

SEATTLE CITY COUNCIL

Legislative Summary

CB 119632

| Record | No.: | CB | 119632 |
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| Necoru | 140 | OD | 110002 |

Type: Ordinance (Ord)

Status: Passed

Version: 1

Ord. no: Ord 125957

In Control: City Clerk

File Created: 08/20/2019

Final Action: 10/11/2019

Title: AN ORDINANCE relating to the City Light Department; granting authority for the

Department to offer term-limited pilot programs to study demand response and

low-income assistance programs.

<u>Date</u>

Notes:

Filed with City Clerk:

Mayor's Signature:

Sponsors: Mosqueda

Vetoed by Mayor:

Veto Overridden:

Veto Sustained:

Attachments:

Drafter: Kirsty.grainger@seattle.gov

Filing Requirements/Dept Action:

| Histo | ory of Legislativ | e File | | Legal Notice Published: | ☐ Yes | ☐ No | |
|-------|------------------------------|---------------------------------------|--|---|-------------------|-----------------|---------|
| Ver- | Acting Body: | Date: | Action: | Sent To: | Due Date: | Return Date: | Result: |
| 1 | Мауог | 09/04/2019 | Mayor's leg transmitted to Council | City Clerk | | | |
| 1 | City Clerk | 09/05/2019 | sent for review | Council President's Office | | | |
| 1 | Council President' Office | s 09/05/2019 | sent for review | Housing, Health, Energy, and Workers' Rights Committee | | | |
| | | The Council Bill (CB) wa Committee | is sent for review | v. to the Housing, Health, Energ | y, and Workers' F | Rights | |
| 1 | City Council | 09/09/2019 | referred | Housing, Health, Energy, and Workers' Rights Committee | | | |

Legislative Summary Continued (CB 119632)

| 1 | Housing, Health, and Workers' Rig Committee | ••• | pass | 09/30/2019 | Pass |
|---|---|--------------------------|-------------------------------------|--|------|
| | Action Text: | The Committee recomme | ends that City Cou | ncil pass the Council Bill (CB). | |
| | | In Favor | : 3 Chair Mosc | ueda, Vice Chair Juarez, Member Bagshaw | |
| | | Opposed | : 0 | | |
| 1 | City Council | 09/30/2019 | passed | | Pass |
| | Action Text: | The Council Bill (CB) wa | s passed by the fol | lowing vote, and the President signed the Bill: | |
| | | In Favor | Herbold, Co Councilmer Sawant | mber Bagshaw, Council President Harrell, Councilmember buncilmember Juarez, Councilmember Mosqueda, mber O'Brien, Councilmember Pacheco, Councilmember | |
| | | Opposed | : 0 | | |
| 1 | City Clerk | 10/03/2019 | submitted for Mayor's signature | Mayor | |
| 1 | Mayor | 10/04/2019 | Signed | | |
| | Action Text: | The Council Bill (CB) wa | s Signed. | | |
| 1 | Mayor | 10/11/2019 | returned | City Clerk | |
| | Action Text: | The Council Bill (CB) wa | s returned, to the C | City Clerk | |

10/11/2019 attested by City Clerk

Action Text: The Ordinance (Ord) was attested by City Clerk.

1 City Clerk

| | , many |
|-----------------------|---|
| | Kirsty Grainger SCL Pilot Programs ORD D1a |
| 1 | CITY OF SEATTLE |
| 2 | ORDINANCE 12595 |
| 3 | COUNCIL BILL 196 |
| 4 5 6 7 8 | AN ORDINANCE relating to the City Light Department; gr to offer term-limited pilot programs to study demand programs. |
| 9 | WHEREAS, as described in a rate design report dated April |
| 10 | Resolution 31819 adopted July 9, 2018, in which Co |
| 11 | an updated rate design, the Department plans to offer |
| 12 | coming years to further City objectives including aff |
| 13 | WHEREAS, demand response programs promote City decar |
| 14 | integration of new loads from electrification, facilitation |
| 15 | in long-term; and |
| 16 | WHEREAS, in the near-term, programs to augment and sup |
| 17 | Program can help customers who are experiencing has |
| 18 | despite the discounts currently offered; and |
| | |

ranting authority for the Department d response and low-income assistance 1, 2019 provided in response to ouncil requested recommendations for r new customer rate designs in fordability and decarbonization; and rbonization goals by facilitating ting more affordable customer rates plement the existing Utility Discount ardship affording their energy bills WHEREAS, pilot programs studying the potential effect of new rate designs on a small scale

thereby informing rate design and helping to avoid unintended financial consequences for customers and/or the utility; and WHEREAS, the City Council has reviewed the terms and conditions set forth within this ordinance and has determined that the supporting reasoning is sound and prudent; NOW,

provide valuable information about customer behavior before adopting rates widely,

THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

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Section 1. The City Light Department may offer short-term pilot programs testing new approaches in the following two areas for rate design research:

A. Incentives in exchange for the ability to study customer consumption patterns associated with demand response programs such as time-of-use pricing, critical peak pricing or rebates, variable peak pricing, or direct load control. Incentives to curb or shift consumption must be cost-based and reflect system-wide benefits realized from customer behavior. To this end, program incentives must be achievable within existing budgetary authority and reflect cost of service consistent with existing adopted rates.

B. Alternative rate discounts and services to assist low-income customers in accordance with RCW 74.38.070 and Seattle Municipal Code Sections 21.49.040 and 21.49.042.

Section 2. In addition, pilot programs must:

- A. Have a charter that defines research objective and specific evaluation criteria.
- B. Be offered to a defined subset of customers on an opt-in basis, with recruitment strategies that target historically under-represented populations.
- C. File precise terms and conditions for pilot participation in accordance with the provisions of Chapter 3.02 of the Seattle Municipal Code, including opportunity for public feedback before program launch.
- D. Have a finite timeframe with an end date that occurs no later than 36 months from the program start, unless the program starts after December 31, 2025, in which case the end date is December 31, 2028.
- E. Hold pilot program participants harmless such that incentive/alternative discount structures do not prevail over regular adopted rates. Customers whose data and consumption

| | Kirsty Grainger SCL Pilot Programs ORD D1a |
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| 1 | practices do not create a discount under a pilot program as compared with their regular assigned |
| 2 | rate will be charged according to their normal rate. |
| 3 | F. Report regularly to City Council on pilot status and performance. |
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| 1 | Section 3. This ordinance shall take effect and be in force 30 days after its approval by |
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| 2 | the Mayor, but if not approved and returned by the Mayor within ten days after presentation, i |
| 3 | shall take effect as provided by Seattle Municipal Code Section 1.04.020. |
| 4 | Passed by the City Council the 30th day of September, 2019 |
| 5 | and signed by me in open session in authentication of its passage this day of |
| 6 | September, 2019. |
| 7 | Bresident of the City Council |
| 9 | Approved by me this 4th day of October, 2019. |
| 10 | Jenny A Kuh |
| 11 | Jenny A. Durkan, Mayor |
| 12 | Filed by me this day of, 2019. |
| 13 | Janua V. Simmons |
| 14 | Monica Martinez Simmons, City Clerk |
| 15 | (Seal) |
| | |