



# Presentation At the Pacific Power Association Annual Conference 2019 Cook Islands

Abraham Simpson

## Nauru Utilities Corporation Strategic Plan 2014 to 2020 A Corporate Journey of Change



# Presentation

- The Journey
- Key Results to date
- The Future



# The Journey

## Start (Sept 2014)

1. Reactive
2. Unreliable Power supply – Frequent interruptions
3. Inefficient operations – around 100,000 litres of fuel per month could be saved by improving generation efficiencies.
4. Insufficient generating capacity
5. Poor state of the power network
6. Poor customer service
7. Poor supply chain/ inventory management
8. Low worker morale
9. Low worker skill & knowledge levels

Current Status: In transition

## 2020 Desire State

1. Proactive
2. Reliable & safe power supply
3. Best efficiencies
4. N-2 production capacities
5. Low frequency and duration of power outages – Best in the Pacific
6. Best customer service
7. Best Supply Chain and inventory management system
8. High worker morale
9. High skills and knowledge level



Customer Focus

Vision

MAKUR DOGIN NAOERO

Teamwork

Honesty

Safety

Environment

Mission

For **N**auru, We will **A**chieve with a  
**U**nited effort and doing things  
**R**ight First Time, **U**topia

Utopia = safest, most efficient & cost effective small island Utility

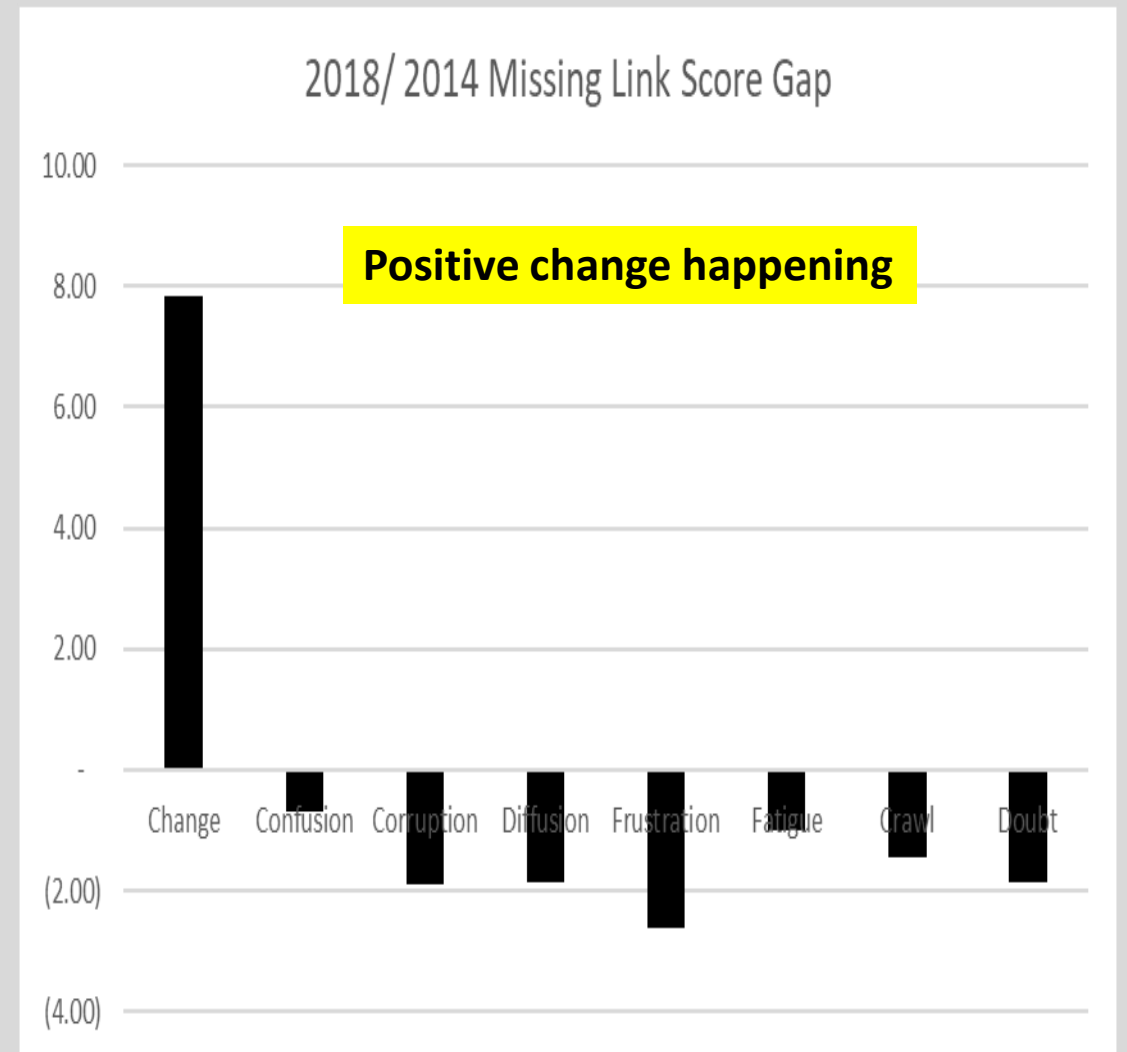
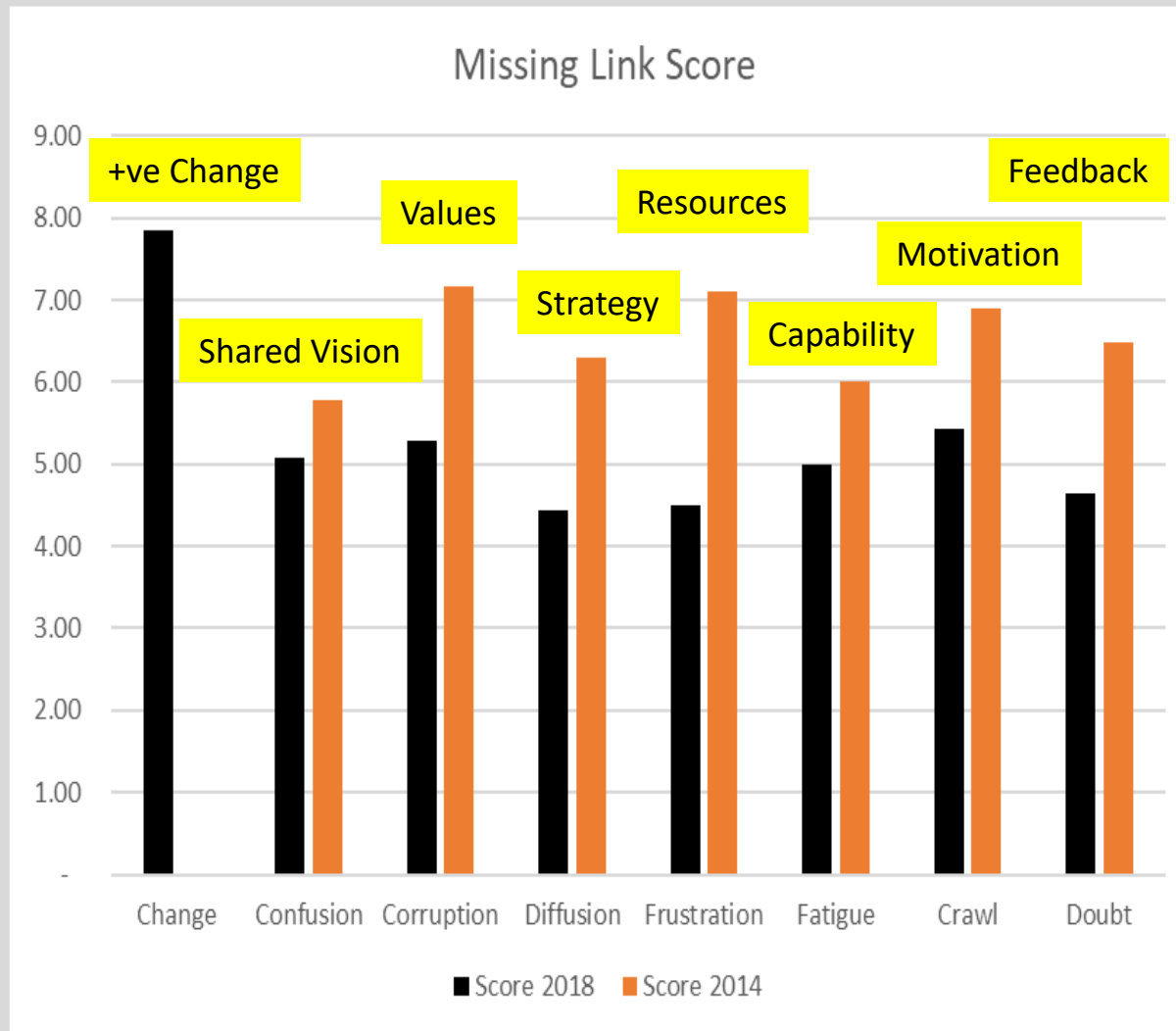


# Strategic Plan 2014 to 2020

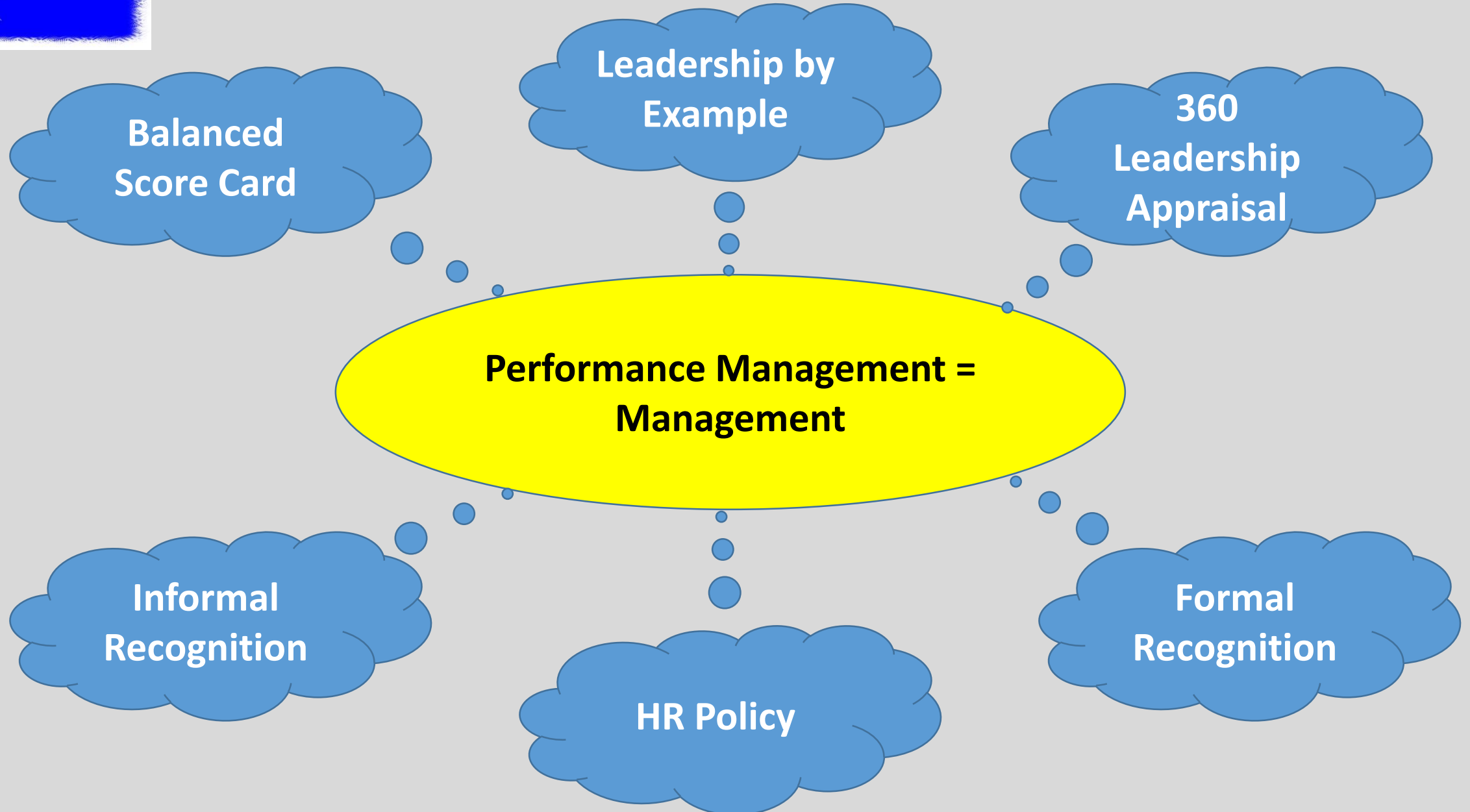
- Change Corporate Culture to a high performing culture
- Power Production Security and Reliability
- Improve reliability of Distribution NetworkWater Production Security and Reliable
- Improve reliability of water delivery.
- Prepare grid for renewable energy
- Financial viability
- Win donor confidence.



# Work Culture Change

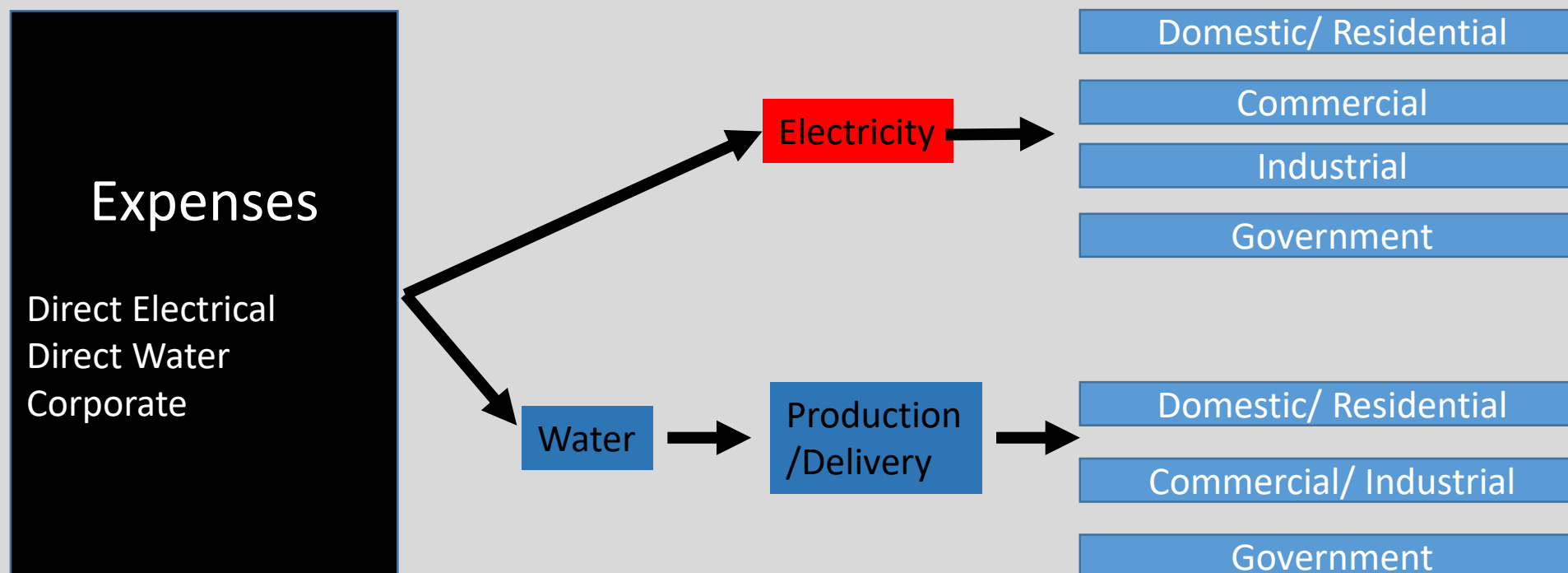


# Transformation of Work Culture



# Revenue & Expenses

- The revenue to collect from each customer should be determined based on cost causation.***



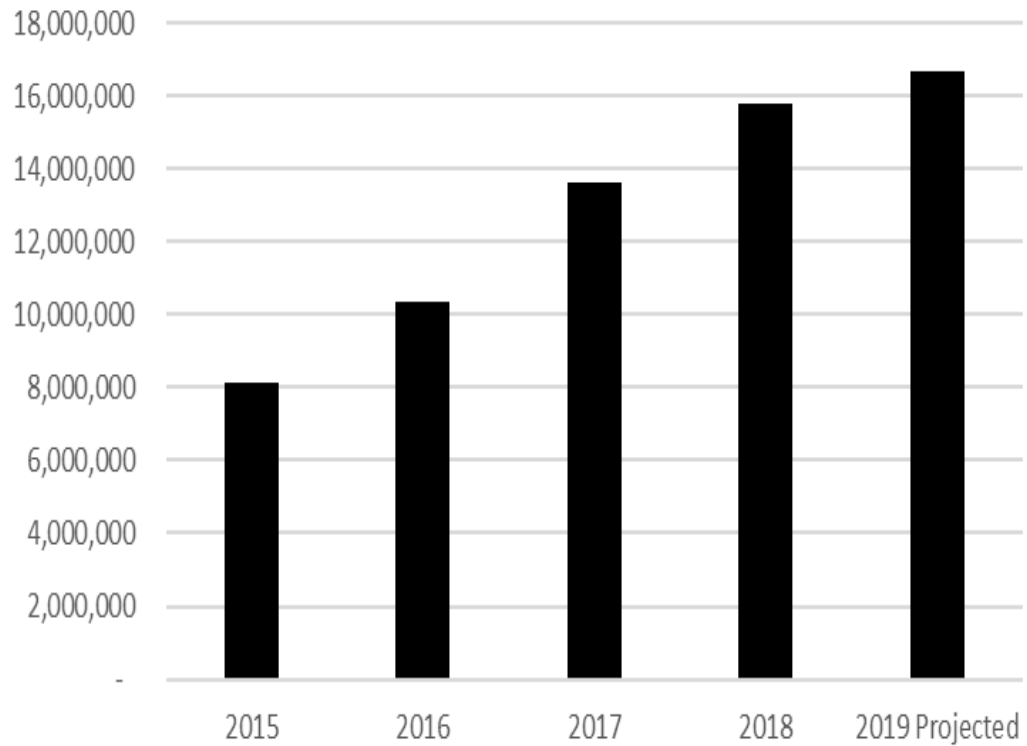
Cost Recovery Tariff



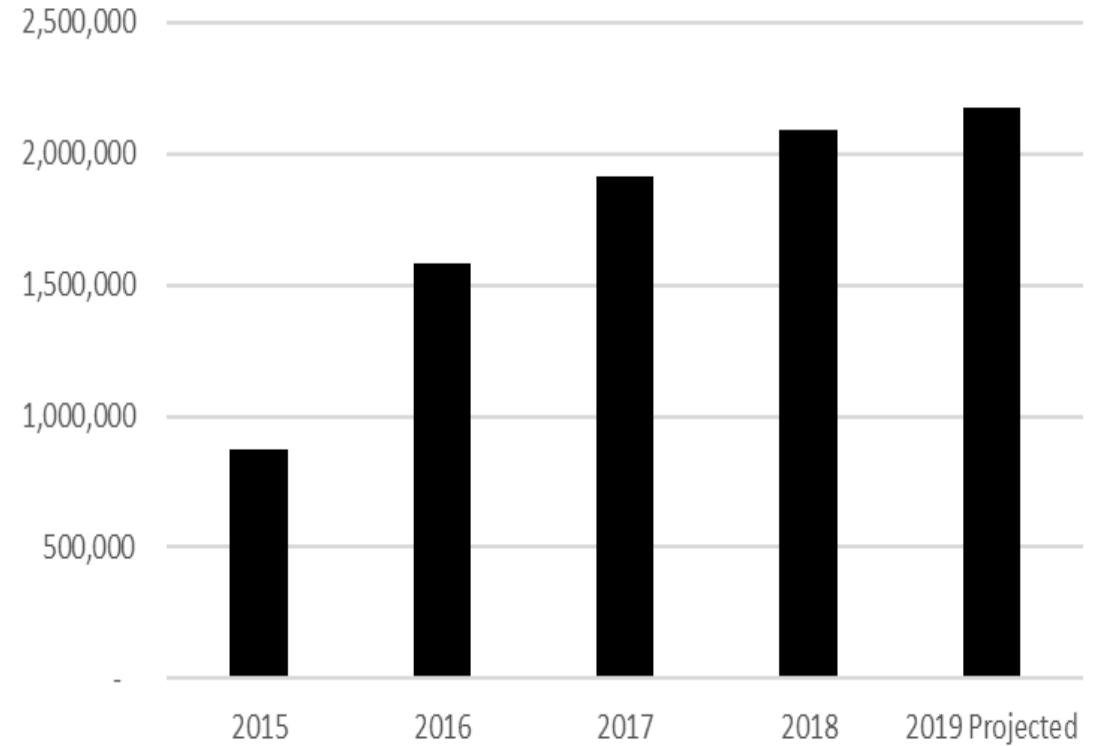


# Financial Performance

Electricity Income

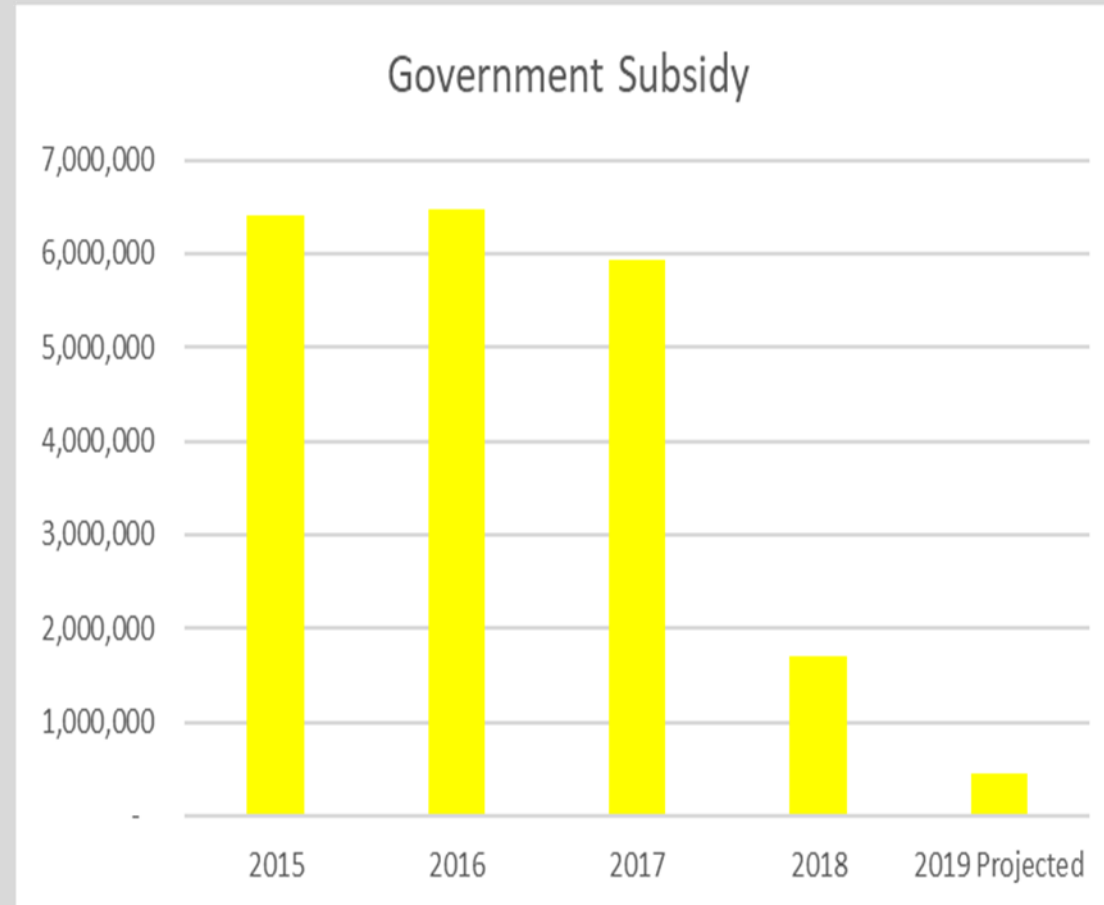


Water Income



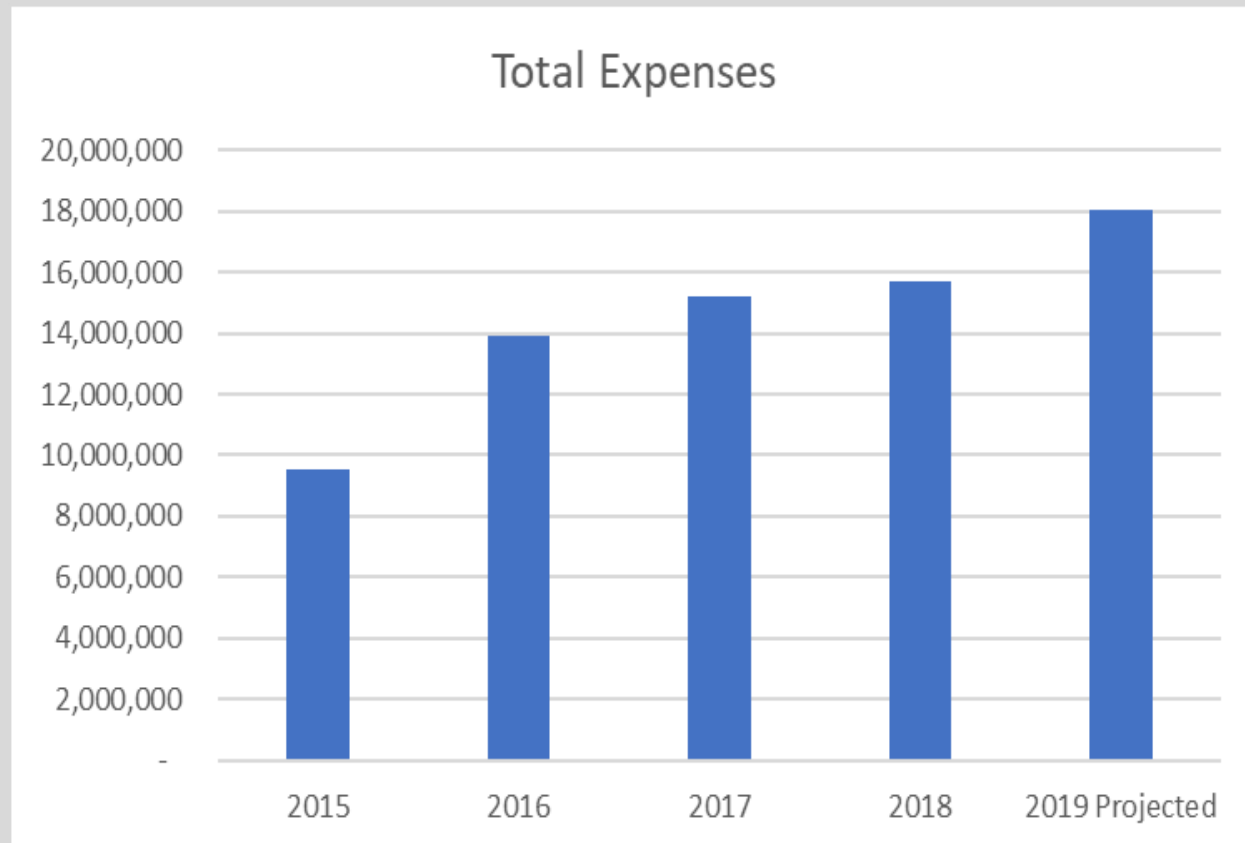


# Financial Performance





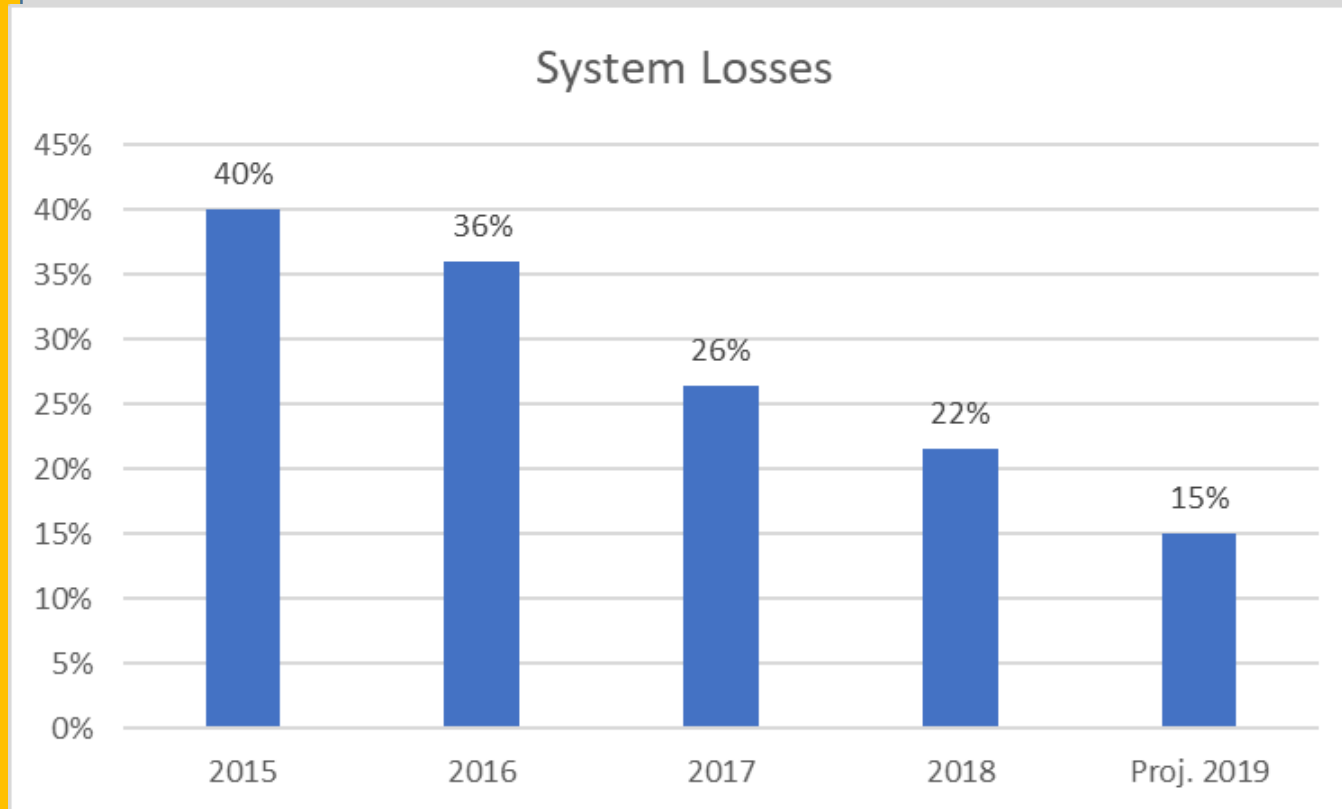
# Expenses



Expenses have increased in 2019 due to 25% increase in fuel price.



# Electricity Losses



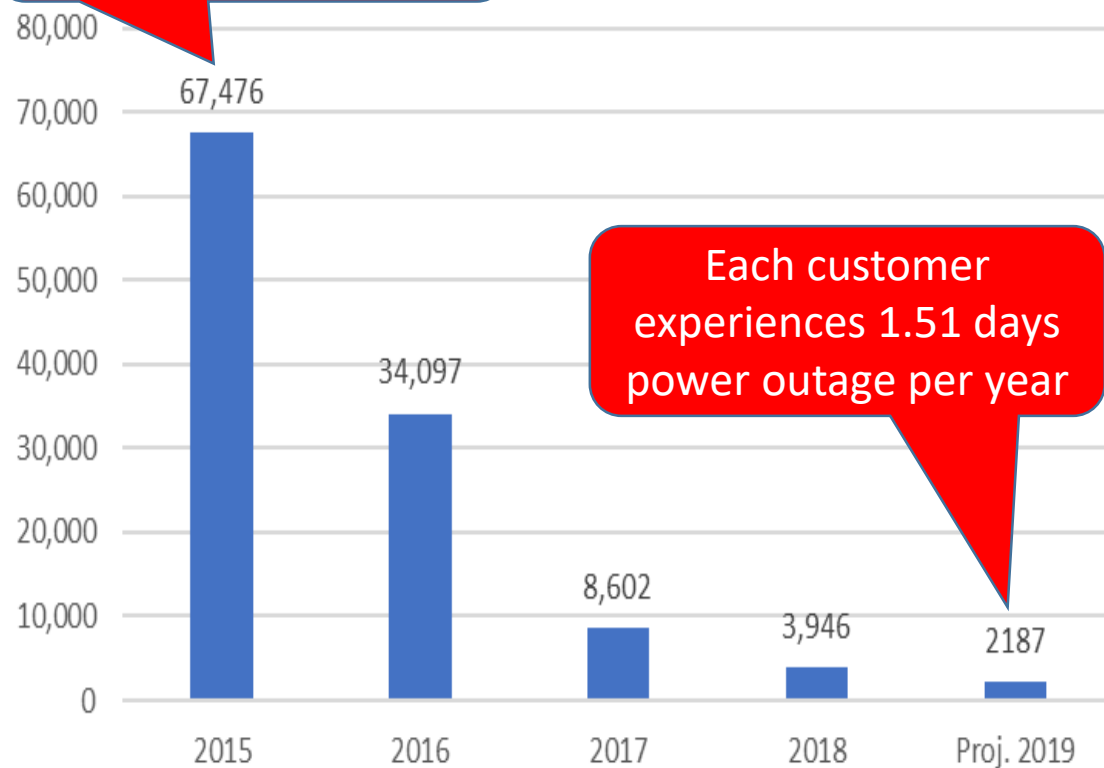
Electricity loss continues to reduce. The impact is increased revenue and cost savings.



# Power Outages

Average customer experience is 47 days power outage per year

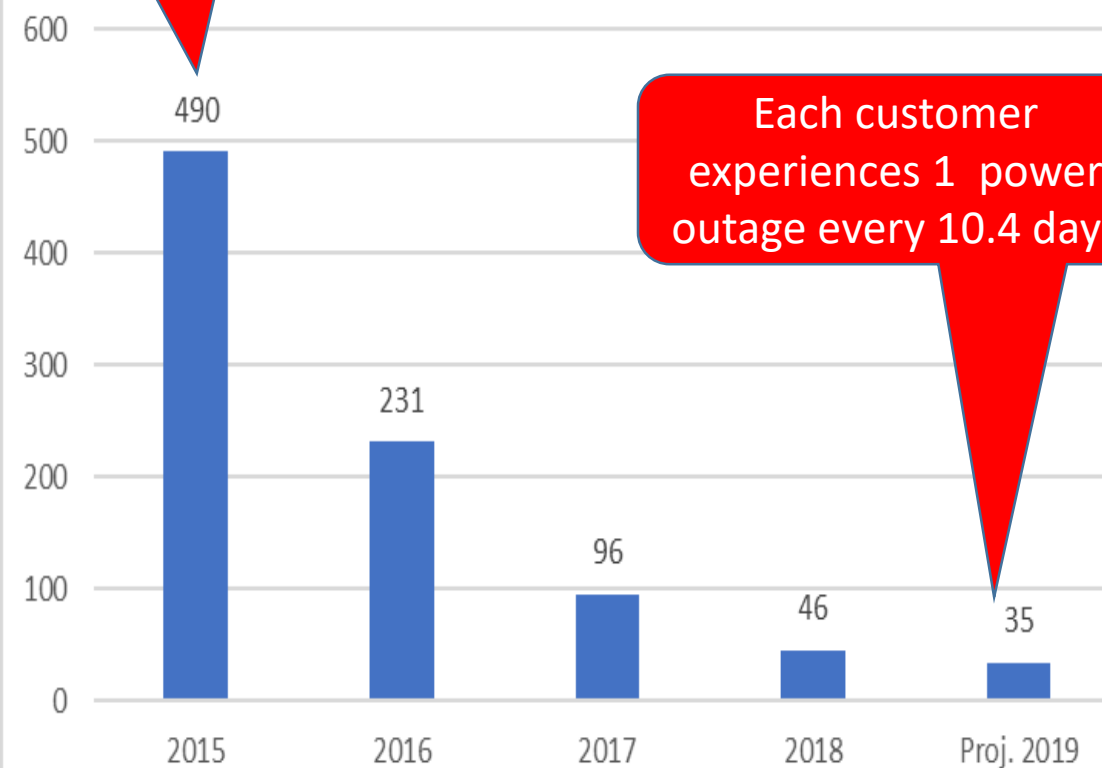
SAIDI



Each customer experiences 1.51 days power outage per year

Each customer experiences 1.34 power outage per day

SAIFI

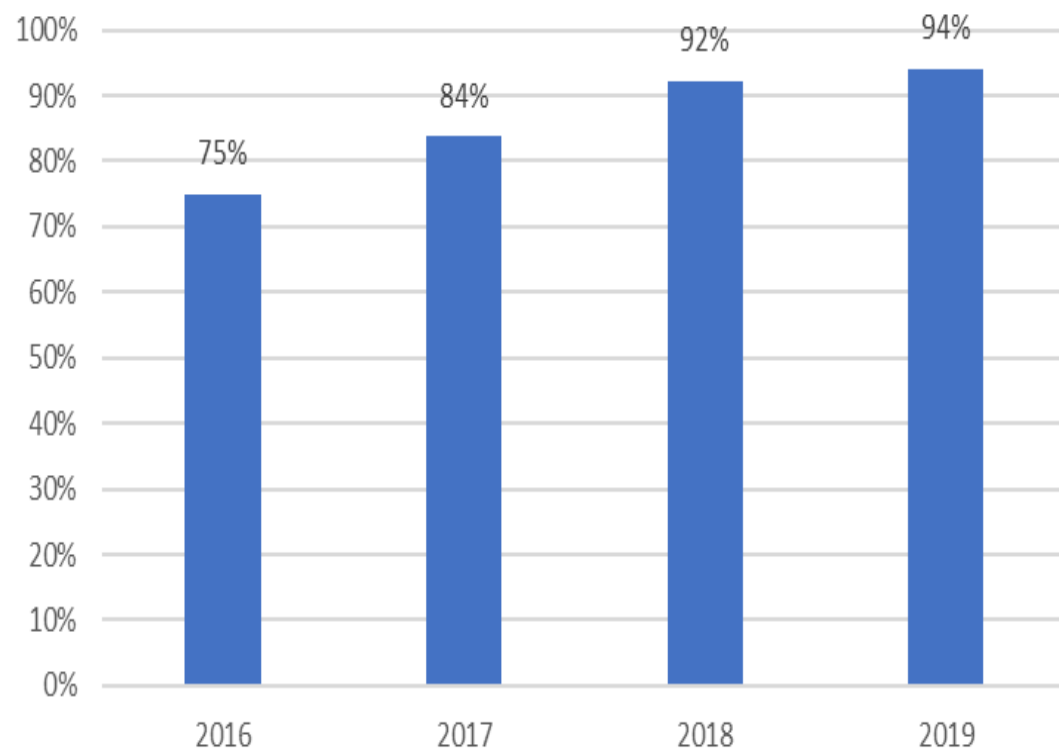


Each customer experiences 1 power outage every 10.4 days

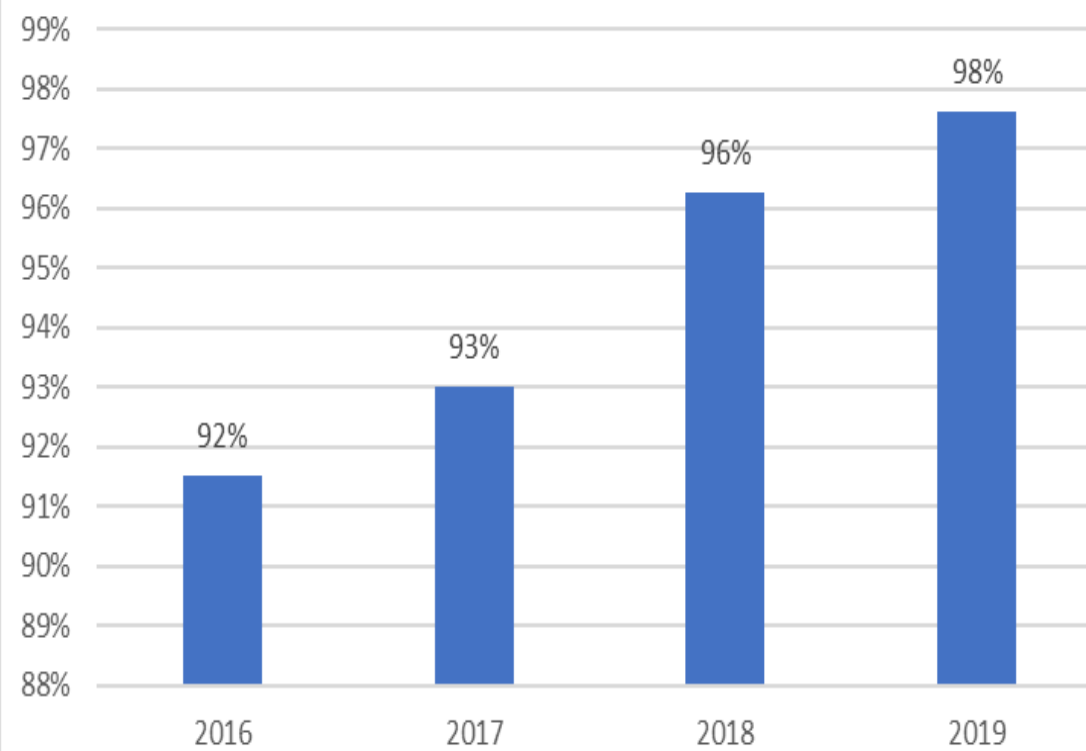


# Generator Maintenance

Generator Availability



Generator Maintenance Compliance





# Experience in Pictures



Start

A large, yellow, right-pointing arrow is centered on the slide. The word 'Start' is written in a white, sans-serif font in the middle of the arrow.



## *Donors - Tubwa Kor*







Suppliers: Tubwa Kor

Tubwa Kor & Thank you



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