



## City Light Review Panel Meeting Meeting Minutes

**Date of Meeting: July 26, 2022 | 9:00 – 11:00 AM |**  
**Meeting held in SMT 3517 and via Microsoft Teams “Final”**

<b>MEETING ATTENDANCE</b>					
<b>Panel Members:</b>					
<b>Names</b>		<b>Name</b>		<b>Name</b>	
Anne Ayre	√	Leo Lam	√	John Putz	
Mikel Hansen		Kerry Meade		Tim Skeel	
Scott Haskins	√	Joel Paisner	√	Michelle Mitchell-Brannon	√
<b>Staff and Others:</b>					
Debra Smith	√	Jen Chan	√	Karen Reed (Consultant /RP Facilitator)	√
Kirsty Grainger	√	Mike Haynes	√	Craig Smith	√
Jim Baggs		DaVonna Johnson		Michelle Vargo	
Kalyana Kakani	√	Emeka Anyanwu		Maura Brueger	√
Julie Moore	√	Chris Ruffini	√	Chris Tantoco	
Greg Shiring	√	Carsten Croff	√	Leigh Barreca	√
Eric McConaghy	√	Caia Caldwell		Angela Bertrand	√
				Brian Taubeneck	√

**Welcome and Introductions.** The meeting was called to order at 9:04 a.m.

**Public Comment.** There was no public comment.

**Standing Items:**

We did not have quorum at the beginning of the meeting so approval of the minutes was deferred to the next meeting.

- **Chair’s Report:** Chair Hansen was not present.

**General Manager’s update.** Debra Smith updated the panel on the following items:

Karen Reed shared that after serving for 12 years, she will not be renewing her contract with the Central Budget Office to serve as the SCL Panel Facilitator at the end of this year; the utility will go through a process to find another facilitator.

Strategic Plan at Council – Presentations on 6/22 and 7/13. Thanks to Scott Haskins for generous support of the plan at the June meeting. Full council adopted the plan on July 19<sup>th</sup> with a vote of 8 – 1 with CM Pederson being the “no” vote.



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Brand Trust Ranking –Seattle City Light has the highest brand trust score of more than 70 electric utilities across the nation, ranks first among electric utilities in the western region, and is one of 16 utilities recognized as a 2022 Trusted Business Partner by the Cogent Syndicated 2022 Utility Trusted Brand & Customer Engagement™: Business study from Escalent, a top human behavior and analytics advisory firm. Each year, Escalent measures the Brand Trust Index of 82 of the nation’s utilities among their business customers. The Brand Trust Index is a composite score of utility performance on customer focus, business community support, communications effectiveness, reliable quality, environmental dedication, and company reputation.

Interns - City Light welcomed a new group of college interns. This year’s cohort includes 30 interns working in a wide range of roles across the utility, from building electrification to aquatic resources, talent acquisition, 3 construction management and so much more. Together these students hail from 10 different colleges and universities and are completing either an undergraduate or graduate degree. Some interns will stay for just the summer months, while others will pursue a year-long position. Seattle City Light has one of the most extensive internship programs in the City. The program supports the City Light Strategic Plan by helping to attract and train a high-performance utility workforce. Our interns will assist their teams with meaningful projects and assignments that accompany their area of study.

Help with Utility Bills (Road to Recovery) - SCL and SPU are continuing to communicate about financial resources available to help with utility bills through ethnic and community-based media advertising, City department communications channels, outreach to community-based organizations (CBOs) and at community events, as well as direct communications with customers in arrears. Since the launch of this campaign, we have seen an increase in scam reports of people posing as representatives of the City. SCL and SPU have included scam warnings in messaging throughout the campaign, and we have increased our outreach to media outlets, including KIRO, KOMO, Univision, and NW Asian Weekly, and CBOs to ensure our customers are aware of the scam while also reinforcing messaging about financial resources to help delinquent customers get caught up on their past due balances.

Public Level 2 Charging Projects: The Curbside Level 2 EV Charging pilot project opt-in process opened on June 1. Seattle residents can use the process to request to have a Level 2 charging station installed next to street parking in front of their home. City Light will accept opt-in requests until August 29, 2022, then select the requests that best meet the project equity and environmental goals. A minimum of three charging stations will be installed in each council district to ensure a good geographic distribution of the chargers, thereby allowing evaluation of these chargers in different conditions. City Light is running advertisements for this new offering in local ethnic media and on Facebook in Environmental Justice Communities.

Social Responsibility Program – We officially launched the City Light Social Responsibility program. At City Light, social responsibility is at the core of everything we do, from educational programs and environmental stewardship to energy equity and employee giving. We know City Light has a long-standing commitment to the communities we serve, and in which operate. And we also know so many employees volunteer, donate, and raise awareness toward charitable causes in these communities



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and beyond. But we haven't had an official avenue to share our collective social responsibility efforts as an organization. Until now. Our social responsibility program will tell the amazing stories of City Lighters who are dedicated to causes close to their hearts and connect employees to meaningful causes and engagement opportunities. It will also highlight the utility's commitment to environmental stewardship, customer programs, educational outreach, and more.

**Q:** Any updates on budget?

**A:** No. We are in the period of budget where we don't talk about it as it has not been taken up by Council. We are working on the Integrated Resource Plan (IRP). All our IRP documents have been submitted. Much of council is on break until the September-November budget period.

*Eric McConaghy (Council Central Staff) added* - Typically the City Light budget is understood through the strategic planning and review panel process. This is why we do not always need SCL to present during the budget season.

**Rate Proposal Review and Potential Panel Endorsement.** Kirsty Grainger and Carsten Croff presented. The presentation is in the meeting packets.

**Q:** This is revenue neutral?

**A:** Yes. In context of cost of service, this change is quite small for larger customers. This does not change the amount of revenue for SCL and for larger customers this will be a small percentage of their bill. It's more about a fundamental change in rate structure.

**Q:** What are the unknowns, particularly with time-of-day rate? How are you balancing the revenue neutral goals with uncertainties? What monitoring will you be doing?

**A:** Anytime we set rates, there is risk since we don't know when customers will use electricity. As we add more options, the risk increases. We're trying to forecast behavior and that is challenging.

**Q:** I see that this is shifting cost components, but not the total bill for commercial customers is helpful. Do you have a similar chart for residential customers?

**A:** For an average residential customer it will be the same outcome. For a high-use customer the bill will go down a little bit; for low-use customers it will go up a little bit. We have many programs supporting affordability – not just rates structural changes. We also had a great conversation with NWEAC and Nancy Hirsh. NWEAC has historically been concerned about increases in fixed charges, but they agreed this seemed reasonable and signaled their support.

**C:** I appreciate that you tied this rate proposal to policy goals. I appreciate that it is a progressive step forward. I think that you will need to monitor concerns about fair allocation of costs. That can be a difficult element of rate design as we work with a less than homogenous group. I support the proposal and think it is a positive step for the Utility.



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**Q:** In my experience I see the issue of cross-subsidies between rate categories as elements that are of concern to the public. As an example, residential will say commercial doesn't pay their share. You should have an answer and be prepared for this. Raising fixed charges also raises ire. From a utility side, it's necessary to have a fixed charge. I support the proposal—it's a good design. Time of Day is a big upcoming challenge and a big piece of our collective future.

**A:** Great points. UDP customers get the discount on the fixed charge as well.

**Q:** Does the utility have a long-term plan on rates?

**A:** No.

**Q:** I support the policies and the 8 goals. I can see why rate change policies are happening. . However, at 30,000 feet, I'm looking at a revenue neutral change. I want to understand the goal or behavioral change – why do we go through these changes resulting in a revenue neutral change? It seems like a heavy lift (education, ire) for limited benefit.

**A:** Time of Day rates is the big shift. We are one of the last utilities using tiered rates – first implemented in the 1970s when the goal of energy efficiency was new. Now, people tend to be wise consumers of our product. We need stability on both sides: revenue for the utility and stable/predictable rates for the customer.

**Q:** I was wondering if people will be concerned if the increase in fixed charges conflicts with your more pro-climate policies, but you have convinced me. I support the proposal.

**A:** We are not moving away from pro-climate policies, and we're shifting our approach to encourage modern strategies.

**C:** This will help the City Light bills be less archaic, and we need a communication plan in the transition period.

**Review Panel Workplan.** Karen Reed noted that a draft workplan for the Panel's next two years is in the meeting packet. Without a quorum present this item will be deferred to the September Panel meeting.

**Status Report.** Angela Bertrand and Leigh Barreca presented. The Strategic Plan status reports for Q1 and Q2 as well the June Executive Dashboard are in the meeting packet.

**Adjourn:** Meeting adjourned at 11:40 a.m.

**Next meeting:** Sept. 27, 2022, 9:00 – 11:00 a.m. There will be both virtual and In-person meeting options.