



2023
ANNUAL REPORT



**Seattle
City Light**

MISSION, VISION & VALUES

Mission

Seattle City Light provides our customers with affordable, reliable and environmentally responsible energy services.

Vision

Create a shared energy future by partnering with our customers to meet their energy needs in whatever way they choose.

Values



Customers First

We believe customer service is everyone's job. We pledge to be approachable, respectful and responsive in providing products and services that our customers want and need.



Environmental Stewardship

We care about the environment and we are dedicated to enhancing, protecting and preserving it for future generations.



Equitable Community Connections

We are proud to be a local, community-owned utility. We are visible and actively involved in the communities we serve. We are rooted in our commitment to racial diversity, social justice and the equitable provision of services to all.



Operational and Financial Excellence

We strive for excellence, are forward-focused, and seek new and innovative solutions to meet the challenges of today and tomorrow. We prioritize our investments and operating choices to build upon our strong financial foundation and solid, reliable infrastructure.



Safe and Engaged Employees

We actively practice our commitment to employee and public safety. We treat each other with kindness and respect, are personally accountable, and work effectively in teams.





LETTER FROM THE GENERAL MANAGER/CEO

It's an honor to lead Seattle City Light and share successes from 2023 that benefit our customers and community. We made significant progress in supporting the transition toward a clean energy future, all while maintaining our commitment to providing affordable, reliable, safe, and environmentally responsible energy services.

This report highlights our accomplishments through the lens of our five core values: Customers First, Environmental Stewardship, Equitable Community Connections, Operational & Financial Excellence, and Safe & Engaged Employees. These values not only guide our actions but also keep us focused on our mission.

Some standout moments include expanding electric vehicle charging sites throughout our service area and developing a detailed plan to help both homeowners and businesses reduce their carbon footprint by making their buildings more energy efficient. Safety remained our top priority, prompting us to refine our strategies for preventing, managing, and recovering from the impacts of wildfires on our facilities and the communities we serve.

I'm also excited to share for the second consecutive year, J.D. Power recognized us for achieving the highest business customer satisfaction score among midsize utilities in the Western U.S. Additionally, we expanded our Energy Heroes education program and launched an apprenticeships recruitment campaign to diversify and strengthen our workforce.

We submitted a federal application to relicense the Skagit Hydroelectric Project. This marked a major milestone for a vital project that supplies 20% of City Light's power. The license application outlines the many ways we will continue to steward the environment around the Skagit Project, including a comprehensive fish program that includes a plan for fish passage across all three dams.

The energy landscape is evolving rapidly. We must not only keep pace but anticipate and plan for the future. Climate change and rising energy demand are challenging us to innovate and adapt our services to better meet customer needs. Our strategic planning process includes a six-year plan with biennial updates and is essential in navigating these challenges while remaining focused on our long-term goals. Changing weather and demand patterns are posing a threat to grid reliability in the U.S. That's why we continued to collaborate with other Western utilities to leverage market efficiencies and improve reliability and affordability for our customers.

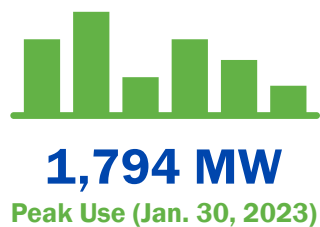
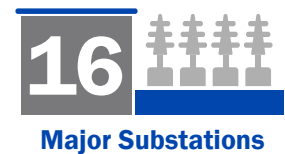
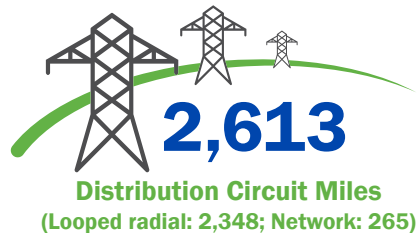
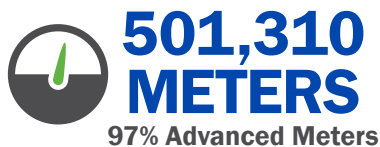
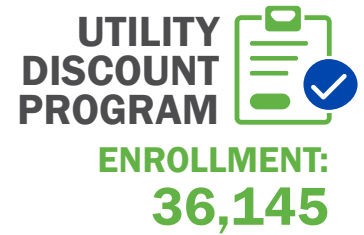
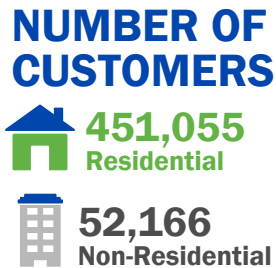
I want to express my gratitude to employees, partners, and stakeholders who have played a role in our achievements. Since joining City Light in February 2024, I have been inspired by the dedication and expertise of our team. Together, we will continue to build a brighter, more sustainable future.

Warm regards,

Dawn Lindell



CITY LIGHT BY THE NUMBERS



Information as of December 31, 2023

To review detailed City Light financial information, find our audited financial statement here:
seattle.gov/city-light/about-us/communications

CUSTOMERS FIRST

As a public utility, our customers and the communities we serve help define our goals. We remain committed to helping customers make informed decisions about their energy use and financial situations.



#1 in Business Customer Satisfaction from J.D. Power.

Seattle City Light was honored to be recognized by J.D. Power for securing the highest customer satisfaction score among midsize utilities in the Western U.S. for the second consecutive year. Our Business Customer Services team plays a pivotal role in this success. By offering comprehensive services to business and industrial customers throughout the region, they ensure top-tier, concierge-quality interactions. Their proactive approach allows us to quickly respond to customer needs and adapt to an ever-changing economic landscape. Our focus on power quality, reliability, and seamless billing has set a high benchmark for customer service in the industry. Additionally, staff across the utility work hard to keep rates affordable, ensure reliable service, and diligently restore power when unexpected outages occur.



Helping customers make smarter energy decisions with real-time data.

In November, we launched a new feature on our Utility Services Website. This feature, powered by advanced meters, gives customers a closer look at their energy consumption, breaking it down into 15-minute increments. A customer can monitor usage patterns, understand how and when they use energy, and make smarter decisions to save both energy and money. They can also download and export this data, making it easier to analyze their energy habits in detail. This tool is designed to help customers gain more insight, control, and ultimately, power over their energy use.



Continuing our commitment to connect customers with bill assistance.

We allocated \$880,000 in state funds to help low- and moderate-income residential customers receiving utility bill assistance reduce their past-due balances, which had increased due to the economic impacts of the pandemic. This initiative followed the \$9.7 million in state funding we distributed in December 2022 to help eligible customers with their unpaid bills.

ENVIRONMENTAL STEWARDSHIP

City Light takes pride in leading the charge toward sustainable energy solutions in our region and empowering customers with the tools and resources to help them meet their energy needs. We led significant initiatives throughout the year that exemplify our dedication to environmental stewardship.



Securing the future of the Skagit Hydroelectric Project.

In April, we submitted a Final License Application to the Federal Energy Regulatory Commission (FERC) detailing plans to operate the Skagit Hydroelectric Project – a series of three dams that provide 20% of City Light’s power – for the next 50 years. The license application is a significant milestone and represents years of collaboration among Treaty Tribes, Canadian First Nations, federal and state regulatory bodies, environmental groups, and nearby communities. An important part of getting a new license is studying the impacts of the Skagit Project’s dams. We’ve invested \$28 million in research to ensure our plan balances the need for renewable energy with the need to respect Tribal interests, be good stewards of the ecosystem, and create and maintain suitable habitats for local fish species. The final license application is a major milestone, but it’s not the final step in the relicensing process. FERC will do a multi-year review, and City Light will continue to collaborate with partners on ways to work together and improve the watershed.

Supporting local solar projects through our Green Up Community program.

We prioritized sustainable energy practices and community support by investing nearly \$785,000 in renewable energy credits to help fund local solar projects. When customers enroll in our Green Up program, we purchase renewable energy credits on their behalf and use those purchases to contribute to rooftop solar projects hosted by nonprofit and public organizations, including schools and affordable housing providers. In 2023, we celebrated projects at Highline High School, Brighton Senior Housing, and the Evergreen Aquatic Center.



Making progress toward encouraging electric vehicle adoption, use, and infrastructure.

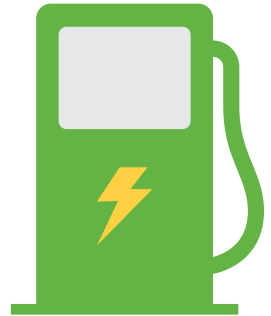
We launched incentive programs and technical support for businesses transitioning to electric fleets and multifamily customers looking to install electric vehicle (EV) chargers at their properties.

Through our Fleet Electrification Program, we helped nonprofit Sound Generations begin the transition to electric vehicles. After a comprehensive assessment of the social-service agency's fleet of more than 50 vehicles, we projected the organization could save up to \$1.7 million on fuel and maintenance over 27 years, while cutting down 6,795 metric tons of greenhouse gas emissions.

We made substantial advancements to encourage EV usage and improve infrastructure. Our Multifamily EV Charging Program is all about making it easier for property owners to install EV chargers. Our program includes free assessments, expert recommendations,

and help in securing incentives to cut installation costs. This initiative supports clean transportation, reduces emissions, and boosts building tenant satisfaction.

In an important step in the promotion of electric vehicles, we identified and began installing 31 Curbside Level 2 Electric Vehicle Charging sites for the pilot program. This initiative aims to bridge the gap for residents who cannot access off-street parking to charge their vehicles at home. Locations were selected based on factors such as location density, user requests, infrastructure capability, and property type. We completed installation of 25 charging stations and plan to complete the remaining six in 2024.



Collaborating with City and community partners to unveil a new electric ADA-accessible vanshare at Estelita's Library.

We made significant strides in supporting electric vehicle usage and infrastructure in our community. We collaborated with Estelita's Library, the Seattle Department of Transportation, and ZEV co-op to unveil the first electric ADA carshare van in Washington state. With a designated carshare permit from the Seattle Department of Transportation, community-owned electric carshare ZEV co-op hosts the van at a new City Light Level 2 curbside charger located at Estelita's Library, a justice-focused community bookstore and library in Seattle's Central District. This cooperative effort exemplifies our commitment to fostering electric vehicle usage, promotes equitable access to electric transportation, and shows the importance of accessible transportation for all. This work also aligns with Seattle's Transportation Electrification Blueprint's objective of achieving 100% zero emissions for shared mobility.



Joining statewide partners in unveiling the first electric bus in the Amtrak National Network.

We worked collaboratively with Amtrak, MTRWestern, and the Washington State Department of Transportation in launching the first electric bus within the Amtrak National Network. This bus, running daily round-trip service between Seattle and Bellingham, is powered by our renewable energy sources and will save 10,000 gallons of diesel fuel each year, cutting CO2 emissions by 109 metric tons annually.

Hosting ride-and-drive events and demonstrating how EV charging works at events like the Seattle International Auto Show.

EV sales doubled in Washington state over the past two years, ranking the state fourth in the nation. In King County alone, one out of four vehicles are now registered as electric. By 2030, two out of every three new cars sold must be zero-emission in Washington; by 2035, all new vehicles sold in the state must be zero-emission. We've been active in promoting EV adoption through events like the Seattle International Auto Show and our Electric Car Guest Drive events. These hands-on experiences educate the public on the benefits and ease of EV use, driving us closer to the City of Seattle's goal of making 90% of personal trips zero-emissions by 2030.

Refining and applying our Wildfire Risk Reduction Strategy during the Sourdough fire.

In August, City Light faced a significant challenge with the Sourdough fire in the North Cascades National Park near the Skagit River Hydroelectric Project. Guided by our newly released Wildfire Risk Reduction Strategy, we stayed committed to providing service and protecting our environment even in times of crisis. We worked together with federal and regional agencies to mitigate the impacts of the fire on nearby communities and our infrastructure. Our strategy focused on active wildfire risk management, assessing road conditions, infrastructure, and surrounding lands. We took proactive measures, such as installing barriers to protect employees and operations from landslides and falling rocks, creating trails, and positioning equipment to swiftly respond to any slide activity.



EQUITABLE COMMUNITY CONNECTIONS

Our support for economic, educational, and environmental development means we do more than just deliver power.

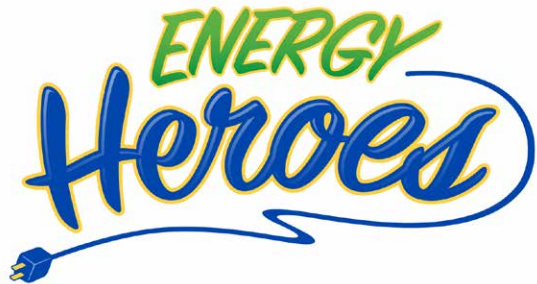


Artist Erin Shigaki, YouthCare Board President Ken Robertson, YouthCare CEO Degale Cooper, and City Light's Project Delivery Director Tamara Jenkins celebrate the opening of YouthCare's Orion Center Annex at the Denny Substation.

Partnering with YouthCare as a new tenant at the Denny Substation to provide youth homelessness services.

In our commitment to Equitable Community Connections, we partnered with YouthCare, a local organization that works to combat youth homelessness. At the Denny Substation, we unveiled a new community space for YouthCare's programs. Three YouthCare clients, under the guidance of a local artist, participated in the design of the mural prominently displayed in the entrance. YouthCare will use this space as their new Orion Annex, providing education and workforce development services to young people experiencing homelessness. This collaboration is a testament to our shared vision of empowering homeless and at-risk youth, enabling them to thrive amidst adversity.

Expanding our Energy Heroes Program on electrical safety, energy conservation, and renewable energy to over 2,000 students.

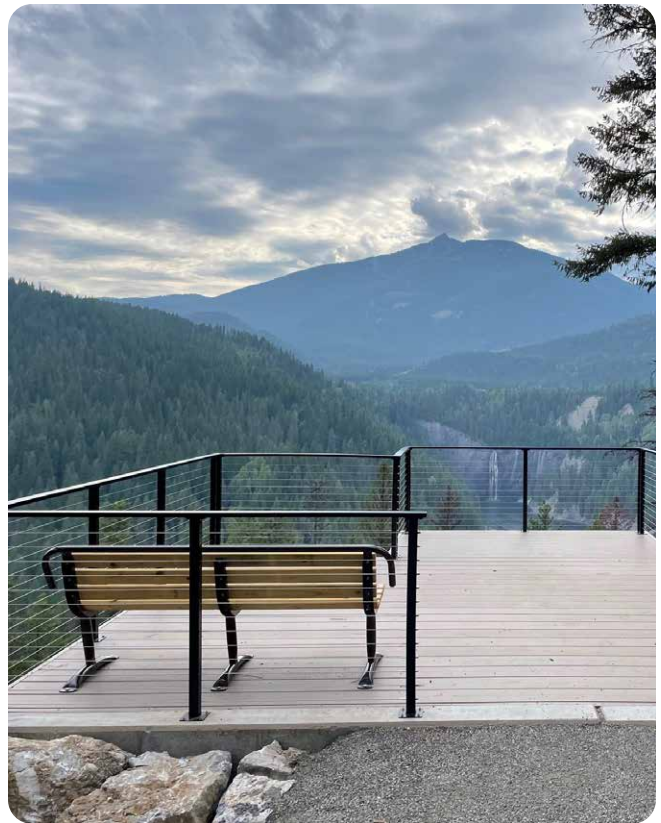


We expanded our Energy Heroes educational program, reaching over 2,000 students across 17 diverse schools during the 2022-2023 school year. Since its inception in 2008, the Energy Heroes program has been sparking students' curiosity with fun and interactive presentations and workshops. These sessions cover important topics like electrical safety, energy conservation, and renewable energy. The past year marked the successful completion of expanded offerings, including a pilot high school workshop on electrification and equity. We're proud that our

focus on equitable access means that students from historically underrepresented communities and vulnerable groups benefit from these learning opportunities. To make our program even more inclusive, we offered workshops in Spanish. Looking ahead, we're excited to expand the reach of the Energy Heroes program even further, bringing more workshops to schools across our service area.

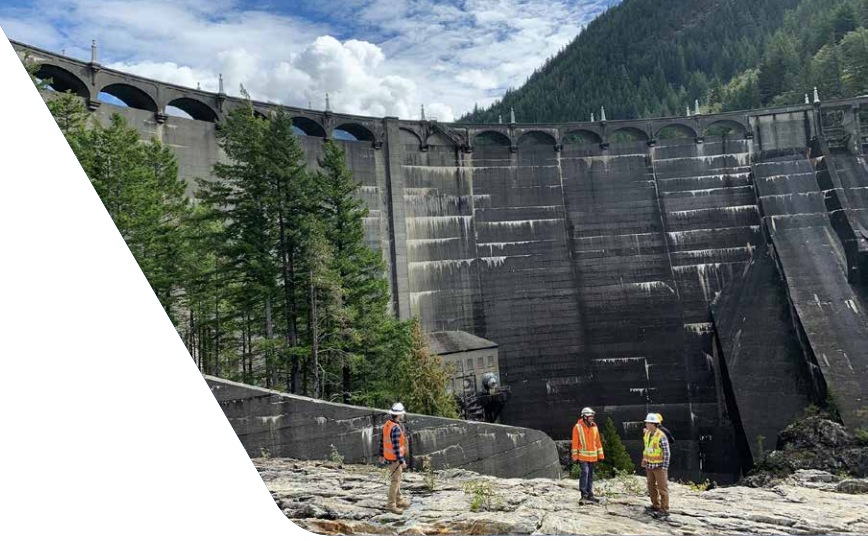
Enhancing public access to recreational facilities at our Boundary Hydroelectric Project in northeastern Washington.

In collaboration with the United States Forest Service, we opened two new day-use overlooks at the Boundary Hydroelectric Project: Peewee Falls and Riverside Canyon. The overlooks offer visitors stunning views of the local landscape, new restroom facilities, picnic tables, ample parking, and accessible gravel trails. Thanks to our partnerships with the Forest Service, the Bureau of Land Management, the Kalispel Tribe, and others, we have enhanced natural and cultural resources while promoting outdoor recreational opportunities. The overlooks are also a milestone in fulfilling our FERC license obligations and mark our continued commitment to the local community. We anticipate further improvements and extensions, such as updated interpretive exhibits, renovations at Metaline Falls Portage Park, and the completion of the Salmo Passage Trail, which connects the two overlooks.



OPERATIONAL & FINANCIAL EXCELLENCE

Developing innovative energy solutions and planning for critical investments are both key to creating our energy future.



Joining the Western Resource Adequacy Program for enhanced grid reliability.

As weather patterns change and energy demands grow, keeping power reliable becomes more challenging. That's why we joined the Western Resource Adequacy Program (WRAP) to continue working with other Western utilities to make sure we all have enough power when we need it. WRAP is a collaborative effort by utilities across the West to ensure everyone has access to reliable power through a shared regional approach. Think of it as working together to keep the lights on for all of us. By joining WRAP, we are working to prevent possible energy crises, ensure an equitable grid, and move toward decarbonizing our energy landscape.

Installing a new power grid transformer at the East Pine Substation.

We successfully replaced a 125-ton transformer at the East Pine Substation. This major infrastructure upgrade boosts power reliability, load capacity, and control for Seattle's Central District, First Hill, and Capitol Hill. With a lifespan of 40 to 50 years, the new transformer replaced a decades-old unit and is part of a project to upgrade the substation. The journey of the transformer was quite an adventure—it traveled via rail car all the way from Montreal, Canada, to Vancouver, Washington, and then up Interstate 5 on a 185-foot-long heavy hauler escorted by a convoy of support vehicles over the course of four nights. It was then carefully maneuvered into place using hydraulic jacks and rails.

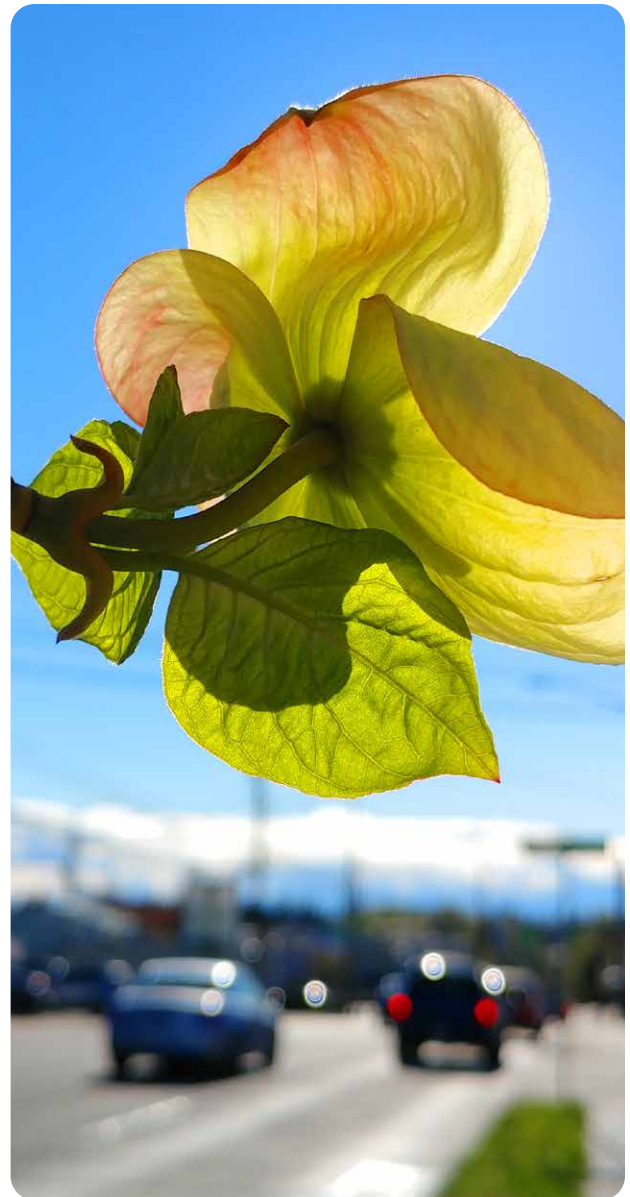


Developing an Emissions Regulatory Compliance program for managing climate policies.

In 2023, we advanced environmental sustainability by following 10 key policies on reducing greenhouse gases and using clean energy. Some of these policies have been our foundation for years, while others, like the Washington Clean Fuel Standard and the Washington Climate Commitment Act, were introduced in 2023. Managing these interconnected policies requires a strategic approach. That's where our Emissions Regulatory Compliance program comes in. This program helps us stay on track with over 700 commitments by 2045, ensuring we meet our goals effectively.

Forming a Capital Governance and Oversight Committee.

We established the Capital Governance & Oversight (CGO) Committee to improve how we oversee capital projects and to bring decision making closer to where the work happens. This work replaced the previous Capital Asset Review & Evaluation (CARE) Committee. This new committee aims to enhance oversight, governance, and communication for the utility's \$400 million annual Capital Improvement Program budget. It will streamline capital investments, recommend strategic priorities to the utility's Executive Team, and ensure efficient infrastructure management, reflecting our commitment to transparent governance and operational excellence.



SAFE & ENGAGED EMPLOYEES

We continue to cultivate a culture of giving, build peer networks, and expand our efforts to recruit diverse candidates. We are proud of how our employees go above and beyond to make a difference to our customers and communities.



Contributing to our communities through employee giving.

Our employees demonstrated their community commitment by organizing a record-breaking Toys for Tots drive in 2023, raising over \$11,000 and donating more than a hundred toys. Their efforts surpassed their goal, bringing joy to many children during the holidays. Additionally, employees raised \$6,426 for the American Heart Association through events like the Rockin' Car Show & BBQ and participating in the Puget Sound American Heart & Stroke Walks.

Launching an apprenticeship recruitment campaign.

To attract talented individuals to join the utility, we launched an Apprenticeship Recruitment Campaign highlighting our paid opportunities for roles like line workers, cable splicers, and electricians. Our program combines hands-on training with classroom instruction, requiring 144 hours of study each year. We've designed it to be inclusive and open to all qualified applicants, promoting diversity in our workforce. Our apprentices also enjoy competitive pay and comprehensive health benefits. The State of Washington Labor and Industries Apprenticeship and Training Council oversees the program, ensuring top-notch quality and support.

 **Seattle City Light**

Explore apprenticeship opportunities at our open house!

Thursday, July 18
10 am–2 pm at the South
Seattle College Georgetown
Campus (6737 Corson Ave S,
Seattle), with Apprenticeship
Program presentations
happening each hour.





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