



New Smyrna Beach
••• UTILITIES •••

FY2022 Strategic Accomplishments

J. Bunch GM-CEO
November 28, 2022

Executive Summary

- **Significant progress and accomplishments were realized across all areas of NSBU's business strategy in FY22**
- **On-track to achieve our Vision and Mission to become a Utility of the Future**
- **Enhancing Customer Experience (CX) through implementing the portfolio of Modernization Roadmap Projects**
- **Improving reliability and sustainability of our electric and water systems, achieving operational efficiency through application of technology**
- **Assuring a high-level of cyber security for our critical IT assets**
- **Improving safety program, culture and performance**
- **Positive human resources environment to attract and retain talent**



Vision, Mission and Core Values

- Promoted our Vision-Mission-Values internally and externally
- Execution of Commission-approved Modernization Roadmap
- Implemented NSBU branding and corresponding communications
- Improved communication platforms for internal and external messaging
- Continued partnership established with the City of NSB to best serve our customers and community interests
- During local emergencies, NSBU and the City coordinate resources and support
- Began the process of developing achievable carbon reduction targets
 - Participation in FMPA Solar Phase II project on schedule for YE '23 –'24
 - Assessing optimal percentage of renewable in supply portfolio, and potential for Solar Phase III, and Solar on WUC property and/or WRF Pond
- New Purchased Power Supply contract to reduce overall cost
- Delivering value, and reliable and sustainable services



Community Outreach and External Relationships

- Awarded the American Public Power Association's Reliable Public Power Provider (RP3) designation
- Received the FMEA Building Strong Communities award, for our community-focused programs
- Awarded FMEA Restoring Communities award for Mutual Aid support provided to other municipal utilities during two Hurricanes in FY21
- Public Power Week 2021 Activities focused on theme of Public Power Gives Back - included books for local elementary schools, flowers for Oceanview Nursing Home, and non-perishable food items for local food kitchen
- Coordinated two days of UC volunteers to help with Habitat for Humanity's Brush with Kindness Program
- Holiday 2021 events for the community included gift card collection (\$2,175 for 29 students) in the Cudas UnHooked Program at the NSBHS, as well as pet food and gift card collection for SEV Humane Society
- NSBU Volunteers prepared and served meals for over 200 of our neighbors through the Community Meal Kitchen at the United Methodist Church
- In coordination with City of NSB, sponsored Arbor Day Celebration and Waterwise Fair
- In preparation of 2022-2023 school year, distributed water bottles, back packs, rulers, and water/energy conservation materials for local schools
- Sponsored The HUB on Canal's Chalk it Up event



Modernization Projects, CX and Business Improvement

- Executed FY22 goals for the Commission-approved Modernization Roadmap
- Implemented the Outage Management System (OMS) in July 2022.
 - Current outage and restoration information displayed on website, and outages reported using the automated system
 - Success and capabilities demonstrated in Hurricane Ian and Nicole
- Implemented redesigned website, and texting system, with focus on improving customer experience, account interactions
 - Additional functions to be delivered in November '22
 - Resounding positive feedback from the Community from use in Hurricane Ian and TS Nicole
- Smart Meter (AMI) project – prepared, released and currently in bid review process.
 - RFP target award date is March 2023
- Work and Asset Management System (WAM) bid document for RFP release in December '22
- Prepared for EV adoption and installation of 10 Level II chargers at 5 locations in NSB



Electric Reliability Improvement Program (ERIP) Goals



Reliability Improvement Program – Improve system wide electric reliability performance and customer experience to targeted levels aligned with FMPA and industry benchmarks

NSBU 5 Year History Averages through 2020

- Frequency SAIFI 1.68, CAIDI 55 and SAIDI 92
- Outage Frequency SAIFI higher than desired
- Drives up related Duration SAIDI
- Restoration CAIDI is and has been excellent- maintain

Reduce average outage duration SAIDI ≤ 60 and supporting metrics for outage Frequency SAIFI ≤ 1.0 and maintain restoration time CAIDI ≤ 55 minutes
If **both** SAIFI and CAIDI reduction targets are met, SAIDI would reach 55



Three-year implementation timeline FY21-23, and to achieve targets by FY24 to allow for follow on upgrades and system stabilization

Improve Electric Grid Reliability and Resiliency

- **Completed Year Two deliverables of the Electric Reliability Improvement Program (ERIP)**
 - 18 Reclosers and 151 TripSavers installed, 28 remaining
 - Created Overhead and Underground Electric Distribution Standards Manuals
 - Standardized wildlife protection equipment for substations and distribution lines and substation fencing
- **Year 3 planned completion for March 2023 – 72 TripSavers, 19 Reclosers**
- **ERIP improvements**
- **Monthly monitoring and reporting of reliability metrics**
 - Reduction in total number of outages
 - Maintained excellent restoration (CAIDI) time
 - Completion of ERIP projects will deliver targeted improvements in Frequency (SAIFI) and Duration (SAIDI)
- **Performed route options and study for NSB Grid (Transmission) Resiliency project**
 - Conducting public meeting in Jan '23
 - Recommendations to Commission and Approval to follow



Water and Wastewater Modernization Projects

- **Completed WRF reclaimed water storage pond expansion to 23 acres**
- **Planning and design underway for multiple WRF Plant projects recommended in the Water Optimization Report**
- **Glencoe Water Treatment Plant (WTP) pellet softening project – RFP Q2 FY23 expands capacity, and delivers environmental and cost benefits**
- **Created ongoing annual programs/projects:**
 - Water main replacements (asbestos/galvanized steel pipe)
 - Well field assets- several wells rehabbed or underway to extend life and production

IT and Cyber Security

- **Maintain effective Cyber security program for NSBU systems and technology**
- **Coordinating implementation of Operational technology Cyber monitor system through DOE-APPA grant**
- **Continued success with employee Cyber awareness and training**
 - 87% employee training participation > 85% goal
 - 1.5% actual phishing testing vs. goal < 3%
- **Mobile Radio and Field Mobile Device (iPads) to electric and water operations**
- **Improved Colocation/Cloud system backups to enhance NSBU resiliency**
- **Physical security improvements via camera rollout and enhanced physical access controls**

Safety

- **Implement FY22 recommendations for multi-year Safety Program improvement plan**
- **Finalized Safety Management System (SMS)**
- **Pre-Job Briefing (Electric and Water) continuing to improve full and consistent NSBU application**
- **Lock Out Tag Out (LOTO) Electric safety program has been developed and is in the training and implementation phase, expected completion in early FY23**

Human Resources

- **Conducted the tri-annual Compensation Study and updated pay grades/ranges**
- **Successfully negotiated a 3-year collective bargaining agreement with the IBEW Local 2088 Union (Collective Bargaining Unit)**
- **Re-aligned several org. divisions to better align accountability, increase efficiency and reduce costs**

Governance, Compliance and Environmental

- **All Governance Guidelines deliverables associated with Resolution 2021-03 for the year were completed as required and/or recommended.**
 - Annual execution Managed by GM-CEO and VP-CFO
 - Second year of implementation
- **No unreported compliance violations in FY 22.**
 - No electric industry compliance violations
 - One minor waster spill related to sewer lining project which was self-reported

Western Utility Complex (WUC)

- **Continued Williamson Blvd extension planning**
 - Easement agreement completed and approved by NSBU Commission, City of NSB and Volusia County Commission
 - Appraisal process underway to value easement for impact fee credits
- **Conceptual layout developed for Relocated HQ Bldg., and a Fleet and Field Operations Building on WUC**
 - Design completed for Fleet and Water Ops bldg. – Smith St, Swoope Site and Lift Sta. personnel
 - Future issue and RFP award, and on-hold pending Commission Workshop in January 2023 to discuss WUC long term plans

Scorecard and KPI Performance

- **23 of 28 KPI's met or exceeded targets - Full Scorecard in Appendix**
- **Exceptions**
 - **Yellow: Within +/-3% of target:**
 - Abandoned Call Rate performance of 2.04% vs < 2% due to personnel turnover and medical absence
 - Electric CAIDI: 56 minutes vs target of 55
 - Electric O&M Cost/Customer slightly over budget
 - **Red: > 3% variance to target:**
 - Electric Reliability SAIFI Frequency and SAIDI Duration of outage gaps being addressed through ERIP and supporting projects
 - OSHA Safety Rate performance of 1.8 over NSBU target < 1.5 but better than industry benchmark of 5, and Safety Program further improving culture and performance



Summary

- **NSBU Staff continued to delivered on Vision, Mission and Values and related Strategic Goals in FY '22**
- **Remain in path to become a Utility of the Future for our customers and the greater NSB community we serve**
- **Successful execution of Modernization Roadmap projects**
 - Improving reliability, resiliency and sustainability of electric and water systems
 - CX improvements through application of technology
 - Several Modernization RFPs in process and to be completed in FY 23
- **Maintained focus on IT and Cyber Security**
- **Furthering progress on Safety Culture and Performance improvement efforts**
- **Positive Human Resources environment**
- **Delivering Excellence in Governance, Operational, Financial Performance for our customers and the greater NSB community**



Appendix



New Smyrna Beach
... UTILITIES ...

FY 2022 year End KPI Scorecard

	Metric reported on a quarterly basis
	Exceeds target
	Monitoring: +/- 3% of target
	Under target
MONITOR	Monitoring for data information

NEW SMYRNA BEACH UTILITIES BALANCED SCORECARD FY 2022

PERSPECTIVE	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	YTD RATE	YE FCST	TARGET
SAFETY & RISK															
OSHA Incident	1	0	1	0	0	0	0	0	1	0	0	0	1.80	1.80	< 1.5
OSHA Severity Rate	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0.00	< 2.0
Preventable Motor Vehicle Accidents	0	0	0	0	0	1	0	0	0	0	0	0	0.014	0.014	< 0.07
Third Party Claims	0	0	0	1	0	1	0	0	0	0	0	0	0.0065	0.0065	MONITOR
ELECTRIC															
<i>Electric Reliability</i>															
SAIDI	13.97	8.75	6.21	1.47	16.58	13.06	6.79	4.41	6.02	10.01	20.27	7.11	114.65	114.65	< 76.62
CAIDI	128.37	52.39	150.87	62.46	66.22	40.01	37.27	71.16	29.99	56.09	74.36	30.98	56.07	56.07	< 55.05
SAIFI	0.11	0.17	0.04	0.02	0.25	0.33	0.18	0.06	0.20	0.18	0.27	0.23	2.04	2.04	< 1.37
<i>Financial</i>															
EL O&M Cost/Customer			\$ 564			\$ 597			\$ 620				\$ 642	\$ 642	< \$ 632
EL Avg Capital Cost/Customer			\$ 242			\$ 264			\$ 253				\$ 248	\$ 248	MONITOR
WATER RESOURCES															
<i>Water Resources Reliability</i>															
Gross Water Loss (gal/connection/day)	17.02	(0.49)	1.21	8.52	13.08	14.11	22.59	32.63	14.55	5.09	6.62	(0.81)	11.17	11.17	< 17.48
WR Major Breaks/100 Miles	0.31	0.00	0.31	0.31	0.00	0.31	0.31	0.00	0.00	0.00	0.00	0.00	1.56	1.56	< 4.00
WR Break Repair Time (hr/100 miles)	0.54	0.00	0.31	4.69	0.00	0.31	0.42	0.00	0.00	0.00	0.00	0.00	6.27	6.27	< 8.00
WW Major Breaks/100 Miles	0.00	0.00	0.00	0.00	1.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	1.82	1.82	< 1.91
WW Break Repair Time (hr/100 miles)	0.00	0.00	0.00	0.00	0.45	0.45	0.00	0.00	0.00	0.00	0.00	0.00	0.91	0.91	< 2.87
<i>Financial</i>															
WR O&M Cost/Customer			\$ 253			\$ 276			\$ 288				\$ 292	\$ 292	< \$ 318
WW O&M Cost/Customer			\$ 277			\$ 300			\$ 313				\$ 311	\$ 311	< \$ 350
WR/WW Avg Capital Cost/Customer			\$ 231			\$ 204			\$ 205				\$ 208	\$ 208	MONITOR

FY 2022 year End KPI Scorecard

NEW SMYRNA BEACH UTILITIES BALANCED SCORECARD FY 2022

PERSPECTIVE	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	YTD RATE	YE FCST	TARGET
CUSTOMER SERVICE															
<i>Customer Service</i>															
Customer Service Level	94.9%	92.5%	97.6%	95.1%	98.0%	93.8%	91.4%	91.9%	90.6%	85.3%	94.4%	97.0%	93.6%	93.6%	> 90%
Abandoned Call Rate	1.5%	1.8%	1.2%	1.7%	0.9%	2.7%	2.5%	2.8%	2.4%	4.0%	1.9%	1.2%	2.04%	2.04%	< 2.0%
Average Speed to Answer	54	72	41	56	32	57	73	75	88	119	56	39	64	64	< 75
<i>Billing & Collections</i>															
Percent of Meters Read - EL	99.94%	99.94%	99.94%	99.96%	99.83%	99.95%	99.96%	99.98%	99.95%	99.92%	99.95%	99.92%	99.94%	99.94%	> 99.92%
Percent of Meters Read - WR	99.43%	99.25%	99.41%	99.56%	99.49%	99.34%	99.49%	99.20%	99.12%	99.27%	99.32%	99.44%	99.36%	99.36%	> 98.55%
Percent of Re-reads - combined	0.26%	0.35%	0.29%	0.20%	0.29%	0.30%	0.23%	0.35%	0.41%	0.35%	0.30%	0.26%	0.30%	0.30%	< 0.70%
Estimated Bills	0.08%	0.11%	0.04%	0.05%	0.09%	0.08%	0.06%	0.08%	0.08%	0.11%	0.11%	0.12%	0.08%	0.08%	< 0.25%
Uncollectible Rev. as % of Billed Rev.	0.15%	0.17%	0.11%	0.14%	0.22%	0.08%	0.19%	0.14%	0.13%	0.04%	0.08%	0.05%	0.12%	0.12%	< 0.20%
ORGANIZATIONAL CAPACITY															
<i>Materials Management</i>															
Avg. # of day to issue PO <\$75,000	2	2	1	1	2	2	2	2	2	1	2	2	2	2	< 2.5
Avg. # of day to issue PO >\$75,000	2	2	1	1	3	2	2	2	1	1	2	2	2	2	< 3
<i>Human Resources</i>															
Employee Count (Actual vs. Budget)	(6)	(9)	(12)	(10)	(11)	(13)	(11)	(7)	(13)	(13)	(13)	(14)	(11)	(11)	MONITOR
Average Recruitment Time	56	60	60	60	60	64	64	84	52	80	76	100	67	67	MONITOR
<i>Information Technology</i>															
Cybersecurity Training - Participation	87.00%	88.00%	0.00%	86.00%	88.00%	98.00%	96.00%	83.00%	85.00%	84.00%	88.00%	84.00%	87.91%	87.91%	> 85.0%
Organizational Overall Risk	23.6%	22.8%	22.4%	22.0%	23.3%	22.6%	22.2%	23.0%	22.8%	23.3%	24.6%	25.1%	23.2%	23.2%	< 35.0%
Phishing Security Testing	0.0%	3.2%	3.2%	1.7%	1.6%	1.4%	1.3%	1.3%	1.1%	1.1%	1.1%	1.0%	1.5%	1.5%	< 3.0%
Help Desk Ticket Resolution Rate	97.55%	98.64%	98.36%	97.75%	97.70%	97.84%	97.73%	97.53%	96.73%	97.04%	96.95%	96.87%	97.56%	97.56%	> 90.0%

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MONITOR	Monitoring for data information