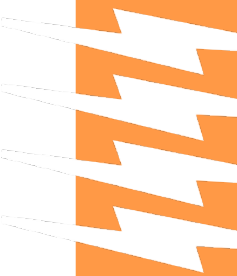


New Business Service Fee Update

2021-2024 Plan

January 2021



Background

Tacoma Power charges standardized fees for common new services work. These fees were last updated in 2009. Costs have increased such that fee revenue no longer covers costs.

- Fees do not reflect general cost escalation over 10+ years.
- The Washington State Department of Labor and Industries clarified electrical service disconnect and reconnect rules in 2017. The new ruling exacerbated the total fixed-fee under-recovery.
- In the 2018/2019 period, under-recoveries averaged about \$640,000.

Utilizing a sample of actual cost from SAP, staff audited and averaged actual costs for each type of service work, then adjusted the results for anticipated cost changes, such as wage increases that are already embedded in union contracts, and general inflation.

The Public Utility Board has requested a proposal to gradually increase fee levels.

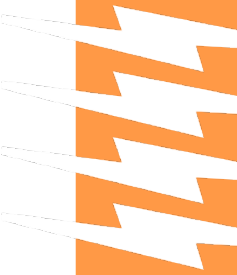
Background

The Public Utility Board has requested a proposal to gradually increase fee levels.

- August 26th: Presentation of initial fee proposal
- September 23rd: Presentation of more gradualist proposal

Stakeholder Outreach to Master Builders Association

- September 8th: notice of intent to change fee
- November 10th: proposed adjustment schedule
- No feedback received



New Services Fees – Alternative Proposal



Fee Code	Fee Description	Current	2021	2022	2023	2024
ELE00240	Connect New 200A Service to an Existing SSB	\$275.00	\$344.00	\$413.00	\$482.00	\$551.00
ELE00230	Install and Connect New 200A Service and SSB to an Existing Transformer	\$1,075.00	\$1,589.25	\$2,103.50	\$2,617.75	\$3,132.00
ELE00250	Connect New 200A, Single-Phase Service to an Existing Overhead Secondary	\$675.00	\$866.50	\$1,058.00	\$1,249.50	\$1,441.00
ELE00250	Connect New 320A, Single-Phase Service to an Existing Overhead Secondary	\$675.00	\$866.50	\$1,058.00	\$1,249.50	\$1,441.00
ELE00255	Connect New 200A, Three-Phase Service to an Existing Overhead Secondary	\$1,395.00	\$1,470.25	\$1,545.50	\$1,620.75	\$1,696.00
ELE00260	Connect 200A, Single-Phase Temporary Service to Existing Overhead Secondary or SSB	\$275.00	\$313.00	\$351.00	\$389.00	\$427.00
ELE00270	Install New 200A Service, SSB, Conduit, and Wire to an existing Power Pole	\$2,150.00	\$2,620.50	\$3,091.00	\$3,561.50	\$4,032.00
ELE00280	Install New 320A Service, SSB, Conduits, and Wire to an existing Power Pole	\$2,495.00	\$2,901.25	\$3,307.50	\$3,713.75	\$4,120.00
ELE00290	Install New 200A Service and Wire to an Existing Power Pole in Customer-Provided Conduit	\$1,060.00	\$1,548.00	\$2,036.00	\$2,524.00	\$3,012.00
ELE00300	Connect Street Light Circuit to an Overhead or Underground Secondary Service	\$185.00	\$237.50	\$290.00	\$342.50	\$395.00
ELE00310	Connect Cable/DSL Service to an Overhead or Underground Secondary Service	\$185.00	\$237.50	\$290.00	\$342.50	\$395.00
ELE00500	Service Reconnect Fee	\$185.00	\$215.50	\$246.00	\$276.50	\$307.00
ELE00630	Install Communications Conduits in addition to Power Conduits while Installing an SSB	\$140.00	\$149.25	\$158.50	\$167.75	\$177.00
ELE00640	Install a Rental Light Pole on Private Property	\$532.00	\$557.75	\$583.50	\$609.25	\$635.00

OH =
overhead
UG =
under-
ground

New Services Fees – Alternative Proposal



Fee Code	Fee Description	2021	2022	2023	2024
ELE00240	Connect New 200A Service to an Existing SSB	\$69.00	\$69.00	\$69.00	\$69.00
ELE00230	Install and Connect New 200A Service and SSB to an Existing Transformer	\$514.25	\$514.25	\$514.25	\$514.25
ELE00250	Connect New 200A, Single-Phase Service to an Existing Overhead Secondary	\$191.50	\$191.50	\$191.50	\$191.50
ELE00250	Connect New 320A, Single-Phase Service to an Existing Overhead Secondary	\$201.25	\$201.25	\$201.25	\$201.25
ELE00255	Connect New 200A, Three-Phase Service to an Existing Overhead Secondary	\$75.25	\$75.25	\$75.25	\$75.25
ELE00260	Connect 200A, Single-Phase Temp Service to Existing Overhead Secondary or SSB	\$38.00	\$38.00	\$38.00	\$38.00
ELE00270	Install New 200A Service, SSB, Conduit, and Wire to an existing Power Pole	\$470.50	\$470.50	\$470.50	\$470.50
ELE00280	Install New 320A Service, SSB, Conduits, and Wire to an existing Power Pole	\$406.25	\$406.25	\$406.25	\$406.25
ELE00290	Install New 200A Service and Wire to an Existing Pole in Customer-Conduit	\$488.00	\$488.00	\$488.00	\$488.00
ELE00300	Connect Street Light Circuit to an Overhead or Underground Secondary Service	\$52.50	\$52.50	\$52.50	\$52.50
ELE00310	Connect Cable/DSL Service to an Overhead or Underground Secondary Service	\$52.50	\$52.50	\$52.50	\$52.50
ELE00500	Service Reconnect Fee	\$30.50	\$30.50	\$30.50	\$30.50
ELE00630	Install Communications Conduits and Power Conduits while Installing an SSB	\$9.25	\$9.25	\$9.25	\$9.25
ELE00640	Install a Rental Light Pole on Private Property	\$25.75	\$25.75	\$25.75	\$25.75

This table shows the year-over-year dollar change of the suggested rate proposal.

An application fee of \$50.00 will also be implemented in 2021.

New Services Fees – Alternative Proposal



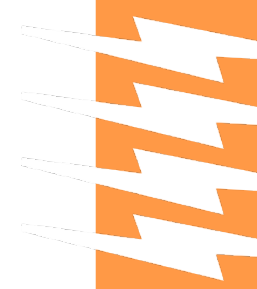
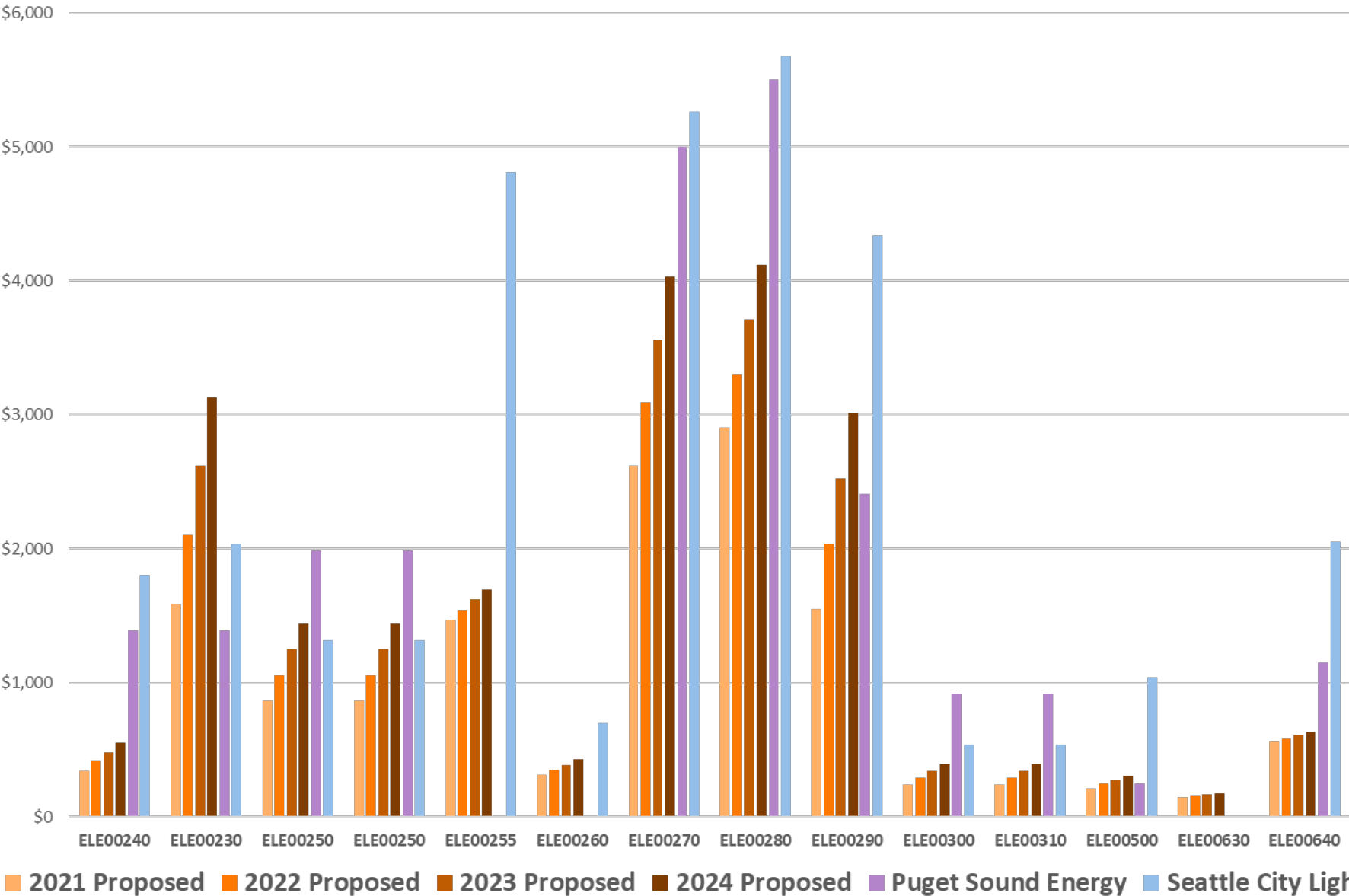
Fee Code	Fee Description	2021	2022	2023	2024
ELE00240	Connect New 200A Service to an Existing SSB	25%	20%	17%	14%
ELE00230	Install and Connect New 200A Service and SSB to an Existing Transformer	48%	32%	24%	20%
ELE00250	Connect New 200A, Single-Phase Service to an Existing Overhead Secondary	28%	22%	18%	15%
ELE00250	Connect New 320A, Single-Phase Service to an Existing Overhead Secondary	28%	22%	18%	15%
ELE00255	Connect New 200A, Three-Phase Service to an Existing Overhead Secondary	5%	5%	5%	5%
ELE00260	Connect 200A, Single-Phase Temp Service to Existing Overhead Secondary or SSB	14%	12%	11%	10%
ELE00270	Install New 200A Service, SSB, Conduit, and Wire to an existing Power Pole	22%	18%	15%	13%
ELE00280	Install New 320A Service, SSB, Conduits, and Wire to an existing Power Pole	16%	14%	12%	11%
ELE00290	Install New 200A Service and Wire to an Existing Pole in Customer-Conduit	46%	32%	24%	19%
ELE00300	Connect Street Light Circuit to an Overhead or Underground Secondary Service	28%	22%	18%	15%
ELE00310	Connect Cable/DSL Service to an Overhead or Underground Secondary Service	28%	22%	18%	15%
ELE00500	Service Reconnect Fee	16%	14%	12%	11%
ELE00630	Install Communications Conduits and Power Conduits while Installing an SSB	7%	6%	6%	6%
ELE00640	Install a Rental Light Pole on Private Property	5%	5%	4%	4%

This table shows the year-over-year percentage change of the suggested rate proposal.

OH = overhead UG = underground

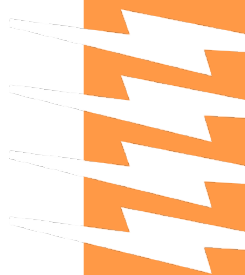
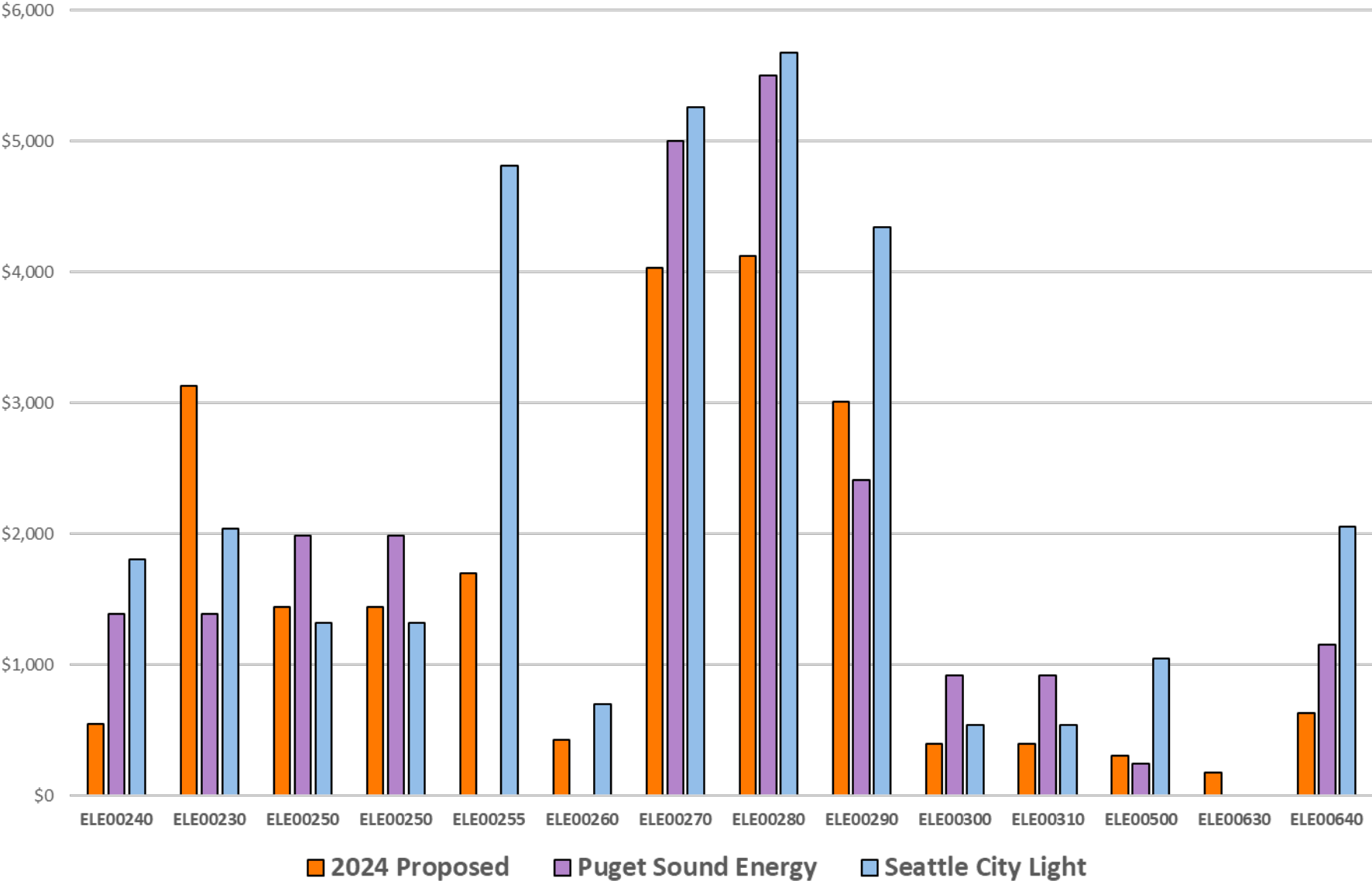
Fee Comparisons

Peer Utility Benchmarking *Four-Year Fee Plan*



Fee Comparisons

Peer Utility Benchmarking At End of Four-Year Fee Plan



New Services Fees – Alternative Proposal



Fee Code	Fee Description	Current	2021	2022	2023	2024
ELE00240	Connect New 200A Service to an Existing SSB	\$275.00	\$344.00 25%	\$413.00 20%	\$482.00 17%	\$551.00 14%
ELE00230	Install and Connect New 200A Service and SSB to an Existing Transformer	\$1,075.00	\$1,589.25 48%	\$2,103.50 32%	\$2,617.75 24%	\$3,132.00 20%
ELE00250	Connect New 200A, Single-Phase Service to an Existing Overhead Secondary	\$675.00	\$866.50 28%	\$1,058.00 22%	\$1,249.50 18%	\$1,441.00 15%
ELE00250	Connect New 320A, Single-Phase Service to an Existing Overhead Secondary	\$675.00	\$866.50 28%	\$1,058.00 22%	\$1,249.50 18%	\$1,441.00 15%
ELE00255	Connect New 200A, Three-Phase Service to an Existing Overhead Secondary	\$1,395.00	\$1,470.25 5%	\$1,545.50 5%	\$1,620.75 5%	\$1,696.00 5%
ELE00260	Connect 200A, Single-Phase Temporary Service to Existing Overhead Secondary or SSB	\$275.00	\$313.00 14%	\$351.00 12%	\$389.00 11%	\$427.00 10%
ELE00270	Install New 200A Service, SSB, Conduit, and Wire to an existing Power Pole	\$2,150.00	\$2,620.50 22%	\$3,091.00 18%	\$3,561.50 15%	\$4,032.00 13%
ELE00280	Install New 320A Service, SSB, Conduits, and Wire to an existing Power Pole	\$2,495.00	\$2,901.25 16%	\$3,307.50 14%	\$3,713.75 12%	\$4,120.00 11%
ELE00290	Install New 200A Service and Wire to an Existing Power Pole in Customer-Provided Conduit	\$1,060.00	\$1,548.00 46%	\$2,036.00 32%	\$2,524.00 24%	\$3,012.00 19%
ELE00300	Connect Street Light Circuit to an Overhead or Underground Secondary Service	\$185.00	\$237.50 28%	\$290.00 22%	\$342.50 18%	\$395.00 15%
ELE00310	Connect Cable/DSL Service to an Overhead or Underground Secondary Service	\$185.00	\$237.50 28%	\$290.00 22%	\$342.50 18%	\$395.00 15%
ELE00500	Service Reconnect Fee	\$185.00	\$215.50 16%	\$246.00 14%	\$276.50 12%	\$307.00 11%
ELE00630	Install Communications Conduits in addition to Power Conduits while Installing an SSB	\$140.00	\$149.25 7%	\$158.50 6%	\$167.75 6%	\$177.00 6%
ELE00640	Install a Rental Light Pole on Private Property	\$532.00	\$557.75 5%	\$583.50 5%	\$609.25 4%	\$635.00 4%

OH = overhead
UG = under-ground