Seattle City Light

MEMORANDUM

MARCH 1, 2016

TO
Ed Murray, Mayor
Seattle City Council

FROM
Larry Weis, General Manager and CEO

SUBJECT
Financial Update – December 2015 (unaudited)

This memo provides an analysis of Seattle City Light's unaudited financial condition and operating results through December 31, 2015. The attached Income Statement Analysis, which is summarized in the table below, provides a summary of how City Light performed in 2015 compared to the same period the previous year and the 2015 Financial Plan. The 2015 Financial Plan is based on the revenue and expense projections included in the adopted budget for 2015.

FINANCIAL HIGHLIGHTS
December 31, 2015

$ in millions	Year End Dec 31 2015	2014	Plan	Actual vs. Plan
Retail Power Revenues[1]	$ 736.6	$ 720.8	$ 775.8	$ (39.3)
Wholesale Energy Sales (net)[2]	$ 39.2	$ 88.6	$ 65.0	$ (25.8)
Power O&M (net)	$ (260.6)	$ (253.8)	$ (271.9)	$ 11.3
Non Power O&M (net)	$ (234.5)	$ (213.0)	$ (223.0)	$ (11.5)
RSA Transfers (net)[3]	$ 23.4	$ (4.4)	$ (1.3)	$ 24.7
Taxes, Depeciation & Other	$ (213.4)	$ (216.8)	$ (214.8)	$ 1.3
Net Income [4]	**$ 90.5**	**$ 121.3**	**$ 129.8**	**$ (39.3)**
Operating Cash	$ 152.5	$ 128.3	$ 179.4	$ (26.9)
Construction Account - Restricted	$ 88.7	$ 123.8	$ 16.2	$ 72.5
Rate Stabilization Account	$ 91.0	$ 114.4	$ 115.6	$ (24.7)
Bond Reserve	$ 73.7	$ 47.9	$ 79.9	$ (6.1)
Other Restricted Assets	$ 11.7	$ 12.3	$ 16.4	$ (4.7)
Total Cash	**$ 417.6**	**$ 426.7**	**$ 407.5**	**$ 10.1**
Debt Coverage Ratio	1.64	1.85	1.80	-0.16
Debt to Capitalization Ratio	64.7%	59.9%	59.6%	5.1%

(1) Retail power revenues include revenues such as power factor charges.

(2) Revenue from wholesale sales, before booked out long term purchases.

(3) Transfers from the RSA less transfers to the RSA.

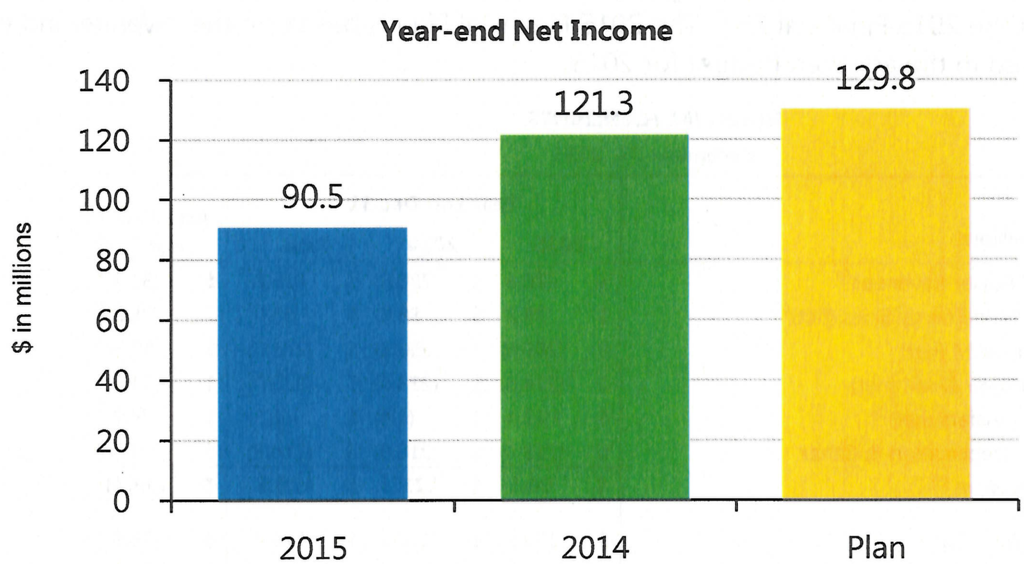
(4) 2015 Net Income reflects the transfer of the 8th & Roy Street property sale to 2016 planned net income.

YEAR-END NET INCOME, RELATIVE TO 2014

As indicated in the table on the previous page and in the charts below, net income for the period ending December 31, 2015 was $90.5 million, which is $30.8 million or 25.4% unfavorable compared to the same time period in 2014. The unfavorable variance was driven by a lower RSA Baseline in 2015 vs. 2014 ($65M vs $85M), which led to less NWR revenue being recognized after RSA transfers and an increase in General & Administrative expenses driven by an increase in salaries and related benefits due to lower vacancy rates and the 2015 COLA accrual. The increase in retail power revenues due to the 4.2% system average rate increase effective January 1, 2015 was partially offset by a decline in consumption driven by unseasonably warm weather throughout most of 2015.

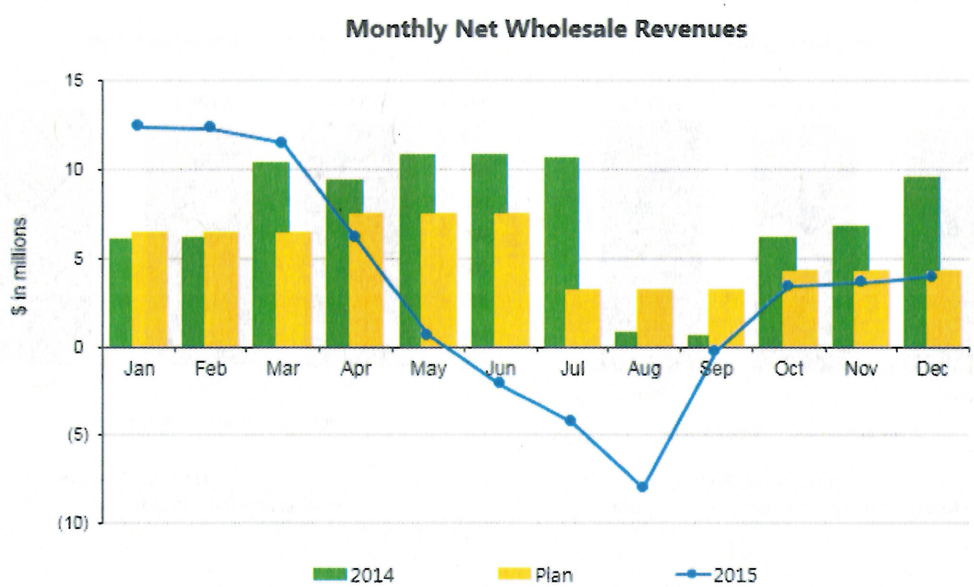
YEAR-END NET INCOME, RELATIVE TO PLAN

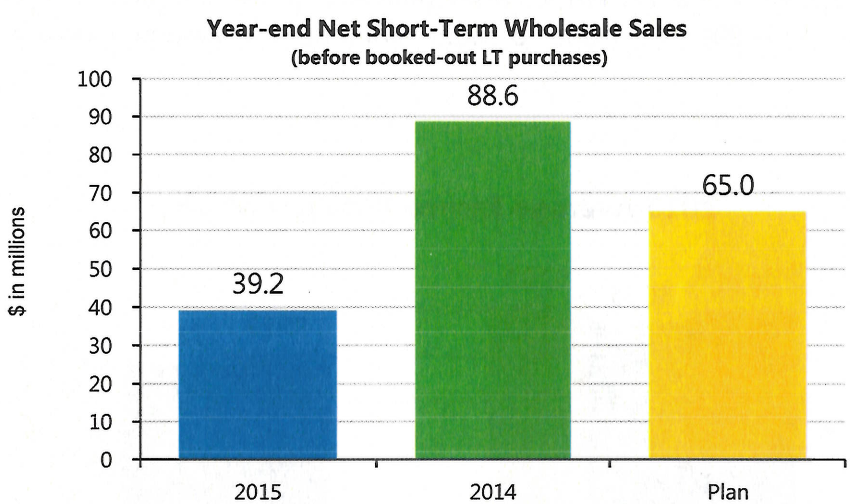
Net income for 2015 is $90.5 million, which is $39.3 million, or 30.3% unfavorable compared to the 2015 Financial Plan of $129.8 million. The primary drivers of the unfavorable variance include the shift of the 8th & Roy Street property sale from 2015 to 2016 and the shortfall in retail power revenue. The unfavorable impact was partially offset by higher than planned CIAC due to early electrification of a Shoreline suburban undergrounding project, expedited work schedules on network additions and faster growth in medium general service connections as well as lower than planned interest expense due to higher AFUDC charged to capital projects.



NET SHORT-TERM WHOLESALE ENERGY

2015 net wholesale revenues were $39.2 million, a decrease of $49.4 million from 2014 and a decrease of $25.8 million from the 2015 Plan. There were record generation levels in the first quarter due to a warm and wet winter, resulting in net wholesale revenues that were much higher than planned for the first three months. However, the early hydro runoff coupled with dry spring and summer conditions led to low generation in the second and third quarters, causing City Light to be a net purchaser in the summer. Wholesale power prices remained historically low throughout most of the year, primarily driven by depressed natural gas prices. Compared to the average of the last five years 2015 hydro generation was around 88% and prices were around 80%.

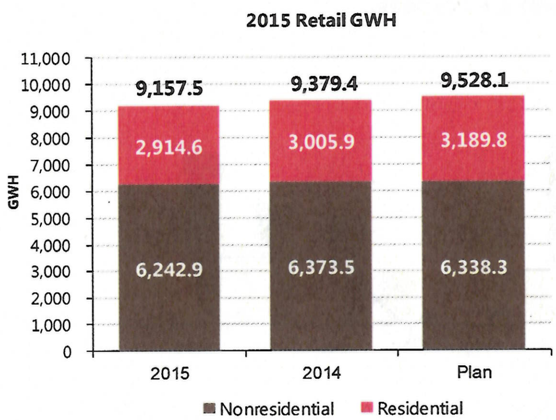


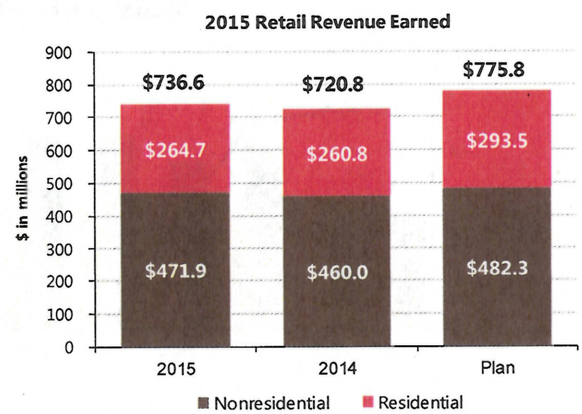


RETAIL POWER REVENUES

2015 load was lower than planned by 371 GWh, or 3.9%. Excluding the impact of the record warm weather this year (less heating load), total load variance to Plan would have been unfavorable by only 204 GWh, or 2.1%. The weather similarly impacted 2015 retail revenue, which was lower than planned by $39.3 million, or 5.1%.

2015 total load was lower compared to the prior year by 222 GWh, or 2.4%. This variance was also driven by the unseasonably warm weather through most of 2015. 2015 retail revenue was $15.8 million or 2.2% higher compared to the prior year with the unfavorable weather impact being more than offset by the 4.2% system average rate increase effective January 1, 2015.

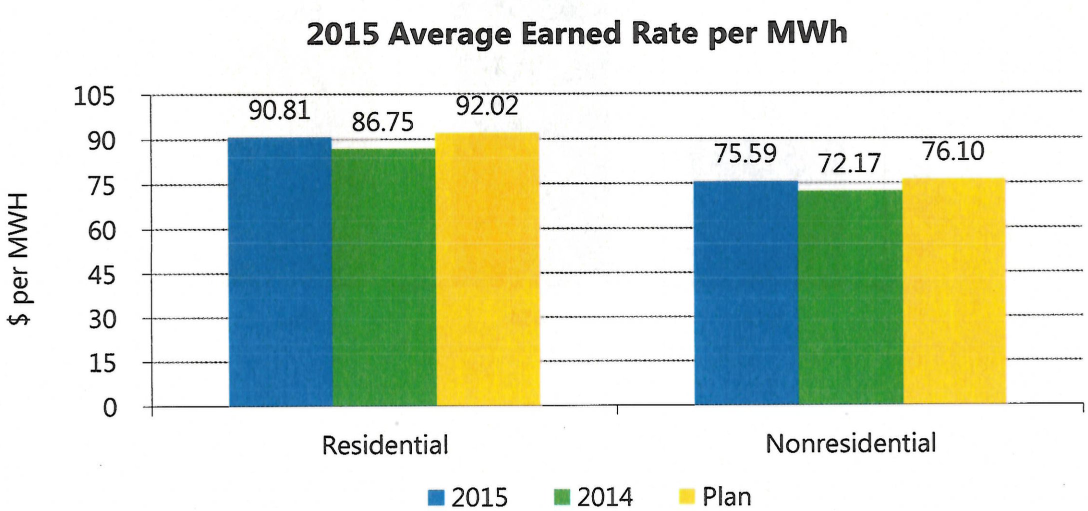




	YTD Retail GWH		
	Nonresidential	Residential	Total
2015 vs. 2014	-2.0%	-3.0%	-2.4%
2015 vs. Plan	-1.5%	-8.6%	-3.9%

	YTD Retail Revenue		
	Nonresidential	Residential	Total
2015 vs. 2014	2.6%	1.5%	2.2%
2015 vs. Plan	-2.2%	-9.8%	-5.1%

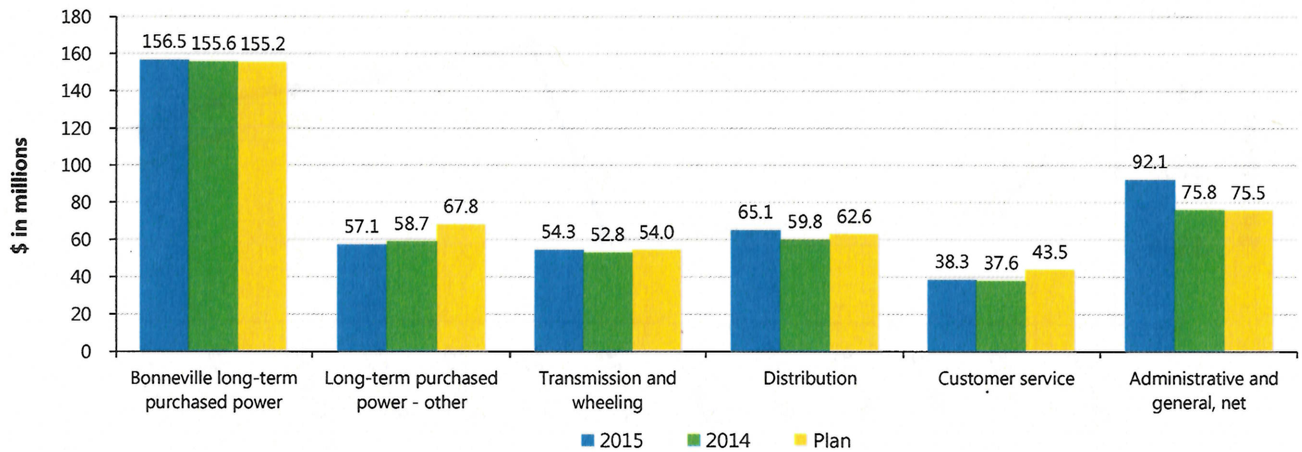
The actual average earned rate per MWh for residential and nonresidential customers is different from what was expected in the 2015 Plan due to slight differences in assumed versus actual patterns of consumption.



DATA FOR SELECTED ACCOUNTS

The following chart presents year-to-date 2015 data for major components of City Light's operating expenses excluding wholesale power transactions. These expenses can fluctuate month to month compared to the previous year for a number of reasons including work scheduling and accounting adjustments. Major or noteworthy differences from 2014 are detailed below.

2015 Full-Year Selected Expenses



- Bonneville expenses: The $0.9 million unfavorable year-over-year variance is due primarily to a $0.6 million increase in Block load shaping. A $1.7 million increase in Slice was mostly offset by a $1.3 million increase in the Slice true-up credit recorded in January.

- Long-term purchased power: The $1.6 million favorable year-over-year variance was due primarily to lower Stateline Wind generation; partially offset by an increase in Columbia Ridge biogas purchases.

- Transmission and wheeling expenses: The $1.5 million unfavorable year-over-year variance was driven primarily by an increase in Skagit tree clearing and other expenses related to the Goodell Creek fire as well as a WECC special statutory assessment implemented in late 2014 to cover a shortfall in the Peak Reliability budget due to non-payment by two Canadian entities.

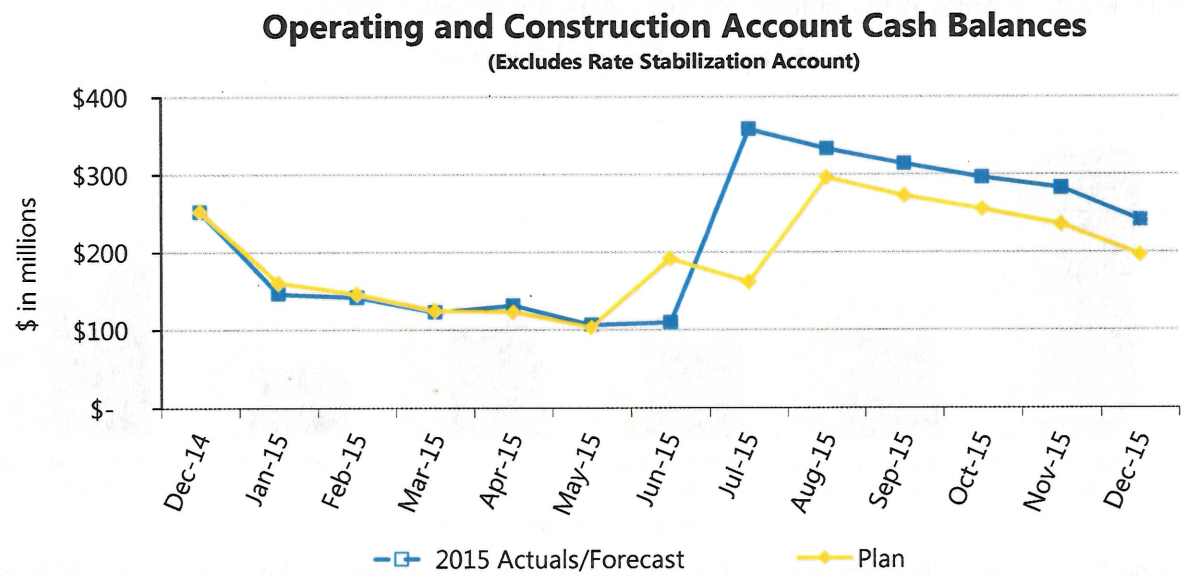
- Distribution costs: The $5.3 million unfavorable year-over-year variance was due primarily to increases in underground and overhead (partially due to the Goodell Creek fire) line repairs and the September 2015 recognition of previously-deferred costs as part of a new accounting process that recognizes certain billable expenses when incurred rather than when billed.

- Customer service expenses: The $0.7 million unfavorable year-over-year variance was driven by an increase in bad debt expense resulting from a one-time downward adjustment made in December 2014 to exclude construction billings from the estimate; partially offset by declines in billing/collecting and customer assistance expenses.

- Administrative and general expenses: The $16.3 million unfavorable year-over-year variance was due primarily to an increase in administrative, general, and engineering salaries and related benefits resulting from lower vacancy rates, the 2015 furlough and COLA accruals and an increase in pension expense due to the implementation of a new accounting standard (GASB 68). The unfavorable variance was partially offset by increased overhead applied to capital projects due to increased labor charged to capital work, higher overhead rates, and an increase in allocated pension costs (GASB 68).

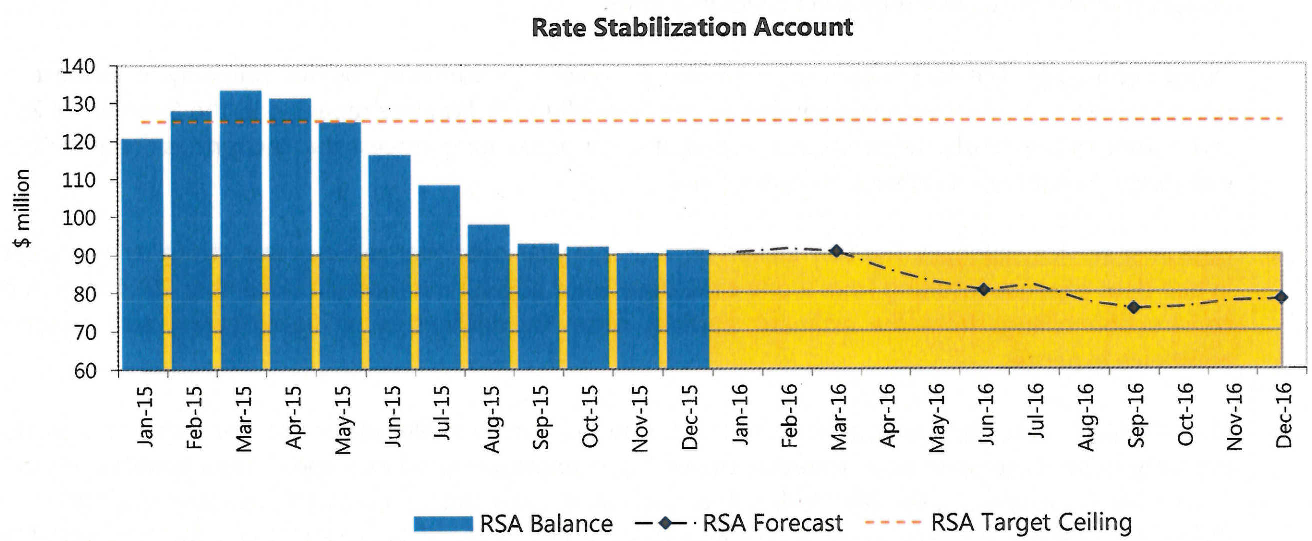
CASH POSITION

As of December 31, 2015, City Light's operating plus construction account cash balance was $241.2 million, which is $45.6 million or 23.3% over the 2015 Financial Plan of $195.6 million.



RSA POSITION

The cash balance in the rate stabilization account was $91.0 million as of December 31, 2015, which is $9.0 million or 9.0% under the $100 million RSA target. Given the current 2016 net wholesale revenue forecast, it is likely that the RSA balance will drop below the surcharge trigger of $90 million and a surcharge will be implemented sometime in 2016.



2015 BUDGET

As of December 31, 2015, City Light was within its overall budget authority through year-end 2015. The Department spent 97% of the overall O&M budget (O&M budget includes Non-Power O&M expenses, Purchased Power, Taxes and Debt Service) through year-end. City Light was within the legal spending authority for all Budget Control Levels and there were no year-end budget exceptions. City Light's spending on the Capital program through December was approximately 84% for the year-end accomplishment rate.

DEBT-TO-CAPITALIZATION

As of December 31, 2015, City Light's debt-to-capitalization ratio was 64.7%, an increase from 59.9% reported at December 31, 2014 and above the 2015 Plan of 59.6%. The main driver of the increase is a change in a pension accounting standard (GASB Statement No. 68) which requires City Light to record its proportionate share of the City's net pension liability on its balance sheet. The addition of this liability reduces City Light's equity, which in turn increases the proportion of debt in the ratio. In the absence of this accounting change, the ratio would have been just slightly higher than the Financial Plan.

COMPLIANCE

Attached for your information is the City Light Risk Oversight Status Report as of February 17, 2016, which conveys City Light's compliance with risk policies and standards at that point in time.

PERFORMANCE METRICS

In addition to the financial information included above, we have provided a report on performance metrics for Distribution Operations, Vegetation Management, Safety and Human Resources, Power Resources and Customer Care. The updated Performance Metrics Report for December 31, 2015, with 2014 data included for comparison, is attached.

Attachments

cc: Kate Joncas
Hyeok Kim
Tony Kilduff
Ben Noble
Saroja Reddy
Brian Surratt
Greg Shiring
Michael Van Dyck

Net Income Variance Analysis
December 2015

Variance Year-to-Date 2015 Compared to 2014 Actuals: -$30.8 million or -25.4%

Major components ($ in millions):

$121.3	Net Income YTD through December 31, 2014
($49.4)	Lower net wholesale energy sales due to lower average market prices y-t-d combined with decreased generation volume and an increase in wholesale purchases caused by a combination of warmer weather y-t-d, which resulted in decreased snowpack and lower water level
$27.7	Higher transfers from RSA y-t-d due to wholesale revenues lower than budget due to lower generation resulting from decreased snowpack and lower water levels
$15.8	Higher retail power revenues due partially to a comprehensive rate increase of 4.2% effective 1/1/2015
($16.3)	Higher administrative and general, primarily salaries, due to lower vacancy rates from additional hiring, COLA adjustment accruals, wage adjustments, pension costs resulting from implementation of GASB 68, higher benefit costs, and FAS and IT cost allocations
$5.8	Lower power related wholesale purchases - other
($14.0)	Lower power related revenues - other due to lower market prices and volumes in basis trade and fair values
($5.3)	Higher distribution due primarily to September 2015 recognition of accumulated overhead and underground maintenance costs from Other Assets - Gen WIP to be Billed. Previously, these costs were recorded in Other Assets and not expensed until billed or a project completed. Under a revised accounting process in September, these costs will be expensed as incurred.
($6.2)	Higher depreciation and amortization resulting from additions to plant
$11.4	Higher capital contributions, due primarily to Shoreline infrastructure work
($0.3)	Other (net)
$90.5	Net Income YTD through December 31, 2015

Variance 2015 Financial Plan compared to 2015 Actuals: $39.3 million or 30.3%

Major components ($ in millions):

$129.8	Net Income through December 31, 2015 - Financial Plan
($39.3)	Retail revenues lower than plan due to unseasonably warm weather through most of 2015 and lower than planned growth, mostly in the residential sector
($25.8)	Net wholesale energy sales lower than plan due to lower than average hydro conditions and depressed power market prices
$24.7	Higher transfers from RSA due to lower than budgeted short-term net wholesale energy sales
$10.8	Lower than planned long-term purchased power-other expenses due primarily to lower than planned Stateline Wind generation
($16.6)	Actual administrative and general expenses were higher than plan due primarily to lower vacancy rates and an increase in pension expense due to the GASB 68 pension accounting standard implementation
($17.9)	Other income lower than plan due primarily to shifting the sale of the 8th & Roy Street property from 2015 to 2016
$7.6	Higher actual capital contributions due primarily to large Shoreline infrastructure work completion
$5.1	Generation costs less than plan due to decreased water for power expenses and lower than planned growth in generation related costs
$4.9	Power related purchases - other lower than plan due to higher basis purchases and Fair Value assumed in the plan
$8.5	Taxes lower than plan due to lower actual retail revenue and solar tax credits.
($1.3)	Other (net)
$90.5	Net Income YTD through December 31, 2015

Line No.	Condensed Statements of Revenues, Expenses and Year Ending December 31, 2015					
1 2 3	**Changes in Net Position** **Unaudited** In millions	**[A] Actuals December 31, 2015**	**[B] Actuals December 31, 2014**	**[A - B] Actuals to Actuals Variance**	**[D] 2015 Financial Plan**	**[D - A] 2015 Plan to Actuals Variance**
4	**Operating Revenues**					
5	Retail power revenues	$ 736.6	$ 720.8	$ 15.8	$ 775.8	$ 39.3
6	Short-term wholesale power revenues, net (lines 40 + 43)	61.2	96.8	(35.6)	83.5	22.3
7	Power-related revenues - other	36.8	50.8	(14.0)	42.1	5.3
8	Transfers from/(to) rate stabilization account	23.4	(4.4)	27.7	(1.3)	(24.7)
9	Other revenues	24.9	22.4	2.5	25.7	0.9
10	Total operating revenues	882.9	886.4	(3.6)	926.0	43.1
11	**Operating Expenses**					
12	Generation	34.8	35.0	(0.1)	39.9	5.1
13	Bonneville long-term purchased power	156.5	155.6	1.0	155.2	(1.4)
14	Long-term purchased power - other	57.1	58.7	(1.6)	67.8	10.8
15	Short-term wholesale power purchases	26.8	14.9	11.9	23.5	(3.3)
16	Power-related wholesale purchases - other	11.8	17.7	(5.8)	16.7	4.9
17	Other power costs	12.9	13.2	(0.3)	15.3	2.3
18	Transmission and wheeling	54.3	52.8	1.5	54.0	(0.3)
19	Distribution	65.1	59.8	5.3	62.6	(2.4)
20	Customer service	38.3	37.6	0.7	43.5	5.2
21	Conservation	29.1	27.3	1.9	27.2	(1.9)
22	Administrative and general, net	92.1	75.8	16.3	75.5	(16.6)
23	Taxes	81.1	80.0	1.1	89.6	8.5
24	Depreciation and amortization	112.0	105.8	6.2	112.7	0.7
25	Total operating expenses	772.0	734.1	37.9	783.6	11.6
26						
27	**Net Operating Income**	**110.8**	**152.4**	**(41.5)**	**142.3**	**31.5**
28						
29	**Other Deductions, Net**					
30	Investment Income	6.3	7.9	(1.7)	6.6	0.3
31	Other income (expense), net	5.9	6.8	(0.9)	23.8	17.9
32	Interest expense	(76.4)	(77.9)	1.5	(81.2)	(4.8)
33	Noncapital grants	4.6	3.8	0.8	5.0	0.4
34	Capital contributions	39.0	27.7	11.4	31.5	(7.6)
35	Capital grants	0.4	0.7	(0.4)	1.9	1.5
36	Total other deductions, net	(20.3)	(31.0)	10.7	(12.5)	7.8
37						
38	***Change in Net Position***	**$ 90.5**	**$ 121.3**	**$ (30.8)**	**$ 129.8**	**$ 39.3**
39	**Note A:**					
40	Short-term wholesale energy sales, gross	66.0	103.5	(37.5)	88.5	22.6
41	Short-term wholesale energy purchases	(26.8)	(14.9)	(11.9)	(23.5)	3.3
42	**Net ST wholesale sales before booked-out LT purchases**	**39.2**	**88.6**	**(49.4)**	**65.0**	**25.8**
43	Booked-out long term purchases	(4.8)	(6.7)	1.9	(5.0)	(0.2)
44	Net short-term wholesale energy sales	**34.4**	**81.9**	**(47.5)**	**60.0**	**25.6**
45	**Note B:**					
46	Power-related revenues, net (line 7 minus line 16)	25.0	33.2	(8.2)	25.4	25.4

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Seattle City Light
Risk Oversight Status Report
As of February 17, 2016

Summary

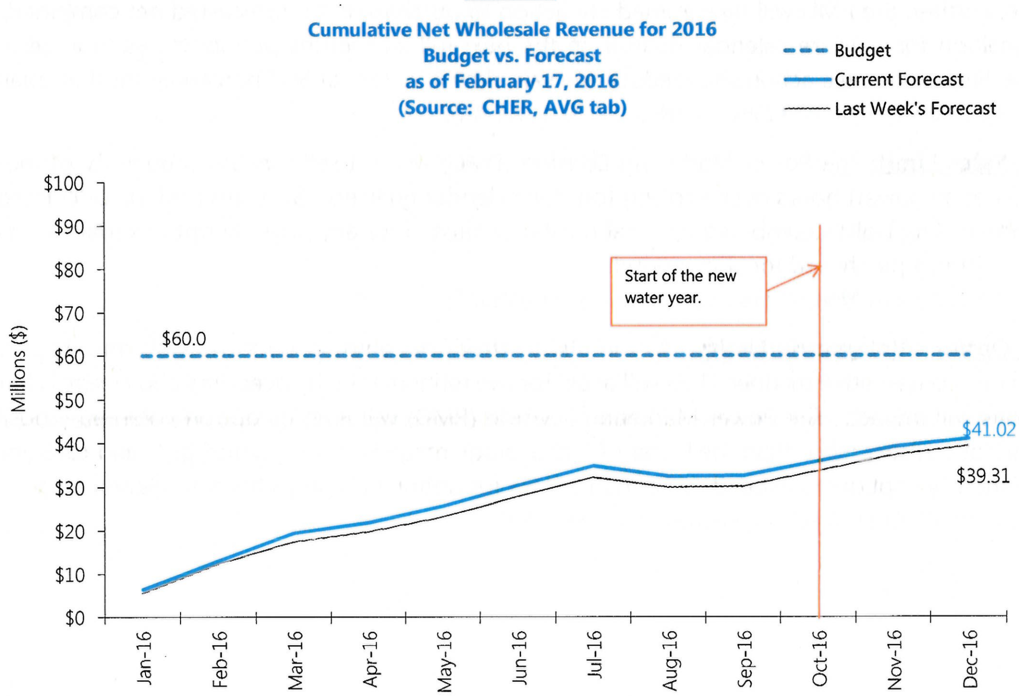
	5 Year Average	2016 Average	% of 5 Year Average
SCL Hydro Generation	1,098 MW	1031 MW	94%
Market Prices (Peak Hours)	$30.63	$20.07	66%

SCL Hydro Generation: This shows the total average generation per hour for Seattle City Light's three major hydroelectric resources (Skagit, Boundary, and BPA Slice). For the 2016 calendar year this average includes actual generation for past months and forecasted MW for future months. The 5 year average value is comprised of actual generation for the years 2011-15. The percent of 5 year average shows the generation for the current year relative to the 5 year average.

Peak Market Prices: This shows the total average price per hour for peak hours at the nearest and the most active electricity trading hub (MID-C). For the 2016 calendar year this includes the average Dow Jones firm peak index daily prices for past months and the average of the monthly forward marks for the future months. The 5 year average is computed from the Dow Jones peak daily prices for the years 2011-15. The percent of 5 year average shows the market prices for the current year relative to the 5 year average.

Wholesale Revenue Variance: Chart 1 below compares the approved 2016 NWR budget of $60MM with the latest 2016 NWR forecast of $41.02MM. The NWR forecast increased by $1.7MM from the previous forecast of $39.31MM as a result of increase in resource forecast for remainder of the year accounting for $1.9MM and higher January actual net revenues of $0.9MM. This increase was partially offset by lower prices and lower expected actual net revenue for February, accounting for $1.0MM and $0.1MM, respectively.

Chart 1



Policy Compliance

Tail Risk Limit	Prompt Month & Within Month Limit	Forward Month's Resource Requirement Limit	Forward Sales Limit	Physical Options Limit
Compliant	Compliant	Compliant	Compliant	Compliant

Tail Risk: For the current calendar year, the Power Marketing Division (PMD) must conduct its hedging activity to maintain the Utility's position within established Risk Tolerance Band (RTB) of $8MM based on the calculated 5% Tail Risk metric. For the prompt year (the year immediately following the current calendar year), the established RTB is $10MM.
(Section 3.3.2 Prompt and Within the Month (WERM))

Prompt Month & Within Month Volumetric Limit: The Power Marketing Division (PMD) will maintain City Light's power portfolio position for any prompt month or any Balance of the Month period so that such position shall not exceed a 50 average megawatt deficit during such period. Such limit will be calculated as the net position of City Light's combined physical position adjusted for any physical options (daily or monthly) that City Light has purchased for such month. If this limit is exceeded, the Division will take immediate action to reduce the deficit to under 50 average megawatts.
(Section 3.3.1.1 Prompt and Within the Month (WERM))

Forward Month's Resource Requirement Limit: The Power Marketing Division (PMD) will immediately suspend any further forward sales for the future calendar quarter, within the next 24 months period, if the forecasted net combined system energy projected surplus for that quarter is less than zero, at 25th percentile. Further, the PMD will take immediate action to purchase if the forecasted net combined system energy position for a future calendar quarter, in the next full 24 months period, is less than zero at 50th percentile. Such corrective action shall reduce the said deficit to zero at 50th percentile for that quarter.
(Section 3.3.1.2 Forward Month's Resource Requirement (WERM))

Forward Sales Limit: The Power Marketing Division (PMD) will not sell forward a quantity of more than 1,750,000 net megawatt hours over a rolling four full calendar quarters. Such limit will be calculated as the net position of City Light's combined physical position adjusted for any physical options (daily or monthly) that City Light has purchased for such period.
(Section 3.3.1.3 Forward Month's Resource Requirement (WERM))

Physical Options Volumetric Limits: As the utility introduces physical puts and calls into its portfolio it will do so in a conservative manner. This will allow for the refinement of procedures and controls that these transactions will impact. The Power Marketing Division (PMD) will limit its option volumetric position so that it will not transact more than the lesser of 300 average megawatts in physical puts and calls (including daily and monthly options) or spend more than $2MM for option premiums for any calendar year. *(Section 3.3.1.4 Forward Month's Resource Requirement (WERM))*

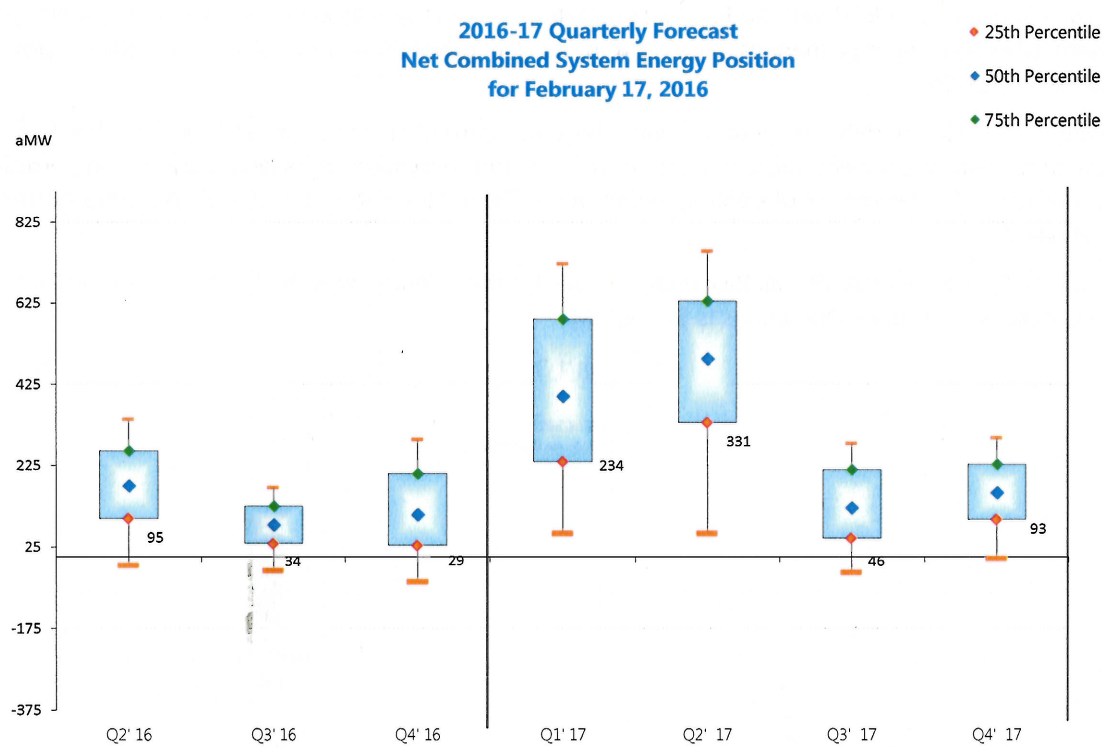
Hedging Plan & Position Status

Hedge Plan 2016, Phase 1 was last proposed and approved by the Risk Oversight Council on January 7, 2016.

City Light uses the most recent load and hydro forecasts including relevant historical data to run a Historical simulation based model that produces a forecast of more than two thousand portfolio resource scenarios. The output of this model along with the current forward positions provides energy information needed to determine SCL's position. Shown below in Chart 2 are positions as of the model run date for the different resource scenarios.

Chart 2 shows the Net Combined System Energy Position for the next quarters to match City Light's short-term transacting authority. The blue boxes represent the expected net energy position from 25th to 75th percentile. The dark blue diamonds inside the boxes represent the 50th percentile. If the blue diamond falls below zero, City Light must purchase adequate energy to cover that deficit.

Chart 2



5% Tail Risk Metric, 2016

In October 2007, City Light implemented a risk metric named the "5% Tail Risk". It is calculated as the average of the worst-case scenarios for City Light's cash from operations for the calendar year. Cash from operations is a bottom-line financial metric defined as the cash available to finance capital projects. There are numerous drivers of cash from operations such as retail revenue, investment income, debt service, and O&M expenses; however wholesale energy revenue is typically the primary driver of uncertainty in this metric.

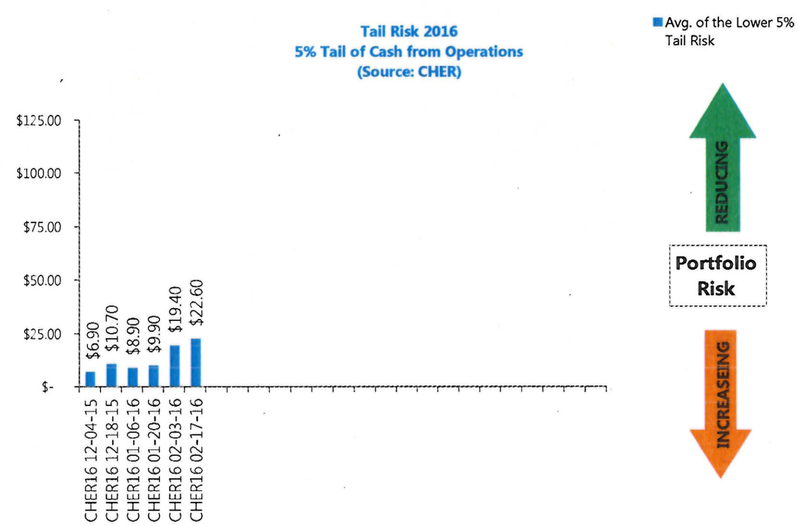
In 2011, the Rate Stabilization Account (RSA) became operational. The RSA is a cash reserve that is used to buffer the Utility from uncertainty in wholesale energy revenue. If the RSA becomes depleted, it is replenished via retail rate surcharges. The RSA significantly mitigates City Light's financial (i.e. cash from operations) risk associated with wholesale energy revenue; however retail customers are exposed in part to the wholesale energy revenue risk via RSA surcharges of up to 4.5%. To appropriately encourage management of risk borne by both City Light and retail customers, the cash from operations amount used in the 5% Tail Risk calculation excludes any effects of the RSA.

The 5% Tail Risk metric is used as a risk control measure in City Light's management of surplus hydro resources. It is used in concert with additional volumetric limits, as well as expert knowledge and analysis of western wholesale energy markets, river flow data, and generation unit outages, to inform power management decisions.

Every week, portfolio models are updated with the most current information and the 5% Tail Risk is recalculated for both the current portfolio (forecast position plus purchases less sales) and planned portfolio (current portfolio plus remainder of existing hedge plan). This metric shows the utility's portfolio position as of that week.

Chart 3 (below) illustrates the 5% Tail Risk metric values for the calendar year 2016. The current projection of a worse case of Cash from Operations is $22.60MM.

Chart 3



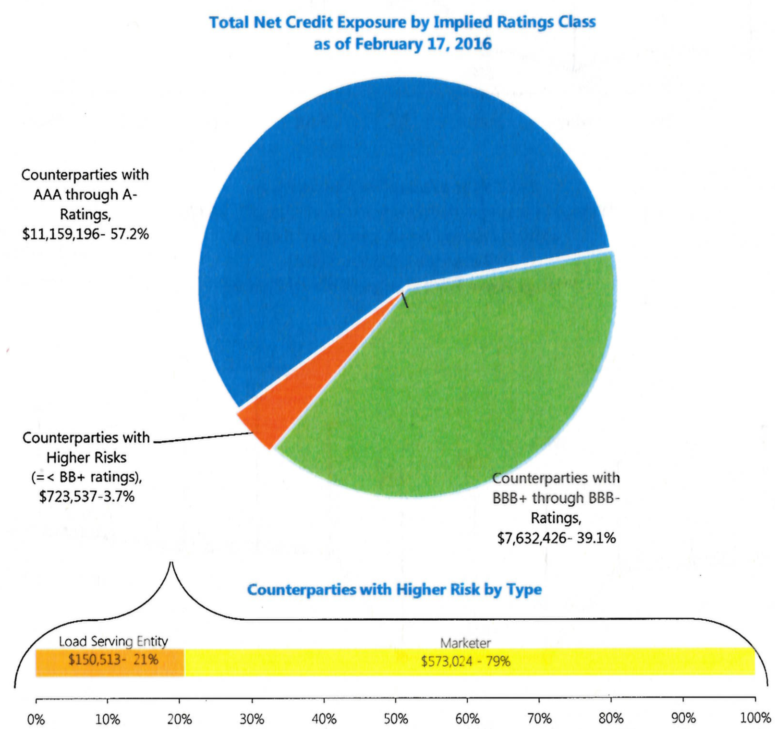
Credit

City Light actively manages its wholesale counterparty credit risk by:

I. setting credit limits for each counterparty that are derived from a credit limit framework, credit scoring model and analysis;
II. securing credit enhancements when necessary;
III. monitoring national and global news including news related to industry and specific to counterparties;
IV. daily monitoring of counterparty credit exposures.

Risk Management Division uses industry standard tools to proactively measure changes in counterparty creditworthiness. Implied credit ratings are utilized in conjunction with standard ratings provided by external agencies. The concept of risk tolerance extends to counterparties that are considered 'Higher Risk' with equivalent Moody's and S&P implied ratings of 'BB+' or less. Counterparties with such implied ratings are placed into the 'Higher Risk Credit Portfolio' for close monitoring in order to reduce the risk of delayed or non-payment while utilizing wholesale power, transmissions and related ancillary revenue opportunities. City Light strives to keep its "Higher Risk" counterparty exposures at less than 25% of the total exposure at any given time. However, this percentage can vary based on the time of the month when the report is produced.

Chart 4

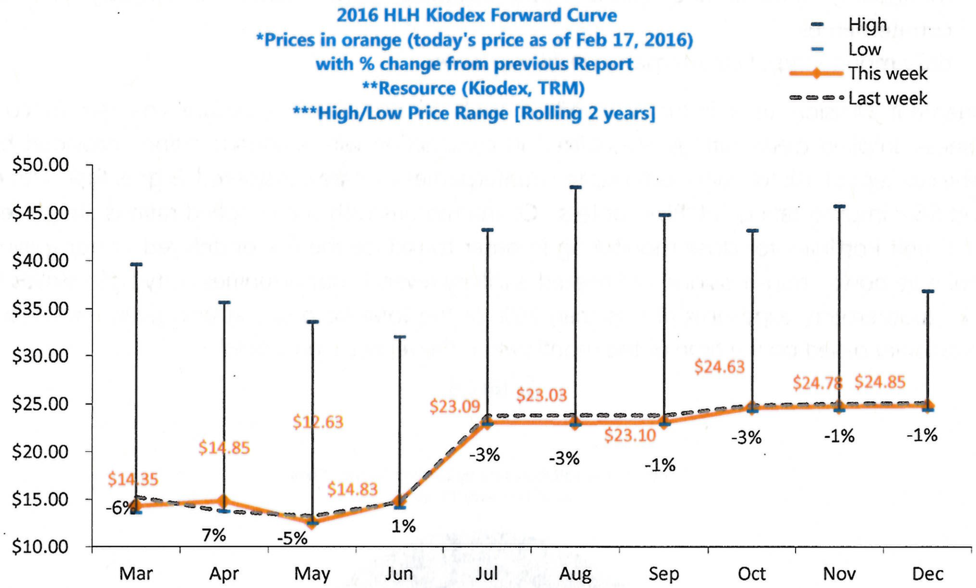


Credit Notes: There are no credit updates this week.

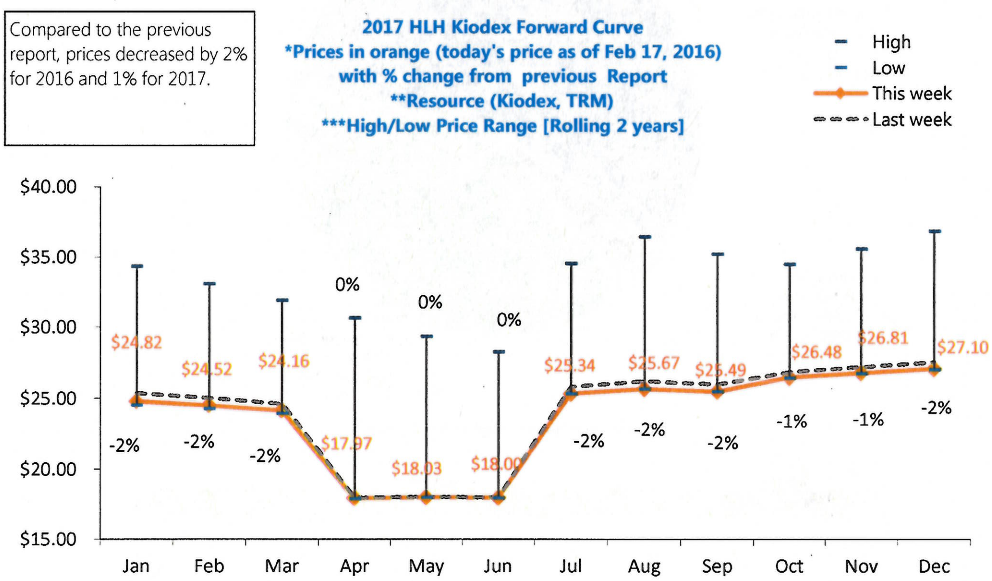
Price

To ensure that prices are independently developed, City Light's official forward price curve is prepared by KIODEX and used for internal analysis, valuation and modeling tasks. Chart 5 shows the forward price range (Mid-C HLH only) for calendar year 2016 and 2017.

Chart 5



Compared to the previous report, prices decreased by 2% for 2016 and 1% for 2017.



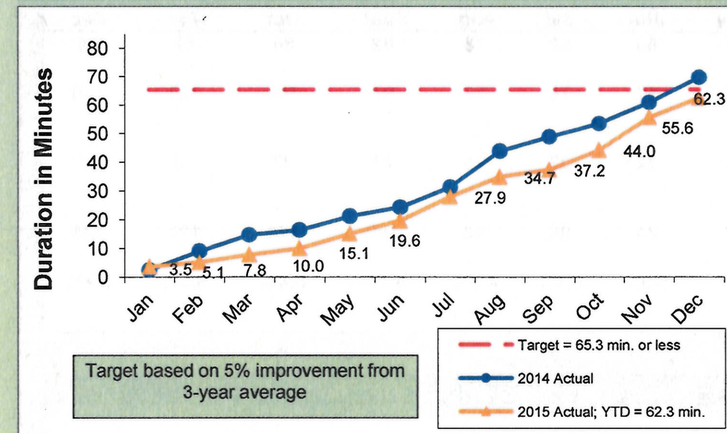
Seattle City Light

Performance Metrics Report

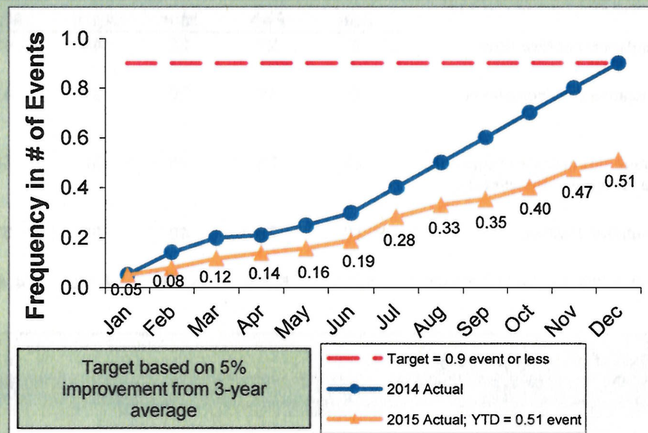
December 2015

Distribution Operations:

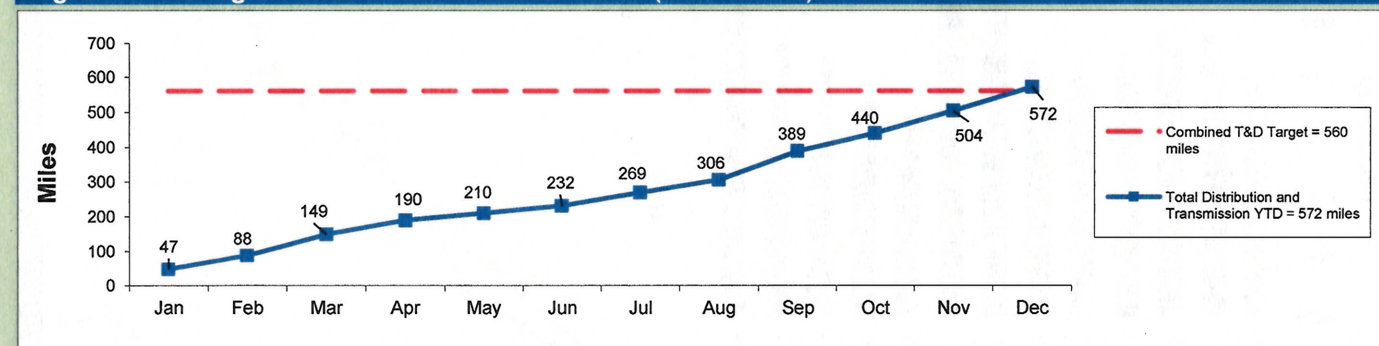
SAIDI (Cumulative)



SAIFI (Cumulative)

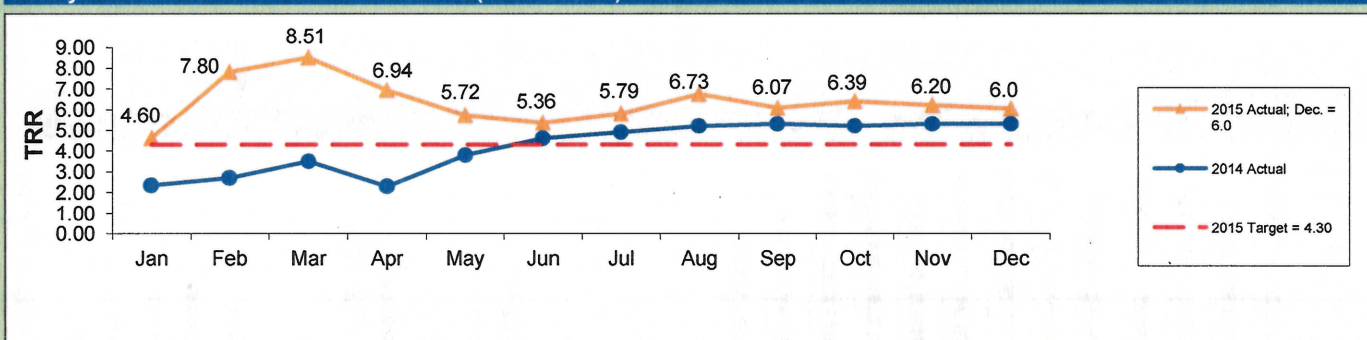


Vegetation Management - Miles of Trees Trimmed (Cumulative)

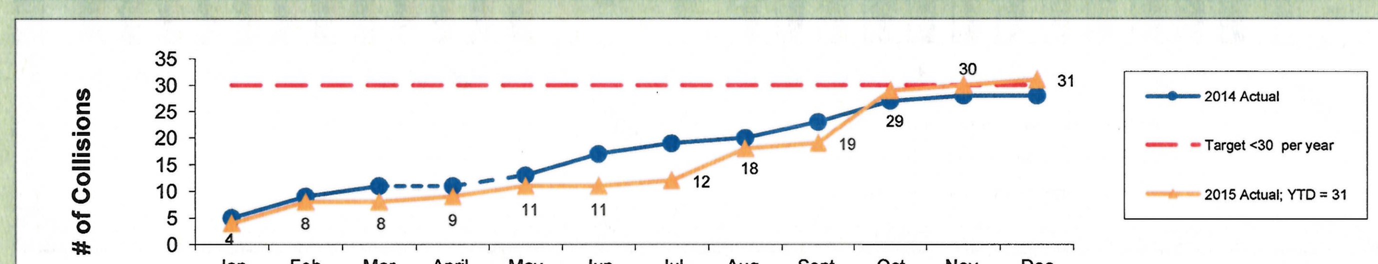


Human Resources:

Safety - Total Recordable Incident Rate (Cumulative)



Safety - Preventable Motor Vehicle Collisions (Cumulative)



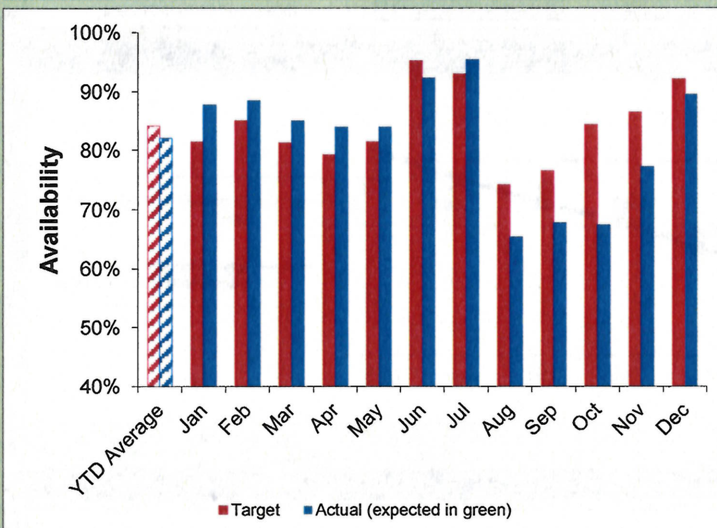
Human Resources:

Hiring Statistics

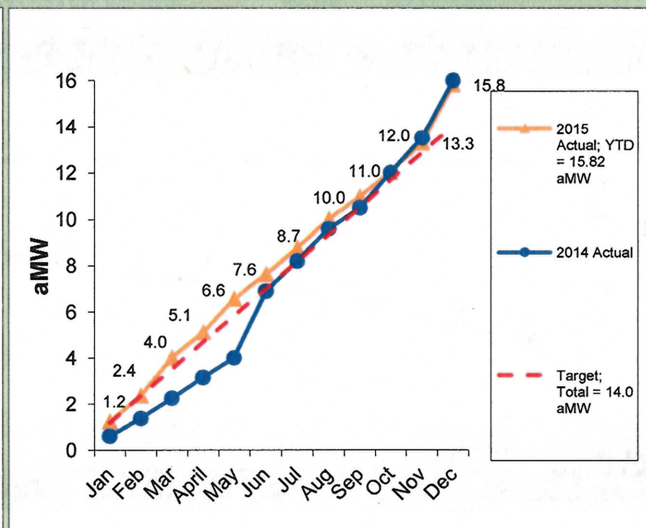
	Jan	Feb	Mar	April	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Cumulative # of New Hires	6	21	26	44	49	54	62	78	82	84	87	94
Cumulative # of Promotions	6	10	20	37	42	62	76	86	97	109	127	140
Average Hiring Cycle (Target = 30 days for regular processes)	22	25	25	32	30	32	27	28	27	27	29	28
Cumulative Attrition	16	28	40	50	57	74	86	92	109	121	127	135
Vacancy Rate Mo. End (Goal=4.0%)	5.6%	5.2%	5.3%	4.7%	4.4%	5.0%	5.1%	4.8%	5.1%	5.4%	5.5%	5.4%

Power Resources:

Generator Availability-All Units (Actuals %)

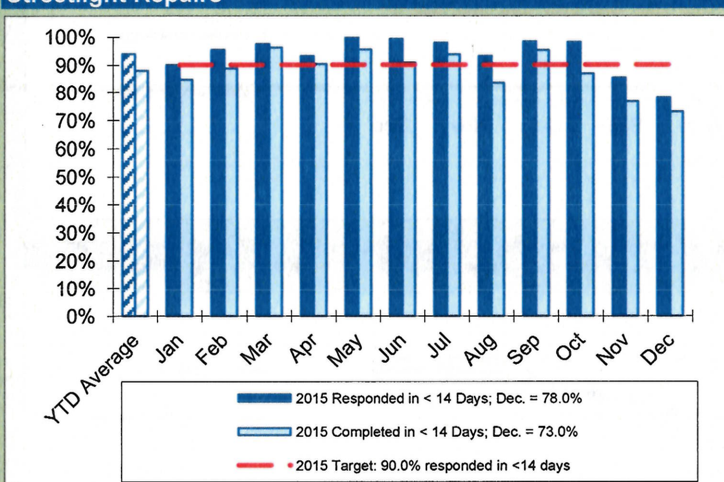


Conservation Savings (Cumulative)



Customer Care:

Streetlight Repairs



Service Connections