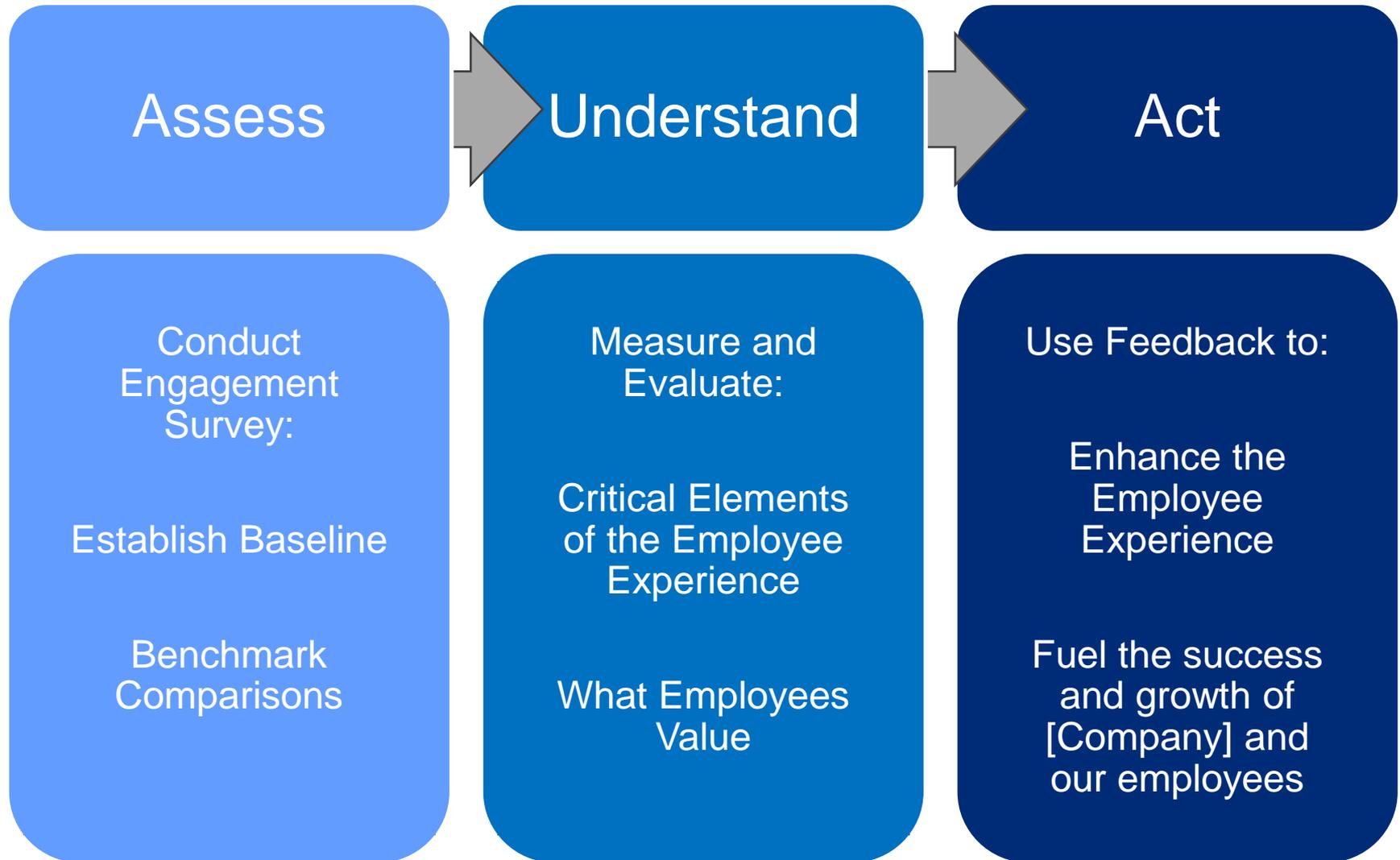




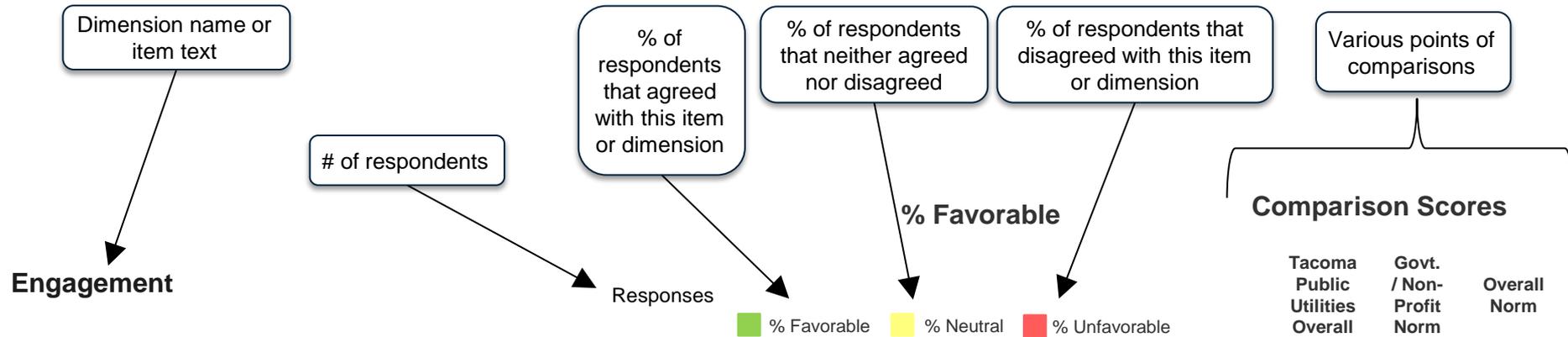
EMPLOYEE SURVEY

2018

PROJECT GOALS



UNDERSTANDING ITEM DETAIL



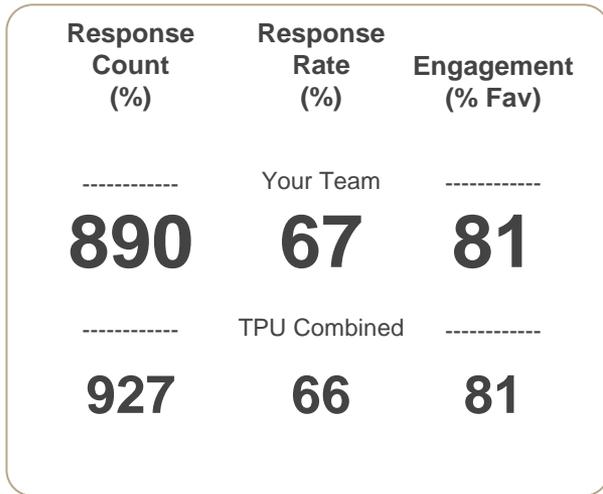
Engagement			% Favorable			% Neutral			% Unfavorable			Comparison Scores		
Dimension name or item text	# of respondents	% of respondents that agreed with this item or dimension	% of respondents that neither agreed nor disagreed	% of respondents that disagreed with this item or dimension	Tacoma Public Utilities Overall	Govt. / Non-Profit Norm	Overall Norm							
Tacoma Public Utilities Overall	19040	78%	14%	8%	+2	-1	-3							
REPORT OWNER	117	86%	9%	5%	0	-3	-5							
Direct Report 1 (if meeting minimum N)	45	81%	12%	7%	-4	-13	-15							
Direct Report 2 (if meeting minimum N)	38	78%	14%	8%	+1	-1	-3							

Additional Information:

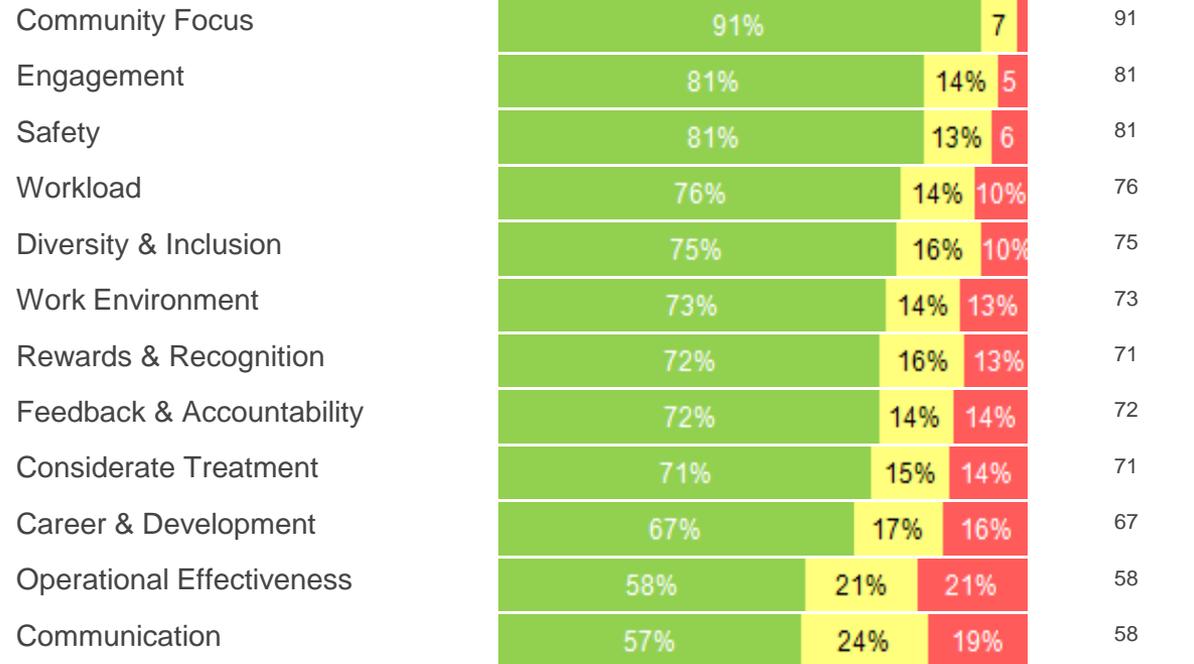
- To protect confidentiality, data is reported for groups of 7 or more employees who responded to the survey. If there are fewer than 7 people who responded to a question, you will see the phrase "Insufficient Number of Responses".
- Govt. / Non-Profit Norm** consists of local and country-wide governmental and non-for-profit organizations, such as City of Rochester, US Patent and Trademark Office, Saline Water Conversion Corporation, and The Nature Conservancy.

SUMMARY OF RESULTS

890 Total Respondents (Response Rate 67%)



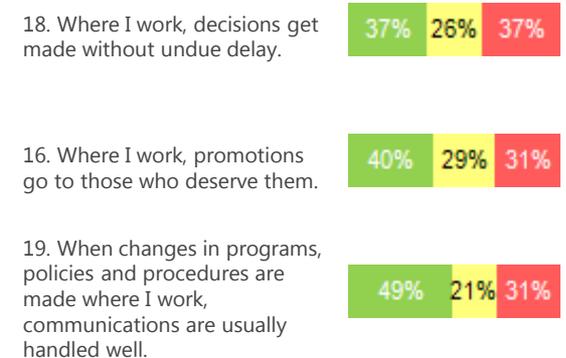
Dimension Level Results



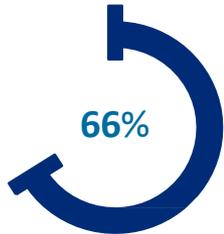
Top 3 Most Favorable



Bottom 3 Least Favorable



EXECUTIVE BRIEFING: TPU OVERALL

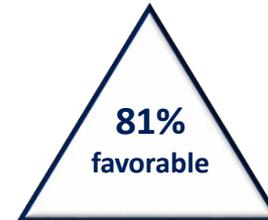


Good participation

- Almost 2/3 completed the survey

Comparison to the Norms

- Overall norm: 13 above; 17 below
- Govt./Non-Profit: 5 above; 10 below



Engagement score is very strong:
4 items are above 75% favorable

Vs. Norms

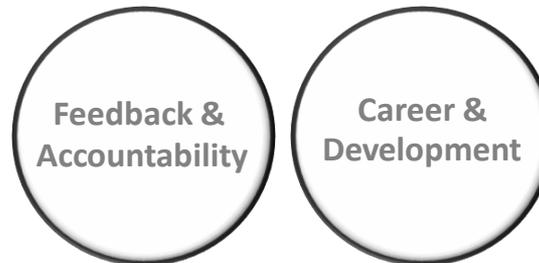
- Overall: 3 above; 1 below
- Govt./Non-Profit: 2 above; 0 below

STRENGTHS to LEVERAGE



- **93%** feel good about the ways TPU contributes to the communities
+13 vs Norm
- ★ **81%** feel that they can maintain a reasonable work-life balance
+10 vs Norm
- ★ **92%** agree that TPU is genuinely interested in the communities they serve
+11 vs Norm
- **75%** experience manageable levels of job stress
+8 vs Norm

AREAS to WATCH



- ★ **88%** understand how their job contributes to achieving TPU goals
0 vs Norm
-3 vs Gov/NP
- **55%** feel people are held accountable
-19 vs Norm
-17 vs Gov/NP
- **81%** say they received training to perform their job effectively
+8 vs Norm
+9 vs Gov/NP
- ★ **61%** feel that their career goals can be met at TPU
-3 vs Norm
-9 vs Gov/NP

OPPORTUNITY AREAS for ACTION



- **37%** agree that decisions get made without undue delay
-27 vs Norm
-19 vs Gov/NP
- **50%** believe the work is well organized
-13 vs Norm
-8 vs Gov/NP
- **49%** agree that communications are handled well when changes in programs, policies, & procedures are made
-14 vs Norm
-7 vs Gov/NP



★ = Key Driver of Engagement for TPU Overall

890 Total Respondents (Response Rate 67%)

Top 5 Items

	Responses		Tacoma Public Utilities	Govt. / Non- Profit Norm	Overall Norm
1. I feel good about the ways Tacoma Public Utilities contributes to the communities we serve.	874		0	---	+13 ↑
2. Tacoma Public Utilities takes a genuine interest in the communities we serve.	879		0	---	+11 ↑
46. The benefits provided by Tacoma Public Utilities meet my needs.	884		0	---	+18 ↑
40. I have received the training I need to perform my job safely.	866		0	---	+4
48. I am proud to work for Tacoma Public Utilities.	882		0	-1	+5 ↑

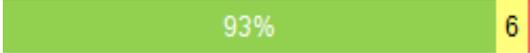
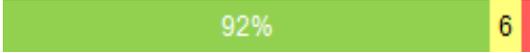
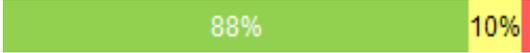
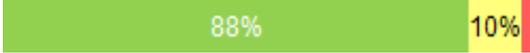
Bottom 5 Items

	Responses		Tacoma Public Utilities	Govt. / Non- Profit Norm	Overall Norm
18. Where I work, decisions get made without undue delay.	881		0	-19 ↓	-27 ↓
16. Where I work, promotions go to those who deserve them.	846		0	---	-10 ↓
19. When changes in programs, policies and procedures are made where I work, communications are usually handled well.	879		0	-7 ↓	-14 ↓
43. I am satisfied with my opportunity for advancement.	874		-1	---	-8 ↓
17. Where I work, the work is well organized (smooth work flow, good methods and procedures, etc.).	884		0	-8 ↓	-13 ↓

Clear Areas of Strengths

890 Total Respondents (Response Rate 67%)

Items below are 75% Favorable or more AND greater than / equal to Tacoma Public Utilities Overall. These items can be considered as clear areas of strength that you can leverage as you focus on your areas of opportunity.

	<u>Responses</u>		<u>Tacoma Public Utilities</u>	<u>Govt. / Non-Profit Norm</u>	<u>Overall Norm</u>
1. I feel good about the ways Tacoma Public Utilities contributes to the communities we serve.	874		0	---	+13 ↑
2. Tacoma Public Utilities takes a genuine interest in the communities we serve.	879		0	---	+11 ↑
46. The benefits provided by Tacoma Public Utilities meet my needs.	884		0	---	+18 ↑
40. I have received the training I need to perform my job safely.	866		0	---	+4
3. Tacoma Public Utilities is an environmentally responsible organization.	874		0	---	+5 ↑
48. I am proud to work for Tacoma Public Utilities.	882		0	-1	+5 ↑
27. My supervisor treats me with respect and dignity.	883		0	-2	-1
20. Safety is a high priority where I work.	861		0	---	0

Clear Areas of Strengths

890 Total Respondents (Response Rate 67%)

Items below are 75% Favorable or more AND greater than / equal to Tacoma Public Utilities Overall. These items can be considered as clear areas of strength that you can leverage as you focus on your areas of opportunity.

	<u>Responses</u>		<u>Tacoma Public Utilities</u>	<u>Govt. / Non-Profit Norm</u>	<u>Overall Norm</u>
52. Overall, I am satisfied with Tacoma Public Utilities as a place to work.	879		0	+5 ↑	+8 ↑
28. My supervisor listens to my concerns and suggestions.	880		+1	---	+2
22. My supervisor holds employees accountable for following safety procedures.	831		0	---	-1
21. Where I work we do not compromise our safety in order to meet other targets (costs, deadlines, etc.).	837		0	---	-1
31. I can maintain a reasonable balance between my personal life and work life.	882		0	---	+10 ↑
41. I have received the training I need to perform my job effectively.	884		0	+9 ↑	+8 ↑
24. My supervisor is competent in the technical aspects of the job.	883		0	---	-3
47. My work gives me a feeling of personal accomplishment.	882		+1	-1	+2

Clear Areas of Strengths

890 Total Respondents (Response Rate 67%)

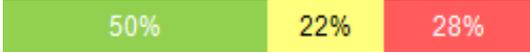
Items below are 75% Favorable or more AND greater than / equal to Tacoma Public Utilities Overall. These items can be considered as clear areas of strength that you can leverage as you focus on your areas of opportunity.

	Responses		Tacoma Public Utilities	Govt. / Non-Profit Norm	Overall Norm
37. I have the right tools, equipment, parts, and supplies needed to do my job.	882		0	+3	+5 ↑
4. Tacoma Public Utilities has an environment where people of diverse backgrounds can succeed.	864		0	+6 ↑	-2
26. My supervisor recognizes me when I do a good job.	884		+1	-3	0
39. I am satisfied with my physical working environment (facilities, workspace, parking, safety, lighting, air quality, temperature, etc).	884		0	---	+4
42. I have the opportunity to continually learn and grow.	887		0	+3	+9 ↑
29. My supervisor values diverse ideas and perspectives.	873		0	---	-6 ↓
23. My supervisor works to remove obstacles that impede our work processes.	878		+1	---	0
30. My supervisor is competent in dealing with people.	881		0	---	-3

Areas for Improvement

890 Total Respondents (Response Rate 67%)

Items below are 55% Favorable or less AND lower than Tacoma Public Utilities Overall. These items can be considered as areas of opportunity for you to take action.

	<u>Responses</u>		<u>Tacoma Public Utilities</u>	<u>Govt. / Non-Profit Norm</u>	<u>Overall Norm</u>
10. Senior Leaders give employees a clear picture of the direction your department is headed.	877		-1	---	---
43. I am satisfied with my opportunity for advancement.	874		-1	---	-8 ↓
13. I believe the results of this survey will be used constructively.	839		-1	-16 ↓	-18 ↓
9. Executive Leadership Team's actions are consistent with what they say (they "walk the talk").	844		-1	-15 ↓	-16 ↓

KEY DRIVERS OF ENGAGEMENT

For Key Drivers of Engagement

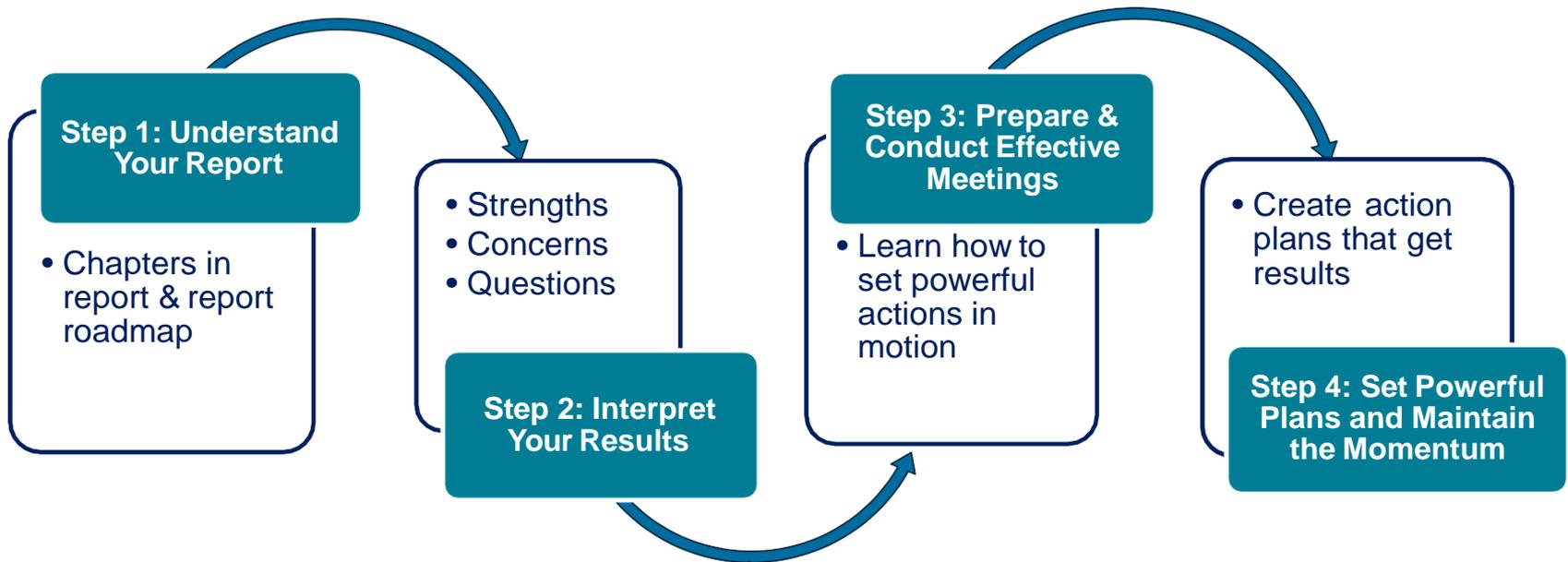
890 Total Respondents (Response Rate 67%)

	<u>Responses</u>		<u>Tacoma Public Utilities</u>	<u>Govt./ Non-Profit Norm</u>	<u>Overall Norm</u>
44. I feel that my career goals can be met at Tacoma Public Utilities.	870		0	-9 ↓	-3
34. I clearly understand how my own job contributes to achieving the goals of Tacoma Public Utilities.	885		-1	-4	-1
2. Tacoma Public Utilities takes a genuine interest in the communities we serve.	879		0	---	+11 ↑
46. The benefits provided by Tacoma Public Utilities meet my needs.	884		0	---	+18 ↑
31. I can maintain a reasonable balance between my personal life and work life.	882		0	---	+10 ↑

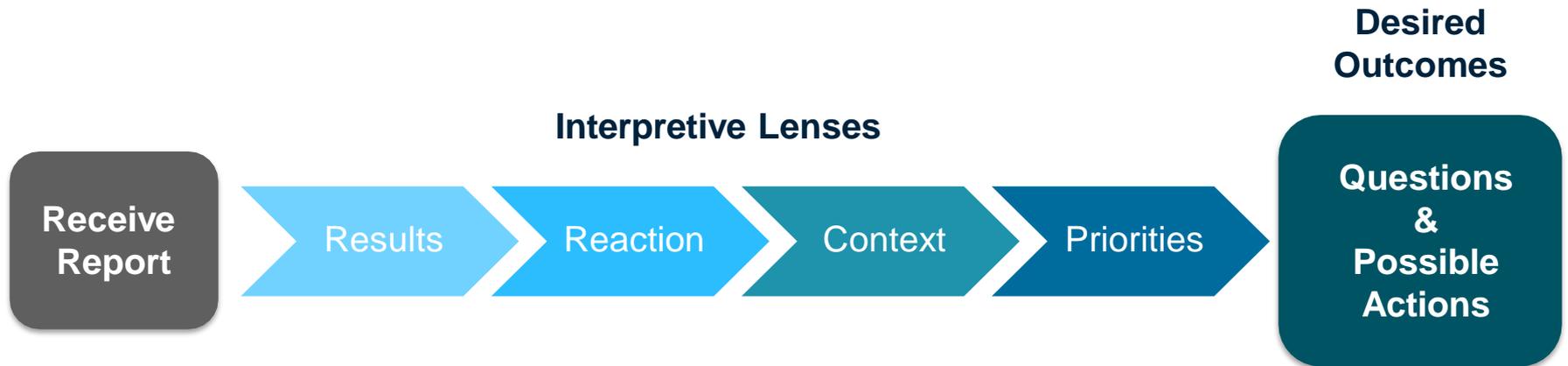
Number of Comments by Category



ACTION ROADMAP



INTERPRETING THE RESULTS



CONSIDER THE CONTEXT

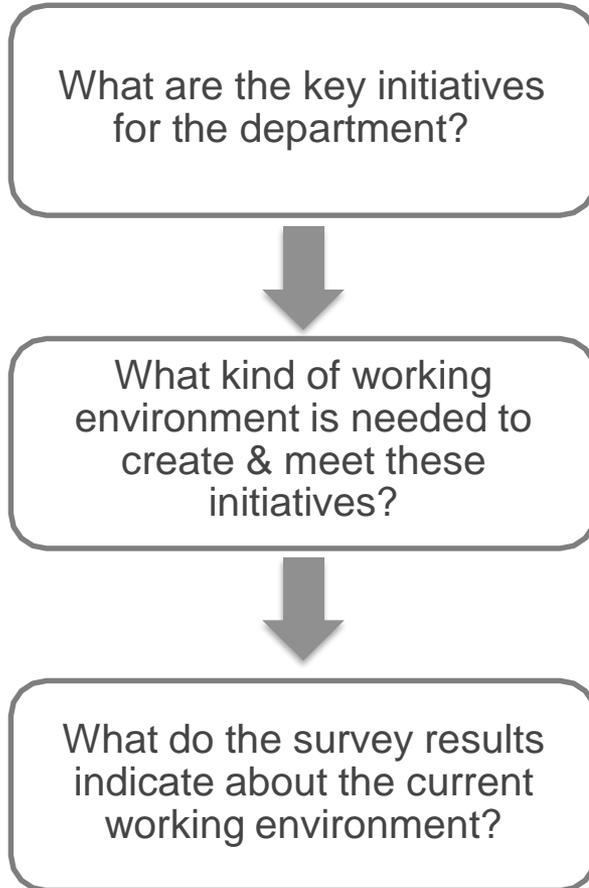


What is going on in...

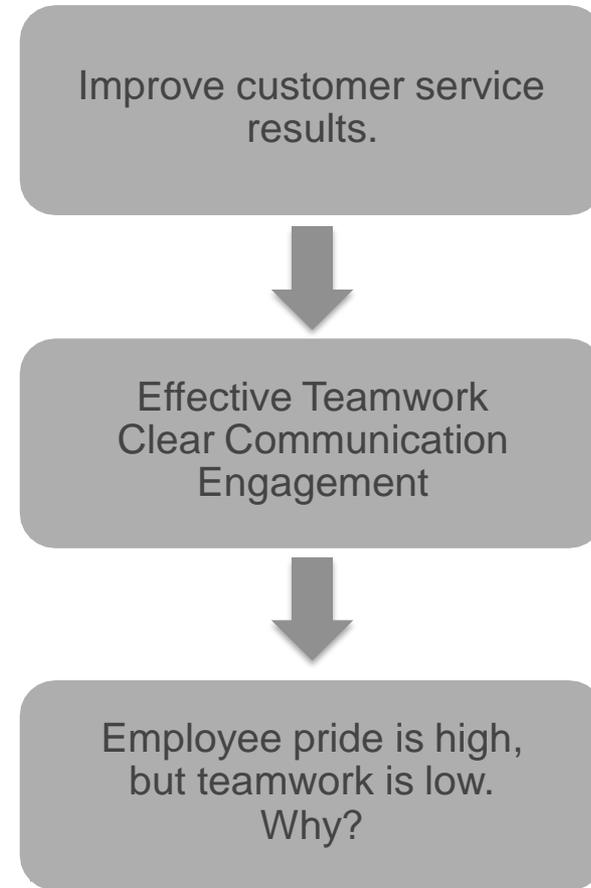


All these factors can impact the results

FOCUS ON THE BUSINESS PRIORITIES



Example



DEVELOP “SMART” ACTION PLANS

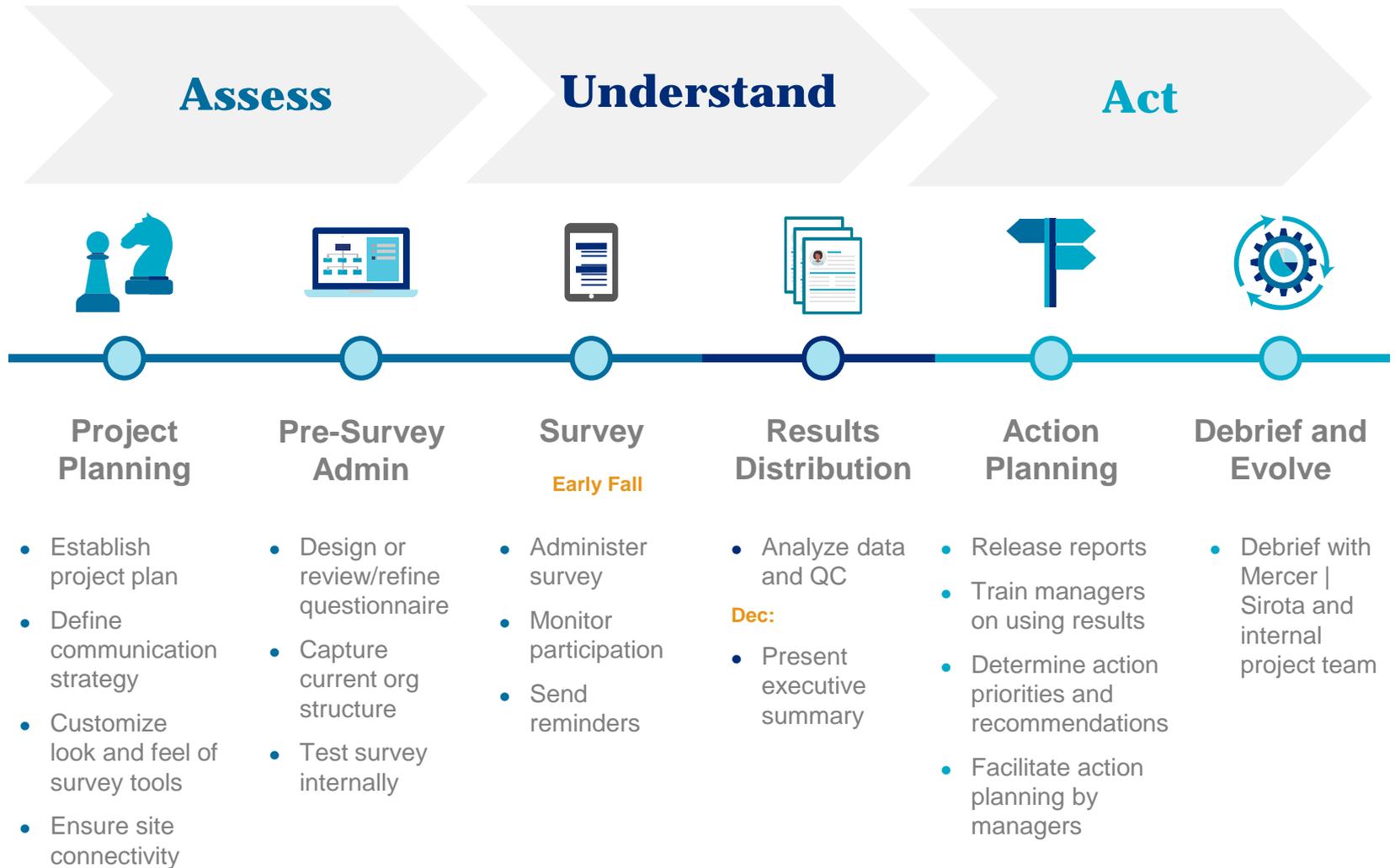
Action Plan SMARTS:

- **Specific steps:** create detailed descriptions for each step of the plan
- **Measure and follow-up:** track the workgroup's progress, send reminders, update statuses, and periodically evaluate the plan
- **Actionable items:** ensure all action item owners have control/influence over the selected items
- **Realistic goals:** unreachable goals can be de-motivating
- **Time bound:** indicate completion dates for each step
- **Situational factors:** take into consideration the current situation and the broader context for the line of business

Build on employee input and use the own knowledge and perspective as a Supervisor

Say **who** will do **what** by **when**, and plan to follow up

THE PROJECT LIFE-CYCLE





Advanced Metering Infrastructure (AMI) Program Update

'The Digital Foundation to Enhance the Customer Experience'

Public Utility Board
Study Session
January 9, 2019



●●● Safety moment



Agenda

1. Introduction (5 minutes)
2. TPU Digital Engagement Strategy (10 minutes)
3. AMI Refresher (10 minutes)
4. AMI Program Update (10 minutes)
5. AMI Business Case Calibration (20 minutes)
6. Vendor Contract Proposals (20 minutes)
7. Customer Communications & Outreach Strategies (5 minutes)
8. Wrap Up (10 minutes)



Industry view – call to action

Sue Kelly, President of the American Public Power Association

"We can no longer stay in our comfort zone on our side of the meter – providing basic electric service and sending bills. We must diversify the menu, develop new rate designs to handle increased demands on our distribution grids, adapt to changing customer preferences, and prove we can be our customers' trusted energy advisors."

Digital transformation

Digital transformation is the application of modern technology to processes, products, and assets to improve efficiency, enhance customer value, manage risk, and uncover new revenue opportunities.

Digital Natives



DIGITIZATION

Digital Adapters



Digital Deniers



Our business drivers



Ever-increasing customer expectations



Advanced metering infrastructure



An evolving workforce

●●● Digital vision for customers

Value my time



Value my money



Value me



TPU Customers

Value my preferences



●●● Digital vision for employees

Collaboration



Communications



Culture



TPU Employees

Safety



●●● A single TPU brand experience



TPU Customers



Social



Mobile/SMS



Email



IVR



Click to Chat



Web

Deliver a consistent TPU customer experience that accounts for our overlapping customer base, service offerings, and choice of channels our customers prefer to use.

Improving the customer



experience thru digital service offerings

Today as a TPU customer...

I am only able to use a few channels to interact with TPU

Omni-channel personalization

Tomorrow, enabled by digital utility offerings...

I can interact with TPU via my preferred channel and learn about utility services that I find valuable

I have a hard time finding and accessing the resources I need to address my issues

Customer empowerment

I can easily locate the answers to my questions and resolve issues myself

I have to contact TPU every time I have a problem or issue

Proactive communications

TPU will proactively inform me of an issue or outage on my preferred communications channel

I get different information from different sources from TPU depending on which channel I use

Consistency & simplification

I get the same information no matter how I contact TPU and know what to expect at every interaction

10

Digital Business Transformation Initiatives

Equitable Access for All Customers

mytpu.org redesign

Enhanced customer portal

Customer analytics use cases

Enhanced customer outage notifications

Digital signage at TPU campus



Tacoma Economic & Workforce Development

Workforce Connect

Workforce analytics use cases

CRM for commercial/industrial customers

Office 365 & Microsoft Teams

Smart City use cases



Protect & Steward the Environment

ESRI GIS modernization

Natural resources analytics

Asset management analytics use cases

Enhanced load forecasting

Enhanced customer load profiling



Resilience & Reliability

Advanced metering infrastructure

Security & network operations center

Cybersecurity program refinements

Energy Imbalance Market

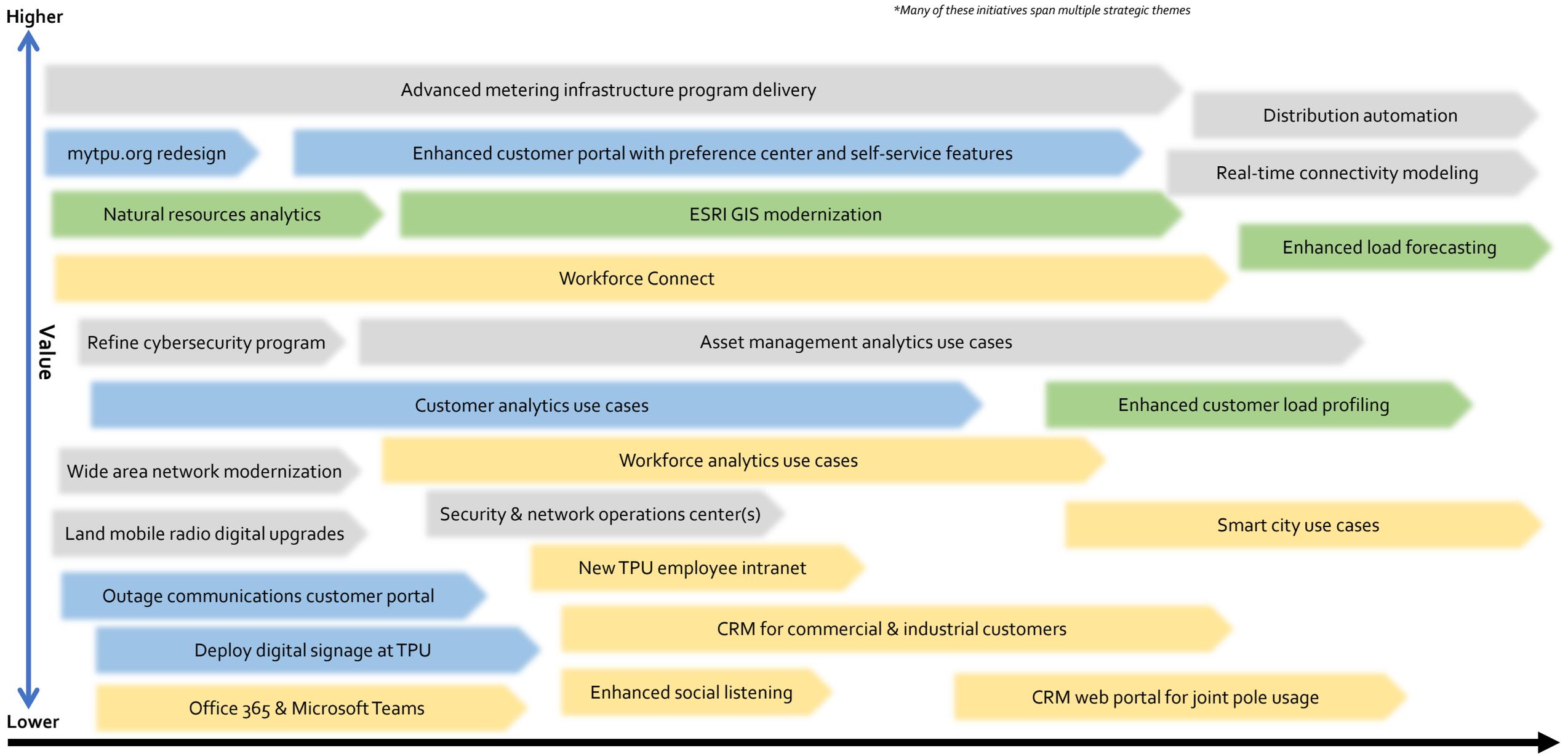
Distribution automation



TPU Digital Business Roadmap

Key Equity Economic & Workforce Environment Resilience

**Many of these initiatives span multiple strategic themes*



2019 – 2020 Biennium

2021 – 2022 Biennium

2023 and beyond...

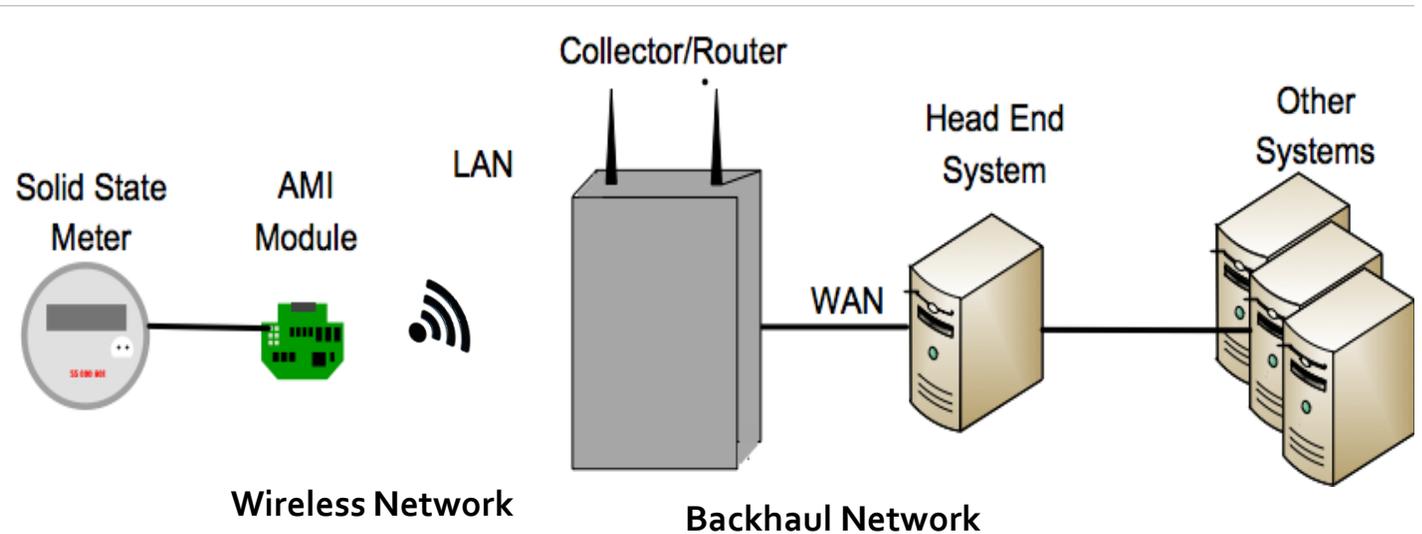


AMI Review



Advanced metering infrastructure

- Composite technology of meters, communications networks, and software systems that automated the collection of meter data and provides a two-way connection between customers and the utility
- Considered a mature technology based on industry standards
- Deployment costs have come down with improved security & reliability
- Over 70% of US electric meters have been upgraded to advanced meters and continues to grow
- A recent water utility survey has revealed that three quarters of US providers are planning to make AMI-based smart water investments in the next 24 months.



AMI Overview – selected vendors



Power &
Water Meters



AMI Base Station(s)



AMI headend system

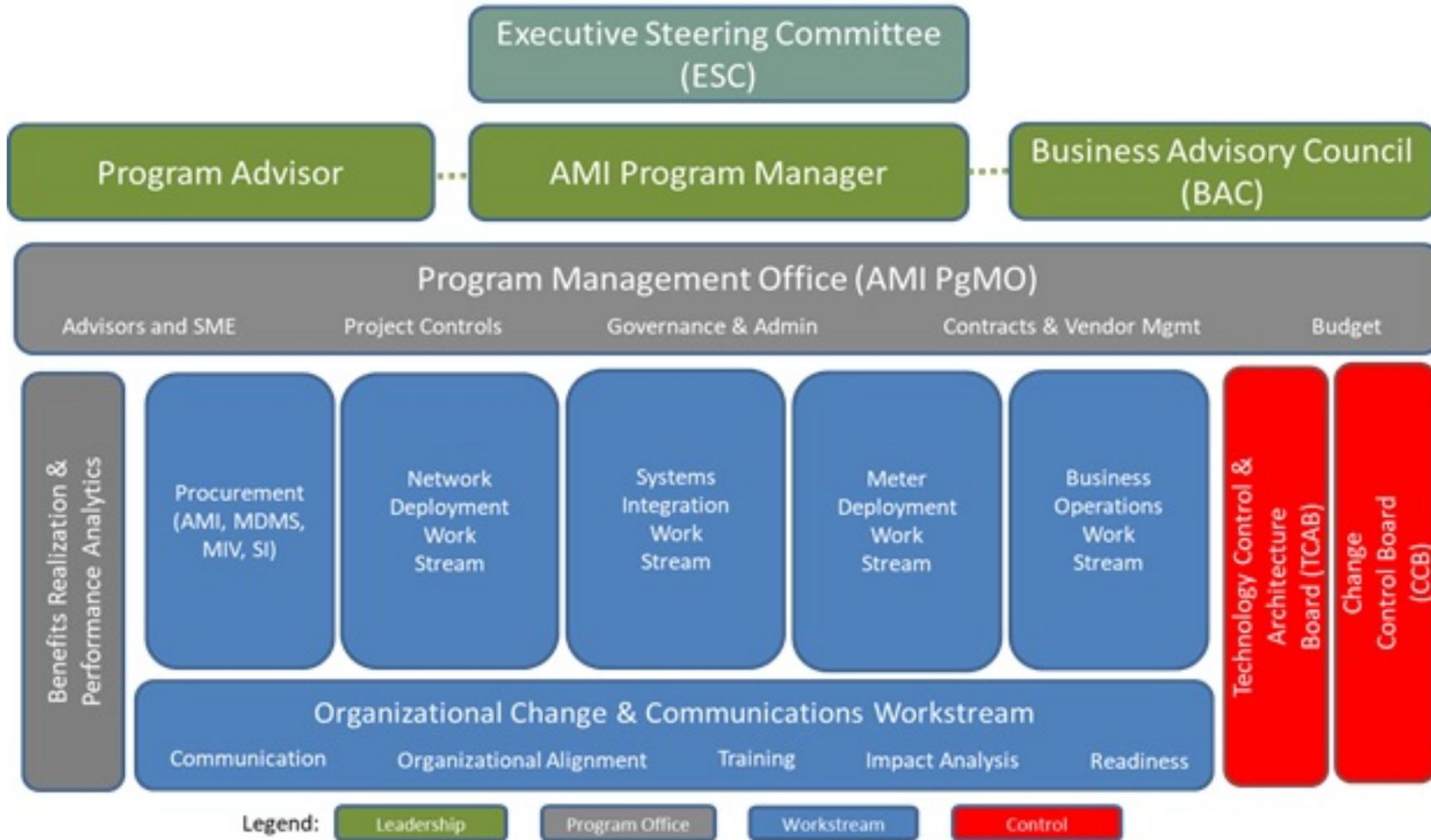


Meter Data Mgmt. System

●●● Status of AMI in the PNW

	Seattle City Light	Snohomish PUD	Puget Sound Energy	Clark Public Utilities
AMI/Metering Capabilities	RF mesh AMI from Landis+Gyr in deployment	AMI Business Case Approved	Next Generation AMI Deployment underway. RF mesh AMI from Landis+Gyr	AMR Completely installed. Drive by AMR from Itron
	Portland General Electric	SMUD	Peninsula Light	Avista
AMI/Metering Capabilities	AMI Completed in 2010 RF star AMI from Sensus	AMI Completed in 2013 RF mesh AMI from Silver Spring Networks	AMR Completely installed. Power line carrier AMR from Aclara	RF mesh AMI from Itron
	Lakewood Water District	Woodinville Water District	Glendale Water & Power	City of Anaheim Water & Power
AMI/Metering Capabilities	AMI Completed in 2015 RF Star AMI from Sensus.	AMI Completed in 2014. RF star AMI from Sensus.	AMI Completed in 2010. RF mesh AMI from Itron.	AMI Completed in 2010. RF mesh AMI from L+G.

AMI governance structure



2018 Accomplishments

Tier 1 and Tier 2 Business Processes

- 20 sessions January through February
- 18 three hour sessions from September through November

Three vendor selections

- Completed the AMI, MDM, and SI vendor selection processes
- Requirements and RFP development
- RFP review: proposal sessions, shortlist presentations, interviews, and scoring

Business Case Refresh

- Develop business case narrative expressing the purpose, cost and benefits of AMI
- Reassessed and confirmed assumptions, costs, benefits, and calculations

Organization Change Mgmt. Plan

- Completed an organizational AMI alignment survey
- Drafted a stakeholder engagement and communications plan
- Developed internal and external messaging for talking points, web content, and responses to customers and community groups

Program schedule

2017 – 2018: Planning, Procurement, & Architecture

Q2 2017 Program Charter & Governance Plan	Q3 2017– Q4 2017 Technical &, Business Process Architecture, Change Management Plan	Q1 2018 – Q3 2018 Define requirements and RFPs for AMI, MDMS, and Meter Installation Vendor
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2019-2020 : Systems Integration & AMI Network Deployment

Q1 2019– Q4 2019 MDMS Implementation & Systems Readiness	Q4 2018 - Q2 2020 AMI Network Deployment
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2020 – 2021: Mass Meter Deployment

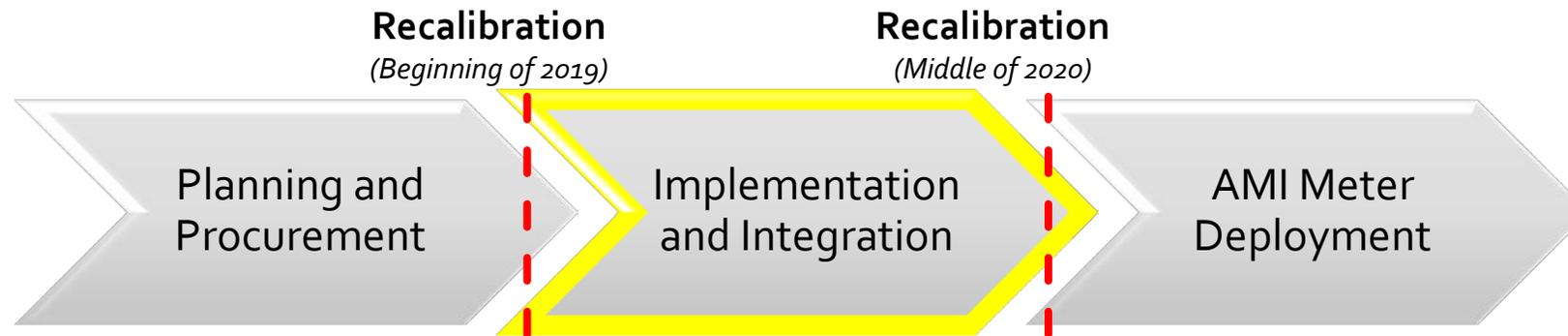
Q2 2020 Complete AMI Network Deployment	Q2 – Q4 2020 Begin Meter Deployment (AMI Release 1)	Q1 – Q4 2021 Complete Meter Deployment (AMI Release 2)
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Business Case Calibration



AMI business case calibration



- *As AMI transitions from procurement to implementation TPU must recalibrate the AMI business case to accurately reflect known program costs and realized benefits.*
- *The next comprehensive AMI Business Case calibration will occur in the mid-2020 timeframe as the program transitions from implementation to deployment.*

Business case assumptions

Updated program costs

- AMI meters and network
- Meter data mgmt. system
- System integration
- Program support

Refined benefits analysis

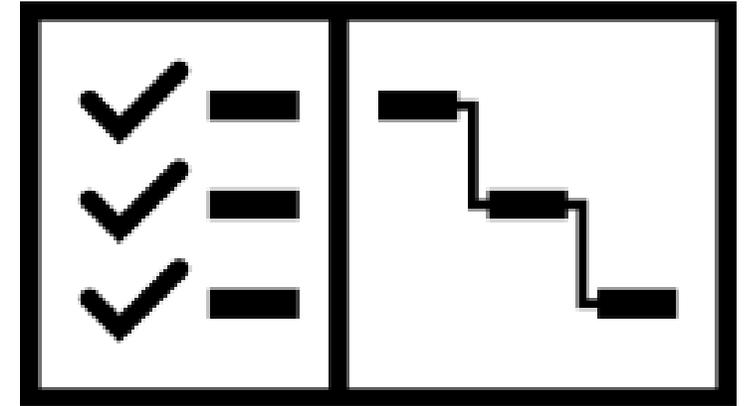
- Inclusion of monthly billing
- Inclusion of carbon reduction

Updated asset replacement methodology

- Revised water meter replacement strategy based on updated meter replacement vs. retrofit costs.
- Updated installation costs associated based on recent field survey analysis.

●●● AMI business case scope

- ✓ Installation of approximately 180,000 electric meters and 110,000 water meters
- ✓ Installation of the AMI network
- ✓ Implementation of a meter data management system
- ✓ AMI to SAP integration
- ✓ Transition to monthly billing
- ✓ Deployment of a customer usage portal
- ✓ All applications and functionality associated with Phase 1 and 2 of the AMI roadmap



••• New AMI customer benefits

Value my time

- Improved outage and system restoration times
- Advanced water leak detection capabilities
- Remote turn-on/turn-off
- Advanced self-service capabilities

Value my money

- Automated billing
- Monthly billing
- Prepayment options
- Selectable bill date
- Detailed usage information



TPU Customers

Value me

- Lower cost of service model
- Reduction of manual processes
- Paperless billing capabilities
- Demand response capabilities

Value my preferences

- Near Real-time usage information
- Alerts and notifications
- Billing and payment notifications
- Conservation options
- Multi-channel capabilities

AMI Customer Benefits Roadmap

Updated January 3, 2019

Customer Benefits Key

Reliability & Resiliency

Billing & Payment

Convenience

Phase 1: Delivered Functionality

To be completed by end of 2021

1. Basic meter to bill
2. Basic meter data reporting
3. Monthly billing
4. Customer meter options policy
5. Support for existing manual prepay process

1. Enhanced customer portal
2. Consumption data available via new portal

1. Remote meter reading
2. Remote disconnect/reconnect
3. Automated service order creation

Phase 2: Delivered Functionality

To be rolled out between 2021 and 2023

1. Enhanced prepay functionality (via customer portal)

1. Enhanced outage notifications
2. Abnormal consumption notifications
3. Emergency water leak notifications

1. Asset analytics use cases
2. Engineering analysis & systems planning use cases
3. Enhanced voltage monitoring
4. Revenue protection

Enabled Functionality

*Features enabled by AMI not in program scope
To be prioritized after 2023*

1. New real-time rate models
2. Support for multi-service prepay (water, sewer, trash)
3. Choose your own bill date

1. Enhanced SAP contact center tools via CIC upgrade
2. Enhanced demand & load forecasting
3. Enhanced grid & outage mgmt. operations
4. Distribution automation
5. Smart City integration

2020

2021

2022

2023

2024 and beyond...

Measurable AMI benefits

- For Tacoma Water & Tacoma Power
- Benefits are based on industry benchmarks
- Labor-meter reading benefit assumes the transition to monthly billing

Benefit	Amount
Labor-Meter Reading	\$56.72M
Labor-Call Center	\$5.04M
Meter Replacement	\$8.42M
Asset Management	\$4.82M
Carbon Reduction	\$2.69M
Reduced Write-offs	\$2.51M
Reduced Energy Losses	\$2.46M
Avoided Truck Rolls	\$2.55M
Leak Forgiveness	\$0.10M
Reduced Outage Duration-SAIDI	\$0.01M
Total NPV of Quantifiable Benefits	<u>\$85.61M</u>

This is a conservative benefit analysis that does not incorporate significant customer "soft" benefits associated usage information, self-service applications and system and account notifications

Program deployment cost

- AMI Costs are based on the following:
 - Contracted vendor pricing
 - Transition to monthly billing
 - Updated asset replacement strategy
- Costs include additional TPU staffing and contractors

Program Element	Cost
Electric Meter Deployment	\$30.7M
Water Meter Deployment	\$11.8M
AMI Communications Network Deployment	\$1.7M
Systems Integration and Meter Data Management Implementation	\$7.7M
Planning, Procurement, and Program Management Support	\$7.1M
Subtotal	<u>\$70.0M</u>
Contingency	\$10.7M
Total Deployment Cost with Contingency	<u>\$80.7M</u>

	2017-18	2019-20	2021-22
Biennium Costs	\$1.54M	\$21.9M	\$46.6M

Note: Biennium costs exclude contingency

Financial summary

- AMI Return on Investment:
 - W/ Contingency = \$(649,967)
 - W/o Contingency = \$10,080,705

- AMI Costs are based on the following:
 - Contracted vendor pricing
 - Transition to monthly billing
 - Updated asset replacement strategy

- Costs include additional TPU staffing and contractors

Description	Amount
Capital Expenses (NPV)	\$61.4M
O&M Expenses (NPV)	\$14.2M
Electric Benefits	\$58.7M
Water Benefits	\$23.9M
Carbon Reduction Benefits	\$3.0M
NPV w/o Contingency	<u>\$10.1M</u>
Contingency	\$10.7M
NPV w/ Contingency	<u>\$-0.65M</u>



Solution Providers



Selected AMI vendors & contracts

- Sensus (*AMI meter and network provider*)
 - Hardware Statement of Work
- Omnetric (*Meter Data Management System*)
 - Implementation Statement of Work
- Utegration (*System Integrator*)
 - Implementation Statement of work
- Z2 Solutions (*Program Advisor*)
 - Contract Amendment

Vendor components

Advanced Meter Infrastructure (AMI)

- AMI power and water meter supplier
- Meter communication network infrastructure
- Head-end System (HES) system to manage the RF network and collect data from the meters

Meter Data Management System (MDMS)

- System of record for all meter data
- Collects and converts raw meter data into meaningful information of other systems
- Collects, processes, sends billing determinants
- Synchronizes with CIS (Customer Information System) and maintains synchronization of AMI
- Collects and analyzes meter events and alarms

System Integrator (SI)

- Configure and build the system integrations between the AMI HES, MDMS and SAP
- Orchestrates Blue Print workshops to capture SAP business and configuration workshops
- Coordinates and manages integration testing and user acceptance testing
- Coordinate go live and post go live support

Meter Installation Vendor (MIV) - TBD

- Manages the warehousing and installation of the AMI meters
- Delivers installation data to TPU's systems
- Provides customer service for installation appointments and claims

Vendor selection approach

- Engaged consultant to facilitate our vendor selection process
- The selection panels were comprised of key SME's across TPU and City IT
- Vendors were equally evaluated via competitive RFP process

Selection process



AMI meter & network vendor



Power & Water Meters



AMI Base Station(s)



AMI head-end system

- Power & Water Meter Supplier
- Meter Communication Network Infrastructure
- Head-end System (HES) data collector
- Sandbox Deployment



Customer Information System



A Siemens Company

Meter Data Mgmt. System

●●● Sensus

- ✓ Best water meter support
- ✓ Best network and communications
- ✓ Solid electric support
- ✓ Strong network coverage
- ✓ Robust distribution automation capability
- ✓ Strong project team/methodology
- ✓ Lowest price

The Sensus logo, consisting of the word 'SENSUS' in a bold, blue, sans-serif font, with a small green icon of three horizontal bars above the 'S'.



Sensus contract

Contract Component	Description	Price	Target PUB Meeting
Master Service Agreement (MSA)	General Terms and Conditions	NA	NA
Sandbox Statement of Work	Implementation of a test/non production environment	\$185,000	TBD
Hardware Statement of Work	Meter and network infrastructure	\$33,000,000	1/23
Implementation Statement of Work	Professional services for implementing the AMI system	\$642,500	1/23
Software as a Service (Saas) Statement of Work	Network and system management	\$1,326,000	1/23
Spectrum SOW	Network licensing agreement	NA	NA
Total Contract Value		\$35,153,500	

Meter Data Management System



Power &
Water Meters



AMI Base Station(s)



AMI head-end system



Customer Information System



Meter Data
Management System

- *System of record for meter data*
- *Collects and converts raw meter data into meaningful information of other systems*
- *Collects, processes, sends billing determinants*
- *Collects and analyzes meter events and alarms.*
- *Synchronizes with SAP and maintains synchronization of AMI*

Omnetric

- ✓ Solid methodology
- ✓ Robust security and support
- ✓ Best-in-class system architecture
- ✓ Best functionality
- ✓ Experienced project team
- ✓ Excellent references
- ✓ Lowest price

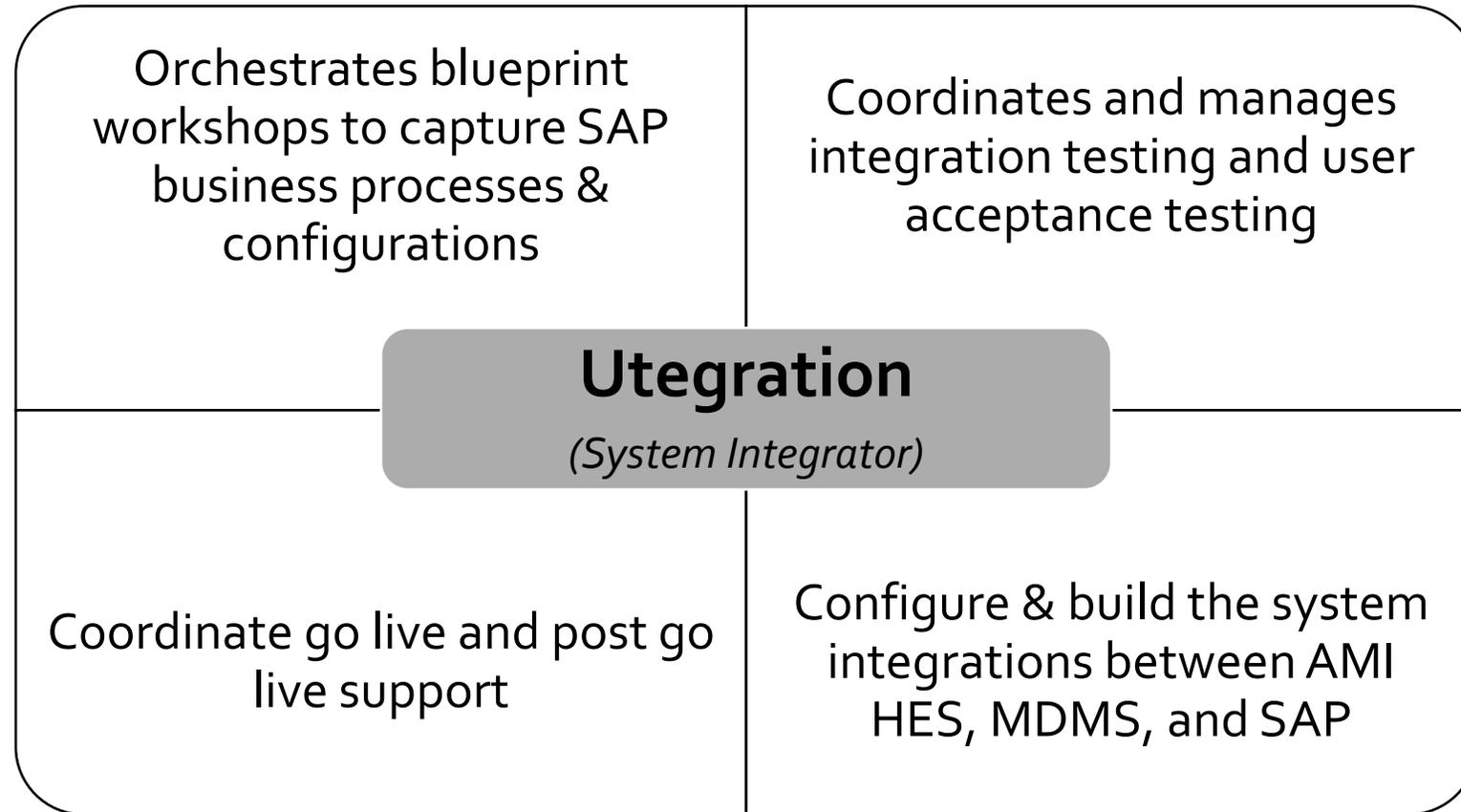
OMNETRIC
A Siemens Company



Omnetric contract

Contract Component	Description	Price	Target PUB Meeting
Professional Service Agreement	General Terms and Conditions	NA	NA
Sandbox Statement of Work	Implementation of test/non-production environment	\$90,482	1/23
Implementation Statement of Work	Implementation and integration of the MDMS	\$1,168,452	1/23
Software License	MDMS Licenses	\$50,000	TBD
Total Contract Value		\$1,308,934	

Systems Integrator



Integration

- ✓ Strongest team
- ✓ Excellent reference checks
- ✓ Proven project methodology
- ✓ Significant municipal and combination utility experience
- ✓ Best minimum requirements score
- ✓ Good overall compliance requirements
- ✓ Strong SAP knowledge
- ✓ Local presence



Integration contract

Contract Component	Description	Price	Target PUB Meeting
Master Service Agreement	General Terms and Conditions	NA	NA
Implementation Statement of Work	Integration services	\$3,885,804	1/23
Total Contract Value		\$3,885,804	

Z2 Solutions & sub Excergy contract amendment



Scope of additional services:

- Meter and network deployment management support
- Stakeholder engagement and OCM services
- Systems integration advising services
- Program management support

Contract amendment request: \$800,000

AMI contract proposal summary

Sensus (AMI Vendor)

- Hardware Statement of Work: \$33,000,000

Omnetric (MDMS Vendor)

- Implementation Statement of Work: \$1,308,934

Utegration (System Integrator)

- Implementation Statement of Work: \$3,885,804

Z2 Solutions (Program Advisor)

- Contract Amendment: \$800,000

Updated resolution – special project of limited duration



- Transition from procurement to implementation phase
- Staffing needs for temporary and special project positions
- Tonight's session for approval



Customer Communications & Outreach Planning



Communications & outreach strategies



- Provide ongoing messaging updates to leadership, employees and customer-facing materials
- Highlight customer benefits and value
- Coordinate messaging timelines with project phases
- Use all available marketing channels as well as community and stakeholder relationships for outreach, similar to our rates process

Communications & outreach timeline



- 2018
 - Developed message map and confirmed customer benefits
 - Updated web content and FAQs
 - Provided talking points to leadership and outreach staff
 - Responded to customer and community group questions
- 2019/2020
 - Q1: Finalize 2019-2020 biennium Communications & Outreach Plan
 - Q2: Early communications of project timelines
 - Q3: Deployment communications to test group
 - Q4-Q1: Deployment communications to larger community

Summary

- How AMI provides the digital foundation to enhance the customer experience
- Refresher on AMI technology
- Reviewed calibrated business case
- Provided an overview of selected solution providers
- Preparation for contract approvals during upcoming PUB meetings

Questions

