

Executive Director / Ratepayer Advocate

City of Los Angeles
Office of Public Accountability

Position Specification
August 2024



KORN FERRY
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The City of Los Angeles

Los Angeles is the second largest city in the United States with a population of over 3.8 million people. It is the world's premier centre for the entertainment industry and home to a handful of the world's most famous studios. In addition, L.A. is a tour de force in tourism and international trade, as well as having an increasing strength in digital media, technology, fashion and the arts, solidifying the diversification of the region's economy. The city prides itself on its ethnic diversity with an estimated 200 languages spoken. As one of the world's great cities, Los Angeles will host the 2028 Olympic and Paralympic Games, as well as other international events.

Governance

Los Angeles is a Charter City and is governed by a Mayor and City Council. The City Council serves full-time and has fifteen members elected by district for four-year terms. Boards of Commissioners, appointed by the Mayor and confirmed by the City Council, oversee several of the City's departments and bureaus. Mayor Karen Bass was elected in 2022 and is currently serving her first term.

The City has 38 departments, bureaus, and offices for which funds are budgeted annually by the Mayor and City Council. Additionally, the City has three departments (the Departments of Water & Power, Harbor, and Airports) that are financed by revenue generated from their operations, which are governed by Commissions, as well as two distinctly separate pension systems. In total, there are 43 departments, bureaus, and offices that support the elected officials and provide a full range of services to the City.

The Department of Water and Power

The Los Angeles Department of Water and Power ("LADWP" or "DWP") is the nation's largest municipal utility. These combined utility operations provide 8,058 megawatts (MW) of dependable electric capacity and serve an average of 447 million gallons of water per day to more than 4 million residents of Los Angeles, its businesses, and visitors. For more than 100 years, LADWP has provided the city with reliable water and power service. With a workforce of more than 11,500 employees, LADWP is guided by the five-member Board of Water and Power Commissioners, appointed by the Mayor and confirmed by the City Council. LADWP owns and operates facilities in Los Angeles, the Owens Valley and in several Western States.

The Los Angeles Department of Water and Power Commissioners oversees and sets policy for the utility and its leadership. [Home - Board Of Water And Power Commissioners \(ladwpcommission.com\)](https://ladwpcommission.com). The Board members are appointed by the Mayor for five-year terms. Richard Katz is the current President of this five-member Board that meets regularly twice a month to provide oversight and direction. The Board of Commissioners works closely with the General Manger to fulfil its duties that include:

1. **Policy Setting:** The Board establishes policies that guide the operations of the LADWP, ensuring that it provides safe, reliable, and cost-effective water and power services to the city of Los Angeles.
2. **Oversight:** The Board oversees the activities of the LADWP, ensuring that it operates in a customer-focused and environmentally responsible manner.
3. **Equity and Sustainability:** The Board is committed to building a stronger Los Angeles through job creation, economic development, sustainability, and equity.

The City of Los Angeles and LADWP are committed to strong Sustainability leadership. Reducing greenhouse gas (GHG) emissions to fight climate change continues to be a priority for LADWP as it works to meet its accelerated decarbonization targets. In 2016, LADWP achieved the target set by California Senate Bill 32 to reduce GHG emissions to 40% below the 1990 baseline level by 2030—exceeding this target 14 years ahead of the deadline. The City of Los Angeles was also ranked No. 1 for solar energy capacity in the 2022 Environment America Research and Policy Center’s report *Shining Cities: The Top U.S. Cities for Solar Energy*, which tracked data through December 2021. The report designates Los Angeles a “Solar Superstar,” meaning it boasts 100 or more watts of solar photovoltaic (PV) capacity installed per capita. In 2021, LADWP released the landmark “LA100 Study,” done by the National Renewable Energy Laboratory (<https://www.nrel.gov/analysis/los-angeles-100-percent-renewable-study.html>) which laid out paths to achieve 100% clean energy by 2035. Through the 2022 Strategic Long-Term Resource Plan (SLTRP), LADWP has analyzed scenarios for L.A.’s future power mix that contemplate aggressive buildouts of renewable energy resources, energy storage, demand response, and energy efficiency. These alternative pathways target reducing GHG emissions to between 80% and 90% below the 1990 baseline by 2030, achieving the state’s long-range GHG emissions reduction goal 20 years early.

LADWP is firmly committed to its role in helping ensure the economic viability and sustainability of Los Angeles. It has a strong legacy of leadership performance in delivering high quality and cost-effective utility services while also focusing on reliability and resiliency for the communities it serves. Additional details about LADWP operations and programs can be found at [2022-23 Briefing Book Online.pdf \(amazonaws.com\)](#) or at their website <https://www.ladwp.com>.

Office of Public Accountability

The Office of Public Accountability (“OPA”) 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, performs periodic rate proposal reviews, directs analytical support, issues and presents public reports on findings, and, equally important, responds to public inquiries on rate related matters.

In summary, the overall mission of OPA is to:

- Study policies and objectives for the purpose of analyzing a number of issues, including but not limited to, rate proposals compensation, DEI, operational budgets, integrated resource planning (power and water), grid transformation, renewable energy, environmental and customer service and performance.

- Provide public independent analysis of rate proposals and significant decisions that are likely to impact rates, reliability and customer satisfaction and service.
- Prepare reports and presentations that increase the public's and City Council's understanding of whether these utility operations and financial decisions are reasonable and consistent with the goals set forth by the City, including analysis of costs and risks of alternative rates.
- Develop metrics for assessing customer service and satisfaction by DWP customers and analyse DWP performance based on those metrics.
- Establish and oversee consumer protection and selectively oversee complaint procedures as appropriate.

The Office of Public Accountability (OPA) is a city department established by voter approved Charter Amendment I (adopted March 8, 2011) in order to shed greater light on the DWP's operations and finances and to serve as an independent watchdog, charged with analyzing utility operations and the impact of these operations on proposed increases in water and power rates on a timely and continuous basis. The Executive Director of OPA is selected and appointed to serve a five-year term. The current Executive Director, Frederick H. Pickel Ph.D, is preparing to retire after serving 2+ consecutive terms and a Citizen Selection committee has been formed to interview and select the next OPA Executive Director. Additional information about OPA is available at [Home Page of The Office of Public Accountability \(OPA\) \(lacity.gov\)](#)

The Opportunity



Position

**Executive Director
Ratepayer Advocate**



Location:

Los Angeles, California



Reporting Relationship:

**Board of Water and Power
Commissioners (reports to, but is not
directed by)**

**And as needed to City Council, Mayor,
and Neighborhood Councils**



Websites:

<https://lacity.gov/> ; <https://opa.lacity.gov/>

The Candidate

KEY RESPONSIBILITIES

The Executive Director/Ratepayer Advocate has the overarching responsibility to improve the transparency of the DWP 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. Responsibilities of the Executive Director 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 and operations;

- 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 fulfil the critical aspect of independent public review essential in this position. The Executive Director/Ratepayer Advocate will have effective organizational leadership skills for the development and execution of this Office, including continuing to evolve policies and procedures and ensure that the structure and culture of this Office is appropriate for the recruitment and development of this small, yet highly effective, professional staff.

As a seasoned utility 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, political and dynamic environment that requires engagement with a robust and diverse stakeholder base.

The ideal candidate for this position will be a very effective and accomplished utility leader or consultant 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 utility rate making theory, financial analysis and application in the context of an oversight function. The Committee is open to someone who provides a fresh and independent perspective whilst also being able to grasp the complexities of the municipal utility environment and DWP specifically.
- **Leadership and Management** – The ideal candidate will have a track record of not just managing an office and a budget, but of leading teams like the ones likely to emerge at the Office of Public Accountability, including expert financial analysts, researchers, writers, administrative staff, and public and government liaisons. He or she must be able to build and lead a team to obtain the necessary information from consultants and DWP analysts to then create informative and action-oriented reports, and effectively disseminate that information to its diverse stakeholders.
- **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 who rely on this Department for sound ratepayer advocacy counsel.
- **Fair and Inclusive Service** – The ideal candidate should also have knowledge of and/or experience with diverse utility customer market segments; including those that constitute urban settings and underserved

customer classes. The candidate's analyses should incorporate an equity lens to ensure the provision of equitable services to ratepayers.

- **Independence** – Due to the structure of the role reporting to, but not being directed by the Board of Water and Power Commissioners, the ideal candidate will require the political discernment and strength of character to make independent and transparent decisions in support of equitable services to ratepayers.

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

YEAR ONE CRITICAL SUCCESS FACTORS

The criteria that will determine the level of the Executive Director/Ratepayer Advocate success in the role after one year will include:

- Having worked as a collaborative and effective partner with the Mayor's Office, City Council, Board of Commissioners, DWP leadership and a wide range of community constituents and stakeholders to quickly grasp DWP's rate structures to ensure a seamless leadership transition while delivering continued progress against OPA's strategic goals and management of day-to-day activities.
- Being viewed as a credible spokesperson and ratepayer advocate; will have executed a robust and transparent strategic plan that addresses challenging and controversial topics related to rate adjustments and other key initiatives in a way that garners buy-in from key stakeholders and cultivates trust with the public.
- Having quickly developed (within the first 3-6 months) a strong understanding of the critical projects and initiatives of the Office of Public Accountability and DWP, as well as a grasp of the network of stakeholder engagement required to deliver against these projects and initiatives.
- Recruit staff for OPA as needed to fill vacant roles as required to fulfill the required tasks of this organization. Provide leadership and direction for the professional staff of the Office of Public Accountability, including the development of processes and procedures to deliver credible, timely and cost-effective work output from this organization.

EXPERIENCE AND PROFESSIONAL QUALIFICATIONS

The Executive Director for the Office of Public Accountability will be expected to possess the following experience and qualifications:

- The successful candidate will have substantial executive level experience, ten (10) years or more of senior level experience, with a strong emphasis on rate making and assessment expertise and organizational accountability in relevant utility sectors or consultancies.
- With a proven track record of success, top candidates will have achieved broad utility leadership recognition through a progressively responsible career path.
- Preference may be given to candidates with direct and applicable experience dealing with the utility industry, energy and/or water sectors, 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 public sector experience, private sector experience with a top-tier organization, consulting as an industry expert in finance, utilities, engineering, or a related field, or a combination of experience that can effectively demonstrate a keen understanding of the mission of OPA and the overall deliverables/outcomes desired.

On behalf of the appointed Citizens Committee, Korn Ferry will have the full responsibility for identifying and qualifying prospective candidates and for reviewing all applications and supporting documentation outlining career highlights and notable achievements. The final selection 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. The candidate selected by the Citizens Committee's will require public appointment by the City Council and Mayor.

EDUCATION

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.

COMPENSATION

The Executive Director/Ratepayer Advocate position offers an attractive and competitive compensation package in the range of \$244,400.40 to \$357,340.32. This compensation is adjusted annually and is scheduled to be incrementally increased for a total of 22% between 2024 and 2028. A potential additional increase in the compensation range is currently under review. Any updates to the compensation range will be subject to Council consideration and, upon approval, be published by the City of Los Angeles. An excellent benefits package including health/dental coverage, car or car allowance, retirement, and relocation assistance. The appointment for this position is for a five (5) year term. The term may be renewed at the full discretion of the City and its appointed Selection Committee.

INTERESTED CANDIDATES:

Please send your credentials, compensation requirements and Letter of Interest for this opportunity to Korn Ferry Consultants, Shelly Fust and Julia Waldman at CityofLAOPA@Kornferry.com.

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