

**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 FY2024 strategic plan is designed to optimize customer value, continually improve operations, and develop an engaged, high-performing team.

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

The RUCO team will develop and maintain strong relationships with members of the Arizona Corporation Commission and staff, utilities, community partners, other agency Directors and elected officials.

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>Beginning in FY22, RUCO standardized processes related to our representation of residential customers in rate proceedings, including: the development and presentation of direct and surrebuttal testimony; staff training in each of these critical areas; enhancing the quality and timeliness of testimony in the development of rate case positions.</p> <p>This work continues with a focus on a balanced approach to testimony that evaluates the various positions in the case, with our priority being the impact on residential customers, just and reasonable rates and maintaining healthy utilities.</p> <p>For FY24, these continue to be our priorities and focus which is essential, in light of the many cases that have been filed and in which RUCO is providing testimony.</p>
2	High Performing, Collaborative and Professional Workforce	FY21	<p>In FY22/23 RUCO fully implemented the Arizona Management System (AMS) and now has an AMS score of 3.0. Our goal is to improve upon that performance going forward.</p> <p>Our team is highly skilled and experienced, and are either CPAs, lawyers and/or certificated financial professionals. Working collaboratively, training will be provided to further enhance analyst specific skills.</p> <p>RUCO ranked first in the 2023 Engagement Survey administered by ADOA, with a slight modification in our overall score. Focus will be on maintaining excellent participation next year.</p>

## Summary of Multi-Year Strategic Priorities

#	Five Year Strategy	Start Year	Progress / Successes
3	Community Engagement and Education	FY21	<p>For RUCO to be truly successful, we need to engage meaningfully in our community in order to understand the issues our stakeholders face. Only by understanding may we be responsive and act in the best interests of residential customers.</p> <p>Throughout 2024, RUCO will hold community forums and/or meetings throughout Arizona in order to understand, rural, urban and tribal concerns and interests. Additionally, we will continue to maintain our relationships with the utility companies with which we engage to better understand their issues and concerns as well. We will also maintain the relationships we have with the members of the Arizona Corporation Commissioners and staff.</p> <p>Education is also very important. There is a lack of awareness about the existence of RUCO and the role and existence of the Corporation Commission. Helping residential customers understand RUCO's role, how rate cases work and the very important role the Commission plays in their everyday lives is an organizational priority.</p>
4	Optimize Value For Customers	FY21	<p>As stated above, throughout 2024 our engagement with stakeholders will result in better outcomes, or at least the presentation of better data and arguments, that support the needs of customers, while balancing the needs of utilities.</p> <p>We will develop an engagement and education plan, as well as a communications plan for the dissemination of relevant and important information.</p> <p>Several employees have indicated a timeline for leaving their job and the state by retiring. Those employees will be fully supported until they make that decision, but in order to protect the organization moving forward, resources need to be developed going forward to ensure there is no gap in expertise or service when those decisions are made. To that end, a succession plan will be developed during 2024.</p>

# Residential Utility Consumer Office

Fiscal Year 2024 Strategic Plan 2-pager

Current Annual Focus

Strategy #	FY24 Annual Objectives	Objective Metrics (Percent & Numbers Tracked Internally)	Annual Initiatives
1	Quality and timeliness of testimony	<ul style="list-style-type: none"> <li>Internal deadlines are met as scheduled</li> <li>External deadlines are met as scheduled</li> </ul>	Consistent utilization of standard work and internal systems that are key to RUCO's success.
1	Increase the credibility & influence of RUCO Recommendations to the Arizona Corporation Commission (ACC).	<ul style="list-style-type: none"> <li>RUCO recommendations are supported by the Administrative Law Judge</li> <li>RUCO recommendations are adopted by the ACC.</li> </ul>	Recommendations are well-researched, effectively articulated and accepted/adopted in our rate design, revenue requirement, rate base and other testimony.
2	High Performing and Professional Workforce	<ul style="list-style-type: none"> <li>AMS Assessment score</li> <li>State Engagement Survey participation results</li> </ul>	Work with the Arizona Government Transformation Office to implement AMS, including getting the new Director up to speed.
2	Enhance the skills of the RUCO team	<ul style="list-style-type: none"> <li>Identify the information accessed at the trainings and determine how/when it is used in testimony in rate cases going forward. Substantive knowledge will be evaluated by reviewing testimony on specific issues being addressed in a case, as well as the improvement in the quality of the written and verbal testimony provided.</li> </ul>	Encourage and support the engagement of staff in continuing professional education and other training opportunities
3	Increase Community Engagement	<ul style="list-style-type: none"> <li>Maintain the level of engagement realized in 2023 and hold 10 community forums/meetings throughout the state, including rural Arizona and in Tribal communities, beginning in the Fall of FY24.</li> </ul>	Continue to meet with existing partners to understand their priorities and hold 10 community forums throughout Arizona to meet new stakeholders and to answer their questions about RUCO and the utility regulatory process.
4	Develop a succession plan and a timeline for its implementation	<ul style="list-style-type: none"> <li>Identify the positions most vulnerable to turnover, identify any additional capacity needs for the Agency, develop job descriptions for the existing and/or new position and have them in place by June 2024.</li> </ul>	Working with staff, identify a timeline for retirement and begin to create the recruitment process in order to efficiently fill positions that become available so that our work is not negatively affected, nor does the workload of existing staff become overly burdensome.