

## 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 Requirements		Accomplishments/Status
Accelerated Conservation	<ul style="list-style-type: none"> <li>• 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 implement this requirement include:</i> <ul style="list-style-type: none"> <li>• <i>Increasing system efficiencies by accelerating the schedule for covering the open distribution system reservoirs.</i></li> <li>• <i>Implementing the "Everyone Can Conserve" program.</i></li> <li>• <i>Participating in reclaimed water use projects.</i></li> <li>• <i>Accelerating programmatic conservation not already being implemented in the 1% Conservation Program.</i></li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Open distribution system reservoirs covering status:               <ul style="list-style-type: none"> <li>• Bitter Lake and Lake Forest reservoirs covered.</li> <li>• Newly buried Lincoln Reservoir to go into service in mid-2005.</li> <li>• Savings from covering Beacon, Myrtle and West Seattle Reservoirs will occur prior to 2010.</li> </ul> </li> <li>• Proceeding with discussion of reclaimed water project with large Seattle cement plant.</li> <li>• See item below for progress on the "Everyone Can Conserve" program.</li> </ul>
Environmental Block	<ul style="list-style-type: none"> <li>• Provide water for the Environmental Block:               <ul style="list-style-type: none"> <li>2 MGD 2001</li> <li>4 MGD 2002</li> <li>6 MGD 2006 (or sooner, if Tacoma Second Supply Project becomes fully operational earlier)</li> <li>9 MGD 2010 (or sooner, if scientific data shows need is sooner)</li> <li>12 MGD 2015 (unless determined it is not needed)</li> </ul> </li> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• 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.</li> <li>• To date, no interested, qualified buyers have been identified for the Water Bank.</li> </ul>

Ordinance Requirements	Accomplishments/Status
<p>“Everyone Can Conserve” Program</p>	<ul style="list-style-type: none"> <li>• Create a low-income housing retrofit program within the Seattle retail service area.</li> <li>• Substantially retrofit all Qualifying Low-Income Units and Qualifying Low-Income Buildings by December 31, 2010.</li> <li>• Assist with the supplying and installation of cost-effective water conservation measures in low-income units and common areas of low-income buildings.</li> </ul>
<p>Rate Structures Providing Conservation Incentives</p>	<ul style="list-style-type: none"> <li>• 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. <ul style="list-style-type: none"> <li>• Provide options and recommendations for commercial conservation incentives.</li> <li>• Develop and recommend exception criteria for customers who demonstrate hardship or conservation efforts.</li> </ul> </li> <li>• Recover a portion of the cost Ordinance programs from a third-tier residential rate.</li> <li>• Expand program of commercial audits, commercial conservation and incentives.</li> </ul>
<p>Conservation Planning and Compliance</p>	<ul style="list-style-type: none"> <li>• Update the Conservation Potential Assessment report every four years, starting in 2004.</li> <li>• Beginning in 2010, implement all cost-effective conservation measures within the retail service area within eight years after the measure is identified.</li> <li>• Track and report on compliance with this Ordinance on an annual basis. Provide ratepayers with a summary.</li> </ul>