

SPU Accountability and Affordability Plan Recommendations

June 17, 2019

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Discussion Objectives

- Quick update on the SBP 2018-2023 rate path
- Discuss how the accountability and affordability work relates to the upcoming Strategic Business Plan
- Provide an overview of recommendations due to Council June 2019
- Provide feedback and customer perspective
- Next steps

Rate Path & Efficiency Update

Reduced the 2018-2023 rate path from 5.3 to 5.0% through:

- Solid Waste Contracts
- Lower cost of borrowing
- Shifts in timing of capital spending

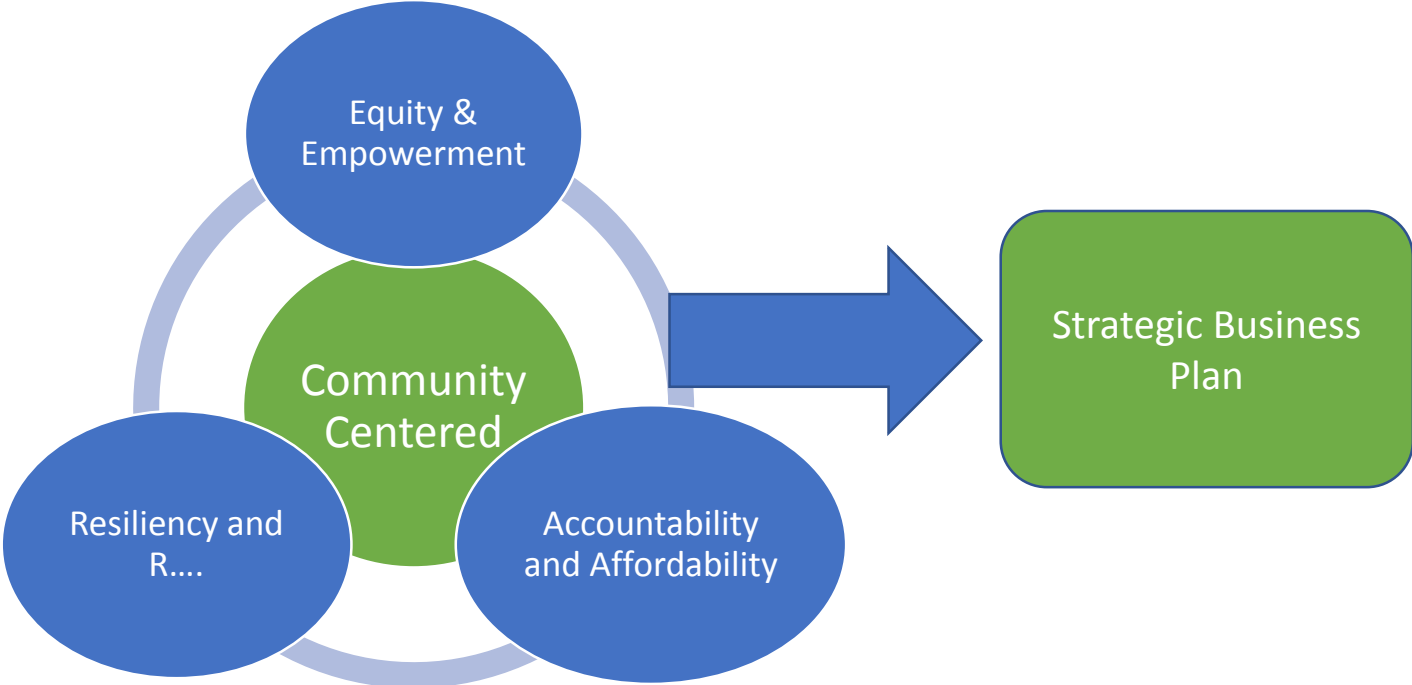
Focus on Accountability & Affordability

Challenge:

- Unaffordable for many customers
- Increasing needs/costs
- Value not always clear



Frameworks Guide Strategic Business Plan



Affordability & Accountability

Relationship to Strategic Business Plan:

Addresses 2 of 4 focus areas

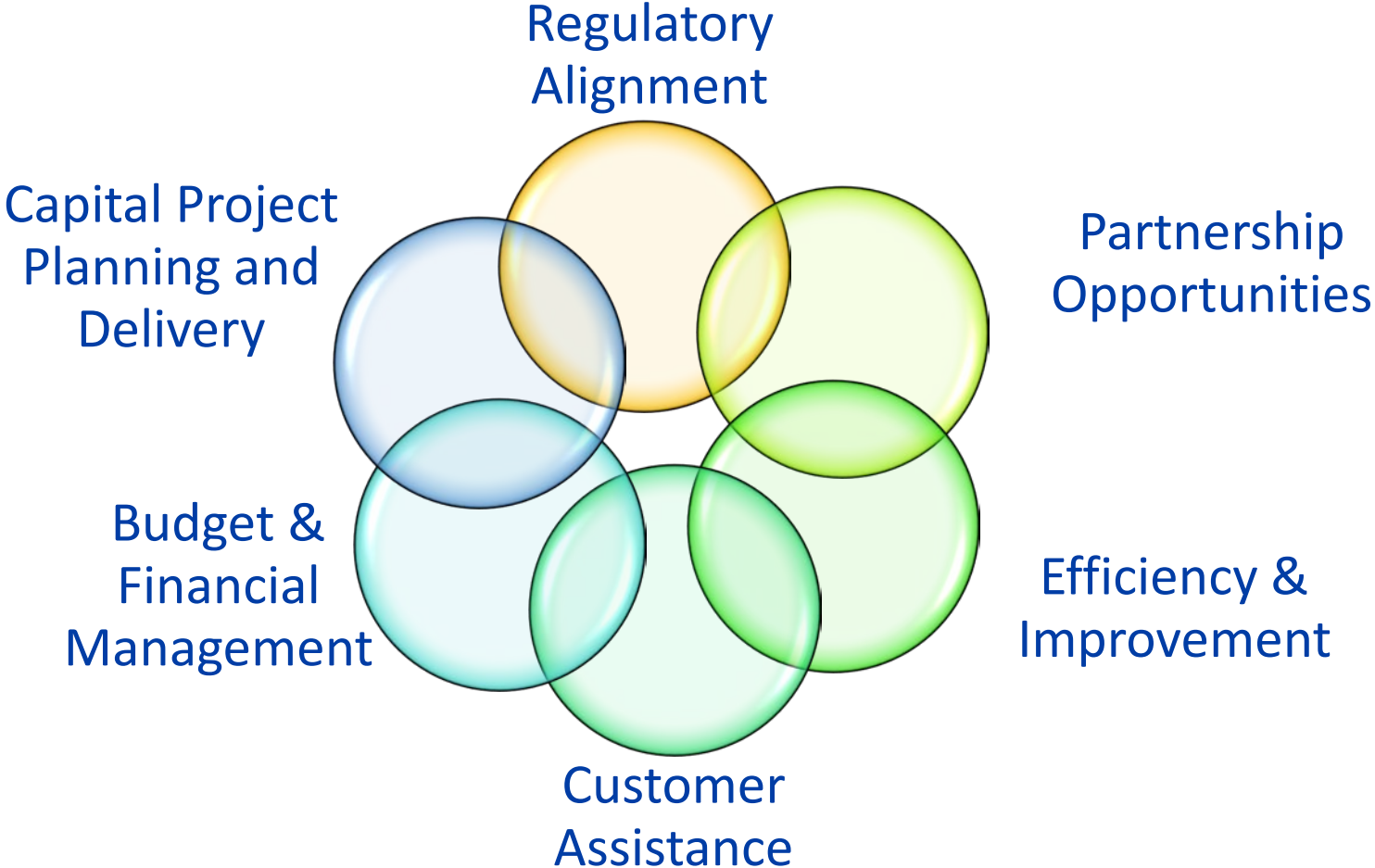
Customer Experience – We deliver essential utility services focused on customer access, equity, and ease of use.

Operational Excellence – We provide reliable, affordable, efficient and high-quality services to all customers.

Accountability & Affordability Plan

See pp. 5-8 of Council Report in packet for list of Proposed “Go First” Action Items” under each of the 6 Practice Areas

Accountability & Affordability: Six Practice Areas Define the Work

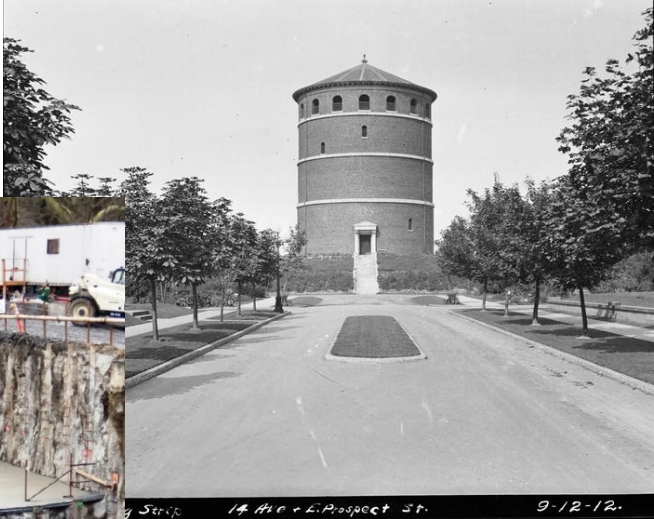


The Work

- Cross-organization work team
- 20 Workshops
- 150+ participants
- Executive team work sessions



Builds on Opportunities & Gaps

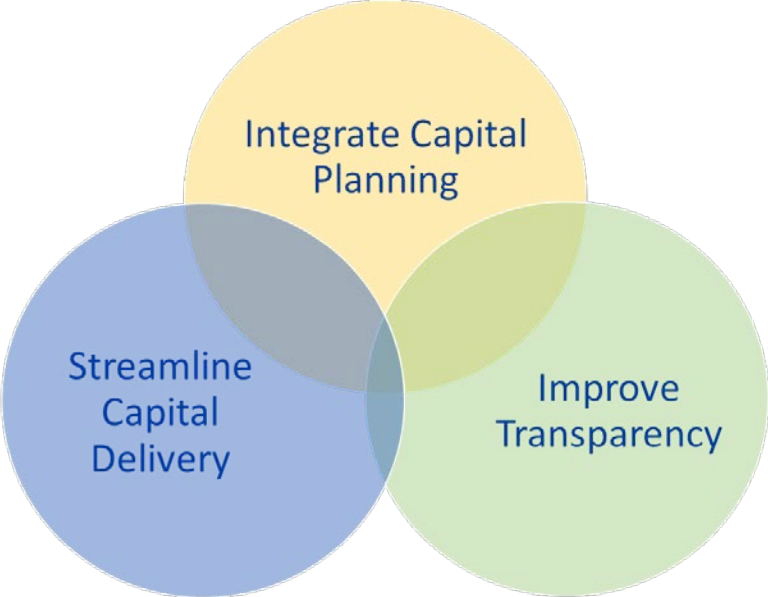


Bias towards action

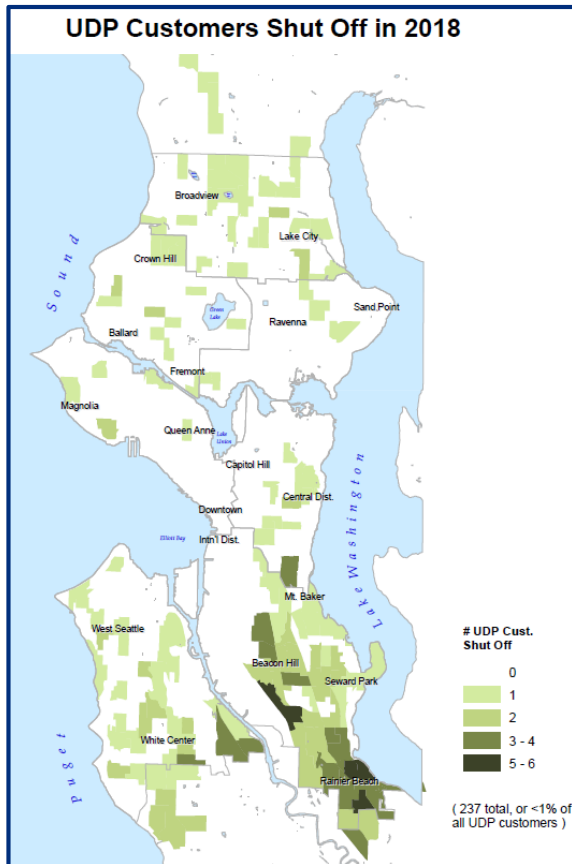
- 12 Strategies
- 47 Actions:
 - 7 currently underway
 - 23 in the next two years
- Initial Implementation Plan
- Report on progress with SBP every 6 months.



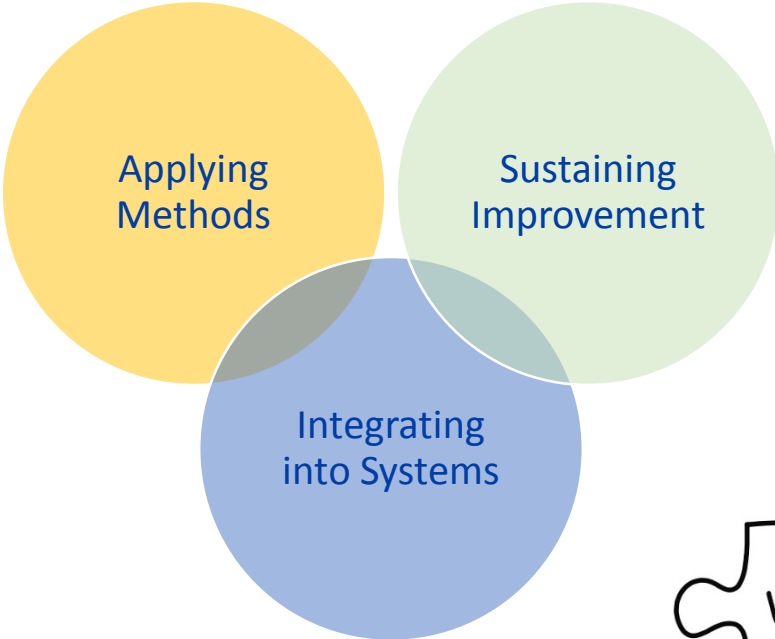
Practice Area: Capital Planning & Delivery



Practice Area: Customer Assistance



Efficiency & Improvement



Questions and Guidance



Next Steps

- Formally submit Plan to Council (June 30)
- Implementation of “Go First” Action Items
- Follow-up reporting and adjusting every six months with SBP
- Integration of work into upcoming 2021-2026 SBP