



City Light Review Panel Meeting Meeting Minutes

Date of Meeting: January 19, 2016

MEETING ATTENDANCE					
Panel Members:					
Name		Name		Name	
David Allen	✓	Julie Ryan	✓	Eugene Wasserman	✓
Tom Lienesch	✓	Sue Selman	✓	Sara Patton	✓
Chris Roe	✓	Eric Thomas (phone)	✓	Gail Labanara	✓
Staff and Others:					
Sephir Hamilton	✓	Greg Shiring	✓	Kim Kinney	✓
Maura Brueger	✓	Tony Kilduff	✓	Larry Weis	✓
Jeff Bishop	✓	Calvin Chow	✓	Mike Haynes	✓
Paula Laschober	✓	CM Sawant	x	Kirsty Grainger	✓
Karen Reed	✓	Mike Jones	✓		

Call To Order:

Julie Ryan opened the meeting and it was called to order at 11:05 a.m. She welcomed to the meeting the new General Manager Nominee, Larry Weis. The Panel members and staff team introduced themselves and Julie invited Larry to say a few words.

Public Comment: none.

Meeting Minutes: The meeting minutes of the January 5th meeting were unanimously approved.

The group then took time to open up the floor for Review Panel Q&A with Larry Weis. Following this,

Tony Kilduff spoke briefly on the proposed schedule for the Confirmation process:

- The first Special Committee Meeting is set for Thursday, February 4, 2016 at 2:00 pm.
- A second meeting will likely be scheduled in mid-February in the evening.
- A third meeting will be held February 23 at 2:00 pm.
- Then at a following Full Council Meeting, the Council will act.

Jeff Bishop informed the meeting participants that Mike Haynes has been appointed to take on the interim CSED Officer role as Phil West retired from City Light. Jim Baggs will be resuming his role as Chief Compliance Officer.

Strategic Plan Presentation 2017-2022:

Jeff Bishop described the Strategic Plan key objectives, goals and metrics, accomplishments, major project updates, efficiencies and the rate trajectory in the six year plan. The Utility plans to continue with many of the same initiatives in the current plan. Based on further work on the



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baseline since the prior meeting, the Leadership Team is projecting an average rate increase of 4.4% per year in the new plan.

Jeff provided additional information around the work the Utility has done around the four key objectives (pillars) of the Strategic Plan:

- (1) Improve Customer Experience and Rate Predictability
- (2) Increase Workforce Performance and Safety Practices
- (3) Enhance Organizational Performance
- (4) Continue Conservation and Environmental Stewardship Leadership

Jeff advised that SCL has deferred the Master Service Center project out by two years. The Panel asked if it would be possible to give them a risk analysis for the cost of the investment, the probability of the risk happening, and the impact.

Jeff also touched on efficiency savings. He stated that \$18M was the targeted efficiencies in the original Strategic Plan with the majority of the savings being delivered in the operational section. Moving forward, the Utility will propose to commit to deliver \$28M in efficiencies per year.

The following topics came up during and following Jeff's presentation:

- What has been the average annual rate increase since 1994?
- Targets should be included for all 4 pillars of the plan
- The Utility has a good story to tell on reliability.
- Include data about customer connections such as the amount of time on average to complete utility connections.
- Question regarding interface with DoIT on the coordinating reporting from the field for outage maps
- What is the condition of the substations? What is the amount of funding for substation maintenance in the baseline? As compared to the last 6 years? What amount of the overall task has been accomplished?
- Is it possible to design a website where customers could look at all of their utility bills together – SCL, SPU, PSE?
- Show how much carbon is being offset and what are the implications of the governor's clean power plan for SCL? Is there any way to create a program where carbon offset contributions could be identified for each customer—the portion of their bill payments that is contributing towards carbon offsets, and the quantity of offset generated by that money?
- Is there an opportunity to get new revenue from other users at the new training center? Will it have excess capacity?



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- It would be nice to have more detail on the decisions around how major initiatives are shaped moving forward in the next planning period.
- When is the next labor contract renegotiation?
- Can you quantify and note the efficiencies from the new investments the Utility is making?
- Why is the CIP so volatile in terms of total spending?
- it is important to communicate the value of the investments the Utility has made over the last several years
- *Request for later presentations:* 1) Overview of SCL surplus properties in the City; 2) What are the drivers in the wholesale power market now and what is the forecast as to how that will impact revenue over the planning period?

Handout on Responses to Panel Questions from previous meetings:

As the meeting time was ending, Julie Ryan asked Panel members to read the packet materials responding to their earlier questions and to forward questions to Karen Reed if they wanted to know more.

The next Review Panel meeting is set for February 2, 2016 at 11:00 am. The Review Panel will consider whether it needs to have one or two meetings scheduled for the months of March and April.

Adjournment:

There being no further business to discuss, the meeting was adjourned at 2:10 p.m.