



MEMORANDUM
EUGENE WATER & ELECTRIC BOARD

Rely on us.

TO: Commissioners Helgeson, Brown, Mital, Simpson and Carlson
FROM: Frank Lawson, General Manager
DATE: July 26, 2017
SUBJECT: Q2, 2017 Operating Dashboard and Goals Review
OBJECTIVE: Information Only

Issue

Each quarter the Board receives an update to the KPI dashboard. The 2017 dashboard includes major projects, operational performance and strategic initiatives where the utility is placing focus. The current submission constitutes the utility performance assessment for the second quarter of 2017.

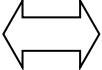
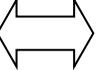
Requested Board Action

None at this time.

EWEB ORGANIZATIONAL PERFORMANCE DASHBOARD
OPERATIONAL PERFORMANCE INDICATORS CY2017

PERFORM										
Operational Performance Indicators	JOP	Q1 Status	Q2 Status	Q3 Status	Q4 Status	EOY Target	Owner(s) (Lead)	Trend	Comments	Drivers
Safety, Health/Wellness							ET/LT (Lena)		Worker's Comp claims on trend with 2016 avg. OSHA recordables lower than 3-yr avg. 17 lost days YTD but all due to prior year incidents, 0 lost days due to 2017 injuries. No seminal events for Q2. Safety training hours = 1,949 YTD, tracking with 2016. Avg sick leave = 3 days, below 5 day avg. Collecting results on Fitness Challenge participation.	Safety Working Group Initiatives; Work Plan, Metric Indicators re: Work Comp, safety incident, OSHA recordable and, time loss data, seminal events, safety training hrs or \$\$ invested per/EE, ER mod rate & premium cost data, absence data, program participation rates
Compliance & Risk							ET/LT (Sue)		FERC report not filed by deadline and not self-reported. Report now filed with no fines assessed. Bacteria level exceeded on ROC water recycling machine will result in DEQ warning letter. Workforce transition, EVRI and reorganization increases risk related to compliance activities.	Compliance with all regulatory requirements, Proactive and accurate management of contracts
Financial Performance (Water & Electric)							ET/LT (Sue)		Financial metrics and department budget adherence improved with implementation of Affordability Initiative and Workforce Transition. Over \$7 million reductions identified. Yellow is due to likely future budget amendment due to recording non-cash expenses related to defeasance.	Metrics within Board Policy, Revenue/Performance (Trading & Solutions Group), PPV, CIA Targets, Budget Adherence, Improve net income \$2.5 million by 2018, \$5 million by 2019 "Affordability"

**EWEB ORGANIZATIONAL PERFORMANCE DASHBOARD
OPERATIONAL PERFORMANCE INDICATORS CY2017**

PERFORM										
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Customer & Community Satisfaction							Rene Monica		Communications/Marketing dept. launched Customer Satisfaction & Engagement Dashboard, quarterly and transactional surveys were conducted in several areas. We are reviewing our customer feedback metrics. All sections under Customer Operations meeting and/or exceeding operational targets.	Customer satisfaction and transactional surveys, contact center and atrium operational metrics including first contact resolution, wait times, etc.
Customer Energy and Water Solutions							Rene		Efficiency accomplishments match 2016, but will begin to drop due to discontinuation of residential lighting programs. Business Growth projects ahead of projections.	All efficiency and sales metrics are on track for Q2
Water Treatment & Delivery							Mel		All standards and metric being met. Elevated number of planned disruptions and duration, but not too significant. Investigated a few taste and odor reports by customers that were followed up and resolved.	Treatment Standards, Interruption Metrics, PM Metrics.
Electric Generation & Delivery							Mike		Operational performance remains strong and within or exceeding metrics.	Generation Performance (availability and forced outage); Electric Performance (SAIFI – Maintain, SAIDI - Improve 20% by 2018, CAIDI); PM Metrics (PUC Inspections, Tree Trimming).

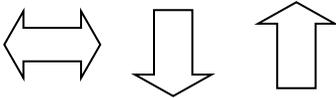
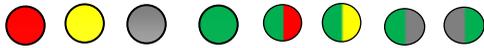
EWEB ORGANIZATIONAL PERFORMANCE DASHBOARD
OPERATIONAL PERFORMANCE INDICATORS CY2017

PERFORM										
Operational Performance Indicators	JOP	Q1 Status	Q2 Status	Q3 Status	Q4 Status	EOY Target	Owner(s) (Lead)	Trend	Comments	Drivers
Water Asset Management							Mel		Most capital work getting completed on-time and budget. No projects off course. Refer to EL1 report for additional details.	Plan vs. Actual (Type 1 & 2), On Scope, Schedule, Budget, 2-Year CIP
Electric Asset Management							Rod		Yellow due to project lag and delays, project is back on track; refer to EL1 for additional details. Staff have begun work on developing PM procedures with crews, and EWEB has joined an asset management taskforce with CEATI centered on Asset management to leverage industry peer knowledge and experience in developing EWEB's formal asset management strategy.	Plan vs. Actual (Type 1 & 2), Electric Queue? 1 Qtr. ahead?, On Scope, Schedule, Budget, 2-Year CIP
Environmental/Sustainability							ET/LT (Mike)		Bacteria limits exceeded in one eco machine sample. Source unknown. Reporting to DEQ conducted through monthly reporting.	Spills, property management, leveraged funds, waste management, Source Protection, sustainability, GHG emissions, SF6, carbon mitigation
Community Investment							ET/LT (Monica)		Budget and new sponsorships on hold pending Strategic Plan. Employees continue to volunteer and participate in community events.	Committee which makes decisions based on established criteria which align with EWEB's core values.

EWEB ORGANIZATIONAL PERFORMANCE DASHBOARD
OPERATIONAL PERFORMANCE INDICATORS CY2017

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Information Technology Work Plan							Matt		16% of the 2017 Projects have been attained. 39% are on target. IS has spent 76% on O&M and 24% on Projects. Over budget due to emergency SAN replacement, refer to EL1 for additional details.	Plan vs. Actual (Type 1 & 2), On Scope, Schedule, Budget, Cyber Security

Status = Traffic light indicators represent past performance for the quarter
 Trend = Arrows are a projection of future results
 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.
 Split Color Light = Two distinct reporting results, which will be explained in the comments section.
 In the case of a split color light displayed for Financial reporting, revenue will appear on the left-hand side and expenses will appear on the right-hand side.



EWEB ORGANIZATIONAL PERFORMANCE DASHBOARD
MAJOR PROJECTS CY2017

PERFORM										
Major Projects	JOP	Q1 Status	Q2 Status	Q3 Status	Q4 Status	EOY Destination	Owner(s) (Lead)	Trend	Comments	Drivers
Carmen-Smith							Mike		Continue to work through the remaining steps to license issuance in accordance with the revised Settlement Agreement. TSV replacement project delayed from 2017 to 2018 due to late shipment of the valves from European manufacturer.	Execution including scope, schedule and budget, progress will be measured by key milestones each quarter
Alternative Water Source (AWS)							Mel		AWS is currently being re-crafted with Board input. This will include re-scoping of strategies utilized to attain AWS and overall Water Reliability Initiative. Board meeting to occur in August, additional details to be provided in backgrounder and presentation.	Execution including scope, schedule and budget, progress will be measured by key milestones each quarter
Customer Information System (CIS)							SF/MB		Progress is positive, and Board update will be provided at August 1 meeting. Contract negotiations are progressing with contract anticipated to be submitted in September for Board consideration. Yellow status retained until negotiations complete.	Execution including scope, schedule and budget, progress will be measured by key milestones each quarter
Modernization Products (AMI facilitated)							Rod		Automated meter-to-bill is in production at the end of Q1. Development of additional automation and outage management continues. Substantial completion of development work is expected by the end of 2017. Field testing is complete. Deployment of meters to opt-in customers, along with recruitment of new opt-in customers, began in June 2017. Opt-in meter count: 500+ at end of Q2. Board discussion is scheduled for October.	Execution including scope, schedule and budget, progress will be measured by key milestones each quarter

EWEB ORGANIZATIONAL PERFORMANCE DASHBOARD
MAJOR PROJECTS CY2017

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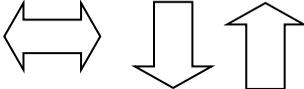
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**EWEB ORGANIZATIONAL PERFORMANCE DASHBOARD
STRATEGIC GOALS CY2017**

TRANSFORM										
Strategic Initiatives	JOP	Q1 Status	Q2 Status	Q3 Status	Q4 Status	EOY Destination	Owner(s) (Lead)	Trend	Comments	Drivers
Proactive Outreach We will actively engage our customers and community partners on pricing approaches and alternative water source opportunities.	●	●	●				Monica	↔	Ad hoc customer pricing redesign committee meeting #5 scheduled for July 13; considering open house and other outreach in fall, pending direction from GM and CFO.	Campaign and project objectives, event attendance and survey response rates.
Simplify and Streamline We will increase our operational effectiveness by streamlining our processes, specifically those needed to implement a new Customer Information System (CIS), improve our customer interactions, and reduce administrative overhead associated with work and asset management.	●	●	●				ET (FL)	↔	Recruitment underway for Process Improvement Manager. New warehouse processes resulted in efficiencies for crews. Process and Change Management work is continuing as part of CIS.	Processes Mapped Est. Cost of Processes
Cultural Dynamics We will create a culture that inspires us to respectfully work together for a common cause, motivates us to makes decisions and take action, and sets expectations and holds us accountable for results.	●	●	●				ET (FL)	↔	IBEW relationship is improving. Other indicators are strong (e.g. absenteeism, safety, etc.) Some specific workforce changes have caused anxiety, and temporary productivity lapses.	HR Cultural Dynamics and Compliance dashboard.

EWEB ORGANIZATIONAL PERFORMANCE DASHBOARD

STRATEGIC GOALS CY2017

TRANSFORM										
Strategic Initiatives	JOP	Q1 Status	Q2 Status	Q3 Status	Q4 Status	EOY Destination	Owner(s) (Lead)	Trend	Comments	Drivers
Organizational Resiliency We will target specific areas to improve our human, financial, and operational resiliency, including management and supervisory succession, cash management, electric system design, and waste reduction.							ET (MD)		Management embarked on EWEB's affordability initiative in Q2 of 2017. Workforce planning continuing with EVRI's due at end of Q2. Q2 replacement rate for year 2017 is 29%; 17 employees termed in Q2 and only 5 new employees were on boarded. Capital and strategic planning aligned with affordability initiative. CIP's approved, AWS	Phase II Workforce Planning - progress against plan, qtrly milestones, qtrly or annual worker replacement rate against 0.7 target

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