



SEATTLE CITY COUNCIL

Legislative Summary

CB 119224

Record No.: CB 119224

Type: Ordinance (Ord)

Status: Passed

Version: 1

Ord. no: Ord 125555

In Control: City Clerk

File Created: 02/28/2018

Final Action: 04/11/2018

Title: AN ORDINANCE relating to the City Light Department; amending Section 21.49.130 of the Seattle Municipal Code to clarify certain contracting details and add a subsection to the Department's authority to contract for energy efficiency through conservation efforts.

Date

Notes:

Filed with City Clerk:

Mayor's Signature:

Sponsors: Mosqueda

Vetoed by Mayor:

Veto Overridden:

Veto Sustained:

Attachments:

Drafter: Alan.Matthews@seattle.gov

Filing Requirements/Dept Action:

History of Legislative File

Legal Notice Published: Yes No

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Mayor	03/19/2018	Mayor's leg transmitted to Council	City Clerk			
1	City Clerk	03/20/2018	sent for review	Council President's Office			
1	Council President's Office	03/23/2018	sent for review	Housing, Health, Energy, and Workers' Rights Committee			

Action Text: The Council Bill (CB) was sent for review. to the Housing, Health, Energy, and Workers' Rights Committee

Notes:

Legislative Summary Continued (CB 119224)

- 1 Full Council 04/02/2018 referred Housing, Health, Energy, and Workers' Rights Committee
- 1 Housing, Health, Energy, and Workers' Rights Committee 04/05/2018 pass Pass
Action Text: The Committee recommends that Full Council pass the Council Bill (CB).
In Favor: 2 Chair Mosqueda, Vice Chair Juarez
Opposed: 0
- 1 Full Council 04/09/2018 passed Pass
Action Text: The Council Bill (CB) was passed by the following vote, and the President signed the Bill:
Notes:
In Favor: 7 Councilmember González , Council President Harrell, Councilmember Herbold, Councilmember Johnson, Councilmember Mosqueda, Councilmember O'Brien, Councilmember Sawant
Opposed: 0
- 1 City Clerk 04/11/2018 submitted for Mayor's signature Mayor
Action Text: The Council Bill (CB) was submitted for Mayor's signature. to the Mayor
Notes:
- 1 Mayor 04/11/2018 Signed
- 1 Mayor 04/11/2018 returned City Clerk
- 1 City Clerk 04/11/2018 attested by City Clerk
Action Text: The Ordinance (Ord) was attested by City Clerk.
Notes:
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CITY OF SEATTLE

ORDINANCE 125555

COUNCIL BILL 119224

AN ORDINANCE relating to the City Light Department; amending Section 21.49.130 of the Seattle Municipal Code to clarify certain contracting details and add a subsection to the Department's authority to contract for energy efficiency through conservation efforts.

WHEREAS, subsection 21.49.130.B of the Seattle Municipal Code ("SMC") provides authority for the City Light Department ("City Light") to enter into contracts for the acquisition, exchange, or sale of short-term capacity or energy, or integration, transmission, or ancillary services; and

WHEREAS, the authority set forth in SMC subsection 21.49.130.B to enter into contracts to purchase or acquire capacity or energy, which includes conservation and energy efficiency, is limited to terms of up to 24 months; and

WHEREAS, the 24-month term may limit customer participation in energy conservation programs and where it would be in City Light customers' best interest to engage in agreements for up to 84 months; and

WHEREAS, City Light is required by certain state mandates, while also following prudent utility practices, to procure all cost-effective energy efficiency measures and eligible renewable resources; and

WHEREAS, to meet these requirements, City Light is required from time to time to enter into contracts to acquire such cost-effective energy efficiency measures; and

WHEREAS, the authority provided by SMC subsection 21.49.130.B was amended by Ordinance 123578, passed by the City Council on April 11, 2011, to address contract authority

1 limitations and specific clarifications needed for purchases of cost-effective energy
2 efficiency, power, transmission, and renewable energy credits; and

3 WHEREAS, the City Council, through legislation, including Ordinances 124381, 124382, and
4 124383, has supported City Light's ongoing efforts to improve on the utility's long
5 history of conservation and energy efficiency efforts; and

6 WHEREAS, The City of Seattle's 2013 Climate Action Plan, adopted by the City Council
7 through Resolution 31447, included a recommendation that City Light "[p]ilot a utility
8 incentive program that would pay for actual energy savings over time instead of
9 providing up-front payment for projected savings."; and

10 WHEREAS, in 2016 the City Council passed Resolution 31631, establishing the criteria for use
11 of ratepayer funding to acquire cost-effective energy efficiency; and

12 WHEREAS, City Light customers will benefit from the authority to enter into 84-month
13 contracts for cost-effective energy efficiency; NOW, THEREFORE,

14 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

15 Section 1. Findings

16 Based on formal stakeholder workshops, group meetings and one-on-one conversations, The
17 City of Seattle believes that incentives paid over time based on verified performance will enable
18 a deeper level of efficiency in buildings, while delivering more reliable and persistent energy
19 savings.

20 Section 2. Subsections 21.49.130.B and 21.49.130.C of the Seattle Municipal Code,
21 which section was last amended by Ordinance 123578, are amended as follows:

22 **21.49.130 Authority.**

23 * * *

1 B. Rule-making and ~~((Contract Authority.))~~ contract authority

2 1. The Department shall have authority to adopt and file as appropriate rules,
3 regulations, policies, and procedures relating to its performance of the provisions of this
4 ~~((chapter))~~ Chapter 21.49 and to the operation of the Department's light and power system. The
5 Department may require compliance with such rules, regulations, policies, and procedures as a
6 condition for the supply or continued supply of electric service.

7 2. Effectively managing its power supply portfolio to achieve balance between
8 supply and customer demand requires that City Light transact in the wholesale energy markets
9 for energy and transmission services and products, including the purchase or sale of short-term
10 capacity or energy, or integration, transmission, or ancillary services. The Department may
11 therefore ~~((enter into))~~ execute contracts with any city or town, public utility district,
12 governmental agency, municipal corporation, mutual association, broker, agent, or with any
13 person, firm, or corporation, or any other member of the general public, outside its service area,
14 for an effective term of not more than 24 months from the month following the date on which the
15 contract is first signed ("prompt month"), providing for the acquisition, exchange, or sale of
16 capacity or energy, or integration, transmission, or ancillary services, or eligible renewable
17 resources, which shall have the same meaning as defined by RCW 19.285.030, on terms most
18 favorable to the Department under such circumstances and in compliance with state law,
19 including RCW 43.09.210. Such acquisition, sale, or exchange shall be made on a basis
20 representing the value of such capacity or energy, or integration, transmission, or ancillary
21 services, under then existing market conditions and may include provisions that require
22 indemnification by the Department.

1 3. The Department may (~~enter into~~) execute agreements with the Bonneville
2 Power Administration providing for reimbursements from Bonneville of some or all of the costs
3 of operating energy conservation programs authorized by the City Council. The Department shall
4 determine that such agreements or amendments to such agreements shall not incur any
5 indebtedness or the acceptance of moneys imposing any duties or obligations on the City
6 (~~which~~) that are inconsistent with the Department's budget appropriation for such energy
7 conservation programs. The Department shall provide a written notification prior to the
8 execution of such contracts and a copy of such contracts to the appropriate authorizing
9 committee of the City Council.

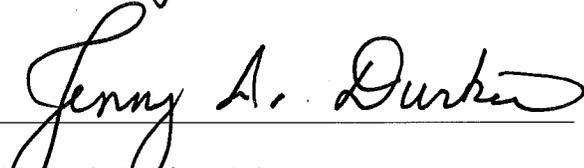
10 4. The Department may (~~enter into~~) execute contracts for the purchase or sale of
11 environmental attributes, including but not limited to, renewable energy credits ("RECs"), green
12 house gas off-sets, and carbon credits to meet policy and regulatory requirements in a cost-
13 effective and timely manner. The Department may enter into such contracts in advance of the
14 target date for acquisition identified in the Department's Integrated Resource Plan or the date
15 required by state or federal law. These purchases will be made within the Department's yearly
16 budget authority limits. Sales will be made on an as-needed basis to balance demand with supply
17 of these products, and to minimize overall costs to ratepayers.

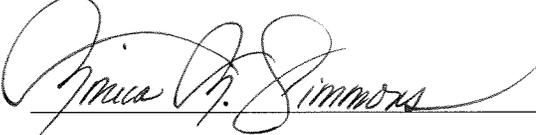
18 5. The Department may execute contracts for the purchase or acquisition of cost-
19 effective energy conservation resources for an effective term of not more than 84 months,
20 provided that the payment terms for such contracts do not exceed 60 months. "Energy
21 conservation resources" shall have the same meaning set forth in the Energy Independence Act,
22 chapter 19.285 RCW, including, without limitation, long-term energy efficiency projects, new
23 construction, whole-building performance, and pay-for-performance programs.

1 Section 3. This ordinance shall take effect and be in force 30 days after its approval by
2 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it
3 shall take effect as provided by Seattle Municipal Code Section 1.04.020.

4 Passed by the City Council the 9th day of April, 2018,
5 and signed by me in open session in authentication of its passage this 9th day of
6 April, 2018.

7 
8 President _____ of the City Council

9 Approved by me this 11 day of April, 2018.
10 
11 Jenny A. Durkan, Mayor

12 Filed by me this 11th day of April, 2018.
13 
14 Monica Martinez Simmons, City Clerk

15 (Seal)