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January 30, 2006

Councilmember Jean Godden
Chair, Energy & Environmental Policy Committee
Seattle City Hall
600 Fourth Ave. 2nd Floor
P.O. Box 34025
Seattle, WA 98124-4025

Councilmember David Della
Energy & Environmental Policy Committee
Seattle City Hall
600 Fourth Ave. 2nd Floor
P.O. Box 34025
Seattle, WA 98124-4025

Re: Renewal of City Light Advisory Board

Dear Councilmembers Godden and Della:

The Municipal League of King County has been monitoring the affairs of Seattle City Light since the energy crisis of 2000-2001. In the March 2002 study entitled "Seattle City Light and the Storm", the League recommended the selection of an outside consultant to review management's performance in the crisis. We later supported leadership change and the creation of the City Light Advisory Board to offer independent expert advice to the Mayor, the City Council, and the new Superintendent.

The Advisory Board was first suggested by the Mayor's Blue Ribbon Committee in October of 2002 and the League promptly concurred.

The Blue Ribbon Committee's recommendations continue to be instructive.

The ... Committee unanimously agrees that the complex and dynamic nature of the electric utility industry requires the addition of a strong, independent board, exclusively focused on City Light policy issues.

Such a board is critical to providing an independent voice regarding utility oversight, helping to insulate City Light from the short-term political pressures that can occupy elected officials, and to maintain the utility's focus on its core mission. Additionally, this board can bring a level of expertise and in-depth consideration of policy issues that elected officials may not have the time or background to provide.

...

An independent board would help bring balance to this equation by creating a respected, knowledgeable, and independent body to provide strategic advice, even advocacy, on key policies.

We understand that your Energy and Environmental Policy Committee is now reviewing the Mayor's proposal to renew the City Light Advisory Board as its term ends January 31, 2006. The League has been very impressed by the thoughtful analysis and recommendations of the Advisory Board. Such a group of independent and experienced persons has been of obvious value to the Superintendent, the Mayor and the Council in dealing with the significant policy problems of the present while anticipating the vicissitudes of the future.

As we noted in our letter of December 8, 2005, we believe that a continuation of the independent Advisory Board is essential to the future health of the utility. We continue to recommend what became proposed Bill 115467 in which the sunset provision in the authorizing legislation was removed and the Board members would continue to be appointed in the present fashion, with future members of the Board to be appointed to serve staggered three year terms in order to maintain institutional continuity.

We have serious concerns about your proposed amendments to proposed Bill #115467. We fear these changes would nullify the important reforms supported by the League and the Mayor's Blue Ribbon committee in the aftermath of the utility's troubling performance in the earlier energy crisis.

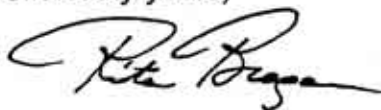
We believe the proposed amendment to limit the Advisory Board by allowing it to advise but not advocate is not in the public's best interest. This expert Board should be encouraged to advocate publicly whenever they have identified significant issues or concerns deserving of the attention of the Mayor, Council, Superintendent or the ratepayers.

Likewise, the proposal that the Board's agenda be limited to items requested by the Council could undermine the fundamental reason for creating the Board in the first place. Such a limitation contradicts the Board's role in helping to "insulate City Light from the short-term political pressures that can occupy elected officials and maintain the utility's focus on its core mission." The proposal also assumes that the Board's special expertise has no value in bringing to light matters of concern which may not have been previously identified by the Mayor or Council. This too contradicts the purpose in creating the Board.

We recommend that Bill # 115467 be enacted in the form proposed, without these suggested amendments. The public's interest is best served by an expert and independent advisory board free to identify issues related to Seattle City Light and suggest solutions to the public and the decision makers in the Seattle City Government. Obviously, decision makers have no obligation to enact these suggestions into law, but they would at least have the benefit of independent and thoughtful input in their deliberations.

If you or other councilmembers would like to discuss this in further detail, please contact our City Light Chair, Bruce Carter, at (206)-285-5556 or via E-Mail at. brucedcarter@hotmail.com.

Sincerely yours,



Rita Brogan
Chair, Municipal League of King County



Bruce D. Carter
Chair, Municipal League Seattle City Light Subcommittee

Cc: Seattle City Council Members, City Light Advisory Board, Municipal League Board Members