



TO: Commissioners Schlossberg, Brown, Carlson, Barofsky, and McRae
FROM: Frank Lawson, CEO & General Manager; Rodney Price, Assistant General Manager
DATE: January 4, 2022
SUBJECT: 2022 Organizational Goals
OBJECTIVE: Action

Issue

Management is proposing the 2022 organization's annual goals for the Board's consideration and approval.

Background

In December, the Board deliberated and provided guidance and feedback to management on a set of proposed annual goals. The background memorandum for that discussion can be found at [OrgGoalsMemo-Dec2021](#).

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 annual goals. Organizational goals will be established annually that represent the General Manager's interpretation of the priorities as defined by the Board (Board Policy BL5). Accordingly, 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 budgets, and annual goals.

Discussion

Annual goals are a mechanism to prioritize and focus the organization's investments and resources on maintaining critical ongoing "perennial" business fundamentals, addressing discrete gaps or weaknesses, or positioning the utility for strategic success.

At the December 7, 2021, Regular Board Meeting, Commissioners engaged in a conversation related to the proposed 2022 priorities, opportunities, and goals. In summary, management garnered the following guidance and direction from that conversation.

1. Commissioners and management agreed to the urgency and criticality of attracting and retaining the workforce necessary to accomplish our goals amid a challenging and changing workforce and social environment.
2. Measurements and milestones will need to support the annual goals; metrics of interest mentioned by Commissioners included safety metrics, affordability (via planning and budget adherence), unfilled open positions, climate-mitigation metrics (energy efficiency, conservation, incentives, portfolio carbon intensity).

2022 Areas of Opportunity

EWEB's organizational goals are monitored and reported quarterly using defined performance metrics. While EWEB will achieve most 2021 goals, our quarterly reports also include areas of concern, notably customer responsiveness and workforce capacity. Achieving our resiliency targets, and our goals to align

energy supply with consumption, are foundational to our strategy. Strategic milestones include improving the ability to gather and use consumption information and the ability to optimally forecast usage and purchase our power.

In order to maintain critical ongoing “perennial” business fundamentals, address discrete gaps or weaknesses, and position the utility for strategic success, the following goals are offered for Board consideration.

Proposed 2022 Organizational Goals

Consistent with Board direction, policies, and organizational values...

1. *Maintain or improve our “ongoing” **Operational performance** with a focus on **improving customer responsiveness and integrating/using advanced metering data as deployment (supply) allows.***
2. *Build and inspire **the workforce** necessary to fulfill ongoing business obligations and strategic initiatives amidst a challenging and changing labor and social environment by:*
 - a. *maximizing workforce health and safety while optimizing productivity and maintaining compliance during an **ongoing pandemic response**, and*
 - b. *improving organizational performance and expanding our recruiting ability by implementing our **Dynamic Workforce Model** which leverages mobile work tools, and*
 - c. *preparing and implementing the process to secure a new or revised **Collective Bargaining Agreement** for ratification in 2023, and*
 - d. *planning and launching efforts to meet the requirements of our **hardest-to-fill positions**, and*
 - e. *developing and nurturing an environment based on the principles of **diversity, equity, and inclusion***
3. *Improve our **dam safety and hydroelectric compliance** by:*
 - a. *working in collaboration with the Board and the McKenzie Valley Community, using developed guidelines and decision criteria, by year end set the direction of the **Leaburg Hydro Electric Project** toward either a power producing asset or a storm water conveyance asset.*
 - b. *developing and committing resources to the staffing and implementation plan necessary to fulfill our **dam safety and relicensing obligations at the Carmen-Smith project.***
4. *In preparation for the procurement and deployment of ERP-based systems that support both business continuity and strategic priorities, complete an RFP and the Utility-Software selection, establish the design, data, and operational governance, document customer-interaction-based processes, and create the organizational readiness for new business tools and processes through Change Management and Continuous Improvement.*
5. *By year end, complete a “public draft” of an **Integrated Resource Plan (IRP)** in order to gather feedback during a public comment period in early 2023.*
6. *Improve our operational resiliency by:*
 - a) *completing a **Willamette Drinking Water Treatment Plan**, including project scope, schedule, and capital spending details, along with 2022-2023 land use and permitting milestones, and*
 - b) *finalizing Electric Master Plan incorporating strategic initiatives, asset strategy, staffing adequacy, equipment and contracting procurement and development of ongoing Type 1 and 2 programs for successful deployment of 10-year Electric CIP.*
7. *Throughout 2022, in preparation for changing energy supply characteristics, consumption trends, and new product offerings (e.g., time of use, demand response), develop the consumption data analytics competency necessary to begin discussions and educational communications on a **Multi-Year Rate Design Plan** for implementation beginning in mid/late 2023.*

- 8 *By year end, collaborate with the Board to finalize the long-term disposition, potentially divestiture, of EWEB's Headquarters Property.*

Monitoring and Reporting

Following the approval of the annual goals, Management will work with Staff to determine the best tactical milestones, or key process indicators (KPIs) needed to gauge progress and/or determine success. These defined measurement metrics will be developed and the progress toward achievement of these goals will be reported quarterly to the Board and public beginning in May (Q1 Report).

Recommendation

Management recommends the Board approve the 2022 Organizational Goals

Requested Board Action

Approval of the 2022 Organizational Goals