

*Serving our customers*

# TPU Proposed Rate Adjustment Presentation

Pierce County Council  
October 8, 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

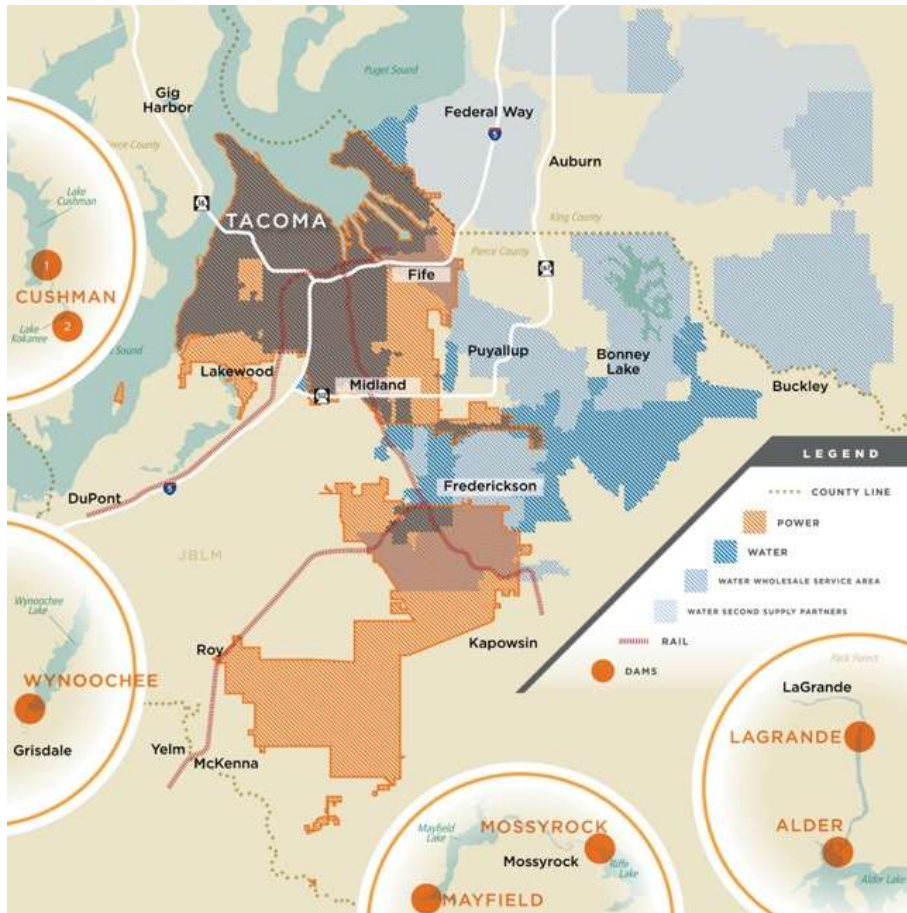


## About us:

- 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

# 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 have an ample, sustainable water supply
- 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.

## 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



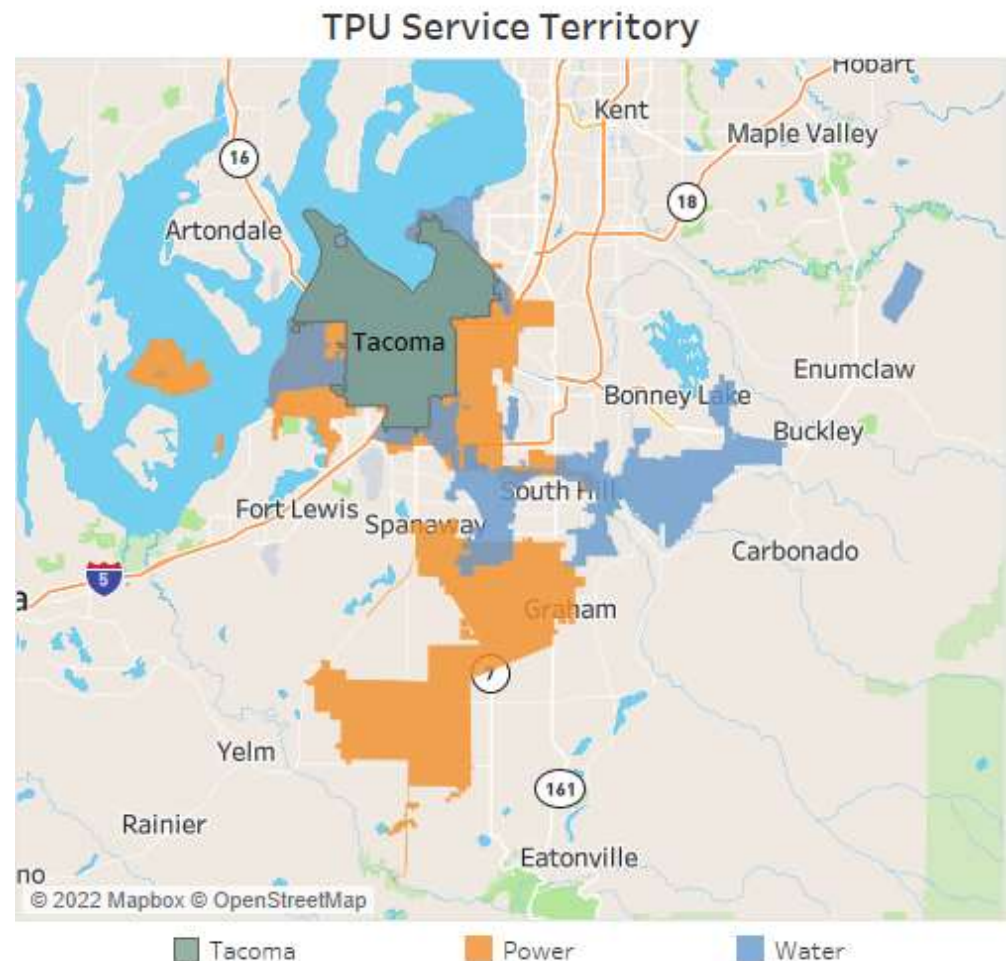
## About 29% of our customers can qualify for our financial assistance programs

Households under 60% of Area Median Income

29% TPU Service Territory

30% Inside Tacoma

27% Outside Tacoma





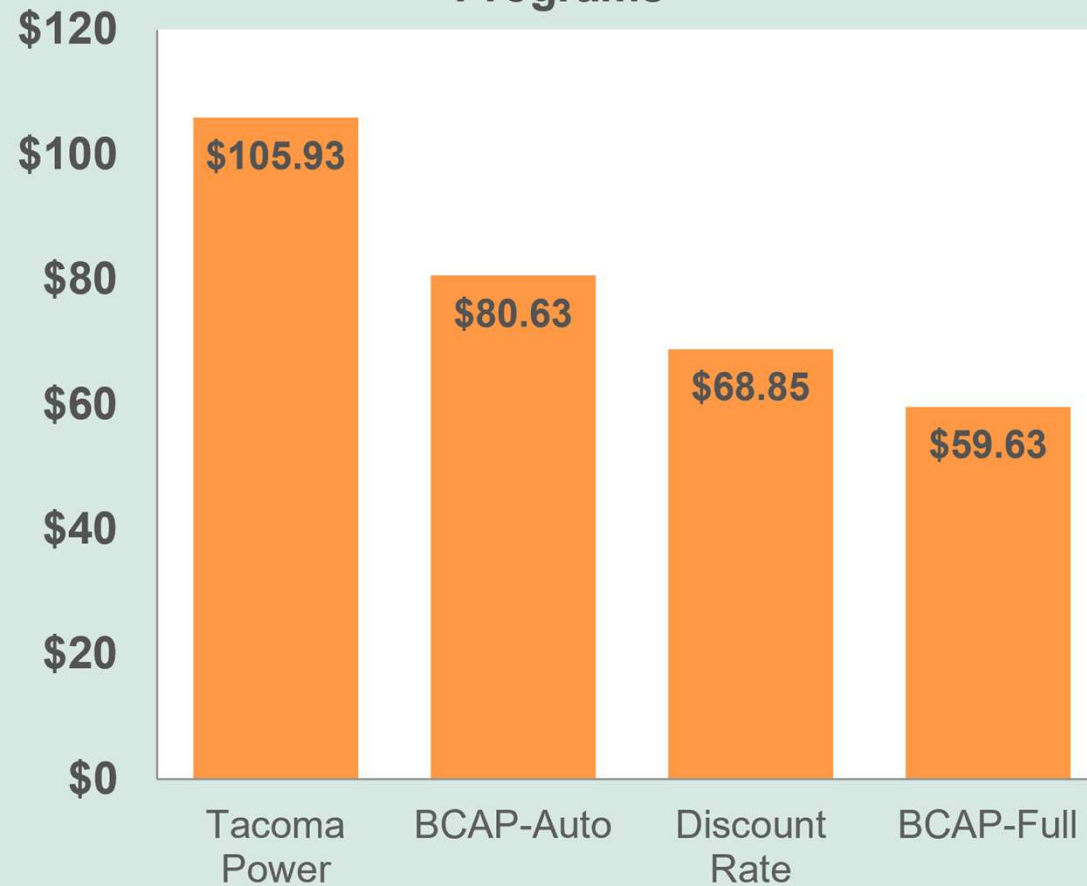
## Power Rate Adjustments

- **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 average monthly bill

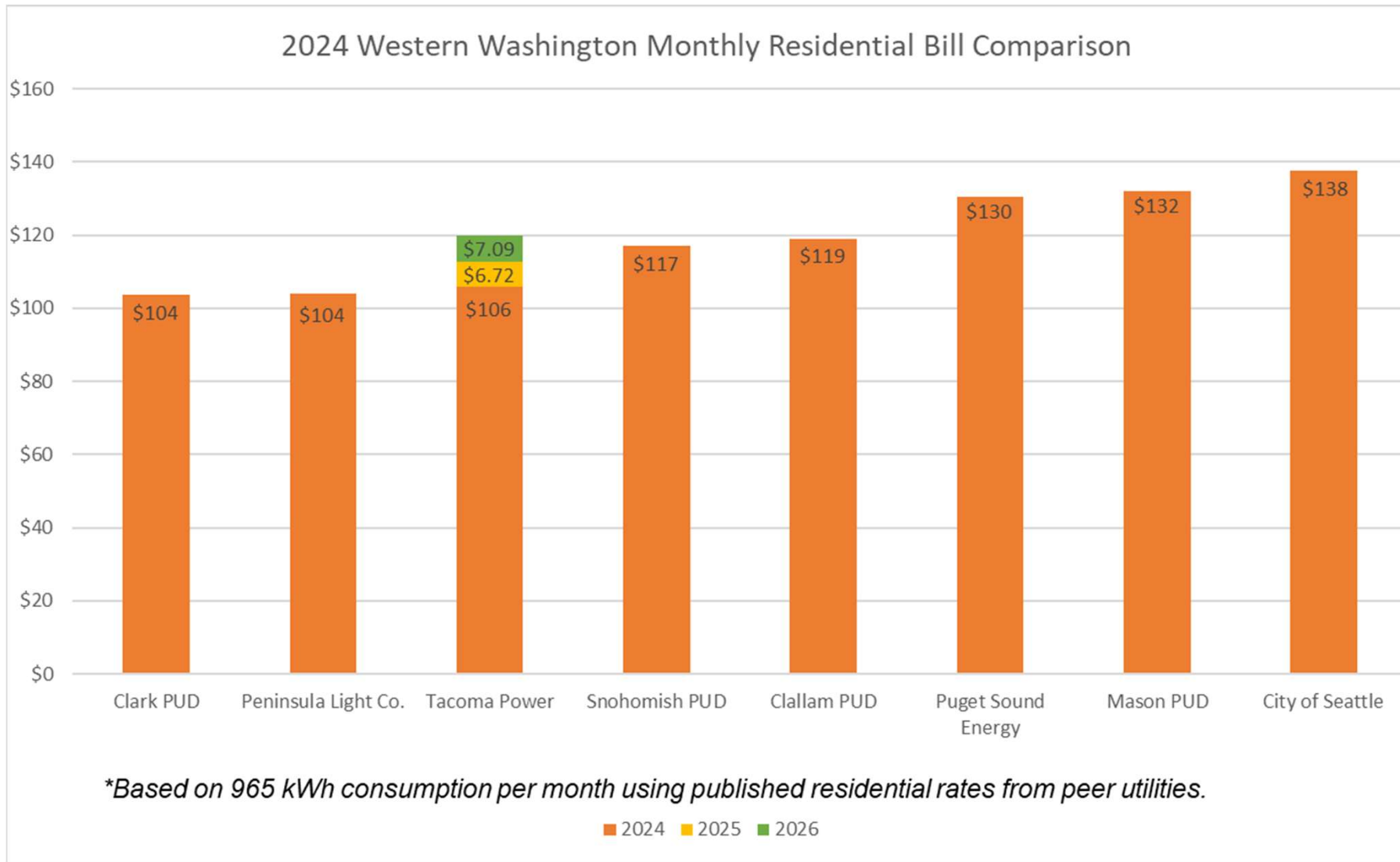


2024 Comparison of Average Monthly Bills with and without TPU Customer Assistance Programs



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

# Tacoma Power rate comparison

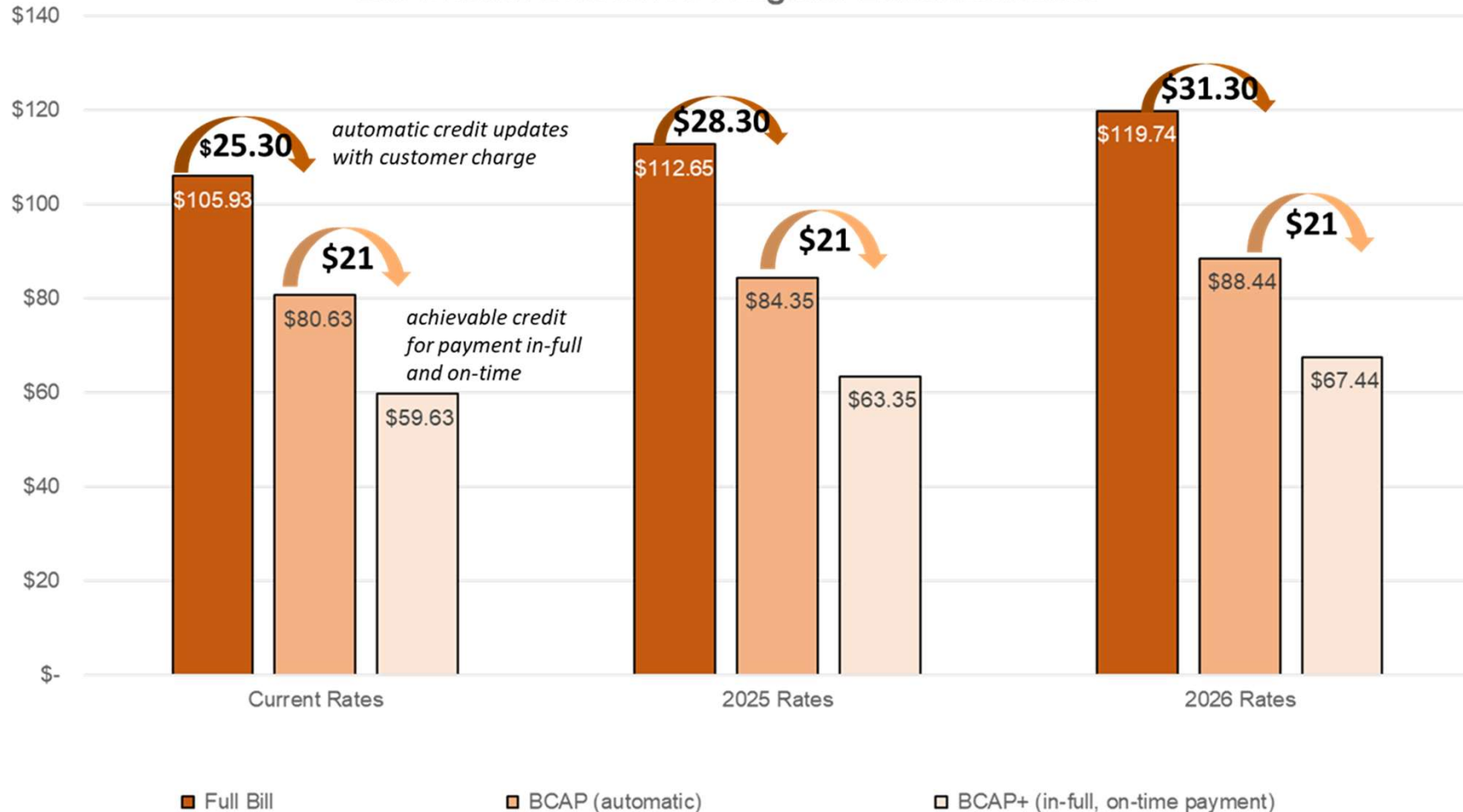




# Average Bill with BCAP Credit



## Bill Credit Assistance Program Enhancements

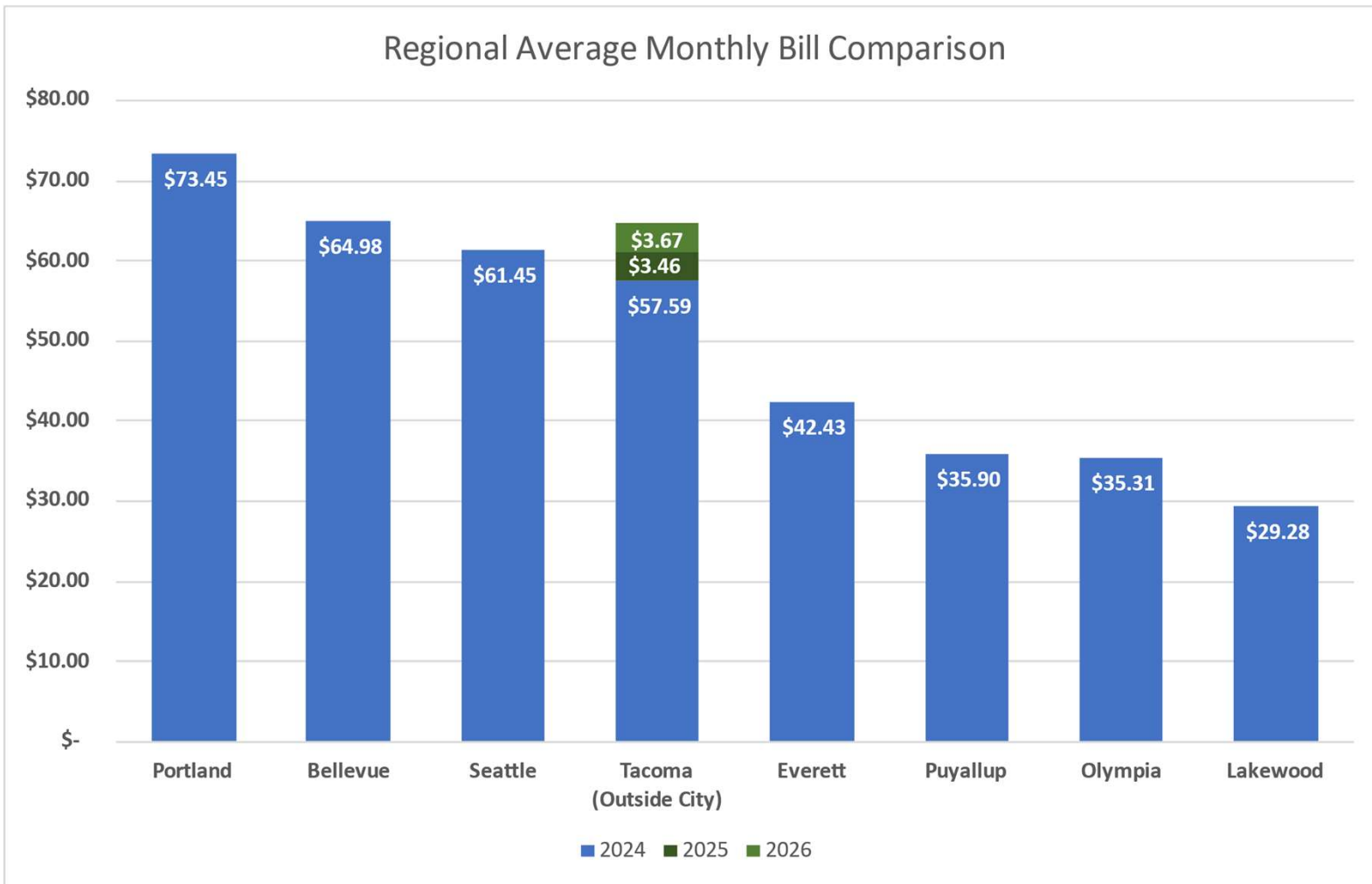




## Water Rate Adjustments

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

# Tacoma Water rate comparison



# 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://www.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://www.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



Rosa McLeod

Regional Relations Manager

[RMcLeod@cityoftacoma.org](mailto:RMcLeod@cityoftacoma.org)

C: 253-778-3785