



UBN WORKSHOP



GM Forum Highlights

AUGUST 22, 2016
ORANGE COUNTY, CA

FORUM ATTENDEES



- **Paul Cook – Irvine Ranch Water District**
- **Jim Herberg – Orange County Sanitation District**
- **Paul Jones – Eastern Municipal Water District**
- **Mike Markus – Orange County Water District**
- **Logan Olds – Victor Valley Water Reclamation Authority**
- **David Pedersen – Las Virgenes Municipal Water District**
- **David Pettijohn – LA Department of Water and Power**

DISCUSSION HIGHLIGHTS



- **Unique Circumstances and Utility Best Practices**
- **Influence in Policy Making**
- **Policy Maker Perceptions - Representing the Public**
- **Communicating About Rates and Rate Increases**
- **Creating a Formal Strategic Plan**
- **Integrating the Latest Science – Measuring Results**
- **Office Culture – Interviewing Employees**

UNIQUENESS



- **Utilities Have Unique Issues and Circumstances**
 - However, Roles Pretty Common within a Category
 - Circumstances Affecting Investment and Rates
 - Governances Personalities and Culture
 - Political Environment
- **Benefits of Utility Branding Best Practices**
 - Not Intended to Be “One Size Fits All,” But...
 - Provide a Foundation for Addressing Obvious Issues, and...
 - Establish a Basis for Ongoing Learning, for Example...
 - What is Out of Our Control, and What Can Be Influenced

INFLUENCE



- **Customers**

- GM's Believe Customers Can Influence Policy Making
- This Highlights Importance of Customer Service
- Service Standard – Make It Easy
- The Customer (Needing Service) May Be a Community Leader

- **“Self-Selecting” Public**

- Consensus - Vocal Community Members Can Make Life Difficult
- Often Have Undue Influence
- Response - Enhance Relationships with Influential Public

REPRESENTING THE PUBLIC



- **Policy Maker Perceptions, Actions**

- Believe They Speak for the Public Because of Their Position
- Resistant to Efforts by Staff to Solicit Input from the Public?
- Typically Make Decisions Based on Their Own Beliefs, Values, or...
- Those of Key Constituents
- How Do They Gauge “Public Opinion?” Systematic Approach?

- **Countering Forces**

- A Strong Utility Brand - Reinforced with Compelling Arguments
- Service and Reliability Failures

RATE COMMUNICATIONS



- **Link Elements of Rate Increase to Specific Value**
 - Projects and Initiatives – Creating the Price/Value Connection
 - Approach Highlights the Consequences of Voting No
 - The Problem with “Taxes” – No Price/Value Connection
- **Communicate Assumptions Embedded in Rates**
 - Many Variables in Managing a Utility – Weather, Energy Prices...
 - Necessary When Explaining Budget Shortages or Surpluses
 - Part of Being Transparent

CREATING A STRATEGIC PLAN



- **Highlights Importance of Planning & Investment**
 - Customers Are Married to the Utility's Decisions
- **Establishes Planning Horizon and Update Frequency**
- **Defines Appropriate Investment**
 - By Communicating Strategic Initiatives
- **Creates Confidence**
 - That Staff Understands Future Risks and Opportunities
- GM's – Weren't Adamant About Necessity for a Formal Plan

INTEGRATING LATEST SCIENCE



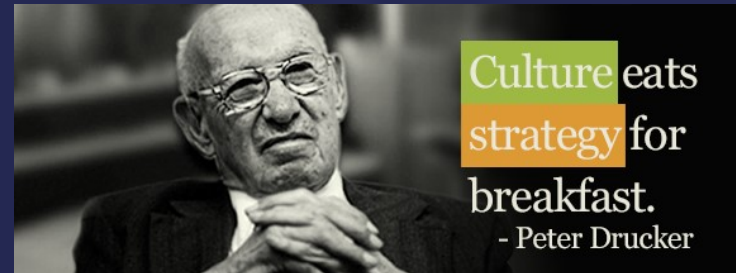
- **Each Brand Category Has Unique Challenges**
 - Developing a New Consumer Category – Process of Trial and Error
- **Water Utility Brands – New Category**
 - We Have Just Begun the Journey - Many Nuances to Learn
- **Basic Branding Principles Apply**
 - Category and Brand Elements, Standards, Price, Target Audiences
- **Utility Best Practices**
 - Based on 15 Years of Work - Basis for Action and Learning
- **Measuring Results**
 - Response to Investment Proposals, Engagement of Influential Public...

CULTURE AND EMPLOYEES



- **Culture and Behavioral Values**

- Commitment, Collaboration
- Cooperation, Integrity...
- Communication



- **Clarity of Brand, Standards - Empowers Employees**

- **Employee Interviews Uncover...**

- Substantive Issues – Reliability, Assets, Tools, Management Style
- Cultural Issues and Brand Status
- Readiness to Build Brand (Barriers)

CONCLUSION



Questions!

