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Northwest **Power** and **Conservation** Council

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Idaho

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October 8, 2019

MEMORANDUM

TO: Council Members

FROM: Elizabeth Osborne

SUBJECT: Presentation by Seattle City Light

BACKGROUND:

Presenter: Debra Smith, General Manager and CEO, Seattle City Light

Summary: Debra Smith will provide remarks to the Council on Seattle City Light's operations and strategic priorities. The utility is adapting to customers' changing demands for electricity, while pursuing clean energy and other opportunities to address climate change and facilitate decarbonization.

Background: Seattle City Light has been in operation since 1910, first providing power from a municipally-owned hydroelectric facility on the Cedar River. Over the next century, the utility went on to construct many more generating facilities and expand its service area, and later developed conservation programs and environmental protection projects. Today, Seattle City Light serves over 400,000 customers.

More Info: Seattle City Light 2019-2014 Strategic Plan Preview
http://www.seattle.gov/light/stratplan/docs/2019-2024_Strategic_Plan_Preview.pdf



Seattle City Light

Northwest Power & Conservation Council

Debra Smith
General Manager and CEO



Seattle City Light

- **Mission**

- Seattle City Light is committed to providing our customer-owners with affordable, reliable and environmentally responsible energy services.

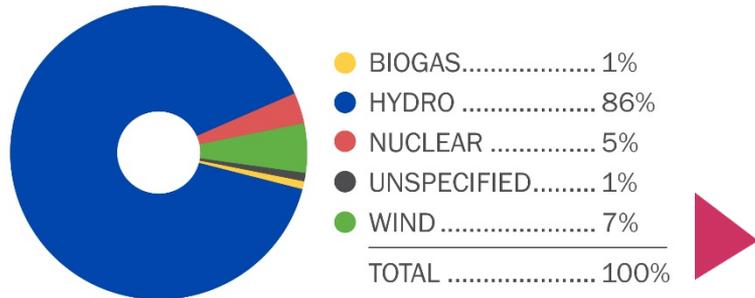
- **Vision**

- Our vision is to connect Seattle to our shared energy future by helping our customers meet their energy needs in whatever way **they** choose.

- **Average Number of Customers**

- Residential: 409,571
- Non-Residential: 51,038

2018 Power Mix



CUSTOMER SERVICE AREA MAP

Shoreline

Lake Forest Park

Seattle

Unincorporated King County

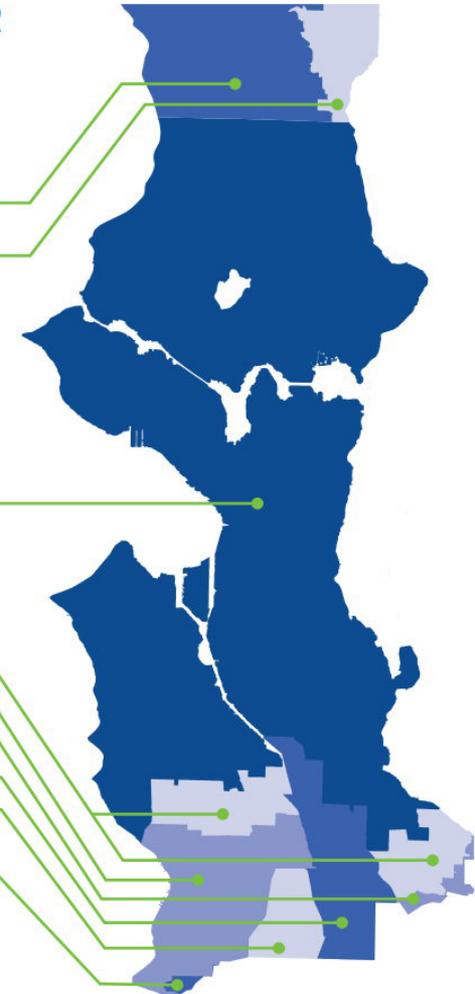
Burien

Renton

Tukwila

SeaTac

Normandy Park



Five Priorities as General Manager

- Create a Customer-Centric Culture
- Enhance the Employee Experience
- Revenue Stabilization through Rate Redesign
- Innovation is Electrification
- Be a Good City Partner

Vision for Customer-Centric Culture

Seattle City Light understands, anticipates and consistently meets customers' evolving expectations by putting the customers' needs and wants at the center of everything we do.



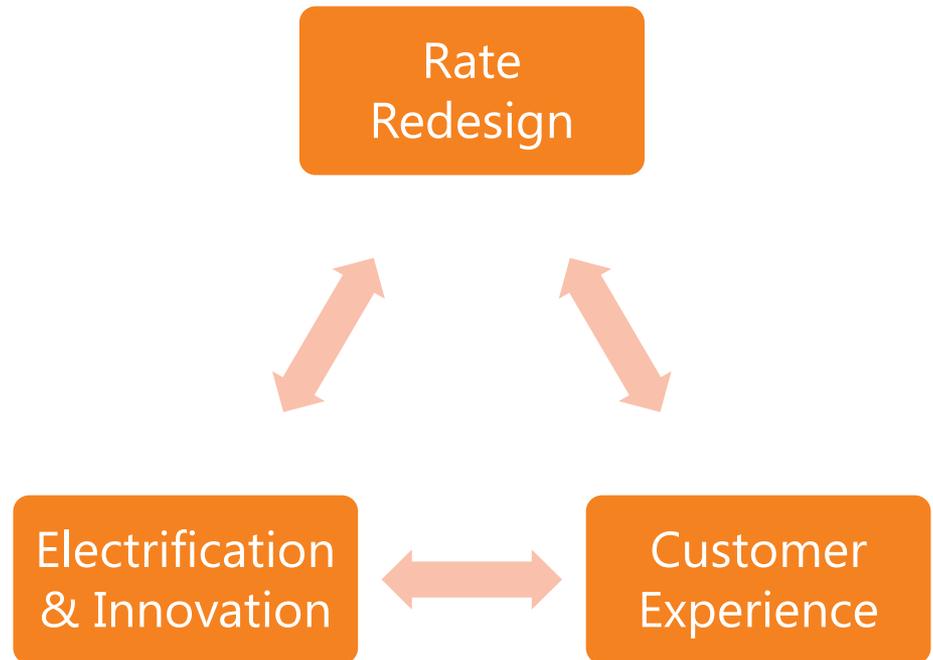
Vision for Employee Experience

A workplace where all employees' interactions and experiences are aligned with Seattle City Light's core values. Where workplace practices and policies support employee success and contribute positively to the culture.



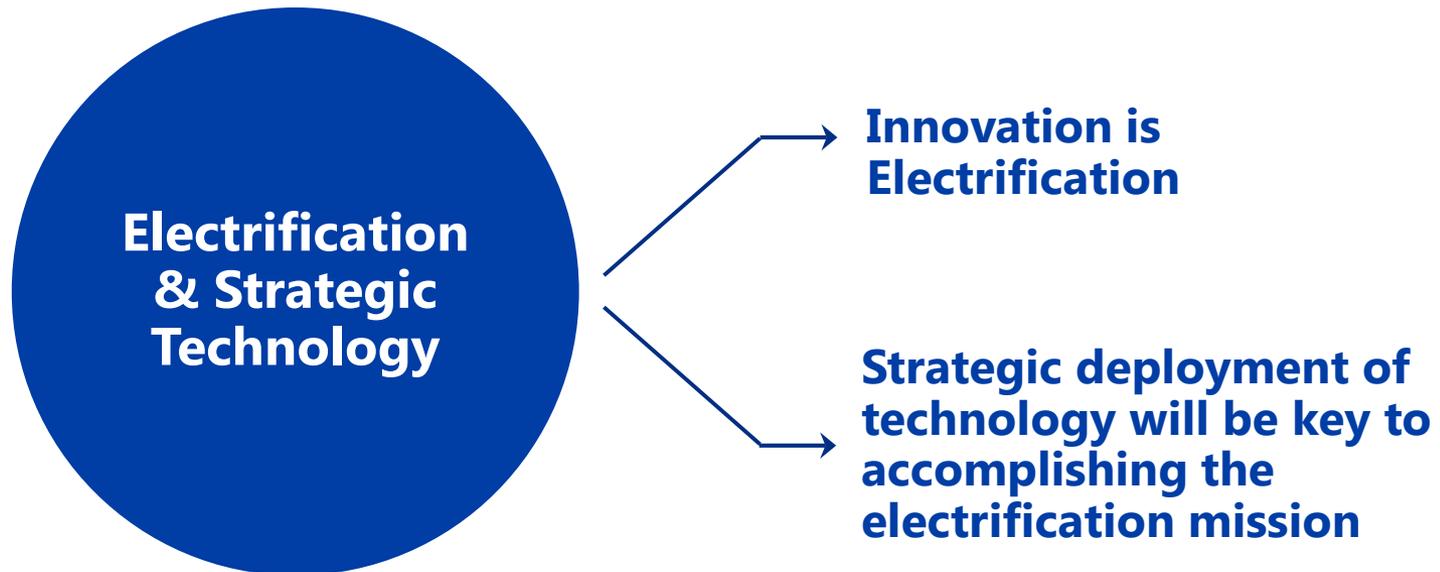
Vision for Rate Redesign

Rates and pricing programs that help customers meet their energy needs in whatever way they choose while ensuring continued carbon-neutrality and long-term affordability for all customers.



Vision for Electrification

Establish City Light as a regional and industry leader in electric utility innovation focused on accelerating broad electrification. Provide a platform for customer choice and make carbon-free electricity the preferred option for our customers' energy needs through focused and effective strategic use of technology.



Seattle City Light

- **Energized Denny Substation in May 2018**
 - Anticipated carrying customer load by Q4 2019
 - Dubbed the “World’s Coolest Substation” by *Fast Company Magazine*
 - Deploys state of the art substation automation technology
 - Built with compact equipment for a unique approach to a high-voltage facility in a dense urban area
- **Finalizing implementation of Automated Metering Infrastructure (AMI)**



*Denny Substation
Credit: Benjamin Benschneider*



Vision for City Partnership

Seattle City Light relates to other city departments as partners and allies. We build strong citywide relationships anchored in mutual respect, trust and effective collaboration.



“One Seattle”



RATE OUTLOOK

Key Customer Forum



Seattle City Light

November 1, 2019 Rate Changes

Two pass-through rate changes taking effect:

RSA Surcharge increase: +1.5%

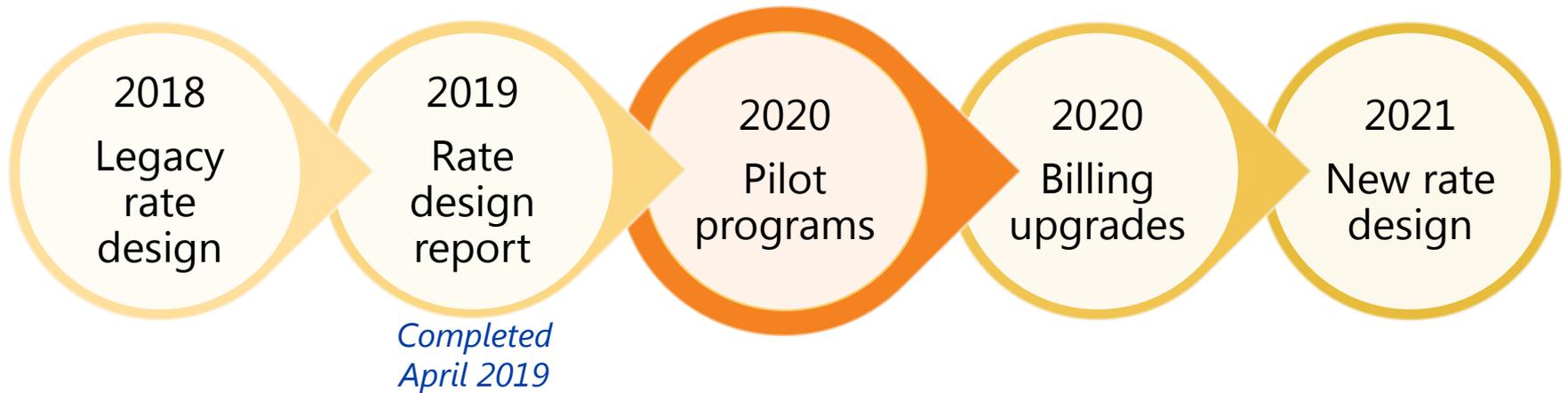
BPA Passthrough: -1.9%

Net impact -- > **-0.4%**

January 1, 2020 Rate Changes

	Non- Network	Downtown Network
General Service		
Small	5.5%	
Medium	5.7%	6.6%
Large	5.6%	6.6%
High Demand	5.9%	
Residential	4.7%	

Coming in 2021: Rate Redesign



Rate design of the future:

- 1) Demand response rates help reduce costs
- 2) Different rates targeting decarbonization, affordability, etc.
- 3) Customers choose rate plan that is right for them

Four Pilots Being Developed

Energy Equity

- Wraparound services to reduce energy burden
- For very low-income residential customers

Residential Time of Day

- Incentivize shifting consumption to off-peak times
- For high use households and potentially EV owners

Commercial Charging

- Incentivize electrification and charging off-peak
- For fleets and commercial charging providers

Industrial Demand Response

- Incentive for voluntary curtailment
- For large/industrial customers





Seattle City Light



Retail Sales Outlook

