

Baseline Strategic Assumption	2013	2014 & Beyond	Notes
Ref: Seattle City Light 2013-2018 Strategic Plan - Page 16			
Power Supply and Environment			
Produce and purchase 10 billion kilowatt-hours of clean electricity each year to power all the homes and businesses (nearly 400,000 customers) in Seattle, Shoreline, Lake Forest Park, Burien, SeaTac, Tukwila and other small parts of King County.	Achieved	On Track	12.7 billion KWh's of clean electricity were provided to customers through November 2013.
Operate and conduct maintenance on Boundary, Skagit, Cedar Falls and Tolt Dams	Achieved	On Track	Major rebuilds were performed on Boundary Unit 53, 55 & 56 Unit 55 was brought back on-line after an extensive service outage. Year-End CIP spending forecast for these projects is \$38 M. Major maintenance was completed at Ross and maintenance also was completed on Diablo Units 31 & 32.
Incorporate environmental and wildlife habitat mitigation as part of the new Boundary plant license	Achieved	On Track	A 42-year license for Boundary was received from FERC. The license requires City Light to include ongoing environmental and habitat mitigation projects as agreed to with stakeholders.
Meet load growth with conservation and renewable power resources, including compliance with I-937 requirements to acquire renewable power resources	Achieved	On Track	A 2013 State Auditor Office report confirmed that City Light had fully complied with the requirements of I-937.
Continue strong conservation program and achieve I-937 mandated targets	Achieved	On Track	As of November City Light has achieved 12.4 MW of conservation.
Uphold greenhouse-gas neutrality status	Achieved	On Track	2013 represents the ninth year in a row that City Light has achieved greenhouse gas neutrality.
Continue hazardous waste/Superfund cleanup, water quality testing, and the restoration of hundreds of acres of land that includes fish and wildlife habitats	Achieved	On Track	Environmental clean-up on sites continue, with notable efforts on T-117 and the Duwamish waterway.
Reliability			
Provide reliability equal to no more than one outage per year per customer lasting no more than 70 minutes per customer.	Achieved	On Track	SAIDI and SAIPI targets have been met for 2013 with SAIDI at 68.7 minutes and SAIPI at 0.9.
Support operation and maintenance of 14 large substations and almost 3,000 miles of transmission and distribution lines	Achieved	On Track	The Substation Power Transformer Condition Assessment program met its goal to field inspect and test 12 substation power transformers. Final condition assessment reports on all 12 were published. Relaying upgrades were completed at the Bothell Substation. Also, as noted below major CIP projects to improve reliability included work on the Denny Substation, Alaska Way Viaduct utility relocations, North Substation Transformer Replacements, and overhead and underground equipment replacements.
Conduct maintenance on highly reliable network system that serves customers in downtown Seattle	Achieved	On Track	Major CIP work in the Network included Broad Street Substation capacity addition planning and design for two distribution network subnets in the Denny Triangle area that will support cutover of load from Broad following Energization of Denny Sub. Work also included design for new distribution network subnets in South Lake Union network distribution. The expansion of a feeder circuit to replace old cables, poles and cross arms and adding operation switches to improve service and reliability in the First Hill Network was completed. The year-end CIP spending forecast for these projects totals \$13.9 M.
Manage 500-plus miles of annual tree trimming along power lines -- a major contributor to keeping reliability at a high level	Achieved	On Track	601 line-miles of trees were trimmed in 2013.
Inspect and treat City Light's 108,000 poles and annual replacement of 2,000 poles	Achieved	On Track	The Utility expects to meet the goal by Year-End. At end of November Utility crews had replaced 1620 poles; an additional 240 poles were replaced by contractors, and other poles were reinforced.
Direct streetlight repair response within 10 working days of a reported outage, as well as replacement of about 15,000 streetlight lamps per year with energy-efficient LEDs until all residential streets have LEDs	Achieved	On Track	Throughout 2013, an 84% response rate or better within 10 working days was achieved for streetlight-related calls. The goal for residential streetlight lamp replacements with energy-efficient LEDs also was met.

Implement a new work and asset management program to assess and prioritize work on City Light's most critical assets	Achieved	On Track	WAMS phase #2 (Generation) implementation was completed in 2013 and phase #3 (Inventory) has begun. Phase #1 (Distribution) was "turned on" in a previous year.
Conduct an apprenticeship program that hires and trains 10-20 new apprentices per year	See Note	On Track	The Apprenticeship Program was revised by to train 20-40 apprentices every two years. A new class will begin training in 2014.
Maintain an outage management system that provides customers critical information during outage events	Achieved	On Track	The OMS system was implemented. Continuous improvements in functionality and speed are being pursued.

Customer Service

Manage a customer metering and billing system, including an e-billing option, that provides monthly or bi-monthly bills to all customers	Achieved	On Track	The CC&B implementation project is on schedule but with a cost increase. The main City Light web page was redesigned to improve navigation, update content and provide a better customer experience. A software integrator for the replacement of the billing system was selected. Implementation of the enhanced customer portal is part of the billing system project. Several community meetings were held in 2013 to discuss the planned Advanced Metering Infrastructure (AMI) program. An AMI team will be hired in 2014 and a plan will be presented to Council this summer.
Ensure new service connections are completed within 40-60 days	Achieved	On Track	Service connections were completed in an average of 29.4 days in November and averaged 40 days or less in all previous months in 2013.

Infrastructure and Support

Continue and complete a wide variety of capital projects that maintain and upgrade City Light's power production, transmission and distribution systems	Achieved	On Track	Major CIP projects included Denny Substation Conceptual Planning, including a transmission circuit between the Denny & Massachusetts substations; Overhead & Underground Replacements; Utility Relocations for the Alaska Way Viaduct; Transformer Replacements at North Substation. The CIP Year-End forecast for these projects and other related projects total approx. \$77 M. As noted above, major rebuilds were performed at Boundary and Skagit.
Maintain the utility-wide information technology infrastructure and about 125 software applications including website, customer care, billing, energy management, inventory management and budgeting enhancements	Achieved	On Track	There were 01 active IT projects at the end of November, 33 of which were rated Green Status, 4 yellow, 1 Red, and 1 unrated. The Red rated project is the CCSS- E-Bill Payment project. Some bugs are pending fixes, with regression testing being performed to prepare for end-to-end testing. IT implemented the upgrade to Windows 7 in 2013 while the Help Desk support staff handled over 47,000 email and phone contacts in 2013, with 44% of the Trouble Tickets closed on contact. An internal customer survey indicated a 96% satisfaction rate with IT service.
Hold staffing to 1,811 authorized positions to perform necessary work in distribution, transmission, generation, conservation, customer service, and administration	See Note	See Note.	1811 FTE's were authorized in the 2012 adopted budget that would be considered Strategic Plan Baseline FTEs; 17 new positions related to Strategic Initiatives and 2 baseline FTEs were added in 2013. In 2013 there were on average 1715 filled FTE's and temp staff. An additional 5 strategic initiative positions were included in the 2014 Adopted Budget.
Maintain compliance with federal regulatory requirements regarding system reliability and critical asset protection	See Note	On Track	Four self-report compliance issues occurred in 2013. No monetary penalties have been levied. The self-report includes a mitigation plan to resolve the issue and a plan to prevent a reoccurrence of the violation. WEC/NERC must approve the mitigation plan.

Objective 1
Improve customer experience and rate predictability

Objective 2
Increase workforce performance and safety practices

Objective 3
Enhance organizational performance

Objective 4
Continue conservation and environmental leadership

Status	Initiative	O&M (\$)	CIP (\$)	Objective	Notes
●	Budget/rate alignment	0.3		◆	New budget system installed with alignment to be complete in 2014
●	Net wholesale revenue practices	126.3		◆	A net wholesale revenue reduction was approved by the City Council and included in the 2013 and 2014 budgets.
✓	Ratepayer advocacy initiative				City Council adopted a new resolution on September 16, 2013
●	Cost of service & rate design policies			◆	Citizen Review Panel receiving briefings on options
●	Customer focused website/services	0.7	1.4	◆	Internal refresh of web site to improve navigation and update content completed
●	Customer service center improvements			◆	The project report was produced later than scheduled, as was the charter, delaying work to implement improvements until 2014.
●	Enhanced environmental leadership	0.1		◆ ●	Web content for the Skagit and Tolt was completed and a new brochure designed and published.
●	Environmental liability reductions	1.4	9.1	◆ ●	A draft scope of work was completed but hiring staff for this project was delayed and is part of the 2014 budget.
●	Safety culture promotion/practices	(4.6)		▲	Return to work program instituted and an injury analysis completed. Software for training selected. The Total Recordable Rate is on track to be under 6.7
●	Skilled workforce attraction and retention	27.2	6.2	▲	A training plan was developed and the number of days to hire reduced. However, the Technical Training Center is behind schedule and the costs have increased.
●	IT security upgrades	1.2	4.2	◆ ■	Staff was hired to begin planning the implementation.
●	Reliability and cybersecurity standards compliance	3.5	0.8	◆ ■	An RFP has not yet been completed resulting in delaying selection of a compliance tracking system until 2014.
●	Enterprise GIS	4.1	6.4	◆	Since responses to an initial RFP were not acceptable, a second RFP was issued late in the year resulting in a project delay.
●	North downtown (Denny) substation	1.5	173.6	◆	The cost of the substation was increased by \$62m in 2014 budget. On the other hand, both the transmission DEIS and the network design at 30% were completed on schedule.
●	Transmission system improvement		18.2	◆	Massachusetts to Union to Broad preliminary engineering was completed for the replacement of inductors. SEPA's were also completed for The Bothell to SnoKing double circuit and reconductoring for the Delridge to Duwamish line.
●	Underground cable replacement	1.2	5.3	◆	Design and construction bids for first neighborhood on time
●	Streetlight planning, design, construction		29.9	◆	All phases through Hawthorne Hills construction complete. Design and permitting for Clise Place, Seattle Center and others also on time.
○	Mobile workforce implementation	0.8	0.8	◆ ■	
●	Hydro performance and generator availability	1.4		◆	WAMS Phase 2 implemented
●	Regional power and transmission leadership	(10.2)		◆ ■	One individual was hired in 2013 instead of two. That individual was hired in the second half of the year and affected the implementation schedule..
○	Advanced metering infrastructure	(6.4)	80.5	◆ ■	
○	Electric vehicle infrastructure and rates			◆ ●	
●	Engineering and operation standards	3.0		◆ ■	Though 27 design standards were developed and approved, some deliverables from the vendor were not putting the project behind schedule.
●	Climate research	1.3		●	Initial research identified and funded
●	Conservation enhancement program			◆ ●	Though three pilot projects were approved by the Council, decisions on the monitoring and evaluation consultant were not made per the schedule.
●	Communications and engagement			■	Citizen Review Panel work plan adopted and strategic plan update outreach underway.
●	Performance benchmarking and efficiencies	1.7		■	Three benchmarking studies completed and three more are underway with completion early in 2014.
●	IT roadmap	5.7	12.5	■	Three different projects are included in the IT roadmap. While the Enterprise Document Management project remains on target, the IT Disaster Recovery project and the FinMAP projects are delayed. The delays are largely the result of a delay in hiring the project consultant.
●	Performance-based reporting	5.4	3.1	■	Human Resource, Accounts payable, and WAMS streetlight data marts completed along with improvements to the Finance portal.
●	Internal management review unit	4.1		■	Internal management review unit staffed and charter approved.
●	Project management quality improvement	2.8		■	A consultant was hired late in the year. Other milestones dependent on release of a consultant report are now scheduled for 2014.
●	Service agreements/performance metrics	0.8		■	External factors resulted in a lack of progress until the last month of the year. Work with other City departments will begin in earnest in 2014.
●	External service contract procurement			■	Six opportunities for improvements were identified and four completed
●	Efficiencies initiatives	(55.9)	(37.5)	◆ ■	A combination of one tie, ongoing, and new efficiencies were achieved.
●	Financial policies initiative	3.0		■	A consultant completed engineering visits and a report on insurance for the generating units. Initial cost quotes were received.
●	Low Income assistance			◆	High level milestones for this initiative are being met but program enrollment is behind the target of 1,740 new enrollments in 2013.

Legend

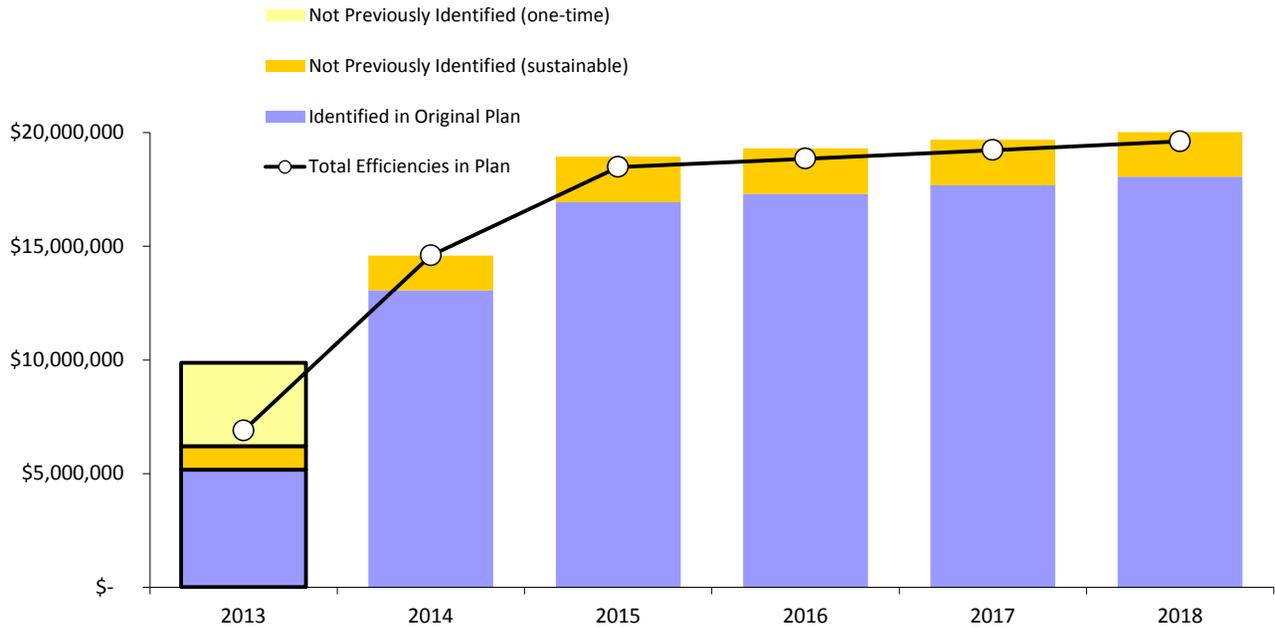
- ✓ Completed
- On-track
- Behind schedule but expected to be delivered on-time
- Scope or timeline adjusted
- Not started

Efficiency Summary

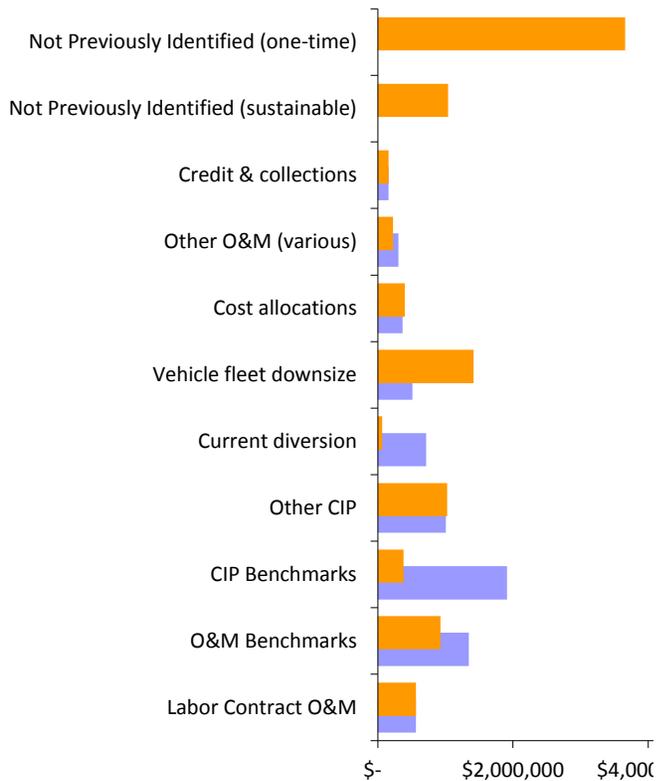
Takeaways:

- City Light delivered on most of the efficiencies as-planned in 2013
- Expect to deliver all efficiencies through 2018
- Continue to realize other new efficiencies in order to hit target

Plan Efficiencies by Year



2013 Efficiencies in Plan



6-year Total Efficiencies in Plan

