



Legislation Text

File #: Res 32130, Version: 1

CITY OF SEATTLE

RESOLUTION _____

A RESOLUTION relating to the City Light Department; endorsing City Light’s Wholesale Energy Risk Management Policy (“WERM Policy”), which governs wholesale energy, transmission, and ancillary services trading, including renewable energy credits and greenhouse gas offsets; establishing the WERM Policy as the guiding policy for managing risks related to wholesale energy, ancillary services, renewable energy credits, and greenhouse gas offsets within the City Light Department; and superseding Resolution 31616.

WHEREAS, to economically provide electricity to its customers, the City Light Department (“City Light”) routinely engages in the buying and selling of wholesale energy products; and

WHEREAS, City Light’s participation in the wholesale energy markets inherently exposes it to various risks, including market and credit risks; and

WHEREAS, utility industry best practices mandate that City Light adhere to a clear and binding policy statement to effectively manage these risks; and

WHEREAS, these industry best practices further stipulate that such policies should receive approval from an independent governing body, such as City Light’s Risk Oversight Council, and endorsement by City Light’s General Manager and Chief Executive Officer; and

WHEREAS, the periodic review and amendment of risk management policies are essential for good governance and oversight; and

WHEREAS, the Wholesale Energy Risk Management Policy was initially adopted by the City Council on September 8, 2008, by Resolution 31053; and

WHEREAS, the Environmental Attributes Management Policy was initially adopted by the City Council on June 7, 2010, by Resolution 31216; and

WHEREAS, the Wholesale Energy Risk Management Policy was updated by the City Council on August 9, 2010, with the passage of Resolution 31230; on May 14, 2012, with the passage of Resolution 31365; and on September 3, 2013, with the passage of Resolution 31467; and

WHEREAS, the Wholesale Energy Risk Management Policy was updated and the Environmental Attributes Management Policy was superseded on September 28, 2015, with the passage of Resolution 31616; and

WHEREAS, the attached Wholesale Energy Risk Management Policy contains updates including confirmation of City Light’s General Manager and Chief Executive Officer as final authority to commission and approve any changes to policy; enhancing purpose, scope, strategy, roles and responsibilities; and moving technical details from the policy to the procedures manual where appropriate; NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE, THE MAYOR CONCURRING, THAT:

Section 1. The Wholesale Energy Risk Management Policy (“Policy”), as developed by the City Light Department’s (“City Light”) management and attached to this resolution as Attachment 1, is endorsed by the City Council and is established as City Light’s policy governing the conduct of wholesale energy risk management. The Policy attached as Attachment 1 supersedes the policies endorsed by Resolution 31616, which contained the last update to relevant City Light policies.

Adopted by the City Council the _____ day of _____, 2024, and signed by me in open session in authentication of its adoption this _____ day of _____, 2024.

President _____ of the City Council

The Mayor concurred the _____ day of _____, 2024.

Bruce A. Harrell, Mayor

Filed by me this _____ day of _____, 2024.

Scheereen Dedman, City Clerk

(Seal)

Attachments:
Attachment 1 - Wholesale Energy Risk Management Policy