



COMPATIBLE UNITS AND WOOD POLE PROGRAM

Strategic Initiative Review Panel Presentation

Asset Management & Standards

October 18, 2016



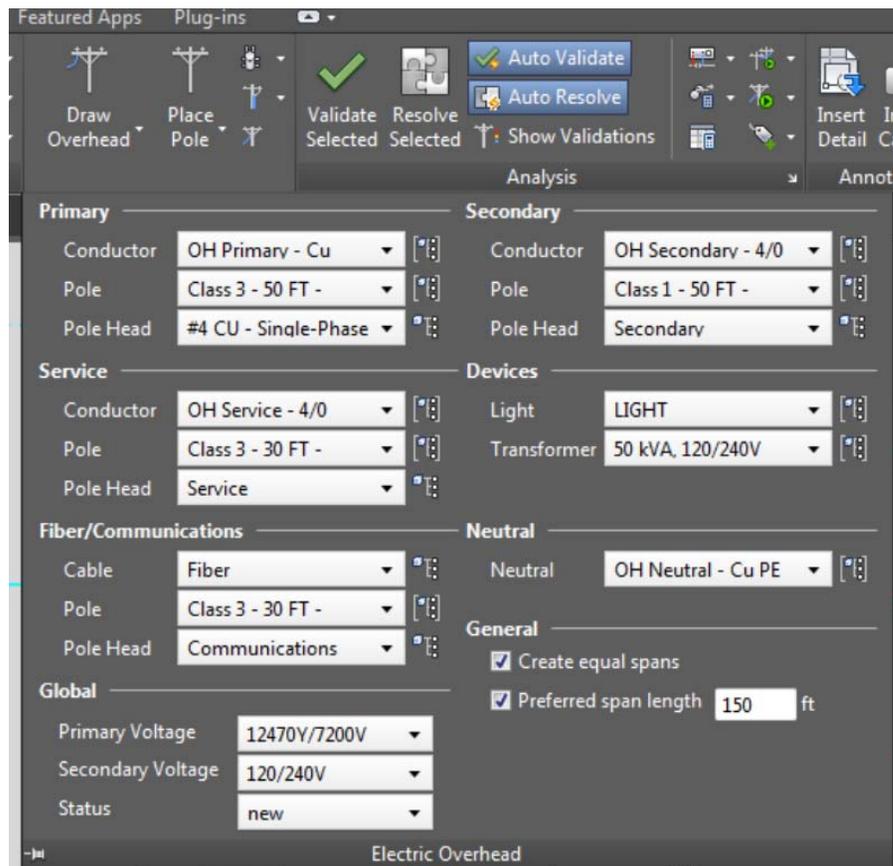
AGENDA

Compatible Units

- What Is A Compatible Unit (CU)
- Why Do We Need Them?
 - Cost savings benefits & projected efficiencies
 - Compatible Units help achieve Strategic Plan
- Wood Pole Program
 - Program summary
 - Accomplishments and investments made
 - Wood Pole Program helps achieve Strategic Plan

WHAT IS A COMPATIBLE UNIT?

- All-in-one work packages (design and specifications) in Work and Asset Management System (WAMS)



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WHY DO WE NEED THEM?

- Support Seattle City Light Strategic Plan Objectives
- Standardization – design, materials and installation
- Efficiency and cost savings – engineering and construction
- Improve customer service – responsive and predictable & consistent costing
- Manage risk and reduce liabilities



COST SAVINGS BENEFIT OF COMPATIBLE UNITS

- Labor efficiencies and cost savings from both quantifiable and intangible benefits/sources
- Anticipated estimated annual recurring cost savings for:
 - ✓ Design efficiency
 - ✓ Automated cost estimating
 - ✓ Construction efficiency
 - ✓ Reduced field engineering and crew rework

ESTIMATED ANNUAL COST EFFICIENCIES

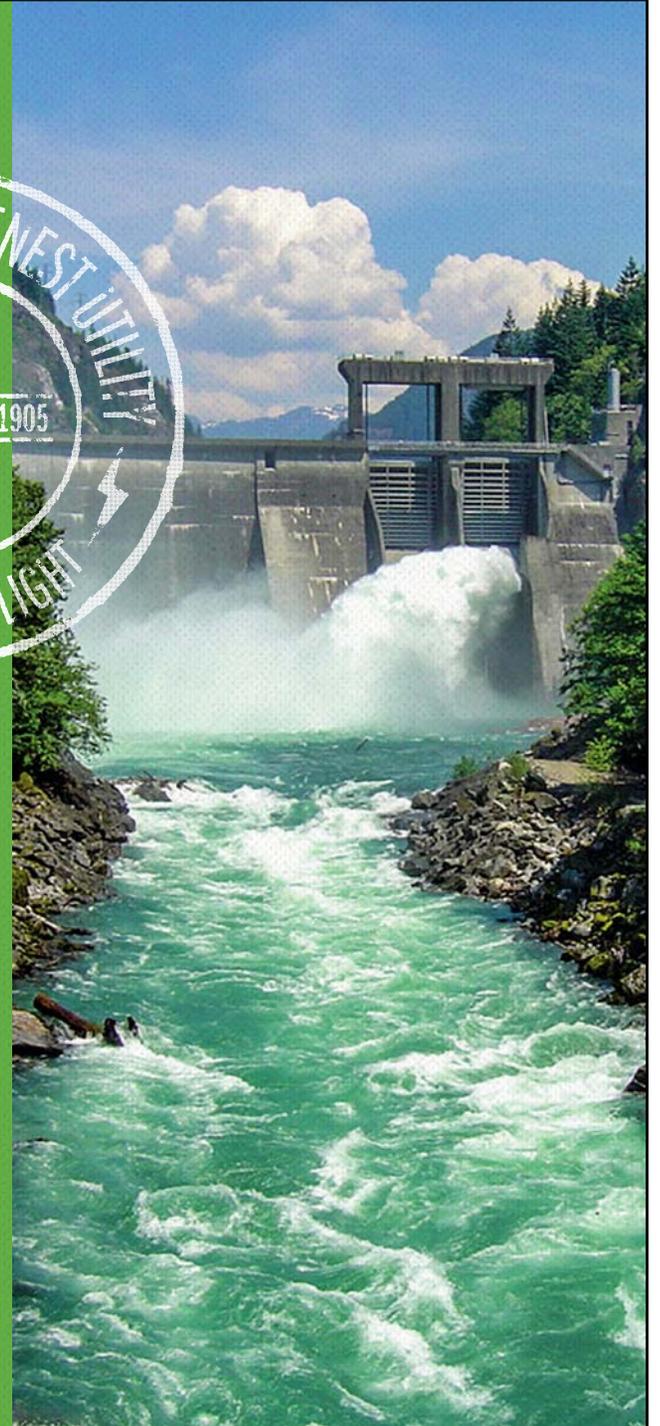
- Anticipated Cost Efficiencies
 - Engineering/Customer Care = \$ 675k (~4-5 FTEs)
 - Operations: Construction/Installation = \$1.9M
(~ 3 Crews & Materials)
 - Reduces Warehouse Inventory

COMPATIBLE UNITS SUPPORT CITY LIGHT'S STRATEGIC PLAN OBJECTIVES

- ✓ Improve Customer Experience & Rate Predictability
- ✓ Increase Workforce Performance & Safety
- ✓ Asset Preservation
- ✓ Enhance Organizational Performance



WOOD POLE PROGRAM



WOOD POLE PROGRAM

- Why necessary?
 - Reliability
 - Public Safety and Safety of our City Light crews
 - Asset Management Practice for wood poles



WOOD POLE INSPECTION, TESTING & TREATMENT

- What is City Light doing to manage its wood poles?
 - Since 2009 Conducted complete inventory, WAMS # and cursory inspection/testing (110k poles)
 - Currently in 3rd year of 5-year contract to complete a full cycle of inspection, testing and treatment of all wood pole inventory



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WOOD POLE PROGRAM ACCOMPLISHMENTS AND COSTS

- Since 2009, Inspection/Testing/Treatment ~ \$4.9M
- Since 2010, City Light has replaced ~ 10.5K poles ~ \$71M
- Pole Reinforcement ~ 545 steel stays
- Only 451 high priority poles remain in backlog

WOOD POLE PROGRAM SUPPORT CITY LIGHT'S STRATEGIC PLAN OBJECTIVES

- ✓ Improve Customer Experience & Rate Predictability
- ✓ Increase Workforce Performance & Safety
- ✓ Enhance Organizational Performance



OUR VISION

To set the standard—to deliver the best customer service experience of any utility in the nation.

OUR MISSION

Seattle City Light is dedicated to exceeding our customers' expectations in producing and delivering environmentally responsible, safe, low-cost and reliable power.

OUR VALUES

Excellence, Accountability, Trust and Stewardship.

