



RESOLUTION NO. U-11570

1 A RESOLUTION relating to the Department of Public Utilities, approving the
2 Federal and State Policy Guidance document for Tacoma Public Utilities
3 for 2026.

4 WHEREAS the Department of Public Utilities, Community and
5 Government Relations Division, desires the Public Utility Board confirm and
6 approve Federal and State Policy Guidance for Tacoma Public Utilities (TPU),
7 and

8 WHEREAS TPU's Federal and State Policy Guidance document provides
9 staff clarity on a wide range of policy issues that impact or could impact the
10 utility and its customers, and

11 WHEREAS the Guidance document was presented to the Public Utility
12 Board (PUB) at the October 8, 2025 Study Session, and is updated regularly
13 through collaboration among staff, senior leaders, and the PUB to reflect
14 evolving priorities, operational needs, and state and federal policy
15 developments; Now, Therefore,

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

17 That the Community and Government Relations Division's proposed
18 Federal and State Policy Guidance for Tacoma Public Utilities in 2026 is
19 approved, as set forth in the documents on file with the Clerk of the Board.

20 Approved as to form:

21 _____
22 /s/
23 Chief Deputy City Attorney

24 _____
25 Clerk

Chair

Secretary

Adopted



Board Action Memorandum

TO: Jackie Flowers, Director of Utilities
COPY: Charleen Jacobs, Director and Board Offices
FROM: Logan Bahr, Community and Government Relations Manager
MEETING DATE: November 5th, 2025
DATE: October 29th, 2025

GUIDING PRINCIPLE ALIGNMENT (select as many that apply):

Please indicate which of the Public Utility Board's Guiding Principle(s) is supported by this action.

- | | |
|---|--|
| ☒ GP1 – Diversity, Equity, Inclusion, Belonging | ☒ GP7 – Reliability & Resiliency |
| ☒ GP2 – Financial Sustainability | ☐ GP9 – Economic Development |
| ☐ GP3 – Rates | ☒ GP10 – Government Relations |
| ☐ GP4 – Stakeholder Engagement | ☐ GP12 – Employee Relations |
| ☒ GP5 – Environmental Sustainability | ☒ GP13 – Customer Service |
| ☐ GP6 – Innovation | ☐ GP14 – Resource Planning |

SUMMARY: A resolution approving TPU's 2026 Federal and State Policy Guidance

BACKGROUND: TPU's 2026 Federal and State Policy Guidance document is a guidance document that provides staff clarity on a wide range of policy issues that impact or could impact the utility and its customers. As presented to the PUB at the October 8 Study Session, the document is updated regularly through collaboration among staff, senior leaders, and the Public Utility Board to reflect evolving priorities, operational needs, and state and federal policy developments.

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

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

ATTACHMENTS: 2026 Federal and State Legislative Policy Guidance

CONTACT:

Primary Contact: Logan Bahr, Community and Government Relations Manager, 253-439-8128
Supervisor's Name: LaTasha Wortham, Deputy Director for Customer Experience and External Affairs



TPU 2026 State and Federal Legislative Policy Guidance

TPU-Wide Issues – Comprehensive

- TPU supports prioritization of equity and anti-racist transformation in policymaking.
- TPU supports consistency between federal, regional 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-Wide Issues – Federal

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

TPU-Wide Issues – State

- TPU supports local control of municipal utilities and opposes unfunded mandates and mandated rate structures.
- TPU opposes the diversion by the 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 policies, 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 supports the development of coordinated and complementary state, regional, and federal energy and carbon policies. A stable and integrated regulatory environment is necessary for protecting ratepayer interests and successfully engaging in market participation.
- 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, 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 on-going ratepayer investments in emission free hydropower generating resources.
- TPU supports federal transmission policies that ensure reliable service and reasonable cost allocation for our customers.
- TPU supports federal actions increasing the parity of hydropower with other renewables, including tax credits to improve environmental and dam safety investments.
- TPU supports policies that maintain, protect and provide publicly-owned utilities access to production and investment tax credits in parity with investor-owned utilities

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 provide potential consumers with accurate and adequate investment information, facilitate customer choice for on-site generation, and provide utility flexibility to design equitable price structures that balance ratepayer 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.

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 for the Water Infrastructure Finance and Innovation Act (WIFIA).
- TPU supports adequate funding for the Drinking Water State Revolving Fund (DWSRF).
- TPU supports maintenance, enforcement, and funding of federal commitments related to the Howard Hanson Dam and downstream fish passage.
- TPU supports legislation and adequate funding that exempts drinking water systems from the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) as it relates to PFAS liability. TPU also supports the Polluters Pay principle which targets polluters and provides a liability protections for water utilities that are impacted by PFAS.

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 Re-Authorization Act, the tax code (45G), or in 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 and equipment upgrades.