

# Baseline, Initiatives and Efficiency Assumption 2019-2020

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## Baseline Assumptions *(See handout)*

Ensure current levels of service by delivering on 22 original assumptions

- Power Supply and Environment
- Reliability
- Customer Service
- Infrastructure and Support

## Strategic Plan Initiatives *(See handout)*

- 36 initiatives in 2013-2018 plan, 26 assumed to continue into 2019-2020
- Two new initiatives added in 2019 and 2020

## Efficiencies Assumptions

- Continue to deliver \$18m in annual savings
- Identify additional savings opportunities through future benchmarking efforts

# Baseline Assumptions in 2019-2020 Plan Update

Seattle City Light Strategic Plan - Page 16

## Power Supply and Environment

- Produce and purchase 10 billion kilowatt-hours of clean electricity each year to power all the homes and businesses (nearly 400,000 customers) in Seattle, Shoreline, Lake Forest Park, Burien, SeaTac, Tukwila and other small parts of King County.
- Operate and conduct maintenance on Boundary, Skagit, Cedar Falls and Tolt Dams. Incorporate environmental and wildlife habitat mitigation as part of the new Boundary plant license.
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- Meet load growth with conservation and renewable power resources, including compliance with I-937 requirements to acquire renewable power resources.
- Continue strong conservation program and achieve I-937 mandated targets.
- Uphold greenhouse-gas neutrality status.
- Continue hazardous waste/Superfund cleanup, water quality testing, and the restoration of hundreds of acres of land that includes fish and wildlife habitats.

## Reliability

- Provide reliability equal to no more than one outage per year per customer lasting no more than 70 minutes per customer.
- Support operation and maintenance of 14 large substations and almost 3,000 miles of transmission and distribution lines.
- Conduct maintenance on highly reliable network system that serves customers in downtown Seattle.
- Manage 500-plus miles of annual tree trimming along power lines -- a major contributor to keeping reliability at a high level.
- Inspect and treat City Light's 108,000 poles and annual replacement of 2,000 poles.
- Direct streetlight repair response within 10 working days of a reported outage, as well as replacement of about 15,000 streetlight lamps per year with energy-efficient LEDs until all residential streets have LEDs.
- Implement a new work and asset management program to assess and prioritize work on City Light's most critical assets.
- Conduct an apprenticeship program that hires and trains 10-20 new apprentices per year.
- Maintain an outage management system that provides customers critical information during outage events.

## Customer Service

- Manage a customer metering and billing system, including an e-billing option, that provides monthly or bi-monthly bills to all customers.
- Ensure new service connections are completed within 40-60 days.

## Infrastructure and Support

- Continue and complete a wide variety of capital projects that maintain and upgrade City Light's power production, transmission and distribution systems.
- Maintain the utility-wide information technology infrastructure and about 125 software applications including website, customer care, billing, energy management, inventory management and budgeting enhancements.
- Hold staffing to 1,811 authorized positions to perform necessary work in distribution, transmission, generation, conservation, customer service, and administration.
- Maintain compliance with federal regulatory requirements regarding system reliability and critical asset protection.

# Initiatives Summary

**X** = Initiatives that continue into 2019 and 2020

Initiative	On-Going	Objective
Budget/rate alignment		◆
Net wholesale revenue practices	X	◆
Ratepayer advocacy initiative		◆
Cost of service & rate design policies	X	◆
Customer focused website/services	X	◆
Customer service center improvements		◆
Enhanced environmental leadership		◆ ●
Environmental liability reductions	X	◆ ●
Safety culture promotion/practices	X	▲
Skilled workforce attraction and retention	X	▲
IT security upgrades	X	◆ ■
Reliability and cybersecurity standards compliance	X	◆ ■
Enterprise GIS	X	◆
North downtown (Denny) substation	X	◆
Transmission system improvement		◆
Underground cable replacement	X	◆
Streetlight planning, design, construction	X	◆
Mobile workforce implementation	X	◆ ■
Hydro performance and generator availability		◆
Regional power and transmission leadership	X	◆ ■
Advanced metering infrastructure	X	◆ ■
Electric vehicle infrastructure and rates	X	◆ ■ ●
Engineering and operation standards	X	◆ ■
Climate research	X	●
Conservation enhancement program		◆ ●
Communications and engagement		■
Performance benchmarking and efficiencies	X	■
IT roadmap	X	■
Performance-based reporting	X	■
Internal management review unit	X	■
Project management quality improvement	X	■
Service agreements/performance metrics	X	■
External service contract procurement		■
Efficiencies initiatives	X	◆ ■
Financial policies initiative		■
Low Income assistance	X	◆

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**Objective 1**

Improve customer experience and rate predictability

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**Objective 2**

Increase workforce performance and safety practices

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**Objective 3**

Enhance organizational performance

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**Objective 4**

Continue conservation and environmental leadership