



APPROVED 1/24/24

MINUTES  
City of Tacoma  
Public Utility Board Study Session  
January 10, 2024  
3:00 p.m.

Chair Watson called the Public Utility Board study session to order at 3:00 p.m. in the third-floor conference room (LT1) of the Public Utilities Administration Building.

**Present:** Carlos Watson, Elly Claus-McGahan, John O’Loughlin, Anita Gallagher,  
**Excused:** William Bridges

**Miscellaneous**

John Nierenberg, Asst. T&D Manager, reported on the week’s wind storms. Winds were sustained at 29 mph with 45 mph gusts. Mr. Nierenberg provided a summary overview of outages and restorations.

Jodi Collins, Water Division Manager, updated the Board on Water’s bond ratings. S&P affirmed Water’s ratings at AA+. Moody’s upgraded Water to AA1. On January 9, the Water bonds refunding call took place and Water received 6 times the subscribed interest in its bonds. The lower interest rates saved ratepayers \$5.81M in debt service costs.

**Tacoma Power: Electrification Futures**

Rachel Clark, Resource, Planning, and Analytics Manager defined electrification as replacing an existing non-electric fuel with electricity. Ms. Clark detailed trends that suggest the potential for major load growth from electrification. Staff worked with a consultant to develop a set of realistic forecasts of how electrification might affect customer demand over the next 20 years using complex modeling; this data will be incorporated into the planning process. The high-level modeling process, study scenarios, and summary findings were detailed. In summary, electrification is likely to put significant upward pressure on customer consumption, but rigorous efficiency codes and standards coupled with continued investment in cost-effective energy efficiency could largely mitigate average annual consumption increases. There is likely to be a more notable impact on peak loads, especially in the winter when demand on the system is higher. Mitigation will likely require new investments in capacity resources and distribution-system upgrades.

**Tacoma Water: Water Service Area Adjustments**

Ryan Cox, Asst. Water Division Manager, provided an overview of service territory maps, figures (interties and transmission lines), and applicable laws/codes (duty of service) of Tacoma Water’s service area. Hidden Hollow is a residential plat development that Tacoma Water recommends relinquishing as it doesn’t lend itself to efficient servicing. Staff will bring a resolution for the Board’s consideration at the next meeting which will bring forth one of two options: 1) Temporary interim service option for Hidden Hollow; 2) Release the parcel for another server and adjust Water’s service area. The Board requested staff provide methodology/formulas for future decisions when it comes to deciding whether a service area should be relinquished. For future similar cases, the Board shared that study session presentations aren’t required, but a memorandum that requires maps should be provided.

**General Board Comments/Discussion and Director’s Reports**

There were on Board or Director reports or comments.

**Executive Session**

Chair Watson moved to enter an executive session at 4:50 p.m. for up to 120 minutes to discuss the performance of a public employee (RCW 42.30.110(1)(g)); seconded by Mr. O’Loughlin. Voice vote taken and carried. Chair Watson moved that at the end of the executive session the Clerk of the Board is authorized to adjourn the meeting; seconded by Mr. O’Loughlin. Voice vote taken and carried. The executive session was adjourned at 5:48 p.m.

**Adjournment**

The study session was adjourned at 5:48 p.m.

Approved:



Carlos Watson, Chair



William Bridges