



PUBLIC UTILITY BOARD POLICY

<p>Category: Strategic Directive</p> <p>Date of Adoption: September 9, 2020</p> <p>Resolution No.: U-11193</p> <p>Revision Date:</p>	<p>Title: Decarbonization</p> <p>Policy Number: SD-11</p>
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Purpose

Tacoma Public Utilities seeks to be a leader in decarbonization of the electric utility system and transportation electrification and 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.

Values

1. TPU is committed to advancing decarbonization of the electric utility system and transportation electrification where technically and economically feasible to meet these challenges today and into the future.
2. Electrification of transportation can produce new markets for TPU and can provide added revenue from surplus power that can help keep rates down for all customers.
3. The TPU Board joins the Tacoma City Council in supporting Council Resolution 40509, relating to the reality of climate change, and Council Resolution 39427, the Environmental Action Plan.
4. TPU believes that decarbonization is a vital tool to address the public emergency of climate change, and will help to minimize harm to current and future generations.
5. The Public Utility Board and senior management encourage measured risk taking while balancing opportunity and benefits to ensure that decarbonization and transportation electrification is pursued with strict discipline through analysis, sound technical data and good management oversight.
6. TPU is committed to educating our customers on the benefits of decarbonization and transportation electrification.

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

Outcomes

1. Decarbonization and transportation electrification activities are identified, deployed, and supported with financial investment.
2. TPU will promote and support decarbonization 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 decarbonization efforts.
3. TPU will be ready to act on opportunities as they arise by researching our customers' needs and barriers with regards to transportation electrification and collaborating with federal, state, and local governments, private business, and other stakeholders.
4. TPU will leverage its abundant natural resources to support decarbonization through the development of carbon credit projects.
5. TPU will seek opportunities to reduce greenhouse gas emissions in our own activities where operationally appropriate by replacing energy using devices with electric alternatives.
6. TPU will partner with and support the City of Tacoma in their greenhouse gas reduction efforts.
7. TPU will encourage electrification of transportation and decarbonization in the community and support with programs and initiatives in alignment with TPU business objectives and statutory authority.
8. TPU will support a legislative agenda that improves Tacoma Power's ability to advance decarbonization through increased electrification of energy use.
9. Decarbonization efforts are made transparent through reporting.

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. Decarbonization goals will be reflected in long term planning such as the Power Integrated Resource Plan.

4. Track community outreach and communication activities related to decarbonization and transportation electrification.
5. Report to the Utility Board on organizational work groups who are focused on innovation, research and development, and modernization projects.
6. Individual work groups track and report progress.
7. 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.