



# MEMORANDUM

EUGENE WATER & ELECTRIC BOARD

*Rely on us.*

TO: Commissioners Mital, Simpson, Helgeson, Manning and Brown  
FROM: Roger Gray, General Manager  
DATE: February 6, 2015  
SUBJECT: 2015 Organizational Performance - Key Performance Indicators (KPI) Dashboard  
OBJECTIVE: Board Information and Feedback

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## **Issue**

Each quarter, Management prepares a KPI dashboard report to reflect organizational performance and to convey to the Board the general health of the utility. In preparation for the first quarterly report out in May, Management is seeking feedback from the Board on the proposed changes to the KPI dashboard.

## **Background**

Beginning in 2013, Management created a new format to report out organizational performance and GM goals. Feedback on this structure has continued to be positive; both from the Board and from the Leadership Team, therefore the proposed key performance indicators for 2015 remain predominately the same.

## **Discussion**

Management continues to call out the *Perform* aspects of performance, represented by the KPIs reflected last year. Enhancements were made to call out specific areas of importance which include the Sale of Surplus Riverfront Property and the Sale of Smith Creek Generating Asset.

The framework for the *Perform* section is represented in the breakout of performance into four general areas: Customer & Stakeholder, Financial, Operational/Efficiency, and People/Cultural. You will note that these are represented at the highest level of categorization in the dashboard.

The *Transform* section of the dashboard displays new strategic goals. Management and staff identified actions that each of their divisions will take in 2015 which contribute to the organization's strategic goals. Each objective was mapped to either the enterprise or the business units responsible for the goal's success. Several of the new strategic goals, which have an enterprise view or a shared purpose, have risen to the level of Board reporting and will now, appear in the *Transform* section of the quarterly dashboard. Other goals, which support these initiatives, will be monitored by the respective divisions.

## **TBL Assessment**

A TBL assessment has not been specifically conducted to create the dashboard, but the dashboard itself really serves as a TBL assessment of organizational performance at the highest level.

**Recommendation**

Management recommends adoption of the new KPI dashboard report to represent the GM goals for 2015 and for use to convey to the Board the general health of the organization, reported out at quarterly intervals.

**Requested Board Action**

Provide feedback (either via email or in person to me) on the proposed Dashboard in preparation for the Q1 report out in May.

**EWEB ORGANIZATIONAL PERFORMANCE DASHBOARD - CY2015  
QUARTERLY REPORT**

<b>Customer &amp; Stakeholder Perspective</b>									
	<b>Q1 Status</b>	<b>Q2 Status</b>	<b>Q3 Status</b>	<b>Q4 Status</b>	<b>Owner</b>	<b>Trend</b>	<b>Expected Finish</b>	<b>Comments</b>	<b>Sources</b>
<b>PERFORM</b>									
<b>Customer Engagement &amp; Satisfaction</b>					LR		Ongoing		Public Affairs 2015 Operational Plan
<b>Customer Service Operations</b>					MF		Ongoing		CS&EMS 2015 Operational Plan
<b>Environmental Stewardship</b>					SN		Ongoing		Environmental 2015 Operating Plan
<b>Product Delivery – Conservation, DR, &amp; EE</b>					MF		Ongoing		CS&EMS 2015 Operational Plan
<b>Product Delivery – Electric Service</b>					TS		Ongoing		Electric 2015 Operational Plan
<b>Product Delivery - Water</b>					BT		Ongoing		Water 2015 Operational Plan
<b>Water Reliability Initiative: Emergency</b>					BT		Ongoing		Water 2015 Operational Plan
<b>Financial Perspective</b>									
	<b>Q1 Status</b>	<b>Q2 Status</b>	<b>Q3 Status</b>	<b>Q4 Status</b>	<b>Owner</b>	<b>Trend</b>	<b>Expected Finish</b>	<b>Comments</b>	<b>Sources</b>
<b>PERFORM</b>									
<b>Budget Adherence – Electric Utility</b>					CB		In progress		

<b>Budget Adherence – Water Utility</b>					CB		In progress		
<b>Sale of Smith Creek</b>					DC		Q4		Asset sales plan
<b>Management of Real Property</b>					SN		Ongoing		In development
<b>Sale of Surplus Riverfront Property (~ 17 acres; does not include HQ)</b>					SN		Ongoing		
<b>Financial Contribution of Trading Operations</b>					DC		Ongoing		Power Operations 2015 Operational Plan
<b>Financial Health Recovery Plan Implementation</b>					CB		In progress		Long Term Financial Plan
<b>Financial Metrics – Electric Utility (Reserves, DSC, etc.)</b>					CB		In progress		
<b>Financial Metrics – Water Utility (Reserves, DSC, etc.)</b>					CB		In progress		
<b>Operational, Continuous Improvement and Efficiency Perspective</b>									
	<b>Q1 Status</b>	<b>Q2 Status</b>	<b>Q3 Status</b>	<b>Q4 Status</b>	<b>Owner</b>	<b>Trend</b>	<b>Expected Finish</b>	<b>Comments</b>	<b>Sources</b>
<b>PERFORM</b>									
<b>AMI/MDM Projects</b>					EE		Planning complete EOY		I.S. 2015 Operational Plan
<b>Capital Improvement Program Implementation</b>					MD		Ongoing		Engineering 2015 Operational Plan
<b>Carmen Smith Relicensing Project</b>					MM		Ongoing		Generation 2015 Operational Plan

<b>Generation Asset Efficacy</b>					MM		Ongoing		Generation 2015 Operational Plan
<b>IS Project Execution</b>					EE		Ongoing		I.S. 2015 Operational Plan
<b>Regulatory Compliance and Self Reporting</b>					RK		Ongoing		ER/IC Operational Plan
<b>Vehicle Safety and Property Preservation</b>					MM		Ongoing		Generation 2015 Operational Plan
<b>Work Asset Management Project (WAM) Complete phase II plan and identify specific savings targets for 2015 &amp; 2016</b>					CB / EE Steering Committee		Planning complete Q3		
<b>People/Cultural Perspective</b>									
	<b>Q1 Status</b>	<b>Q2 Status</b>	<b>Q3 Status</b>	<b>Q4 Status</b>	<b>Owner</b>	<b>Trend</b>	<b>Expected Finish</b>	<b>Comments</b>	<b>Sources</b>
<b>PERFORM</b>									
<b>Employee Engagement</b>					LK		Ongoing		Public Affairs 2015 Operational Plan Human Resources 2015 Operational Plan
<b>Employee Safety, Health, &amp; Wellness</b>					LK		Ongoing		Human Resources 2015 Operational Plan
<b>Workforce Composition</b>					LK		Ongoing		Human Resources 2015 Operational Plan
<b>Workforce Performance</b>					LK		Ongoing		Human Resources 2015 Operational Plan

TRANSFORM									
	Q1 Status	Q2 Status	Q3 Status	Q4 Status	Owner	Trend	Expected Finish	Comments	Sources
<b>Financial Position</b> Narrow the current 2017 budget gap in 2015 through increased revenue generation, cost reduction, and rate design changes that accumulate to a 2015 net gain of \$2 million for electric and \$350 thousand for water.					CB				EWEB Enterprise
<b>Balancing Demand and Supply to Enhance Customer Value</b> In 2015, focus efforts on the demand side of demand-supply balance by exploring partnerships with customers that help to create more flexibility in customer demand by providing data on consumption, time or situation dependent price signals, and the use of technology to automate customer response					EE				Electric Supply Water Customer (Facing) Services
<b>Risk Management</b> By the end of 2015, specifically define and measure (baseline) our formal risk tolerance(s) in all operating departments (divisions), including a comparison of risk exposure to risk tolerance in "key" processes.					RK				EWEB Enterprise
<b>Process Efficiencies</b> Optimize our human and financial resources by using "lean" tools to reduce waste and costs that don't provide customer value. In 2015, benchmark our performance to reasonable comparators, focusing on areas we are aiming to improve, and seek to execute a continuous improvement process.					RK				EWEB Enterprise
<b>Asset Management / Planning</b> Update water and electric T&D master plans in 2015 and create a path to integrate source, delivery, demand, and IRP planning					MD				Electric Supply Electric Load (T&D) Water

processes into the electric plan. Get Board approval of the Water Master Plan by the end of Q2.									
<b>Workforce Development</b> Create, adopt, and begin implementation of a long-term Workforce Development Plan that fosters the flexible and skilled workforce needed to meet future business needs.					LK				EWEB Enterprise
<b>Information Systems</b> Plan and implement technology solutions supporting parent business lines (Water, Power Generation, Transmission & Distribution, Customer Services, and Shared Services) and refine work intake process to be prioritized by operational or strategic value by the end of 2015.					EE				Corporate Services



- Red Light = Significant actual or projected miss in cost, scope or schedule. Issues that will likely cause material impacts.
- Yellow Light = Potential or minor miss with respect to cost, scope or schedule. No major impacts in spite of miss.
- Gray Light = too early to tell; metrics in process of being defined or collected.
- Green Light = Completed or projected to complete with respect to cost, scope or schedule. Results exceed or expected to exceed objective.

