



## Board Action Memorandum

**TO:** Jackie Flowers, Director of Utilities  
**COPY:** Charleen Jacobs, Director and Board Offices  
**FROM:** Chris Robinson, Tacoma Power Superintendent/COO  
**MEETING DATE:** October 28, 2020  
**DATE:** October 15, 2020

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**SUMMARY:** Tacoma Power requests approval by the Public Utility Board for a new rate category—Prepaid Residential Service (Schedule PR).

**BACKGROUND:** This service type was formerly piloted as the PAYGO program. This tariff will allow residential customers to elect to pay for electric service in advance of usage as soon as Advanced Metering Infrastructure (AMI) is installed. It will be a voluntary rate option.

Many electric utility customers prefer to pay for electricity before they use it, as is the model for most other consumer purchases. This allows for greater control over electricity costs and understanding of electricity use. The PAYGO pilot was very popular with customers; Tacoma Power frequently receives requests for restoration of this service offering.

Service under the Prepaid Residential tariff is provided at the same effective rates as regular Residential service. The tariffs only differ in the timing of customer payment for the electric service. Therefore, no fiscal impact is anticipated.

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

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

**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 Amendments to Chapter 12.06 of the Tacoma Municipal Code

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