

BILL SUMMARY & FISCAL NOTE

Department:	Contact Person/Phone:	Executive Contact/Phone:
Seattle City Light	Robert W. Cromwell, Jr./ 684-3856	Greg Shiring/386-4085

1. BILL SUMMARY

Legislation Title:

AN ORDINANCE relating to the City Light Department; authorizing the execution of the Maintenance Obligations and Ownership Agreement for Boundary Substation with the Bonneville Power Administration; and ratifying and confirming certain prior acts.

Summary and background of the Legislation:

This legislation authorizes the City Light Department (“City Light”) to execute an agreement with Bonneville Power Administration that will assist the parties in fulfilling their respective responsibilities with respect to NERC reliability standards compliance at Boundary Substation. By executing the Maintenance Obligations and Ownership Agreement for Boundary Substation, City Light will clarify its responsibilities with respect to Boundary substation equipment ownership and maintenance, which supports its mission to provide cost-effective and reliable power in an environmentally responsible and safe manner.

This legislation enables the replacement of the original 1966 Boundary Operations and Maintenance Agreement, which lacks details now considered necessary in electric utility contracts to sufficiently describe the specific compliance requirements of the parties. The proposed new agreement will serve these purposes with no change in cost.

2. CAPITAL IMPROVEMENT PROGRAM

This legislation creates, funds, or amends a CIP Project.

3. SUMMARY OF FINANCIAL IMPLICATIONS

This legislation does not have direct financial implications.

4. OTHER IMPLICATIONS

- a) **Does the legislation have indirect or long-term financial impacts to the City of Seattle that are not reflected in the above?**

No. The proposed agreement continues an existing business arrangement, so no incremental changes to costs or revenues are expected.

- b) Is there financial cost or other impacts of not implementing the legislation?**
If the City does not execute a replacement Maintenance Obligations and Ownership Agreement for Boundary Substation with BPA, one or both parties could be found to be out of compliance with NERC standards, which has the potential for exposing one or the other party, or both parties, to significant financial penalties.
- c) Does this legislation affect any departments besides the originating department?**
No.
- d) Is a public hearing required for this legislation?**
No.
- e) Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**
No.
- f) Does this legislation affect a piece of property?**
No. (No ownership is changing.)
- g) Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities?**
N/A
- h) If this legislation includes a new initiative or a major programmatic expansion: What are the long-term and measurable goals of the program? Please describe how this legislation would help achieve the program's desired goals.**
N/A
- i) Other Issues: None**

List attachments below: None