November 29, 2022

Board of Trustees
Mr. Rudy D. Garza, President & CEO

Dear Trustees and Mr. Garza:

Attached is our monthly Enterprise Performance Update which includes results through October 31, 2022. This report, which will be posted to our website following the November 29, 2022 Board of Trustees meeting, includes three components:

- Update on financial performance (to be presented at the Board of Trustees meeting)
- Update on Key Results
- Update on Tier 1 metrics

Financial Performance

Higher fuel costs and weather continue to drive incremental revenue, which in turn is being used to cover fuel costs and city payment. We are seeing persistent past due receivables and associated bad debt expense. As a result, our financial performance is below our budget YTD, and our forecasted full year FY2023 financial performance is also expected to be below plan. However, we continue to forecast our key financial metrics will remain at acceptable levels (i.e., higher than Rating Agency thresholds) for FY2023.

YTD financial highlights include:

- Total top line revenue was $383.5 million above plan due to high fuel costs and weather.
- Total fuel & regulatory costs were $371.6 million above plan and City Payment was $46.5 million higher than plan.
- Our past-due receivables now exceed $200M, and the associated bad debt expense (which is a reduction in revenue) is now $53.1 million above plan ($60.4 million vs. plan of $7.3 million). We are pursuing an aggressive receivables strategy, and this plan will be outlined at the Board of Trustees meeting.

- Rising interest rates continue to drive mark-to-market adjustments (non-cash item) on our long-term bond investments. Year-to-date, non-operating revenue is $19.2 million below plan.
- These items resulted in revenue available for non-fuel expenses that were $53.8 million below plan (~4.5% below plan of $1,191.3 million).
- Non-fuel expenses are favorable, and net income of $110.5 million is slightly under budget ($13.4 million below).
- On the Flow of Funds, our Repair & Replacement (R&R) additions are $410.6 million YTD (above budget by $78.0 million).
- Days Cash on Hand is 138 as of October 31, which is below YTD target of 176. This is driven by high past due receivables.
- Adjusted Debt Service Coverage and Debt Capitalization ratios are better than plan year to date (ADSC = 2.28 vs. YTD target of 2.02; Debt Cap = 60.8% vs. YTD target of 62.0%).

Full year FY2023 financial projections:

- Top line revenue is expected to be $514.3 million above plan.
- Total fuel and regulatory costs are forecasted to exceed plan by $487.1 million.
- We have revised our forecast for bad debt expense to $70.0 million (~$60 million above plan of $10.4 million) for the full year.
- We are projecting non-fuel expenses to be $33.6 million below plan on a full year basis.
- Net income is projected to be $51.1 million (below the budget of $77.2 million), and our full year projected R&R additions are $365.3 million (above the budget of $344.9 million).
- We are projecting Days Cash on Hand to come in at 160 days. While we are now indicating this metric is "unrecoverable" relative to our target of 170, we still expect it to end the year above the Rating Agency threshold of 150.
- Other projected year-end key financial metrics remain on par with plan.

Thank you, again, for your leadership and support.

Sincerely,

Cory Kuchinsky, CPA
CFO & Treasurer

PK

Attachments

Copy COSA: Erik Walsh, City Manager
Ben Gorzell, CFO
Zack Lyke
Juan Valdez
Russell Huff

Copy CPS Energy: Rudy D. Garza, President & CEO
CEO Direct Reports
Govt & Reg Affairs & Public Policy

MONTHLY PERFORMANCE UPDATE

PRESENTED BY:
Cory Kuchinsky, CPA
Chief Financial Officer & Treasurer

PRESENTED BY:
DeAnna Hardwick
EVP, Customer Strategy

November 29, 2022

Informational Update

AGENDA

- **FINANCIAL PERFORMANCE**
- **KEY FINANCIAL METRICS**
- **PAST DUE RECEIVABLES STATUS UPDATE**

FINANCIAL PERFORMANCE SUMMARY

- High fuel costs & extreme weather have generated higher total revenue this year, but persistent past due receivables have resulted in lower cash & higher bad debt expense than planned
- After covering fuel expense & city payment, revenue available to cover core business operating costs is below plan
- As a result, we are forecasting Net Income to be below plan for the year
- Our key financial metrics have degraded somewhat, but are still forecasted to be at acceptable levels

Past due receivables are our biggest challenge, & we are placing significant focus on this issue.

FINANCIAL PERFORMANCE
YEAR-TO-DATE

	Budget	Actual	Variance
Total Revenue *(Operating & Non-Operating)*	$2,311M	$2,675M	$364M
- Less Fuel & Regulatory Costs	$818M	$1,189M	($371M)
- Less City Payment	$302M	$348M	($46M)
Revenue Available to Cover Core Business Costs	**$1,191M**	**$1,138M**	**($53M)**

To date, revenue available to cover core business costs is below plan.

Note: Financial Performance per Income Statement through October 2022.

FINANCIAL PERFORMANCE
FY2023 NET INCOME FORECAST

		Budget		Forecast		Variance: Favorable (Unfavorable)
Gross Retail Revenue	$	2,800.8	$	3,270.1	$	469.3
Retail Fuel & Regulatory Expense		964.1		1,318.5		(354.4)
Bad Debt Expense		10.4		70.0		(59.6)
Retail Revenue Net of Fuel		1,826.3		1,881.6		55.3
Wholesale Revenue		155.9		260.5		104.6
Wholesale Fuel & Regulatory Expense		105.8		238.5		(132.7)
Wholesale Revenue Net of Fuel		50.1		22.0		(28.1)
Non Operating Revenue		36.4		4.3		(32.1)
City Payment		388.2		443.0		(54.8)
Revenue Available to Cover Core Business Costs		1,524.6		1,464.9		(59.7)
Nonfuel Expenses		1,447.4		1,413.8		33.6
Net Income (Loss)	$	77.2	$	51.1	$	(26.1)

High bad debt expense is eroding revenue, & Net Income is expected to be below plan as a result.

FINANCIAL PERFORMANCE
CASH & OPERATING EXPENSES

	Cash Balance (As of October 31)		Daily Operating Expense (Driven by Fuel Expense)		Days Cash on Hand (As of October 31)
Budget:	$861M	÷	$4.9M	=	176
Actual:	$855M	÷	$6.2M	=	138

Higher past due receivables have led to lower cash balances, despite passing higher fuel costs through to customers.

KEY FINANCIAL METRICS
REVISED FORECAST VS. BUDGET

	Year to Date	Full Year Forecast	Full Year Budget	Threshold Levels
Debt Service Coverage Ratio	2.28	1.85	1.79	1.50
Debt Capitalization Ratio	60.76%	61.66%	61.66%	<60%
Days Cash On Hand	138	160	170	150

We are optimizing debt funding of our capital plan in order to manage cash flow.

RECEIVABLES ACTIONS

ARPA, REAP & Agencies:
- ✓ **$19.9M** for ~**19k** accounts
- ✓ **$2.7M** donated
- ✓ **$55M** of assistance provided

Affordability Discount Program
- ✓ **$19.9M** for ~**19k** accounts

Special Billing Programs
- ✓ **>58k** enrolled in Senior Citizen
- ✓ **~3k** enrolled in Critical Care

Flexible Payment Options Plans
- ✓ **~67k** enrolled in installment plans
- ✓ **>18k** enrolled in due date extensions
- ✓ **>35k** enrolled in Budget Payment Pans

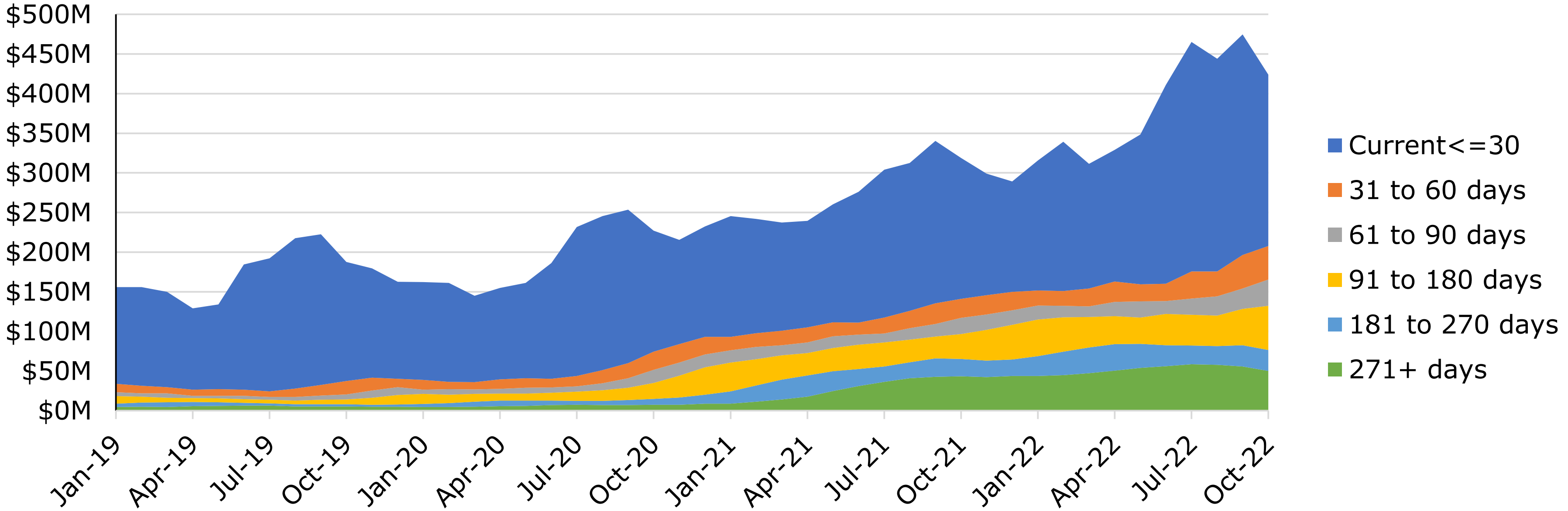
Collections
- ✓ **>915k** collection calls
- ✓ **~$8M** in late fees charges
- ✓ **>940k** written & email notices *(included disconnection letters)*
- ✓ **12k** disconnections completed

Communications & Support
- ✓ **>1,500** community engagements
- ✓ **>950** community events
- ✓ **47k** community members connected with
- ✓ **>230** customer visits *(residential)*
- ✓ **~600** managed cases *(residential)*
- ✓ **>174** customer visits *(commercial)*
- ✓ **~600** managed cases *(commercial)*

We have implemented our collections actions that we previously communicated to address accounts receivables.

RECEIVABLES FAR EXCEED NORMS

Accounts Receivable Trend by Age of Debt

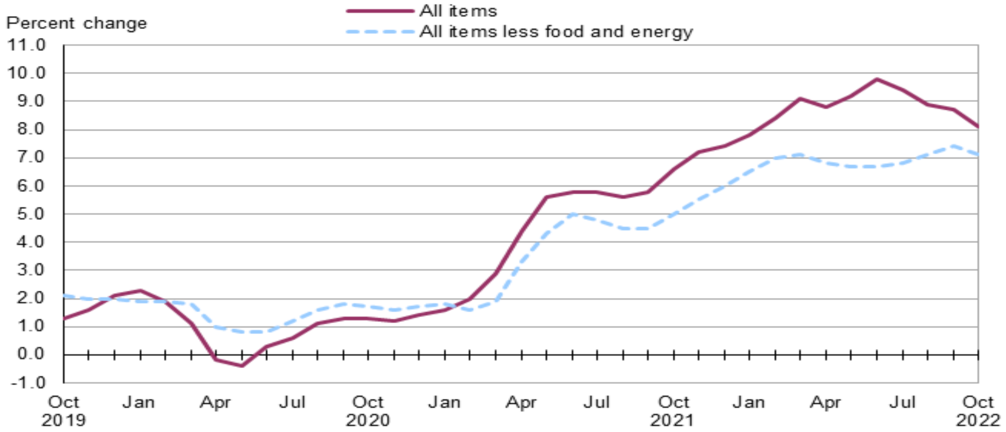


It has taken us time to get here & it will take time to see a shift given the current economic conditions.

WHAT WE ARE EXPERIENCING

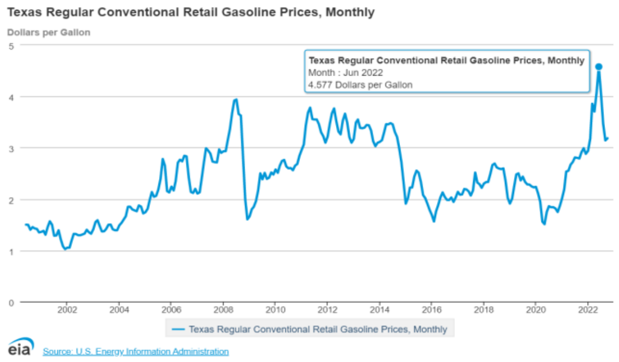
Consumer Price Index, South Region — October 2022

Chart 1. Over-the-year percent change in CPI-U, South region, October 2019–October 2022



Source: U.S. Bureau of Labor Statistics.

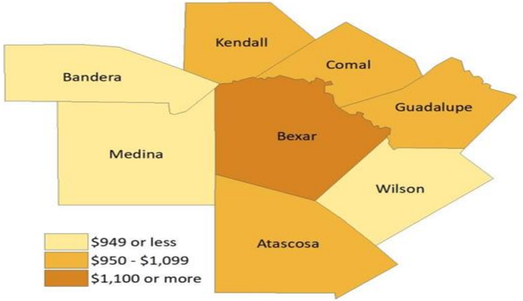
Gasoline Prices



Average weekly wages for all industries by county

San Antonio area, first quarter 2022

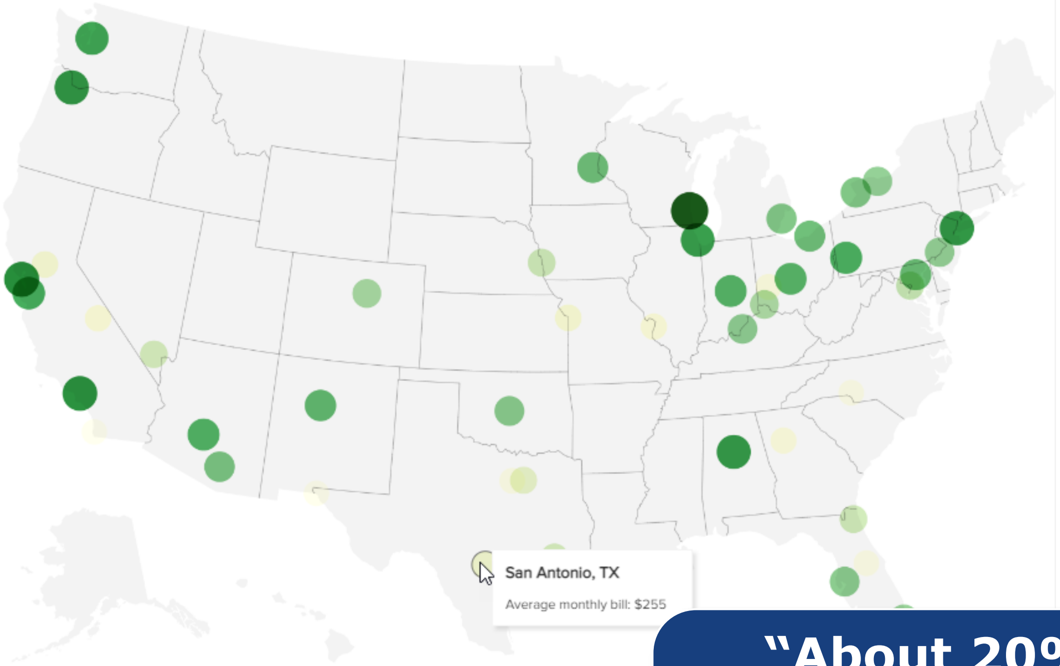
(U.S. = $1,374; Area = $1,161)



Source: U.S. BLS, Quarterly Census of Employment and Wages.

As our community faces significant economic challenges, our average past due balance of >$900 is 3x higher than 2019.

PART OF A NATIONAL TREND



What they're paying

Average monthly utility bill in America's 50 largest cities.

$198 $521

"About 20% of U.S. households have missed or made a late payment on their utility bill in the last month, according to a recent Bank of America report."

Source: CBS News "Money Watch" & Bank of America Institute, published September 23, 2022

WHAT THE INDUSTRY IS EXPERIENCING

Utilities across the country are experiencing higher temperatures, increased fuel costs, & reduced collections.

Huntsville BUSINESS JOURNAL
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41% of Households in Alabama Can't Afford Utility Bills Amid Inflation

November 16, 2022 / in Community Development, Economy, Featured, Government, Housing, Issues, Lead, News, People, Utilities / by Ashlyn Grey

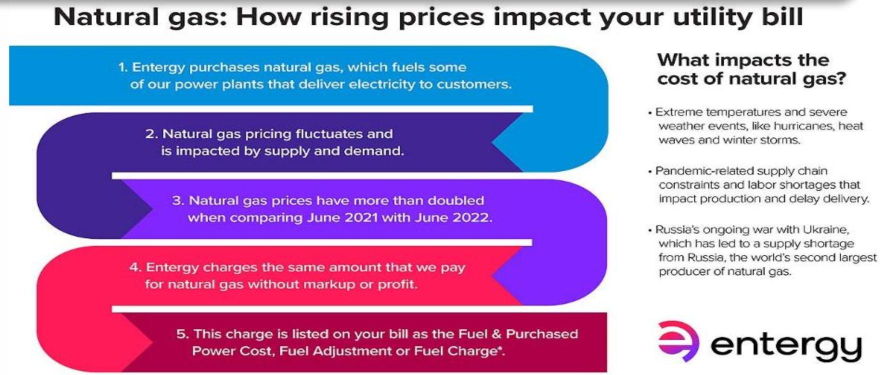
Austin American-Statesman
SERVING OUR COMMUNITY SINCE 1871

City Council raises concerns over planned Austin Energy rate, fee hikes

Ryan Autullo
Austin American-Statesman

Published 4:57 p.m. CT Sept. 27, 2022 | Updated 9:55 a.m. CT Sept. 28, 2022

Austin Energy Chief Financial Officer Mark Dombroski summed it up this way: The utility has cash available to last 120 days, about 30 days less than usual. In October 2020, Austin Energy had $402 million. It now has $184 million, he said.



NEWS // LOCAL San Antonio Express-News

New Braunfels Utilities to resume late fees, disconnects in 2023

Ricardo Delgado, San Antonio Express-News
Nov. 22, 2022

ENHANCING RECEIVABLES EFFORT

We understand the impacts & we are taking more steps to address the past-due balances in our community.

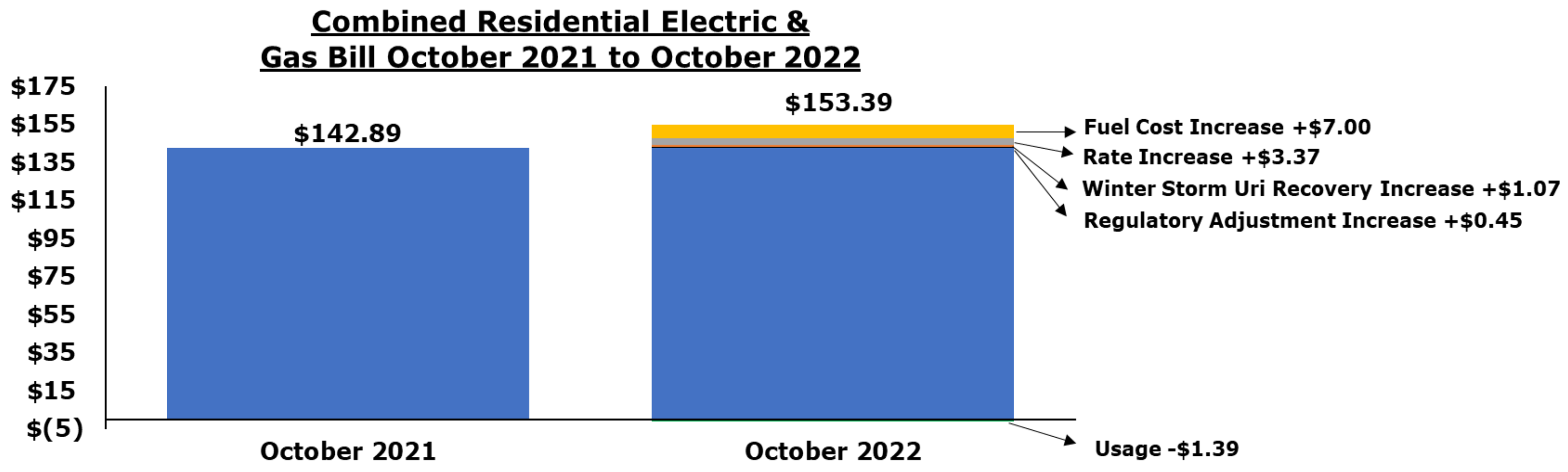
Thank You

Appendix

FINANCIAL SERVICES

ADDITIONAL INFORMATION

RESIDENTIAL BILL IMPACT



The rising cost of natural gas has resulted in an unavoidable impact on customers' bills. However, October bills were a lot milder than we've seen in recent months.

Note: Winter storm Uri Recovery = $0.00087*1080kWh (average electric usage for October) + $0.013349*10 CCF (average gas usage for October)

FINANCIAL PERFORMANCE
YEAR-TO-DATE

	Budget	Actual	Variance: Favorable (Unfavorable)
Gross Retail Revenue	$ 2,162.4	$ 2,517.4	$ 355.1
Retail Fuel & Regulatory Expense	732.8	992.7	(259.9)
Bad Debt Expense	7.3	60.4	(53.1)
Retail Revenue Net of Fuel	1,422.3	1,464.3	42.1
Wholesale Revenue	128.5	210.0	81.5
Wholesale Fuel & Regulatory Expense	84.8	196.5	(111.7)
Wholesale Revenue Net of Fuel	43.7	13.5	(30.2)
Non Operating Revenue	27.2	8.0	(19.2)
City Payment	301.8	348.3	(46.5)
Revenue Available to Cover Core Business Costs	1,191.4	1,137.5	(53.9)
Nonfuel Expenses	1,067.5	1,027.0	40.4
Net Income (Loss)	$ 123.9	$ 110.5	$ (13.4)

After paying for the cost of fuel & city payment, revenue available to cover other business expenses is ~$54M under budget, year to date.

NET INCOME
YEAR-TO-DATE ACTUAL VS. BUDGET

($ in millions)	FY2023		
Description	**Budget**	**Actuals**	**Variance: Favorable (Unfavorable)**
Revenue available for nonfuel expenses			
Electric	$ 2,138.8	$ 2,461.8	$ 323.0
Gas	144.7	205.2	60.5
Total operating revenue	2,283.5	2,667.0	383.5
Less:			
Electric fuel, distribution gas & regulatory	817.6	1,189.2	(371.6)
Payments to the City of San Antonio	301.8	348.3	(46.5)
Net operating revenue	1,164.1	1,129.5	(34.6)
Nonoperating revenue	27.2	8.0	(19.2)
Total revenue available for nonfuel expenses	1,191.3	1,137.5	(53.8)
Nonfuel expenses			
Operation & maintenance	530.2	503.4	26.8
Depreciation, amortization & decommissioning	364.6	358.0	6.5
Interest & debt-related	172.7	165.6	7.1
Total nonfuel expenses	1,067.5	1,027.0	40.4
Net Income (Loss)	$ 123.9	$ 110.5	$ (13.4)

Non-cash items such as investment fair value adjustments impact total net income but does not impact financial metrics such as ADSC or DCOH. These items impact the equity portion in the debt / capitalization metric.

Highlights:

- **Operating Revenue**
  - YTD Electric Billed Sales are 5.1% higher than budget due to weather-driven sales consumption & higher fuel costs (which are reflected in higher fuel charges on the bill)
  - Wholesale Revenue Net Fuel is currently under budget, driven by higher additional fuel costs the past five months along with plant outages that occurred this summer
- **Non-Operating Revenue**
  - Primarily driven by lower fair market value of investment portfolios from rising interest rates
- **Operating & Maintenance**
  - YTD Under budget due to vacancies, savings on technology projects, & lower than planned spend on Winter Storm Uri defense, somewhat offset by weather events, gas leak repairs, & plant maintenance costs
- **Interest & debt-related**
  - Reflects favorable execution to plan

Net Income is slightly unfavorable to budget YTD.

NET INCOME
9+3 LE FORECAST VS. BUDGET

($ in millions)	FY2023		
Description	**Budget**	**Forecast**	**Variance: Favorable (Unfavorable)**
Revenue available for nonfuel expenses			
Electric	$ 2,716.6	$ 3,096.7	$ 380.1
Gas	229.7	363.9	134.2
Total operating revenue	2,946.3	3,460.6	514.3
Less:			
Electric fuel, distribution gas & regulatory	1,069.9	1,557.0	(487.1)
Payments to the City of San Antonio	388.2	443.0	(54.8)
Net operating revenue	1,488.2	1,460.6	(27.6)
Nonoperating revenue	36.4	4.3	(32.1)
Total net revenue available for nonfuel expenses	1,524.6	1,464.9	(59.7)
Nonfuel expenses			
Operation & maintenance	729.7	712.6	17.1
Depreciation, amortization & decommissioning*	486.2	479.3	6.9
Interest & debt-related	231.5	221.9	9.6
Total nonfuel expenses	1,447.4	1,413.8	33.6
Net Income (Loss)	$ 77.2	$ 51.1	$ (26.1)

*Total depreciation, amortization & decommissioning is expected to be adjusted retroactively (non-cash impacts) at year-end to incorporate recommendations from a 3rd party depreciation study.

Non-cash items such as investment fair value adjustments impact total net income but does not impact financial metrics such as ADSC or DCOH. These items impact the equity portion in the debt / capitalization metric.

Highlights:

- **Operating Revenue**
  - Revenue is forecasted to show slowing growth for the remainder of the year but is projected to be 3.9% higher than budget
  - Total of $70M bad debt expense for FY2023. ~$50M net reduction (net of ARPA) to revenue as past due accounts remain high
  - Wholesale Revenue Net Fuel is projected to underperform compared to the budget, driven by higher additional fuel costs between May – September, along with plant outages that occurred this summer
- **Non-Operating Revenue**
  - Primarily driven by lower fair market value of investment portfolios
- **Operating & Maintenance**
  - Primarily driven by OPEB & Pension credit partially offset by vegetation management, customer growth, leak repair & corrosion control, plus savings from vacancies & staff augmentation
- **Interest & debt-related**
  - Reflects favorable execution to plan

Currently, we are projecting full year net income to be under budget.

FLOW OF FUNDS
YEAR-TO-DATE ACTUAL VS. BUDGET

($ in millions)	FY2023		
Description	**Budget**	**Actuals**	**Variance: Favorable (Unfavorable)**
Revenues, net of unbilled	$ 2,299.9	$ 2,767.8	$ 467.9
Less: city payment (CP) per flow of funds	301.8	348.3	(46.5)
Revenues, net of unbilled & CP	1,998.1	2,419.5	421.4
Less: fuel & regulatory expense	809.3	1,183.2	(373.9)
Revenues, net fuel & regulatory	1,188.8	1,236.3	47.5
Operation & maintenance	531.3	504.7	26.6
Debt service	324.9	321.0	3.9
Total expenses	856.2	825.7	30.5
6% Gross Revenue to R&R	138.0	166.1	28.1
Remaining to R&R	194.7	244.5	49.8
Total R&R fund additions	$ 332.6	$ 410.6	$ 78.0
Total gross non-transmission capital	$ 427.2	$ 488.8	$ (61.6)

Highlights:

- **Revenue (operating & non operating), net of unbilled:**
  - YTD Electric Billed Sales are 5.1% higher than budget due to weather-driven sales consumption & higher fuel costs (which are reflected in higher fuel charges on the bill)
  - Wholesale Revenue Net Fuel is currently under budget, driven by higher additional fuel costs the past five months along with plant outages that occurred this summer
- **Operating & Maintenance**
  - YTD Under budget due to vacancies, savings on technology projects, & lower than planned spend on Winter Storm Uri defense, somewhat offset by weather events, gas leak repairs, & plant maintenance costs
- **Debt Service**
  - Reflects favorable execution to plan
- **Capital**
  - Higher primarily due to customer growth

R&R contributions are favorable to budget YTD.

FLOW OF FUNDS
9+3 LE FORECAST VS. BUDGET

($ in millions)	FY2023		
Description	Budget	Forecast	Variance: Favorable (Unfavorable)
Revenues, net of unbilled	$ 2,958.5	$ 3,501.6	$ 543.1
Less: city payment (CP) per flow of funds	388.2	443.0	(54.8)
Revenues, net of unbilled & CP	2,570.3	3,058.6	488.3
Less: fuel & regulatory expense	1,058.8	1,551.9	(493.1)
Revenues, net fuel & regulatory	1,511.5	1,506.7	(4.8)
Operation & maintenance	731.2	710.7	20.5
Debt service	435.4	430.7	4.7
Total expenses	1,166.6	1,141.4	25.2
6% Gross Revenue to R&R	177.5	210.1	32.6
Remaining to R&R	167.4	155.2	(12.2)
Total R&R fund additions	$ 344.9	$ 365.3	$ 20.4
Total gross non-transmission capital	$ 618.9	$ 693.9	$ (75.0)

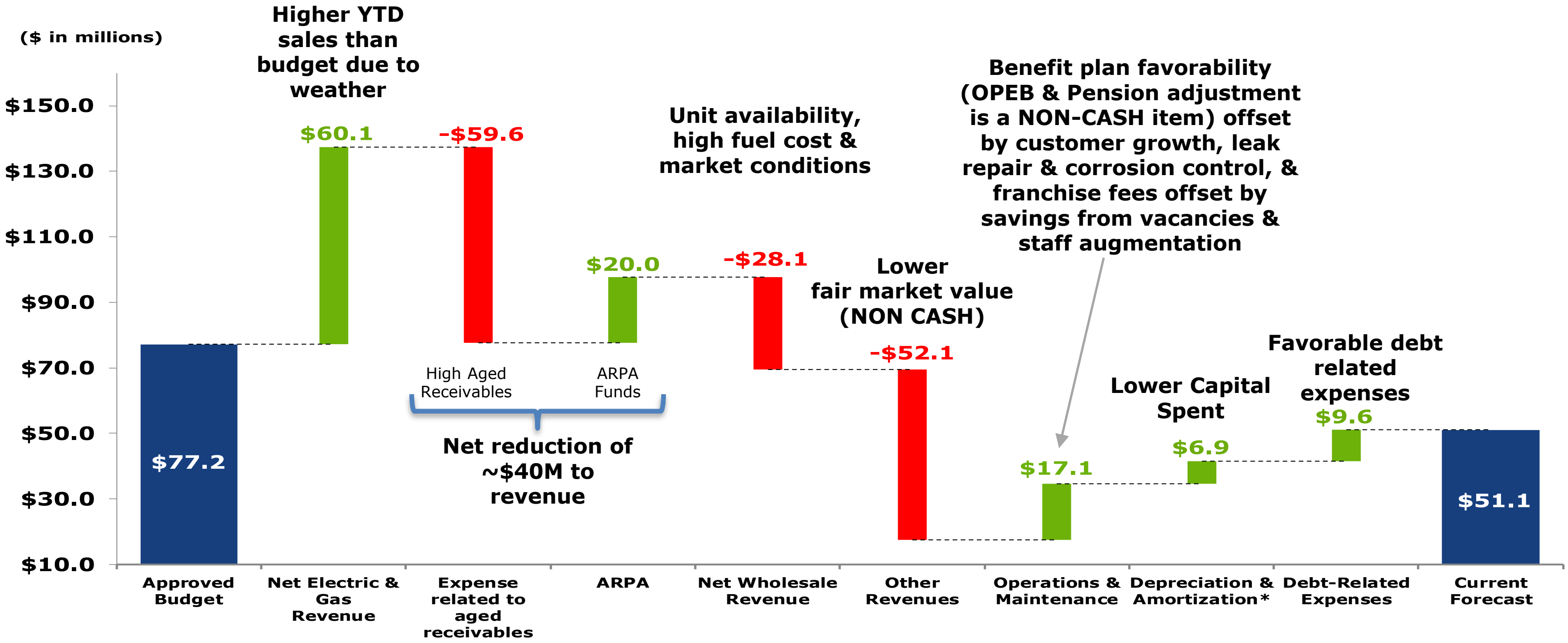
Highlights:

- **Revenue (operating & non operating), net of unbilled**
  - Revenue is forecasted to show slowing growth for the remainder of the year but is projected to be 3.9% higher than budget
  - Total of $70M bad debt expense for FY2023. ~$50M net reduction (net of ARPA) to revenue as past due accounts remain high
  - Wholesale Revenue Net Fuel is projected to underperform compared to the budget, driven by higher additional fuel costs between May - September, along with plant outages that occurred this summer
- **Operating & Maintenance**
  - Primarily driven by OPEB & Pension credit partially offset by vegetation management, customer growth, leak repair & corrosion control, plus savings from vacancies & staff augmentation
- **Debt Service**
  - Reflects favorable execution to plan

Currently, we are projecting FY2023 R&R contributions to track favorably to budget.

FY2023 REVISED NET INCOME FORECAST

BUDGET TO FORECAST WALK-FORWARD



The net effect of these forecast changes is a decline compared to full year budgeted net income.

*Total depreciation, amortization & decommissioning is expected to be adjusted retroactively (non-cash impacts) at year-end to incorporate recommendations from a 3rd party depreciation study.

ELECTRIC SALES
BY CUSTOMER SEGMENT- OCTOBER FY2023*

Customer Sector	Usage Growth	% of Total Load	% Impact on Total Usage
Residential	3.3%	43.7%	1.4%
Churches & Services	1.4%	6.2%	0.1%
Manufacturing	2.4%	2.2%	0.1%
Retail	0.6%	5.2%	0.0%
Educational Services	1.4%	5.5%	0.1%
Hotel & Food Services	1.7%	4.6%	0.1%
Other**	2.8%	32.6%	0.9%
Total System		**100.0%**	**2.7%**

*Billed October actual performance to budget.

**Other sector includes other commercial sectors, food & wood product manufacturing, municipals, lighting, etc.

ELECTRIC SALES
BY CUSTOMER SEGMENT- YTD FY2023*

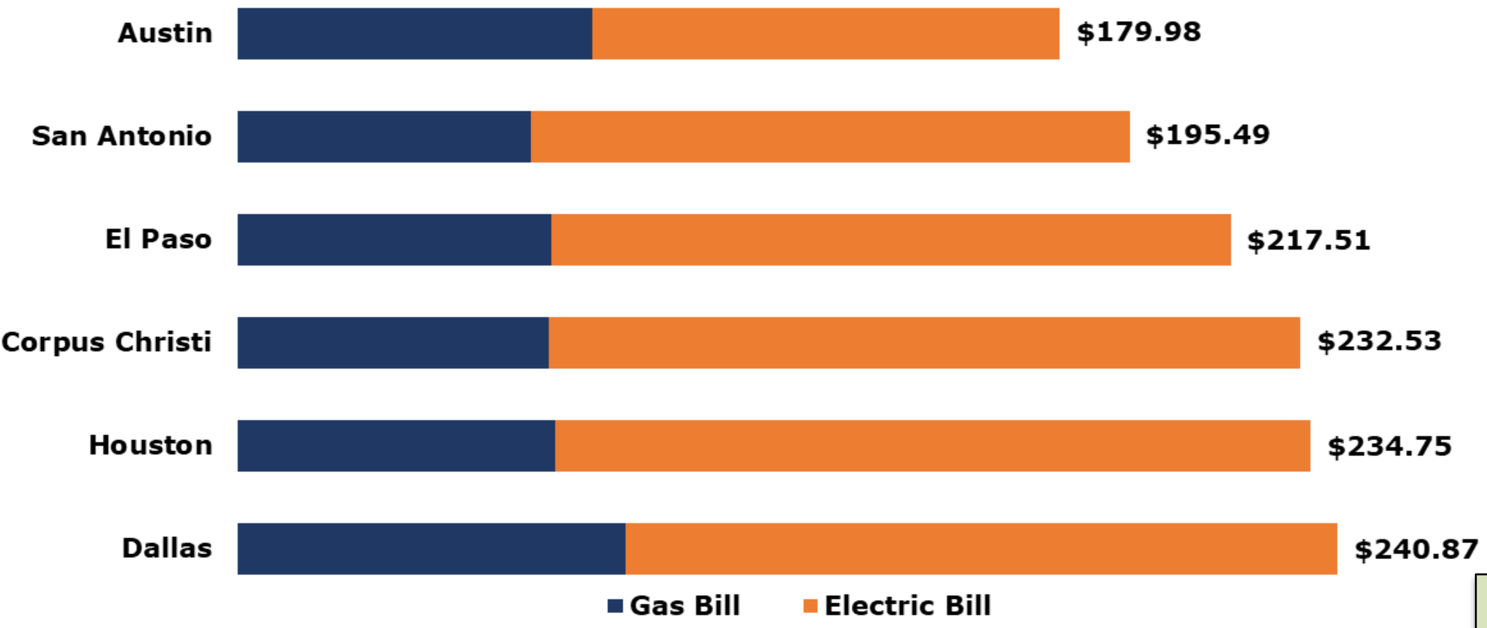
Customer Sector	Usage Growth	% of Total Load	% Impact on Total Usage
Residential	8.3%	45.3%	3.8%
Churches & Services	3.5%	6.7%	0.2%
Manufacturing	9.5%	2.2%	0.2%
Retail	2.6%	5.1%	0.1%
Educational Services	2.4%	4.9%	0.1%
Hotel & Food Services	3.1%	4.4%	0.1%
Other**	1.7%	31.4%	0.6%
Total System		**100.0%**	**5.1%**

*Billed October actual YTD performance to budget.

**Other sector includes other commercial sectors, food & wood product manufacturing, municipals, lighting, etc.

TEXAS CITIES COMBINED RESIDENTIAL BILL COMPARISON

TRAILING TWELVE MONTHS ENDING OCTOBER 2022



¢/kWh	$/MCF
10.2	15.53
13.1	12.83
14.9	13.73
16.4	13.63
16.5	13.93
15.6	17.00

1,000 kWh & 5 MCF

Note: Deregulated markets electric data from powertochoose.org (Terms 12; 4&5 star rated REPs).
San Antonio is the only city that has a single electric & gas provider.

KEY RESULTS UPDATE AS OF OCTOBER 31, 2022

KEY RESULTS MONTHLY UPDATE

STATUS OF IMPROVING SERVICE TO CUSTOMERS 1 OF 2

Strategic Objectives	Major Commitments	Status	Update
Operational Evolution	Strengthen Generation Capabilities to Meet Extreme Conditions	On-Track (green)	• MBL West fuel oil retrofit equipment procurement activities are 75% complete • Materials received for MBL West/East & Coal Yard freeze protection upgrades are 65% complete • Priority 2 work packages are 98% complete • Analysis of fuel infrastructure strategy complete, next steps are TBD
	Enhance Communication & Grid Management in Major Events	On-Track (green)	• $8.64 MYTD; 399 miles of planned trimming completed (~73% of target on both miles & spend) • Deployed 117 automated reclosers; 81% of 144 goal completed • RFP for Situational Awareness & Communication to be released Jan 2023 to identify a platform(s) to configure for our needs • Internal reporting improvements for Situational Awareness' customer outage data to be released by end of 2022
	Support Expanding Community	At-Risk (yellow)	• Mitigation efforts underway to identify new suppliers & alternate material options • 70+ projects on hold due to material shortages. Working with developer/builder associations & CoSA, weekly developer/builder updates, 1:1 customer meetings • Continued residential & commercial growth
	Digital ERP Plan to Mitigate System End of Life	On-Track (green)	• ERP Technology RFP development remains on track for FY2023 launch. Business area aligned transformation vision is in final draft form for review
	IT System Modernization	At-Risk (yellow)	• Continued application/server migrations to new environments. Program at risk due to technical activities slowing progress to the cloud environment • Mitigation efforts for migration wave planning are being reviewed to support timeline extension • Presented selected SCADA partner recommendation to Board of Trustees (BoT) for approval. Conducted project kick off meeting with vendors, Subject Matter Experts & Key Stakeholders. Establishing Unified Design & architecture

Legend

On-Track | At-Risk | Achieved

KEY RESULTS MONTHLY UPDATE

STATUS OF IMPROVING SERVICE TO CUSTOMERS 2 OF 2

Strategic Objectives	Major Commitments	Status	Update
Customer Experience	Connect Customers with Support	On-Track	• **Met Goal of 65K Affordability Discount Program Customers** • The total number of ARPA credits applied went up to 17,881 for residential customer accounts for approximately $19M
Team Culture	Safety Culture Fundamentals	At-Risk	• Mitigation efforts underway to report performance & progress monthly; expected to get back on target • Completion of observations continues to be a challenge with only 59% completed YTD. We continue to work with leaders to improve efforts around this initiative
	Retain & Attract Talent	On-Track	• Hiring of front-line employees has exceeded year-end FY2023 projections • Compensation market pricing efforts are helping close the gap in competing for talent; however, our ability to compete on compensation for advanced level STEM roles remains at risk
Community Partnership & Growth	Energy Efficiency & Conservation Decision	Achieved	• Updated STEP program approved by Board of Trustees & City Council for 5 years
	Generation Resource Planning Public Input	On-Track	• Updated Rate Advisory Committee (RAC) on Gen Plan • Charles River Associates (CRA) provided a recap of Gen Planning Objectives & preliminary metric results for the nine portfolios under the Reference Scenario
	Rate Design Public Input	On-Track	• Vendor Cost of Service Study underway, Rate Design plan discussion with RAC will occur after Power Gen Resource Planning conversations

Legend

On-Track At-Risk Achieved

TIER 1 METRICS UPDATE AS OF OCTOBER 31, 2022

FY2023 TIER 1 METRIC SUMMARY
AS OF OCTOBER 31, 2022

Tier	Unrecoverable		At Risk		On Track		Achieved		Total Metrics
1	3	18.8%	1	6.2%	12	75.0%	0	0%	16

FY2023 OUTLIER SUMMARY

Tier 1	Unrecoverable	Portfolio Commercial Availability (PCA)
	Unrecoverable	Customer Satisfaction – Residential
	Unrecoverable	Days Cash on Hand (DCOH)
	At Risk	Enterprise Recordable Incident Rate – (RIR)

FY2023 TIER 1 METRIC REPORT
AS OF OCTOBER 31, 2022

Metric Name	Business Unit	Measure Frequency	Unit	Target Indicator	Historical Actuals FY 2021 CY 2020	Historical Actuals FY 2022 CY 2021	Current Year YTD Target	Current Year YTD Actual	Current Year Year-End Target	Year-End Forecast	Latest Estimate
Enterprise Readiness – Executives	Administration	annually	%	↑	88	83	75	N/A	75	On Track	N/A
Enterprise Recordable Incident Rate - (RIR)	Administration	monthly	#	↓	1.31	1.68	1.41	1.65	1.41	At Risk	1.64
Employee Engagement – Enterprise	Administration	annually	#	↑	4.10	3.99	N/A	N/A	4.04	On Track	N/A
Critical IT System Availability	Business & Technology Excellence (BTE)	monthly	%	↑	99.8	99.9	99.5	99.8	99.5	On Track	99.8
Customer Satisfaction – Residential [1]	Customer Strategy	quarterly	#	↑	83.2	78.9	79.0	74.5	79.0	Unrecoverable	73.4
System Average Interruption Duration Index (SAIDI) [1]	Energy Delivery Services	monthly	#	↓	56.85	67.68	55.84	49.22	63.70	On Track	57.08
System Average Interruption Frequency Index (SAIFI) [1]	Energy Delivery Services	monthly	#	↓	0.93	1.01	0.84	0.76	0.98	On Track	0.90
Portfolio Commercial Availability [1]	Energy Supply	monthly	%	↑	93.9	77.1	88.9	81.7	88.9	Unrecoverable	81.4
Adjusted Debt Service Coverage	Financial Services	monthly	#	↑	1.59	1.66	2.02	2.28	1.79	On Track	1.85
Capital Budget (Gross of CIAC)	Financial Services	monthly	$	↓	630.8	689.5	576.8	527.3	832.9	On Track	789.6
Debt Capitalization	Financial Services	monthly	%	↓	60.5	61.6	62.0	60.8	61.7	On Track	61.7
Days Cash on Hand	Financial Services	monthly	#	↑	209	182	176	138	170	Unrecoverable	160
Enterprise Senior Lien Bond Ratings [2]	Financial Services	monthly	#	=	1	0	1	1	1	On Track	1
O&M Budget	Financial Services	monthly	$	↓	654.9	618.5	530.2	503.4	729.7	On Track	712.5
Gas System Growth	Gas Solutions	monthly	%	↑	2.33	1.97	1.34	1.43	1.85	On Track	1.90
Environmental Compliance Issues - NOE & NOV (Category A & B) Enterprise	Legal & General Counsel	monthly	#	↓	1	0	0	0	0	On Track	0

[1] These Metrics are measured on a calendar year cycle for industry comparison purposes
[2] A measure of the senior lien bond ratings as measured by Fitch, Moody's, and Standard & Poor's (Fitch = AA-, Moody's = Aa2, Standard & Poor's = AA-) such that "1" represents the maintenance of current ratings, a "2" (or "0") indicates an upgrade (or downgrade) in one or more ratings.