportation cost and cleaner air.

**Livability: Equity Index Score: Moderate Opportunity**

Improve access and proximity by residents to diverse income levels and race/ethnicity to community facilities, services, infrastructure, and employment.

Decrease the percentage of individuals who are spending more than 45% of income on housing and transportation costs.

Increase positive public perception of safety and overall quality of life.



**Explain how your legislation will affect the selected indicator(s).**

The EV charging price will assist in reducing carbon emissions, as EVs have little green house gas emission. Tacoma Power provides clean hydro power to public charging sites.

Because the new price is based on the up-to-date cost of providing the service, it eliminates potential subsidization of the cost to charge an EV by non-EV owners. At the same time, the new price is low enough to provide a charging option to apartment-dwellers and others who have barriers to at-home charging. The new price will be clearly marked and disclosed to the users of the charging stations.

**ALTERNATIVES:**

Presumably, your recommendation is not the only potential course of action; please discuss other alternatives or actions that City Council or staff could take. Please use table below.

Alternative(s)	Positive Impact(s)	Negative Impact(s)
1. Continue to apply the existing flat rate to EV public charging sites.	No action needed.	Tacoma Power will fail to comply with RCW 19.94.560 and be subject to the penalties outlined in RCW 19.94.580.
2. Charge the small commercial per-kWh rate to EV public charging sites.	Minimal action needed.	Tacoma Power will not recover all costs associated with EV charging. Other ratepayers will bear these cost difference.

**EVALUATION AND FOLLOW UP:**

Tacoma Power will continue to collect data on usage patterns on EV public charging sites. The data will be examined in the next rate-setting process and the price will be updated if necessary.

**STAFF/SPONSOR RECOMMENDATION:**

Tacoma Power requests approval by the City Council of a new tariff on EV public charging, effective January 1, 2023 to replace the existing fee structure of \$2 per five hours.

**FISCAL IMPACT:**

Tacoma Power will collect some increased revenue from the new volumetric rate. However, it will be hard to estimate the incremental revenue at this time and the magnitude of the increase is likely to be small, approximately \$50,000 annually.

Fund Number & Name	COST OBJECT (CC/WBS/ORDER)	Cost Element	Total Amount
1. 4700-Power			\$50,000
2.			
<b>TOTAL</b>			<b>\$50,000</b>



**What Funding is being used to support the expense?**

**Are the expenditures and revenues planned and budgeted in this biennium's current budget?**

**YES**  
Both the expense of and the revenue from EV public charging service are included in this biennium's budget. This update to the EV-charging price will result in a better match of revenues and expenses.

**Are there financial costs or other impacts of not implementing the legislation?**

**YES**  
If the new EV Public Charging tariff is not implemented, Tacoma Power will be subject to the penalties outlined in RCW 19.94.580. In addition, if the rate is not updated regularly, electric customers who do not use the public-charging service are allocated the difference between the revenue collected from charging stations and the cost of providing the charging service. This update of rates will minimize cross-subsidization.

**Will the legislation have an ongoing/recurring fiscal impact?**

**YES**  
The legislation will establish a permanent new rate for EV public charging service.

**Will the legislation change the City's FTE/personnel counts?**

**NO**  
No additional personnel needed.

**ATTACHMENTS:**

- Proposed Amendments to Chapter 12.06 TMC