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# RIVERSIDE PUBLIC UTILITIES

## Board Policy

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Title: **Standing Rules**

Date Last Approved: **February 2017**

Category: **Utility Business Policies**

Date of Next Review: **December 2018**

Review Committee: **Customer Relations/Finance**

Policy No: **A-1**

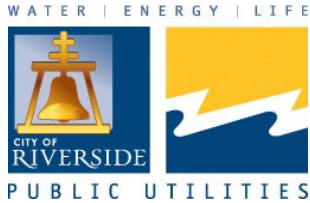
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Riverside Public Utilities (RPU) exists to build value for its citizen owners by providing electric and water services in a safe, reliable and competitive manner. In pursuit of this purpose, RPU will work to build a reputation for operational effectiveness, customer loyalty, and competitive RPU products and services by:

1. Operating all functions efficiently, cost-effectively, and reliably;
2. Ensuring the financial strength to meet diverse customer needs and maximize owner value;
3. Attracting, retaining and developing a diverse, quality workforce with the skills necessary to succeed in a competitive marketplace;
4. Ensuring the continued best value for citizen owners through effective succession planning;
5. Enhancing customer loyalty by identifying and exceeding customer expectations during customer contact; providing competitive pricing for products and services; providing value added products and services that attract and retain customers; incorporating community input and values in decision making; fulfilling our role as a good corporate citizen; and communicating the value of RPU to its owners and customers; and
6. Exercising the highest practical degree of care in meeting applicable public and employee environmental, health and safety standards.
7. Contributing positively to the local community with participation in special events through sponsorships, and memberships in local community groups.
8. Maintaining sustainable practices and environmental stewardship in compliance with state law.

The Board of Riverside Public Utilities adopts and follows a set of Standing Rules in accordance with the City Charter. A copy of those rules is attached.

Attachment: Standing Rules



# RIVERSIDE PUBLIC UTILITIES

## Board Policy

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Title: **Mission Statement**

Date Last Approved: **February 2017**

Category: **Utility Business Policies**

Date of Next Review: **December 2018**

Review Committee: Customer Relations/Finance Policy No: **A-2**

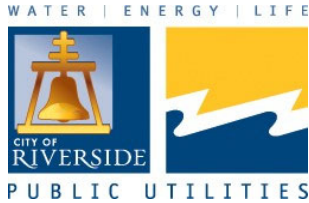
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Riverside Public Utilities Mission Statement

***Riverside Public Utilities is committed to the highest quality water and electric services at the lowest possible rates to benefit the community.***

Mission, Vision, Core Values, and Goals are established through a strategic planning process. A copy of the current Board adopted Strategic Plan is attached.

Attachment: Mission, Vision, Core Values, and Strategic Plan



# RIVERSIDE PUBLIC UTILITIES

## Board Policy

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Title: **Annual Goal Setting Process**

Date Last Approved: **February 2017**

Category: **Utility Business Policies**

Date of Next Review: **December 2018**

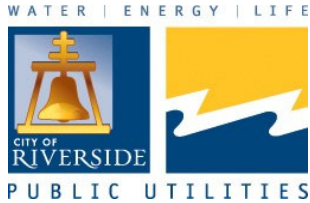
Review Committee: Customer Relations/Finance Policy No: **A-3**

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At least annually, the RPU Board shall formally evaluate efforts towards meeting goals and objectives for the upcoming year as conducted through a formal goal setting process by staff and /or board members. Goals and objectives may be multi-year in nature. Goals and objectives shall be set forth for specific sections and divisions of the utility and for the utility as a whole. Quantifiable measurements shall be designated to measure the attainment of the goals and objectives adopted. Goal setting will normally be performed as part of a strategic planning process and may utilize the services of a facilitator.

The incorporation of goals and objectives shall be included in the annual budgeting process as appropriate.

The General Manager shall be responsible for providing updates to the Board. Goals and objectives shall be open for review and adjustment by the General Manager as needed, but any changes after initial adoption by the Board shall be described and discussed at a Board meeting.



# RIVERSIDE PUBLIC UTILITIES

## Board Policy

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Title: **Performance Measure Evaluation**

Date Last Approved: **February 2017**

Category: **Utility Business Policies**

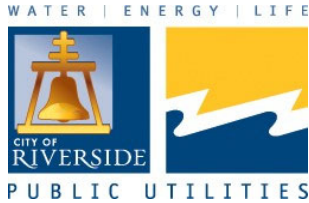
Date of Next Review: **December 2018**

Review Committee: Customer Relations/Finance Policy No: **A-4**

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It is important that customers are able to measure the success and quality of service by easy to understand performance measures. Riverside Public Utilities (RPU) shall set forth performance measures, also known as “benchmarks,” wherever possible to evaluate comparison with other utilities and the achievement of goals and objectives. These performance measures shall be selected based upon available industry data. Where benchmarks do not already exist, staff will work to create performance measures by providing an evaluative process to the Board for its approval. This process shall also include participation rates and measured savings of public benefits and conservation related programs offered by RPU. Where possible, benchmarks will not require duplicate efforts. Reports that are prepared for local, state and federal reporting requirements shall be utilized by RPU as appropriate benchmarks wherever possible.

It is considered reasonable to purchase, through participation in industry surveys, etc., performance measure or benchmark information. Performance measures may be obtained annually, biannually, or on some other frequency as the Board deems necessary. Selected benchmarks shall be published in various publications as appropriate for customer communication and education.



# RIVERSIDE PUBLIC UTILITIES

## Board Policy

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Title: **Property Ownership & Management**      Date Last Approved: **February 2017**

Category: **Utility Business Policies**      Date of Next Review: **December 2018**

Review Committee: Customer Relations/Finance      Policy No: **A-5**

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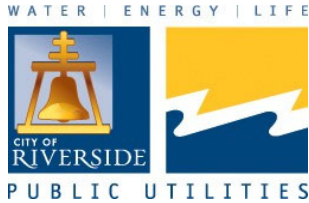
Riverside Public Utilities (RPU) owns a significant amount of property primarily through the acquisition of numerous private water companies over the past century. Property has also been acquired for operational purposes of RPU.

The electric and water utilities may be required to purchase and maintain property in the course of operations. It is intended that only property required to provide service to current or future customers shall be retained or purchased by RPU. Property may be kept for extended periods of time if there is any anticipation that the property may be required for operational purposes at any time in the future. Furthermore, if property owned by RPU is in an area where future property will be required, but its exact location not yet determined, it is appropriate to retain the existing property until such time as the sales proceeds can be utilized to purchase replacement property for operational needs.

Property shall periodically be reviewed by RPU and any property deemed surplus shall be sold when economically and practically feasible with the advice of the Board and approval of the City Council. Market conditions and number of parcels may require property disposition to occur over an extended period of time as approved by an ad hoc committee established by the Board.

The Board adopted Real Property Financial Management Policy is attached.

Attachment: Real Property Financial Management Policy



# RIVERSIDE PUBLIC UTILITIES

## Board Policy

Title: **Energy Delivery System**

Date Last Approved: **February 2017**

Category: **Utility Business Policies**

Date of Next Review: **December 2018**

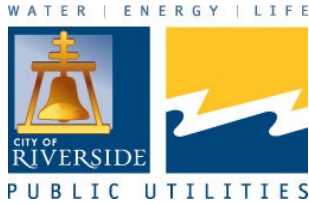
Review Committee: Electric

Policy No: **A-6**

Riverside Public Utilities (RPU) shall be responsible for the overall reliability of the energy delivery system. RPU will ensure that system additions, operations, maintenance, and replacement of assets follow the appropriate best practices, system planning criteria, and design standards for prudent utility practice.

Accordingly, RPU shall:

1. See that the energy delivery system is operated safely at all times within industry standards.
2. Ensure that the energy delivery system planning accounts for the growing demand for the City of Riverside.
3. See that repairs to the electric distribution system are made in a timely manner.
4. Oversee maintenance of the electric distribution system to minimize service interruptions.
5. Provide service to new customers that comply with RPU rules and rates.
6. Ensure RPU complies with the appropriate National Electric Regulatory Corporation (NERC) standards.
7. Ensure safe operational procedures are applied and followed when working in or around electrically energized parts or equipment.
8. Incorporate advancements in technology into the design, maintenance, and operation of energy delivery system to improve system reliability and performance.



# RIVERSIDE PUBLIC UTILITIES

## Board Policy

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Title: **Water Delivery System**

Date Last Approved: **February 2017**

Category: **Utility Business Policies**

Date of Next Review: **December 2018**

Review Committee: Water

Policy No: **A-7**

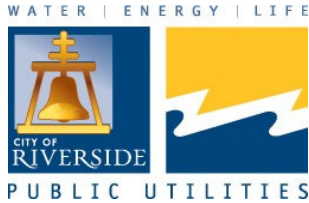
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Riverside Public Utilities (RPU) shall be responsible for the overall reliability of the water system. RPU will ensure that system additions, operations, maintenance, and replacement of assets follow the appropriate best practices, system planning criteria, and design standards for prudent utility practice.

Accordingly, RPU shall;

1. See that the water system is operated safely at all times within industry standards.
2. Ensure that water delivered to customers meets or surpasses all applicable local, state, and federal water quality standards and is suitable for its intended use.
3. Ensure that water system planning accounts for the growing demand for the water system service area while incorporating appropriate water use efficiency practices.
4. See that repairs to the water system are made in a timely manner.
5. Oversee maintenance of the water system to minimize service interruptions.
6. Provide service to new customers that comply with RPU rules and rates.
7. Ensure compliance with the appropriate industry standards.
8. Ensure safe operational procedures are applied and followed when working in or around electrically energized parts or equipment.
9. Incorporate advancements in technology into the design, maintenance, and operation of water system to improve system reliability and performance.





# RIVERSIDE PUBLIC UTILITIES

## Board Policy

Title: **Electric Resources: Maintain Obligation to Serve Customers** Date Last Approved: **February 2017**

Category: **Utility Business Policies** Date of Next Review: **December 2018**

Review Committee: **Electric** Policy No: **A-8**

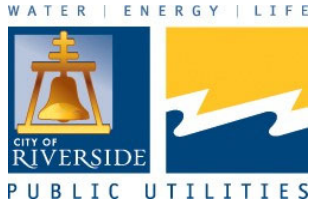
Riverside Public Utilities (RPU) shall protect existing and seek to develop new electric (generation and transmission) resources in accordance with sound utility practice and policies adopted in RPU's Energy Risk Management Policy. These resources shall meet the guidelines of the City Council, and applicable state and federal regulations, as recommended by the RPU Board.

Accordingly, RPU shall;

1. Continue to preserve rights to local control through aggressive monitoring of legislative and regulatory activities, including timely requests for action by the City Council when needed.
2. Utilize regional, state, and national organizations to further the goals of the utility and the city.
3. Proactively participate in wholesale market initiatives to advocate positions most beneficial or least impactful to RPU ratepayers.
4. Monitor Use of Greenhouse Gas Allowance Proceeds for compliance with CARB's regulation and California Health and Safety Code Section 38500.
5. Ensure compliance with RPU's Internal Compliance Program applicable resources.
6. Obtain adequate renewable resources to meet the Renewable Portfolio Standard and adequate resources to meet the requirements to reduce Greenhouse Gas Emissions.
7. Prepare required regulatory agency reports.
8. Prepare a comprehensive Integrated Resource Plan every five years.
9. Insure adequate tools and technology exist to adequately participate in wholesale markets.
10. Monitor RPU's TRR for optimal timing of a new filing at the Federal Energy Regulatory Commission.

The Board adopted Energy Risk Management Policy and RPU NERC/WECC Internal Compliance Program are attached.

Attachments: 1) Energy Risk Management Policy  
2) RPU NERC/WECC Internal Compliance Program



# RIVERSIDE PUBLIC UTILITIES

## Board Policy

Title: **Water Resources:  
Rights, Protection, & Development**

Date Last Approved: **February 2017**

Category: **Utility Business Policies**

Date of Next Review: **December 2018**

Review Committee: Water

Policy No: **A-9**

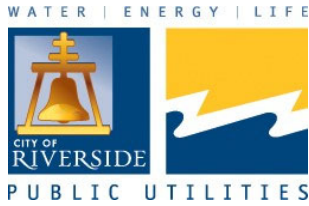
Access to water enabled Riverside to develop and grow to the city it is today. Access to adequate local water supplies is one of the utmost goals of the RPU Board. Riverside Public Utilities' (RPU) shall protect its existing water rights and aggressively seek to develop new water rights as needed to meet projected future demands.

Accordingly, RPU shall:

1. Not use or permit the use of water outside the RPU existing service area without prior approval by the Board and Council.
2. Aggressively pursue the utilization of recycled water supplies and infrastructure to create new supplies in a cost effective manner in order to decrease or eliminate reliance on imported water.
3. In partnership with other local agencies, continue to preserve local control of our groundwater basins through implementation of adopted groundwater management plans, monitoring of legislative and regulatory activities, and where appropriate advocating our position at local, regional, state and federal levels.
4. Determine the timeline for evaluation of water supply benefit studies due to the permanent need for increased water in the city.
5. Increase awareness among RPU customers of the significant value regarding their water resources.
6. Promote, and where appropriate, incentivize conservation, reclamation, and demand management to maximize the beneficial use of the City's publicly owned water supply.
7. Prepare a comprehensive 25-year Urban Water Management Plan in years ending with "0" and "5".

The Board adopted Water Portfolio Management Policy is attached.

Attachment: Water Portfolio Management Policy



# RIVERSIDE PUBLIC UTILITIES

## Board Policy

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Title: **Customer Care**

Date Last Approved: **February 2017**

Category: **Utility Business Policies**

Date of Next Review: **December 2018**

Review Committee: Customer Relations/Finance Policy No: **A-10**

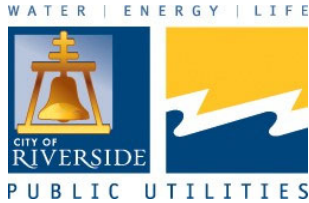
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Riverside Public Utilities (RPU) is owned by the people it serves. With respect to interactions with consumers or those applying to be customers, RPU shall ensure conditions, procedures, or decisions are safe, dignified, lawful, non-intrusive, and provide appropriate confidentiality or privacy.

Accordingly, RPU shall:

1. Comply with all state and federal regulations that protect the confidentiality of the customer. All customer data is confidential and may not be utilized except as related to customer account management; improving services to customers; educating customers regarding utility services; and other lawful purposes related to providing utility and other City services.
2. Protect any customer information or data unless legally required to disclose such information to do so under the Public Records Act, in compliance with City policy. Individual customer account information is generally exempt from disclosure.
3. Prohibit the release of customer information and data for mailing lists, political promotion, surveys, mailers or publications. Bill inserts unrelated to Utility services may be included with utility service statements where space permits as approved by the General Manager.
4. Prohibit the release of individual identifying customer information to vendors or other service providers. This includes information gathered through automated meter reading devices. Information may be aggregated or identified with non-customer specific information if it can assist in providing data that may reduce or refine customer bills. Individual data may be shared if the customer signs a release if rebates, products or services are provided by a third party.
5. Only elicit information that is necessary on required application forms.
6. Use methods of collecting, reviewing, transmitting, or storing client information that protect against improper access to such information.
7. Not cause or allow any actions in violation of the Riverside Public Utilities Rules and Rates regarding treatment of customers.
8. Maintain Riverside Public Utilities facilities that provide a reasonable level of customer privacy, both visual and aural.

9. Establish with customers a clear understanding of what may be expected and what may not be expected from service offered.
10. Provide adequate time for customers to resolve issues where rates, charges or procedures are in question. Customer accounts must be paid in the interim where resolution may be beyond the due date of the customer's outstanding balance.



# RIVERSIDE PUBLIC UTILITIES

## Board Policy

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Title: **Fiscal Policies**

Date Last Approved: **February 2017**

Category: **Utility Business Policies**

Date of Next Review: **December 2018**

Review Committee: Customer Relations/Finance Policy No: **A- 11**

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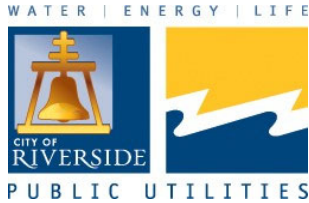
Riverside Public Utilities (RPU), pursuant to policies adopted by the City Council of the City of Riverside (City Council) and the Board of Public Utilities (Board), is responsible for managing RPU's finances. Fiscal policies shall be designed to establish guidelines for the fiscal stability of RPU and provide guidance to staff in carrying out their fiscal responsibilities.

Accordingly, RPU shall:

1. Promote long term financial stability by establishing clear and consistent financial reporting guidelines.
2. Ensure that RPU will maintain its financial health in order to meet its strategic goals.
3. Development of cash reserve and budgeting policies.
4. Provide guidelines for capitalization of RPU assets.
5. Provide funds to maintain and invest in its utility infrastructure.
6. Enhance short and long-term financial credit quality by helping to achieve the highest possible credit and bond ratings.
7. Provide guidance and controls for effective investment of RPU funds in accordance with City investment policies and State law.
8. Provide the Board and City Council with a framework for measuring fiscal performance of RPU against established parameters and guidelines.
9. Link long-term financial planning with day-to-day operations.
10. Document the Board and City Council philosophy for effective ratemaking and recovery of RPU costs of electric and water service.

The Board adopted Fiscal Policies are attached.

Attachment: Fiscal Policies



# RIVERSIDE PUBLIC UTILITIES

## Board Policy

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Title: **Role of the Chair for Public Meetings** Date Last Approved: **February 2017**

Category: **Board Specific Policies** Date of Next Review: **December 2018**

Review Committee: **Customer Relations/Finance** Policy No: **B-1**

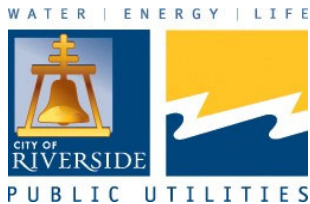
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Standing Rule 5 B (attached to Policy A-1) outlines the role of the Chair of the Riverside Public Utilities Board. This board policy provides additional detail.

The Chair assures the integrity of the Board's public meeting process.

Accordingly, the Chair shall perform his or her role such that:

1. The Board conducts business consistent with its own rules and those legitimately imposed upon it from outside the organization. The Chair will recognize absences by Board members for inclusion in the minutes and initiate discussions when Board absences impact the ability of the Board to hear adequate opinions and conduct business.
2. The content of the Board meeting discussions is limited to those issues on the agenda which are within the Board's subject matter jurisdiction.
3. Board meeting deliberations will be fair, open, and thorough, but also timely, orderly, and kept to the point. Public comment should be kept on track and within appropriate time constraints.
4. Each board member has a right to voice his or her opinion about each issue. The Chair has an obligation to call for closure to each topic when adequate time to address concerns has been provided.



# RIVERSIDE PUBLIC UTILITIES

## Board Policy

Title: **Board Committee Structure**

Date Last Approved: **February 2017**

Category: **Board Specific Policies**

Date of Next Review: **December 2018**

Review Committee: Customer Relations/Finance

Policy No: **B-2**

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Standing Rule 8 (attached to Policy A-1) outlines the establishment and composition of Committees of the RPU Board. This board policy provides additional detail.

Board committees, when used, will be assigned so as to reinforce the wholeness of the Board's job and so as never to interfere with delegation from the Board to the General Manager. All standing committee activities shall be subject to requirements of the Ralph M. Brown Act of the State of California. Committees usually meet monthly at a time and place determined by the members.

Accordingly:

1. Board committees are to help the Board do its job. Committees ordinarily will assist the Board by preparing policy alternatives, implications, and direction for Board deliberation.
2. Board committees only meet when there are topics or issues that need further deliberation by the committee to benefit the Board as a whole. It is normal for scheduled committee meetings to be cancelled when it is determined further discussion on individual items will not benefit the Board in their advisory or decision making policy.
3. The only Board committees are those which are set forth in the Standing Rules.

- a. Customer Relations/ Finance Committee

The Customer Relations/Finance Committee will review financial results, rates, financings and strategies related to both the electric and water utilities. The Customer Relations/ Finance Committee is composed of the Board members as discussed in the Standing Rules.

- b. Electric Committee

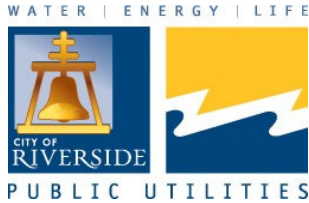
The Electric Committee will review financial results, rules, rates and strategies related exclusively to the electric utility. The chair of this committee serves on the Customer Relations/Finance Committee.

c. Water Committee

The Water Committee will review financial results, rules, rates and strategies related exclusively to the water utility. The chair of this committee serves on the Customer Relations/Finance Committee.

4. The Board Chair may appoint other ad hoc committees, on an as needed, temporary basis.
5. This policy applies to any ad hoc committee which is formed by Board action.





# RIVERSIDE PUBLIC UTILITIES

## Board Policy

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Title: **Communications and Support of Board**

Date Last Approved: **February 2017**

Category: **Board Specific Policies**

Date of Next Review: **December 2018**

Review Committee: Customer Relations/ Finance

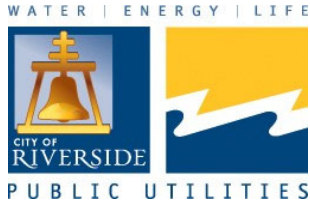
Policy No: **B-3**

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In order to make fully informed decisions, the RPU Board should be informed and supported in its work.

Accordingly, the Board may request that the General Manager:

1. Submit monitoring data required by the Board in a timely, accurate, and understandable fashion, directly addressing provisions of Board policies.
2. Apprise the Board of major and unusual land acquisition, contracts, unusual or exceptional purchases, relevant trends, significant public reaction, material external and internal changes, particularly changes in the assumptions upon which any Board policy has previously been established.
3. Advise the Board if, in the General Manager's opinion, the Board is not in compliance with its own policies, particularly in the case of Board behavior that is detrimental to the relationship between the Board and General Manager.
4. Marshal for the Board as many staff and external points of view, issues and options as needed for fully informed Board choices.
5. Present information in a form that effectively communicates and is not unnecessarily complex or lengthy.
6. Provide a mechanism for official Board, officer, or committee communications.
7. Interact with the Board as a whole through both the committee structure and board meetings.
8. Report in a timely manner an actual or anticipated noncompliance with any policy of the Board.
9. Agendize for Board review and/or approval any issue within the Board's subject matter jurisdiction subject to the discretion of the General Manager.



# RIVERSIDE PUBLIC UTILITIES

## Board Policy

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Title: **Board Training/Education Policy**

Date Last Approved: **February 2017**

Category: **Board Specific Policies**

Date of Next Review: **December 2018**

Review Committee: Customer Relations/ Finance Policy No: **B-4**

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It is expected that RPU Board members shall need to travel to various conferences, seminars and training sessions. The Board shall annually establish the total amount budgeted for training and education for all Board members, and include in the overall annual Utility budget for council consideration. New board members shall be encouraged to attend training seminars offered by electric and water associations specifically aimed at recently appointed board members. No limit will be placed upon the number of board members attending conferences in state. It is expected that no more than four board members will attend the same conference, seminar or training event out of state. In the event that more than four members would like to attend, the Board Chair shall provide specific approval for expanded attendance.

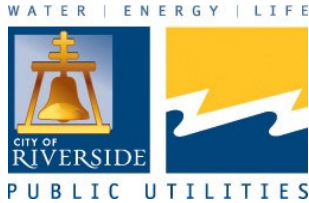
Some of the organizations that offer training that might be beneficial to board members are:

- American Public Power Association
- California Municipal Utilities Association
- Association of Metropolitan Water Agencies
- Association of California Water Agencies

Board members must follow the state law (Gov. Code Section 53232.2) and report back to the full board a summary of their attendance. Board travel is encouraged so that board members can share increased knowledge of utility related issues with fellow board members.

Tours of facilities are available and recommended for all board members. These can be scheduled through the General Manager.

Reimbursement for travel costs follows normal City policy. No expenditures for spouses or partners who attend meetings with board members is reimbursable.



# RIVERSIDE PUBLIC UTILITIES

## Board Policy

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### **Board Interaction with**

Title: **the General Manager and Staff**

Date Last Approved: **February 2017**

Category: **General Manager Related Policies** Date of Next Review: **December 2018**

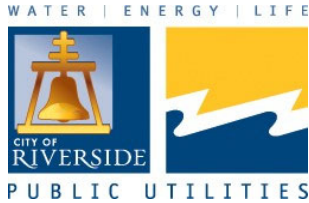
Review Committee: **Customer Relations/Finance** Policy No: **C-1**

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The Public Utilities General Manager is the RPU Board's only link to operational achievement and conduct, so that all authority and accountability of staff, as far as the Board is concerned, is considered the authority and accountability of the General Manager.

Accordingly:

1. The Board as a body and individual Board members will never give instructions to persons who report directly or indirectly to the General Manager.
2. Board members may contact other members of the executive management staff to ask questions or to provide information where appropriate.
3. The Board as a body and individual Board members will refrain from evaluating, either formally or informally, the overall job performance of any staff.



# RIVERSIDE PUBLIC UTILITIES

## Board Policy

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Title: **Pricing of Products and Services**      Date Last Approved: **February 2017**

Category: **General Manager Related Policies**      Date of Next Review: **December 2018**

Review Committee: **Customer Relations/Finance**      Policy No: **C-2**

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Riverside Public Utilities (RPU) shall not adopt pricing practices or rate setting that are inconsistent with the established Electric and Water Rules and Rates, bond covenants, and the law.

Accordingly RPU shall:

1. Ensure pricing practices that result in revenues that are sufficient to provide safe, reliable utility services to its customers/owners.
2. Ensure pricing practices that result in the use of resources in a manner consistent with sound business and economic practices.
3. Ensure pricing practices that maximize long-term the value for our customer-owners, recognizing that this will generally occur by enhancing our operational effectiveness and customer loyalty.
4. Ensure pricing practices maintain the separate financial integrity and viability of the individual services provided by Riverside Public Utilities.
5. Ensure accounting and cost or service records demonstrate the financial viability of each of the individual services provided by Riverside Public Utilities.
6. Work to maintain and improve bond ratings including necessary rating agency related presentations on an annual basis or as needed.