Affordability

Public Utility Meeting
July 8, 2020
OVERVIEW

1. Current Assistance Programs
2. Income & Equity
3. Affordability for a City of Tacoma Resident
4. Affordability by Utility
5. Recommendations
6. Next Steps
## CURRENT PROGRAMS

<table>
<thead>
<tr>
<th>Discount Rate Program (LIE/D)</th>
<th>Bill Credit Assistance Plan (BCAP)</th>
<th>Emergency Assistance (EAP)</th>
</tr>
</thead>
<tbody>
<tr>
<td>• &lt; 150% poverty level</td>
<td>• &lt; 150% poverty level</td>
<td>• &lt; 200% poverty level</td>
</tr>
<tr>
<td>• 30% discount on entire bill</td>
<td>• Monthly credit</td>
<td>• One-time credit due to COVID</td>
</tr>
<tr>
<td>• Embedded in rate-design</td>
<td>• Budget expense</td>
<td>• Budget expense</td>
</tr>
<tr>
<td>• 62+ years or disabled</td>
<td>• 15% - 20% of average bill</td>
<td></td>
</tr>
<tr>
<td>• $3.0 million discounted in 2019</td>
<td>• $211,179 disbursed in 2019</td>
<td>• $1.7 million disbursed in 2020</td>
</tr>
<tr>
<td>• 5% of residential customers eligible</td>
<td>• 11% of residential customers eligible</td>
<td>• 25% of residential customers eligible</td>
</tr>
<tr>
<td>• 57% of eligible customers participate</td>
<td>• 6% of eligible customers participate</td>
<td>• 16% of eligible customers participate</td>
</tr>
<tr>
<td>• Last updated in 2011</td>
<td>• Implemented in 2016</td>
<td>• Effective in 2020</td>
</tr>
</tbody>
</table>
# Program Design By Utility

<table>
<thead>
<tr>
<th>Program Design</th>
<th>Power</th>
<th>Water</th>
<th>Solid Waste</th>
<th>Surface Water</th>
<th>Wastewater</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Monthly Bill</td>
<td>$94</td>
<td>$41*</td>
<td>$33</td>
<td>$26</td>
<td>$50</td>
</tr>
<tr>
<td>Monthly BCAP</td>
<td>$21</td>
<td>$7</td>
<td>$7</td>
<td>$4</td>
<td>$8</td>
</tr>
<tr>
<td>Income Eligibility</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>150% federal poverty level</td>
</tr>
<tr>
<td>Monthly Discount Rate</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>30% discount on monthly bill</td>
</tr>
</tbody>
</table>

* Average monthly bill for residential single family inside City of Tacoma.
### Current Program Participant Demographic

<table>
<thead>
<tr>
<th>Assistance Program</th>
<th>Average Monthly Income</th>
<th>Average Household Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discount Rate</td>
<td>$651</td>
<td>1.5</td>
</tr>
<tr>
<td>BCAP</td>
<td>$609</td>
<td>2.5</td>
</tr>
<tr>
<td>Emergency Assistance</td>
<td>$1,844</td>
<td>3.0</td>
</tr>
</tbody>
</table>
POVERTY THRESHOLDS

Scaling Differences in Federal Poverty and Area Median Income Metrics

- 150% of Federal Poverty Level - Current Income Eligibility
- 60% of Area Median Income - Recommended BCAP Income Eligibility

<table>
<thead>
<tr>
<th>1 Person</th>
<th>2 People</th>
<th>3 People</th>
<th>4 People</th>
<th>5 People</th>
<th>6 People</th>
<th>7 People</th>
<th>8 People</th>
</tr>
</thead>
<tbody>
<tr>
<td>$19,140</td>
<td>$33,720</td>
<td>$43,320</td>
<td>$48,120</td>
<td>$52,020</td>
<td>$55,860</td>
<td>$59,700</td>
<td>$63,540</td>
</tr>
<tr>
<td></td>
<td>$38,520</td>
<td>$43,320</td>
<td>$48,120</td>
<td>$52,020</td>
<td>$55,860</td>
<td>$59,700</td>
<td>$63,540</td>
</tr>
<tr>
<td></td>
<td>$25,860</td>
<td>$32,580</td>
<td>$39,300</td>
<td>$46,020</td>
<td>$52,740</td>
<td>$59,460</td>
<td>$66,180</td>
</tr>
</tbody>
</table>
ASSISTANCE BY EQUITY INDEX
## AFFORDABILITY MEASURES

<table>
<thead>
<tr>
<th>Measures</th>
<th>Power</th>
<th>Water</th>
<th>Wastewater</th>
<th>Surface Water</th>
<th>Solid Waste</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Monthly Bill</td>
<td>$94</td>
<td>$41</td>
<td>$33</td>
<td>$26</td>
<td>$50</td>
</tr>
<tr>
<td>Income Eligibility</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>150% federal poverty level</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Affordability Metric</td>
<td>6.0%</td>
<td>2.5%</td>
<td>2.0%</td>
<td>0.5%</td>
<td>1.0%</td>
</tr>
<tr>
<td></td>
<td>Internal draft target</td>
<td>Environmental Protection Agency (EPA) standard</td>
<td>Internal draft target; average bill @ median income</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
PROPOSED METRIC

Monitoring the Income Burden of an Average Utility Bill

Family of Four: Rate Adjustments Remain Affordable

- 2020: $39,300
- 2021: $40,479
- 2022: $41,693
- 2023: $42,944
- 2024: $44,232

Affordability Metric: 12%

Family of Two (65+): Rate Adjustments are Becoming a Burden

- 2020: $25,860
- 2021: $26,636
- 2022: $27,435
- 2023: $28,258
- 2024: $29,106

Affordability Metric: 12%

% of Burden on Income: Annual Utility Bill / 150% Federal Poverty Level (DHHS, escalated by 2% annually).
CURRENT METRICS BY UTILITY

**Affordability Metric: 0%**

- **Tacoma Power:**
  - 2020: 2.5%
  - 2021: 2.2%
  - 2022: 2.2%
  - 2023: 2.7%
  - 2024: 4.3%

- **Tacoma Water:**
  - 2020: 1.3%
  - 2021: 1.1%
  - 2022: 1.1%
  - 2023: 1.2%
  - 2024: 1.5%

**Affordability Metric: 2.5%**

- **Tacoma Power:**
  - 2020: 4.3%
  - 2021: 4.2%
  - 2022: 2.0%
  - 2023: 2.0%
  - 2024: 4.2%

- **Tacoma Water:**
  - 2020: 1.9%
  - 2021: 1.3%
  - 2022: 1.3%
  - 2023: 1.3%
  - 2024: 1.3%
CURRENT METRICS BY UTILITY

**Wastewater**
- 2020: 1.3%
- 2021: 1.5%
- 2022: 1.6%
- 2023: 1.6%
- 2024: 1.4%

Affordability: 2%

**Solid Waste**
- 2020: 1.3%
- 2021: 1.5%
- 2022: 1.6%
- 2023: 1.5%
- 2024: 1.3%

Affordability: 1%

**Surface Water**
- 2020: 0.6%
- 2021: 0.7%
- 2022: 0.6%
- 2023: 0.7%

Affordability: 0.5%
## RECOMMENDED CHANGES

<table>
<thead>
<tr>
<th>Consideration</th>
<th>Current</th>
<th>Recommendations (preliminary)</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affordability Metric</td>
<td>N/A</td>
<td>12.0% of income</td>
<td>Establishes a metric for monitoring affordability</td>
</tr>
<tr>
<td>BCAP</td>
<td>$47 credit per month</td>
<td>$56 credit per month</td>
<td>Reset to align with 20% of average monthly bill</td>
</tr>
<tr>
<td>BCAP Income Eligibility</td>
<td>150% federal poverty</td>
<td>60% median income</td>
<td>Expands eligibility</td>
</tr>
<tr>
<td>Discount Rate</td>
<td>30% discount</td>
<td>35% discount</td>
<td>Maintains affordability</td>
</tr>
</tbody>
</table>
### Recommendations by Utility

<table>
<thead>
<tr>
<th>Recommendation</th>
<th>Power</th>
<th>Water</th>
<th>Solid Waste</th>
<th>Surface Water</th>
<th>Wastewater</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affordability Metric</td>
<td>6.0%</td>
<td>2.5%</td>
<td>1.0%</td>
<td>0.5%</td>
<td>2.0%</td>
</tr>
<tr>
<td>Reset Monthly BCAP</td>
<td>$21 → $21*</td>
<td>$7 → $9</td>
<td>$7 → $10</td>
<td>$4 → $5</td>
<td>$8 → $11</td>
</tr>
<tr>
<td>BCAP Income Eligibility</td>
<td>150% federal poverty level → 60% of area median income</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Increase Discount Rate</td>
<td>30% discount on bill → 35% discount on bill</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Power's current BCAP credit exceeds the 20% average monthly bill target.
### FINANCIAL IMPACT BY UTILITY

<table>
<thead>
<tr>
<th>2021-2022 Impact</th>
<th>Power</th>
<th>Water</th>
<th>Solid Waste</th>
<th>Surface Water</th>
<th>Wastewater</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reset BCAP</td>
<td>Unchanged *</td>
<td>↑ $75,000</td>
<td></td>
<td>Unchanged *</td>
<td></td>
</tr>
<tr>
<td>Expand BCAP Eligibility</td>
<td>Unchanged</td>
<td>↑ $640,000</td>
<td>↑ $182,000</td>
<td>↑ $72,000</td>
<td>↑ $169,000</td>
</tr>
<tr>
<td>Increase Discount Rate</td>
<td>↑ $640,000</td>
<td>↑ $140,000</td>
<td>↑ $72,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Budget remains unchanged from the 2019-2020 biennium.
**NEXT STEPS**

1. Board & Council Support of Concept
2. Modeling Budget & Rate Impacts
3. Public Outreach
4. Legislative Approval
5. Changes Effective 01/01/2021
6. Continued Monitoring
Enhancing the TPU Customer Experience

Joe Tellez, Chief Technology Officer
Dan Drennan, Marketing & Development Manager
What is CX?

- **Customer Experience (CX):**
  - The customer's perceptions and related feelings caused by the one-off and cumulative effect of interactions with a supplier's employees, systems, channels or products.
Multi-channel analytics at PSE

- I need to pay my bill
  - Email: Receive bill notification by email
  - Web: Attempt payment on PSE.com, but fail
  - IVR: Call IVR, but fail to authenticate
  - Transfer: Transfer to payment vendor
  - Agent: Talk to an agent
Broad COVID 19 utility impacts
Responding to COVID 19 via customer analytics

COVID Recovery Analysis

COVID | Power Load | Leave Management | Temperature | Mobility | System Load

Confirmed vs Death as of 6/28/2020

Mortality Ratio

0.91%

# of tests in WA over time

Pierce County New Cases Day By Day

Unemployment file by county

Total # Unemployment files

1,344,819

Pierce County Cities

<table>
<thead>
<tr>
<th>Location</th>
<th>Confirmed</th>
<th>Death</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bonney Lake</td>
<td>51</td>
<td>3</td>
</tr>
<tr>
<td>Central Pierce County</td>
<td>168</td>
<td>9</td>
</tr>
<tr>
<td>East Pierce County</td>
<td>62</td>
<td>3</td>
</tr>
<tr>
<td>Edgewood/Tri Cities</td>
<td>110</td>
<td>8</td>
</tr>
<tr>
<td>Fredericksen</td>
<td>83</td>
<td>2</td>
</tr>
<tr>
<td>Gig Harbor Area</td>
<td>65</td>
<td>1</td>
</tr>
<tr>
<td>Graham</td>
<td>75</td>
<td>0</td>
</tr>
<tr>
<td>Key Peninsula</td>
<td>11</td>
<td>1</td>
</tr>
<tr>
<td>Lake Tapps/Swimm Ave</td>
<td>66</td>
<td>0</td>
</tr>
<tr>
<td>Lakewood</td>
<td>261</td>
<td>5</td>
</tr>
<tr>
<td>Portdand</td>
<td>146</td>
<td>3</td>
</tr>
<tr>
<td>Puyallup</td>
<td>172</td>
<td>9</td>
</tr>
<tr>
<td>South Hill</td>
<td>128</td>
<td>2</td>
</tr>
</tbody>
</table>

© 2020 Mapbox © OpenStreetMap
Analytics helps peer utilities respond to COVID-19

District COVID-19 Snohomish County Insights

Local Unemployment Insights
Initial (new) Unemployment Claims for our community, by county. This data is updated weekly. Sustained claims can be viewed at this dashboard on the WA State Employment Security Department. It is updated monthly.

In the week ending May 9, Washington saw 103,990 new claims, a 8.9% change over the week prior, for a total of 978,241 since 3/15. In the same week, Snohomish County saw 11,677 new claims, a 7.5% change, for a total of 132,417 since 3/15.

New Claims by Industry Since 3/15

<table>
<thead>
<tr>
<th>Industry</th>
<th>Snohomish</th>
<th>King</th>
<th>Kitsap</th>
<th>Pierce</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accommodation and food services</td>
<td>12,755</td>
<td>10%</td>
<td>72,502</td>
<td>14%</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>23,429</td>
<td>10%</td>
<td>24,720</td>
<td>8%</td>
</tr>
<tr>
<td>Health care and social assistance</td>
<td>13,427</td>
<td>10%</td>
<td>32,501</td>
<td>11%</td>
</tr>
<tr>
<td>Retail trade</td>
<td>13,709</td>
<td>10%</td>
<td>30,827</td>
<td>10%</td>
</tr>
<tr>
<td>Other services, except public administration</td>
<td>7,044</td>
<td>6%</td>
<td>15,514</td>
<td>11%</td>
</tr>
<tr>
<td>Construction</td>
<td>15,692</td>
<td>12%</td>
<td>29,467</td>
<td>14%</td>
</tr>
<tr>
<td>Administrative and waste services</td>
<td>11,302</td>
<td>9%</td>
<td>6,080</td>
<td>2%</td>
</tr>
<tr>
<td>Arts, entertainment, and recreation</td>
<td>9,077</td>
<td>4%</td>
<td>19,403</td>
<td>3%</td>
</tr>
<tr>
<td>Educational services</td>
<td>5,503</td>
<td>4%</td>
<td>15,155</td>
<td>5%</td>
</tr>
<tr>
<td>Professional and technical services</td>
<td>2,199</td>
<td>2%</td>
<td>18,151</td>
<td>4%</td>
</tr>
<tr>
<td>Wholesale trade</td>
<td>4,052</td>
<td>3%</td>
<td>9,235</td>
<td>3%</td>
</tr>
<tr>
<td>Information</td>
<td>1,363</td>
<td>1%</td>
<td>4,704</td>
<td>2%</td>
</tr>
<tr>
<td>Real estate and rental and leasing</td>
<td>1,204</td>
<td>1%</td>
<td>4,693</td>
<td>2%</td>
</tr>
<tr>
<td>Government</td>
<td>1,403</td>
<td>1%</td>
<td>2,945</td>
<td>1%</td>
</tr>
<tr>
<td>Finance and insurance</td>
<td>1,057</td>
<td>1%</td>
<td>2,108</td>
<td>1%</td>
</tr>
<tr>
<td>Agriculture, forestry, fishing, and hunting</td>
<td>322</td>
<td>1%</td>
<td>6,355</td>
<td>0%</td>
</tr>
</tbody>
</table>

Total: 132,159

Snohomish County Specific COVID-19 Cases
Information for Snohomish County being sourced from the CoVid19Track.
A dashboard is also maintained by Snohomish County. The numbers between the two may differ due to being updated by their managers at different times.

data as of May 14, 2020 (10:00 AM)

<table>
<thead>
<tr>
<th>Cases</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>2,754</td>
<td>Confirmed</td>
</tr>
<tr>
<td>58</td>
<td>Hospitalized</td>
</tr>
<tr>
<td>122</td>
<td>Died</td>
</tr>
<tr>
<td>24</td>
<td>New In 1 Day</td>
</tr>
<tr>
<td>295</td>
<td>Recovered</td>
</tr>
<tr>
<td>295</td>
<td>Probable</td>
</tr>
</tbody>
</table>

Insights by City (note that cities with <5 cases show as 0)

<table>
<thead>
<tr>
<th>City</th>
<th>Current Cases</th>
<th>New In Last 1 day</th>
</tr>
</thead>
<tbody>
<tr>
<td>Everett</td>
<td>826</td>
<td>10</td>
</tr>
<tr>
<td>Edmonds</td>
<td>333</td>
<td>8</td>
</tr>
<tr>
<td>Bothell</td>
<td>200</td>
<td>3</td>
</tr>
<tr>
<td>Lynnwood</td>
<td>168</td>
<td>3</td>
</tr>
<tr>
<td>Shoreline</td>
<td>93</td>
<td>2</td>
</tr>
<tr>
<td>Lake Stevens</td>
<td>116</td>
<td>2</td>
</tr>
<tr>
<td>Marysville</td>
<td>237</td>
<td>2</td>
</tr>
<tr>
<td>Snohomish</td>
<td>140</td>
<td>2</td>
</tr>
<tr>
<td>Arlington</td>
<td>111</td>
<td>1</td>
</tr>
<tr>
<td>Duvall</td>
<td>24</td>
<td>1</td>
</tr>
<tr>
<td>Monroe</td>
<td>74</td>
<td>1</td>
</tr>
<tr>
<td>Mountlake Terrace</td>
<td>100</td>
<td>1</td>
</tr>
<tr>
<td>Mukilteo</td>
<td>56</td>
<td>1</td>
</tr>
<tr>
<td>Totalk</td>
<td>19</td>
<td>0</td>
</tr>
<tr>
<td>Woodway</td>
<td>8</td>
<td>0</td>
</tr>
<tr>
<td>Briar</td>
<td>19</td>
<td>0</td>
</tr>
<tr>
<td>Darrington</td>
<td>5</td>
<td>0</td>
</tr>
<tr>
<td>Gold Bar</td>
<td>5</td>
<td>0</td>
</tr>
<tr>
<td>Index</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Mill Creek</td>
<td>68</td>
<td>0</td>
</tr>
</tbody>
</table>
Utility data lake to enable analytics

TPU customer data

Local COVID data

State & US COVID data

Data pipelines

Utility data lake

Data visualization

SAP

databricks

Tacoma-Pierce County Health Department

Healthy People in Healthy Communities

Local COVID data

amazon web services

snowflake

tableau

Johns Hopkins University

State & US COVID data
TPU CX Analytics
Key Insights
TPU customer bill assistance in 2020

Unique Customers: 15,810
Total Amounts: $4,954,428

- Most assistance given in April 2020
- Most assistance given to Power bill

Assistance by Division

<table>
<thead>
<tr>
<th>Division</th>
<th>Amount 1</th>
<th>Amount 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Env. Services</td>
<td>5,692</td>
<td>$670,045</td>
</tr>
<tr>
<td>General Pledge</td>
<td>997</td>
<td>$486,345</td>
</tr>
<tr>
<td>Power</td>
<td>15,324</td>
<td>$3,497,957</td>
</tr>
<tr>
<td>Water</td>
<td>6,173</td>
<td>$300,081</td>
</tr>
<tr>
<td>Grand Total</td>
<td></td>
<td>$4,954,428</td>
</tr>
</tbody>
</table>

Assistance Amount by Month
Bill assistance and the Tacoma equity index

Assistance by Equity Index

<table>
<thead>
<tr>
<th>Equity Index</th>
<th>Assistance Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very Low</td>
<td>$1,314,244.13</td>
</tr>
<tr>
<td>Outside of City of Tacoma</td>
<td>$1,204,471.01</td>
</tr>
<tr>
<td>Low</td>
<td>$1,059,804.47</td>
</tr>
<tr>
<td>Moderate</td>
<td>$739,672.65</td>
</tr>
<tr>
<td>High</td>
<td>$424,364.70</td>
</tr>
<tr>
<td>Very High</td>
<td>$211,870.72</td>
</tr>
<tr>
<td>Grand Total</td>
<td>$4,954,427.68</td>
</tr>
</tbody>
</table>

Customers across service territory received TPU bill assistance

Emergency Assistance By Location

<table>
<thead>
<tr>
<th>Location</th>
<th>Assistance Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tacoma</td>
<td>3,700,588</td>
</tr>
<tr>
<td>Unincorporated Pierce County</td>
<td>818,975</td>
</tr>
<tr>
<td>University Place</td>
<td>231,722</td>
</tr>
<tr>
<td>Lakewood</td>
<td>101,647</td>
</tr>
<tr>
<td>Fife</td>
<td>63,659</td>
</tr>
<tr>
<td>Fircrest</td>
<td>29,370</td>
</tr>
<tr>
<td>Federal Way</td>
<td>6,805</td>
</tr>
<tr>
<td>Roy</td>
<td>566</td>
</tr>
<tr>
<td>Milton</td>
<td>511</td>
</tr>
<tr>
<td>Stellicoom</td>
<td>285</td>
</tr>
<tr>
<td>Grand Total</td>
<td>4,954,428</td>
</tr>
</tbody>
</table>
Customer payment insights

New unpaid bills per month

<table>
<thead>
<tr>
<th>Month</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>January</td>
<td>0M</td>
</tr>
<tr>
<td>February</td>
<td>1M</td>
</tr>
<tr>
<td>March</td>
<td>2M</td>
</tr>
<tr>
<td>April</td>
<td>3M</td>
</tr>
<tr>
<td>May</td>
<td>4M</td>
</tr>
<tr>
<td>June</td>
<td>10M</td>
</tr>
</tbody>
</table>

Total amount in unpaid bills

| Amount         | $18,487,879.12 |

Overdue days by dates

- 85.01% Overdue in May 2020

- 7.32% On-time
- 4.24% < 3 days
- 2.52% 3-7 days
- 0.92% 7-14 days
- 0.92% 14-30 days

- Increase in unpaid bills
- Number of bills paid on-time in normal range
Unpaid bills over time

Power Unpaid Bills

Open items

- $13,506,022
- $11,627,290
- $10,760,545
- $13,037,574
- $14,154,209
- $12,840,706
What’s coming next?

- Customer channel analytics – IVR and lobby engagement
- Machine learning customer assistance segmentation based on payment behavior
- Targeted customer marketing to provide bill assistance resources
Education Outreach Board Update

Christian Paige
Education Outreach Manager
Roadmap

What will be covered today:

• Education outreach position
• K-Career pipeline planning
• Current efforts and priority alignment
• Internships
• Recommendations
• Question and Answer
The TPU Board supports the Tacoma City Council Resolution 39019 Equity and Empowerment Initiative Framework and is committed to its five primary goals:

- The City of Tacoma workforce reflects the community it serves;
- Purposeful community outreach and engagement;
- Equitable service delivery to all residents and visitors;
- Support human rights and opportunities for everyone to achieve their full potential;
- Commitment to equity in local government decision-making.
Systemic Impacts
Why am I in this position?

- I grew up in Tacoma and understand the culture and economics of the city.
- I have a background in education, recruiting, program management and curriculum design.
- I am passionate about this community and ensuring that my programming produces equitable outcomes.

A shift in philosophy.

- So That...
- Having our workforce reflect our community.
- Creating effective community partnerships.
- Understanding education to be a pipeline approach.
- Building a positive relationship with students and families.
School Partnerships in Service Territory

- AVID (Advancement via Individual Determination) career visits
- Sitting on Career and Technical Education Advisory Board
- Participating in Tacoma STEAM Roundtable and Local Business Roundtable
- Attending college and career fairs
- Leading hydro project and other facility tours
How does education outreach help with board strategic directive 1?
K-5th Grade
6-8th Grade
9-12th Grade
Post Secondary

Education
Relationship
Experience
Career
K-12 Workforce Career Planning

TPU Academy 4-5th Grade → AVID Classroom Visits 6-8th Grade → High School CTE Visits 9-12

Apprenticeship Recruiting Y.A. → College Internships → Next Move Internship 11 - 12

Readiness and Career Opportunity → Additional Touches: Tours, Non-profit partnerships, Career fairs, Summits and Events
Non-Profits

- Foundation for Water and Energy Education (Elementary)
- Boys and Girls Club (4th and 5th Grade)
- Tacoma Urban League Male Involvement Program (11-14yrs.)
- Next Move Internship (11th and 12th Grade)
- Pacific Education Institute
- Puget Sound Internship Roundtable (College)
- SEED Internship (Jr. and Sr. College)
- Palmer Scholars (16-24yrs.)
Chart A

Comparison of City Demographics by Ethnicity to City Internships and Pay

- American Indian: 1.5% City population, 0% of interns, 0% intern money
- Asian/PI: 9.3% City population, 23% of interns, 2% intern money
- Black: 10.7% City population, 4% of interns, 2% intern money
- Hispanic: 11.3% City population, 3% of interns, 5% intern money
- White: 60.5% City population, 73% of interns, 70% intern money
- Other: 6.7% City population, 1% of interns, 0.4% intern money
**Problem Statement**

The City of Tacoma’s current outreach and hiring processes are not currently producing racially equitable outcomes as it relates to hiring post-secondary paid interns. Over the last 3 years, the City spent $1.2 million on paid internships. Out of the total paid to interns, $809,983 was paid to Whites (70%), $266,195 to Asians (23%), $54,435 to Hispanics (5%), $23,775 to Blacks (2%), $5,359 to Other (0.4%), and $0 to American Indians (0%). This distribution of funding does not align with the Tacoma’s current population demographics nor does it support the efforts to amend the accumulated historical disparities in the City’s hiring practices. The data does not include unpaid internships. This data will be the basis of measurement for establishing a consistent City-wide process to ensure racial equity in the City’s internship program while sustaining the current positive distribution among gender.

**Scope**

Start by identifying areas to build equity into the current internship “outreach to hiring” process and end with a standard process for filling internships.

**Targeted Outcomes**

- Racial equity
- Standard, sustainable, City-wide process for outreach and hiring
- Centralized vetted funding
- Tracking through EEO report
- All post-secondary internships are paid
- Recommendations for internship classifications
- Recommendations for a supporting infrastructure (internship coordinator position(s))

**Boundaries**

- Out of scope: High school interns and job shadowing
- Out of scope: Volunteer programs
- Out of scope: Apprenticeship programs
- Out of scope: Externships

**Timeline – 24 Month Project Length**

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</tr>
</thead>
<tbody>
<tr>
<td>Steps</td>
<td>Create Charter</td>
<td>Gain Sponsorship</td>
<td>Outreach and Research</td>
<td>Generate &amp; Evaluate Solutions</td>
<td>Finalize Proposals</td>
<td>Implement &amp; Celebrate</td>
</tr>
</tbody>
</table>
Changing the process of how interns are recruited, interviewed, hired, and retained.
Equity CP #1: Does the outreach plan include a diverse selection of colleges and external organizations?

Equity CP #2: Does the job posting, including supplemental questions, use neutral and inclusive language?

Equity CP #3: Is there a diverse pool of applicants?
Intern Outreach and Selection Process

DRAFT

Legend
- HR
- Intern Coordinator
- Dept
- Candidate

GUI: Preparing for an interview

Equity CP #4 met?

Create interview questions

Select interview panel

Equity CP #5 met?

Equity CP #6 met?

Conduct interviews

Make selection

Exec approval? (Sign hiring rec)

Submit hiring rec to Intern Coord

Create offer letter

GUI: Making the selection

Include EQ checkpoint summary/ justificatio n (p15-16)

Send conditional offer letter

Signed?

Send background check info to candidate

Submit electronic background check

Review background check results

Pass?

Submit ePAR form

Enter ePAR into SAP

Consult with hiring department

Equity CP #4: Is the application review process inclusive of life experience and cultural competencies?

Equity CP #5: Are the questions inclusive and gender neutral?

Equity CP #6: Is the interview panel diverse?
Equity Checkpoints:

• Equity CP #1: Does the outreach plan include a diverse selection of colleges and external organizations?
• Equity CP #2: Does the job posting, including supplemental questions, use neutral and inclusive language?
• Equity CP #3: Is there a diverse pool of applicants?
• Equity CP #4: Is the application review process inclusive of life experience and cultural competencies?
• Equity CP #5: Are the questions inclusive and gender neutral?
• Equity CP #6: Is the interview panel diverse?
Immediate solutions to increase equity and access
Seed Applications 2019:
• 120 interns across 80 employers
• 67 percent were students of color
• 60 percent were first-generation students
• 87 percent were applying for their first paid internship

Seed Provides:
• Recruitment of diverse candidates (all with ties to Tacoma)
• Cohort training model
• Consistent two way evaluation
Recommendations and Future Efforts

• Considering a partnership with SEED Internship  
  (ROI – Equitable and Central process for internships)
• Funding a formal partnership with Palmer Scholars  
  (ROI – Diversifying apprenticeship recruitment)
• Focusing education strategies on impacted communities  
  (ROI – Better rate payer relationships, career interests from untapped communities)
• Hosting a TPU trade summit  
  (ROI – Early interest, name recognition, and tracking)
Purpose
1. Tacoma Public Utilities is committed to being responsive to the urgency of climate change. TPU believes climate change impacts how we provide services now and will, if unabated, continue to bring instability and negative impacts to our community’s quality of life in the future. Efforts should go beyond mitigation and focus on policies to reduce atmospheric carbon.

2. Tacoma Public Utilities has an opportunity to be leaders in de-carbonization and mitigate environmental impacts from our operations while serving the needs of its customers and the community.

3. Tacoma Public Utilities sees de-carbonization and electrification efforts as an opportunity to promote Tacoma Power’s renewable and nearly carbon free generation portfolio as a driver of economic development and a competitive advantage for existing customers.

4. TPU is committed to advancing de-carbonization and electrification where technically and economically feasible for our customers and for internal operations to meet these challenges today and into the future.

Values
1. TPU Board joins the Tacoma City Council in supporting Council Resolution 39427, the Environmental Action Plan, and prioritizing strategies and actions for advancing de-carbonization. Specifically, TPU:
   a) Will seek opportunities to reduce greenhouse gas emissions in their own activities where operationally appropriate by replacing energy using devices with electric alternatives.
   b) Will partner with and support the City of Tacoma in their greenhouse gas reduction efforts.
c) Will encourage electrification of transportation and de-carbonization in the community and support with programs and initiatives in alignment with TPU business objectives and statutory authority.

d) Will support a legislative agenda that improves Tacoma Power’s ability to advance de-carbonization through increased electrification of energy use.

2. TPU will promote and support de-carbonization efforts which benefit our customers, reducing their costs as well as reducing rate pressure. TPU will seek opportunities to make pro-active capital investments to accommodate anticipated customer electrification and de-carbonization efforts.

3. The Public Utility Board and senior management encourage measured risk taking while balancing opportunity and benefits to ensure that electrification is pursued with strict discipline through analysis, sound technical data and good management oversight.

4. By researching our customers’ needs and barriers with regards to electrification and collaborating with federal, state, and local governments, private business, and other stakeholders, TPU will be ready to act on opportunities as they arise.

5. TPU is committed to educating our customers to the benefits of decarbonization through electrification.

6. TPU is committed to decarbonizing our own operations and transitioning to electrified transportation as much as economically and operationally feasible.

**Outcomes**

1. De-carbonization activities are identified, deployed, and supported with financial resource investment.

2. De-carbonization efforts are made transparent through reporting.

3. Tacoma Public Utilities holds to their de-carbonization commitments.

4. TPU will leverage its abundant natural resources to support de-carbonization through the development of carbon credit projects.

**Measurements**

1. Track progress on related Tacoma Environmental Action Plan and participate in City’s Greenhouse Gas Inventory.

2. Adhere to the Transportation Electrification Strategic Plan.

3. Support de-carbonization and transportation electrification through leadership with regards to legislative priorities.

4. Track community outreach and communication activities related to de-carbonization and transportation electrification.

5. Meet current and future opportunities with innovative solutions and internal resources.

6. Report to the Utility Board on organizational work groups who are focused on innovation, research and development, and modernization projects.

7. Individual work groups track and report progress.

8. Agree on simple metrics that can be tracked and reported. These metrics should map directly to an established value profile.
Reporting

1. Frequency: Annually
2. Reporting Method: To Be Developed.
Purpose
Tacoma Public Utilities Leadership along with the Public Utilities Board consider employees our most valuable assets. TPU employees are the face of the utility to our customers and their dedication keeps the utility running on a day to day basis.

TPU is committed to creating and maintaining a positive, supportive environment where employees are inspired to do their best work. This commitment ensures that all employees benefit from a safe, productive work environment, fair and equitable compensation, recognition of efforts, and the sense that they are valued.

Values
1. Leaders ensure a safe and healthy work environment
2. Ensure consistent, fair, and equitable treatment
3. Foster transparent, open communication
4. Solicit and encourage frequent, two-way feedback
5. Invest in opportunities for career growth and development
6. Ensure fair and equitable compensation

Outcomes
1. Employees feel physically and emotionally safe while at work.
2. Employees feel respected, valued and heard.
3. Employee feedback is acted upon by creating focused efforts to address areas of concern. Work diligently to maintain what is working well and adopt consistently across the organization. Communicate efforts broadly and regularly.
4. Equitable access to training and job opportunities. Employees have a clear understanding of developmental opportunities.
5. Fair and equitable compensation for work
6. Recognitions: both formal and informal recognition for employees is provided on an ongoing, regular basis
7. Leaders work together across TPU to ensure fair and consistent treatment of all employees.
**Measurement**
1. Employee Survey results will reflect outcomes
2. Safety goals
3. Summary of recognition efforts

**Reporting**
1. Frequency: annually
2. Reporting method: Employee Survey, employee performance reviews