



Legislation Text

File #: CB 119632, Version: 1

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL _____

AN ORDINANCE relating to the City Light Department; granting authority for the Department to offer term-limited pilot programs to study demand response and low-income assistance programs.

WHEREAS, as described in a rate design report dated April 1, 2019 provided in response to Resolution 31819

adopted July 9, 2018, in which Council requested recommendations for an updated rate design, the

Department plans to offer new customer rate designs in coming years to further City objectives

including affordability and decarbonization; and

WHEREAS, demand response programs promote City decarbonization goals by facilitating integration of new

loads from electrification, facilitating more affordable customer rates in long-term; and

WHEREAS, in the near-term, programs to augment and supplement the existing Utility Discount Program can

help customers who are experiencing hardship affording their energy bills despite the discounts

currently offered; and

WHEREAS, pilot programs studying the potential effect of new rate designs on a small scale provide valuable

information about customer behavior before adopting rates widely, thereby informing rate design and

helping to avoid unintended financial consequences for customers and/or the utility; and

WHEREAS, the City Council has reviewed the terms and conditions set forth within this ordinance and has

determined that the supporting reasoning is sound and prudent; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The City Light Department may offer short-term pilot programs testing new approaches in

the following two areas for rate design research:

A. Incentives in exchange for the ability to study customer consumption patterns associated with demand response programs such as time-of-use pricing, critical peak pricing or rebates, variable peak pricing, or direct load control. Incentives to curb or shift consumption must be cost-based and reflect system-wide benefits realized from customer behavior. To this end, program incentives must be achievable within existing budgetary authority and reflect cost of service consistent with existing adopted rates.

B. Alternative rate discounts and services to assist low-income customers in accordance with RCW 74.38.070 and Seattle Municipal Code Sections 21.49.040 and 21.49.042.

Section 2. In addition, pilot programs must:

A. Have a charter that defines research objective and specific evaluation criteria.

B. Be offered to a defined subset of customers on an opt-in basis, with recruitment strategies that target historically under-represented populations.

C. File precise terms and conditions for pilot participation in accordance with the provisions of Chapter 3.02 of the Seattle Municipal Code, including opportunity for public feedback before program launch.

D. Have a finite timeframe with an end date that occurs no later than 36 months from the program start, unless the program starts after December 31, 2025, in which case the end date is December 31, 2028.

E. Hold pilot program participants harmless such that incentive/alternative discount structures do not prevail over regular adopted rates. Customers whose data and consumption practices do not create a discount under a pilot program as compared with their regular assigned rate will be charged according to their normal rate.

F. Report regularly to City Council on pilot status and performance.

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

Passed by the City Council the _____ day of _____, 2019, and signed by me in open session in authentication of its passage this ____ day of _____, 2019.

President _____ of the City Council

Approved by me this _____ day of _____, 2019.

Jenny A. Durkan, Mayor

Filed by me this _____ day of _____, 2019.

Monica Martinez Simmons, City Clerk

(Seal)