

Seattle Public Utilities Customer Review Panel 2018-23 Recommendations & Status

June 2017

| # | Category | CRP Recommendation | Status | Comments |
|----|----------------|---|---------------------|---|
| 1 | SBP Work | Continue strategic business planning work - Continue three-year update cycle of SBP | Ongoing | |
| 2 | Rate Path | Vigilant oversight of the Ship Canal Water Quality Project to keep it on time and on budget. | Ongoing | |
| 3 | Rate Path | Careful analysis of cost impact of City-wide initiatives before approved and more transparency about full cost of infrastructure required by ballot measures (such as Move Seattle). | Partially Addressed | Seattle Public Utilities has a dedicated team of project managers called the Major Interagency Projects (MIPs) team which works directly with other city departments, as well as the state and Sound Transit, to deliver coordinated capital projects. The dedicated focus of this team allows us to prioritize interagency coordination and improve cost effectiveness for major projects across the City. In addition, SPU tracks the costs of capital investments related to Move Seattle. Note: while many of the Move Seattle projects require utility improvements; some of these improvements were planned or would be done regardless of the Move Seattle initiative. |
| 4 | Rate Path | Smoothing of water rates as recommended in the Plan and also adjust upward 2018 drainage and wastewater rates in order to moderate combined rate increases in the six-year planning period. | Complete | |
| 5 | Rate Path | Provide utility tax information on bills. | Complete | |
| 6 | Rate Path | Index utility tax collections to a fixed amount rather than grow at same rate that utility revenues are increasing. | Not Addressed | Citywide issue. |
| 7 | Rate Path | Continue current Utility Discount Program (UDP), while increasing the City's focus on ways to create saving for all rate payers rather than cost shifting between groups of ratepayers. | On Track | UDP scope is under consideration to be enlarged, however we are looking at additional customer assistance tools (i.e. leak adjustment policy, payment arrangements, etc.) that would be available to the entire base of ratepayers. |
| 8 | Rate Path | Expand use of system development/connection charges for new customers. | Complete | An SDC proposal was submitted to the Mayor's Office and Council in June. |
| 9 | Rate Path | Expand efforts to develop and track cost comparison data for SPU LOBs. | Ongoing | Comparable utility rate and other affordability metrics will be reported with the upcoming SBP. |
| 10 | Savings | Find, implement and track new efficiencies and savings. | Ongoing | Efficiency report submitted in June with Accountability and Affordability Strategic Plan. |
| 11 | Fund Repair | Replace water pipe infrastructure that would not be replaced by Move Seattle. | On Track | Water and Drainage & Wastewater Opportunity Projects. Currently on track, by Q2 we assessed three opportunity projects and completed the scope and cost estimated for two which were then referred to PDEB for implementation. |
| 12 | Fund Repair | Use "trenchless" construction methods for sewer pipe replacement. | On Track | Sewer Lining, progress is on track to install the first liner in Q4 2019. |
| 13 | Workforce | Provide information regarding programs/action taken regarding "transforming the workforce." | Partially Addressed | Moving forward on the apprenticeship Program. Water hired an apprenticeship advisor, working on lesson plans, recruitment and hiring strategy for apprentices. Recruitment for DWW advisor to start in Q3. |
| 14 | Rate Path | Meet the rate path commitments of the Plan. | Complete | |
| 15 | Climate Change | New investments around resiliency, climate change or other new mandates should be timed with 2020 Plan update. | On Track | Incorporating risk, resiliency and climate actions into 2020 plan. |
| 16 | SBP Work | Convene Panel at least twice/year to discuss progress on the Strategic Business Plan. | Ongoing | |

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| 17 | Rate Payer Input | Focus more attention and analysis of the impact of rates on commercial customers, which contribute 46.5% of the Utility's retail revenue. Small businesses may be particularly hard hit by the rate hikes in this Plan –and there is no rate discount program for them | On Track | <p>Potential impacts on commercial customers will be included in the upcoming Water rate study. In addition, we will include customer input for the upcoming SBP. Our plan is to on relevant, recent input from a variety of sources. With that as a base, we will then gather input around key informational gaps including outreach to the business sector and small businesses.</p> <p>In addition, Keri Burchard-Juarez, SPU Deputy Director of Project Delivery and Engineering, is an active participant in the Citywide Business Advocacy Team facilitated by the Office of Economic Development, which works closely with the Mayor's Small Business Advisory Council. The purpose of the CBAT is to resolve issues for small businesses, identify trends and/or systemic problems that small businesses face, and review policies that impact businesses. In 2018, the CBAT developed content for a Small Business Welcome Packet to connect small businesses with resources and points of contacts in various departments.</p> |
| 18 | Other | Defer diaper and pet waste composting | Deferred | The upcoming Solid Waste Comp plan will evaluate the cost benefit of this concept. |
| 19 | Other | Carefully examine work on Expanded GSI Initiative pilot proposals during next plan update. | On Track | Included expanded GSI into the service level metric to be reported by the end of the year – current target is 270M gallons by year-end. |
| 20 | Other | Ask the Utility to share progress on issues outlined in letter when that Panel is reconvened. | Ongoing | Regular updates on rate path and financial health, performance indicators and progress reports for Action items and Council Deliverables, in depth project and program updates such as Ship Canal, GSI, A&A, etc. |