

Alameda Municipal Power Current Issues and Strategic Plan

Presented to Alameda City Council
July 16, 2015

Current Issues

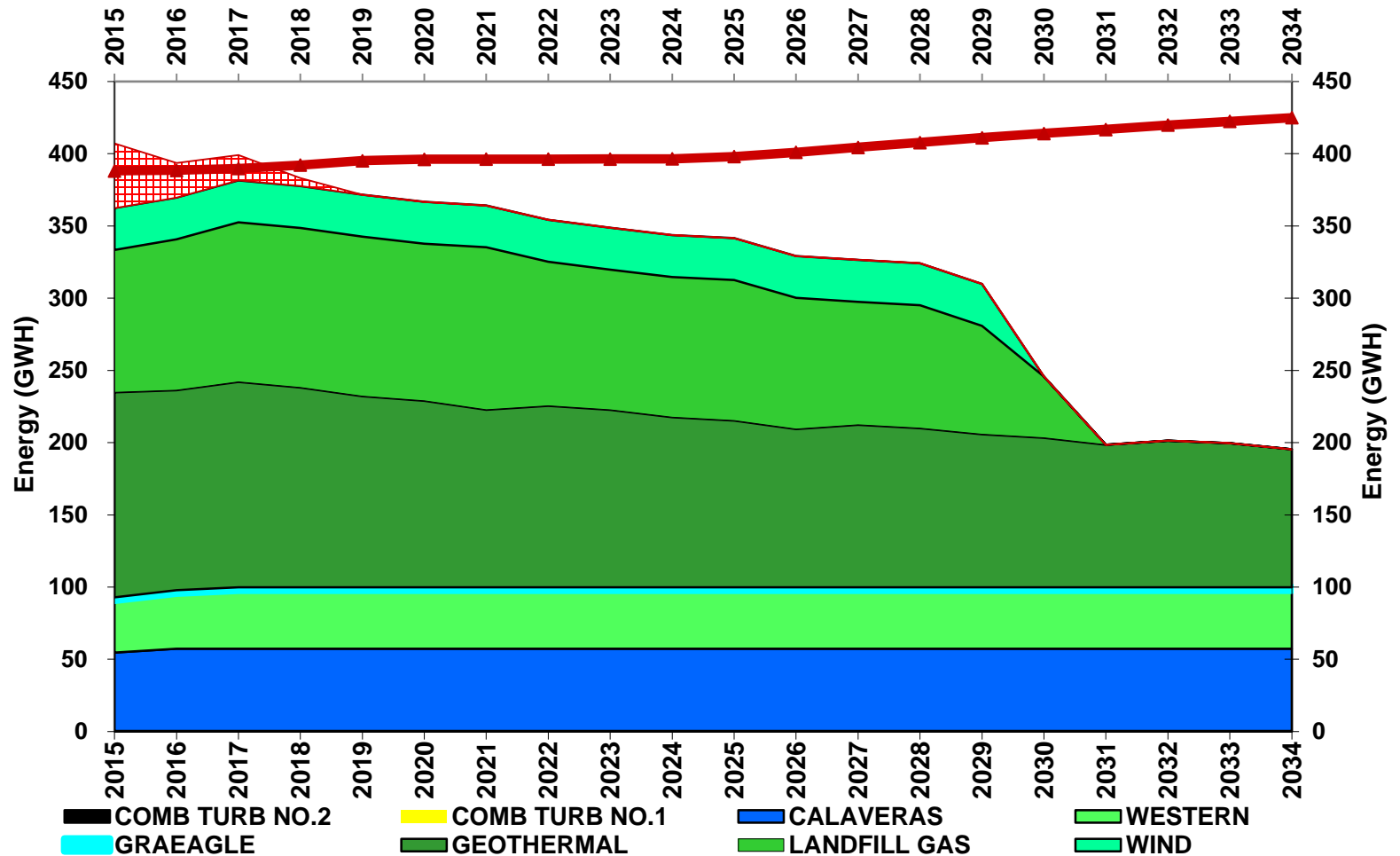
- Distributed generation
 - Rooftop Solar
 - Community Solar
 - Net Energy Metering (NEM)
 - Feed in Tariff (FiT)
 - Accommodation of AUSD plans
- Determination of next Underground Utility District reconstruction areas

City Related Expenses

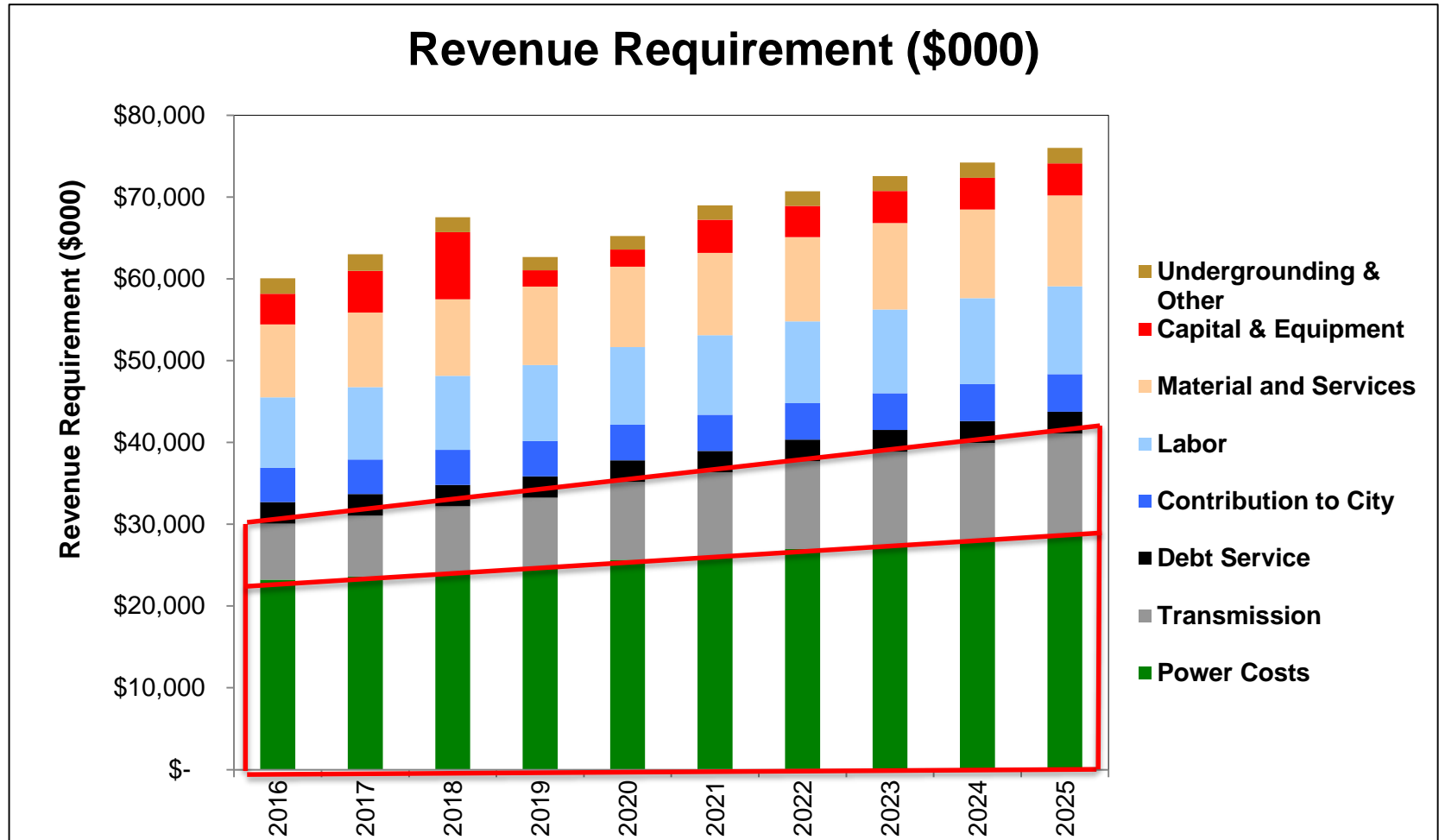
	FY 2016	FY 2015
General Fund Transfer	\$2,800,000	\$2,800,000
PILOT / ROI	\$1,510,674	\$1,362,250
City cost allocation	\$776,131	\$773,385
City direct cost	\$136,000	\$136,000
Rent—warehouse, etc.	\$189,800	\$189,800
Utilities - Street lights	\$450,000	\$380,000
Garage fees & sewer	\$96,900	\$96,900
Total	\$5,959,505	\$5,738,335

Cost of Doing Business

20-YEAR FISCAL ENERGY LOAD BALANCE BY RESOURCE



Cost of Doing Business AMP Forecast



Capital Infrastructure Plan For FY 2016

- Initialization of Full AMI Deployment
- Distribution & Transmission Pole replacements
- Automated Distribution System – upgrade system ops
- New Business – residential, commercial & industrial connections
- Reliability tie to Coast Guard Island
- Underground Utility District reconstruction
- Relay replacement – Jenney Sub-station
- Mobile Technology – GIS for compliant data
- Electric Vehicles Charging Stations & vehicle purchase
- Streetlight Program - LED Conversions

The Strategic Plan – AMP's Road Map

- **Key Result Areas (KRA)**
 - Must Achieve Excellence
 - Based on Forward-Looking Priorities, and existing
- **Goals**
 - Measured
 - Owned
 - Scheduled
- **Initiatives**
 - Defined Tactics Over Time
 - Managed Through Specific Work Plans
- **Work Plans**

Key Result Areas (KRA's)

- Customer Programs & Experience
- Workforce
- System Resiliency
- Technology
- Energy Resources
- Financial and Organizational Stability

KRA 1. Customer Programs & Experience

KRA 1. CUSTOMER PROG & EXP			MEASURE	R	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2020 +	STATUS
GOAL 1.1	Ensure that customers have a positive experience		≥ 90% customer survey	RI				Q4				
INITIATIVE 1.1.1	Preferred Payment Option Program			NI			Q4					
1.1.2	Website Redesign			ES			Q4					
1.1.3	Automated Solar Billing Implementation			JY		Q2						
1.1.4	Online Payment System Upgrade			RI			Q2					
1.1.5	Mobile Website Implementation			ES			Q2					
1.1.6	Lobby Renovation Completed			RI			Q4					
1.1.7	Commercial Customer Outreach Program			BG	Q4							
1.1.8	Redesign Customer Bills			RI			Q3					
1.1.9	AMI Deployment Communications Plan			LCS		Q3						
GOAL 1.2	Increase customer energy efficiency		≥ 5%	RI						Q4		
INITIATIVE 1.2.1	Plan for REC Expenditures for Energy Efficiency			RI	Q3							
1.2.2	Implementation of REC Expenditures for Energy Efficiency			RI	Q4	Q4	Q4	Q4	Q4	Q4		
1.2.3	AMP Service Center Energy Efficiency Plan			KB		Q1						
1.2.4	Energy Efficiency M&V Study			BL	Q4							
1.2.5	Home Energy Management System Plan			RI		Q3						
GOAL 1.3	Provide programs that support green Alameda		Programs in place	RI						Q4		
INITIATIVE 1.3.1	NREL Top 10 Award for Alameda Green			KB			Q4					
1.3.2	EV Promotion Program Defined			RI			Q4					
1.3.3	Community Solar Program Defined			KB				Q4				
GOAL 1.4	Provide programs that increase revenues		Revenue increase 2% by 2020	RI			Q3					
INITIATIVE 1.4.1	Advanced Auditing Program Defined			MO		Q3						
1.4.2	Residential Direct Install Program Defined			KD		Q4						
1.4.3	AMP Branding and Marketing Plan			LCS		Q4						
GOAL 1.5	Increase community engagement and good will		>90% of customers - surveyed	RI	Q4	Q4	Q4	Q4	Q4	Q4		
INITIATIVE 1.5.1	Community Contest			LCS			Q2					
1.5.2	Community Sponsor Policy and Goals			RI		Q1						
1.5.3	Business Advisory Panel Established			BG		Q2						
1.5.4	Student Internship Program			RI	Q4							
1.5.5	Customer Advisory Panel Established			LCS			Q3					
1.5.6	Safety Outreach Program			BG	Q4							

KRA 2. Workforce

KRA 2. WORKFORCE			MEASURE	R	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2020 +	STATUS
GOAL 2.1	Achieve low OSHA incident rate	≤ 1	GS		Q2	Q2	Q2	Q2	Q2	Q2		
INITIATIVE 2.1.1	Awareness Training On Use Injuries (2/year)		CW		Q4	Q4	Q4	Q4	Q4	Q4		
2.1.2	Safety Incentive Program		CW			Q3						
GOAL 2.2	Maintain zero preventable vehicle accidents	0%	GS		Q2	Q2	Q2	Q2	Q2	Q2		
INITIATIVE 2.2.1	Vehicle Specific Training		CW		Q4	Q4	Q4	Q4	Q4	Q4		
GOAL 2.3	Maintain low position vacancy rate	≤ 5%	GS			Q1	Q1	Q1	Q1	Q1		
INITIATIVE 2.3.1	Organization-wide Succession Plan		CL			Q3	Q3	Q3	Q3	Q3		
2.3.2	Proactive Recruitment Program		CL			Q3						
GOAL 2.4	Develop workforce skills for AMP opportunities	Turnover rate < - 1%	GS			Q2						
INITIATIVE 2.4.1	Formal Cross-Training Program		CL			Q1						
2.4.2	Formal Job Shadow Program		CL			Q1						
2.4.3	Formal Professional Training Curriculum		CL			Q2						
GOAL 2.5	Achieve high employee satisfaction	90% on survey	GS		Q4	Q4	Q4	Q4	Q4	Q4		
INITIATIVE 2.5.1	Comprehensive Compensation Program		CL			Q1						
2.5.2	Space Planning		RO			Q4						
2.5.3	Annual Volunteer Event		DM			Q2						
2.5.4	Non-Profit Volunteer Program		RI				Q2					
2.5.5	Internal Communication Plan		LCS			Q2						

KRA 3. System Resiliency

KRA 3. SYSTEM RESILIENCY			MEASURE	R	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2020+	STATUS
GOAL 3.1	Maintain low customer outage frequency and duration	Top quartile SAIDI/SAIFI	DD		Q4	Q4	Q4	Q4	Q4	Q4		
INITIATIVE 3.1.1	Tree Trimming		JD		Q4	Q4	Q4	Q4	Q4	Q4		
3.1.2	Distribution Re-Framing		JD		Q4	Q4	Q4	Q4	Q4	Q4		
3.1.3	OMS		SO Supv					Q3				
3.1.4	Fuse Coordination Study		JU				Q2					
GOAL 3.2	Replace AMP infrastructure	15% of total value of the system	DD							Q2		
INITIATIVE 3.2.1	UUD Shovel Ready		Eng PM				Q3					
3.2.2	Resized Transformers: Reduce system losses 2%		JU						Q4			
3.2.3	Distribution Loss Study		JU			Q4						
3.2.4	20 Annual Poles Replacement		JD		Q4	Q4	Q4	Q4	Q4	Q4		
3.2.5	Pole Testing		JU			Q4						
3.2.6	East Transition Tx Pole Replacement		JD			Q4						
3.2.7	Tx Pole Replacement Contractor Hired		JD			Q3						
GOAL 3.3	Improve infrastructure project management workflow	100% of projects within budget and on schedule	DD							Q4		
INITIATIVE 3.3.1	Project Manager Hired		DD			Q2						
3.3.2	Workflow Process Developed		JU				Q2					
3.3.3	Workflow Consultant Retained		DD			Q4						
GOAL 3.4	Complete infrastructure for Alameda Point	100% capacity and reliability	DD								2030	
INITIATIVE 3.4.1	Engineering Consultant Hired		JU			Q4						
3.4.2	North Distribution Extension Installation		JU				Q4					
3.4.3	N/S Distribution Ties Installed		JU					Q4				
3.4.4	Reconductor West Tower		JU				Q4					
3.4.5	Trench & SS Contractor Hired		JU			Q4						
3.4.6	Relocate Building 162		SS Supv				Q2					

KRA 4. Technology

KRA 4. TECHNOLOGY			MEASURE	R	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2020+	STATUS
GOAL 4.1	Achieve total AMI deployment	100%	GS					Q1				
INITIATIVE 4.1.1	Pilot Analysis Report		RO			Q1						
4.1.2	Business Case		RO			Q2						
4.1.3	Deployment Implementation		Eng PM			Q3						
GOAL 4.2	Implement automated distribution system	All circuits automated	DD								2025	
INITIATIVE 4.2.1	GIS Implementation		JU			Q3						
4.2.2	Upgrade System Ops		SO Supv			Q4						
4.2.3	Smart Air & PM Switches Installation		JU							Q4		
4.2.4	System Capacity Balanced		SO Supv							Q4		
GOAL 4.3	Establish systems inter-operability	Defined data is 100 % accessible	RO							Q2		
INITIATIVE 4.3.1	IVR to Cloud		LE			Q1						
4.3.2	Virtual Desktop		SC				Q4					
4.3.3	Online Form Submission and Data Base		ES				Q4					
4.3.4	Single Sign-On Between AMI Portal & Bill Pay		RI					Q1				
4.3.5	VOIP Phones		LE				Q2					
4.3.6	Northstar Upgrade		SS			Q1						
4.3.7	Core Switch		SC			Q2						
4.3.8	City WIFI		SC			Q2						
4.3.9	Single sign on for SCADA		SC			Q2						
GOAL 4.4	Maintain sufficient level of cybersecurity	Zero penetration to our IT systems	RO							Q2		
INITIATIVE 4.4.1	Cloud Disaster Recovery		SC					Q4				
4.4.2	Core switch for MAN (Municipal Area Network)		SC			Q1						
4.4.3	Security Assessment		SC		Q4							
4.4.4	Security Plan Implementation		SC		Q4							
4.4.5	City Wi-Fi		SC					Q1				

KRA 5. Energy Resources

KRA 5. ENERGY RESOURCES		MEASURE	R	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2020 +	STATUS
GOAL 5.1	Develop alternative energy opportunities	5% local sources	BL			Q4					
INITIATIVE 5.1.1	Energy Storage Analysis		AH		Q4						
5.1.2	DG / EV Rate Structures		AH			Q2					
5.1.3	Local Generation Analysis		AH			Q4					
GOAL 5.2	Define power procurement plan for 2025	Fully sourced to meet load requirements	BL				Q4				
INITIATIVE 5.2.1	Integrated Resource Plan		CN	Q4							
5.2.2	Financial Stability Cost Model		CN			Q2					
5.2.3	Acquisition of Resources		AH				Q4				
GOAL 5.3	Achieve maximum utilization of REC funds	100%	BL						Q4		
INITIATIVE 5.3.1	Maximum REC Utilization Defined		BL	Q4							
5.3.2	Allocation of Major Funds Accounts		BL			Q2					
5.3.3	REC Funds Spent		BL		Q4	Q4	Q4	Q4	Q4		
GOAL 5.4	Achieve sustainable level of carbon neutral	85%	BL						Q4		
INITIATIVE 5.4.1	Carbon Neutral Cost Model		CN			Q2					

KRA 6. Financial & Organizational Stability

KRA 6. FINANCIAL AND ORGANIZATIONAL STABILITY		MEASURE	R	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2020 +	STATUS
GOAL 6.1	Meet all bond covenants	Cash on hand = 145 days. Bond ratio = 1.75	RO	Q2	Q2	Q2	Q2	Q2	Q2		
INITIATIVE 6.1.1	Long-Range Financial Forecast		SS		Q3	Q3	Q3	Q3	Q3		
6.1.2	AMP Financial Policy Review		SS		Q4						
6.1.3	5 Year Capital Requirements Analysis		SS		Q3						
GOAL 6.2	Ensure AMP's average rates are competitive	≥ 15% below PG&E	RO	Q2	Q2	Q2	Q2	Q2	Q2		
INITIATIVE 6.2.1	Comprehensive Rate Design Plan		BL		Q2						
GOAL 6.3	Ensure mutually-agreeable transfer to City	Adequate funding	RO	Q2	Q2	Q2	Q2	Q2	Q2		
INITIATIVE 6.3.1	Long-Range Financial Forecast		SS		Q3	Q3	Q3	Q3	Q3		
6.3.2	Alameda Point Financial Plan		GS		Q3						
GOAL 6.4	Ensure balanced budget	Cash neutral	RO	Q2							
INITIATIVE 6.4.1	Long-Range Financial Forecast		SS		Q3	Q3	Q3	Q3	Q3		
6.4.2	5 Year Capital Requirements Analysis		SS		Q3						
GOAL 6.5	Ensure Effective Organizational Management	AA - Bond rating	GS			Q4					
INITIATIVE 6.5.1	Create & Implement PUB Governance Workshops		GS		Q1						
6.5.2	Develop Business Model Reflecting 2020 Needs		GS			Q4					
6.5.3	Create Partnerships with City Depts		GS		Q1						