



PUBLIC UTILITY BOARD POLICY

<p>Category: Guiding Principle</p> <p>Date of Adoption: August 28, 2019</p> <p>Resolution No.: U-11099</p> <p>Revision Date: December 13, 2023 via Resolution</p>	<p>Title: Rates</p> <p>Policy Number: GP-3</p>
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Purpose

Tacoma Public Utilities' rates for power, water, and rail services play an important role in securing a strong economy, establishing equity among customers, and producing revenue sufficient to provide safe, reliable, and environmentally-sensitive ~~utilities-utility~~ services with rates that are as low as ~~is-they can~~ responsibly ~~be~~. TPU strives to ensure rates will be adequate, fair, ~~and just, and reasonable~~.

Outcomes

1. ~~Utilities-Utility~~ rates at the lowest levels reasonably sufficient to sustain safe and reliable utility operations, ~~achieve the~~ goals in Operating, Capital, ~~and-and~~ Strategic Plans-, and ~~meet~~ liquidity and debt service coverage requirements, as defined in ~~the~~ Rate and Financial Policies⁴, over the near and long term.
2. Utility~~ies~~ rates that reflect ratemaking principles of ~~adequate~~, fair and just rates that equitably assign costs of providing services to each customer class.
3. Planned gradual and consistent utility rate changes that are stable and predictable over the long term and mitigate sudden or large changes within customer classes.
4. Rate and Financial Policies that provide detail and expand on the ~~Strategic Directives~~ Guiding Principles for Tacoma Power, Water, and Rail.
5. Proactive customer and community outreach that provides equitable access to information on rates, policies, and assistance programs, and accompanies rate adjustments as well as significant events that may impact rates.

6. TPU planning methods that incorporate customer assistance programs to support affordability of services for customers.

Measurements

1. Evaluate and update participation in assistance programs, including income eligibility and affordability.
- 1.2. Peer utility customer bill benchmark and analysis on [utilityUtilities in a five](#) service bill ~~including total assistance~~ rate [assistance impact](#)
- 2.3. Results of customer and community outreach plans and schedules, including customer feedback and utility responses

Reporting

Frequency: Quarterly or as otherwise appropriate

Method: Biennial rate development process

⁴<https://www.mytpu.org/about-tpu/investors/>