

BIENNIAL BUDGET

BUDGET PERFORMANCE REPORT

2ND QTR.—2020

POWER

WATER

RAIL



**TACOMA PUBLIC UTILITIES
2019/2020 BIENNIAL BUDGET PERFORMANCE REPORTS*
2ND QUARTER 2020**

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** Unaudited reports focusing on operating transactions in the operating fund, excluding some non budgetary entries made for accounting purposes.*



TACOMA POWER
2019/2020 BIENNIUM BUDGET PERFORMANCE REPORT
June 30, 2020

| | CURRENT QUARTER | | | BIENNIUM TO DATE | | | | BIENNIUM |
|--|-----------------------|-----------------------|------------------------------|-----------------------|-----------------------|------------------------------|------------------|-----------------------|
| | BUDGET | ACTUAL | FAVORABLE / (UNFAVORABLE) | BUDGET | ACTUAL | FAVORABLE / (UNFAVORABLE) | % Fav/(Unfav) | BUDGET |
| REVENUE LESS EXPENDITURES | \$ 934,507 | \$ 80,238 | \$ (854,269) | \$ 17,818,509 | \$ 1,323,325 | \$ (16,495,184) | | |
| SALES OF ELECTRICAL ENERGY | | | | | | | | |
| RETAIL SALES | | | | | | | | |
| RESIDENTIAL | \$ 46,236,606 | \$ 47,473,392 | \$ 1,236,786 | \$ 290,802,697 | \$ 284,469,003 | \$ (6,333,694) | (2.2%) | \$ 370,226,732 |
| PRIVATE OFF-STREET LIGHTING | 402,071 | 398,040 | (4,031) | 2,358,385 | 2,196,224 | (162,161) | (6.9%) | 3,155,153 |
| SMALL GENERAL SERVICE | 7,180,646 | 7,078,494 | (102,152) | 44,265,395 | 44,958,809 | 693,414 | 1.6% | 57,694,435 |
| GENERAL POWER | 27,354,693 | 25,824,805 | (1,529,888) | 163,550,625 | 160,782,092 | (2,768,533) | (1.7%) | 217,676,783 |
| HIGH VOLTAGE GENERAL POWER | 5,994,742 | 5,973,443 | (21,299) | 35,467,921 | 36,388,035 | 920,114 | 2.6% | 47,226,409 |
| CONTRACT INDUSTRIAL POWER - FIRM | 6,132,723 | 6,184,449 | 51,726 | 35,995,374 | 35,863,563 | (131,811) | (0.4%) | 48,427,860 |
| STREET LIGHTING & TRAFFIC SIGNALS | 259,388 | 420,797 | 161,409 | 1,573,145 | 2,001,059 | 427,914 | 27.2% | 2,063,320 |
| ACCRUED UNBILLED REVENUE | - | 0 | 0 | - | 1,816,954 | 1,816,954 | - | - |
| TOTAL RETAIL SALES | 93,560,869 | 93,353,420 | (207,449) | 574,013,542 | 568,475,738 | (5,537,804) | (1.0%) | 746,470,692 |
| BULK POWER SALES | | | | | | | | |
| BULK POWER SALES | 12,797,728 | 11,734,321 | (1,063,407) | 74,626,289 | 68,973,129 | (5,653,160) | (7.6%) | 95,840,208 |
| BULK POWER SALES - RATE STABILIZATION FUND | 0 | 0 | 0 | 0 | 10,000,000 | 10,000,000 | - | 0 |
| TOTAL BULK POWER SALES | 12,797,728 | 11,734,321 | (1,063,407) | 74,626,289 | 78,973,129 | 4,346,840 | 5.8% | 95,840,208 |
| TOTAL SALES OF ELECTRICAL ENERGY | 106,358,597 | 105,087,741 | (1,270,856) | 648,639,831 | 647,448,867 | (1,190,964) | (0.2%) | 842,310,900 |
| TELECOMMUNICATIONS REVENUES | 7,096,562 | 4,659 | (7,091,903) | 41,008,147 | 31,698,908 | (9,309,239) | (22.7%) | 54,732,255 |
| OTHER OPERATING REVENUE | | | | | | | | |
| RENTAL OF ELECTRIC PROPERTY | 343,056 | 637,094 | 294,038 | 2,018,367 | 3,424,969 | 1,406,603 | 69.7% | 2,704,477 |
| SERVICE FEES | 644,463 | 614,116 | (30,347) | 3,791,697 | 6,210,245 | 2,418,548 | 63.8% | 5,080,623 |
| WHEELING REVENUE | 3,027,044 | 2,414,627 | (612,417) | 17,320,264 | 15,504,856 | (1,815,408) | (10.5%) | 23,374,352 |
| CAMPGROUND FEES | 381,675 | 188,198 | (193,477) | 2,245,584 | 1,947,423 | (298,160) | (13.3%) | 3,008,934 |
| CLICK!/RAINIER CONNECT LEASE | 0 | 416,667 | 416,667 | 0 | 416,667 | 416,667 | - | 0 |
| MISCELLANEOUS REVENUES | 707,251 | 650,853 | (56,397) | 4,161,107 | 4,378,848 | 217,741 | 5.2% | 5,575,608 |
| TOTAL OTHER OPERATING REVENUES | 5,103,489 | 4,921,556 | (181,933) | 29,537,017 | 31,883,008 | 2,345,991 | 7.9% | 39,743,995 |
| TOTAL OPERATING REVENUES | 118,558,648 | 110,013,956 | (8,544,692) | 719,184,995 | 711,030,782 | (8,154,213) | (1.1%) | 936,787,151 |
| NON-OPERATING REVENUES | | | | | | | | |
| INTEREST | 466,693 | 800,258 | 333,565 | 2,711,760 | 5,881,907 | 3,170,148 | 116.9% | 3,645,145 |
| FEDERAL INTEREST SUBSIDY FOR BABS & CREBS | 927,250 | 988,660 | 61,410 | 5,563,500 | 5,570,108 | 6,608 | 0.1% | 7,418,000 |
| OTHER | 228,530 | 152,065 | (76,464) | 1,344,555 | 2,001,556 | 657,001 | 48.9% | 1,801,614 |
| TOTAL NON-OPERATING REVENUES | 1,622,473 | 1,940,983 | 318,510 | 9,619,814 | 13,453,571 | 3,833,757 | 39.9% | 12,864,759 |
| TOTAL REVENUES | 120,181,121 | 111,954,939 | (8,226,182) | 728,804,809 | 724,484,353 | (4,320,456) | (0.6%) | 949,651,910 |
| OTHER AVAILABLE FUNDS | | | | | | | | |
| APPROPRIATION FROM FUND BALANCE | 450,390 | - | (450,390) | 8,278,278 | - | (8,278,278) | (100.0%) | 9,179,057 |
| TOTAL REVENUES AND AVAILABLE FUNDS | \$ 120,631,511 | \$ 111,954,939 | \$ (8,676,572) | \$ 737,083,087 | \$ 724,484,353 | \$ (12,598,734) | (1.7%) | \$ 958,830,967 |



TACOMA POWER
2019/2020 BIENNIUM BUDGET PERFORMANCE REPORT
June 30, 2020

| | CURRENT QUARTER | | | BIENNIUM TO DATE | | | | BIENNIUM |
|--|-------------------|-------------------|------------------------------|--------------------|--------------------|------------------------------|------------------|--------------------|
| | BUDGET | ACTUAL | FAVORABLE / (UNFAVORABLE) | BUDGET | ACTUAL | FAVORABLE / (UNFAVORABLE) | % Fav/(Unfav) | BUDGET |
| <u>OPERATING EXPENDITURES</u> | | | | | | | | |
| <u>ADMINISTRATION</u> | | | | | | | | |
| SUPERINTENDENT'S OFFICE | \$ 3,252,903 | \$ 5,434,716 | \$ (2,181,813) | \$ 19,770,995 | \$ 25,514,742 | \$ (5,743,748) | (29.1%) | \$ 25,689,485 |
| ASSESSMENTS | 7,994,752 | 7,910,307 | 84,445 | 47,272,667 | 45,396,445 | 1,876,221 | 4.0% | 63,262,183 |
| GROSS EARNINGS TAX | 8,333,614 | 7,930,304 | 403,310 | 50,720,001 | 50,222,715 | 497,286 | 1.0% | 65,953,238 |
| (1) VACANCY FACTOR | (2,496,403) | 0 | (2,496,403) | (14,718,521) | 0 | (14,718,521) | - | (19,711,327) |
| ADMINISTRATION TOTAL | 17,084,866 | 21,275,328 | (4,190,462) | 103,045,142 | 121,133,903 | (18,088,761) | (17.6%) | 135,193,579 |
| <u>RATES, FINANCIAL PLANNING & ANALYSIS</u> | | | | | | | | |
| RPA MANAGEMENT | 168,265 | 143,738 | 24,527 | 1,009,600 | 914,689 | 94,910 | 9.4% | 1,346,129 |
| PROJECT MANAGEMENT OFFICE | 220,226 | 153,509 | 66,717 | 1,337,203 | 867,852 | 469,351 | 35.1% | 1,777,655 |
| FINANCIAL & BUSINESS PLANNING | 98,518 | 209,554 | (111,036) | 571,693 | 1,252,108 | (680,415) | (119.0%) | 768,729 |
| STRATEGIC ASSET MANAGEMENT | 238,580 | 235,390 | 3,191 | 1,921,539 | 1,609,004 | 312,534 | 16.3% | 2,398,700 |
| ENERGY RISK MANAGEMENT | 181,594 | 157,237 | 24,357 | 1,083,482 | 996,154 | 87,328 | 8.1% | 1,446,670 |
| RATES & FORECASTING | 272,874 | 181,993 | 90,881 | 1,769,387 | 1,103,331 | 666,056 | 37.6% | 2,315,136 |
| RATES, FINANCIAL PLANNING & ANALYSIS TOTAL | 1,180,058 | 1,081,421 | 98,637 | 7,692,904 | 6,743,138 | 949,766 | 12.3% | 10,053,019 |
| <u>POWER SHARED SERVICES</u> | | | | | | | | |
| PSS ADMINISTRATION | 250,152 | 235,188 | 14,963 | 1,445,360 | 1,586,771 | (141,411) | (9.8%) | 1,945,664 |
| PSS STRATEGY | 382,965 | 233,217 | 149,748 | 2,272,124 | 1,644,139 | 627,984 | 27.6% | 3,038,053 |
| PSS TRAINING & DEVELOPMENT | 189,064 | 166,866 | 22,198 | 1,268,459 | 1,399,262 | (130,802) | (10.3%) | 1,646,587 |
| PSS RELIABILITY & COMPLIANCE | 340,291 | 359,379 | (19,088) | 2,015,815 | 1,826,675 | 189,140 | 9.4% | 2,696,398 |
| PSS FACILITIES | 373,614 | 363,032 | 10,583 | 2,563,832 | 2,385,196 | 178,635 | 7.0% | 3,311,060 |
| PSS SECURITY OPERATIONS | 305,908 | 290,309 | 15,599 | 1,809,315 | 1,691,079 | 118,237 | 6.5% | 2,421,131 |
| PSS MECHANICAL MAINTENANCE | 264,416 | 197,310 | 67,105 | 1,659,356 | 1,523,810 | 135,546 | 8.2% | 2,188,187 |
| PSS BUILDING MAINTENANCE | 573,901 | 542,687 | 31,214 | 3,433,067 | 3,231,984 | 201,083 | 5.9% | 4,580,869 |
| PSS GROUNDS MAINTENANCE | 544,357 | 534,605 | 9,753 | 3,212,632 | 3,161,949 | 50,683 | 1.6% | 4,301,346 |
| POWER SHARED SERVICES TOTAL | 3,224,667 | 2,922,592 | 302,076 | 19,679,960 | 18,450,865 | 1,229,095 | 6.2% | 26,129,294 |



TACOMA POWER
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| | CURRENT QUARTER | | | BIENNIUM TO DATE | | | | BIENNIUM |
|--|-------------------|-------------------|------------------------------|-------------------|-------------------|------------------------------|------------------|-------------------|
| | BUDGET | ACTUAL | FAVORABLE / (UNFAVORABLE) | BUDGET | ACTUAL | FAVORABLE / (UNFAVORABLE) | % Fav/(Unfav) | BUDGET |
| TRANSMISSION & DISTRIBUTION (T & D) | | | | | | | | |
| TD ADMINISTRATION | \$ 269,020 | \$ 193,551 | \$ 75,468 | \$ 1,605,435 | \$ 2,051,118 | \$ (445,683) | (27.8%) | \$ 2,143,475 |
| TD SAFETY | 87,048 | 88,441 | (1,393) | 535,639 | 544,944 | (9,305) | (1.7%) | 709,735 |
| TD LINE CLEARANCE TREE TRIMMING | 954,659 | 1,013,195 | (58,536) | 5,715,621 | 5,363,777 | 351,844 | 6.2% | 7,624,939 |
| TD C & M LINE OPERATIONS | 1,803,751 | 2,538,004 | (734,253) | 10,329,181 | 12,663,745 | (2,334,564) | (22.6%) | 13,936,683 |
| TD TROUBLE CREWS | 409,128 | 392,563 | 16,566 | 2,423,736 | 2,429,985 | (6,249) | (0.3%) | 3,241,993 |
| TD SYSTEM MAINTENANCE & SUBSTATIONS | 2,233,833 | 2,031,458 | 202,375 | 13,851,883 | 11,753,174 | 2,098,709 | 15.2% | 18,245,549 |
| TD LINE MAINTENANCE PLANNING | 91,810 | 106,988 | (15,178) | 553,947 | 609,919 | (55,972) | (10.1%) | 737,571 |
| TD ASSET MANAGEMENT | 133,112 | 185,279 | (52,167) | 778,879 | 800,730 | (21,851) | (2.8%) | 1,045,103 |
| * TD HFC NETWORK CONSTRUCTION (49%) | 110,134 | 178,363 | (68,229) | 647,284 | 780,380 | (133,096) | (20.6%) | 867,554 |
| * TD HFC NETWORK ENGINEERING (49%) | 38,096 | 38,453 | (357) | 271,445 | 239,501 | 31,944 | 11.8% | 347,637 |
| TD UTILITY STAFF SUPPORT | 510,166 | 530,137 | (19,971) | 3,129,164 | 3,192,685 | (63,520) | (2.0%) | 4,149,496 |
| TD ELECTRICAL INSPECTION | 414,205 | 399,457 | 14,748 | 2,456,420 | 2,366,547 | 89,873 | 3.7% | 3,284,831 |
| TD METER, RELAY & LINE SERVICES | 995,318 | 766,033 | 229,285 | 5,449,643 | 4,850,509 | 599,133 | 11.0% | 7,440,274 |
| TD NEW SERVICES ENGINEERING | 208,335 | 183,197 | 25,138 | 1,236,291 | 1,343,533 | (107,242) | (8.7%) | 1,652,958 |
| TD ENGINEERING PRODUCTS & SERVICES | 554,291 | 493,535 | 60,756 | 3,254,137 | 3,028,946 | 225,191 | 6.9% | 4,362,720 |
| TD PROTECTION & CONTROL ENGINEERING | 257,330 | 198,178 | 59,152 | 1,546,653 | 1,329,095 | 217,558 | 14.1% | 2,061,313 |
| TD PROJECTS & SERVICES | 159,788 | 137,529 | 22,259 | 927,720 | 823,845 | 103,875 | 11.2% | 1,247,297 |
| TD SUBSTATION ENGINEERING | 195,202 | 123,146 | 72,056 | 1,149,120 | 857,081 | 292,038 | 25.4% | 1,539,523 |
| TD CENTRAL BUSINESS DISTRICT ENGR | 31,779 | 42,222 | (10,442) | 180,566 | 314,023 | (133,457) | (73.9%) | 244,125 |
| TD LINE ENGINEERING | 223,100 | 228,813 | (5,713) | 1,281,326 | 1,209,539 | 71,787 | 5.6% | 1,727,526 |
| TD SYSTEM OPERATIONS | 1,288,647 | 1,049,814 | 238,833 | 7,667,061 | 7,052,901 | 614,160 | 8.0% | 10,244,355 |
| TD SYSTEM PLANNING & ANALYSIS | 389,316 | 243,098 | 146,218 | 2,607,869 | 1,595,733 | 1,012,136 | 38.8% | 3,386,501 |
| TD TOOL & EQUIPMENT ROOMS | 28,967 | 34,186 | (5,219) | 175,496 | 172,677 | 2,819 | 1.6% | 233,431 |
| TD BUSINESS & FINANCIAL MGMT | 214,151 | 245,918 | (31,767) | 1,328,057 | 1,277,444 | 50,613 | 3.8% | 1,756,359 |
| TD WAREHOUSE | 294,350 | 1,640,705 | (1,346,355) | 1,754,322 | 1,685,077 | 69,245 | 3.9% | 2,336,021 |
| DISTRIBUTED WAREHOUSE COSTS | (294,350) | (1,669,549) | 1,375,200 | (1,754,322) | (1,685,077) | (69,245) | (3.9%) | (2,336,021) |
| TRANSMISSION & DISTRIBUTION TOTAL | 11,601,187 | 11,412,715 | 188,472 | 69,102,574 | 66,651,833 | 2,450,740 | 3.5% | 92,230,946 |



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|--|-------------------|-------------------|---------------------------|--------------------|--------------------|---------------------------|---------------|--------------------|
| | BUDGET | ACTUAL | FAVORABLE / (UNFAVORABLE) | BUDGET | ACTUAL | FAVORABLE / (UNFAVORABLE) | % Fav/(Unfav) | BUDGET |
| GENERATION | | | | | | | | |
| GENERATION ADMINISTRATION | \$ 891,811 | \$ 356,857 | \$ 534,954 | \$ 5,286,780 | \$ 4,919,670 | \$ 367,111 | 6.9% | \$ 7,062,904 |
| GENERATION EXTRAORDINARY MAINTENANCE | 1,309,328 | 1,319,920 | (10,591) | 4,616,343 | 6,089,709 | (1,473,366) | (31.9%) | 7,235,000 |
| PRODUCTION ENGINEERING | 638,682 | 584,192 | 54,490 | 3,706,337 | 3,673,752 | 32,585 | 0.9% | 4,983,701 |
| PLANT ENGINEERING & CONSTRUCTION SERVICES | 725,884 | 906,777 | (180,892) | 4,241,865 | 5,268,053 | (1,026,188) | (24.2%) | 5,693,638 |
| CONTRACT SERVICES | 151,614 | 147,801 | 3,813 | 888,434 | 901,541 | (13,107) | (1.5%) | 1,191,662 |
| CRAFT SHOPS | 227,002 | 253,906 | (26,904) | 1,336,057 | 1,229,602 | 106,455 | 8.0% | 1,790,066 |
| NATURAL RESOURCES | 4,428,761 | 3,871,953 | 556,809 | 26,393,413 | 26,686,260 | (292,847) | (1.1%) | 35,250,935 |
| NISQUALLY PROJECT | 607,655 | 582,787 | 24,868 | 3,607,258 | 3,520,897 | 86,361 | 2.4% | 4,822,567 |
| ALDER PARK | 166,212 | 135,495 | 30,716 | 995,200 | 894,860 | 100,340 | 10.1% | 1,327,624 |
| CUSHMAN PROJECT | 846,467 | 743,463 | 103,004 | 5,050,036 | 4,622,972 | 427,064 | 8.5% | 6,742,966 |
| COWLITZ PROJECT | 1,232,344 | 1,067,169 | 165,174 | 7,327,372 | 6,904,036 | 423,336 | 5.8% | 9,792,059 |
| TAIDNAPAM PARK | 156,217 | 134,571 | 21,647 | 931,427 | 885,849 | 45,578 | 4.9% | 1,243,866 |
| MOSSYROCK PARK | 145,337 | 133,454 | 11,883 | 864,062 | 794,143 | 69,919 | 8.1% | 1,154,740 |
| MAYFIELD LAKE PARK | 80,998 | 85,061 | (4,063) | 488,896 | 552,190 | (63,294) | (12.9%) | 650,892 |
| WYNOOCHEE PROJECT | 216,716 | 193,656 | 23,061 | 1,282,189 | 1,180,808 | 101,382 | 7.9% | 1,715,622 |
| GENERATION TOTAL | 11,825,030 | 10,517,062 | 1,307,967 | 67,015,670 | 68,124,341 | (1,108,671) | (1.7%) | 90,658,243 |
| POWER MANAGEMENT | | | | | | | | |
| POWER MANAGEMENT ADMINISTRATION | 439,019 | 359,369 | 79,650 | 2,599,851 | 2,233,697 | 366,154 | 14.1% | 3,477,889 |
| POWER CONTRACTS, COMPLIANCE & TRANSMISSION | 103,835 | 128,362 | (24,526) | 611,529 | 720,102 | (108,572) | (17.8%) | 819,200 |
| REAL-TIME ENERGY TRADING | 527,284 | 547,999 | (20,715) | 3,153,276 | 2,951,598 | 201,678 | 6.4% | 4,207,845 |
| NEAR TERM ENERGY TRADING & OPERATIONS | 41,562,520 | 42,512,845 | (950,325) | 250,142,880 | 268,297,232 | (18,154,352) | (7.3%) | 334,106,584 |
| PM OT SYSTEMS | 336,448 | 234,071 | 102,377 | 1,616,897 | 1,598,238 | 18,659 | 1.2% | 2,289,793 |
| RESOURCE OPERATIONS | 256,054 | 154,798 | 101,256 | 1,558,792 | 952,905 | 605,887 | 38.9% | 2,070,901 |
| SUPPLY PLANNING & ANALYSIS | 312,808 | 351,653 | (38,845) | 1,831,489 | 2,085,899 | (254,410) | (13.9%) | 2,457,105 |
| CONSERVATION PLANNING & ANALYSIS | 188,247 | 122,374 | 65,873 | 1,116,565 | 783,048 | 333,517 | 29.9% | 1,493,059 |
| ENERGY CONSERVATION ADMINISTRATION | 164,743 | 145,315 | 19,428 | 974,536 | 1,032,577 | (58,041) | (6.0%) | 1,304,022 |
| COMMERCIAL ENERGY CONSERVATION | 563,657 | 463,511 | 100,146 | 3,309,701 | 2,893,432 | 416,268 | 12.6% | 4,437,015 |
| RESIDENTIAL ENERGY SERVICES | 349,978 | 315,068 | 34,910 | 2,095,855 | 2,119,464 | (23,609) | (1.1%) | 2,795,811 |
| CONSERVATION INFORMATION CENTER | 319,836 | 282,594 | 37,241 | 1,885,777 | 1,659,304 | 226,473 | 12.0% | 2,525,449 |
| COMMUNITY PROGRAMS | 227,276 | 167,237 | 60,039 | 1,350,504 | 1,044,625 | 305,879 | 22.6% | 1,805,056 |
| POWER MANAGEMENT TOTAL | 45,351,705 | 45,785,196 | (433,491) | 272,247,653 | 288,372,122 | (16,124,469) | (5.9%) | 363,789,727 |



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| | CURRENT QUARTER | | | BIENNIUM TO DATE | | | | BIENNIUM |
|---|------------------|------------------|------------------------------|-------------------|-------------------|------------------------------|------------------|-------------------|
| | BUDGET | ACTUAL | FAVORABLE / (UNFAVORABLE) | BUDGET | ACTUAL | FAVORABLE / (UNFAVORABLE) | % Fav/(Unfav) | BUDGET |
| <u>CLICK! COMMERCIAL NETWORK</u> | | | | | | | | |
| ADMINISTRATION (94%) | \$ 410,531 | \$ 7,955 | \$ 402,576 | \$ 2,406,534 | \$ 1,886,385 | \$ 520,150 | 21.6% | \$ 3,227,596 |
| GROSS EARNINGS TAX | 550,255 | 361 | 549,894 | 3,174,966 | 2,454,443 | 720,523 | 22.7% | 4,238,148 |
| MARKETING & BUSINESS OPERATIONS ADMIN | 62,461 | 93,886 | (31,425) | 368,233 | 401,491 | (33,258) | (9.0%) | 493,156 |
| MARKETING ADMIN | 229,558 | 1,806 | 227,752 | 1,353,194 | 694,026 | 659,169 | 48.7% | 1,812,310 |
| MARKETING SERVICES | 3,423,887 | 707,642 | 2,716,245 | 21,309,705 | 17,041,657 | 4,268,047 | 20.0% | 27,851,982 |
| ISP ADVANTAGE | 101,504 | 126 | 101,378 | 1,878,024 | 493,343 | 1,384,681 | 73.7% | 2,081,032 |
| CUSTOMER SALES AND SERVICE | 143,072 | 73,932 | 69,140 | 1,023,172 | 1,122,690 | (99,518) | (9.7%) | 1,309,315 |
| BUSINESS SYSTEMS | 142,744 | 23,605 | 119,139 | 864,776 | 615,770 | 249,007 | 28.8% | 1,150,264 |
| TECHNICAL OPERATIONS ADMIN (80%) | 77,891 | 16,552 | 61,339 | 455,410 | 269,382 | 186,028 | 40.8% | 611,193 |
| SERVICE INSTALLATION (98%) | 473,609 | 275,612 | 197,997 | 2,800,784 | 2,333,885 | 466,899 | 16.7% | 3,748,001 |
| CONVERTER INVENTORY CONTROL | 90,010 | 1,930 | 88,079 | 535,626 | 168,733 | 366,894 | 68.5% | 715,646 |
| NETWORK OPERATIONS (51%) | 192,949 | 49,115 | 143,834 | 1,143,049 | 620,970 | 522,078 | 45.7% | 1,528,946 |
| BROADBAND SERVICES (99%) | 220,597 | 70,725 | 149,872 | 1,310,443 | 1,018,053 | 292,391 | 22.3% | 1,751,637 |
| NETWORK ENGINEERING (95%) | 55,638 | 0 | 55,638 | 343,516 | 227,737 | 115,779 | 33.7% | 454,792 |
| NETWORK SERVICE ASSURANCE (51%) | 98,294 | 31,449 | 66,845 | 586,640 | 486,654 | 99,986 | 17.0% | 783,228 |
| CLICK! COMMERCIAL NETWORK TOTAL | 6,272,998 | 1,354,696 | 4,918,303 | 39,554,073 | 29,835,217 | 9,718,856 | 24.6% | 51,757,247 |
| TD HFC NETWORK CONSTRUCTION (51%) | 114,629 | 185,643 | (71,014) | 673,704 | 812,233 | (138,529) | (20.6%) | 902,964 |
| TD HFC NETWORK ENGINEERING (51%) | 39,651 | 40,023 | (372) | 282,524 | 249,276 | 33,248 | 11.8% | 361,827 |
| CLICK! COMMERCIAL PLUS T&D HFC COSTS TOTAL | 6,427,279 | 1,580,362 | 4,846,917 | 40,510,301 | 30,896,726 | 9,613,575 | 23.7% | 53,022,037 |
| <u>CLICK! POWER APPLICATIONS</u> | | | | | | | | |
| ADMINISTRATION (6%) | 26,204 | 508 | 25,696 | 153,609 | 120,408 | 33,201 | 21.6% | 206,017 |
| TECHNICAL OPERATIONS ADMIN (20%) | 19,473 | 4,138 | 15,335 | 113,853 | 67,345 | 46,507 | 40.8% | 152,798 |
| SERVICE INSTALLATION (2%) | 9,665 | 5,625 | 4,041 | 57,159 | 47,630 | 9,529 | 16.7% | 76,490 |
| NETWORK OPERATIONS (49%) | 185,382 | 47,189 | 138,193 | 1,098,223 | 596,619 | 501,605 | 45.7% | 1,468,988 |
| BROADBAND SERVICES (1%) | 2,228 | 714 | 1,514 | 13,237 | 10,283 | 2,953 | 22.3% | 17,693 |
| NETWORK ENGINEERING (5%) | 2,928 | 0 | 2,928 | 18,080 | 11,986 | 6,094 | 33.7% | 23,936 |
| NETWORK SERVICE ASSURANCE (49%) | 94,439 | 30,216 | 64,224 | 563,634 | 467,570 | 96,065 | 17.0% | 752,513 |
| CLICK! POWER APPLICATIONS TOTAL | 340,321 | 88,390 | 251,931 | 2,017,794 | 1,321,841 | 695,953 | 34.5% | 2,698,435 |

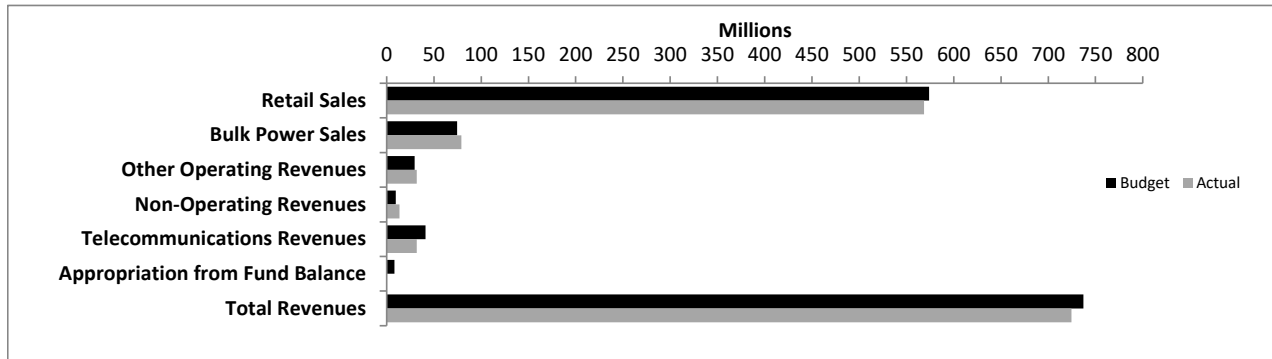


TACOMA POWER
2019/2020 BIENNIUM BUDGET PERFORMANCE REPORT
June 30, 2020

| | CURRENT QUARTER | | | BIENNIUM TO DATE | | | | BIENNIUM |
|--|-----------------------|-----------------------|------------------------------|-----------------------|-----------------------|------------------------------|------------------|-----------------------|
| | BUDGET | ACTUAL | FAVORABLE / (UNFAVORABLE) | BUDGET | ACTUAL | FAVORABLE / (UNFAVORABLE) | % Fav/(Unfav) | BUDGET |
| UTILITY TECHNOLOGY SERVICES (UTS) | | | | | | | | |
| UTS ADMINISTRATION | \$ 662,655 | \$ 548,658 | \$ 113,997 | \$ 3,965,417 | \$ 3,644,278 | \$ 321,138 | 8.1% | \$ 5,290,726 |
| UTS DESKTOP SUPPORT | 199,703 | 124,071 | 75,632 | 1,239,017 | 1,233,343 | 5,675 | 0.5% | 1,638,424 |
| UTS OPERATIONAL APPLICATION USER SUPPORT | 480,725 | 585,201 | (104,476) | 2,727,306 | 2,802,995 | (75,689) | (2.8%) | 3,688,755 |
| UTS OPERATIONAL INFORMATION SYSTEMS | 481,728 | 419,645 | 62,083 | 2,874,630 | 3,028,415 | (153,785) | (5.3%) | 3,838,087 |
| UTS CYBERSECURITY SYSTEMS | 438,880 | 769,451 | (330,570) | 2,813,059 | 2,883,975 | (70,917) | (2.5%) | 3,690,819 |
| UTS ENERGY MANAGEMENT SYSTEMS | 148,401 | 89,788 | 58,613 | 902,043 | 670,177 | 231,866 | 25.7% | 1,198,845 |
| UTS NETWORKING, TELECOM & TRANSPORT SVCS | 746,771 | 661,023 | 85,748 | 4,063,607 | 3,758,632 | 304,975 | 7.5% | 5,557,149 |
| UTS NETWORK & COMM SYSTEM ENGINEERING | 527,673 | 20,736 | 506,938 | 3,121,216 | 2,662,605 | 458,611 | 14.7% | 4,176,563 |
| UTS PROJECT MANAGEMENT OFFICE | 293,489 | 253,009 | 40,480 | 1,903,743 | 1,497,038 | 406,705 | 21.4% | 2,490,721 |
| UTS SERVICE MANAGEMENT OFFICE | 388,399 | 336,012 | 52,387 | 2,243,432 | 2,073,030 | 170,402 | 7.6% | 3,020,229 |
| UTS AMI PROGRAM OFFICE | 211,934 | 475,953 | (264,019) | 1,246,695 | 1,577,202 | (330,506) | (26.5%) | 1,670,564 |
| UTILITY TECHNOLOGY SERVICES TOTAL | 4,580,359 | 4,283,546 | 296,813 | 27,100,164 | 25,831,688 | 1,268,476 | 4.7% | 36,260,883 |
| OPERATION & MAINTENANCE TOTAL | \$ 101,615,471 | \$ 98,946,611 | \$ 2,668,860 | \$ 608,412,162 | \$ 627,526,458 | \$ (19,114,296) | (3.1%) | \$ 810,036,165 |
| DEBT SERVICE | 6,872,532 | 6,918,772 | (46,240) | 43,598,415 | 44,364,045 | (765,630) | (1.8%) | 59,122,802 |
| (2) CAPITAL OUTLAY - OPERATING FUND | 11,209,000 | 6,009,318 | 5,199,682 | 67,254,000 | 51,270,525 | 15,983,475 | 23.8% | 89,672,000 |
| TOTAL CURRENT FUND EXPENDITURES | \$ 119,697,003 | \$ 111,874,701 | \$ 7,822,302 | \$ 719,264,577 | \$ 723,161,028 | \$ (3,896,450) | (0.5%) | \$ 958,830,967 |

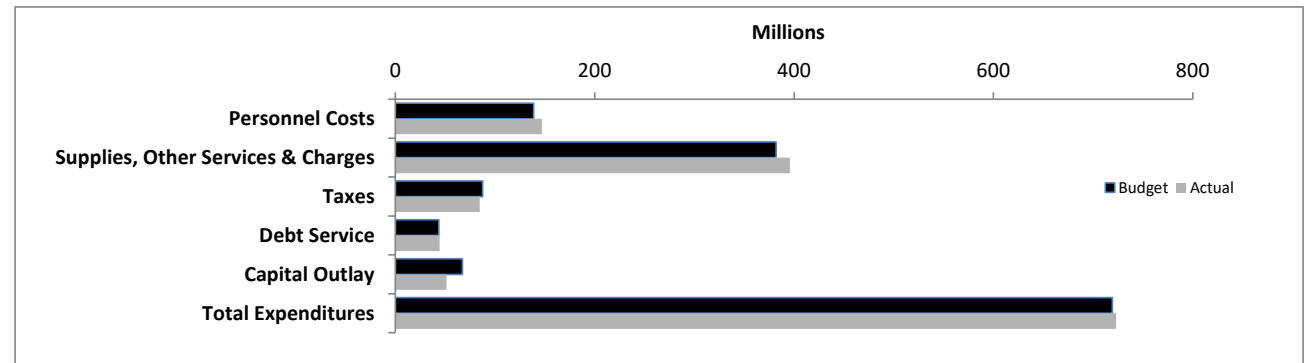
* 51% of these T & D cost centers are included in Click!'s Commercial Network section.
(1) Represents a budget reduction for the vacancies that occur during the course of the biennium.
(2) Reflects a timing difference between capital outlay expenditures and reimbursements.

Tacoma Power Revenues



| | 1/19 - 6/20 Budget | 1/19 - 6/20 Actual | Actual vs Budget To Date | Biennial Budget | Actual vs Biennial Budget |
|---------------------------------|-----------------------|-----------------------|-----------------------------|----------------------|------------------------------|
| Retail Sales | \$574,013,542 | \$568,475,738 | 99% | \$746,470,692 | 76% |
| Bulk Power Sales | 74,626,289 | 78,973,129 | 106% | 95,840,208 | 82% |
| Other Operating Revenues | 29,537,017 | 31,883,008 | 108% | 39,743,995 | 80% |
| Non-Operating Revenues | 9,619,814 | 13,453,571 | 140% | 12,864,759 | 105% |
| Telecommunications Revenues | 41,008,147 | 31,698,908 | 77% | 54,732,255 | 58% |
| Appropriation from Fund Balance | 8,278,278 | - | 0% | 9,179,057 | 0% |
| Total Revenues | \$737,083,087 | \$724,484,353 | 98% | \$958,830,967 | 76% |

Tacoma Power Expenditures



| | 1/19 - 6/20 Budget | 1/19 - 6/20 Actual | Actual vs Budget To Date | Biennial Budget | Actual vs Biennial Budget |
|------------------------------------|-----------------------|-----------------------|-----------------------------|----------------------|------------------------------|
| Personnel Costs | \$138,799,050 | \$147,130,118 | 106% | \$185,415,658 | 79% |
| Supplies, Other Services & Charges | 382,015,927 | 395,841,173 | 104% | 510,242,691 | 78% |
| Taxes | 87,597,185 | 84,555,167 | 97% | 114,377,816 | 74% |
| Debt Service | 43,598,415 | 44,364,045 | 102% | 59,122,802 | 75% |
| Capital Outlay | 67,254,000 | 51,270,525 | 76% | 89,672,000 | 57% |
| Total Expenditures | \$719,264,577 | \$723,161,028 | 101% | \$958,830,967 | 75% |

75.0% of Biennial Budget Completed



TACOMA WATER
2019/2020 BIENNIUM BUDGET PERFORMANCE REPORT
June 30, 2020

| | CURRENT QUARTER | | | BIENNIUM TO DATE | | | | BIENNIUM |
|---|----------------------|----------------------|------------------------------|-----------------------|-----------------------|------------------------------|------------------|-----------------------|
| | BUDGET | ACTUAL | FAVORABLE / (UNFAVORABLE) | BUDGET | ACTUAL | FAVORABLE / (UNFAVORABLE) | % Fav/(Unfav) | BUDGET |
| REVENUE LESS EXPENDITURES | \$ 1,668,789 | \$ 2,267,224 | \$ 598,435 | \$ (9,888,176) | \$ 7,463,472 | \$ 17,351,648 | | |
| OPERATING REVENUES - WATER SALES | | | | | | | | |
| RESIDENTIAL | \$ 14,171,462 | \$ 16,110,128 | \$ 1,938,666 | \$ 83,895,354 | \$ 87,685,822 | \$ 3,790,468 | 4.5% | \$ 116,422,335 |
| COMMERCIAL | 2,739,513 | 2,247,116 | (492,397) | 16,152,043 | 16,687,603 | 535,560 | 3.3% | 22,192,237 |
| LARGE VOLUME | 446,111 | 685,941 | 239,830 | 3,040,964 | 3,405,789 | 364,825 | 12.0% | 4,286,723 |
| PULP MILL | 1,731,398 | 1,823,194 | 91,796 | 10,159,332 | 10,452,413 | 293,081 | 2.9% | 13,808,205 |
| PRIVATE FIRE | 791,428 | 1,023,301 | 231,873 | 4,506,077 | 5,303,434 | 797,357 | 17.7% | 6,055,959 |
| PARKS & IRRIGATION | 549,116 | 252,548 | (296,568) | 4,021,442 | 4,161,072 | 139,630 | 3.5% | 6,550,742 |
| WHOLESALE | 470,164 | 455,226 | (14,938) | 3,668,834 | 3,663,323 | (5,511) | (0.2%) | 5,418,301 |
| ACCRUED UNBILLED REVENUE | - | - | - | - | (111,782) | (111,782) | 100.0% | - |
| TOTAL WATER SALES | 20,899,192 | 22,597,454 | 1,698,262 | 125,444,046 | 131,247,674 | 5,803,628 | 4.6% | 174,734,502 |
| OTHER OPERATING REVENUES | | | | | | | | |
| CASCADE WATER ALLIANCE | 621,585 | 621,585 | 1 | 3,793,372 | 3,793,374 | 2 | 0.0% | 5,036,541 |
| OTHER OPERATING REVENUE | 214,000 | 110,655 | (103,345) | 1,937,551 | 2,024,857 | 87,306 | 4.5% | 2,365,551 |
| OTHER SURCHARGE | 73,750 | 112,063 | 38,313 | 442,500 | 524,885 | 82,385 | 18.6% | 590,000 |
| TOTAL OTHER OPERATING REVENUES | 909,335 | 844,303 | (65,031) | 6,173,423 | 6,343,116 | 169,693 | 2.7% | 7,992,092 |
| TOTAL OPERATING REVENUES | 21,808,527 | 23,441,757 | 1,633,230 | 131,617,469 | 137,590,790 | 5,973,321 | 4.5% | 182,726,594 |
| NON-OPERATING REVENUES | | | | | | | | |
| INTEREST | 81,250 | 417,760 | 336,510 | 437,500 | 2,778,797 | 2,341,297 | 535.2% | 600,000 |
| BABS INTEREST FEDERAL SUDSIDY | 692,578 | 699,266 | 6,688 | 4,155,468 | 4,191,884 | 36,416 | 0.9% | 5,540,624 |
| OTHER NON-OPERATING REVENUE | 57,889 | 30,155 | (27,734) | 349,607 | 326,080 | (23,527) | (6.7%) | 465,384 |
| TOTAL NON-OPERATING REVENUES | 831,717 | 1,147,181 | 315,464 | 4,942,575 | 7,296,761 | 2,354,186 | 47.6% | 6,606,008 |
| TOTAL REVENUES | 22,640,243 | 24,588,938 | 1,948,695 | 136,560,044 | 144,887,550 | 8,327,507 | 6.1% | 189,332,602 |
| OTHER AVAILABLE FUNDS | | | | | | | | |
| CAPITAL RESERVE FUND - TRANSFER | 4,989,012 | 1,649,933 | (3,339,079) | 12,024,872 | 6,523,821 | (5,501,051) | (45.7%) | 22,002,895 |
| APPROPRIATION FROM FUND BALANCE | 2,564,925 | - | (2,564,925) | 11,826,194 | - | (11,826,194) | - | 16,956,044 |
| TOTAL REVENUES & AVAILABLE FUNDS | \$ 30,194,180 | \$ 26,238,871 | \$ (3,955,309) | \$ 160,411,109 | \$ 151,411,371 | \$ (8,999,738) | (5.6%) | \$ 228,291,541 |



TACOMA WATER
2019/2020 BIENNIUM BUDGET PERFORMANCE REPORT
June 30, 2020

| | CURRENT QUARTER | | | BIENNIUM TO DATE | | | | BIENNIUM |
|--|------------------|------------------|------------------------------|-------------------|-------------------|------------------------------|------------------|-------------------|
| | BUDGET | ACTUAL | FAVORABLE / (UNFAVORABLE) | BUDGET | ACTUAL | FAVORABLE / (UNFAVORABLE) | % Fav/(Unfav) | BUDGET |
| <u>OPERATING EXPENDITURES</u> | | | | | | | | |
| <u>ADMINISTRATION</u> | | | | | | | | |
| PERSONNEL COSTS | \$ 106,968 | \$ 184,953 | \$ (77,985) | \$ 626,452 | \$ 758,980 | \$ (132,528) | (21.2%) | \$ 840,389 |
| SUPPLIES, OTHER SERVICES & CHARGES | 113,035 | (19,411) | 132,446 | 707,177 | 79,859 | 627,318 | 88.7% | 933,247 |
| RWSS CRO EXPENSES | 1,506,687 | 1,242,696 | 263,991 | 9,030,870 | 8,187,160 | 843,709 | 9.3% | 12,044,243 |
| ASSESSMENTS | 3,000,173 | 2,886,188 | 113,986 | 17,762,749 | 17,072,809 | 689,941 | 3.9% | 23,763,101 |
| GROSS EARNINGS TAX | 1,743,396 | 1,936,651 | (193,255) | 10,519,690 | 11,563,811 | (1,044,121) | (9.9%) | 14,641,259 |
| OTHER TAXES | 1,259,280 | 1,377,464 | (118,184) | 7,400,292 | 7,677,518 | (277,226) | (3.7%) | 10,225,543 |
| ADMINISTRATION TOTAL | 7,729,539 | 7,608,541 | 120,998 | 46,047,231 | 45,340,137 | 707,093 | 1.5% | 62,447,782 |
| <u>DISTRIBUTION ENGINEERING</u> | | | | | | | | |
| PERSONNEL COSTS | 665,783 | 559,363 | 106,420 | 3,870,737 | 3,454,892 | 415,845 | 10.7% | 5,202,303 |
| SUPPLIES, OTHER SERVICES & CHARGES | 171,949 | 118,281 | 53,668 | 929,743 | 641,671 | 288,072 | 31.0% | 1,273,641 |
| DISTRIBUTION ENGINEERING TOTAL | 837,732 | 677,644 | 160,087 | 4,800,480 | 4,096,563 | 703,917 | 14.7% | 6,475,944 |
| <u>DISTRIBUTION OPERATIONS</u> | | | | | | | | |
| PERSONNEL COSTS | 2,717,213 | 2,330,259 | 386,953 | 15,938,769 | 12,842,637 | 3,096,132 | 19.4% | 21,373,195 |
| SUPPLIES, OTHER SERVICES & CHARGES | 605,734 | 743,858 | (138,124) | 3,691,054 | 4,235,299 | (544,246) | (14.7%) | 4,902,522 |
| WATER WAREHOUSE | 129,754 | 102,752 | 27,002 | 800,740 | 524,013 | 276,727 | 34.6% | 1,060,248 |
| DISTRIBUTED WAREHOUSE COSTS | (129,754) | (102,752) | (27,001) | (800,741) | (524,013) | (276,727) | (34.6%) | (1,060,248) |
| DISTRIBUTION OPERATIONS TOTAL | 3,322,947 | 3,074,118 | 248,829 | 19,629,823 | 17,077,937 | 2,551,886 | 13.0% | 26,275,717 |
| <u>WATER QUALITY</u> | | | | | | | | |
| PERSONNEL COSTS | 1,296,711 | 1,038,335 | 258,376 | 7,582,129 | 6,542,202 | 1,039,927 | 13.7% | 10,175,552 |
| SUPPLIES, OTHER SERVICES & CHARGES | 673,709 | 662,417 | 11,293 | 4,007,462 | 3,404,483 | 602,979 | 15.0% | 5,354,881 |
| WATER QUALITY TOTAL | 1,970,421 | 1,700,752 | 269,669 | 11,589,591 | 9,946,685 | 1,642,906 | 14.2% | 15,530,433 |
| <u>WATER SUPPLY</u> | | | | | | | | |
| PERSONNEL COSTS | 1,752,042 | 1,365,719 | 386,323 | 10,124,881 | 8,693,315 | 1,431,566 | 14.1% | 13,628,965 |
| SUPPLIES, OTHER SERVICES & CHARGES | 673,983 | 562,534 | 111,449 | 4,368,896 | 3,526,186 | 842,710 | 19.3% | 5,716,861 |
| WATER SUPPLY TOTAL | 2,426,025 | 1,928,253 | 497,772 | 14,493,776 | 12,219,501 | 2,274,276 | 15.7% | 19,345,826 |

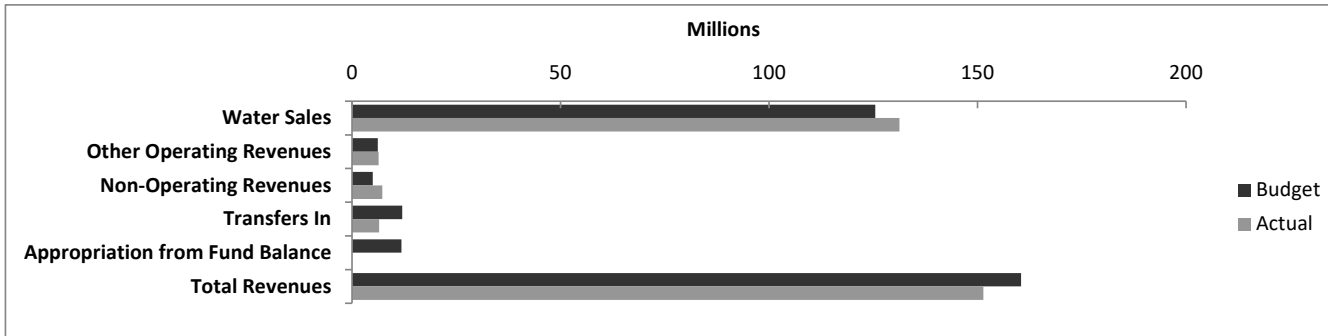


TACOMA WATER
2019/2020 BIENNIUM BUDGET PERFORMANCE REPORT
June 30, 2020

| | CURRENT QUARTER | | | BIENNIUM TO DATE | | | | BIENNIUM |
|---|----------------------|----------------------|------------------------------|-----------------------|-----------------------|------------------------------|------------------|-----------------------|
| | BUDGET | ACTUAL | FAVORABLE / (UNFAVORABLE) | BUDGET | ACTUAL | FAVORABLE / (UNFAVORABLE) | % Fav/(Unfav) | BUDGET |
| ASSET & INFORMATION MANAGEMENT | | | | | | | | |
| PERSONNEL COSTS | \$ 756,203 | \$ 586,330 | \$ 169,873 | \$ 4,492,653 | \$ 3,690,285 | \$ 802,368 | 17.9% | \$ 6,005,058 |
| SUPPLIES, OTHER SERVICES & CHARGES | 206,768 | 97,305 | 109,463 | 1,845,967 | 871,277 | 974,690 | 52.8% | 2,259,502 |
| ASSET & INFORMATION MANAGEMENT | 962,970 | 683,634 | 279,336 | 6,338,620 | 4,561,561 | 1,777,058 | 28.0% | 8,264,560 |
| FINANCE & ANALYTICS | | | | | | | | |
| PERSONNEL COSTS | 506,438 | 418,655 | 87,783 | 2,722,266 | 2,343,504 | 378,763 | 13.9% | 3,735,143 |
| SUPPLIES, OTHER SERVICES & CHARGES | 115,115 | 20,912 | 94,203 | 668,732 | 234,363 | 434,369 | 65.0% | 898,961 |
| FINANCE & ANALYTICS TOTAL | 621,553 | 439,567 | 181,985 | 3,390,998 | 2,577,867 | 813,132 | 24.0% | 4,634,104 |
| (1) VACANCY FACTOR | (376,360) | - | (376,360) | (2,258,160) | - | (2,258,160) | (100.0%) | (3,010,880) |
| OPERATION & MAINTENANCE TOTAL | \$ 17,494,827 | \$ 16,112,509 | \$ 1,382,317 | \$ 104,032,359 | \$ 95,820,251 | \$ 8,212,109 | 7.9% | \$ 139,963,486 |
| DEBT SERVICE | 6,641,619 | 4,777,515 | 1,864,103 | 39,933,249 | 38,077,417 | 1,855,832 | 4.6% | 53,216,486 |
| CAPITAL OUTLAY - OPERATING FUND | 4,388,946 | 3,081,623 | 1,307,324 | 26,333,677 | 10,050,231 | 16,283,446 | 61.8% | 35,111,569 |
| TOTAL OPERATING FUND EXPENDITURES | \$ 28,525,391 | \$ 23,971,647 | \$ 4,553,744 | \$ 170,299,285 | \$ 143,947,899 | \$ 26,351,386 | 15.5% | \$ 228,291,541 |

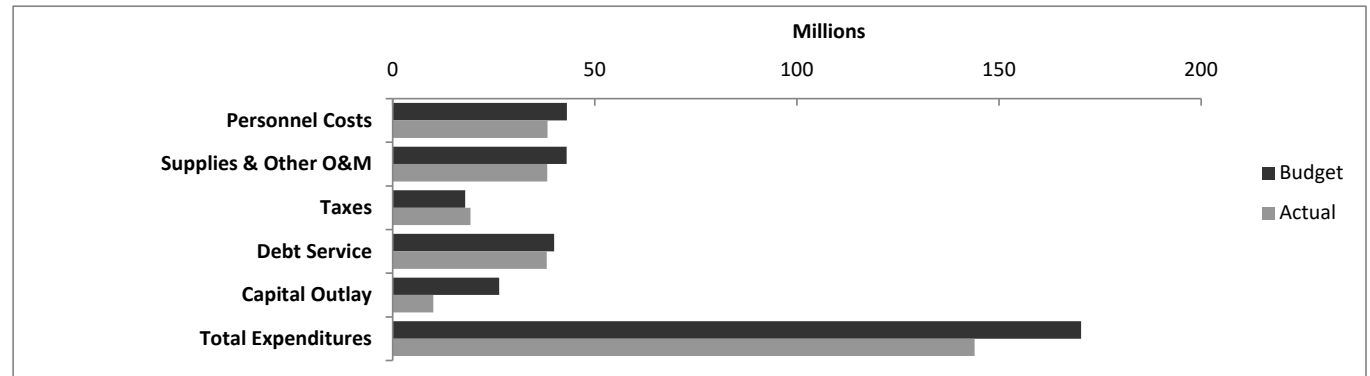
(1) Represents a budget reduction for the vacancies that occur during the course of the bienium.

Tacoma Water Revenues



| | 1/19 - 6/20 Budget | 1/19 - 6/20 Actual | Actual vs Budget To Date | Biennial Budget | Actual vs Biennial Budget |
|---------------------------------|-----------------------|-----------------------|-----------------------------|----------------------|------------------------------|
| Water Sales | \$125,444,046 | \$131,247,674 | 105% | \$174,734,502 | 75% |
| Other Operating Revenues | 6,173,423 | 6,343,116 | 103% | 7,992,092 | 79% |
| Non-Operating Revenues | 4,942,575 | 7,296,761 | 148% | 6,606,008 | 110% |
| Transfers In | 12,024,872 | 6,523,821 | 54% | 22,002,895 | 30% |
| Appropriation from Fund Balance | 11,826,194 | 0 | 0% | 16,956,044 | 0% |
| Total Revenues | \$160,411,109 | \$151,411,371 | 94% | \$228,291,541 | 66% |

Tacoma Water Expenditures



| | 1/19 - 6/20 Budget | 1/19 - 6/20 Actual | Actual vs Budget To Date | Biennial Budget | Actual vs Biennial Budget |
|---------------------------|-----------------------|-----------------------|-----------------------------|----------------------|------------------------------|
| Personnel Costs | \$43,099,728 | \$38,325,814 | 89% | \$57,949,725 | 66% |
| Supplies & Other O&M | 43,012,650 | 38,253,108 | 89% | 57,146,959 | 67% |
| Taxes | 17,919,982 | 19,241,329 | 107% | 24,866,802 | 77% |
| Debt Service | 39,933,249 | 38,077,417 | 95% | 53,216,486 | 72% |
| Capital Outlay | 26,333,677 | 10,050,231 | 38% | 35,111,569 | 29% |
| Total Expenditures | \$170,299,285 | \$143,947,899 | 85% | \$228,291,541 | 63% |

75.0% of Biennial Budget Completed



TACOMA RAIL
2019/2020 BIENNIUM BUDGET PERFORMANCE REPORT
June 30, 2020

| | CURRENT QUARTER | | | BIENNIUM TO DATE | | | | BIENNIUM |
|-------------------------------------|-----------------|--------------|------------------------------|------------------|---------------|------------------------------|------------------|---------------|
| | BUDGET | ACTUAL | FAVORABLE / (UNFAVORABLE) | BUDGET | ACTUAL | FAVORABLE / (UNFAVORABLE) | % Fav/(Unfav) | BUDGET |
| REVENUES LESS EXPENDITURES | \$ (733,386) | \$ 198,232 | \$ 931,618 | \$ 1,212,874 | \$ 3,510,766 | \$ 2,297,892 | | |
| OPERATING REVENUES | | | | | | | | |
| SWITCHING REVENUES | | | | | | | | |
| LINE HAULS AND LOCAL DEMURRAGE FEES | \$ 8,013,930 | \$ 5,924,876 | \$ (2,089,054) | \$ 45,820,415 | \$ 43,075,137 | \$ (2,745,278) | (6.0%) | \$ 61,656,705 |
| | 287,500 | 613,390 | 325,890 | 2,140,000 | 2,930,718 | 790,718 | 36.9% | 2,715,000 |
| TOTAL SWITCHING REVENUES | 8,301,430 | 6,538,266 | (1,763,164) | 47,960,415 | 46,005,855 | (1,954,560) | (4.1%) | 64,371,705 |
| LOCOMOTIVE SERVICING | 750,000 | 833,694 | 83,694 | 5,850,000 | 6,839,507 | 989,507 | 16.9% | 7,350,000 |
| OTHER REVENUES | 87,250 | 72,111 | (15,139) | 523,500 | 393,966 | (129,534) | (24.7%) | 698,000 |
| TOTAL MISCELLANEOUS REVENUES | 837,250 | 905,805 | 68,555 | 6,373,500 | 7,233,473 | 859,973 | 13.5% | 8,048,000 |
| TOTAL OPERATING REVENUES | 9,138,680 | 7,444,071 | (1,694,609) | 54,333,915 | 53,239,328 | (1,094,587) | (2.0%) | 72,419,705 |
| NON-OPERATING REVENUES | | | | | | | | |
| RENT AND MISCELLANEOUS INCOME | 285,000 | 374,032 | 89,032 | 1,650,000 | 1,676,421 | 26,421 | 1.6% | 2,220,000 |
| INTEREST | 28,750 | 58,366 | 29,616 | 167,500 | 405,538 | 238,038 | 142.1% | 225,000 |
| TOTAL NON-OPERATING REVENUES | 313,750 | 432,398 | 118,648 | 1,817,500 | 2,081,959 | 264,459 | 14.6% | 2,445,000 |
| OTHER AVAILABLE FUNDS | | | | | | | | |
| APPROPRIATION FROM FUND BALANCE | 119,112 | - | (119,112) | 263,077 | - | (263,077) | (100.0%) | 501,301 |
| TOTAL REVENUES | \$ 9,571,542 | \$ 7,876,469 | \$ (1,695,074) | \$ 56,414,492 | \$ 55,321,287 | \$ (1,093,205) | (1.9%) | \$ 75,366,006 |

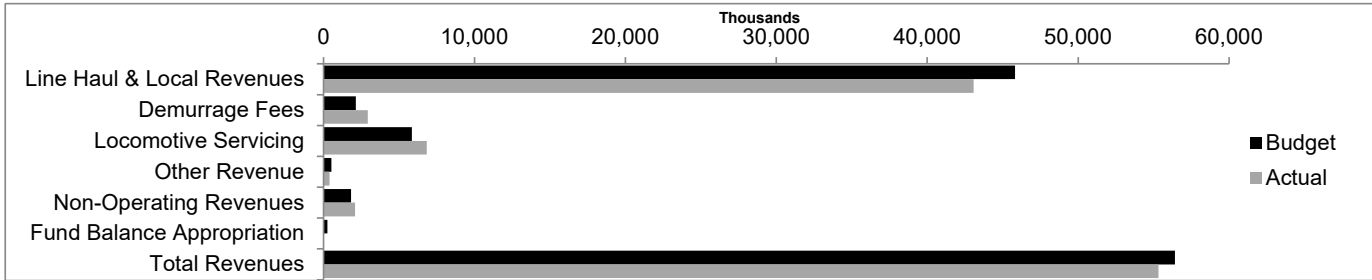


TACOMA RAIL
2019/2020 BIENNIUM BUDGET PERFORMANCE REPORT
June 30, 2020

| | CURRENT QUARTER | | | BIENNIUM TO DATE | | | | BIENNIUM |
|--|----------------------|---------------------|------------------------------|----------------------|----------------------|------------------------------|------------------|----------------------|
| | BUDGET | ACTUAL | FAVORABLE / (UNFAVORABLE) | BUDGET | ACTUAL | FAVORABLE / (UNFAVORABLE) | % Fav/(Unfav) | BUDGET |
| OPERATING EXPENDITURES | | | | | | | | |
| ADMINISTRATION | | | | | | | | |
| PERSONNEL COSTS | \$ 678,569 | \$ 726,862 | \$ (48,293) | \$ 4,064,268 | \$ 4,092,275 | \$ (28,006) | (0.7%) | \$ 5,421,406 |
| SUPPLIES, OTHER SERVICES & CHARGES | 433,834 | 323,287 | 110,547 | 2,491,806 | 2,538,905 | (47,099) | (1.9%) | 3,359,475 |
| ASSESSMENTS | 513,742 | 505,630 | 8,111 | 3,021,321 | 2,876,636 | 144,685 | 4.8% | 4,048,806 |
| VOLUME INCENTIVE | 333,333 | (333,333) | 666,666 | 1,083,327 | 208,332 | 874,995 | 80.8% | 1,500,000 |
| GROSS EARNINGS TAX | 754,626 | 630,888 | 123,738 | 4,475,748 | 4,415,973 | 59,775 | 1.3% | 5,985,000 |
| OTHER TAXES | 130,374 | 121,029 | 9,345 | 770,574 | 753,519 | 17,055 | 2.2% | 1,031,314 |
| ADMINISTRATION TOTAL | 2,844,478 | 1,974,363 | 870,115 | 15,907,045 | 14,885,639 | 1,021,406 | 6.4% | 21,346,001 |
| OPERATIONS | | | | | | | | |
| PERSONNEL COSTS | 2,721,337 | 2,489,832 | 231,505 | 16,065,572 | 15,247,253 | 818,320 | 5.1% | 21,508,246 |
| SUPPLIES, OTHER SERVICES & CHARGES | 376,846 | 339,449 | 37,397 | 2,240,325 | 2,174,771 | 65,554 | 2.9% | 2,994,017 |
| OPERATIONS TOTAL | 3,098,183 | 2,829,280 | 268,903 | 18,305,897 | 17,422,023 | 883,874 | 4.8% | 24,502,263 |
| MECHANICAL | | | | | | | | |
| PERSONNEL COSTS | 608,795 | 593,844 | 14,951 | 3,573,544 | 3,467,921 | 105,622 | 3.0% | 4,791,133 |
| SUPPLIES, OTHER SERVICES & CHARGES | 391,065 | 411,300 | (20,235) | 2,346,289 | 2,004,712 | 341,577 | 14.6% | 3,128,434 |
| FUEL | 646,250 | 577,543 | 68,707 | 3,877,500 | 5,419,738 | (1,542,238) | (39.8%) | 5,170,000 |
| MECHANICAL TOTAL | 1,646,110 | 1,582,687 | 63,423 | 9,797,332 | 10,892,371 | (1,095,039) | (11.2%) | 13,089,567 |
| CONSTRUCTION | | | | | | | | |
| PERSONNEL COSTS | 287,595 | 270,944 | 16,651 | 1,688,331 | 1,581,828 | 106,503 | 6.3% | 2,263,520 |
| SUPPLIES, OTHER SERVICES & CHARGES | 354,072 | 297,216 | 56,856 | 2,116,024 | 2,057,831 | 58,193 | 2.8% | 2,824,168 |
| CONSTRUCTION TOTAL | 641,667 | 568,160 | 73,507 | 3,804,355 | 3,639,659 | 164,696 | 4.3% | 5,087,688 |
| OPERATION & MAINTENANCE TOTAL | \$ 8,230,437 | \$ 6,954,490 | \$ 1,275,947 | \$ 47,814,629 | \$ 46,839,692 | \$ 974,937 | 2.0% | \$ 64,025,520 |
| LONG-TERM DEBT | 316,011 | 316,010 | 1 | 1,203,940 | 1,203,939 | 1 | 0.0% | 1,640,486 |
| CAPITAL OUTLAY - OPERATING FUND | 1,758,480 | 407,736 | 1,350,744 | 6,183,049 | 3,766,890 | 2,416,159 | 39.1% | 9,700,000 |
| TOTAL OPERATING FUND EXPENDITURES | \$ 10,304,928 | \$ 7,678,236 | \$ 2,626,692 | \$ 55,201,618 | \$ 51,810,521 | \$ 3,391,097 | 6.1% | \$ 75,366,006 |

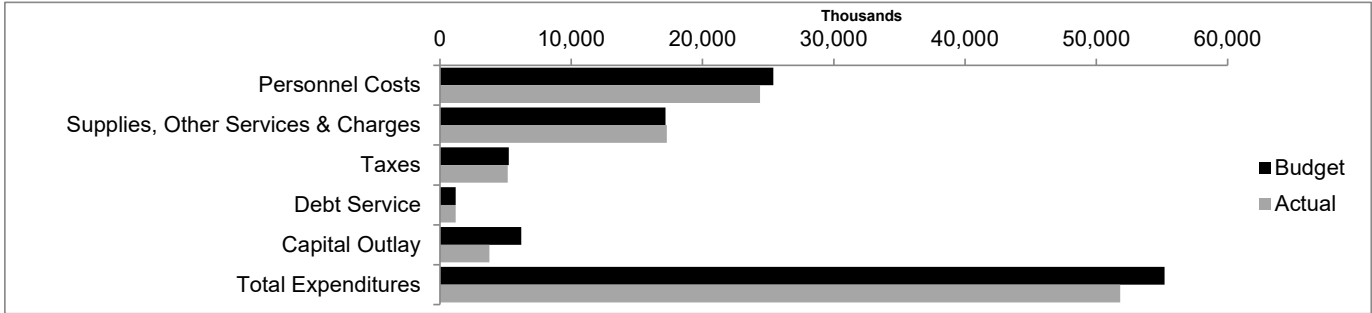
The Biennium Budget reflects increases to revenues and expenses approved in the mid-biennium budget adjustment.

Tacoma Rail Revenues



| | 1/19 - 6/20 Budget | 1/19 - 6/20 Actual | Actual vs Budget To Date | Biennial Budget | Actual vs Biennial Budget |
|---------------------------------------|---------------------|---------------------|--------------------------|---------------------|---------------------------|
| Line Haul & Local Revenues | \$45,820,415 | \$43,075,137 | 94% | \$61,656,705 | 70% |
| Demurrage Fees | 2,140,000 | 2,930,718 | 137% | 2,715,000 | 108% |
| Locomotive Servicing | 5,850,000 | 6,839,507 | 117% | 7,350,000 | 93% |
| Other Revenue | 523,500 | 393,966 | 75% | 698,000 | 56% |
| Non-Operating Revenues | 1,817,500 | 2,081,959 | 115% | 2,445,000 | 85% |
| Fund Balance Appropriation | 263,077 | - | 0% | 501,301 | 0% |
| Total Revenues | \$56,414,492 | \$55,321,287 | 98% | \$75,366,006 | 73% |

Tacoma Rail Expenditures



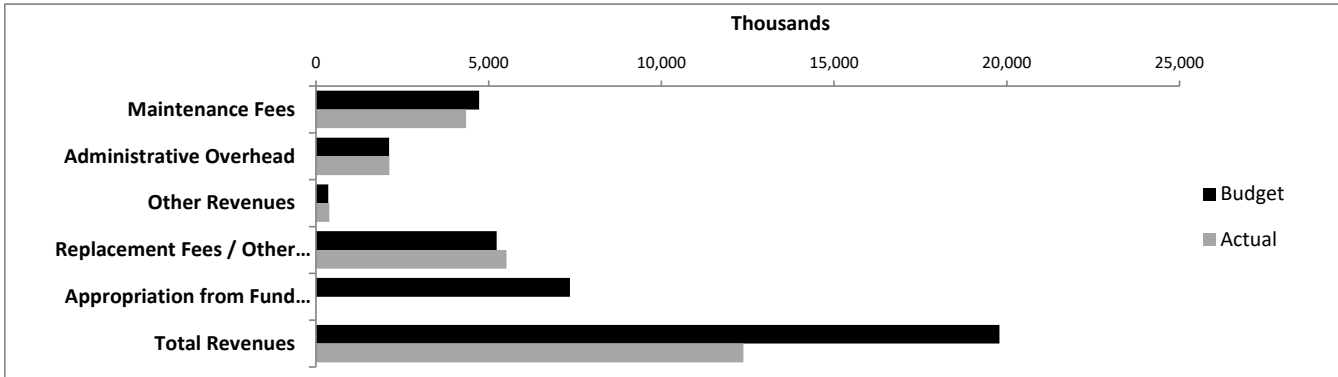
| | 1/19 - 6/20 Budget | 1/19 - 6/20 Actual | Actual vs Budget To Date | Biennial Budget | Actual vs Biennial Budget |
|---|---------------------|---------------------|--------------------------|---------------------|---------------------------|
| Personnel Costs | \$25,391,715 | \$24,389,277 | 96% | \$33,984,306 | 72% |
| Supplies, Other Services & Charges | 17,176,592 | 17,280,924 | 101% | 23,024,900 | 75% |
| Taxes | 5,246,322 | 5,169,492 | 99% | 7,016,314 | 74% |
| Debt Service | 1,203,940 | 1,203,939 | 100% | 1,640,486 | 73% |
| Capital Outlay | 6,183,049 | 3,766,890 | 61% | 9,700,000 | 39% |
| Total Expenditures | \$55,201,618 | \$51,810,521 | 94% | \$75,366,006 | 69% |

75.0% of Biennial Budget Completed

TPU FLEET SERVICES FUND
2019/2020 BIENNIUM BUDGET PERFORMANCE REPORT
June 30, 2020

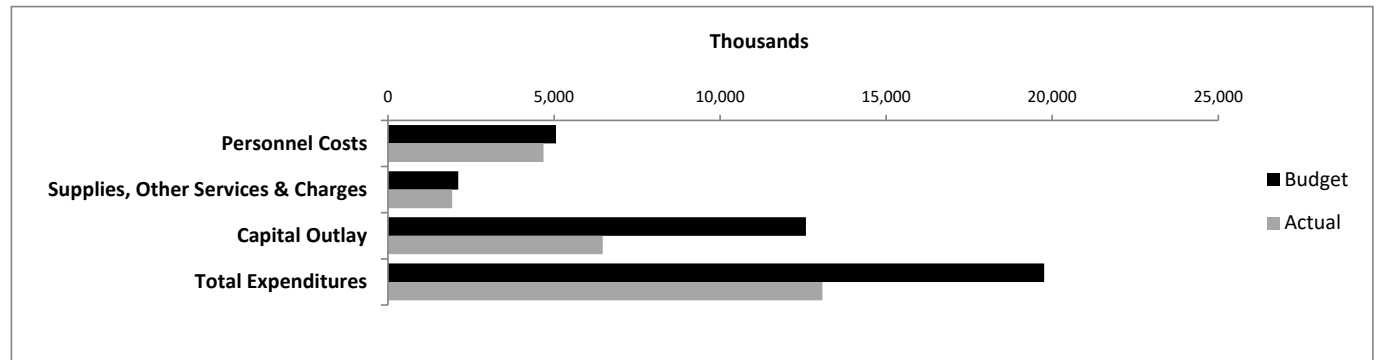
| | CURRENT QUARTER | | | BIENNIUM TO DATE | | | | BIENNIUM |
|---|-----------------|--------------|-----------------------------|------------------|---------------|-----------------------------|------------------|---------------|
| | BUDGET | ACTUAL | FAVORABLE/ (UNFAVORABLE) | BUDGET | ACTUAL | FAVORABLE/ (UNFAVORABLE) | % Fav/(Unfav) | BUDGET |
| REVENUES LESS EXPENDITURES | \$ (14,271) | \$ (323,014) | \$ (308,743) | \$ 28,542 | \$ (710,494) | \$ (739,036) | | |
| OPERATING REVENUES | | | | | | | | |
| MAINTENANCE REVENUE | \$ 787,094 | \$ 707,252 | \$ (79,842) | \$ 4,722,563 | \$ 4,348,600 | \$ (373,964) | (7.9%) | \$ 6,296,751 |
| ADMINISTRATIVE OVERHEAD | 353,376 | 346,251 | (7,125) | 2,120,255 | 2,123,612 | 3,357 | 0.2% | 2,827,007 |
| FUEL AND FUEL LOADING | 21,875 | 10,271 | (11,604) | 131,250 | 87,625 | (43,625) | (33.2%) | 175,000 |
| POOL CAR RENTAL | 31,250 | 8,299 | (22,951) | 187,500 | 172,370 | (15,130) | (8.1%) | 250,000 |
| TOTAL OPERATING REVENUES | 1,193,595 | 1,072,072 | (121,523) | 7,161,569 | 6,732,206 | (429,362) | (6.0%) | 9,548,758 |
| OTHER REVENUES | | | | | | | | |
| INTEREST INCOME | 5,000 | 7,339 | 2,339 | 40,000 | 125,867 | 85,867 | 214.7% | 50,000 |
| TOTAL REVENUES | 1,198,595 | 1,079,411 | (119,183) | 7,201,569 | 6,858,073 | (343,496) | (4.8%) | 9,598,758 |
| CAPITAL REVENUES | | | | | | | | |
| CAPITAL REPLACEMENT FEES | 872,479 | 905,878 | 33,399 | 5,234,873 | 5,478,357 | 243,485 | 4.7% | 6,979,830 |
| OTHER CAPITAL REVENUES | - | (57,578) | (57,578) | - | 35,624 | 35,624 | 100.0% | - |
| OTHER AVAILABLE FUNDS | | | | | | | | |
| APPROPRIATION FROM CASH | 1,225,084 | - | (1,225,084) | 7,350,503 | - | (7,350,503) | (100.0%) | 9,800,670 |
| TOTAL REVENUES AND AVAILABLE FUNDS | \$ 3,296,157 | \$ 1,927,711 | \$ (1,368,446) | \$ 19,786,944 | \$ 12,372,054 | \$ (7,414,890) | (37.5%) | \$ 26,379,258 |
| OPERATING EXPENDITURES | | | | | | | | |
| REPAIRS AND SERVICING | | | | | | | | |
| PERSONNEL COSTS | \$ 618,323 | \$ 553,100 | \$ 65,223 | \$ 3,638,395 | \$ 3,269,686 | \$ 368,709 | 10.1% | \$ 4,875,041 |
| GENERAL SUPPLIES & EXPENSE | 91,849 | 98,803 | (6,954) | 544,709 | 577,209 | (32,500) | (6.0%) | 728,408 |
| REPAIRS AND SERVICING TOTAL | 710,172 | 651,903 | 58,269 | 4,183,104 | 3,846,895 | 336,209 | 8.0% | 5,603,449 |
| STORES OPERATION | | | | | | | | |
| PERSONNEL COSTS | 77,682 | 69,828 | 7,854 | 458,945 | 432,168 | 26,777 | 5.8% | 614,308 |
| GENERAL SUPPLIES & EXPENSE | 10,238 | 9,924 | 314 | 60,718 | 3,704 | 57,014 | 93.9% | 81,194 |
| STORES OPERATION TOTAL | 87,920 | 79,752 | 8,168 | 519,663 | 435,871 | 83,791 | 16.1% | 695,502 |
| ADMINISTRATION | | | | | | | | |
| PERSONNEL COSTS | 157,909 | 191,709 | (33,801) | 962,328 | 978,457 | (16,129) | (1.7%) | 1,278,145 |
| GENERAL SUPPLIES & EXPENSE | 214,568 | 190,459 | 24,109 | 1,254,150 | 1,203,905 | 50,244 | 4.0% | 1,683,286 |
| MOTOR POOL | | | | | | | | |
| GENERAL SUPPLIES & EXPENSE | 42,297 | (29,188) | 71,485 | 253,782 | 149,437 | 104,345 | 41.1% | 338,376 |
| ADMINISTRATION TOTAL | 414,773 | 352,980 | 61,793 | 2,470,260 | 2,331,799 | 138,461 | 5.6% | 3,299,807 |
| OPERATION & MAINTENANCE TOTAL | \$ 1,212,866 | \$ 1,084,635 | \$ 128,231 | \$ 7,173,026 | \$ 6,614,565 | \$ 558,461 | 7.8% | \$ 9,598,758 |
| CAPITAL OUTLAY | 2,097,563 | 1,166,091 | 931,472 | 12,585,375 | 6,467,982 | 6,117,393 | 48.6% | 16,780,500 |
| TOTAL CURRENT FUND EXPENDITURES | \$ 3,310,428 | \$ 2,250,726 | \$ 1,059,703 | \$ 19,758,401 | \$ 13,082,547 | \$ 6,675,854 | 33.8% | \$ 26,379,258 |

TPU Fleet Services Fund Revenues



| | 1/19 - 6/20 Budget | 1/19 - 6/20 Actual | Actual vs Budget To Date | Biennial Budget | Actual vs Biennial Budget |
|----------------------------------|-----------------------|-----------------------|-----------------------------|---------------------|------------------------------|
| Maintenance Fees | \$4,722,563 | \$4,348,600 | 92% | \$6,296,751 | 69% |
| Administrative Overhead | 2,120,255 | 2,123,612 | 100% | 2,827,007 | 75% |
| Other Revenues | 358,750 | 385,861 | 108% | 475,000 | 81% |
| Replacement Fees / Other Capital | 5,234,873 | 5,513,981 | 105% | 6,979,830 | 79% |
| Appropriation from Fund Balance | 7,350,503 | - | 0% | 9,800,670 | 0% |
| Total Revenues | \$19,786,944 | \$12,372,054 | 63% | \$26,379,258 | 47% |

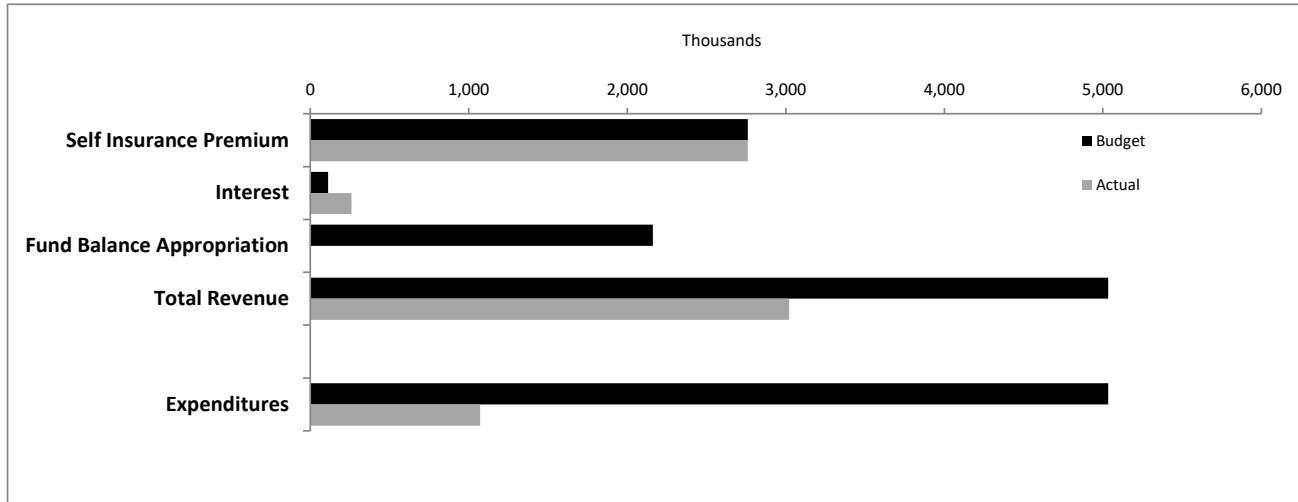
TPU Fleet Services Fund Expenditures



| | 1/19 - 6/20 Budget | 1/19 - 6/20 Actual | Actual vs Budget To Date | Biennial Budget | Actual vs Biennial Budget |
|------------------------------------|-----------------------|-----------------------|-----------------------------|---------------------|------------------------------|
| Personnel Costs | \$5,059,668 | \$4,680,310 | 93% | \$6,767,494 | 69% |
| Supplies, Other Services & Charges | 2,113,359 | 1,934,255 | 92% | 2,831,264 | 68% |
| Capital Outlay | 12,585,375 | 6,467,982 | 51% | 16,780,500 | 39% |
| Total Expenditures | \$19,758,401 | \$13,082,547 | 66% | \$26,379,258 | 50% |

75.0% of Biennial Budget Completed

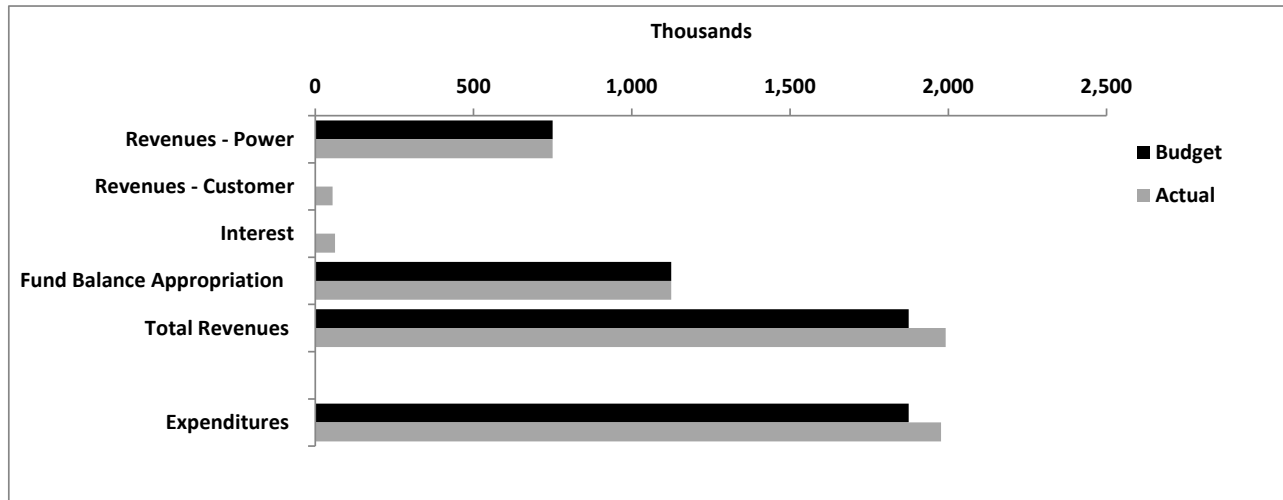
TPU SELF INSURANCE FUND
2019/2020 BIENNIUM BUDGET PERFORMANCE REPORT
June 30, 2020



| | 1/19 - 6/20 Budget | 1/19 - 6/20 Actual | Actual vs Budget To Date | Biennial Budget | Actual vs Biennial Budget |
|----------------------------|-----------------------|-----------------------|-----------------------------|--------------------|------------------------------|
| Self Insurance Premium | \$2,760,000 | \$2,760,000 | 100% | \$3,680,000 | 75% |
| Interest | 112,500 | 260,490 | 232% | 150,000 | 174% |
| Fund Balance Appropriation | 2,161,838 | - | 0% | 2,882,450 | 0% |
| Total Revenue | \$5,034,338 | \$3,020,490 | 60% | \$6,712,450 | 45% |
| Expenditures | \$5,034,338 | \$1,071,764 | 21% | \$6,712,450 | 16% |

75.0% of Biennial Budget Completed

TPU FAMILY NEED FUND
2019/2020 BIENNIUM BUDGET PERFORMANCE REPORT
June 30, 2020



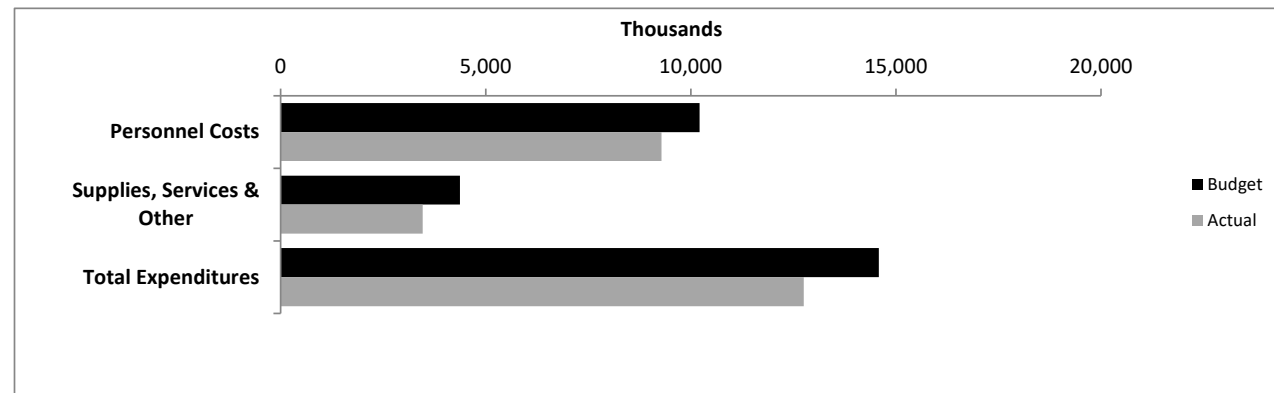
| | 1/19 - 6/20 Budget | 1/19 - 6/20 Actual | Actual vs Budget To Date | Biennial Budget | Actual vs Biennial Budget |
|----------------------------|-----------------------|-----------------------|-----------------------------|--------------------|------------------------------|
| Revenues - Power | \$750,000 | \$750,000 | 100% | \$1,000,000 | 75% |
| Revenues - Customer | - | 54,552 | N/A | N/A | N/A |
| Interest | - | 62,015 | N/A | N/A | N/A |
| Fund Balance Appropriation | 1,125,000 | 1,125,000 | N/A | 1,500,000 | N/A |
| Total Revenues | \$1,875,000 | \$1,991,566 | 106% | \$2,500,000 | 80% |
| Expenditures | \$1,875,000 | \$1,977,477 | 105% | \$2,500,000 | 79% |

75% of Biennial Budget Completed

TPU ADMINISTRATIVE OFFICES
2019/2020 BIENNIUM BUDGET PERFORMANCE REPORT
June 30, 2020

| | CURRENT QUARTER | | | BIENNIUM TO DATE | | | | BIENNIUM |
|---------------------------------|---------------------|---------------------|---------------------------|----------------------|----------------------|---------------------------|---------------|----------------------|
| | BUDGET | ACTUAL | FAVORABLE / (UNFAVORABLE) | BUDGET | ACTUAL | FAVORABLE / (UNFAVORABLE) | % Fav/(Unfav) | BUDGET |
| DIRECTOR'S OFFICE | \$ 322,090 | \$ 169,650 | \$ 152,440 | \$ 1,937,035 | \$ 1,565,805 | \$ 371,230 | 19.2% | \$ 2,581,215 |
| MANAGEMENT SERVICES | 447,109 | 443,941 | 3,168 | 2,636,410 | 2,327,145 | 309,265 | 11.7% | 3,530,629 |
| PUBLIC RECORDS OFFICE | 157,997 | 143,662 | 14,336 | 904,774 | 808,970 | 95,804 | 10.6% | 1,220,768 |
| PUBLIC AFFAIRS & COMMUNICATIONS | 1,547,849 | 1,405,527 | 142,322 | 9,105,886 | 8,049,782 | 1,056,103 | 11.6% | 12,201,584 |
| TOTAL ADMIN OFFICES | \$ 2,475,045 | \$ 2,162,780 | \$ 312,265 | \$ 14,584,105 | \$ 12,751,703 | \$ 1,832,402 | 12.6% | \$ 19,534,196 |

TPU Administrative Offices Expenditures



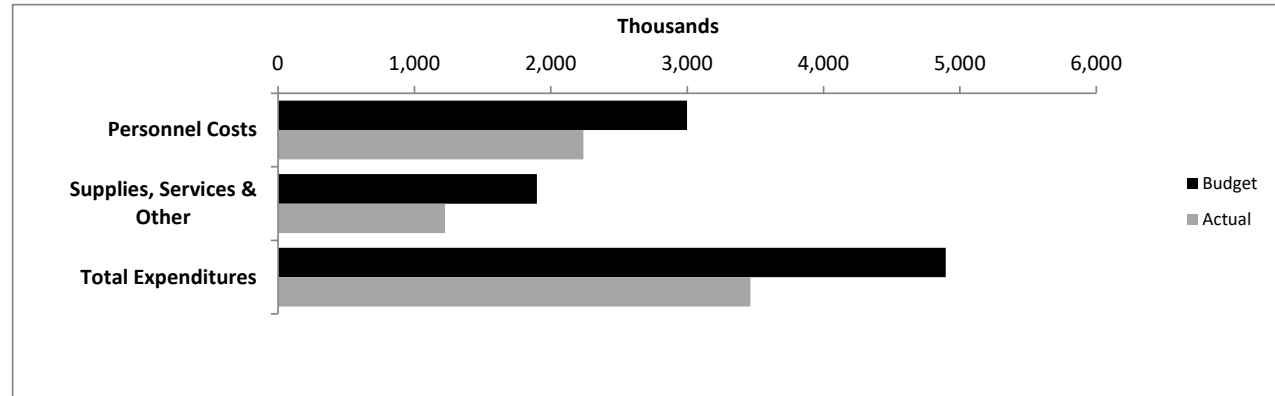
| | 1/19 - 6/20 Budget | 1/19 - 6/20 Actual | Actual vs Budget To Date | Biennial Budget | Actual vs Biennial Budget |
|----------------------------|-----------------------|-----------------------|-----------------------------|--------------------|------------------------------|
| Personnel Costs | \$10,211,215 | \$9,288,106 | 91% | \$13,687,170 | 68% |
| Supplies, Services & Other | 4,372,891 | 3,463,597 | 79% | 5,847,026 | 59% |
| Total Expenditures | \$14,584,105 | \$12,751,703 | 87% | \$19,534,196 | 65% |

75% of Biennial Budget Completed

TPU SUPPORT SERVICES
2019/2020 BIENNIUM BUDGET PERFORMANCE REPORT
June 30, 2020

| | CURRENT QUARTER | | | BIENNIUM TO DATE | | | | BIENNIUM |
|-----------------------------------|-------------------|-------------------|------------------------------|---------------------|---------------------|------------------------------|------------------|---------------------|
| | BUDGET | ACTUAL | FAVORABLE / (UNFAVORABLE) | BUDGET | ACTUAL | FAVORABLE / (UNFAVORABLE) | % Fav/(Unfav) | BUDGET |
| TPU SAFETY | \$ 166,551 | \$ 65,676 | \$ 100,874 | \$ 718,071 | \$ 363,124 | \$ 354,948 | 49.4% | \$ 1,051,173 |
| TPU REAL PROPERTY SERVICES | 277,058 | 282,259 | (5,202) | 1,632,164 | 1,558,827 | 73,338 | 4.5% | 2,186,280 |
| TPU UTS SOFTWARE SUPPORT | 310,739 | 213,789 | 96,950 | 1,880,464 | 1,104,150 | 776,314 | 41.3% | 2,501,942 |
| TPU COPIER SERVICES | 110,940 | 36,146 | 74,793 | 665,638 | 436,985 | 228,653 | 34.4% | 887,517 |
| TOTAL TPU SUPPORT SERVICES | \$ 865,287 | \$ 597,871 | \$ 267,416 | \$ 4,896,337 | \$ 3,463,086 | \$ 1,433,251 | 29.3% | \$ 6,626,912 |

TPU Support Services Expenditures



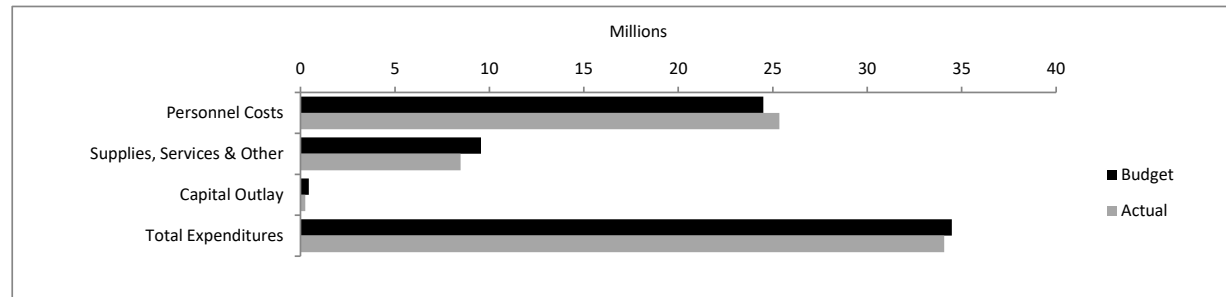
| | 1/19 - 6/20 Budget | 1/19 - 6/20 Actual | Actual vs Budget To Date | Biennial Budget | Actual vs Biennial Budget |
|----------------------------|-----------------------|-----------------------|-----------------------------|--------------------|------------------------------|
| Personnel Costs | \$2,998,736 | \$2,239,239 | 75% | \$4,108,278 | 55% |
| Supplies, Services & Other | 1,897,601 | 1,223,847 | 64% | 2,518,634 | 49% |
| Total Expenditures | \$4,896,337 | \$3,463,086 | 71% | \$6,626,912 | 52% |

75% of Biennial Budget Completed

TPU CUSTOMER SERVICES
2019/2020 BIENNIUM BUDGET PERFORMANCE REPORT
June 30, 2020

| | CURRENT QUARTER | | | BIENNIUM TO DATE | | | | BIENNIUM |
|--------------------------------|---------------------|---------------------|---------------------------|----------------------|----------------------|---------------------------|---------------|----------------------|
| | BUDGET | ACTUAL | FAVORABLE / (UNFAVORABLE) | BUDGET | ACTUAL | FAVORABLE / (UNFAVORABLE) | % Fav/(Unfav) | BUDGET |
| CUSTOMER SERVICES | | | | | | | | |
| SUPPORT SERVICES | \$ 151,281 | \$ 169,108 | \$ (17,828) | \$ 890,104 | \$ 918,430 | \$ (28,326) | (3.2%) | \$ 1,192,665 |
| SWITCHBOARD | 20,537 | 19,573 | 964 | 118,419 | 113,791 | 4,628 | 3.9% | 159,493 |
| ADMINISTRATION | 733,580 | 648,984 | 84,595 | 4,280,507 | 4,343,264 | (62,757) | (1.5%) | 5,717,280 |
| PERFORMANCE SOLUTIONS | 362,443 | 265,048 | 97,395 | 2,141,615 | 2,108,121 | 33,494 | 1.6% | 2,866,501 |
| CUSTOMER SERVICE TRAINING | 143,458 | 128,439 | 15,020 | 846,268 | 732,017 | 114,251 | 13.5% | 1,133,184 |
| OPERATIONS ADMINISTRATION | 168,981 | 170,120 | (1,139) | 999,221 | 995,073 | 4,148 | 0.4% | 1,337,183 |
| MAIL SERVICES | 537,073 | 465,022 | 72,051 | 3,211,897 | 2,742,622 | 469,275 | 14.6% | 4,286,043 |
| FIELD INVESTIGATION | 518,865 | 510,950 | 7,916 | 3,097,767 | 3,162,119 | (64,352) | (2.1%) | 4,135,498 |
| METER READING | 492,248 | 557,923 | (65,675) | 2,899,246 | 3,272,782 | (373,536) | (12.9%) | 3,883,741 |
| PAYGO | 73,306 | 72,017 | 1,289 | 433,554 | 420,715 | 12,838 | 3.0% | 580,165 |
| CUSTOMER SOLUTIONS | 279,211 | 339,323 | (60,111) | 1,636,453 | 2,027,655 | (391,202) | (23.9%) | 2,194,876 |
| PHONE SERVICES | 934,292 | 1,018,575 | (84,283) | 5,484,551 | 5,722,258 | (237,707) | (4.3%) | 7,353,134 |
| LOBBY SERVICES | 292,252 | 239,082 | 53,170 | 1,714,589 | 1,493,301 | 221,288 | 12.9% | 2,299,093 |
| BACK OFFICE | 566,104 | 518,350 | 47,754 | 3,331,218 | 2,997,561 | 333,657 | 10.0% | 4,463,426 |
| BUSINESS SOLUTIONS | 155,562 | 129,602 | 25,959 | 915,334 | 798,027 | 117,307 | 12.8% | 1,226,458 |
| BUSINESS OFFICE ADMINISTRATION | 345,600 | 348,555 | (2,954) | 2,042,454 | 1,975,970 | 66,484 | 3.3% | 2,733,655 |
| CAPITAL OUTLAY | 73,053 | 1,555 | 71,498 | 438,315 | 250,407 | 187,908 | 42.9% | 584,420 |
| CUSTOMER SERVICES TOTAL | \$ 5,847,845 | \$ 5,602,226 | \$ 245,620 | \$ 34,481,511 | \$ 34,074,113 | \$ 407,398 | 1.2% | \$ 46,146,815 |

TPU Customer Services Expenditures



| | 1/19 - 6/20 Budget | 1/19 - 6/20 Actual | Actual vs Budget To Date | Biennial Budget | Actual vs Bien. Budget |
|---------------------------------------|-----------------------|-----------------------|-----------------------------|---------------------|---------------------------|
| Personnel Costs | \$24,493,185 | \$25,348,710 | 103% | \$32,823,815 | 77% |
| Supplies, Services & Other | 9,550,010 | 8,474,997 | 89% | 12,738,580 | 67% |
| Capital Outlay | 438,315 | 250,407 | 57% | 584,420 | 43% |
| Total Expenditures | \$34,481,511 | \$34,074,113 | 99% | \$46,146,815 | 74% |

75% of Biennial Budget Completed

**Quarter 2, 2020
Performance Metrics Report
Tacoma Public Utilities**



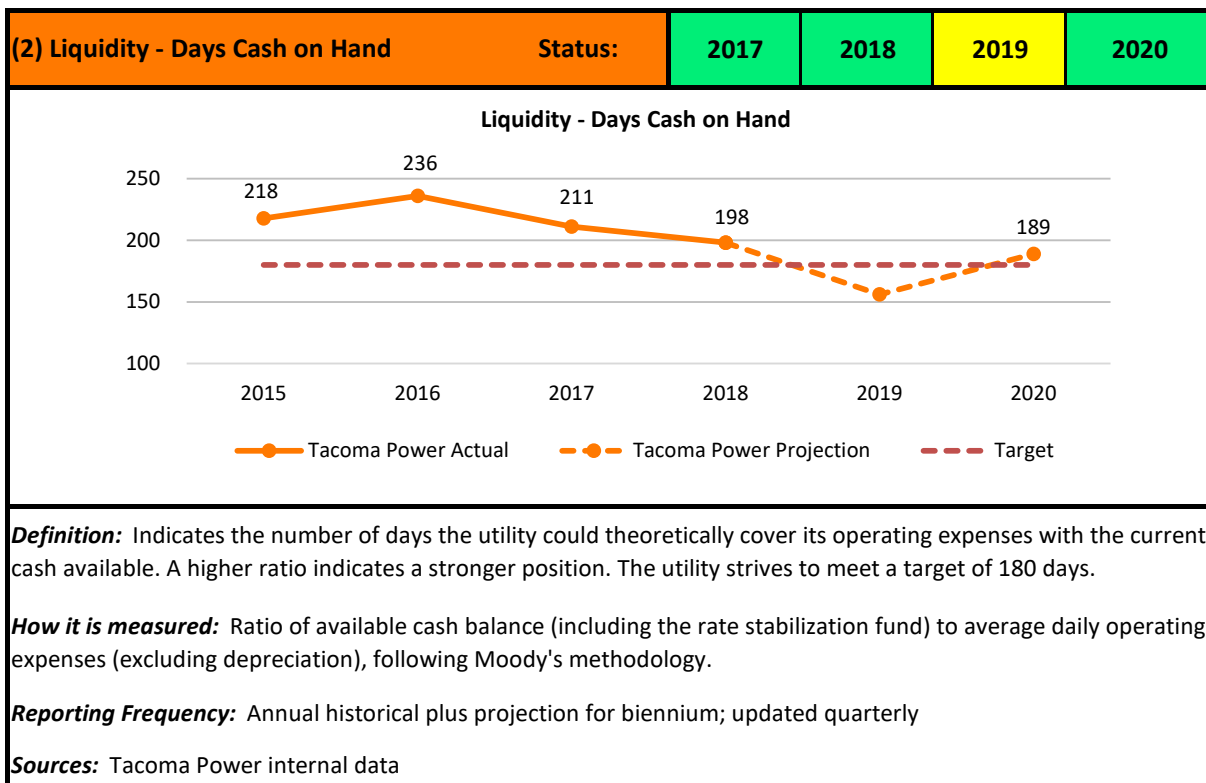
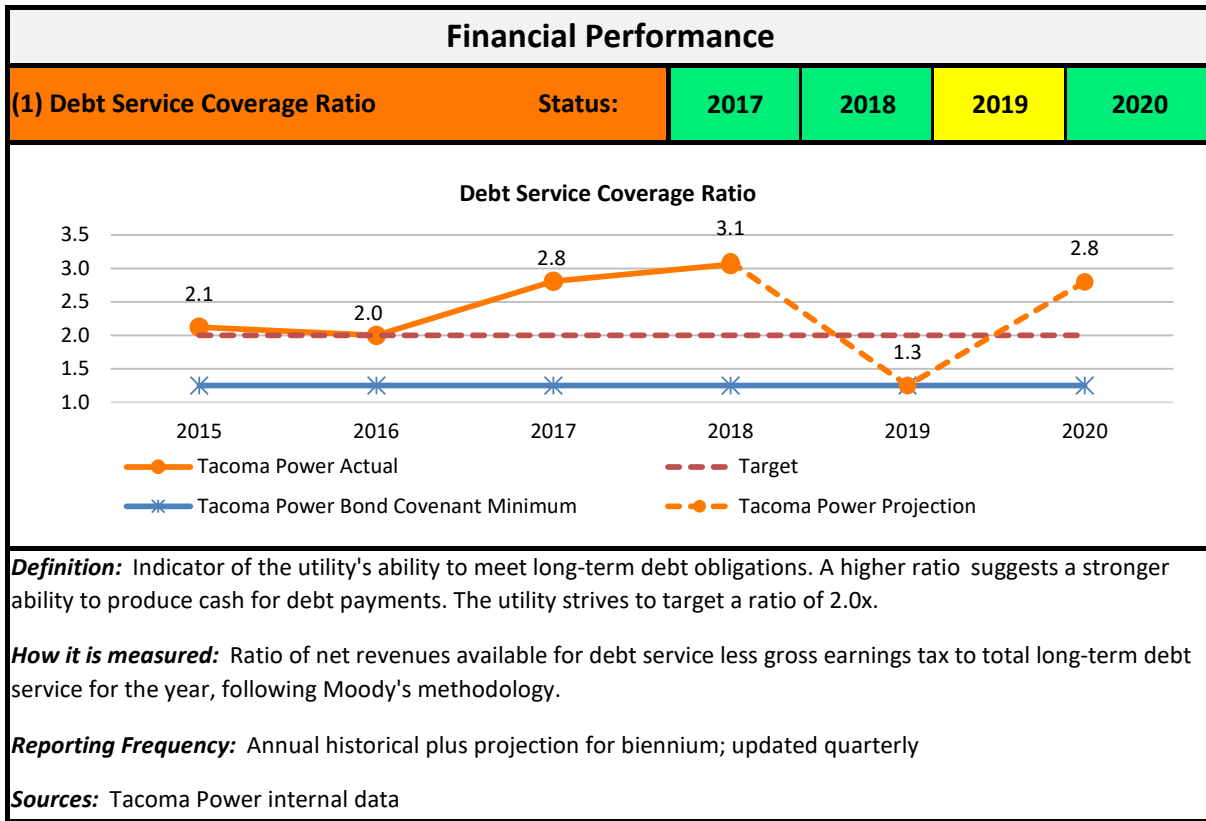
| Financial Performance: | | Power | Water | Rail |
|---------------------------------|--------------------------------------|-------|--|--|
| 1 | <i>Debt Service Coverage</i> | | 1 <i>Debt Service Coverage</i> | 1 <i>Debt Service Coverage</i> |
| 2 | <i>Liquidity - Days Cash on Hand</i> | | 2 <i>Liquidity - Days Cash on Hand</i> | 2 <i>Liquidity - Days Cash on Hand</i> |
| 3 | <i>Budget Performance</i> | | 3 <i>Budget Performance</i> | 3 <i>Budget Performance</i> |
| Operational Excellence: | | Power | Water | Rail |
| 4 | <i>Residential Bill Comparison</i> | | 4 <i>Residential Bill Comparison</i> | 4 <i>Railroad Tariffs Comparison</i> |
| 5 | <i>O&M Cost per Customer</i> | | 5 <i>O&M Cost per Account</i> | 5 <i>Operating Ratio</i> |
| 6 | <i>Outage Duration</i> | | 6 <i>Unplanned Service Disruptions</i> | 6 <i>Revenue Moves per Shift</i> |
| 7 | <i>Outage Frequency</i> | | 7 <i>Distribution System Leakage</i> | 7 <i>On-Time Switching</i> |
| 8 | <i>Non-Carbon Power Resources</i> | | 8 <i>Regulatory Compliance</i> | 8a <i>Diesel Conversion</i> |
| 9 | <i>Power Conservation</i> | | 9 <i>Water Conservation</i> | 8b <i>Storm Water Remediation</i> |
| Commitment to Cust & Employees: | | Power | Water | Rail |
| 10 | <i>Customer Satisfaction</i> | | 10 <i>Customer Satisfaction</i> | 10 <i>Customer Satisfaction</i> |
| 11 | <i>Employee Satisfaction</i> | | 11 <i>Employee Satisfaction</i> | 11 <i>Employee Satisfaction</i> |
| 12 | <i>Employee Safety</i> | | 12 <i>Employee Safety</i> | 12 <i>Employee Safety</i> |
| 13 | <i>Call Center Responsiveness</i> | | 13 <i>Call Center Responsiveness</i> | |
| | | | 14 <i>Technical Service Complaints</i> | |

Quarter 2, 2020

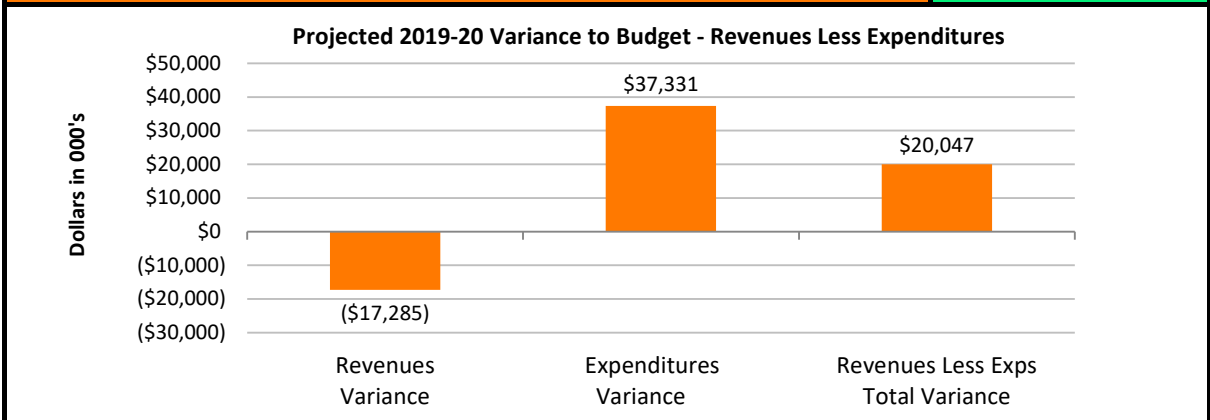
| Tacoma Power - Financial Performance | Tacoma Water - Financial Performance | Tacoma Rail - Financial Performance |
|--|---|---|
| 1 Debt Service Coverage <ul style="list-style-type: none"> ● ≥ 2.0x policy minimum ● < policy min but above bond covenant ● Below 1.25x bond covenant | 1 Debt Service Coverage <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"> ● Within 3rd best quartile ● 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: |
| Projection vs. Budget | Biennium Projection |



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.

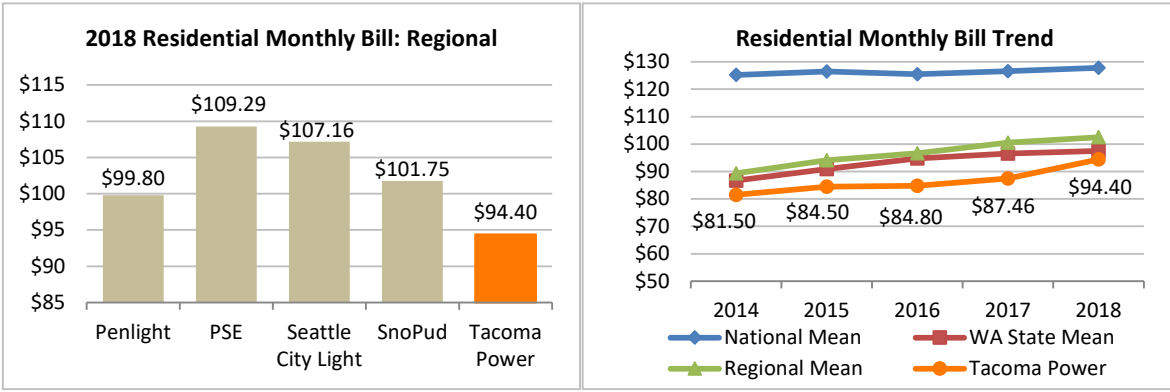
How it is measured: Projected revenues less projected expenditures for the biennium are compared to budgeted revenues less expenditures. Projections consider actual to-date results plus generally conservative assumptions for future performance.

Reporting Frequency: Quarterly updates of biennium projection

Sources: Tacoma Power internal data

Operational Excellence

| | | | | | |
|---|----------------|-------------|-------------|-------------|-------------|
| (4) Residential Monthly Bill 1,000 kWh | Status: | 2015 | 2016 | 2017 | 2018 |
| | | | | | |



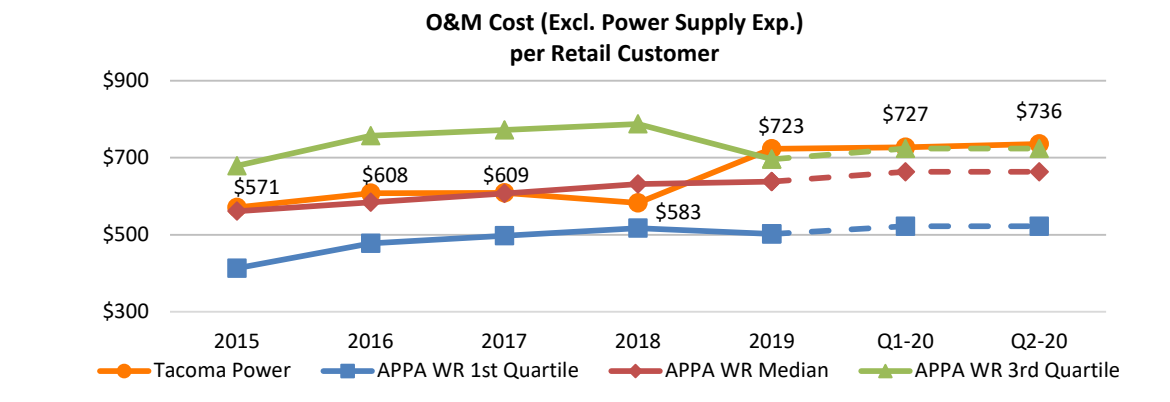
Definition: Measures and compares the monthly power bill for residential customers based on usage of 1,000 kilowatt hours. A lower bill is favorable for customers, all other things being equal.

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 |
| | | | | | |



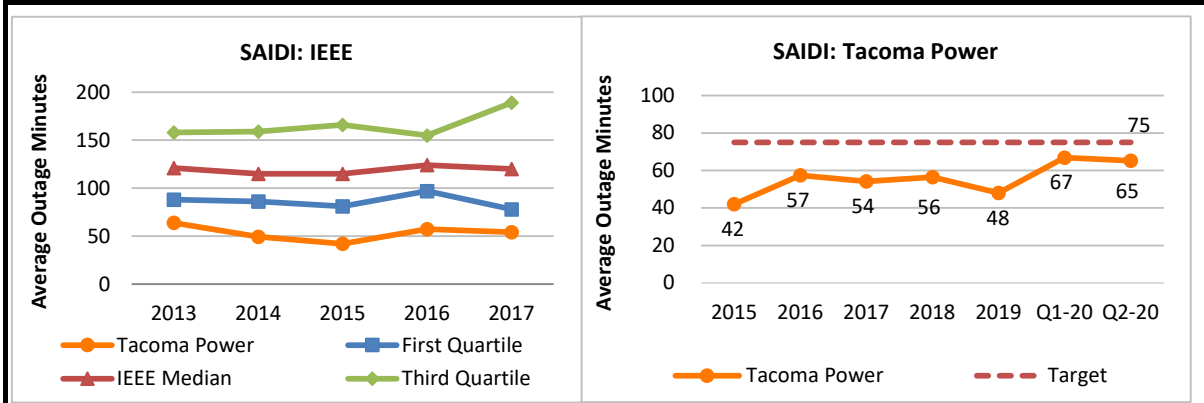
Definition: Measures the utility's operation and maintenance (O&M) cost, excluding power supply costs which vary greatly by utility, per retail customer account.

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 Systems. 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 |
|---|----------------|-----------|-----------|-----------|-----------|



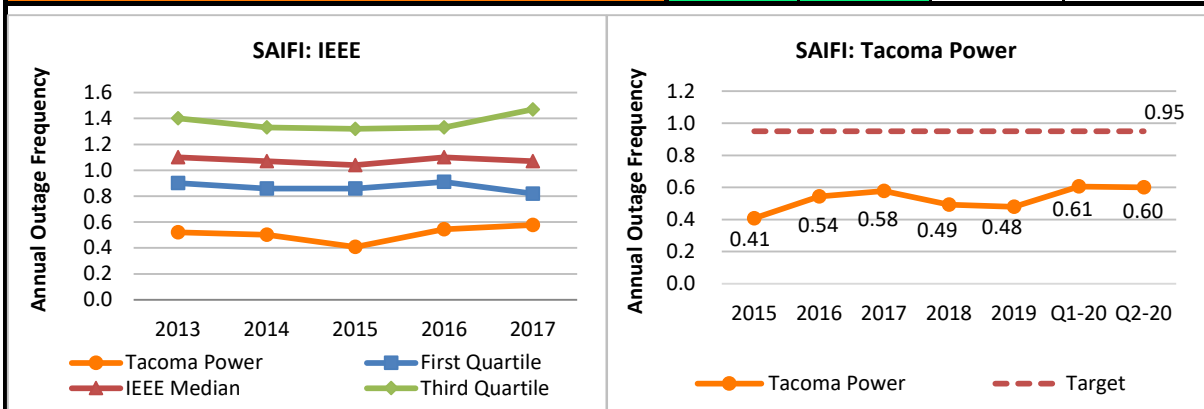
Definition: A power outage duration measurement, it is the average service interruption duration for customers served over a specified time. A lower ratio indicates shorter average outage duration.

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 |
|--|----------------|-----------|-----------|-----------|-----------|



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.

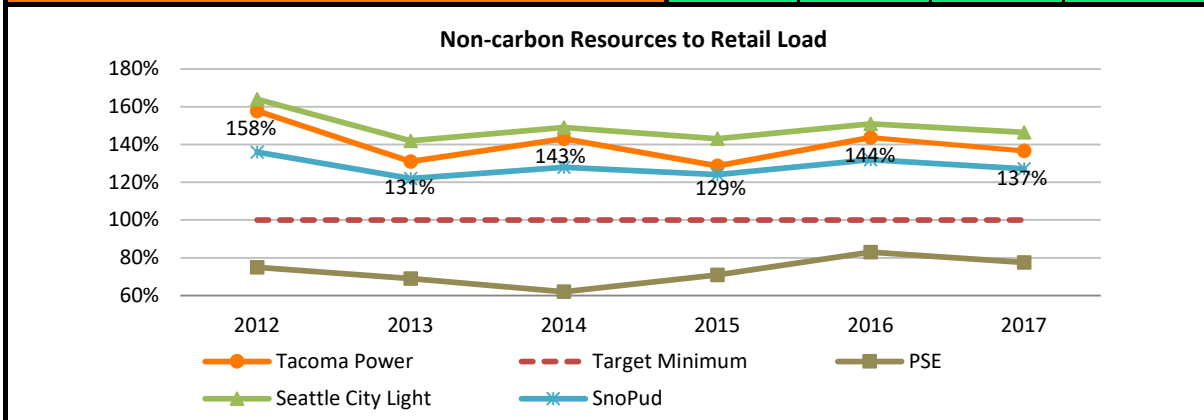
How it is measured: Ratio of the total number of customers interrupted over a specified time period to the average number of customers served during that period.

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: | 2014 | 2015 | 2016 | 2017 |
|---------------------------------|----------------|-------------|-------------|-------------|-------------|



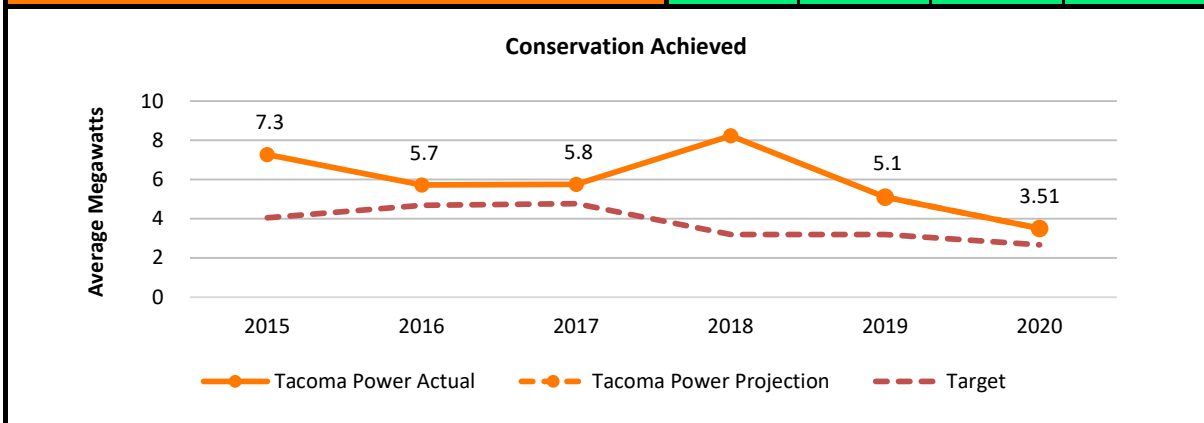
Definition: Measures Tacoma Power's contribution of carbon-free power to the marketplace, including to customers both inside and outside its service territory. A ratio above 100% implies a green power resources contribution which exceeded Tacoma Power's retail load. The higher the percentage, the greater 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: | 2017 | 2018 | 2019 | 2020 |
|----------------------------------|----------------|-------------|-------------|-------------|-------------|



Definition: Measures total conservation achieved in average megawatt hours. The utility strives to meet or exceed its established targets.

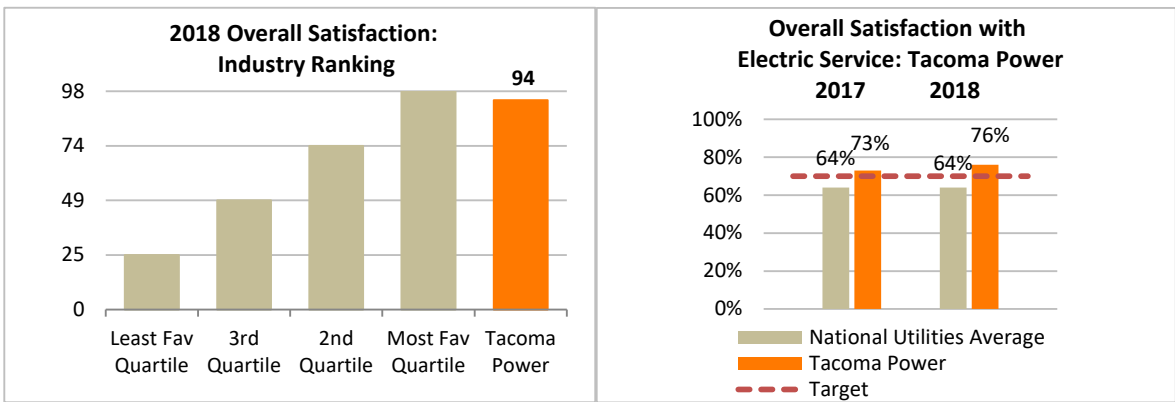
How it is measured: The summation of actual and projected annual conservation savings from all implemented conservation efforts during a 2 year period. *Current reporting period is 2020 to 2021. Conservation achieved in 2020 is progress towards 2 year goal.*

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

Sources: Tacoma Power internal data

Commitment to Customers & Employees

| | | | |
|-----------------------------------|----------------|-------------|-------------|
| (10) Customer Satisfaction | Status: | 2017 | 2018 |
|-----------------------------------|----------------|-------------|-------------|



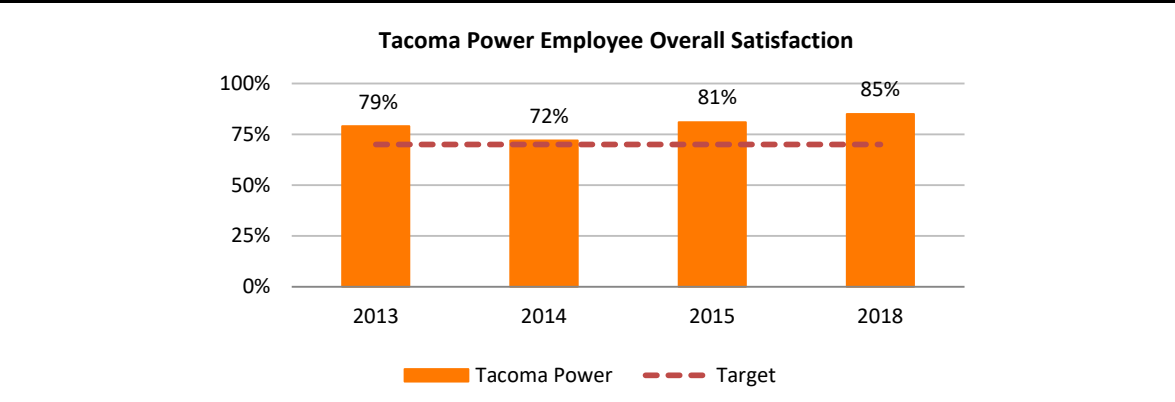
Definition: Measures customers' overall satisfaction with electric service provided by Tacoma Power. Based on a customer survey using a 0 to 10 scale, with 10 being most highly satisfied. A higher score indicates greater overall satisfaction.

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: | 2013 | 2014 | 2015 | 2018 |
|-----------------------------------|----------------|-------------|-------------|-------------|-------------|



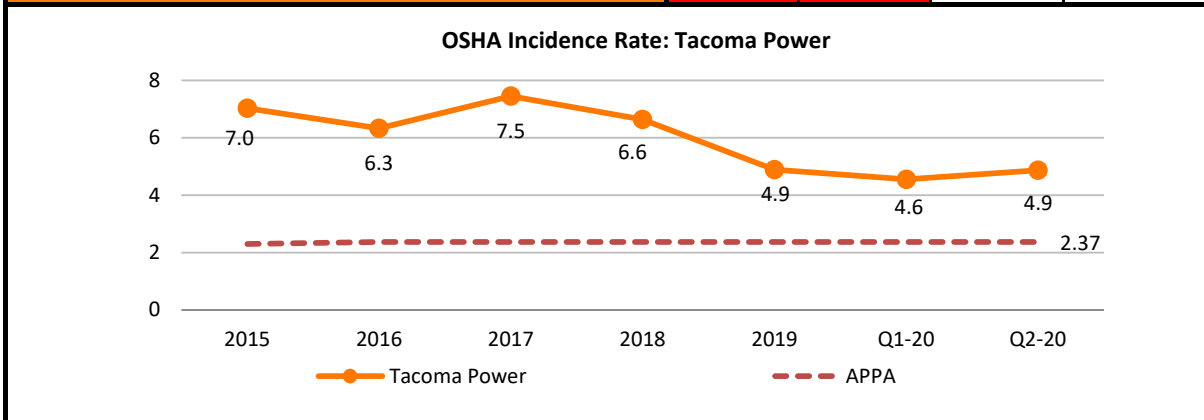
Definition: Measures employees' overall satisfaction with working at Tacoma Power based on an independently conducted employee survey. A higher score indicates greater overall employee satisfaction.

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; expected to be annual

Sources: TPU All-Employee Engagement Survey

| | | | | | |
|---------------------------------|----------------|-----------|-----------|-----------|-----------|
| (12) OSHA Incidence Rate | Status: | Q1 | Q2 | Q3 | Q4 |
|---------------------------------|----------------|-----------|-----------|-----------|-----------|



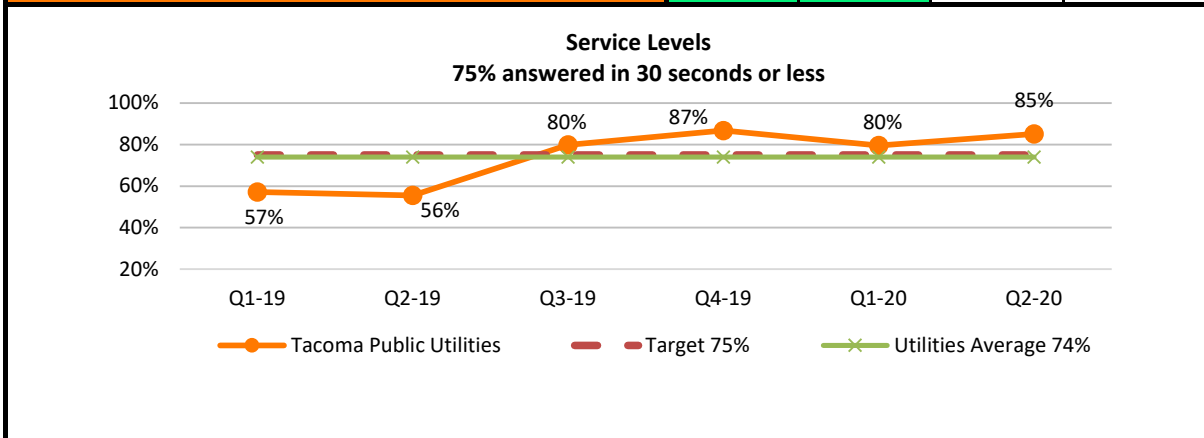
Definition: Measures the number of employees, out of 100, that had a recordable injury requiring medical care beyond first aid over the course of the year. A lower incidence rate is better.

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 |
|-------------------------------------|----------------|-----------|-----------|-----------|-----------|



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.

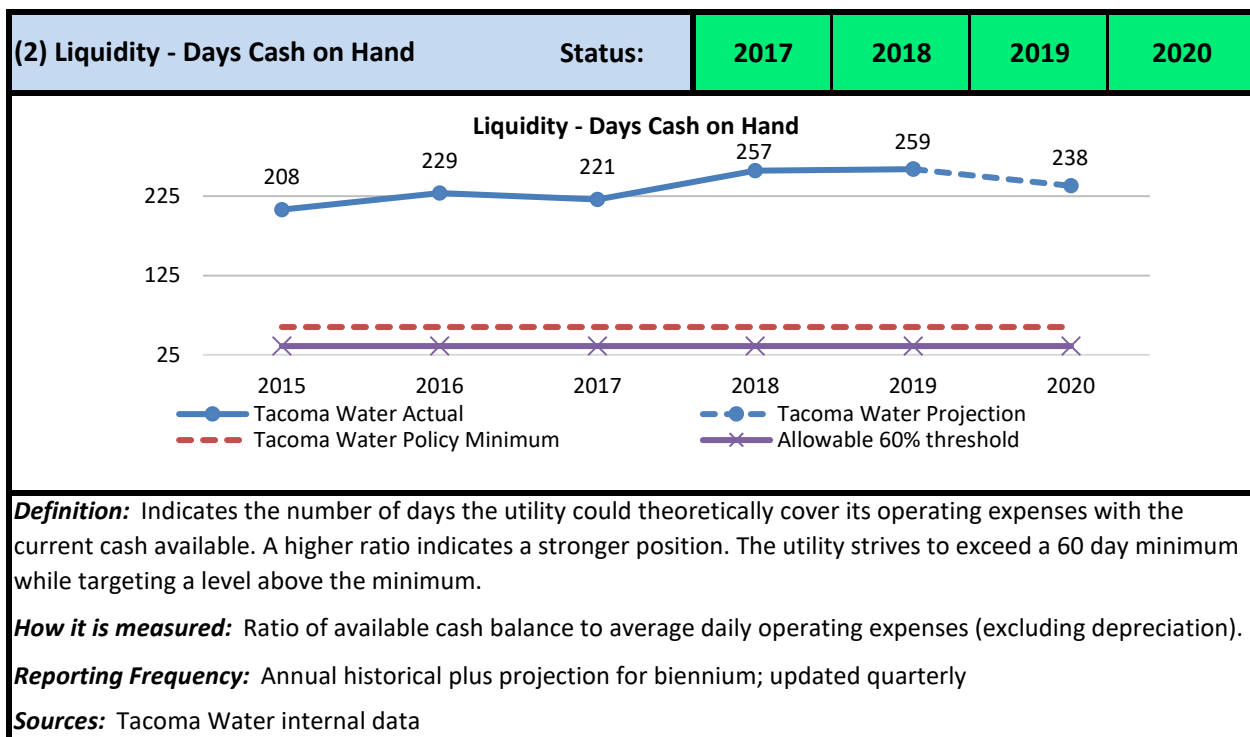
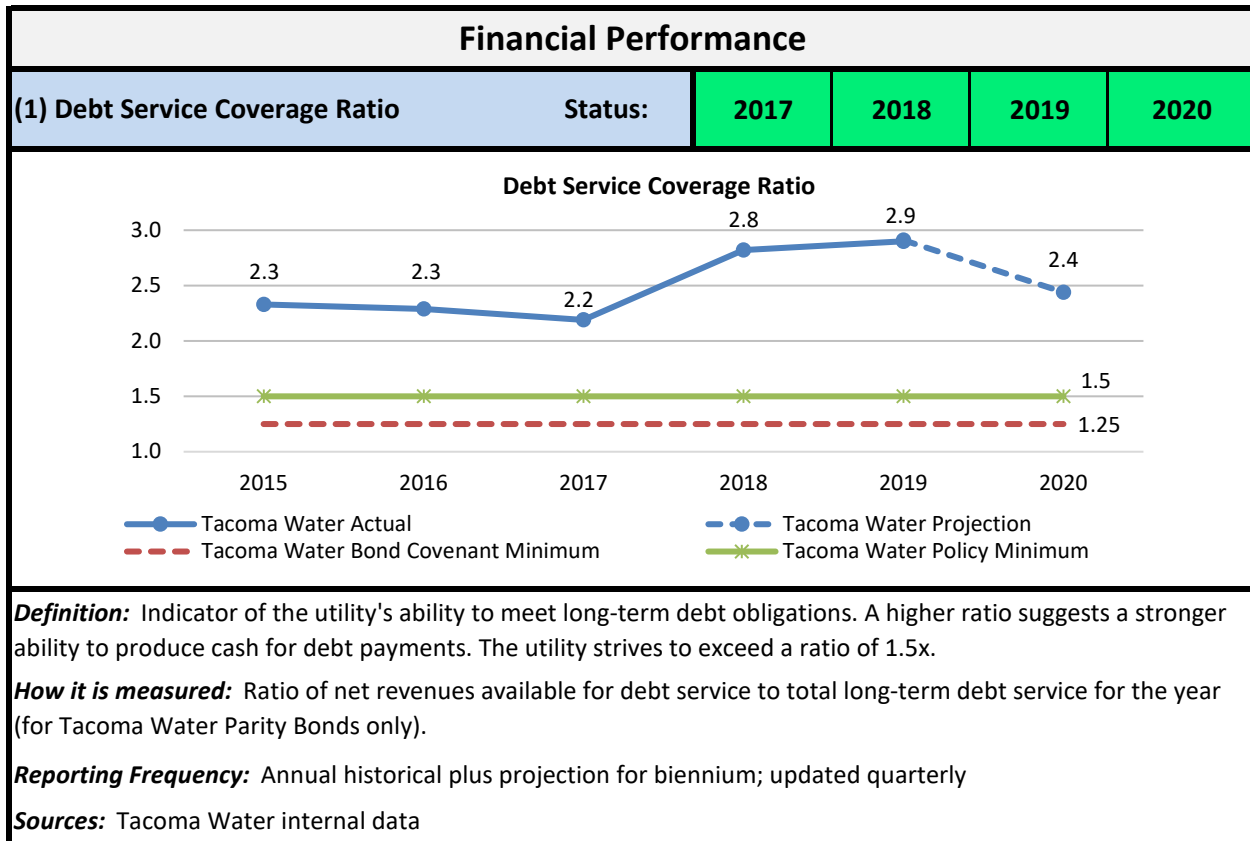
How it is measured: Incoming calls are measured for speed of answer; resulting data is compiled and reported as a percentage of calls with an answer within the 30 second target.

Reporting Frequency: Quarterly

Sources: Tacoma Public Utilities - Customer Services



Performance Metrics Summary

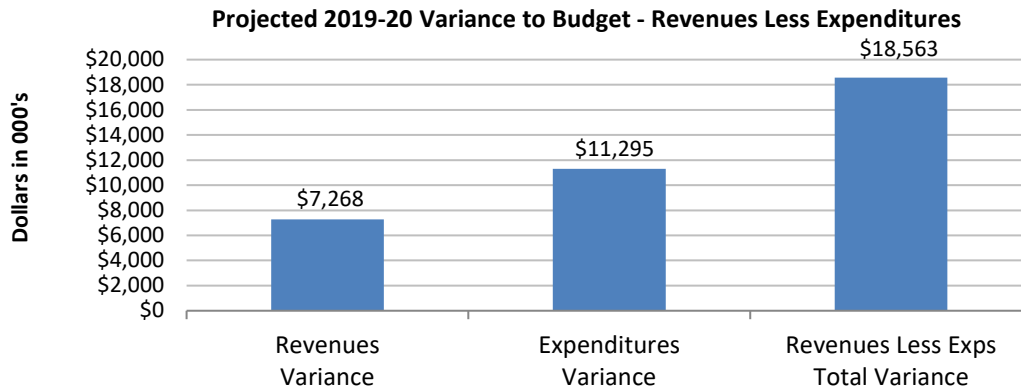




(3) Revenues Less Expenditures Projection vs. Budget

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.

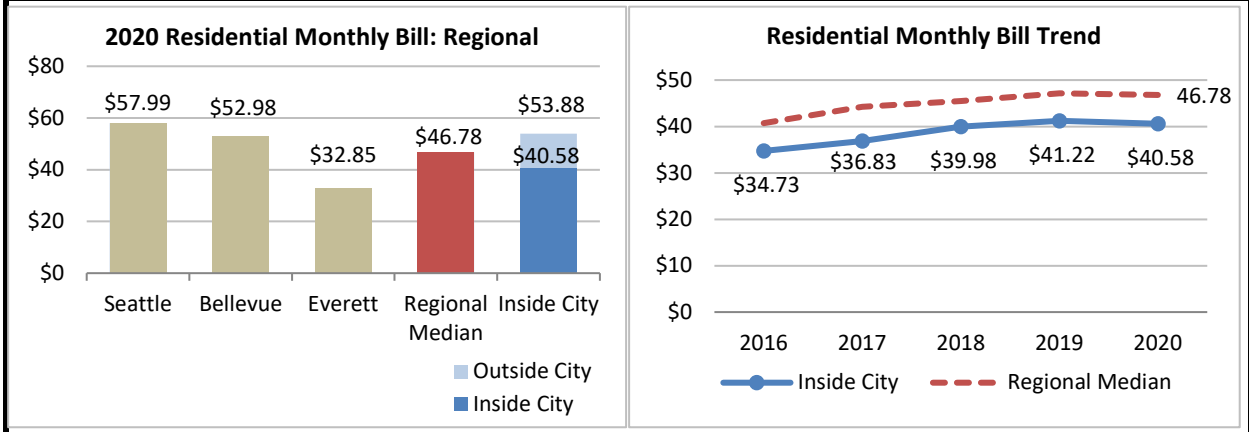
How it is measured: Projected revenues less projected expenditures for the biennium are compared to budgeted revenues less expenditures. Projections consider actual to-date results plus generally conservative assumptions for future performance.

Reporting Frequency: Quarterly updates of biennium projection

Sources: Tacoma Water internal data

Operational Excellence

| (4) Average Residential Monthly Bill | Status: | 2017 | 2018 | 2019 | 2020 |
|--------------------------------------|---------|------|------|------|------|
| | | | | | |



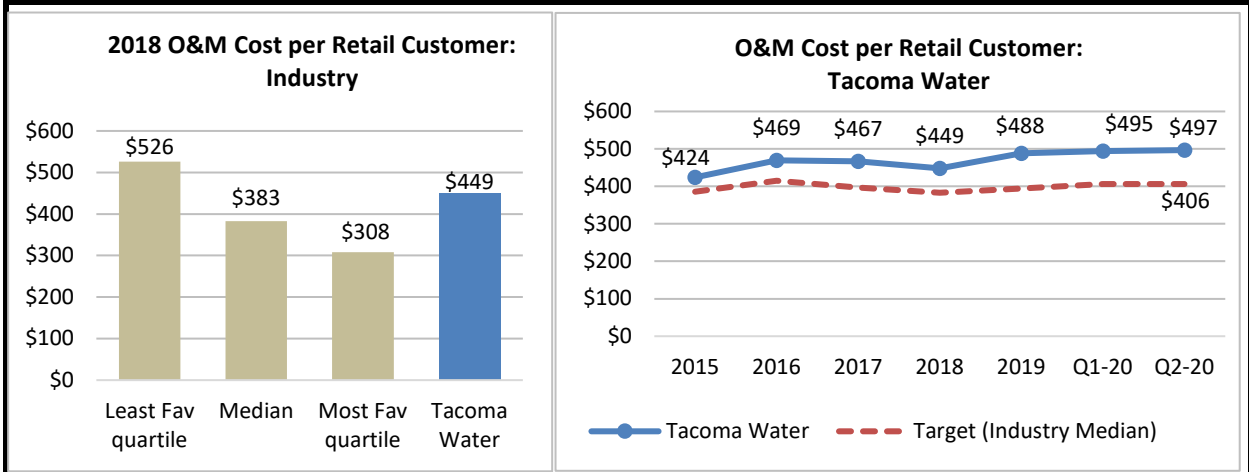
Definition: Measures and compares the monthly weighted average water bill for residential customers.

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 |
|--|---------|----|----|----|----|
| | | | | | |



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 2018 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>2018 Unplanned Service Disruptions 4-12 hours: Industry</p> <table border="1"> <caption>2018 Unplanned Service Disruptions 4-12 hours: Industry</caption> <thead> <tr> <th>Category</th> <th>Value (per 1,000 accounts)</th> </tr> </thead> <tbody> <tr> <td>Most Fav quartile</td> <td>0.07</td> </tr> <tr> <td>Median</td> <td>0.15</td> </tr> <tr> <td>Least Fav quartile</td> <td>0.50</td> </tr> <tr> <td>Tacoma Water</td> <td>0.03</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</th> <th>Tacoma Water (per 1,000 accounts)</th> <th>Target (Industry Median) (per 1,000 accounts)</th> </tr> </thead> <tbody> <tr> <td>2015</td> <td>0.10</td> <td>0.20</td> </tr> <tr> <td>2016</td> <td>0.08</td> <td>0.10</td> </tr> <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>0.15</td> </tr> <tr> <td>Q1-20</td> <td>0.02</td> <td>0.15</td> </tr> <tr> <td>Q2-20</td> <td>0.02</td> <td>0.15</td> </tr> </tbody> </table> </div> </div> | | Category | Value (per 1,000 accounts) | Most Fav quartile | 0.07 | Median | 0.15 | Least Fav quartile | 0.50 | Tacoma Water | 0.03 | Year | Tacoma Water (per 1,000 accounts) | Target (Industry Median) (per 1,000 accounts) | 2015 | 0.10 | 0.20 | 2016 | 0.08 | 0.10 | 2017 | 0.03 | 0.25 | 2018 | 0.03 | 0.25 | 2019 | 0.03 | 0.15 | Q1-20 | 0.02 | 0.15 | Q2-20 | 0.02 | 0.15 | | | | |
| Category | Value (per 1,000 accounts) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Most Fav quartile | 0.07 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Median | 0.15 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Least Fav quartile | 0.50 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Tacoma Water | 0.03 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Year | Tacoma Water (per 1,000 accounts) | Target (Industry Median) (per 1,000 accounts) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2015 | 0.10 | 0.20 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2016 | 0.08 | 0.10 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 | 0.03 | 0.25 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2018 | 0.03 | 0.25 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2019 | 0.03 | 0.15 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Q1-20 | 0.02 | 0.15 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Q2-20 | 0.02 | 0.15 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <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: | 2016 | 2017 | 2018 | 2019 | | | | | | | | | | | | | | | | | | |
|--|------------------|--------------------------|------|------|------|------|------------------|--------------------------|------|------|-----|------|------|-----|------|------|-----|------|------|-----|------|------|-----|
| <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>2015</td> <td>2.5%</td> <td>10%</td> </tr> <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> </tbody> </table> | | | | | | Year | Tacoma Water (%) | State Regulatory Max (%) | 2015 | 2.5% | 10% | 2016 | 5.2% | 10% | 2017 | 5.4% | 10% | 2018 | 6.3% | 10% | 2019 | 4.8% | 10% |
| Year | Tacoma Water (%) | State Regulatory Max (%) | | | | | | | | | | | | | | | | | | | | | |
| 2015 | 2.5% | 10% | | | | | | | | | | | | | | | | | | | | | |
| 2016 | 5.2% | 10% | | | | | | | | | | | | | | | | | | | | | |
| 2017 | 5.4% | 10% | | | | | | | | | | | | | | | | | | | | | |
| 2018 | 6.3% | 10% | | | | | | | | | | | | | | | | | | | | | |
| 2019 | 4.8% | 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: | 2017 | 2018 | 2019 | 2020 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|------------------|------------|------|------|------|----------|----------------|-------------------|------|--------|------|--------------------|------|--------------|------|------|------------------|------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| <div style="display: flex; justify-content: space-around;"> <div style="width: 45%;"> <p>2018 Regulatory Compliance: Industry</p> <table border="1"> <caption>2018 Regulatory Compliance: Industry Data</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 Data</caption> <thead> <tr> <th>Year</th> <th>Tacoma Water (%)</th> <th>Target (%)</th> </tr> </thead> <tbody> <tr> <td>2016</td> <td>100%</td> <td>100%</td> </tr> <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> </tbody> </table> </div> </div> | | | | | | Category | Compliance (%) | Most fav quartile | 100% | Median | 100% | Least fav quartile | 100% | Tacoma Water | 100% | Year | Tacoma Water (%) | Target (%) | 2016 | 100% | 100% | 2017 | 100% | 100% | 2018 | 100% | 100% | 2019 | 100% | 100% | 2020 | 100% | 100% |
| Category | Compliance (%) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Most fav quartile | 100% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Median | 100% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Least fav quartile | 100% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Tacoma Water | 100% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Year | Tacoma Water (%) | Target (%) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2016 | 100% | 100% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 | 100% | 100% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2018 | 100% | 100% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2019 | 100% | 100% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2020 | 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> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| (9) Conservation Achieved | Status: | 2016 | 2017 | 2018 | 2019 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|------------------|------------|------|------|------|------|------------------|------------|------|------|------|------|-------|------|------|-------|------|------|---|------|------|---|------|------|---|------|------|---|------|------|---|------|------|---|------|------|---|------|------|---|-------|
| <p style="text-align: center;">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>0.0%</td> </tr> <tr> <td>2018</td> <td>-4.5%</td> <td>0.0%</td> </tr> <tr> <td>2019</td> <td>10.5%</td> <td>0.0%</td> </tr> <tr> <td>2020</td> <td>-</td> <td>0.0%</td> </tr> <tr> <td>2021</td> <td>-</td> <td>0.0%</td> </tr> <tr> <td>2022</td> <td>-</td> <td>0.0%</td> </tr> <tr> <td>2023</td> <td>-</td> <td>0.0%</td> </tr> <tr> <td>2024</td> <td>-</td> <td>0.0%</td> </tr> <tr> <td>2025</td> <td>-</td> <td>0.0%</td> </tr> <tr> <td>2026</td> <td>-</td> <td>0.0%</td> </tr> <tr> <td>2027</td> <td>-</td> <td>6.64%</td> </tr> </tbody> </table> | | | | | | Year | Tacoma Water (%) | Target (%) | 2017 | 0.0% | 0.0% | 2018 | -4.5% | 0.0% | 2019 | 10.5% | 0.0% | 2020 | - | 0.0% | 2021 | - | 0.0% | 2022 | - | 0.0% | 2023 | - | 0.0% | 2024 | - | 0.0% | 2025 | - | 0.0% | 2026 | - | 0.0% | 2027 | - | 6.64% |
| Year | Tacoma Water (%) | Target (%) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 | 0.0% | 0.0% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2018 | -4.5% | 0.0% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2019 | 10.5% | 0.0% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2020 | - | 0.0% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2021 | - | 0.0% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2022 | - | 0.0% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2023 | - | 0.0% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2024 | - | 0.0% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2025 | - | 0.0% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2026 | - | 0.0% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 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> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

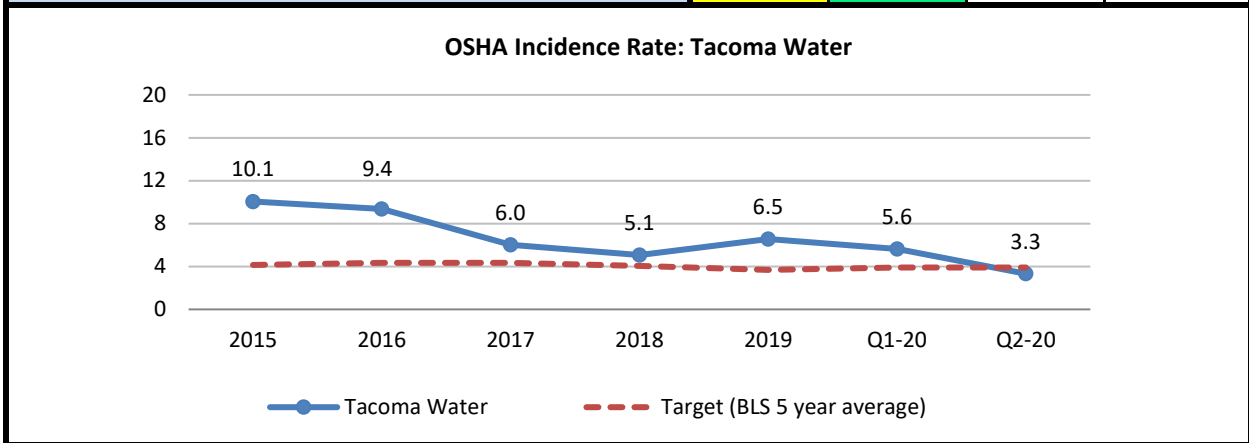


| Commitment to Customers & Employees | | | | | | | | | | | | | | | | | | | | |
|--|------------------|------------|------|------|------|------|------------------|------------|------|-------|-------|------|-------|-------|------|-------|-------|------|-------|-------|
| (10) Customer Satisfaction | Status: | 2016 | 2017 | 2018 | 2019 | | | | | | | | | | | | | | | |
| <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>2016</td> <td>71.0%</td> <td>70.5%</td> </tr> <tr> <td>2017</td> <td>73.0%</td> <td>70.5%</td> </tr> <tr> <td>2018</td> <td>70.0%</td> <td>70.5%</td> </tr> <tr> <td>2019</td> <td>72.0%</td> <td>70.5%</td> </tr> </tbody> </table> | | | | | | Year | Tacoma Water (%) | Target (%) | 2016 | 71.0% | 70.5% | 2017 | 73.0% | 70.5% | 2018 | 70.0% | 70.5% | 2019 | 72.0% | 70.5% |
| Year | Tacoma Water (%) | Target (%) | | | | | | | | | | | | | | | | | | |
| 2016 | 71.0% | 70.5% | | | | | | | | | | | | | | | | | | |
| 2017 | 73.0% | 70.5% | | | | | | | | | | | | | | | | | | |
| 2018 | 70.0% | 70.5% | | | | | | | | | | | | | | | | | | |
| 2019 | 72.0% | 70.5% | | | | | | | | | | | | | | | | | | |
| <p>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.</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 newly conducted survey; expected to be annual</p> <p>Sources: Tacoma Public Utilities Residential Customer Satisfaction Baseline Survey</p> | | | | | | | | | | | | | | | | | | | | |

| (11) Employee Satisfaction | Status: | 2013 | 2014 | 2015 | 2018 | | | | | | | | | | | | | | | |
|---|------------------|------------|------|------|------|------|------------------|------------|------|-----|-----|------|-----|-----|------|-----|-----|------|-----|-----|
| <p>Tacoma Water Employee Overall Satisfaction</p> <table border="1"> <caption>Tacoma Water Employee Overall Satisfaction</caption> <thead> <tr> <th>Year</th> <th>Tacoma Water (%)</th> <th>Target (%)</th> </tr> </thead> <tbody> <tr> <td>2013</td> <td>66%</td> <td>70%</td> </tr> <tr> <td>2014</td> <td>73%</td> <td>70%</td> </tr> <tr> <td>2015</td> <td>66%</td> <td>70%</td> </tr> <tr> <td>2018</td> <td>85%</td> <td>70%</td> </tr> </tbody> </table> | | | | | | Year | Tacoma Water (%) | Target (%) | 2013 | 66% | 70% | 2014 | 73% | 70% | 2015 | 66% | 70% | 2018 | 85% | 70% |
| Year | Tacoma Water (%) | Target (%) | | | | | | | | | | | | | | | | | | |
| 2013 | 66% | 70% | | | | | | | | | | | | | | | | | | |
| 2014 | 73% | 70% | | | | | | | | | | | | | | | | | | |
| 2015 | 66% | 70% | | | | | | | | | | | | | | | | | | |
| 2018 | 85% | 70% | | | | | | | | | | | | | | | | | | |
| <p>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.</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; expected to be annual</p> <p>Sources: TPU All-Employee Engagement Survey</p> | | | | | | | | | | | | | | | | | | | | |



| | | | | | |
|---------------------------------|----------------|-----------|-----------|-----------|-----------|
| (12) OSHA Incidence Rate | Status: | Q1 | Q2 | Q3 | Q4 |
| | | | | | |



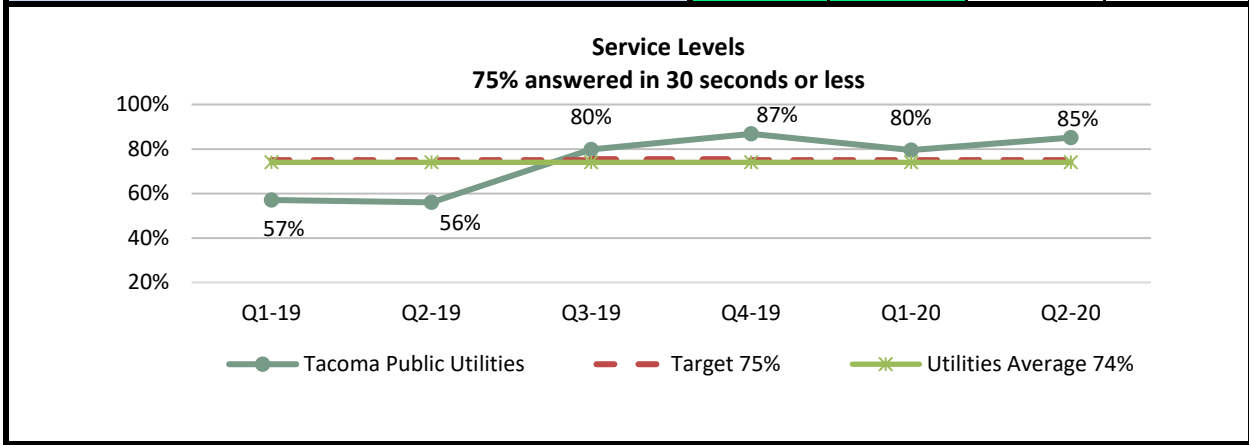
Definition: Measures the number of employees, out of 100, that had a recordable injury requiring medical care beyond first aid over the course of the year. A lower incidence rate is better.

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 Water internal data, Bureau of Labor Statistics (BLS)

| | | | | | |
|-------------------------------------|----------------|-----------|-----------|-----------|-----------|
| (13) Customer Service Levels | Status: | Q1 | Q2 | Q3 | Q4 |
| | | | | | |

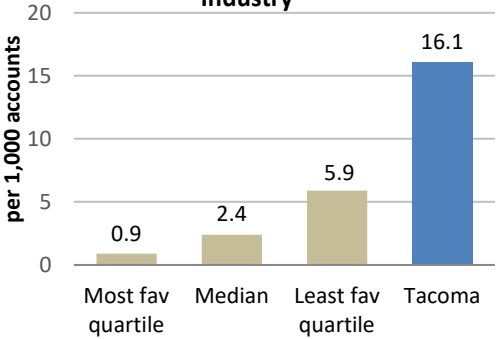
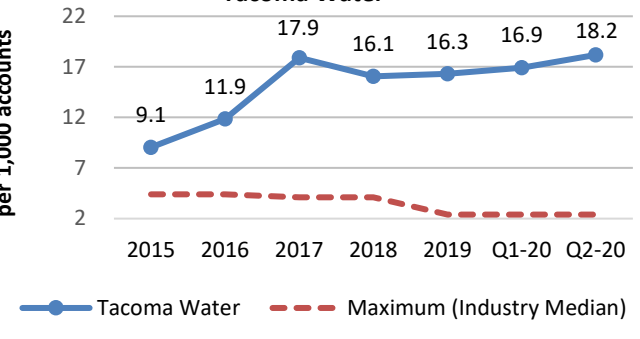


Definition: Captures the effectiveness of managing call volumes in the customer services queues as measured by the percent of calls answered within 30 seconds or less. The target is to achieve 75%. A higher measure indicates better timeliness of calls answered within targets.

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.

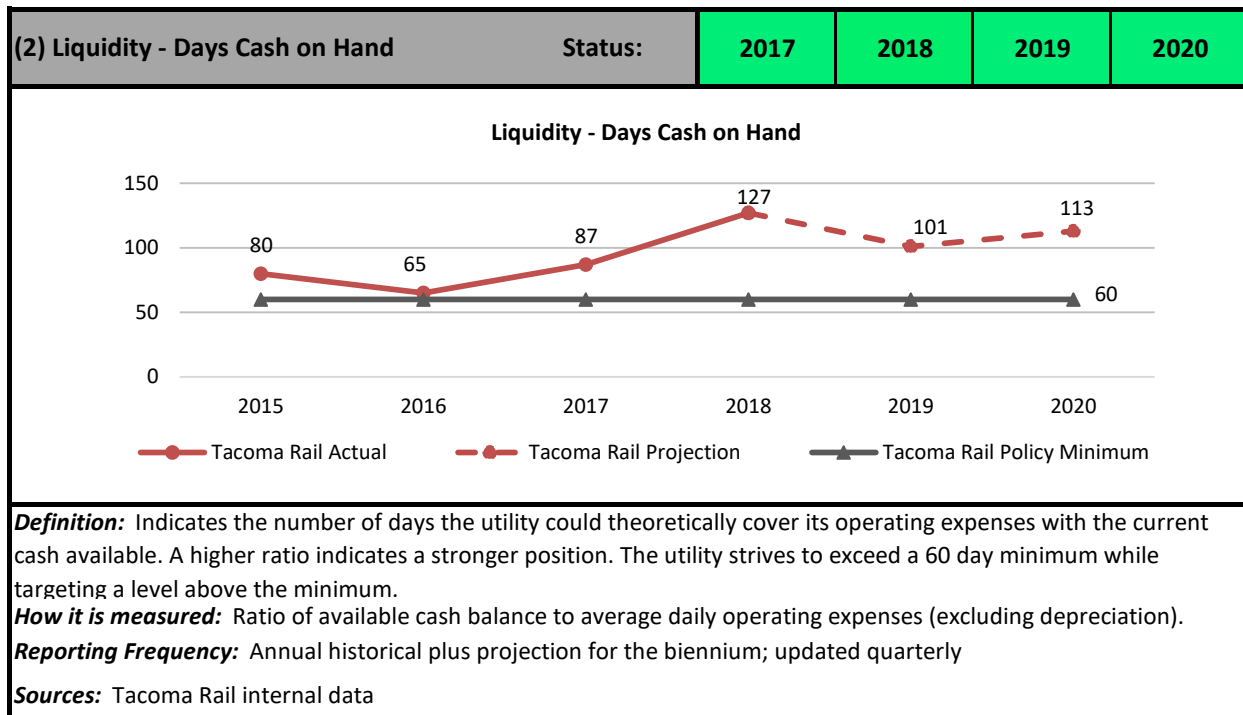
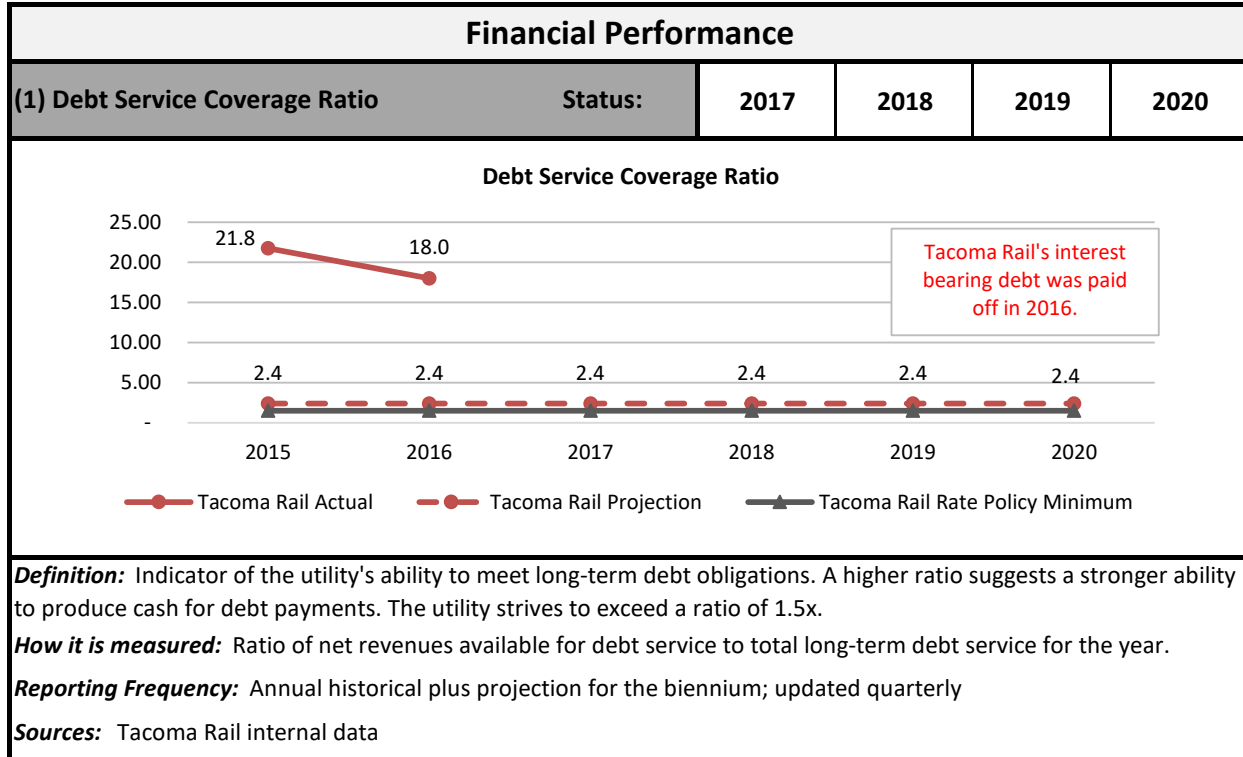
Reporting Frequency: Quarterly

Sources: Tacoma Public Utilities - Customer Services

| (14) Technical Service Complaints | Status: | Q1 | Q2 | Q3 | Q4 | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|----------------------------|---|----|----|----|--|--|----------|----------------------------|-------------------|-----|--------|-----|--------------------|-----|--------|------|-------------|----------------------------|------|-----|------|------|------|------|------|------|------|------|-------|------|
| | | <div style="display: flex; justify-content: space-around;"> <div data-bbox="196 338 737 760"> <p>2018 Tech. service complaints: Industry</p>  <table border="1"> <caption>2018 Tech. service complaints: Industry</caption> <thead> <tr> <th>Category</th> <th>Value (per 1,000 accounts)</th> </tr> </thead> <tbody> <tr> <td>Most fav quartile</td> <td>0.9</td> </tr> <tr> <td>Median</td> <td>2.4</td> </tr> <tr> <td>Least fav quartile</td> <td>5.9</td> </tr> <tr> <td>Tacoma</td> <td>16.1</td> </tr> </tbody> </table> </div> <div data-bbox="737 338 1421 760"> <p>Tech. service complaints: Tacoma Water</p>  <table border="1"> <caption>Tech. service complaints: Tacoma Water</caption> <thead> <tr> <th>Year/Period</th> <th>Value (per 1,000 accounts)</th> </tr> </thead> <tbody> <tr> <td>2015</td> <td>9.1</td> </tr> <tr> <td>2016</td> <td>11.9</td> </tr> <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>Q1-20</td> <td>16.9</td> </tr> <tr> <td>Q2-20</td> <td>18.2</td> </tr> </tbody> </table> </div> </div> | | | | | | Category | Value (per 1,000 accounts) | Most fav quartile | 0.9 | Median | 2.4 | Least fav quartile | 5.9 | Tacoma | 16.1 | Year/Period | Value (per 1,000 accounts) | 2015 | 9.1 | 2016 | 11.9 | 2017 | 17.9 | 2018 | 16.1 | 2019 | 16.3 | Q1-20 | 16.9 |
| Category | Value (per 1,000 accounts) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Most fav quartile | 0.9 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Median | 2.4 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Least fav quartile | 5.9 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Tacoma | 16.1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Year/Period | Value (per 1,000 accounts) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2015 | 9.1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2016 | 11.9 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 | 17.9 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2018 | 16.1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2019 | 16.3 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Q1-20 | 16.9 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Q2-20 | 18.2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <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> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |



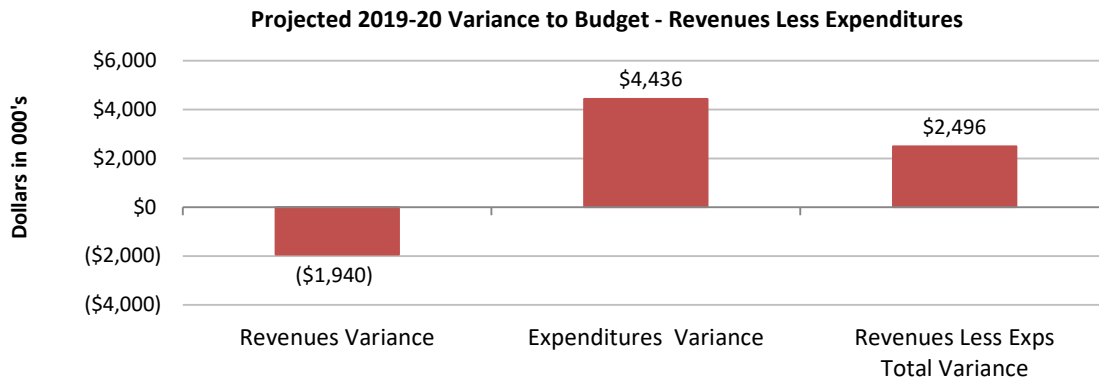
Performance Metrics Summary



(3) Revenues Less Expenditures Projection vs. Budget

Status:

Biennium Projection



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.

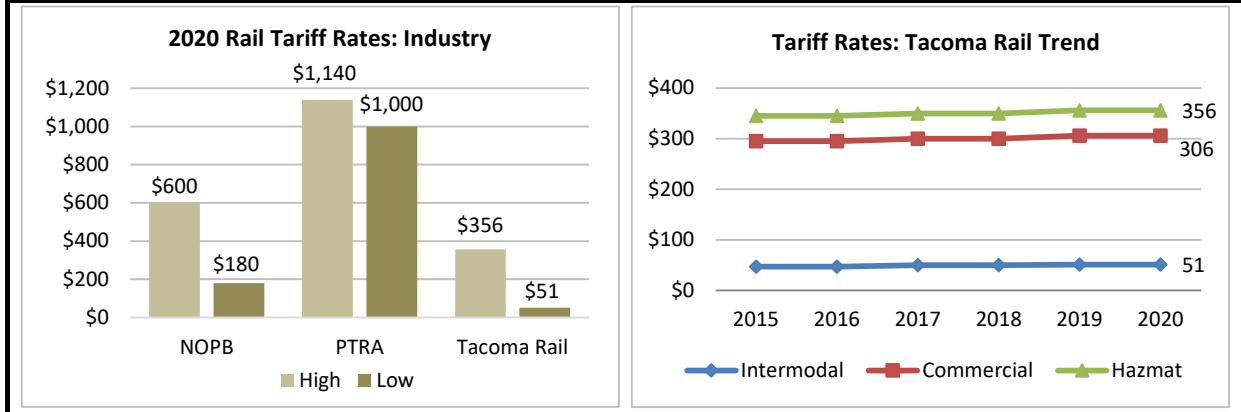
How it is measured: Projected revenues less projected expenditures for the biennium are compared to budgeted revenues less expenditures. Projections consider actual to-date results plus assumptions for future performance.

Reporting Frequency: Quarterly updates of biennium projection

Sources: Tacoma Rail internal data

Operational Excellence

| | | | | | |
|--|---------|------|------|------|------|
| (4) Terminal Short Line Tariff Comparison | Status: | 2017 | 2018 | 2019 | 2020 |
|--|---------|------|------|------|------|



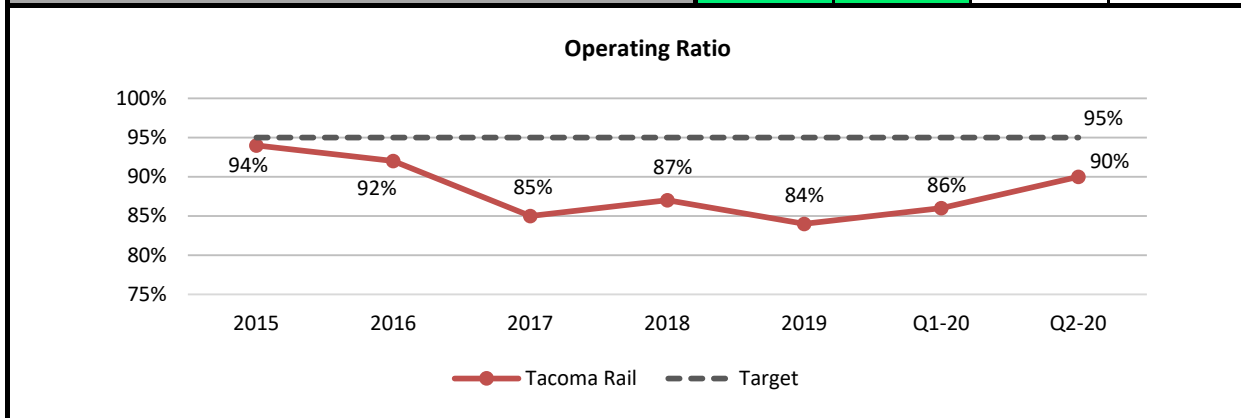
Definition: Compares Tacoma Rail tariff rates to similar short-line railroads. Lower rates are favorable for customers, all other things being equal.

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 |
|----------------------------|---------|----|----|----|----|

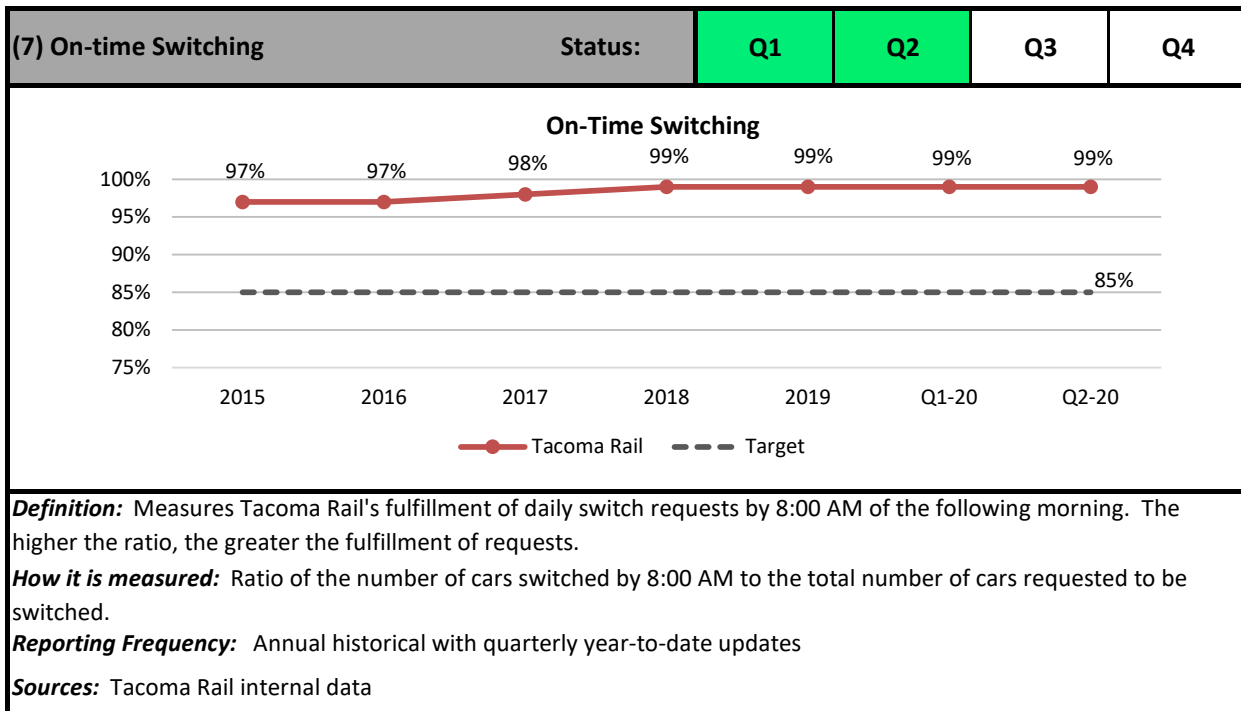
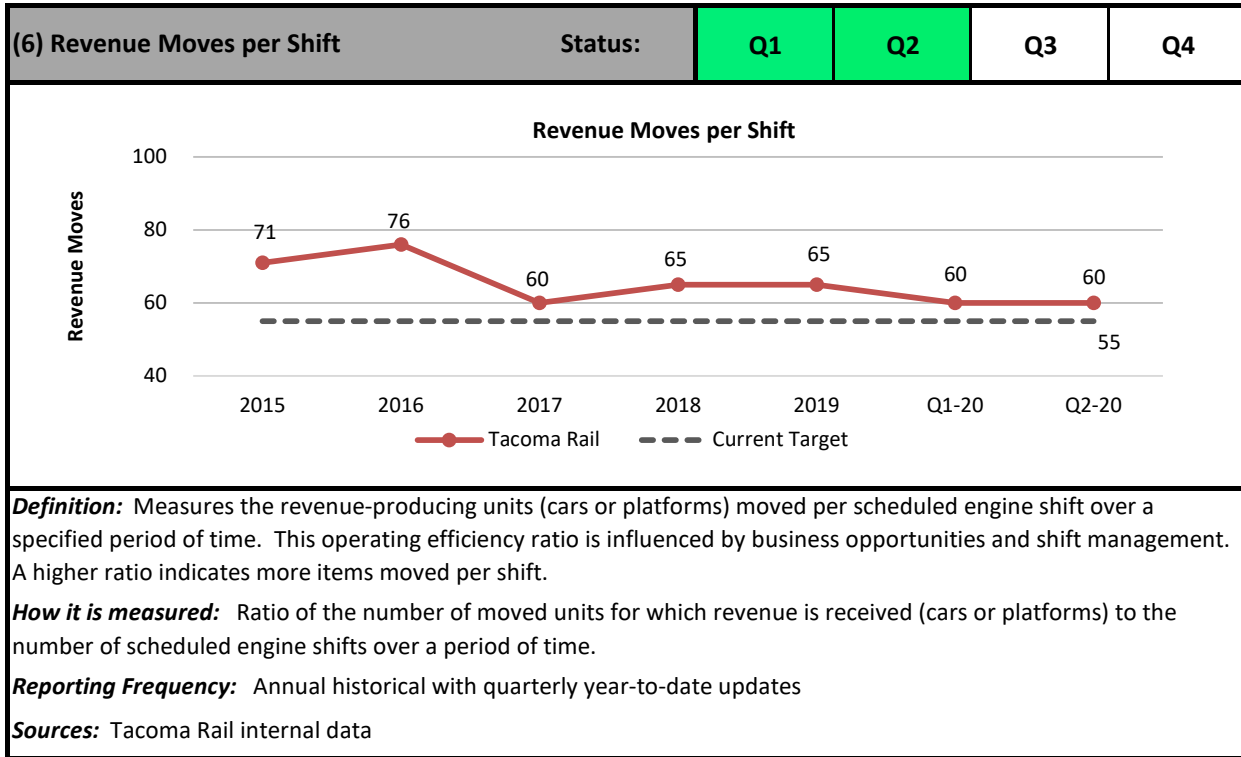


Definition: A key measure of railroad performance, the operating ratio is an indicator of profitability and operating efficiency. A lower ratio is better as more revenue is available to reinvest in the business and minimize customer rates. As a municipal short-line railroad, performance below 100% is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

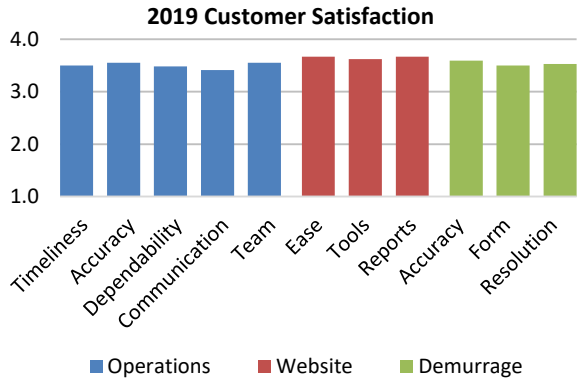
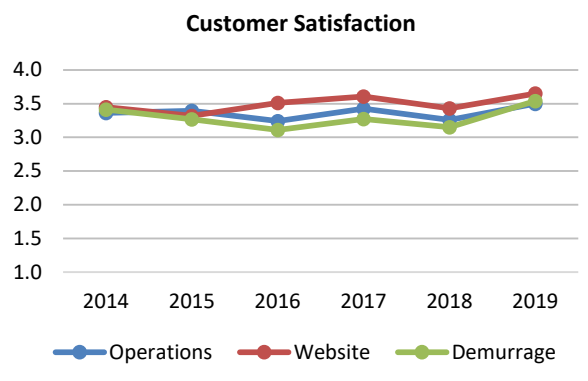
How it is measured: Ratio of operating expenses to revenues.

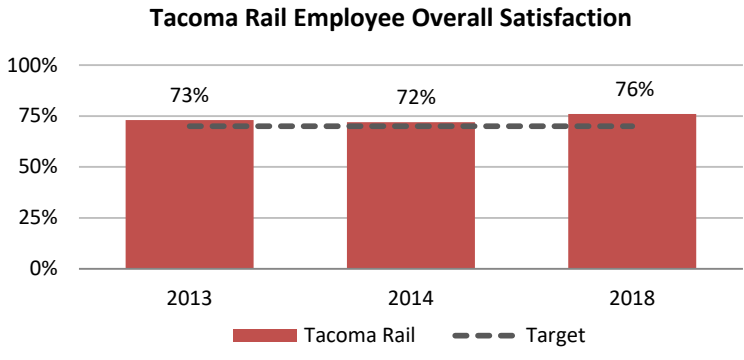
Reporting Frequency: Annual historical with quarterly year-to-date updates

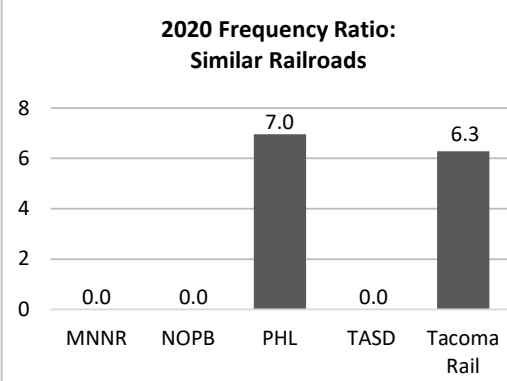
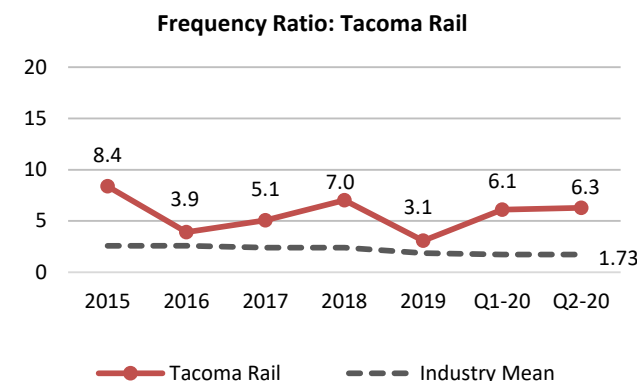
Sources: Tacoma Rail internal data



| (8) Diesel Conversion & Storm Water Remediation | | Status: | 2020 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|---------|-----------|---------------|--------|--------|--------|--------|------|---|----|---|---|---|---|------|---|----|---|---|---|---|------|---|----|---|---|---|---|------|---|----|---|---|---|---|---|---------|------|-----------|---------------|----|----|----|---|----|----|----|---|----|----|----|---|----|----|----|---|----|----|----|---|----|----|----|---|----|----|----|---|----|----|----|---|
| <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> </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 | <p style="text-align: center;">Storm Water Compliance</p> <table border="1"> <caption>Storm Water Compliance Data (Estimated)</caption> <thead> <tr> <th>Quarter</th> <th>Year</th> <th>Compliant</th> <th>Non-Compliant</th> </tr> </thead> <tbody> <tr><td>Q1</td><td>19</td><td>10</td><td>0</td></tr> <tr><td>Q2</td><td>19</td><td>10</td><td>0</td></tr> <tr><td>Q3</td><td>19</td><td>10</td><td>0</td></tr> <tr><td>Q4</td><td>19</td><td>10</td><td>0</td></tr> <tr><td>Q1</td><td>20</td><td>10</td><td>0</td></tr> <tr><td>Q2</td><td>20</td><td>10</td><td>0</td></tr> <tr><td>Q3</td><td>20</td><td>10</td><td>0</td></tr> <tr><td>Q4</td><td>20</td><td>10</td><td>0</td></tr> </tbody> </table> | Quarter | Year | Compliant | Non-Compliant | Q1 | 19 | 10 | 0 | Q2 | 19 | 10 | 0 | Q3 | 19 | 10 | 0 | Q4 | 19 | 10 | 0 | Q1 | 20 | 10 | 0 | Q2 | 20 | 10 | 0 | Q3 | 20 | 10 | 0 | Q4 | 20 | 10 | 0 |
| 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 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Quarter | Year | Compliant | Non-Compliant | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Q1 | 19 | 10 | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Q2 | 19 | 10 | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Q3 | 19 | 10 | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Q4 | 19 | 10 | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Q1 | 20 | 10 | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Q2 | 20 | 10 | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Q3 | 20 | 10 | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Q4 | 20 | 10 | 0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <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: | 2017 | 2018 | 2019 | 2020 |
| <p>2019 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 study; expected to be annual</p> <p>Sources: TPU All-Employee Engagement Survey</p> | | | | | |

| (11) Frequency Ratio (Injury Rate) | Status: | Q1 | Q2 | Q3 | Q4 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|-----------------|---------------|-----------------|------|-----|------|-----|-----|-----|------|-----|-------------|-----|--|--|--|--|--------------|-------------|---------------|------|-----|------|------|-----|------|------|-----|------|------|-----|------|------|-----|------|-------|-----|------|-------|-----|------|
| <p>2020 Frequency Ratio: Similar Railroads</p>  <table border="1"> <caption>2020 Frequency Ratio: Similar Railroads</caption> <thead> <tr> <th>Railroad</th> <th>Frequency Ratio</th> </tr> </thead> <tbody> <tr> <td>MNNR</td> <td>0.0</td> </tr> <tr> <td>NOPB</td> <td>0.0</td> </tr> <tr> <td>PHL</td> <td>7.0</td> </tr> <tr> <td>TASD</td> <td>0.0</td> </tr> <tr> <td>Tacoma Rail</td> <td>6.3</td> </tr> </tbody> </table> | | Railroad | Frequency Ratio | MNNR | 0.0 | NOPB | 0.0 | PHL | 7.0 | TASD | 0.0 | Tacoma Rail | 6.3 | <p>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>2015</td> <td>8.4</td> <td>1.73</td> </tr> <tr> <td>2016</td> <td>3.9</td> <td>1.73</td> </tr> <tr> <td>2017</td> <td>5.1</td> <td>1.73</td> </tr> <tr> <td>2018</td> <td>7.0</td> <td>1.73</td> </tr> <tr> <td>2019</td> <td>3.1</td> <td>1.73</td> </tr> <tr> <td>Q1-20</td> <td>6.1</td> <td>1.73</td> </tr> <tr> <td>Q2-20</td> <td>6.3</td> <td>1.73</td> </tr> </tbody> </table> | | | | Year/Quarter | Tacoma Rail | Industry Mean | 2015 | 8.4 | 1.73 | 2016 | 3.9 | 1.73 | 2017 | 5.1 | 1.73 | 2018 | 7.0 | 1.73 | 2019 | 3.1 | 1.73 | Q1-20 | 6.1 | 1.73 | Q2-20 | 6.3 | 1.73 |
| Railroad | Frequency Ratio | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| MNNR | 0.0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| NOPB | 0.0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| PHL | 7.0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| TASD | 0.0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Tacoma Rail | 6.3 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Year/Quarter | Tacoma Rail | Industry Mean | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2015 | 8.4 | 1.73 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2016 | 3.9 | 1.73 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2017 | 5.1 | 1.73 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2018 | 7.0 | 1.73 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2019 | 3.1 | 1.73 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Q1-20 | 6.1 | 1.73 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Q2-20 | 6.3 | 1.73 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <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 (MNNR); New Orleans Public Beltline (NOPB); Pacific Harbor Line (PHL); Terminal Railway Alabama State Docks (TASD)</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |