

# LOS ANGELES DEPARTMENT OF WATER AND POWER

## FISCAL YEAR 2022-2023 GOALS AND OBJECTIVES

The goals and objectives of the Los Angeles Department of Water and Power (LADWP) for Fiscal Year 2022-23 are consistent with Mayor's priorities and reflect continued investment to comply with mandates, upgrade aging infrastructure to maintain reliability, provide customers with opportunities to reduce and control their energy bills as well as create a more sustainable and local water supply.

Key goals for FY 2022-23 include:

- (1) Maintaining reliable service through rebuilding our aging water and power infrastructure
- (2) Continuing the transformation of our water and power supplies for improved sustainability and to meet State and Federal regulatory mandates
- (3) Improving communications, services, and the overall experience for all LADWP customers

### POWER SYSTEM

The primary focus of the Power System includes the following key areas:

- Increase the safety, reliability and resiliency of Power System's infrastructure
- Transform the power supply and flexible loads with a focus on environmental stewardship, while preserving resiliency and financial stability
- Implement new and expansion of existing customer/external programs to meet the needs of the diverse communities we serve
- Increase organizational efficiency, innovation and data-driven decision making
- Attract, develop and retain a safe, diverse and high-quality workforce

#### Improve Power System Reliability

The Power System Reliability Program (PSRP) is critical for the replacement of the rapidly aging backbone and infrastructure of the Generation, Transmission, Substation, and Distribution Systems. This includes infrastructure replacement of Poles, Crossarms, Generation, Distribution and Substation Transformers, Cables, and Circuit Breakers, as well as incorporating new technologies such as Substation Automation and Distribution Automation.

- Complete deployment of the distribution automation communication network and continue to deploy distribution automation devices
- Develop grid infrastructure upgrade strategies based on LA100 study results of the significant load growth with high electrification and high penetration of renewable capacity imports to ensure overall system reliability

- Support LA100 Initiatives through distribution system development of new circuits plans and stations, reliability plans, equipment upgrades and initiate the Distribution Voltage Upgrades Program to enable electrification.
- Maintain system reliability by performing all necessary studies and coordinating all planned outages
- Meet targets for the PSRP infrastructure replacement of 1,150 distribution transformers, 12,000 deteriorated crossarms, 3,500 deteriorated poles, 60 miles of 4.8kV and 34.5kV underground distribution cables, and PSRP Distribution load growth and upgrades through 10 miles of 4.8kV Feeders and five miles of 34.5kV Trunk Circuits
- Develop and implement new Critical Infrastructure Protection (CIP) compliance and operational tools to support Identity Access Management, Configuration and Change Management Tool, and Asset and On-boarding Management
- Meet targets for Wildfire Hardening and Mitigation which includes replacement of 490 poles, 1,680 crossarms, and 154 transformers along with Substation Automation to allow for situational awareness and control
- Maintain Vegetation Management Services for overhead power line clearance to maintain reliability and reduce customer outages

### **Transform the power supply with a focus on environmental stewardship**

In April 2019, the Mayor announced Los Angeles' Green New Deal which included targeting 55 percent renewable energy supply by 2025, 80 percent by 2036 and 100 percent by 2045 in compliance with California's mandate. A subsequent Presidential Executive Order and a LA City Council Motion has accelerated that goal to achieve 100 percent carbon-free energy by 2035.

- Develop the 2022 Strategic Long-Term Resource Plan and public outreach efforts to determine the investments needed to reach a goal of 55 percent renewable energy by 2025, 80 percent by 2030, and 100 percent carbon-free by 2035 in a manner that is equitable and minimizes the rate impact on customers.
- Collaborate with community-based organizations, environmental justice communities, and researchers from National Renewable Energy Laboratory and the University of California Los Angeles to conduct an Equity Strategies Study to achieve specific, community-driven, and equitable outcomes to L.A. communities from the clean energy transition.
- Collaborate and coordinate with Southern California Public Power Authority (SCPPA) members to share studies, best practices, optimize costs, organize common value propositions, and allow joint procurement of renewable resources through power purchase agreements or acquisitions to meet renewable resource goals
- Continue to implement local customer solar programs and projects and other distributed energy resources to achieve distributed energy resource goals identified in the Strategic Long-term Resource Plan

- Conduct conceptual, preliminary technical, strategic analysis, and studies on generation and energy storage resources impacting the transmission and distribution system infrastructure; upgrade and build the new transmission lines needed; increase the capacity on external transmission; and upgrade the in-basin transmission system considering current and future addition of transmission and distribution projects
- Support emerging technologies such as energy storage including battery storage, solar, and electric vehicle charging considering the maintenance, repair, and eventual replacement required
- Support state and local efforts to increase the adoption and use of electric transportation in order to meet LADWP's targets of 250,000 electric vehicles (EV) in Los Angeles by 2025 and 750,000 by 2030. Additional targets include 45,000 commercial EV charging stations by 2025 and 120,000 by 2030; and to develop, implement, and maintain EV related rebate programs to provide up to \$40 million in total assistance per year for various Commercial and Residential EV Charger rebates and Used EV Rebates including rebate adders for low-income and disadvantaged customers through LADWP's EZ-SAVE program
- As the Operating Agent and Project Manager for the Intermountain Power Project, develop green hydrogen fuel supply and storage project with Intermountain Power Agency, Intermountain Power Service Corporation, and other Power System Divisions. Continue to seek green hydrogen project funding opportunities from various state and federal sources
- Close out the Energy Imbalance Market implementation project and transition ongoing operations and maintenance activities to the identified business units, including change management, knowledge transfer, contracts, and budget closeout
- Remain in compliance with state environmental mandates/regulations through the replacement of high emissions diesel Fleet equipment and the purchase of electric sedans in support of the Mayor's Sustainability Plan

### **Provide exemplary customer service**

- Power New Business and Electrification (PNBE) is focusing on improving customer communications and project coordination through quarterly industry workshops, participation in bi-monthly industry seminars, enhancing auto-Email project milestone messages and through hosting specific project coordination meetings with specific developers, engineers, architects, and governmental agencies to provide information regarding overall submittal, design, and construction phases, as well as information related to LADWP design standards. With this shared understanding, the goal is to avoid unnecessary delays caused by corrections or lack of information in submittals received.
- PNBE continues to work with customers to improve solar programs and energy storage interconnection projects. This includes supporting the interconnection of

Net Energy Metering and Feed-in Tariff customer projects, as well as Battery Energy Storage projects.

- PNBE continues to work with customers to improve efficiencies and shorten timelines in EV charger projects, in direct support of the Mayor’s initiative and directive.

### **Ensure the continuity of an effective and efficient workforce**

- Improve worker safety through investigation of incidents; protective clothing, evaluation of new tools prior to implementation; reduce switching and procedural errors; safety tours; safety inspections; safety meetings; safety training; and employee involvement
- Construction of a training Distributing Station for trainees and journey-level employees to practice proper safety protocols, operations, and maintenance procedures in a realistic simulated substation environment
- Enhance succession planning and in-house training programs such as Electric Distribution Mechanic; Electrical Mechanic; Electric Station Operator; Electric Meter Setter; Underground Distribution Construction Mechanic; Load Dispatcher; and improve their success ratio
- Purchase two twin-engine helicopters, which have redundancy in the event of a primary engine failure, in support of the Human External Cargo program

## **WATER SYSTEM**

The Water System’s mission is to provide reliable, high quality water to customers in a publicly and environmentally safe, efficient, and responsible manner. Goals toward achieving this priority include:

- Ensuring programs and policies are in place to protect and improve sustainability of water supply and resources.
- Assuring the completion of scheduled water infrastructure replacement projects.
- Meeting current and emerging water quality regulatory and policy mandates.

The goals and objectives of the Water System for FY 2022-2023 are in alignment with the 2020 Urban Water Management Plan and consistent with Mayor Garcetti’s Los Angeles’ Sustainable City pLAN and Green New Deal.

### **Local Water Supply Program**

Local Water Supply Program is a long-term initiative to develop new local water supplies within the City to help further improve supply reliability and sustainability, and reduce continued reliance on imported Bay Delta and Colorado River water that is purchased from the Metropolitan Water District of Southern California (MWD). To reliably meet the long-term water supply needs of the City while minimizing costs to the ratepayers, LADWP is continuing investments to develop additional local supplies as

outlined by the strategies in the updated 2020 Urban Water Management Plan. Additional considerations for improving supply reliability include:

- The recycled water program will work towards maximizing water reuse by strategically building out the existing 'purple pipe' system, signing up new customers, continuing its public outreach efforts, and advancing potable reuse projects (Groundwater Replenishment in the San Fernando Valley, Headworks Direct Potable Reuse, and Operation NEXT) to bolster its drinking water supplies. Fiscal year 2020/2021 marked the highest volume (11,400 acre-feet) of recycled water use in the City's history, and LADWP is working to further increase recycled water use to 17,300 acre-feet per year by 2025. Specific objectives for the current fiscal year are to sign up a minimum of four new recycled water customer to increase recycled water deliveries to over 11,800 acre-feet.
- To address the need for a new resilient and independent water supply for Los Angeles, LADWP is pursuing a major long-term initiative aimed at maximizing production of purified recycled water from the Hyperion Water Reclamation Plant (Hyperion) for groundwater replenishment and raw-water augmentation. The Operation NEXT Water Supply Program (Operation NEXT) will help meet the City's long-term local water supply goals by maximizing recycling of available treated wastewater for beneficial reuse from Hyperion. Hyperion will be retrofitted with advanced treatment facilities to produce up to 217 million gallons per day of purified recycled water which will be used to replenish underlying aquifers in the San Fernando, Central, and West Coast Groundwater Basins and potentially connect to the Los Angeles Aqueduct Filtration Plant as well as MWD's Regional Recycled Water Program's Backbone System. Ongoing efforts include preparation of various planning, feasibility, route studies, interagency coordination, institutional agreements, and the development of a Master Plan and a Programmatic Environmental Impact Report.
- Maintain high emphasis on the LADWP Water Conservation Program in view of the current drought conditions, which aims to improve water use efficiency in the City of Los Angeles and motivate permanent behavior change in residents to use water more responsibly through outreach, education and incentive programs. The Water Conservation Program will continue developing new customer focused initiatives to meet the 2020 UWMP goals of reducing potable water use/GPCD by 22.5 percent in 2025 and 25 percent in 2035, along with meeting compliance with State mandated regulatory requirements currently under development.
- Capture capacity of 150,000 acre-feet of stormwater per year by 2035. Projects will be developed based on the Stormwater Capture Master Plan completed in August 2015, which includes upgrades to existing centralized facilities to increase capacity, implementation of the Stormwater Capture Parks Program Phase I and Phase II and collaboration with other agencies for execution of distributed projects.

- Six stormwater capture projects are anticipated to be under construction and twelve projects will be in design phase for a total anticipated capture volume of 20,000 acre-feet per year.

LADWP has continued representation at MWD to protect LA’s interests in maintaining a cost-effective and reliable supplemental water supply for the City.

LADWP will continue its comprehensive water loss control program by improving data quality on the Water Loss Audit and implementing the Water Loss Task Force Action Plan. These actions include the development of a preventative maintenance program to calibrate supply meters, targeted customer meter testing and replacement, and improved data collection on leak repairs and pressure events.

### **Water Infrastructure Program**

Water Infrastructure Program entails investments in projects supporting the major components of the Water System infrastructure including water pipeline replacement, pumping stations refurbishment, meter replacement, regulator station refurbishment, tank retrofits, and Los Angeles Aqueduct reservoirs and dam refurbishments to enhance water supply reliability. The Water Infrastructure Plan includes infrastructure upgrades that are a part of the \$5.6 billion five-year Water System capital plan. Investments are necessary to maintain reliability of supply and distribution of water for Los Angeles. Major areas of program investments include the following:

- Implement water pipeline replacement to enhance water supply reliability. This action plan supports the City of Los Angeles’ Green New Deal. Pipe replacement is a high priority and is critical to the continued reliability of water supply to the City.
  - There are approximately 6,780 miles of mainline (pipes 20 inches or less in diameter) throughout the City of Los Angeles. Over 28 percent (about 1,871 miles) of LADWP’s mainlines are over 80 years old, and are in the latter stage of their life cycle. The Water System’s action plan is to achieve a mainline replacement rate of 240,000 feet per year by 2025. For FY 2022-23, the goal will be to achieve 210,000 feet of mainline replacement.
  - Trunk lines (pipes greater than 20 inches in diameter) provide the transmission capacity to move large amounts of water around the city – from reservoirs and tanks to the smaller distribution mainlines. There are approximately 575 miles of transmission pipelines throughout the City of Los Angeles. In FY 2022-23, the goal is to replace 11,515 feet of trunk line.
- There are over 2,800 large valves (16 inches or greater in diameter) in the water distribution system. These valves are critical in performing system shutdowns during emergencies, such as water main breaks. The goal is to replace a minimum of five large valves annually.
- Replace 34,000 small meters by FY 2023-24 to achieve a 20-year replacement cycle, which is the industry-average useful life for a small meter (before wear and

tear on its moving parts cause loss of measuring accuracy). In FY 2022-23, the goal is to replace 33,500 meters.

- Investments in Regulator and Pumping Stations and in-city tank storage are planned to improve water distribution efficiency and water supply.
  - There are 86 pump stations that pump water to customers or storage tanks at higher elevations in the City. The goal for FY 2022-23 is to replace or rehabilitate twelve pumps/motors and to retrofit Griffith Park Pump Station No. 115.
  - There are 393 regulator and relief stations. The goal is to retrofit ten regulator stations per year through 2023.

### **Water Quality and Regulatory Compliance**

Water Quality projects and programs continue providing the City of Los Angeles with safe drinking water through pipe disinfection and flushing, online security monitoring, Chlorination Station Installations, Trunk Line Improvements, Water Treatment Improvements, and Reservoir Improvements. Regulatory Compliance ensures that LADWP's water supply meets all state and federal regulatory standards. Supporting projects and programs include:

- Fairmont Sedimentation Plant – design and construction of a new sedimentation plant to improve water quality from Los Angeles Aqueduct (LAA) by removing turbidity and naturally occurring arsenic. The project provides flexibility to treat supplies from either LAA #1 or LAA #2.
- Groundwater Remediation - remediate contaminated groundwater and restore the beneficial use of well fields in the San Fernando Groundwater Basin. Some of these projects include North Hollywood Centralized Treatment, North Hollywood West Wellhead Treatment, Tujunga Centralized Treatment, NHOU2IR/Honeywell, NHOU Eastern Plume Remedial Action/Lockheed Martin. Reliable future use of local groundwater supply depends on the effective remediation of the contamination.
- Lead and Copper Rule Revisions – was promulgated by the USEPA on December 16, 2021. LADWP has to comply with the rule by October 24, 2024. The revisions to the existing rule require that public water systems conduct and submit a customer lead service line inventory, test for lead in the drinking water at childcare facilities and elementary schools, and develop a program to assist customers with lead service line replacement if found.
- New community water system permits for small systems – the regulatory authority for small systems along the Los Angeles Aqueduct was recently changed from the Inyo County Environmental Health Department to the State Water Resources Control Board Division of Drinking Water-San Bernardino Office. LADWP must submit new permit applications for Control Gorge Power Plant, Keeler Yard, Mountain View Trailer Court, and LAWS to continue operating these water systems.

- The Hydration Station Initiative Program (HSIP) offers reimbursements for the installation of hydration stations to improve public accessibility to high-quality tap water and reduce single-use plastic waste. Hydration stations are drinking fountains with a bottle filling mechanism. In addition, HSIP includes distribution of promotional items and partnerships with community-based organizations to promote drinking tap water.
- Owens Lake Dust Control - the City has a 53.4 square miles dust mitigation obligation and utilizes approximately 60,000 acre-feet per year of raw water for the mitigation of particulate matter emissions control. LADWP's goal is to reduce water use at Owens Lake by an additional 9,000-acre feet per year by 2030. This will be achieved through a multi-phase set of projects, developed under the Owens Lake Master Project Framework. These projects will achieve regulatory compliance of dust mitigation performance standards in a more efficient and sustainable manner all while minimizing impacts to cultural and biological resources.

## **JOINT SYSTEM**

The Joint System provides critical organization-wide support including but not limited to customer service, sustainability and economic development, corporate performance, human resources, financial services and community relations. Key goals that further this support include:

- Becoming a more customer focused organization
- Maintaining and strengthening LADWP's financial position and liquidity through appropriate enhancements to financial policies and metrics
- Providing human resources services to develop and sustain a highly-skilled and diverse workforce
- Using technology, enterprise systems and other critical applications to support and enhance LADWP operations

Below are some of the Joint System Organizations and their programs in support of these key goals:

### **INFORMATION TECHNOLOGY SERVICES (ITS)**

- Develop and implement innovative, secure, repeatable and sustainable internal processes for delivering Information Technology (IT) services. ITSD will implement transformational technology that will:
  - Deliver Digital Signature Technology which will enable the digitization of documents going forward
  - Enable application modernization and maintain currency with all versions



Related projects include:

- Implementation of an Internet of Things (IOT) framework to allow IOT devices on the network securely
- Emphasize transparency utilizing ITSD standards, best practices and security best practices for the IT infrastructure operations environment
- Enhance LADWP's cybersecurity visibility and response capability across Power, Water and Joint Systems. This includes extending beyond our on-premise system into the cloud environment
- Enhance LADWP's IT and cybersecurity governance, risk, and compliance program including but not limited to improving our 3rd party vendor management program, policy rework, and cloud governance
- Develop and implement innovative business processes to improve how LADWP conducts business with LADWP customers in the future. Related projects include:
  - Meter Data Management Upgrade in support of Distributed Automation initiatives and AMI implementation
  - Implementation of a monitoring solution for LADWP.COM and LADWP.COM web application replacement
- Prioritize LADWP technology projects and align IT resources to those priorities. Related projects include:
  - Targeted completion of Phase II (architect and make significant progress with Configure and Prototype stage) of the ERP/Workday project, and Phase 3 of Financials (complete Chart of Accounts design and planning)
  - Implementation of ERP Ivalua to replace external interface for eRSP
  - Implementing SharePoint online to replace the current intranet, MyDWP (target 80 percent)
  - Expanding fiber optic connections and provide redundancy to additional Water and Power facilities, and expand the fiber optic system to the Disaster Recovery site and Bishop
  - Replacing and/or upgrading the Intermountain Power Project microwave system
  - Enhancing the corporate virtual machine infrastructure by building out OS and application specific clusters to improve performance and reduce Operating System Licensing costs
  - Modernizing our Wide Area Network by deploying SD-WAN at ten sites
  - Implementing a PC Store and maintain an inventory level (desktop, laptop, monitor, accessories) that will meet the everyday demand and shorten turnaround time
  - Improving Operational Technology (OT) visibility by installing additional Intrusion Detection sensor in both our IT and OT environments
  - Upgrading the Fleet Asset Works System M4 to M5
  - Implementing the iVOS (Workers Compensation system) upgrade
  - Upgrading Maximo to Version 7.6.1.2

- Upgrading BSR to OCI or on-premise to address hardware
- Develop project prioritization criteria and process for Executive Management approval. Related activities include development and implementation of the ITSD PMO, and ITSD Governance of programs and metric reporting.
- Develop and implement sustainable automated processes. Related projects ITSD will be assisting with or focused on include:
  - Application modernization - upgrading applications to be current with versions including AMI, DocuSign and Microsoft 365
  - Continuing to improve the IT Disaster Recovery posture for critical applications and systems throughout LADWP
  - Implementing a software license manager to efficiently administer all licensed software
- Attract, develop and retain an engaged, highly skilled staff. Related activities include developing effective succession plans, division cross training, and continued implementation of mandatory and IT-focused training particularly in the areas of ITIL Training, Agile Application Development, and Security by Design. Additionally, enhance LADWP's employee cybersecurity awareness by providing continuous awareness training to all employee and business unit specific information security training.

## **OFFICE OF DIVERSITY, EQUITY, AND INCLUSION**

- Updating LADWP's Strategic Plan to incorporate diversity, equity and inclusion in to core values and build brand awareness around the reimagined core values; develop Guiding Principles that reflect leadership standards, behaviors and competencies that should be demonstrated in the workplace.
- Creation of the Diversity, Equity and Inclusion (DEI) Steering Committee and Task Force to provide feedback to the Office of Diversity, Equity and Inclusion on emerging issues.
- Creation of a Diversity, Equity, and Inclusion institute through a combination of vendor-provided training and in-house workshops to specifically address LADWP culture. Reach 100 percent compliance for mandatory training and create an environment that reflects a corporate culture where employees feel seen, heard and valued for their different identities and perspectives.
- Transform online training delivered via Webex to an online training community in Blackboard. Increase employee engagement in this virtual environment that the Department has had to rapidly adapt to and increase participation in all training areas.
- Modernize the current Interview Selection Package (ISP) submission process from manual/paper-centric to using the ISP Tracker Application (App) developed and implemented with ITSD. The Goal is 90 percent utilization by June 30, 2023 (in light of the special needs of field operations).

- Lead and participate in various efforts to ensure the advancement of matters related to hiring, classifications, etc., that benefit LADWP now and going forward. Continue to attend Strategic Long-Term Resources Plan Steering Committee meetings, working subcommittees meetings, and periodic meetings with the Mayor's Office and consultants to provide advice and assistance on workforce aspects of the transformation from carbon-based to renewable power generation.
- Establish policies and programs that lead to more diverse and equitable hiring and promotional opportunities, such as mentorship programs, recruitment partnerships, interview preparation assistance and diverse interview panels. For example, an Interview Specialist Program utilizing a third-panel member who is a current or retired manager/supervisor from a different division and/or system.
- Support the development of Employee Resource Groups and Professional Resource Groups that promote diversity, equity and inclusion and networking opportunities for employees.
- Work with professional, labor and community-based organizations to expand employment opportunities for underrepresented targeted populations (i.e. women, disabled, veterans, low-income) across all job classes and educate diverse talent on career opportunities and the benefits of working at LADWP.
- Expand marketplace initiatives that improve supplier diversity and community engagement by increasing business partnerships and economic opportunities in underserved communities, including providing support to diverse vendors to obtain certification, symposiums to assist diverse vendors in building relationships with and working with prime contractors, re-establishing vendor fairs for diverse vendors, exploring implementation of a supplier diversity disparity study to identify and remove barriers in the procurement process and the potential establishment of a mentor/protege program.
- Create roadmap to employment for specific job classifications with a focus on providing those roadmaps to barriered populations so that they can easily identify prerequisite education or experience needed for employment with LADWP.
- Identify barriers to employment or advancement for diverse candidates and create solutions to improve access through partnership with internal and external partners, including employee resource groups, Personnel department, labor unions, community-based organizations, etc.
- Work closely with internal business units to ensure that Office of DEI is actively engaged in major initiatives that will impact employment, procurement and customer service.

## **CORPORATE STRATEGY AND COMMUNICATIONS**

- Communicate proactively through various channels (media, internal, corporate communications, social media, advertising, and community relations) about LADWP key customer programs, initiatives and successes

- Provide exceptional internal client support for various LADWP customer programs in order to communicate more effectively with our customers and increase participation in key programs, including: EV rebate programs, Energy Efficiency, and Water Conservation, among over two dozen others
- Partner with staff from Power and Water systems, DEI and Customer Service to engage the community, key stakeholders and various non-governmental organizations in learning more about LADWP initiatives and providing input to the LA100 Equity Strategies, Power System long-term resource planning, Operation NEXT (Local water supply development), Power System Reliability Plan and other major capital investments and related planning and community engagement processes
- Provide rapid response to crisis incidents, including power outages, water main breaks, severe weather incidents, wildfires and other unplanned, but high-profile events that require effective, timely and accurate communications with our customers, the Board and City leadership
- Continue to ensure a visible presence at various community events and partnerships with key community organizations to promote LADWP's customer programs and to share information about key initiatives

## **EXTERNAL AND REGULATORY AFFAIRS**

### **1. Customer Service Division**

The Customer Service Division (CSD) is responsible for the primary customer support functions and processes. These encompass multi-channel services that are related to customer engagement, program delivery, and foundational processes from electric and water service provision to remittance for all customer segments. As a result of the implementation of Federal, State, and Local Coronavirus Pandemic response measures, CSD has been continuously adapting to work through multiple operational impacts and expanded customer needs. Many impacts have changed CSD processes, required increase manual intervention, and resulted in new programs and customer engagement channels. These changes are not temporary mitigations of the pandemic impacts, but are part of the newly defined "business as usual". The newly defined operations drive the LADWP's continued focus on delivering high-quality service and continuing to improve the customer experience for Los Angeles and Owens Valley residents and businesses, while helping our customers through the Pandemic. The CSD goals and objectives for FY 2022-23 are:

- Expand customer affordability mechanisms with the implementation of level pay billing and automated and expanded payment arrangement mechanisms
- Focus on revenue collection programs including debt management pilots for discount and struggling customers
- Construct and open new Customer Service Centers (CSC) in North Hills and Watts, and initiate the construction of the replacement of the CSCs in Hollywood and San Pedro

- Replace the website platform to modernize online experience and expand self-service functionality
- Continue the process of replacing the Customer Contact Center platform including the Interactive Voice Response system to expand and improve self-service options and improve customer experience key performance indicators
- Continue to make programs accessible to all customer segments, promote programs for income qualified multi-family dwellings to further promote equity initiatives; continue increased outreach to disadvantaged communities through partnerships with community-based organizations, key stakeholders, and other resources
- Assist customers with post Pandemic recovery with extended bill installment plans and exploring options to expand enrollment, especially for low income and/or lifeline customers; continue to enhance customer payment options; and automate discount application processing
- Increase staffing to meet expected increase in customer inquiries and support needs once the moratorium is lifted in April 2022, ensure rebate processing, maintain mandated metrics and timely responses on all customer requests
- Provide customer service and call center support to ensure the success of Department programs including the Advanced Meter deployment as well as new income qualified pilot programs
- Develop more rebate and educational programs to assist customers such as Landscape Design and Landscape Maintenance; SoCalGas company partnerships; provide energy audits for customers without access to personal computers; offer exterior installations for commercial customers while maintaining Department policy of zero in-person customer contact
- Deploy revenue and credit management operational functionalities that were previously deferred because of the billing system litigation but are now required to address all-time arrears that is anticipated to be over \$500 million after the State's relief funds are applied
- Promote and enhance the Customer Relationship Management system across the entire Department to provide Department employees with 360-degree view of the customer to better service their needs and improve the customer experience
- Participate in and improve customer-facing business processes and activities across the entire Department (Water, Power, and Joint Systems), to cultivate operational efficiencies and deliver a consistent highly positive, meaningful customer experience
- Enhance QA function and audit that will monitor low income discount expansion and reasons for escalated calls
- Enable every remote and onsite employee to be a positive customer service ambassador
- Continue implementation and promotion of those programs identified as part of the \$100M Energy Efficiency Department initiative

- Continue to increase customer satisfaction scores as measured by industry surveys
- Continue to support LADWP's sustainability efforts

### **Meter Services and Field Operations Organization**

Meter Services and Field Operations (MSFO) organization joined CSD from the Power System at the end of January 2022. The organization is a diverse group that is responsible for:

- Reading electric and water consumption meters
- Starting and stopping water and electric service
- Investigating irregularities relating to electric and water meters
- Overseeing the collection of electric and water usage information
- Investigating theft of electric and water service

Meter Services and Field Operations helps forge a linear approach to work practices and metering related criteria. The group develops strategic plan goals and objectives that are achievable, measurable, and cost effective. MSFO's proposed goals reflect continued cost controls and prioritization of resources that address its customer-driven priorities. For FY 2022-2023, MSFO's goals and objectives are:

- Increase meter reading efficiencies and completion rates
- Improve field service and meter reading routing designations
- Timely assistance and investigations to address consumption irregularities
- Ensure customer, community, and distribution network safety through timely investigation of unsafe and unauthorized energy connections.
- Continue implementation of quality assurance mechanisms to ensure operational efficiencies and regulatory compliance
- Continue to meet settlement-related Key Performance Indicator

## **2. Legislative and Intergovernmental Affairs**

- Meet with legislators and agency representatives in Sacramento and Washington, D.C. quarterly (minimum) to educate the Los Angeles delegation and other key legislators to protect and preserve LADWP interests
- Work closely with the Mayor's Office to secure City Council positions on State and Federal bills impacting LADWP
- Proactively maintain and develop relationships and alliances within the utility industry as well as with elected officials to advocate for and protect LADWP interests
- Develop and maintain relationships with key utility, business associations and trade organizations (e.g., American Public Power Association, Valley Industry & Commerce Association, California Municipal Utilities Association, Los Angeles Chamber of Commerce, Greater Los Angeles African American Chamber of

Commerce, etc.) sharing common interest in legislative and regulatory issues of significance to LADWP

- Single point of contact resource for offices of local, state and federal elected officials

### **3. Environmental Affairs**

- Support the planning and construction of transmission, distribution and generation projects that are needed to achieve a 100 percent renewable energy supply through a comprehensive environmental analysis and public scoping process
- Work with the State Water Resources Control Board and affected stakeholders to obtain a five-year extension that would allow Units 1 and 2 at Scattergood Generating Station to continue operating through 2029 while LADWP builds new infrastructure to replace the existing once-through cooling units at the coastal power plants
- Expand outreach for the \$20 million community emissions reduction non-profit grant program for projects in the Harbor and Valley communities, which have been disproportionately burdened by multiple sources of pollution
- Manage the proceeds generated by the Assembly Bill 32 Cap and Trade/GHG Auction (AB32) and the Low Carbon Fuel Standard Credit Sale that may fund LADWP's key Greenhouse Gas (GHG) emission reduction programs that support the California statutory goal of reducing statewide emissions by 40 percent below 1990 levels by 2030
- Incorporate system enhancements into the existing on-line environmental review process used for all capital projects and maintenance activities to ensure that environmental approvals are obtained in order to improve overall compliance, meet regulatory requirements, and protect natural resources
- Expedite the cleanup of LADWP's legacy contaminated sites, by working closely with the California Environmental Protection Agency, to prioritize and allocate resources at the state and local level

### **4. Efficiency Solutions**

- Having met the Board of Water and Power's mandate of 15 percent energy efficiency savings by 2020 vs. 2010, LADWP seeks to continue this aggressive pace through 2030 to meet California's mandate through Senate Bill 350 to double energy efficiency, while additionally supporting LA's Green New Deal to accelerate reduction of GHG Emissions and reduce power bills for customers who need help the most
- Expand efforts to electrify buildings with energy efficient technologies and appliances to reduce emissions and increase opportunities for demand response and load shifting

- Launch the Comprehensive Affordable Multifamily Retrofits program to promote deep decarbonization for low income renters

## **5. Innovation & Partnerships**

- Partner with secondary, college, and university institutions, community-based organizations, and others to create and maintain workforce development programs and pipelines for the energy, water, and clean technology sectors
- Partner with business organizations, ethnic and gender chambers, and others to educate and grow businesses that provide energy, water, and clean tech products and services to our customers
- Partner with the faith-based community, non-profits, and others including the South Los Angeles Transit Empowerment Zone to promote small businesses participation in LADWP programs and incentives, especially in disadvantaged communities
- Partner with the Mayor's Office and other stakeholders to develop and implement resiliency pilot projects
- Partner with the Los Angeles Cleantech Incubator, Business Source Centers, ethnic chambers, and other incubators to move towards equity in the energy, water and clean technology sectors
- Partner with the Mayor's Office, The Valley Economic Alliance, and other stakeholders to attract, retain, and grow business especially in disadvantaged communities, opportunity zones, and promise zones

## **6. Electrification of Transportation**

- Support the L.A. Green New Deal's goals of 80 percent electric and zero emission vehicles in the City by 2036 and 100 percent by 2045; and for 100 percent of City and transit fleets to be electrified by 2028; and support the State's mandate of 100 percent new passenger car sales be zero emission by 2035, and 100 percent medium and heavy-duty vehicles be zero emission by 2045
- Expand the existing electric vehicle infrastructure to provide convenient and easy vehicle charging options throughout Los Angeles
- Expand efforts to electrify other transportation and goods movement infrastructure to minimize impacts and increase the use of more sustainable transit options
- Expand efforts to increase electric vehicle infrastructure to reduce emissions and increase opportunities for demand response and load shifting
- Ensure that LADWP remains in compliance with state environmental mandates and goals that incorporate a transparent and rigorous data performance analysis on GHG emissions and sustainable metrics into the day-to-day operations of LADWP



## **7. Real Estate**

- Maximize real estate assets by reviewing usage and ensuring “highest and best” property utilization including opportunities for maximizing revenues through uses such as auto parking, telecom sites, wholesale nurseries and other appropriate, compatible uses
- Support the hiring and promotion initiatives during the filling of vacancies in support of Water and Power System projects.
- Continue the enhancement of a comprehensive database to include all of the Departments facilities and properties with the City of Los Angeles
- Increase revenue to the Department by incorporating a fee-based system for customer licensing, processing of encroachments, accessory dwelling unit handling and public customer requests

## **CHIEF FINANCIAL OFFICER**

### **1. Financial Services Organization (FSO) Executive Office/Strategic Rates Design**

- Advise on rates development and implementation issues relating to rate design, metering, billing, and communication.

### **2. Accounting and Financial Reporting Division**

- Deliver reliable, accurate financial information in a timely manner to internal and external stakeholders.
- Facilitate the completion of a successful fiscal year-end financial statement audit and Single Audit.
- Process accounts payable and payroll documents for timely and accurate payments to employees and vendors.
- Implement new Government Accounting Standards Board Statement Nos. 87 and 96 related to leases and Subscription Based IT contracts.
- Work with JP Morgan Chase and other LADWP divisions on implementing the new merchant services system.
- Work with internal and external teams to effectively move the Enterprise Resource Planning (ERP) implementation process forward.
- Continue transition of accounting applications off of mainframe to server environment.

### **3. Budget, Budget System Replacement, and Cost of Service**

- Obtain Board approval for the Department's FY 2023-24 annual budget
- Monitor the FY 2022-23 budget versus actual results via Monthly Financial Reports
- Update Cost of Service models and support the Open Access Transmission Tariff Wholesale Rates update
- Finalize review and assessment of best option for the upgrade of HP Budget and possible migration to Oracle Cloud Infrastructure

### **4. Administrative Services and Financial Systems Replacement**

- Continue to implement the Payroll and Finance modules of the ERP program with Workday and Ivalua, by working with various key internal stakeholders on data related areas and change management

### **5. Rates and Financial Planning Division**

- Continue to manage Department retail power and water rates
- Develop short-term and long-term financial plans and determine revenue requirements and strategies to ensure Department financial stability

### **6. Finance and Risk Control Division**

- Expand outreach to rating agencies and the investor community by subscribing to a robust platform that allows LADWP to provide a one-stop resource for comprehensive and up-to-date information to address headlines and regulatory concerns while promoting the Department's financial stability
- Issue approximately \$418 million new money bonds to support the Water System's Capital Improvement Program
- Refund approximately \$812 million callable bonds (\$525 million Power System; \$287 million Water System) to secure substantial debt service savings
- Secure replacement for the \$523 million liquidity facilities expiring in FY 2022-23
- Continue to explore cost effective financing options including securitization of eligible water and power projects

### **7. Internal Audit Division**

- Prepare and execute FY 2022-23 Annual Audit Plan
- Provide audit training to staff with a special focus on fraud and conflict of interest, cybersecurity, data analytics and continuous auditing, system development life cycle
- Conduct a risk assessment for the audit planning for FY 2022-23

## **8. Corporate Performance Division**

- Continue to report the Rates Metrics on quarterly basis to the Office of Public Accountability/Ratepayer Advocate and semi-annually to the Board
- Report the Equity Metrics semi-annually to the Board
- Continue to provide monthly data for the Mayor's Office Dashboard metrics and for the Mayor's Open Data portal – work with Mayors' Office as necessary
- Work with Joint Authority that includes the Office of the Mayor, Controller's Office, and the Council Office to assist with the 2021 IEA (industrial, economic, and administrative) Survey

## **CORPORATE SERVICES**

### **1. Human Resources (Employee Health Plans and Services)**

- Continue to maintain quality health and family care benefit programs that meet or exceed industry standards and support the department's recruitment/retention strategy. Key activities and priorities include:
  - Conducting benefits benchmarking surveys of other comparable public sector entities and utilities;
  - Reimagining the Wellness Program by developing strategic planning/metrics to track, study and assess results on the Wellness Program;
  - Securing new contract for Employee Assistance Program;
  - Negotiating carrier health plan rate renewals containing more competitive rates; and continuing to work with Workday, Payroll and HRMS on developing an enterprise resource planning system for health plans and benefits.
- Continue to streamline, consolidate and enhance the content displayed on the MyDWP intranet and eBenefits internet regarding benefit programs managed by Employee Health Plans and Services.
- Provide policy and expertise to department managers and supervisors on programs administered by Employee Health Plans and Services, which includes centralized training for Department of Transportation (DOT) Drug and Alcohol Testing for LADWP supervisors with employees that are within DOT parameters, and who must be randomly tested, and establishing a quarterly roundtable to discuss reasonable accommodations matters with LADWP's Reasonable Accommodation Coordinators, Office of the City Attorney and the Workers' Compensation Office.
- Update the department's Family Medical Leave policy and Interim Drug and Alcohol policy for inclusion into the LADWP Administrative Manual.

## **2. Labor Relations**

- Effectively advocate the Department's position and protect the Department's assets in adjudicating employment related and labor relations related disputes before various Commissions, Boards, City Council, Committees and third-party neutrals.
- Support and maintain effective labor/management relationships for the purpose of addressing labor relations issues in the most constructive and cost-effective manner including resolving and reducing the number of grievances, arbitrations, and unfair employee relations practice claims filed.
- Enhance and improve compliance, fairness, and consistency throughout the Department on the interpretation and application of MOUs, policy, federal, state, and local laws, and the Department's historical and past practices pertaining to various labor relations' issues.
- Ensure the continuity of an effective and efficient workforce by developing and improving staff skills and capabilities to enhance productivity, quality, efficiency, effectiveness, and timeliness through training, education and partnerships.
- Negotiate department policy changes, salary and benefit information and memorialize and implement policies and agreements.
- Conduct strategic and focused Labor Relations meetings and trainings with Division Managers and Administrative staff to provide guidance on current labor relations issues to ensure consistency and compliance with Department policies.

## **3. Security Services**

- Continue collaboration with the Real Estate Section and other City Departments to mitigate homeless encampments on LADWP property.
- Provide Standardized Guard Card Training to Uniform Security Services personnel.
- Hire to at least 90 percent of Division's Approved Headcount.
- Develop System-specific emergency preparedness exercises for virtual participation.
- Continue LADWP participation in ongoing national preparedness exercises.
- Ensure employee readiness to emergency-response through ongoing preparation and testing.
- Conduct physical security penetration tests.
- Continue conducting security assessments, pursuant to California Public Utilities Commission rulemaking.
- Ensure compliance with CIP-004 and CIP-014.

#### **4. Supply Chain Services**

Supply Chain Services Division's mission is to provide ethical, transparent and fiscally-responsible procurement and materials management for the Los Angeles Department of Water and Power with the following strategic goals:

- Train, develop, and retain staff - Provide workshops, seminars, and conference opportunities to increase procurement skills and knowledge.
- Achieve consistency in processing all procurements - Increase consistency across all procurement types by creating written Standard Operating Procedures and training for staff.
- Improve efficiency of the procurement process - Assess current procurement processes, identify redundancies, and streamline where possible. Implement a modern software system.
- Improve internal and external customer service
  - Review results from internal customer service satisfaction survey and prioritize areas for improvement.
  - Develop and distribute an external customer service satisfaction survey to bidders and vendors.
  - Provide information, benefits and training for stakeholders on new software system
  - Continue outreach and training for vendors on upcoming LADWP procurement opportunities
  - Collect diversity data and certifications for vendors/suppliers.
- Support LADWP with COVID-related PPE and supplies while running regular operation.
- Coordinate with Water and Power to obtain critical supplies with limited supplies available in the marketplace due to supply chain delivery challenges affecting the world.

#### **5. Facilities Services**

- Complete build-out of Pacific Stock Exchange office building to relocate 1,094 Customer Services Division and Information Technology Services employees from John Ferraro Building (JFB); begin JFB office remodel.
- Provide planning, architectural design and project management services for asset management, space planning, tenant improvement, and new building design for best use of new and existing properties, including the relocation of JFB occupants for the JFB Reconsolidation Project.
- Promote and encourage rideshare (transit, vanpool, carpool, etc.) among department employees in compliance with the South Coast Air Quality Management District mandate to reduce mobile emissions generated by employee commutes. Integrate the current vanpool, transit, and parking

databases into one efficient database that allows users to interface with the application and increase efficiency.

- Update and expand Parking Management System at JFB Customer Parking Lot.
- Replace outdated records management database with a modern intuitive system that includes additional features for records retention schedules.
- Provide real-time maintenance, operation and repair of LADWP properties, which includes landscaping, custodial, and/or building operation/repair services for the JFB and all other LADWP property and facilities. Expand drought tolerant landscape to remaining department facilities.
- Expand use of Maximo asset management software to JFB and Field staff to ensure consistency and efficiency in tracking and billing work for Divisions and chargeback process.

### **OFFICE OF CORPORATE HEALTH AND SAFETY**

- Promote the continuing growth of the Office of Corporate Health and Safety by integrating and collaborating with the newly acquired offices of Workers' Compensation and Occupational Health Services (OHS). Continue efforts to fill all vacancies that will assist in staffing and creating new sections that will include Corporate Policy and Programs, Job Hazard Assessment and Field Operations, Safety Training and Development, and Audits and Regulatory Compliance.
- Enhance support, development and implementation of Department-wide safety initiatives in collaboration with key divisions, including:
  - Continued development and implementation of a Contractor/Vendor Safety program with Supply Chain Services
  - Improving Audit and Inspection services in collaboration with Environmental Affairs
  - Expanding the use of the current iVOS Workers Compensation system and exploring additional functionalities that can assist with tracking lost days, types of injuries, near misses and incidents
  - Working in collaboration with Information Technology and Payroll to implement a Direct Deposit system for Workers' Compensation payments
  - Expanding services dedicated to the Department's Green Building Portfolio in support of the Office of Sustainability
  - Continued efforts of OHS working alongside our Safety Engineering and Industrial Hygiene groups on Medical Surveillance
- Continue collaboration with Supply Chain Services to expand the Safety Warehouse's role as the primary source for Department provision of standardized Safety Equipment and Material Resources, including specification development and administration of Safety Material contracts.
- Adopt and develop a Safety Management System software platform to enable better risk prediction to prevent injuries, capture leading indicators to measure

safety performance and promote integration of safety processes into Department operations including LADWP's overall Enterprise Resource Plan

- Establish a paperless process to streamline administrative procedures in OHS and provide information more efficiently, including the distribution of Medical Surveillance Division records.
- Identify Clinical facilities in remote areas to meet the LADWP policy for medical evaluation and possible drug/alcohol testing of non-DOT employees' exhibiting behaviors or appearances suggestive of "being under the influence" of a substance. (Admin Manual 100-02, 100-03)
- Ensure compliance with recently developed or newly enacted safety legislation including Cal/OSHA's COVID Emergency Standard and associated inspection efforts, training, policy development, and exposure control materials.

## **JOINT SYSTEM – OTHER**

### **1. Equal Employment Opportunity Services**

- Provide "A Culture of Mutual Respect" training to all non-supervisory employees (approximately 8,000) between 2022-2023. This is an extension of the training provided to supervisors, managers, executives, and lead personnel that was offered in 2020-2021.
- Fill three staff vacancies to ensure timely investigation and resolution of new complaints and rollout of initiatives such as increased workplace restoration and outreach efforts. Filling staff vacancies will also allow Equal Employment Opportunity Services to restructure complaint workflow and expedite complaint closures.
- Implement a new Case Management System with greatly increased functionality and sophistication to perform inter-system communication with the City of Los Angeles MyVoiceLA system, integration of current business processes, and customization of reporting mechanisms.
- Conduct on-site outreach to LADWP facilities and yards to reinforce the Zero Tolerance Policy and a culture of mutual respect at all worksites.
- Perform workplace restoration, including conflict resolution or mediation, following the investigation of a discrimination or harassment complaint.

### **2. Legal and Claims Office**

- Provide aggressive and cost-effective legal representation to LADWP
- Pursue creative cost-effective solutions to client-business problems which provide efficient methods to achieve Department goals while satisfying City Charter and other legal requirements
- Aggressively pursue reimbursement for injuries and damage to property
- Work closely with Customer Service Division to identify and collect unpaid judgments

- Provide legal support and advice to the Water, Power, and Joint Systems in the execution of priority projects
- Upgrade Customer Service and maintain a high level of professionalism in the Customer Service area for the personnel of the Office of the City Attorney
- Improve administrator/supervisor/employee communication
- Improve attendance by informing the employees of the Department's standards and the procedures for those who find themselves on the Attendance Improvement Program
- Establish a paperless environment for the Claims Office and improve claims processing time

### **3. Inspector General Office**

- To conduct and supervise audits, reviews and analyses relating to the programs, operations and contracts of the LADWP;
- To receive and investigate complaints from any source and proactively conduct investigations concerning alleged abuse, fraud or waste of LADWP resources and/or misconduct by LADWP contractors or personnel;
- To provide leadership and coordination in recommending policies or remedial actions to correct deficiencies and promote economy, efficiency and effectiveness of LADWP programs and operations including:
  - Identifying systemic issues and systemic steps that can be taken to reduce fraudulent, wasteful or unethical activities and recommend remedies in situations where apparent unethical, wasteful or fraudulent behavior has been found;
  - Ensuring compliance with Los Angeles City Ethics Commission policies and procedures for financial disclosure of personnel involved in procurement or contracting decisions, and developing a system to enhance such policies and procedures where appropriate; and
  - Coordinating with appropriate offices and agencies when criminal behavior is suspected.
- To provide independent analyses, evaluations and appraisals of LADWP's performance effectiveness, the accuracy of its information systems, the economic and efficient utilization of its resources, and the adequacy of its internal controls;
- To report expeditiously to appropriate local, state, and/or federal prosecutorial and investigative agencies whenever the Inspector General has reasonable grounds to believe there has been a violation of criminal law; and
- To prepare a semi-annual report of investigations, audits and other Inspector General actions and coordinate with the LADWP's Communications, Marketing and Public Affairs office to facilitate dissemination, public outreach and engagement efforts.