Panel Discussion: Framing the Strategic Plan Update—Initial Feedback from Panel on Planning Categories, Priorities, Workplan

Seattle City Light Review Panel – August 4, 2010
Questions for Today: your feedback on...

1. What is the function of the Strategic Plan?
2. “Update” or start fresh?
3. Vision and Mission: What here is most important for the Plan? What questions are raised?
5. The “9 presentations” – Questions? Comments? What’s missing?
6. Criteria for decision-making: four-dimensions
7. Workplan over next 2 years—very high level
Strategic Plan Functions: Panel feedback so far...

- Link actions to mission & vision
- Describe the external challenges, opportunities, internal strengths & weaknesses of SCL
- Guide decision-making between competing options by identifying priorities and decision-making criteria
- Inject predictability into rates, budgets, investments
- Increase accountability of utility, city leaders to implement plan
- Describe how the utility will/should look different at the end of the 6-year planning period
- And...?
SCL’s Vision

To set the standard and deliver the best customer service experience of any utility in the nation
SCL’s Mission Statement: Seattle City Light is a publicly owned utility dedicated to exceeding our customer’s expectations in producing and delivering environmentally responsible, safe, low cost and reliable power.

Customer Service
- Being prompt and timely.
- Improve Reliability
- Provide solutions

Employee Performance and Growth
- Reward exceptional performance
- Invest in employee development and training.
- Provide career growth and learning opportunities

Operational Excellence
- Improve productivity and achieve cost effectiveness
- Measure and improve performance
- Minimize environmental impact.

Financial Strength
- Ensure long term financial stability.
- Preserve and enhance our assets for long term
- Manage risks
City Light’s Draft Strategic Plan Categories with Planned Presentations

Infrastructure Maintenance and Renewal

- Inventory & Condition Assessment
- Maintenance Plans
- Replacement Schedule

Environmentally Responsible Operations & Optimized Power Supply

- 1. Integrated Resource Plan
- 2. Renewable Acquisition
- 3. Conservation Plan
- 4. Smart Grid
- 5. Asset Mgmt Program

High Performance Organization and Workforce

- 6. Business Process Improvements
- 7. Workforce Plan
- 8. Technology Plan

Providing the best customer service of any utility in the nation.

- Power Portfolio
- Conservation
- Environmental Stewardship

Draft-for Discussion Purposes Only
2008 Draft Strategic Plan: 5 Priorities

Environmental Stewardship
• To protect and enhance the environment through our choices in power supply, how well we guide our customers to conserve the energy they use, how we run our day-to-day operations, and the value of our environmental programs

Improved energy delivery infrastructure
• To strengthen and improve our energy delivery infrastructure (poles, wires, transformers, etc) so that we offer a reliable platform for our customers and the City itself to thrive both socially and economically

Balanced resource portfolio
• To develop a cost-efficient portfolio of power resources that responsibly and legally meets our customers’ needs.

Financial Strength
• To ensure that the utility is financially resilient to protect our customers from the risks that arise due to our hydro-dependence and from our many links to the broader power market.

High-performance organization
• To build on City Light’s existing strengths in ways that transform the utility into a high-performance organization –acting as an effective, well-supported team that delivers the best possible customer service.
Criteria for Decision-Making:
4 general dimensions to consider

Mandatory or Discretionary?

Costs          Time

Service Options (what?, how?, how much?)
High Level Workplan for 2010-2012


• Draft Strategic Plan available for Panel review and comment Q4 2010 (draft developed considering input from Panel to that point)

• Strategic Plan Comments from Panel to Council/Mayor: Q1-Q2 2011

• Rate changes, rate design review, cost allocation between customer classes: begin Q2 2011

• Mid-Biennium Budget and Rate adjustments, if any: November 2011

• 2013-2014 Budget and Rate work begins: Q1-Q2 2012.