



## Memorandum

**Date:** 7/6/2021  
**Meeting of:** City Council

**File No.** AM No. 21-094  
**Type:** Consent Item

**TO:** Members of the City Council  
**FROM:** Mayor Angela Birney  
**DEPARTMENT DIRECTOR CONTACT(S):**

Executive	Lisa Maher	425-556-2427
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**DEPARTMENT STAFF:**

Executive	Jenny Lybeck	Environmental Sustainability Program Manager
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**TITLE:**

Authorize the Mayor to Execute the First Amendment to the City's Agreement with Puget Sound Energy for Participation in the Green Direct Program

**OVERVIEW STATEMENT:**

In 2018 the City executed a Voluntary Long-Term Renewable Energy Service Agreement with Puget Sound Energy (PSE), securing the City's participation in Phase 2 of the Green Direct Program (Attachment A). PSE's Green Direct Program allows large institutions to purchase electricity from dedicated, local renewable energy sources and support climate and sustainability goals.

The First Amendment (Attachment B) includes a reduction to an element of Green Direct rates called the Resource Energy Charge, provided in Table 1 of Attachment B. The reduction is the result of liquidated damages collected due to delays in the Skooumchuck Wind Project. The First Amendment also updates the start date of clean electricity delivery, retroactive to March 1, 2021.

Concurrent to the contract amendment, PSE is party to a Washington Utilities and Transportation Commission rate case. The rate case includes impacts to Green Direct rates, among other topics, although specific implications are still being clarified by PSE. Staff will update Council once details of the rate case are finalized.

☐ **Additional Background Information/Description of Proposal Attached**

**REQUESTED ACTION:**

☐ **Receive Information**      ☐ **Provide Direction**      ☒ **Approve**

**REQUEST RATIONALE:**

- **Relevant Plans/Policies:**  
Community Strategic Plan, Environmental Sustainability Action Plan, Comprehensive Plan

- **Required:**  
N/A
- **Council Request:**  
N/A
- **Other Key Facts:**
  - Redmond's participation in the Green Direct Program covers nearly 100% of government operations electricity usage.

**OUTCOMES:**

Approval of the First Amendment will slightly reduce Green Direct electricity rates for city operations.

**COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:**

- **Timeline (previous or planned):**  
N/A
- **Outreach Methods and Results:**  
N/A
- **Feedback Summary:**  
N/A

**BUDGET IMPACT:**

**Total Cost:**

City PSE accounts that will transition to the Green Direct Program have an average yearly billed amount of more than \$1,145,000.

Approved in current biennial budget: ☐ Yes ☐ No ☒ N/A

**Budget Offer Number:**

N/A

**Budget Priority:**

N/A

Other budget impacts or additional costs: ☒ Yes ☐ No ☐ N/A

***If yes, explain:***

The City's electricity rates would decrease slightly under the updated Green Direct Program.

**Funding source(s):**

N/A

**Budget/Funding Constraints:**

N/A

☐ Additional budget details attached

**COUNCIL REVIEW:**

**Previous Contact(s)**

Date	Meeting	Requested Action
8/21/2018	Business Meeting	Approve
6/22/2021	Committee of the Whole - Finance, Administration, and Communications	Provide Direction

**Proposed Upcoming Contact(s)**

Date	Meeting	Requested Action
N/A	None proposed at this time	N/A

**Time Constraints:**

Failure to approve the First Amendment delays PSE's ability to bill the City at the new rate.

**ANTICIPATED RESULT IF NOT APPROVED:**

Higher Green Direct rates.

**ATTACHMENTS:**

Attachment A: Agreement, August 2018  
Attachment B: First Amendment