



Legislation Text

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CITY OF SEATTLE

RESOLUTION _____

A RESOLUTION related to the City Light Department, adopting a 2022-2026 Strategic Plan for the City Light Department and endorsing the associated five-year rate path.

WHEREAS, in consultation with the Mayor and the City Council, the City Light Department (“City Light”)

initiated the strategic planning process in 2010 to provide more transparency and accountability for decision-making within City Light; and

WHEREAS, Resolution 31383, adopted July 2012, approved City Light’s 2013-2018 Strategic Plan and six-year rate path, and directed the utility to review and update the Strategic Plan every two years, adding two years to the Strategic Plan and re-evaluating the remaining four years of the existing Strategic Plan; and

WHEREAS, since 2012, City Light has revised and updated its Strategic Plan biennially, and has provided annual reports on the progress of Strategic Plan initiatives to the appropriate City Council committee; and

WHEREAS, the 2020 strategic planning process was impacted by COVID-19 and related pandemic response efforts, and the original 2021-2026 Strategic Plan has been amended to be a 2022-2026 Strategic Plan that covers a five-year period (Attachment 1 to this resolution); and

WHEREAS, City Light intends to resume a six-year planning cycle and deliver an updated 2023-2028 Strategic Plan in the spring of 2022; and

WHEREAS, City Light has developed a five-year plan and rate path that supports our commitment to delivering affordable, reliable electricity in an environmentally responsible way to our customers and

the communities we serve. It also lays the foundation, a shared vision, and the path forward to meeting our customers' emerging needs and becoming the utility of the future; and

WHEREAS, City Light faces challenges that include continuing need for investments in our infrastructure; evolving customer expectations; declining retail energy consumption; impacts of retirements and legacy work processes; and climate change and fostering clean, renewable energy sources; and

WHEREAS, City Light conducted extensive outreach regarding the Strategic Plan, with customer and stakeholder group meetings, neighborhood open houses, limited-English-proficiency customer outreach, a market research survey, and social media outreach; and

WHEREAS, the resulting 2022-2026 Strategic Plan, which includes a five-year rate path, is a package of initiatives and investments to respond to industry challenges, improve the customer experience, strengthen our infrastructure to support decarbonization, ensure financial stewardship and affordability, and reflect a post-COVID environment by effecting organizational change, promoting diversity and inclusion, as well as contributing to The City of Seattle's vision for our city while providing our customers with affordable, reliable, and environmentally responsible energy services; and

WHEREAS, per Ordinance 123256, the City Light Review Panel ("Review Panel") is charged with representing City Light ratepayers and with reviewing and assessing City Light's strategic plans; and

WHEREAS, since 2013 the Review Panel has reviewed City Light's progress in carrying out the Strategic Plan on a quarterly basis and has also reviewed the Utility's proposed changes for the 2022-2026 Strategic Plan; and

WHEREAS, the Seattle City Light Review Panel has identified several issues facing City Light in the next few years including the growing accounts receivables balance, a need for modernization of the electric grid, rising labor costs, continued need to respond to our region's deeply held environmental values, and continued financial vigilance and reduced dependence on debt financing to keep electric service affordable in its letter dated May 14, 2021 (Attachment 2); and

WHEREAS, the City Council has reviewed the Strategic Plan Update, the associated five-year rate path, the recommendation of the Review Panel, and the results of customer and stakeholder engagement; NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE, THE MAYOR CONCURRING, THAT:

Section 1. The City Council adopts City Light’s 2022-2026 Strategic Plan (the “Strategic Plan”), a copy of which is attached to this resolution as Attachment 1 and incorporated by reference.

Section 2. To achieve the goals of the Strategic Plan, the annual rate increases for the following five years as shown in the table below are endorsed.

2022	2023	2024	2025	2026
3.9%	3.8%	3.8%	3.0%	3.0%

Adopted by the City Council the _____ day of _____, 2021, and signed by me in open session in authentication of its adoption this _____ day of _____, 2021.

President _____ of the City Council

The Mayor concurred the _____ day of _____, 2021.

Jenny A. Durkan, Mayor

Filed by me this _____ day of _____, 2021.

Monica Martinez Simmons, City Clerk

(Seal)

Attachments:

Attachment 1 - Seattle City Light 2022-2026 Strategic Plan

Attachment 2 - City Light Review Panel Comment Letter on Proposed 2022-2026 Seattle City Light Strategic Plan