



PUBLIC UTILITY BOARD POLICY

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| <p>Category: Strategic Directive</p> <p>Date of Adoption:</p> <p>Resolution No.:</p> <p>Revision Date:</p> | <p>Title: Resource Planning</p> <p>Policy Number: SD-14</p> |
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Purpose

Tacoma Public Utilities' highest priority is providing safe and reliable power, water, and rail services that meet or exceed customer needs over the long term (20 to 60 years).

Values

1. TPU values the discipline of periodically examining customer long-term utility service needs and the business and technology trends within the respective utilities industries, identifying long-term opportunities for the utility services, and developing shorter term actions that prepare for predicted resource adequacy future(s).
2. TPU believes prudent long-term resource planning that considers anticipated customer needs and the impact of future uncertainty results in sustainable delivery of utility services, predictable budgets and reasonably stable rates.
3. TPU values responsible stewardship and recognizes that resource decisions have financial, environmental, and customer impacts for a generation or more. Such decisions need to be based on thoughtful analyses of all the alternatives based on up-to-date data and information, including trends, risks, pros, cons, and the uncertainty of the future.
4. TPU recognizes our customers should have access to its resource planning analyses, presented in a way that is understandable and affording customers and other stakeholders opportunities to provide input in the resource planning process.

Outcomes

1. Long-term resource plans that fairly estimate customer trends and requirements and contemplate the universe of practicable alternative sources of power, water and rail services considering the likely progression of business and technology advancement.

2. Long-term resource plans that reflect changing legal and regulatory requirements that have direct or indirect influence on resource alternatives.
3. Long-term resource plans that are broad based and unbiased, derived from comprehensive “best practices” analyses that take into account current utilities industry conditions and predictable trends in addition to future uncertainties and risks.
4. Long-term resource plans that incorporate input from customers, stakeholders and other relevant sources.
5. Work product that is written in a way the general public can comprehend while also providing transparency through technical documentation for those interested in the details.

Measurements

Reporting

1. Integrated resource plans for power and water every two years.
2. Comprehensive rail service “futures” plan every two years.
3. Annual report of anticipated changes in integrated resource planning, issues and opportunities.