

Executive Summary

1.1 Introduction

During the spring of 2013, Omaha Public Power District (OPPD) began an effort to study the ways its customer-owners and stakeholders want to be engaged and about what types of issues. As fiscal, environmental, and energy resources grow increasingly competitive, the type of stakeholder engagement that a utility incorporates into its business practices can determine project implementation and organizational success. The success, or lack thereof, in stakeholder engagement on one project can greatly affect a utility’s experience on future projects. As such, the multitude of communication methods and strategies available today cannot only help protect a utility’s reputation over time but can also help ensure that projects stay on schedule and ultimately are built in a way that is supported by a community. The goal of OPPD’s Stakeholder Engagement Initiative is to build trust with customers, help to effectively manage complex communications, and promote the value that OPPD places on stakeholder engagement.

A Stakeholder Initiative Team was created to be responsible for guiding, providing input, and providing specific OPPD and industry historical knowledge and operations experience. The Initiative team comprised of members of the OPPD senior management staff. Each member was selected to represent an important facet of the organization. Initiative Team members participated in the Stakeholder Engagement planning process at every phase.

1.2 Initiative Outcomes

The purpose of this Stakeholder Engagement Initiative is to make recommendations for future decision-making regarding stakeholder engagement. Throughout a four-month period in 2013, OPPD conducted an extensive and thorough examination of current engagement practices and an assessment of stakeholder needs. The Initiative included (1) a Stakeholder Engagement Benchmark Study, (2) six Stakeholder Issues Identification Workshops, (3) a customer communications and investor and large customer survey, (4) OPPD employee interviews, (5) 11 public open-house meetings, and (6) an online public meeting. The results of the initiative yielded considerable stakeholder activity and feedback. Table 1 illustrates the general outcomes of the Stakeholder Engagement Initiative.

Table 1: Engagement Outcomes

Interaction	Outcome
Meeting Attendance	303 Meeting Attendees
Comments, Surveys, Website Hits	780 Interactions
Outreach Summary	1,632 Outreach Touch Points
Personal, In-person Connections	460,071 Board Meetings, Employee Outreach



Key Themes: As a result of these interactions and input received, the Initiative Team found several key themes that have guided the development of OPPD's Stakeholder Engagement Process. These recommendations suggest that OPPD should:

- Empower stakeholders to engage in OPPD decision-making by providing multiple communication methods.
- Provide feedback concerning stakeholder input and suggestions received.
- Provide timely feedback on concerns and suggestions heard through this Initiative, and identify what possible steps will be taken in regard to these concerns and suggestions.
- Consider the potential different needs and expectations of rural and metropolitan customer-owners when developing programs, providing promotions, and requesting feedback.

Preferred Communication Options: Stakeholders indicated a range of preferred communication channels but noted that multiple methods should be available. Additionally, stakeholders recommended employing a standard set of communication tools across all projects/initiatives and drawing from a bank of optional tools to be determined by the needs of the project/initiative. The following are the top five preferred methods of communication with stakeholders:

- Mobile communications
- Email newsletter/communications
- Board meetings with enhancements (for example, streaming video and rules of engagement)
- More in-person communication options
- Targeted communications (rural and metropolitan audiences)

Project/Initiatives to Involve Stakeholders: Stakeholders indicated that they would be most interested or likely to be involved in the following four processes/initiatives:

- OPPD's power generation portfolio planning
- Product rebates and incentives planning
- Community programs
- Rate changes and updates

1.3 The Process

As a result of the multi-faceted investigation of stakeholder interests and needs, the following process has been designed to assist OPPD in engaging stakeholders for all future projects and initiatives.



1.3.1 **Commitment to Stakeholder Engagement**

OPPD is committed to:

- Listening to, understanding, and appreciating its customer-owners, employees, and stakeholders and their issues and concerns.
- Partnering with customer-owners, employees, and stakeholders.
- Continuing to build relationships with all customer-owners, employees, and stakeholders.

OPPD will continue to partner with all customers through:

- Mutual trust and respect
- Open and honest decision-making
- Early and often communication and collaboration

1.3.2 **Stakeholder Engagement Planning**

To assist in expediting an appropriate stakeholder engagement process, several tools have been developed. Each serves as a guide to decision-making and execution.

When a project/initiative is identified a project team will be assembled. If this project/initiative will require the inclusion of a stakeholder engagement process, then the project team should include the appropriate personnel to champion the stakeholder engagement process for the project.

Stakeholder Identification: In accordance with the Core Values of the International Association for Public Participation (IAP2), effective stakeholder engagement strategies are defined as strategies that involve those who are affected by or interested in the decision-making process. A stakeholder is any person or group who is affected by the decision-making process for a particular project/initiative. While this definition is broad in scope, the identification of stakeholders should be reasonably strategic to best include all interested stakeholders unique to the particular project. Stakeholders should be identified through a careful examination of the issues impacting the project and the individuals or groups that will most likely have a vested interest in the project outcomes. Table 2 describes the stakeholder identification questions that should be asked by the project management team.



Table 2. Stakeholder Identification Questionnaire

Questions
1. Who are the most directly impacted stakeholders? (Landowners, businesses, community centers, employees, rate payers, etc.)
2. Whose special interests need to be considered throughout this project?
3. Will elected officials have an interest in the project?
4. Who are the hidden stakeholders? (underrepresented groups, small organizations/businesses, elderly, etc.)
5. Who are the internal (OPPD) stakeholders that should be included in the stakeholder engagement process?
6. What agencies should be consulted throughout this process?

After the project stakeholders have been identified, the list should be well-documented and used as a companion to the outreach activities. All communications to and from stakeholders should be documented to help ensure that a thorough process has been employed.

Once the project/initiative is identified, the project team has been developed, and the stakeholders have been identified, then the scale of the project/initiative will be determined. This determination is important to help identify the scale of the stakeholder engagement process to be employed (that is, small, medium, large-scale). A Stakeholder Engagement Worksheet (Table 3) has been developed to guide project/initiative managers through the engagement process selection. This is a general questionnaire that navigates through the decision-making process. It will assist in the decision-making process to determine what (1) scale stakeholder engagement process to employ, (2) what tools to use, and (3) what project/stakeholder needs should be taken into consideration.

Table 3: Stakeholder Engagement Worksheet

PLAN
1. Have you clearly identified the objectives and desired outcome(s) of the project?
2. What special needs does this project have?
3. Are there legal, regulatory, or compliance requirements?
4. What are the objectives of your engagement strategy?
5. Who are all of the internal and external stakeholders and customers that will be impacted by this project/initiative?
6. Do you have a good understanding of your stakeholder's values?
7. What are the risks of engaging stakeholders in the project? Do you have a strategy in place to deal with those risks?
8. What are the risks of engaging stakeholders in the project? Do you have a strategy in place to deal with those risks?
9. Is your process of stakeholder engagement fair?
10. Is your process of stakeholder engagement equitable among stakeholders?
11. What are the risks of not engaging stakeholders in the project? Can you defend your reason for not engaging stakeholders in the project?
12. Have you identified your decision-making process and how and when stakeholders will be involved?
13. What methods of engagement will be used?



14. Has an internal interdisciplinary team been identified for this project?

ACT

15. Will your stakeholders understand why you are making the changes you are?

16. What will you do to ensure your stakeholders understand the need for change?

17. Do your stakeholders understand where, when, and how their input is most effective?

18. Will your stakeholders feel their role in the process is valued and that they will be “heard”? How will you know?

19. How will you close the loop in terms of providing feedback to your stakeholders on decisions made?

20. How will you consider alternatives and refine your solutions based on what you have learned from your technical experts and stakeholders?

MEASURE

21. How will you document decisions and outcomes?

22. What performance data needs to be collected to ensure you meet engagement and project objectives?

23. What evaluation tools do you have in place to assess our experience?

24. What methods are you using to document lessons learned and best practices? How will they be used next time?

Finally, an Issues/Communication Tools Matrix (Table 4) has been developed to help project/initiative managers determine the appropriate tools or communication outreach methods to be employed based on the issue being addressed. This matrix is not intended to identify requirements for outreach but rather should serve as a guide to decision-making. The use of communication tools should be flexible enough to meet the needs of the stakeholders but should be consistent and thorough.

Table 4: Issues/Communication Tools Matrix

	Constant Communication Tools									Optional Tools Based on Project/Initiative						
	Interdisciplinary Team	Website	Social Media Sites	Electronic Notifications	Mass Media	Online Advisory Panel	Newsletter	Outlets Magazine	Employee Notifications	Bill Stuffers/Notifications	Advisory Groups/Task Forces	Workshops/Focus Groups/ Surveys	Online Forums	Community Events	Community Partnerships	One-on-One Leadership Meetings
Rate Structure/Changes	✓	✓	✓	✓		✓				✓	✓	✓				
Power Generation Portfolio Changes	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓
Transmission Line/Substation Siting	✓	✓			✓		✓									
Corporate Social	✓	✓	✓		✓		✓	✓	✓	✓	✓	✓		✓	✓	



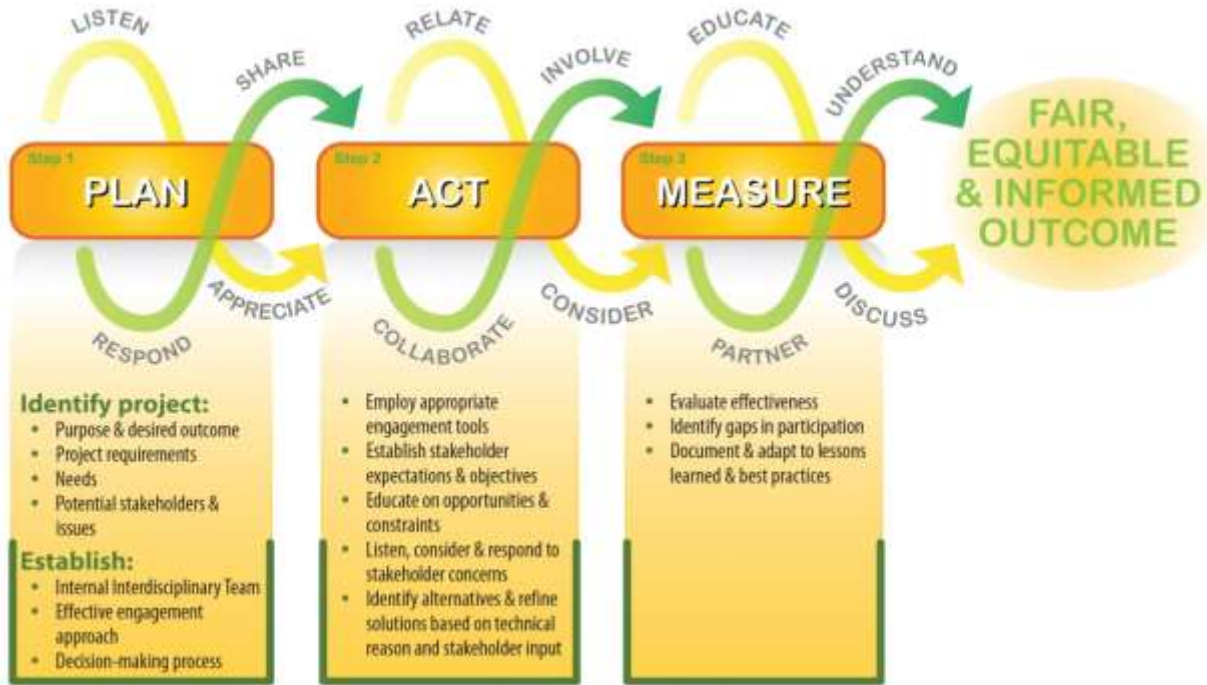
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Responsibility Programs																
Environmental Initiatives	✓	✓	✓		✓	✓	✓	✓			✓	✓	✓	✓	✓	
Legal/Regulatory Implementation	✓			✓	✓	✓	✓	✓			✓	✓				✓
Plant Decommissioning	✓	✓		✓	✓		✓	✓	✓	✓	✓		✓	✓	✓	✓
Large Customer Programming	✓			✓			✓	✓			✓	✓			✓	✓
Investor Relations	✓			✓		✓	✓	✓			✓	✓		✓	✓	✓
Utility Education	✓	✓	✓	✓	✓		✓	✓			✓	✓	✓	✓	✓	
Urgent Communications	✓	✓	✓	✓	✓				✓							

Once the stakeholders have been identified and the process and tools have been determined, a 3-step process is engaged. Figure 1 illustrates the Stakeholder Engagement Process, which is a three-step guide for successful planning, action, and measurement of stakeholder engagement. The goal of the process is a fair, equitable, and informed outcome or decision for the utility.



Figure 1: Stakeholder Engagement Process



The first step of the process is to **PLAN**. During this step, OPPD will identify the project/initiative purpose and desired outcome, project requirements, needs, and potential stakeholders and issues of concern. Additionally, OPPD will establish an internal interdisciplinary team and identify the appropriate and most effective engagement approach.

The second step is to **ACT** in accordance with the plan established for the project/initiative. During this step, OPPD will employ the appropriate engagement tools, establish stakeholder expectations and objectives, and educate stakeholders on opportunities and constraints of the project. This step will involve appropriately listening to, considering, and responding to stakeholder concerns. This action allows OPPD to identify alternatives and additional solutions based on technical reasons and stakeholder input.

The final step is to **MEASURE** the effectiveness of the stakeholder engagement process. By identifying the effectiveness, OPPD will identify gaps in the process and can document and adapt to lessons learned and best practices.

1.4 Documenting Best Practices

The cyclical nature of the OPPD Stakeholder Engagement Process provides an opportunity for the evaluation of Best Practices employed throughout each project/initiative. At the conclusion

of each project, the management team will hold a Lessons Learned Meeting that will enable the project team to identify key areas of challenge and opportunity in the stakeholder engagement process. The lessons gleaned from the review will be documented and evaluated periodically by the Stakeholder Engagement Initiative Team. The Initiative Team will develop Best Practices that will provide improvements and alterations to the Stakeholder Engagement Process. These changes in process will be documented in a Process Change Management/Control document. The goal of this document is to track the changes to practices and procedures that will ultimately improve the overall Stakeholder Engagement Process. These changes will result from lessons learned, new innovations, and Best Practice implementation. This document will provide a thorough record of process change history.

1.5 Conclusion

OPPD's decision to pursue a thorough examination and revision of its current stakeholder engagement processes demonstrates a sincere desire and commitment for improving relationships with its customer-owners and stakeholders. As a public utility that serves more customers than any other electric utility in Nebraska, OPPD values customer-owners and stakeholders as vital assets to its success. OPPD's new Stakeholder Engagement Process provides targeted and thoughtful involvement across all future decision-making processes. By implementing lessons learned, evaluating and potentially implementing best practices of other entities, and incorporating the needs and desires of OPPD stakeholders, OPPD will become a stronger energy partner for years to come.

