
City of Fort Collins Utilities

2011 Sustainability Report

City of Fort Collins Utilities

## Current City Council Members and City Leadership.

*Karen K. Weitkunat, Mayor*

*Kelly Ohlson, Mayor Pro Tem, District 5*

*Ben Manvel, District 1*

*Lisa Poppaw, District 2*

*Aislinn Kottwitz, District 3*

*Wade Troxell, District 4*

*Gerry Horak, District 6*

*Darin Atteberry, City Manager*

## Sustainability Purpose.

*Inspiring community leadership by reducing environmental impact while benefiting customers, the economy and society.*

*Cover Photo: The Crags, located in the Cache la Poudre watershed. Courtesy of Cliff Hoelscher.*

# Letter from the Executive Director.

Dear Fort Collins Utilities Stakeholders,

For the last four years, we have reported on the progress of our organization along the path to securing a sustainable future for our community's four utilities. Each year's report offers reflection on progress in addressing what we determined to be the critical priorities for the decades ahead. Our purpose, "Inspiring community leadership by reducing environmental impacts while benefiting customers, the economy and society," continues to provide a touchstone for us and our community stakeholders. This report, "Gaining Valuable Perspectives," provides a snapshot of key achievements and challenges we experienced in 2011.

Within our organization, a fairly small group of employees, assisted by many others, keeps our focus sharp on the priorities and the strategies we have determined will result in the most significant benefit to our utilities and the community we serve. These strategies provide a short-term focus that generally follows the operational planning associated with two-year budgets, mid-term focus that responds to the emerging issues such as employee skill development and knowledge transfer and long-term focus on financial strategy and management of utility assets.

Priorities have not shifted significantly from previous years, although we have increased the resources and focus for several priorities. In 2011, a new strategic financial planner joined our staff and began to detail resources and limitations for the coming years. Renewing the emphasis on succession planning and knowledge transfer became the "extra work" of an employee team from all branches of our organization, resulting in an impressive compilation of information on gaps and challenges regarding employee knowledge.

Although economic stressors have slowed our progress in some areas including climate action goals and capital projects, work continues to improve our community's built environment and underground infrastructure. At the end of 2011, City Council adopted a new seasonal three-tiered residential electric rate to support further conservation of electricity and more accurately reflect the cost of providing electric service. In 2003, City Council adopted a similar rate structure for treated water service, and conservation of the community's water resources remains strong.

As a result of a federal grant, planning for the installation of advanced meters for our electric and water distribution systems has been completed, and the new meters are being installed. Once the Advanced Meter Infrastructure (AMI) is completed, we will have achieved a significant milestone in improving the technology that supports customer information and distribution systems. Improvements will provide key information to customers, customer-support staff and the electric and water crews and operators that maintain our distribution systems.

To gauge customer satisfaction and identify areas for improvement in 2012, we conducted customer research in late 2011. We strive for customer satisfaction ratings above 80 percent. Our combined "A' and "B' ratings averaged across residential and commercial customers was 92 percent. Customer engagement encourages us, providing valuable feedback on perception of the quality of our services as well as how closely the programs we offer match community expectations. However, we do not take the high marks customers give our services for granted and continue to look for ways to improve and enhance programs and basic service. New opportunities for community engagement, such as the development of community working groups, enrich our approach and strategies with key issues, such as water resource planning and stormwater best management practices.

We believe the organization's challenges will not shift in the next three to five years, necessitating an approach that keeps the pressure on us to stay sharp and continually evaluate our strategy through community engagement and feedback. The need to maintain our commitment to creating the 21st Century Utilities, as described in this report, presents us with opportunities and risks in the next few years as many in our workforce transition into retirement or different roles. Along with these changes, new community priorities are sure to emerge.

As always, I encourage your questions, comments and observations about the information included in this report and hope you will contact me to discuss your ideas.

Sincerely,

Brian Janonis
Executive Director
Fort Collins Utilities

*We're committed to increasing understanding by our employees, community members and industry colleagues of our challenges and beneficial and adverse impacts.*

## Table of Contents.



# Getting to Know Us.

Utilities is an integral part of the Fort Collins community. As a municipally owned, multi-service utility employing 387 individuals, we provide electric, water, wastewater and stormwater services to our customers. We acknowledge our operational impacts are broader than our service areas.

Utility staff performs operations; however, in some areas we rely on contractors and consultants for such specific projects as capital infrastructure and professional services. As a municipal utility and a City Service Area, we exist to serve the utility needs of our customers and do not operate for a profit. We are able to issue tax-free debt.

Utilities' funds and external grant dollars are applied to energy efficiency and renewable energy programs. This results in lower emissions from generation and reduced greenhouse gas emissions. Policies related to reduction of carbon emissions include the *2009 Energy Policy* and the City's *Climate Action Plan*.

Utilities operates integrated services for organizational efficiency while maintaining the functions of the four utilities. The following sections provide an overview of our utility services and the two support departments.

**2011 FORT COLLINS UTILITIES CUSTOMERS BY CLASS**

| Utility* | Residential | Commercial, Industrial and Other |
|---|---|---|
| Light and Power | 58,644 | 7,576 |
| Water | 30,903 | 2,171 |
| Wastewater | 31,398 | 1,907 |
| Stormwater | 34,365 | 7,030 |

*A variance exists in our customer service boundaries for water, wastewater and stormwater services due to agreements with neighboring water and wastewater districts, growth patterns within the city and the regional ability to properly serve all customers.

## Light and Power.

In 1935, Fort Collins Light and Power was created by a public vote. Since then, we have provided safe, reliable and affordable electric services to the city of Fort Collins. Currently, management of the electric utility is focused on seven areas, including: safety, grid modernization, system planning, reliability, development, cost and the promotion of energy efficiency and use reduction.

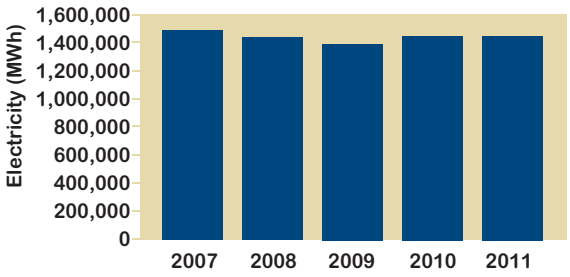
**Primary operations.** Our primary operations consist of the following activities:

- operating and maintaining the electric system facilities, including seven distribution substations and 1,755 miles of distribution lines
- constructing major and minor electric system additions and modifications
- extending temporary and permanent services
- installing and maintaining the streetlight system
- providing after-hours troubleshooting, customer service and duty response
- offering customer education programs on electric safety
- promoting conservation to help protect the environment and help customers save energy and money

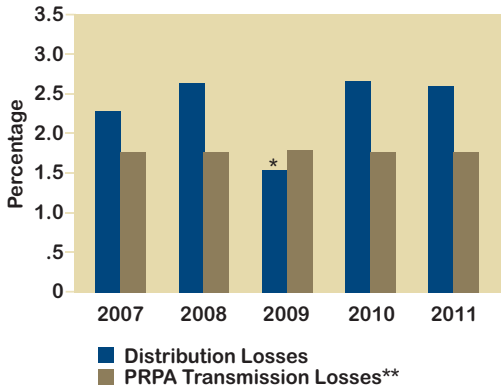
Safety is the ultimate consideration in every operational task and system design, including the physical environment and potential hazards. Reliability serves as a direct indicator of organizational performance, including outage response, workforce development and knowledge management, work crew efficiency and effective working relationships within the team. Management of operational costs reflects the efficiency of Utilities' operations.

**Underground electrical lines.** Beginning in the 1960s, Fort Collins Light and Power was one of the first electric utilities in the nation to begin placing its electrical lines underground. We began converting our existing overhead lines to underground as a pilot program in 1986, adopted the formal undergrounding program in 1989 and completed this undertaking 17 years later at a cost of $25 million. This program directly supports our reliability goals, contributes to our lower-than-average number of interruptions and shortens interruption duration.

**ELECTRICITY SERVICE PROVIDED**

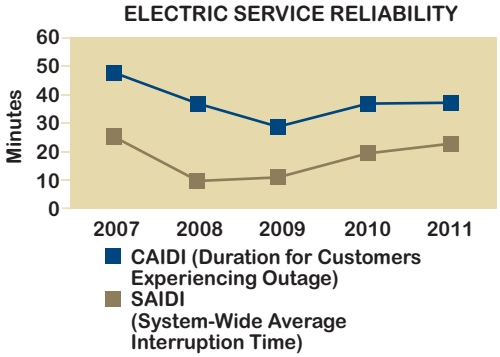



**DISTRIBUTION AND TRANSMISSION LOSSES**




*Due to accounting anomally **Estimate used for planning

**ELECTRIC SERVICE RELIABILITY**




Average system reliability has remained above 99.99% from 2007 through 2010.

**Generation and transmission services.** Utilities receives generation and transmission services from Platte River Power Authority (Platte River). In 1973, the cities of Fort Collins, Estes Park, Loveland and Longmont established Platte River as a wholesale electric utility. Platte River's responsibility is to acquire, construct and operate generation capacity and supply electric energy to the partner cities on an all-requirements basis. Platte River's Board of Directors, comprised of the mayor and the utilities director or Council representative from each city, provides governance and oversight for the entity.

**PLATTE RIVER POWER GENERATION CAPACITY (MW)**

| Facility | Units | Capacity (MW) |
|---|---|---|
| Rawhide Energy Station | Unit 1 (1 Coal Fired) | 280 |
| | Peakers (5 Natural Gas) | 388 (summer) 466 (winter) |
| Yampa Project* | 2 Coal Fired | 155 |
| Western Area Power Administration | Hydropower | 90 (summer) 117 (winter) |
| Medicine Bow** Wind Project | 9 Turbines | 5.8 |
| Silver Sage*** Windpower Project | 20 Turbines | 12 |
| TOTAL CAPACITY (MW) | | 931 (summer) 1,037 (winter) |

*The Yampa Project is the name for Units 1 and 2 of the Craig Station, which consists of Units 1, 2 and 3. Platte River's share of Yampa capacity increased 1 MW due to installation of a new, more efficient turbine. Platte River owns an 18% share of the Yampa Project (155 MW out of a total of 860).

**In 2011, the capacity of the Medicine Bow Wind Project decreased 2 MW due to decommissioning of the Clipper Liberty I prototype turbine.

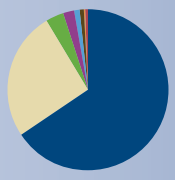
***The entire Silver Sage Windpower Project consists of 20 turbines, each with a rating of 2.1 MW, for a total capacity of 42 MW. Platte River purchases the energy output from 12 MW of the site's capacity, which is approximately the output of 5.7 turbines.

**GENERATION EFFICIENCY OF PLANTS**

| Resource Type | Percent |
|---|---|
| Coal* | 33.85 |
| Natural Gas | 26.70 |

*Average of Rawhide and Yampa stations.

**FORT COLLINS UTILITIES' 2011 RETAIL RESOURCE MIX**



- 65.6% Rawhide Unit 1 (coal)
- 25.8% Western Area Power Administration (hydro)
- 3.8% Other Renewables (RECs)*
- 2.1% Silver Sage Windpower Project*
- 1.3 % Regional Generation
- 0.7% Medicine Bow Wind Project*
- 0.4% Rawhide Peakers (gas)
- 0.3% Yampa Project (coal)

**Total Net Output (MWh) 1,446,604**

*The values shown for RECs, Silver Sage and Medicine Bow represent the amount of energy sold to and retired on behalf of Fort Collins Utilities for its retail sales in 2011. The 55,111 MWh of RECs shown represent RECs that were purchased without energy and bundled with energy generated by the Yampa Project. To see the resource mix without these RECs, the 55,111 MWh should be added to the Yampa Project energy.

**Water quality.**

*The City routinely obtains 100 percent compliance with state and federal regulations for high quality drinking water and routinely produces drinking water of much higher quality than EPA requirements.*

## Water Resources and Treatment.

Utilities serves the water supply, treatment and distribution needs of customers by managing water supply and storage resources, processing at treatment facilities, distributing treated water and assuring water quality at each step.

The Water Resources and Treatment Service Unit is composed of five operating divisions responsible for water resource management, drinking water production, water reclamation, environmental services, and regulatory and government affairs. The unit is supported by a process and systems group and a capital projects staff.

Department management promotes dynamic planning, engineering, operation and maintenance, and permitting within the Unit and with other departments and regional water providers. We focus on:

- watershed protection
- drinking water quality and reliability
- drought protection
- infrastructure security
- compliance with environmental and public health regulation and guidelines
- efficiency and management of operational costs

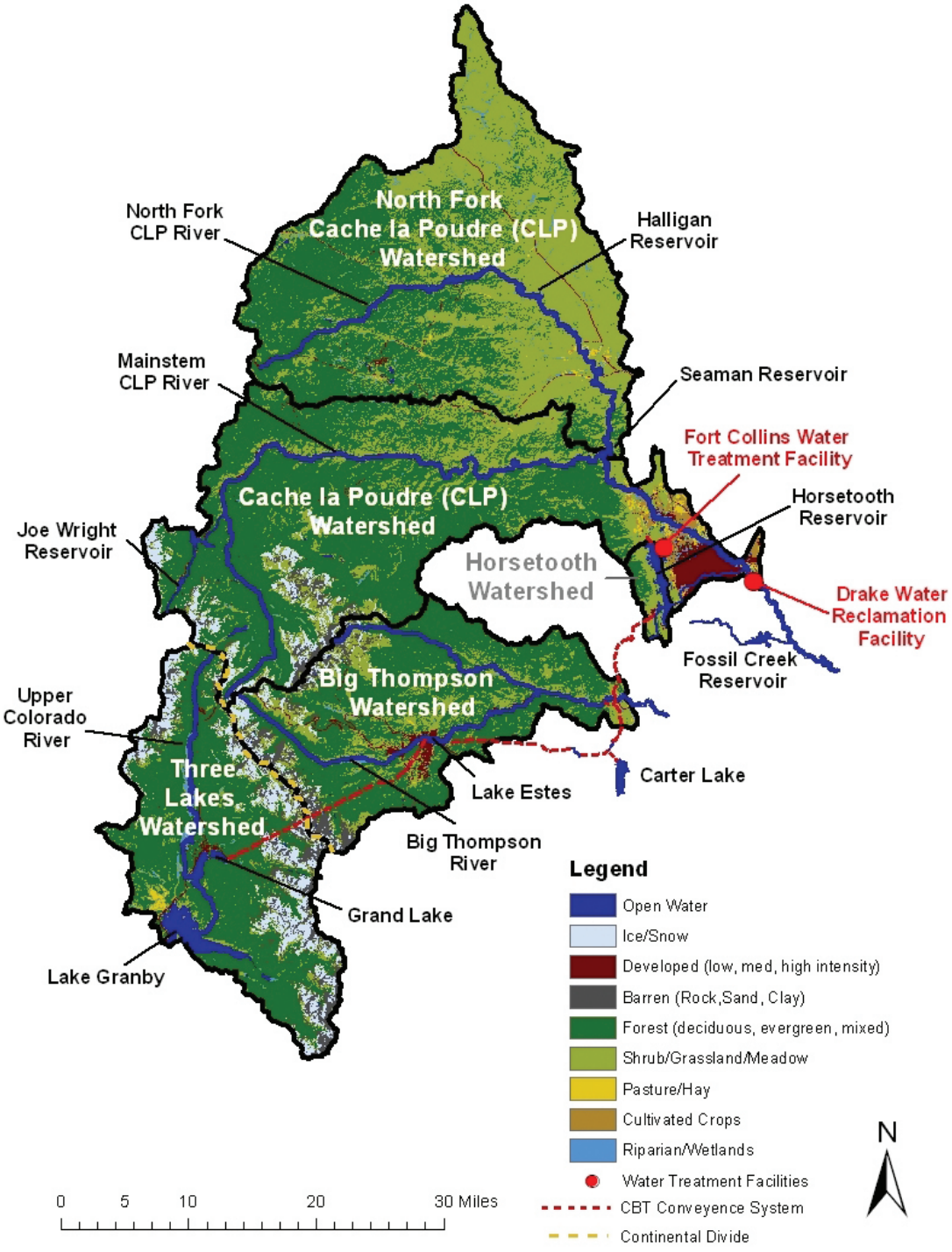
**WATER UTILITY SERVICE**

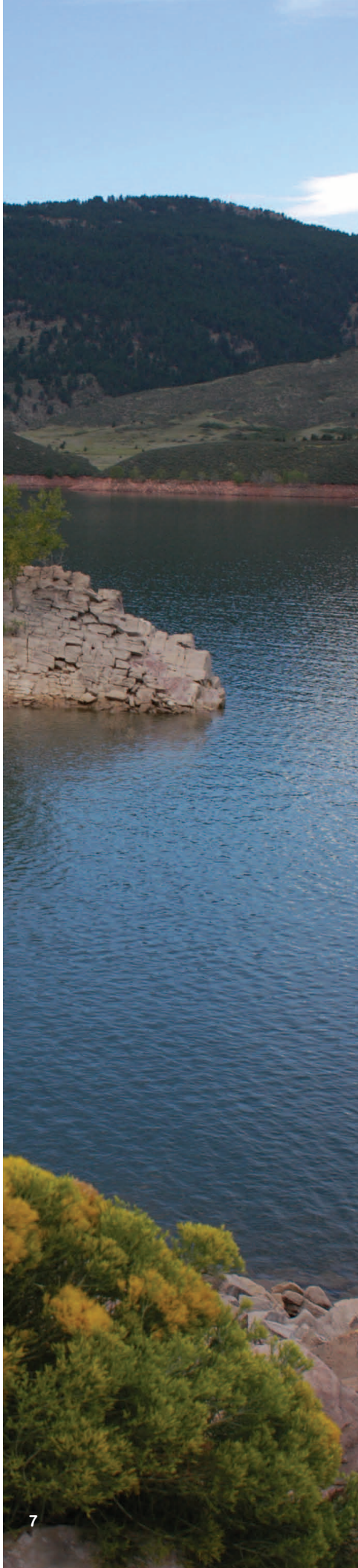
| Metric | Unit |
|---|---|
| Annual Water Yield | 74,000 acre feet |
| Raw Water Diverted | 24,497 acre feet |
| Raw Water Delivery (City Parks, etc.) | 3,000-4,000 acre feet |
| Other Raw Water Obligations | Approx. 4,000 acre feet |
| Water Treatment Facility Capacity | 87 million gallons per day |
| Water Mains | 528 miles |
| Treated Water Delivery | 21,585 acre feet (5-year average) |
| Water Recycled | 86 million gallons |
| Regulatory Compliance (federal and state) | 100% |

**Main water sources.** The City receives its water supplies from the Cache la Poudre, Michigan and Colorado River basins. The Poudre River basin sources include very senior direct-flow water rights, shares in several local irrigation companies and storage capacity in Joe Wright Reservoir, located high in the basin. Water from the Michigan River basin is conveyed into the Poudre basin where it can be stored in Joe Wright Reservoir then released for delivery to the City's water treatment plant, along with other Poudre sources.

The City also owns units of the Colorado-Big Thompson (C-BT) Project, which was developed by the Northern Colorado Water Conservancy District (Northern Water). Water from the CBT Project is diverted from the upper Colorado River basin and stored in Lake Granby, Horsetooth Reservoir and Carter Lake. This project provides supplemental water supplies to communities and farmers along Colorado's northern Front Range. The City takes delivery of its C-BT water out of Horsetooth Reservoir. Including all sources, the City currently owns water rights that have an average annual yield of approximately 74,000 acre-feet (AF) per year. Per City Council policy, Utilities maintains sufficient water supply to meet an average annual treated water demand of approximately 32,000 AF during a 1-in-50 year-type drought event in the Poudre River basin. During more severe droughts, conservation or restrictions reduce demand to match available supplies.

## City of Fort Collins Water Resources and Treatment System



**Guiding policy and plan.** Fort Collins City Council adopted the current *Water Supply and Demand Management Policy* in September 2003 (Resolution 2003-104). Since the policy's adoption, Utilities has developed a *Water Conservation Plan* and continued to prepare for future water needs by pursuing the enlargement of Halligan Reservoir.

In 2011, Utilities began to update the City's *Water Supply and Demand Management Policy*.

As part of the update process, Utilities formed a community working group to provide a forum for discussion of potential refinements to the existing policy. The group was composed of community members with varied perspectives on water issues.

The policy update will provide further direction regarding the planning, management and maintenance of the City's water supply system to assure a reliable supply to meet our customer's needs. The update also will address significant reductions in water use since the 2003 Policy and consider the potential effects of climate change on future use. The update will adjust the water conservation goal, address alternatives for meeting future water needs and provide guidance on how the City may use its water resources to meet other beneficial purposes.

**Research and development.** Since 1981, we have conducted water treatment pilot studies for research and development (R&D) related to water treatment. In 1990, we constructed a permanent Pilot Plant Facility for R&D and testing of leading-edge water treatment processes prior to placing them into full commercial operation at the plant. The Pilot Plant Facility is designed to be flexible for a wide range of R&D and testing objectives, including providing data to:

- optimize plant operations
- pre-design new plant processes
- upgrade existing plant processes

Over the years, our Pilot Plant Facility has addressed many issues, resulting in significant economic and water treatment process benefits. These benefits have served as the basis for more than 20 water treatment-related articles and presentations.

**Watershed monitoring.** Utilities' source watersheds are under various human and environmental pressures, such as Mountain Pine Beetle deforestation, wildfires, climate change and invasive mussels (zebra and quagga). In addition, Colorado-Big Thompson Project operational changes, including proposed water-supply transfers to Horsetooth Reservoir and the construction of a second Horsetooth Reservoir outlet structure, may potentially impact future water quality. Ongoing routine monitoring of the source watersheds helps Utilities deal with future challenges and is a proactive approach to maintaining the City's high drinking water quality standards. Special studies are designed to address specific long-term issues or new concerns that are outside the scope of the routine monitoring program.

Utilities currently is involved in several special studies related to its source watersheds.

These include:

- characterization of dissolved organic matter in both watersheds and its relation to the formation of disinfection byproducts at the treatment plant
- determination of geosmin (a taste and odor compound difficult to remove during treatment) occurrence, sources and transport in both watersheds
- assessment of the wildfire vulnerability and impacts of Mountain Pine Beetle outbreak in the upper Poudre watershed
- collaboration with Northern Water and others on an emerging contaminant monitoring program that includes the upper Poudre, Horsetooth Reservoir and components of the CBT Project upstream of Horsetooth Reservoir
- collaboration with Northern Water and others on the development of a hydrodynamic water-quality model of Horsetooth Reservoir

**Safeguards for water supply.** Public concern about possible contamination of water sources and supply increased following the terrorist attacks of September 11, 2001. Even before 2001, Utilities staff identified the need for surveillance and other security measures at our Water Treatment Facility.

Additional applicable security measures have been adopted. These include:

- strict control and monitoring of vendor shipments
- conducting additional water quality testing
- reassessing procedures to detect incursions
- providing additional employee training

The Poudre River and Horsetooth Reservoir are the focus of protective measures, with surveillance provided by the U.S. Bureau of Reclamation and Utilities staff. Utilities continually alters security measures as recommended by the Environmental Protection Agency (EPA) and law enforcement agencies.

## Wastewater Operations.

Utilities' wastewater operations ensure water returned to the Poudre watershed is cleaned and treated to remove contaminants. Before water is released to waterways, our Pollution Control Laboratory makes certain it meets or surpasses state and federal standards.

**The Water Reclamation Division.** The division manages two wastewater treatment facilities, the Industrial Pretreatment Program and Meadow Springs Ranch biosolids facility. The two water reclamation facilities in Fort Collins use state-of-the-art processes for treating wastewater.

State-certified operators staff the water reclamation facilities, Drake and Mulberry, which use an array of physical, biological and chemical processes to treat wastewater. The facilities discharge to the Poudre River and Fossil Creek Reservoir. Effluent meets and exceeds state and federal water quality regulations.

- Drake Water Reclamation Facility (DWRF). In accordance with the City *Environmental Policy*, DWRF has implemented an Environmental Management System (EMS) to ensure the facility continues to meet and exceed regulatory requirements, prevent pollution in operations and foster a culture of continuous improvement related to environmental performance. DWRF and Pollution Control Laboratory received the ISO 14001 certification for EMS in 2011.
- Mulberry Water Reclamation Facility (MWRF). The reconstruction project was completed in March and fully operational as of July 2011. The treatment process incorporates fine screening, three-stage biological nutrient removal with a state-of-the-art aeration process, biological odor control and pumping. The plant utilizes ultraviolet disinfection, a more sustainable alternative to traditional disinfection methods.

**Re-opening of Mulberry facility.**

*Ribbon cutting at ceremony to celebrate the reopening of the remodeled Mulberry Water Reclamation Facility. L-R: Brian Janonis, Utilities executive director; Kevin Gertig, manager, Water Resources and Treatment Operations; Fort Collins Mayor Karen Weitkunat; Council Member Ben Manvel.*

Mulberry Water Reclamation Facility.

- Industrial Pretreatment Program. Industrial pretreatment controls the discharge of wastewater pollutants from industrial and commercial sources to:
  - protect the quality of receiving water and biosolids
  - prevent interference with wastewater treatment and infrastructure
  - protect worker health and safety
- Meadow Springs Ranch Biosolids Facility. Currently, Fort Collins Utilities applies 70 percent of its biosolids (wastewater sludge) on Meadow Springs Ranch and 30 percent on private farmland. The removed solids in the treatment process are digested to meet strict state and federal standards for organic and pathogen removal. Four times per week, two semi-trailers of biosolids are trucked from the Drake Water Reclamation Facility to the Ranch and spread on concrete pads. The solids are solar dried from a consistency of wet earth to a dry dirt and are applied as a beneficial amendment at Meadow Springs Ranch and other rangeland at a rate of two dry tons per acre.

**Pollution Control Laboratory.** The lab provides essential, accurate and timely analytical data to make decisions, meet regulatory monitoring and reporting requirements, and meet the ongoing operational, planning and management needs of the Utilities, the City, our community and regional agencies.

**WASTEWATER UTILITY SERVICE**

| Metric | Unit |
|---|---|
| Sanitary Sewer Mains | 437 miles |
| Water Reclamation Facility Treatment Capacity (2 plants) | 29 million gallons per day |
| Treated Wastewater | 5,269 million gallons |
| Wastewater Reuse to Rawhide Energy Station | 1,369 gallons per acre foot |
| Wastewater Recycling (Sidestream flows) | 392 million gallons |
| Biosolid Waste (Applied at Meadow Springs Ranch) | 1,830 short tons |
| Regulatory Compliance (federal and state) | 100% |

## Water Engineering and Field Services.

Water Engineering and Field Services was formed in 1997. The unit's primary responsibilities are to operate and maintain the City's water distribution, wastewater and stormwater collection systems for residential and commercial customers.

The unit's purpose involves delivering clean drinking water to the residents and businesses of Fort Collins; developing long-term plans and funding for asset management and replacement; maintaining the sewer system; and protecting the community, people and property from destructive flooding.

Three engineering divisions and five field services make up Water Engineering and Field Services.

- Water Utilities Development Review. Reviews development proposals and construction projects that include water distribution, wastewater or stormwater extensions.
- Capital Projects Engineering. Oversees the design and construction of capital improvement projects for the Water, Wastewater and Stormwater utilities.
- Stormwater Master Planning and Floodplain Administration. Manages the flood warning system, reviews and permits development or construction proposals in the floodplain and coordinates the master planning of stormwater improvement projects.
- Distribution System Maintenance Division. Responsible for the maintenance and repair of 527 miles of water mains and associated infrastructure.
- Collection System Maintenance. Maintains and repairs 437 miles of sanitary sewer mains and associated infrastructure.

- System Maintenance Construction. Provides construction services for the repair and replacement of minor water and wastewater infrastructure.
- Drainage System Maintenance. Operates and maintains the citywide stormwater drainage and detention system.
- Meter and Customer Services. Installs and maintains the water meters for customer water services.

**Progressive and integrated flood management.** Stormwater Master Planning and Floodplain Administration addresses Fort Collins' approximately 4,800 total acres of floodplain, which contain approximately 3,400 structures within the city limits that are at risk of flooding. We have more than 20 cooperative agreements to carry out our stormwater management projects, which allow us to collaboratively explore regional solutions to flood problems throughout our watersheds. Staff administers floodplain regulations, provides review of development and permit applications and designs and manages utility and water quality facility construction projects. Staff also provides oversight of storm drainage master planning.

- Stormwater Master Plan. Using the *Stormwater Master Plan*, Water Engineering and Field Services actively manages 13 drainage basins throughout the city. The Master Plan analyzes the risks and potential for flooding based on a rainfall standard and a desired level of protection. Levels of protection are assessed through analysis of runoff from a 100-year rainfall (described as heavy rainfall) with a 1 percent chance of occurring in any given year. The master plan provides a guide for new development; prevents existing problems from getting worse; presents a conceptual vision for cost-effective projects that mitigate drainage and erosion problems; and assesses and makes recommendations about stream habitat improvements. The plan also acts as a guide for regulatory management and compliance with Federal Emergency Management Agency (FEMA) floodplain regulations.

**STORMWATER UTILITY SERVICE**

| Metric | Unit |
|---|---|
| Total Acres of Floodplain | 4,800 |
| Total Structures within Floodplain | 3,400 |
| Underground Infrastructure (pipeline) | 224 miles |
| Regional Drainage Channels | 69 |
| Drainage Inlets | 6,823 |
| City-Owned Detention Ponds | 90 |
| Detention Pond Acres | 320 |
| Drainage Basins | 13 |
| Compliance (Federal and State) | 100% |
| Community Rating System (CRS) | Class 4 Rating |
| National Ranking for CRS | Top 1% |
| Flood Insurance Premium Savings to Customers | $58,500 |

Stormwater improvement project.


Energy efficiency outreach at Poudre Valley Hospital, Fort Collins.

## Customer and Employee Relations.

The Customer and Employee Relations Department supports the four utilities by providing customer service, marketing, education, training and energy and water efficiency services. These functions assist the organization with the critical customer interface and long-term management of customer relationships. We conduct customer outreach and manage customer satisfaction by providing educational programs such as ClimateWise, Residential Environmental Program Series, WaterSHED water quality classes and the annual Children's Water Festival.

Specific functions include:

- design, implement and manage water and electric demand side management programs
- coordinate public outreach to support capital projects, development of master plans and significant policies
- assist with management and analysis of public input, including periodic market research
- develop stakeholder engagement, including targeted outreach to customer segments such as residential, small commercial, large commercial and industrial customers
- manage media and public information functions, including assistance with emergency outreach functions
- oversee public communications to ensure clear, appropriate levels of information, frequency and thoroughness
- incorporate industry best practices in marketing and education related to utility services
- provide customer billing, collection and account assistance; respond to billing, operational and program inquiries; and staff the City switchboard
- received 835,296 total payments, amounting to approximately $159 million; of those, 215,079 payments were made online, totaling more than $23.2 million and representing a 51 percent increase in online payments over 2010; answered 24,947 customer calls; and handled 47,205 in-person visits.

## Financial Operations.

The Utilities Financial Operations Department helps create and monitor short-term budgets and long-term financial forecasts for programs and projects that serve Utilities' mission. Responsibilities include financial and fiscal oversight, budget preparation and monitoring, debt management, financial planning, accounts payable and receivable, and purchasing. We are solely responsible for cost-of-service studies; rate development; and administration and collection of plant investment fees, raw water rights and electric development fees.

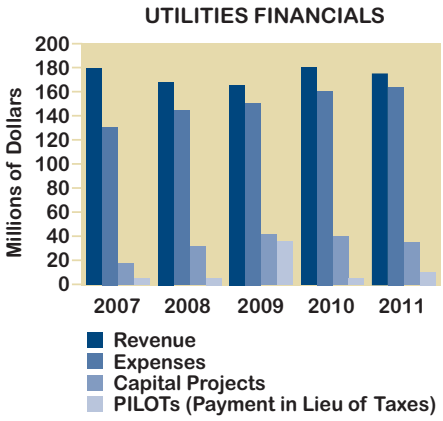
In addition to typical utility billing and collection activities, staff utilizes software tools to create specialized reports for project managers. All authorized Utilities expenditures are available online for any citizen to monitor via an "open book" concept that enhances the transparency of government. Most of the Utilities' fees and rates are produced internally and approved annually by City Council based on updated cost-of-service studies. Management of these functions focuses on:

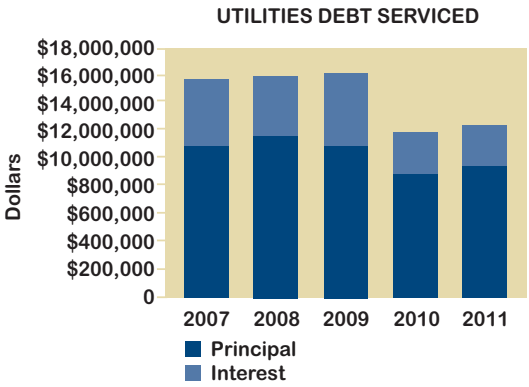
- development of financial policies, practices and accounting activities that reflect best practices in the relevant utility industries
- accurate, timely and usable data and information
- responsible management of grants and government assistance related to utility projects of $4.9 million in 2011
- progressive approaches for long-term financial stability of the organization
- providing a detailed inventory of all components of the Utility Systems and provides information to aid in the strategic long-range planning and asset management of the financial operation of the Utility and planning of capital improvement projects

**Focus on strategic financial planning.** Late in 2011, Fort Collins City Council adopted Utilities' proposed seasonal three-tier residential electric rate structure. The new rate form was designed to encourage energy conservation and cover cost-of-service changes associated with Utilities' electric provider, Platte River Power Authority (PRPA). The tiers are based on time of year (summer, non-summer) with electricity costing more per kilowatt hour (kWh) in each of the three tiers as electric use increases.

In addition, a strategic financial planning Manager position was filled to facilitate creation of long-term financial plans for each of the utilities and implementation of Utilities' recently developed asset management program. The plans will provide a financially sustainable roadmap to meet Utilities' overarching strategic objectives. A fully mature asset management program will provide a connection between the immediate financial environment and the long-term strategic direction of Utilities.

- Asset Management Program. Currently, the program sets service levels for each utility to assess the condition of its facilities and determine the required continuous reinvestment to sustain service levels in the long term. Analytical tools, once developed, will be embedded in the planning, operation and maintenance activities of each of the four major utility services.




### Annual financial reporting and independent audit.

*Utilities' four enterprise funds and its internal service fund are included in the City of Fort Collins' annual financial reporting and independent audit. The charter of the City of Fort Collins and state law require the City to publish the results of its annual audit and a comprehensive report of financial statements. The City's Finance Department completes this report following generally accepted accounting principles (GAAP). The independent external auditor assesses the financial records in accordance with GAAP. The auditor's goal is to provide reasonable assurance that the financial statements are free of material misstatement. Final results of the audit are reported in June of the following year.*


*Utilities is committed to the GRI's reporting guidelines, which are reporting principles of quality, comparability, timeliness, accuracy, clarity, reliability and transparency.*

# Stating Our Reporting Focus.

**Our 2011 Sustainability Report.** This report outlines our progress toward integrating our 21st Century Utilities Initiative within our workforce and its daily business practices. The report notes some of the challenges we encountered, among them:

- helping all employees understand and deal with change
- integrating more open and effective communication
- building quality assurance measures into all our processes
- continuing to develop a working knowledge and application of Triple Bottom Line (TBL) concepts
- clearly communicating Utilities' challenges, aspirations and customer-facing programs
- developing a knowledge transfer program to ensure business continuity

**Sphere of direct control.** This *Sustainability Report* focuses on our sphere of direct control, which includes processes related to providing electricity, water, wastewater and stormwater services and our administrative and general services. Utilities is committed to the GRI's reporting guidelines, which are reporting principles of quality, comparability, timeliness, accuracy, clarity, reliability and transparency. Additionally, we use GRI's *Electric Utility Sector Supplement* and *Water Utility Indicators* developed by our staff with additions contributed by R.W. Beck, Inc.

**2010 feedback informs 2011 report.** We made a concerted effort to seek feedback about our 2010 report. Comments included: requests for more information on how citizens can support our conservation efforts, less text and more historical and visual representation of data.

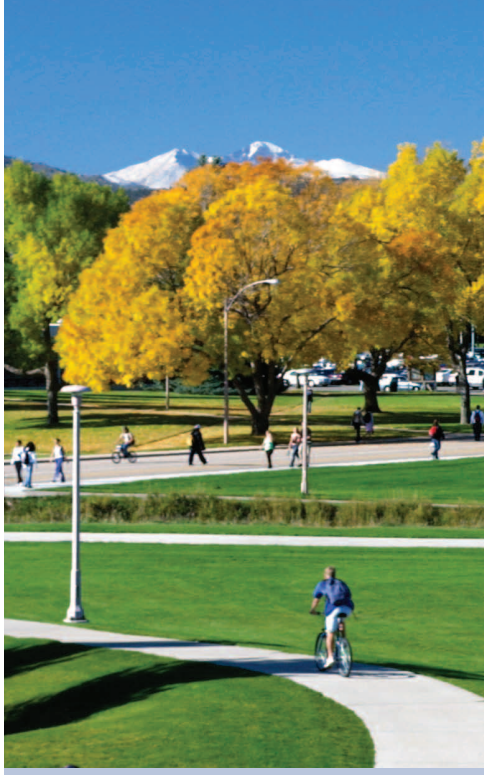
**Reporting boundaries.** For reporting purposes, our boundaries are limited to the following operations for each utility and the accompanying support services:

- Light and Power. Includes Utilities' electric operations related to delivering energy to customers and certain environmental metrics regarding Utilities' portion of Platte River Power Authority's (Platte River) generation of power and consumption of materials (fuel). Platte River is our wholesale energy provider, which is owned by four municipalities, including Fort Collins.
- Water Resources and Treatment. Includes the diversion of raw water, treatment and distribution of water to customers and related administrative and support activities. The boundaries also include wastewater treatment, collection of wastewater from customers, discharge of treated wastewater and related administrative and support activities.
- Water Engineering and Field Services. Includes all operations and maintenance of the water distribution and wastewater collection systems, stormwater collection and facilities and floodplain management in the 13 stormwater basins in the Fort Collins community.
- Customer and Employee Relations. Supports marketing, environmental and conservation education and outreach for all operations, which includes our customer-focused services and internal support of Utilities' service units.
- Financial Operations. Includes all the financial services and budgetary oversight for the four Utilities funds, in collaboration with the City's Finance department.

**Reporting data collection, methodology and changes.** Utilities collects data, using a variety of methods, to comply with GRI reporting standards. These methods include:

- customer surveys
- annual external audits of financial data
- metering
- telemetry
- operational controls
- quality assurance metrics
- comparison to benchmarks drawn from best-in-class industry standards, including QualServe and the American Public Power Association
- peer-to-peer review
- assessment of full compliance with state and federal regulations

For the 2011 reporting year, we did not make any changes in the scope or boundary methods.



Colorado State University campus.


Bus transit station.

*CITY DIRECTION*

*MISSION*
*Exceptional service for an exceptional community*

*VISION*
*We are passionate about creating a vibrant, world-class community.*

*VALUES*
*Outstanding Service*
*Innovation and Creativity*
*Respect*
*Integrity*
*Initiative*
*Collaboration and Teamwork*
*Stewardship*

*Three organizational priorities (innovation, customer service and sustainability) were a part of every City employee's performance evaluation in 2011. At the highest level of our governance structure, the City's vision, mission and values include principles relevant to economic, environmental and social performance and also are included as part of employee performance evaluation at all levels. For additional information regarding the City's codes of conduct, policies or practices, please visit fcgov.com/citymanager.*

*The City of Fort Collins has always taken pride in our commitment to operational excellence and innovation.*

# Governance.

## Governing City and Utility Operations.

The governance structure of the City of Fort Collins and Utilities is fairly typical of municipal organizations across the United States. The City has a Council-Manager form of government.

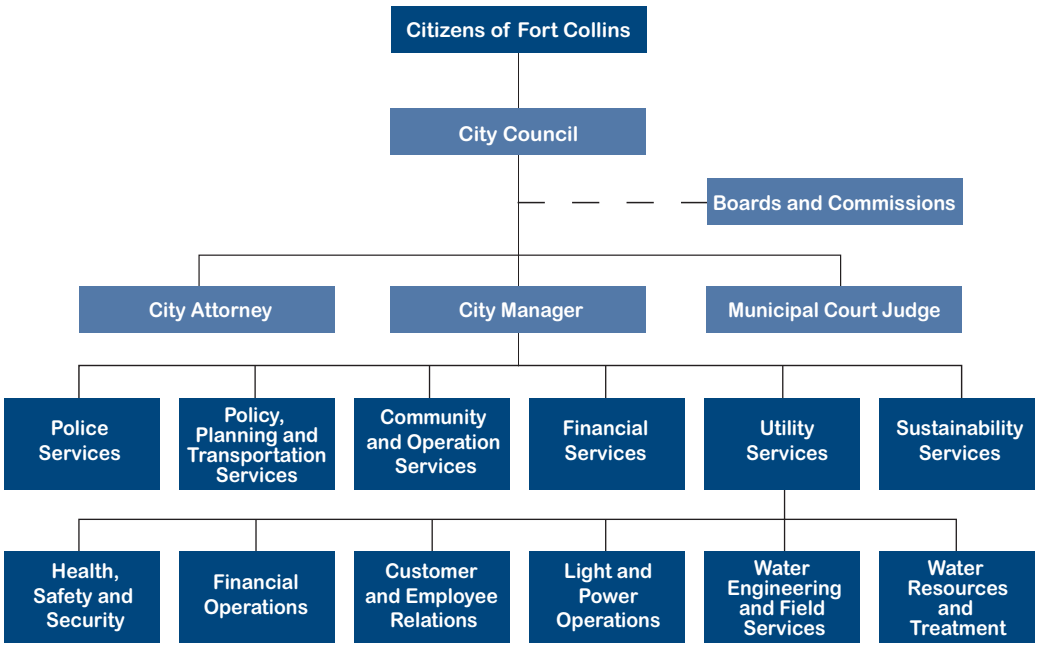
In the case of Fort Collins, the City owns and operates a Utilities Service Area, which is multi-utility system that provides electric, water, wastewater and stormwater services. Fort Collins Utilities and its activities are governed by the City Council and has two advisory boards—one for water, wastewater and stormwater, and the other for electric services. City policy states service area directors (Utilities Executive Director) and department heads (utility service unit managers and department managers) must live in the Fort Collins Urban Growth Area or within five miles of city limits.

The City has positions dedicated to the development of public policy and assists Utilities in the development of specific policies related to our services and operations.

City Council seeks input from Utilities staff for policy setting directly related to Utilities' areas of responsibility. Such policy matters include energy and water policy direction, greenhouse gas reduction and renewable portfolio standard goals. Similarly, input from Utilities and final review/ratification by Council establishes Utilities' budgets. Revenues generated by the individual utilities are restricted by City Charter for utility purposes beneficial to the customers of that utility. City Council, acting as the Utilities' enterprise board, is empowered to issue debt. Per City charter, the City cannot make donations; therefore, no appropriation can be made for charitable, industrial, educational, or benevolent purposes to any person, corporation or organization.

The City uses the Budgeting for Outcomes (BFO) process to develop its two-year budget. BFO is based on the premise that the percentage of personal income taxpayers are willing to pay for their government through taxes, fees and charges is fixed. BFO focuses on results and priorities, not on cost. The budget process shifts from paying for costs to buying results. It emphasizes accountability, innovation and partnerships. The final output is a budget that reflects citizen priorities and delivers services efficiently.

The following diagram shows the basic organizational structure and relationships.



Fort Collins City Council.

*Fort Collins City Council members (listed from left to right):*

*Ben Manvel, District 1*

*Lisa Poppaw, District 2*

*Kelly Ohlson, Mayor Pro Tem, District 5*

*Karen K. Weitkunat, Mayor*

*Gerry Horak, District 6*

*Aislinn Kottwitz, District 3*

*Wade Troxell, District 4*

**Fort Collins City Council.** The Council is comprised of six district council members who are elected on a non-partisan basis for a term of four years and a mayor who is elected at-large for a two-year term. The mayor pro tem is chosen from among the entire Council and serves a term of two years. By provision of the City Charter, Council has the power of appointment over the city manager, city attorney and municipal court judge. As the community's legislative body, City Council is responsible for enacting City ordinances, appropriating funds to conduct City business and providing policy direction to City staff.

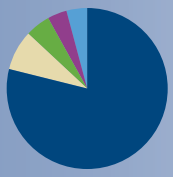
The Clerk's office keeps a running list of City policies and plans: when they were created, when they were updated and when they are on the agenda to be discussed. Many of these plans, if not all of them, include a call for sustainable practices. Some plans are designed specifically to address environmental issues.

City Code makes each individual board or Council member responsible for his or her own determination of what is conflict of interest. City Council Resolution 2008-023 and 2008-042 established a training requirement related to conflict of interest for all new board members (and was required for existing board members at the time the training was established). The Resolution allows new members six months from the date of appointment to complete the training. A training video and related material are accessible and available to board members at any time. A Council Ethics Review Board also will provide advisory opinions regarding potential conflicts upon request.

**Fort Collins City Manager.** The city manager is responsible for daily operations and organizational oversight of all City departments, including Utilities, providing direction and budgetary oversight. The City Manager's performance review is based on the organization's performance in accomplishing the seven key community goals as identified by BFO. The Utilities Executive Director reports directly to the City Manager.

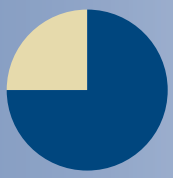
**Fort Collins Utilities Executive Director.** The executive director directs and manages the activities of the Utilities Service Area. The executive director and the senior management team provide Utilities' business and operational leadership and are responsible for setting utility strategy in alignment with policy and direction from the City. The executive director is the principal lead in guiding Utilities' sustainability efforts.

WORKFORCE BY EMPLOYMENT TYPE



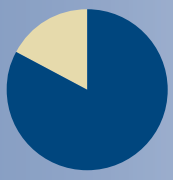
79% Classified
8% Hourly with Benefits
5% Contractual
4% Hourly No Benefits
4% Unclassified Management

GENDER DISTRIBUTION



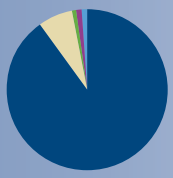
73% Male
27% Female

GENDER DISTRIBUTION IN MANAGEMENT



84% Male
16% Female

WORKFORCE COMPOSTION: ETHNICITY



90% White (Not of Hispanic Origin)
7% Hispanic
1% African-American
1% American Indian/Alaskan Native
1% Asian or Pacific Islander

AGE DISTRIBUTION OF UTILITIES EMPLOYEES

40% Age 44 and Under
21% Age 60 and Older
15% Age 55-59
13% Age 50-54
11% Age 45-49

36% of Utilities employees are 55 or older

**City of Fort Collins Energy Board.** Replacing the former Electric Board, the Energy Board was created in 2011 with a broader focus on development and implementation of the City's *Energy Policy*; energy conservation and efficiency; carbon emissions reduction; and renewable energy options. The Board advises City Council and staff on the alignment of energy programs, along with recommendations for improvements to City energy systems. It also advises Council on policy matters pertaining to the municipal electric system and advises Utilities staff in identifying rate payers' service delivery expectations. Board members are Fort Collins citizens who are not required to have technical expertise. However, one or more of the following is preferred: electric utility background, understanding regulatory issues, finance, marketing, business administration or consumer advocacy. The Energy Board holds monthly meetings.

**City of Fort Collins Water Board.** The Water Board advises City Council on such water, wastewater and stormwater policy issues as water rights, planning, acquisition and management, conservation, public education, floodplain regulations, storm drainage and development design criteria. The Board acts as the hearing body for floodplain and stormwater design criteria variances and hears appeals of decisions of the executive director under Chapter 10, Article II of the *City Code* regarding Flood Prevention and Protection, and Chapter 26, Article VII of the *City Code* regarding stormwater, including fee decisions.

The Water Board is somewhat different than typical utility water boards due to the broad issues and topics related to our Water Resources and Treatment, and Water Engineering and Field Services operations. Water Board members are Fort Collins citizens, broadly concerned with policy issues. Diversity of backgrounds and interests characterize the Board's current membership. The Water Board meets on a monthly basis.

**State committees.** Utilities takes an active role in Colorado Association of Municipal Utilities and the Colorado Legislative Action Committee. We participate to help establish and monitor the State of Colorado legislative agenda on issues that may affect the state utility industry and our services.

## Supporting and Guiding Our Workforce.

**Culture.** As a major employer in the community, we strive to offer a work environment that encourages teamwork, values the individual and is passionate about providing world-class service. For Utilities, this means improving employee morale and increasing awareness and education about the issues our Utilities and industry face now and in the future. Also, it means improving communication and accountability.

**Ensuring a positive work environment.** Fort Collins Utilities is an equal opportunity employer. The City complies with state and federal laws regarding the hiring of individuals younger than 18 years of age. All new employees are required to complete a training session that reviews zero-tolerance policies for discrimination and harassment. Supervisors are required to complete ongoing training programs to identify and eliminate all forms of harassment and discrimination in the workplace. Employees who believe they are subject to harassment or discrimination, or have observed such actions, are encouraged to promptly report incidents to a department supervisor or the City's Director of Human Resources (HR). HR supervisors must immediately report to the HR director all incidents. HR staff investigates all complaints and recommends appropriate action. We are proud to report, within Utilities, no incidents of harassment or discrimination were reported in 2011.

**Policies related to labor.** Per City policy, employees are required to accurately report their time at work. Work hours exceeding 40 hours and performed by non-exempt employees must be pre-approved by supervisors. Employees are compensated accordingly (one-and-a-half times the number of hours recorded).

Per the City's charter, without voter approval, City employees are not allowed to organize. Currently, no collective bargaining agreements or unions exist within Utilities. As a result, no labor-related work disruptions have occurred. Utilities and City employees also are prohibited from participating in political activities, except voting, while on duty. Additionally, employees may not engage in certain activities and practices while representing Utilities. Such activities include involvement in public policy lobbying and using their positions to influence or support elections or candidates.

**Gathering feedback.** The City conducts regular employee surveys. For example, the City administers an employee-engagement survey twice each year to track trends and take action on identified issues. The survey questions focus on key expectations that, when satisfied, form the foundation for employees feeling engaged in their work. This leads to higher job satisfaction and performance levels. In 2011, about 40 percent of Utilities' employees participated in this survey. Survey results are distributed and posted on the City's intranet site. Managers use this information to create the best possible working environment.

Since 2010, as part of the Utilities for the 21st Century Initiative, our Culture Team has administered an employee survey based on Cultural Values Assessment (CVA), a trademarked Transformation Tool (trademark symbol) of the Barrett Values Centre. The survey process is designed to document the perceptions of employees at all levels. The objective is to identify recurring comments and contradictory perceptions between current work culture and desired culture and their impact on optimal team effectiveness. The results of this annual survey help inform the level of cultural alignment within the organization, areas of focus for improvement and are a benchmark for tracking our internal cultural transformation. Results are shared at Utiltiies all employee meetings, individual workgroup meetings and optional workshops. The last three surveys have indicated that "accountability" and "open and effective communication" are common areas for attention and improvement.

In addition, three Utilities employees participate on an employee committee with other City staff. The committee seeks to improve employee trust, communication and morale and provides recommendations to the City Manager's office based on employee input.

**Talent and performance management.** All full-time City employees must participate in an annual performance evaluation in which performance outcomes are discussed and goals for the following year are formulated to guide performance. The Performance Management System is used to establish employee work goals. Employees create individual goals that link to departmental, service area, organizational and community goals. In 2011, 100 percent of Utilities full-time employees received performance reviews. Annual reviews are optional for hourly and contractual employees.

Innovation, customer service and sustainability are the three organizational standards included in employee performance evaluations. The City's vision, mission and values, which include principles relevant to economic, environmental and social performance, also are part of employee performance evaluations. In addition, employees linked their annual work goals and performance to the following community goals: High Performing Government, Economic Health, Environmental Health, Neighborhood Livability, Safe Community, Culture, Parks and Recreation, and Transportation. The goals are identified through the City's Budgeting for Outcomes process.

The City is committed to providing ongoing learning and development opportunities to executives and employees, such as tuition reimbursement and classes on transitioning to retirement.

City holiday party.

Respiratory training.

*We require specific safety classes as a pertinent aspect of our workplace culture. Annual and monthly meeting and training topics:*

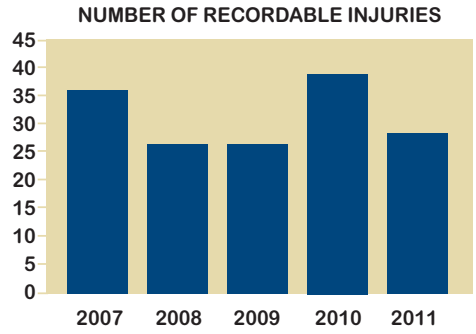
- *CPR, first aid and automated external defibrillators*
- *fall arrest*
- *vault entry*
- *bucket truck rescue*
- *confined space entry*
- *hazardous material identification, handling and response*
- *back health*
- *self contained breathing apparatus usage and maintenance*
- *West Nile Virus awareness*
- *asbestos awareness*
- *departmental emergency response*
- *electrical safety*

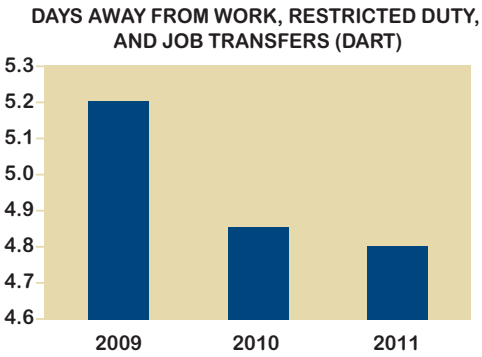
**Health and safety.** The health and safety of our employees is critical to our mission and guided by our ethic to protect employee well-being. The City's Risk Management Division is responsible for establishing a safe work and service environment for City employees and their activities within the public environment. Risk Management's Occupational Health and Safety program serves as an umbrella, providing the basic safety requirements. These requirements serve as a basis for other departments to build safe, consistent work practices. Health and safety data is prepared, reviewed and analyzed on a quarterly basis while incident investigations are conducted periodically by workgroups. In 2010, we hired a full-time health, safety and security manager (HSS) who reports directly to our executive director. The HSS manager is involved in the security for our facilities, implementing new programs, facilitating a Utilities safety committee and working with the Wellness Program and the City's Risk Management Division to encourage and reinforce a focus on safety and education.

**Safety and Wellness Teams.** The Risk Management Division oversees the City Safety and Wellness Team, which serves as an employee-driven resource to increase information and feedback between managers and employees within all City departments. The team's objective is to promote a strong safety culture among employees and the varying departments. The team consists of representatives from several departments and meets on a monthly basis. Team members are encouraged to take a skills-building course offered through the Risk Management Division and let their colleagues know about City-offered training opportunities. In 2011, nine Utilities employees, representing all four utilities, participated on the Citywide Safety and Wellness Team. Utilities also has a safety team of 23 staff that focuses on areas and issues specific to Utilities operations.

**Emergency preparedness.** Each of our departments has a *Continuity of Operations Plan* to ensure they are able to maintain performance under extreme circumstances. Utilities has an internal Emergency Preparedness Team that focuses on the development and implementation of plans to increase the preparation and responsiveness of our staff to community emergencies. In 2011, 45 employees participated on the team, which focused on raising the level of awareness of available resources and training and development of response and disaster recovery plans.

**Specific safety policies protect employees from unique hazards.** We seek to ensure our work crews are prepared and aware of any hazards they may encounter during their work. Regular monthly meetings with our crews focus on different safety topics. Utilities department managers are responsible for establishing department-specific goals, guidance and safety policies and procedures for unique hazards found in their respective departments. Utilities also relies on external consultants to periodically perform Risk Management Audits to identify and address gaps.




**Benefits.** Full-time classified employees have access to complete benefits, while benefits are pro-rated for part-time employees. Contract employees are eligible for most of the full-time benefits, and hourly employees with benefits may purchase medical benefits at full premium price. In 2008, the City's Employee Committee proposed to the HR Department that insurance benefits be extended to domestic partnerships. After investigating this option, the benefit has been offered to employees since 2010.

**Employee well-being.** The City's Wellness Program goal is to provide all City employees and their families with exceptional services to motivate them toward healthy lifestyle choices and, ultimately, healthier and more productive lives. We consistently look for ways to improve our operations and minimize the risks our employees and citizens are exposed to in their daily activities.

Wellness benefits include:

- access to three fitness centers for employee use, one of which is located at the Utilities Service Center
- participation in a variety of classes on topics related to nutrition, stress reduction and management, tobacco cessation and exercise
- opportunity to earn up to three vacation days annually for qualified employees who complete, within a trimester, a wellness plan with multiple components related to physical activity, learning, behavior change and awareness

City wellness program.

*Utilities full time/classified employee benefits*

- *medical insurance*
- *dental insurance*
- *life insurance*
- *long-term disability*
- *vision insurance*
- *flexible spending accounts*
- *retirement/401/457*
- *paid vacation*
- *paid sick leave*
- *short-term disability*
- *paid holidays*
- *employee assistance program*
- *award-winning wellness program*

*2011 total benefits obligation: $6,806,749*

# Knowledge Transfer: Keeping Our Workforce Prepared and Productive.

*The interviews on the following four pages references our Utilities for the 21st Century Initiative launched in 2007 to help us frame a purpose, issues and strategies for an overall long-term sustainability design and direction. The Initiative, which adopted GRI guidelines, is built upon Triple Bottom Line performance, a method that helps us identify and optimize business practices to create a balance among economic, social and environmental considerations.*

***Why did Utilities take on knowledge transfer? Why is it important to Utilities at this point?***

*Janet McTague (JM): It came about as Utilities' demographic studies of our employee base showed a large percentage of our population is going to be retiring or is nearing retirement--around 32 percent over a five-year period.*

*Compounding the issue, many of the jobs performed by long-term employees are not documented. I've been here 33 years and much of what I do is not written down. We don't have manuals because we just know how things work. With a large turnover likely to happen, it was important for the organization to ask: 'How do we document these processes?' 'How do we figure out how we train successors for jobs as current employees leave?' It's really important we address these concerns right now.*

***How was the employee team formed to look at knowledge transfer?***

*JM: I'm on the Workforce Team [21st C Initiative], and Brian Janonis, executive director, asked me to come in and talk to him about Utilities' demographics studies. He asked the Workforce Team to take the lead on development of a team tasked with creating a knowledge transfer program. It seemed like a natural fit with the other work the team was doing with employee recognition, training, education and communication. We had 17 volunteers from all parts of Utilities volunteer to help with the effort.*

***The team is very diverse. Do you know why the people who decided to participate were interested in this?***

*JM: It was one of the questions we asked at our first meeting, and there was a large variety of answers. Some people know their retirement is eminent, and they are concerned about having a system in place for them to teach the people who are coming after them. Younger employees joined the team because they're concerned their generation will not stay in positions for the length of time that has been common in the past. They wanted to participate because of the rapid turnover they see with their peers. Others had ideas they wanted to contribute or a general interest in the topic.*

***How did the team come up with a method to define knowledge transfer?***

*JM: The committee started talking about that very issue in developing phase one of our work and what our mission was going to be. We realized knowledge transfer is not just about training a successor. It's who you know; it's not just what your job is but how you do your job.*

*What are the relationships? What are the tools specific to your job? How does your job fit into the overall utility strategy, and what relationships do you establish, create and change along the way?*

*We did a lot of research on what other people were doing around organizational knowledge transfer because we wanted to find out if something was out there we could use rather than reinventing the wheel. We used some from other models, but nothing was the perfect fit for us. We selected bits we thought would add to the program we put together.*

*We identified five risks to knowledge transfer: single employee job function, older than 55, lack of documented procedures, time to become proficient and qualified applicant pool and then interviewed the managers to measure the risks in each area of Utilities.*

***Based on that, did the team come up with recommendations for moving forward?***

*JM: We provided a report that included a knowledge transfer toolbox. We listed a wide variety of options for managers to use based on their individual needs. We made recommendations regarding implementing a phased retirement option and recommended hiring replacements prior to the departure of employees in critical positions. We also recommended documenting procedures for all jobs.*

***What if we didn't do anything? What would happen?***

*JM: I think the quality of customer service would suffer and the learning curve would be considerably longer for incumbents in critical positions. The quality and quantity of our work would suffer by not being proactive, knowing what the demographic picture of Utilities looks like. There certainly are ways we can make the transitions easier for the exiting employee and the people who are coming in to take their places.*

***In terms of the work that's being done on knowledge transfer, how does that relate to our overall 21st Century Initiative?***

*JM: Knowledge transfer has a huge impact on workforce and culture, especially as we try to continually improve our processes. Knowledge transfer is at the very basis of what the Utilities for the 21st Century is trying to do. We want to take an inward look at ourselves to see how we're operating and be very deliberate and strategic about how we move into the future with our human resources.*

**Janet McTague, Electric Utility Project Manager.**

# Community Working Groups: Key to Sustainability Decisionmaking.

Ken Sampley, Stormwater Program Manager.

*For purposes of the interview, 'community working groups' are defined as community members and professionals who have a strong interest in or are affected by policies, programs and capital projects we are planning and/or implementing. They serve in an advisory capacity, bringing their particular perspectives, insights and expertise to bear on policy and project design.*

***Why did you engage community working groups in your processes to update the Floodplain Regulations and Water Supply and Demand Management Policy?***

*Ken Sampley (KS): In the case of floodplain regulations, the Poudre River is a huge component of the city and holds different values for different interest groups. Keeping that in mind, the regulations have to take into account life safety issues, potential for property damage, public infrastructure, development along the river, natural habitat, recreation and so forth. We knew from the start the public would be very interested in what's happening and want to be very involved.*

*We also knew City Council would be interested in having a broad discussion on the regulations, and a working community committee could help us gauge perspectives related to the regulations.*

*Donnie Dustin (DD): Certainly water supply is a pretty charged subject. We wanted to involve the public in a discussion of the policy update and in a different way than in the past where we usually hosted open houses for the general public. With the policy update, we really focused on involving people who would be most interested in it and its impacts.*

***What did the groups bring to your work on the policies?***

*KS: The value of working with public groups is we don't end up being focused on any one aspect of a plan or project to the detriment of the others. Clearly, floodplain master planning involves economic, environmental and social aspects. By having public input and involvement in this process, hopefully, our outcomes will reflect what the community's values and perspectives are.*

*DD: I agree. Our community working group was focused mostly on helping us update our Water Supply and Demand Management policy. There's value in educating specific people who have specific interests in this area. We held meetings that were much more in depth than more traditional general outreach. I think the working group found value in the learning process and the thoroughness of the work we did in explaining a very complex set of criteria that must be considered in developing a policy, or in this case, a policy update.*

***Did you come away with insights from working with the groups that you may not have had otherwise?***

*KS: Yes, definitely in the case of the floodplain regulations, the committee really forced us to examine how we defined our problem statement and what we are trying to solve. By doing that, it helped us focus our efforts, particularly on identifying some of the risks in relation to the Poudre River. We had not done as much quantification, perhaps, as needed; ours was more qualitative related to the risks. The committee helped us see we needed to do some additional analyses. We learned some of the things we thought would impact the river would not have as much impact as we originally thought. It definitely was important to go through that process.*

*DD: In our case, as part of the process of writing the policy update, we introduced a draft policy to the group, and members had an opportunity to comment on it. Some of those comments went directly into changing the policy as it's drafted right now. So, it was very helpful in terms of that and in going through a thorough process to bring group members up to a level of understanding that the Policy needed. This helped us gain buy-in of key stakeholders, who for the most part, feel good about this policy. That was invaluable.*

***How does your work with community groups relate to Utilities' Triple Bottom Line approach to building long-term sustainability within the organization?***

*KS: In some respects, these community working groups act as an outreach for Triple Bottom Line analyses. Involving the public helps you more clearly understand the importance, positive or negative, of various aspects of a project, and that information can help determine what decisions need to be made about the project.*

*DD: I agree, and I also think involving a community working group helps our stakeholders get a feel for what our issues are and how we're approaching them. Decisions on projects or policies of this scale aren't easy. They require a great deal of engagement with segments of the general community that may be most affected or have the greatest stake in the outcomes of our decisions.*

**Donnie Dustin, Water Resources Manager.**

Utilities' community garden.

*In 2011, employees participated in or held:*

- *an annual blood donation drive at the Water Treatment Facility*
- *the City's Food Bank drive*
- *holiday collection drive for Homeless Gear, Toys for Tots, Project Self Sufficiency, Foothills Gateway*
- *community garden created, planted and tended by employees*

*Employees also donated their personal time to local and global organizations, which amounted to more than 6,700 hours in 2011.*

*We're committed to engaging a diversity of stakeholders as we create a sustainable future for our organization and our community.*

# Connecting with Our Community.

**Community education.** Over the years, Utilities actively has engaged community members from school-age children to adults in programs that underscore the importance of conserving natural resources. We provide a wide variety of education programs, seminars and public outreach to local schools, community organizations, businesses and residents. Our programs range from safety to energy efficiency and water conservation.

**Youth education.** As citizens of the future, our youth have a key role in understanding the value of our natural resources and how conservation of these resources promotes and protects a sustainable world today and for future generations. Our educators focus on watershed protection, water and energy conservation, specifically matching their programs to school district curriculum and standards.

- WaterSHED program. The program's main purpose is to support Utilities goal to educate citizens about the importance of maintaining clean land and water in our community. The student-focused portion of the Utilities WaterSHED program includes standards-based science and math activities designed to give students real world, scientific experiences in local streams and rivers.
- Dr. WaterWISE. The program supports Utilities' conservation goals to educate youth about efficient water use indoors and out. Dr. WaterWISE provides scientific, hands-on, water conservation activities for third, fourth and fifth graders.
- Energy education. Energy education focuses on energy conservation and current and future energy sources in our community. Our youth education program consists of three 16-station, hands-on labs customized for grades six, eight and high school. Students explore coal, wind, solar and hydro power sources as well as practical applications of insulation, lighting and energy peak demand.
- Outdoor classrooms. Currently, we have eight outdoor classrooms located within walking distance of nearby schools. Outdoor classrooms showcase wetlands, providing space for short- and long-term scientific studies.

**Adult training programs.** Adult training allows volunteers and teachers to learn about our conservation programs in depth. Each year, adult Master Naturalist volunteers participate in WaterSHED activities, and teacher training is offered in water conservation and stream ecology.

**Residential and Business Environmental Program Series.** For more than 24 years, Utilities has collaborated with other City departments to offer educational workshops and lectures to the public on topics related to the environment. Two series are typically offered throughout the year, geared separately for businesses and residents. In 2011, the City offered eight programs for residents. The Business Environmental Program Series was put on hold in 2011, so we could refine our commercial outreach and education programs to better align with the needs of our commercial customers and integrate our programs with other business-focused programs offered by the City.

**Public outreach.** Utilities connects with customers and the broader community through public outreach that builds awareness and engagement. We use a variety of educational approaches: media campaigns, annual regulatory reports, brochures, open houses, public meetings, website links, etc.

- Water Engineering and Field Services. In July 2011, Water Engineering and Field Services sponsored its annual Flood Awareness Week to promote public safety.
- Water Resources and Treatment. Water Resources and Treatment staff participate in the annual Drinking Water Week sponsored by the American Water Works Association. In May 2011, Utilities focused on how Fort Collins water supports public health, provides fire protection, supports for our economic vitality and adds to our overall quality of life.

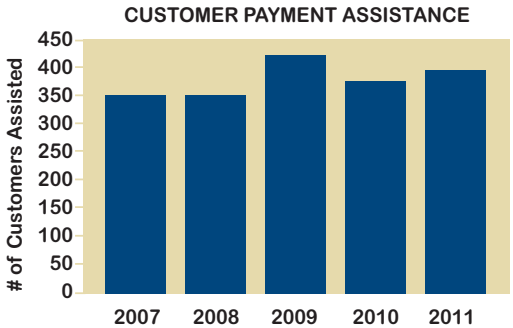
- Light and Power. Annually, Light and Power participates in national Public Power Week with the American Public Power Association. In October 2011, Utilities celebrated the importance of public power to communities.

**Key Accounts.** The purpose of the Key Accounts program is to support business relationships between Utilities and identified critical industrial and commercial customers referred to as Fort Collins Utilities' Key Accounts and support them in achieving their sustainability goals.

In addition, the two Key Accounts representatives assist the large commercial customer class consisting of more than 500 customers, by supporting them with conservation and sustainability efforts, responding to their requests and providing educational opportunities to them.

**Life support notification.** Utilities encourages customers with life-support systems to make arrangements to accommodate power outages. Although not guaranteed, and offered on limited occasions, we will notify customers of planned power interruptions.

**Payment assistance.** Utilities has offered payment assistance to our customers for many years, primarily through our Payment Assistance Fund. The fund helps keep heat, electricity and water services connected for local families and senior citizens who struggle to pay their bills. In 2011, we helped 391 families avoid having their utilities turned off, using more than $36,300 in customer donations. While we strive to help customers avoid disconnections, in 2011 we disconnected the services of 6,288 accounts due to non-payment.




Average Annual Customer Payment Assistance was $36,610

**Protecting customer privacy and information.** Protecting the privacy, identity and information of our customers is crucial to maintain trust, and we are committed to this effort. In 2007, the Federal Trade Commission (FTC) issued new rules on identity theft, known as "Red Flags Rules." The rules require financial institutions, utilities and other creditors to develop individual plans to prevent customer identity theft. Staff is using an identity protection plan to detect, prevent and mitigate incidents of identity theft. We did not receive any substantiated complaints regarding breaches of customer privacy or data in 2011.

## Partnerships.

**Adult training programs.** Adult training allows volunteers and teachers to learn about our conservation programs in depth. Each year, adult Master Naturalist volunteers participate in WaterSHED activities, and teacher training is offered in water conservation and stream ecology.

**PREP (Poudre River Ecology Partnership).** In partnership with The Nature Conservancy and landowners adjacent to Halligan Reservoir, we provide support for the ongoing studies of the Poudre River Watershed with three Poudre School District mountain schools.

**Community Working Groups.** In 2011, Utilities staff worked with a number of community working groups in the areas of floodplain regulations, Stormwater Master Plan update and Water Supply and Demand Policy update. The groups served in an advisory capacity and included community members and professionals who had a strong interest in or would be affected by the policies and potential capital projects discussed with them.

**ClimateWise.** ClimateWise is a free, voluntary program that works with more than 300 local businesses to help them reduce greenhouse gas emissions through waste reduction, energy savings, alternative transportation, water conservation and pollution prevention. In 2011, CimateWise partners implemented conservation projects, which saved them more than $13 million and collectively saved 149,000 tons of greenhouse gases.


**21st Century Utilities Project Map.**

**Culture.**
*Goal: Employees understand sustainabiility and integrate sustainable practices into their daily activities.*

**Stakeholder Engagement.**
*Goal: Demonstrated community support for sustainability efforts.*

**Triple Bottom Line Issue.**
*Goal: Business practices are developed and operationalized to be consistent with Triple Bottom Line.*

**Workforce Issue.**
*Goal: Provide clear expectations, challenge employees to be involved and provide a safe environment for creative thinking.*

**Organizational Development and Alignment.**

**Stakeholder Outreach and Engagement.**

**Values.**
*Outstanding Service, Safety Innovation and Creativity, Respect, Integrity, Initiative, Collaboration and Teamwork, Stewardship*

# Demonstrating Our Stewardship.

At Fort Collins Utilities, we directly or indirectly use natural resources, water, coal, natural gas and vehicle fuels to deliver and support our services. We also use chemicals, wood, steel, copper and aluminum in providing water, wastewater, stormwater and electric services. Our proactive energy and water policies define short- and long-term goals and strategies to sustainably offer these services and meet or exceed regulatory requirements.

**Managing Our Sustainability Performance.** In 2008, we created a Core Sustainability Team and an Advisory Panel to work collaboratively with the senior management team to develop an internal Implementation Plan (the Plan) to assist our organization in making the transition to becoming a sustainable utility. The Plan includes details and accountabilities for implementation, leading to a new sustainability platform coined, “A Utility for the 21st Century.”

**Comprehensive plan.** The Plan complements Utilities’ existing management structure by building upon already established roles and responsibilities and further expands reporting to include Global Reporting Initiative (GRI) metrics and key performance indicators identified in the Plan.

Four key issues are integral components for the Plan’s success. A three-pronged approach drives our overarching strategy, planning and implementation for the coming years:

- transforming our organizational culture and aligning our workforce to drive sustainability initiatives
- educating and partnering with our stakeholders
- embedding economic, social and environmental principles of Triple Bottom Line (TBL) into our management processes and daily operations

**Issue teams.** Four employee teams are key to embedding the principles and strategies of our sustainability efforts. The teams were developed to focus on the issues we deemed critical of our attention. The teams were formed around the following four issues:

- Culture
- Stakeholder Engagement
- Workforce
- Triple Bottom Line

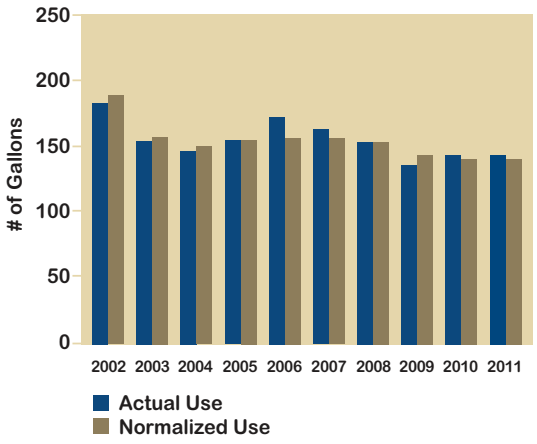
The teams, led by an Issues Lead, work throughout the year and provide monthly updates at Utilities Senior Staff meetings and annually report their progress in addressing defined strategies and tactics. Their reports help in assessing our progress and identify how we might adjust our responses to needs arising from internal and external factors.

## Water.

**Water diversion and treatment.** As a water and wastewater utility, we must divert and treat raw water for drinking supplies and collect, treat and clean wastewater for discharge and return it to the waterways. By diverting and selecting specific sources from the watershed around the Fort Collins area, we are able to provide clean, safe drinking water to our customers. In 2011, our Mulberry Water Reclamation Facility (MWRF) was off-line until July due to reconstruction, and Drake Water Reclamation Facility (DWRF) was the primary reclamation facility. Platte River Power Authority (Platte River) also uses water to generate electricity in support of our electric utility. Our membership in Platte River results in additional water diverted from the Colorado River--via the Windy Gap and Colorado Big Thompson projects (CBT)--and Yampa River for power generation needs at the Rawhide and Craig generation facilities. The total amount of water used by Platte River is approximately 6,000 acre-feet (AF) per year.

**Water reuse.** To make more efficient use of local water supplies and reduce diversions from the Poudre River, we provided 1,369 million gallons of wastewater effluent to Platte River's Rawhide Energy Station to help meet cooling needs. The reuse of treated wastewater by Platte River equates to approximately 25 percent of the total wastewater treated; the remaining 75 percent of wastewater effluent is discharged back to the local watershed.

**GALLONS PER CAPITA PER DAY (GPCD) WATER USE**




**Water recycling.** Most of Utilities' water rights are classified as single-use water rights in Colorado and cannot be reused by the City. Because of this, we are only able to recycle and reuse a small portion of our treated wastewater effluent, much of which is sent to the Rawhide Facility. At the Water Reclamation Facilities (WRF), we recycle sidestream flows--solids from biological reactions that occur in the aeration basin and settle, as effluent, in sedimentation basins. The effluent is then returned to WRF where it is disinfected and discharged to either the Poudre River or an irrigation ditch.

As part of the solids removal process, excess water is recycled for process efficiency. The water is treated with ultraviolet disinfection prior to use by WRF. In 2011, sidestream flows totaled 392 million gallons (MG).

**Water quality and protection.** Water Resources and Treatment helps manage and protect the regional water supply and watershed by improving water quality and reducing pollution entering waterways. We have been a member and major funder of the Big Thompson Watershed Forum for 14 years and partner with other organizations on regional projects to monitor and analyze water quality in the CBT watershed. With other drinking water providers that use the upper Poudre River watershed, we developed a water quality monitoring program for the watershed and work with other entities to monitor and protect watersheds upstream of our water intakes. In accordance with federal regulations, we deliver water quality reports to consumers each year. The reports are available at *fcgov.com/wqr.*

**Water supply and demand.** Our Water Supply and Demand Management Policy guides Utilities in balancing our community's supply and demand, even during drought conditions. In 2011, we diverted 24,497 AF of raw water from the Poudre River and Horsetooth Reservoir to provide treated water to Fort Collins. We diverted 47 percent of raw water from the Poudre River and 53 percent from the CBT system (Horsetooth Reservoir).

## Our carbon footprint.

Utilities impacts the environment by emitting greenhouse gases (GHG); consuming fossil fuels, energy and materials; diverting fresh water; discharging treated wastewater; producing waste materials and impacting biodiversity.

**Platte River Power Authority Reporting.** Platte River owns and operates power generation resources, which provide energy for our local needs. Our membership in Platte River accounts for a substantial portion of our environmental impacts, based on our portion of Platte River's overall emissions, coal consumption and other environmental influences. Platte River has been measuring and reporting greenhouse emissions since 2006. In 2010, the Rawhide Energy Station became subject to Environmental Protection Agency's (EPA) Mandatory Greenhouse Gas Reporting Rule as promulgated under 40 CFR, Part 98. The EPA rule requires specific monitoring, recordkeeping and reporting for "Stationary Sources of Combustion" and "Electric Generating Units" that emit on a facility-wide basis more than 25,000 metric tons per year of $CO_2$ equivalent. The EPA rule specifies a four-tiered measurement methodology for applicable emission units and contains specific emission and conversion factors that are to be used. The Yampa Project also is subject to the same reporting requirements. These reports are prepared and submitted by Tri-State as the plant's operator.

Prior to EPA's mandatory GHG reporting, Platte River had submitted GHG inventories to the California Climate Action Registry (2005-2007) and the Climate Registry (TCR, 2008-2010). A comparison between the 2010 EPA emissions inventory and the TCR inventory was completed. This comparison found Platte River's emissions reported to the EPA, and Platte River's share of emissions from the Yampa Project accounted for more than 97 percent of the emissions reported to TCR. Including estimated emissions due to purchased power increased this to more than 99 percent. The remaining emissions (<1 percent of Platte River's total estimated inventory) resulted from very small sources such as Platte River's share of the Trapper Mine; sulfur hexafluoride leakage from Platte River's and the Yampa Project's switchgear; emissions from fleet vehicles; and emissions from Platte River-owned buildings. Rather than continue to monitor, report and verify such small emission streams, Platte River made the decision to suspend TCR reporting in favor of the mandatory EPA reporting. As a result, the total GHG emission inventory for 2011 and later is not directly comparable to inventories from 2005 to 2010 because the former do not include the same emission sources. Nevertheless, the difference is minimal, likely less than 2 percent.

City's commitment to reduce GHG emissions. Resolution 2008-051. Adopted by City Council in May 2008, Resolution 2008-051 establishes two GHG goals for the Fort Collins community and one near-term "intent" to reduce emissions. The two goals are aligned with statewide goals set by the State of Colorado.

**Goal:**

- reduce communitywide greenhouse gas emissions 20 percent below 2005 levels by 2020
- reduce communitywide greenhouse gas emissions 80 percent below 2005 levels by 2050

**2012 Intent:**

- reduce communitywide greenhouse gas emissions by the end of 2012 to a level not to exceed 2,466,000 tons of $CO_2e$, which is comparable to 3 percent below 2005 levels. Results indicate community GHG emissions decreased by 14.7 percent in 2011, compared to the 2005 baseline.

**Climate Action Plan.** City Council adopted by resolution, the Climate Action Plan, December 2, 2008. The plan's recommended actions require Council approval for funding through the City's normal budget process. The Climate Action Plan provides an important unifying framework for Fort Collins to take a lead in the Colorado's new energy economy and to advance the economic and environmental sustainability of our community.

**Utilities committed to reducing greenhouse gas.** Utilities has a significant and influential role in assisting the community to achieve GHG reduction goals set forth by the Climate Action Plan. Our significant reliance on coal for power generation presents a major risk and an opportunity, which strengthens our commitment to assist the City and community in reaching the City's ambitious GHG reduction goals. We have an opportunity to significantly reduce our GHG emissions through efficiency and conservation efforts. Shifting to lower emission resources will likely mean higher costs because coal, from a purely economic standpoint, currently is one of the most inexpensive fuel sources. Applying our Triple Bottom Line perspective, Utilities also considers the environmental and social costs associated with coal-fired generation and our commitment to reduce GHG emissions. In addition, pending federal legislation could significantly increase the cost of coal-fired electric generation by explicitly including a cost for carbon.

**Full accounting.** To fully account for our GHG-related emissions, our total emissions are reported in two ways:

- Platte River's ownership-allocation method
- Utilities' operational load method

**$CO_2$ EMISSIONS INVENTORY (METRIC TONS)**

| | 2005 Baseline | 2011 | % Change |
|---|---|---|---|
| Ownership Boundary | 1,725,390 | 1,461,838 | -15.3% |
| Operational Boundary | 1,198,083 | 991,763 | -17.2% |

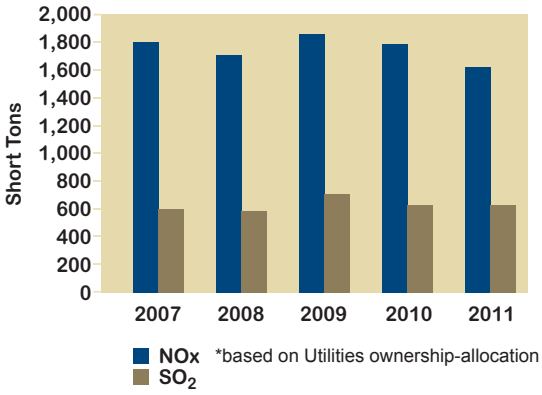
The GHG inventory reporting methodology reflects an ownership and operational control boundary for reporting as defined by the Climate Registry's Electric Power Sector Protocol. Utilizing both boundary conditions results in the most transparent representation of Utilities' GHG emissions. Ownership boundary results report an ownership allocation of all of Platte River's direct generation emissions, including off-system electric sales. Operational-boundary reporting results in the emissions directly related to Utilities' purchased energy on behalf of all electric customers. Our ownership of Platte River was calculated in 2011 at 48.2 percent.

Showing both levels of emissions allows us to fully report our total allocation of Platte River emissions, which also allows us to document the effects of increased renewable energy purchases by customers and Utilities, in addition to our energy efficiency efforts.

**Careful consideration.** We carefully consider the development and adoption of programs, technology and the evolving regulatory landscape for the optimal solutions to support the Climate Action Plan. Ongoing and new programs related to operational and building energy efficiencies, energy and water conservation, Advanced Metering Infrastructure (AMI) and Smart Grid technology, renewable energy generation and others offer effective ways for Utilities and customers to reduce their GHG emissions.

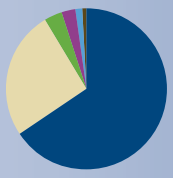
In the Fort Collins community and at Utilities, we are committed to defining a path and strategies to reduce our carbon emissions while maintaining high reliability and a focus on affordable bills, particularly for our low-income customers.

***OTHER REGULATED AIR EMISSIONS**



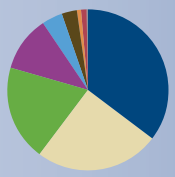

*based on Utilities ownership-allocation

**FORT COLLINS UTILITIES' 2011 POWER GENERATION MIX**



- 65.6% Coal
- 25.8% Hydroelectric Conventional
- 3.8% Other Renewables (RECs)
- 2.8% Renewables (Wind)
- 1.3% Regional Generation
- 0.4% Natural Gas

**2011 EFFICIENCY PROGRAM CUSTOMER SAVINGS**



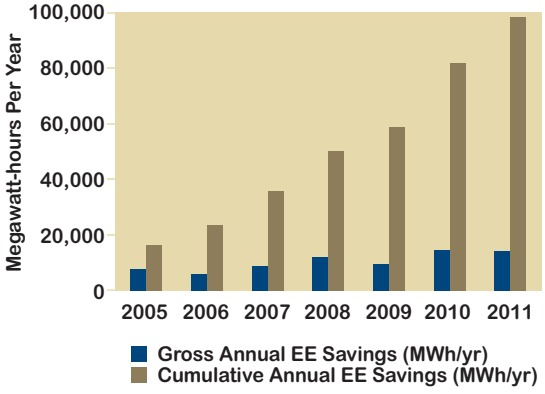
- 35% Commerical Efficiency
- 25% Home Energy Report
- 19% Commercial Lighting
- 11% Appliances
- 4% Special Projects
- 3% Residential Lighting
- 1% Home Efficiency Program
- 1% Building Tune-Up
- .2% Commercial New Building

**Energy Policy.** In response to the City's GHG reduction goals, we developed the Energy Policy that guides our strategies. The primary goals of the Energy Policy, adopted by City Council in January 2009, are to sustain high-system reliability and contribute to the community's climate protection goals and economic health. The Energy Policy's 2050 vision is to ensure highly reliable, competitive, carbon neutral electricity supplies, managed in a sustainable, innovative, responsible and efficient manner for the Fort Collins community. An annual update, directed to City Council and the community, identifies Utilities' progress made to date toward the Policy's primary goal areas: reliability, climate protection, economic health and the City's collaboration with Platte River.

As part of our sustainability efforts and Energy Policy related goals, we continue to plan for expanding and improving our efficiency programs to produce additional savings through reduced energy use by customers. With a mix of rebates, financial incentives, education and training-related energy efficiency programs, the following key outcomes in 2011 include:

- New initiatives to modernize metering systems and maintain utility assets for the future underscore continuing highly reliable electric service.
- Customer electricity savings from efficiency programs totaled more than 20,434 megawatt-hours (MWh) in annual electricity use, or 1.4 percent of the community's electric use. This is equivalent to the annual electric use of more than 2,250 typical Fort Collins homes.
- Electricity savings from 2002 through 2011 efficiency programs totaled more than 84,000 MWh in annual electricity use. Customers saved more than $5.4M in reduced utility bills in 2011 as a result.
- Efficiency programs generated more than $15M in local economic benefits through reduced utility bills, leveraged investment and indirect activity.
- Community carbon emissions from electricity use were 17 percent less in 2011 compared to the baseline year of 2005. The reduction in emissions was due to factors related to the Energy Policy (increased use of renewable energy, efficiency programs impact on electricity use, improved fossil fuel power plant efficiency) and factors unrelated to the Energy Policy (increased availability of hydropower from Western Area Power Administration, changes to monitoring systems at Rawhide).
- The Home Energy Report program, launched as a pilot in late 2009, provides periodic reports to more than 25,000 homeowners with educational information about their electricity use compared to similar homes in Fort Collins. Recipients of the report achieved electric savings of more than 5,000 MWh in 2011.
- The Home Efficiency Audit Program completed 518 comprehensive home efficiency audits, leading to 248 energy retrofit projects in 2011. The program requires participating contractors to complete an orientation and training, maintain accreditation with the Better Business Bureau and meet certain insurance requirements to ensure structured quality assurance. Residents who receive audits may be eligible for efficiency improvement rebates.

**FORT COLLINS UTILITIES EFFICIENCY PROGRAM SAVINGS**



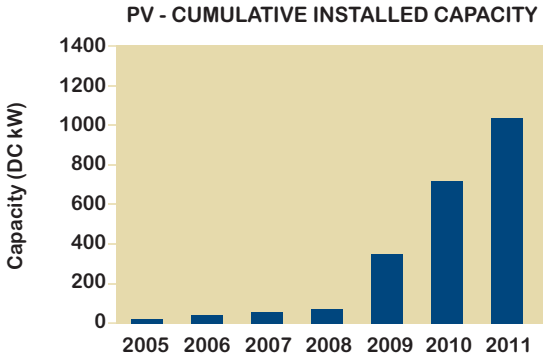
## Promoting Energy Efficiency and Renewable Energy Options.

**Energy efficiency.** We recognize energy efficiency and conservation as the most cost effective ways to reduce GHG emissions and save money for the Utility and our customers.

- Energy efficiency at our treatment facilities. The state of Colorado acknowledged the Water Treatment Facility for implementing energy efficiency practices, including electric load shedding to reduce peak charges; high efficiency lighting, ballasts and office motion sensors; chemical containment storage areas; solar panels at remote reservoir site and extensive recycling efforts. Drake Water Reclamation Facility (DWRF) eliminated odor control chemicals through use of compost and wood chip biofilters, energy efficiency, and recycling practices. Methane-operated equipment now heats 13 of 16 facility buildings.

**Renewable energy options.** Utilities is committed to moving toward clean and renewable energy sources and substituting fossil fuel-based electricity with renewable or clean resources.

- Voluntary renewable energy program. Fort Collins was the first electric utility in Colorado to offer our customers the option to purchase wind-powered energy. The Green Energy Program supported the purchase of 25,084 MWh of renewable energy and had 1,609 customers in 2011.
- Rate-based renewable energy. In addition to the voluntary Green Energy Program, Utilities purchases renewable energy from Platte River on behalf of all customers. Renewable energy comprised 6.5 percent of total electrical energy purchases in 2011. Renewable energy purchases were 97,600 MWh. The renewable energy purchases from Platte River were 44 percent from combined energy and renewable energy certificates (bundled), 54 percent from unbundled renewable energy certificates and 2 percent from local solar generation. State legislation requires large municipal utilities to provide 10 percent of generation resources from renewable energy by 2020, with an interim goal of 1 percent through 2010, 3 percent through 2015 and 6 percent through 2019. In 2011, Utilities provided 6.5 percent renewable energy towards these requirements.
- On-site renewable energy. Support for on-site renewable energy installations expanded in 2011. The pilot net metering program initiated in 2005 formally was adopted under new City ordinances in 2009. Fort Collins' net metering offers residential and small commercial electric customers full retail buy-back provisions for electricity generated by solar photovoltaic (PV) systems connected to the electric grid.




### Renewable and Distributed System Integration Project.

*In 2011, Utilities and its partners completed a three-year, $11 million collaborative study with the Department of Energy for the Renewable and Distributed System Integration (RDSI) project. This first technical phase of the FortZED (Fort Collins Zero Energy District) initiative demonstrated:*

- *the ability to reduce electric system distribution feeder peak load by 20 percent or more through the use of Distributed Energy Resources*
- *advance the expertise, technologies and infrastructure necessary to achieve the vision of FortZED and move towards creating a zero energy district in Fort Collins*
- *further the goals of the City of Fort Collins Energy Policy, including the development of Smart-Grid enabled distribution system in Fort Collins, expanded use of renewable energy, increased energy conservation and peak load reduction*
- *successful collaboration with diverse local and international partners including: Advanced Energy, Brendle Group, City of Fort Collins, Colorado State University-Main Campus and Engines and Energy Conversion Laboratory, Downtown Development Authority, Eaton, Integrid Test and Development Laboratory, Larimer County, New Belgium Brewing, Northern Colorado Community Foundation, Spirae, Woodward, and Van Dyne SuperTurbos*

*For more information about FortZED, please visit fortzed.org.*

## Resource Use and Waste.

**Energy consumption.** Our energy consumption is lower than many utilities, as the Fort Collins water distribution system is mostly gravity based, requiring very little pumping. Aside from power generation, our largest sources of energy consumption are our treatment facilities and fleet vehicles. In 2011, nearly 90 percent of our electric use and 71 percent of total natural gas use were directly related to our water and wastewater treatment facilities. The remaining energy and natural gas use was related to support facilities. To assist in reducing emissions and our dependence on gasoline, the City provides B20 biodiesel, propane and E-85 to increase the use of alternative fuels for our vehicles. These fuels comprised 44 percent of our fuel use in 2011.

- Drake Water Reclamation Facility (DWRF). DWRF has taken steps to save costs by "power shaving" during times of peak demand. Staff monitor Platte River Power Autorithy (Platte River) load trends and power down some of the high electric demand consumption equipment for a few hours at the time. This can result in significant savings as peak demand prices are at a premium price. In 2011, DWRF was able to save $31,680, a 5.6 percent savings on electric charges, or 18.4 percent off coincident peak costs through this energy-saving practice. Power shaving also assists Platte River and Utilities in their energy load management and contributes to the deferment of building additional power generation sources and transmission capacity.

**UTILITIES ENERGY USE**

| Type of Energy | Use |
|---|---|
| Electricity (MWh/Gigajoules) | 17,785/64,000 |
| Natural Gas (Therms) | 345,956 |
| Gasoline (Gallons) | 86,087 |
| Diesel (Gallons) | 557 |
| Alternative Fuels (Gallons) | 68,592 |

## Waste and Consumption.

**Material use and waste.** In 2011, Utilities ownership allocation of Platte River's power generation resulted in consumption of coal and its accompanying waste byproducts, fly and bottom ash, which is our largest source of waste generation. Platte River is able to recycle a portion of the fly ash, which is designated for beneficial use in such products as cement and concrete structures. In 2011, 15.3 percent of the fly ash was recycled, an increase of 10 percent due to a rebound in the market from in 2010.

Our waste diversion rates fluctuate depending on the site, and we continue to encourage our staff to recycle whenever possible. Our Service Center participated in a City food composting pilot, diverting approximately 200 gallons of food waste from the landfill in 2011. The composting material produced is used by the City's Parks Department in local downtown flower beds.

**Beneficial use of waste produced.** Our Wastewater Utility is another source of waste generation. In 2011, we were able to remove 94 percent of the total suspended solids from the wastewater effluent prior to returning the water to the watershed. Biosolids are a nutrient-rich organic material created from the biological and physical treatment of wastewater.

In 1990, the Wastewater Utility purchased the 26,000-acre Meadow Springs ranch outside Fort Collins. The ranch is used primarily for management and deposition of biosolids produced through our wastewater treatment process. Biosolids are applied to ranchland, providing benefits such as soil structure improvement, water retention and slow-release fertilizer. In addition to biosolids management, the site is leased to local ranchers for cattle grazing.

**MAJOR SOURCES OF WASTE**

| Waste Type | Tons |
|---|---|
| Fly Ash (Coal) | 34,790 |
| Bottom Ash (Coal) | 3,215 |
| Biosolids | 1,813 |
| Office Materials | >1,000 |

## Biodiversity.

**Impacts on biodiversity.** As a multiservice utility and large consumer of natural resources, we have a direct impact on and must interact with local areas of biodiversity. Many of our activities have the potential to impact wetlands, watersheds, and stream and river habitat. At this time, neither the City nor Utilities keeps an inventory of the community's specific areas of high-biodiversity value, other than the areas directly affected by such Utilities operations as water diversion.

Our water storage and collection activities affect local water resources and habitats; however, we monitor and strive to minimize these impacts. Our raw water diversion and storage systems include dams and a diversion structure on the Poudre River, which affect local river habitat. Our treated wastewater also discharges to the Poudre drainage basin, and we ensure all discharges are de-chlorinated prior to release into the river system. Additionally, power generation activities through Platte River lead to GHG and other emissions and raw water diversion from the area. We offer substantial public outreach programs to educate youth and adults about the local habitat and to help minimize additional biodiversity impacts.

**Unique opportunity to enhance and protect biodiversity.** Our position as a municipal utility affords us a unique opportunity to enhance and protect biodiversity and habitats on a broader scale. We are able to accomplish this by working collaboratively with other City departments, community and regional partners and other stakeholders. An example of this collaborative approach is our Water Engineering and Field Services Unit's collaboration with the City's Natural Areas Department. Our joint goal is to improve, protect or enhance the local biodiversity areas and habitat while also improving community open space and natural areas.

**Environmental investments and fines.** Our investments in environmental protection are embedded in Utilities' operations and delivery of electric and water services. Some of our 2011 investments:

- assigned six full-time Utilities employees to support the City's regulatory and environmental management
- trained, via our Regulatory and Government Affairs division, 471 City employees from 10 different departments on stormwater pollution prevention, good housekeeping procedures, Environmental Project Manager, Hazardous Materials First Responder Awareness Level, Hazard Communication Refresher training, Power Washing Regulations, SPCC and Asbestos Awareness
- worked, via our Industrial Pretreatment program, with local businesses and industries to ensure waste discharges do not interfere with our water treatment processes
- benefited from multiple Utilities employees who participated in the 20th Annual Children's Water Festival
- labeled 203 storm drains and applied 71 decals to encourage a reduction in pollution runoff
- conducted business outreach to 50 local gas stations regarding spill cleanup and power washing guidelines

Utilities had no significant spills that adversely affected human health or the environment or that resulted in any regulatory fines or liabilities in 2011.

*Broader trends in the utility industries, the global industries of our largest customers, our local and regional economies, our workforce demographics and shifting political priorities will continue to influence how we chart our course to become an organization grounded in sustainability as a key operating principle.*

# Moving Forward.

The title of this year's report, *Gaining Valuable Perspectives*, reflects our acknowledgement of the need to "bring everyone along" to sustain our progress. In 2011, this meant reaffirming our purpose with our core sustainability team, clarifying our message within the Utilities service area and the broader municipal organization and re-engaging our community stakeholder advisory group.

Fortunately, a well-established program of employee communication and engagement provided an important platform for highlighting the organization's progress and encouraging employee involvement. The path has not always been smooth; however, the commitment of Utilities managers and staff ensures ongoing leadership in working toward our sustainability goals. Growth in the sustainability focus throughout the City organization is at the same time promising and unsettling: promising because we know the value of sustainability planning and management; unsettling because a broader focus in the City organization brings the risk of shifting priorities.

Asset management, technology improvements, financial planning and workforce development require ongoing resources. With the 2013-14 budgeting process beginning early in 2012, the challenge of matching needs and resources is an immediate priority. Emphasis on containment or reduction of operational expenses will be a focus in the next several years, and customer expectations will remain high. The Utilities' Core Sustainability Team will be re-examining strategy and progress throughout the year with a goal of fine-tuning strategy, identifying which strategies have not been successful and brainstorming new ways of approaching the four key issues– organizational culture, workforce engagement, Triple Bottom Line (TBL) planning and decision-making and stakeholder involvement.

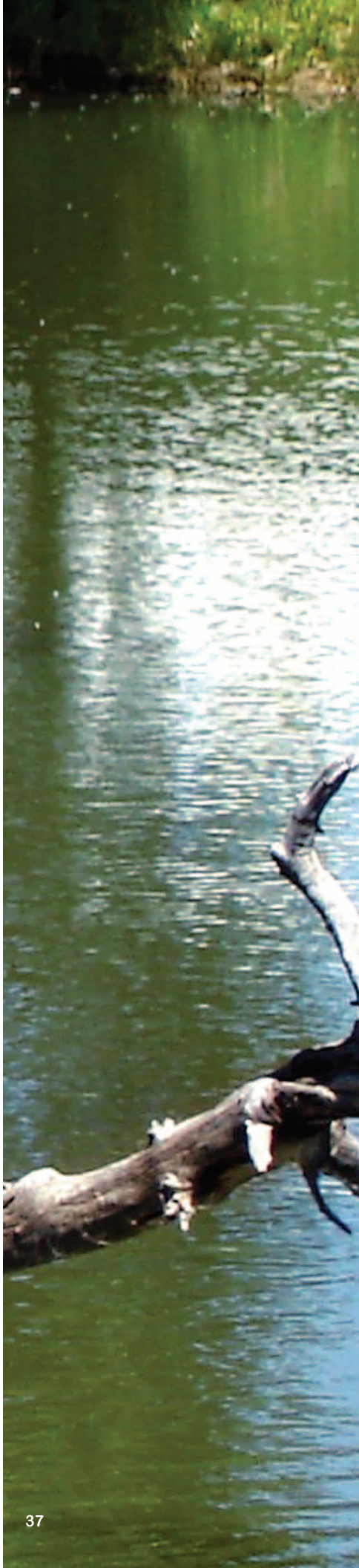
The four internal teams that lead our Utilities for the 21st Century program are on the front line of guiding and supporting organizational change. In 2011, the teams continued to focus on key elements that are crucial to moving the organization forward in the coming years.

These efforts included:

- ongoing community outreach and engagement to stakeholders--via public presentations on the 21st Century Utilities work and our *GRI Sustainability Report*--emphasizing the importance of organizational transparency and accountability and, thereby, exemplifying our commitment to community leadership
- re-convening the 21st Century Utilities Advisory Panel, made up of local business leaders, further advancing stakeholder dialogue while receiving valuable feedback regarding of our business approach and communication strategies
- continuing to advance the education and application of Triple Bottom Line Analysis within the Fort Collins community and City organization and convening an Ethics committee to investigate options for advancing education, dialogue and policy
- continuing to improve employee communication through an employee newsletter, development of an internal communications plan and conducting seven workshops to discuss the Cultural Values Assessment results and strategies to improve organizational culture and effectiveness
- creating a Peer Recognition program and awarding 34 awards to employees
- forming a Utilities Knowledge Transfer Team, assessing risk throughout the organization, conducting interviews with managers to verify analysis and identify risk mitigation
- collaborating with the City's newly formed Sustainability Services Area to assist in advancing environmental, social and economic objectives

With several years of experience behind us, we know the value of steadiness and the importance of keeping our purpose in view. Celebrating our achievements and seeking information about ways in which we missed the mark are all about gaining essential perspective.

As we grow more comfortable with our ability to plan for a future some of us will never experience, we realize the risk of error that can be corrected as we move along far outweighs the risk of no action.



# Priority and Status of Material Issues.

Fort Collins Utilities' approach to sustainability focuses on areas of interest that are most material to our stakeholders and to our strategic priorities. The table below represents our views and their status in the development cycle.

| | 2011 Areas of Interest | Metric | |
|---|---|---|---|
| **Economic and Financial** | | | |
| TBL | Affordable and reliable utility services | Electric reliability indices<br>Water service interruption | |
| | Cyber security and privacy | Developing to model federal standards and framework | |
| | Infrastructure security | Compliance with Homeland Security guidelines, National Institute of Standards (NIST) 800-53 and other standards | |
| | Alternative funding mechanisms | Successful federal and state grant awards | |
| TBL | Asset management | Conceptualized | |
| | Economic development | Partnership in local development initiatives; industry clusters | |
| TBL | Advanced Metering Infrastructure | Project Execution Plan<br>Cyber Security Plan<br>Benefits and Metrics Plan | |
| **Social** | | | |
| TBL | Safety | OSHA Incidence Rate | |
| | Customer service | Biennial customer satisfaction ratings | |
| TBL | Drinking water quality (DWQ) | Regulatory compliance/DWQ policy | |
| | Employee engagement and development | Internal communications plan<br>Cultural Values Assessment<br>TBL analysis, Q14 survey | |
| | Ethics Policy | Development of policy/purpose | |
| TBL | Community partnerships | Expanded scope | |
| TBL | Knowledge transfer and succession planning | Phased levels: Phase 1 complete | |
| **Environmental** | | | |
| TBL | Stormwater planning and practices | Community Rating System | |
| | Stormwater quality | Stormwater permit compliance/ Urban Creek Water Quality Report | |
| | Wastewater quality | Wastewater compliance rate | |
| TBL | Water supply planning | Drought protection | |
| | Water conservation | Water demand reduction | |
| | Protecting natural resources | Reduction of environmental footprint | |
| TBL | Energy efficiency | Demand usage | |
| TBL | Climate change mitigation and adaptation | Carbon reduction<br>Adaptation planning | |
| TBL | Renewable energy | Meet Colorado Renewable Energy Standard | |
| | Reduce, recycle, reuse | Rate of waste diversion | |

TBL indicates significant overlap among economic/financial, environmental and social considerations.

| | Priority | Stages of Development | | |
|---|---|---|---|---|
| | | Emerging[1] | Developing[2] | Ongoing[3] |
| | | | | |
| | Critical | | | x |
| | Critical | | x → | x |
| | Critical | | x → | x |
| | High | x → | x | |
| | High | x → | x | |
| | Medium | | x → | x |
| | High | | x | |
| | | | | |
| | Critical | | | x |
| | Critical | | | x |
| | Critical | | | x |
| | High | | x → | x |
| | High | x | | |
| | Medium | x → | x | |
| | High | | x | |
| | | | | |
| | Critical | | | x |
| | Critical | | x → | x |
| | Critical | | | x |
| | Critical | | | x |
| | High | | | x |
| | High | | | x |
| | High | | | x |
| | High | | x | |
| | Medium | | | x |
| | Medium | | x | |

[1] Emerging stage indicates Utilities currently is in the process of considering how to best address the issue.
[2] Developing stage indicates Utilities is in the process of developing effective and efficient systems to best address the issue.
[3] Ongoing stage indicates Utilities continuously is improving the robust systems designed to address the issue.

## Materiality.

*We seek to balance our stakeholder concerns and Fort Collins Utilities' strategic priorities to address the most pertinent material issues in our Sustainability Report. Many internal and external forces impact how we conduct our business, operate as an organization and interface with our diverse range of stakeholders.*

*Our stakeholders have been identified through our various public processes and service interactions. These include: City Council and Board forums, customer and business exchanges, surveys, direct inquiries, collaboration and partnerships with external organizations, external and internal feedback, regulatory direction and public open houses. Stakeholders also are identified within their rate classes or how they use services. This approach groups customer segments such as residential, small commercial, large commercial and industrial customers based on the relative amount of electricity and water they use. Customers within these groups often have common needs and issues.*

*Our stakeholders include our customers, city leaders, advisory groups, key educational institutions, industry leaders, nongovernmental organizations and the community as a whole.*

*We have chosen to focus our immediate efforts and this dialogue on areas we have identified as most relevant or material to this report: our operations and services, our community and those within our direct sphere of influence. The issues identified include: our economic, environmental and social performance as well as our organizational culture, external stakeholder engagement, Triple Bottom Line practices and workforce engagement.*

*See Appendix A, page 40, for table of Stakeholder Expectations.*

# Appendix: Utilities' Stakeholder Expectations Table[1]

| STAKEHOLDER GROUP | ENGAGEMENT TYPE |
|---|---|
| **CUSTOMERS** | **CUSTOMER SERVICE**<br>- Customer service representatives<br>- Customer and Employee Relations Team<br>- Key Accounts representatives<br>- Business assessments<br>**MARKET RESEARCH**<br>- Customer satisfaction surveys<br>- Internet surveys and focus groups<br>**PRINT AND WEB-BASED MEDIA**<br>- Online account management<br>- Website<br>- Direct mail (bill inserts, postcards, *Year-End Letter*)<br>- Print and broadcast advertising<br>**EFFICIENCY PROGRAMS**<br>- Efficiency audits<br>- In-store events focused on energy and water efficiency<br>- Home Energy Reports<br>- Rebates and bill credits<br>**PUBLIC MEETINGS**<br>- Energy and Water Board meetings<br>- Council meetings<br>**EDUCATION PROGRAMS**<br>- Residential Environmental Program Series<br>- Educational programs for Poudre School District<br>- Other collaborative programs with Colorado State University, City departments, other governmental agencies |
| **COUNCIL & BOARDS** | Briefings and presentations at Council meetings<br>Water Board<br>Energy Board<br>Other City boards and commissions<br>Platte River Power Authority Board of Directors |
| **PARTNERS** | Joint customer programs<br>Intergovernmental Agreements<br>Regional water planning and management<br>Projects with other City departments<br>Governor's Energy Office<br>Poudre School District<br>Colorado State University<br>Local businesses<br>Professional associations<br>Other local governments<br>Platte River Power Authority |
| **REGULATORS** | Governmental and regulatory staff<br>Regulatory proceedings<br>Reports, filings and informational materials<br>Stakeholder forums<br>Presentations and speaking engagements |
| **COMMUNITY ORGANIZATIONS** | Energy Board<br>Water Board<br>City Council meetings<br>Advisory Panel<br>Direct access to Council Members<br>Subject-matter expert speakers<br>Fort Collins Housing Authority<br>Various non-profit or non-governmental organizations<br>Print, broadcast and social media coverage |

| STAKEHOLDER INTERESTS, CONCERNS & EXPECTATIONS | UTILITIES' RESPONSE & TARGETED ACTIONS |
|---|---|
| Service quality<br>Service reliability<br>Managing energy and water rates<br>Customer service and payment options<br>Energy, water and money saving opportunities<br>Low-income assistance<br>Community and environmental stewardship<br>Privacy of customer information<br>Flood management<br>In-stream river flows for recreational use and ecosystem health | Implemented federal Department of Energy grant to upgrade City's electric grid via Advanced Metering Infrastructure<br>Focused and expanded our energy and water savings outreach programs<br>Implementation of the City's updated *Energy Policy*, adopted in 2009<br>Continued Payment Assistance Fund<br>Expanded *Water Conservation Plan*<br>Implemented a formalized Environmental Management System at our water reclamation and water treatment facilities<br>Developed a *Green Building Residential Energy Code*<br>Launched our online account management system<br>Completed our Canal Importation Ponds and Outfall Stormwater Project<br>Continued stormwater program repurposing<br>Participated in Red Flags Act compliance and cyber security |
| Best practices<br>Reliability of service<br>High-quality drinking water<br>Responsive to customer needs and issues<br>Decision making and practices aligned with City policies<br>Leadership in sustainability | Review of proposed council actions<br>Staff reports/liaison<br>Annual/periodic council reports<br>Council action prepared<br>21st Century Utilities Initiative |
| Equitable relationships<br>Mutually beneficial outcomes<br>Professionalism<br>Trustworthy actions<br>Accountability for appropriated funds | Supplier and construction industry seminars<br>Utilities industry speaking opportunities<br>Development of an ethics policy and program |
| Regulatory compliance<br>Transparent and accurate reporting<br>Collaborative policy debates<br>Collaborative regulation development<br>Sound scientific basis for regulation | Compliance with federal and state reporting requirements<br>Privacy committee<br>Financial audit<br>Environmental Management System<br>EMS development for other City departments<br>Transparent environmental documents<br>Compliance assistance and education outreach for all City departments<br>City legislative and policy committee membership |
| Economic development<br>Public safety<br>Project input and communication<br>Environmental stewardship and leadership, including efficiency education<br>Accountability<br>Community support and involvement with local initiatives | **PUBLIC OUTREACH**<br>- Community relations/public engagement related to major projects<br>- Water and energy youth and adult education programs in school and in the field<br>- Canal Importation Ponds and Outfall Stormwater Project public outreach<br>- Fort Collins Conserves campaign<br>- Flood Awareness Week<br>- Public Power Week<br>- Drinking Water Week<br>- Sustainable Living Fair<br>- Annual Children's Water Festival<br><br>**PUBLIC REPORTING**<br>- Annual sustainability report<br>- Drinking water quality report<br>- Flood awareness report<br><br>**COMMUNITY INVOLVEMENT**<br>- Community food drive<br>- Blood drives<br>- Private volunteering/boards<br>- Adopt-A-Family<br>- Collections of toys and toiletries<br>- United Way<br>- Make a Difference Day |

[1] Representative of stakeholder engagement/expectations and Utilities' response/actions.

# 2011 GRI Indicator Content Index.

| GRI G3 Indicator | Content | Page Number |
|---|---|---|
| | **Strategy and Analysis** | |
| | Letter from Executive Director | |
| 1.1 | | 3 |
| 1.2 | Description of key impacts, risks and opportunities | 3, 37, 38-39, 40-41 |
| | **Organizational Profile** | |
| | Telling Our Story | |
| 2.1 | Name of organization | 1 |
| 2.2 | Primary brands, products and/or services | 14-15 |
| 2.3 | Operational structure of the organization | 4-6, 8-13, 15-18 |
| 2.4 | Location of the organization's headquarters | 44 |
| 2.5 | Number of countries the organization operates | 4, 44 |
| 2.6 | Nature of ownership and legal form | 4 |
| 2.7 | Markets served | 4 |
| 2.8 | Scale of the reporting organization | 8-13 |
| 2.9 | Significant changes during the reporting period | 15 |
| 2.10 | Awards received during reporting period | 46 |
| | **Report Parameters** | |
| | Stating Our Reporting Focus | |
| 3.1 | Reporting period | 14 |
| 3.2 | Date of most recent previous report | 14 |
| 3.3 | Reporting cycle | 14 |
| 3.4 | Contact point for questions regarding the report or its content | 44 |
| 3.5 | Process for defining report content | 14-15, 38-39 |
| 3.6 | Boundary of report | 14-15 |
| 3.7 | Specific limitations on the scope or boundary of the report | 14-15 |
| 3.8 | Reporting on other entities | NA |
| 3.9 | Data measurement techniques and the bases for calculations | 15 |
| 3.10 | Explanation of any restatement | 15 |
| 3.11 | Significant changes from previous report | 15 |
| 3.12 | Table identifying the location of the Standard Disclosures in the report | 42-45 |
| 3.13 | Policy and current practice with regard to seeking external assurance for the report | 42 |

**B-level application.**

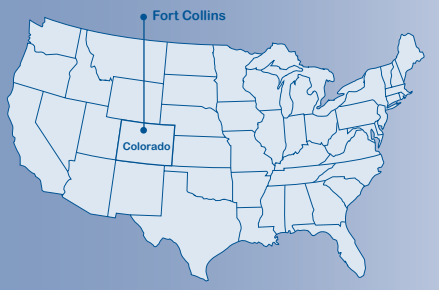
*As part of our effort to improve our reporting, we increased our application level to B for our 2009 report. For our 2011 report, we continue to seek process improvements for our reporting, including increasing the amount, accuracy and completeness of the data collected, related to GRI indicators. We did not seek external assurance or audit for the report at this time.*

**GRI G3 Performance Indicators.**

*Blue Indicates Full Disclosure*
*Orange Indicates Partial Disclosure*
*Plum Indicates Not Applicable*

*Indicators noted as a 'partial' disclosure have only a portion of the data available to include in the report. This is mostly due to limited availability of data or current practices in place to track this information and data. Because Fort Collins Utilities is a municipally owned entity, the indicators marked 'NA' do not apply to our governance structure.*

| GRI G3 Indicator | Content | Page Number |
|---|---|---|
| | **Governance, Commitments and Engagement** | |
| | Governing Our City Operations | |
| 4.1 | Governance structure of the organization | 16-18 |
| 4.2 | Highest governance body | 16-17 |
| 4.3 | Independence of the governing body | NA |
| 4.4 | Mechanisms for stakeholders and employees to provide recommendations or direction to the highest governance body | 17-18 |
| 4.5 | Linkage between performance and governing bodies compensation | 17 |
| 4.6 | Processes to ensure conflicts of interest are avoided | 17 |
| 4.7 | Processes for determining the qualifications of governing body | 17 |
| 4.8 | Developed statements of mission and values | 16-28 |
| 4.9 | Governance-level processes for identifying and managing risks and opportunities | 16-18 |
| 4.10 | Processes for evaluating governance body's performance | 17 |
| 4.11 | How the precautionary approach is addressed | 4-11, 16-18 |
| 4.12 | Externally developed economic, social and environmental charters the organization subscribes or endorses | 18, 30-33 |
| 4.13 | Membership in associations | 5-6, 40-41 |
| 4.14 | List of stakeholders groups engaged by the organization | 40-41 |
| 4.15 | Basis for identification and selection of stakeholders with whom to engage | 39 |
| 4.16 | Approaches to stakeholder engagement | 40-41 |
| 4.17 | Key topics and concerns raised by stakeholders and how they were addressed by organization | 40-41 |
| | **Economic Performance Indicators** | |
| | Disclosure on Management Approach | 13 |
| EC 1 | Direct economic value generated and distributed | 13 |
| EC 3 | Coverage of organization's retirement and other employee benefits | 27 |
| EC 4 | Significant financial assistance received from government | 13 |
| EC 7 | Procedures for local hiring and proportion of senior management hired from the local community | 16 |
| EC 8 | Development and impact of infrastructure investments and services provided primarily for public benefit | 4 |




Location of
Fort Collins, Colorado

## Additional Information.

*For additional information about this report, the GRI information on Fort Collins Utilities website, or the Utilities internal Sustainability Implementation Plan, please contact Katy Bigner at kbigner@fcgov.com. To learn more about our operations, please go to fcgov.com/utilities.*

*Fort Collins Utilities*
*700 Wood St.*
*Fort Collins, Colorado 80521, USA*
*Phone: (970) 221-6700*
*TDD: (970) 224-6003*

*Report design and production:*
*Anne Vetter Graphic Design, Inc.*
*Fort Collins, Colorado*
*avetter@frii.com*

| GRI G3 Indicator | Content | Page Number |
|---|---|---|
| | **Environmental Performance Indicators** | |
| | Disclosure on Management Approach | 4-6, 8-11, 34-35 |
| EN 1 | Materials used by weight or volume | 34 |
| EN 3 | Direct energy consumption by primary energy source | 34 |
| EN 5 | Energy saved due to conservation and efficiency improvements | 32-34 |
| EN 6 | Initiatives to provide energy efficient or renewable energy based products and services and reduction of energy requirements as a result | 33 |
| EN 8 | Total water withdrawal by source | 6 |
| EN 9 | Water sources significantly affected by withdrawal of water | 6-9 |
| EN 10 | Percentage and total volume of water recycled and reused | 6, 10 |
| EN 13 | Habitats protected or restored | 35 |
| EN 16 | Total direct and indirect greenhouse gas emissions by weight | 31 |
| EN 20 | NO, SO and other significant air emissions by type and weight | 31 |
| EN 21 | Total water discharge by quality and destination | 9-10 |
| EN 23 | Total number and volume of significant spills | 35 |
| EN 26 | Initiatives to mitigate environmental impacts of products and services and extent of impact mitigation | 35 |
| EN 28 | Fines for noncompliance of legal environmental regulations | 35 |
| EN 30 | Total environmental protection expenditures and investments | 35 |
| | **Labor, Human Rights and Social Performance Indicators** | |
| | Disclosure on Management Approach to Labor Practices | 18-22 |
| LA 1 | Total workforce by employment type, employment contract and region | 18 |
| LA 3 | Benefits provided to full time employees that are not provided to temporary or part-time employees | 21 |
| LA 4 | Percentage of employees covered by collective bargaining agreements | 19 |
| LA 6 | Percentage of total workforce represented in formal joint management-worker health and safety committees | 20 |
| LA 7 | Rates of injury, occupational diseases, lost days, absenteeism and number of work-related fatalities | 21 |
| LA 11 | Programs for skill management and lifelong learning that support employability and assist them in managing career endings | 19 |
| LA 12 | Percentage of employees receiving regular performance and career development reviews | 19 |
| LA 13 | Composition of governance bodies and employees per category based on gender, age group, minority and other indicators of diversity | 18 |
| | Disclosure on Management Approach to Human Rights | 16, 18 |
| HR 3 | Total hours of employee training on policies and procedures related to human rights | 18 |
| HR 4 | Total number of incidents of discrimination and actions taken | 18 |
| HR 7 | Compulsary labor | 18 |
| SO 5 | Public policy positions and participation in public policy development and lobbying | 17, 19 |

| GRI G3 Indicator | Content | Page Number |
|---|---|---|
| | **Disclosure on Management Approach to Society** | 4, 6, 16-18, 26-27 |
| SO 6 | Total value of financial and in-kind contributions to political parties, politicians and related institutions | 4 |
| SO 8 | Value of fines and total number of non-monetary sanctions for noncompliance of laws and regulations | 35 |
| | **Product Responsibility** | |
| | **Disclosure on Management Approach** | 4-13, 27 |
| PR 5 | Practices related to customer satisfaction and results | 12 |
| PR 8 | Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data | 27 |
| PR 9 | Monetary value of significant fines for non-compliance with laws and regulations | 35 |
| | **Electric Utility Sector Supplement** | |
| | **Disclosure on Management Approach** | 4-5 |
| EU 1 | Installed capacity, broken down by primary energy source | 5 |
| EU 2 | Net energy output broken down by primary energy source | 5 |
| EU 3 | Number of residential, industrial and commercial customer accounts | 4 |
| EU 4 | Length of above and underground transmission and distribution lines | 4 |
| EU 7 | Demand side management programs including residential, commercial, institutional and industrial programs | 32 |
| EU11 | Average generation efficiency of thermal plants by source | 5 |
| EU12 | Transmission and distribution losses | 5 |
| EU 15 | Percentage of employees eligible to retire in the next five and 10 years | 18, 22-23 |
| EU 19 | Stakeholder participation in the decision making process | 40-41 |
| EU 23 | Programs to improve or maintain access to electricity and customer support services | 27 |
| EU 27 | Number of residential disconnections for nonpayment | 27 |
| EU 28 | Power outage frequency | 5 |
| EU 29 | Average power outage duration | 5 |
| | **Water Utilities Indicators** | |
| | **Disclosure on Management Approach** | 6, 8-11 |
| WUI 1 | Percentage of population served in area of operation, according to category and type | 4 |
| WUI 4 | Daily water use per capita (gallons per capita per day) | 29 |
| WUI 5 | Length of transmission and distribution system piping/conduits | 6, 10-11 |
| WUI 13 | Approach to R&D, including R&D goals, investment mechanisms and implementation processes | 8, 33 |
| WUI 23 | Participatory decisionmaking processes with communities and outcomes of engagement | 40-41 |
| WUI 26 | Programs to assist low-income or vulnerable (e.g. fixed income) customers with water connection and consumption costs | 27 |
| WUI 39 | FEMA CRS Rating | 11 |
| WUI 41 | Number of cooperative agreements with regional entities | 8-9, 11 |

## 2011 Awards.

- *Advanced Meter Fort Collins Project, Elster Solutions LLC Awards—Most Innovative for use of EnergyAxis with smart grid deployment; Best Collaboration for collaboration and partnership among or between the utility, Elster and/or an Elster partner.*
- *Canal Importation Ponds and Outfall Drainage Project, Colorado Public Works Award—Drainage and Flood Control Project in a Large Community—from Colorado chapter of the American Public Works Association (APWA). Project completion: $3.9 million under budget.*
- *Water Treatment Facility, EPA Director's Award of Recognition from the Partnership for Safe Water, 12th year.*
- *Drake Water Reclamation Facility, ISO 14001 Certification from TUV Rheinland of North America. ISO 14001 is the globally accepted standard for Environmental Management Systems (EMS).*
- *Water Quality and Pollution Control Labs, Certification Awards—Trace Metals Testing, Bacteria Testing and Chemical Testing—from the Colorado Department of Health and Environment.*
- *Pollution Control Lab, Certificate of Achievement for attaining 100 percent acceptable results on unknown test samples for all discharge parameters listed in the City's wastewater treatment permit from the Colorado Department of Health and Environment.*

# Acknowledgements.

We respectfully acknowledge the members of our 21st Century Utilities Advisory Panel who guide our direction and efforts. We appreciate and thank them for the time and commitment required to assist us in this transformative process.

## Advisory Panel

**Katy Bigner**, City of Fort Collins

**Dan Bihn**, Dan Bihn.com

**Julie Brewen**, Fort Collins Housing Authority

**Bill Farland**, Colorado State University

**Bill Franzen**, Stage 2 Associates

**Bruce Hendee**, City of Fort Collins

**Steve Hultin**, Colorado State University

**Doug O'Dell**, O'Dell Brewing

**Jenn Orgolini**, New Belgium Brewing

**Peggy Plate**, Consultant/WAPA

**Stu Reeve**, City of Fort Collins/Poudre School District

**Tom Roiniotis**, Longmont Power Utility

**John Sandersen**, The Nature Conservancy

**Rich Shannon**, Pinnacle Consulting Group

**Jim Spencer**, New Belgium Brewing

**John Stokes**, City of Fort Collins

**Steve Wolley**, Avago

## Fort Collins Utilities Core Sustainability Team

### Culture Team

Issue Lead: **Jason Graham**, Pollution Control Service Supervisor

**Renee Callas**, Customer Service Representative

**DeEtta Carr**, Water Utility Construction and Purchasing Coordinator

**Lori Clements**, Customer Support Manager

**Jill Oropeza**, Watershed Specialist

**Tom Rock**, Electric Field Services Manager

**Carol Webb**, Regulatory and Government Affairs Manager

**Matt Fater**, Special Projects Manager

### TBL Team

Issue Lead: **Brian Varrella**, Floodplain Administrator

**Kraig Bader**, Standards Engineering Manager

**Donnie Dustin**, Water Resources Engineer

**Chris Parton**, Asset Manager

**Ginger Wynne**, Chemist

**Chris Lochra**, Flood Warning Engineer

**Lois Rellergert**, Environmental Regulatory Specialist

### Stakeholders Team

Issue Lead: **Patty Bigner**, Customer and Employee Relations Manager

**Jack Everett**, Electric Utility Project Manager

**Brian Janonis**, Executive Director

**Marcee Camenson**, Community Education Coordinator

**Steve Catanach**, Light and Power Operations Manager

**Lisa Voytko**, Water Production Manager

**Melissa Katsimpalis**, Senior Marketing Specialist

**Katy Bigner**, Environmental Project Coordinator

### Workforce Team

Issue Lead: **Janet McTague**, Electric Utility Project Manager

**Rodney Albers**, Drainage System Supervisor

**Michelle Finchum**, Education and Outreach Coordinator

**Basil Hamdan**, Stormwater Development Engineer

**Eric Olson**, Water Conservation Specialist

**Tiana Jennings Smith**, Key Accounts Representative

**Ken Sampley**, Stormwater Program Manager

**Susan Strong**, Environmental Regulatory Specialist

**Ginger Purvis**, Senior Electrical Engineer

**Caleb Metzler**, Water Utility Maintenance Operator

**Jay Wolfe**, Electric Lineworker

# Statement
# GRI Application Level Check

GRI hereby states that **Fort Collins Utilities** has presented its report "Gaining Valuable Perspectives" (2011) to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level B.

GRI Application Levels communicate the extent to which the content of the G3 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3 Guidelines.

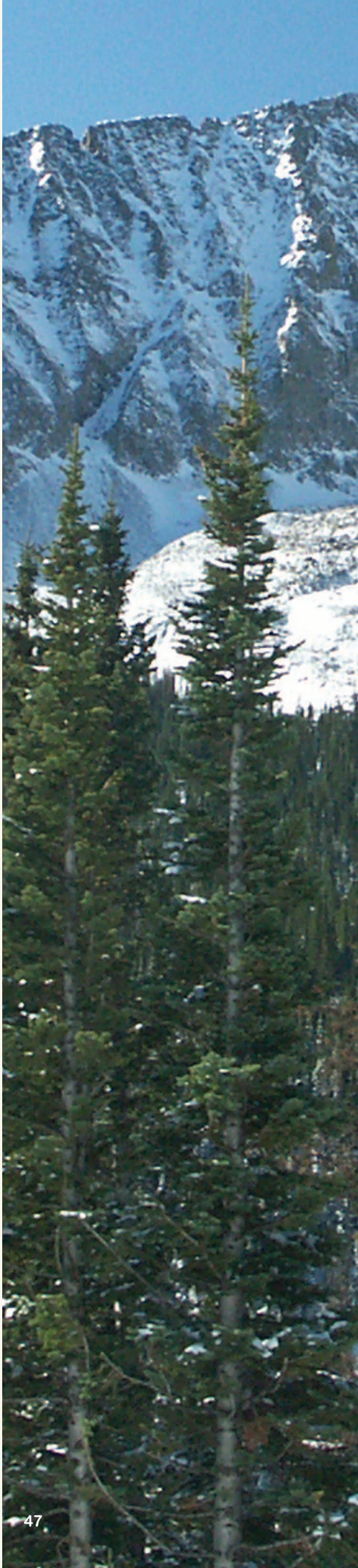
Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 22 August 2012

Nelmara Arbex
Deputy Chief Executive
Global Reporting Initiative

*The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. www.globalreporting.org*

***Disclaimer:** Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 16 August 2012. GRI explicitly excludes the statement being applied to any later changes to such material.*



City of Fort Collins Utilities

*fcgov.com/utilities* • *utilities@fcgov.com* • (970) 221-6700 • TDD: (970) 224-6003