



**City Light Review Panel Meeting  
Meeting Minutes  
DRAFT**

**Date of Meeting: March 28, 2017**

<b>MEETING ATTENDANCE</b>					
<b>Panel Members:</b>					
<b>Names</b>		<b>Name</b>		<b>Name</b>	
Tom Lienesch	✓	David Allen		Gail Labanara	✓
Julie Ryan	✓	Patrick Jablonski	✓	Sara Patton	✓
Thomas Buchanan	✓	Leon Garnett	✓	John Putz	✓
<b>Staff and Others:</b>					
Larry Weis		Jean Becker	✓	Tony Kilduff	✓
Mike Jones	✓	Leigh Barreca	✓	Calvin Chow	✓
Calvin Goings	✓	Kirsty Grainger	✓	Gregory Shiring	✓
Sephir Hamilton		Ellen Javines	✓	Tyler Emsky	✓
Paula Laschober	✓	Connie McShane	✓		
Lynn Best		Karen Reed – Contractor/Facilitator	✓		
<b>Guest(s):</b>					
Jeremy Keller, Project Developer Ameresco 222 Williams Ave. Renton, WA	✓				

Call to Order: The meeting was convened at 11:00 a.m. Karen Reed reviewed the agenda.

Introduction: Introduction of guest Jeremy Keller, Project Developer, Ameresco

Meeting Minutes: Minutes from 2/28/17 meeting were approved.

Public Comment: No public comments



**City Light Review Panel Meeting  
Meeting Minutes  
DRAFT**

Chair's Report: Tom noted that today is Julie Ryan's last day on the panel. She has been with the Panel since its inception and has been instrumental in helping the Panel accomplish its work. She will be greatly missed. Mike Jones echoed these sentiments and thanked Julie for her service.

Communications to Panel: There were two emails to the Panel. One has been handled internally; the other requested an opportunity to speak to the Panel about the AMI program – this person was informed of the meeting time and protocol for public comments.

Other communication/information Updates: Leigh noted that the American Public Power Association has online "Electric Utility 101" classes that are available. Leigh will have the link sent to the Panel members – there are 4 sessions that folks can watch for free at their leisure.

**Programmatic Review of Level of service and cost of service  
(Conservation/Environmental) Baseline Scrub** - (Paula Laschober) [SP Baseline CES/ELL](#)

Paula Laschober presented, noting that this is the last segment of briefing on the baseline. Discussion points included:

**Q:** What is deferred O&M?

**A:** Deferred O&M are items that have a long life span and would otherwise be treated as operating expenses, but because of changes in accounting rules, are treated as capital. Examples include purchase of energy efficiency – essentially bond funded assets.

**Q:** What types of activities are in the Boundary mitigation capital program?

**A:** Removal of a dam, fish passage projects, and upgrade of the recreational area and trails for these types of activities.

**Q:** What is included in the Deferred O&M expense items "Low income \$2.8M and Office of Housing Incentives Payments \$2.5M"?

**A: Staff will provide this information**

**Q:** Can you provide more detail of what is in the retail programs of Deferred O&M (\$4.5M)?

**A: Yes**

**Q:** What is in the environmental claims category of funding?

**A:** Payments for superfund cleanup on the Duwamish, and other contamination cleanup costs.



**City Light Review Panel Meeting  
Meeting Minutes  
DRAFT**

Noted that the information provided to date has been for the current 6- year plan. The utility has not yet developed information on the baseline for the "out years" (2023, 2024) of the next Strategic Plan.

***Follow up information requests when the baseline "roll-up" is presented:***

- ***Head count in each major program area***
- ***Outline which costs are controllable/discretionary, and which are fixed***
- ***Information on land ownership, assets held by SCL in various major categories.***

**Major initiative update – Energy Imbalance Market** – Mike Jones [Seattle City Lights EIM Decision City Council Final](#)

Mike Jones reviewed a presentation he is giving this afternoon to the Council Committee that oversees SCL. The presentation is informational; in two weeks, the Council Committee is expected to take action on a recommendation by the Utility that SCL join the Energy Imbalance Market (EIM). The Utility is proposing that SCL join the EIM in 2019; they anticipate a 5-year payback on the cost of joining. Joining creates an opportunity to sell additional power-- \$5.4M/year in incremental revenue expected. Discussion points included:

**Q:** Is the Utility participating in the 15 minute market as well as the 5 minute market?

**A:** Yes

**Q:** Does the business case consider wear and tear on assets from starting up?

**A:** Yes, these costs are minimal.

**Q:** Which transmission assets will be used to send power?

**A:** This is being explored. There is an opportunity cost, about \$900K, to using transmission infrastructure for the EIM market instead of for other uses. Both BPA and SCL transmission assets will be used here.

**Q:** Is the Utility participating in CAISO?

**A:** No. We participate in the boarder market and the EIM is an overlay on that.

**Q:** How is the social price of carbon determined?

**A:** The value is set by the EPA on a dollars per ton basis.

**Q:** Have we learned from Enron situation?



**City Light Review Panel Meeting  
Meeting Minutes  
DRAFT**

**A:** Yes. Markets have evolved and aggressive FERC rules are in place.

**Employee Engagement Data follow up on Promotions Data** – DaVonna Johnson  
[Engagement Survey - Results](#)

DaVonna Johnson presented information on the results of the fall 2016 employee engagement survey. This is the first employee survey taken since 2007. SCL's employee engagement level of 60% positive is below average for all businesses (around 70%) and is also on the low end for public utilities. The Utility will conduct similar surveys in the future on a two- year cycle. Discussion points included:

Crew chiefs are key to engagement and their poll results suggest room for improvement in both ratings and level of engagement.

**Strategic Plan SWOT** – Karen Reed

Karen Reed led the group through an exercise to review the Utility's draft assessment of its Strengths/Weaknesses/Opportunities/Threats. After reviewing each segment of the SWOT, Panel members, Tony Kilduff and Greg Shiring were invited to offer additional or different perspectives. ***Karen will write up the comments offered.***

**City Ethics for Review Panel Members** – Wayne Barnett

Wayne Barnett, City Ethics Officer, gave an overview of the ethics requirements applicable to Panel members.

**Adjournment:** The meeting was adjourned at 1:58 p.m.