2004 Annual Report on City of Seattle Ordinance No. 120532

City of Seattle Ordinance No. 120532 requires an annual report on compliance with its requirements. Seattle Public Utilities has been implementing the Ordinance in accordance with the *City of Seattle Supplement to the Ten Year Conservation Program Plan* adopted in April 2003 by the City Council through Resolution 30584. The table below summarizes the City's compliance with the Ordinance through 2004.

Ordinance Re	quirements	Accomplishments/Status
Accelerated Conservation	 By 2010, provide an additional 3 million gallons per day (MGD) of water savings in the Seattle retail service area, to accomplish savings totaling 12 MGD. <i>Plans to</i> <i>implement this requirement include:</i> Increasing system efficiencies by accelerating the schedule for covering the open distribution system reservoirs. Implementing the "Everyone Can Conserve" program. Participating in reclaimed water use projects. Accelerating programmatic conservation not already being implemented in the 1% Conservation Program. 	 Open distribution system reservoirs covering status: Bitter Lake and Lake Forest reservoirs covered. Newly buried Lincoln Reservoir to go into service in mid-2005. Savings from covering Beacon, Myrtle and West Seattle Reservoirs will occur prior to 2010. Proceeding with discussion of reclaimed water project with large Seattle cement plant. See item below for progress on the "Everyone Can Conserve" program.
Environmental Block	 Provide water for the Environmental Block: 2 MGD 2001 4 MGD 2002 6 MGD 2006 (or sooner, if Tacoma Second Supply Project becomes fully operational earlier) 9 MGD 2010 (or sooner, if scientific data shows need is sooner) 12 MGD 2015 (unless determined it is not needed) Establish a Water Bank to sell water to utilities for offsetting water use that is impacting fish. Buying utilities will be required to implement cost-effective conservation and demonstrate a gallon-for-gallon decrease in use. 	 Seattle's Official Demand Forecast includes quantities required for the Environmental Block until 2010. After 2010, 4 MGD continues to be reserved from existing supply, and the remaining commitments are assumed to come from other sources. To date, no interested, qualified buyers have been identified for the Water Bank.

Ordinance Re	equirements	Accomplishments/Status
"Everyone Can Conserve" Program	 Create a low-income housing retrofit program within the Seattle retail service area. Substantially retrofit all Qualifying Low-Income Units and Qualifying Low-Income Buildings by December 31, 2010. Assist with the supplying and installation of cost-effective water conservation measures in low-income units and common areas of low-income buildings. 	 Created 0.33 MGD of average annual cumulative savings through 2004. 2,049 housing units retrofitted in 2004; accomplishments through 2004 are 11,027 housing units. Council approved Phase II implementation plan; Phase II cost projections are included in the proposed CIP budget through 2010. Phase II focuses on group homes, emergency service centers, HUD assisted multi-family units, and eligible single-family homes.
Rate Structures Providing Conservation Incentives	 Allocate the cost of the Ordinance programs between Seattle's residential and commercial customers via an equitable methodology as part of a rate design study. Provide options and recommendations for commercial conservation incentives. Develop and recommend exception criteria for customers who demonstrate hardship or conservation efforts. Recover a portion of the cost Ordinance programs from a third-tier residential rate. Expand program of commercial audits, commercial conservation and incentives. 	 Using information provided in the 2003-2004 Water Rate Design Study, the Council adopted new rates that: Provide for an equitable allocation of conservation costs between residential and commercial customers. Include a two-season rate structure (peak/off-peak) for commercial customers to encourage conservation. Extend the third-tier summer rate for residential customers. Allow for hardship exceptions for low-income residents. Increase commercial audits to identify potential reclaimed water use projects.
Conservation Planning and Compliance	 Update the Conservation Potential Assessment report every four years, starting in 2004. Beginning in 2010, implement all cost-effective conservation measures within the retail service area within eight years after the measure is identified. Track and report on compliance with this Ordinance on an annual basis. Provide ratepayers with a summary. 	 Update of the Conservation Potential Assessment report was transmitted to Council in December of 2004. This compliance summary has been made available to ratepayers via Seattle Public Utilities' website.