



APPROVED 3/8/23

MINUTES
City of Tacoma
Public Utility Board Study Session
February 22, 2023
3:00 p.m.

Vice-Chair O’Loughlin called the Public Utility Board study session to order at 3:00 p.m. at the auditorium of the Public Utilities Administration Building.

Present: John O’Loughlin, William Bridges (via Zoom), Elly Claus-McGahan

Excused: Carlos Watson, Holland Cohen

Tacoma Power: Energy Imbalance Market Update

Chris Juchau, Power Energy Portfolio Services Manager, described the western EIM (Energy Imbalance Market) as a real-time, energy-only market which is centrally organized and operated by the California Independent System Operator (CAISO), and launched in 2014. Tacoma joined the EIM because traditional bi-lateral trading partners joined and to provide support for regional renewable power integration. The forecast is a positive net present value over 10 years. EIM implementation went live on March 2, 2022 after a nearly three-year effort. It was completed on time and under budget. Operations in the EIM have been stable since go-live and there’s been strong internal collaboration. EIM operations are estimated to have added approximately \$4M of value to Tacoma Power’s trading portfolio in 2022.

Continuity of Operations (COOP) / Emergency Management - Board Roles and Responsibilities

Courtney Rose, Emergency Manager, reviewed the purpose of the Continuity of Operations Plan (COOP), which is to establish policy and guidance to ensure the execution of the Mission Essential Functions (MEF) of TPU. The COOP is important for the safety of the workforce, protection of infrastructure, and providing vital services to customers including hospitals. MEFs were then reviewed. The Board is a supporting function to the Director’s MEF, which is ‘manages all operations and business affairs of TPU to include the implementations of systems and policies that enable TPU to conduct its activities both lawfully and ethically’. Staffing functions and work locations during emergencies was discussed. Ms. Rose concluded the presentation by encouraging all to personally prepare for emergencies.

Board feedback on TPU Mission Statement

The discussion was led by the TPU strategy team; KayLyne Newell, Alan Matheson, and Haley Saul. The TPU strategy effort was undertaken to ensure alignment, focus priorities, bring clarity, eliminate duplicate efforts, and increase collaboration between divisions. The framework for the development the mission, values, vision, objectives, and initiatives and who was responsible for each step of the development was then shared. Past TPU mission statements and the statements for each division/work group were reviewed. The current mission statement options were shared: 1) Tacoma Public Utilities provides clean, reliable, affordable services; 2) Tacoma Public Utilities provides clean, reliable, affordable services essential to quality of life. Board discussion on the advantages and disadvantages/strengths and weaknesses of each of these ensued.

Board Governance/Policies

The Board reviewed the proposed SD template that was in their packets. Present Board Members shared that they would be favorable to removing the ‘values’ statements from each SD, but that the ‘measurements’ section shouldn’t be optional. Defaulting to annual updates was deemed favorable provided the Board could request reports. Discussion ensued on using the word ‘priority’ instead of ‘strategic’ for the Board directives. Similarities in certain SDs and possibly combining some of them was then discussed: SD4 (Stakeholder Engagement) and SD 10 (Government Relations) have similarities. SD 7 (Reliability/Resiliency) and SD 14 (Resource Planning) have similarities. SD 5 (Environmental Leadership) and SD 11 (Decarbonization) have similarities. The Board then discussed selecting SDs that encompass the most importance to the Board that should be edited in 2023: SD1 (Equity and Inclusion); SD 5 (Environmental Leadership); SD 11 (Decarbonization); SD 7 (Reliability/Resiliency); SD 14 (Resource Planning). There was also discussion of the possibility of combining SD 5, SD7, SD 14, and SD11. The Board indicated that they would approve of removing SD8 (Telecom) as it is more contract management than directive; or changing it to add more of a cybersecurity element. There was also discussion about adding ‘affordability’ as a directive.

Board Comments

Board Member O’Loughlin provided an update on the latest Audit Advisory Board meeting, in which the State Auditor’s Office presented its findings for the year.

Director Flowers updated the Board on the hiring process status of the Chief Administrative Officer position.

Director Flowers updated the Board on an emergency crane purchase, which required a waiver of competitive solicitation. A safety switch failed on a crane at the Cowlitz Hydroelectric Project. The replacement for this crane had already been planned for this biennium; however, it is needed now for fish picks in April. A crane was found and a purchase process was expedited.

Adjournment

The study session was adjourned at 5:58 p.m.

Approved:



Carlos Watson, Chair



Holland Cohen, Secretary