



APPROVED 10-11-17

MINUTES
City of Tacoma
Public Utility Board Study Session
September 27, 2017
3:00 p.m.

Chair Trudnowski called the Public Utility Board study session to order at 3:00 p.m. at the Public Utilities Administration Building.

Present: Monique Trudnowski; Woodrow E. Jones, Jr., Bryan Flint, Mark Patterson
Excused: Karen Larkin

Customer Service: PayBox Replacement Project

Steve Hatcher, Customer Services Manager, made introductory remarks. TPU has utilized payment kiosks for 14 years. Currently, there are kiosks at nine Safeway stores, two at TPU, and one at TMB. Mike Hill, Assistant Customer Services Manager, provided additional background. The 2010 strategic plan encouraged the adoption of customer self-service technologies, resulting in the replacement of the first generation of kiosks. On average, the kiosks process 115,000 transactions and collect approximately \$20M in revenue annually. The kiosks have exceeded their expected end of life by two and a half years and are failing at an exponential rate requiring internal resources to keep them operational. An RFI was published in 2016 allowing the market place an opportunity to provide a variety of remote payment options and three vendors responded. Submittals were reviewed and scored with CityBase being the staff recommended vendor. CityBase solution supports TPU's technology strategy roadmap by offering a cloud-based solution and were the only vendor who offered a business model that did not charge the customer a fee for making a payment. This recommended vendor will provide increased payment and receipting options, increased deployment flexibility, the ability to reliably support current and future programs, enhanced reporting via website portal, and the ability to redeploy internal technical staff to other areas of need. This project is included in the approved capital budget with go-live targeted in December 2017/January 2018.

Tacoma Power: Low Income Conservation

Clay Norris, Power Manager, made introductory remarks. As background, acquiring conservation resources today allows the delay of purchasing more expensive resources. Also, the Energy Independence Act requires large public utilities to acquire all cost effective conservation. Environmental stewardship and customer engagement are secondary benefits. The methodology to determine how much conservation to acquire and which measures to offer were then detailed. Total Resource Cost (TRC) is a social test that compares total benefits to total costs and Utility Cost Test (UCT) is a utility centric test that compares utility benefits to utility costs. Graphical illustrations of conservation targets trending down over time were

shared. The low-income program has focused on expensive, long-term energy investments; it is similar to non-low income, but the utility pays 100 percent of the cost. These include windows, insulation and heating systems. Low-income energy efficiency represents half of TPU's low-income spending and operates on a larger scale than peer utilities. The program has been successful in lowering bills for participating low-income customers. Savings for key measures reduced were detailed. Staff has found that double pane windows and ductless heat pumps are cost effective for non-low income customers and not cost effective for low-income customers. Staff plans to remove single family ductless heat pumps from the low-income program as it is no longer cost effective. Tacoma Power maintains a core low-income weatherization program. Jeremy Stewart, Power Analyst, introduced a new low-income program for 2018-2019 proposed by staff. Ideas included in the current draft of the 2018-2019 conservation plan will be targeted at rental housing and manufactured homes and will have a personalized approach to high use weatherization projects. Ideas under consideration, but requiring additional research are providing an energy score for rental housing and alternative low-income certification criteria.

Executive Session

Mr. Jones moved to convene an executive session at 4:45 p.m. for the purposes of discussing potential litigation (RCW 42.30.110(i) and to review the performance of a public employee (RCW 42.30.110(g) for 30 minutes; seconded by Mr. Patterson. Attorney present was Bill Fosbre, City Attorney. The executive session was adjourned at 5:15 p.m.

Adjournment

The study session was adjourned at 5:15 p.m. until the next regularly scheduled study session on Wednesday, October 11, 2017 at 3:00 p.m.

Approved:

Approved:

Monique Trudnowski, Chair

Karen Larkin, Secretary