



**City Light Review Panel Meeting
Meeting Minutes**

**Date of Meeting: May 11, 2023 | 9:00 – 11:00 AM |
Meeting held in SMT 2821 and via Microsoft Teams “Draft”**

MEETING ATTENDANCE					
Panel Members:					
Anne Ayre	√	Leo Lam	√	John Putz	√
Mikel Hansen	√	Kerry Meade	√	Tim Skeel	
Scott Haskins	√	Joel Paisner	√	Oksana Savolyuk	√
Staff and Others:					
Debra Smith	√	Jen Chan	√	Julie Ryan (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	√	Leigh Barreca	√
Greg Shiring	√	Carsten Croff	√	Angela Bertrand	√
Eric McConaghy	√	Caia Caldwell		Brian Taubeneck	√
Jeff Wolf	√	Siobhan Doherty	√	Kristina Pham	√
David Logsdon	√	Karin Eastby	√	Cameron Keyes	√

Welcome and Introductions. The meeting was called to order at 9:02 a.m.

Public Comment. There was no public comment.

Standing Items:

Chair’s Report. Mikel Hansen opened the meeting. He welcomed the new Review Panel member, the low-income customer advocate, Oksana Savolyuk. The panel members introduced themselves to Oksana.

Review Agenda. Julie Ryan reviewed the agenda.

Approval of April 19, 2023, Meeting Minutes. Minutes were approved as presented.

Communications to Panel. Leigh Barreca reported that she had received an email from a Crosscut reporter inquiring when the minutes from the April meeting would be available. Leigh provided the website link and responded that minutes are posted a few days prior to the next month’s meeting.



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General Manager's update.

1. Mayor's Office Representative – Caia Caldwell will be taking leave through the end of the year. Karin Eastby will be filling in while she is out.
2. March 2023 Financial Report – The report is in the meeting packet. Kirsty will be ready to respond to questions.
3. RSA/Wholesale Energy Revenue – The proposal that was presented to the Panel in April, to use surplus general fund dollars to the RSA and eliminate the need for an RSA rate surcharge was presented to Council Committee on 4/26.

Q: Is the process that City Light must go back to City Council to request this transfer?

A: We are in the process now. The full Council is scheduled to vote on the City Light proposal on Tuesday, May 16th.

Q: I didn't realize we also had a surplus in retail sales revenue. What caused that?

A: Load was higher than normal, increasing retail revenue. We used our power and purchased power supply to serve our customers. Using our own power to serve our customers meant we had less to sell in the wholesale market, which reduced the RSA account. The transfer from the general fund to the RSA is possible because we have higher off-setting retail revenues.

Q: I think the origin of the RSA is because you always had surplus supply, and the RSA account fluctuated with volatile market prices. Does it make sense to change this structure now?

A: The hydro is also uncertain and the volume we get out of our hydro projects is subject to change each year. The cash reserve and the RSA insulate both our bottom line and our customer owners from that fluctuation.

A: Electrification will increase load in the future. This may be an early signal to assess the structure in the future.

Q: What do the water levels look like today as opposed to last month? Are they as predicted?

A: They have changed marginally. The warmer weather has accelerated the run-off, which is now in full effect. It looks like it will be a faster runoff than we would like.

Q: *(via chat)* Do your stochastic models capture the correlations between, load, price, and hydro generation? And, if so, I do think it probably makes more sense to budget around Net Revenue than separately for wholesale and retail.

A: *(via chat)* Yes, they absolutely do incorporate this correlation (and it's an important driver) and I agree. Designing and getting approval for automatic rate mechanisms is a heavy policy lift... but we've definitely talked about it.

4. Skagit Relicense - Seattle City Light submitted a final license application to the Federal Energy Regulatory Commission (FERC) today, detailing plans to operate the Skagit River Hydroelectric Project for the next 50 years. Although this is not the last step in the FERC relicensing process, the



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final license application (FLA) is a significant milestone for City Light and its partners. Totalling approximately 15,000 pages, it represents years of collaboration among Treaty Tribes, Canadian First Nations, federal and state regulatory bodies, environmental groups, and nearby communities.

Chris Townsend, SCL Director of Natural Resources and Hydro Licensing, was featured in the April 2023 issues of Hydro Leader magazine. The article reported that "City Light has been working for more than 5 years with federal, state, and local agencies and stakeholders, including Native American tribes, to relicense the dams in a way that takes into consideration the complex interactions between the natural environment and the humans who live and work in the watershed."

5. Review Panel Appointments – At the 4/26 committee meeting, the 2nd term reappointments of Tim Skeel and Scott Haskins were approved. Additionally, the appointment of our new Low Income Customer Advocate, Oksana Savolyuk as also approved. We now have a full panel, and we thank you all for your participation.
6. APPA Platinum Designation - Seattle City Light has earned a platinum level Reliable Public Power Provider (RP3) designation from the American Public Power Association. This award certifies that City Light has demonstrated leading practices in providing the highest degree of reliable and safe electric service. The RP3 designation lasts for three years and recognizes public power utilities that demonstrate proficiency in four key disciplines: reliability, safety, workforce development, and system improvement. Of the thousands of public power utilities in the country, City Light joins 271 that hold the RP3 designation.

While the recognition is a wonderful acknowledgement of the utility's efforts, we're not going to stop working to better ourselves and strengthen our services. We remain dedicated to powering our community and to finding ways we can enhance our operations. We're all ears when it comes to suggestions from our customers and welcome the opportunity to continue serving this area.

Q: The Seattle Times recently published an article that included an observation that there were no EV chargers scheduled for placement in Rainier Valley.

A: We used established criteria to select the sites and we talked with community members before making location selections. This first round of charger installations was a pilot. We will continue to work with community groups to provide the kind of charging infrastructure they want.

Strategic Plan Quarterly Report: The packet includes the Q1 2023 Strategic Plan report. There are 28 workstreams, 9 of which are experiencing delays and are shaded in yellow. None are consequential delays that cannot be made up. The first table provided the status report of all workstreams, and the second table includes details on the workstreams experiencing delays. Each quarter the Panel will be alerted if any of the workstreams are in danger of not being completed on time. Please direct your questions to Leigh Barreca and we can discuss them at the next Panel meeting.



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Strategic Plan Priority: Create our Energy Future Emeka Anyanwu (Energy Innovation & Resources Officer), David Logsdon (Electrification & Strategic Technology Director), and Siobhan Doherty (Power Management Director) presented. The presentation materials are in Panel packet. The presentation provided information on the many projects, initiatives, and activities (PIA) that these teams are engaged in to support the “Create our Energy Future” strategic priority in the City Light Strategic Plan. The teams presented work completed in 2022 and upcoming initiatives for 2023 in the following areas:

- a. Western Market Development
- b. Integrated distribution and resource planning
- c. Utility Next Portfolio
- d. Electrification Plans
- e. Grid Modernization

Q: Why is there no identified need for utility-scale solar from 2032-2041?

A: The amount we plan to procure through 2031 will meet the resource need, so that is why no additional solar is noted for 2032-2041. The IRP planning is a scenario-based process to look at different elements of portfolios. We will run those scenarios again in a few years as we develop the next IRP. We anticipate the plan may change for new information.

Q: Will customer solar be more widely adopted by residential customers?

A: These are different solar resources from the utility-scale solar in the plan. There is a different value proposition for behind the meter retail solar. The issue is what will it take to drive customer adoption.

Q: With hydro representing 86% of your portfolio, have you considered doing as the Mid-C utilities have done and selling slices of your hydro system and replacing that with flat block power?

A: Our hydro is a combination of our own resources (40%) and hydro from Bonneville Power Administration (60%). The BPA volume is purchased as a block product, so we diversified the hydro risk. We are somewhat different than our peers in the Mid-C. Our supply is to serve load as opposed to the Mid-C utilities whose supply greatly exceeds their load. As a result, it makes more sense for them to sell a slice of their hydro system supply.

Q: Did the legislature just pass a bill that Puget Sound Energy is going to stop doing gas hookups for new buildings? If so, do you know how much of an impact that'll have on your load?

A: No, it did not pass. However, we supported the bill and we worked with PSE on what the load impact would be.



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Q: In terms of charging infrastructure, how do you assure that we're not investing in the same areas?

A: We work with the private EV charging companies closely since we are the field provider for their system interconnection. We focus our chargers in the gaps they do not serve (that was one of our criteria in selecting curbside charging locations).

Q: You've probably discussed this in the past, but are there metrics to help us track progress in these areas?

A: Yes. There are metrics in the executive dashboard report. We are also developing metrics for the We Power strategic plan priority.

C: I feel confident in the team working on this and look forward to hearing more about progress on this work. In particular, I'm curious about the demand side management potential study that was mentioned. I am not familiar with that framework vs. the Conservation Potential Assessment. Very interested to learn more!

[During the Q&A above, the group discussed ideas to re-structure the Panel meeting format to provide more time for questions and discussion.]

Adjourn: Meeting adjourned at 10:59 a.m.

Next meeting: June 22, 2023, 9:00 – 11:00 a.m.