Riyadh Performance Contract
2008 – 2014 (6 years)
Large array of innovative delivery models

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<th>Delegated Management</th>
<th>O&amp;M</th>
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<th>Concession</th>
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<td>Injection of Cash Available to City</td>
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RCBU at a glance

- **Type of contract**: Performance contract based on KPI
- **Duration**: 6 years from July 2008
- **O&M company**: Veolia
- **Activity**: Water & wastewater services
- **Water services**: 5.2 million people served, 1,900 water pipes laid, 25% increase of production, 530,000 new water connections, customer satisfaction of 91%
- **Wastewater services**: 3 million people served, >230,000 subscribers
Key steps of the contract

**Step 1** - Veolia has conducted together with NWC a detailed operations efficiency evaluation, examining every aspect of the water supply and treatment systems (including plants, underground piping, operational processes, management and staffing) to identify savings and improvement opportunities.

**Step 2** - In partnership with the NWC, our team of experts developed a comprehensive plan and approach that can be implemented to achieve long-term savings and improvements for the day-to-day operations.

Our efforts have been centered around key areas, like the development of metrics-based performance culture.

**Step 3** - By working hand in hand with NWC to meet the plans for progress across the utility, sustainable solutions have been deployed.

**Step 4** - Achievement of targets based on key performance indicators (KPI) to boost productivity, identify efficiencies and reach NWC strategic goals accordingly to specific timelines.
Operations: Scope of Contract

Water
> 11 treatment plants
> 28 boosters stations
> 260 wells
> 9,000 assets
> 2,500 work orders per month

Wastewater
> 6 treatment plants
> Treatment capacity: 900,000m³ per day
> 5,000km network
> 270,000 connections
> 9 pumping stations
> 3,365 assets
> 3,200 work orders per month

- Supporting & reinforcing NWC
- Delivering measurable benefits
- Innovative model that works under paid-for-performance contract
Drinking Water Production & Operations

Achievements

1. **Optimization of the production** with a 25% increase since summer 2008 of total peak volume of water produced from National Water Company’s plants.

2. **Over 53% continuity of supply** throughout the past 12 months.

3. **Increasing water quality and compliance with international standards** with 99% conformity over the past 12 months.

4. **Introduction of planned shutdown** to improve the production of assets and increase their availability.

5. **Reduction of the environmental impact** through optimization of chemicals use.

6. **Implementation** of pressure control and pressure modulation on the water network.

7. **Increase** of the leak detection teams and introduction of new leakage detection techniques.

8. **Implementation** of a new electronic work order management system.

9. **Introduction, management & technical training** and application of standard.
25,000 new connections are made each year to the wastewater network in Riyadh.

Safe, sustainable and controllable systems to recover and treat wastewater. 

Reuse of the water and the residuals are also amongst priorities to maximize the use of water resources.
In a horizontally built city, > 420,000 customers, a significant population growth and limited water resources, Riyadh City presents specific challenges!

1. Send pro-actively free tanker to customers identified as not receiving supply from the network in order to avoid water shortage, and improve customer satisfaction experience.

2. Increasing water conservation through the detection of violations.

3. Meter surveys have enabled 80,000 properties to be inspected and repaired when necessary. It represents a volume of 15 millions m³ saved after 14 months.

4. New Customer Services Headquarter

5. Six customer service centers with renewed corporate identity to serve better the subscribers in Riyadh.

6. Set up of a single call center to increase customer contact performance.

7. Implementation of the new Customer Service Software, as part of the strategic projects launched by NWC.
Human Resources

1. **Supporting the growth of employees** through identification and delivery of tailor-made training across various disciplines
2. **Development of a performance management system** to increase staff productivity and efficiency
3. **Assessment of all Riyadh employees (4,300 people)** according to Foederis method designed by Veolia’ Human Resources department. This ambitious program is the basis of the reorganization and transfer plan of the RCBU personnel
4. **Development of a strong Health & Safety culture** through continuous safety improvements (training, PPE, chlorine/chemicals use, etc.)
5. **Establishment of a training center** with totally new training procedures.

- More than 265,000 training hours to 16,000 people
- 78% of the training are conducted internally
- Significant improvement in absenteeism thanks to department training coordinators
- 74 courses developed and brought by Campus Veolia are available in the training catalogue
Latest Developments

Pressure management
As a part of the action plan to improve the efficiency of the network and improve the continuity of water supply in Riyadh, the decision had been taken to implement a pressure modulation system in the areas of AlMourouj and Nasseem Zone, representing around 40,000 house connections.

AMR – Smart metering
Smart metering has been implemented in the Al Mourouj area, where all the customers’ meters have been replaced for AMR (Automatic meter Reading) meters.

The advantages of modulated supply are:
> Network protection and reduction of the number of bursts
> Oriented leak detection and leakage reduction by monitoring the night flow
> Increase the continuity of supply and reduction of the shortages complaints while controlling the quantity of water needed

The results:
> Detailed knowledge of the customer consumption and evolution
> Non Revenue Water follow-up, as both the volumes consumed and distributed are available