

2021-2022 Budget & Rate Proposals

City of Tacoma | Tacoma Public Utilities
City Council Meeting | November 17, 2020

New & Clarified Rates: Tacoma Power



SD1
Equity and
Inclusion



SD5
Environmental
Leadership



SD6
Innovation



SD11
Decarbonization/
Electric Vehicles



SD13
Customer
Service



Prepaid Residential

- Voluntary program available to residential customers when advanced meters are available
- PAYGO pilot was very popular with customers

Electrofuel

- First-in-nation rate for renewable hydrogen production
- Electrofuel rate interruption of 15% of service hours to sell excess power in market when prices are high
- Pilot rate based on Industrial tariff with a 65MW cap

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New Large Load

- For new loads of 8 to 20 MW; based on Contract Industrial rate
- Previously approved by Public Utility Board and City Council as part of Electric Rate and Financial policy—moving to rate tariff for transparency and consistency

Shore Power

- Ships will use carbon-free renewable hydropower instead of bunker fuel
- Change in rate design based on costs to serve

Distributed Generation Provisions on Schedule G

- For large customer-owned solar and other production above 100 kW
- Provides fair payment for excess generation that is sent onto Tacoma Power's grid
- Responsive to customer construction plans



Proposed TPU Rate Adjustments



SD2
Financial
Stability



SD3
Rates



System-Average Increase Applied Equally to all Customer Classes

UTILITY	2021	2022
Tacoma Power	1.5% (effective April 1)	2.0% (effective April 1)
Tacoma Water	1.5% (effective January 1)	2.0% (effective January 1)

- Tacoma Rail rate adjustments presented to Council on 11/10/2020.
- Rate increase will be distributed proportionately to fixed and variable rate elements where applicable or consistent with policy and contractual provisions.

Bill Assistance Enhancements



Qualifying Annual Income (2020)

Enhancements

Bill Reduction	Bill Credit Assistance Program	Senior/ Disabled Discount Rate
Proposed	\$672 annual credit	35% discount
<i>Previous</i>	<i>\$564 annual credit</i>	<i>30% discount</i>

Household Size	Bill Credit Assistance <i>No age limit</i>	Discount Rate <i>≥62 years or disabled</i>
1 person	\$36,360	\$27,270
2 people	\$41,520	\$31,140
3 people	\$46,740	\$35,055
4 people	\$51,900	\$38,925
5 people	\$56,100	\$42,075
6 people	\$60,240	\$45,180
7 people	\$64,380	\$48,285
8 people	\$68,520	\$51,390

Discount rate changes effective January 1, 2021.

Appendix

Proposed Power Residential Rate

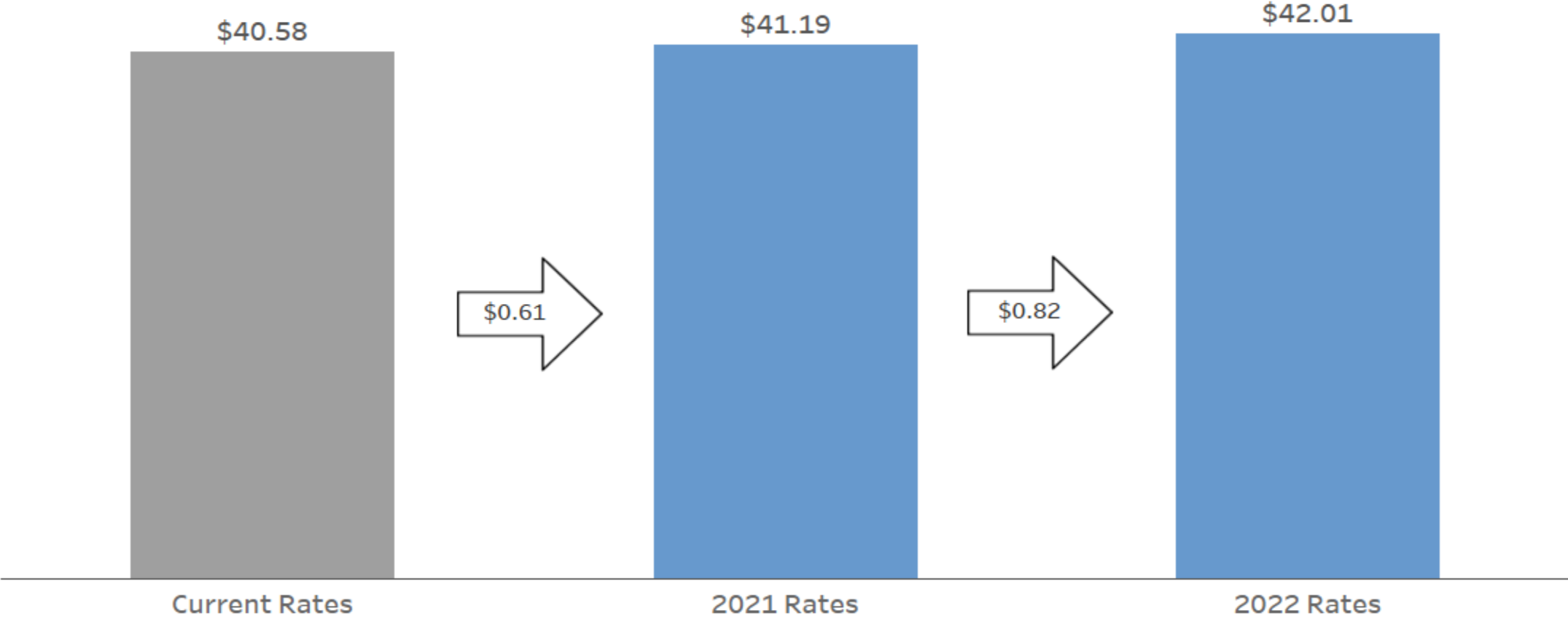
Average Monthly Bill



The average bill for a residential customer in Tacoma Power service area assumes a monthly usage of 928.5 kWh. Actual bills will vary based on usage.

Proposed Water Residential Rate

Average Monthly Bill



The average bill for a single residential family in the City of Tacoma assumes monthly usage of 6 CCF (4,488 gallons) in winter and 9 CCF (6,732 gallons) in summer. Actual bills may vary based on usage.