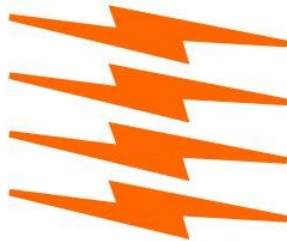


# Stakeholder Engagement

March 11 , 2020

- **John Gaines**, Community Relations Manager
- **LaTasha Wortham**, Regional Relations Manager



# Overview

- Strategic Directive Overview
- TPU-Wide Outreach
- TPU Divisions Involved
- Types of Engagement
- Messages Shared/Received
- Focus Areas
- Feedback

# Strategic Directive

- **Purpose of Report: Stakeholder Engagement**
  - TPU is Committed to proactive engagement and open dialogue with customers and other stakeholders to understand their needs and improve service that informs decision-making
- **Reporting: Stakeholder Engagement**
  - On an as needed basis based, not less than biannually to the Executive Leadership Team and to the Public Utility Board

# Strategic Directive

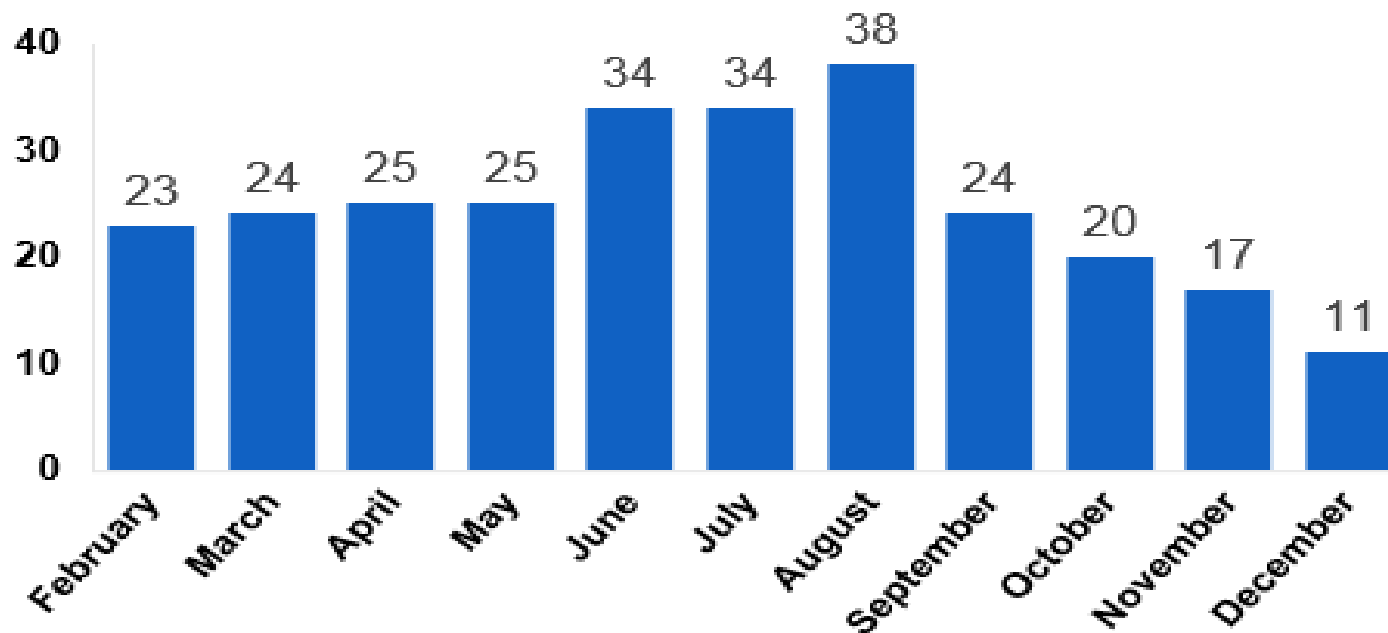
- **Values: Stakeholder Engagement**
  - As a publicly-owned, municipal utility, TPU values the relationship with our owners (citizens of Tacoma), customers, and stakeholders
  - TPU believes in open and transparent governance
  - TPU believes in continually evolving our customer and stakeholder engagement efforts to equitably engage customers and stakeholders in their preferred manner
  - TPU believes the City's of Tacoma's GG and other local governments...are essential partners...



# Engagements Performed

- A total of 303 reported engagements were carried out in 2019

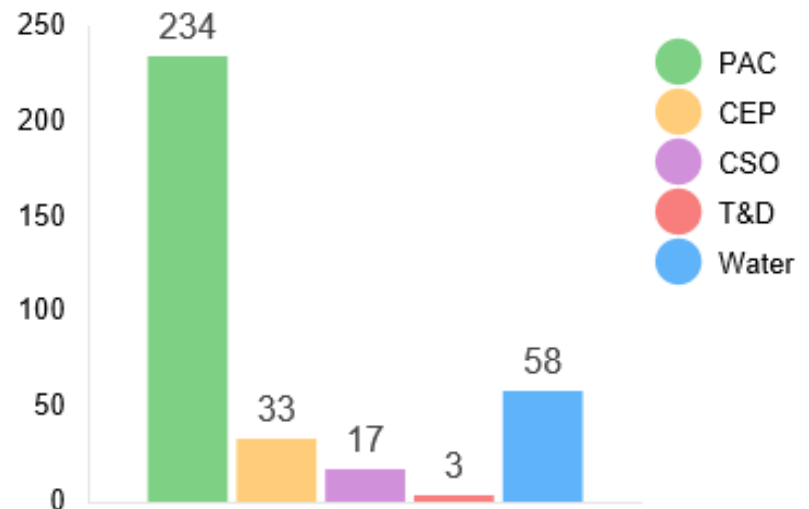
Reported Engagements by Month



# Outreach – TPU Divisions

- **TPU divisions involved in outreach in 2019**
  - Public Affairs & Communications
  - Customer Energy Programs
  - Customer Solutions Office
  - Water
  - Transmission and Distribution

Reported Engagements by Section



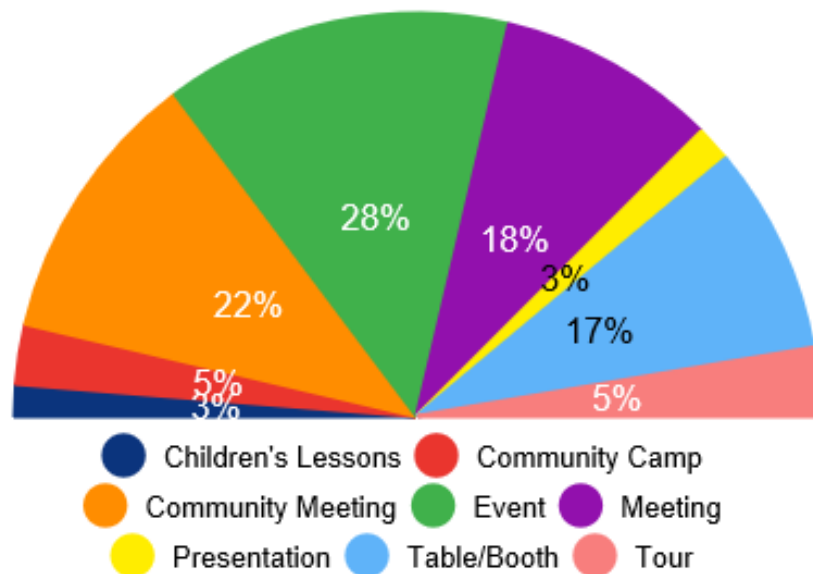
# Types of Engagement

- The types of engagement undertaken varied

The types of engagements undertaken varied for:

- Access to different stakeholders
- Enhance interest in the outreach program
- Enhance quality of information shared

Reported Engagements by Type



# Messages Shared/Received

- **Proactive initiatives**
  - Advanced Meter
  - Environmental Action Plan
  - Low Income/bill assistance program
  - Cushman & Adams Substations
  - Other Projects

# Focus Areas

- **Constant evolution and & improvement**
  - Quality of engagement
  - Increase collaborative engagement
  - Engaging with new groups

# **PUB Feedback?**

- Has this been helpful to you?
- What is the best way for you to receive information regarding our engagements?
- How would you like an update on the Stakeholder Engagement SD?
- What messages are important to you?

# Contacts

## **John Gaines**

Community Relations Manager

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## **LaTasha Wortham**

Regional Relations Manager

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W: 253-441-4659





# Strategic Communications Plan Board Update March 11, 2020





## Coordinated, planned communications support business goals

### Project Objectives



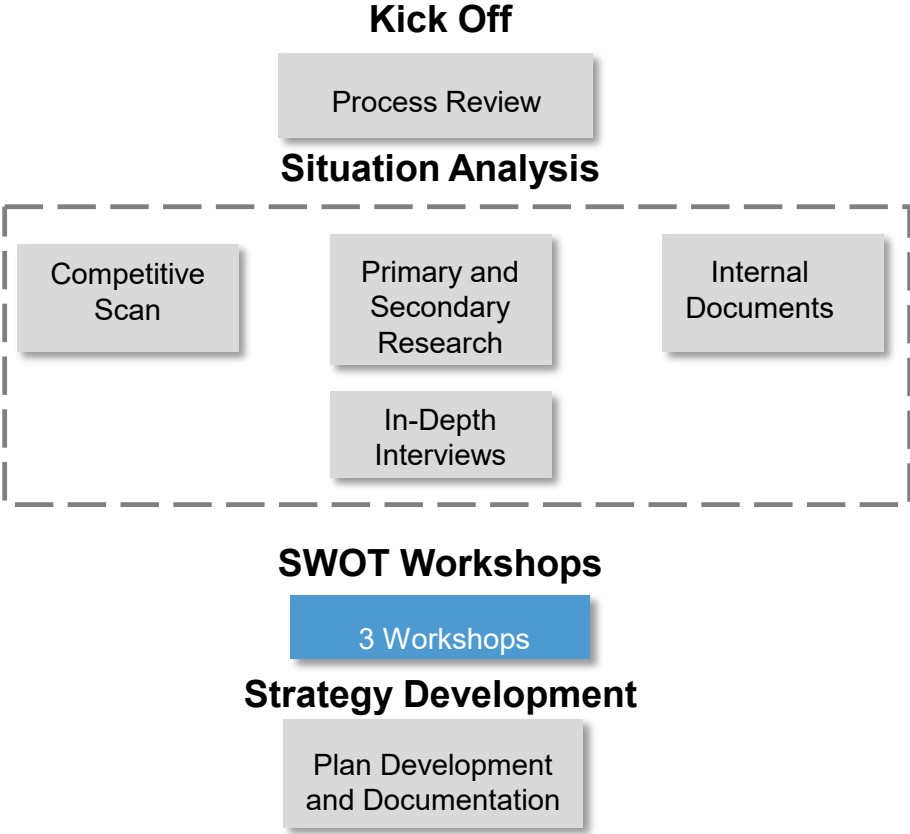
Customers want to hear from us, representing an opportunity to tell our story

- Affordability and value
- Safety
- Environment and supply
- Innovation

Gap	Solution
Gap #1 – Customers don’t recognize the value TPU and its divisions contribute to their daily lives, the community and environment	Showcase employees and emphasize values shared by the utility and community to build emotional connection with customers.
Gap #2 – Customers are concerned about utility bill affordability for themselves as well as on behalf of low-income community members	Communicate about products and services, enhanced safety and grid modernization, and commitment to excellent service to temper negative impact of rate increases on customer perception.
Gap #3 – Customers don’t know about TPU and its divisions’ efforts to manage the business in a way that protects natural resources and contains costs	Leverage results, successes, products, etc. as proof points to tell our story Expand reach through employee advocacy and targeted use of channels

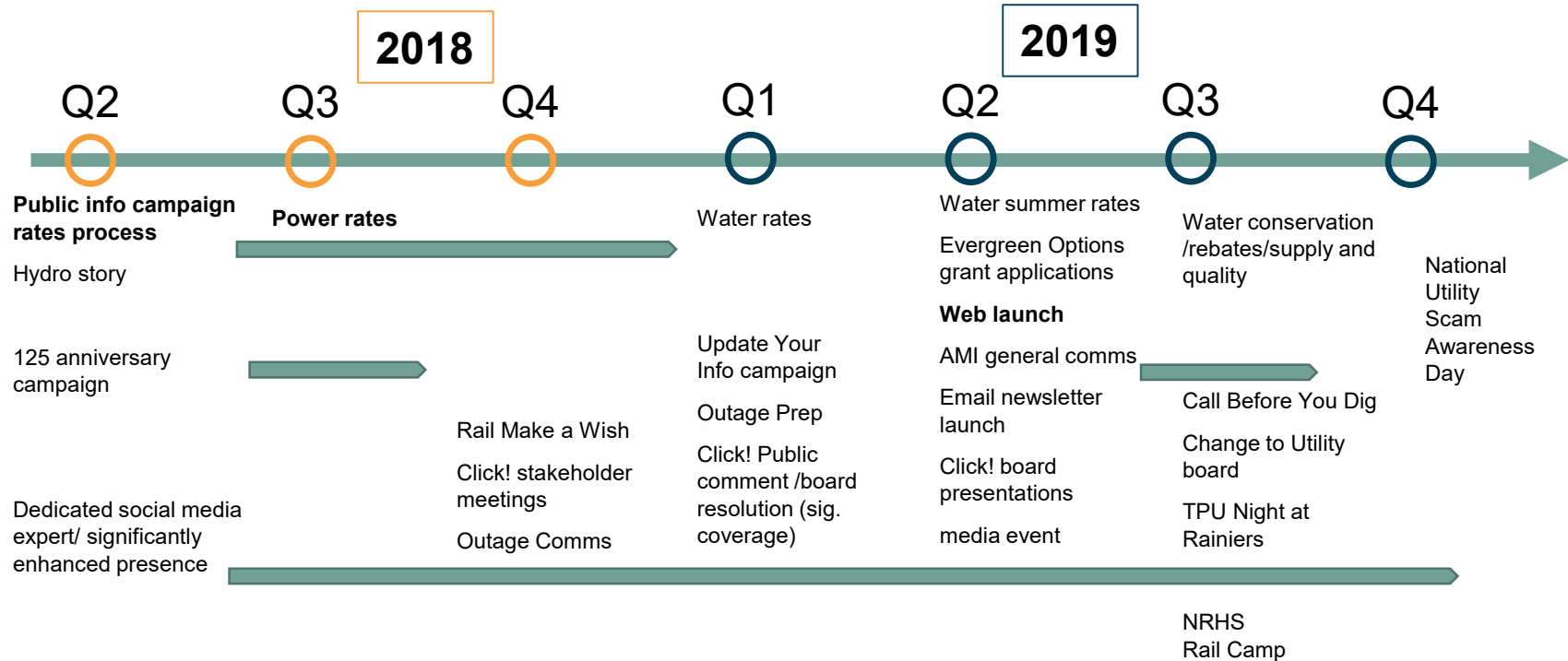


Research informs the plan and demonstrates results



## Key Communication Initiatives

Since 2018, Communications has sought opportunities to apply the strategy in a way that integrates messages around common themes (e.g., rates, resilience, renewable hydro, carbon)



Note: Timeline is not all inclusive.



# Key Communication Initiatives

## In addition to tighter message alignment, *how we approached communications fundamentally changed*

### Imagery transforms a “faceless” entity

- Use of photography
- Brand alignment and story integration to maximize recognition and reputational impact
- Video – internal and external

### Integrated channels encourage engagement /transparency

- Employee channels
- Town halls
- Traditional
- Social media/digital
- YouTube to engage customers vs. video archive

#### Showerhead Rebates

##### Overview

Switching to an efficient showerhead is one of the easiest ways to conserve water and energy in your daily life while also saving money on your utility bill.

The latest showerheads use 1.5-2 gallons of water per minute, while showerheads manufactured before 1994 use 3-8 gallons per minute. That means a family of four could save about 3,600 gallons of water and \$60 in utility costs per year simply by using efficient showerheads.

To help you save money and use less hot water, we offer up to \$5 off the purchase of a water-efficient showerhead. Just look for one with a Tacoma Power sticker at any participating store and receive an instant rebate at the time of purchase. You can also receive a free water-efficient showerhead at the TPU Administrative Services Building at 3628 S. 35th St.



He doesn't have a driver's license yet, but that isn't stopping Nick Hoyer from getting behind the controls of a 200-ton locomotive:

"It's just amazing to be able to get on the throttle of a locomotive like this and really drive it up and down the yard," says Nick Hoyer, "It's just great."

Once a year, teens from NRHS RailCamp take over Tacoma Rail for a day. Their enthusiasm and passion for trains fuels the future of our industry. Thanks to [KING 5 Evening](#) for coming out to film their experience and capture the magic for others to see!



KING5.COM

The Washington summer camp that makes dreams come true for teen train enthusiasts

#### Save Energy & Money

Saving energy and water lowers your utility bills, keeps money in your pocket and protects the environment. Take advantage of the various programs, rebates, grants for income-eligible customers and other offers available to reduce the cost of buying energy-efficient equipment, and water saving products for your home or business. Other resources across our site can help you better understand your energy and water use so you can save even more.

To help you save energy and money, we offer zero-interest loans to qualifying homeowners (includes rentals up to 4 units) for select energy efficiency programs. Grants for income-eligible customers are also available. These programs can help you with upfront equipment costs and also lower your utility bills for years to come.



Learn more about zero-interest loans

GRANTS & LOANS

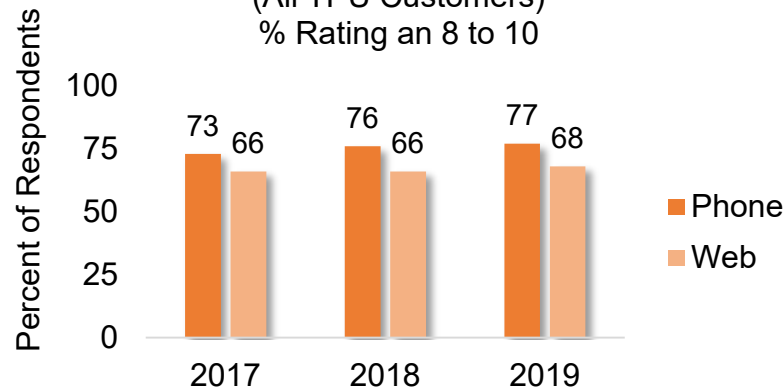


## Customer Satisfaction stayed strong during rate adjustment

### Satisfaction with Tacoma Electric Service

(All TPU Customers)

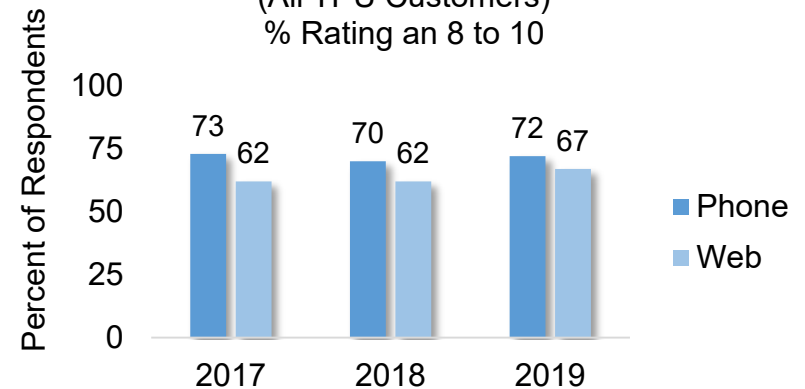
% Rating an 8 to 10



### Satisfaction with Tacoma Water Service

(All TPU Customers)

% Rating an 8 to 10



#### Rate Adjustment Impact:

Water (Jan. 2019)

Power (Apr. 2019)

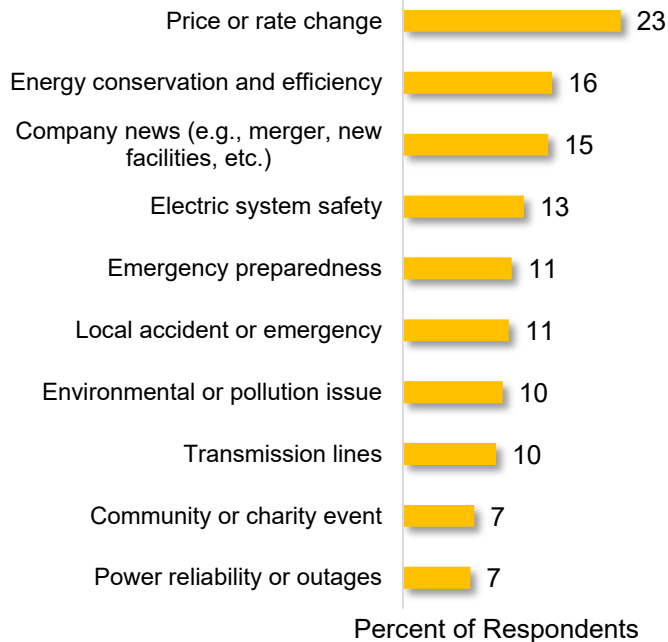


## Our communication got noticed -- customers recalled more media stories about rates and reliability in 2019

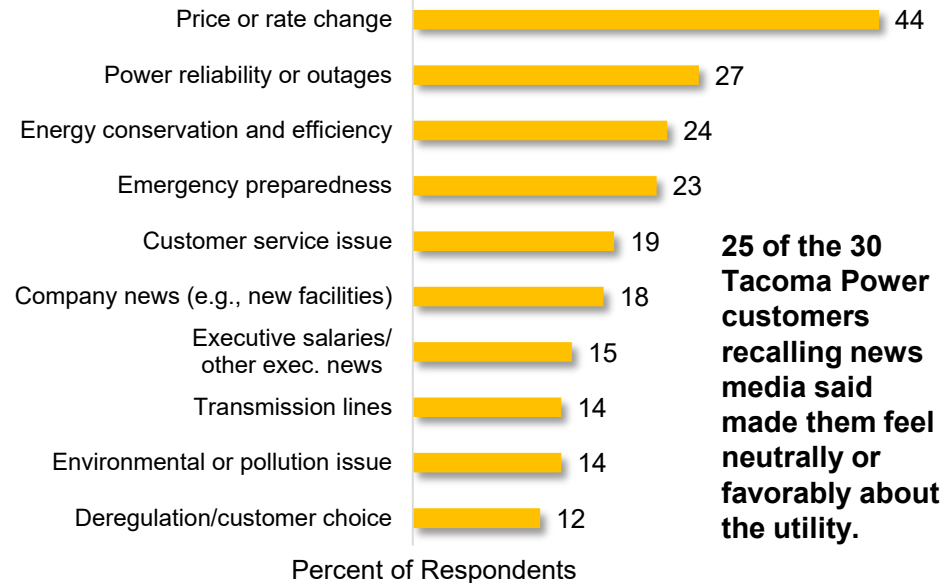
### Top 10 Topics Recalled from News Media

Base: Customers Recalling Communication about News Media Story About Tacoma Power Over the Past Three Months

#### 2018 Year End (n=73)



#### 2019 YTD May Top News Media Stories (n=30)



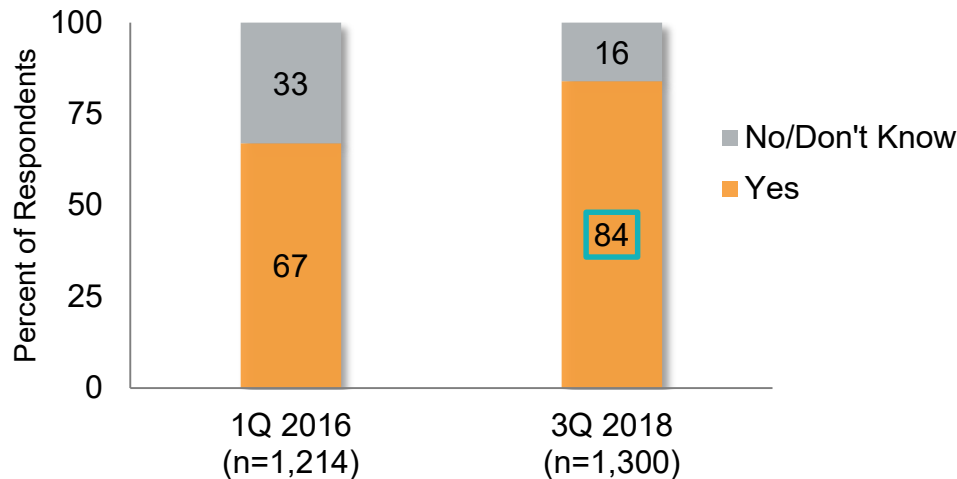
**25 of the 30 Tacoma Power customers recalling news media said made them feel neutrally or favorably about the utility.**

Caution: Small sample sizes

## Significantly more customers considered hydroelectric power renewable. Powering their homes in a way that reduces carbon would appeal to customers.

### Consider Hydroelectric Power from Dams Renewable

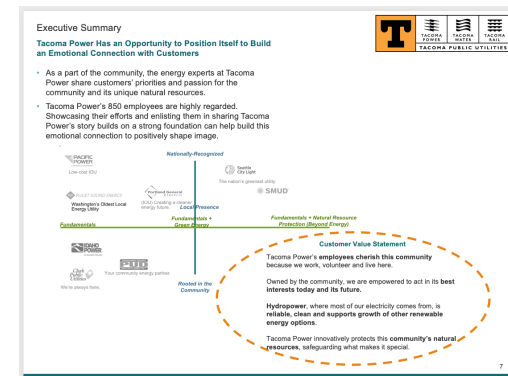
Base: Tacoma Power Residential Customers



Significantly higher than 2018 results at 95% confidence interval

### How Important Customers Feel it is to Manage their Carbon Footprint

Base: Tacoma Power Residential Customers (n=1,300)

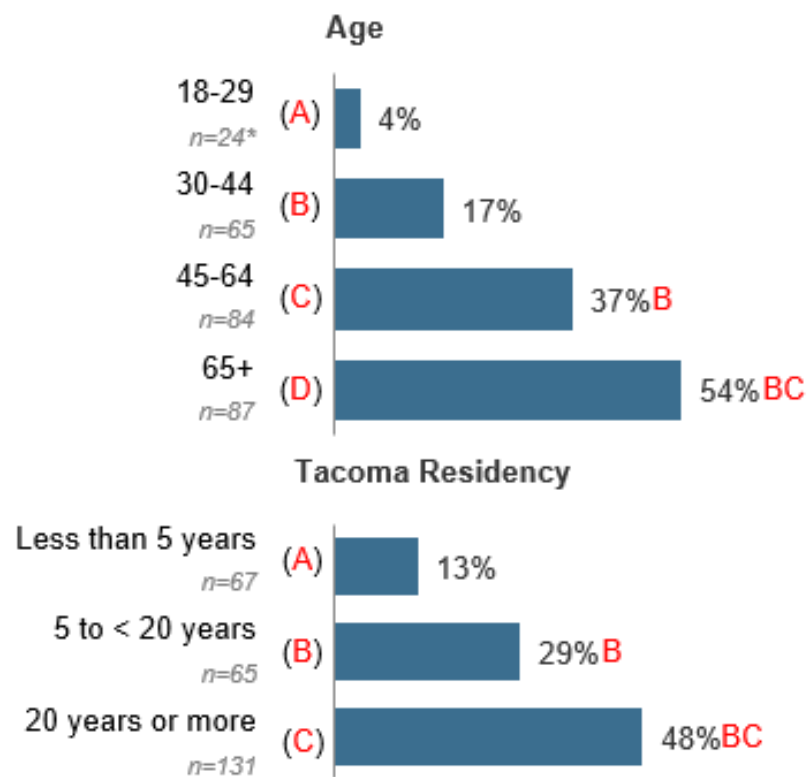


Tacoma Public Utilities Residential Products and Services Survey  
Do you consider hydroelectric power from dams on rivers to be a renewable energy source  
Carbon free refers to energy generation and other activities that do not produce any carbon dioxide that might contribute to pollution. Is managing your carbon footprint important to you?





# Awareness of Where Tacoma Water's Water Supply Comes From

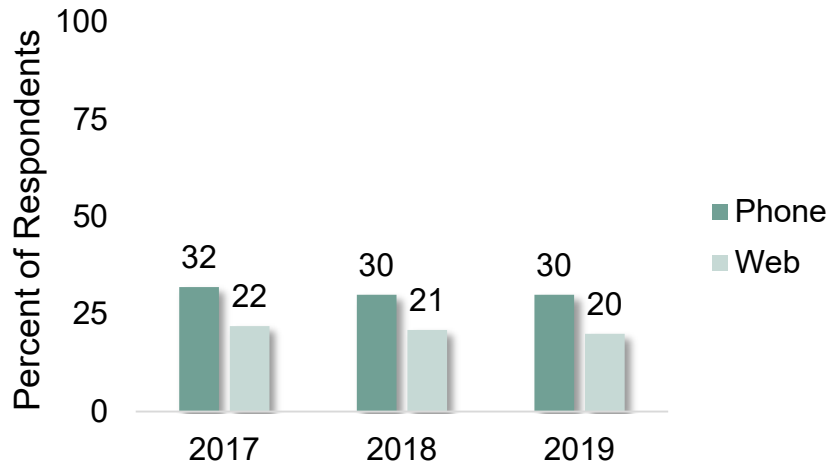


SOURCE. Do you know where Tacoma Water's water supply comes from?  
 \*Base size less than 30, interpret results with caution.  
 ↑↓ Indicate significant differences between the current wave and previous waves.  
 A, B, C, and D indicate significant differences between customer types.

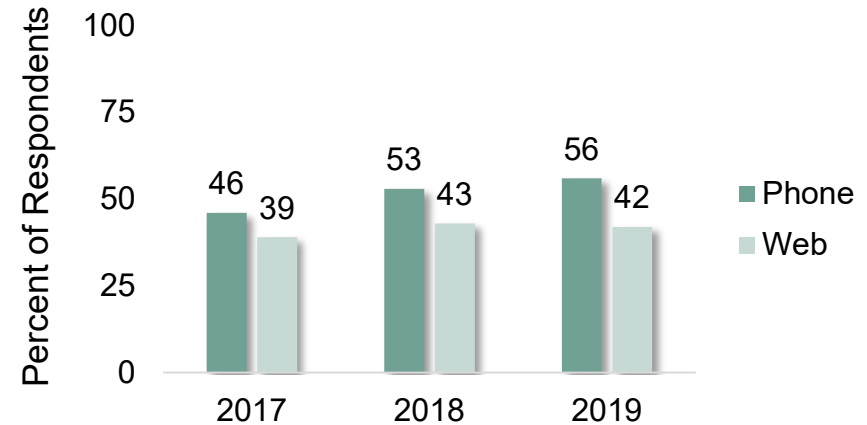


## TPU's proprietary research identifies ongoing risk around bill affordability perceptions; low income assistance is an important topic both to at-risk customers and the general public

**Perceptions of Bill Affordability**  
(All TPU Customers)  
% Rating an 8 to 10



**Satisfaction with Offering Assistance to Customers Who are Behind**  
(All TPU Customers)  
% Rating an 8 to 10



### Following AMI launch, ongoing communication provides the opportunity to demonstrate further value, including keeping bills affordable

#### Increase customer communication

- 68% of utilities communicate with customers around one to two times per month primarily through bill statements (64%) followed by emails (38%)
- As communication frequency increases customer perceptions of utility goodwill and usefulness of advanced metering technology improve

#### Highlight benefits through success stories

- Customers perceived their **bills** decreased (33%) or stayed the same (47%)
- 24% said **rates** decreased or stayed the same (52%)
- Capture customer testimonials during rollout and share on e-newsletter and social (e.g., helped them lower bills, detect leaks)

#### Brand and promote the customer AMI portal to view electric/natural gas

- 30% of utility customers did not know if their utility offered a portal
- Nearly 90% of those aware of having a customer portal agree or strongly agree the portal enables them to monitor their use more frequently
- 77% agree or strongly agree the portal helps them save on utility bills

**An overarching TPU communication approach includes universal strategies tailored to each division's unique needs**



## Overarching TPU Strategic Communication Plan

Strategies applicable TPU-wide and across divisions

## Division-Specific Communication Plans

**TACOMA POWER**  
TACOMA PUBLIC UTILITIES

**TACOMA WATER**  
TACOMA PUBLIC UTILITIES

**TACOMA RAIL**  
TACOMA PUBLIC UTILITIES

## Customer Service

“Proof point” for easy to do business





# Telling the Divisions' Unique Stories

## Water, Power and Rail proof points support universal TPU messaging themes



**TACOMA WATER**  
TACOMA PUBLIC UTILITIES

**TACOMA POWER**  
TACOMA PUBLIC UTILITIES

**TACOMA RAIL**  
TACOMA PUBLIC UTILITIES

### Public Safety

- Call before you dig
- Voluntary gooseneck replacement

- Call before you dig
- Overhead lines
- Dam safety

- Rail crossing safety

### Career Opportunities

Employee profiles “what I love about my job” and opportunities provided by TPU/division they can explore

### Natural Resource Protection

Parks and recreation| TPU Employee Sustainability Action Committee  
Employee recycling | Community clean-up efforts

- Watershed management
- Fish programs
- Conservation programs
- Monitoring/testing
- Going above/beyond certain standards

- Fish programs
- Energy efficiency programs
- Hydro story

- Mitigation efforts along right of way

### Cost Management “Well Managed”

- Infrastructure maintenance
- AMI
- Invest in systems that will last decades

- Infrastructure maintenance
- Tree trimming
- Grid modernization/AMI

- Track and rail car maintenance

### Innovation

- Filtration/ozone
- Leak detection and monitoring
- AMI

- Reliability management
- AMI
- EVs

- Simulator
- Monitoring

### Economic Vitality

- Water expertise/conservation
- Low income assistance

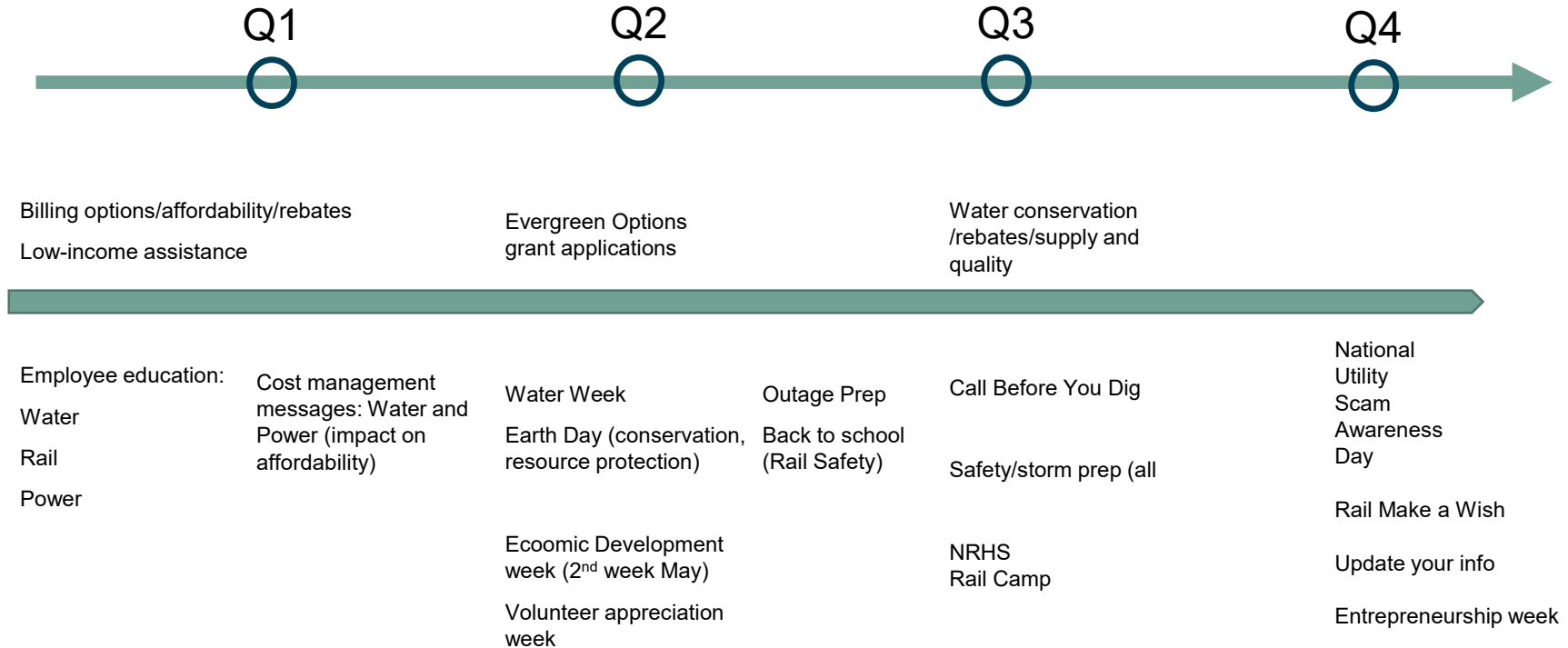
- Energy expertise/conservation
- Low income assistance

- Self-supporting
- Cost-effective transportation and industry enabler



# 2020 High-Level Calendar

**We will stay the course on our strategy, placing further emphasis on affordability/community citizenship messaging and leverage digital channels**



Note: Timeline is not all inclusive.





## Next Steps

- Integrated communications
- Highlight identified proof points
- Editorial calendar
- Monitor customer satisfaction
- Care and feeding of the plan: division check ins and report outs





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Dan Drennan, Market Development Manager  
[ddrennan@cityoftacoma.org](mailto:ddrennan@cityoftacoma.org)



A photograph of a waterfront city scene, likely Tacoma, Washington. In the foreground, a wooden pier with several white boat moorings extends into the water. A white motorboat is docked at the pier. In the background, a dense urban skyline is visible under a clear blue sky. Notable buildings include a tall, modern glass skyscraper and a large, curved, metallic structure. The water in the foreground is calm, reflecting the sky and the buildings.

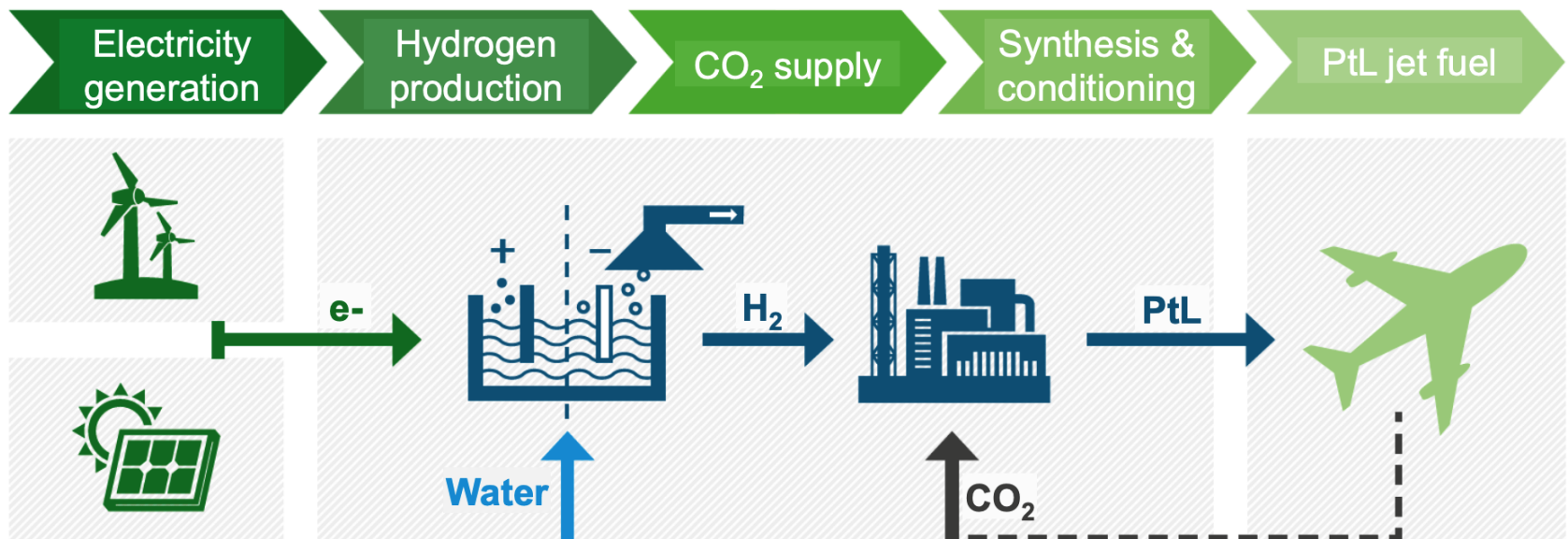
*Serving our customers*

# Renewable Electrofuels

**Cam LeHouillier, Manager of Energy R&D**

# What are renewable electrofuels?

- Renewable electricity used through electrolysis process
- create a synthetic liquid fuel without photosynthesis
- Carbon neutral – may use carbon as a vehicle
- Stores renewable electricity in chemical bonds
- Not biodiesel - no waste collection or burden on agriculture





# Electrofuels for decarbonized transportation

Battery electric technologies are great for light duty vehicles...

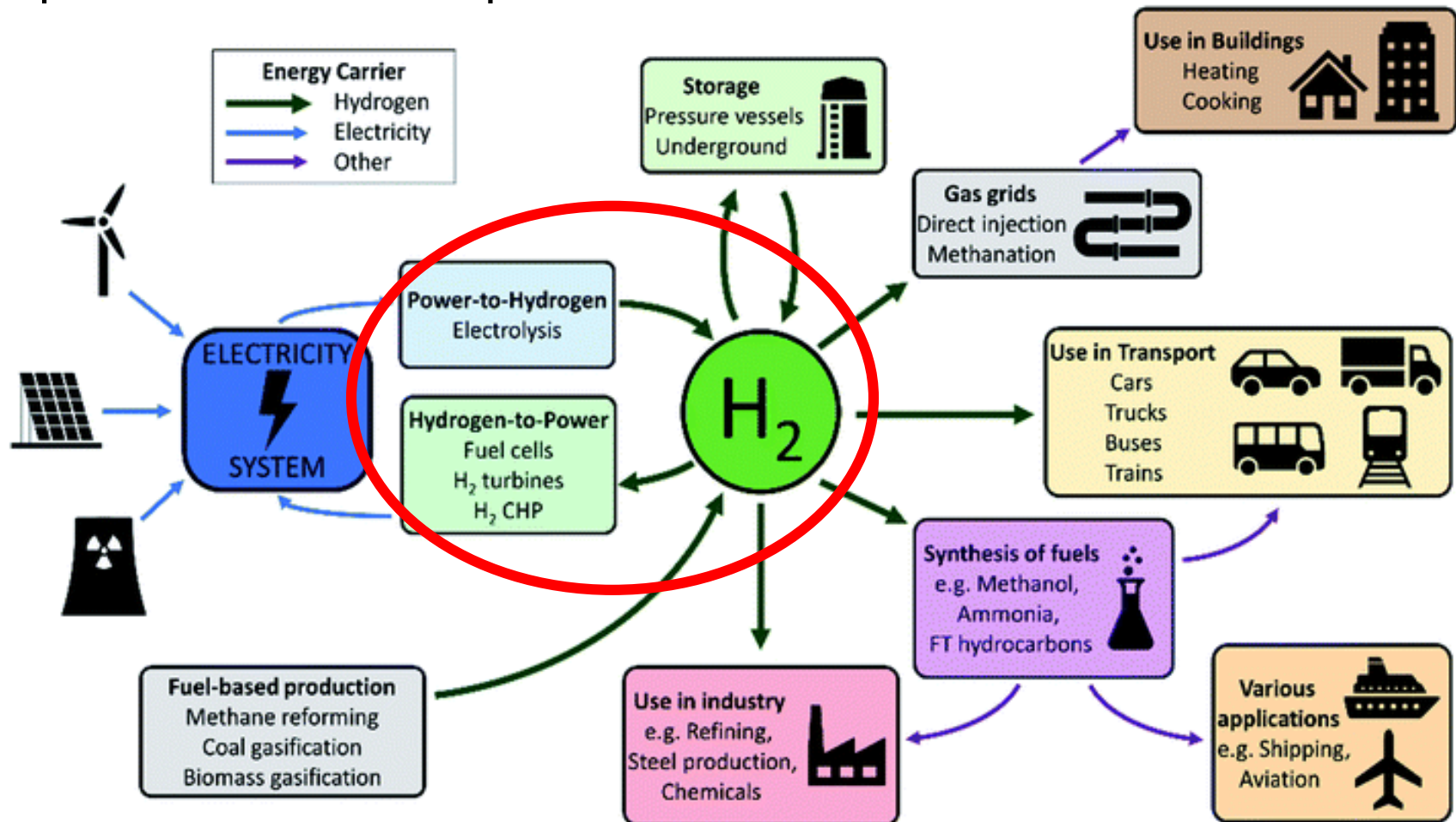


...but are not well suited for heavy duty vehicles.



# Electrofuels for a decarbonized grid

Production is highly flexible, can dynamically follow load, intermittent generation (wind, solar) and be interrupted to provide demand response



# Electrofuels as storage and distributed generation

Electrofuels provide a way to store and transport renewable energy without batteries or transmission wires

Could electrofuels and fuel cells =  
flexible distributed generation with no emissions?

What if the utility could get our customers to replace their  
diesel generators with these?





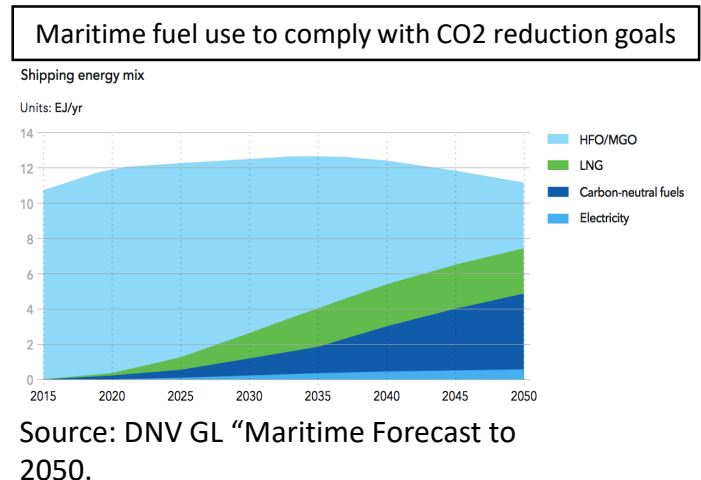
# What electrofuels could do for Tacoma

Tacoma Power is seeking a public-private partnership to prototype electrofuels and provide benefits:

- Economic development for our communities with high tech green jobs, increased tax revenues
- Increased retail power sales help keep rates for current customers low
- Dynamic, flexible load that offers demand response can help integrate renewables and increase reliability
- Advancing new technology that can contribute to a cleaner environment
- Future opportunities for new zero-emission vehicle tech

# Tacoma Power's current efforts

- Joined the Renewable Hydrogen Alliance in 2019
- Tacoma Green Hydrogen – electrolyzer construction
- OCO Chemical – formic acid stationary power supply
- Energy services company – H2 industrial feedstock replacement
- Washington Maritime Blue – Formic acid as a maritime fuel
- Partially or fully powered hydrogen locomotive





# Obstacles

Barriers and risks to electrofuel projects:

Pace of technological advancement

Public awareness and acceptance

Uncertainty future legislative policy

Ability to value dynamic load in an uncertain future market

Rate policy

Resource acquisition

Tideflats Interim Regulations

Competitive market for investment

# Thank You!

