

The City of Los Angeles



invites your interest in the position of

Executive Director (Ratepayer Advocate)

for the newly created

Office of Public Accountability

Apply by Friday, December 2, 2011

Los Angeles – Where the World Comes Together!

With 75 miles of sunny beaches, a vibrant array of distinct neighborhoods, and eclectic cultural, educational, and business opportunities, Los Angeles has been called the “Venice of the 21st century.” The City’s principal asset is creativity in all its forms, home to world-renowned offerings in education, business, culture, recreation, and sports, and dominant as the global capital of the entertainment industry.



As the second largest city in the United States, with a population of 3.8 million, Los Angeles is unrivaled in cultural as well as geographic diversity. The backbone of the City’s huge and diversified economy is entrepreneurial, driven by small and medium-sized businesses. The Los Angeles region is an economic engine for a wide array of significant industries from telecommunications, law, and medicine, to media production and product design, and every imaginable product and professional service of international trade.

City Governance and Organization Structure

Incorporated in 1850, Los Angeles is a charter city governed by the Mayor and the City Council. Mayor Antonio R. Villaraigosa was elected in July 2005 and re-elected in 2009. The City Council is comprised of 15 members that serve full-time and are elected by district. Other city-wide elected officers are the Controller and City Attorney. Volunteer citizen commissions consisting of prominent business and civic leaders appointed by the Mayor and confirmed by the City Council oversee several City departments and bureaus.

This dynamic and complex City organizational structure has 36 departments, bureaus, and offices, for which funds are budgeted annually by the Mayor and City Council. In addition, the City has three proprietary (enterprise) departments – Departments of Water and Power, Harbor, and Airports. These three proprietary departments are governed by citizen commissions and are financed solely by revenue generated from their operations.

The Department of Water and Power

The Department of Water and Power (“DWP”) is the largest public utility in the country and supplies both electricity and water to the people and businesses of Los Angeles. From Hollywood and the San Fernando Valley, to Venice, Boyle Heights, and the coastal communities, Los Angeles residents and businesses are dependent, and have insisted, on cost-efficient energy and water services. The scope of power operations include generation, transmission, and distribution, as well as water operations, totaling a combined \$7.65 billion with a staff in excess of 9,000.

A five-member Board of Water and Power Commissioners establish policy for DWP. The Board members are appointed by the Mayor and confirmed by the City Council.

Office of Public Accountability

In March 2011, Los Angeles voters approved the creation of the Office of Public Accountability (“OPA”) which functions as the Ratepayer Advocate and provides independent public review of the water and power rates of the DWP. The OPA, operating with a small technical and administrative staff, will perform periodic rate proposal reviews, direct analytical support, issue and present public reports on findings, and, equally important, respond to public inquiries on rate related matters. The minimum annual operating budget for OPA is \$1,050,000, with additional funding dependent on staffing and other resources required to comply with the citizens’ directive in March 2011.

In summary, the overall mission of OPA is to:

- Study policies and objectives for the purpose of analyzing rate proposals;
- Provide public independent analysis of rate proposals and significant decisions that are likely to impact rates;
- Prepare reports and presentations that increase the public’s and City Council’s understanding of whether these rate proposals are reasonable, including analysis of costs and risks of alternative rates;
- Develop metrics for assessing customer service and satisfaction by DWP customers, and analyze DWP performance based on those metrics as it relates to utility rates; and
- Establish and oversee consumer protection and complaint procedures.



Position of Executive Director/ Ratepayer Advocate

The OPA is to perform a ratepayer advocacy function, and the newly created position of Executive Director will function as the Ratepayer Advocate to provide public independent analysis of actions by the Department of Water and Power as they relate to water and electricity rates. The Executive Director will (a) report directly to, but not be instructed by, the Board of Water and Power Commissioners and (b) perform other reporting duties as may be established by ordinance. The Executive Director will serve as the head of the Office of Public Accountability, and have full charge and control of its work, and be responsible for the proper administration of its affairs. The Executive Director will appoint and direct a staff and expend budgeted funds. In addition to responsibilities regarding water and electricity rates, the Executive Director will have (a) duties regarding consumer protection and complaint procedures, the contours of which will be established by ordinance; and (b) such other duties as may be established by ordinance.

This is an executive level appointment with the selection to be made by a five-member, single purpose, Citizens Committee. The Committee is charged with undertaking this task in response to the March 2011 election in which an overwhelming 78% of the electorate voted to create the position of Ratepayer Advocate. The top individual selected by the Citizens Committee must be confirmed by the Mayor and the City Council. The term of the appointment is for five (5) years; the person may be reappointed.

Responsibilities of the Executive Director/Ratepayer Advocate

The Executive Director/Ratepayer Advocate has the overarching responsibility to improve the transparency of the Department of Water and Power by analyzing its complex financial transactions, financial reporting, long-term strategic planning documents, department policies, and contracts for the purpose of determining reasonableness of utility rates.

Ordinances implementing Charter Amendment I have yet fully to be enacted. Consequently, the role of the OPA and the responsibilities of its Executive Director will be subject to later developments. It is presently anticipated, however, that such duties will include, but not be limited to:

- Provide independent financial leadership and expertise including securing and overseeing outside financial consultants in support of complex fiscal analysis and in-depth financial reviews;

- Develop, with the assistance of staff and legal counsel, the processes and scheduling of independent review of DWP's periodic rate adjustment requests that require action by the City Council;
- Implement sound procedures for compilation and retention of supporting data and public comment on DWP rate adjustment requests that require action by the City Council;
- Preside over and provide leadership at public meetings and proceedings involving OPA/Ratepayer Advocate review of DWP's rates;
- Request and access DWP financial and supporting information; and
- Prepare and submit the annual budget for OPA to the City Administrative Officer and the Board of Water and Power Commissioners.

The Ideal Candidate

The Executive Director/Ratepayer Advocate will be that rare individual who will establish credibility as a decisive, results-oriented professional committed to excellence, independence, transparency, and fiscal accountability. The ideal candidate will also have exceptional financial analysis skills with the ability to probe, question, and investigate complex details in order to fulfill the critical aspect of independent public review essential in this position. The Executive Director/Ratepayer Advocate will have effective organizational leadership skills for the full development of this Office, including establishing the policies and procedures as well as formulating the structure for a small, yet highly effective, professional staff.

As a seasoned executive, the successful candidate will bring a clear bottom-line financial orientation to the Office's independent public review and evaluation of proposed utility rates. In addition to superior analytical skills, the Executive Director/Ratepayer Advocate will be an exceptional listener, communicator, and an accomplished presenter in a public forum. The Executive Director/Ratepayer Advocate will also be adept at managing in a fast-paced and dynamic environment.

The ideal candidate for this position will be a very effective and accomplished leader within their current industry, with skills transferable to this executive-level position. The top candidate will be able to inspire loyalty within the Office and, externally, to garner the trust of the public. Both diplomatic and decisive, the successful candidate will work with a



sense of urgency and timeliness. The ideal candidate will also have a laser-focus on results, measuring success through accountability, the use of appropriate data/metrics, and with a strong customer-service orientation.

Ultimately, the top priority of this position must be the customers of DWP, the people and businesses of Los Angeles, as this position serves as an independent and effective advocate to ensure maximally reliable and efficient water and power services at a fair and reasonable cost.

The following attributes are of the greatest importance to the Citizens Committee in assessing top candidates:

- **Critical Thinking** – The ideal candidate will have a proven track record of understanding and distilling complex issues which may or may not be utility or regulatory-related. The Committee is open to someone who provides a fresh and independent perspective whilst also able to grasp the complexities of the DWP.
- **Leadership and Management** – The ideal candidate will have a track record of not just managing an office and a budget, but of leading teams similar to the ones likely to emerge at the Office of Public Accountability, including expert researchers, writers, administrative staff, and public and government liaisons. He or she must be able to lead a team to obtain the necessary information from DWP analysts, create reports, and effectively disseminate that information.
- **Advocacy** – The ideal candidate will have a proven ability to communicate the Office's work and findings effectively to the people, the media, the DWP, policymakers and staff, and other constituencies.

In summary, the greatest responsibility of the Executive Director/Ratepayer Advocate is the ability to effectively communicate and evaluate the utility rate structure in an open fashion, in support of the City Council, and ultimately on behalf of the general public.

Qualifying Experience and Education

Experience – The successful candidate will have substantial executive level experience, ten (10) years or more of senior level experience, with a strong emphasis on financial expertise and organizational accountability. With a proven track record of success, top candidates will have achieved recognition through a progressively responsible career path. Preference may be given to candidates with direct and applicable experience dealing with the utility industry, energy sector, rate setting, and/or financial management in a dynamic setting. Career history must also include a verifiable track record of success with recognition for exceptional integrity and unquestionable ethics.

In an effort to find the best suitable candidate, the Citizens Committee will consider a broad spectrum of talented individuals, both locally and on a national scale. All highly qualified candidates are strongly encouraged to apply. Qualifying experience may be drawn from (a) public sector experience; (b) private sector experience with a top-tier corporation; (c) consulting as an industry expert in finance, utilities, engineering, or a related field; or (d) a combination of experience that can effectively

demonstrate a keen understanding of the mission of OPA and the overall deliverables/outcomes desired.

Education – A Bachelor's degree from a fully accredited and recognized institution is a minimum requirement for this position. A Master's or other advanced degree is strongly desired.

Certifications – No certifications are required, although financial and/or utility related certifications may be a strong plus, combined with applicable career experience.

Evaluation of Experience – The Citizens Committee will have the full responsibility for reviewing all applications and supporting documentation. Top candidates will be evaluated based on their executive-level qualifications presented through their own submittal of a comprehensive package outlining career highlights and notable achievements. The decision of the Citizens Committee will ultimately be made based on the best combination of experience, education, industry credentials, and overall leadership that will best serve the people and businesses of Los Angeles.

Executive Compensation

The recommended annual salary range for this position is \$185,017 – \$229,867, subject to City Council approval by ordinance. An excellent benefits package including health/dental coverage and retirement, and which may include relocation assistance, will also be offered. The appointment for this position is for a five (5) year term, subject to reappointment.

To Be Considered

This is a **confidential process** and will be handled accordingly throughout the various stages of the process. **Candidates should be aware that references will not be contacted until mutual interest has been established.** This position is open until filled. Candidates are encouraged to submit early in the process and to apply prior to Friday, December 2, 2011. Evaluation of highly qualified candidates by the Citizens Committee will begin the week of December 5, 2011.

Confidential inquiries are encouraged to Ms. Heather Renschler at (916) 630-4900. **Electronic submittals are required.** Interested candidates should immediately submit a resume, compelling cover letter of interest, salary history, and professional references to:

Ms. Heather Renschler
Ralph Andersen & Associates
apply@ralphandersen.com

The Citizens Committee will determine the top tier of candidates that will be interviewed by the Citizens Committee beginning in mid-to-late December. The selected candidate will require confirmation by the Mayor and the City Council, anticipated for early-to-mid January 2012. The newly selected Executive Director/Ratepayer Advocate will join the City in February 2012 or at a mutually agreeable date.