



Seattle City Light

SEATTLE CITY LIGHT INTRODUCTION & 2020 PRIORITIES

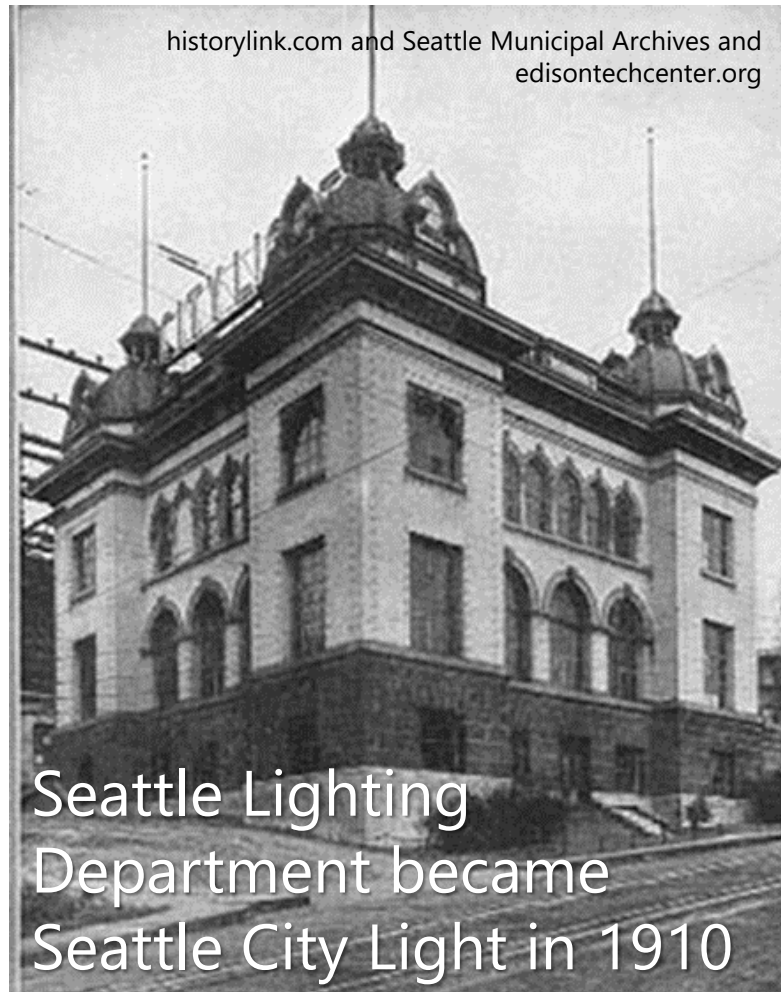
Transportation & Utilities Committee

Debra Smith, GM/CEO | Wednesday, January 15, 2020

THE FUTURE IS...SEATTLE CITY LIGHT!



January 10, 1905:
City of Seattle
generates power
at Cedar Falls dam
for arc lights
along Seattle's
streets.



Hanging
arc street
lights

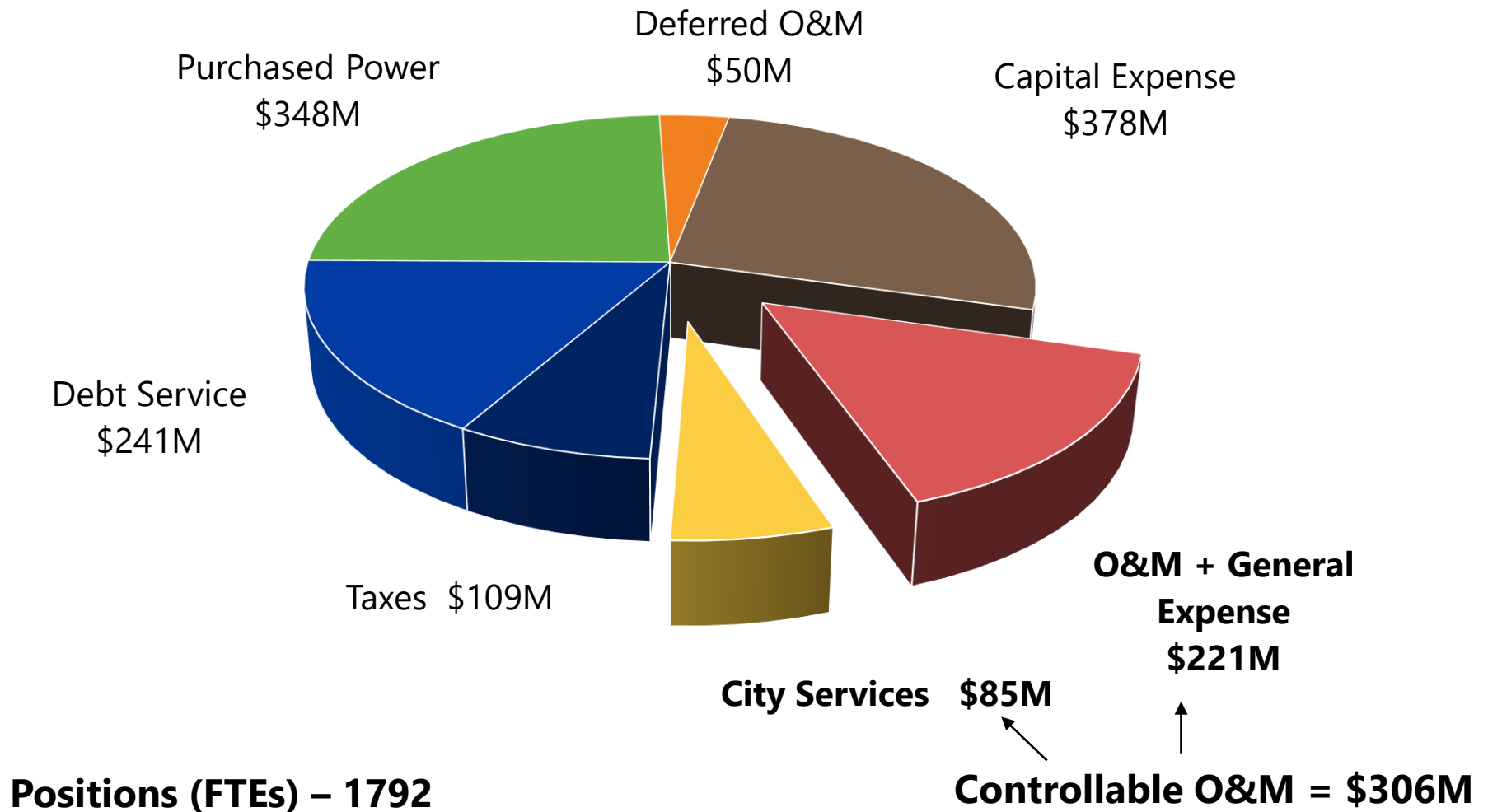


Utility of the Future



Seattle City Light

2020 ADOPTED BUDGET - \$1,432M



SEATTLE CITY LIGHT OVERVIEW

Service Area Population	906,595*
Service Area Size	131.31 sq. mi.
Personnel (full-time equivalent positions)	1,802
Major Substations	16
Unit Substations	1
Commercial and Industrial Power Transformers	56
Distribution Circuit Miles	2,334.6*
Network Distribution Circuit Miles	309*
Meters	461,496

*Based on available data at the time of production.

CUSTOMER SERVICE AREA MAP

Shoreline

Lake Forest Park

Seattle

Unincorporated
King County

Burien

Renton

Tukwila

SeaTac

Normandy Park

Seattle City Light
serves more
than 460,000
customers in
Seattle and
eight adjacent
jurisdictions.



SEATTLE CITY LIGHT OVERVIEW

CUSTOMER STATISTICS

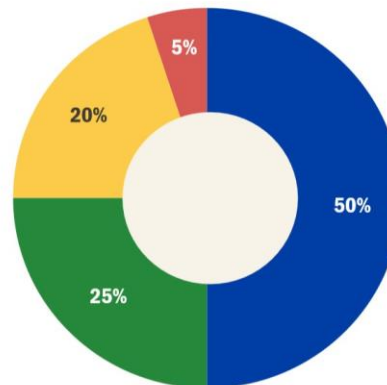
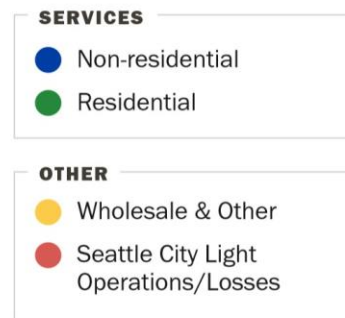
The most current data available for the year ended December 31, 2018.

	Average Number of Customers	Megawatt-Hours*
Residential	410,650	2,992,914
Non-Residential	50,846	6,081,148
Total	461,496	9,074,062

*Amounts include an allocation for the net change in unbilled revenue which excludes retail customer voluntary payments for conservation and solar energy.

2018 USES OF POWER

(in percent megawatt-hours)

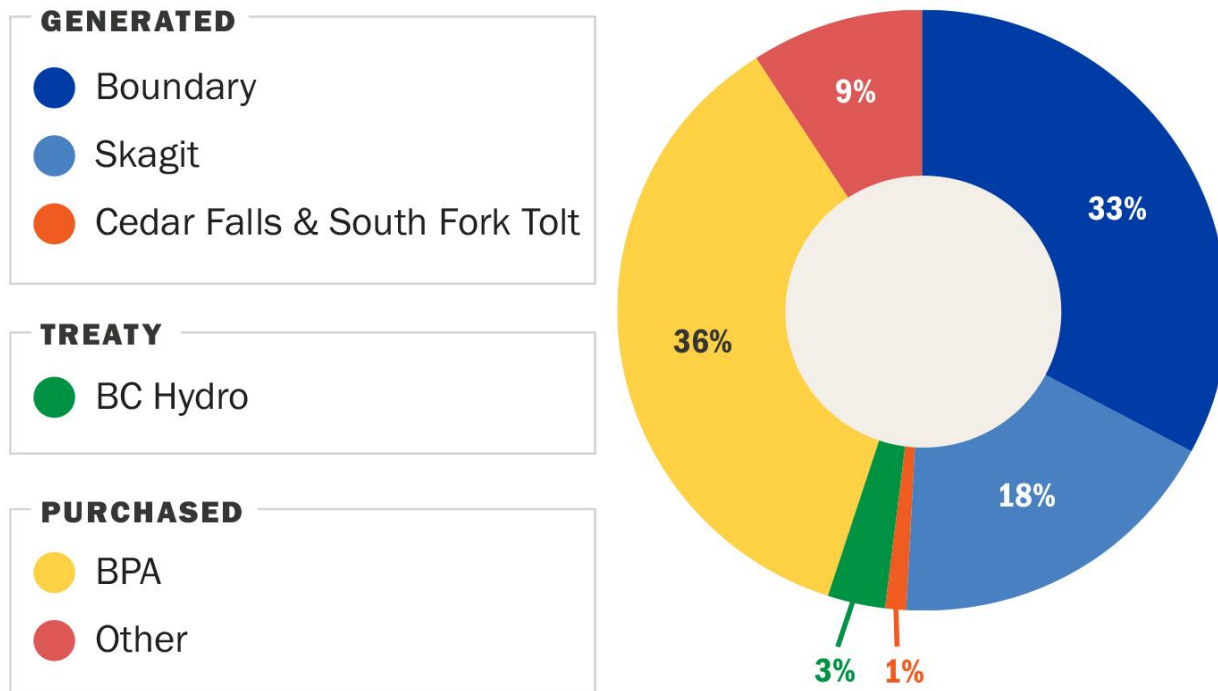


SEATTLE CITY LIGHT OVERVIEW

POWER (UNAUDITED)

2018 SOURCES OF POWER

(in percent megawatt-hours)



2020 TOP PRIORITIES

- Create a Customer-Centric Culture
- Redesign Customer Rates
- Pursue Transportation Electrification
- Modernize Operational Technology
- Implement Revised Small Cell Permit Process
- Accelerate Utility Pole Replacements
- Continue Skagit Hydro Power Relicensing
- Enhance the Employee Experience



SUPPORT FOR LOW INCOME CUSTOMERS

- Utility Discount Program (UDP) – 34,000 households enrolled
 - Administered by Seattle Human Services Department
 - 60% discount on electric bills
 - Access to Emergency Assistance for bill payment (2x year)
 - Partnership with Community Action Agencies administering Low Income Heating Assistance Program (LIHEAP)
 - Auto-enrollment for residents of income eligible housing assistance and other human services programs
- Energy Equity Rate Pilot (Fall 2020)
 - 300 UDP customers – focus on high energy users (pay more than 6% of income on electricity)
 - Flat rate energy charge + deep energy retrofits + balance forgiveness (in partnership with Community Action Agencies)





Seattle City Light



SCL STRATEGIC PLAN

2021-2027 Priorities & Rate Path



WHY A STRATEGIC PLAN?

- ✓ Road map to meet customer needs as directed by our Mission, Vision and Values
- ✓ Blueprint to make informed decisions
- ✓ Report current conditions and progress
- ✓ Gather community input



STRATEGIC PLAN BACKGROUND

- Strategic Plan
 - Six-year business plan
 - Sets foundation for biennial budget
 - Endorses rate path
- City Light Review Panel
 - Provides input on Strategic Plan
 - Nine volunteer panel members represent various customer groups and areas of expertise.
 - Five members appointed by the Mayor
 - Four members nominated by the City Council
 - Staggered three-year terms



REVIEW PANEL REPRESENTATION

City Council Appointees

- Financial Analyst (VACANT)
- Residential customer
- Industrial customer
- At-Large customer

Mayoral Appointees

- Economist
- Non-Profit energy efficiency
- Commercial customer
- Low income customer
- Franchise City representative



CURRENT STRATEGIC PLAN PROCESS



Q4 2019

- ✓ Scenario Planning
- ✓ Revenue Forecast
- ✓ Set City Light strategic Priorities & Objectives



Q1 2020

- ✓ Set Goals & Measures
- ✓ Identify initiatives
- ✓ Develop Outline



Q2 2020

- ✓ Internal & External Outreach
- ✓ Set Revenue Path
- ✓ Finalize Strategic Plan
- ✓ Submit plan to Mayor

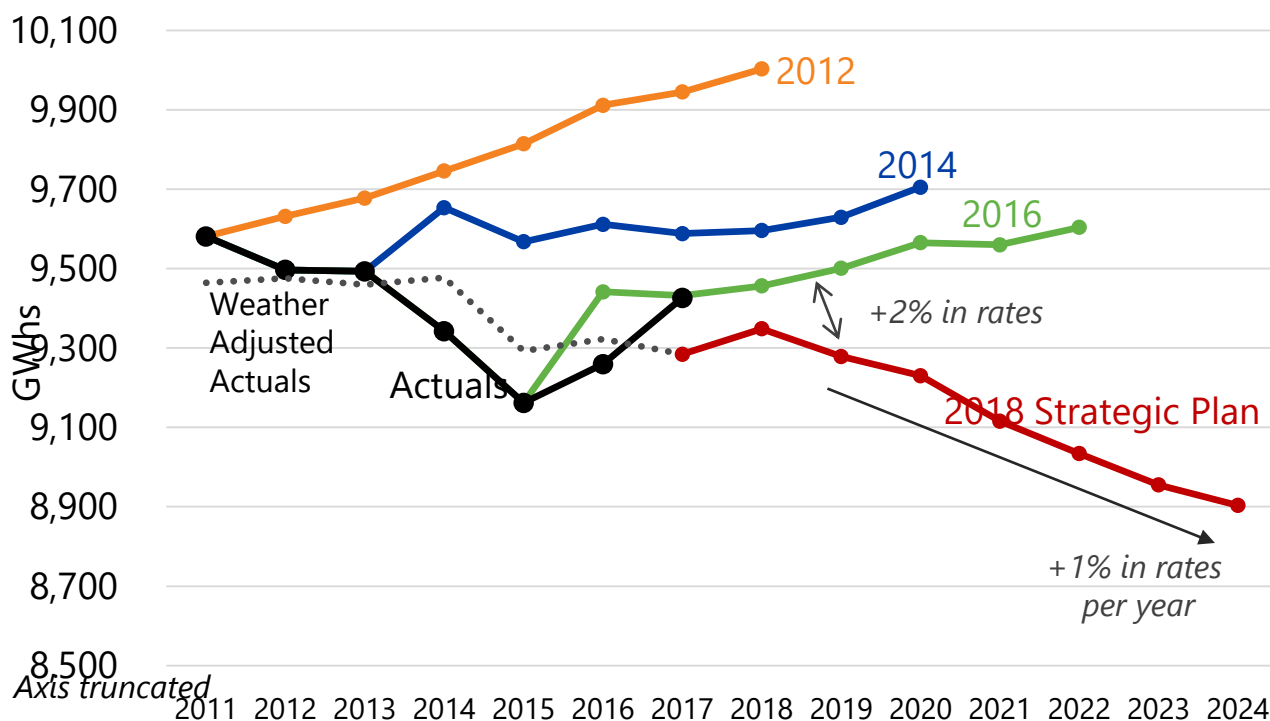


Q3 2020

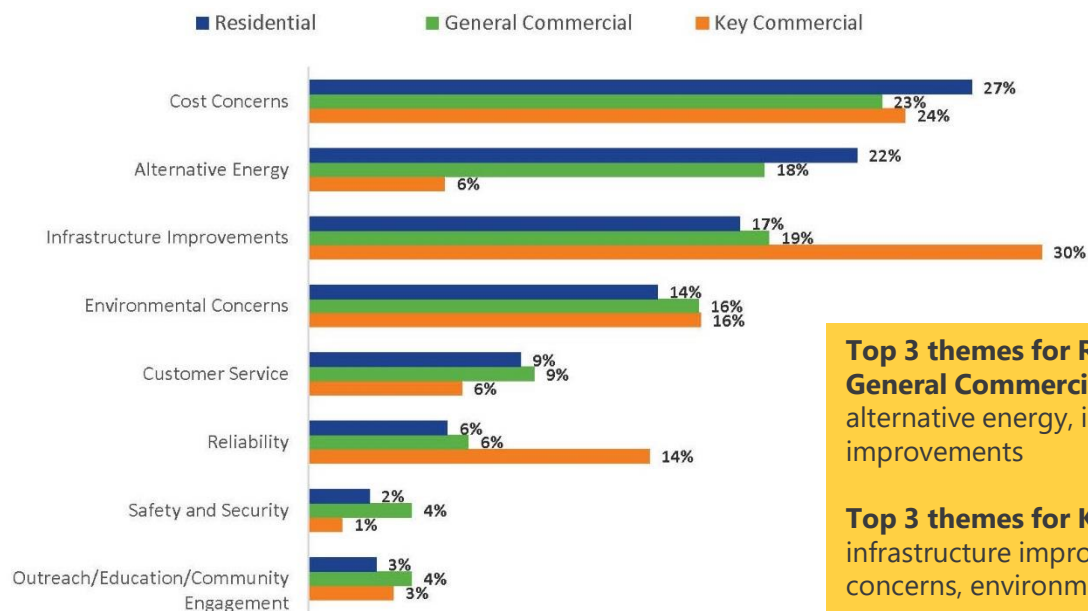
- ✓ Mayor transmits rate ordinance to Council
- ✓ Council approves strategic plan resolution
- ✓ Council adopts rate ordinance



RATE PRESSURE FROM DECLINING RETAIL SALES



TOP PRIORITIES FOR CUSTOMERS



Top 3 themes for Residential and General Commercial: cost concerns, alternative energy, infrastructure improvements

Top 3 themes for Key Accounts: infrastructure improvements, cost concerns, environmental concerns

Question: List up to three things that you think Seattle City Light should focus on over the next six years as they update the Strategic Plan.

Base: Comments by all respondents





Seattle City Light



QUESTIONS?

