



CITY LIGHT REVIEW PANEL MEETING

Wednesday, April 17, 2024

9:00 – 11:00 A.M.

In Person - SMT 3204

Proposed Agenda

<u>Item</u>	<u>Lead</u>
1. Welcome (5 min.)	Julie Ryan, Facilitator
2. Public Comment (5 min.)	
3. Standing Items: (10 min.)	
a. Chair's Report (Leo Lam)	
b. Review of agenda (Julie Ryan)	
i. Revised Strategic Plan delivery schedule (Leigh Barreca)	
c. Action: Review and approval of meeting minutes of March 20, 2024	
d. Communications to Panel (Leigh)	
4. General Manager Update (20 min.)	Dawn Lindell
5. Power Marketing Overview (30 min.)	Siobhan Doherty
6. Strategic Plan Update (50 min.)	Leigh
a. Revenue Requirement & Rate Path follow up	Kirsty Grainger
b. Strategic Plan Draft	
c. Outreach Report	
d. Review Panel letter discussion	Julie
7. Adjourn	

*Next Meeting: May 15, 2024 – Topics: Final draft plan, including rate path, completed Panel letter.
In June we will develop the 2024 – 2025 Panel workplan.*



**City Light Review Panel Meeting
Meeting Minutes**

Date of Meeting: March 20, 2024 | 9:00 – 11:00 AM

Meeting held in SMT 3204 and via Microsoft Teams “Draft”

MEETING ATTENDANCE					
Panel Members:					
Mikel Hansen	√	Leo Lam	√	Oksana Savolyuk	√
Joel Paisner	√	John Putz	√	Thien-Di Do	√
Kerry Meade	√	Tim Skeel	√	Amy Altchuler	√
Dawn Lindell (<i>New GM, pending appointment</i>)	√	Jen Chan	√	Julie Ryan (Consultant /RP Facilitator)	√
Mike Haynes	√	Andrew Strong	√	Craig Smith	
Kirsty Grainger		DaVonna Johnson		Maura Brueger	√
Julie Moore		Chris Ruffini	√	Leigh Barreca	√
Greg Shiring		Carsten Croff	√	Angela Bertrand	√
Eric McConaghy	√	Caia Caldwell	√	Brian Taubeneck	
Jeff Wolf	√	Karin Estby	√	Bridget Molina	√
Pat Leyritz		Siobhan Doherty	√	Marco Lowe	√
CM Tanya Woo	√	Vanessa Lund	√	Ellen Pepin-Cato	√
Nina Park	√	Jenny Levesque	√		

Welcome and Introductions. The meeting was called to order at 9:02 a.m.

- Council member Woo was introduced by Maura Brueger.

Public Comment. There was no public comment.

Remarks from CM Tanya Woo.

- Introduced herself as Citywide Councilmember and chair of the Sustainability, City Light, Arts & Culture Committee and introduced her Policy Director, , Nina Park.
- Emphasized transparency between committee and council. Plans to attend future meetings and encourages Review Panel to attend committee meetings as well.
- Currently setting legislative priorities; looking forward to Strategic Plan & working on the Rate Path.

Standing Items:

Chair’s Report. Leo Lam welcomed everyone to the meeting. .

Review Agenda. Julie Ryan reviewed the agenda.



City Light Review Panel Meeting Meeting Minutes

Approval of Feb. 21, 2024, Meeting Minutes. Minutes were approved as presented.

Communications to Panel. There were no communications to the Panel.

General Manager's Update.

Leigh was recognized for her work organizing the review panel.

1. Electric Bus Charging Station - Dawn joined King County Executive Dow Constantine, the Mayor of Tukwila Tom McLeod, KC Metro GM Michelle Allison, and Heena Vahora, co-chair of the Mobility Equity Cabinet, to offer remarks at the groundbreaking of KC Metro's new Interim Base electric bus charging facility. City Light previously partnered with KC Metro to electrify the South Test Base, which is charging the first 40 all-electric buses and testing charging equipment. The Interim Base will charge 120 buses. This is a great example of a partnership that helps us create the energy future.
2. Transportation Electrification - Last month, the Washington State Department of Commerce announced more than \$85 million in grants to fund 5,000 electric vehicle (EV) charging stations across the state. The program prioritized multifamily housing, workplaces, fleet operators, public charging locations, tribal communities, and communities most at risk of negative health effects caused by fossil fuel pollution.

The awards will fund about 1,550 chargers at more than 100 locations across Seattle City Light's service area and one of our hydroelectric sites. Nearly all the chargers are Level 2, which can provide a full charge in about six to eight hours. Thirteen of the funded chargers are direct current fast chargers, which can charge a 300-mile-range car to 80% in 20 minutes.

Meanwhile, we continue to invest in public charging infrastructure to meet significant customer adoption. City Light operates 21 fast chargers at 9 sites throughout our service area, from Magnuson Park to Tukwila. We're developing six fast chargers at two sites: two in Shoreline and four in Morgan Junction in West Seattle.

In addition to fast chargers, we are wrapping up the installation of public Level 2 EV chargers at 31 curbside locations throughout the city, giving drivers without off-street parking a way to charge. We expect 27 charging stations to open this month, with 4 charging sites coming online by June. We had tremendous interest in this offering and received community requests for more than 1,800 chargers!

- Impact to load - Level 2 draws load equivalent to 3 homes
- TOU really starts to matter with increasing load
- Managing the influx of this new work will be part of the rate path conversation we are having later on.



City Light Review Panel Meeting Meeting Minutes

3. Arbor Day Foundation Recognition - The Arbor Day Foundation has named Seattle City Light a 2024 Tree Line USA utility. This award recognizes our dedication to proper urban forest management across our service area. Tree Line USA is a partnership between the Arbor Day Foundation and the National Association of State Foresters. They recognize utilities for pursuing best practices that protect and cultivate urban tree canopy. Tree Line USA also promotes delivering safe and reliable electricity while maintaining healthy community forests. We are honored to be recognized for our work and climate adaptation work. (Mike Haynes, David Bayard)
4. Building Electrification - Seattle is amping up its green energy game, with Seattle City Light setting the stage for a more modern, clean-energy grid. Beginning April 1, the utility is requiring that all new solar panel inverter-based Distributed Energy Resources (DER) meet specific safety and communication standards. The advanced inverters, featuring communications functions, are at the forefront of City Light's efforts for grid modernization and a pivot to renewable resources.

This is a significant step in the journey to an electrified future. A future where customers have more say in their energy production and the collective environmental footprint shrinks. As the push for sustainability takes firmer roots in public consciousness, measures like these reveal not just an environmental responsibility, but a commitment to innovation and customer empowerment. "The new inverters will allow City Light to understand how much energy customer solar is generating in real time," the utility explained, an investment in technology that underscores a greener tomorrow.

- Again, managing the influx of new work will be part of the rate path conversation we are having later on.

5. Other grants – Cedar River Watershed Defensible Space Phase 1" received a Hazard Mitigation Grant from the State of Washington and the Federal Emergency Management Agency (FEMA). The state contribution is \$11,050 and the federal contribution is \$198,900. Local match is \$11,050. This project will help to reduce hazardous fire fuels and create approximately 57 acres of defensible space adjacent to critical power and potable water facilities in the Cedar River Municipal Watershed.
6. State Legislative Update – The most recent State Legislative Session which was a short 90- day session, just ended last week. We are pleased to share that the State Legislature included \$150M in Climate Commitment Act (CCA) funds for utilities to provide a \$200 bill credit for low- and moderate-income customers for 2024. We are still waiting to hear how much funding City Light will receive but we have a strong track record of quickly applying funds to utility customer bills, which is a priority for the State.



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7. Cost pressures

- a. Not covered previously
 - i. Long overdue pay increases, going back to 2022 via negotiated union contracts.
 - ii. Keeping a close eye on market pay in order attract and retain top talent. Need to pay at least at the median.
 - iii. Material costs have significantly outstripped the CPI and we must begin to address that.
 - iv. We use the Handy-Whitman index to look at the cost of materials for things like substations. It has jumped significantly in recent years; we need to make up for that.
- b. Chris Ruffini will discuss these as part of the Revenue Requirement presentation.

8. Do Panel members want an in-person meeting in April? (A majority of Panel members noted they would be available to attend in person.)

Q: When you listed out all of the chargers that will be developed in the city and the demand impact from building electrification, how is that impacting power supply?

A: Yes, we are looking at this. It's at the forefront of our engineers' minds. As Buildings and EVs take more energy, we are look at how to increase capacity by working with Power Pool. The bottleneck is in the regional transmission system, particularly in terms of transmission capacity e bringing energy from Wyoming, Montana, Idaho, and northern Oregon. City Light is working with regional partners about how to add additional transmission if BPA is unable to respond to the challenge. Locally, we have plans in place to meet near-term needs. We have the capacity to expand our networks downtown and at UW. We have a couple substations close to capacity but with planning for additional substations we will be all right within our service territory.

We are in an evolving time, and we are seeing big changes in the load forecast. We need to plan investment with expected future loads. We will be looking at our 10, 20, and 30-year forecasts. We must make this investment today to provide energy tomorrow.

Q: As you're thinking about acquiring new power and managing transmission, how are you managing customer-side resources in those analyses.

A: One of the places we haven't invested, and need to, is in our technology. We must have technology systems, such as DERMS (distributed energy resource management system) and ADMS (advanced distribution management system). We've applied for a GRIP grant to pay for roughly half the cost - \$40M. Energy moves at the speed of light; you must manage it with technology. We need the tool set and must make the investment in order to deliver. That helps us look at all our options. In Burbank we worked with companies to lease their rooftops to access solar, which may be worth exploring here. We want to explore every avenue.



City Light Review Panel Meeting Meeting Minutes

Strategic Plan Update. Leigh Barreca introduced the topics related to the 2025 – 2030 Strategic Plan Update. All materials are included in the Review Panel packet.

- a. Draft Revenue Requirement (Chris Ruffini presented. Materials are in the Review Panel Packet).

Q: Beyond 2025, a lot of investment will be needed to meet growth. Therefore, will the “new” portion of the capital budget will be higher in the future?

A: Yes, for example, the ADMS/DERMS technology could be an \$85-90 million project. Additionally, we still have more investment in Skagit included in this rate path.

The difference between our average load and the peak hours load is increasing, as the peak load grows at a faster rate (driven by more extreme weather as well as electrification demand that adds to the peak load). We need to purchase more resources to serve that load. Electrification is happening more quickly than we thought in the last strategic plan. The resources we need to purchase will be intermittent, and we need to buy more than average energy to ensure we have enough. The wholesale market price drops when intermittent energy production is at the maximum level. Because intermittent energy cannot be accurately forecasted, it cannot be forward sold and instead is sold into the real-time market.

Q: Historically you’ve been pretty long with plenty of peaking capability (capacity). And capacity is a scarce resource in the Pacific Northwest. Instead of acquiring more average energy to meet peak, are there ways to add capacity? For example, could City Light return to being a BPA “Slice” customer. And are there ways to add capacity to the current resources?

A: We walked away from the prior Slice arrangement because it was not a good economic choice for us at the time. This question is now back on the table. We’re looking at what product we want from BPA – block or slice – and how they’re developing those products given markets. We are also looking at how to increase capacity from our current resources as well, though we are a little limited by regulations. Currently, the strategic plan rate path assumes Block as we haven’t made a decision around Slice. We do want to have some buffer for unplanned outages. The take-away is that load is growing faster than expected, new resources are rising in cost, and the nature of the resources makes them hard to forward hedge.

Q: People don’t care about per kWh, they care about how much it costs to run refrigerator. The rate increase does not show the full picture in terms of energy efficiency, and it looks like there is quite a bit of energy efficiency. You should build that into the description.

A: Yes, that is an important point, Energy Efficiency definitely takes away some of the rate shock for customers.

Q: Please explain the graph with some elements adding to load and other elements reducing load.

A: Customer growth and above add to our load, such as replacing homes with townhomes. The bottom are things we are doing to try to mitigate this growth to get to the dotted line to show net load. Efficiency programs, other efficiency, and solar will decrease load. Everything else will increase our load. The net load number of the graph shows the net impact of what is causing load to grow, offset by some elements that reduce the load growth trajectory.



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Q: I'm not opposed to raising rates if they need to be raised for good reasons. The slides show cost pressures. Are there any "revenue enhancers?". Also, it would be nice to see if the rate classes contributing to that problem are paying for it (and not apply costs across all rate payers).

A: We will work on a chart that reflects this for time of use, planned implementation in 2025. We've been working hard on ensuring we are prepared for this and that customers have the tools they need.

Q: The resources cost in the rate path does not feel like a balanced view. Aren't there upsides as well?

A: Energy goes negative on cost when we don't need it, when it is not at peak time. This is the same in California. There is a lot of buying competition for long-term contracting, which is driving up the cost. But in the short-term, when we cannot use the power, that is also during the hours when the real time market price is depressed. We may be able to buy and store power to use between 4-6 pm when people get home, but battery storage is an investment. We are short peak capacity in August and that is when prices are the highest – this is much higher than the average energy price.

Q: Can residential customers opt into time of day now?

A: Time of use will be available to residential customers to opt-in to in 2025.

RP Member comment: This conversation underscores the importance of thinking differently around managing our customer demand and managing peaking demand. It is great to hear about the DERMS investment. I'd like to explore how California is aggregating loads in power purchase agreements.

Q: Is there more we can do to optimize resources, to bring down the forecasted rate path?

A: We have not built optimization into the rate path because we cannot be sure of it. We are also working on forecasting the technology and people we will need going forward. Regarding the projected rate path, City Light is not an outlier, for other utilities are facing the same problem. You can see some of the regional utilities rate projections in the slide deck. As an industry, we are re-electrifying America and it's a big change. I cannot state an increase in the 3% range with any confidence we could meet the changes coming our way.

Q: You mentioned a part of the O&M cost is increased staffing. Dawn also mentioned City Light had delayed pay increases. Does the rate path include what will be needed going forward?

A: We have included it as far as what we know, including tentative agreements. We do not have a tentative agreement with Local 77. We have pieces that are still to be determined. We've accounted for these things as best we can. What can we do to maintain competitiveness in the marketplace. In the labor agreements there were lots of market adjustments because we are not keeping up with regional utilities around us and we must be competitive to keep and maintain good staff.

Q: What are the next steps?

A: We are working through the budget process, including prioritization and timing. We want to make sure we are shifting where we need to and iron out what is new and incremental. We hope to wrap that up over the month of April. By mid-May we can bring a final rate path to support the budget we turn in



City Light Review Panel Meeting Meeting Minutes

on June 4th.

Review Panel Comment: I would be interested in learning more about the Handy Whitman index.

- b. Review Panel letter (Julie presented)
- c. Outreach Update (Jenny Levesque presented. Materials are in the Review Panel Packet).
- d. Discussion of Strategic Plan Draft (Vanessa Lund presented.)

Adjourn. The meeting was adjourned at 10:59 a.m.

Next meeting: April 17, 2024, 9:00 – 11:00 a.m. All in person; no virtual option.

Managing Bulk Power Resources

Siobhan Doherty, Power Management Division

April 17, 2024



Power Marketing Fingertip Facts

Power Marketing & Operations

Team Structure

- 15 Total Positions
 - 11 Power Marketers
 - 2 Power Marketer Supervisors
 - 2 Senior Power Analysts
 - 1 Senior Manager

Marketing/Financials

- Total bilateral transactions of \$200 million in 2023
- Energy Imbalance Market Bidding and Dispatch

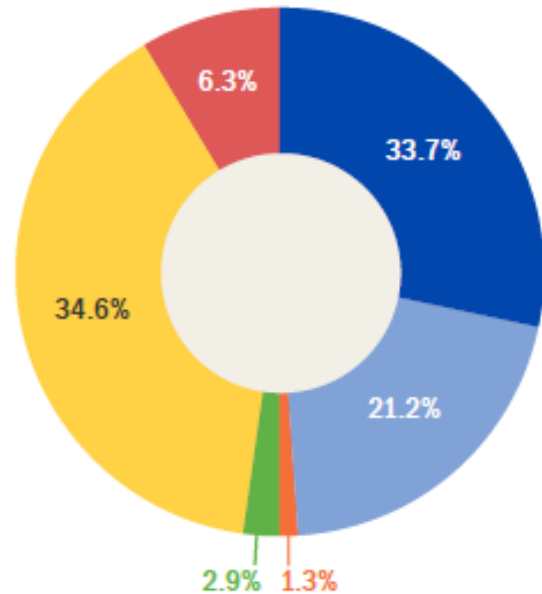
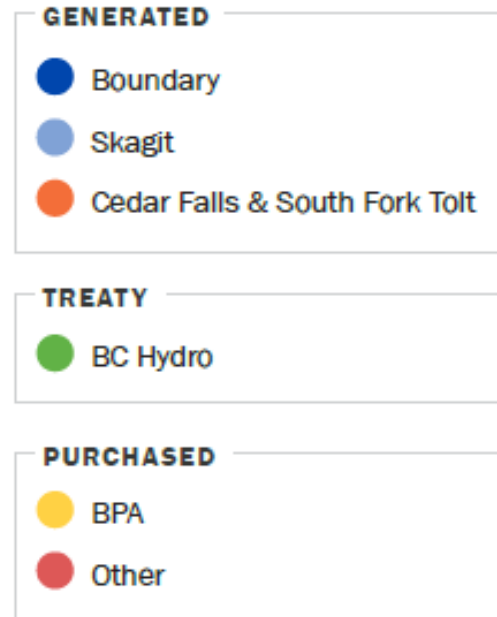
Power Operations

- Plan and Schedule SCL owned resources
- Compliance Obligation
- Outage Management

2022 Power Sources

2022 SOURCES OF POWER

(in percent megawatt-hours)



POWER SUPPLY OWNED BY CITY LIGHT

City Light Plants	Locations	Date in Service	Capability (Megawatts)	% of Total
Boundary	Pend Oreille River	8/23/67	1,120.5	55.8
Ross	Skagit River	12/30/52	450.0	22.4
Gorge	Skagit River	9/27/24	207.5	10.3
Diablo	Skagit River	10/20/36	190.4	9.1
Cedar Falls	Cedar River	10/14/04	30.0	1.5
S. Fork Tolt	S. Fork Tolt River	11/20/95	16.8	0.8
Newhalem	Newhalem Creek	1921	2.0	0.1
Total System Generation Capability			2,014.1	100.0

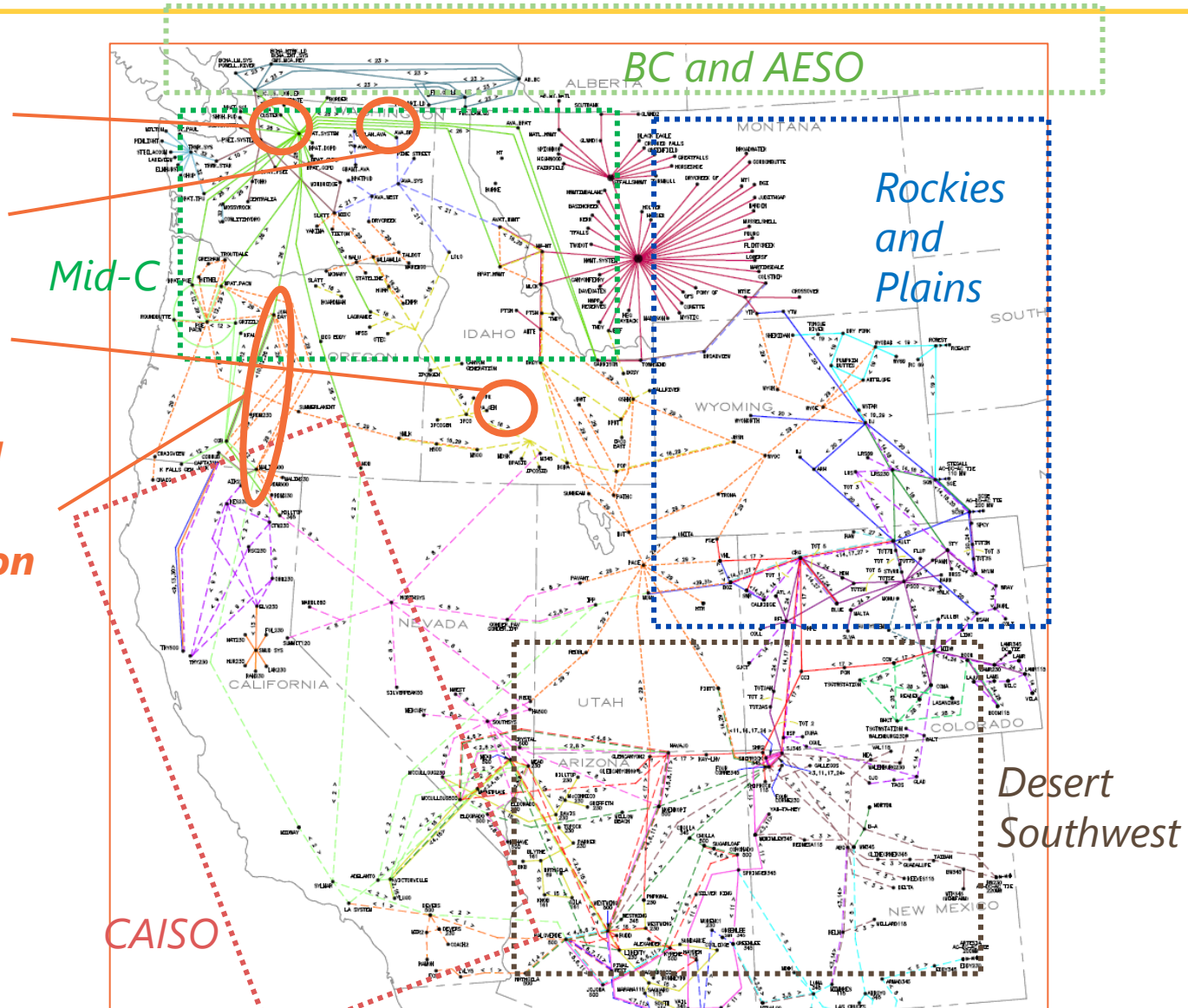
The Market Footprint

Skagit

Boundary

Lucky Peak

Existing 3rd AC transmission



Power Marketing Trading Horizons

IRP / Resource Planning

5+ Years out

New Resource and PPA procurement

Term & Hedge Trading

One Month - <5 Years

Hedging based on forecasted position to reduce risk

Day Ahead

1-3 days

Plan/Trade internal resources; transact bilaterally to optimize position

Real Time

1 day to hourly market

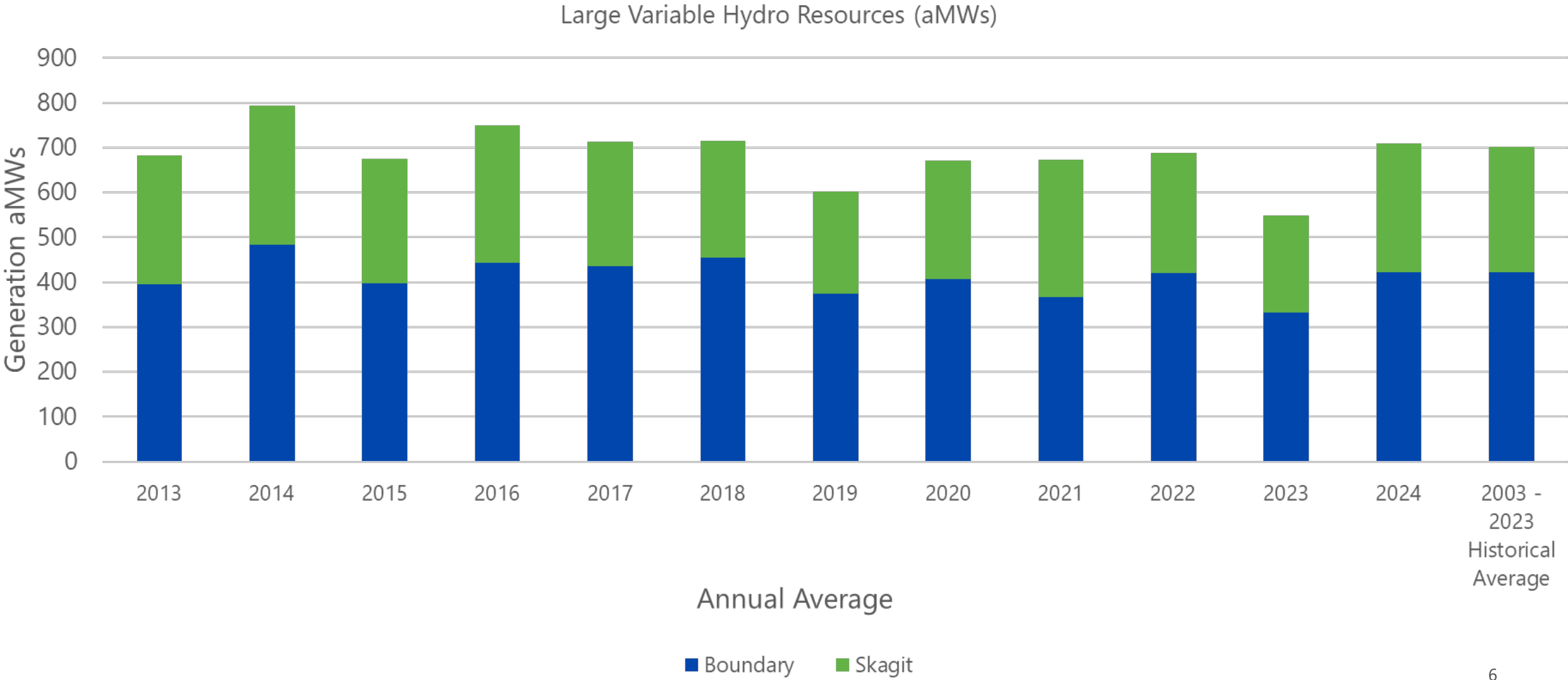
Current indicators to optimize market opportunities and refine dispatch of operational assets

EIM

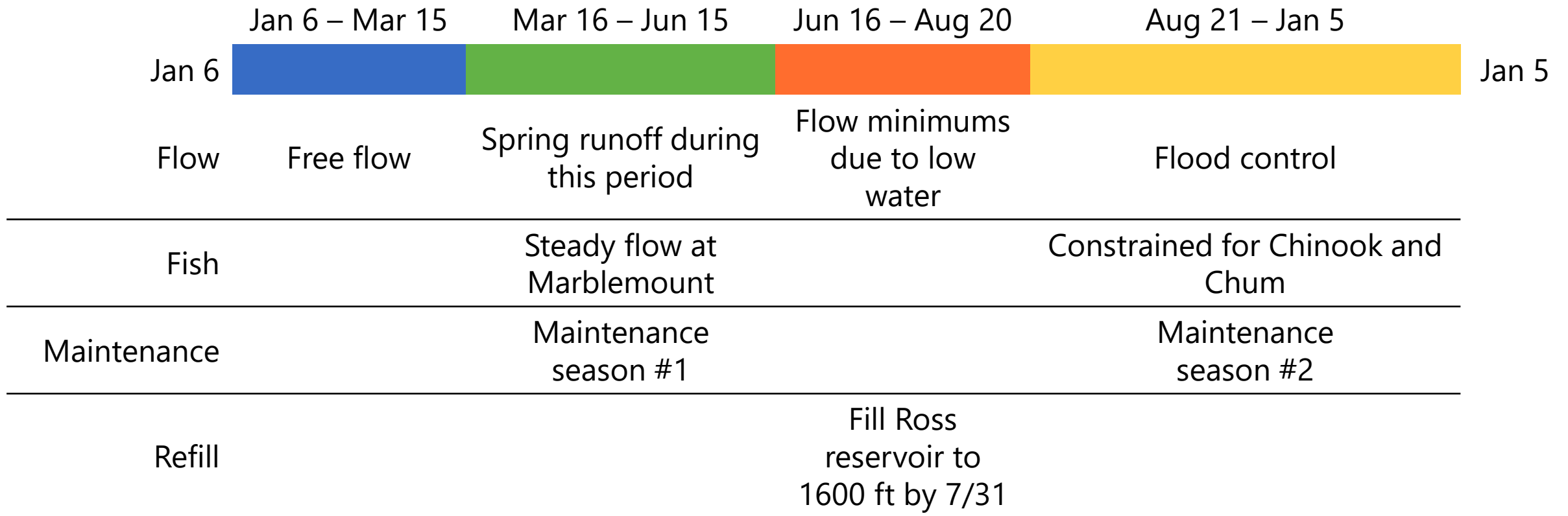
Intra-Hour imbalance market

Transact in sub-hourly market to reduce the cost of imbalance to customers

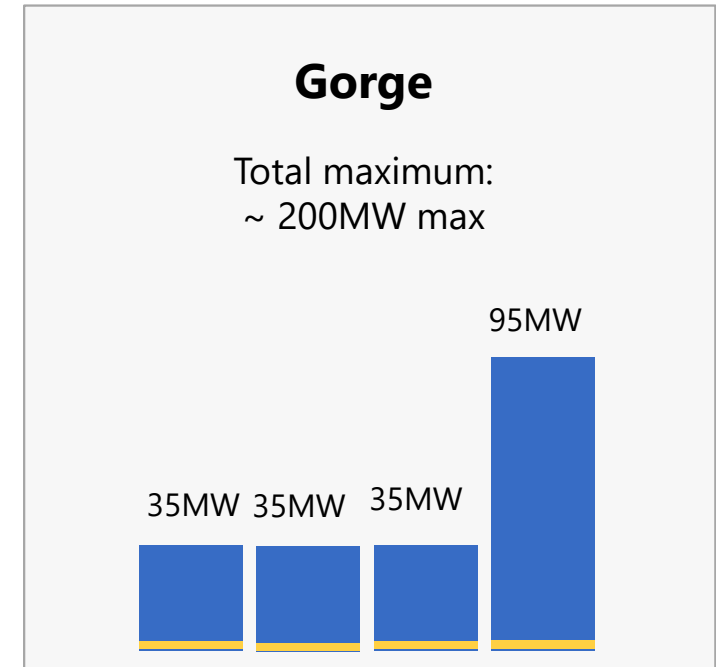
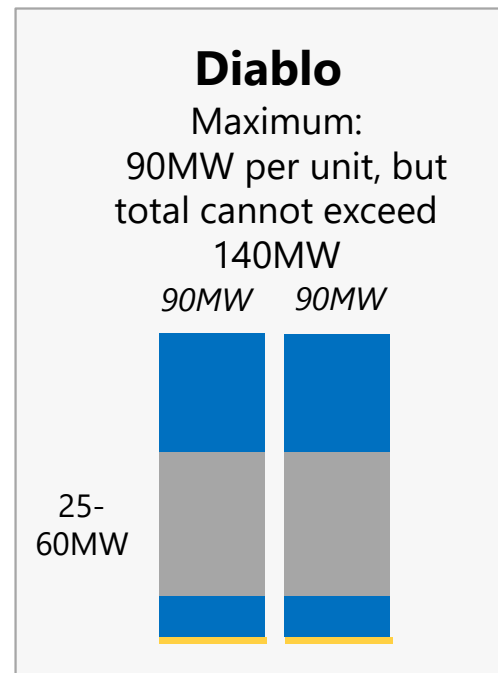
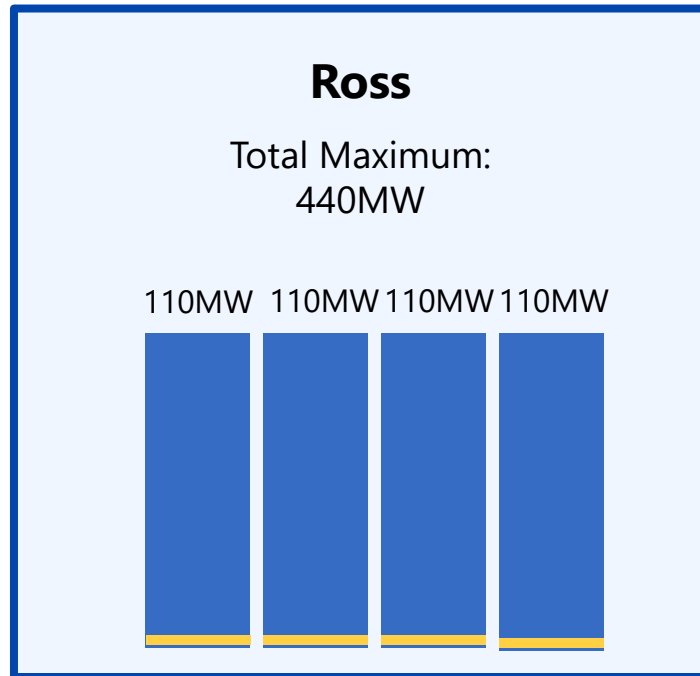
Hydro Resource Variability



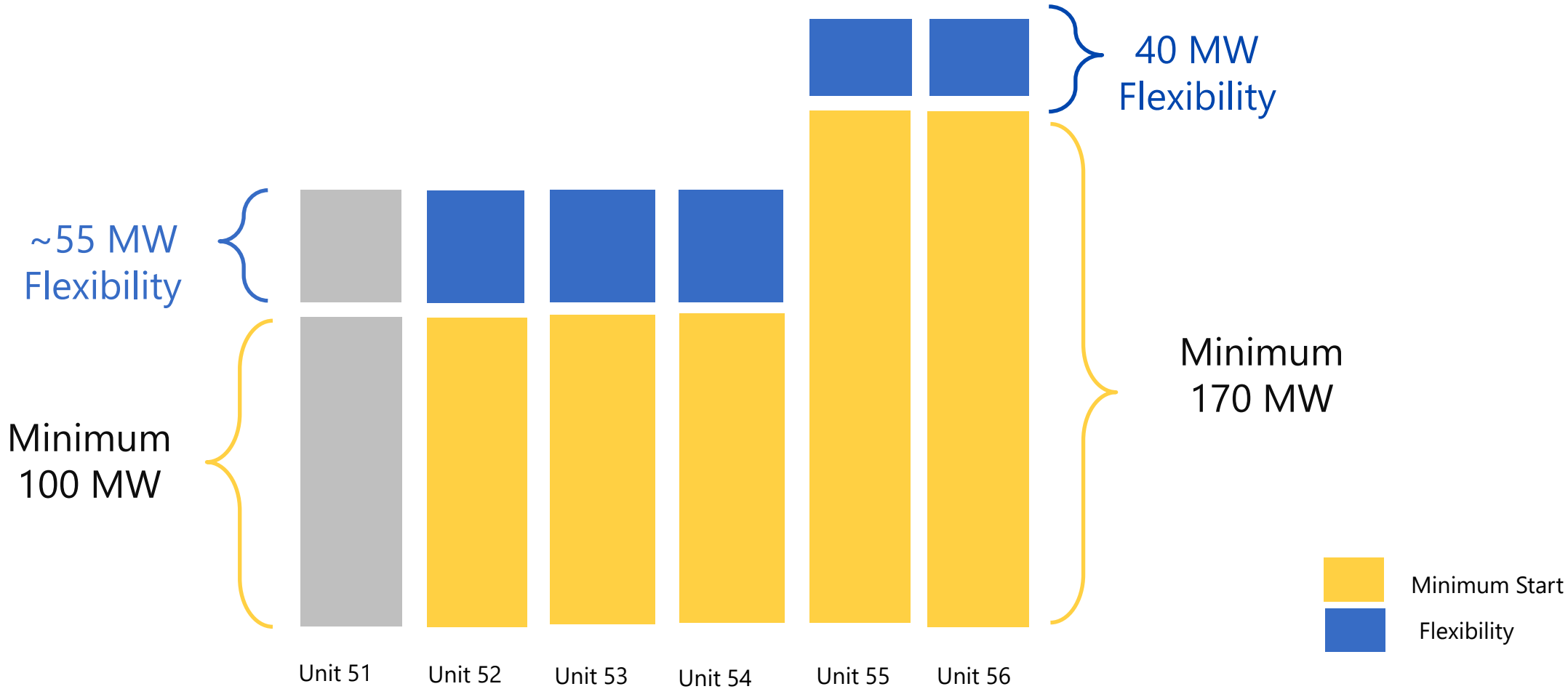
Skagit Operating Constraints



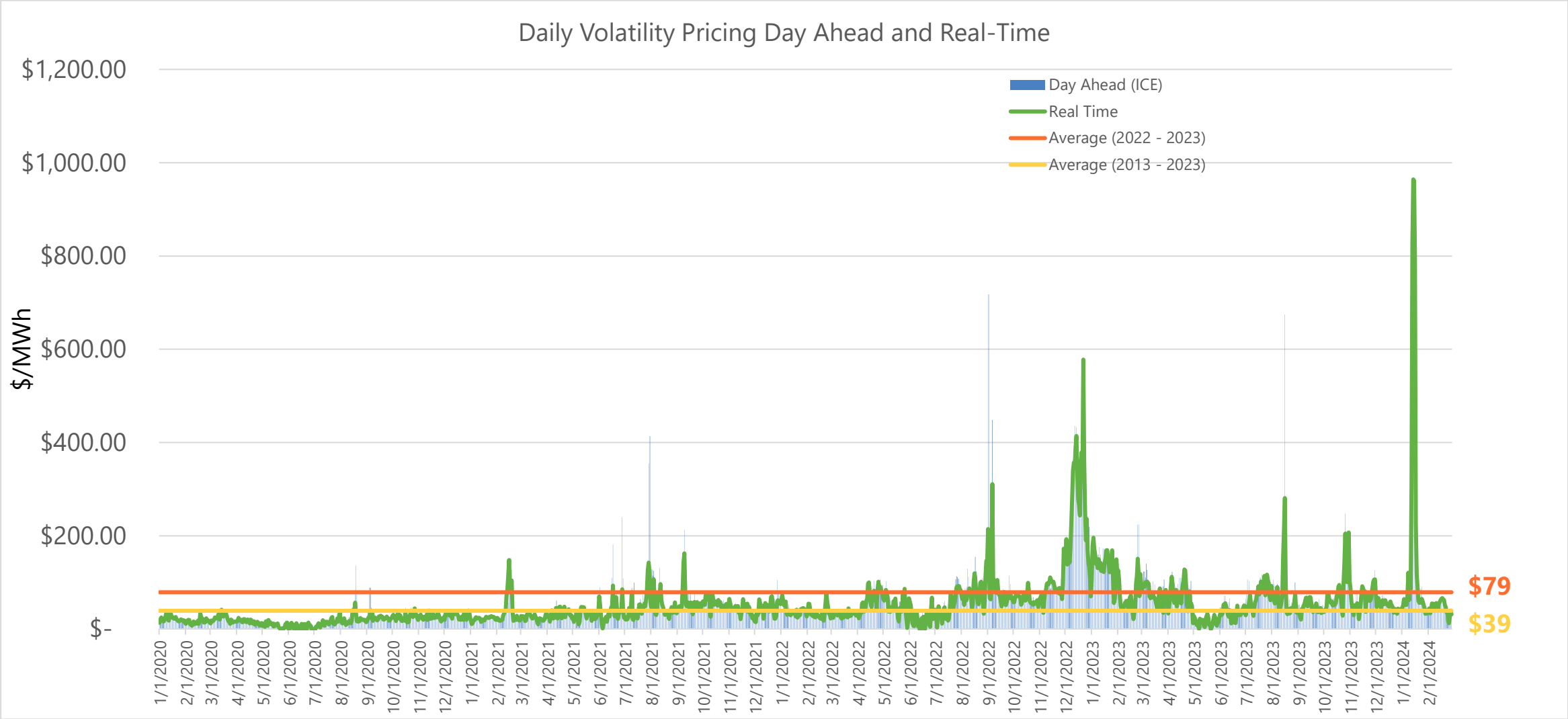
Skagit Operating Constraints



Boundary Operating Constraints

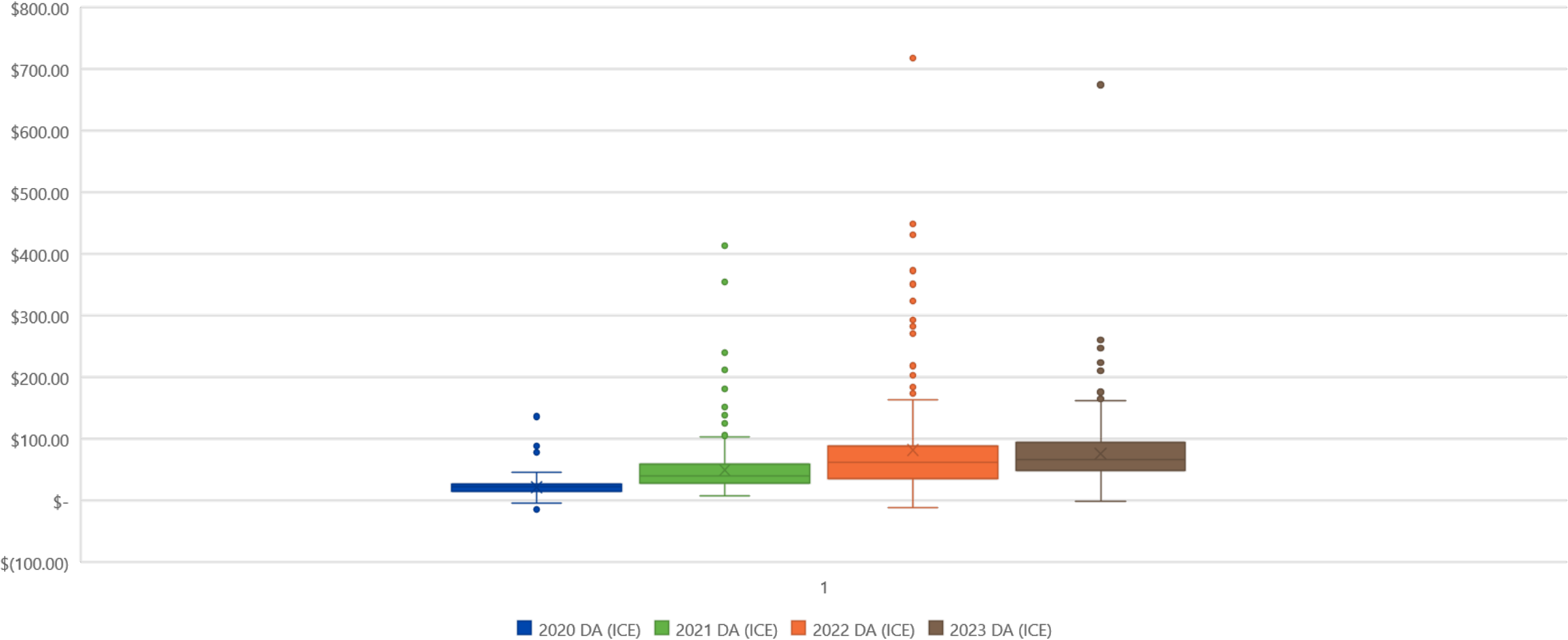


Market Volatility- Daily Data from 1/2020 to 2/2024



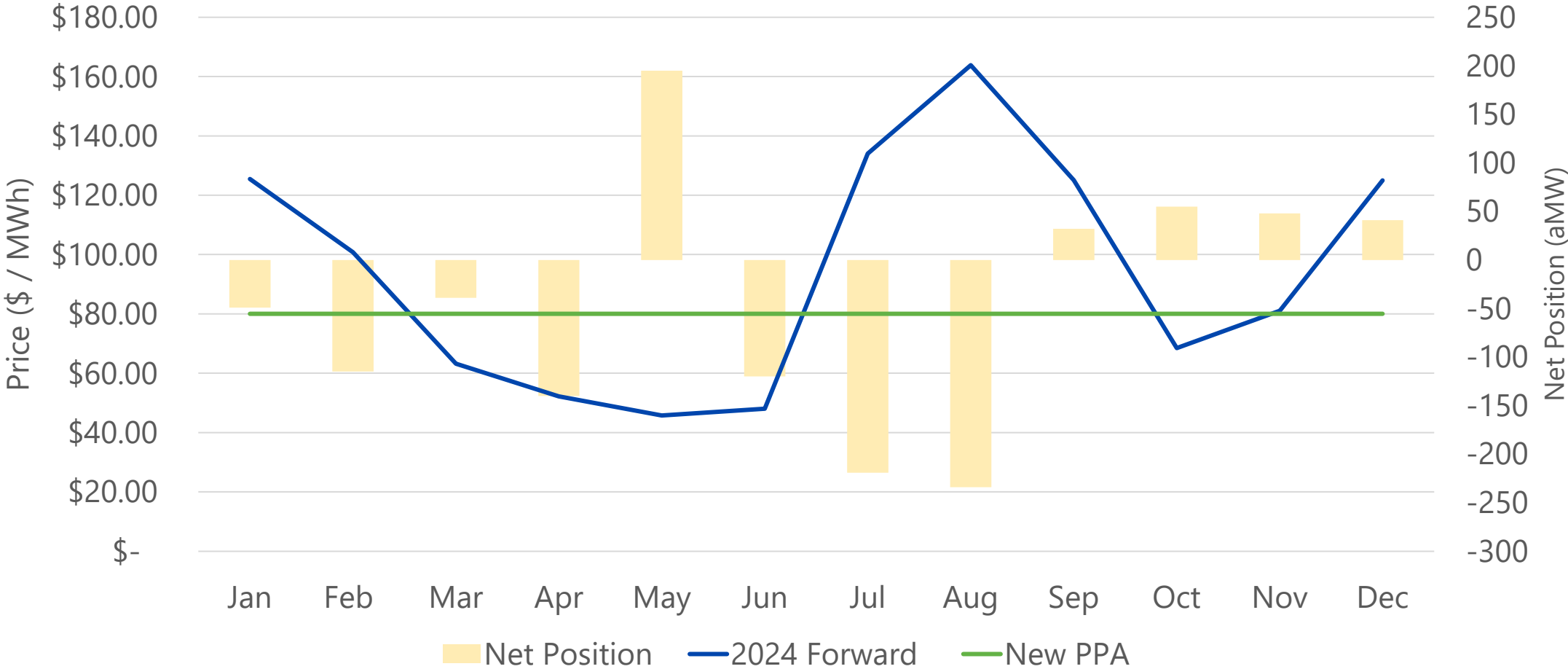
Daily Price Volatility

Box and Whisker Day Ahead Pricing

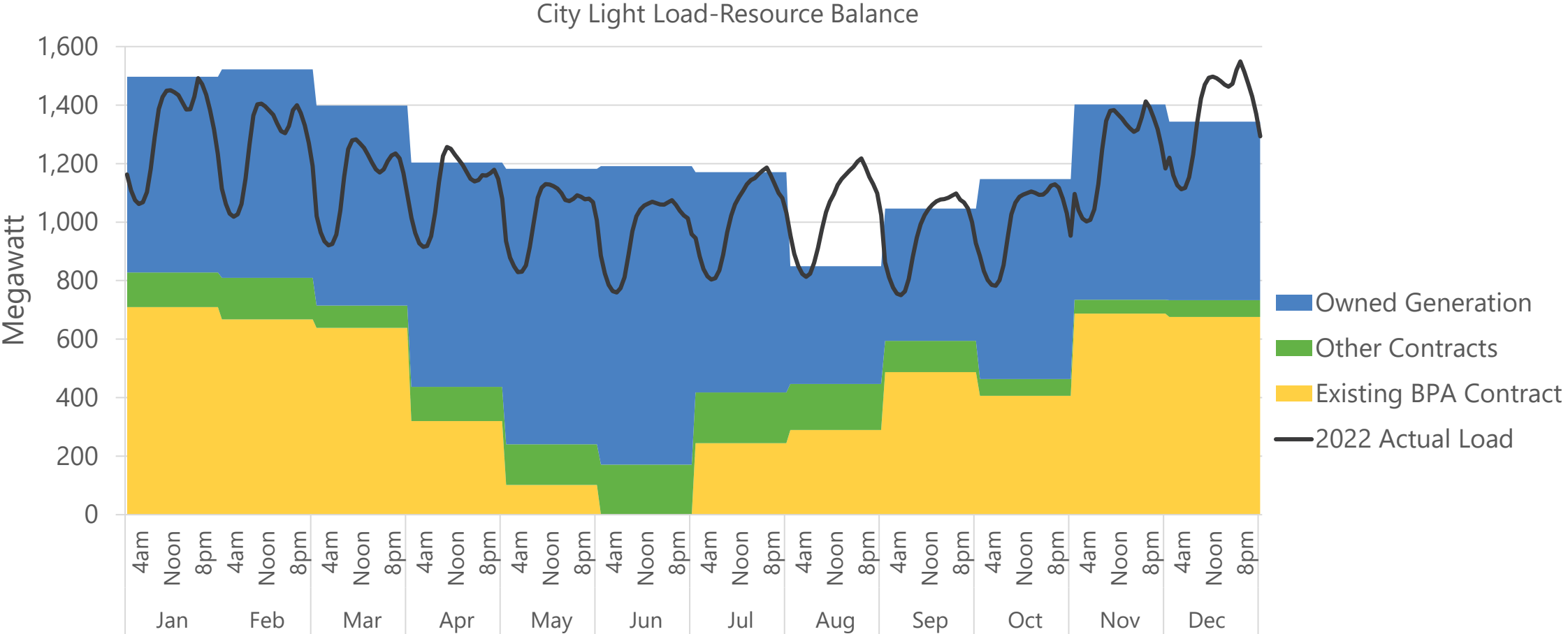


PPA Prices versus Market Prices

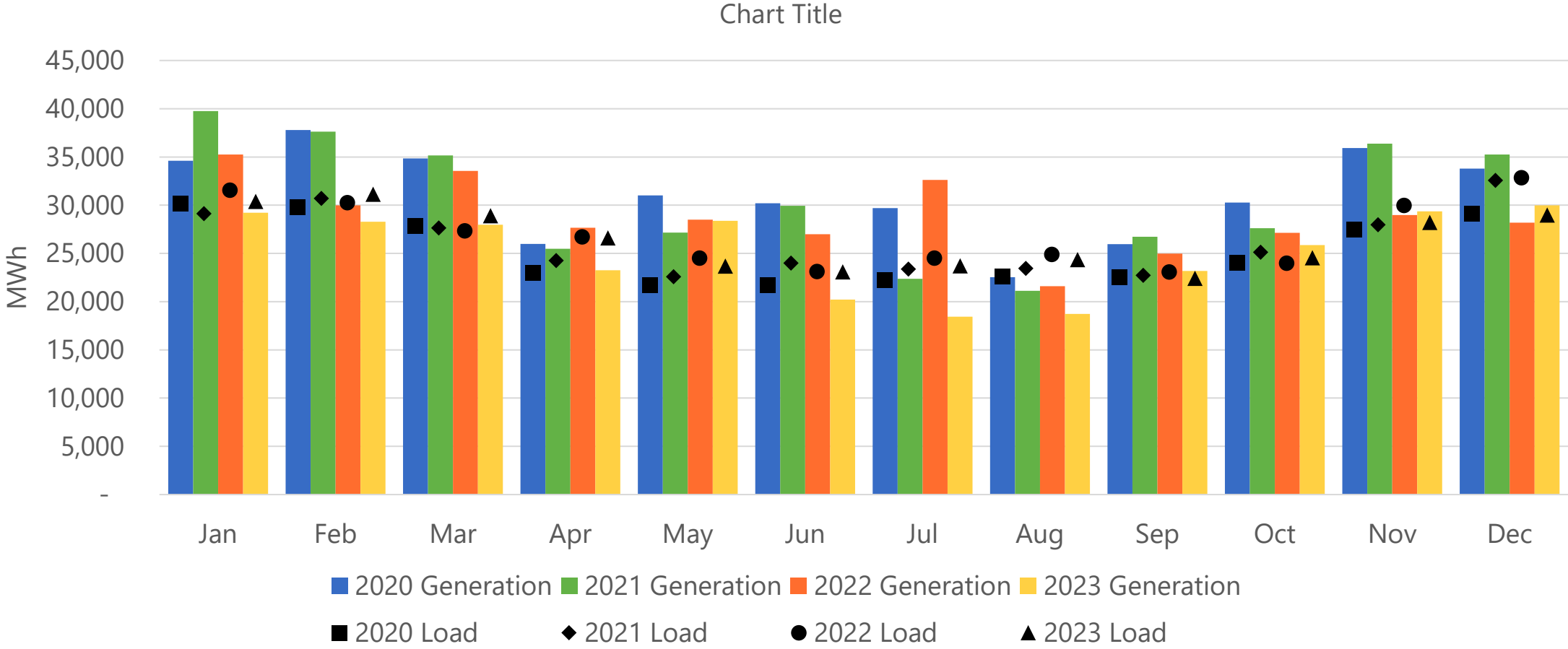
Forward Pricing (2024) and Net Position (2023)



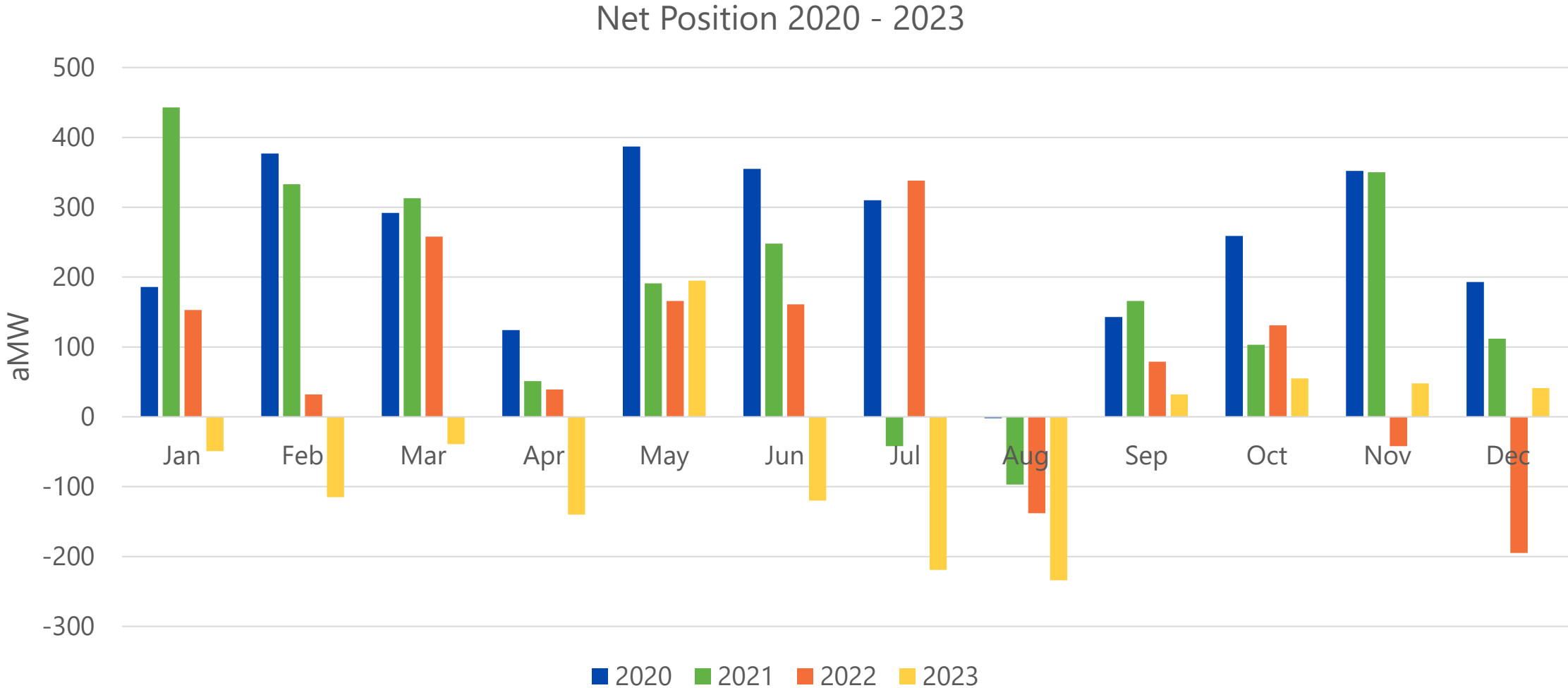
2022 Load and Resource Balance



Load and Resource Balance



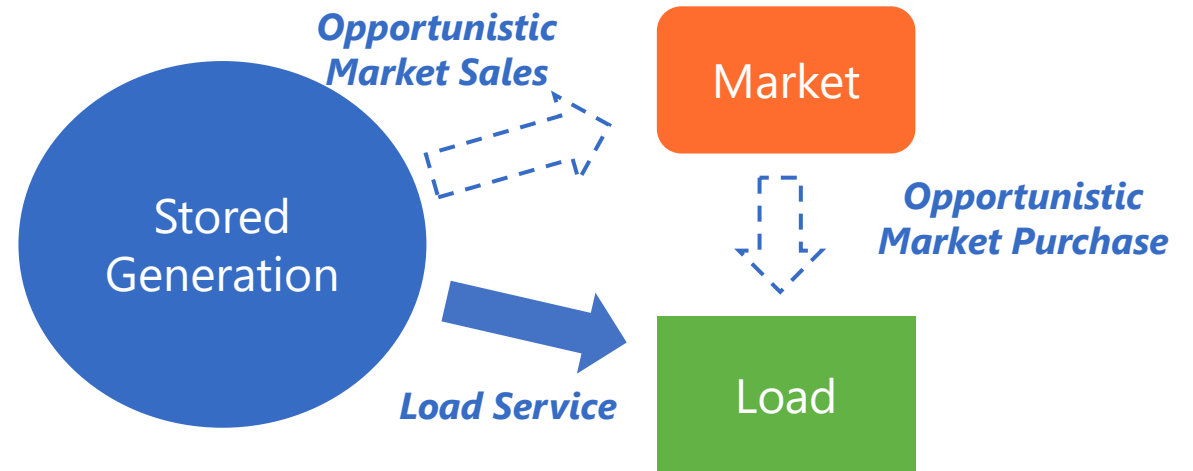
Net Position 2020 - 2023



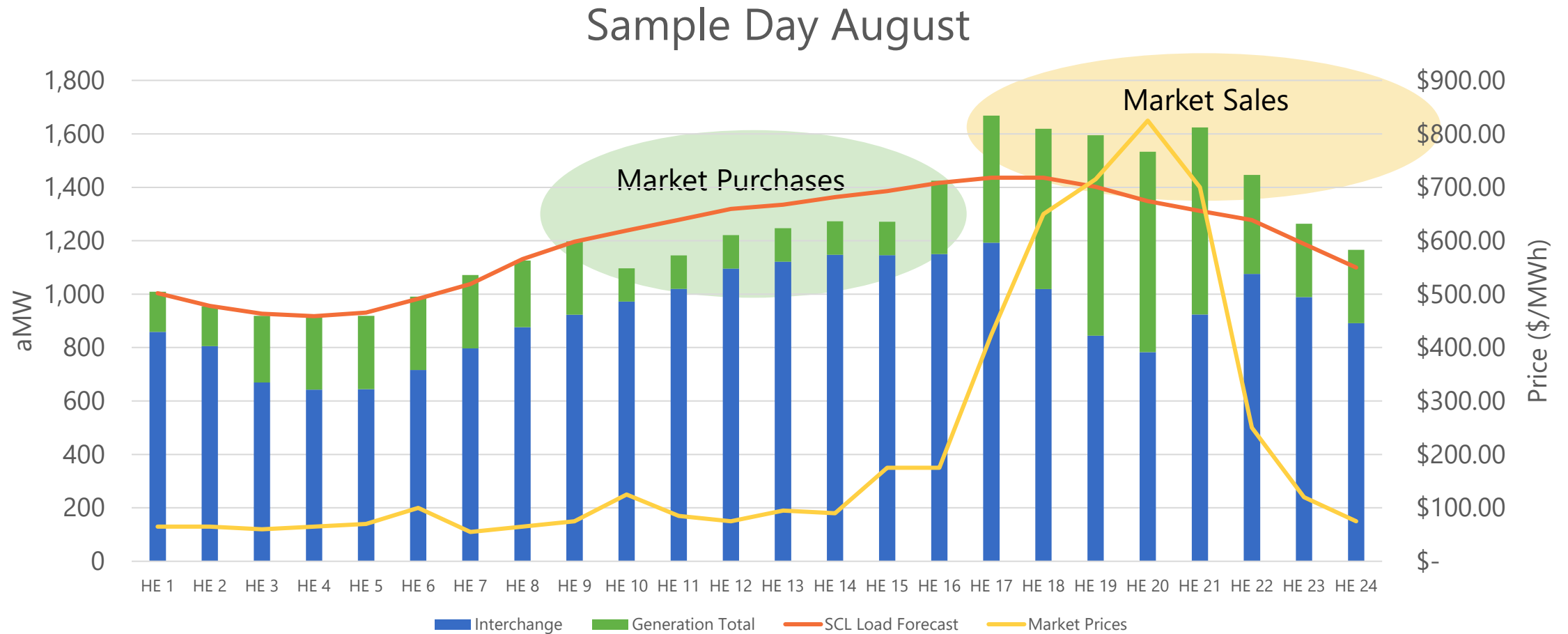
Opportunity Cost Illustration- Flexible Generation

With Hydro with Storage, there is no fuel cost, but **the market price at any hour that it was stored is its opportunity cost.**

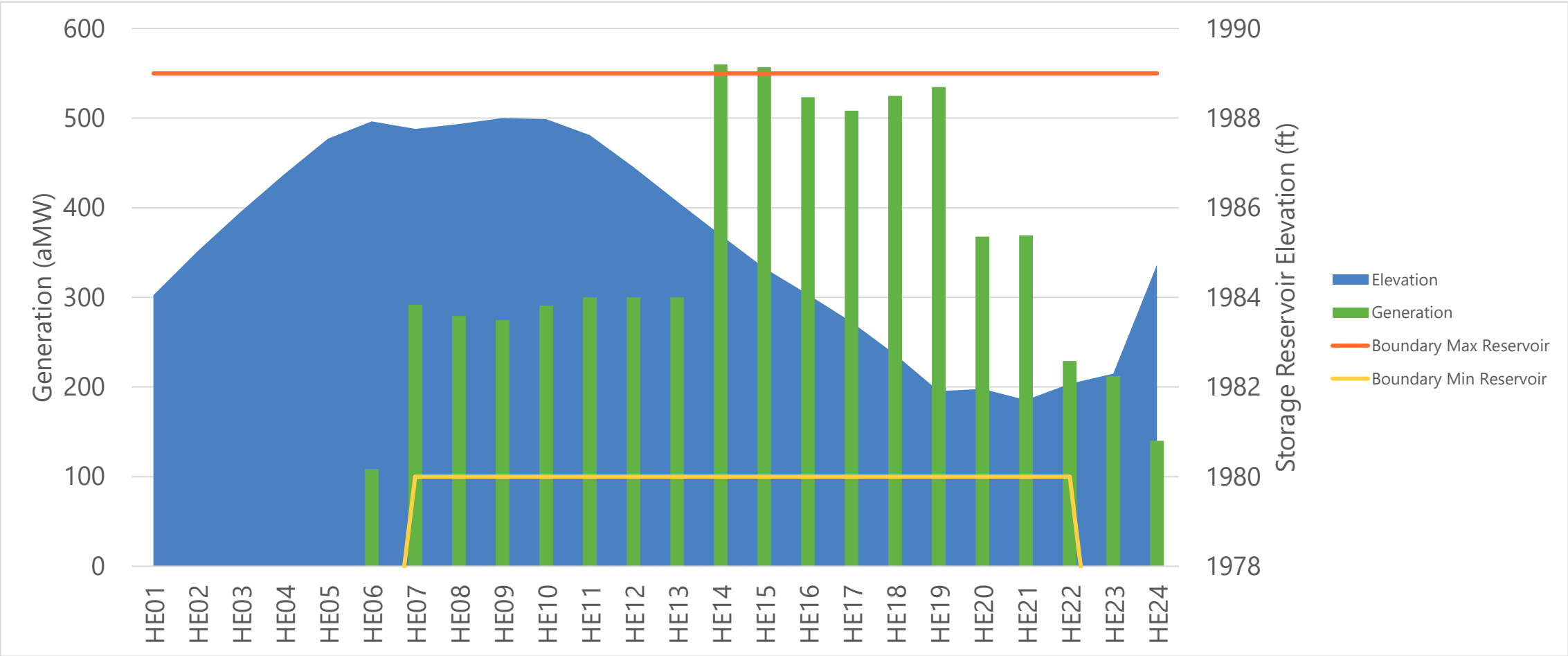
Every stored megawatt represents an opportunity cost to generate when it flowed in.



Opportunity Cost Illustration-Sample Day August



Boundary Storage - Sample Day August



THANK YOU



Seattle City Light



seattle.gov/city-light



YouTube

Mission, Vision & Values

Mission

Seattle City Light provides our customers with affordable, reliable and environmentally responsible energy services.

Vision

Create a shared energy future by partnering with our customers to meet their energy needs in whatever way they choose.

Values



Customers First



Environmental Stewardship



Equitable Community Connections



Operational and Financial Excellence



Safe and Engaged Employees

2025-2026 Preliminary Rate Path 3.0

Q & A

Review Panel Meeting

April 17, 2024

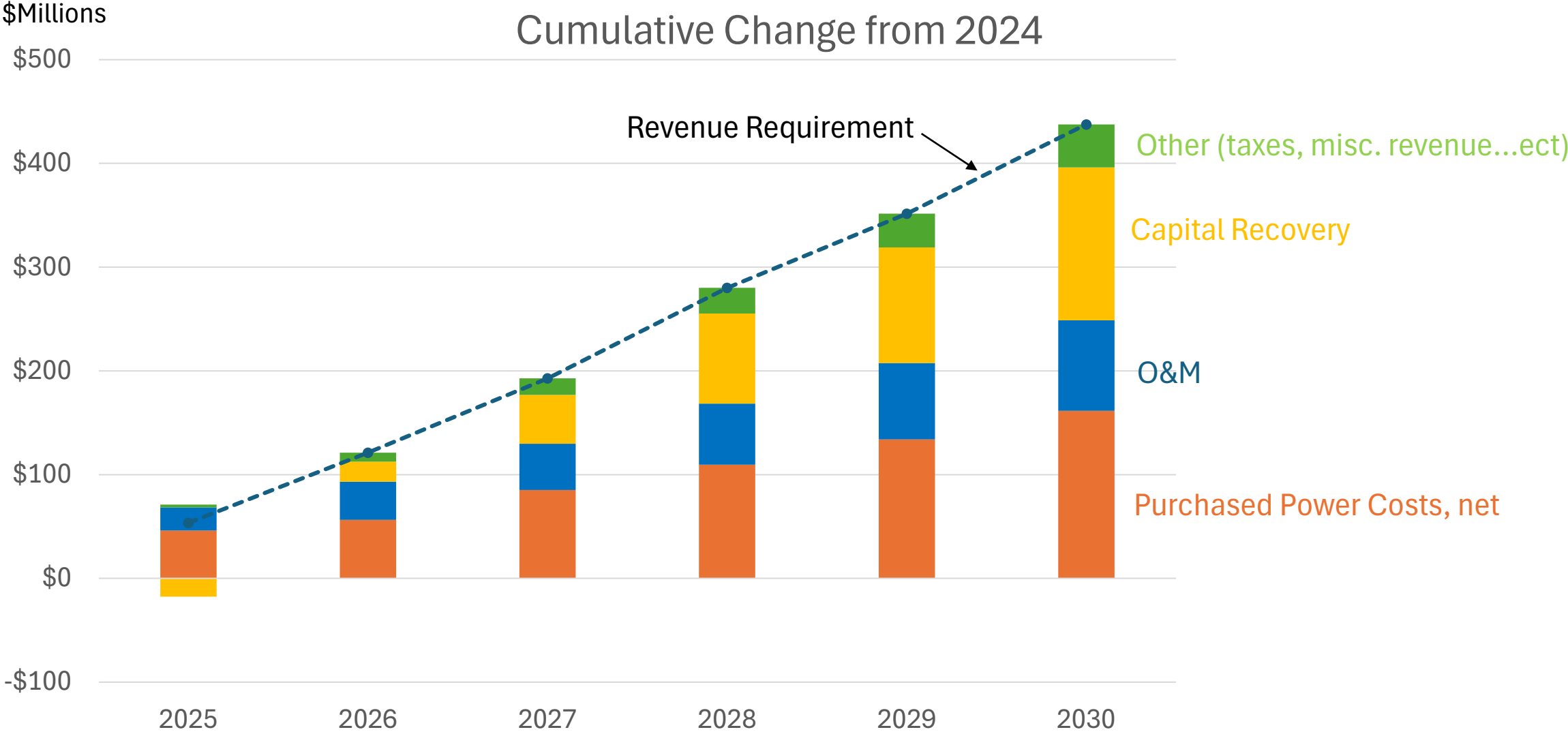
Picking Up Where We Left Off

	2025	2026	2027	2028	2029	2030
v2.0 Rate Path	5.3%	5.4%	4.8%	4.9%	4.4%	4.3%
v3.0 Rate Path	5.2%	5.2%	4.9%	4.9%	4.4%	4.4%

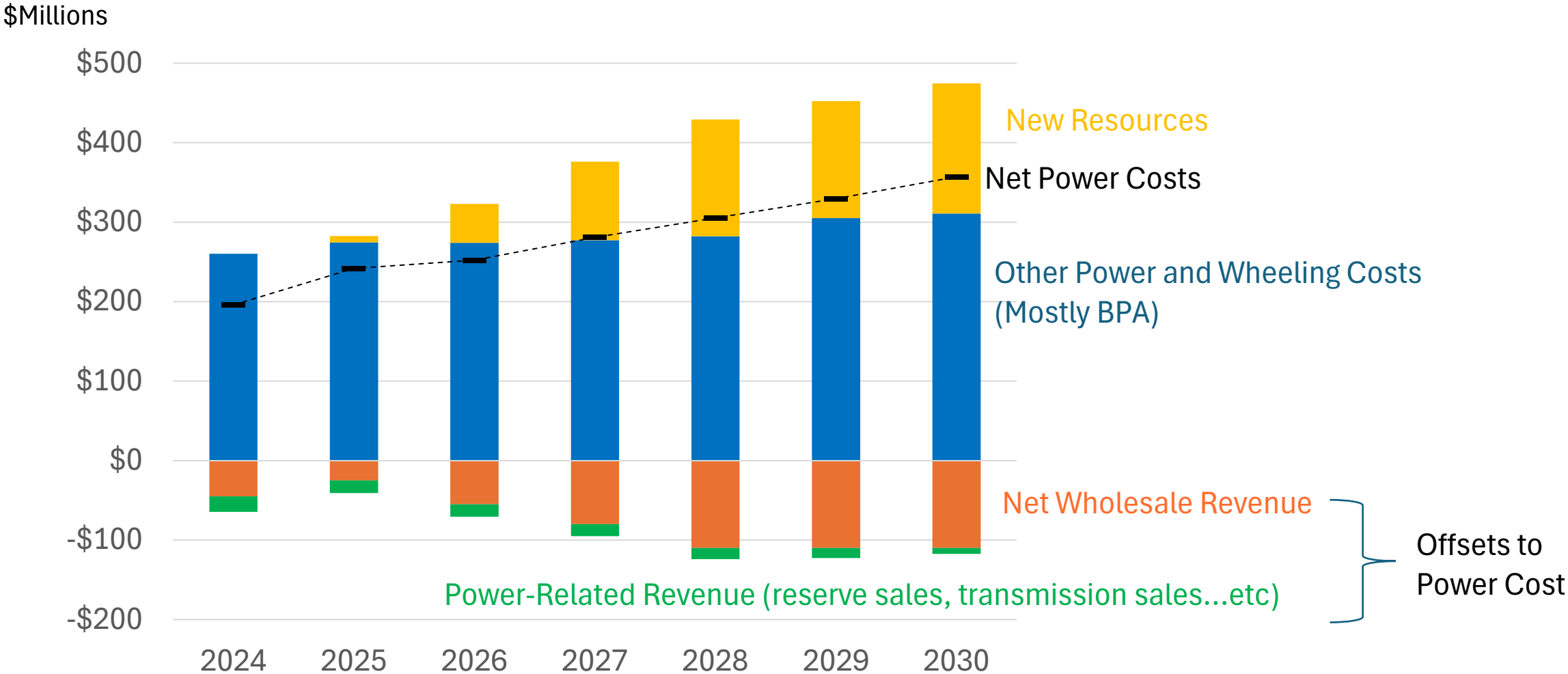
What Changed?

- Added some additional costs to O&M (around \$4M to \$7M to each year)
- Increased CIP in 2025 by \$10M
- Put back in Federal Bond Subsidies into the forecast (around \$5M reduction to debt service per year)
- Net Impact was very small reduction to revenue requirements in each year

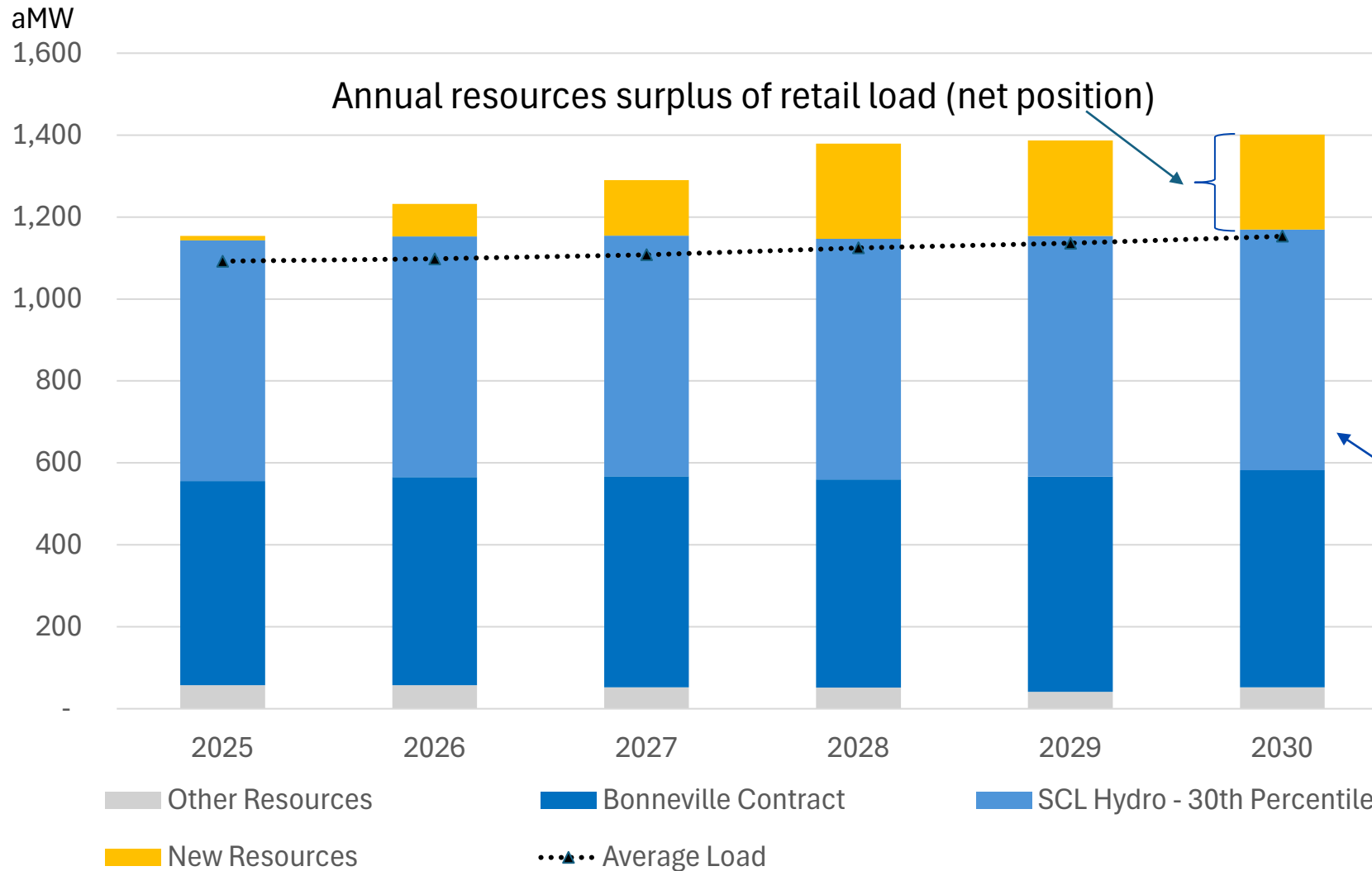
Revenue Requirement Drivers



Purchase Power Costs are Increasing



Annual Resource Stack and Surplus Position

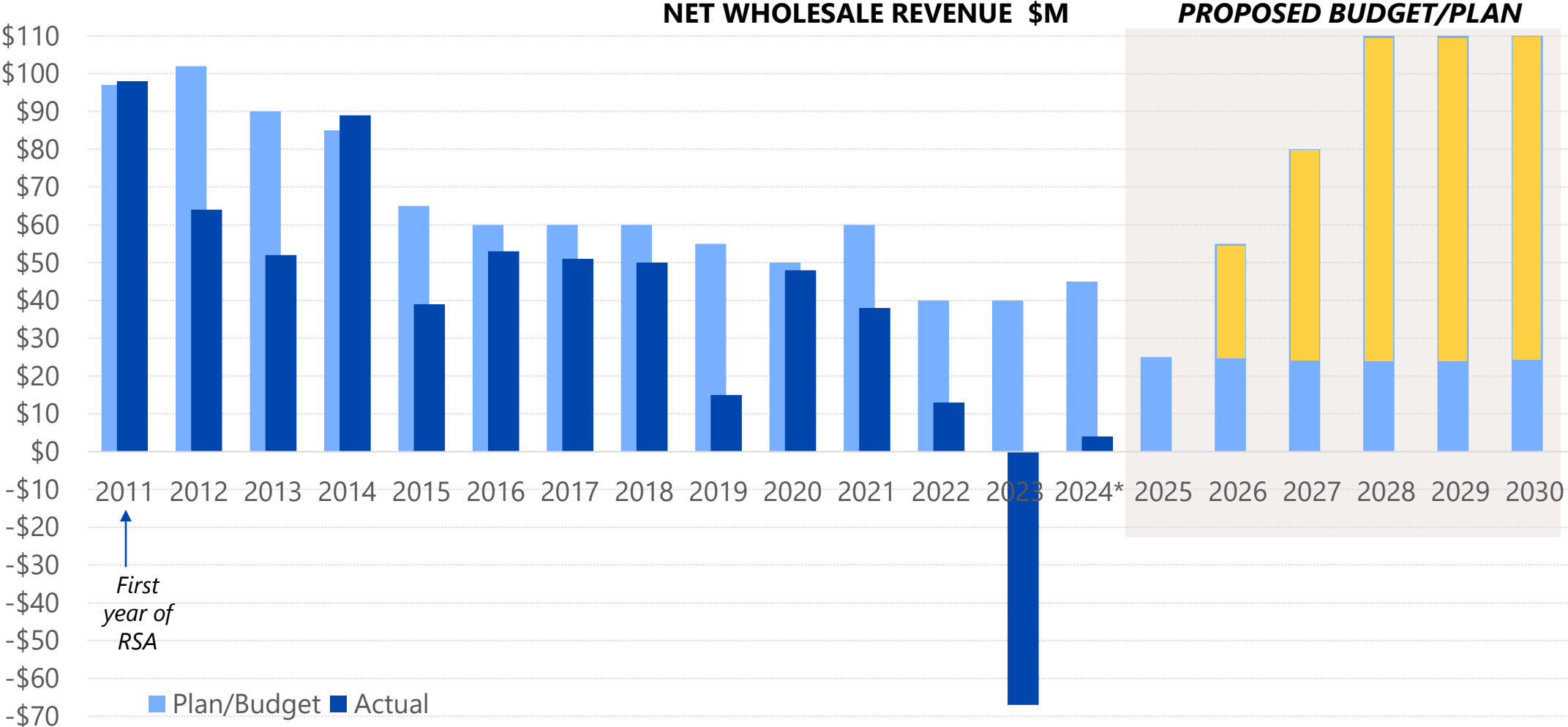


Key Uncertainty:
What is the value of our added length???

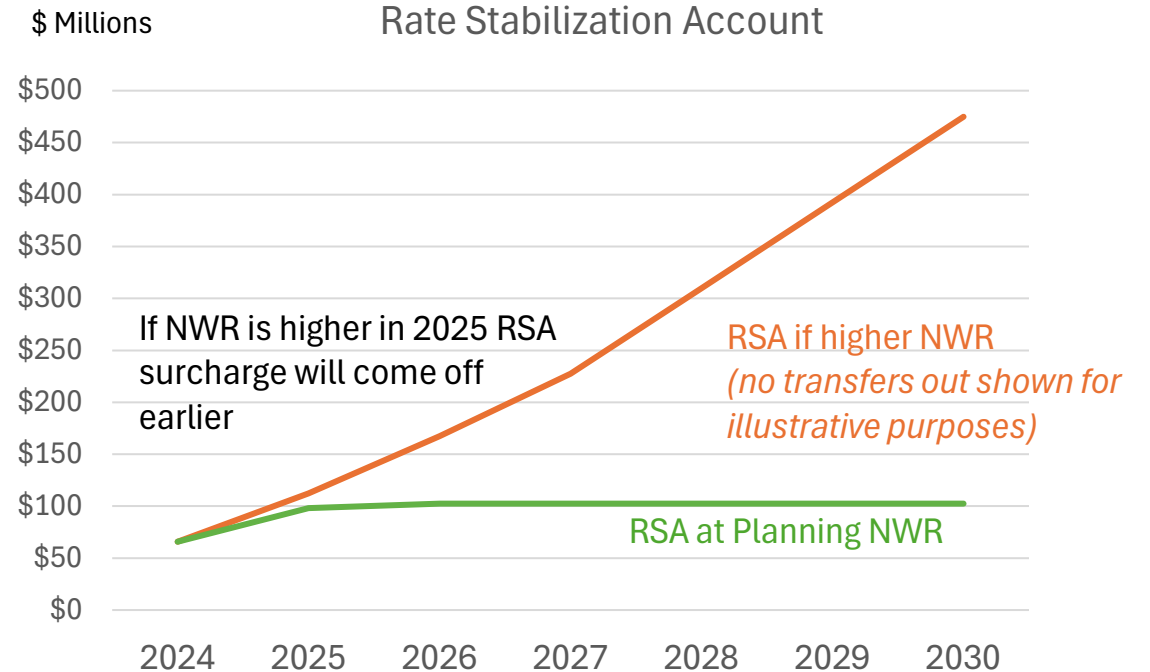
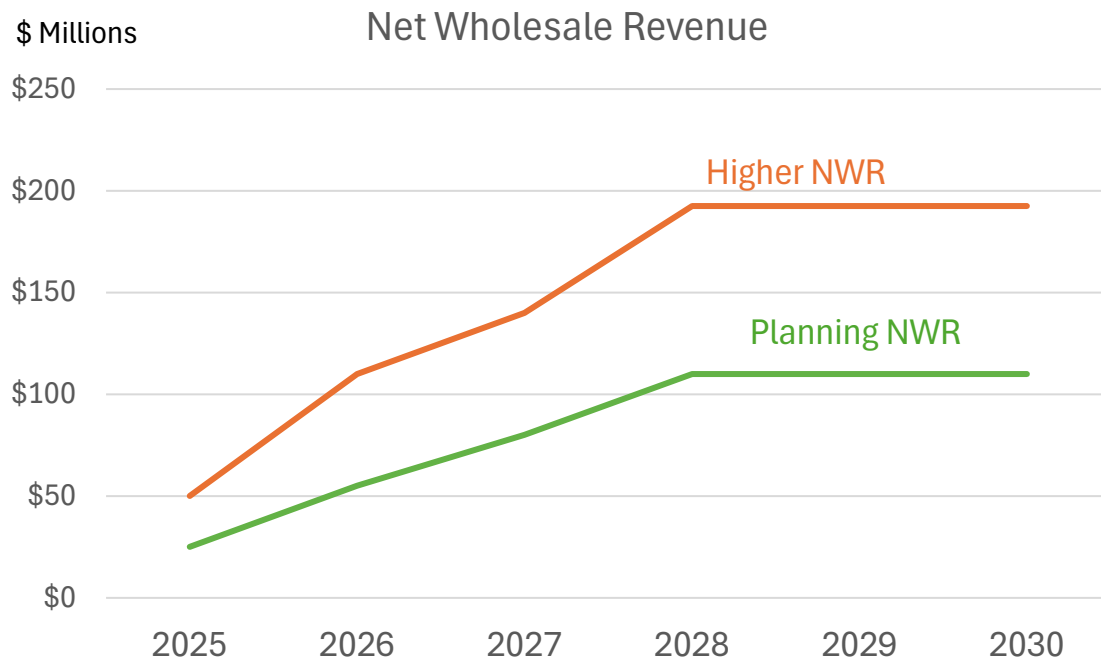
Key Uncertainty:
How much water will get each year and when will it be available for generation.

Using 30th percentile planning value for SCL hydro

Net Wholesale Revenue Assumption



NWR and the Rate Stabilization Account

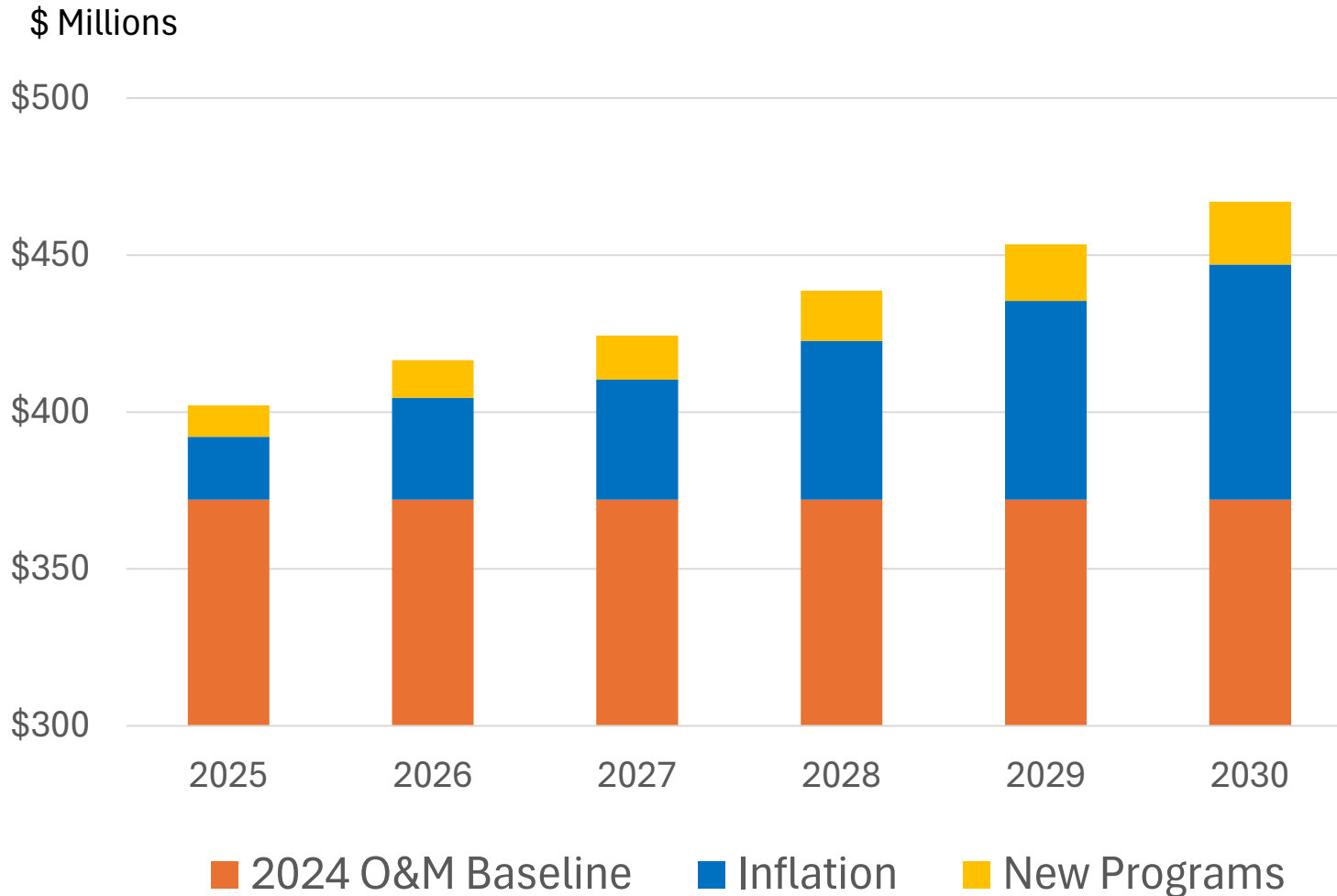


RSA mechanism buffers uncertainty in NWR

If wholesale revenue assumptions are too conservative, what happens?

1. The RSA surcharge comes off sooner
2. Surplus RSA may be used for
 - Fund larger RSA reserve balance
 - Offset future rate increases (likely through issuing less debt)

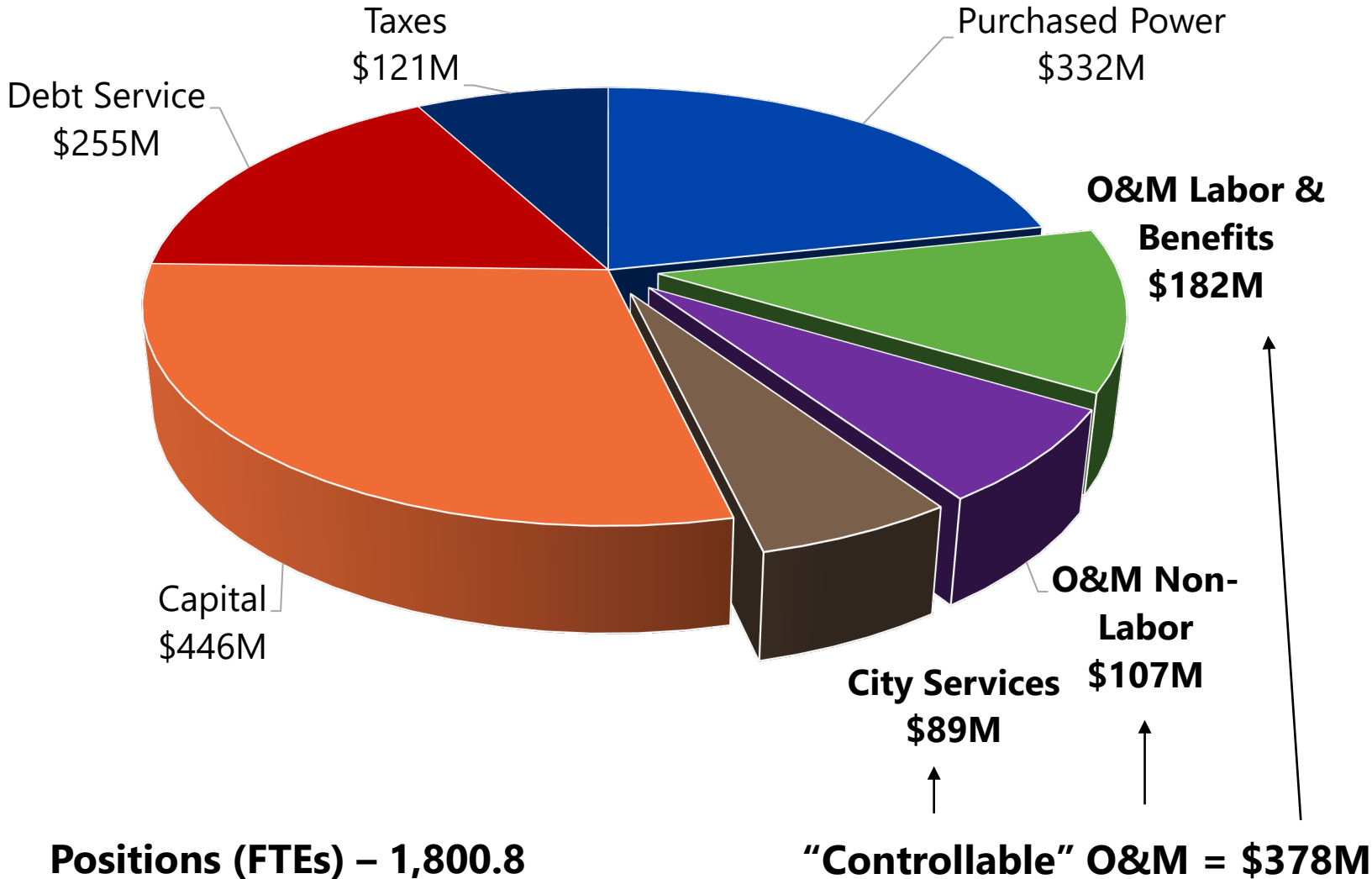
Operations and Maintenance



New Spending Supports

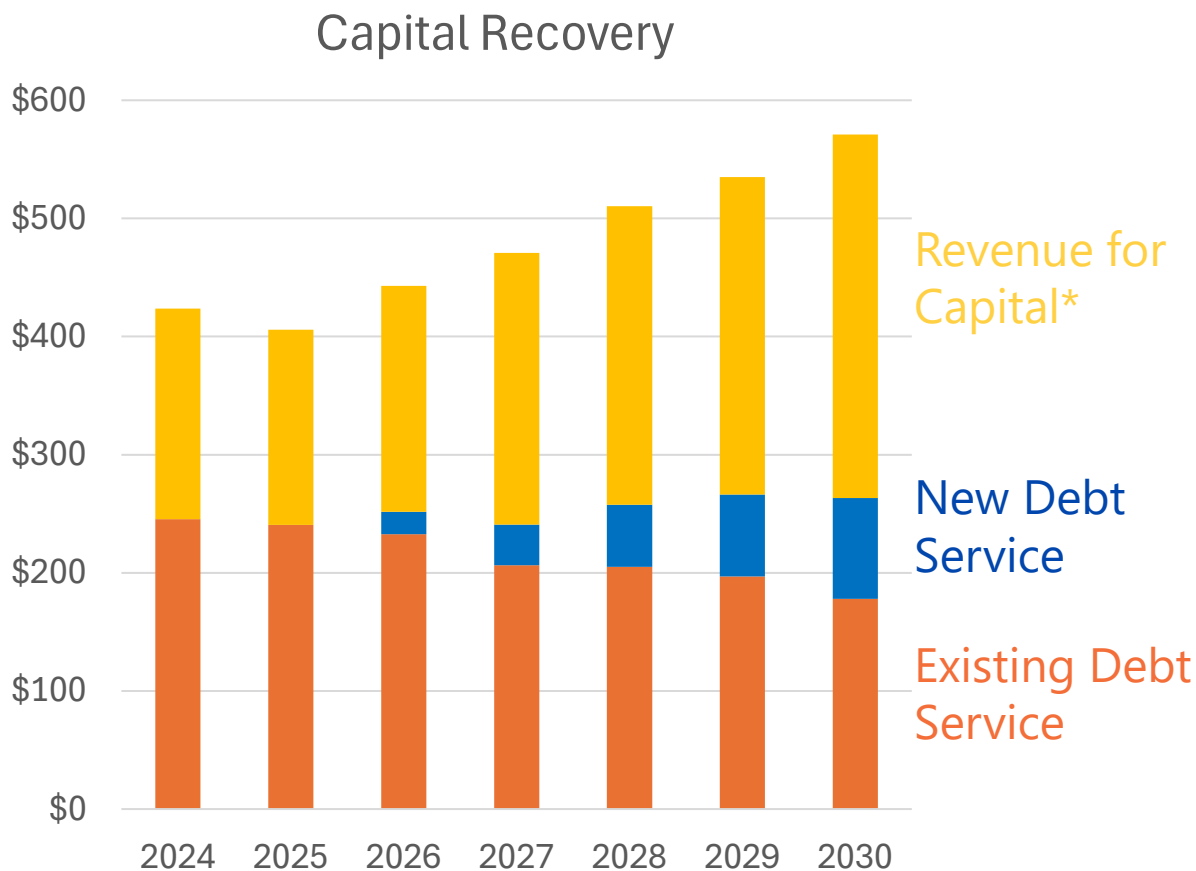
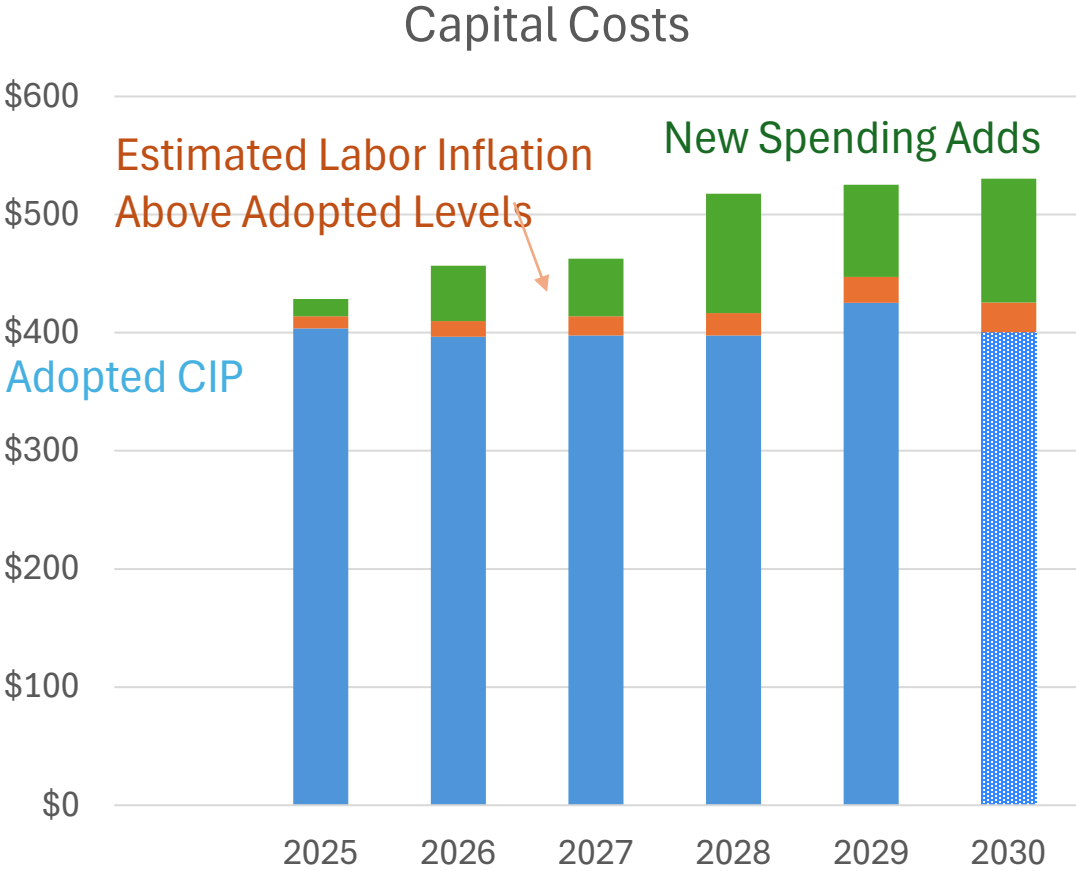
- Power Planning and New Markets
- Electrification Customer Support and Engineering
- Demand Side Management Programs and Support
- Wildfire Management

2024 Adopted Budget - \$1.53B



	\$M
Labor	\$182
City Costs	\$89
Services	\$37
Consulting	\$31
Supplies/Inventory	\$18
Maintenance	\$13
Other	\$5
Equipment & Rentals	\$3
Total	\$378

Capital Costs and Recovery



*can go towards cash funding CIP or increasing liquidity

Rate path meeting all key financial metrics

	Target	2025	2026	2027	2028	2029	2030
Debt Service Coverage	> 1.9	2.0	2.0	2.3	2.3	2.3	2.5
Capital Funding from Ops (6 yr avg)*	> 40%	41%	41%	41%	42%	41%	41%
Debt to Fixed Asset Ratio (Leverage)	< 60%	58%	58%	58%	58%	57%	57%
Days Cash on Hand (Liquidity)	> 150	170	152	163	154	155	169
Net Income, \$M	No Target	\$130	\$149	\$161	\$185	\$203	\$222

* Retrospective 6-year average (i.e., 2030 = Avg for 2025-2030)

Revenue Requirement Detail

\$, Millions	2025	2026	2027	2028	2029	2030
Revenue Requirement	\$1,145	\$1,213	\$1,284	\$1,371	\$1,443	\$1,529
Capital Recovery						
Debt Service	\$241	\$252	\$241	\$258	\$266	\$263
Revenue Available for Capital and Liquidity	\$165	\$191	\$230	\$253	\$268	\$308
Operations & Maintenance (O&M)						
2024 O&M Baseline	\$372	\$372	\$372	\$372	\$372	\$372
Inflation	\$19	\$32	\$44	\$57	\$69	\$83
Renewable Energy Credits (diff from 2024)	\$1	\$0	-\$6	-\$6	-\$6	-\$8
New Programs	\$10	\$12	\$14	\$16	\$18	\$20
Net Power Costs						
New Resources	\$8	\$49	\$99	\$147	\$147	\$164
Other Power and Wheeling Contracts	\$275	\$274	\$277	\$282	\$305	\$311
Net Wholesale Revenue (NWR)	-\$25	-\$55	-\$80	-\$110	-\$110	-\$110
Power Related Revenues, Net	-\$16	-\$16	-\$15	-\$14	-\$13	-\$7
Other Revenues/Costs						
Taxes, Payments and Uncollectibles	\$140	\$144	\$152	\$163	\$172	\$182
Miscellaneous Revenue	-\$44	-\$43	-\$44	-\$45	-\$47	-\$48

Questions & Next Steps

- What questions do you have?
- Do you have what you need to support this proposed rate path?

Rate path finalized on May 7th (minimal changes expected)

THANK YOU



Seattle City Light



Seattle City Light

seattle.gov/city-light



Mission, Vision & Values

Mission

Seattle City Light provides our customers with affordable, reliable and environmentally responsible energy services.

Vision

Create a shared energy future by partnering with our customers to meet their energy needs in whatever way they choose.

Values



Customers First



Environmental Stewardship



Equitable Community Connections



Operational and Financial Excellence



Safe and Engaged Employees

Message from the General Manager

This section is currently in development by SCL Communications. It will introduce Dawn as the utility's new GM and convey her interest and excitement about SCL and this plan. We'll connect with the audience by focusing on benefits and core values. The letter will also briefly explain the purpose of the update, and importance of taking a strategic approach in the midst of significant challenges.

DRAFT

Mission, vision, and values

Our mission, vision and values help to define and guide who we are, where we are going, and what is most important to focus on in the work we do every day.

Mission

Seattle City Light provides our customers with affordable, reliable, and environmentally responsible energy services.

Vision

Create a shared energy future by partnering with our customers to meet their energy needs in whatever way they choose.

Values

Customers First

We believe customer service is everyone's job. We pledge to be approachable, respectful, and responsive in providing products and services that our customers want and need.

Environmental Stewardship

We care about the environment, and we are dedicated to enhancing, protecting, and preserving it for future generations.

Equitable Community Connections

We are proud to be a local, community-owned utility. We are visible and actively involved in the communities we serve. We are rooted in our commitment to racial diversity, social justice, and the equitable provision of services to all.

Operational and Financial Excellence

We strive for excellence, are forward-focused, and seek new and innovative solutions to meet the challenges of today and tomorrow. We prioritize our investments and operating choices to build upon our strong financial foundation and solid, reliable infrastructure.

Safe and Engaged Employees

We actively practice our commitment to employee and public safety. We treat each other with kindness and respect, are personally accountable, and work effectively in teams.

Accomplishment highlights

City Light continues to make significant progress on strategic priorities. Below are key accomplishments that highlight just a few of the ways we have supported our customers and community, invested in our people and processes, managed our resources wisely, and built a strong energy future.

Spent \$12+ Million to Assist Customers Who Struggled to Pay Bills

City Light remains committed to helping customers facing financial challenges. In 2022, we distributed \$9,756,600 in state pandemic funds to 16,990 customers to help reduce past-due balances. We also distributed \$1,056,200 through our Emergency Bill Assistance program and \$2,706,400 in Low-Income Home Energy Assistance Program funds. In 2023, we allocated another \$880,000 in state funds to help low- and moderate-income residential customers who were receiving help from utility bill assistance programs.

Additionally, as part of our shared commitment to meeting customers' needs, we partnered with Seattle Public Utilities to launch a newly designed online application process for the City of Seattle Utility Discount Program called the Utility Assistance Program. Consolidating three separate applications into one created a simplified approach that provides customers with a more straightforward process and a better user experience.

Gave Customer New Tools to Understand and Manage their Energy Use

City Light has continued to roll out enhancements to our Utility Services Website since it was introduced in 2020. Most recently, we have made daily electricity usage data available, giving customers the information they need to understand their household energy use and make decisions for cost-saving energy adjustments.

Improved the Customer Experience

City Light is committed to improving the customer experience. In 2022 and 2023, City Light secured the highest business customer satisfaction index score among midsize electric utilities in the Western United States in the J.D. Power 2023 Electric Utility Business Customer Satisfaction StudySM.

Collaborated with Partners to Steward the Skagit River Watershed and Plan for the Future of the Skagit Hydroelectric Project

City Light's Skagit River Hydroelectric Project is a series of three dams that make up 20% of our power portfolio. In April 2023, we submitted a final license application to the Federal Energy Regulatory Commission detailing plans to operate the Skagit River Hydroelectric Project for the next 50 years. The final license application is a significant milestone and represents years of collaboration among Treaty Tribes, Canadian First Nations, federal and state regulatory bodies, environmental groups, and nearby communities. The application is a complete and comprehensive plan that balances the need for renewable energy with the need to respect Tribal interests and be good stewards of the ecosystem.

Refined Our Wildfire Risk Reduction Strategy

Climate change is making wildfires more frequent and intense. To address the escalating challenge of wildfire, we refined our Wildfire Risk Reduction Strategy. Released in August 2023, the strategy prioritizes minimizing potential damage through risk reduction plans that deter wildfire occurrences while also ensuring we are prepared to respond effectively and recover quickly when fires do occur. We applied the strategy during the 2023 Sourdough Fire near our Skagit Hydroelectric Project facilities.

Advanced Transportation Electrification

The electrification of transportation is key to reducing carbon emissions and combating climate change. In 2023, we launched incentive programs and technical support for businesses transitioning to electric fleets and multifamily customers looking to install EV chargers at their properties. We are close to completing our pilot program to install public curbside EV charging stations at 31 neighborhood locations across the city. We also joined statewide partners in unveiling the first electric bus in the Amtrak National Network.

Supported Green Energy in the Community

In 2023, City Light invested \$785,000 in renewable energy credits through the Green Up Community program, which incentivizes the installation of new rooftop solar energy hosted by affordable housing, local non-profits, and public entities. The goal is to help them reduce operating costs, allowing them to focus on their respective missions to provide quality services to meet the needs of our community. Green Up is funded by a voluntary renewable energy credit (REC) purchasing program in partnership with the Washington State Housing Finance Commission's (WSHFC) Sustainable Energy Trust.

Expanded the Energy Heroes Program

During the 2022-2023 school year, we expanded our Energy Heroes program. We taught more than 2,000 students at 17 schools in our service area about electrical safety, energy conservation, and all things renewable. We also completed a pilot for a new high school workshop on electrification and equity. Since 2008, Seattle City Light has provided the Energy Heroes educational program to classrooms across our service area. We've been hard at work helping students learn the ins and outs of electrical safety, energy conservation, renewable energy, and more.

Welcomed a New Tenant to the Denny Substation

In late 2023, we celebrated the opening of a newly designed and built-out section of the Denny Substation in South Lake Union. YouthCare, a nonprofit youth homelessness services provider, will use the space to provide education and workforce development services for young people experiencing homelessness.

Expanded Access to Recreational Opportunities

In the summer of 2023 we opened two new overlook areas in northern Pend Oreille County, home to City Light's Boundary Dam Hydroelectric Project. The Peewee Falls and Riverside Canyon overlooks make breathtaking views accessible to the public with new restroom facilities, picnic tables, ample parking, and gravel walking trails with easy grades. Future improvements will include the completion of a trail that links the two new overlooks, which has been officially named *stqqaqs č čaxiwtk^w* (the Salmo Passage Trail) in consultation with the Kalispel Tribe of Indians.

Gave Back to the Community

City Light's employee-led fundraising efforts brought in thousands of dollars to support important community causes. Our annual Toys for Tots holiday drive brought in a record \$11,000 and filled 91 bags with toys—our most successful toy drive to date.

Strategic Priorities

Our strategic priorities support our mission, vision, and values and reinforce our commitment to operational excellence and customer service. While our business strategies remain unchanged from the previous update, the way we define success has evolved. As we plan for the future of providing customers with affordable, reliable, and environmentally responsible energy services, we are focusing on outcomes—why we do what we do. The sections below describe the outcomes City Light aims to reach in the coming years along with examples of our work in each area.

Improve the Customer Experience

We prioritize our customers and strive to tailor our services to meet their needs and exceed expectations. That's why we're investing in improvements that will make our services more accessible and provide more options. Whether we're enhancing our programs or introducing new ones, our goal is to better serve our customers.

Our work in this area strives to deliver the following outcomes:

Deliver programs aligned with customer priorities

City Light is focused on enhancing our understanding of customers' needs so we can offer products and services that make a difference in their lives.

Initiative Highlight: Customer Insights

We are enhancing our Voice of the Customer program by expanding and improving our data collection to deepen our understanding and inform our work. We are also increasing internal engagement with the program through briefings, workshops, and feedback opportunities, ensuring employees have the information necessary to design and deliver services and programs that match customers' needs.

Decrease unplanned outages in service areas that experience above-average outage rates

Some regions of City Light's service area experience above-average power outages. We are committed to changing that.

Initiative Highlight: Outage Management System

We are updating our Outage Management System, including increasing our capacity to collect and analyze outage data. This will improve our awareness of the health of our power grid and help us identify and respond to outage trends.

Provide more predictable service connection timelines

City Light is committed to providing customers awaiting service connections with timelines that allow them to plan accordingly.

Initiative Highlight: Service to Bill

City Light’s Service to Bill program uses data from a comparative study of peer utilities to inform our Residential Electric Service Connection timelines strategy. We are also continuing our work to better communicate service delivery expectations and create a more transparent application process, and we are exploring ways for customers to request early design guidance before starting a project or submitting an application.

Create Our Energy Future

The future of energy is arriving ahead of schedule and is dramatically impacting the energy landscape. Disruptive forces have accelerated and we must be prepared to address climate change, a shift from using fossil fuels to clean electricity, and an increase in electric demand from electric vehicles and building standards. These changes impact our infrastructure from generation to how we connect to your home or business. We are improving our systems and infrastructure to meet our capacity needs now and in the future.

Our work in this area strives to deliver the following outcomes:

Secure a diverse mix of long-term energy resources to meet growing demand

We aim to have enough different energy sources to keep up with growing needs and future growth. This will help people make the switch to electricity for transportation and buildings. We are planning ahead with the help of our Integrated System Resources Planning initiative and trying out new ideas like asking big energy users to cut back during peak times and encouraging people to install their own solar panels.

Initiative Highlight: Long-term Energy Portfolio

City Light is considering a broad set of resources to incorporate into our Integrated Resource Planning, including different types of storage technologies, geothermal, solar, and onshore and offshore wind. The Integrated Resource Plan will inform a request for proposals for new electric generation or storage projects.

Support customers adoption of transportation and building electrification

Making the switch to electricity for transportation and buildings will be a tremendous change. We committed to equitably supporting all customers, big and small, in their decarbonization efforts.

Initiative Highlight: Transportation Electrification

Our Transportation Electrification work offers customer programs that provide technical support for customers who want to connect their resources to the grid, as well as charger incentives. City Light also owns and operates public chargers for our customers and aims to bring community-focused projects to residents.

Improve energy delivery infrastructure to meet current & future capacity needs

Creating our energy future depends on converting to clean electric power. We must improve our energy delivery infrastructure to support current and future growth.

Initiative Highlight: Grid Modernization

As our world and environment change, the grid must keep up. City Light's grid modernization work will ensure the grid is efficient, reliable, resilient, and secure. We will improve security and resiliency from climate change impacts, severe weather, and cyber-attacks by updating grid infrastructure, integrating renewable energy resources, and accommodating new technologies.

Develop Workforce and Organizational Agility

As our industry and customers rapidly change, we must invest in our people and processes to enable them to respond, adapt, and thrive. We are creating a flexible and responsive organization by focusing on change management, training, and new technology.

Our efforts aim to attract, train, and keep talented staff. We want to see higher employee engagement, more career opportunities, and staffing that supports our organizational priorities.

Outcomes of our work in this area will include:

Increase employee engagement

We're focused on using organizational change practices to increase employee satisfaction and build a more engaged and empowered workforce.

Initiative Highlight: Organizational Change Management

City Light is creating a Change Management Community of Practice to provide opportunities for continuous learning, knowledge sharing, and collaboration in support of a more engaged and motivated workforce. We aim for this initiative to spark creative solutions and foster a culture of innovation that benefits the entire organization.

Provide opportunities for career mobility

We're focused on supporting our employees at every stage in their career, ensuring they have the tools and resources they need explore opportunities and take on new roles.

Initiative Highlight: Performance Development

City Light's performance development work will provide managers with the performance tools and resources needed to help employees achieve their career goals within the organization. We aim to foster an environment where employees can flourish in their current role, while preparing them for future career exploration and growth within the utility.

Prioritize our work and staff it accordingly

Our recruitment strategy, particularly in trades, will help us ensure we have the right people to help us perform our work and deliver essential services.

Initiative Highlight: Attract, Train, and Retain

City Light will develop a comprehensive Talent Recruitment Strategy to help the organization become a top choice for prospective employees and align our hiring practices with emerging market and talent trends. This work will involve talent acquisition, workforce planning, and learning & development experts to assess the utility's staffing needs, forecast hiring trends, and design data-driven recruitment strategies.

Ensure Financial Health and Affordability

Financial stability is crucial to our future. It allows us to create innovative energy solutions, invest in critical infrastructure, and keep our rates affordable.

We are dedicated to supporting long-term affordability in Seattle. This means having rates that are clear and fair for everyone, especially those who are more vulnerable. We are committed to setting rates in a way that is sustainable and predictable over time. We're also offering new pricing options to help people manage their energy costs better.

Our outcomes in this area include:

Minimize short-term purchased power costs

To keep costs down, we'll continue developing markets and advocating for our needs. We are also striving to elevate our internal forecasting, monitoring, and contracting abilities.

Initiative Highlight: Western Market Development

We are revising our power marketing and risk management practices to capture opportunities presented by evolving power markets like wind and solar and deliver additional value from City Light's existing resource portfolio. As part of this initiative, City Light will continue to increase its participation in organized power markets, allowing us to use our power generation and transmission assets more efficiently and to monetize their intrinsic flexibility and environmental quality. We will also work to identify ways to increase wholesale revenue opportunities and equip City Light's wholesale operations team with new tools and expertise to successfully navigate anticipated changes in regional energy markets.

Allocate resources to balance growing energy costs and customer expectations

Adjusting our resourcing strategies to better match customer priorities is a win-win. For example, time-of-use pricing rewards customers who use electricity when power is cheaper and demand is lower, with lower rates. Customers enjoy cost savings, and we all benefit from reduced strain on the electric grid.

Initiative Highlight: Renewable Plus

City Light's Renewable Plus program will offer large customers a "bundled" renewable energy product—solar/wind energy (kWh) along with the associated Renewable Energy Certificates—to help meet their sustainability and climate goals. The program will include a new solar resource located in the Pacific Northwest, with an online target date of 2025. Customers will sign 15-year Participation Agreements and will receive the bundled product once projects are complete and generating power.

Limit energy burden on customers

Lastly, we'll continue supporting and improving programs that help ensure customers can afford their utility bills and get assistance when they need it.

Initiative Highlight: Utility Assistance Programs

City Light will complete a comprehensive evaluation of its Utility Assistance Programs in 2024. Once evaluation is complete and recommendations are made, we will begin implementation of

program redesign initiatives aimed at re-centering customer needs in our income-qualified service offerings. This includes intentional and systematic changes to eliminate barriers of access to programs, increase enrollment and retention of eligible customers, and drive down customer energy burden to help customers keep current on their utility bills.

[Call-out] What is “Energy Burden”?

“Energy Burden” is the share of annual household income used to pay annual home energy bills. City Light is committed to ensuring a low energy burden and that all customers have access to clean, affordable electricity no matter their financial circumstances.

We Power

“We Power” refers to our core mission as a utility—to provide affordable, reliable, and environmentally-responsible energy services to our customers. This drives everything we do, and our values guide us in achieving this goal.

Our commitment to our core business operations and delivering value to our customers includes: providing the energy services our customers need by taking care of our key assets and infrastructure; prioritizing diversity, equity, and inclusion; and managing and mitigating the challenges, risks, and uncertainties of a changing world.

City Light’s “We Power” outcomes include the following:

Enhance our response to the environmental impacts of climate change.

We’re implementing initiatives to ensure we continue to have a reliable power supply in a changing environment.

Initiative Highlight: Wildfire Reduction and Mitigation Strategy

We are committed to reducing wildfire risks by implementing City Light’s Wildfire Risk Reduction Strategy. The strategy, completed in 2023, addresses the potential for our assets and infrastructure to cause wildfires and be impacted by them. Key elements include risk assessment and mitigation, including actions such as grid hardening and vegetation management; emergency management to monitor for high-risk weather conditions; stakeholder engagement; coordination with emergency management agencies and municipalities; and governance and accountability.

Efficiently manage operations to comply with expanding regulations

As we plan for the future of providing affordable, reliable, and environmentally responsible energy services, we commit to meeting regulatory obligations such as dam safety and emissions requirements.

Initiative Highlight: Emissions Regulation Compliance

City Light must comply with a variety of local, state, and federal policies related to climate change and greenhouse gas emissions. We will manage compliance as a holistic program to help ensure the reduction of City Light’s greenhouse gas emissions, minimize compliance costs, optimize our portfolio of resources, and capitalize on opportunities.

Enhance technology & cyber security to adapt to the rapidly evolving energy landscape

We are investing in technology and cyber infrastructure enhancements to ensure we continue to be responsive and resilient to the challenges presented by a changing energy landscape.

Initiative Highlight: Distributed Energy Resource Management System

City Light's Distributed Energy Resource Management System is an essential technology for establishing a grid that supports changes to the flow of electricity and enables two-way communication between the utility and our customers. This will allow us to securely manage the integration and operation of distributed energy resources such as solar panels, wind turbines, and energy storage systems—all key to decarbonizing the energy sector. It will also manage the charging and discharging of electric vehicles and other energy storage systems, supporting both vehicle and building electrification and enhancing the stability of the grid.

Financial Requirements and Rate Path

Seattle City Light's revenue requirements and rates are projected to increase as the drive for electrification intensifies.

Factors Impacting Rates

Growing customer demand spurred by building and transportation electrification, the need to secure additional power resources to ensure reliability and financial stability, costs associated with relicensing the Skagit Hydroelectric Project and other capital projects, and inflation are increasing City Light's costs.

Chart 1: Customer demand is expected to increase significantly

Load Forecast Drivers

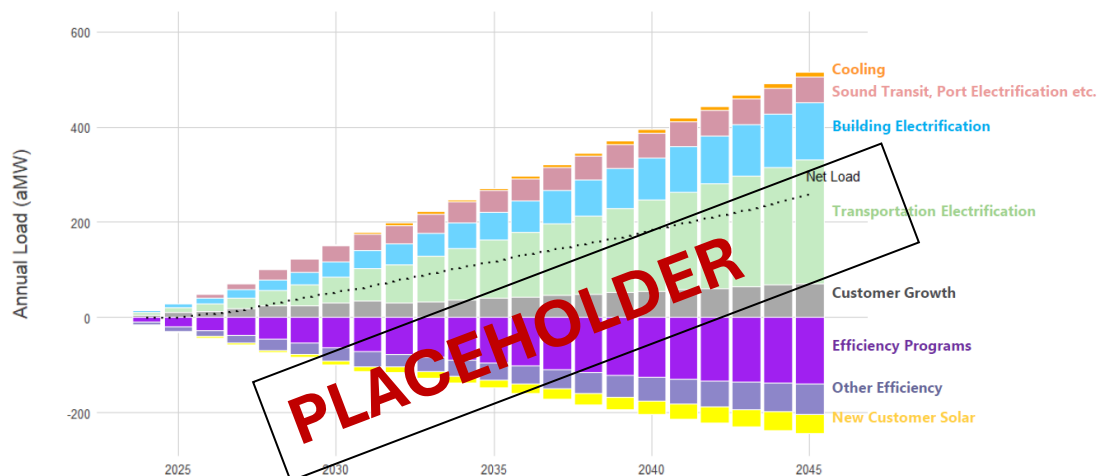
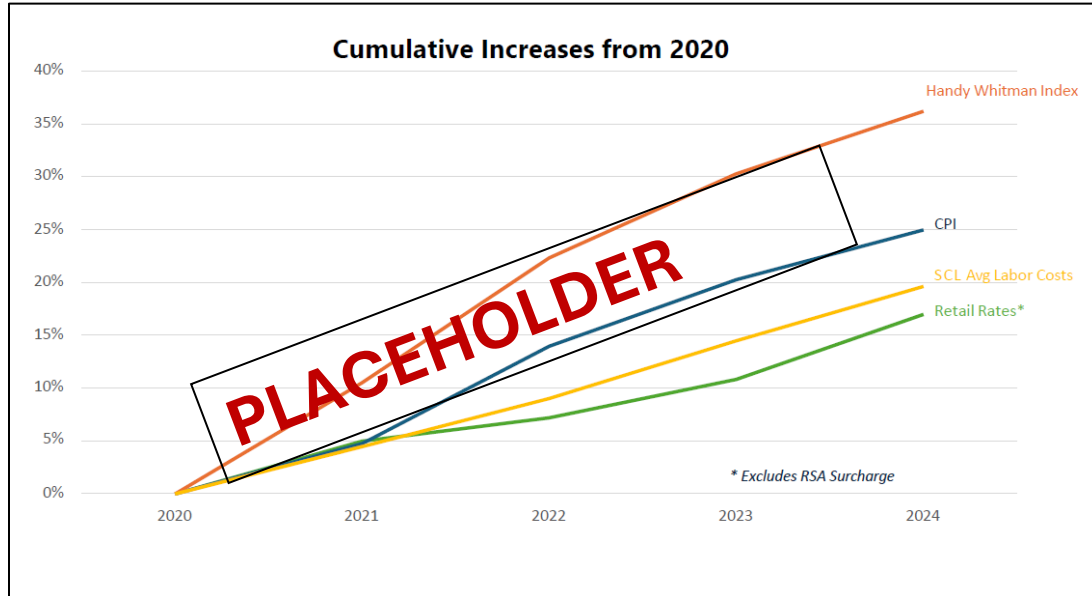


Chart 2: Inflation is increasing costs for labor and materials, particularly in the energy industry



Cost Savings

City Light recognizes the challenges that rate increases present to our customers and community, and we continue to identify cost savings and cost avoidance opportunities wherever possible. In the last budget cycle, for example, we reallocated X staff positions for a savings of \$X. [It would be good to have at least one more example here if possible.]

Rate Path

As a public utility, City Light operates to benefit the public – you are our shareholders. This means we spend ratepayer money very carefully and we drive down costs through prudent management. While we remain committed to driving down costs, we cannot meet our future revenue needs without also raising rates.

This Strategic Plan Update results in a rate path of x percent increases annually for the first two years, then increases of x percent in year three and x percent each year for the remaining three years.

Table 1: 2025-2030 Rate Path

SCL Draft Rate Path	2025	2026	2027	2028	2029	2030
Version 1.0	4.8%	4.8%	3.3%	3.6%	3.6%	3.6%
Changes* (\$Millions)						
CIP	\$1	\$7	\$13	\$68	\$75	\$80
O&M	\$5	\$9	\$13	\$16	\$20	\$23
Version 2.0	5.3%	5.4%	4.8%	4.9%	4.4%	4.3%

[Call out: Affordability] Access to affordable electricity for everyone is our goal. As a community-based electric utility, rates include funding for income-based bill discount programs, emergency bill repayment resources, and outreach to historically excluded communities, so all customers can access help when they need it.

Review Panel

The Seattle City Light Review Panel is comprised of nine members drawn from among City Light's customers, to review and assess City Light's strategic plan and provide an opinion on the merits of the plan and future revisions to it to the Mayor and the City Council.

Timothy Skeel, Consultant, Economics and Asset Management
(Position 1: Economist)

John Putz, Senior Strategist, The Energy Authority
(Position 2: Financial Analyst)

Kerry Meade, Executive Director, Northwest Energy Efficiency Council
(Position 3: Non-Profit Energy Efficiency Advocate)

Leo Lam, Chief Executive Officer, WEVE Design
(Position 4: Residential Customer Representative)

Mikel Hansen, Chief Operating Officer, Sabey Corporation
(Position 5: Commercial Customer Representative)

Amy Altchuler, Director of Sustainability, First Mode
(Position 6: Industrial Customer Representative)

Oksana Savolyuk, Energy Program Director, Multi Service Center
(Position 7: Low Income Customer Representative)

Di Do, Vice President of Marketing and Communications, NorthStar Energy
(Position 8: At-Large Customer Representative)

Joel Paisner, Partner, Ascent Law Partners, LLP
(Position 9: Suburban Franchise Representative)

Additional Resources

Seattle City Light 2025-2030 Strategic Plan Update

- [Financial Report \[will link when available\]](#)
- [Outreach Summary \[will link when available\]](#)

[Visit the Seattle City Light Strategic Plan website to learn more.](#)

[Back page]

Our Commitment to You

At Seattle City Light and Seattle Public Utilities, our priority is you – our customer. As public utilities, we work to make sure you have the best service possible. Here's how:

We commit to providing you accurate and timely billing, services, and support.

We promise to provide you with accurate bills, payment options, and help when you need it. We offer equitable financial support.

We commit to helping you manage and reduce your utility costs.

We're here to help you save on your bills while promoting environmental conservation.

We commit to providing you with quick and reliable customer service.

We want to make it easy for you to get answers about your utility services – online, in person, by phone, or in writing. You can expect our representatives to help you.

We commit to supporting you with resources that are easy to access and understand.

We celebrate the diversity of our region and want to help in a way that works best for you. This means providing help in many languages and formats.

We commit to serving you responsibly and transparently.

We are here to give you clear information about your bills and our services. We promise to appropriately manage your money and make that information available.

We commit to building and maintaining a respectful, helpful relationship with you.

Our goal is to be a community partner you can trust. We support and expect safe, respectful treatment of one another. Together, our whole community can thrive.

We promise to be clear, helpful, and respectful every step of the way. We welcome feedback to improve our services. If you need help or have questions, please reach out. We're here for you.

[\[INSERT CITY LIGHT CONTACT INFO BOILERPLATE\]](#)



2025-2030 Strategic Plan Update Outreach Summary

Executive Summary

In accordance with Resolution 31463, adopted in September 2013, Seattle City Light engaged with customers and stakeholders to offer opportunities for these groups to provide input on the 2022-2026 Strategic Plan, the 2023-2028 Strategic Plan Update, and the 2025-2030 Strategic Plan Update. Outreach efforts for the new six-year Strategic Plan began in early 2020, when the intent was to publish a plan in 2021 in line with the normal cadence of City Light's strategic planning process. However, when the COVID-19 pandemic arrived in our region in March 2020, progress on the strategic plan was halted in order to attend to the more pressing needs of our community, staff, and business.

When the planning process resumed in early 2021, outreach for the new plan resumed as well. In March and April 2021, City Light presented our six-year 2022-2026 Strategic Plan to community groups and hosted a virtual town hall open to the public. We created a Strategic Plan Executive Summary document and made the summary and presentation slides available online for those who were unable to attend one of the outreach sessions.

For the 2025-2030 Strategic Plan Update, City Light engaged with over 130 customers and stakeholders. We continue to build on previous outreach efforts. As some of the business strategies and programs identified in the 2022-2026 Strategic Plan and 2023-2028 Strategic Plan Update are multi-year efforts, we continue to reference the feedback we received earlier to inform planning and implementation for 2024 and beyond. City Light plans to continue discussions with customers and stakeholder groups to inform program plans going forward. The outreach efforts we initiated for the 2022-2026 Strategic Plan are leading to ongoing, mutually beneficial relationships with community-based organizations and stakeholders as we continue moving forward over the next six years.

Outreach Methods

Residential Customer Satisfaction Survey

In October 2023, the Seattle City Light Residential Customer Satisfaction Survey was conducted using both phone and text-to-online formats. City Light provided the research consultant with a list of 462,304 customers, from which a random representative group of respondents were contacted via home phone (to take the survey over the phone) or via cell phone (sent a text with a link to take the survey online). The random-sample format was conducted from October 5-12, 2023. The sample size was 620 residential customers.

An overwhelming majority (81%) of residential customers are satisfied with the overall service they receive from City Light (54% very satisfied and 27% somewhat satisfied). Reliability of service is the main reason most customers are satisfied. A majority of customers rate City Light positively for almost every service area tested (providing reliable service, being responsive and friendly, having affordable rates, keeping customers informed, providing clean power, helping reduce energy use, and being active in the community).

Of the 17% of residential customers who are not satisfied, they reported that cost is the primary concern. Outages, billing issues, and customer service are second-tier concerns.

Customers continue to rank providing carbon-free power as their highest priority. Providing quality customer service, keeping customers informed about changes that can affect them, and helping customers manage their energy use continue to be the second-tier priorities for most residential customers.

The survey results show that customers are most likely to interact with City Light first via website (to pay their bill online or to find information) and second by phone. Most customers are satisfied with getting answers to their questions and service needs resolved, regardless of which method of communication is used.

Customers are more aware of programs for billing and payment assistance than programs to help save energy, money, and the environment. Lack of awareness of these programs is higher among People of Color and residents that are new to the Seattle area.

Customers in every demographic group have positive perceptions of solar, wind, and hydropower energy from dams.

Community Engagement with Seattle Environmental Justice Communities Report

In 2023, Kambo Energy Group, a social enterprise company that designs and delivers turn-key energy solutions for environmental justice communities on behalf of utilities, interviewed and engaged with over a dozen influential community leaders from environmental justice communities across the greater Seattle region. Community leaders were largely concerned with affordability. The Kambo report demonstrates that City Light customers need support to understand their bills. Households need help understanding their bills, especially when the bill is high. City Light has an opportunity to improve messaging and communications to help customers understand their bills. Community-based organizations often provide assistance to help households navigate systems and pay their bills online.

It was further highlighted that the Utility Discount Program (UDP) has inherent barriers that prevent residents from participating. Community-based organizations (CBOs) that offer UDP support can build awareness and support the households they work with to participate in the program, however, leaders shared concerns that households who are not connected to these CBOs can't access UDP, either because they do not know about the program or because they do not have the digital and literacy skills needed to apply.

Clean Energy Future Survey

The Clean Energy Transformation Act (CETA) commits Washington to an electricity supply free of greenhouse gas emissions by 2045. Clean electricity will allow Washington residents and businesses to power their buildings and homes, vehicles, and appliances with carbon free resources, such as wind and solar. Reductions in fossil fuel use will improve the health of communities, grow the economy, create family-sustaining jobs, and enable the state to achieve its long-term climate goals.

The law provides safeguards to maintain affordable rates and reliable service. It also requires an equitable distribution of the benefits from the transition to clean energy for all utility customers and adds and expands energy assistance programs for income-eligible customers.

In August 2021, Seattle City Light sent out a Clean Energy Future survey to 180,000 residential customers via email. The total number of responses that City Light received was 4,522. The survey questions were informed by CETA equity indicators as well as other utility-wide initiatives including the Transportation Electrification Strategic Investment Plan, the Clean Energy Implementation Plan, the Integrated Resource Plan, and the 2022-2026 Strategic Plan that had been recently adopted.

A vast majority of respondents were concerned about climate change. All demographics listed reducing climate change impacts, reducing reliance on fossil fuels, and reducing environmental impacts as the three most important benefits of achieving 100% clean energy by 2045. The main concerns with achieving 100% clean energy were a mixture of four responses: bill increases, negative impacts of clean energy technology, reliability of service, and construction impacts. More than 80% of respondents believe that City Light's power supply is less than 90% renewable and 41% of respondents believe less than 50% is renewable.

When asked about transportation, more than half of respondents listed a personal vehicle as their main form of transportation. Low-income customers and renters are the most likely to use public transportation. The main concerns when choosing transportation were a mix between ease of access to home/work, commute time, options to reach destination, and cost.

When asked how comfortable respondents were in transitioning to all electric in their daily life (electric cooking, electric heat, electric vehicle, etc.), more than half responded with 'very comfortable', and about a quarter responded somewhat comfortable. Renters are the most comfortable transitioning to all electric in their daily lives.

Customer Experience Outreach

City Light has continued to engage with customers to understand the barriers they face when interacting with the utility. A core commitment for the 2022-2026 Strategic Plan and 2023-2028 Strategic Plan Update was to improve the customer experience. This cannot be done without working directly with our customers to understand the challenges they face when interacting with City Light.

In 2022, City Light, Seattle Public Utilities (SPU), Human Services Department (HSD), and Seattle IT launched a new Utility Assistance Programs online application process. This online application provides access to City Light and SPU emergency assistance programs for residential customers. The online, automated system provides a single, streamlined process for all customer assistance programs. This is one way we can continue to improve the customer experience.

Efforts are underway to modernize and improve the customer journey by making the Utility Discount Program more accessible for income-eligible customers. City Light and SPU continue to add new features to the Utility Services Website to enhance self-serve options and the overall customer service experience.

Stakeholder Meetings

City Light presented at two annual forums and contacted four stakeholder groups offering an opportunity to hear more information about the 2025-2030 Strategic Plan Update. Stakeholder meetings were arranged for City Light leadership to provide an overview of the strategic priorities and answer questions. Over 130 individuals participated in these stakeholder meetings. City Light heard a variety of perspectives and gathered feedback about the strategies presented in the plan. A summary of the stakeholder meetings and key findings are presented on the following pages.

Stakeholder Meetings

Summary of Meetings

Date	Stakeholder Group	Key Questions/Comments	Number of Attendees
October 25, 2023	Annual Key Customer Forum	<ul style="list-style-type: none"> • High level of interest and concern about rate increase • Questions about how long it will take to refill the Rate Stabilization Account to \$100 million • Concerns and questions about how City Light is actively preparing to diversify generation resources to address climate change and future hydropower uncertainty 	51
October 30, 2023	Annual Franchise City Forum	<ul style="list-style-type: none"> • Interest in more robust marketing for City Light programs that customers and businesses in the franchise cities can take advantage of • Question about network and non-network services • Questions about upcoming projects and what impacts may be to ratepayers • How to show customers benefits of electrification initiatives despite concerns and hesitation from the general public 	18
March 8, 2024	Community Action Agencies	<ul style="list-style-type: none"> • Concerns about City Light rates • Look at energy burden more holistically • Re-evaluate utility assistance programs • Start a committee to work together to identify solutions for income-eligible customers 	7
March 18, 2024	NW Energy Coalition	<ul style="list-style-type: none"> • Questions about how City Light plans to meet higher demand due to electrification • Questions about market power purchases and long-term planning for future resource needs • Questions about make-ready incentives for EV chargers • Questions about what City Light needs from the state legislature to help set policy 	31

Date	Stakeholder Group	Key Questions/Comments	Number of Attendees
March 26, 2024	Building Owner and Managers Association (BOMA)	<ul style="list-style-type: none"> Concerns surrounding condition of existing, aging infrastructure Predictable service connection timelines and rate predictability is important Concern about load growth and City Light’s ability to respond Since downtown network rate is higher, customers would like to see accountability for what the higher rates are used for Interest in incentive programs to help businesses fund the move to electrification 	13
March 27, 2024	Franchise Cities	<ul style="list-style-type: none"> Question about grid modernization Question about grid security Ensure adequate power that aligns with franchise city plans for development/redevelopment Adequate capacity for electrification, particularly support for electric vehicles Support delivery of franchise city capital projects 	11
Total Attendees			131

Key Findings

Affordability and Predictability of Rates

Customer bills remain a high priority across all stakeholder groups. Stakeholders expressed interest in understanding how their rates are currently structured, how rates might be structured in the future, and how City Light can ease transitions to higher or different rates. Customers would like to see a clear explanation when rates are going to change, and they ideally would like rates to increase at a time of year when energy use is not at its peak. Customers also had questions about how advanced meters will impact rates and improve the customer experience.

Residential customers emphasized the need to reimagine some of our bill assistance programs to help those who currently “fall through the cracks” of existing programs. Feedback included encouraging City Light to look at energy burden more holistically and reimagine what assistance programs can look like to benefit the most people who need help.

Mixed Feelings Around Electrification

Stakeholders from environmentally focused groups applauded City Light’s plans for increased electrification and urged the utility to be a leader in bringing the region along with us.

However, for others, there were concerns. Business owners are apprehensive about the high costs associated with retrofitting existing buildings to conform with new electrification standards and pushed for more incentives for converting to electric. Some business representatives noted that they would support a modest rate increase to fund more commercial incentives. These customers also had questions about how City Light's electrical grid will be able to handle the increased load that will come with more electrification. Commercial customers are eager to see City Light continue to make improvements to our infrastructure so that their power supply is more reliable and consistent.

Environmental justice community members want to ensure that electrification does not come at the expense of their communities through unintended impacts. These representatives would like to see pathways to green jobs and opportunities for Black, Indigenous, and People of Color (BIPOC) community members not only to start jobs at City Light, but to advance through the utility.

Additional Programs and Interest in Solar

According to the Clean Energy Future Survey, customers have interest in additional programs and education surrounding renewable energy, electric vehicles, and solar power. The top area of interest was the development of solar in our region, most notably solar incentives, residential solar, solar education, and community solar programs.

Building Awareness of Utility Incentives

Residential customers expressed interest in receiving personalized and educational messaging related to utility rebates and incentives. Overall, customers would like to learn more about incentives and receive information to help homeowners and renters save energy and adopt new energy technologies (such as electric vehicles and solar panels).

Customer Involvement in Utility Decision Making

Commercial and residential customers alike would like to be included in decision making at City Light earlier in the process when their input can shape the outcomes. One idea for improving customer service in this area is to align our customer-facing programs with other City departments to maximize accessibility and minimize confusion in the community. If given a seat at the table, customers can advise on environmental justice work already underway at the community level. This would allow City Light (and other City departments) to focus on finding ways to lift up and support existing grassroots programs.

Business customers shared a strong desire for City Light to be quicker to roll out new incentives for energy efficiency projects. These customers would also like to have a greater

voice in determining what the incentives will be. They noted that sometimes the bureaucracy involved in City Light processes prevents customers from getting the help they need in a timely manner. Business customers would like more opportunities to partner with City Light to develop mutually beneficial solutions.

Positive Reaction to Debt Strategy

Overall, stakeholders were pleased and relieved to hear about City Light's plan to control debt and right-size the capital improvement program. They appreciate that City Light leadership understands the need to control costs.

Employee Outreach

In addition to public outreach, City Light leadership presented information about the 2025-2030 Strategic Plan Update to City Light managers and supervisors and to the City Light Employee Advisory Group. A Strategic Plan update was shared with employees in the internal employee newsletter and on the SCL Hub (City Light's internal employee website).

Conclusion and Next Steps

Our outreach efforts have informed the development of the 2025-2030 Strategic Plan Update. Over the next six years, we will continue the conversations that we have started with community-based organizations, customers, and stakeholder groups. Some of the business strategies and programs identified in the 2025-2030 Strategic Plan Update will be multi-year efforts. We anticipate using the feedback we received from our outreach efforts to inform planning and implementation for 2024 and beyond.