SEATTLE CITY COUNCIL

Parks and City Light Committee

Agenda

Public Hearing

Wednesday, June 17, 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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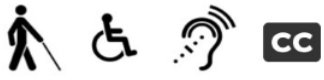

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Public Hearing

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 Res 32206 **A resolution relating to the City Light Department; acknowledging and approving the 2026 Integrated Resource Plan as conforming with the public policy objectives of The City of Seattle and the requirements of the State of Washington; and approving the Integrated Resource Plan for the biennium September 2026 through August 2028.**

Attachments:
Att 1 - SCL 2026 Integrated Resource Plan
Att 2 - SCL 2026 Integrated Resource Plan Appendices

Supporting Documents:
Summary and Fiscal Note
Presentation

Public Hearing, Briefing, Discussion, and Possible Vote (30 minutes)

Presenters: Rob Santoff, Interim General Manager and CEO, Siobhan Doherty, Kathryn Ewing, Verene Martin, Rebecca Klein, and Natalie Randall, Seattle City Light; Eric McConaghy, Council Central Staff

2 CB 121228 **An ordinance relating to the City Light Department; authorizing the execution of a five-year agreement with Washington State Ferries, a division of the Washington State Department of Transportation, for the construction of system improvements associated with Pier 48 and the Seattle Terminal (Colman Dock, Pier 52) Electrification Project and negotiation and execution of an operations agreement; and ratifying and confirming certain prior acts.**

Attachments: Att 1 - MOA SCL WSF Seattle Terminal Electrification Project
Att 2 - MOA SCL WSF Seattle Terminal Electrification Service Agreement

Supporting Documents: Summary and Fiscal Note
Presentation

Briefing, Discussion, and Possible Vote (25 minutes)

Presenters: Rob Santoff, Interim General Manager and CEO, Tamara Jenkins, Philip Ambrose, and Lizzy Kay, Seattle City Light; Eric McConaghy, Council Central Staff

3 Appt 03529 **Appointment of H Bradley Kahn as member, Board of Parks and Recreation Commissioners, for a term to 3 years from Council confirmation.**

Attachments: Appointment Packet

Briefing, Discussion, and Possible Vote (2 minutes)

Presenter: Michele Finnegan, Interim Superintendent, Seattle Parks and Recreation

4 Appt 03530 **Appointment of Phillip Meng as member, Board of Parks and Recreation Commissioners, for a term to 3 years from Council confirmation.**

Attachments: Appointment Packet

Briefing, Discussion, and Possible Vote (2 minutes)

Presenter: Michele Finnegan, Interim Superintendent, Seattle Parks and Recreation

5 Appt 03531 **Appointment of Rebecca J. Rasch as member, Board of Parks and Recreation Commissioners, for a term to 3 years from Council confirmation.**

Attachments: Appointment Packet

Briefing, Discussion, and Possible Vote (2 minutes)

Presenter: Michele Finnegan, Interim Superintendent, Seattle Parks and Recreation

6 Appt 03532 **Appointment of James Williams as member, Board of Parks and Recreation Commissioners, for a term to 3 years from Council confirmation.**

Attachments: Appointment Packet

Briefing, Discussion, and Possible Vote (2 minutes)

Presenter: Michele Finnegan, Interim Superintendent, Seattle Parks and Recreation

7 CB 121229 **An ordinance relating to King County Conservation Futures Levy proceeds; authorizing the Mayor or designee to enter into Amendment 6 to the Conservation Futures Interlocal Cooperation Agreement between King County and The City of Seattle for Open Space Acquisition Projects; authorizing the deposit of both the 2025 reallocations and the 2026 allocations from King County Conservation Futures Levy proceeds into The City of Seattle's Park and Recreation Fund; and ratifying and confirming certain prior acts.**

Attachments: Att 1 - Amendment 6 to the Interlocal Agreement

Supporting Documents: Summary and Fiscal Note
Summary Att A – Maps of Conservation Futures Levy Projects
Presentation

Briefing, Discussion, and Possible Vote (20 minutes)

Presenters: Michele Finnegan, Interim Superintendent, and Lise Ward, Seattle Parks and Recreation; Traci Ratzliff, Council Central Staff

8 CB 121230 **An ordinance relating to the Seattle Parks and Recreation; authorizing the Superintendent to identify, negotiate, and acquire real property and property rights in the Delridge neighborhood of West Seattle for the permanent preservation and expansion of the Delridge Native Forest; authorizing blanket authority for future acquisition of real property in the Delridge Native Forest including property that may have connection with Sound Transit's West Seattle Link Extension, which is expected to require park greenspace conversions; authorizing execution of purchase and sale agreements, escrow instruments, and related documents as funding is appropriated; and ratifying and confirming certain prior acts.**

Supporting Documents:
Summary and Fiscal Note
Summary Att 1 – Map of Delridge Native Forest Acquisition Area
Presentation

Briefing, Discussion, and Possible Vote (20 minutes)

Presenters: Michele Finnegan, Interim Superintendent, and Lise Ward, Seattle Parks and Recreation; Traci Ratzliff, Council Central Staff

9 Res 32210 **A resolution relating to the City Light Department; adopting a 2027-2032 Strategic Plan for the City Light Department and endorsing the associated rate path.**

Attachments:
Att 1 - SCL 2027-2032 Strategic Plan and Appendices
Att 2 - City Light Review Panel Comment Letter on Proposed 2027-2032 SCL Strategic Plan

Supporting Documents:
Summary and Fiscal Note
Presentation

Briefing and Discussion (15 minutes)

Presenters: Rob Santoff, Interim General Manager and CEO, Angela Bertrand, and Kristy Grainger, Seattle City Light; Leo Lam, Position 4 - Residential Customer Representative, City Light Review Panel Chair; Eric McConaghy, Council Central Staff

10 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.**

Supporting Documents: Summary and Fiscal Note
Presentation

Briefing and Discussion (30 minutes)

Presenters: Rob Santoff, Interim General Manager and CEO, Angela Bertrand, and Kristy Grainger, Seattle City Light; Leo Lam, Position 4 - Residential Customer Representative, City Light Review Panel Chair; Eric McConaghy, Council Central Staff

E. Adjournment

File #: Res 32206, **Version:** 1

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The City of Seattle

Resolution

A resolution relating to the City Light Department; acknowledging and approving the 2026 Integrated Resource Plan as conforming with the public policy objectives of The City of Seattle and the requirements of the State of Washington; and approving the Integrated Resource Plan for the biennium September 2026 through August 2028.

Recitals:

The City of Seattle (City) recognizes the desire of its residents to have adequate, reliable, affordable, equitable, low-risk, and environmentally responsible electric power resources.

The City recognizes the need for clean and reliable electric power resources to assure the economic well-being, health, comfort, and safety of its residents.

The City Light Department's (City Light) 2026 Integrated Resource Plan continues to emphasize energy conservation and engagement in regional energy programs and markets, resource diversity, reasonable cost, the addition of clean renewable resources, and customer participation in conservation and demand response programs.

The 2026 Integrated Resource Plan identifies additions to City Light's portfolio of electric power resources that meet anticipated customer power needs as a result of transportation and building electrification for the planning period of 2026 to 2045.

The 2026 Integrated Resource Plan recognizes that City Light continues in its role to further advance

and support leadership in regional greenhouse gas reduction, energy conservation, renewable or non-emitting energy, and electrification.

The 2026 Integrated Resource Plan is intended to conform with the State of Washington requirements under chapter 19.280 RCW for the development of integrated resource plans or progress reports by consumer-owned utilities and approval of such plans or reports by the consumer-owned utilities' governing bodies each biennium.

City Light expects to prepare the 2028 Integrated Resource Plan Progress Report for the City Council to update the 2026 Integrated Resource Plan which will include City Light's plan as needed to address changing circumstances affecting the region and City Light. Therefore,

Be it resolved by the City Council of The City of Seattle, the Mayor concurring:

Section 1. The City Council acknowledges receipt of the 2026 Integrated Resource Plan, as developed by the City Light Department (City Light) and attached to this resolution as Attachment 1, and approves the 2026 Integrated Resource Plan for the biennium September 2026 through August 2028. The Plan complies with the public policy objectives of The City of Seattle and statutory requirements of the State of Washington (chapter 19.280 RCW).

Section 2. City Light will continue to emphasize environmental leadership through its conservation programs and its compliance with the Energy Independence Act (chapter 19.285 RCW) and the Washington Clean Energy Transformation Act (chapter 19.405 RCW).

Section 3. On or before September 1, 2028, City Light will transmit to the City Council a 2028 Integrated Resource Plan Progress Report in compliance with chapter 19.280 RCW.

Attachments:

Attachment 1 - SCL 2026 Integrated Resource Plan

Attachment 2 - SCL 2026 Integrated Resource Plan Appendices

Adopted by the City Council and signed in open session in authentication of its adoption on .

President of the City Council

Signed in concurrence on .

Katie B. Wilson, Mayor
Attested on .

Scheereen Dedman, City Clerk

Seal

2026

INTEGRATED RESOURCE PLAN

Seattle City Light

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EXECUTIVE SUMMARY

Seattle City Light (City Light) is a municipal utility serving the electric load of Seattle and surrounding areas totaling approximately 513,504 residential and nonresidential customers.[1] Establishing a pathway for Seattle's energy future and defining criteria to meet the anticipated energy needs of its customers over the next 20 years requires a long-term strategy called an Integrated Resource Plan (IRP). City Light's system load forecast used for the 2026 Integrated Resource Plan ("2026 IRP Report") shows increases in average and peak loads in both winter and summer months, reflecting recent observed system conditions: the utility set a 30-year record for a high load in December 2022 and again in January 2024, and experienced a record high summer load in June 2021. In addition, severe weather and hydrological conditions have both limited generation from City Light's owned hydroelectric facilities and contributed to increased volatility in the regional wholesale energy market.

The 2026 IRP Report provides a full update to the prior full 2022 IRP Report. It reaffirms trends identified in the 2024 IRP Progress Report, addressing changes in customers' power needs as well as the existing power supply, and evolving assumptions on new power resource technologies and costs over the 2026–2045 planning horizon.[2] The findings within this report emphasize a growing need for new resource acquisitions to reliably serve customers' increasing power needs.

As part of its mission to seek new and innovative solutions, City Light deployed a new modeling framework for the 2026 IRP Report. This framework used methodologies similar to those used in previous IRPs, but the new model improved the accuracy and granularity of the IRP's representation of City Light's power supply portfolio.

The IRP provides strategic guidance based on City Light's current assessment of resource adequacy, policy requirements, transmission constraints, and available resource technologies. It recommends a portfolio designed to reliably and cost-effectively meet future energy needs based on the assumptions at the time of the analysis.

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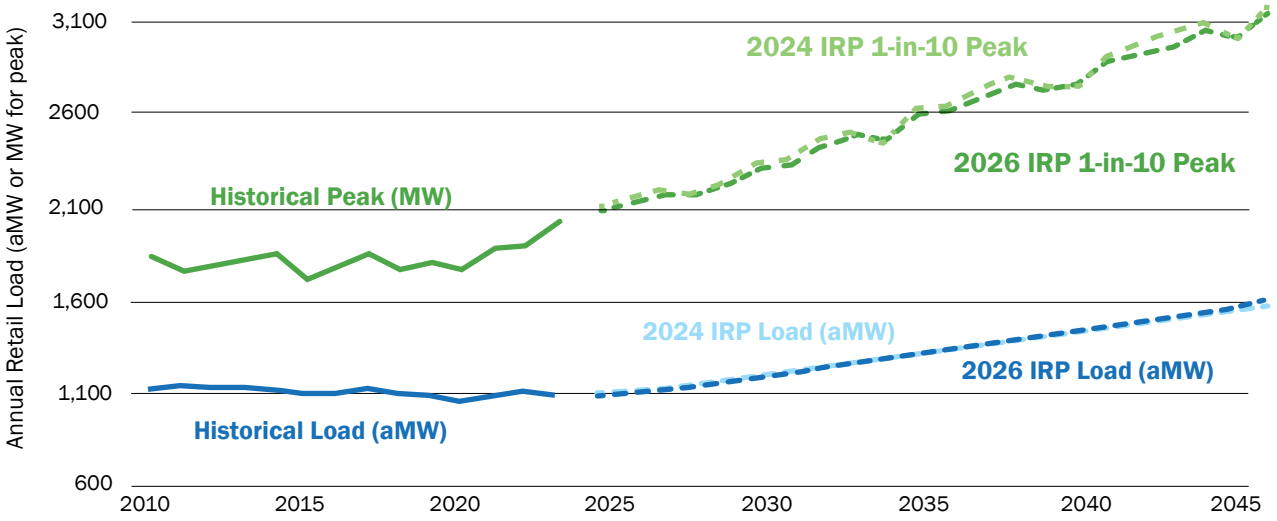
1 *This figure reflects information available through December 31, 2024.*

2 *2022 IRP Report (www.seattle.gov/documents/Departments/CityLight/2022IntegratedResourcePlan.pdf)*
2024 IRP Progress Report (www.seattle.gov/documents/departments/citylight/irp/2024irpprogressreport.pdf)

Figure 1: Load Forecast



The load forecasts used in the most recent resource plan filings (2024 IRP Progress Report and 2026 IRP Report) show increasing load growth, reflecting technology electrification and changes to City Light's customer base from economic and population growth. The 2026 IRP Report used the 2026 Demand-Side Management Potential Assessment (DSMPA)[3] study to inform the amount of conservation and demand response resources available. Figure 1 shows the anticipated change between historical and forecasted loads. The load forecasts in the 2024 IRP Progress Report and the 2026 IRP Report show relatively similar projections of energy and peak needs by 2045.

The load forecasts used in this report reflect the policy landscape as of November 2024, including city, state, and federal initiatives that have accelerated the shift from fossil fuels to electric technologies. Key policy drivers include the Seattle Climate Action Plan and Seattle Office of Sustainability's carbon-based benchmarking requirements as well as initiatives informed by City of Seattle's Building Emissions Performance Standards, Washington's Zero-Emission Vehicle Standard, and federal programs such as the Inflation Reduction Act, which included tax credits for renewable resources and electric vehicles. These policy drivers contribute to increased electrification in transportation and buildings, resulting in load peaks that are growing slightly faster than overall annual energy consumption. Winter load peaks remain the primary factor driving City Light's need for additional resources.

The energy industry is navigating a particularly volatile operating environment. In the time since the inputs for the 2026 IRP were finalized, this environment has shifted dramatically as a result of a variety of factors:

- Tax credits for many renewable energy resources have been repealed, resulting in increased cost.
- Tax credits for electric vehicles have been repealed, potentially slowing the rollout of these vehicles.
- The role of artificial intelligence (AI) has grown, leading to higher demand for data centers and increasing load forecasts.
- Market availability in the Northwest has radically shifted, with multiple studies identifying the possibility of resource shortages across the region during severe weather within the next five years.
- Development of clean, firm resources such as enhanced geothermal systems and small modular nuclear reactors (SMRs) has accelerated.

[3] *The 2026 DSMPA outlines the estimated magnitude, timing, and costs of potential resources in City Light's service territory during the period of 2026–2045. The report identifies the cost-effective potential of energy efficiency, customer-sited solar photovoltaics, and demand response across the residential, commercial, and industrial sectors. (www.seattle.gov/documents/Departments/CityLight/DemandSideManagementPotentialAssessment.pdf)*

Table 1 compares the type and magnitude of resource additions identified through the 2024 IRP Progress Report and the fully updated 2026 IRP Report. For the 2026 IRP Report, the analysis focused on established resource technologies, including solar, wind, and short-duration energy storage. The 2026 IRP Report identifies 1,711 MW-nameplate of wholesale resource additions in the first 10 years of the planning horizon (2026–2035), which is similar to the 1,825 MW-nameplate additions identified for the first 10 years of the 2024 IRP's planning horizon (2024–2033). For the second 10-year period, the 2026 IRP shows an increase of 1,873 MW-nameplate of wholesale resource additions, which is much larger than the 525 MW-nameplate in the 2024 IRP Progress Report.

In the 2026 IRP Report, City Light identified that most of the system's resource adequacy risk comes from multiday weather events. The meteorological conditions that cause City Light's load to increase (multiday heat waves in summer and cold snaps in winter) also tend to cause low wind and low solar irradiance conditions. Thus, if a multiday weather event occurs during an extended period of poor hydrological conditions, the region could experience multiple consecutive days of low hydro, solar, and wind energy, which would present a high risk of insufficient generation for serving loads directly or for recharging short-duration batteries. A candidate portfolio built only on wind, solar, and short-duration batteries requires a high volume of capacity additions to overcome the weather dependency of these resources as modeled. But even if it meets City Light's resource adequacy target (an expectation of one day with lost load in ten years) a candidate portfolio reliant on only wind, solar PV, and short-duration battery additions is still not guaranteed to produce power when it is needed. Clean, firm technologies such as the advanced technology resources evaluated in the 2026 IRP Report will be an integral part of a reliable future portfolio.

Table 1: Comparison of Resource Additions in 2024 IRP Progress Report and 2026 IRP Report

	2024 IRP Progress Report			2026 IRP Report		
New Resource Additions (MW-Nameplate, unless noted)	**2024–2033**	**2034–2043**	**TOTAL**	**2026–2035**	**2036–2045**	**TOTAL[1]**
Battery	200	0	200	109[2]	251	360
Solar	375	0	375	600	0	600
Solar + Battery	50	25	75	0	0	0
Wind	1,100	100	1,200	1,002	1,308	2,310
Enhanced Geothermal	100	300	400	0	0	0
Offshore Wind[3]	0	100	100	0	0	0
Firm Energy Purchases[4]	0	0	0	0	314	314
Wholesale Resource Subtotal	**1,825**	**525**	**2,350**	**1,711**	**1,873**	**3,585**
Conservation (aMW)	80	49	129	78	25	103
Customer Solar Programs (aMW)	12	21	33	14	23	37
Demand Response (MW)	26	25	51	15	-1[5]	14
TOTAL	**1,943**	**620**	**2,563**	**1,818**	**1,920**	**3,738**
2026 IRP Transmission Additions				302	204	505

[1] *Subtotal and totals may vary due to rounding.*
[2] *While modeled separately for the 2026 IRP, 83 MW of battery additions are considered to be co-located with solar for the 2026–2035 period.*
[3] *Enhanced geothermal and offshore wind were not evaluated in the main analysis to prevent the uncertainty of the technology availability and price from affecting the selection of other resources. Enhanced geothermal was evaluated along with other advanced technologies in a break-even analysis discussed later in this report; however, the viability of offshore wind has become more uncertain, so offshore wind was not included in the analysis.*
[4] *City Light did not offer Firm Energy Purchases in the 2024 IRP. For more information see page 12 and Appendix 9: Resource Adequacy.*
[5] *Demand response modeling includes customer attrition resulting in a reduction of resource additions.*

THE FINDINGS ABOVE CULMINATE IN FOUR KEY TAKE-AWAYS:

1. Within the 2024 IRP Progress Report, 2026 DSMPA, and 2026 IRP Report, City Light has forecast **sustained load growth** through the studies' 20-year planning horizons. This trend reflects shifts in its customer base due to regional economic and population growth, alongside rising electricity needs from transportation and building electrification. Transportation and building electrification have an outsized impact on **projected winter peaks.**

2. Meeting future electricity needs will require **adding new resources to City Light's portfolio, including wind, solar PV, and batteries, as well as firm capacity and new transmission.**

3. Projected load growth drives both the timing and scale of resource additions, leading to a steadily increasing **need for new resources throughout each decade of the planning horizon.**

4. **Carbon-free, firm resource options that can reliably meet demand without weather-driven intermittency will be essential** to City Light's power supply portfolio. These resources include additional hydropower, enhanced geothermal systems, SMRs, hydrogen, and long-duration energy storage systems. City Light will evaluate these advanced technology resources in depth.

INTRODUCTION

IRP LEGAL REQUIREMENTS

Washington law (RCW 19.280) requires all electric utilities with more than 25,000 customers to develop comprehensive resource plans that identify strategies to meet their customers' electricity needs in the short and long term.

City Light is required to file an IRP, alternating between a progress report or a fully updated IRP every two years. Full IRPs are comprehensive resource plans that outline the mix of generation resources City Light intends to use to meet customer electricity needs over the planning horizon. Progress reports provide updates on forecast conditions and their impacts to the IRP's future preferred portfolio. City Light produced its last full IRP in 2022 and its last progress report in 2024. It will produce its next IRP progress report in 2028 and its next fully updated IRP in 2030.

Since 1910, City Light has delivered reliable, affordable, and environmentally responsible energy to its customers. As the utility plans for the future, it must account for growing power supply demands from its customers while prioritizing emissions reductions to ensure an equitable clean energy transition for all stakeholders. This must be done while maximizing affordability for customers and reducing rate pressure.

City Light remains committed to minimizing environmental impacts of its power supply portfolio. Notably, it has operated as greenhouse gas (GHG) neutral since 2005—and was the first electric utility in the nation to achieve this distinction. City Light's 2026 IRP Report outlines the resources needed to meet customers' anticipated power needs at the lowest cost under changing market dynamics, evolving policies, and future uncertainties over the period of 2026 to 2045.

Long-term power resource planning requires ongoing evaluation of conditions that affect power supply needs, costs, and risks. These considerations include the potential of energy efficiency, demand response, distributed resources, and new supply-side resource additions, as well as the need to ensure reliability, environmental stewardship and compliance with Washington state's carbon-free and renewable energy mandates.

City Light created the 2026 IRP as part of good utility practice and developed it with guidance from the Mayor of Seattle, Seattle City Council, input City Light collected from customers and the Review Panel, and Washington state law—including the Energy Independence Act (I-937) and the Clean Energy Transformation Act (CETA).

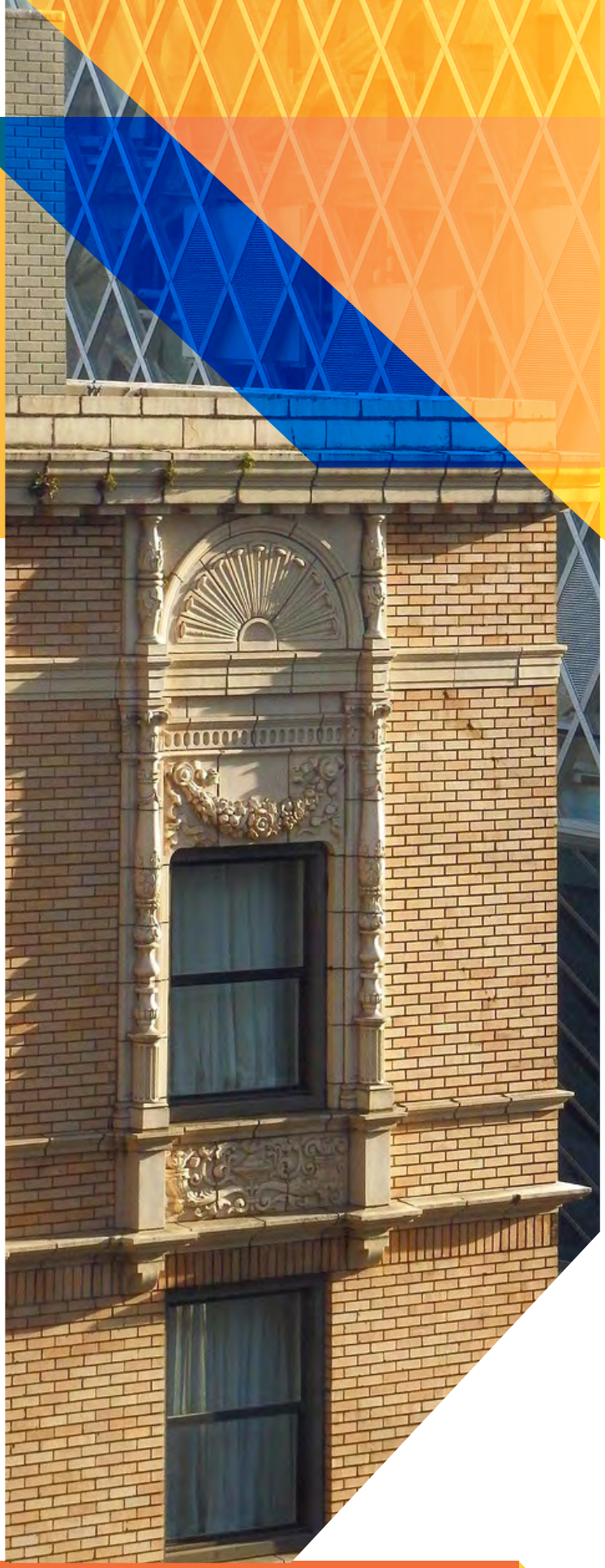
Following are the primary goals for City Light's IRP:

- Forecast the energy and capacity needed to meet customer demand throughout the planning period.
- Determine the utility's capability to supply those needs and ensure flexibility during load fluctuation.
- Define the capability and cost of current and prospective resources.
- Evaluate potential future City Light portfolios based on reliability, cost, risk, and environmental impact.
- Provide guidance for future resource acquisition.

New Model Framework

For the 2026 IRP, City Light used a mathematical optimization modeling framework similar to the methodologies used in previous IRPs to identify the most cost-effective and reliable mix of demand-side resources (including conservation and demand response) and commercially available supply-side resources to meet projected future demand. The supply-side resources comprise utility-scale wind farms, solar PV plants, and short-duration energy storage to supplement City Light's existing power supply portfolio. City Light also considered carbon-free advanced technology resources as part of the 2026 IRP. These were evaluated in separate break-even analyses discussed later in this report and in Appendix 11: Advanced Technology Break-even Analyses. The 2026 IRP model incorporated City Light's system load forecast, projected regional wholesale energy market prices and conditions, transmission constraints, and policy requirements through the 20-year study period from 2026 through 2045.

City Light retained Sylvan Energy Analytics ("Sylvan") for the 2026 IRP and used Sylvan's open source model, GridPath, to identify the most cost-effective and reliable supply-side resource additions to City Light's portfolio to meet expected future loads at a reliability level consistent with its resource adequacy standard. Within GridPath, City Light and Sylvan were able to enhance the representation of the utility's resources and transmission assets by increasing modeled resource flexibility and overall accuracy.



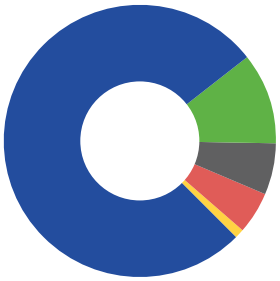
CURRENT RESOURCE PORTFOLIO

City Light has cultivated its existing resource portfolio to be among the cleanest and lowest cost in the nation. Its current portfolio includes many past investments in energy efficiency, City Light–owned hydropower resources, existing hydropower and renewable contracts from regional partners, and wholesale power market purchases. Energy efficiency program participation has helped to reduce City Light customers' energy use. Projecting future program participation, the 2026 DSMPA and 2026 IRP Report anticipate the continued utilization of energy efficiency, customer solar, and demand response programs as resources to meet customer power needs.

Approximately 77% of City Light's total power mix comes from carbon-neutral hydroelectricity. In a typical year, about half of this hydropower comes from City Light's fully owned hydroelectric projects on the Skagit and Pend Oreille Rivers and the remaining half is purchased from the Bonneville Power Administration (BPA), a nonprofit federal power marketing agency. BPA provides approximately 40% of City Light's power. In addition to hydropower, BPA also supplies City Light with nuclear, unspecified, and a share of City Light's wind power mix. Wind power has become a larger component of City Light's resource supply, partly as a result of City Light's power purchase agreement of a 50 MW wind project in Oregon. The remainder of City Light's power mix comes from various renewable energy sources, with the addition of 87 MW of solar in the next few years. In addition to energy generation, City Light's hydroelectric facilities support flood risk mitigation, fish habitat protection, and recreational use of reservoirs. In coordination with City Light, Seattle Public Utilities operates two projects for municipal water supply. City Light's power mix for 2024 is shown in Figure 2.

City Light's generation mix remained roughly the same as reported in the 2024 IRP Progress Report, with the majority of energy coming from hydropower and a relatively even split between owned and contracted generation. Additionally, City Light has continued to participate in regional wholesale power markets and regional planning committees, including the Western Energy Imbalance Market (since 2020), the Western Power Pool, and the Western Resource Adequacy Program (WRAP).

Figure 2: City Light's 2024 Power Mix



HYDRO	77%
WIND	11%
UNSPECIFIED[1]	6%
NUCLEAR[2]	5%
BIOGAS	1%
TOTAL	100%

[1] *Unspecified energy consists of market purchases that are assigned to the utility including purchases made by City Light to balance or match its loads and resources, along with market purchases made by BPA. Unspecified energy may incidentally include coal or natural gas resources. Any emissions associated with unspecified market purchases are offset through City Light's GHG neutrality policy.*

[2] *This fuel represents a portion of the power purchased from BPA.*

The following section lists each resource, its generation in 2024, and for contracted resources, when the contract is set to expire. A full discussion of the current energy resource portfolio can be found in Appendix 1: Current Resource Portfolio.

City Light's largest power purchase contract is with BPA. This contract allows City Light to receive power from 31 federally owned and operated hydroelectric projects and several thermal and renewable projects in the Pacific Northwest. The energy is delivered over BPA's transmission grid. City Light's current BPA contract will expire in 2028. In December 2025, City Light executed a contract to continue purchasing power from BPA for the period from 2028 through 2044. City Light will switch from its current BPA Block product to the BPA Slice/Block product at the start of the new contract in October 2028. The Slice/Block product offers City Light a simulated "slice" of the BPA system's hydroelectric capability, which will provide greater operational flexibility to manage new renewable resources and extreme peak loads. However, this greater flexibility and capability comes with increased operational complexity and variability in energy delivery, as well as a dependence on annual hydro conditions. As shown in Table 2, City Light's resource portfolio in 2024 includes City Light's owned generation and purchase contracts that total over 9,800 GWh.

Table 2: City Light's 2024 Energy Resources

Resource	2024 Energy Produced (MWh)	% of Grand Total	Year Contract Expires
Owned Generation			
Boundary	3,025,434	30.7%	-
Gorge	689,925	7.0%	-
Diablo	363,142	3.7%	-
Ross	411,631	4.2%	-
Cedar Falls	6,841	0.1%	-
South Fork Tolt	44,885	0.5%	-
Total Owned	**4,541,858**	**46.1%**	**-**
Contracts			
BPA Block	4,278,100	43.4%	2028
Priest Rapids	19,184	0.2%	2052
Columbia Basin Hydro	251,860	2.6%	2025–2027
High Ross	315,307	3.2%	2066
Seven Mile	3,263	0.0%	2066
Lucky Peak	290,821	3.0%	2038
Columbia Ridge	69,446	0.7%	2025
King County WW	9,647	0.1%	2033
Condon Wind	73,861	0.7%	2028
Total Contracts	**5,311,489**	**53.9%**	**-**
Grand Total	**9,853,347**	**100.0%**	**-**

Demand-Side Resource Programs

The programs in the selected resource portfolio from the 2026 DSMPA were used as inputs for the 2026 IRP Report. Table 3 shows City Light's economic achievable potential conservation targets by sector from the 2026 DSMPA.

Table 3: Achievable Economic Potential Conservation Targets (aMW)

Sector	2-Year (2026–2027)	4-Year (2026–2029)	10-Year (2026–2035)	20-Year (2026–2045)
Residential	3	5	9	13
Commercial	17	31	62	82
Industrial	1	3	6	8
TOTAL[1]	**21**	**39**	**78**	**103**

[1] *Subtotal and totals may vary due to rounding.*

Table 4 summarizes demand-side resources from the 2026 DSMPA used in the 2026 IRP Report by program category and for the resource plan reporting intervals.

Table 4: Achievable Economic Potential of Demand-Side Resources

New Resource Additions	2-Year (2026–2027)	4-Year (2026–2029)	10-Year (2026–2035)	20-Year (2026–2045)
Conservation (aMW)	21	39	78	103
Customer Solar Programs (aMW)	2	4	14	37
Demand Response (MW)	6	12	15	14[1]
TOTAL[2]	**29**	**55**	**107**	**154**

[1] *Demand response modeling includes customer attrition resulting in a reduction of resource additions.*
[2] *Subtotal and totals may vary due to rounding.*

TRANSMISSION

The majority of City Light's resources are delivered on BPA's transmission system. As the largest regional Transmission Provider, BPA conducts a comprehensive transmission planning process to ensure that it meets its customers' needs. City Light actively participates in these processes and intends to submit formal transmission requests required under RCW 19.280.030(1)(f)(ii) when necessary. Through ongoing engagement, City Light will ensure that its transmission needs are addressed as new resources are added to its portfolio.

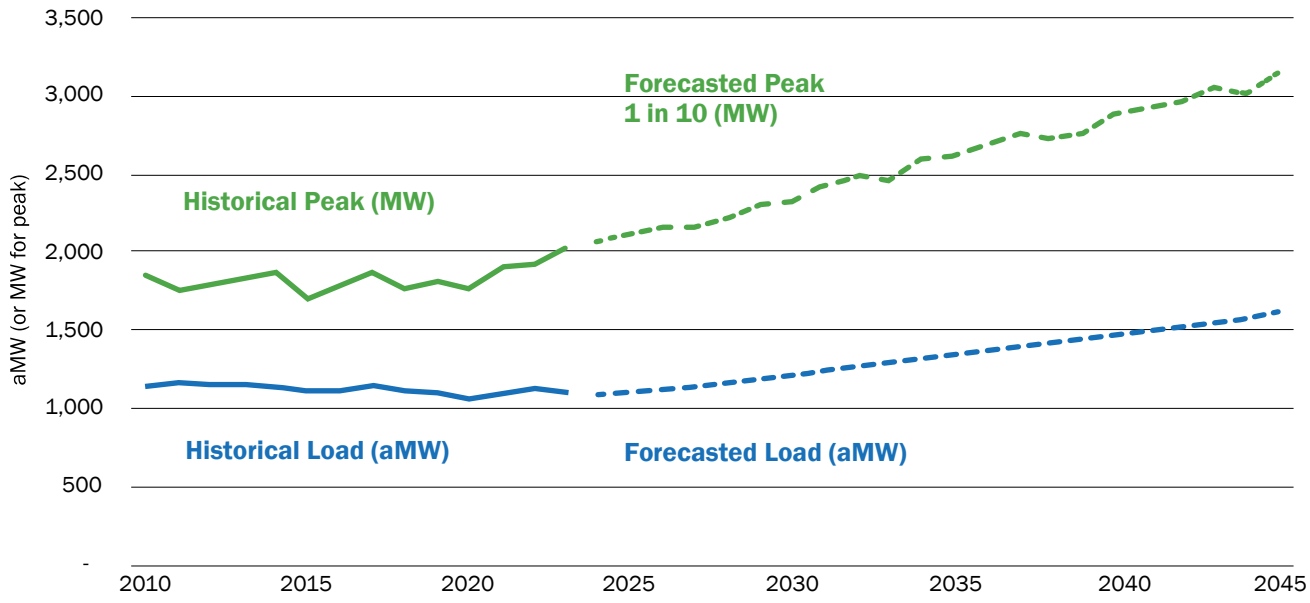
The 2026 IRP modeling evaluated future transmission needs. Full details can be found within the Appendix 7: Transmission.

LOAD FORECAST

An initial step in assessing the need for additional resources is forecasting City Light's future electricity demand. To determine future electricity demand, City Light forecasts how much total energy customers will likely consume over a period of time (load), as well as the maximum amount of energy they will likely consume in a single hour of the year (peak demand).

The system load forecast completed in late 2024 (shown in Figure 3) represents the utility's best estimate for how its retail load will change over time, as of the start of the 2026 IRP study. Consistent with many other utilities' projections, City Light's load forecast is higher than previous versions (pre-2024) primarily due to updated assumptions regarding electrification of the building and transportation sectors. The forecasts used in this report reflect the policy landscape as of November 2024, of city, state, and federal policies that have collectively accelerated the adoption of electric technologies over their fossil fuel–based alternatives. The load forecast also factors in additional elements, including projected population growth over the next two decades, a realistic amount of data center growth, and the impacts of a changing and more volatile climate in City Light's service area. Since the development of this load forecast, there have been some significant changes including the federal roll back of electric vehicle (EV) incentives and data center growth. These changes will be accounted for in subsequent load forecasts and resource planning. For more information on the load forecast, see Appendix 3: Load Forecast.

Figure 3: November 2024 Load Forecast Used in 2026 IRP



Note: Peak values are measured in megawatts (MW). Load is measured in average annual megawatts (aMW). Energy efficiency and customer rooftop solar are not incorporated into this view of the forecast, as they are incorporated later in IRP modeling as a resource that serves load.

REGULATORY ENVIRONMENT

City Light's approach to modeling the regulatory environment has been relatively consistent since the 2024 IRP Progress Report. The following sections summarize the treatment of compliance obligations in the 2026 IRP. For more detailed summaries of the regulations, please see Appendix 4: Regulatory Requirements.

I-937 Energy Independence Act

The Washington State Energy Independence Act, also known as I-937, requires electric utilities serving at least 25,000 retail customers to use minimum amounts of eligible renewable energy to serve their customers and requires them to fund cost-effective energy conservation. To comply with I-937 requirements, City Light used the Act's "no-load growth" compliance option from 2019 through 2023. However, as load increased due to continued growth in transportation and building electrification in City Light's service territory, City Light switched to the Act's 15% eligible renewable energy target option starting in 2024 and expects to continue using that option through the study period. City Light updates its load forecast annually; reliability and regulatory planning will continue to follow the load forecast and other applicable information.

Clean Energy Transformation Act (CETA)

CETA requires utilities to meet specific GHG targets by 2030 and 2045 and to prepare plans for how they will meet these targets: Clean Energy Implementation Plan (CEIP) and Clean Energy Action Plan (CEAP). City Light submitted its second CEIP to the Washington Department of Commerce under CETA in 2025. Appendix 4: Regulatory Requirements outlines City Light's 10-year CEAP that allows City Light to meet its goals around reliability, affordability, and environmental responsiveness, while also complying with regulatory requirements and ensuring service equity.

CETA also requires utilities to consider the social cost of greenhouse gas (SCGHG)[4] when developing IRPs and CEAPs.[5] The SCGHG affects decisions about whether to fulfill energy shortfalls with new supply- or demand-side energy additions or to purchase electricity from the market. In this evaluation, market purchases were assumed to be unspecified and therefore have a SCGHG penalty added to the price. City Light updated SCGHG values for the 2026 IRP Report.

Climate Commitment Act (CCA) and Clean Fuel Standard (CFS)

Washington's CCA and CFS were passed in 2021. Impacts of the policies were incorporated into the 2024 system load forecast, which contributed to increased building and transportation electrification. Legislation-related updates were also incorporated into City Light's 2026 DSMPA through its engagement with its consultant, Cadmus; otherwise, no updates specific to the IRP modeling were required.

[4] *www.utc.wa.gov/regulated-industries/utilities/energy/conservation-and-renewable-energy-overview/clean-energy-transformation-act/social-cost-carbon*

[5] *Revised Code of Washington related to IRPs that governs SCGHG methodology is 3a under 19.280.030.*

RESOURCE ADEQUACY

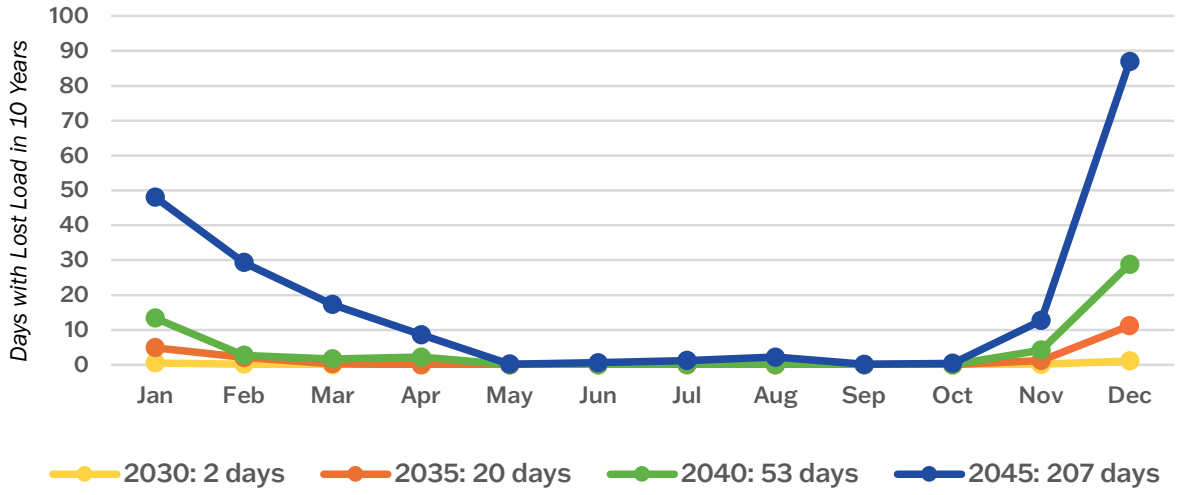
Ensuring adequate generating resources to meet customer power needs is an urgent and immediate challenge. To identify these resource needs, City Light performs resource adequacy assessments as part of its IRP analyses to estimate how much generation will be needed to ensure reliability. Without these assessments, City Light may find itself with insufficient resources to serve customers.

For the 2026 IRP, City Light evaluated resource adequacy using the production cost model within GridPath, focusing on the years 2030 and 2035. This analysis considers 870 possible combinations of 29 distinct weather years and 30 distinct hydro years as modeled by the Northwest Power and Conservation Council. The industry standard is that a portfolio must not exceed a 0.1 Loss of Load Expectation (or one day with lost load in 10 years). To ensure reliability within this threshold, City Light also assesses multiple other resource adequacy metrics. In addition, City Light calculates Western Resource Adequacy Program's Qualified Capacity Contribution requirements separately from the GridPath model runs. This process builds a portfolio that best meets all of City Light's future needs.

Figure 4 shows the expected number of days with lost load in 10 years over the 870 different weather and hydro years, indicating how well City Light's current resource portfolio meets future loads. If simulations show more than one day with lost load on average, the portfolio does not meet City Light's resource adequacy requirements. For more information refer to Appendix 9: Resource Adequacy.

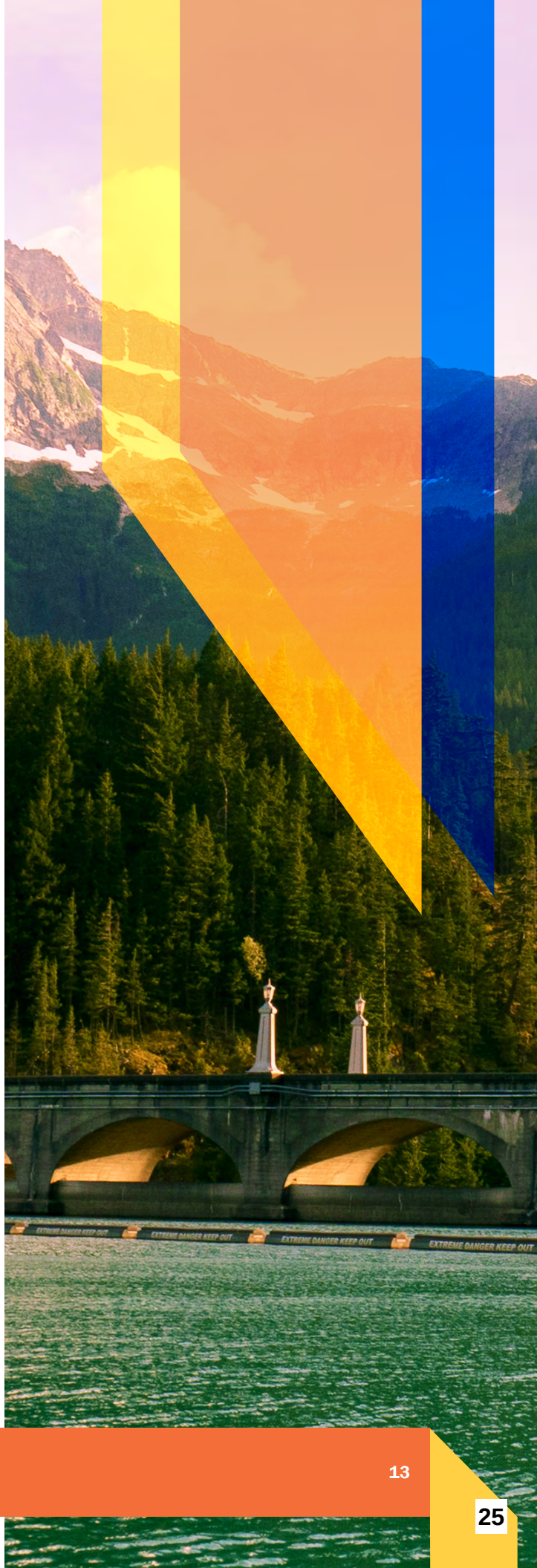
This graph shows that by 2030, City Light's current resources would not be adequate to meet load, with 1.1 days in the month of December alone expected to exceed the resource adequacy maximum. City Light's largest resource need continues to occur in the winter, when poor hydro years combined with multiday cold snaps create the largest risk for energy shortfalls. In later years, this risk increases as load and peaks continue to rise. By relying on weather-dependent resources, City Light risks not meeting load during critical months. As such, City Light needs to consider acquiring firm resources so it can reliably meet load.

Figure 4: Yearly Lost Load with Current Portfolio



For the 2026 IRP, City Light's IRP team used Sylvan's GridPath model to build candidate portfolios that would help City Light continue to reliably serve load over the 20-year study period. The IRP team modeled 32 representative days for key study years (2026–2030, 2035, 2040, and 2045). Twenty-four of the 32 representative days of each modeled year comprised two typical days per month (one weekday and one Sunday or holiday) under typical weather conditions. For the other eight days, the model used the day with the most unserved energy out of all 870 possible futures for each of eight months when only City Light's current resource portfolio could be used to serve load. April, May, September, and October did not have any days with resource needs, so they did not contribute any days in this category to the portfolio expansion model. Over the total 32 representative days per modeled year, no unserved energy was allowed when building the portfolio.

To ensure that the 2026 IRP's candidate portfolios met City Light's resource adequacy requirement without relying on an unrealistic amount of intermittent wind and solar power, the IRP team added firm capacity products to the portfolios. To determine the quantity of firm capacity required for each candidate portfolio, City Light evaluated the resource adequacy of each portfolio across all days of key modeled study years covering the 20-year planning horizon, under all 870 weather and hydro combinations. This comprehensive assessment revealed whether the number of days with lost load exceeded the resource adequacy standard—defined as no more than one day in 10 years with lost load. To close this gap, City Light added firm capacity resources until the portfolio achieved that standard. These firm capacity resource additions, as modeled in the IRP, are equivalent to resource options such as baseload resources like SMRs and enhanced geothermal, forward wholesale energy market purchases such as those that City Light's power marketers already routinely transact, and power contracts with firm energy provisions that can be negotiated by the utility's power contracts team. City Light limited wholesale energy market purchases to 200 MW in regionally constrained hours. For more information on power marketing, market prices, and modeling framework and see Appendix 1: Current Resource Portfolio, Appendix 6: Market Prices, and Appendix 8: Model Framework, respectively.



RESOURCE ADDITIONS

Meeting the electric needs during the study period requires the addition of new resources during the 20-year planning horizon. Table 5 presents the recommended supply-side resource additions identified through the analysis. Resource additions are grouped by resource type and reporting interval, consistent with the 2026 IRP regulatory filing templates.

Table 5: Resource Additions Selected Using GridPath

New Resource Additions	2026–2030	2031–2035	2036–2045	TOTAL
Short-Duration Energy Storage	109	0	*251*	360
Solar PV	600	0	0	600
Wind	424	578	1,308	2,310
Firm Capacity Products	0	0	314	314
Supply-Side Resource Total[1]	**1,133**	**578**	**1,873**	**3,585**
2026 IRP Transmission Additions	0	302	204	505

[1] *Subtotal and totals may vary due to rounding.*

Supply-Side Resource Options

As part of the 2026 IRP, City Light considered several candidate supply-side resources to supplement both the planned demand-side resource additions identified in the 2026 DSMPA and the utility's current owned and contracted portfolio including the Slice/ Block product choice under the BPA Provider of Choice contract, effective 2028. The study considered only carbon-free generation resources for addition to City Light's power supply portfolio. Candidate resources were split into two categories: established technologies and advanced technologies.

Established technologies are technologies that are currently available for development and operation on a utility scale. The established resource technologies considered were wind, solar PV, short-duration energy storage, and co-located solar PV and short-duration energy storage. Cost assumptions for established technologies were finalized in 2024; shortly after, the federal administration rolled back several renewable incentives. As such, the cost assumptions for established resources in the 2026 IRP do not necessarily reflect the price changes under the current federal administration. City Light's model included its existing transmission capacity for importing power into its service territory in times of need and at other times for exporting excess power from its generation resources to the wholesale energy market. When developing the optimal power supply portfolio, the model considered the cost of a new generation resource plus the cost of any transmission additions required to reliably meet City Light customers' power requirements.

Because City Light cannot use weather-dependent resources such as wind and solar during periods without wind or sun, City Light continues to explore the possibility of acquiring carbon-free firm resources, which it classifies as "advanced technologies." These resources will be critical to building a reliable and clean portfolio. The advanced technology resources City Light has considered are long-duration (multiday) energy storage, enhanced geothermal systems, SMRs, and green hydrogen peaker plants. City Light chose to model advanced technologies in an alternative analysis to prevent the substantial uncertainty around costs and timing of commercial availability of these resource technologies from influencing model guidance on less uncertain (established technology) portfolio resource options. As such, the IRP team performed break-even analyses separately for each advanced technology resource type.

The break-even prices include the capital cost of the resource, operations and fuel costs when required, and any additional transmission costs to deliver the power to the wholesale energy market hub nearest to City Light's service territory. The break-even analysis results showed that baseload resources were estimated to be worth two to four times the cost of the equivalent nameplate capacity of solar resources, when added to the portfolio in 2035. Baseload resources would provide energy that could consistently serve City Light's load day or night, regardless of weather conditions, which provides increased value over the intermittent, daytime-only power provided by a typical solar PV plant, even east of the Cascade Mountains. However, baseload resources cannot easily be turned off when energy is not needed, which means sometimes excess energy must be sold on the wholesale energy market at a net loss.

Green hydrogen peaker plants and long-duration energy storage were found to be worth approximately 17 times the cost of the equivalent amount of short-duration energy storage in 2035, as shown in Table 6. In contrast to baseload resources, both of these resource types can easily be cycled on and off and are therefore operated to provide additional energy only when economically advantageous. This leads to these two resource types offering significantly more value relative to baseload and other resources present in the break-even analysis portfolio by 2035. Additionally, recent resource adequacy studies in the Pacific Northwest have shown that multiday extreme weather events, such as the cold-snap in January 2024, pose the greatest reliability risk to the region, which further contributes to the value offered by both green hydrogen peaker plants and long-duration energy storage to City Light's power supply portfolio.

As shown in Table 6, the break-even analysis results for each of these advanced technologies show significant value to City Light beyond the value offered by established technology resources. While the 2024 IRP Progress Report offered some advanced technology resources to the portfolio expansion model a few years earlier than 2035, the break-even analysis results from the present 2026 IRP are consistent with the conclusion that clean, firm advanced technologies, such as enhanced geothermal or SMRs will be a critical component of City Light's portfolio as soon as they become commercially available on a utility scale.

If City Light could access firm resources, those firm additions could offset the volume of resources City Light would need to acquire by 2035 (Table 6), therefore potentially saving the utility money. As IRPs are repeated every two years, for the 2028 IRP, City Light will perform an in-depth analysis on clean, firm technologies to determine the best fit for these technology types within its portfolio. City Light will also be able to evaluate the potential value-add of specific bids for advanced technologies at the time the utility receives these bids in response to new resource acquisition requests for proposals.

Table 6: Advanced Resource Price Breakdown

Advanced Resource Type[1]	Relative Break-even Value (% of established)
Baseload Resources (SMRs and enhanced geothermal)	261% to 375% of solar PV cost
Green Hydrogen Peaker Plants	1,663% to 1,732% of short-duration energy storage
Long-duration energy storage	1,732% to 1,857% of short-duration energy storage

[1] *City Light did not evaluate Offshore Wind in the 2026 IRP. For more information see Appendix 11: Advanced Technology Break-even Analyses.*

PUBLIC INVOLVEMENT

City Light convened an external advisory panel to provide feedback on the development of its IRPs. The panel comprises individuals representing customers, environmental organizations, regional energy-related governmental organizations, and academics. While conducting the modeling and analyses for the 2026 IRP Report, City Light hosted five meetings with the external IRP advisory panel covering topics such as energy conservation, climate policies, load forecasts, resource adequacy, IRP modeling assumptions, and many other energy-related issues. The timeline for the advisory panel feedback, which helped to shape the IRP process, findings, and recommendations is shown in Figure 5. For more information on public outreach see Appendix 12: Community Outreach and Public Involvement Process.

Member	Organization
Steve Gelb, Roz Jenkins	Emerald Cities Collaborative
Dr. Angela Griffin	Byrd Barr
Paul Munz	Former Bonneville Power Administration
Jeremy Park	University of Washington
Yuri Rodrigues	Seattle Pacific University
Mike Ruby	Envirometrics, Inc.
Elizabeth Osborne	Northwest Power and Conservation Council
Austin Scharff	WA Department of Commerce
Kevin Schneider	Pacific Northwest National Laboratory
Terry Sullivan	King County
John Ollis	Northwest Power and Conservation Council
Charlee Thompson	Northwest Energy Coalition

Figure 5: Timeline of External IRP Advisory Panel Meetings

November 6, 2024

Introductions, Content and Framing, 2026 IRP Overview, Timeline, New IRP Approach, 2026 DSMPA Plan

January 15, 2025

2026 IRP Report Overview, 2026 Load Forecast, IRP Input Assumptions (Transmission, BPA Product Choice, Resource Options, Wholesale Process)

April 2, 2025

2026 IRP & DSMPA Staggered Approach, 2026 DSMPA Preliminary Results (EE and DR), Existing Resources

July 17, 2025

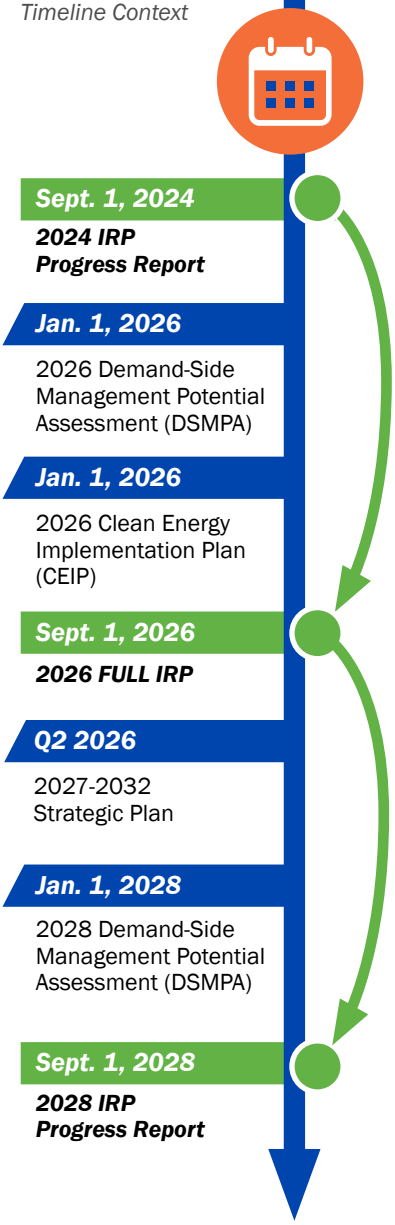
DSMPA Background and Context, 2026 IRP/DSMPA Model, Capacity Expansion Model, Resource Adequacy, Setting Targets

September 24, 2025

IRP Recap, 2026 IRP Results, Monthly Resources Need, Firm Energy Additions, Advanced Resources

CONCLUSION

Figure 6: Integrated Resource Plan (IRP) Timeline Context

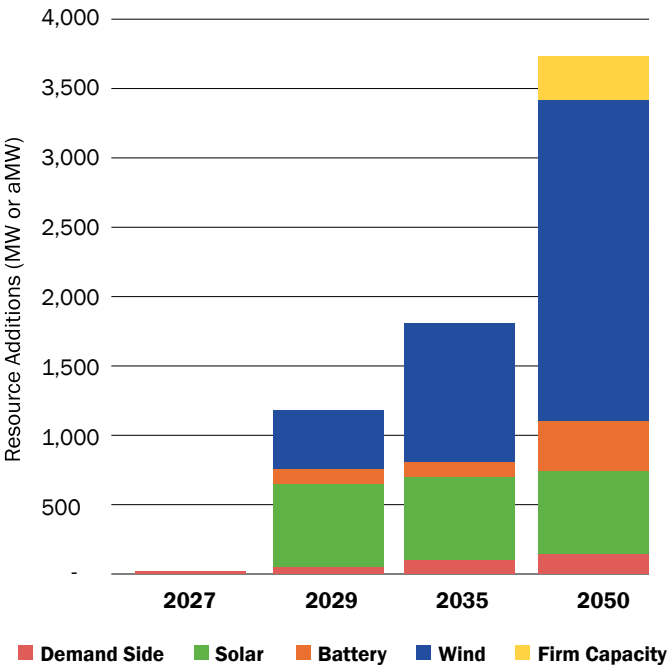


As the IRP timeline in Figure 6 indicates, the 2026 IRP Report findings build on the results and trends from the 2024 IRP Progress Report and show the actions City Light is taking to plan for its customers' future power supply needs. For the 2026 IRP, City Light selected a portfolio consisting of a diverse set of commercially available utility-scale generation resources comprising wind farms, solar PV projects, short-duration energy storage, and solar PV projects co-located with short-duration energy storage. There is a risk associated with being fully reliant on weather-dependent resources that cannot be used during times with minimal wind or minimal sun. This has made City Light interested in the possibility of acquiring additional firm power supplies. This portfolio was developed under the most conservative of the assumptions around short-term energy market reliance during times of regionally energy-constrained conditions. Because the effect of responding to extreme events on regional market conditions is both difficult to forecast on a long-term basis and requires computationally expensive modeling to explore, the utility selected the more conservative scenario as the most prudent choice.

City Light observed the following key changes from the 2024 IRP Progress Report:

- City Light's load forecast shows a small increase in expected loads over the 20-year study period. However, the forecasted peak loads over the study period show a greater rate of growth than for both the annual average load and the previous peak load forecast. This underscores the value of flexible generation resources, reliable baseload resources, and demand-side management solutions in City Light's future power supply portfolio. Again, this load forecast was developed in November 2024 prior to shifting policies on EV adoption and increases in data center requests.
- Considering only established, carbon-free resource technologies, City Light will need to add a very large and diversified mix of these resources (wind, solar PV, and short-duration energy storage) to its portfolio to provide reliable services, which will come at a great cost to the utility. The size of the portfolio needed is significantly affected by City Light's assumptions about its ability to rely on firm power from wholesale marketing opportunities, and City Light should reevaluate these assumptions in the next IRP cycle. Besides market assumptions, new resource technologies could potentially provide alternative sources of firm power to greatly reduce City Light's portfolio size to ensure that City Light can continue to deliver electricity to its customer-owners reliably, sustainably, and at the least cost.

Figure 7: Selected Resource Additions by Category



The final 2026 IRP selected resource additions in Figure 7 show wind power to be the predominant resource by 2050. The amount of new resource additions is largely due to wind power's intermittency. City Light is interested in further evaluating clean, firm resources in the next IRP, as the lack of intermittency of firm resources could greatly reduce the portfolio size needed to deliver reliable power. The present study has produced estimates of break-even costs of advanced clean, firm resource technologies for internal guidance. City Light will monitor and perform deeper analyses of the development and commercial availability of these technologies to determine when these technologies could benefit City Light's power supply portfolio.

Future Work

As the electric power system evolves and transitions to renewable and carbon-free energy resources, the tools, processes, inputs, and assumptions in long-term resource planning must evolve with it. In addition to iterating on its IRP model, City Light has identified several areas of future work to continue to improve analysis in the next full IRP in 2030.

TRANSMISSION

Consistent with conclusions in both City Light's 2022 IRP Report and 2024 IRP Progress Report, improvements to the transmission system will be critical to meet clean energy targets and electrification goals established by city and state legislation. City Light will continue to develop and refine its transmission modeling, as transmission is one of the largest unknowns in modeling system reliability and a critical component in valuation of non-wires resources to City Light's power supply portfolio.

ADEQUACY PLANNING

City Light is working to include additional resource adequacy metrics in its planning models to obtain a detailed, multidimensional method of quantifying and assessing total system reliability.

CLEAN-FIRM RESOURCES

Clean, firm resources will be an essential component of a reliable portfolio. City Light will continue to evaluate carbon-free, firm resource options that can reliably respond to changes in demand, including enhanced geothermal systems, SMRs, green hydrogen generation, multiday-duration energy storage, and other advanced technologies.

MARKET ASSUMPTIONS

City Light will continue to refine and update marketing assumptions and scenarios as it considers day-ahead markets in the West.

Seattle City Light

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The 2026 INTEGRATED RESOURCE PLAN

Seattle City Light:
Partnering in a Clean Energy Future

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ACRONYMS

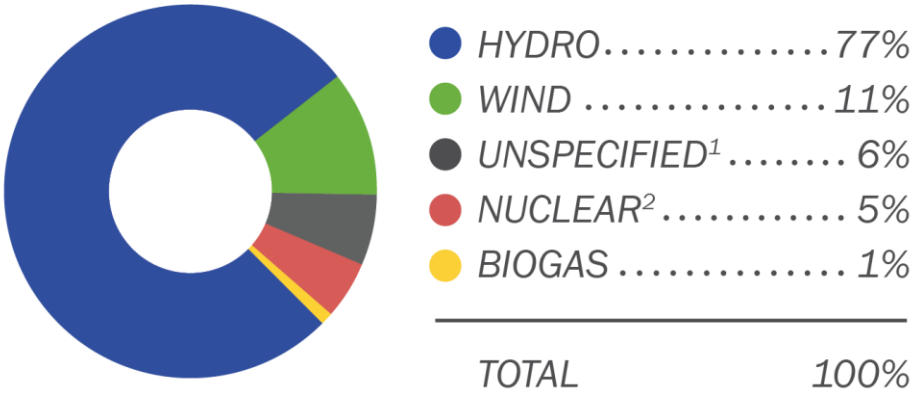
ATB	Annual Technology Baseline
BA	Balancing Authority
BESS	Battery energy storage system
BIPOC	Black, Indigenous, or People of Color
BPA	Bonneville Power Administration
CAISO	California Independent System Operator
CCA	Climate Commitment Act
CEAP	Clean Energy Action Plan
CEIP	Clean Energy Improvement Plan
CETA	Clean Energy Transformation Act
CO_2	Carbon dioxide
CO_{2e}	Carbon dioxide equivalent
COB	California-Oregon Border
CONE	Cost of New Entry
CVaR	Conditional Value at Risk
DON	Department of Neighborhoods
DSMPA	Demand-Side Management Potential Assessment
EIA	Energy Independence Act
ELCC	Effective load carrying capacity
EUE	Expected unserved energy
FCRPS	Federal Columbia River Power System
FERC	Federal Energy Regulatory Commission
FY	Fiscal year
ICE	Intercontinental Exchange
IRP	Integrated Resource Plan
ISO	Independent system operator
LOLE	Loss of Load Expectation
LOLEv	Loss of Load Event
LOLH	Loss of Load Hours
LOLP	Loss of Load Probability
LSE	Load-serving entity
Mid-C	Mid-Columbia

MoLOLEv	Monthly Loss of Load event
MW	Megawatt
MWh	Megawatt-hour
REC	Renewable energy credit
NERC	North American Reliability Corporation
NITS	Network Integration Transmission Service
NPV	Net present value
NREL	National Renewable Energy Laboratory
NSRDB	National Solar Radiation Database
NWPCC	Northwest Power and Conservation Council
NWPP	Northwest Power Pool
POD	Point of delivery
POR	Point of receipt
PPA	Power purchase agreement
PRM	Planning reserve margin
PTDF	Power Transfer Distribution Factor
PTP	Point-to-point
PUD	Public Utility District
PV	Photovoltaic
QCC	Qualifying capacity contribution
RARE	Resource Adequacy Renewable Energy
RFP	Request for proposal
RTO	Regional transmission organization
SAM	System Advisor Model
SCGHG	Social cost of greenhouse gas
SMR	Small modular reactors
SWEDE	Southwest/East Diversity Exchange
UTC	Utilities and Transportation Commission
VOLL	Value of lost load
WECC	Western Electricity Coordinating Council
WEIM	Western Energy Imbalance Market
WPP	Western Power Pool
WRAP	Western Resource Adequacy Program

APPENDIX 1: CURRENT RESOURCE PORTFOLIO

City Light's existing resource portfolio has been curated to be among the cleanest and lowest cost in the nation. This portfolio includes many past investments in energy conservation (also known as energy efficiency), City Light owned hydropower resources, existing hydropower and renewable energy contracts from regional partners, and wholesale market purchases. Energy conservation programs have contributed to reducing City Light's customer energy use by the equivalent of several large traditional thermal power plant additions. Figure 1.1 shows City Light's 2024 power supply mix.

Figure 1.1. Seattle City Light's 2024 Power Mix



[1] Unspecified energy consists of market purchases that are assigned to the utility including purchases made by City Light to balance or match its loads and resources, along with market purchases made by BPA. Unspecified energy may incidentally include coal or natural gas resources. Any emissions associated with unspecified market purchases are offset through City Light's GHG neutrality policy.
[2] This fuel represents a portion of the power purchased from BPA.

City Light's power supply mix generally consists of about 77% hydropower, approximately half of which is supplied by four hydroelectric projects owned and operated by the city.[1] Beyond generating hydropower, City Light has the responsibility to operate its hydroelectric projects for flood risk mitigation, fish habitat protection, and summer recreation. Additionally, in coordination with Seattle Public Utilities, the Cedar Falls and South Fork Tolt hydro projects provide municipal water supply.

[1] City Light's power supply mix is presented in the utility's Fuel Mix Disclosure, which can be found at: www.commerce.wa.gov/energy-policy/electricity-policy/fuel-mix-disclosure/. Percentages listed above are from the 2024 Fuel Mix Disclosure Summary Report, the latest report approved at the time of writing.

Most of the remaining hydropower is purchased from the Bonneville Power Administration (BPA), a nonprofit federal power marketing agency. City Light's power purchase from BPA also incorporates BPA's nuclear, unspecified market purchases, and wind resources. BPA's nuclear and unspecified market purchases represent 6% and 5% of City Light's power supply mix, respectively. Between BPA's wind resources, City Light's renewable energy credit (REC) purchases, and City Light's power purchase agreement with a 50 MW wind project in Oregon, wind power has become a larger component of City Light's resource supply representing roughly 11%. The remaining 1% of City Light's power mix comes from biogas facilities. Figure 1.2 shows the locations and types of resources owned and operated by City Light. Figure 1.3 shows BPA's federal hydropower network, with Seattle City Light's resources layered on top.

Figure 1.2. Seattle City Light's Generation and Non–BPA Contracted Resources

Figure 1.3. BPA's Federal Hydropower Network with Seattle City Light's Generation and Non-BPA Contracted Resources

Sources Esri, Mark Nowlin (The Seattle Times)

City Light Owned Generation

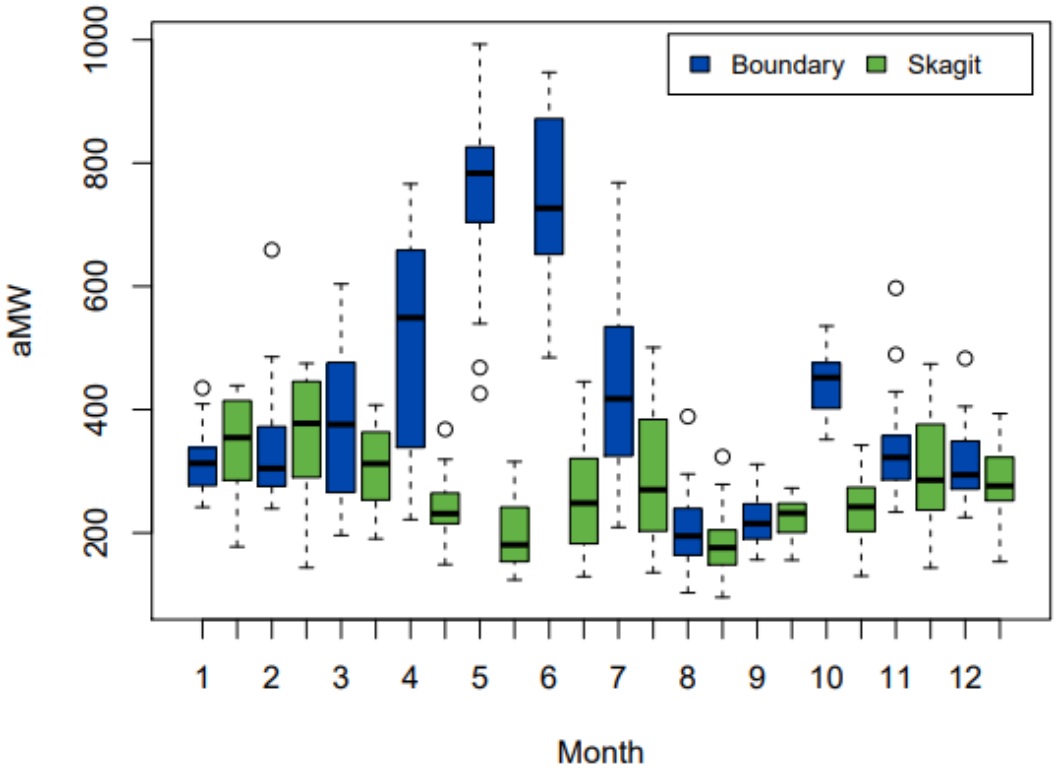
Approximately half of City Light's hydroelectric power is provided by four projects owned by City Light.

Boundary Dam is City Light's largest resource, with a peaking capability of around 1,100 MW and an annual generation of about 415 average megawatts (aMW). It is located on the Pend Oreille River in northeastern Washington. Under the Federal Energy Regulatory Commission (FERC) license, part of Boundary output must be sold to Pend Oreille County Public Utility District No. 1 (Pend Oreille Public PUD) to meet the Pend Oreille Public PUD's load growth. In addition, about five aMW of energy must be delivered to the Pend Oreille Public PUD in compensation for Boundary Dam's encroachment on Box Canyon Dam. While the Boundary Project produces the most power of any of City Light's owned resources and has substantial operational flexibility, it has only modest storage capacity, limiting its ability to shape generation to match City

Light's load. Energy from Boundary Dam is delivered to City Light's customers over BPA's transmission grid.

The Skagit Project includes the Ross, Diablo, and Gorge Dams in the North Cascades, which have a combined one-hour peaking capability of about 750 MW at full pool and an average generation of about 270 MW annually. The Skagit Project has generous storage capacity at Ross Lake, but also significant operational constraints throughout the year for fish habitat protection. City Light's transmission lines carry the power generation from the Skagit Project to Seattle. Figure 1.4 shows average monthly generation over 20 years from the Boundary and Skagit Dam projects.

Figure 1.4. Boundary and Skagit Average Monthly Generation (2005–2024)



Additional power is provided by City Light's small hydro projects: South Fork Tolt and Cedar Falls. South Fork Tolt has a one-hour peaking capability of less than 17 MW. Cedar Falls Dam has a one-hour peaking capability of 30 MW. Both projects deliver power via Puget Sound Energy's transmission lines per a long-term bilateral agreement. Figure 1.5 shows the average monthly generation over 20 years for these two hydro projects.

Figure 1.5. Cedar Falls and South Fork Tolt Average Monthly Generation (2005–2024)

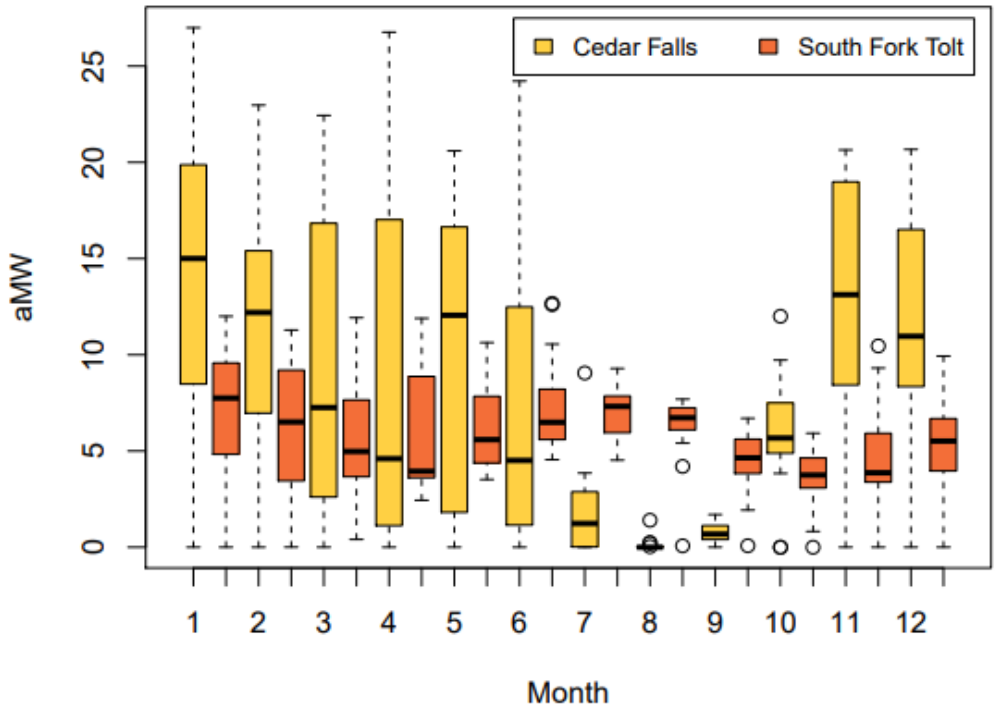
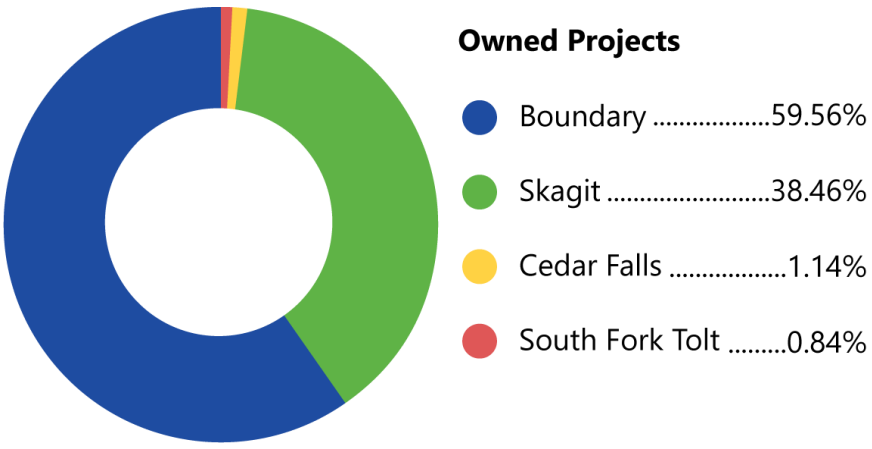


Figure 1.6 shows the proportions of total owned generation provided by each of City Light's owned hydroelectric resources.

Figure 1.6. Proportions of City Light's Owned Generation (2005–2024)



City Light Power Purchase Contracts

City Light's largest power purchase contract is with BPA. The contract allows the utility to receive power from 31 federally owned hydroelectric projects and several

thermal and renewable projects in the Pacific Northwest. The energy is delivered to BPA's customers, including City Light, over BPA's transmission grid. In December 2008, City Light signed a contract with BPA to continue City Light's access to the power resources that BPA markets through September 2028. Under this BPA contract, power is delivered in a "block" product in which allocated power is delivered in flat amounts for heavy-load and light-load hours by calendar month. Monthly total energy delivered to City Light is shaped according to City Light's Net Annual Requirement, defined by BPA as the difference between City Light's projected annual load and City Light's resources dedicated to load service under critical hydro-year conditions.

In December 2025, City Light signed a contract to renew its BPA power contract for October 2028 through September 2044. Under the new contract, City Light will purchase a hybrid "Slice/Block" product from BPA that will generally provide 550 aMW to 800 aMW depending on hydro conditions. The Slice portion of the product gives City Light the power delivery capabilities and constraints of a simulated "slice" of the BPA hydroelectric system. The Slice product allows City Light to shape power deliveries for each day on an hourly basis, which provides City Light with greater flexibility to meet load peaks and manage the intermittency of other variable energy renewable resources in its power supply portfolio.

The High Ross Agreement is an 82-year treaty with the hydropower operations division of the Canadian Province of British Columbia (BC Hydro). In 1984, City Light abandoned plans to raise the height of Ross Dam in exchange for power purchases from BC Hydro (acting through its subsidiary Powerex). The additional power delivery and price of that additional power were determined based on expected generation and costs City Light would have incurred had construction taken place (from 13 aMW to 67 aMW depending on the month). The treaty runs until 2066.

The Seven Mile Encroachment contract associated with the High Ross Treaty allowed BC Hydro to raise the Seven Mile Reservoir, which reduced the output at Boundary Dam due to encroachment on the tailrace. As a result, BC Hydro returns or pays for the energy that would otherwise have been generated at Boundary Dam if Seven Mile Reservoir had not been raised (about 2 aMW).

The Lucky Peak Contract is a long-term (50-year) contract for power generated by the Lucky Peak hydro irrigation project, located near Boise, Idaho. Because of its location near Boise, Lucky Peak can sell power to all major western trading hubs (Mid-Columbia [Mid-C], California-Oregon Border, Palo Verde, Mead, and Four Corners) without encountering normal transmission constraints, meaning City Light has the option to sell

to the highest price market. City Light has power purchase contract rights to Lucky Peak output (approximately 34 aMW) until 2038.

The Priest Rapids Project consists of two dams: the Priest Rapids Dam and the Wanapum Dam. City Light purchases a fraction of the total power generated by this project under two agreements with Grant Public Utility District (Grant PUD), which owns and operates the project. The term of the agreements extends to the end of the current federal license for the project, April 2052. Seventy percent of Priest Rapids Project's output has been allocated to Grant PUD. Under one agreement, City Light purchases about two to three average megawatts of output at the production cost of the facility. Under the second agreement, City Light has the option to receive a share of proceeds, if any, from an auction of 30 percent of the output, or to purchase the share of the output (about 18 aMW) at the price set in the auction. For this analysis, it is assumed City Light has taken the second option to purchase its allocation of the power generated by the Priest Rapids Project. City Light uses BPA's transmission lines to deliver the power it receives from this project to its customers.

The Columbia Basin Hydro contracts deliver power from five Columbia River Basin hydroelectric projects. The projects are part of three irrigation districts, so electric generation is greatest in the summer months. City Light has contracts to buy half of the output, or about 27 aMW, from all five Columbia River Basin hydroelectric projects. City Light's contracts expire at different times between 2022 and 2027. Only one of the projects will be under contract at the start of the Integrated Resource Plan (IRP) study period, January 2026. This project provides only an expected 13 aMW to City Light's annual power supply portfolio.

The Columbia Ridge Landfill Gas Project is a 20-year power purchase agreement with Waste Management Renewable Energy, LLC to purchase approximately 12 aMW each year from its landfill. As organic materials decay in a landfill they release methane, which can be collected and burned to produce electricity. The plant began commercial operations in January 2010. The Columbia Basin Co-Op and BPA provide transmission to deliver power from the project to City Light's load. This project qualifies under the Energy Independence Act (or I-937) as renewable energy. The contract was prematurely terminated in 2025; however, because the 2026 IRP model finalized inputs in 2024 it was included in City Light's current resource portfolio in the IRP model runs.

The King County West Point Treatment Plant Project is a 20-year power purchase agreement that began in February 2010 with King County to purchase the output from a methane gas–producing digestor at the wastewater treatment plant in Discovery Park in north Seattle. The expected output of this project is 2.5 aMW. Methane is a by-product

of the wastewater treatment process that is collected and burned to produce electricity. The plant is inside City Light's service area, so no third-party transmission is required to deliver the power to load. This project also qualifies under the Energy Independence Act (or I-937) as renewable energy.

Condon Wind is a wind farm in northern Oregon with a nameplate capacity of 50 MW. City Light has entered into a five-year power purchase agreement (PPA) for energy produced at Condon Wind, with deliveries beginning June 1, 2023.

Table 1.1 shows City Light's 2024 owned and contracted energy resources.

Table 1.1. City Light's 2024 Energy Resources

Resource	2024 Energy Produced (MWh)	Percentage of Grand Total	Year Contract Expires
Owned Generation			
Boundary	3,025,434	30.7%	
Gorge	689,925	7.0%	
Diablo	363,142	3.7%	
Ross	411,631	4.2%	
Cedar Falls	6,841	0.1%	
South Fork Tolt	44,885	0.5%	
Total Owned	**4,541,858**	**46.1%**	
Contracts			
BPA Block	4,278,100	43.4%	2028
Priest Rapids	19,184	0.2%	2052
Columbia Basin Hydro	251,860	2.6%	2022–2027
High Ross	315,307	3.2%	2066
Seven Mile	3,263	0.0%	2066
Lucky Peak	290,821	3.0%	2038
Columbia Ridge	69,446	0.7%	2028/2033
King County WW	9,647	0.1%	2033
Condon Wind	73,861	0.7%	2028
Total Contracts	**5,311,489**	**53.9%**	
Grand Total	**9,853,347**	**100.0%**	

City Light Energy Conservation, Demand Response, and Customer Solar

Energy conservation programs encourage customers to use power more efficiently and allow the utility to defer the acquisition of expensive new supply-side resources, including those that negatively affect the environment. Energy conservation is low cost and has low environmental impacts, as it does not produce greenhouse gas (GHG) emissions. It is also a local resource and can be strategically deployed within City Light's service territory. Integral to developing the IRP, energy conservation programs help City Light maintain its status as a GHG-neutral utility, support the city's environmental and climate change policy goals, and meet the requirements of I-937.

Energy conservation programs are designed for all customer classes and apply to a range of energy end-uses such as lighting, water heaters, laundry appliances, HVAC, motors, and manufacturing equipment. These programs provide energy conservation information and financial incentives that encourage customers to, for example, insulate their homes, install energy efficient appliances, or install efficient lighting in commercial and industrial establishments. In 2024, City Light's energy conservation programs accounted for approximately 71,187 MWh.[2]

Starting with the 2024 IRP, City Light began evaluating demand response programs using the same modeling framework as it uses to evaluate candidate supply-side resources. Demand response refers to changes in electricity usage through programs that incentivize customers to alter their normal consumption patterns. This can include direct calls to reduce consumption during specific periods of time, time-of-use rates, and customer-side energy storage. City Light's peak loads are expected to grow faster than its average loads, and demand response programs can be a local, low cost, and low environmental impact source of energy to help meet those peak loads.

City Light's 2026 Demand-Side Management Potential Assessment (DSMPA) targets 75% of future energy conservation efforts in the commercial sector, with the remaining 25% split between residential and industrial sectors. City Light's 2026 DSMPA outlines economically efficient and achievable customer-side energy contributions by sector (Table 1.2). For more information, see Appendix 2: Demand-Side Management Potential Assessment.

[2] 2024–2025 EIA Conservation Targets and Achievement Dashboard. Updated September 10, 2025. deptofcommerce.app.box.com/s/y27oz4btzu41qjzorjijhy44xquuoa1u/file/1981892505215

Table 1.2. 2026 DSMPA Achievable Economic Potential

2026 DSMPA Results	2-Year (2026–2027)	4-Year (2026–2029)	10-Year (2026–2035)	20% of 10-Year
Commercial Conservation (aMW)	17	31	62	12
Industrial Conservation (aMW)	1	3	6	1
Residential Conservation (aMW)	3	5	9	2
Total Conservation (aMW)	**21**	**39**	**78**	**16**
Demand Response (MW)	6	12	15	N/A

City Light Market Participation

Wholesale Energy Market

City Light sells and purchases power in the wholesale energy market to supplement its owned generation and contracted resources. Market participation is particularly important to City Light, because 90% of City Light's current resource portfolio is hydroelectric, which is highly variable in nature as it is dependent on seasonal water availability and the operating constraints defined in each individual hydro project's FERC license. City Light has surplus energy throughout most of the year during typical conditions, which can be sold in the energy market to offset operating costs. When power is insufficient to meet demand, City Light makes market purchases to compensate for the deficit. Most of this trading occurs through bilateral transactions.

Western Energy Imbalance Market

City Light joined the Western Energy Imbalance Market (WEIM) in April of 2020. Balancing Authorities (BAs) such as City Light start each hour with generation resources committed to meet their own forecasted load. Imbalances occur within the hour because load and generation typically vary slightly from what is forecasted. BAs have traditionally managed imbalances by relying on manual dispatches and extra power reserves.

The WEIM solves these imbalance problems through an automated five-minute energy dispatch service. Participants in the WEIM can voluntarily provide bids to increase or decrease dispatch of their generation resources to help meet other participants' load

imbalances. The WEIM market operator automatically selects the bids that result in the least-cost resource mix with respect to both generation and transmission operational parameters, commonly referred to as security constrained economic dispatch or SCED.

The WEIM allows participating BAs to leverage the benefits of near-real-time energy balancing without sacrificing their existing autonomy; BAs remain responsible for procurement or self-provision of reserves and other ancillary services. The WEIM does not change City Light's responsibilities for resource adequacy, reserves, and other reliability-based functions required by the North American Electric Reliability Corporation (NERC) and Western Electricity Coordinating Council (WECC). The WEIM does, however, change how participating BAs deal with imbalances in real time.

The WEIM's automation and economic dispatch lower costs for participants to balance energy. This market becomes even more valuable as additional renewable resources connect to the grid, because these resources often have variable output that increases the total amount of energy on the grid that must be balanced.

Western Organized Day-Ahead Markets

Finally, City Light is evaluating whether to join a regional day-ahead energy market. Day-ahead markets expand the regional energy dispatch optimization potential of imbalance markets such as the WEIM to the day-ahead time frame. This greatly expands the volume of available energy in the market, and therefore the potential benefits to regional participants of market optimization in meeting loads with least-cost resources.

City Light Participation in Regional Planning

Independent system operators (ISOs) and regional transmission organizations (RTOs) were formed across North America during the late 1990s and 2000s as regulatory bodies intended to achieve several electricity industry objectives, including electricity market fairness, efficiency, and reliability. However, at the time of writing, an ISO/RTO has not been established in the West, with the exception of the CAISO, which includes most areas of California. Some reliability, market fairness, and efficiency policies for the West have been established by FERC, WECC, and other regional entities such as the Western Power Pool (WPP), formerly known as the Northwest Power Pool (NWPP). The WPP coordinates other regional reliability programs, including a Reserve Sharing Program, the Pacific Northwest Coordination Agreement, and the Western Frequency Response Sharing Group. In recent years, concerns about system reliability have increased throughout the West as a result of the impending retirement of GHG-emitting energy generation resources, electrification efforts, and clean energy legislation and

policies requiring increased integration of intermittent renewable resources for load service.

City Light has been working with the WPP and regional stakeholders since 2019 to design and implement the Western Resource Adequacy Program (WRAP). The program aims to enhance and increase electricity reliability for entities across the Western Interconnection. WRAP began its first non-binding phase in the summer of 2021 and is still under development. City Light plans to maintain its status as a participant with nonbinding status with a commitment timeframe to become fully binding in the Winter 2027–2028 season.

The program design centers on a regional reliability requirement intended to ensure that, in the event of extreme system demand, a participating load-serving entity (LSE) will be able to purchase available energy from other participating LSEs who are able to generate power in excess of their own load obligations. Based on self-reported generation capability from participating LSEs, the program operator will model regional requirements to maintain a 0.1 Loss of Load Expectation (LOLE) reliability standard across the program footprint (for definition and discussion of LOLE, please see Appendix 9: Resource Adequacy). The program is capacity-based for all thermal and other dispatchable generation resources, but generation capability will be based on historical energy generation for intermittent renewables like wind, solar, and run-of-river hydro, and for energy-constrained resources like storage hydro. The total regional capacity needed to meet that requirement will be allocated equitably to program participants based on amount of load served, via an assigned planning reserve margin (PRM), which will be updated prior to the start of each summer and winter season. Participating LSEs are required to demonstrate sufficient capacity to meet their assigned PRM seven months in advance of the next summer or winter season. Once the program moves into its binding phase, LSEs who do not demonstrate sufficient capacity are subject to penalty charges with proceeds distributed to surplus LSEs.

Carbon-Free Energy Attributes

When City Light sells energy from a specific resource, it is unable to claim environmental (carbon-free) attributes of that portion of energy in its own portfolio. Selling "specified" energy from renewable or non-carbon-emitting resources impacts the total non-emitting resource attributes considered to be serving City Light's retail load.

Table 1.3 shows 2020–2024 specified sales for Ross, Boundary, and Lucky Peak dams. Specified sales include bilateral and WEIM sales.

Table 1.3. City Light Specified Sales (MWh)

Year	Boundary		Ross	Lucky Peak	Annual Totals
	Bilateral	WEIM	WEIM	Bilateral	
2020	794,746	41,304	10,400		**846,450**
2021	351,077	197,136	42,333		**590,546**
2022	295,464	116,752	40,774		**452,990**
2023	176,733	90,030	160,501		**427,264**
2024	548,088	71,453	157,977	73,099	**815,657**
Average	**433,222**	**103,335**	**82,397**	**73,099**	**626,581**

APPENDIX 2: DEMAND-SIDE MANAGEMENT POTENTIAL ASSESSMENT

Seattle City Light completes a Demand-Side Management Potential Assessment (DSMPA) biannually to produce estimates of the magnitude, timing, and costs of conservation (henceforth referred to as "conservation" or "energy efficiency") and demand response resources in its service territory over the next 20 years. The most recent DSMPA (2026 DSMPA) was completed in 2025 with forecasts for demand-side resources beginning in 2026. The results of the 2026 DSMPA are incorporated as an input into the 2026 IRP.

The DSMPA analysis includes the conservation potential assessment (CPA) and demand response potential assessment (DRPA). The DSMPA identifies energy efficiency and demand response potential in City Light's major customer sectors—residential, commercial, and industrial—while accounting for the impacts of climate change and building electrification.[3] This study accomplishes several objectives:

- Fulfills statutory requirements of Chapter 194-37 of the Washington Administrative Code (WAC), Energy Independence Act (I-937). The WAC requires that City Light identify all achievable, cost-effective conservation potential for the upcoming 10 years.[4] The WAC also specifies that City Light's public biennial conservation target should be no less than the pro rata share of conservation potential over the first 10 years. The study fulfills regulatory requirements by establishing City Light's energy conservation targets for the 2026-2027 biennium.
- Supports City Light's compliance with Washington State's Clean Energy Transformation Act (CETA), passed as Senate Bill 5116 in April 2019, to inform City Light's energy efficiency and demand response short- and long-term targets.[5] In addition, this study informs City Light's near-term interim targets for its Clean Energy Implementation Plan (CEIP) as required by CETA. This study, more broadly, supports City Light's Clean Energy Action Plan, a 10-year action plan described in Appendix 4: Regulatory Requirements to meet CETA requirements.

[3] The 2026 DSDMPA included demand response potential for managed electric vehicle (EV) charging and conservation potential for efficient, residential EV chargers. We did not estimate conservation potential for efficient EV chargers in the commercial sector.
[4] Washington State Legislature. *Energy Independence Act.* Washington Administrative Code Chapter 194-37.
[5] CETA requires proposing interim targets for meeting the standard under RCW 19.405.040(1) during the years prior to 2030 and between 2030 and 2045. This study estimates potential over 20 years, from 2026 through 2045.

- Develops up-to-date estimates of energy conservation measure (ECM) datasets for the residential, commercial, and industrial market sectors using measures consistent with the Northwest Power and Conservation Council's (Power Council) 2021 Power Plan, the Regional Technical Forum (RTF), and other data sources.
- Provides inputs into City Light's IRP and progress update reports. The DSMPA study period aligns with the timeline for City Light's 2026 IRP and provides direct inputs into that analysis. The IRP requires a thorough analysis of conservation potential to properly assess the reliability, cost, risk, and environmental impact of different resource portfolios for power generation, as well as to assess other demand-side resources that are not part of the CPA.
- Informs City Light's planning and budget setting for customer programs and City Light's load forecast.

Inputs to the analysis include City Light–specific data compiled from the 2022 Northwest Energy Efficiency Alliance (NEEA) Residential Building Stock Assessment (RBSA),[6] NEEA's 2019 Commercial Building Stock Assessment (CBSA),[7] and other regional data sources. The analysis uses methodology consistent with the supply curve workbooks of the Power Council's 2021 Power Plan, published in March 2022.[8] It also incorporates savings and costs for all ECMs in the Power Council's 2021 Power Plan[9] workbooks and selected unit energy savings (UES) workbooks from the RTF.[10]

The analysis also calculated estimates of the demand response potential (summarized in the following subsections) that align with the Power Council's demand response methodology and provided the data needed to meet Washington State's CETA requirements.

[6] Northwest Energy Efficiency Alliance. *2022 Residential Building Stock Assessment*.
[7] Northwest Energy Efficiency Alliance. *2019 Commercial Building Stock Assessment*.
[8] The 2021 Power Plan is a regional plan that provides guidance on resources to ensure a reliable and economical regional power system from 2022 to 2041. The Power Council develops supply curves covering a variety of supply- and demand-side resources, considers how to best meet the region's power needs across a range of future scenarios (balancing cost and risk), develops a draft plan, and gathers public input before releasing the final version.
Results from the Power Council's Ninth Power Plan were not included, as the planned completion will be in fall 2026. However, data from the draft Ninth Power Plan, such as updated regional transmission and distribution (T&D) avoided costs and program administration cost factors were included where applicable.
[10] RCW 19.285.040 requires CPAs to use methodologies consistent with those used by the Power Council's most recent regional power plan.

Findings Overview

City Light analyzed three types of potential through the DSMPA process and IRP optimization modeling:

- **Technical potential:** This is the total amount of energy efficiency that could be achieved within City Light's service territory assuming that all feasible resource opportunities can be captured regardless of cost and market barriers, such as customer willingness to adopt. The potential is only limited by physical and operational constraints.
- **Achievable technical potential:** This is the portion of technical potential that could realistically be realized during the study's period, considering market barriers such as customer awareness, willingness to adopt measures, and historical program participation rates. It includes savings, regardless of the acquisition mechanism, that may be acquired through utility programs, improved codes and standards, and market transformation without considering cost-effectiveness.
- **Achievable economic potential:** This is the portion of achievable technical potential determined to be cost-effective by the IRP's optimization modeling, in which either bundles or individual energy efficiency measures are selected based on cost and savings. The cumulative potential for these selected bundles constitutes achievable economic potential.

Table 2.1 shows the results from this study, representing the 20-year technical, achievable technical, and achievable economic potential for each resource considered.

Table 2.1. Summary of Energy Savings and Demand Reduction Potential, Cumulative 2045

Resource	Energy (aMW)			Winter Coincident Peak Capacity (MW)		
	Technical Potential	Achievable Technical Potential	Achievable Economic Potential	Technical Potential	Achievable Technical Potential	Achievable Economic Potential
Energy Efficiency	245	202	103	279	228	108
Demand Response	N/A	N/A	N/A	N/A	193	14

This study characterizes conservation potential in terms of an average megawatt (aMW), which is commonly used in the Northwest to represent the amount of conservation

potential. An average megawatt is equivalent to the energy produced by the continuous operation of one megawatt of capacity for a period of one year.[11]

Conservation Potential Assessment (CPA) Findings

The CPA found 124 average megawatts (aMW) of achievable technical conservation potential in the first 10 years (cumulative in 2035) in City Light's service territory.[12] To inform I-937 and CEIP energy efficiency targets, City Light calculated two-year and four-year cumulative achievable technical potential. Cumulative achievable technical potential equals 29 aMW in the first two years and 54 aMW in the first four years.

City Light used its GridPath model to select energy efficiency measures based on the levelized total resource cost (TRC) over a 20-year period. Overall, the cumulative 20-year achievable economic potential is 103 aMW, with 78 aMW acquired in the first 10 years. The *pro rata* share (20% of 10-year achievable economic potential), which represents City Light's minimum biennial target, equals 16 aMW. All estimates of potential in this report are presented at the generator, which means they include line losses.[13]

Technical Potential

Table 2.2 shows the cumulative technical potential for each sector in 2045.[14] Overall, the technically feasible conservation potential by 2045 was 245 aMW, which is the equivalent of 16% of forecasted baseline sales. The CPA results are presented as a percentage of forecasted baseline sales, which provides a useful benchmark for comparison against City Light's previous studies. The baseline sales reported in the subsequent tables include City Light's EV forecasts for the commercial and residential sectors. They do not include industrial forecasts for spot loads or district steam since these categories require custom engineering work that does not conform to the standard efficiency measures in the industrial sector. Similarly, streetlighting is not included in the baseline sales data because City Light has installed all efficient measures in this segment, and there is no remaining potential. The residential, commercial, and

[11] Northwest Power and Conservation Council definition of an aMW.
[12] An aMW refers to a unit of measure that represent one million watts (MW) delivered continuously 24 hours a day for each day of the year (for a total of 8,760 hours in non-leap years). A detailed description of MW and aMW can be found on the Power Council's website: www.nwcouncil.org/reports/columbia-river-history/megawatt
[13] City Light estimates T&D line losses to be 8.31%, so the minimum biennial target at a customer site is 14.3 aMW.
[14] City Light selected the year 2045 as the final year for the DSMPA analysis to align with its long-term planning (GridPath model) timeline and to comply with CETA's requirement for 100% clean electricity by 2045.

industrial sectors account for 19%, 15%, and 8% of the 20-year technical potential, respectively. Please note that due to rounding, some values presented in the tables and figures may not sum precisely.

Table 2.2. Cumulative Technical Potential by Sector (2026–2045)

Sector	Baseline Sales–20-Year (aMW)	Technical Potential–20-Year (aMW)	Technical Potential as % of Baseline Sales
Residential	512	97	19%
Commercial	908	138	15%
Industrial	109	9	8%
Total	**1,530**	**245**	**16%**

Achievable Technical Potential

Table 2.3 shows the cumulative achievable technical potential for each sector in 2045. Overall, the analysis identified 202 aMW of technically feasible achievable potential by 2045—the equivalent of 13% of forecasted baseline sales. The residential, commercial, and industrial sectors account for 16%, 12%, and 7% of the cumulative achievable technical potential, respectively.

Table 2.3. Cumulative Achievable Technical Potential by Sector (2026–2045)

Sector	Baseline Sales–20-Year (aMW)	Achievable Technical Potential–20-Year (aMW)	Achievable Technical Potential as % of Baseline Sales
Residential	512	81	16%
Commercial	908	113	12%
Industrial	109	8	7%
Total	**1,530**	**202**	**13%**

Table 2.4 provides two-year, four-year, 10-year, 20-year, and pro rata share (20% of the 10-year potential) of the cumulative achievable technical potential by sector.[15] These time increments align with regulatory reporting cycles, support short- and long-term planning needs, and correspond to key milestone years for energy conservation goals and utility resource planning. The commercial sector provides the majority of the

[15] Under Chapter 194-37 of the WAC Energy Independence Act, City Light's public biennial conservation target must be no less than 20% of the 10-year potential—representing its *pro rata* share. The CEIP requires a four-year planning roadmap.

cumulative achievable technical potential. This is due to the commercial sector's higher baseline sales compared with those of the residential and industrial sectors.

Table 2.4. Cumulative Achievable Technical Potential by Sector and Time Period

Sector	Achievable Technical Potential (aMW)				
	2-Year (2026-2027)	4-Year (2026–2029)	10-Year (2026–2035)	20-Year (2026–2045)	20% of 10-Year Potential
Residential	7	13	35	81	7
Commercial	20	38	82	113	16
Industrial	1	3	6	8	1
Total	**29**	**54**	**124**	**202**	**25**

Achievable Economic Potential

After incorporating the achievable technical levelized cost of conserved energy bins, City Light's GridPath model identified an optimal amount of annual conservation. Bundling resources into distinct cost groups allowed the portfolio optimization model to select the combination of conservation cost bundles by sector that provided City Light with the least-cost portfolio alongside renewable resources while also achieving resource adequacy targets, I-937 requirements, and CETA requirements. By integrating conservation choices alongside renewable supply options into the portfolio optimization model, City Light captured the different value streams from all resources within the same analytical framework.

The resulting IRP analysis selected 103 aMW of achievable economic potential by 2045, with sector-specific selections shown in Table 2.5. Cumulative 20-year achievable economic potential accounted for 7% of the total baseline sales in 2045. The commercial sector had the greatest achievable economic potential relative to baseline sales, accounting for 9% of the 2045 commercial baseline sales. This was followed by the industrial sector's cumulative achievable economic potential, which accounted for 7% of the 2045 commercial baseline sales. Finally, the residential sector's cumulative achievable economic potential made up 2% of the 2045 residential baseline sales.

The IRP portfolio optimization model differentiated the levelized TRC by sector, allowing it to select the specific energy efficiency cost bins that best fit City Light's portfolio and minimize overall costs. The model also recognized that the conservation supply curves for each sector have different shapes, limits, and elasticities. As shown in Table 2.5, the achievable economic potential represented a levelized TRC of $30 or less per megawatt-hour for residential, $160 or less per megawatt-hour for commercial, and $70 or less per megawatt-hour for industrial.

Table 2.5. Cumulative Achievable Economic Potential by Sector (2026–2045)

Sector	Levelized TRC ($/MWh)	Baseline Sales 20-Year (aMW)	20-Year Achievable Economic Potential (aMW)	Achievable Economic Potential as % of Baseline Sales
Residential	30	512	13	2%
Commercial	160	908	82	9%
Industrial	70	109	8	7%
Total	**N/A**	**1,530**	**103**	**7%**

Table 2.6 provides the two-, four-, 10-, and 20-year cumulative achievable economic potential estimates by sector. The final column shows the pro rata share of the achievable economic potential, which represents the lower limit for the biennial conservation target (as defined by I-937). Overall, 20% of the total 20-year achievable economic potential is achieved in the first two years, and 76% is achieved in the first 10 years.

Table 2.6. Cumulative Achievable Economic Potential by Sector and Time Period

Sector	Achievable Economic Potential – aMW				
	2-Year (2026–2027)	4-Year (2026–2029)	10-Year (2026–2035)	20-Year (2026–2045)	20% of 10-Year Potential
Residential	3	5	9	13	2
Commercial	17	31	62	82	12
Industrial	1	3	6	8	1
Total	**21**	**39**	**78**	**103**	**16**

For discussion of the conservation potential, further details can be found in the 2026 DSMPA report.[16]

Demand Response Potential Assessment (DRPA) Methodology

This section summarizes the demand response potential that provided the inputs to City Light's GridPath model.

[16] Seattle City Light. 2026 Demand-Side Management Potential Assessment. www.seattle.gov/documents/departments/citylight/demandsidemanagementpotentialassessment.pdf

The DRPA assessed the following products:

- Residential Batteries Direct Load Control (DLC)
  - Batteries DLC
  - Batteries DLC – Highly Impacted Communities
- Residential Space Heat and Cool Direct Load Control (DLC)
  - Connected Heat Pump DLC
  - HVAC AC and Heat DLC Switch
  - Residential Bring Your Own Thermostat (BYOT)
- Residential Direct Load Control (DLC) Water Heat
  - Heat Pump Water Heater (HPWH) DLC Grid-Enabled
  - Electric Resistance Water Heater (ERWH) DLC Grid-Enabled
  - ERWH DLC Switch
- Residential Managed Electric Vehicle (EV) Direct Load Control (DLC)
- Residential Behavior
- Residential Critical Peak Pricing (CPP)
- Residential Peak Time Rebate Pricing
- Residential Time of Use (TOU) Pricing Opt-In
- Residential Time of Use (TOU) Pricing Opt-Out
- Commercial and Industrial Demand Curtailment
- Commercial and Industrial Critical Peak Pricing (CPP)
- Commercial Space Heat and Cool Direct Load Control (DLC)
  - Small Commercial HVAC DLC Switch
  - Medium Commercial HVAC DLC Switch
  - Small Commercial BYOT DLC
- Commercial Batteries
  - Small Batteries DLC
  - Large Batteries DLC
- Commercial Electric Vehicle Support Equipment (EVSE) Charger Control
  - Heavy Duty (HD)
  - Light Duty (LD)
  - Medium Duty (MD)
- Commercial Grid Interactive Efficient Buildings Curtailment
- Commercial Time of Use (TOU) Pricing
- Commercial Electric Vehicle (EV) Time of Use (TOU) Pricing
- Industrial Curtailment
- Industrial Critical Peak Pricing (CPP)

This 20-year study time horizon starts in 2026; however, it takes time to design, promote, and implement new programs. This study assumes that Commercial EV TOU,

Residential TOU Opt-out, and Commercial TOU all start in 2027 and that all other products start in 2026. Future planning activities may investigate other demand response products in addition to the ones presented in this study.

This analysis modeled all products cumulatively, assuming they are competing within the market. This analysis used a T&D value of $41.08 in 2026 dollars to reflect the latest regional data available.[17] The modeling incorporated City Light Tempwise pilot evaluation data to inform the thermostat demand response direct load control modeling. Additionally, the design for the Commercial and Industrial (C&I) curtailment program is aligned with the necessary specifications to ensure its effectiveness within the model. The model assumes participation from up to 10 entities, each capable of achieving at least a 1 MW load reduction, with curtailment durations of up to 72 hours. Time-of-Use (TOU) periods are accounted for in the modeling, using the following definitions:

- **Winter (Nov-Mar)**: Morning peak period of 6 a.m. to 9:59 a.m. and evening peak period of 5 p.m. to 8:59 p.m. (4 hours each), with mid-peak between the two.
- **Summer (Jun-Aug)**: Evening peak period of 5 p.m. to 8:59 p.m., with mid-peak starting at 6 p.m.
- **Shoulder (Apr/May/Sept/Oct)**: No peak period; only off-peak and mid-peak.

The analysis updated data sources and incorporated feedback from the 2024 DRPA, as well as ongoing input throughout this study period, to ensure that the analysis remains accurate and reflective of current conditions.

DRPA Findings Overview

This assessment considered 29 total demand response product options (listed above) to estimate total winter and summer achievable demand response potential in City Light's service area. The model did not incorporate recurring back-to-back events as consecutive events are not permitted for the products analyzed and could have had an impact on demand reduction and customer attrition rates. The DRPA modeled residential TOU for both customer opt-in and customer opt-out adoption scenarios. The DRPA reported the residential TOU opt-out as the primary results presented (unless noted otherwise).

Table 2.7 lists the estimated resource potentials (by 2045) for all demand response products for the residential, commercial, and industrial sectors during winter and

[17] T&D value based on Northwest Power and Conservation Council Ninth Power Plan draft assumptions and adjusted to 2026 dollars.

summer in the second, fourth, tenth, and final year of the program. The greatest achievable potential by 2045 is seen in the winter months of the residential program, reaching 138.2 MW.

Table 2.7. Summary of Conservation Results by Sector

Sector	Achievable Technical Potential (MW)			
	2027	2030	2036	2045
Residential Winter	16.1	47.1	89.9	138.2
C&I Winter	9.9	27.1	41.1	55.1
Total Winter	**26.0**	**74.1**	**131.0**	**193.4**
Residential Summer	15.3	41.3	72.1	113.6
C&I Summer	13.1	35.9	55.1	75.5
Total Summer	**28.4**	**77.2**	**127.2**	**188.1**

Note: Totals may not sum due to rounding.

Table 2.8 identifies the winter demand response economic potential selected by the GridPath model, which is the achievable economic potential of the commercial critical pricing product, the only demand response product selected by the GridPath model. This selection offers significant achievable potential in both winter and summer seasons, with an estimated potential of 14.3 MW in 2045 at a levelized cost of negative $31 per kilowatt-year.[18]

Table 2.8. Demand Response Achievable Economic Potential (MW)

Sector	Winter Achievable Economic Potential (MW)			
	2027	2030	2036	2045
Commercial	6	15	15	14
Total	**6**	**15**	**15**	**14**

Note: Totals may not sum due to rounding.

[18] The negative levelized cost for commercial critical peak pricing is result of applying a T&D deferral levelized cost of 41.08 $/kW-year. This deferral cost is applied to all demand response products and in the case of the product commercial critical peak pricing causes the overall levelized cost to be negative.

APPENDIX 3: LOAD FORECAST

One of the most critical steps in future power planning is establishing an expectation of future power supply needs. For the purposes of the Integrated Resource Plan (IRP), this involves an assessment of how much total energy City Light customers are expected to consume over a period of time (load), the maximum amount of energy they are expected to consume instantaneously (peak demand), and how rapidly they are expected to change their instantaneous needs (flexibility or ramp).

City Light's system load forecast used in this IRP Report was finalized in late 2024 and is referred to as the "2026 IRP" load forecast.[19] The 2026 IRP 20-year load forecast anticipates overall continued load growth trends in electricity demand for City Light's service area. This growth is primarily driven by transportation and building electrification and is tempered by increasing equipment efficiency trends.

Load Forecast Modeling Methodology

City Light has employed an end-use load forecasting approach since 2018. This approach accounts for load impacts from customer-driven adoption of technologies, such as equipment efficiency trends, transportation electrification, customer solar, and building electrification (e.g., space and water heating, cooling). The forecast uses hourly load shapes and a probabilistic modeling framework to forecast future peak loads based on historical weather patterns, adjusted for gradually warming temperatures.

Load impacts due to energy efficiency, demand response, and customer-sited solar are not initially included in the forecast but are determined by the Demand-Side Management Potential Assessment (DSMPA). These values are then incorporated as inputs into the IRP process. For this reason, the load forecasts in Figure 3.1 and Figure 3.2 below show the IRP baseline load forecasts with historical energy efficiency incorporated, but without the impacts of new energy efficiency, demand response, or customer-sited solar.

Comparison to Previous Forecasts

The 2026 IRP load forecast shows that growth trends in electricity demand for City Light's service area are expected to continue through the duration of the study period (2026–2045). Figure 3.1 shows a comparison of the 2026 IRP Report annual average system load forecast—finalized in late 2024 and also used in the 2026 DSMPA—to the

[19] The 2026 IRP load forecast reflects the policies in place at the time it was finalized. It does not account for the more recent rescission of some Federal EV policies, short-term tariff impacts, or recent increases in service requests for data centers.

previous two forecasts: the 2024 IRP Progress Report average system load forecast (finalized in late 2023) and the 2024 DSMPA load forecast (finalized in late 2022). Figure 3.1 shows that the 2026 IRP annual average system loads are expected to grow at a rate similar to that of the 2024 IRP annual average system load forecast, and at a notably faster rate than that of the 2024 DSMPA forecast. Figure 3.2 compares the annual average and peak hourly load forecasts in the 2026 IRP Report against those used in the 2024 IRP Progress Report. This figure illustrates the nominal changes in annual average forecast loads from the 2024 IRP Progress Report to the 2026 IRP Report; while the 2026 IRP Report forecast hourly peak loads show little change, forecast peak loads decreased slightly from the previous load forecast.

Figure 3.1. System Load Forecast Used in the 2026 IRP and Comparison with Previous Forecasts

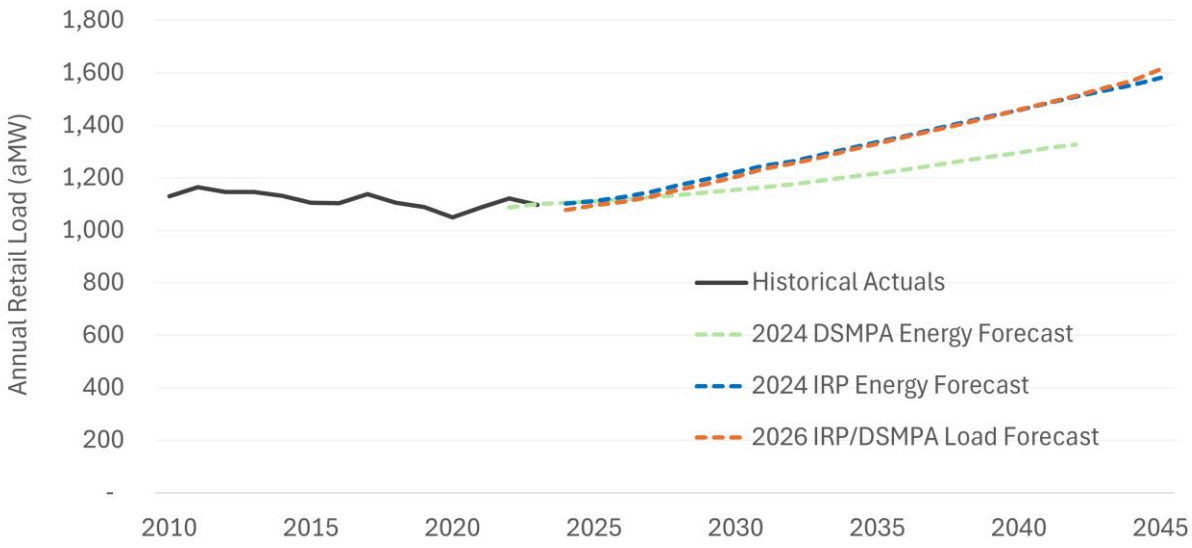
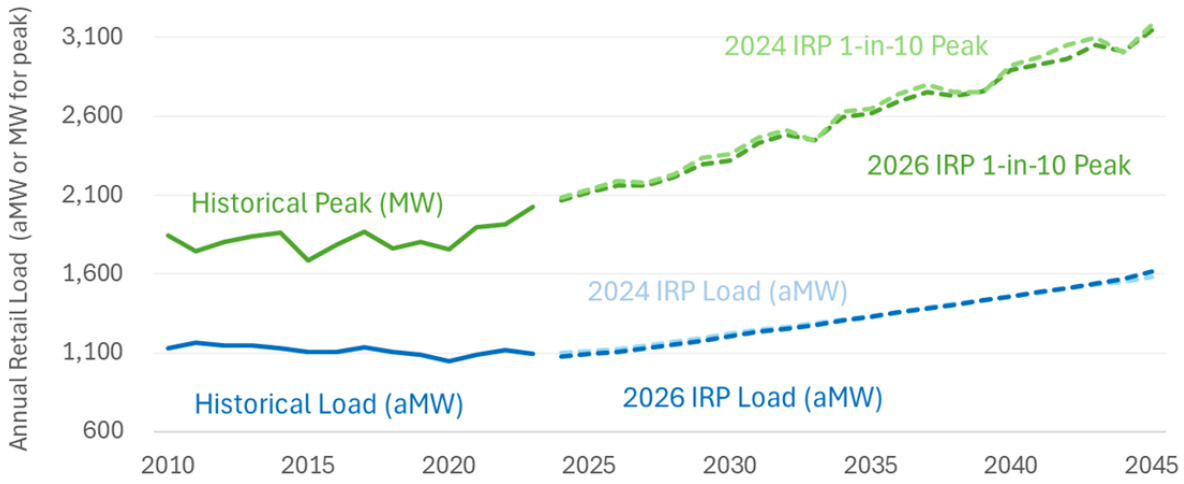


Figure 3.2. Annual Average Energy and Peak Hourly System Load Forecasts Used in the 2026 IRP Compared to the 2024 IRP



Factors Driving the Load Forecast

Relative to the 2022 and earlier IRP load forecasts, the 2026 IRP load forecast shows a faster rate of load growth due to electric vehicle and heat pump penetration, regulatory changes, building codes, and customer behaviors. Incorporating these factors in the 2024 IRP and 2026 IRP load forecasts results in load peaks growing faster than the annual average energy, which is consistent with historical observations over the past 10 years.

Figure 3.3 shows the drivers of load growth and reduction that have the largest impacts to annual average load projections overall. Transportation electrification and building electrification were the two largest drivers of forecast load increases over the 20-year IRP study period. Programmatic energy efficiency and behind-the-meter (BTM) solar (also known as "customer solar") were primarily responsible for reductions in the forecast load.

Figure 3.3. Annual Average MW System Load Forecast Used in the 2026 IRP by Driver

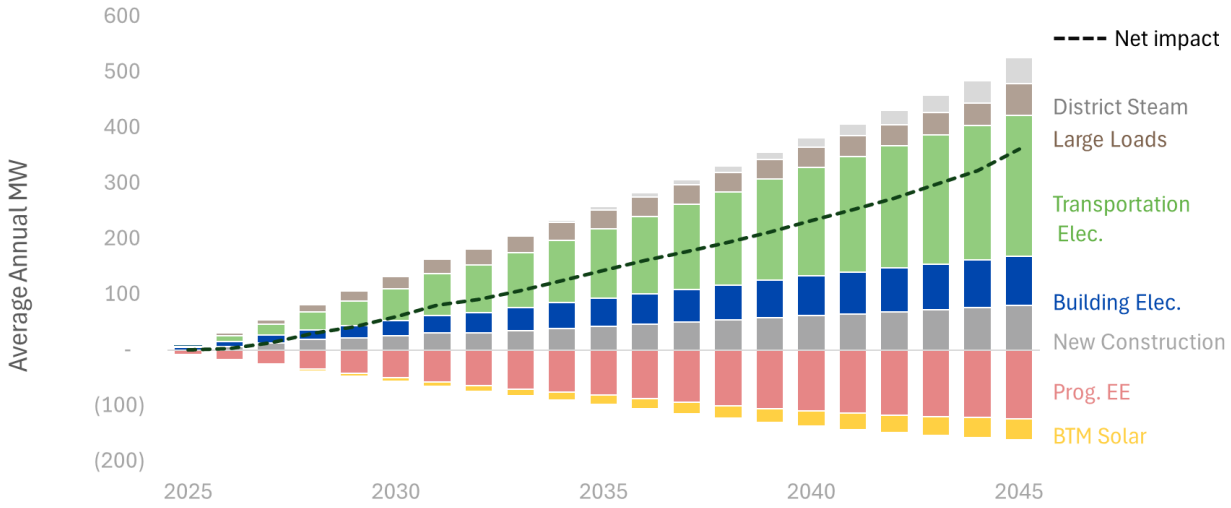


Figure 3.4 and Figure 3.5 show the impact of transportation electrification, new air conditioning, and building electrification for sample summer and winter days in 2045 to illustrate changing dynamics by the end of the present IRP study period.[20] New residential cooling contributes to the summer peak on the July sample day shown in Figure 3.4, whereas electrification of space and water heating drives the winter peak for the December sample day shown in Figure 3.5. The overall shape of these diurnal loads is generally what one would expect to see in the future: summer peaks in the afternoons (when cooling loads are highest), and winter peaks once in the morning and once in the evening (when heating loads are highest).

[20] Figure 3.4 and Figure 3.5 each show a sample illustrative day from the model. The graphs do not show averages of the model output over a set period of time and are intended to only provide examples of how the load might look in the future.

Figure 3.4. Sample Summer Day Load Forecast in Year 2045 (MW)

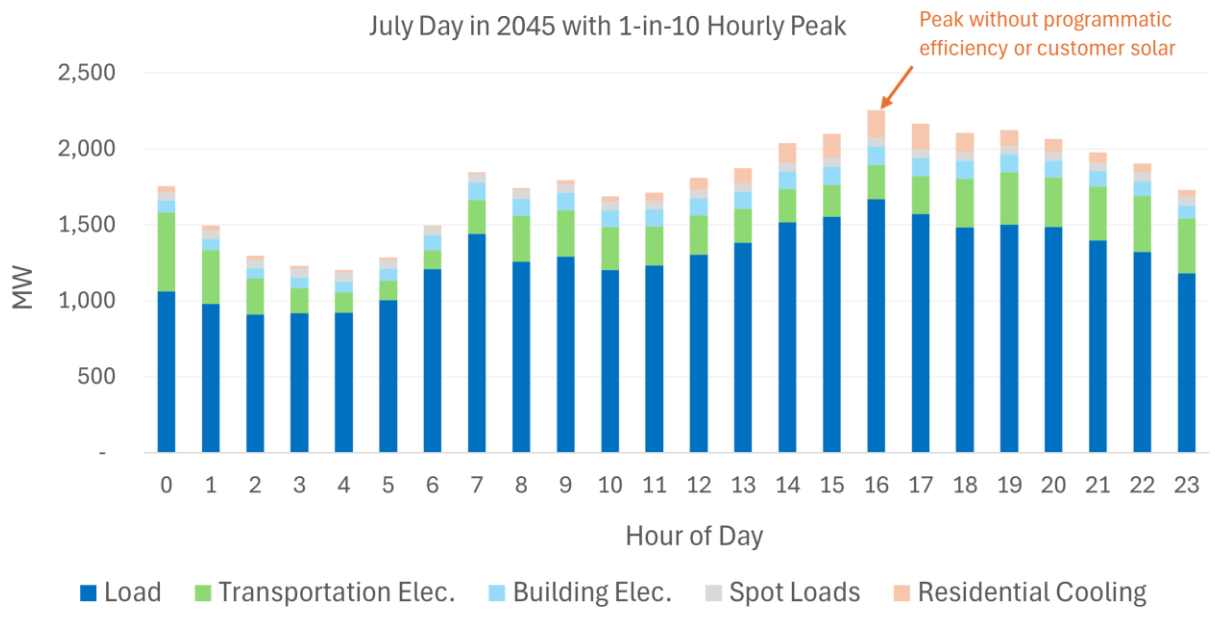
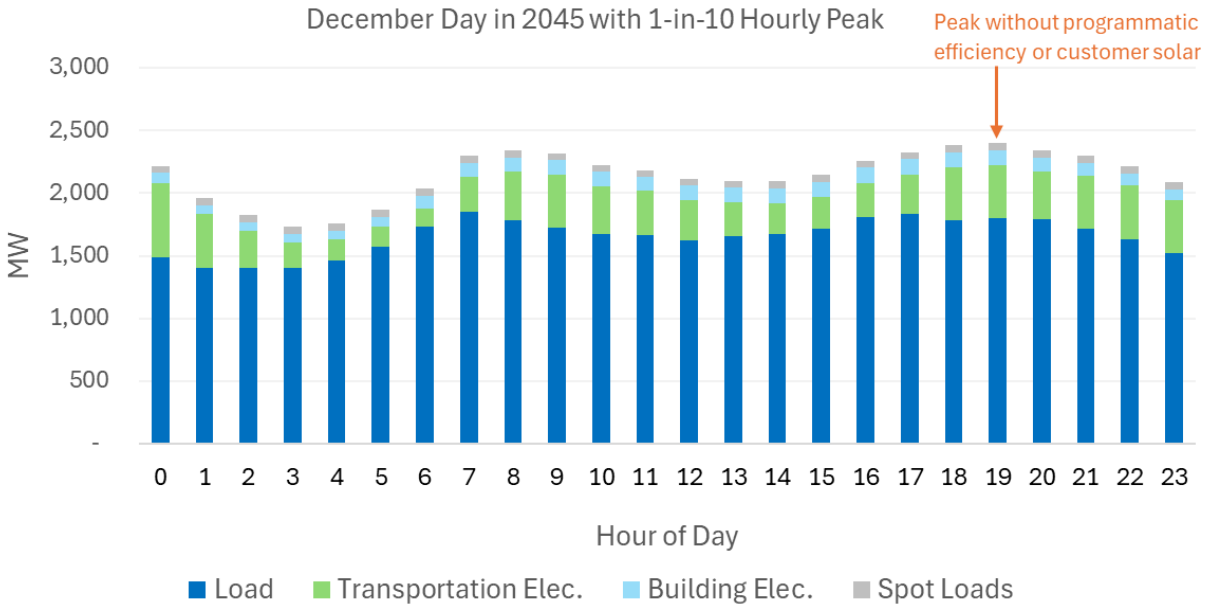


Figure 3.5. Sample Winter Day Load Forecast in Year 2045 (MW)



APPENDIX 4: REGULATORY REQUIREMENTS

City Light is required to comply with several regulations aimed at addressing the greenhouse gas (GHG) emissions associated with the energy it generates, transacts, and delivers. Following are some of these policies:

- Seattle's Sustainable Buildings and Sites Policy, establishing a commitment to GHG neutrality (set by City Council in 2000)
- Washington's Energy Independence Act, I-937 (signed into law in 2006)
- Washington's Clean Energy Transformation Act (signed into law in 2019)
- Washington's Climate Commitment Act (signed into law in 2021)
- Washington's Clean Fuel Standard (signed into law in 2021)
- California's Global Warming Solutions Act (signed into California law in 2006; however, City Light did not meet reporting and compliance applicability until 2020 when it joined the Western Energy Imbalance Market)

The goals and requirements of these regional policies will help utilities, including City Light, accelerate the rate of carbon-free resource adoption necessary to reduce state and regional energy sector emissions. In addition to reducing emissions, a number of these regulations seek to ensure renewable energy transitions are done in a socially conscientious manner by putting environmental justice and equity at the center of these climate policies.

Though much of City Light's portfolio already comprises renewable and non-emitting resources, it must strive to eliminate the remaining sources of fossil fuel-derived energy in its portfolio to comply with legislative requirements. Reducing and eliminating emitting resources will require leveraging a broad portfolio of solutions.

City Light must comply with reporting programs that are governed by different jurisdictions and authorities. These programs apply distinct emissions calculations and reporting frameworks that are designed to achieve their intended policies and objectives. For example, City Light's neutrality efforts aim to identify all emissions associated with City Light's business activities, including those associated with its energy portfolio, and use offset credits to meet its neutrality goals. Meanwhile, City Light's compliance with varying Cap-and-Invest programs require the utility to report and provide eligible compliance instruments for electricity transactions generated in, imported into, or exported out of the given jurisdiction.

City Light GHG Neutrality

In 2000, the City Council set a long-term goal for City Light to achieve GHG neutrality while meeting all of the city's electricity needs. In 2005, City Light became the first electric utility in the country to achieve zero net GHG emissions. To maintain this status, City Light completes an inventory of its GHG emissions every year. The largest source is from market purchases of power, both directly by City Light and through the Bonneville Power Administration (BPA). Other sources include fossil fuels used in vehicles and equipment, leakage of sulfur hexafluoride (SF_6), a potent greenhouse gas used in electrical equipment; employee air travel; and natural gas used for building and water heat and fuel in emergency generators. City Light purchases carbon offset credits for these emissions, which are registered through organizations like the Climate Action Reserve and the Verified Carbon Standard.

I-937 Renewable Portfolio Standard

The Washington State Energy Independence Act, also known as I-937, requires electric utilities serving at least 25,000 retail customers to meet specific targets for renewable energy use (15% by 2020 and beyond)[21] and set two- and ten-year energy conservation to serve their loads.[22] Compliance for renewable energy use can be met on an annual basis in one of three ways:

- A utility may always comply with I-937 by using eligible renewable resources[23] and/or renewable energy credits (RECs) to meet 15% of its customer retail load.
- If a utility has no load growth, it may use eligible renewable resources and/or RECs to meet 1% of its retail revenue requirement and offset any incremental nonrenewable energy purchases.
- A utility may spend at least 4% of its annual retail revenue requirement on the incremental cost of eligible renewable energy and/or RECs.[24]

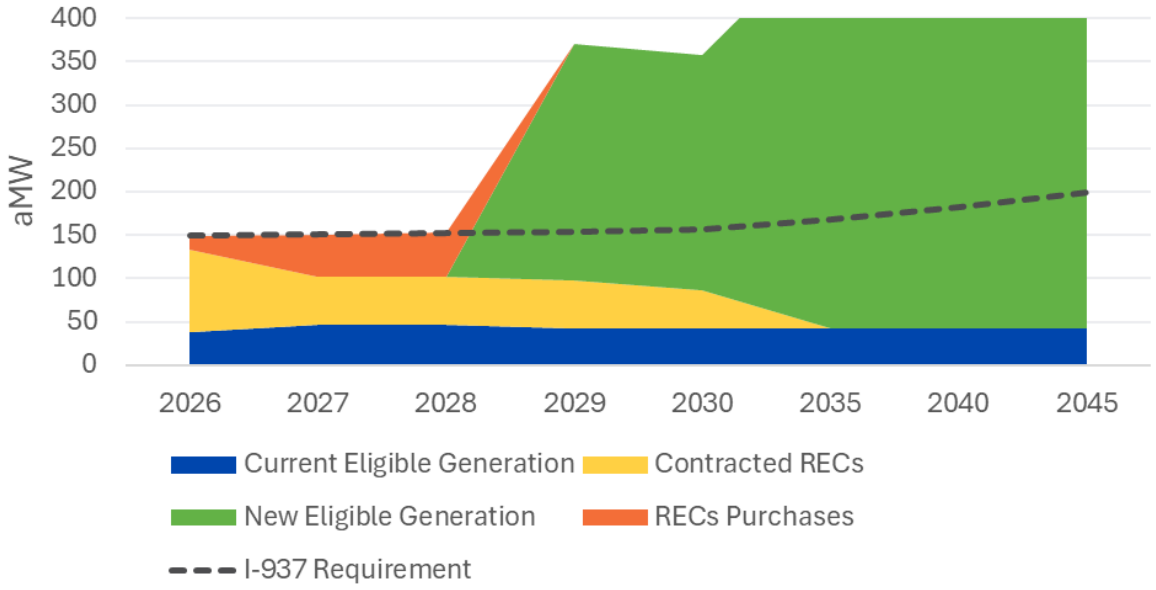
To comply with I-937 requirements, City Light used the "no load growth" compliance option from 2019 to 2022. In 2023, City Light chose to comply with the 15% pathway. City Light's load has steadily increased since 2021 and the utility will likely need to

[21] Revised Code of Washington (RCW) 19.285.040(2).
[22] RCW 19.285.040(2) and WAC 194-37-070(2).
[23] "Eligible resources include incremental hydro, wind, solar energy, geothermal energy, landfill gas, wave, ocean or tidal power, gas for sewage treatment plants, and biodiesel fuel and biomass energy." Energy Independence Act (EIA). November 2006. www.commerce.wa.gov/energy-policy/electricity-policy/eia/
[24] The retail revenue requirement refers to the portion of a utility's annual budget approved by its governing body or regulator that is intended to be recovered through rates.

continue meeting I-937 requirements by meeting 15% of retail load with eligible resources and RECs.

Current eligible resources and contracted RECs are not enough to meet I-937 requirements, but with planned renewable energy resource additions and REC purchases—as per the 2026 Integrated Resource Plan (IRP) preferred portfolio—City Light is well-positioned for meeting I-937 requirements for renewable energy into the future as shown in Figure 4.1. New eligible generation to meet City Light's energy and capacity needs causes City Light to have surplus RECs starting in 2029, eliminating the need for spot REC purchases. Due to the surplus, City Light does not anticipate needing to renew its long-term contracted REC purchases that expire in the 2030s.

Figure 4.1. I-937 Needs



Compliance for energy conservation is further described in Appendix 2: Demand-Side Management Potential Assessment.

Clean Energy Transformation Act

CETA requires electric utilities in Washington state to meet the following milestones:

- Utilities must remove coal-fired generation from Washington's allocation of electricity by 2026.

- Washington retail sales must be GHG-neutral, with at least 80% renewable or non-emitting, by 2030.
- Washington electricity retail sales must be 100% renewable or non-emitting by 2045.

CETA requires utilities to submit a Clean Energy Implementation Plan (CEIP), which outlines progress toward meeting these milestones while ensuring an equitable distribution of energy benefits and reducing burdens to vulnerable populations and highly impacted communities. The CEIP includes renewable energy, energy efficiency, and demand response targets. The most recent CEIP was approved by Seattle City Council in September 2025.[25]

The milestones are modeled in GridPath's capacity expansion model.[26] The model must choose a mix of resources so that by 2030 generation from GHG-free resources exceeds 80% of retail sales and this generation plus purchased RECs exceeds 100% of retail sales. The RECs required by I-937 exceed those required by CETA. Additionally, generation from GHG-free resources (without REC purchases) must exceed 100% of retail sales by 2045. These model constraints influence each portfolio's mix of resources.

The Clean Energy Action Plan (CEAP) is a 10-year plan required by CETA to show how the utility plans to meet the CETA milestones at the lowest reasonable cost and at an acceptable resource adequacy standard. This plan consists of the demand-side resources, supply-side resources, and transmission selected by the IRP model for the years 2026–2035. Additionally, CETA requires that the IRP and CEAP be informed by the results of the Demand-Side Management Potential Assessment (DSMPA), sets a resource adequacy requirement, and identifies necessary transmission acquisitions. Each of these requirements are addressed in the 2026 IRP report and appendices.

CETA also requires electric utilities to consider the social cost of greenhouse gas (SCGHG)[27, 28] as part of the total portfolio cost when developing their IRPs and CEAPs. The assumed SCGHG, as published by the Washington Department of Commerce, in 2026 dollars per metric ton of CO_2e is shown in Figure 4.2.

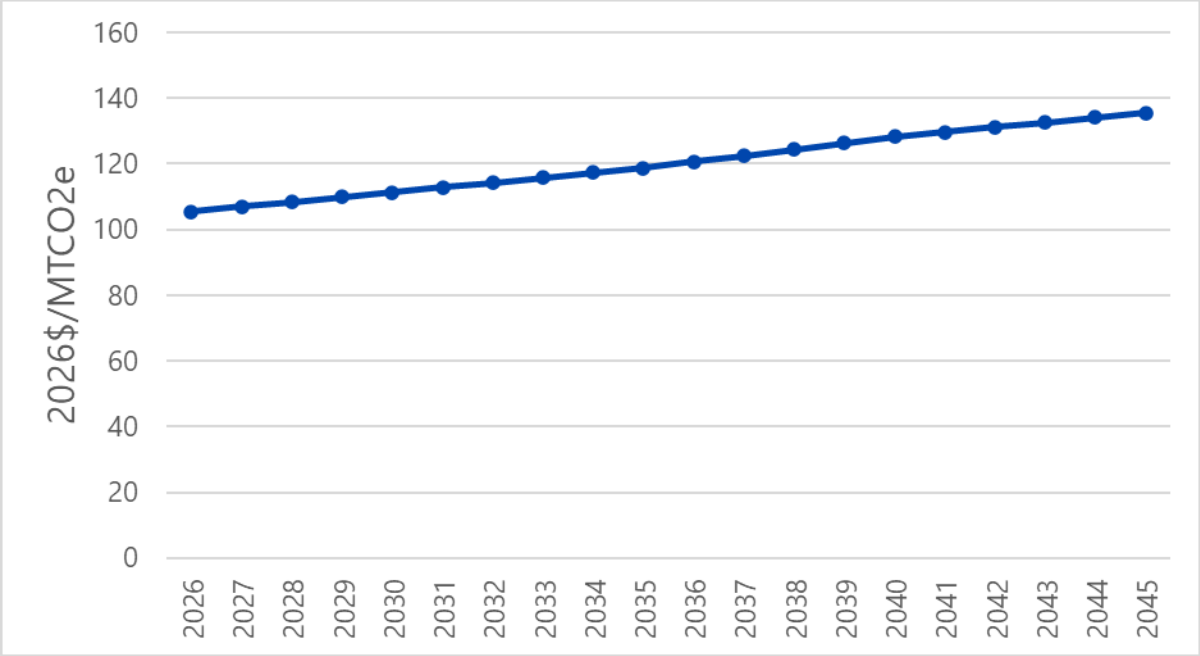
[25] www.seattle.gov/city-light/energy/power-supply-and-delivery/clean-energy-implementation-plan
[26] GridPath is City Light's open-source grid analytics framework. More details can be found in Appendix 8: Model Framework.
[27] www.utc.wa.gov/regulated-industries/utilities/energy/conservation-and-renewable-energy-overview/clean-energy-transformation-act/social-cost-carbon
[28] Revised code of Washington related to IRPs that governs SCGHG methodology is 3a under 19.280.030.

In the 2026 IRP, this SCGHG cost-adder is applied to all unspecified energy (i.e., purchased electricity without a known or declared fuel type) serving retail load. There are three sources from which City Light would incur this adder:

- A small percentage of unspecified power in the BPA power contract
- Several of City Light's long-term contracts (e.g., High Ross contract)
- City Light spot market purchases from unspecified generating sources

The SCGHG cost calculations incorporate the CETA-assigned emissions rate of 0.437 metric tons of carbon dioxide equivalent (CO_2e) per megawatt-hour of unspecified energy, using the SCGHG value in 2026 dollars per metric ton of CO_2e.

Figure 4.2. 2026 IRP Assumed Social Cost of Greenhouse Gas (2026–2045)



Climate Commitment Act

The Climate Commitment Act (CCA) was signed into law in May 2021. It was designed to ensure that the state meets the GHG limits outlined under the Climate Pollution Limits bill (RCW 70A.45.020). The CCA creates a Cap-and-Invest program. This program sets an emissions allowance budget for the state and puts a cap on the allowable emissions associated with large emitters (those producing more than 25 thousand metric tons of emissions). Over time, the amount of allowable emissions will decrease to ensure that the state meet statutory limits.

Entities covered under the Cap-and-Invest program, including City Light, must report on their emissions and obtain eligible instruments to cover their compliance obligations. Some entities, including City Light, receive free allowances to offset the cost burden associated with program compliance. City Light's hydroelectric projects are not considered to generate emissions under this program. However, City Light must report and provide compliance instruments for any emissions associated with energy that is imported into the state of Washington, such as wholesale power from emitting sources or power generated by a source that cannot be documented.

This policy has a relatively low impact on the portfolio expansion decisions City Light would make and, so it is not explicitly modeled in the IRP. However, effects of this policy are reflected in the market price forecasts and load forecast. The policy is considered outside of the IRP for internal policy and short-term decisions.

Clean Fuel Standard

The Clean Fuel Standard (CFS), signed into law in 2021, is a Washington state regulation designed to reduce transportation pollution. The Department of Ecology tracks pollution created by the use of various types of transportation fuels, from gasoline and diesel to electricity and hydrogen.

The CFS requires suppliers of high-pollution transportation fuels to either reduce their pollution over time or purchase credits, so that the money can be used to address the harms from that pollution. Suppliers of low-pollution transportation fuels can opt in to the CFS, generating credits that can be sold to high-pollution suppliers.

Under CFS legislation, City Light's supply of carbon-neutral electricity makes the utility eligible to generate CFS credits when customers use City Light electricity to power electric vehicles. The state allows City Light to use revenue from the sale of these credits to invest in initiatives that reduce air pollution, improve the power grid and the local economy, and continue to expand access to EV charging.

The CFS has no impact on the portfolio expansion decisions City Light would make and so it is not explicitly modeled in the IRP. It is considered outside of the IRP for internal policy and short-term decisions.

California's Global Warming Solutions Act

In 2006, California's Global Warming Solutions Act gave the California Air Resources Board (CARB or ARB) the authority to implement a Cap-and-Invest program to meet the

state's established GHG emissions targets. Although California requires electric power entities to report emissions and comply with its programs, City Light's electricity transactions did not initially meet reporting and compliance requirements. When City Light entered into the WEIM and acquired a scheduling coordinator identification in the California Independent System Operator (CAISO) market, it became obligated to report applicable electricity transactions (imports, exports, wheeled) associated with California. City Light must provide compliance instruments for the emissions associated with applicable electricity transactions.

This policy has a relatively low impact on the portfolio expansion decisions City Light would make, so it is not explicitly modeled in the IRP. However, effects of this policy are reflected in the market price forecasts, and it is considered outside of the IRP for internal policy and short-term decisions.

Secondary Legislative Impacts

Several other pieces of legislation have a significant impact on City Light's system load forecast, which was used as an input to the 2026 IRP.

- Seattle's Building Emissions Performance Standard, enacted in December 2023, requires non-residential and multifamily buildings larger than 20,000 square feet to meet progressively stronger GHG emissions targets over the next two decades. Covered buildings must eventually reach net-zero emissions by 2041–2050. This has significantly increased expected loads as a result of increased building electrification.
- Washington's Transportation Electrification Strategy legislation, enacted in early 2023, intended to ensure electric vehicle incentives and infrastructure are accessible and available to all people in Washington and advance Washington's market and infrastructure readiness to support new electric vehicle sales. This legislation and strategy significantly increased expected transportation electrification loads in City Light's service territory.

The expected impact of these policies were incorporated into City Light's load forecast used in the IRP. These assumptions were set in late 2024. Since the time the assumptions were set, the industry has seen large changes in the operating environment including decreased federal incentives for electric vehicles, which may impact how quickly our customers transition to electrification. City Light follows these developments closely and will update future load forecasts and IRPs as more information becomes available.

APPENDIX 5: RESOURCE OPTIONS

As part of the 2026 IRP, both established and advanced technologies were assessed in GridPath (see Appendix 8: Model Framework for a more detailed description of the GridPath model) as candidate resources to help meet City Light's portfolio requirements over the 20-year IRP study period. Established resource technologies that were considered for portfolio expansion in the model included utility-scale solar photovoltaic (PV), short-duration (four-hour) lithium-ion battery energy storage systems (BESSs), and onshore wind. Advanced technologies were handled separately via break-even analyses. Advanced technologies considered in this study included long-duration energy storage, enhanced geothermal systems, small modular reactors (SMRs), and green hydrogen peaker plants. Demand side resources chosen in the 2026 Demand-Side Management Potential Assessment (DSMPA) were included in City Light's modeled existing portfolio, and as such, did not vary across different candidate portfolios.

Established Technologies

City Light allowed as candidates in the portfolio expansion portion of the study only carbon-free resource technologies that were commercially available at a utility scale at the time inputs to the model were finalized:

- onshore wind
- solar PV
- short-duration BESSs

Table 5.1 provides more details on the model's supply-side candidate resources.

Table 5.1. Modeled Supply-Side Candidate Resources

Technology	Location(s)	Data Sources and Notes
Onshore Wind	Gorge (Washington-Oregon border) Idaho Montana	National Renewable Energy Laboratory (NREL)-based wind shapes Vibrant Clean Energy's Resource Adequacy Renewable Energy (RARE) dataset Request for Proposal (RFP) responses NREL Annual Technology Baseline (ATB)
Solar PV	Central Washington Northeast Washington Oregon Idaho	NREL-based solar shapes RFP responses NREL ATB
BESSs	On-system On Bonneville Power Administration's (BPA's) system Co-located with renewables	RFP responses NREL ATB 85% round-trip efficiency Duration selected by model (4-hour minimum)

The 2026 IRP used candidate utility-scale wind resources located in the Columbia River Gorge on both the Oregon and Washington side as well as wind resources in Idaho, and Montana. However, due to City Light's lack of current transmission rights from Montana, the 2026 IRP did not include Montana wind resources as candidates until 2035, as this is the first year the model assumed additional transmission capacity would be available. The generation profiles for these locations were taken from a blend of Vibrant Clean Energy's RARE Power Dataset and NREL wind resource profiles available through the System Advisor Model (SAM) tool.

The 2026 IRP included candidate solar PV resources located in central and northeast Washington, Oregon, and Idaho; power generation profiles were created using NREL's SAM tool. The SAM's solar profiles are derived from the National Solar Radiation Database (NSRDB), which is a serially complete collection of hourly and half-hourly historical measurements of global horizontal, direct normal, and diffuse horizontal irradiance by location. The SAM tool uses these data in combination with solar panel specifications to estimate hardware- and location-specific solar generation output.

Finally, the 2026 IRP model included candidate four-hour BESSs with an 85% round-trip efficiency. These candidate resources were assumed to be located within City Light's

balancing area, on BPA's transmission system, or co-located with candidate solar PV projects. Short-duration BESS operations were modeled endogenously in GridPath, charging at times of relatively low resource need and low market prices and discharging at times of high resource need, high market prices, or both.

New resource availability was assumed to be unconstrained for the purposes of this IRP study. Unconstrained availability helps the utility understand the volume of resources that will be needed to meet City Light's needs. However, in reality, new resource availability is quite constrained, and City Light will be competing with other utilities and large electricity users for available projects to meet the demonstrated need.

Capital, operations and maintenance, and curtailment cost data for candidate wind resources, solar PV resources, and short-duration BESSs were derived from a combination of NREL's ATB and responses to City Light's 2023 resource acquisition RFPs. Assumptions around resource pricing were finalized in late 2024, prior to the implementation of many of the financially impactful policies enacted by the current federal administration. Of the policies that were enacted by the time resource pricing for the IRP were required to be finalized, much uncertainty remained around the longevity and specific financial impacts to generation resource pricing. The short time between the change in federal administration and deadline for finalizing IRP inputs did not allow third parties to complete analyses of policy impacts to resource pricing. These analyses were therefore not available for City Light's reference and use to inform the 2026 IRP.

Figure 5.1 and Figure 5.2 show City Light's low, mid, and high cost scenarios for solar and wind, respectively. For both sets of cost scenarios, the initial representative cost of the resource in 2025 was determined from a blend of NREL's ATB and City Light's 2023 RFP responses. The high cost scenarios both propagate this value forward in time, unchanged. The low cost scenario for solar PV uses linear interpolation from the initial blended 2025 cost to the NREL ATB Class 7 Moderate (including the Production Tax Credit (PTC)) cost by 2030 and then follows the ATB Class 7 Moderate costs through 2045. Similarly, the low cost scenario for wind uses linear interpolation from the initial blended 2025 cost to the NREL ATB Class 10 Moderate cost by 2030, and tracks the ATB Class 10 Moderate costs through 2045. The mid cost scenarios for both wind and solar PV were derived by averaging their respective low- and high cost forecasts.

Figure 5.1. Solar Cost Scenarios ($2026)

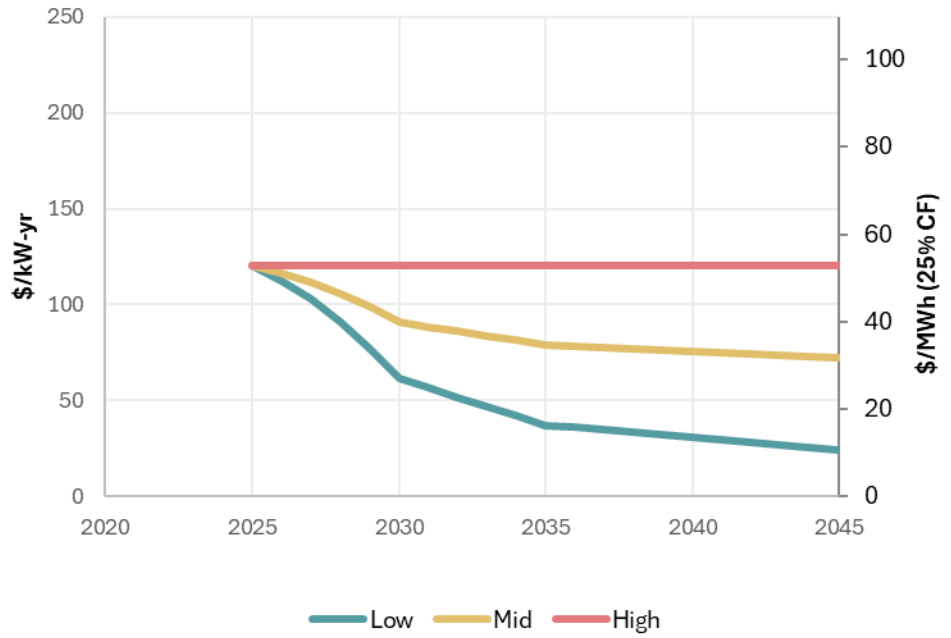


Figure 5.2. Wind Cost Scenarios ($2026)

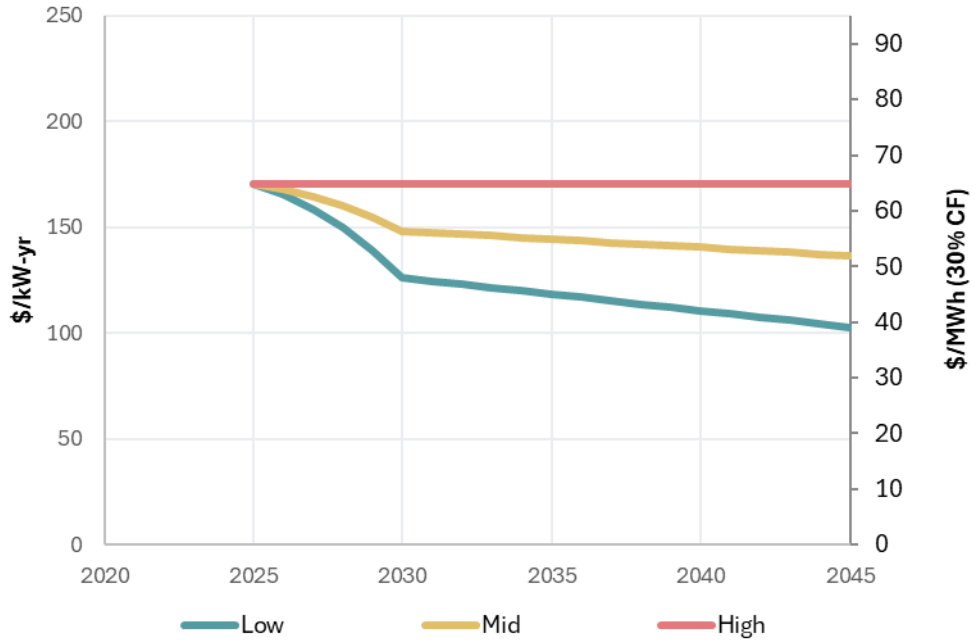


Table 5.2 shows capacity factors of the various wind and solar PV resource options in the 2026 IRP.

Table 5.2. Wind and Solar Capacity Factors by Location, All Simulated Years

Resource	Capacity Factor (%)
Solar – Central WA	25%
Solar – Northeast WA	24%
Solar – Idaho	24%
Solar – Oregon	24%
Wind – WA Gorge	30%
Wind – OR Gorge	30%
Wind – Idaho	29%
Wind – Montana	39%

Advanced Technologies

Incorporating a broader range of carbon-free resource technology types into the IRP study beyond the resource technologies that are currently commercially available on a utility scale adds diversity and value to a future power supply portfolio. However, at the time the current IRP inputs were finalized, a significant amount of uncertainty remained with respect to the commercial availability, timing, and pricing of these advanced technology resources. City Light separated these resources from the established resource technologies in the present IRP study to prevent those uncertainties from muddying final portfolio results. The advanced technologies City Light considered were long-duration energy storage, enhanced geothermal, SMRs, and green hydrogen peaker plants. These clean, firm resources will be an important component for City Light's future energy portfolio.

Table 5.3 provides more details on model assumptions for these advanced technologies.

Table 5.3. Advanced Technologies in the IRP Study

Technology	Location(s)	Data Sources and Notes
Long-Duration Energy Storage	On-system	Form Energy Modeled as 100-hour iron-air batteries 75% charging efficiency, 50% discharging efficiency 20-year expected life span
Enhanced Geothermal	Delivered to Mid-C	NREL ATB Modeled as a baseload resource 95% capacity factor
SMRs	Delivered to Mid-C	NREL ATB Modeled as a baseload resource 95% capacity factor
Green Hydrogen Peaker Plants	On-system	NREL ATB Modeled as new-frame combustion turbines Heat rate of 9.72 MMBtu/MWh

Long-Duration Energy Storage was modeled using publicly available performance parameters from Form Energy's 100-hour iron-air batteries. Specifically, the 2026 IRP assumed a 75% charging efficiency, a 50% discharging efficiency, and a 20-year expected life span of the system.

Enhanced geothermal and SMRs were modeled as baseload resources, both with 95% capacity factors, per NREL ATB. They were assumed to be delivered to Mid-C, so cost of transmission to Mid-C was included in the break-even analysis.

Green hydrogen peaker plants were modeled as new-frame combustion turbines with a heat rate of 9.72 MMBtu/MWh, per NREL ATB, and were assumed to be located on City Light's system. The cost of these peaker plants was assumed to include all costs associated with the production, transport, and storage of green hydrogen.

Break-even analyses were performed for each advanced resource technology type individually. The purpose of a break-even analysis is to determine the point at which a given advanced technology type would add value to a candidate portfolio. For more details on the break-even analysis methodology, see Appendix 11: Advanced Technology Break-even Analyses.

Market Purchases

City Light also has the option to purchase energy from the market in lieu of supplying energy from demand- or supply-side resources. Market purchases were valued according to the hourly wholesale market price forecast. Further details on the 2026 IRP's assumptions on availability and cost of market purchases are detailed in Appendix 6: Market Prices.

APPENDIX 6: MARKET PRICES

The 2026 Integrated Resources Plan (IRP) developed three scenarios (Mid, Low, and High) for hourly wholesale price forecasts at the Mid-Columbia (Mid-C) and California-Oregon Border (COB) market hubs. These forecasts were based on third-party S&P hourly price forecasts, Northwest Power and Conservation Council (Power Council) hydro-dependent price forecasts across 30 different hydro futures, and Intercontinental Exchange (ICE) forward-looking Mid-C prices. The 2026 IRP relies particularly on Power Council price data as they focus on modeling hydro conditions and operating constraints across the hydro-heavy Pacific Northwest, and the impact of hydro conditions and constraints on the wholesale energy market. Power Council prices were incorporated into all three price scenarios so that the 2026 IRP model would include the weather-driven joint distribution of hydroelectricity generation and wholesale market prices.

The methodology used to develop the three ensemble forecasts corresponding to the Low, Mid, and High price scenarios for Mid-C is described below.

Mid: This scenario reflects near-term market scarcity, long-term expectations that align with S&P projections, and monthly or hydrological year price variability that roughly corresponds to the Power Council's hydro modeling. To develop the Mid scenario, the 2026 IRP began with the S&P hourly prices and made the following adjustments:

- In years 2025–2030, monthly scalars were applied to Mid-C prices for all hours in which the ICE forward prices as of October 9, 2024, were blended with the hourly S&P prices. The scalars ramp down linearly so that average monthly prices in 2025 align with ICE forward prices and average monthly prices in 2030 align with S&P monthly averages.
- For each hydro year, a monthly price adder was applied based on the Power Council price data's monthly average price deviations for that hydro year.
- A price floor of $0/MWh was applied, due to S&P applying a minimum price of $0/MWh.

Low: This scenario reflects near term market scarcity, long-term expectations that align with the Power Council's projections, and monthly/hydro year price variability that roughly corresponds to the Power Council's hydro modeling. To develop the Low scenario, the 2026 IRP began with the Power Council's High Demand Mid Gas price forecast and made the following adjustments:

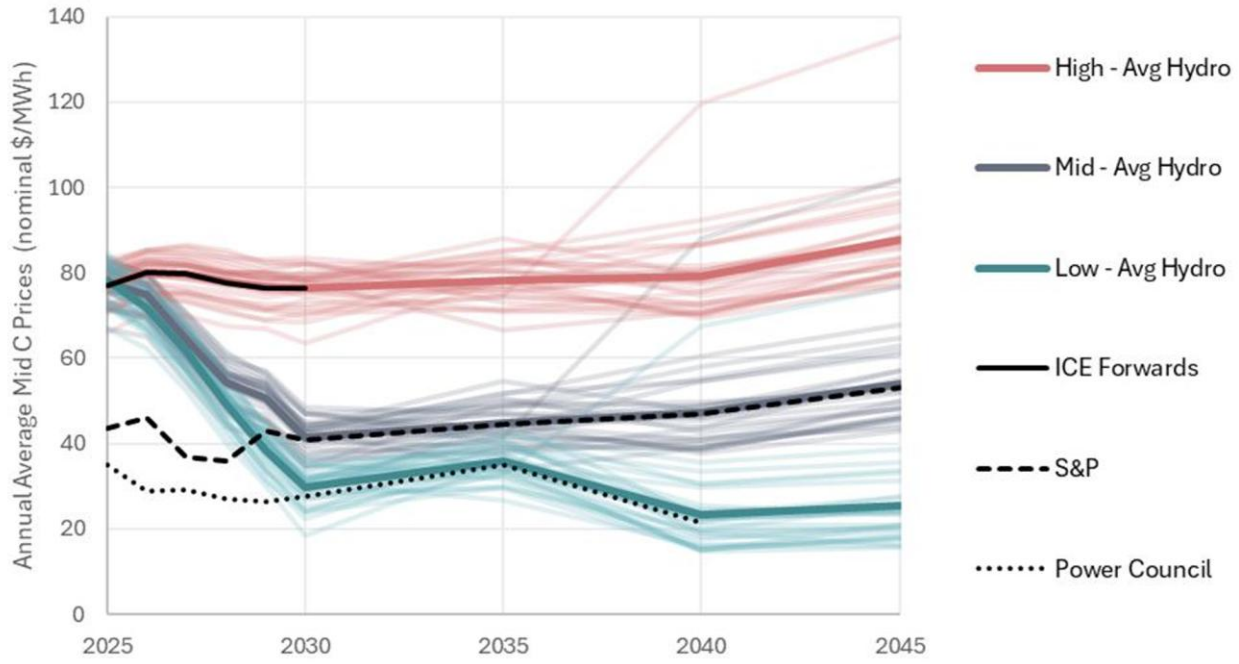
- In years 2025–2030, monthly scalars were applied to Mid-C prices in all hours that blend the ICE forward prices with the Power Council prices. The scalars ramp down linearly so that average monthly prices in 2025 align with ICE forward prices and average monthly prices in 2030 align with Power Council hydro-year-specific monthly averages. Prior to 2030, the scalars were applied based on average hydro conditions to maintain consistent hydro-based spreads across the price scenarios.
- A price floor of $0/MWh was applied, because the price floor for the S&P data for the Mid price scenario was also $0/MWh, and for purposes of a consistent methodology it was considered desirable to treat the Low scenario the same.

High: This scenario projects persistent scarcity into the future, and monthly/hydro year price variability that roughly corresponds to the Power Council's hydro modeling. To develop the High scenario, the 2026 IRP began with the ICE hourly prices and applied the same methodology used to develop the Mid scenario, with the following adjustments:

- Rather than ramping down the ICE forward price scalar between 2025 and 2030, ICE average monthly prices were applied for all years, including beyond 2030.
- For each hydro year, a monthly price adder was applied based on the Power Council price data's monthly average price deviations for that hydro year.

The resulting price forecasts are shown in Figure 6.1.

Figure 6.1. Mid-C Prices Across Hydro Futures



City Light evaluated several additional price forecasts from external entities and determined that the three price scenarios described above encompass the range of feasible Mid-C price forecasts.

Since City Light did not have access to hourly California market price forecasts, the team used the S&P Mid-C price forecasts as a starting point and adjusted the prices as follows:

- In hours when the S&P Mid-C price is $0/MWh, the California price is also assumed to be $0/MWh to avoid unrealistic arbitrage opportunities (e.g., to avoid making profit from importing excessive energy when prices are negative in California).
- In hours when the S&P Mid-C price is not $0/MWh, the monthly peak/off-peak price difference between the S&P COB market price and the S&P Mid-C market price is added to the hourly S&P Mid-C price.[29]

[29] Specifically, the average market price difference between COB and Mid-C for the month and peak period is calculated for hours where the Mid-C price is not $0/MWh. The price difference is then scaled upward by multiplying by the ratio of the total number of hours in the month and peak period divided by the hours included in the month and peak period excluding hours when Mid-C price is not $0/MWh. This

Market Reliance

The new resource buildout in the IRP model framework is highly dependent on assumptions of how much energy City Light can purchase in the market. This dependance is because new resource buildouts are primarily driven by resource adequacy, and many of the eligible new resources (even batteries for long-duration events) have fairly low capacity factors during resource adequacy events. Each megawatt of market purchases can therefore offset multiple megawatts of new resource buildouts needed to provide the same amount of capacity.

In the capacity expansion model, City Light tested limiting market purchases to both 200 MW and 300 MW in (and only in) hours where the region is resource constrained from meeting loads,[30] to avoid overly relying on the market and underbuilding needed resources while determining how different market purchase uncertainties affect new resource buildouts. To ensure resource adequacy, in production cost model and resource adequacy model runs, City Light limited market purchases to 200 MW in resource-constrained hours for all runs. The 200 MW value is consistent with the market reliance assumption used in the 2024 IRP; however, the 2024 IRP applied this constraint to all hours.

In hours when the region is not resource constrained, City Light limited total transactions (imports plus exports) to 1 GW in all hours, based on historical trading of around 500 MW.

Carbon and Renewable Energy Content Requirements

City Light has carbon emissions compliance requirements under Washington's Clean Energy Transformation Act (CETA) and Climate Commitment Act (CCA). Generally, demand- and supply-side resources are considered emissions free, while market purchases are treated as having an unspecified source, and therefore are assumed to have an emissions rate equal to the marginal resource in the market. Carbon prices are embedded in the wholesale market price forecasts and are therefore automatically applied to market purchases.

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scaling ensures that the full average price differential between COB and Mid-C for the given period is accounted for. For example, if COB is on average $10/MWh cheaper than Mid-C in April peak hours in 2030, there are 400 peak hours and 40 of the Mid-C peak hours have prices of $0/MWh, then the price adjustment to COB would be *-$10/MWh * (400 hours / (400 – 40 hours)) = -$11.11/MWh*.

[30] Resource-constrained loads are based on the Power Council's modeling of hours with greatest loss of load probability (LOLP) in the region.

However, the social cost of greenhouse gas (SCGHG) may be higher than the market price for carbon. Consistent with the analysis performed in the 2022 and 2024 IRPs, the SCGHG was calculated and added after the fact to each 2026 IRP portfolio, based on each IRP portfolio's emissions and the social cost of carbon dioxide (CO_2) from the Utilities and Transportation Commission (UTC), as detailed in Appendix 4: Regulatory Requirements.

Minimum renewable energy requirements established by CETA and the Energy Independence Act (EIA, I-937) place constraints on the resource options and market reliance selected by the IRP model. These requirements are discussed in further detail in Appendix 4: Regulatory Requirements.

APPENDIX 7: TRANSMISSION

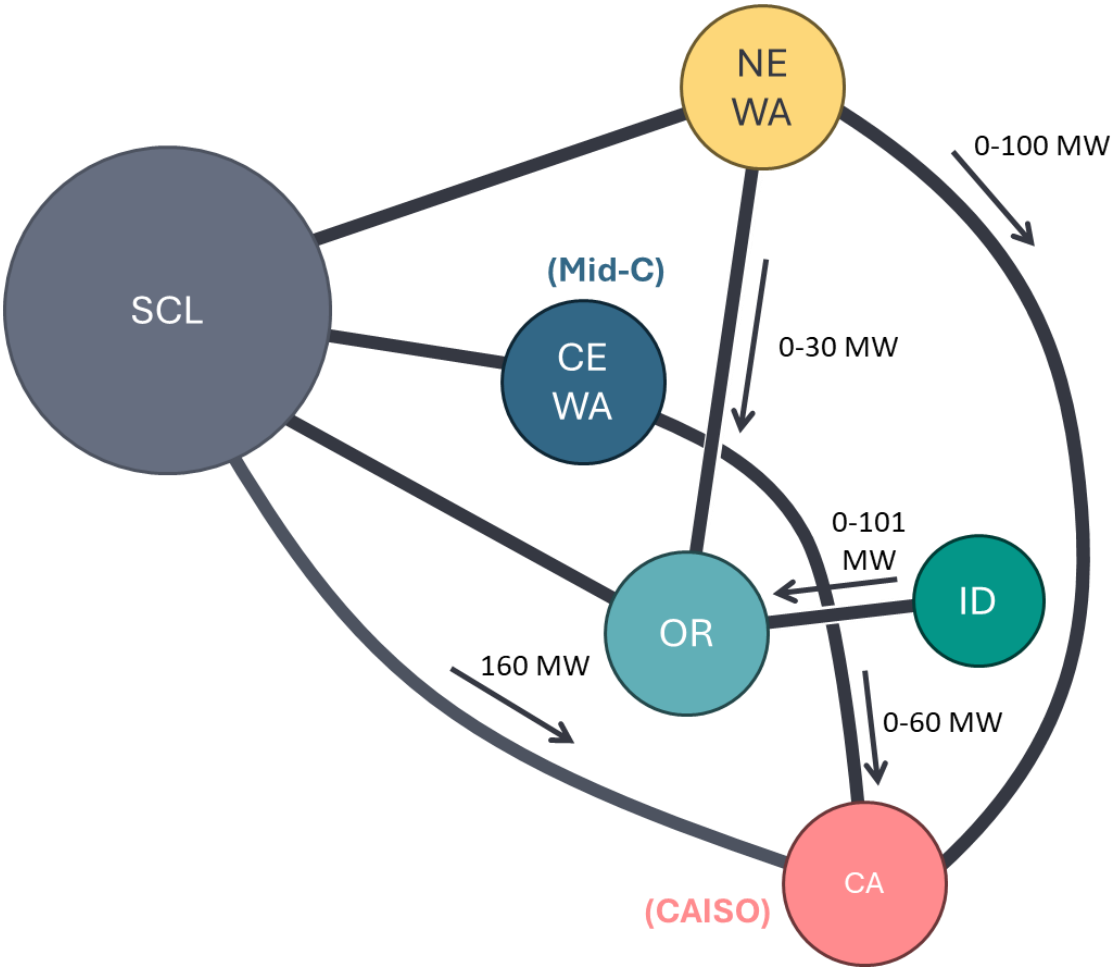
City Light implemented a zonal "pipe and bubble" model within GridPath with flow-gate-based constraints to represent relevant regional transmission in the 2026 IRP. The development and application of flow-gate-based constraints in a pipe and bubble transmission model differ from common practice. However, City Light decided this was necessary due to the unique circumstances the Pacific Northwest is facing in the transmission system.

Bonneville Power Administration (BPA) provides approximately 75% of the transmission serving the Pacific Northwest. The remaining 25% is owned by individual utilities. Typically, utilities and other load-serving entities in the Pacific Northwest secure long-term firm point-to-point (PTP) or Network Integration Transmission Service (NITS) transmission rights to deliver generation across BPA's system to ensure reliable load service. Because weather-dependent resources cannot generating energy at their full capacity 100% of the time, the reserved transmission is not fully utilized at all times. This means transmission capacity remains reserved even when it is not being used to serve load. In particular, as utility-scale wind and solar resources have grown in the region and load-serving entities continue to reserve more transmission capacity than required to serve load, BPA's transmission system has become largely oversubscribed. As a result, flows across key transmission paths in the region appear highly constrained at all times, even though most of the time, those paths are not *physically* constrained. Because transmission rights holders can resell some of their reserved transmission capacity, there is potential for transmission to be used more efficiently, which could prevent regional transmission from being underutilized, as well as mitigate the need for costly and slow transmission projects across the region.

Historically, planning studies have modeled long-term firm transmission paths as being fully subscribed when physically there is still significant flexibility left on those pathways. For this IRP, an alternate, more physically-based approach was selected that involves modeling the use of existing transmission flexibility within City Light's own portfolio when evaluating its long-term transmission requirements. The model approximated the hourly physical constraints on the regional transmission system, rather than applying static firm constraints on an annual basis. To accomplish this, the model tracked when resources were generating and the resulting transmission impacts across key regional paths. The model then used this information to evaluate transmission congestion and physical constraints to determine whether City Light needed to acquire additional long-term transmission rights.

Figure 7.1 below shows the different zones included in GridPath where City Light has existing transmission rights, and the assumed connectivity capacities between them. An additional zone included in the model, Montana, is not pictured in the figure, since City Light does not currently have transmission rights from Montana to Mid-C for final delivery to City Light's balancing area. Transmission pathways in the figure with no label and connections in directions not indicated by arrows are assumed to be unconstrained. For example, the path from SCL to CAISO is assumed to be limited to 160 MW, but the path from CAISO to SCL is assumed to be unconstrained. Based on its current transmission portfolio, City Light does not anticipate any difficulty in securing transmission to deliver power from the regional hubs connected to its service territory, so no transmission limitations were imposed on power imports to City Light from regional hubs in the model; thus, transmission capacities for power imports to the SCL zone are unlabeled in the figure.

Figure 7.1. City Light's Existing Transmission Rights and Connectivity Capacities



Once GridPath's capacity expansion model built candidate portfolios, it tracked total flows from both existing resources and the selected candidate resources on an hourly basis in the production cost and resource adequacy models. Flows in the capacity expansion model were limited based on the quantity of transmission rights that City Light holds. In particular, for any flow going into the City Light zone to serve its own load, the model calculated the impact to flows across key constrained paths. When flows exceeded estimated transmission rights in City Light's existing portfolio, the model had two options:

1. The dispatch could change, meaning resources could be curtailed or the portfolio could be redispatched to respect the transmission constraints on the system.
2. If the constrained dispatch occurs in 2035 or later, the model was allowed to select and acquire additional transmission rights, using existing reference prices (see below). 2035 was the first year in which it was assumed that City Light could utilize newly acquired transmission, allowing the utility time to acquire or build new transmission over the next ten years. Transmission rights from the modeled Montana zone to the Mid-C balancing area could also be selected by the capacity expansion model if needed.

The capacity expansion model weighed both of the options above when encountering flow constraints into City Light's zone, to arrive at the least-cost, reliable portfolio over the entire study period.

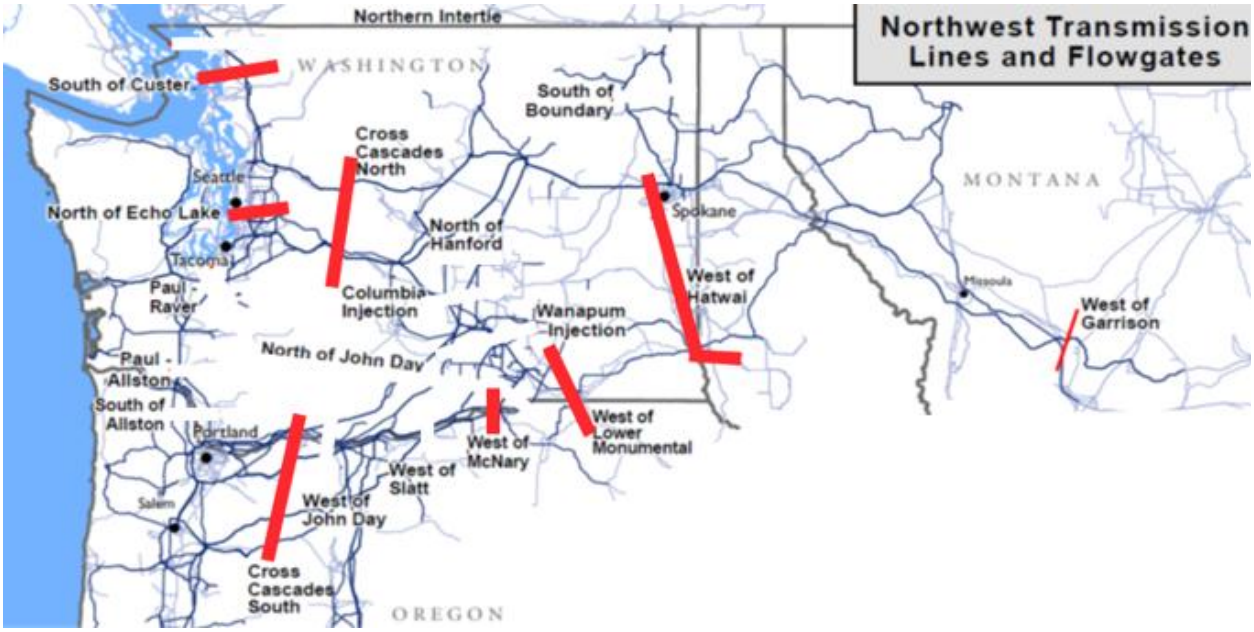
New transmission contracts adding capacity between City Light and Oregon, and between City Light and Central Washington, were priced within the model according to the BPA BP-24 Long-Term Firm PTP rate of $19,766/MW-year estimated for 2024,[31] adjusted for inflation. Transmission connecting the Oregon and Idaho zones was set to Idaho Power's long-term firm PTP transmission rate at the time IRP inputs were finalized, which was $31,419/MW-year. Additional transmission connecting Montana to the Central Washington zone was priced at the BP-24 intertie rate of $6,288/MW-year. Data inputs for the IRP were finalized in late 2024, and the transmission rates were not updated for changes in rates between late 2024 and the submission of the IRP report.[32]

The map in Figure 7.2 provides an overview of some of the key flow paths, or "flow gates," that BPA monitors and plans around. The flow gates demarcated by red lines

[31] Based on the posted rate of $1.648/kW-month, converted to dollars per megawatt-year.
[32] For example, BPA's rates have been updated in proceedings.bpa.gov/Home/OpenDoc?fileId=8124. BPA's Long-Term Firm PTP rate has increased from $1.648/kW-month to $2.043/kW-month, although the increase is less dramatic when adjusting for inflation. The Montana intertie rate increased from $0.524/kW-month = $6,288/MW-year, to become $0.545/kW-month.

were found by Sylvan and City Light to be the key paths between established resources and City Light's balancing area.

Figure 7.2. BPA Paths and Flow Gates



The transmission model used in this IRP estimates physical flows across each of the key flow gates listed in Table 7.1. The estimates were established using Power Transfer Distribution Factor (PTDF) calculations from BPA's Long-Term Original Inventory Map for regional transmission paths, which City Light clustered into zones. PTDFs were available for all transmission paths relevant to City Light's system except the BPAPOWER to BPAT.SCL path, which was estimated using BPA's short-term PTDF calculator instead. PTDFs represent the approximate fraction of a given quantity of power flow that moves across each path when that quantity of power is injected into the grid at one location and withdrawn at another. For example, if 1 MW of power were injected into the Northeast Washington (NE_WA) zone and withdrawn at City Light's balancing area, the first column of Table 7.1 indicates that approximately 0.52 MW of power will flow across Cross Cascades North flow gate, and approximately 0.15 MW of power will flow across the North of Echo Lake flow gate, and so on.

To derive transmission constraints for energy flowing into City Light's territory, City Light started by clustering City Light's various firm transmission rights into ten zones, based on point of receipt (POR) and point of delivery (POD). City Light then used BPA's PTDFs to determine fractional flows across regional flow gates for each POR and POD pair. Flow gates showing minimal or negative flows across all of City Light's firm transmission pathways were eliminated as constraining flow gates, leaving nine constraining flow

gates. The team performed k-means clustering for every integer *k* from *k*=2 through *k*=7 to investigate the impact of different reductions in problem size and identify flow gates that were of higher importance for the model to resolve. The team selected the groupings corresponding to *k*=7 to maintain the greatest amount of transmission flow gate resolution in the model.

City Light also derived the maximum capacity in megawatts at all key flow gates based on City Light's existing rights and the seven key modeled flow gates. If City Light were to use the maximum extent of its transmission rights simultaneously across each of the seven key modeled flow gates, the net impact at each flow gate would be the maximum capacity City Light would be permitted to use at any given time. These maximum flows are indicated in the right-most column of Table 7.1 and serve as maximum transmission capacities across each of the modeled key flow gates given City Light's existing portfolio of transmission rights.

The following example illustrates how the table can be used to identify modeled constraints on power flow:

- Suppose City Light attempts to transfer 1,000 MW from NE_WA to SCL and 1,000 MW from OR to SCL.
- When flowing 1,000 MW from the NE_WA zone to the SCL zone, the impact on the Cross Cascades North flow gate can be found by looking down the first column of the table to the Cross Cascades North row and calculating the product of the total power flow and the fractional impact indicated in the table: (1,000 MW * 0.52) means the impact of that exchange would result in 520 MW of increased power flow at Cross Cascades North.
- Similarly, the impact on the Cross Cascades North flow gate of flowing power from the OR zone to the SCL zone can be found in the third column of the table in the Cross Cascades North row and is equal to 0.73; the total impact of that second exchange on Cross Cascades North would be *1,000 MW * 0.73 = 730 MW*.
- The total impact on the Cross Cascades North flow gate of these simultaneous power flows is the sum, *520 MW + 730 MW = 1,250 MW*, which is less than the 1,341 maximum flow allowed at that flow gate. The maximum allowed flow can be found under the "Max Flow" column on the far right of the table, in the Cross Cascades North row (this number was derived from the impact on Cross Cascades North when all of City Light's current transmission rights are fully utilized).
- However, the same logic shows that at the West of McNary flow gate the increase in power would be *40 MW + 340 MW = 380 MW*, which is greater than City Light's 151 MW maximum flow limit.

- Even though the "Max Flow" constraint is not violated at Cross Cascades North, the constraint is violated at another location (in this case West of McNary), which means City Light is not allowed to import 1,000 MW from NE_WA and 1,000 MW from OR at the same time.

Table 7.1. Flow Gates Used to Model Transmission

Zone From	NE_WA	CE_WA	OR	CA	Max Flow (MW)
Zone To	SCL	SCL	SCL	SCL	
CROSS CASCADES N.	0.52	0.82	0.73	0.71	**1,341**
NORTH OF ECHO LAKE	0.15	0.34	0.36	0.36	**561**
SOUTH OF CUSTER	0.37	0.04	0.04	0.03	**425**
WEST OF HATWAI	0.57	0.07	0.08	0.04	**673**
WEST OF MCNARY	0.04	0.04	0.34	-0.12	**151**
WEST OF LOMO	0.14	0.10	0.01	-0.02	**255**
CROSS CASCADES S.	0.05	0.06	0.13	0.12	**161**

APPENDIX 8: MODEL FRAMEWORK

For the 2026 Integrated Resource Plan (IRP), City Light used the open-source grid analytics framework GridPath to better support an understanding of the utility's position within the changing energy landscape and the potential of supply-side energy resources. GridPath integrates the following models that make up the complete IRP analysis:

- Capacity expansion modeling: what resources to acquire
- Production cost modeling: how to dispatch resources within a modeled portfolio
- Resource adequacy analysis: how well the selected resources meet energy and capacity needs

Compared with the model framework used in prior IRPs at City Light, GridPath presents some notable advantages for modeling City Light's generation resource portfolio and candidate supply-side resource selections. First, in the present IRP, GridPath was able to dynamically dispatch flexible generation resources within one- and two-week periods while accounting for complex operational constraints at City Light's Skagit hydroelectric project. The previous 2024 IRP model could only optimize Skagit and Boundary resource generation within five-day intervals and could not fully account for operational constraints at Skagit.

Second, GridPath's capacity expansion model can utilize hourly capacity profiles of available resources, contracts, and market purchases to build optimal candidate portfolios. The previous 2024 IRP model could not incorporate capacity profiles at an hourly resolution and instead relied on stacking single-value effective load carrying capacities (ELCCs) for each candidate resource to meet resource adequacy requirements. The 2024 IRP model's ELCC value abstraction was not only expensive to compute for all existing and candidate resources, but the results were less informative and reliable in quantifying the contribution of energy storage resources.

Third, GridPath's zonal transmission module uses physics-based constraints at key flow gates in the region. This technique more realistically captures constraints placed on market availability by transmission availability to better guide cost-effective wholesale energy marketing activity. The previous 2024 IRP model was unable to effectively model transmission-based constraints. As a result, City Light's previous IRP studies could account for transmission only through sensitivity analyses that allowed for unlimited transmission but applied a range of transmission cost assumptions.

Finally, GridPath allows for wholesale energy market arbitrage, something that was not present in the 2024 IRP model. City Light's power marketers currently perform wholesale energy market arbitrage, so incorporating arbitrage into the model more accurately reflects the additional value that the energy resources provide to City Light.

The capacity expansion model was run for five investment years (2029, 2030, 2035, 2040, and 2045), representing periods when new resources could optionally be added to the system (i.e., the earliest a new resource can be added is 2029). For each investment period, the model used 32 representative days (one weekday and one weekend/holiday per month, plus the eight most resource-adequacy-constrained days spread across eight calendar months) at an hourly resolution to endogenously account for detailed operations and resource needs throughout the year. Market access was also included in the capacity expansion analysis. An assumption was made that market purchases will fill open positions in any hour to the extent that they are available and come at a lower cost than further resource additions. The capacity expansion model was constrained to allow zero expected unserved energy (EUE), because it explicitly includes only a fraction of the days in a full year. Zero EUE is a constraint that is much more stringent than what is implicitly allowed under resource adequacy metrics. This helped ensure that the resulting candidate portfolios would meet City Light's resource adequacy requirements through all hundreds of distinct simulated conditions for each of the twenty years in the study period, as explained in Appendix 9: Resource Adequacy. However, this incurs the risk that the model will build overly conservative, potentially overbuilt candidate portfolios.

The portfolios produced by the capacity expansion model were grouped into two clusters, from which a representative portfolio was selected from each for further analysis. In addition to the Current portfolio with no candidate resources added, the other resultant portfolios were the Small Diverse and Large Diverse portfolios. The Small Diverse portfolio allows a maximum of 300 MW of market purchases during resource-adequacy-constrained days to offset the capacity expansion model's potential to overbuild to meet the zero EUE constraint. This results in a smaller resource portfolio buildout. In comparison, the Large Diverse portfolio allows a maximum of only 200 MW of market purchases during resource-adequacy-constrained days, increasing the needed resource portfolio buildout. It is important to note that the assumption of differing access to the market was only introduced in the capacity expansion model to build a menu of options. In the production cost and resource adequacy modeling, market access was held constant at 200 MW in constrained hours.

In addition to the Current portfolio, which did not add any new resources, City Light created six candidate portfolios. These portfolios are further described in Appendix 10: Portfolio Outputs and Analysis.

- Small Diverse
- Large Diverse
- Large solar + storage
- Small solar + storage
- Large wind
- Small wind

The last four portfolios kept the total new energy generation from the new resources the same as their Small Diverse and Large Diverse counterparts[33] but met the new energy generation with only the resources indicated in their respective names. Studying the resource adequacy metrics and costs of "bookend" candidate portfolios, for which all the additional resources consisted of only one type, provided helpful perspective on the mix of types identified in the Small Diverse and Large Diverse portfolios.

The reliability of the Current portfolio and the six candidate portfolios for serving load in 2030 was evaluated through GridPath's resource adequacy model for 870 scenarios, comprising 29 historical weather year effects on City Light's load (1994–2023 calendar year data, trimmed to 29 hydro years)[34] crossed with 30 Northwest Power and Conservation Council (Power Council) hydro trajectories, for a total of 870 distinct hydro and load scenarios. The hydro scenarios determine inflows to City Light's hydro resources, generation from the Federal Columbia River Power System (FCRPS), variations to the hourly wholesale market prices, and regional loss-of-load risk (to inform hourly market availability constraints). The weather scenarios determine load and wind and solar generation profiles at several locations in the region.

The Current portfolio and six candidate portfolios were evaluated in the production cost model for a typical hydro year and typical load conditions over a total of 27 different cost conditions. These 27 conditions included three market price scenarios (low, mid, high), three wind resource capital cost conditions (low, mid, high), and three solar and storage resource capital cost conditions (low, mid, high).

[33] The total new energy generation was the same, but the installed capacity (MW) was not necessarily the same.

[34] A hydro or BPA fiscal year (FY) spans October of the preceding calendar year to September of the current calendar year. For example, FY 1995 spans October 1, 1994, to September 30, 1995. The 30 calendar years have data for only 29 hydro/FYs in full; in this case FY 1995 to FY 2023 (data preceding October of the first calendar year and following September of the last calendar year are unused).

Market Reliance

As explained in further detail in Appendix 6: Market Prices, the new resource buildout in the IRP model framework is sensitive to City Light's market reliance assumptions. On region-wide resource-adequacy-constrained days, City Light limited short-term (day-ahead or spot) wholesale energy market purchases to a maximum of 200 MW, which is consistent with the market reliance assumption used in the 2024 IRP. This market reliance assumption may be reevaluated in the future. As described in Appendix 6: Market Prices, different magnitudes of assumed market reliance or different time periods where there are market reliance constraints can significantly change the size of resource portfolio buildouts. This can be seen in the total capacity requirement differences in the Large Diverse portfolio, which allowed only 200 MW of market reliance on constrained days, and the Small Diverse portfolio, which allowed 300 MW of market reliance on constrained days.

Aside from the constraints on short-term market reliance during constrained periods, City Light did not assume market constraints on the ability to purchase energy from the market on a longer-term forward basis to cover resource adequacy capacity needs. Not putting constraints on the model to purchase energy on a longer-term forward basis causes the model to assume it can purchase from the market as much "firm capacity" (see Appendix 9: Resource Adequacy) as needed when the candidate portfolio is not adequate to meet resource adequacy needs. This assumption is helpful for understanding total resource needs, but may not be practicable.

Cost for Right to Call Capacity

Energy purchased to meet resource adequacy needs does not necessarily cost the same as energy purchased in short-term wholesale energy markets. This is because energy to ensure reliable load service must often be purchased in forward markets, which may carry a price premium reflective of providing certainty of available energy and associated capacity in the forward period.

The IRP model framework estimated the forward capacity price premium by using the Bonneville Power Administration's (BPA's) monthly demand charges. The capacity cost in the IRP model for each month was set to the BPA monthly demand charge times the maximum kilowatts of capacity met by forward purchases. BPA's demand charges are $138/kW-year, which is implied capacity premium of $15.75/MWh.[35]

[35] $138/kW-year after summing BPA monthly demand charges and converting to 2026 dollars. Implied capacity premium is from multiplying $138/kW-year * 1,000 kW/MW * 1 year/8,760 hours.

City Light believes estimating the value of capacity costs based on BPA demand charges is reasonable within the IRP model framework for several reasons. First, BPA's demand charges are based on an estimated cost to build a new capacity resource, referred to as the Cost of New Entry (CONE). Valuing capacity based on BPA's CONE is consistent with the methodology to price capacity used in several neighboring utilities' recent IRPs, where CONE capacities also have annual capacity costs comparable to BPA's demand charges. Second, City Light validated its capacity cost assumption by observing the differences between market forward and spot market energy prices, and assuming that the difference in pricing is due to the valuation of certainty of capacity of the forward purchases. These observations resulted in similar implied capacity premiums of roughly $15/MWh.

While the IRP model framework employs a capacity price premium based on the cost to build a new physical capacity resource, inclusion of capacity price premiums within the IRP does not necessarily represent procurement of physical capacity resources or direct purchase of capacity products. Instead, the cost of a physical capacity resource is simply used to set the implicit price premium for the right to firmly call on certain megawatt-hours during resource-adequacy-constrained events.

Transmission

The IRP model framework utilizes a zonal transmission topology model to realistically constrain energy and marketing availability to City Light, as opposed to the 2024 IRP model, which did not model transmission topology. Prior to 2035, the model constrains transmission based on City Light's existing transmission rights. Starting in 2035, the model allows City Light to purchase new transmission based on prevailing regional transmission rates. See Appendix 7: Transmission for further details on the transmission modeling.

APPENDIX 9: RESOURCE ADEQUACY

Resource adequacy is a measure of the ability of a portfolio of generation and transmission assets to meet the electric demands on a power system during all hours of the year and under all but the most extreme conditions. It is typically a probabilistic assessment, meaning that the analysis is performed over a large set of circumstances, such as varying weather conditions. In addition, criteria are set to provide a certain level of confidence in the system's ability to meet demand. Various metrics can be used to indicate how well a system meets demand, highlighting different types of stress on the system. The criterion selected for the 2026 IRP to determine whether a potential portfolio is resource adequate was 0.1 Loss of Load Expectation (LOLE), or an expected maximum of one loss of load day in 10 years. City Light chose the resource adequacy standard of 0.1 LOLE for the 2026 IRP because it is an industry standard and is used in the Western Resource Adequacy Program (WRAP).

In the worst-case scenarios, such as the one day in ten years when City Light finds itself in a shortfall event, emergency measures and resources may be available as a last resort; thus, one allowed day with loss of load does not necessarily mean that the power will go out in Seattle. However, to further bolster reliability, City Light used multiple additional resource adequacy metrics for each candidate portfolio to more fully understand the characteristics of loss of load occurrences. While City Light does not set a numeric standard for the other resource adequacy metrics, analyzing a variety of metrics provides a better understanding of the relative performance of each portfolio and lays a foundation for potentially adding additional numeric standards in future IRPs.

In theory, it is possible to set a lower LOLE and acquire enough resources to meet load under all but the most extreme and unlikely scenarios that only occur, for example, only once every 100 years; however, this would overbuild at a cost to ratepayers. Instead, a balance must be found between reducing resource adequacy metrics and reducing cost.

It is important to note that this analysis focuses on the ability of the generation resources and transmission system within a candidate portfolio to deliver power to Seattle's service territory. It does not consider whether the distribution grid is able to bring that power to customers. In actuality, most outages customers experience are due to failures in the distribution grid (e.g., a tree falling on a power line). Integrated system planning, which provides a more unified evaluation across the distribution grid, transmission system, and bulk system power, is a new concept that City Light is currently investigating. However, this 2026 IRP Report analysis looks at only outages due to energy deficits.

Resource adequacy metrics were calculated for the Current portfolio and each of the six candidate portfolios for the model years 2030 and 2035. The portfolios are described in more detail in Appendix 10: Portfolio Outputs and Analysis. For each year studied, the resource adequacy model ran the Current portfolio and each candidate portfolio through 870 distinct hourly simulations: one for each combination of 29 weather and 30 hydro futures. This reflects the year-to-year uncertainty in hydro resources, load and generation from weather-dependent resources, such as wind and solar. This model is described in more detail in Appendix 8: Model Framework. To calculate the resource adequacy metrics used in this analysis, the resource adequacy model recorded every hour that a given portfolio was not able to fully serve electric demand, along with the magnitude of the shortfall for each simulation. If the portfolio was unable to meet the criterion of 0.1 LOLE, additional firm capacity was added to that portfolio to bring it up to that standard.

In previous IRPs, City Light used the Monthly Loss-of-Load Event (MoLOLEv) metric of 0.2 MoLOLEv (no more than two events every 10 years for each month of January, July, August, and December). City Light decided to move away from this metric in favor of the more conservative 0.1 LOLE. As the energy landscape evolves, resource adequacy and the metrics used to evaluate it are becoming more important. A more holistic approach is necessary, and City Light will continue to evaluate what metric or metrics will be most useful moving forward.

Firm Capacity Additions

The candidate portfolios as built in the capacity expansion model consist of wind, solar PV, and short-duration battery resources. Wind and solar are weather-dependent generation sources. Short-duration batteries are not weather dependent, but with only four hours of storage duration, rely on weather-dependent resources to recharge once depleted. Building a resource adequate candidate portfolio using only these resources would be infeasible, as it would require an exponential amount of additional new-build utility-scale wind, solar PV, and short-duration battery projects to address the risk introduced by weather dependence and reduce the number of loss-of-load days. Instead, the portfolios were built by requiring no unserved energy during 32 representative days (see Appendix 8: Model Framework for more information) using wind, solar PV, and short-duration batteries. Then the resource adequacy model was run to identify how much additional firm capacity is needed each year for the Current portfolio and each candidate portfolio to become resource adequate, as shown in Table 9.1. For 2040 and 2045, only the Current portfolio was run through the resource adequacy model. For the other portfolios, firm capacity need was estimated using the

base need from the Current portfolio and subtracting the estimated wind and solar capacity contributions based on the wind and solar–only portfolios for 2030 and 2035.

Table 9.1. Cumulative Firm Capacity Needs (MW) for Each Portfolio by Year

Portfolio	2030	2035	2040	2045
Current	78	315	567	828
Small Diverse	0	180	387	466
Small Wind	0	168	382	467
Small Solar	11	251	475	672
Large Diverse	0	0	275	314
Large Wind	0	0	269	305
Large Solar	0	181	433	616

There is uncertainty around when new advanced technology resources such as long-duration batteries, green hydrogen peaker plants, and non-emitting baseload resources will become commercially available at scale, and at what cost (see Appendix 5: Resource Options and Appendix 11: Advanced Technology Break-even Analyses), but this analysis does show that resource adequate portfolios comprising only established technologies will not be economically feasible in the near future. Clean, firm technology resources will be necessary to keep City Light's power supply portfolio resource adequate.

For example, in 2035 the Large Diverse portfolio is resource adequate without the need for additional firm energy. However, the Small Diverse portfolio did not meet City Light's resource adequacy standard, with seven loss-of-load days in ten years. To meet the resource adequacy standard, the Small Diverse portfolio required an additional 180 MW of firm capacity additions. When comparing the Large Diverse and the Small Diverse portfolios, the Large Diverse portfolio had an additional 1,000 MW of nameplate capacity of intermittent resources and short-duration batteries. This addition of 180 MW of firm capacity additions for the Small Diverse portfolio was enough to make up for the 1,000 MW addition that the Large Diverse portfolio had.

In the real world, firm capacity as modeled in the IRP can be thought of as any firm capacity product, or firm energy product with capacity components. These include baseload resources such as small modular reactors (SMRs) and enhanced geothermal systems, forward wholesale energy market purchases, or short-term contracts with firm energy provisions.

Metrics

The first set of metrics calculated for the analysis below shows the expected values of shortfall magnitude and frequency over all 870 simulated years, for a given portfolio. These metrics take into account both good and bad hydro and weather futures. Table 9.2 provides definitions of the metrics. These definitions are lightly modified versions of definitions provided by the Electric Power Research Institute (EPRI).[36]

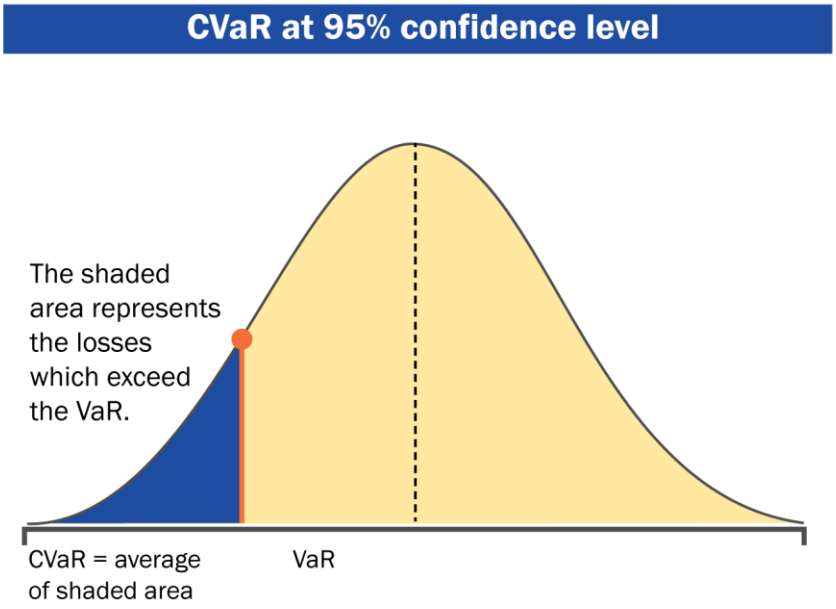
Table 9.2. Resource Adequacy Metrics and Definitions

Metric	Abbreviation	Units	Definition
Loss-of-Load Expectation	LOLE	days/year	Average event-days per year across all simulations
Loss-of-Load Hours	LOLH	hours/year	Average total event-hours per year across all simulations
Expected Unserved Energy	EUE	MWh/year	Average load not served per year due to shortfall events across all simulations
Loss-of-Load Events	LOLEv	Contiguous events/year	Average count of events per year across all simulations

These metrics as defined above refer to the expected value, but it is also important to look at the worst case for each metric to evaluate the risk of each metric for a given candidate portfolio. This can be done by calculating the Conditional Value at Risk (CVaR), for each metric (see Figure 9.1). Each metric listed above can be calculated for an individual year-long simulation rather than over all 870 year-long simulations taken together. The CVaR takes a certain percentage of the worst of the simulations based on these metrics and calculates the expected value (or average) of those simulations. This analysis calculated the CVaR95 (the worst 5% of simulations) and CVaR99 (the worst 1% of simulations) for each metric to show how the portfolio performs in the worst-case scenarios.

[36] EPRI. Metrics Explainers. msites.epri.com/resource-adequacy/metrics/metrics-explainers

Figure 9.1. Visualization of CVaR95



Results

The following results show the scenario comparison of each portfolio by annual metrics, monthly metrics, shortfall distribution, and individual events, with individual events defined by the period of time in which there is unserved energy. For example, consider a time window between 1 p.m. and 7 p.m. If an outage occurs between 1 p.m. and 4 p.m. with service restored between 4 p.m. and 6 p.m. followed by another outage from 6 p.m. to 7 p.m., then these outages would count as two separate events.

Annual Metrics

To obtain the metrics presented in this appendix, the resource adequacy model was run for two evaluations years: 2030 and 2035. Each table below represents analysis for one of the four metrics identified above (LOLE, LOLH, EUE, and LOLEv) as well as CVaR95 and CvaR99 for the two evaluation years. Table 9.3 through Table 9.6 show each portfolio without the additional firm capacity described in the Firm Capacity Additions section above. The shading represents the relative performance of each portfolio within a given study year. The darker shading indicates worse performance relative to the lighter shaded metrics.

*Table 9.3. Loss-of-Load Expectation (LOLE) in Days/Year - **Excludes** Capacity Additions*

Portfolio	2030			2035		
	LOLE	LOLE CVaR95	LOLE CVaR99	LOLE	LOLE CVaR95	LOLE CVaR99
Current	0.20	3.91	7.89	1.97	12.43	17.89
Small Diverse	0.09	1.86	6.00	0.68	7.45	10.78
Small Wind	0.09	1.68	5.78	0.56	6.73	10.00
Small Solar	0.12	2.36	6.67	1.12	8.95	11.22
Large Diverse	0.02	0.39	1.89	0.09	1.70	5.56
Large Wind	0.03	0.52	2.56	0.07	1.30	5.67
Large Solar	0.03	0.59	2.89	0.55	7.00	10.33

*Table 9.4. Loss-of-Load Hours (LOLH) in Hours/Year - **Excludes** Capacity Additions*

Portfolio	2030			2035		
	LOLH	LOLH CVaR95	LOLH CVaR99	LOLH	LOLH CVaR95	LOLH CVaR99
Current	3.40	67.25	131.89	31.87	198.41	257.22
Small Diverse	1.74	34.32	108.89	12.50	138.23	196.00
Small Wind	1.59	31.45	105.78	10.35	128.27	179.33
Small Solar	2.14	42.41	115.11	20.31	161.59	214.33
Large Diverse	0.40	7.91	38.67	1.69	33.34	110.67
Large Wind	0.53	10.55	51.56	1.26	24.98	110.78
Large Solar	0.51	10.02	49.00	9.83	124.20	188.33

*Table 9.5. Expected Unserved Energy (EUE) in MWh/Year - **Excludes** Capacity Additions*

Portfolio	2030			2035		
	EUE	EUE CVaR95	EUE CVaR99	EUE	EUE CVaR95	EUE CVaR99
Current	314	6,213	17,943	4,932	42,666	58,676
Small Diverse	92	1,825	7,961	1,137	16,825	28,519
Small Wind	84	1,662	7,122	920	14,488	25,973
Small Solar	139	2,740	11,085	2,517	29,208	44,109
Large Diverse	15	300	1,468	82	1,616	6,710
Large Wind	22	433	2,118	77	1,527	6,954
Large Solar	48	955	4,667	1,027	16,784	28,076

*Table 9.6. Loss-of-Load Events (LOLEv) in Contiguous Events/Year - **Excludes** Capacity Additions*

Portfolio	2030			2035		
	LOLEv	LOLEv CVaR95	LOLEv CVaR99	LOLEv	LOLEv CVaR95	LOLEv CVaR99
Current	0.20	4.05	9.78	2.33	19.66	29.33
Small Diverse	0.08	1.59	5.67	0.59	8.68	15.22
Small Wind	0.07	1.41	5.22	0.53	8.39	15.89
Small Solar	0.11	2.16	6.89	0.99	10.39	15.78
Large Diverse	0.01	0.27	1.33	0.06	1.18	4.33
Large Wind	0.02	0.45	2.22	0.05	0.91	4.22
Large Solar	0.04	0.80	3.89	0.41	6.20	11.11

Table 9.7 through Table 9.10 show metrics for each portfolio after the additional firm capacity has been included. The shading represents the relative performance of each portfolio within a given study year. The darker shading indicates worse performance relative to the lighter shaded metrics. Each table below represents analysis for one of the four metrics identified above (LOLE, LOLH, EUE, and LOLEv) as well as CVaR95 and CVaR99 for 2030 and 2035.

*Table 9.7. Loss-of-Load Expectation (LOLE) in Days/Year - **Includes** Capacity Additions*

Portfolio	2030			2035		
	LOLE	LOLE CVaR95	LOLE CVaR99	LOLE	LOLE CVaR95	LOLE CVaR99
Current	0.10	1.95	6.67	0.10	1.91	7.44
Small Diverse	0.09	1.86	6.00	0.10	1.98	7.33
Small Wind	0.09	1.68	5.78	0.09	1.86	7.33
Small Solar	0.10	1.95	6.67	0.10	1.95	7.44
Large Diverse	0.02	0.39	1.89	0.09	1.70	5.56
Large Wind	0.03	0.52	2.56	0.07	1.30	5.67
Large Solar	0.03	0.59	2.89	0.09	1.77	6.67

*Table 9.8. Loss-of-Load Hours (LOLH) in Hours/Year - **Includes** Capacity Additions*

Portfolio	2030			2035		
	LOLH	LOLH CVaR95	LOLH CVaR99	LOLH	LOLH CVaR95	LOLH CVaR99
Current	1.66	32.91	112.11	1.64	32.34	124.11
Small Diverse	1.74	34.32	108.89	1.68	33.25	119.00
Small Wind	1.59	31.45	105.78	1.50	29.59	113.22
Small Solar	1.71	33.80	113.67	1.72	33.98	123.44
Large Diverse	0.40	7.91	38.67	1.69	33.34	110.67
Large Wind	0.53	10.55	51.56	1.26	24.98	110.78
Large Solar	0.51	10.02	49.00	1.52	30.00	108.67

*Table 9.9. Expected Unserved Energy (EUE) in MWh/Year - **Includes** Capacity Additions*

Portfolio	2030			2035		
	EUE	EUE CVaR95	EUE CVaR99	EUE	EUE CVaR95	EUE CVaR99
Current	111	2,201	9,459	70	1,392	6,539
Small Diverse	92	1,825	7,961	58	1,152	5,332
Small Wind	84	1,662	7,122	59	1,161	5,297
Small Solar	117	2,321	9,991	58	1,154	5,511
Large Diverse	15	300	1,468	82	1,616	6,710
Large Wind	22	433	2,118	77	1,527	6,954
Large Solar	48	955	4,667	58	1,147	4,969

*Table 9.10. Loss-of-Load Events (LOLEv) in Contiguous Events/Year - **Includes** Capacity Additions*

Portfolio	2030			2035		
	LOLEv	LOLEv CVaR95	LOLEv CVaR99	LOLEv	LOLEv CVaR95	LOLEv CVaR99
Current	0.10	2.00	7.11	0.08	1.55	7.00
Small Diverse	0.08	1.59	5.67	0.10	2.02	9.00
Small Wind	0.07	1.41	5.22	0.09	1.70	7.67
Small Solar	0.09	1.84	6.56	0.08	1.64	6.78
Large Diverse	0.01	0.27	1.33	0.06	1.18	4.33
Large Wind	0.02	0.45	2.22	0.05	0.91	4.22
Large Solar	0.04	0.80	3.89	0.09	1.80	7.33

The worst performing portfolio across all metrics is the Current portfolio. This portfolio does not meet the resource adequacy standard of 0.1 LOLE, which means City Light is

likely to experience more than one loss of load day in the next 10 years and will need to procure new resources to avoid this outcome and reliably meet future loads.

Of the six candidate portfolios, three are considered large, meaning they have more wind, solar PV, and short-duration battery resource additions than the portfolios considered to be small. The portfolios are described in more detail in Appendix 10: Portfolio Outputs and Analysis. The small portfolio group allowed for 300 MW of spot market imports during regional resource-adequacy-constrained hours, while the large portfolios allowed for 200 MW of spot market imports when building portfolios. In the rest of the analysis, only 200 MW were allowed.

The large portfolios show much better performance across resource adequacy metrics than the small portfolios; however, this better performance across these resource adequacy metrics suggests that the large portfolios could be overbuilt in study years 2030 and 2035. For example, Table 9.7 shows the LOLE results for each portfolio in 2030 and 2035. In 2030, the large portfolios have LOLEs of 0.02 and 0.03, which are significantly smaller than the resource adequacy standard of 0.1 LOLE. This difference in LOLE suggests that City Light has more resources than needed to ensure that it meets the necessary resource adequacy standard.

Within the small portfolios, the Small Wind portfolio has consistently better metrics. This is due to the higher capacity factor of wind, as compared to solar PV, and the timing of potential energy deficits City Light will face from increased load as a winter-peaking utility. In addition, City Light can currently purchase cheap solar power from California during the day, so adding solar to the portfolio may reduce arbitrage opportunities. In terms of resource adequacy metrics, the Small Diverse portfolio, with a mix of wind and solar PV resources, is only slightly worse than the Small Wind, and significantly better than the Small Solar portfolio.

Within the large portfolios, the Large Diverse portfolio with wind and solar PV projects has consistently better resource adequacy metrics through every study year in the IRP. This is likely because the increased generation from wind and solar PV projects improves the portfolio's effectiveness in serving load. However, the marginal nameplate capacity of wind and solar PV resources produces diminishing returns in terms of reliability because of the weather-driven intermittency of these resources. High saturation of generation from one type of weather-driven renewable resource within a region also acts to suppress regional wholesale energy market prices. The combined impacts of low production in times of need and low market prices in times of high production are likely not fully captured here; City Light expects that the diverse portfolios will likely offer some unseen benefits over the wind portfolios as a result of their diversity.

The addition of firm capacity to bring each portfolio to the 0.1 LOLE standard decreases the expected (average) values of other resource adequacy metrics as well. The firm capacity can reduce the number of hours the portfolio is in deficit, meaning fewer total LOLH, and even if it does not completely remove the deficit, adding firm capacity reduces the amplitude of energy shortfalls, or EUE. Adding firm capacity also reduces the number of long energy shortfall events, but can have the effect of breaking up larger singular capacity shortfall events into multiple smaller ones. Overall, the expected LOLEv for the candidate portfolios decreases after capacity additions. In contrast, firm capacity additions have less of an effect on the metrics' CVaRs; while increased firm capacity ameliorates the worst-case LOLH and EUE, it leaves the most extreme scenarios relatively untouched in terms of frequency (LOLE and LOLEv).

Monthly Metrics

Calculating monthly metrics can demonstrate both seasonality and the changing characteristics of shortfalls month-to-month. The sum of the monthly metrics for one year equals the annual metric, which allows for comparison. For example, if the LOLE in January is 0.1 and in December is 0.1, the annual LOLE will be 0.2 assuming no other month has lost load.

Each figure below represents analysis for one of the four metrics identified above (LOLE, LOLH, EUE, and LOLEv) for one of the years evaluated (2030 and 2035). Figure 9.2 through Figure 9.9 show each portfolio without the additional firm capacity described in the Firm Capacity Additions section above. Months for which a metric was zero are not shown in the figure. For example, in Figure 9.2, none of the portfolios had a LOLE for the months of April through October in 2030.

*Figure 9.2. 2030 Loss-of-Load Expectation (LOLE) by Month – **Excludes** Capacity Additions*

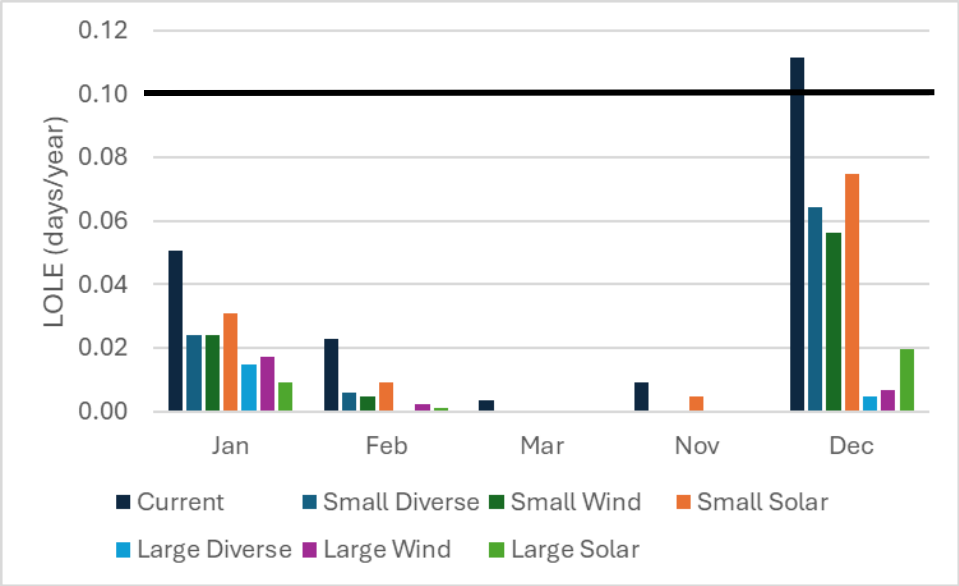


*Figure 9.3. 2035 Loss-of-Load Expectation (LOLE) by Month – **Excludes** Capacity Additions*

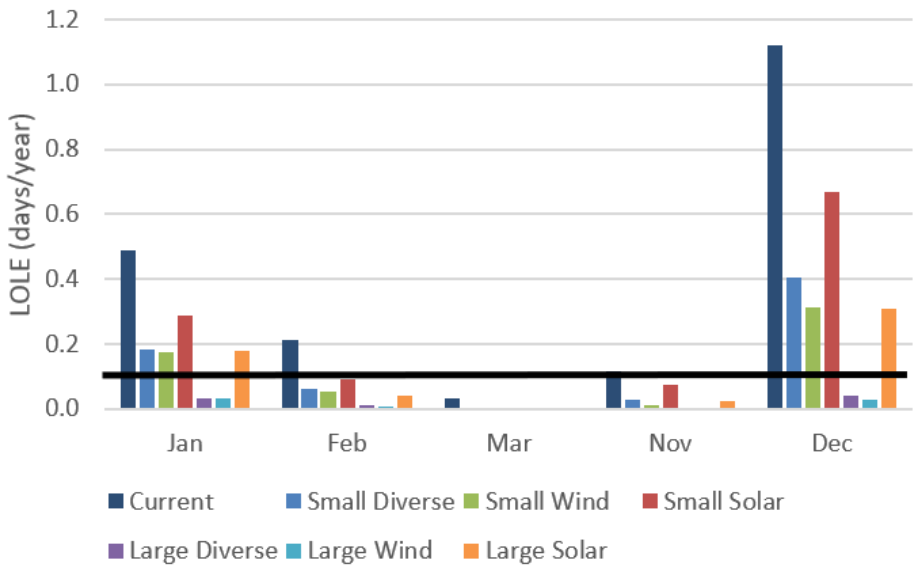


*Figure 9.4. 2030 Loss-of-Load Hours (LOLH) by Month – **Excludes** Capacity Additions*

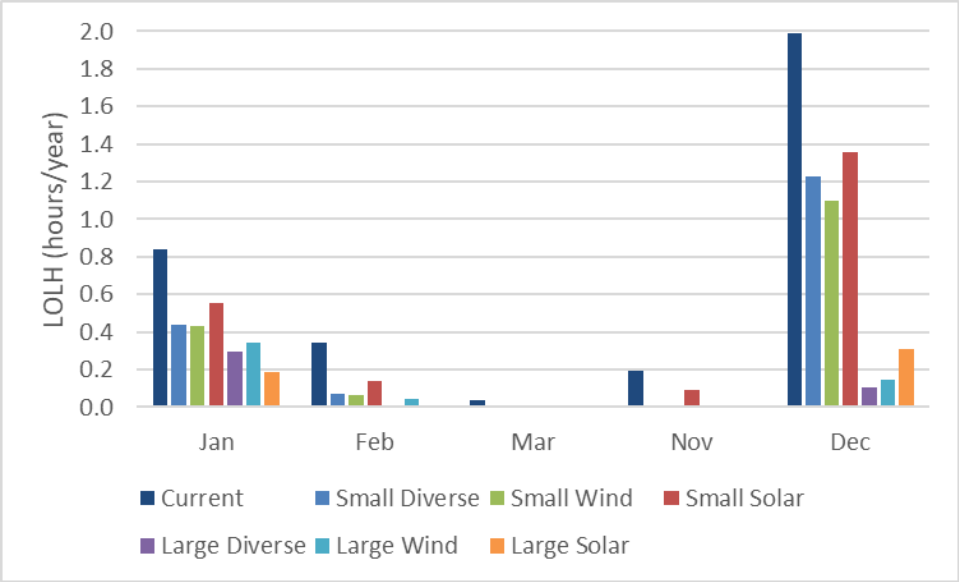


*Figure 9.5. 2035 Loss-of-Load Hours (LOLH) by Month – **Excludes** Capacity Additions*

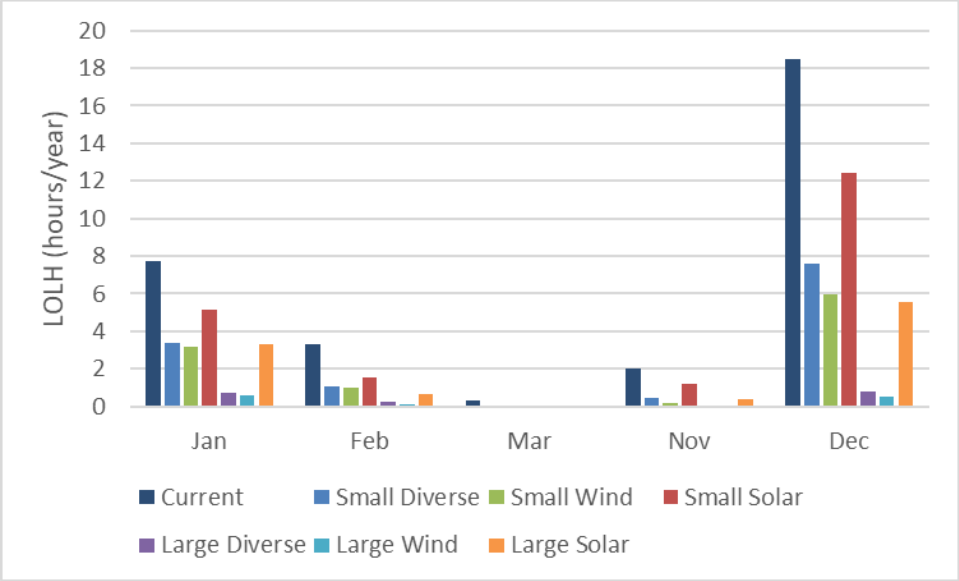


*Figure 9.6. 2030 Expected Unserved Energy (EUE) – **Excludes** Capacity Additions*

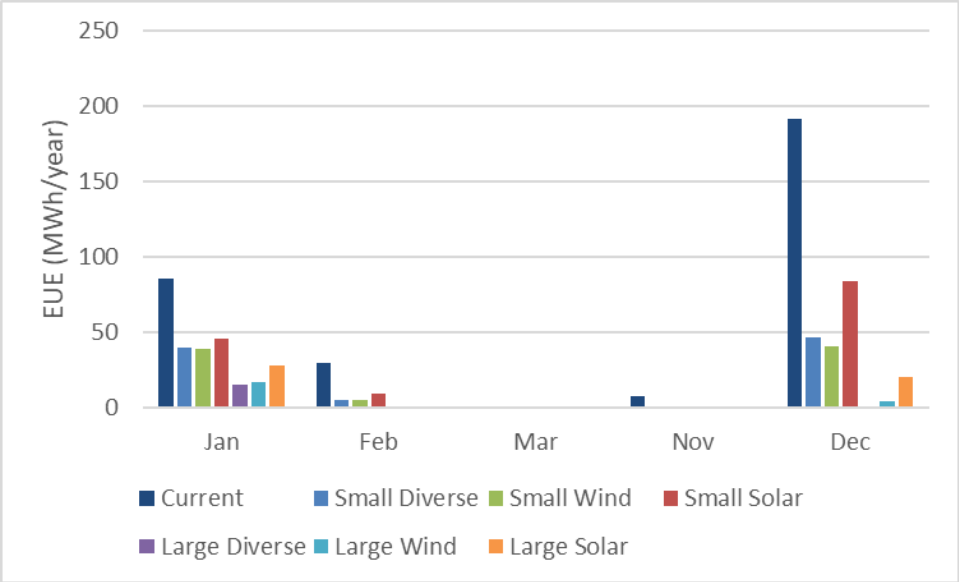


*Figure 9.7. 2035 Expected Unserved Energy (EUE) – **Excludes** Capacity Additions*

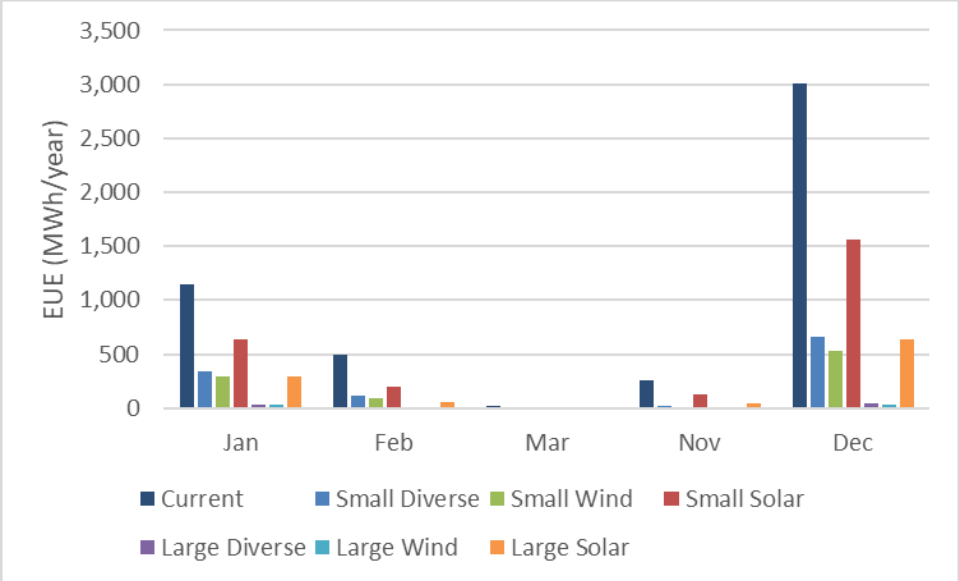


*Figure 9.8. 2030 Loss-of-Load Events (LOLEv) – **Excludes** Capacity Additions*

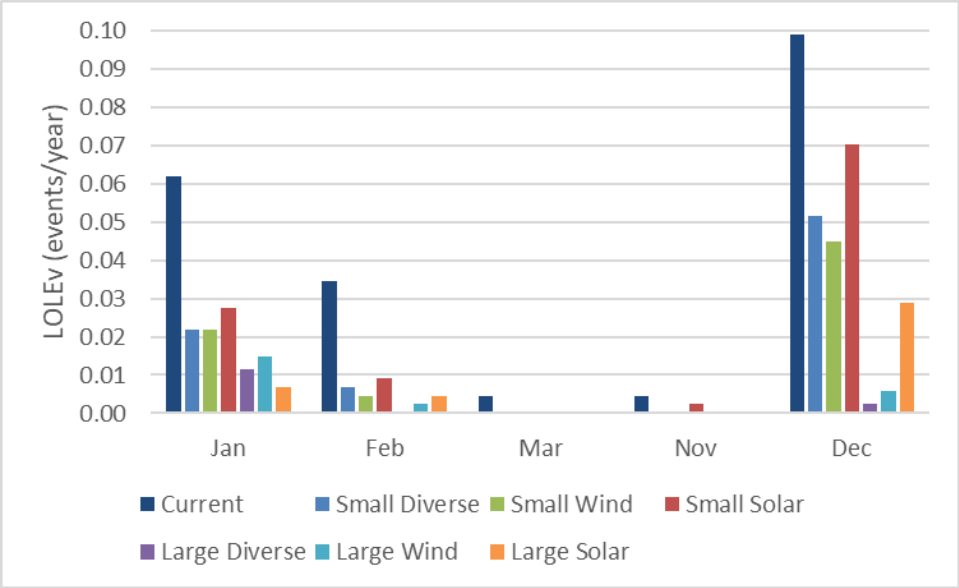
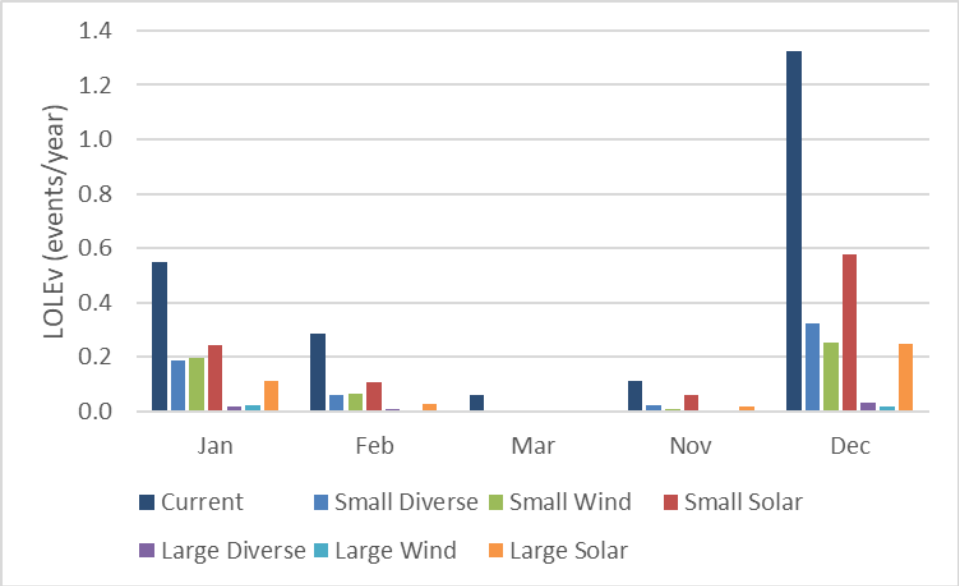


*Figure 9.9. 2035 Loss-of-Load Events (LOLEv) – **Excludes** Capacity Additions*



City Light can generally meet summer load due to its hydro generation projects in the Upper Skagit basin, and particularly its flexible operating range at Ross Lake. City Light is a winter-peaking utility, and its analysis shows that December has the greatest risk for a loss of load event (LOLEv), followed by January.

Within the small candidate portfolios, the Small Solar portfolio performs the worst across all resource adequacy metrics and months in the winter due to lower irradiance in

the Pacific Northwest from both increased cloud cover and high latitude. The large candidate portfolios show less consistency across reliability metrics in the winter. In terms of LOLH and LOLEv, the Large Solar portfolio performs the best of the three large portfolios in January and the worst in December, but its EUE is worse in January than in December. This is likely due to more solar production in January during the day, but the lower capacity factor leads to an increase in total unserved energy. The Large Wind portfolio is consistently, but only slightly, worse in all metrics than the Large Diverse portfolio due to increased saturation of wind.

Figure 9.10 through Figure 9.17 represent analysis for one of the four metrics identified above (LOLE, LOLH, EUE, and LOLEv) for one of the years evaluated (2030 and 2035), with the inclusion of the additional firm capacity for each portfolio as listed in Table 9.1, including the Current portfolio. Months for which a metric was zero are not shown in the figure.

*Figure 9.10. 2030 Loss-of-Load Expectation (LOLE) by Month – **Includes** Capacity Additions*

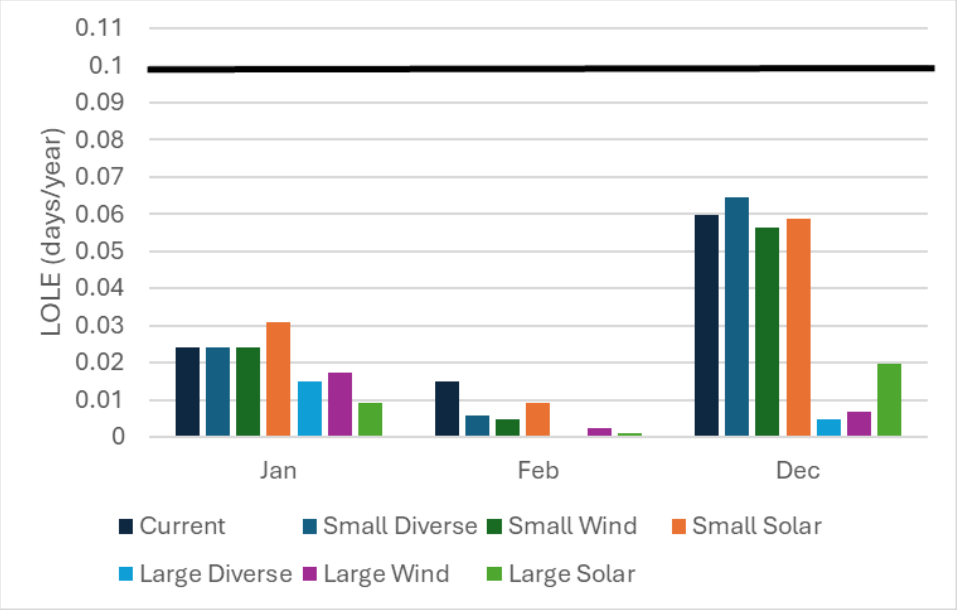


*Figure 9.11. 2035 Loss-of-Load Expectation (LOLE) by Month – **Includes** Capacity Additions*

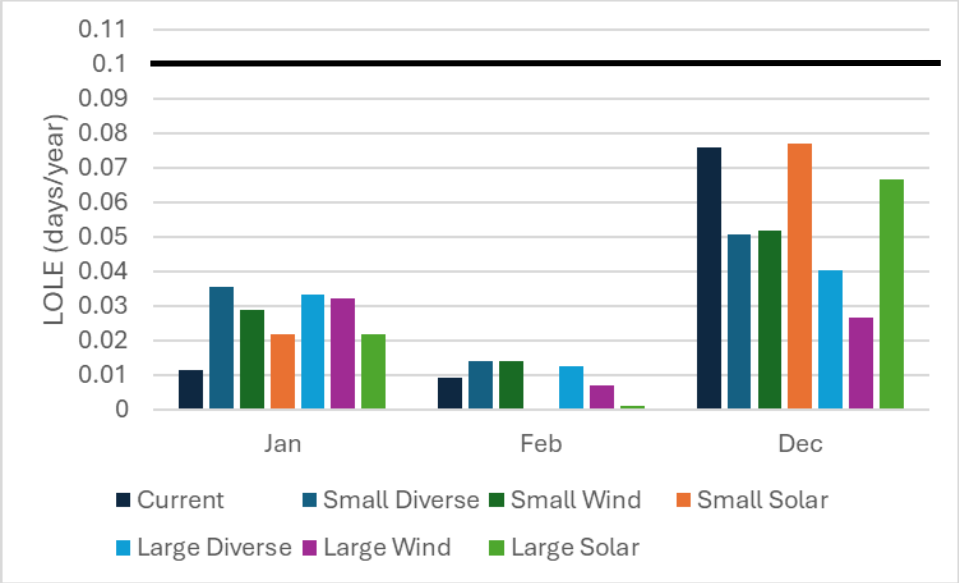


*Figure 9.12. 2030 Loss-of-Load Hours (LOLH) by Month – **Includes** Capacity Additions*

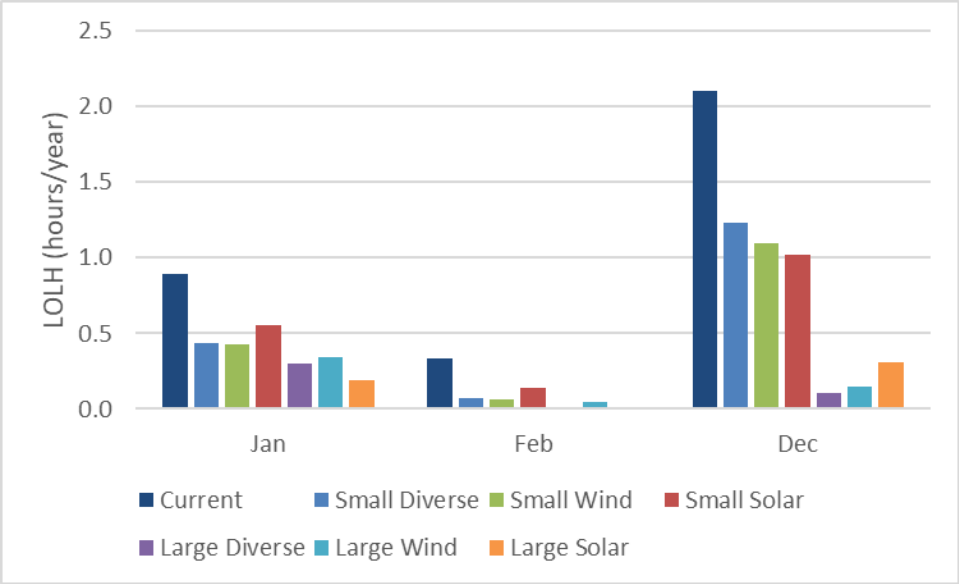


*Figure 9.13. 2035 Loss-of-Load Hours (LOLH) by Month – **Includes** Capacity Additions*

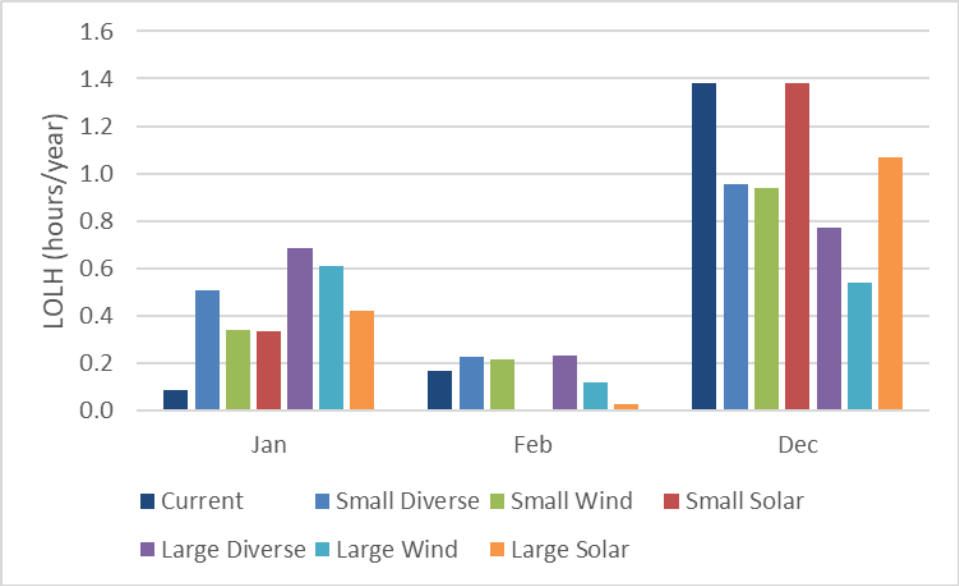


*Figure 9.14. 2030 Expected Unserved Energy (EUE) – **Includes** Capacity Additions*

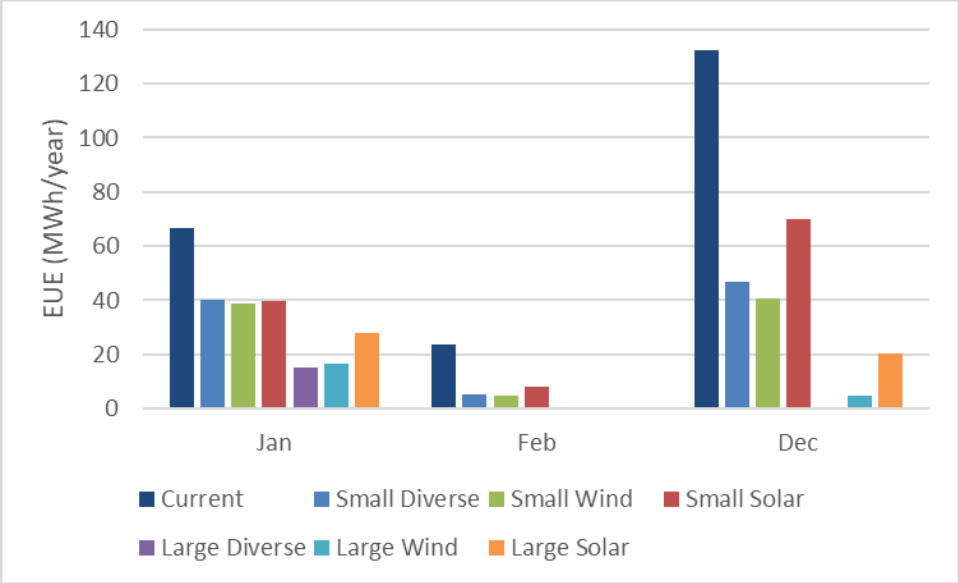


*Figure 9.15. 2035 Expected Unserved Energy (EUE) – **Includes** Capacity Additions*

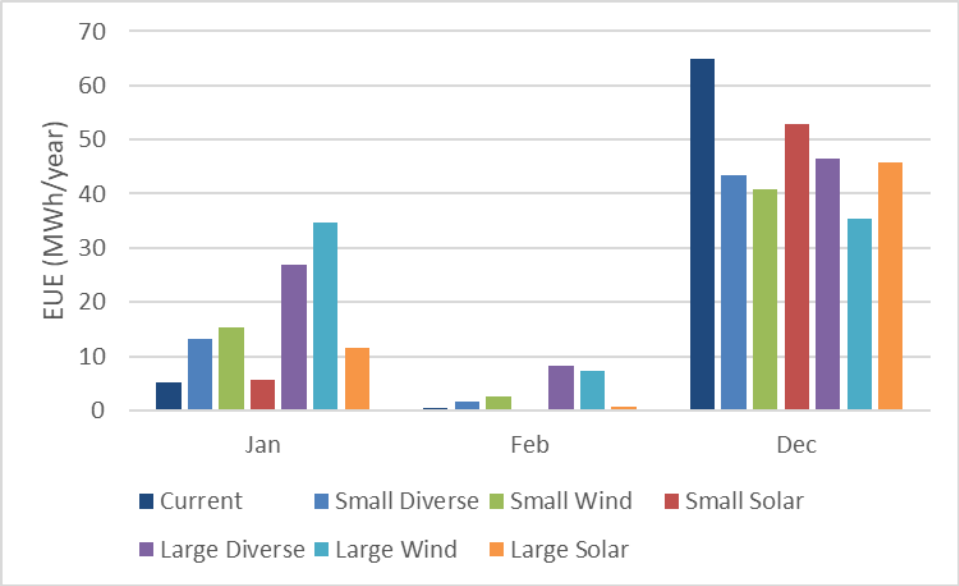


*Figure 9.16. 2030 Loss-of-Load Events (LOLEv) – **Includes** Capacity Additions*

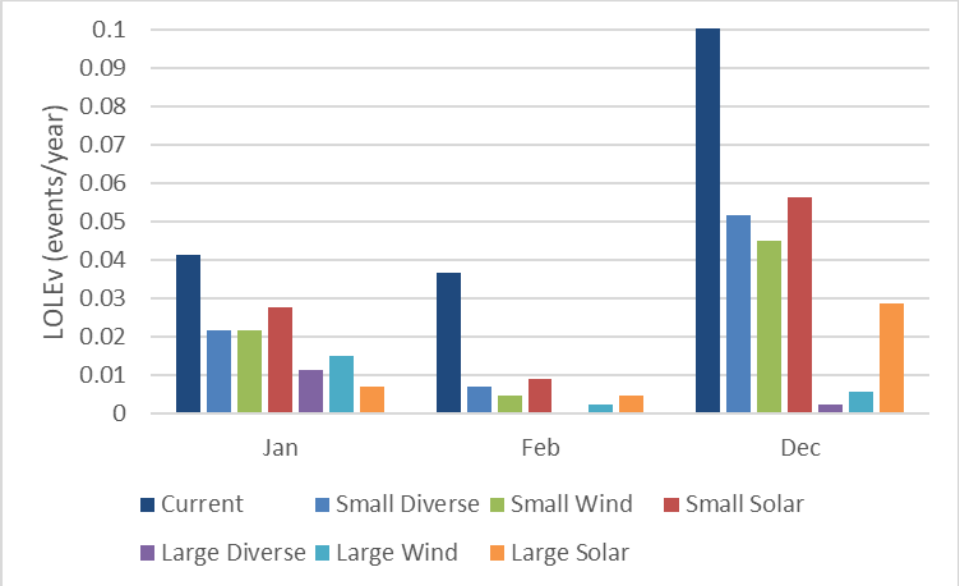
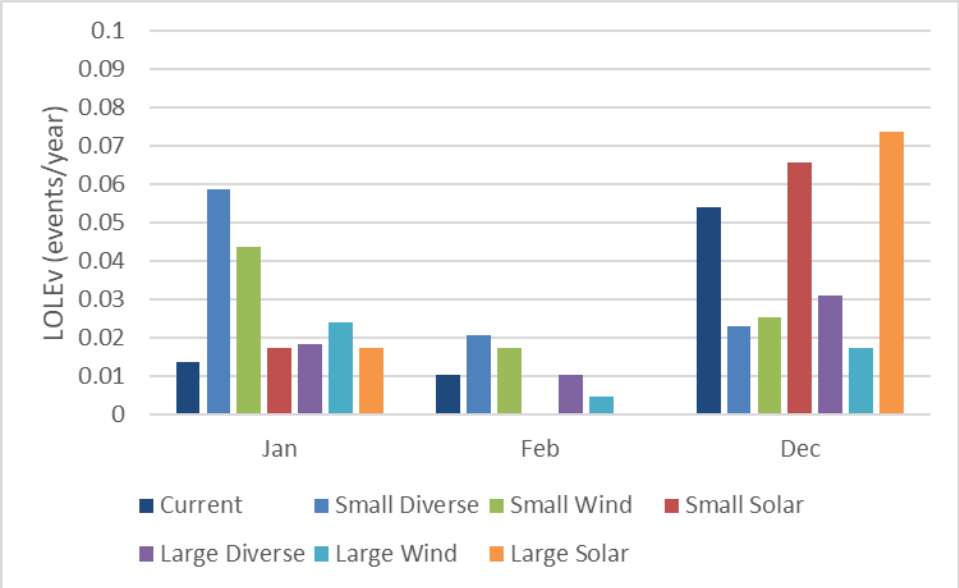


*Figure 9.17. 2035 Loss-of-Load Events (LOLEv) – **Includes** Capacity Additions*



Adding firm capacity eradicates all shortfalls in March and November of 2030 and 2035. The solar portfolios continue to show greater losses than their comparable diverse and wind portfolios, and December generally shows the largest losses across portfolios and metrics. January occasionally surpasses December with poor performing large portfolios in 2030 across all metrics however in 2035, December is by far the worst performing month across all metrics and portfolios except for a slightly higher January LOLE for the Large Wind portfolio and higher January LOLEv for the Small Diverse, Small Wind, and Large Wind portfolios.

Shortfall Distribution

Beyond looking at average and extreme conditions, it is also useful to explore the full distribution of events across the 870 simulations, in both duration and magnitude, from a resource adequacy perspective. Each simulation represents a combination of a weather and hydro year, with each year consisting of 8,760 hours. A single simulation run can have multiple noncontiguous periods with shortfalls, so it is possible to have frequencies exceeding 870. That is, if a simulation has a 10-hour shortfall followed by a 20-hour shortfall, the frequency for both the 7-to-12-hour and the 13-to-24-hour shortfall duration bins will increase in value by one, rather than the 25-to-48-hour shortfall duration bin increasing in value by one. Figure 9.18 through Figure 9.21 show event distributions with and without firm capacity additions. Note that the units on the y-axes of Figure 9.18 and Figure 9.19 are of different orders of magnitude and that the 2035 duration distribution shows a total frequency that is much higher than that of the 2030 distribution.

*Figure 9.18. 2030 Shortfall Duration Distribution – **Excludes** Capacity Additions*

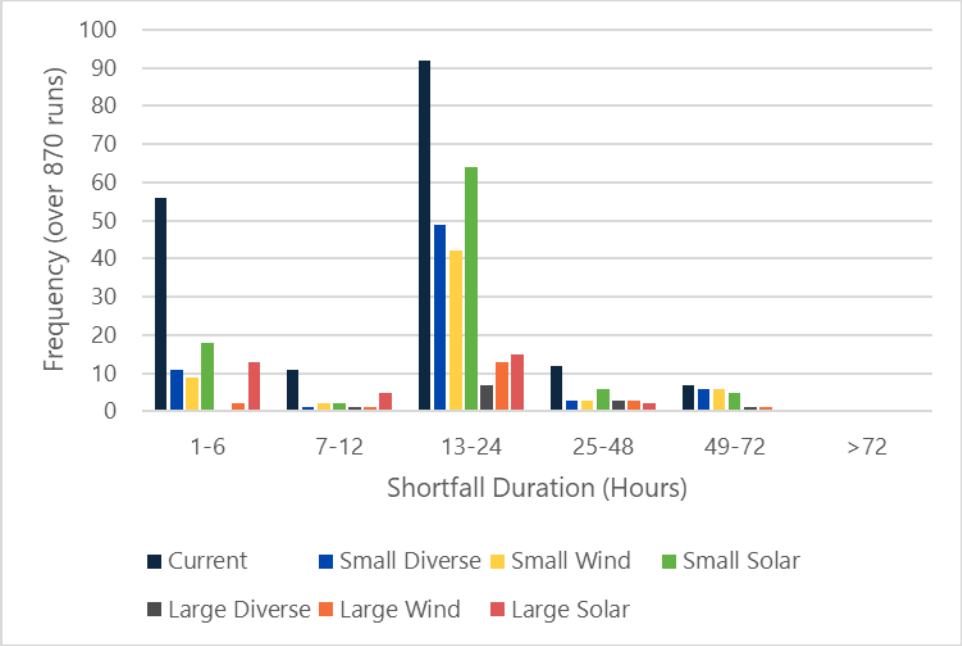


*Figure 9.19. 2035 Shortfall Duration Distribution – **Excludes** Capacity Additions*

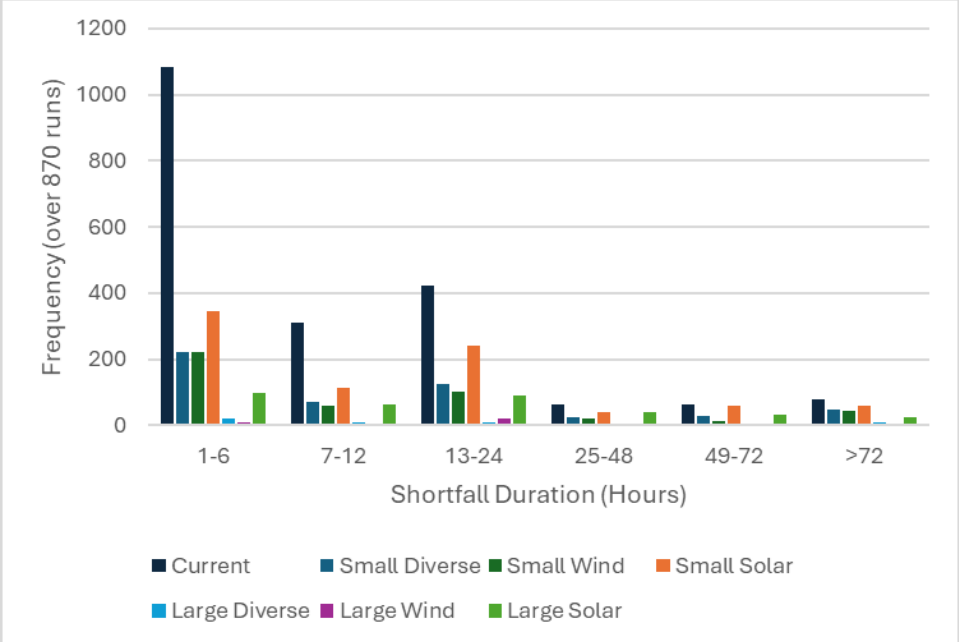


*Figure 9.20. 2030 Shortfall Duration Distribution – **Includes** Capacity Additions*

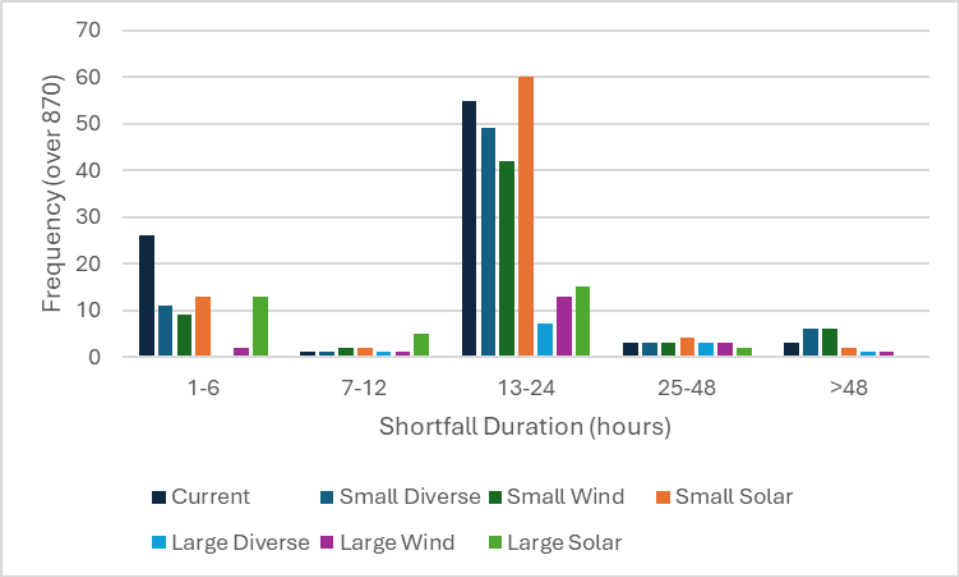
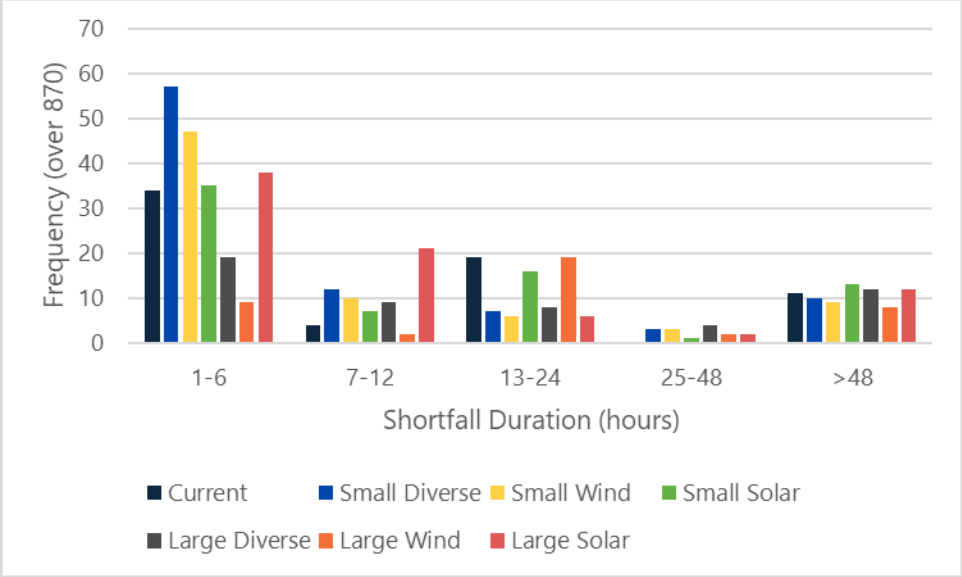


*Figure 9.21. 2035 Shortfall Duration Distribution – **Includes** Capacity Additions*



Without firm capacity additions, the frequency of short events greatly increases from 2030 to 2035, with the Current portfolio analysis for 2035 showing roughly 20 times the number of events lasting six hours or less (and half of these events lasting only one hour). In 2030, the majority of shortfalls last 12 to 24 hours across all portfolios without firm capacity additions, but by 2035, the majority of events are six hours or less except with the Large Wind portfolio, which has double the number of events from 12 to 24 hours. This pattern is seen in the distribution of shortfall duration within portfolios after

firm capacity is added, although at a much smaller scale. This is likely due to the increased variability in both load and generation in 2035, which causes shorter and more frequent peaks in load and lows in weather-dependent generation. Wind, on the other hand, has a tendency to die out for longer periods of time than other resources, leading the Large Wind portfolio to have longer shortfalls.

Adding firm capacity mostly eliminates shortfalls lasting over 72 hours (three days) but may cause an increase in shorter duration events that occur very close to each other. Additionally, the number of events longer than two days in 2035 after capacity additions is fairly consistent across all portfolios, demonstrating that longer duration extreme events are hard to mitigate for all portfolio compositions given established commercially available resources.

Figure 9.22 and Figure 9.23 show the magnitude of events (in MWh) rather than the duration of the energy shortfalls, which highlights significant differences between the portfolios' reliability. The x-axis displays the magnitude ranges for the 870 scenarios' median-duration energy shortfall. Note that the units on the y-axes of the two figures are of different orders of magnitude. The 2035 shortfall frequencies easily exceed the 2030 shortfall frequencies in all magnitude bins, indicating growing generation resource needs over time.

*Figure 9.22. 2030 Shortfall Magnitude Distribution – **Excludes** Capacity Additions*

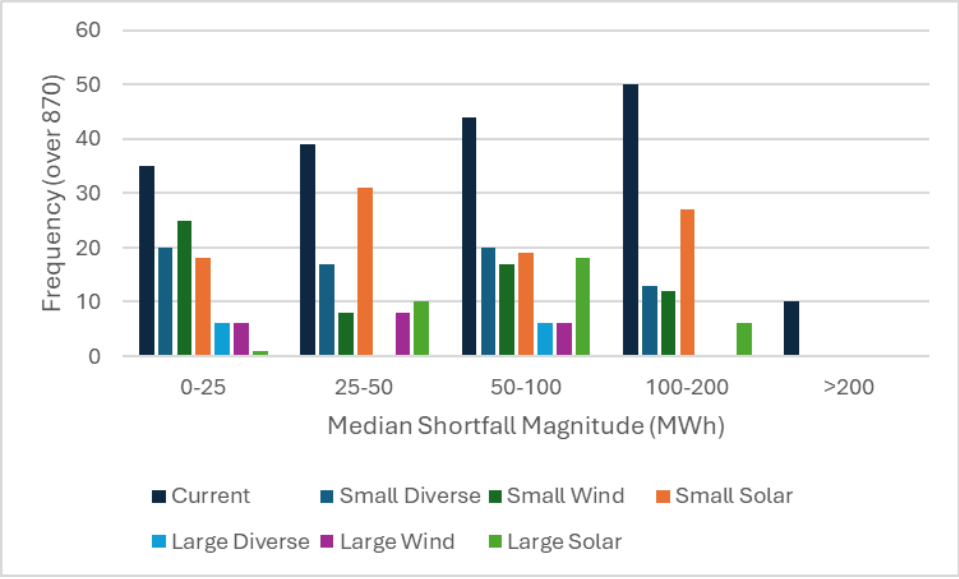
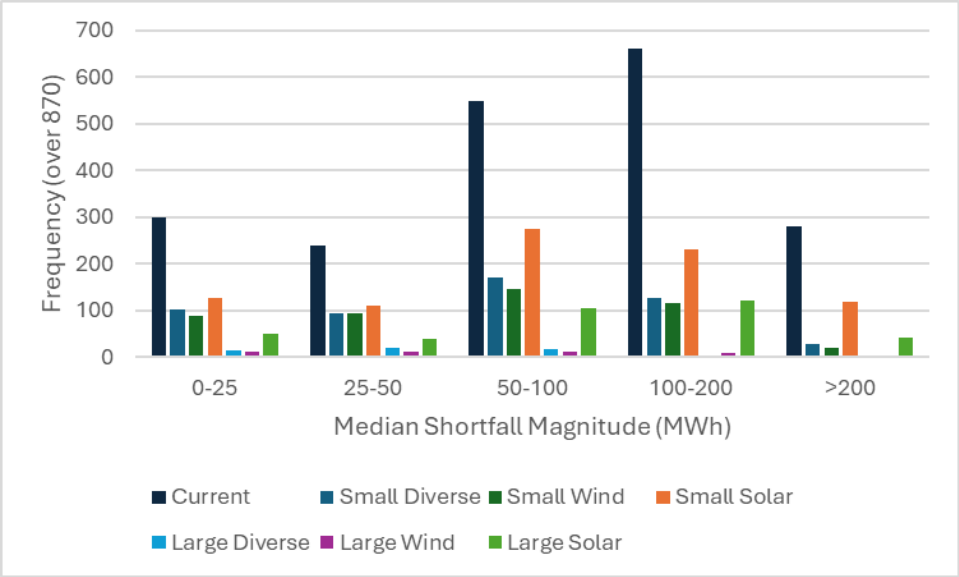


*Figure 9.23. 2035 Shortfall Magnitude Distribution – **Excludes** Capacity Additions*



In 2035, the frequency of higher magnitude events greatly outpaces that of smaller events across all portfolios. This is likely due to peak demand increasing faster than average load, resulting in greater shortfalls when they occur. This is especially true given the limited flexibility of established commercially available technologies. The trends of the annual metrics between portfolios show the solar portfolios having the highest event frequency, especially for events with a median magnitude between 50 MWh and 200 MWh; this is likely due to the lower capacity factor of solar.

Figure 9.24 and Figure 9.25 show the same analysis with the addition of firm capacity to the portfolios.

*Figure 9.24. 2030 Shortfall Magnitude Distribution – **Includes** Capacity Additions*

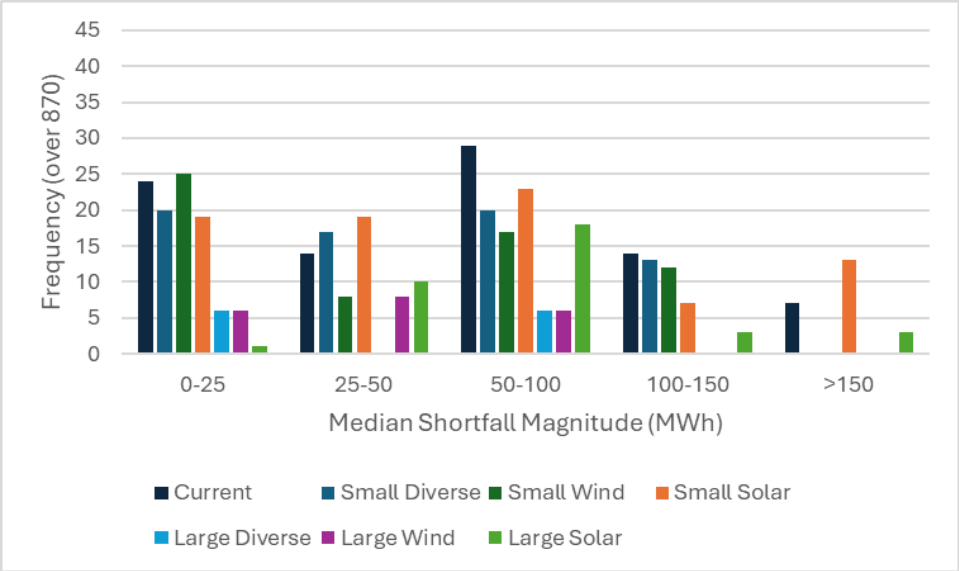
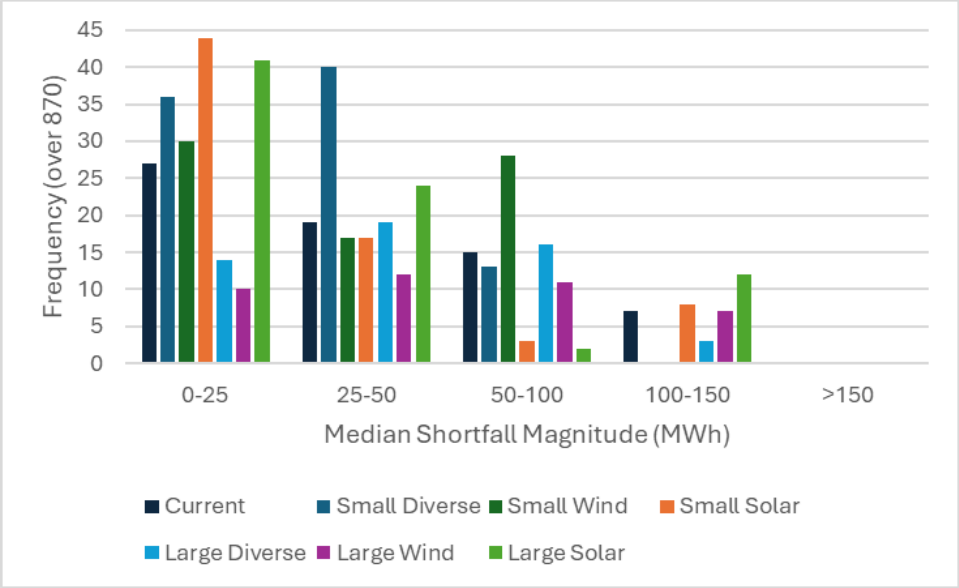


*Figure 9.25. 2035 Shortfall Magnitude Distribution – **Includes** Capacity Additions*

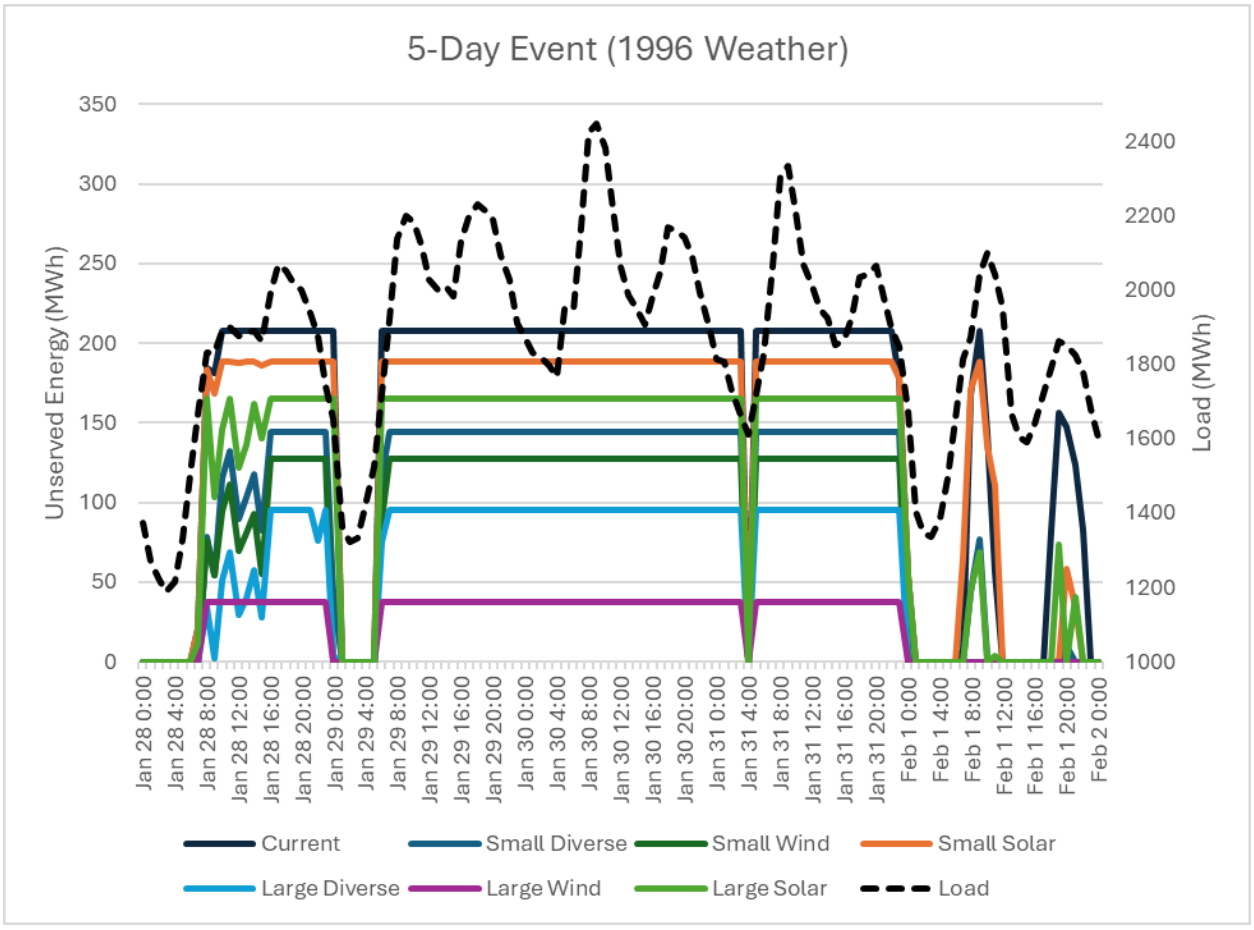


After capacity additions, the solar portfolios continue to have the most frequent and highest magnitude shortfalls of the seven portfolios. In 2035, the current, solar, and remaining large portfolios have a number of shortfall events between 100 MWh and 150 MWh. The large portfolios require less added capacity to bring the annual LOLE to 0.1, resulting in higher magnitude events if wind and solar generation is reduced from inclement weather.

Individual Event Analysis

While looking at summary metrics is useful for comparing portfolios, it can obfuscate important details about the types of events City Light may be facing in the future. When calculating resource adequacy metrics, an event is defined as a contiguous set of hours with some amount of energy shortfall. This means that a five-hour shortfall, followed by one hour without a shortfall, followed by another five-hour shortfall is considered to be two five-hour events. In reality, most would consider such an occurrence as one 11-hour event. Figure 9.26 shows a five-day period from a single simulation, specifically using 1996 weather and a single hydro year simulation. The y-axis on the left is unserved energy and on the right is load, both in megawatt-hours. The dotted line represents the load and corresponds to the right y-axis, and the solid lines represent the unserved energy of each portfolio in 2030 and correspond to the left y-axis. Most hours of the five days have some magnitude of energy deficit, but the model's calculations are based on five short events rather than one long event.

*Figure 9.26. Five-Day Event Comparing Load to Portfolio Shortfalls – **Excludes** Firm Capacity Additions*



For this specific event, the Current, Small Solar, and Large Solar portfolios without firm capacity additions have the highest shortfalls. The Small Diverse and Small Wind portfolios perform slightly better than the solar portfolios but still have shortfalls over 100 MWh. The Large Diverse portfolio is even better, managing to reduce the peak of the deficit to 95 MWh. The Large Wind portfolio performs best in this specific event at under 40 MWh, but if the wind dies down, the energy deficit will skyrocket. The flat peaks of unserved energy are due to the flexibility within City Light's Current portfolio since the model dispatches generation to reduce the maximum peak of unserved energy as much as the resources within it allow.

Sustained events like these are a large driver of many of the resource adequacy metrics. This one event occurs over five days and five contiguous sets of hours, affecting LOLE, LOLEv, and LOLH more than a single five-hour event would. The long duration also reduces City Light's ability to flex resources, resulting in increased EUE.

These types of events often occur in bad hydro years, when City Light's flexibility and capacity at Ross Dam is significantly reduced and the Pacific Northwest region, which is generally hydro-heavy, experiences concurrent energy deficits due to less available water. The long duration of the event provides limited ability for short-duration batteries to recharge, and the high peaks alongside sustained increased load prevent them from achieving more than flattening the magnitude of hourly shortfalls. Winter events like this also tend to coincide with decreased wind generation because cold weather events bring with them low temperature gradients, leading to stagnant air.

Specific types of supply- or demand-side resources will be necessary to remedy these types of events. Clean baseload resources, such as SMRs or enhanced geothermal systems, would almost guarantee (beyond unplanned outages) reducing the total energy shortfall. Long-duration batteries may have sufficient capacity to flex during the majority of a five-day event, reducing the total shortfall or the number of hours with shortfalls. Demand response programs that have a guaranteed capacity and ability to shift multiple days or even completely curtail energy usage may also be useful.

Resource Adequacy Conclusions

The results in this appendix demonstrate that of the portfolios analyzed, the Large Diverse portfolio most consistently meets the resource adequacy metrics analyzed. This appendix also highlights the need to study a wide range of resource adequacy metrics to develop a comprehensive view of the performance of each portfolio. For example, in 2030 both the Large Diverse and the Large Solar portfolios meet the 0.1 LOLE resource adequacy standard (both with and without firm capacity additions). However, the LOLE

CVaR values in that same year highlight the better performance of the Large Diverse portfolio over the Large Solar portfolio. City Light can employ mitigation measures to help ensure its ability to meet load, including selecting a portfolio that is not heavily reliant on a single resource (such as the wind or the solar + storage portfolios). Conducting extensive resource adequacy analysis to mitigate risk and fully understand how well a given portfolio performs provides guidance for picking a portfolio that performs well across a variety of metrics and would be robust enough to avoid the largest variety of loss of load events.

It is worth noting that in worst-case scenarios, when City Light encounters a shortfall event, contingency measures and emergency resources may be available. As such, using the 0.1 LOLE or one day with lost load resource adequacy metric does not guarantee a power outage in Seattle. It is only when a utility declares an energy emergency such as some utilities were forced to do during the MLK Day weekend cold snap in January 2024, that regional emergency resources become available to avoid the utility shedding load. This is also one of the anticipated benefits of joining WRAP. If despite all reasonable good faith efforts and planning City Light finds itself in an energy deficit with no energy available for purchase from the wholesale market, WRAP is designed to ensure that emergency energy reserves will be available from others in the region who are not experiencing the same strain on their systems.

Finally, the Federal Energy Regulatory Commission (FERC) license that governs City Light's hydroelectric operations on the Skagit River allows City Light to generate extra power using the water reserves in Ross Lake to serve firm load when no other options are available. Even though City Light can utilize these emergency measures to avoid load shed under worst-case conditions, these are not measures that should be relied upon on a planning basis. A LOLEv in the IRP represents a situation in which City Light would need to take emergency action due to an energy deficit position, which would likely help City Light avoid an actual load shed event, but would not guarantee this outcome.

APPENDIX 10: PORTFOLIO OUTPUTS AND ANALYSIS

As part of the 2026 IRP, City Light evaluated the costs and reliability of City Light's existing power supply portfolio over the 20-year study period, 2026–2045, with no new resource additions; this is referred to as the Current portfolio. City Light also evaluated six variants of the Current portfolio: three small portfolios and three large portfolios. To create these clusters, the team ran GridPath's capacity expansion model with two distinct sets of market access assumptions. The small portfolio group allowed for 300 MW of spot market imports during regional resource-adequacy-constrained hours, while the large portfolios allowed for 200 MW of spot market imports. The small and large portfolio groups each comprised three portfolio types: diverse, wind, and solar + storage (4-hour batteries). Diverse portfolios allow for both wind and solar + storage resources. To create the wind and solar + storage portfolios, these specific resource additions were scaled up from the diverse portfolios with annual renewable energy provided by the portfolios held constant.[37]

City Light evaluated the performance of each portfolio based on Seattle City Light's selected resource adequacy criterion and policy compliance.

The six candidate portfolios meet the following conditions:

- All six portfolios were built in the capacity expansion modeling phase to meet resource adequacy needs with the metric of 0.1 Loss of Load Expectation (LOLE), which is equivalent to one expected day every ten years.
- All portfolios meet I-937 policy requirements and Clean Energy Transformation Act requirements under hydro median conditions.

Table 10.1 describes City Light's current portfolio with no new resources and the six candidate profiles for the 2026 IRP. Table 10.2 through Table 10.7 present the composition and total nameplate capacities for each resource in 2030, 2035, 2040, and 2045 under each candidate portfolio. Each of these tables include firm capacity as a resource option. As described in Appendix 9: Resource Adequacy, after the candidate portfolios were built in the capacity expansion model, they were tested against the 0.1 loss of load event (LOLE) resource adequacy metric. If the portfolio was unable to meet the criterion of 0.1 LOLE, additional firm capacity was added to that portfolio to bring it up to that standard.

[37] Because different resources have different capacity factors, even though the energy generation is held constant within each cluster, the nameplate capacity of the portfolios within the clusters differs.

Table 10.1. 2026 IRP Portfolio Names

Portfolio	Description
Current	Existing portfolio
Small Diverse	Existing portfolio + wind + solar + storage
Small Wind	Existing portfolio + wind
Small Solar	Existing portfolio + solar + storage
Large Diverse	Existing portfolio + wind + solar + storage
Large Wind	Existing portfolio + wind
Large Solar	Existing portfolio + solar + storage

Table 10.2. 2026 IRP Small Diverse Portfolio Resource Additions In Study Years

Portfolio	2030	2035	2040	2045
Wind (MW)	282	457	668	1,743
Solar (MW)	119	119	119	119
Battery (MW)	10	10	189	345
Firm Capacity (MW)	0	180	387	466

Table 10.3. 2026 IRP Small Wind Portfolio Resource Additions In Study Years

Portfolio	2030	2035	2040	2045
Wind (MW)	376	574	799	1,840
Solar (MW)	0	0	0	0
Battery (MW)	0	0	0	0
Firm Capacity (MW)	0	168	382	467

Table 10.4. 2026 IRP Small Solar Portfolio Resource Additions In Study Years

Portfolio	2030	2035	2040	2045
Wind (MW)	0	0	0	0
Solar (MW)	477	712	989	2,338
Battery (MW)	87	130	311	1,404
Firm Capacity (MW)	11	251	475	672

Table 10.5. 2026 IRP Large Diverse Portfolio Resource Additions In Study Years

Portfolio	2030	2035	2040	2045
Wind (MW)	424	1,002	1,002	2,310
Solar (MW)	600	600	600	600
Battery (MW)	109	109	188	360
Firm Capacity (MW)	0	0	275	314

Table 10.6. 2026 IRP Large Wind Portfolio Resource Additions In Study Years

Portfolio	2030	2035	2040	2045
Wind (MW)	897	1,468	1,468	2,798
Solar (MW)	0	0	0	0
Battery (MW)	0	0	0	0
Firm Capacity (MW)	0	0	269	305

Table 10.7. 2026 IRP Large Solar Portfolio Resource Additions In Study Years

Portfolio	2030	2035	2040	2045
Wind (MW)	0	0	0	0
Solar (MW)	1,137	1,891	1,891	3,534
Battery (MW)	207	345	595	2,123
Firm Capacity (MW)	0	181	433	615

Metrics

The portfolios were evaluated according to five different metrics: Net Present Value (NPV), transmission capacity need, the social cost of greenhouse gas (SCGHG), the LOLE, and the Western Resource Adequacy Program (WRAP) requirements.

Net Present Value

The NPV, which is reported in millions of 2026 real dollars, contains the sum of all portfolio costs for resources (e.g., supply, transmission, firm capacity, energy conservation, demand response, customer solar, and renewable energy credit purchases), City Light's BPA power contract, and the SCGHG from 2026 to 2045

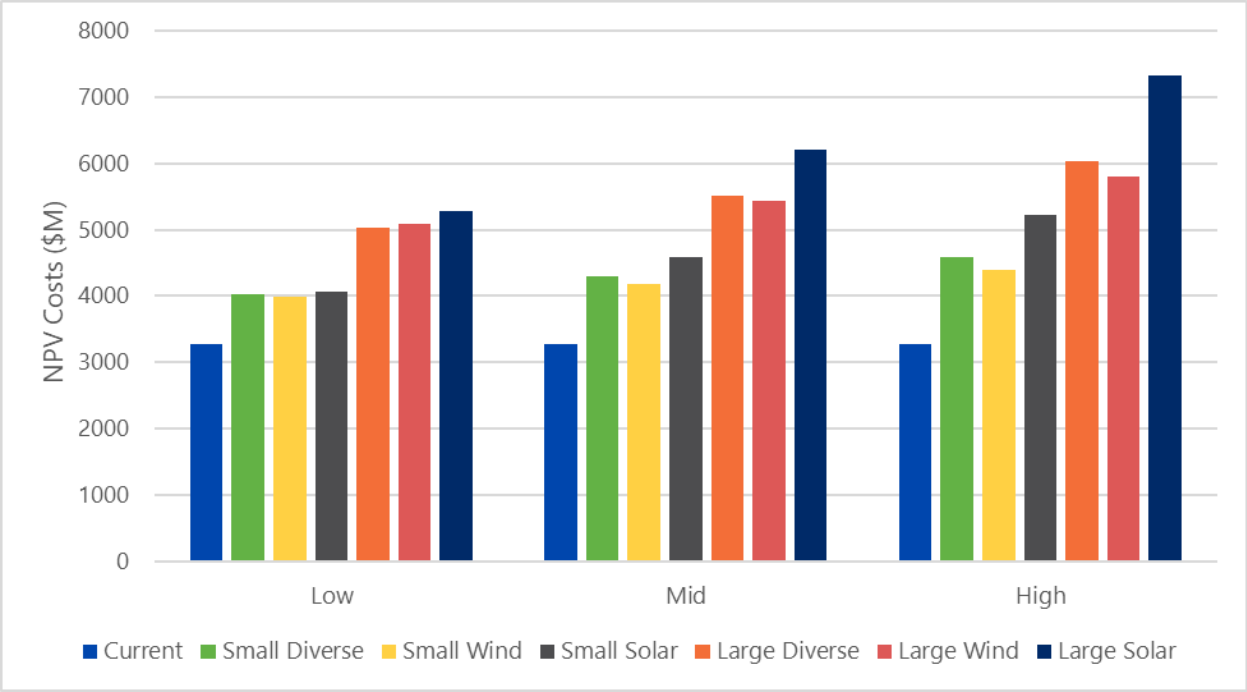
The inputs for the 2026 IPR NPV analysis were determined at the end of 2024. The energy industry is experiencing a particularly volatile operating environment and has experienced dramatic changes over the past year, which are not reflected in the analysis.

- The current Presidential administration repealed tax credits for many renewable energy resources, which will increase the cost to acquire these resources
- The current administration also repealed tax credits for electric vehicles
- The growing role of Artificial Intelligence has led to higher demand for data centers, which will increase load forecasts
- The picture of market availability in the northwest has radically shifted, with multiple studies identifying the possibility of resource shortages across the region during severe weather
- There has been further and accelerated development of clean, firm resources such as enhanced geothermal and small modular nuclear reactors.

City Light completes an IRP every two years and will complete additional in-depth analyses to capture these changes, as well as the increasing volatility across the industry, in the 2028 IRP Progress Report.

Figure 10.1 shows the NPV cost of each of the seven portfolios in three different future wholesale energy market-price scenarios: Low, Mid, and High (see Appendix 6: Market Prices for more detail about market prices). Of the seven portfolios, the NPV cost is lowest for the Current, Small Diverse, and Small Wind portfolios. The Current portfolio has the lowest cost of the seven portfolios; however, it is the only one that is not resource adequate.

Figure 10.1. 2026 IRP Seven Portfolio Annual Portfolio Costs



The remaining portfolios, particularly the Large Solar portfolio, are more expensive likely due to the increased addition of wind, solar, and battery resources. These resources are both expensive and lack dispatch flexibility to take advantage of wholesale market arbitrage opportunities. The higher capacity of wind, solar, and battery resources in the large portfolios is due to their limited market access in the capacity expansion model on regionally resource-adequacy-constrained days (200 MW) compared with the small portfolios (300 MW). It is impossible to know how much market availability will actually occur in the future during severe events when the market is likely to be constrained.

Transmission

The transmission metric looks at the total estimated transmission capacity needed in each of the six IRP candidate portfolios. Due to uncertainty in available future transmission capacity, this metric can be viewed as a transmission risk level for each of the portfolios.

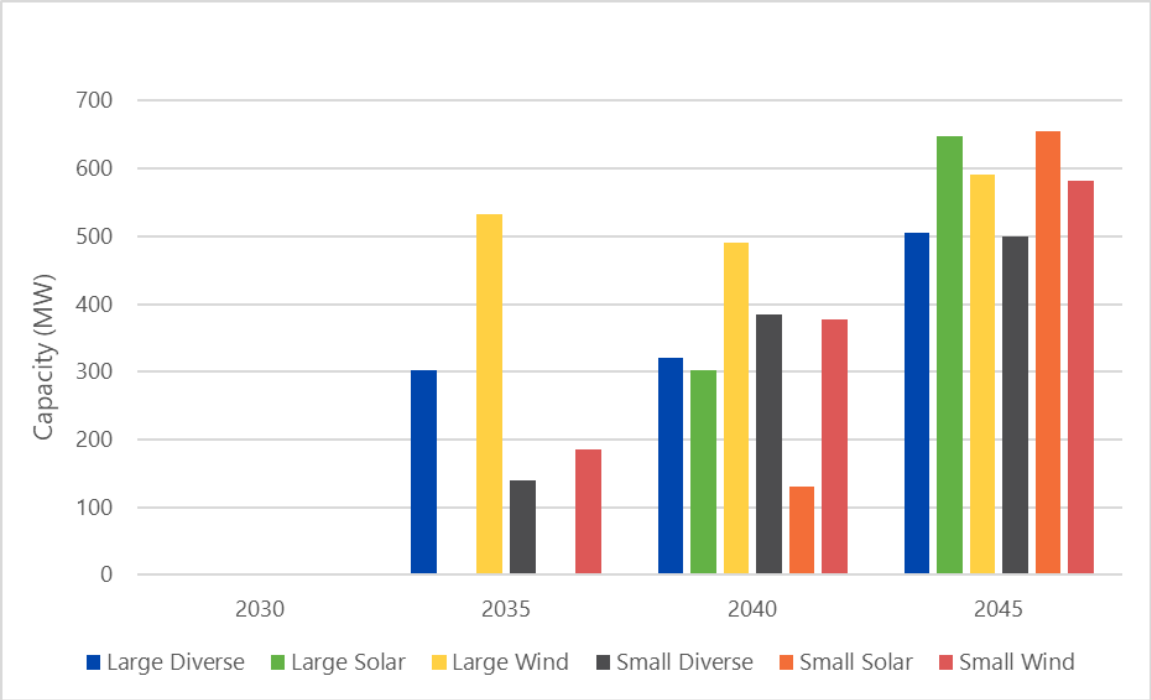
Figure 10.2 shows the transmission capacity needed for each portfolio in five-year intervals from 2030 to 2045. The model does not allow for additional transmission acquisition until 2035, but beginning in 2035 it can select five-year contracts as needed. Although the model does not allow for transmission acquisition until 2035, some portfolios could require transmission additions before the model allows. Both wind

portfolios need the largest amount of cumulative transmission capacity from 2030 through 2045. While the solar + storage portfolios do not require additional transmission until 2040, their transmission capacity needs increase by 408% for the Small Solar portfolio and 113% for the Large Solar portfolio from 2040 to 2045.

Although the capacity expansion model selects similar magnitudes of wind and solar resources for the wind portfolios and the solar + storage portfolios, the model's results show that the wind resources require more transmission additions than the solar resources. The wind resources selected by the model are in the Gorge (Washington-Oregon border), Montana, and southern Idaho. Generation capacity produced by southern Idaho wind is assumed to be routed through Oregon before Seattle and Montana wind capacity is transmitted to Seattle through Mid-C. Since City Light has limited additional available transmission capacity along the Southern Idaho to Oregon and Montana to Mid-C transmission paths, the capacity expansion model requires transmission capacity additions to deliver this energy to Seattle.

In contrast, the new solar resources selected by the model are located exclusively in the NE_WA and CE_WA zones, both of which have direct paths to Seattle. As such, no additional transmission is needed to deliver these solar resources to Seattle's balancing area. The reason why additional transmission is required for the solar + storage portfolios is that the model selects batteries located in Idaho, and like the Idaho wind resources, storage capacity from these batteries is routed through Oregon before reaching Seattle. Of the diverse portfolios, the small one requires the least amount of added transmission capacity up to 2040, although both the Small Diverse and Large Diverse portfolios show increasing needs in later years.

Figure 10.2. IRP 2026 Six Portfolios' Annual Transmission Capacity

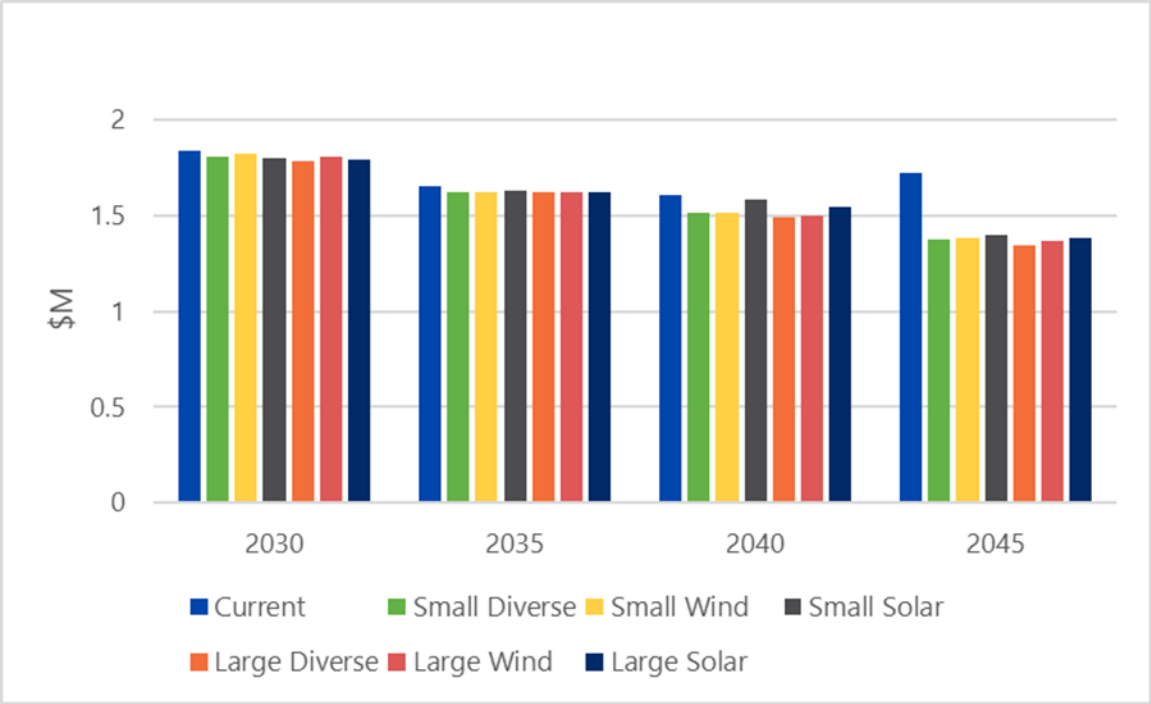


Social Cost of Greenhouse Gas

City Light is required to consider the SCGHG according to the Clean Energy Transformation Act (CETA). The SCGHG cost calculations for the seven portfolios incorporate the CETA-assigned emissions rate of 0.437 metric tons of carbon dioxide equivalent (CO_2e) per megawatt-hour of unspecified energy to express the SCGHG in 2026 dollars per metric ton of CO_2e. Unspecified energy enters the portfolio through a small portion of the BPA contract, some of City Light's long-term contracts, firm capacity additions, and spot market purchases as identified through the Production Cost Model runs. Refer to Appendix 4: Regulatory Requirements for more information.

Figure 10.3 shows the SCGHG for each of the seven portfolios in 2030, 2035, 2040, and 2045 under the Mid market-price scenario. For the six candidate portfolios, the SCGHG decreases over time in response to regional compliance mandates. This is because the capacity expansion and production cost models have constraints that are based on regional requirements, which affects how City Light interacts with the market. Because these portfolios have higher capacities, they have fewer spot market purchases. However, the Current portfolio's SCGHG remains relatively stable over the four study years and is significantly higher than that of the other candidate portfolios in 2045, because it requires more market purchases. For example, the Current portfolio is 28% higher than the Large Diverse portfolio in 2045.

Figure 10.3. IRP 2026 Seven Portfolios' Social Cost of Greenhouse Gas



WRAP

City Light is a participant in the Western Resource Adequacy Program (WRAP), which requires participating utilities to meet recent historic peak loads plus a planning reserve margin (PRM) percentage with the qualifying capacity contributions (QCCs) of owned and contracted-for resources. This subsection looks to see if the IRP portfolios allow City Light to comply with WRAP's requirements. WRAP estimates whether City Light has sufficient resources to contribute to its share of regional load during the region's 5% highest peak summer and winter hours (capacity critical hours). WRAP helps ensure that there is adequate regional capacity to meet regional need, but the amount and timing of resource adequacy needs of City Light may differ from those of the region. Because the IRP model builds its portfolio primarily to meet City Light's needs, the IRP model generally overbuilds resources with respect to the resources needed only to meet WRAP.

A challenge of estimating WRAP compliance is that peak loads and QCCs are dependent on data that does not yet exist; for example, the 2045 QCC of City Light's resources would be derived in part from the performance of those resources in 2040. Additionally, PRMs are currently set by WRAP for five years out. However, existing PRMs and QCCs combined with City Light's peak load forecast can provide a rough estimate of whether the IRP portfolios allow City Light to be compliant with WRAP.

PRMs for all years were assumed to be the same as the PRMs used for the WRAP Winter 2024–2025 and Summer 2025 seasons. QCCs of City Light's existing resources were also assumed to be equal to the QCCs in City Light's respective WRAP Winter 2024–2025 and Summer 2025 workbooks. For new resources, WRAP provides QCC values, which allow the nameplate capacity of new resources to be converted to equivalent QCCs.[38] Since these QCC values vary both by resource and WRAP subregion, each new resource selected in the IRP portfolios was binned into a WRAP subregion, and then the resource's nameplate capacity was multiplied by the QCC value for the respective resource type and subregion. The IRP resources for which WRAP does not provide a QCC value are the firm capacity additions. Firm capacity additions were assumed to provide perfect capacity (e.g., 100 MW of capacity additions would have a QCC value of 100 MW). In addition, all resource changes to the Current portfolio after Summer 2025, other than changes to City Light's BPA power contract and resources selected in the 2026 IRP, are ignored.[39]

Figure 10.4 through Figure 10.7 show the capacity position for the months when City Light has the worst capacity position, (i.e., the greatest capacity deficit or smallest surplus) for the given summer or winter season, year, and portfolio. For example, if a portfolio has a surplus capacity in the summer of 2030 of 100 MW, 300 MW, 400 MW, and 200 MW for June, July, August, and September, respectively, then the figure would show 100 MW (the smallest surplus) for summer 2030. If instead the values for the same four months were -200 MW, 100 MW, 400 MW, and -300 MW, the figure would show -300 MW (the greatest capacity deficit). Values that are positive indicate that City Light has a surplus across all months in the given season, whereas values that are negative indicate that City Light has a deficit in at least one month in the season.

[38] Specifically, the latest available QCC percentage was used, which was for the Winter 26-27 and Summer 2027 seasons.

[39] Resource changes after Summer 2025 include but are not limited to the new NewSun solar project and removal of the Columbia Ridge and Columbia Basin Hydro contracts.

Figure 10.4. IRP 2026 Seven Portfolios Summer Greatest Monthly Deficit/Smallest Surplus Without Firm Capacity Additions

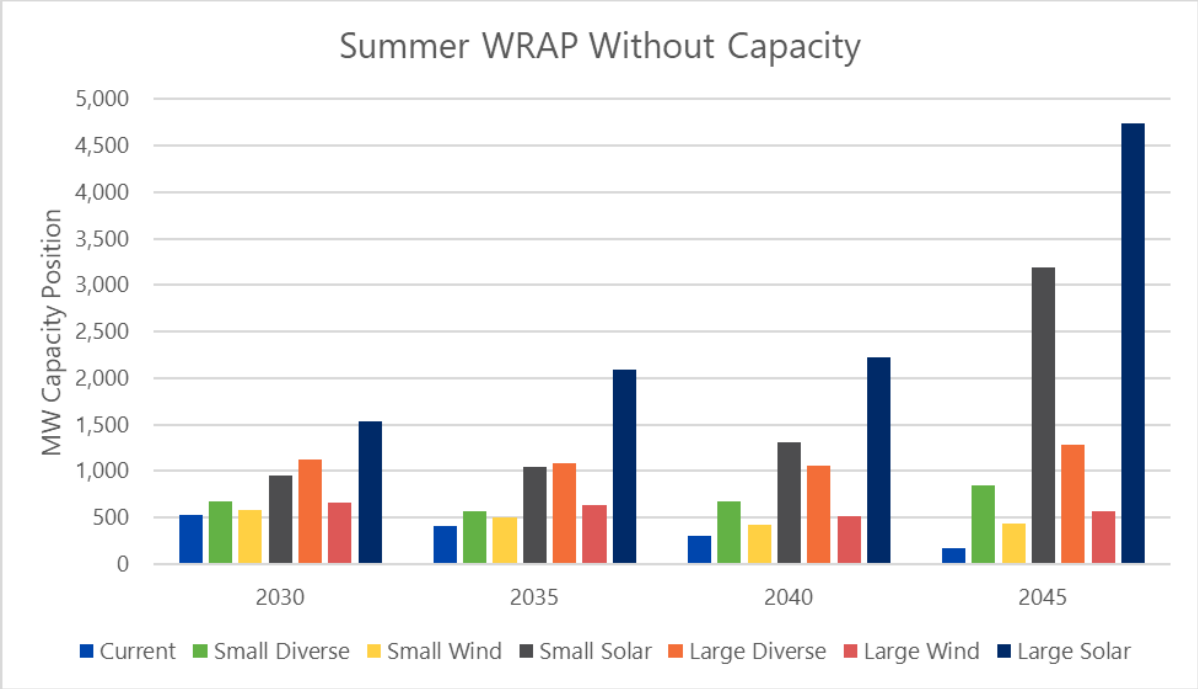


Figure 10.5. IRP 2026 Seven Portfolios Winter Greatest Monthly Deficit/Smallest Surplus Without Firm Capacity Additions

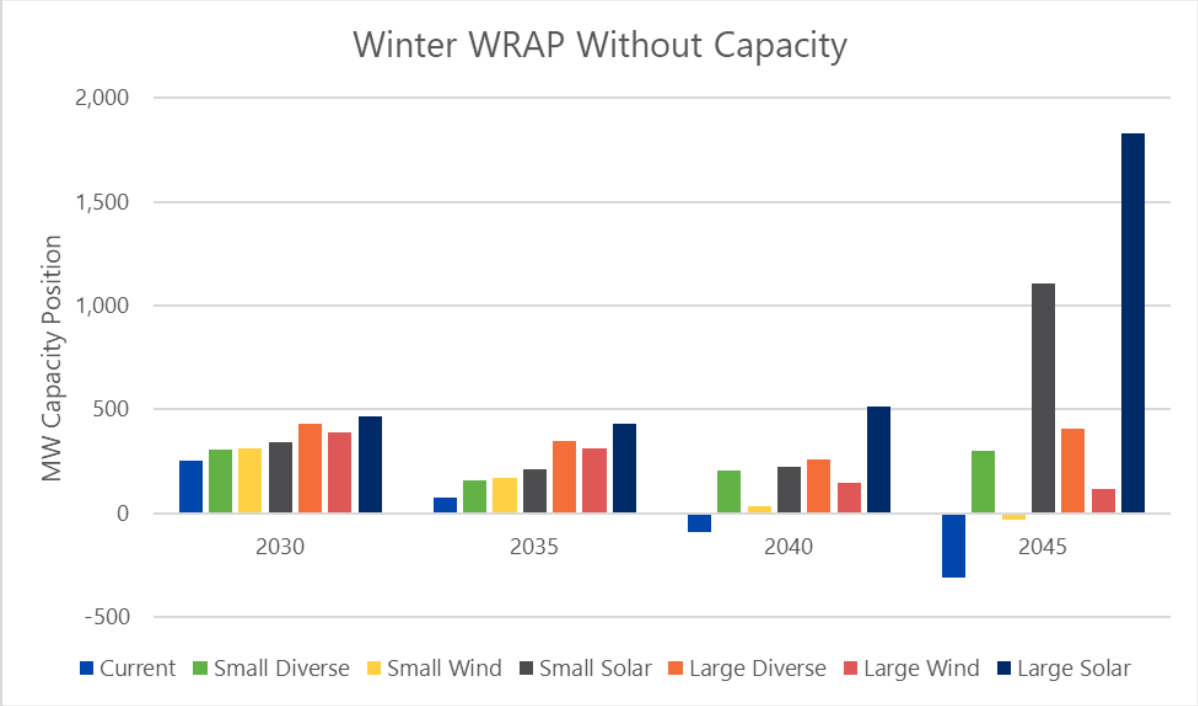


Figure 10.6. IRP 2026 Seven Portfolios Summer Greatest Monthly Deficit/Smallest Surplus with Firm Capacity Additions

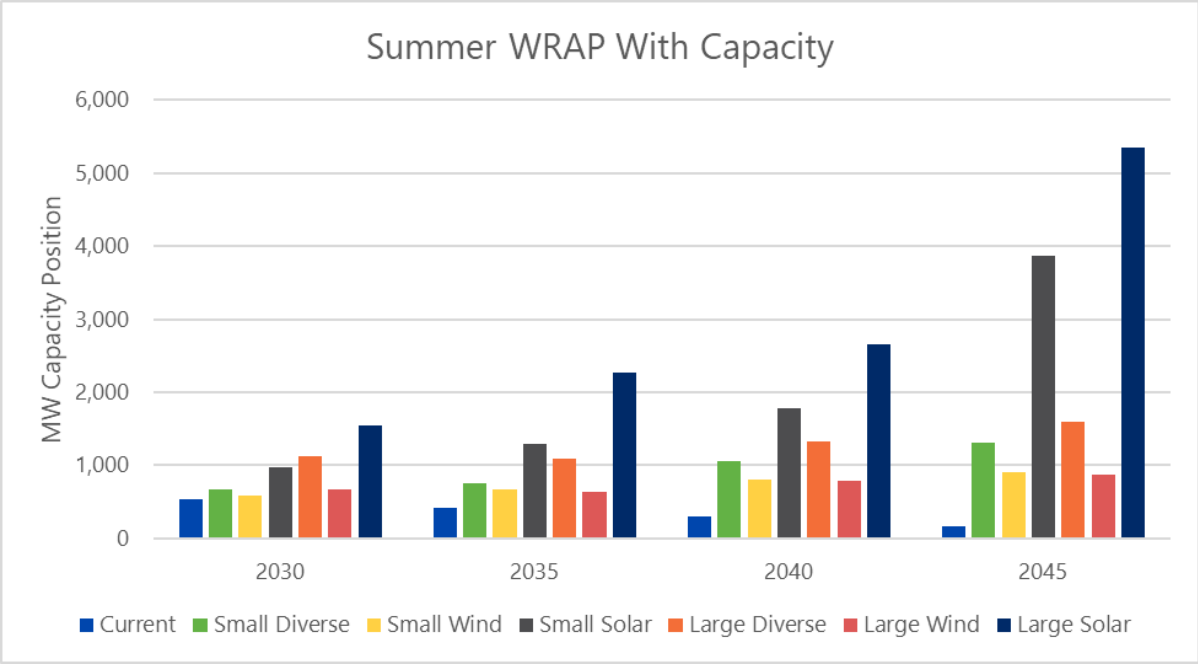


Figure 10.7. IRP 2026 Seven Portfolios Winter Greatest Monthly Deficit/Smallest Surplus with Firm Capacity Additions

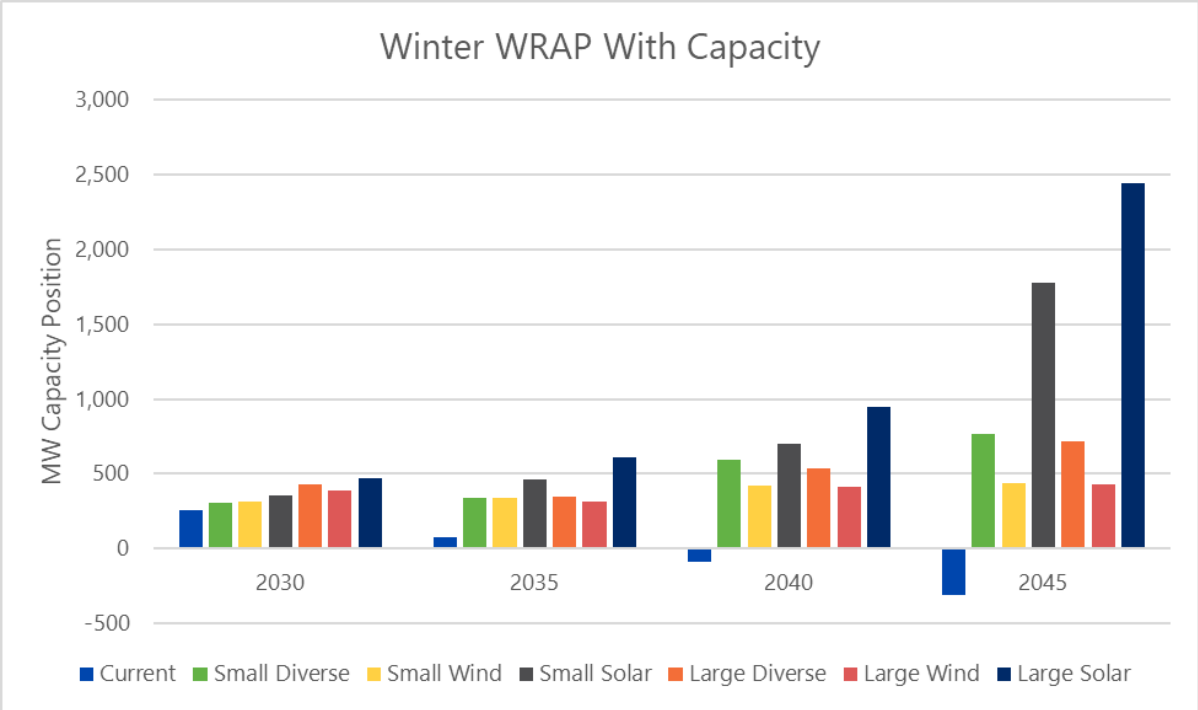


Figure 10.4 and Figure 10.5 show the smallest monthly surplus and the greatest monthly deficit for the seven portfolios without additional capacity in summer and winter, respectively. In the winter months the Current portfolio surplus decreases until 2040, at which point it enters a deficit. Small Wind enters a deficit in 2045. The surplus in both Large Solar and Small Solar increases over the years, while the surplus of the Large Wind portfolio steadily decreases. In the summer months none of the portfolios is ever in deficit. The Current portfolio steadily decreases but does not reach a deficit.

Figure 10.6 and Figure 10.7 show the greatest monthly capacity deficit and the smallest monthly capacity surplus for the seven candidate portfolios with additional generation in winter and summer, respectively. In winter, monthly surplus capacity increases over the years. By 2045, both the Large Solar and the Small Solar portfolios show more of a surplus than the remaining five portfolios due to the current high QCC accreditation of energy storage in WRAP. In contrast, the Current portfolio surplus decreases from 2030 to 2035 and in 2040 and 2045 is in deficit.

In the summer months, none of the portfolios is in deficit (although the surplus for all increases over time with the addition of new resources) and Figure 10.6 shows that under current QCC accreditation values solar and storage portfolios have a surplus that increases over the years. However, QCC accreditation of energy storage may decrease significantly in the future,[40] which means that the surplus provided by the solar and storage portfolios may actually be significantly closer to that of the other portfolios.

Overall, the seven portfolios are expected to be WRAP sufficient or nearly WRAP sufficient even prior to capacity additions for all years and for both winter and summer seasons. While uncertainty exists about actual WRAP PRM requirements and future QCC accreditation, after capacity additions all portfolios have a buffer of several hundred megawatts of capacity to account for the uncertainty. Under a sensitivity (not shown above) where PRMs are 50% greater than they currently are (i.e., WRAP requirements increase) and all new resource QCCs are derated by 33%, all portfolios were still or nearly WRAP sufficient, with no portfolio having a deficit greater than 11 MW. Therefore, meeting WRAP compliance is not a major factor in portfolio selection.

[40] For example, in the WRAP Forward Showing September 2, 2025, advanced assessment shows that in the separate SWEDE (Southwest/East Diversity Exchange) region of WRAP, energy storage QCCs decrease from approximately 100% in 2025 to 86% in 2027 due to oversaturation of short duration energy storage over that time period.

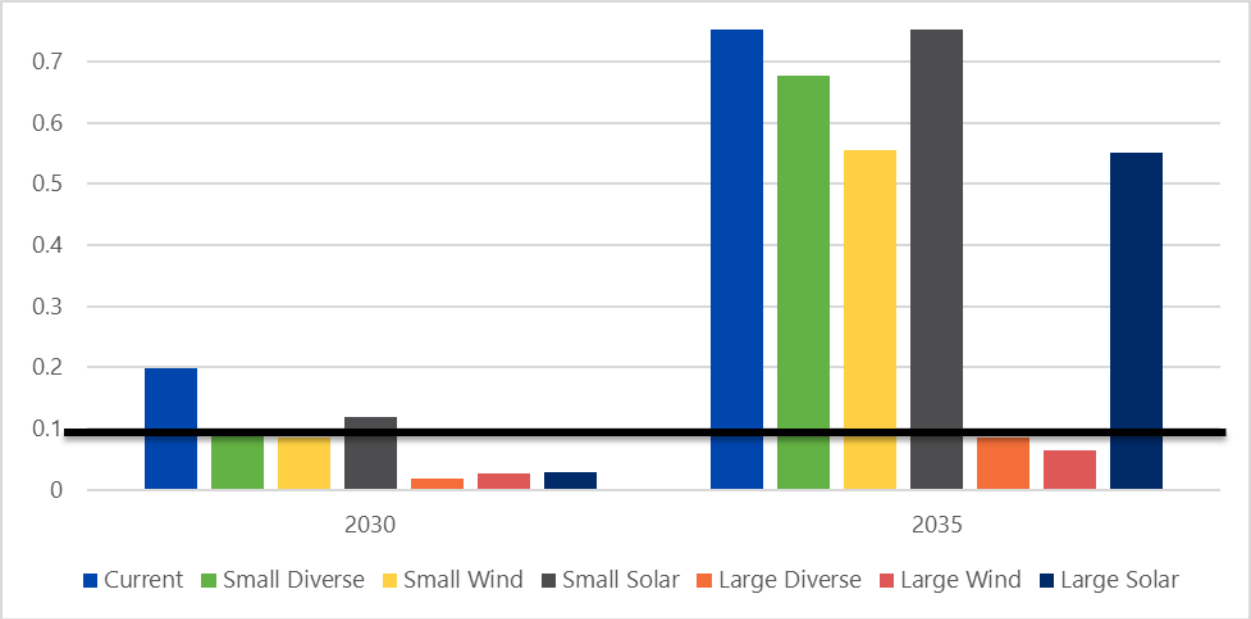
Resource Adequacy

Figure 10.8 shows the LOLE in 2030 and 2035 for each portfolio without adding firm capacity. The figure shows that only the large portfolios are resource adequate without additional capacity. In particular, the Current and small portfolios significantly exceed the maximum LOLE value allowed to meet City Light's resource adequacy standard in 2035.

Figure 10.9 shows the LOLE for each of the seven portfolios with firm capacity additions. Note that the quantity of added firm capacity for each portfolio was specifically calculated to equal the minimum required to make the portfolio resource adequate, and no firm capacity was added to portfolios that were already resource adequate.

In 2030, all the large portfolios are well below the standard of one day in ten years with lost load, indicating that in 2030 these portfolios are overbuilt. However, in 2035, these large portfolios are much closer to City Light's resource adequacy standard and are therefore more appropriate for the City Light system.

Figure 10.8. IRP 2026 Seven Portfolios Loss-of-Load Expectation without Additional Firm Capacity



As Figure 10.8 shows, the additional wind, solar, and battery resources in each of the candidate portfolios (with the exception of Large Diverse and Large Wind) are not enough to ensure resource adequacy at a level of at most one loss-of-load day in ten years. To meet this standard, City Light added the minimum required firm capacity to

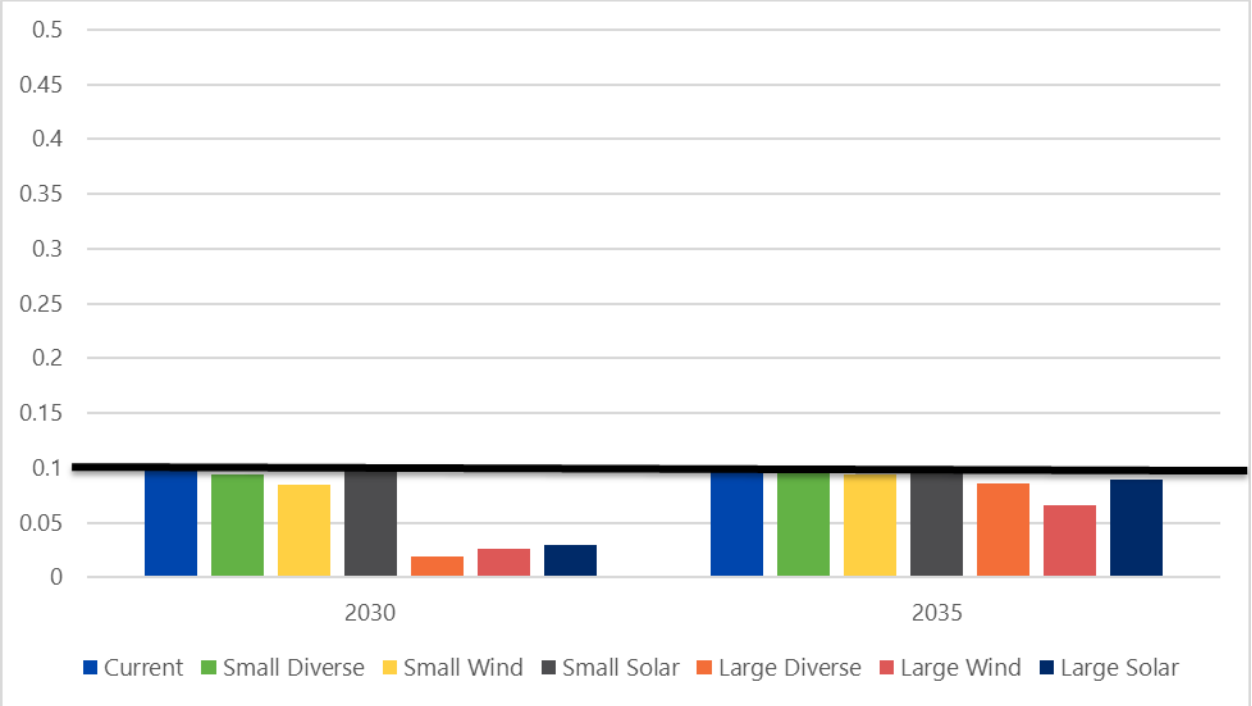
each candidate portfolio, as shown in Table 10.8. These capacity additions could come from baseload resources, forward purchases, or contracts with firm energy provisions.

Table 10.8. 2026 IRP Seven Portfolio Firm Capacity Additions

Portfolio	2030	2035	2040	2045
Current	78	315	567	827
Small Diverse	0	180	387	466
Small Wind	0	168	382	467
Small Solar	11	475	475	672
Large Diverse	0	0	275	314
Large Wind	0	0	269	305
Large Solar	0	181	433	616

Figure 10.9 includes the firm capacity additions and shows each of the candidate portfolios now meeting the 0.1 LOLE threshold.

Figure 10.9. IRP 2026 Seven Portfolios Loss-of-Load Expectation with Additional Firm Capacity



While all candidate portfolios were required to meet the resource adequacy standard of a maximum of one day in ten years with lost load, further analysis is necessary to

evaluate the overall reliability of each portfolio. For further resource adequacy analysis, please refer to Appendix 9: Resource Adequacy.

Portfolio Analysis Evaluation

Table 10.9 summarizes the key strengths and weaknesses of the seven portfolios. A more extensive reliability analysis of these portfolios is presented in Appendix 9: Resource Adequacy.

Table 10.9. 2026 IRP Seven Portfolio Strengths and Weaknesses

Portfolio Name	Strengths	Weaknesses
Small Diverse	• Lowest NPV overall among candidate portfolios • Diverse resource mix lowers cost and reliability risk	• Is not resource adequate on its own and requires firm capacity additions to meet resource adequacy standard earlier than large portfolios
Small Wind	• Low NPV value across all three price futures	• Relies solely on wind (lack of resource diversity significantly increases risk) • Large transmission acquisition need • Is not resource adequate on its own and requires firm capacity additions to meet resource adequacy standard earlier than large portfolios • Only portfolio that is in deficit in WRAP requirements before the end of the IRP study period
Small Solar	• Has low transmission acquisition need through 2045	• Relies solely on solar + storage (lack of resource diversity significantly increases risk) • Is not resource adequate on its own and requires firm capacity additions to meet resource adequacy standard earlier than Large portfolios • Among the highest of the candidate portfolios' SCGHG

Portfolio Name	Strengths	Weaknesses
Large Diverse	• Diverse resource mix lowers cost and reliability risk • Resource adequate through 2035; lower dependency on acquiring firm capacity products for future reliability • Lowest SCGHG through 2045	• Has a LOLE of 0.02 in 2030, indicating extra resources in the portfolio
Large Wind	• Resource adequate through 2035	• Has a LOLE of 0.03 in 2030, indicating extra resources in the portfolio • Relies solely on wind (lack of resource diversity significantly increases risk) • Large transmission acquisition needs
Large Solar	• Low transmission acquisition need through 2045	• Has a LOLE of 0.03 in 2030, indicating extra resources in the portfolio • Relies solely on solar + storage (lack of resource diversity significantly increases risk) • Among the highest of the candidate portfolios' SCGHG • Highest NPV across all three price futures

Recommendation

City Light finds that the portfolio attributes of the Large Diverse portfolio would be the best fit. While the existing resource scenario had the lowest NPV costs by a small margin, it did not meet City Light's resource adequacy requirement of 0.1 LOLE through the 20-year study period and represents the highest risk of loss of load. Under extreme load and hydro scenarios, City Light expects the Current portfolio would fall even further below the resource adequacy threshold, and relative costs would increase due to the higher market reliance necessary to serve load. City Light feels uncomfortable with recommending any of the wind or solar + storage variants, since a portfolio with a significant percentage of only wind or solar renewables presents significant challenges to balancing energy in real time and also creates additional resource procurement risk.

Furthermore, the Small Diverse portfolio requires significantly more firm capacity additions than the Large Diverse portfolio does and also has an additional 100 MW of market reliance. The Large Diverse portfolio is the 2026 IRP preferred portfolio. However, circumstances may change, City Light will continue to evaluate whether its plans should be altered every two years.

APPENDIX 11: ADVANCED TECHNOLOGY BREAK-EVEN ANALYSES

City Light analyzed an additional set of resource technologies, termed "advanced technologies" here, separately from the established new resource technologies (wind, solar PV, and short-duration BESSs) included in the primary IRP analysis. Advanced technologies are those that have not yet been extensively deployed at scale, even though the technological capabilities may already exist and they may have already been deployed at scale in a few instances. These technologies also tend to have much longer deployment times from investment to the first operational deliveries than wind, solar PV, and short-duration BESSs. Advanced technologies treated in this IRP include enhanced geothermal systems, small modular reactors (SMRs), long-duration energy storage, and green hydrogen peaker plants.

These technologies provide clean, firm power in the form of baseload or dispatchable power and will be critical to building a reliable and clean portfolio. A portfolio built only on wind, solar and short-duration batteries requires a high capacity volume to overcome the weather dependency of these resources, but is still not guaranteed to produce power when it is needed.

The advanced technology resources were treated separately because there remains uncertainty surrounding when these resources will become commercially available on a utility scale and what they will cost. City Light performed separate break-even analyses for each advanced technology type to determine the price at which adding an advanced technology resource would reduce the cost of the 2026 IRP's candidate portfolios.

Background

Resource Adequacy Need

Seattle City Light's existing power supply portfolio currently provides significant flexibility for meeting its system load, especially because of the seasonal reservoir storage available at its Skagit hydroelectric project. As discussed in more detail in Appendix 9: Resource Adequacy, the most significant drivers of new resource needs are long (multiday) resource adequacy events.

While established technology resources, namely utility-scale wind, solar PV, and short-duration BESSs, could hypothetically satisfy Seattle's resource needs during most conditions, relying on only these resource types during multiday events poses significant risks. In particular, the meteorological conditions that cause City Light's load to increase

(multiday heat waves in summer and cold snaps in winter) also tend to cause low-wind conditions. These circumstances are compounded by the fact that the conditions that result in multiday heat waves in summer can also cause reduced solar irradiance. During winter cold snaps, skies are often clear, but solar irradiance is naturally diminished due to the low angle of the sun. If a multiday event occurred during an extended period of poor hydrological conditions, the region could experience low hydro, solar, and wind energy for multiple consecutive days, which would present a high risk of insufficient generation for serving loads directly or for recharging short-duration BESSs. Consequently, clean, firm advanced technology resources that are not weather dependent and therefore not at high risk of generating low or zero power during multiday heat and cold snap events would likely better meet City Light's resource adequacy needs.

Advanced Technology Types Considered

In the 2024 IRP Progress Report, City Light included enhanced geothermal systems and Oregon offshore wind as candidate resources in the portfolio expansion model. Incentives for development and work toward commercial deployment of offshore wind in the coastal waters of the Pacific Northwest have been significantly hampered by recent federal policies, which were considered not likely to change in the near future. Thus, City Light excluded offshore wind from the advanced technologies to be evaluated in the present work.

Due to demonstrated regional need for clean, firm resources, City Light chose to retain enhanced geothermal systems as a candidate resource for evaluation in the 2026 IRP break-even analyses, because as a baseload resource it is both clean and firm. Conventional geothermal plants require natural sources of heat far below the earth's surface to have pre-existing paths through cracked or porous rock. In these specific geological conditions, energy is relatively easy to harness when cool water is pumped underground and returns to the surface at a much higher temperature. However, these specific geological conditions are not common in the contiguous United States, especially in the Pacific Northwest. Enhanced geothermal systems still rely on harnessing energy from cool water pumped underground and heated by the Earth along its return, but unlike conventional geothermal plants, they can be built by drilling a deep well through nonporous subsurface rock. The pre-existing geological conditions enhanced geothermal systems require are much more common in the United States, which significantly expands the untapped potential for harnessing geothermal energy, including in the Pacific Northwest. Even if enhanced geothermal systems are build outside of the northwest, City Light would be able to deliver that resource to load, provided sufficient transmission capacity.

Similarly, based on the demonstrated regional need for clean, firm resources, City Light also added SMRs into the break-even analyses as another type of advanced technology that functions as a baseload resource. The other type of clean, firm resources City Light chose to include in the break-even analyses were green hydrogen peaker plants and long-duration energy storage (100 MWh), as these advanced technologies provide clean, firm dispatchable power. City Light evaluated these advanced technology types in the present IRP based on the steady technological progression of and positive economic outlook for these technologies. As with established resource technologies and enhanced geothermal systems, these advanced technology resources do not necessarily need to be developed in the Pacific Northwest; they only need sufficient transmission pathways to deliver the energy generated to the Pacific Northwest.

Firm Capacity Product Assumptions

City Light began its break-even analyses using the information provided by the Small Diverse and Large Diverse portfolios, which were both built using only established technology resources as candidates for portfolio expansion purposes. As discussed in the main 2026 IRP Report and in more detail in Appendix 9: Resource Adequacy, the Small Diverse candidate portfolio required City Light to procure specific amounts of firm capacity products in each year from 2031 through 2045 to meet its resource adequacy standard of at most one loss-of-load day in ten years. Similarly, the Large Diverse candidate portfolio required procurement of firm capacity products from 2036 through 2045 to achieve City Light's resource adequacy standard. This firm capacity is necessary because the Small Diverse and Large Diverse portfolios were built in the capacity expansion model using only single days in each calendar month with regionally extreme resource needs (also known as resource-adequacy-constrained days); as a result, the capacity expansion model did not capture more extensive resource needs for multiday resource-adequacy-constrained days. In contrast, the resource adequacy model included all hours across hundreds of modeled years and, as a result, captured the increased resource needs due to multiday resource-adequacy-constrained days. Table 11.1 summarizes the firm capacity additions required for each candidate portfolio at key modeled years.[41]

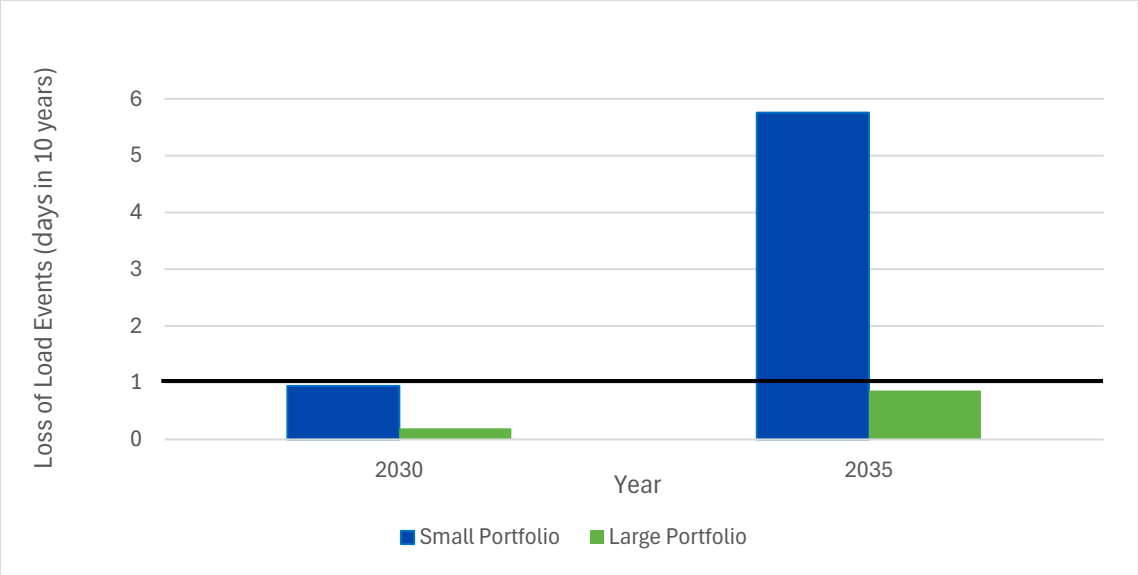
Table 11.1. Resource Adequacy–Required Firm Capacity Resource Additions by Year (MW)

Portfolio	2030	2035	2040	2045
Small Diverse	0	180	567	828
Large Diverse	0	0	387	314

[41] For years between modeled years, annual firm capacity requirements were linearly interpolated between the modeled years.

Figure 11.1 shows reliability in terms of Loss of Load Expectation (LOLE) of the Small Diverse and Large Diverse portfolios in 2030 and 2035 before any firm capacity additions. In 2030, the Small Diverse portfolio is just under City Light's resource adequacy standard of one loss-of-load day in ten years and is thus near-optimally sized for Seattle's system as modeled. The Large Diverse portfolio is far under this threshold in 2030, indicating that it is overbuilt. By 2035, the Large Diverse portfolio has 0.9 expected loss-of-load days in ten years, making it near-optimally sized for Seattle's system, while the Small Diverse portfolio in 2035 does not meet the resource adequacy standard without additional firm capacity. After 2035, both the Small Diverse and Large Diverse portfolios require increasing quantities of firm capacity to stay below the resource adequacy standard.

Figure 11.1. Portfolio Resource Adequacy Before Added Firm Capacity



The GridPath model limited market access on regionally resource-adequacy-constrained days; on those days, once market resources were exhausted, the model had to either build additional supply-side resources or purchase firm capacity products. For the advanced technology break-even analyses, City Light simulated a case in which the cost of firm capacity was consistent with the average cost of new resources built by the Large Diverse portfolio beyond the total new resource capacity of the Small Diverse portfolio. This approach is explained in greater detail in the following section.

Firm Capacity Price Estimates

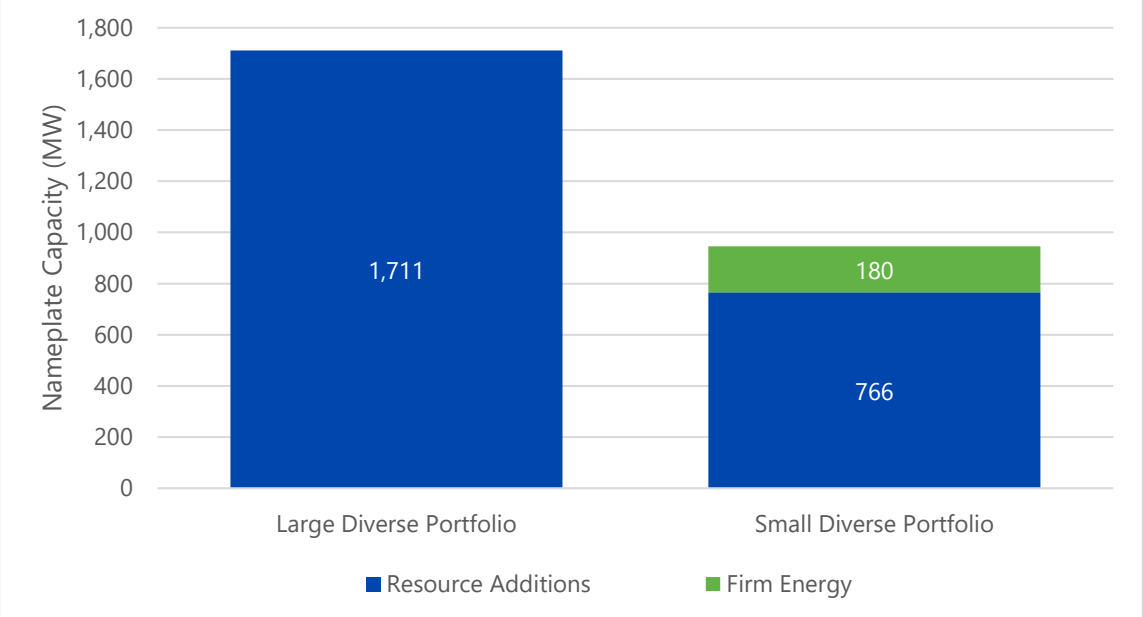
In the main 2026 IRP analysis, City Light assumed that firm capacity products were priced according to BPA's BP-24 demand charge rates of $138/kW per year.[42] City Light's subject matter experts consider this to be a best-case-scenario price, as it would be very low compared with the cost of buying wholesale energy products or building additional generation resources to meet City Light's additional energy and capacity needs. From an energy and capacity perspective, these firm capacity products could be replaced with equivalent energy products that have a capacity component, whether purchased from the wholesale energy market through forward transactions, procured via power purchase agreements (PPAs), or obtained by building out or acquiring renewable energy projects, albeit at a higher price point than that of the BP-24 demand charge rate.

City Light was especially interested in evaluating advanced technology resources that would offer an essentially constant or on-demand supply of energy. These resource types have the potential to offset a significant portion of the sizable magnitude of intermittent renewable energy resources identified in the IRP main report's preferred (Large Diverse) portfolio in future years. The intermittent renewable energy resources have a low capacity factor. Achieving the same megawatt-hours of generation requires a higher nameplate capacity than a resource with a higher capacity factor requires.

Figure 11.2 compares the Small Diverse and Large Diverse portfolios in 2035, demonstrating how just 180 MW of firm energy or firm capacity resources in the Small Diverse Portfolio can replace nearly 1,000 MW of nameplate capacity of intermittent renewables and short-duration batteries in the Large Diverse portfolio, while still meeting City Light's resource adequacy standard. For this reason, the potential cost savings of advanced technology resources are approximated as the marginal cost of new intermittent renewable resources, which is significantly higher than the BP-24 demand charge rate.

[42] After adjusting for inflation to 2026 dollars.

Figure 11.2. Large Diverse and Small Diverse portfolios' New Resource Additions in 2035.



To calculate the cost of new intermittent renewable resources (the cost of marginal capacity), City Light used the difference in the total portfolio costs excluding the additional firm capacity products (but inclusive of project capital costs, O&M, and net marketing revenue) between the Small Diverse and Large Diverse portfolios, divided by the difference in added firm capacity of the Small Diverse and Large Diverse portfolios, for each study year.[43] This resulted in estimated firm capacity costs by year as shown in Table 11.2.[44]

[43] The equation for the cost of marginal capacity was: *(large portfolio cost without added firm capacity - small portfolio cost without added firm capacity) / (small portfolio firm capacity - large portfolio firm capacity) = cost of marginal capacity*.

[44] For this analysis, these firm capacity costs indicate the average cost to procure intermittent renewable resource capacity in the last decade of the IRP study period; high firm capacity costs would make relatively expensive emerging technology projects look more appealing. Based on the resource adequacy analysis of the Large Diverse portfolio in the IRP, this method likely determines an appropriate upper-bound cost estimate for 2035, but may slightly underestimate the cost of marginal new-build capacity after 2035. This underestimation occurs because the Large Diverse portfolio almost exactly met City Light's resource adequacy standard of one loss-of-load day in ten years without any firm capacity additions in 2035 but required firm capacity additions after 2035 to continue meeting City Light's resource adequacy standard.

Table 11.2. Firm Capacity Prices Under the Mid-Market Price Scenario

Year	Firm Capacity Price ($/kW-year)
2035	484
2040	658
2045	686

As the Pacific Northwest becomes increasingly saturated with wind, solar and short-duration BESSs, each unit capacity addition of these resources contributes less to meet peak net loads. It is likely that City Light would find alternate means to procure firm capacity by 2035; even the estimated costs of firm capacity presented in Table 11.2 are high compared with forecast wholesale energy market prices, for example. Consequently, City Light was comfortable using these estimates as a reasonable upper-bound for firm capacity costs in the break-even analyses, described further in the Method section below. In such a future, it is likely that any advanced technologies that become commercially available at a utility-scale would compete to set the marginal price of firm capacity below the costs in Table 11.2.

Method

To perform the break-even analysis for each advanced technology resource type, City Light evaluated advanced technology resources in the context of the Small Diverse candidate portfolio without the addition of firm capacity products. City Light added 200 MW of one advanced technology type to the candidate portfolio starting in 2035 at zero capital cost. The portfolio was then run through the resource adequacy model to determine the minimum amount of firm capacity needed on top of the 200 MW of the advanced technology resource to allow the new advanced technology portfolio to meet City Light's resource adequacy standard. City Light then added that minimum amount of firm capacity to the new advanced technology portfolio. Table 11.3 shows the required firm capacity additions to the Small Diverse portfolio with 200 MW of the given advanced technology resource, by year, that are necessary for the portfolio to meet City Light's resource adequacy requirement of 0.1 LOLE.

Table 11.3. Firm Capacity Additions with 200 MW of Advanced Technology Resource

Year	None (Small Diverse Portfolio)	Green Hydrogen Peaker Plant	Baseload	Multiday Storage
2030	0	0	0	0
2035	180	0	0	0
2040	322	120	119	128
2045	420	196	196	214

Each advanced technology portfolio was run through GridPath's production cost model for the same typical weather and hydro year that was used in the main IRP work to evaluate the Small Diverse and Large Diverse candidate portfolios to determine the advanced technology portfolios' costs by year. The difference in total costs between the Small Diverse candidate portfolio, which consists of established resource technologies and firm capacity additions, and the new advanced technology candidate portfolio with any capacity additions necessary represents the total savings to the utility from adding 200 MW of that particular advanced technology to the portfolio. Thus, the value of firm capacity is a determining factor in calculating the break-even value.

Break-even values were calculated by dividing the annual levelized savings by the average annual megawatt-hour generation for advanced technology baseload resources (in the 2026 IRP these were enhanced geothermal systems and SMRs) or by the 200 MW nameplate capacity of the resource for dispatchable advanced technology resources (in the 2026 IRP, these were green hydrogen peaker plants and long-duration energy storage. This allowed City Light to determine the break-even value per megawatt-hour of enhanced geothermal systems and SMRs, and the break-even values per megawatt of long-duration energy storage and green hydrogen peaker plants.

Break-even Values Results and Discussion

The break-even value is the maximum price per unit energy, or per unit capacity, at which adding 200 MW-nameplate of an advanced technology resource would not result in increased costs to City Light, as compared to the Small Diverse portfolio; any price below the break-even value would result in net savings. To explore how the price of wholesale market energy affects the break-even values, City Light varied the calculation of marginal firm capacity using its low-, mid-, and high-wholesale market price forecast scenarios (see Appendix 6: Market Prices). In total, the break-even values capture the savings in capital costs and net marketing opportunity under the three wholesale market price forecast scenarios, as well as any additional curtailment costs.

To add context to the break-even analysis results presented below, we provide comparisons of the advanced technology resources' break-even values to the equivalent costs of established technology resources used in this IRP. This also generalizes our results so that the break-even values can be expressed in terms of established technology resource costs as they change over time.

Using the firm capacity costs by year in Table 11.2, the resulting break-even values for the baseload resources (enhanced geothermal and SMRs) are $94/MWh, $111/MWh, and $135/MWh for the low-, mid-, and high-market price forecasts, respectively. These values translate to 261%, 310%, and 375% of the expected capital cost in dollars per megawatt-hour of a solar PV project in 2035. Green hydrogen peaker plants' break-even values demonstrated minimal sensitivity to wholesale market price forecasts, but ranged from $650/kW-year to $677/kW-year for various green hydrogen fuel costs ranging from $0/MWh to $400/MWh. These were equivalent to between 1,663% and 1,732% of the expected capital costs in dollars per kilowatt-year of short-duration BESSs in 2035. Long-duration energy storage break-even values ranged from $677/kW-year to $726/kW-year for the various wholesale market price forecasts, which were equivalent to between 1,732% and 1,857% of the expected capital costs in dollars per kilowatt-year of new-build short-duration BESSs in 2035. Table 11.4 summarizes these break-even ranges.

Table 11.4. Breakeven Value Ranges

Advanced Technology Type	Lowest Break-even Value (2026 dollars)	Highest Break-even Value (2026 dollars)	Lowest Break-even Value (% of established tech cost in 2035)	Highest Break-even Value (% of established tech cost in 2035)
Baseload (Enhanced Geothermal, Small Modular Reactors)	$94/MWh	$135/MWh	261% of solar PV cost	375% of solar PV cost
Green Hydrogen Peaker Plants	$650/kW-year	$677/kW-year	1,663% of 4-hour BESSs cost	1,732% of 4-hour BESSs cost
Long-Duration Energy Storage	$677/kW-year	$726/kW-year	1,732% of 4-hour BESSs cost	1,857% of 4-hour BESSs cost

The break-even analysis results show that baseload resources were estimated to be worth about 2.5 to almost four times the cost of the equivalent nameplate capacity of solar resources (calculated over the full 2035–2045 period) when added to the portfolio in 2035. Baseload resources would provide energy to consistently serve City Light's load, regardless of daylight hours or variable weather conditions. This provides increased value over the intermittent, daytime-only power supplied by a typical solar PV plant, even east of the Cascade Mountains. However, baseload resources cannot easily be turned off when energy is not needed, which means excess energy may often be sold on the wholesale energy market at a net loss.

Green hydrogen peaker plants were found to be worth 16 to more than 17 times the cost of equivalent capacity of short-duration BESSs, and long-duration energy storage resources were found to be worth about 17 to more than 18 times the cost of the equivalent amount of short-duration BESSs in 2035. In contrast to baseload resources, both of these resource types can easily be cycled on and off and are therefore operated to provide additional energy only when economically advantageous. As a result, these resource types offer significantly more value relative to baseload and other resources present in the Small Diverse candidate portfolio by 2035. Additionally, recent resource adequacy studies in the Pacific Northwest have shown that multiday extreme weather events, such as the cold-snap in January 2024, pose the greatest reliability risks to the region, which further contributes to the value offered by both green hydrogen peaker plants and long-duration energy storage additions to City Light's power supply portfolio.

To help level-set the feasibility of relative break-even costs of green hydrogen peaker plants and long-duration energy storage, consider a hypothetical case where all loss-of-load events using only City Light’s existing power supply portfolio are 100 hours or longer. In such a case, for each nameplate megawatt of capacity, a long-duration energy storage provides 100 MWh of energy (i.e., each megawatt of storage capacity x 100 hours), compared to a short-duration BESS’s 4 MWh. In this case, a single megawatt of long-duration energy storage mitigates the energy shortfall better than short-duration energy storage by a factor of 25. In such a hypothetical case, the reported 1,730% to 1,860% of the value of the short-duration energy storage would actually *undervalue* long-duration energy storage.[45] In reality, many loss-of-load events last less than 100 hours, so the full 100-hour duration of the modeled long-duration energy storage is not fully utilized in every event. For this reason, it appears reasonable for the long-duration

[45] All other factors being equal, and assuming the value of lost load (VOLL) dwarfs the operational differences of the batteries.

energy storage value to see a reduction to about 1,730% to 1,860% of the value of short-duration energy storage.

Advanced Technology Concluding Assessment

Break-even values for each advanced technology type indicate City Light's best estimates of the maximum cost-per-unit (dollars per megawatt-hour or dollars per kilowatt-year) at which 200 MW nameplate of an advanced technology resource would add value to City Light's candidate portfolios.

These break-even values depend on both the wholesale energy market price forecasts and the future price of marginal firm capacity that advanced technology resources compete with. As both of these are difficult to predict out to a 20-year horizon, City Light calculated break-even values across low-, mid-, and high-market price futures. In these break-even analyses, firm capacity prices represent a future in which firm capacity (or firm energy) products are not available for purchase at a cost lower than the price to build new renewable energy projects; the cost of each marginal unit of capacity is expected to increase with time.

Based on the assumptions in the IRP, baseload advanced technology resources available for procurement starting in 2035 with costs at or below $94/MWh to $135/MWh would add value to City Light's power supply portfolio. The break-even value within this range would be determined by the actual cost of firm capacity products available in the wholesale market or through bilateral purchases at the time. Similarly, City Light would see value from a green hydrogen peaker plant priced at $650/kW-year to $677/kW-year at most, or from a long-duration energy storage offered for at most $677/kW-year to $726/kW-year.

City Light recognizes that these break-even values are sensitive to the modeling assumptions used. The cost of existing resources has shifted dramatically higher since the inputs to the IRP were finalized. This directly impacts the break-even value for advanced resources. City Light completes an IRP every two years and will complete a deeper analysis into the value of clean, firm and dispatchable resources for the next IRP.

Potential approaches to evaluating break-even values of new advanced technology resources in future IRP studies are summarized as follows:

- Offer a fixed amount of a new advanced technology into the capacity expansion model at zero cost and at a predetermined future year so that established

technology resources may potentially be displaced or delayed in their selection for portfolio expansion.
- Vary capacities and availability dates in sensitivity studies.
- Run the production cost model for multiple weather scenarios per study year to inform the value of advanced technology resources when the system is under a range of stress levels.

Since the above approaches require non-negligible computational resources and time, the team can use the results presented here to inform further exploration of the uncertainty space, while being strategic about which expanded model runs would provide the most insight to City Light.

APPENDIX 12: COMMUNITY OUTREACH AND PUBLIC INVOLVEMENT PROCESS

City Light is proud to be a local, community-owned utility that is visible and actively involved in the communities it serves. Its commitment to racial diversity, social justice and the equitable provision of services to all is an important part of City Light's mission, vision, and values.

Community Outreach

City Light has taken a coordinated approach in outreach for large planning efforts by partnering with the City of Seattle Department of Neighborhoods (DON) to engage with communities throughout City Light's service area for feedback to inform the 2026 Integrated Resources Plan (IRP), the 2026 Clean Energy Improvement Plan (CEIP), and the 2027–2032 Strategic Plan. The ongoing public participation process, which continues to evolve, has included the following elements:

1. **Reviewing Existing Feedback:** City Light reviewed relevant community feedback provided via other strategic planning efforts (e.g. City Light's most recent Transportation Electrification Strategic Investment Plan and the City's Comprehensive Plan). This approach enabled us to be responsive to customers' and communities' existing feedback and identify gaps in and opportunities for community engagement.
2. **Hosting Community Conversations:** City Light has directly engaged with customers and community leaders through public meetings, focus groups, and community gatherings to inform the CEIP planning process.
3. **Engaging Trusted Community Partners:** City Light also met with community organizations and DON Community Liaisons, who work directly with highly impacted communities and vulnerable populations on issues including affordability, public health, environment, etc.
4. **Qualitative Research via Online Discussion Boards:** City Light has worked with a consultant to conduct a digital focus group of 35 City Light customers from diverse backgrounds oversampling those traditionally underrepresented in surveys such as Black, Indigenous, or People of Color (BIPOC); central/south Seattle residents; and younger respondents.

Outreach follows guidelines established by the equity-related sections of the CEIP and has been directly informed by the public participation process that targeted priority populations as identified by the Clean Energy Transformation Act (CETA) as Highly

Impacted Communities and Vulnerable Populations. Community feedback identified the following groups as those most vulnerable to or impacted by lack of access to power:

- Those who rely on electricity for medical devices, medication, and/or personal mobility (e.g., electric wheelchairs, breathing machines, insulin)
- Those who disproportionately experience and are more sensitive to extreme weather events (e.g., community elders, children)
- Those who are monolingual in a language other than English or have limited English proficiency
- Are lower-income and/or BIPOC living in franchise communities (e.g., White Center, Shoreline, Burien)

Key themes from community feedback have included: centering vulnerable communities in the planning process, increasing awareness about how City Light is preparing for the clean energy transition, exploring the use of renewables while protecting affordability, and ensuring that customers have equitable access to programs and services.

Public Involvement Process

City Light's IRP process includes frequent interaction and information-sharing with a panel of external IRP advisors. This external advisory panel consists of the following individuals:

- Roz Jenkins (formerly Steve Gelb), Emerald Cities Collaborative
- Dr. Angela Griffin, Byrd Barr Place
- Paul Munz, Bonneville Power Administration (BPA, retired)
- Jeremy Park, P.E. University of Washington
- Yuri Rodrigues, Seattle Pacific University
- Mike Ruby, Ph.D., P.E., Envirometrics, Inc.
- Charlee Thompson, NW Energy Coalition
- Elizabeth Osborne, Northwest Power and Conservation Council
- Austin Scharff, WA Department of Commerce
- Kevin Schneider, Pacific Northwest National Laboratory
- Terry Sullivan, King County
- John Ollis, Northwest Power and Conservation Council

The City Light IRP team held five online meetings with this advisory panel from 2024 to 2025, described in Table 12.1.

Table 12.1. 2026 IRP External Advisory Panel Meeting Schedule

Date	Meeting Subject
November 6, 2024	• SCL and Panel introductions • Context and Framing: IRP and DSMPA • IRP and DSMPA Milestones
January 15, 2025	• 2026 IRP Report Overview • 2026 IRP Load Forecast • IRP Input Assumptions: Transmission, BPA Product Choice, Resource Options, Wholesale Prices
April 2, 2025	• 2026 IRP and DSMPA Staggered Approach • 2026 DSMPA Preliminary Results • Existing Resources
July 17, 2025	• DSMPA Results
September 24, 2025	• IRP Results

The external IRP advisory panel provided feedback on the following topics.:

- Future plans for adding distribution analysis and creating an Integrated System Plan
- Need for clarifications on the electrification projections included in the load forecast
- Questions about various demand-side product modeling assumptions
- Questions about how battery technology may ease pressure during peaks
- Transmission modeling

City Light encourages members of the public to contact City Light at SCL_RPA@seattle.gov if they would like to be considered for this panel.

GLOSSARY OF TERMS

1-in-10 Peak: The peak hourly load expected to occur once every 10 years.

Achievable economic potential: The portion of achievable technical potential determined to be cost-effective by the IRP's optimization modeling, in which either bundles or individual energy efficiency measures are selected based on cost and savings. The cumulative potential for these selected bundles constitutes achievable economic potential.

Achievable technical potential: The portion of technical potential that could realistically be realized during the study's period, considering market barriers such as customer awareness, willingness to adopt measures, and historical program participation rates. It includes savings, regardless of the acquisition mechanism, that may be acquired through utility programs, improved codes and standards, and market transformation without considering cost-effectiveness.

aMW (average megawatts): Average power measured over a specified period of time. In long-term resource planning studies like the Integrated Resource Plan (IRP), the specified unit of time is often equal to one full year; in this case, 1 aMW over a year would equal 8,760 MWh.

Baseload resource: A resource that provides a relatively consistent and stable amount of power every hour that it is in operation. Often baseload resources are expensive and labor-intensive to cycle on and off, so baseload resources are assumed to be operating continuously, except during infrequent periods of planned maintenance.

BESS (Battery energy storage system): The technical term for batteries used to store utility-scale quantities of energy for use at a later period of time of greater need or value.

Candidate portfolio: a power supply portfolio that contains additional generation (and potentially also additional transmission) resources compared with the utility's existing power supply portfolio to help maintain reliable load service into a future period.

Capacity: The maximum power output that a generator can produce, or the maximum amount of power that can be transferred over a transmission line, under specified conditions. Capacity is a measure of power and is generally expressed in kilowatts (kW) or megawatts (MW). The relationship between capacity and energy is often expressed as $Energy = Capacity \times Time$. For example, a power plant with 1 MW of capacity operating for one hour produces 1 MWh of energy.

Capacity expansion model (or portfolio expansion model): A mathematical model used as part of the IRP process to determine the lowest-cost candidate portfolio required to meet future loads based on user-specified resource options and reliability requirements.

Clean Energy Implementation Plan (CEIP): As part of the Clean Energy Transformation Act (CETA), a CEIP describes the utility's near-term plan for making incremental progress toward meeting the long-term clean energy transformation targets outlined in the CETA while continuing to pursue all cost-effective, reliable, and feasible conservation and efficiency resources.

Clean Energy Transformation Act (CETA): Signed into law in 2019, CETA requires electric utilities to supply their Washington state customers with 100% renewable or non-emitting electricity by 2030, with no provision for offsets starting in 2045.

Conservation: According to the Northwest Power Act, conservation refers to any reduction in electric power consumption because of increases in the efficiency of energy use, production, or distribution.

Customer/customer classes: One or more categories of customers defined by rate tariff(s) published by Seattle City Light and approved by the Seattle City Council. Examples of customer classes are residential, industrial, and business general service (small, medium, large, and high demand).

Demand (electric): The load that is drawn from the source of supply over a specified interval of time (generally expressed in kilowatts, megawatts, or kilovolt-amperes).

Demand response: A voluntary and temporary change in consumers' use of electricity when the power system is stressed.

Demand-side management: The process of helping customers use energy more efficiently.

Demand-side management potential assessment (DSMPA): A Seattle City Light analysis of the amount of demand-side resources such as conservation, customer solar, and demand response that have economic, achievable potential within City Light's service territory. This analysis fulfills statutory requirements of Chapter 194-37 of the Washington Administrative Code (WAC), which requires that City Light identify all achievable, cost-effective conservation potential for the upcoming 10 years, and supports compliance with Washington State's Clean Energy Transformation Act (CETA). Targets set by City Light's DSMPA impact City Light's load projections and thus serve as inputs into the IRP.

Distribution: The transfer of electricity from the transmission network to the consumer. Distribution systems generally include the equipment to transfer power from the utility substation to the customer's meter.

Energy: The total amount of electricity produced or consumed over a specific duration. Typical units are kWh, MWh, and aMW. The relationship between capacity and energy is often expressed as $Energy = Capacity \times Time$. For example, a 1 MW power plant operating at full capacity for one hour produces 1 MWh of energy.

Energy efficiency measure: Implementation of an individual project or technology to reduce the consumption of energy at the same or an improved level of service. Often referred to as simply a "measure."

Energy Independence Act (EIA): Passed by Washington voters in 2006, this act requires electric utilities serving at least 25,000 retail customers to meet a certain percentage of their electrical load with renewable energy resources. Also known as I-937.

Greenhouse gas: Gases, such as carbon dioxide, nitrous oxide, methane, hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulfur hexafluoride, that are transparent to solar (short-wave) radiation but opaque to long-wave (infrared) radiation, thus preventing long-wave radiant energy from leaving Earth's atmosphere. The trapped long-wave radiant energy has the net effect of warming Earth's atmosphere.

Generation: The act or process of producing electricity from other forms of energy.

Integrated Resource Plan (IRP): A comprehensive evaluation of future electric or natural gas resource plans that considers the full range of resources that are available and may be available in the future to provide adequate and reliable service to a customer's needs at the lowest possible risk-adjusted system cost. These plans are filed with the state Department of Commerce or public utility commissions on a periodic basis.

Kilowatt (kW): The unit of power that equals 1,000 watts.

Kilowatt-hour (kWh): A basic unit of electrical energy that equals one kilowatt of power applied for one hour. Equivalent to 3,412 BTU.

Megawatt (MW): The unit of power that equals one million watts or one thousand kilowatts.

Megawatt-hour (MWh): A basic unit of energy that equals one megawatt of power applied for one hour.

Nameplate Capacity: The maximum power output that a generator can produce (determined by the manufacturer) without exceeding design limits. Installed generator nameplate capacity is commonly expressed in megawatts (MW) and is usually indicated on a nameplate physically attached to the generator.

Northwest Power Act: On December 5, 1980, Congress passed the Pacific Northwest Electric Power Planning and Conservation Act (Northwest Power Act), which authorized the four states of Idaho, Montana, Oregon, and Washington to form the Northwest Power and Conservation Council (Power Council) to ensure reliable power supply for the Pacific Northwest while protecting fish and wildlife impacted by hydropower dams and prioritizing environmentally sustainable energy.

Northwest Power and Conservation Council (Power Council): The Northwest Power Act established the Power Council and directs it to develop and maintain both a regional power plan and a fish and wildlife program to balance the environmental and energy needs of the Pacific Northwest. The Power Council prepares a Power Plan every five years to assure the region an adequate, efficient, economical and reliable power supply.

Peaker plant: A power plant that is expected to operate only for a small number of hours each year in order to help meet peak loads.

Power supply portfolio: In the IRP context, a collection of all generation resources, power contracts, demand-side management programs (e.g., energy conservation, demand response, customer solar), and transmission assets that a utility uses to serve its load. For example, City Light's existing portfolio comprises investments in demand-side management programs, City Light-owned hydropower resources, existing hydropower and renewable energy contracts from regional partners, and wholesale market purchases.

Power: The rate at which electrical energy is transferred in a circuit. Power can also be thought of as an instantaneous measure of energy. The standard unit of power is the watt (W). One MW is equal to 1,000,000 watts.

Production cost model: A model used as part of the IRP process to determine the resource controls and operations to meet load at lowest cost, subject to provided constraints and targets. The production cost model determines the total costs and revenues produced by a candidate portfolio that is composed of the resource selections determined by the IRP capacity expansion model and wholesale electricity marketing activity.

PV (Photovoltaic); The technical term for solar panels used to generate electricity.

Reliability: In the context of a long-term resource planning study such as the IRP, having sufficient resources to meet loads under a wide variety of plausible conditions. Often closely tied to "resource adequacy".

Revised Code of Washington (RCW): The laws that are currently in place in Washington state.

Resource adequacy: A measure of a load-serving entity, such as a utility like Seattle City Light, to consistently serve load using its power supply portfolio, even in extreme conditions such as extreme weather events.

Sector(s): A division of the economy for energy planning purposes. Energy efficiency programs generally serve the residential, commercial (e.g., retail stores, office, and institutional buildings), and industrial sectors.

Social Cost of Greenhouse Gas (SCGHG): The impact that emitting a greenhouse gas has on society, generally expressed as dollars of impact per ton of carbon dioxide warming equivalent ($/$tCO_{2e}$).

Technical potential: The total amount of energy efficiency that could be achieved within City Light's service territory, assuming that all feasible resource opportunities can be captured regardless of cost and market barriers, such as customer willingness to adopt. The potential is only limited by physical and operational constraints.

Transmission: The act or process of transporting electric energy by wire over long distances, generally accomplished by elevating the electric current to high voltages. In the Pacific Northwest, Bonneville Power Administration operates most of the high-voltage, long distance transmission lines.

Uncertainty: The range or interval of doubt surrounding a measured or calculated value within which the true value is expected to fall with some degree of confidence. Confidence increases as the range of uncertainty decreases.

Utilities and Transportation Commission (UTC): A three-member commission appointed by the governor and confirmed by the state Senate, whose mission is to protect the people of Washington state by ensuring that investor-owned utility and transportation services are safe, available, reliable, and fairly priced.

Western Resource Adequacy Program (WRAP): A western regional program that requires utilities to demonstrate that they have sufficient resources to meet their share of potential future regional peak load, to ensure that the western region meets a set resource adequacy standard. Resources are accredited for having the potential to meet future regional peak load by being assigned qualifying capacity contributions (QCCs).

Summary and Fiscal Note

1. Legislation Summary

Department: Seattle City Light

Title: A RESOLUTION relating to the City Light Department; acknowledging and approving the 2026 Integrated Resource Plan as conforming with the public policy objectives of The City of Seattle and the requirements of the State of Washington; and approving the Integrated Resource Plan for the biennium September 2026 through August 2028.

Background: Seattle City Light's 2026 Integrated Resource Plan (IRP) is a long-term strategy to meet anticipated customer energy needs over the next 20 years. The 2026 IRP addresses changes in customers' power needs, existing power supply, and assumptions on new energy resource technologies and costs. Its results include identifying additions to City Light's portfolio of energy resources necessary to serve growth in customers' power needs for the study period of 2026 to 2045. This resolution approves the 2026 IRP for the biennium September 2026 through August 2028.

The 2026 IRP was informed by outreach to and participation of internal and external stakeholders, and prepared pursuant to RCW Chapter 19.280 (Electric Utility Resource Plans), which mandates Integrated Resource Planning. The intent of the IRP requirement is: (1) to encourage the development of new safe, clean, and reliable energy resources to meet demand for affordable and reliable electricity; (2) to identify and develop conservation and efficiency resources; and (3) to identify and develop methods for integrating renewable resources.

Utilities in the state of Washington must develop comprehensive resource plans that meet their customers’ electricity needs over the short and long term. City Light is required to file a full Integrated Resource Plan every four years, with Progress Reports due two years after each full IRP. Integrated Resource Plans document comprehensive analyses and explain the mix of generation and demand-side resources the utility plans to use to meet their customers' electricity needs over the period covered in the plan, whereas Progress Reports reflect changing conditions and developments in those interim periods.

In accordance with RCW 19.280, the 2026 IRP requires approval by the consumer-owned utilities' governing body after public notice and hearing, and subsequent filing of the plan with the State of Washington Department of Commerce by September 1, 2026. This resolution seeks the City Council's acknowledgement and approval of City Light's 2026 full IRP. City Council approval of the 2024 Integrated Resource Plan Progress Report was obtained through Resolution 32138 in August 2024.

Summary Attachments: None.

---

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.**

   There is no direct financial impact of implementing this legislation; the adoption of this Resolution is an administrative requirement of state law. Results from the IRP will inform City Light's overall financial assumptions including the rate path.

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?

No costs.

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

The adoption of this resolution ensures that City Light meets an important requirement of state law (RCW 19.280 - Electric Utility Resource Plans).

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

No effects to other City departments.

---

4. Other Impacts

a. Does this legislation require a public hearing?

☒ Yes RCW 19.280.050(1) requires the utility's governing body to approve the IRP after it has provided public notice and hearing

☒ 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.

The adoption of this Resolution is an administrative requirement of state law to file a comprehensive resource plan every two years. However, the Clean

Energy Transformation Act, CETA, has clear language that as we transition to 100% renewable/non-emitting energy sources, we must ensure we're not disproportionately burdening communities who have been historically harmed. As such, we combined our outreach with other City Light planning efforts especially since much of the type of outreach was aligned.

Outreach began by first evaluating existing community engagement reports and then initiated outreach through community events and conversations including connecting with language communities and collection over 575 responses.

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

The adoption of this Resolution is an administrative requirement of state law to file a comprehensive resource plan every two years.

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

The adoption of this Resolution is an administrative requirement of state law to file a comprehensive resource plan every two years.

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 Resolution does not materially change Seattle's carbon emissions. The Resolution outlines a path for how City Light will continue to serve customers with greenhouse gas neutral power and make continued progress towards providing greenhouse gas free power by 2045.

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 Resolution does not materially change Seattle's ability to adapt to climate change. The Resolution outlines a path for how City Light will continue to serve customers reliably and meet our clean energy goals outlined by CETA.

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 is not a new initiative or major programmatic expansion; this effort is consistent with Seattle City Light's commitment to serve our customers with safe, reliable, affordable, and environmentally responsible electric service.

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

No.

2026 Integrated Resource Plan (IRP) RES

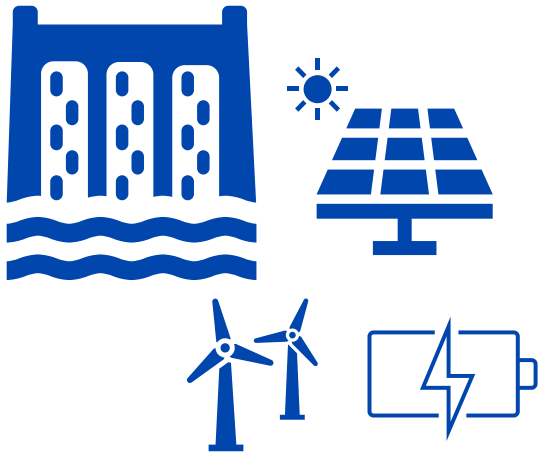
Parks & City Light Committee

June 3, 2026

Seattle City Light

WE POWER SEATTLE

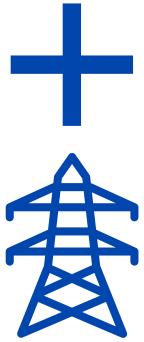
Integrated Resource Plan (IRP) Requirements



Evaluation of Resource Needs

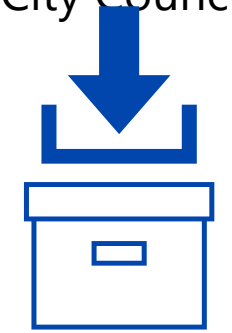
≥

Evaluation of Customer Power Needs



Ensuring ability to deliver

Biennial report approved by City Council

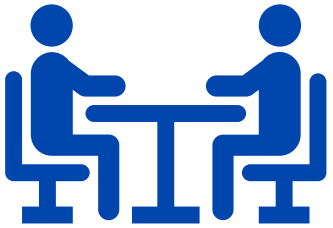


and filed with the Washington Department of Commerce by September 1st.

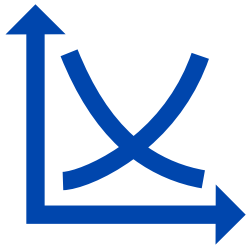
Now

20+ years

What is the Process to build an IRP?



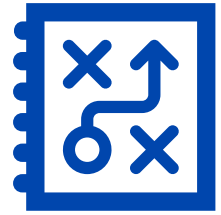
Customer & Stakeholder Engagement



Evaluation of Load & Resources

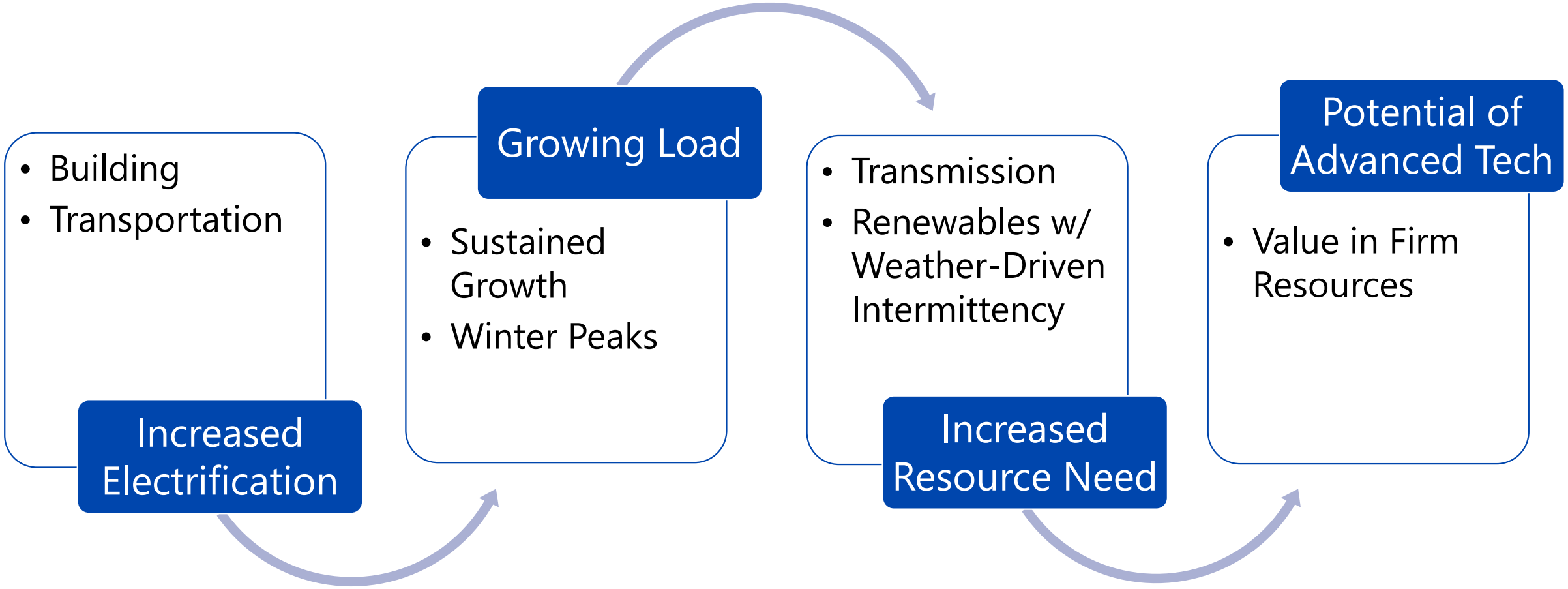
Not a Perfect Forecast

Not an Acquisition Plan



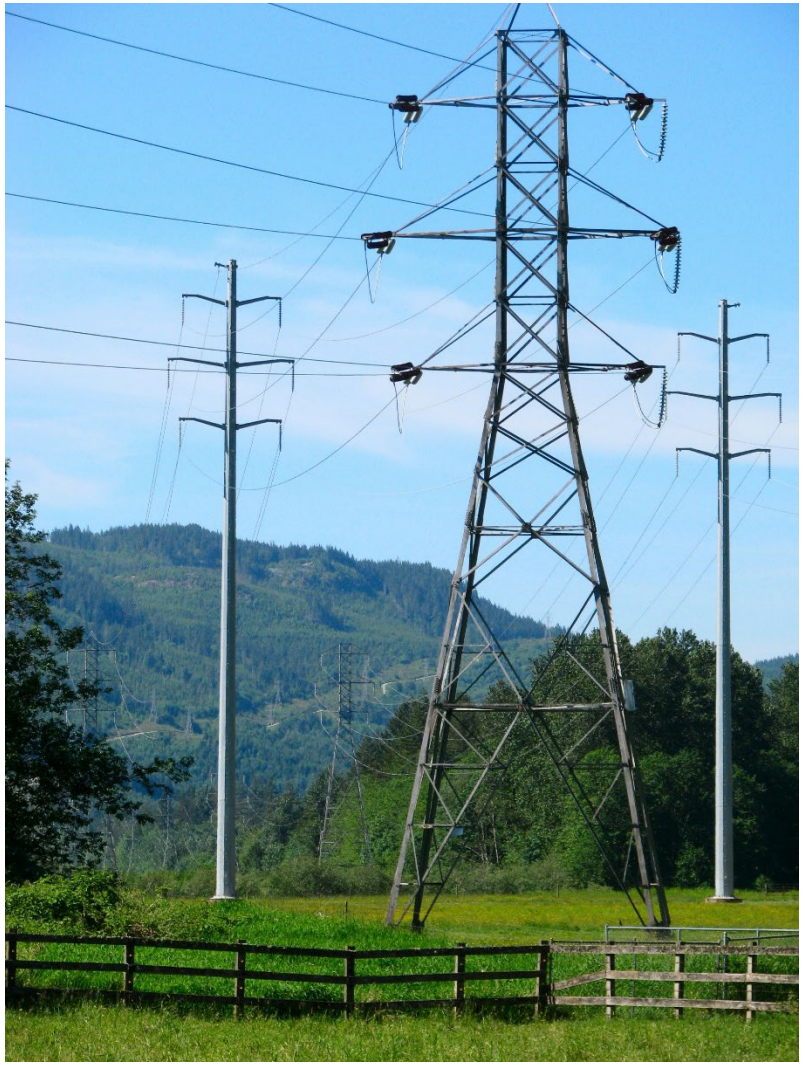
Resource Planning Playbook

2026 IRP Takeaways



External Advisory Panel

Organizations
Emerald Cities Collaborative
Byrd Barr
Bonneville Power Administration (retired)
University of Washington
Seattle Pacific University
Envirometrics, Inc.
NW Power & Conservation Council
WA Department of Commerce
Pacific Northwest National Laboratory
King County
Northwest Energy Coalition



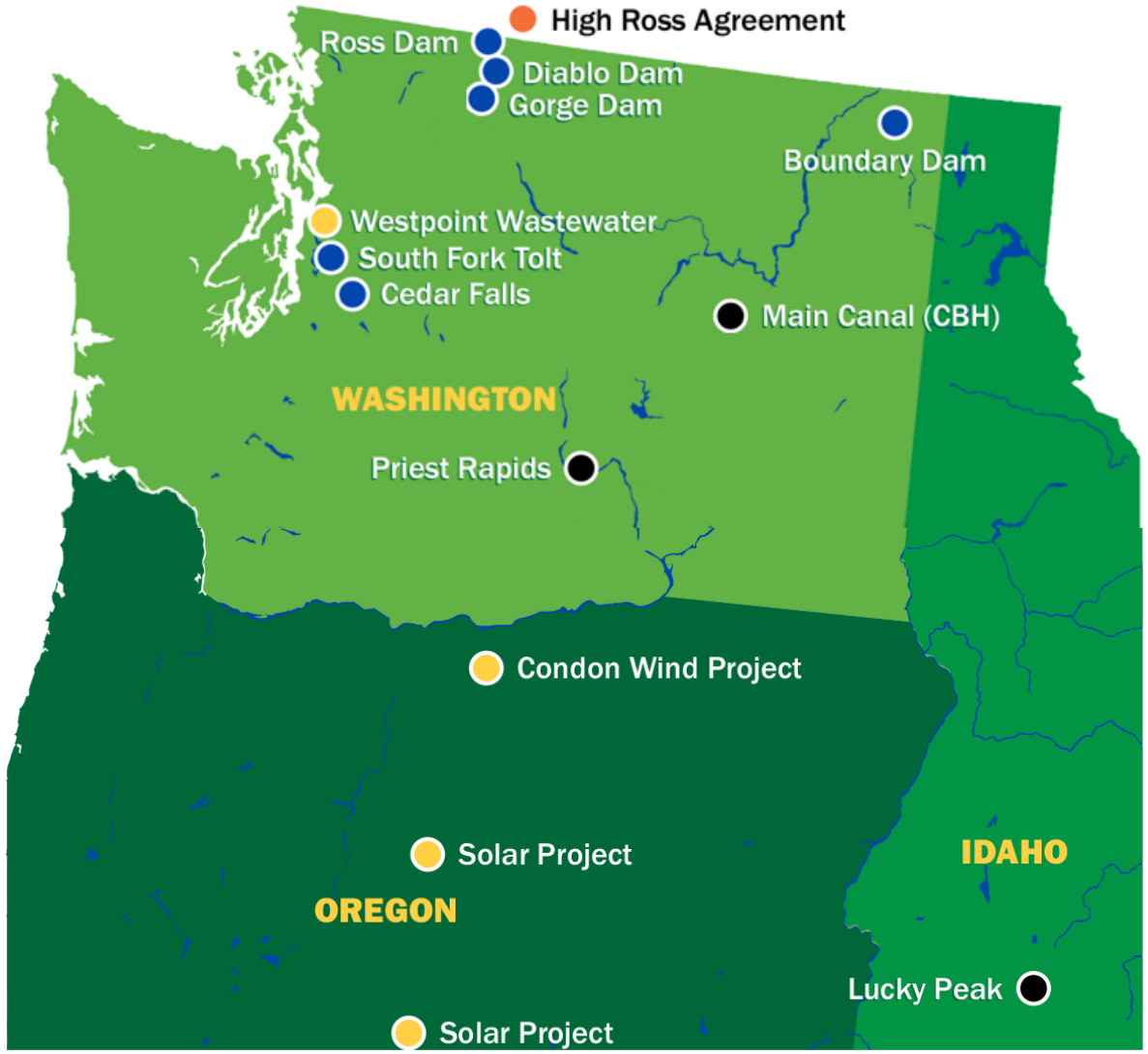
Integrated Outreach & Engagement Approach

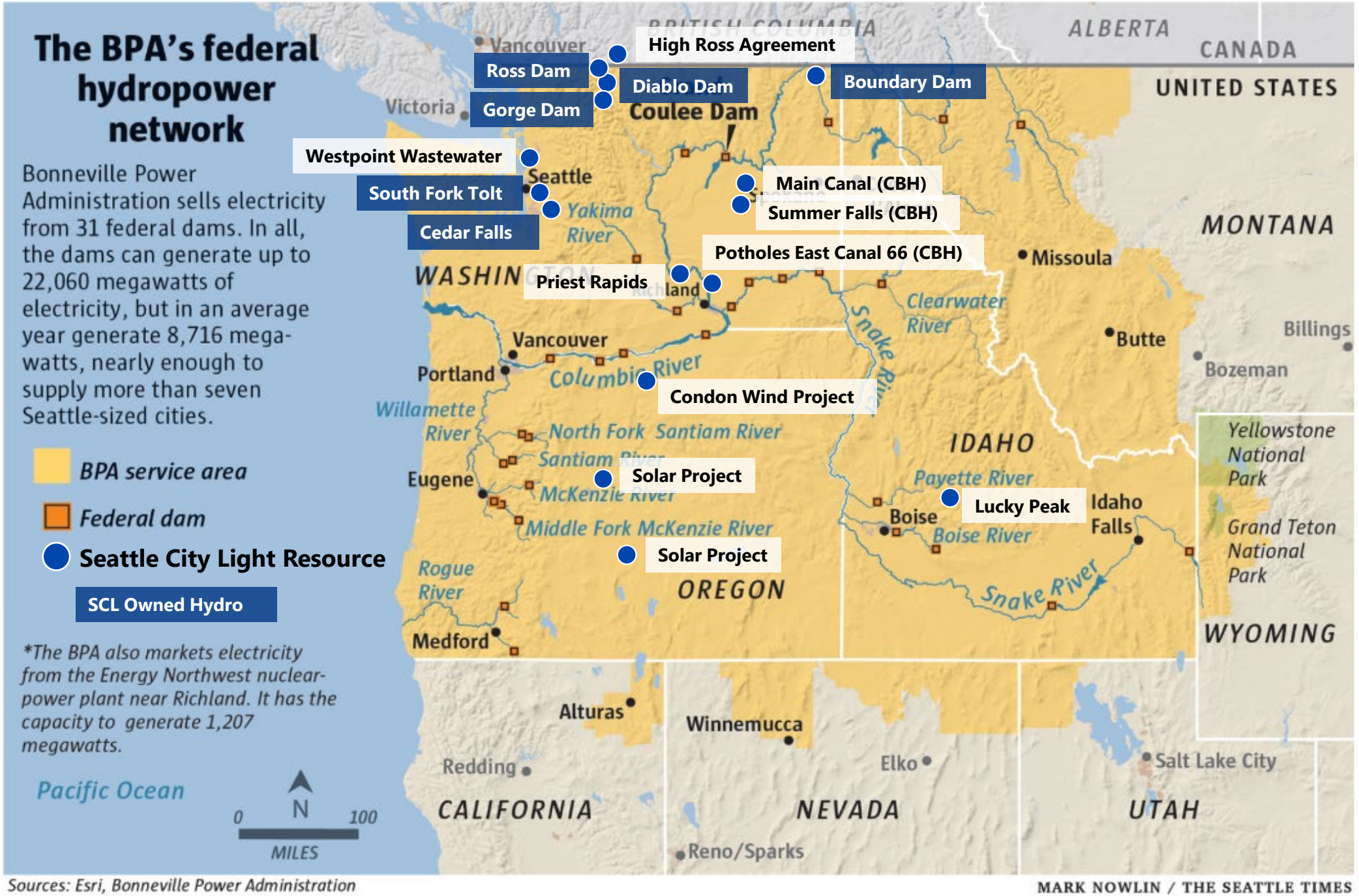
- Promoted internal coordination
- Partnered with Department of Neighborhoods
- Centered voices from customers
- 12 community events
- Connected with 17 language communities
- Collected over 575 responses

Generation: Owned & Long-Term Non-BPA Contracts

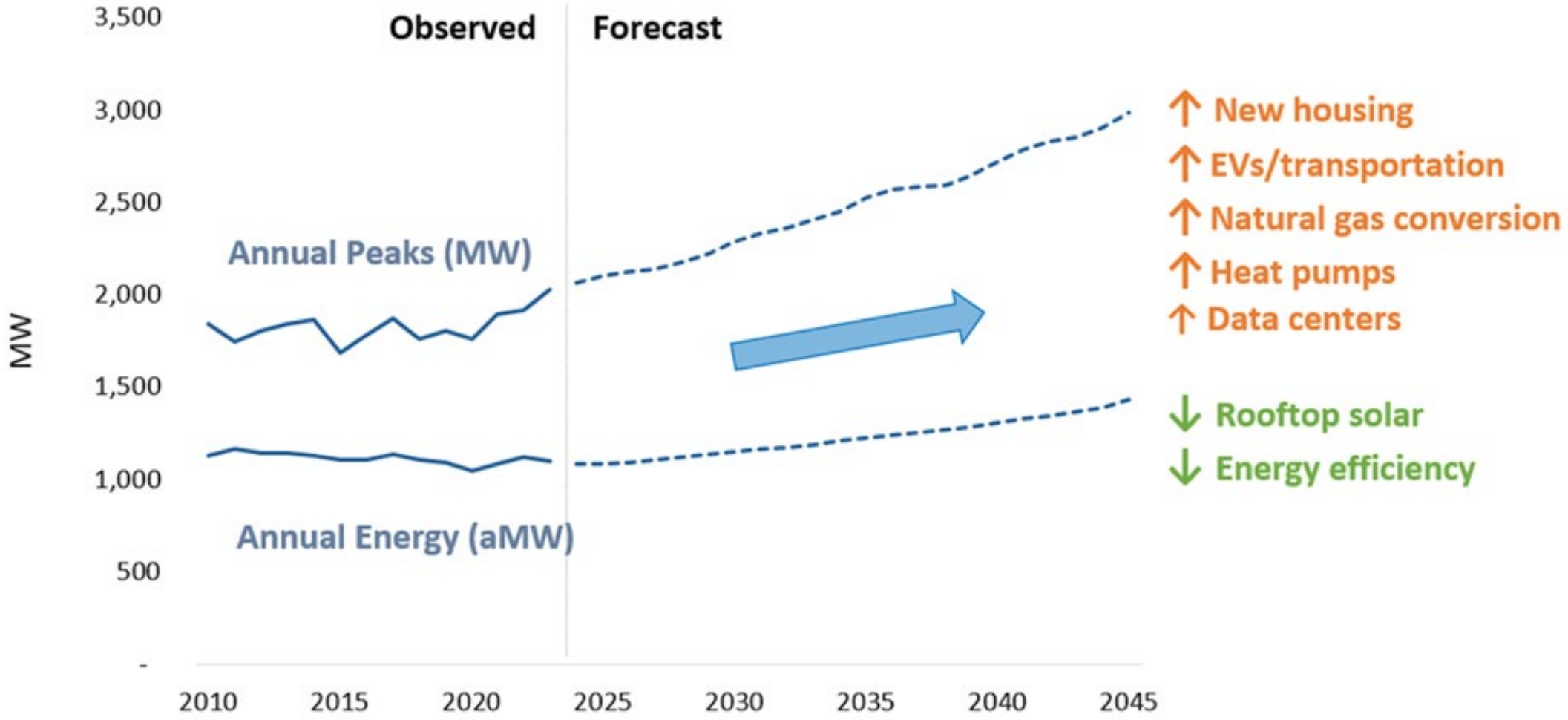
ENERGY RESOURCES

- Owned Hydro
- Treaty Rights From British Columbia
- Long-Term Hydro Contracts
  (CBH is the Columbia Basin Hydropower)
- Other Long-Term Contracts

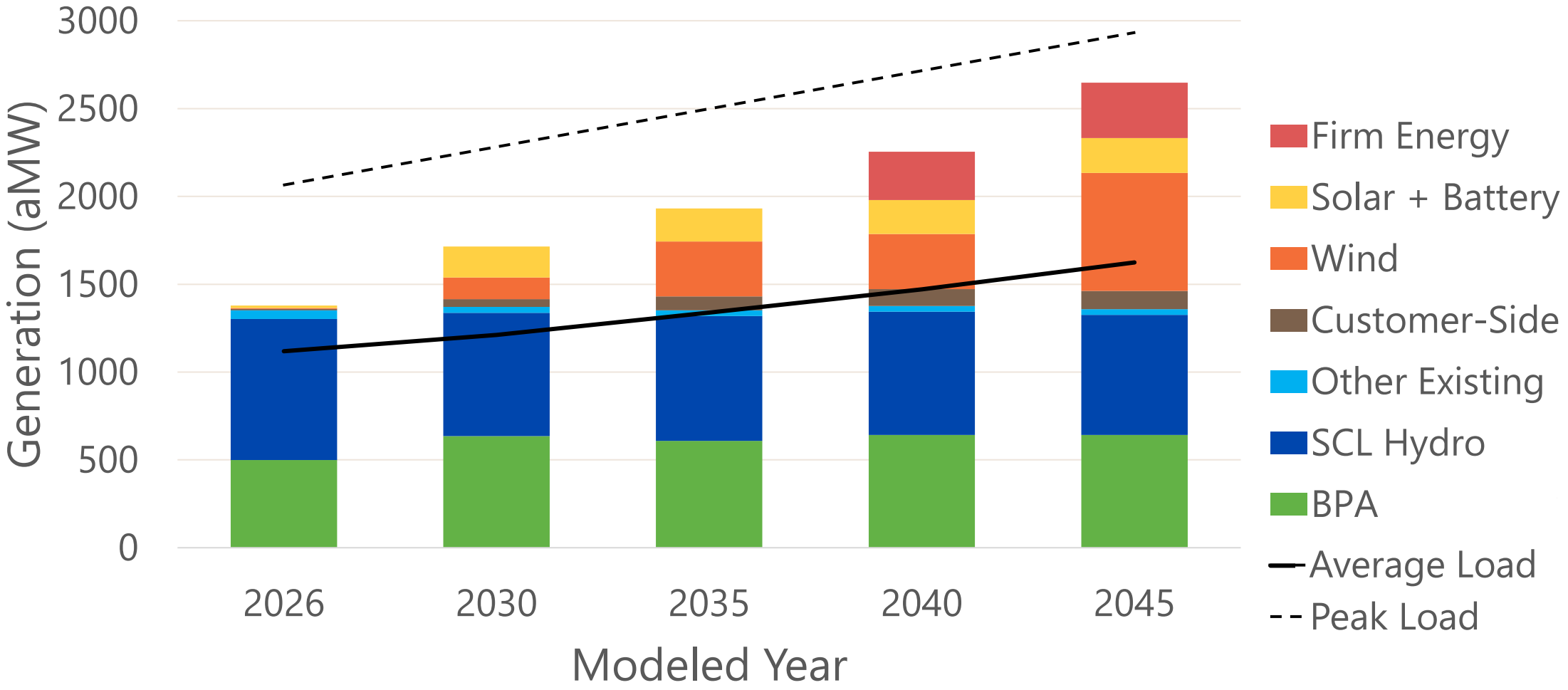



The BPA's federal hydropower network
Bonneville Power Administration sells electricity from 31 federal dams. In all, the dams can generate up to 22,060 megawatts of electricity, but in an average year generate 8,716 mega-watts, nearly enough to supply more than seven Seattle-sized cities.
BPA service area
Federal dam
Seattle City Light Resource
SCL Owned Hydro
*The BPA also markets electricity from the Energy Northwest nuclear-power plant near Richland. It has the capacity to generate 1,207 megawatts.
High Ross Agreement
Ross Dam
Diablo Dam
Gorge Dam
Coulee Dam
Boundary Dam
Westpoint Wastewater
South Fork Tolt
Cedar Falls
Main Canal (CBH)
Summer Falls (CBH)
Potholes East Canal 66 (CBH)
Priest Rapids
Condon Wind Project
Solar Project
Solar Project
Lucky Peak
Vancouver
Victoria
Seattle
Portland
Eugene
Medford
Yakima River
Columbia River
Willamette River
North Fork Santiam River
Middle Fork McKenzie River
Rogue River
Clearwater River
Snake River
Payette River
Boise River
Missoula
Butte
Bozeman
Billings
Boise
Idaho Falls
Yellowstone National Park
Grand Teton National Park
Alturas
Redding
Winnemucca
Elko
Reno/Sparks
Salt Lake City
BRITISH COLUMBIA
ALBERTA
CANADA
UNITED STATES
WASHINGTON
OREGON
CALIFORNIA
NEVADA
IDAHO
MONTANA
WYOMING
UTAH
Pacific Ocean
N
0
100
MILES
Sources: Esri, Bonneville Power Administration
MARK NOWLIN / THE SEATTLE TIMES

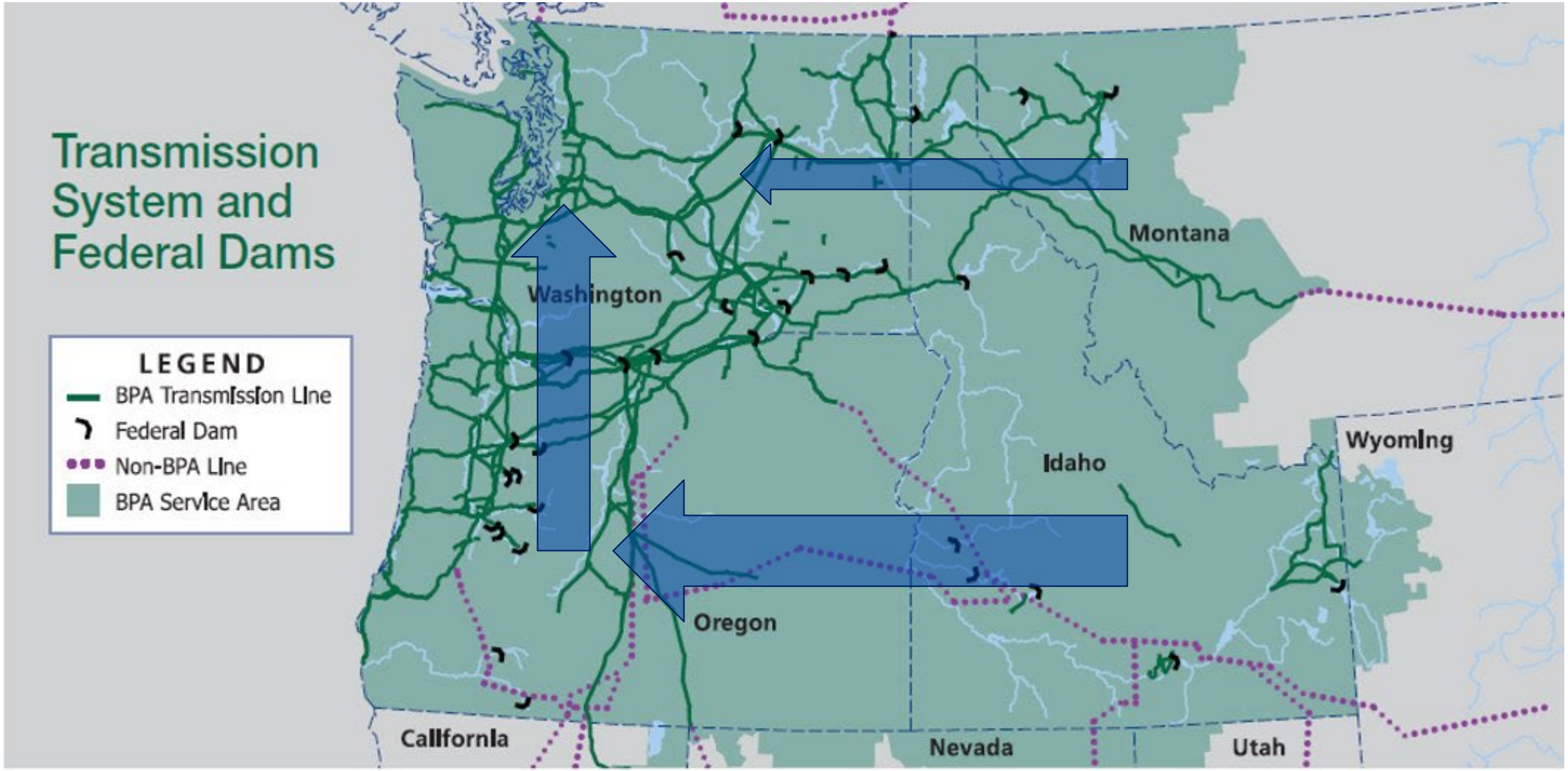
2026 IRP Load Forecast



IRP Results – New Resource Needs



No Transition Without Transmission



DOE/BP-4998 • October 2020

Preparing Seattle's Energy Landscape for the Future

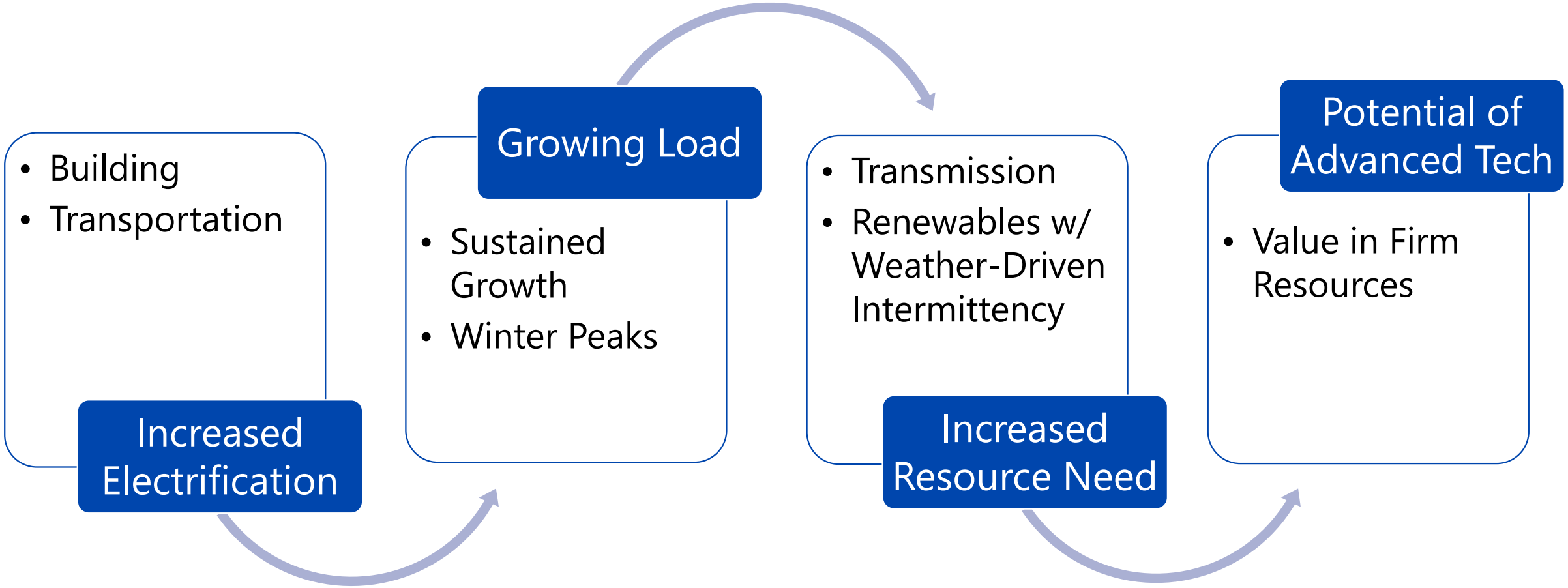
Supply-Side Resource Additions (MW)	2026-2035	2036-2045	Total
Battery	109	251	360
Solar	600	0	600
Wind	1,002	1,308	2,310
Firm Energy Purchases	0	314	314
Supply-Side Resources Total	*1,711*	*1,873*	*3,585*

Preparing Seattle's Energy Landscape for the Future

Customer-Side Resource Additions (MW)	2026-2035	2036-2045	Total
Conservation	*78*	*25*	*103*
Demand Response	*15*	*0*	*15*
Customer Solar	*14*	*23*	*37*
Customer-Side Resources Total	*107*	*48*	*155*

Resource Additions (MW)	2026-2035	2036-2045	Total
Supply-Side + Customer-Side	**1,818**	**1,920**	**3,738**
Transmission Needed	302	203	505

2026 IRP Takeaways



Requested Action

- Adopt a Resolution that:
  - Acknowledges and approves the 2026 IRP Report to allow its submission to the Washington Department of Commerce by September 1, 2026
  - Establish the September 1, 2028, submission date for the next Integrated Resource Plan Progress Report

THANK YOU

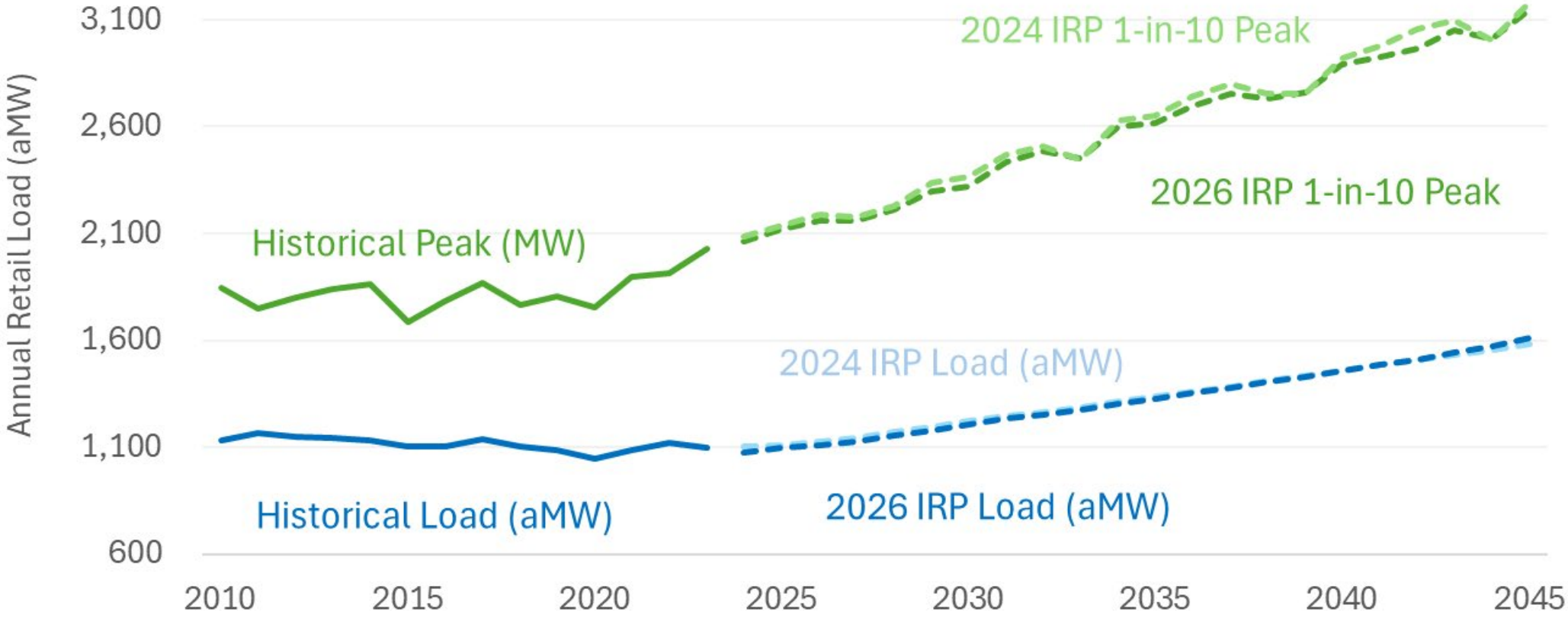
Seattle City Light

Appendix

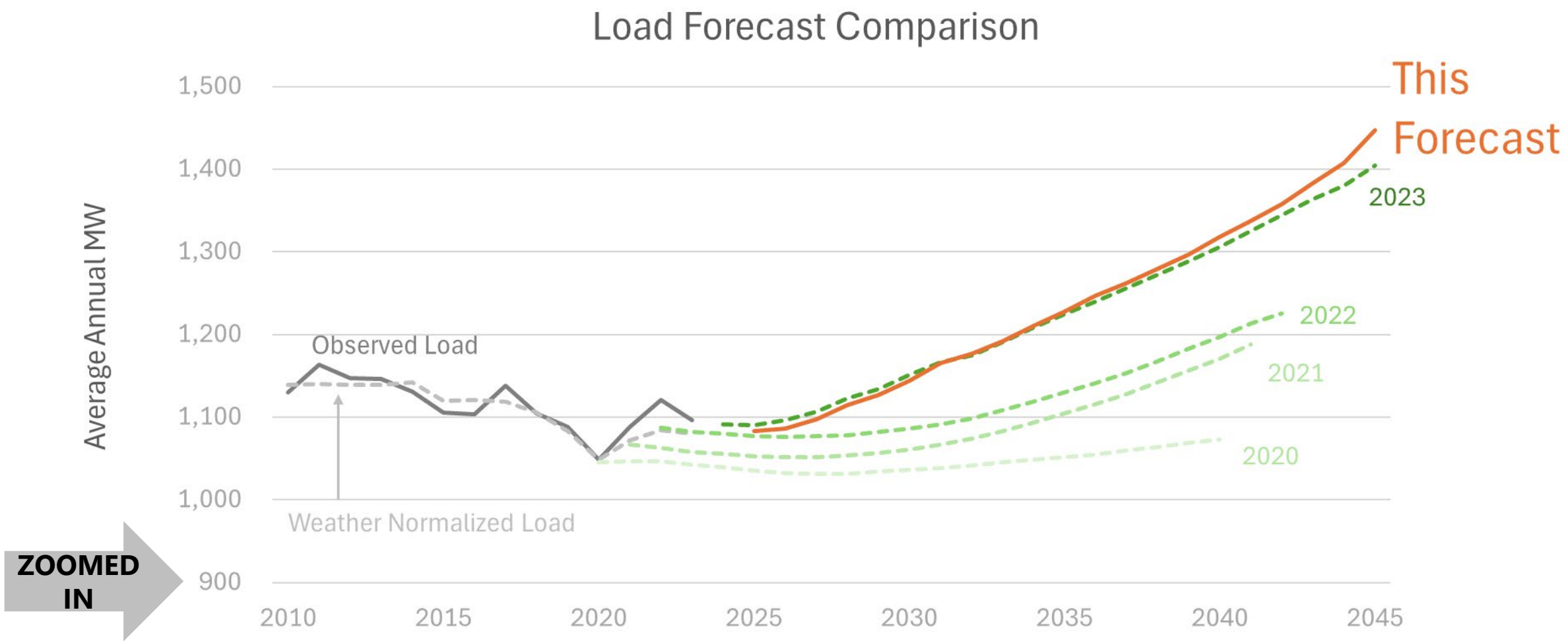
Seattle City Light

Load Growth: 2024 IRP Progress Report v 2026 IRP

Load Forecast Comparison



Comparison to Previous Forecasts



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The City of Seattle

Ordinance

Council Bill

An ordinance relating to the City Light Department; authorizing the execution of a five-year agreement with Washington State Ferries, a division of the Washington State Department of Transportation, for the construction of system improvements associated with Pier 48 and the Seattle Terminal (Colman Dock, Pier 52) Electrification Project and negotiation and execution of an operations agreement; and ratifying and confirming certain prior acts.

Recitals:

The primary metered service connections and construction of system improvements associated with the Seattle Terminal (Colman Dock, Pier 52) Electrification Project (Project) are part of Washington State Ferries' (WSF's) long-term planning goals to rebuild and modernize its fleet.

The Project will include the provision of two vessel charging systems conveying electrical power running from Pier 48 to the Seattle Terminal (Colman Dock) via submersible cable, which will charge the on board batteries while unloading and loading, thus allowing the hybrid electric ferries to operate on battery power, resulting in an overall reduction in air pollutant and greenhouse gas emissions.

WSF's objective is to reduce carbon dioxide equivalent by 70 percent by 2040 and 95 percent by 2050.

The submarine cable will be owned and operated by WSF and installed on Department of Natural Resources property. Seattle City Light's meter will be located on the Seattle Terminal (Colman Dock), which is similar to the conditions of the Terminal 46 and Pier 66 Shore Power Project subject to an agreement between Seattle City Light and the Port of Seattle authorized by Ordinance 127050.

The Project helps establish electrification of medium- and heavy-duty commercial fleets and maritime vessels and facilities, grid modernization, integrated planning, strategic technologies, and clean energy objectives as described in Seattle City Light's Transportation Electrification Strategic Investment Plan and 2023-2028 Strategic Plan Update. Therefore,

Be it ordained by The City of Seattle as follows:

Section 1. The CEO and General Manager of City Light is authorized for and on behalf of The City of Seattle to execute and deliver a five-year agreement with Washington State Ferries, a division of the Washington State Department of Transportation, for the construction of the Seattle Terminal (Colman Dock) Electrification Project in the form of a Memorandum of Agreement attached to this ordinance as Attachment 1 with such changes as the CEO and General Manager may deem appropriate and are consistent with this ordinance.

Section 2. The CEO and General Manager of City Light is authorized for and on behalf of The City of Seattle to negotiate and execute a separate operations agreement between Washington State Ferries and Seattle City Light detailing the responsibilities for operations, routine inspection, and maintenance of the service and electrification infrastructure that are owned by Washington State Ferries for a period of up to 30 years.

Section 3. Any act consistent with the authority of this ordinance taken prior to its effective date is ratified and confirmed.

Attachments:

Attachment 1 - MOA SCL WSF Seattle Terminal Electrification Project

Attachment 2 - MOA SCL WSF Seattle Terminal Electrification Project Service 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

MEMORANDUM OF AGREEMENT GCC 1373
BETWEEN
THE CITY OF SEATTLE
AND
WASHINGTON STATE FERRIES FOR

PRIMARY METERED SERVICE CONNECTIONS AND CONSTRUCTION OF SYSTEM IMPROVEMENTS ASSOCIATED WITH PIER 48, AND THE SEATTLE TERMINAL ELECTRIFICATION PROJECT

THIS MEMORANDUM OF AGREEMENT ("Agreement") DATED (upon execution), 2026 is made by and between the City of Seattle ("City"), a municipal corporation of the State of Washington, by and through its City Light department ("City Light" or "SCL") and the Washington State Ferries ("WSF"), a division of Washington State Department of Transportation ("WSDOT"), a municipal corporation of the State of Washington, and hereinafter referred to collectively as "Parties" or individually as "Party."

RECITALS

1. The Primary Metered Service Connections and Construction of System Improvements Associated with Pier 48 and the Seattle Terminal (Colman Dock, Pier 52) Electrification Project (hereinafter, the "Project") is part of WSF's long-term planning goals to rebuild and modernize the aging fleet. WSF will convert six (6) ferries from diesel to hybrid-electric and build sixteen (16) new hybrid-electric ferries over a 20-year period. In parallel with WSF vessel procurements, WSF will add shore charging at sixteen (16) terminals. The Seattle Terminal on Elliott Bay located at 801 Alaskan Way, Seattle WA 98104 (hereinafter the "Seattle Terminal") is expected to be the first WSF terminal that will add shore charging as part of this program.
2. The purpose of the Project is to deliver a peak combined load of thirty (30) megawatts (MW) of power to new vessel charging system (VCS) equipment at Slips 1 and 3 of the Seattle Terminal. Two new VCS structures will charge hybrid electric vessels serving WSF's Seattle-Bainbridge and Seattle-Bremerton ferry routes.
3. The Project will also help establish electrification of medium- and heavy-duty commercial fleets and maritime vessels and facilities, grid modernization, integrated planning, strategic technologies, and clean energy objectives as described in Seattle City Light's Transportation Electrification Strategic Investment Plan and 2022-2026 Strategic Plan.
4. WSDOT is the SEPA Lead Agency for the Project and is responsible for all environmental permits for the Project.

NOW, THEREFORE, pursuant to the above recitals and in consideration of the terms, conditions, performances, and duties described herein, Parties through this Agreement, it is hereby agreed as follows:

AGREEMENT

1. General.

1.1. Definitions.

1.1.1. "Betterment" means any improvement to City Light infrastructure that has been requested or agreed to by City Light that WSDOT is not required to execute or is attributable to the Project and is made solely for the benefit of and at the election of City Light. Work that is mandated by the City

DRAFT

Standards, including without limitation the "City of Seattle Standard Specifications for Road, Bridge and Municipal Construction" and/or the "City of Seattle Standard Plans for Municipal Construction;" Work that is mandated by City building, electrical, plumbing and land use code requirements; Work required by permit conditions or existing City ordinance; and/or Work required as part of the environmental mitigation of the Project shall not be construed as Betterment. Work on any City Light infrastructure that is caused by or attributable to the work of WSF's contractor or any other third party shall not constitute Betterment. See also **Section 2.2**.

1.1.2. "Business Days" means Monday through Friday, inclusive, except for official City of Seattle and State holidays.

1.1.3. "City Standards" means all City of Seattle laws, rules, regulations and standards and all applicable federal and state laws, rules, regulations and standards, as they may be amended, including but not limited to the following, except as otherwise provided in this Agreement:

- The Seattle Municipal Code;
- The City of Seattle Standard Specifications for Road, Bridge and Municipal Construction;
- The City of Seattle Standard Plans for Municipal Construction;
- SDOT, SCL, SDCI, and Seattle Public Utilities Director's Rules, including the City of Seattle Right of Way Improvements Manual, and any revisions to the Manual;
- SCL Material Standards; and
- SCL Construction Standards.

- SCL RESC – Requirements for Electric Service Connection

1.1.4. "Environmental Law(s)" means any environmentally-related local, state or federal law, regulation, ordinance or order (including without limitation any final order of any court of competent jurisdiction), now or hereafter in effect including, but not limited to: the Federal Clean Air Act; the Federal Water Pollution Control Act; the Federal Safe Drinking Water Act; the Federal Comprehensive Environmental Response Compensation and Liability Act, as amended by the Superfund Amendments and Reauthorization Act of 1986; the Federal Resource Conservation and Recovery Act, as amended by the Solid and Hazardous Waste Amendments of 1984; the Federal Occupational Safety and Health Act; the Federal Emergency Planning and Right-to-Know Act of 1986; the Federal Hazardous Materials Transportation Control Act of 1980; the Federal Clean Water Act of 1977; the Federal Insecticide, Fungicide and Rodenticide Act; the Federal Waste Management Recovery and Recycling Act; the Washington Hazardous Waste Management Act; the Washington Hazardous Waste Fees Act; Washington Model Toxics Control Act; the Washington Nuclear Energy and Radiation Act; the Washington Radioactive Waste Storage and Transportation Act; the Washington Underground Petroleum Storage Tanks Act; and any regulations promulgated thereunder from time to time.

1.1.5. "Internal Use Only" means a designation placed on certain City Light documents which if released for public information could compromise the security of the power system.

1.1.6. "Joint" refers to an arrangement by City Light and WSF for multiple segments of work as described in Section 1.4 Scope of Agreement and Exhibit 3 where both Parties share responsibilities.

1.1.7. "Project" means the Primary Metered Service Connections and Construction of System Improvements Associated with Pier 48 and the Seattle Terminal Electrification Project, as generally

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described in Section 1.3, and the scope for which is set forth in Section 1.4, Section 1.10, and Exhibit 3.

1.1.8. "SDCI" means the City of Seattle Department of Construction and Inspections.

1.1.9. "SDOT" means the City of Seattle Department of Transportation.

1.1.10. "Service Agreement" means Seattle City Light's Standard General Service Application and Contract.

1.1.11. "Submarine Cable" means the underwater power cable between Pier 48 Uplands and Colman Dock.

1.1.12. "Work" means the construction and inspection work that is necessary to complete the Project. Work will be performed in accordance with this Agreement.

1.2. Term of Agreement.

The term of this Agreement shall be for a period of five (5) years from the date of execution and may be renewed upon mutual agreement in writing, signed by authorized representatives of both Parties, unless this Agreement is terminated earlier pursuant to Section 4.

1.3. Project Overview.

The Project is located in Elliott Bay on the Seattle waterfront. WSF is proposing to provide 2 vessel charging systems to serve hybrid electric ferries at the Seattle Terminal. The Project will involve the installation of a medium voltage power system with a submarine cable to connect the Colman Dock facility to new electrical service at Pier 48. The new electrical service will connect to the City Light electrical power grid. Project components include:

1. Installing upland electric cables, ductbanks, and switchgear infrastructure, and vaults to connect a single submarine cable to an existing City Light electrical power vault at Pier 48, subject to City Light review and approval.
2. Installing upland electrical cables, ductbanks, and vault to an existing City Light ductbank on Terminal 46 south of South Jackson Street and continuing to Pier 48. This new infrastructure will connect to a second submarine cable at Pier 48, subject to City Light review and approval.
3. Minor upland grading to install the submarine cable and electric utility infrastructure at Pier 48.
4. Installing two approximately 1,900-foot-long, 26.4 kilovolt (kV) rated submarine cables from the south end of Pier 48 to the southwest corner of Colman Dock, subject to City Light review and approval.
5. Installing protective submarine cable features including a rigid conduit at the Pier 48 connection and articulated mats. The portion of the submarine cable near the Pier 48 bulkhead will be installed in horizontal directionally drilled conduits, subject to City Light review and approval.
6. Installing electric utility infrastructure including meters, points of connection, transformers, and switchgear infrastructure on Colman Dock, subject to City Light review and approval.
7. Completing the construction of the southwest corner of Colman Dock to support the new electrical equipment and installing a protective structure around the equipment, subject to City Light review and approval.
8. Routing the cable under Pier 52 to two (2) new VCS equipment at Slips 1 and 3.
9. Installing two (2) VCSs on overwater platforms at Slips 1 and 3, and installing new overwater

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maintenance access walkways to access the VCS equipment and new in-water dolphins to protect the VCS equipment.

1.4. Scope of this Agreement.

Exhibit 3 sets forth scope and cost responsibilities between WSF and City Light by nodes and segments of Work. This Agreement sets forth the roles and responsibilities of WSF and City Light with respect to the Project's design, permitting, environmental review, tribal agreements, construction, testing and commissioning, operations, maintenance, and lifecycle replacement of civil and electrical infrastructure for this Project. City Light is responsible for specific tasks identified as City Light's responsibility in Section 1.9, Section 1.10 and Exhibit 3. Other than work specifically identified to be performed by City Light in this Agreement, WSF is responsible for the remaining Portions of the Project as described in Section 1.9, Section 1.10 and Exhibit 3 of this Agreement.

This MOA applies to the City only in its capacity as a partner of the Project and does not apply to the City in his regulatory capacity, nor does it apply to SDOT or SDCI.

1.5. Scope Exceptions.

Section 1.4. Section 1.9, Section 1.10 and Exhibit 3 set forth the scope and responsibilities of the Work. Any task or responsibility not listed in Section 1.4, Section 1.9, Section 1.10, or Exhibit 3 is outside of the scope of this Agreement.

1.6. Budgeted Scope of Work.

Estimated costs for scopes of Work are defined in Exhibit 1.

1.7. Time of Completion and Schedule.

The Work will be performed in accordance with the anticipated schedule in **Exhibit 2**.

1.8. Project Managers

Administration of this agreement shall be provided by the designated Project Managers for each of the Parties as follows below, which may be updated by notice pursuant to **Section 6.9 Change in Contact Person.**

City Light Project Manager	**WSF Project Manager**
Lizzy Kay Senior Project Manager Seattle City Light 700 Fifth Avenue, Suite 3600 Seattle, Washington 98104-5031 Phone: (206) 713-7915	Tammy Binschus Project Manager Washington State Ferries 2901 3rd Avenue Seattle, WA 98121 Phone: (206) 867-3106

The City Light Project Manager is designated by City Light to act as the City's coordinator and primary representative in matters arising during design and construction as set forth in this Agreement. WSF Project Manager is designated by WSF to act as WSF's coordinator and primary representative in matters arising during design and construction as set forth in this Agreement.

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1.9. General Responsibilities of the Parties.

1.9.1. The Project Managers identified in **Section 1.8 Project Managers** shall coordinate with each other as needed with respect to communications with external entities including local, state, and federal agencies, community organizations, industry, media, and other external audiences.

1.9.2. The Parties agree to proactively coordinate communication activities involving external audiences. Coordination may include identifying opportunities for joint public statements. To facilitate coordination, the Parties will identify points of contact for engagement and communications at each agency.

1.9.3. The Parties shall manage risk and conduct construction in a manner that maximizes cumulative public benefits and minimizes cumulative public costs. In performing its obligations under this Agreement, each Party shall comply with all Environmental Laws applicable to its specific tasks.

1.9.4. WSF will apply for permits, including without limitation those required by Environmental Laws and enter into tribal agreements as necessary to facilitate such permitting for the Project. WSF is the SEPA Lead Agency. WSF confirms that SEPA environmental review of the proposed Project is complete as of the effective date of this Agreement.

1.9.5. Each Party shall provide the funding and resources necessary to fulfill the responsibility of that Party as established in this Agreement.

1.9.6. The Parties agree to work cooperatively with each other and make reasonable, good faith efforts to timely and expeditiously complete the Project, as provided in this Agreement, including, but not limited to development of preliminary engineering, final design, major equipment and materials procurement, and construction. For items identified in Section 1.3 for SCL Review and Approval, WSF will provide SCL Preliminary and Final Submittal of Design Documents for review. SCL reviews shall be completed within 15 Business Days unless otherwise agreed upon. WSF will invite SCL to Task Force meetings and comment resolution meetings when the SCL items are being designed.

1.9.7. The Parties agree that the Project will not be complete until all the elements in **Exhibit 3** are completed. The Parties agree that the current scope identified for certain elements of the Project are reflected in **Exhibit 3**. Future mutual agreement in writing and signed by both PARTIES will be required in order to alter the scope outlined in **Exhibit 3**. The Parties shall provide each other with quarterly updates regarding the Project budget to ensure timely negotiation of scope issues.

1.10. Responsibilities of the Parties Specific to the Submarine Cables from Pier 48 to Colman Dock

1.10.1. WSF will install and own submarine cables from Pier 48 to Colman Dock as an integral part of the Project for WSF's exclusive use.

1.10.2. WSF agrees that all costs associated with design, installation, operations, permitting, environmental review, tribal agreements, maintenance, repair, and/or lifecycle replacement of the Submarine Cables are WSF's cost responsibility in full.

1.10.3. WSF's use of the Salish Sea for the Submarine Cable is subject to coordination with local Tribes, including the Suquamish, Muckleshoot, and others, and coordination with local Tribes is fully

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WSF's responsibility.

1.10.4. A separate Operations Agreement will be developed between the Parties that details specific responsibilities for operations, routine inspection, and maintenance of the Submarine Cables.

1.11. Designated Representatives.

The Designated Representatives for each Party are as follows:

Seattle City Light	Washington State Ferries
Tamara Jenkins Director, Project Delivery Seattle City Light 700 Fifth Avenue, Suite 3600 Seattle, Washington 98104-5031 Phone: (206) 684-4654	David Sowers Program Administrator, System Electrification Washington State Ferries 2901 3rd Avenue Seattle, WA 98121 Phone: (206) 713-0686

The Designated Representatives of this Agreement may delegate authority and responsibilities as required by providing written notice of such delegation to the other Party. Designated Representatives may be updated by notice pursuant to **Section 6.9 Change in Contact Person.**

1.12. Construction Organization and Management.

Both Parties have staff and consultant resources and desire to work collaboratively to use these resources efficiently and cost effectively to avoid unnecessary duplicative effort.

The Parties will strive to perform their responsibilities in a timely manner, to avoid delays and minimize impacts on contractors and third parties. The Parties will give prompt notice of any delay and potential impact known to them. Any dispute between the Parties about responsibilities for delays and cost overruns arising under this Agreement will be resolved as provided in **Section 5 Disputes**.

1.13. Standard for Completion of Work.

Each Party will perform the Work under this Agreement in a workman-like manner and in compliance with applicable construction and electrical standards, codes, and regulations.

1.14. Ownership of Facilities.

1.14.1. City Light will own, operate, and maintain the power facilities constructed under this Agreement up to City Light's distribution system point of termination (up to and including metering equipment), and such power facilities that are on City-owned property, City-owned right-of-way, or City easement areas set forth in separate agreements contemplated in Section 1.14.2, below, with such facilities to include, without limitation, any Betterments. Current carrying components from the distribution system to the City Light designated service point(s) are owned, operated, and maintained by City Light. WSF will own, operate, and maintain power facilities on WSF property outside City easement areas. All ownership interest shall be in accordance with Exhibit 3. The Electric Fuel Supply Facilities (defined in 1.15 below) and the submarine cables are and shall at all times remain, the exclusive property of WSF.

1.14.2. The Parties recognize that City Light will require access to WSF property to own,

operate, and maintain portions of the power facilities constructed under this agreement. Short and long-term easements for access to power facilities will be executed via separate agreements.

1.15. Ownership of WSF's Facilities, Environmental Incentives and Credits.

For this Project and under this Agreement, the Parties hereby acknowledge and agree that neither this Agreement, nor any terms or conditions set forth herein, shall be deemed to prohibit, or in any way limit, the Parties'' eligibility to participate in the Washington Clean Fuels Program under Chapter 70A.535 RCW, as now or hereafter amended, or in any other federal, state, or municipal law, regulation, program, grant, or incentive now or hereinafter available that aims to curb or reduce greenhouse gas emissions, increase the generation or production of low-carbon energy, or mitigate the causes or effects of climate change.

For this Project and under this Agreement, for purposes of the Washington Clean Fuels Program, and any Electric Fuel Supply Facilities installed or constructed pursuant to the Project, the City hereby acknowledges and agrees that, as between the Parties, WSDOT shall be deemed the exclusive "fuel reporting entity" and "credit generator" for purposes of all applicable regulations. The City hereby acknowledges and agrees that all electric fuel supply equipment and related infrastructure and facilities (collectively, along with the Submarine Cables and any "electric fuel supply equipment" as such term is defined in WAC 173-424-110(80), the "**Electric Fuel Supply Facilities**") installed or constructed on Pier 48, Colman Dock, or any other property of WSF under this Project and Agreement, are, and shall at all times remain, the exclusive property of WSF. This Section 1.15 shall apply only for the purposes of the Project as defined herein and should not be presumed to be applicable to other Washington Clean Fuels Program credit generating arrangements involving WSF and SCL.

To the fullest extent permitted by law, the CITY hereby irrevocably waives any ownership, lien, security or other interest (including any lien that might otherwise be implied by law) that the CITY may have in any such Electric Fuel Supply Facilities under this Project and Agreement, or in any profits, income, environmental attributes, grants, benefits, incentives, or credits derived therefrom (collectively, along with any "Credits" as such term is defined in WAC 173-424-110(43), "**Credits**"), including any right of distraint. Both Parties agree to perform such further acts and execute such further documents as may be necessary or appropriate to preserve both Parties' eligibility for, and rights, title and interest in and to, any Credits, and to carry out the intents and purposes of this Section 1.15. If requested by either Party, the Parties shall enter into an amendment to this Agreement regarding the Washington Clean Fuels Program, so long as such amendment does not materially increase another Party's obligations under this Agreement.

2. Payment.

The Parties are responsible for payment as set forth in **Exhibit 1**. Exhibit 1 sets forth estimated costs that may change based on inflated or other applicable changes to the Project or schedule and the Parties acknowledge that the Parties are responsible for paying actual costs, not the estimates set forth in Exhibit 1. The initiating Party shall promptly notify the other Party in writing as soon as it is known when the maximum funding obligation will be reached and shall also specify in writing its position regarding any remaining Work which it believes was contained within the budgeted scope of Work. Should its estimated costs exceed the amount authorized, the Party performing the Work shall promptly notify the other Party in writing and shall specify in writing its position regarding why the estimated cost will be or has been exceeded. The Parties acknowledge that certain applicable state laws limit WSF to payment for

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goods and services actually received.

The Parties shall negotiate the total authorized amount. Reimbursement will not be made for activities that are not covered. The Parties will establish a budget contingency for the estimated cost of the Work.

2.1. Reimbursement.

The Parties have established budget contingencies for the estimated cost of the Work which are included in the estimated total costs. City Light will manage the Work in the same manner it manages other work on its equipment. Any reports, pay records, or other management tools will be made available to WSF for review upon request. City Light will send quarterly invoices to WSF. The second quarter invoice shall align with WSF's fiscal year end on June 30. WSF will reimburse City Light for services delivered and Work performed under this Agreement. City Light will reimburse WSF for services delivered and work performed under this Agreement. Cost estimates are subject to change and the Parties will provide each other with prompt notice of changes in scope of work, changing conditions or unanticipated work which may impact Project costs.

Within forty-five (45) calendar days after the billed Party's receipt of any complete and accurate invoice, the billed Party will remit the reimbursement. See **Exhibit 5** for WSF invoice requirements. The Parties will work cooperatively to resolve issues related to the accuracy of these invoices so as to avoid any delay in payment. Any invoiced expenditure unsupported by appropriate documentation will be identified in writing to the receiving Party and payment for such will not be included in the reimbursement; provided, however, that the presence of unsupported items within an invoice will not delay payment of those items which are supported by appropriate documentation.

Any dispute regarding invoices must be resolved as provided in **Section 5** of this Agreement.

2.2. Betterments

In addition to the scope of Work outlined in Section 1 and in **Exhibit 3**, City Light may request that WSF construct certain Betterments to City Light facilities during the Project which will be subject to negotiation between the Parties. City Light shall be responsible for the additional incremental cost of any Betterment. A decision to execute a Betterment shall be made by the mutual written agreement of WSF and City Light. Betterments should be identified in the design phase unless a found condition in construction triggers the request. Any Betterments shall require the written request of City Light. City Light will reimburse any Betterment cost incurred by WSF in full in accordance with **Section 2.1** Reimbursement and **Exhibit 1**.

3. Administration.

3.1. Monitoring and Reporting of Progress.

The Parties are committed to working cooperatively and efficiently and will closely monitor the time required to complete Work products consistent with the scope of Work and budget for the Work. Each Party will provide clear, accurate, and detailed progress reports as necessary. The Parties will further refine progress reporting, accounting and program management systems, as they agree, in order to ensure useful and descriptive information that complements WSF's Project Control system. City Light and WSF will provide active, ongoing oversight to ensure that Project funds are expended efficiently.

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3.2. Reconciliation.

Both Parties shall monitor and reconcile the actual versus estimated effort on a quarterly basis. Parties will negotiate additional funding or a reduction in services relating to the Work to the extent that such work cannot be performed within the estimate of compensation and expense reimbursement due for the services delivered and work performed.

3.3. Availability of Records.

All records in support of all costs incurred and actual expenditures kept by the Parties will be maintained in accordance with procedures prescribed by the Washington State Auditor's Office. The records will be open to inspection by the other Party during normal business hours and will be retained and made available for such inspection for a period of not less than six (6) years from the final payment under this Agreement. Copies of said records should be furnished to the other Party upon request. This requirement will be included in all third-party contracts related to the Work entered into by either Party to fulfill the terms of this Agreement.

3.4. Public Records Requests.

WSF and City Light are subject to Washington State's Public Records Act, RCW Chapter 42.56 and other disclosure laws. In response to a public records request, either Party may release documents and records related to this Agreement in accordance with applicable Law. The responding Party may assert exemptions from disclosure which it believes are authorized by statute. While it is not a legal obligation, the responding Party, as a courtesy, will notify the nonresponding Party of the receipt of any such request and provide the nonresponding Party up to ten (10) Business Days to obtain and serve the responding Party with a court injunction to prevent the responding Party from releasing the records. If the nonresponding Party fails to obtain a Court Order and serve the responding Party within ten days, the responding Party may release the documents. The Parties acknowledge that the responding Party will have no liability to the nonresponding Party if the records responsive to the request are disclosed in accordance with applicable law.

3.5. Audit.

If any audit is requested by either Party, the Parties agree to cooperate with any such audit and provide documentation as is reasonably requested in support of all costs.

4. Termination of Agreement.

4.1. Termination for Default or Convenience.

If for any cause, either Party does not fulfill in a timely and proper manner its obligations under this Agreement, or if either Party violates any of these terms and conditions, the aggrieved Party will give the other Party written notice of such failure or violation. The responsible Party will be given the opportunity to correct the violation or failure within thirty (30) Business Days of receipt of the written notice. If the failure or violation is not corrected, this Agreement may be terminated in whole or in part immediately by issuance of a written Notice of Termination, subject to the terms of this Agreement. In the event of termination by default, the defaulting Party will be obligated to compensate the other Party for contract closeout costs and any portion(s) of Work that has been satisfactorily rendered to the effective date of the termination.

Either Party may terminate this Agreement, for any reason, or for no reason, upon sixty (60) Business

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Days' prior written notification to the other Party. If this Agreement is so terminated, the Parties shall be responsible for payment of deliverables properly invoiced and accepted prior to the effective date of termination.

4.2. Duties of Parties upon Termination.

A termination by either Party will not extinguish or release either Party from liability, claims or obligations existing as of the time of termination including (1) unasserted claims or liabilities based on acts or omissions occurring prior to the termination of this Agreement and (2) contractor claims and costs incurred by the Party in the execution of Work. Any costs incurred prior to proper notification of termination will be borne by the Parties in accordance with the terms of this Agreement. The Parties agree to work together cooperatively to develop a coordinated plan for termination including the determination of reasonable contract closeout costs.

4.3. Procedures upon Termination.

All Work in progress at the time of termination will be completed to the extent necessary to restore the usefulness of Seattle City Light infrastructure affected by the Work in accordance with the City Standards. At WSF's' request all designs, construction documents, and other work product developed under this Agreement, except Seattle City Light Internal Use Only documents, will be packaged and delivered to WSF. Such closeout work and non-cancelable obligations will be invoiced and paid in accordance with the provisions of **Section 2** of the Agreement. After proper notice of termination, all of the provisions of this Agreement will remain in force as necessary and until no longer necessary to support the completion of Work that was open and uncompleted or any non-cancelable obligation at the time this Agreement was terminated. WSF and City Light agree to apply the following procedures subsequent to either Party initiating termination:

A. The Parties to this Agreement will seek to resolve the status of each cost component of the Work at the initiation of termination.
B. The Parties will seek consensus on the action to be taken on each component.
C. The Parties will mutually agree to arrange for the assignment and assumption of obligations of third-party contracts for the performance of Work under this Agreement.
D. The Parties will agree upon a cost estimate for terminating any third-party contracts related to the Project that have been executed prior to termination.
E. If the Parties cannot agree, they will submit the matter to the Dispute Resolution process set forth in **Section 5** below.

5. Disputes.

5.1. Dispute Resolution.

WSF and City Light will work collaboratively to resolve disagreements arising from activities performed under this Agreement. Disagreements between the Parties will be resolved promptly and at the lowest level of hierarchy as follows:

A. The Parties will endeavor to resolve disputes at the lowest level possible, starting with the Project Management level. The Parties will involve such members of each Party's field and management staff as will support prompt resolution. If a resolution cannot be agreed to within thirty (30) Business Days, either Party can move the dispute to the next level.
B. If the matter cannot be resolved at the Project Management level, the Parties' respective

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Designated Representatives will meet to resolve the dispute. If the Designated Representative cannot resolve the matter within ninety (90) Business Days, either Party make take this dispute to a court of law as specified in Section 6.2.

C. The Parties agree that they may not seek relief in a court of law until each of these procedural steps above are exhausted.

Any disputes or questions of interpretation of this Agreement that may arise between the Parties shall be governed under these Dispute Resolution provisions. The Parties agree that cooperation and communication are essential to resolving issues efficiently. At all times prior to resolution of the dispute, the Parties shall continue to perform under this Agreement in the same manner and under the same terms as existed prior to the dispute.

6. Legal Resolution.

6.1. Indemnity.

To the maximum extent permitted by law, each Party to this Agreement will protect, defend, indemnify, and save harmless the other Party, and its officers, officials, employees, and agents, while acting within the scope of their employment, from any and all costs, claims, demands, judgments, damages, or liability of any kind including injuries to persons or damages to property, which arise out of, or in any way result from, or are connected to, or are due to negligent acts or omissions of the indemnifying Party in the performance of its obligations as set out in this Agreement. No Party is required to indemnify, defend, or save harmless the other Party if the claim, suit, or action for injuries, death, or damages is caused by the sole negligence ·or willful misconduct of the Party seeking indemnification. If such injury to persons or damages to property are caused by the concurrent negligence of the Parties, each Party will be responsible to the extent of that Party's negligence. Each Party agrees that its obligations under this indemnification section extend to any claim, demand, and/or cause of action brought by, or on behalf of, any of its employees or agents.

For this purpose, each Party, by mutual negotiation, hereby waives, with respect to the other Party only, any immunity that would otherwise be available against such claims under the industrial insurance provisions of Title 51 RCW.

In the event of any claims, demands, actions and lawsuits, the indemnifying Party upon prompt notice from the other Party will assume all costs of defense thereof, including legal fees incurred by the other Party, and of all resulting judgments that may be obtained against the other Party. This indemnification will survive the expiration or earlier termination of this Agreement.

6.2. Governing Law and Venue.

This Agreement will be governed by, and construed and enforced in accordance with, the laws of the State of Washington. In the event that any Party deems it necessary to institute legal action or proceedings to enforce any right or obligation under this Agreement, the Parties hereto agree that any such action or proceeding must be brought in a court of competent jurisdiction situated in Seattle, King County, Washington.

6.3 Insurance Provisions of Contracts.

6.3.1 WSF will procure and maintain, or cause its contractors and subcontractor(s) to procure and maintain minimum insurance coverage and limits appropriate (such as but not limited to: Liability,

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Auto, Workers Compensation, USL&H, E&O A&E, Pollution, Builders Risk, Hull P&I) for a project of this scope. WSF will require that the City of Seattle, its elected officials, officers, employees, and representatives be named as additional insured on applicable policies maintained by WSF or by WSF's contractors and subcontractors. By requiring such minimum insurance, the City shall not be deemed or construed to have assessed the risk that may be applicable to WSF or its contractors under this agreement. WSF and its contractor(s) and subcontractor(s) should assess their own risks; and if they deem appropriate and/or prudent, maintain or require greater limits and/or broader coverage. The City shall have the right to receive coverage up to any insurance limits maintained by WSF, its contractors and subcontractors that exceed the minimum required limits set by WSF.

6.3.2 Any deductible and/or self-insured retention of any policies shall not limit or apply to the City or WSF and shall be the sole responsibility of WSF's contractor(s). Upon request, and within ten (10) Business Days, WSF shall provide the City with certificates of insurance and endorsements certifying the coverage.

6.3.3 The City will procure and maintain, or cause its contractors and subcontractor(s) to procure and maintain minimum insurance coverage and limits appropriate (such as but not limited to: Liability, Auto, Workers Compensation, USL&H, E&O A&E, Pollution, Builders Risk, Hull P&I) for a project of this scope. By requiring such minimum insurance, WSF shall not be deemed or construed to have assessed the risk that may be applicable to the City or its contractors under this agreement. The City and its contractor(s) and subcontractor(s) should assess their own risks; and if they deem appropriate and/or prudent, maintain or require grater limits and/or broader coverage. WSF shall have the right to receive coverage up to any insurance limits maintained by the City, its contractors and subcontractors that exceed the minimum required limits set by the City.

6.3.4 Any deductible and/or self-insured retention of any policies shall not limit or apply to the City or WSF and shall be the sole responsibility of the City's contractor(s). Upon request, and within ten (10) Business Days, the City shall provide WSF with certificates of insurance and endorsements certifying the coverage.

6.3.5 The City acknowledges that WSF maintains a a combination of self-insurance and commercial insurance for all of its liability risk and exposures, including but not limited to the activities contemplated under this agreement. WSF will, upon written request from the City, provide the City with commercially acceptable evidence of such self-insurance coverage (such as a certificate or letter of self-insurance) in fulfillment of the liability insurance requirements pertaining to WSF's design and construction activities described in this agreement.

6.3.6 WSF acknowledges that the City maintains a program of self-insurance for all of its liability risk and exposures, including but not limited to the activities contemplated under this agreement. The City will, upon written request from WSF, provide WSF with commercially acceptable evidence of such self-insurance coverage (such as a certificate or letter of self-insurance) in fulfillment of the liability insurance requirements pertaining to the City's activities described in this agreement.

6.3. Allocation of Risk.

For Work performed by City Light or its third-party contractors, repair of damage to the City's equipment/infrastructure or WSF's equipment/infrastructure is the responsibility of the City.

For Work performed by WSF or its third-party contractors, repair of damage to the City's equipment/infrastructure or WSF's equipment/infrastructure is the responsibility of WSF.

6.4. No Agency or Employee Relationship.

No joint employee venture or partnership is formed as a result of this Agreement. No employees,

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agents or subcontractors of one Party will be deemed, or represent themselves to be, employees of the other Party. In performing work and services pursuant to this Agreement, the City, its employees, consultants, agents, and representatives will be acting as agents of the City and will not be deemed or construed to be employees or agents of WSF in any manner whatsoever. The City will not hold itself out as, nor claim to be, an officer or employee of WSF and will not make any claim, demand, or application to or for any right or privilege applicable to an officer or employee of WSF. The City will be solely responsible for any claims for wages or compensation by the City's employees, consultants, agents, and representatives, including sub-consultants, or any agency, and will defend, indemnify and hold WSF harmless therefrom. In performing work and services pursuant to this Agreement, WSF, its employees, consultants, agents, and representatives will be acting as agents of WSF and will not be deemed or construed to be employees or agents of the City in any manner whatsoever. WSF will not hold itself out as, nor claim to be, an officer or employee of the City and will not make any claim, demand, or application to or for any right or privilege applicable to an officer or employee of the City. WSF will be solely responsible for any claims for wages or compensation by WSF's employees, consultants, agents, and representatives, including sub- consultants, or any agency, and will defend, indemnify and hold the City harmless therefrom.

6.5. Notices.

All notices or requests required or permitted under this Agreement must be in writing, must be personally delivered or sent by certified mail, return receipt requested, postage prepaid, with a copy by email and will be deemed to have been duly given if in writing and either delivered personally or by certified mail, to the Project Managers and Designated Representative of the other Party as named in this Agreement.

6.6. Interpretation.

This Agreement is the result of mutual negotiations between the Parties and any ambiguity herein is not to be construed against any Party but will be construed according to the fair intent of the language and interpreted in accordance with the laws of the State of Washington.

6.7. Compliance with Existing Laws.

Each Party will comply, and to the best of its ability will ensure that its employees, agents, consultants, contractors and representatives comply, with all federal, state, and local laws, regulations, and ordinances applicable to the Work and services to be performed. The Work performed by the City and WSF under this Agreement must comply with all applicable public works and procurement laws and regulations.

6.8. Change in Contact Person.

A Party may change the contact person or address to which such communications are to be directed by giving written notice to the other Party in the manner provided in this Agreement.

6.9. Binding on Successors.

All of the terms, provisions and conditions of this Agreement will be binding upon and inure to the benefit of the Parties hereto and their respective successors, permitted assigns and legal representatives.

6.10. No Waivers.

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No act or failure to act on the part of either Party with respect to the exercise or enforcement of any provision of this Agreement will be deemed to be a waiver on the part of either Party of any provision of this Agreement. No waiver of one provision by either Party will act as a waiver of any other provision or as a subsequent waiver of the same provision. No waiver is effective against either Party except if an express waiver in writing.

6.11. No Third-Party Rights.

Nothing in this Agreement, whether express or implied, is intended to (1) confer any rights or remedies under or by reason of this Agreement on any persons other than the Parties to it and their respective successors and permitted assigns; (2) relieve or discharge the obligation or liability of any third-party to a Party to this Agreement; nor (3) give any third parties any right of subrogation or action against either Party to this Agreement.

6.12. Assignment.

Neither Party may assign any interest, obligation, or benefit in this Agreement or transfer any interest in the same, whether by assignment or novation, without the prior written consent of the other Party.

6.13. Severability.

If any of the terms and conditions of this Agreement is determined to be invalid or unenforceable by a court of competent jurisdiction, the remaining terms and conditions unaffected thereby will remain in full force and effect. The Parties agree to negotiate in good faith to reform this Agreement to replace any invalid or unenforceable term and/or condition with a valid and enforceable term and/or condition that comes as close as possible to the intention of the stricken term and/or condition.

6.14. Entire Agreement; Modification.

This Agreement, together with the exhibits annexed hereto, represents the entire and integrated Agreement between the Parties and supersedes all prior negotiations, representations, or agreements written or oral, on the subject matter of this Agreement. No amendment or modification of this Agreement shall be of any force or effect unless it is in writing and signed by authorized representatives of both Parties.

6.15. Captions.

The captions to this Agreement are for convenience and will not add to or limit the substance of its provisions.

7. Exhibits.

All exhibits named in this Agreement are hereby incorporated by reference and made a part hereof. The terms of this Agreement will control in the event of a conflict between an exhibit and the terms of this Agreement. This Agreement is supported with the following Exhibits:

Exhibit 1: Project Budget
Exhibit 2: Schedule
Exhibit 3: Project Area, Project Segments, and Responsibility Matrices
Exhibit 4: References
Exhibit 5: WSF Invoicing Requirements

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8. Signatures.

The Parties have executed this Agreement as of the day and year first above written.

Washington State Ferries Steve Nevey WSDOT Assistant Secretary	City of Seattle Seattle City Light Robert Santoff General Manager and Chief Executive Officer

Approved for WSDOT Ferries Division

By: _____

Assistant Attorney General

Date: _____

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Exhibit 1: Project Budget

The Parties shall pay actuals for the costs associated with the Work and Betterments. Below are estimated costs. Costs will be billed in accordance with Section 2 of the Agreement.

	Total Estimated Cost	**WSF Share**	**City Light Share**
Service Upgrade Estimated Costs (from service agreement issued 12/12/25)	$ 1,724,295.25	$ 1,724,295.25	$ 0.00
20% Contingency on Service Letter Estimate	$ 350,000.00	$ 350,000.00	$ 0.00
Terminal 46 feeder extension for WSF (work completed)	$ 637,899.46	$ 637,899.46	$ 0.00
City Light Betterments Not to exceed allowance	$ 500,000.00	$ 0.00	$ 500,000.00
	$3,212,194.71	**$2,712,194.71**	**$ 500,000.00**

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Exhibit 2: Schedule

Milestones Schedule (Actuals / *Projected*)

Milestone	**Date**
Project Start	Sept 10, 2024
Pre-Purchases Authorization (Vessel Charging System, electrical equipment)	Feb. 2026
WSF RFP Advertisement for Design Build Contract	*July 2026*
WSF Design Build Contract Award	*February 2027*
WSF Design Build Contractor Notice-to-Proceed (NTP) / Mobilize	*March 2027*
Service 2 Extension Ductbank (Civil) Complete	*October 2028*
Submarine Cable Termination at Pier 48 and Colman Dock	*December 2028*
SCL Vaults (Civil) Complete	*January 2028*
SCL Meter (Civil) Complete	*February 2028*
In-Service Date Slip 3	*May 2029*
In-Service Date Slip 1	*April 2030*
WSF DB Construction Closeout	*July 2030*
WSF / SCL Costs Reconciled	*Sept. 2030*

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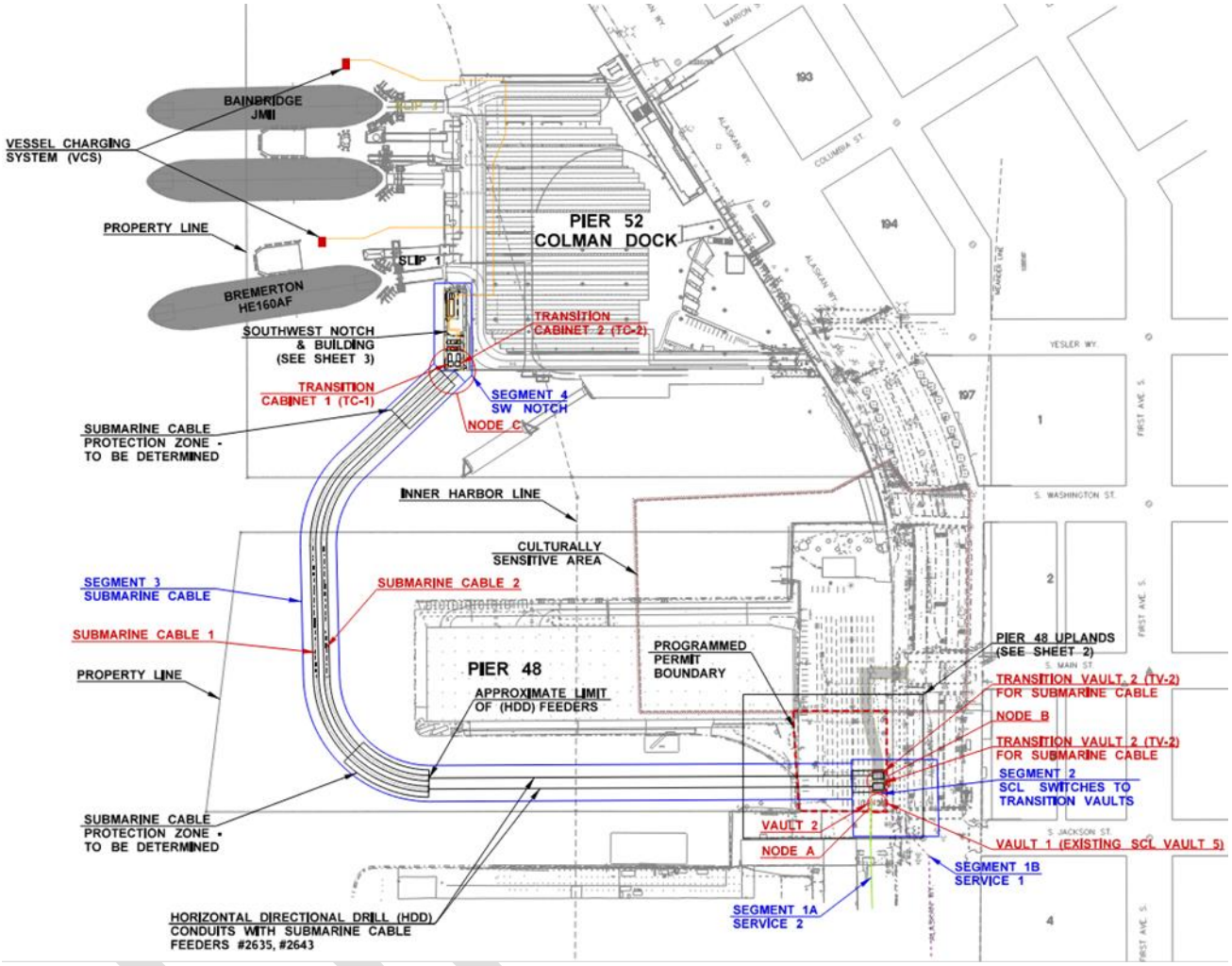
Exhibit 3: Project Area, Project Segments, and Responsibility Matrices



- **Segment 1A:** SCL Service 2 Extension. Extends SCL feeder duct bank from existing Pier 46 terminus to Pier 48 at Node A**.**
- **Segment 1B:** SCL Service 1 Cable. Installs 26kV cable to SCL Vault 5, includes modifications to Vault 5 for Installation of Vista Switches.
- **Node A:** SCL (Vista) Switches for Services 1 and 2. Includes SCL vaults (vaults 5 and 6) and switches located within WSF Pier 48 Uplands.
- **Segment 2:** Duct bank between Node A (SCL Switches and Node B (WSF Transition Vaults**)**
- **Node B:** Includes Transition Vaults on WSF Pier 48 Uplands and bus bars within vaults.
- **Segment 3:** Submarine cable from Node B (WSF Transition Vaults on Pier 48 Uplands) to Segment 4 (WSF Transition Vaults on Colman Dock). Submarine cable includes temporary bore pit, Horizontal Directionally Drilled (HDD) conduits, submarine cable, cable mattress and protection, and J tube transition to Colman Dock transition vaults**.**
- **Node C:** Includes Point of Delivery and SCL meter.

- **Segment 4:** Includes WSF transformers and switchgear on Colman Dock.

Table 1

Civil & Structural Design (including Design Support during Construction Phase) and Cost Responsibilities by Segment and Agreement Approach

#	Node / Segment	Civil Design Resp. "Who Designs"	Civil Design Cost "Who Pays"	Agreement(s) Approach
1A	Service 2 Extension	WSF	100% WSF	Service Agreement
1B	Service 1 SCL Vault 5 Lid Modification	WSF	100% WSF	Service Agreement
A	SCL Switches (Vista)	WSF	100% WSF	Service Agreement
2	SCL Switches to Transition Vaults	WSF	100% WSF	Service Agreement
B	Transition Vaults on Pier 48	WSF	100% WSF	MOA
3	Submarine Cable	WSF	100% WSF	MOA
C	Colman Dock Transition Vault POD & Meter	WSF	100% WSF	MOA
4	Colman Dock WSF Transformers & Switchgear	WSF	100% WSF	N/A (past SCL's Meter)

Table 2

Electrical Design (including Design WSF during Construction Phase) and Cost Responsibilities by Segment and Agreement Approach

#	Node / Segment	Electrical Design Resp. "Who Designs"	Electrical Design Cost "Who Pays"	Agreement(s) Approach
1A	Service 2 Extension	SCL	100% WSF	Service Agreement
1B	Service 1 Cable	SCL	100% WSF	Service Agreement
A	SCL Switches (Vista)	SCL	100% WSF	Service Agreement
2	SCL Switches to Transition Vaults	SCL	100% WSF	Service Agreement
B	Transition Vaults on Pier 48	Joint	100% WSF	Service Agreement
3	Submarine Cable	WSF	100% WSF	Service Agreement
C	Colman Dock Transition Vault POD & Meter	WSF	100% WSF	Service Agreement
4	Colman Dock WSF Transformers & Switchgear	WSF	100% WSF	N/A (past SCL's Meter)

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Table 3
Civil & Structural Construction and Cost Responsibilities by Segment and Agreement Approach

#	Node / Segment	Civil / Structural Construction Resp. "Who Builds"	Civil / Structural Construction Resp. "Who Pays"	Agreement(s) Approach
1A	Service 2 Extension	WSF	100% WSF	MOA
1B	Service 1 SCL Vault 5 Modifications	WSF	100% WSF	MOA
A	SCL Switches (Vista)	WSF	100% WSF	MOA
2	SCL Switches to Transition Vaults	WSF	100% WSF	MOA
B	Transition Vaults on Pier 48	WSF	100% WSF	MOA
3	Submarine Cable	WSF	100% WSF	MOA
C	Colman Dock Transition Vault POD & Meter	WSF	100% WSF	MOA
4	Colman Dock WSF Transformers & Switchgear	WSF	100% WSF	N/A (past SCL's Meter)

Table 4
Electrical Equipment Procurement and Cost Responsibilities by Segment and Agreement Approach

#	Node / Segment	Electrical Procurement Resp. "Who Procures"	Electrical Procurement Cost Resp. "Who Pays"	Agreement(s) Approach
1A	Service 2 Extension	SCL	100% WSF	Service Agreement
1B	Service 1 Cable	SCL	100%WSF	Service Agreement
A	SCL Switches (Vista)	SCL	100% WSF	Service Agreement
2	SCL Switches to Transition Vaults	SCL	100% WSF	Service Agreement
B	Transition Vaults on Pier 48	Joint	100% WSF	Service Agreement
3	Submarine Cable	WSF	100% WSF	MOA
C	Colman Dock Transition Vault POD & Meter	Joint	100% WSF	Service Agreement
4	Colman Dock WSF Transformers & Switchgear	WSF	100% WSF	N/A (past SCL's Meter)

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Table 5

Electrical Construction (includes Electrical Reviewer and Civil Inspector) and Cost Responsibilities by Segment and Agreement Approach

#	Node / Segment	Electrical Construction Resp. "Who Builds"	Electrical Construction Cost Resp. "Who Pays"	Agreement(s) Approach
1A	Service 2 Extension	SCL	100% WSF	Service Agreement
1B	Service 1 Cable	SCL	100%WSF	Service Agreement
A	SCL Switches (Vista)	SCL	100% WSF	Service Agreement
2	SCL Switches to Transition Vaults	SCL	100% WSF	Service Agreement
B	Transition Vaults on Pier 48	Joint	100% WSF	Service Agreement
3	Submarine Cable	WSF	100% WSF	MOA
C	Colman Dock Transition Vault POD & Meter	Joint	100% WSF	Service Agreement
4	Colman Dock WSF Transformers & Switchgear	WSF	100% WSF	N/A (past SCL's Meter)

Table 6

Construction Management (with the exception of Electrical Reviewer) Cost Responsibilities by Segment and Agreement Approach

#	Segment	CM Responsibility "Who conducts CM"	CM Costs Resp. "Who Pays"	Agreement(s) Approach
1A	Service 2 Extension	Joint	100% WSF	Service Agreement
1B	Service 1 SCL Vault 5 Lid Modification	SCL	100%WSF	Service Agreement
A	SCL Switches (Vista)	Joint	100% WSF	Service Agreement
2	SCL Switches to Transition Vaults	Joint	100% WSF	Service Agreement
B	Transition Vaults on Pier 48	Joint	100% WSF	MOA
3	Submarine Cable	WSF	100% WSF	MOA
C	Colman Dock Transition Vault POD & Meter	WSF	100% WSF	MOA
4	Colman Dock WSF Transformers & Switchgear	WSF	100% WSF	N/A (past SCL's Meter)

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Table 7A

Civil Permitting Cost Responsibilities by Segment and Agreement Approach

#	Node / Segment	Permitting Responsibility "Who gets the Permit"	Permitting Costs Resp. "Who Pays"	Agreement(s) Approach
1A	Service 2 Extension	WSF	100% WSF	Service Agreement
1B	Service 1 SCL Vault 5 Lid Modification	WSF	100% WSF	Service Agreement
A	SCL Switches (Vista)	WSF	100% WSF	Service Agreement
2	SCL Switches to Transition Vaults	WSF	100% WSF	Service Agreement
B	Transition Vaults on Pier 48	WSF	100% WSF	MOA
3	Submarine Cable	WSF	100% WSF	MOA
C	Colman Dock Transition Vault POD & Meter	WSF	100% WSF	MOA
4	Colman Dock WSF Transformers & Switchgear	WSF	100% WSF	N/A (past SCL's Meter)

Table 7B

Electrical Permitting Cost Responsibilities by Segment and Agreement Approach

#	Node / Segment	Permitting Responsibility "Who gets the Permit"	Permitting Costs Resp. "Who Pays"	Agreement(s) Approach
1A	Service 2 Extension	SCL	100% WSF	Service Agreement
1B	Service 1 SCL Vault 5 Lid Modification	SCL	100% WSF	Service Agreement
A	SCL Switches (Vista)	SCL	100% WSF	Service Agreement
2	SCL Switches to Transition Vaults	SCL	100% WSF	Service Agreement
B	Transition Vaults on Pier 48	WSF	100% WSF	MOA
3	Submarine Cable	WSF	100% WSF	MOA
C	Colman Dock Transition Vault POD & Meter	WSF	100% WSF	MOA
4	Colman Dock WSF Transformers & Switchgear	WSF	100% WSF	N/A (past SCL's Meter)

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Table 8
Testing and Commissioning Cost Responsibilities by Segment and Agreement Approach

#	Node / Segment	T&C Responsibility "Who conducts T&C"	T&C Costs Resp. "Who Pays"	Agreement(s) Approach
1A	Service 2 Extension	SCL	100% WSF	Service Agreement
1B	Service 1 Cable	SCL	100% WSF	Service Agreement
A	SCL Switches (Vista)	SCL	100% WSF	Service Agreement
2	SCL Switches to Transition Vaults	SCL	100% WSF	Service Agreement
B	Transition Vaults on Pier 48	Joint	100% WSF	Service Agreement
3	Submarine Cable	Joint	100% WSF	MOA
C	Colman Dock Transition Vault POD & Meter	Joint	100% WSF	Service Agreement
4	Colman Dock WSF Transformers & Switchgear	WSF	100% WSF	N/A (past SCL's Meter)

Table 9
Electrical Equipment Ownership, Operations, and Maintenance Cost Responsibilities by Segment and Agreement Approach

#	Node / Segment	O&M Electrical Responsibility "Who conducts O&M"	O&M Costs Resp. "Who Pays"	Agreement Approach
1A	Service 2 Extension	SCL	100% SCL	Service Agreement, Port Easement
1B	Service 1 Cable	SCL	100% SCL	Service Agreement
A	SCL Switches (Vista)	SCL	100%S CL	Service Agreement
2	SCL Switches to Transition Vaults	SCL	100% SCL	Service Agreement
B	Transition Vaults on Pier 48	Joint	Note 1	O&M Agreement
3	Submarine Cable	WSF	100% WSF	DNR Lease, O&M Agreement
C	Colman Dock Transition Vault POD & Meter	Joint	Note 2	O&M Agreement
4	Colman Dock WSF Transformers & Switchgear	WSF	100% WSF	N/A (past SCL's Meter)

Notes:
1, Depends on what fails
2. Meter, CTs, PTs, by SCL, other equipment by WSF

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Table 10
Civil / Structural Facilities Ownership, Operations, and Maintenance Cost Responsibilities by Segment and Agreement Approach

#	Node / Segment	O&M Civil/Structural Responsibility "Who conducts O&M"	O&M Civil / Structural Costs Resp. "Who Pays"	Agreement Approach
1A	Service 2 Extension	SCL	100%SCL	Service Agreement, Port Easement
1B	Service 1 SCL Vault 5 Lid Modification,	SCL	100% SCL	Service Agreement, WSF Easement
A	SCL Switches (Vista) (Vault)	SCL	100% SCL	Service Agreement
2	SCL Switches to Transition Vaults	SCL	100% SCL	Service Agreement
B	Transition Vaults on Pier 48	WSF	100% WSF	O&M Agreement
3	Submarine Cable	WSF	100% WSF	O&M Agreement
C	Colman Dock Transition Vault POD & Meter	WSF	100% WSF	O&M Agreement, Service Agreement
4	Colman Dock WSF Transformers & Switchgear	WSF	100% WSF	N/A (past SCL's Meter)

Exhibit 4: The following references are not attached but incorporated by reference into this MOA

A. Service Letter 1717147 – 801 Alaskan Way, 03-23-2026

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Exhibit 5: WSF Invoicing Requirements

The following items need to be included in invoices:

1. WSF contract number is: XE3607
2. WSF Project Title: SR 519/Seattle Trm - Terminal Electrification
3. Full identification of the contract, including both parties' contract numbers
4. Invoice number and date
5. Full recipient street address, email address and phone
6. Specify the time period covered by the invoice
7. All amounts provided with detailed breakdown
8. Total amount due
9. Instruction for how payment should be made, including using electronic wire transfer payment and mailing instructions for a check.

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Seattle City Light

700 5th Ave. | P.O. Box 34023 | Seattle WA 98124-4023
TEL (206) 684-3000 TTY/TDD (206) 684-3225 FAX (206) 625-3709
seattle.gov/city-light
twitter.com/SEACityLight facebook.com/SeattleCityLight

MARCH 23RD, 2026

WASHINGTON STATE FERRIES
ATTN: TAMMY BINSCHUS, TERMINAL ELECTRIFICATION – SENIOR PROJECT MANAGER
2901 3RD, AVE, SUITE 500
SEATTLE, WA 98121

Service Construction Address: 801 Alaskan Way
Service Request Application Number: 1717147
Work Order Number: 1712889
Job Description: Two Permanent Services – 328A each 26400Y/15240V 3-Phase, 4-Wire

Dear Tammy Binschus,

This permanent service letter replaces all previous service letters that were issued under SR1717147 including but not limited to the letters dated November 2, 2018, May 29th, 2025, December 12th, 2025, and March 2nd, 2026.

Seattle City Light has reviewed your request for electric service. This Service Construction Letter provides Seattle City Light's cost estimate and scope of work for your project, general requirements, customer construction requirements, a construction requirements drawing, and an acceptance form that must be signed and returned.

This letter is the only copy you will receive. Please disperse copies as necessary to your project team including consultants, contractors, or other parties involved with your electric service installation.

Please review the following attachments:

- Attachment A - Seattle City Light Charges and Scope of Work.
  This provides the charges and terms of the Seattle City Light work for your project, and outlines the electrical service installation work Seattle City Light will perform.
- Attachment B - General Customer Requirements.
  Not every general requirement may be applicable to your project. If you have any questions, please contact your electric service representative.
- Attachment C - Customer Construction Requirements Precast Below-Grade Vault.
  Attachment D - Service Construction Acceptance Form.
  To indicate your approval of this Service Construction Letter and all the associated attachments, please sign and return Attachment D per the instructions indicated on that form. Seattle City Light will not proceed with the design or schedule Seattle City Light crews for your project until we receive the signed and dated form and the appropriate payments.

An equal employment opportunity, affirmative action employer. Accommodations for people with disabilities provided upon request.

Seattle City Light

- Construction Requirements Drawing.
  Completion of these requirements is the customer's responsibility in order for Seattle City Light to complete the necessary electric service installation work. Also take note of the relevant Seattle City Light Construction Standards and/or Material Standards.

Sincerely,

Kristi De Winter

Kristi De Winter
Electrical Service Engineer
206-549-3120

bcc: Seattle Department of Planning and Development
Scott Lau
Patrick Foss
Jeff Chriest

Seattle City Light:
Kristi De Winter
Kyle Ho
Francis Sammy
Joseph Martek
Lizzy Kay
Paje Chase
Peter Kopp
Clanche Carandang
Master File

Seattle City Light

ATTACHMENT A: SEATTLE CITY LIGHT CHARGES AND SCOPE OF WORK

Service Construction Letter Dated: March 23rd, 2026
Service Construction Address: 801 Alaskan Way
Service Request Application Number: 1717147
Work Order Number: 1712889
Job Description: Two Permanent Services – 328A each 26400Y/15240V 3-Phase, 4-Wire

AMOUNT DUE AT THIS TIME: $236,422.40

- The cost to date for this project is $335,401.45. This includes the $15,000 for the Impact Study Charges and the Consultant charges, which are listed below and have already been paid. The remaining charges to date that are due at this time are $236,422.40 broken out as follows:
  - Engineering: $232,830.42
  - Crew Time: $3,591.97
- The remaining balance of $1,388,893.80 must be paid before service can be approved for connection and energized.

PAYMENTS:

Please reference the Service Request #1717147 on your payment.
Make checks payable to:

City of Seattle
Treasury Dept Accts Receivable

and pay in person or mail to:

Seattle City Light North Service Center
1300 N 97th St
Seattle WA 98103

Seattle City Light South Service Center
3613 4th Ave S
Seattle WA 98134

SUMMARY OF CITY LIGHT ESTIMATED CHARGES

Impact Study Charges (Includes Admin Charge): $15,000 (paid October 26th, 2017)

Consultant Charges for Alaskan Way Ductbank Design (Includes Admin Charge): $83,979.05 (paid December 6th, 2021)

Ampere Fee Installation Charge (Fixed Cost Unless Service Size Changes): $556,373.28

- Calculation of this fee is based on the provisions of the May 11th, 2023 version of DPP 500 III-417 at a rate of $848.13/Amp for a 26kV service.

Estimated Time and Materials Charge: $1,006,430.76

Broken Out As Follows:

- Engineering Labor: $235,000
- Crew Labor: $244,741.39
- Materials: $352,168.15
    - Conductors: $202,957.23
    - Switch (2): $119,013.78
    - Miscellaneous Material: $30,197.14
- Contingency: $174,521.22

- A final billing will be rendered to adjust for the actual time and materials after the installation is complete. Any refund amount or additional charges due will be paid to or invoiced, to the invoiced party.
- Estimate created using 2025 dollars.

Administrative Charge: $62,512.16

- City Light pays Washington State and City of Seattle utility and business & occupation taxes on revenues received. Recovery of taxes will be billed as an Administrative Charge. The sum net effective tax rate is 4 percent.
- The admin charge is not applicable to the impact study and consultant fees that were already paid by WSF.

Total Project Estimated Charge: $1,724,295.25

TERMS AND CONDITIONS

Due to state laws limiting payments to goods and services received, Seattle City Light (SCL) will waive its standard requirements that twenty percent (20%) of the service connection charge (including the amp fee) be paid before Seattle City Light's engineer will finalize the design and/or installation crews will be scheduled to begin work. However, upon execution of this agreement, SCL may invoice WSF for costs incurred to date. The total amount due at this time $236,422.40.

Seattle City Light

Installation and construction charges shall recover all labor and material costs incurred by City Light while performing the requested work. City Light's electrical design and cost estimate are in effect as long as they are accepted and paid by the customer within 120 calendar days from the date of this letter and City Light's work must commence within one year, without scope changes from the customer. Any change in the design of the customer's project will subject City Light's electrical design and cost estimate to further review. City Light may review and revise the cost estimate if the work described has not commenced within 12 months.

POWER SERVICE SUMMARY (2 OF THEM)

- The electrical service shall be 328 amperes each, 26400Y/15240 volts 3-phase, 4 wire
- The fault current for feeder 2643 (Service 2) will be 8,543 amperes (three phase), 4,613 amperes (single phase) at the south side of pier 48 property line on S Jackson St.
- The fault current for feeder 2635 (Service 1) will be 8,426 amperes (three phase), 4,535 amperes (single phase) at the south side of pier 48 property line on S Jackson St.
- The legal service termination point shall be at the primary metering cabinet for each service on Colman dock (pier 52). The marine cables between the transition vaults (V1, V2) on pier 48 and primary metering cabinets on Colman dock (pier 52) shall be owned and maintained by the customer.
- The operations service termination point shall be at the transition vaults (TV-1, TV-2) at the dead break jboxes.

CITY LIGHT SCOPE OF WORK

For feeder 2635 (Service 1)

- Provide and install a 2-way vista switch on V1
- Provide and install primary cable between a vista switch on S. King St to customer transition vault 1 (TV-1) via V1.
- Make all high-voltage electrical connections in the vaults.
- Provide and install PTs, CTs, and meter into the primary meter cabinet on Colman dock (pier 52).

For feeder 2643 (Service 2)

- Provide and install a 2-way vista switch on V2
- Provide and install primary cable between a vista switch on pier 46 to customer transition vault V2 (TV-2) via V2.
- Make all high-voltage electrical connections in the vaults.
- Provide and install PTs, CTs, and meter in the primary meter cabinet on Colman dock (pier 52).

CUSTOMER SCOPE FOR ELECTRICAL SERVICE

For feeder 2635 (Service 1)

- Excavate and replace the west round lid of V1 with a 57R18-CLX riser and a 8'x7'9" transformer pad to accommodate a vista switch. Install vault collar per std. 0223.33 as shown on site plan detail.
- Provide and install 2-5" conduits between V1 and transition vault V1 (TV-1).
- Provide and install 4-5" conduits between V1 and V2.
- Provide and install primary metering cabinet on Colman dock (pier 52) per std. 1562.05
- Provide and install (3) 600amp jbox into transition vault V1 (TV-1) for termination of customer marine cables and City Light cables.

For feeder 2643 (Service 2)

- Provide and install a 712CLX vault with risers. Install a 8'x7'9" transformer pad over the 57R18-CLX riser to accommodate a vista switch. Install vault collar per std. 0223.33 as shown on site plan detail.
- Provide and extend 2-5" stubout conduits on T46 into V2.
- Provide and install 2-5" conduits between V2 and transition vault V2 (TV-2).
- Provide and install primary metering cabinet on Colman dock (pier 52) per std. 1562.05
- Provide and install (3) 600amp jbox into transition vault V2 (TV-2) for termination of customer marine cables and City Light cables.

ENCLOSURE

- Seattle City Light Site Plan (DWG 1712889-25-CUST, Sheets 1 and 2)
- DPP 500 III-417 2023 Version

Seattle City Light

ATTACHMENT B: GENERAL CUSTOMER REQUIREMENTS

Service Construction Letter Dated: March 23rd, 2026
Service Construction Address: 801 Alaskan Way
Service Request Application Number: 1717147
Work Order Number: 1712889
Job Description: Two Permanent Services – 328A each 26400Y/15240V 3-Phase, 4-Wire

Some sections of this attachment may not be applicable to your project.

SAFETY:

- Locating underground utilities:
  Before digging, please contact the Utilities Underground Location Center ("One-Call") at 1-800-424-5555 at least two business days in advance to locate and mark underground utilities, per state law (RCW 19.122).
- Excavating near Seattle City Light (SCL) facilities:
  All excavations adjacent to SCL poles or other facilities (vaults, handholes, etc.) shall comply with WAC 296-155, Part N, Excavation, Trenching and Shoring. Pole protection/supporting systems used while excavating shall comply with WAC 296-155-655, General Protection Requirements, item (9) and shall not affect the structural integrity of poles while the systems are in place or after the systems have been removed.
- High-voltage working clearance:
  State law requires all construction workers, their tools, machinery, temporary structures, equipment and materials to maintain a minimum 10-feet clearance from many types of power lines (WAC 296-24-960). SCL transmission lines require even greater clearance. If this project requires work in proximity to any energized lines, notify us in advance so that we can de-energize and ground the lines, or relocate the lines temporarily. This work will be done at the customer's expense. The cost must be paid in advance of any work.
- Permanent structure clearances from high-voltage lines:
  See SCL 0100.03, 0100.04, and 0100.05 for acceptable clearances. Changes to Seattle City Light's system to meet appropriate clearances will be performed at the customer's expense. The cost must be paid in advance of any work.

SERVICE DESIGN:

Provide and install an electrical service that complies with SCL's Requirements for Electric Service Connection (RESC) manual and the current SCL rate ordinance.

Seattle City Light

PROJECT LEAD-TIME:

Schedules for completing installations may vary. Large projects may require extended lead-time (up to 18 months) to allow us to procure and prepare transformers, equipment, and materials. Any changes to the contract application terms must be made well before your estimated connection date if delays are to be avoided.

CONSTRUCTION RESPONSIBILITY:

If the customer chooses to have a contractor install the service between the customer's service connection point and SCL's distribution system, Departmental Policy and Procedure (DPP) 500 P III-422 shall apply. Specifically in section 6.1.4, the customer shall be responsible for the costs of maintenance, replacement, and/or repair of any contractor-provided and installed equipment and material that requires maintenance or fails within five years after the service installation is energized by SCL. SCL may, at its discretion, maintain, replace, and/or repair contractor-provided and -installed equipment and material that requires maintenance or fails within this five-year period and bill the customer for time and material expenses incurred.

CONSTRUCTION PERMIT:

If you will be trenching in a public right-of-way, you must obtain a permit from the local permitting authority. For permit information, please contact City of Seattle Department of Transportation for projects within Seattle city limits, or your appropriate jurisdiction for projects outside Seattle city limits.

CONSTRUCTION MATERIALS INSPECTION:

- Use SCL approved conduit manufacturers only. Refer to SCL Material Standards 7015.05, 7050.05 and 7345.7 for a list of SCL approved conduit manufacturers. Note manufacturer limitations for PVC female adapters given on the material standard.

VAULT AND CONDUIT INSTALLATION INSPECTION:

- Please contact your electric service engineer five business days in advance of pouring pad and vault structures, and before backfilling trenches, to schedule a SCL inspector to observe construction and perform inspection.
- No inspection will be made unless shoring for excavation complies with WAC 296-155 Part N, Excavation, Trenching, and Shoring.
- The SCL inspector must inspect all aspects of enclosures and vaults, including, but not limited to, access, walls/floor/ceiling construction, conduit penetrations, grounding, and secondary bus bars before the enclosures and vaults will be approved for service.

Seattle City Light

- The SCL inspector must inspect and approve the conduit trench, trench bedding, conduits, Mandreling of conduits, and trench backfill before covering the trench.

EQUIPMENT TRANSPORTATION AGREEMENT

An Equipment Transportation Agreement (TA) will be sent to you by your City Light ESE or ESR if one is required. An Equipment Transportation Agreement:

- Is a legal document in which the building owner(s) take sole responsibility for moving the transformer(s) into and out of the transformer vault, to a mutually agreed upon location from which SCL is able to deliver or pick up the transformer(s) and other equipment using SCL normal transportation methods and equipment.
- Will need to be completed in advance if your City Light Contact has required an Equipment Transportation Agreement for your completion before City Light transformers or related vault equipment can be delivered to your facility.
- Will be recorded on the property title at the property owner's expense, as all future owners are obligated to the same terms and conditions of the agreement.
- Specifies that the equipment path shall remain permanently available to City Light. If adequate space cannot be provided, the building owner shall sign a Seattle City Light Equipment Transportation Agreement, which makes the building owner solely responsible for transporting equipment in and out of the vault at City Light's request.
- Any damage occurring to the transformer during transportation by the building owner(s) and any additional expense incurred because of said damage shall be paid by the building owner(s).
- Must be kept in the vault. The customer must provide and install a weatherproof enclosure large enough to hold a paper copy of document. It shall be permanently installed in a document enclosure on the vault wall beneath the light switch.

OTHER UTILITIES:

City Light notifies other known utilities, per our written records, about overhead changes to our system. City Light cannot be held responsible for the identification of other utilities mounted on poles or for the timely removal of such utilities in order to meet your project schedule. It remains the customer's sole responsibility to notify and coordinate all relocation efforts for **all** other utilities mounted on poles such as telecommunications, etc.

<u>Installation of Facilities for other Utilities</u>

The specifications referenced by this letter do not include facilities for other utilities serving this project. However, for SCL installation of conduits and small handholes for other utilities in the public right-of-way, the customer must:

Seattle City Light

- Obtain written installation specifications from each franchised utility requesting installation of facilities by SCL.
- Forward these specifications to SCL at least two weeks before SCL is to begin underground construction in the right-of-way.
- SCL will review the specifications and the customer will be billed an estimated cost of the time & materials for SCL work required by the specifications.

PREVENTING WATER FROM ENTERING THE BUILDING:

- Prevent water from entering customer's service equipment or building from transformer pad through customer's low-voltage service conduits or bus gutter, and conduit's/gutter's wall/floor/ceiling penetration.
- Install conduits and equipment at elevations that will prevent water from entering building.

METERING:

- **Parking** – Adequate parking is available close to the metering location. (SCL Meter Crews need to park for the duration of the work due to the amount of equipment that needs to be transported.)
- **Access for Meter Installation** – Clear and safe access to the meter rooms has been provided. (Are there elevators or other means of transport available to get meters to the upper floors?)
- **Working Space –** There is clear working space in front of the metering equipment to be worked on. (If the equipment is energized, all other personnel must maintain a 10-foot distance from energized equipment.)
- **Lighting –** Adequate lighting to safely perform the work has been provided.
- **Wiring Landed –** All units have the wiring landed to the unit panel main breaker and have been approved for service by electrical code inspector.
- **Panels Safe to Energize –** All panels are safe to energize. (SCL must be able to energize the panels in the units to perform space checks).
- **Electrician Available –** Electricians are available to operate breakers or switches and install panel covers as needed.
- **Access for Space Checks –** All units are accessible. (No locked doors and no flooring or painting work that will impede access to any units on the day that space checks are scheduled.)
- **Key Box –** A key box is required for installation by the contractor. (SCL will provide a box without cover for installation near entry door.)

Seattle City Light

CONTRACTOR'S PRE-INSTALLATION CHECKLIST FOR MULTI-UNIT METERING:

Once the facility is ready for permanent meter installation, it is the responsibility of the property owner or contractor to contact SCL, and to ensure that all metering facilities are prepared accoding to SCL's specifications. Failure to abide by SCL specifications may result in additional trip charges and installation delays.

- **Parking** – Adequate parking is available close to the metering location. (SCL Meter Crews need to park for the duration of the work due to the amount of equipment that needs to be transported.)
- **Access for Meter Installation** – Clear and safe access to the meter rooms has been provided. (Are there elevators or other means of transport available to get meters to the upper floors?)
- **Working Space –** There is clear working space in front of the metering equipment to be worked on. (If the equipment is energized, all other personnel must maintain a 10-foot distance from energized equipment.)
- **Lighting –** Adequate lighting to safely perform the work has been provided.
- **Wiring Landed –** All units have the wiring landed to the unit panel main breaker and have been approved for service by electrical code inspector.
- **Panels Safe to Energize –** All panels are safe to energize. (SCL must be able to energize the panels in the units to perform space checks).
- **Electrician Available –** Electricians are available to operate breakers or switches and install panel covers as needed.
- **Access for Space Checks –** All units are accessible. (No locked doors and no flooring or painting work that will impede access to any units on the day that space checks are scheduled.)
- **Key Box –** A key box is required for installation by the contractor. (SCL will provide a box without cover for installation near entry door.)

MOTOR LOADS:

Meet the requirements outlined in Chapter 7 of the RESC manual describing SCL requirements for starting electric motors and other special loads. Electric motors with locked-rotor currents that exceed the maximum allowable motor starting-current limitations described in the RESC manual shall be installed with current-limiting motor starting devices.

NOTIFICATION OF ADDED LOAD:

When you add load to your service, you must notify SCL per SMC 21.49.110 (S) and WAC 480.100.148 (1).

Seattle City Light

ELECTROMAGNETIC INTERFERENCE:

The building's service entrance equipment, including customer switchgear and SCL cables, may produce electromagnetic fields that may affect sensitive equipment such as computer monitors. It is the customer's responsibility to design and construct the building to avoid these effects.

POWER SURGES, FAULTS, TRANSIENTS, AND OUTAGES:

Power surges, faults, electrical transients, planned and emergency power outages, other occurrences not within SCL's control, or mechanical failure may affect your electrical equipment, your electrical system, or the availability of electricity to your building. You may avoid such problems by providing at your expense protective devices or backup generation equipment for power outages. It is your responsibility to take the above steps as provided by city ordinance SMC 21.49.110 (G) and (Q).

ONLINE REFERENCES:

The following City of Seattle reference documents may be viewed on the Internet using Adobe Acrobat Reader software, available without charge at www.adobe.com.

- Seattle City Light New Construction Web Site: Customer resources for new construction are available at https://www.seattle.gov/city-light/construction-services/
- Seattle City Light Construction Guidelines and Material Standards Online: Current SCL guidelines and standards are available at https://web8.seattle.gov/city-light-engineering-standards/
- Seattle City Light Requirements for Electric Service Connection Online: The entire RESC manual is available at https://web8.seattle.gov/city-light-engineering-standards/RESC

Seattle City Light

ATTACHMENT C: CUSTOMER CONSTRUCTION REQUIREMENTS PRECAST BELOW GRADE VAULT

Service Construction Letter Dated: March 23rd, 2026
Service Construction Address: 801 Alaskan Way
Service Request Application Number: 1717147
Work Order Number: 1712889
Job Description: Two Permanent Services – 328A each 26400Y/15240V 3-Phase, 4-Wire

The following is a summary of the customer construction requirements to support the Seattle City Light service installation. This electrical service will require a Seattle City Light transformer vault to be constructed on the customer's property, hereafter referred to as the "Customer Vault". The Customer Vault shall conform to Seattle City Light Construction Standard SCL 0732.50 "Customer Requirements for Below-Grade Transformer Service Vaults, Looped Radial System."

Precast transformer vault

- Install one 712-CLX vault with a 42" round opening and a rectangular opening with risers for a vista switch per SCL U2-15.1. Install one 8'x7'9" transformer pad over the rectangular opening. Install a concrete collar per std. 0223.33 around the vault lids. The height of the hatches and concrete collar should be ±4" above grade. (V2)
- Remove the west round hatch, install a 57R18-CLX riser, and install one 8' x 7'9" transformer pad on V1 for vista switch. Install a concrete collar per std. 0223.33 around the vault lids. The height of the hatches and concrete collar should be ±4" above grade. (V1)

PRIMARY (High Voltage) CONDUITS per Seattle City Light Construction Standard SCL 0222.02

- Install two 5-inch conduits from V1 to transition vault V1 (TV-1)
- Install two 5-inch conduits from V2 to transition vault V2 (TV-2)
- Extend two 5-inch conduits from terminal 46 stubouts into V2
- Install four 5-inch conduits between V1 and V2

Seattle City Light

ATTACHMENT D: SERVICE CONSTRUCTION ACCEPTANCE FORM

Service Construction Letter Dated: March 23rd, 2026
Service Construction Address: 801 Alaskan Way
Service Request Application Number: 1717147
Work Order Number: 1712889
Job Description: Two Permanent Services – 328A each 26400Y/15240V 3-Phase, 4-Wire

By returning this Service Construction Acceptance Form signed and dated, the customer agrees with all the terms and conditions of the Service Construction Letter including its attachments: Seattle City Light Charges and Scope of Work; General Customer Requirements; Customer Construction Requirements; and Construction Requirements Drawing.

NOTE: Should you desire to make changes after this agreement has been executed, submit the Service Request Change Order Form with applicable revised project plans to the Seattle City Light Intake Desk. Additional Seattle City Light charges may be incurred. Please contact your Seattle City Light Electric Service Consultant listed below for additional details.

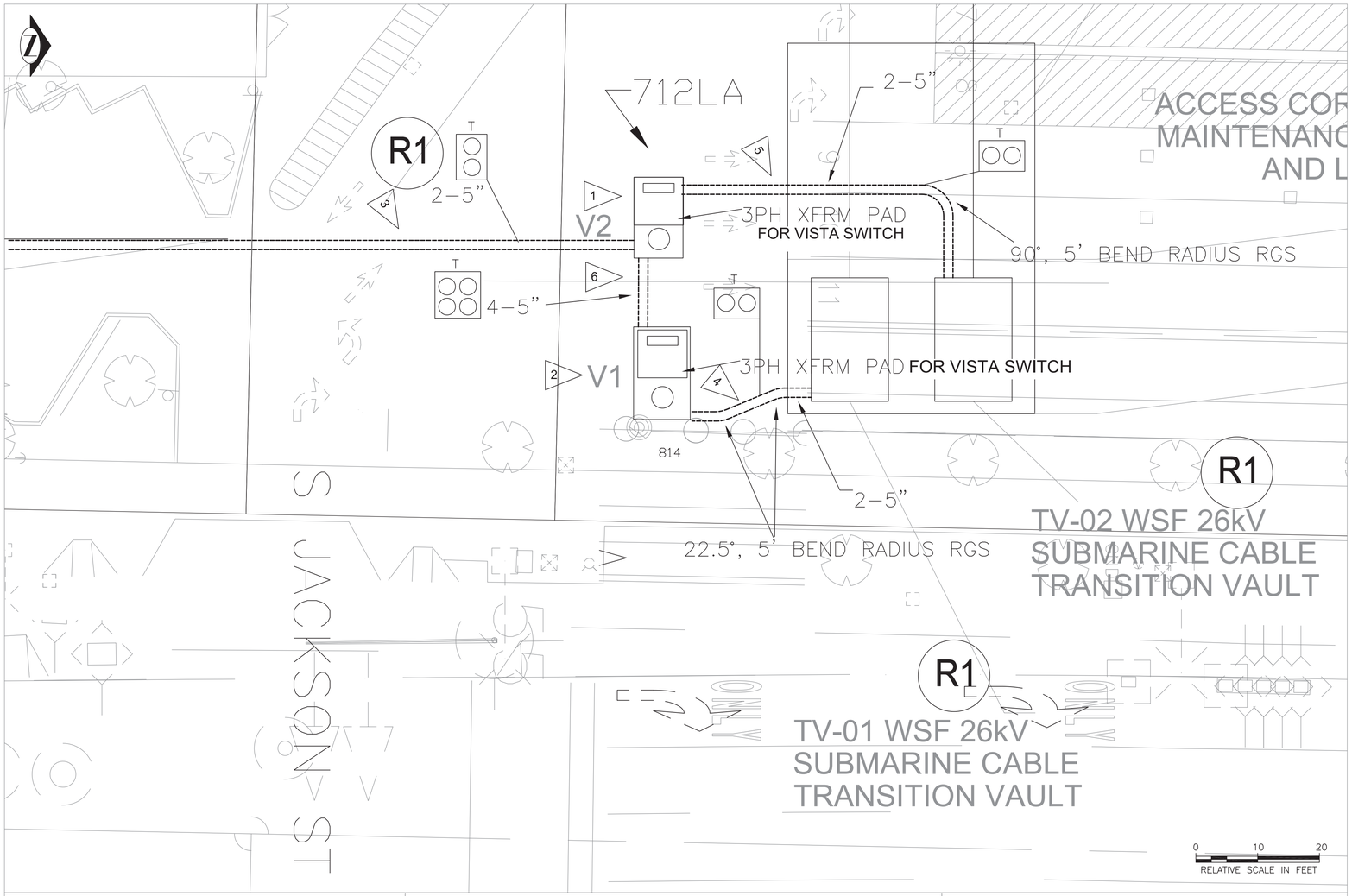
Print Name: David Sowers Title: Program Administrator, System Electrification

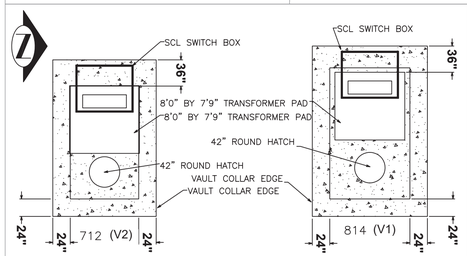
Signature: David Sowers Date: 4/3/2026
(Owner/Authorized Representative)

Contact Phone: 206-713-0686

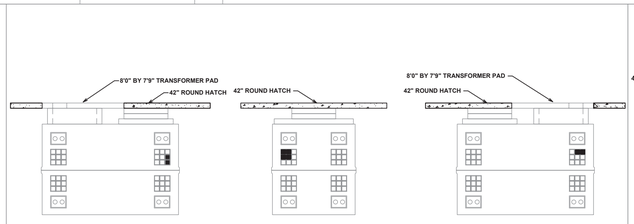
Mail to:
Seattle City Light
Attn: Clanche Carandang
700 5th Ave, Suite 3200-SMT 3617
PO Box 34023
Seattle, WA 98124-4023

Electric Service Engineer
Kristi De Winter
(206) 549-3120





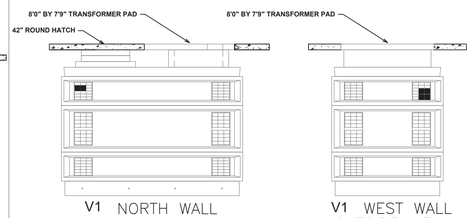
SWITCH/VAULT PAD DETAIL



V2 SOUTH WALL OUTSIDE VIEW

V2 EAST WALL OUTSIDE VIEW

V2 NORTH WALL OUTSIDE VIEW



V1 NORTH WALL OUTSIDE VIEW

V1 WEST WALL OUTSIDE VIEW

GENERAL NOTES:

1. OBTAIN PERMIT BEFORE TRENCHING IN THE RIGHT–OF–WAY.
2. IT IS THE CUSTOMER’S RESPONSIBILITY TO LOCATE ALL UNDERGROUND UTILITIES BEFORE EXCAVATING. CALL 811 AT LEAST TWO BUSINESS DAYS BEFORE YOU DIG.
3. CONTACT ELECTRIC SERVICE REPRESENTATIVE(ENGINEER) LEAST FIVE BUSINESS DAYS IN ADVANCE FOR SEATTLE CITY LIGHT TO PROVIDE SAFETY STANDBY WHILE ENTERING CONDUITS INTO THE ENERGIZED SEATTLE CITY LIGHT VAULT, AND WHEN VAULT(S), CONDUITS, AND SERVICE(S) ARE READY FOR INSPECTION.

SEATTLE CITY LIGHT STANDARDS ARE LOCATED ONLINE AT https://web8.seattle.gov/city–light–engineering–standards

SEATTLE CITY LIGHT CONSTRUCTION STANDARDS:

0214.00	CLEARANCES BETWEEN SCL UNDERGROUND STRUCTURES AND OTHER STRUCTURES
0222.02	REQUIREMENTS FOR PRIMARY CONDUIT AND DUCT BANK INSTALLATION
0224.34	STEEL CONDUIT RISERS
0226.06	INSTALLATION OF FLUIDIZED THERMAL BACKFILL
0257.06	CEILING CHANNEL FOR IN–BUILDING VAULTS
0461.10	GROUNDING ELECTRODES FOR HANDHOLES AND VAULTS
0468.90	EXOTHERMIC CONNECTION SYSTEM
0473.50	LOOPED RADIAL AND NETWORK SERVICE ENTRANCE CABLES IN CONDUIT FOR UNDERGROUND PRIMARY SERVICE
0474.08	LOOPED RADIAL AND NETWORK DRY VAULT SERVICE ENTRANCE BUS DUCT
0674.06	IN–BUILDING VAULT LIGHTING AND RECEPTACLE REQUIREMENTS, LOOPED RADIAL SYSTEM
0724.50	CUSTOMER REQUIREMENTS FOR PADMOUNT TRANSFORMER SERVICES, LOOPED RADIAL SYSTEM
0735.50	OIL CONTAINMENT SYSTEMS
0751.00	CUSTOMER REQUIREMENTS, IN–BUILDING TRANSFORMER VAULTS, NETWORK AND LOOPED RADIAL SYSTEMS
0751.49	IN–BUILDING TRANSFORMER VAULT DOORS
0751.60	CONCURRENT CUSTOMER REQUIREMENTS, IN–BUILDING TRANSFORMER VAULTS
NCI–62	PULLING IRON INSTALLATION FOR IN–BUILDING VAULTS, NETWORK SYSTEM
U2–11.40/NDK–40	MANDRELING AND CLEANING OF DUCTS AND CONDUITS
U2–15.1	VAULT INSTALLATION
1562.05	PRIMARY METERING COMPARTMENTS 27KV

SEATTLE CITY LIGHT MATERIAL STANDARDS:

6762.25	GROUND RODS, COPPER–COVERED, SECTIONAL
6103.90	WIRE, COPPER, BARE, SOFT–DRAWN
6762.25	GROUND RODS, COPPER–COVERED, SECTIONAL
7015.05	SCHEDULE 40 PVC CONDUIT AND FITTINGS
7025.05	FIBERGLASS CONDUIT AND FITTINGS, 5” IPS
7050.05	ZINC–COATED STEEL CONDUIT AND FITTINGS
7055.09	DB120, PVC CONDUIT FITTINGS
7150.00	FLUIDIZED THERMAL BACKFILL
7203.21	PRECAST REINFORCED CONCRETE STRUCTURES – GENERAL
7203.38	575 ELECTRIC VAULT, PRIMARY SERVICE
7203.41	577 ELECTRIC VAULT, PRIMARY SERVICE
7203.66	687 ELECTRIC VAULT, PRIMARY SERVICE
7203.46	712 ELECTRIC VAULT, PRIMARY SERVICE
7203.51	814 ELECTRIC VAULT, PRIMARY SERVICE
7203.76	PRECAST REINFORCED CONCRETE TRANSFORMER PADS
7651.25	CUSTOMER REQUIREMENTS FOR VAULT SIGNAGE

CONSTRUCTION NOTES

1. PROVIDE, AND INSTALL V2, A 712CLX VAULT WITH THE 42” ROUND HATCH AND RISERS ON THE EAST END PER STD. U2–15.1 AS SHOWN. INSTALL A 8’0” BY 7’9” TRANSFORMER PAD OVER A 57R18–CLX RISER ON THE WEST END SUCH THAT WEST EDGE OF THE TRANSFORMER SLOT ALIGNS WITH THE INNER WEST EDGE OF THE RISER. INSTALL VAULT COLLAR PER STD 0223.33 AROUND THE PAD AND ROUND HATCH AS SHOWN ON DETAIL. MATCH HEIGHT OF THE PAD (±4”) ABOVE GRADE.
2. @V1, DIG DOWN AND REMOVE THE WESTERN 42” ROUND HATCH AND RISERS. INSTALL A 8’0” BY 7’9” TRANSFORMER PAD OVER A 57R18–CLX RISER ON THE WEST END SUCH THAT WEST EDGE OF TRANSFORMER SLOT ALIGNS WITH THE INNER WEST EDGE OF THE RISER. INSTALL VAULT COLLAR PER STD 0223.33 AROUND THE PAD AND ROUND HATCH AS SHOWN ON DETAIL. MATCH HEIGHT OF THE PAD (±4”) ABOVE GRADE.
3. INTERCEPT 2–5” FIBERGLASS DUCTS INTO V2 AS SHOWN PER STD. 0222.02.
4. BETWEEN V1 AND TV–01, INSTALL 2–5” DUCTS PER STD. 0222.02. NOTE BEND RADIUS AND ANGLE OF BEND.
5. BETWEEN V2 AND TV–02, INSTALL 2–5” DUCTS PER STD. 0222.02. NOTE BEND RADIUS AND ANGLE OF BEND.
6. BETWEEN V1 AND V2, INSTALL 4–5” DUCTS PER STD. 0222.02.

NOTE: BOLLARDS REQUIRED IF THERE’S VEHICULAR TRAFFIC TO PROTECT VISTA SWITCHES.

ANY METAL PERIMETER FENCING SHALL BE 7’ MIN AWAY FROM VISTA SWITCHES.

ONE INCH AT FULL SIZE

REVISIONS

REV	DATE	DRAWN BY	CHECKED BY	IMAGE	APPROVED BY	WORK ORDER #	DESCRIPTION
R1							ADDED 2–5” TO DUCTFLAG. UPDATED 15KV TO 26KV

THIS DWG IS AN INTEGRAL PART OF THE SERVICE LETTER

THIS DRAWING IS THE PROPERTY OF THE CITY OF SEATTLE AND ITS SEATTLE CITY LIGHT DEPARTMENT. IT IS PRODUCED SOLELY FOR THE USE BY SEATTLE CITY LIGHT AND OTHER CITY DEPARTMENTS. THE USE, REPRODUCTION, AND TRANSFER OF THIS DRAWING AND/OR ANY INFORMATION CONTAINED IN THE DRAWING REQUIRES THE WRITTEN PERMISSION OF SEATTLE CITY LIGHT.

ENDORSEMENTS

SIGNATURE	DATE
DRAWN: KHO	2–4–26
CHECK:	
APPROVED:	2/9/26

Francis Sammy

Seattle City Light
Distribution Engineering

APPROVED FOR SEATTLE CITY LIGHT

PROJECT ENGINEER	SHEET CONTENTS
KYLE HO 206684322	PLAN
QUARTERSECTION NUMBER(S)	SECTION / TOWNSHIP / RANGE
17NE	

PROJECT TYPE: CUSTOMER

PROJECT NAME: INSTALL CIVIL STRUCTURES FOR (2) VISTA SWITCHES

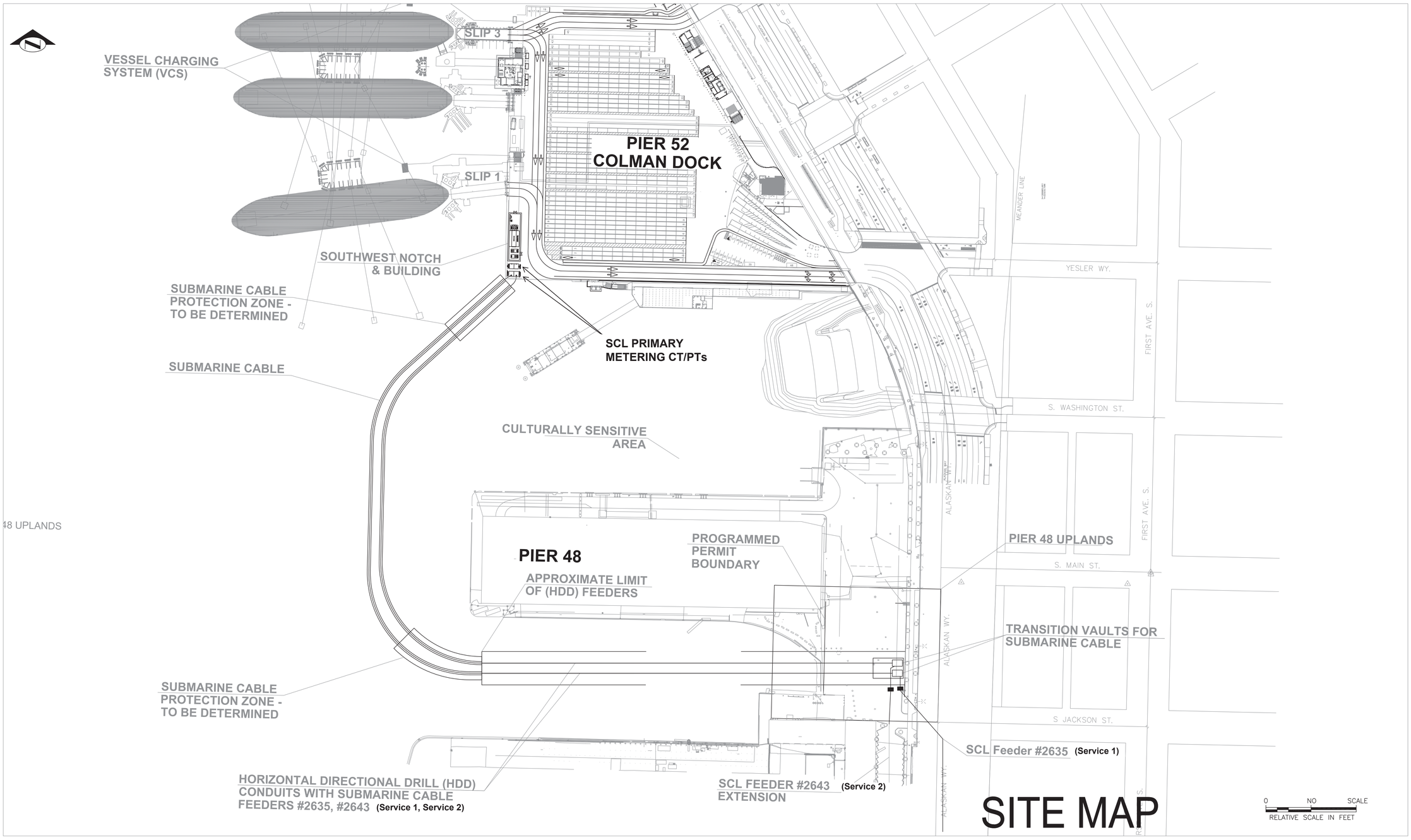
PROJECT ADDRESS: 801 ALASKAN WAY S WA STATE FERRIES

SHEET: 1 OF 2

WORK ORDER NO.-TASK: 1712889

CITY: SEATTLE

DRAWING NO.	REV. NO.
1712889-25-CUST	1



SITE MAP

ONE INCH AT FULL SIZE

REVISIONS

REV	DATE	DRAWN BY	CHECKED BY	IMAGE	APPROVED BY	WORK ORDER #	DESCRIPTION
R1							ADDED 2–5" TO DUCTFLAG. UPDATED 15KV TO 26KV

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ENDORSEMENTS	
SIGNATURE	DATE
DRAWN: KHO	2-4-26
CHECK:	
APPROVED:	2/9/26
Francis Sammy	

Seattle City Light
Distribution Engineering

APPROVED FOR SEATTLE CITY LIGHT

PROJECT ENGINEER	SHEET CONTENTS
KYLE HO 2066843226	PLAN
QUARTERSECTION NUMBER(S)	SECTION / TOWNSHIP / RANGE
17NE	

PROJECT TYPE	CUSTOMER
PROJECT NAME	INSTALL CIVIL STRUCTURES FOR (2) VISTA SWITCHES
PROJECT ADDRESS	801 ALASKAN WAY S WA STATE FERRIES
SHEET	2 OF 2
WORK ORDER NO.-TASK	1712889
CITY	SEATTLE
DRAWING NO.	1712889-25-CUST
REV. NO.	2

Summary and Fiscal Note

1. Legislation Summary

Department: City Light

Title: An ordinance relating to the City Light Department; authorizing the execution of a five-year agreement with Washington State Ferries, a division of the Washington State Department of Transportation, for the construction of system improvements associated with Pier 48 and the Seattle Terminal (Colman Dock, Pier 52) Electrification Project and negotiation and execution of an operations agreement; and ratifying and confirming certain prior acts.

Background: This ordinance authorizes City Light to enter into a five-year agreement with Washington State Ferries (WSF) for the construction and provision of two new electrical services totaling thirty megawatts. The services will power the vessel charging system to be installed at Seattle Terminal (Colman Dock, Pier 52) to serve electric and hybrid ferries, resulting in an overall reduction in air pollutant and greenhouse gas emissions. The ordinance also authorizes City Light to negotiate and execute an operations agreement for a term up to 30 years regarding the inspection and maintenance of this infrastructure.

Summary Attachments: None

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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. Expenditure Change to General Fund

2026	2027 est.	2028 est.	2029 est.	2030 est.
N/A	N/A	N/A	N/A	N/A

b. Expenditure Change to Other Funds*

2026	2027 est.	2028 est.	2029 est.	2030 est.
N/A	$100,000	$100,000	$150,000	$150,000

*This project is already fully funded under City Light's Maritime Transportation Electrification CIP (ZS8520).

c. Revenue Change to General Fund

2026	2027 est.	2028 est.	2029 est.	2030 est.
N/A	N/A	N/A	N/A	N/A

d. Revenue Change to Other Funds

2026	2027 est.	2028 est.	2029 est.	2030 est.
$650,000	$75,000	$500,000	$700,000	$775,000

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
Light Fund (41000)	SCL	Customer Service Upgrade	$650,000	$75,000

TOTAL 2026 Revenue	TOTAL 2027 Estimated Revenue
$650,000	$75,000

Revenue/Reimbursement Notes:

The legislation authorizes a Memorandum of Agreement (MOA) which authorizes an estimated $2.7 million in reimbursement from Washington State Ferries (WSF) for a service upgrade. Slip 3 will energize in 2029 and Slip 1 will energize in 2030. The 30-year operations agreement will cover operations and maintenance through the standard rates associated with electrical service.

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.

None.

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 legislation is already fully funded under City Light's Maritime Transportation Electrification CIP (ZS8520).

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

City Light is obligated to provide electrical service to its customers. As a department of Washington State, WSF is a public agency that is providing a service to our rate payers and benefitting the City. Not implementing this legislation would delay WSF's Seattle Terminal Electrification project as the signed MOA is required before they start the procurement phase.

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

The WSF Seattle Terminal serves downtown Seattle and therefore indirectly affects most departments. Some permitting & inspections may be required by SDOT and SDCI but most of the construction is out of the right-of-way.

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?

This legislation affects property at Pier 48 and WSF's Seattle Terminal (Colman Dock, Pier 52). No easement for Seattle City Light is required currently because the Service Agreement allows for access and maintenance requirements.

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 will beneficially reduce emissions in the greater Seattle area as hybrid ferries partially run off of clean, electric power instead of only using diesel engines. Historically, Seattle's working waterfront employed socially disadvantaged persons affected by poor working environmental conditions. By actively pursuing reduction of emissions, this project is a step in the right direction to reduce impacts to historically vulnerable communities.

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

N/A

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

Washington State Ferries is the principal public communications lead for this project.

e. Climate change impacts:

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

WSF plans to rebuild and modernize their fleet by transitioning to hybrid-electric power by 2040. WSF burns approximately nineteen million gallons of diesel fuel to support nearly twenty million passengers every year. This legislation will authorize infrastructure upgrades to electrify two slips at the Seattle Terminal/Colman Dock. These will be the first two slips electrified of the 16 planned. This will reduce the emissions from ferries on the Seattle Waterfront and across Puget Sound. More information is available on WSF's Ferry system electrification website.

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.

N/A

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?

N/A

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

No

Washington State Ferries MOA for Colman Dock Terminal Electrification ORD

Parks & City Light Committee

June 17, 2026

Agenda

1. Washington State Ferries (WSF) Electrification Overview
2. Seattle Terminal / Colman Dock Project
3. MOA with WSF and City Light
4. Purpose of Ordinance

Ferry Electrification Program

- WSF plans to transition their fleet to hybrid electric power by 2040 and be emissions-free by 2050
- WSF will install 16 vessel charging systems at its terminals
- Anticipate 16 new hybrid-electric ferries, 6 to be retrofitted

Preliminary 3-D-rendering of the new hybrid-electric 160-auto-capacity ferry.
Photo from the **WSF System Electrification Program Flickr site**

Reduced Environmental Impact

- WSF is targeting a 70% reduction in CO_2e (e= equivalent) by 2040 and 95% by 2050 (from 2005 benchmark)*
- Potential to reduce underwater radiated noise that is harmful to marine life

* From WSF System Electrification Plan, December 2020 Washington State Ferries - System Electrification Plan - December 2020

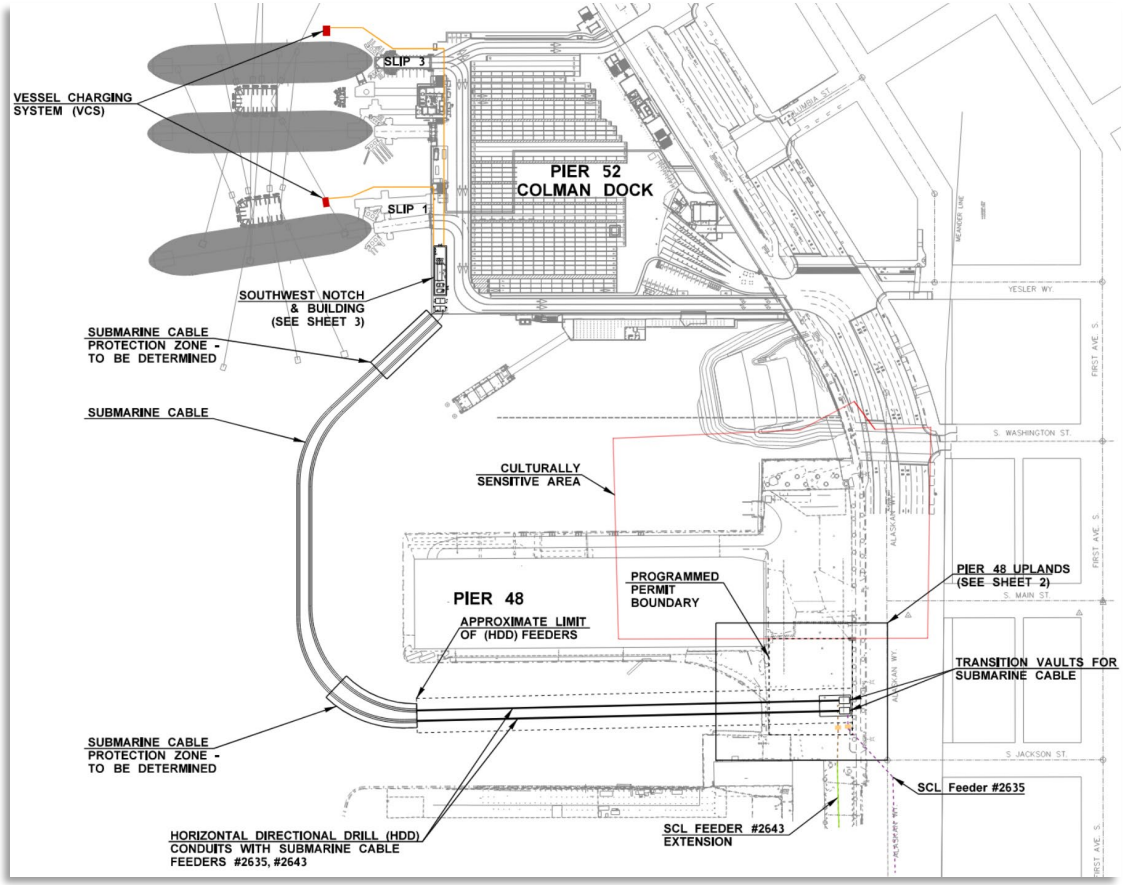
Seattle Terminal / Colman Dock

- WSF will electrify 2 slips at Colman Dock for routes to Bainbridge and Bremerton at **15MW each**
- SCL to extend 2 services from Pier 48 to Colman Dock via WSF-owned submarine cables
- Project is part of the City Light's Maritime Transportation Electrification Program **(MARTEP)**
- In accordance with City Light's Transportation Electrification Strategic Investment Plan 2023-2028

Project Area, showing submarine cable in yellow.
Photo from the Nov 2021 WSF CRA Workshop Final Report

Project Timeline

- **March 2027**: WSF to issue Design-Build notice to proceed
- **October 2028**: Construction – Service extension work
- **November 2028**: Submarine cable installation
- **May 2029**: In-service date Slip 3
- **April 2030**: In-service date Slip 1



Memorandum of Agreement (MOA)

- Total Costs Outlined in MOA: **$3.2 million**
  - WSF Costs: **$2.7 million**
    - Estimated service upgrade + 20% contingency
    - Actual costs to extend feeder from Terminal 46 thru a previous project (completed)
  - SCL Not-to-exceed amount for betterments: **$500,000**
    - Betterments are infrastructure improvements completed during construction for SCL's exclusive purposes, not related to WSF's project or service
- Five-year agreement between WSF & City Light

Ordinance Authorizes City Light to:

- Execute and deliver 5-year MOA with WSF for the Seattle Terminal / Colman Dock
- Execute a 30-year Operations Agreement between City Light and WSF for the Seattle Terminal / Colman Dock

Questions?

Legislation Text

File #: Appt 03529, **Version:** 1

Appointment of H Bradley Kahn as member, Board of Parks and Recreation Commissioners, for a term to 3 years from Council confirmation.

The Appointment Packet is provided as an attachment.

City of Seattle Boards & Commissions Notice of Appointment

Appointee Name: *H Bradley Kahn*

Board or Commission Name: *Board of Parks and Recreation Commissioners*

Position Title: *Position 7 (Commission Seat)*

☒ **Appointment** ☐ **Reappointment** ***Term of Position:** *3 years from City Council confirmation*

☐ *Serving partial term (eligible for full terms thereafter)*

Appointing Authority: ☐ City Council ☒ Mayor ☐ Other: *Insert Appointing Authority*

City Council Confirmation Required? ☒ Yes ☐ No

Residential Neighborhood: *Phinney Ridge*

Appointee brief overview:

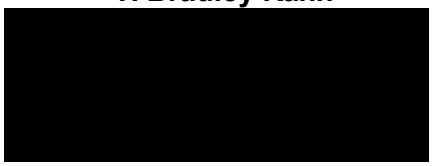
Brad brings 15+ years of nonprofit board experience, including service with the Forest Stewardship Council, Seattle Parks Foundation, Green Seattle Partnership, and the David and Lucile Packard Foundation, which more than qualifies him for this seat. He has committed to advocating for parks access, especially for people who may not always feel welcome in every place or situation.

In his professional career, Brad has focused on communications strategy with a global focus on forestry and climate advocacy. He balances his wealth of professional experience with a deeply ingrained sense of social justice and compassion for all members of his community. He has been active with nonprofits focused on keeping our park system strong and will be a wonderful addition to the BPRC, where his expertise and enthusiasm will be invaluable to the department.

Appointing Authority Signature:	**Appointing Authority Printed Name and Title:**
Katie B Wilson **Date Signed:** 5/19/2026	*Katie B. Wilson* Mayor of Seattle

**For most boards and commissions, the term begin and end date is fixed and tied to the position and not the appointment date.*

H Bradley Kahn



Accomplished professional with more than 20 years of experience in complex strategic communications roles with a global focus on forests and climate advocacy.

Communications Director, ACR **2023 – Present**
Lead communications for the first private greenhouse gas registry in the world, which has been operating since 1996.

- Develop and implement communications strategy, including message development, media relations, events, social media, video and web production and more.

- Develop communications tools about a portfolio of emission reductions and removals methodologies related to forest conservation, methane abatement and destruction of ozone-depleting substances.

- Represent the organization in public forums to reinforce the importance of carbon markets and private sector climate action.

Principal, Groundwork Strategies **2011 – 2023**
Lead a strategic communications consultancy to advance solutions for climate and forests.

- **Forest Stewardship Council** **2011 – Present**
  Serve as communications director for U.S. national office to advance initiatives that incentivize responsible forest management. Responsible for strategy, messaging, media relations, crisis communications and social media. Engage with partners such as Google, Disney, McDonald's and Patagonia. Developing a project to quantify forest carbon impacts associated with FSC management. Regularly present at conferences and in corporate settings on behalf of the organization.

- **Bullitt Foundation** **2011 – Present**
  Lead communications for the Bullitt Center, the world's greenest building. Responsible for all communications, including social media, website, and media relations, with coverage in *The Guardian, The New York Times, CNN, The Los Angeles Times, TIME* and many more. Support the Emerald Corridor initiative to advance the Pacific Northwest as a global model of urban sustainability.

- **David and Lucile Packard Foundation 2013 –** **2021**
  Supported climate and oceans programs. Worked with program and communications teams, facilitated planning retreats, developed communications strategies, messaging, and spokesperson trainings to elevate the Foundation's impact and influence, especially to bring new funders into the climate arena. Supported Foundation engagement related to the Indigenous Peoples and Local Communities (IPLC) Pledge at COP26.

- **ClimateWorks** **2015 and 2017**
  Facilitated planning retreat and developed organizational communications strategy in partnership with senior leadership and program teams. Supported implementation by developing case studies of impact for use with potential funding partners.

- **Forest Carbon** **2020 – Present**
  Developed a communications plan and supported media relations for a restoration project developer in Indonesia focused on benefits for local communities, biodiversity and investors.

- Other clients have included the Brainerd Foundation, Earthjustice, International Living Future Institute, Lestari Capital, Rainforest Alliance – Accountability Framework Initiative, Sea Change Foundation, and Stanford University Woods Institute for the Environment.

Senior Vice President, Pyramid Communications **1999 – 2010**
Led environmental division, including management of up to 11 direct reports. Responsible for managing large multi-stakeholder networks and projects.

- Served on firm-wide senior leadership team, responsible for strategy, business development, budgeting, recruitment and overseeing complex communications and public affairs projects for diverse clients.

- Clients included: American Forests, City of Seattle, Climate Solutions, Conservation Northwest, Ecotrust, King County, The Nature Conservancy, Robert Wood Johnson Foundation, Sierra Club, Trust for Public Land, and Woodland Park Zoo.

- Other responsibilities and skills included the following: Organizational marketing, brand strategy, crisis communication, project management, staff mentoring, client relations, strategy and communications planning, message development, media relations, opinion research analysis, and oversight of materials, website and video production.

EDUCATION

Yale University School of Forestry and Environmental Studies **1996 – 1998**
Masters of Environmental Studies, Watershed Systems and Management
New Haven, Connecticut

Brown University, Bachelor of Arts, Economics **1988 – 1992**
Providence, Rhode Island

OTHER ACTIVITIES

Board Member, Seattle Parks Foundation **2010 – 2024**
Served as past board chair during successful public funding campaign that generated $50 million per year for Seattle Parks; current chair of Diversity, Equity, Inclusion and Justice Task Force.

Completed “Undoing Institutional Racism” workshop conducted by The People’s Institute Northwest for Survival and Beyond.

BOARD OF PARKS AND RECREATION COMMISSIONERS

15 Members: Pursuant to Ordinance 12680, all members subject to City Council confirmation, with 3-year terms, except for position 5 which serves as a one-year term and is a Get Engaged member per SMC 3.51.

- 7 City Council-appointed
- 8 Mayor-appointed
- 0 Other Appointing Authority-appointed:

Roster as of June 2026

Position Number	Position Title	Appointee Name	Term Begin Date	Term End Date	*Term Number	Appointed By
1	At-Large	Ryan Baum	5/14/24	5/13/27	1	Mayor
2	At-Large	Jane Stonecipher	9/16/25	9/15/28	1	Mayor
3	At-Large	Steve Lerer	5/14/24	5/13/27	1	Mayor
4	At-Large	Kevin Werner	9/16/25	9/15/28	1	Mayor
5	Get Engaged	Brian Bakker	9/9/25	9/8/26	1	Mayor
6	Commission Seat	Tricia Diamond	5/14/24	5/13/27	1	Mayor
7	Commission Seat	H Bradley Kahn	N/A	3 years from City Council confirmation	1	Mayor
8	Commission Seat	Whitney Nakamura	4/29/25	4/28/28	1	Mayor
9	Council District 1	Rebecca J. Rasch	N/A	3 years from City Council confirmation	1	City Council
10	Council District 2	Daya Zhang	9/16/25	9/15/28	1	City Council
11	Council District 3	John A. Flinn	5/14/24	5/13/27	1	City Council
12	Council District 4	Elise Chisholm Clare	9/17/24	9/16/27	1	City Council
13	Council District 5	Ammanuel Haile-Leul	7/16/24	7/15/27	1	City Council
14	Council District 6	James Williams	N/A	3 years from City Council confirmation	1	City Council
15	Council District 7	Phillip Meng	N/A	3 years from City Council confirmation	1	City Council

Self-identified diversity chart

Appointing Authority	Male	Female	Transgender	Non-Binary	N/A	Asian	Black/ African American	American Indian/ Alaska Native	White/ non-Hispanic	Hispanic/ Latinx	Pacific Islander	Middle Eastern	Multi - racial	N/A
Mayor	5	3		1		1	1		6					
Council	4	3				1	2		4					
Other														
Total	9	6		1		2	3		10					

City Council districts represented

Council District	District 1	District 2	District 3	District 4	District 5	District 6	District 7	N/A
Total	3	1	3	4	1	2	1	

*P is for partial initial term. Appointee is eligible for full terms thereafter.

Legislation Text

File #: Appt 03530, **Version:** 1

Appointment of Phillip Meng as member, Board of Parks and Recreation Commissioners, for a term to 3 years from Council confirmation.

The Appointment Packet is provided as an attachment.

City of Seattle Boards & Commissions Notice of Appointment

Appointee Name: *Phillip Meng*

Board or Commission Name: *Board of Parks and Recreation Commissioners*

Position Title: *Position 15 (City Council District #7)*

☒ **Appointment** ☐ **Reappointment** ***Term of Position:** *3 years from City Council confirmation*

☐ *Serving partial term (eligible for full terms thereafter)*

Appointing Authority: ☒ City Council ☐ Mayor ☐ Other: *Insert Appointing Authority*

City Council Confirmation Required? ☒ Yes ☐ No

Residential Neighborhood: *Downtown*

Appointee brief overview:

Phillip Meng has served the Board of Parks and Recreation Commissioners through the Get Engaged program through the YMCA and in a Boards and Commissions position. Phillip has been a dedicated and active member of the BPRC, regularly attending meetings—even when traveling for a work, he has called in from the road—asking incisive questions, preparing and researching for issues ahead of time, and generally going above and beyond the call of duty. Phillip has a deeply analytic mind and ensures Seattle Parks and Recreation staff supports policy decisions with accessible and clear data. More than that, he understands that data can only take us so far and must be paired with a genuine curiosity and empathy for the community that enjoys our parks and public spaces. Phillip is dedicated to service and has also served on the City's Community Technology Advisory Board.

Phillip is currently a member of the Board, and we are submitting a new appointment for him to represent his residential district, as an urban resident who works hard to ensure our public spaces are welcoming and inclusive to our diverse communities.

Appointing Authority Signature:	**Appointing Authority Printed Name and Title:**
Debora Juarez **Date Signed:** May 27, 2026	Councilmember Debora Juarez, Chair Parks and City Light Committee

**For most boards and commissions, the term begin and end date is fixed and tied to the position and not the appointment date.*

PHILLIP MENG

[redacted]

WORK EXPERIENCE

McKinsey & Company — **Seattle, WA**
Engagement Manager — *April 2026 - present*
Senior Business Analyst; Business Analyst — *January 2024 - March 2026*

Work in electric power / energy transition and technology / media / telecom.

Boston Consulting Group (BCG) — **Seattle, WA**
Summer Associate — *June 2022 - August 2022*

Qualtrics — **Seattle, WA**
Financial Analyst - Part-Time — *September 2021 - June 2022*

POLICY EXPERIENCE

Atlantic Council — **Washington, D.C.**
Consultant, GeoEconomics Center — *June 2023 - January 2024*
Young Global Professional, GeoEconomics Center — *January 2023 - June 2023*

- Research on trade fragmentation, economic statecraft, and monetary policy. Published 4 articles on emerging trends like growing gold reserves and Asia-Africa trade. Quoted in CNN on effects of a U.S. default on China and Japan.
- Part of research team for CBDC Tracker, Bretton Woods 2.0 project, and IMF-World Bank week

Chicago Council on Global Affairs — **Chicago, IL**
Public Opinion Intern, Lester Crown Center on US Foreign Policy — *September 2022 - January 2023*

- 2022 Chicago Council Survey team. Published 8 articles, including research briefs on great-power competition and pandemic public opinion (author page). Analyzed sampling of AAPIs, built visualizations, created topline reports.

Bipartisan Policy Center — **Washington, D.C.**
Intern, Business Project — *August 2022 - December 2022*

SERVICE

- Seattle Board of Parks and Recreation Commissioners
- Seattle Community Technology Advisory Board
- Pacific Chapter of the American Association for Public Opinion Research

WRITING

Neumann, R., Lang, S., & **Meng, P.** (2025). 'Have Your Say' in practice: assessing citizens' use of the EU's public consultation platform. European Politics and Society, 26(5), 1122–1142.

Policy writing: 14 articles for the Atlantic Council, Bipartisan Policy Center, and Chicago Council
Conference presentations: Council on European Studies (U. Iceland), European Union Studies Association (U. Pittsburgh)

EDUCATION

University of Washington — **Seattle, WA**
BA, triple major in Finance, Global and Regional Studies, and Information Systems — *2023*

Mary Gates Honors Scholar | Interdisciplinary Honors | Phi Beta Kappa
GPA: 3.99/4.0 (summa cum laude)

Led small-business consulting organization (150+ students), started social-impact data analytics organization, and served as co-Editor in Chief of the Jackson School Journal of International Studies.

BOARD OF PARKS AND RECREATION COMMISSIONERS

15 Members: Pursuant to Ordinance 12680, all members subject to City Council confirmation, with 3-year terms, except for position 5 which serves as a one-year term and is a Get Engaged member per SMC 3.51.

- 7 City Council-appointed
- 8 Mayor-appointed
- 0 Other Appointing Authority-appointed:

Roster as of June 2026

Position Number	Position Title	Appointee Name	Term Begin Date	Term End Date	*Term Number	Appointed By
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11	Council District 3	John A. Flinn	5/14/24	5/13/27	1	City Council
12	Council District 4	Elise Chisholm Clare	9/17/24	9/16/27	1	City Council
13	Council District 5	Ammanuel Haile-Leul	7/16/24	7/15/27	1	City Council
14	Council District 6	James Williams	N/A	3 years from City Council confirmation	1	City Council
15	Council District 7	Phillip Meng	N/A	3 years from City Council confirmation	1	City Council

Self-identified diversity chart

Appointing Authority	Male	Female	Transgender	Non-Binary	N/A	Asian	Black/ African American	American Indian/ Alaska Native	White/ non-Hispanic	Hispanic/ Latinx	Pacific Islander	Middle Eastern	Multi - racial	N/A
Mayor	5	3		1		1	1		6					
Council	4	3				1	2		4					
Other														
Total	9	6		1		2	3		10					

City Council districts represented

Council District	District 1	District 2	District 3	District 4	District 5	District 6	District 7	N/A
Total	3	1	3	4	1	2	1	

*P is for partial initial term. Appointee is eligible for full terms thereafter.

Legislation Text

File #: Appt 03531, **Version:** 1

Appointment of Rebecca J. Rasch as member, Board of Parks and Recreation Commissioners, for a term to 3 years from Council confirmation.

The Appointment Packet is provided as an attachment.

City of Seattle Boards & Commissions Notice of Appointment

Appointee Name: *Rebecca J. Rasch*

Board or Commission Name: *Board of Parks and Recreation Commissioners*

Position Title: *Representative District 1*

☒ **Appointment** ☐ **Reappointment** ***Term of Position:** *3 years from City Council confirmation*

☐ *Serving partial term (eligible for full terms thereafter)*

Appointing Authority: ☒ City Council ☐ Mayor ☐ Other: *Insert Appointing Authority*

City Council Confirmation Required? ☒ Yes ☐ No

Residential Neighborhood: *West Seattle*

Appointee brief overview:

Rebecca has spent over 15 years advancing climate mitigation, climate adaptation conservation, renewable energy and environmental justice across global NGOs, federal agencies, and philanthropic partnerships.

She has expertise in strategy development, program design, monitoring, evaluation and organizational learning systems. She is skilled in synthesizing complex evidence, supporting decision-making, managing interdisciplinary teams, and facilitating multi-stakeholder collaboration.

Rebecca has demonstrated an ability to design strategies that integrate climate science, justice, and community priorities.

She has worked at the USDA Forest Service, Amazon, Aspen Global Change Institute and currently works as a social scientist at the DOI Bureau of Ocean Energy Management.

Rebecca lives in the Hiawatha neighborhood with her family, including her two young children that attend LaFayette Elementary School.

We believe her knowledge, background and expertise will benefit the communities we serve.

Appointing Authority Signature:	**Appointing Authority Printed Name and Title:**
Debora Juarez **Date Signed:** May 27, 2026	Councilmember Debora Juarez, Chair Parks and City Light Committee

**For most boards and commissions, the term begin and end date is fixed and tied to the position and not the appointment date.*

Rebecca J. Rasch, PhD
[redacted]

Senior Program Officer | Strategy, Learning & Evaluation | Climate & Justice

15+ years advancing climate mitigation, climate adaptation, conservation, renewable energy, and environmental justice across global NGOs, federal agencies, and philanthropic partnerships. Expertise in strategy development, program design, monitoring, evaluation and learning (MEL), results frameworks, and organizational learning systems. Skilled in synthesizing complex evidence, supporting decision-making, managing interdisciplinary teams, and facilitating multi-stakeholder collaboration. Demonstrated ability to design strategies that integrate climate science, justice, and community priorities.

CORE COMPETENCIES

- Strategy Development & Theory of Change Design
- Monitoring, Evaluation & Learning Systems
- Program Design & Adaptive Management
- Climate Justice & Community Engagement
- Cross-Team Collaboration & Facilitation
- Research Synthesis & Decision Support
- Partnership Development (NGO, Government, Philanthropy)
- Impact Measurement & Results Frameworks
- Grant & Contract Management
- Stakeholder Engagement & Communications

PROFESSIONAL EXPERIENCE

Social Scientist, ***DOI Bureau of Ocean Energy Management****, Seattle, WA (2024–Present)*
- Assess community, conservation, and environmental justice concerns related to offshore renewable energy development.
- Lead public outreach design, briefing materials, and talking points for leadership.

Social Scientist, ***Aspen Global Change Institute****, Seattle, WA (2023–2024)*
- Designed and launched the institute's MEL system including KPIs and communications metrics.
- Facilitated executive strategy sessions on mission, vision, and organizational objectives.
- Built climate justice partnerships with governments and NGOs.
- Published applied research on climate justice and renewable energy.

Research Scientist, ***Amazon****, Seattle, WA (2022–2023)*
- Led evaluation design and insights for global employee experience programs.
- Delivered strategic recommendations to executive leadership.

Team Lead, Work Environment & Performance, ***USDA Forest Service****, Seattle, WA (2020–2022)*
- Led evaluation and analysis team advancing employee support programs.
- Developed measurement strategies aligned with Justice40 and equity directives.

Chief of Staff, Research & Development, ***USDA Forest Service*** *(2021)*
- Facilitated executive strategic planning and high-level policy communication.
- Managed Congressional and White House inquiries and briefing materials.

Social Science Program Manager, ***USDA Forest Service****, Montana (2015–2020)*
- Designed stakeholder engagement workshops internationally and domestically.
- Convened foundations, NGOs, and agencies to strengthen conservation planning.
- Conducted social impact assessments and socioeconomic monitoring.

Senior Project Manager & Consultant, Brazil, Ghana, Peru, NY (2011–2015)
• Led evaluations of climate adaptation and conservation programs.
• Conducted research for **ACLU, Helmsley Charitable Trust, Rockefeller Foundation**, and **Candid**.

Director of Sales & Marketing, ***SkyRun Vacation Rentals****, CO (2011)*
• Increased franchise participation by 30% through targeted marketing strategy.

*Marketing Communications Manager****, Environmental Defense Fund****, DC (2009–2010)*
• Managed Climate411 blog; authored climate policy communications.
• Facilitated partnership with Clinton Global Initiative to reduce fleet GHG emissions by 20%.

Project Manager, ***i-to-i Meaningful Travel****, UK (2008–2009)*
• Designed and monitored global conservation volunteer programs.

Staff Officer, ***Boulder Shelter for the Homeless****, CO (2005–2006)*
• Supported operations for 150 clients nightly through volunteer and crisis management.

Agroforestry & Gender Development Specialist, ***Peace Corps****, Dominican Republic (2003–2005)*
• Founded women's cooperative supporting 25 members.
• Installed 50 bio-sand filters supplying potable water to 250+ residents.

EDUCATION

PhD: Environmental Sociology and Demography, Graduate Center, City University of New York, New York, NY
MBA: Darden Graduate School of Business, University of Virginia, Charlottesville, VA
BA: Wesleyan University, Middletown, CT
SERVICE: *Board Member*, Wildlife Alliance

SELECTED CLIMATE AND EQUITY FOCUSED PEER-REVIEWED PUBLICATIONS AND REPORTS

Vano, J.A., Archie, K.M., Arnott, J.C., DeHaan, A., Hirschfeld, D., Mateo, E., and Rasch, R. 2025. Understanding decision support for a changing climate. Aspen Global Change Institute. https://doi.org/10.69925/FHTF3834

Rasch, Rebecca. 2022. "Wildland Advocates in Unexpected Places." *International Journal of Wilderness.* https://ijw.org/august-2022/

Rasch, Rebecca. 2021. "Exploring Perspectives on Public Land Management in Rural Montana and Idaho." *Journal of Applied Social Science.* DOI: 10.1177/1936724420980410

Rasch, Rebecca. 2021. "Societal Relevance of Wilderness lands." Chapter 3 in Economic, Social, and Tribal Values of Wilderness in America. General Technical Report. Research Triangle Park, NC: USDA Forest Service, Southern Research Station.

Rasch, R. 2020. "Connecting to Nature: Outdoor recreation preferences and constraints of older adults in the intermountain West, United States." *Journal of Park and Recreation Administration*. DOI:10.18666/JPRA-2020-10521

Rasch, Rebecca. 2019. "Are public meetings effective platforms for gathering environmental management preferences that most local stakeholders share?" *Journal of Environmental Management* (3) 245:496-503. DOI: 10.1016/j.jenvman.2019.05.060.

Rasch, Rebecca and Sarah McCaffrey. 2019. "Exploring wildfire-prone community trust in wildfire management agencies. *Forest Science* (65)5:652-663. DOI:10.1093/forsci/fxz027

Rasch, Rebecca and Sarah McCaffrey. 2019. Local public priorities and preferences for public land management in the Northern Region. Gen. Tech. Rep. RMRS-GTR-400. Fort Collins, CO: USDA Forest Service, Rocky Mountain Research Station.

Rasch, Rebecca, Reeves, Matt and Colin Sorenson. 2018. "Does oil and gas development impact recreation visits to public lands? A cross-sectional analysis of overnight recreation site use at 27 national forests with oil and gas development." *Journal of Outdoor Recreation and Tourism* 24:45-51.

Rasch, Rebecca. 2018. "Intergenerational Changes in Wilderness Values in America." *Population and Environment.* DOI: 10.1007/s11111-018-0293-7

Rasch, Rebecca and Beth Hahn. 2018 "A Spatial Demographic Approach to Wilderness Management." *International Journal of Wilderness.* https://ijw.org/a-spatial-demographic-approach-to-wilderness-management

Rasch, Rebecca. 2016. "Income Inequality and Flood Hazard in Brazilian Municipalities." *Social Science Quarterly.* DOI: 10.1111/ssqu.12274

Burd-Sharps, Sarah and Rasch, Rebecca. 2015. "Impact of the US Housing Crisis on the Racial Wealth Gap Across Generations." New York: Social Science Research Council, New York, NY. https://www.ssrc.org/publications/view/impact-of-the-us-housing-crisis-on-the-racial-wealth-gap-across-generations/

Rasch, Rebecca. 2015. "Assessing Urban Vulnerability to Flood Hazard in Brazilian Municipalities." *Environment and Urbanization.* DOI: 10.1177/0956247815620961

Rasch, Rebecca. 2015. "Income Inequality and Flood Hazard in Brazil." *Berkeley Journal of Sociology.* *http://berkeleyjournal.org/2015/08/income-inequality-and-flood-hazard-in-brazil/*
Rasch, Rebecca. 2015. "Measuring the Middle Class in Middle Income Countries." *Forum for Social Economics.* DOI: 10.1080/07360932.2015.1044258

BOARD OF PARKS AND RECREATION COMMISSIONERS

15 Members: Pursuant to Ordinance 12680, all members subject to City Council confirmation, with 3-year terms, except for position 5 which serves as a one-year term and is a Get Engaged member per SMC 3.51.

- 7 City Council-appointed
- 8 Mayor-appointed
- 0 Other Appointing Authority-appointed:

Roster as of June 2026

Position Number	Position Title	Appointee Name	Term Begin Date	Term End Date	*Term Number	Appointed By
1	At-Large	Ryan Baum	5/14/24	5/13/27	1	Mayor
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15	Council District 7	Phillip Meng	N/A	3 years from City Council confirmation	1	City Council

Self-identified diversity chart

Appointing Authority	Male	Female	Transgender	Non-Binary	N/A	Asian	Black/ African American	American Indian/ Alaska Native	White/ non-Hispanic	Hispanic/ Latinx	Pacific Islander	Middle Eastern	Multi - racial	N/A
Mayor	5	3		1		1	1		6					
Council	4	3				1	2		4					
Other														
Total	9	6		1		2	3		10					

City Council districts represented

Council District	District 1	District 2	District 3	District 4	District 5	District 6	District 7	N/A
Total	3	1	3	4	1	2	1	

*P is for partial initial term. Appointee is eligible for full terms thereafter.

Legislation Text

File #: Appt 03532, **Version:** 1

Appointment of James Williams as member, Board of Parks and Recreation Commissioners, for a term to 3 years from Council confirmation.

The Appointment Packet is provided as an attachment.

City of Seattle Boards & Commissions Notice of Appointment

Appointee Name: *James Williams*

Board or Commission Name: *Board of Parks and Recreation Commissioners*

Position Title: *Position 14 (City Council District #6)*

☒ **Appointment** ☐ **Reappointment** ***Term of Position:** *3 years from City Council confirmation*

☐ *Serving partial term (eligible for full terms thereafter)*

Appointing Authority: ☒ City Council ☐ Mayor ☐ Other: *Insert Appointing Authority*

City Council Confirmation Required? ☒ Yes ☐ No

Residential Neighborhood: *Magnolia*

Appointee brief overview:

James brings his extensive experience leading zero-to-one product development and cross-functional teams in mission-critical environments. His background spans military leadership, enterprise SaaS platforms, new product introduction, and operations. He has a proven track record of building and scaling AI/ML-enabled products, managing strategic partnerships, and delivering complex technical solutions that drive measurable business impact through data-driven decision-making.

A former Army Captain, James earned a Bronze Star for his combat service and was consistently recognized by commanders for his leadership. He is the father of two young children and regularly spends time at Discovery Park. He values the role of SPR programs and outdoor opportunities in strengthening Seattle communities by offering accessible, affordable ways for residents to connect and build relationships.

James is committed to engaging thoughtfully with the community to listen to concerns and take the time to respond carefully to issues brought before the Board.

Appointing Authority Signature:	**Appointing Authority Printed Name and Title:**
Debora Juarez **Date Signed:** 5/27/2026	Councilmember Debora Juarez, Chair Parks and City Light Committee

**For most boards and commissions, the term begin and end date is fixed and tied to the position and not the appointment date.*

JAMES WILLIAMS [redacted]

Summary: Think big leader with experience leading zero-to-one product development and cross-functional teams in mission-critical environments. Experience spans military leadership, enterprise SaaS platforms, new product introduction, and operations. Proven track record of developing AI/ML-enabled products, managing strategic partnerships, and scaling complex technical solutions across multiple stakeholders. Former Army Captain earning a Bronze Star for his combat service and recognition from commanders for his leadership abilities Proven track record of building and scaling products that drive measurable business impact through data-driven decision making.

Amazon

Principal Product Manager - Technical, Amazon Last Mile **Dec 2024 - Present**

- Leading initiative targeting $33MM annual savings through behavioral science and ML-driven solutions
- Architected integration of new quality signals into delivery quality models, impacting 900k+ delivery partners globally
- Developed A/B testing framework and launched first experiment to measure the impact of UX interventions to driver quality
- Managing cross-functional team of 30+ across science, program management, and engineering

Principal Product Manager - Technical, Amazon Surveys **Oct 2022 – Nov 2024**

- Developed and launched a net new survey software product for internal Amazon use to improve employee engagement, insights generation, and save on 3rd party software licensing fees projected to save $32MM in costs; scaling adoption for new product to 22k users within one year of launch.
- Provided product strategy and leadership for a cross-functional team of 25+ developers, defining scope, prioritizing features, and managing execution to deliver a fully integrated survey tool.
- Led development of AI-enabled feature leveraging Amazon Bedrock LLMs for survey automation and insights generation
- Created automated compliance and security frameworks for sensitive data handling at scale

Principal Product Manager, New Product Initiatives – Autonomous Mobility **Aug 2021 – Sept 2022**

Seeking new billion-dollar product opportunities for Amazon within sustainable mobility.

- Led SVP level initiative for an Amazon built enclosed Smart delivery e-trike proposal projected to save $55MM annually
- Developed a strategic framework doc for Devices SVP and directs which describes the mobility market segment in 2030 with the thesis being that micro mobility would be a lucrative product category for Amazon investment.
- Integrating the AV Ride hailing subsidiary Zoox into Amazon; seeking opportunities to leverage our scale to support their goals. Initiatives such as leveraging AMZL vehicles for on-road data collection, a proposal to use Zoox's tech stack to power autonomous driving for Last Mile, and identifying & acquiring an unused AMZL site for Zoox testing.

Sr Mgr, Retail Central Programs, Amazon Go Convenience **Aug 2020 – July 2021**

Led a team of 20 program managers owning new store launch & renovations, catalog and selection management systems, and new store program introduction within the complex tech enabled Just Walk Out environment.

- Facilitated the development and implementation of a new pricing strategy, leading to a 3% revenue increase through price elasticity analysis and competitive benchmarking.
- Pioneered and launched innovative net new programs which expanded the Amazon Go offering and drove incremental sales.

Transfix

Executive Director **Jan 2019 – July 2020**

Leading team of 125+ people for a $186MM supply chain technology business. Responsible for integrated customer and carrier experience, while driving industry-leading KPI's and automated tracking visibility.

- Developed a culture of excellence and high performance which led to a 1.5x increase in efficiency YoY, a 62% reduction in service delays, and all-time record throughput.
- Developed data-driven lane categorization system analyzing 1,200+ market combinations, leading to automated prioritization of high-value routes; improved margins from -1.7% to 6.4% across 43 target lanes and increased revenue by $971K above monthly budget through ML-based route optimization and pricing algorithms
- Designed a product roadmap leading to a 3x increase in customer self-service interactions, 14% increase in automated carrier tracking, and the development of a proprietary 'task manager' tool which dynamically prioritizes the associates' workflow.
- Crafted new organization and leadership structure including reshoring an offshore team, building career ladders and new compensation structure, which reduced regretted attrition by more than 60%.

Walmart eCommerce

Director, Product Management - Grocery Delivery Experience **Jan 2017 – Dec 2018**

Trailblazing the future of online grocery through innovation in transportation, packaging, and food safety. Led a customer focused & data driven culture of continuous improvement through a team of associate directors, senior managers, engineers & analysts.

- Transformed the business from a two-day delivery service in small parcel to a same day & next day offering within 90 days.
- Piloted same-day scheduled 2-hour window delivery functionality to Jet Fresh customers, leading to a customer satisfaction improvement of 25 pts as measured by NPS.
- Led packaging improvements resulting in 50% of cost savings per order, leading to positive simple margin.
- Reduced product delivery related damages by 36%.

Amazon

Site Leader, Amazon Robotics **Apr 2016 – Dec 2016**

Senior leader launching a newly designed 1.2 million sq. ft. automated fulfillment center; hiring, training, and developing a team of 64 managers, and 1200+ full time associates, ramping to receiving and shipping over two million units weekly.

- Drove record launch speed, with the site receiving its first unit in under 120 days from lease signing.
- Recognized as within the top 10% senior leaders within all of US Operations

Head of the EU Recruitment Project Management Team & Campus Recruitment **May 2015 – May 2016**

Assigned to lead a project management team to drive innovation & continuous improvements to optimize the processes for pan-European recruitment teams which hired over 2500+ candidates.

- Implemented a candidate analytical assessment tool impacting over 100k applications annually leading to higher quality candidates based on scientifically validated benchmarks and a recruitment pipeline time savings of over 500k EUR.
- Led the EU undergraduate and MBA recruitment programs that directly hired 560+ exempt leaders into 7 European markets.

Sr Manager, Productivity Improvement Team (Project Based Assignment) **Jan 2015 – Apr 2015**

Hand-selected by VP of EU Operations to build a team of 10 experts and drive an ambitious playbook to tackle significant cost and quality challenges across the EU fulfillment network.

- Within 12 weeks drive 13.4% improvement in outbound and 6.1% improvement in inbound in the target sites.
- Implemented quality management system resulting in step level improvement in customer experience performance.

Sr Manager, Process Engineering **Feb 2014 – Jan 2015**

Led a team of engineers, while overseeing the development and deployment of all process standards for the pan-European Fulfillment center network. Drove the creation and implementation of FC process, software and process standards, by providing process skills to FC leaders, end-to-end support for FC launches, by rolling out of software projects aligned process improvement initiatives, by supporting Standard Work and Kaizen events and by running and coordinating selected cross-functional projects and being the primary operations liaison with other departments.

- Directed the development and execution of process training in the network, developing a program supporting 30+ sites, and training over 250 technical leaders.
- Chartered and implemented an FC software initiative that automated 80% of manual decision-making in operations.

Sr Manager, Global Operations Integration **Oct 2013 – Jan 2014**

Change leader & technical process expert on a team that benchmarked Amazon's fulfillment practices against best-in-class operations in order to apply these methods to critical EU facilities and rapidly improve productivity performance.

- Conducted a series of in-depth analysis projects to identify where the prevailing improvement measurement methodologies had fallen short, and utilized these analyses to determine where to signal a change in direction.
- Validated savings of $45MM+ in variable cost in the target fulfillment centers.

Western Region Start-Up Manager and Subject Matter Expert **Jun 2012 – Sept 2013**

Subject matter expert and lead process development and standardization efforts across ten Amazon fulfillment centers, two of which were new greenfield launches in 2012. Drove software requirement gathering and prioritization efforts for NA fulfillment.

- Built and delivered a series of high impact training modules for senior leaders from the EU that were used as a component of an overall strategy of best practice sharing and integration between regions.

Outbound Operations Manager **Jun 2010 – May 2012**

Handled strategic planning/forecasting, appraisals, reward and discipline, problem solving, and labor planning.

- Developed eight new campus hire area managers across a 24 hour operation, training them on everything from basic management practices, to mentoring through complex process improvement events.
- Increased picking department performance by 19% within three months of focused activity.
- Led multiple large-scale kaizen process improvement projects resulting in validated annualized savings over $650k

United States Army

Chief of Operations & Planning Officer **Jun 2009 – Jun 2010**

Developed training/deployment plans for a 5,200-person brigade, developed mission execution tracking mechanisms and drove unit effectiveness through accountability. Implemented operations research and analysis to assist commander in combat employment.

Battalion Battle Captain: Manager, Tactical Operations Team **Nov 2008 – May 2009**

Managed a tactical operations team of 12 soldiers and non-commissioned officers that coordinated operations for over 1,200 combat missions and directed assets of an 800 person unit in southern Baghdad.

- Coordinated personnel and vehicle assets to conduct multiple mission types, including indirect fire and close air support, unmanned aerial vehicle deployment, operation and recovery, vehicle recovery, and medical evacuation.
- Supported Army Special Forces and Navy SEAL teams in conducting short-notice missions based on time-sensitive intelligence reports, and selected as a member of security planning team for the January 2009 Iraqi elections.

M1A1 Abrams Tank Platoon Leader **Apr 2006 – Oct 2008**

Full accountability for training & deployment readiness planning and combat mission execution for a tank unit, implementing strategies that resulted in improvements to the standard of living and security in Wasit & Baghdad province. Awarded the Bronze Star.

- Completed two successful civil irrigation projects supporting 13,000 people, valued at over $400k.
- Rated in top three of all junior officers in the Battalion in senior leader evaluation.

Education

Master of Business Administration (MBA) *Arizona State University, W. P. Carey School of Business, Graduated 2014*

Bachelor of Arts (BA), International Relations, *University of Southern California, Graduated 2006*

Extras

Published in Wall Street Journal, April 2020 "From Iraq to New York: Thank Those Who Keep on Truckin'"

SKILLS & TECHNOLOGIES

• Product Development: AI/ML solutions, SaaS platforms, Sprint/Epic planning
• Technical Integration: API development, LLM implementation, system architecture
• Release Management: Agile methodologies, continuous deployment, feature flagging
• Cross-functional Leadership: Engineering partnerships, stakeholder alignment
• Strategic Planning: Product roadmap development, technical requirement definition

BOARD OF PARKS AND RECREATION COMMISSIONERS

15 Members: Pursuant to Ordinance 12680, all members subject to City Council confirmation, with 3-year terms, except for position 5 which serves as a one-year term and is a Get Engaged member per SMC 3.51.

- 7 City Council-appointed
- 8 Mayor-appointed
- 0 Other Appointing Authority-appointed:

Roster as of June 2026

Position Number	Position Title	Appointee Name	Term Begin Date	Term End Date	*Term Number	Appointed By
1	At-Large	Ryan Baum	5/14/24	5/13/27	1	Mayor
2	At-Large	Jane Stonecipher	9/16/25	9/15/28	1	Mayor
3	At-Large	Steve Lerer	5/14/24	5/13/27	1	Mayor
4	At-Large	Kevin Werner	9/16/25	9/15/28	1	Mayor
5	Get Engaged	Brian Bakker	9/9/25	9/8/26	1	Mayor
6	Commission Seat	Tricia Diamond	5/14/24	5/13/27	1	Mayor
7	Commission Seat	H Bradley Kahn	N/A	3 years from City Council confirmation	1	Mayor
8	Commission Seat	Whitney Nakamura	4/29/25	4/28/28	1	Mayor
9	Council District 1	Rebecca J. Rasch	N/A	3 years from City Council confirmation	1	City Council
10	Council District 2	Daya Zhang	9/16/25	9/15/28	1	City Council
11	Council District 3	John A. Flinn	5/14/24	5/13/27	1	City Council
12	Council District 4	Elise Chisholm Clare	9/17/24	9/16/27	1	City Council
13	Council District 5	Ammanuel Haile-Leul	7/16/24	7/15/27	1	City Council
14	Council District 6	James Williams	N/A	3 years from City Council confirmation	1	City Council
15	Council District 7	Phillip Meng	N/A	3 years from City Council confirmation	1	City Council

Self-identified diversity chart

Appointing Authority	Male	Female	Transgender	Non-Binary	N/A	Asian	Black/ African American	American Indian/ Alaska Native	White/ non-Hispanic	Hispanic/ Latinx	Pacific Islander	Middle Eastern	Multi - racial	N/A
Mayor	5	3		1		1	1		6					
Council	4	3				1	2		4					
Other														
Total	9	6		1		2	3		10					

City Council districts represented

Council District	District 1	District 2	District 3	District 4	District 5	District 6	District 7	N/A
Total	3	1	3	4	1	2	1	

*P is for partial initial term. Appointee is eligible for full terms thereafter.

File #: CB 121229, **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 King County Conservation Futures Levy proceeds; authorizing the Mayor or designee to enter into Amendment 6 to the Conservation Futures Interlocal Cooperation Agreement between King County and The City of Seattle for Open Space Acquisition Projects; authorizing the deposit of both the 2025 reallocations and the 2026 allocations from King County Conservation Futures Levy proceeds into The City of Seattle's Park and Recreation Fund; and ratifying and confirming certain prior acts.

Recitals:

King County Conservation Futures Levy (CFL) funds are collected throughout King County as a dedicated portion of property taxes for the acquisition of open space and natural resource lands.

In 1990, City Ordinance 114978 authorized the CFL Interlocal Cooperation Agreement ("CFL Interlocal") with King County to govern the receipt and use of CFL proceeds, and to define the special projects ("Projects") approved by King County for acquisition using CFL proceeds.

Each year the City and King County amend the CFL Interlocal to add Projects and to provide additional allocations of CFL proceeds.

On November 13, 2018, the King County Council passed Ordinance 18827, which authorized the

King County Executive to execute a new CFL Interlocal and authorized language changes thereto.

On November 22, 2021, the City Council passed Ordinance 126477, which authorized the new Conservation Futures Interlocal Agreement ("Interlocal"), to which was attached the Amendment to the Conservation Futures Interlocal Cooperation Agreement Between King County and the City of Seattle for Open Space Acquisition Projects ("Amendment").

The City Council previously passed ordinances authorizing Amendments 1 through 5 to the Interlocal.

On July 15, 2025, the King County Council passed Ordinance 19956, which authorized reallocation of unspent funds to projects, a total of $280,000.

On November 18, 2025, King County Ordinance 20023 appropriated a total of $6,968,000 in 2026 CFL proceeds to the Delridge Native Forest, Belltown Portal Bellwether Parcel, and Lakeridge Park Addition acquisition projects sponsored by Seattle Parks and Recreation. Therefore,

Be it ordained by the City of Seattle as follows:

Section 1. The Mayor or designee is authorized to execute Amendment 6 to the Interlocal Cooperation Agreement between King County and the City of Seattle for Conservation Futures-Funded Open Space Acquisition Projects, substantially in the form of Attachment 1 to this ordinance, to provide for the City's receipt and use of up to $7,248,000 from the 2025 reallocations and 2026 allocations of King County CFL proceeds. Amendment 6 will be added to the list of approved projects in the Interlocal Cooperation Agreement (Projects), to include the Delridge Native Forest, Belltown Portal Bellwether Parcel, and Lakeridge Park Addition acquisition projects.

Section 2. Funds received pursuant to the execution of Amendment 6 shall be deposited as follows:

Fund	Department	Budget Control Level	Type	Amount
Park And Recreation Fund (10200)	Seattle Parks and Recreation	Building For The Future (10200-BC-PR-20000)	2025 Reallocation Awards	$280,000
Park And Recreation Fund (10200)	Seattle Parks and Recreation	Building For The Future (10200-BC-PR-20000)	2026 Allocation Awards	$6,968,000

Section 3. Any act consistent with the authority of this ordinance taken prior to its effective date is ratified and confirmed.

Attachments:

Attachment 1 - Amendment to the Conservation Futures Interlocal Cooperation Agreement between King County and the City of Seattle for Open Space Acquisition Projects

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

**AMENDMENT TO THE CONSERVATION FUTURES
INTERLOCAL COOPERATION AGREEMENT
BETWEEN KING COUNTY AND THE CITY OF SEATTLE
FOR OPEN SPACE ACQUISITION PROJECTS**

The King County Council, through Ordinance 9128, has established a Conservation Futures Levy Fund and appropriated proceeds to King County and certain cities. This amendment is entered into to provide for the allocation of additional proceeds made available for open space acquisition.

THIS AMENDMENT is entered into between the CITY OF SEATTLE and KING COUNTY, and amends and attaches to and is part thereof of the existing Interlocal Cooperation Agreement entered into between the parties on the 17th day of October, 2022, as previously amended.

The parties agree to the following amendment:

The Interlocal Cooperation Agreement is hereby amended by adding Exhibit 1, attached hereto.

In all other respects, the terms, conditions, duties and obligations of both parties shall remain the same as agreed to in the Interlocal Cooperation Agreement as previously amended.

Once fully executed, this Amendment shall be incorporated into the existing Interlocal Cooperation Agreement as if fully set forth, and shall become Amendment 6.

IN WITNESS WHEREOF, authorized representatives of the parties hereto have signed their names in the spaces set forth below:

KING COUNTY

_____
Girmay Zahilay
King County Executive

Date: _____

Approved as to form:

_____
Leesa Manion
King County Prosecuting Attorney

CITY OF SEATTLE

_____
Katie Wilson
Mayor

Date: _____

Approved as to form:

EXHIBIT 1

2025 REALLOCATION AND 2026 CONSERVATION FUTURES LEVY PROCEEDS CITY OF SEATTLE ALLOCATION

Jurisdiction	Project Name	Allocation
2025 REALLOCATION AWARDS[1]		
Seattle (Parks)	Longfellow Creek Addition - SSC	$100,000
Seattle (Parks)	North Beacon Hill/Mt. Baker Urban Villages – 17th Ave S & S Walker St – acquisition	$80,000
Seattle (Parks)	North Beacon Hill/Mt. Baker Urban Villages - 17th Ave S & S Walker St - SSC	$50,000
Seattle (Parks)	Westwood – Highland Park RUV Gap Acquisition	$50,000
	SUBTOTAL	**$280,000**
2026 ALLOCATION AWARDS		
Seattle (Parks)	Belltown Portal Bellwether Parcel	$1,000,000
Seattle (Parks)	Lakeridge Park Addition - acquisition, annual funding	$300,000
Seattle (Parks)	Lakeridge Park Addition - SSC	$50,000
Seattle (Parks)	Delridge Native Forest - acquisition, annual funding	$500,000
Seattle (Parks)	Delridge Native Forest - acquisition, bond funding	$5,118,000
	SUBTOTAL	**$6,968,000**
	TOTAL	**$7,248,000**

[1] The King County Council authorized an award of $380,000 in 2025 reallocation dollars jointly to Seattle (SPU) and King County for North Highline Urban Greenspace: Seola Pond (KC-Seattle Joint Project) (Project #1149060). Seattle SPU staff has indicated that this funding is no longer needed by Seattle, which will not be pursuing acquisition in this area; King County may still work on this award to implement acquisition work separately. Therefore the North Highline Urban Greenspace $380,000 2025 reallocation award is not being included in this amendment.

2025 Reallocation Award Project Descriptions:

Project #1149058: Seattle (Parks) – Longfellow Creek Addition – SSC
This project seeks to preserve parcels along Longfellow Creek on 24th Avenue SW in West Seattle. Acquisitions in this area would add to Seattle's 15-acre Longfellow Creek Greenspace. This award of site stabilization cost (SSC) funding complements the earlier acquisition awards to help secure the site and cover initial site stabilization costs. Match comes from city funds. Project funding was authorized in King County Ordinance 19956.

Is this a Bond-financed Project? No

Project #1147980: Seattle (Parks) – North Beacon Hill/Mt. Baker Urban Villages - 17th Ave S & S Walker St - acquisition (match waiver)
The City of Seattle seeks to fill park service gaps in urban villages, focusing on South Seattle in the Beacon Hill/North Rainier Valley area. This project targets the fee acquisition of 10 adjoining parcels totaling 1.4 acres between the North Beacon Hill and Mt. Baker Hub (a.k.a. North Rainier) Urban Villages. This reallocation award supplements an earlier award to this project, as acquisition costs exceed the originally estimated amount. This project was awarded a match waiver. Project funding was authorized in King County Ordinance 19956.

Is this a Bond-financed Project? No

Project #1149059: Seattle (Parks) – North Beacon Hill/Mt. Baker Urban Villages - 17th Ave S & S Walker St - SSC (match waiver)
This award goes to the same project as above. The city requests a site stabilization award of $50,000 for demolition and other site stabilization needs. This project was awarded a match waiver. This award of site stabilization cost (SSC) funding complements the earlier acquisition award to help secure the site and cover initial site stabilization costs. Project funding was authorized in King County Ordinance 19956.

Is this a Bond-financed Project? No

Project #1147981: Seattle (Parks) – Westwood – Highland Park RUV Gap Acquisition (match waiver)
The City of Seattle seeks to fill park service gaps in urban villages in this proposal, focusing on southwest Seattle. This year's target is the fee acquisition of three parcels totaling 0.32 acres in the Westwood-Highland Park Residential Urban Village near the border with White Center. This project was awarded a match waiver. This reallocation award supplements an earlier award to this project, as acquisition costs exceed the originally estimated amount. Project funding was authorized in King County Ordinance 19956.

Is this a Bond-financed Project? No

2026 Allocation Award Project Descriptions:

Project #1150364: Seattle – Belltown Portal Bellwether Parcel, $1,000,000
The City of Seattle is seeking to purchase a portion of a privately owned parcel located next to the future Belltown Portal Park. This acquisition could create a park entrance from the recently opened Bell Street Park extension from First Avenue to Western Avenue, retain mature trees, and offer p-patch opportunities if not accommodated elsewhere on the much larger adjacent future park. Land match would require right-of-way vacation by SDOT, transfer of a parcel to Seattle Parks, appraisal to value the land match footprint, and title restriction placed on the land match parcel footprint. If land match proves not to be feasible, cash match is an alternative option for Seattle, to represent 25 percent of total project costs. Project funding was authorized in King County Ordinance 20023.

Is this a Bond-financed Project? No

Project #1150366: Seattle – Lakeridge Park Addition - acquisition (annual funding), $300,000 (match waiver)
This project is receiving annual and SSC funding awards; this represents the annual funding. The City of Seattle is seeking funding to purchase a property at the south side of Lakeridge Park that will create park visitor access from the south end of this almost one-mile-long park. The property, which has a tear-down house that would be demolished, can serve as a southern trailhead to the local community in south Seattle and Skyway. This project was determined to merit a match waiver. Project funding was authorized in King County Ordinance 20023.

Is this a Bond-financed Project? No

Project #1150426: Seattle – Lakeridge Park Addition - SSC funding, $50,000 (match waiver)
This award goes to the same project as above, representing the SSC funding award into the project. This project was determined to merit a match waiver. Project funding was authorized in King County Ordinance 20023.

Is this a Bond-financed Project? No

Project #1150365: Seattle – Delridge Native Forest – acquisition (annual funding), $500,000 (match waiver)
This project is receiving annual and bond funding awards; this represents the annual funding. The City of Seattle is seeking funding to purchase urban forest and expand public land ownership east of Delridge Way SW at SW Orchard Street. The purchase would expand the footprint of a Seattle Department of Transportation (SDOT) project to restore four acres of degraded forest in the Longfellow Creek watershed, carried out in partnership with the

community and the Muckleshoot Tribe. This project was determined to merit a match waiver. Project funding was authorized in King County Ordinance 20023.

Is this a Bond-financed Project? No

Project #1148073/Award #1150398: Seattle – Delridge Native Forest – acquisition (bond funding), $5,118,000 (match waiver)

This award goes to the same project as above, representing the bond funding award into the project. This project was determined to merit a match waiver. Project funding was authorized in King County Ordinance 20023.

Is this a Bond-financed Project? Yes

Summary and Fiscal Note

1. Legislation Summary

Department: Parks and Recreation

Title: AN ORDINANCE relating to King County Conservation Futures Levy proceeds; authorizing the Mayor or designee to enter into Amendment 6 to the Conservation Futures Interlocal Cooperation Agreement between King County and The City of Seattle for Open Space Acquisition Projects; authorizing the deposit of both the 2025 reallocations and the 2026 allocations from King County Conservation Futures Levy proceeds into The City of Seattle's Park and Recreation Fund; and ratifying and confirming certain prior acts.

Background: The Conservation Futures Levy is a county-wide property tax collected by King County for the acquisition of open space and natural areas, urban greenspaces, trails, and agricultural lands dating back to 1989. The City has maintained an interlocal funding agreement with King County since 1990 which has been successively amended based on both available funding and eligible projects. In 2021, the City passed Ordinance 126477 which authorized King County's revised Interlocal Agreement with the City, which restarted the amendment sequencing. As such, this legislation authorizes Amendment 6 to the current Interlocal Cooperation Agreement ("Interlocal") between The City and King County for the Acquisition of Open Space Projects. The legislation is authorizing the reallocation of $280,000 in available 2025 King County

Conservation Futures funding (County-wide reallocated funds) to reimburse costs for properties SPR has already acquired and the acceptance of up to $6,968,000 in 2026 funding for properties that may be acquired as detailed in following table.

2025 REALLOCATION AWARDS	Additional funds to reimburse costs for properties already acquired with Conservation Futures Levy funding.
Longfellow Creek Addition (otherwise known as Longfellow Creek Greenspace) – (SSC)[1]	$100,000
North Beacon Hill/Mt. Baker Urban Villages – 17th Ave S & S Walker St – (ACQ)[2]	$80,000
North Beacon Hill/Mt. Baker Urban Villages - 17th Ave S & S Walker St (otherwise known as 17th Ave S & S Walker St) - (SSC)	$50,000
Westwood – Highland Park Residential Urban Village (RUV) Gap (otherwise known as Westwood Highland Park) – (ACQ)	$50,000
SUBTOTAL	**$280,000**
2026 ALLOCATION AWARDS	Funding for properties that may be acquired with Conservation Futures Levy proceeds.
Belltown Portal Bellwether Parcel – (ACQ)	$1,000,000
Lakeridge Park Addition – (ACQ)	$300,000
Lakeridge Park Addition – (SSC)	$50,000
Delridge Native Forest – (ACQ)	$5,618,000

[1] **SSC**: Site stabilization expenses include demolition, signage, fencing, etc.

[2] **ACQ:** Acquisition expenses include purchase and/or associated costs to acquire property (i.e., title, appraisal, environmental, etc.)

SUBTOTAL	**$6,968,000**
TOTAL	**$7,248,000**

This legislation relates to the funding for these potential acquisitions. Separate legislation will address the acquisition.

Summary Attachment:

Summary Attachment A – Maps of Conservation Futures Levy Projects

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2. Capital Improvement Program (CIP)

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

☒ Yes

☐ No

a. CIP Project Name: Park Land Acquisition & Leverage Fund
b. Master Project ID: MC-PR-21001
c. Project Location: Citywide
d. Start Date: N/A
e. End Date: N/A
f. Total Project Cost Through 2030: $39.2M

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3. Summary of Financial Implications

Does this legislation have financial impacts to the City?

☒ Yes

☐ No

b. Revenue Change to Other Funds

2026	2027 est.	2028 est.	2029 est.	2030 est.
$280,000	$6,968,000 (est)			

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
Park And Recreation Fund (10200)	SPR	Building For the Future	$280,000	
Park And Recreation Fund (10200)	SPR	Building For the Future		$6,968,000

Revenue/Reimbursement Notes: No appropriation is necessary as revenue backs existing and prior appropriation. Further, it is anticipated that King County may directly fund escrow for the Delridge Native Forest and Lakeridge properties identified as 2026 acquisitions estimated at $5,968,000, Therefore, while the legislation authorizes accepting revenues up to $6,968,000 as land is acquired, SPR may not receive all of these proceeds for those acquisitions.

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.

SPR will incur maintenance costs to maintain the acquired land-banked sites until future development funding is identified and appropriated.

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?

SPR's associated maintenance costs for these land-banked sites are minimal until properties are developed. SPR will absorb the additional maintenance costs within existing budget appropriation.

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

This funding is integral to SPR's land acquisition program, and without it, these acquisition projects (notably Delridge Native Forest and Lakeridge Park Addition) will have to be abandoned, severely impacting the City's ability to preserve natural areas, increase tree canopy, and provide neighborhood park sites to those urban areas experiencing population growth together with park service gaps.

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

Not applicable.

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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, this is not a property acquisition ordinance, this is an ordinance seeking approval to accept funding.

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.

Conservation Futures Levy funding is used to match City funding for the acquisition of parks and open space. One of the priorities for the use of these funds is the acquisition of property in areas of the city lacking parks and open space, which tend to be high-density, low-income communities experiencing equity and health issues as identified in the Park and Open Space Plan. As mentioned, two of the 2026 grant applications totaling $5,968,000 qualified for match waivers because the demographic data met the threshold based on this Open Space Plan. These match-waived grants will cover almost 100% of the acquisition costs for both the Delridge Native Forest and the Lakeridge Park Addition (both of which are designated “higher disadvantage and priority” in the City’s Race and Social Equity Index). Without this waiver, the City would have been required to provide a 25% match.

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

There were not Racial Equity Toolkits used for the development of this legislation. SPR’s Park Development Plan & Gap Analysis Update Vol. 2 analyzes the geographic service gaps for park space within communities, including a map by Racial and Social Equity Composite Index. The Gap Analysis is included in the link below:
https://experience.arcgis.com/experience/2576566fd50747eb8a25432380b2f018

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

This legislation requests the reallocation of 2025 Conservation Futures Levy funds and the acceptance of 2026 funds. Broader and inclusive communications plans are included in the eventual development of acquired properties.

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 funding supports green space and neighborhood park land acquisitions (including the Delridge Native Forest) to help maintain carbon neutrality/decrease carbon emissions at these locations, as they will ultimately be developed or redeveloped for park and recreation uses.

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 provides for the preservation of park land and open space to support Seattle's resiliency to climate change.

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?

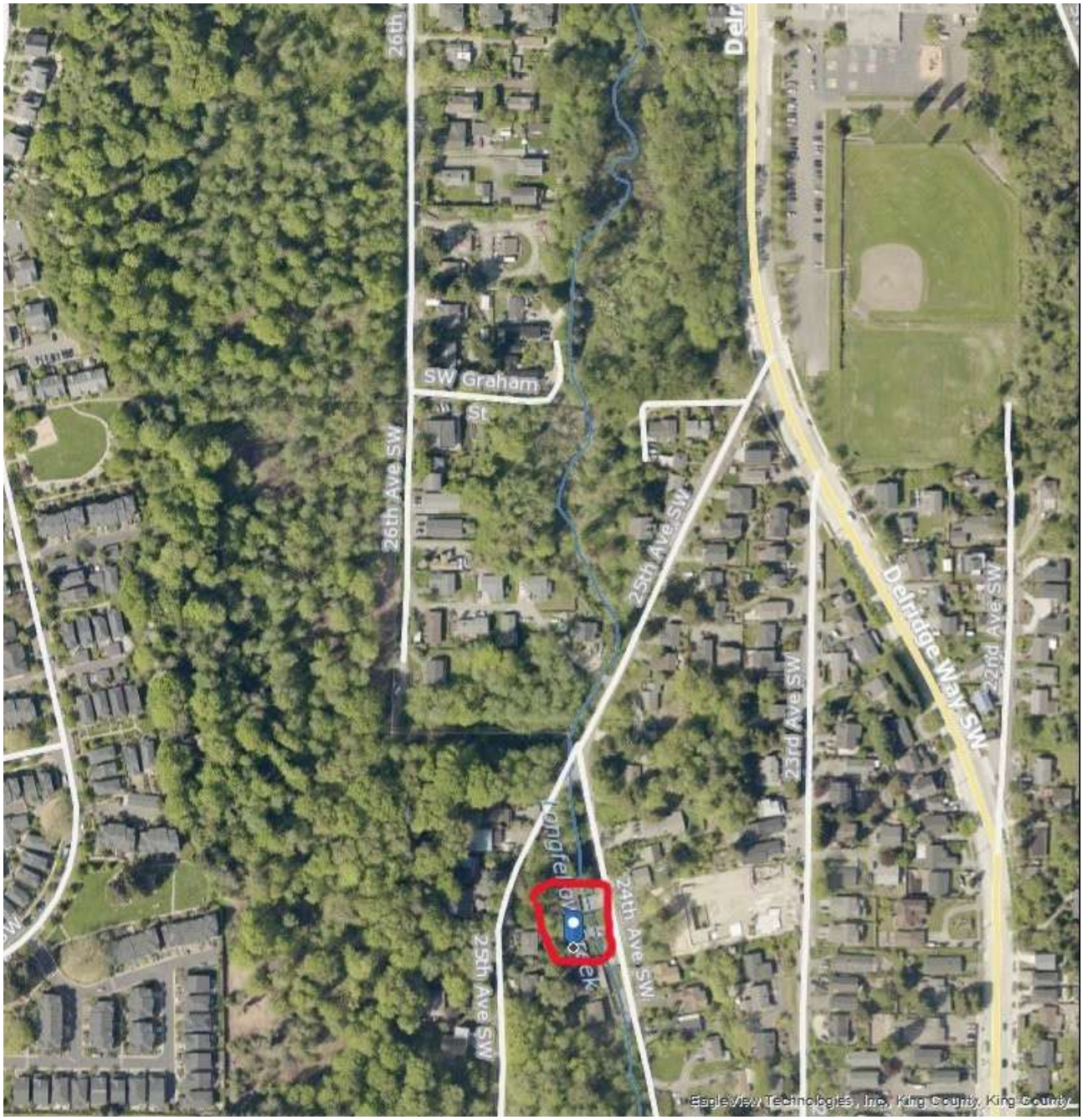
Not applicable.

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

No.

2025 ALLOCATION AWARDS TO EXISTING, FUNDED CFT PROJECTS: $280,000

- Longfellow Creek Addition (otherwise known as Longfellow Creek Greenspace): $100,000
    - Site stabilization costs for demolition of two structures SPR acquired on **24th Ave SW** in the West Seattle. These acquisitions are located in the Longfellow Creek Green Space southwest of Louisa Boren STEM K-8.



- North Beacon Hill/Mt. Baker Urban Villages – **17th Ave S & S Walker St** (otherwise known as 17th Ave S & S Walker St)**:** $80,000
    - Completion costs for acquisition of properties, serving both the Mt Baker Ridge Residential Urban Village and the North Beacon Hill Residential Urban Village, southeast of Beacon Hill Elementary School
- North Beacon Hill/Mt. Baker Urban Villages – **17th Ave S & S Walker** St: $50,000
    - Site stabilization costs for demolition of structures at 17th Ave S & SW Walker S

- Westwood – Highland Park Residential Urban Village Gap (otherwise known as West Highland Park): $50,000
    - Completion costs for acquisition of **9220 18th Ave SW**, in West Seattle, close to the City-King County border (located at SW Roxbury St) and east of the Westwood Village shopping center and transit center and Roxhill Park, filling a park service gap in the residential urban village area.

2026 ALLOCATION AWARDS: $6,968,000

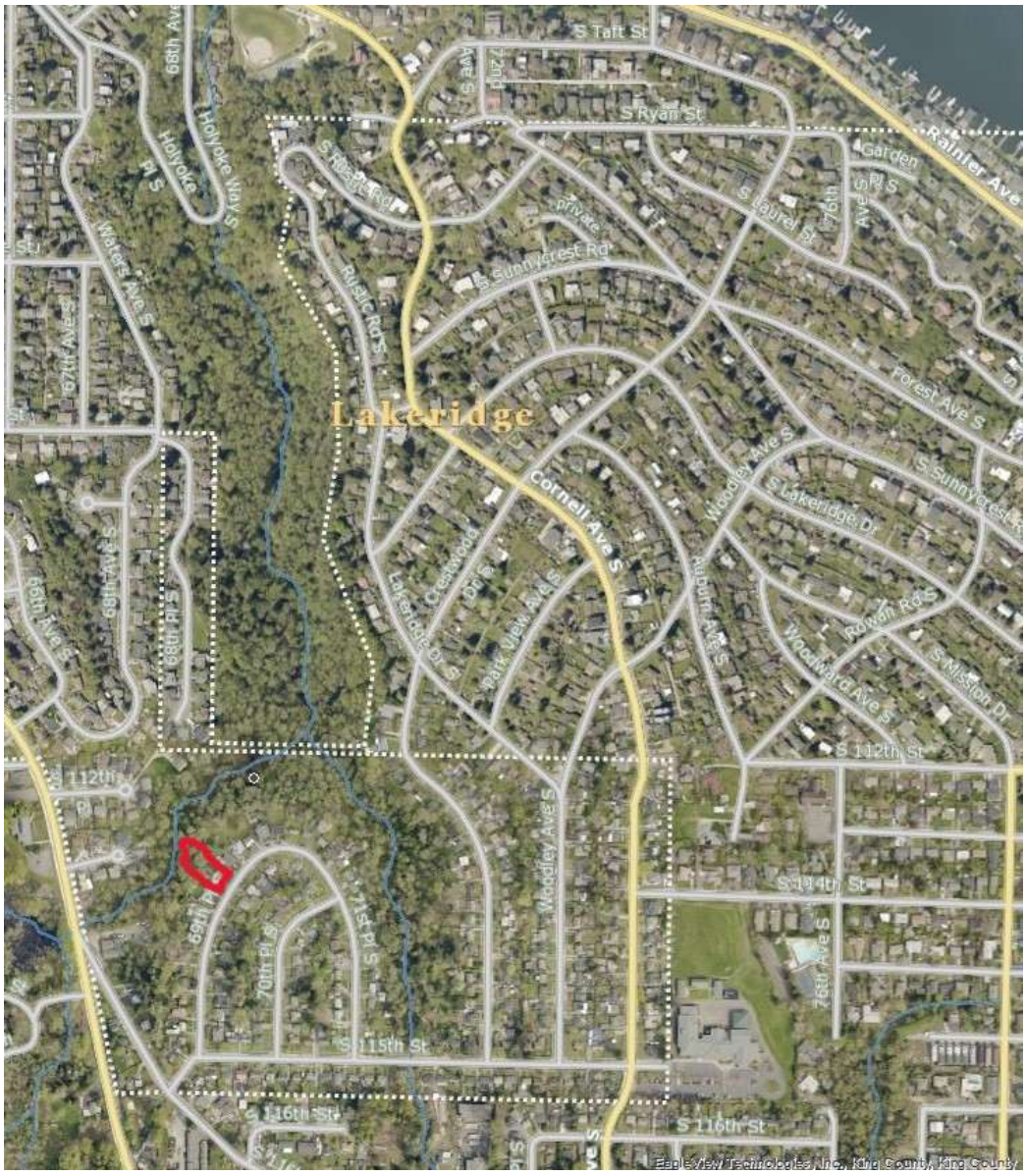
- Belltown Portal Bellwether Parcel: $1,000,000
    - Anticipated costs for acquisition of Bellwether Housing parcel downslope of 1st Avenue and Bell St, downtown Seattle (**2301 1st Avenue**). A 25% match requirement is tentatively matched by land. The yellow triangle is the acquisition area.

- Delridge Native Forest: $500,000
    - Anticipated funding costs for acquisition of connector parcels (red outline) to SDOT-owned greenbelt under restoration at **Delridge Way SW & SW Orchard St** in West Seattle. This application qualified for a match waiver. The yellow outline shows the boundaries of the blanket acquisition authorization in the companion Delridge Native Forest CFT Interlocal Agreement.
- Delridge Native Forest: $5,118,000
    - Anticipated additional King County bonding funding for acquisition of the connector parcels. The City parcels under SDOT jurisdiction lie to the east and south. The red outline designates the pending acquisition parcels. The yellow outline designates the boundaries of the blanket acquisition authorization in the companion Delridge Native Forest legislation.

Delridge
& Myrtle
Myrtle St
SDOT
SW Orchard St
Delridge Way SW
SDOT
SDOT
POLICE SW
PRECINCT
16th Ave SW

- Lakeridge Park Addition: $300,000
    - Anticipated costs for acquisition of properties west of Lakeridge Elementary School.
- Lakeridge Park Addition: $50,000
    - Site stabilization costs for demolition of structure at **69th Pl S, north of S 115th St.**

      This park addition will help residents located at the south end of Lakeridge Park access the existing trail.



Combined Total for 2025 Reallocations & 2026 Allocations: $7,248,000

King County Conservation Futures Levy Program (CFT)

Amendment 6 to Interlocal Agreement

City Council Parks & City Light Committee

City of Seattle

Purpose

This Legislation authorizes the Mayor or designee to:

- **Amend the interlocal agreement** between King County and the City of Seattle for Open Space Acquisition projects. This amendment authorizes the **acceptance of up to $7,248,000** from the King County Conservation Futures Levy (CFT) for the purchase of open space properties in Seattle.

Agenda

- Purpose and Goals
- Background on CFT Funding
- Amendment Funding Summary
- Proposed Project Locations

Goal: Leverage Funding Supporting Park Acquisitions

Conservation Futures Levy (CFT) Agreement: Amendment 6

- **Authorizes Acceptance of $280,000 in Reallocated 2025 CFT funds** to support acquisition expenses and site stabilization costs for previously acquired properties.
  - North Beacon Hill
  - Westwood Highland Village
  - Longfellow Creek
- **Authorizes Acceptance of up to $6,968,000 in Allocated 2026 CFT funds** to support acquisition and site stabilization costs for new acquisitions.
  - Unless in a greenspace with blanket authority, acquisitions would also require additional Council action.

Background: CFT Funding for Parks and Natural Areas

- The King County Conservation Futures Levy (CFT) is a countywide property tax levy (enabled by state statute) to protect forests, farms, passive outdoor recreational areas, and open space.
- Funding restricts uses (no active recreation such as off-leash areas and sports fields /courts) and limits impervious surface to 15%.
- Since 1989, the CFT has leveraged the City's land acquisition programs. Over $117 million in CFT grants supported 200+ acquisitions with approximately 151+ acres acquired.

Background: CFT Interlocal Agreement

- The Conservation Futures Tax Levy (CFT) interlocal is the agreement between King County and the City regarding Conservation Futures Tax awards to the City for land acquisition (ILA).
- Following King County Council approval of CFT awards to the City, the City Council approves an amendment to the ILA authorizing acceptance.
- This proposed legislation seeks authorization for the sixth amendment to the ILA approved in 2021 (Ordinance 126477).

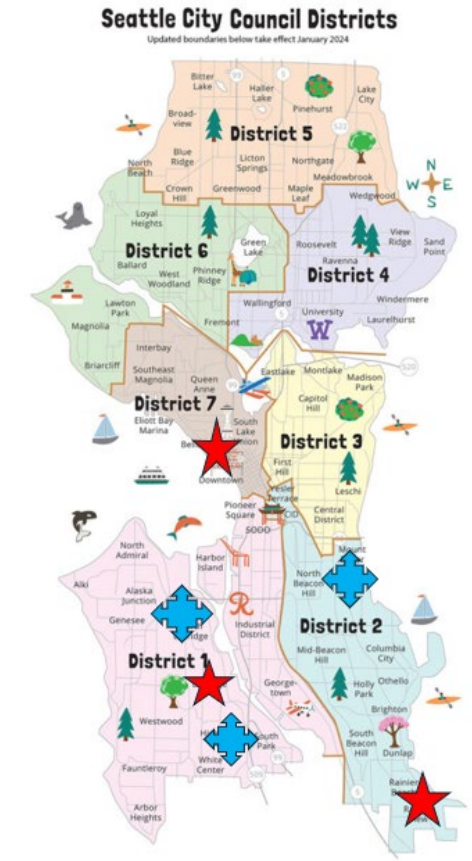
conservation FUTURES in KING COUNTY

KC-Seattle ILA Amendment 6: Funding Summary

Header Row: Funding Summary		
Council District	**Project Name**	**Estimated Reimbursement**
	2025 Reallocation (Prior Acquisitions)	
1	Longfellow Creek Addition (SSC)	$100,000
2	N Beacon Hill/Mt. Baker Urban Villages:17th Ave S & S Walker St (ACQ)	$80,000
2	N Beacon Hill/Mt. Baker Urban Villages: 17th Ave S & S Walker St (SSC)	$50,000
1	Westwood-Highland Park RUV Gap (ACQ)	$50,000
	Reallocation Subtotal	**$280,000**
	2026 Allocation (New Acquisitions)	
7	Belltown Bellwether Parcel (ACQ)	$1,000,000
2	Lakeridge Park Addition (ACQ)	$300,000
2	Lakeridge Park Addition (SSC)	$50,000
1	Delridge Native Forest ACQ)	$5,618,000
	Allocation Subtotal	**$6,968,000**
	Combined Total	**$7,248,000**

- **SSC:** Site stabilization costs, including demolition, signage, and fencing.
- **ACQ:** Acquisition expenses, including unreimbursed costs to acquire property (i.e. title, appraisal, environmental, staff labor, etc.)

KC-Seattle ILA Amendment 6: Project Locations



Denotes 2025 Reallocations

Denotes 2026 Allocations

2025 Reallocations		
Longfellow Creek Addition	North Beacon Hill/Mt. Baker Urban Villages – 17th Ave S & S Walker St	Westwood-Highland Park Residential Urban Village Gap
Site Stabilization Costs	Acquisition Expenses & Site Stabilization Costs	Acquisition Expenses
2026 Allocations		
Belltown Portal Bellwether Parcel	Lakeridge Park Addition	Delridge Native Forest
Potential Acquisition	Potential Acquisition	Potential Acquisition

Questions?

File #: CB 121230, **Version:** 1

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The City of Seattle

Ordinance

Council Bill

An ordinance relating to the Seattle Parks and Recreation; authorizing the Superintendent to identify, negotiate, and acquire real property and property rights in the Delridge neighborhood of West Seattle for the permanent preservation and expansion of the Delridge Native Forest; authorizing blanket authority for future acquisition of real property in the Delridge Native Forest including property that may have connection with Sound Transit's West Seattle Link Extension, which is expected to require park greenspace conversions; authorizing execution of purchase and sale agreements, escrow instruments, and related documents as funding is appropriated; and ratifying and confirming certain prior acts.

Recitals:

The City of Seattle has a long-standing policy commitment to preserving forested open space for ecological integrity, climate resilience, environmental justice, and public benefit.

Seattle Parks and Recreation (SPR) has been granted blanket authority to purchase greenspace properties in certain priority areas in Ordinance 125664.

The Delridge Native Forest is an emerging, ecologically significant forested green space in West Seattle that supports tree canopy, wildlife habitat, stormwater attenuation, and protection of the Longfellow Creek watershed.

The Seattle Department of Transportation is administering a reforestation project on City-owned parcels in the Delridge neighborhood, in partnership with SPR, the Green Seattle Partnership, the Delridge Neighborhood Development Association, and the Muckleshoot Indian Tribe.

Privately owned inholdings adjacent to this reforestation area are subject to active development pressure, and if developed they would permanently fragment restored forest lands and eliminate future conservation opportunities.

King County has approved funding through the Conservation Futures Levy program for acquisition of priority properties within the Delridge Native Forest.

Sound Transit is planning the West Seattle Link Extension, which may require acquisition, temporary use, or permanent conversion of existing parkland in the broader area.

The City's interests in both maintaining green space and promoting public transit are best served by acquiring property.

Granting standing authority to the Superintendent is necessary and desirable to preserve the Delridge Native Forest and facilitate the transportation benefits to Seattle residents through the Sound Transit West Seattle Link Extension. Therefore,

Be it ordained by The City of Seattle as follows:

Section 1. Purpose. The purposes of this ordinance are: (a) the permanent preservation and expansion of the Delridge Native Forest; and (b) establishing a framework that allows the City to facilitate transit development for Seattle residents by securing replacement or mitigation park greenspace consistent with City policy, including Ordinance 118477 in advance of Sound Transit identifying replacement City park greenspace property for the West Seattle Link Extension (Transit Project) that are subject to Section 4(f) of the U.S. Department of Transportation Act of 1966.

Section 2. Authorization to identify and acquire property. The Superintendent of Parks and Recreation (Superintendent) is authorized to identify, evaluate, negotiate, and acquire real property not otherwise owned by the City, through one or more transactions, located in a geographic area described as being south of SW Myrtle Street, west of the 19th Ave SW Stairs, north of Sylvan Way SW at its intersection with Delridge Way SW, and east of Delridge Way SW, in

the Delridge neighborhood of West Seattle (approximately four acres) for park and recreation purposes, including for forest preservation, conservation, or future replacement of parkland purposes (Properties).

Section 3. Authorization to pay fair market value subject to appropriation. The Superintendent is authorized to pay fair market value as determined by appraisal and negotiation as purchase price for the Properties, such funding being subject to appropriation.

Section 4. Programmatic advance acquisition authority. The Superintendent is authorized to acquire additional parcels within the Delridge Native Forest geographic area as defined in Section 2.

Section 5. Jurisdiction and management. Properties acquired pursuant to this ordinance shall be placed under the jurisdiction of Seattle Parks and Recreation and managed for conservation and forest preservation purposes.

Section 6. Replacement property. The City Council may by future ordinance determine that Properties acquired pursuant to this ordinance are “replacement property,” as the term is used in Ordinance 118477, for current City park greenspace property required for Sound Transit’s West Seattle Link Extension if Sound Transit so requests and provides the acquisition funds for the Properties either at the time of the conveyance or by later agreement.

Section 7. Ratification. Any act consistent with the authority of this ordinance taken prior to its effective date is ratified and confirmed.

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

Summary and Fiscal Note

1. Legislation Summary

Department: Parks and Recreation

Title: An ordinance relating to Seattle Parks and Recreation; authorizing the Superintendent to identify, negotiate, and acquire real property and property rights in the Delridge neighborhood of West Seattle for the permanent preservation and expansion of the Delridge Native Forest; authorizing blanket authority for future acquisition of real property in the Delridge Native Forest including property that may have connection with Sound Transit's West Seattle Link Extension, which is expected to require park greenspace conversions; authorizing execution of purchase and sale agreements, escrow instruments, and related documents as funding is appropriated; and ratifying and confirming certain prior acts.

Background: The primary goal of this legislation is to permanently preserve and expand the Delridge Native Forest, which is an emerging, ecologically significant forested green space in West Seattle that supports tree canopy, wildlife habitat, stormwater attenuation, and protection of the Longfellow Creek watershed.

In partnership with SPR's Green Seattle Partnership, the Delridge Neighborhood Development Association, and the Muckleshoot Indian Tribe, SDOT is coordinating a reforestation project on City-owned parcels in the Delridge neighborhood that began in 2024. Privately owned properties adjacent to this reforestation area are subject to

active development pressure, and SPR is pursuing acquisition opportunities in the Delridge Native Forest to prevent the development of the land which would permanently fragment restored forest lands and eliminate future conservation opportunities (see companion Conservation Futures Levy legislation authorizing funding necessary to acquire two parcels in the Delridge Native Forest).

Specifically, the legislation authorizes SPR to acquire two properties in the Delridge neighborhood (approximately two and a half acres) for park and recreation purposes, including forest preservation and provides blanket authority to the Superintendent to purchase other properties in this greenspace similar to authority provided in other greenspaces under Ordinance 125664.

As a secondary goal, SPR recognizes Sound Transit is simultaneously planning the West Seattle Link Extension (WSLE) and that project may require acquisition, temporary use, or permanent conversion of existing greenspace parkland in the broader area. Given acquisition opportunities in the Delridge Native Forest, this legislation may both preserve the forested area and potentially facilitate the future transportation benefits to Seattle residents through WSLE recognizing such acquisitions may later be considered for mitigation of greenspace impact by Sound Transit's WSLE.

The legislation is consistent with City policy, including Ordinance 118477 by authorizing SPR's acquisition of property in advance of potential requests by Sound Transit to acquire city owned park property for WSLE that are subject to Section 4(f) of the U.S. Department of Transportation Act of 1966[1]. However, the legislation does not

[1] Section 4(f) requirements stipulate that FHWA and other DOT agencies cannot approve the use of land from publicly owned parks, recreational areas, wildlife and waterfowl refuges, or public and private historical sites unless there is no feasible and prudent avoidance alternative to the use of land; and the

determine the parcels as replacement property as defined in Ordinance 118477 (Initiative 42). Instead, it sets that City Council may, by future ordinance, determine that properties may serve as such if Sound Transit so requests and provides the acquisition funds for the properties either at the time of the conveyance or by later agreement.

It is therefore in the City's interest to both preserve this important green space and recognize these acquisitions may address greenspace replacement property required by public transit projects.

Summary Attachments: Summary Attachment 1 – Map of Delridge Native Forest Acquisition Area

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2. Capital Improvement Program (CIP)

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

☐ Yes

☒ No

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3. Summary of Financial Implications

Does this legislation have financial impacts to the City?

☐ Yes

☒ No

action includes all possible planning to minimize harm to the property resulting from such use or the Administration determines that the use of the property will have a de minimis impact.

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.

This ordinance authorizes purchase of two properties that have funding through the Conservation Futures Levy program and is requesting authorization of potential future acquisitions, neither of which have immediate financial impacts.

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?

Should SPR acquire the properties, the associated maintenance costs to maintain the green spaces within the Green Seattle Partnership (GSP) work plan are minimal.

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

If this legislation is not implemented, the City risks losing the ability to act quickly to acquire priority properties when they become available. Delay increases acquisition costs, heightens the risk of development and Delridge Native Forest fragmentation, and constrains the City's ability to comply with Initiative 42 and Section 4(f) in a cost-effective manner regarding Sound Transit's expected and future West Seattle Line Extension.

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

As previously described, this legislation will require close coordination between Sound Transit and SDOT.

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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.

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.

The acquisition of green space sites will both expand the preservation of public open park space as well as ensure there will be no net loss of public open park space in an underserved area.

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

There were no Racial Equity Toolkits used for the development of this legislation. SPR's Park Development Plan & Gap Analysis Update Vol. 2 analyzes the geographic service gaps for park space within communities, including a map by Racial and Social Equity Composite Index. The Gap Analysis is included in the link below:
https://experience.arcgis.com/experience/2576566fd50747eb8a25432380b2f018

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

This legislation requests authorization for the potential future acquisition of property. Broader and inclusive communications plans are included in the eventual restoration of acquired green space properties.

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 funding supports green space and neighborhood park land acquisitions to help maintain carbon neutrality/decrease carbon emissions at

these locations, as they will ultimately be developed or redeveloped for park and recreation uses.

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 provides for the preservation of park land and open space to support Seattle's resiliency to climate change.

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.

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

No.

Summary Att 1 – Map of Delridge Native Forest Acquisition Area
V1

This is an aerial map of anticipated and potential future acquisition parcels at **Delridge Way SW & SW Orchard St in West Seattle**. The red outline designates properties included in the companion CFT legislation authorizing funding to acquire parcels in the Delridge Native Forest CFT Interlocal Agreement. The Yellow Outline designates the boundaries of the blanket acquisition authorization. The green square shows nearby SPR-owned property at **Delridge Way SW & SW Myrtle St**. The City parcels under SDOT jurisdiction lie east and south of the Yellow Outline.

Delridge Native Forest Blanket Authority

City Council Parks & City Light Committee

City of Seattle

Purpose

This legislation authorizes the Superintendent of Parks and Recreation to:

- **Identify, negotiate, and acquire real property** in the Delridge neighborhood of West Seattle to preserve the Delridge Native Forest.
- Establish **blanket authority** for future acquisitions in the Delridge Native Forest.
- Authorize the execution of purchase and sale agreements, escrow instruments, and related documents for acquisition in the Delridge Native Forest.

Agenda

- Purpose and Goals
- History and Background on Green Space Acquisition Authority
- Delridge Native Forest Project
- Proposed Blanket Purchase Authority Area

Goals

This Legislation requests approval for **blanket acquisition authority** to acquire up to 4 acres of green space property within the limited boundaries of the Delridge Native Forest.

Primary Goals:

- **Preserve and expand** the Delridge Native Forest, a green space in West Seattle surrounded by increasing property development.

- **Support reforestation efforts** in collaboration with SDOT, the Green Seattle Partnership, the Muckleshoot Indian Tribe, and community groups.

Background: Green Space Acquisition Authority

History of Blanket Acquisition Authority

- 1989: Open Space and Trails Bond Program
- 2000: Neighborhood Parks, Green Spaces, Trails, and Zoo Levy
- 2008: Parks and Green Spaces Levy
- Current Authority (2018): Ordinance 125664

Request for Additional Blanket Acquisition Authority

- Current authority limited to Green Spaces identified in 1993 Resolution 28653.
- Delridge Native Forest is not included in the existing Green Space blanket authority.

Background: Benefits of Green Space Acquisition Authority

Existing Blanket Green Space Acquisition Authority Benefits

- Supports filling green space public ownership gaps.
- Addresses development pressures of neighboring private property.
- Allows for timely response to opportunities for voluntary acquisition with willing sellers.

Additional Benefits from this Legislation

- Authorizes acquisitions adjacent to SDOT's Delridge Native Forest Garden Restoration Project.
- Preserves green space in Longfellow Creek watershed.
- Expands collaborative stewardship with regional Tribes.

Note: *Acquisitions within the limited boundaries of the Delridge Native Forest may serve as potential park replacement property for Sound Transit's West Seattle Link Extension (WSLE). This would be subject to separate, future legislation.*

Delridge Native Forest Garden Project

Reforestation project initiated by SDOT to restore four acres of forest in partnership with Green Seattle Partnership, Muckleshoot Indian Tribe, and community groups.

- Muckleshoot advises on **stewardship** activities and **engagement** with University of Washington students (see photo).
- Proposed acquisition and blanket authority **expands** the protected footprint of the forest area and **retains** tree canopy.
- SPR / GSP plans to coordinate **restoration** with the SDOT project group as they continue to seek outside funding.

Delridge Native Forest: Blanket Purchase Authority Area

- In the Delridge neighborhood of West Seattle
  - **Proposed SPR Blanket Authority Area: ~ 4 acres total**
    - South of SW Myrtle Street,
    - West of the 19th Ave SW stairs,
    - North of Sylvan Way SW at intersection with Delridge Way SW,
    - East of Delridge Way SW
  - When combined with existing SDOT property (4 Acres) and existing SPR property (3 acres) the green space could total **11 acres**

Yellow lines = blanket purchase area
Red lines = potential CFT acquisitions

Questions?

File #: Res 32210, **Version:** 1

Screen Reader Instruction Placeholder

The City of Seattle

Resolution

A resolution relating to the City Light Department; adopting a 2027-2032 Strategic Plan for the City Light Department and endorsing the associated rate path.

Recitals:

In consultation with the Mayor and the City Council, the City Light Department (City Light) initiated the strategic planning process in 2010 to provide more transparency and accountability for decision-making within City Light.

Per Ordinance 123256, the City Light Review Panel (Review Panel) is charged with representing City Light ratepayers and with reviewing and assessing City Light's strategic plans.

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

Since 2013 the Review Panel has reviewed City Light's progress in carrying out the Strategic Plan and has also reviewed the Utility's proposed 2027-2032 Strategic Plan.

City Light continues the two-year update planning cycle and is delivering the 2027-2032 Strategic Plan (Attachment 1 to this resolution).

City Light's rates and revenue requirement are governed by financial policies adopted in Resolution

31187.

The Strategic Plan is foundational to the development of City Light's budget and establishing a rate path that protects long-term affordability by prioritizing the most critical work.

City Light conducted extensive outreach regarding the Strategic Plan, with customer and stakeholder group meetings, customer surveys, and employee engagement groups.

The US electric sector is experiencing significant load uncertainty influenced by economic conditions, technological advancements and policy decisions.

This uncertainty also arises from the variability in timing, type and rate of load growth and power demand expected from building and transportation electrification, computing services, and data center operations making it increasingly difficult to forecast long-term rate increases.

The resulting 2027-2032 Strategic Plan, which includes a rate path, centers on outcomes the utility is committed to delivering in alignment with the Mayor's Vision for Seattle, allowing for flexibility in the path forward.

The 2027-2032 Strategic Plan identifies six focus areas. The six areas are: 1) Customer Experience, 2) Power Supply, 3) Reliability, 4) Sustainability, 5) Technology and 6) Workforce.

The Review Panel, in its letter dated May 7, 2026 (Attachment 2 to this resolution), endorses the Strategic Plan and associated rate path, noting that increasing operational costs, potential power shortages, the need to adopt customer-facing technologies that shift and reduce demand, and the challenge of meeting decarbonization goals without federal grants and tax incentives all support the need for a significant rate increase to maintain service and system reliability;

The City Council has reviewed the Strategic Plan, the associated rate path, the recommendation of the Review Panel, and the results of customer and stakeholder engagement. Therefore,

Be it resolved by the City Council of The City of Seattle, the Mayor concurring:

Section 1. The City Council adopts the City Light Department's 2027-2032 Strategic Plan (Strategic Plan), a copy of which is attached to this resolution as Attachment 1 and incorporated by reference.

Section 2. To achieve the goals of the Strategic Plan, the annual rate increases for 2027 and 2028 are shown below are endorsed:

2027: 9.5 percent

2028: 9.5 percent

Due to the increased load and power demand uncertainties faced by City Light, for the remaining four years of the 2027-2032 Strategic Plan (2029-2032) the rate increases are forecasted in the range of seven percent to 11 percent annually.

Attachments:

Attachment 1 - Seattle City Light 2027-2032 Strategic Plan and Appendices

Attachment 2 - City Light Review Panel Comment Letter on Proposed 2027-2032 Seattle City Light Strategic Plan

Adopted by the City Council and signed in open session in authentication of its adoption on .

President of the City Council
Signed in concurrence on .

Katie B. Wilson, Mayor
Attested on .

Scheereen Dedman, City Clerk

Seal

Seattle City Light

2027-2032 STRATEGIC PLAN

Seattle Mayor Katie Wilson with Seattle City Light Interim General Manager and CEO Rob Santoff.

To Our Customers and Community:

The energy industry is at a turning point, and so is Seattle City Light. How we use energy, where it comes from, and what it costs are changing quickly, creating uncertainty across the board.

In the Northwest, electricity demand is projected to grow 30% over the next decade, driven by rapid electrification, shifting climate conditions, and expanding digital demand. This surge could outpace regional supplies, with experts warning of potential power shortages during extreme cold snaps or other peak demand events by 2030.

City Light is a leader in clean energy and environmental stewardship, maintaining carbon-neutral status for more than 20 years. But the broader shift from fossil fuels to cleaner sources like solar and wind presents significant challenges. This transition is essential. It's also complex, expensive, and requires a shared commitment to building a carbon-free future together.

The 2027-2032 Strategic Plan is our roadmap for tackling these challenges. It outlines how we will deliver an affordable, reliable, safe, and environmentally responsible energy future. The plan highlights our commitment to upgrading our system, expanding our energy resources, incorporating new technologies, enhancing cybersecurity, partnering with customers to manage demand, preparing our workforce for evolving energy needs, and improving customer service.

City Light is here to serve, not make a profit. As a public utility, we are focused on delivering value to our customers. We invest ratepayer dollars in reliable power, renewable energy, and critical upgrades to our aging system. We recognize that bill increases can be challenging, and we remain committed to affordability, predictable rates, and providing financial assistance.

> *"Clean energy shouldn't be a privilege. Seattle City Light is how we make sure every Seattle resident has access to reliable, affordable power, no matter their income or neighborhood. I'm proud to work alongside Seattle City Light to make that a reality."*
>
> *-Seattle Mayor Katie Wilson*

This is a pivotal time, and I am confident in the path ahead. Together, we can create a more equitable, sustainable future while navigating the tradeoffs required. Thank you for your partnership as we continue powering our region and adapting to a changing energy landscape.

Rob Santoff
Interim General Manager and CEO

MISSION VISION VALUES

Seattle City Light's mission, vision, and values help to define our purpose, identify our long-term goals, and outline the core principles that guide our work.

MISSION

Seattle City Light provides our customers with affordable, reliable, safe, and environmentally responsible energy services.

VISION

Create a shared energy future by partnering with our customers to meet their energy needs in whatever way they choose.

VALUES

Dream big. Be brave. Improve. Never stop learning.

We continuously improve by approaching every challenge with curiosity and a growth mindset, proactively seeking opportunities to innovate, learn, and improve.

Collaborate intentionally, listen deeply, achieve more together.

We share ownership and responsibility for outcomes, the best of which are achieved together through authentic collaboration, active listening, alignment on goals, and commitment to action.

We serve with care.

We show up for our customers, communities, and colleagues with empathy and intention, making equitable and thoughtful decisions, and delivering valuable, friendly service that earns trust.

My voice matters: I can make a difference.

Everyone is empowered and encouraged to speak up. Different experiences and diverse perspectives help us make meaningful change. Even if things don't go my way, I am heard and respected.

Safety and integrity—no exceptions.

In every setting, we are uncompromising in our commitment to physical and psychological safety and to exercising honesty, accountability, and transparency.

Accountability in every action, pride in our craft.

We bring our skills, expertise, and commitment to deliver work we can be proud of, celebrating our successes and addressing our failures.

Protect the people, preserve the planet, power the future.

We are committed to making sustainable choices today that ensure a healthier planet and a stronger future for generations to come.

Grace guides us, empathy connects us, respect unites us.

We support the mission and one another by exercising patience, kindness, and understanding. We treat everyone with dignity, honoring our differences and elevating our shared ideals to create a space where we all belong.

OUTREACH

Seattle City Light puts customers and community at the core of everything we do.

We are working toward a reliable, affordable, and environmentally responsible energy future in the face of unprecedented uncertainty. We know we will need to make tradeoffs, and we remain committed to ensuring our work and the decisions we make reflect what matters most to the community.

Over the past year, we partnered with the Seattle Department of Neighborhoods to hear from customers across our service area to align our priorities.

Starting with what we already knew

Before reaching out, we reviewed findings from past outreach work and reflected on feedback we've already received from customers and community. Identifying existing themes and information gaps helped us shape an outreach plan focused on gathering new information rather than repeating old questions.

Connecting with diverse communities

We met people at community events, gathered input through feedback forms and online surveys, and hosted a three-day online focus group with participants from communities throughout Seattle, franchise cities, and unincorporated King County. Much of this outreach was done in partnership with Community Liaisons who helped us connect with customers in their preferred language.

City Light employees and community liaisons engaged community members in four different languages at the Community Play Day in Tukwila, a City Light franchise city.

Employees provided input through field visits, cross-functional workshops, team discussions, and leadership engagement.

Listening to those who are often left out

In addition to this broad outreach, we held community conversations and focus groups with priority populations and key partners, including:

- Communities historically underrepresented in planning processes
- Youth and young adults
- Business customers
- Community-based organizations
- City Light employees

What we heard

- **Reliability is the top priority.** Customers count on City Light to keep the power on, restore it quickly when it goes out, and provide timely updates so they know what to expect.
- **Affordability is critical.** Customers want electricity bills that are steady and affordable, without unexpected increases.
- **A healthy environment matters.** Our community cares deeply about the environment and is depending on us to provide energy in a way that limits harm to our planet.
- **The transition to clean energy must be fair.** Customers expect City Light to improve access to programs and services to ensure benefits are shared across all communities.

By incorporating this feedback into our strategic planning efforts, we will be better positioned to deliver outcomes that benefit everyone.

We will continue checking in with customers and community partners to understand what success looks like and partner on solutions to get there, together.

ACCOMPLISHMENTS

ACCOMPLISHMENTS

The following accomplishments highlight our ongoing commitment to improving the reliability of our systems, building trust among the communities we serve, and partnering with our customers to meet today's challenges while building a stronger energy future.

Making our electric system more reliable and resilient

- City Light is committed to restoring power to our customers as quickly as possible. After a severe windstorm impacted 64,000 customers in February 2025, our crews safely restored power to 98% of affected customers within 24 hours.

- Our new voluntary demand-response program invites our largest customers to use less power when demand spikes, like during extreme hot or cold weather. This allows City Light to avoid costly market purchases and/or receive higher prices for surplus energy sales. The program delivers value to the utility, program participants, and the broader community by helping keep electricity affordable, reliable, and environmentally responsible.

- City Light is proud to have earned a Diamond Level Reliable Public Power Provider (RP3) designation from the American Public Power Association—the highest level possible. This recognition reflects our commitment to industry-leading reliability, safety, workforce development, and system improvement practices. Only 251 of more than 2,000 public power utilities nationwide hold an RP3 designation.

- In December 2025, City Light signed a 16-year contract with the Bonneville Power Administration (BPA) to guarantee access to the Federal Columbia River Power System. As a public preference customer within the BPA system, City Light has access to some of the lowest cost wholesale power in the region. Historically, we have received approximately 45-50% of our resource needs from BPA. The new contract, which begins in October 2028, is expected to provide a similar amount of clean energy with a higher degree of flexibility.

Seattle City Light is committed to providing our customers with the best possible service.

Supporting our customers and community

- Seattle City Light continues to deliver excellent customer experiences for our residential and business customers. Our accomplishments in the JD Power and Escalent Studies show our commitment to making experiences easy, accessible, and valuable to our customers.

- Working with the City of Seattle Department of Neighborhoods, we are reaching more communities that are often left out of decision making, and we are helping more people get connected to utility bill assistance programs and other energy support programs like HomeWise and Multifamily Retrofit.

- To better serve our diverse community, we partnered with Seattle Public Utilities to improve the accessibility of our customer contact center. Customers may now choose from eight language options when they call our customer service center. By offering additional language options, we are helping more customers get the assistance they need.

ACCOMPLISHMENTS

Stewarding the environment and creating a sustainable energy future

- We celebrated a successful first year at the Native Salmonid Conservation Facility in Usk, Washington, where we completed the full lifecycle of Westslope cutthroat trout, preserving genetic diversity and supporting recreational fishing. Collaborative efforts with the Kalispel Tribe and local agencies have strengthened ecosystems and community ties in the Pend Oreille River Watershed.

- In July 2025, City Light hosted Senator Patty Murray, along with clean energy and climate action leaders, for a discussion on cuts to clean energy tax credits and their far-reaching impacts on our region's environment, economy, and energy security. Even with these challenges, City Light is continuing to invest in clean energy resources to meet growing demand.

- In September 2025, the Seattle City Council approved our 2026-2029 Clean Energy Implementation Plan, which details how we'll meet Washington's goal of 100% renewable and non-emitting electricity by 2045. The plan reflects months of extensive customer input and emphasizes equity, reduced energy burden, improved community health, and expanded access to green jobs.

Preparing the workforce to meet new energy demands

- Our Electric Vehicle Charging Installer Program (EVCIP) is helping electrical contractors who are women and minority-owned business enterprises (WMBE) thrive in the emerging EV charging market. In 2025, we supported 15 WMBE firms with tools, training, certifications, and access to business opportunities.

Ribbon cutting ceremony for EV charging stations at Samaki Commons, an affordable housing project. The project was completed by an EVCIP contractor, Andrew's Electric. The project was also a recipient of City Light's public charging incentive.

Using technology in strategic and innovative ways

- In 2025, we began using LiDAR to precisely map and manage vegetation along 600 miles of transmission lines, improving grid safety and wildfire prevention. Our innovative work earned us national recognition in October, when we received the Francis Upton Top Innovator in Analytics in Utility Service award.

FOCUS AREA: RELIABILITY

Uninterrupted power is essential to our customers' lives.

By 2035, Seattle City Light will rank among the best for power reliability. In addition to consistently delivering exceptional electric service to our community, we will minimize power outages and communicate clearly when they occur.

Measures of Success

We aim to achieve and maintain a ranking in the top 25% of utilities nationally (as measured by the American Public Power Association) across three critical reliability metrics:

- **System Average Interruption Duration Index (SAIDI)** reducing the total hours customers are without power
- **System Average Interruption Frequency Index (SAIFI)** decreasing the number of outages
- **Customer Average Interruption Duration Index (CAIDI)**–lowering the average time to restore power when outages occur

In addition to the above measures of success, investing in our infrastructure will result in fewer planned outages and faster recovery from storm-related outages.

Outcomes

Asset Portfolio Health

Our equipment consistently performs well, avoiding predictable and preventable equipment failures.

Restoration Time

Outages are rare, but when they happen, we restore power quickly.

Major Event Impact

When major disruptions like storms or earthquakes occur, we work quickly to restore essential power to our community.

Highlights

Protecting Our Physical Assets

City Light is increasing reliability by improving how we protect our system's physical assets. We are increasing our internal security resources and capability to improve physical security, better align with operations, and enable faster, more coordinated, incident response. We are also upgrading security technology like access controls, cameras, and lighting, and using threat intelligence to help keep our facilities secure. This work will lead to fewer security-related disruptions, faster service restoration, and safer workplaces and neighborhoods.

Strengthening Our Distribution System

An aging grid means more power outages and longer repairs, so City Light is upgrading key parts of our system to ensure reliable power. We're replacing aging underground cables, modernizing how our grid communicates, and adding automated "self-healing" technologies to quickly detect and isolate problems. These improvements will result in fewer, shorter outages and limit disruptions to build a more resilient grid.

Seattle City Light's outage map provides current information about power outages in your neighborhood and surrounding areas.

FOCUS AREA: POWER SUPPLY

Keeping power affordable, reliable, and sustainable—while meeting the region's growing energy and climate needs—depends on having enough energy resources. By 2035, Seattle City Light will meet growing customer energy use through a diverse mix of demand-side resources, power, and transmission capacity.

Measures of Success

We track our performance using a long-term reliability standard that ensures we have enough energy resources to avoid shortages. Our goal is to keep the risk of an energy shortfall to no more than one day in 10 years, a benchmark that reflects a highly reliable power supply for our customers.

We will also participate in regional programs to coordinate with utilities across the West to plan for an adequate supply of resources cost-effectively.

Outcomes

Maintain Existing Generation Assets

Our hydroelectric dams are relicensed, reliable, and in strong working condition for continued safe power generation.

Acquire Generation and Transmission

We've secured new resources aligned with our plan, giving us confidence we can meet or exceed future peak demand.

Manage Load Growth and Peaks

We partner with our customers to power a more resilient and affordable energy future by activating local resources like energy efficiency, rooftop solar, and demand response to manage growing demand, while reinvesting in the communities we serve.

Optimize Power Resources

We forecast accurately and use our assets and the energy market strategically to maximize value for our customers and the region.

Highlights

Acquiring Generation and Transmission Resources

Guided by our Integrated Resource Plan, we will add a mix of new generation and storage resources through competitive project bids, power purchase agreements, and third-party projects, and by strengthening the tools we use to ensure our load and power supply stay in balance.

Addressing Customer Demand

City Light is helping customers manage their energy use and save money through an expanded portfolio of customer energy programs including time-of-use rates, solar and battery storage, and energy-efficiency offerings. These efforts will reduce rate pressure, improve reliability, deliver environmental benefits, and support workforce development opportunities in our communities.

We're here to help you manage your energy use! To learn more, contact our Energy Advisors at (206) 684-3800 or SCL_EnergyAdvisor@seattle.gov.

FOCUS AREA: CUSTOMER EXPERIENCE

By 2035, Seattle City Light will deepen its role as a trusted energy partner, delivering positive and equitable experiences for all customers.

As a community-owned not-for-profit energy provider, we are committed to giving every customer access to the energy services they need, now and in the future.

Measures of Success

Earning and maintaining a No. 1 ranking among all utilities across the nation as measured by JD Power's Overall Customer Satisfaction score.

Outcomes

Customer Trust

Customers trust us to be transparent, proactive, and solutions-focused; they hear from us first and trust our response.

Customer Effort

Our customers consistently get fast answers, simple processes, and support that fits seamlessly into their lives.

Our Energy Heroes program partners with schools to engage students in grades 1-12 on subjects like energy conservation, electrical safety, renewable energy, sustainability, electrification, and equity.

City Light staff shared energy saving tips and resources at an "Earth Day, Every Day" event in Shoreline..

Highlights

Enhancing Customer Service Delivery

We're making it easier to do business with City Light. From service connections to utility assistance and outage communications, we're finding ways to be more proactive and reduce the time and effort it takes to get help. In coming years, we'll continue rolling out tools and upgrades that speed up transactions and make information easier to find.

Partnering with Customers and Community

Our new outreach and engagement framework focuses on building lasting relationships across our service area and ensuring our programs and investments reflect community priorities. We will show up at events, offer multiple feedback channels, build neighborhood-based partnerships, and invest in community capacity building. By listening, learning, and acting on what matters most, we aim to build trust and deliver results that truly serve our customers and communities.

FOCUS AREA: SUSTAINABILITY

By 2035, City Light will stand out as a high performer in utility sustainability by reducing carbon emissions, supporting electrification, and protecting the environment.

To us, sustainability means providing equitable clean energy services that support a healthy environment, economic opportunity, and resilient communities today and in the future.[1] We will embed sustainability across our planning, investments, operations, workforce, and culture.

Measures of Success

Ranking in the top 10% of the Escalent Environmental Dedication and Engaged Customer Relationship Indexes, and demonstrating that customers see and value our sustainability efforts.

Outcomes

Environmental Stewardship

We steadily reduce emissions from our operations and power supply and are a recognized leader for environmental responsibility, with initiatives that support salmon recovery and restoring ecosystems.

Strategic Partnerships

We're a trusted partner, building collaborations that benefit both our communities and our utility. We work with City departments, regional agencies, community-based organizations, and other partners to advance shared goals, including joint efforts on electrification and equitable access to clean-energy solutions such as community solar.

Resilient Services

Our climate-resilient systems withstand and recover rapidly from disruptions, including extreme and prolonged events.

Community Well-Being

All customers have reliable energy to heat, cool, and power their homes so they are safe and comfortable.

Highlights

Supporting the Transition to Electric Vehicles

City Light is expanding electric vehicle (EV) charging and incentives to make the switch easier and more equitable. We're partnering with the Seattle Department of Transportation to add curbside chargers in underserved neighborhoods and fast chargers at libraries, parks, and community centers. Customers can continue to access multifamily, workplace, and fleet charging incentives, streamlined rebate applications, integrated Clean Fuel Standard credits, and fleet electrification support. As EV adoption grows, these programs will work hand-in-hand with time-of-use rates and customer flexibility offerings to help manage system load and support a reliable grid.

Reducing the Energy Burden

Many households face a high energy burden, spending much of their income on electricity. We're reducing energy burden by updating the Utility Discount Program with broader benefits, simple applications, and multilingual support, and boosting enrollment through proactive outreach.

Since 1999, Seattle City Light's Wildlife Research Grants Program has supported over 80 projects that help us better understand, manage, and protect wildlife resources in the North Cascades ecosystem.

[1] Clean energy means fully renewable or non-emitting, as defined by the Clean Energy Transformation Act.

FOCUS AREA: WORKFORCE

By 2035, City Light will build and support a highly skilled, diverse, resilient, and agile workforce to meet the changing demands of the energy sector. We will attract and retain top talent, foster a workplace culture that reflects our values, and prepare employees for emerging technologies and roles.

By aligning our workforce strategy with our long-term goals, we enable reliable service delivery, support innovation and creativity, and strengthen the communities we serve.

Measures of Success

Employee engagement scores reach 80% or higher in each business unit and workforce excellence drives success across reliability, customer focus, power supply, sustainability, and technology.

Outcomes

Model a Safe and Secure Work Environment

Employees embody a shared responsibility and proactive approach to both physical and psychological safety—and we strive to continually raise the bar.

Intentional Workplace Culture

Our culture is aligned with our values. Employees feel engaged and see themselves in our mission.

Skilled Workforce

Our people are well trained and prepared to meet our customers' evolving needs. Staff recognize skills needed for the future and have a pathway to develop those skills.

Supportive Systems and Processes

Employees have the tools, clarity, and support they need to work effectively and deliver on results.

Seattle City Light employees connect with attendees at the annual Washington Women in Trades Fair at Seattle Center.

Highlights

Enhancing our Workforce Strategy

To deliver on our strategic plan, we need the right people, tools, and training at the right time. To make this happen, we're implementing utility-wide workforce planning and resource allocation tools, standardizing processes, and using better data to guide our decisions. Leaders will have clear performance expectations and the training they need to support their teams. We are also expanding our apprenticeship programs and industry connections to build a strong workforce pipeline.

Ensuring Healthy Work Environments

City Light is committed to providing a safe and secure work environment for our 1,900 employees. We're making improvements to our aging facilities so employees can focus on essential work—fixing roof leaks, addressing HVAC and plumbing issues, and correcting other safety and building concerns. We're also aligning power generation sites under consistent standards to support safer, more efficient operations.

City Light's paid apprenticeships help people get the experience they need for a career in the electrical utility industry.

FOCUS AREA: TECHNOLOGY

By 2035, Seattle City Light will use technology strategically to enhance the customer experience, improve grid performance and reliability, empower our workforce with better tools and information, and ensure our systems remain secure and resilient.

We will deliver reliable, sustainable, and secure energy to our community, while positioning Seattle City Light as a technology leader in the utility sector.

Measures of Success

We will know our technology implementation is successful when we see improvements in customer experience, operational efficiency, and community trust driven by technological advancements that enhance reliability, support resilient grid operations, and improve the service delivery.

Outcomes

Modern Grid and Utility Digital Solutions

We will modernize grid management and customer-facing technologies to create a more reliable, efficient, and responsive utility. These investments will enhance real-time visibility and control across grid operations and support the integration of distributed energy resources. At the same time, these technologies will provide a seamless digital customer experience, enabling customers to access services anytime, anywhere through intuitive, connected, and user-friendly tools.

Cyber/Physical Security and Network Modernization

We will strengthen our cybersecurity and physical security posture to reduce operational and cyber risk and better protect our critical infrastructure. Modernizing these capabilities is essential to safeguarding customer and employee data, maintaining operational continuity, and sustaining public trust. These investments will help ensure our systems and facilities remain resilient, secure, and prepared to address emerging threats.

Data Analytics and AI Enablement

We are building data, analytics, and AI capabilities to enable faster and smarter decision-making. By improving access to reliable information and providing advanced tools, we can strengthen planning, ensure grid reliability, increase operational efficiency, support our workforce, and ultimately deliver better service to our customers.

Highlights

Upgrading Critical Technologies

We are upgrading key technologies to make City Light more reliable, secure, efficient, and resilient. New, integrated systems will replace outdated, fragmented tools, improving everything from billing and service requests to operational decision-making, grid management, and clean energy initiatives. These investments will improve the customer experience, strengthen grid reliability and efficiency, strengthen cybersecurity, and improve overall operations.

Protecting Your Infrastructure

Cybersecurity is more important than ever. As cyber threats become more sophisticated and persistent, updating our cybersecurity is key to safeguarding our critical infrastructure and protecting customers' data. To ensure our cybersecurity systems are robust and effective, we will conduct internal and third-party assessments and develop a roadmap to address any necessary improvements.

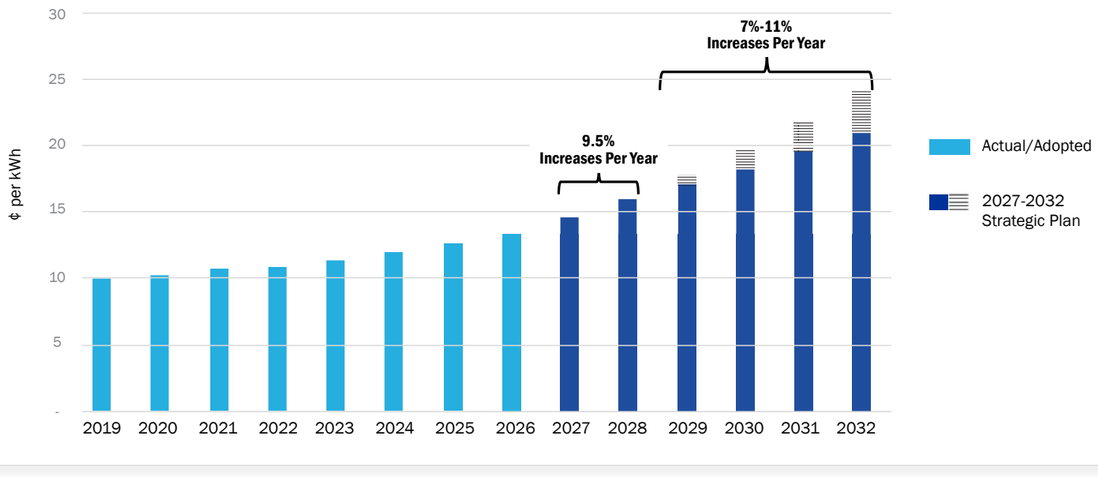
City Light's Time of Use rates encourage customers to use electricity when power is cheaper and demand is lower, helping to reduce strain on the electric grid. These rates give customers choice, flexibility, and control, with new ways to manage their energy bills while helping make our energy grid more efficient.

RATES

2027-2032 Rate Path

Achieving the goals and outcomes described in this Strategic Plan will require 9.5% annual rate increases in 2027 and 2028, followed by increases in the 7% to 11% range each year for the following four years.

Customer Rate Outlook



As a public utility, our purpose is to serve this community. We do not operate for profit or growth. Our commitment is to deliver safe, reliable, and clean electricity at the best value possible. We recognize that electricity bills are only one piece of the rising costs families and businesses are facing. As we move forward with the critical investments described in this plan, we remain firmly dedicated to managing costs responsibly and making the most of each dollar entrusted to us by you, our customers.

Bill Impacts

The 9.5% annual rate increase for 2027 and 2028 translates to about $10 a month for a typical residential bill or $4 a month for a typical residential Utility Discount Program (UDP) bill.

Customer Bill Impact Examples

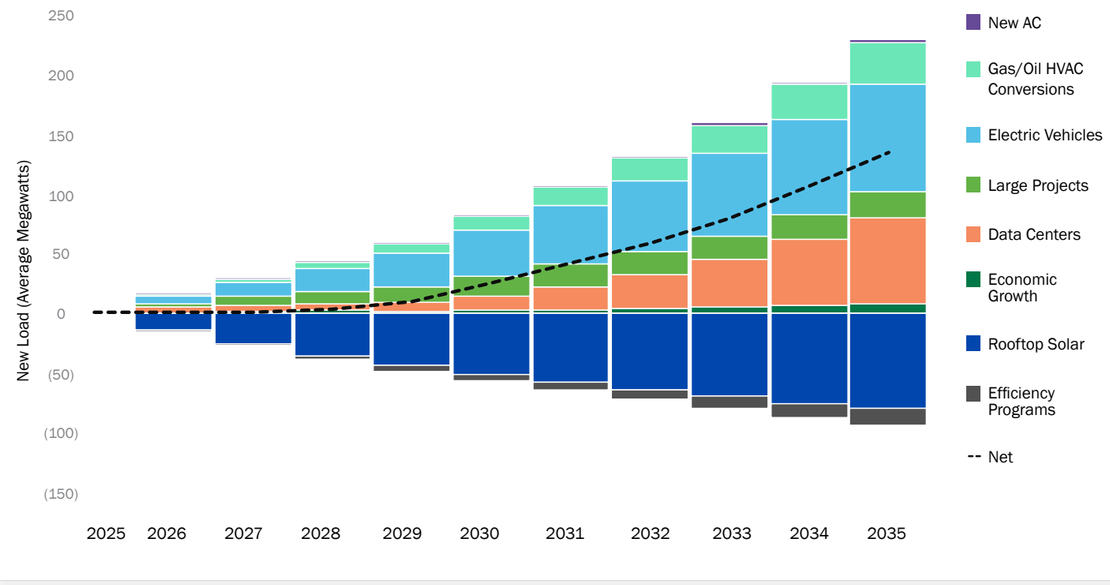
Example Customer	Monthly Bill (2026)	Monthly Increase (2027)	Monthly Increase (2028)
Apartment – Electric Heat	$74	$7	$8
Single-Family Home – Electric Heat	$124	$12	$13
UDP Single-Family Home – Electric Heat (60% discount)	$50	$5	$5
Small Commercial (Small Office)	$173	$16	$18
Medium Commercial (Small Grocery Store)	$3,863	$367	$402
Large Commercial (Hospital)	$162,727	$15,459	$16,928
Large Network (Data Center)	$250,316	$23,780	$26,039

RATES

Factors Impacting Rates

Substantial load growth, spurred by electric vehicle adoption, building electrification, and new energy users like data centers, is driving up the cost of providing power to our customers.

Forecast: Load Growth Drivers 2025-2035



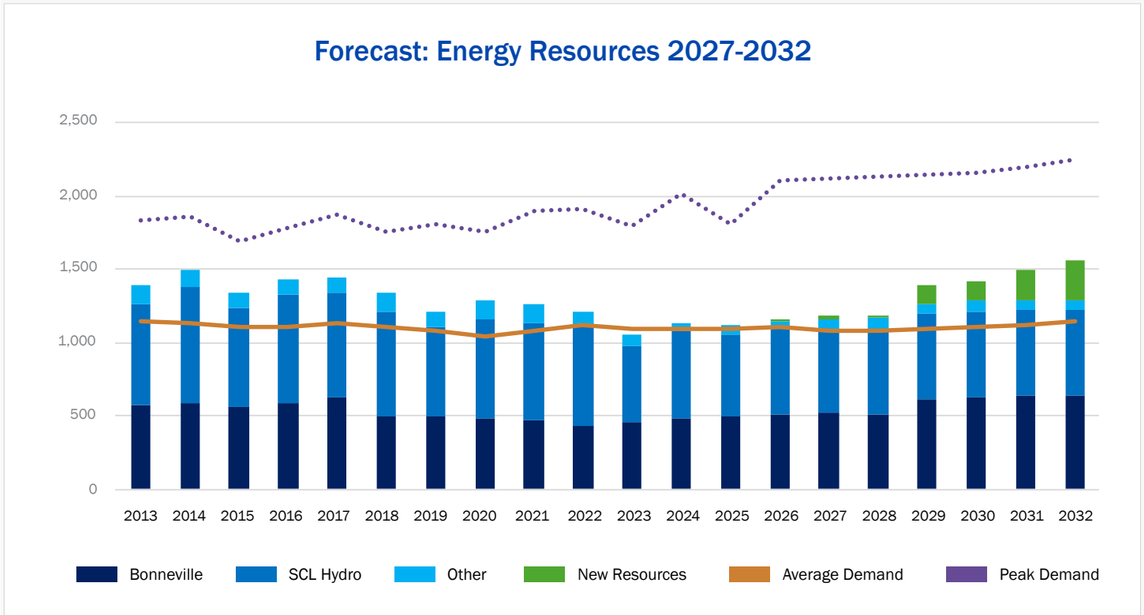
Demand for energy is expected to increase around 13% by 2035, primarily driven by transportation electrification and data centers, followed by conversions to electric heating and cooling and large infrastructure projects. Economic growth and increased use of air conditioning also play a role. New investments in energy efficiency programs and rooftop solar are expected to offset some of this growth.

Alongside rising electricity use, we are experiencing the impact of climate change on our power supply. City Light customers have benefited from low-cost hydropower for decades, but reduced snowpack and low water years have left those power supply resources on the decline.

The growth in load paired with the decrease in supply and an increasingly expensive wholesale power market has left City Light at a tipping point—a trend we're seeing across the industry.

To power Seattle's future, it's time to make generational investments to enhance our hydroelectric dams, secure new clean power resources, and expand and reinforce our electric grid.

RATES



While load growth on average is expected to rise by 13% over the next six years, peak demand in the winter is expected to increase by 19%. Ensuring reliable access to power for our customers on the coldest winter days means we can't just rely on the wholesale market. We must build new generation or enter into long-term power supply contracts. By 2032, we expect at least 18% of our power to come from new resources.

Strengthening Financial Stability

In response to growing demand and increasing wholesale market risk, City Light is taking steps to bolster financial resilience and rate stability. These include:

New Large-Load Policy

To responsibly manage the rising demand driven by data centers, electrification, and other major power users, City Light plans to introduce new rate classes for certain new large commercial and industrial customer uses. Creating separate rates for the businesses that plan to grow their electricity consumption helps ensure they are paying the true cost of serving them and not shifting costs or risks onto the community.

Rate Stabilization Account Expansion

City Light's Rate Stabilization Account (RSA) is a "rainy day" fund intended to protect customers from major rate hikes due to market fluctuations. As power costs have become more unpredictable due to climate-driven swings in hydropower and increasing volatility in wholesale energy markets, our current $100 million RSA reserve is no longer enough. Expanding the RSA keeps rates more stable and ensures reliable financial protection amid growing uncertainty.

AFFORDABILITY

City Light is committed to ensuring all customers have access to clean, affordable, and reliable electricity no matter their financial circumstances. We offer a variety of programs and tools to help customers manage their energy use and afford their utility bills.

Reducing Energy Costs

We provide rebates and incentives for efficient appliances and home energy solutions, such as smart thermostats and heat pump water heaters. Customers can also use our tools and resources to monitor their use and achieve their energy goals.

Learn more at seattle.gov/city-light/energy-tips

For commercial and industrial customers, we offer innovative energy programs that can help businesses improve energy performance, reduce operating costs, and achieve sustainability goals.

Learn more at seattle.gov/city-light/business-solutions/large-commercial-and-industrial-business-solutions

Utility Assistance Programs

We offer utility bill assistance programs to help customers manage their utility bills.

- **Payment Plans** – Pay past-due balances in smaller installments, over time.
- **Utility Discount Program (UDP)** – A 60% discount for income-qualified customers.
- **Bill Assistance** – Emergency Bill Assistance and Project Share provide financial support for income-qualified customers.

We are continuously improving our assistance programs. For 2027, we are proposing to expand UDP income eligibility from 70% of state median income to 60% of area median income, making more City Light customers eligible for this support.

Learn more at seattle.gov/UDP

REVIEW PANEL

The Seattle City Light Review Panel is comprised of nine members drawn from among City Light's customers. Five members are nominated by the Mayor and four members are nominated by the City Council. The Panel is responsible for reviewing and assessing City Light's strategic plan and provides an opinion on the merits of the plan and future revisions to it to the Mayor and the City Council.

Bruce Flory, Retired Utilities Economist
Position 1: Economist

Louis Ernst, Finance Manager, Amazon
Position 2: Financial Analyst

Kerry Meade, Executive Director, Northwest Energy Efficiency Council
Position 3: Non-Profit Energy Efficiency Advocate

Leo Lam, Chief Executive Officer, WEVE Design
Chair; Position 4: Residential Customer Representative

Ryan Monson, General Manager, Sabey Data Center's Seattle Campus
Position 5: Commercial Customer Representative

Toyin Olowu, Finance Manager and Controller, Nucor Seattle Steel Division
Position 6: Industrial Customer Representative

Oksana Savolyuk, Energy Program Director, Multi-Service Center
Position 7: Low-Income Customer Representative

Gina Cristina Sima, Senior Product Marketing Manager, Microsoft
Position 8: At-Large Customer Representative

Joel Paisner, Partner, Ascent Law Partners, LLP
Co-Chair; Position 9: Suburban Franchise Representative

2027-2032 STRATEGIC PLAN UPDATE

A. FINANCIAL FORECAST

B. OUTREACH SUMMARY

Seattle City Light

2027-2032 Strategic Plan - Financial Forecast

EXECUTIVE SUMMARY

This document details the financial assumptions behind the rate path established by City Light's 2027-2032 Strategic Plan (the "Plan"). The proposed rate path provides the revenue required to deliver the strategic outcomes identified in the Plan.

Average rates are derived by dividing the revenue requirement by retail sales. City Light's revenue requirement is increasing around $165 million (10.5%) per year, and retail sales are growing by about 1% per year. There is a considerable amount of uncertainty in the out years. This forecast yields a rate path with increases of 9.5% in 2027 and 2028 and a range of annual increases between 7% to 11% in years 2029-2032.

RATE INCREASE SUMMARY

	2026[1]	2027	2028	2029	2030	2031	2032
Revenue Requirement, $M	$1,203	$1,319	$1,453	$1,595	$1,773	$1,973	$2,202
Annual Increase		9.6%	10.1%	9.8%	11.2%	11.2%	11.6%
Retail Sales GWh	8,989	8,998	9,050	9,074	9,212	9,356	9,538
Annual Change		0.1%	0.6%	0.3%	1.5%	1.6%	1.9%
Average Rate, ¢/kWh	13.4	14.7	16.1	17.6	19.3	21.1	23.1
Annual Increase		9.5%	9.5%	9.5%	9.5%	9.5%	9.5%
Rate Path Uncertainty[2]				+/-1.5%	+/-1.5%	+/-1.5%	+/-1.5%
Annual Increase (Rate Path)		**9.5%**	**9.5%**	**7%-11%**	**7%-11%**	**7%-11%**	**7%-11%**

[1] Planning values as of Apr 2026 that reflect current consumption profiles and retail rates (RSA surcharge is excluded).
[2]Increased uncertainty in out-year load and power cost timing may drive rate path higher or lower than Annual Increase shown above.

Below is a table of bill impacts of example customers.

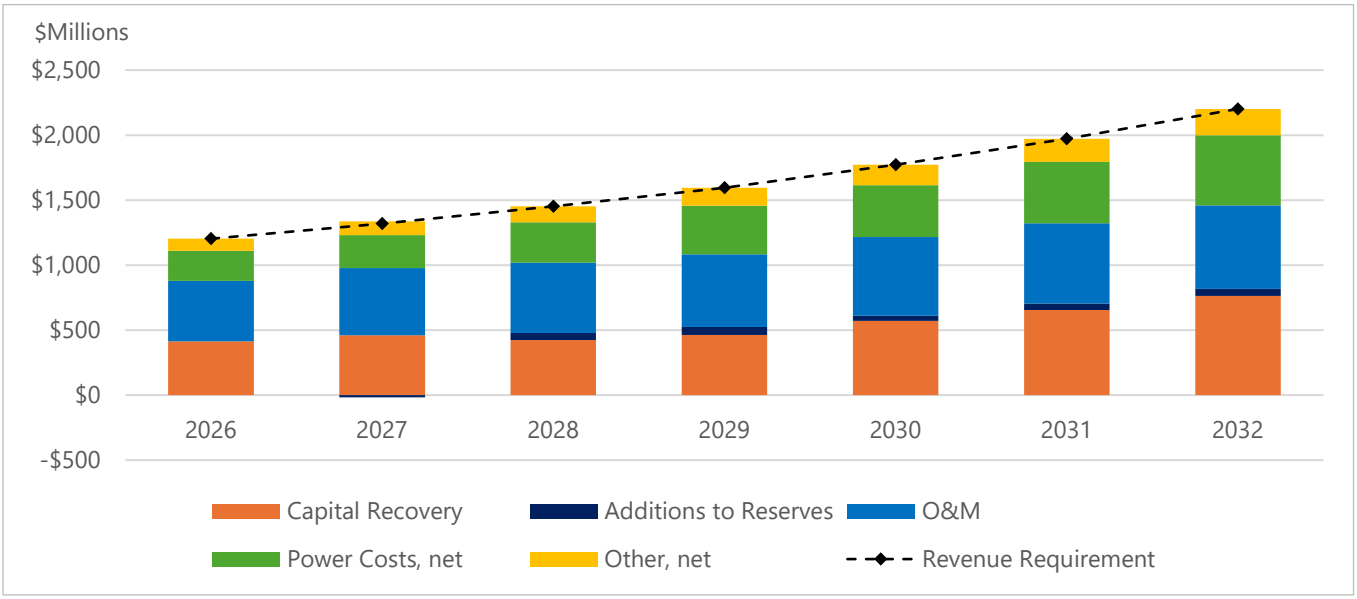
MONTHLY BILL IMPACTS

	Bill	Increase						
	2026	2027	2028	2029	2030	2031	2032	AVG
Apartment - Electric Heat	$74	$7	$8	$8	$9	$10	$11	$9
Single Family Home - Electric Heat	$124	$12	$13	$14	$16	$17	$19	$15
UDP Single Family Home - Electric Heat	$50	$5	$5	$6	$6	$7	$7	$6
Small Commercial - Office	$173	$16	$18	$20	$22	$24	$26	$21
Medium Commercial - Grocery	$3,863	$367	$402	$440	$482	$528	$578	$466
Large Commercial - Hospital	$162,727	$15,459	$16,928	$18,536	$20,297	$22,225	$24,336	$19,630
Large Network - Data Center	$250,316	$23,780	$26,039	$28,513	$31,222	$34,188	$37,435	$30,196

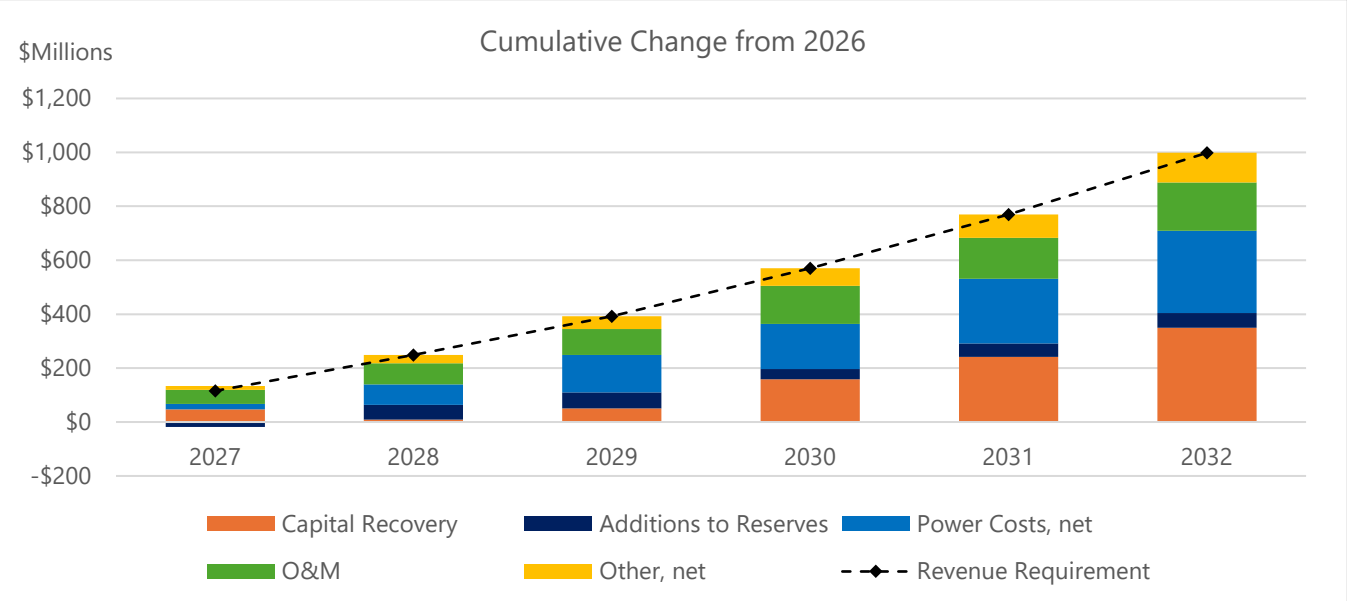
These bill impacts assume each customer has a bill increase of 9.5% and unchanged consumption. These impacts are examples only and will differ once the cost of service and rate design process is completed. Customers who decrease their consumption through energy efficiency measures will experience smaller bill impacts.

The charts and tables below summarize City Light's revenue requirements for 2027-2032.

REVENUE REQUIREMENT 2027-2032



REVENUE REQUIREMENT DRIVERS 2027-2032



RETAIL REVENUE REQUIREMENT SUMMARY

	2026	2027	2028	2029	2030	2031	2032
$, Millions							
Revenue Requirement	$1,203	$1,319	$1,453	$1,595	$1,773	$1,973	$2,202
Capital Recovery							
Debt Service	$249	$231	$255	$268	$276	$299	$326
Revenue Available for Capital & Liquidity[1]	$164	$212	$222	$256	$333	$404	$491
Operations & Maintenance (O&M)							
2026 O&M Baseline	$465	$465	$465	$465	$465	$465	$465
Inflation	$0	$18	$37	$56	$76	$95	$115
Existing hydro licensing (previously CIP)	$0	$11	$11	$12	$8	$9	$10
Change in REC costs from 2026	$0	-$1	-$2	-$7	-$13	-$15	-$16
New and expanded programs	$0	$24	$32	$35	$70	$64	$69
Net Power Costs							
New Resources	$9	$20	$25	$105	$106	$173	$241
Other Power and Wheeling Contracts	$295	$280	$330	$382	$398	$424	$443
Net Wholesale Revenue (NWR)	-$55	-$30	-$30	-$100	-$100	-$120	-$140
Power Related Revenues, Net	-$16	-$17	-$16	-$15	-$4	-$4	-$6
Other Revenues/Costs							
Taxes, Payments and Uncollectibles	$144	$156	$171	$188	$209	$231	$257
Miscellaneous Revenue	-$52	-$50	-$48	-$49	-$51	-$52	-$54

[1] *Operating revenue available to cash fund the capital program or add to overall liquidity (cash reserves).*

DRIVERS OF 2027-2032 REVENUE REQUIREMENTS AND RATES

1. Capital Recovery and additions to cash reserves
    - Capital requirements are expected to increase significantly, driven largely by replacement of underground infrastructure and implementation of the new Skagit License
    - 42% of 2027-2032 net capital requirements are expected to be funded with operating revenue
    - Debt service is expected to grow as the utility issues more debt
    - Around $240 Million additions to cash to support bond reserve and to meet 150 Days Cash on Hand metric

2. Operations and Maintenance (O&M)
    - Based on 2026 adopted O&M budget with inflation for the cost category expected to grow at approximately 4% per year
    - Reclassification of some existing hydro relicensing capitalized costs to O&M to follow accounting best practices (CIP reduced by the same amount)
    - New and expanded programs to support the strategic plan (see Appendix A for more details on new programs)

3. Net Power Costs
    - Bonneville (BPA) power and transmission costs are the largest single component at over $250 million; BPA power and transmission costs are expected to increase around 5% per year on average
    - New power resources are required to meet resource adequacy targets. Planning assumption is $239 million for roughly 276 aMW by 2032 for a combination of solar, wind, battery storage and transmission
    - NWR planning value is expected to gradually grow as the utility adds more renewable resources

4. Other Revenues/Costs[1]
    - Not a large driver, taxes grow proportionally with revenue

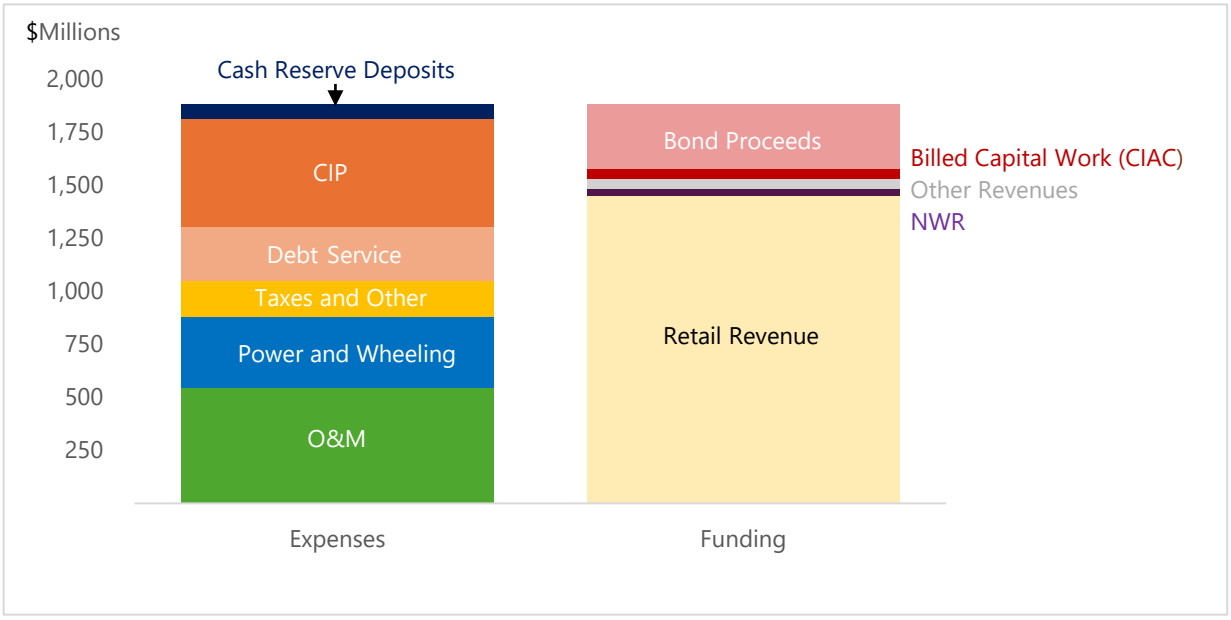
INTRODUCTION

The 2027–2032 Strategic Plan establishes key focus areas and defines specific outcomes for each. It also identifies and prioritizes the workstreams needed to achieve those outcomes. This document details the financial assumptions behind the Plan's outcomes and the associated 2027-2032 rate path to support it. The rate path is the annual change in the average retail rate for 2027-2032. Average retail rates are not actual billed rates but are the ratio of the revenue requirement to retail sales and represent the average impact on customer bills, assuming their consumption is constant.

$$average\ rate\ \left(\frac{\$}{kwh}\right) = \frac{revenue\ requirement\ (\$)}{retail\ sales\ (kwh)}$$

The revenue requirement is the amount of retail revenue needed to balance revenues with expenses and meet financial policies. The chart below illustrates how the revenue requirement is sized to meet expenses.

REVENUES AND EXPENSES (2028 FORECAST)



[1] *Includes city and state taxes, franchise payments and uncollectible revenue, which tend to grow in proportion to retail revenue. Miscellaneous revenue comes from a variety of fees and service charges, as well as investment interest earnings.*

The following is a short description of what is included in each primary component of the revenue requirement. These are discussed in detail in the subsequent sections of this document.

Capital Recovery

- Debt service payments needed to support the debt-financed portion of the current capital requirement.
- Per policy, retail revenue must be sized to achieve at least 1.80 times the annual debt service obligation.
- For this 6-year planning horizon, debt coverage is higher than 1.80x every year to meet the policy of revenue-funding greater than 40% of the 6-year CIP (See Appendix B).

O&M

- Cash-related expenses for all O&M costs excluding taxes, purchased power and transmission wheeling.
- Non-capitalized labor costs.
- Inflation assumptions, additional program funding requirements, as well as any mitigating cost reductions.

Power, Net

- Purchased power costs and wheeling costs, net of power revenues.
- Revenues from surplus power sales net of purchases, also called net wholesale revenue.
- Does not include costs of operating owned generation (e.g. Skagit, Boundary hydro projects), as these are part of O&M.

Other

- Includes tax payments, franchise payments and uncollectible revenue, net of miscellaneous revenues.

This document concludes with a short discussion of the retail sales forecast, which is the denominator in the average rate formula, see page 14.

CAPITAL RECOVERY (CIP AND BONDS)

Capital recovery reflects the cost of capital spending, as recovered over time. Net capital requirements are comprised of the capital improvement plan (CIP) less capital contributions, which are payments from outside sources that offset capital expenses.

Net Capital Requirements = CIP – Capital Contributions

Net capital requirements are not a direct component of the revenue requirement but, along with financial policies, determine the amount of debt (bonds) issued and the amount of net capital requirements funded with operating cash. The principal payments on outstanding debt and associated interest expense make up debt service.

Net capital requirements, along with financial policies, determine the amount of capital expenses funded by operating revenue and bond sales. City Light's current financial policies were established by Resolution 31187 and call for setting rates to yield sufficient revenue net of expenses to cover annual debt service obligations by 1.8 times and fund at least 40% of the capital programs with operating revenue over a six-year average. The revenue requirement forecast in this Plan meets both policy requirements.

The capital expense forecast is based on the 2026-2031 Adopted CIP plus additional investments to fund new initiatives related to demand response, reliability, new Skagit license, workforce and more. In addition, some CIP related to existing hydro licenses will be reclassified as O&M to follow best accounting practices. The baseline 2032 capital expense is extrapolated from 2030 and 2031. The CIP forecast used to set rates differs from the City's budget CIP. The budgeted CIP represents spending authority while the CIP forecast is reduced by 10% to reflect

an assumption that only 90% of spending authority will actually be spent, and the forecast adjusts timing of spending to reflect projected cash outflows.

Table below summarizes capital requirements and funding sources. Capital contributions include third-party funding for capital expenses such as service connections and reimbursements for certain transportation projects and are included in the forecast as a credit to the total capital requirements. Capital funding from operations reflects cash drawdowns and may represent net operating proceeds from the current or previous year(s). Bond issuances during the 2027-2032 planning period total around $2.1 billion and will bring total outstanding debt to over $4.3 billion by 2032. The average funding for the 2027-2032 net capital requirements with operating proceeds is 42%, above the 40% target.[2]

CAPITAL REQUIREMENTS AND FUNDING

$, Millions	**2026**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**
Capital Requirements							
Adopted CIP	$460	$462	$452	$473	$471	$469	$514
Total Additions	$16	$31	$53	$93	$206	$325	$352
Existing Relicensing Cost Moved to O&M	-	-$10	-$10	-$11	-$7	-$7	-$8
New Skagit Relicensing Cost	$16	$2	$1	$6	$95	$87	$96
Strategic Initiatives	$0	$38	$62	$98	$119	$245	$264
Total CIP	$476	$493	$504	$566	$677	$794	$866
Capital Contributions	-$46	-$47	-$48	-$50	-$52	-$49	-$44
Total Net Capital Requirements	**$430**	**$446**	**$457**	**$516**	**$626**	**$744**	**$822**
Capital Funding							
Bond Proceeds	$181	$230	$304	$344	$358	$422	$421
Operations	$249	$216	$152	$172	$267	$323	$401
Total	**$430**	**$446**	**$457**	**$516**	**$626**	**$745**	**$822**
Total Debt Outstanding	$2,929	$3,056	$3,258	$3,499	$3,747	$4,048	$4,336

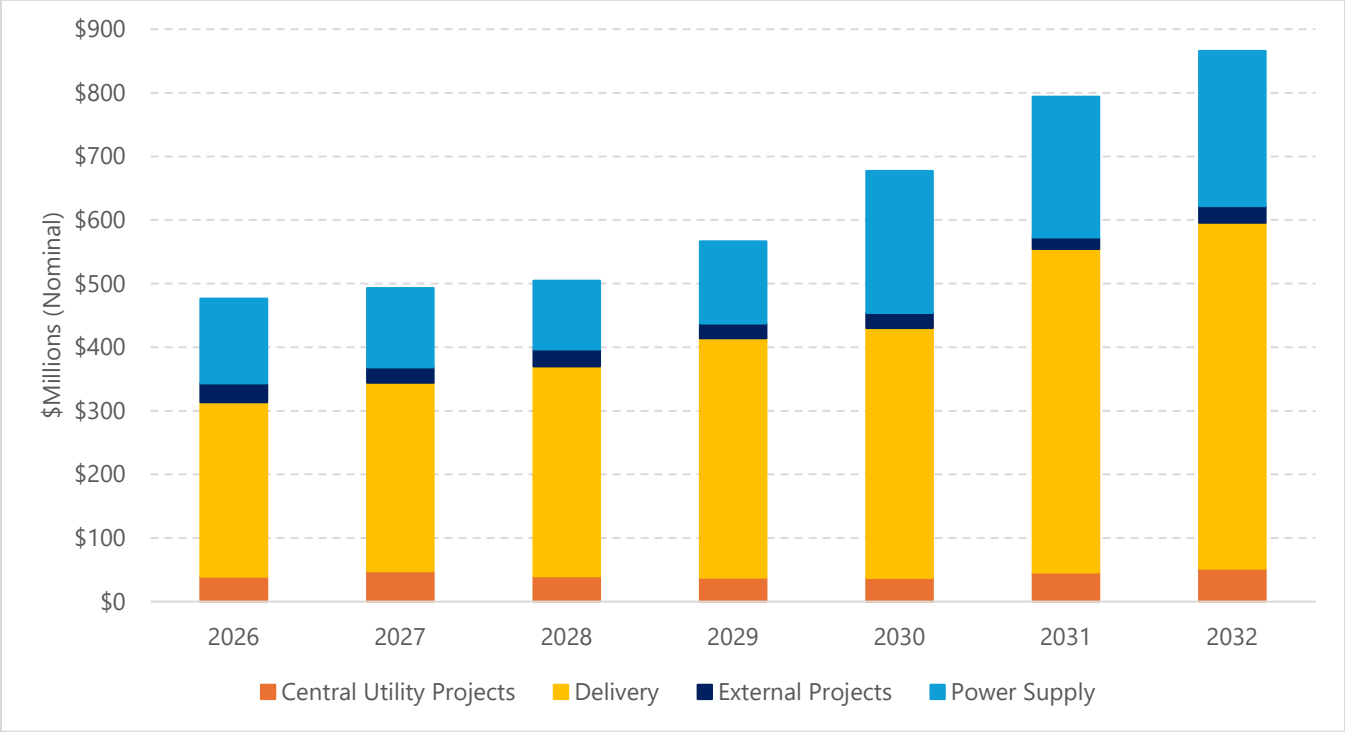
[2] The average 2027-2032 capital funding from operations is calculated by taking the total 2027-2032 funding from operations ($1,531 million) and dividing by the total 2027-2032 Net Capital Requirements ($3,611 million) to get 42%.

MAJOR CIP PROJECTS INCLUDED IN THE 2026-2031 ADOPTED CIP[1]

Master Project ID and Description	Six-year Total Spend, $M
8351: Overhead Equipment Replacements	$223.7
8366: Medium Overhead and Underground Services	$220.5
2250: Energy Efficiency	$196.6
8333: Distribution System Replacements	$167.6
8353: Underground Equipment Replacements	$141.8
8370: Network Services	$131.6
8630: Network Systems	$131.0
6987: Boundary Licensing Mitigation	$111.2
8452: Pole Attachments	$88.9
9969: Software Replacement Strategy	$79.7

[1] *Values reflect adjusted CIP after applying a 90% spending assumption.*

CAPITAL IMPROVEMENT PLAN[1]



[1] *Delivery includes programs on transmission and distribution.*

Capital requirements determine the size of future bond sales and resulting debt service, and the sales are timed to ensure sufficient liquidity to provide at least 150 days of operating cash on hand. The bond sale amounts shown below are slightly higher than bond proceeds shown above because the sales amounts include issue costs and required deposits into the bond reserve fund. All bond issues are assumed to have a 30-year term. For future bond sales 2027-2032, the forecast assumes an annual sale that closes in July with an interest rate of 5.0%, with the first repayment occurring the following year. Thus, the 2032 bond issue has no impact for this forecast term. To smooth the rate path, the forecast allows debt service coverage to fluctuate year-to-year so long as the six-year target of 40% or greater capital funding from operations is met.

BOND SALES AND DEBT SERVICE, $MILLION

	Bond Size	2027	2028	2029	2030	2031	2032
Existing[1]		$219	$228	$221	$207	$207	$206
2026 (Jul)	$187	$12	$12	$12	$12	$12	$12
2027 (Jul)	$237		$15	$15	$15	$15	$15
2028 (Jul)	$312			$20	$20	$20	$20
2029 (Jul)	$346				$22	$22	$22
2030 (Jul)	$361					$23	$23
2031 (Jul)	$425						$28
Total Debt Service		$231	$255	$268	$276	$299	$326
Debt Service Coverage		$521	$564	$619	$716	$822	$948
Debt Service Coverage Ratio		2.26	2.21	2.31	2.60	2.75	2.91

[1]*As of April 2026*

OPERATIONS AND MAINTENANCE (O&M)

Operations and maintenance expenses (O&M) are a large and diverse category of costs for day-to-day operations. It includes functions such as power production, distribution and transmission system operation and maintenance, customer services such as billing and meter reading, and administrative support. O&M as defined for this forecast does not include purchased power, wheeling and taxes; these are separate categories.

The basis for the 2027-2032 O&M forecast is the 2026 Adopted budget, which is then increased each year to reflect rising costs. The average annual cost increase is 3.8% per year, 1.2% higher than CPI inflation. The table below represents how O&M is projected to be spread across labor, benefits and other purposes; however, this is ultimately determined by the budget development process.

BUDGET O&M INFLATION BY CATEGORY

$, Millions	2026	2027	2028	2029	2030	2031	2032
Labor	$206	$215	$225	$235	$246	$257	$268
Labor Benefits	$102	$107	$111	$116	$120	$125	$129
Overhead Credit	-$61	-$64	-$66	-$69	-$72	-$75	-$78
Non-Labor	$153	$159	$165	$171	$176	$182	$188
Transfers to City	$90	$93	$95	$98	$100	$102	$104
Total Inflated O&M Budget	$490	$510	$530	$550	$570	$591	$612
Annual Change		$20	$20	$20	$20	$21	$21
Annual Change %		4.2%	3.9%	3.7%	3.7%	3.7%	3.6%

The following table details the adjustments made to the inflated O&M budget to yield the O&M forecast. In addition, funding for the new programs to deliver the outcomes of the Plan are added to the inflated budget (more information is included in Appendix A). The second part of the table outlines how the O&M forecast changes relative to the 2026 O&M Forecast.

O&M ADJUSTMENTS DETAIL

$, Millions	2026	2027	2028	2029	2030	2031	2032
Inflated 2026 Budget	$490	$510	$530	$550	$570	$591	$612
Adjustments							
add intertie moved from wheeling budget[1]	$1	$1	$1	$1	$1	$1	$1
add/subtract I937 RECs (change from 2026 levels)[2]	$1	-$1	-$2	-$7	-$13	-$15	-$16
subtract demand response incentives[3]	-$6	-$6	-$6	-$7	-$7	-$7	-$7
subtract engineering OH not included in budget[4]	-$6	-$6	-$6	-$7	-$7	-$7	-$8
subtract under-expenditure assumption[5]	-$15	-$15	-$16	-$17	-$17	-$18	-$18
add hydro relicensing costs[6]	$0	$11	$11	$12	$8	$9	$10
add new Skagit licensing costs[7]	$0	$0	$0	$0	$24	$18	$19
add new and expanded programs[8]	$0	$24	$32	$35	$46	$46	$50
Total O&M	$465	$517	$543	$561	$606	$617	$643
Adopted 2026 O&M Budget	$465	$465	$465	$465	$465	$465	$465
Changes from 2026							
Inflation	$0	$18	$37	$56	$76	$95	$115
Hydro licensing costs that were previously CIP	$0	$11	$11	$12	$8	$9	$10
Lower REC costs	$0	-$1	-$2	-$7	-$13	-$15	-$16
New/expanded programs (includes Skagit License)	$0	$24	$32	$35	$70	$64	$69
Total O&M	$465	$517	$543	$561	$606	$617	$643

[1] Maintenance costs associated with ownership of the 3rd AC intertie. These wheeling costs are budgeted as purchased power but are categorized as O&M in financial statements.

[2] Renewable Energy Credits (RECs) purchases to meet state regulations are expected to decrease as more renewable energy is added to City Light's resource portfolio. These are differences from inflated Adopted 2026 levels.

[3] Demand response costs have been recategorized from O&M budget to Short-term Purchased Power Budget.

[4] Capitalized engineering overhead costs are not included in the budget but are applied to actual costs.

[5] Assumes 3% of O&M budget authority will remain unspent.

[6] Reflects a change in accounting practice that will result in certain Boundary and Skagit relicensing costs that are currently capitalized be categorized as O&M starting in 2027.

[7] Cost projections for the new Skagit license (see Appendix A for more detailed information).

[8] Cost projections for new and expanded programs identified in the strategic plan (see Appendix A for more detailed information).

POWER COSTS, NET

This category includes all costs and revenue associated with wholesale power transactions. These include purchases and sales, wheeling (rented transmission) and ancillary services.

The forecast reflects key changes in the utility's resource portfolio: the expiration of the Columbia Basin Hydro contracts in 2026, the expiration of the Condon Wind contracts in 2028, and the decision to forgo election of the Priest Rapids Meaningful Priority option in 2027.

Additionally, the forecast incorporates new resource acquisitions needed to serve growing load, as outlined in the utility's Integrated Resource Plan. These additions are significantly more ambitious than those included in the 2025-2030 Strategic Plan. Resource acquisition plan continues to rely on a mix of utility-scale battery storage, wind generation, and solar generation. The cost of these new resources is also expected to be partially offset by selling surplus energy in the wholesale markets. The tables below summarize projections for net power costs.

LONG-TERM POWER AND WHEELING CONTRACTS

$, Millions	2026	2027	2028	2029	2030	2031	2032
BPA Power[1]	$174	$177	$204	$215	$227	$239	$249
BPA Wheeling[2]	$76	$79	$83	$123	$126	$139	$146
New Resources[3]	$9	$20	$25	$105	$106	$173	$241
Lucky Peak[4]	$11	$12	$12	$13	$13	$14	$14
Other Wheeling[5]	$5	$4	$5	$5	$5	$5	$5
Condon Wind[6]	$3	$3	$1	$0	$0	$0	$0
King County West Point[7]	$2	$2	$2	$2	$2	$3	$3
Priest Rapids[8]	$22	$2	$22	$23	$24	$24	$25
High Ross[9]	$0	$0	$1	$1	$1	$1	$1
Columbia Basin Hydro[10]	$2	$0	$0	$0	$0	$0	$0
Total LT Power & Wheeling Contracts	$304	$300	$355	$487	$504	$597	$684

[1] Assumes BPA base power rates increase by 10% between 2026 and 2028 and 5% after 2028, and a product change from Block to Block/Slice starting in October 2028.
[2] Assumes BPA wheeling costs increase 3% annually on average and gradual growth in purchased transmission volumes.
[3] New resources identified by IRP totaling 276 aMW of nameplate capacity by 2032; these include solar and wind resources, transmission, and utility-scale battery storage.
[4] Reflects costs growing with inflation.
[5] Costs are expected to grow in line with contracted terms for each wheeling provider.
[6] Condon Wind contract ends in May 2028.
[7] KC West Point contract extends through March 2033.
[8] Priest Rapids projection assumes that costs for the Meaningful Priority product will escalate at 4 percent a year.
[9] High Ross contract requires only minimal O&M payments; all capital payments were completed in 2020.
[10] Columbia Basin Hydro contracts expire by the end of 2026.

City Light's single largest power source is the Bonneville Power Administration (BPA). BPA power and wheeling bills are complex and based on many factors including City Light load, BPA base rates, BPA's load shaping charges and BPA's rate setting periods. City Light currently receives the Block product, which is fixed amount of energy every month. Starting in October 2028 City Light will start a new 20-year contract with BPA. City Light has elected a Slice/Block product, where the Slice Product is a "slice" of BPA's total output and will vary based on hydrological conditions.

BPA DETAIL

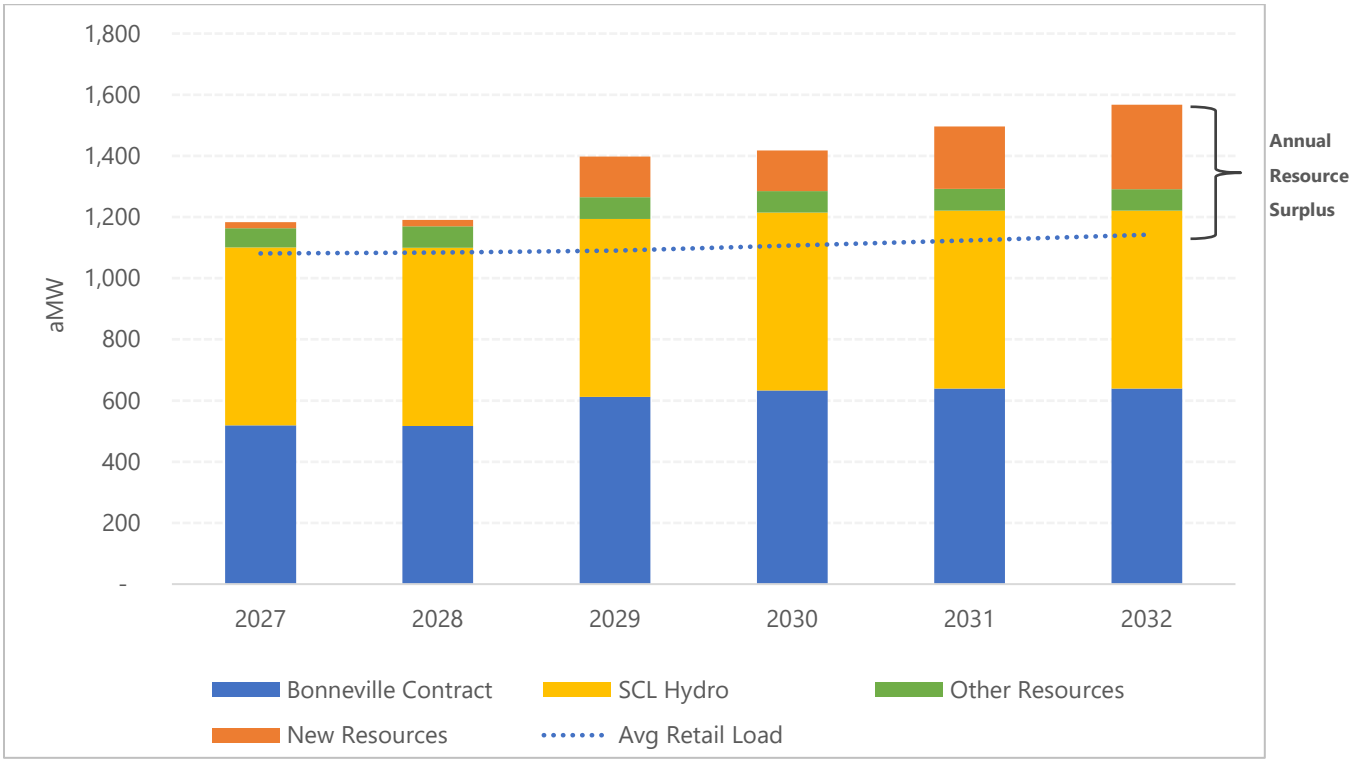
$, Millions	2026	2027	2028	2029	2030	2031	2032
Power Costs	$174	$177	$204	$215	$227	$239	$249
Transmission (Wheeling) Costs	$76	$79	$83	$123	$126	$139	$146
Total BPA Costs	$250	$256	$286	$338	$353	$378	$395
BPA Purchases, GWh[1]	4,377	4,544	4,579	4,761	4,770	4,788	4,783
BPA Transmission Purchases, MW	2,361	2,481	2,581	3,614	3,614	3,718	3,822

[1] Starting on October 1, 2028 BPA purchases reflect an even BPA Block/Slice split, with Slice calculated using BPA's 1989-2018 10th-percentile historical water conditions.

Long-term purchased power acquisitions will exceed retail load growth, on a volumetric basis. Because new wind and solar resources are intermittent, additional resources will be required to ensure that retail demand can be reliably met under varying conditions. Also, City Light's peak load is projected to increase faster than average load, further increasing firm resource needs to reliably meet load under stress conditions like extreme weather events.

The chart below shows City Light's annual resource mix and retail load. Production from owned hydro generation facilities varies significantly year-to-year with weather conditions. For planning purposes, this forecast of owned hydro generation is based on a 30th percentile of the past 25 years (2000-2025), and BPA Slice output is based on the 10th percentile. New power resource acquisitions are expected to increase the overall volume of surplus power available to be sold on the wholesale market. Net Wholesale Revenue is the revenue from selling surplus energy, net of purchases for load balancing.

ANNUAL SUPPLY AND DEMAND BALANCE



The planning values for Net Wholesale Revenues, Net—defined as wholesale power revenues minus wholesale power sales—are summarized in the table below. These revenues are projected to grow as new resources come online, resulting in a surplus of wholesale power. The dip in 2027 and 2028 values reflects a change in assumptions since the last plan; the 2026 amount had assumed that a significant volume of new resource capacity would be online by then. In this forecast, large additions are delayed and are now expected in the 2029 timeframe.

Given evolving markets and climate change, there is considerable uncertainty around these planning values. Variations in wholesale revenues are mitigated by the Rate Stabilization Account (RSA), a cash reserve and rate mechanism designed to insulate customers from short-term wholesale market and weather risk. Any differences between actual and planning values will be transferred to/from the RSA (SMC 21.49.086).

WHOLESALE REVENUES, NET

$, Millions	2026	2027	2028	2029	2030	2031	2032
Wholesale Revenues, Net	$55	$30	$30	$100	$100	$120	$140

Power related revenues are comprised of long-term power sales, net revenues from sales of ancillary market services, and transmission sales. The following table details these assumptions.

POWER RELATED REVENUES, NET

$, Millions	2026	2027	2028	2029	2030	2031	2032
Power Contracts							
Delivery to Pend Oreille County[1]	$4	$4	$4	$5	$0	$0	$0
Priest Rapids	$5	$5	$6	$6	$0	$0	$0
BPA Credit for South Fork Tolt[2]	$3	$3	$2	$0	$0	$0	$0
Power Marketing, Net[3]	$5	$4	$4	$4	$4	$4	$4
Transmission Sales[4]	$0	$0	$0	$0	$0	$0	$0
Total Power Related Revenues, net	$16	$17	$16	$15	$4	$4	$4

[1] Current agreement ends in 2029.
[2] Current contract expires in 2028.
[3] Power marketing revenues (net of purchases) are earned from sales of ancillary services such as reserve capacity sales, which are supported by flexibility and excess capacity inherent in City Light's generation and transmission assets.
[4] Short-term transmission sales. Includes resale of BPA point-to-point transmission and 3rd AC transmission capacity.

OTHER COSTS AND MISCELLANEOUS REVENUES

This "other" category is made up of costs and revenues such as taxes, interest income and fees for retail services.

OTHER COSTS (TAXES, PAYMENTS AND UNCOLLECTIBLES) DETAIL

$, Millions	2026	2027	2028	2029	2030	2031	2032
City Taxes[1]	$73	$79	$87	$95	$106	$117	$131
State Taxes[2]	$51	$55	$61	$67	$74	$82	$90
Franchise Payments and Other Taxes[3]	$11	$11	$13	$14	$15	$17	$19
Uncollectible Revenues[4]	$9	$10	$11	$12	$13	$15	$17

[1] City taxes, which are 6% of retail revenues, plus some other revenues.
[2] State taxes are 3.8734% of retail revenues, plus some other revenues and contributions.
[3] City Light negotiates franchise agreements with incorporated cities and unincorporated communities within its service territory.
[4] Uncollectible revenue is assumed to be 0.75% of retail revenues.

MISCELLANEOUS REVENUE SOURCES DETAIL

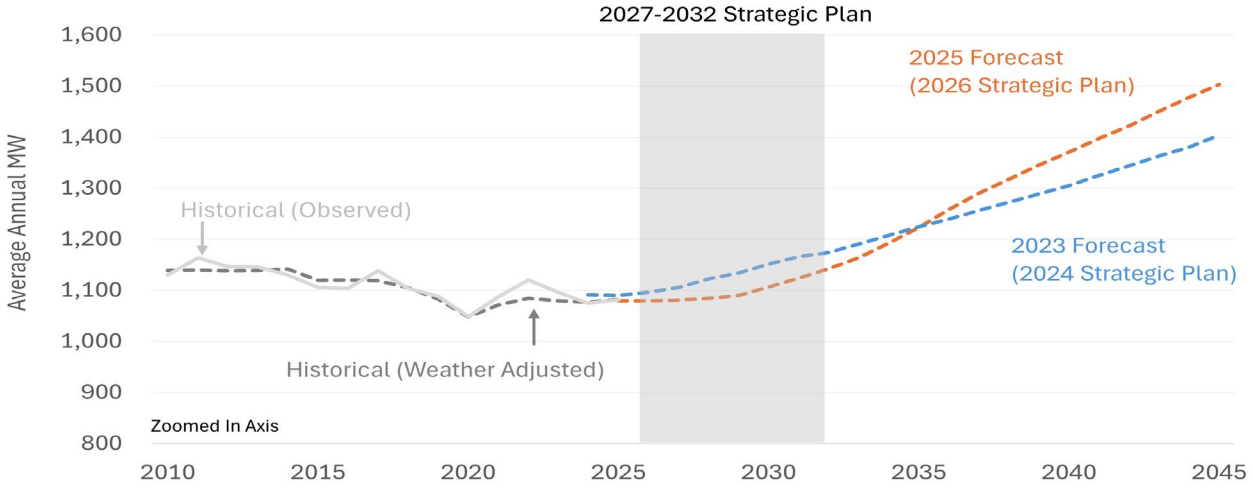
$, Millions	2026	2027	2028	2029	2030	2031	2032
Non-Base Rate Retail Revenue[1]	$7	$7	$7	$7	$7	$7	$8
Other Revenue[2]	$22	$22	$22	$23	$23	$24	$24
Suburban Undergrounding[3]	$2	$2	$2	$2	$2	$3	$3
Property Sales[4]	$1	$1	$1	$1	$1	$1	$2
Interest Income[5]	$19	$18	$15	$16	$17	$17	$18
Operating Fees & Grants	$0	$0	$0	$0	$0	$0	$0
Net RSA Transfers[6]	$(1)	$0	$0	$0	$0	$0	$0
Total Other Revenue Sources	$50	$50	$47	$49	$50	$52	$55

[1] Non-base rate retail revenue includes revenues from retail customers for services or programs which are not dictated by the revenue requirement. Examples include elective green power programs, distribution capacity charges and power factor charges.
[2] Other revenue includes a broad range of income sources, such as late payment fees, payments for damages to property, transmission tower attachments, distribution pole attachments and account change fees. These revenues are forecasted using the averages of the past two to three years and are expected to grow with inflations.
[3] Suburban undergrounding revenues are collected from customers in certain suburban cities for the repayment of discretionary municipal undergrounding of parts of their distribution system.
[4] Property sales based on historical averages. No large sales are assumed in this forecast.
[5] Interest income assumes City Cash Pool cash holdings accrue interest at an annual rate of 2.0-2.5%.
[6] RSA surcharge revenue less RSA deposits. During Q1 2026 there was an RSA surcharge in place, this small amount shown is RSA surcharge revenue retained to pay the associated utility taxes.

RETAIL SALES

The forecast of retail sales is based on City Light's 2025 official load forecast, which predicts load growth of 6.1% from 2026 to 2032. Energy efficiency is expected to continue to reduce sales, outpacing new load from economic growth. This reflects investment undertaken by customers as well as utility incentives. However, electric vehicles and heat pump conversions are expected to fuel material load growth during the strategic planning period. The amount and timing of this new electrification load is very uncertain and will continue to be studied. The chart below shows slightly slower near-term retail load growth compared to the previous strategic plan.

RETAIL LOAD FORECAST: LONG TERM

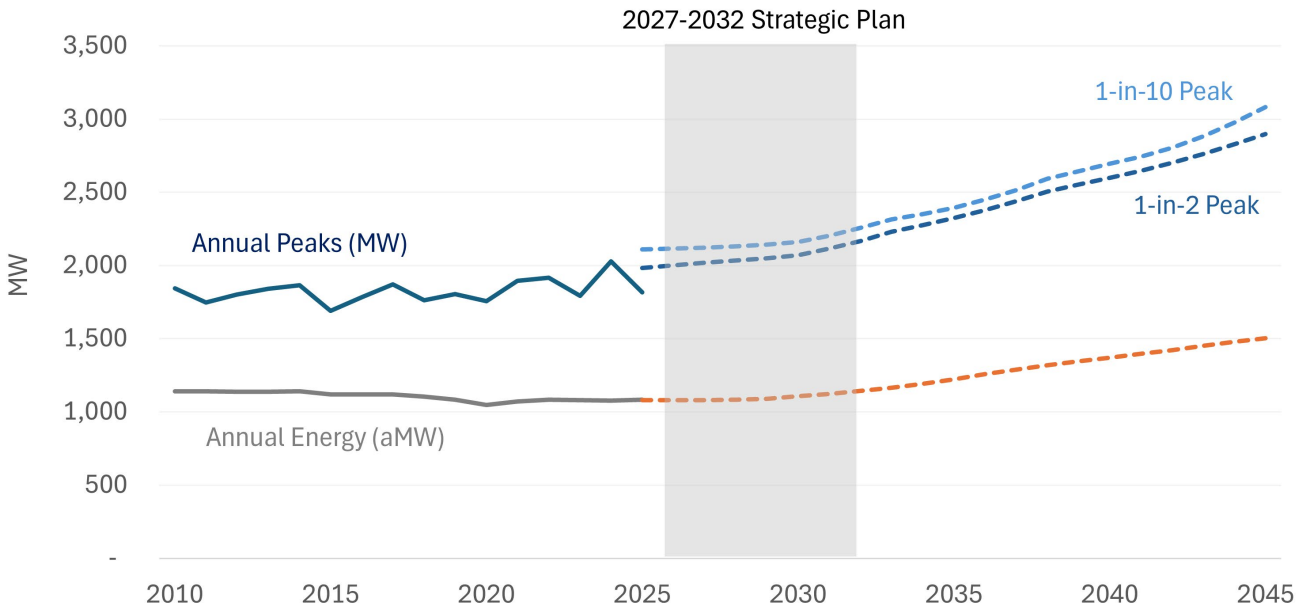


RETAIL SALES FORECAST BY CUSTOMER CLASS: 2026-2032

GWh	2026	2027	2028	2029	2030	2031	2032
Residential	3,278	3,300	3,333	3,330	3,362	3,385	3,424
Small and Medium	3,422	3,416	3,429	3,453	3,526	3,608	3,702
Large and High Demand	2,289	2,282	2,288	2,290	2,324	2,362	2,411
Total	**8,989**	**8,998**	**9,050**	**9,074**	**9,212**	**9,356**	**9,538**
Annual change							
Residential		0.7%	1.0%	-0.1%	0.9%	0.7%	1.1%
Small and Medium		-0.2%	0.4%	0.7%	2.1%	2.3%	2.6%
Large and High Demand		-0.3%	0.2%	0.1%	1.5%	1.7%	2.1%
Total		**0.1%**	**0.6%**	**0.3%**	**1.5%**	**1.6%**	**1.9%**

Rising demand for electric vehicle charging and heating will push coincident peak demand to rise even more than average energy consumption, driving a need for greater energy delivery capacity in transmission and distribution lines. Given long planning and construction timelines, capacity expansions need to be in place well before peak load growth arrives. Utility revenue is primarily recovered through per-KWh energy sales so higher capacity needs add more cost pressure that is contributing to driving up retail rates. The chart below shows the growth in peak load (P50 = 50th percentile, P90 = 90th percentile and P100 = 100th percentile or max load).

RETAIL SALES PEAK VS. ENERGY FORECAST: LONG TERM



APPENDIX A: NEW AND EXPANDED PROGRAMS

As part of developing the Strategic Plan, City Light identified the critical investments required to achieve prioritized strategic outcomes. To balance service levels with affordability, multiple rounds of prioritization were conducted to right-size these investments, ensuring that only the most essential spending was advanced.

The table below outlines incremental spending additions above inflation adjustments for operations and maintenance (O&M) and the capital improvement program (CIP). A detailed description of investments for each category follows.

INCREMENTAL STRATEGIC PLAN INVESTMENTS

	O&M						CIP					
$ Millions	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**	**2027**	**2028**	**2029**	**2030**	**2031**	**2032**
Customer Experience	$0.3	$0.3	$0.3	$0.3	$3.3	$4.4	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Power Supply	$7.9	$10.5	$13.2	$23.7	$18.0	$18.1	$13.3	$12.2	$12.2	$23.2	$25.1	$27.8
Reliability	$3.8	$5.4	$5.4	$5.9	$6.0	$7.8	$23.0	$46.2	$82.4	$92.3	$202.8	$213.8
Sustainability	$2.1	$3.1	$3.1	$3.1	$4.1	$4.2	$0.3	$0.0	$0.0	$0.0	$9.7	$10.2
Technology	$8.0	$10.6	$10.9	$11.2	$11.6	$11.9	$0.0	$0.0	$0.0	$0.0	$4.5	$9.0
Workforce	$1.8	$1.8	$1.8	$1.8	$3.5	$3.6	$1.8	$3.2	$3.2	$3.2	$3.2	$3.2
New Skagit License	$0.0	$0.0	$0.0	$24.4	$17.5	$19.4	$2.1	$1.0	$6.4	$94.7	$86.9	$96.1
Total	**$23.9**	**$31.7**	**$34.7**	**$70.4**	**$64.0**	**$69.4**	**$40.4**	**$62.6**	**$104.0**	**$213.3**	**$332.2**	**$360.0**

CUSTOMER EXPERIENCE

Adds a dedicated expert to support enhancing data collection and research methods, ensuring real-time understanding of ratepayer needs. This will also establish a formal Community Partner Network that will deepen collaboration with community-based organizations, enabling ongoing, two-way engagement that informs program design and delivery. Expanded coordination with City departments and partner agencies will further improve outreach to vulnerable populations and highly impacted communities, ensuring services are accessible, equitable, and responsive.

POWER SUPPLY

Acquiring Generation and Transmission Resources

Investments in staffing, advanced planning tools, and specialized expertise will position the utility to meet growing energy demand and increasing system complexity. Expanded capabilities in resource planning, market participation, and policy development will support the acquisition of new generation resources, particularly renewable energy and optimize participation in regional energy markets. Modernized modeling and analytics will improve forecasting and risk management, ensure reliable and cost-effective power supply while supporting the transition to a cleaner energy portfolio.

Customer Energy Resources

Investments in programs, staffing, and enabling technologies will expand customer participation in energy efficiency, demand response, and customer-owned renewable generation. Additional staff and improved systems will support program delivery, customer engagement, and faster integration of distributed energy resources. These efforts will help customers reduce and shift energy use, lower system costs, and contribute to grid reliability.

By integrating customer-side resources into system planning, the utility can reduce the need for large-scale infrastructure investments while building a more flexible and resilient energy system.

Transmission Access
Enhanced staffing, consulting expertise, and system investments will modernize transmission policies, processes, and tools to improve access and utilization. Updated contracts, pricing structures, and operational protocols will support transparent and equitable access to transmission capacity. Improved systems for scheduling, tracking, and billing transmission use will increase efficiency and enable broader participation in wholesale markets. These investments will maximize the value of existing infrastructure, generate new revenue opportunities, and enhance overall grid reliability without requiring significant new construction.

RELIABILITY

Asset Data Management
Investments in asset data and work management practices, including additional specialized staff and modernized systems, will enable a more proactive and standardized approach to managing utility infrastructure. Expanding internal expertise will support implementation of best practices in asset lifecycle management, improve data quality, and enhance coordination across workgroups. These improvements will lead to more informed capital planning, reduced emergency repairs, and lower long-term costs for ratepayers.

Physical Asset Security
Targeted investments in both staffing and infrastructure will strengthen the utility's ability to prevent, detect, and respond to evolving physical security threats. Dedicated security personnel will provide continuous monitoring and rapid response capabilities, while upgrades to surveillance, access controls, and site hardening at critical facilities will improve system resilience. Together, these efforts reduce operational risk and help ensure uninterrupted delivery of essential services.

Fleet Management
Increased investment in fleet renewal and supporting staff capacity will improve the reliability and availability of vehicles and equipment essential to utility operations. Replacing aging vehicles with modern, lower-emission alternatives will reduce maintenance demands and downtime, enabling field crews to complete work more efficiently. These investments also advance environmental objectives by lowering greenhouse gas emissions and improving air quality in the communities served.

Strengthen Distribution System
Enhanced capital and staffing investments will accelerate the replacement and modernization of critical transmission and distribution infrastructure. Additional engineering, project management, and field resources will support the design and delivery of system upgrades, including advanced protection, control, and automation technologies. Expanded programs to replace aging underground cables and other high-risk assets will improve system performance, reduce outage frequency and duration, and enhance overall grid resilience.

Generation Facilities
Focused investments and technical staffing in generation facilities will address aging infrastructure, reduce operational risks, and improve long-term asset performance. Engineering, construction, and maintenance resources will support critical upgrades, including structural reinforcements, seismic improvements, and enhanced debris management systems. These efforts will help ensure continued reliable and efficient energy production while minimizing unplanned outages and maintenance costs.

Wildfire Risk Reduction and Vegetation Management
Expanded funding and staffing for wildfire mitigation and vegetation management will strengthen the utility's ability to proactively manage this important risk. Additional arborists, field crews, and program support staff will enable increased inspection cycles, hazard tree removal, and compliance with regulatory requirements. These investments will reduce the likelihood of wildfire-related outages, protect public safety, and preserve system reliability.

SUSTAINABILITY

Vehicle Electrification
Investments in staffing and infrastructure will accelerate the deployment of a public electric vehicle charging network. Dedicated personnel will support planning, design, and construction of charging sites, ensuring timely delivery and effective integration with the electric grid. Expanding access to reliable, affordable charging infrastructure will support transportation electrification, reduce emissions, and improve equitable access for customers without home charging options.

Reduce Energy Burden
Additional staffing and system enhancements will strengthen the delivery of customer assistance programs designed to keep energy costs affordable. Investments in modernized application and processing systems, combined with permanent program staff, will improve efficiency, reduce wait times, and ensure consistent access to benefits. These efforts help stabilize household energy costs and support broader economic resilience within the community.

Building Electrification
Expanded technical staffing across multiple teams will provide customers with the expertise needed to transition to electric technologies in homes and businesses. Engineers, planners, and customer advisors will assist with system capacity assessments, equipment selection, and service upgrade planning. These investments will enable more efficient electrification, reduce emissions, and help customers make cost-effective energy decisions.

TECHNOLOGY

Significant investments in technology systems and skilled personnel will modernize core utility operations and enhance service delivery. Expanded cybersecurity staffing and tools will strengthen protection of critical infrastructure and reduce enterprise risk. Additional IT professionals across key functional areas - including data management, system implementation, and geographic information systems - will restore and sustain essential institutional capabilities.

Investments in customer-facing platforms will improve accessibility, allowing customers to manage accounts, request services, and engage with the utility through flexible, digital channels. At the same time, modernization of grid management, asset management, and power supply systems will improve operational visibility, enable advanced analytics, and support faster, more informed decision-making. Together, these investments create a more resilient, efficient, and customer-responsive utility.

WORKFORCE

Strategic investments in workforce planning, staffing, and training will ensure the utility is equipped to meet current and future service demands. Additional resources will support comprehensive evaluation of job roles, compensation structures, and career pathways to remain competitive in attracting and retaining talent.

Expanded training programs and dedicated instructional staff will strengthen technical skills development, improve safety outcomes, and accelerate workforce readiness. Increased staffing and program support will also enhance workplace safety initiatives, including broader participation in safety-sensitive programs.

Investments in facilities and maintenance staff will shift operations from reactive repairs to proactive asset stewardship, addressing deferred maintenance and improving the reliability of critical infrastructure. Collectively, these efforts will build a skilled, resilient workforce capable of delivering safe, reliable, and cost-effective service to customers.

SKAGIT RELICENSING

The Skagit Relicensing Project has reached a milestone with a Comprehensive Settlement Agreement being finalized during Q1 and Q2 of 2026. This comprehensive settlement agreement sets forth a unified strategy for overseeing the Skagit watershed, including restoring salmon habitat, protecting tribal cultural resources, managing flood risk in downstream communities, enhancing public recreation, and continuing to deliver reliable, carbon-free energy for decades to come. This settlement will become part of the City's formal license application to the Federal Energy Regulatory Commission (FERC) for a new 50-year license to operate the Skagit Project.

APPENDIX B: RATE SETTING TARGETS AND GUIDELINES

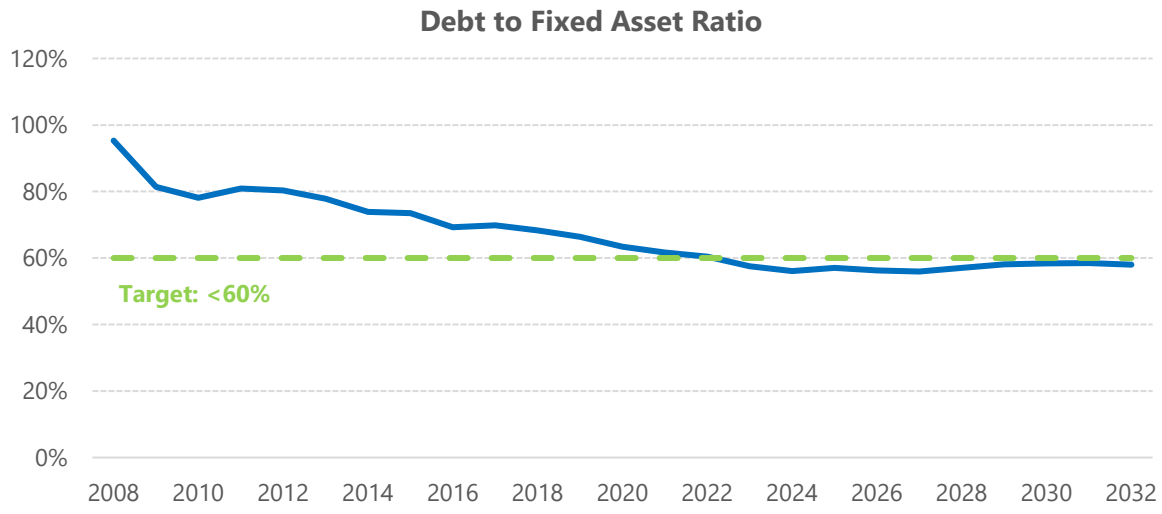
Council-Adopted Financial Policies, established in 2010 by Resolution 31187

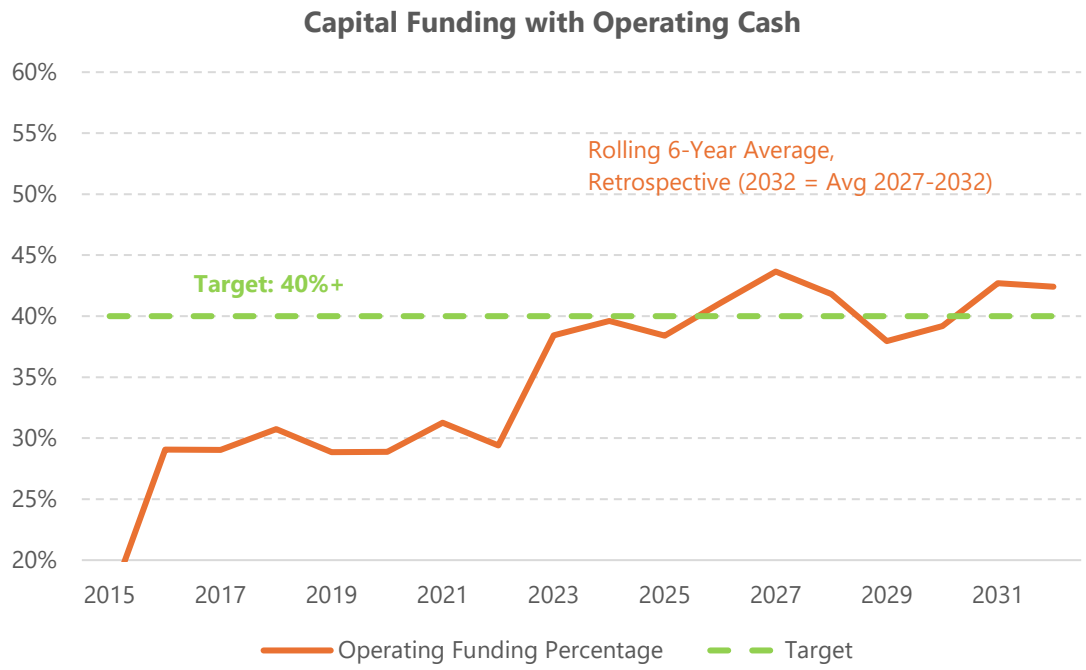
1. Rate Setting Guideline: It is the policy of the City of Seattle to set electric rates for the City Light Department at levels sufficient for it to achieve a debt service coverage ratio of 1.8x.
2. Debt Policy: The City Light Department will manage its capital improvement program so that on average over any given six-year capital improvement program it will fund 40% of the expenditures with cash from operations.

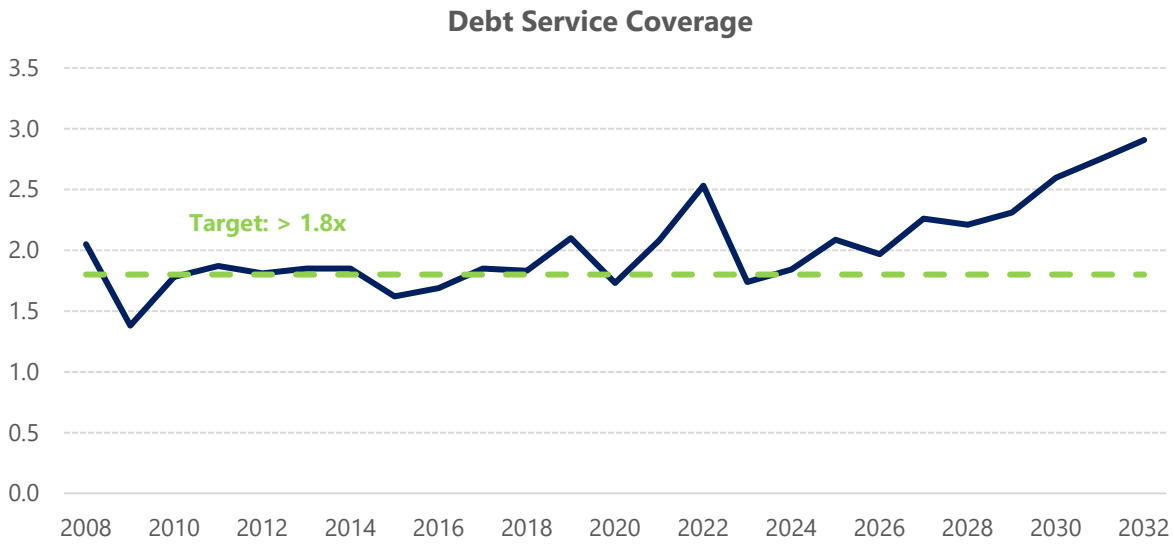
Supplemental Targets and Guidelines, approved by City Light Review Panel in 2024

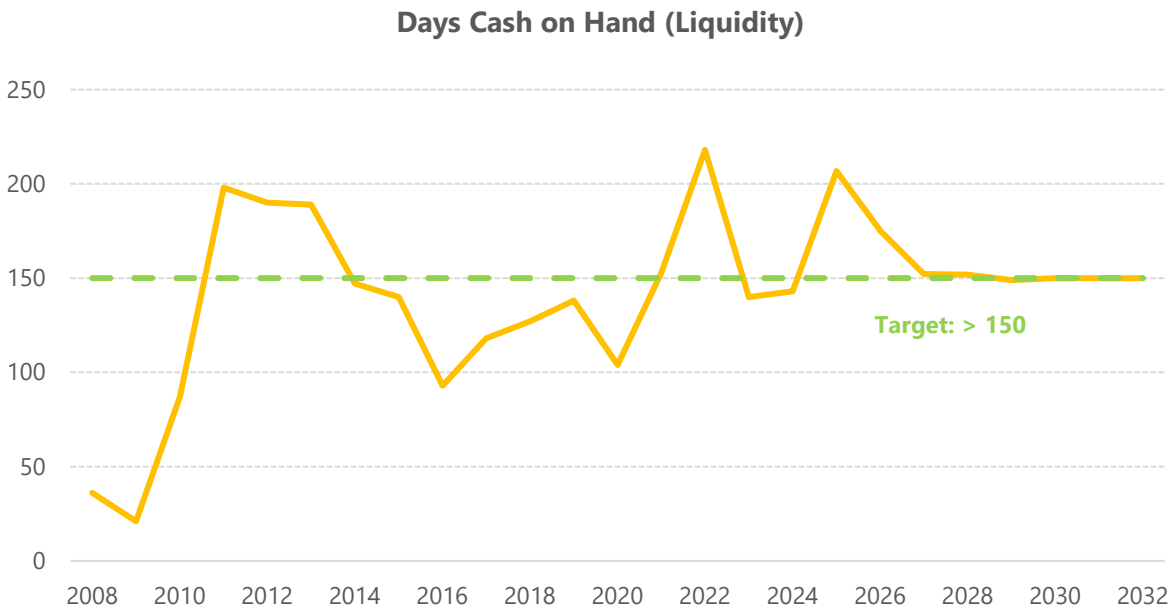
1. Assurance to cover debt payments: At least 1.80x debt service coverage in any given year, and a 6-year rolling average greater than 1.90x.
2. Target for funding of the capital plan: Six-year average operating cash funding of net capital requirements greater than 40%.
3. Debt leverage target: Debt-to-fixed asset ratio less than 60%.
4. Liquidity target: Days cash on hand greater than 150 days.

The charts below show the history and forecast of financial metrics. The revenue requirements and associated rate path outlined in this report meet all the financial targets.




Capital Funding with Operating Cash
60%
55%
50%
45%
40%
35%
30%
25%
20%
Rolling 6-Year Average,
Retrospective (2032 = Avg 2027-2032)
Target: 40%+
2015
2017
2019
2021
2023
2025
2027
2029
2031
Operating Funding Percentage
Target


Debt Service Coverage
3.5
3.0
2.5
2.0
1.5
1.0
0.5
0.0
Target: > 1.8x
2008
2010
2012
2014
2016
2018
2020
2022
2024
2026
2028
2030
2032



METRIC CALCULATIONS

Debt Service Coverage = (Operating Revenues – Operating Expenses + Cash Adjustments + City Taxes*)/ Debt Service

Debt-to-Fixed Asset Ratio = Long-Term Debt / (Plant in Service net of Accumulated Depreciation + Construction Work in Progress)

Capital Funding from Operations = 6 Year Operating Funding / (6 Year CIP – 6 Year Contributions)

Days Cash on Hand = (Operating Account + RSA) / ((Operating Expenses – Depreciation and Amortization**) / 365)

** Because City Light is part of the City of Seattle, taxes paid to the City of Seattle are considered junior lien to debt service and are not included in the taxes category for the purposes of calculating debt service coverage.*

*** Also includes amortization (non-cash) amounts in operating expenses (i.e., hydro relicensing, energy efficiency)*

Seattle City Light

APPENDIX C: DOCUMENTATION FOR THE RATE STABILIZATION ACCOUNT

2027 and 2028 Planning Values for the RSA

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2027													
Total Net Variable Power Costs ($000's)	$19,000	$19,000	$17,000	$23,000	$20,000	$22,000	$24,000	$34,000	$19,000	$19,000	$15,000	$21,000	$252,000
Total Retail Sales (MWh)	915	808	804	703	671	634	692	696	651	713	797	914	8,998
Net Variable Power Price ($/MWh)													**$28**
2028													
Total Net Variable Power Costs ($000's)	$26,000	$28,000	$23,000	$23,000	$19,000	$17,000	$17,000	$27,000	$28,000	$23,000	$35,000	$45,000	$311,000
Total Retail Sales (MWh)	918	842	807	705	673	635	692	696	651	714	800	918	9,051
Net Variable Power Price ($/MWh)													**$34**

Net Variable Costs - Strategic Plan 2027

Power Cost Adjustment Input	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Variable Power Costs (net)													
Long-term Power Contracts	*$18,057*	*$18,057*	*$18,057*	*$18,057*	*$18,057*	*$18,057*	*$18,057*	*$18,057*	*$18,057*	*$18,057*	*$18,057*	*$18,057*	*$216,684*
Wheeling	*$6,944*	*$6,944*	*$6,944*	*$6,944*	*$6,944*	*$6,944*	*$6,944*	*$6,944*	*$6,944*	*$6,944*	*$6,944*	*$6,944*	*$83,323*
Other Power and Transmission Revenue	*-$1,378*	*-$1,378*	*-$1,378*	*-$1,378*	*-$1,378*	*-$1,378*	*-$1,378*	*-$1,378*	*-$1,378*	*-$1,378*	*-$1,378*	*-$1,378*	*-$16,538*
NWR	*-$4,989*	*-$4,394*	*-$6,337*	*-$436*	*-$3,278*	*-$1,153*	*$762*	*$10,445*	*-$4,721*	*-$4,434*	*-$9,016*	*-$2,450*	*-$30,000*
Net Variable Power Costs ($000's)	$19,000	$19,000	$17,000	$23,000	$20,000	$22,000	$24,000	$34,000	$19,000	$19,000	$15,000	$21,000	$252,000
Total Retail Sales (GWh)	915	808	804	703	671	634	692	696	651	713	797	914	8,998
Net Variable Power Price ($/MWh)													**$28**

Net Variable Power Costs - 2027 details

LT Power & Wheeling	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Power	$18,057	$18,057	$18,057	$18,057	$18,057	$18,057	$18,057	$18,057	$18,057	$18,057	$18,057	$18,057	$216,684
BPA Power	$14,782	$14,782	$14,782	$14,782	$14,782	$14,782	$14,782	$14,782	$14,782	$14,782	$14,782	$14,782	$177,379
Priest Rapids	$157	$157	$157	$157	$157	$157	$157	$157	$157	$157	$157	$157	$1,881
Condon Wind	$237	$237	$237	$237	$237	$237	$237	$237	$237	$237	$237	$237	$2,840
Lucky Peak	$963	$963	$963	$963	$963	$963	$963	$963	$963	$963	$963	$963	$11,552
New Resources	$1,686	$1,686	$1,686	$1,686	$1,686	$1,686	$1,686	$1,686	$1,686	$1,686	$1,686	$1,686	$20,227
King County West Point	$193	$193	$193	$193	$193	$193	$193	$193	$193	$193	$193	$193	$2,314
High Ross	$41	$41	$41	$41	$41	$41	$41	$41	$41	$41	$41	$41	$492
Wheeling	$6,944	$6,944	$6,944	$6,944	$6,944	$6,944	$6,944	$6,944	$6,944	$6,944	$6,944	$6,944	$83,323
BPA Wheeling	$6,569	$6,569	$6,569	$6,569	$6,569	$6,569	$6,569	$6,569	$6,569	$6,569	$6,569	$6,569	$78,830
Other Wheeling	$374	$374	$374	$374	$374	$374	$374	$374	$374	$374	$374	$374	$4,493
Power & Wheeling ($000's)	**$25,001**	**$25,001**	**$25,001**	**$25,001**	**$25,001**	**$25,001**	**$25,001**	**$25,001**	**$25,001**	**$25,001**	**$25,001**	**$25,001**	**$300,007**

Power & Transmission Revenues	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Delivery to Pend Oreille County	$351	$351	$351	$351	$351	$351	$351	$351	$351	$351	$351	$351	$4,212
Priest Rapids	$445	$445	$445	$445	$445	$445	$445	$445	$445	$445	$445	$445	$5,342
BPA Credit for South Fork Tolt	$219	$219	$219	$219	$219	$219	$219	$219	$219	$219	$219	$219	$2,627
Power Marketing Net	$363	$363	$363	$363	$363	$363	$363	$363	$363	$363	$363	$363	$4,358
Transmission Sales	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Power Revenues, net ($000's)	**$1,378**	**$1,378**	**$1,378**	**$1,378**	**$1,378**	**$1,378**	**$1,378**	**$1,378**	**$1,378**	**$1,378**	**$1,378**	**$1,378**	**$16,538**

Net Wholesale Revenue	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Planned Net Revenue ($000's)	$4,989	$4,394	$6,337	$436	$3,278	$1,153	-$762	-$10,445	$4,721	$4,434	$9,016	$2,450	$30,000

Retail Power Sales	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Customer Sales (GWh)	915	808	804	703	671	634	692	696	651	713	797	914	8,998

Net Variable Costs - Strategic Plan 2028

Power Cost Adjustment Input	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Variable Power Costs (net)													
Long-term Power Contracts	$25,908	$26,282	$24,012	$17,979	$15,836	$12,316	$11,088	$12,200	$26,273	$21,463	$33,916	$39,911	$267,185
Wheeling	$7,276	$7,276	$7,276	$7,276	$7,276	$7,276	$7,276	$7,276	$7,276	$7,276	$7,276	$7,276	$87,315
Other Power and Transmission Revenue	-$1,326	-$1,326	-$1,326	-$1,326	-$1,326	-$1,326	-$1,326	-$1,326	-$1,326	-$1,326	-$1,326	-$1,326	-$15,910
NWR	-$6,120	-$4,504	-$7,029	-$888	-$2,933	-$1,189	-$482	$8,477	-$4,313	-$4,787	-$4,907	-$1,325	-$30,000
Net Variable Power Costs ($000's)	$26,000	$28,000	$23,000	$23,000	$19,000	$17,000	$17,000	$27,000	$28,000	$23,000	$35,000	$45,000	$311,000
Total Retail Sales (GWh)	918	842	807	705	673	635	692	696	651	714	800	918	9,051
Net Variable Power Price ($/MWh)													**$34**

Net Variable Power Costs - 2028 details

LT Power & Wheeling	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Power	$25,908	$26,282	$24,012	$17,979	$15,836	$12,316	$11,088	$12,200	$26,273	$21,463	$33,916	$39,911	$267,185
BPA Power	$20,848	$21,210	$18,663	$12,310	$9,892	$6,656	$5,511	$6,738	$21,060	$16,592	$29,116	$35,108	$203,704
Priest Rapids	$1,859	$1,859	$1,859	$1,859	$1,859	$1,859	$1,859	$1,859	$1,859	$1,859	$1,859	$1,859	$22,311
Condon Wind	$257	$241	$325	$243	$292	$0	$0	$0	$0	$0	$0	$0	$1,357
Lucky Peak	$629	$657	$850	$1,253	$1,478	$1,485	$1,404	$1,288	$1,039	$697	$626	$629	$12,035
New Resources	$2,075	$2,075	$2,075	$2,075	$2,075	$2,075	$2,075	$2,075	$2,075	$2,075	$2,075	$2,075	$24,898
King County West Point	$198	$198	$198	$198	$198	$198	$198	$198	$198	$198	$198	$198	$2,371
High Ross	$42	$42	$42	$42	$42	$42	$42	$42	$42	$42	$42	$42	$509
Wheeling	$7,276	$7,276	$7,276	$7,276	$7,276	$7,276	$7,276	$7,276	$7,276	$7,276	$7,276	$7,276	$87,315
BPA Wheeling	$6,887	$6,887	$6,887	$6,887	$6,887	$6,887	$6,887	$6,887	$6,887	$6,887	$6,887	$6,887	$82,643
Other Wheeling	$389	$389	$389	$389	$389	$389	$389	$389	$389	$389	$389	$389	$4,673
Power & Wheeling ($000's)	**$40,461**	**$40,835**	**$38,565**	**$32,532**	**$30,388**	**$26,868**	**$25,641**	**$26,753**	**$40,826**	**$36,016**	**$48,469**	**$54,464**	**$354,501**

Power & Transmission Revenues	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Delivery to Pend Oreille County	$372	$372	$372	$372	$372	$372	$372	$372	$372	$372	$372	$372	$4,465
Priest Rapids	$463	$463	$463	$463	$463	$463	$463	$463	$463	$463	$463	$463	$5,556
BPA Credit for South Fork Tolt	$128	$128	$128	$128	$128	$128	$128	$128	$128	$128	$128	$128	$1,532
Power Marketing Net	$363	$363	$363	$363	$363	$363	$363	$363	$363	$363	$363	$363	$4,358
Transmission Sales	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Power Revenues, net ($000's)	**$1,326**	**$1,326**	**$1,326**	**$1,326**	**$1,326**	**$1,326**	**$1,326**	**$1,326**	**$1,326**	**$1,326**	**$1,326**	**$1,326**	**$15,910**

Net Wholesale Revenue	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Planned Net Revenue ($000's)	$6,120	$4,504	$7,029	$888	$2,933	$1,189	$482	-$8,477	$4,313	$4,787	$4,907	$1,325	$30,000

Retail Power Sales	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Customer Sales (GWh)	918	842	807	705	673	635	692	696	651	714	800	918	9,051

Seattle City Light

APPENDIX

2027-2032 Strategic Plan Community Engagement Report

EXECUTIVE SUMMARY

In 2025 and 2026, Seattle City Light conducted a comprehensive, equity-centered community engagement effort, which informed the development of the 2027–2032 Strategic Plan.

Building on feedback from past engagement and leveraging an integrated approach to engagement, City Light engaged a diverse cross-section of customers, community partners, and stakeholders.

Feedback from community and stakeholder engagement has reinforced four consistent themes:

- Electricity is an essential service,
- Customers want to know that we can meet our region's increasing demand for power,
- Reliability must also be balanced with affordability and environmental responsibility, and
- Communities expect City Light to remove barriers, build partnerships, and co-design solutions that reflect lived experiences.

We also heard how important it is to connect our work to community members' shared values around public health, the environment, and community capacity building.

Customers want us to prioritize vulnerable communities. This feedback aligns with the Washington State Clean Energy Transformation Act, which directs utilities to ensure that everyone benefits from our region's transition to energy that doesn't harm people or the planet.

What we learned during our engagement efforts will continue to guide our long-term planning and help build stronger relationships within the communities we serve. As a result, the 2027-2032 Strategic Plan reflects our community's priorities, and we will continue partnering with community members as we implement the plan.

COMMUNITY ENGAGEMENT APPROACH

Working with the Seattle Department of Neighborhoods (DON), we implemented a multi-layered engagement strategy that combined broad outreach, targeted conversations, and ongoing collaboration with community partners to ensure equitable participation.

We began by reviewing recent community feedback to identify key themes and gaps. This helped us develop an engagement approach that centered on promoting dialogue, building trust, and reducing harm —especially for communities that have been historically underrepresented in City of Seattle processes. We also coordinated with other City departments to incorporate utility-related feedback gathered through their engagement efforts.

In response to previous community feedback, we took an integrated approach by combining Strategic Plan community engagement with engagement for other long-term planning efforts including the:

- 10-year Strategic Roadmap
- Clean Energy Implementation Plan
- Integrated Resource Plan

By aligning engagement across multiple planning efforts, we were able to be more efficient, effective, and equitable.

We partnered with DON to plan and implement strategies for reaching customers, community members, and community-based organizations throughout our service area. We also engaged with employees, business customers, and other stakeholders to ensure their interests and priorities were incorporated into our planning.

This engagement helped build community's understanding of the utility's challenges and expand our understanding of the community's priorities. Our outreach aimed to increase City Light's visibility, strengthen partnerships, and ensure the Strategic Plan is informed by the communities we serve.

MEETING PEOPLE WHERE THEY ARE

We gathered feedback from more than **2,650 people** representing a diverse cross-section of residential and business customers throughout our service area. We also connected with **hundreds of employees and stakeholders** to ensure our planning efforts reflect their perspectives and expertise. See Attachments 1 and 2 for a summary of the communities and stakeholders we engaged.

Community Engagement Activities
In 2025, we:

- Attended **17 community events**, reaching residents across all seven Council Districts and in multiple franchise communities. Events reflected a strong presence at multicultural festivals and neighborhood celebrations and were often done in coordination with Utility Assistance enrollment opportunities.
- Hosted **25 community and stakeholder conversations**, including with the Indigenous Advisory Council, South Park Neighborhood Association, and the Disability Commission.
- Engaged with **20 language communities**[1], supported by the Department of Neighborhoods Community Liaisons.
- Reviewed **10 recent engagement reports** including Seattle's Comprehensive Plan and the 2025-2030 Transportation Electrification Strategic Investment Plan to incorporate previous customer input into our strategic planning processes.

We also shared opportunities for customers to provide feedback on City Light's website, e-newsletter, social media, and blog.

Customer Research

We conducted customer research to better understand perceptions and experiences across Seattle and our franchise communities. Our approach prioritized broad representation and included partnerships with Department of Neighborhoods Community Liaisons and research firms to ensure meaningful participation from historically underrepresented communities.

We offered in-language engagement opportunities and compensated participants for their time to reduce barriers to involvement. The insights gathered are informing our Strategic Plan and will guide how we deliver on our commitments and achieve our outcomes.

Stakeholder Engagement

We met with more than **250 stakeholders** who provided input on affordability, grid readiness, electrification, resource planning, and customer experience improvements. Stakeholder meetings included:

- Key Customers
- Franchise Cities
- NW Energy Coalition
- Building Owners & Managers Association (BOMA)
- Trade allies
- Community based organizations

[1] Arabic, Amharic, Cantonese, English, Hindi, Japanese, Khmer, Korean, Illocano, Mandarin, Norwegian, Oromo, Russian, Spanish, Somali, Tagalog, Taishanese, Tajik, Tigrinya, Vietnamese

- Community engagement partners

Employee Engagement

The City Light Strategic Planning and Performance team approached this planning process with greater intentionality with respect to involving staff in it, which included:

- **Operations Engagement:** Working with Operations leadership to identify opportunities for their teams to be meaningfully engaged and provide feedback to help shape the utility's long-term planning efforts.
- **Cross-Utility Workshops:** Hosting two-day workshops for each of the six Strategic Plan focus areas. Each workshop included 30-40 staff that represented different areas of expertise and positionality in the organization. During the workshops, participants co-developed bodies of work. These bodies of work are setting the stage for how we will accomplish the outcomes outlined in our Strategic Plan.

KEY FINDINGS

Electricity powers the lives of our customers. From daily living to work and play, we support people's quality of life and the community's well-being. We are also facing unprecedented changes in our industry and region. Our Strategic Plan needs to reflect our commitment to providing customers with affordable, reliable, safe, and environmentally responsible energy services while positioning us to navigate a changing energy sector.

- 82% of customers surveyed are satisfied.
- Reliable service remains the top satisfaction driver.
- Rate affordability is a top dissatisfaction driver.
- Solar (88%), wind (84%), and hydropower (79%) remain the most favored sources.
- Black, Indigenous, and People of Color (BIPOC) customers are less aware of energy-saving technologies than white customers.

Balancing Trade-offs

We discussed how community members would prioritize:

1. **Reliability**, which customers define as keeping the power on and restoring electricity quickly
2. **Affordability**, which includes people feeling like they can afford to pay their bill and knowing how to manage their bill
3. **Environment**, which includes generating and using energy that doesn't harm people or the environment

This exercise sparked valuable conversations about the complexity of our work and the challenges facing the energy sector. As a result, community members provided more informed feedback.

Based on the 785 responses we received, customers consistently ranked reliability as their top priority followed closely by both affordability and the environment. Additional customer research mirrored this prioritization.

Our Residential Customer Satisfaction Survey, fielded in September 30 – October 11, 2025, found that environmental concerns declined as a customer priority whereas cost and outage concerns now outweigh sustainability. We also heard many customers share that we have relatively reliable service while others live in areas more impacted by unplanned outages. Quite a few customers that moved here from other regions shared that our power is relatively affordable, but we know many customers face rising energy burdens. As we implement our Strategic Plan, we will continue to engage customers and communities so that our work continues to be guided by their lived experiences.

What We Heard

Residential customers and community members stressed that achieving a just transition to a clean energy future requires removing systemic barriers, improving access to benefits, and showing how our work connects to personal wellbeing and community health. They asked City Light to expand culturally relevant education and outreach, strengthen partnerships with community-based organizations, co-design solutions that reflect local priorities, and engage youth to build pathways into green jobs. They also want us to continue focusing on offering ways customers can save money and energy.

Stakeholders want us to ensure we have enough power supply to meet rising demand driven by building electrification, electric vehicle (EV) charging, and new development. They emphasized that maintaining reliability is their highest priority and that affordability must be balanced with the need for long-term resource adequacy, grid resiliency, and responsible environmental action. Stakeholders expressed strong support for demand-side management and other efforts to promote stability. They also stressed the importance of improved access to energy data and having the flexibility to adopt emerging technologies such as solar and EV infrastructure.

How We Can Be Responsive

We are facing unprecedented challenges in the energy sector, and community members want us to take a more systemic and inclusive approach to our work:

- Strengthen internal coordination to improve customer experience and service delivery
- Expand education and awareness through inclusive, culturally relevant, and sustained engagement
- Foster mutually beneficial partnerships with community-based organizations
- Co-design programs and investments with communities to ensure alignment with their needs
- Engage with youth and create pathways into green jobs

SUMMARY

As a result of our community engagement approach, customers had a deeper understanding of our work, and we had a deeper understanding of their priorities. We also fostered trust with our customers and built relationships with community partners and stakeholders.

By incorporating community feedback into our Strategic Plan and other City Light planning efforts, we are better positioned to achieve mutually beneficial outcomes and be more accountable to our customers. As we implement the 2027-2032 Strategic Plan, we will continue to engage with customers and community partners to integrate their input into our work.

Attachment 1: Community Engagement Overview

CUSTOMER RESEARCH

Residential Customer Satisfaction Survey
Participants: 600 residential customers

Methodology: Seattle City Light began the Residential Customer Satisfaction Longitudinal Study in 2021. This survey helps us measure customer experience trends and supports the Strategic Plan and operational and communications improvements. A random representative group of respondents were contacted via home phone (to take the survey over the phone) or via cellphone (sent a text with a link to take the survey online). We expanded the survey from 8 to 14 languages to increase accessibility—14% of respondents completed the survey in a language beyond English (up 4% from the 2023 survey).

Customer Participation Insights Study
Participants: 884 residential customers and 226 business customers

Methodology: Respondents were first sent an email with link to the online survey. Respondents who had not responded received a follow-up telephone call. We worked with the Department of Neighborhoods Community Liaisons to ensure the surveys reflected input from highly impacted communities and vulnerable populations. The surveys were translated into Amharic, Mandarin, Spanish, and Vietnamese for both residential and business customers. We also supplemented the s gather qualitative insights into customer participation in City Light programs and services

- **Residential Customers:** We hosted 3 focus groups (2 in English and 1 in Spanish) with 24 residential customers and completed 20 follow-up interviews with survey respondents.
- **Commercial & Industrial Customers:** We hosted 3 focus groups (2 in English and 1 in Mandarin) with 17 business customers and completed 25 follow-up interviews with survey respondents.
- **Trade Allies:** Completed 10 interviews with residential trade allies. The goal of these interviews was to identify the interest levels of trade allies in potential new products and services to be offered to residential customers.

City Light Strategic Plan Feedback Tool
Participants: 785 community members

Methodology: Customers had an opportunity to share how they would prioritize reliability, affordability, and the environment and provide other input. We connected with community members at community events and through City Light's communications channels (e.g. social media, newsletter, etc.). We also partnered with Department of Neighborhoods Community Liaisons to gather feedback in multiple languages.

Customer QualBoards:
Participants: 35 residential customers

Methodology: We conducted a three-day online focus group with 35 customers, which included broad representation across Seattle and our franchise communities. We oversampled customers traditionally underrepresented in surveys including people who are BIPOC and younger respondents.

ENVIRONMENTAL JUSTICE FOCUSED CONVERSATIONS

- **South Park Neighborhood Association (SPNA):** Participated in a SPNA monthly meeting.
- **Indigenous Advisory Council (IAC):** Joined an IAC standing meeting.
- **Disability Commission Meeting:** Attended the Disability Commission's standing meeting.
- **City Light Intern Focus Group:** Hosted a learning session with City Light interns, who are youth/young adults engaged in the energy sector.
- **Community Liaison Focus Groups:** Hosted two learning sessions with 22 Department of Neighborhoods Community Liaisons.
- **Community Partner Conversations:** Hosted two focus groups with seven people who have conducted engagement with diverse communities on behalf of the utility.
- **Human Services Department Community Coordinators Focus Group:** Met with 14 Human Service Department Community Connectors, who work as navigators at area food banks. Participants provided recommendations for helping energy burdened communities.
- **University of Washington Master of Social Work Focus Group:** We interviewed 14 UW Master of Social Work students, who have experience enrolling people in affordability programs. Participants provided recommendations for helping energy burdened communities.

COMMUNITY EVENTS[2]

- **P-Patch Earth Day Celebration** (District 3: Central District)
- **Duwamish River Community Coalition Job Fair** (District 1: South Park)
- **Chinatown-International District Celebration** (District 2: Chinatown-International District)
- **Byrd Barr Place Block Party** (District 3: Central District)
- **SeaTac Summer Night** (Francise City)
- **Lake City Summer Fest and Parade** (District 5: Lake City)
- **Othello International Festival** (District 2: Othello)
- **Yesler Back 2 School Fair** (District 2: Yesler)
- **Celebrate Shoreline** (Franchise City)
- **Big Day of Play** (District 2: Rainer Beach)
- **Rainier Beach Back 2 School Bash** (District 2: Rainier Beach)
- **Tukwila Community Play Day** (Franchise City)
- **Senior Resource Fair** (District 4: Magnuson Park)
- **One Seattle Community Resource Fair** (District 7: Downtown)
- **Ballard Library Resource Fair** (District 6: Ballard)
- **Utility Resource Summit** (Franchise City)
- **Seattle Department of Construction and Inspections Home Fair** (District 2: Hillman City)

[2] Nine of the 17 events were conducted jointly with the Utility Assistance Programs.

Attachment 2: Stakeholder and Employee Engagement Overview

BUSINESS CUSTOMER AND STAKEHOLDER CONVERSATIONS

- **Quarterly Key Customer Meeting:** We presented an update on the strategic planning process and gathered input from our business customers at the quarterly meeting in June 2025.
- **Annual Key Customer Forum:** We hosted this annual forum that brought together approximately 80 representatives from our largest and most engaged customers. A moderated panel discussion with subject matter experts provided additional context on key initiatives, and customers participated in leader-facilitated tabletop discussions focused on collaboration and evolving business needs. Initial feedback from attendees was positive, with many expressing their appreciation for the transparency and opportunity to engage directly with City Light leadership.
- **Building Owner and Managers Association (BOMA):** 25 members participated in a briefing on the Strategic Plan. BOMA members emphasized the importance of reliability, grid resiliency, and rate predictability. They also noted the importance of partnering with building owners to support their efforts to comply with clean energy legislation.
- **Franchise Cities:** Hosted a meeting with 10 Franchise City representatives to provide an update on our Strategic Plan. Representatives asked about planned updates to Utility Assistance qualification and efforts City Light is taking to connect community members with affordability resources. They also asked about how we are planning to help them work through the City Light process for infrastructure projects in their jurisdictions.
- **Northwest Energy Coalition (NWEC):** We presented to 52 attendees at the NWEC Caucus, which represents a mix of NWEC employees, policy organizations, energy companies, and other electric utilities. Discussion focused on how we are managing cost pressures and ways we can mitigate them with demand-side solutions. They also inquired about Skagit relicensing and our plans for expanding energy resources.
- **Integrated Resource Plan Advisory Panel:** In 2025, we conducted 4 meetings with representatives from local nonprofits, government partners, and energy providers on our long-term load forecast and assessment of energy resource needs to inform City Light's strategic planning efforts.
- **Energy Efficiency Strategy In-Depth Interviews:** We hosted conversations with representatives from District, Emerald Cities Collective, NW Energy Coalition, Spark NW, and four (4) trade allies on energy efficiency and demand response to inform City Light's strategic planning efforts.

EMPLOYEE ENGAGEMENT

Operations All-Hands Meetings

City Light leadership attended all-hands meetings at the South Service Center, Skagit Hydroelectric Project, and Boundary Hydroelectric Project, as well as a Joint Operations management meeting. At these meetings we heard about a range of issues including technology, training, and process

improvements. Operations staff also expressed a desire for continued communication about strategy and an interest in breaking down silos across the organization.

Strategic Planning Workshops

City Light leadership also conducted two-day workshops for each of the six focus areas. Each workshop included cross-functional representation of 30-40 staff from all levels of the organization. During the workshops, participants co-developed bodies of work that would support each of the 20 outcomes. These bodies of work are setting the stage for how we will accomplish our Strategic Plan goals and outcomes.

Seattle City Light Review Panel
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May 7, 2026

Mayor Katie Wilson
The City of Seattle
600 Fourth Avenue
P.O. Box 94749
Seattle, WA 98124-4749

RE: City Light Review Panel Comment Letter on Proposed 2027-2032 Seattle City Light Strategic Plan Update

Dear Mayor Wilson:

This letter presents the City Light Review Panel (Panel) comments on the proposed Seattle City Light (City Light) Strategic Plan Update for 2027-2032 (the Plan). Consistent with Ordinance 124740, the Panel has met monthly to track progress on the 2024 Strategic Plan update and provide input to this current Plan.

The rate path in the Plan is materially higher than has been proposed in the last few Plans. We recognize this is a significant increase for all customers, but we feel that it is supported by City Light's analysis. We endorse the rate path for the next two years as necessary to invest in infrastructure and technology to reliably serve City Light customers. We would expect these investments to translate into measurable improvements in system reliability, service delivery, and customer experience, with clear and transparent communication to customers on progress

In the first section of this letter, we comment on City Light's progress on the strategic priorities of the current plan ("City Light Progress on the Current Plan"). In the second part of this letter, we focus on what is changing for City Light and its customers going forward ("City Light's 2027-2032 Strategic Plan"). We considered these factors carefully before endorsing the new Plan.

City Light Progress on the Current Plan

City Light moved forward in 2024-2026 achieving many of its objectives, consistent with the strategic priorities and outcomes of its current Plan. Our comments in this section focus on priorities that were raised by the Panel in 2024 for the current Plan and which provide context for our comments on the new Plan.

Improve the Customer Experience

The Panel noted City Light made important progress on its customer objectives. Customer engagement was a key focus for the past two years as City Light worked with the Seattle Department of Neighborhoods to hear directly from customers and engage them in discussion about the utility's priorities. City Light participated in many more community events, met with community-based groups, and developed customer communications in over fifteen languages.

City Light also received high customer satisfaction ratings with the most recent JD Power business customers survey. However, new service connections and their associated timelines and costs continue to present challenges for City Light. While we commend the City Light team for making measurable improvements since 2024, performance still fell short on established service connections targets. The Panel will continue to encourage initiatives to improve responsiveness and reduce costs, while monitoring progress in this area. Addressing these challenges is particularly important to support the City's goals of developing "middle housing" and expanding the supply of affordable housing.

Create Our Energy Future

The Panel has consistently supported City Light's relicensing work and negotiated settlement agreement for the Skagit hydro project, which makes up approximately 20% of the utility's current power supply mix. the largest city-owned resource. While material investment will be required, the estimated per megawatt hour cost is forecasted to be less expensive than alternative options. The settlement was an important milestone after eight years of working with all the parties, and we commend City Light for making the necessary adjustments along the way to secure this settlement. City Light will include the settlement agreement in its Federal Energy Regulatory Commission (FERC) re-licensing filing, which should greatly increase the likelihood of the federal relicensing approval.

In the past two years, City Light successfully acquired a solar power purchase agreement and entered into a new long-term agreement with the Bonneville Power Administration (BPA). While the cost of the BPA power will be higher in the future, this contract gives City Light access to cost-based power though a contractual "slice" of the Federal Columbia River System's hydro energy at a materially lower cost than what could be procured through alternative sources.

Consistent with its Transportation Electrification Strategic Investment Plan (TESIP), City Light made targeted investments in public charging incentives and expanded the City Light public charging network in neighborhoods where private charging infrastructure was not available.

The Panel supported City Light's 2025-2026 investments in its distribution system. However, system reliability in the radial distribution lines that serve communities outside the downtown network system has deteriorated materially the past two years, to where City Light is in the bottom quartile of system reliability among peer utilities. In Review Panel meetings City Light's management team was very transparent, sharing outage statistics and explaining the lack of investment the past decade has led to deterioration of both underground and overhead infrastructure, which requires major investment to replace. Addressing this underinvestment will continue to be a high priority for the panel. Given the essential nature of reliable electric service, the Panel views sustained improvement in reliability performance, particularly in affected service areas, as a critical outcome of the proposed investments.

City Light has successfully increased energy efficiency measures that reduced demand and is committed to increasing energy efficiency and demand reduction programs by 107 MW by 2035 and another 48 MW by 2045. And City Light worked with City departments to try reducing the barriers to participating in the Utility Discount Program and came close to achieving its target for increased number of participants in 2025.

Ensure Financial Health & Affordability

City Light successfully achieved the financial targets in the current Plan. The Panel still believes that the financial metrics are important to preserve adequate financial liquidity in the event of an emergency and to maintain City Light's strong investment-grade bond rating (which reduces its cost of borrowing and therefore reduces costs for customers).

An important financial policy for City Light is the Reserve Stabilization Account (RSA), which was established in 2010 to address power supply cost risks. The RSA is a reserve

fund that is drawn down first, before issuing power cost rate increases to customers. Having the RSA helps City Light avoid "rate shocks" due to increased power costs. Rating agencies favorably view City Light's RSA mechanism, which has contributed to City Light maintaining its high credit rating.

City Light leadership demonstrated to the Panel that power demand in Seattle has increased to the point where City Light no longer has surplus power to sell in average years. The Panel also noted that customers have seen the RSA surcharge on their bills since 2022. While taking only one season to draw down the RSA balance, it has taken nearly four years to replenish the account to its current level.

Develop Workforce & Organizational Agility

The recent General Manager successfully led a serious internal investigation to discover unsavory work practices among one team of North center field personnel. We supported her actions to reverse the negative work environment. Additionally, in 2025 she and the management team developed new core values, committing to a more respectful, positive, and engaging culture that we hope will positively impact City Light's workforce.

We Power

City Light continues to comply with city, state, and federal regulations, and promote clean air and greenhouse gas reduction policy. The utility has worked with agencies and the private sector to accommodate the demand for power because of building and transportation electrification.

In 2025, City Light introduced the Large Industrial Curtailment Program, a voluntary demand-response program intended to avoid costly market purchases, benefiting both the utility and customers. But the Panel was disappointed by the delayed implementation of the Time of Use rate program and other demand response programs envisioned in the 2024 letter. Additionally, City Light has not made measurable progress toward a distributed energy resources management system (DERMS) to efficiently aggregate customer-owned resources such as solar and in-home batteries as virtual power plants (VPPSs) that might reduce the utility-scale resource needs.

The Panel encourages City Light to accelerate its work on grid flexibility, customer-sited renewable generation, demand flexibility, and energy storage. Peer utilities are increasingly piloting and scaling programs that use customer-side resources to manage peak demand, improve system performance, and reduce the need for costly utility-scale

investments. While the Panel recognizes that City Light's proposed rate increases are generally comparable to those of peer utilities, Panelists are concerned that customers also need more practical tools to manage and control their energy use, benefit from flexible and stored energy resources, and mitigate the impact of rising costs. The Panel encourages City Light to prioritize these investments as part of its affordability, reliability, peak-flattening, and customer empowerment strategy.

The Panel was encouraged when City Light completed the ten-year technology roadmap to ensure City Light will have appropriate cyber security measures and risk response plans and will move to current industry systems and technology. Cyber protection is critical to ensure the safety of the electric grid and to preserve confidential customer and employee information.

City Light's 2027-2032 Strategic Plan

City Light invested a great deal of effort and analysis in this strategic plan cycle. City Light leadership developed a ten-year strategic vision with input from the Panel, which served as a foundation for the new six-year Strategic Plan and rate path. Throughout the last two years, City Light has informed the Panel of significant issues and industry disruptions.

This new Plan reflects a more constrained outlook than prior versions because of the 9.5% per year rate increase (~6.5% after adjusting for expected inflation[1]) that City Light seeks for both 2027 and again in 2028. During the monthly meetings that took place from fall 2024 to now, City Light leadership shared the realities facing the utility, explaining why rates must increase materially to maintain service and system reliability. We have included specific observations and recommendations below for the Focus areas of the new Plan.

Reliability

The two biggest cost drivers from the current Plan's financial forecast for 2027 and 2028 are operating costs and meeting demand increases from building and vehicle electrification. For example, the costs for utility operations such as steel, copper, concrete, and wood poles are much higher than the rate of inflation in the new Plan.

[1] The Review Panel's after-inflation estimate was based on City of Seattle CPI Data Historical and Forecast, accessed May 4, 2026,. https://www.seattle.gov/economic-and-revenue-forecasts/inflation

In 2025, the Panel was surprised to learn that City Light's buried cable lines were deteriorating much more quickly than expected because they had not been properly installed initially. Bare cable had been buried, instead of cable installed in conduit. The Panel agrees with City Light leadership that this needs to be addressed and the Panel requested City Light implement a new policy to prevent this occurring in the future.

Power Supply

City Light's new load forecast is broadly consistent with the prior forecast but indicates that peak demand is expected to grow more rapidly than average demand over the next decade. This growth is driven primarily by building and transportation electrification. City Light's growth is mainly from building and transportation electrification. City Light must preserve its valuable hydro resources that provide critical balancing and storage, further enabling carbon-free resources. To help meet this increasing load, the Panel supports City Light's relicensing work on the Skagit hydro project.

The Panel concurs that the financial and reliability risks of being short on power supply are greater than those associated with having excess supply. But the Panel asked City Light to carefully plan new supply resource additions. City Light responded that it would develop a portfolio of medium-term and long-term resources to mitigate the risk of over-purchasing long-term power supply

The old model of utility-scale generation to meet the increasing customer demand requires investment in generation resources, transmission, and distribution. At each meeting where City Light presented its load forecast and described the need for utility-scale resources, the Panel stressed the importance of also working with small and large customers to implement effective demand response, energy efficiency, and other customer technologies to reduce the need for utility scale resources.

The Panel believes that customer-facing technologies that shift demand, reduce demand and supplement utility power supply will be critical. City Light explained that the big unknown is the degree to which customers will participate in future programs. But City Light seems aligned with the Panel on the importance of rolling out programs where broad participation is possible. The Panel has also asked City Light to analyze distribution system projects in the future - not just on a cost basis- but also from a net benefits perspective, considering potential for reduced customer demand or access to customer resources in any given project.

Customer Experience

This rate increase is a heavy lift for customers and the rationale behind the rate increase may be difficult for customers to grasp without context. The Panel proposed ideas to clearly present the challenges to customers, to help them understand what has changed in the rate path. The Panel noted customers may want to know what are knowns in the forecast, versus what are estimates based upon the best available information today. And the Panel recommended a primer on the RSA mechanism and an example to show how it works. Lastly, the Panel recommended that City Light communicate when customers can expect to see service improvements from infrastructure investment.

The Panel concurs with City Light that the Rate Stabilization Account (RSA) brings rate stability to customers (avoiding shaper rate increases in the short-term) and financial stability to the utility. City Light has proposed changes to the Rate Stabilization Account (RSA) with which the Panel concurs. The prior structure was focused on solely power cost drivers, but there are other risks that can cause rate increases. Therefore, the Panel supports expanding the RSA to cover a broader range of rate risks to protect customers and the utility. The Panel also supports increasing the RSA target level from $100 million to $150 million, given the utility has grown since 2010 and no longer has surplus energy to sell into the wholesale market.

The Panel asked about rate class equity in the cost allocation between rate classes. Panel members representing residential customers expressed support for City Light's proposal to apply the newly structured RSA surcharge as an energy charge, which will shift some costs to large-use customers. Panel members urged City Light to make sure that the future new large load tariff does not shift costs and risks to residential and small commercial customer classes and help ensure that such large loads do not impact current customers, to the extent possible.

The Panel expressed concern over the proposed 2027 and 2028 rate increase on vulnerable customers. City Light has been an industry leader for many years in customer assistance programs. Going forward, the utility is proposing changes to increase eligibility and expand enrollment in the Utility Discount Program. The Panel also urged City Light to consider tiered program participation, more extensive outreach efforts, additional partnerships to reach low-income residents, and more bill payment assistance promotion. The City (SCL, SPU, HSD) is also encouraged to streamline the application process by linking to other income-qualified programs (e.g., federal assistance programs) that may have already determined a potential participant's eligibility for UDP, thereby reducing the barriers that keep participation far below potential.

Sustainability

City Light developed its new Plan based upon current regulation and government policy. City and state decarbonization goals and programs are still in place, with targets that City Light must achieve. Unfortunately for City Light customers, federal grants and tax incentives for grid modernization and new carbon-free resources have evaporated with the current administration. Therefore, City Light's grid modernization projects must now be funded solely by City Light (federal grants were included in the current Plan's rate path).

In the prior letter, the Panel noted that the transition to renewable energy had increased the cost of power supply. The costs for new long-term resources have exceeded those prior price forecasts because utilities and data centers are competing to acquire power supply. Further, new clean energy resources are predominantly intermittent energy resources (wind and solar), highly variable dependent upon weather conditions and time of day. Therefore, City Light must acquire more name plate capacity to have the same number of average megawatts available. City Light will likely invest in new battery energy storage to meet extreme peak demand. All of this highlights the tremendous value of City Light's existing hydro projects.

Workforce

The Panel applauds the work the City Light leadership team undertook in 2025 to re-build the culture and to invest in the workforce. We support continued efforts in this regard because it is the people that serve the customers and look out for the customers' interests.

And the Panel continues to support City Light's objective of competitive compensation to attract and retain talented employees able to meet the new challenges. However, the rate path in the current Plan did not have the 2025 bargaining agreement salary adjustments to keep City Light compensation competitive. The rate path for the new Plan includes the workforce compensation laid out in the signed bargaining agreement.

Technology

City Light was without a chief technology officer (CTO) in 2024 and the first quarter in 2025, which slowed down operational technology and cyber security planning for the utility. City Light now has both a new CTO and a technology roadmap. But there are many future initiatives that will still be in planning stages in 2027. The Panel hopes City Light can move quickly from planning to implementation, particularly with respect to

grid transformation and customer-facing technologies to reduce or shift demand or integrate distributed energy resources. All of these technology challenges must be met amid the backdrop of increasing cybersecurity threats.

Conclusion

In conclusion, City Light is better positioned than many other utilities given its large hydro energy portfolio, its long-term investment in energy efficiency since the 1970s, and its progressive utility discount program for vulnerable customers. As a not-for-profit utility with a stable financial position, it can access the capital markets at more attractive borrowing costs than investor-owned utilities, resulting in lower rates for its customers. City Light's rate increases in 2025-2026 were at the low end of the range for peer utilities. And City Light's rates are lower than those in other large metropolitan areas. But the utility is playing "catch up" on technology and distribution infrastructure. While we would prefer a lower rate increase, we conclude that the proposed increases are necessary for the next two years.

When we looked into discretionary versus non-discretionary spending in the financial forecast, we learned that there was minimal discretionary spending. Most of the rate increase is driven by inflation (impacting wages, materials, and supply chain), Skagit relicensing, debt service, replacing aging infrastructure, catching up on technology, and acquiring new supply to growing power demand. In short, the rate increase is needed for City Light to maintain service reliability and comply with financial policies.

One other important topic we must raise is the importance of stable utility leadership. City Light has had three general managers since 2016, and the City will conduct a search for a fourth this fall. Changing the head of the utility every few years is very detrimental. It is unsettling for employees, delays key hires, and impedes strategic initiatives. At most other public power utilities, elected officials trust the utility leader to run the utility based on their industry experience and leadership acumen.

We urge the Mayor and Council to take a new approach to the City Light General Manager selection and confirmation process that supports attracting and retaining top talent. We recommend that the process be accelerated, efficient, and transparent, while maintaining appropriate confidentiality during recruitment. Stable leadership is needed to modernize City Light's system and implement critical technologies necessary for the future. Once a new General Manager is in place, continuity in leadership should be prioritized when performance is strong, to support the long-term execution of the utility's strategic objectives.

If helpful, the Panel would be willing to provide additional recommendations related to recruiting, hiring, and retaining the General Manager as part of its upcoming two-year work plan, beginning June 2026.

We thank the City Light team who have worked diligently together, and with us, during the past twenty-four months. They have done a stellar job given the challenges. And we thank the Council staff, Mayor's office, and City Budget Office representatives for support of the City Light Review Panel.

We are available to answer any questions you may have about the recommendations in our letter.

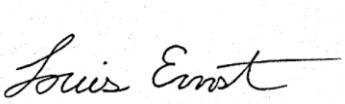
Sincerely,

Members of the City Light Review Panel[2]

Leo Lam
Chair
Panel Position #4
Residential Customer Representative

Joel Paisner
Co-Chair
Panel Position #9
Suburban Franchise Representative

Bruce Flory
Panel Position #1
Economist

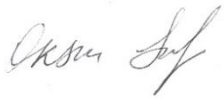


Louis Ernst
Panel Position #2
Financial Analyst

Kerry Meade
Panel Position #3
Non-Profit Energy Efficiency Advocate

Ryan Monson
Panel Position #5
Commercial Customer Representative

Toyin Olowu
Panel Position #6
Industrial Customer Representative



Oksana Savolyuk
Panel Position #7
Low Income Customer Representative

Cristina Sima
Panel Position #8
At-Large Customer Representative

[2] We sign this letter in our individual capacities, not as representatives of our employers.

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

Summary and Fiscal Note

1. Legislation Summary

Department: Seattle City Light

Title: A resolution relating to the City Light Department; adopting a 2027-2032 Strategic Plan for the City Light Department and endorsing the associated rate path.

Background: This resolution adopts City Light's 2027-2032 Strategic Plan. It also endorses the rate path required to generate the revenue to support the outcomes described in the strategic plan. This resolution was developed in coordination with proposed Seattle City Light rates legislation and will inform development of City Light's 2027-2028 proposed budget. The strategic plan and rate legislation propose the following average rate increases:

2027: 9.5 percent

2028: 9.5 percent

Summary Attachments: None

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2. Capital Improvement Program (CIP)

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

☐ Yes

☒ No

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3. Summary of Financial Implications

Does this legislation have financial impacts to the City?

☒ Yes

☐ No

Yes, the adoption of the Strategic Plan endorses the rate trajectory for 2027 and 2028, which reflects cost and revenue assumptions implicit in this rate forecast, which will inform future budget proposals and rate legislation.

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.

No.

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?

This resolution supports a rate path which reflects cost and revenue assumptions which have informed the development of rates legislation and will inform Seattle City Light's 2027-2028 budget requests.

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

No direct impacts.

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

No direct impact to other City departments.

---

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.

The 2027-2032 Strategic Plan was informed by a comprehensive, equity-centered engagement effort. Building on feedback from past engagement, City Light conducted community conversations across 20 language communities, balancing education on utility challenges with discussions on how the community would manage the tradeoffs. The feedback was that electricity is essential, and customers want to know we can meet our region's increasing demand for power. Conversations highlighted the need to balance this with affordability and environmental responsibility. These findings informed the focus areas, outcomes, and actions in this Strategic Plan.

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

This Strategic Plan was developed with deep community engagement in partnership with the Seattle Department of Neighborhoods (DON) to ensure equitable participation. We began by reviewing recent community feedback to identify key themes and gaps and developed an engagement approach focused on promoting dialogue, building trust and reducing harm. We integrated engagement internally across multiple planning efforts to increase efficiency while ensuring the insights gained would be shared across initiatives. A full summary of the 2027-2032 Strategic Plan Community Engagement is included in the Strategic Plan appendix.

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

Seattle City Light will carry out all public-facing communication about this legislation in alignment with its Language Access Plan, including translation and interpretation for communities with limited English proficiency. We will allocate the necessary time and resources to ensure materials are accessible and culturally appropriate.

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 directly, but the Strategic Plan does include programs in support of building and transportation electrification that should decrease carbon emissions.

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 directly, but the Strategic Plan does include programs such as electrification and grid modernization that should positively impact climate resiliency.

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 does not include any specific new initiative or programmatic expansion. However, it sets clear long-, mid- and short-term outcomes for each focus area with reports provided to City Light leadership at a regular cadence to track trends and build accountability.

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

No.

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

Parks & City Light Committee

June 17, 2026

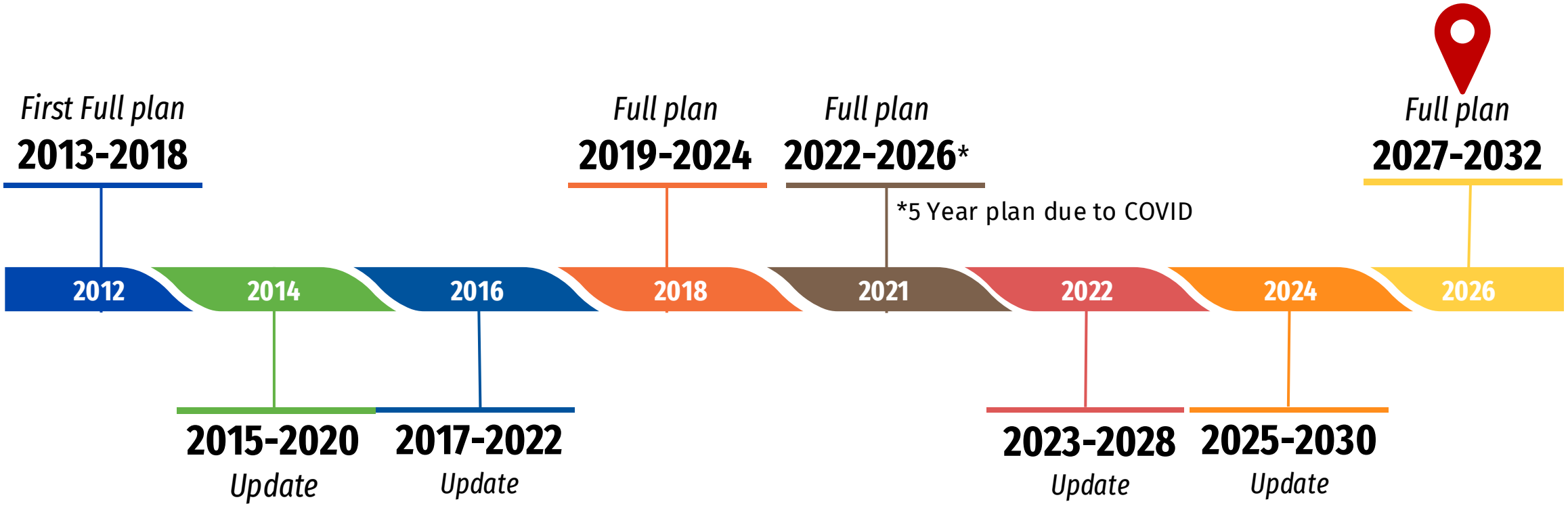
Seattle City Light

WE POWER SEATTLE

2027-2032 Strategic Plan

Seattle City Light

This is Our Eighth Strategic Plan



City Light Review Panel

- Created in 2010 by Seattle City Council Ordinance 123256.
- A nine-member volunteer panel representing customers and partners.
- Their role:
  - Guide and provide input on strategic planning, financial planning, and rate proposals.
  - Assess our proposed Strategic Plan and provide an opinion on the merits before it goes to the Mayor and the City Council for approval.

Leo Lam
Residential Cust. Rep
Panel Chair

Joel Paisner
Suburban Cities Rep
Panel Co-Chair

Kerry Meade
Non-Profit Energy Efficiency Rep

Gina Cristina Sima
Member at Large

Bruce Flory
Economist

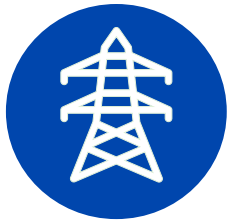
Oksana Savolyuk
Low-Income Cust. Rep

Toyin Olowu
Industrial Cust. Rep

Louis Ernst
Financial Analyst

Ryan Monson
Commercial Cust. Rep

City Light Focus Areas



RELIABILITY

Ensuring dependable, high-quality service

CUSTOMER EXPERIENCE

Providing seamless, frictionless interactions

POWER SUPPLY

Securing clean, efficient energy resources

SUSTAINABILITY

Securing the future of our community, environment, and utility

WORKFORCE: cultivate a highly skilled, diverse, and resilient workforce

TECHNOLOGY: drive key priorities with our strategic application of technology

The Strategic Plan will be used for…

Engagement by the Numbers

2,650+
People Engaged

10
Engagement Reports Reviewed

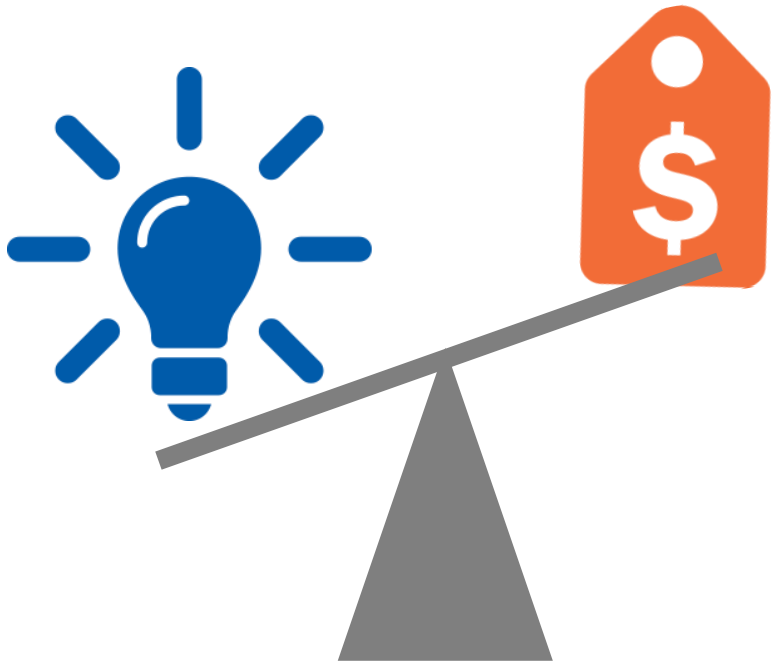
17
Community Events Attended

25
Community & Stakeholder Conversations

20
Language Communities

200+
Operations & Generation Staff

Balancing Trade-offs



Strategic Plan Feedback

Seattle City Light wants you to help us plan for our shared energy future. Please review the following statements:

Reliability
It's important to me to have the electricity available whenever I need it.

Affordability
It's important to me to know I can afford to pay my electric bill.

Environmental friendliness
It's important to me that the electricity I use does not harm people or the planet.

What is more important to you?

What We Heard

Electricity is essential

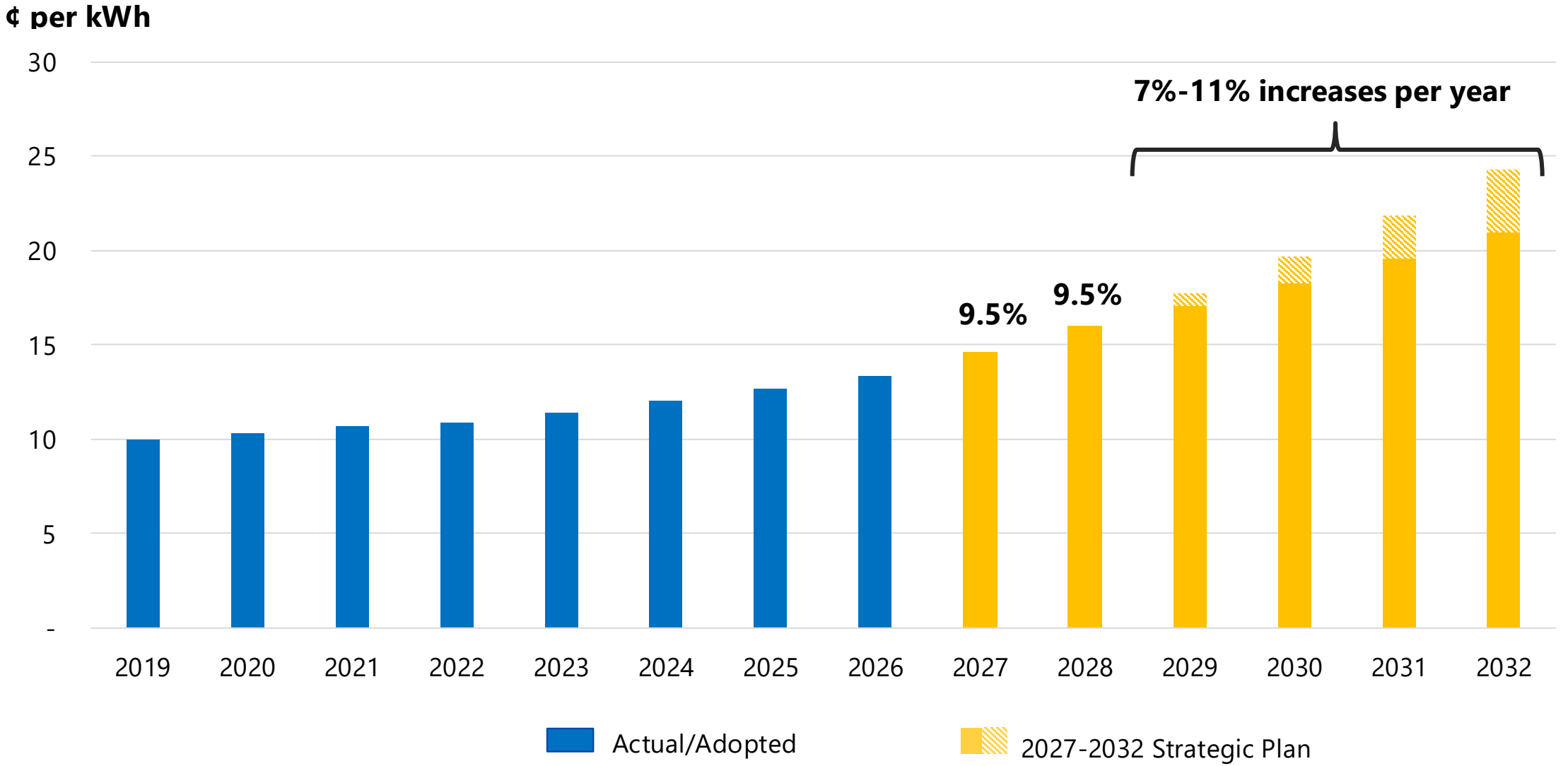
Balance reliability, affordability, and the environment

Co-design solutions that reflect lived experience

How Community Wants Us to be Responsive

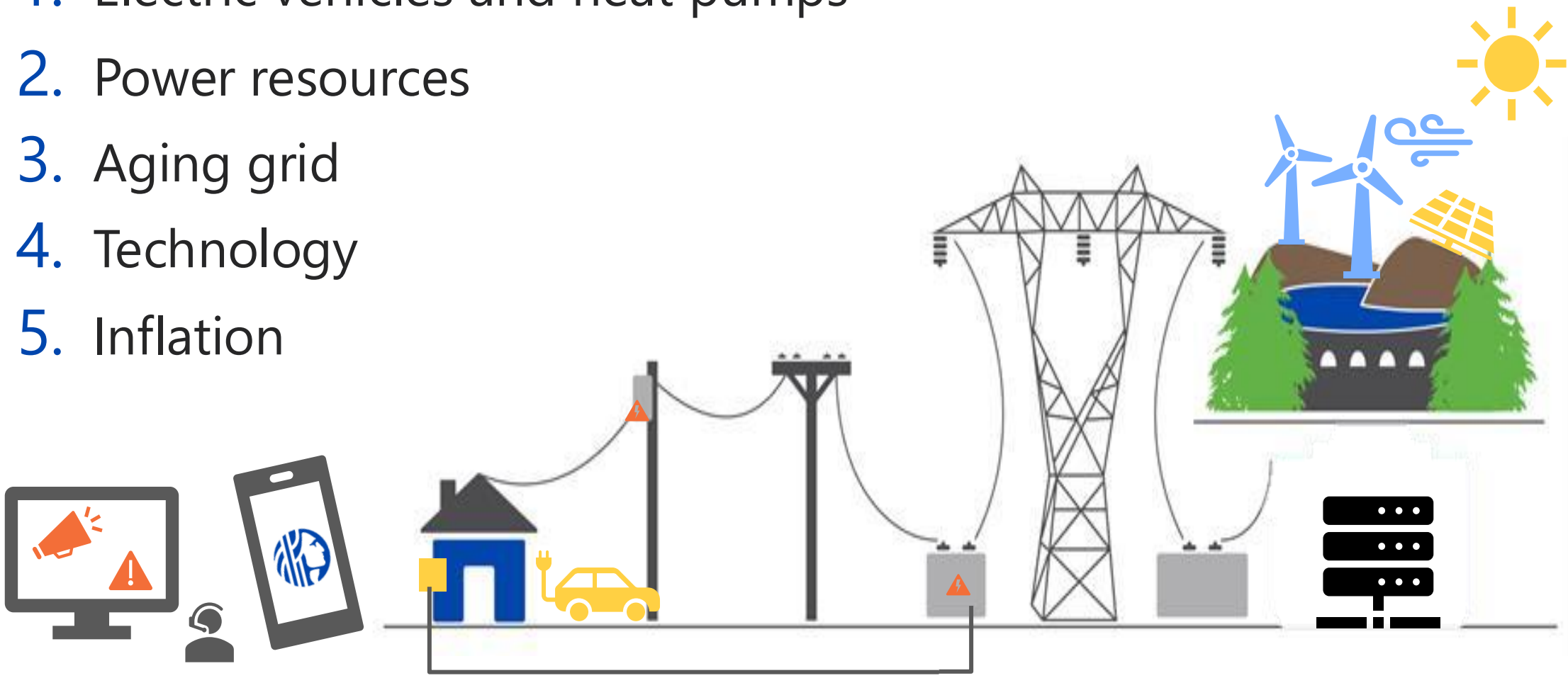
- **Education & Awareness**
- **Connect to Youth & Green Jobs**
- **Community Partnering**
- **Internal Coordination**

Strategic Plan Retail Rate Path



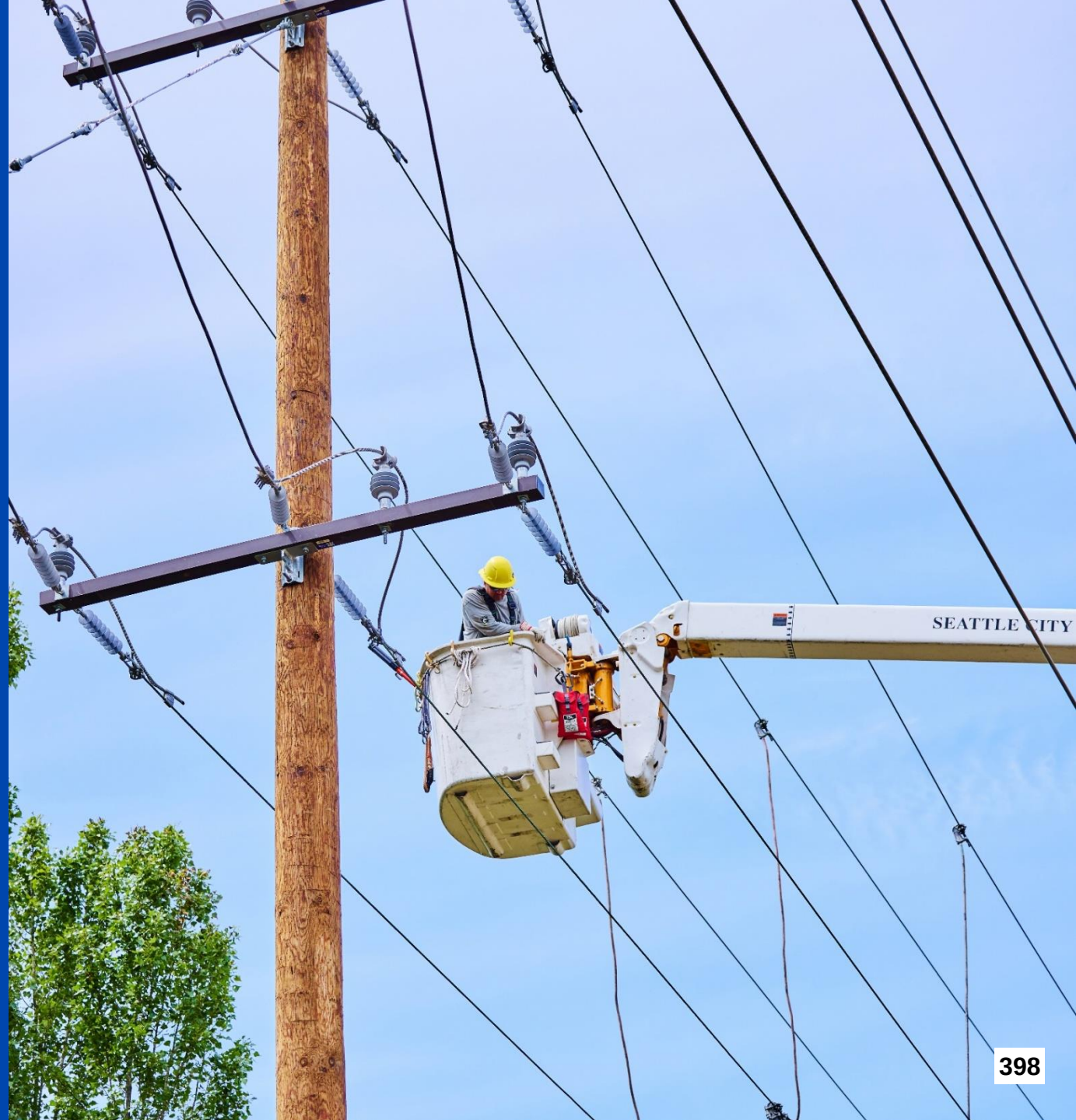
Why Rate Increases are Needed

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



2027 – 2028
Retail Rate Ordinance

Seattle City Light



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

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**

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.

Regional Rate Increase Comparison

Residential Rate Increases

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%
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%

27/28 Proposals:

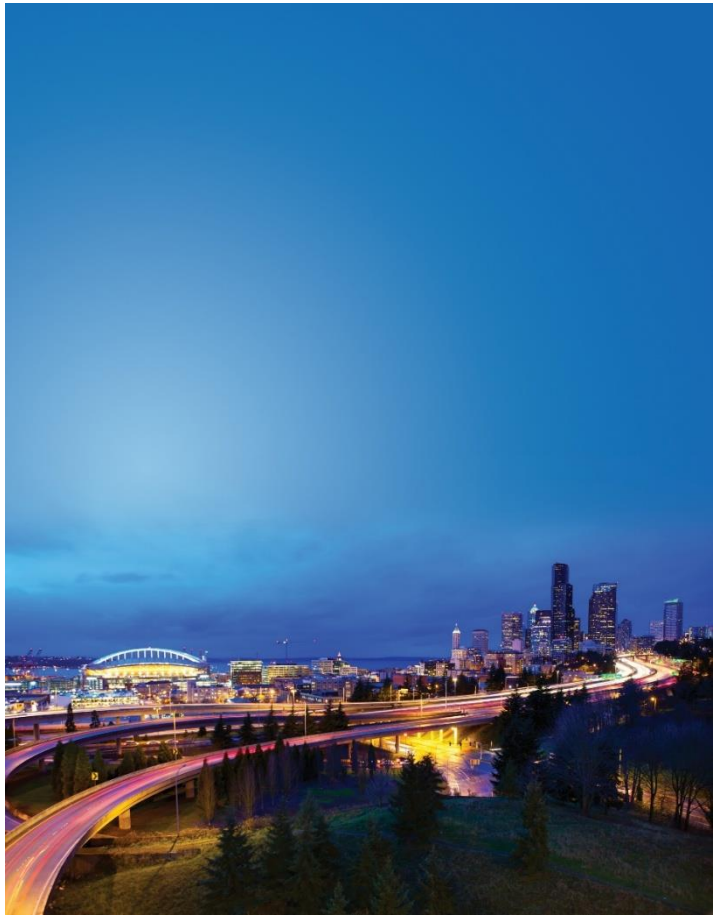
+21%

+19%

as of 3/20/2026

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 *All rate components*	2%* at $120M 5%* at $80M *Per-kWh rates only*

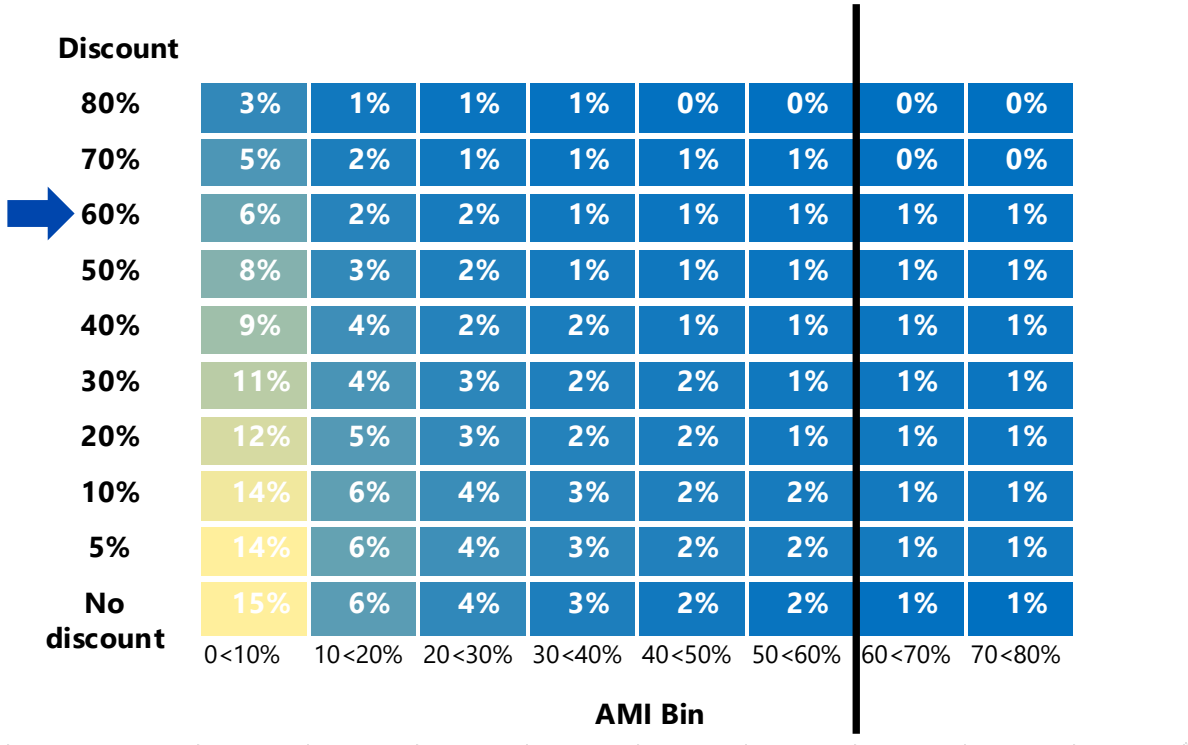
** Percentage of average system rate, all customers pay same per-kWh surcharge*

- 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



Supporting Affordability for All

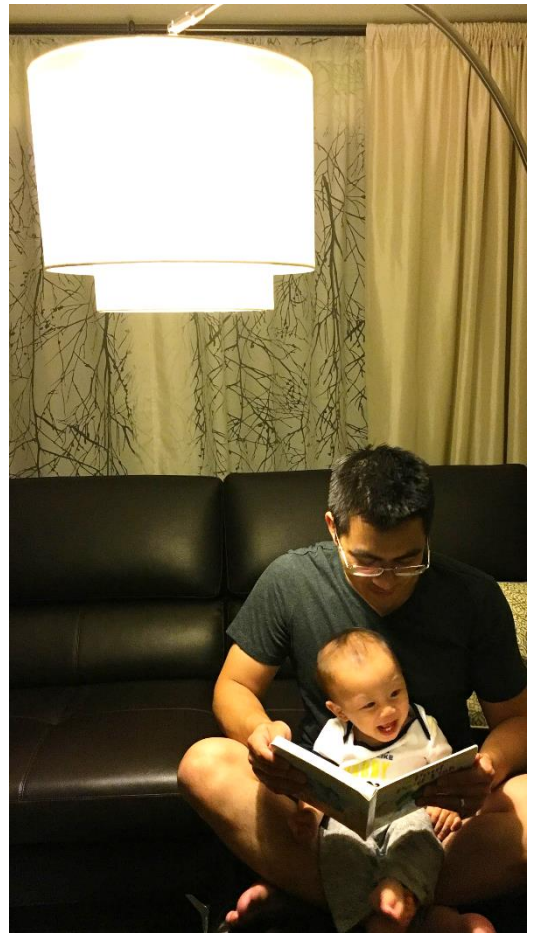
For Income-Qualified

- **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)*

Ordinance expands UDP eligibility

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*



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 data center rate
  - Expands Rate Stabilization Account (RSA)
  - Utility Discount Program (UDP) eligibility

THANK YOU

Seattle City Light

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

Screen Reader Users: Make sure settings include reading (1) strikethrough and underline font attributes, and (2) superscripts and subscripts.

The City of Seattle

Ordinance

Council Bill

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.

Recitals:

The City Light Department (Department) is projecting growth in retail electricity sales driven largely by increased adoption of electric vehicles and other forms of environmentally beneficial electrification.

The cost for procuring new, reliable, carbon-free power resources needed to serve this growing load has risen substantially in an increasingly competitive regional market.

The region’s transition from bilateral power trading to organized energy markets is increasing the

complexity and volatility of both long-term resource procurement and short-term energy trading, requiring new tools, expertise, and staffing the Department has not needed during decades of declining load.

The Department's costs for labor, materials, and contracted services necessary to provide electrical services are increasing faster than general inflation.

The Department has deferred a significant amount of maintenance and asset replacement in the distribution system, including underground cable replacement, requiring accelerated work over the coming decade to maintain adequate reliability to customers.

The combined effect of rising load, higher power-supply costs, escalating construction and labor expenses, and the need to address deferred infrastructure work will require retail rate increases higher than recent historical levels.

The City Light Department's Proposed 2027-2032 Strategic Plan Update establishes the revenue requirements for 2027 and 2028, which translate to average rate increases of 9.5 percent in both years.

The Department has completed a cost-of-service study that identifies the amount of revenue to be collected from each customer rate class.

In addition to system-wide cost pressures, the Department is experiencing increasing interest from customers whose significant and often location-specific power needs may require substantial new infrastructure as well as incremental power.

Although the Department has historically maintained a surplus of energy and capacity, increasing electricity demand will outpace the capabilities of legacy resources and existing infrastructure, necessitating new investments to reliably serve customers.

The regional market for new bulk electricity and transmission resources indicates that the marginal cost of serving new demand will be considerably higher than the cost of the Department's

legacy power resources.

Because the marginal cost of new power supply is significantly higher than the cost of legacy resources, large new loads create upward pressure on retail rates unless their full costs are directly assigned to them.

To protect existing ratepayers from bearing the cost of serving new large loads, it is essential the Department establish a clear framework ensuring new large loads pay the full cost of the facilities, services, and power required to serve them.

A significant share of recent inquiries for new large service connections indicates the most likely near-term source of new demand approaching 100 megawatts will come from data centers.

Data centers collectively pose a higher risk of stranded investment to the Department and its ratepayers due to the more portable nature of their business model compared to other similarly sized industrial and commercial customers.

Reliably serving large additions to system load will require the Department to procure new resources, whether by constructing and operating new facilities or entering into long-term power purchase agreements, at costs significantly higher than those of its existing portfolio.

RCW 80.28.010 requires rates for electricity service to be just, fair, reasonable, and sufficient, and provides the Department with the authority to establish distinct customer classes when necessary to ensure that no group of customers imposes undue costs on others.

The Department's longstanding policy of requiring customers to pay the full cost of new or enlarged service connections, including transformers and other dedicated facilities, reflects the principle that costs should be borne by the customers who cause and also benefit from them, and this same principle underlies the Department's approach to large new loads.

The creation of a separate customer class for data centers is necessary to mitigate the combined risks associated with their substantial infrastructure requirements, higher marginal power-

supply costs, potential for stranded investment, and material rate impacts on existing customers.

Protecting existing customers from the cost impacts of large new loads and reducing energy burden for households with limited incomes are complementary strategies that advance the Department's core obligation to maintain affordability, fairness, and equitable treatment for all customers.

Rising energy costs and increasing energy burden in Seattle place disproportionate strain on households with limited incomes.

The Washington Clean Energy Transformation Act (CETA), codified in chapter 19.405 RCW, directs electric utilities to identify and reduce the energy burden on income-constrained households and to demonstrate measurable progress toward meeting the energy-assistance needs of those customers.

Expanding eligibility for the City's Utility Discount Program is a necessary strategy to reduce energy cost 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.

Updating the eligibility threshold from 70 percent of the Washington State median income to 60 percent of the United States Department of Housing and Urban Development (HUD) Multifamily Tax Subsidy Project area median income limits will allow more households in the Department's service area to qualify for rate assistance.

Ensuring affordability for all customers requires not only expanding assistance programs, but also strengthening the Rate Stabilization Account (RSA) within the Light Fund, which provides financial stability to the Department and its customers.

Customers have consistently identified stability and predictability in electric rates as essential to affordability, and strengthening the RSA is necessary to meet these expectations in a more

volatile energy environment.

Although the RSA has historically provided effective protection against wholesale market volatility and hydroelectric variability, the extreme conditions of 2022-2023, when low hydroelectric generation, volatile market prices, and severe weather required emergency legislation to transfer additional funds, demonstrated that the current RSA balance and structure are no longer adequate to manage the utility's current level of risk.

More frequent extreme weather events driven by climate change have increased variability in customer electricity use, making load forecasting more uncertain and heightening the Department's exposure to power-cost volatility.

Revenue from surplus wholesale power sales has become more volatile overall due to increasing uncertainty in hydroelectric generation driven by climate change and to greater market price fluctuations resulting from an evolving energy landscape, creating the need for a larger and more flexible RSA balance.

The acquisition of new power resources adds uncertainty to forecasting purchased-power costs when setting retail rates, and the volume of new power purchases is directly related to the volume of wholesale market transactions.

These uncertainties, combined with variability in both short- and long-term purchased power costs, underscore the need for a more comprehensive approach to better shield customers from power cost fluctuations.

Bonneville Power Administration (BPA) cost uncertainty will be incorporated into the expanded Rate Stabilization Account Mechanism, so the BPA passthrough mechanism (Seattle Municipal Code Section 21.49.081) may be retired.

Establishing a single mechanism for buffering bulk variable power costs and revenues will simplify and improve City Light's ability to manage such variable power costs.

The rate, customer-class, assistance-program, and financial-stabilization changes adopted through this ordinance are necessary to ensure the Department can continue providing reliable, affordable, and equitable electric utility service in a rapidly changing energy landscape. Therefore,

Be it ordained by The City of Seattle as follows:

Section 1. Section 21.49.020 of the Seattle Municipal Code, last amended by Ordinance 127122, is amended as follows:

21.49.020 Definitions

A. The following terms or abbreviations, as used in this Chapter 21.49, have the following meanings:

* * *

“Data center” means a facility that is primarily engaged in providing service described under code 518210 of the 2022 North American Industry Classification System.

"Default rate schedule" means the rate schedule on which customers will automatically be placed.

* * *

“MVA” means megavolt-ampere.

“MW” means megawatt.

“MWh” means megawatt-hour.

* * *

“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.

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

“New large data center load” means any service to a data center fed from an expanded or a new installation equal to or greater than 10 MVA of capacity installed within any consecutive five-year period after January 1, 2027.

“Normandy Park customer” means a customer receiving service at a location in the City of Normandy Park.

* * *

Section 2. Section 21.49.030 of the Seattle Municipal Code, last amended by Ordinance 127122, is amended as follows:

21.49.030 Residential rates (Schedules RSC, RSS, RTC, and RTS)

A. Schedules RSC and RSS are for all separately metered residential services and are the default rate schedules. ((~~For all residential rate schedules, summer billing is defined as April 1 through September 30, and winter billing is defined as all other days. For all residential rate schedules, the First Block energy charge shall apply to the first 10 kWh per day for summer billing, and the first 16 kWh per day for winter billing. The End Block energy charge shall be applied to all additional kWh. Effective January 1, 2025, all kWh will be billed at the same rate.~~)) Schedule RSS rates will be adjusted for applicable municipal utility taxes, franchise rate differentials, and undergrounding charges specific to each location.

Schedule RSC (Residential: City Default)

RSC	~~((Effective January 1, 2024))~~	~~((Effective January 1, 2025))~~	Effective January 1, 2026	Effective January 1, 2027	Effective January 1, 2028
Base Service Charge cents per meter per day	~~((26.23))~~	~~((29.59))~~	39.45	~~55.18~~	~~72.22~~
~~((First Block Energy Charge cents per kWh))~~	~~((2.29))~~	~~((3.07))~~			
~~End Block Energy Charge cents per kWh~~			13.22	~~13.38~~	~~14.57~~
Energy Charge cents per kWh					

Schedule RSS (Residential: Suburban Default)

RSS	~~((Effective January 1, 2024))~~	~~((Effective January 1, 2025))~~	Effective January 1, 2026	Effective January 1, 2027	Effective January 1, 2028
Base Service Charge cents per meter per day	~~((26.23))~~	~~((29.59))~~	39.45	~~55.18~~	~~77.22~~
~~((First Block Energy Charge cents per kWh))~~	~~((2.83))~~	~~((3.64))~~			
~~((End Block Energy Charge cents per kWh))~~			13.22	~~13.56~~	~~14.95~~
Energy Charge cents per kWh					

All charges in Schedule RSS shall be increased by the following percentages respective of the location of service:

RSS suburban franchise and tax multipliers	~~((Effective January 1, 2024))~~	~~((Effective January 1, 2025))~~	Effective January 1, 2026	Effective January 1, 2027	Effective January 1, 2028
Burien, King County, SeaTac, Shoreline	~~((8.00%))~~	~~((8.00%))~~	8.00%	~~8.00%~~	~~8.00%~~
Tukwila	~~((7.23%))~~	~~((7.04%))~~	7.19%	~~7.05%~~	~~7.07%~~
Lake Forest Park	~~((8.04%))~~	~~((8.04%))~~	8.04%	~~8.04%~~	~~8.04%~~
Normandy Park	~~((6.38%))~~	~~((6.38%))~~	6.38%	~~6.38%~~	~~6.38%~~

Additional undergrounding charges will apply to all customers in Shoreline and Burien as follows:

Shoreline

Suburban Undergrounding Charges((~~)~~) ~~((Effective January 1, 2023))~~ Effective January 1, 2025 ~~((Shoreline))~~ North City Undergrounding Charge cents per kWh ~~((0.07))~~ 0.07 Aurora 1 Undergrounding Charge cents per kWh ~~((0.17))~~ 0.17 Aurora 2 Undergrounding Charge cents per kWh ~~((0.18))~~ 0.18 Aurora 3A Undergrounding Charge cents per kWh ~~((0.05))~~ 0.05 Aurora 3B Undergrounding Charge cents per kWh ~~((0.22))~~ 0.22

Burien

((~~Burien~~)) Suburban Undergrounding Charges((~~Effective January 1, 2023~~)) Effective January 1, 2025 First Avenue South 1 Undergrounding Charge cents per kWh ~~((0.37))~~ 0.37 First Avenue South 2 Undergrounding Charge cents per kWh ~~((0.13))~~ 0.13

B. Time-of-Use rates (Schedules RTC and RTS) are optional rate schedules available to customers ((~~who have a fully functioning advanced meter. Time-of-Use rates will be available to customers enrolled in the net metering program once necessary updates to the billing system are completed, as determined by the Department.~~)) who meet eligibility requirements outlined in City Light's Department Policy and Procedure (DPP) 500 P III-434, as amended, or successor rule. Customers may return to their default rate schedule but will not be able to re-enroll in Schedule RTC or RTS until 12 months from the time of unenrollment. The same franchise and tax multipliers and suburban undergrounding charges apply to Schedule RTS as Schedule RSS.

Schedule RTC (Residential: City Time-of-Use)

RTC ~~((Effective January 1, 2024))~~ ~~((Effective January 1, 2025))~~ Effective January 1, 2026 Effective January 1, 2027 Effective January 1, 2028 Base Service Charge cents per meter per day ~~((26.23))~~ ~~((29.59))~~ 39.45 55.18 77.22 Energy Off-Peak cents per kWh ~~((7.57))~~ ~~((7.96))~~ 8.05 8.45 8.69 Energy Mid-Peak cents per kWh ~~((13.25))~~ ~~((13.93))~~ 14.09 14.79 15.21 Energy Peak cents per kWh ~~((15.14))~~ ~~((15.92))~~ 16.10 16.90 17.38

Schedule RTS (Residential: Suburban Time-of-Use)

RTS ~~((Effective January 1, 2024))~~ ~~((Effective January 1, 2025))~~ Effective January 1, 2026 Effective January 1, 2027 Effective January 1, 2028 Base Service Charge cents per meter per day ~~((26.23))~~ ~~((29.59))~~ 39.45 55.18 77.22 Energy Off-Peak cents per kWh ~~((7.57))~~ ~~((7.96))~~ 8.18 8.51 8.93 Energy Mid-Peak cents per kWh ~~((13.25))~~ ~~((13.93))~~ 14.28 14.89 15.63 Energy Peak cents per kWh ~~((15.14))~~ ~~((15.92))~~ 16.32 17.02 17.86

Off-Peak is 12 a.m. to 6 a.m. every day.

Mid-Peak is 6 a.m. to 5 p.m. and 9 p.m. to 12 a.m. Mondays through Saturdays and 6 a.m. to 12 a.m. on Sundays and holidays.

Peak is 5 p.m. to 9 p.m. Mondays through Saturdays, excluding holidays.

* * *

Section 3. Section 21.49.040 of the Seattle Municipal Code, last amended by Ordinance 125171, is amended as follows:

21.49.040 Residential rate assistance

A. Utility discount program established

1. The City has established a utility discount program to assist qualified low-income residential utility customers with the costs of utility services provided by the City, including electric utility services.

2. The utility discount program is available to qualified low-income residential customers in accordance with this Chapter 21.49.

3. The utility discount program is available for separately metered residential service provided to customers who show satisfactory proof that they have a City Light residential account and reside in the dwelling unit where the account is billed and that they:

a. Receive Supplemental Security Income pursuant to 42 USC Sections 1381-1383; or

b. Reside in a household ((~~in which the income of all household members together~~)) whose combined gross income does not exceed ((~~70 percent of the Washington State median income~~)) 60 percent of the United States Department of Housing and Urban Development (HUD) Multifamily Tax Subsidy Project Area Median Income for the Seattle-Bellevue Metro FMR Area

adjusted for ((~~the number of individuals in the~~)) household ((~~as computed~~)) size and updated annually ((~~by the state or the City~~)).

4. The Department is authorized and directed to administer the program, including promulgating administrative rules from time to time in the manner provided in ((~~the~~)) Chapter 3.02 and entering into cooperative agreements to carry out the intent and purpose of this Chapter 21.49, in consultation with Seattle Public Utilities and the Human Services Department, where appropriate. Customer compliance with the program rules is a condition for initial or ongoing eligibility for the utility discount program.

* * *

Section 4. Section 21.49.052 of the Seattle Municipal Code, last amended by Ordinance 127122, is amended as follows:

21.49.052 Small general service (Schedules SMC, SMS, SMD, STC, and STS)

A. Small general service is general service provided to customers who are not demand metered or, if demand metered, have had in the previous calendar year more than half of their normal billings at less than 50 kW of maximum demand. Classification of new customers as small general service customers will be based on the Department's estimate of maximum demand in the current year. Customers who are assigned flat rate bills shall be charged according to small general service energy charges. Schedule SMS and STS rates will be increased for applicable municipal utility taxes, franchise rate differentials, and undergrounding charges specific to each location.

Schedule SMC (Small General Service: City Default)

SMC	~~((Effective January 1, 2024))~~	~~((Effective January 1, 2025))~~	Effective January 1, 2026	**Effective January 1, 2027**	**Effective January 1, 2028**
Energy Charge cents per kWh	~~((1.24))~~	~~((11.93))~~	12.41	13.37	14.07
Base Service Charge dollars per meter per day	~~(($0.46))~~	~~(($0.62))~~	$0.82	$0.98	$1.47
Minimum Charge dollars per meter per day	~~(($0.46))~~	~~(($0.62))~~	$0.82	$0.98	$1.47
Power Factor Charge cents per kVarh	~~((0.15))~~	~~((0.15))~~	0.15	0.15	0.15
Transformer investment credit per kW of monthly maximum demand	~~(($0.30))~~	~~(($0.30))~~	$0.31	$0.33	$0.34

~~Transformer losses discount in kWh))~~ ~~((3285 × kW + .00002 × kW;caret;2 + .00527 × kWh))~~

Schedule SMS (Small General Service: Suburban Default)

SMS	~~((Effective January 1, 2024))~~	~~((Effective January 1, 2025))~~	Effective January 1, 2026	Effective January 1, 2027	Effective January 1, 2028
Energy Charge cents per kWh	~~((1.02))~~	~~((11.19))~~	11.61	13.15	13.77
Base Service Charge dollars per meter per day	~~$0.48((~~	~~$(0.57))~~	$0.75	$0.98	$1.47
Minimum Charge dollars per meter per day	~~$0.48((~~	~~$(0.57))~~	$0.75	$0.98	$1.47
Power Factor Charge cents per kVarh	~~((0.15))~~	~~((0.15))~~	0.15	0.15	0.15
Transformer investment credit per kW of monthly maximum demand	~~$(0.30))~~	~~$(0.30))~~	$0.31	$0.33	$0.34
~~Transformer losses discount in kWh))~~	~~((3285 × kW + .00002 × kW;caret;2 + .00527 × kWh))~~				

All charges and credits in Schedule SMS shall be increased by the following percentages based on the location of service:

SMS suburban franchise and tax multipliers	~~((Effective January 1, 2024))~~	~~((Effective January 1, 2025))~~	Effective January 1, 2026	Effective January 1, 2027	Effective January 1, 2028
Burien, King County, SeaTac, Shoreline	~~8.00%((~~	~~8.00%((~~	8.00%	8.00%	8.00%
Tukwila	~~7.43%((~~	~~7.23%))~~	7.41%	7.21%	7.22%
Lake Forest Park	~~8.04%((~~	~~8.04%((~~	8.04%	8.04%	8.04%
Normandy Park	~~6.38%((~~	~~6.38%((~~	6.38%	6.38%	6.38%

Additional undergrounding charges will apply to all customers in Shoreline and Burien as follows:

Shoreline

Suburban Undergrounding Charges~~((Shoreline))~~	~~((Effective January 1, 2023))~~	Effective January 1, 2025
North City Undergrounding Charge cents per kWh	~~0.07((~~	0.07
Aurora 1 Undergrounding Charge cents per kWh	~~((0.17))~~	0.17
Aurora 2 Undergrounding Charge cents per kWh	~~((0.18))~~	0.18
Aurora 3A Undergrounding Charge cents per kWh	~~((0.05))~~	0.05
Aurora 3B Undergrounding Charge cents per kWh	~~((0.22))~~	0.22

Burien

~~((Burien))~~ **Suburban Undergrounding Charges**	~~((Effective January 1, 2023))~~	Effective January 1, 2025
First Avenue South 1 Undergrounding Charge cents per kWh	~~((0.37))~~	0.37
First Avenue South 2 Undergrounding Charge cents per kWh	~~((0.13))~~	0.13

Schedule SMD (Small General Service: Network Default)

SMD	~~((Effective January 1, 2024))~~	~~((Effective January 1, 2025))~~	Effective January 1, 2026	Effective January 1, 2027	Effective January 1, 2028
Energy Charge cents per kWh	~~((1.24))~~	~~((~~			

~~11.93~~)) 12.41 13.37 14.07 Base Service Charge dollars per meter per day ~~$0.46~~)) ~~$0.62~~)) $0.82 $0.98 $1.47 Minimum Charge dollars per meter per day ~~$0.46~~)) ~~$0.62~~)) $0.82 $0.98 $1.47 Power Factor Charge cents per kVarh ~~0.15~~)) ~~0.15~~)) 0.15 0.15 0.15 Transformer investment credit per kW of monthly maximum demand ~~$0.30~~)) ~~$0.30~~)) $0.31 $0.33 $0.34 ((~~Transformer losses discount in kWh~~)) ~~.6(3285 × kW + .00002 × kW;caret;2 + .00527 × kWh~~))

B. Time-of-Use rates (Schedules STC and STS) are optional rate schedules available to customers ((~~who have a fully functioning advanced meter. Time-of-Use rates will be available to customers enrolled in the net metering program once necessary updates to the billing system are completed, as determined by the Department.~~)) who meet eligibility requirements outlined in City Light's Department Policy and Procedure (DPP) 500 P III-434, as amended, or successor rule. Customers can return to their default rate schedule but will not be able to re-enroll in schedules STC or STS until 12 months from the time of unenrollment. Schedule STC is available to customers on either SMC (City) or SMD (Network) rate schedules.

Schedule STC (Small General Service: City Time-of-Use)

STC ~~(Effective January 1, 2024)~~ ~~(Effective January 1, 2025~~)) Effective January 1, 2026 Effective January 1, 2027 Effective January 1, 2028 Energy Off-Peak cents per kWh ~~6.90~~)) ((~~7.33~~)) 7.62 8.22 8.65 Energy Mid-Peak cents per kWh ~~12.08~~)) ~~12.83~~)) 13.34 14.39 15.14 Energy Peak cents per kWh ~~13.80~~)) ~~14.66~~)) 15.24 16.44 17.30 Base Service Charge dollars per meter per day ~~$0.46~~)) ~~$0.62~~)) $0.82 $0.98 $1.47 Minimum Charge dollars per meter per day ((~~$0.46~~)) ~~$0.62~~)) $0.82 $0.98 $1.47 Power Factor Charge cents per kVarh ~~0.15~~)) ~~0.15~~)) 0.15 0.15 0.15 Transformer investment credit per kW of monthly maximum demand ~~$0.30~~)) ~~$0.30~~)) $0.31 $0.33 $0.34 Tra((~~nsformer losses discount in kWh~~)) ~~.6(3285 × kW + .00002 × kW;caret;2 + .00527 × kWh~~))

Schedule STS (Suburban Small General Service Base Rates Time-of-Use)

STS ~~(Effective January 1, 2024)~~ ~~(Effective January 1, 2025~~)) Effective January 1, 2026 Effective January 1, 2027 Effective January 1, 2028 Energy Off-Peak cents per kWh ~~6.76~~)) ((~~6.88~~)) 7.18 8.08 8.47 Energy Mid-Peak cents per kWh ~~11.83~~)) ~~12.04~~)) 12.50 14.14 14.82 Energy Peak cents per kWh ~~13.52~~)) ~~13.76~~)) 14.28 16.16 16.94 Base Service Charge dollars per meter per day ~~$0.48~~)) ~~$0.57~~)) $0.75 $0.98 $1.47 Minimum Charge dollars per meter per day ~~$0.48~~)) ((~~$0.57~~)) $0.75 $0.98 $1.47 Power Factor Charge cents per kVarh ~~0.15~~)) ~~0.15~~)) 0.15 0.15 0.15 Transformer investment credit per kW of monthly maximum demand ~~$0.30~~)) ~~$0.30~~)) $0.31 $0.33 $0.34 Tra((~~nsformer losses discount in kWh~~)) ~~.6(3285 × kW + .00002 × kW;caret;2 + .00527 × kWh~~))

Off-Peak is 12 a.m. to 6 a.m. every day.

Mid-Peak is 6 a.m. to 5 p.m. and 9 p.m. to 12 a.m. Mondays through Saturdays and 6 a.m. to 12 a.m. on Sundays and holidays.

Peak is 5 p.m. to 9 p.m. Mondays through Saturdays, excluding holidays.

C. For customers metered on the primary side of a transformer, the Department will either program the meter to deduct computed transformer losses or provide a discount for transformer losses by reducing the monthly kWh billed by the number of kWh as computed by the following formula: .53285 × kW + .00002 × kW((~~2~~))$^{\underline{2}}$ + .00527 × kWh.

* * *

Section 5. Section 21.49.055 of the Seattle Municipal Code, last amended by Ordinance 127122, is amended as follows:

21.49.055 Medium general service (Schedules MDC, MDS, MDD, MTC, MTD, MTS, MCC, MCD, and MCS)

A. Medium general service is general service provided to customers who have in the previous calendar year half or more than half of their normal billings at 50 kW of maximum demand or greater and have more than half of their normal billings at less than 1,000 kW of maximum demand. Classification of new customers will be based on the Department's estimate of maximum demand in the current year. Schedule MDS rates will be increased for applicable municipal utility taxes, franchise rate differentials, and undergrounding charges specific to each location.

Schedule MDC (Medium Standard General Service: City Default)

MDC	~~Effective January 1, 2024~~	~~Effective January 1, 2025~~	Effective January 1, 2026	Effective January 1, 2027	Effective January 1, 2028
Energy Charge cents per kWh	~~((9.70~~))	~~((10.34~~))	9.90	10.66	11.53
Demand Charge dollars per kW	~~((4.86~~))	~~((5.10~~))	$5.36	$5.90	$6.49
Base Service Charge dollars per meter per day	~~((1.80~~))	~~((2.29~~))	$3.08	$6.38	$9.57
Minimum Charge dollars per meter per day	~~((1.80~~))	~~((2.29~~))	$3.08	$6.38	$9.57
Power Factor Charge cents per					

kVarh ~~(($0.15))~~ ~~(($0.15))~~ $0.15 ~~$0.15~~ $0.15 | Transformer Investment Credit per kW of monthly maximum demand ~~(($0.30))~~ ~~(($0.30))~~ $0.33 ~~$0.33~~ $0.34 | Transformer losses discount in kWh ~~((3285 × kW + .00002 × kW^2 + .00527 × kWh))~~ |

Schedule MDS (Medium Standard General Service: Suburban Default)

MDS ~~((Effective January 1, 2024))~~ ~~((Effective January 1, 2025))~~ Effective January 1, 2026 **Effective January 1, 2027** **Effective January 1, 2028** | Energy Charge cents per kWh ~~((9.70))~~ ~~((10.34))~~ 9.90 ~~10.66~~ ~~11.53~~ | Demand Charge dollars per kW ~~((4.86))~~ ~~((5.10))~~ $5.36 ~~$5.90~~ $6.49 | Base Service Charge dollars per meter per day ~~((1.80))~~ ~~((2.29))~~ $3.01 ~~$6.38~~ $9.57 | Minimum Charge dollars per meter per day ~~((1.80))~~ ~~((2.29))~~ $3.01 ~~$6.38~~ $9.57 | Power Factor Charge cents per kVarh ~~(($0.15))~~ ~~(($0.15))~~ $0.15 ~~$0.15~~ $0.15 | Transformer Investment Credit per kW of monthly maximum demand ~~(($0.30))~~ ~~(($0.30))~~ $0.33 ~~$0.33~~ $0.34 | Transformer losses discount in kWh ~~((3285 × kW + .00002 × kW^2 + .00527 × kWh))~~ |

All charges and credits in Schedule MDS shall be increased by the following percentages based on the location of service:

MDS suburban franchise and tax multipliers ~~((Effective January 1, 2024))~~ ~~((Effective January 1, 2025))~~ Effective January 1, 2026 **Effective January 1, 2027** **Effective January 1, 2028** Burien, King County, SeaTac, Shoreline ~~8.00%~~ ~~8.00%~~ 8.00% 8.00% 8.00% Tukwila ~~7.59%~~ ~~7.40%~~ 7.60% 7.36% 7.37% Lake Forest Park ~~8.04%~~ ~~8.04%~~ 8.04% 8.04% 8.04% Normandy Park ~~6.38%~~ ~~6.38%~~ 6.38% 6.38% 6.38%

Additional undergrounding charges will apply to all customers in Shoreline and Burien as follows:

Shoreline

Suburban Undergrounding Charges ~~((Effective January 1, 2023))~~ Effective January 1, 2025 ~~((Shoreline))~~ | North City Undergrounding Charge cents per kWh ~~((0.07))~~ 0.07 | Aurora 1 Undergrounding Charge cents per kWh ~~((0.17))~~ 0.17 | Aurora 2 Undergrounding Charge cents per kWh ~~((0.18))~~ 0.18 | Aurora 3A Undergrounding Charge cents per kWh ~~((0.05))~~ 0.05 | Aurora 3B Undergrounding Charge cents per kWh ~~((0.22))~~ 0.22 |

Burien

~~((Burien))~~ **Suburban Undergrounding Charges** ~~((Effective January 1, 2023))~~ Effective January 1, 2025 | First Avenue South 1 Undergrounding Charge cents per kWh ~~((0.37))~~ 0.37 | First Avenue South 2 Undergrounding Charge cents per kWh ~~((0.13))~~ 0.13 |

Schedule MDD (Medium Network General Service Default)

MDD ((Effective January 1, 2024)) ((Effective January 1, 2025)) Effective January 1, 2026 Effective January 1, 2027 Effective January 1, 2028 Energy Charge cents per kWh ((85)) ((10.42)) 11.06 11.66 12.49 Demand Charge dollars per kW ((11.06)) ((11.61)) $12.19 $13.41 $14.75 Base Service Charge dollars per meter per day ((1.80)) ((2.29)) $3.01 $6.38 $9.57 Minimum Charge dollars per meter per day ((1.80)) ((2.29)) $3.01 $6.38 $9.57 Power Factor Charge cents per kVarh ((15)) ((15)) 0.15 0.15 0.15 Transformer investment credit per kW of monthly maximum demand ((30)) ((30)) $0.31 $0.33 $0.34 Transformer losses discount in kWh)) ((.6(3285 × kW + .00002 × kW;caret;2 + .00527 × kWh))

Demand charges

Peak: All kW of maximum demand between 6 a.m. and 10 p.m. Mondays through Saturdays, excluding major holidays.

Off-Peak: All kW of maximum demand in excess of peak maximum demand, at all times other than the peak period.

B. Time-of-Use rates (Schedules MTC, MTD, and MTS) are optional rate schedules available to customers who ((have a fully functioning advanced meter. Time-of-Use rates will be available to customers enrolled in the net metering program once necessary updates to the billing system are completed, as determined by the Department.)) meet eligibility requirements outlined in City Light's Department Policy and Procedure (DPP) 500 P III-434, as amended, or successor rule. Customers can return to their default rate schedule but will not be able to re-enroll in Schedules MTC, MTD, or MTS until 12 months from the time of unenrollment. The same suburban franchise and tax multipliers and suburban undergrounding charges apply to Schedule MTS as Schedule MDS.

Schedule MTC (Medium General Service: City Time-of-Use)

MTC ((Effective January 1, 2024)) Effective January 1, 2025 Effective January 1, 2026 Effective January 1, 2027 Effective January 1, 2028 Energy Off-Peak cents per kWh ((35)) ((5.75)) 6.09 6.56 7.10 Energy Mid-Peak cents per kWh ((0.36)) ((0.06)) 10.66 11.48 12.43 Energy Peak cents per kWh ((0.70)) ((1.50)) 12.18 13.12 14.20 Demand Charge - Peak dollars per kW ((4.86)) ((5.10)) $5.36 $5.90 6.49 Demand Charge - Off-Peak dollars per kW ((0.30)) ((0.30)) $0.31 $0.33 $0.34 Base Service Charge dollars per meter per day ((1.80)) ((2.29)) $3.01 $6.38 $9.57 Minimum Charge dollars per meter per day ((1.80)) ((2.29)) $3.01 $6.38 $9.57 Power

Factor Charge cents per kVarh	~~0.((15))~~	~~0.((15))~~	~~0.15~~ 0.15 0.15
Transformer Investment Credit per kW of monthly maximum demand	~~$((0.30))~~	~~$((0.30))~~	$0.33 $0.33 $0.34
~~Transformer losses discount in kWh~~	~~.((3285 × kW + .00002 × kW;caret;2 + .00527 × kWh))~~		

Schedule MTD (Medium General Service: Network Time-of-Use)

MTD	~~Effective January 1, 2024))~~	~~Effective January 1, 2025))~~	Effective January 1, 2026 Effective January 1, 2027 Effective January 1, 2028
Energy Off-Peak cents per kWh	~~6.((05))~~	~~((6.40))~~	6.80 7.17 7.69
Energy Mid-Peak cents per kWh	~~10.59))~~	~~((11.20))~~	11.90 12.55 13.46
Energy Peak cents per kWh	~~12.19))~~	~~((12.80))~~	13.60 14.34 15.38
Demand Charge - Peak dollars per kW	~~$((11.06))~~	~~$((11.61))~~	$12.19 13.41 14.75
Demand Charge - Off-Peak dollars per kW	~~((~~ $0.30~~))~~	~~$((0.30))~~	$0.33 $0.33 $0.34
Base Service Charge dollars per meter per day	~~$1.80))~~	~~((~~ $2.29~~))~~	$3.01
Minimum Charge dollars per meter per day	~~$1.80))~~	~~$((2.29))~~	$6.38 $9.57
Power Factor Charge cents per kVarh	~~0.15))~~	~~((0.((15))~~	0.15 0.15 0.15
Transformer Investment Credit per kW of monthly maximum demand	~~$((0.30))~~	~~$((0.30))~~	$0.33 $0.33 $0.34
~~Transformer losses discount in kWh~~	~~((3285 × kW + .00002 × kW;caret;2 + .00527 × kWh))~~		

Schedule MTS (Medium General Service: Suburban Time-of-Use)

MTS	~~Effective January 1, 2024))~~	~~Effective January 1, 2025))~~	Effective January 1, 2026 Effective January 1, 2027 Effective January 1, 2028
Energy Off-Peak cents per kWh	~~5.((35))~~	~~((5.75))~~	6.06 6.56 7.10
Energy Mid-Peak cents per kWh	~~9.36))~~	~~((10.06))~~	10.66 11.48 12.43
Energy Peak cents per kWh	~~((0.70))~~	~~((1.50))~~	12.18 13.12 14.20
Demand Charge - Peak dollars per kW	~~(($4.86))~~	~~$((5.10))~~	$5.36 $5.90 $6.49
Demand Charge - Off-Peak dollars per kW	~~$0.30))~~	~~$((0.30))~~	$0.33 $0.33 $0.34
Base Service Charge dollars per meter per day	~~$1.80))~~	~~((~~ $2.29~~))~~	$3.01
Minimum Charge dollars per meter per day	~~$1.80))~~	~~$((2.29))~~	$6.38 $9.57
Power Factor Charge cents per kVarh	~~0.15))~~	~~((0.((15))~~	0.15 0.15 0.15
Transformer Investment Credit per kW of monthly maximum demand	~~$((0.30))~~	~~$((0.30))~~	$0.33 $0.33 $0.34
~~Transformer losses discount in kWh~~	~~((3285 × kW + .00002 × kW;caret;2 + .00527 × kWh))~~		

Energy charges

Off-Peak is 12 a.m. to 6 a.m. every day.

Mid-Peak is 6 a.m. to 5 p.m. and 9 p.m. to 12 a.m. Mondays through Saturdays and 6 a.m. to 12 a.m. on Sundays and holidays.

Peak is 5 p.m. to 9 p.m. Mondays through Saturdays, excluding holidays.

Demand charges

Peak demand: All kW of maximum demand between 6 a.m. and 12 a.m. Mondays through

Saturdays, excluding major holidays.

Off-Peak demand: All kW of maximum demand in excess of peak maximum demand, at all times other than the peak demand period.

C. Commercial Charging Rates (Schedules MCC, MCD, and MCS) are optional rate schedules available to customers who meet the criteria for medium general service and have a fully functioning advanced meter dedicated to primarily electric vehicle charging. Customers can return to their default rate schedule but will not be able to re-enroll in Schedules MCC, MCD, or MCS until 12 months from the time of unenrollment. The same suburban franchise and tax multipliers and suburban undergrounding charges apply to Schedule MCS as Schedule MDS.

Schedule MCC (Medium General Service: City Commercial Charging)

MCC ~~((Effective January 1, 2024))~~	~~((Effective January 1, 2025))~~	Effective January 1, 2026	Effective January 1, 2027	Effective January 1, 2028
Energy Off-Peak cents per kWh	~~((6.18))~~	~~((6.66))~~	7.03	7.35	7.67
Energy Mid-Peak cents per kWh	~~((10.82))~~	~~((11.66))~~	12.30	12.86	13.42
Energy Peak cents per kWh	~~((12.36))~~	~~((13.32))~~	14.06	14.70	15.34
Demand Charge - Peak dollars per kW	~~($0.00)~~	~~($0.00)~~	$0.00	$1.48	$3.25
Demand Charge - Off-Peak dollars per kW	~~($0.00)~~	~~($0.00)~~	$0.00	$0.33	$0.34
Base Service Charge dollars per meter per day	~~($1.80)~~	~~($2.29)~~	$3.01	$6.38	$9.57
Minimum Charge dollars per meter per day	~~($1.80)~~	~~($2.29)~~	$3.01	$6.38	$9.57
Power Factor Charge cents per kVarh	~~0.15~~	~~((0.15))~~	0.15	0.15	0.15
Transformer Investment Credit per kW of monthly maximum demand	~~($0.30)~~	~~($0.30)~~	$0.33	$0.33	$0.34
~~Transformer losses discount in kWh~~	~~((.6285 × kW + .00002 × kW;caret;2 + .00527 × kWh))~~				

Schedule MCD (Medium General Service: Network Commercial Charging)

MCD ~~((Effective January 1, 2024))~~	~~((Effective January 1, 2025))~~	Effective January 1, 2026	Effective January 1, 2027	Effective January 1, 2028
Energy Off-Peak cents per kWh	~~7.92~~	~~((8.34))~~	8.88	8.91	8.96
Energy Mid-Peak cents per kWh	~~13.86~~	~~((14.60))~~	15.42	15.59	15.68
Energy Peak cents per kWh	~~15.84~~	~~((16.68))~~	17.62	17.82	17.92
Demand Charge - Peak dollars per kW	~~($0.00)~~	~~($0.00)~~	$0.00	$3.35	$7.38
Demand Charge - Off-Peak dollars per kW	~~($0.00)~~	~~($0.00)~~	$0.00	$0.33	$0.34
Base Service Charge dollars per meter per day	~~($1.80)~~	~~($2.29)~~	$3.01	$6.38	$9.57
Minimum Charge dollars per meter per day	~~($1.80)~~	~~($2.29)~~	$3.01	$6.38	$9.57
Power Factor Charge cents per kVarh	~~0.15~~	~~((0.15))~~	0.15	0.15	0.15
Transformer Investment Credit per kW of monthly maximum demand	~~($0.30)~~	~~($0.30)~~	$0.33	$0.33	$0.34
~~Transformer losses discount in kWh~~	~~((.6285 × kW + .00002 × kW;caret;2 + .00527 × kWh))~~				

Schedule MCS (Medium General Service: Suburban Commercial Charging)

MCS	~~((Effective January 1, 2024))~~	~~((Effective January 1, 2025))~~	Effective January 1, 2026	**Effective January 1, 2027**	~~Effective January 1, 2028~~
Energy Off-Peak cents per kWh	~~((6.18))~~	~~((6.66))~~	7.03	7.35	7.67
Energy Mid-Peak cents per kWh	~~((10.82))~~	~~((11.66))~~	12.30	12.86	13.42
Energy Peak cents per kWh	~~((12.36))~~	~~((13.32))~~	14.06	14.70	15.34
Demand Charge - Peak dollars per kW	~~($0.00))~~	~~($0.00))~~	$0.00	$1.48	$3.25
Demand Charge - Off-Peak dollars per kW	~~($0.00))~~	~~($0.00))~~	$0.00	$0.33	$0.34
Base Service Charge dollars per meter per day	~~($1.80))~~	~~($2.29))~~	$3.01	$6.38	$9.57
Minimum Charge dollars per meter per day	~~($1.80))~~	~~($2.29))~~	$3.01	$6.38	$9.57
Power Factor Charge cents per kVarh	~~((0.15))~~	~~((0.15))~~	0.15	0.15	0.15
Transformer Investment Credit per kW of monthly maximum demand	~~($0.30))~~	~~($0.30))~~	$0.33	$0.34	~~((Transformer losses discount in kWh))~~ ~~((.53285 × kW + .00002 × kW;caret;2 + .00527 × kWh))~~

Off-Peak is 12 a.m. to 6 a.m. every day.

Mid-Peak is 6 a.m. to 5 p.m. and 9 p.m. to 12 a.m. Mondays through Saturdays and 6 a.m. to 12 a.m. on Sundays and holidays.

Peak is 5 p.m. to 9 p.m. Mondays through Saturdays, excluding holidays.

D. For customers metered on the primary side of a transformer, the Department will either program the meter to deduct computed transformer losses or provide a discount for transformer losses by reducing the monthly kWh billed by the number of kWh as computed by the following formula: 1756 + .53285 × kW + .00002 × kW((~~^~~2))^{2} + .00527 × kWh.

* * *

Section 6. Section 21.49.057 of the Seattle Municipal Code, last amended by Ordinance 127122, is amended as follows:

21.49.057 Large general service (Schedules LGC, LGS, LGD, LCC, LCD, and LCS)

A. Large general service is network general service provided to customers who have in the previous calendar year half or more than half of their normal billings at 1,000 kW of maximum demand or greater, and also standard general service provided to customers who have in the previous calendar year half or more than half of their normal billings at 1,000 kW of maximum

demand or greater and have more than half of their normal billings at less than 10,000 kW of maximum demand. Classification of new customers will be based on the Department's estimate of maximum demand in the current year. Schedule LGS rates will be increased for applicable municipal utility taxes, franchise rate differentials, and undergrounding charges specific to each location.

Schedule LGC (Large Standard General Service: City Default)

LGC	~~((Effective January 1, 2024))~~	~~((Effective January 1, 2025))~~	Effective January 1, 2026	Effective January 1, 2027	Effective January 1, 2028
Energy Charge-Peak cents per kWh	~~((0.37))~~	~~((1.34))~~	~~((2.66))~~ 12.66	13.64	
Energy Charge-Off-Peak cents per kWh	~~((5.76))~~	~~((5.67))~~	5.93	6.33	6.82
Demand Charge-Peak dollars per kW	~~((4.69))~~	~~((4.93))~~	$5.18	$5.70	$6.27
Demand Charge-Off-Peak dollars per kW	~~((0.30))~~	~~((0.30))~~	$0.33	$0.33	$0.34
Base Service Charge dollars per meter per day	~~((22.56))~~	~~((38.01))~~	$54.44	$108.82	$163.30
Minimum Charge dollars per meter per day	~~(($31.47))~~	~~((38.01))~~	$54.44	$108.82	$163.30
Power Factor Charge cents per kVarh	~~((0.15))~~	~~((0.15))~~	0.15	0.15	0.15
Transformer investment credit per kW of monthly maximum demand	~~(($0.30))~~	~~(($0.30))~~	$0.33	$0.33	$0.34
Transformer losses discount in kWh	~~((.6285 × kW + .00002 × kW^2 + .00527 × kWh))~~				

Schedule LGS (Large Standard General Service: Suburban Default)

LGS	~~((Effective January 1, 2024))~~	~~((Effective January 1, 2025))~~	Effective January 1, 2026	Effective January 1, 2027	Effective January 1, 2028
Energy Charge-Peak cents per kWh	~~((0.37))~~	~~((1.34))~~	~~((2.66))~~ 12.66	13.64	
Energy Charge-Off-Peak cents per kWh	~~((5.76))~~	~~((5.67))~~	5.93	6.33	6.82
Demand Charge-Peak dollars per kW	~~((4.69))~~	~~((4.93))~~	$5.18	$5.70	$6.27
Demand Charge-Off-Peak dollars per kW	~~((0.30))~~	~~((0.30))~~	$0.33	$0.33	$0.34
Base Service Charge dollars per meter per day	~~((22.56))~~	~~((38.01))~~	$54.44	$108.82	$163.30
Minimum Charge dollars per meter per day	~~(($31.47))~~	~~((38.01))~~	$54.44	$108.82	$163.30
Power Factor Charge cents per kVarh	~~((0.15))~~	~~((0.15))~~	0.15	0.15	0.15
Transformer investment credit per kW of monthly maximum demand	~~(($0.30))~~	~~(($0.30))~~	$0.33	$0.33	$0.34
Transformer losses discount in kWh	~~((.6285 × kW + .00002 × kW^2 + .00527 × kWh))~~				

All charges and credits in schedule LGS shall be increased by the following percentages based on the location of service:

LGS suburban franchise and tax multipliers	~~((Effective January 1, 2024))~~	~~((Effective January 1, 2025))~~	Effective January 1, 2026	Effective January 1, 2027	Effective January 1, 2028
Burien, King County, SeaTac, Shoreline	~~8.00%))~~	~~((8.00%))~~	8.00%	8.00%	8.00%
Tukwila	~~7.43%))~~	~~((7.43%))~~	7.65%	7.39%	7.39%
Lake Forest Park	~~8.04%))~~	~~((8.04%))~~	8.04%	8.04%	8.04%
Normandy Park	~~6.38%))~~	~~((6.38%))~~	6.38%	6.38%	6.38%

Additional undergrounding charges will apply to all customers in Shoreline and Burien as follows:

Shoreline

Suburban Undergrounding Charges ((~~Effective January 1, 2023~~)) Effective January 1, 2025 ((~~Shoreline~~)) North City Undergrounding Charge cents per kWh ((~~0.07~~)) 0.07 Aurora 1 Undergrounding Charge cents per kWh ((~~0.17~~)) 0.17 Aurora 2 Undergrounding Charge cents per kWh ((~~0.18~~)) 0.18 Aurora 3A Undergrounding Charge cents per kWh ((~~0.05~~)) 0.05 Aurora 3B Undergrounding Charge cents per kWh ((~~0.22~~)) 0.22

Burien

((~~Burien~~)) Suburban Undergrounding Charges ((~~Effective January 1, 2023~~)) Effective January 1, 2025 First Avenue South 1 Undergrounding Charge cents per kWh ((~~0.37~~)) 0.37 First Avenue South 2 Undergrounding Charge cents per kWh ((~~0.13~~)) 0.13

Schedule LGD (Large Network General Service Default)

LGD ((~~Effective January 1, 2024~~)) ((~~Effective January 1, 2025~~)) Effective January 1, 2026 Effective January 1, 2027 Effective January 1, 2028 Energy Charge-Peak cents per kWh ((~~1.07~~)) ((~~2.26~~)) 13.14 13.70 14.50 Energy Charge-Off-Peak cents per kWh ((~~6.15~~)) ((~~0.13~~)) 6.57 6.85 7.25 Demand Charge-Peak dollars per kW ((~~$10.02~~)) ($10.52) $11.05 $12.16 $13.38 Demand Charge-Off-Peak dollars per kW ((~~$0.30~~)) ($0.30) $0.31 $0.33 $0.34 Base Service Charge dollars per meter per day ((~~$22.56~~)) ($38.01) $54.44 $108.82 $163.30 Minimum Charge dollars per meter per day ((~~$31.47~~)) ($38.01) $54.44 $108.82 $163.30 Power Factor Charge cents per kVarh ((~~0.15~~)) ((~~0.15~~)) 0.15 0.15 0.15 Transformer investment credit per kW of monthly maximum demand ((~~$0.30~~)) ($0.30) $0.31 $0.33 $0.34 Transformer losses discount in kWh ((~~.6285 × kW + .00002 × kW;caret;2 + .00527 × kWh~~))

Peak is Mondays through Saturdays, 6 a.m. to 10 p.m., excluding major holidays.

Off-Peak is 10 p.m. to 6 a.m. every day and all day Sundays and holidays.

Demand charges

Peak: All kW of maximum demand during peak hours.

Off-Peak: All kW of maximum demand in excess of peak maximum demand, at all times other than the peak period.

B. Commercial Charging Rates (Schedules LCC, LCD, and LCS) are optional rate schedules available to customers who meet the criteria for large general service and have a fully functioning

advanced meter dedicated to primarily electric vehicle charging. Customers can return to their default rate schedule but will not be able to re-enroll in schedules LCC, LCD, or LCS until 12 months from the time of unenrollment. The same suburban franchise and tax multipliers and suburban undergrounding charges apply to Schedule LCS as Schedule LGS.

Schedule LCC (Large General Service: City Commercial Charging)

LCC	~~Effective January 1, 2024~~	~~Effective January 1, 2025~~	Effective January 1, 2026	Effective January 1, 2027	Effective January 1, 2028
Energy Charge-Peak cents per kWh	~~(0.87)~~	~~(2.02)~~	12.46	14.08	14.68
Energy Charge-Off-Peak cents per kWh	~~6.04~~	~~6.01~~	6.92	7.04	7.34
Demand Charge-Peak dollars per kW	~~$0.00~~	~~$0.00~~	$0.00	$1.43	$3.14
Demand Charge-Off-Peak dollars per kW	~~$0.00~~	~~$0.00~~	$0.00	$0.33	$0.34
Base Service Charge dollars per meter per day	~~$22.56~~	~~$38.01~~	$54.44	$108.82	$163.30
Minimum Charge dollars per meter per day	~~$31.47~~	~~$38.01~~	$54.44	$108.82	$163.30
Power Factor Charge cents per kVarh	~~0.15~~	~~0.15~~	0.15	0.15	0.15
Transformer investment credit per kW of monthly maximum demand	~~$0.30~~	~~$0.30~~	$0.33	$0.34	~~Transformer losses discount in kWh~~ ~~(3285 × kW + .00002 × kW;caret;2 + .00527 × kWh)~~

Schedule LCD (Large General Service: Network Commercial Charging)

LCD	~~Effective January 1, 2024~~	~~Effective January 1, 2025~~	Effective January 1, 2026	Effective January 1, 2027	Effective January 1, 2028
Energy Charge-Peak cents per kWh	~~(3.46)~~	~~(5.34)~~	16.26	16.68	16.68
Energy Charge-Off-Peak cents per kWh	~~7.48~~	~~7.67~~	9.08	8.34	8.34
Demand Charge-Peak dollars per kW	~~$0.00~~	~~$0.00~~	$0.00	$3.04	$6.69
Demand Charge-Off-Peak dollars per kW	~~$0.00~~	~~$0.00~~	$0.00	$0.33	$0.34
Base Service Charge dollars per meter per day	~~$22.56~~	~~$38.01~~	$54.44	$108.82	$163.30
Minimum Charge dollars per meter per day	~~$31.47~~	~~$38.01~~	$54.44	$108.82	$163.30
Power Factor Charge cents per kVarh	~~0.15~~	~~0.15~~	0.15	0.15	0.15
Transformer investment credit per kW of monthly maximum demand	~~$0.30~~	~~$0.30~~	$0.33	$0.34	~~Transformer losses discount in kWh~~ ~~(3285 × kW + .00002 × kW;caret;2 + .00527 × kWh)~~

Schedule LCS (Large General Service: Suburban Commercial Charging)

LCS	~~Effective January 1, 2024~~	~~Effective January 1, 2025~~	Effective January 1, 2026	Effective January 1, 2027	Effective January 1, 2028
Energy Charge-Peak cents per kWh	~~(0.87)~~	~~(2.02)~~	12.46	14.08	14.68
Energy Charge-Off-Peak cents per kWh	~~6.04~~	~~6.01~~	6.92	7.04	7.34
Demand Charge-Peak dollars per kW	~~$0.00~~	~~$0.00~~	$0.00	$1.43	$3.14
Demand Charge-Off-Peak dollars per kW	~~$0.00~~	~~$0.00~~	$0.00	$0.33	$0.34
Base Service Charge dollars per meter per day	~~$22.56~~	~~$38.01~~	$54.44	$108.82	$163.30
Minimum Charge dollars per meter per day	~~$31.47~~	~~$38.01~~	$54.44	$108.82	$163.30
Power Factor Charge cents per kVarh	~~0.15~~	~~0.15~~	0.15	0.15	0.15

)) ┘ ├((15)) ┘ └0.15 0.15 ┴ 0.15 ┘ │┐ └Transformer investment credit per kW of monthly maximum demand ┘ └(($0.30)) ┘ ├($0.30)) ┘ └$0.33 $0.33 $0.34 ┘ ├Tra((nsformer losses discount in kWh)) ┘ └((1.6(3285 × kW + .00002 × kW;caret;2 + .00527 × kWh))┘ │–

Peak is Mondays through Saturdays, 6 a.m. to 10 p.m., excluding major holidays.

Off-Peak is 10 p.m. to 6 a.m. every day and all day Sundays and holidays.

C. For customers metered on the primary side of a transformer, the Department will either program the meter to deduct computed transformer losses or provide a discount for transformer losses by reducing the monthly kWh billed by the number of kWh as computed by the following formula: 1756 + .53285 × kW + .00002 × kW((~~2~~))^{2} + .00527 × kWh.

* * *

Section 7. Section 21.49.058 of the Seattle Municipal Code, last amended by Ordinance 127122, is amended as follows:

21.49.058 High demand general service (Schedules HDC, and HDS)

A. High demand general service is standard general service provided to customers who have in the previous calendar year half or more than half of their normal billings at 10,000 kW of maximum demand or greater. Classification of new customers will be based on the Department's estimates of maximum demand in the current year. Schedule HDS rates will be increased for applicable municipal utility taxes, franchise rate differentials, and undergrounding charges specific to each location.

Schedule HDC (High Demand General Service: City)

HDC ┘ ├((Effective January 1, 2024)) ┘ ├((Effective January 1, 2025)) ┘ └Effective January 1, 2026 ┘ └ Effective January 1, 2027 Effective January 1, 2028 ├Energy Charge-Peak cents per kWh ┘ ├((7)) ┘ └ ((10.64)) ┘ └11.12 12.04 ┴ 13.00 ┘ │┐ └Energy Charge-Off-Peak cents per kWh 5.43)) ┘ └((5.32)) ┘ └5.56 6.02 6.50 ┘ │┐ └Demand Charge-Peak dollars per kW 4.69)) ┘ └(($4.93)) ┘ └$5.18 $5.70 $6.27 ┘ │┐ └Demand Charge-Off-Peak dollars per kW ┘ ├($0.30)) ┘ ├($0.30)) ┘ └$0.33 $0.33 $0.34 ┘ │┐ └Base Service Charge dollars per meter per day ┘ ├($118.84)) ┘ ├($148.50)) ┘ └$178.05 $347.13 $557.80 ┘ │┐ └Minimum Charge dollars per meter per day ┘ ├($118.84)) ┘ ├($148.50)) ┘ └$178.05 $347.13 $557.80 ┘ │┐ └Power Factor Charge cents per kVarh 0.15 ┘ └(( )) ┘ ├((15)) ┘ └0.15 0.15 ┴ 0.15 ┘ │┐ └Transformer investment credit per kW of monthly maximum demand ┘ └(($0.30)) ┘ ├($0.30)) ┘ └$0.33 $0.33 $0.34 ┘ ├Tra((nsformer losses discount in kWh)) ┘ └((1.6(3285 × kW + .00002

~~× kW;caret;2 + .00527 × kWh))~~

Schedule HDS (High Demand: Suburban)

HDS ~~((Effective January 1, 2024))~~ ~~((Effective January 1, 2025))~~ Effective January 1, 2026 Effective January 1, 2027 Effective January 1, 2028 Energy Charge-Peak cents per kWh ~~((7))~~ ~~((10.64))~~ 11.12 12.04 13.00 Energy Charge-Off-Peak cents per kWh ~~((5.43))~~ ~~((5.32))~~ 5.56 6.02 6.50 Demand Charge-Peak dollars per kW ~~((4.69))~~ ~~((4.93))~~ $5.18 $5.70 $6.27 Demand Charge-Off-Peak dollars per kW ~~((0.30))~~ ~~((0.30))~~ $0.31 $0.33 $0.34 Base Service Charge dollars per meter per day ~~((118.84))~~ ~~((148.50))~~ $178.05 $347.13 $557.80 Minimum Charge dollars per meter per day ~~((118.84))~~ ~~((148.50))~~ $178.05 $347.13 $557.80 Power Factor Charge cents per kVarh ~~((15))~~ 0.15 0.15 0.15 Transformer investment credit per kW of monthly maximum demand ~~(($0.30))~~ ~~($0.30)~~ $0.31 $0.33 $0.34 ~~Transformer losses discount in kWh)) (3285 × kW + .00002 × kW;caret;2 + .00527 × kWh))~~

All charges and credits in Schedule HDS shall be increased by the following percentages based on the location of service:

HDS suburban franchise and tax multipliers ~~((Effective January 1, 2024))~~ ~~((Effective January 1, 2025))~~ Effective January 1, 2026 Effective January 1, 2027 Effective January 1, 2028 Burien, King County, SeaTac, Shoreline ~~8.00%~~ ~~8.00%~~ 8.00% 8.00% 8.00% Tukwila ~~(((7.58%))~~ 7.81% 7.50% 7.50% Lake Forest Park ~~8.04%~~ ~~((8.04%))~~ 8.04% 8.04% 8.04% Normandy Park ~~6.38%~~ ~~((6.38%))~~ 6.38% 6.38% 6.38%

Additional undergrounding charges will apply to all customers in Shoreline and Burien as follows:

Shoreline

Suburban Undergrounding Charges ~~((Effective January 1, 2023))~~ Effective January 1, 2025 ~~((Shoreline))~~ North City Undergrounding Charge cents per kWh ~~0.07~~ ~~((07~~ Aurora 1 Undergrounding Charge cents per kWh ~~((17))~~ 0.17 Aurora 2 Undergrounding Charge cents per kWh ~~((18))~~ 0.18 Aurora 3A Undergrounding Charge cents per kWh ~~((0.05))~~ 0.05 Aurora Undergrounding Charge cents per kWh ~~((22))~~ 0.22

Burien

~~((Burien))~~ Suburban Undergrounding Charges ~~((Effective January 1, 2023))~~ Effective January 1, 2025 First Avenue South 1 Undergrounding Charge cents per kWh ~~((37))~~ 0.37 First Avenue South 2 Undergrounding Charge cents per kWh ~~((13))~~ 0.13

Peak is Mondays through Saturdays, 6 a.m. to 10 p.m., excluding major holidays.

Off-Peak is 10 p.m. to 6 a.m. every day and all day Sundays and holidays.

Demand charges

Peak: All kW of maximum demand during peak hours.

Off-peak: All kW of maximum demand in excess of peak maximum demand, at all times other than the peak period.

* * *

Section 8. A new Section 21.49.059 is added to the Seattle Municipal Code as follows:

21.49.059 New large data center load

A. Applicability. A new large data center load shall not be eligible for general service rates and shall instead be served under a Service Agreement (Contract) established for the customer by the Department.

B. Minimum conditions. The Contract shall require all the following terms, among other conditions:

1. A guaranteed minimum demand or service rating.

2. Delivery of power at a single voltage.

3. Metering in no case at less than nominal 600 volts.

4. Power factor adjustment to 97 percent lagging or better.

5. Curtailment provisions.

6. Other energy conservation measures.

7. Full upfront financial responsibility for the cost of any infrastructure needed to serve the customer, including but not limited to feeder and transmission line extensions and/or upgrades, transmission and/or substation upgrades and any system modifications.

8. Full recovery of procurement cost of new resources, including power, transmission,

and ancillary services.

9. The customer shall remain fully responsible for the cost of agreements executed by the Department to serve the customer's load, until the expiration of the Contract term.

10. The Department may modify the Contract to be consistent with terms agreed to with resource providers.

11. Any other terms of service needed to address transactional costs, security, and financial risk.

C. Service to new large loads will commence only after a Contract has been fully executed and the Department has in place all infrastructure, contracts, and resources necessary to provide electrical service.

D. Rate design. At a minimum, the Contract shall include the following specific charges:

1. Power supply charges:

a. Energy (per kWh): to be based on the Department's marginal cost of acquiring power as well as any renewable or carbon attributes required to serve the customer's load plus a service fee to recover ancillary services and administrative costs, pursuant to the Contract.

b. Demand (per kW): to be based on the Department's marginal cost of acquiring power capacity and transmission to serve the customer's load plus a service fee to recover ancillary services and administrative costs, pursuant to the Contract. The demand for billing purposes is the contract demand, unless otherwise specified.

c. Contract demand overrun: An additional charge shall be imposed if metered demand (highest 15-minute demand) exceeds the demand specified in the Contract. This charge shall be computed pursuant to the following formula: Contract demand overrun charge = metered demand in excess of the contract demand (kW) x demand charge ($/kW) x 300 percent.

2. Delivery charge: A per-kW or per-kWh delivery charge shall recover transmission and

distribution costs, including administrative and general costs.

3. Base service charge: A per-month charge equivalent to base service charge for the comparable general service rate class.

4. The Department may also include in the Contract other rate components, including but not limited to, power factor penalties, applicable taxes and franchise differentials.

E. The Department is authorized to establish rules, pursuant to Chapter 3.02, for the application of this Section 21.49.059, including but not limited to identifying circumstances under which service entrances may be aggregated for purposes of determining the existence of a new large load.

Section 9. Section 21.49.060 of the Seattle Municipal Code, last amended by Ordinance 127122, is amended as follows:

21.49.060 Contract street and area lighting rates (Schedules F, R, A, D, M, and E)

A. Contract street and area lighting rates are available to all customers, including but not limited to water and sewer districts and King County, who contract with the Department for unmetered lights operating from dusk to dawn. Lighting schedules and rates are assigned at the Department's discretion.

Schedule F-Floodlights

Schedule F	**((Effective January 1, 2024))**	**((Effective January 1, 2025))**	**Effective January 1, 2026**	**Effective January 1, 2027**	**Effective January 1, 2028**
Floodlight HPS $ per month	((~~$24.30~~))	((~~$27.07~~))	$29.35	$38.39	$49.18

Schedule R-Residential Lights

Schedule R	**((Effective January 1, 2024))**	**((Effective January 1, 2025))**	**Effective January 1, 2026**	**Effective January 1, 2027**	**Effective January 1, 2028**
LED $ per month	((~~$12.89~~))	((~~$13.02~~))	$14.29	$19.54	$24.29

Schedule A-Arterial Lights

~~Schedule A~~ ~~Effective January 1, 2024~~ ~~Effective January 1, 2025~~ Effective January 1, 2026 Effective January 1, 2027 Effective January 1, 2028 HPS/other $ per month ~~$33.51~~ ~~$34.97~~ $37.75 $50.31 $64.36 LED $ per month ~~$20.73~~ ~~$22.15~~ $23.75 $29.63 $34.47

Schedule D-Decorative, Pedestrian, and Miscellaneous Lights

~~Schedule D~~ ~~Effective January 1, 2024~~ ~~Effective January 1, 2025~~ Effective January 1, 2026 Effective January 1, 2027 Effective January 1, 2028 HPS/other $ per month ~~$36.22~~ ~~$39.19~~ $39.69 $50.08 $65.06 LED $ per month ~~$16.77~~ ~~$23.80~~ $25.40 $32.17 $37.04

Schedule M-Department Maintained, Customer Owned Lights

~~Schedule M~~ ~~Effective January 1, 2024~~ ~~Effective January 1, 2025~~ Effective January 1, 2026 Effective January 1, 2027 Effective January 1, 2028 HPS/other < 200W $ per month ~~$20.60~~ ~~$21.46~~ $23.19 $31.54 $45.07 HPS/other 200W to < 300W $ per month ~~$25.30~~ ~~$26.95~~ $28.94 $38.26 $52.55 HPS/other ≥ 300W $ per month ~~$30.63~~ ~~$32.33~~ $34.58 $44.60 $59.60 LED ≤ 50W $ per month ~~$5.76~~ ~~$5.61~~ $6.03 $8.11 $11.29 LED > 50W $ per month ~~$9.00~~ ~~$8.66~~ $9.21 $12.03 $15.62

Schedule E-Customer Owned and Maintained Lights

~~Schedule E~~ ~~Effective January 1, 2024~~ ~~Effective January 1, 2025~~ Effective January 1, 2026 Effective January 1, 2027 Effective January 1, 2028 HPS ≤ 150 W $ per month ~~$5.31~~ ~~$5.50~~ $5.77 $6.15 $6.83 HPS > 150 W $ per month ~~$9.32~~ ~~$10.72~~ $12.33 $18.26 $20.27 LED ≤ 150 W $ per month ~~$3.32~~ ~~$4.01~~ $4.21 $4.75 $5.27 LED > 150 W $ per month ~~$7.38~~ ~~$8.79~~ $9.21 $10.40 $11.54

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Section 10. Section 21.49.065 of the Seattle Municipal Code, last amended by Ordinance 127122, is amended as follows:

21.49.065 Duct, vault, and pole rental rates

A. Rental rates shall be charged on an annual basis based on the installations and attachments existing as of January 1 of each year. The full annual rental rate shall be charged for the year in which an installation or attachment is made, regardless of what point in the year use of City Light facilities commences.

B. Duct and vault rental rates are as follows:

Duct and vault((**Effective January 1, 2024**)) **Effective January 1, 2025**)) **Effective January 1, 2026** **Effective January 1, 2027** **Effective January 1, 2028** Duct $ per duct-foot per year (($13.34)) ($13.69)) ((~~$14.43~~)) $14.88 $15.28 Innerduct in a rental duct $ per innerduct-foot per year ((~~$13.34~~)) (($13.69)) ((~~$14.43~~)) $14.88 $15.28 Vault Wall Space $ per square foot per year ((~~$33.33~~)) ($34.20)) ((~~$36.06~~)) $37.18 $38.19 Vault Ceiling Space $ per square foot per year ((~~$13.34~~)) ($13.69)) ((~~$14.43~~)) $14.88 $15.28

Innerduct rates pertain to customer installations within a rented duct. Vacant innerducts shall be available for rental to other parties at the Department's discretion. Wall space and ceiling space within ducts include clearance required by chapter 296-45 WAC.

C. Pole rental rates apply to all pole attachments except for separately mounted meter equipment below the communication space. Pole attachment rates are applied per pole per year and are as follows:

Pole attachments within the communication space ((**Effective January 1, 2024**)) **Effective January 1, 2025**)) **Effective January 1, 2026** **Effective January 1, 2027** **Effective January 1, 2028** Pole owned solely by the ((department)) Department (($39.69)) ($48.05)) ((~~$49.38~~)) $54.59 $60.35 Pole owned jointly by the ((department)) Department and one other party ((~~$19.85~~)) (($24.03)) ((~~$24.69~~)) $27.29 $30.17 Pole owned jointly by the ((department)) Department and more than one other party ((~~$13.23~~)) ($16.02)) ((~~$16.46~~)) $18.20 $20.12

Pole attachments below the communication space ((**Effective January 1, 2024**)) **Effective January 1, 2025**)) **Effective January 1, 2026** **Effective January 1, 2027** **Effective January 1, 2028** Pole owned solely by the ((department)) Department ((~~$75.42~~)) ($91.30)) ((~~$93.82~~)) $103.72 $114.66 Pole owned jointly by the ((department)) Department and one other party ((~~$37.71~~)) ($45.65)) ((~~$46.91~~)) $51.86 $57.33 Pole owned jointly by the ((department)) Department and more than one other party ((~~$25.14~~)) ($30.43)) ((~~$31.27~~)) $34.57 $38.22

* * *

Section 11. Section 21.49.081 of the Seattle Municipal Code, last amended by Ordinance 125958, is repealed:

21.49.081 Automatic BPA cost adjustment

((~~If BPA implements new rates for power and/or transmission services, the updated BPA contract cost~~

~~under the new rates for the subsequent 12-month period shall be compared with the Department's cost assumption used in the adopted revenue requirement for the same time period. If the calculated difference is more than $1.5 million, then it will be deemed material and passed through in rates. Within three months after the BPA rate implementation, energy charges in all rate schedules will be adjusted upwards or downwards by a consistent fixed per-kWh amount such that the identified material cost difference, including taxes, is collected from or credited to customers over the subsequent 12-month period from the onset of the rate adjustment.~~))

Section 12. Section 21.49.083 of the Seattle Municipal Code, last amended by Ordinance 127122, is amended as follows:

21.49.083 Large Customer Renewable Generation Program

A. The Large Customer Renewable Generation Program shall be open to customers operating solar photovoltaic (PV) arrays or other qualified generation systems, as defined in RCW 19.29A.090 (3) and 19.29A.090(4), sized larger than 100 kW and not greater than 5 ((~~m~~))MW, measured as alternating current (AC). The Department may consider including other renewable systems or systems larger than 5 ((~~m~~))MW on a case-by-case basis. To be eligible for the program, a generation system must be connected to a customer premise((~~s~~)) located within the Department's service territory and be equipped with a two-way advanced meter capable of measuring both consumption and outbound power exports.

B. To participate, customers must enter into an interconnection agreement with the Department and ((~~to~~)) comply with all its terms. The Department may adopt any interconnection requirements as necessary to protect public safety and system reliability.

C. Large Customer Renewable Generation program customers shall be metered, billed, and credited according to the following provisions:

1. The customer's two-way advanced meter will measure accumulated ((~~kilowatt hours~~))

kWh of inbound retail consumption and outbound exported power.

2. Any electricity produced by the customer's system may be used to reduce inbound retail electricity consumption at the customer's rate schedule for electric service.

3. Electricity generated in excess of that consumed by the customer may be exported to the Department's system. Accumulated kWh of exported electricity shall be measured by the advanced meter and each customer will be credited for exported electricity according to the same Large Customer Renewable Export Rate, which reflects the value of the power and grid benefits.

Large Customer Renewable Export Rate

((Effective January 1, 2023)) ((Export Credit cents per kWh)) ((96))

Export Credit Effective January 1, 2025 Effective January 1, 2027 All days in January cents per kWh 5.90 5.9All days in February cents per kWh 5.00 4.8All days in March cents per kWh 4.30 2.9All days in April cents per kWh 6.00 2.5All days in May cents per kWh 3.10 2.2All days in June cents per kWh 4.20 2.3All days in July cents per kWh 7.70 3.9All days in August cents per kWh 8.70 5.2All days in September cents per kWh 9.40 4.4All days in October cents per kWh 6.90 4.5All days in November cents per kWh 6.10 4.8All days in December cents per kWh 6.00

4. The customer shall retain ownership of all environmental, social, and other non-power attributes of the electricity produced by their system, irrespective of whether it is consumed on-site or exported.

5. Customers totalizing multiple meters per Section 21.49.090 may integrate their system into their totalized service. Otherwise, meter aggregation across multiple customer premises shall not be permitted.

6. Customers that permit and complete buildings under the terms of the Living Building Pilot outlined in Section 23.40.060, or receive Living Building Challenge certification for a building within City Light service areas outside of Seattle before December 31, 2025, or buildings meeting high energy efficiency standards as determined by the Department, will receive annual net metering

as described in Section 21.49.082. The maximum system allowed under this provision is 250 kW. Affordable housing performing under high energy efficiency standards as determined by the Department may receive net metering for systems up to 500 kW.

7. Until December 31, 2035, the Department will honor the terms of the large Customer Renewable Generation program for interconnected participants and guarantee an annual export rate of at least 1.8 cents per kWh, as calculated by the average of the monthly prices.

Section 13. Section 21.49.086 of the Seattle Municipal Code, last amended by Ordinance 127122, is amended as follows:

21.49.086 Rate Stabilization Account

A. Purpose. The purpose of the Rate Stabilization Account (RSA) ((~~established by Ordinance 121637 is, among other things,~~)) is to absorb fluctuations in power costs to serve the Department's ((~~annual revenue in any given year due to deviations in net wholesale revenue from the amount assumed in the adopted budget for that year.~~)) retail customers. The RSA is a cash reserve that provides a financial buffer against net variable power cost, reducing the need for frequent rate adjustments. Deposits into and withdrawals from the ((~~Rate Stabilization Account~~)) RSA also affect the calculation of "Net Revenue" under certain provisions of ordinances authorizing Department bonds((~~,~~)) and can therefore ((~~serve to~~)) absorb other fluctuations in "Net Revenue" as ((~~that term is~~)) defined in those bond ordinances. Except as otherwise provided by ordinance, funds in the ((~~Rate Stabilization Account~~)) RSA cannot be used for any purposes other than those specified ((~~herein~~)) in this Section 21.49.086.

B. Target balance. The target size of the ((~~Rate Stabilization Account shall be no less than $100 million and no greater than $125 million~~)) RSA is $150 million. The minimum balance is $25 million, and the maximum balance is $200 million.

C. ((~~The Net Wholesale Revenue forecast shall be $45 million in 2024, $25 million in 2025,~~

~~and $55 million in 2026. The forecast shall be the amount of Net Wholesale Revenue assumed by the City Council for the purpose of establishing Department rates and budgets. The Department shall allocate the forecast by month and document this assumption in annual revenue requirement and budget proposals.~~)) Operations

1. The forecast is the Department's estimate of monthly net variable power cost and monthly retail sales used to set retail rates. The Department will include the monthly forecast of net variable power cost and monthly retail sales in its revenue requirement and retail rate documentation. If retail rates are not changing, the Department will instead file with the City Clerk the monthly forecast of net variable power cost and monthly retail sales associated with its adopted budget at least 30 days before the budget takes effect.

2. The Department shall adjust RSA transfers based on monthly financial results.

a. Monthly actual net variable power cost will be compared to the forecast. If actual costs exceed the forecast, the difference will be transferred out of the RSA. If actual costs are lower than the forecast, the difference will be transferred into the RSA.

b. Monthly actual retail sales will be compared to the forecast. If actual retail sales exceed the forecast, the MWh difference will be multiplied by the net variable power cost average price and transferred into the RSA. If actual retail sales are below the forecast, the MWh difference will be multiplied by Net Variable Power Cost Average Price and transferred out of the RSA.

c. Transfers to/from the RSA shall occur within 31 days following the end of each month and may include a true-up if reported retail sales or net variable power costs are subsequently corrected or differ from the amounts used to calculate the transfer for previous months. The Department shall transfer amounts between the Department's Operating Account and the RSA.

D. Notification requirement to Mayor and Council. ((~~Should the actual Net Wholesale Revenue~~

~~for any month be less than the forecast for that month, the Department will transfer the difference from the Rate Stabilization Account to the Light Fund. Alternatively, should the actual Net Wholesale Revenue for any month be greater than the forecast for that month, the Department will transfer the difference from the Light Fund to the Rate Stabilization Account. In each case the transfer will occur within 30 days of the end of the month in question. A true-up may be included if actual net wholesale revenue for any past month is restated or differs from the amount used to calculate a transfer.~~)) No later than 45 days after the end of each quarter, the Department will notify the Mayor and the City Council of the forecast and actual net ((~~Wholesale Revenue for the year to date,~~)) variable power costs and the cash balance of the ((~~amount remaining in the Rate Stabilization Account~~)) RSA.

E. Replenishment ((~~of the Rate Stabilization Account~~))

1. ((~~Whenever~~)) If the amount in the ((~~Rate Stabilization Account~~)) RSA is $((~~75~~))120 million or less on either March 31 or September 30, ((~~City Light~~)) the Department will impose a surcharge equal to 2.0 percent of ((~~base rates~~)) the adopted system average retail rate expressed in cents per kWh and applied to all retail kWh sales. The proceeds from the surcharge adjusted for applicable revenue taxes will be deposited into the ((~~Rate Stabilization Account~~)) RSA. The surcharge will remain in effect until the ((~~amount in the Rate Stabilization Account~~)) RSA reaches ((~~$100~~)) its target size of $150 million.

2. Whenever the amount in the Rate Stabilization Account is $((~~50~~))80 million or less on either March 31 or September 30, the Department will impose ((~~an additional~~)) a surcharge equal to ((~~2.0~~)) 5.0 percent of ((~~base rates.~~)) the adopted system average retail rate expressed in cents per kWh and applied to all retail kWh sales. The 5.0 percent surcharge replaces a 2.0 percent surcharge should one be active. The proceeds from ((~~of~~)) the ((~~additional~~)) surcharge adjusted for applicable revenue taxes will be deposited into the ((~~Rate Stabilization Account. The additional~~)) RSA. The surcharge will remain in effect until the amount in the ((~~Rate Stabilization Account~~)) RSA reaches ((

~~$100~~)) its target size of $150 million.

3. Surcharges may be ((~~initiated~~)) imposed twice per year, on either January 1 or ((~~June~~)) July 1. Surcharges ((~~should~~)) shall be lifted within 90 days ((~~of when~~)) after the month-end balance ((~~has reached the relevant threshold~~)) in the RSA reaches its target size. The Department will notify the Mayor and the Council in writing of any upcoming surcharge change before it is implemented.

4. If ((~~for any reason~~)) the amount in the ((~~Rate Stabilization Account~~)) RSA is $25 million or less at the end of a month, the Department will notify the City Council within 30 days. ((~~and the~~)) The City Council will initiate a rate review ((~~,~~)) within 45 days if the Mayor has not already done so((~~, within 45 days that~~)) . The rate review will outline how the Department will increase rates, reduce Department spending, or identify additional sources of funding, or a combination of these measures, to bring the amount in the ((~~Account~~)) RSA up to ((~~$100~~)) its target size of $150 million within a period of 24 or fewer months.

5. For the purpose of maintaining the RSA balance above the surcharge trigger thresholds, the Department may make discretionary deposits of surplus operating funds into the RSA as long as debt service coverage remains above 1.80 times.

6. Nothing in this Section 21.49.086 shall limit the authority of the City to deposit other amounts into the Rate Stabilization Account as may be authorized by ordinance.

F. Managing excess deposits. If the amount in the ((~~Rate Stabilization Account~~)) RSA exceeds $((~~125~~)) 200 million, the Department will ((~~reduce its balance to $110 million by transferring~~)) deposit all excess funds ((~~to~~)) into the Operating Account ((~~and notify~~)) . The Department will include the amount of any surplus transfers in its quarterly reporting to the Mayor and City Council ((~~within 30 days of~~)) . Excess transfers may be used to reduce the size of future debt issues or otherwise support financial stability.

Section 14. Section 21.49.110 of the Seattle Municipal Code, last amended by Ordinance

125171, is amended as follows:

21.49.110 Electric service connection provisions

* * *

T. Installation charges. Any applicant or customer receiving a new or an enlarged service installation or converting an existing service from an overhead connection to an underground connection shall be charged the material and labor costs incurred by the Department in making the installation ((~~less the material and labor costs of transformers and associated network protectors supplied by the Department~~)). The Department shall have the authority to establish standard installation charges representing the average material and labor costs for customers who receive basic service installations which do not require a vault as specified in the Department's Requirements for Electric Service Connection manual. Such standard charges shall be developed pursuant to the provisions of Chapter 3.02. All applicant(s) or customer(s) receiving the conversion of an existing overhead electrical distribution system to an underground system shall:

1. Reimburse the utility in full for all materials and labor costs in excess of the salvage value of the existing overhead system and conversion costs, if any, from 4 to 26 kV;

2. Reimburse the utility in full for material and labor costs, if any, to underground and/or replace/install streetlights.

Installation charges are not rates for electrical service and reflect only costs incurred by the Department for new and expanded services.

* * *

Section 15. Section 21.49.130 of the Seattle Municipal Code, last amended by Ordinance 127296, is amended as follows:

21.49.130 Authority

* * *

B. Rulemaking and contract authority

1. The Department shall have authority to adopt and file as appropriate rules, regulations, policies, and procedures relating to its performance of the provisions of this Chapter 21.49 and to the operation of the Department's light and power system. The Department may require compliance with such rules, regulations, policies, and procedures as a condition for the supply or continued supply of electric service.

2. Effectively managing its power supply portfolio to achieve balance between supply and customer demand requires that City Light transact in the wholesale energy markets for energy and transmission services and products, including the purchase or sale of short-term capacity or energy, or integration, transmission, or ancillary services. The Department may therefore execute, implement, and administer contracts with any city or town, public utility district, governmental agency, municipal corporation, mutual association, broker, or agent, or with any person, firm, or corporation, or any other member of the general public, outside its service area, for an effective term of not more than 60 months from the month following the date on which the contract is first signed ("prompt month"), providing for the acquisition, exchange, or sale of capacity or energy, or integration, transmission, or ancillary services, or eligible renewable resources, which shall have the same meaning as defined by RCW 19.285.030, on terms most favorable to the Department under such circumstances and in compliance with state law, including RCW 43.09.210. Such acquisition, sale, or exchange shall be made on a basis representing the value of such capacity or energy, or integration, transmission, or ancillary services, under then-existing market conditions, and may include provisions that require indemnification by the Department.

3. The Department may execute agreements with the Bonneville Power Administration providing for reimbursements from Bonneville of some or all of the costs of operating energy

conservation programs authorized by the City Council. The Department shall determine that such agreements or amendments to such agreements shall not incur any indebtedness or the acceptance of moneys imposing any duties or obligations on the City that are inconsistent with the Department's budget appropriation for such energy conservation programs. The Department shall provide a written notification prior to the execution of such contracts and a copy of such contracts to the appropriate authorizing committee of the City Council.

4. The Department may execute contracts for the purchase or sale of environmental attributes, including but not limited to renewable energy credits (RECs), greenhouse gas offsets, and carbon credits to meet policy and regulatory requirements in a cost-effective and timely manner. The Department may enter into such contracts in advance of the target date for acquisition identified in the Department's Integrated Resource Plan or the date required by state or federal law. These purchases will be made within the Department's yearly budget authority limits. Sales will be made on an as-needed basis to balance demand with supply of these products, and to minimize overall costs to ratepayers.

5. The Department may execute contracts for the purchase or acquisition of cost-effective energy conservation resources for an effective term of not more than 84 months, provided that the payment terms for such contracts do not exceed 60 months. "Energy conservation resources" shall have the same meaning set forth in the Energy Independence Act, chapter 19.285 RCW, including, without limitation, long-term energy efficiency projects, new construction, whole-building performance, and pay-for-performance programs.

6. In order to meet the requirements of the Renewable Plus Program, the Department may execute contracts with any city or town, public utility district, government agency, municipal corporation, mutual association, broker, or agent, or with any person, firm, or corporation, or any other member of the general public, outside its service territory providing for the acquisition or

exchange of capacity or energy, or integration, transmission, or ancillary services, of renewable resources, which shall have the same meaning as defined by RCW 19.280.020 for a term of not more than 20 years. The Department shall endeavor to match the term of the acquisition contracts with the needs and requirements of the Renewable Plus Program customer contract terms. Such acquisition or exchange of capacity, energy, or services shall be made on a basis representing the value of such capacity or energy, or integration, transmission, or ancillary services, under then-existing market conditions, and may include provisions that require indemnification by the Department.

7. The Department is authorized to negotiate and to enter into new leases or subleases and extensions or modifications of existing leases or subleases of any real property now or hereafter owned by the Department or private parties for the purpose of installing and operating electric vehicle charging stations and supporting infrastructure, including but not limited to energy storage systems, distributed energy generation systems, and general electrical infrastructure, for an effective term of not more than 84 months.

8. The Department is authorized to develop programs, enter into agreements with customers and other parties, and provide incentives, including but not limited to monetary compensation, for modifications to customer electricity consumption. Incentives shall be based on the value of the demand response provided to the Department, with the total cost of incentives not to exceed the expected monetary value to the Department of the demand response measures taken by customers and other parties. "Demand response," (~~,~~)) as it applies to this ((~~section~~)) Section 21.49.130, refers to changes in electric usage by demand-side resources from their normal consumption patterns and may include energy storage and measures to increase or decrease electricity production.

9. The Department is authorized to execute contracts with data center customers to

serve new large loads pursuant to Section 21.49.059 for an effective term not exceeding 20 years. The Department is also authorized to execute agreements for the purchase of power or transmission services necessary to serve new large loads for an effective term not exceeding 20 years.

* * *

Section 16. This ordinance shall take effect as provided by Seattle Municipal Code Sections 1.04.020 and 1.04.070, except that:

A. Section 3 shall take effect on April 10, 2027; and

B. Sections 11 and 13 shall take effect on January 1, 2027.

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

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.

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2. Capital Improvement Program (CIP)

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

☐ Yes

☒ No

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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).

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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

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

Parks & City Light Committee

June 17, 2026

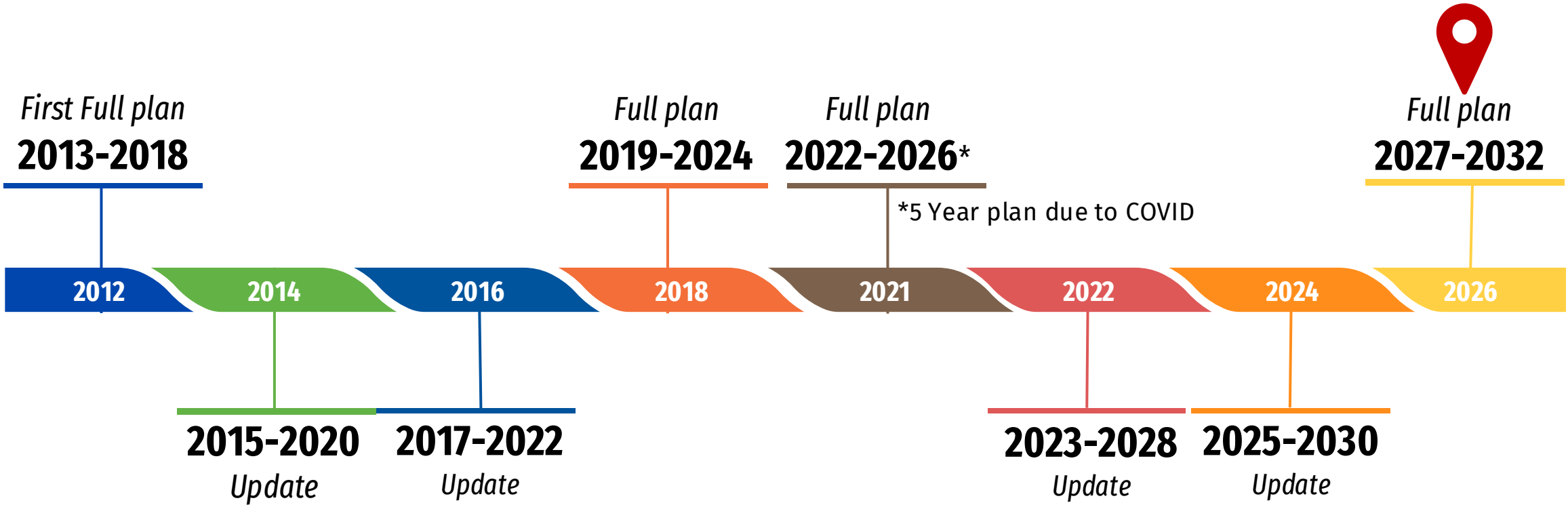
Seattle City Light

WE POWER SEATTLE

2027-2032 Strategic Plan

Seattle City Light

This is Our Eighth Strategic Plan



City Light Review Panel

- Created in 2010 by Seattle City Council Ordinance 123256.
- A nine-member volunteer panel representing customers and partners.
- Their role:
  - Guide and provide input on strategic planning, financial planning, and rate proposals.
  - Assess our proposed Strategic Plan and provide an opinion on the merits before it goes to the Mayor and the City Council for approval.

Leo Lam
Residential Cust. Rep
Panel Chair

Joel Paisner
Suburban Cities Rep
Panel Co-Chair

Kerry Meade
Non-Profit Energy Efficiency Rep

Gina Cristina Sima
Member at Large

Bruce Flory
Economist

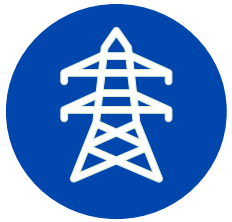
Oksana Savolyuk
Low-Income Cust. Rep

Toyin Olowu
Industrial Cust. Rep

Louis Ernst
Financial Analyst

Ryan Monson
Commercial Cust. Rep

City Light Focus Areas



RELIABILITY

Ensuring dependable, high-quality service

CUSTOMER EXPERIENCE

Providing seamless, frictionless interactions

POWER SUPPLY

Securing clean, efficient energy resources

SUSTAINABILITY

Securing the future of our community, environment, and utility

WORKFORCE: cultivate a highly skilled, diverse, and resilient workforce

TECHNOLOGY: drive key priorities with our strategic application of technology

The Strategic Plan will be used for…

Engagement by the Numbers

2,650+
People Engaged

10
Engagement Reports Reviewed

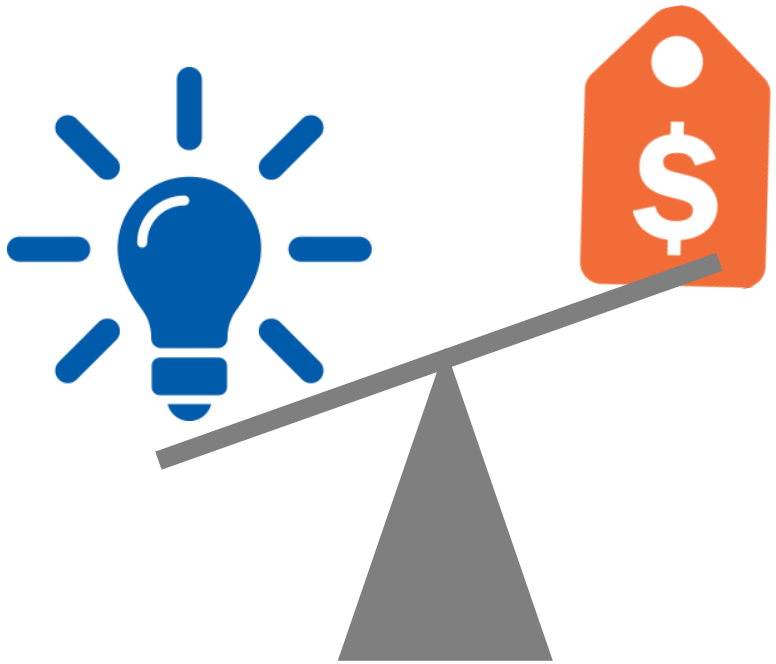
17
Community Events Attended

25
Community & Stakeholder Conversations

20
Language Communities

200+
Operations & Generation Staff

Balancing Trade-offs



Strategic Plan Feedback

Seattle City Light wants you to help us plan for our shared energy future. Please review the following statements:

Reliability
It's important to me to have the electricity available whenever I need it.

Affordability
It's important to me to know I can afford to pay my electric bill.

Environmental friendliness
It's important to me that the electricity I use does not harm people or the planet.

What is more important to you?

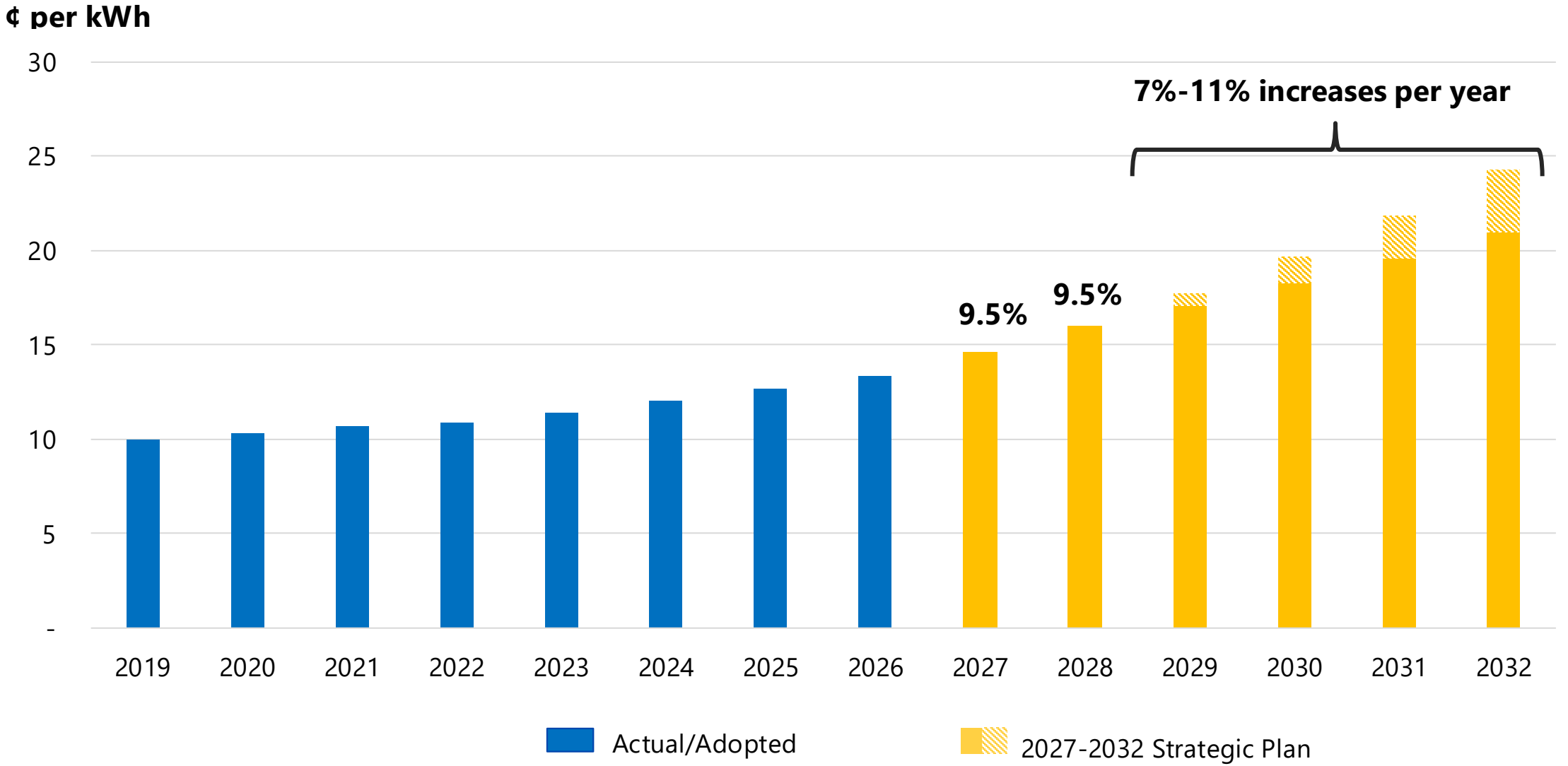
What We Heard

- **Electricity is essential**
- **Balance reliability, affordability, and the environment**
- **Co-design solutions that reflect lived experience**

How Community Wants Us to be Responsive

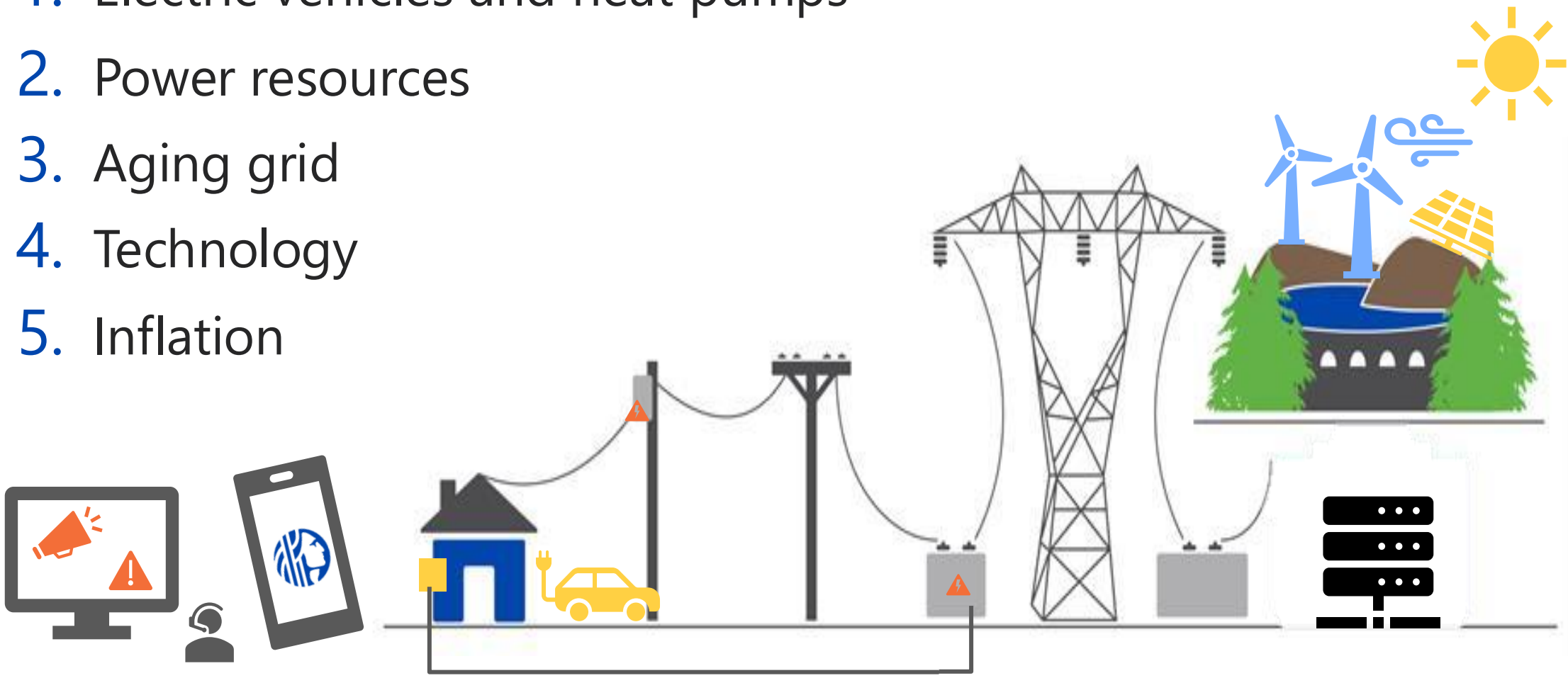
- **Education & Awareness**
- **Connect to Youth & Green Jobs**
- **Community Partnering**
- **Internal Coordination**

Strategic Plan Retail Rate Path



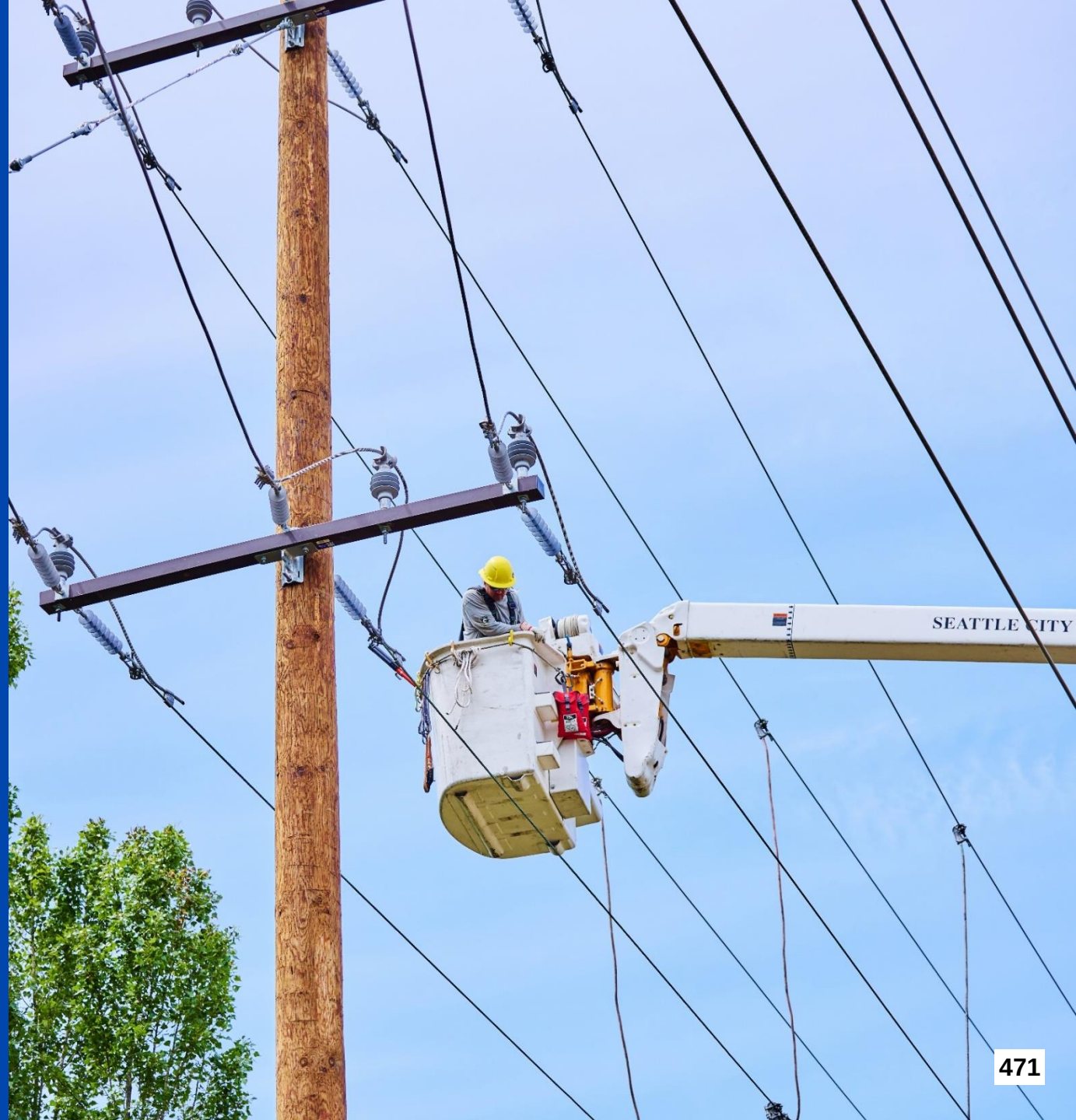
Why Rate Increases are Needed

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



2027 – 2028
Retail Rate Ordinance

Seattle City Light



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

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**

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.

Regional Rate Increase Comparison

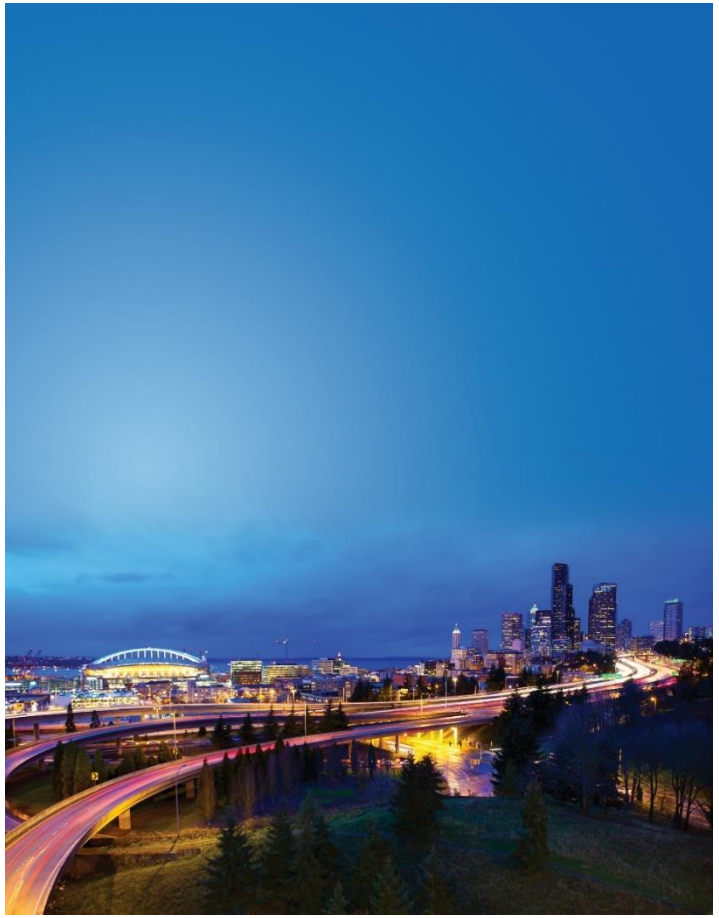
Residential Rate Increases

Utility	2023	2024	2025	2026	Avg	27/28 Proposals:
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

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.

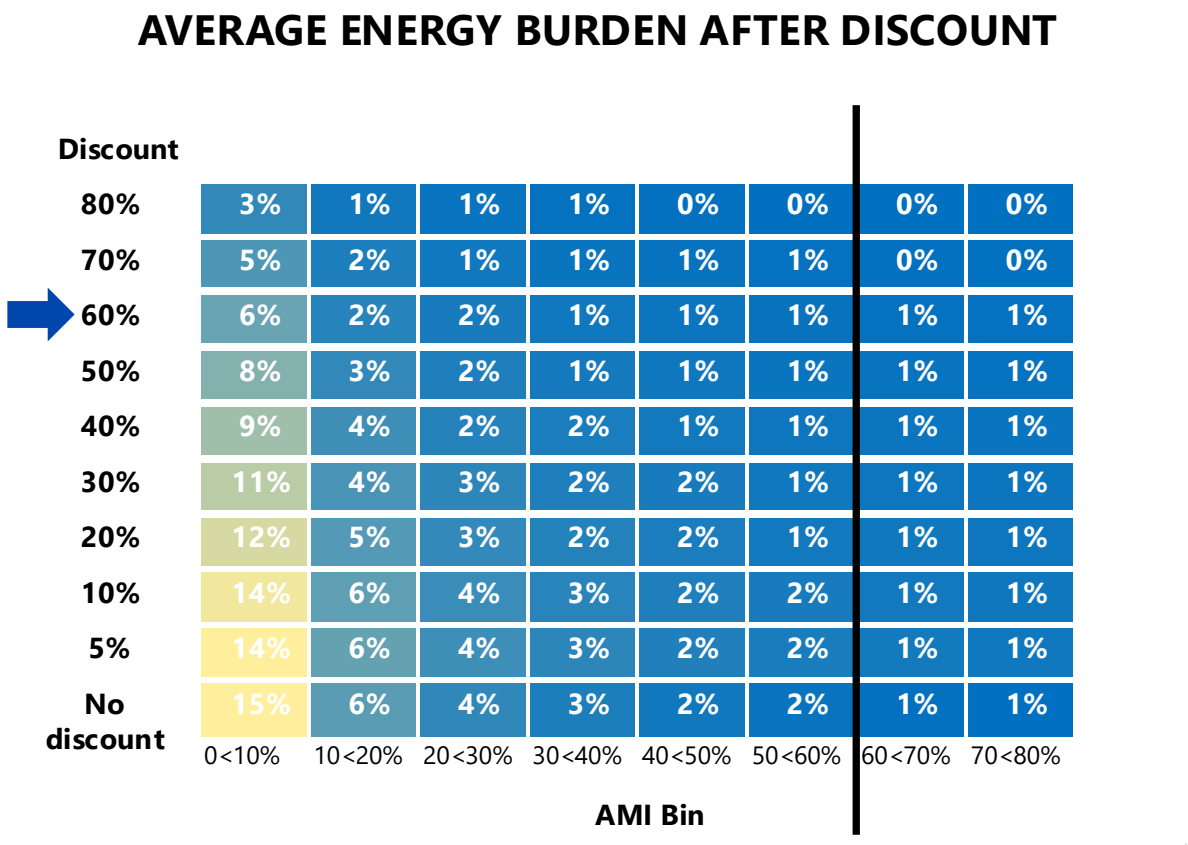
	Current RSA	Expanded RSA
Applies to	Wholesale	Wholesale + Power Contracts + Retail Load Variation
Size / Ceiling	$100M / $125M	$150M / $200M
Surcharges	2% at $75M 4% at $50M *All rate components*	2%* at $120M 5%* at $80M *Per-kWh rates only*

** 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



Supporting Affordability for All

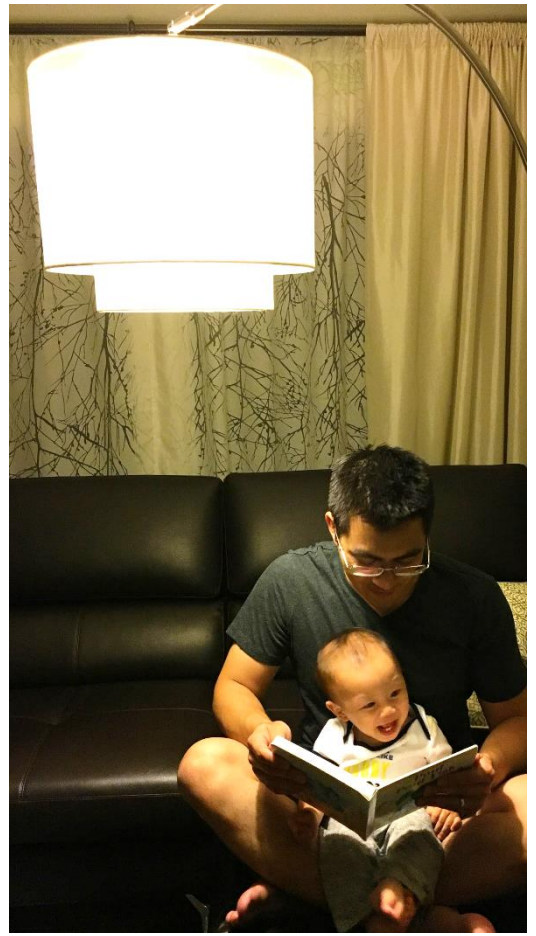
For Income-Qualified

- **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)*

Ordinance expands UDP eligibility

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*



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 data center rate
  - Expands Rate Stabilization Account (RSA)
  - Utility Discount Program (UDP) eligibility

THANK YOU

Seattle City Light