



FRANKLIN COUNTY PUBLIC UTILITY DISTRICT #1

STRATEGIC PLAN FOR YEARS 2018-2023

Updated 2022

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MESSAGE FROM THE GENERAL MANAGER

Scott Rhees

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



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 28,000 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, 1,132 miles of transmission and distribution lines. Franklin PUD has 91 employees with revenues in excess of \$103 million and total assets of over \$237 million. An elected three-member Board of Commissioners governs Franklin PUD.



COMMISSION & ORGANIZATIONAL CHART



ROGER WRIGHT
DISTRICT 1



BILL GORDON
DISTRICT 2



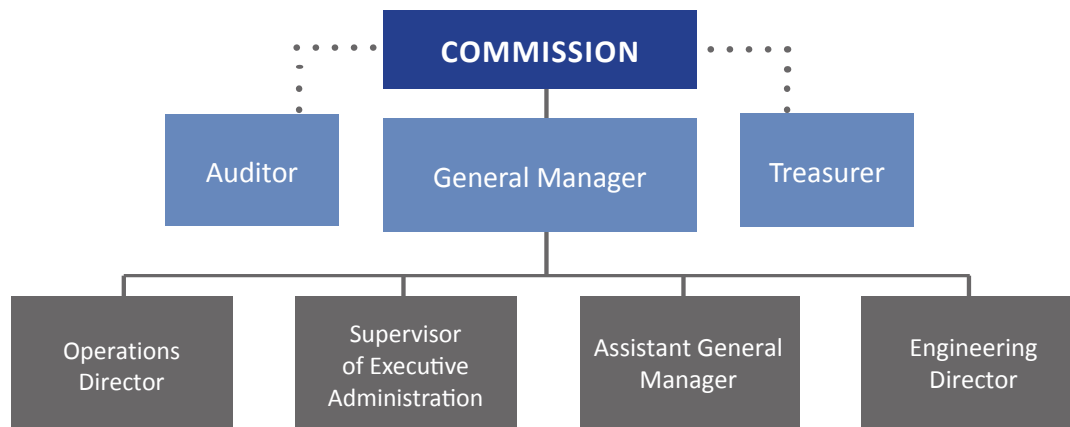
STU NELSON
DISTRICT 3

The Board of Commissioners is the governing body for Franklin PUD. Commissioners have overall responsibility for setting policy and appointing the General Manager, who is responsible for the implementation of policies and direction of operations.

Franklin PUD has a three-member Commission, and each Commissioner represents a certain district of Franklin County, as shown on the Commissioner District map on the next page. Commissioners are elected to serve a six-year term.

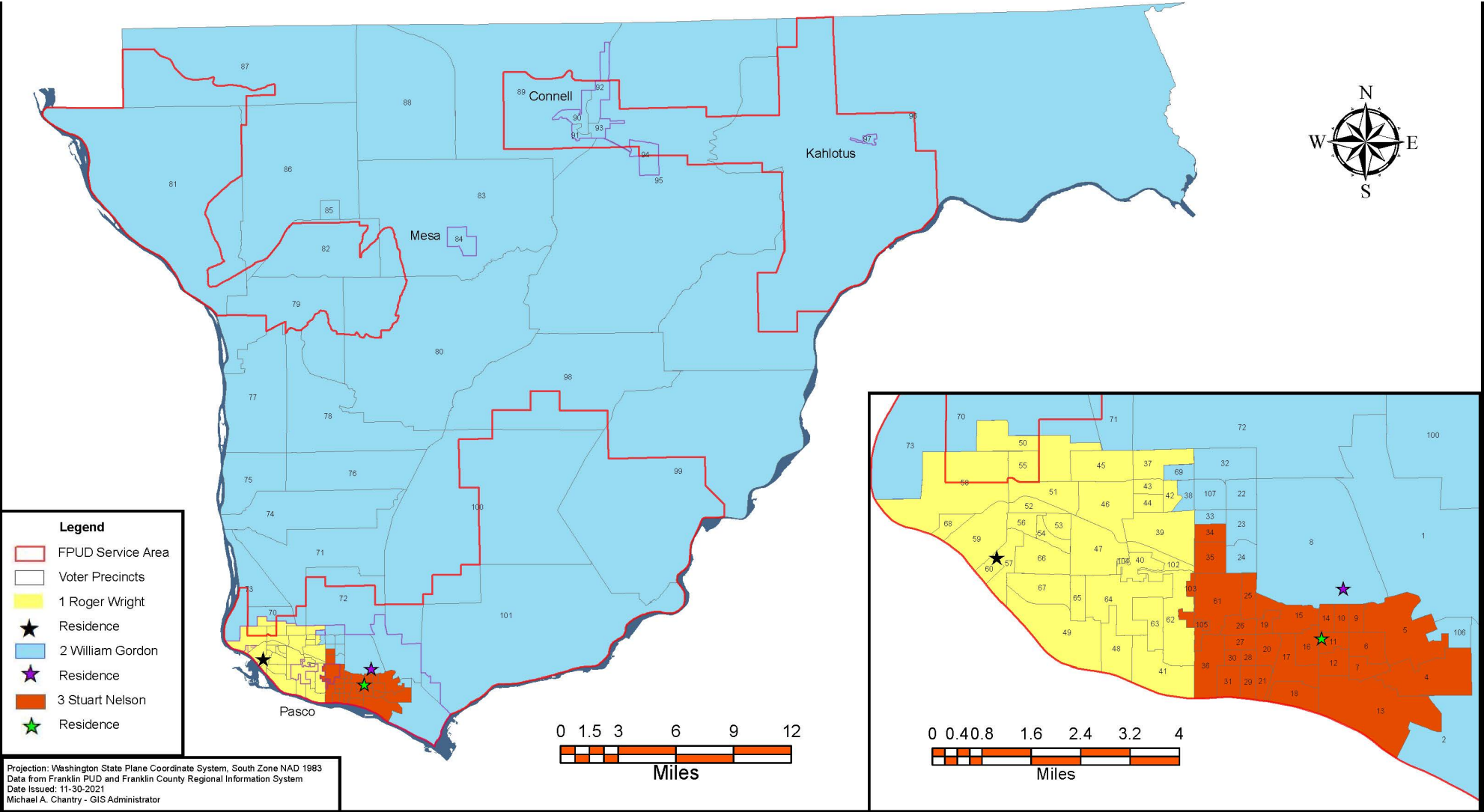
At the end of each year, the Commission elects a president, vice-president, and secretary for the coming year. The Commission President conducts the meetings. Minutes are taken at all meetings and are available to the public and on the website.

Organizational Chart



SERVICE AREA

FRANKLIN COUNTY



MISSION & VISION STATEMENTS

MISSION

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

VISION

Franklin PUD 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 Franklin PUD 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

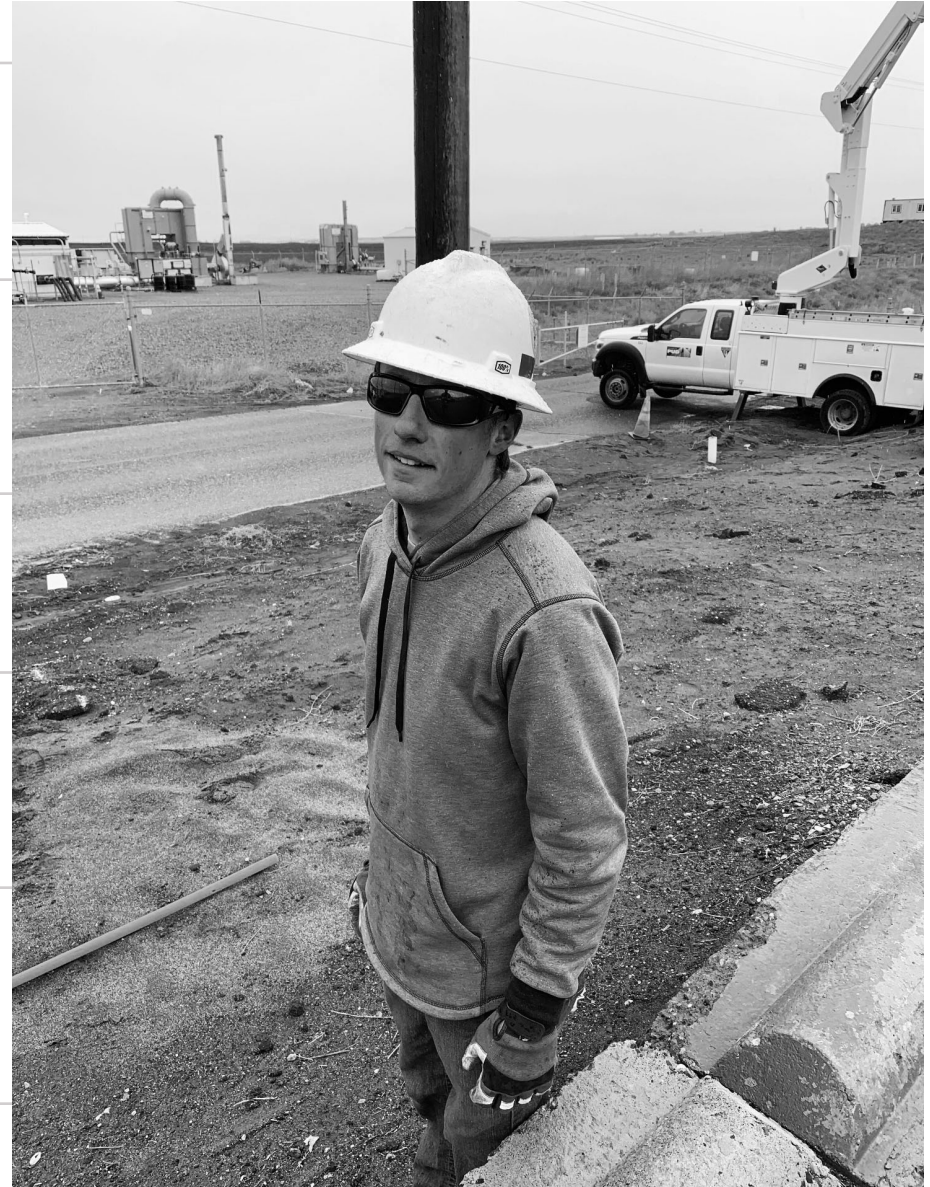
We are personally accountable to our customers and Franklin PUD for the highest standards of behavior, including honesty and fairness in all aspects of our work.

TEAMWORK

We value diversity and draw strength from the wealth of viewpoints that reside within Franklin PUD. 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
- Maintain low stable power **RATES**
- Sustain high systems **RELIABILITY**
- Develop strong and supportive **RELATIONSHIPS** with our customers and community partners



ABOUT THE STRATEGIC PLAN

These components guide Franklin PUD's decisions and make up our strategic plan.

MISSION STATEMENT

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

VISION STATEMENT

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

VALUES

Our values determine how we will pursue our mission.

GUIDING PRINCIPLES

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

STRATEGIC PRIORITIES

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

GOALS

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

Two Year Operating Plan

The 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.

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.

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 & TACTICS 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

PRIORITY: PROMOTE EMPLOYEE AND PUBLIC SAFETY

GOAL:

Ensure that employees are provided the training and tools to complete their job safely. Provide information and training to District customers and community partners to help them remain safe around District infrastructure.

Tactic 1.1

Define what safety looks like for each employee, department and as an organization.

Tactic 1.2

Identify Personal Protection Equipment (PPE) needs for employees/departments.

Tactic 1.3

Update the Business Continuity Plan (BCP) to include lessons learned from pandemic and other critical information.

Tactic 1.4

Create an "Electricity 101" education series for our customers and community partners.

Tactic 1.5

Conduct a vulnerability audit on the District's physical and cyber assets.

GOALS & TACTICS SUPPORTING STRATEGIC PRIORITIES

2

PRIORITY: MAINTAIN SYSTEMS TO PROVIDE RELIABILITY FOR OUR CUSTOMERS

GOAL:

Ensure every department understands how its roles and responsibilities contribute to the system(s) reliability.

Tactic 2.1

Create performance metrics and dashboards to include in Commission meeting packets.

Tactic 2.2

Utilize the automated meter infrastructure system data to improve systems reliability.

Tactic 2.3

Monitor material inventory to ensure the District can continue to meet customer needs.

Tactic 2.4

Develop criteria and prioritize projects that improve reliability and reduce the frequency of service outages.

GOALS & TACTICS SUPPORTING STRATEGIC PRIORITIES

3

PRIORITY: ENSURE STABLE POWER RATES

GOAL:

We will look for job efficiencies, at both the individual and organizational level, that will help move the District's rates into the lower third of all Washington state electric utilities. (For the purpose of this goal, the District will utilize residential customer rates)

Tactic 3.1

Strengthen the Enterprise Risk Management (ERM) Program and encourage employees to integrate ERM into their normal daily work.

Tactic 3.2

Formalize an internal audit program: billing, accounts payable, processes, meter installations, asset tracking, services etc.

Tactic 3.3

Utilize budget reporting capabilities to monitor budgets closely.

Tactic 3.4

Mitigate the volatility of wholesale power sales revenue while also seeking ways to enhance revenues.

GOALS & TACTICS SUPPORTING STRATEGIC PRIORITIES

4

PRIORITY: STRIVE FOR A POSITIVE CUSTOMER EXPERIENCE

GOAL:

Provide District customers information, services, and programs that meet their needs in the way they want to be served.

Tactic 4.1

Proactively contact customers and provide information on programs, conservation/energy savings, and payment options available.

Tactic 4.2

Provide customers simple, direct communication to answer questions and share information.

Tactic 4.3

Continue to grow our social media presence to share customer information.

GOALS & TACTICS SUPPORTING STRATEGIC PRIORITIES

5

PRIORITY: PROVIDE AN EXCELLENT WORK PLACE ENVIRONMENT

GOAL:

Ensure employees understand their duties, and the impacts of their role at the District and how it relates to accomplishing the District's mission.

Tactic 5.1

Develop communications to share the status/progress on projects with employees regularly.

Tactic 5.2

Provide information to employees on matters affecting the District.

Tactic 5.3

Conduct an in-depth review of responsibilities and assignments to reduce duplication and gain effectiveness.

Tactic 5.4

Provide development opportunities for employees.

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