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SECOND AMENDED RESOLUTION NO. U-11207

A RESOLUTION related to Tacoma Power, amending Chapter 12.06 of the Municipal Code, Electric Energy – Regulation and Rates, by adding thereto a new Section 12.06.265 to be known as "New Large Load Service (Schedule NLL)", effective April 1, 2021 and April 1, 2022.

WHEREAS the City of Tacoma, Department of Public Utilities, Light Division, (d/b/a "Tacoma Power") is proposing a new rate tariff that will codify the rate charged for new large loads between 8 and 20 MW, and

WHEREAS stating this rate as a formal tariff in the municipal code will provide consistency with the practice for all other rate schedules, increase transparency for industrial operations considering locating in the area, and support economic development in the City of Tacoma, and

WHEREAS retail revenues from new large loads contribute margin toward Tacoma Power's fixed costs which helps keep rates lower for all customers, and the proposed rate does not change the existing and projected revenue structures for the 2021/2022 Budget period, and

WHEREAS Tacoma Power desires to amend Chapter 12.06 of the Tacoma Municipal Code, Electric Energy - Regulations and Rates, by adding a new Section 12.06.265 to be known as "New Large Load Service (Schedule NLL); Now, therefore,

BE IT RESOLVED BY THE PUBLIC UTILITY BOARD OF THE CITY OF TACOMA:

That the Public Utility Board approves the new rate category – New Large Load Service (Schedule NLL), effective April 1, 2021 and April 1, 2022, and the Council of the City of Tacoma is requested to concur by enacting an ordinance adding a new Section 12.06.265 to be known as "New Large Load"



OPEA.

Service (Schedule NLL), substantially in the same form as set forth in

Attachment Aon file with the Clerk of the Board and as approved by the City

Attorney.

Approved as to form:

Chair

Chief Deputy City Attorney

Secretary

Adopted

Clerk



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WHEREAS retail revenues from new large loads contribute margin toward Tacoma Power's fixed costs which helps keep rates lower for all customers, and the proposed rate does not change the existing and projected revenue structures for the 2021/2022 Budget period, and

WHEREAS Tacoma Power desires to amend Chapter 12.06 of the Tacoma Municipal Code, Electric Energy - Regulations and Rates, by adding a new Section 12.06.265 to be known as "New Large Load Service (Schedule NLL); Now, therefore,

BE IT RESOLVED BY THE PUBLIC UTILITY BOARD OF THE CITY OF TACOMA:

That the Public Utility Board approves the new rate category – New Large Load Service (Schedule NLL), effective April 1, 2021 and April 1, 2022, and the Council of the City of Tacoma is requested to concur by enacting an ordinance adding a new Section 12.06.265 to be known as "New Large Load"



Service (Schedule NLL), substantially in the same form as set forth in Attachment A and as approved by the City Attorney. Approved as to form: Chair /s/ Chief Deputy City Attorney Secretary Adopted_ Clerk

Chapter 12.06 Electric Energy – Regulations and Rates¹

Amended and Added Section:

12.06.265 New large load service – Schedule NLL. Effective April 1, 2021.

12.06.265 New large load service - Schedule NLL. Effective April 1, 2021.

A. Applicability. For new loads or expanding existing loads greater than 8 MW but less than 20 MW within a twelve-month period. Loads receiving service under Schedule NLL may receive service under Schedule CP (or a successor rate) after a period of ten consecutive years from the beginning of service if applicable requirements are met.

B. Availability. For major industrial power use upon the execution of a written Power Service Agreement (Contract) with Tacoma Power, which shall require among other conditions:

- 1. A minimum Contract Demand (as set forth in the Contract) of not less than 8,000 kilowatts and not more than 20,000 kilowatts;
- 2. Delivery of power at one primary voltage;
- 3. Metering at primary voltage but in no case at less than nominal 4,160 volts;
- 4. Power factor adjustment to 95 percent lagging or better; and
- 5. Service is subject to curtailment and certain notice provisions are applicable.
- C. Monthly Rate. The sum of the following power service, delivery, customer and other charges:
- 1. Power Service Charges:
- (a) Energy: All energy measured in kilowatt-hours at \$0.038553 per kWh.
- (b) Demand: All kilowatts of Billing Demand delivered at \$5.92 per kW.
- (c) Minimum Charge: The Demand Charge.
- (d) Contract Demand Overrun: A Contract Demand Overrun charge shall be imposed when the total measured demand (highest 30-minute integrated demand) exceeds the Contract Demand (as set forth in the Contract). Said charge is pursuant to the following formula:

Contract Demand Overrun Charge = MW x 300% x DC

Where: MW = MW of metered Demand in excess of the Contract Demand; DC = Demand Charge.

- 2. Delivery: All kilowatts of Billing Demand delivered at \$5.20 per kW.
- 3. Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies: \$5,813.25 per month.
- D. Billing Demand. Determined by means of a demand meter, 30-minute interval.
- 1. The Billing Demand shall be the highest of:
- (a) The highest measured demand for the month, adjusted for power factor;
- (b) 60 percent of the highest measured demand occurring during any of the preceding 11 months after adjustment for power factor; or
- (c) 60 percent of the highest Contract Demand (as set forth in the Contract) during any of the preceding 11 months.
- E. Service Conditions.
- 1. Power factor provision applicable; and
- 2. Applicable provisions of the Tacoma Municipal Code, General Provisions, and Customer Service Policies governing the sale of electric energy and delivery services shall apply.

¹ Prior legislation: Ords. 16486, 16718, 16729, 16979, 17181, 17335, 17652, 17740, 18074, 18121, 18378, 18379, 18577, 18654, 18705 and 19120.

Chapter 12.06 Electric Energy – Regulations and Rates¹

Amended Section:

12.06.265 New large load service – Schedule NLL. Effective April 1, 20224.

12.06.265 New large load service – Schedule NLL. Effective April 1, 20221.

- A. Applicability. For new loads or expanding existing loads greater than 8 MW but less than 20 MW within a twelve-month period. Loads receiving service under Schedule NLL may receive service under Schedule CP (or a successor rate) after a period of ten consecutive years from the beginning of service if applicable requirements are met.
- B. Availability. For major industrial power use upon the execution of a written Power Service Agreement (Contract) with Tacoma Power, which shall require among other conditions:
- 1. A minimum Contract Demand (as set forth in the Contract) of not less than 8,000 kilowatts and not more than 20,000 kilowatts;
- 2. Delivery of power at one primary voltage;
- 3. Metering at primary voltage but in no case at less than nominal 4,160 volts;
- 4. Power factor adjustment to 95 percent lagging or better; and
- 5. Service is subject to curtailment and certain notice provisions are applicable.
- C. Monthly Rate. The sum of the following power service, delivery, customer and other charges:
- 1. Power Service Charges:
- (a) Energy: All energy measured in kilowatt-hours at \$0.0393288760 per kWh.
- (b) Demand: All kilowatts of Billing Demand delivered at \$6.045.95 per kW.
- (c) Minimum Charge: The Demand Charge.
- (d) Contract Demand Overrun: A Contract Demand Overrun charge shall be imposed when the total measured demand (highest 30-minute integrated demand) exceeds the Contract Demand (as set forth in the Contract). Said charge is pursuant to the following formula:

Contract Demand Overrun Charge = MW x 300% x DC

Where: MW = MW of metered Demand in excess of the Contract Demand; DC = Demand Charge.

- 2. Delivery: All kilowatts of Billing Demand delivered at \$5.3022 per kW.
- 3. Customer Charge: Calculated on a monthly basis, invoiced, and collected pursuant to the applicable customer service policies: \$5,928.25727.00 per month.
- D. Billing Demand. Determined by means of a demand meter, 30-minute interval.
- 1. The Billing Demand shall be the highest of:
- (a) The highest measured demand for the month, adjusted for power factor;
- (b) 60 percent of the highest measured demand occurring during any of the preceding 11 months after adjustment for power factor; or
- (c) 60 percent of the highest Contract Demand (as set forth in the Contract) during any of the preceding 11 months.
- E. Service Conditions.
- 1. Power factor provision applicable; and
- 2. Applicable provisions of the Tacoma Municipal Code, General Provisions, and Customer Service Policies governing the sale of electric energy and delivery services shall apply.

¹ Prior legislation: Ords. 16486, 16718, 16729, 16979, 17181, 17335, 17652, 17740, 18074, 18121, 18378, 18379, 18577, 18654, 18705 and 19120.