

2010 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 2010. It also outlines City actions post-2010.

Ordinance Requirements		Accomplishments through 2010	Beyond 2010
Accelerated Conservation	Seattle shall expand and accelerate its water conservation program, such that by December 31, 2010, the City will be conserving an additional 12 MGD of water within the City of Seattle retail service area, as compared with water consumption in Seattle's retail service area during 2000.	<p>Water use in Seattle's retail service area was 19.4 MGD lower in 2010 than in 2000. Savings are attributed to:</p> <ul style="list-style-type: none"> • Implementation of the "Everyone Can Conserve" conservation program for low-income residents • Implementation of the Regional 1% Conservation Program, which included voluntary audits and incentive programs for residential and commercial customers • Accelerated burial of West Seattle and Maple Leaf Reservoirs • Operational changes to reduce the amount of water used to maintain water quality at open reservoirs • Rate structure that provided conservation incentives <p>Note: A portion of the savings is from installation of new, low water-using appliances and plumbing fixtures to meet national and State codes.</p> <p>Conducted economic analysis of reclaimed water use projects north of the Lake Washington Ship Canal and found that these were not cost-effective relative to other options, including conservation programs.</p>	Ordinance requirement has been satisfied.

Ordinance Requirements		Accomplishments through 2010	Beyond 2010
Environmental Block and Water Bank	<p>Provide water for the Environmental Block:</p> <p>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)</p> <p>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.</p>	<p>In 2006, negotiated a settlement with the Muckleshoot Tribe that meets the Environmental Block commitment for 2006 and beyond by agreeing to leave 20 MGD of perfected water right in the Cedar River.</p> <p>The concept of a Water Bank was not pursued since the water is committed to be left in the river as a result of the negotiated settlement noted above.</p>	<p>Monitor requirements of the Muckleshoot Indian Tribe Settlement Agreement.</p>
"Everyone Can Conserve" Program	<p>Create a low-income housing retrofit program within the Seattle retail service area.</p> <p>Substantially retrofit all Qualifying Low-Income Units and Qualifying Low-Income Buildings by December 31, 2010.</p> <p>Assist with the supplying and installation of cost-effective water conservation measures in low-income units and common areas of low-income buildings.</p>	<p>Retrofitted 20,842 low-income housing units with water conservation measures through the "Everyone Can Conserve" program.</p> <p>Substantially all low income households were contacted or informed, using a variety of mechanisms, that retrofit assistance was available to them.</p>	<p>Ordinance requirement has been satisfied.</p> <p>SPU plans to continue the low-income housing retrofit program with updated eligibility guidelines for Seattle residents in 2011.</p>
Rate Structures Providing Conservation Incentives	<p>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.</p> <p>Provide options and recommendations for commercial conservation incentives.</p> <p>Develop and recommend exception criteria for customers who demonstrate hardship or conservation efforts.</p> <p>Recover a portion of the cost Ordinance programs from a third-tier residential rate.</p>	<p>The 2005 and 2008 Water Rate Design Study included water rates structures that:</p> <ul style="list-style-type: none"> • 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. 	<p>The 2011 Water Rate Design Study contains the structures and conservation incentives contained in Ordinance 120532.</p>

Ordinance Requirements		Accomplishments through 2010	Beyond 2010
Conservation Planning and Compliance	<p>Seattle Public Utilities shall update Seattle's Conservation Potential Assessment report every four years, with the first update completed in 2004 and, beginning in 2010, shall implement all cost-effective conservation measures within the City of Seattle retail service area within eight years after the measure is identified.</p> <p>Track and report on compliance with this Ordinance on an annual basis. Provide ratepayers with a summary.</p>	<p>Updated Conservation Potential Assessment in 2004, 2006; 2007 and 2010..</p> <p>Annual compliance summaries are available to ratepayers via Seattle Public Utilities' website.</p>	<p>Conduct conservation potential assessment analysis to support compliance with the State Water Use Efficiency Rule, as well as requirements of SPU Asset Management business case process. Include future conservation goals in 6-year updates of SPU's Water System Plan. Report annually on performance to the State and SPU ratepayers.</p> <p>Recognize that, because no new supply is needed until after 2060, SPU's current Water System Plan does not identify the next source of supply and SPU cannot evaluate the cost-effectiveness of conservation measures as defined in the Ordinance.</p>