



Legislation Text

File #: Res 32056, Version: 1

CITY OF SEATTLE

RESOLUTION _____

A RESOLUTION related to the City Light Department; adopting a 2023-2028 Strategic Plan Update for the City Light Department and endorsing the associated six-year rate path.

WHEREAS, 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; and

WHEREAS, Resolution 31383, adopted in 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; and

WHEREAS, since 2012, City Light has revised and updated its Strategic Plan biennially, and has provided annual reports on the progress of Strategic Plan initiatives to the appropriate City Council committee; and

WHEREAS, the 2020 strategic planning process was impacted by COVID-19 and related pandemic response efforts, and the original 2021-2026 Strategic Plan has been amended to be a 2022-2026 Strategic Plan that covered a five-year period; and

WHEREAS, City Light resumed a six-year planning cycle and is delivering an update to last year’s plan, the 2023-2028 Strategic Plan Update (Attachment 1 to this resolution); and

WHEREAS, the Strategic Plan is foundational to the development of City Light’s budget and establishing a six-year rate path that supports budgeted programs and activities; and

WHEREAS, City Light conducted extensive outreach regarding the Strategic Plan, with customer and stakeholder group meetings, neighborhood open houses, limited-English-proficiency customer outreach, a market research survey, and social media outreach; and

WHEREAS, the resulting 2023-2028 Strategic Plan Update, which includes a six-year rate path, is a framework of strategies that respond to industry challenges, effect organizational change, promote diversity and inclusion, and further the Mayor's Vision for Seattle. The 2023-2028 Strategic Plan Update expands on the five business strategies introduced in the 2022-2026 Strategic Plan adopted last year. The five business strategies are: (1) Improve the customer experience; (2) Create our Energy Future; (3) Develop Workforce and Organizational Agility; (4) Ensure Financial Health and Affordability; and (5) We Power, which highlights our core mission of providing customers with affordable, reliable, and environmentally responsible energy services; and

WHEREAS, 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; and

WHEREAS, since 2013 the Review Panel has reviewed City Light's progress in carrying out the Strategic Plan on a quarterly basis and has also reviewed the Utility's proposed changes for the 2023-2028 Strategic Plan Update; and

WHEREAS, the Review Panel, in its letter dated May 3, 2022 (Attachment 2 to this resolution), supports the Plan Update and has identified several challenges facing City Light in the next few years, including inflation higher than any time in the last 40 years, supply chain interruptions increasing the cost and time needed to complete capital projects, a labor market in which it is very difficult to attract employees with the skills needed by the utility, growing accounts receivables balance, limited availability of customer assistance programs needed in order to meet the City's electrification goals, all of which combine to indicate the next few years will be a highly uncertain period in which to project operational costs and rates; and

WHEREAS, the City Council has reviewed the Strategic Plan Update, the associated six-year rate path, the recommendation of the Review Panel, and the results of customer and stakeholder engagement; NOW, THEREFORE,

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

Section 1. The City Council adopts City Light’s 2023-2028 Strategic Plan Update (the “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 the following six years as shown in the table below are endorsed.

2023	2024	2025	2026	2027	2028
4.5%	4.5%	3.0%	3.0%	3.0%	3.0%

Adopted by the City Council the _____ day of _____, 2022, and signed by me in open session in authentication of its adoption this _____ day of _____, 2022.

President _____ of the City Council

The Mayor concurred the _____ day of _____, 2022.

Bruce A. Harrell, Mayor

Filed by me this _____ day of _____, 2022.

Monica Martinez Simmons, City Clerk

(Seal)

Attachments:

Attachment 1 - Seattle City Light 2023-2028 Strategic Plan Update

Attachment 2 - City Light Review Panel Comment Letter on Proposed 2023-2028 Seattle City Light Strategic Plan Update