



Operations Report

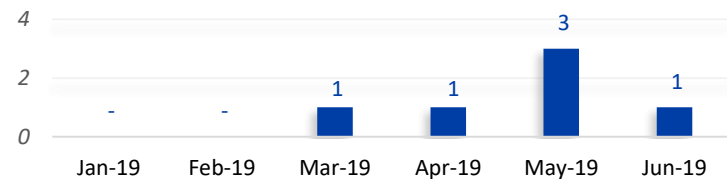
Eddie Dauterive | Chief Operations Officer

July 19, 2019

Safety

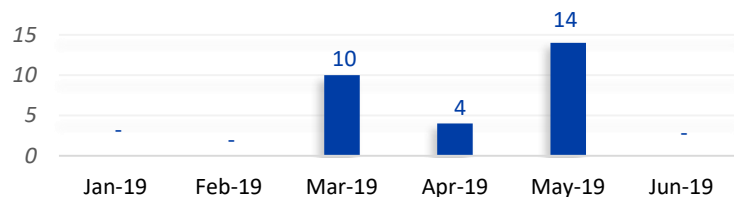
Reportable Injuries

Total Reportable Injuries



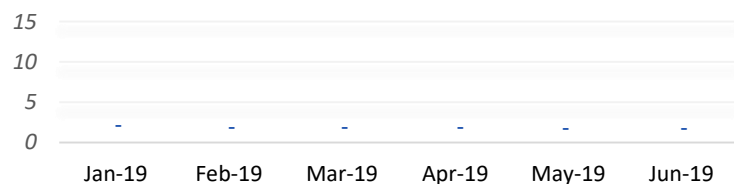
Jun: 1
YTD: 6

Days Away - Restricted Duty



Jun: 0
YTD: 28

Days Away - Lost Time

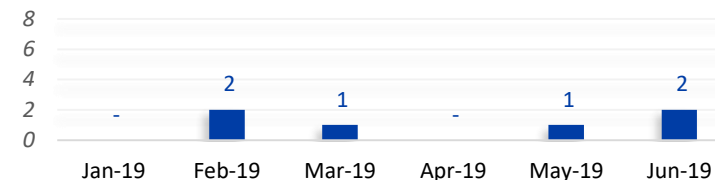


Jun: 0
YTD: 0

Restricted Duty is the ability to perform another activity without missing work.

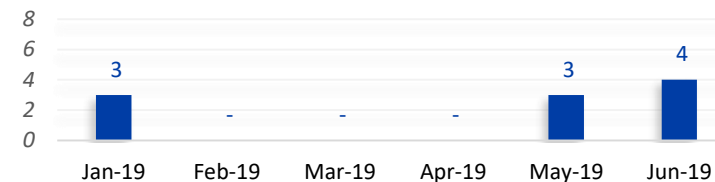
Vehicle Accidents

Preventable Vehicle Accidents



Jun: 2
YTD: 6

Non- Preventable Vehicle Accidents



Jun: 4
YTD: 10

Injury & Accident Notes:

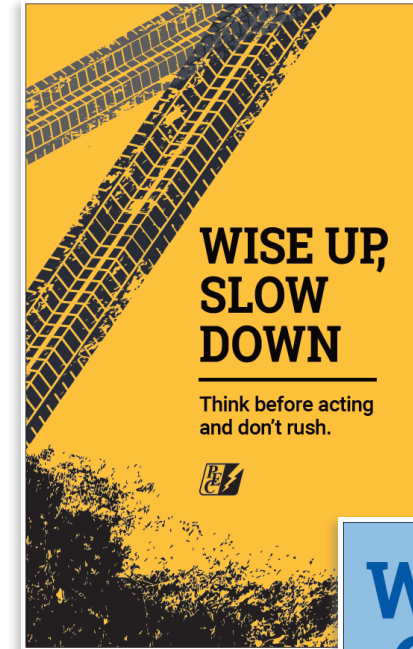
Injury: Employee stepped and tripped over equipment, fell and twisted ankle.

Vehicle Accidents:

- Preventable (2) - Both incidents, employee driving too close to and slightly damaged another vehicle.
- Non-Preventable (2) - Deer incidents.
- Non-Preventable - Member struck PEC vehicle while it was parked.
- Non-Preventable - After-hours service call (dark), employee drove over a septic tank - there were no signs or fence to indicate the tank was there.

Safety Initiatives Update

- New messaging campaigns launched:
 - *"Wise Up, Slow Down"*
 - *"Wise Up, Circle Your Truck"*
- Pilot Programs:
 - **Sospes Software**
Cloud-based incident, observation, and investigation reporting tool.
Working with developer to further customize program for effectiveness.
 - **Backup and 360 Cameras**
In progress with recommendations developing, extending to smaller fleet vehicles.
 - **Proximity Sensors**
Positive response, accurate except in tall grass, extending to larger fleet vehicles.
 - **Defensive Driving**
Recommending mandatory courses for large vehicles and CDL holders, have not offered courses in approx. 4 years.
- In-house training video has been developed and preparing for launch on July 8th along with promotional materials.

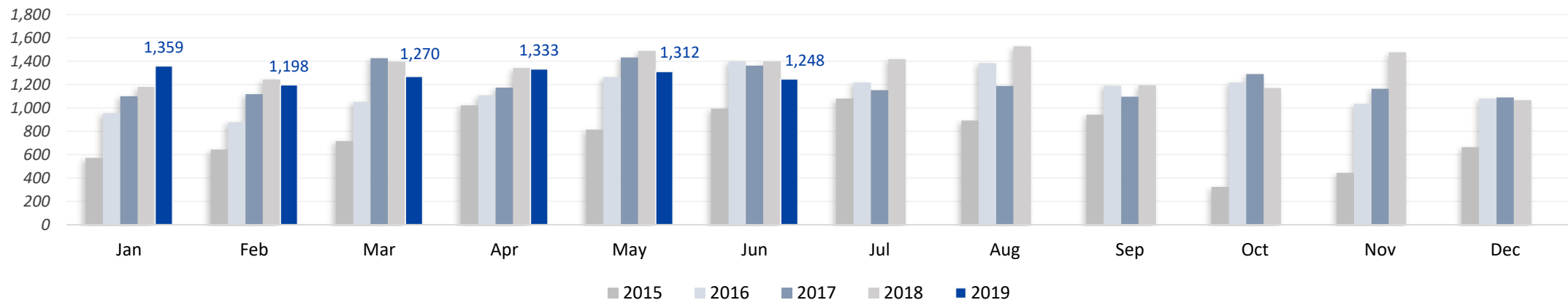


System Growth

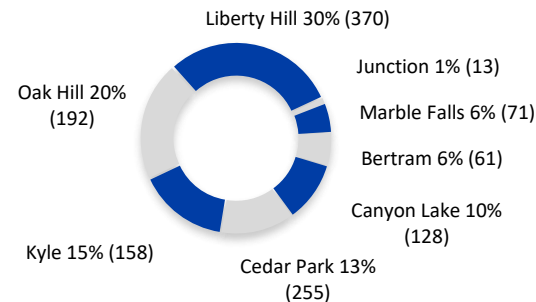
Annual Line Extension Comparison

2018 Total: 15,893

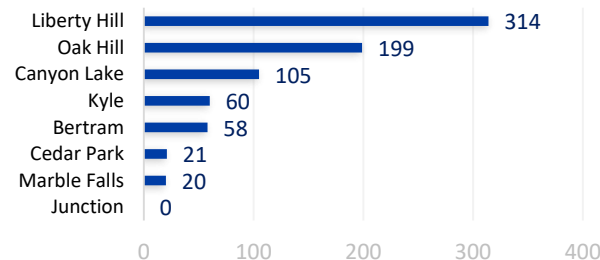
2019 YTD: 7,720



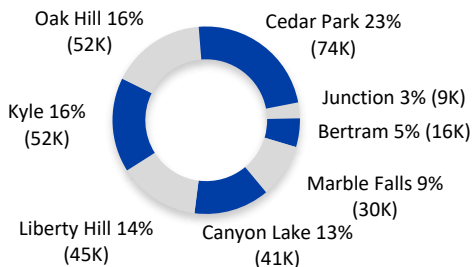
June Line Extensions by District (1,248)



June Meter Growth by District (774)

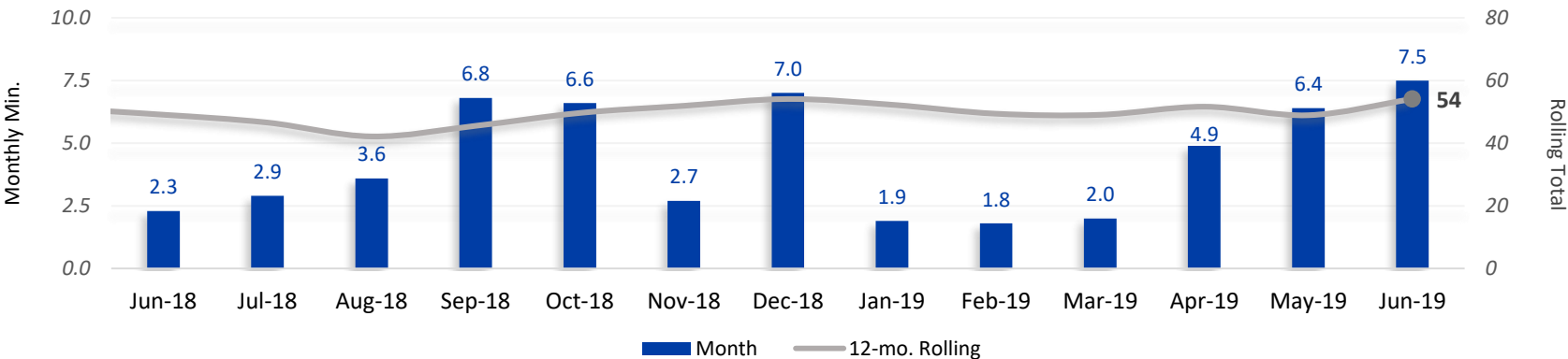


June Meter Totals by District (317,990)

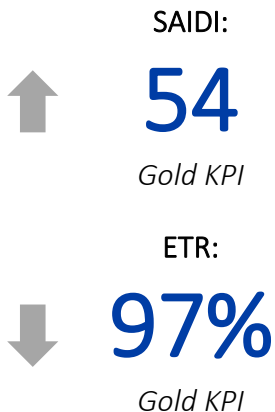


Reliability

SAIDI

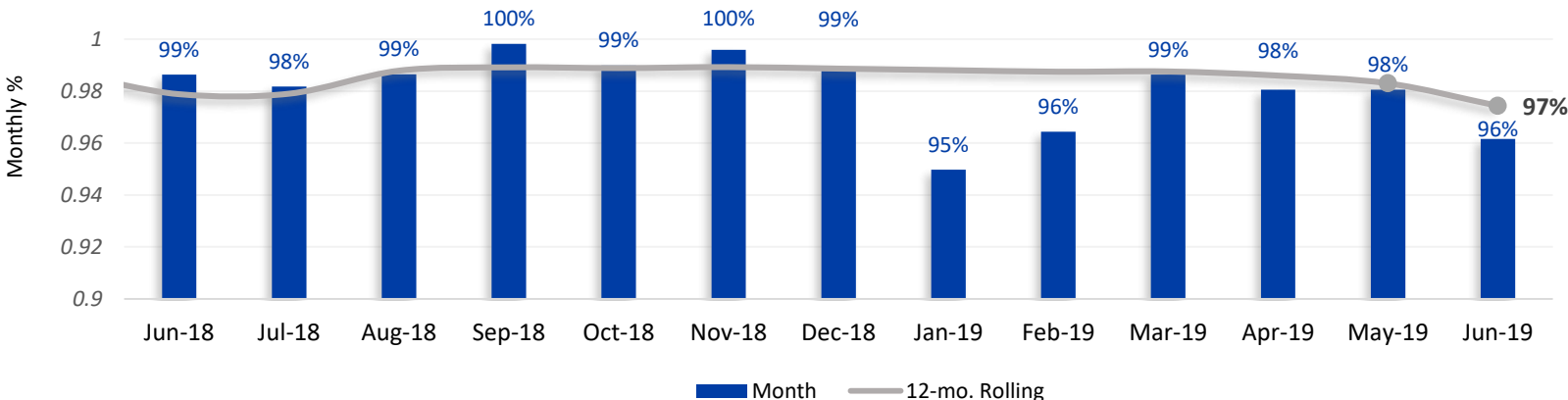


KPI Status

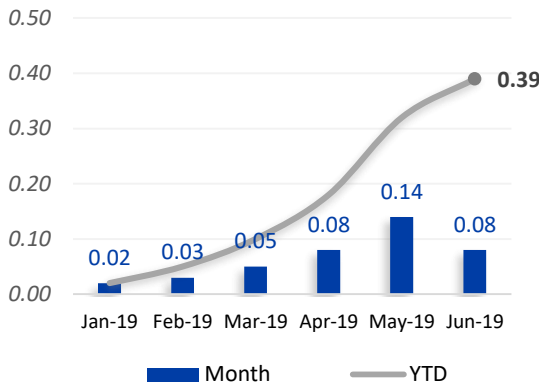


Estimated Time of Response (ETR)

% of Outages with ETR Provided



SAIFI Trending (YTD)



System Conversion - Lakeway

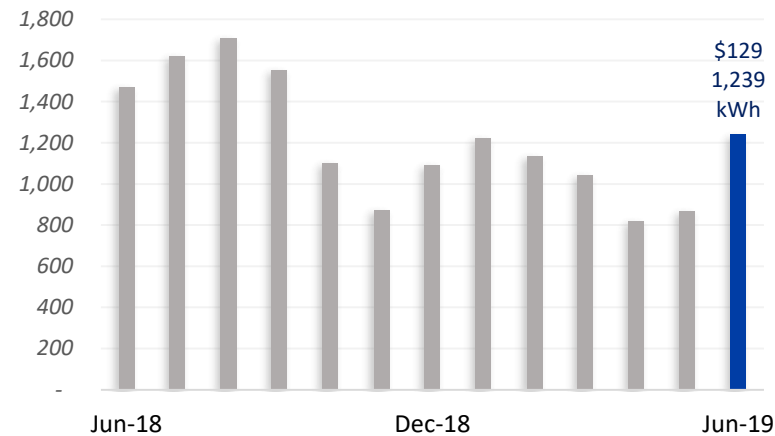
BC 130/140 Conversion Update

- Included 380 transformers affecting 788 meters:
 - 235 Underground transformers
 - 145 Overhead transformers
- 3 switchgears were replaced
- 132 employees involved, including:
 - 38 two-man crews
 - 17-man backyard team
 - 3 underground crews
- Districts/departments involved: Oak Hill, Marble Falls, Cedar Park, Junction, Bertram, Kyle, Liberty Hill, Canyon Lake, Johnson City Substation
- The conversion was 6 years in planning, in tandem with other conversions in Oak Hill
- Last section of a 12-year conversion project for Oak Hill to 14.4KV



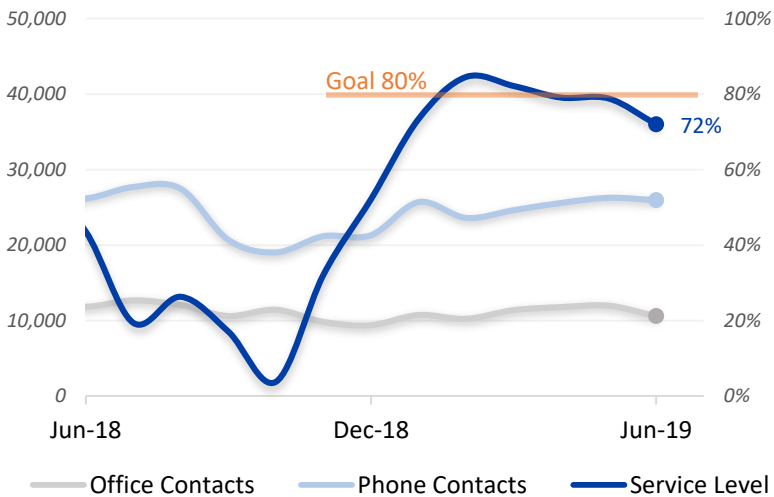
Member Relations

Avg Residential Usage



- Beginning to experience high-usage summer billing inquiries
- Service Level performed strong for most days in June, high-volume Mondays continue to be a challenge for current staffing levels
- Elimination of card-phone payments and push to secure self-service options began July 1 without issue

Service Level



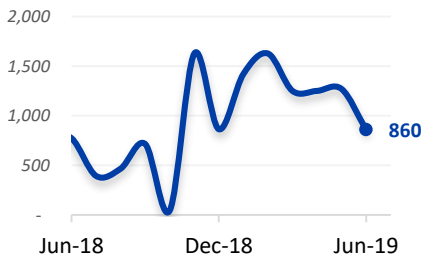
Payment Types

Type	June Totals	
Autopay	130K	42%
Self-Service	92K	30%
Mail	38K	12%
Wire	34K	11%
Agents	17K	5%

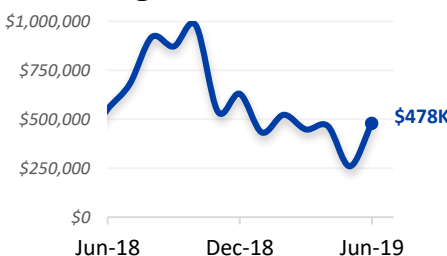
Collections

Four days of restricted activity due to weather

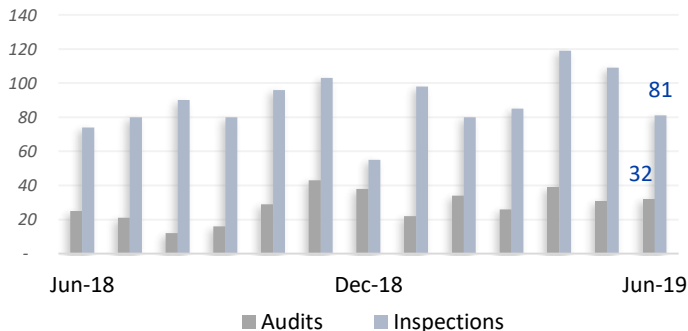
Remote Disconnects



Aged Balances



Energy Services



Customer Satisfaction

Recent member responses to on-going satisfaction surveys are reinforcing our drive to provide excellent service and strengthen our member engagement. PEC utilizes two external customer satisfaction survey groups offering unique member-input:

JD Power

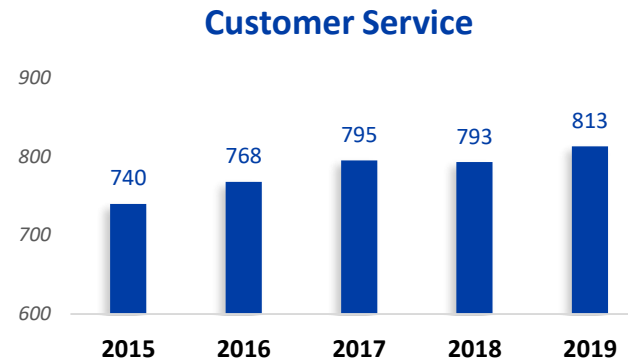
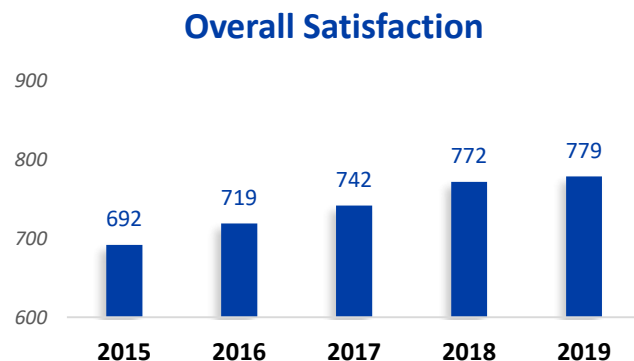
- A nationally recognized brand covering many industries and offers strong comparative data from other utilities
- Presents annual "Syndicated Results" with corresponding awards
- A strong performance with JD Power brings national recognition from industry peers

TSE Services

- A more direct service that contacts PEC members who had a recent interaction with the Cooperative
- Around 40 electric cooperatives utilize this service and the performance benchmarks are set at a high level by these competitive groups
- TSE offers more customized survey options, including a focus on cooperative values with metrics created for factors like "Member Engagement" and "Trust"

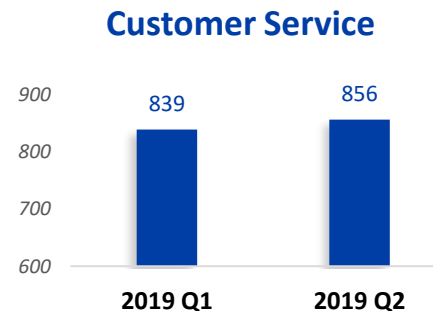
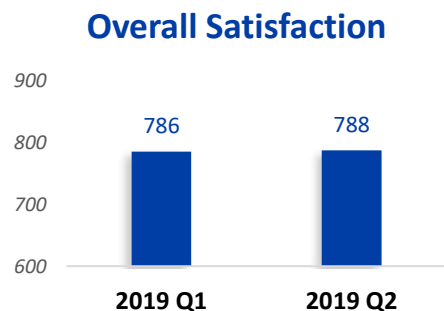
Satisfaction Survey Results - JD Power

Annual Results



Average scores among all utilities - 725 & 784

2019 Quarters 1 & 2



PEC's 2nd quarter Overall score of 788 ranks PEC 3rd in the nation among all utilities.



PEC Member Engagement

" Research shows that satisfaction is essential but not sufficient on its own as a business metric. **Satisfaction** is a measure of how members currently feel. **Engagement** is a measure of the members' relationship including advocacy for and involvement with the electric cooperative."

-TSE Services

" Member Engagement goes beyond satisfaction by exploring the emotional bond created between members and their cooperative."

-National Survey of Cooperative Difference

" Organizations that engage their customers outperform those that do not."

-Gallup

PEC Member Engagement

The foundation of Member Relations is built on its philosophy to *Think Like A Member*, emphasizing collaboration, improvement, and flexibility. The restructuring of the department in 2018 created a Member Engagement Team that encourages member and employee outreach through many channels:

Member Engagement

Welcome surveys:

- Random sampling of new members
- Provide 1st impressions of PEC
- Ensure complete service application and account customization

Online surveys:

- Promoted with member contacts, member messaging, and at PEC events
- Opportunity for immediate feedback and issue resolution

Employee Engagement

Capturing and sharing staff suggestions:

- Post-training surveys
- Office visits
- Recognizing individuals
- Sharing comments and compliments

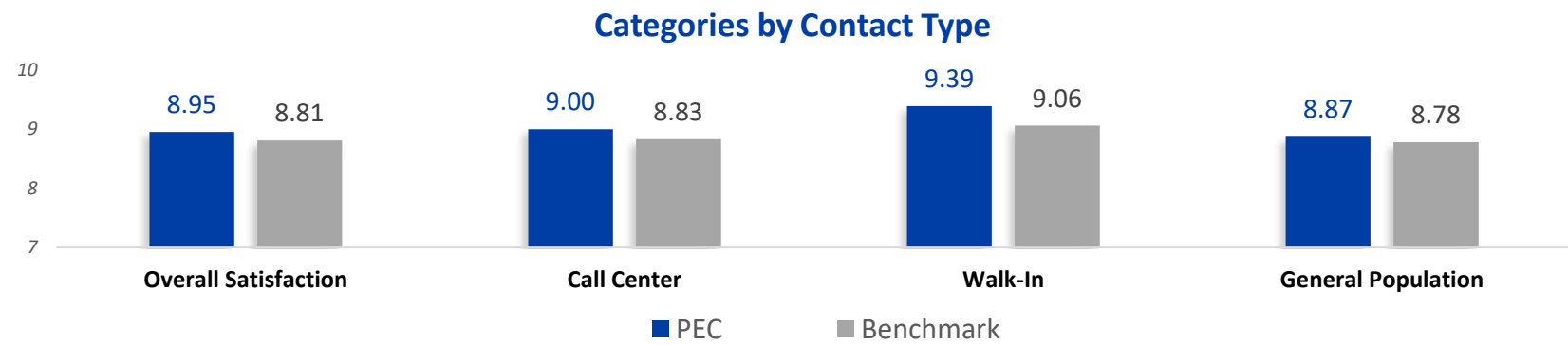
Employee newsletter:

- Consistent messaging and philosophy
- Industry and PEC information
- Department and process updates
- Employee spotlight

The Engagement, Member Experience, Support Services, and Development Teams work hand-in-hand to capture member and employee feedback, and to incorporate and train these ideas into procedures and initiatives. After one year, the results are noticeable in TSE Service's Member Engagement metric.

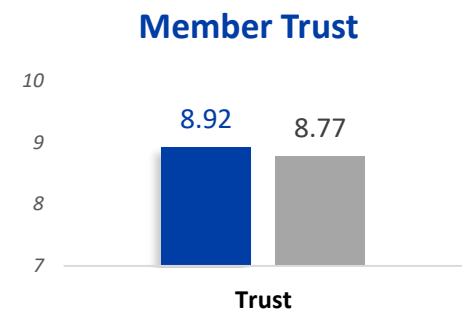
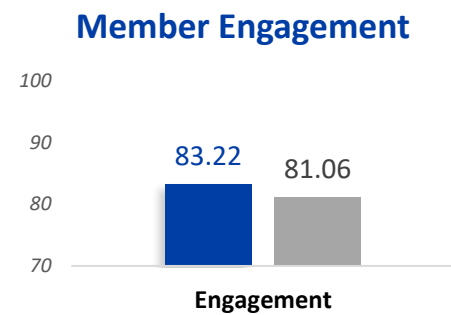
Satisfaction Survey Results - TSE Services

Overall Satisfaction



Highest Overall Satisfaction score on record, going back to 2011.

Member Engagement



Highest Member Engagement score on record, going back to 2014.
Trust survey question: "How is your coop performing in being a name you can always trust?"

Engineering

Quarterly Update of Long-Term Projects

Aug-19

Resolution: Engineering Master Service Agreement

Sep-19

Draft Resolution: Whitestone - Leander Project Summary (Eminent Domain)

Draft Resolution: WZ - MT Pole Contract for WZ to 2147 section - Placeholder: if > \$3M

Oct-19

Draft Resolution: Purchase PEC part of Spanish Oak Substation from LCRA

Resolution: WZ - MT Pole Contract for WZ to 2147 section - Placeholder: if > \$3M

Resolution: Whitestone - Leander Project Summary (Eminent Domain)

Engineering

Quarterly Update of Long-Term Projects

Nov-19

Resolution: Purchase PEC part of Spanish Oak Substation from LCRA

Draft Resolution: Purchase PEC part of Ridgmar Substation from LCRA

Draft Resolution: Burnet - Bertram - Andice Transmission Project Summary (Eminent Domain)

Dec-19

Resolution: Purchase PEC part of Ridgmar Substation from LCRA

Resolution: Burnet - Bertram - Andice Transmission Project Summary 1st section (Eminent Domain)

Draft Resolution: Whitestone - Leander Pole Contract Approval - Placeholder: if > \$3M

Jan-20

Resolution: Burnet - Bertram - Andice Transmission Project Summary 2nd section (Eminent Domain)

Draft Resolution: Burnet - Bertram - Andice Pole Contract

Resolution: Whitestone - Leander Pole Contract Approval - Placeholder: if > \$3M

Engineering

Quarterly Update of Long-Term Projects

Feb-20

Draft Resolution: WZ - MT Construction Contract for WZ to 2147 section - Placeholder: if > \$3M

Resolution: Burnet - Bertram - Andice Pole Contract

Mar-20

Resolution: WZ - MT Construction Contract for WZ to 2147 section - Placeholder: if > \$3M

Jun-20

Draft Resolution: Whitestone - Leander Construction Contract Approval - Placeholder: if > \$3M

Jul-20

Draft Resolution: Burnet - Bertram - Andice Construction Contract

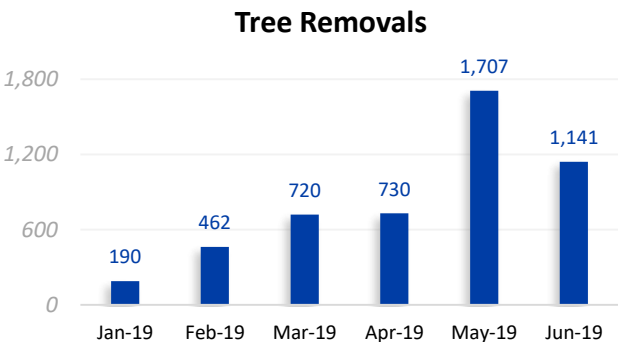
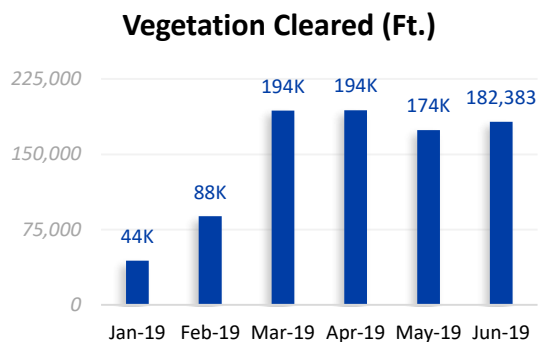
Resolution: Whitestone - Leander Construction Contract Approval - Placeholder: if > \$3M

Aug-20

Resolution: Burnet - Bertram - Andice Construction Contract

System Maintenance

Vegetation Management

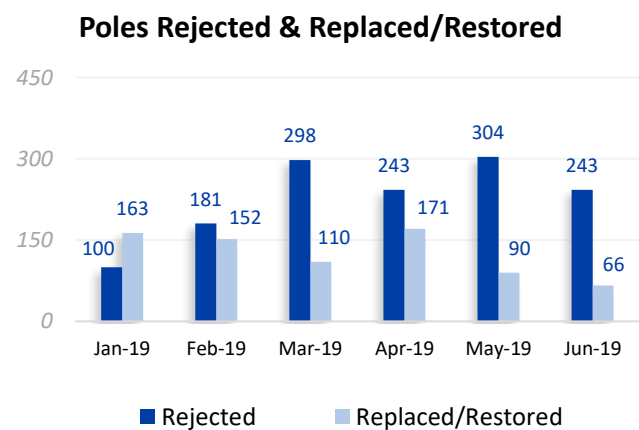
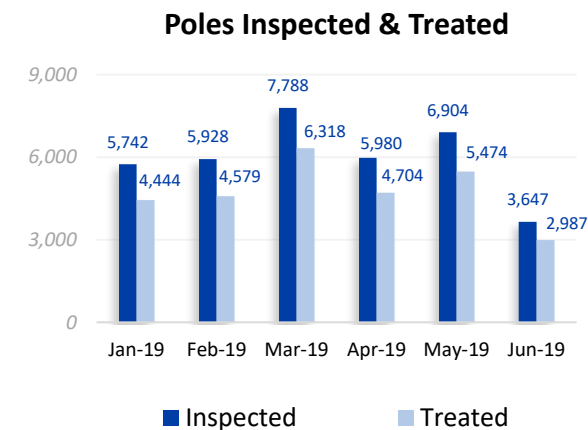


Notes:

- 182,838 ft. cleared equal to approx. 35 miles
- Large amount of invasive species removed from a rural area along TX DoT right-of-way



Pole Testing & Treatment (PTT)

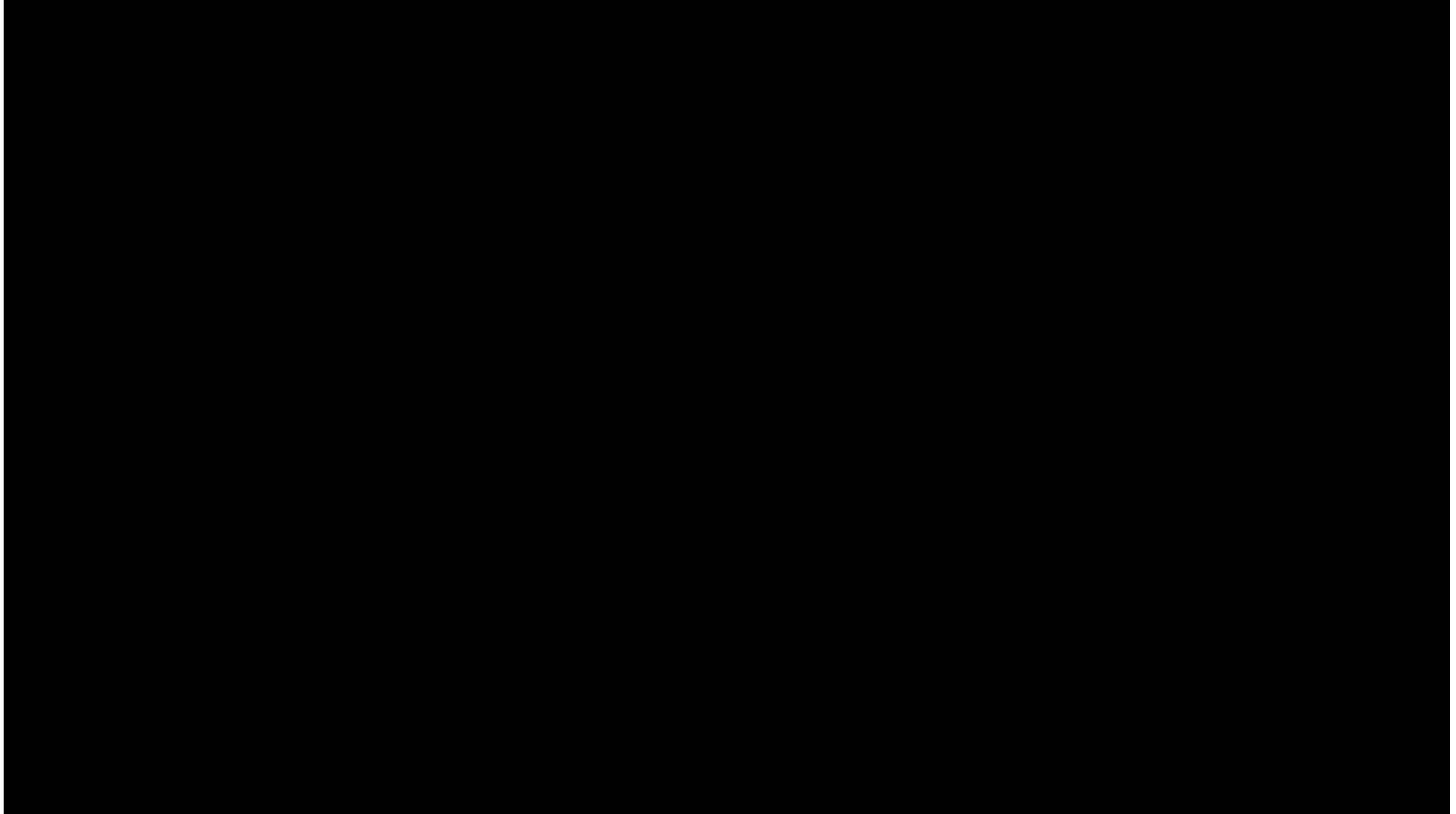


Notes:

- Osmose pole inspections are ahead of schedule
- Reduction in replacements due to wet weather and contractors released for storm response
- Predicting increase in drier summer months



Safety Video





pec.coop