

Quarter 3, 2022 Performance Metrics Report Tacoma Public Utilities



Financial Performance - Supports Strategic Directive: 2 (Financial Stability)

1 Debt Service Coverage		1 Debt Service Coverage		1 Debt Service Coverage	
2 Liquidity - Days Cash on Hand		2 Liquidity - Days Cash on Hand		2 Liquidity - Days Cash on Hand	
3 Budget Performance		3 Budget Performance		3 Budget Performance	

Operational Excellence - Supports Strategic Directives: 3 (Rates); 5 (Environmental Leadership); 7 (Reliability & Resiliency)

4 Residential Bill Comparison		4 Residential Bill Comparison		4 Railroad Tariffs Comparison	
5 O&M Cost per Customer		5 O&M Cost per Account		5 Operating Ratio	
6 Outage Duration		6 Unplanned Service Disruptions		6 Revenue Moves per Shift	
7 Outage Frequency		7 Distribution System Leakage		7 On-Time Switching	
8 Non-Carbon Power Resources		8 Regulatory Compliance		8a Diesel Conversion	
9 Power Conservation		9 Water Conservation		8b Storm Water Remediation	

Commitment to Cust & Employees - Supports Strategic Directives: 5 (Environ. Leadership); 7 (Reliability); 12 (Emp. Relations); 13 (Customer Svc)

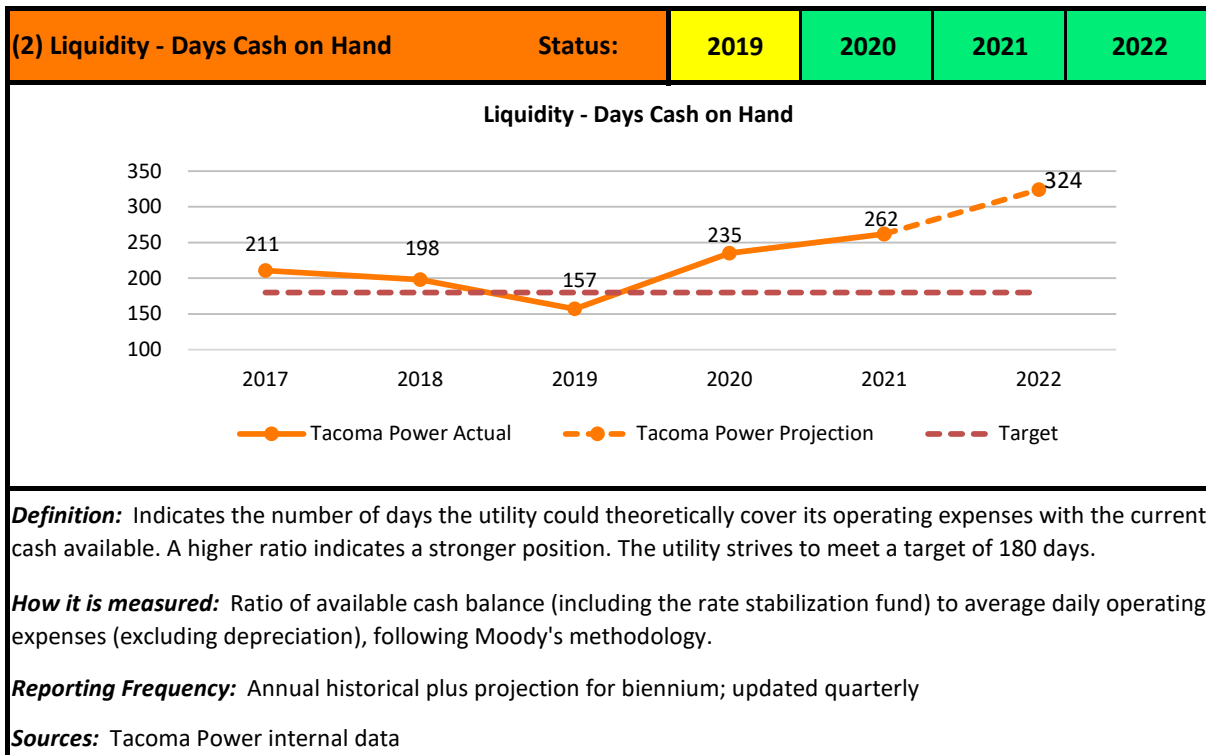
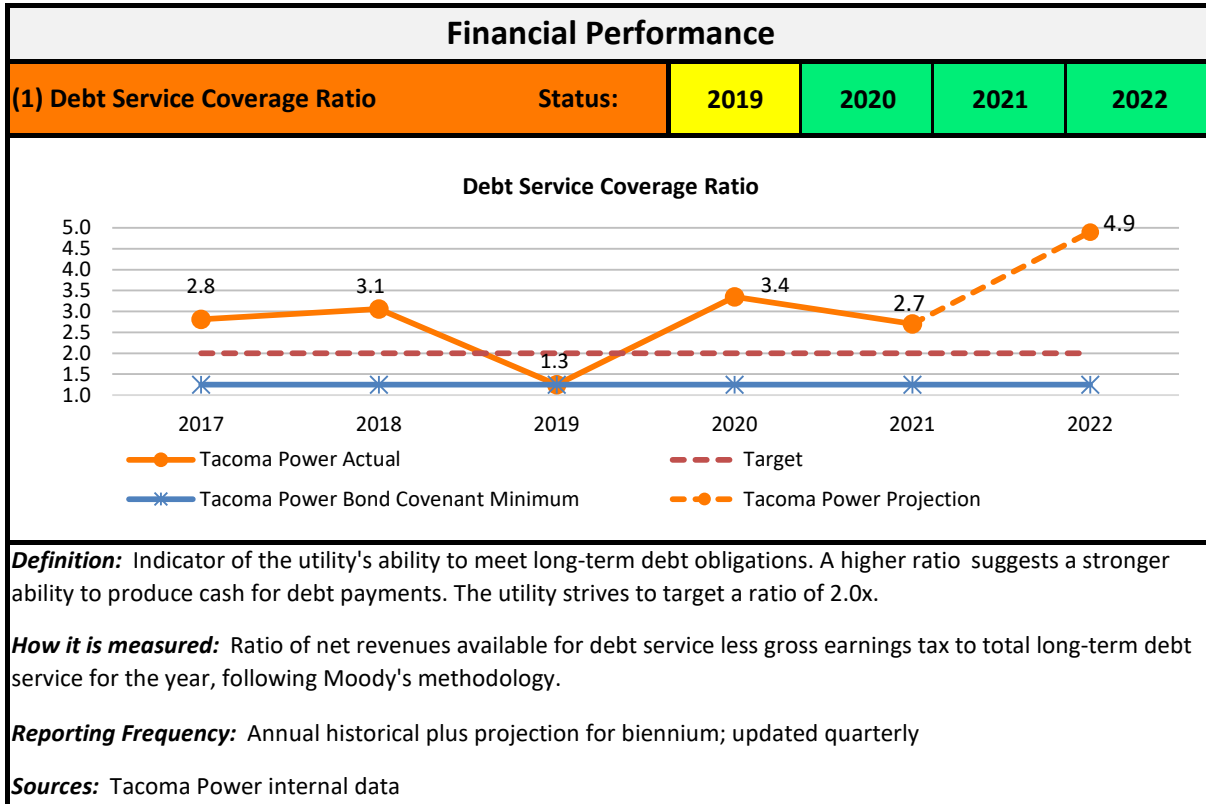
10 Customer Satisfaction		10 Customer Satisfaction		9 Customer Satisfaction	
11 Employee Satisfaction		11 Employee Satisfaction		10 Employee Satisfaction	
12 Employee Safety		12 Employee Safety		11 Employee Safety	
13 Call Center Responsiveness		13 Call Center Responsiveness			
		14 Technical Service Complaints			

Quarter 3, 2022

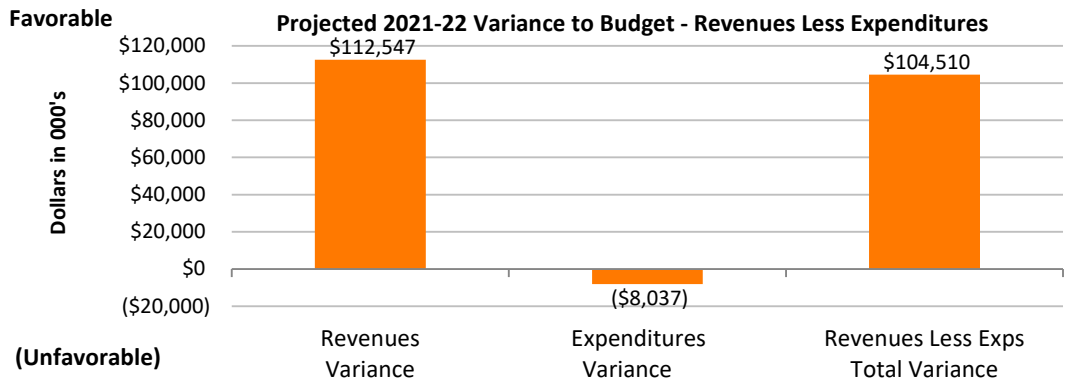
Tacoma Power - Financial Performance	Tacoma Water - Financial Performance	Tacoma Rail - Financial Performance
1 Debt Service Coverage <ul style="list-style-type: none"> ● ≥ 2.0x policy minimum ● < policy min but above bond covenant ● Below 1.25x bond covenant 	1 Debt Service Coverage <ul style="list-style-type: none"> ● ≥ 1.5x policy minimum ● < policy min but above bond covenant ● Below 1.25x bond covenant 	1 Debt Service Coverage <ul style="list-style-type: none"> ● ≥ 1.5x policy minimum ● NA ● Below 1.5x policy minimum
2 Days Cash on Hand <ul style="list-style-type: none"> ● ≥ 160 days (150-250 desired range) ● Between 90 and 160 days ● Below 90 days 	2 Days Cash on Hand <ul style="list-style-type: none"> ● ≥ 60 days minimum ● Between 36 and 60 days (60% of min) ● Below 36 days 	2 Days Cash on Hand <ul style="list-style-type: none"> ● ≥ 60 days ● Between 36 and 60 days (60% of min) ● Below 36 days
3 Budget Performance <ul style="list-style-type: none"> ● Positive variance to budget ● Negative var within 5% of exp budget ● Negative var > 5% of exp budget 	3 Budget Performance <ul style="list-style-type: none"> ● Positive variance to budget ● Negative var within 5% of exp budget ● Negative var > 5% of exp budget 	3 Budget Performance <ul style="list-style-type: none"> ● Positive variance to budget ● Negative var within 5% of exp budget ● Negative var > 5% of exp budget
Tacoma Power - Operational Excellence	Tacoma Water - Operational Excellence	Tacoma Rail - Operational Excellence
4 Residential Bill Comparison <ul style="list-style-type: none"> ● Below (better than) regional mean ● Up to 10% over regional mean ● ≥ 10% over regional mean 	4 Residential Bill Comparison <ul style="list-style-type: none"> ● Below (better than) regional mean ● Up to 10% over regional mean ● ≥ 10% over regional mean 	4 Railroad Tariffs Comparison <ul style="list-style-type: none"> ● Below (better than) NOPB tariffs ● Between NOPB and PTRAs ● Above PTRAs tariffs
5 O&M Cost per Customer <ul style="list-style-type: none"> ● Below (better than) West Region median ● Up to 10% over West Region median ● > 10% over West Region median 	5 O&M Cost per Account <ul style="list-style-type: none"> ● Below (better than) industry median ● Up to 10% over industry median ● > 10% over industry median 	5 Operating Ratio <ul style="list-style-type: none"> ● < 95% operating ratio ● Between 95% and 105% ● > 105%
6 Outage Duration <ul style="list-style-type: none"> ● ≤ 90% of target (lower is better) ● Between 90% and 100% of target ● Above target 	6 Unplanned Service Disruptions <ul style="list-style-type: none"> ● Below industry median (lower is better) ● Within 3rd best quartile ● Within least favorable quartile 	6 Revenue Moves per Shift <ul style="list-style-type: none"> ● > 55 car or platform moves per shift ● Between 50 and 55 ● Below 50
7 Outage Frequency <ul style="list-style-type: none"> ● ≤ 90% of target (lower is better) ● Between 90% and 100% of target ● Above target 	7 Distribution System Leakage <ul style="list-style-type: none"> ● ≤ 10% leakage (state regulatory max) ● Between 10% and 15% ● At or above 15% 	7 On-Time Switching <ul style="list-style-type: none"> ● > 85% fulfillment ● Between 75% and 85% ● Below 75%
8 Non-Carbon Power Resources <ul style="list-style-type: none"> ● ≥ 100% 'green' resources to retail load ● Between 90% and 100% ● Below 90% 	8 Regulatory Compliance <ul style="list-style-type: none"> ● 100% compliance ● NA ● Anything short of 100% compliance 	8a Diesel Conversion <ul style="list-style-type: none"> ● Locomotive upgrades at latest EPA std ● NA ● Within 3rd best quartile
9 Power Conservation <ul style="list-style-type: none"> ● ≥ 100% of conservation target ● NA ● Below 100% of target 	9 Water Conservation <ul style="list-style-type: none"> ● ≥ cumulative conservation target ● Between 2017 baseline of 0% & target ● Below 2017 baseline of 0% 	8b Storm Water Remediation <ul style="list-style-type: none"> ● Runoff is compliant per Dept of Ecology ● NA ● Non-compliant with storm water permit
Tacoma Power - Commitment to Cust. & Employees	Tacoma Water - Commitment to Cust. & Employees	Tacoma Rail - Commitment to Cust. & Employees
10 Customer Satisfaction <ul style="list-style-type: none"> ● ≥ 70% satisfaction ● Between 60% and 70% ● Below 60% 	10 Customer Satisfaction <ul style="list-style-type: none"> ● ≥ 70% satisfaction ● Between 60% and 70% ● Below 60% 	9 Customer Satisfaction <ul style="list-style-type: none"> ● ≥ 3.0 mean score ● Between 2.0 and 3.0 ● Below 2.0
11 Employee Satisfaction <ul style="list-style-type: none"> ● ≥ 70% satisfaction ● Between 60% and 70% ● Below 60% 	11 Employee Satisfaction <ul style="list-style-type: none"> ● ≥ 70% satisfaction ● Between 60% and 70% ● Below 60% 	10 Employee Satisfaction <ul style="list-style-type: none"> ● ≥ 70% satisfaction ● Between 60% and 70% ● Below 60%
12 Employee Safety <ul style="list-style-type: none"> ● ≤ APPA median ● Between 100% and 150% of median ● > 150% of median 	12 Employee Safety <ul style="list-style-type: none"> ● ≤ Bureau of Labor Stats 5 year mean ● Between 100% and 150% of mean ● > 150% of mean 	11 Employee Safety <ul style="list-style-type: none"> ● ≤ industry mean ● Between 100% and 150% of mean ● > 150% of mean
13 Call Center Responsiveness <ul style="list-style-type: none"> ● ≥ 75% ● Between 65% and 75% ● Below 65% 	13 Call Center Responsiveness <ul style="list-style-type: none"> ● ≥ 75% target ● Between 65% and 75% ● Below 65% 	
	14 Technical Service Complaints <ul style="list-style-type: none"> ● Below (better than) industry median ● Up to 10% over industry median ● > 10% over industry median 	



Performance Metrics Summary



(3) Revenues Less Expenditures	Status:	Biennium Projection
Projection vs. Budget		



Definition: Measures Tacoma Power's projected biennial financial performance as compared to its approved budget. The measure compares projected "revenues less expenditures" for the biennium. A projection which is favorable to budget is preferable.

How it is measured: Projected revenues less projected expenditures for the biennium are compared to budgeted revenues less expenditures. Projections consider actual to-date results plus generally conservative assumptions for future performance.

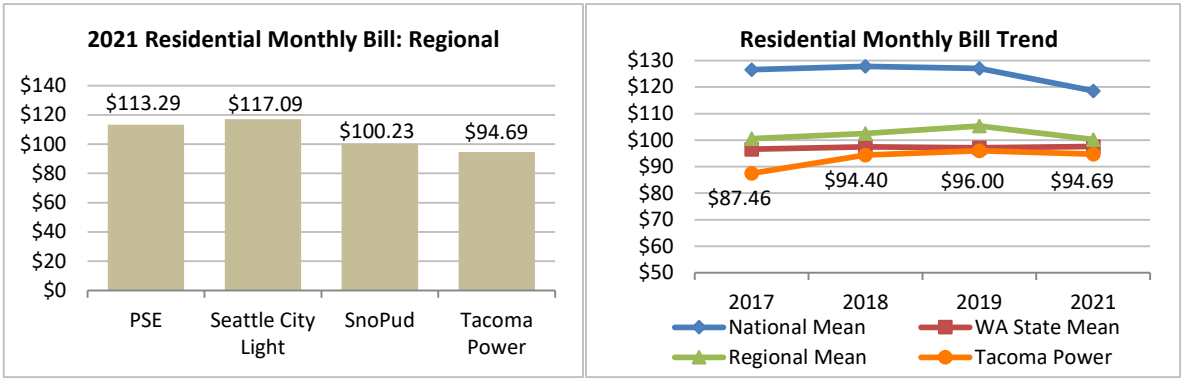
Reporting Frequency: Quarterly updates of biennium projection

Sources: Tacoma Power internal data



Operational Excellence

(4) Residential Monthly Bill 1,000 kWh	Status:	2017	2018	2019	2021
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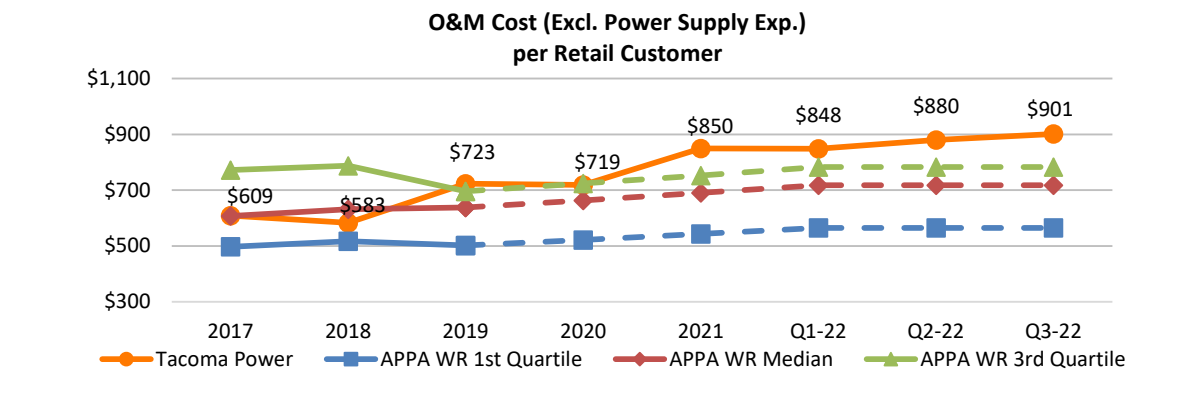
Definition: Measures and compares the monthly power bill for residential customers based on usage of 1,000 kilowatt hours. A lower bill is favorable for customers, all other things being equal.

How it is measured: Each utility's effective price per kWh is calculated (as revenue divided by megawatt-hours) and multiplied by 1,000 kWh.

Reporting Frequency: Annual

Sources: The federally mandated Energy Information Administration forms EIA-861 and EIA-861S.

(5) Total O & M Cost per Retail Customer (excl. Power Supply)	Status:	Q1	Q2	Q3	Q4
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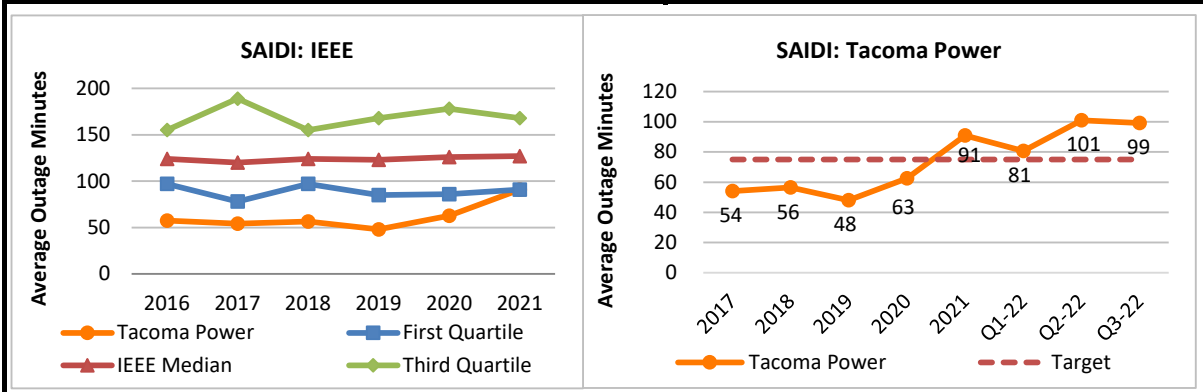
Definition: Measures the utility's operation and maintenance (O&M) cost, excluding power supply costs which vary greatly by utility, per retail customer account.

How it is measured: Ratio of electric O&M expenses (excluding the costs of power supply/conservation) to the total number of retail customer accounts.

Reporting Frequency: Annual historical plus current rolling 12 months; calculated quarterly

Sources: Tacoma Power internal data; American Public Power Association (APPA) Selected Financial and Operating Ratios of Public Power Utilities. APPA benchmark is West Region (WR) and the 2019 WR Median is escalated 4% annually thereafter.

(6) System Average Interruption Duration Index (SAIDI)	Status:	Q1	Q2	Q3	Q4
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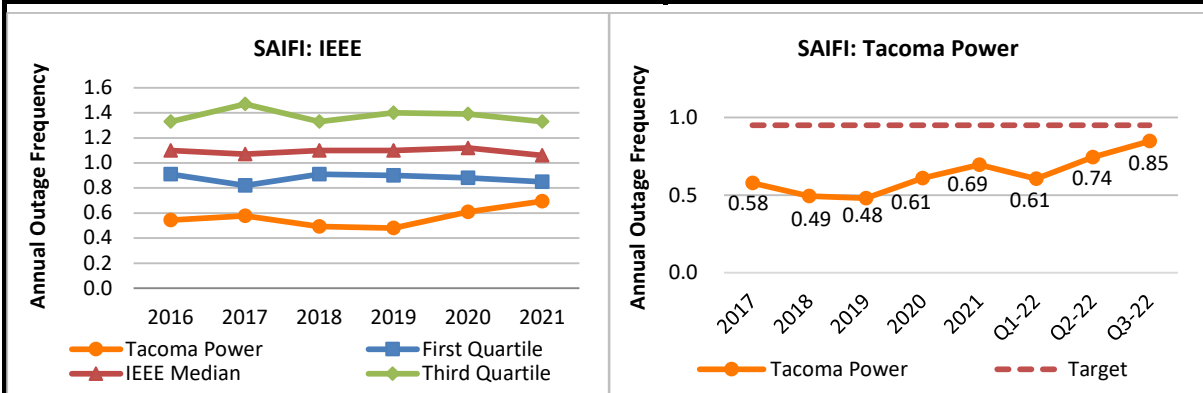
Definition: A power outage duration measurement, it is the average service interruption duration for customers served over a specified time. A lower ratio indicates shorter average outage duration.

How it is measured: Ratio of the sum of customer minutes with no power for each interruption over a specified time period to the average number of customers served during that period.

Reporting Frequency: Annual historical plus current rolling 12 months; calculated quarterly

Sources: Tacoma Power internal data; Institute of Electrical and Electronic Engineers (IEEE) medium utilities

(7) System Average Interruption Frequency Index (SAIFI)	Status:	Q1	Q2	Q3	Q4
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Definition: A power outage frequency measurement, it is the average number of times a customer's service is interrupted over a specified time. A lower ratio indicates less frequent average outages.

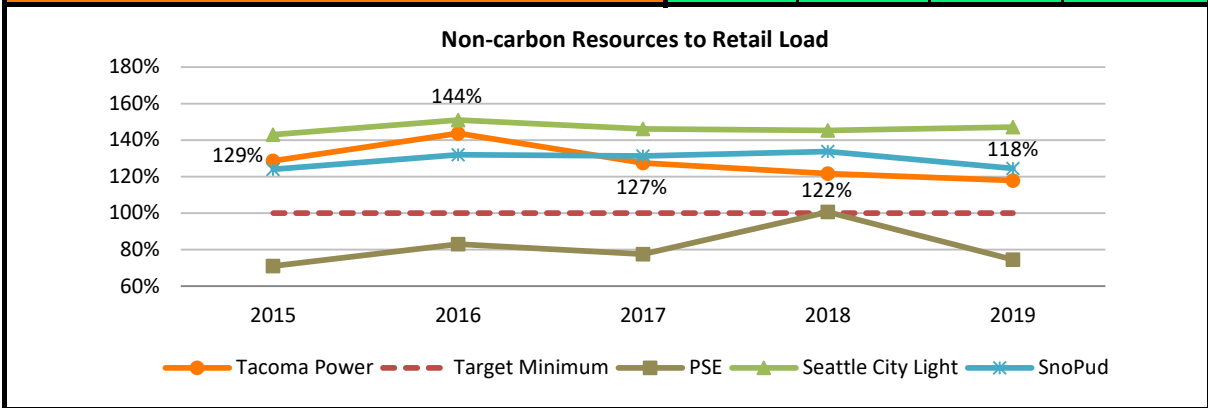
How it is measured: Ratio of the total number of customers interrupted over a specified time period to the average number of customers served during that period.

Reporting Frequency: Annual historical plus current rolling 12 months; calculated quarterly

Sources: Tacoma Power internal data; Institute of Electrical and Electronic Engineers (IEEE) medium utilities



(8) Non-carbon Resources	Status:	2016	2017	2018	2019
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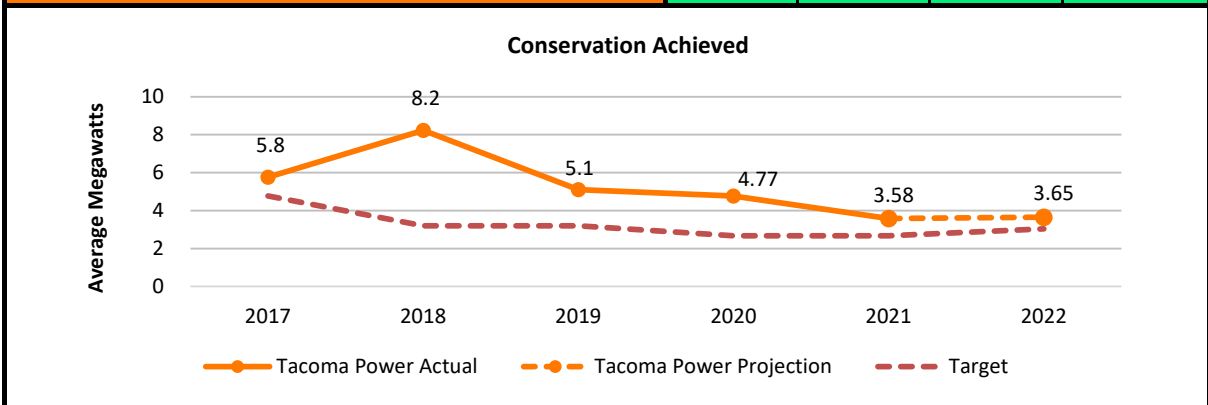
Definition: Measures Tacoma Power's contribution of carbon-free power to the marketplace, including to customers both inside and outside its service territory. A ratio above 100% implies a green power resources contribution which exceeded Tacoma Power's retail load. The higher the percentage, the greater the environmentally friendly contribution.

How it is measured: Ratio of Tacoma Power's non-carbon generated power to retail load. Through wholesale sales of excess hydroelectric carbon-free power to be used outside the Tacoma Power service territory, providing green resources benefiting others' utility customers, the ratio can exceed 100%.

Reporting Frequency: Annual

Sources: Tacoma Power internal data; WA State Dept. of Commerce Utility Fuel Mix Report

(9) Conservation Achieved	Status:	2019	2020	2021	2022
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Definition: Measures total conservation achieved in average megawatt hours. The utility strives to meet or exceed its established targets.

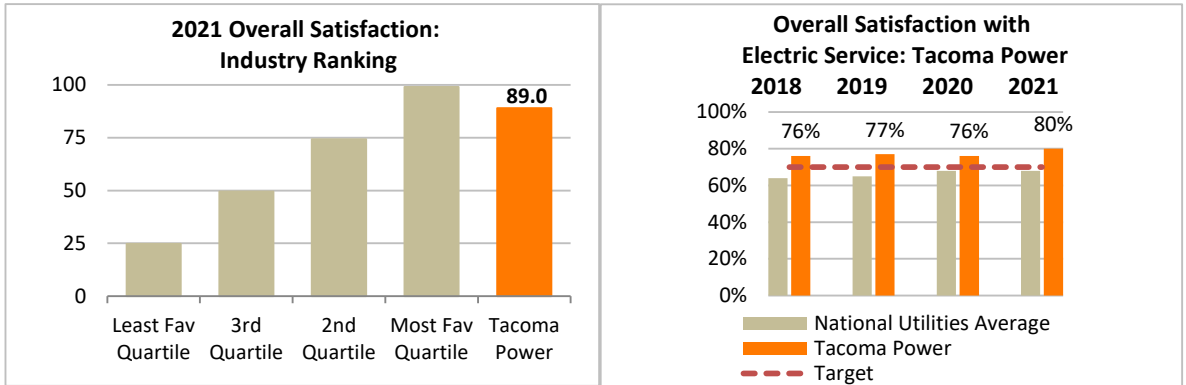
How it is measured: The summation of actual and projected annual conservation savings from all implemented conservation efforts during a 2 year period. *Current reporting period is 2022 to 2023. Conservation achieved in 2022 is progress towards 2 year goal.*

Reporting Frequency: Annual historical plus current year projection; updated quarterly

Sources: Tacoma Power internal data

Commitment to Customers & Employees

(10) Customer Satisfaction	Status:	2018	2019	2020	2021
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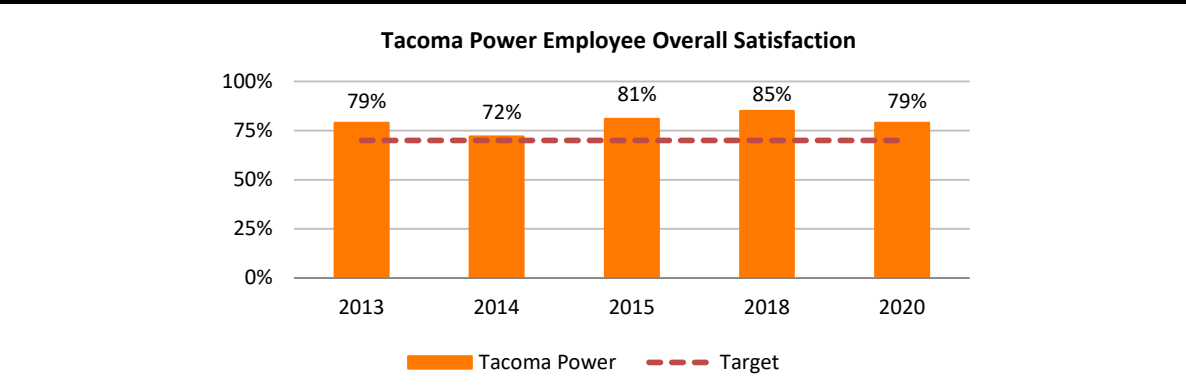
Definition: Measures customers' overall satisfaction with electric service provided by Tacoma Power. Based on a customer survey using a 0 to 10 scale, with 10 being most highly satisfied. A higher score indicates greater overall satisfaction.

How it is measured: Percentage of total responses receiving a score of 8, 9 or 10.

Reporting Frequency: Updated with each newly conducted survey; expected to be annual

Sources: Tacoma Public Utilities Residential Customer Satisfaction Baseline Survey; Market Strategies International (MSI) National Energy Utility Benchmarking

(11) Employee Satisfaction	Status:	2014	2015	2018	2020
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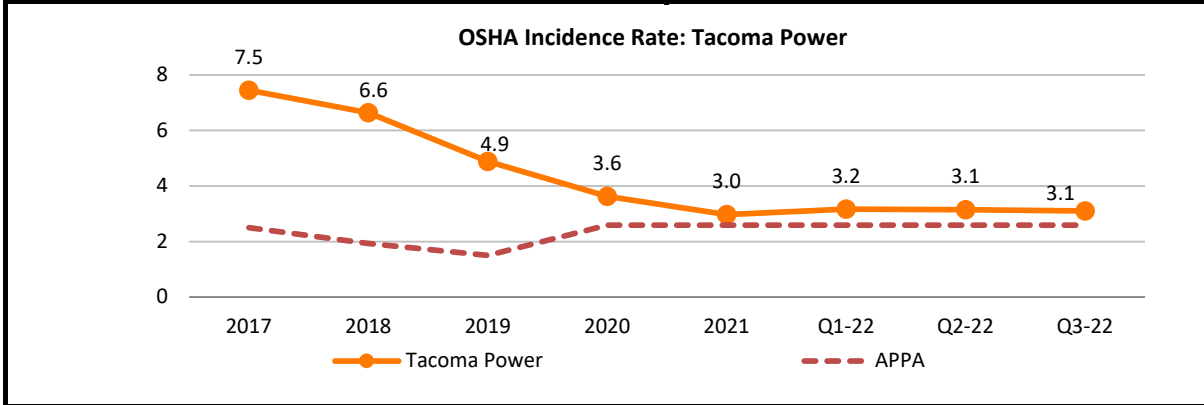
Definition: Measures employees' overall satisfaction with working at Tacoma Power based on an independently conducted employee survey. A higher score indicates greater overall employee satisfaction.

How it is measured: Percentage of total responses receiving a score of 4 or 5, using a 1 to 5 scale with 5 being extremely satisfied.

Reporting Frequency: Updated with each newly conducted survey; next update expected in 2022 Q4.

Sources: TPU All-Employee Engagement Survey

(12) OSHA Incidence Rate	Status:	Q1	Q2	Q3	Q4
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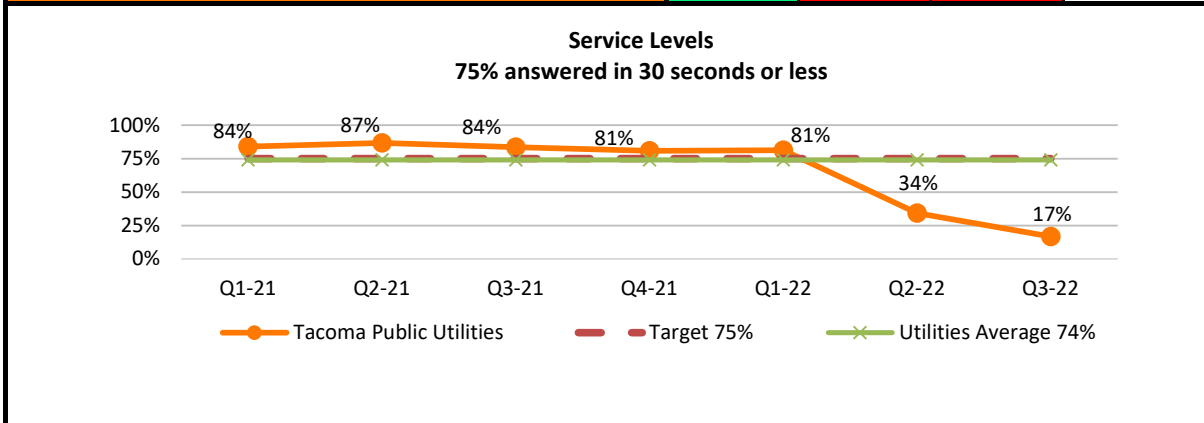
Definition: Measures the number of employees, out of 100, that had a recordable injury requiring medical care beyond first aid over the course of the year. A lower incidence rate is better.

How it is measured: Ratio of total recordable injuries and illnesses during the year to the total worker-hours of exposure, per 100 employees.

Reporting Frequency: Annual historical plus current rolling 12 months; calculated quarterly

Sources: Tacoma Power internal data; APPA Safety Awards of Excellence (Group G data)

(13) Customer Service Levels	Status:	Q1	Q2	Q3	Q4
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Definition: Captures the effectiveness of managing call volumes in the customer services queues as measured by the percent of calls answered within 30 seconds or less. The target is to achieve 75%. A higher measure indicates better timeliness of calls answered within targets.

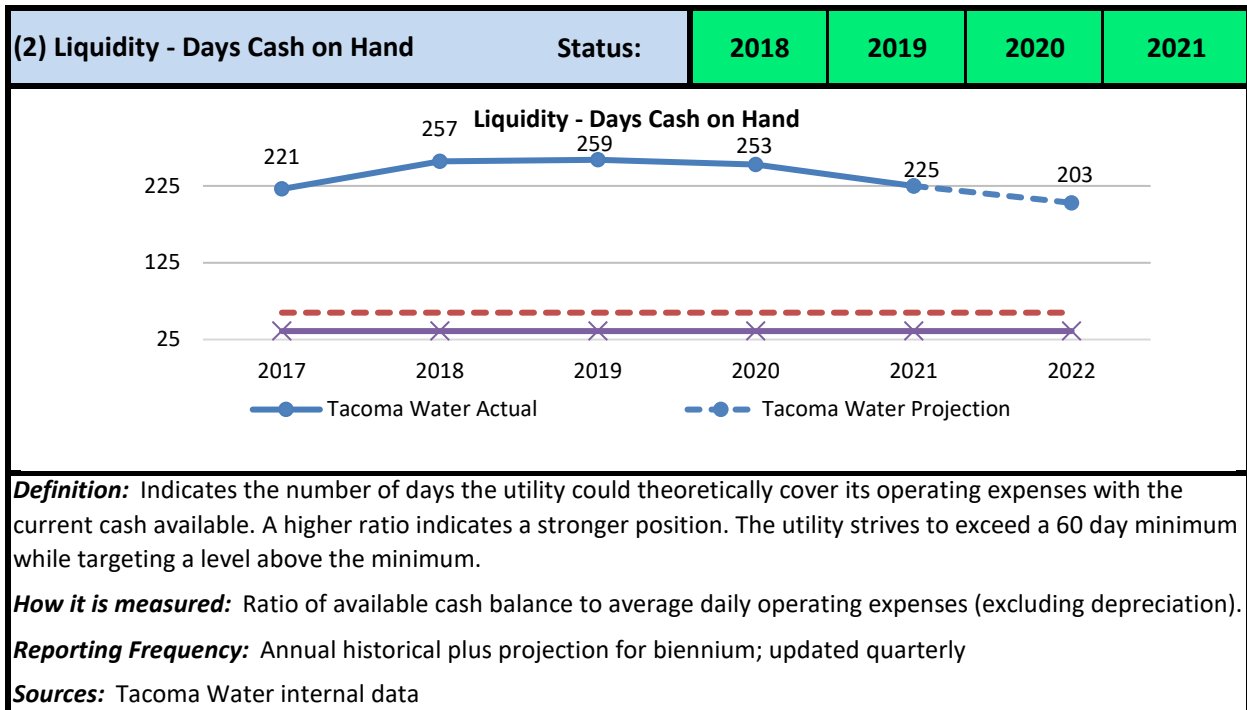
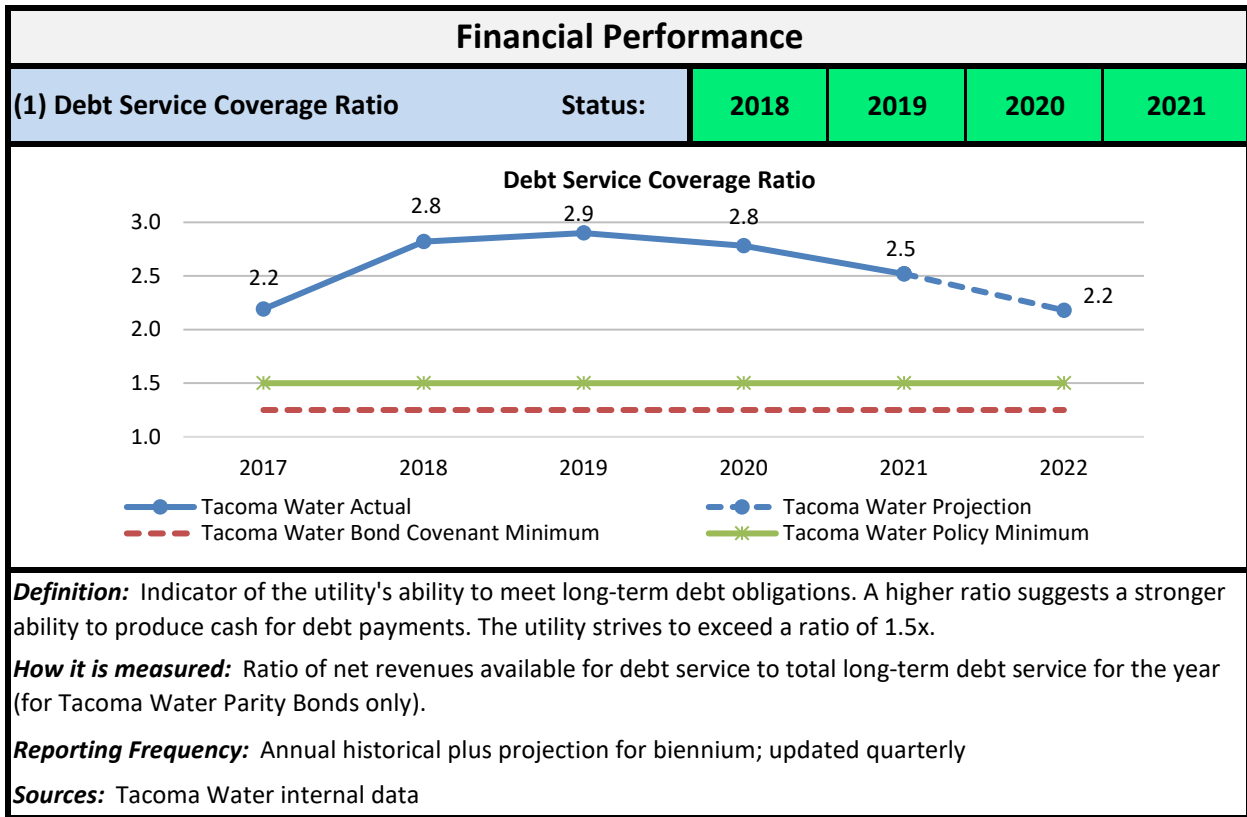
How it is measured: Incoming calls are measured for speed of answer; resulting data is compiled and reported as a percentage of calls with an answer within the 30 second target.

Reporting Frequency: Quarterly

Sources: Tacoma Public Utilities - Customer Services



Performance Metrics Summary

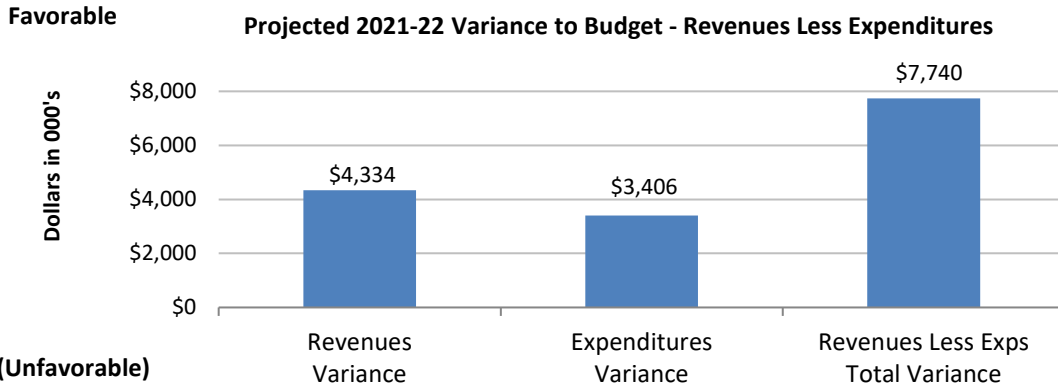




(3) Revenues Less Expenditures Projection vs. Budget

Status:

Biennium Projection



Definition: Measures Tacoma Water's projected biennial financial performance as compared to its approved budget. The measure compares projected "revenues less expenditures" for the biennium. A projection which is favorable to budget is preferable.

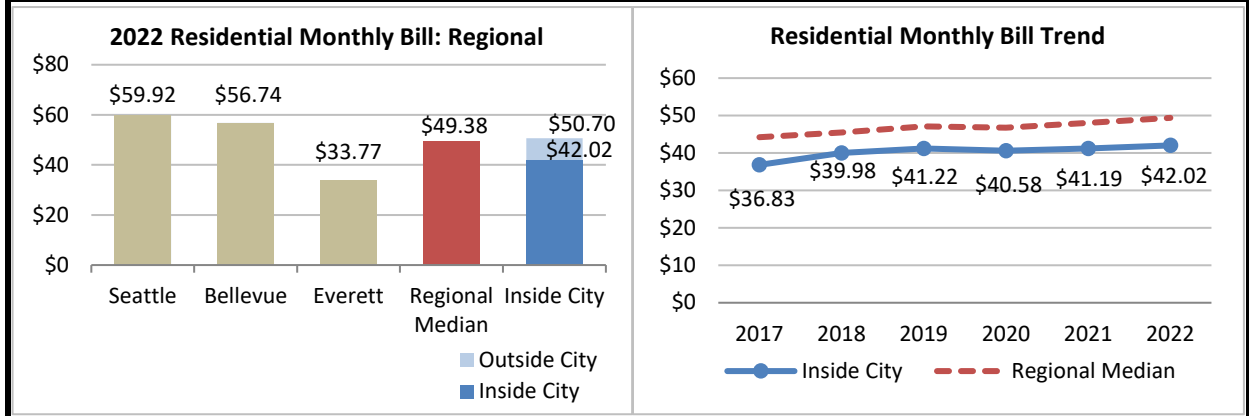
How it is measured: Projected revenues less projected expenditures for the biennium are compared to budgeted revenues less expenditures. Projections consider actual to-date results plus generally conservative assumptions for future performance.

Reporting Frequency: Quarterly updates of biennium projection

Sources: Tacoma Water internal data

Operational Excellence

(4) Average Residential Monthly Bill	Status:	2019	2020	2021	2022
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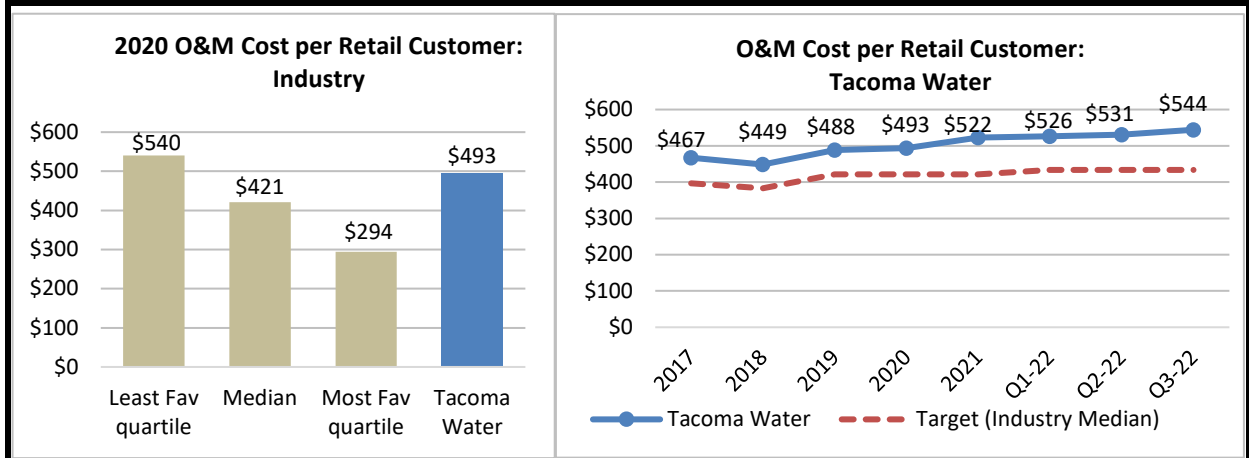
Definition: Measures and compares the monthly weighted average water bill for residential customers.

How it is measured: Total cost of the monthly fixed charge for 5/8" meter plus the volumetric charge based on average residential demand for that year.

Reporting Frequency: Annual, or as rates change

Sources: Tacoma Water internal data and published rate schedules of the regional water utilities shown.

(5) Total O & M Cost per Retail Customer	Status:	Q1	Q2	Q3	Q4
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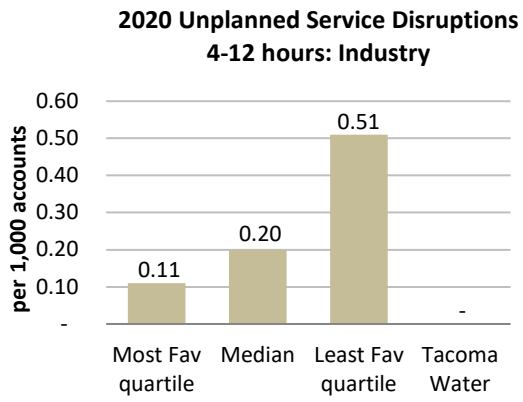
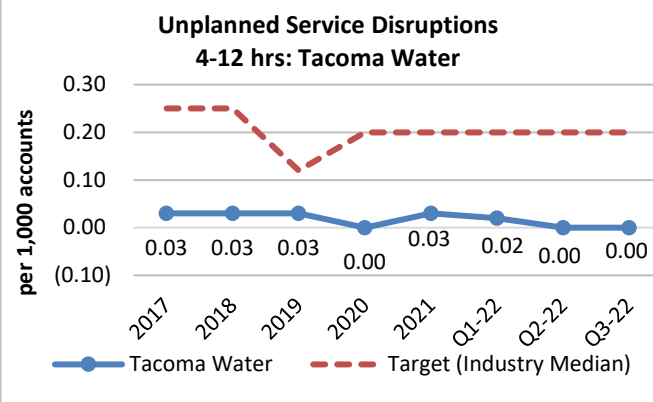


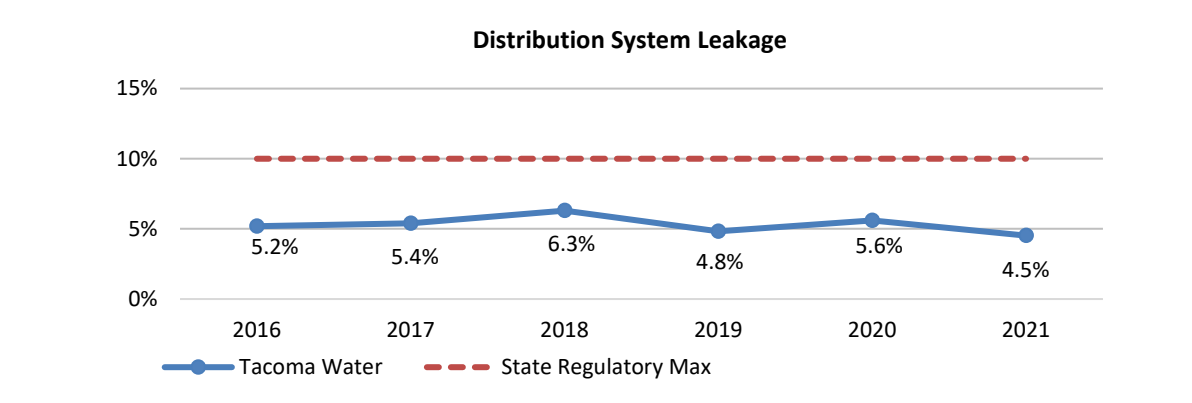
Definition: Measures the utility's operation and maintenance (O&M) cost per retail customer account.

How it is measured: Ratio of total O&M costs minus depreciation to the total number of retail customer accounts.

Reporting Frequency: Annual historical plus current rolling 12 months; calculated quarterly

Sources: Tacoma Water internal data; AWWA. The 2019 Industry median is escalated 3% annually thereafter to reflect basic cost inflation.

(6) Unplanned Service Disruptions 4-12 hours/1,000 accts	Status:	Q1	Q2	Q3	Q4																																					
<div style="display: flex; justify-content: space-around;"> <div style="width: 45%;"> <p>2020 Unplanned Service Disruptions 4-12 hours: Industry</p>  <table border="1"> <caption>2020 Unplanned Service Disruptions 4-12 hours: Industry</caption> <thead> <tr> <th>Category</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>Most Fav quartile</td> <td>0.11</td> </tr> <tr> <td>Median</td> <td>0.20</td> </tr> <tr> <td>Least Fav quartile</td> <td>0.51</td> </tr> <tr> <td>Tacoma Water</td> <td>-</td> </tr> </tbody> </table> </div> <div style="width: 45%;"> <p>Unplanned Service Disruptions 4-12 hrs: Tacoma Water</p>  <table border="1"> <caption>Unplanned Service Disruptions 4-12 hrs: Tacoma Water</caption> <thead> <tr> <th>Year/Quarter</th> <th>Tacoma Water</th> <th>Target (Industry Median)</th> </tr> </thead> <tbody> <tr> <td>2017</td> <td>0.03</td> <td>0.25</td> </tr> <tr> <td>2018</td> <td>0.03</td> <td>0.25</td> </tr> <tr> <td>2019</td> <td>0.03</td> <td>0.12</td> </tr> <tr> <td>2020</td> <td>0.00</td> <td>0.20</td> </tr> <tr> <td>2021</td> <td>0.03</td> <td>0.20</td> </tr> <tr> <td>Q1-22</td> <td>0.02</td> <td>0.20</td> </tr> <tr> <td>Q2-22</td> <td>0.00</td> <td>0.20</td> </tr> <tr> <td>Q3-22</td> <td>0.00</td> <td>0.20</td> </tr> </tbody> </table> </div> </div>		Category	Value	Most Fav quartile	0.11	Median	0.20	Least Fav quartile	0.51	Tacoma Water	-	Year/Quarter	Tacoma Water	Target (Industry Median)	2017	0.03	0.25	2018	0.03	0.25	2019	0.03	0.12	2020	0.00	0.20	2021	0.03	0.20	Q1-22	0.02	0.20	Q2-22	0.00	0.20	Q3-22	0.00	0.20				
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<p>Definition: Measures the number of unplanned service disruptions lasting between 4 and 12 hours over the period, expressed per 1,000 accounts. A lower ratio is preferred, indicating fewer unplanned service disruptions.</p> <p>How it is measured: Ratio of total number of unplanned service disruptions of 4-12 hours x 1,000 to number of residential and non-residential accounts.</p> <p>Reporting Frequency: Annual historical plus current rolling 12 months; calculated quarterly</p> <p>Sources: Tacoma Water internal data; AWWA</p>																																										

(7) Distribution System Leakage	Status:	2018	2019	2020	2021																										
<p style="text-align: center;">Distribution System Leakage</p>  <table border="1"> <caption>Distribution System Leakage</caption> <thead> <tr> <th>Year</th> <th>Tacoma Water</th> <th>State Regulatory Max</th> </tr> </thead> <tbody> <tr> <td>2016</td> <td>5.2%</td> <td>10%</td> </tr> <tr> <td>2017</td> <td>5.4%</td> <td>10%</td> </tr> <tr> <td>2018</td> <td>6.3%</td> <td>10%</td> </tr> <tr> <td>2019</td> <td>4.8%</td> <td>10%</td> </tr> <tr> <td>2020</td> <td>5.6%</td> <td>10%</td> </tr> <tr> <td>2021</td> <td>4.5%</td> <td>10%</td> </tr> </tbody> </table>						Year	Tacoma Water	State Regulatory Max	2016	5.2%	10%	2017	5.4%	10%	2018	6.3%	10%	2019	4.8%	10%	2020	5.6%	10%	2021	4.5%	10%					
Year	Tacoma Water	State Regulatory Max																													
2016	5.2%	10%																													
2017	5.4%	10%																													
2018	6.3%	10%																													
2019	4.8%	10%																													
2020	5.6%	10%																													
2021	4.5%	10%																													
<p>Definition: Measures the difference between the amount of water Tacoma Water produces and the amount of water accounted for in sales and other known uses for a given period. Identifies leaks and/or unauthorized use of water in the Tacoma Water transmission and distribution systems. A lower ratio is preferred.</p> <p>How it is measured: Ratio of total water produced minus authorized consumption to total water produced x 100.</p> <p>Reporting Frequency: Annual</p> <p>Sources: Tacoma Water internal data</p>																															



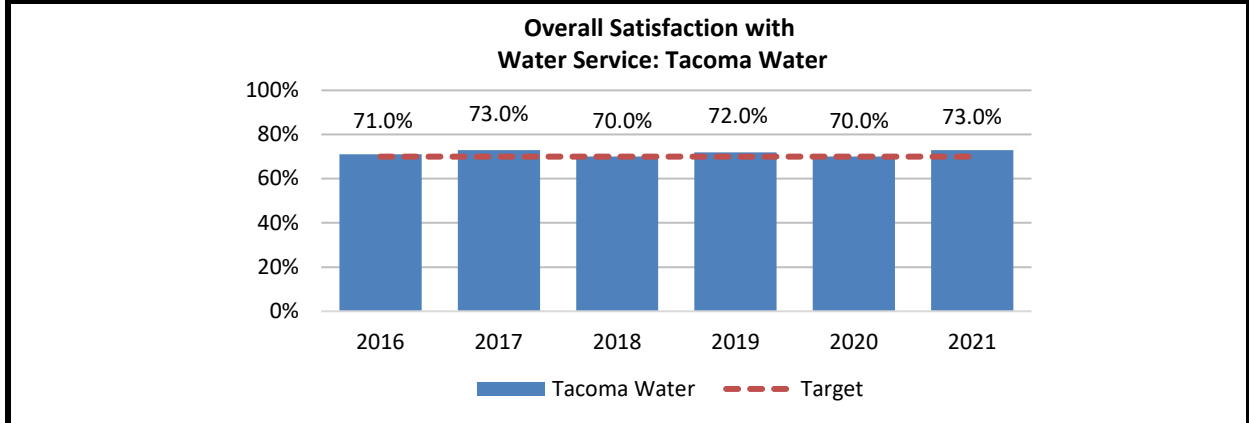
(8) Regulatory Compliance	Status:	2019	2020	2021	2022																															
<div style="display: flex; justify-content: space-around;"> <div style="width: 45%;"> <p>2021 Regulatory Compliance: Industry</p> <table border="1"> <caption>2021 Regulatory Compliance: Industry</caption> <thead> <tr> <th>Category</th> <th>Compliance (%)</th> </tr> </thead> <tbody> <tr> <td>Most fav quartile</td> <td>100%</td> </tr> <tr> <td>Median</td> <td>100%</td> </tr> <tr> <td>Least fav quartile</td> <td>100%</td> </tr> <tr> <td>Tacoma Water</td> <td>100%</td> </tr> </tbody> </table> </div> <div style="width: 45%;"> <p>Regulatory Compliance: Tacoma Water</p> <table border="1"> <caption>Regulatory Compliance: Tacoma Water</caption> <thead> <tr> <th>Year</th> <th>Tacoma Water (%)</th> <th>Target (%)</th> </tr> </thead> <tbody> <tr> <td>2017</td> <td>100%</td> <td>100%</td> </tr> <tr> <td>2018</td> <td>100%</td> <td>100%</td> </tr> <tr> <td>2019</td> <td>100%</td> <td>100%</td> </tr> <tr> <td>2020</td> <td>100%</td> <td>100%</td> </tr> <tr> <td>2021</td> <td>100%</td> <td>100%</td> </tr> <tr> <td>2022</td> <td>100%</td> <td>100%</td> </tr> </tbody> </table> </div> </div>		Category	Compliance (%)	Most fav quartile	100%	Median	100%	Least fav quartile	100%	Tacoma Water	100%	Year	Tacoma Water (%)	Target (%)	2017	100%	100%	2018	100%	100%	2019	100%	100%	2020	100%	100%	2021	100%	100%	2022	100%	100%	<p>Definition: Measures the percentage of the year that the utility complied with all federally mandated, health-related drinking water standards. It includes compliance with primary maximum contaminant levels and treatment techniques applicable to Tacoma Water. Tacoma Water strives to maintain 100% compliance.</p> <p>How it is measured: Ratio of number of days that the utility was in full compliance with all applicable standards over 365 days.</p> <p>Reporting Frequency: Historical annual with year-to-date quarterly calculation</p> <p>Sources: Tacoma Water internal data; AWWA</p>			
Category	Compliance (%)																																			
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2022	100%	100%																																		

(9) Conservation Achieved	Status:	2018	2019	2020	2021																																				
<div style="text-align: center;"> <p>Conservation Achieved</p> <table border="1"> <caption>Conservation Achieved Data</caption> <thead> <tr> <th>Year</th> <th>Tacoma Water (%)</th> <th>Target (%)</th> </tr> </thead> <tbody> <tr> <td>2017</td> <td>0.0%</td> <td>-</td> </tr> <tr> <td>2018</td> <td>-4.5%</td> <td>0.0%</td> </tr> <tr> <td>2019</td> <td>10.5%</td> <td>~1.5%</td> </tr> <tr> <td>2020</td> <td>11.8%</td> <td>~3.0%</td> </tr> <tr> <td>2021</td> <td>6.9%</td> <td>~4.5%</td> </tr> <tr> <td>2022</td> <td>-</td> <td>~6.0%</td> </tr> <tr> <td>2023</td> <td>-</td> <td>~6.5%</td> </tr> <tr> <td>2024</td> <td>-</td> <td>~6.6%</td> </tr> <tr> <td>2025</td> <td>-</td> <td>~6.6%</td> </tr> <tr> <td>2026</td> <td>-</td> <td>~6.6%</td> </tr> <tr> <td>2027</td> <td>-</td> <td>6.64%</td> </tr> </tbody> </table> </div>		Year	Tacoma Water (%)	Target (%)	2017	0.0%	-	2018	-4.5%	0.0%	2019	10.5%	~1.5%	2020	11.8%	~3.0%	2021	6.9%	~4.5%	2022	-	~6.0%	2023	-	~6.5%	2024	-	~6.6%	2025	-	~6.6%	2026	-	~6.6%	2027	-	6.64%	<p>Definition: Measurement of realized conservation compared to conservation goal. The current conservation goal for Tacoma Water is to achieve a 6.64% reduction in peak water production (measured May to October) between 2018 and 2027.</p> <p>How it is measured: Cumulative percentage reduction in consumption, measured in gallons per capita per day.</p> <p>Reporting Frequency: Annual progress towards 10-year goal</p> <p>Sources: Tacoma Water internal data</p>			
Year	Tacoma Water (%)	Target (%)																																							
2017	0.0%	-																																							
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2027	-	6.64%																																							



Commitment to Customers & Employees

(10) Customer Satisfaction	Status:	2018	2019	2020	2021
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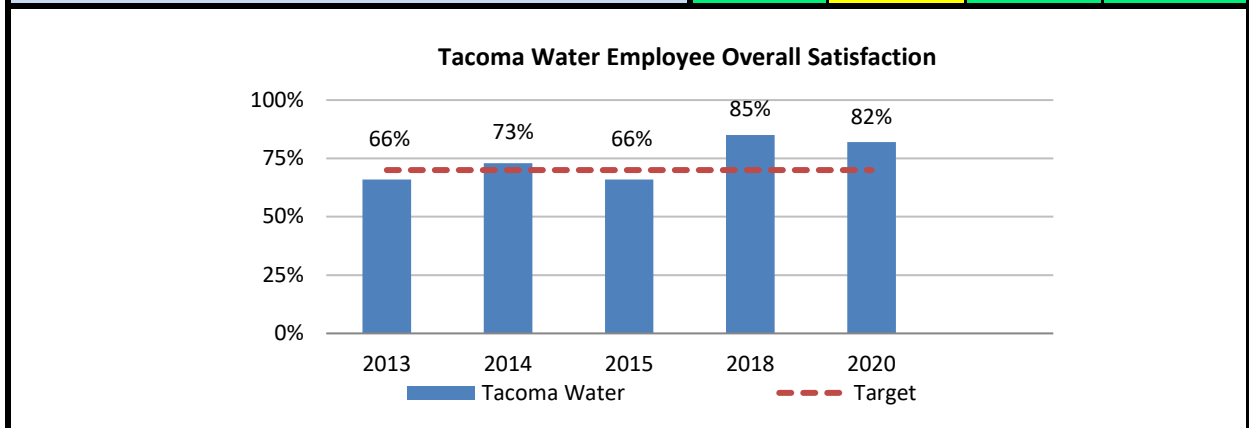
Definition: Measures customers' overall satisfaction with water service provided by Tacoma Water. Based on a customer survey using a 0 to 10 scale, with 10 being most highly satisfied. A higher score indicates greater overall satisfaction.

How it is measured: Percentage of total responses receiving a score of 8, 9 or 10.

Reporting Frequency: Updated with each newly conducted survey; expected to be annual

Sources: Tacoma Public Utilities Residential Customer Satisfaction Baseline Survey

(11) Employee Satisfaction	Status:	2014	2015	2018	2020
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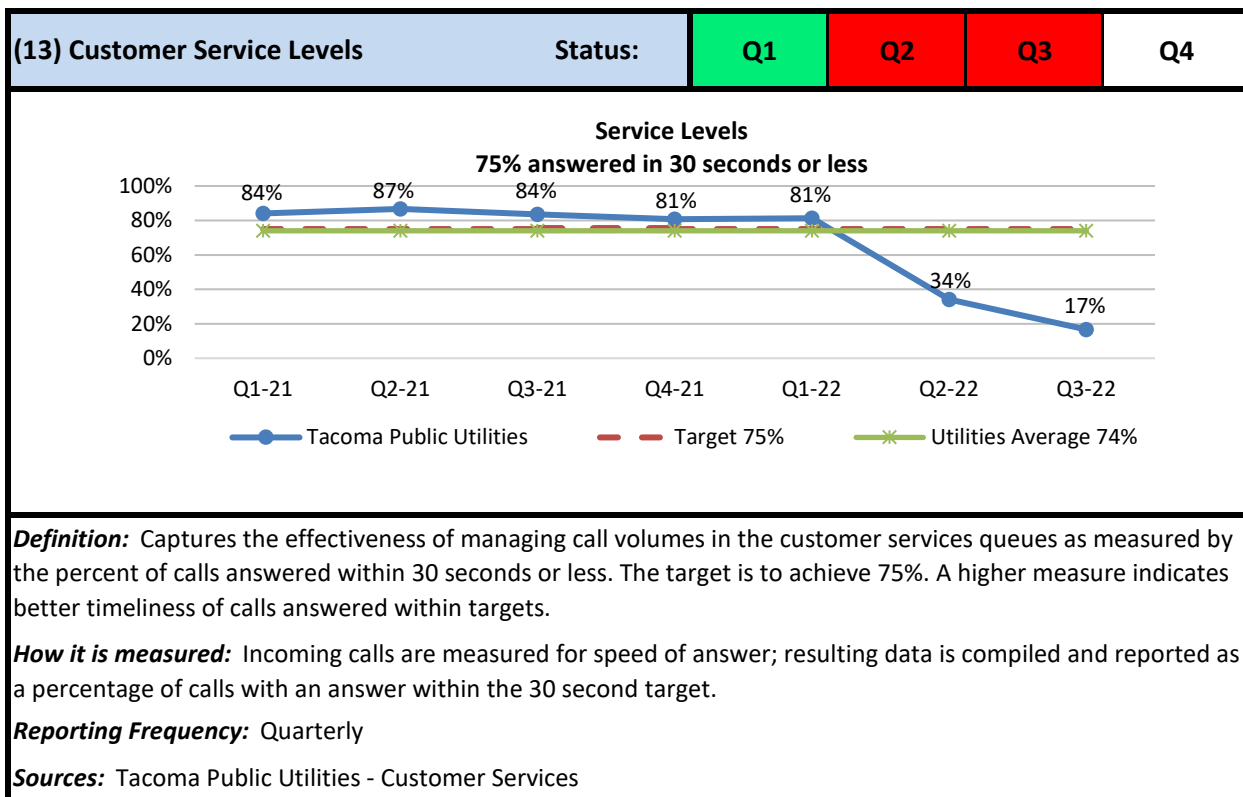
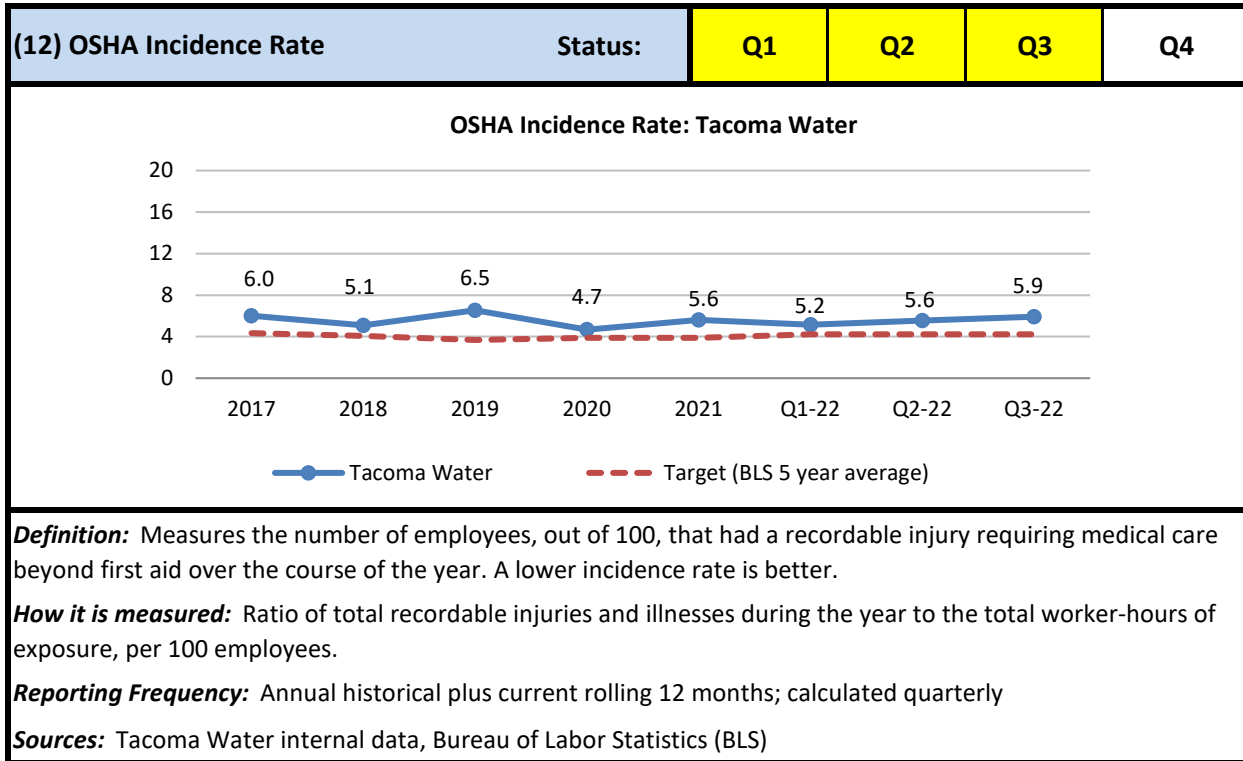


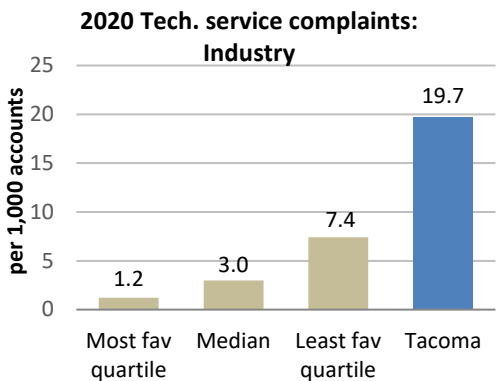
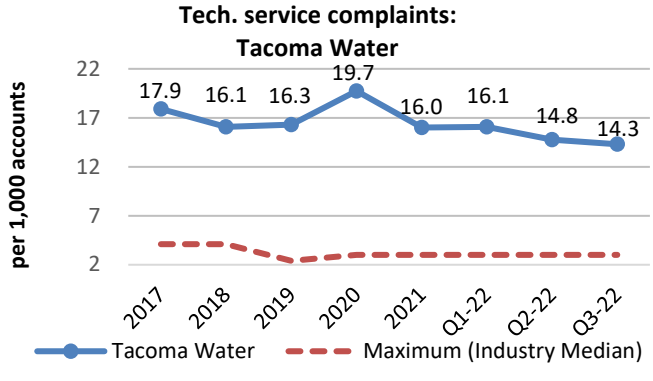
Definition: Measures employees' overall satisfaction with working at Tacoma Water based on an independently conducted employee survey. A higher score indicates greater overall employee satisfaction.

How it is measured: Percentage of total responses receiving a score of 4 or 5, using a 1 to 5 scale with 5 being extremely satisfied.

Reporting Frequency: Updated with each newly conducted survey; next update expected in 2022 Q4.

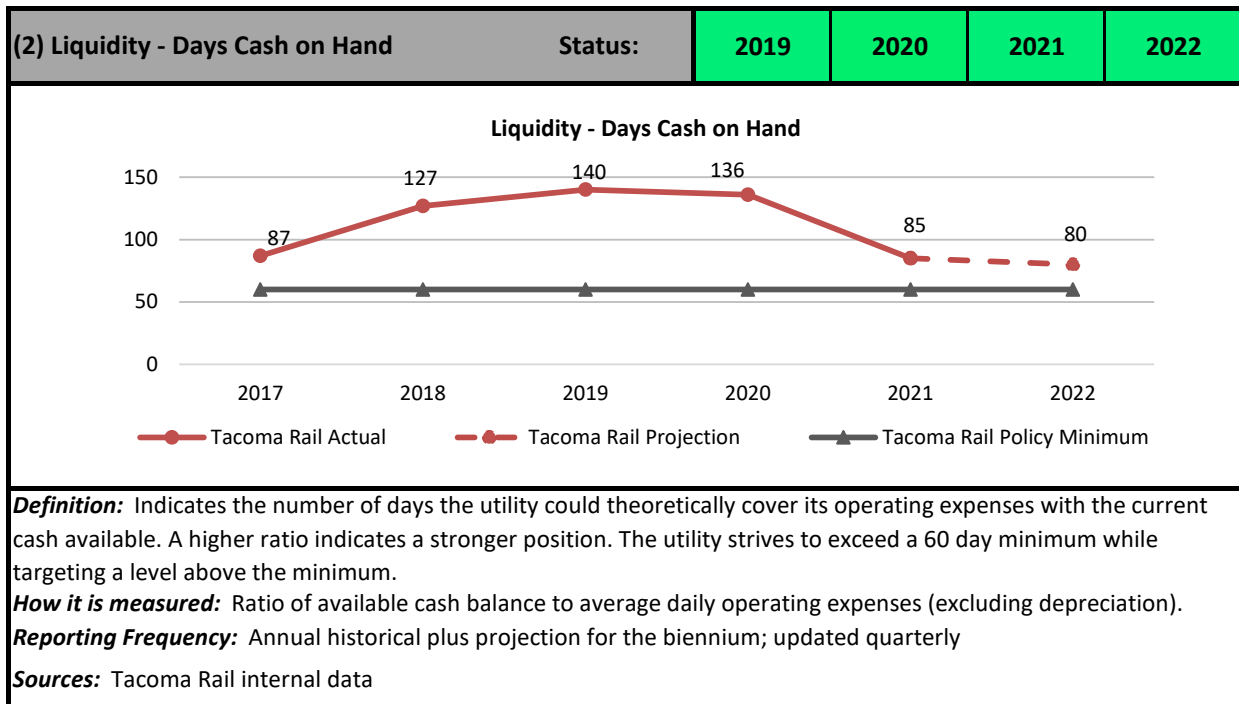
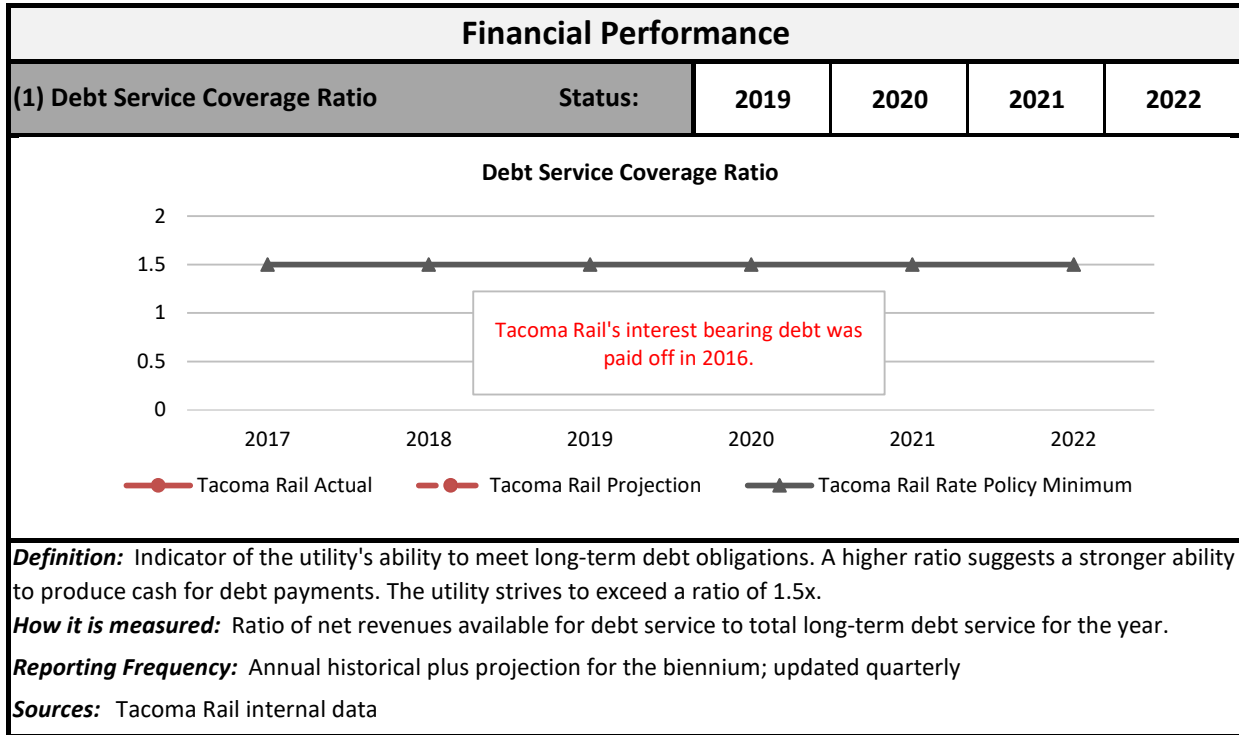
Sources: TPU All-Employee Engagement Survey



(14) Technical Service Complaints	Status:	Q1	Q2	Q3	Q4																												
<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>2020 Tech. service complaints: Industry</p>  <table border="1"> <caption>2020 Tech. service complaints: Industry</caption> <thead> <tr> <th>Category</th> <th>per 1,000 accounts</th> </tr> </thead> <tbody> <tr> <td>Most fav quartile</td> <td>1.2</td> </tr> <tr> <td>Median</td> <td>3.0</td> </tr> <tr> <td>Least fav quartile</td> <td>7.4</td> </tr> <tr> <td>Tacoma</td> <td>19.7</td> </tr> </tbody> </table> </div> <div style="width: 45%;"> <p>Tech. service complaints: Tacoma Water</p>  <table border="1"> <caption>Tech. service complaints: Tacoma Water</caption> <thead> <tr> <th>Year</th> <th>per 1,000 accounts</th> </tr> </thead> <tbody> <tr> <td>2017</td> <td>17.9</td> </tr> <tr> <td>2018</td> <td>16.1</td> </tr> <tr> <td>2019</td> <td>16.3</td> </tr> <tr> <td>2020</td> <td>19.7</td> </tr> <tr> <td>2021</td> <td>16.0</td> </tr> <tr> <td>Q1-22</td> <td>16.1</td> </tr> <tr> <td>Q2-22</td> <td>14.8</td> </tr> <tr> <td>Q3-22</td> <td>14.3</td> </tr> </tbody> </table> </div> </div>						Category	per 1,000 accounts	Most fav quartile	1.2	Median	3.0	Least fav quartile	7.4	Tacoma	19.7	Year	per 1,000 accounts	2017	17.9	2018	16.1	2019	16.3	2020	19.7	2021	16.0	Q1-22	16.1	Q2-22	14.8	Q3-22	14.3
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<p>Definition: Measures technical quality complaint frequency per 1,000 customer accounts over the reporting period. Such complaints consist of water quality, taste, odor, appearance, water pressure and service disruptions. A lower number of complaints would be expected to correlate to higher customer satisfaction.</p> <p>How it is measured: Ratio of total number of technical service complaints x 1,000 to number of residential and non-residential accounts.</p> <p>Reporting Frequency: Annual historical plus current rolling 12 months; calculated quarterly</p> <p>Sources: Tacoma Water, AWWA</p>																																	



Performance Metrics Summary

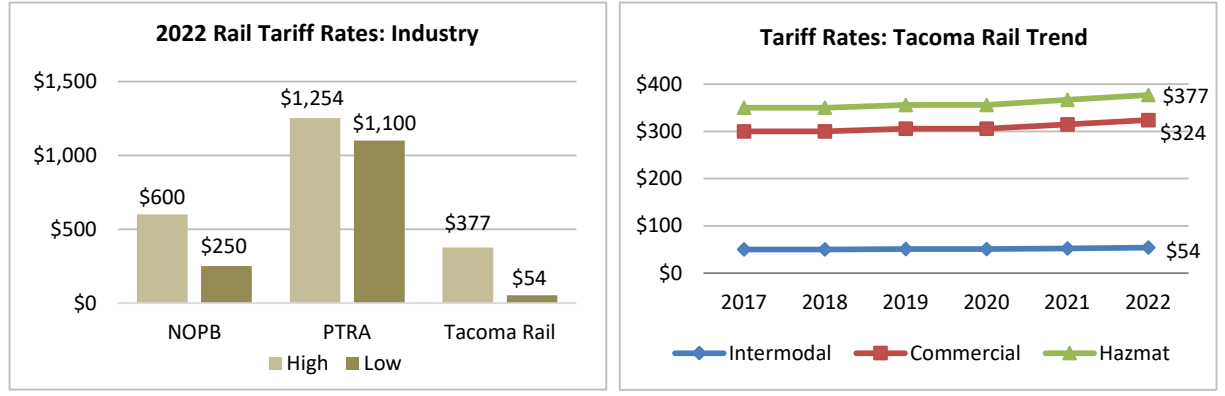




(3) Revenues Less Expenditures Projection vs. Budget		Status:	Biennium Projection								
<p>Favorable</p> <p style="text-align: center;">Projected 2021-22 Variance to Budget - Revenues Less Expenditures</p> <table border="1"> <caption>Projected 2021-22 Variance to Budget - Revenues Less Expenditures</caption> <thead> <tr> <th>Category</th> <th>Variance (Dollars in 000's)</th> </tr> </thead> <tbody> <tr> <td>Revenues Variance</td> <td>(\$9,922)</td> </tr> <tr> <td>Expenditures Variance</td> <td>\$7,031</td> </tr> <tr> <td>Revenues Less Exps Total Variance</td> <td>(\$2,891)</td> </tr> </tbody> </table> <p>(Unfavorable)</p>				Category	Variance (Dollars in 000's)	Revenues Variance	(\$9,922)	Expenditures Variance	\$7,031	Revenues Less Exps Total Variance	(\$2,891)
Category	Variance (Dollars in 000's)										
Revenues Variance	(\$9,922)										
Expenditures Variance	\$7,031										
Revenues Less Exps Total Variance	(\$2,891)										
<p>Definition: Measures Tacoma Rail's projected biennial financial performance as compared to its approved budget. The measure compares projected "revenues less expenditures" for the biennium. A projection which is favorable to budget is preferable.</p> <p>How it is measured: Projected revenues less projected expenditures for the biennium are compared to budgeted revenues less expenditures. Projections consider actual to-date results plus assumptions for future performance.</p> <p>Reporting Frequency: Quarterly updates of biennium projection</p> <p>Sources: Tacoma Rail internal data</p>											

Operational Excellence

(4) Terminal Short Line Tariff Comparison	Status:	2019	2020	2021	2022
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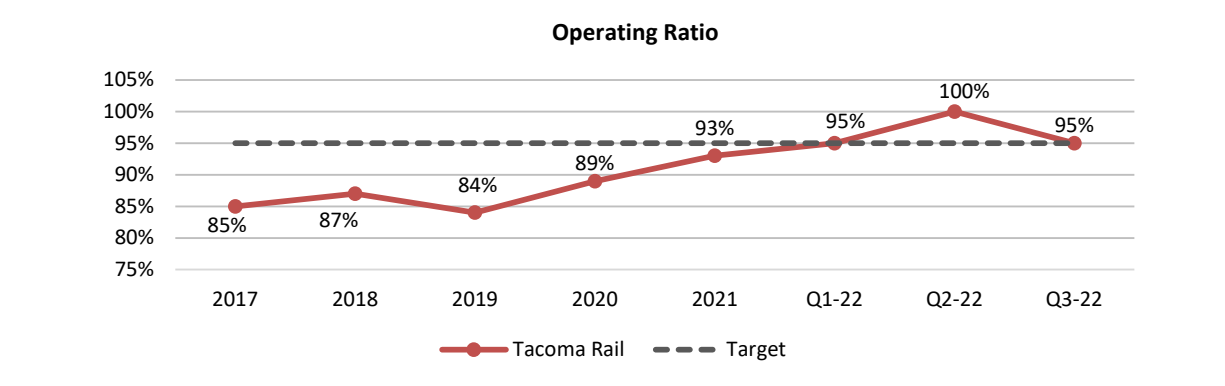
Definition: Compares Tacoma Rail tariff rates to similar short-line railroads. Lower rates are favorable for customers, all other things being equal.

How it is measured: The low and high range of tariff rates for Tacoma Rail commercial, intermodal and hazmat traffic are compared to similar short-line railroads such as New Orleans Public Beltline (NOPB) and Port Terminal Railroad Association (PTRA).

Reporting Frequency: Annual, or as rates change

Sources: Tacoma Rail internal data, New Orleans Public Beltline (NOPB) and Port Terminal Railroad Association (PTRA)

(5) Operating Ratio	Status:	Q1	Q2	Q3	Q4
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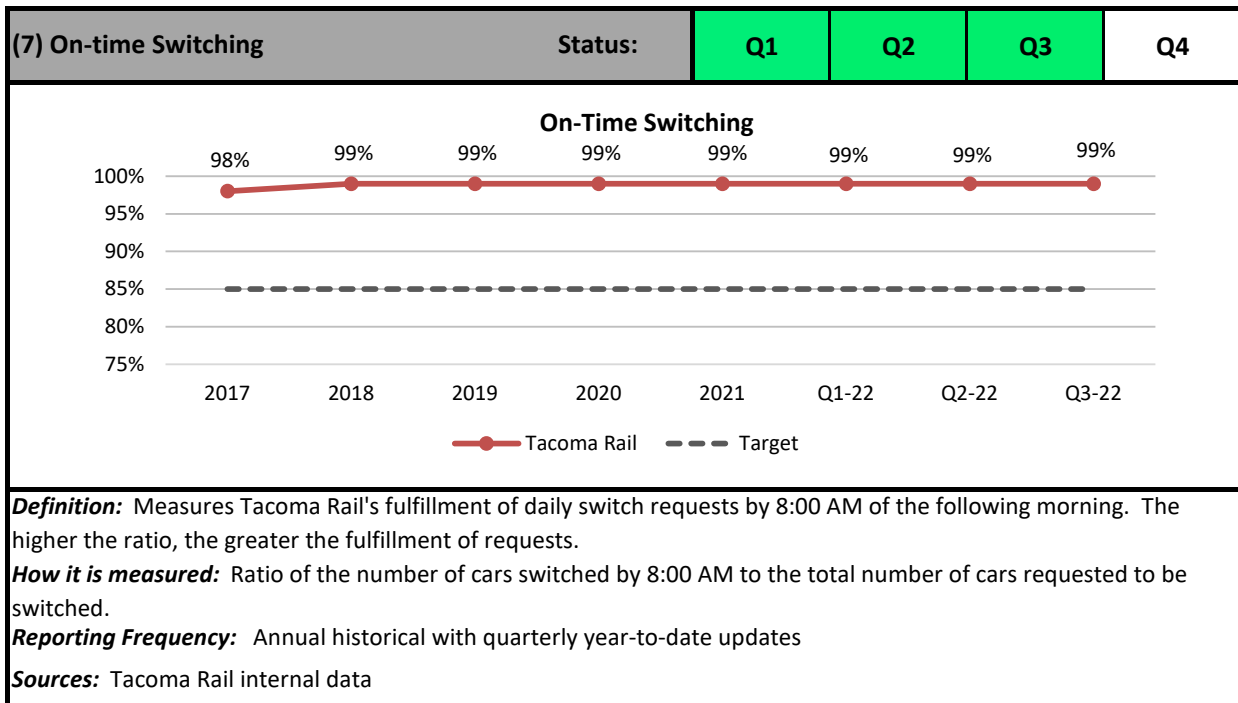
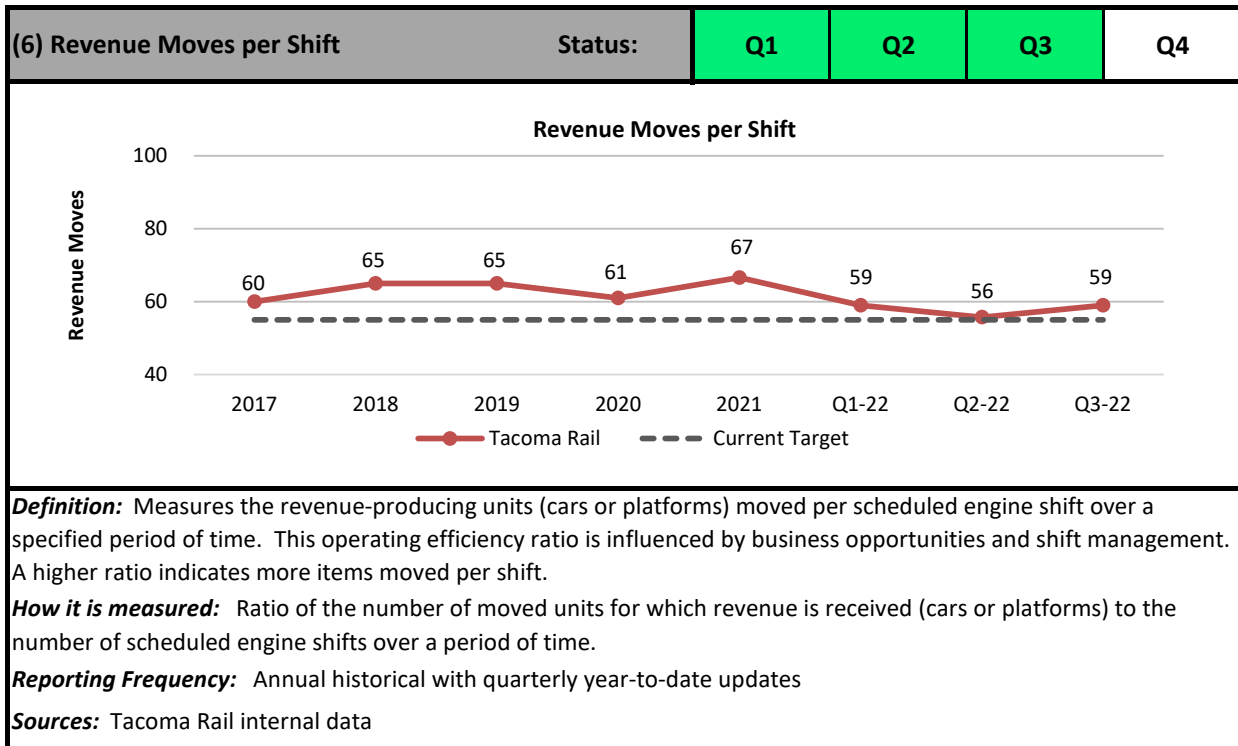


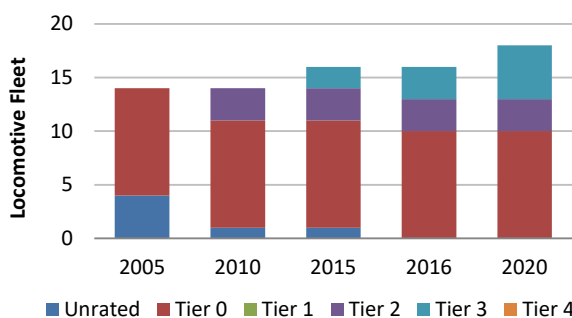
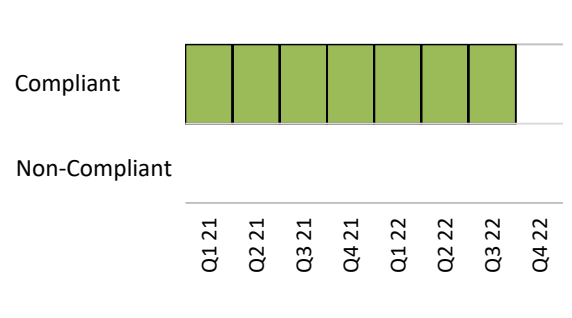
Definition: A key measure of railroad performance, the operating ratio is an indicator of profitability and operating efficiency. A lower ratio is better as more revenue is available to reinvest in the business and minimize customer rates. As a municipal short-line railroad, performance below 100% is favorable.


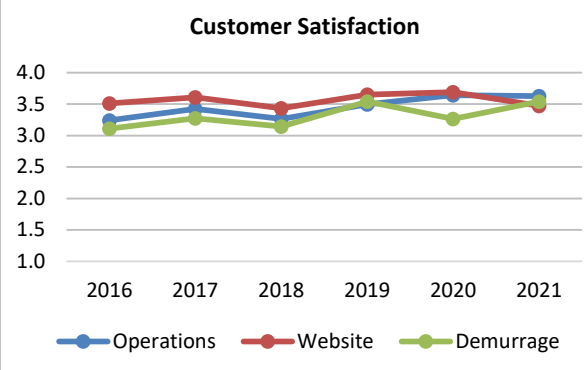
How it is measured: Ratio of operating expenses to revenues.

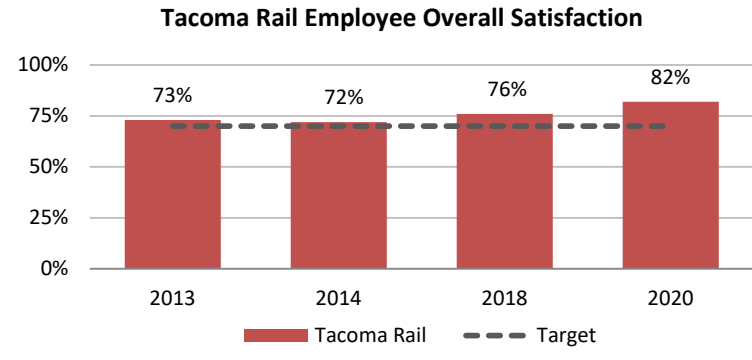
Reporting Frequency: Annual historical with quarterly year-to-date updates

Sources: Tacoma Rail internal data



(8) Diesel Conversion & Storm Water Remediation		Status:	2022																																																																					
<p style="text-align: center;">Diesel Conversion</p>  <table border="1"> <caption>Diesel Conversion Data (Estimated)</caption> <thead> <tr> <th>Year</th> <th>Unrated</th> <th>Tier 0</th> <th>Tier 1</th> <th>Tier 2</th> <th>Tier 3</th> <th>Tier 4</th> </tr> </thead> <tbody> <tr> <td>2005</td> <td>4</td> <td>10</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>2010</td> <td>1</td> <td>10</td> <td>0</td> <td>3</td> <td>0</td> <td>0</td> </tr> <tr> <td>2015</td> <td>1</td> <td>10</td> <td>0</td> <td>3</td> <td>2</td> <td>0</td> </tr> <tr> <td>2016</td> <td>0</td> <td>10</td> <td>0</td> <td>3</td> <td>3</td> <td>0</td> </tr> <tr> <td>2020</td> <td>0</td> <td>10</td> <td>0</td> <td>3</td> <td>5</td> <td>0</td> </tr> </tbody> </table>	Year	Unrated	Tier 0	Tier 1	Tier 2	Tier 3	Tier 4	2005	4	10	0	0	0	0	2010	1	10	0	3	0	0	2015	1	10	0	3	2	0	2016	0	10	0	3	3	0	2020	0	10	0	3	5	0	<p style="text-align: center;">Storm Water Compliance</p>  <table border="1"> <caption>Storm Water Compliance Data</caption> <thead> <tr> <th>Quarter</th> <th>Compliant</th> <th>Non-Compliant</th> </tr> </thead> <tbody> <tr><td>Q1 21</td><td>100%</td><td>0%</td></tr> <tr><td>Q2 21</td><td>100%</td><td>0%</td></tr> <tr><td>Q3 21</td><td>100%</td><td>0%</td></tr> <tr><td>Q4 21</td><td>100%</td><td>0%</td></tr> <tr><td>Q1 22</td><td>100%</td><td>0%</td></tr> <tr><td>Q2 22</td><td>100%</td><td>0%</td></tr> <tr><td>Q3 22</td><td>100%</td><td>0%</td></tr> <tr><td>Q4 22</td><td>100%</td><td>0%</td></tr> </tbody> </table>	Quarter	Compliant	Non-Compliant	Q1 21	100%	0%	Q2 21	100%	0%	Q3 21	100%	0%	Q4 21	100%	0%	Q1 22	100%	0%	Q2 22	100%	0%	Q3 22	100%	0%	Q4 22	100%	0%		
Year	Unrated	Tier 0	Tier 1	Tier 2	Tier 3	Tier 4																																																																		
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<p>Definition: 1) Diesel locomotive conversion increases the emission tier levels of Tacoma Rail's locomotive fleet. A higher tier level equates to reduced emissions. 2) Tacoma Rail strives to be compliant with its Industrial Storm Water Permit which includes testing for zinc, copper, oil, turbidity and pH levels in storm water runoff.</p> <p>How it is measured: For diesel conversion, as Tacoma Rail acquires or repowers its locomotive fleet, the locomotives achieve a higher EPA tier level. For Storm Water compliance, per Washington State Department of Ecology standards, tests of water flows at storm water collection locations at Tacoma Rail are conducted and summarized in a detailed report.</p> <p>Reporting Frequency: 5 years (Diesel), Quarterly (Storm Water)</p> <p>Sources: Tacoma Rail internal data (Diesel); Washington State Department of Ecology (Storm Water)</p>																																																																								

Commitment to Customers & Employees					
(9) Customer Satisfaction	Status:	2018	2019	2020	2021
<p>2021 Customer Satisfaction</p> 		<p>Customer Satisfaction</p> 			
<p>Definition: Measures customers' overall satisfaction with services provided by Tacoma Rail in the areas of operations, demurrage services and the customer-facing website. Based on a customer survey using a 1 to 4 scale, with 3 being satisfied and 4 being very satisfied. A higher score indicates greater overall satisfaction in key areas.</p> <p>How it is measured: Mean of the weighted average score of question categories in the survey.</p> <p>Reporting Frequency: Updated with each newly conducted annual survey</p> <p>Sources: Tacoma Rail internal data</p>					

(10) Employee Satisfaction	Status:	2013	2014	2018	2020
<p>Tacoma Rail Employee Overall Satisfaction</p> 					
<p>Definition: Measures employees' overall satisfaction with working at Tacoma Rail based on an independently conducted employee survey. A higher score indicates greater overall employee satisfaction.</p> <p>How it is measured: Percentage of total responses receiving a score of 4 or 5, using a 1 to 5 scale with 5 being extremely satisfied.</p> <p>Reporting Frequency: Updated with each newly conducted survey; next update scheduled for 2022</p> <p>Sources: TPU All-Employee Engagement Survey</p>					

(11) Frequency Ratio (Injury Rate)	Status:	Q1	Q2	Q3	Q4																																							
<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p style="text-align: center;">2021 Frequency Ratio: Similar Railroads</p> <table border="1"> <caption>2021 Frequency Ratio: Similar Railroads</caption> <thead> <tr> <th>Railroad</th> <th>Frequency Ratio</th> </tr> </thead> <tbody> <tr> <td>MNNR</td> <td>3.7</td> </tr> <tr> <td>NOPB</td> <td>2.5</td> </tr> <tr> <td>PHL</td> <td>2.1</td> </tr> <tr> <td>T ASD</td> <td>1.1</td> </tr> <tr> <td>Tacoma Rail</td> <td>4.6</td> </tr> </tbody> </table> </div> <div style="width: 45%;"> <p style="text-align: center;">Frequency Ratio: Tacoma Rail</p> <table border="1"> <caption>Frequency Ratio: Tacoma Rail</caption> <thead> <tr> <th>Year/Quarter</th> <th>Tacoma Rail</th> <th>Industry Mean</th> </tr> </thead> <tbody> <tr> <td>2017</td> <td>5.1</td> <td>~2.5</td> </tr> <tr> <td>2018</td> <td>7.0</td> <td>~2.5</td> </tr> <tr> <td>2019</td> <td>3.1</td> <td>~2.5</td> </tr> <tr> <td>2020</td> <td>6.6</td> <td>~2.5</td> </tr> <tr> <td>2021</td> <td>4.6</td> <td>~2.5</td> </tr> <tr> <td>Q1-22</td> <td>0.0</td> <td>~2.5</td> </tr> <tr> <td>Q2-22</td> <td>0.0</td> <td>~2.5</td> </tr> <tr> <td>Q3-22</td> <td>1.6</td> <td>~2.5</td> </tr> </tbody> </table> </div> </div>		Railroad	Frequency Ratio	MNNR	3.7	NOPB	2.5	PHL	2.1	T ASD	1.1	Tacoma Rail	4.6	Year/Quarter	Tacoma Rail	Industry Mean	2017	5.1	~2.5	2018	7.0	~2.5	2019	3.1	~2.5	2020	6.6	~2.5	2021	4.6	~2.5	Q1-22	0.0	~2.5	Q2-22	0.0	~2.5	Q3-22	1.6	~2.5				
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Q2-22	0.0	~2.5																																										
Q3-22	1.6	~2.5																																										
<p>Definition: Standardized American Short Line & Regional Railroad Association (ASLRRA) safety metric. Railroads report the number of OJI incidents and employee on-duty hours. A lower metric is better.</p> <p>How it is measured: Railroad employee on-duty safety metrics by railroad per 200,000 hours worked.</p> <p>Reporting Frequency: Annual historical with quarterly year-to-date updates</p> <p>Sources: Tacoma Rail internal data; ASLRRA; Minnesota Commercial Railway (MNMR); New Orleans Public Beltline (NOPB); Pacific Harbor Line (PHL); Terminal Railway Alabama State Docks (T ASD)</p>																																												