

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	CBO Contact/Phone:
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** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

1. Legislation Title:

AN ORDINANCE relating to the City Light Department; amending Section 21.49.086 of the Seattle Municipal Code to create Net Wholesale Revenue targets for 2019 and 2020 consistent with those assumed in the City Light 2019-2024 Strategic Plan approved by the City Council via Resolution 31819.

2. Summary and background of the Legislation:

This ordinance sets Net Wholesale Revenue (NWR) targets used by City Light for developing its 2019 and 2020 budgets and sets the Net Wholesale Revenue to be used in the Rate Stabilization Account mechanism established in ordinance 123260. These Net Wholesale Revenue targets are consistent with targets set in City Light's 2019-2024 Strategic Plan, adopted by City Council on July 9, 2018 via resolution 31819.

Monthly Spreads have been updated to reflect City Light's current power portfolio and wholesale market prices.

2. CAPITAL IMPROVEMENT PROGRAM

a. Does this legislation create, fund, or amend a CIP Project? ___ Yes X No

3. SUMMARY OF FINANCIAL IMPLICATIONS

a. Does this legislation amend the Adopted Budget? ___ Yes X No

b. Does the legislation have other financial impacts to the City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?

The NWR targets will impact the size and timing of potential RSA surcharges on retail rates. These NWR targets were approved in City Light's 2019-2024 Strategic Plan and are lower than the 2018 target of \$60 million. In general, lower targets reduce the probability of RSA surcharges.

c. Is there financial cost or other impacts of *not* implementing the legislation?

Not implementing this legislation would prevent the legal requirements for the Rate Stabilization Account mechanism to work as legislated.

4. OTHER IMPLICATIONS

a. Does this legislation affect any departments besides the originating department?

No

b. Is a public hearing required for this legislation?

No

c. Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?

No

d. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

No

e. Does this legislation affect a piece of property?

No

f. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities?

N/A

g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s).

N/A

List attachments/exhibits below: