

## 2006 Annual Report on City of Seattle Ordinance No. 120532

City of Seattle Ordinance No. 120532, September 2001, 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 2006.

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>- Lincoln Reservoir has been buried.</li> <li>- Beacon and Myrtle Reservoirs have been taken out of service for reconstruction.</li> <li>- West Seattle scheduled for covering in 2010.</li> </ul> </li> <li>• Proceeding with discussion of efficiency upgrades in facilities owned by the City of Seattle Parks Department as well as the Seattle School District; potential reclaimed water projects evaluated.</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>• Prior to 2006, Seattle’s Official Demand Forecast included quantities required for the Environmental Block until 2010.</li> <li>• In 2006, negotiated a settlement with the Muckleshoot Indian Tribe that exceeds the Environmental Block commitment for 2006 and beyond by agreeing to leave 20 MGD of perfected water right in the Cedar River.</li> <li>• The concept of a Water Bank will not be pursued further since the water is now committed to be left in the river as a result of the negotiated settlement noted above.</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> <li>- Recover a portion of the cost Ordinance programs from a third-tier residential rate.</li> </ul> </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>