



**City Light Review Panel Meeting  
Meeting Minutes  
DRAFT**

**Date of Meeting: April 24, 2018**

<b>MEETING ATTENDANCE</b>					
<b>Panel Members:</b>					
<b>Names</b>		<b>Name</b>		<b>Name</b>	
Gail Labanara	√	David Allen	√	John Putz	√
Sara Patton	√	Patrick Jablonski	√	Nina Sidneva	√
Thomas Buchanan	√	Leon Garnett	√	Cal Shirley	√
<b>Staff and Others:</b>					
Jim Baggs	√	Paula Laschober		Karen Reed (Consultant Contractor/RP Facilitator)	√
Calvin Goings		Kirsty Grainger	√	Leigh Barreca	√
Robert Cromwell	√	Mike Haynes	√	Bernie Ziemianek	
Emeka Anyanwu		Tony Kilduff	√	DaVonna Johnson	
Lynn Best		Calvin Chow	√		
Gregory Shiring	√	Kathleen Wingers	√	Carsten Croff	√
Darnell Cola		Maura Brueger	√	Jenny Levesque	√
Collen McShane	√	Richard Cuthbert		Jaya Bajpai	√

Introduction: Gail Labanara welcomed the group and convened the meeting at 11:05 AM.

Panel Discussion: None

Review of Agenda: Karen Reed reviewed the agenda.

Meeting Minutes – April 3<sup>rd</sup> meeting summary: The meeting summary was approved as submitted.

Public Comment: There was no public comment.

Chair's Report: Gail reported that the Council Committee discussion from earlier this month was rescheduled to this coming Thursday. She will attend and represent the Panel.

Communications to Panel: With word of Nina stepping down, the Mayor's office has asked for 3-5 economists to be nominated. Suggestions are welcome. In response to a question about whether the Mayor has responded to the Panel's letter of March 20, supporting sale of the surplus City Light property at 8th and Roy, Greg Shiring noted that the Mayor has not offered a formal response. She has directed that the property be taken off the market.



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SCL in the news and other updates: There were no further communications.

Draft Strategic Plan. Leigh Barreca presented the draft strategic plan. It is in near final format/content. She will be adding some verbiage talking about how the process included budget office and council staff, and that discussions with various staff and the Panel are iterative in developing recommendations.

The Committee was asked whether the various metrics presented in the plan should be retained? The consensus from Panel members was yes, these metrics are important, and, City Light should also include what the target performance is on these metrics. Also noted were some needed clarifications on how the metrics are described (e.g., Fish & Wildlife Habitat—Total Acres added per year; Leadership Development Training).

The committee also suggested adding a column describing the base bill amount in the Rate Path Section, Monthly Bill Increases table.

The financial forecast document, the latest draft of which was circulated electronically yesterday, will be an attachment to the Plan.

Panel Discussion: Review Panel Letter. The group discussed the April 20 draft letter, which incorporated edits from two panel members made after the initial draft was circulated April 16. John Putz has submitted a draft intended to substantially shorten the letter; copies were made available to the Panel member and other attendees. Cal Shirley revised his proposed minority statement on the rate path; a copy of the revised statement was made available at the meeting.

Discussion began with the question of whether a much shorter letter will be more effective than a longer letter. Noted that this letter is about the same as prior letters. Calvin, Tony and Greg shared their perspectives on the length of the letter.

The group then went paragraph by paragraph through the letter, to identify further edits. Comments for edits on the letter included:

- Remove the language in the first paragraph on the Utility's role in the economy. In second paragraph, shorten reference to economy by calling it simply a "diverse economy."
- Customer Outreach: add note that customers also support clean energy.
- Success Since Initial Plan: Shorten list of successes to a few – eliminate reduction in employee injury rate, and infrastructure condition, and rate path. Revise reference to "efficiency targets" to stay "financial savings targets" Note that 30-50% of estimated households have not yet signed up for the Utility Discount Program.



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- Current Challenges: clarify why demand is only dropping 0.4%/year but efficiency in construction/codes/etc., is reducing demand by 2.0-2.5% a year. Insert an attachment showing how SCL debt has increased in the last 10 years or so. Pull forward the points about capital projects to the initial discussion in this section, rather than at the end of the section. Remove the note about internal service costs increasing. Remove the note about sales of surplus property. Delete the paragraph about things that remain unchanged since 2012.
- 2019-2024 Strategic Plan
  - Priorities: Synchronize plan priority titles with wording in latest draft of the plan.
  - Seven Initiatives: After discussion, it was agreed to call out that some on the panel think it important to scale back the initiative on clean energy markets, and to highlight that this scaling back may be appropriate on other initiatives as well. Karen will highlight this paragraph for particular review in the next round.
  - Rate Path: Delete the last half of the first paragraph of discussion, just keep the first and last sentence. Delete second paragraph on rate context. Delete paragraph on challenge of controlling costs, fixed versus variable costs. There was an extensive discussion on whether the Panel should describe the 7 "actions" as recommendations. John Putz noted that he had several ideas that would be recommendations, but we had not discussed these, and the 7 actions in the letter seem somewhat random. It was agreed to include the 7 action items and continue to describe them as action items rather than recommendations. The action on lowering rates should specifically mention the 8th & Roy property.
- Conclusions: In discussion, the Panel agreed it was important to clarify whether they are endorsing the rate path, given that much of the letter focuses on concerns with the rate path. After extensive discussion it was agreed that the Panel would endorse the plan, but not the rate path. Panel members' reasons for this were noted as differing, the main reasons being overall concern about how high the rates are in the first two years; how late the new demand forecast, and financial forecast were received; lack of a plan for addressing the growth in capital costs; and lack of some information about what is discretionary versus mandatory. Cal Shirley will determine whether his minority statement needs to be included based on how the revised letter looks.

At 2:30, the group was asked to reconvene to another room, since a second group had been waiting since 2:00 PM to use this room. The remaining 6 members of the Panel in attendance stepped outside the room into the public lobby of City Light's public lobby of City Light's offices and affirmed the letter should note the various reasons members did not support the rate path. Karen will circulate a revised draft, after review by Gail and Patrick, later this week.

The meeting was adjourned at 2:35 P.M. as a quorum was no longer present.