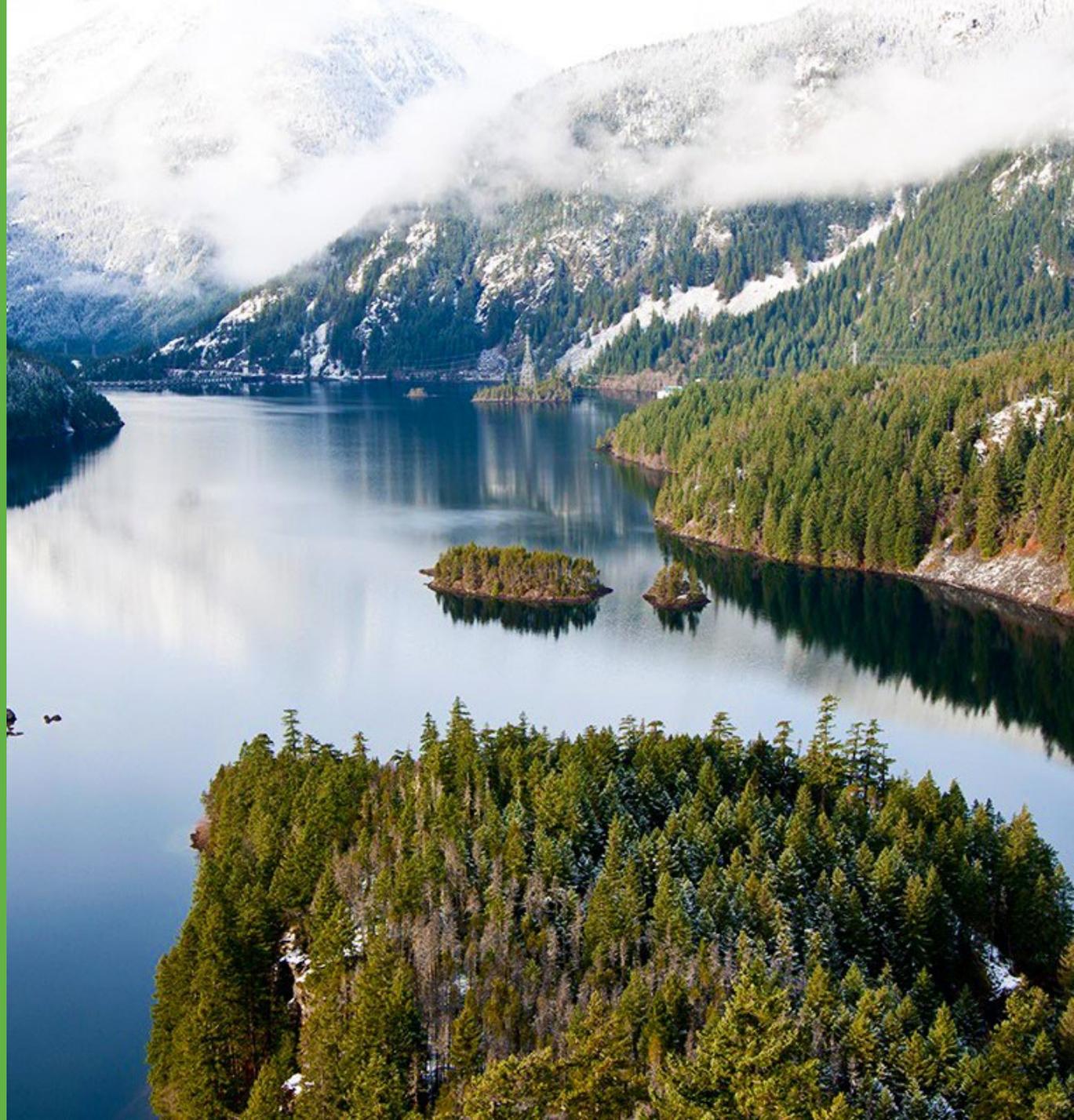


Skagit Hydroelectric Project ORD

Parks and City Light Committee Meeting
March 18, 2026



Seattle City Light



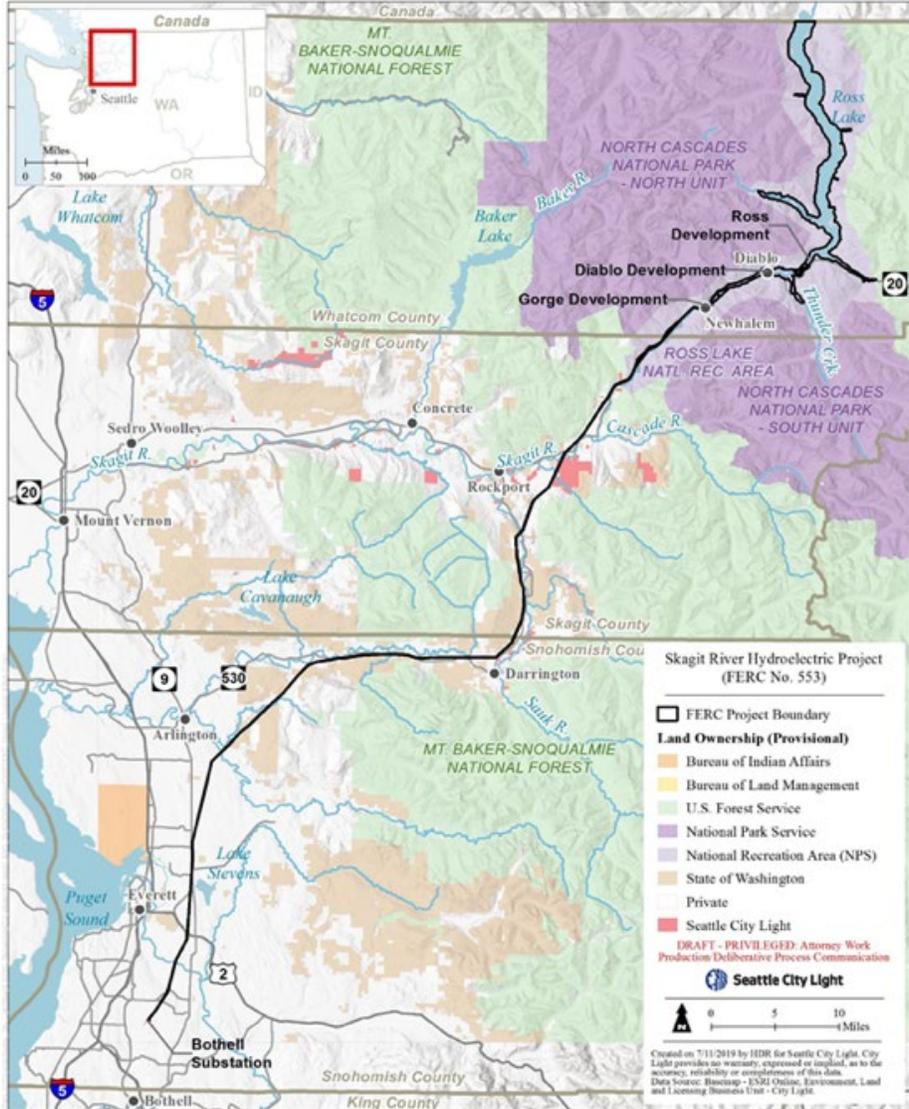
Skagit Relicensing Comprehensive Settlement Agreement

Purpose of the Legislation: Authorize the City Light General Manager to sign a comprehensive settlement agreement and related agreements for the Federal Energy Regulatory Commission (FERC) relicensing of the Skagit Hydroelectric Project.

Settlement Parties Supportive of This Agreement:

- Swinomish Indian Tribal Community
- Upper Skagit Indian Tribe
- Sauk-Suiattle Indian Tribe
- National Marine Fisheries Service
- US Fish and Wildlife Service
- Bureau of Indian Affairs
- US Forest Service
- National Park Service
- Washington Department of Ecology
- Washington Department of Fish and Wildlife
- Skagit County
- Trout Unlimited
- American Whitewater
- Skagit Fisheries Enhancement Group
- North Cascades Institute

Skagit River Hydroelectric Project



Skagit project:

- 3 dams
- 3 powerhouses
- 3 reservoirs
- 2 company towns
- ~100 miles of 230kV transmission lines

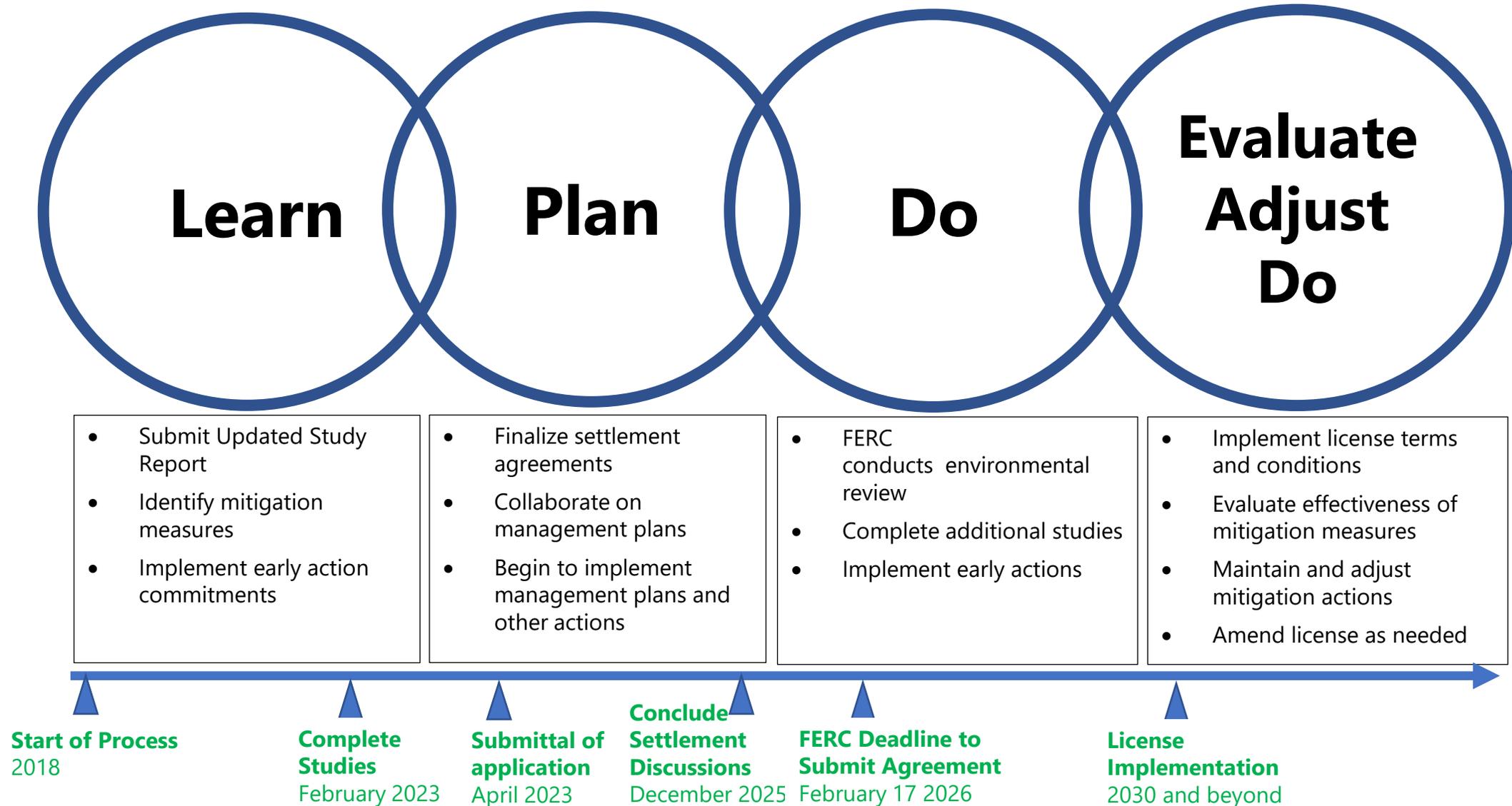
Located within the Ross Lake National Recreation Area

Generating capability is 840 MW – about 20% of City Light's power

Tribal Engagement



Skagit Relicensing Timeline



Major Components of the Comprehensive Settlement



Ross Lake forebay and Ross Dam

Ecosystem approach

- Flood Risk Management
- Fish Passage
- Other Fish Habitat Measures (estuary and mainstem, flow, etc.)
- Terrestrial and Vegetation Resources
- Recreation
- Environmental Learning Center
- Cultural Resources

Off License Agreements

Estimated Cost



Estimated Cost of New License Based upon Comprehensive Settlement Agreement

- \$4 billion total. Major Components Include:
 - \$1.8 billion capital improvements to dams and facilities
 - \$979 million fish passage
 - \$350 million off-license agreements
 - \$200 million for River Habitat Restoration
 - Other protection, mitigation, and enhancement costs
 - O&M costs

Estimated Rate Impacts

- Over the six-year 2027-2032 Strategic Plan timeframe, Skagit costs are expected to raise retail rates by ~ 5%
- This is an average increase of 0.5% per year
- For 2027 only, the rate impact is 1.0% and covers Skagit costs for 2026 and 2027.

Anticipated Settlement Benefits (if adopted by FERC)



- New 50-year FERC license that provides certainty and flexibility for Skagit Project operations (carbon-free power for Seattle)
- Restores Skagit River watershed ecosystem
- Supports salmon recovery
- Respects Treaty Tribes' fishing rights
- Addresses the historic and ongoing impacts of the dams on Tribes' cultural resources and treaty interests through compensation, land transfer, and long-term benefit-sharing and has been approved by Tribes
- Delivers benefits to the communities most impacted by the facilities
- Creates jobs through license implementation (e.g. fish habitat program)
- Reduces litigation risk and resolves potential claims
- Habitat restoration based on local priorities and voluntary land acquisition

Next Steps – Assuming Council Approval



- April- Signing ceremony at City Hall
- May- City Light files amended license application
- May- City Light begins implementation of early action settlement commitments.
- 2026- FERC begins environmental review and public comment process
- 2030- Anticipated issuance of new license and new legislation at City Council to approve signing the new license

THANK YOU



Seattle City Light