

City Light Advisory Committee Meeting
June 8, 2007, 9:00 – 11:30 a.m.
MEETING SUMMARY

Committee Members Present: Carol Arnold, Ron Ernst, Tim Hogan, Judy Krebs, Don Wise (via phone). At the request of City staff Carol Arnold acted as Chair person for the meeting.

City staff present: Superintendent Carrasco, Sung Yang, Meghan McLaughlin (Seattle City Light), Tom Van Bronkhorst, Carol Butler (Legislative), Alec Fisker, Julie Tobin (Office of Policy & Management)

Welcome and Introductions

Councilmember Jean Godden thanked committee members for their participation, noted the breadth of their expertise and experience, and recognized the work of the previous City Light Advisory Board. Deputy Mayor Tim Ceis expressed the Mayor's appreciation for committee members' commitment, emphasized the importance of the committee's work and requested their strong advice on key policies and issues.

Public Comment

Two citizens signed up for public comment. Bruce Carter, Municipal League left documentation regarding the role of a City Light Advisory Committee. Rud Okeson acknowledged the work of the previous City Light Advisory Board and recommended the Advisory Committee explore the Blue Ribbon Commission's report and the issue of governance.

Advisory Board History – Don Wise / Carol Arnold

New committee members received a brief overview of the former City Light Advisory Board and it was reiterated that committee members be thoughtful about their interactions, act in a non partisan way and provide objective advice. Participation in the committee is an intensive time commitment and it is important to establish and maintain good working relationships with the Council, Executive and utility.

Ethics Overview – Wayne Barnett, Executive Director, Ethics Commission

Committee members received a brief overview of ethics rules and may contact Mr. Barnett directly at wayne.barnett@seattle.gov or 206-684-8577 with any questions.

City Light Overview – Superintendent Jorge Carrasco

Superintendent Carrasco offered the full support of utility staff to the Committee and introduced Sung Yang, Chief of Staff, and Meghan McLaughlin, Superintendent's Office.

The Superintendent called attention to four significant challenges facing the utility:

1. Securing and retaining a workforce. Fifty percent of employees could retire, the labor market is tight and the utility has 154 vacancies including 50 line man area vacancies. A recruitment strategy is being developed.
2. Ensuring adequate resources for the long-term load requirement of customers and managing the volatility of hydro risk, while at the same time encouraging conservation and carbon emission reduction. City Light is developing a strategic partnership with an outside organization to improve risk management.
3. Improving system reliability through development of an Asset Management Plan. The Asset Management Plan is nearly ready to move forward to Council and the Superintendent would like to involve the Advisory Committee.
4. Valuing internal and external relationships. There are key issues at the local, Federal and regional level. The Committee could assist City Light by reviewing and providing impartial advice on issues of long-term importance to the utility.

Chair & Vice Chair

Carol Arnold was selected as Chair. She was nominated by Don Wise and seconded by Tim Hogan.

Tim Hogan was selected as Vice Chair. He was nominated by Carol Arnold and seconded by Ron Ernst.

City Light Orientation

The morning session of the July 10 meeting will be an orientation covering current City Light issues. The Superintendent will send a draft outline of topics directly to committee members in the next two weeks. In the afternoon the Committee will (1) identify the topics to be included in their work plan and (2) develop a preliminary schedule for addressing these topics. Julie Tobin will arrange for lunch.

Carol Arnold requested information on the prospects of contract negotiations with Bonneville for post 2011 power purchases and a financial update, including the effect the recent rate decrease is having on the financial picture and whether debt targets being met. Judy Krebs requested information on the current bond rating, the utility's goal regarding its debt to equity ratio, including short and long term debt, hedging practices and how the Integrated Resource Plan (IRP) responds to Initiative I937.

Committee members would like to receive very short information on Boundary re-licensing and emergency response but will not incorporate those topics in their work plan. City Light will send Committee members a copy of the final report regarding the utility's December storm response.

Work plan

Issues brought up for consideration include financial policy, strategic planning, personnel and organizational development, resource acquisition (including but not limited to IRP and resource portfolio) and financial policy (including debt-equity targets).

Administrative

Some committee members will set up new e-mail accounts for Advisory Committee work and get that information to Julie Tobin.

Julie Tobin will work with Judy Krebs and the Law Department to get clearer information regarding the public meeting act and change the Rules of Procedure accordingly.

Meeting Schedule 2007

The Committee will meet the second Tuesday of each month 8:30 – 11:30 a.m..

All meetings are located in Boards & Commissions Conference Room unless otherwise noted.

July 10, 8:30 a.m. – 3:00 pm

August 14, 8:30 – 11:30 a.m.

September 11, 8:30 – 11:30 a.m. (Location TBD)

November 13, 8:30 – 11:30 a.m.

December 11, 8:30 – 11:30 a.m.

The Committee's first report is due January 31, 2008.