

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	CBO Contact/Phone:
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** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

Legislation Title: AN ORDINANCE relating to the City Light Department; amending subsection 21.49.086.D of the Seattle Municipal Code to define the Net Wholesale Revenue target used in Rate Stabilization Account operations for 2021-2024.

Summary and background of the Legislation: This ordinance sets Net Wholesale Revenue (NWR) targets to be used in the Rate Stabilization Account (RSA) mechanism established in ordinance 123260. These NWR targets are consistent with NWR assumptions in City Light's Proposed 2021-2022 Budget.

City Light's 2019-2024 Strategic Plan, adopted by City Council on July 9, 2018 via resolution 31819 included NWR targets of \$50 million in 2021 and \$40 million in 2022-2024. The 2021 target assumed in the 2021 Proposed Budget is \$10 million higher than the 2021 amount in the Adopted 2019-2024 Strategic Plan. This increase is reflective of higher expected net wholesale revenue due to a substantial reduction in the outlook of City Light's retail load resulting from the COVID-19 pandemic and associated economic downturn. The \$40 million NWR targets for 2022-2024 are consistent with the Adopted Strategic Plan. City Council may reconsider these targets in the future.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? Yes No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? Yes No

Does the legislation have other financial impacts to The City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?
The NWR targets will impact the size and timing of potential RSA surcharges on retail rates. In general, lower targets reduce the probability of RSA surcharges.

Is there financial cost or other impacts of *not* implementing the legislation?
Not implementing this legislation would prevent the legal requirements for the Rate Stabilization Account mechanism to work as legislated.

4. OTHER IMPLICATIONS

- a. **Does this legislation affect any departments besides the originating department?**
No
- b. **Is a public hearing required for this legislation?**
No
- c. **Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?**
No
- d. **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**
No
- e. **Does this legislation affect a piece of property?**
No
- f. **Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?**
N/A
- g. **If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s)?**
N/A

List attachments/exhibits below:

None.