



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

Date of Meeting: May 23, 2017

MEETING ATTENDANCE					
Panel Members:					
Names		Name		Name	
Tom Lienesch	✓	David Allen	✓	John Putz	✓
Sara Patton		Patrick Jablonski		Gail Labanara	✓
Thomas Buchanan	✓	Leon Garnett	✓		
Staff and Others:					
Larry Weis		Bernie Ziemianek		Calvin Chow	✓
Mike Jones	✓	DaVonna Johnson		Gregory Shiring	✓
Calvin Goings	✓	Mike Haynes		John Nierenberg	✓
Sephir Hamilton	✓	Leigh Barreca	✓	Lori Moen	✓
Paula Laschober	✓	Ellen Javines	✓	Tim Croll	✓
Lynn Best	✓	Steve Crume	✓		
Jim Baggs		Tony Kilduff	✓	Karen Reed – Contractor/Facilitator	✓
Brendan O'Donnell	✓				
Guest(s):					
Joni Bosh NWECC	✓				

Call to Order: The meeting was convened at 11:00 a.m. In Tom's absence, Karen opened the meeting and reviewed the agenda. Approval of the meeting summary was deferred until a quorum of panel members was present.

Introduction: Introductions were made and a guest, Joni Bosh from NWECC was in attendance.

Meeting Minutes: A quorum of members being present now and the meeting summary was unanimously approved as submitted.

Public Comment: Mike Jones spoke briefly in response to the public comment at the April Panel meeting from a representative from Ameresco Power interested in selling power to SCL. Mike believes the Utility is in compliance with PURPA but is investigating whether it should adopt more proactive contract or a rate tariff to purchase power for projects over 100 kW. He will provide updates as available.

Chair's Report: Nothing to report

Communications to Panel: Nothing to report



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

Retail Revenue - (Paula Laschober)

Paula reviewed some of the information that the Utility will be presenting later today at the Energy and Environment Committee. Retail revenue is slightly ahead of the forecast this year due to the cold winter. However, for the last five years there has been a yearly reduction in total retail sales while the forecast had suggested a slight increase in sales in each of those years. This has resulted in a loss of \$133 million. The forecast has been off 2-4% on average, which is a fairly high level of reliability, but on the margin between growth and decline of revenues, it makes a difference. The Utility is on track to revise its forecast methodology so that a new forecast will be in place for the next strategic plan. As long as the Utility's rates are based almost entirely on volumetric charges, the size of the rate increase will continue to be higher than if rates had more fixed charge recovery. The goal is for the Panel to weigh in on the situation and policy issues and options later this year, but we are at least two months late in starting this conversation.

Next step is to begin discussion on: Rate design, rate structure, and rate decoupling.

City Light is targeting early 2018 for passage of a new rate resolution. In discussion, Tony noted that ideally, new rate structures would be adopted before the strategic plan is adopted so the rate design can focus more on policy choices.

Revenue Update – 8th and Roy Disposition (Lynn Best) [8th and Roy presentation](#)

Lynn Best gave a presentation outlining the Utility's proposal to sell a surplus downtown parcel it owns at 8th and Roy. The property has been offered to the Housing Authority and the Parks Department; both have declined to purchase it. The property includes a building that cannot be torn down due to historical landmark status. It was built around 1920 and is valued at approximately \$30M, which could be very helpful to the Utility in a number of ways. Council still needs to act to authorize the sale. Panel members expressed support for the sale.

"Green Up" Program Update (Lori Moen) [Green Up Program Update](#)

Lori Moen reviewed the programming and uses of revenue contributed to the Green-Up Program. This program is one in which ratepayers contribute money for alternative energy programs. This money is applied to grants (education, demonstration projects), purchase of Renewable Energy Credits, and marketing and program outreach.

There are two types of grants being added to the program:

Tier I – Education Grants (\$5,000 per project)

Tier II – Solar and innovation (spring & fall application cycles and up to \$200,000 possible funding per cycle)



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

The grants are new; the first round is happening this summer. ***Staff will provide the Panel information about grant applicants and the grant winners***

Strategic Initiative Update – A8 Underground Cable Replacement (John Nierenburg)
[Underground Equipment Replacement](#)

Sephir introduced John Nierenberg who oversees underground cable replacement. John reviewed the Utility's progress in repairing and replacing underground cables. They are a small portion of the system in residential neighborhoods, originally installed through local improvement district funding paid for by residents. Many of these installations are beginning to fail and need replacement. In response to a question, staff noted that the cost of replacement is 10 to 15 times the cost of above-ground electric infrastructure replacement. The Utility has no policy in place to charge residents for any portion of the replacement cost. Panel members observed that this is a rate policy question that should be re-examined. Gail noted that undergrounding of Utilities is required in Tukwila, which receives its power from SCL. No new areas of the City are having underground utilities installed.

Strategic Initiative Update – A9 Streetlight Infrastructure (Steve Crume) [Streetlight Infrastructure](#)

Sephir introduced Steve Crume, who oversees this project. His presentation reviewed the several accomplishments of the Utility in replacing and upgrading street light infrastructure.

Strategic Plan – Draft Focus Areas and High Level Objectives (Mike Jones) [Mission, Vision and Values 2017](#) and [SWOT Draft v. 4.7.17](#)

Mike reviewed the revisions to the SCL mission, vision and values. He also shared some of the brainstorming ideas that the strategic planning team has come up with to address some of the weaknesses identified in the "SWOT" exercise. There were only three panel members left at this point in the meeting, so it was agreed Karen would circulate the SWOT and other documents to the Panel members and ask them to give some thought to potential strategic objectives, for discussion at the next Panel meeting. ***Leigh will forward the documents to Karen who will forward them to the Panel.***

Adjournment: The meeting was adjourned at 2:00 p.m.