19-074 **Agenda Date: 12/3/2019**

REPORT TO COUNCIL

SUBJECT
Consideration of Silicon Valley Power Quarterly Strategic Plan Update

BACKGROUND
On December 4, 2018, Council adopted a Strategic Plan ("Plan") for the City's Electric Utility Department, dba Silicon Valley Power (SVP). SVP is making quarterly updates to Council on the implementation of the Plan in the form of a Power Point Presentation. This is the Third of those updates. Staff has scheduled a future quarterly update for December. The update will provide a status of the advancement of the Plan and current conditions within this industry.

SVP is a recognized industry leader with a strong history and reputation of providing excellent customer service. The electric industry is rapidly changing and undergoing a fundamental transformation shifting from a centralized resource grid toward an increasing decentralized electrical grid with distributed renewable energy resources (e.g. wind, solar, hydrogen, and biogas), shifting variability in supply, and greater customer choice.

To maintain our competitive advantage and respond to these changes, the City adopted the Plan to ensure continued growth and actions that support our mission. SVP must focus on offering our customers products and services that are innovative, intuitive and engaging. The report to be presented to Council will provide update on the implementation of the Plan as well updating Council on the current status of the utility and the current opportunities and challenges it is facing.

DISCUSSION
Staff has completed or is currently working on over half of the 30 initiatives included in the Strategic Plan, and a summary of the initiatives was presented as part of the September quarterly update. This report will focus on an update on SVP's major Capital Improvement Projects and upcoming Council items.

ENVIRONMENTAL REVIEW
The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(5) in that it is a governmental organizational or administrative activity that will not result in direct or indirect changes in the environment.

FISCAL IMPACT
There is no fiscal impact associated with the approval of the 2018 Strategic Plan. Implementation of certain elements of the Strategic Plan will require funding that will be appropriated through the normal budget process.

COORDINATION
This report has been coordinated with the City Attorney's Office.

PUBLIC CONTACT
Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <mailto:clerk@santaclaraca.gov> or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION
Note and file the SVP Quarterly Strategic Plan Update.

Reviewed by: Manuel Pineda, Chief Electric Utility Officer
Approved by: Deanna J. Santana, City Manager