



Strategic Plan

2018-2023



JUNE 2019

FRANKLIN COUNTY PUBLIC UTILITY DISTRICT #1

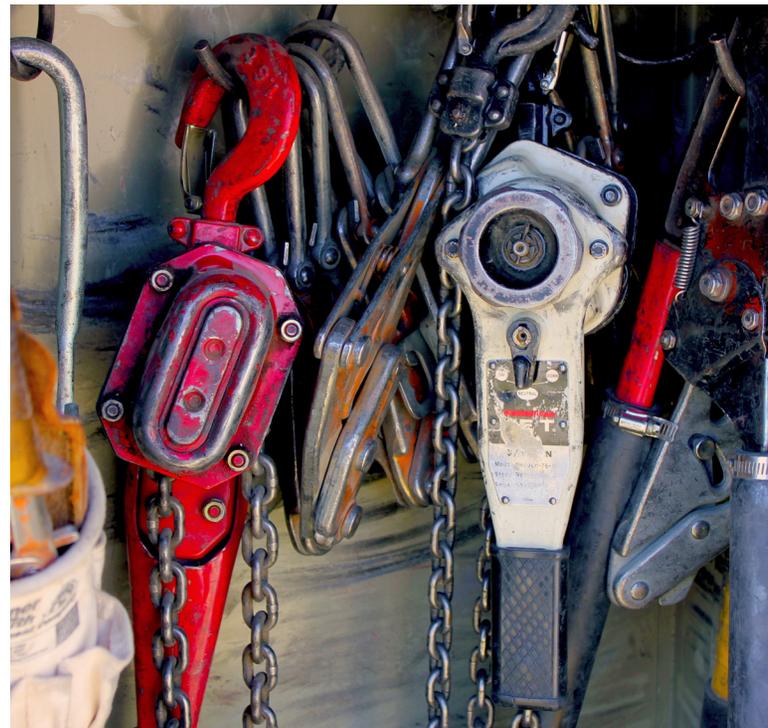


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MESSAGE FROM THE GENERAL MANAGER

I began my employment as General Manager of Franklin PUD in April 2019; well into the second year of the Strategic Plan. The 2018-2023 Strategic Plan was created by Franklin PUD's Board of Commissioners and staff, who identified challenges facing the electric industry and developed strategic priorities to mitigate these challenges. This document describes the Strategic Plan and the objectives set to help achieve our goals and fulfill our mission - **to provide safe, reliable, and affordable cost-based power that benefits our customers.**

Staff has accomplished many of the goals that were set and as we move forward with the Strategic Plan, we will continue to be focused on our four primary guiding principles.

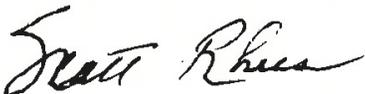
These guiding principles set our strategic direction:

- **Safety** First
- Maintaining Low, and Stable **Rates**
- Sustaining High Systems **Reliability**
- Developing Strong & Supportive **Relationships** with customers and community partners

Change continues to sweep the electric industry at an unprecedented pace causing significant changes in how we are required to do business. I am committed to fostering a positive work environment that supports dedicated employees, demonstrates sound governance and promotes continued improvement, all in an effort to provide excellent service for our customers. I look forward to continuing to work collaboratively with the Commissioners, staff and customers to carry out our mission and to pursue excellence in all we do.

We invite our customers' participation, review, questions and comments as we work together to develop and implement plans aimed at achieving our mission.

Sincerely,



Scott Rhees

Scott Rhees
General Manager



"I am committed to fostering a positive work environment that supports dedicated employees, demonstrates sound governance and promotes continued improvement, all in an effort to provide excellent service for our customers."

ABOUT FRANKLIN PUD

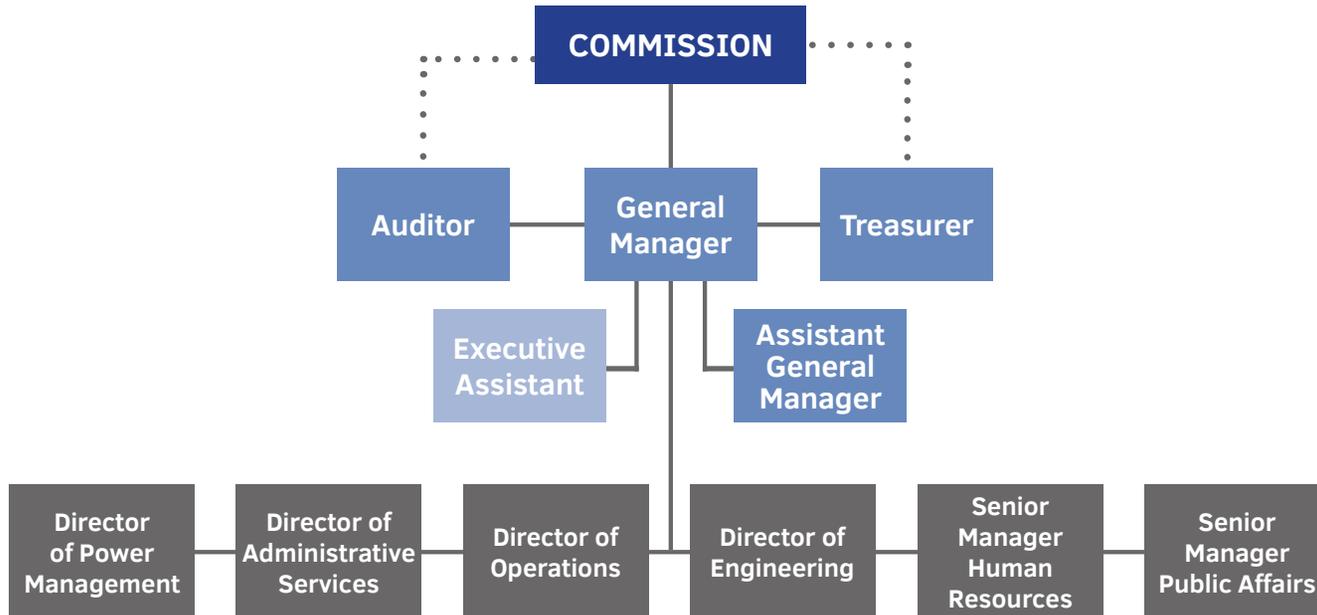
Customer-owned utilities in the public power family like Franklin PUD are owned and governed by the people and communities we serve. We have an obligation to provide you ownership and control of your utility and to do so reliably, efficiently, and at the lowest reasonable cost.

Electricity powers the way we live, energizes our homes and businesses, and ensures economic vitality. Franklin PUD purchases, transmits, distributes, and sells electric energy to 25,000 customers. In addition, we are authorized under state law to provide wholesale telecommunications services (broadband). Our service area is approximately 435 square miles in Franklin County and includes Connell, Kahlotus and most of Pasco.

Currently we have 20 substations, 1,058 miles of transmission and distribution lines. Franklin PUD has 102 employees with revenues in excess of \$83 million and total assets of over \$196 million. An elected three-member Board of Commissioners governs the District.



Organizational Chart



COMMISSION & EXCELLENCE IN GOVERNANCE MODEL



ROGER WRIGHT
DISTRICT 1



BILL GORDON
DISTRICT 2



STU NELSON
DISTRICT 3

Commission Obligations to Excellence

O-1 Set Strategic Direction and Outcomes for the District	O-2 Provide Sufficient Financial and Staff Resources	O-3 Engage and be Accountable to Rate Payers and Other Stakeholders
O-4 Assure Effective Management	O-5 Fulfill Financial Responsibilities	O-6 Comply with Statutory and Regulatory Duties

Commission Member Actions for Excellence

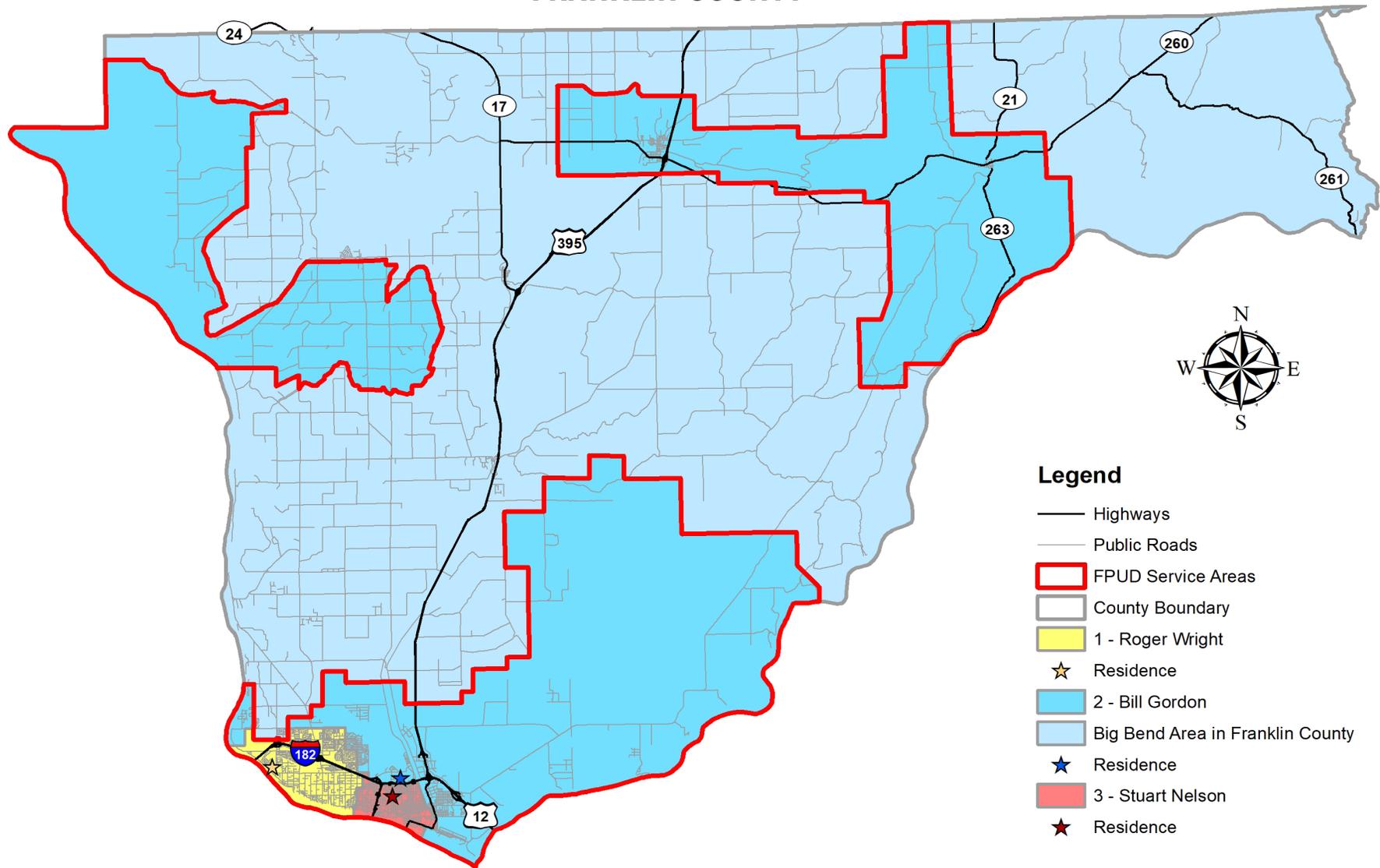
A-1 Place Highest Priority on Public and Employee Health and Safety	A-2 Be Diligent and Prudent Stewards With Rate Payer Resources	A-3 Provide Clear, Majority Based Direction
A-4 Be Accountable for Commission Decisions	A-5 Demonstrate, Communicate and Conduct Business Centered to the District's Values: <i>Customer Focus, Personal Responsibility, Respect, Teamwork, Integrity and Forward Focus</i>	

Characteristics for Commission Excellence

C-1 Critical Commission Self Evaluation	C-2 Maintain Commission Focus on Purpose, Policies and Procedures	C-3 Effective GM/Commission Working Relationship
C-4 Clear and Effective Performance Management		C-5 Comprehensive Commission Education and Development

SERVICE AREA

FRANKLIN COUNTY



Legend

- Highways
- Public Roads
- ▭ FPUD Service Areas
- ▭ County Boundary
- ▭ 1 - Roger Wright
- ★ Residence
- ▭ 2 - Bill Gordon
- ▭ Big Bend Area in Franklin County
- ★ Residence
- ▭ 3 - Stuart Nelson
- ★ Residence

0 2.5 5 10 15 Miles

MISSION & VISION STATEMENTS

MISSION

To provide safe, reliable, and affordable cost-based power that benefits our customers.

VISION

The District will be a respected and reliable steward of electric and broadband systems, delivering high value to customers in the form of: low-cost and reliable power; a system infrastructure that supports safety and reliability; commitment to conservation of energy resources and our environment; and committed employees who excel in customer service and make the District a great place to work.

VALUES

- **Customer Focus:** We respond to our internal and external customers, listening to their requests and understanding their needs. We strive to exceed their expectations.
- **Respect:** We consistently treat every individual with dignity and respect. We foster open and honest communication, listen and understand other perspectives.
- **Integrity:** We are guided by what is ethical and right and fulfill our commitments as responsible public stewards.
- **Personal Responsibility:** We are personally accountable to our customers and the District for the highest standards of behavior, including honesty and fairness in all aspects of our work.
- **Teamwork:** We value diversity and draw strength from the wealth of viewpoints that reside within the District. We work together; demonstrate collaboration through mutual reliability, openness and flexibility.
- **Forward Focus:** We anticipate and prepare for the future, encourage innovation and new ideas to better serve our customers.



GUIDING PRINCIPLES

The Guiding Principles are the cornerstones that guide our vision as we work to achieve our goals and fulfill our mission. They are not to be compromised and should be at the forefront of all business conducted on behalf of our customers.

- **Safety** first
- Low and stable **rates**
- High systems **reliability**
- Strong and supportive **relationships**



ABOUT THE STRATEGIC PLAN

THERE ARE SEVERAL COMPONENTS THAT GUIDE DISTRICT DECISIONS AND MAKE UP OUR STRATEGIC PLAN.

GOALS

Each Strategic Priority is supported by multiple goals, each of which serves to further our progress in that focus area.

STRATEGIC PRIORITIES

Our Strategic Priorities represent our areas of focus for the term of this strategic plan.

GUIDING PRINCIPLES

Our Guiding Principles serve as the cornerstone that guide our vision as we work to achieve our goals and fulfill our mission.

VALUES

Our values determine how we will pursue our mission.

VISION

Our vision reflects how we strive to be viewed by our customers and community.

MISSION STATEMENT

Our mission statement defines our purpose and role in our service area.

TWO-YEAR OPERATING PLAN

- **Strategies:** Each goal is supported by the strategies we will use to achieve it.
- **Tactics:** Each tactic represents a specified action with associated deadlines and accountability.

The PUD's Strategic Plan identifies priorities and strategies for the 2018–2023 period. To achieve the overarching goals established by the Commission and under the leadership of the General Manager, staff develops an Operating Plan in two-year increments to identify specific strategies accompanied by actionable tactics. The Operating Plan is approved and then reviewed quarterly by the Commission to assess progress and any needed corrections.

STRATEGIC PRIORITIES

Franklin PUD's commitment to safety and customer satisfaction are crucial components of achieving our mission, and incorporated into each strategic priority.

- 1** PROMOTE EMPLOYEE AND PUBLIC SAFETY
- 2** MAINTAIN SYSTEMS TO PROVIDE RELIABILITY FOR OUR CUSTOMERS
- 3** ENSURE STABLE POWER RATES
- 4** STRIVE FOR A POSITIVE CUSTOMER EXPERIENCE
- 5** PROVIDE AN EXCELLENT WORK PLACE ENVIRONMENT

GOALS SUPPORTING STRATEGIC PRIORITIES

Within each strategic priority Franklin PUD has developed multiple goals. Each goal is supported by tactics which are designed to achieve the goals within an expected time frame.

1

PROMOTE EMPLOYEE AND PUBLIC SAFETY

Goal 1.1 Maintain a culture that promotes safety in all aspects of District operations.

Goal 1.2 Everyone goes home safely every night.

2

MAINTAIN SYSTEMS TO PROVIDE RELIABILITY FOR OUR CUSTOMERS

Goal 2.1 Meet or exceed established reliability indices for the District.

Goal 2.2 Ensure adequate long-term power supply.

Goal 2.3 Maintain reliability of internal operational systems.

3

ENSURE STABLE POWER RATES

Goal 3.1 Move the District's rates into the lower third of electric utilities in Washington State.

Goal 3.2 Develop a specific strategy for broadband that supports stable power rates into the future.

4

STRIVE FOR A POSITIVE CUSTOMER EXPERIENCE

Goal 4.1 Develop deeper understanding of district customer needs.

Goal 4.2 Ensure customer interactions result in an excellent experience.

Goal 4.3 Assess current and forecasted needs of large commercial users and ensure adequate supply for new customers.

5

PROVIDE AN EXCELLENT WORK PLACE ENVIRONMENT

Goal 5.1 Foster an engaged and productive workplace environment.

Goal 5.2 Encourage employee development.

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