

Quarter 3, 2023 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 Distribution O&M Cost per Customer	5 O&M Cost per Account	5 Operating Ratio
6 Outage Duration	6 Unplanned Service Disruptions	6 Locomotives Serviced
7 Outage Frequency	7 Distribution System Leakage	7 On-Time Switching
8 Non-Carbon Power Resources	8 Regulatory Compliance	8 Storm Water Stewardship
9 Power Conservation	9 Water Conservation	

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

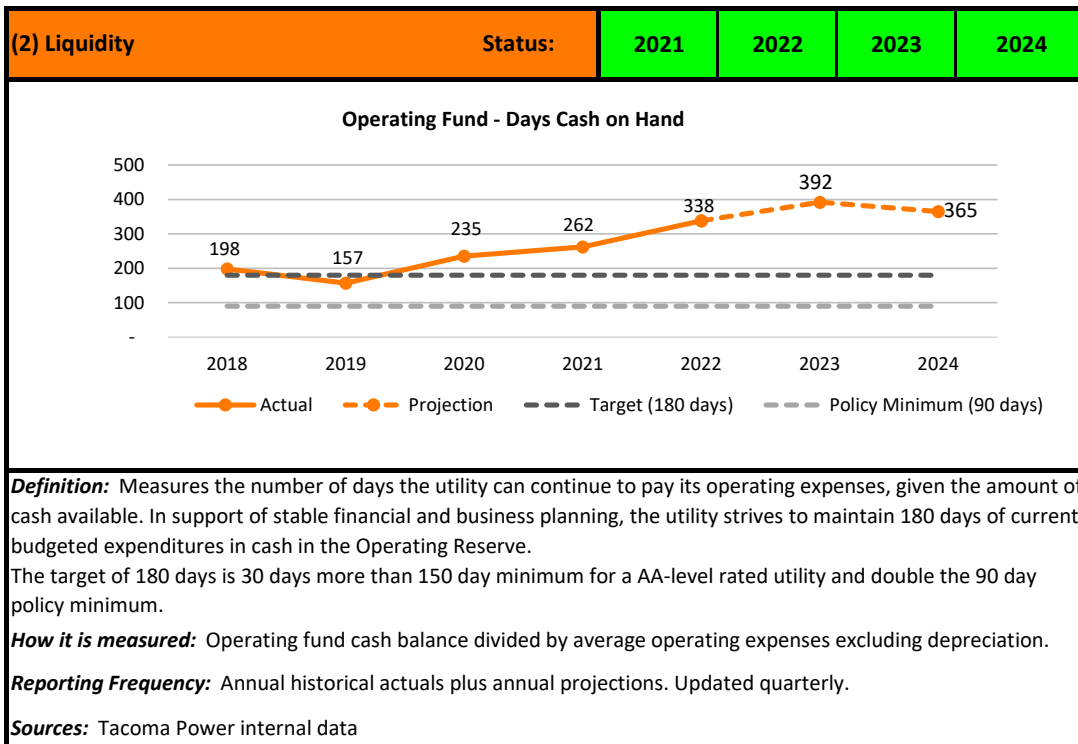
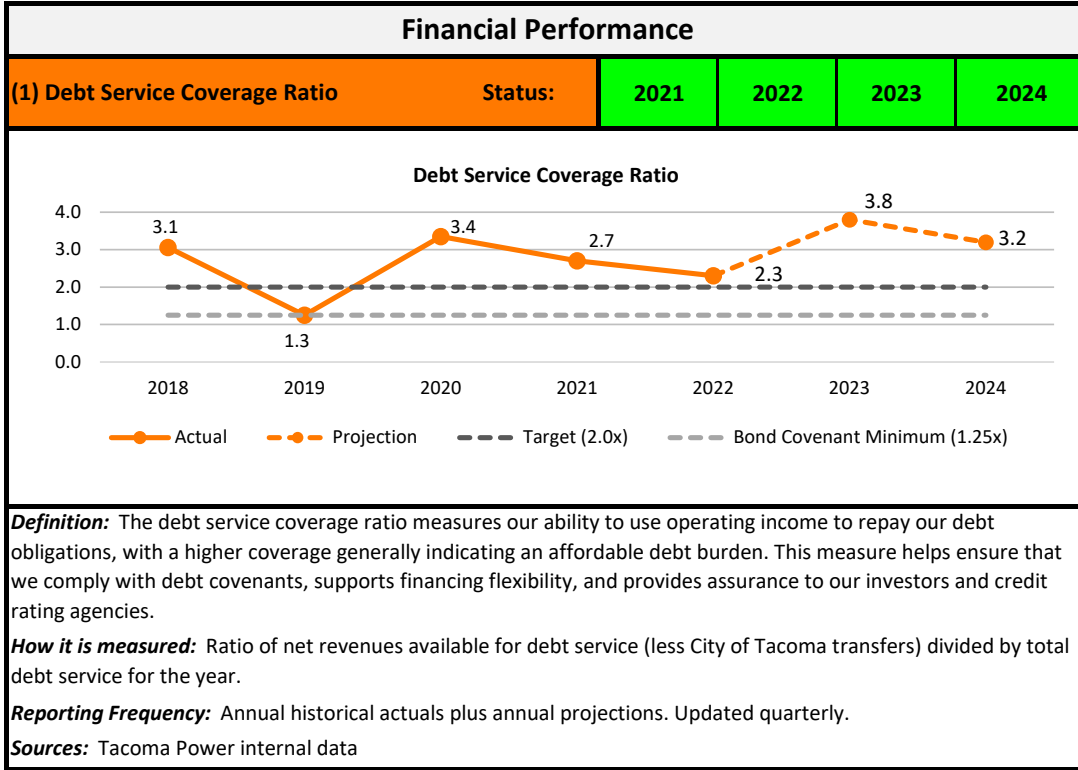
10 Customer Satisfaction	10 Customer Satisfaction	9 Customer Satisfaction
11 Employee Satisfaction	11 Employee Satisfaction	10 Employee Satisfaction
12 Employee Safety	12 Employee Safety	11 Employee Safety
13 Call Center Responsiveness	13 Call Center Responsiveness	
	14 Technical Service Complaints	

Quarter 3, 2023

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 Distribution 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) regional median ● Up to 10% over regional median ● > 10% over regional 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 Locomotives Serviced <ul style="list-style-type: none"> ● ≥ Budget ● Less than Budget and ≥ 85% of Budget ● < 85% of Budget
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 	8 Storm Water Stewardship <ul style="list-style-type: none"> ● Compliant ● NA ● Non-compliant with storm water permit
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% 	
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 ● industry median ● > 10% over industry median <p style="text-align: center;">Metric under review</p>		



Performance Metrics Summary



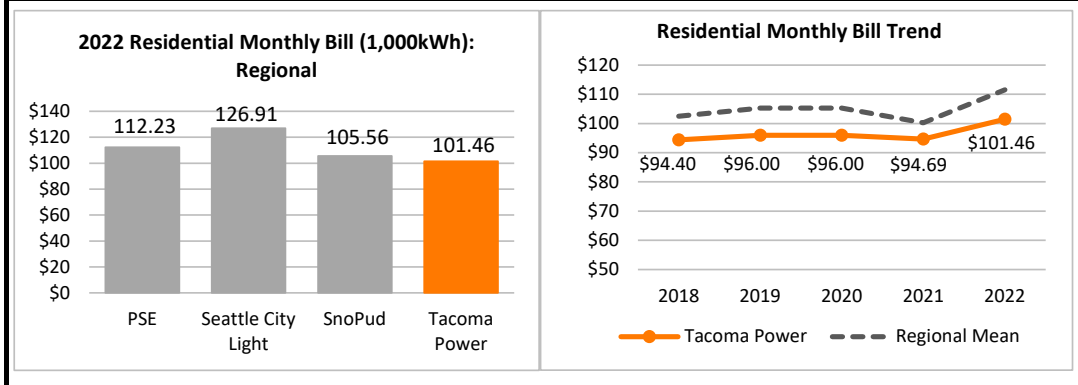


(3) Budget Performance		Status:	2023-2024 Biennium Projection												
<p>Favorable</p> <p style="text-align: center;">Projected Variance to Budget - Revenues Less Expenditures</p> <table border="1"> <caption>Projected Variance to Budget - Revenues Less Expenditures</caption> <thead> <tr> <th>Category</th> <th>Amount (Dollars in 000's)</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Revenue Variance</td> <td>\$96,670</td> <td>11.5%</td> </tr> <tr> <td>Expenditure Variance</td> <td>\$4,723</td> <td>(1.0%)</td> </tr> <tr> <td>Revenues less Expenditures Variance</td> <td>\$101,393</td> <td>(3.5%)</td> </tr> </tbody> </table> <p>(Unfavorable)</p>				Category	Amount (Dollars in 000's)	Percentage	Revenue Variance	\$96,670	11.5%	Expenditure Variance	\$4,723	(1.0%)	Revenues less Expenditures Variance	\$101,393	(3.5%)
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Revenue Variance	\$96,670	11.5%													
Expenditure Variance	\$4,723	(1.0%)													
Revenues less Expenditures Variance	\$101,393	(3.5%)													
<p>Definition: Tacoma Power's projected biennial performance as compared to its approved budget. The measure compares projected revenues and expenditures to budget 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 budgeted expenditures. Projections consider actual to-date results plus assumptions for future performance.</p> <p>Reporting Frequency: Quarterly updates of biennium-end projection.</p> <p>Sources: Tacoma Power internal data</p>															



Operational Excellence

(4) Residential Bill Comparison	Status:	2019	2020	2021	2022
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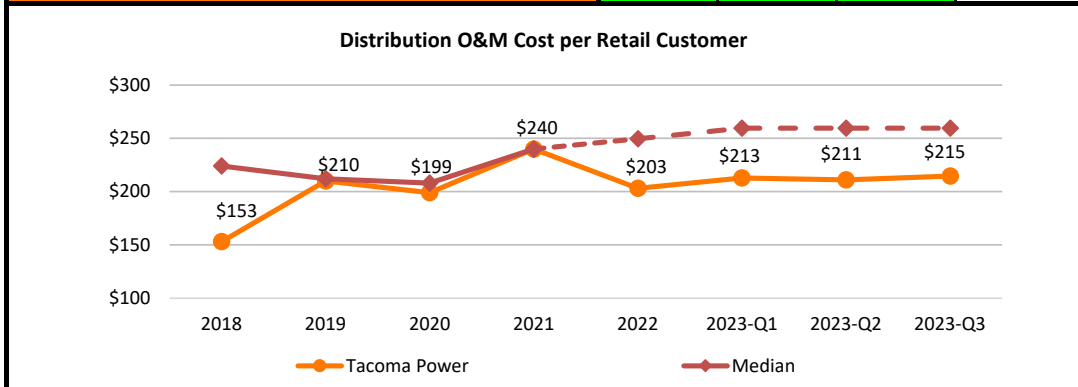
Definition: Measures and compares the monthly power bill for residential customers based on usage of 1,000 kilowatt hours. A lower bill is favorable for customers, all other things being equal.

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) Distribution O&M Cost per Customer	Status:	Q1	Q2	Q3	Q4
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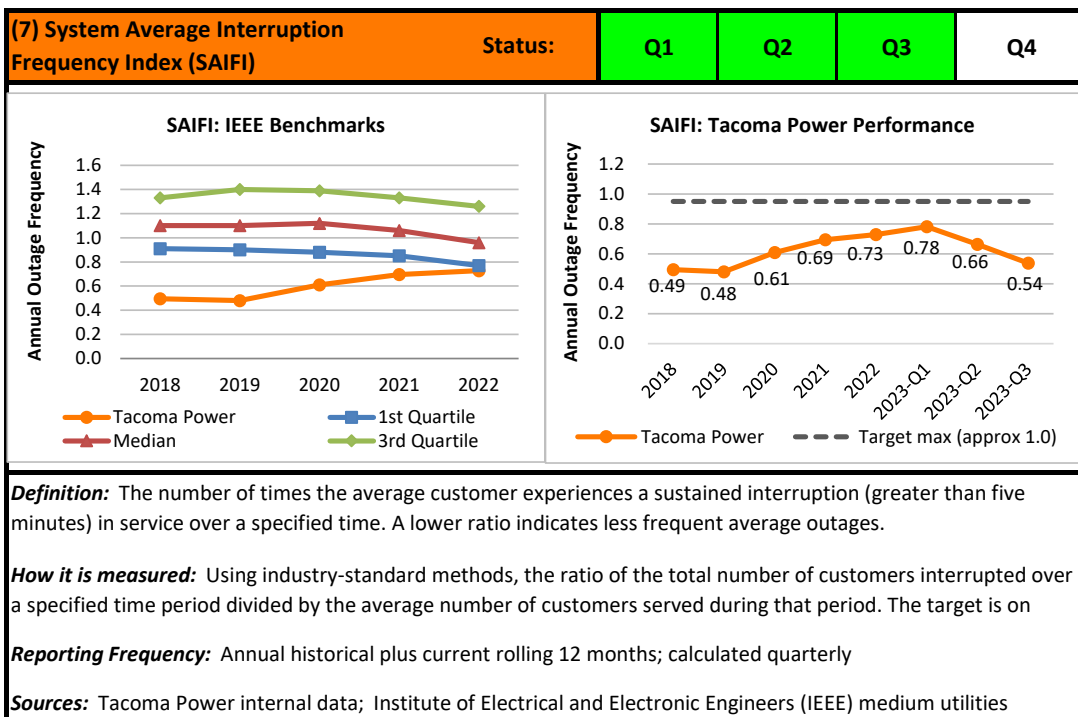
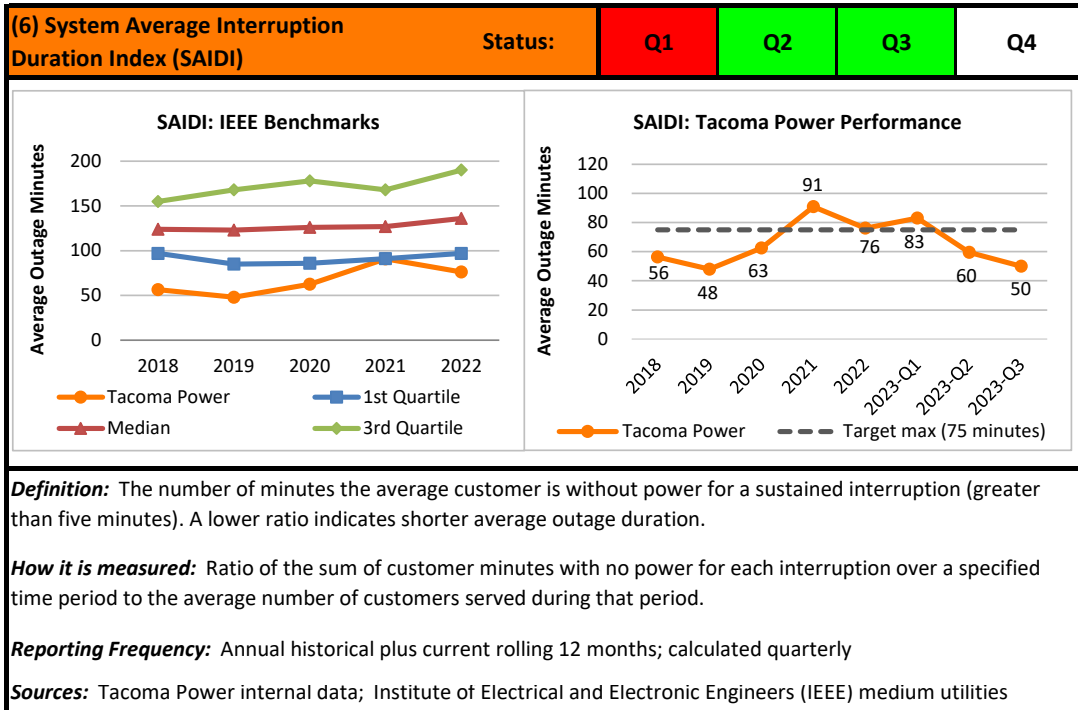


Definition: Measures the utility's distribution expense (O&M) associated with delivering power to each retail customer.

How it is measured: Total distribution expense divided by the total number of retail customers.

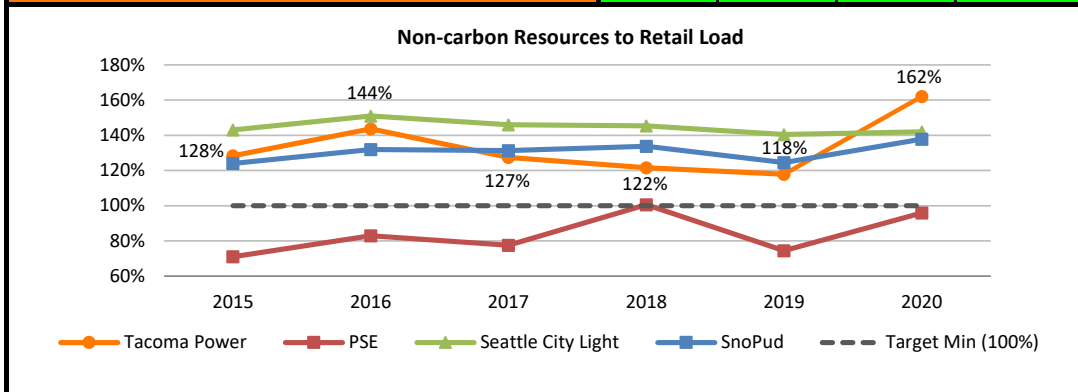
Reporting Frequency: Annual historical plus current rolling 12 months; calculated quarterly

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 2021 WR Median is escalated 4% annually thereafter.





(8) Non-carbon Resources	Status:	2017	2018	2019	2020
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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.

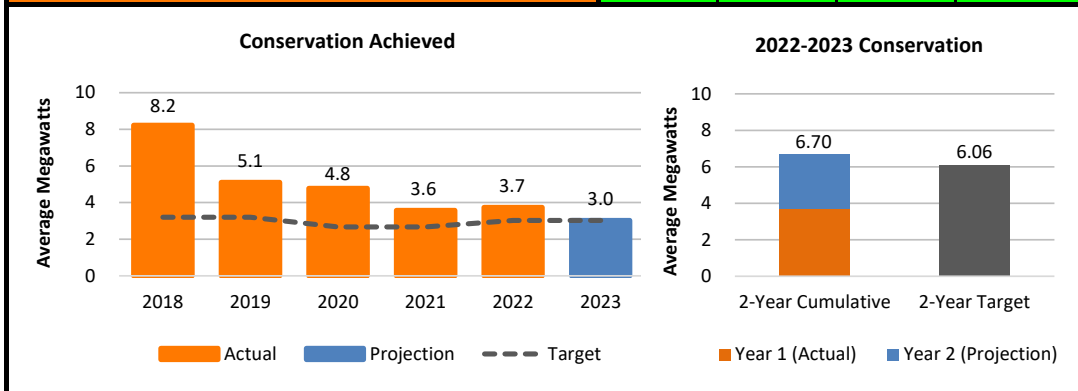
This measure does not consider Tacoma Power's obligation to purchase greenhouse gas emissions under the WA State Climate Commitment Act.

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: As Annual reports are published

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

(9) Power Conservation	Status:	2020	2021	2022	2023
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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 and 2023 is progress towards 2 year goal.*

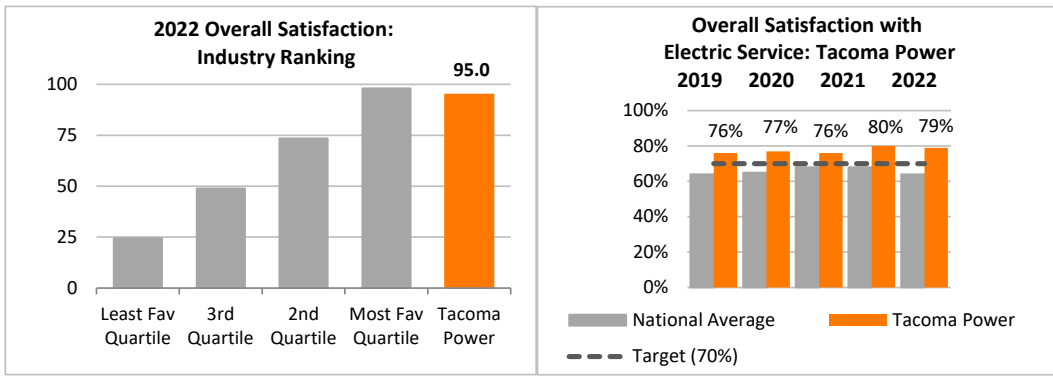
Reporting Frequency: Annual historical plus current year projection; updated quarterly

Sources: Tacoma Power internal data



Commitment to Customers & Employees

(10) Customer Satisfaction	Status:	2019	2020	2021	2022
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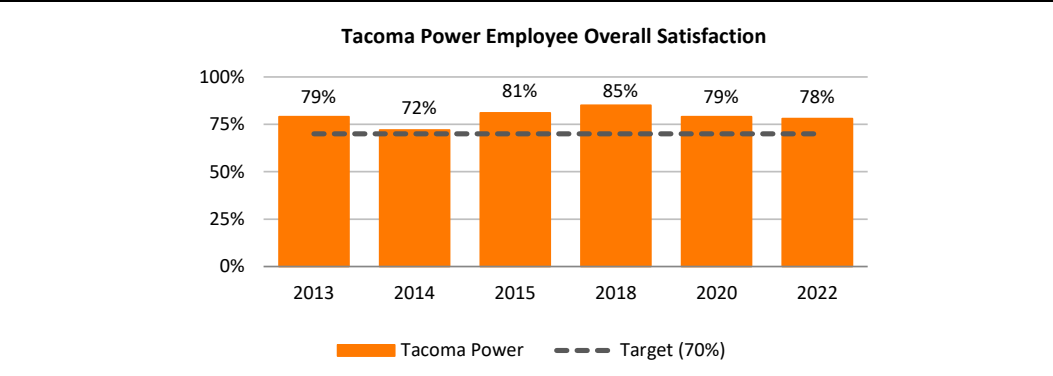
Definition: Indicates customers' overall satisfaction with electric service provided by Tacoma Power. Satisfaction is assessed using a scale from 0 (extremely dissatisfied) to 10 (extremely satisfied). A higher score indicates greater overall satisfaction.

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

Reporting Frequency: Updated with each annually conducted survey

Sources: Tacoma Public Utilities Residential Customer Satisfaction Baseline Survey; Escalent National Energy Utility Benchmarking

(11) Employee Satisfaction	Status:	2015	2018	2020	2022
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Definition: Indicates employees' response to the question "Overall, I am satisfied with TPU as a place to work." based on an independently conducted employee survey. Satisfaction is assessed using a scale of 1 (strongly disagree) to 5 (strongly agree).

How it is measured: The percentage of total responses receiving a score of 4 or 5.

Reporting Frequency: Updated with each biennially conducted survey

Sources: TPU All-Employee Engagement Survey



(12) Employee Safety	Status:	Q1	Q2	Q3	Q4
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OSHA Incidence Rates: Tacoma Power

Year	Tacoma Power	APPA Benchmark
2018	6.6	~1.8
2019	4.9	~1.5
2020	3.6	~2.5
2021	3.0	~2.5
2022	3.5	~2.5
2023-Q1	3.6	~2.5
2023-Q2	4.4	~2.5
2023-Q3	4.2	~2.5

Definition: The number of employees per 100 full-time employees that have been involved in a recordable injury or illness.

According to safety standards for recordkeeping and reporting, recordable injuries or illnesses include, but are not limited to, days away from work, restricted work or transfer to another job, medical treatment beyond first aid, loss of consciousness or death.

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) Call Center Responsiveness	Status:	Q1	Q2	Q3	Q4
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Percentage of calls answered in 30 seconds or less

Quarter	Tacoma Public Utilities	National Average (74%)	Target (75%)
2021-Q3	84%	74%	75%
2021-Q4	81%	74%	75%
2022-Q1	81%	74%	75%
2022-Q2	34%	74%	75%
2022-Q3	17%	74%	75%
2022-Q4	31%	74%	75%
2023-Q1	53%	74%	75%
2023-Q2	50%	74%	75%
2023-Q3	35%	74%	75%

Definition: The percentage of customers that are connected to a live representative within 30 seconds.

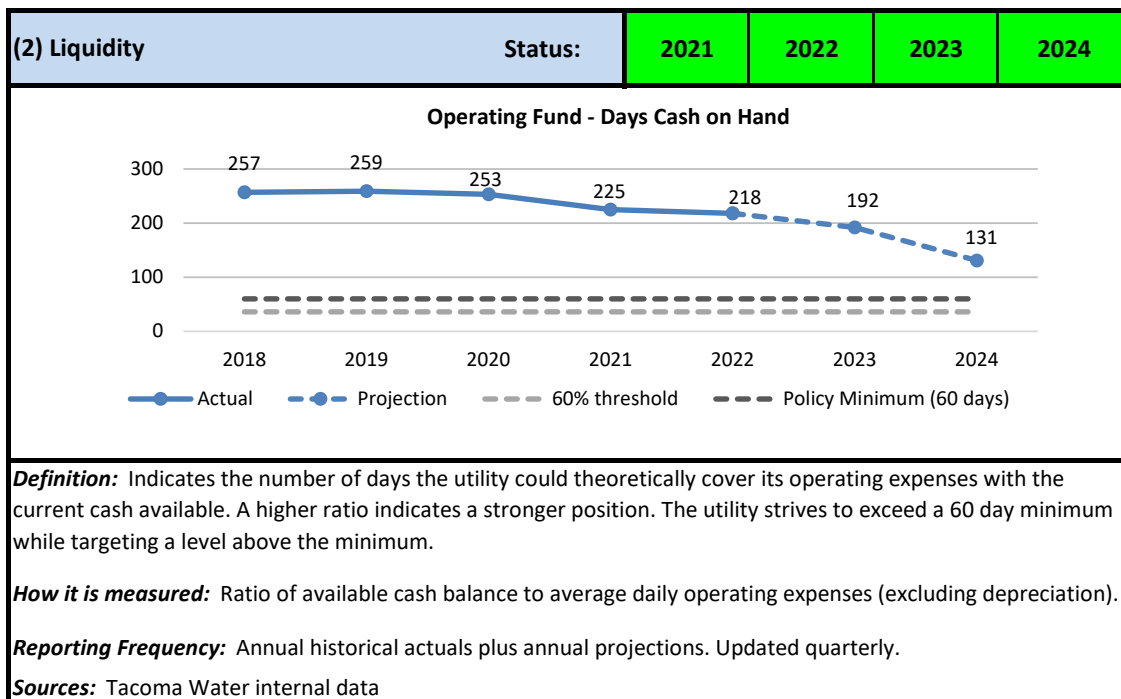
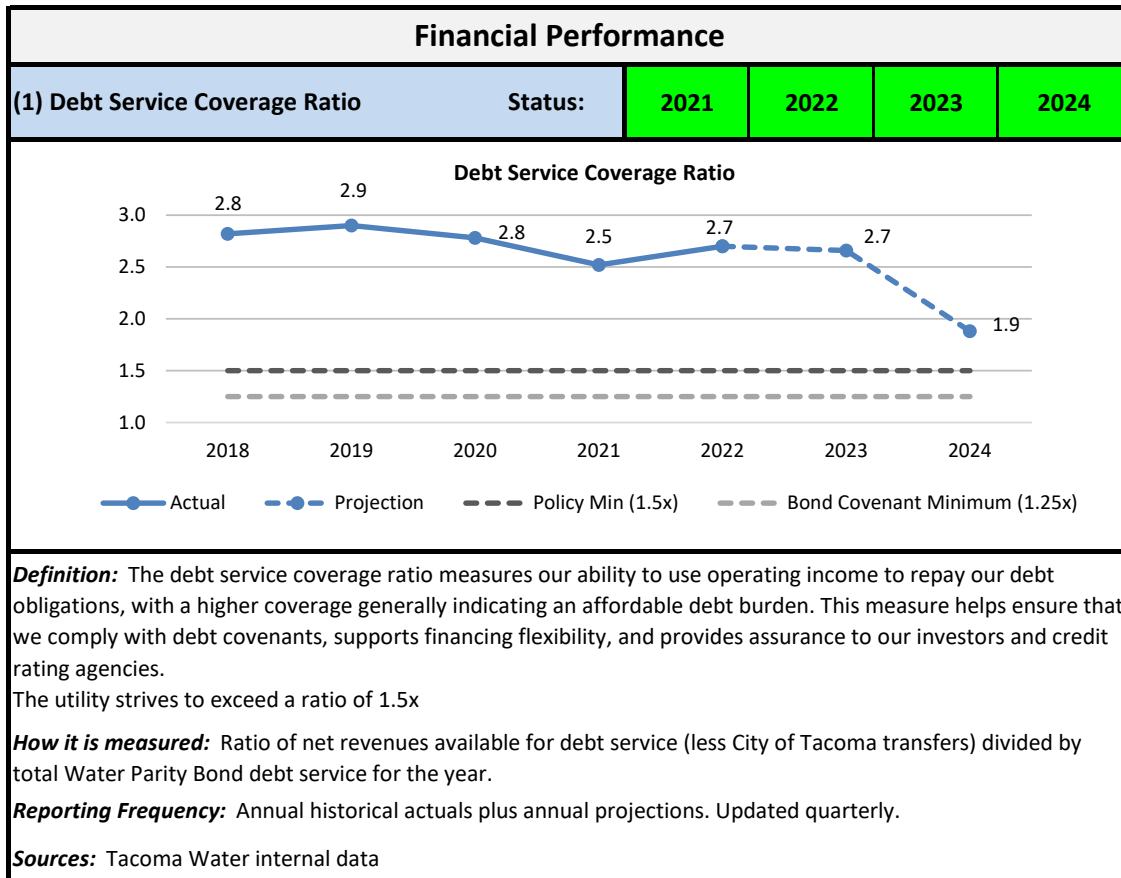
How it is measured: Number of calls answered within 30 seconds divided by the total numbers of calls received.

Reporting Frequency: Quarterly

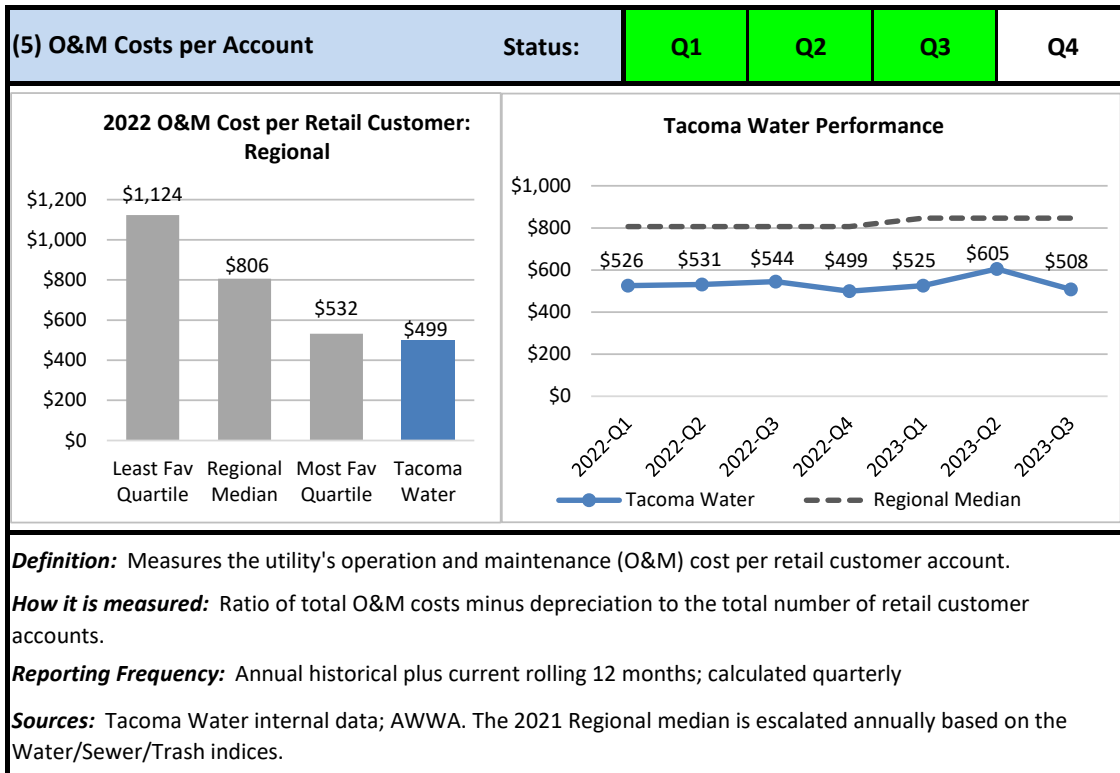
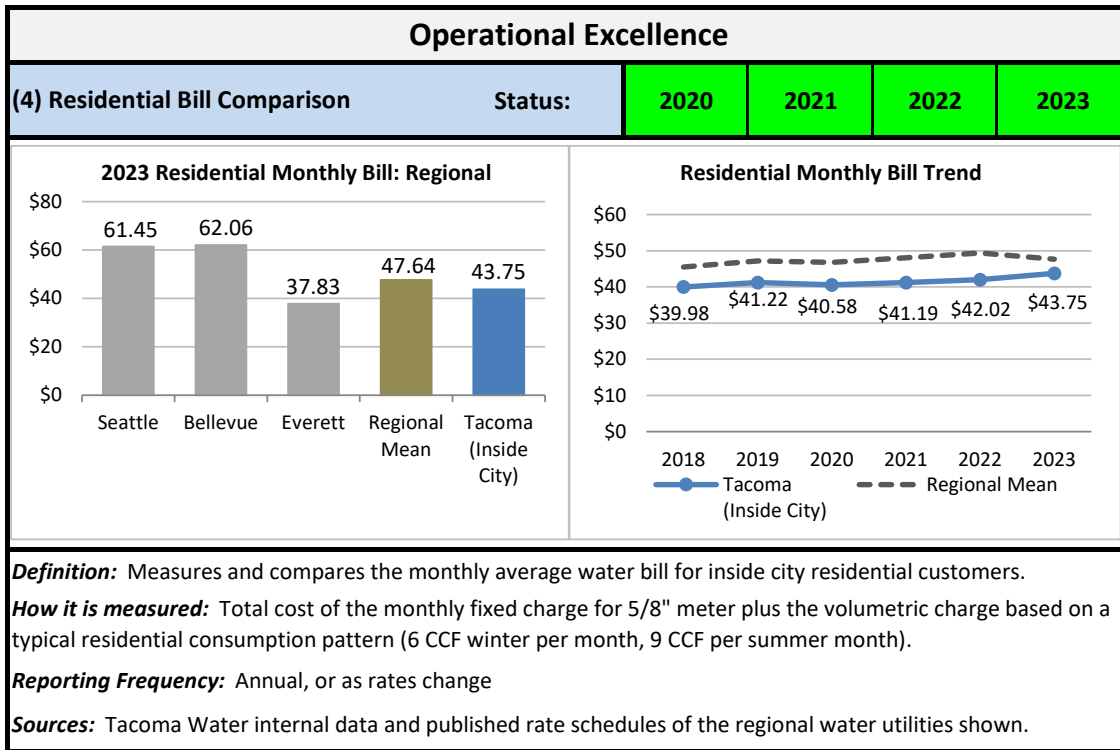
Sources: Tacoma Public Utilities - Customer Services; E Source utility contact center data

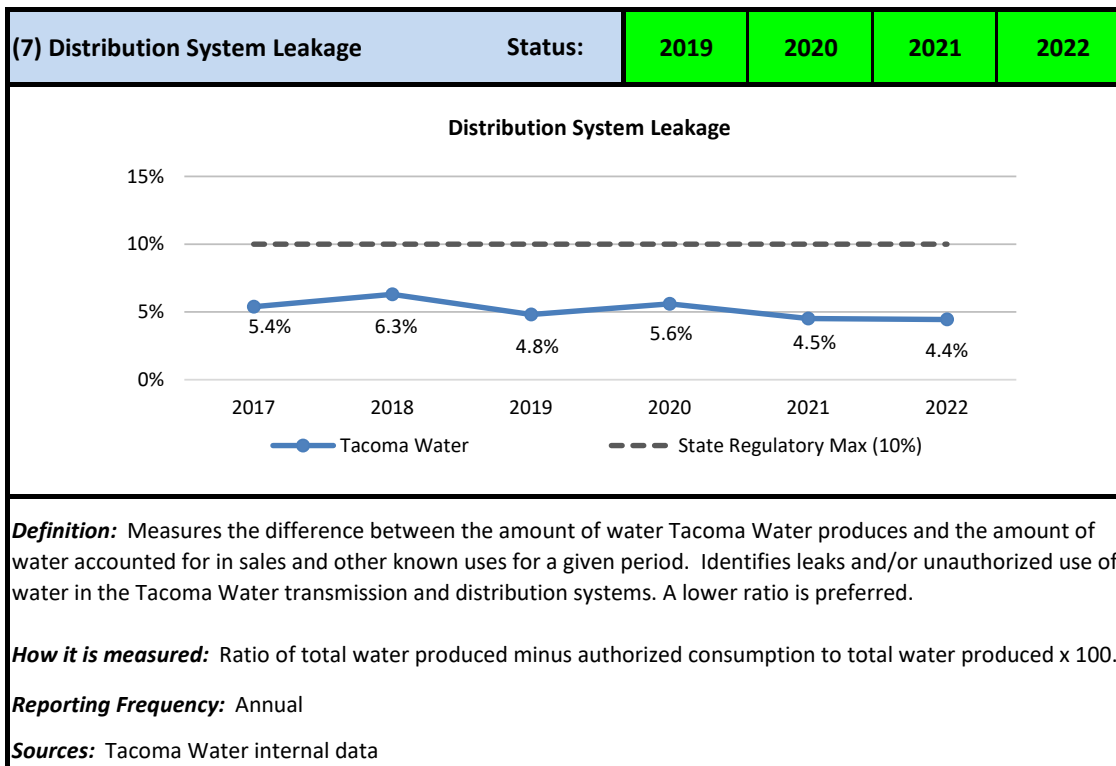
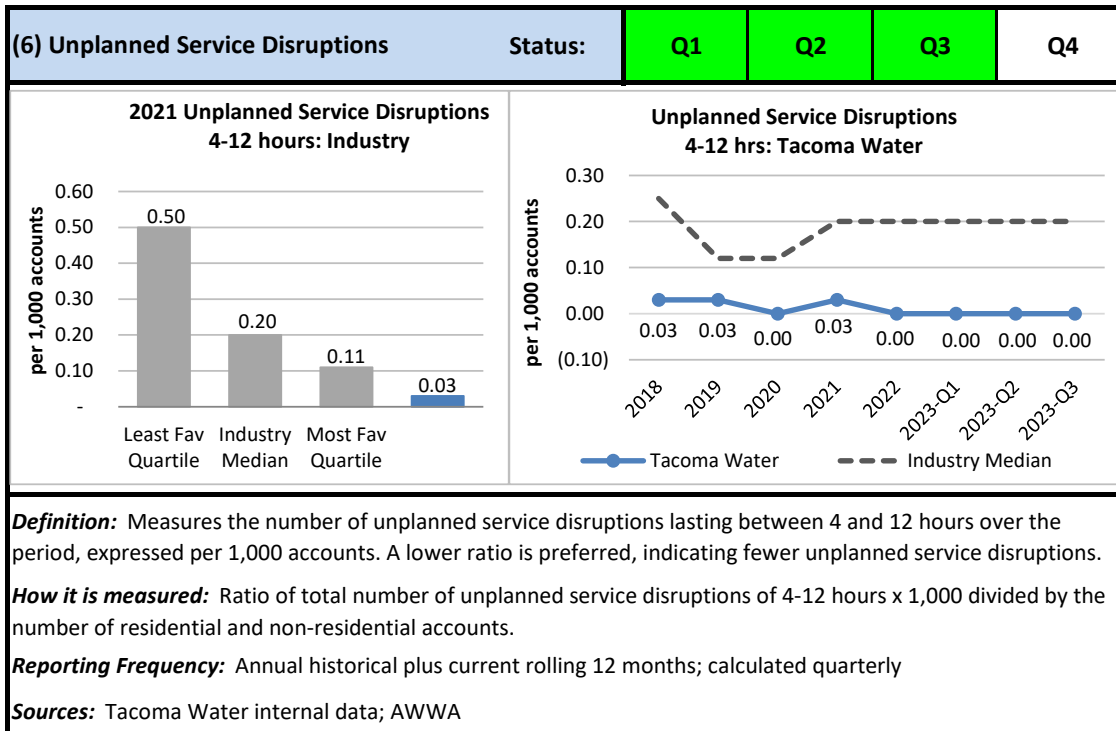


Performance Metrics Summary



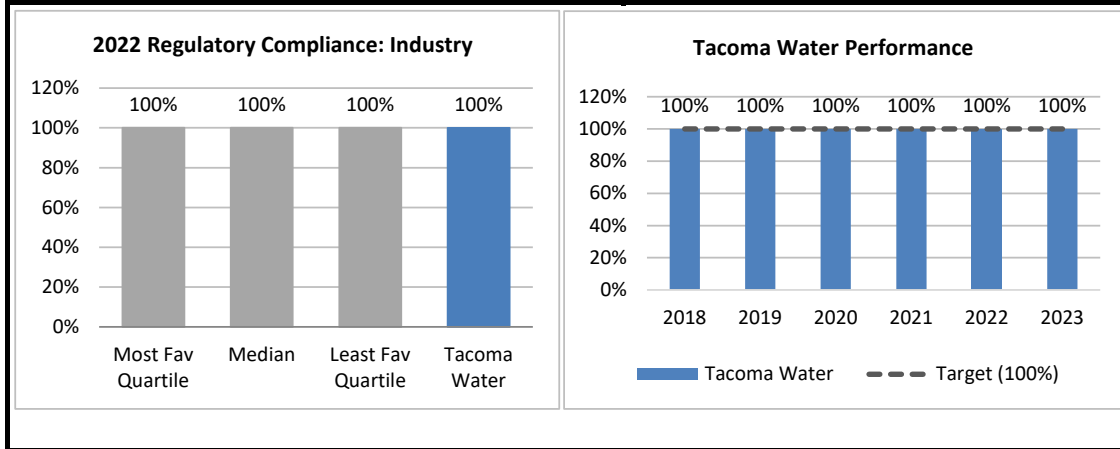
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Revenues less Expenditures Variance	\$4,929	1.6%													
<p>Definition: Tacoma Water's projected biennial performance as compared to its approved budget. The measure compares projected revenues and expenditures to budget for the biennium. A projection 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 budgeted expenditures. Projections consider actual to-date results plus assumptions for future performance.</p> <p>Reporting Frequency: Quarterly updates of biennium-end projection.</p> <p>Sources: Tacoma Water internal data</p>															







(8) Regulatory Compliance	Status:	2020	2021	2022	2023



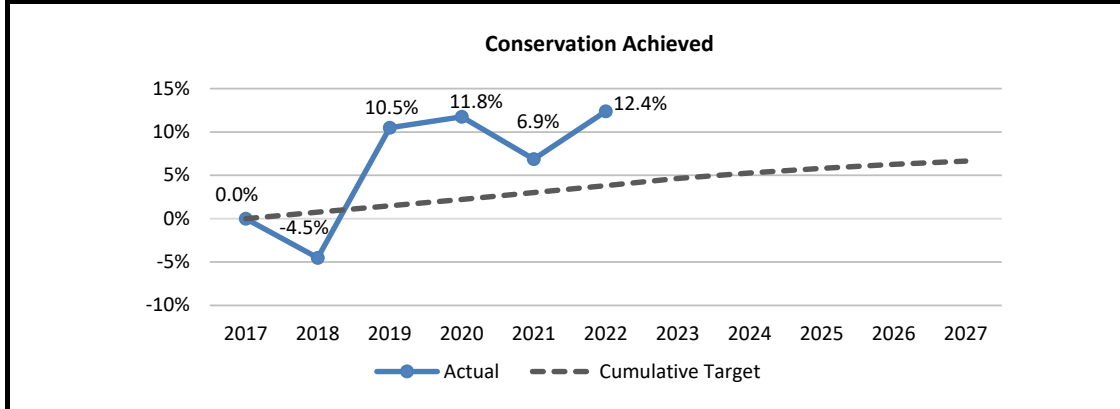
Definition: Measures the percentage of the year that the utility complied with all federally mandated, health-related drinking water standards. It includes compliance with primary maximum contaminant levels and treatment techniques applicable to Tacoma Water. Tacoma Water strives to maintain 100% compliance.

How it is measured: Ratio of number of days that the utility was in full compliance with all applicable standards over 365 days.

Reporting Frequency: Historical annual with year-to-date quarterly calculation

Sources: Tacoma Water internal data; AWWA

(9) Water Conservation	Status:	2019	2020	2021	2022

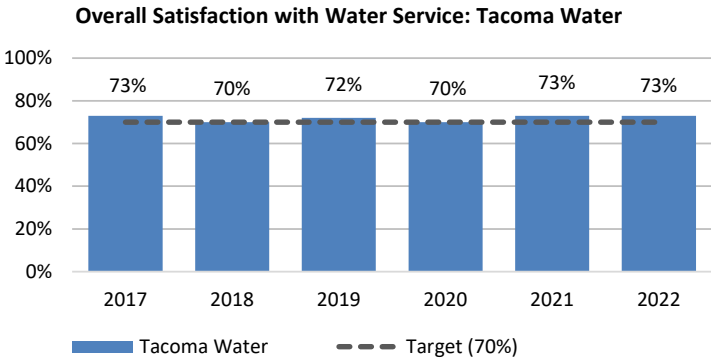


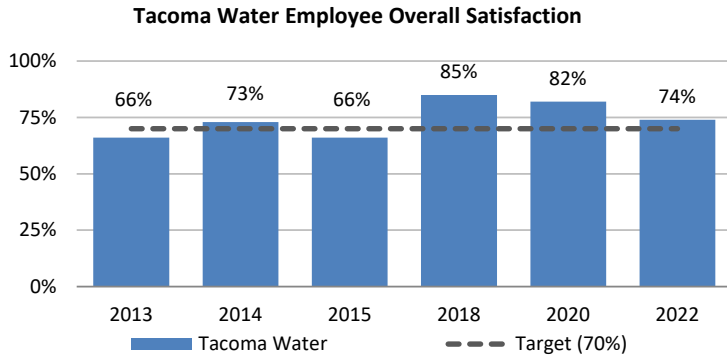
Definition: Measurement of realized conservation compared to conservation goal. The current conservation goal for Tacoma Water is to achieve a 6.64% reduction in peak water production (measured May to October) between 2018 and 2027.

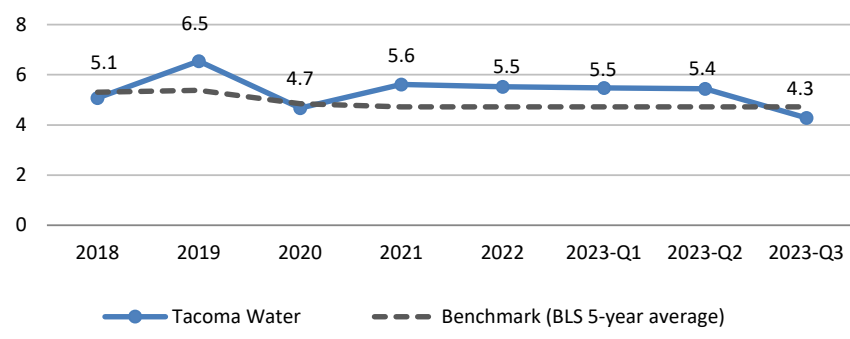
How it is measured: Cumulative percentage reduction in consumption, measured in gallons per capita per day.

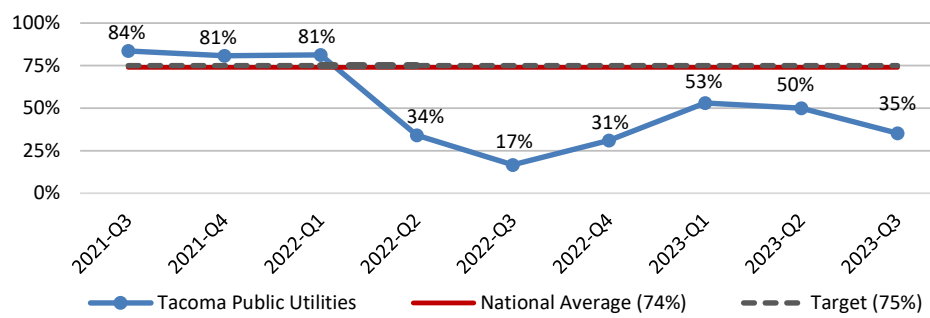
Reporting Frequency: Annual progress towards 10-year goal

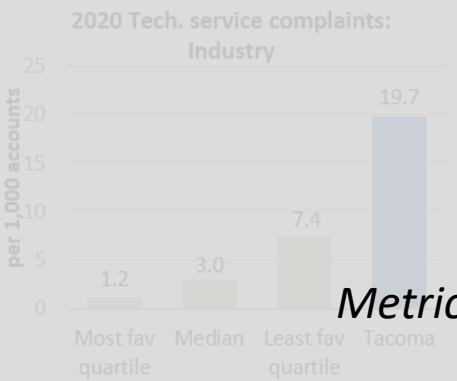
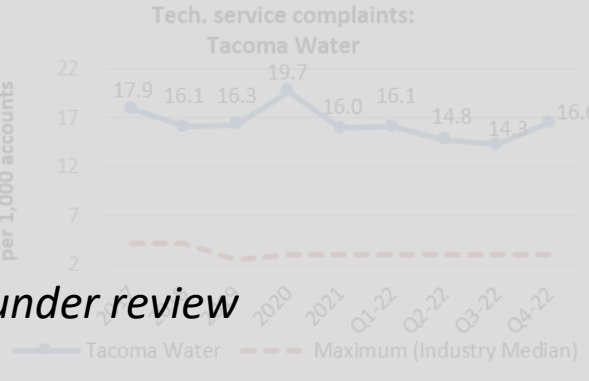
Sources: Tacoma Water internal data

Commitment to Customers & Employees																										
(10) Customer Satisfaction	Status:	2019	2020	2021	2022																					
<p>Overall Satisfaction with Water Service: Tacoma Water</p>  <table border="1"> <caption>Overall Satisfaction with Water Service: Tacoma Water</caption> <thead> <tr> <th>Year</th> <th>Tacoma Water (%)</th> <th>Target (%)</th> </tr> </thead> <tbody> <tr> <td>2017</td> <td>73%</td> <td>70%</td> </tr> <tr> <td>2018</td> <td>70%</td> <td>70%</td> </tr> <tr> <td>2019</td> <td>72%</td> <td>70%</td> </tr> <tr> <td>2020</td> <td>70%</td> <td>70%</td> </tr> <tr> <td>2021</td> <td>73%</td> <td>70%</td> </tr> <tr> <td>2022</td> <td>73%</td> <td>70%</td> </tr> </tbody> </table>						Year	Tacoma Water (%)	Target (%)	2017	73%	70%	2018	70%	70%	2019	72%	70%	2020	70%	70%	2021	73%	70%	2022	73%	70%
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<p>Definition: Indicates customers' overall satisfaction with water service provided by Tacoma Water. Satisfaction is assessed using a scale from 0 (extremely dissatisfied) to 10 (extremely satisfied). A higher score indicates greater overall satisfaction.</p> <p>How it is measured: Percentage of total responses receiving a score of 8, 9 or 10.</p> <p>Reporting Frequency: Updated with each annually conducted survey</p> <p>Sources: Tacoma Public Utilities Residential Customer Satisfaction Baseline Survey</p>																										

(11) Employee Satisfaction	Status:	2015	2018	2020	2022																					
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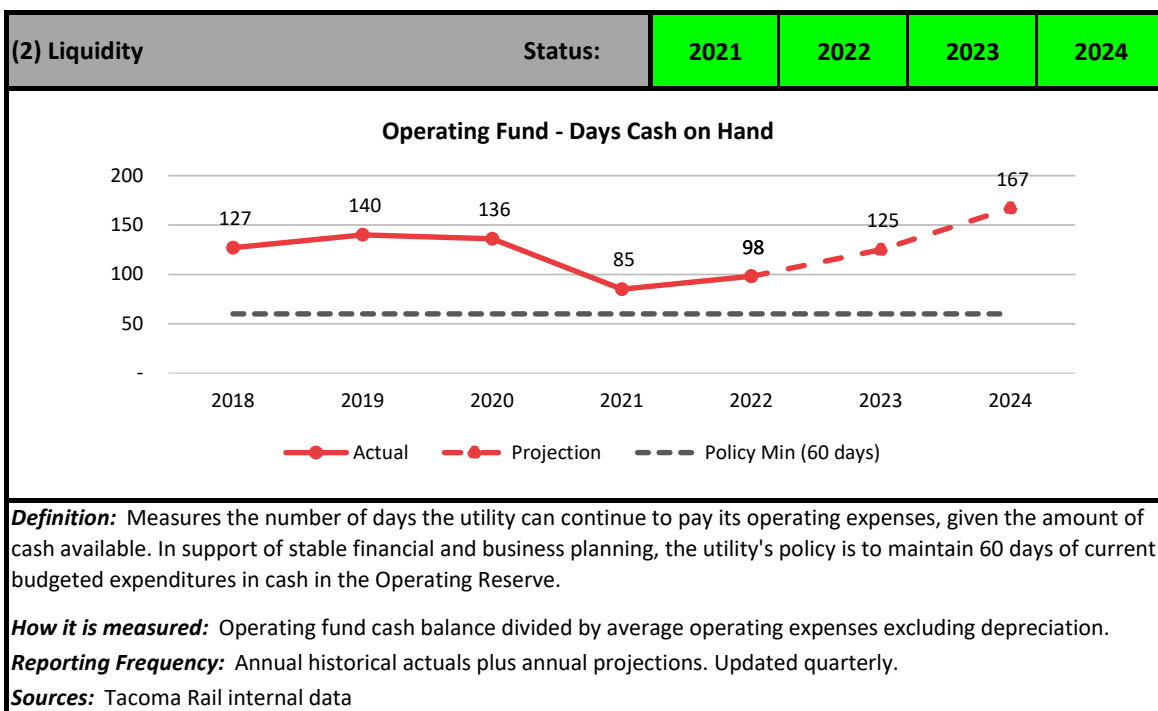
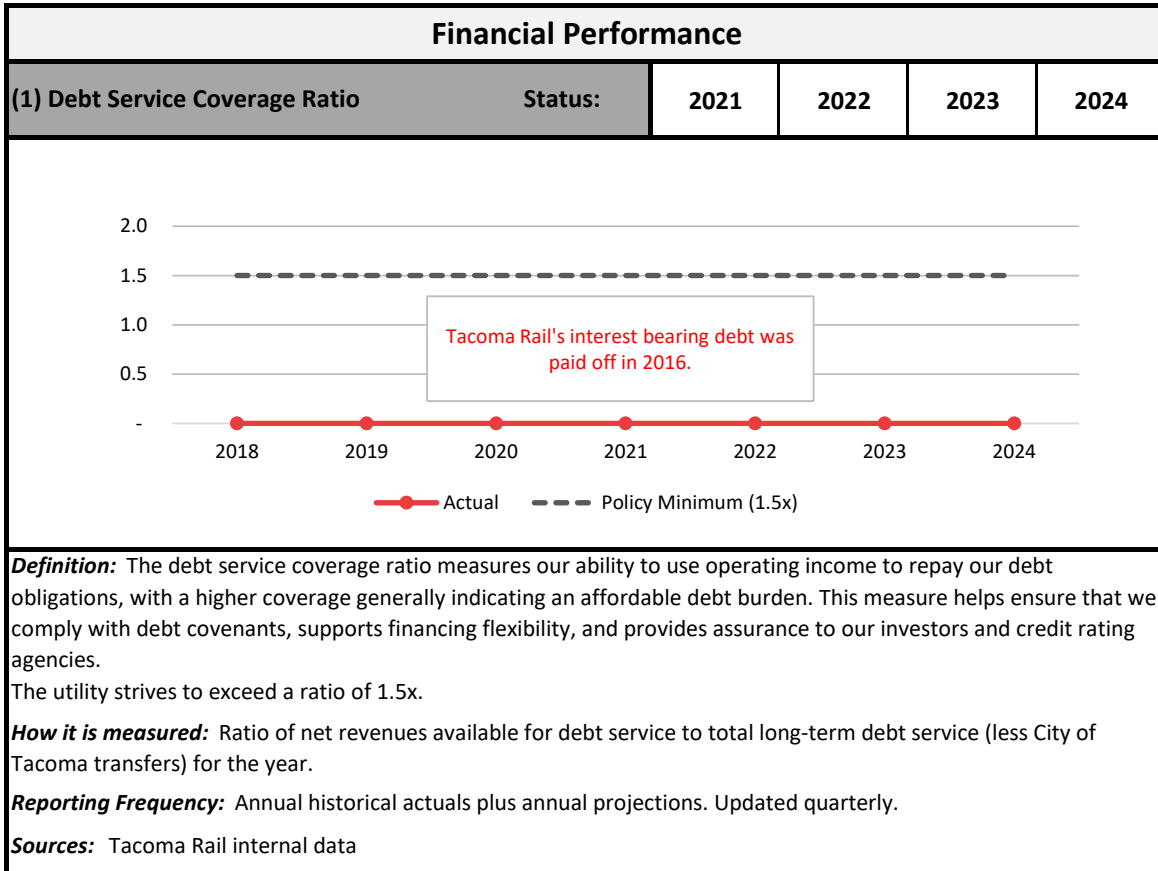
(12) Employee Safety	Status:	Q1	Q2	Q3	Q4																											
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<p>Definition: The number of employees per 100 full-time employees that have been involved in a recordable injury or illness.</p> <p>According to safety standards for recordkeeping and reporting, recordable injuries or illnesses include, but are not limited to, days away from work, restricted work or transfer to another job, medical treatment beyond first aid, loss of consciousness or death.</p> <p>How it is measured: Ratio of total recordable injuries and illnesses during the year to the total worker-hours of exposure, per 100 employees.</p> <p>Reporting Frequency: Annual historical plus current rolling 12 months; calculated quarterly</p> <p>Sources: Tacoma Water internal data, Bureau of Labor Statistics (BLS)</p>																																

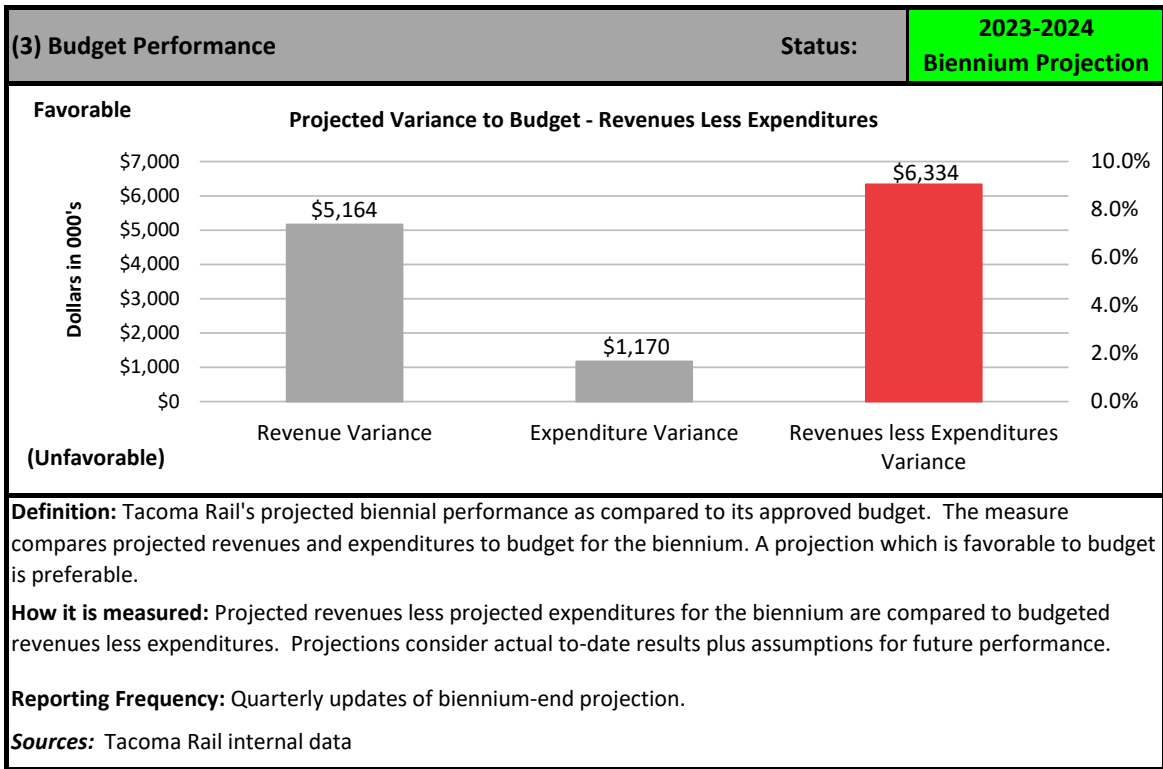
(13) Call Center Responsiveness	Status:	Q1	Q2	Q3	Q4																																								
<p>Percentage of calls answered in 30 seconds or less</p>  <table border="1"> <caption>Percentage of calls answered in 30 seconds or less</caption> <thead> <tr> <th>Quarter</th> <th>Tacoma Public Utilities</th> <th>National Average (74%)</th> <th>Target (75%)</th> </tr> </thead> <tbody> <tr> <td>2021-Q3</td> <td>84%</td> <td>74%</td> <td>75%</td> </tr> <tr> <td>2021-Q4</td> <td>81%</td> <td>74%</td> <td>75%</td> </tr> <tr> <td>2022-Q1</td> <td>81%</td> <td>74%</td> <td>75%</td> </tr> <tr> <td>2022-Q2</td> <td>34%</td> <td>74%</td> <td>75%</td> </tr> <tr> <td>2022-Q3</td> <td>17%</td> <td>74%</td> <td>75%</td> </tr> <tr> <td>2022-Q4</td> <td>31%</td> <td>74%</td> <td>75%</td> </tr> <tr> <td>2023-Q1</td> <td>53%</td> <td>74%</td> <td>75%</td> </tr> <tr> <td>2023-Q2</td> <td>50%</td> <td>74%</td> <td>75%</td> </tr> <tr> <td>2023-Q3</td> <td>35%</td> <td>74%</td> <td>75%</td> </tr> </tbody> </table>						Quarter	Tacoma Public Utilities	National Average (74%)	Target (75%)	2021-Q3	84%	74%	75%	2021-Q4	81%	74%	75%	2022-Q1	81%	74%	75%	2022-Q2	34%	74%	75%	2022-Q3	17%	74%	75%	2022-Q4	31%	74%	75%	2023-Q1	53%	74%	75%	2023-Q2	50%	74%	75%	2023-Q3	35%	74%	75%
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<p>Definition: The percentage of customers that are connected to a live representative within 30 seconds.</p> <p>How it is measured: Number of calls answered within 30 seconds divided by the total numbers of calls received.</p> <p>Reporting Frequency: Quarterly</p> <p>Sources: Tacoma Public Utilities - Customer Services; E Source utility contact center data</p>																																													

(14) Technical Service Complaints	Status:	Q1	Q2	Q3	Q4																																								
 <p>2020 Tech. service complaints: Industry</p> <table border="1"> <tr><th>Category</th><th>Value (per 1,000 accounts)</th></tr> <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> </table>		Category	Value (per 1,000 accounts)	Most fav quartile	1.2	Median	3.0	Least fav quartile	7.4	Tacoma	19.7	 <p>Tech. service complaints: Tacoma Water</p> <table border="1"> <tr><th>Year/Quarter</th><th>Tacoma Water (per 1,000 accounts)</th><th>Maximum (Industry Median)</th></tr> <tr><td>2019</td><td>17.9</td><td>~4.0</td></tr> <tr><td>2020</td><td>16.1</td><td>~3.0</td></tr> <tr><td>2021</td><td>16.3</td><td>~2.5</td></tr> <tr><td>2022</td><td>19.7</td><td>~2.5</td></tr> <tr><td>2023</td><td>16.0</td><td>~2.5</td></tr> <tr><td>2024</td><td>16.1</td><td>~2.5</td></tr> <tr><td>2025</td><td>14.8</td><td>~2.5</td></tr> <tr><td>2026</td><td>14.3</td><td>~2.5</td></tr> <tr><td>2027</td><td>16.6</td><td>~2.5</td></tr> </table>				Year/Quarter	Tacoma Water (per 1,000 accounts)	Maximum (Industry Median)	2019	17.9	~4.0	2020	16.1	~3.0	2021	16.3	~2.5	2022	19.7	~2.5	2023	16.0	~2.5	2024	16.1	~2.5	2025	14.8	~2.5	2026	14.3	~2.5	2027	16.6	~2.5
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<i>Metric under review</i>																																													
<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>																																													
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Performance Metrics Summary

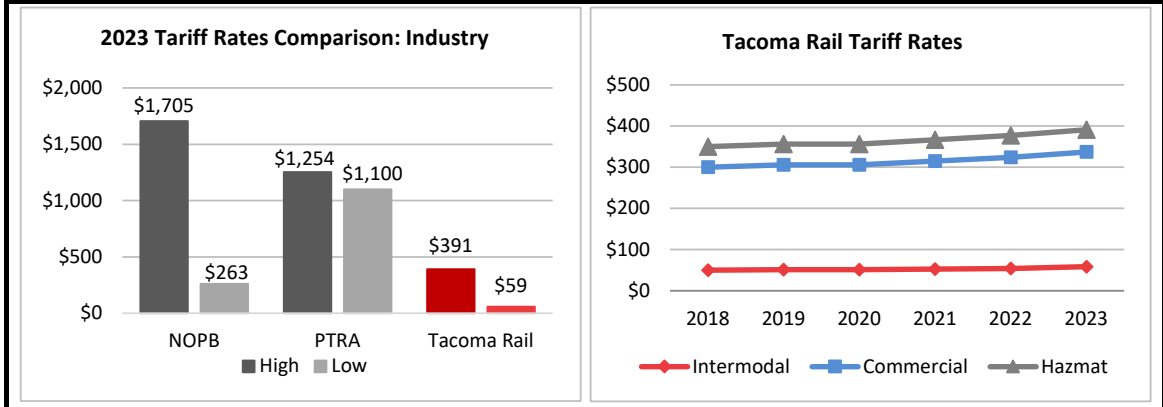






Operational Excellence

(4) Railroad Tariffs Comparison	Status:	2020	2021	2022	2023
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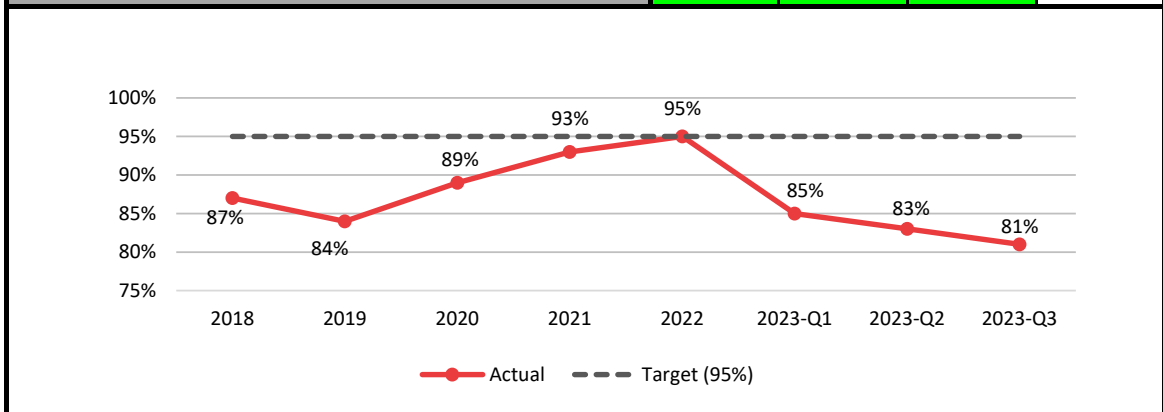
Definition: Compares Tacoma Rail freight tariff rates to similar short-line railroads. Lower rates are favorable for customers, all other things being equal.

How it is measured: The low and high range of Tacoma Rail freight tariff rates in the Tidelands Division are compared to similar short-line railroads; the 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.

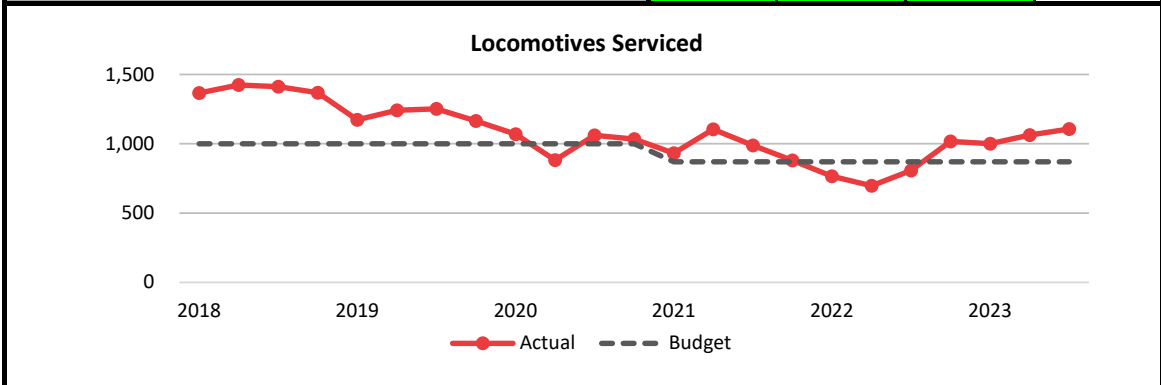
How it is measured: Ratio of operating expenses to revenues.

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

Sources: Tacoma Rail internal data



(6) Locomotives Serviced	Status:	Q1	Q2	Q3	Q4



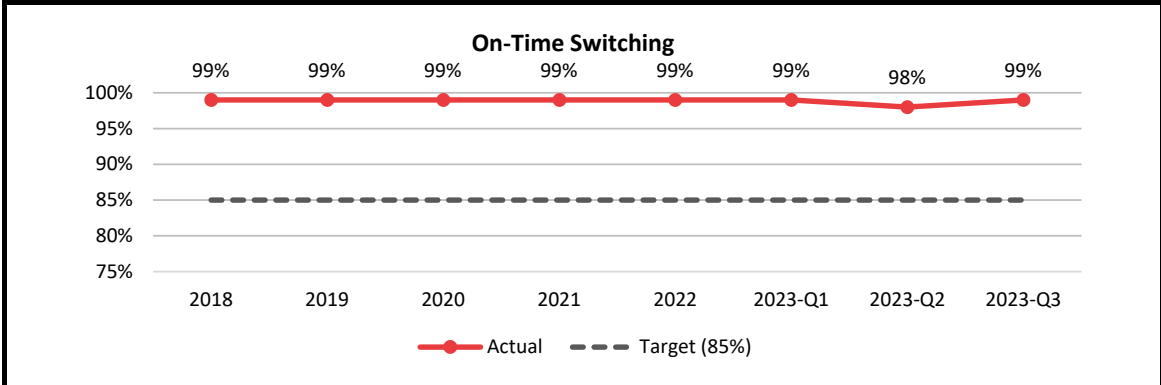
Definition: Measures the number of mainline locomotives left with Tacoma Rail for servicing, making them ready for eastbound train movements. A higher number is favorable.

How it is measured: Count of BNSF and Union Pacific locomotives that have been serviced by Tacoma Rail as compared to budgeted volumes.

Reporting Frequency: Quarterly actuals

Sources: Tacoma Rail internal data

(7) On-Time Switching	Status:	Q1	Q2	Q3	Q4



Definition: Measures Tacoma Rail's fulfillment of daily switch requests by 8:00 AM of the following morning. The higher the ratio, the greater the fulfillment of requests.

How it is measured: Ratio of the number of railcars switched by 8:00 AM to the total number of railcars requested to be switched.

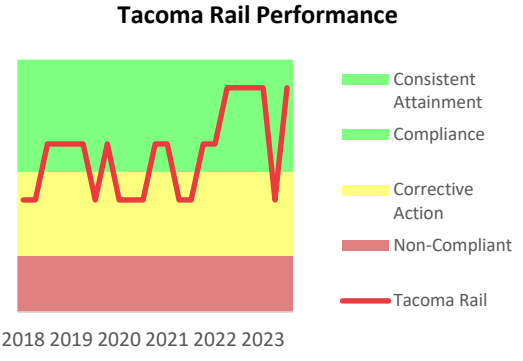
Reporting Frequency: Annual historical with quarterly year-to-date updates

Sources: Tacoma Rail internal data



(8) Storm Water Stewardship Status: **2023**

2023 Q3	Turbidity	Copper	Zinc	Oil/Grease	PH	TPH
Benchmarks	25	14	117	Y/N	5.0-9.0	10
Catch Basin 1	A	A	A	A	A	A
Catch Basin 2	A	A	A	A	A	A
Man Hole	18.0	A	A	A	A	A



Definition: Tacoma Rail strives to be compliant with its Industrial Storm Water Permit which includes testing for zinc, copper, oil, turbidity, pH and total petroleum hydrocarbon levels in storm water runoff at three location points. The goal is to achieve full consistent attainment which is achieved after eight quarters of compliance. If any level tests out of the Washington State Department of Ecology (WSDOE) standard, a Corrective Action is needed. Each Corrective action level has specific requirements defined by the applied Industrial Stormwater Permit.

How it is measured: For Washington State Department of Ecology standards for storm water compliance, quarterly tests of water flows at collection locations at Tacoma Rail are conducted and summarized in a detailed report. Green represents compliance. Yellow represents an exceedance that resulted in corrective action(s) taken. Red is non-compliance.

Reporting Frequency: Quarterly

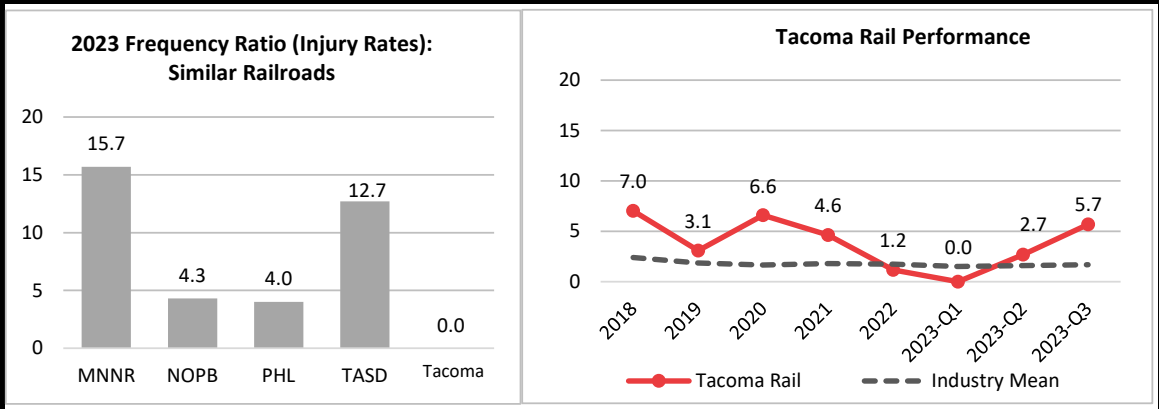
Sources: Washington State Department of Ecology (Storm Water)



Commitment to Customers & Employees																																																						
(9) Customer Satisfaction	Status:	2019	2020	2021	2022																																																	
<p>2022 Survey Results</p> <table border="1"> <caption>2022 Survey Results Data</caption> <thead> <tr> <th>Category</th> <th>Score</th> </tr> </thead> <tbody> <tr><td>Timeliness</td><td>3.7</td></tr> <tr><td>Accuracy</td><td>3.7</td></tr> <tr><td>Dependability</td><td>3.6</td></tr> <tr><td>Communication</td><td>3.7</td></tr> <tr><td>Team</td><td>3.7</td></tr> <tr><td>Ease</td><td>3.6</td></tr> <tr><td>Tools</td><td>3.7</td></tr> <tr><td>Reports</td><td>3.6</td></tr> <tr><td>Accuracy</td><td>3.5</td></tr> <tr><td>Resolution</td><td>3.5</td></tr> </tbody> </table>		Category	Score	Timeliness	3.7	Accuracy	3.7	Dependability	3.6	Communication	3.7	Team	3.7	Ease	3.6	Tools	3.7	Reports	3.6	Accuracy	3.5	Resolution	3.5	<p>Tacoma Rail Performance</p> <table border="1"> <caption>Tacoma Rail Performance Data (Customer Satisfaction)</caption> <thead> <tr> <th>Year</th> <th>Operations</th> <th>Website</th> <th>Demurrage</th> </tr> </thead> <tbody> <tr><td>2017</td><td>3.4</td><td>3.6</td><td>3.3</td></tr> <tr><td>2018</td><td>3.3</td><td>3.4</td><td>3.2</td></tr> <tr><td>2019</td><td>3.5</td><td>3.6</td><td>3.4</td></tr> <tr><td>2020</td><td>3.6</td><td>3.6</td><td>3.3</td></tr> <tr><td>2021</td><td>3.5</td><td>3.5</td><td>3.4</td></tr> <tr><td>2022</td><td>3.6</td><td>3.6</td><td>3.5</td></tr> </tbody> </table>			Year	Operations	Website	Demurrage	2017	3.4	3.6	3.3	2018	3.3	3.4	3.2	2019	3.5	3.6	3.4	2020	3.6	3.6	3.3	2021	3.5	3.5	3.4	2022	3.6	3.6	3.5
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<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:	2014	2018	2020	2022																		
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(11) Employee Safety	Status:	Q1	Q2	Q3	Q4
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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.

How it is measured: Railroad employee on-duty safety metrics by railroad per 200,000 hours worked.

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

Sources: Tacoma Rail internal data; ASLRRA; Minnesota Commercial Railway (MNNR); New Orleans Public Beltline (NOPB); Pacific Harbor Line (PHL); Terminal Railway Alabama State Docks (TASD)