

Discussion of Proposed Ord. No. 860 Granting a Non-Exclusive Franchise to Puget Sound Energy

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Purpose of Tonight's Discussion

- Overview of Puget Sound Energy (PSE) franchise process
- Discussion of proposed franchise sections
- Franchise consideration criteria
- Questions from Council

Franchise Review Process

- Utilities are required to have a right-of-way franchise with the City
- Current franchise expires October 31, 2019
- Negotiating a 15-year renewal franchise agreement since 2017
- Negotiations have been collaborative and positive



Renewal Terms

- Section 1 – Definitions: Updated for clarity
- Section 2 – Franchise Granted: PSE can operate in the City's ROW
- Section 4 – Term: 15 years
- Section 6 – Right-of-way Management: Covers permitting, noticing, and ROW restoration



Renewal Terms

- Section 7 – Relocation: Same language
- Section 11 – Insurance: Updated coverage
- Section 13 – Utility Tax & Franchise Fee: 6% utility tax in lieu of prohibited franchise fee
- Section 15 – Dispute Resolution: Updated language



Franchise Consideration

- Applicant's past service record
- Nature and location of the proposed facilities and services
- Whether the proposal would serves public needs
- Applicant has substantially complied with the material terms of franchise
- Quality of the applicant's service, response to consumer complaints, and billing practices
- Applicant has the financial, legal, and technical ability
- Applicant's proposal is reasonable to meet the future community needs

Questions?

- Proposed Ordinance 860 is scheduled to return to Council for possible adoption on June 24.

