

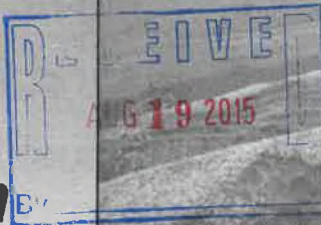


Learning from DWP's Billing System Challenges

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Introduction

- This report on “Learning from DWP’s Billing Challenges” was requested through Council motion CF14-0161-S4 in March 2015.
 - This is intended as a constructive approach, given the further investment required in DWP’s new Customer Information System and the need for replacement or updates to other key DWP systems.
 - Most of the recommendations are intermediate and long-term, and are not intended to constitute pre-conditions for any rate review.

- Key aspects of the report are:
 - State Audit
 - Chief sources of delays
 - Key recommendations: restoring DWP agility and stabilizing management
 - Dividing the tasks
 - Next steps



Key Recommendations:

Restoring DWP Agility and Stabilizing Management

- For the Joint Division,
 - As part of next phase of DWP benchmarking, establish a Joint Services Division management structure that has adequate span of control over its responsibilities.*
 - Within the next year, strengthen the Program Management Office (PMO) within the Joint Services Division*:
 - ✓ Provide PMO with directive authority and control (ability to stop work).
 - ✓ Establish a delegation framework for the PMO that addresses not only budget and schedule, but operating risks and labor limitations.
 - ✓ There needs to be an advisory body of users, and an appellate group of the 3 AGMs.
- Transparency of MOU Appendix B outsourcing protocol .*
- Within three months, contract for a backup call center with objective parameters for triggering use and increasing permanent staffing when use grows beyond backup reliance.** After experience is gained managing overflow to a wait time standard, permanent staffing at two distinct call centers can be planned and proceed.
- In short term, within existing governance, allow DWP to contract as well as hire in 30 days under dire and urgent circumstances. Set a medium term goal to allow DWP to hire within 6 months and procure within 3 months.

* Notable progress.

** Contract with public LOA approved by DWP Board 8/4/2015.



Detailed Recommendations: Dividing the Tasks

- ❑ The Recommendations section of the report makes 23 detailed recommendations:
 - These detailed recommendations are directed to combinations of the DWP Board, the Mayor, and the City Council.
 - While a few of these recommendations have a short horizon, most are likely to require extended focus.

- ❑ Key efforts remaining -- building greater agility:
 - In short term, within existing governance, allowing DWP to contract as well as hire in 30 days under dire and urgent circumstances.
 - Set a medium term goal to allow DWP to hire within 6 months and procure within 3 months.

- ❑ OPA will monitor progress and work with DWP management. OPA will report back to the City Council, Mayor, and DWP Board on progress.

- ❑ If the goals for timely hiring and procurement cannot be achieved in a reasonable time, OPA recommends more fundamental and comprehensive changes.

