

# Tacoma Public Utilities

## 2023 - 2024 Business Rate Proposals

We present our 2023-2024 budgets for approval to the Public Utility Board and Tacoma City Council this fall. Our proposals include rate adjustments for Tacoma Power and Tacoma Water.

The Tacoma City Council will review rate proposals for Environmental Services (Wastewater, Solid Waste, and Stormwater) after receiving recommendations from the Environmental Services Commission.



### Tacoma Power

#### Small General Business (B rate)

- Annual increases: 1.5% in 2023; 1.5% in 2024\*
- Average monthly increases: \$2.30 in 2023; \$2.30 in 2024\*

#### General Business (G rate)

- Annual increase of 5.0% in 2023; 5.0% in 2024\*
- Average monthly increases of \$188 in 2023; \$198 in 2024\*

*Rates go into effect in April of each year.*

*\*Rates in University Place are slightly higher due to a 6% utility tax from the City of U.P.*



### Tacoma Water

#### Commercial

- Overall: 2.9% in 2023; 2.9% 2024
  - Fixed charge: 4.0% in 2023; 2.94% in 2024
  - CCF (variable) rate: 2.1% in 2023; 2.1% in 2024
- Average monthly increases for customers inside the City of Tacoma:
  - \$9.77 in 2023; \$10.14 in 2024
- Average monthly increases for customers outside the City of Tacoma:
  - \$11.69 in 2023; \$12.08 in 2024\*

#### Large Volume Commercial

- Overall: 2.2% in 2023; 2.2% 2024
  - Fixed charge: 4.0% in 2023; 4.0% in 2024
  - CCF (variable) rate: 2.1% in 2023; 2.1% in 2024
- Average monthly increases for customers inside the City of Tacoma:
  - \$444.94 in 2023; \$447.94 in 2024
- Average monthly increases for customers outside the City of Tacoma:
  - \$533.91 in 2023; \$536.86 in 2024\*

*Rates go into effect in January of each year.*

*\*Rates in University Place are slightly higher due to a 6% utility tax from the City of U.P.*



### Environmental Services

#### Stormwater

2023 – approx. 4-12% increase; 8% average

2024 – approx. 6-7% increase; 6% average



#### Wastewater

2023 – approx. 9% increase

2024 – approx. 8% increase



#### Solid Waste

##### 20 gallon – 300 gallon containers

- 2023 – approx. 0-6% increase
- 2024 – approx. 0-6% increase

##### Front load compactor containers

- 2023 – approx. 6% increase
- 2024 – approx. 6% increase

##### Front load containers

- 2023 – approx. 2% increase
- 2024 – approx. 2% increase

##### Drop off box compactor containers

- 2023 – approx. 6% increase
- 2024 – approx. 6% increase

##### Dropoff boxes

- 2023 – approx. 2% increase
- 2024 – approx. 2% increase

##### Commercial recycling

- 2023 – approx. 6% increase
- 2024 – approx. 6% increase

*Rates go into effect in January of each year.*



ENVIRONMENTAL  
SERVICES  
DEPARTMENT

*These rates are preliminary and are subject to change.*

# Why adjust rates?

Increased costs from inflation are the primary factors affecting our rates for 2023 and 2024. Our rates cover the cost of providing safe, reliable services, maintaining our system, protecting natural resources near our facilities, complying with regulations, and investing in upgrades that improve your services.

While we do everything we can to keep costs down, our increased costs are significant enough that our rates must also be increased to cover them. By gradually increasing rates over time, we can prevent large increases while still providing the services you rely on.

## Increased costs from inflation

Like our customers, we are experiencing increased costs for equipment, fuel, personnel, and other expenses.

## Supply chain shortages

Delays and difficulty buying equipment also result in increased costs and limited resources.

## Postponed projects

We reduced costs during the pandemic by delaying maintenance projects that now need to continue.

## Impacts of COVID-19

During the pandemic, we reduced our budget and rate increases for 2021 and 2022. Many customers also have outstanding balances following the pandemic.

## Expanded payment assistance

To help our residential customers having difficulty paying their bills, we are also expanding our assistance programs. Your employees or customers may qualify.

- More residential customers will be able to meet the eligibility requirements.
- Income-qualified households may qualify for increased assistance of up to \$888 annually. The assistance amount depends on the number of utility services the customer receives.
- Assistance funds for residential customers will cover the majority of rate increases in 2023 and 2024.

We hope this expanded assistance will help those households most in need.

## How we address equity when planning rates

- Providing payment resources and residential assistance programs for those in need.
- Delivering equitable services to customers and visitors.
- Working to reflect the community we serve by hiring and retaining diverse employees.
- Coordinating with community groups to share information.

## How we manage costs and affordability

We know rates affect you. We work hard to keep our costs down, which keeps our rates some of the lowest in the country and more affordable for everyone in our community.

- Inflation and equipment costs – we look for less expensive ways to repair or buy equipment.
- Personnel costs – we review open positions to prioritize when and where to replace or add staff.
- New payment resources – we added better tools to our online account system.

## How to manage your utility bills

- Complete list of utility resources for business customers. **MyTPU.org/Biz**
- Conservation lowers your cost and good for the environment. **MyTPU.org/BizRebates**
- Zero-interest loans for energy-efficient building improvement projects. **MyTPU.org/ZeroInterest**
- Manage multiple accounts online at **MyTPU.org/MyAccount**.
- Business Solutions Office **253-502-8606** or **BusinessSolutions@CityofTacoma.org**
- Property manager tool
- Quarterly business email newsletter

## How you can get involved

- Read our budget proposals online.
- Attend our public meetings and outreach events.
- Submit your questions and comments through our online form.
- Subscribe to our email newsletter.

Visit **MyTPU.org/Rates** for details.

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