





## Board Action Memorandum

**TO:** Jackie Flowers, Director of Utilities  
**COPY:** Charleen Jacobs, Director and Board Offices  
**FROM:** Clark Mather, Community & Government Relations Manager  
**MEETING DATE:** November 17, 2021  
**DATE:** November 4, 2021

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### STRATEGIC DIRECTIVE ALIGNMENT (select as many that apply):

Please indicate which of the Public Utility Board's Strategic Directives is supported by this action.

- |                                                                    |                                                                              |
|--------------------------------------------------------------------|------------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> SD1 – Equity & Inclusion       | <input checked="" type="checkbox"/> SD8 – Telecom                            |
| <input checked="" type="checkbox"/> SD2 – Financial Sustainability | <input checked="" type="checkbox"/> SD9 – Economic Development               |
| <input checked="" type="checkbox"/> SD3 – Rates                    | <input checked="" type="checkbox"/> SD10 – Government Relations              |
| <input checked="" type="checkbox"/> SD4 – Stakeholder Engagement   | <input checked="" type="checkbox"/> SD11 – Decarbonization/Electric Vehicles |
| <input checked="" type="checkbox"/> SD5 – Environmental Leadership | <input type="checkbox"/> SD12 – Employee Relations                           |
| <input checked="" type="checkbox"/> SD6 – Innovation               | <input checked="" type="checkbox"/> SD13 – Customer Service                  |
| <input checked="" type="checkbox"/> SD7 – Reliability & Resiliency | <input checked="" type="checkbox"/> SD14 – Resource Planning                 |

**SUMMARY:** A resolution approving TPU's state and federal legislative policies.

**BACKGROUND:** TPU's legislative policies are generally updated and approved by the Public Utility Board on an annual basis. TPU's legislative policies were last approved by the Public Utility Board via Resolution U-11218 on November 18, 2020.

**ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED?** No

**IF THE EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW IT IS TO BE COVERED.**

N/A

**IF THE ACTION REQUESTED IS APPROVAL OF A CONTRACT, INCLUDE LANGUAGE IN RESOLUTION AUTHORIZING \$200,000 INCREASE IN ADMINISTRATIVE AUTHORITY TO DIRECTOR?** No

**ATTACHMENTS:** List any attachments (contracts, policies, agreements, etc.).

- 'Exhibit A' to accompany resolution: TPU Legislative Policies

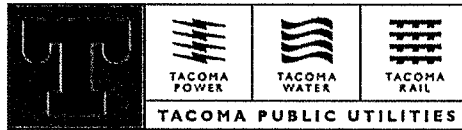
### CONTACT:

Primary Contact: Clark Mather, Community & Government Relations Manager, 253-260-0440

Supervisor's Name: Jim Sant, Deputy Director – MSO & PAC

Presenter (if different from primary contact): Clark Mather

Additional staff requiring a Zoom presentation link: Logan Bahr, State Relations Manager



## EXHIBIT A

### TPU Legislative Policies

#### ***TPU General Issues – Comprehensive***

- TPU supports consistency between federal and state policies affecting utilities.
- TPU supports economically sound policies that encourage and reward energy and water conservation and that assist efficiencies in utility delivery and use.
- TPU supports programs that assist limited-income customers.
- TPU supports policies for protection of the natural environment, including stream protection, and that support public stewardship of fishery resources and wildlife habitat.
- TPU supports net neutrality.
- TPU opposes proposals to prohibit or inhibit the provision of telecommunications by municipalities.

#### ***TPU General Issues – Federal***

- TPU supports policies that allow for and protect tax-exempt financing for publicly-owned utilities.
- TPU supports federal cybersecurity policies that complement utility actions to deter cyberattacks.

#### ***TPU General Issues – State***

- TPU supports local control of municipal utilities and opposes unfunded mandates and mandated rate structures.
- TPU opposes the diversion by the State of utility tax revenues to non-related uses, as well as diversion of revenues intended for infrastructure financing assistance to non-related programs.
- TPU supports retention and protection of municipal utility lien authority.
- TPU supports the approval and funding of utility facilities and services consistent with state policies of growth management and regional efficiencies.
- TPU opposes authority for counties to impose taxes on utility service already subject to local utility or gross earnings taxes.
- TPU opposes policies that would shift the obligations of building and construction parties onto utility providers (including undergrounding utilities).



## *Tacoma Power – Comprehensive*

- TPU supports consistent statutory recognition of hydropower as a renewable, emissions-free resource.
- TPU supports proposals for greenhouse gas emissions reduction that achieve the most efficient carbon emission reduction at reasonable cost to utility customers, and are market-based, economy-wide, and coordinated with regional or national strategies. If policymakers implement greenhouse gas reduction polices, they should appropriately acknowledge and credit hydropower as a carbon-free generating resource and recognize the role the electricity sector could play in reducing carbon emissions in the transportation and heating/building sectors and in the production of new clean transportation fuels. Any changes in federal or state policy must be sensitive to rate pressures, especially on lower-income customers.
- TPU opposes the imposition by federal or state government of pole attachment requirements and ratemaking formulas.

## *Tacoma Power – Federal*

- TPU supports retention of primary authority for energy reliability with the North American Electric Reliability Corporation (NERC).
- TPU supports efficiencies and streamlining of Federal Energy Regulatory Commission (FERC) hydropower licensing and relicensing policies.
- TPU supports reasonable regulation of trading markets, including under the Dodd-Frank Act, and accommodations for utilities by the Commodity Futures Trading Commission (CFTC).
- TPU supports regional power markets that provide additional services and value to our customers.
- TPU supports modifications to, or related to, the Columbia River Treaty that would equitably distribute the power benefits gained from the Treaty between the United States and Canada.
- TPU supports policies that appropriately acknowledge and credit ongoing ratepayer investment in emissions-free hydropower electric generating resources.

## *Tacoma Power – State*

- TPU supports reasonable amendments to reporting and portfolio statutes that would better recognize energy efficiency and renewable hydropower.
- TPU supports the recognition of energy efficiency in statutes, regulations, and codes relating to building construction and operation.
- TPU supports distributed generation policies that facilitate customer choice for on-site generation and provide utility flexibility to design equitable price structures that balance costs and benefits.
- TPU supports the development of evolving distribution level services and technologies.
- TPU supports in-lieu of tax payments to local governments by power generators that are predictable, equitable, and justified.
- TPU supports current law provisions on preemption of local land use, development regulations, or rights-of-way provisions dealing with location of transmission or distribution facilities or lines.
- TPU supports additional state funding that would make residential solar generation and community solar projects financially feasible for low-income customers and TPU's broader customer base.



### *Tacoma Water – Comprehensive*

- TPU supports policies that assist public utilities in developing, upgrading, and maintaining infrastructure.
- TPU supports policies to protect drinking water sources and supplies, including requirements for spill prevention and reporting.

### *Tacoma Water – Federal*

- TPU supports adequate funding of the Water Infrastructure Finance and Innovation Act (WIFIA).
- TPU supports adequate funding of the Drinking Water State Revolving Fund (DWSRF).
- TPU supports maintenance, enforcement, and funding of federal commitments related to the Howard Hanson Dam, including for downstream fish passage.

### *Tacoma Water – State*

- TPU supports retention of the Public Works Trust Fund (Public Works Assistance Account) and continued use of its revenue streams for utility-related infrastructure financing, and opposes diversion of those funds based on inequitable considerations or formulas.
- TPU supports policies that recognize and protect the reasonable use of municipal water rights and allow for flexible mitigation options.
- TPU supports modernization of provisions on state water rights permitting, and opposes efforts to weaken notice requirements for such decisions.
- TPU supports adequate and reliable funding of water programs administered by the Departments of Ecology and Health.
- TPU supports policies encouraging regional water supply and delivery, and state assistance for small system consolidation. TPU is committed to participate with other governments in efforts to deal with comprehensive regional and state water management.



### ***Tacoma Rail – Comprehensive***

- TPU supports reasonable safety policies and opposes proposals that would unfairly burden short line carriers or inhibit their shipment of materials and goods.
- TPU opposes policies that would inhibit the ability to serve its customers.
- TPU supports policies that recognize that rail transportation of freight and goods is the most effective, efficient, and environmentally friendly mode of transportation.

### ***Tacoma Rail – Federal***

- TPU supports retention and expansion of federal policies that would lead to infrastructure maintenance and construction, such as inclusion of funding programs for short-line rail infrastructure in the federal surface transportation reauthorization legislation or as stand-alone legislation.

### ***Tacoma Rail – State***

- TPU supports policies that would provide incentives for rail transportation and ongoing funding of grant and loan programs for rail infrastructure upgrades.