

2019 QUICK FACTS

OUR MISSION

Tacoma Public Utilities provides services that are vital to our quality of life.

Power • Water • Rail • Click!



1,403
EMPLOYEES

NOTEWORTHY

Our employees volunteered 509 hours at the Emergency Food Network - more than any other volunteer group - earning its top honor, the Silver Spoon Award.

REVENUE & BUDGET



2017 operating revenue

\$590.4 MILLION

2017-2018 budget

\$1.2 BILLION



LEADERSHIP

We are governed by a five-member utility board, the members of which appoint the Director of Utilities. Board members serve five-year terms.

BOARD


- Woodrow Jones • Chair
- Karen Larkin • Vice-Chair
- Bryan Flint • Secretary
- Mark Patterson
- Christine Cooley

MANAGEMENT

- Jackie Flowers • Director of Utilities / CEO
- Chris Robinson • Tacoma Power Superintendent
- Scott Dewhirst • Tacoma Water Superintendent
- Dale King • Tacoma Rail Superintendent
- Steve Hatcher • Customer Services Manager
- Jim Sant • Deputy Director for Administration

SERVING OUR COMMUNITY

TPU HELPED **1,093**
HOUSEHOLDS PAY
THEIR UTILITY BILLS
WITH
\$194,339
IN ASSISTANCE



In addition, TPU gave qualifying seniors and adults receiving disability benefits more than

\$2.97 million

in discounted utility bills.

COMMUNITY CONNECTION

EMPLOYEES VOLUNTEERED
1,828 HOURS

With local nonprofit organizations and...

...GAVE
MORE
THAN

\$381,195

In cash, products, and volunteer time

Our 2018 strategic themes were community understanding and support, workforce development, operational innovation and operational optimization to achieve our mission to provide clean, reliable water. We identified safety as a core value and put focus on improving our safety culture. Workforce Connect and the Advanced Meters project, two large multi-year efforts to improve how we work and serve our customers, were underway in 2018.

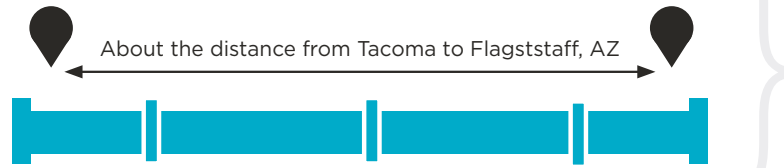


MAINS & SERVICE AREA

117
square miles of service area

1,399 MILES OF WATER MAINS

1,257 DISTRIBUTION & 142 TRANSMISSION



SUPPLY in million gallons per day

95% GREEN RIVER UP TO 150 MGD

5% LOCAL WELLS 48 mgd

STORAGE

MCMILLIN RESERVOIR

67.6
MILLION GALLONS

73.1
MILLION GALLONS

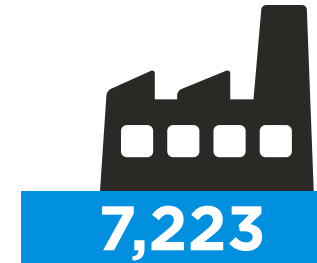
18 OTHER RESERVOIRS AND STANDPIPES

CUSTOMERS RESIDENTIAL

103,116
total customers



COMMERCIAL/INDUSTRIAL



TACOMA CITY LIMITS

62%

INSIDE

38%

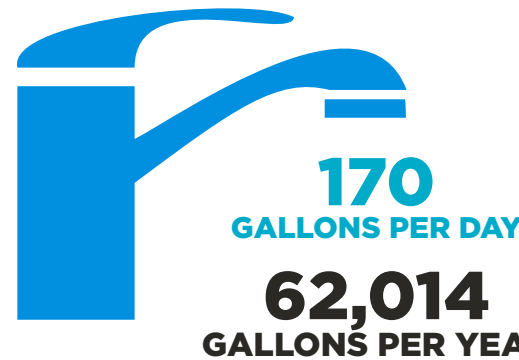
OUTSIDE

People served directly by Tacoma Water **337,900**

* Through wholesale connections 295,600

* In partner service areas 237,300

AVERAGE HOUSEHOLD USE



Daily Annually

2017 169 61,685

2016 189 69,056

2015 195 71,239

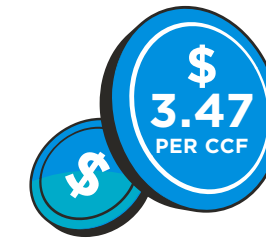
2014 186 67,923

2013 182 66,705

6,253,044,380
TOTAL GALLONS USED IN 2018

RATES

We are proud to say that our rates are among the lowest in the region.



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748 GALLONS

City of Puyallup

\$24 month
\$290 year

City of Bellevue

\$48 month
\$581 year

City of Seattle

\$54 month
\$664 year



AVERAGE COST PER HOUSEHOLD + INSIDE CITY

FINANCIAL

As a result of careful financial, ratemaking and risk management processes, our bond ratings are stable, which helps Tacoma Water borrow money at low interest rates. That helps keep rates low.

Value of our fixed assets
\$871.0 MILLION

Total operating revenue
\$101.9 MILLION

BOND RATINGS

Moody's **Aa2**
Standard & Poor's **AA**

TAXES WE PAY

Tacoma Gross Earnings
\$7.7 MILLION
Federal (Social Security)
\$1.6 MILLION
State
\$5.4 MILLION
Other cities' and counties' fees
\$660,095
Taxes as a percent of total revenue
15.8%



NOTEWORTHY

- The Green River Filtration Facility was awarded a Bronze Certificate of Achievement under the Department of Health Treatment Optimization Program for three years of outstanding performance.
- Voluntary testing for manmade perfluorinated chemicals known as PFAS was conducted at individual groundwater wells and the Green River.

ENVIRONMENT

WHAT WE DID TO PROTECT LAND AND WATER

- Re-routed and restored 478-feet of the Deep Creek stream channel in King County to protect a major water transmission pipeline. Restoration included developing a new stream channel, removing human debris and non-native vegetation, re-establishing a natural floodplain, placing log jams and large wood for habitat development, and installing native vegetation. The project will improve spawning habitat for kokanee salmon and native trout.
- Completed an approximately 70-mile habitat monitoring project survey in the Upper Green River Watershed that totaled 180 acres of aquatic habitat.
- Finished the Deep Creek Pipeline Protection Project that both protected Pipeline 1 from further erosion and enhanced in-stream habitat conditions.
- Captured 34 chinook salmon, 60 coho salmon, and nine steelhead trout at the Green River Trap and Sort Facility.

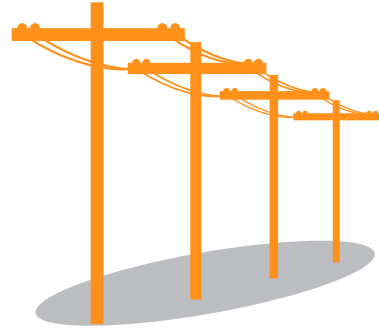


Tacoma Power delivered on its strategic initiatives to care for the environment, improve safety at work, leverage data and pursue organizational improvements that sustain affordability for our customers.

LINES & SERVICE AREA

180
square miles of service area

OVERHEAD
1,526
UNDERGROUND
853

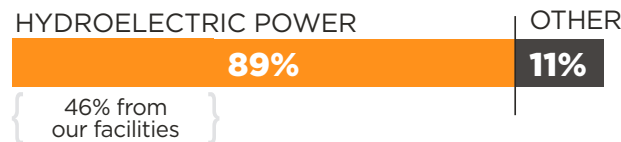
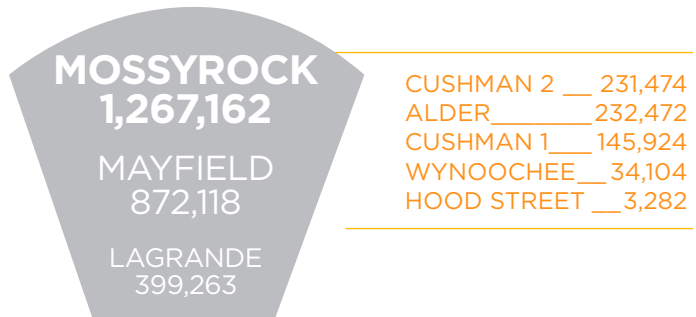


2,374 MILES OF POWER LINES

2,027 DISTRIBUTION & 352 TRANSMISSION

About the distance from Tacoma to Dayton, OH

GENERATION in megawatt-hours produced per year



SUBSTATIONS

- 4 main/transmission substations
- 5 switching stations
- 49 distribution substations
- 13 dedicated distribution substations
- 23 BPA customer substations
- 8 generation switchyards

795
EMPLOYEES

CUSTOMERS

178,272
total customers

RESIDENTIAL

158,974

TACOMA CITY LIMITS



COMMERCIAL/INDUSTRIAL

19,298

411,000 total people served, approximately

AVERAGE HOUSEHOLD USE

32.2
kWh PER DAY
11,770
kWh PER YEAR

Daily Annually

| | | | |
|-------------|------|-------|--------|
| 2017 | 33.5 | | 12,242 |
| 2016 | 31 | | 11,494 |
| 2015 | 31 | | 11,315 |
| 2014 | 33 | | 12,029 |
| 2013 | 34 | | 12,490 |

CONSERVATION

The utility relies on conservation, as opposed to other, more expensive power sources.

73.6 MILLION kWh
SAVED
16.9 residential
56.7 commercial

\$15 MILLION
INVESTED
\$9.8 million
PAID BY TACOMA POWER
\$5.2 million
PAID BY CUSTOMERS

ENVIRONMENT

WHAT WE DID TO PROTECT LAND AND

- Thinned 588 acres of dense forest on Cowlitz wildlife lands
- Provided and maintained 60 wood duck nest boxes on Nisqually and Cushman wildlife lands
- Provided 17 bat boxes on Nisqually and Cushman wildlife lands
- Maintained and monitored 75 acres of elk forage fields on the Cushman wildlife lands
- Maintained and monitored 100 acres of elk forage fields on the Nisqually wildlife lands



RATES

We are proud to say that our rates are among the lowest in the region.

9.4
PER kWh

KWH = KILOWATT-HOUR



Snohomish PUD
\$100 month
\$1197 year

Seattle City Light
\$105 month
\$1,261 year

Puget Sound Energy
\$107 month
\$1,286 year

Tacoma
\$93
month
\$1,112
year

AVERAGE COST PER HOUSEHOLD

FINANCIAL

As a result of careful financial, ratemaking and risk management processes, our bond ratings are stable, which helps Tacoma Power borrow money at low interest rates. That helps keep rates low.

Value of our fixed assets
\$1.068 BILLION

Total operating revenue
\$455.3 MILLION

BOND RATINGS

Fitch **AA-**
Moody's **Aa3**
Standard & Poor's **AA**

TAXES WE PAY

Tacoma Gross Earnings
\$34.4 MILLION
Federal (Social Security)
\$7.3 MILLION
State
\$18.7 MILLION
Other cities' and counties' fees
\$7.0 MILLION
Taxes as a percent of operating revenue
14.8%

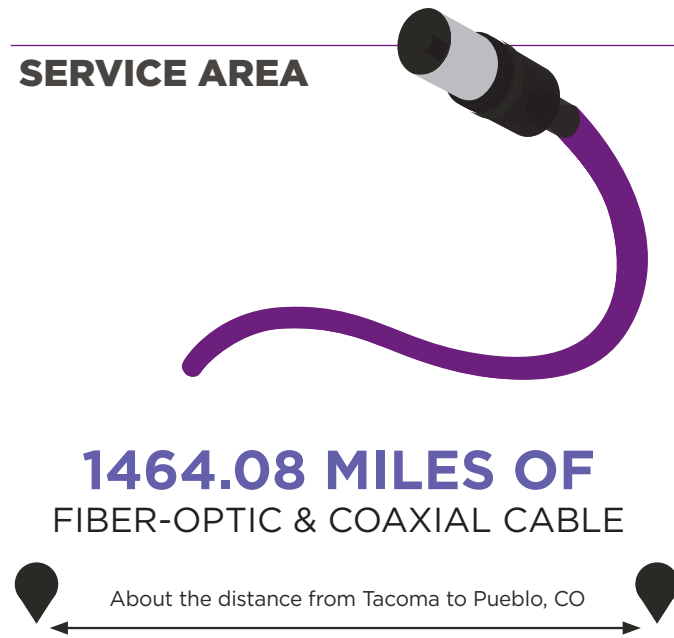


NOTEWORTHY

- Governor Jay Inslee joined Nancy LeMay of LeMay - America's Car Museum in cutting the ribbon for the museum's new electric vehicle Fast Charging station, the first of six charging sites slated to open along Washington State's Interstate 5 corridor, and one of fifteen sites selected as part of Washington's 2017-2019 Electric Vehicle Infrastructure Pilot Program.
- As part of the Environmental Action Plan (EAP) efforts, Tacoma Power committed to a 15% reduction in fossil fuel use on traditional vehicles as well as having 3% of the fleet vehicles purchased be electric vehicles (EVs).
- Collaborated with our City partners to launch the Shade Tree Discount program in support of the City's efforts to increase tree canopy cover by 30% by 2030.

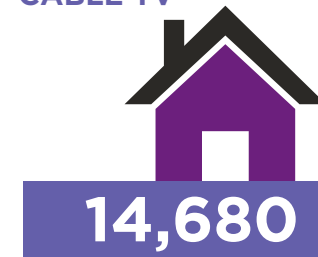
Click! Network, part of Tacoma Power, is one of the largest municipally owned telecommunications systems in the country. Launched in 1998, Click! brought Tacoma and the surrounding area competition in the cable television market.

SERVICE AREA



CUSTOMERS

CABLE TV



HIGH-SPEED INTERNET



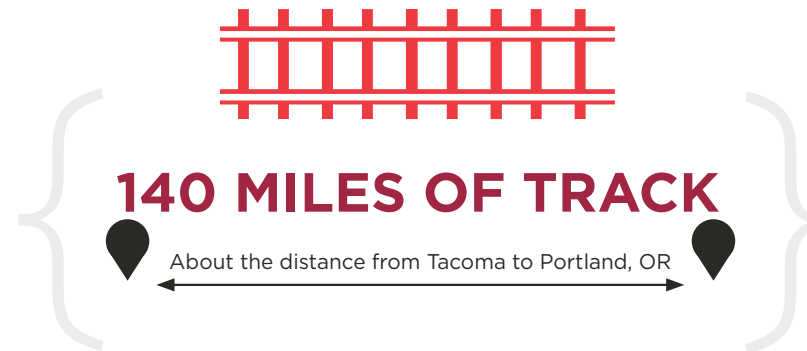
CABLE CHANNELS



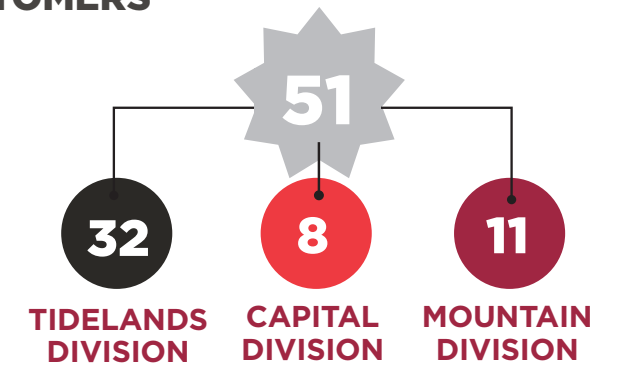
Tacoma Rail's line-haul traffic was up by nearly 24,000 units in 2018 over 2017 with an increase in both intermodal platforms and unit train railcars. The Northwest Seaport Alliance experienced volatility in international intermodal trade leading to large monthly volume swings throughout 2018. Tacoma Rail's agreement with the Union Pacific to assemble 10,000-foot intermodal trains continued to be a significant success by handling over 29,000 domestic intermodal platforms.



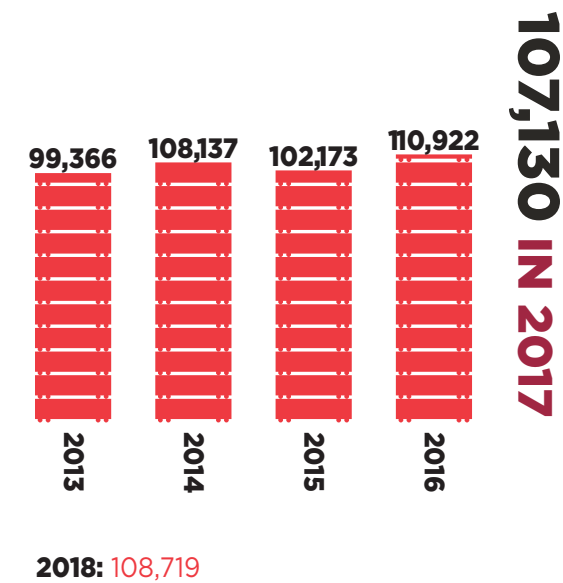
SERVICE AREA



CUSTOMERS



CARS SWITCHED



ONE OF THE BUSIEST
SHORT-LINE RAILROADS
IN THE COUNTRY
IN TERMS OF VOLUME AND FREIGHT

FINANCIAL

Value of our fixed assets
\$21.6 MILLION

Total operating revenue
\$33.2 MILLION

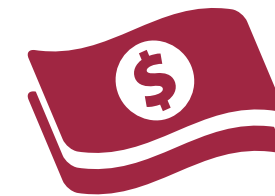
TAXES WE PAY

Tacoma Gross Earnings
\$2.8 MILLION

Federal (Railroad retirement & Unemployment)
\$2.2 MILLION

State
\$990,317

Taxes as a percent of total revenue
17.96%



NOTEWORTHY

- Mainline locomotive servicing revenues continued to increase in 2017 due to both the Union Pacific and BNSF's utilization of the service.
- Intermodal line-haul railcars increased 8.7% over the prior year.



Our Service Area

