

Motion

I hereby move that the following motion be approved:

21-01: That the 2021 Work Plan for the Director of Utilities, as submitted and filed with the Clerk of the Board for the Public Utility Board meeting of January 27, 2021, be accepted and approved.

Strategic Directive	Purpose Statement	Measurement	Work plan	Priority*	Status Update
SD-1 Equity and Inclusion	TPU is committed to achieving equity and inclusion in its workforce, serve territory, policy decision making, and community/stakeholder engagement.	1) Track ethnic, racial, and gender makeup of potential and actual employees for recruitment, workforce, and retention relative to the population in its service territory. 2) Track the number of projects, actions, and initiatives including an equity lens in its analysis, planning, and implementation. 3) Track the diversity of outreach efforts including diversity of participation or audiences reached.	<p>Establish and maintain an organization culture that embraces diversity, equity, and inclusion through training and employee engagement.</p> <p>With HR, champion development of dashboard to monitoring progress of measurement #1.</p> <p>Drive organizational implementation of the TPU Racial Equity Action Plan including establishing divisional subcommittees.</p> <p>Continue to enhance and formalize TPU's anti-racist and equitable hiring, retention, and promotion practices. (TPU Racial Equity Action Plan)</p> <p>Lead organization through change process necessary based on Workforce Equity Study recommendations.</p>	1	
SD-2 Financial Sustainability	TPU will secure its commitment to provide safe and reliable power, water, and rail services over the long term by maintaining sustainable budget, financial, and asset management practices.	1) Budget performance and forecasts. 2) Debt service coverage ratio. 3) Days cash on hand	Review financial sustainability strategic directive and policies associated with the long range financial planning process with City Council members to seek alignment.	2	
SD-3 Rates	TPU rates for power, water, and rail services play an important role in securing a strong economy, establishing equity among customers, and producing revenue sufficient to provide safe, reliable, and environmentally-sensitive utilities services. TPU strives to ensure rates will be adequate, fair, just, and reasonable.	1) Rate impact benchmarks. 2) Coordinated customer/community outreach plans/schedules	<p>Review rate making principles with City Council members to seek alignment.</p> <p>Encourage pursuit of strategic initiatives to alleviate upward pressure on rates such as innovative wholesale power products and wholesale water sales opportunities.</p> <p>Continue development of benchmark indices including impacts on income constrained customers, affordability, and economic competitiveness to other cities.</p>	2	
SD-4 Stakeholder Engagement	TPU is committed to proactive engagement and open dialogue with customers and other stakeholders to understand their needs and improve service that informs decision-making while enhancing community understanding of TPU's operations, programs, and services.	1) Track community engagement activities, including organization(s) involved and messages received and delivered. 2) Engage customers and stakeholders and provide the Board, TPU executives, and staff with valid quantitative analysis of customer and stakeholder perceptions of TPU and their understanding of operations and programs. 3) Regularly engage with local policymakers to understand their evaluation of outreach activities and receive feedback.	Initiate the development of a language access policy in collaboration with the TPU Public Affairs and Communications, general government Media and Communications Office, Office of Equity and Human Rights, and the Commission on Immigrant and Refugee Affairs, and other appropriate groups. (TPU Racial Equity Action Plan)	2	

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SD-5 Environmental Leadership	TPU is committed to being stewards of the region's bountiful natural resources, and a leader in the preservation, protection, and restoration of those resources while maintaining our excellent delivery of services. It is clear that in order to ensure we fulfill our operational duties into the future we must balance our resource usage with the health of our environment.	1) Track progress on related Tacoma Environmental Action plan and participate in City's Greenhouse Gas Inventory. 2) Adherence to Watershed Mgt Plan; 3) Adherence to Electric Transportation Plan. 4) Adherence to environmental measures within FERC licenses; 5) Environmental leadership will be reflected in legislative priorities. 6) Track community outreach and communication activities related to environmental leadership. 7) Customer survey results regarding environmental leadership.	Drive organizational engagement in development of the City's Climate Justice Action Plan.	3	
SD-6 Innovation	TPU faces complex challenges including aging infrastructure, shifting workforce dynamics, uncertain sources of supply, changing regulatory requirements, dynamically changing markets and rising customer expectations. TPU is committed to fostering a culture of innovation to meet these challenges today and into the future. Innovation refers to fresh thinking that creates value for customers, including: a. Improved processes, policies and ways of doing business; b. New or enhanced products and services; and c. New technologies and infrastructure An innovative culture will enable an environment of creativity, experimentation and incubation to achieve new approaches to serve our customers, manage assets, finance investments and realize superior utility performance with the added benefit of enhancing sustainability.	1) Assess TPU innovation culture and identify barriers to innovation. 2) Report to Board on organizational work groups who are focused on innovation, research and development, modernization projects, etc. 3) Ability to meet current and future challenges with innovative solutions and internal resources. 4) Individual work groups tack and report progress. 5) Agree on simple metrics that can be tracked and reported. The metrics should map directly to an established value profile.	Foster a spirit of innovation that values our customer preferences, enhances operational excellence, and optimizes value of modernization investments. Develop an innovation framework and initial set of metrics that help deliver high-value outcomes of TPU work groups focused on innovation.	3	

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SD-7 Reliability and Resiliency	Tacoma Public Utilities will reliably deliver to its customers the power, water and rail services they need and will rebound quickly from all interruptions in such service delivery.	1) On an average basis, TPU expects power outages among all residential customers within its service area, on average, one outage per year and those outages will not exceed 75 minutes in duration. TPU will calculate the outage frequency and duration measures using industry-standard methods. 2) Tacoma Water will maintain sufficient source supply to avoid residential customer curtailment 99 percent of the time on average. 3) Tacoma Water will maintain compliance with state and federal drinking water regulations 100 percent of the time. 4) Tacoma Rail expects to deliver intermodal trains at least 95% on-time and will deliver commercial carloads at least 85% on-time. 5) TPU will chart the time taken to activate emergency plans against the complexity of the incident or disaster. 6) Customer satisfaction regarding restoration of utility services after disruption is one measure of effectiveness of emergency planning. 7) Significant emergency preparedness plans (such as the Continuity of Operations Plan), policies and procedures should be reviewed annually and updated as needed to reflect changes in planning goals, available resources and changing threat assessments.	Continue enhancing comprehensive Continuity of Operations Plan (COOP), complete baseline COOP and develop essential function and communication plans. Complete hazard specific annex for each operating division with special focus on earthquake preparation for Cascadia 2022 and wildfire.	1	
SD-8 Telecom	Tacoma Public Utilities (TPU) owns a hybrid fiber coaxial (HFC) network, portions of which it uses for its own operational needs and leases out the excess capacity to generate incremental economic value for the electric utility. The Telecom Strategic Directive directs the full utilization of the capability and capacity of the HFC network to ensure maximize return on investment, continued public ownership of the HFC network, and value creation for the public and communities served. TPU is changing the scope of the past Click! public – private partnership, so the private partner can provide the retail video services in a quickly evolving technology and business environment. The industry standard for this model consists of the network owner, Tacoma Power, granting an Indefeasible Right to Use the network’s capacity that is not required for power system needs. Tacoma Power will retain network maintenance responsibilities locating, splicing, repair and relocation on the portion of the network that includes power system functions.	1) Establish Rainier Connect North, LLC as the lessee of the HFC network for the next 20-years upon the full execution of the Click! Business Transaction Agreement. 2) Positive cash flow from rent revenue associated with the agreement for operation of City owned commercial network. 3) Gigabit Internet services for 100% of properties by April 2023. The milestones for this measurement are to complete the engineering and design by March 31, 2021, and have Gigabit internet service available to 40% of properties by March 31, 2022. 4) Free internet access (wired or Wi-Fi) to at least 30 locations that provide services to low-income members of the community, with published availability. 5) Continued investments into the HFC network, by lessee, of at least \$1,500,000, adjusted for inflation. Capital expenditures will include expenditures on upgrades to successive generations of DOCSIS (Data Over Cable Service Interface Specifications), expenditures on upgrades to fiber-to-the-premises, and network equipment.	Implement annual contract review strategy related to the public-private partnership and lead first annual contract review. Support community related to digital equity initiatives including development of the 30 free Wi-Fi community sites per the public private partnership agreement.	3	

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SD-9 Economic Development	The Utilities are an asset that can aid in improved quality of life for all TPU customers and stakeholders. TPU supplies critical resources to the communities it serves, and provides the foundation for building a strong and resilient economy, which will ultimately result in more revenue for TPU.	1) Number of customers and prospects assisted. 2) Annually review New Service Engineering (Water and Power) and other relevant customer surveys. 3) Track participation with Partners related to Economic Development. TPU Partners include economic development organizations, Franchise Cities, Chambers of Commerce, Port of Tacoma, Tribal Entities, Associations and others. 4) Linkages between TPU's strategic plan and other economic plans in the community. 5) Evaluate the effectiveness of the Brewery District pilot program for undergrounding power infrastructure.	Drive organizational engagement in business retention and recruitment, evaluate competitiveness of rates, fees, and taxes in benchmarking with target markets. Expand organizational engagement in workforce development including opportunity for diversity of and upskill to talent pipeline.	2	
SD-10 Government Relations	Tacoma Public Utilities (TPU) is committed to building and strengthening respectful and mutually productive relationships with tribal, federal, state, and other local units of government in order for public policy to benefit TPU customers and to foster the outcomes set out in TPU's Strategic Directives.	1) TPU staff will internally track government relations activities, including necessary follow-up. 2) TPU staff will provide consistent updates to government partners and regularly seek feedback regarding projects, rates, and programs. 3) TPU staff will regularly provide the Public Utility Board, TPU executives, and staff with information about government relations activities and any potential recommended policy changes and/or impacts relating to a government partner.	Continue to enhance positive and collaborative working relationship with City, seek alignment of policies and strategies established by the Public Utility Board to City Council priorities. Strengthen coordinated reporting of TPU efforts through quarterly Council Committee Chair meetings.	2	
SD-11 Decarbonization	Tacoma Public Utilities seeks to be a leader in decarbonization of the electric utility system and transportation electrification and to promote Tacoma Power's renewable and nearly carbon free generation portfolio as a driver of economic development and a competitive advantage for existing customers.	1) Track progress on related Tacoma Environmental Action Plan and participate in City's Greenhouse Gas Inventory. 2) Adhere to the Transportation Electrification Strategic Plan. 3) Decarbonization goals will be reflected in long term planning such as the Power Integrated Resource Plan. 4) Track community outreach and communication activities related to decarbonization and transportation electrification. 5) Report to the Utility Board on organizational work groups who are focused on innovation, research and development, and modernization projects. 6) Individual work groups track and report progress. 7) Agree on simple metrics that can be tracked and reported. These metrics should map directly to an established value profile.	Drive organizational engagement in development of the City's Climate Justice Action Plan. Identify and execute opportunities to leverage new rate tariff provisions that support community and customer decarbonization goals to promote use of hydropower in pursuit of the green economy.	3	

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SD-12 Employee Relations	Tacoma Public Utilities Leadership along with the Public Utilities Board consider employees our most valuable assets. TPU employees are the face of the utility to our customers and their dedication keeps the utility running on a day to day basis.	1) Employee Survey results will reflect outcomes. 2) Safety goals utilizing the results of: Completion rates as a percentage by department of Safety Culture Excellence Workshop (SCEW) and Supervisor Training in Accountability and Recognition Techniques (START) safety training courses; KPIs by department related to site visits; KPIs by department related to corrective actions. 3) Summary of recognition efforts.	<p>Leadership will champion safety as a key organizational value. Leadership will be genuinely interested in workplace safety, available to address workers concerns, and accountable for creating a safe work environment.</p> <p>Guide TPU reconstitution to include policies that enhance TPU resilience in light of COVID-19 disruption including transition to post-emergency telework.</p> <p>Champion TPU anti-racism transformation through implementation of TPU Racial Equity Action Plan with focus on:</p> <ul style="list-style-type: none"> - Continuing to enhance and formalize TPU's anti-racist and equitable hiring, retention, and promotion practices. - Disaggregating employee survey data by race and gender, and applying an equity lens to reduce or eliminate any significant disparities. <p>Identify and implement plans to address one key area of focus TPU wide (based on employee survey results) to continue enhancing employee experience.</p> <p>Champion organizational change process necessary to implement the Compensation and Classification study recommendations.</p> <p>Evaluate succession planning needs particularly with respect to senior leadership roles.</p>	1	

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SD-13 Customer Service	As a municipal utility, TPU is committed to providing the highest levels of customer services. The Public Utility Board has established this directive to ensure positive customer experiences in their interactions with TPU staff, Board Members, consultants, and sub-contractors.	1) TPU's Public Utility Board will receive an annual benchmark of customer satisfaction. TPU's goal is to achieve first or second quartile performance in customer satisfaction. 2) TPU's Public Utility Board will receive updates on key operational performance metrics with high customer value. These metrics include: a. Total dollars and number of customers served through utility assistance programs. b. Phone service levels and average speed to answer calls. c. Billing timeliness and accuracy.	<p>Guide customer recovery post COVID-19 including developing or modifying at least two programs or services to aid customers with bill resolution.</p> <p>Champion customer service transformation leveraging utility modernization investments such as Advanced Meter Infrastructure and Customer Portal to realize value to customer. Drive mass meter deployment including system integration while maintaining bill accuracy in transition to monthly billing and customer confidence.</p> <p>Disaggregate customer satisfaction survey data by race and apply an equity lens to reduce or eliminate any significant disparities. (TPU Racial Equity Action Plan)</p> <p>Track successful use of equity index and facilitate workshops to share insights and awareness to staff throughout the organization.</p>	1	
SD-14 Resource Planning	Tacoma Public Utilities' highest priority is providing safe and reliable power, water, and rail services that meet or exceed customer needs over the long term (20 to 60 years).	1. All operating divisions: Progress toward action items identified in long range plans.	<p>Champion Tacoma Rail Strategic Planning process</p> <p>Facilitate Energy Imbalance Market planning and preparation to facilitate 2022 market participation.</p>	3	

* Priority column reflects how Director will prioritize her time and direct involvement in the initiatives. It is **not** intended to reflect the organizational priority of the topics. 1 = direct involvement; 2 = moderate involvement; 3 = support role