



# Proposed Rate Adjustment Presentation

## Lakewood City Council

### September 23, 2024

Rosa McLeod, Regional Relations Manager



# Tacoma Public Utilities Overview

Our mission:

*We deliver clean, reliable services essential to quality of life.*

*Who we are:*

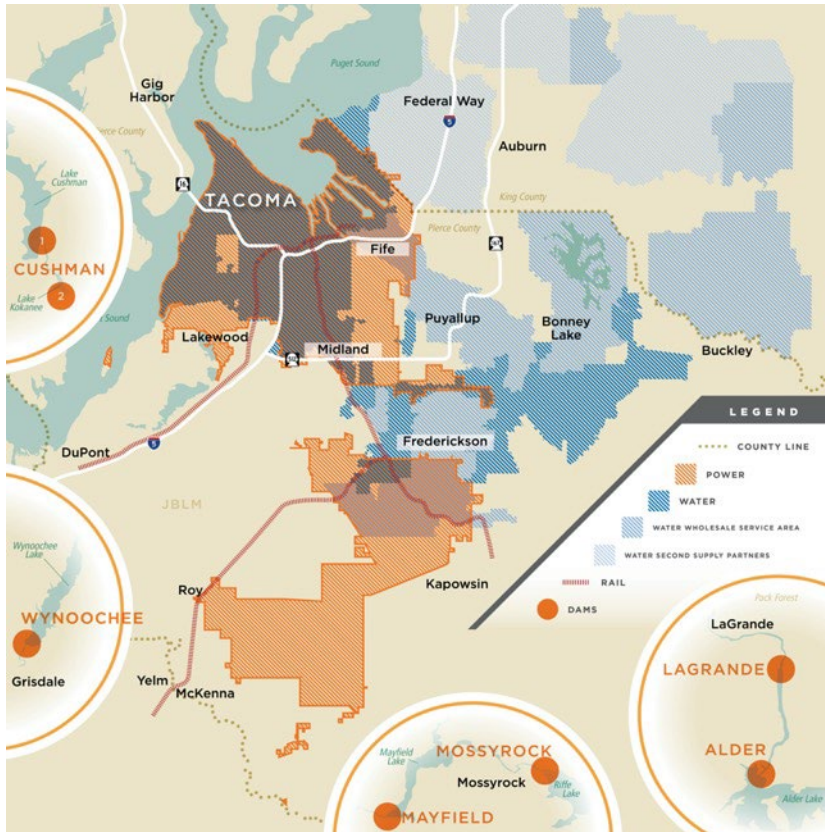




## About us:

- Public, not-for-profit, cost-of-service organization; we don't pay investors
- Serving the Tacoma/Pierce County community since 1893
- Govern by a 5-member Public Utility Board
- Jackie Flowers, Director of Public Utilities

# Tacoma Public Utilities Service Area



- 180 square miles of Power & Water service
- Power provides nearly carbon free electric service in Pierce county
- Water provides clean, reliable water throughout Pierce and South King counties
- Tacoma Rail provides short line rail services since 1914

# Commitment to Equity



## TPU is committed to achieving equity in our...

- Service delivery: Equitable service delivery
- Workforce: Our workforce reflects the community we serve.
- Community and Stakeholder Engagement: Purposeful community outreach and engagement.

# Our Service Portfolio



- Tacoma Power is one the cleanest utilities in the world, our portfolio is nearly carbon free.
- We manage our power supplies so we can meet customers' needs for decades to come.
- We are stewards of our environment by protecting lands, fish and wildlife.

# Rate Principles



- We are committed to gradual, consistent, stable, and predictable rate changes over the long term to avoid sudden or large changes.
- We bill customers only for the costs required to serve each customer.

# Rate Adjustments



## Why adjust rates?

- Increased costs from inflation
- Supply chain shortages
- Critical infrastructure



# Managing cost and affordability



- State and federal grants
- Refinancing bonds and loans
- Recycling and selling equipment, property
- Increasing sales of power and water to other utilities
- Implementing new, more efficient processes

# Managing cost and affordability



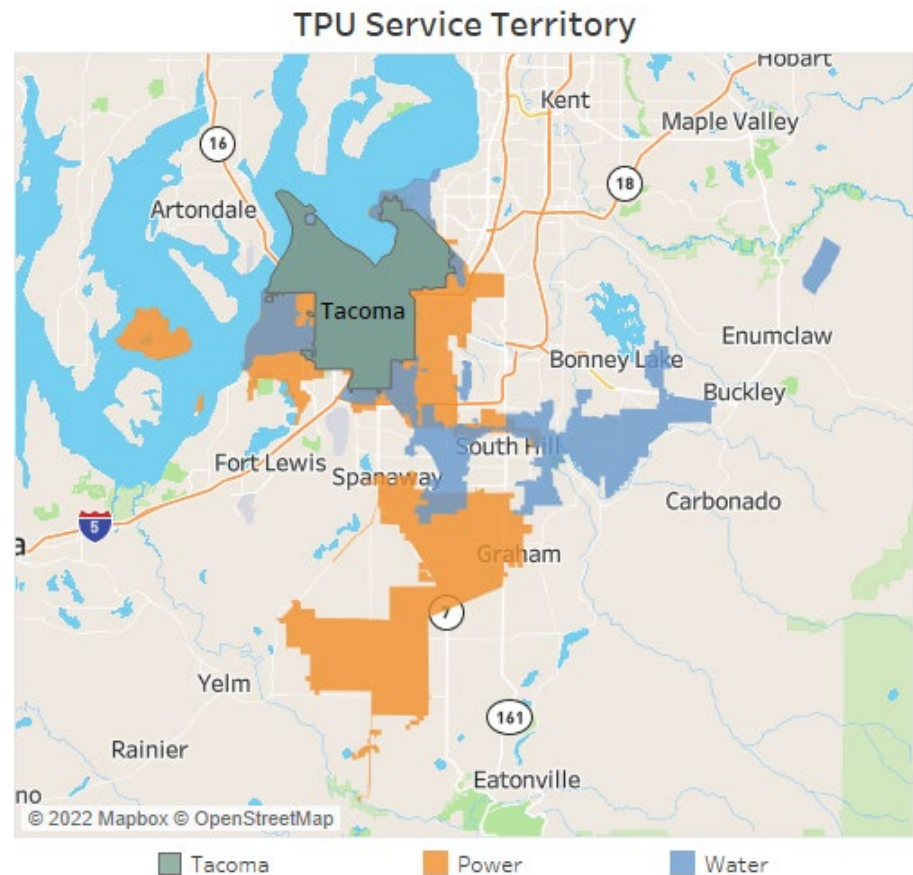
## About 29% of our customers can qualify for our financial assistance programs

Households under 60% of Area Median Income

29% TPU Service Territory

30% Inside Tacoma

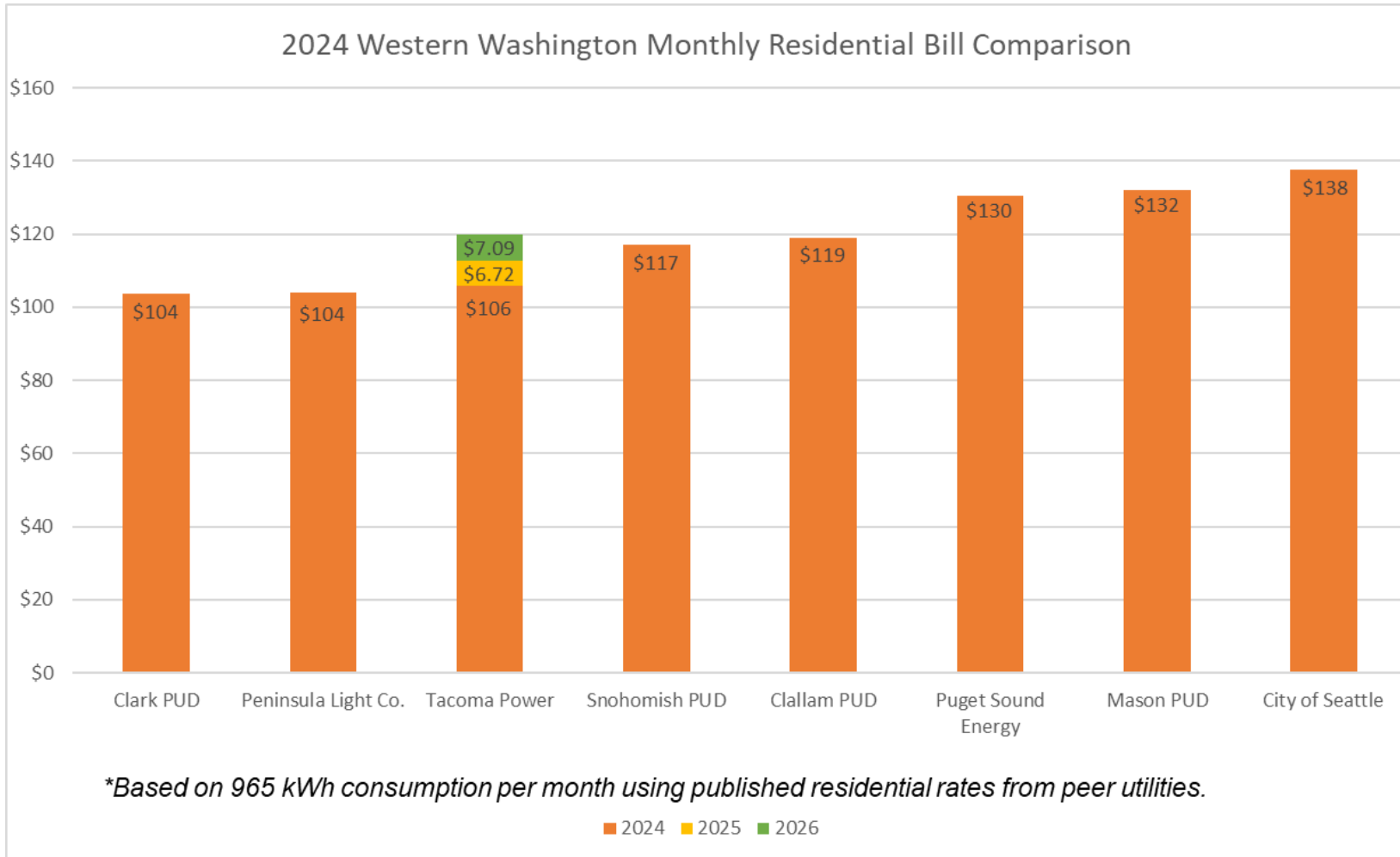
27% Outside Tacoma



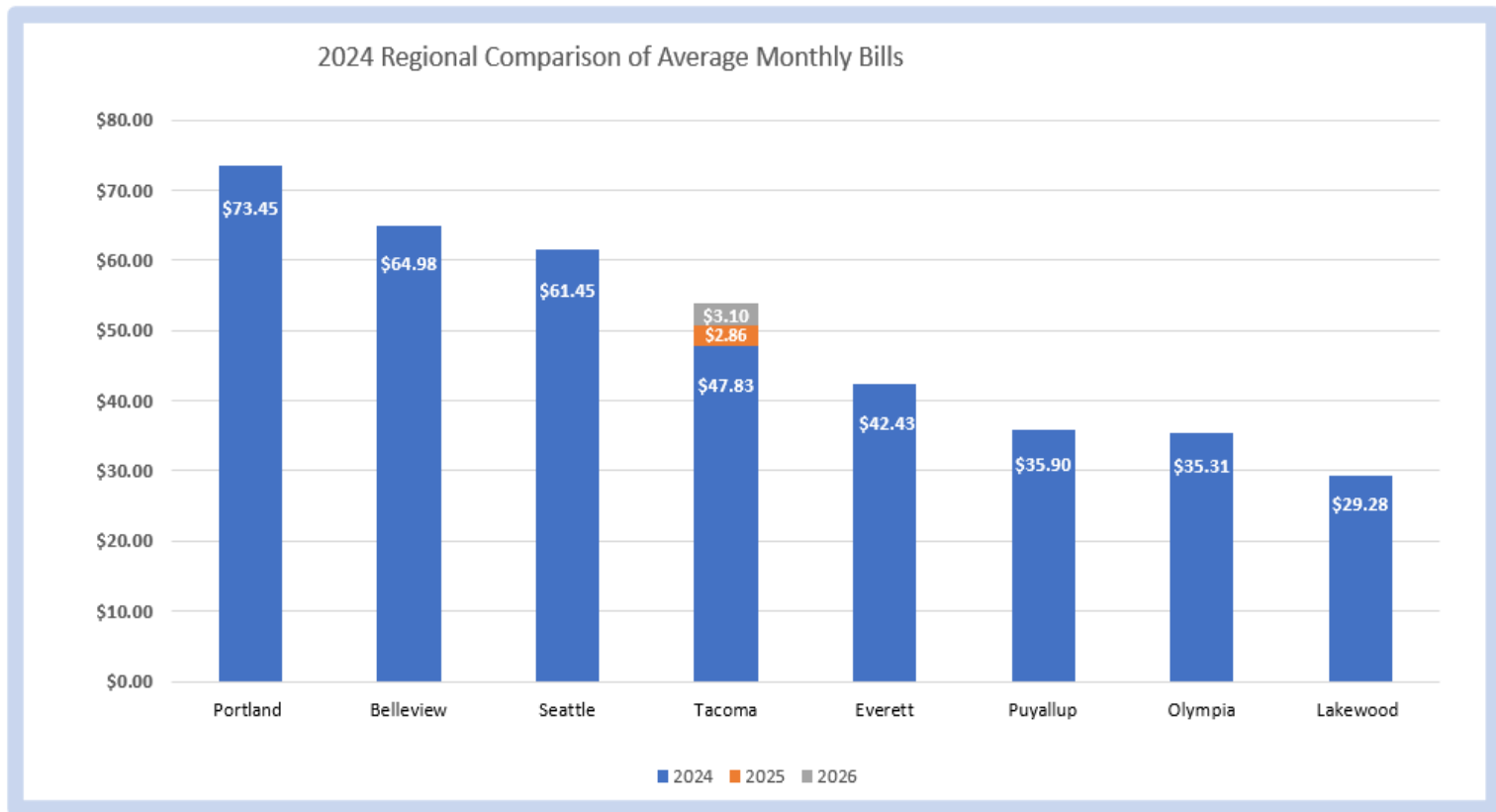
## Power Rate Adjustments

- **Residential Customers**
  - **6.5% average increase in 2025; \$6.72 average monthly increase**
  - **6.5% average increase in 2026; \$7.09 average monthly increase**

# Tacoma Power rate comparison



# Tacoma Water rate comparison

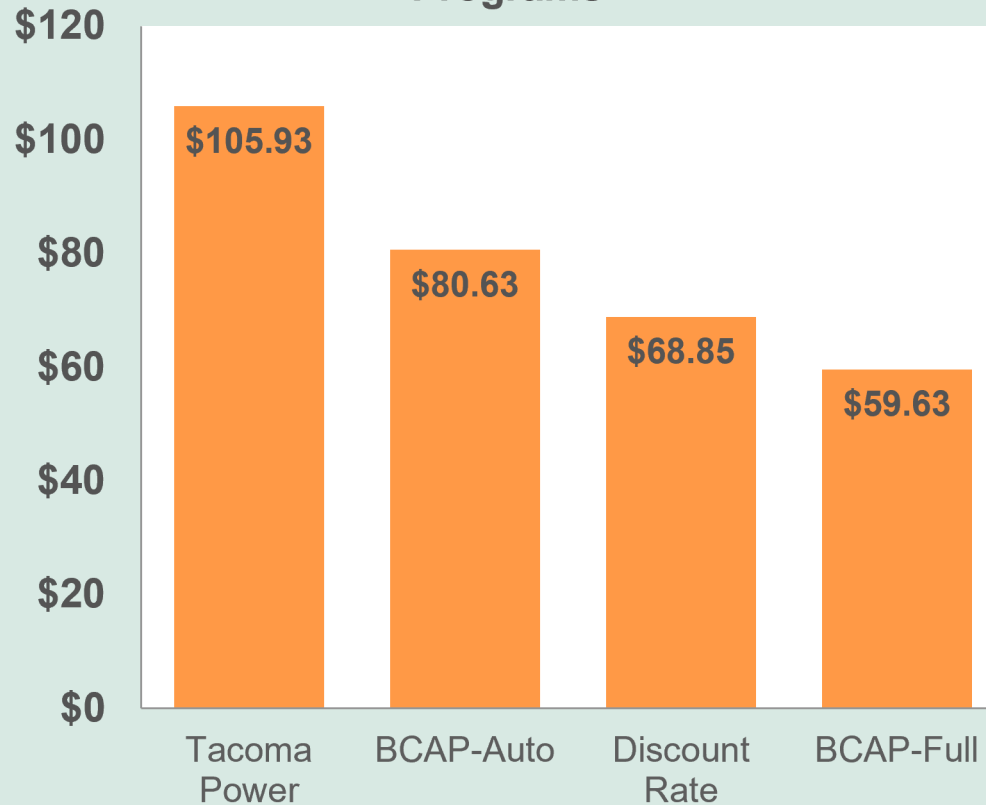


*The comparison assumes a single family consumes a monthly average of 6 CCF (4,488 gallons) in winter months and 9 CCF (6,732 gallons) in summer months, with a 5/8" meter.*

# Tacoma Power average monthly bill



2024 Comparison of Average Monthly Bills with and without TPU Customer Assistance Programs

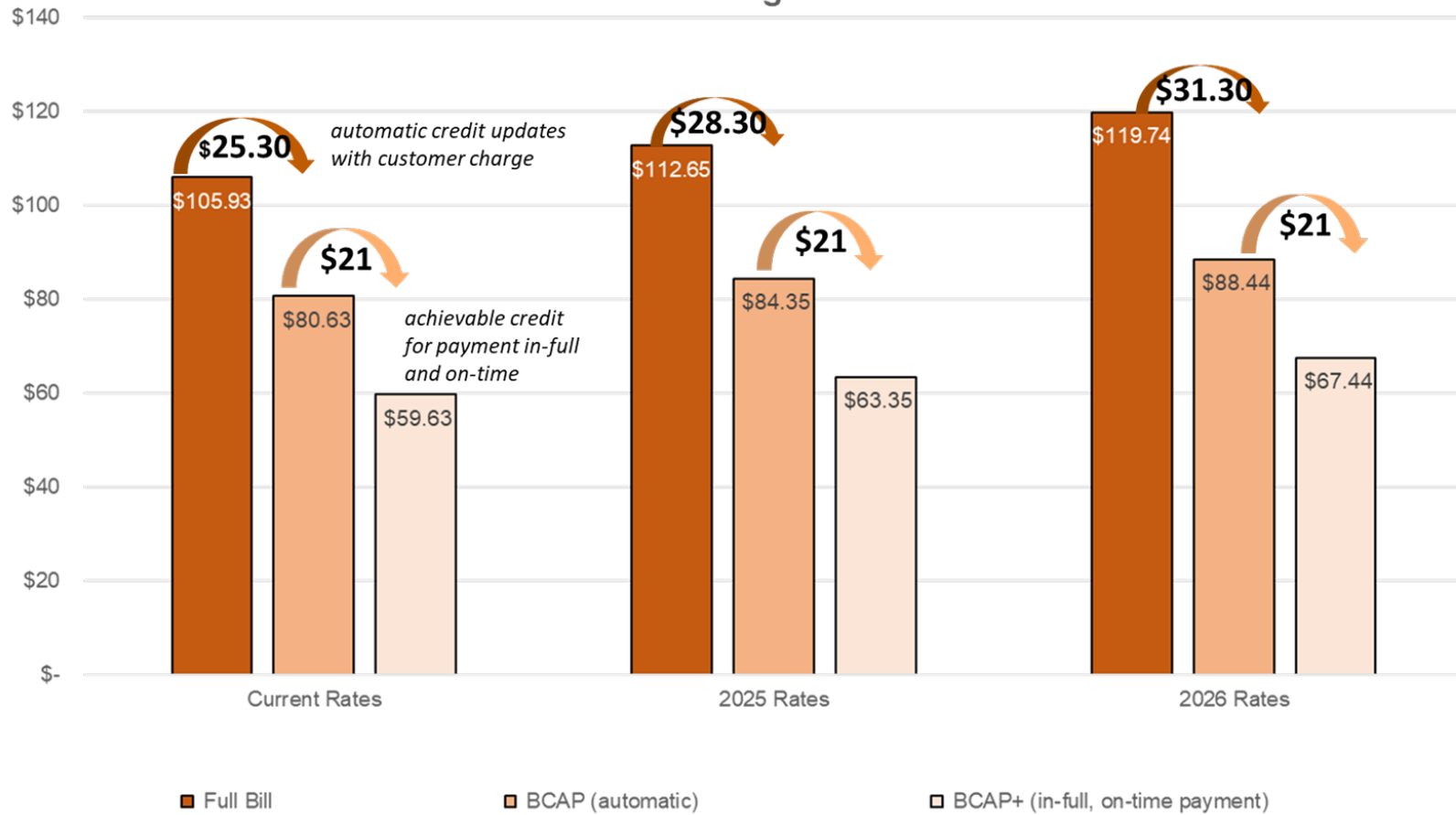


*\* Average monthly bill comparison based on residential rates at 965 kWh consumption.*

# Average Bill with BCAP Credit



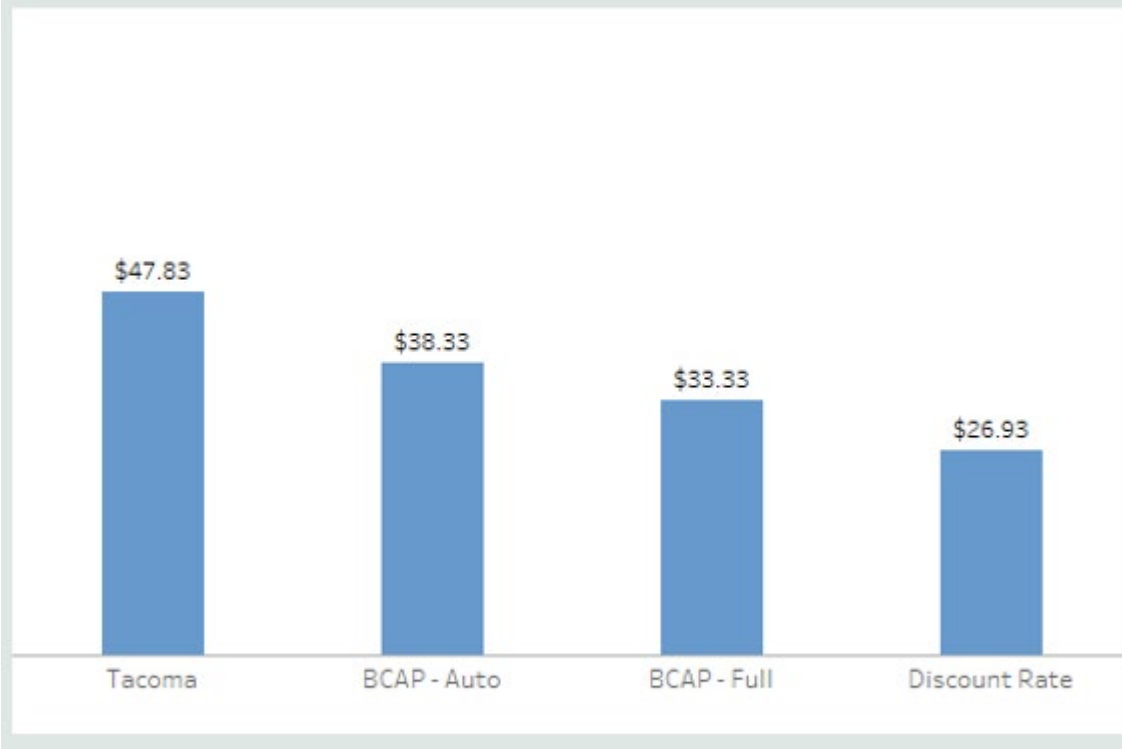
## Bill Credit Assistance Program Enhancements



# Tacoma Water average monthly bill



## 2024 Comparison of Average Monthly Bills with and without TPU Customer Assistance Programs



*For BCAP customers, the monthly average is less, with 6 CCF in winter months and 7 CCF in summer months. For Discount Rate customers, the monthly average is also less, with 4 CCF in winter months and 6 CCF in summer months.*



# BCAP credits



2024 BCAP Credit Amounts	Automatic Credit	Achievable Credit	Monthly Total	Annual Total
Electricity	\$ 25.30	\$ 21.00	\$ 46.30	\$ 555.60
Drinking Water	\$ 7.00	\$ 5.00	\$ 12.00	\$ 144.00
Wastewater	\$ 7.00	\$ 7.00	\$ 14.00	\$ 168.00
Stormwater	\$ 3.00	\$ 3.00	\$ 6.00	\$ 72.00
Solid Waste	\$ 8.00	\$ 6.00	\$ 14.00	\$ 168.00
<b>TOTAL*</b>	<b>\$ 50.30</b>	<b>\$ 42.00</b>	<b>\$ 92.30</b>	<b>\$ 1,107.60</b>

# How to lower your costs



- Conservation — lowers your cost and good for the environment, visit: [MyTPU.org/Rebates](https://MyTPU.org/Rebates)
- Zero-interest and deferred loans - support for energy efficient home improvement projects
- Payment assistance – programs available for income qualifying customers, including seniors and people living with a disability visit: [MyTPU.org/Assistance](https://MyTPU.org/Assistance)

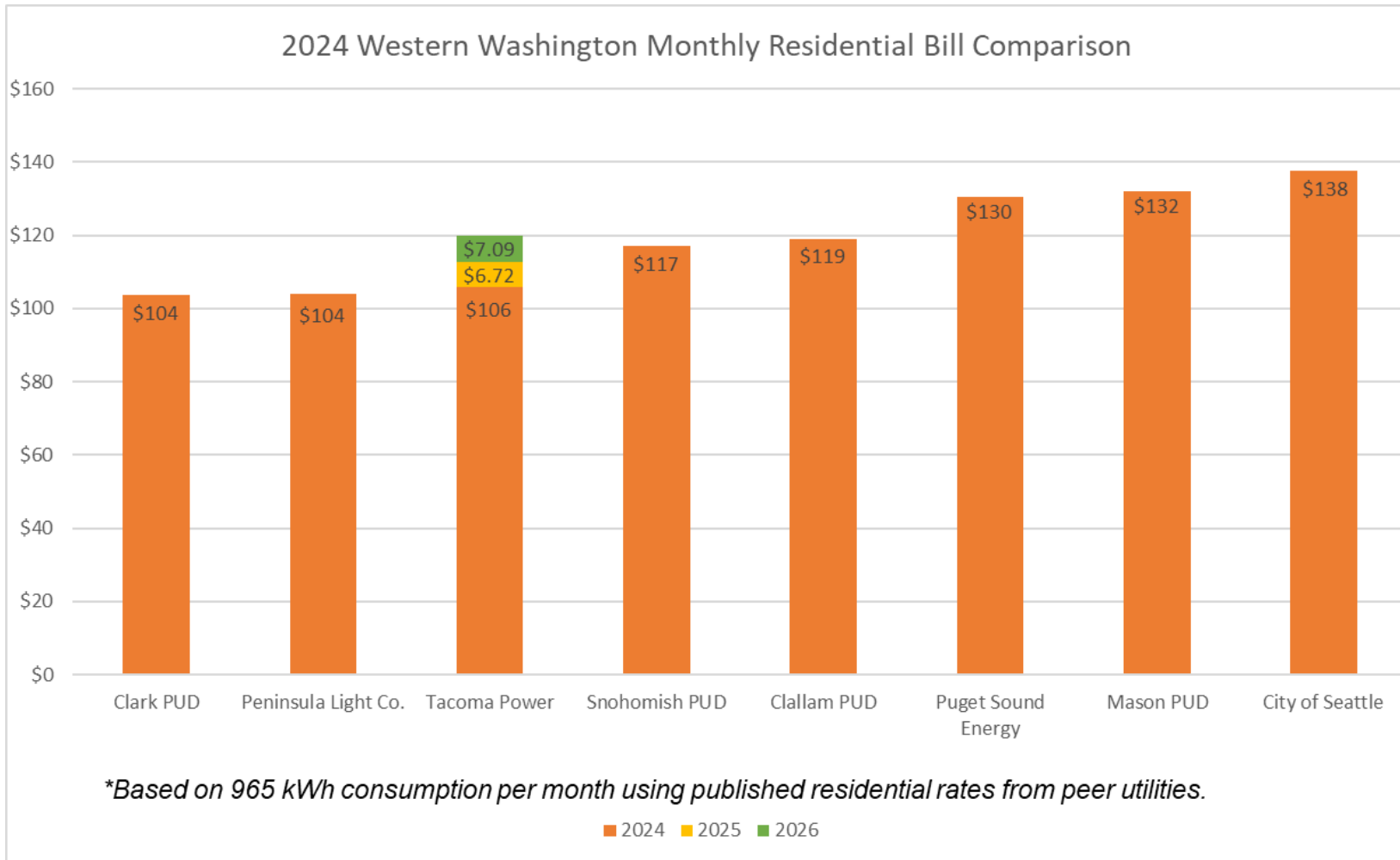
*Want to learn more or get involved?*



## Visit our website: [MyTPU.org/Rates](https://mytpu.org/Rates)

- Review information about our rates
- Attend public meetings and provide comments or submit written public comments
  - Rates Public Hearing on October 9th, 6pm
- Subscribe to our email newsletter
- [Public Utility Board - Tacoma Public Utilities \(mytpu.org\)](https://mytpu.org)

# Tacoma Power rate comparison



# Contact



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