



SEATTLE CITY COUNCIL

Parks and City Light Committee

Agenda

Wednesday, July 15, 2026

2:00 PM

Council Chamber, City Hall

600 4th Avenue

Seattle, WA 98104

Debora Juarez, Chair

Robert Kettle, Vice-Chair

Maritza Rivera, Member

Rob Saka, Member

Dan Strauss, Member

Chair Info: 206-684-8805; Debora.Juarez@seattle.gov

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Parks and City Light Committee
Agenda
July 15, 2026 - 2:00 PM

Meeting Location:

Council Chamber, City Hall, 600 4th Avenue, Seattle, WA 98104

Committee Website:

<https://seattle.gov/council/parks-and-city-light>

This meeting also constitutes a meeting of the City Council, provided that the meeting shall be conducted as a committee meeting under the Council Rules and Procedures, and Council action shall be limited to committee business.

Members of the public may register for remote or in-person Public Comment to address the Council. Please register in advance in order to be recognized by the Chair. Details on how to register for Public Comment are listed below:

Remote Public Comment - Register online to speak during the Public Comment period at the meeting at <https://www.seattle.gov/council/committees/public-comment>. Online registration to speak will begin one hour before the meeting start time, and registration will end at the conclusion of the Public Comment period during the meeting.

In-Person Public Comment - Register to speak on the public comment sign-up sheet located inside Council Chambers at least 15 minutes prior to the meeting start time. Registration will end at the conclusion of the Public Comment period during the meeting.

Please submit written comments no later than four business hours prior to the start of the meeting to ensure that they are distributed to Councilmembers prior to the meeting. Comments may be submitted at Council@seattle.gov or at Seattle City Hall, Attn: Council Public Comment, 600 4th Ave., Floor 2, Seattle, WA 98104. Business hours are considered 8 a.m. - 5 p.m. Comments received after that time will be distributed after the meeting to Councilmembers and included as part of the public record.

Please Note: Times listed are estimated

A. Call To Order

B. Approval of the Agenda

C. Public Comment

Members of the public may address items on the agenda and matters within the purview of the committee. Please register in advance to be recognized by the Chair.

D. Items of Business

1. [CB 121231](#) **An ordinance relating to the City Light Department; establishing new retail rate schedules; establishing a new customer class and conditions of service for data centers whose electricity demand constitutes a new large load; modifying customer charges for service connections; modifying customer eligibility for residential rate assistance; augmenting the rate stabilization account mechanism; amending Sections 21.49.020, 21.49.030, 21.49.040, 21.49.052, 21.49.055, 21.49.057, 21.49.058, 21.49.060, 21.49.065, 21.49.083, 21.49.086, 21.49.110, and 21.49.130 of the Seattle Municipal Code; adding a new Section 21.49.059 to the Seattle Municipal Code; and repealing Section 21.49.081 of the Seattle Municipal Code.**

Attachments: [Full Text: CB 121231](#)

Supporting
Documents: [Summary and Fiscal Note](#)
 [Central Staff Memo](#)
 [Presentation](#)

Briefing, Discussion, and Possible Vote (20 minutes)

Presenters: Rob Santoff, Interim General Manager and CEO, Angela Bertrand, and Kirsty Grainger, Seattle City Light; Eric McConaghy, Council Central Staff

2. **Seattle City Light (SCL) 2025 Baker Tilly Independent Audit**

Supporting

Documents: [Seattle City Light 2025 Audit Results Presentation](#)

Briefing and Discussion (15 minutes)

Presenters: Rob Santoff, Interim General Manager and CEO, and Natalie Hayashi, Seattle City Light; Aaron Wortham, Baker Tilly

3. [CB 121249](#) **An ordinance relating to the City Light Department; authorizing ten-year agreements with customers eligible for transportation electrification programs.**

Attachments: [Att A – Transportation Electrification Incentive Program Participation Agreement](#)

Supporting

Documents: [Summary and Fiscal Note Presentation](#)

Briefing, Discussion, and Possible Vote (20 minutes)

Presenters: Rob Santoff, Interim General Manager and CEO, David Logsdon, and Angela Song, Seattle City Light; Eric McConaghy, Council Central Staff

4. [CB 121250](#) **An ordinance relating to City-owned real property known as Lake City Garage and Plaza; transferring jurisdiction and management authority from the Department of Finance and Administrative Services to Seattle Parks and Recreation for municipal purposes; and ratifying and confirming certain prior acts.**

Attachments: [Att 1 – Legal Description of Property](#)

Supporting

Documents: [Summary and Fiscal Note](#)
 [Summary Att A – Property Map](#)
 [Presentation](#)

Briefing, Discussion, and Possible Vote (45 minutes)

Presenters: Michele Finnegan, Interim Superintendent, and Lise Ward, Seattle Parks and Recreation; Maria Dewees, Seattle Office of Housing; Karen Gruen, Department of Finance and Administrative Services; Traci Ratzliff, Council Central Staff

E. Adjournment



Legislation Text

File #: CB 121231, **Version:** 1

An ordinance relating to the City Light Department; establishing new retail rate schedules; establishing a new customer class and conditions of service for data centers whose electricity demand constitutes a new large load; modifying customer charges for service connections; modifying customer eligibility for residential rate assistance; augmenting the rate stabilization account mechanism; amending Sections 21.49.020, 21.49.030, 21.49.040, 21.49.052, 21.49.055, 21.49.057, 21.49.058, 21.49.060, 21.49.065, 21.49.083, 21.49.086, 21.49.110, and 21.49.130 of the Seattle Municipal Code; adding a new Section 21.49.059 to the Seattle Municipal Code; and repealing Section 21.49.081 of the Seattle Municipal Code.

The full text is provided as an attachment.

Summary and Fiscal Note

1. Legislation Summary

Department: Seattle City Light

Title: An ordinance relating to the City Light Department; establishing new retail rate schedules; establishing a new customer class and conditions of service for data centers whose electricity demand constitutes a new large load; modifying customer charges for service connections; modifying customer eligibility for residential rate assistance; augmenting the rate stabilization account mechanism; amending Sections 21.49.020, 21.49.030, 21.49.040, 21.49.052, 21.49.055, 21.49.057, 21.49.058, 21.49.060, 21.49.065, 21.49.083, 21.49.086, 21.49.110, and 21.49.130 of the Seattle Municipal Code; adding a new Section 21.49.059 to the Seattle Municipal Code; and repealing Section 21.49.081 of the Seattle Municipal Code.

Background:

This ordinance codifies new 2027 and 2028 rates for all City Light retail customers and implements policies around maintaining affordability and rate stability. Each section of the ordinance is outlined below.

Section 1: Adds definitions for new terms introduced in ordinance.

Sections 2, 4-7 & 9: Updating existing retail rates

Like many utilities in the Northwest and across the nation, Seattle City Light is facing increasing cost pressures. These are driven by aging infrastructure; the need for new generation, transmission, and technologies to manage growing demand; and broader economic factors such as inflation, tariffs, supply chain disruptions, and rising wages.

At the same time, energy sources, energy costs and customers' energy use are changing quickly. Regional energy demand is projected to grow 30% over the next decade because of rapid electrification, shifting climate conditions and expanding digital demand. Additional revenue is required in 2027 and 2028 to pay for wages and materials inflation, rising power costs, funding the capital plan and modest levels of highly prioritized new investments. This legislation increases average retail rates by 9.5% in both 2027 and 2028.

The rate schedules in this legislation are aligned with an updated cost of service study, resulting in different average rate increases by customer classes due to changes in the cost of service and consumption profiles. Below are the average rate increases by customer class.

Average Annual Rate Increases

	Residential	General Service				Downtown Network		Street Lights	System Average
		Small	Medium	Large	High Demand	Medium	Large		
2027	9.5%	9.5%	9.4%	9.7%	9.1%	7.4%	7.3%	27.2%	9.5%
2028	9.5%	9.5%	9.5%	9.7%	9.0%	8.5%	8.1%	20.9%	9.5%

Key highlights of the cost of service results:

1. Residential and Non-Network General Service customers have increases at or near the system average of 9.5%.
2. Network General Service customers have increases slightly below the system average due to proportionally lower increases in network maintenance and investments. (Network customers still have average rates roughly 20% higher than non-network customers.)

3. Street light rates will increase significantly more than the system average

because:

- a. Street light rates recover maintenance and capital costs specific to streetlight infrastructure, in addition to energy and delivery costs.
- b. Both capital and operating costs for street lights have risen sharply in recent years.
- c. Vandalism and wire theft of streetlights have increased streetlight maintenance costs.

Rate Design

The only material rate design change is an increase in the customer charge for each rate class. By 2028 the customer charge will recover 100 percent of customer-related costs, including metering, billing and customer service. Full cost recovery of the customer charge has been an objective since 2019 when City Light and the Review panel jointly conducted a [Rate Design Study](#). Because customer-related costs are being shifted out of the per-kilowatt-hour rate and into the fixed customer charge, customers with lower-than-average usage will experience a higher percentage bill increase than those who use more energy.

A typical residential customer should expect an increase to their monthly bill of about \$10 in 2027 and another \$10 in 2028. Customers participating in Seattle's Utility Discount Program will see monthly bill increases of approximately \$4 in 2027 and another \$4 in 2028.

Section 3: Expands eligibility for the City's Utility Discount Program. This change is a key strategy to reduce the energy burden, improve affordability, and ensure the

transition to a clean-energy future does not exacerbate inequities for households least able to absorb higher utility costs. This legislation increases the income eligibility threshold from 70% of the State Median Income to 60% of the Area Median Income, therefore expanding eligibility by roughly 30,000 customers. The Utility Discount Program offers a 60% bill discount to income-eligible customers.

Section 8: Creates a new large load rate class that applies to new large data centers.

Key elements include:

- Applies to data centers with new or expanded service of 10 megavolt-amperes (MVA) or greater, roughly the equivalent load of 2,000 homes.
- Rates will reflect the full cost of procuring and delivering the power needed to serve these loads.
- Customers must sign a service agreement that guarantees full responsibility for costs until the expiration of the contract term.
- Customers will be placed in a queue until the utility has the necessary infrastructure and power supply needed to serve them.

The central principle of this policy is affordability. As a publicly-owned, not-for-profit utility, City Light's goal is to make sure the cost of running the system is allocated equitably among the people and businesses who depend on it. Existing customers, large and small, have been investing in that system for decades through their rates, and those investments belong to the community. Some large loads, particularly data centers, are highly portable. They can and do relocate when economics shift, which would potentially leave existing customers responsible for costs incurred on their behalf. Serving a large new customer means securing new power supply and power purchased today costs significantly more than City Light's legacy resources. Creating a new rate class for new large data centers and charging them the marginal cost it takes to serve them protects existing customers' investments and helps avoid potentially large and unnecessary rate increases in the future.

Section 10: Increases Duct and Vault Rental Rates (CPI inflation) and Pole Attachment Rates (existing methodology based on average pole costs and operating costs).

Section 11: Rescinds the Bonneville Power Administration (BPA) passthrough mechanism because BPA-related costs will be incorporated into the expanded RSA.

Section 12: Updates the compensation for any energy exported by large renewable generators. Prices are based on forward market prices. In general, wholesale prices have come down significantly since the last rate case.

Section 13: Updates the size and operating rules of the Rate Stabilization Account (RSA) mechanism. The RSA is a cash reserve that buffers net power cost volatility from wholesale market purchases and sales. In 2023, events demonstrated the RSA's current size is not large enough to manage today's level of wholesale uncertainty and

other power cost risks, including weather impacts to retail load. This legislation expands the RSA into a more comprehensive power cost adjustment, while preserving its core functionality.

Highlights of the changes include:

- Expanding the RSA to buffer all variable power costs, not just short-term wholesale activity
- Creating a retail sales adjustment so that when actual retail sales differ from planned retail sales, the difference is multiplied by the portion of the adopted retail rate that covers net variable power costs and transferred to/from the RSA
- Increasing the target size of RSA from \$100M to \$150M
- Increasing the maximum balance from \$125M to \$200M
- Updating Surcharge Rules
 - 1st surcharge trigger increases from \$75M to \$120M and remains at 2%
 - 2nd surcharge trigger increases from \$50M to \$80M and the surcharge increases from 4% to 5% (reflecting the larger amount needed to refill)
 - Surcharges are sized based on percentage of the system average rate, so all customers pay the same cents/kWh surcharge.

There is no direct impact to 2027 and 2028 retail rates from updating the size and operating rules of the RSA. The Utility plans to deposit approximately \$20-\$30 million in January 2027 to bring the RSA to, or close to, its \$150 million target size.

Section 14: Amends electric service connection provisions to require customers with new or expanded services to pay for transformers and related equipment. This aligns

with the utility's policy that customers pay for new infrastructure needed to serve their additional load.

Section 15: Provides authority for SCL to enter into service agreements with data centers that are new large load customers and sign contracts for new power and transmission for terms up to 20 years.

2. Capital Improvement Program (CIP)

Does this legislation create, fund, or amend a CIP Project?

☐ Yes

☒ No

3. Summary of Financial Implications

Does this legislation have financial impacts to the City?

☒ Yes

☐ No

a. Revenue Change to General Fund

2026	2027 est.	2028 est.	2029 est.	2030 est.
	\$6,860,000	\$14,467,000	\$14,506,000	\$14,726,000

b. Revenue Change to Other Funds

2026	2027 est.	2028 est.	2029 est.	2030 est.
	\$114,327,000	\$241,121,000	\$241,759,000	\$245,441,000

3b. Revenues/Reimbursements

This legislation adds, changes, or deletes revenues or reimbursements.

Anticipated Revenue/Reimbursement Resulting from This Legislation:

Fund Name and Number	Dept.	Revenue Source	2026 Revenue	2027 Estimated Revenue
General Fund (00100)	N/A	Utility Tax		\$6,860,000
Light Fund (41000)	Seattle City Light	Electricity Rates		\$114,327,000

TOTAL 2026 Revenue	TOTAL 2027 Estimated Revenue
	\$121,187,000

Revenue/Reimbursement Notes:

3d. Other Financial Impacts

a. Does this legislation create any other financial impacts for The City of Seattle, such as direct or indirect costs, one-time or ongoing, that aren't mentioned above? If yes, please explain these impacts.

The General Fund Streetlight Bill will increase \$4-\$5 million per year.

b. If the legislation has costs that can be covered within the current budget, explain how. Does the department have extra resources in its budget to handle these costs? Or does the department need to shift resources away from other work to handle these costs?

c. What financial costs or other impacts might happen if this legislation is not implemented?

City Light would not have the funds it needs to provide current service levels to customers. Significant cuts to services and/or reliance on debt beyond City Light's financial policies would be required.

d. How might this legislation affect other City departments besides the one that proposed it?

The legislation will impact electricity rates paid by City departments and also increase the utility tax paid to the General Fund (see above estimate).

4. Other Impacts

a. Does this legislation require a public hearing?

☐ Yes

☒ No

b. Does this legislation require a notice to be published in The Daily Journal of Commerce and/or The Seattle Times?

☐ Yes

☒ No

c. Does this legislation affect a piece of property? No

d. Race and Social Justice Initiative impacts:

1. How does this legislation affect vulnerable or historically disadvantaged communities? How did you come to this conclusion? Please consider both impacts within City government (like employees and internal programs) and in the broader community.

This legislation results in increases to all retail customers' electric rates and associated bills. Customers participating in the Utility Discount Program receive a 60% discount on their bills. This legislation also expands the income eligibility of participating in the Utility Discount Program from 70% of the State Median Income to 60% of the Area

Median Income, increasing access to the program for approximately 30,000 customers.

2. Please attach any Racial Equity Toolkits or other racial equity analyses used to develop or assess this legislation.

3. What is the Language Access Plan for communicating with the public about this legislation?

SCL commits to budgeting the time and resources required for translation and interpretation services, consulting with the Office of Immigrant and Refugee Affairs to ensure outreach materials and strategies are inclusive and culturally appropriate, and seeking to implement customer suggestions for improvement whenever possible.

e. Climate change impacts:

1. **Emissions:** Will this legislation significantly increase or decrease carbon emissions? Attach any studies or materials that inform your answer. NA

2. **Resiliency:** Will this legislation make Seattle more or less able to adapt to climate change? If it reduces resiliency, explain what can be done to lessen the impact.

Increased retail revenue resulting from this legislation will provide funding for many areas of climate change resiliency including wildfire mitigation, demand side programs like demand response and customer solar and support for electrification of vehicles and buildings. Appropriations for these items will be included in future proposed budgets as part of the annual budget process.

f. If this legislation creates a new program or expands an existing one, what are the long-term, measurable goals? How will this legislation help achieve those goals? What methods will be used to track progress? NA

g. Does this legislation create a non-utility CIP that involves shared funding with a non-City partner or organization? No

June 29, 2026

MEMORANDUM

To: Parks and City Light Committee
From: Eric McConaghy, Analyst
Subject: Seattle City Light 2027-2032 Strategic Plan (RES 32210) and
2027-2028 Rates Ordinance (CB 121231)

Overview

On Wednesday July 1, 2026, the Parks and City Light Committee (Committee) will discuss and possibly vote on a recommendation to Council regarding [Resolution \(RES\) 32210](#).

Adoption of RES 32210 as proposed would:

- Adopt the proposed [2027-2032 Strategic Plan \(Plan\)](#) for the City Light Department (City Light); and
- Endorse the associated rate path.

Also on July 1, the Committee will discuss [Council Bill \(CB\) 121231](#) in advance of possible vote on July 15, 2026. CB 121231 would modify sections of the Seattle Municipal Code (SMC) to establish customer rates for 2027 and 2028 and would add, delete or modify related code sections.

Passage of CB 121231 as proposed would:

- Establish customer rates for 2027 and 2028;
- Establish a new rate class for data centers;
- Expand income eligibility for the Utility Discount Program (UDP) for City Light;
- Modify the functioning of the Rate Stabilization Account; and
- Remove the code section related to the Bonneville Power Administration pass-through.

The proposed package of legislation is consistent with Council's past practice regarding City Light's Plan and rates. Every two years, Council's adopts an updated Plan and associated rate path by resolution in advance of passing an ordinance to establish new retail rates later in the same year. City Light prepares its budget based on the codified rates.

During the meeting of the Committee on June 17, City Light briefed the Committee on RES 32210 and CB 121231. Also, Leo Lam, Residential Customer Representative and Chair of the City Light Review Panel (Review Panel), communicated the Review Panel's support for the proposed

Plan and rate path. The Review Panel's comment letter on the Plan is [Attachment 2 of RES 32210](#).

This memorandum describes key aspects of RES 32210 and CB 121231, identifies issues for consideration, and provides next steps.

Strategic Plan and Rate Path - Resolution 32210: Key Aspects

City Light's proposed 2027-2032 Plan is [Attachment 1 to RES 32210](#). Adoption of RES 32210 would adopt the Plan and endorse the associated rate path. The actual retail rates proposed in CB 121231 rely upon the Plan and rate path as proposed in RES 32210.

The Plan begins with reports on City Light's performance in accomplishing the goals identified in the [2025 – 2030 Strategic Plan Update](#) to contextualize the new Plan. Then, the proposed Plan identifies and describes the collection of strategies the utility will pursue to deliver electricity services to its customers. In the Plan, City Light organizes the utility's activities under five focus areas: reliability, power supply, customer experience, sustainability, workforce, and technology.

City Light bases the projections of costs for the utility on the utility's operations and capital investments necessary to accomplish the activities in the focus areas. The 2027-2032 Strategic Plan Financial Forecast (2027-2032 Plan Forecast), Appendix A to the 2027-2032 Plan, details the financial assumptions behind the rate path that would be established by RES 32210.

The 2027-2032 Plan proposes higher retail rate increases than the previous 2025-2030 Plan that reflects increased identified costs. Significant cost drivers include:

- Capital cost – replacement of aging grid and underground infrastructure and projects related to the Skagit hydroelectric projects relicensing with the Federal Energy Regulatory Commission;
- Operations and Maintenance – about 4 percent growth per year (see below) with new and expanded programs; and
- Power costs – Increases of about 5 percent per year for Bonneville Power Administration power and transmission costs, new power resources in the form of solar, wind, battery storage, and transmission

City Light will prioritize new and expanded programs in operations and maintenance over the Plan horizon. Organized by focus areas, they include:

Customer experience

- Customer data and research;
- Outreach to vulnerable and highly impacted communities; and
- Expanded inter-department cooperation and partnerships;

Power supply

- Acquisition of new generation resources, especially renewable energy and through regional energy markets;
- Improved forecasting and risk management;
- Energy efficiency;
- Demand response;
- Customer-owned generation;
- Customer-side efficiency and time-of-day shifts;
- Distributed energy resources; and
- Maximize value of transmission capacity for reliability and revenue

Reliability

- Improved asset management;
- Physical security for facilities;
- Fleet management for efficiency and reduced emissions;
- Improved transmission and distribution including underground cables;
- Investments and staffing at generation facilities; and
- Wildfire risk reduction and vegetation management

Sustainability

- Staffing and infrastructure for public electric vehicle charging;
- Increased support for customer assistance programs; and
- Increased technical staffing for building electrification

Technology

- Expanded cybersecurity staffing and tools;
- Additional IT staffing for data management, system implementation, and geographic information services;
- Improved customer-facing platforms (websites, applications); and
- Modernization of grid management, asset management, and power supply systems

Workforce

- Expanded planning, staffing, and training;
- Evaluation of job roles, compensation, and career pathways;
- Improved workplace safety; and

- Investments in maintenance staff and facilities to increase proactive asset improvements

City Light projects retail sales based on the estimate of load growth (increased demand) of 6.1 percent from 2026 to 2032. City Light expects an increase in electric vehicles and conversion to heat pumps to significantly increase demand during the Plan horizon. Moreover, they will increase City Light's need for power to cope with higher and more frequent and higher peaks in demand. To remain reliable during peak demand, City Light will need to invest in greater capacity in transmission and distribution lines as well as increased power.

The rate path is the year-by-year sequence of average rate increases for all City Light customers for the six-year period of the Plan. City Light calculates the average rate for each year as the total revenue required for operation and maintenance and capital improvements (revenue requirement) divided by total retail sales. City Light communicates the change in the average rate from one year to the next as percent change.

For the 2027-2032 Plan, City Light projects that the revenue requirement will be increasing around \$165 million (10.5 percent) per year and retail sales will be growing by about 1 percent per year. For comparison, in the 2025-2030 Strategic Plan Update Financial Forecast, City Light projected that the revenue requirement would be around \$77 million (6.1 percent) per year and retail sales would grow by almost 1 percent per year.

In RES 32210, City Light proposes a rate path with 9.5 percent average rate increases annually for the first two years and an increase ranging from 7 to 11 percent annually for the remaining four years to generate the revenue required to pay City Light's costs to deliver services. The proposed increase for 2027 and 2028 would increase a typical residential bill by about \$10 per month and a typical residential bill discounted by the Utility Discount Program (see below) about \$4 month.

Table 1 compares the 2025 – 2030 rate path to the proposed 2027 - 2032. The average rate increases for each year in the proposed rate path are greater than those of the adopted 2025 – 2030 rate path.

Table 1. Comparison of City Light's endorsed and proposed rate paths

Rate Paths Compared	2025	2026	2027	2028	2029	2030	2031	2032
Endorsed 2025-2030	5.4%	5.4%	5.0%	5.0%	5.0%	5.0%	n/a	n/a
Proposed 2027-2032	n/a	n/a	9.5%	9.5%	7%-11%	7%-11%	7%-11%	7%-11%

2027-2028 Rates Ordinance - CB 121231: Key Aspects

Customer rates for 2027 and 2028

City Light's proposed rate changes for 2027 and 2028 would increase by 9.5 percent on January 1 for each year for all retail customer classes on average, upon passage of CB 121231. The

proposed, average annual rate changes for each customer class vary from the overall average rate increases.

City Light has calculated the proposed rate changes for each customer class based on the cost of service and use of power per customer class. These rate changes therefore vary by customer class. Table 2 provides a summary of average rate increases by customer class for reference.

Table 2: Proposed Average Annual Rate Increases for 2027 and 2028

Year	Residential	General Service				Downtown Network		Street Lights	System Average
		Small	Medium	Large	High Demand*				
2027	9.5%	9.5%	9.4%	9.7%	9.1%	7.4%	7.3%	27.2%	9.5%
2028	9.5%	9.5%	9.5%	9.7%	9.0%	8.5%	8.1%	20.9%	9.5%

Source: [Summary and Fiscal Note to CB 121231](#)

The tabulation above shows that Residential and General Service customers (excluding High-Demand) would have increases close to the overall average rate increase (system average). General service is for non-residential customers. The High-Demand rates are set for customers with maximum demand of 10,000 kilowatts (kW) or greater for more than half of their normal billings.

The Downtown Network refers to customers with general service provided through an underground distribution network in Downtown Seattle. Their rate increases would be below the system average due to the proportionally lower cost increases necessary to provide service for this class. Note that these customers have average rates that are about 20 percent higher than non-network customers due to the level of service they receive in terms of capacity and reliability.

The proposed rate changes for street lighting stand out from the other proposed rate changes. The City of Seattle, other public jurisdictions, and private customers pay City Light according to these rates for the service of street lighting. The proposed rate increases for 2027 and 2028 result from sharp increases in capital and operating costs for streetlights including coping with vandalism and wire theft.

New rate class for data centers

CB 121231 would create a new rate class for data centers intended to shield customers in the existing rate classes from the costs of the facilities, services, and power required to serve them.

This new rate class, known as “new large data center load,” would be defined in SMC 21.49.020 as “...any service to a data center fed from an expanded or a new installation equal to or greater than 10 (megavolt amperes) MVA of capacity installed within any consecutive five-year

period after January 1, 2027.” MVA is a common measurement unit for electrical equipment like transformers; 10 MVA is the power demand of about 2,000 homes.

CB 121231 would add the definition of “data center” to [SMC 21.49.020](#) meaning “...a facility that is primarily engaged in providing service described under [code 518210](#) of the 2022 North American Industry Classification System (NAICS).” NAICS 518210 covers industry comprised of “...establishments primarily engaged in providing computing infrastructure, data processing services, Web hosting services (except software publishing), and related services, including streaming support services (except streaming distribution services).”

The rate for data centers as new large loads would include the following requirements:

- Not eligible for general service rates;
- Service agreement (contract) with City Light;
- Technical, curtailment, and conservation requirements;
- Full upfront financial responsibility for the cost of any infrastructure serving the data center customer;
- Full recovery of procurement cost of new resources, including power, transmission, and ancillary services;
- Full responsibility for the cost of agreements executed by City Light to serve the customer’s load, until the expiration of the contract term;
- Service only after a contract has been fully executed and City Light has in place all infrastructure, contracts, and resources necessary to provide electrical service;
- Specific charges for power supply, transmission, distribution, base service charge, and other rate components at City Light’s discretion; and
- Rules for aggregating new or expanded installations.

By adopting [RES 32204](#) in June 2026, Council recognized the potential of long-term impacts of data centers on electrical grid capacity and reliability, water usage, utility rates, land use and development, jobs and the economy, and public health; and requested engagement and cooperation from the Executive in the development of data center policies and potential legislation. RES 32204 anticipates establishing a new City Light customer class and conditions of service for new or existing data centers whose electricity demand constitutes a new large load as part of future legislative action. CB 121231 meets that expectation.

In tandem with RES 32204, Council passed [Ordinance 121214](#) in 127447 to adopt a moratorium on the filing, acceptance, processing, or approval of applications for the establishment or expansion of, or change of use to, data centers for one-year effective June 11, 2026.

Utility Discount Program for City Light

CB 121231 would expand the income eligibility for the Utility Discount Program (UDP) from 70 percent of the State Median Income to 60 percent of the Area Median Income. Through the Utility Discount Program (UDP), eligible households can receive a 60 percent discount on their Seattle City Light (SCL) bills and a 50 percent discount on their Seattle Public Utilities (SPU) bills. The Council is considering separate legislation related to the Utility Discount Program, which is described in more detail in the Issues for Consideration section, below

Rate Stabilization Account and Bonneville Pass-Through

CB 121231 would modify the purpose and operating rules for the Rate Stabilization Account (RSA), a cash reserve within the Light Fund. CB 121231 would expand the purpose of the RSA from absorbing fluctuations in Net Wholesale Revenue (NWR) to absorbing fluctuations in power costs more broadly and differences between forecasted retail sales and actual sales. However, the proposed language describing the purpose of the RSA is limited to power costs. See Issues for Consideration for discussion, below.

Current RSA

The purpose of the RSA, established by [Ordinance 121637](#) and most recently amended by [Ordinance 126502](#) in 2021¹, is generally to cope with fluctuations in City Light's NWR. City Light receives NWR from sales of power in energy markets that is surplus to the needs of City Light's retail customers. Forecasted NWR is used to support City Light's operating and capital expenditures and reduces the impact on retail customers and borrowed money (bond sales).

City Light buys and sells energy in the wholesale market and the sum of these sales and purchases is referred to as NWR. Under the current regulations, the RSA insulates the utility and its retail customers from wholesale power market volatility.

Under the current RSA operating rules, when NWR comes in below planned levels, funds are transferred from the RSA into City Light's operating account. Conversely, when City Light's NWR exceeds the planned levels, the excess is transferred into the operating account.

When the RSA is depleted below defined levels, City Light must impose surcharges on retail customers' bills. On April 1, 2026, City Light removed the most recent RSA surcharge. The RSA was significantly depleted in 2022 and 2023, and the surcharge had been in effect since January 1, 2024.

Proposed RSA

Per CB 121231, City Light would transfer money from the RSA to the operating account if power costs exceed City Light's monthly forecast instead of when City Light's NWR is less than planned. If the power costs are less than the monthly forecast, then City Light would transfer the difference into the RSA.

¹ Last ordinance to modify RSA operating rules; rate ordinances have changed NWR targets.

Similarly, the legislation would establish a new mechanism dealing with retail sales. If monthly retail sales exceed forecasted retail sales, then City Light would transfer that amount into the RSA. If monthly retail sales are below the forecast, then the difference calculated in the same way would be transferred out of the RSA. See Issues for Consideration for a discussion of how the proposed RSA operating rules would define power costs and related implications.

CB 121231 would increase the target size (ideal balance) of the RSA from \$100 million to \$150 million. And the legislation would change the maximum balance in the RSA cash reserve from \$125 million to \$200 million. These thresholds were last adjusted via Ordinance 126502 in 2021. Any amount in excess of the maximum would be transferred out of the RSA.

Consistent with the current RSA regulations, the RSA balance would be checked against specific balances as it is depleted by transfers out. And like the current RSA rules, City Light would impose surcharges on retail customer bills when the RSA drops below the specific balances. The proceeds from the surcharges would be deposited into the RSA.

CB 121231 would change the specific RSA balances that would trigger surcharges and the amount of the surcharges. City Light would impose a surcharge of 2 percent whenever the RSA falls below \$120 million on either March 31 or September 30, compared to the surcharge of 2 percent when the RSA falls below \$75 million in the current rules. City Light would deposit the proceeds from the surcharge into the RSA until the RSA balance reaches the target amount of \$150 million.

Whenever the amount in the RSA would be \$80 million or less on either March 31 or September 30, City Light would impose a surcharge equal to 5.0 percent. The 5.0 percent surcharge would replace a 2.0 percent surcharge should one be active. The surcharge would remain in effect until the amount in the RSA reached its target size of \$150 million. The current lower (or second) surcharge trigger amount is \$50 million with an added 2 percent surcharge imposed for a total of 4 percent.

The timing of notification to Mayor and Council about the RSA balance would not change compared to the current rules. No later than 45 days after the end of each quarter, City Light would notify the Mayor and the City Council of the forecast and actual power costs and the cash balance of the RSA.

City Light has stated that there would be no direct impact on 2027 and 2028 retail rates from updating the size and operating rules of the RSA. If CB 121231 passes, then City Light would transfer approximately \$20 to \$30 million to the RSA in January 2027 to increase the amount in the RSA to, or close to, its \$150 million target.

Bonneville Pass-Through

City Light purchases about a third of its energy from Bonneville Power Administrations (BPA), a federal power-marketing administration, to meet retail customer demand. Currently, City Light must pass-through changes in costs of power purchases from BPA as an adjustment to customers' bills. CB 121231 would repeal the BPA pass-through regulations because the revised RSA rules would encompass BPA power costs.

Issues for Consideration

Issue 1: Redundant legislation

The Governance and Utilities Committee is considering and will possibly vote on [CB 121222](#) on July 9 that would modify eligibility for UDP for both City Light and Seattle Public Utilities in the same manner. Councilmember Strauss is sponsoring the legislation with Council President Hollingsworth co-sponsoring. If Council approves CB 121222, an amendment to CB 121231 to eliminate the redundancy would be necessary.

See the record for CB 121222 for the legislative materials including the presentations, agendas, and links to the video record of Governance and Utilities Committee meetings.

Issue 2: Using RSA for retail sales variability

As described above, CB 121231 would allow City Light to make transfers in and out of the RSA based on actual power costs and retail sales compared to the utility's forecast for them. The step from NWR to power costs more broadly is significant alone, separate from considering RSA changes to include retail sales. Allowing the use of the RSA to cover for retail sales variability would be a more significant policy change beyond allowance for power cost flux.

The Council may wish to more clearly define the purposes of the RSA and whether or not to include coping with retail sales variability. If Council wishes to include retail sales, then Council may wish to modify the language dealing with the purpose of the RSA to clarify that it would cover power costs and retail sales to better describe how the changed RSA would actually function.

Issue 3: Definitions in proposed RSA code changes

The proposed change in purpose for the RSA from coping with NWR fluctuations to coping with power cost fluctuations relies upon new definitions that employ undefined terms. In order to understand the scope and magnitude of the shift from NWR to power cost, it's necessary for the definition of power cost and related matters to be clear.

CB 121231 would add to SMC 21.49.020:

“Net variable power cost” mean costs for short-term and long-term purchased power, purchased transmission services, and ancillary services net of associated revenues from sales of short and long-term power, transmission services, and ancillary services.

and

“Net variable power cost average price” means the annual net variable power cost divided by total annual retail sales used to set retail rates.

The following terms in the first definition are not defined either explicitly (in SMC 21.49.020) or implicitly in the context of code language:

- “Short-term purchased power and revenues”;
- “Long-term purchased power and revenues”;
- “Transmission services”; and
- “Ancillary services”

City Light would use the net variable power cost average price to calculate how much money from retail sales to transfer to or from the RSA under the proposed operating rules. While the term, “retail sales,” can be understood generally and in the context of the portions of the SMC dedicated to retail rates, the exact definition of the term is preferred to fully comprehend how City Light would calculate the amount of the transfers

Central Staff asked City Light staff to provide the intended definitions for the terms. City Light responded with the tabulation of the definitions and examples for each term shown in Table 3, below. After the Committee has reviewed the definitions, they may wish to consider amending the proposal.

Table 3: Definitions related to power costs and retail sales

Term	Definition	Example
Short-term purchased power costs and revenues	Electricity Seattle City Light buys or sells under agreements less than one year.	Wholesale Market purchases to balance City Light’s load
Long-term purchased power costs and revenues	Electricity Seattle City Light buys or sells under agreements greater than one year	BPA power contract
Transmission services	Costs City Light pays to other utilities/transmission providers to move electricity over their transmission systems, as well as any revenue City Light receives when other electricity providers use surplus transmission capacity on City Light’s system	BPA transmission (wheeling) contract
Ancillary Services	Support services purchased or sold that keep the electric system running reliably but are <i>not</i> part of buying or selling electricity itself.	Frequency Regulation and Operating Reserves
Retail Sales	Amount of energy (MWh) delivered to retail customers	All the energy delivered to customers and billed as retail revenue.

Next Steps

If the Committee votes on a recommendation on RES 32210 on July 1, 2026, then the City Council could take final action as soon as July 7.

On July 1, the Committee will discuss CB 121231, the City Light rate ordinance for 2027-2028 in advance of possible Committee vote on July 15, 2026. If approved by the Committee, the City Council could take final action as soon as July 21.

cc: Lish Whitson, Director
Calvin Chow, Deputy Director
Jennifer LeBrecque, Supervising Analyst

2027-2032 Strategic Plan RES & 2027-2028 Retail Rate ORD

Parks & City Light Committee

July 1, 2026



Seattle City Light

WE POWER SEATTLE

Summary

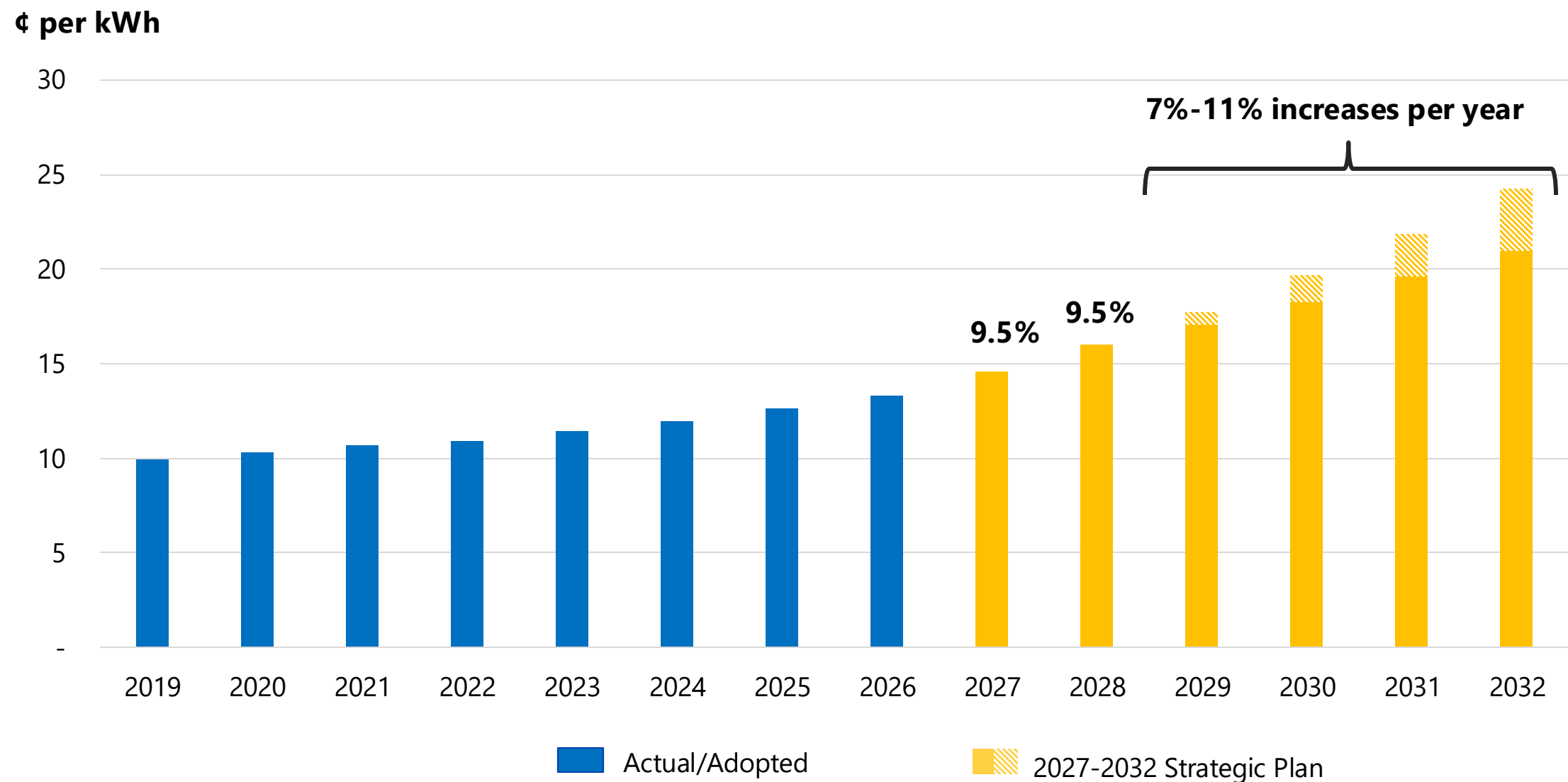
- Strategic Plan Resolution
 - Adopts City Light's 2027-2032 strategic plan
 - Endorses 9.5% rate path for 2027 and 2028
- Rate Ordinance
 - Implements rate increases
 - New large data center load policy
 - Expands Rate Stabilization Account (RSA)
 - Utility Discount Program (UDP) eligibility



Rate Ordinance

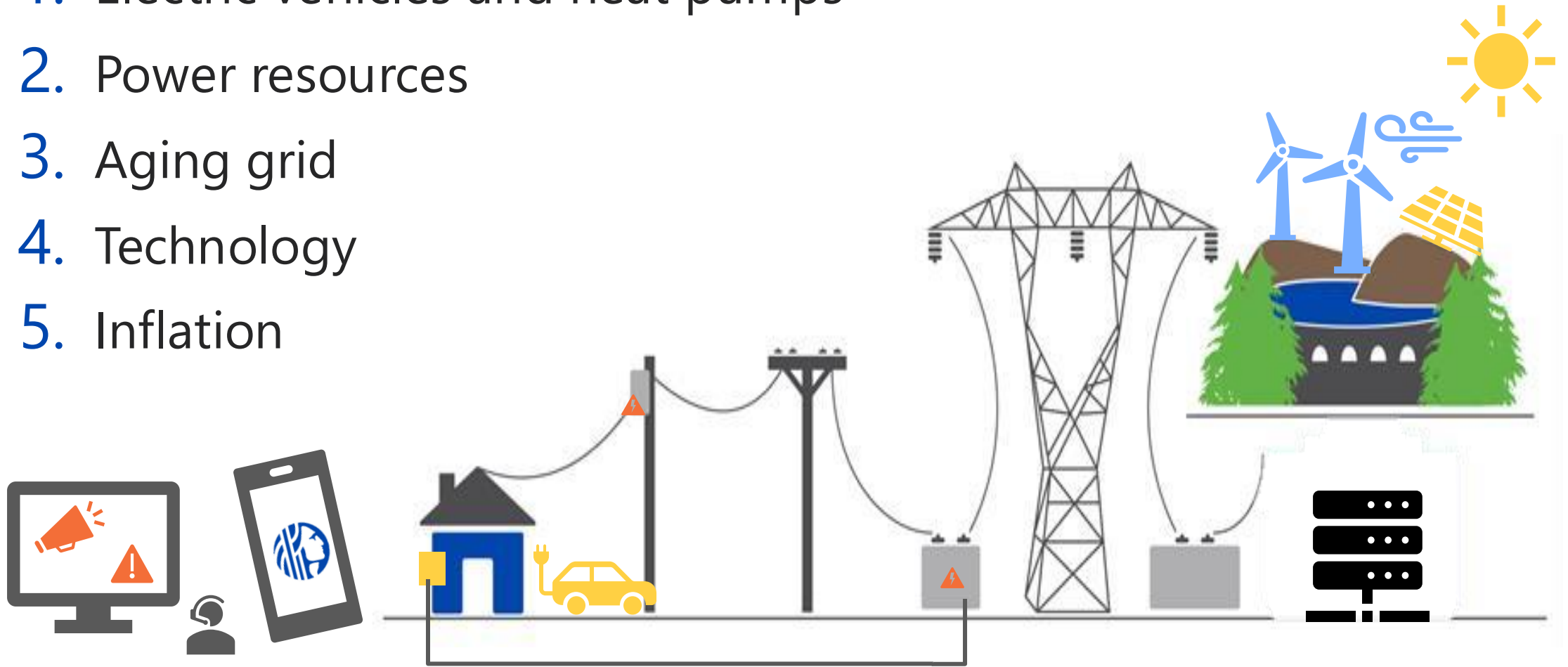
1. Sets new electric rates effective Jan 1, 2027 and Jan 1, 2028
 - Increases average 9.5% annually, per strategic plan
 - Updated cost allocation and rate design
2. Establishes rate for new data centers
3. Expands Rate Stabilization Account (RSA)
4. Broadens Utility Discount Program (UDP) eligibility

Strategic Plan Retail Rate Path



Why Rate Increases are Needed

1. Electric vehicles and heat pumps
2. Power resources
3. Aging grid
4. Technology
5. Inflation



Investing in Infrastructure

- Direct buried underground cable
 - 300 miles of failing cable
 - Replacement cost ~\$2 billion
- Poles & transformers
- Hydroelectric dams
 - Skagit Gorge dam superstructure
 - Boundary forebay bridge
- Wildfire mitigation



Growth & Urban Density

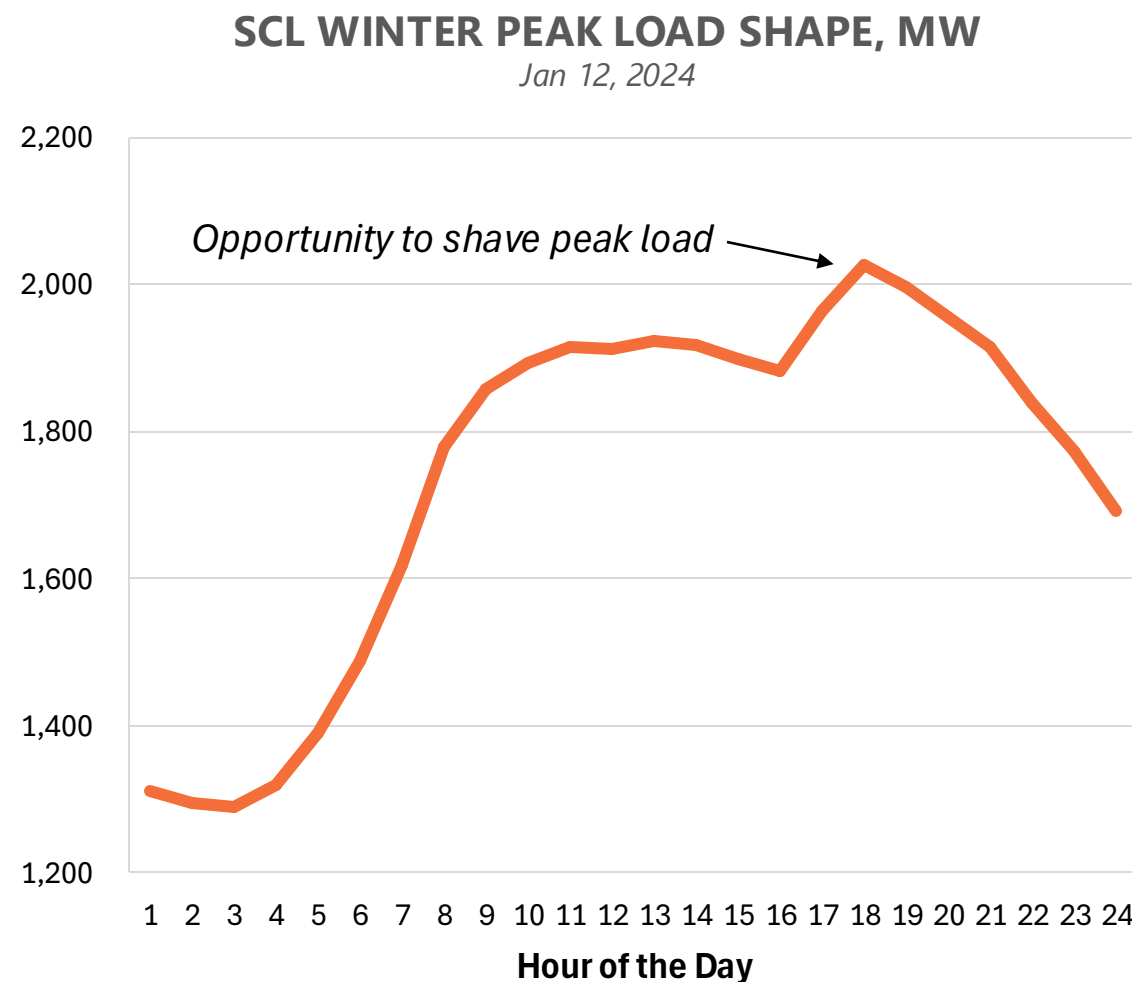
Service drops for new multifamily developments must be underground for safety.

Policies and fees ensure new development pays its fair share, so existing residents and businesses aren't left covering the costs.



Managing Peaks in Demand

- Leverage hydro flexibility
 - Skagit
 - New Bonneville contract
- New resources
- Customer demand response
 - Time-of-Use Rates
 - Large Industrial Curtailment
 - DERMS (Distributed Energy Resource Management System)



Cost Allocation & Rate Design

AVERAGE ANNUAL RATE INCREASES

	Residential	General Service				Downtown Network		Street Lights	System Average
		Small	Medium	Large	High Demand	Medium	Large		
2027	9.5%	9.5%	9.4%	9.7%	9.1%	7.4%	7.3%	27.2%	9.5%
2028	9.5%	9.5%	9.5%	9.7%	9.0%	8.5%	8.1%	20.9%	9.5%

Residential and general service: Increases near the 9.5% average.

Downtown network: Lower increases of about 7–8%; network service remains priced at a premium.

Streetlights: Significant increases due to rising maintenance costs.

Bill Impacts: Residential Rates

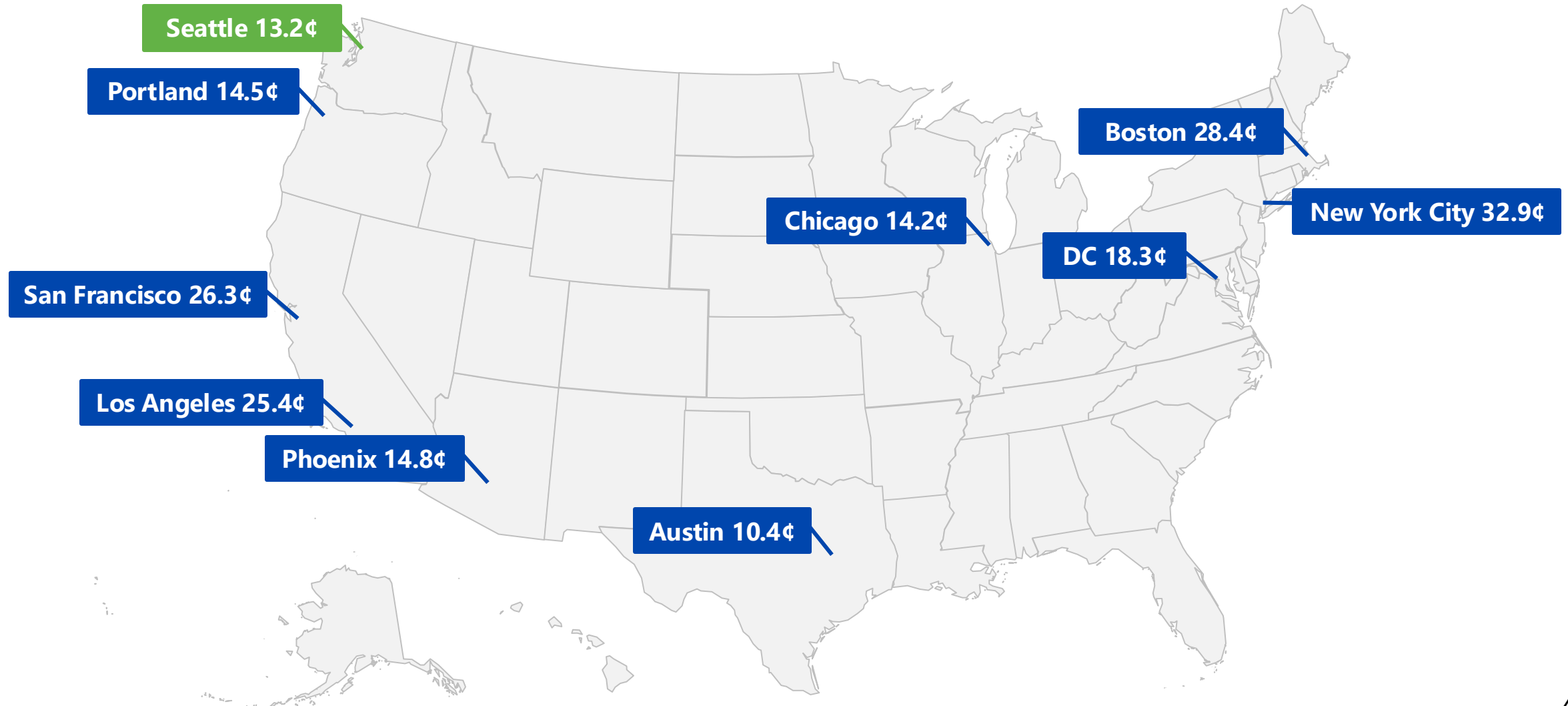
Residential Standard			2026	2027	2028
2027 average increase:	9.5%	Energy (\$/kWh)	\$0.1338	\$0.1417	\$0.1457
2028 average increase:	9.5%	Base Service Charge (\$/month)	\$12.00	\$16.78	\$23.55
Number of meters:	467,866				

Monthly Bills	kWh	2026	2027	Increase	2028	Increase
Apartment- Gas Heat	204	\$39	\$46	\$6	\$53	\$8
Apartment- Electric Heat	463	\$74	\$82	\$8	\$91	\$9
SF Home- Gas Heat	634	\$97	\$107	\$10	\$116	\$9
SF Home- Electric Heat	841	\$124	\$136	\$11	\$146	\$10
SF Home- High Use	1,180	\$170	\$184	\$14	\$195	\$11

Bill Impacts: Small/Medium Businesses

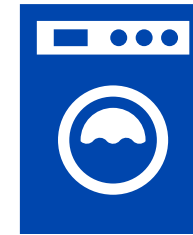
Monthly Bills	kWh	2026	2027	Increase	2028	Increase
Small Office	1,195	\$173	\$190	\$16	\$213	\$23
Car Wash	7,573	\$965	\$1,042	\$78	\$1,110	\$68
Investment Firm	8,833	\$1,121	\$1,211	\$90	\$1,288	\$77
Fast Food Restaurant	17,078	\$2,144	\$2,313	\$169	\$2,448	\$135
Small Grocery Store	34,463	\$3,863	\$4,264	\$401	\$4,701	\$437
Apartment Complex	216,300	\$24,614	\$26,673	\$2,060	\$28,995	\$2,322
Real Estate Development	453,050	\$48,411	\$52,306	\$3,895	\$56,727	\$4,421

Comparing Electric Rates in Other US Cities



Navigating Big Rate Increases

- Broad customer communication
 - Newsletters, blog, social media, news
 - Community forums and in-person events
- Opportunities for savings
 - “Energy Insights” online tool
 - Time of use rates
 - Efficiency investments and rebates
 - Multifamily home incentives



Supporting Affordability for All

For **Income-Qualified**



60% bill discount

Utility Discount Program



Up to \$1,670 for past due bills

Emergency Bill Assistance & Project Share



Up to \$1,250 for heating costs

Federal LIHEAP



Up to \$1,000 for energy costs

State Home Energy Assistance Program (SHEAP)

For **Anyone**



Pay a levelized amount each bill, readjusts annually

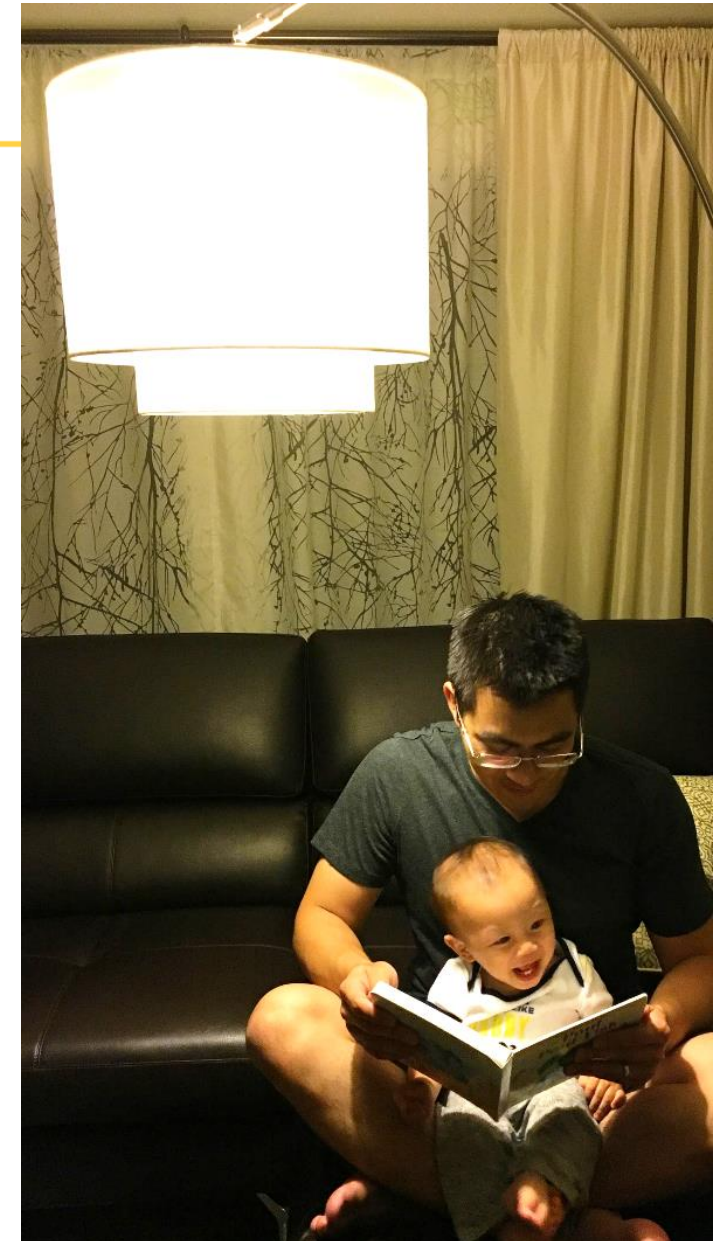
Budget Billing Program



60 days to catch up on past due bills

Short Term Payment Plan

Ordinance expands UDP eligibility



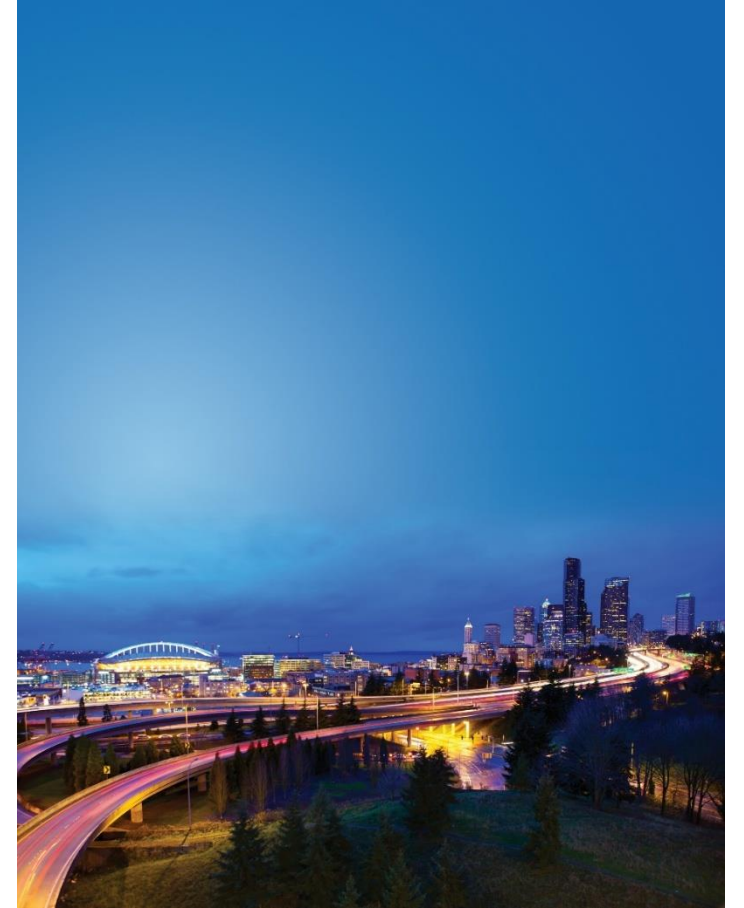
THANK YOU



Seattle City Light

New Data Center Rate

- **New rate class for data centers with new or expanded service greater than 10 MVA**
 - Pay upfront for any grid investments
 - Rate based on cost of new power and transmission
 - Contract demand and overrun fees
 - Required curtailment provisions, conservation
- Policy ensures existing customers are held harmless
- Large load policies are becoming industry standard



Rate Stabilization Account (RSA) Expansion

- RSA created in 2010 to absorb wholesale cost/revenue fluctuations. If needed, automatic rate surcharges trigger to rebuild the cash reserve.

	Current RSA	Expanded RSA
Applies to	Wholesale	Wholesale + Power Contracts + Retail Load Variation
Size / Ceiling	\$100M / \$125M	\$150M / \$200M
Surcharges	2% at \$75M 4% at \$50M <i>All rate components</i>	2%* at \$120M 5%* at \$80M <i>Per-kWh rates only</i>

** Percentage of average system rate, all customers pay same per-kWh surcharge*

- Expansion does not require higher rates or surcharge.

UDP Program Expansion

- Utility Discount Program (UDP) provides 60% discount on electric bills
- Ordinance expands eligibility
 - Current: 70% of SMI (state median income)
 - New: 60% of AMI (area median income)
- Adds about 31k more eligible customers

AVERAGE ENERGY BURDEN AFTER DISCOUNT

Discount								
80%	3%	1%	1%	1%	0%	0%	0%	0%
70%	5%	2%	1%	1%	1%	1%	0%	0%
60%	6%	2%	2%	1%	1%	1%	1%	1%
50%	8%	3%	2%	1%	1%	1%	1%	1%
40%	9%	4%	2%	2%	1%	1%	1%	1%
30%	11%	4%	3%	2%	2%	1%	1%	1%
20%	12%	5%	3%	2%	2%	1%	1%	1%
10%	14%	6%	4%	3%	2%	2%	1%	1%
5%	14%	6%	4%	3%	2%	2%	1%	1%
No discount	15%	6%	4%	3%	2%	2%	1%	1%
	0<10%	10<20%	20<30%	30<40%	40<50%	50<60%	60<70%	70<80%
	AMI Bin							

Regional Rate Increase Comparison

Residential Rate Increases						27/28 Proposals:
Utility	2023	2024	2025	2026	Avg	
Seattle City Light	3.4%	5.5%	4.1%	4.8%	4.5%	
Tacoma Power	3.9%	3.9%	6.5%	6.5%	5.2%	
Puget Sound Energy	8.7%	1.7%	12.0%	12.0%	8.6%	+21%
Snohomish PUD	2.0%	5.8%	4.9%	2.8%	3.9%	
Portland General Electric	7.0%	18.0%	5.5%	2.8%	10.2%	
Avista - Washington	5.0%	2.0%	2.6%	4.4%	3.8%	+19%

as of 3/20/2026



Legislation Text

File #: Inf 2921, **Version:** 1

Seattle City Light (SCL) 2025 Baker Tilly Independent Audit

Reporting and insights from the 2025 audit:

**The City of Seattle – City Light
Department**

December 31, 2025

Executive summary

April 30, 2026

To the Parks and City Light Committee
The City of Seattle – City Light Department
700 5th Ave, Ste 3300
Seattle, WA 98124

We have completed our audit of the financial statements of City of Seattle – City Light Department (the Department) for the year ended December 31, 2025, and have issued our report thereon dated April 30, 2026. This letter presents communications required by our professional standards.

Your audit should provide you with confidence in your financial statements. The audit was performed based on information obtained from meetings with management, data from your systems, knowledge of your Department's operating environment and our risk assessment procedures. We strive to provide you clear, concise communication throughout the audit process and of the final results of our audit.

Additionally, we have included information on key risk areas the Department should be aware of in your strategic planning. We are available to discuss these risks as they relate to your organization's financial stability and future planning.

If you have questions at any point, please connect with us:

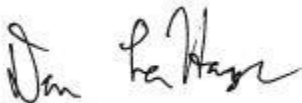
- Aaron Worthman, Principal: Aaron.Worthman@bakertilly.com or +1 (512) 975 7281
- Dan La Haye, Director: Dan.LaHaye@bakertilly.com or +1 (608) 240 2534

Sincerely,

Baker Tilly US, LLP



Aaron Worthman, CPA, Principal



Dan La Haye, Director

THIS COMMUNICATION IS INTENDED SOLELY FOR THE INFORMATION AND USE OF THOSE CHARGED WITH GOVERNANCE, AND, IF APPROPRIATE, MANAGEMENT, AND IS NOT INTENDED TO BE AND SHOULD NOT BE USED BY ANYONE OTHER THAN THESE SPECIFIED PARTIES.

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Responsibilities

Our responsibilities

As your independent auditor, our responsibilities include:

- Planning and performing the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. Reasonable assurance is a high level of assurance.
- Assessing the risks of material misstatement of the financial statements, whether due to fraud or error. Included in that assessment is a consideration of the Department's internal control over financial reporting.
- Performing appropriate procedures based upon our risk assessment.
- Evaluating the appropriateness of the accounting policies used and the reasonableness of significant accounting estimates made by management.
- Forming and expressing an opinion based on our audit about whether the financial statements prepared by management, with the oversight of those charged with governance:
 - Are free from material misstatement
 - Present fairly, in all material respects and in accordance with accounting principles generally accepted in the United States of America
- Performing tests related to compliance with certain provisions of laws, regulations, contracts and grants, as required by *Government Auditing Standards*.
- Our audit does not relieve management or those charged with governance of their responsibilities.

We are also required to communicate significant matters related to our audit that are relevant to the responsibilities of those charged with governance, including:

- Internal control matters
- Qualitative aspects of the Department's accounting practice including policies, accounting estimates and financial statement disclosures
- Significant unusual transactions
- Significant difficulties encountered
- Disagreements with management
- Circumstances that affect the form and content of the auditors' report
- Audit consultations outside the engagement team
- Corrected and uncorrected misstatements
- Other audit findings or issues

Audit status

Significant changes to the audit plan

There were no significant changes made to either our planned audit strategy or to the significant risks and other areas of emphasis identified during the performance of our risk assessment procedures.

Audit approach and results

Planned scope and timing

Audit focus

Based on our understanding of the Department and environment in which you operate, we focused our audit on the following key areas:

- Key transaction cycles
- Areas with significant estimates

Our areas of audit focus were informed by, among other things, our assessment of materiality. Materiality in the context of our audit was determined based on specific qualitative and quantitative factors combined with our expectations about the Department's current year results.

Key areas of focus and significant findings

Significant risks of material misstatement

A significant risk is an identified and assessed risk of material misstatement that, in the auditor's professional judgment, requires special audit consideration. Within our audit, we focused on the following areas below.

Significant risk areas	Testing approach	Conclusion
Management override of controls	Incorporate unpredictability into audit procedures, emphasize professional skepticism and utilize audit team with industry expertise	Procedures identified provided sufficient evidence for our audit opinion
Improper revenue recognition due to fraud	Confirmation or validation of certain revenues supplemented with detailed predictive analytics based on non-financial data and substantive testing of related receivables	Procedures identified provided sufficient evidence for our audit opinion

Other areas of emphasis

We also focused on other areas that did not meet the definition of a significant risk, but were determined to require specific awareness and a unique audit response.

Other areas of emphasis		
Cash and investments	Revenues and receivables	General disbursements
Payroll	Pension and OPEB liabilities	Long-term debt
Capital assets including infrastructure	Net position calculations	Financial reporting and required disclosures
Wholesale power purchases and sales	Regulatory accounting	Environmental remediation liabilities

Internal control matters

We considered the Department's internal control over financial reporting as a basis for designing our audit procedures for the purpose of expressing an opinion on the financial statements. We are not expressing an opinion on the effectiveness of the Department's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis.

A material weakness is a deficiency or combination of deficiencies in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

Required communications

Qualitative aspect of accounting practices

- Accounting policies: Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we have advised management about the appropriateness of accounting policies and their application. The significant accounting policies used by Department are described in Note 1 to the financial statements. As described in Note 1, no new material accounting policies were adopted and the application of existing accounting policies was not changed during 2025. We noted no transactions entered into by the Department during the year for which accounting policies are controversial or for which there is a lack of authoritative guidance or consensus or diversity in practice.
- Accounting estimates: Accounting estimates, including fair value estimates, are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements, the degree of subjectivity involved in their development and because of the possibility that future events affecting them may differ significantly from those expected. The following estimates are of most significance to the financial statements:

Estimate	Management's process to determine	Baker Tilly's conclusions regarding reasonableness
Net pension liability and related deferrals	Evaluation of information provided by the Seattle City Employees' Retirement System	Reasonable in relation to the financial statements as a whole
Self-insurance claims	Historical claims analysis and report provided by a 3 rd party administrator	Reasonable in relation to the financial statements as a whole
Allowance for doubtful accounts	Evaluation of historical revenues and loss levels with the analysis on collectability of individual amounts	Reasonable in relation to the financial statements as a whole
Net/Total OPEB liability and related deferrals	Key assumptions set by the City of Seattle with the assistance of a third-party actuary	Reasonable in relation to the financial statements as a whole
Unbilled revenues	Evaluation of unbilled revenues based on consumption quantities and existing rates	Reasonable in relation to the financial statements as a whole
Environmental remediation liabilities	Evaluation of key factors and assumptions used in estimation	Reasonable in relation to the financial statements as a whole
Leased assets/liabilities and/or lease receivable and related deferral	Evaluation of leases by management and incremental borrowing rate used for present value calculation	Reasonable in relation to the financial statements as a whole

There have been no significant changes made by management to either the processes used to develop the particularly sensitive accounting estimates, or to the significant assumptions used to develop the estimates noted above.

- Financial statement disclosures: The disclosures in the financial statements are neutral, consistent and clear.

Significant unusual transactions

There have been no significant transactions that are outside the normal course of business for the Department or that otherwise appear to be unusual due to their timing, size or nature

Significant difficulties encountered during the audit

We encountered no significant difficulties in dealing with management and completing our audit.

Disagreements with management

Professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Audit report

There have been no departures from the auditors' standard report.

Audit consultations outside the engagement team

We encountered no difficult or contentious matters for which we consulted outside of the engagement team.

Uncorrected misstatements and corrected misstatements

Professional standards require us to accumulate misstatements identified during the audit, other than those that are clearly trivial, and to communicate accumulated misstatements to management. The schedule, attached to the management representation letter, within the attachments summarizes the uncorrected misstatements that were provided and identified by management. In our judgment, none of the uncorrected misstatements, either individually or in the aggregate, indicate matters that could have had a significant effect on the Department's financial reporting process.

Management has determined that the effects of the uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole. The uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even though, in our judgment, such uncorrected misstatements are immaterial to the basic financial statements under audit.

Other audit findings or issues

We encountered no other audit findings or issues that require communication at this time.

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Department's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other information in documents containing audited basic financial statements

Annual Report

The Department's audited financial statements will be included in an Annual Report. Our responsibility for this information does not extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to corroborate such other information. We have read the Annual Report to determine whether a material inconsistency exists between the other information and the financial statements. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, was materially inconsistent with the information, or manner of its presentation, in the financial statements.

Official Statements

The Department's audited financial statements are "general purpose" financial statements. General purpose financial statements consist of the basic financial statements that can be used by a broad group of people for a broad range of activities. Once we have issued our audit report, we have no further obligation to update our report for events occurring subsequent to the date of our report. The Department can use the audited financial statements in other client prepared documents, such as official statements related to the issuance of debt, without our acknowledgement. Unless we have been engaged to perform services in connection with any subsequent transaction requiring the inclusion of our audit report, as well as to issue an auditor's acknowledgment letter, we have neither read the document nor performed subsequent event procedures in order to determine whether or not our report remains appropriate.

Management's consultations with other accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing or accounting matters.

Written communications between management and Baker Tilly

The attachments include copies of other material written communications, including a copy of the management representation letter.

Compliance with laws and regulations

We did not identify any non-compliance with laws and regulations during our audit.

Fraud

We did not identify any known or suspected fraud during our audit.

Going concern

Pursuant to professional standards, we are required to communicate to you, when applicable, certain matters relating to our evaluation of the Department's ability to continue as a going concern for a reasonable period of time but no less than 12 months from the date of the financial statements, including the effects on the financial statements and the adequacy of the related disclosures, and the effects on the auditors' report. No such matters or conditions have come to our attention during our engagement.

Independence

We are not aware of any relationships between Baker Tilly and the Department that, in our professional judgment, may reasonably be thought to bear on our independence.

Related parties

We did not have any significant findings or issues arise during the audit in connection with the Department's related parties.

Other matters

We applied certain limited procedures to the required supplementary information (RSI) that supplement the financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were not engaged to report on the other information, which accompanies the financial statements but are not RSI. We did not audit or perform other procedures on this other information, and we do not express an opinion or provide any assurance on it.

Audit committee resources

Our business is to know every aspect of yours and to maintain a constant lookout for what's next. We invite you to learn about some of the trending challenges and opportunities for public sector organizations like yours and how Baker Tilly can help.

To explore more trending topics and regulatory updates, visit our resource page at <https://www.bakertilly.com/insights/audit-committee-resource-page>.



Capital project oversight

Public sector capital projects face increasing pressure from cost escalation, supply chain disruption, regulatory complexity and heightened scrutiny around transparency and accountability. Strong planning, governance and controls are critical across the full project life cycle, from feasibility and funding strategy through execution and closeout.

Independent oversight helps chart a clear course from planning to delivery. Our teams work alongside leadership to strengthen governance, establish financial and contractual controls, align funding with project goals, and monitor performance throughout execution, helping projects stay on schedule, within budget, and aligned with community priorities.



Succession planning

An aging workforce, rising retirement rates, and competition for specialized talent make succession planning a fiscal and operational a priority for public sector organizations.

By identifying critical roles, assessing workforce risk, building internal talent pipelines, and integrating succession planning with broader workforce strategies, Baker Tilly helps organizations preserve institutional knowledge and maintain continuity, today, and into the future.



Economic development

Successful economic development depends on disciplined planning, sound financial analysis and coordinated execution. Public sector leaders must balance incentives, infrastructure investment, funding opportunities and stakeholder priorities while maintaining fiscal responsibility.

Baker Tilly's supports local governments with strategic and financial planning, incentive structuring and negotiation, tax increment financing administration, project financing, grant strategy, and economic and fiscal impact analysis. This integrated approach helps leaders move from vision to action, strengthening communities and advancing sustainable, long-term growth.

Management representation letter

April 30, 2026

Baker Tilly US, LLP
4807 Innovate Lane
PO Box 7398
Madison, WI 53707-7398

Dear Baker Tilly US, LLP:

We are providing this letter in connection with your audits of the financial statements of the City of Seattle, City Light Department (Department) as of December 31, 2025 and 2024 and for the years then ended for the purpose of expressing an opinion as to whether the financial statements present fairly, in all material respects, the financial position of the Department and the respective changes in financial position and cash flows thereof in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). We confirm that we are responsible for the fair presentation of the previously mentioned financial statements in conformity with U.S. GAAP. We are also responsible for adopting sound accounting policies, establishing and maintaining internal control over financial reporting, and preventing and detecting fraud.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, the following representations made to you during your audits.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated October 26, 2022, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, if any, are reasonable in accordance with U.S. GAAP.

- 6) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- 7) All events subsequent to the date of the financial statements and for which U.S. GAAP require adjustment or disclosure have been adjusted or disclosed. No other events, including instances of noncompliance, have occurred subsequent to the financial statement date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements.
- 8) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 9) We believe the effects of the uncorrected financial statement misstatements summarized in the attached schedule are immaterial, both individually and in the aggregate, to the financial statements as a whole.
- 10) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 11) Guarantees, whether written or oral, under which the Department is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

- 12) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of financial statements, such as financial records and related data, documentation, and other matters.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of the Sustainability, City Light, Arts & Culture Committee or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 13) We have disclosed to you results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 14) We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - a) Management,
 - b) Employees who have significant roles in internal control, or
 - c) Others where the fraud could have a material effect on the financial statements.
- 15) We have no knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, regulators, or others.
- 16) We have no knowledge of known instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 17) We have disclosed to you the names of our related parties and all the related party relationships and transactions, including side agreements, of which we are aware.

Other

- 18) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 19) We have a process to track the status of audit findings and recommendations.
- 20) We have identified to you any previous financial audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
- 21) We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for our report.
- 22) The Department has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources or net position.
- 23) We are responsible for compliance with federal, state, and local laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits, debt contracts, and IRS arbitrage regulations; and we have identified and disclosed to you all federal, state, and local laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.
- 24) There are no:
 - a) Violations or possible violations of budget ordinances, federal, state, and local laws or regulations (including those pertaining to adopting, approving and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, or for reporting on noncompliance, except those already disclosed in the financial statement, if any.
 - b) Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by accounting principles U.S. GAAP.
 - c) Rates being charged to customers other than the rates as authorized by the applicable authoritative body.
 - d) Violations of restrictions placed on revenues as a result of bond resolution covenants such as revenue distribution or debt service funding.
- 25) The Department has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 26) The Department has complied with all aspects of contractual agreements that would have a material effect on the financial statement in the event of noncompliance.
- 27) Components of net position (net investment in capital assets; restricted; and unrestricted) are properly classified and, if applicable, approved.
- 28) The Department has no derivative financial instruments such as contracts that could be assigned to someone else or net settled, interest rate swaps, collars or caps.
- 29) We believe that we have properly identified all derivative instruments and any embedded derivative instruments that require bifurcation. The Department's hedging activities are in accordance with its documented and approved hedging and risk management policies. The Department follows the valuation, accounting, reporting and disclosure requirements outlined in GASB Statement No. 53. We believe the timing, nature, and amounts of all forecasted transactions are probable of occurring. The fair values of all derivatives and hedged items have been determined based on prevailing market prices or by using financial models that we believe are the most appropriate models for valuing such instruments and that incorporate market data and other assumptions that we have determined to be reasonable and appropriate at year end.

- 30) Provisions for uncollectible receivables have been properly identified and recorded.
- 31) Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- 32) Deposits and investments are properly classified, valued, and disclosed (including risk disclosures, collateralization agreements, valuation methods, and key inputs, as applicable).
- 33) Provision, when material, has been made to reduce excess or obsolete inventories to their estimated net realizable value.
- 34) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated/amortized. Any known impairments have been recorded and disclosed.
- 35) We believe the estimates made for the pollution remediation liabilities are in accordance with GASB Statement No. 49 and reflect all known available facts at the time they were recorded.
- 36) Tax-exempt bonds issued have retained their tax-exempt status.
- 37) The operations and rate setting process meet the condition for application of accounting for regulated operations as outlined in GASB Statement No. 62. All regulatory items included in the financial statements have been approved and are being accounted for in accordance with specific action taken by the regulatory body and as such the expectation of future recovery or refund is reasonable.
- 38) We have appropriately disclosed the Department's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available and have determined that net position were properly recognized under the policy.
- 39) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- 40) We have no intention of terminating our participation in the Seattle City Employee's Retirement System ("SCERS") or withdrawing from any multi-employer plans, or taking any other action that could result in an effective termination or reportable event for any of the plans. We are not aware of any occurrences that could result in the termination of any of our participation in the "SCERS" defined benefit plan or multi-employer plans to which we contribute. We believe that the actuarial assumptions and methods used to measure pension liability and costs for financial accounting purposes are appropriate in the circumstances.
- 41) We assume responsibility for, and agree with, the findings of specialists in evaluating the net pension liability, net other post-employment benefit liability, pollution remediation liabilities, and provision for injuries and damages and have adequately considered the qualifications of the specialists in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give or cause any instructions to be given to specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had impact on the independence or objectivity of the specialists.
- 42) We have evaluated the requirements of GASB Statement No. 83 – *Asset Retirement Obligations*, and concluded that the Department does not own any assets that have an asset retirement obligation.
- 43) We have implemented GASB Statement No. 86, *Certain Debt Extinguishment Issues*, and believe that all required disclosures and accounting considerations have been identified and properly classified in the financial statements in compliance with the Standard.
- 44) We have implemented GASB Statement No. 87, *Leases*, and believe that all required disclosures and accounting considerations have been identified and properly classified in the financial statements in compliance with the Standard.
- 45) We have implemented GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, and believe that all direct borrowings, direct placements, lines of credit or debt default clauses have been identified and properly disclosed in the financial statements in compliance with the Standard.

- 46) We have reviewed our long-term debt agreements and believe that all terms related to significant events of default with finance-related consequences, termination events with finance-related consequences and subjective acceleration clauses have been properly identified and disclosed.
- 47) Unused lines of credit, collateral pledged to secure debt and direct borrowings and private placements have been properly identified and disclosed.
- 48) We have identified any leases or other contracts that are required to be reported as leases and are in agreement with the key assumptions used in the measurement of any lease related assets, liabilities or deferred inflows of resources.
- 49) Management has appropriately estimated and accrued for all unprocessed invoices pertaining to 2025.
- 50) The auditing standards define an annual report as “a document, or combination of documents, typically prepared on an annual basis by management or those charged with governance in accordance with law, regulation, or custom, the purpose of which is to provide owners (or similar stakeholders) with information on the entity’s operations and the entity’s financial results and financial position as set out in the financial statements.” Among other items, an annual report contains, accompanies, or incorporates by reference the financial statements and the auditor’s report thereon. Our annual report will contain the audited financial statements, or reference to the audited financial statements. We will provide you with the final version of the annual report once available, prior to distribution to our stakeholders, such that you may complete your required procedures.
- 51) We have evaluated GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, and believe these arrangements are immaterial to the financial statements and thus are not recorded.
- 52) We have reviewed existing contracts and determined there are no items requiring accounting or reporting under GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*.
- 53.) We have implemented GASB Statement No. 101, *Compensated Absences*, and believe that all required disclosures and accounting considerations have been identified and properly classified in the financial statements in compliance with the Standard.
- 54.) We have evaluated our ongoing operations and determined there are no concentrations or constraints meeting the requirements for disclosure under GASB Statement No. 102.

Sincerely,

City of Seattle, City Light Department

Signed: Sheenal Khanna Date 04/30/2026
Sheenal Khanna
Interim General Accounting Manager
Seattle City Light

Signed: Natalie Hayashi Date 04/30/2026
Natalie Hayashi
Accounting Director, Controller
Seattle City Light

Signed: Kirsty Grainger Date 04/30/2026
Kirsty Grainger
Chief Financial Officer
Seattle City Light

Signed: Robert Santoff Date 04/30/2026
Robert Santoff
Interim General Manager, CEO
Seattle City Light

CITY OF SEATTLE - CITY LIGHT DEPARTMENT

SUMMARY OF PASSED ADJUSTING JOURNAL ENTRIES
December 31, 2025

	2025											
	Financial Statements Effect -											
	Increase (Decrease) to Financial Statement Total											
	<u>Current Assets</u>	<u>Long-Term Assets</u>	<u>Total Assets</u>	<u>Deferred Outflows of Resources</u>	<u>Current Liabilities</u>	<u>Long-Term Liabilities</u>	<u>Total Liabilities</u>	<u>Deferred Inflows of Resources</u>	<u>Total Net Position</u>	<u>Total Revenues</u>	<u>Total Expenses</u>	<u>Net Income</u>
Total Net Audit Differences	\$ (2,217,257)	\$ -	\$ (2,217,257)	\$ -	\$ -	\$ -	\$ -	\$ (2,124,134)	\$ (93,123)	\$ 20,733,099	\$ -	\$ 20,733,099

Accounting changes relevant to City of Seattle – City Light Department

Future accounting standards update

GASB statement number	Description	Potentially impacts you	Effective date
103	Financial reporting model improvements	✓	12/31/26
104	Disclosure of certain capital assets	✓	12/31/26
105	Subsequent events	✓	12/31/27

Further information on upcoming [GASB pronouncements](#).

Changes to the financial reporting model

GASB Statement 103, *Financial Reporting Model Improvements*, builds on Statement 34 by providing key targeted improvements to the financial reporting model. Its requirements are designed to:

- Enhance the effectiveness of governmental financial reports in providing information essential for decision making and assessing a government's accountability, and
- Address certain application issues.

The targeted improvements contained in Statement 103 establish or modify existing accounting and financial reporting requirements related to:

- Management's discussion and analysis - While the overall requirements do not substantially change management's discussion and analysis, the modifications are meant to improve the analysis included in this section and provide details about the items that should be discussed as currently known facts, decisions, or conditions expected to have a significant financial effect in the subsequent period.
- Unusual or infrequent items (previously known as extraordinary and special items) - The new statement simplifies GASB literature by eliminating the separate presentation of extraordinary and special items. Under the requirement of Statement 103, applicable items will either be identified as unusual or infrequent, or both.
- Presentation of the proprietary fund statement of revenues, expenses and changes in fund net position - The changes are designed to improve consistency around the classification of items in these statements by better defining what should be included in operating revenues and expenses and nonoperating revenues and expenses including, for example, the addition of subsidies received or provided as a new category of nonoperating revenues and expenses.
- Major component unit information, and budgetary comparison information - Statement 103 is designed to improve the consistency of the reporting of major component unit information and budgetary comparison information by specifying required placement of that information.

Revisions to disclosures for certain capital assets

Governments are required to provide information on capital assets in the footnotes to the financial statements as outlined in GASB Statement No. 34. Recent standards have impacted the accounting and reporting for capital assets and as a result GASB issued Statement No. 104, *Disclosure of Certain Capital Assets* to provide enhanced disclosures for certain capital assets, including

- (a) Lease assets reported under Statement No. 87, intangible right-to-use assets reported under Statement No. 94 and subscription assets reported under Statement No. 96 should all be disclosed separately, and by major class of underlying asset. In addition, if there are any other intangible assets reported they should also be disclosed separately.
- (b) Capital assets that are held for sale should have the ending balance with separate disclosure for historical cost and related accumulated depreciation as well as any outstanding debt for which the asset is pledged as collateral disclosed by major class of asset. Assets held for sale are defined as those for which the government has decided to pursue the sale, and it is probable that the sale will be finalized within one year of the financial statement date.

While these changes are focused on footnote disclosures it is important to plan ahead to ensure the required information is available for implementation.

Updated guidance for the financial reporting of subsequent events

GASB Statement No. 105, *Subsequent Events*, which supersedes GASB Statement No. 56, is intended to enhance consistency in the application of requirements for subsequent events.

The Statement defines subsequent events as transactions or other events that occur after year end but before the date the financial statements are available to be issued. The date the financial statements are available to be issued is the date at which (a) the financial statements are complete in a form and format that complies with generally accepted accounting principles (GAAP) and (b) approvals necessary for issuance have been obtained, or typically the opinion date. The definition of subsequent events in this Statement modifies the subsequent events time frame throughout the GASB literature.

The Statement also clarifies:

- The different types of subsequent events (recognized and nonrecognized events)
- When note disclosures are required
- The information that should be included in those note disclosures.

Two-way audit communications

As part of our audit of your financial statements, we are providing communications to you throughout the audit process. Auditing requirements provide for two-way communication and are important in assisting the auditor and you with more information relevant to the audit.

As this past audit is concluded, we use what we have learned to begin the planning process for next year's audit. It is important that you understand the following points about the scope and timing of our next audit:

- a. We address the significant risks of material misstatement, whether due to fraud or error, through our detailed audit procedures.
- b. We will obtain an understanding of the five components of internal control sufficient to assess the risk of material misstatement of the financial statements whether due to error or fraud, and to design the nature, timing and extent of further audit procedures. We will obtain a sufficient understanding by performing risk assessment procedures to evaluate the design of controls relevant to an audit of financial statements and to determine whether they have been implemented. We will use such knowledge to:
 - Identify types of potential misstatements
 - Consider factors that affect the risks of material misstatement
 - Design tests of controls, when applicable and substantive procedures
- c. We will not express an opinion on the effectiveness of internal control over financial reporting or compliance with laws, regulations and provisions of contracts or grant programs. For audits performed in accordance with *Government Auditing Standards*, our report will include a paragraph that states that the purpose of the report is solely to describe the scope of testing of internal control over financial reporting and compliance and the result of that testing and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance and that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance. The paragraph will also state that the report is not suitable for any other purpose.
- d. The concept of materiality recognizes that some matters, either individually or in the aggregate, are important for fair presentation of financial statements in conformity with generally accepted accounting principles while other matters are not important. In performing the audit, we are concerned with matters that, either individually or in the aggregate, could be material to the financial statements. Our responsibility is to plan and perform the audit to obtain reasonable assurance that material misstatements, whether caused by errors or fraud, are detected.

Our audit will be performed in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*.

We will not express an opinion on the effectiveness of internal control over financial reporting or compliance with laws, regulations, and provisions of contracts or grant programs. For audits done in accordance with *Government Auditing Standards*, our report will include a paragraph that states that the purpose of the report is solely to describe (a) the scope of testing of internal control over financial reporting and compliance and the result of that testing and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance, (b) the scope of testing internal control over compliance for major programs and major program compliance and the result of that testing and to provide an opinion on compliance but not to provide an opinion on the effectiveness of internal control over compliance and, (c) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance in considering internal control over compliance and major program compliance. The paragraph will also state that the report is not suitable for any other purpose.

We are very interested in your views regarding certain matters. Those matters are listed here:

- a. We typically will communicate with your top level of management unless you tell us otherwise.
- b. We understand that the governing board has the responsibility to oversee the strategic direction of your organization, as well as the overall accountability of the entity. Management has the responsibility for achieving the objectives of the entity.
- c. We need to know your views about your organization's objectives and strategies, and the related business risks that may result in material misstatements.
- d. We anticipate that the Department will receive an unmodified opinion on its financial statements.
- e. Which matters do you consider warrant particular attention during the audit, and are there any areas where you request additional procedures to be undertaken?
- f. Have you had any significant communications with regulators or grantor agencies?
- g. Are there other matters that you believe are relevant to the audit of the financial statements?

Also, is there anything that we need to know about the attitudes, awareness and actions of the governing body concerning:

- a. The entity's internal control and its importance in the entity, including how those charged with governance oversee the effectiveness of internal control?
- b. The detection or the possibility of fraud?

We also need to know if you have taken actions in response to developments in financial reporting, laws, accounting standards, governance practices or other related matters, or in response to previous communications with us.

With regard to the timing of our audit, here is some general information. If necessary, we may do preliminary financial audit work during the months of October-December. Our final financial fieldwork is scheduled during March-April to best coincide with your readiness and report deadlines. After fieldwork, we wrap up our financial audit procedures at our office and may issue drafts of our report for your review. Final copies of our report and other communications are issued after approval by your staff. This is typically 4-6 weeks after final fieldwork, but may vary depending on a number of factors.

Keep in mind that while this communication may assist us with planning the scope and timing of the audit, it does not change the auditor's sole responsibility to determine the overall audit strategy and the audit plan, including the nature, timing and extent of procedures necessary to obtain sufficient appropriate audit evidence.

We realize that you may have questions on what this all means, or wish to provide other feedback. We welcome the opportunity to hear from you.



City of Seattle ~ City Light Department Parks and City Light Committee

Report on the 2025 Financial Audit

Presented by Aaron Worthman, CPA, Principal

July 15, 2026

AGENDA

- Audit Overview
- Main Areas of Audit Focus
- Internal Control Communication
- Auditors' Communication with Those Charged with Governance
- Questions

Audit overview

- Management and staff were prepared, cooperative and readily available.
- Audit schedule was maintained and communication between management and auditors was good.
- Four weeks of “fieldwork” were conducted onsite and remotely (one week of preliminary and three weeks of final).
- Last day of “fieldwork” was April 3, 2026.
- No adjusting journal entries were noted.

Audit overview

- > Audit performed in accordance with Generally Accepted Auditing Standards and *Government Auditing Standards*.
- > Audit objective – reasonable assurance that financial statements are free from material misstatement.
- > Financial statements received an Unmodified Opinion.

Main areas of audit focus

- Control Environment
- Control Activities
- Information Technology
- Cash and Investments
- Capital Assets
- Revenues and Accounts Receivable
- Pension and OPEB
- Regulatory Accounting
- Environmental Liabilities
- Leases/Subscription Based Information Technology Arrangements
- Expenditures and Payables
- Payroll
- Financing
- Net Position
- Compliance with Laws and Regulations
- Contracts and Contingencies
- Financial Reporting

Internal control communication

- AU-C Section 265
- Communicating Internal Control Related Matters Identified in an Audit
- Material weaknesses noted in the Department's internal control:
 - None noted
- Significant deficiencies noted in the Department's internal control:
 - None noted

Auditors’ communication with those charged with governance *(Significant findings from the audit)*

Area to be Communicated	Auditor’s Response
Auditor’s View on Qualitative Aspects of Significant Accounting Policies	> The significant accounting policies used in the preparation of your financial statements are discussed in Note 1 to the financial statements. > Accounting estimates are an integral part of the financial statements prepared by management's knowledge and experience about past and current events and assumptions about future events. We feel that all estimates made by management are in accordance with generally accepted accounting principles.

Auditors' communication with those charged with governance *(Significant findings from the audit)*

Area to be Communicated	Auditor's Response
Significant Difficulties Encountered in Performing the Audit	> We encountered no difficulties in performing our audit.
Uncorrected Misstatements	> By Professional Auditing Standards, uncorrected misstatements refer to immaterial passed audit adjustments – a summary of the uncorrected financial statement misstatements is included with the Reporting and Insights Letter.

Auditors' communication with those charged with governance *(Significant findings from the audit)*

Area to be Communicated	Auditor's Response
Disagreements with Management	> Professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements were encountered during the course of the audit.
Other Findings or Issues	> There are no other issues to disclose as part of the audit in connection with these Professional Auditing Standards.

Auditors’ communication with those charged with governance *(Significant findings from the audit)*

Area to be Communicated	Auditor’s Response
Material Corrected Misstatements	> Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. > There were no adjustments as part of this year’s audit.

Auditors’ communication with those charged with governance *(Significant findings from the audit)*

Area to be Communicated	Auditor’s Response
Management Representations	> We have requested certain representations from management that are included in the management representation letter. A copy of this letter is included with our Reporting and Insights Letter.

Auditors’ communication with those charged with governance *(Significant findings from the audit)*

Area to be Communicated	Auditor’s Response
Management’s Consultations with Other Accountants	> To the best of our knowledge, management has not consulted with or obtained opinions from other independent accountants on auditing and or the application of accounting principles during the past year. > Professional standards require the consulting accountant to discuss any such contacts with the current auditor to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

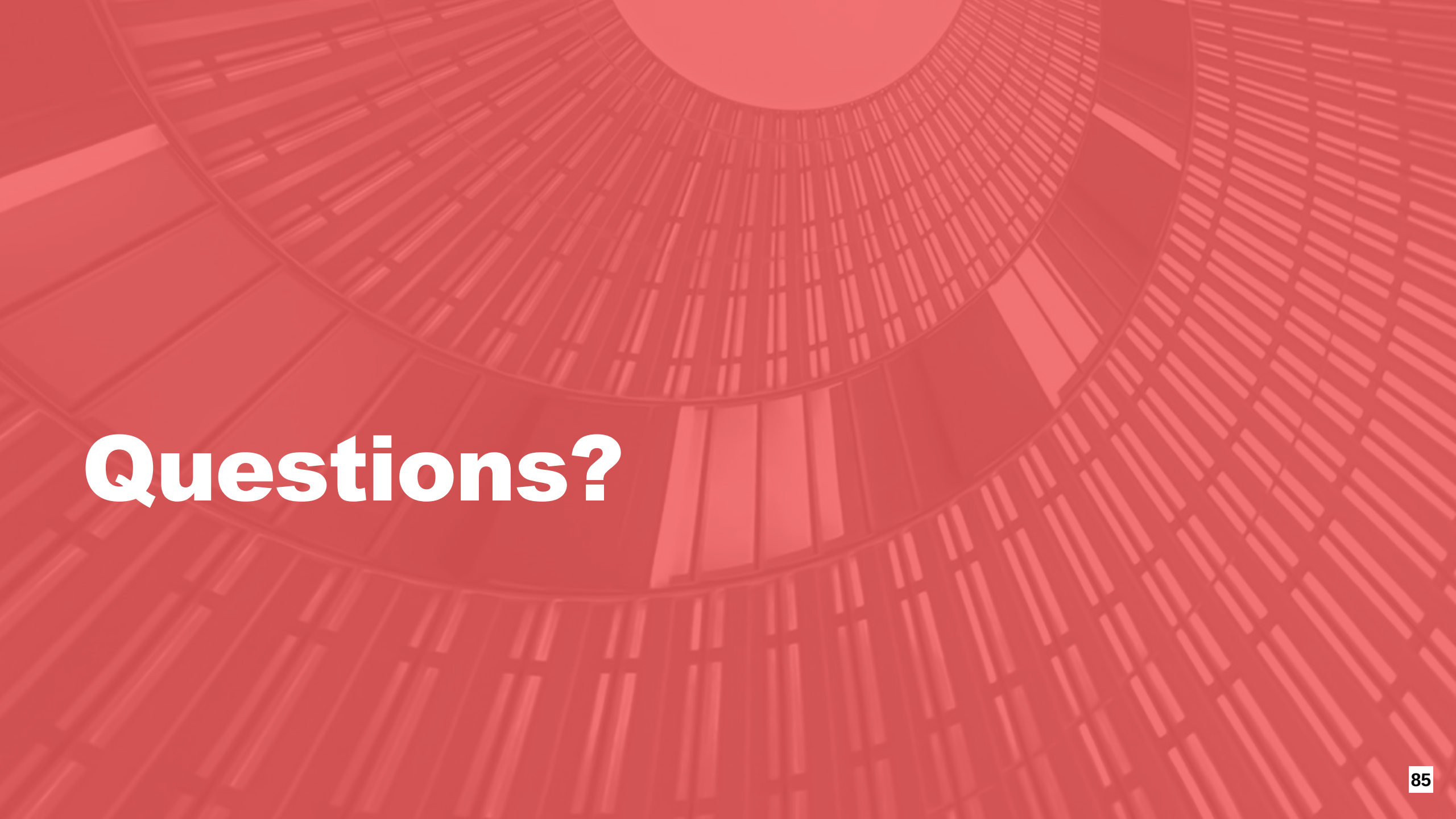
Auditors’ communication with those charged with governance *(Significant findings from the audit)*

Area to be Communicated	Auditor’s Response
Auditor Independence	> We are not aware of any relationships between Baker Tilly US, LLP and the Department that, in our professional judgment, may reasonably be thought to bear on our independence.

Thank You!

We appreciate the work done by the Department's accounting staff and management in preparing for and assisting in the audit.





Questions?

Baker Tilly Contact Information



Aaron Worthman, CPA
Principal

P: +1 (512) 975 7281

E: aaron.worthman@bakertilly.com





Legislation Text

File #: CB 121249, **Version:** 1

Screen Reader Users: Make sure settings include reading strikethrough and underline font attributes.

The City of Seattle

Ordinance

Council Bill

An ordinance relating to the City Light Department; authorizing ten-year agreements with customers eligible for transportation electrification programs.

Recitals:

RCW 35.92.450 and Seattle Municipal Code Section 21.53.015 authorize the City Light Department as a municipal utility to adopt and implement transportation electrification plans and associated incentives, programs, policies, and other mechanisms that accelerate installation of transportation electrification infrastructure to reduce greenhouse gas emissions from the transportation sector, provided that City Light's outreach and investment in such infrastructure does not increase net costs to ratepayers consistent with rules set forth in RCW 35.92.450.

An analysis conducted for City Light estimated the City Light service area may require between ten and 20 times more electric vehicle charging stations by 2030 to meet anticipated demand and meet the City's greenhouse gas emission reduction goals.

Consistent with legislative authority, anticipated demand for electric charging stations, and the City's desire to reduce greenhouse gas emissions, the Department offers electrification transportation programs and incentives that defray the significant cost of building charging stations.

Some incentives help to defray the cost of installing upgraded underground infrastructure equipped to serve an anticipated growing base of charging units (future proofing).

The Department wishes to execute a program agreement for up to ten years with third parties to address the needs of future proofing projects to enable the Department to inspect and enforce program requirements over the entire buildout.

Chapter 70A.535 RCW establishes a Clean Fuels Program and RCW 70A.535.080 and WAC 173-424-220 provides a mechanism for a utility to generate revenue, as an owner of qualified equipment and assignee of Clean Fuels Program credits.

In exchange for a Department provided incentive, the recipient assigns their Clean Fuel Program credits to the Department for the duration of the program contract. A contract term up to ten years allows the Department to continue to receive Clean Fuel Program credits over a longer contract term to offset some of the incentives issued to the Participant or raise revenue which can be applied to fund authorized clean fuel projects. Therefore,

Be it ordained by The City of Seattle as follows:

Section 1. The City Light Department (Department) is authorized to execute ten-year agreements with customers to provide transportation electrification program services, substantially in the form of the Participation Agreement attached to this ordinance as Attachment A (Agreement) with such changes as the Department may deem appropriate and are consistent with this ordinance. The Agreement establishes program terms and conditions for customers to receive incentives to install electric vehicle charging infrastructure, sets operational expectations for the chargers, provides extended timelines to support phased construction, and allows for the Department to enforce program requirements and collect data related to electric vehicle charger utilization to meet compliance and regulation in chapter 70A.535 RCW and WAC 173-424-220.

Attachments:

Attachment A - Transportation Electrification Incentive Program Participation Agreement

This ordinance shall take effect as provided by Seattle Municipal Code Sections 1.04.020 and 1.04.070.

Passed by the City Council and signed in open session in authentication of its passage on .

President of the City Council
on .

Katie B. Wilson, Mayor

Attested on .

Scheereen Dedman, City Clerk

Seal



Transportation Electrification Incentive Participation Agreement

Customer entry or signature 1. Customer information for Participation Agreement

Customer Information			
Customer Name			
Service Address			
Property Owner Name			
Today's Date			
Participating Program	☐ Business EV Charging Program	☐ Multifamily EV Charging Program	☐ Public Charging Program
Program Offering	☐ Charger Incentive	☐ Make-Ready Incentive (Public Charging Program only)	

Contract Information – To be filled out by Program	
Contract Number	
Project Name	
Agreement Expiration Date	

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TERMS & CONDITIONS

This Program Participation Agreement ("Agreement") is entered into by and between the City of Seattle ("the City"), doing business as Seattle City Light ("SCL" or "City Light") and

Customer entry or signature 2. Terms & Conditions

NAME

ORGANIZATION

The applicant

organization is the:

☐ PROPERTY OWNER

☐ PROPERTY MANAGEMENT COMPANY, or

☐ PROPERTY LESSEE

referred hereinafter as the "Participant," located at the above service address.

The Participant is voluntarily participating in one of the following SCL Transportation Electrification Programs ("TE Programs"): Business EV Charging, Multifamily EV Charging, OR Public Charging Program ("Program") to implement electric vehicle ("EV") charging at the designated approved real property ("Site Address") as identified on Program documents, (collectively referred to as "Project"). This Agreement applies to only the Participant and the Project at the Site Address. Should additional Projects be requested by the Participant, new program forms must be submitted and approved by SCL in accordance with all applicable Program Manuals and terms and conditions.

The Participant, if a Lessee, will inform their Property Owner of their voluntary participation in the Program and obtain their Property Owner's formal acknowledgement of their understanding of the terms and conditions outlined in this Agreement (see attached as Appendix A. Property Owner co-signature). The Participant is responsible for obtaining permission from their Property Owner to alter the property to construct and install electrical infrastructure and the associated electric vehicle chargers. If necessary, the Participant will work with their Property Owner to grant SCL access to the property as well as all the easements necessary to construct, install and verify infrastructure and equipment on the customer and utility's side of the meter. If the Participant terminates their lease with the property, the Property Owner agrees to maintain and operate the electrical infrastructure and the associated electric vehicle chargers. The Participant will work with their Property Owner to resolve any issues or concerns regarding this Project and Agreement. If SCL is unable to access the property or carry out Project work on the Property because the Property Owner has not provided necessary permission or cooperation, SCL may immediately terminate this Agreement without liability or payment due to Participant or Property Owner.

Both parties understand the improvements are intended to facilitate the sale of electricity by SCL and promote electric vehicle adoption consistent with RCW 35.92.450 and SMC 21.53.015. Through the Program, SCL will pay an incentive to Participant in exchange for receipt of Credits (defined in Section 5 of this Agreement) and other utility benefits. City Light TE Programs seek to invest in and increase access



to charging infrastructure across a broad spectrum of businesses, owners, and regions of our service area. To support this goal, SCL limits the amount of incentives it provides to a single customer.

1. **Term of Agreement.** This Agreement shall become effective on the date of execution and shall remain in effect for 7 years subject to any terms set forth herein.
2. **Incorporation of Program Manual and Appendices.** This Agreement shall incorporate all the Project-specific specifications and corresponding Program Manual as terms and conditions to this Agreement; this content is found in the appendices. In the event of any conflict or inconsistency between this Agreement, attachments, and any document incorporated by reference, this Agreement shall be controlling.
3. **Amendments.** If either party desires a change in the items specified in this Agreement, an amendment must be requested through written notice. Changes to this Agreement will only be effective if set forth in a document signed by authorized representatives of both SCL and the Participant.
4. **Voluntary Participation/Assumption of Risk.** The Participant is fully aware of the risks and hazards connected with the activities of implementing EV chargers, outlets for EV charging (both of which are referred here as Electric Vehicle Supply Equipment or "EVSE"), and supporting electrical infrastructure. The Participant is aware that such activities include the risk of injury and even death, and the Participant hereby elects to participate voluntarily in the Program knowing that the activities may be hazardous to the Participant's property and person. The Participant voluntarily assumes responsibility, to the fullest extent allowed by law, for any risks of loss, property damage, or personal injury, including death as a result of being engaged in such activities.
5. **Environmental or Energy Credits.**
 - a) The Participant hereby assigns, transfers, and conveys to SCL all of its right, title, and interest in and to any, all or similar (i) environmental or energy credits and (ii) carbon or emissions credits and any similar pollution allowances generated by the Project including but not limited to any "credit" as defined by RCW 70A.535.010(6) and generated pursuant to RCW Chapter 70A.535 ("Credits") or any future fuel standard credits.
 - i. The following Project types are exempt from Section 5 (a) and (c): 120V outlets, 240V outlets, electric standby truck refrigeration unit infrastructure (E/S TRUs), and electric forklift charging infrastructure. If a Participant in an exempt Project type agrees to install energy tracking infrastructure and report that data to City Light, City Light will assume ownership of any credits generated and serve as the "fuel reporting entity."
 - b) The Participant shall not sell, transfer, assign or promise any Credits generated from the Project to any entity other than SCL, unless SCL provides prior written consent and mutual agreement. The Participant is required to execute a written assignment of the Participant's credit generation rights and interests to Credits on a form provided by SCL (see Appendix B. Clean Fuels Standard Credit Generation Assignment and Designation). Upon execution of this written assignment, the Participant acknowledges that SCL will become the exclusive "fuel reporting entity" and "credit generator" associated with the "electric fuel supply equipment" ("EVSE" or "EV chargers") installed through the participation in SCL's TE Programs for the length of the Agreement. SCL will remain the exclusive "fuel reporting entity" and "credit generator" for Projects incentivized by SCL for the length of this Agreement, regardless of any cancellation,



completion, termination or expiration of the Participant's participation in the TE Programs or leasing agreements between the Participant and their Property Owner.

- c) The Participant is required to provide infrastructure, location, use case, and other relevant data necessary for SCL to register the Participant's EV charging equipment. Participant authorizes SCL to share energy dispensation information and other relevant information with the State of Washington in order for SCL to obtain Credits (See Appendix C. SCL Customer Data Release Authorization Form).
 - d) Prior to completion of the Project, the Participant is required to allow SCL access to the Project site at any time, within reasonable business hours. Failure to allow access may result in incentive funds being withheld. SCL reserves the right to access installed EVSE once they become operational if the State of Washington's Clean Fuel Standard (RCW 70A.535) or other applicable local or state laws or regulations require EV charger testing and verification.
6. **Design, Engineering, and Installation of Infrastructure.** The Participant is solely responsible for selecting, hiring and managing the contractor(s) to design, engineer, and construct the Project. SCL's incentive payment will be contingent on the Participant and the Participant's chosen contractor complying with the laws, codes, ordinances, rules and regulations outlined in Section 10. City Light makes no express or implied warranties whatsoever.
7. **Operable EV Charger(s).** The Participant understands that incentive payments are based on benefits provided over the life of the EVSE. The Participant agrees that incentivized EVSE specified in the Participant's application must be maintained operational and active once commissioned and through the Term of this Participation Agreement. The respective Program's Terms and Conditions for Charger Incentive appendix (see Section 5 in APPENDIX D. Business EV Charging Program, APPENDIX E. Multifamily EV Charging Program, APPENDIX F. Public Charging Program) defines conditions for an operational and active charging port.
8. **Incentive Payment.**
- a) Upon completion of the Project, the Participant shall provide accurate and complete documentation acceptable to SCL, including Program Forms and information related to EVSE, such as the purchase and/or installation costs, in order to become eligible for an incentive payment under the Program.
 - b) SCL is not obligated to pay any incentive amount (with the exception of Partial Payment for eligible Projects) until (i) the Participant has provided the Program with invoices and other supporting documents detailing the Participant's Project costs and (ii) SCL has performed a post-installation verification of the EVSE and associated infrastructure for program purposes and determined in its sole discretion that all Program Manual requirements have been fulfilled to the satisfaction of SCL. SCL will pay the Participant based on the incentive as defined in the Program's Terms and Conditions (see Appendix E. Multifamily EV Charging Program, Appendix D. Business EV Charging Program, Appendix F. Public Charging Program for incentive amounts for the respective programs), unless City funding becomes unavailable, depleted or the Program terms and conditions, and other Program policies change or limit the incentive payment. The incentive calculation rate and methodology, and the method and timing of disbursement under the Program shall at all times be in SCL's sole discretion, and subject to change without notice.



- c) SCL incentive payment will not exceed 100 percent of total eligible Project costs, nor will SCL provide funding that contributes more than the total cost of the approved Project when also considering funding received from other sources. All participants will be required to report funding received from other sources in addition to SCL TE Programs. SCL will take this information into consideration and calculate the final incentive amount based on total remaining Project costs after all other funding sources have been applied. Failure to report additional funding may lead to termination of this Agreement and removal from the TE Programs.
 - d) The Participant may assign its rights and interests of any incentive payment to a third-party service provider or contractor that performed the work by completing the Payment Reassignment Form before final payment is sent. The City shall not be responsible for any issues, disputes or claims, between the Participant and their third-party service provider or contractor related to the assignment authorized under this Agreement nor for any claims or disputes related to the EV charger installation. By issuing an incentive payment at the Participant's direction, the City is not entering a contract or any other form of agreement with the third-party service provider or contractor. Once incentive payment is issued to the third-party service provider or contractor per the Participant's direction, the City will be unable to re-direct that payment to anyone else, including to the Participant.
- 9. **Assignment.** The Participant shall not assign any of its rights, interests, or obligations under this Agreement without SCL's written consent, which may be granted or withheld in SCL's sole discretion. Any attempt to assign this Agreement without SCL's written agreement will be an Event of Default and entitle SCL to all remedies set out in the Agreement, including any applicable Liquidated Damages under Section 16.
- 10. **Compliance with Laws.** The Participant represents and warrants that the Participant, their agent and employees, or any contractors retained to install or maintain the equipment, are familiar with, and at all times will comply with all applicable federal, state and local laws, including but not limited to: local jurisdiction building and electrical codes, ordinances, rules and regulations, federal and state disability access law, City Light's Requirements for Electrical Service Connection and related standards; and Program Manual, Service Agreement and other program policies, terms and conditions, including but not limited to those pertaining to the implementation of EV chargers and supporting infrastructure at the Site Address.
- 11. **Tax Compliance.** As part of the application process, the Participant is required to provide the Program with a Form W-9. The City allows Participants to assign incentive payment to the third-party service provider or contractor as a courtesy to Participants. This assignment will not alter the issuance of a Form 1099 to the Participant. After receiving the Form W-9 from the Participant, the Program will issue a Form 1099 to the Participant for incentive payments made under the Program. It is the Participant's responsibility to determine the tax treatment of funds issued under this Program. The Participant shall be solely responsible for payment of any applicable federal, state, or local income and corporate tax liability associated with the Participant's receipt of the City's incentive payment. By accepting incentive payment, the Participant agrees to fully indemnify and hold the City harmless for all tax consequences resulting from the City making incentive payments to the Participant under the Program.



12. **Public Records Act Compliance.** The Participant acknowledges and understands that, as a public agency, the City is subject to the Public Records Act. City Light will release records related to Participants' data related to City Light's Programs when City Light determines it is required to do so by Washington's Public Records Act, RCW Chapter 42.56, or other disclosure laws. City Light shall retain records consistent with the record retention laws (e.g., Title 40 RCW), regulations (e.g., Title 434 WAC), schedules, and policies applicable to City Light.

If the City receives a public records request of sensitive data, City Light will make reasonable efforts to notify the party providing the Participants' data record in writing of the request, and will postpone disclosure of the designated records. While not required under the Act, City Light will then allow the notified party up to ten (10) business days to obtain and serve City Light with a court injunction pursuant to RCW 42.56.540 to prevent City Light from releasing the designated records in unredacted form. If the notified party fails to obtain and serve an injunction before the close of business on the tenth day after the date of notification, City Light may release the designated records in unredacted form.

13. **The City of Seattle Disclaimer for Program.** The City disclaims, any and all implied or express warranties, including without limitation, any representations or promises with respect to the EVs, EV chargers, materials or labor required for the implementation of the EV chargers on Participant's site, or the cost of such equipment, materials and labor that may accrue from the implementation of such EV chargers. The City makes no implied or express warranties regarding the TE Programs, its policies, procedures, its administrative verifications, and/or any owner purchased and/or installed equipment, or equipment installed by a third-party contractor, and specifically disclaims any warranty or merchantability or fitness of such equipment for any particular purpose. Any required maintenance, repair or replacement of the equipment shall be the sole responsibility of, and at the expense of the Participant. This disclaimer shall survive any cancellation, completion, termination or expiration of the Participant's participation in the TE Programs.

14. **Indemnity/Limitation of Liability.**

- a) The Participant acknowledges and agrees: (i) participation in this Program is voluntary, (ii) that the City is providing Advisory Services (through Fleet Assessments or Site Assessments) and/or limited incentive payments for EV chargers, and (iii) that the City assumes no liability for the Participant's decision to enter into this Agreement, for the EV chargers selected by the Participant, any third parties selected by the Participant to implement such EV chargers, or any disputes arising out of repair or replacement of the equipment installed hereunder. To the fullest extent allowed by law, the Participant agrees to release, and defend, indemnify, and hold harmless the City, its departments, subsidiaries, affiliates and officers, directors, employees, agents, representatives or volunteers, from any and all claims, losses, harm, costs, liabilities, damages and expenses (including attorney's fees) of any nature whatsoever, or allegations thereof, arising directly or indirectly out of any act, omission, fault or negligence of the Participant or any third party selected by the Participant in connection with this Agreement, or the purchase, installation, or use of the equipment applicable under this Agreement, except to the extent that any such claims, losses, harm, costs, liabilities, damages and expenses are caused by the City's negligence or willful misconduct. The Participant's



indemnity, protection, and hold harmless obligations shall include any demand, claim, assignment, suit or judgment for damages to property or injury to or death of persons, or for any incentive payment by the City, or for any payment made under or in connection with any Workers' Compensation law or under any plan for employees' disability and death benefits.

The Participant expressly waives by mutual negotiation, all immunity and limitation on liability under any industrial insurance act, including Title 51 RCW, other Workers' Compensation Act, Disability Benefit Act, or other Employee Benefit Act of any jurisdiction, which would otherwise be applicable in the case of such claim.

- b) To the fullest extent allowed by law, the City's liability shall be limited to paying only the City approved incentive in accordance with this Agreement and the Program's Specifications, Requirements, and other Program policies. The City, and its departments, affiliates and officers, directors, employees, agents, representatives or volunteers shall maintain no liability to the Participant or any other party for any other obligation under the Program. In no event, whether as a result of breach of contract, tort, or any other theory of recovery shall the City be liable in connection with this Agreement or the Program for any or all special, indirect, incidental, penal, punitive or consequential damages of any nature.

15. Breach.

- a) If the Participant fails to perform when required any obligation of this Agreement, or otherwise breaches any term of either, SCL may provide written notice to the Participant, specifying the nature of the breach and granting thirty (30) days opportunity after the date of the notice within which such breach must be cured. If a breach is curable but not susceptible to being cured within such thirty (30) days, SCL at its discretion may allow the Participant an additional period of up to ninety (90) days to cure such breach or such additional time as SCL reasonably determines is necessary and consistent with Project goals, provided that within such thirty (30) days, the Participant has committed in writing to cure the breach and has commenced to cure such breach, and that the Participant diligently and continuously proceeds to cure such breach. The extended period to cure a breach shall not apply to a breach due to the intentional acts of the Participant, or to a breach of the same nature as one previously cured after notice during the preceding twelve (12) months. Unless the Participant shall fully cure all breaches specified in such notice within the time allowed, the same shall be an "Event of Default."
- b) If the Participant (i) assigns or attempts to assign this Agreement (including selling or leasing the Site) without prior written consent from SCL under Section 9 or (ii) terminates or attempts to terminate this Agreement other than as provided in the terms of this Agreement, that shall constitute an Event of Default regardless of whether SCL provides written notice and without requirement that SCL provide a cure period.
- c) After an Event of Default, SCL may exercise any remedies provided for default in Section 16 of this Agreement and any other remedies at law or in equity. SCL's rights and remedies hereunder are not exclusive, but cumulative, and SCL's exercise of any right or remedy due to the Participant's failure to perform any covenant or condition of this Agreement shall not be deemed a waiver of, or alter, affect, or prejudice any other right or remedy that SCL may have under this Agreement or by law or in equity.

- 16. **Liquidated Damages.** The Participant and SCL agree that the extent or amount of damage to SCL from the Participant's breach of obligations under this Agreement or early termination of this



Agreement would be difficult or impossible to estimate accurately. Following an Event of Default or a Participant's failure to meet any of the requirements in Section 5 and Section 7 or the Program Appendices, SCL is entitled to all remedies at law or in equity, including without limitation bringing an action for injunctive relief or specific performance. At SCL's sole discretion, it may require Participant to pay liquidated damages.

a) Liquidated damages for an Event of Default will be up to 20% of the issued incentive payment per uninstalled future-proofed EVSE or EVSE not complying with any requirement in Section 5 and Section 7, and references cited therein.

b) Liquidated damages for an Event of Default related to a Make-Ready Incentive partial payment will be up to 100% of the partial payment.

17. **Governing Law and Venue.** This Agreement shall be construed and interpreted in accordance with the laws of the State of Washington. Washington state courts shall have exclusive jurisdiction over any action at law or in equity to enforce the terms and conditions of this Agreement or to resolve any dispute arising out of this Agreement, and King County Superior Court will be the exclusive venue for bringing any such action.

18. **Survivability.** The provisions of Sections 5 and, 10-17 shall survive the expiration, termination, or completion of the Participant's participation in the Program. Additionally, Section 5 of this Agreement and the associated Appendix B. Clean Fuels Standard Credit Generation Assignment and Designation and Appendix C. SCL Customer Data Release Authorization Form, shall continue in full force and effect in relation to any Credits generated during the length of this Agreement and/or are attributable to the incentive payment in SCL's sole discretion and commercially reasonable determination.

19. **Affirmative Efforts for Inclusion of Women and Minorities.** The Participant affirms that they do not discriminate against any employee or applicant for employment because of race, color, age, sex, marital status, sexual orientation, gender identity, political ideology, creed, religion, ancestry, national origin, honorably discharged veteran or military status or the presence of any sensory, mental or physical handicap, unless based upon a bona fide occupational qualification. Such efforts include, but are not limited to: employment, upgrading, demotion, transfer, recruitment, layoff, termination, rates of pay or other compensation, and training. The Participant shall comply with the requirements of SMC Ch. 20.45 and Equal Benefits Program Rules implementing such requirements, under which the Participant is obligated to provide the same or equivalent benefits ("equal benefits") to its employees with domestic partners as the Participant provides to its employees with spouses. At the City's request, the Participant shall provide complete information and verification of the Participant's compliance with SMC Ch. 20.45. Failure to cooperate with such a request shall constitute a material breach of this Agreement and the City may immediately terminate the Agreement with no further liability to City. Any violation of the mandatory requirements of this Section, or a violation of Seattle Municipal Code Chapter 14.04 (Fair Employment Practices), Chapter 14.10 (Fair Contracting Practices), Chapter 20.42, Chapter 20.45 (City Contracts – Non-Discrimination in Benefits), or other local, state, or federal non-discrimination laws, shall be a material breach of contract for which the Participant may be subject to damages and sanctions provided for by this Agreement and by applicable law. In the event the Participant is in violation of this Section, the City may immediately terminate the Agreement with no further liability to the City. Participant shall be subject to debarment from City contracting activities in accordance with Seattle Municipal Code Section 20.70 (Debarment).



20. **Hazardous Materials.** City Light, ICF, or their respective agents, consultants, and subcontractors shall not have any responsibility for the discovery, presence, handling, removal, disposal of, or exposure of persons to hazardous materials of any kind in connection with Participant's facility, including without limitation, asbestos, asbestos products, Polychlorinated biphenyls ("PCBs"), or other toxic substances.
21. **Complete Statement.** The terms and conditions set forth herein and within the program appendices attached constitute a complete statement of the Terms and Conditions applicable to these incentive offerings, and supersede all prior representations or understandings, whether written or oral. City Light shall not be bound by or be liable for any statement, representation, promise, inducement, or understanding of any kind that is not set forth herein. City Light reserves the right to change or cancel these offerings or their terms and conditions at any time.
22. **Severability.** If any provision of this Agreement, in whole or in part, is deemed invalid by any court or administrative body of competent jurisdiction, then these provisions shall be construed as reformed to the extent necessary to render such provision valid, and the remaining provisions shall remain in effect as reformed. The Participant and the City agree that all provisions of these Terms and Conditions are severable.

By signing this Participation Agreement, I acknowledge that I have fully read, understand, and agree to be bound by the above Terms and Conditions of this Participation Agreement for participation in the Seattle City Light Transportation Electrification Programs.

I certify or declare, under penalty of perjury, under the laws of the State of Washington that I, as indicated above, am the Program Participant and Property Owner, Lessee, or authorized Representative of the Organization and agree to the terms and conditions of this Participation Agreement for participation in the Seattle City Light Transportation Electrification Programs.

Customer entry or signature 3. Terms & Conditions signature

Authorized Signature of Program Participant	
Printed Name of Authorized Signer of Program Participant	
Title	
Date	



APPENDIX A. PROPERTY OWNER CO-SIGNATURE

Customer entry or signature 4.Contract information for property owner co-signature

Site Address (“Site Address”)	
Participant as Lessee (“Participant”)	
Lease End Date	

Participant is entering the Transportation Electrification Agreement to which this form is attached as Appendix A (“Agreement”) for the Project located at the Site Address. By voluntarily participating in SCL’s TE Programs, Participant intends to construct and install EV chargers and, if needed, associated electrical infrastructure at the Site Address.

Participant is the “Lessee” of the Site Address and has informed the Property Owner of this voluntary participation in SCL’s TE Programs, the pending EV charging Project and associated electrical infrastructure, and received permission to alter Property Owner’s real property to support said Project.

Participant has informed the owner or authorized representative of the owner of the Site Address of the SCL’s TE program agreement and in exchange for improvements to the Property Owner’s real property, the Property Owner acknowledges and agrees:

1. I am the Property Owner and lease the Site Address to Participant. I understand Participant’s participation in SCL’s TE Programs is voluntary, as set out in Section 4 of this Participation Agreement, and Participant is responsible for complying with the terms and conditions as stated in this Agreement. SCL assumes no liability for Lessee’s decision to enter into this Participation Agreement, for the EVSE selected by Lessee, any third parties selected by Lessee to install such EVSE and any other equipment in connection with the Project, or any disputes arising out of repair or replacement of the equipment installed hereunder. Any issues or concerns regarding the Project to be located at the Site Address and this Participation Agreement have been resolved with Lessee. I understand that SCL, as the provider of incentive money only, assumes no responsibility for any risks of loss, property damage, or personal injury, including death, as a result the Project and/or related activities to the Project.
2. SCL assumes no liability for Lessee’s decision to enter into this Participation Agreement, for the EVSE selected by Lessee, any third parties selected by Lessee to install such EVSE and any other equipment in connection with the Project, or any disputes, including between Lessee and Property Owner, arising out of repair or replacement of the equipment installed hereunder.
3. Any issues or concerns regarding the Project to be located at the Site Address and this Participation Agreement have been or will be resolved between Lessee and Property Owner.



4. I have reviewed Lessee's proposed scope for the site, and I understand the changes to be made to the real property. I have determined that the Site Address is a suitable location for the Project and that the EV charging equipment can be safely installed and operated at the Site Address consistent with other uses at the property.
5. Property Owner understands and agrees Lessee will execute, through their Agreement, the transfer of any and all environmental, energy, carbon, emissions or similar credit generation rights to SCL as set out in Section 5 of this Agreement. This will allow SCL to be deemed the exclusive "fuel reporting entity" and "credit generator" associated with the EVSE installed through SCL's TE Programs for the length of the Agreement. During the length of the Agreement, Property Owner, along with Lessee, will refrain from taking any action that would interfere with SCL's role as the exclusive "fuel reporting entity" and "credit generator". In the event Lessee terminates their lease prior to the expiration of the Agreement, SCL will remain the exclusive "fuel reporting entity" and "credit generator" for the term of the Agreement.
6. If Lessee terminates their lease at the Site Address, Property Owner will maintain and operate the EV chargers and grant SCL access to the energy usage data for the remaining term of this Agreement as set out in Section 1.
7. Property Owner acknowledges and agrees: (i) that the City is providing Advisory Services (through Fleet Assessments or Site Assessments) and/or limited incentive payments for EV chargers, and (ii) that the City assumes no liability for either Lessee or Property Owner to enter into this Agreement as Participant, for the EV chargers selected by the Lessee or Property, any third parties selected by the Lessee or Property Owner to implement such EV chargers, or any disputes arising out of repair or replacement of the equipment installed hereunder. To the fullest extent allowed by law, Property Owner agrees to release, and defend, indemnify, and hold harmless the City, its departments, subsidiaries, affiliates and officers, directors, employees, agents, representatives or volunteers, from any and all claims, losses, harm, costs, liabilities, damages and expenses (including attorney's fees) of any nature whatsoever, or allegations thereof, arising directly or indirectly out of any act, omission, fault or negligence of the Lessee, Property Owner, or any third party selected by Lessee or Property Owner in connection with this Agreement, or the purchase, installation, or use of the equipment applicable under this Agreement, except to the extent that any such claims, losses, harm, costs, liabilities, damages and expenses are caused by the City's negligence or willful misconduct. Property Owner's indemnity, protection, and hold harmless obligations shall include any demand, claim, assignment, suit or judgment for damages to property or injury to or death of persons, or for any incentive payment by the City, or for any payment made under or in connection with any Workers' Compensation law or under any plan for employees' disability and death benefits. **Property Owner expressly waives by mutual negotiation, all immunity and limitation on liability under any industrial insurance act, including Title 51 RCW, other Workers' Compensation Act, Disability Benefit Act, or other Employee Benefit Act of any jurisdiction, which would otherwise be applicable in the case of such claim.**

By signing this Agreement, I (PROPERTY OWNER) acknowledge that I have fully read and understand the Terms and Conditions of this Participation Agreement, including all Attachments. I have been informed by my Lessee of their conditions to participate and my responsibilities as the Property Owner, in Seattle City Light's Transportation Electrification Programs.



Customer entry or signature 5. Property owner co-signature

Authorized Signature of Property Owner	
Printed Name of Property Owner	
Title	
Email	
Phone	
Date	



APPENDIX B. CLEAN FUELS STANDARD CREDIT GENERATION ASSIGNMENT AND DESIGNATION

Seattle City Light is participating in Washington State’s Clean Fuel Standard Program (“CFS”), which aims to reduce the amount of carbon pollution from transportation fuels and incentivizes companies and utilities to transition towards cleaner energy sources. As a clean fuel provider, City Light participates in the CFS as a “clean fuel credit generator” through the utility’s TE Programs. As a participant in the CFS, Seattle City Light must abide by the rules set by the Washington Department of Ecology (“Ecology”) related to registration of the “electric fuel supply equipment” (“EVSE” or “EV chargers”) and consistent reporting of energy dispensed for the corresponding EVSE. Credits generated¹ through the TE Programs will be sold to produce revenue for City Light. City Light is legally required through RCW 70A.535.080 to reinvest all revenue generated through its participation in the CFS into grid modernization and transportation electrification.

By executing this Clean Fuels Standard Credit Generation Assignment and Designation, participants in City Light’s TE Programs agree to assign, transfer, and convey to City Light all of their rights, titles, and interests in and to any, all or similar (i) environmental or energy credits and (ii) carbon or emissions credits and any similar pollution allowances generated by the Project including but not limited to any “credit” as defined by RCW 70A.535.010(6) and generated pursuant to RCW Chapter 70A.535 (“Credits”) or any future fuel standard credits. The Participant shall not claim, sell, transfer, or assign any Credit generated from the Project to any entity other than City Light. The Participant acknowledges that City Light will become the exclusive “fuel reporting entity” and “credit generator” associated with the “electric fuel supply equipment” installed through the participation in City Light’s TE Programs for the Term of Agreement.

By executing this Clean Fuels Standard assignment, the Participant agrees to assist with City Light’s compliance and participation in CFS by:

- Maintaining and operating the EVSEs installed under this Agreement for the full term of this Agreement.
- Providing the infrastructure, location, use case, and other relevant data necessary for City Light to register the Participant’s EVSE.
- Submitting energy dispensation information and other relevant EVSE data to City Light or a City Light designated third-party within 30 days at the conclusion of each quarter and responding to any information requests from City Light to support City Light’s ability to successfully report the required energy dispensation data to Ecology.

All matters related to the generation and transfer of Credits, such as registration, reporting, and data may change as the CFS evolves and matures throughout the duration of this assignment. City Light reserves the right to update the Seattle City Light Transportation Electrification Incentive Participation Agreement

¹ Credit generation is tied to energy used at operational EV chargers.



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and Clean Fuels Standard Credit Generation Assignment and Designation (Appendix B. Clean Fuels Standard Credit Generation Assignment and Designation) as needed solely to comply with any changes to the CFS. City Light will notify participants of any changes to the agreement. Participant agrees to cooperate in completing necessary amendments.

Per WAC 173-424-220, the Organization elects to waive credit generation under the CFS and allocate its credit generation rights to Seattle City Light for the Term of Agreement. Seattle City Light agrees to fulfill all CFS responsibilities as the exclusive “fueling reporting entity” and “credit generator” and the Organization agrees to provide any and all relevant information to assist Seattle City Light to fulfill its reporting duties under the CFS.

Customer entry or signature 6. Clean Fuel Standard credit generation

Authorized Signature of Program Participant	
Printed Name of Authorized Signer of Program Participant	
Title	
Company (“Organization”)	
Date	



APPENDIX C. SCL CUSTOMER DATA RELEASE AUTHORIZATION FORM

This SCL Customer Data Release Authorization Form allows a Seattle City Light ("SCL") account holder ("Customer") to delegate certain rights concerning the Customer's utility account to the Washington Department of Ecology ("Ecology"), third-party program administrators, or third-party data processors to: 1) fulfill SCL's program participant requirements and compliance with the registration and reporting rules outlined by the Washington State's Clean Fuel Standard Program ("CFS") pursuant to WAC Chapter 173-424; and 2) monitor and evaluate SCL Program performance. Specifically, it allows the City of Seattle, by and through SCL and its program administrators, to release to Ecology the Customer's energy usage, billing, meter, and/or account data as it pertains to EV chargers installed through the participation in SCL's Transportation Electrification (TE) Programs. This form must be completed in its entirety and signed by either (1) the Customer, or (2) if the Customer is an entity, by someone who has legal authority to bind the Customer ("Customer's Authorized Agent").

Customer entry or signature 7. Customer information for SCL customer data release authorization

Customer Information	
Customer Name	
ONLY FOR ENTITIES: Customer's Authorized Agent	
Service Address	
	<i>(Full Street Address / City / State / ZIP Code)</i>
Mailing Address	
	<i>(Full Street Address / City / State / ZIP Code)</i>
SCL Account Number	
Email Address	
Telephone #:	
Additional Comments <i>List any additional information that will assist SCL in fulfilling your request to release utility data.</i>	
Who should SCL release the Customer's data to, and what is the purpose of the data release?	
Authorized Company's Name (Data Recipient)	Washington State Department of Ecology



Mailing Address	P.O. Box 47600, Olympia, WA 98504-7600 (Full Street Address / City / State / ZIP Code)
Email	cfs@ecy.wa.gov
Telephone #:	360-407-6831, 711
Purpose of Data Release	Clean Fuel Standard Registration & Reporting
Customer's Data Authorized for Release	
Customer's Data To Be Released:	<i>Registration, energy usage, and/or dispensation data from covered EV chargers during the term of the Participation Agreement. The energy usage or dispensation data will be totalized.</i>
Terms and Conditions of Customer's Data Release	
Below are the Terms and Conditions governing this SCL Customer Data Release Authorization Form, ("Form"): 1. The City of Seattle, by and through its Seattle City Light Department ("SCL"), is authorized to release (electronically or by other means) data requested in this Form to Washington Department of Ecology ("Ecology") and SCL's third-party program administrators for the identified SCL Account. 2. The Customer permits SCL and Ecology to communicate directly with each other for the purpose of fulfilling the data release requested in this Form. 3. Data reporting requirements are set by Ecology for Washington State's Clean Fuels Standard Program ("CFS") pursuant to WAC Chapter 173-424. To abide by these requirements, SCL will determine the data release schedule that is appropriate to fulfill the reporting requirement for the length of SCL's participation in the CFS. 4. While SCL will attempt to respond to the data release request in this Form in a timely manner, a significant delay may require this Form to be resubmitted. 5. The City of Seattle reserves the right to terminate the Form at any time, and modify the Form's Terms and Conditions at any time. The Customer may cancel this authorization at any time by submitting a written request to SCL. The Customer acknowledges that the cancellation of this authorization would impede SCL's ability to fulfill its obligations to Ecology; the impediment may trigger a breach in this Agreement and may give SCL the authority to pursue liquidated damages. 6. For a business entity Customer this Form will remain in effect notwithstanding any changes in ownership. 7. The City of Seattle makes no express or implied warranties with respect to the data released under this Form, which includes without limitation, no warranties that said data are accurate or fit for a particular use by anyone (e.g., the Authorized Company, third-parties). Any data released by the City of Seattle under this Form is provided "as is." 8. The Customer assumes any and all risks of the City of Seattle's release of requested data under this Form.	



9. **To the fullest extent allowed by law, the Customer releases and holds the City of Seattle harmless from any and all claims, losses, harms, liabilities, damages, demands, causes of actions, costs, and expenses of any nature whatsoever, or allegations thereof, arising directly or indirectly out of the City of Seattle's release of data under this Form.**
10. This Form shall be exclusively governed and interpreted by the internal laws of the state of Washington. Any adversarial proceeding arising out of or related to this Form shall be filed only in Superior Court for King County in Seattle, Washington, and the Customer submits to the exclusive jurisdiction of such court to the exclusion of all other forums.
11. The Participant acknowledges and understands that, as a public agency, City Light is subject to the Public Records Act. City Light will release records related to Participants' Data related to City Light's Programs when City Light determines it is required to do so by Washington's Public Records Act, RCW Chapter 42.56, or other disclosure laws. City Light shall retain records consistent with the record retention laws (e.g., Title 40 RCW), regulations (e.g., Title 434 WAC), schedules, and policies applicable to City Light. If City Light receives a public records request of sensitive data, City Light will make reasonable efforts to notify the party providing the Participants' data record in writing of the request and will postpone disclosure of the designated records. While not required under the Act, City Light will then allow the notified party up to ten (10) business days to obtain and serve City Light with a court injunction pursuant to RCW 42.56.540 to prevent City Light from releasing the designated records in unredacted form. If the notified party fails to obtain and serve an injunction before the close of business on the tenth day after the date of notification, City Light may release the designated records in unredacted form.
12. The Participant acknowledges and understands that City Light's use of Participants' Data will be used to fulfill City Light's compliance with the environmental or energy credit programs (such as the Washington State Clean Fuel Standard Program), monitor Participants' compliance with the terms of their Participation Agreement, and evaluate City Light Programs' investments and their effectiveness.

By signing this Form below, I as the Customer or as the Customer's Authorized Agent on behalf of the Customer, (1) certify that I am the Customer or the Customer's Authorized Agent for the SCL account referenced herein; (2) certify that all information entered in this Form is true and correct; and (3) have read and agree to all Terms and Conditions.

Customer entry or signature 8. Signature for SCL customer data release authorization

Customer's Signature	
Customer's Printed Name	
Date	



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Customer entry or signature 9. Signature for Entities for SCL customer data release authorization

Customer's Authorized Agent's Signature	
Customer's Printed Name	
Date	



APPENDIX D. BUSINESS EV CHARGING PROGRAM

Seattle City Light ("City Light") offers the Business EV Charging Program, a suite of electric vehicle ("EV") charging infrastructure incentives including the following:

- On-Road and Non-Road Electric Vehicle Charger Incentives ("Charger Incentive") for **Fleet use**: to facilitate the installation of qualifying charging equipment ("EVSE") and electrical infrastructure for fleets to support on-road EVs and non-road electric equipment.
- On-Road Electric Vehicle Charger Incentives for **Workplace use**: to facilitate the installation of qualifying charging equipment and electrical infrastructure for business customers to support employee on-road EVs.

City Light has contracted with ICF Resources L.L.C. ("ICF") to act as the Program Administrator and authorizes ICF to administer the Charger Incentive including such activities, but not limited to, review, processing, and approval of Participant applications; pre-application site assessments and post-construction verification site visits at the Participant's facilities; Project information requests from the Participant; measurement and verification activities; and issuing incentive checks.

The Participant hereby authorizes and acknowledges that City Light may disclose the Participant's information relating to their Application (including the entirety of its contents), and any other information related to their participation in the Business EV Charging Program to ICF, as applicable, and any other third party utilized by City Light for the purposes of processing their Application, to verify or audit program records or system installation, operation and results, or as required to comply with state and/or federal law, fraud prevention, regulation, and other legal action. In those cases, City Light, ICF, and authorized third parties shall comply with all legal requirements of the jurisdiction of the individual whose data would be disclosed before making such disclosure.

TERMS AND CONDITIONS FOR BUSINESS EV CHARGING PROGRAM

1. Incentives are limited to a yearly cost cap maximum as shown in Table 1 per Project Type and Project site. Multiple Projects are allowed per site per year up to the site cap. Site caps will reset every year. Incentives and caps for applicants are dependent on whether their application is Tier 1 or 2.
 - a. Tier 1: Applicants are located outside of overburdened communities and include any businesses and non-profits not qualified as a small business/nonprofit (see following (b) of this Section), and public (government) entity.
 - i. Overburdened communities, defined by the Healthy Environment for All (HEAL) Act, are geographic areas where vulnerable populations face combined and multiple environmental harms and health impacts. City Light identifies overburdened communities as those with a score of 9 or 10 on the Washington State Department of Health's Environmental Health Disparities map.
 - b. Tier 2: Applicants are located in overburdened communities or are a Women- and Minority-Owned Business Enterprise (WMBE), a small business, a small non-profit, or a tribal entity.



- i. A small business/ nonprofit is one that is owned and operated independently from all other businesses/ organizations and has either fifty or fewer employees; or a gross revenue of less than seven million dollars annually as reported on its federal income tax return or its return filed with the Department of Revenue over the previous three consecutive years. Small businesses will submit a self-certification and SCL reserves the right to request a copy of the business' tax return to verify its status.
 - ii. City Light reserves the right to determine if a given Project serves an eligible overburdened community at its own discretion.
2. The participant and its affiliated entities are eligible for a maximum of \$750,000 in incentives aggregated annually across multiple sites, Projects, or programs. Additional funds may be granted at the discretion of City Light within each program's per-site maximum.
3. It is understood that the Business EV Charging Program has limited funds, and applications are accepted on a first-come, first-served basis. Participants will receive a formal funding reservation letter when an application is accepted and approved. Participants must complete their Project and submit all final Project documentation prior to the expiration date on their funding reservation letter. City Light will make its best effort to notify Participants of funding reservation expiration dates to assess incomplete Projects and may provide a revised Reservation Letter with a new expiration date; otherwise, the funding may be rescinded and reallocated to other program participants. Funding reservation expiration dates will vary depending on the Program's remaining budget, the Participant's Project scope, and the Project's anticipated construction completion date.



Table 1. Business EV Charging Program Charger Incentive Structure

Tier	Use Case	Project Type	Minimum Output Power (per Charger)	Per Project Incentive Amounts
Tier 1 Fleets & Workplaces: Large businesses, large nonprofits, public (government) entities located outside of overburdened communities	Fleet or Workplace	240V Outlet	208/240V	100% of total project costs up to \$15,000 per site
		Level 2 Equipment	6.6 kW	50% of total project costs up to \$25,000 per site
	Fleet	DCFC Equipment (50 kW+)	50 kW	50% of total project costs up to \$100,000 per site
		Forklift Chargers (Rapid or Conventional)	N/A	50% of total project costs up to \$7,500 per site
		Electric Standby Truck Refrigeration Units	230V	
Tier 2 Fleets & Workplaces: Small businesses, women- and minority-owned businesses (WMBEs), small nonprofits, tribal entities or entities located within overburdened communities	Fleet or Workplace	240V Outlet	208/240V	100% of total project costs up to \$15,000 per site
		Level 2 Equipment	6.6 kW	100% of total project cost up to \$50,000 per site
	Fleet	DCFC Equipment (50 kW+)	50 kW	100% of total project cost up to \$200,000 per site
		Forklift Chargers (Rapid or Conventional)	N/A	100% of total project costs up to \$15,000 per site
		Electric Standby Truck Refrigeration Units	230V	

4. The Business EV Charging Program Manual (“Program Manual”) describes the eligibility requirements for EVSE that may be deployed through the Charger Incentive. The Participant must read and comply



with the eligibility requirements incorporated herein by reference. The Program Manual also provides information on the design and structure of the Charger Incentive, including eligibility requirements that the Participant must meet to receive this incentive. See the Program Manual for full list of eligible electric non-road equipment and associated charging infrastructure.

5. To be eligible for incentives under the Charger Incentives, **all Participants** must meet the Terms & Conditions in the Participation Agreement and the following:
 - a. Be a Seattle City Light commercial (non-residential) account holder or customer.
 - b. Submit a completed Charger Incentive application, with any supplemental documentation that may be requested to verify eligibility, before the date of the Seattle Department of Construction and Inspections' (SDCI's), or other authority having jurisdiction's, final Project inspection is completed.
 - c. Plan to install charging equipment on private property within City Light service territory at the Account Service Address listed on the application.
 - d. Install EVSE from the Seattle City Light EPRI Vetted Product List (VPL) equipment list, posted at www.epri.com/vpl. This will be verified during incentive reservation.
 - i. The following Project types are exempt from this requirement: 240V outlets, electric standby truck refrigeration unit infrastructure (E/S TRUs), and electric forklift charging infrastructure.
 - e. Every Project must be able to track station-specific energy usage data by one of the following methods: an EVSE-dedicated Seattle City Light utility meter or networked charging software.
 - i. If networked charging software is the intended method of data tracking, the network must be on the Seattle City Light EPRI Vetted Product List (VPL) network provider list, posted at www.epri.com/vpl. This will be verified during incentive reservation. Projects that elect to install an EVSE-dedicated Seattle City Light utility meter will not be required to use a network from the VPL.
 - ii. During the term of this Agreement, the Participant agrees to report within 30-days of the conclusion of each quarter quarterly utilization data from the network software to City Light, including the following session data for each charging port:
 1. Port name and type
 2. Total energy (kWh) delivered by session
 3. Charging session start and stop date and time
 - iii. The following Project types are exempt from this requirement: 240V outlets, electric standby truck refrigeration unit infrastructure (E/S TRUs), and electric forklift charging infrastructure. If a participant in an exempt Project type voluntarily elects to install energy tracking infrastructure, they agree to report that data to City Light.
 - f. If the EVSE uses networked charging software, the Participant agrees to authorize access to EVSE data as specified by the Program through the Participant's chosen network service provider for the duration of the Agreement. If the Participant changes network service providers, the Participant shall notify SCL and authorize access to EVSE data through the new network service provider within 30 days of the change.
 - g. In the case that the EVSE in this Project are replaced via warranty or outside of warranty during the Term of Agreement, the "Replacement EVSE" must adhere to the EVSE requirements described in the Program Appendix and will be subject to the requirements described in



Section 5 of the Participation Agreement. The Participant agrees to notify SCL within 30 days of installation of Replacement EVSE and provide SCL with documentation of installation and EVSE data (as outlined in Appendix B. Clean Fuels Standard Credit Generation Assignment and Designation and Appendix C. SCL Customer Data Release Authorization Form) as required by the original Project type. SCL reserves the right to verify installed Replacement EVSE as they become operational.

- h. A charging port is determined to be Operational and Active if it is used to dispense 1,600 kWh per year on average (i.e. 1,600 kWh would fuel approximately 4,800 miles of range and represent less than one hour of use per day). Each charging port must be operational and active through the term of the Participation Agreement.
 - i. New build/construction Projects are eligible for Charger Incentive, but they are only eligible for an incentive on the Level 2 / DC Fast Charging EVSE equipment itself. Conduit, wiring, installation etc. are not eligible for the incentive. New build/construction Projects are not eligible for outlet incentives. Newly constructed buildings will be deemed eligible as a retrofit project if installation occurs six months after a Certificate of Occupancy or the equivalent is issued by the AHJ having jurisdiction for the project site.
 - j. New build and substantial retrofit construction Projects that are required to install a minimum number of EV charging stations and “EV Ready” or “EV Capable” parking spaces are eligible for incentives with restrictions. City Light will only provide an incentive for charging infrastructure that goes beyond what is required by code. Code requirements vary by Project. Participants must provide documentation to prove a Project is beyond code and show the differences in costs for items within code vs. beyond code.
 - k. Projects that install additional electrical infrastructure for future EVSE (i.e. “future proofing”) are eligible for incentives with restrictions. 25% of the total intended chargers must be installed within 1 year (i.e., by the final post-construction verification site visit, a minimum of at least 1 charging station). 50% of the intended chargers need to be installed within 4 years of the initial Project construction completion date. The remaining charging stations must be installed by the end of the term of this Participation Agreement. To determine the number of chargers to install within the listed time frame, the percentage will be applied to the total number of chargers the Participant will install, rounding up to the nearest whole number.
 - l. The Participant agrees to notify SCL of the transfer of the property through sale or other disposition. Prior to any transfer, all intended EVSE qualifying under this incentive program must be installed.
 - m. Abide by the Program rules, eligibility requirements, and incentive levels in effect at the date of equipment installation.
6. To be eligible for incentives under the Charger Incentives offering for a **Fleet use case**, the Participant must also meet the following conditions:
- a. Have a vehicle fleet that contains at least one vehicle.
 - b. Must provide proof of one of the following for at least one on-road EV or electric non-road equipment which will be charged using the equipment and infrastructure installed through this program:
 - i. An existing EV is in the fleet (vehicle registration; purchase or lease receipt with the fleet’s business name as the purchaser; photograph of EV with fleet branding).



- ii. An EV is currently on order (purchase or lease receipt with the fleet's name as the purchaser).
 - iii. Written intent to purchase or lease an EV (a letter signed by a fleet representative confirming that the fleet intends to purchase or lease an eligible EV within 6 months of charging equipment and infrastructure construction completion).
- c. At the time of application, fleets will be required to self-certify in writing whether or not the fleet charging infrastructure installed through this program will also be available for public (non-fleet vehicle) charging. If the charging equipment is intended to be publicly available when the fleet is not using it, the Program team will request proof of additional fleet EVs at a 1:1 vehicle to charger ratio.
7. To be eligible for incentives under the Charger Incentives offering for a **Workplace use case**, the Participant must also meet the following conditions:
 - a. The EVSE installed through the Workplace Charging offering must be made available to employers and their employees. The EVSE may be accessible for an employer's fleet electric vehicle use, however they must not be publicly accessible. At the time of application, the Participant will be required to self-certify in writing that the chargers will not be open to the public.
8. The Participant is solely responsible for the selection of equipment or infrastructure to be installed or implemented and for the selection of a third-party service provider or contractor to complete the installation and implementation of any equipment or EV chargers. City Light and ICF make no representations and provide no warranty or guaranty with respect to the design, manufacture, construction, safety, performance, or effectiveness of the newly installed equipment, including any warranties or merchantability or fitness for a particular purpose. Responsibility for delivery and workmanship related to any equipment or services the Participant procures exclusively rests with the contractor or retailer selected by the Participant. City Light and ICF assume no responsibility for oversight of contractor services or for any claims the Participant might have against their selected contractor, the manufacturer, or the retailer regarding the EV chargers implemented under the Fleet Electrification Program.
9. During the Term of this Agreement, City Light reserves the right to verify each EV charger port and request meter data or utilization records to ensure compliance with the Terms and Conditions herein, including demonstration that the equipment have remained Operational and Active. If City Light chooses to verify an EV charger port, City Light will contact the Participant to schedule the verification site visit. This verification shall be only for the purposes of determining compliance with Program requirements and does not take the place of any other inspections required by the City of Seattle or other permitting agencies. By signing and submitting the Charger Incentive Application, the Participant agrees to provide City Light and its subcontractors with reasonable access to the Project site during normal business hours.
10. Any person who knowingly files an application containing any materially false information or who purposely or misleadingly conceals information subjects such person to criminal and civil penalties. Any and all funds determined to have been acquired on the basis of inaccurate or fraudulent information must be returned to City Light. Any participant found to be engaged in fraudulent activity or material misrepresentation will be removed from the Business EV Charging Program. This Section



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shall not limit other remedies that may be available for the filing of a false or fraudulent application, including, but not limited to, referral to law enforcement authorities.



APPENDIX E. MULTIFAMILY EV CHARGING PROGRAM

Seattle City Light ("City Light") offers the Multifamily EV Charging Program, a suite of electric vehicle ("EV") charging infrastructure incentives including the following:

- **Charger Incentive:** to facilitate the installation of qualifying EV charging equipment ("EVSE") and electrical infrastructure for use by residents of a multifamily property.

City Light has contracted with ICF Resources L.L.C. ("ICF") to act as the Program Administrator and authorizes ICF to administer the Charger Incentive including such activities, but not limited to, review, processing, and approval of Participant applications; pre-applicant site assessments and post-construction verification site visits at the Participant's facilities; Project information requests from the Participant; measurement and verification activities; and issuing incentive checks.

The Participant hereby authorizes and acknowledges that City Light may disclose the Participant's information relating to a Participant Application (including the entirety of its contents), and any other information related to the Participant's participation in the Multifamily EV Charging Program to ICF, as applicable, and any other third party utilized by City Light for the purposes of processing the Participant's Application, to verify or audit program records or system installation, operation and results, or as required to comply with state and/or federal law, fraud prevention, regulation, and other legal action. In those cases, City Light, ICF, and authorized third parties shall comply with all legal requirements of the jurisdiction of the individual whose the Participant data would be disclosed before making such disclosure.

TERMS AND CONDITIONS FOR MULTIFAMILY EV CHARGING PROGRAM

1. Incentives are limited to a yearly Project site cost cap maximum as shown in Table 2. Multiple Projects are allowed per site per year up to the site cap². Site caps will reset every year. Incentive caps for applicants are dependent on whether their application is Tier 1 or 2.
 - a. Tier 1: Applications are market-rate housing properties.
 - b. Tier 2: Applicants are affordable housing properties.
 - i. Properties must fulfill the definition of affordable multifamily housing ("affordable housing"): rental properties must have at least 40% of the units be restricted to 60% AMI for 40 years, and for owned units, at least 40% must be restricted to 80% AMI for at least 50 years.
2. The participant and its affiliated entities are eligible for a maximum of \$750,000 in incentives aggregated annually across multiple sites, Projects or programs. Additional funds may be granted at the discretion of City Light within each program's per-site maximum.
3. It is understood that the Multifamily EV Charging Program has limited funds, and applications are accepted on a first-come, first-served basis. Participants will receive a formal funding reservation letter

² "Project site" refers to a physical location where charging infrastructure is to be installed. Each Project site must be represented by a single street address and one or more City Light electric account number(s). Large sites with multiple street addresses may be defined by the land parcel as determined by King County Assessor.



when the application is accepted and approved. Participants must complete their Project and submit all final Project documentation prior to the expiration date on their funding reservation letter. City Light will make its best effort to notify Participants of funding reservation expiration dates to assess incomplete Projects and may provide a revised Reservation Letter with a new expiration date; otherwise, the funding may be rescinded and reallocated to other program participants. Funding reservation expiration dates will vary depending on the Program's remaining budget, the Participant's Project scope, and the Project's anticipated construction completion date.

Table 2. Multifamily EV Charging Program Incentive Structure

Tier	Project Type ³	Per Project Cap Incentive Amount
Tier 1 Market-Rate Properties	120V Outlet (Assigned or Shared Parking)	75% of total project costs up to \$13,000 per site
	240V Outlet (Shared Parking Only)	100% of total Project costs up to \$15,000 per site
	Level 2 [Wall- or Pedestal-Mounted] (Shared Parking Only)	50% to total Project costs up to \$25,000 per site
Tier 2 Affordable Housing Properties	120V Outlet (Assigned or Shared Parking)	100% of total Project costs up to \$15,000 per site
	240V Outlet (Shared Parking Only)	
	Level 2 [Wall- or Pedestal-Mounted] (Shared Parking Only)	100% of total Project costs up to \$50,000 per site

4. The Multifamily EV Charging Program Manual ("Program Manual") describes the eligibility requirements for EVSE that may be deployed to receive a Charger Incentive. The Participant must read and comply with the eligibility requirements incorporated herein by reference. The Program Manual also provides information on the design and structure of the Charger Incentive, including eligibility requirements that the Participant must meet to receive this incentive.
5. To be eligible for the Multifamily EV Charger Incentive, the Participant must meet the Terms & Conditions in the Participation Agreement and the following:
 - a. Be a Seattle City Light account holder or customer.
 - b. Submit a completed Charger Incentive application, with any supplemental documentation that may be requested to verify eligibility, before the date of the Seattle Department of Construction and Inspections' (SDCI's), or other authority having jurisdiction's, final Project inspection is completed.

³ For Projects installing 120V or 240V outlets, incentive funding only covers the costs related to the installation of the outlet; it does not cover the costs of the charging equipment (charging cord).



- c. Plan to install charging equipment on private property within City Light service territory at the Service Address listed on the application. Program funded EVSE may only charge EVs on private property.
- d. Install a minimum of two charging ports per project.
- e. Plan to install charging equipment at a multifamily property that has at least five units.
- f. Install EVSE from the Seattle City Light EPRI Vetted Product List (VPL) list, posted at www.epri.com/vpl. This will be verified during incentive reservation.
 - i. The following Project types are exempt from this requirement: 120V outlets and 240V outlets.
- g. Every Project must be able to track station-specific energy usage data by one of the following methods: an EVSE-dedicated Seattle City Light utility meter or networked charging software.
 - i. If networked charging software is the intended method of data tracking, the network must be on the Seattle City Light EPRI Vetted Product List (VPL) network provider list, posted at www.epri.com/vpl. This will be verified during incentive reservation. Projects that elect to install an EVSE-dedicated Seattle City Light utility meter will not be required to use a network from the VPL.
 - ii. During the term of this Agreement, the Participant agrees to report within 30-days of the conclusion of each quarter quarterly utilization data from the network software to City Light, including the following session data for each charging port:
 - 1. Port name and type
 - 2. Total energy (kWh) delivered by session
 - 3. Charging session start and stop date and time
 - iii. The following Project types are exempt from this requirement: 120V outlets and 240V outlets. If a participant in an exempt Project type voluntarily elects to install energy tracking infrastructure, they agree to report that data to City Light.
- h. If the EVSE uses networked charging software, the Participant agrees to authorize access to EVSE data as specified by the Program through the Participant's chosen network service provider for the duration of the Agreement. If the Participant changes network service providers, the Participant shall notify SCL and authorize access to EVSE data through the new network service provider within 30 days of the change.
- i. In the case that the EVSE in this Project are replaced via warranty or outside of warranty during the Term of Agreement, the "Replacement EVSE" must adhere to the EVSE requirements described in the Program Appendix and will be subject to the requirements described in Section 5 of the Participation Agreement. The Participant agrees to notify SCL within 30 days of installation of Replacement EVSE and provide SCL with documentation of installation and EVSE data (as outlined in Appendix B. Clean Fuels Standard Credit Generation Assignment and Designation and Appendix C. SCL Customer Data Release Authorization Form) as required by the original Project type. SCL reserves the right to verify installed Replacement EVSE as they become operational.
- j. A charging port is determined to be Operational and Active if it is used to dispense 1,600 kWh per year on average (i.e. 1,600 kWh would fuel approximately 4,800 miles of range and represent less than one hour of use per day). Each charging port must be operational and active through the term of the Participation Agreement.



- k. Properties with a governing body, such as a homeowner's association (HOA), committee or board, must submit documentation demonstrating the governing body's approval of EVSE installation and documentation demonstrating that all residents were provided notice of the Project. The HOA/ governing body must be the point of contact/ Participant in the program. Individual owner/ resident applications will not be accepted.
 - l. 240V outlet and Level 2 EVSE Projects must provide a self-certification from the Participant that the equipment and infrastructure installed through this Program is located in an unassigned or common parking spot available to all residents.
 - m. At the time of application, the Participant will be required to self-certify in writing whether or not the charging infrastructure installed through this Program will also be available for public (non-resident) charging.
 - n. New build/construction Projects are eligible for Charger Incentive, but they are only eligible for an incentive on the Level 2 EVSE equipment itself. Conduit, wiring, installation etc. are not eligible for the incentive. New build/construction Projects are not eligible for outlet incentives. Newly constructed buildings will be deemed eligible as a retrofit project if installation occurs six months after a Certificate of Occupancy or the equivalent is issued by the AHJ having jurisdiction for the project site.
 - o. New build and substantial retrofit construction Projects that are required to install a minimum number of EV charging stations and "EV Ready" or "EV Capable" parking spaces are eligible for incentives with restrictions. City Light will only provide an incentive for charging equipment that goes beyond what is required by code. Code requirements vary by Project. Participants must provide documentation to prove a Project is beyond code and show the differences in costs for items within code vs. beyond code.
 - p. Projects that install additional electrical infrastructure for future EVSE (i.e. "future proofing") are eligible for incentives with restrictions. 25% of the total intended chargers must be installed within 1 year (i.e., by the final post-construction verification site visit, a minimum of at least 1 charging station). 50% of the intended chargers need to be installed within 4 years of the initial Project construction completion date. The remaining charging stations must be installed within the term of this Agreement. To determine the number of chargers to install within the listed time frame, the percentage will be applied to the total number of chargers the Participant will install, rounding up to the nearest whole number.
 - q. The Participant agrees to notify SCL of the transfer of the property through sale or other disposition. Prior to any transfer, all intended EVSE qualifying under this incentive program must be installed.
 - r. Abide by the Program rules, eligibility requirements, and incentive levels in effect at the date of equipment installation.
6. The Participant is solely responsible for the selection of equipment or infrastructure to be installed or implemented and for the selection of a third-party service provider or contractor to complete the installation and implementation of any equipment or EV chargers. City Light and ICF make no representations and provide no warranty or guaranty with respect to the design, manufacture, construction, safety, performance, or effectiveness of the newly installed equipment, including any warranties or merchantability or fitness for a particular purpose. Responsibility for delivery and workmanship related to any equipment or services the Participant procures exclusively rests with the



contractor or retailer selected by the Participant. City Light and ICF assume no responsibility for oversight of contractor services or for any claims the Participant might have against the Participant selected contractor, the manufacturer, or the retailer regarding the EV chargers implemented under the Multifamily EV Charging Program.

7. During the Term of this Agreement, City Light reserves the right to verify each EV charger port and request meter data or utilization records to ensure compliance with the Terms and Conditions herein, including demonstration that the equipment have remained Operational and Active. If City Light chooses to verify an EV charger port, City Light will contact the Participant to schedule the verification site visit. This verification shall be only for the purposes of determining compliance with Program requirements and does not take the place of any other inspections required by the City of Seattle or other permitting agencies. By signing and submitting the Charger Incentive Application, the Participant agrees to provide City Light and its subcontractors with reasonable access to the Project site during normal business hours.
8. Any person who knowingly files an application containing any materially false information or who purposely or misleadingly conceals information subjects such person to criminal and civil penalties. Any and all incentive payments determined to have been acquired on the basis of inaccurate or fraudulent information must be returned to City Light. Any Participant found to be engaged in fraudulent activity or material misrepresentation of any kind will be removed from the Multifamily EV Charging Program. This Section shall not limit other remedies that may be available for the filing of a false or fraudulent application, including, but not limited to, referral to law enforcement authorities.



APPENDIX F. PUBLIC CHARGING PROGRAM

Seattle City Light ("City Light") offers the Public Charging Program, a suite of EV charging infrastructure incentives including the following:

- **Charger Incentive:** to facilitate the installation of qualifying EV charging equipment for public use.
- **Make-Ready Incentive:** to facilitate the installation of qualifying electrical infrastructure for upgrading or adding electrical service to a site that otherwise would be unable to support the qualified electric vehicle charging equipment.

City Light has contracted with ICF Resources L.L.C. ("ICF") to act as the Program Administrator and authorizes ICF to administer the Charger Incentive and Make-Ready Incentive including such activities, but not limited to, review, processing, and approval of Participant applications; pre-application site assessments and post-construction verification site visits at the Participant's facilities;; Project information requests from the Participant; measurement and verification activities; and issuing incentive checks.

The Participant hereby authorizes and acknowledges that City Light may disclose the Participant's information relating to a Participant Application (including the entirety of its contents), and any other information related to the Participant's participation in the Public Charging Program to ICF, as applicable, and any other third party utilized by City Light for the purposes of processing the Participant's Application, to verify or audit program records or system installation, operation and results, or as required to comply with state and/or federal law, fraud prevention, regulation, and other legal action. In those cases, City Light, ICF, and authorized third parties shall comply with all legal requirements of the jurisdiction of the individual whose Participant data would be disclosed before making such disclosure.

TERMS AND CONDITIONS FOR PUBLIC CHARGING PROGRAM

1. Incentives are limited to a per-site maximum. Incentive amounts are dependent on whether the EVSE is installed in a Tier 1 or 2 community:
 - a. Tier 1 (non-overburdened): Applicants are located outside of overburdened communities, in non-overburdened areas.
 - b. Tier 2 (overburdened): Applicants are located in overburdened communities
 - i. Overburdened communities, defined by the Healthy Environment for All (HEAL) Act, are geographic areas where vulnerable populations face combined and multiple environmental harms and health impacts. City Light identifies overburdened communities as those with a score of 9 or 10 on the Washington State Department of Health's Environmental Health Disparities map.
 - ii. City Light reserves the right, at its own discretion, to determine whether a participant's Project serves an eligible overburdened community
2. The participant and its affiliated entities are eligible for a maximum of \$750,000 in incentives aggregated annually across multiple sites, Projects or programs. Additional funds may be granted at the discretion of City Light within each program's per-site maximum.



3. It is understood that the Public Charging Program has limited funds, and applications are accepted on a first-come, first-served basis. Participants will receive a formal funding reservation letter when the application is accepted and approved. Participants must complete their Project and submit all final Project documentation prior to the expiration date on their funding reservation letter. City Light will make its best effort to notify Participants of funding reservation expiration dates to assess incomplete Projects and may provide a revised Reservation Letter with a new expiration date; otherwise, the funding may be rescinded and reallocated to other program participants. Funding reservation expiration dates will vary depending on the Program's remaining budget, the Participant's Project scope, and the Project's anticipated construction completion date.
4. The Public Charging Customer Program Manual ("Program Manual") describes the eligibility requirements for EVSE and EVSE infrastructure that may be deployed to receive an incentive. The Participant must read and comply with the eligibility requirements incorporated herein by reference. This document also provides information on the design and structure of the charger and/or make-ready incentive, including eligibility requirements that the Participant must meet to receive these incentives.
5. To be eligible for the Public Charging Program, the participant must meet the following:
 - a. Be a Seattle City Light commercial (non-residential) account holder or customer.
 - b. Meet one of the following applicant criteria:
 - i. Business licensed in WA State with a City Light commercial account (Corporations, Partnerships, Limited liability companies, Other legal business entities, Non-profit 501(c)(3) organizations)
 - ii. Public agency or port authority within City Light territory (Cities and towns, State and local parks, Counties, Special districts)
 - iii. Demonstrate legal right and authority to install and operate EV charging equipment at the place(s) of business or property identified for installation.
 - c. Plan to install charging equipment on private property within City Light service territory at the Service Address listed on the application.
 - d. Own the property where the charging stations will be installed OR show the legal right and authority to install and operate charging station equipment for a minimum of five years (e.g. a site-host agreement).
 - e. Submit a completed Charger Incentive Application or a Charger Incentive and Make-Ready Incentive Application before Project construction begins.
 - f. Install a minimum of four charging ports per Project.
 - g. Install EVSE and the associated charging network from the Seattle City Light EPRI Vetted Product List (VPL) list, posted at www.epri.com/vpl. This will be verified during incentive reservation.
 - h. Install EVSE that meet state and local regulatory requirements.
 - i. In the case that the EVSE in this Project are replaced via warranty or outside of warranty during the Term of Agreement, the "Replacement EVSE" must adhere to the EVSE requirements described in the Program Appendix and will be subject to the requirements described in Section 5 of the Participation Agreement. The Participant agrees to notify SCL within 30 days of installation of Replacement EVSE and provide SCL with documentation of installation and EVSE data (as outlined in Appendix B. Clean Fuels Standard Credit Generation Assignment and



Designation and Appendix C. SCL Customer Data Release Authorization Form) as required by the original Project type. SCL reserves the right to verify installed Replacement EVSE as they become operational.

- j. A charging port is determined to be Operational and Active if it is used to dispense 2,400 kWh per year on average. Each charging port must be operational and active through the term of the Participation Agreement.
 - k. Demonstrate installed EVSE have at least a three-year warranty for equipment or maintenance plan with service level agreement.
 - l. Ensure public access: EVSE must be available to the public seven days a week for a minimum of 12 hours a day, year-round.
 - i. Participants may be asked to provide documentation indicating EVSE's operational hours.
 - m. Ensure EVSEs and charging site are posted on PlugShare.com once operational.
 - n. Agree to report charger registration data and quarterly utilization data during the term of this agreement to City Light within 30 days of the conclusion of each quarter, including the following utilization data for each charging port:
 - i. Total energy (kWh) delivered by session
 - ii. Total energy (kWh) by port type
 - iii. Total revenue by session
 - iv. Duration of session
 - v. Charging session start and stop time
 - o. Agree to authorize access to EVSE data as specified by the Program through the Participant's chosen network service provider for the duration of the Agreement. If the Participant changes network service providers, the Participant shall notify SCL and authorize access to EVSE data through the new network service provider within 30 days of the change.
 - p. Demonstrate that each charging port is operational and active. A charging port is considered operational and active after its first year of operation, and subsequently meets this minimum on an annual basis. Each charging port must be operational and active through the term of the Participation Agreement.
 - q. Participate in a post-Project customer satisfaction survey.
 - r. Abide by the Program rules, eligibility requirements, and incentive levels in effect at the date of equipment installation.
6. The Participant will be responsible for the selection of contractors that will design, engineer, construct, and install make-ready infrastructure. The Participant will own, operate, and maintain EVSE. The Participant is solely responsible for the selection of EVSE to be installed or implemented and for the selection of a contractor to complete the installation and implementation of any EVSE. City Light and ICF make no representations and provide no warranty or guaranty with respect to the design, manufacture, construction, safety, performance, or effectiveness of the newly installed EVSE, including any warranties or merchantability or fitness for a particular purpose. Responsibility for delivery and workmanship related to any EVSE or EVSE-related services the Participant procures exclusively rests with the contractor or retailer selected by the Participant. City Light and ICF assume no responsibility for oversight of contractor services or for any claims the Participant might have against the Participant



selected contractor, the manufacturer, or the retailer with regard to the EVSE implemented under the Public Charging Program.

7. The Participant shall purchase and install EVSE that meets the Program's eligibility requirements for EVSE as outlined in the Program Manual. A minimum of four charging ports must be installed at the time of post-installation verification. The Program Team must complete the post-installation verification to finalize and process the incentive payment. The Participant shall ensure the installed EVSE continues to operate for the duration of this Agreement, in accordance with the Terms and Conditions described herein and in the Program Manual. The Participant acknowledges that City Light may collect meter data and will provide information on the type of data that will be collected.
 - a. In the case that the participant's incentivized EVSE are replaced (via warranty or outside of warranty) during the Term of Agreement, the "Replacement EVSE" must adhere to the EVSE requirements described in the Public Charging Program Appendix and will be subject to the requirements described in Section 5 of this Agreement. The Participant agrees to notify City Light within 30 days of installation of Replacement EVSE and provide City Light with documentation of installation and EVSE data (as outlined in Appendix B. Clean Fuels Standard Credit Generation Assignment and Designation and Appendix C. SCL Customer Data Release Authorization Form) as required. City Light reserves the right to verify installed Replacement EVSE as they become operational.
8. In addition to the Program's minimum port installation, the Participant may install additional infrastructure to support future EVSE installation (i.e. "future-proofing"). For Participants interested in future-proofing, 25% of the intended chargers need to be installed within 2 years (i.e., by the final post-construction verification site visit). 50% of the intended chargers need to be installed within 4 years. The remaining charging stations must be installed within the term of this Agreement. To determine the number of charging ports to install within the listed time frame, the percentage will be applied to the total number of charging ports the Participant will install, rounding up to the nearest whole number.
9. New build and substantial retrofit construction Projects that are required to install a minimum number of EV charging stations and "EV Ready" or "EV Capable" parking spaces are eligible for incentives with restrictions. City Light will only provide an incentive for charging equipment that goes beyond what is required by code. Code requirements vary by Project. Participants must provide documentation to prove a Project is beyond code and show the differences in costs for items within code vs. beyond code.
10. The Participant agrees to notify City Light of the transfer of the property through sale or other disposition. Prior to any transfer, all intended EVSE qualifying under this incentive program must be installed.
11. During the Term of this Agreement, City Light reserves the right to verify each EV charger port and request meter data or utilization records to ensure compliance with the Terms and Conditions herein, including demonstration that the equipment have remained Operational and Active. If City Light chooses to verify an EV charger port, City Light will contact the Participant to schedule the verification site visit. This verification shall be only for the purposes of determining compliance with Program requirements and does not take the place of any other inspections required by the City of Seattle or other permitting agencies. By signing and submitting the Charger Incentive Application, the



Seattle City Light

Customer Energy Solutions

Participant agrees to provide City Light and its subcontractors with reasonable access to the Project site during normal business hours.

12. Any person who knowingly files an application containing any materially false information or who purposely or misleadingly conceals information subjects such person to criminal and civil penalties. Any and all incentive payments determined to have been acquired on the basis of inaccurate or fraudulent information must be returned to City Light. Any customer found to be engaged in fraudulent activity or material misrepresentation of any kind will be removed from the Public Charging Program. This agreement shall not limit other remedies that may be available for the filing of a false or fraudulent application, including, but not limited to, referral to law enforcement authorities.
13. City Light has the right to not allow a Participant to participate in the Public Charging Program or to ban any Participant from future participation in the Public Charging Program for failure to meet these terms and conditions or other applicable requirements of the Public Charging Program in addition to any other legal remedies available under law.



TERMS AND CONDITIONS FOR CHARGER INCENTIVE

The Charger Incentives are shown in Table 3. Incentive amounts are dependent on charger equipment type and whether the chargers are installed in a Tier 1 or 2 community. Multiple Projects are allowed per year up to the site maximum.

If multiple EVSE types are installed on one Project site, the Project will be eligible for the Charger Incentive with the highest minimum power output.

Table 3. Public Charging Program Incentive Structure for Charger Incentive

Tier	Charger Equipment Type	Minimum Output Power (per charger)	Per Project Charging Site Incentive Amount
Tier 1 Non-overburdened community (Census tract that has a rank lower than 9.0 according to the WA Environmental health disparities map ⁴)	Level 2 EVSE	6.6 kW	50% of total Project costs up to \$2,500 per site
	DCFC Equipment	100 kW	50% of total Project costs up to \$20,000 per site
	DCFC Equipment	150 kW	50% of total Project costs up to \$50,000 per site
	DCFC Equipment with Battery Storage	150 kW	50% of total Project costs up to \$125,000 per site
Tier 2 Overburdened community (Census tract that has a rank of 9.0 or higher according to the WA Environmental health disparities map)	Level 2 EVSE	6.6 kW	100% of total Project costs up to \$5,000 per site
	DCFC Equipment	100 kW	100% of total Project costs up to \$40,000 per site
	DCFC Equipment	150 kW	100% of total Project costs up to \$80,000 per site
	DCFC Equipment with Battery Storage	150 kW	100% of total Project costs up to \$150,000 per site

TERMS AND CONDITIONS FOR MAKE-READY INCENTIVE

The Make-Ready Incentive covers costs required to prepare a charging Project site for EVSE to operate. Costs for behind-the-meter (customer side) and to-the-meter (utility side) costs are eligible, including design and engineering, permits, installing conduit, trenching, and transformers. A full list of eligible costs can be found in the Program Manual.

The following terms and conditions apply to the Make-Ready Incentive:

⁴ Washington State environmental health disparities map - WA Environmental health disparities map <https://fortress.wa.gov/doh/wtnibl/WTNIBL/>



1. City Light will own, operate, and maintain to-the-meter infrastructure in perpetuity. The Participant will own, operate, and maintain behind-the-meter EVSE infrastructure, including the charging equipment itself. The Participant acknowledges the asset ownership, operation, and maintenance details as described and does not claim rights to any of the assets owned, operated, or maintained by City Light.
2. Only customers participants applying for the Public Program's Charger Incentive are eligible for the Make-Ready Incentive.
3. The EVSE type used to determine the Project site's Charger Incentive amount will be used to determine the Make-Ready Incentive amount. If multiple EVSE types are installed on one Project site, the Project will be eligible for the Make-Ready incentive with the highest minimum power output.
4. The Participant will assign, transfer, and convey to City Light all of its right, title, and interest in all environmental, energy, carbon or emission credits, as described in Section 5 of this Agreement, generated by EVSE that use the Project site's electrical infrastructure constructed for the term of this Agreement.
5. Make-Ready Incentives are shown in Table 4. The Make-Ready Incentive is subject to a maximum of \$200,000 per Project site. Incentives are subject to change per City Light discretion and availability of program funds.

Table 4. Public EV Charging Program Make- Ready Incentive structure

Tier	Project Type	Minimum Output Power (per charger)	Per Project Charging Site Incentive Amount
Tier 1 Non-overburdened (Census tract that has a rank lower than 9.0 according to the WA Environmental health disparities map ¹)	Level 2 EVSE	6.6 kW	50% of total Project costs up to \$5,000 per site
	DCFC Equipment	100 kW	50% of total Project costs up to \$50,000 per site
	DCFC Equipment	150 kW	50% of total Project costs up to \$100,000 per site
	DCFC Equipment with Battery Storage	150 kW	50% of total Project costs up to \$25,000 per site
Tier 2 Overburdened (Census tract that has a rank of 9.0 or higher according to the WA Environmental health disparities map)	Level 2 EVSE	6.6 kW	100% of total Project costs up to \$10,000 per site
	DCFC Equipment	100 kW	100% of total Project costs up to \$150,000 per site
	DCFC Equipment	150 kW	100% of total Project costs up to \$200,000 per site
	DCFC Equipment with Battery Storage	150 kW	100% of total Project costs up to \$50,000 per site



6. City Light will reimburse the Participant for the actual costs of designing, permitting, and installing the Project site's supporting electrical infrastructure and not otherwise reimbursed or reimbursable by other third-party funding sources, up to the stated Project site maximum.
7. For each Project, the Participant may receive a partial payment. Partial payment is available for the Make-Ready Incentive only and each Project is allowed one partial payment only.
 - a. The Participant must select "yes" for partial payment on the Make-Ready Incentive application to receive partial payment. The selection and estimated partial payment amount will be documented through the Make-Ready Incentive Reservation Letter.
 - b. To receive partial payment, the Participant must contact City Light when the following items are ready to submit:
 - i. Paid invoice(s) or the construction contractor's initial down payment and full Project quote
 - ii. Estimated construction timeline with milestones outlined
 - iii. Receipt of the equipment ordered (EVSE or electrical infrastructure equipment)
 - c. The partial payment will be calculated based off the total eligible cost paid at the time of request or up to 25% of the total estimated Make-Ready incentive, whichever is less.
 - d. City Light may request access to the Project site at any time, within reasonable business hours, to verify Project site conditions.

Summary and Fiscal Note

1. Legislation Summary

Department: Seattle City Light

Title: An ordinance relating to the City Light Department; authorizing ten-year agreements with customers eligible for transportation electrification programs.

Background: This ordinance authorizes City Light to enter into agreements with customers eligible for transportation electrification programs to allow third parties to future-proof projects and enable the Department to inspect and enforce program requirements throughout the entire buildout.

2. Capital Improvement Program (CIP)

Does this legislation create, fund, or amend a CIP Project?

☐ Yes

☒ No

3. Summary of Financial Implications

Does this legislation have financial impacts to the City?

☒ Yes

☐ No

This legislation does not change appropriations. However, it does authorize a program whereby SCL can pay incentives to program participants in exchange for a receipt of credits and other utility benefits. If appropriation or revenue adjustments are needed, these changes will be made in one or more future budget actions.

4. Other Impacts

a. Does this legislation require a public hearing?

☐ Yes

☒ No

b. Does this legislation require a notice to be published in The Daily Journal of Commerce and/or The Seattle Times?

☐ Yes

☒ No

c. Does this legislation affect a piece of property?

No

d. Race and Social Justice Initiative impacts:

1. How does this legislation affect vulnerable or historically disadvantaged communities? How did you come to this conclusion? Please consider both impacts within City government (like employees and internal programs) and in the broader community.

This legislation enables City Light to generate Clean Fuel Standard credits and reinvest them in accordance with Department of Ecology requirements, which directs a minimum of 30% of expenditures to historically disadvantaged communities.

2. Please attach any Racial Equity Toolkits or other racial equity analyses used to develop or assess this legislation.

3. What is the Language Access Plan for communicating with the public about this legislation?

The Department is working with external consultants and internal communications teams to support program marketing and communications.

e. Climate change impacts:

1. Emissions: Will this legislation significantly increase or decrease carbon emissions? Attach any studies or materials that inform your answer.

This legislation is expected to decrease carbon emissions. It aligns with City Light's Transportation Electrification Strategic Investment Plan, which aims to reduce greenhouse gas emissions from the transportation sector. By enabling more customers to install electric vehicle charging infrastructure, the ordinance supports expanded EV adoption and helps reduce reliance on gas and diesel vehicles.

2. Resiliency: Will this legislation make Seattle more or less able to adapt to climate change? If it reduces resiliency, explain what can be done to lessen the impact.

This legislation improves Seattle's climate resiliency. By expanding access to electric vehicle charging infrastructure, it supports the transition to cleaner transportation and reduces greenhouse gas emissions over time. Increased availability of EV charging also helps ensure that residents, businesses, and fleet operators can participate in electrification as climate impacts intensify.

f. If this legislation creates a new program or expands an existing one, what are the long-term, measurable goals? How will this legislation help achieve those goals? What methods will be used to track progress?

This legislation expands the Department's ability to enter into 10-year contracts to support installation and construction timelines for future-proofing. This ordinance goes hand in hand with transportation electrification planning (RCW 35.92.450) and the implementation of the Clean Fuel Standard (RCW 70A.535). As part of the State's Clean Fuel Standard, City Light is required to track kilowatt-hours used by electric vehicles, enabling direct tracking of transportation emissions.

Longer timelines also allow for upfront infrastructure investments at the beginning of the project, avoiding the need for later upgrades. This reduces the construction

timeline and project costs by preparing the customer for future load growth as electrification grows.

g. Does this legislation create a non-utility CIP that involves shared funding with a non-City partner or organization?

No.

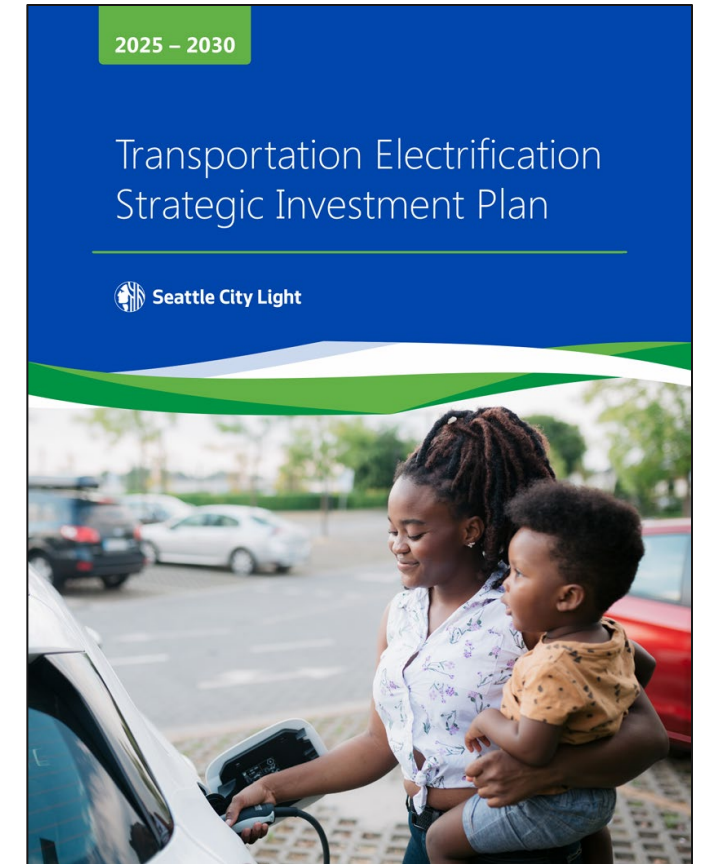
SCL Transportation Electrification Agreements ORD

Parks & City Light Committee | July 15^E



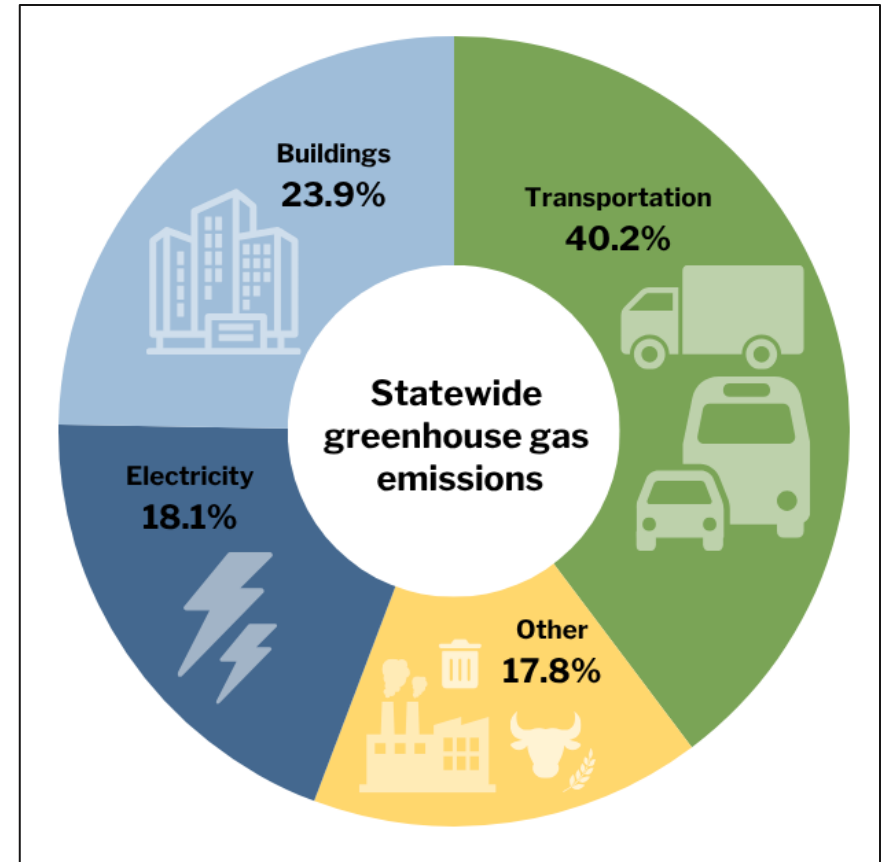
Transportation Electrification Strategic Investment Plan

- Last update adopted by Mayor and City Council in 2025
- Long-term plan for City Light's investments
- Guides infrastructure and grid investments
- Supports Seattle climate and mobility goals



Clean Fuel Standard Background

- State program decrease transportation emissions
- Generates credits for clean transportation fuels
- Credits can be reinvested in transportation electrification



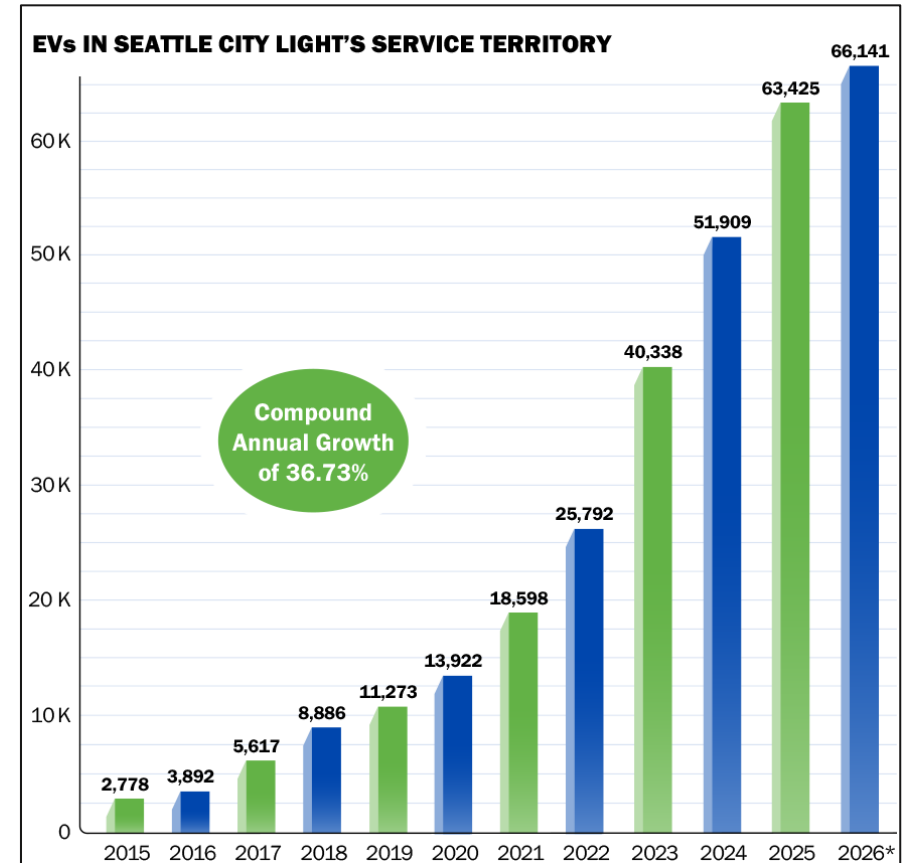
How They Work Together

- TESIP directs City Light's investments and focus area
- CFS generates non-rate payer funding for transportation electrification
- More chargers, more credits
- Supports equitable and cost-effective investments



Growing Electrification Demand

- Seattle has the highest number of electric vehicles in the state
- City Light customers need approx. 11,000 public chargers by 2030



*Includes data through April 2026. Source: EPRI analysis of Experian data, 2026.

How City Light Meets This Demand

- Customer Incentive Programs
 - Fleets
 - Multi-family
 - Public
 - Workplace
- City Light Owned Chargers
 - Displaced about 6,000,000 miles with electricity in 2025



Demonstrating Success

- Partners with King County Metro and Washington State Ferries
- Owns and operates 83 chargers in every district
- Installed over 1,000 chargers for customers
- Received All-American Cities Award in 2025



Proposed Council Action

- Authorizes City Light to enter 10-year transportation electrification agreements with customers
- Supports expanded EV charging infrastructure, including phased construction and future-proofed electrical upgrades
- Allows City Light to receive Clean Fuel Standard credits from participants in exchange for incentives
- Ensures City Light can enforce program requirements and collect charger performance data for regulatory compliance

Questions?





Legislation Text

File #: CB 121250, **Version:** 1

Screen Reader Users: Make sure settings include reading strikethrough and underline font attributes.

The City of Seattle

Ordinance

Council Bill

An ordinance relating to City-owned real property known as Lake City Garage and Plaza;

transferring jurisdiction and management authority from the Department of Finance and Administrative Services to Seattle Parks and Recreation for municipal purposes; and ratifying and confirming certain prior acts.

Recitals:

In 1958, The City of Seattle acquired real property located at 12509 28th Avenue Northeast via a Statutory Warranty Deed for the purpose of establishing a park.

In 1963, the property was transferred from the Seattle Parks and Recreation (SPR) to Seattle Public Library (SPL) pursuant to Ordinance 92584 to build the original Lake City Library.

In 2004, the Fleets and Facilities Department, the predecessor department of the Department of Finance and Administrative Services (FAS), acquired a plaza and a subterranean garage located at 12509 28th Avenue Northeast pursuant to Ordinance 121471, which established the Lake City Civic Center.

Since 2004, FAS has managed the joint use of the garage and adjacent stairs and elevator serving the garage, in partnership with SPL, and assumed costs of maintenance and upkeep for those structures, while SPR has managed the plaza. SPL and FAS regularly used the garage for

staff and customers until the garage was closed due to security concerns.

In 2025, the Office of Housing (OH) and SPR issued a joint Request for Proposals (RFP) for redevelopment of the former Lake City Community Center site located on SPR property immediately north of the plaza, which will consist of a mixed-use building with a community center to be operated by SPR on the bottom two floors and six floors of affordable rental housing above (the “Project”).

In 2025, SPR reached out to FAS to express interest in transferring jurisdiction of the property (as legally described in Attachment 1 to this ordinance, the “Property”) to enhance the Project.

SPR envisions this property transfer will meet multiple needs. In the short term, the existing Property will be used for construction staging. In the long term, taking advantage of the existing ramp and existing curb cut alleviates the need for the construction of a second access ramp to serve the new garage under the SPR community center and OH-funded affordable housing structure. The new parking garage will meet code requirements for the Project. The transfer of jurisdiction of the existing garage from FAS to SPR will facilitate overflow parking for the community center and affordable housing and will also allow for SPR to collaborate with the FAS Customer Service Center (CSC) and SPL to accommodate their future parking demands.

FAS has determined it has no future need for the Property and that the Property would best serve community needs through a transfer of jurisdiction to SPR to support the Project.

SPR and FAS have agreed to the transfer of jurisdiction of the Property to SPR for the Project with conditions. Therefore,

Be it ordained by The City of Seattle as follows:

Section 1. The City Council authorizes the Department of Finance and Administrative Services (FAS) to transfer jurisdiction of the property located at 12509 28th Avenue Northeast, including the surface plaza and subterranean garage and all related infrastructure (the “Property”), as legally described in Attachment 1 to this ordinance, to Seattle Parks and

Recreation (SPR) for municipal purposes to support the redevelopment of Lake City Community Center with affordable rental housing which will be sponsored by the Office of Housing.

Section 2. The terms of the transfer of jurisdiction shall be as agreed to by SPR and FAS, namely, that in lieu of cash payment to FAS, SPR will: accept transfer of the Property in as-is condition and assume all maintenance and operating costs for the Property; grant a continued right of access to the stairs and elevator located in the garage to serve the FAS Customer Service Center (CSC) at the Lake City Library building; and grant FAS eight parking passes in the garage for use by the CSC. SPR and FAS acknowledge that, in the future, the CSC may be charged for maintenance and usage of the Property, including the elevator, which may be memorialized in an interdepartmental agreement.

Section 3. The Superintendent of SPR, or the Superintendent's designee, is authorized to negotiate and execute leases, licenses, operating agreements, concession agreements, management agreements, and related use agreements for all or any portion of the Property, including the subterranean garage, parking areas, access areas, stairs, elevators, and related improvements, for terms not to exceed five years for any single agreement, upon such terms and conditions as the Superintendent deems reasonable and in the best interests of The City of Seattle, consistent with applicable law. The Superintendent is further authorized to renew, amend, assign, terminate, or replace such agreements, provided that no individual agreement shall exceed five years in duration without further authority by ordinance.

Section 4. Any act consistent with the authority of this ordinance taken after its passage and prior to its effective date is ratified and confirmed.

Attachments:

Attachment 1 - Legal Description of Property

This ordinance shall take effect as provided by Seattle Municipal Code Sections 1.04.020 and 1.04.070.

Passed by the City Council and signed in open session in authentication of its passage on .

President of the City Council
on .

Katie B. Wilson, Mayor

Attested on .

Scheereen Dedman, City Clerk

Seal

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Attachment 1

Legal Description of Property

Lake City Civic Center Plaza – King County Assessor Tax Parcel No. 3834500720

Lot 6, Block 7, Kenwood division two, according to the plat thereof recorded in volume 21 of plats, page 28, in King County, Washington. Together with that portion of Lot 7, Block 7 of said plat, lying northerly of the following described line:

Commencing at the northeasterly corner of said Lot 7; thence southerly on the easterly line of said Lot 7, 4.42 feet to the easterly terminus of said described line, thence westerly perpendicular to the easterly line of said Lot 7 to a point on the westerly line of said Lot 7 and westerly terminus of said described line, said westerly terminus lying 6.54 feet southerly from the northwesterly corner of said Lot 7.

Together with the full subterranean garage, including all related infrastructure, and associated elevator and stairs at the Lake City Civic Center, as identified in Seattle City Council Ordinance 121471.

Summary and Fiscal Note

1. Legislation Summary

Department: Finance and Administrative Services (FAS)

Title: An ordinance relating to City-owned real property known as Lake City Garage and Plaza; transferring jurisdiction and management authority from the Department of Finance and Administrative Services to Seattle Parks and Recreation for municipal purposes; and ratifying and confirming certain prior acts.

Background: In 2025, Seattle Parks and Recreation (SPR) requested the property transfer of Department of Finance and Administrative Services (FAS) Lake City Garage and Plaza (PMA 4344) to augment a planned, joint redevelopment of the adjacent Lake City Community Center with Office of Housing-sponsored affordable rental housing on top of the Community Center. FAS conducted due diligence on the property to inform decision making about the transfer, negotiated transfer terms with SPR and circulated internal notice to other City property managing departments per Resolution 31837. This legislation transfers jurisdiction of the garage, adjacent stairs and elevator serving the garage, and the plaza from FAS to SPR, which is a necessary step in the process of building the Lake City Community center + Affordable Housing project. This legislation also provides SPR Superintendent the authority to contract with a parking lot management company.

The Lake City Community Center has been an integral part of Lake City's neighborhood history, serving as a hub for community activities and bringing together people of all ages and cultures. In 2023, a fire destroyed a major portion of the building, and the community center was demolished. In 2024, SPR, in partnership with the Department of Neighborhoods, conducted a building needs assessment to better understand the community's priorities for the new center. In 2025, the city selected Mercy Housing to collaborate on the redevelopment of the former Lake City Community Center site located on SPR property immediately north of the Plaza. The new mixed-use building will include 113 affordable rental homes on the top six floors (to be operated by Mercy Housing), and a community center on the bottom two floors. This unprecedented, innovative design will be the first of its kind for the City of Seattle by combining affordable housing, essential services, and shared community spaces to create a welcoming place where residents can live, gather, and thrive. The garage and plaza will increase the property available for SPR's redevelopment, expanding the surface and subterranean footprint of the new development and enhancing SPR's ability to meet related development code compliance requirements necessary to achieve a Certificate of Occupancy. This property transfer of jurisdiction legislation is one of several pieces of legislation needed for the co-development project which is currently under permit review by Seattle Department of Construction and Inspections (SDCI). Construction is targeted for December 2026 through 2028, pending permit approval.

For several decades, the garage was open to the public and shared by Seattle Public Library (SPL) and FAS for staff and customer use, serving both the Lake City Library and the FAS Customer Service Center located within the library. However, in recent

years the garage was closed due to security concerns. FAS has determined the property is excess to its needs and supports the property transfer to SPR to serve a public purpose and community need for recreational facilities and affordable rental housing in a historically underserved neighborhood. In the short term, the garage and plaza will be used for construction staging. In the long term, taking advantage of the existing ramp and existing curb cut alleviates the need for short term construction of a second access ramp to serve the new garage under the SPR community center and OH-funded affordable housing structure. The transfer of jurisdiction of the existing garage from FAS to SPR will facilitate overflow parking for the community center and affordable housing. Once the property is transferred, SPR will also be collaborating with the FAS Customer Service Center (CSC) and SPL to accommodate their future parking demands.

Summary Attachments:

Summary Attachment A – Property Map of Lake City Civic Center Plaza and Garage

2. Capital Improvement Program (CIP)

Does this legislation create, fund, or amend a CIP Project?

☐ Yes

☒ No

3. Summary of Financial Implications

Does this legislation have financial impacts to the City?

☐ Yes

☒ No

3d. Other Financial Impacts

a. Does this legislation create any other financial impacts for The City of Seattle, such as direct or indirect costs, one-time or ongoing, that aren't mentioned above? If yes, please explain these impacts.

Responsibility for operating and maintenance costs would be transferred from FAS to SPR. This legislation does not change appropriations for either Department.

b. If the legislation has costs that can be covered within the current budget, explain how. Does the department have extra resources in its budget to handle these costs? Or does the department need to shift resources away from other work to handle these costs?

The garage is currently closed, and the elevator is currently only accessible to the public from the plaza level with assistance from staff from the FAS Customer Service Center. Therefore, SPR does not anticipate significant costs of maintenance and upkeep of the garage and elevator during construction. While SPR is, upon property transfer, assuming the future operation and maintenance of the facility, it is understood that SPR may charge the FAS Customer Service Center, a tenant of SPL, and SPL for usage of the garage and elevator. FAS is coordinating with SPL on the development of an Interdepartmental Agreement (IDA) for continued use of the space for the FAS Customer Service Center. Any financial impacts that cannot be covered with existing SPR budget will be raised as part of a future budget process.

c. What financial costs or other impacts might happen if this legislation is not implemented?

If not implemented, FAS would retain ownership of the garage and plaza property and continue to fund all annual expenses for maintenance and upkeep. If this legislation is not implemented, then the construction costs for the Lake City Community Center +

Affordable Housing project may increase, and the construction timeline may be extended.

d. How might this legislation affect other City departments besides the one that proposed it?

SPR envisions this property transfer will meet multiple needs. In the short term, the existing Property will be used for construction staging. In the long term, taking advantage of the existing ramp and existing curb cut alleviates the need for the construction of a second access ramp to serve the new garage under the SPR community center and OH-funded affordable housing structure. The transfer of jurisdiction of the existing garage from FAS to SPR will facilitate overflow parking for the community center and affordable housing and allow SPR to collaborate with the FAS Customer Service Center (CSC) and SPL to accommodate their parking demands.

4. Other Impacts

a. Does this legislation require a public hearing?

☒ Yes

☒ No

b. Does this legislation require a notice to be published in The Daily Journal of Commerce and/or The Seattle Times?

☐ Yes

☒ No

c. Does this legislation affect a piece of property?

Yes – FAS Lake City Civic Center Plaza and Garage. See Map attached.

d. Race and Social Justice Initiative impacts:

1. How does this legislation affect vulnerable or historically disadvantaged communities? How did you come to this conclusion? Please consider both impacts within City government (like employees and internal programs) and in the broader community.

FAS Lake City property falls in a second-highest equity priority area when mapped on the City's GIS Race and Social Justice Index layer, based on census

demographics. Transferring the garage and plaza to SPR jurisdiction will ensure continued public use and will better serve community needs. SPR will be using the property to replace the Lake City Community Center, which is an important and much-needed recreation facility in the long-underserved Lake City neighborhood.

2. Please attach any Racial Equity Toolkits or other racial equity analyses used to develop or assess this legislation.

Not applicable. Legislation is just about the internal transfer of City property.

3. What is the Language Access Plan for communicating with the public about this legislation?

Not applicable. Legislation is just about the internal transfer of City property.

e. Climate change impacts:

1. Emissions: Will this legislation significantly increase or decrease carbon emissions? Attach any studies or materials that inform your answer.

Not applicable.

2. Resiliency: Will this legislation make Seattle more or less able to adapt to climate change? If it reduces resiliency, explain what can be done to lessen the impact.

Not applicable

f. If this legislation creates a new program or expands an existing one, what are the long-term, measurable goals? How will this legislation help achieve those goals? What methods will be used to track progress?

Not applicable

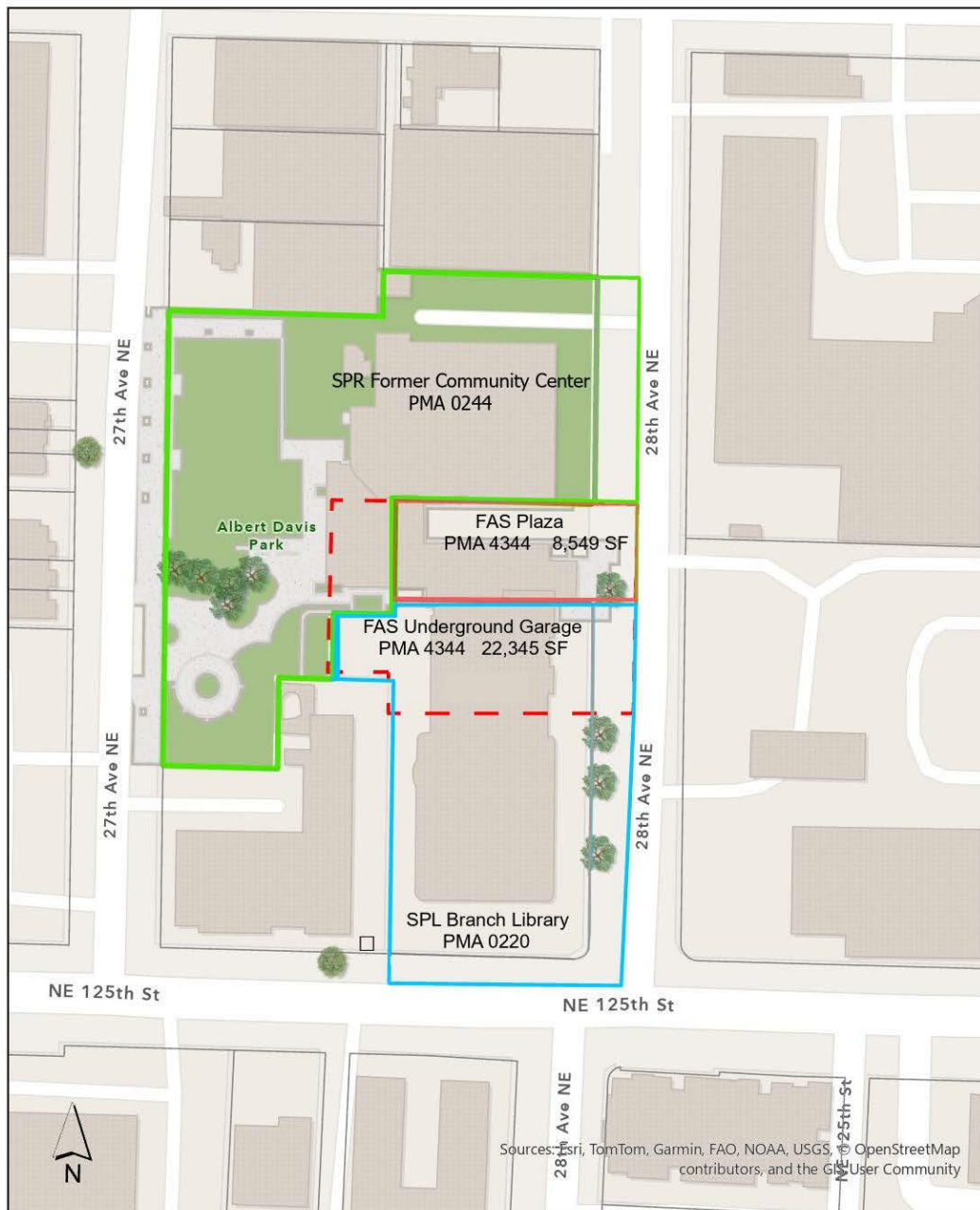
FAS to SPR Lake City Transfer of Jurisdiction SUM
Layne Cubell
D1a

g. Does this legislation create a non-utility CIP that involves shared funding with a non-City partner or organization?

No

Summary Att A – Property Map of Lake City Civic Center Plaza and Garage
V1

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Lake City Community Center and Affordable Housing Redevelopment

Legislative Package 1: Lake City Parking Garage and
Plaza Transfer of Jurisdiction

Purpose and Agenda

Provide a Lake City Community Center + Affordable Housing project update and request approval of Legislative Package 1: Transfer of Jurisdiction (TOJ) of Lake City Parking Garage and Plaza.

- Project Update
 - Project Overview
 - Project Partners and Roles
 - Project Schedule and Budget
 - Project Site Plan
- Legislative Overview
 - **Package 1: Transfer of Jurisdiction (TOJ)**
 - Package 2: Project Agreement Approvals (Upcoming)
- Q&A



Project Timeline

- **1957:** Lions Club built and operated the Lake City CC.
- **1964:** Lions Club deeded the property to SPR.
- **2017 – 2023:** SPR took on operation of the site.
- **2018:** SPR completed feasibility study for a new community center with affordable housing.
- **2023:** The building was demolished following a major fire.
- **2024:** SPR and DON conducted a building needs assessment with community.
- **2025:** Mercy Housing NW selected via RFP to lead redevelopment of the property.
- **2026:** Design and permitting underway
- Community engaged throughout



Project Overview: LCCC and Affordable Housing Redevelopment

SPR, the Office of Housing (OH), and Mercy Housing Northwest are collaborating to build a new Lake City Community Center with co-located affordable housing.

Project Overview

- Unique partnership between SPR, OH, and Mercy Housing Northwest.
- Combines community center with 112 affordable housing units. Mostly family sized units (2+ bedrooms).
- Community advisory group providing ongoing feedback and dialogue with the design team.

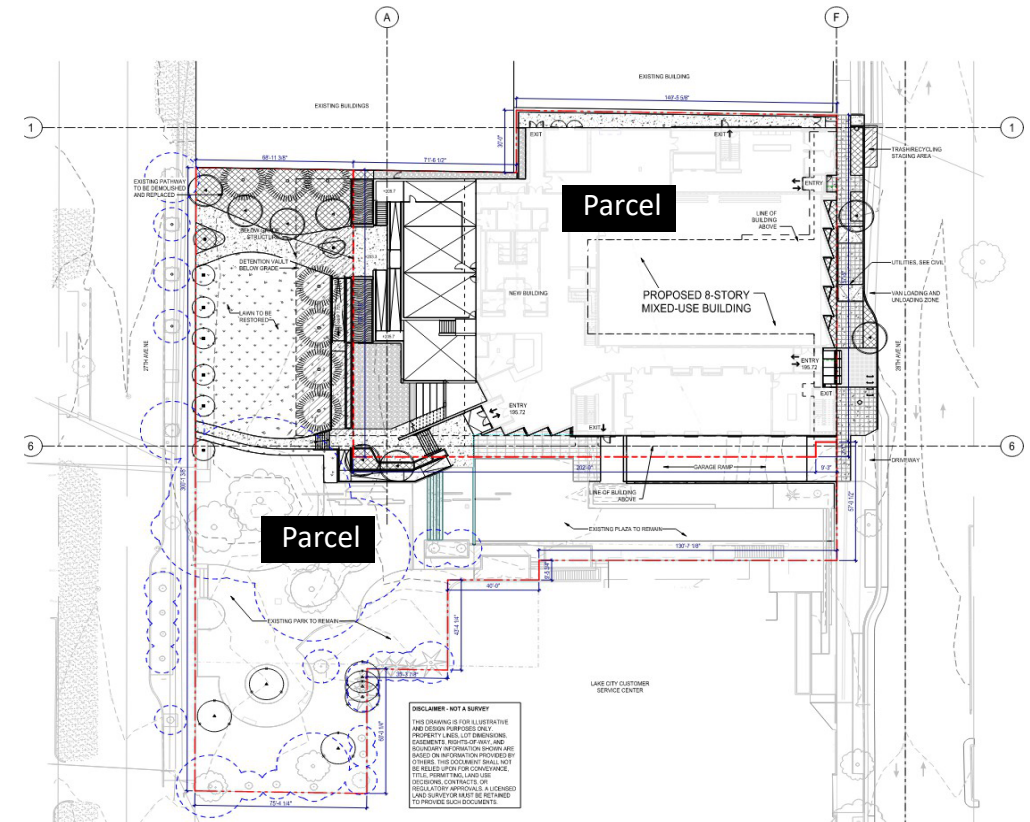


Project Partners: LCCC and Affordable Housing Redevelopment

Multiple partners engaged to build a new Lake City Community Center (LCCC) with co-located affordable housing.

Project Partners

- Mercy Housing Northwest leading design including building core and shell and community center tenant improvements.
 - Partnership with mixed use design consultant to ensure integration with surrounding amenities including Albert Davis Park.
- Mercy Housing Northwest leading construction with Walsh Construction.
- Community partner Family Works



Schedule and Budget: LCCC and Affordable Housing Redevelopment

Work is progressing to build a new Lake City Community Center with co-located affordable housing.

Project Schedule

- **Design/Permitting:** Q1 – Q4 2026
- **Legal Agreements:** Q1 – Q4 2026
- **Financing (Mercy Housing):** by end of 2026
- **Financing (City):** Q1 2027 (bonds)
- **Construction:** Q4 2026 - Q4 2028

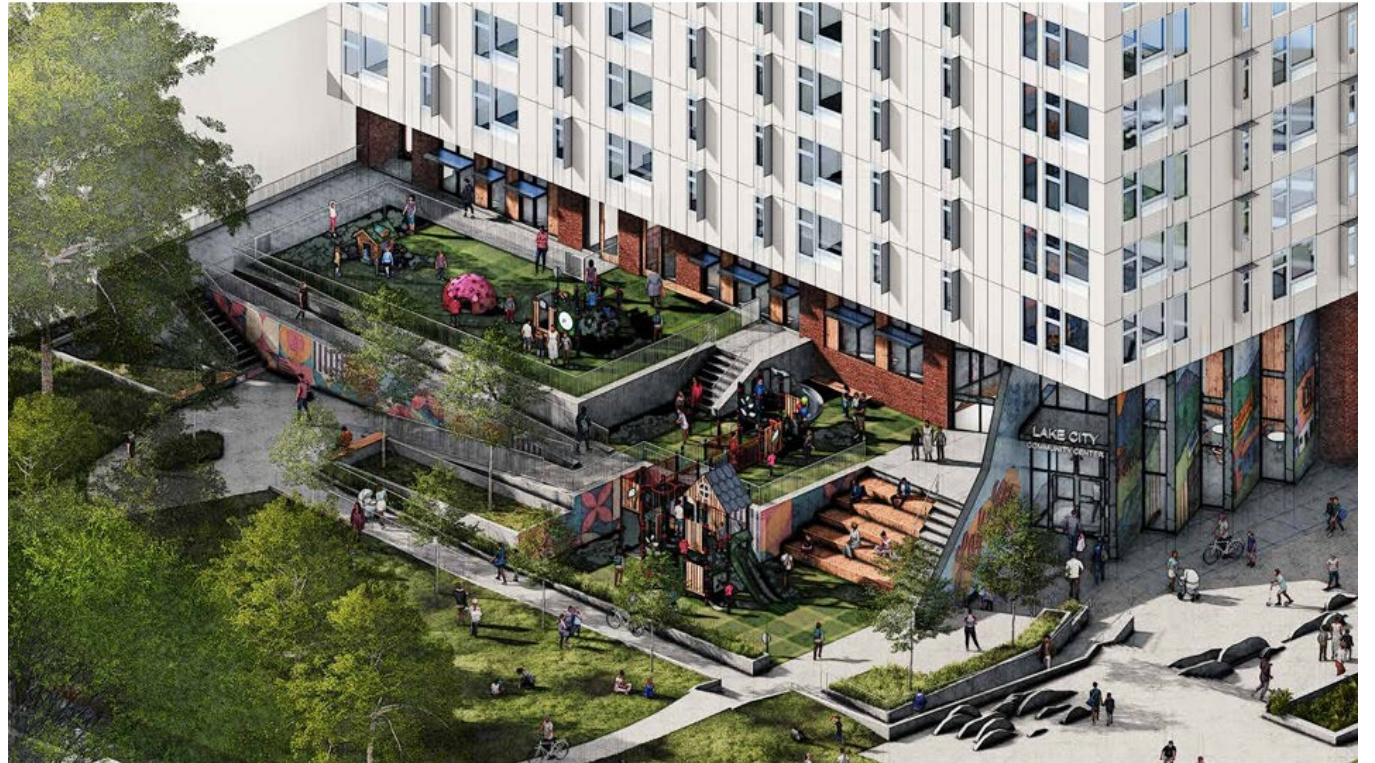
Project Budget: \$124M (Estimated)

Community Center: \$38M

- \$10M REET/Grants
- \$28M City Issued Bond

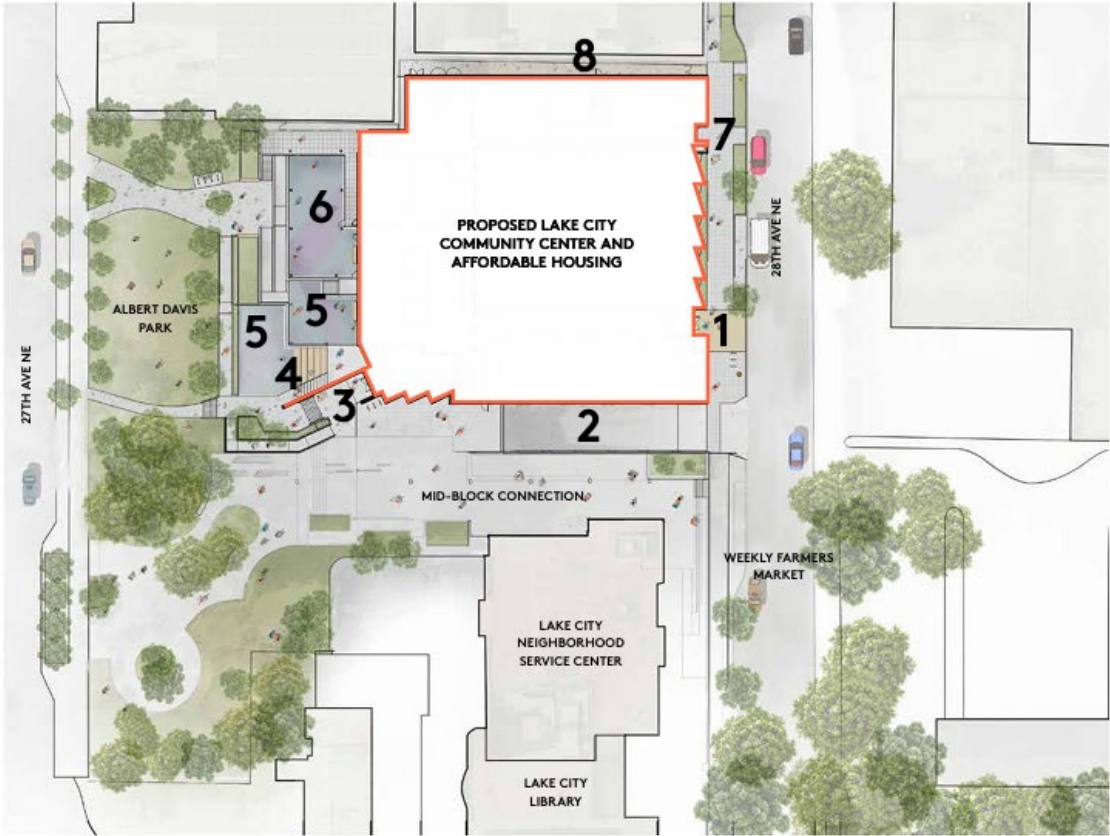
Housing: ~\$86M

- Office of Housing and other public funders



Site Plan: LCCC and Affordable Housing Redevelopment

SITE PLAN

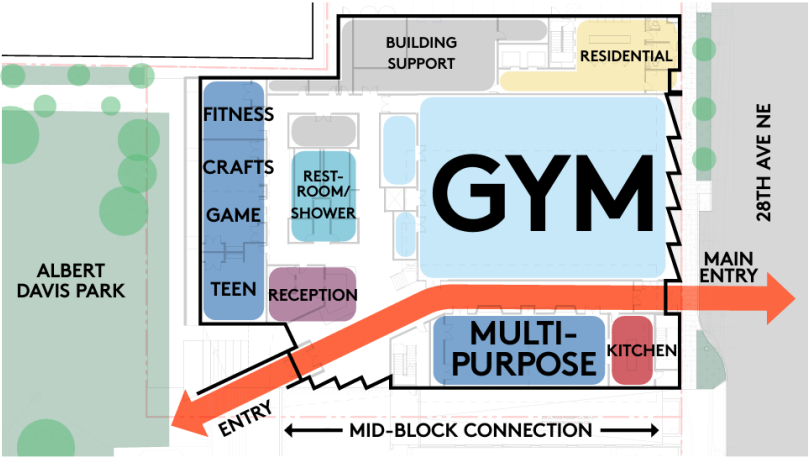


LAKE CITY COMMUNITY CENTER / DESIGN COMMISSION MEETING #2 / FEBRUARY 19, 2026

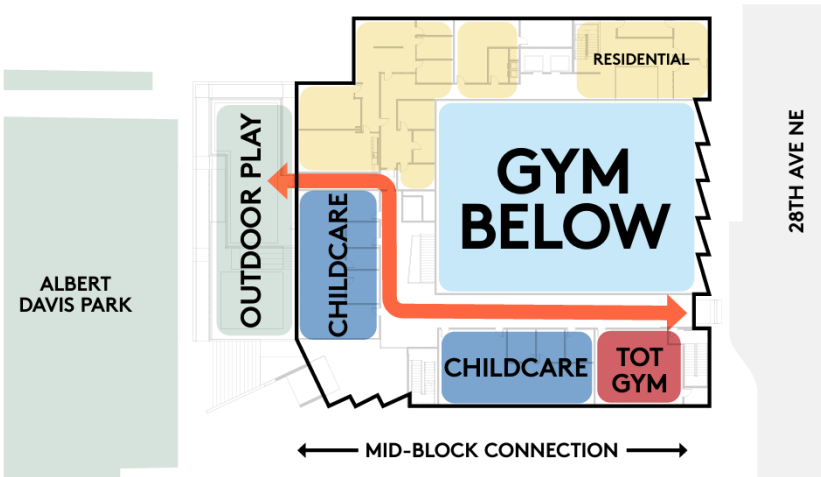
- 1. Community Center main entry
- 2. Community Center parking ramp (existing)
- 3. Community Center entry
- 4. Community Center terrace
- 5. New park play ground
- 6. Community Center Childcare outdoor play area
- 7. Housing entry
- 8. Building service access



LEVEL 1 PLAN DIAGRAM



LEVEL 2 PLAN DIAGRAM



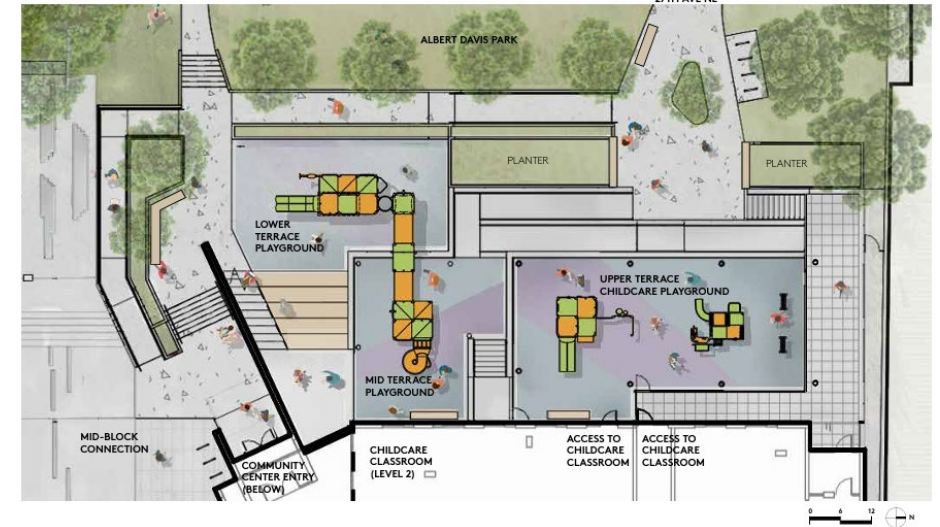
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Legislative Overview: LCCC and Affordable Housing Redevelopment

✓ **Legislative Package 1 (today's legislation):** Seeks authority to transfer jurisdiction of the existing Lake City Garage and Plaza from FAS to SPR.

❑ **Legislative Package 2 (upcoming legislation):** Seeks authority for the Superintendent of Parks and Recreation to execute and record all instruments necessary to implement the project.



Proposed Legislative Package 1: Background

Ordinance transfers the jurisdiction of the Lake City Parking Garage and Plaza, from FAS to SPR.

Parking Garage and Plaza

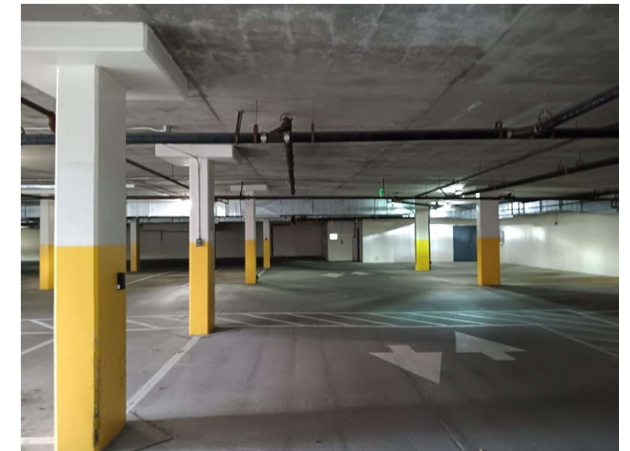
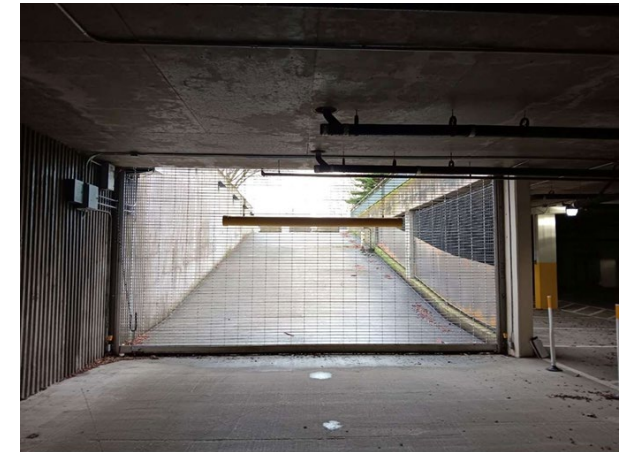
- Garage currently owned by FAS in partnership with Seattle Public Libraries including costs of maintenance. SPR manages the plaza area.
- After RFP awarded, SPR engaged with FAS to transfer jurisdiction of the parking garage and plaza property to support the project.
- FAS has determined it has no future need for the property and that it would best serve community needs through a transfer of jurisdiction to SPR to support the community center and housing development project.



Proposed Legislative Package 1: Transfer of Jurisdiction

Ordinance transfers the jurisdiction of the Lake City Parking Garage and Plaza, from FAS to SPR.

- **Recognizing community concerns about parking**, this legislation transfers jurisdiction of an existing parking garage (and plaza above) to serve community center, library, and customer service center visitors as well as support overflow for housing (lower right).
 - Existing Garage (59 stalls) will support community center, library and neighborhood service center visitors and overflow for housing.
 - New Garage: project also includes a new subterranean garage with 75 park stalls to accommodate residential parking and community center ADA access.
- **Existing ramp will provide access** to existing garage and new garage.
- Legislation also authorizes Superintendent to enter into agreement with a **future operator** of both garages (up to five-year terms).



Recap and Next Steps

- ✓ **Legislative Package 1 (today’s legislation):** Seek authority to transfer jurisdiction of the existing Lake City Garage and Plaza from FAS to SPR in support of the overall development project.

- ❑ **Legislative Package 2 (upcoming legislation):** Seek authority for the Superintendent of Parks and Recreation to execute and record all instruments related to the implementation of the Lake City Community Center and Affordable Housing redevelopment project.
 - ❑ Ground Lease
 - ✓ Term Sheet Complete
 - ❑ King County Deed Restriction Lift
 - ❑ Condo Documents and Conveyance
 - ❑ All other documents necessary to implement and complete the project



Questions?

