



TO: Commissioners Carlson, Mital, Helgeson, Schlossberg and Brown
FROM: Frank Lawson, General Manager
DATE: January 7, 2020
SUBJECT: Organizational Goals and Performance Measures
OBJECTIVE: Direction (or Action)

Issue

Draft organizational goals will be established annually that represent the General Manager's interpretation of the priorities as defined by the Board (Board Policy BL5).

Background

Board Policy provides that the Board has responsibility for establishing its priorities for the coming year and providing that direction to the General Manager, who will draft new goals. The Board shall identify and define those results or conditions that are acceptable and not acceptable to the Board and communicate them in the form of policy, approval of Strategic Plans, Long-Term Financial Plans, Capital Improvement Plans, annual budget and goals.

EWEB's Strategic Plan was adopted by the Board of Commissioners on August 2, 2017, and updated July 10, 2018. The most significant issues facing EWEB in the next decade involve the sustained delivery of safe, reliable, affordable, and environmentally responsible services in the midst of a changing climate, new technology, developing markets, political and regulatory flux, natural and human threats, and evolving and diverse community expectations.

Prior to 2028, EWEB will need to reassemble an electric supply resource portfolio consistent with our organizational values, potentially including EWEB's contract with Bonneville Power Administration (BPA), and the relicensing and refurbishment of the Carmen-Smith Hydro Project. These decisions are worth billions, and must be optimized for economic, environmental, and social impacts.

Eugene is the largest community in the Pacific Northwest without a second source of drinking water. While ultimately we will need another surface water plant on the Willamette River, using partnerships to diversify our resources, including neighborhood emergency supplies and mobile options that are independent of the condition of our transmission and distribution pipes, will provide the most practical and effective approach.

Our ongoing execution must reinforce our "core values", which provide the fundamental basis for our policies, actions, behavior, and decisions. These values are unique and sacrosanct; they cannot be compromised for convenience or short-term gain. Our values, as presently stated, include:

- **SAFETY:** We value the physical and psychological health and safety of our workforce and the public.
- **RELIABILITY:** We value the continuous, on-demand delivery of quality drinking water and electricity.
- **RESPONSIBILITY:** We value the prudent and sustainable stewardship of our customers' financial and natural resources, including our impact on affordability and role in reducing the greenhouse gases (GHGs) contributing to Climate Change.
- **COMMUNITY:** We value our local governance and obligation to transparently serve our community.

Discussion

Consistent with the General Manager’s interpretation of the Board’s operational and strategic priorities, the following annual goals are drafted for Board consideration. The progress toward achievement of these goals will be reported quarterly to the Board and public.

2020 Organizational Goals

Utility Operations

Goal #1 – Keep our “day-to-day” performance on track by managing utility operations consistent with Board direction including policies, strategic initiatives, and organizational values with a focus in 2020 on maintaining reliability, enhancing cyber security, and fostering productive workforce engagement.

(Key Performance Indicators (KPIs, metrics) will be developed by/for each operating division)

Foster Customer Confidence

Goal #2 Using continuous improvement and good utility practice, standardize and scale the integration of advanced metering infrastructure (AMI) and existing metering technology for the purpose of effective (accurate, timely, secure) and efficient revenue billing, and move-in/out processing.

Goal #3 Streamline and simplify our most common customer interactions, including new self-service options, easy-to-understand bills, and secure ways to pay.

Emergency Preparedness

Goal #4 – Heighten public awareness of neighborhood emergency sites, including community partnerships that support existing and additional locations.

Goal #5 –Work with Springfield Utility Board to explore a more robust and cooperative water resiliency plan, including potential backup treatment options, interties, and sharing of water resources.

Electric Resource Decisions

Goal #6 –Develop a dynamic electricity supply planning (ESP) methodology, including processes, analytical tools, and reporting and outreach methods, needed to effectively synchronize generation resources with future customer-preferred consumption products.

Goal #7 –Work with the EWEB Commissioners, FERC, and the McKenzie Valley community to develop a TBL-based plan for the lower McKenzie River Hydroelectric Projects by the end of 2020.

Community

Goal #8 – Pursuant to SD15 Climate Change Policy, execute Resolution 1938 supporting State carbon pricing policy, reduce operational GHGs to 40% below 2009 levels, and achieve conservation/energy efficiency and peak-energy reductions in combination with smart electrification to equitably and cost-effectively facilitate the reduction of community carbon emissions by _____ [10,000] MTCO_{2e}.

Recommendation

It is recommended that the Board review and provide any additional guidance as needed to commence prompt pursuit of these annual goals.

Requested Board Action

Unless the Board moves to take Action in January, Management is requesting guidance on the proposed 2020 Annual Organizational Goals, with the intent that modifications will be incorporated and submitted for approval as a February consent item.