Ordinance No. 124605

Council Bill No. 118222

AN ORDINANCE relating to the City Light Department; authorizing the execution and potential amendment of a Regional Energy Efficiency Initiative Agreement with the Northwest Energy Efficiency Alliance.

CF No. _____

Date Introduced: 9.22.14		
Date 1st Referred:	To: (committee) Energy	
Date Re - Referred:	To: (committee)	
Date Re - Referred:	To: (committee)	
Date of Final Passage: 9.29.14	Full Council Vote: 9.29.14	
Date Presented to Mayor: 10.3.14	Date Approved: 10.13.14	
Date Returned to City Clerk: 10.13.14	Date Published:	T.O. X F.T. ___
Date Vetoed by Mayor:	Date Veto Published:	
Date Passed Over Veto:	Veto Sustained:	

The City of Seattle - Legislative Department

Council Bill/Ordinance sponsored by: _____
Councilmember

Committee Action:

9/24/14 Pass KS, MO, SC - Yes

Full Council Action

9/29/14 Passed 9-0

This file is complete and ready for presentation to Full Council. Committee: _____
(initial/date)

Law Department

Law Dept. Review	OMP Review	City Clerk Review	Electronic Copy Loaded	Indexed

Michael Thomas Little
SCL NEEA Master Agreement ORD
July 11, 2014
Version #2

CITY OF SEATTLE

ORDINANCE 124605

COUNCIL BILL 118222

AN ORDINANCE relating to the City Light Department; authorizing the execution and potential amendment of a Regional Energy Efficiency Initiative Agreement with the Northwest Energy Efficiency Alliance.

WHEREAS, the City Light Department ("City Light") acquires energy efficiency as its first priority energy resource and has been doing so since 1977; and

WHEREAS, City Light wishes to pursue innovative and cost effective means of promoting energy efficiency, including efforts to use strategic alliances and regional market-transformation initiatives; and

WHEREAS, The Northwest Energy Efficiency Alliance (NEEA) is a non-profit corporation that has been funded by Northwest utilities, Bonneville Power Administration and the Energy Trust of Oregon since 1997; and

WHEREAS, NEEA delivers regional market-transformation initiatives with the intent to deliver cost-effective electricity savings through long-lasting changes to the marketplace; and

WHEREAS, NEEA works across the Pacific Northwest in collaboration with utilities, retailers, distributors, manufacturers and other supply chain actors to influence markets and to promote energy efficient technology across all sectors; and

WHEREAS, City Light and NEEA have worked collaboratively over the years to bring energy efficient technologies to the City Light service territory; and

WHEREAS, City Light has seen significant and cost-effective energy savings being delivered by NEEA; and

WHEREAS, City Light and NEEA wish to enter into a Regional Energy Efficiency Initiative Agreement for a period of five (5) years; and

WHEREAS, NEEA may offer additional emerging technology or energy saving opportunities beyond the current scope and funding commitment outlined in the Regional Energy Efficiency Initiative Agreement; and,

WHEREAS, City Light's 2015-2016 budget submittal includes $1,679,545 in 2015 and $1,719,854 in 2016 for the Regional Energy Efficiency Initiative Agreement; and

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WHEREAS, the Regional Energy Efficiency Initiative Agreement has an annual funding commitment of $1,233,565; and

WHEREAS, City Light has a budget that exceeds the annual funding commitment for the Regional Energy Efficiency Initiative Agreement; and

WHEREAS, the budget could be assigned to NEEA's other emerging technology or energy saving opportunities; and

WHEREAS, City Light's authority to enter into agreements to purchase power, including energy savings, is limited to a duration of two years but this agreement is for a 5-year period; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The General Manager and Chief Executive Officer of City Light, or his designee, is hereby authorized to execute for and on behalf of the City of Seattle a Regional Energy Efficiency Initiative Agreement with The Northwest Energy Efficiency Alliance.

Section 2. The General Manager and Chief Executive Office of City Light, or his designee, is hereby authorized to amend the Regional Energy Efficiency Initiative Agreement with The Northwest Energy Efficiency Alliance to fund emerging technology or energy savings opportunities up to City Light's budget for this activity.

Section 3. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

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Passed by the City Council the 29th day of September, 2014, and signed by me in open session in authentication of its passage this 29th day of September, 2014.

President _____ of the City Council

Approved by me this 13th day of October, 2014.

Edward B. Murray, ~~Mayor~~

Filed by me this 13th day of October, 2014.

Monica Martinez Simmons, City Clerk

(Seal)

Attachment 1: Regional Energy Efficiency Initiative Agreement

Exhibit A: Payment Schedule

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REGIONAL ENERGY EFFICIENCY INITIATIVE AGREEMENT

This Regional Energy Efficiency Initiative Agreement ("Agreement") is between The City of Seattle, by and throught its City Light Department ("Seattle"), and Northwest Energy Efficiency Alliance, Inc., a nonprofit corporation ("NEEA"), and is effective January 1, 2015.

RECITALS:

NEEA is a non-profit corporation that has been funded by Northwest utilities, Bonneville Power Administration and the Energy Trust of Oregon since 1997. NEEA's mission is to mobilize the Northwest to become increasingly energy efficient for a sustainable future. NEEA is a strategic alliance built around a broad recognition that lasting change in energy efficiency can only be created through strong partnerships and that greater energy efficiency can be achieved across Washington, Oregon, Montana and Idaho by working in concert than by working as individual states or organizations.

NEEA delivers regional market-transformation, energy-efficiency initiatives and increased availability of energy-efficient emerging technologies. The purpose of these initiatives is to deliver cost-effective electricity savings through long-lasting changes to the marketplace.

Seattle is funding NEEA because the two organizations share goals to influence markets structurally to promote and sustain energy efficiency and achieve cost-effective electricity savings. The arrangement brings several benefits to Seattle. NEEA has an established track record of market transformation activities in Oregon, Washington, Montana and Idaho. Seattle can reduce its market transformation costs by building on NEEA's pooled, four-state resources, suppliers, market research and program design. Because NEEA works in markets beyond Seattle's service territory, there is a greater likelihood that market change in Seattle's service territory will be rooted in a regional market. Working with NEEA should produce more electricity savings at a lower cost to Seattle than Seattle can produce solely through individual efforts.

Based upon the mutual promises exchanged between them, NEEA and Seattle agree as follows:

AGREEMENT:

1. Regional Results and Reporting: NEEA shall deliver the five-year goals and objectives as outlined in the NEEA 2015-2019 Business Plan, as adopted by the Board of Directors on June 20, 2014, and incorporated herein into this Agreement by reference. NEEA shall develop an annual Operations Plan and associated budget that describes how NEEA will pursue the five-year Business Plan goals and objectives. The Operations Plan will specify interim progress goals/milestones that it will use to assess progress toward Business Plan goals and objectives.
    a. NEEA will present annual operations plans and associated budgets for approval by the Board of Directors annually.
    b. NEEA will deliver quarterly status reports to the Board of Directors, with a written annual status report provided to all NEEA funders.

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2. Seattle Energy Savings: The projects in NEEA's portfolio will deliver 145 aMW of total regional energy savings of which 75 aMW are co-created energy savings. NEEA shall deliver a minimum energy savings that allows Seattle to demonstrate to its governing regulatory body that its investment of ratepayer funds in NEEA is justified.
    a. Savings will be reported both for achievements as a result of this 2015-2019 investment, as well as for achievements during 2015-2019 as a result of prior investments in NEEA.
    b. NEEA will deliver an annual savings report including any true up for the calendar year by May 15 of the following year.
    c. Savings will be reported where feasible at a zip code level.
    d. Savings as a result of prior investments will be reported based on prior funding share.

3. Operational Effectiveness: The Board of Directors may, at its discretion, direct that NEEA contract with an independent third party to perform an assessment of optional program costs and benefits and the effectiveness of collaboration activities implemented by NEEA (specifically, the Stakeholder Relations outreach and Regional Portfolio Advisory Committee voting activities). This assessment would be delivered to the Board after at least one full year of experience with the optional programs.

4. Fiscal Audit: Each year, NEEA will retain the services of an independent CPA firm to conduct and complete an annual financial audit and internal control review. The selection of the firm and audit will be overseen by members of the Board of Directors and copies made available annually to the Board of Directors and funders by August 1.

5. Term. This Agreement is effective January 1, 2015, and will end on July 1, 2020 unless terminated earlier pursuant to Paragraph 9 or 10.

6. Confidentiality and Public Disclosure.

    a. Except as provided for in subsection 6.b, the parties will not be liable for the disclosure of any Confidential Information that is: (i) easily accessible, or becomes easily accessible, in the public domain through no fault of the receiving party; (ii) lawfully received from a third party and without any obligation of confidentiality; or (iii) already known to receiving party without any limitation on disclosure by disclosing party before its receipt

    b. NEEA understands that any records it submits to Seattle, or that are used by Seattle, even if NEEA possess the records or the records are marked 'confidential', are public records under Washington State law, Chapter 42.56 RCW. NEEA must promptly disclose public records upon a request to Seattle, unless a statute exempts them from disclosure. NEEA also understands that even if a part of a record is exempt from disclosure, that the rest of the record must generally be disclosed. For materials that NEEA has properly and clearly marked to be confidential, Seattle may notify NEEA of the request and postpone the

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release of the documents for ten business days to allow NEEA to file a lawsuit seeking an injunction preventing the release of the records pursuant to RCW 42.56.540. Any notification provided by Seattle to NEAA is provided as a courtesy and is not an obligation of Seattle. Unless NEEA obtains and serves an injunction upon Seattle before the close of business on the tenth business day after the date of the notification by Seattle, Seattle may release the documents. NEEA will fully cooperate with Seattle in identifying and assembling records that may be in possession of NEEA in case of any public disclosure request.

7. Total Funding Amount. Seattle shall provide funds to NEEA under the terms of this Agreement in the total sum of $6,167,825.

8. Payments. Seattle shall make payments based on the invoicing and payments schedule in the attached Exhibit A, "Payment Schedule".

9. Additional Funds. Nothing in this Agreement shall limit NEEA's ability to solicit funds from third party sources.

10. Exceptions to Funding Commitments. The following exceptions shall apply to Seattle's funding commitments:

    a. Seattle shall not have an obligation to provide funding for NEEA for that portion of its total funding commitment that is not approved by its public governing or regulatory body.
    b. Seattle may elect to reduce or discontinue NEEA funding under this agreement upon the implementation of restructuring legislation or other legislation which eliminates the responsibilities of Seattle to provide benefits under a public purpose charge.
    c. Funding by Seattle may be discontinued with sixty days notice to NEEA if there is a change to the Bylaws of NEEA to which Seattle does not agree.

11. Determination of Sufficiency. If the NEEA Board of Directors determines at any time that NEEA's progress versus business plan objectives does not warrant continued investment in NEEA, or that NEEA does not have sufficient funds to operate, Seattle may choose to ramp down its investment in NEEA. At such time, Seattle shall pay a one time payment equal to the average annual funding amount, less any credits, to NEEA to allow NEEA to ramp down operations.

12. Insurance: NEEA shall maintain (and shall cause each of its agents, independent contractors and subcontractors performing services hereunder to maintain) at all times at its sole cost and expense at least the following insurances covering its obligations under this Agreement.

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a. Workers' Compensation Insurance required by law, at statutory limits, and Employer's Liability Insurance with a limit of not less than One Million Dollars ($1,000,000).
b. Business Automobile Liability Insurance covering all automobiles, with a combined single limit of at least $1,000,000.
c. Commercial General Liability Insurance including (i) bodily injury, (ii) property damage, (iii) Contractual liability coverage covering its obligations of indemnity and defense and (iv) personal and advertising injury with a combined single limit of not less than One Million Dollars ($1,000,000).
d. All insurance required to be issued under this Section shall be issued on a U.S. policy by one or more insurance carriers and licensed to do business in the state where services are rendered. Upon execution of this Agreement, upon request by Seattle, NEEA shall provide evidence of insurance indicating all coverage required hereunder.

13. Indemnification. NEEA shall indemnify, defend and hold harmless Seattle, its directors, officers, employees, and agents (collectively, "Seattle Indemnitees") from any and all third party claims, demands, suits, losses, costs, and damages of every kind and description, including attorney fees, brought or made against or incurred by any of the Seattle Indemnitees resulting from, arising out of, or in any way connected with, any act of a NEEA, its employees, agents, representatives, or subcontractors of any tier, their employees, agents, or representatives in the performance or nonperformance of a party's obligations under this Agreement or in any way related to this Agreement. To the maximum extent allowed by law, including R.C.W. 35.32A.090, Seattle shall indemnify, defend, and hold harmless NEEA, its directors, officers, employees, and agents (collectively "NEEA Indemnitees") from any and all third party claims, demands, suits, losses, costs and damages of every kind and description , including attorney fees, brought or made against or incurred by any of the NEEA Indemnitees to the extent such claims arise out of the negligence or intentional misconduct of Seattle. IN ADDITION, EACH PARTY, AND SOLELY FOR THE PURPOSE OF EFFECTUATING THE INDEMNITEES PROVIDED HEREIN, EXPRESSLY WAIVES ANY IMMUNITY, DEFENSE, OR PROTECTION THAT MAY BE GRANTED TO IT UNDER ANY APPLICABLE STATE INDUSTRIAL INSURANCE, WORKERS' COMPENSATION OR OTHER SIMILAR LAWS. THIS SECTION HAS BEEN MUTUALLY NEGOTIATED BY THE PARTIES. Notwithstanding anything contained in this Agreement to the contrary:

a. Neither NEEA nor Seattle will be deemed liable or to be in default for any delay or failure in performance under this Agreement or other interruption deemed to result, directly or indirectly, from acts of God, civil or military authority, acts of public enemy, war, accidents, fires, explosions, earthquakes, floods, failure of transportation, strikes or other work interruptions by its employees, or any other similar cause beyond its reasonable control unless such delay or failure in performance is expressly addressed elsewhere in this Agreement; and

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b. Under no circumstances will either party be liable to the other with respect to this Agreement for any incidental, indirect, consequential, special, punitive or exemplary damages including, but not limited to, loss of revenue or profit, or loss of use of property, whether based in whole or in part on Agreement, negligence, strict liability, tort, statutory or any other theory of liability.

c. Seattle and NEEA will be entitled to indemnification hereunder only in the event of an allegation that the Indemnitees, or any of them, are vicariously liable for the acts or omissions of Seattle or NEEA or their directors, employees, Contractors, or other agents or representatives.

14. Disputes. The use of mediation is encouraged and may be used as negotiated between the parties. All claims arising out of this Agreement and all disputes not settled by the parties shall be settled by binding arbitration in accordance with then effective rules of the Arbitration Service of Portland, Inc. and judgment upon the award rendered by the arbitrator(s) may be entered in Multnomah County Circuit Court and/or any other court having jurisdiction. If an arbitration hearing is required, such hearing shall be held in Portland, Oregon. This Agreement shall be governed by the laws of the State of Oregon.

15. Notices. Notices required to be made under this Agreement shall be served personally, by overnight courier to the address shown below, or by United States certified mail, return receipt requested. Notice will be deemed to be given (a) on the date of personal delivery, (b) at the expiration of the second day after the date of deposit in the United States mail, or (c) on the date of confirmed delivery by the overnight courier.

16. Miscellaneous.

a. No amendment or modification of this Agreement shall be valid unless set forth in a written document hereafter signed by Seattle and NEEA.

b. In the event of any conflict between (i) this Agreement and (ii) the Articles of Incorporation or Bylaws of NEEA, the provisions of this Agreement shall prevail as between Seattle and NEEA.

c. The provisions of this Agreement are intended to be for the exclusive benefit of Seattle and NEEA, and nothing in this Agreement shall be interpreted or construed as conferring upon any third party any right or claim against Seattle or NEEA or entitling any third party to enforce any of the terms of this Agreement on Seattle, NEEA or otherwise. This Agreement shall not be interpreted or construed to create or evidence a partnership between Seattle and NEEA, or as imposing any partnership obligation or liability on Seattle or NEEA.

CITY OF SEATTLE, SEATTLE CITY LIGHT

By: _____

Date: _____

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Printed Name: Jorge Carrasco

Title: CEO and General Manager

Name and Address for Notices to
Seattle City Light:
Attention: Michael Jones
Address: 700 Fifth Avenue, Suite 3200
P.O. Box 34023
Seattle, WA 98124-4023

NORTHWEST ENERGY EFFICIENCY ALLIANCE, INC.

Date: _____

By: _____

Printed Name: Susan E. Stratton

Title: Executive Director

Name and Address for Notices to NEEA:
Susan E. Stratton, Executive Director
Northwest Energy Efficiency Alliance
421 S.W. Sixth Avenue, Suite 600
Portland, OR 97204

Attached Exhibit A Cycle 5 - Payment Schedule

SEA CITY CLERK

EXHIBIT A
Payment Schedule
Regional Energy Efficiency Initiative Agreement
Between
Seattle City Light
And
Northwest Energy Efficiency Alliance, Inc.

Part A – Five Year Direct Funding Commitment per Funding Share

Direct Funders	2015-2019 Approved Funding Shares	2015-2019 NEEA Total "All In" Funding Commitment
Bonneville Power Administration	36.042%	$ 60,820,995
Energy Trust of Oregon	20.146%	33,996,442
Puget Sound Energy Inc	14.139%	23,859,610
Idaho Power Co	8.966%	15,130,155
Avista Corp	5.742%	9,689,644
NorthWestern Energy LLC	4.035%	6,809,076
Seattle City Light	3.655%	6,167,825
PacifiCorp (Washington)	2.543%	4,291,321
PUD No 1 of Clark County	1.314%	2,217,379
Tacoma Power	1.096%	1,849,504
PUD No 1 of Chelan County	0.968%	1,633,503
Snohomish County PUD No 1	0.654%	1,103,627
PUD No 1 of Cowlitz County	0.383%	646,314
Eugene Water and Electric	0.317%	534,939
Total	100.000%	$ 168,750,333

Part B – Invoice and Payment Schedule

Seattle has elected to fund NEEA's core budget and all optional activities and programs. Optional programs and activities include: Existing Building Renewal and Commercial Real Estate; Top Tier Trade Ally Advanced Training; Industrial Technical Training; and market transformation resources for all initiatives including marketing resources, channel development, training and utility customization. The

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Board approved funding shares at its June 20, 2014 Special Board Meeting. Seattle's approved funding share is 3.655%. Seattle's total direct funding commitment is as follows:

- Total Seattle five-year funding commitment: $ 6,167,825
- Seattle annual funding commitment: $ 1,233,565
- Seattle quarterly funding commitment: $ 308,391

Seattle's funding commitment, in dollars, will not be affected by changes to other funders' commitments, including those who may not elect to fund all optional activities and programs or by those who choose not to fund NEEA during the five-year funding cycle.

Seattle's contribution shall be paid quarterly as defined below:

1. Fixed-Flat Invoice. NEEA will invoice Seattle 25% of its fixed annual contribution amount on December 1, 2014, which is due and payable within 30 days of receipt. Quarterly invoices equivalent to 25% of the fixed annual contribution amount will continue through the Agreement period with an invoice date of 30 days prior to the quarter and due date of the 1st day of each quarter.

2. True Up of Funds through 2019 or 2020. If NEEA has not expended the entire amount covered in this Agreement at the end of the funding cycle, billings will be reduced or funds will be credited to a future funding agreement.

Part C – Contact Information

Invoices should be sent to:

Name:	Craig Smith
Title:	Conservation Resources Director
Organization:	Seattle City Light
Address:	P.O. Box 34023
	Seattle, WA 98124-4023
Phone:	206-684-3740
Email:	Craig.Smith@seattle.gov

SEA CITY CLERK

Form revised: February 26, 2014

FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	CBO Analyst/Phone:
City Light	Mike Little 684-3233	Greg Shiring 386-4085

Legislation Title:
AN ORDINANCE relating to the City Light Department; authorizing the execution and potential amendment of a Regional Energy Efficiency Initiative Agreement with the Northwest Energy Efficiency Alliance.

Summary of the Legislation:
This legislation will provide City Light's General Manager and Chief Executive Officer, or his designee, the authority to execute and potentially amend a Regional Energy Efficiency Initiative Agreement with the Northwest Energy Efficiency Alliance (NEEA). The agreement spells out the terms and conditions under which City Light would fund and NEEA would deliver cost-effective energy savings consistent with its 2015-2019 Business Plan. City Light would provide total funding of $6,167,825; annual funding would amount to $1,233,565. City Light's 2015-2016 budget submittal includes $1,679,454 in 2015 and $1,719,854 in 2016 for the Regional Energy Efficiency Initiative Agreement. Because City Light's authority to purchase power, including energy savings, is limited to a time period of two years, we are seeking the authority to enter into this agreement. Additionally, we are seeking the authority to amend the agreement for dollars as NEEA may offer additional emerging technology or energy saving opportunities beyond the current scope and funding commitment outlined in the Regional Energy Efficiency Initiative Agreement.

Background:
Energy conservation continues to be City Light's first priority energy resource, and City Light continuously seeks out innovative ways to partner with its customers, trade allies, and regional partners to meet its energy savings targets. City Light traditionally provides financial incentives directly to its customers to overcome barriers to investing in cost-effective energy conservation, and under its current program design, that typically involves a single up-front payment once conservation measures have been installed, inspected and the energy savings verified.

The Northwest Energy Efficiency Alliance delivers cost-effective energy savings with a different approach. Instead of paying incentives to end-use customers, NEEA works with the supply chain to increase the availability of energy-efficient and emerging technologies that can only reach scale across a large geographic region and through a collaborative approach. NEEA's upstream approach could include retailers, distributors, suppliers, manufacturers or a combination of any of these market players providing technology to the residential, commercial or industrial markets. And, incentives paid upstream are typically smaller, more cost effective, and have a longer lasting impact on the market than the one-time incentive paid to end-use

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customers.

NEEA is an alliance of more than 140 Northwest utilities and energy efficiency organizations working on behalf of more than 13 million energy consumers. NEEA leverages its strong regional partnerships to effect market transformation by accelerating the adoption of energy-efficient products, services and practices. Since 1997, NEEA and its partners – including Avista Utilities, Bonneville Power Administration, Chelan County PUD, Clark Public Utilities, Cowlitz PUD, Energy Trust of Oregon, Northwestern Energy, Pacific Power, Puget Sound Energy, Snohomish County PUD, Tacoma Power and Seattle City Light – have saved enough energy to power more than 700,000 home each year. During calendar year 2012 and 2013, NEEA delivered 64,150,000 kWh of savings to City Light or 25% of very cost-effective energy savings secured for the utility during that time period; these savings assisted SCL in exceeding its I-937 target.

City Light is currently represented on NEEA's Board of Directors by Mike Jones, Power Supply and Environmental Affairs Officer.

City Light's current authority for agreements to purchase energy, interpreted to include acquiring energy conservation savings, is limited to two years. This agreement spans a five-year period and with this Ordinance, City Light is seeking authority to enter into this agreement with NEEA.

Since this has been an ongoing financial commitment, City Light anticipated this Agreement and has submitted a 2015-2016 budget to meet our funding commitment. Additionally, this budget provides sufficient authority to undertake any additional emerging technology or energy saving opportunities up to the endorsed budget. However, within the body of the Agreement and under the Exceptions to Funding Commitments, City Light would not be obligated to provide such funding without the budget approval by the City Council.

Please check one of the following:

____ **This legislation does not have any financial implications.**

__X__ **This legislation has financial implications.**

Other Implications:

a) **Does the legislation have indirect financial implications, or long-term implications?** This legislation does have indirect financial implications and long-term implications in that this is a five-year agreement and City Light will need to budget for this Agreement. City Light has anticipated this agreement and the 2015-2016 budget reflects this need. However, this legislation does not require additional appropriations as a direct result of this legislation, does not reflect any revenue/reimbursement, or have any staffing-related impacts associated with the Agreement.

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b) What is the financial cost of not implementing the legislation?
There is not a direct financial cost associated with not implementing the legislation. There is an indirect cost of not meeting City Light's I-937 energy conservation target and this Agreement assists the utility in meeting that target. In RCW 19.285 that relates to I-937, a utility that fails to meet its energy conservation target shall pay an administrative penalty in the amount of $50 (2007 dollars) per megawatt-hour of shortfall. The penalty is adjusted annually to reflect inflation. City Light relies on NEEA to deliver energy savings that assist in meeting the energy conservation target. During the 2012-2013 biennium, NEEA delivered 25% of total energy savings to the utility and this assisted in exceeding the I-937 target.

c) Does this legislation affect any departments besides the originating department?
No

d) What are the possible alternatives to the legislation that could achieve the same or similar objectives? None

e) Is a public hearing required for this legislation?
No

f) Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?
No

g) Does this legislation affect a piece of property?
No

h) Other Issues:

List attachments to the fiscal note below:

2014 CITY CLERK

City of Seattle
Edward B. Murray
Mayor

September 2, 2014

Honorable Tim Burgess
President
Seattle City Council
City Hall, 2nd Floor

Dear Council President Burgess:

I am pleased to transmit the attached proposed Council bill that provides City Light's General Manager and Chief Executive Officer, or his designee, with the authority to execute and potentially amend, a Regional Energy Efficiency Initiative Agreement with the Northwest Energy Efficiency Alliance (NEEA). The agreement spells out the terms and conditions under which City Light would fund and NEEA would deliver cost-effective energy savings consistent with its 2015-2019 Business Plan. City Light would provide total funding of $6,167,825; annual funding would amount to $1,233,565. City Light's 2015-2016 budget submittal includes $1,679,454 in 2015 and $1,719,854 in 2016 for the Regional Energy Efficiency Initiative Agreement. Because City Light's authority to purchase power, including energy savings, is limited to a time period of two years, we are seeking the authority to enter into this agreement. Additionally, we are seeking the authority to amend the agreement as NEEA may offer additional emerging technology or energy saving opportunities beyond the current scope and funding commitment outlined in the Regional Energy Efficiency Initiative Agreement.

Energy conservation continues to be City Light's first priority energy resource, and City Light continuously seeks out innovative ways to partner with its customers, trade allies, and regional partners to meet its energy savings targets. City Light traditionally provides financial incentives directly to its customers to overcome barriers to investing in cost-effective energy conservation, and under its current program design, that typically involves a single up-front payment once conservation measures have been installed, inspected and the energy savings verified.

The Northwest Energy Efficiency Alliance delivers cost-effective energy savings with a different approach. Instead of paying incentives to end-use customers, NEEA works with the supply chain to increase the availability of energy-efficient and emerging technologies that can only reach scale across a large geographic region and through a collaborative approach. NEEA's upstream approach could include retailers, distributors, suppliers, manufacturers or a combination of any of these market players providing technology to the residential, commercial or industrial markets. And, incentives paid upstream are typically smaller, more cost effective, and have a longer lasting impact on the market than the one-time incentive paid to end-use customers.

NEEA is an alliance of more than 140 Northwest utilities and energy efficiency organizations working on behalf of more than 13 million energy consumers. NEEA leverages its strong regional partnerships to effect market transformation by accelerating the adoption of energy-efficient products, services and

Office of the Mayor
Seattle City Hall, 7th Floor
600 Fourth Avenue
PO Box 94749
Seattle, Washington 98124-4749

Tel (206) 684-4000
Fax: (206) 684-5360
Hearing Impaired use the Washington Relay Service (7-1-1)
www.seattle.gov/mayor

2014 CITY CLERK

practices. Since 1997, NEEA and its partners – including Avista Utilities, Bonneville Power Administration, Chelan County PUD, Clark Public Utilities, Cowlitz PUD, Energy Trust of Oregon, Northwestern Energy, Pacific Power, Puget Sound Energy, Snohomish County PUD, Tacoma Power and Seattle City Light – have saved enough energy to power more than 700,000 home each year. During calendar year 2012 and 2013, NEEA delivered 64,150,000 kWh of savings to City Light or 25% of very cost-effective energy savings secured for the utility during that time period; these savings assisted SCL in exceeding its I-937 energy conservation target.

Energy conservation continues to be City Light's first priority energy resource. This Agreement is the latest example of the utility's leadership and innovation in working with customers, trade allies, and regional partners to promote energy conservation and its economic and environmental benefits. Thank you for your consideration of this legislation. Should you have any questions, please contact Craig Smith at 684-3740.

Sincerely,

Edward B. Murray
Mayor of Seattle

cc: Honorable Members of the Seattle City Council

2014 CITY CLERK

STATE OF WASHINGTON -- KING COUNTY

--ss.

316837 No.

CITY OF SEATTLE,CLERKS OFFICE

Affidavit of Publication

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12th day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT:124588-606 TITLE ONLY

was published on

10/27/14

The amount of the fee charged for the foregoing publication is the sum of $321.43 which amount has been paid in full.

JENNIFER A. BORREGO NOTARY PUBLIC STATE OF WASHINGTON COMMISSION EXPIRES 10-24-15

Subscribed and sworn to before me on 10/27/2014

Notary public for the State of Washington, residing in Seattle

Affidavit of Publication

State of Washington, King County

City of Seattle

The full text of the following legislation, passed by the City Council on September 29, 2014, and published below by title only, will be mailed upon request, or can be accessed at http://clerk.seattle.gov. For information on upcoming meetings of the Seattle City Council, please visit http://www.seattle.gov/council/calendar. Contact: Office of the City Clerk at (206) 684-8344.

ORDINANCE NO. 124588

AN ORDINANCE relating to the City Light Department; authorizing execution of the Boundary Power Assignment Agreement with Public Utility District No. 1 of Pend Oreille County, Washington, for the term of the Boundary Hydroelectric Project license granted by the Federal Energy Regulatory Commission on March 20, 2013, 42 years.

ORDINANCE NO. 124589

AN ORDINANCE related to the Seattle Department of Transportation; lifting a budget proviso imposed on Transportation Operating Fund, Budget Control Level: Mobility-Capital, for the Pay Station Capital Improvement Project (TC366350) as provided in Ordinance 124349, which adopted the 2014 Budget.

ORDINANCE NO. 124590

AN ORDINANCE relating to the 2008 Parks and Green Spaces Levy; deleting the Seattle Asian Art Museum project from the Citywide Parks Owned Cultural Facilities Sub-Category of the Development Category; adding new major maintenance projects in the Neighborhood Parks and Playgrounds Subcategory of the Development Category; increasing appropriations to the Department of Parks and Recreation in the 2014 Adopted Budget; and amending the 2014-2019 Adopted Capital Improvement Program; all by a three-fourths vote of the City Council.

ORDINANCE NO. 124591

AN ORDINANCE related to land use and zoning; amending Seattle Municipal Code Sections 23.49.011, 23.49.013, and 23.49.014 to remove provisions related to the bonus for a Landmark performing arts theater (LPAT) and to increase the base floor area ratio (FAR) of a lot with an LPAT to provide a new incentive for rehabilitating and maintaining these structures; and amending the Downtown Amenity Standards to delete reference to the bonus for the restoration and preservation of a Landmark performing arts theater and to update references to the Public Art Advisory Committee.

ORDINANCE NO. 124592

AN ORDINANCE relating to the Department of Parks and Recreation; authorizing the acquisition of real property commonly known as 4201 16th Avenue SW; authorizing acceptance and recording of the deed for open space, park, and recreation purposes; and authorizing acquisition by condemnation.

ORDINANCE NO. 124593

AN ORDINANCE relating to the Seattle Electrical Code amending Section 22.300.016 of the Seattle Municipal Code, adopting the 2014 National Electrical Code with Seattle amendments, and adopting, by incorporation, specific portions of the 2014 Washington Administrative Code Chapter 296-46B (Washington State Electrical Rule); and repealing Sections 2-34 of Ordinance 122970.

ORDINANCE NO. 124594

AN ORDINANCE relating to the City Light Department; amending subsection 21.49.086.D of the Seattle Municipal Code to create Net Wholesale Revenue targets for 2015 and 2016 consistent with those assumed in the City Light 2015-2020 Strategic Plan adopted by Resolution 31529.

ORDINANCE NO. 124595

AN ORDINANCE related to the redevelopment of Yesler Terrace; vacating portions of Terry Avenue, Spruce Street, Alley in Block 84 of Terry's 2nd Addition, Spruce Street and 9th Avenue Intersection, Alley at Yesler Terrace Steam Plant, 8th Avenue and Yesler Way Intersection, 8th Avenue South, South Main Street, 9th Avenue South, and South Washington Street, on the petition of the Housing Authority of the City of Seattle, with a modified street vacation condition; relinquishing certain easements no longer needed by the City of Seattle; approving and confirming the plat of "Yesler Terrace Community" and accepting dedications in a portion of the Southwest Quarter of the Southeast Quarter of Section 32, Township 26 North, Range 4 East and a portion of the Northwest Quarter and a portion of the Northeast Quarter of Section 5, Township 24 North, Range 4 East, W.M. in King County, Washington, with modified plat conditions; accepting temporary easements for street purposes over certain vacated portions of Terry Avenue, Spruce Street, and South Washington Street; authorizing the signing, acceptance and recording of a Covenant for Infrastructure Construction, and a Public Access, Easement and Maintenance Agreement; and authorizing the signing and acceptance of a Cooperative Agreement Regarding Dedicated Street Areas in Yesler Terrace Plat.

ORDINANCE NO. 124596

AN ORDINANCE relating to the Department of Parks and Recreation; authorizing amendments to two federal grant agreements with the National Park Service to remove Urban Park and Recreation Recovery Act conditions from a limited area of Seward Park that will be affected by surface ancillary facilities for Seattle Public Utilities' combined sewer overflow project and to place the conditions on an area of Lake Washington Boulevard; and transferring appropriation authority and cash from the Drainage and Wastewater Fund (44010) to the Cumulative Reserve Subfund - Unrestricted Subaccount (00164) for landscaping enhancements on Lake Washington Boulevard required by the National Park Service.

ORDINANCE NO. 124597

AN ORDINANCE relating to the Department of Parks and Recreation, concerning the West Duwamish Greenbelt, finding that an exchange of property between the City of Seattle and West Seattle Acquisition Co., L.L.C., owner of property adjacent to park property, is necessary, as required by Ordinance 118477, also known as Initiative 42; authorizing the Superintendent of Parks and Recreation to accept a deed from West Seattle Acquisition Co., L.L.C., for certain property meeting the criteria of Initiative 42; and authorizing the Superintendent to execute and record a Quit Claim Deed for certain City-owned West Duwamish Greenbelt property to West Seattle Acquisition Co., L.L.C., all to eliminate an existing private, non-park use of park property.

ORDINANCE NO. 124598

AN ORDINANCE relating to communication cabinets in public places; amending Sections 15.02.042, 15.32.010, 15.32.020, 15.32.130, 15.32.140, 15.91.002, and 15.91.016; and adding new Sections 15.32.200, 15.32.250, and 15.32.260 of the Seattle Municipal Code.

ORDINANCE NO. 124599

AN ORDINANCE relating to water services of Seattle Public Utilities; revising water rates and charges for service to wholesale customers, and amending Seattle Municipal Code Chapter 21.04.440.E in connection therewith.

ORDINANCE NO. 124600

AN ORDINANCE relating to the Seattle Department of Transportation; authorizing the Director of the Seattle Department of Transportation, on behalf of the City of Seattle, to execute an assignment, assumption, and consent agreement with the Seattle Steam Limited Partnership, Seattle Community Energy, LLC, and BIF II District Energy Holdings III LC regarding the transfer of the Seattle Steam Franchise authorized under Ordinance 121067, as amended by Ordinance 122260, to BIF II District Energy Holdings III LLC.

ORDINANCE NO. 124601

AN ORDINANCE relating to the Seattle Streetcar System; authorizing execution of an amendment to the funding and cooperative agreement for the First Hill Streetcar; establishing fare policy objectives for the Seattle Streetcar and authorizing the Director of Transportation to set streetcar fares and establish policies and procedures for fare inspection; and ratifying and confirming certain prior acts.

ORDINANCE NO. 124602

AN ORDINANCE relating to City-owned property under the jurisdiction of the Seattle Department of Transportation located at 1000 Mercer Street in D. T. Denny's First Addition to North Seattle; and extending, laying out, widening, establishing, and opening a portion of Mercer Street.

ORDINANCE NO. 124603

AN ORDINANCE authorizing the sale at fair market value of certain surplus property located at 1000 Mercer Street.

ORDINANCE NO. 124604

AN ORDINANCE relating to the City Light Department; authorizing the execution of a Metered Energy Efficiency Purchase Agreement with The Bullitt Foundation and the Cascadia Center for Sustainable Design and Construction for the purchase of energy from the Bullitt Center.

ORDINANCE NO. 124605

AN ORDINANCE relating to the City Light Department; authorizing the execution and potential amendment of a Regional Energy Efficiency Initiative Agreement with the Northwest Energy Efficiency Alliance.

ORDINANCE NO. 124606

AN ORDINANCE appropriating money to pay certain audited claims and ordering the payment thereof.

Date of publication in the Seattle Daily Journal of Commerce, October 27, 2014.

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