TO: City Council

FROM: Jennifer Radcliff, GIS Manager

DATE: July 1, 2025

SUBJECT: Ordinance No. O2025-002 Renewing Puget Sound Energy Franchise Agreement

1) Recommended Action:

Place Ordinance No. O2025-002 Renewing Puget Sound Energy (PSE) Franchise Agreement on the July 15, 2025, City Council consent calendar with a recommendation to adopt the ordinance.

This item was recommended for consideration at tonight's meeting at the June 5, 2025 Public Works Committee Meeting. Placing the ordinance on the consent calendar on July 15 is necessary because State statute precludes the Council from granting a franchise at the time of its introduction or five days thereafter.

2) <u>Background</u>:

On September 15, 2015, City Council adopted Ordinance No. O2015-006 and entered into a franchise agreement with Puget Sound Energy (PSE) which is effective for ten years, with the option to renew for two five-year terms upon written request. Ordinance No. O2015-006 replaced separate franchise agreements that the City previously held with PSE's predecessors Puget Sound Power & Light Company and Washington Natural Gas for the provision of electrical and natural gas services within the City. PSE has made a written request to renew and extend the agreement for five years. City staff is asking that Ordinance No. O2025-002 be adopted.

3) Policy Support:

Be a leader in environmental health and sustainability; Provide and sustain quality public safety services; and Refine and sustain a great organization.

4) Alternatives:

Not authorize the franchise renewal and extension.

☐ Modify the franchise renewal and extension.

5) Fiscal Notes:

N/A – there are no fiscal impacts as a direct result of this franchise renewal and extension.

6) Attachments:

A. Ordinance No. O2025-002