

RESOLUTION No. 37051

Authorize the Commissioner of Public Works to enter into an agreement with the Citizens' Utility Board of Oregon for a term of five years to provide an independent review of City utility bureaus on behalf of residential ratepayers (Resolution)

WHEREAS, the City of Portland provides sewer, stormwater, and water services to about 180,000 accounts, almost 90% of which are residential; and

WHEREAS, the Citizens' Utility Board of Oregon (CUB), an ORS Chapter 65 public benefit non-profit with members, was created in 1984 by a citizens' ballot initiative to represent the interests of residential utility customers; and

WHEREAS, CUB's approach to consumer advocacy occurs on many levels, pursuing the various goals of:

- Affordable utility service
- Energy efficiency measures
- Low-income consumer protection
- Environmental stewardship and responsibility
- Renewable resources use and promotion
- Smart Grid and other emerging technologies; and

WHEREAS, in its three decades of service, CUB estimates that it has achieved \$5.8 billion in savings for Oregon residential ratepayers; and

WHEREAS, CUB's advocacy has included policy initiatives, including leading the 2002 effort to create the Energy Trust of Oregon and cooperating with the City of Portland in the effort to close the Boardman coal power plant; and

WHEREAS, CUB has offered the City of Portland its services in advocacy for protection of the interests of residential ratepayers of the City's sewer, stormwater, and water services; and

WHEREAS, CUB will provide these services as an independent organization, funded through its members, with no direct financial support from the City; and

WHEREAS, the City's two utility bureaus, the Bureau of Environmental Services (BES) and Portland Water Bureau (PWB), together with residential customers, will benefit from CUB's independent review and expertise on a range of topics including utility ratemaking, capital planning, least-cost/least-risk analysis, customer services, billing patterns and uncollectibles; and

WHEREAS, CUB agrees, based on its nearly 30 years as a consumer advocate, to independently represent and advocate for City of Portland residential customers relating to quality and price of sewer, stormwater, and water services provided by the City; and

WHEREAS, CUB will, as part of this review, perform the following:

- Conduct independent research and analysis of issues that are important to ratepayers
- Conduct outreach to a wide variety of stakeholders including commercial customer groups, civic organizations, large industrial customers, and environmental organizations
- Attend District Coalition or Neighborhood Association meetings to identify citizen concerns
- Participate in the City budget process and make recommendations to the Council
- Seek opportunities for discussion of longer-term policy considerations during the time following budget adoption
- Attend BES and PWB Budget Advisory Committee meetings, City Council work sessions and public hearing on utility bureau budgets
- Establish relationships with staff of BES, PWB, and the City Budget Office
- Attend meetings of the Portland Utility Review Board (PURB), participate in PURB's discussions of the utility bureaus, and share CUB's analysis and recommendations
- Develop and publicize its independent analysis of bureau budget and policy proposals on an ongoing basis
- Meet with the Commissioner(s)-in-Charge of BES and PWB on a regular basis; and

WHEREAS, the City will:

- Make bureau Directors and staff, as well as Commissioner(s)' bureau liaisons, available for routine, ongoing meetings with CUB
- Schedule meetings with the Commissioner(s)-in-Charge of BES and PWB for updates from CUB
- Provide ongoing, timely information regarding the schedule for the budget development and adoption process for BES and PWB
- Provide CUB information on the development of bureau budgets and rates; and

WHEREAS, this groundbreaking new partnership, a first for CUB and the City of Portland, will provide a new voice for ratepayers, ensuring that residential customers have an outside, independent advocate at the table; and

WHEREAS, this new partnership will bring greater transparency and accountability to the operations and budgeting of the City's two utility bureaus; and


WHEREAS, this partnership will leverage 30 years of results for ratepayers to the benefit of Portland utility customers.

NOW, THEREFORE, BE IT RESOLVED, that the Council authorizes the Commissioner-in-Charge of BES and PWB to enter into an agreement with the CUB substantially in accordance with Exhibit A.

Adopted by the Council: JAN 08 2014

Commissioners Nick Fish and Steve Novick
Prepared by: Sonia Schmanski
Date Prepared: December 17, 2013

LaVonne Griffin-Valade
Auditor of the City of Portland

By 
Deputy

Agenda No.
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Title

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<p>INTRODUCED BY Commissioner/Auditor: Nick Fish Steve Novick</p>	<p>CLERK USE: DATE FILED <u>JAN 03 2014</u></p>
<p>COMMISSIONER APPROVAL</p> <p>Mayor—Finance and Administration - Hales</p> <p>Position 1/Utilities - Fritz</p> <p>Position 2/Works - Fish</p> <p>Position 3/Affairs - Saltzman</p> <p>Position 4/Safety - Novick</p>	<p>LaVonne Griffin-Valade Auditor of the City of Portland</p> <p>By: <u>Susan Parsons</u> Deputy</p>
<p>BUREAU APPROVAL</p> <p>Bureau:</p> <p>Bureau Head:</p> <p>Prepared by: Sonia Schmanski Date Prepared: January 2, 2014</p> <p>Financial Impact & Public Involvement Statement</p> <p>Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/></p> <p>Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>City Auditor Office Approval: required for Code Ordinances</p> <p>City Attorney Approval: required for contract, code, easement, franchise, charter, Comp Plan <u>Benjamin Walter</u></p> <p>Council Meeting Date: 1-8-2014</p>	<p>ACTION TAKEN:</p>

AGENDA
<p>TIME CERTAIN <input checked="" type="checkbox"/></p> <p>Start time: 10:15 am</p> <p>Total amount of time needed: 30 min (for presentation, testimony and discussion)</p>
<p>CONSENT <input type="checkbox"/></p>
<p>REGULAR <input type="checkbox"/></p> <p>Total amount of time needed: _____ (for presentation, testimony and discussion)</p>

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz	<u> </u>	<u> </u>
2. Fish	2. Fish	✓	
3. Saltzman	3. Saltzman	✓	
4. Novick	4. Novick	✓	
Hales	Hales	✓	