

Req. #8514



SUBSTITUTE NO. 2
ORDINANCE NO. 26796

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

BY REQUEST OF COUNCIL MEMBER DAHL

AN ORDINANCE relating to the emergency curtailment of nonessential electric energy consumption; amending Chapter 12 by adding a new chapter thereto, to be known as Chapter 12.11, "Emergency Curtailment of Electric Energy," consisting of seven sections; and authorizing the appropriate officers of the City to administer the City's Emergency Curtailment of Electric Energy Program.

WHEREAS there is currently a west coast and regional electric energy crisis, and the City Council and the Public Utility Board of the City have determined that under various conditions of the power markets and/or adverse water conditions at Tacoma's hydroelectric generating facilities, the City's electric utility (d.b.a. Tacoma Power) may experience difficulty in being able to purchase electricity in the market, causing depletion of Tacoma Power's cash reserves and preventing Tacoma Power from supplying affordable power to customers, and

WHEREAS the City Council, Public Utility Board, and Tacoma Power staff have previously requested that Tacoma Power customers conserve electric energy, and, while most customers are complying with these requests, there are some customers who are ignoring these requests, which has resulted in the inability of Tacoma Power to achieve the City Council's goal of reducing its electric load by at least 20 percent, which has resulted in further depletion of Tacoma Power's financial resources that are available to purchase power, and

WHEREAS the City Council finds that a reliable, continuous, and reasonably priced supply of electric energy is vital to the health, welfare, and safety of the community, and the City is authorized by RCW 35.92.050 to regulate the use and prices of electricity for its customers, and

APR 12 2001



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

WHEREAS a reliable, continuous, and reasonably priced supply of electric energy is vital to the economic well being of the community, including the residents of the City and the surrounding area served by Tacoma Power, and

WHEREAS the price and availability of electric energy appears to be additionally adversely affected by nonessential and/or wasteful uses by some of Tacoma Power's customers, and

WHEREAS in order to be able to provide reasonably priced electricity to Tacoma Power's customers, it may be necessary to require curtailment of nonessential and wasteful electric energy use, which action may also preserve more reasonably priced electric energy for the most vital public and private purposes, and

WHEREAS it is recognized that Tacoma Power is required by regional operational plans, applicable laws, and certain contracts to respond to energy shortages pursuant to specified operational and supply needs; therefore, this ordinance is not intended to affect or interfere with these aspects of Tacoma Power's operations, and

WHEREAS under certain emergent conditions, reducing the consumption of electric energy becomes so imperative that the compulsion of law to require curtailment of nonessential and wasteful use of electricity may be required to achieve the objective of being able to provide an adequate supply of reasonably priced electric energy for the most vital public and private purposes and also to maintain electric system reliability; Now, Therefore,

BE IT ORDAINED BY THE CITY OF TACOMA:



1 Section 1. That Title 12 of the Tacoma Municipal Code is hereby amended
2 by the addition thereto of a new Chapter 12.11, to be known as "Emergency
3 Curtailment of Electric Energy," to read as follows:

4 **Chapter 12.11**

5 **EMERGENCY CURTAILMENT OF ELECTRIC ENERGY**

6 Sections:

- 7 12.11.010 Purpose.
8 12.11.020 Definitions.
9 12.11.030 Authority to declare electric energy emergency.
10 12.11.040 Electric energy emergency.
11 12.11.050 Severability.
12 12.11.060 Sunset and review of program.

11 **12.11.010 Purpose.** The purpose of this chapter is to address certain
12 electric energy supply conditions, including extremely high prices in the wholesale
13 power market and lack of power availability, and/or serious system reliability
14 concerns that may warrant a declaration of electric energy emergency which shall
15 authorize the appropriate City authorities to take action to prevent nonessential
16 and/or wasteful uses of electric energy. This action will minimize the City's electric
17 utility (d.b.a. Tacoma Power) from having to pay unreasonably high prices for
18 wholesale electric energy that is necessary for the sustainment of life, health, and
19 public safety for Tacoma Power's customers, and to minimize the risk of electric
20 system reliability problems. Such action shall be authorized when a resource or
21 supply emergency imperiling the physical, material, and economic well being of the
22 residents of the City and/or the customers of Tacoma Power is declared to exist by
23 the City Council. This chapter is not intended and shall not be applicable to
24 Tacoma Power's operational plans, programs, or requirements for dealing with
25
26



1 electric energy system reliability concerns, nor with its contract rights to interrupt or
2 curtail electric service.

3 **12.11.020 Definitions.** Words and phrases set forth herein shall have the
4 meaning given to them as set forth in this section. All other words and phrases
5 shall have the meanings ascribed to them by dictionaries of general use. Use of a
6 word in the past, present, or future tense, or in the masculine, feminine, or neuter
7 gender, or in the singular or plural, shall include all such usage, unless the context
8 thereof clearly indicates a contrary intent.

9
10 A. Voluntary conservation/curtailment request. A voluntary
11 conservation/curtailment request is a request made after one or more of the
12 region's utility operational groups, or the state and/or Tacoma Power foresee or is
13 experiencing conditions where substantially all available resources are committed
14 to meet firm load, firm transactions, and reserve commitments, and there is
15 serious concern about sustaining required operating reserves, or when Tacoma
16 Power is being required to pay unreasonably high prices for electric energy to
17 serve its customers. Therefore, a voluntary conservation/curtailment request may
18 be made when the potential for shortages in the supply of electricity and/or
19 unreasonably high wholesale power prices is sufficiently serious that the
20 community and its leaders should be alerted to the situation and encouraged to
21 use all available voluntary means of conserving/curtailing electric energy so as to
22 avoid the necessity of proceeding to mandatory phases of curtailment. The
23 request may identify the actions requested, which may include that all Tacoma
24 Power customers: (1) eliminate or reduce decorative and seasonal lighting;
25
26



1 (2) limit all indoor and exterior lighting, especially after normal business hours;
2 (3) turn down electric water heaters to 120°F; (4) reduce electric space heat
3 thermostat settings to 68°F during active use periods or business hours and to
4 55°F when no one is home, during sleep periods, and when the business is
5 closed; (5) turn off lights, appliances, electronic equipment and computers when
6 not in use; (6) run only full dishwasher loads (and eliminate electric dry feature);
7 (7) take shorter showers; (8) use cold wash loads when doing laundry; and (9) use
8 microwave ovens instead of electric stoves.

9
10 B. Electric Energy Emergency Alert means an electric energy situation that
11 has resulted, or is projected to result, in Tacoma Power being required to pay
12 prices for wholesale electric energy that are significantly higher than the average
13 price that Tacoma Power's customers pay back to Tacoma Power for the electric
14 energy they receive, which situation may create a substantial risk of substantial
15 economic harm to the financial health of Tacoma Power, the City, the citizens and
16 businesses within the City, or Tacoma Power's other customers.

17
18 Tacoma Power will implement steps and procedures to avoid this situation,
19 which may include requesting voluntary curtailment, interrupting power under
20 contracts and arrangements that will permit temporary interruption, increasing
21 generation by using temporary high-cost generation resources, and other steps to
22 reduce load.

23
24 C. Unreasonably high prices for wholesale electric energy means that the
25 price that Tacoma Power must pay for wholesale electric energy to provide electric
26 utility service for its customers is significantly higher than the average price that



1 Tacoma Power's customers pay back to Tacoma Power for the electric energy
2 they receive.

3 D. Blackout means a planned or unplanned electrical outage of a
4 significant portion or all of Tacoma Power's service area that results from an actual
5 shortage in electric energy or from an operational problem. A blackout to a portion
6 of Tacoma Power's service area may be imposed to avoid a total blackout to the
7 entire service area of Tacoma Power.

8 E. Off-peak hours means the time periods of reduced electric demand
9 between 9:00 p.m. and 6:00 a.m.

10 F. Nonessential electricity use means a use of electricity that is not
11 essential for normal everyday safe, secure, and healthful living, or not necessary
12 for maintaining the machinery or inventory of a business, including, but not limited
13 to, maintaining electric space heat in excess of 68°F, computers and other
14 machines left on for long periods when not in use, electric hot water heater set at
15 more than 120°F, use of substantially higher-wattaged (incandescent or other)
16 lighting than reasonably necessary, and other uses of electricity that are not
17 reasonably necessary for healthful, safe, and secure conditions.

18 G. Security or safety purpose means electricity necessary to maintain the
19 machinery, inventory, and security of a business, and electricity necessary to
20 maintain healthful and secure conditions in residences, including both businesses
21 and residences, the placement of light at a particular location to serve to illuminate
22 a potential hazard or an area where persons or property might reasonably be
23
24
25
26



1 expected to be at risk from criminal activity and the lighting and illumination
2 provide a deterrent.

3 **12.11.030 Authority to declare electric energy emergency.**

4 A. A Voluntary Conservation Request may be declared by the City Council
5 and/or Public Utility Board by resolution or declaration.

6 B. An Electric Energy Emergency Alert may be declared by the City Council
7 by resolution or motion, which action may set forth the findings, determination, and
8 duration of the Alert. The Public Utility Board may, but is not required to, initiate
9 and request this action.

10
11 **12.11.040 Electric Energy Emergency Alert necessitating conservation
12 and curtailment.**

13 A. Upon the City Council declaration of an Electric Energy Emergency
14 Alert all Tacoma residents, and all other Tacoma Power customers, are directed to
15 conserve and curtail their use of electricity as follows:

16
17 1. Turn off all decorative and outdoor lighting at residential property,
18 except when necessary for security or safety purposes;

19 2. Turn off all outside and decorative lighting at commercial or
20 industrial properties during daylight hours and after normal business hours, except
21 when necessary for security or safety purposes;

22 3. Except for businesses operating 24 hours a day, turn off all
23 advertising lighting, including, but not limited to, billboard signs and advertising
24 signs, except between the hours of dusk and 2 AM, and
25

26



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

4. Turn off all interior lighting (including display lighting) at, in, or for all commercial, business, or industrial buildings or facilities after normal business hours except when necessary for security or safety purposes.

B. During an Electric Emergency Alert compliance with the foregoing is not required if:

1. Turning off power would cause damage to electrically powered machinery or other devices at the customer's residence or business; or

2. Due to the design or installation of machinery or other devices it at the customer's residence or business it is not possible to turn off the power to that machine or device; or

3. Turning off the power would cause the customer to breach a contract that was entered prior to the announcement of an Electric Energy Emergency Alert.

12.11.050 Severability. If any section of this chapter, or its application to any person or circumstance, is held invalid by a court of competent jurisdiction, then the remaining sections of this chapter, or the application of the provisions to other persons or circumstances, shall not be affected.

12.11.060 Sunset and review of program. This chapter shall be in effect through and until July 1, 2010, unless the City Council shall determine on an earlier review.

Section 2. That the appropriate officers of the Public Utility Board and City Department of Public Utilities are hereby directed to work cooperatively with



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

residents and all affected industrial, commercial, and consumer retail industries to develop and implement effective conservation measures or programs.

Section 3. That the appropriate officers of the City are hereby authorized to administer and seek compliance with the City's Emergency Curtailment of Electric Energy code.

Section 4. That the Public Utility Board and City Department of Public Utilities are hereby directed by May 1, 2001, to establish a financial incentive program to afford assistance to Tacoma Power customers in acquiring and installing sign and lighting controls to assist them in conforming with the requirements of any Voluntary Conservation Request or declared Electric Energy Emergency Alert.

APR 03 2001

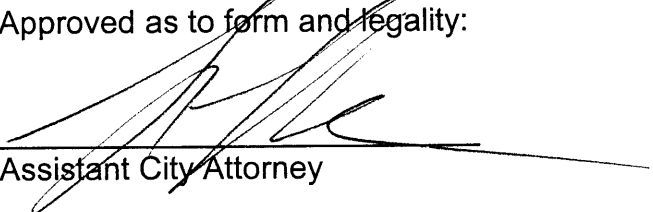
Passed _____

Mayor

Attest:

City Clerk

Approved as to form and legality:


Assistant City Attorney