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RESOLUTION NO. U-11353

A RESOLUTION related to revising Chapter 12.06 and to approve a new tariff schedule for Tacoma Power's Electric Vehicle Public Charging (Schedule EVPC).

WHEREAS the City of Tacoma, Department of Public Utilities, Light

Division (d/b/a "Tacoma Power") is requesting an additional schedule – Electric

Vehicle Public Charging ("Schedule EVPC") to Chapter 12.06 of the Tacoma

Municipal Code, and

WHEREAS, Tacoma Power has provided electric service to utility-owned electric vehicle (EV) charging stations since 2012, and

WHEREAS in 2021, Washington State passed Senate Bill 5192 on EV service provider disclosures, codified as RCW 19.94.560, with a requirement that all EV service providers must disclose to the user the price to refuel in U.S. dollars per kilowatt-hour (kWh) or megajule (MJ) by January 1, 2023, and

WHEREAS in order to be in compliance with new state regulation,

Tacoma Power has developed a cost-based price for EV public charging of

\$0.21 per kWh, to replace the current set fee of \$2 per five hours, and

WHEREAS the price for EV public charging is based on the Chapter 12.06 of the Tacoma Municipal Code, Schedule B (Small General) electric rate, plus networking fees, maintenance costs, and all relevant taxes, Now, therefore.

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

That the proposed revisions to Tacoma Powers rates to add a new tariff schedule – Electric Vehicle Public Charging (Schedule EVPC) is hereby



Clerk

approved, and the Council of the City of Tacoma is requested to pass an ordinance approving such revisions by amending Tacoma Municipal Code

Chapter 12.06, with the addition of Schedule EVPC, effective January 1, 2023, substantially in the form as on file with the Clerk of the Board, and in final form to be approved by the City Attorney.

Approved as to form:

Chair

Secretary

Adopted



Board Action Memorandum

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Jackie Flowers, Director of Utilities

COPY: FROM:

Charleen Jacobs, Director and Board Offices Chris Robinson, Tacoma Power Superintendent

Ying Hall, Power Section Manager

MEETING DATE:

October 26, 2022 October 7, 2022

DATE:

October 7, 2022

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STRATEGIC DIRECTIVE ALIGNIMENT (Select as many that apply):		
Pease indicate which of the Public Utility Board's Strateg	ic Directives is supported by this action.	
⊠SD1 – Equity & Inclusion	☐SD8 – Telecom	
☐ SD2 – Financial Sustainability	□SD9 – Economic Development	
⊠SD3 – Rates	☐SD10 – Government Relations	
☐ SD4 – Stakeholder Engagement	SD11 – Decarbonization/Electric Vehicles	
SD5 – Environmental Leadership	□SD12 – Employee Relations	

☐ SD13 – Customer Service

☐ SD14 – Resource Planning

SUMMARY:

☐ SD6 – Innovation

☐ SD7 – Reliability & Resiliency

Tacoma Power requests approval by the Public Utility Board for a new tariff schedule — Electric Vehicle Public Charging (Schedule EVPC), effective January 1, 2023.

BACKGROUND:

Tacoma Power has provided electric service to utility-owned electric vehicle (EV) charging stations since 2012. Currently, the utility operates 51 EV chargers. It is estimated there will be 55 chargers by the end of 2022 and over 80 by the end of 2023. The current charge is set at \$2 per 5 hours.

In 2021, Washington state passed Senate Bill 5192 on EV service provider disclosures, codified as RCW 19.94.560. Among other things, RCW 19.94.560 requires that all EV service providers must disclose to the user the price to refuel in U.S. dollars per kilowatt-hour (kWh) or megajule (MJ) by January 1, 2023. In compliance with the new state regulation, Tacoma Power developed a cost-based price for EV public charging of \$0.21 per kWh to replace the current set fee of \$2 per five hours. The price is based on the Schedule B (Small General) electric rate, plus networking fees, maintenance cost, and all relevant taxes. While this fee represents a price increase for most users compared to the current flat fee, the new rate is very competitive compared to the rates offered by peer utilities in the region.





ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

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

Both the expense of and the revenue from EV public charging service are included in this biennium's budget. This update to the EV-charging price will result in a better match of revenue and expense. If the rate is not updated regularly, electric customers who do not use the public-charging service will be allocated the difference between the revenue collected from charging stations and the cost of providing the charging service. This update of rates will minimize cross-subsidization.

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.). Proposed Amendments to Chapter 12.06 of the Tacoma Municipal Code

CONTACT:

Primary Contact: Ying Hall, Power Section Manager

Supervisor's Name: Chris Robinson, Tacoma Power Superintendent

Presenter (if different from primary contact):

Additional staff requiring a Zoom presentation link:



City of Tacoma

City Council Action Memorandum

TO:

Elizabeth Pauli, City Manager

FROM:

Jackie Flowers, Director of Utilities, Tacoma Public Utilities

COPY:

City Council and City Clerk

SUBIECT:

Proposed Rate Ordinance - Amend and revise TMC Chapter 12.06 regarding Electric Vehicle

Public Charging

DATE:

November 15, 2022

SUMMARY AND PURPOSE:

Tacoma Power requests approval by the City Council for a new tariff schedule — Electric Vehicle Public Charging (Schedule EVPC), effective January 1, 2023.

BACKGROUND:

This Department's Recommendation is Based On:

Tacoma Power has provided electric service to utility-owned electric vehicle (EV) charging stations since 2012. Currently, the utility operates 51 EV chargers. It is estimated there will be 55 chargers by the end of 2022 and over 80 by the end of 2023. The current charge is set at \$2 per 5 hours.

In 2021, Washington state passed Senate Bill 5192 on EV service provider disclosures, codified as RCW 19.94.560. Among other things, RCW 19.94.560 requires that all EV service providers must disclose to the user the price to refuel in U.S. dollars per kilowatt-hour (kWh) or megajule (MJ) by January 1, 2023. In compliance with the new state regulation, Tacoma Power developed a cost-based price for EV public charging of \$0.21 per kWh to replace the current set fee of \$2 per five hours. The price is based on the Schedule B (Small General) electric rate, plus networking fees, maintenance cost, and all relevant taxes.

COMMUNITY ENGAGEMENT/ CUSTOMER RESEARCH:

Tacoma Power researched the prices charged by other utilities and private companies for public EV charging service. The new rate is competitive with rates offered by other service providers in the region. Tacoma Power has notified EV charging vendors about the upcoming changes.

2025 STRATEGIC PRIORITIES:

Equity and Accessibility: (Mandatory)

The new EV charging price is based on an existing cost-of-service rate (Schedule B Small General). All EV public charging sites owned by Tacoma Power are accessible to the general public. The public-charging program as a whole is designed to expand access to EV charging services in low-opportunity neighborhoods and for those customers who do not have access to at-home charging. Cost-effective public charging removes barriers to accessing the benefits of EVs, such as lower long-run transportation cost and cleaner air.

Livability: *Equity Index Score*: Moderate Opportunity

Improve access and proximity by residents to diverse income levels and race/ethnicity to community facilities, services, infrastructure, and employment.

Decrease the percentage of individuals who are spending more than 45% of income on housing and transportation costs.

Increase positive public perception of safety and overall quality of life.



City Council Action Memorandum

Explain how your legislation will affect the selected indicator(s).

The EV charging price will assist in reducing carbon emissions, as EVs have little green house gas emission. Tacoma Power provides clean hydro power to public charging sites.

Because the new price is based on the up-to-date cost of providing the service, it eliminates potential subsidization of the cost to charge an EV by non-EV owners. At the same time, the new price is low enough to provide a charging option to apartment-dwellers and others who have barriers to at-home charging. The new price will be clearly marked and disclosed to the users of the charging stations.

ALTERNATIVES:

Presumably, your recommendation is not the only potential course of action; please discuss other alternatives or actions that City Council or staff could take. Please use table below.

	Alternative(s)	Positive Impact(s)	Negative Impact(s)
1.	Continue to apply the existing flat rate to EV public charging sites.	No action needed.	Tacoma Power will fail to comply with RCW 19.94.560 and be subject to the penalties outlined in RCW 19.94.580.
2.	Charge the small commercial per-kWh rate to EV public charging sites.	Minimal action needed.	Tacoma Power will not recover all costs associated with EV charging. Other ratepayers will bear these cost difference.

EVALUATION AND FOLLOW UP:

Tacoma Power will continue to collect data on usage patterns on EV public charging sites. The data will be examined in the next rate-setting process and the price will be updated if necessary.

STAFF/SPONSOR RECOMMENDATION:

Tacoma Power requests approval by the City Council of a new tariff on EV public charging, effective January 1, 2023 to replace the existing fee structure of \$2 per five hours.

FISCAL IMPACT:

Tacoma Power will collect some increased revenue from the new volumetric rate. However, it will be hard to estimate the incremental revenue at this time and the magnitude of the increase is likely to be small, approximately \$50,000 annually.

	Fund Number & Name	COST OBJECT (CC/WBS/ORDER)	Cost Element	Total Amount
1.	4700-Power			\$50,000
2.				
	TOTAL			\$50,000



City of Tacoma

City Council Action Memorandum

What Funding is being used to support the expense?

Are the expenditures and revenues planned and budgeted in this biennium's current budget?

YES

Both the expense of and the revenue from EV public charging service are included in this biennium's budget. This update to the EV-charging price will result in a better match of revenues and expenses.

Are there financial costs or other impacts of not implementing the legislation?

YES

If the new EV Public Charging tariff is not implemented, Tacoma Power will be subject to the penalties outlined in RCW 19.94.580. In addition, if the rate is not updated regularly, electric customers who do not use the public-charging service are allocated the difference between the revenue collected from charging stations and the cost of providing the charging service. This update of rates will minimize cross-subsidization.

Will the legislation have an ongoing/recurring fiscal impact?

YES

The legislation will establish a permanent new rate for EV public charging service.

Will the legislation change the City's FTE/personnel counts?

No

No additional personnel needed.

ATTACHMENTS:

Proposed Amendments to Chapter 12.06 TMC

CHAPTER 12.06

ELECTRIC ENERGY – REGULATIONS AND RATES¹

Sections:	
12.06.010	General application.
12.06.020	Definitions.
12.06.030	Available voltages.
12.06.040	Application for service and contract.
12.06.050	Inspection.
12.06.060	Equipment and wires.
12.06.070	Rearranging lines or equipment.
12.06.080	Metering.
12.06.090	Connected load.
12.06.100	Deposits and connection charges.
12.06.110	Billing – Payment of bills and delinquency.
12.06.115	Disconnection of electric service.
12.06.120	Resale of electric energy prohibited.
12.06.130	Diversion of current.
12.06.140	Tampering and injury to City equipment.
12.06.150	City not liable for damages.
12.06.160	Residential service – Schedule A-1. Effective April 1, 2022.
12.06.165	Low-income/senior and/or low-income/disabled discount residential service - Schedule A-2. Effective
	January 1, 2021.
12.06.166	Prepaid residential service - Schedule PR. Effective January 1, 2021.
12.06.170	Small general service – Schedule B. Effective April 1, 2022.
12.06.180	Repealed.
12.06.190	Repealed.
12.06.210	Repealed.
12.06.215	General service – Schedule G. Effective April 1, 2022.
12.06.220	Repealed.
12.06.225	High voltage general service – Schedule HVG. Effective April 1, 2022.
12.06.240	Repealed.
12.06.250	Repealed.
12.06.260	Contract industrial service – Schedule CP. Effective April 1, 2022.
12.06.265	New large load service – Schedule NLL. Effective April 1, 2022.
12.06.270	Repealed.
12.06.280	Repealed.
12.06.290	Street lighting and traffic signal service – Schedule H-1. Effective April 1, 2022.
12.06.295	Street lighting service – Schedule H-3. Effective April 1, 2018.
12.06.300	Private off-street lighting service - Schedule H-2. Effective April 1, 2022.
12.06.310	Power factor provisions – Schedule P.
12.06.314	Tax credit – Schedule TC.
12.06.315	Repealed.
12.06.317	Repealed.
12.06.318	Repealed.
12.06.320	Additional rules may be made by director.
12.06.330	Customer service policies – Additional rules and regulations.
12.06.340	Violations – Penalties – Enforcement.
12.06.350	Severability.
12.06.360	Repealed.
12.06.370	Renewable Energy Program.
12.06.371	Electric Vehicle Fast Charge - Schedule FC. Effective January 1, 2019, to December 31, 2031.

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

12.06.372 Shore power – Schedule SP. Effective April 1, 2022.

12.06.373 Electrofuel service pilot – Schedule EF. Effective April 1, 2021.

12.06.374 Electric Vehicle Public Charging Provided by Tacoma Power – Schedule EVPC. Effective January 1, 2023

12.06.374 Electric Vehicle Public Charging Provided by Tacoma Power – Schedule EVPC. Effective January 1, 2023

A. Definitions.

The following definitions will apply:

- 1. Electric Vehicle A vehicle that uses at least one method of propulsion that is capable of being reenergized by an external source of electricity.
- 2. Electric Vehicle Charging Site A site that hosts the equipment used to deliver electricity to an Electric Vehicle. Hosted equipment must meet all applicable electrical requirements for interconnection and nationally recognized testing laboratory standards.

B. Availability.

For Electric Vehicle Charging Sites owned by Tacoma Power.

C. Applicability.

Service under this schedule is provided to members of the general public charging Electric Vehicles at Electric Vehicles Charging Sites owned by Tacoma Power.

D. Charging Rate:

All energy measured in kilowatt-hours at \$0.21 per kWh.

E. Reporting and Limitation on Use of Customer Usage Information.

Tacoma Power may publish reports related to this schedule, except when the report would result in publication of information attributable to a single individual member of the public.