



2017 – 2018 Key Performance Indicators Plan and Methodology

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Board of Directors Meeting
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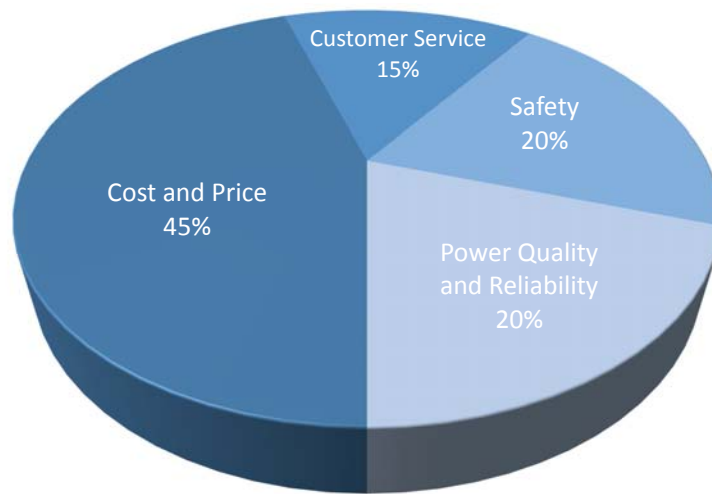
2015 vs. 2016 KPI Plan

2015 Key Performance Indicator Plan					
Summary of KPI Measures, Targets and Weights for Each Period of 2015 KPI Plan					
Category	Measurement	Silver	Gold	Platinum	Weighting
	Total Case Incident Rate (TCIR)	≤ 2.7	≤ 2.1	≤ 1.5	10%
	Days Away Restricted Duty (DART)	≤ 1.0	≤ 0.8	≤ 0.66	10%
	System Average Interruption Duration Index (SAIDI) calculated excluding planned, transmission, and major weather events	KPI-P1 ≤ 33 minutes	KPI-P1 ≤ 30 minutes	KPI-P1 ≤ 27 minutes	20%
		KPI-P2 ≤ 66 minutes	KPI-P2 ≤ 60 minutes	KPI-P2 ≤ 54 minutes	
	ACS Satisfaction Score (as reported in the TSE Services Residential Member Satisfaction Tracking Survey Report)	≥ 80	≥ 82	≥ 84	10%
	Member Interaction Scores Calculated from TSE Services Residential Member Satisfaction Tracking Survey Report	≥ 8.64	≥ 8.74	≥ 8.84	10%
	Lowest Cost Electric Provider Among Current LCRA Co-ops	Third Place	Second Place	First Place	10%
	Total Controllable Costs per Meter	KPI-P1 ≤ \$200	KPI-P1 ≤ \$195	KPI-P1 ≤ \$193	10%
		KPI-P2 ≤ \$400	KPI-P2 ≤ \$390	KPI-P2 ≤ \$385	
	Average Meters per Employee	KPI-P1 ≥ 352	KPI-P1 ≥ 357	KPI-P1 ≥ 362	10%
		KPI-P2 ≥ 355	KPI-P2 ≥ 360	KPI-P2 ≥ 365	
	Uncollectible Accounts Written off as Percentage of Operating Revenue	≤ 0.24%	≤ 0.20%	≤ 0.16%	5%
	Overtime Hours as a Percentage of Total Hours Worked	≤ 5.25%	≤ 4.75%	≤ 3.75%	5%
	Adder for Reaching Platinum Level Each Period in Controllable Costs/Meter Measurement				1%
	Adder for Reaching Platinum Level Each Period in Average Meters/Employee Measurement				1%

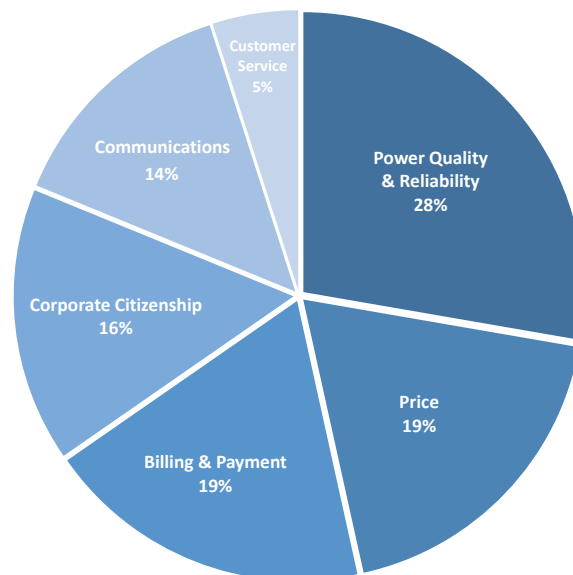
2016 Key Performance Indicator Plan					
Summary of KPI Measures, Targets and Weights for Each Period of 2016 KPI Plan					
Category	Measurement	Silver	Gold	Platinum	Weighting
	Total Case Incident Rate (TCIR)	≤ 1.5	≤ 1.2	≤ 1.0	10%
	Days Away Restricted Duty (DART)	≤ 0.89	≤ 0.89	≤ 0.30	10%
	System Average Interruption Duration Index (SAIDI) calculated excluding planned, transmission, and major weather events	KPI-P1 ≤ 33 minutes	KPI-P1 ≤ 30 minutes	KPI-P1 ≤ 27 minutes	20%
		KPI-P2 ≤ 66 minutes	KPI-P2 ≤ 60 minutes	KPI-P2 ≤ 54 minutes	
	ACS Satisfaction Score (as reported in the TSE Services Residential Member Satisfaction Tracking Survey Report)	≥ 80	≥ 82	≥ 84	10%
	Member Interaction Scores Calculated from TSE Services Residential Member Satisfaction Tracking Survey Report	≥ 8.64	≥ 8.74	≥ 8.84	5%
	Low Cost	Second place LCRA Co-ops/ 40% of lowest state wide co-op providers	Second place LCRA Co-ops/ 30% of lowest state wide co-op providers	First place LCRA Co-ops/ 20% of lowest state wide co-op providers	10%
	Total Controllable Costs per Meter	KPI-P1 ≤ \$195	KPI-P1 ≤ \$193	KPI-P1 ≤ \$190	10%
		KPI-P2 ≤ \$390	KPI-P2 ≤ \$385	KPI-P2 ≤ \$380	
	Average Meters per Employee	KPI-P1 ≥ 362	KPI-P1 ≥ 367	KPI-P1 ≥ 362	10%
		KPI-P2 ≥ 365	KPI-P2 ≥ 390	KPI-P2 ≥ 395	
	Transmission and Peak Power Cost Reduction	Greater than 2% of actual ACP reduction realized through active and deemed demand reduction	Greater than 3% of actual ACP reduction realized through active and deemed demand reduction	Greater than 4% of actual ACP reduction realized through active and deemed demand reduction	5%
	Uncollectible Accounts Written off as Percentage of Operating Revenue	≤ 0.20%	≤ 0.15%	≤ 0.10%	5%
	Overtime Hours as a %age of Total Hours Worked	≤ 4.50%	≤ 4.00%	≤ 3.50%	5%



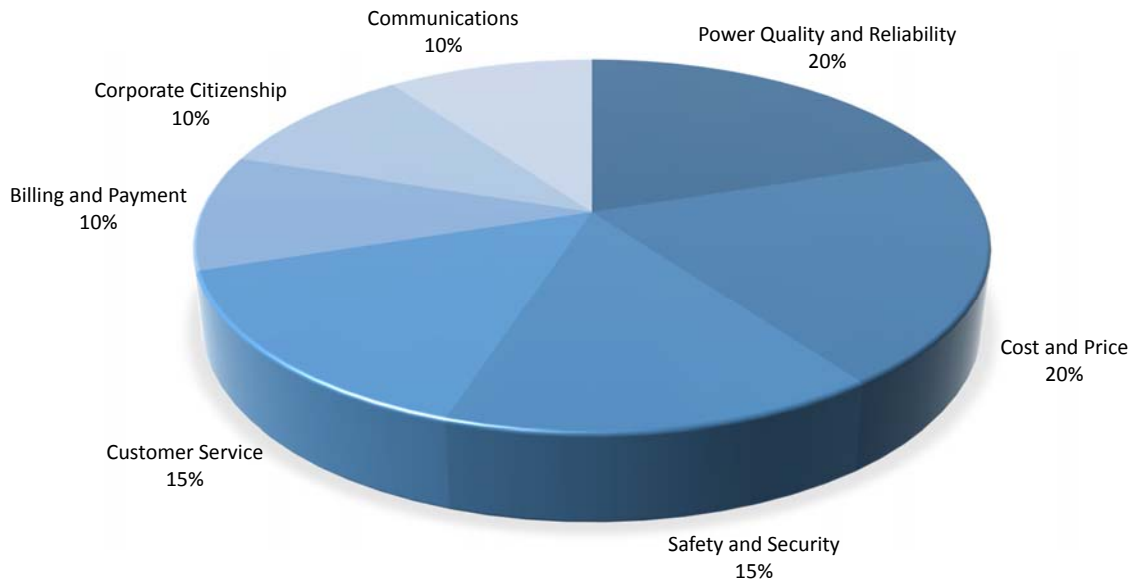
2016 KPI Categories



J.D. Power Index Model



2017 - 2018 Proposed KPI Categories



Power Quality and Reliability (20%)

Power Quality & Reliability	Silver	Gold	Platinum	Weighting
System Average Interruption Duration Index (SAIDI)	≤ 35 minutes / ≤ 69 minutes	≤ 32 minutes / ≤ 63 minutes	≤ 29 minutes / ≤ 57 minutes	50%
ARCOS Availability (% of time crews available for outages)	75%	80%	85%	25%
% of Outages where Estimated Time of Restoration is provided	90%	95%	100%	25%



Cost and Price (20%)

	Silver	Gold	Platinum	Weighting
Low Cost Provider - % Lower Than State Average	≥ 5%	≥ 7%	≥ 8%	40%
Total Controllable Costs Per Meter	≤ \$186/ ≤ \$372	≤ \$185 / ≤ \$369	≤ \$183 / ≤ \$366	20%
Average Consumers per Employee	≥ 382 / ≥ 385	≥ 387 / ≥ 390	≥ 392 / ≥ 395	10%
Overtime Hours as a % of Total Hours Worked	≤ 4.5%	≤ 4.0%	≤ 3.5%	10%
Transmission and Peak Power Reduction	≥ 2% of actual 4CP reduction	≥ 2.5% of actual 4CP reduction	≥ 3% of actual 4CP reduction	10%



Billing and Payment (10%)

	Silver	Gold	Platinum	Weighting
Uncollectible Accounts Written off as Percentage of Operating Revenue	≤ 0.20%	≤ 0.15%	≤ 0.10%	50%
Percentage of Accounts Enrolled in Autopay	≥ 40%	≥ 45%	≥ 50%	30%
Percentage of Account Utilization of Non-Conventional Rate Options	≥ 30%	≥ 40%	≥ 50%	20%



Corporate Citizenship (10%)

Column1	Silver	Gold	Platinum	Weighting
Number of Energy Audits Performed	250	300	350	30%
Utilization of Volunteer Time	150 / 300	175 / 350	200 / 400	20%
Increase in Power of Change Enrollments	900 / 1800	1250 / 2500	1600 / 3200	20%
Completed Empower Loans	8 / 15	20 / 40	30 / 60	20%
Number of PEC-Sponsored Volunteer Opportunities	2	3	4	10%



Communications (10%)

Column1	Silver	Gold	Platinum	Weighting
Communications J.D. Power Score	≥ 670	≥ 680	≥ 690	25%
Increase in Social Media Subscriptions	250 / 500	375 / 750	500 / 1000	25%
Community Engagement Events	60 / 110	70 / 125	80 / 140	20%
Key Account Meetings	85 / 170	100 / 200	110 / 220	30%



Customer Service (15%)

	Silver	Gold	Platinum	Weighting
J.D. Power Score - Customer Service Category	≥ 770	≥ 780	≥ 790	20%
Service Level	≥ 75%	≥ 80%	≥ 85%	40%
% of Problems Solved on First Call Contact	≥ 65%	≥ 70%	≥ 75%	40%



Safety and Security (15%)

	Silver	Gold	Platinum	Weighting
Total Case Incident Rate (TCIR)	≤ 3.0 / ≤ 1.5	≤ 2.4 / ≤ 1.2	≤ 2.0 / ≤ 1.0	20%
Days Away Restricted Duty (DART)	≤ 1.8 / ≤ 0.9	≤ 1.2 / ≤ 0.6	≤ 0.6 / ≤ 0.3	20%
Percentage of Employees Who Complete the Cybersecurity Training	90%	95%	100%	15%
Percentage of Physical Security Incidents Reported within 48 Hours of Occurrence	65%	75%	85%	20%
Preventable Vehicle Accidents	≤ 3 / ≤ 6	≤ 1.5 / ≤ 3	0	15%
Completion of Security Awareness Training Hours per employee	2 / 4	3 / 6	4 / 8	10%



Performance Weighting

2016 KPI Performance Weighting		2017-18 Proposed Performance Weighting	
Silver	4%	Silver	5%
Gold	6%	Gold	7%
Platinum	8%	Platinum	10%

2017-2018 Performance Incentive: 2% adder if PEC is among the top 10 overall utilities in the J. D. Power Syndicated Study

