

SEATTLE CITY COUNCIL

Legislation Details (With Text)

File #: CB 119632 Version: 1 Name: CB 119632

Type: Ordinance (Ord) Status: Passed

In control: City Clerk

On agenda: 9/30/2019

Final Action: 10/11/2019 **Ord. No.** Ord 125957

Title: 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.

Sponsors: Teresa Mosqueda

Indexes:

Attachments: 1. Summary and Fiscal Note, 2. Memo - Authorization of City Light's Pilot Programs, 3. Signed

Ordinance 125957, 4. Affidavit of Publication

| Date | Ver. | Action By | Action | Result |
|------------|------|---|------------------------------------|--------|
| 10/11/2019 | 1 | City Clerk | attested by City Clerk | |
| 10/11/2019 | 1 | Mayor | returned | |
| 10/4/2019 | 1 | Mayor | Signed | |
| 10/3/2019 | 1 | City Clerk | submitted for Mayor's signature | |
| 9/30/2019 | 1 | City Council | passed | Pass |
| 9/24/2019 | 1 | Housing, Health, Energy, and Workers' Rights Committee | pass | Pass |
| 9/9/2019 | 1 | City Council | referred | |
| 9/5/2019 | 1 | Council President's Office | sent for review | |
| 9/5/2019 | 1 | City Clerk | sent for review | |
| 9/4/2019 | 1 | Mayor | Mayor's leg transmitted to Council | |

CITY OF SEATTLE

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| 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.

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- 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 | ce shall take | effect and be in force | ce 30 days after its approv | val by the Mayor, but is |
|----------------------------------|----------------|------------------------|------------------------------|--------------------------|
| not approved and returned by the | - | ithin ten days after p | resentation, it shall take e | effect as provided by |
| Seattle Municipal Code Section | | | | |
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| me in open session in authentic | ation of its p | passage this d | ay of | , 2019. |
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| | | | 6.1 6.4 6 | |
| | | President | of the City Counc | 11 |
| Approved by me this | day | of | , 2019. | |
| | | Jenny A. Durkan, | Mayor | _ |
| Filed by me this | day of _ | | , 2019. | |
| | | Monica Martinez | Simmons, City Clerk | _ |
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