

Proposed Rate Adjustment Presentation

Fife City Council

September 24, 2024

Rosa McLeod, Regional Relations Manager

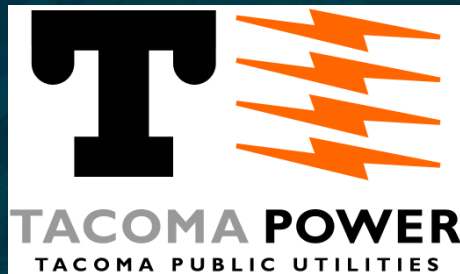


Tacoma Public Utilities Overview

Our mission:

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

Who we are:



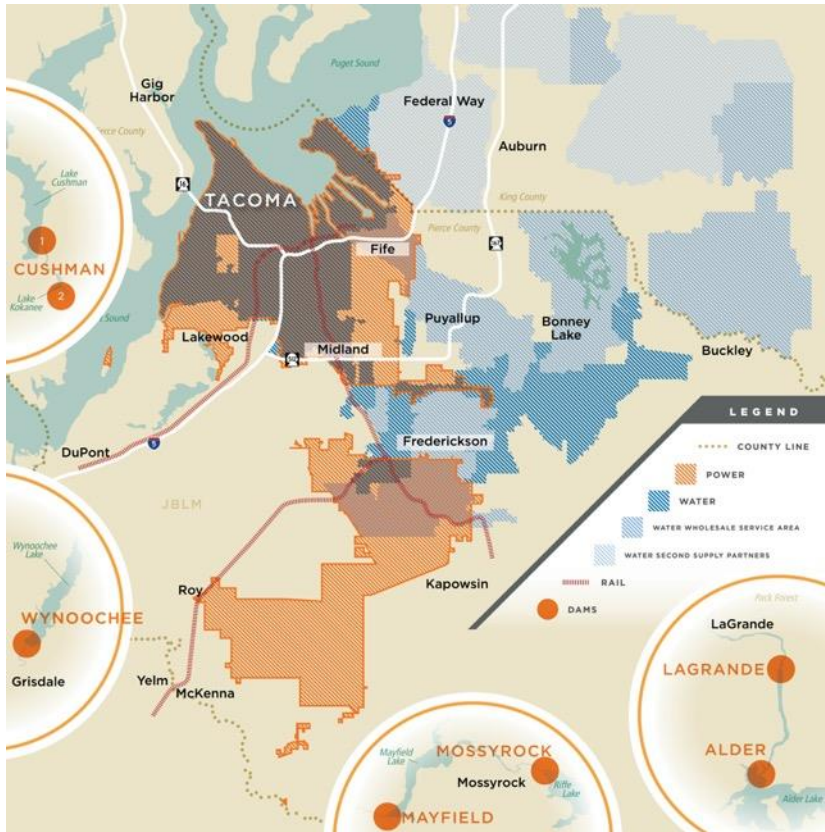
Tacoma Public Utilities Overview



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

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 have an ample, sustainable water supply
- We manage our water and power supplies so we can meet customers' needs for decades to come
- Our water system relies primarily on gravity, minimizing the electricity needed
- 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.

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

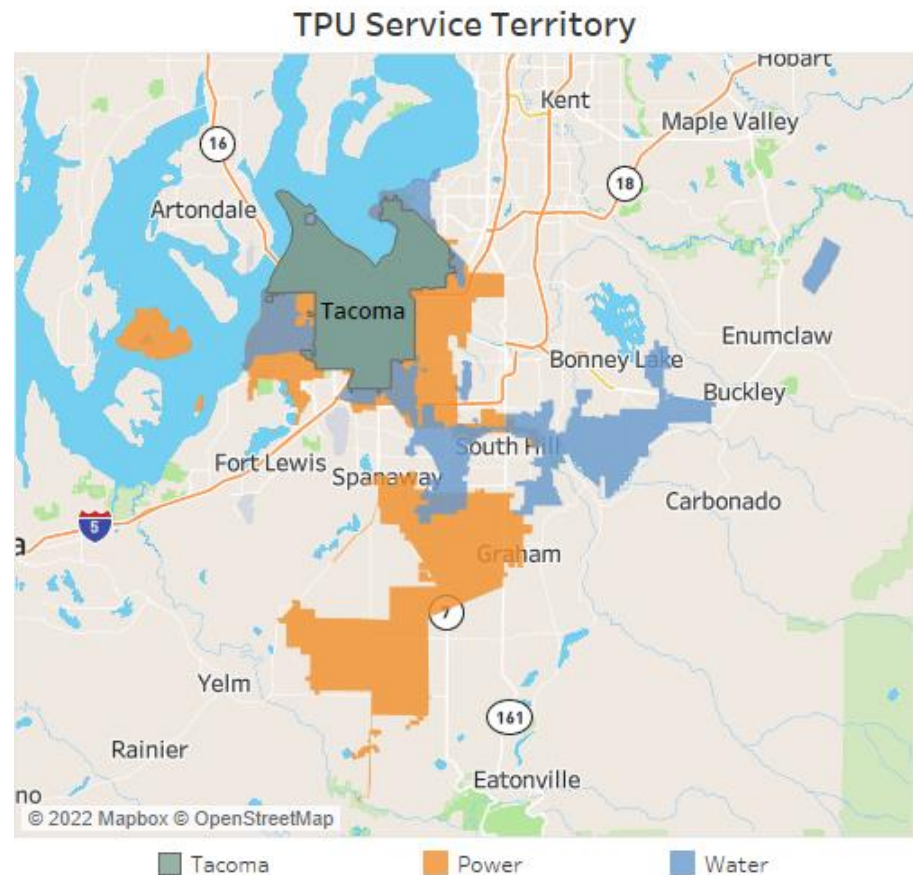
About 29% of our customers can qualify for our financial assistance programs

Households under 60% of Area Median Income

29% TPU Service Territory

30% Inside Tacoma

27% Outside Tacoma



Adjustments are per year for both 2023 and 2024

Power

- **6.5% System-average increases in 2025 and 2026**

Residential Customers

- 6.5% average increase in 2025; \$6.72 average monthly increase
- 3.9% average increase in 2026; \$7.09 average monthly increase

Water

- **6.3% System-average increase 2025 and 2026**

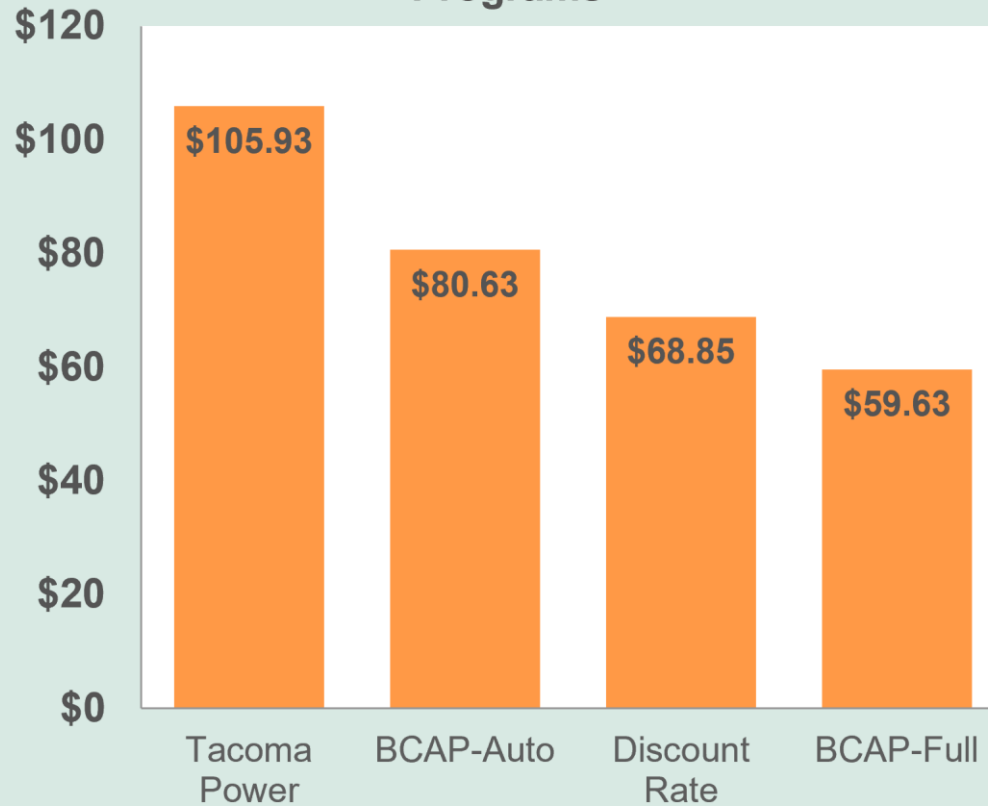
Residential Customers (outside Tacoma)

- 6.3% average increase in 2025; \$3.46 average monthly increase
- 6.3% average increase in 2026; \$3.67 average monthly increase

Tacoma Power average monthly bill



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

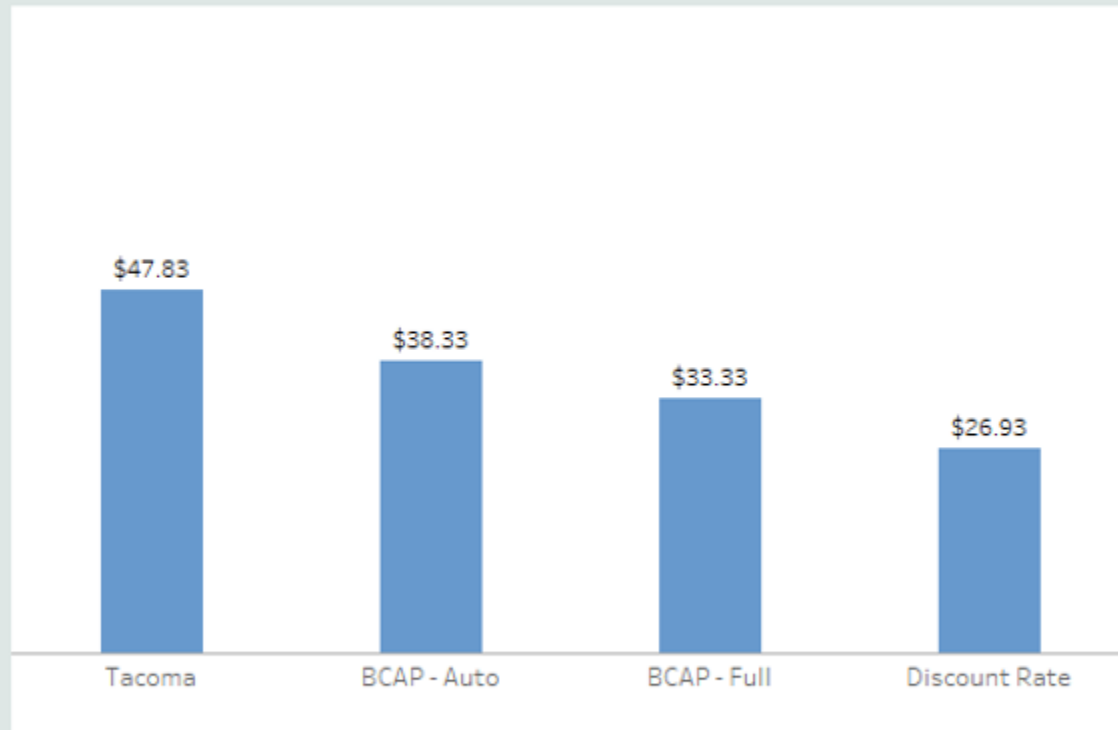


** Average monthly bill comparison based on residential rates at 965 kWh consumption.*

Tacoma Water average monthly bill



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

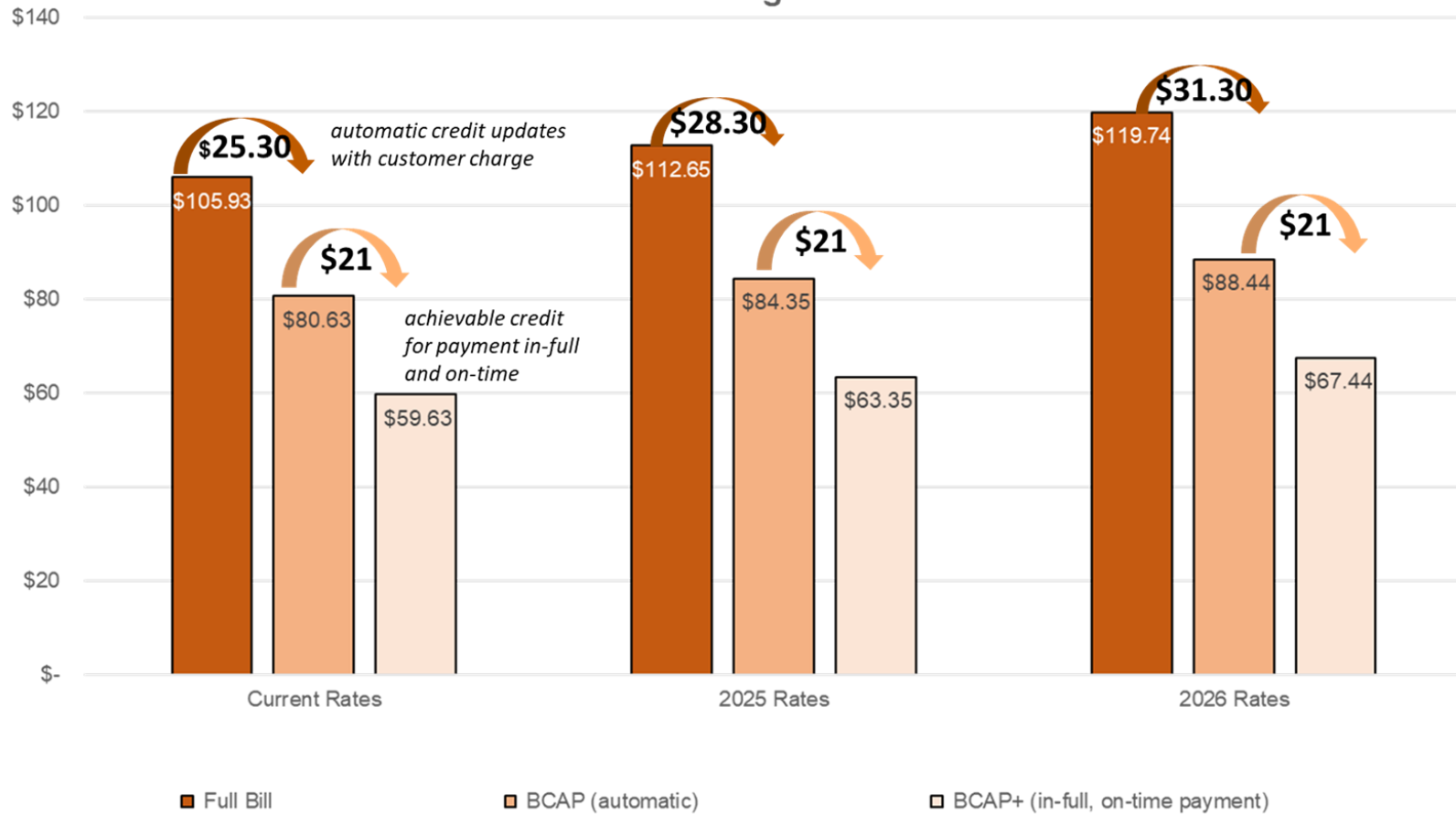


For BCAP customers, the monthly average is less, with 6 CCF in winter months and 7 CCF in summer months. For Discount Rate customers, the monthly average is also less, with 4 CCF in winter months and 6 CCF in summer months.

Average Bill with BCAP Credit



Bill Credit Assistance Program Enhancements

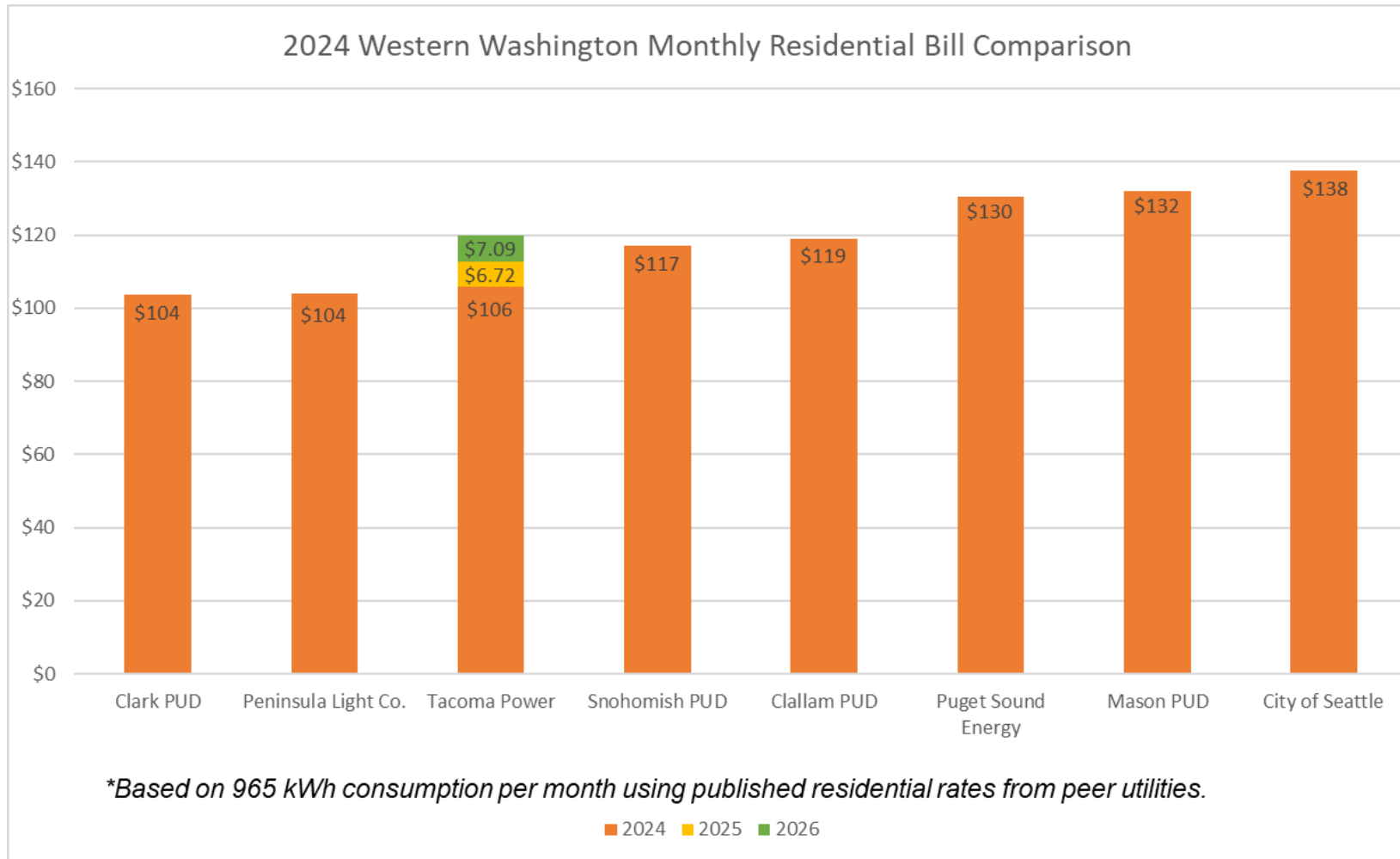


2024 BCAP credits



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
TOTAL*	\$ 50.30	\$ 42.00	\$ 92.30	\$ 1,107.60

Tacoma Power rate comparison



How to lower your costs



- Conservation — lowers your cost and good for the environment, visit: 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

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 rates email notification
- [Public Utility Board - Tacoma Public Utilities \(mytpu.org\)](https://mytpu.org)

Contact



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