



MEMORANDUM
EUGENE WATER & ELECTRIC BOARD

Rely on us.

TO: Commissioners Brown, Carlson, Mital, Simpson and Helgeson
FROM: Frank Lawson, General Manager
DATE: January 26, 2018
SUBJECT: Q4, 2017 Operating Dashboard and Goals Review
OBJECTIVE: Information Only






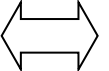





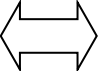





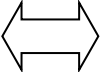






Issue

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 fourth quarter of 2017.

Requested Board Action

None at this time.

EWEB ORGANIZATIONAL PERFORMANCE DASHBOARD
MAJOR PROJECTS CY2017

PERFORM									
Major Projects	JOP	Q1 Status	Q2 Status	Q3 Status	Q4 Status	Owner(s) (Lead)	Trend	Comments	Drivers
Carmen-Smith						Mike		EWEB submittals to FERC are complete. Now awaiting agency and FERC action on license. License expected Q2 2018. Planned 2017 work completed safely, on time and under budget. Plans for work in 2018 and beyond are progressing appropriately.	Execution including scope, schedule and budget, progress will be measured by key milestones each quarter
Alternative Water Source (AWS) Emergency Water Supply						Mel		AWS is now focused on Emergency Water Supply in getting 5 sites in 5 years. First site in 2018 has been identified and tested for WQ in Q4 of 2017. Treatment trailer has been built and testing is in progress. Refer to Board memo dated 1/9/2018 for a detailed update.	Execution including scope, schedule and budget, progress will be measured by key milestones each quarter
Customer Information System (CIS)						SF/MB		Kick off scheduled to begin in January of 2018. Cayenta environment built and functional. First analysis of data conversion complete. Project team has begun the discovery process.	Execution including scope, schedule and budget, progress will be measured by key milestones each quarter
Modernization Products (AMI facilitated)						Rod		Automated meter-to-bill process is in place for 2% of customer meters, and eight-year full deployment has begun. Software integration work is expected to complete in Q1 2018; Final Acceptance Testing of the AMI system is scheduled for Q1 2018.	Execution including scope, schedule and budget, progress will be measured by key milestones each quarter

EWEB ORGANIZATIONAL PERFORMANCE DASHBOARD

MAJOR PROJECTS CY2017

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.

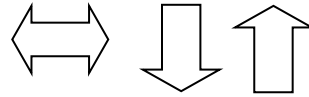
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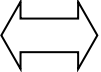












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












EWEB ORGANIZATIONAL PERFORMANCE DASHBOARD
OPERATIONAL PERFORMANCE INDICATORS CY2017

PERFORM									
Operational Performance Indicators	JOP	Q1 Status	Q2 Status	Q3 Status	Q4 Status	Owner(s) (Lead)	Trend	Comments	Drivers
Safety, Health/Wellness						ET/LT (Lena)		Worker's Comp claims on trend with 2016 avg. 18 OSHA recordables, on par with 3-yr avg. 23 lost days YTD, below 3-yr avg of 124, and only 5 lost days due to 2017 injuries. Avg cost/claim \$1,615 as compared to \$12,792 in 2016. No seminal events for Q4. Safety training hours = 4,244 YTD, increased over 2016 by 1,184 hours. Sick leave rate 4.5 days, on trend with 3-yr avg of 5 days.	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)		Compliance: Wyoming Department of Revenue 2017 annual report filed 16 days late; penalty waived. Oregon PUC Telecommunications quarterly filing submitted 4 days late due to PUC system change; penalty waived. Contracts: Over 190 non-purchasing contracts being tracked; work begun to procure a contract management system.	Compliance with all regulatory requirements, Proactive and accurate management of contracts
Financial Performance (Water & Electric)						ET/LT (Sue)		Strong year for both utilities. Affordability Initiative and Electric debt restructuring provided financially flexibility. 2018 budgets \$6 million lower than 2017. No electric rate change and water rate decrease. PERS liability/cost reduction strategy approved.	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"
Customer & Community Satisfaction						Julie		Transactional survey pushed to Q1 2018. Contact Center and Atrium service goals including Service Level, Average Speed of Answer, and Abandonment Rate were all met and exceeded for the year.	Customer satisfaction and transactional surveys, contact center and atrium operational metrics including first contact resolution, wait times, etc.













EWEB ORGANIZATIONAL PERFORMANCE DASHBOARD
OPERATIONAL PERFORMANCE INDICATORS CY2017

PERFORM									
Operational Performance Indicators	JOP	Q1 Status	Q2 Status	Q3 Status	Q4 Status	Owner(s) (Lead)	Trend	Comments	Drivers
Customer Energy and Water Solutions						Rene		All efficiency and conservation metrics are on track for Q4. KWh Savings below the 90% of target due to discontinued residential retail lighting contract and several planned large C/I projects not completed in 2017. KW reductions exceeded expectations. KGals savings exceeded expectations. Bill Assistance served more households.	Electric Load Growth, Water Conservation, Energy Efficiency, Energy Demand, KWh Savings, KW reductions.
Water Treatment & Delivery						Mel		No water quality violations for the Water Utility in 2017. A couple events happened in 2017 requiring a boil water notices but EWEB's response and best management practices resulted in no violations. Overall, the number of main breaks, number of customers with unplanned outages and duration of those outages was near EWEB's self-defined metrics. EWEB had 97 main breaks or leaks, with 473 customers experiencing an unplanned outage with an average duration of about 3 hours. (0.8% of customers experienced an unplanned outage in 2017.)	Treatment Standards, Interruption Metrics, PM Metrics.
Electric Generation & Delivery						Mike		EWEB-owned generation met performance targets for availability and outages. SAIDI and CAIDI were above plan all quarter, but within the historical reporting band. SAIFI is meeting plan. T&D preventive maintenance metrics are close to or exceeding plan.	Generation Performance (availability and forced outage); Electric Performance (SAIFI – Maintain, SAIDI - Improve 20% by 2018, CAIDI); T&D preventive maintenance 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	Owner(s) (Lead)	Trend	Comments	Drivers
Water Asset Management						Mel		Main replacements have exceeded goal by about 30%. Over 13,000 lineal ft. of main installed in 2017 by EWEB crews. This will be less in 2018. Current rate of replacement is at every 75 years to 100 years for entire distribution system. Type 1 capital was 87% of budgeted amounts. Type 2 was only at 42% of budgeted due to delays in purchases of generators for Hayden Bridge Stand-by Power project, as well as less progress on the Disinfection Building System and Building Project. Total of 76% spent on Water Capital in 2017, which is well below past years performance. Correcting schedules to reach 90% or greater in 2018.	Plan vs. Actual (Type 1 & 2), On Scope, Schedule, Budget, 2-Year CIP
Electric Asset Management						Rod		YE spending predicted for Type 1 & 2 predicted to end at 90-94% of budgeted. Deferred projects included CIS shared costs, MicroGrid and purchase of property needed for Thurston substation property. Type 1 spending on track and additional scope completed due to Line contractor, as well as spending on Holden Creek at approx. 105% of budgeted, and 100% spending and scope completion on Downtown network replacements.	Plan vs. Actual (Type 1 & 2), Electric Queue? 1 Qtr. ahead?, On Scope, Schedule, Budget, 2-Year CIP
Environmental/Sustainability						ET/LT (Mike)		Environmental metrics indicate continued good performance. No spills were reported in Q4, and all 2017 spills have been resolved. There were no deviations from environmental regulations in Q4. There were no river ramping or instream flow issues this quarter.	Spills, property management, leveraged funds, waste management, Source Protection, sustainability, GHG emissions, SF6, carbon mitigation

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

PERFORM									
Operational Performance Indicators	JOP	Q1 Status	Q2 Status	Q3 Status	Q4 Status	Owner(s) (Lead)	Trend	Comments	Drivers
Community Investment						ET/LT		EWEB's community investments continue to be evaluated to ensure alignment with the Strategic Plan. The 11 th annual Run to Stay Warm took place in November, participation was slightly down, but the event still attracted over 1,000 participants; net proceeds benefit the Customer Care Program. Employees volunteered monthly at Food for Lane County with a year-end total of 199 hours.	Decisions based on established criteria which align with EWEB's core values.
Information Technology Work Plan						Matt		IS Type 1 Capital is at 100% spend. Type 2 Capital is behind due to the CIS-R kick off occurring in January of 18 instead of November of 17. On target for Project completion funded by O&M and Type 1 Capital. Planned Cyber Security enhancements complete for 2017. Began Electric Control System (SCADA) to Geographical Information System (GIS) integration project to improve storm response process.	Plan vs. Actual (Type 1 & 2), On Scope, Schedule, Budget, Cyber Security

EWEB ORGANIZATIONAL PERFORMANCE DASHBOARD

OPERATIONAL PERFORMANCE INDICATORS CY2017

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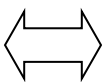
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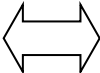
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EWEB ORGANIZATIONAL PERFORMANCE DASHBOARD
STRATEGIC GOALS CY2017

TRANSFORM									
Strategic Initiatives	JOP	Q1 Status	Q2 Status	Q3 Status	Q4 Status	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.						Rene		Ad hoc customer pricing redesign committee meetings completed and staff recommendations presented to ET; AWS conversations underway with 4J, UO, others; will continue to pursue dialog with these partners. Open house and other outreach occurred in October (City Club, Rotary, et. al.)	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)		New Process Improvement Program Manager was hired and has drafted an outline for strategies to be carried out through 2018. During Q4, process improvements were implemented in the following areas: Building & Renovation billing, Finance month end closing, and Human Resources processes in new UltiPro module.	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)		Standard indicators are positive (e.g. absenteeism, safety, etc). General Manager completed team meetings with every department to further engage employees in the strategic direction and promote organizational alignment. Improvements to inter-departmental collaboration and initiative are being recognized throughout the organization. Appropriate actions taken to instill accountability.	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	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)		Affordability Initiative efforts reached goal in 2017. Made positive strides in workforce resiliency and succession planning. Financial metrics are strong. Storm preparation 60% complete; Electric SCADA making progress toward integration to outage management system, Responder and Wire Watch training completed, interactive outage map is in pilot stage.	Phase II Workforce Planning - progress against plan, qtrly milestones, qtrly or annual worker replacement rate against 0.7 target. Operational, Capital and Long-term Financial plans.

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