

Legislation Passed November 21, 2023

The Tacoma City Council, at its regular City Council meeting of November 21, 2023, adopted the following resolutions and/or ordinances. The summary of the contents of said resolutions and/or ordinances are shown below. To view the full text of the document, click on the bookmark at the left of the page.

Resolution No. 41298

A resolution authorizing the execution of an amendment to the Interlocal Agreement with the Port of Tacoma, for review and authorization of a flexible approach to the shoreline public access provision under the Shoreline Master Program, for two years or until such time as the Tideflats Subarea Plan is complete.

[Steve Atkinson, Principal Planner; Peter Huffman, Director, Planning and Development Services]

Ordinance No. 28911

An ordinance amending Chapter 12.06 of the Municipal Code, relating to Electric Energy - Regulations and Rates, to add a new Section 12.06.266, entitled "Very large load service of 10 aMW or more - Schedule VLL", and by amending various sections to align with the new Schedule VLL, effective January 1, 2024. [Jing Liu, Rates and Data Analyst; Chris Robinson, Power Superintendent]



RESOLUTION NO. 41298

A RESOLUTION relating to planning and development; authorizing an execution of an amendment to the Interlocal Agreement with the Port of Tacoma, regarding shoreline public access under the Shoreline Master Program, until such time as the Tideflats Subarea Plan is complete.

WHEREAS under the City's Shoreline Master Program, the Port of Tacoma ("Port") is required to provide public access as mitigation for developing shoreline areas in a manner that preempts public use, and

WHEREAS given the limited opportunities to provide high quality public access on Port property, the City's Shoreline Master Program authorizes the City to enter into agreements with the Port and other public agencies for public access provision geographically separate from the new development site, including the use of a public access fund and an in-lieu fee, and

WHEREAS upon finalization of the Shoreline Master Program, the City adopted Resolution No. 38706 authorizing the City Manager to execute an Interlocal Agreement ("Agreement") between the City and Port that: (1) provided a mechanism to better ensure that public access mitigation helps to create an integrated and connected public access system, (2) identifies shared priority public access projects, (3) streamlines permitting for both the Port and private applicants, (4) provides certainty to the City, Port, and private sector applicants for the duration of the agreement, and (5) provides a methodology for the use of a public access fee-in-lieu that can be utilized by the Port and private parties, and

WHEREAS the parties executed the Agreement on December 13, 2013, which provided a flexible approach to shoreline public access for the Port and its tenants to use in fulfilling the public access permit requirements of the City's Shoreline Master Program, and



WHEREAS paragraph 13 of the Agreement – Duration of Agreement and Termination – states that the Agreement "shall continue for a term of 10 years from the execution date of this agreement, and may be extended by mutual agreement of the parties and upon approval of each parties' respective legislative body", and

WHEREAS the Agreement is set to expire on December 13, 2023, and
WHEREAS on February 10, 2019, the City, Port, Puyallup Tribe of Indians,
City of Fife and Pierce County finalized a Work Plan to jointly develop the Tideflats
Subarea Plan, which includes consideration of Shoreline Management Act
planning requirements, including public access and recreation provisions, and

WHEREAS the Tideflats Subarea Plan is expected to be completed within the next two years and will include recommendations on the provision of public access in the Tideflats area; Now, Therefore



Adopted _____

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TACOMA:

That the City Manager, or designee, is hereby authorized to enter into an extension of an Interlocal Agreement with the Port of Tacoma, regarding shoreline public access under the Shoreline Master Program for an additional term of two years, and providing for further automatic extensions in one (1) year increments, if necessary, until such time as the pending Tideflats Subarea Plan is both adopted and final.

Attest: City Clerk	Mayor	
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Approved as to form:		
City Attorney	_	

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Reg. #23-1028

ORDINANCE NO. 28911

AN ORDINANCE relating to Electric Energy; amending Chapter 12.06 of the Tacoma Municipal Code, "Electric Energy - Regulations and Rates," to add a new Section 12.06.266, entitled "Very large load service of 10 aMW or more Schedule VLL", and amending Sections 12.06.215, 12.06.225, 12.06.260 and 12.06.265 of the Municipal Code as necessary and convenient to align with the new Schedule VLL, all effective January 1, 2024.

WHEREAS the City of Tacoma, Department of Public Utilities, Light Division (d.b.a "Tacoma Power") is requesting the creation of a new rate class Schedule Very large load service ("Schedule VLL") for customers requesting power service of 10 average megawatts ("aMW") or more during any consecutive 12-month period, effective January 1, 2024, and

WHEREAS Tacoma Power has received many inquiries from prospective customers with anticipated annual power needs in excess of 10 aMW, and

WHEREAS Tacoma Power has limited surplus capacity to serve new large load customers, especially during peak power usage hours by current customers, and

WHEREAS in order to serve these prospective customers, Tacoma Power would need to procure costly additional power from a third-party provider or build new resources at costs that greatly exceed our existing rates, and

WHEREAS Tacoma Power will not be able to obtain additional power supply from Bonneville Power Administration ("BPA") at the Preference Rate if

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the new load is 10 aMW or more during any consecutive 12-month period (defined as "New Large Single Load" by the Pacific Northwest Electric Power Planning and Conservation Act of 1980), and

WHEREAS the New Large Single Load exclusion also applies to any existing customer whose load grows by 10 aMW or more over a consecutive 12-month period, and

WHEREAS the proposed Schedule VLL will be applicable to both new customers and any expanding existing customers, and

WHEREAS the proposed Schedule VLL anticipates that customers in this rate class will pay for the actual incremental power cost from acquiring new resources to serve their load, plus additional charges to recover ancillary services and administrative costs by entering into a specific power service contract with Tacoma Power, and

WHEREAS for power delivery and customer-related rates, Tacoma

Power will charge the same delivery charge, and charge the otherwise

applicable rate schedules based on the latest Cost-of-Service Analysis, and

WHEREAS, in conjunction with the addition of Schedule VLL, Tacoma Power requests the Board to approve the other necessary and convenient modifications to Tacoma Municipal Code ("TMC") to ensure the alignment of all rate schedules that include: 1) revising the upper threshold for the qualifying

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load on the existing Schedule New Large Load ("NLL") from 20 MW to 10 aMW over any consecutive 12-month period; 2) revising Schedule Contract Industrial (also called Contract Power, or CP) to clarify that it will only be open to existing customers; 3) providing a local distribution credit for Schedule General (G) customers who receive power from the high-voltage transmission and no longer need Tacoma Power's local distribution service but who is not served under Schedule CP; and 4) limiting the growth of all existing customers to less than 10 aMW during any consecutive 12-month period in order to remain on their existing rate schedule, and

WHEREAS the Public Utility Board passed Resolution U-11413 on October 25, 2023, approving the addition of TMC 12.06.266, together with the necessary and convenient amendments to Sections 12.05.215 - 265 of the TMC in order to align the existing rate schedules and provisions with the proposed new Schedule VLL and requesting that the City Council do the same; Now, Therefore,

BE IT ORDAINED BY THE CITY OF TACOMA:

Section 1. That Chapter 12.06 of the Municipal Code, "Electric Energy -Regulations and Rates," is hereby amended to add a new Section 12.06.266, entitled "Very Large Load Service of 10 aMW or more - Schedule VLL," with an

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effective date of January 1, 2024, to read as set forth in the attached Exhibit "A."

Section 2. That the proposed amendments set forth in sections 12.06.215, 12.06.225, 12.06.260, and 12.06.265 of Chapter 12.06 of the Municipal Code to align with the creation of the new Schedule VLL, are hereby approved, with an effective date of January 1, 2024.

Section 3. That the City Clerk, in consultation with the City Attorney's Office, is authorized to make necessary corrections to this ordinance, including, but not limited to, the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers, and any references thereto.

Passed		
	Mayor	
Attest:		
City Clerk		
Approved as to form:		
Chief Deputy City Attorney		

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EXHIBIT "A"

1		CHAPTER 12.06	
2		ELECTRIC ENERGY – REGULATIONS AND RATES	
3	Sections:		
4	12.06.010	General application.	
5	12.06.160 12.06.165	Residential service – Schedule A-1. Low-income/senior and/or low-income/disabled discount residential service – Schedule A-2.	
6	12.06.166	Prepaid residential service – Schedule PR.	
7	12.06.170 12.06.176	Small general service – Schedule B. Prepaid small general service – Schedule PB.	
8	12.06.180 12.06.190	Repealed. Repealed.	
9	12.06.210 12.06.215	Repealed. General service – Schedule G.	
10	12.06.220 12.06.225	Repealed. High voltage general service – Schedule HVG.	
11	12.06.240 12.06.250	Repealed. Repealed.	
12	12.06.260 12.06.265	Contract industrial service – Schedule CP. New large load service <u>under 10 aMW</u> – Schedule NLL.	
13	12.06.266 12.06.270	Very large load service of 10 aMW or more – Schedule VLL. Repealed.	
14	12.06.280	Repealed. Street lighting and traffic signal service – Schedule H-1.	
15	12.06.295	Street lighting service – Schedule H-3.	
16	12.06.300	Private off-street lighting service – Schedule H-2.	
17	12.06.215	General service – Schedule G.	
18	A. Availabil		
	For general power use where a demand meter is installed, for standby capacity to customers generating all		
19	or a part of their electric power requirements, and for intermittent use. The customer's actual demand as determined by Tacoma Power must exceed 50 kilovolt amperes or total connected load as estimated by		
20		ver must exceed 65 kilowatts upon initial service energization.	
21	The customer's initial load or subsequent load growth cannot exceed 10 average megawatts (aMW) over any consecutive 12-month period. If a customer's energy consumption grows by 10 aMW or more during		
22		tive 12-month period, it will no longer be eligible for this rate schedule. The customer will be to Schedule Very Large Load (VLL) pursuant to subsection E of TMC 12.06.266.	
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For customers providing all their own transformation from Tacoma Power's distribution system voltage, a discount for transformer investment and maintenance will be provided by reducing the monthly bill by 0.8 percent. For customers metered on the primary side of a transformer, a discount for transformer losses will be provided by reducing the monthly bill by 1 percent. These discount percentages are additive, and not compounded.

For customers (1) who take power directly from the high-voltage transmission level and do not use any of Tacoma Power's local distribution facilities other than substation transformation; and (2) who do not take service under Schedule Contract Industrial Service, a local distribution credit of \$3.73 per kilowatts per month will be provided.

B. Monthly Rate.

12.06.225 High voltage general service – Schedule HVG.

A. Availability.

For customers receiving service from Tacoma Power under this rate schedule prior to April 1, 2021. After April 1, 2021, customers served under this rate schedule who transition their service to another rate schedule shall no longer be eligible for service under this schedule. For general power use where a demand meter is installed and where a customer served does not require the use of Tacoma Power's distribution facilities other than substation transformation. For customers who provide all of their own transformation from Tacoma Power's transmission system voltage, a credit of 20.00 percent will be applicable to the delivery charge.

The customer's load growth cannot exceed 10 average megawatts (aMW) over any consecutive 12-month period. If a customer's energy consumption grows by 10 aMW or more during any consecutive 12-month period, it will no longer be eligible for this rate schedule. The customer will be transitioned to Schedule Very Large Load (VLL) pursuant to subsection E of TMC 12.06.266.

B. Monthly Rate.

* * *

12.06.260 Contract industrial service - Schedule CP.

A. Availability.

For (1) existing customers receiving service from Tacoma Power under this rate schedule as of December 31, 2023; (2) existing Tacoma Power customers migrating from Schedule NLL, provided such customers were served under Schedule NLL for at least ten consecutive years; (3) existing Tacoma Power customers migrating from Schedule G who begin taking power from high voltage transmission level and do not use Tacoma Power's distribution system and who meet the requirements this rate schedule; (4) existing Tacoma Power customers migrating from Schedule HVG and meet the requirements for this rate schedule.major industrial power use

If a customer's energy consumption grows by 10 average megawatts or more during any consecutive 12month period, it will no longer be eligible for this rate schedule. The customer will be transitioned to Schedule Very Large Load (VLL) pursuant to subsection E of TMC 12.06.266.

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B. Minimum Requirements. Every customer under Schedule CP must execute upon the execution of a written Power Service 1 Agreement (Contract) with Tacoma Power, which shall require among other conditions: 2 1. A minimum Contract Demand (as set forth in the Contract) of not less than 8, 000 kilomegawatts; 2. Delivery of power at one primary voltage; 3 3. Metering at primary voltage but in no case at less than nominal 4,160 volts; 4 4. Power factor adjustment to 95 percent lagging or better; and 5 5. Service is subject to curtailment and certain notice provisions are applicable. **BC**. Monthly Rate. 6 The sum of the following power service, delivery, customer and other charges: 7 1. Power Service Charges: 8 (a) Energy: All energy measured in kilowatt-hours at \$0.034198 per kWh. (b) Demand: All kilowatts of Billing Demand delivered at \$5.25 per kW. 9 (c) Minimum Charge: The Demand Charge. 10 (d) Contract Demand Overrun: A Contract Demand Overrun charge shall be imposed when the total measured demand (highest 30-minute integrated demand) exceeds the Contract Demand (as set forth in 11 the Contract). Said charge is pursuant to the following formula: 12 Contract Demand Overrun Charge = Excess MW x 300% x DC Where: Excess MW = MW of metered Demand in excess of the Contract Demand; DC = Demand 13 Charge. 14 2. Delivery: All kilowatts of Billing Demand delivered at \$4.61 per kW. 3. Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable 15 customer service policies: \$5,155.00 per month. 16 4. Exceptions: (a) Within the City of Fife: 17 (1) Power Service Charges: 18 (i) Energy: All energy measured in kilowatt hours at \$0.034198 per kWh. 19 (ii) Demand: All kilowatts of Billing Demand delivered at \$5.25 per kW. (iii) Minimum Charge: The Demand Charge. 20 (iv) Contract Demand Overrun: A Contract Demand Overrun charge shall be imposed when the total 21 measured demand (highest 30 minute integrated demand) exceeds the Contract Demand (as set forth in the Contract). Said charge is pursuant to the following formula: 22 Contract Demand Overrun Charge = MW x 300% x DC 23 -7-

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Where: MW = MW of metered Demand in excess of the Contract Demand; DC = Demand Charge. (2) Delivery: All kilowatts of Billing Demand delivered at \$4.61 per kW. 1 (3) Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable 2 customer service policies: \$5,155.00 per month. 4. Additional Charges: This rate schedule specifies power rates based on Tacoma Power's system portfolio. If the customer requires additional environmental or locational attributes in power supply, additional charges including 4 the incremental costs and Tacoma Power's administrative costs will apply and be stated in the Power 5 Service Agreement. €D. Billing Demand. 6 Determined by means of a demand meter, 30-minute interval. 7 1. The Billing Demand shall be the highest of: 8 (a) The highest measured demand for the month, adjusted for power factor; (b) 60 percent of the highest measured demand occurring during any of the preceding 11 months after 9 adjustment for power factor; or 10 (c) 60 percent of the highest Contract Demand (as set forth in the Contract) during any of the preceding 11 months. 11 **DE.** Service Conditions. 12 1. Power factor provision applicable; and 2. Applicable provisions of the Tacoma Municipal Code, General Provisions, and Customer Service 13 Policies governing the sale of electric energy and delivery services shall apply. 14 12.06.265 New large load service <u>under 10 aMW</u> – Schedule NLL. 15 A. Applicability For new loads or expanding existing loads greater than 8 MW-megawatts (MW) but less than 20 MW-10 16 average megawatts (aMW) within any consecutive 12-month period. Loads receiving service under Schedule NLL may receive service under Schedule CP (or a successor rate) after a period of ten 17 consecutive years from the beginning of service if applicable requirements are met. 18 The customer's initial load or subsequent load growth cannot exceed 10 aMW over any consecutive 12month period. If a customer's energy consumption grows by 10 aMW or more during any consecutive 12-19 month period, it will no longer be eligible for this rate schedule. The customer will be transitioned to Schedule Very Large Load (VLL) pursuant to subsection E of TMC 12.06.266. 20 B. Availability Minimum Requirements. 21 For major industrial large power use upon the execution of a written Power Service Agreement (Contract) with Tacoma Power, which shall require among other conditions: 22 1. A minimum Contract Demand (as set forth in the Contract) of not less than 8,000 kilowatts MW and 23 not more than 10 aMW within any consecutive 12-month period; -8-

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2. Delivery of power at one primary voltage; 3. Metering at primary voltage but in no case at less than nominal 4,160 volts; 1 4. Power factor adjustment to 95 percent lagging or better; and 2 5. Service is subject to curtailment and certain notice provisions are applicable. 3 C. Monthly Rate. The sum of the following power service, delivery, customer and other charges: 4 1. Power Service Charges: 5 (a) Energy: All energy measured in kilowatt-hours at \$0.039328 per kWh. 6 (b) Demand: All kilowatts of Billing Demand delivered at \$6.04 per kW. (c) Minimum Charge: The Demand Charge. 7 (d) Contract Demand Overrun: A Contract Demand Overrun charge shall be imposed when the total measured demand (highest 30-minute integrated demand) exceeds the Contract Demand (as set forth in the Contract). Said charge is pursuant to the following formula: 9 Contract Demand Overrun Charge = Excess MW x 300% x DC 10 Where: Excess MW = MW of metered Demand in excess of the Contract Demand; DC = Demand Charge. 11 2. Delivery: All kilowatts of Billing Demand delivered at \$5.30 per kW. 12 3. Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies: \$5,928.25 per month. 13 4. This rate schedule specifies power rates based on Tacoma Power's system portfolio. If the customer requires additional environmental or locational attributes in power supply, additional charges including the incremental costs and Tacoma Power's administrative costs will apply in the Power Service Agreement. 15 D. Billing Demand. 16 Determined by means of a demand meter, 30 minute interval. 17 1. The Billing Demand shall be the highest of: (a) The highest measured demand for the month, adjusted for power factor; 18 (b) 60 percent of the highest measured demand occurring during any of the preceding 11 months after 19 adjustment for power factor; or (c) 60 percent of the highest Contract Demand (as set forth in the Contract) during any of the preceding 20 11 months. 21 E. Service Conditions. 22 1. Power factor provision applicable; and 23

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2. Applicable provisions of the Tacoma Municipal Code, General Provisions, and Customer Service Policies governing the sale of electric energy and delivery services shall apply. 1 12.06.266 Very large load service of 10 aMW or more—Schedule VLL. 2 A. Applicability. 3 For new loads of 10 average megawatts (aMW) or more, or existing loads that grow by 10 average megawatts or more within any consecutive 12-month period. 4 B. Minimum Conditions. 5 For very large power use upon the execution of a written Power Service Agreement (Contract) with Tacoma Power, which shall require among other conditions: 6 1. A minimum Contract Demand (as set forth in the Contract) of not less than 10 megawatts; 7 2. Delivery of power at one primary voltage; 3. Metering at primary voltage but in no case at less than nominal 4,160 volts; 8 4. Power factor adjustment to 95 percent lagging or better; 9 5. Service is subject to curtailment; 10 6. The new power supply resource acquisition to serve the customer may be based on a Power Purchase Agreement (PPA) Tacoma Power enters with an independent power provider. If the underlying PPA is 11 terminated for any reason, Tacoma Power may look for a different power supply resource for the customer and shall have the right to amend the Contract based on the new resource costs and terms. 12 7. Service is subject to the evaluation and approval of Tacoma Power's Transmission and Distribution department. Customer is responsible for the cost of substation and other necessary infrastructure to serve 13 their load. 14 C. Monthly Rate. The sum of the following power service, delivery, customer and other charges: 15 1. Power Supply Charges: 16 (a) Energy: to be based on Tacoma Power's incremental cost of acquiring power to serve the customer's load including applicable taxes, plus a reasonable service fee no greater than 10% to recover ancillary 17 services and administrative costs, pursuant to the contract between Tacoma Power and the customer. 18 (b) Demand: to be based on Tacoma Power's incremental cost of acquiring power capacity to serve the customer's load including applicable taxes, plus a reasonable service fee no greater than 10% to recover 19 ancillary services and administrative costs, pursuant to the contract between Tacoma Power and the customer. The demand costs will include any transmission costs to deliver the power from the generation 20 sites to Tacoma Power's network delivery point, including line losses over the transmission system. The demand for billing purpose follows subsection D of this rate schedule, unless otherwise specified in the 21 Contract. (c) Minimum Charge: The Energy and Demand Charge. 22 23 -10-

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1	measured demand (highest 30-minute integrated demand) exceeds the Contract Demand (as set forth in the Contract). This charge is pursuant to the following formula:
2	Contract Demand Overrun Charge = Excess MW x 300% x DC
3	Where: Excess MW = MW of metered Demand in excess of the Contract Demand; DC = Demand Charge.
4	2. Delivery: Applicable delivery charge on Schedule CP if local distribution service is not required, or Schedule G if local distribution service is required.
5	3. Customer Charge: Applicable customer charge on Schedule CP if local distribution service is not required, or Schedule G if local distribution service is required.
6	D. Billing Demand.
7	Determined by means of a demand meter, 30 minute interval.
8	1. The Billing Demand shall be the highest of:
9	(a) The highest measured demand for the month, adjusted for power factor;
10	(b) 60 percent of the highest measured demand occurring during any of the preceding 11 months after adjustment for power factor; or
11	(c) 60 percent of the highest Contract Demand (as set forth in the Contract) during any of the preceding 11 months.
12	E. Applicable Interim Rate
13	If a customer on Schedule G, Schedule HVG, Schedule CP and Schedule NLL grows its energy consumption by 10 average megawatts or more during any consecutive 12-month period, the customer will become a "New Large Single Load" as determined by Bonneville Power Administration (BPA) and
14	will no longer be eligible for the customer's original rate schedule. To continue to receive power service, the customer will be required to enter a Power Service Agreement with Tacoma Power for specific rates,
15	terms and conditions pursuant to TMC 12.06.266, subject to the approval by Tacoma Public Utility Board and Tacoma City Council.
16	During the period beginning from the month the customer becomes "New Large Single Load" and before
17	a Power Service Agreement becomes effective (Transition Period), the customer's Power Supply Charges shall be based on BPA's New Resource Firm Power rates effective at the time plus the costs for the
18	additional environmental attributes that the customer may require. BPA's New Resource Firm Power
19	rates include energy charges, demand charges and all other applicable charges. The customer's Delivery Charge and Customer Charge will be based on Schedule CP if no local distribution is needed; and based
20	on Schedule G if local distribution is needed. Additionally, the customer may be subject to mandatory curtailment based on power costs and reliability reasons at Tacoma Power's discretion during any Transition Period.
21	The initial Transition Period will last up to 12 months and may be extended subject to Tacoma Power's
22	approval. If the Transition Period is not extended, the customer will be charged two times the BPA's New Resource Firm Power rates after the initial Transition Period until a Power Service Agreement becomes
23	effective.

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Tacoma Power will charge BPA's New Resource Firm Power rates as the customer's Power Supply Charges starting from the month in which the customer exceeds 10 aMW or more during any consecutive 12-month period until such time as the customer executes a Contract for service under this Schedule VLL. To the extent Tacoma Power's billing process is not immediately updated, Tacoma Power may retroactively charge the customer based on BPA's New Resource Firm Power rates in order to properly account for all consumption during the Transition Period. F. Service Conditions. 1. Power factor provision applicable; and 2. Applicable provisions of the Tacoma Municipal Code, General Provisions, and Customer Service Policies governing the sale of electric energy and delivery services shall apply. ***

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