



**Goals & Strategies  
Fiscal Years 2011 - 2012**

Adopted by Utility Board on August 11, 2010



LETTER FROM THE  
GENERAL MANAGER & CEO

Strategic Planning is essential to all businesses in order to map the direction and set the priorities of the organization. It is that much more important, for a public power utility like Keys Energy Services (KEYS), where the direction the utility chooses to take must have a clear connection to the needs of the customers we serve in Key West and the Florida Keys.

Every two years, the Utility Board conducts a Strategic Planning session in an effort to chart the course for KEYS for the upcoming two-years. During the session, the Utility Board members dialogue about the needs of the community, they consider issues in the utility industry, and they anticipate changes the utility will need to be prepared to adapt to. Consensus emerges, and the Utility Board established a Mission, Vision, Goals and Strategies for Fiscal Years (FY) 2011 & 2012.

With the course set, and direction given from the Board, KEYS' staff set out to develop action plans that would encompass and help achieve all five goals and the myriad of strategies during FY 11 & 12. Given the Board's high level of commitment and involvement, staff was able to develop action plans which fulfilled their expectations.

While developing the budget that would help realize the five goals, Board members expressed their concerns about the difficult economic times that are adversely affecting customers. The Board said they would not vote for a budget that included increases in the base rate for customers. In order to meet the Board's directive, KEYS' staff reduced Operating and Maintenance expenses by \$1.4-million for FY 11. Over the Five-Year Financial Plan, a total of \$6.6-million was eliminated. The reductions were made in areas that will not prevent KEYS from meeting the Utility Board's goals and strategies.

With the Strategic Plan set, and the budget approved, work now begins on implementing the goals over the course of the next two years. Throughout, KEYS' staff will correlate all agenda items that go before the Board to the Strategic Plan and will track the completion of strategies to ensure all goals are met.

A handwritten signature in blue ink, reading "Lynne Tejeda".

Lynne Tejeda  
General Manager & CEO



ABOUT  
KEYS ENERGY SERVICES

Keys Energy Services (KEYS) is the public power utility for the Lower Florida Keys. Headquartered in Key West, Florida, KEYS provides electricity from Key West to the Seven-Mile Bridge and serves more than 28,000 customers.

The City of Key West purchased the electric utility in 1943 and the City Council created the Utility Board to oversee KEYS (then known as City Electric System before the utility's name was changed in 2002). In 1969, the Florida State Legislature passed a new enabling act for the governing of KEYS, which is still in effect today, and calls for the popular election of five Utility Board members serving four-year terms. Through the Utility Board, KEYS' customers have a say in their municipal electric utility.

Initially, KEYS only provided electric service to the City of Key West. In 1953, the utility expanded its service area to the Seven-Mile Bridge. In those early years, electricity was produced via local generation.

In the late 1970s, the Utility Board studied alternative power supplies and decided to construct a transmission line (or TIELINE) to interconnect to the mainland power grid. On May 8, 1987, KEYS interconnected the TIELINE with the mainland power grid and KEYS' operations changed dramatically.

KEYS currently imports nearly all of its power supply and uses local generation for emergency back-up only. The utility relies on power from the mainland because it is far less expensive than local generation. As a member of the Florida Municipal Power Agency's All-Requirements Project, KEYS pools its power resources with other public power utilities in the State. Together, the public power utilities in the state of Florida enjoy greater efficiency and economies of scale.

Today, KEYS is a nationally recognized Reliable Public Power Provider (RP3) by the American Public Power Association and a local leader with GREEN initiatives that help conserve energy and improve the environment. KEYS maintains a highly respected position within its local community, and in the Public Power industry, for its dedication to reliable electric service and forward thinking initiatives - KEYS customers have come to expect nothing less than the best from the utility that has been powering paradise since 1943.



## MISSION & VISION

### **Mission**

Provide safe, reliable energy and utility services at the best value, while providing exceptional customer service

### **Vision**

Provide the residents and businesses of the Lower Keys with outstanding service, environmental leadership, responsiveness and accessibility, as only a local utility can



Looking south to KEYS' Service Area, high above the 7-Mile Bridge.



## GOAL 1

### **Provide KEYS' customers with electric power at the most reasonable cost for our service area.**

- Continue seeking new ways to cut costs in order to provide the best rate possible without reducing reliability.
- Continue to refine a system of allocating costs to the specific user.
- Explore and implement advancing technologies as needed to control costs and increase reliability.
- Actively work with FMPA to keep our rates as reasonable as possible.
- Maintain sound financial policies and practices.



Second Street Substation in Stock Island.



## GOAL 2

### **Maintain a long-term reliability level as compared to industry benchmarks.**

- Maintain a minimum of 60-percent on-island generation with 94-percent first-start reliability and 92-percent unit availability.
- Optimize Transmission System.
- Maintain distribution system to exceed industry standards, including maximizing the durability of the system to withstand local climate.
- Explore minimizing vulnerability of control center and other critical components of the system.



Combustion Turbine #4 at KEYS' Stock Island Generating Facility.



### GOAL 3

## Maintain a safe and healthy system for employees and the public at large.

- Provide a safe and healthy workplace.
- Provide professional safety training for employees.
- Enhance community outreach in electrical safety.
- Continue to provide safety incentives for employees.
- Provide materials and equipment to enhance employee safety & health.
- Provide an employee wellness program.



KEYS' Transmission & Distribution department employees work on system improvements on Palm Avenue in Key West utilizing proper maintenance of traffic procedures.



#### GOAL 4

### **Maintain a high level of customer service and satisfaction.**

- Review Customer Service policies and procedures in order to eliminate inconsistencies and increase customer satisfaction.
- Maintain a level of service that meets or exceeds best practices in the industry.
- Ensure equal service, reliability, and rates for customers in and outside the city limits of Key West.
- Assess the value of KEYS involvement in the community.
- Continue to maintain and expand a presence using available outreach tools.
- Maintain a positive and professional image by KEYS' employees.



KEYS' employees represent the Utility at the annual Kid's Show where children of all ages can "Putt the Path of Power" and learn how power travels down the TIE LINE to Key West and the Lower Florida Keys.



## GOAL 5

### **Operate KEYS in an environmentally responsible manner.**

- Always consider the environmental impact of our decisions.
- Meet or exceed environmental standards.
- Consider environmentally friendly options when purchasing.
- Follow a policy of reduce, reuse, recycle wherever possible.
- Encourage energy conservation for KEYS' customers and employees.
- Explore KEYS involvement with other agencies regarding energy efficiency.
- Encourage the use of renewable energy.



Installation of Solar Demonstration Unit at the Florida Keys Eco-Discovery Center.