

**SCL Review Panel Proposed Work Plan – September 2016 – May 2018**

**Revised 9.27.16**

Role of Panel per Ordinance 124740: Review and address strategic plan and revisions | Advise on issues to be included in strategic plan framework | Review rate changes proposed & provide opinion | In collaboration with staff designated by Mayor/Council, propose a biennial work program to Mayor/ Council; items *may include but are not limited to: financial policies, cost allocation, rate design, operational efficiency* | Mayor/Council requested issues | Other issues Panel believes Mayor/Council should consider.<sup>1</sup>

**5 core components of the proposed work plan:**

<p><b>Monitoring</b> <i>Progress on Current Strategic Plan and Initiatives, other general informational briefings</i></p>	<p><b>Baseline / Cost Centers / Revenues</b> <i>Examining the cost of doing business, level of service, generally organized around: Generation / Power Supply Transmission Distribution Other infrastructure/program costs</i></p>	<p><b>Load, Energy Efficiency and Retail Revenue</b> <i>What is the demand for power, now and forecast? Address implications of slowing load growth, identifying policy options, pros &amp; cons</i></p>	<p><b>Efficiencies</b> <i>How is the Utility integrating efficiencies into operations and capital planning to reduce the cost of service over time?</i></p>	<p><b>Strategic Plan Development and Delivery</b> <i>Policy priorities, new initiatives, rate path, baseline -- and Panel comment letter</i></p>
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<sup>1</sup>[A]fter the adoption of each update to the strategic plan, [the Panel will] work closely with staff designated by the Mayor and the council to propose, in writing, a biennial work program to the Mayor and Council. Work program items may include, but are not limited to, financial policies, cost allocation, rate design, operational efficiency, issues requested by the Mayor or the Council, and issues the Panel believes the Mayor and the Council should consider. (Ord. 124740, Section 1).

#	Topic	Panel Role Learning / Edit / Action / offering policy advice <i>Connection to Strategic Plan</i>	2016				2017								2018									
			S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	
1	Draft work plan approved	Action																						
2	Work Plan review/update																							
<b>Monitoring</b>																								
3	Quarterly strategic plan updates <ul style="list-style-type: none"> <li>• Initiatives report card</li> <li>• Efficiencies results</li> <li>• Baseline changes</li> <li>• Retail sales &amp; NWR updates</li> <li>• water conditions</li> <li>• Overall financial picture</li> </ul>	Learning/ Offering advice <i>Monitoring</i>	Q2		Q3			Q4			Q1				Q2			Q3			Q4			Q1
4	Initiative Updates – ( <i>Minor</i> ) (at least 2 each time) <ul style="list-style-type: none"> <li>• Climate Adaptation Plan</li> <li>• UDP</li> <li>• Denny Substation</li> <li>• Workforce/Employee Safety</li> <li>• RSJI                             <ul style="list-style-type: none"> <li>○ October 2016: promotions data, employee survey results</li> </ul> </li> <li>• Other</li> </ul>	Monitoring <i>SP initiatives</i>																						
5	Initiative Updates – ( <i>Major</i> ) (1 each time) <ul style="list-style-type: none"> <li>• AMI</li> <li>• WAMS/Asset Management</li> <li>• (see #16)Other</li> </ul>	Monitoring <i>SP Initiatives</i>																						

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			S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	
6	<b>Other information items:</b>																							
6.A	Regional electrical system issues updates (as needed)	Learning.			■						■							■						
6.B	IRP portfolio components, policies, adjustments	Learning <i>Impacts cost of power</i>							■											■				
6.C	State Legislative Updates, Federal Regulatory Updates	Learning				■				■									■					■
6.D	Other emerging issues -- TBD	Learning																						
	<b>Baseline / Cost Centers/ Revenues</b>																							
7	Review of baseline contents, purpose, revenue building blocks	Learning / Offering Policy advice <i>Baseline is 95%+ of costs in SP</i>			■															■	■			
8	Programmatic Review of Cost Centers <ul style="list-style-type: none"> <li>• Power generation</li> <li>• Transmission</li> <li>• Distribution</li> <li>• Other</li> </ul> [combine initial session with on-boarding for new Panel members; schedule for specific topics TBD]	Learning / Offering Policy advice <i>Baseline is 95%+ of costs in SP</i>		■	■	■	■	■	■	■	■	■	■	■					■	■				
9	Seattle IT Dept. update <ul style="list-style-type: none"> <li>• MOA review</li> <li>• Work ahead</li> <li>• Cost implications</li> </ul>	Learning / Policy advice <i>Technology impacts operational efficiency, service to customers</i>			■						■													■

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			S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M
10	Major Capital Projects—integrating lessons learned <ul style="list-style-type: none"> <li>Project Management process/ approach</li> <li>Connection to WAMS</li> </ul>	Learning / Policy advice <i>Impacts ability to deliver projects in SP on schedule/cost</i>																					
11	Energy Supply / Wholesale Markets <ul style="list-style-type: none"> <li>Energy Imbalance Markets</li> </ul>	Learning /Offering policy advice; <i>Impacts revenue to deliver plan</i>																					
12	Revenue Recovery <ul style="list-style-type: none"> <li><b>Panel letter on Revenue recovery issues/options:</b> June 2017</li> <li><b>Panel letter on recommended revenue recovery strategies:</b> December 2017</li> </ul>	Offering policy advice <i>Impacts revenue, social equity</i>																					
<b>Load, Energy Efficiency and Retail Revenue</b>																							
13	Load forecast <ul style="list-style-type: none"> <li>Current methodology</li> <li>Plan for updating</li> <li>Consumer end use study</li> <li>Periodic progress updates</li> </ul>	Learning / Offering Policy advice <i>Load impacts revenue collection and ability to deliver on initiatives</i>																					
14	Energy efficiency and conservation – current policies, programs and costs	Learning / Identifying areas for further inquiry																					
15	RSA Policy options	Policy Advice; <i>Impacts rates, revenue to fund service</i>																					
16	Utility of the Future work plan <ul style="list-style-type: none"> <li>Load-building for carbon replacement</li> </ul>																						

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	<b>Efficiencies</b>																						
17	Efficiencies in Strategic Plan –review of policy, definitions, targets	Learning / Policy advice <i>Efficiencies are a significant commitment in the SP</i>																					
	<b>Strategic Plan Development and Delivery</b>																						
18	Work plan/schedule for 2018 Strategic Plan Update	Offering Advice <i>Development/scope of Plan</i>																					
19	Ensuring consistency across long-term planning efforts																						
20	Plan Framework Pillars status: overview/confirmation of pillars in next plan [10/16 meeting: onboarding new Panel members]	Policy Advice <i>Foundational direction of SP</i>																					
21	Customer Engagement and Outreach Phase 1																						
22	Baseline Scrub (see items 7-8)																						
23	New Initiatives Introduced	Learning / Policy Advice <i>SP Initiatives</i>																					
24	Customer Engagement and Outreach Phase 1																						
23	Draft plan presented to Panel (draft plan: January; final draft: March)	Learning / Policy Advice <i>SP review and comment</i>																					
24	Panel begins drafting letter	Edit/ Action <i>SP review and comment</i>																					
25	Plan Transmitted to Mayor with Panel Letter	Edit / Action <i>SP review and comment</i>																					



Phase 1 after item 20 and Phase 2 after item 22