



Review of Board of Public Utilities Annual Report to City Council

Public Utilities Department

Board of Public Utilities
November 5, 2018

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UTILITY 2.0 STRATEGIC PLAN

Six Focus Areas



Reliability &
Resiliency



Customer
Experience



Operational
Excellence



Affordability



Strong
Workforce



Sustainability

Utility 2.0
Strategic Plan: 2017-2021



Riverside Public Utilities
January 2017



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RELIABILITY AND RESILIENCY



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RATE PLAN ADOPTION

Approved by Board
and City Council:

	Years 1-5	
Electric	January 2019	2.95%
	January 2020	3.0%
	January 2021	3.0%
	January 2022	3.0%
	January 2023	3.0%
Water	July 2018	4.50%
	July 2019	5.75%
	July 2020	5.75%
	July 2021	5.75%
	July 2022	6.50%

Based on system average, rate increases vary by customer class and consumption levels.

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RATE IMPLEMENTATION

1. Implement Electric Rates effective January 1, 2019
2. Annual Rate Review
3. Electric and Water Bond Financings and Line of Credit
4. Workshop on Water Budget-Based Rates and Summer Rates



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AGRICULTURAL WATER RATES TASK FORCE

Formed by Board and City Council:

1. Appointed Task Force Members
2. First Meeting: April 26, 2018
3. Members created Guidelines, Participation Rules and a Work Plan






Agricultural Water Rates Task Force

The formation of the Ad-Hoc Agricultural Water Rates Task Force was born out of a recommendation from City Council in regard to the proposed water rate increase that will affect the current customers on WA-3 or WA-9 water rates. These rates will be frozen at current levels for the next year while the Task Force, composed of a diverse group of 16 community members and stakeholders, executes its mission.

<p>Mission</p> <p>The Ad-Hoc Agricultural Water Rates Task Force will develop WA-3 and WA-9 rate alternatives/recommendations for the Board of Public Utilities and City Council consideration by July 1, 2019.</p>	<p>Meetings</p> <p>Meetings are held in the evening in the Mayors Ceremonial Room on the 7th floor of City Hall and are open to the public. For meeting details including agenda and minutes, please go to: RiversideCA.gov/Transparency/Meetings</p>
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Topics Include:

Greenbelt history and future, land use Prop R, Measure C, Prop 218, Water Cost of Service Study and water rates, Riverside citrus heritage, Gage Canal, water efficiency, City support of agriculture, drought, and many others.



For more information, contact:

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WATER DELIVERY ACCOMPLISHMENTS

Improving Infrastructure for Utility 2.0 Readiness:

1. Pumps replaced – 2
2. Pumps rebuilt – 9
3. Wells refurbished – 6
4. Meters replaced – 1,037
5. Miles of pipeline replacement – 0.79
6. Miles of new recycled water pipeline installed – 3.52



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WATER DELIVERY - UPCOMING

Improving Infrastructure for Utility 2.0 Readiness:

1. Iowa Avenue 48-inch Pipeline Replacement Project – (Ward 1)
2. Mission Inn Booster Station and Rezoning Project – (Ward 1)
3. Iowa ARB Pipeline Extension Project – (Ward 2)
4. Canyon Crest Booster Station Project – (Ward 2)
5. Jackson Street Recycled Water Customer Site Conversions (Wards 4, 6 & 7)
6. Magnolia Techite Pipe and Pressure Reducing Station Replacement Project – (Ward 6)
7. Norco/RPU Emergency Intertie Connection – (Ward 7)
8. 2018/19 Well Rehabilitations Project – (All Wards)
9. Construction of Gage 29-3R Well – (All Wards)



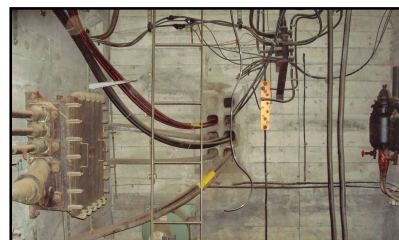
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ENERGY DELIVERY HIGHLIGHTS

Approved Projects:

1. Multi-Substation Capacitor Upgrade Project – \$5,306,000
2. Multi-Substation Transformer Upgrade – \$3,082,617
3. Multi-Substation Automation Upgrade – \$2,027,679
4. Canyon Crest Area 1F Cable Replacement – \$739,000
5. Plaza Circuit 443 4-12kV Conversion – \$415,000
6. GO 165 Pole Replacement & Vault Rehabilitation – \$1,682,000



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ENERGY DELIVERY ACCOMPLISHMENTS

1. **Miles of cable replaced** – 4.5 miles replaced
2. **4kV Circuits converted to 12kV** – 4
3. **4kV circuits converted to the 12kV system** (2 circuits currently in progress with conversion to 12kV completed in next 6 months)
4. **Poles replaced** – 288 poles replaced
5. **Substation breakers replaced** – 2 substation 69kV circuit breakers replaced with SF6 circuit breakers
6. **Switchgear Upgraded** – 4 switchgear upgraded, total of 150 electromechanical relays replaced with 60 digital relays
7. **Miles of new fiber installed** – 11.2 miles installed

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AFFORDABILITY



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LOW/FIXED INCOME ASSISTANCE

Approved by Board and City Council:

1. SHARE

- a. Increased eligibility to 200% Federal Poverty Level
- b. \$150/year annual deposit/emergency assistance
- c. \$14 monthly electric bill credit; \$2.25 monthly water bill credit



2. Energy Saving Assistance Program (ESAP)

- a. Align program eligibility with SHARE/County
- b. Automatically sign up SHARE-qualified customers



3. Improve Program Access/Convenience for Customers

4. Stakeholder Process and Needs Assessment



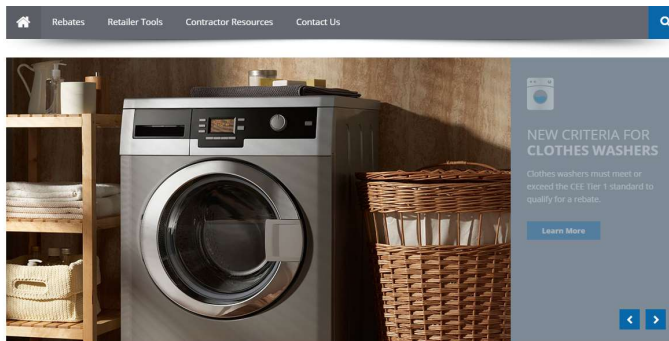
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PARTNERSHIP WITH MWD

Approved by Board and City Council:

1. To streamline and automate the rebate process
2. All water rebates now administered and processed by MWD



THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA



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NEW LEASE REVENUE

Approved by Board and City Council:

1. Slaters 50/50 Mission Square Lease: **\$1.8M new revenue**
2. Donut Bar Mission Square Lease: **\$705,478 new revenue**



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SUSTAINABILITY



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RENEWABLE PORTFOLIO STANDARDS

ENERGY RESOURCES	Power Mix
Eligible Renewable	36%
Biomass & biowaste	0%
Geothermal	21%
Eligible hydroelectric	0%
Solar	11%
Wind	4%
Coal	26%
Large Hydroelectric	1%
Natural Gas	5%
Nuclear	4%
Other	0%
Unspecified sources of power*	28%
TOTAL	100%

36% of the energy used by RPU customers is renewable – **exceeding** **2020 State requirement** of 33% by 2020

* "Unspecified sources of power" means electricity from transactions that are not traceable to specific generation sources.

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SAN BERNARDINO WELLS SOLAR PV PROJECT

1. Solar PV Installation at Scheuer Well, Garner Well, and Cooley Well sites in San Bernardino
2. Completed in June 2018
3. Power Production Capacity: 4.4 MW
4. 25-Year Power Purchase Agreement with Sunpower
5. Anticipated Savings of \$17 Million over 25 Years

Scheuer well site – Before and After



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LED STREET LIGHT CONVERSION PROGRAM

Progress:

1. Wood Streets Streetlight Replacement Project Phase 2 – \$2,300,000
2. Dark Skies Policy Approved by Planning Commission on May 31, 2018
3. Meetings with Historic Preservation staff
4. Four LED conversion pilot projects have been completed in Wards 3, 4 and 5
5. Twelve LED conversion pilot projects in progress in Wards 1, 2, 3, 4, 5 and 6



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CUSTOMER EXPERIENCE



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CUSTOMER ENGAGEMENT

Accomplishments

1. Major Customer Rebates



2. 5,500 Business Customer Contacts



3. New Blue Riverside website

4. Service Level Agreement with Office of Communications

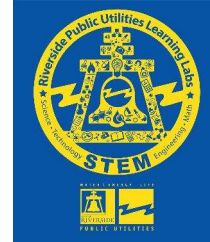
5. Happy or Not Rating = 91% Happy



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1ST ANNUAL STEM-PULL



Partnership
with Bourns
and
RUSD/AUSD



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OPERATIONAL EXCELLENCE



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OPPORTUNITIES FOR EFFICIENCY



Efficient and Effective Use of Departmental Strengths

- Service Level Agreements
 - Office of Communications
 - Human Resources

Result



Expanded
Capacity



Enhanced
Efficiency



Improved
Performance



Optimal Utility
Customer
Experience



Implementation of
Utility 2.0 Strategic Plan



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FINANCE & ADMINISTRATION

Accomplishments

1. Completed FY 2018-20 Biennial Budget and 5-year Capital Plan incorporating ~ \$8 million of operational cost and efficiency savings over the two-year budget
2. San Onofre Nuclear Generation Station (SONGS) debt defeasance resulting in \$10 million of interest savings over next 20 years
3. Maintained AAA rating for Water and AA- for Electric
4. Meter Reading Accuracy = 99%



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RESOURCE OPERATIONS & STRATEGIC ANALYTICS

Accomplishments

1. Received **BEST OF THE BEST** (top spot) award for industry changing emission controls improvements at the Riverside Energy Resource Center, which **lowered "start up" emissions by 30%**
2. RERC and Clearwater achieved **100% start reliability**
3. Generated **\$8.1 million** Cap & Trade sales
4. Increased Transmission Revenue Rights by 5.5% or **\$2 million**
5. Maintained **1%** annual energy efficiency savings



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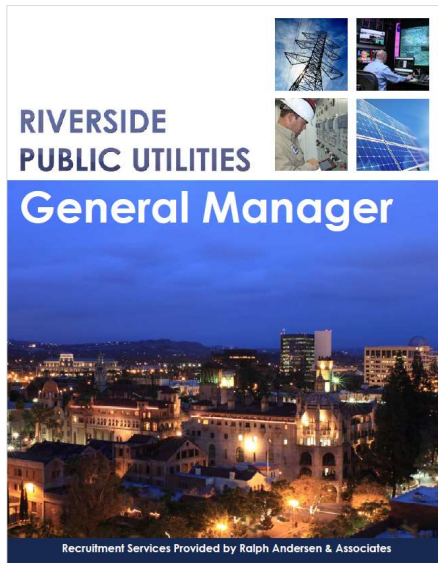
STRONG WORKFORCE

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NEW GENERAL MANAGER RECRUITMENT



- Nearly 50 applicants
- Nationwide search
- Two rounds of interviews

RECOMMENDATIONS

That the Board of Public Utilities:

1. Discuss and provide input for the Public Utilities annual report to the City Council on December 18, 2018 by Board Chair Jo Lynne Russo-Pereyra; and
2. Receive and file this report.

