

## 2019-2024 Strategic Plan-Strategic Initiatives Framework

### **Customer Service**

*Objective: Meet evolving customer needs and expectations; make significant improvements to customer service.*

1. **Improve customer service.** *Upgrade customer service practices to meet evolving customer needs and expectations.* This initiative comprises a set of programs and projects that will provide multi-channel opportunities for customer connections, as well as full access to information and support. Components of the initiative include:
  - a) Full Service 7/24 Customer Contact Team  
Establishing a full-service after-hours and weekend customer service staffing
  - b) Enhanced Digital Customer Experience  
Increasing options for customer self-service with an enhanced digital customer experience platform
  - c) Commercial Customer Service Center  
A specialized relationship hub for our midsize commercial customers
  - d) Customer Relationship Software Implementation  
A software solution that will allow customers to engage with us more easily and effectively by tracking all customer touch points and market existing and new services

### **Affordability**

*Objective: Keep our customers' bills affordable and stable by implementing strategies to control costs, capture new revenues, and restructure rates.*

2. **Business process improvement.** *Cultivate a sustainable, enterprise-wide process improvement program.* Capture opportunities for improved operational efficiency and reduction in costs through enterprise-wide programs to standardize methodologies, streamline work-flow and processes, and identify and eliminate outmoded functions.
3. **Revenue recovery.** *Create new rate policies and structures that progressively respond to industry changes and challenges.* Restructure rates to reflect true cost of service, improve bill transparency, and combat revenue volatility exacerbated by declining retail demand for electricity. Research and implement new rate options to support targeted conservation, electric vehicle adoption and green power objectives, charge for premium services such as network and underground delivery and facilitate integration with evolving energy markets.
4. **Cost of growth.** *Audit current fees and charges for customer-initiated construction services and amend policies and charges.* Manage rising infrastructure costs associated with urban growth (e.g., University of Washington and Sound Transit) and minimize rate impacts for existing customers by modifying fees, policies, and collection procedures to improve cost-recovery effectiveness.
5. **Evolving energy markets.** *Pursue new opportunities for cost savings or incremental revenue in wholesale market operations.* Undertake a well-structured and comprehensive assessment of the current portfolio while exploring/identifying all available opportunities for cost savings or incremental revenue.

## **Clean Energy**

*Objective: Deliver robust and innovative programs to promote the efficient use of clean energy and protect our shared ecosystem.*

6. **Environmental stewardship.** *Continue industry leadership in improving our protection of the ecosystem in which we operate.* Projects include:
  - a. Implement the Climate Change Adaptation Plan, emphasizing distribution grid resilience
  - b. Continuation of a pilot program to reforest areas in the Tolt River Watershed to be more resilient to climate change
  - c. Develop a comprehensive environmental management plan to remove all polychlorinated biphenyls (PCBs) from our system
  - d. Continued emphasis on the environmental equity which focuses on the external impacts of City Light's construction, environmental programs, policies and processes that affect communities of color and underserved communities
  
7. **Clean, renewable-powered city.** *Deliver innovative and forward-thinking programs that promote clean energy solutions* City Light is its customers' most valued and trusted energy management partner. The utility will work with its customers and community partners to increase the energy productivity of buildings, equipment and transportation, preserving and extending the benefits of our low-cost, carbon-neutral electricity system. The plan includes implementation of the following:
  - a. Expansion of whole building programs such as Pay for Performance and Energy Efficiency as a Service (EEaS) to increase energy savings in commercial buildings.
  - b. Install and operate electric vehicle charging stations and build partnerships with private providers to provide increased access to carbon-neutral electricity.
  - c. Expand City Light's Lighting Design Lab to provide a broader offering of education, technical support and technology validation services to designers, buildings operators and contractors.
  - d. Participate in the Office of Sustainability and Environment's 100% Equitable and Renewable Energy program. This is a platform to test new approaches and strategies to narrow the gap between communities that have benefited from our programs and those who have not, while making progress on the Seattle Climate Action Plan.

## Continuing Progress on our Core Business

**Strong safety culture.** Safety continues to be paramount in every facet of City Light's work. The Safe Work Environment program will continue, and other industry best practices will be implemented, such as a safety, health and wellness roadmap, grassroots safety teams, and a robust safety recognition program.

**Secure, resilient work environment.** Implement best practices to enhance security, emergency preparedness and disaster recovery programs while improving the resiliency of facilities and services.

**High performance workforce.** Attract, train and retain a workforce with the skills and knowledge needed for hydro-powered electric utility operations. Continue building a comprehensive succession planning program that includes knowledge transfer strategies. Create skilled trades and highly specialized employee pipelines, in partnership with diverse community organizations and educational institutions.

**Preserve hydroelectric generation assets.** Maintain our hydroelectric generation assets through prudent and systematic investment and maintenance. Planned enhancements include dam safety, outage management processes, and long-term planning. Specific efforts include:

- Adapt legacy generation assets for new emerging energy markets
- Long term planning for legacy hydroelectric projects such as Cedar Falls
- Improve ancillary systems and facilities; including powerhouse systems
- Boundary Master Plan and Skagit Master Plan facilities improvement plans

**Preserve transmission and distribution infrastructure.** Implement industry best practice system improvements through prudent investment and maintenance. Planned enhancements to improve reliability include new technologies such as smart grid, advanced and grid analytics, as well as a focus on long-term planning.

**Relicensing.** Acquire new federal licenses to continue to operate three City Light hydroelectric projects: Skagit, Newhalem and South Fork Tolt. License renewal applications for these projects will be filed in 2023, 2025 and 2027, respectively.

**Enhanced grid performance and cyber security.** As the criticality of the grid has increased and as customers have added new distributed resources, utilities have been improving their operational technology (OT) infrastructure. Also, protection of the electrical grid from cyber threats continues to be a challenging problem. City Light is responding by continuing to upgrade our OT infrastructure and energy grid to protect against cybersecurity risks and improve power grid operations.

**Reliability for a growing city.** Various investments and upgrades to the transmission and distribution systems will improve reliability and ensure City Light has enough capacity to serve our growing city. Specific efforts include:

- Relocate wires and other facilities underground to accommodate massive changes along the downtown waterfront.
- Add capacity for the expanding University of Washington and new Sound Transit 3 light rail.
- Adjust electrical grid operations to realize system-wide benefits from the new Denny substation.
- Replace failing underground wires in various neighborhoods to bring them up to modern standards.