



RESOLUTION NO. U-11406

1 A RESOLUTION adopting an update to the Public Utility Board Guiding
2 Principle 14 on Resource Planning.

3 WHEREAS Guiding Principle 14 covers Resource Planning and
4 establishes Tacoma Public Utilities' ("TPU") commitment to deliver to its
5 customers the power, water, and rail services they need, and to rebound quickly
6 from all interruptions in such service delivery, as reliable delivery of adequate
7 power, water and rail service to customers is necessary to support the lives,
8 health, and businesses of TPU customers, and is one of TPU's highest
9 priorities, and

10 WHEREAS TPU believes long-term strategic planning, including
11 resource planning, will ensure infrastructure, facilities, and personnel sufficient
12 to meet TPU's reliability and resilience goals within budget and rate limitations,
13 and

14 WHEREAS utility-wide planning for continuation of operations and
15 restoration of utility services in response to naturally occurring or man-made
16 threats and hazards is necessary to ensure restoration of essential utility
17 functions after such events as quickly as possible, and the restoration of full
18 utility services in a reasonable period of time, and

19 WHEREAS TPU should strive to be a regional leader in planning and
20 response to naturally occurring or man-made threats and hazards to the
21 communities in which it operates, and

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WHEREAS these policy updates were developed at regularly scheduled Public Utility Board (“Board”) study sessions and all future Board reviews and amendments will be handled similarly, and

WHEREAS the Board has committed to monitor and ensure compliance with Board Governing Principles. This oversight provides an opportunity for the Board and staff to clarify, revise and develop new policies, when necessary, as TPU navigates changes in the utility industry, and

WHEREAS the original resolution adopting Governing Principle (“GP”) 14 was U-11198, and the following revisions are requested for GP 14 on Resource Planning:

- Deleting individual “Values” section
- Updating outcome #3 by adding the verbiage “including those associated with climate change” after the last word.

WHEREAS the Board and Director have determined that adopting updates to the Public Utility Board Governing Principle 14 on Resource Planning is in the best interests of Tacoma Public Utilities and the ratepayers; Now, Therefore,

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

That the updated Public Utility Board Governing Principle 14 on Resource Planning, in the form as on file with the Clerk, is adopted and approved.

Approved as to form:

_____	_____
/s/	Chair
_____	_____
Chief Deputy City Attorney	Secretary
_____	Adopted _____
Clerk	



Board Action Memorandum

TO: Jackie Flowers, Director of Utilities
FROM: Engel Lee, Chief Deputy City Attorney
Charleen Jacobs, Clerk of the Board
MEETING DATE: September 27, 2023
DATE: September 19, 2023

SUMMARY: A resolution adopting an update to Public Utility Board Guiding Principal Fourteen (GP14) on Resource Planning originally adopted on September 23, 2020 by deleting the individual 'Values' section, updating outcome 3 by adding the verbiage 'including those associated with climate change' after the last word.

BACKGROUND:

The Resource Planning policy recognizes TPU's highest priority is providing safe and reliable power, water, and rail services that meet or exceed customer needs over the long term.

These policies were developed/modified at regularly scheduled or properly-noticed Board study sessions and meetings and all future reviews and amendments to the Public Utility Board policies will be in handled similarly.

The Public Utility Board has committed to monitor and ensure compliance with Board policies. This oversight provides an opportunity for the Board and staff to clarify, revise and develop new policy when necessary as TPU navigates changes in the utility industry.

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? N/A

IF THE ACTION REQUESTED IS APPROVAL OF A CONTRACT, INCLUDE LANGUAGE IN RESOLUTION AUTHORIZING \$200,000 INCREASE IN ADMINISTRATIVE AUTHORITY TO DIRECTOR? N/A

ATTACHMENTS: Strategic Directive 14 – Resource Adequacy

CONTACT: Jackie Flowers, Director of Utilities



PUBLIC UTILITY BOARD POLICY

Category: ~~Strategic Directive~~Guiding Principle

Title: **Resource Planning**

Date of Adoption: **September 23, 2020**

Policy Number: **SDGP-14**

Original Resolution No.: **U-11198**

Revision Updated Date: September 13, 2023-via Resolution U-11406

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 including those associated with climate change.-
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

1. All operating divisions: Progress toward action items identified in long range plans.

Reporting

1. Integrated resource plans for power every two years and every six years for Water.
2. Comprehensive rail service “futures” plan every two years. The first document will be developed as a component of Rail’s strategic planning process, which will begin in Q4 2020.
3. Annual report of anticipated changes in integrated resource planning, issues and opportunities.



PUBLIC UTILITY BOARD POLICY

<p>Category: Guiding Principle</p> <p>Date of Adoption: September 23, 2020</p> <p>Original Resolution No.: U-11198</p> <p>Updated : September 27, 2023 via Resolution U-11406</p>	<p>Title: Resource Planning</p> <p>Policy Number: GP-14</p>
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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 including those associated with climate change.
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