



Legislation Text

File #: CB 118563, Version: 1

CITY OF SEATTLE
ORDINANCE _____
COUNCIL BILL _____

AN ORDINANCE relating to the rates, terms, and conditions for the use and sale of electricity supplied by the City Light Department; adding a new Section 21.49.088 to the Seattle Municipal Code to create a utility tax pass through; and amending Sections 21.49.020, 21.49.030, 21.49.040, 21.49.052, 21.49.055, 21.49.057, 21.49.081, and 21.49.100 of the Seattle Municipal Code to implement new distinct rates for the city of Lake Forest Park to allow for the potential addition of a utility tax.

WHEREAS, in May 2014, State of Washington Court of Appeals decision 31195-3-III ruled that it is

permissible for one municipality to tax the revenue of another municipality if the revenue is from activity that is proprietary in character rather than governmental; and

WHEREAS, the City Light Department (City Light) provides electric service to customers in other

municipalities outside The City of Seattle under terms specified by franchise agreements; and

WHEREAS, a new Lake Forest Park franchise agreement, adopted by Ordinance 124806, specified terms of the

franchise agreement under which City Light provides electric service to customers in Lake Forest Park

from May 1, 2015 until April 30, 2030; and

WHEREAS, the aforementioned new franchise agreement allows the city of Lake Forest Park the option to

levy a utility tax on the bills of City Light customers within Lake Forest Park on or after January 1,

2016; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Subsection 21.49.020.A of the Seattle Municipal Code, which section was last amended by Ordinance 124818, 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:

1. "Applicant" means any person, firm, corporation, government agency, or other entity requesting electrical service from the Department.
2. "BPA" means the Bonneville Power Administration or successor agency.
3. "Burien customer" means a customer receiving service at a location in the City of Burien.
4. "City" means The City of Seattle.
5. "City customer" means a customer receiving service at a location in The City of Seattle or in Whatcom County at a site related to the Department's Skagit facilities.
6. "Customer" means any person, firm, corporation, government agency, or other entity that uses, has used, contracts, or has contracted for electric service from the Department.
7. "Customer-generator" means a user of a net metering system.
8. "Department" means the Seattle City Light Department of the City, its General Manager and Chief Executive Officer, or any duly authorized employee of the Department.
9. "Duplex" means a detached building containing two ~~((2))~~ dwelling units.
10. "Dwelling unit" means a single unit providing complete independent living facilities for one ~~((4))~~ or more persons, including provisions for living, sleeping, eating, cooking, and sanitation. "Dwelling unit" excludes dwellings where tenancy is typically of a transient nature, such as hotels, motels, lodges, transitional housing and student dormitories. "Dwelling unit" also excludes living arrangements, such as residences for religious orders, the elderly or the disabled, in which the residents do not live independently.
11. "Flat rate" means a fixed charge for a streetlight, floodlight, pedestrian light or a fixed amount of energy consumption.
12. "House service" or "house meter" means service for rooms or areas used in common by the occupants of a multiple unit building.

13. "KV" means kilovolt.

14. "KVA" means kilovolt-ampere.

15. "KVarh" means reactive kilovolt-ampere hours.

16. "KW" means kilowatt.

17. "KWh" means kilowatt-hour.

18. "Lake Forest Park customer" means a customer receiving service at a location in the city of Lake Forest Park.

~~((18))~~19. "Master meter" means service which supplies electrical energy to more than one ~~((1))~~ dwelling unit or boat moorage and is measured through a single inclusive metering system.

~~((19))~~20. "Medical life support equipment" ~~((is))~~ means any piece of equipment which is prescribed by a licensed medical physician, generally accepted in the medical industry as life support equipment, and dependent on electrical service for its operation, such as kidney dialysis units, iron lungs, etc.

~~((20))~~21. "MW" means megawatt.

~~((21))~~22. "Multiple dwelling building" means any building or any portion of the building which contains three ~~((3))~~ or more dwelling units used, rented, leased, let, or hired out to be occupied, or which are occupied and have provisions for living, sleeping, eating, cooking, and sanitation.

~~((22))~~23. "Net metering program" means a Department program under which eligible customers that operate net metering systems may generate electricity for their own use, sell the excess to the Department and purchase any deficit from the Department.

~~((23))~~24. "Net metering system" means a fuel cell, a facility that produces electricity ~~((and used))~~ and useful thermal energy from a common fuel source, or a facility for the production of electrical energy that generates renewable energy, and that:

~~((f))~~a.~~((1))~~ has an electrical generating capacity of not more than ~~((one hundred))~~ 100 kilowatts;

((f))b₂((+)) is located on the customer-generator's premises;

((f))c₂((+)) operates in parallel with the electric utility's transmission and distribution facilities; and

((f))d₂((+)) is intended primarily to offset part or all of the customer-generator's requirements for electricity.

((24))25. "Peak" means the period Monday through Saturday, ~~((six (6:00) a.m. to ten (10:00) p.m.))~~ 6 a.m. to 10 p.m., excluding major holidays New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day, as recognized by ~~((NERC))~~ the North American Electric Reliability Corporation.

((25))26. "Power factor" ~~((is))~~ means the ratio kW to kVA.

((26))27. "Premises" means all of the real property at a single geographic location utilized by a customer.

((27))28. "RCW" means Revised Code of Washington.

((28))29. "Renewable energy" means energy generated by a facility that uses water, wind, solar energy, or biogas from animal waste as a fuel.

((29))30. "Reserved distribution capacity" means capacity reserved by the Department on a distribution circuit to which a customer can transfer its load when that customer's normal, preferred or main service circuit is unavailable.

((30))31. "Residence" means a single-family dwelling.

((31))32. "SeaTac customer" means a customer receiving service at a location in the City of SeaTac.

((32))33. "Shoreline customer" means a customer receiving service at a location in the City of Shoreline.

((33))34. "Suburban customer" means any customer that is not a ~~((e))~~City customer, Burien

customer, Lake Forest Park customer, SeaTac customer, Shoreline customer, or Tukwila customer.

~~((34))~~35. "Transitional housing" means a unit or facility that serves as temporary living quarters for individuals or families and is subsidized in whole or in part (e.g., rent and/or utilities) by a non-profit corporation or a government entity, which is responsible for the unit or facility as owner or master leaseholder, or through a written agreement with a landlord.

~~((35))~~36. "Tukwila customer" means a customer receiving service at a location in the City of Tukwila.

~~((37))~~38. "Underground distribution network" means an electrical distribution configuration in which two ~~((2))~~ or more City-owned secondary cables are bussed together so that the loss of any one ~~((1))~~ associated distribution feeder cable will not interrupt service to the customer.

~~((38))~~39. "Var" means volt-ampere-reactive, the unit of measure of reactive power in a circuit.

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Section 2. Section 21.49.030 of the Seattle Municipal Code, last amended by Ordinance 124818, is amended as follows:

21.49.030 Residential rates (Schedules RSC, RST, RSS, RSH, RSB, ~~((and))~~ RSE, and RSL)

A. Schedules RSC, RST, RSS, RSH, RSB, ~~((and))~~ RSE, and RSL are for all separately metered residential services, except those subject to Schedules REC, RET, RES, REH, REB, REE, REL, RLC, RLT, RLS, RLH, RLB, ~~((and))~~ RLE, and RLL.

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Schedule RSE (Residential: SeaTac)

Schedule RSE is for residential SeaTac customers, except those subject to Schedules REE and RLE.

RATES EFFECTIVE JANUARY 1, 2015:

Energy Charges:

Summer Billing Cycles (April - September)

First 10 kWh per day at 5.84 cents per kWh

All additional kWh per day at 12.24 cents per kWh

Winter Billing Cycles (October - March)

First 16 kWh per day at 5.84 cents per kWh

All additional kWh per day at 12.24 cents per kWh

Base Service Charge:

14.51 cents per meter per day

RATES EFFECTIVE JANUARY 1, 2016:

Energy Charges:

Summer Billing Cycles (April - September)

First 10 kWh per day at 6.56 cents per kWh

All additional kWh per day at 13.12 cents per kWh

Winter Billing Cycles (October - March)

First 16 kWh per day at 6.56 cents per kWh

All additional kWh per day at 13.12 cents per kWh

Base Service Charge:

14.83 cents per meter per day

Schedule RSL (Residential: Lake Forest Park)

Schedule RSL is for residential Lake Forest Park customers, except those subject to Schedules REL and RLL.

RATES EFFECTIVE JANUARY 1, 2015:

Energy Charges:

Summer Billing Cycles (April - September)

First 10 kWh per day at 5.84 cents per kWh

All additional kWh per day at 12.24 cents per kWh

Winter Billing Cycles (October - March)

First 16 kWh per day at 5.84 cents per kWh

All additional kWh per day at 12.24 cents per kWh

Base Service Charge:

14.51 cents per meter per day

RATES EFFECTIVE JANUARY 1, 2016:

Energy Charges:

Summer Billing Cycles (April - September)

First 10 kWh per day at 6.15 cents per kWh

All additional kWh per day at 12.84 cents per kWh

Winter Billing Cycles (October - March)

First 16 kWh per day at 6.15 cents per kWh

All additional kWh per day at 12.84 cents per kWh

Base Service Charge:

14.83 cents per meter per day

B. Normal residential service shall be limited to single-phase.

C. If Schedules RSC, RST, RSS, RSH, RSB, ~~((and))~~ RSE, and RSL are applied to transient occupancy in separately metered living units, billing shall be in the name of the owner on a continuous basis.

D. Duplexes using a single meter prior to October 13, 1978 shall be considered as a single residence for the purpose of applying Schedules RSC, RST, RSS, RSH, RSB, ~~((and))~~ RSE, and RSL. For a new duplex or a larger service to an existing duplex, each residence shall be separately metered.

E. All electrical service provided for domestic uses to a single residential account, including electrically heated swimming pools, shall have all consumption of electricity added together for billing on Schedules RSC, RST, RSS, RSH, RSB, ~~((and))~~ RSE, and RSL.

Section 3. Section 21.49.040 of the Seattle Municipal Code, last amended by Ordinance 124818, is amended to read as follows:

21.49.040 Residential rate assistance (Schedules REC, RET, RES, REH, REB, REE, REL, RLC, RLT, RLS, RLH, RLB, ~~((and))~~ RLE, and RLL)

A. Schedules REC, RET, RES, REH, REB, REE, REL, RLC, RLT, RLS, RLH, RLB, ~~((and))~~ RLE, and RLL are available to qualified low-income residential customers.

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Schedules REE (Residential Elderly: SeaTac) and RLE (Residential Low-Income: SeaTac)

Schedules REE and RLE are available for separately metered residential service provided to SeaTac 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:

1. For Schedule RLE, receive Supplemental Security Income pursuant to 42 USC Sections 1381 - 1383; or
2. For Schedules RLE and REE, reside in a household in which the annual income of all household members together does not exceed 70 percent of the Washington State median income for the number of individuals in the household as computed annually by the state or the City.

RATES EFFECTIVE JANUARY 1, 2015:

Energy Charges:

Summer Billing Cycles (April - September)

First 10 kWh per day at 2.34 cents per kWh

All additional kWh per day at 4.90 cents per kWh

Winter Billing Cycles (October - March)

First 16 kWh per day at 2.34 cents per kWh

All additional kWh per day at 4.90 cents per kWh

Base Service Charge:

5.80 cents per meter per day

RATES EFFECTIVE JANUARY 1, 2016:

Energy Charges:

Summer Billing Cycles (April - September)

First 10 kWh per day at 2.62 cents per kWh

All additional kWh per day at 5.25 cents per kWh

Winter Billing Cycles (October - March)

First 16 kWh per day at 2.62 cents per kWh

All additional kWh per day at 5.25 cents per kWh

Base Service Charge:

5.93 cents per meter per day

Schedules REL (Residential Elderly: Lake Forest Park) and RLL (Residential Low-Income: Lake Forest Park)

Schedules REL and RLL are available for separately metered residential service provided to Lake Forest Park 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:

1. For Schedule RLL, receive Supplemental Security Income pursuant to 42 USC Sections 1381 - 1383;

or

2. For Schedules RLL and REL, reside in a household in which the annual income of all household members together does not exceed 70 percent of the Washington State median income for the number of individuals in the household as computed annually by the state or the City.

RATES EFFECTIVE JANUARY 1, 2015:

Energy Charges:

Summer Billing Cycles (April - September)

First 10 kWh per day at 2.34 cents per kWh

All additional kWh per day at 4.90 cents per kWh

Winter Billing Cycles (October - March)

First 16 kWh per day at 2.34 cents per kWh

All additional kWh per day at 4.90 cents per kWh

Base Service Charge:

5.80 cents per meter per day

RATES EFFECTIVE JANUARY 1, 2016:

Energy Charges:

Summer Billing Cycles (April - September)

First 10 kWh per day at 2.46 cents per kWh

All additional kWh per day at 5.14 cents per kWh

Winter Billing Cycles (October - March)

First 16 kWh per day at 2.46 cents per kWh

All additional kWh per day at 5.14 cents per kWh

Base Service Charge:

5.93 cents per meter per day

B. Applicants for Schedules REC, RLC, RET, RLT, RES, RLS, REH, RLH, REB, RLB, REE, ~~((and))~~ RLE, REL, and RLL shall verify the information required to certify their eligibility for residential rate assistance and shall provide such other data as is deemed appropriate upon forms and in the manner determined by the City's Human Services Department as directed by City Light. Customer eligibility to enter the program may also be established from data provided by affordable housing providers receiving federal, state, or local funding and subject to annual compliance monitoring by the granting authority, if the providers have entered

into agreements with City Light regarding the provision and use of the information. Such agreements do not limit the City's right to confirm the information provided with the customer.

C. Schedules REC, RLC, RET, RLT, RES, RLS, REH, RLH, REB, RLB, REE, ~~((and))~~ RLE, REL, and RLL and any other form of residential rate assistance established by the Department are not available to those otherwise eligible persons who own their dwelling unit and who use electric heat as defined in Section 21.52.210 <<https://www.municode.com/library/>> but who have not completed or who are not in the process of completing the energy conservation measures required for participation in the Comprehensive Residential Weatherization Program described in Section 21.52.260 <<https://www.municode.com/library/>>. Customers who own their own dwelling unit and who use electric heat have one year from the date of application for Schedules REC, RLC, RET, RLT, RES, RLS, REH, RLH, REB, RLB, REE, ~~((and))~~ RLE, REL, and RLL to complete the energy conservation measures. Eligibility for residential rate assistance may be continued by the Department, however, if the Department determines that the customer's failure to complete the required energy conservation measures is the fault of the City in failing to furnish or properly administer the Low-income Electric Program set forth in Section 21.52.250 <https://www.municode.com/library/wa/seattle/codes/municipal_code?nodeId=TIT21UT_SUBTITLE_IVLIPO_CH21.52COME_21.52.250LCOELPRLI>.

D. Schedules REC, RLC, RET, RLT, RES, RLS, REH, RLH, REB, RLB, REE, ~~((and))~~ RLE, REL, and RLL shall not apply to any subsidized unit operated by the Seattle Housing Authority, the Housing Authority of the County of King, or the federal government where utility allowances are provided.

E. Normal residential service under Schedules REC, RLC, RET, RLT, RES, RLS, REH, RLH, REB, RLB, REE, ~~((and))~~ RLE, REL, and RLL shall be limited to single-phase.

F. If Schedules REC, RLC, RET, RLT, RES, RLS, REH, RLH, REB, RLB, REE, ~~((and))~~ RLE, REL, and RLL are applied to transient occupancy in separately metered living units, billing shall be in the name of the owner on a continuous basis.

G. Duplexes using a single meter prior to October 13, 1978 shall be considered as a single residence for the purpose of applying Schedules REC, RLC, RET, RLT, RES, RLS, REH, RLH, REB, RLB, REE, ~~((and))~~ RLE, RLL, and REL. For a new duplex or a larger service to an existing duplex, each residence shall be separately metered.

H. All electric service provided for domestic uses to a single residential account, including electrically heated swimming pools, shall have all consumption of electricity added together for billing on Schedules REC, RLC, RET, RLT, RES, RLS, REH, RLH, REB, RLB, REE, ~~((and))~~ RLE, REL, and RLL.

Section 4. Section 21.49.052 of the Seattle Municipal Code, last amended by Ordinance 124818, is amended to read as follows:

21.49.052 Small general service (Schedules SMC, SMT, SMS, SMH, SMB, SMD, ~~((and))~~ SME, and SML)

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 rates.

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Schedule SME (Small General Service: SeaTac)

Schedule SME is for small standard general service provided to SeaTac customers.

RATES EFFECTIVE JANUARY 1, 2015:

Energy Charges:

All energy at 8.22 cents per kWh

Minimum Charge:

\$0.26 per meter per day

Discounts:

Transformer losses in kWh -

$.53285 \times kW + .00002 \times kW^2 + .00527 \times kWh$

Transformer investment -

\$0.22 per kW of monthly maximum demand

RATES EFFECTIVE JANUARY 1, 2016:

Energy Charges:

All energy at 8.79 cents per kWh

Minimum Charge:

\$0.26 per meter per day

Discounts:

Transformer losses in kWh -

$.53285 \times kW + .00002 \times kW^2 + .00527 \times kWh$

Transformer investment -

\$0.22 per kW of monthly maximum demand

Schedule SML (Small General Service: Lake Forest Park)

Schedule SML is for small standard general service provided to Lake Forest Park customers.

RATES EFFECTIVE JANUARY 1, 2015:

Energy Charges:

All energy at 8.22 cents per kWh

Minimum Charge:

\$0.26 per meter per day

Discounts:

Transformer losses in kWh -

.53285 x kW + .00002 x kW² + .00527 x kWh

Transformer investment -

\$0.22 per kW of monthly maximum demand

RATES EFFECTIVE JANUARY 1, 2016:

Energy Charges:

All energy at 8.63 cents per kWh

Minimum Charge:

\$0.26 per meter per day

Discounts:

Transformer losses in kWh -

.53285 x kW + .00002 x kW² + .00527 x kWh

Transformer investment -

\$0.22 per kW of monthly maximum demand

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Section 5. Section 21.49.055 of the Seattle Municipal Code, last amended by Ordinance 124818, is amended to read as follows:

21.49.055 Medium general service (Schedules MDC, MDT, MDS, MDH, MDB, MDD, ~~((and))~~ MDE, and MDL)

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.

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Schedule MDE (Medium Standard General Service: SeaTac)

Schedule MDE is for medium standard general service provided to SeaTac customers.

RATES EFFECTIVE JANUARY 1, 2015:

Energy Charges:

All energy at 6.70 cents per kWh

Demand Charges:

All kW of maximum demand at \$2.24 per kW

Minimum Charge (to be charged when the Department's billing system is updated to include it):

\$0.63 per meter per day

Discounts:

Transformer losses in kWh -

$1756 + .53285 \times \text{kW} + .00002 \times \text{kW}^2 + .00527 \times \text{kWh}$

Transformer investment -

\$0.22 per kW of monthly maximum demand

RATES EFFECTIVE JANUARY 1, 2016:

Energy Charges:

All energy at 7.31 cents per kWh

Demand Charges:

All kW of maximum demand at \$2.32 per kW

Minimum Charge (to be charged when the Department's billing system is updated to include it):

\$0.65 per meter per day

Discounts:

Transformer losses in kWh -

$1756 + .53285 \times \text{kW} + .00002 \times \text{kW}^2 + .00527 \times \text{kWh}$

Transformer investment -

\$0.22 per kW of monthly maximum demand

Schedule MDL (Medium Standard General Service: Lake Forest Park)

Schedule MDL is for medium standard general service provided to Lake Forest Park customers.

RATES EFFECTIVE JANUARY 1, 2015:

Energy Charges:

All energy at 6.70 cents per kWh

Demand Charges:

All kW of maximum demand at \$2.24 per kW

Minimum Charge (to be charged when the Department's billing system is updated to include it):

\$0.63 per meter per day

Discounts:

Transformer losses in kWh -

$1756 + .53285 \times \text{kW} + .00002 \times \text{kW}^2 + .00527 \times \text{kWh}$

Transformer investment -

\$0.22 per kW of monthly maximum demand

RATES EFFECTIVE JANUARY 1, 2016:

Energy Charges:

All energy at 7.06 cents per kWh

Demand Charges:

All kW of maximum demand at \$2.32 per kW

Minimum Charge (to be charged when the Department's billing system is updated to include it):

\$0.65 per meter per day

Discounts:

Transformer losses in kWh -

$1756 + .53285 \times \text{kW} + .00002 \times \text{kW}^2 + .00527 \times \text{kWh}$

Transformer investment -

\$0.22 per kW of monthly maximum demand

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Section 6. Section 21.49.057 of the Seattle Municipal Code, last amended by Ordinance 124818, is amended to read as follows:

21.49.057 Large general service (Schedules LGC, LGT, LGS, LGH, LGD, LGB, ~~((and))~~ LGE, and LGL)

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.

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Schedule LGE (Large Standard General Service: SeaTac)

Schedule LGE is for large standard general service provided to SeaTac customers.

RATES EFFECTIVE JANUARY 1, 2015:

Energy Charges:

Peak at 7.91 cents per kWh

Off-peak at 5.27 cents per kWh

Demand Charges:

Peak at \$2.02 per kW

Off-peak at \$0.22 per kW

Minimum Charge:

\$18.58 per meter per day

Discounts:

Transformer losses in kWh -

$1756 + .53285 \times \text{kW} + .00002 \times \text{kW}^2 + .00527 \times \text{kWh}$

Transformer investment -

\$0.22 per kW of monthly maximum demand

RATES EFFECTIVE JANUARY 1, 2016:

Energy Charges:

Peak at 8.44 cents per kWh

Off-peak at 5.62 cents per kWh

Demand Charges:

Peak at \$2.08 per kW

Off-peak at \$0.22 per kW

Minimum Charge:

\$18.98 per meter per day

Discounts:

Transformer losses in kWh -

$$1756 + .53285 \times \text{kW} + .00002 \times \text{kW}^2 + .00527 \times \text{kWh}$$

Transformer investment -

\$0.22 per kW of monthly maximum demand

Schedule LGL (Large Standard General Service: Lake Forest Park)

Schedule LGL is for large standard general service provided to Lake Forest Park customers.

RATES EFFECTIVE JANUARY 1, 2015:

Energy Charges:

Peak at 7.91 cents per kWh

Off-peak at 5.27 cents per kWh

Demand Charges:

Peak at \$2.02 per kW

Off-peak at \$0.22 per kW

Minimum Charge:

\$18.58 per meter per day

Discounts:

Transformer losses in kWh -

$$1756 + .53285 \times \text{kW} + .00002 \times \text{kW}^2 + .00527 \times \text{kWh}$$

Transformer investment -

\$0.22 per kW of monthly maximum demand

RATES EFFECTIVE JANUARY 1, 2016:

Energy Charges:

Peak at 8.37 cents per kWh

Off-peak at 5.58 cents per kWh

Demand Charges:

Peak at \$2.08 per kW

Off-peak at \$0.22 per kW

Minimum Charge:

\$18.98 per meter per day

Discounts:

Transformer losses in kWh -

$1756 + .53285 \times \text{kW} + .00002 \times \text{kW}^2 + .00527 \times \text{kWh}$

Transformer investment -

\$0.22 per kW of monthly maximum demand

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Section 7. Section 21.49.081 of the Seattle Municipal Code, last amended by Ordinance 124818, is amended to read as follows:

21.49.081 Automatic BPA cost adjustment

Each time that BPA adjusts its rates that are applied to City Light through its then current power sales agreements (PSAs) and transmission service agreements (TSAs) with BPA, City Light will calculate the difference (in dollars) between what City Light would have paid for its BPA purchases under the previous BPA rates for a 12 month period beginning on the effective date of the BPA adjustment and what City Light will actually pay for the same period under the adjusted BPA rates. The dollar difference will then be multiplied by 1.1095, which is the effective tax rate, and the product divided by forecast load (in kWh) over the 12 month period to calculate a number (in dollars/kWh rounded to the nearest ten thousandth of a dollar) which will be called the "BPA increment."

For example, if an increase in BPA rates results in increased costs to the Department of \$18,422,543 per year, this amount would be multiplied by the 1.1095 effective tax rate to get required additional customer revenue of

\$20,439,811. The additional revenue required would then be divided by the forecast kWh load to calculate the BPA increment.

As soon as practical after a BPA adjustment in rates, energy charges in effect under all rate schedules will be increased or decreased by the BPA increment, provided that for customers served under Schedules REC, RLC, RET, RLT, RES, RLS, REH, RLH, REB, RLB, REE, ~~((and))~~ RLE, REL, and RLL, energy charges shall be increased or decreased by 40 percent of the BPA increment. The BPA increment will increase or decrease equally first block and second block charges in residential rates and peak and off-peak rates for large and high demand general service customers as well as the single energy charges for small and medium general service customers and the energy charge portion of Schedules T, L, P, R, A, and F.

If at any time after December 31, 2006, BPA announces an adjustment in the rates to be charged to City Light, then City Light shall compute the BPA increment for the purpose of ensuring that only the increase or decrease in costs from BPA will be passed through to City Light's customers. The increment will be based on the projected load for a 12 month period. City Light's rates shall be adjusted to give effect to the BPA increment, and the adjusted rates shall take effect after the effective date of the adjusted BPA rates as soon as the billing process can be implemented.

Section 8. A new Section 21.49.088 is added to the Seattle Municipal Code as follows:

21.49.088 Automatic utility tax for municipalities outside The City of Seattle

A. Should a municipality outside The City of Seattle decide to levy a utility tax on the Department for revenues derived by the Department from customers within that municipality, then the Department will implement that tax in accordance with state law.

B. Upon receiving notice that the municipality has decided to levy a utility tax, the Department may adjust the rate schedules and bills of customers in that municipality to collect that tax in full.

C. The Department has the discretion to implement the utility tax as a standalone line item on the customer bill, or by incorporating the effective tax rate into rates for customers in that municipality.

Section 9. Subsection 21.49.100.K of the Seattle Municipal Code, which section was last amended by Ordinance 124818, is amended to read as follows:

21.49.100 Application and contract provisions ((-))

* * *

K. Account Service Charge. An applicant or a customer shall be charged an account service charge for establishing an account. The charge shall be included in the initial billing to the first permanent occupant after the establishment of an account. The schedule of charges shall be established through the Administrative Code process. The account service charge shall not apply in the following cases:

1. For a name, address, or rate schedule change involving the same premises and account, or the addition of names to existing accounts;
2. For temporary service used for the purpose of new construction;
3. For meters or other charges added to an existing account;
4. For customers billed on Schedules REC, RES, RET, REH, REB, RLT, RLC, RLS, RLH, RLB, REE, ~~((and))~~ RLE, REL, and RLL;
5. For the transfer of responsibility for an existing account for service to an existing premises from the occupant of record to another party, and the assumption by that other party of the obligation to pay for the service, when no opening or closing of the account is involved;
6. For billing of vacancy current to property owners or authorized agent;
7. For a change in status between vacant and occupied.

* * *

Section 10. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by

Seattle Municipal Code Section 1.04.020.

Passed by the City Council the ____ day of _____, 2015, and
signed by me in open session in authentication of its passage this
____ day of _____, 2015.

President _____ of the City Council

Approved by me this ____ day of _____, 2015.

Edward B. Murray, Mayor

Filed by me this ____ day of _____, 2015.

Monica Martinez Simmons, City Clerk

(Seal)