



## CITY LIGHT REVIEW PANEL MEETING

Thursday, March 25, 2021

10:00 AM - 12:00 PM

Microsoft Teams Meeting

### Proposed Agenda

- | <u>Item</u>  | <u>Lead</u>                  |
|--|------------------------------|
| 1. Welcome, Introductions ( <i>5 min.</i> )                                | Leon Garnett, Panel Chair    |
| 2. Public Comment ( <i>5 min.</i> )  |                              |
| 3. Standing Items: ( <i>5 min.</i> )                                       |                              |
| a. Review of agenda (Karen Reed)   |                              |
| b. <b>Action:</b> Review and approval of meeting minutes of March 11, 2021 |                              |
| c. Chair's Report (Leon)   |                              |
| d. Communications to Panel (Leigh Barreca)                                 |                              |
| e. Panel recruitment update (Maura Brueger)                                |                              |
| 4. General Manager's update ( <i>20 min.</i> )                             | Debra Smith                  |
| 5. Apprenticeship & Workforce Diversity ( <i>40 min.</i> )                 | DaVonna Johnson / Jai Elliot |
| a. Accomplishments   |                              |
| b. IBEW labor update   |                              |
| c. Plans for moving forward  |                              |
| 6. 2022-2026 Strategic Plan ( <i>45 min.</i> )                             |                              |
| a. Review Panel Letter process   | Karen                        |
| b. Plan outline and draft content  | Vanessa                      |
| 7. Adjourn   |                              |



**City Light Review Panel Meeting  
Meeting Minutes**

**Date of Meeting: March 11, 2021 | 10:00 AM – 12:00PM |  
Meeting held via Microsoft Teams “Draft”**

| <b>MEETING ATTENDANCE</b> |   |                 |   |   |   |
|---------------------------|---|-----------------|---|---|---|
| <b>Panel Members:</b>     |   |                 |   |   |   |
| <b>Names</b>              |   | <b>Name</b>     |   | <b>Name</b>                             |   |
| Gail Labanara             |   | John Putz       |   | Mikel Hansen                            | √ |
| Sara Patton               | √ | Anne Ayre       |   | Leon Garnett                            | √ |
| Scott Haskins             | √ |                 |   |   |   |
| <b>Staff and Others:</b>  |   |                 |   |   |   |
| Debra Smith               | √ | Jen Chan        | √ | Karen Reed (Consultant /RP Facilitator) | √ |
| Kirsty Grainger           | √ | Mike Haynes     |   | Tom DeBoer                              | √ |
| Jim Baggs                 | √ | DaVonna Johnson | √ | Craig Smith                             | √ |
| Kalyana Kakani            |   | Emeka Anyanwu   | √ | Michelle Vargo                          | √ |
| Julie Moore               |   | Chris Ruffini   | √ | Maura Brueger                           | √ |
| Greg Shiring              | √ | Carsten Croff   | √ | Leigh Barreca                           | √ |
| Eric McConaghy            | √ | Toby Thaler     | √ | Angela Bertrand                         |   |
| Kathryn Aisenberg         |   | Chris Tantoco   | √ | Jenny Levesque                          | √ |
| Tim Skeel                 | √ | Zana Jones      | √ | Hillary Winchester                      | √ |

**Welcome\Introductions.** Tim Skeel joined the meeting; his appointment is pending at Council to fill the Economist position on the Panel (Position 1). Panel members introduced themselves and welcomed Tim.

**Public Comment.** There was no public comment.

**Standing Items:**

**Review Agenda.** Karen Reed reviewed the agenda.

**Approval of February 25, 2021 Meeting Minutes.** Minutes were approved as submitted.

**Chair’s Report.** No report.

**Communications to Panel/Panel Member Recruitment.** Leigh Barreca noted that two letters of interest were received for the two vacant panel positions—one applicant per vacancy. The vacant positions are Suburban Franchise City and Residential Customer representatives.

**General Manager’s update.** Debra Smith reported.

2021-2022 Rate Ordinance – The Rate Ordinance has been transmitted to Council for action. It includes replacing two 1.5% Rate Stabilization Account (RSA) surcharges with an equivalent rate increase in 2021 and confirmed the previously scheduled 2022 rate increase of 3.9% (effective January 2022). Anticipated BPA cost reductions are expected to reduce net rate increase in 2022 to 2.4 – 2.5%. An RSA policy



## City Light Review Panel Meeting Meeting Minutes

update will be developed after the Strategic Plan is adopted later this year.

**Q.** When will the two RSA surcharges roll off?

**A.** The first one in Q1 and we have not identified the second one yet, potentially May 1<sup>st</sup>. We are committed to resizing the RSA considering current market prices for wholesale power are much lower than they were when the RSA policies were adopted.

**Q.** Is the role of the advisory committee to comment if rate increases are not aligned with Strategic Plan?

**A.** Yes, it is appropriate for panel to advise on the rate increases.

**Q.** Are you still considering new rate design strategies?

**A.** Yes. The proposed rate design will allow customers to have more control on consumption. City Light is currently drafting a detailed memo on this topic. ***We will share this with the Panel.***

**Q:** When is rate design being implemented?

**A:** It has been slowed down from the prior 1/1/21 goal. We are working on a strategy now. The Automated Metering Infrastructure (AMI) system is not yet ready to fully deploy new time-of-use rates. We are expecting an update the next phase of AMI implementation will be completed by Veteran's day; rate re-design implementation will follow.

***We will be undertaking a new cost of service study in connection with rate redesign later this year and bring that forward to the Panel as well.***

Skagit Relicensing Media – We are completing the preliminary list of studies we have proposed in connection with the relicensing. The list is being developed in coordination with FERC, our relicensing consultants, government relations with the tribes and regulatory organizations. We will bring this topic back to the Panel in mid-April as this is an evolving situation, including many parties and concerns.

SCL has recently changed the legal team supporting this effort. There is a big learning curve for Debra and all in the new FERC process. SCL needs a water quality certificate from the State before we can get the FERC relicense.

**Q.** Is it useful for the Utility for the advisory committee to be involved, or comment on this process?

**A.** Fine with that, however we want to be careful since this is a regulatory and rule-based process. Our current timeline is very aggressive, so we are not able to seek Panel input at this time. The process steps are non-negotiable.

**Q.** Can we have a presentation on Skagit relicensing?

**A.** Not enough time to get feedback before the upcoming deadline ***but we will be able to provide updates beginning mid-April.***

Road to Recovery – This is the work necessary to adjust our financial policies as we come out of COVID. SCL has not cut off customer power for non-payment since 2016, so returning to that policy needs to be done thoughtfully. There have been no significant changes to our receivables balance in the last month.



## City Light Review Panel Meeting Meeting Minutes

We will work with customers that are behind in payments to help them establish payment plans. Our goal will never be to shut people off, but to work with them.

**Q.** Will you be writing these costs off? Are you identifying this as a liability?

**A.** We are including this consideration in our Road to Recovery planning.

**Apprenticeship & Workforce Diversity.** [Presentation held until 3/35/21 meeting.]

**2022 – 2026 Strategic Plan.** Leigh presented the Strategic Plan timeline and schedule which is included in member packets.

Jenny Levesque presented the plan for completing outreach to stakeholders in advance of the Plan's submittal.

**Q.** Are tribal interest organizations included in your outreach meetings?

**A.** That is a great suggestion. We will look into that.

**Q.** Does City Light have a Financial Advisor to support this strategic plan, or is it our panel group?

**A.** The Strategic Plan is a planning document and does not utilize a financial advisor. There is a financial document supporting the proposed rate path that is attached to the Plan. This is prepared in house by Kirsty Grainger and her staff. The Panel has previously seen a draft.

**Q.** What is the date to wrap up outreach?

**A.** We are aiming for April, but are also establishing relationships for ongoing, longer-term outreach. A summary of the outreach will also be attached to the Plan.

**Q.** Do you have a date for the Town Hall session?

**A. *We are looking at the second week of April and will inform the panel when it is confirmed.***

Business Strategy Presentation: Leigh and Officers Craig Smith, Emeka Anyanwu and Kirsty Grainger presented the Business Strategy, Objectives, Success Criteria and Project/Initiative/Activity (PIA) document [Included in member packets.] The purpose of the discussion was to highlight the proposed PIAs to accompany each Business Strategy.

**Q.** How will you keep the customer involved, and what are you going to do with the information you gather as part of Voice of the Customer?

**A.** We will integrate customer voices as we develop program offerings. Likewise, we will look to improve existing services. i.e., billing and payment, using important feedback from our customers.

**Q.** Will you be planning any activities that will report back to customers?

**A.** Depending on the service type, journey mapping and focus groups will share information back to customers.



## City Light Review Panel Meeting Meeting Minutes

**Q:** What is the timing for adopting metrics related to customer centric culture?

**A:** We are working on an Executive Dashboard. Many of the business strategy measures will be included there but will also form the basis for division-level operational reporting. It is anticipated that operational dashboards will be implemented in Q4 2021 – Q2 2022.

**Q:** How will you balance energy efficiency goals and electrification goals? There is a natural conflict here. Where is the balance?

**A:** It is something we will work on.

**C:** The NW Power Planning Council needs leadership from City Light. Glad to see the PIA on leadership and collaboration.

**C:** Implementing Technology roadmap will require both Organizational Change Management as well as Business Process Management.

**A:** That is a very good and accurate point. This speaks to the business transformation we want to undertake as an organization.

**Q:** Will the metrics associated with the PIAs be rolled up to the operational dashboards?

**A:** Each PIA will have its own performance metrics dashboard. Some of the metrics will also be included in these operational dashboards (noted under We Power Seattle objective). Completion of all these dashboards is a longer-term proposal.

Leigh will send all Panel members the Strategic Plan document that was discussed today. Members are encouraged so send comments, questions or concerns re: the draft PIAs before the next Panel meeting.

**Adjourn:** Meeting adjourned at 12:15pm.

**Next meeting:** March 25, 2021

# IBEW Wage Discussion

March 11, 2021



**Seattle City Light**

WE POWER SEATTLE

# Background

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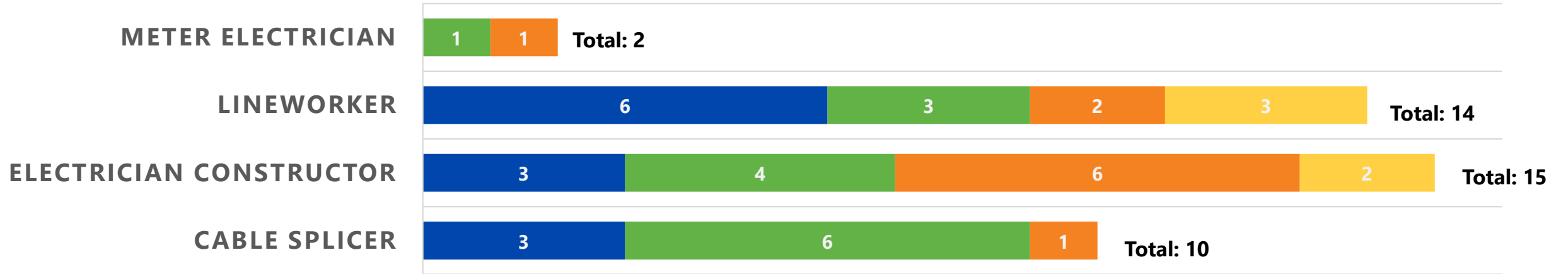
- + Current contract expired on January 21, 2021
- + Last market adjustment was a one-time adjustment of 3% in the 2017-2021 contract
- + Historically, SCL has led the region (Snohomish, Tacoma, Seattle) in compensation for high voltage workers by a nominal amount (\$.25 - \$.50 per hour)
  - More complex work (network, more commercial businesses)
  - High cost of living, commuting further distances
- + In April 2020, Snohomish made a significant wage adjustment. This has been extremely problematic for SCL and other Puget Sound utilities

| Utilities     | Current Lineworker Hourly Wage | Hourly Difference from SCL | % Difference from SCL |
|---------------|--------------------------------|----------------------------|-----------------------|
| Seattle       | \$51.87                        |                            |                       |
| Snohomish PUD | \$58.33                        | +\$6.45 hour               | 12.45%                |
| Tacoma        | \$50.57                        | -\$1.30 hour*              | -2.57%                |

\*Tacoma is in negotiations to adjust wages in line with Snohomish PUD

# RETIREMENTS

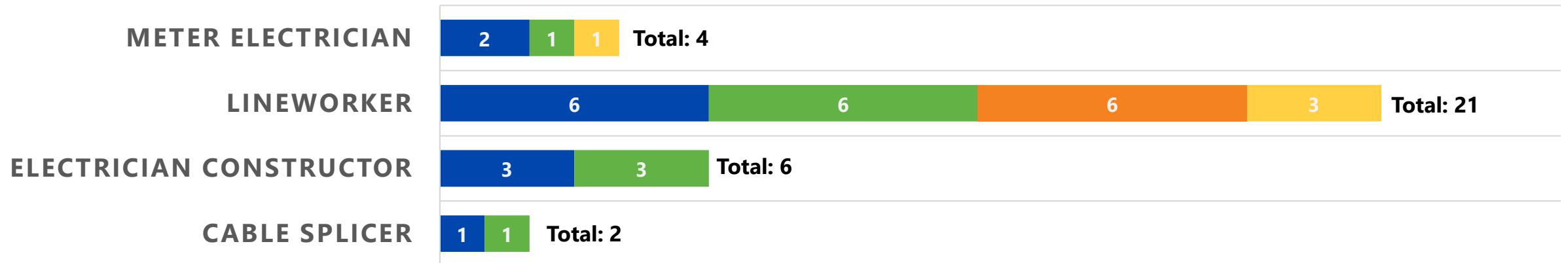
■ 2017 ■ 2018 ■ 2019 ■ 2020



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# RESIGNATIONS

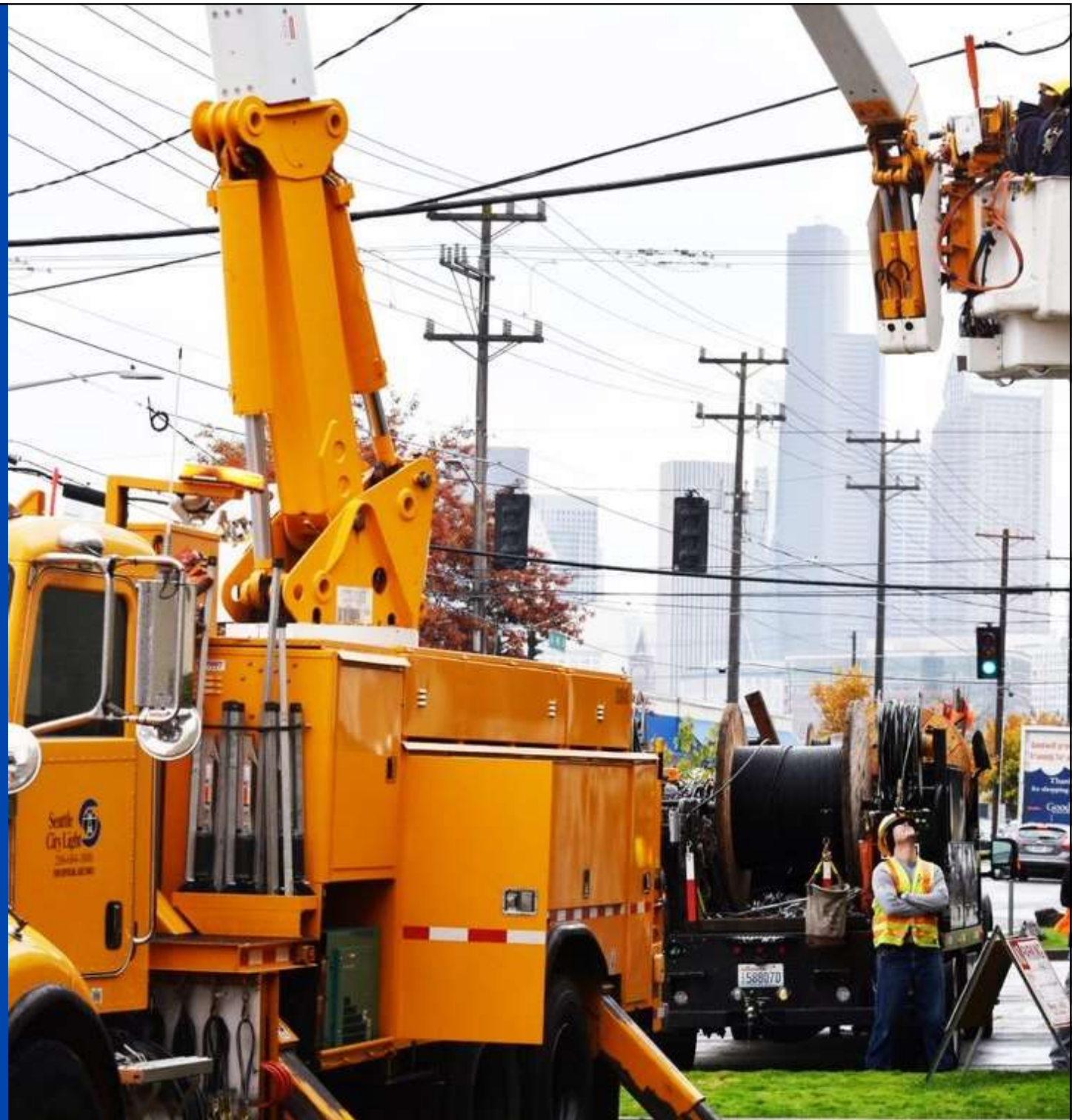
■ 2017 ■ 2018 ■ 2019 ■ 2020





# Workforce Equity

- Workforce Demographics
- Recruitment and Outreach
- Apprenticeship
- Hiring and Attrition Rates

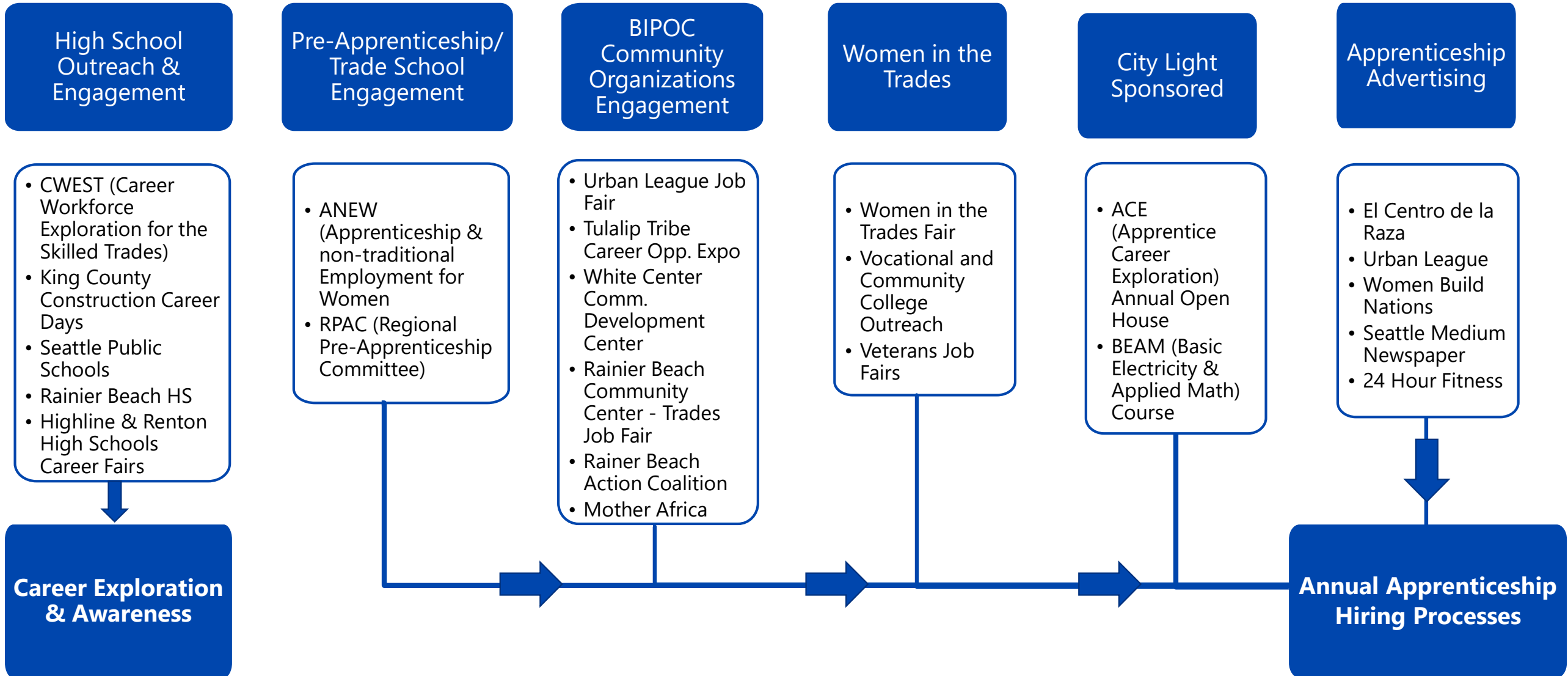


| 2021 Workforce Demographics  |               |                        |                                  |                          |              |
|------------------------------|---------------|------------------------|----------------------------------|--------------------------|--------------|
| Group                        | Women         | Black/African American | American Indian & Alaskan Native | Asian & Pacific Islander | Hispanic     |
| Official/Administrator       | 41.20%        | 10.30%                 | 0.00%                            | 12.40%                   | 5.20%        |
| Professionals                | 41.30%        | 8.50%                  | 0.40%                            | 26.10%                   | 4.50%        |
| Technicians                  | 18.50%        | 5.50%                  | 1.40%                            | 16.40%                   | 3.40%        |
| ParaProfessionals            | 63.50%        | 22.20%                 | 0.00%                            | 17.50%                   | 7.90%        |
| Office & Clerical            | 69.70%        | 24.40%                 | 2.50%                            | 29.40%                   | 7.60%        |
| Skilled Trades               | 6.60%         | 10.90%                 | 1.70%                            | 10.20%                   | 4.60%        |
| Service & Maintenance        | 16.00%        | 14.10%                 | 3.20%                            | 16.00%                   | 4.50%        |
| <b>Seattle City Light</b>    | <b>28.30%</b> | <b>11.30%</b>          | <b>1.20%</b>                     | <b>18.40%</b>            | <b>5.30%</b> |
| City of Seattle              | 38.75%        | 12.56%                 | 1.27%                            | 17.40%                   | 5.70%        |
| King County Census Data 2010 | 50.00%        | 6.00%                  | 1.00%                            | 15.00%                   | 9.00%        |

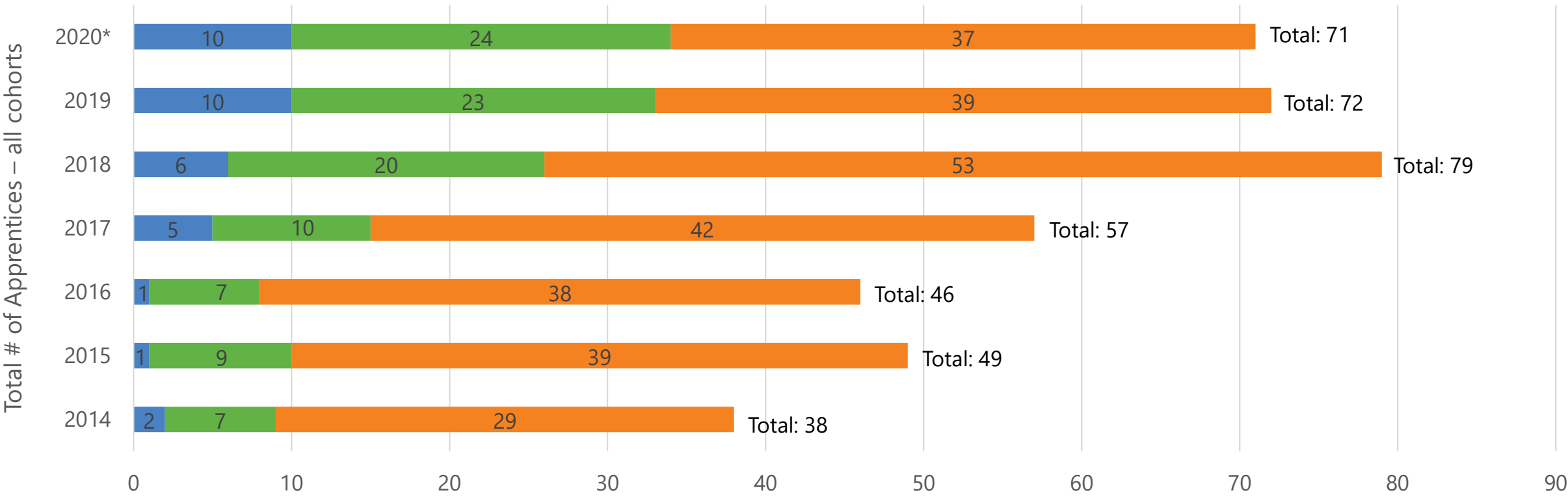
| 2017 Workforce Demographics  |               |                        |                                  |               |              |
|------------------------------|---------------|------------------------|----------------------------------|---------------|--------------|
| Group                        | Women         | Black/African American | American Indian & Alaskan Native | Asian         | Hispanic     |
| Official/Administrator       | 44.30%        | 1.40%                  | 0.00%                            | 10.30%        | 2.10%        |
| Professionals                | 41.70%        | 8.70%                  | 0.40%                            | 24.40%        | 5.00%        |
| Technicians                  | 23.00%        | 5.40%                  | 0.70%                            | 18.90%        | 4.10%        |
| ParaProfessionals            | 60.30%        | 8.80%                  | 1.50%                            | 14.70%        | 8.80%        |
| Office & Clerical            | 66.10%        | 22.40%                 | 1.80%                            | 32.70%        | 6.10%        |
| Skilled Trades               | 7.20%         | 11.70%                 | 1.70%                            | 10.20%        | 4.60%        |
| Service & Maintenance        | 17.20%        | 13.00%                 | 3.60%                            | 16.00%        | 4.70%        |
| <b>Seattle City Light</b>    | <b>29.80%</b> | <b>11.40%</b>          | <b>1.30%</b>                     | <b>18.10%</b> | <b>4.90%</b> |
| King County Census Data 2010 | 50.00%        | 6.00%                  | 1.00%                            | 15.00%        | 9.00%        |



# Apprenticeship Program outreach and recruitment pipeline



# Apprenticeship Program Demographics



|             | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020* |
|-------------|------|------|------|------|------|------|-------|
| ■ Women     | 2    | 1    | 1    | 5    | 6    | 10   | 10    |
| ■ BIPOC Men | 7    | 9    | 7    | 10   | 20   | 23   | 24    |
| ■ White Men | 29   | 39   | 38   | 42   | 53   | 39   | 37    |

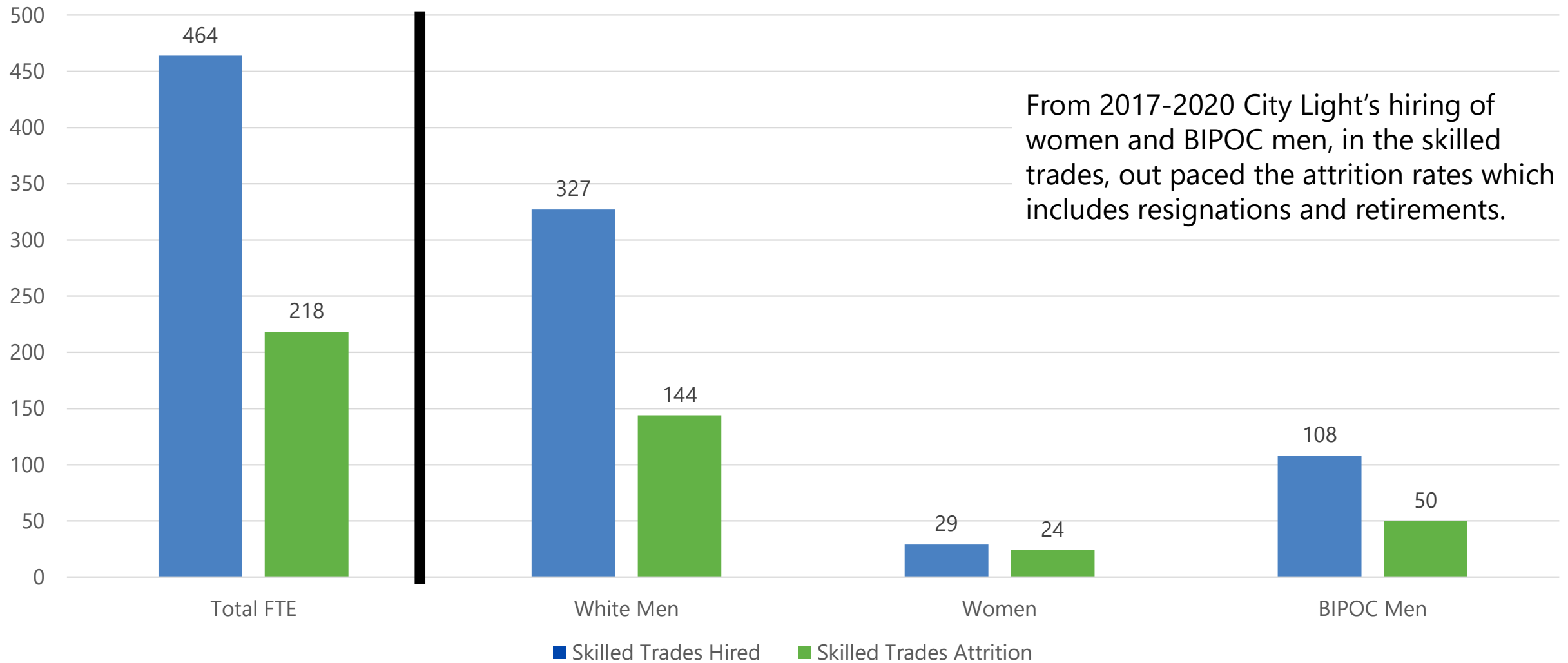
■ Women ■ BIPOC Men ■ White Men



\*Due to the impacts of COVID-19 we only conducted one of the three planned apprenticeship hiring processes.

# Skilled Trades Hiring and Attrition

2017-2020



# 2021 Apprenticeship Outreach & Engagement Plan

## City-wide Pre-Apprenticeship Lineworker Hiring Process

- In fall 2021 we will run an internal hiring process for City employees.

## Utility Pathway Program

- Partner with Seattle Colleges to develop a 2-year utility pathway program.
- Provide access to Seattle Promise students.

## Collaborate with City Departments on Recruitment & Outreach

- Office of Immigrant & Refugee Affairs and Department of Neighborhoods

## Develop a NW Lineman College Scholarship Program

- In partnership with Potelco, develop a BIPOC scholarship program.
- NW Lineman College graduates are highly competitive for utility skilled trades positions

Next step toward our vision:

**Build regional partnerships that leverage our strengths and resources**



Seattle City Light

# Regional Utility Diversity & Inclusion Consortium

Seattle City Light, Puget Sound Energy, Potelco, Snohomish PUD, Tacoma Power,  
& International Brotherhood of Electrical Workers (IBEW)

## Career Explorations Program

- Programs designed for high schools with high BIPOC and low-income populations.
- Re-entry job programs
- Community based workforce development programs

## Employee Resource Groups

- Participation will be open to all employees in consortium utilities. This will be especially impactful for the women in skilled trades positions.

## Marketing & Advertising

- Increased focus on utility careers & job opportunities.
- Proactive advertising for BIPOC communities and women
- Coordinated advertising of available job opportunities

## Job Preparation Programs

- Application and interview preparation workshops
- Increase participation in City Light's Basic Electrical Applied Mathematics (BEAM) course

## Coalition Building

- Create partnerships with Tribes & BIPOC Community Organizations.
- Build partnerships with pre-apprenticeship programs
- Seattle Colleges

## Pipeline & Recruitment Strategy

- Increase awareness of clean energy jobs
- Emphasis on changing the demographics and perception of our skilled trades workforce





# POWER SEATTLE



## 2022-2026 City Light Strategic Plan

### City Light Review Panel Comment Letter

The City Light Review Panel was created by City Ordinance in 2010. One of the responsibilities of the Review Panel outlined in that legislation is to *“review and assess City Light’s strategic plan and provide an opinion on the merits of the plan and future revision to it to the Mayor and Council.”* Ordinance 124740, adopted in 2015 amending Ordinance 123256 which originally created the Panel, also states in part:

The Council continues to expect the Panel to provide the Mayor and the Council with analyses and recommendations on significant elements of the strategic plan including, but not limited to, financial policies, cost allocation, rate design, operational efficiency, and to submit its recommends to Mayor and the Council or, if a collective recommendation cannot be reached, a recommendation indicating the majority and minority positions and the rationales for those positions.

(Ordinance 124740 ,Section 1.)

With each submittal to the Mayor of a Strategic Plan update or new strategic plan, the Panel has submitted a lengthy letter commenting on the Plan. If the Mayor makes changes to the Plan before sending it to Council, the Panel has had the opportunity to opine on those changes.

The general process that the Panel has used in the past to develop its comments letters is as follows:

- The Panel facilitator (Karen) provides a simple topic outline to the Panel for review. (see below). The outline is basically “food for thought”; the Panel can add or subtract topics.
- The Panel has an opportunity (or two) to go through the outline and offer comments and ideas about what they would like to say in the letter.
- Karen then drafts a letter based on that input. She shares it with the Panel Chair and Vice Chair for advance review that the draft is basically on track.
- The draft is then reviewed by the Panel as a whole and refined until it is finalized.
- In the event there are points on which the Panel does not reach consensus, minority opinions can be acknowledged in the letter.

Looking ahead, based on the calendar presented by Leigh Barreca, the Panel will have three meetings (in addition to March 25) to develop the Panel letter to accompany the 2022-2026 plan:

- **March 25:** Discuss RP letter process.
- **April 14:** Review and discuss draft plan including appendices; Begin RP letter
- **April 29:** See final SP & appendices, with design elements.; Continue RP letter
- **May 12:** Finalize letter for inclusion in submittal package to Mayor

A topic outline for the letter, based on the Panel's outlined role in Ordinance, and prior letters, could look as follows:

**Draft Topic Outline for Panel Comments on 2022-2026 SCL Strategic Plan**

1. Statement regarding Panel's overall support for the plan
2. Comments on the current context in which the Plan is submitted
  - a. What is different now from 3 years ago? What is the same?
  - b. Notable successes/challenges since last plan?
  - c. What are the major issues for SCL now, in the Panel's view, and why?
3. Comments on financial condition of the Utility/proposed 2022-2026 rate path
4. Comments on the 5 Strategic Priorities, how the Utility will measure success for each, and the associated PIAs.
  - a. Improve the Customer Experience
  - b. Create our Energy Future
  - c. Develop Workforce and Organizational Agility
  - d. Ensure Financial Health and Affordability
  - e. We Power Seattle
5. Other topics of interest to the Panel relevant to City Light that the Panel wishes to bring to the Mayor's/Council's attention

It would be helpful to get the Panel's general thoughts on this draft topic outline at the March 25 meeting.

## Seattle City Light Strategic Plan 2022-2026

3-23-21 **DRAFT**

### EXECUTIVE SUMMARY

It takes a lot of work and planning to deliver electricity to more than 900,000 people in the Seattle area every day. The community counts on our energy services to keep people protected, businesses operating, and communities vibrant. We must also ensure our services remain affordable, reliable, safe and environmentally responsible. The 2022-2026 Strategic Plan highlights our commitment to delivering these essential services to our customer-owners and outlines our next steps in building the foundation for the utility of the future.

In March 2020, the utility was finalizing a new, six-year strategic plan when the COVID pandemic changed everything. Instead of submitting our plan to the Mayor and City Council in May, we paused this effort and focused on the safety and wellbeing of our community, customers and employees during very challenging times.

It's now time to update our strategies and share our plan.

The new Seattle City Light Strategic Plan is a five-year plan (2022-2026) that focuses on the customer experience, our energy future, workforce and organizational agility, financial health and affordability. Key activities such as grid modernization, technology upgrades, partnerships with customers and business process improvements will put us in the best possible position to continue providing excellent service and improve our core business.

Moving forward, we'll update the plan again in 2022 (for the years 2023-2028) and will resume our regular cadence of updates every two years and new plans every six.

The 2022-2026 Strategic Plan has the following elements:

- Utility overview
- Strategic plan overview
- Strategic plan framework (strategies, objectives, success criteria, projects/initiatives/activities)
- Performance metrics
- Funding the plan (rates/rate path)

#### *Our Business Strategies:*

- Improve the customer experience
- Create our energy future
- Develop workforce and organizational agility
- Ensure financial health and affordability
- We Power Seattle (Meet customer needs and achieve mission/vision via operations)

To learn more about the plan, go to [seattle.gov/city-light/about-us/strategic-plan-and-review-panel](https://seattle.gov/city-light/about-us/strategic-plan-and-review-panel). Feedback and comments can be sent to [SCL\\_StrategicPlan@seattle.gov](mailto:SCL_StrategicPlan@seattle.gov)

## DETAILED OUTLINE FOR REVIEW PANEL

### 1. Cover Page

Seattle City Light Strategic Plan 2022-2026

### 2. Letter from Debra

*Forthcoming*

### 3. About City Light

Seattle City Light, a department of the City of Seattle, is one of the nation's largest publicly owned utilities in terms of the number of customers served. Our customers include the cities of Seattle, Shoreline, Burien, Lake Forest Park and portions of Normandy Park, Tukwila, Renton, SeaTac and unincorporated King County.

We are funded by customer revenue, not taxes, and governed by the elected leaders of the City of Seattle.

As a recognized national leader in energy efficiency and environmental stewardship, Seattle City Light provides low-cost, reliable and environmentally responsible electric power. We meet over half of our customers' electric needs from hydropower dams owned and operated by Seattle City Light; most of the remaining by hydropower purchased from the Bonneville Power Administration and investments in renewable and conservation resources. We are proud to offer our customers some of the lowest electricity rates in the nation.

### 4. Mission, Vision, Values

#### Our Mission

Seattle City Light provides our customers with affordable, reliable and environmentally responsible energy services.

#### Our Vision

Create a shared energy future by partnering with our customers to meet their energy needs in whatever way they choose.

#### Our Values

**ENVIRONMENTAL STEWARDSHIP:** We care about the environment and we are dedicated to enhancing, protecting and preserving it for future generations.

**EQUITABLE COMMUNITY CONNECTIONS:** We are proud to be a local, community-owned utility. We are visible and actively involved in the communities we serve. We are rooted in our commitment to racial diversity, social justice and the equitable provision of services to all.

**OPERATIONAL AND FINANCIAL EXCELLENCE:** We strive for excellence, are forward-focused, and seek new and innovative solutions to meet the challenges of today and tomorrow. We prioritize our investments and operating choices to build upon our strong financial foundation and solid, reliable infrastructure.

**PUTTING CUSTOMERS FIRST:** We believe customer service is everyone’s job. We pledge to be approachable, respectful and responsive in providing products and services that our customers want and need.

**SAFE AND ENGAGED EMPLOYEES:** We actively practice our commitment to employee and public safety. We treat each other with kindness and respect, are personally accountable and work effectively in teams.

**5. From Pandemic to Progress**

The last few years were marked by important accomplishments in customer service, affordability, support of our workforce and clean energy. More recently, the utility rose to the challenges created by COVID-19 and quickly adapted to provide safe work environments for its employees and maintain essential services to customers. We will build on our accomplishments and experiences as we move forward.

*Highlights:*

- *Covid-19 Response*
- *Planned for Our Carbon-Neutral Transportation Future*
- *Made Customer Service More Personal and Convenient*
- *Tapped into the Power of Smart Meters*
- *Invested in Critical Infrastructure and Assets*
- *Joined the Western Energy Imbalance Market*
- *Recognized by the American Public Power Association with the Diamond designation for efficient, safe and reliable distribution system operations*

**6. Performance Metrics**

| Purpose        | Measure  | 2016        | 2017                   | 2018 | 2019 | 2020 | TARGET<br>2021 |
|----------------|--|-------------|------------------------|------|------|------|----------------|
|                |  | Reliability | Outage Duration: SAIDI |      |      |      |                |
|                | Outage Frequency: SAIFI                              |             |                        |      |      |      |                |
|                | Generator Availability                               |             |                        |      |      |      |                |
|                | Miles of Line Trimmed                                |             |                        |      |      |      |                |
| Clean Energy   | Energy Efficiency Incremental Average                |             |                        |      |      |      |                |
| Social Justice | Utility Discount Program Participants                |             |                        |      |      |      |                |
|                | Purchases from Women & Minority Business Enterprises |             |                        |      |      |      |                |
| Finance        | Debt Service Coverage                                |             |                        |      |      |      |                |

## **7. About Planning**

*We'll describe why planning is essential to building the utility of the future and show how the Strategic Plan helps us realize our vision/outcomes.*

## **8. Community Voices**

*This section will include a description of how we reached out to customers and stakeholders to inform priorities and programs.*

### City Light Review Panel

The City Light Review Panel\* provides advice and recommendations to the Mayor and City Council on the utility's strategic plan and rates. The panel includes representatives from private, public and nonprofit sectors, utility experts, business leaders and community representatives. They met with City Light leaders regularly and provided valuable input that shaped this effort.

Leon Garnett (Chair), Low-Income Customer  
Mikel Hansen (Co-Chair), Commercial Customer  
Anne Ayre, Industrial Customer  
Scott Haskins, Financial Analyst  
Gail Labanara, Suburban Franchise Representative  
Sara Patton, Non-Profit Energy Efficiency Advocate  
John Putz, At-Large Customer  
Tim Skeel (pending), Economist

\*The Seattle City Light Renewal Panel was created March 22, 2010 through City Ordinance Number 123256

9. Our Business Strategies

| Strategy                                     | Objective  | Success Criteria  | Projects, Initiatives, Activities   |
|--|--|---|---|
| Improve the customer experience              | We will meet the needs of our customers by empowering our employees to deliver targeted solutions in a consistently responsive way.  | <ul style="list-style-type: none"> <li>• Consistently high customer satisfaction scores as measured through benchmark surveys (JD Power and SCL longitudinal survey)</li> <li>• Adopt metrics related to a customer-centric culture</li> <li>• Measure customer participation in projects and services</li> <li>• Service Levels – meet our customer commitments</li> </ul> | <ul style="list-style-type: none"> <li>• Voice of the customer insights</li> <li>• Assess and improve the customers first culture</li> <li>• Strengthen and fix core services</li> <li>• Expand customer service options</li> </ul>           |
| Create our energy future                     | We will lay the foundation for future energy needs by building and maintaining smart, resilient, flexible, dynamic, and reliable grid infrastructure. We will prepare for increased integration of distributed energy resources and increased customer options. We will work to reverse historical inequity and avoid collateral harm to underserved populations by intentionally prioritizing their needs as we create our energy future. | <ul style="list-style-type: none"> <li>• Increased load/revenue associated with electrification</li> <li>• Penetration of automation on our grid</li> <li>• Reduction of emissions in Environmental Justice Communities</li> <li>• Percentage of transportation electrification in Seattle.</li> <li>• Lower carbon footprint</li> </ul>                                    | <ul style="list-style-type: none"> <li>• Utility Next</li> <li>• Implement grid modernization roadmap</li> <li>• Electrification</li> <li>• System planning</li> <li>• Demonstrate leadership and collaboration</li> </ul>                    |
| Develop workforce and organizational agility | To prepare for major transformations in our industry and the environment in which we operate, we will foster an organization that is nimble, adaptive, and responsive. We will cultivate a workforce that is agile, accountable, inclusive and empowered to bring about social justice.  | <ul style="list-style-type: none"> <li>• Improved employee survey responses related to City Light’s ability to manage and embrace change.</li> <li>• Diversity in recruitment, retention, and promotions.</li> </ul>  | <ul style="list-style-type: none"> <li>• People – Agile, diverse workforce; Safety culture</li> <li>• Process - Organizational change management; Business process management</li> <li>• Technology - Implement technology roadmap</li> </ul> |



|  |  |  |   |
|--|--|--|---|
| <p>Ensure financial health and affordability</p> | <p>We will support long-term affordability in Seattle by offering rates that are transparent, understandable, reasonable, equitable and consistent for all customers, including vulnerable populations. This commitment includes developing a sustainable, and predictable approach to setting rates over time, that continues to encourage efficient use of the products and services we provide.</p> | <ul style="list-style-type: none"> <li>• Rate path delivered according to Strategic Plan commitments</li> <li>• 1.8X+ debt service coverage ratio</li> <li>• Capital financed 60% or less by debt</li> <li>• Spending aligns closely with budget– higher proportion of the budget is spent (clarify), w/o going over, and with limited carry forwards</li> </ul>   | <ul style="list-style-type: none"> <li>• Deliver a rate path at or below inflation</li> <li>• Price services for the future</li> <li>• Control debt and right-size the capital program</li> </ul> |
| <p>We Power Seattle</p>                          | <p>Even as we prepare for the future, City Light will continue to advance our mission of providing our customers with affordable, reliable, and environmentally responsible energy services. We will prioritize diversity, equity, and inclusion in all that we do and will also actively manage and mitigate the constraints, risks and uncertainty of operating in a COVID-adjusted environment.</p> | <ul style="list-style-type: none"> <li>• Operational dashboards will track performance metrics for each line of business.</li> <li>• Individual dashboards capturing the primary annual work plans for each functional area of utility operations are being developed. Metrics for each area will be included. Accountability for measures will be linked to performance management.</li> <li>• Examples of initial dashboards include customer service; customer construction; financial management; safety, diversity, inclusion &amp; social justice; power production; system planning &amp; operations; distribution planning and operations; power market participation (wholesale?); communications &amp; community involvement; physical &amp; cyber security and compliance &amp; regulation</li> </ul> | <ul style="list-style-type: none"> <li>• Dashboards will be shared with Review Panel as they are developed/implemented.</li> </ul>  |

## 10. Keeping Customers Bills Affordable and Stable

*Will provide additional details about affordability/assistance efforts during COVID*

## 11. Factors Driving Rates

*Will highlight factors:*

- *Infrastructure investments*
- *Operations and maintenance, taxes and other*
- *Power costs*
- *Declining demand*
- *Retail sales*
- *Residential and commercial sales*

## 12. Funding the Plan – Our 5-Year Rate Path

- *Proposed rate path summary*
- *Customer bill impact examples, showing monthly increase per year*

## 13. Sample Appendices

- Transportation Electrification Strategic Investment Plan
- Utility Next roadmap
- Technology roadmap
- Grid Modernization plan
- Outreach Summary