

Vision: Deliver exceptional representation and advocacy for residential ratepayers to receive fair and reasonable utility rates and quality utility service.

Mission: Professionally represent residential utility customers in regulatory proceedings before the Arizona Corporation Commission (ACC), advocating for fair and reasonable utility rates and quality utility services, in a dynamic utility environment.

Agency Description: The Residential Utility Consumer Office (RUCO) was established by the Arizona Legislature in 1983 to represent the interests of residential utility ratepayers in rate-related proceedings involving public service corporations before the Arizona Corporation Commission. RUCO accomplishes this charge primarily through a staff of financial analysts and attorneys. RUCO participates in a number of policy matters that also affects the rates paid and services received by residential ratepayers.

Executive Summary: RUCO's FY2023 strategic plan is designed to optimize customer value, continually improve operations, and develop an engaged, high-performing workforce.

With a core mission to represent and protect the interests of residential ratepayers, in proceedings before ACC, RUCO will strive for operational excellence through continued improvement of Office processes and through increased strategic planning and outreach. RUCO will also focus on fostering an engaged, high performing and professional workforce. Additionally, RUCO will communicate to customers, more regularly, the value RUCO provides them.

RUCO is the official rate payer advocate for the state of Arizona and as such, credibility and influence is essential to fulfill our role. RUCO will continue to track the effectiveness of RUCO recommendations to Arizona Corporation Commission

Summary of Multi-Year Strategic Priorities

| # | Five Year Strategy | Start Year | Progress / Successes |
|---|---|------------|---|
| 1 | Operational Excellence Through Continuous Improvement | FY21 | <p>In FY22 RUCO accomplished standardization in all 13 major processes including: Direct Testimony, Surrebuttal Testimony, and Hearing Testimony. RUCO staff have been trained in each of the standard work for these critical areas, enhancing and improving timeliness and thorough development of rate case positions.</p> <p>In FY22 RUCO established a baseline of rate case recommendations that were accepted by the ACC. This information is being used to set goals and guide FY23 work.</p> |
| 2 | High Performing and Professional Workforce | FY21 | <p>In FY22, RUCO fully implemented the Arizona Management System (AMS) and now has an AMS score of 3.0. RUCO's goal in FY23 is to continued utilization and score improvement. FY22, RUCO had 100% staff retention and we are working to maintain this in FY23. Annual employee engagement survey results for FY22, showed substantially higher scores from FY21 with 100% staff participation. FY22 focused heavily on staff training, both on internal standard work and analyst specific skill-building.</p> |
| 3 | Optimize Value For Customers | FY21 | <p>In FY22 RUCO emphasized its return on investment for consumers and stakeholders through: being one of the first state agencies to migrate its website to Drupal 9 (we are now receiving 100% more external hits than ever before); meeting with existing external stakeholders on a regular basis, and welcome meeting with new stakeholders interested in collaboration.</p> |

| Strategy # | FY23 Annual Objectives | Objective Metrics (Percent & Numbers Tracked Internally) | Annual Initiatives |
|------------|---|---|--|
| 1 | Consistently utilize standard work | <ul style="list-style-type: none"> • % use and following of standard work and internal systems • % of on-time filings of cases at the Arizona Corporation Commission (ACC) | Consistent utilization of standard work and internal systems that are key to the success of RUCO deliverables (Baseline FY22) |
| 1 | Increase the credibility & influence of RUCO recommendations to the ACC. | <ul style="list-style-type: none"> • % of RUCO recommendations accepted by ACC • % of Recommended Opinion and Orders (ROO) where RUCO is seen as expert and knowledgeable in written and in-person testimony. | Utilize baseline for RUCO recommendations that are accepted by ACC established in FY22 to examine and refine our effectiveness in: <ul style="list-style-type: none"> • Direct Testimony • Rate Design • Surrebuttal Testimony • Hearing Testimony |
| 2 | Increase AMS score | <ul style="list-style-type: none"> • AMS Assessment score | Continue to work with the Arizona Government Transformation Office to implement AMS (Baseline FY22) |
| 2 | Increase employee engagement | <ul style="list-style-type: none"> • Employee engagement scores • Staff Retention rate • % of staff that utilized specific rate analyst trainings | Maintain and/or improve employee satisfaction and engagement (Baseline FY22): <ul style="list-style-type: none"> • Track and analyze employee satisfaction and engagement • Identify and address areas for improvement |
| 3 | Increase external communication and community engagement in RUCO's mission, goal and return on investment | <ul style="list-style-type: none"> • # of monthly hits on RUCO website • # of external stakeholder meetings hosted or attended • % stakeholders understand RUCO's return on investment for residential rate payers | Consistently communicate RUCO return on investment on website and with stakeholders (Baseline FY22) |