



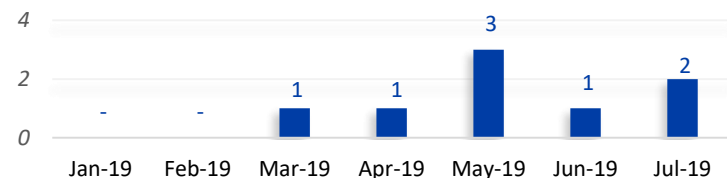
Operations Report

Eddie Dauterive | Chief Operations Officer

Safety

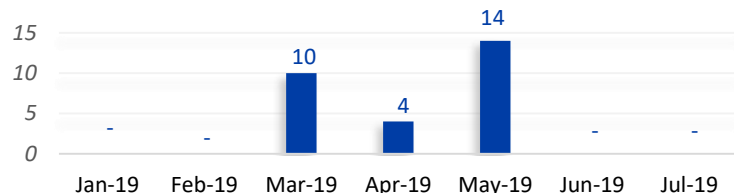
Reportable Injuries

Total Reportable Injuries



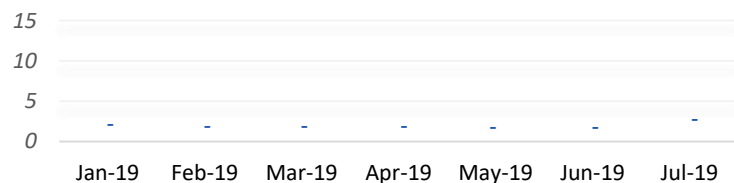
Jul: 2
YTD: 8

Days Away - Restricted Duty



Jul: 0
YTD: 28

Days Away - Lost Time

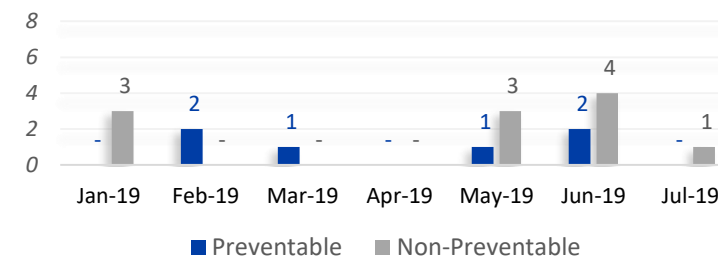


Jul: 0
YTD: 0

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

Vehicle Accidents

Preventable Vehicle Accidents



Jul: 0
YTD: 6

Injury & Incident Notes:

Now including a new category for this report as "Personal Incident" defined as an unplanned occurrence that had the potential to cause, **but did not result in**, significant damage, personal injury, and/or loss of life. These events are reported and discussed during weekly safety meetings, as required by PEC's close-call/near-miss reporting guidelines.

Employee Injuries (2):

- Bitten by animal (cat)
- Accidental small cut

Vehicle Incident (1):

- Non-Preventable - PEC vehicle struck by deer

Personal Incident (1):

- Employee over-extended a hot-stick, which dropped on a parked PEC vehicle causing minor damage.

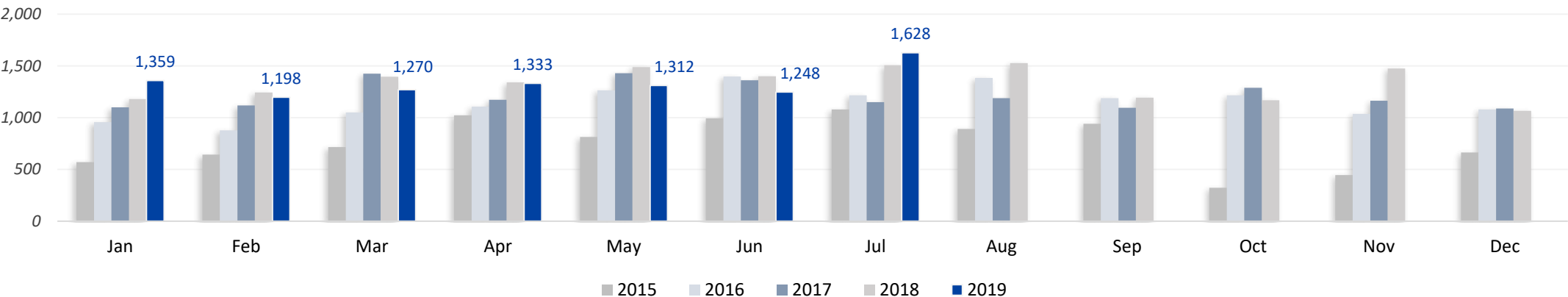
System Growth

Annual Line Extension Comparison

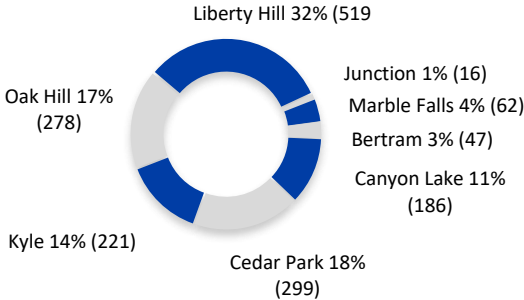
2018 Total: 15,893
2019 YTD: 9,348

July Growth Milestones:

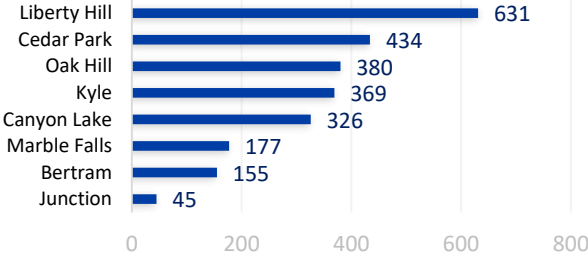
- Members - 2nd highest month
- Meters - 2nd highest month
- Accounts - Highest month
- Line Extensions - Highest month



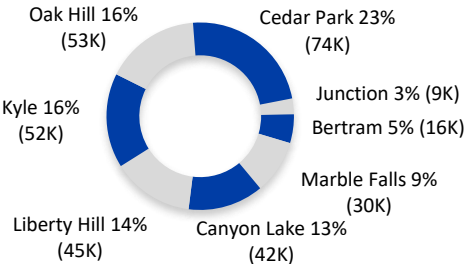
July Line Extensions by District (1,628)



July Meter Growth by District (1,542)

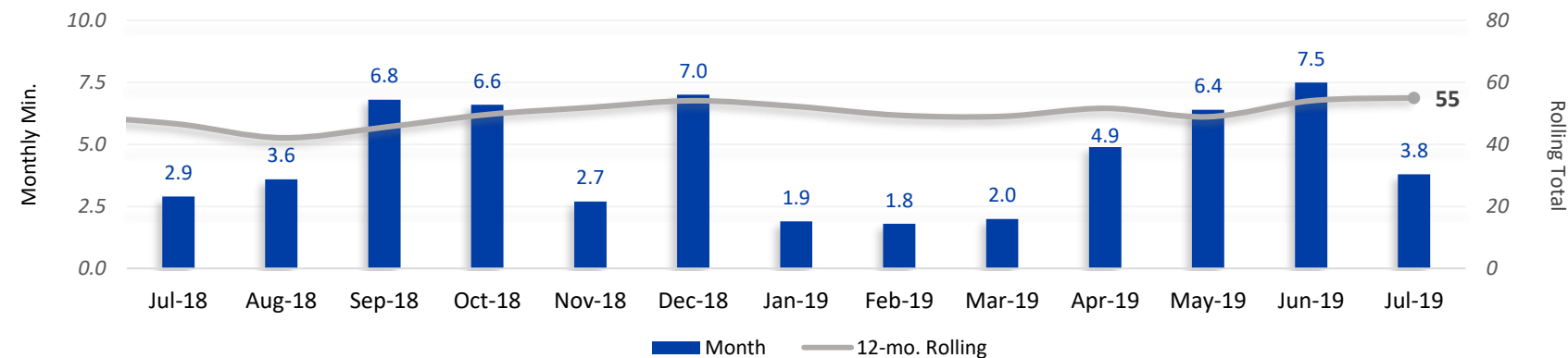


July Meter Totals by District (320,507)

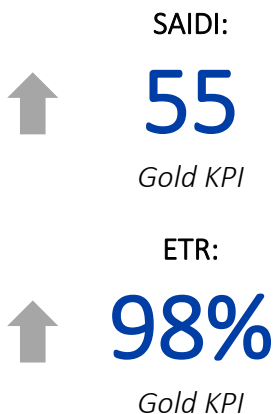


Reliability

SAIDI

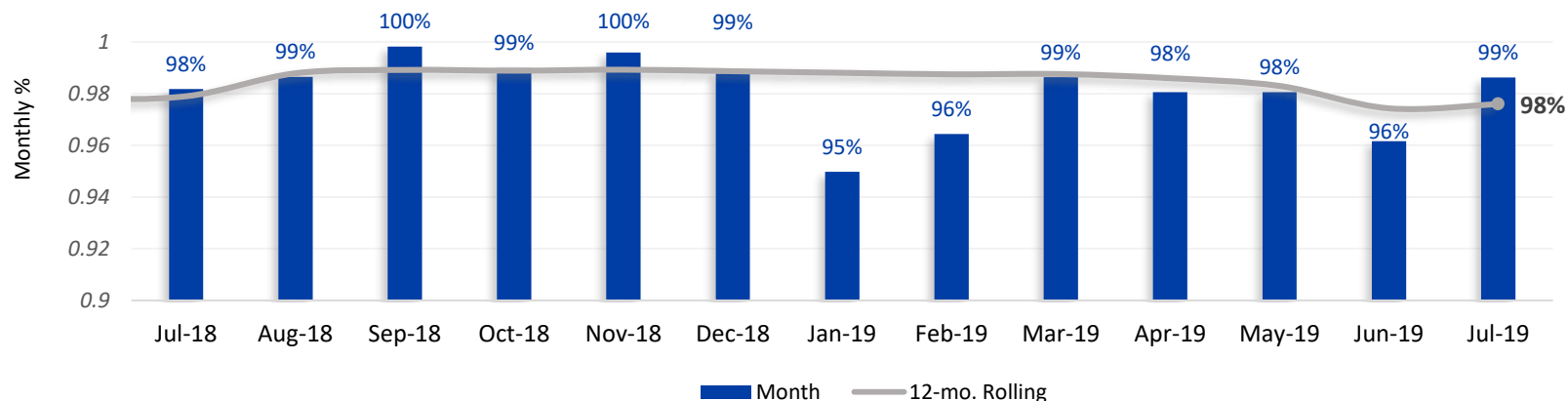


KPI Status

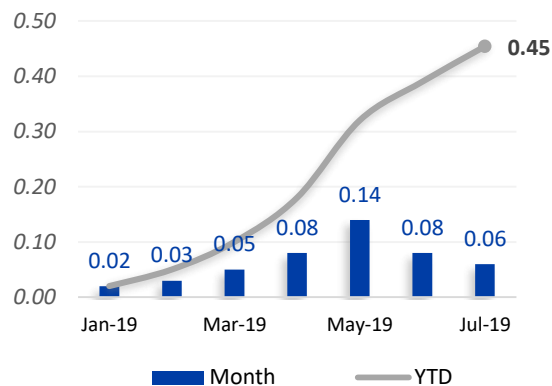


Estimated Time of Response (ETR)

% of Outages with ETR Provided



SAIFI Trending (YTD)



Control Center Updates

Automatic Vehicle Location (AVL):

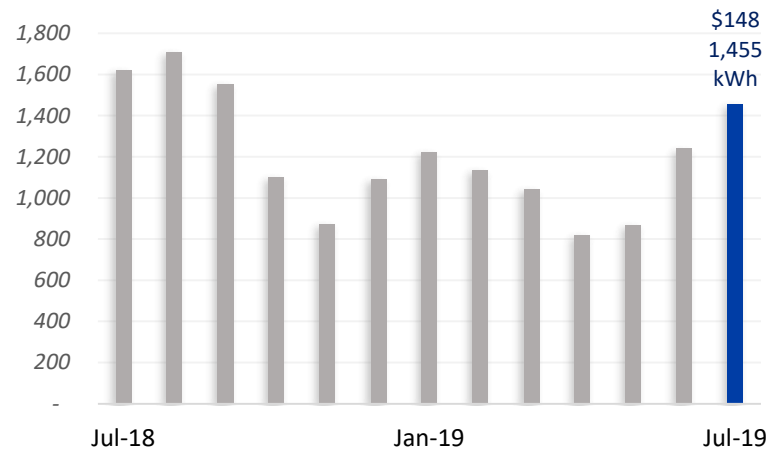
- All equipment installs are complete
- App is available to Operations
- User and administrative training is complete
- In process of developing interface with IVUE

OSII Spectra Distribution Management System (DMS):

- RamTech (GIS solution) has developed an electrically connected model from Trimble
- OSII is reviewing in preparation for development of DMS model
- Represents a major milestone for OSII applications

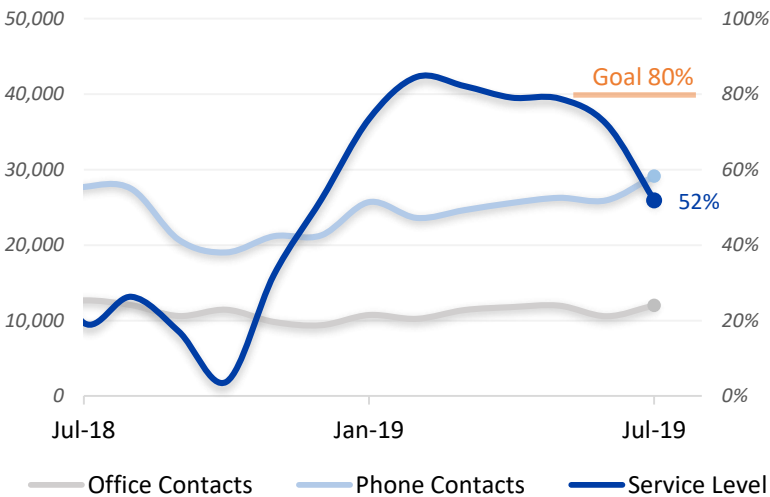
Member Relations

Avg Residential Usage

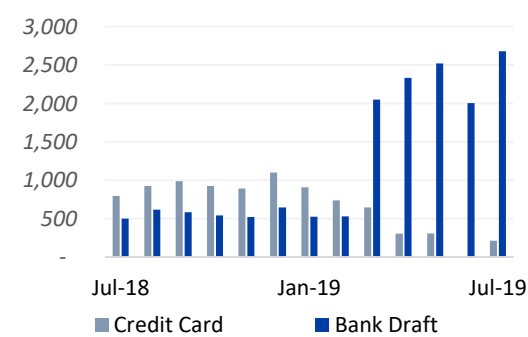


- High-usage summer billing and staffing attrition are impacting Service Level; in process of addressing staffing support
- As a result of transitioning members away from phone payments, there is tremendous growth in bank-draft autopay enrollments. These are cost effective for both PEC and members
- PEC is an industry leader in autopay enrollments

Service Level



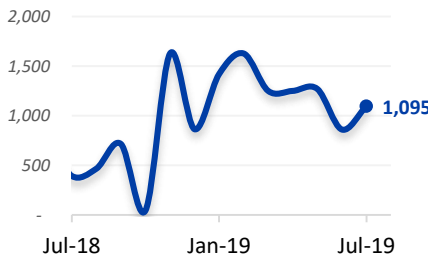
Autopay Enrollments



Collections

10 days of restricted activity due to holidays and weather

Remote Disconnects



Aged Balances



Energy Services



Engineering

Transmission Project Updates

- **Hwy 32 - Wimberley** line rebuild and upgrade (*Canyon Lake/Kyle*)
 - Construction crews mobilized on 7/29/19
 - Poles are on order and will be delivered by 8/15/19
 - Construction complete by early December
- **Blanco - Devil's Hill** distribution under-build re-conductor (*Canyon Lake*)
 - Rebuild 1.75 miles of transmission line
 - Phase 1: Construction complete for initial phase
 - Phase 2: Pole bid awarded and poles will be delivered in January
- **Wirtz - Mountain Top** line upgrade (*Marble Falls*)
 - Rebuild 25 miles of 69 kV line and convert to 138 kV
 - Maslonka (contractor) is drilling and setting poles
- **Dripping Springs - Rutherford** relocation (*Oak Hill*)
 - Relocate 7 poles for Driftwood Golf Club
 - Poles will be delivered by 9/30/19
 - Construction is in the bidding process
- **Whitestone – Blockhouse – Leander** line upgrade (*Cedar Park*)
 - Currently in engineering, pole-bid package to be sent in August 2019.
- **Burnet – Bertram – Andice** line upgrade (*Bertram*)
 - Currently in engineering and evaluating existing easements



Engineering

Substation Projects

- **Andice T1 & T2 Upgrade** (*Bertram/Liberty Hill*) - Upgrade T1 & T2 to 46.7 MVA
 - Construction began in May 2019 and scheduled to be completed by October 31, 2019
- **Spanish Oak Substation** (*Liberty Hill/Cedar Park*) - LCRA to construct substation on the LCRA Round Rock - Leander Transmission line
 - PEC to purchase distribution section of the substation
 - Construction started May 2019 and scheduled completion is October 2019
- **Ridgmar Substation** (*Liberty Hill*) – LCRA to construct substation on the LCRA Round Rock – Leander Transmission line
 - PEC to purchase distribution section of the substation
 - Construction started June/July 2019 and completed November 2019
- **Esperanza Substation** (*Canyon Lake*) – LCRA/PEC to construct 46.7 MVA substation:
 - Engineering complete in March 2019
 - Construction began in July and will finish in November 2019



Engineering

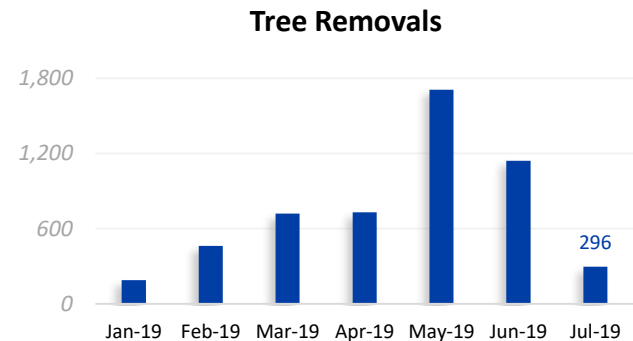
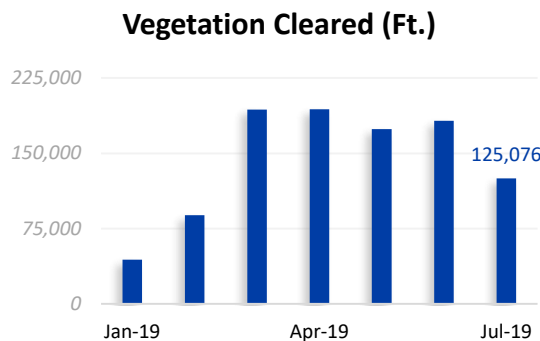
Substation Projects

- **Leander Substation** (*Cedar Park*) - Rebuild 138 kV bus for improved reliability and add line terminal for LCRA transmission line
 - Engineering complete, construction in bidding process
- **Highway 32 and Wimberley Substations** (*Canyon Lake, Kyle*) - Line terminal work at the substations associated with the transmission line upgrade
 - Engineering complete, construction in bidding process
- **Wirtz, Johnson City, Mountain Top Substations** (*Marble Falls*) - Line terminal work at the substations associated with the transmission line upgrade
 - Engineering complete, construction contractor selected
- **Crosswinds Substation** (*Kyle*) – New substation with one 46.7 MVA power transformer
 - Engineering 90% complete
 - Construction to begin in October 2019
- **Buttercup Substation** (*Cedar Park*) – Upgrade 22.4 MVA power transformer to 46.7 MVA and improve 138 kV bus
 - Engineer selected, project will kick-off in August 2019



System Maintenance

Vegetation Management

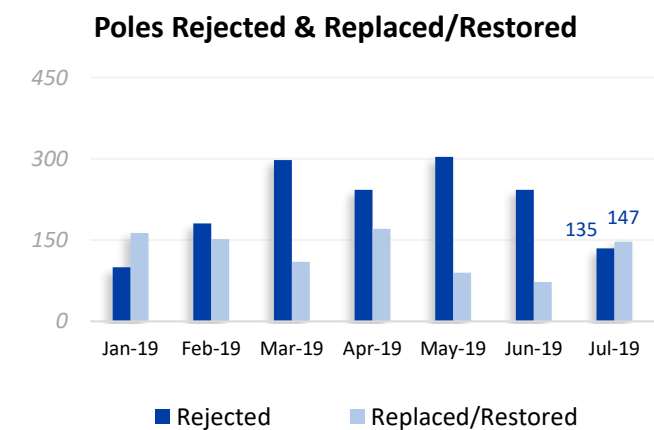
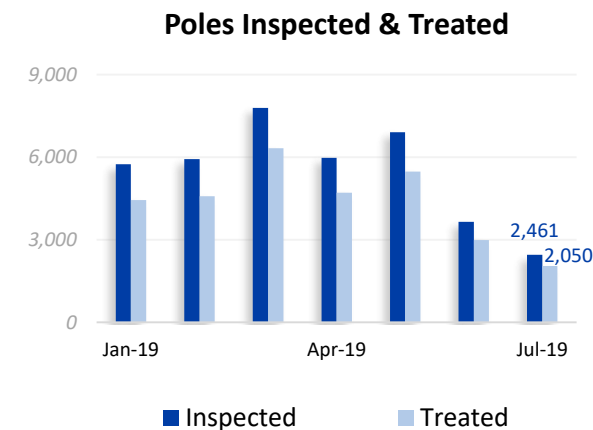


Notes:

- 125,076 ft. cleared equal to approx. 24 miles
- Of the 435 miles of line inspected YTD, only 32% has required clearing



Pole Testing & Treatment (PTT)



Notes:

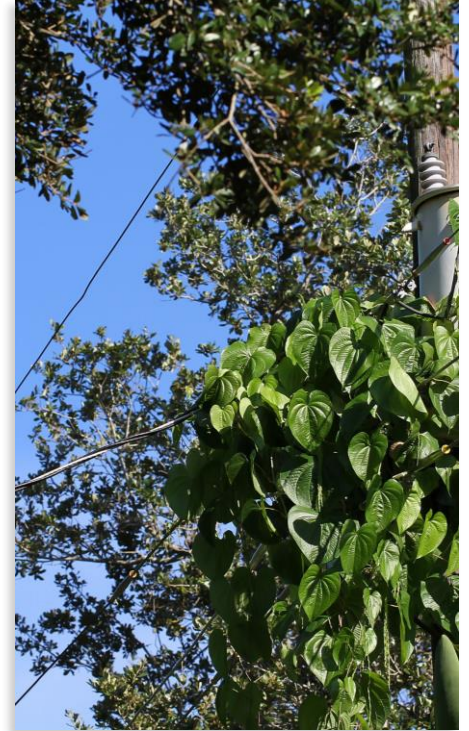
- Pole inspections expected to complete early September
- Increase in productivity on Replaced/Restored due to drier weather conditions



System Maintenance Highlights

New Programs and Roles Showing Positive Results:

- Line Inspectors coordinating activities of construction contractors:
 - Eliminated contractor oversight of other contractors and reduced the practice of re-engineering existing plans
 - **Impact:** Eliminated \$2M annually of direct engineering costs
- Feeder Maintenance - Implementing a new preventative maintenance program:
 - Two UAV Technicians have inspected 40 feeders totaling over 380 miles of line
 - Maintenance crews inspect, repair, and exercise critical switches to ensure operation in outage scenarios
- Vegetation Management:
 - Think Power tracking software allows more efficient tracking, auditing, and recording of field work
 - Launched a new URD Maintenance Project to remove vegetation from URD primary equipment
- Technical Services - Critical role in launching Cedar Park IntelliRupter Distribution Automation Program:
 - This system of reclosers work together to quickly locate faults on lines and reduce affected areas
 - Immediately begin reconfiguring by themselves, by opening and closing, to locate and restore power



System Maintenance Highlights

Pole Testing and Treatment (PTT) Improvements:

- Increased Utilization of C-Truss Support:
 - Allows broader use of restoring existing poles rather than replacement, adding decades of service life
 - Major cost savings, on average over \$2,700 per pole versus replacement
 - Also allows timely repair with one site-visit, rather than a 4-6 month backlog for replacement scheduling
- Creating a systematic and geographic approach to repair work:
 - Proactive scheduling to centralize crews to eliminate sporadic travel
 - Coordinate and schedule work with other teams and conversion planning
- Utilize existing software and mapping tools to coordinate field workflow:
 - Offers more efficient tracking for other departments (Operations, Vegetation Mgmt, Technical Services) to schedule work, coordinate activities, and eliminate duplicative efforts
 - Similarly, other utilities can monitor and schedule attachment work more efficiently



System Maintenance Highlights

Capital Budget Impact:

- Projected Capital Budget reductions shown below correspond to new programs, increased productivity with PEC crews vs. contract crews, and a reduction in PTT backlog for pole repair:

PTT Capital Budget Year	Total Capital Budget
2017	\$ 21,288,807 (actual)
2018	\$ 12,948,114 (actual)
2019	\$ 9,600,000 (budget)
2020	\$ 7,000,000 (projected budget)
2021	\$ 4,500,000 (projected budget)

- Anticipated actuals for 2019 are \$8M, currently at \$3.6M through July

Facilities Update

<i>Office:</i>	<i>Activities:</i>
Bertram	Construction for front-office security improvements is underway and the office is scheduled to reopen in September.
Cedar Park	The Anderson Mill access road MOU has been submitted to TXDOT for review.
Johnson City	HQ 1 st floor construction is in progress and we expect to transition Finance this fall. New HVAC units for the Moursund building's Control Room have been installed.
Leander	We have engaged our realtor to develop a strategy to dispose of unwanted sections as we develop a facility plan for the remainder of the site.
Marble Falls <i>(Former district office)</i>	In process of being prepared for use by the Safety and Training department.
Oak Hill	The warehouse furniture has been installed and currently waiting on septic permits. On schedule to open in the fall, if not sooner.
Spring Branch	The site has been cleared of excess vegetation to facilitate site-use and planning.



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