

## Riverside Public Utilities Department Hometown Connections Organizational Review - Action Plan

	Operational Area	Recommendations	Action Plan	Cost Estimate	Completion Date <small>*(Calendar Year Quarters)</small>
1	Customer Service	Evaluate areas within the billing cycle that could potentially reduce the length of the cycle. In particular, investigate the possibility of discontinuing the use of the door hangers and including the late notice on the next month's bill versus a separate mailing.	Field and Customer Service will develop a report outlining problems with lengthy cycles and survey other communities for late notification process	Existing Resources	Q3 2017
2	Customer Service	Continue to investigate methods to change the look and feel of the utility bill as it appears somewhat outdated and not as sophisticated as other similar sized public power systems. Investigate ways to include on the bill historical comparison information such as past usage history and temperature data.	A new bill has been designed, there are some missing components such as year over year consumption which at this time the enQuesta system is unable to provide. This will be resolved in the next phase of system enhancements.	\$50,000 - \$100,000	Q1 2017
3	Customer Service	Continue to assess the fully loaded costs of the different forms of utility payments and more aggressively promote those that are more cost effective.	Customer Service will investigate costs associated with payment methods.	Existing Resources	Q3 2017
4	Customer Service	Consider offering custom payment dates for fixed income customers, combined bill customers and other billing needs.	This ability to provide these options is dependent upon the limitations of the EnQuesta billing system. Every effort will be made to implement.	\$25,000-\$50,000	Q3 2017

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5	Customer Service	Evaluate the impact of moving to a percentage based late fee, versus a flat fee, which is more in line with the majority of public power utilities	With new rate designs being developed, we recommend delaying any changes to customer late fees until after the any rate design changes are adopted by the Board and City Council adoption.	Existing Resources	Q1 2018
6	Community Outreach	Stay on top of the utility messaging, seek feedback – formal and informal – from customers and stakeholders on how well the information is being received, and understood. Continue to revise and restate as necessary.	RPU will develop new spot surveys that capture near instant feedback from customer after a transaction	Up to \$10,000	Ongoing
7	Community Outreach	Consider either replacing or upgrading the current IVR system to allow outgoing messages including text messaging.	Will develop plan for this project while EnQuesta System continues to stabilize. Goal is to avoid staff training fatigue.	Up to \$10,000	Q3 2017
8	Community Outreach	Show retail rate comparisons of RPU versus other surrounding utilities including other public power systems, online.	The average rate comparison is currently included in the Annual Financial Report which is located on the City's website. Will be included stand alone when the new website is launched.	Existing Resources	Q3 2016

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10	Utility Programs	Develop a more proactive economic development recruitment process for new business customers.	Staff has investigated and will make recommendations based on best practices for other POU's now that rate discount levers have been eliminated through legislation.	Existing Resources	Q4 2017
11	Utility Programs	Leverage the listservs and other resources available through APPA and other agencies.	Listservs have been engaged with and are active.	Existing Resources	Ongoing
12	Utility Programs	Share the progress of the utility with others in public power while learning from others on backroom support best practices.	APPA has been engaged and RPU has been placing articles in their national publication to share our successes. Management regularly attends APPA functions and brings back relevant information to continue or start best practices.	Existing Resources	Ongoing
13	Utility Programs	Determine the reasons for key account rep turnover such as compensation, career advancement and workload issues and address accordingly.	Class & Compensation study has been completed and is awaiting approval through our HR group.	Existing Resources	Complete

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14	Utility Programs	Continue to use Sales Force CRM program to manage key accounts programs.	This practice has been continued and enhanced to capture activities related to demand response programs.	Existing Resources	Ongoing
15	Power Supply	It is vital for RPU to update its Integrated Power Resources plan to address its changing power supply landscape.	Will be updating every 2-3 years.	Existing Resources	Q4 2018
16	Power Supply	RPU should have some level of outside assistance and input in the areas of policy development and actions relating to its power resources, trading and risk management space.	Currently use SCPPA and CMUA for advocacy and outside services to assist with counterparty credit risk.	Existing Resources	Ongoing
17	Power Supply	RPU, CAISO and SCE must figure out a way to move the Riverside Transmission Reliability Project forward in an expedited fashion to ensure high reliability and provide the system flexibility to meet the growth needs of Riverside.	Support Southern California Edison's application process at the CPUC and begin construction of the 69kV lines internal to the City.	Existing Resources	Q4 2017

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18	Power Supply	RPU should maintain its proactive approach to regulatory, legislative and CAISO advocacy.	Two internal, cross-divisional working groups (Regulatory & CAISO) were formed to insure coverage and advocacy in stakeholder process.	Existing Resources	Ongoing
19	Power Supply	RPU should monitor its power resources succession planning efforts and make adjustments as necessary, including continuation of its trainee program.	This is a work-in-progress, with initial phase implemented and working well.	Existing Resources	Ongoing
20	Power Supply	RPU should continue leveraging the aggregation opportunities afforded by SCPPA in managing its risks through diversification of joint projects both in power supply and other service areas.	RPU has 5 projects with joint participation thru SCPPA, and is considering future participation levels in IPP.	Existing Resources	Ongoing
21	Distribution Operations	Expedite the overall distribution system study to enable utility staff to prioritize system improvements. Tie this study to RPU's five year CIP and long range infrastructure replacement and enhancement plans.	Complete the Electric System Master Plan update currently in progress.	Existing Resources	Q4 2016
22	Distribution Operations	Ensure that Utility 2.0 provides the necessary resources, both financial and manpower, to	Develop a comprehensive resource plan based on the electric rate plan and Utility	Existing Resources	Q4 2017

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		change the trajectory of system renewal in Riverside from one of deferral to one of taking the necessary action required for system improvement.	2.0 project priority.		
23	Distribution Operations	Improve utility maintenance and crew scheduling through the addition of software and business process enhancements. It should be a goal of the utility to move from its current reactive mode to one of more predictive, providing more overall efficiency in its day to day operations.	Evaluate work order control resource requirements, and the potential to leverage UWAM functions for maintenance and scheduling.	Existing Resources	Q2 2017
24	Distribution Operations	Design, system renewal and operational activities should be aligned with a goal to reduce system losses. At 5.2% today, line losses are well above RPU's peer group.	Evaluate the criteria utilized to minimize the total life-cycle cost, including losses, for electric system additions.	Existing Resources	Q1 2017
25	Distribution Operations	Include street lighting as part of RPU's upcoming cost of service study to ensure that the utility is covering its costs in maintaining Riverside's street lights.	Complete the streetlight rate analysis as part of the LED project Phase 1.	Existing Resources	Q1 2017

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26	Distribution Operations	Place emphasis on expanding RPU's GIS system to fully capture asset data and location, and tie to a customer's premise, enabling more efficient operations including but not limited to better outage management information.	Complete the GIS transition plan and define resource requirements.	Existing Resources	Q2 2017
27	Distribution Operations	Continue evaluating current and new technologies that will enhance overall RPU distribution operations.	Complete the Distribution Protection Coordination Implementation Plan including new technologies.	\$25,000	Q2 2017
28	Distribution Operations	Improve in the area of staff recruitment and retention in distribution operations.	Review all operational classification descriptions, structures, and job flyers to focus recruitment effectiveness.	Existing Resources	Q1 2017
29	Distribution Operations	Evaluate crew quarter conditions and consider upgrades that would improve work efficiency and staff morale.	Complete the Utility Operation Center locker room upgrade project currently underway.	Existing Resources	Q1 2017
30	Distribution Operations	RPU should review and bring its Asset Management program up to date with industry standards.	Complete the Electric Asset Management gap analysis currently underway.	Existing Resources	Q1 2017

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31	Safety	Place a high priority on filling the utility Safety Officer position.	Due to difficulty to recruit this position, RPU has created a Safety Coordinator Group with shared responsibilities of the Safety Officer position. General Manager Office will assess effectiveness of the program overall and make a hiring determination.	Existing Resources	Q1 2017
32	Safety	Continue to seek additional avenues by which strong safety practices and goals can be incorporated into individual employees' development.	Many practices are being incorporated into the culture of RPU: (1) included in performance goals of managers; (2) first topic discussion at all staff meetings; (3) designate safety month; and (4) employee safety fairs.	Existing Resources	Ongoing
33	Safety	Embrace additional meaningful ways of recognizing safety practices and milestones, including inviting family members to attend recognition events.	See item above. Also, have invited family members to Safety Fair as well as, defensive driver training.	Existing Resources	Ongoing
34	Safety	Evaluate and pursue new safety metrics, including "DART" (days away restrictive transferred).	First report presented to the Board May 2018, will be an ongoing process. We will be publishing OSHA benchmarks to	Existing Resources	Implemented and ongoing



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			compare to RPU's metrics.		
35	Safety	Encourage RPU's governing bodies to formally adopt the RPU safety manuals.	The RPU safety manual was reviewed and endorsed by the Public Utilities Board on June 6, 2016. Next will be scheduling for approval by City Council. Manual will be distributed to all employees.	Existing Resources	Q4 2016
36	Safety	Investigate the purchase of safety tracking software for consistency in accident investigation and reporting.	The Human Resources Department is providing monthly reports on outstanding claims and Worker's Compensation experience.	Existing Resources	Ongoing
37	Governance	With the shared governance duties, it is important for both city council and utility board to respect and adhere to the roles and reporting relationships between each other and with city/utility staff.	Planning one joint meeting per year to discuss governance issues and other issues of mutual interest.	Existing Resources	Q1 2017
38	Governance	Periodic joint sessions of the governing bodies should continue to occur to help ensure alignment in both the governance and strategic direction of RPU.	See item 37 above.	Existing Resources	Q1 2017

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39	Governance	Quality and consistent communication between city council and utility board is very important in optimizing the hybrid governance structure in place at Riverside.	See item 37 above.	Existing Resources	Q1 2017
40	Governance	We recommend the Board perform a self-assessment and evaluation annually (see sample assessment tool in the Appendix).	Annual assessment and strategic planning will be performed once per year by the Board.	Existing Resources	Q1 2017
41	Governance	Ongoing board development to help ensure high quality governance should become a part of RPU's governance best practices.	Staff will continue 1-1 onboarding sessions with new Board members; recommending Utility industry training with APPA and other organizations; field trips to facilities for knowledge building; and provide any other learning opportunities.	Existing Resources	Ongoing
42	Strategic Planning	As part of the development of Utility 2.0 it will be imperative for the utility to set realistic expectations in the prioritization and implementation of the numerous goals and manage these expectations on an ongoing basis.	Rate plan proposal is planned to be presented to the Board and City Council in second half of 2017. Currently staff is spending time with planning, staging and prioritizing Utility 2.0 Projects.	Existing Resources	Ongoing

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43	Strategic Planning	Develop a process to track and report on the progress of Utility 2.0.	In process of implementing a tracking database utilizing the City's project management tool "The Hive" as the tracking mechanism for all Utility 2.0 capital projects. Quarterly reporting, including dashboards, will be provided to executive management on a quarterly basis when projects are implemented. Progress reports will be provided to the Board and City Council.	Existing Resources	Q4 2016
44	Strategic Planning	Establish key performance indicators for accurate tracking and performance metrics.	Staff is developing Goals, Objectives, KPIs and dashboards for management reporting to Board and City Council. Policies and Procedures are being developed.	Existing Resources	Q4 2016
45	Strategic Planning	Update Utility 2.0 as necessary to reflect changes in the industry, regulatory issues and increasing customer expectations.	Continued evaluation will be performed through Industry conferences and networking. Plan will be updated accordingly.	Existing Resources	Ongoing

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47	Rates	Consistently conduct a rate and cost of service study every three to five years, performed by an independent, outside entity.	Revised Fiscal Policy outlines requirement to conduct rate studies periodically. RPU plans to do so as noted every 3-5 years. A current rate study for electric and water is underway.	Existing Resources	Q2 2017
48	Rates	Develop a formalized rates policy that outlines what factors will trigger a rate increase or decrease.	Incorporated in the revised Cash Reserves Policy whereby a plan is triggered to be developed and presented to the Board and City Council should reserve levels fall below the minimum threshold.	Existing Resources	Ongoing
49	Rates	Consider more frequent, smaller rate increase versus less frequent, larger rate increases.	More frequent smaller rate increases are being considered and will be presented to the Board and City Council in a rate plan proposal in mid-2017.	Existing Resources	Q3 2017
50	Rates	Hometown recommends that RPU publish their average system rates versus other public power systems online.	See number 8 above.	Existing Resources	Q3 2016

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51	Rates	Investigate current rates to ensure that fixed and variable charges are aligned with actual cost recovery.	Cost of Service and Rate Trend Studies are currently underway which include evaluating fixed versus variable cost recovery. Proposals to better align fixed versus variable costs will be presented to the Board and City Council.	Existing Resources	Q3 2017
52	Rates	RPU should periodically study and recommend new rate structures to address technologies that impact the system.	Rate Trend Studies are currently underway in conjunction with the Cost of Service Analysis, which include evaluating new rate structures to address technologies that impact our system. New rate design proposals will be presented to the Board and City Council.	Existing Resources	Q3 2017
53	Administration, Accounting and Finance	(If not doing so already) formulate the Utility "stakeholder value" (comparison of electric utility contributions to the general fund, both monetary and in-kind, combined with any rate differential to the neighboring IOU), and publicize this value to its customers.	Utility "stakeholder value" review is underway. RPU contracted with Beacon Economics and UCR to complete the analysis.	Existing Resources	Q4 2016

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54	Administration, Accounting and Finance	An audit of the cost allocations by the city should be performed on a three to five year cycle to ensure the correctness of those allocations.	RPU hired Baker Tilly to perform an audit on cost allocations by the City.	Existing Resources	Q4 2016
55	Technology	Install a Chief Technology Officer at the AGM level. It will be critical to the success of the technology initiative to have a full time professional managing the implementation process.	City Council approved the AGM position level position. A professional recruiter has been hired and the recruitment process is underway.	Existing Resources	Q1 2017
56	Technology	Ensure that full implementation of the new CIS/billing system occurs in order to realize the full benefits of this purchase.	Working on initial implementation close out plan which includes negotiated capabilities. We will continue to evaluate the enQuesta system to determine capability of integration with other programs as outlined in the IT Strategic Plan and Utility 2.0 Plan.	Existing Resources	Q2 2017
57	Technology	Continue, and to the extent it can, accelerate the City and utility GIS mapping project to capture all customer and asset data in the system.	Complete GIS transition plan and resource requirements.	Existing Resources	Q1 2017

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58	Technology	Adopt a more comprehensive outage management technology system that includes customer-facing applications. This software should be integrated with other distribution software and technologies, such as the Synergy system, improving service and system reliability.	Define technical and functional requirements for Outage Management System.	\$75,000	Q2 2017
59	Technology	Encourage staff to take advantage of the technology resources available through PRPA and APPA, in particular the technology-focused listserv that APPA maintains, which is an excellent forum for dialogue with utility peers across the country.	Staff will continue to take advantage of technology related training opportunities and resources through industry organizations.	Existing Resources	Ongoing
60	Human Resources	Continue to work with city HR to streamline the hiring cycle. Consider the utilization of talent management software to reduce the lengthy approval process.	City Human Resources is expanding the use of the NeoGov system to workflow the hiring process which should streamline this process. Talent management software is being evaluated.		Q4 2016

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61	Human Resources	Embed HR functions within RPU to address the needs of the utility including but not limited to the hiring process.	We have repurposed three vacant positions to embed training, recruiting and analysis to address RPU's needs relating to Workforce Development.	Existing Resources	Ongoing
62	Human Resources	Consider having a senior level HR manager within the utility to support strategic workforce initiatives while ensuring strong collaboration with City HR continues.	Currently the strategic workforce initiatives and collaboration is being handled by the Deputy General Manager. RPU will be evaluating the repurposing of a position in the future to handle these duties.	Existing Resources	Q2 2017
63	Human Resources	Assess whether utility staff is ripe for poaching by other utilities and if so, explore avenues by which this can be minimized including but not limited to a compensation policy and plan that clearly states compensation goals of the utility and assures salary alignment with the industry.	Compensation & Classification Study is underway for the Utility. In addition, job descriptions are being evaluated and updated when necessary.	Existing Resources	Q4 2016
64	Human Resources	Assess and prioritize the many initiatives underway that affect utility staff. Recognize and address where necessary the workload impacts of these many activities.	Staff is developing Goals, Objectives, and KPIs which will outline the initiatives we will focus on in 6 month increments. This will support managing workload impacts when new projects arise.	Existing Resources	Q4 2016



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65	Human Resources	If “poaching” of recently trained employees becomes a larger issue, we would certainly encourage the utility to take steps to inhibit too easy of separation, through either a carrot and/or a stick.	The Workforce Development division is evaluating some new programs to encourage retention including a more robust tuition reimbursement program with a repayment option that includes forgiveness with a certain amount of years of service. In addition, we will continue to support training programs and providing the tools and resources necessary for employees to accomplish job duties. RPU will continue to have four manager meetings per year to discuss priorities and accomplishments as well as, provide for team building opportunities.	Existing Resources	Q1 2017
66	Human Resources	A strategic prioritization and alignment of utility employee activities is recommended to help alleviate the stress from all of the work that lies ahead.	See item 64 above.	Existing Resources	Q4 2016