

# Corporate Key Indicators

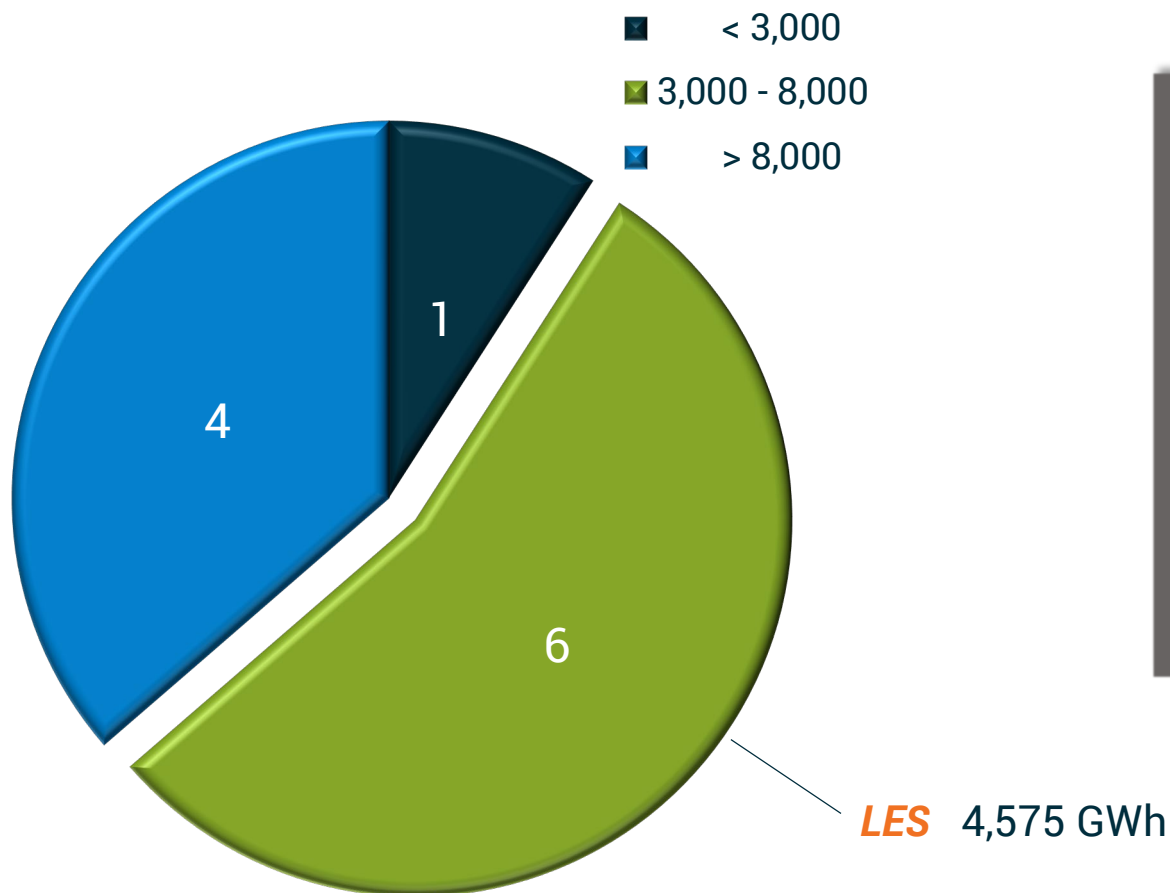
*LES performs favorably when compared to other public power utilities in areas of safety, reliability and financial metrics.*

**Emily N. Koenig, Director of Finance & Rates**  
**March 15, 2019**

Benchmarking Provided By:  
Omaha Public Power District (OPPD)  
&  
American Public Power Association  
(APPA)

# OPPD Benchmarks 11 Public Power Peer Utilities Each Year

## Responses by 2017 Total Electric Energy Sales (GWh)



- City Utilities of Springfield \*
- Colorado Springs Utilities \*
- KC Board of Public Utilities
- Lincoln Electric System \*
- Muscatine Power & Water
- Nebraska Public Power District \*
- Omaha Public Power District \*
- Orlando Utilities Commission \*
- Santee Cooper \*
- Seattle City Light
- Tacoma Public Utilities

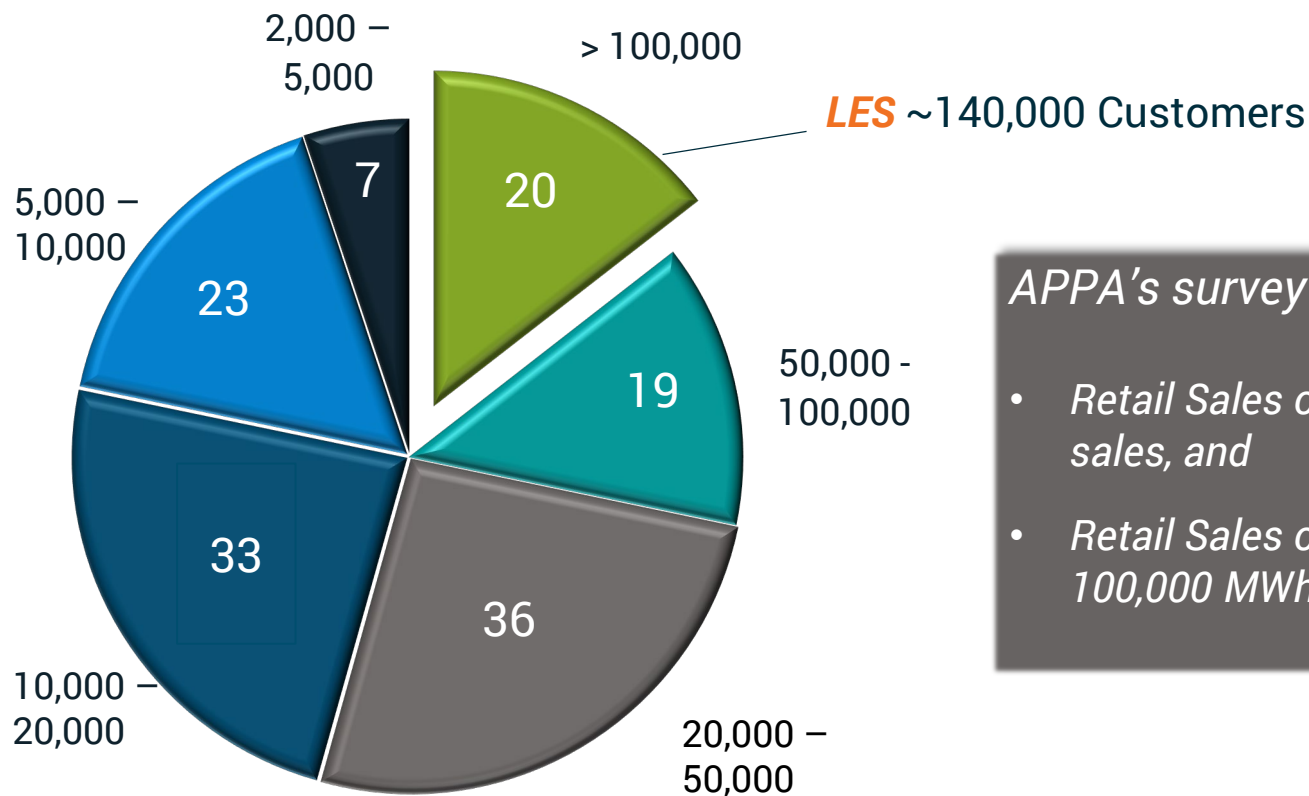
*\* Also included in LES' Peer Group*

Source: OPPD Corporate Key Indicators Report, June 2018

# 138 Utilities Participated in APPA's 2017 Annual Survey

*Down from 191 participants in 2016*

## Responses by Customer Size Class

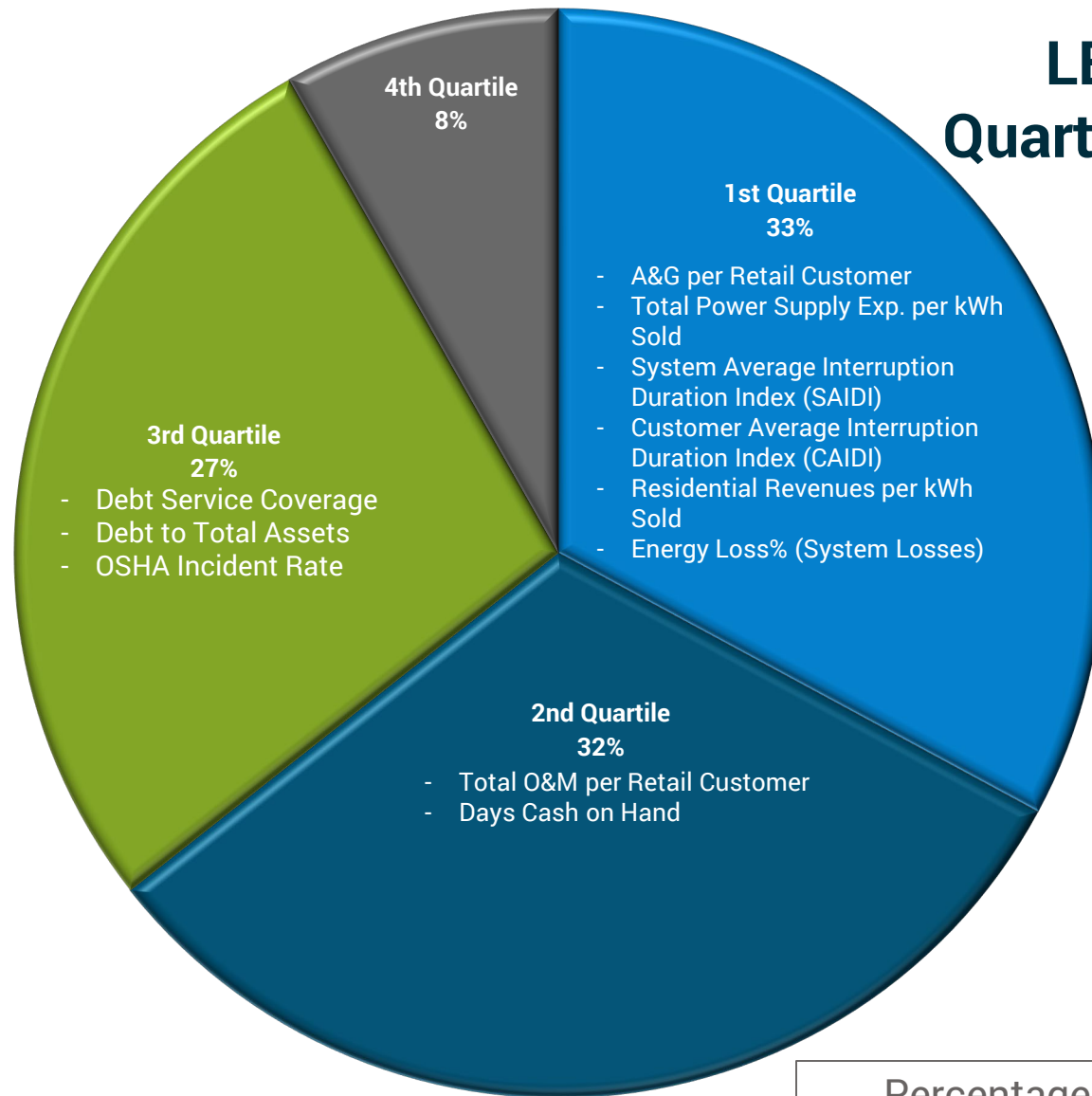


*APPA's survey includes utilities with:*

- *Retail Sales of 50% or more of total sales, and*
- *Retail Sales or Sales for Resale of 100,000 MWh or more*

Source: APPA Selected Financial and Operating Ratios of Public Power Systems, Dec 2018

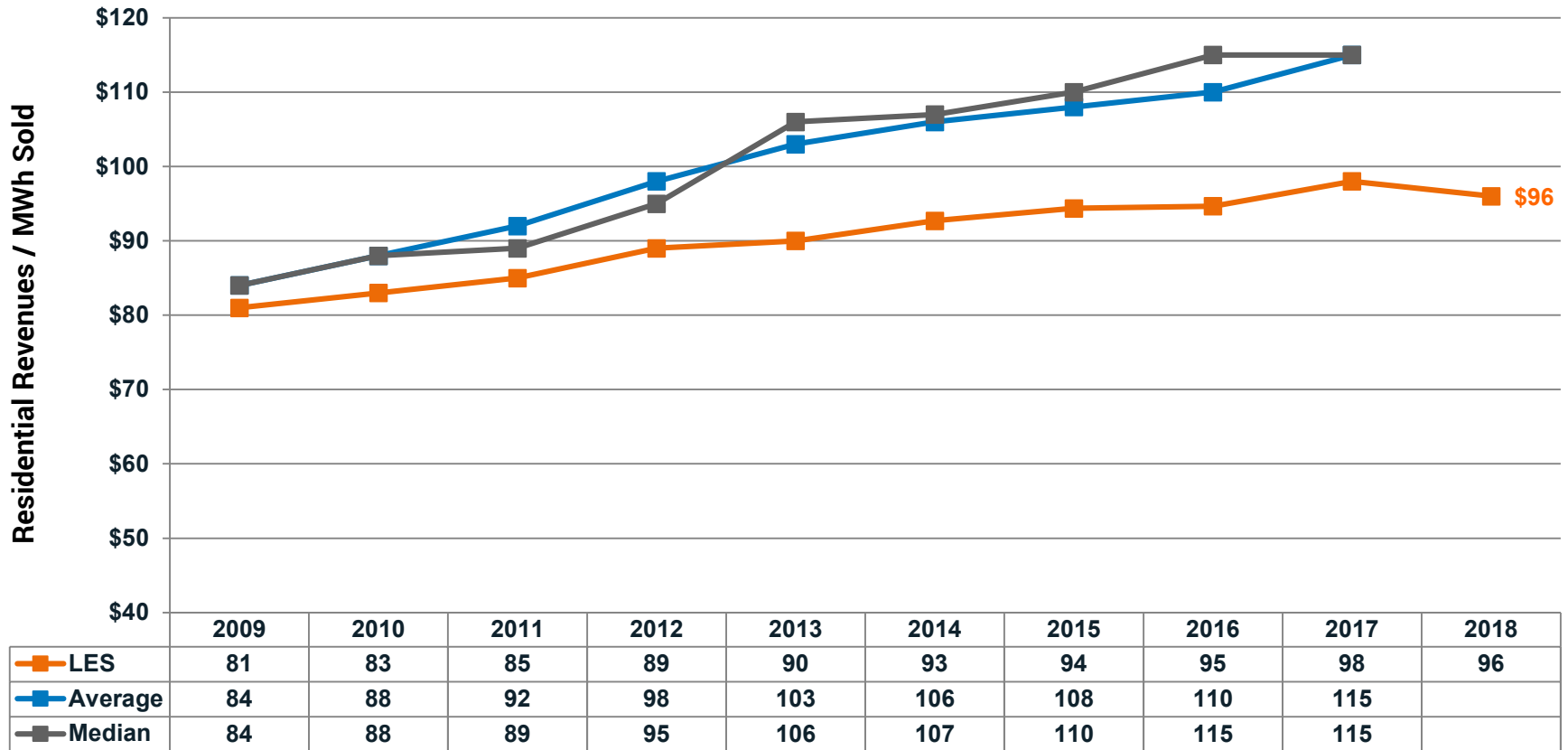
# LES ranks in the Top 2 Quartiles for 65% of the ratios from both surveys!



*Ratios noted are those that align most closely with LES 2018 Key Indicators*

Percentages based on results for 73 ratios for approximately 31 utilities

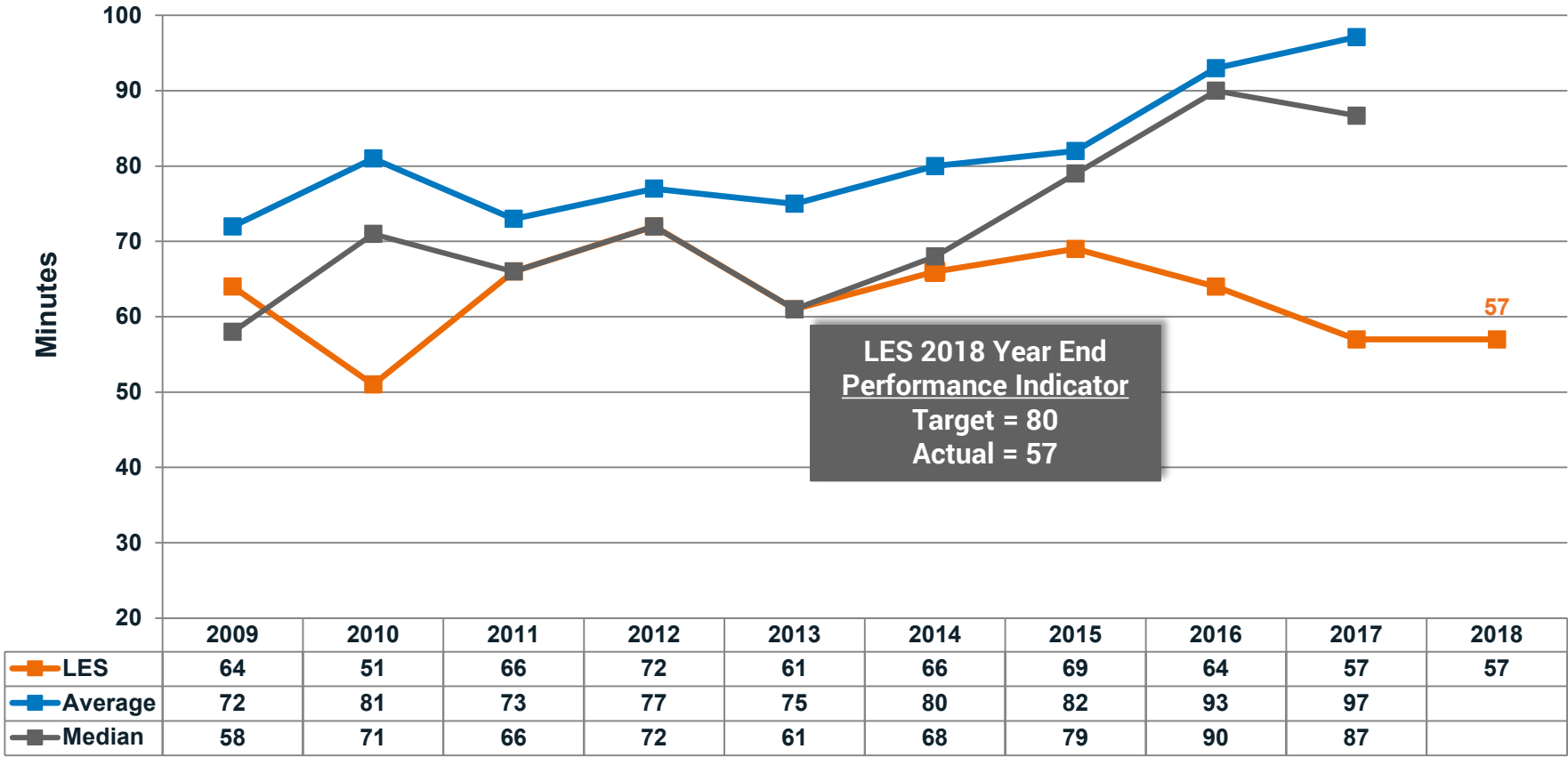
# LES residential customers continue to have some of the lowest bills, ranking 2<sup>nd</sup> in the survey



## Residential Revenues per Residential MWh Sold

OPPD Corporate Key Indicators Report, June 2018

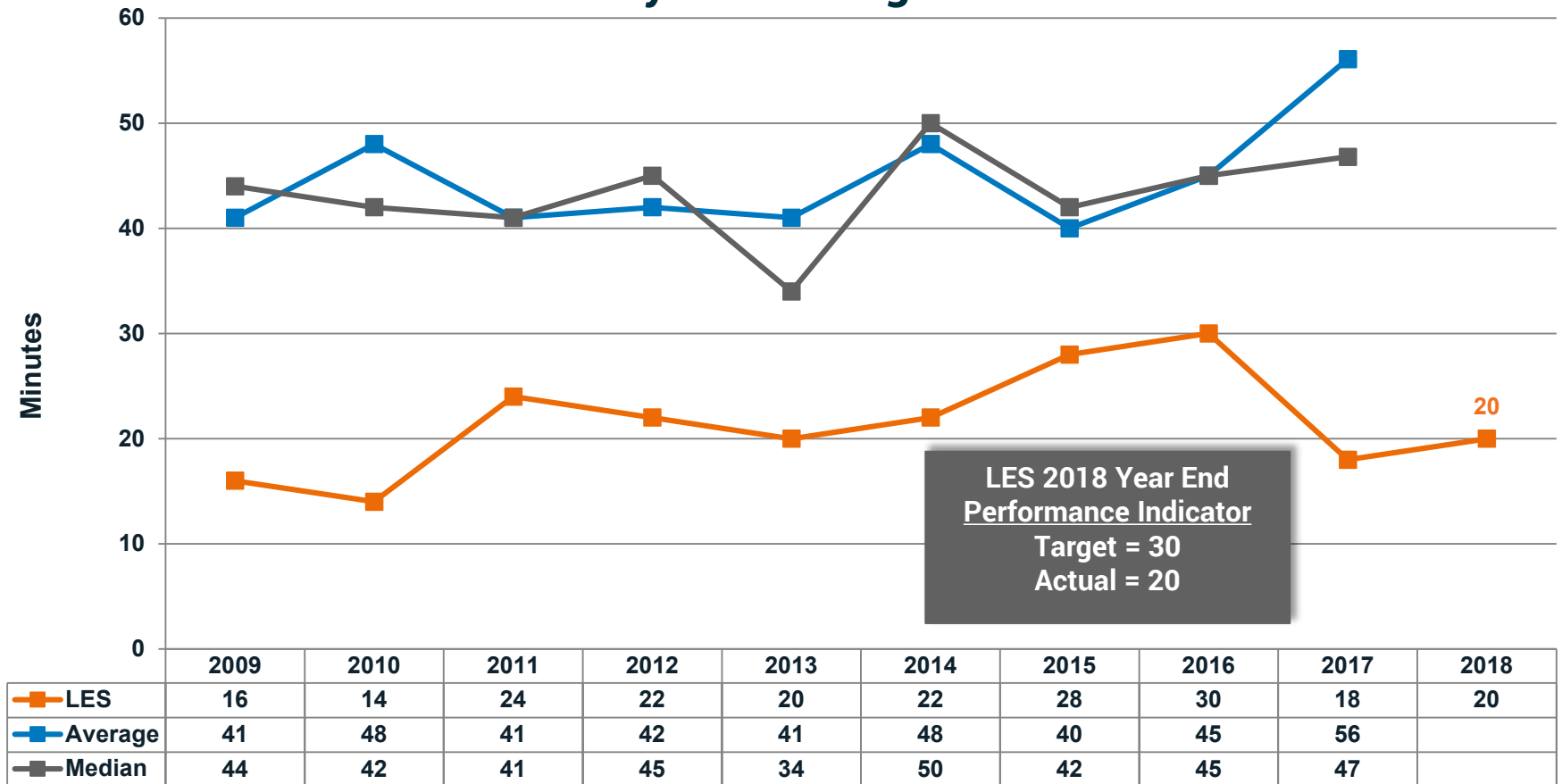
# LES customers experience some of the fastest outage restoration times



## Customer Average Interruption Duration Index (CAIDI)

OPPD Corporate Key Indicators Report, June 2018

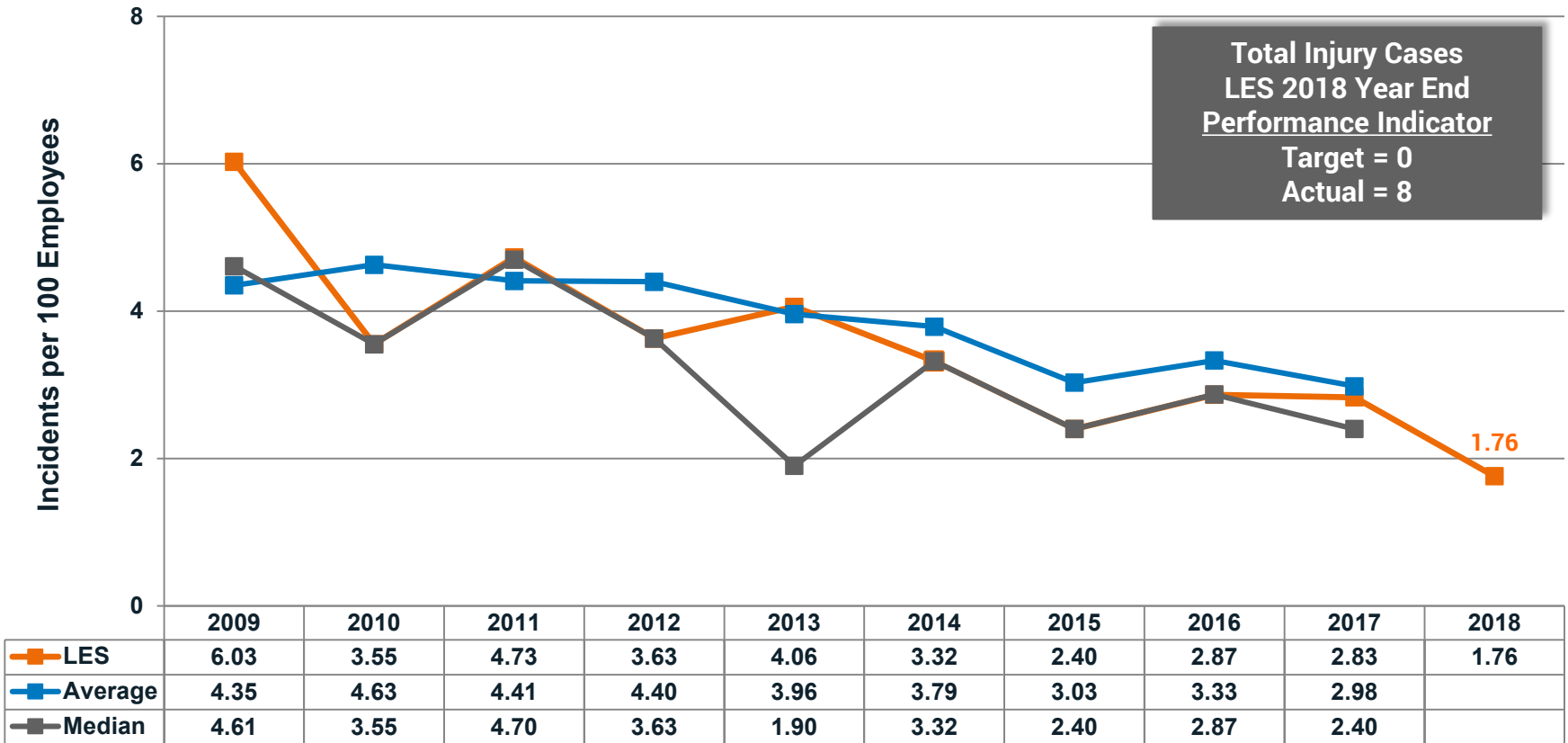
# LES ranked 1<sup>st</sup> out of survey participants for overall system outage time



## System Average Interruption Duration Index (SAIDI)

OPPD Corporate Key Indicators Report, June 2018

# LES is a safe place to work and appears to be trending below the average for injury rates

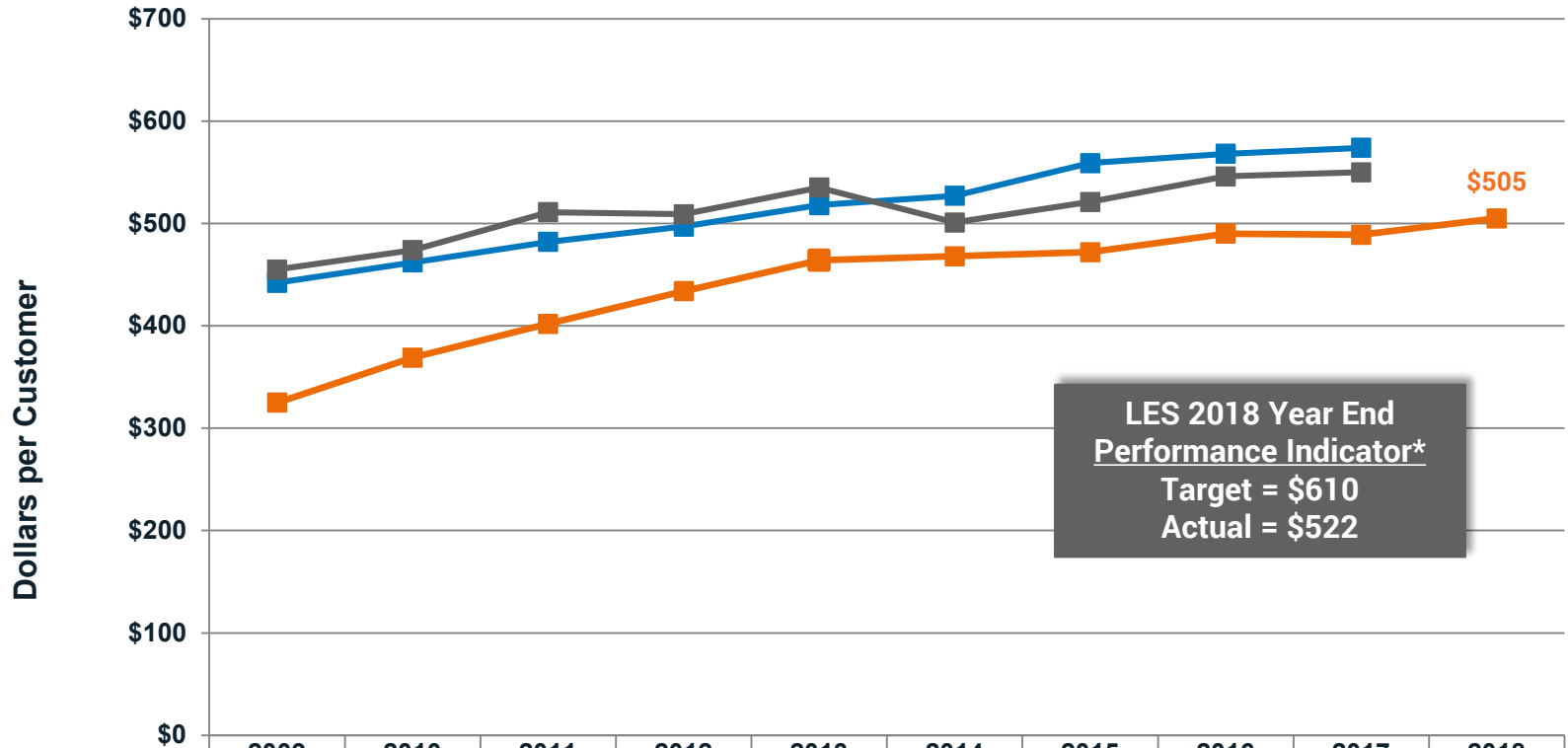


## Occupational Safety and Health Administration Incidents Rate per 100 Employees

OPPD Corporate Key Indicators Report, June 2018



# LES expenses to operate and maintain the utility are below the average (on a per customer basis)



**LES 2018 Year End Performance Indicator\***  
 Target = \$610  
 Actual = \$522

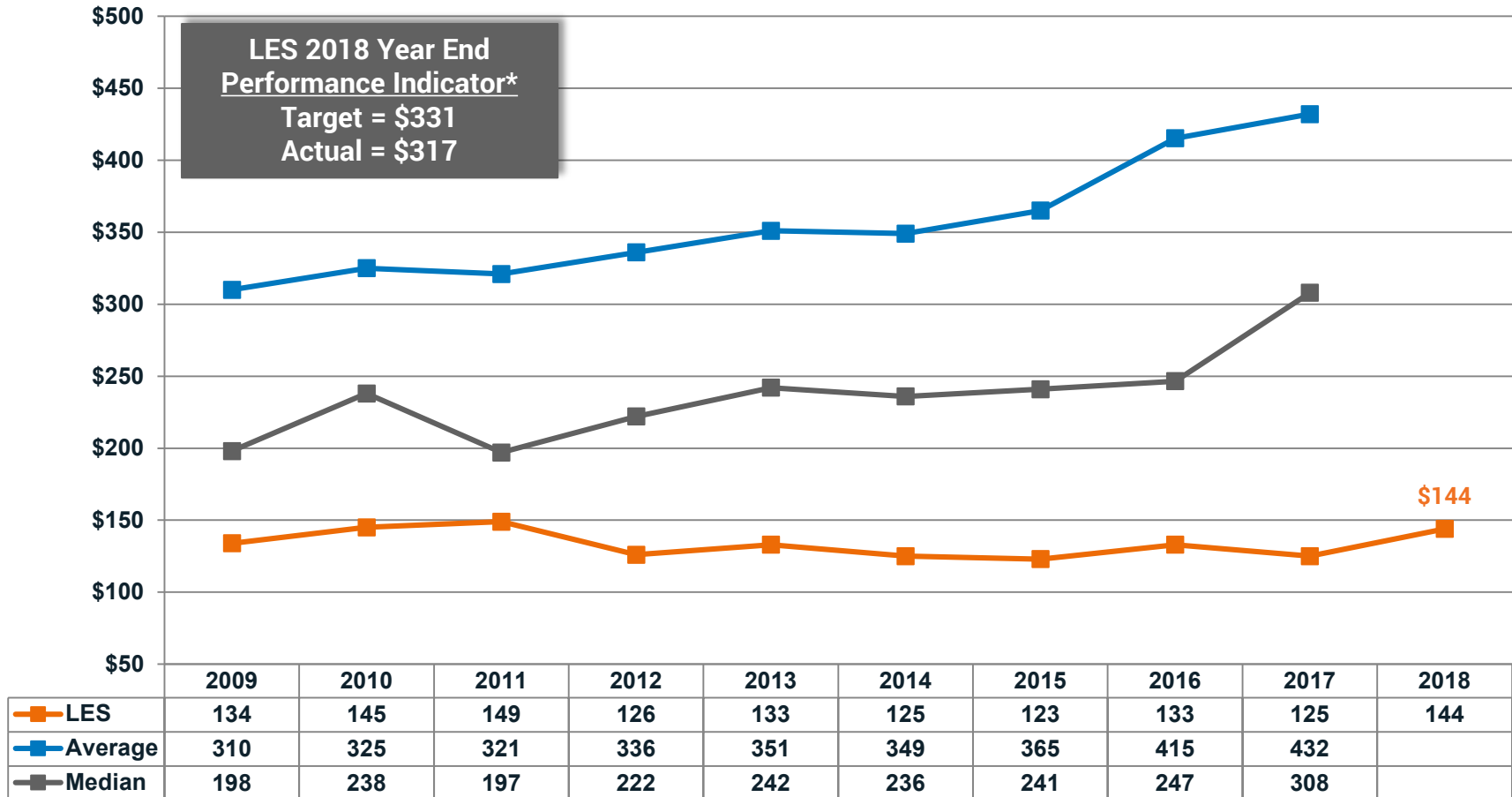
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
LES	325	369	402	434	464	468	472	490	489	505
Overall Average	442	462	482	497	518	527	559	568	574	
Cust. Size Class Avg.	455	474	511	509	535	501	521	546	550	

\*LES calculation differs from APPA calculation

## Total O&M Expense per Retail Customer

APPA Selected Financial & Operating Ratios of Public Power Systems, Dec 2018

# LES has the lowest administrative and general costs of all survey participants

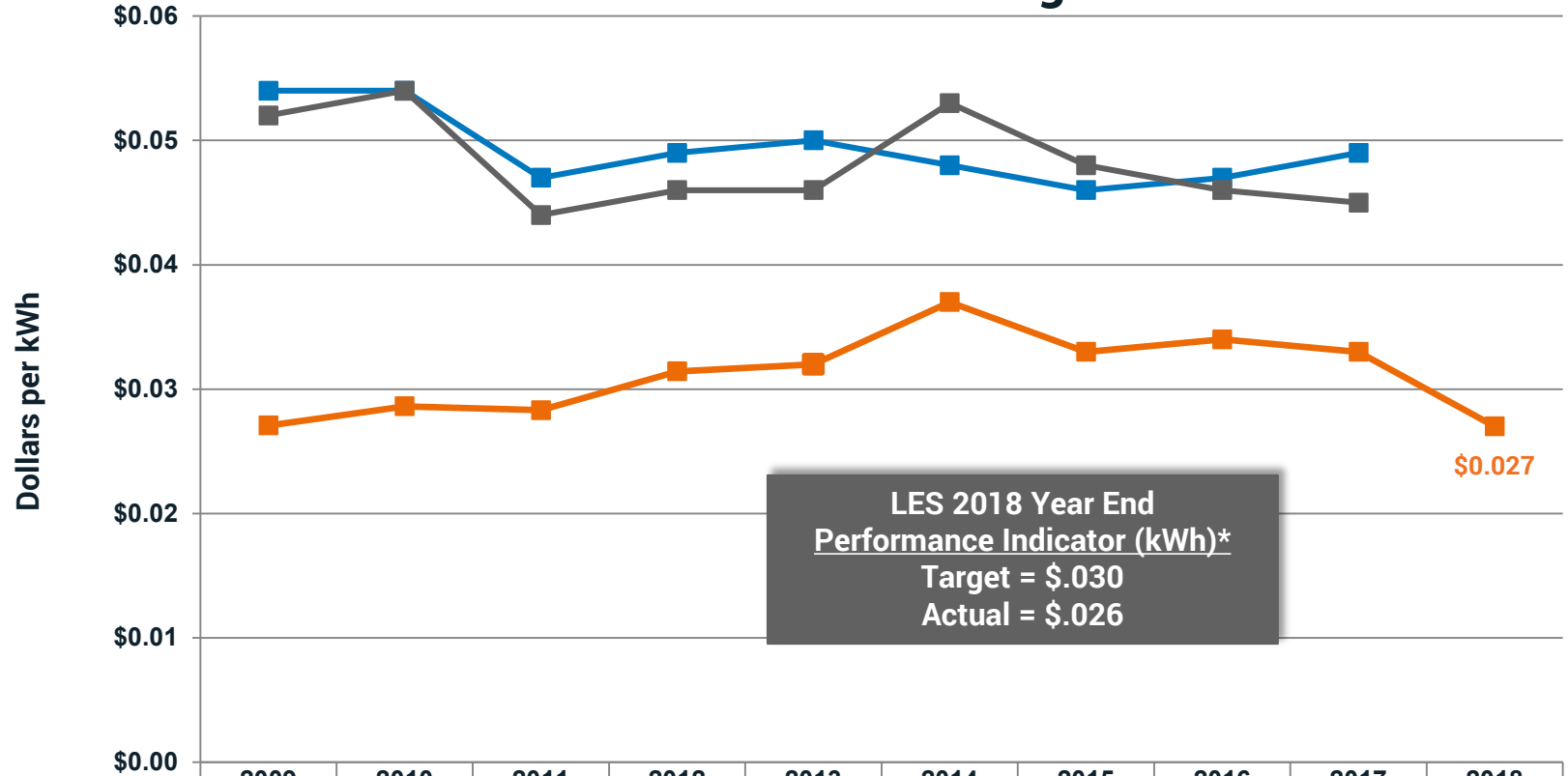


\*LES calculation differs from OPPD calculation.

## Administrative & General Expense per Retail Customer

OPPD Corporate Key Indicators Report, June 2018

# LES Power Supply Expenses continue to be less than the average



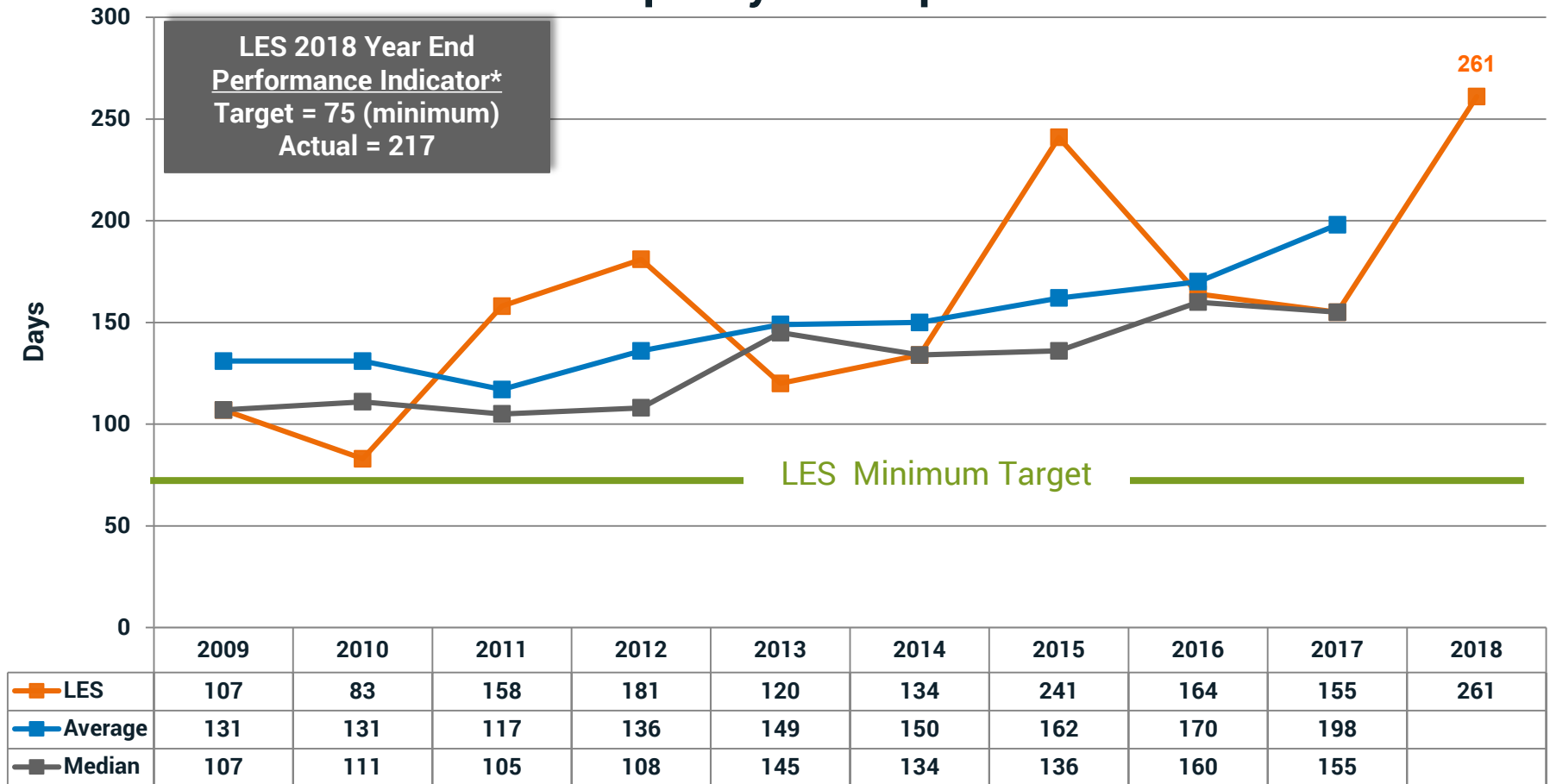
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
LES	0.027	0.029	0.028	0.031	0.032	0.037	0.033	0.034	0.033	0.027
Overall Average	0.054	0.054	0.047	0.049	0.050	0.048	0.046	0.047	0.049	
Cust. Size Class Avg.	0.052	0.054	0.044	0.046	0.046	0.053	0.048	0.046	0.045	

\*LES calculation differs from APPA calculation

## Total Power Supply Expense per kWh Sold

APPA Selected Financial & Operating Ratios of Public Power Systems, Dec 2018

# LES cash levels fluctuate due to financing strategies to cover liquidity and capital needs

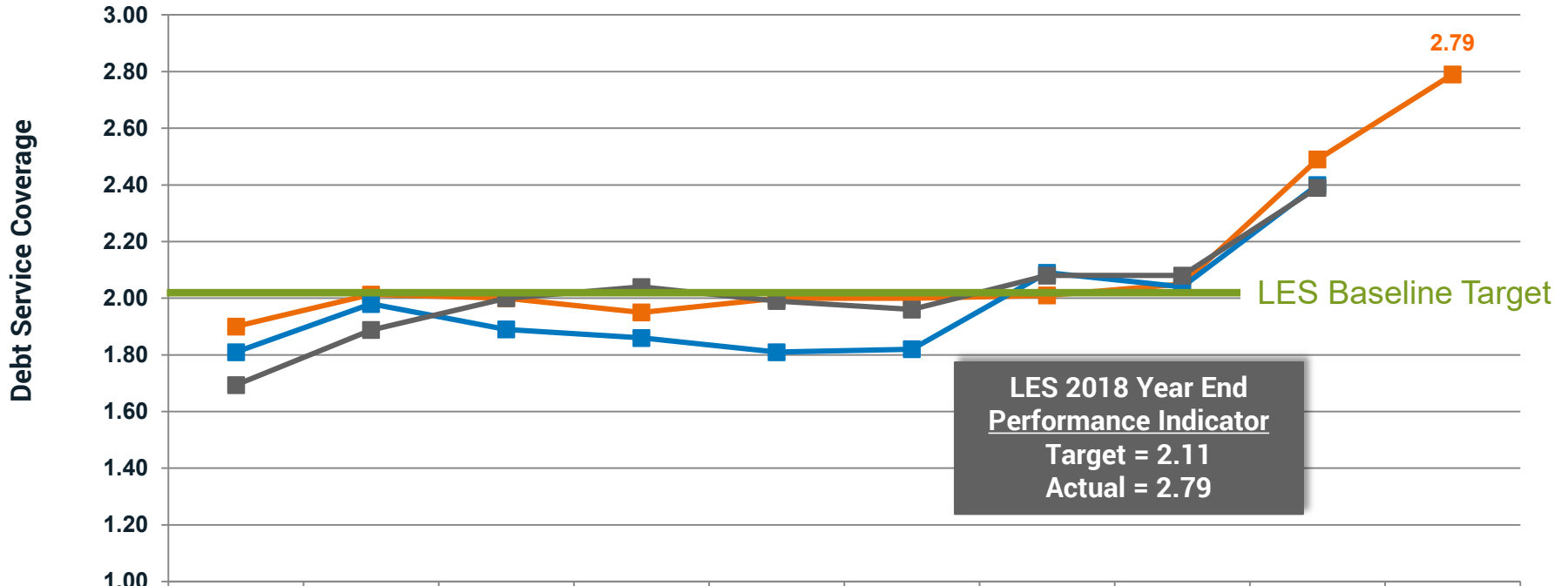


\*LES calculation differs from OPPD calculation

## Days Cash on Hand

OPPD Corporate Key Indicators Report, June 2018

# Better than budgeted financial performance resulted in Debt Service Coverage exceeding averages

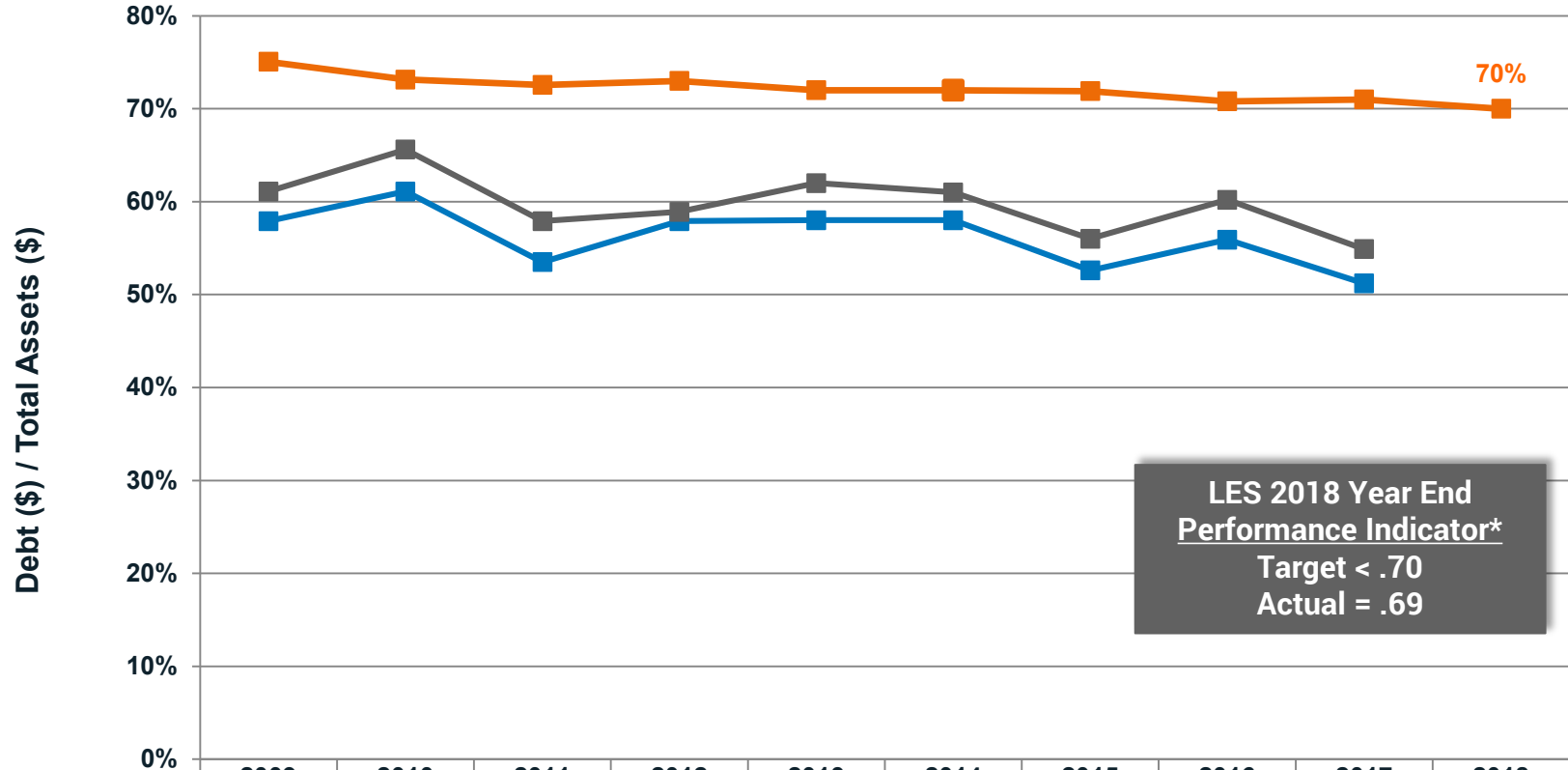


	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
LES	1.90	2.01	2.00	1.95	2.00	2.00	2.01	2.05	2.49	2.79
Average	1.81	1.98	1.89	1.86	1.81	1.82	2.09	2.04	2.40	
Median	1.69	1.89	2.00	2.04	1.99	1.96	2.08	2.08	2.39	

## Debt Service Coverage

OPPD Corporate Key Indicators Report, June 2018

# LES has a higher percentage of debt compared to assets than the average



**LES 2018 Year End Performance Indicator\***  
 Target < .70  
 Actual = .69

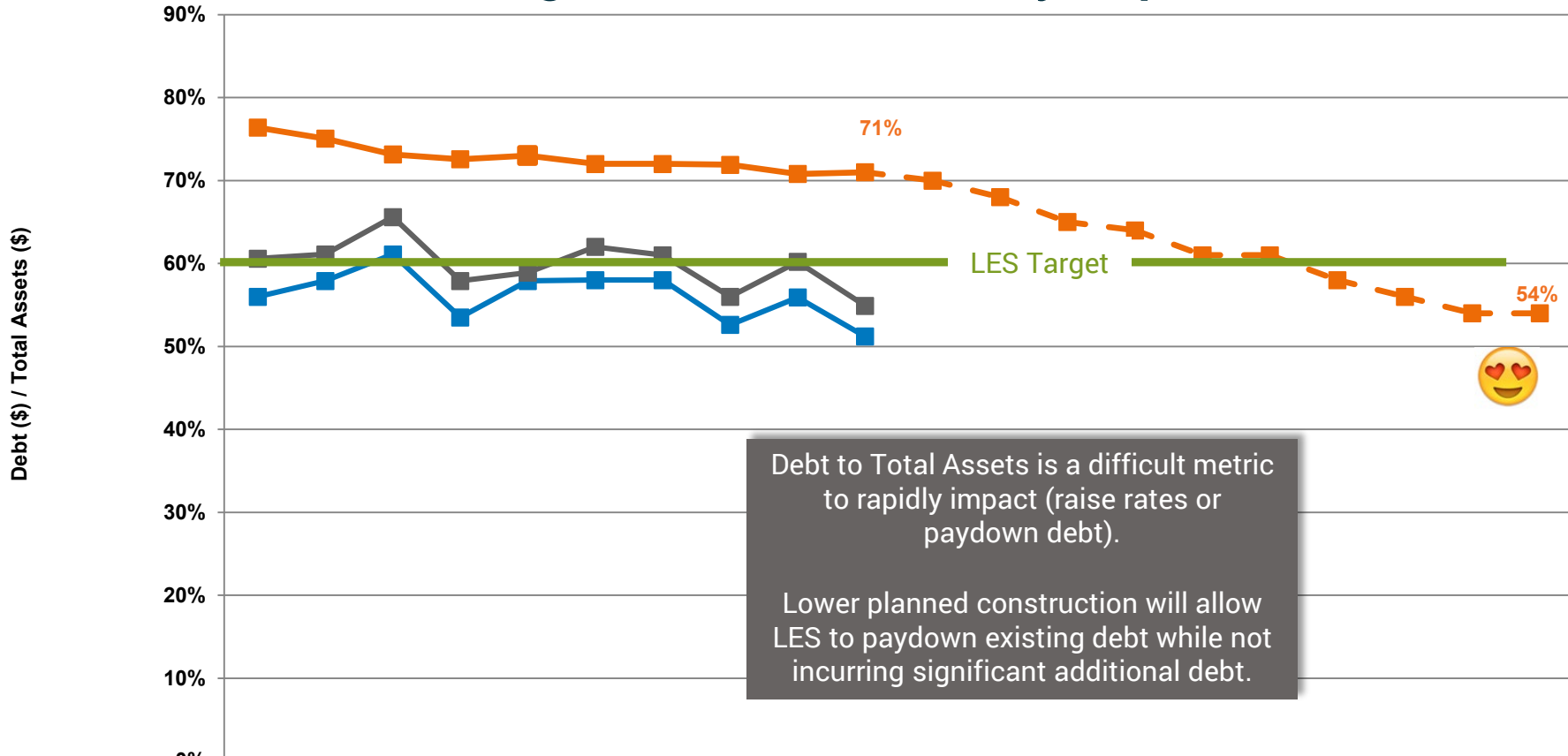
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
LES	0.75	0.73	0.73	0.73	0.72	0.72	0.72	0.71	0.71	0.70
Overall Average	0.58	0.61	0.54	0.58	0.58	0.58	0.53	0.56	0.51	
Cust. Size Class Avg.	0.61	0.66	0.58	0.59	0.62	0.61	0.56	0.60	0.55	

\*LES calculation differs from APPA calculation

## Debt to Total Assets

APPA Selected Financial & Operating Ratios of Public Power Systems, Dec 2018

# BONUS MATERIAL#1: LES forecasts lower outstanding debt over the next 10 year period

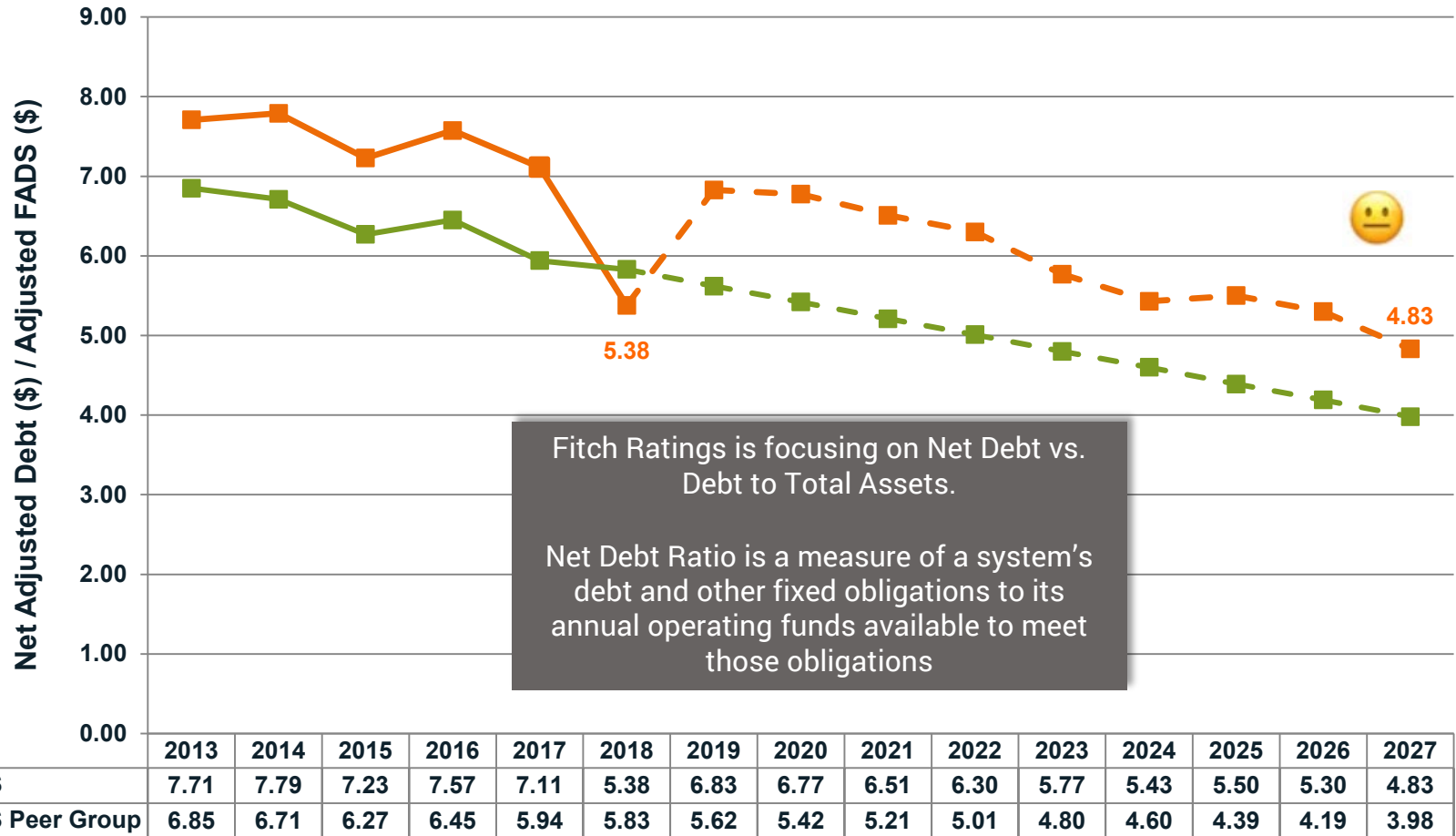


	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
LES	0.76	0.75	0.73	0.73	0.73	0.72	0.72	0.72	0.71	0.71	0.70	0.68	0.65	0.64	0.61	0.61	0.58	0.56	0.54	0.54
Overall Average	0.56	0.58	0.61	0.54	0.58	0.58	0.58	0.53	0.56	0.51										
Cust. Size Class Avg.	0.61	0.61	0.66	0.58	0.59	0.62	0.61	0.56	0.60	0.55										

## Debt to Total Assets

APPA Selected Financial & Operating Ratios of Public Power Systems, Dec 2018

## BONUS MATERIAL #2: Rating Agency focusing on ratio of how many years to pay off all debt with current funds



LES Peer Group Forecast is based on 5-year historical trending.



# Exhibits

# APPA Benchmarking Participants

## ALABAMA

Decatur Utilities  
Huntsville Utilities  
Riviera Utilities  
Scottsboro Electric Power Board  
Troy, City of

## ARIZONA

Electrical District No. 3 Pinal County  
Navajo Tribal Utility Authority  
Salt River Project

## ARKANSAS

Clarksville Light & Water Co.  
Hope Water & Light Commission  
Jonesboro City Water & Light  
Paragould City Light, Water & Cable

## CALIFORNIA

Azusa Light & Water  
Glendale Water & Power  
Modesto Irrigation District  
Pasadena Water and Power Department  
Redding, City of  
Riverside Public Utilities  
Sacramento Municipal Utility District  
Silicon Valley Power  
Turlock Irrigation District

## COLORADO

Loveland Water & Power

## CONNECTICUT

Norwich Public Utilities

## FLORIDA

Beaches Energy Service  
JEA  
Keys Energy Services  
Kissimmee Utility Authority  
Lakeland Electric  
Orlando Utilities Commission  
Tallahassee Electric Utility

## GEORGIA

Marietta Board of Lights & Water

## ILLINOIS

Springfield City Water, Light & Power  
St. Charles, City of

## INDIANA

Lawrenceburg Municipal Utilities  
Richmond Power and Light

## IOWA

Ames, City of  
Cedar Falls Utilities  
Denison Municipal Utilities  
Muscatine Power & Water

## KANSAS

Kansas City Board of Public Utilities  
McPherson Board of Public Utilities

## KENTUCKY

Henderson City Utility Commission  
Owensboro Municipal Utilities

## LOUISIANA

Lafayette Utilities System

## MASSACHUSETTS

Braintree Electric Light Department  
Holyoke Gas & Electric  
Mansfield Municipal Electric Department  
Taunton Municipal Lighting Plant  
Westfield Gas & Electric Light Department

## MICHIGAN

Bay City, City of  
Grand Haven Board of Light & Power  
Lansing Board of Water & Light  
Marquette Board of Light & Power  
Traverse City Light & Power  
Zeeland Board of Public Works

## MINNESOTA

ALP Utilities  
Austin Utilities  
Brainerd Public Utilities  
Elk River Municipal Utilities  
Grand Rapids Public Utilities Commission  
Marshall Municipal Utilities  
Owatonna Public Utilities  
Rochester Public Utilities  
Willmar Municipal Utilities

## MISSOURI

Carthage Water and Electric Plant  
Chillicothe, City of  
Independence Power & Light  
Poplar Bluff Municipal Utilities & City Cable  
City Utilities of Springfield

## MISSISSIPPI

Greenwood Utilities Commission

## NEBRASKA

Grand Island, City of  
Hastings, City of  
Lincoln Electric System  
Loup Power District  
Omaha Public Power District  
Southern Public Power District

## NEW MEXICO

Farmington, City of

## NEW YORK

Fairport, Village of  
Plattsburgh Municipal Lighting Department

## NORTH CAROLINA

Fayetteville Public Works Commission  
Greenville Utilities Commission  
Lexington, City of  
Monroe, City of  
Rocky Mount, City of  
Shelby, City of

## OHIO

Bryan Municipal Utilities  
Hudson Public Power  
Orrville, City of  
Westerville Electric Division

Source: APPA Selected Financial and Operating Ratios of Public Power Systems, Dec 2018

# APPA Benchmarking Participants

## OREGON

Central Lincoln People's Utility District  
Clatskanie People's Utility District  
Eugene Water & Electric Board  
McMinnville Water & Light  
Northern Wasco County, People's Utility District  
Springfield Utility Board

## SOUTH CAROLINA

Orangeburg, City of

## SOUTH DAKOTA

Watertown Municipal Utilities

## TENNESSEE

Benton County Electric System  
Bristol Tennessee Essential Services  
Brownsville Utility Department  
Columbia Power & Water Systems  
Cookeville, City of  
Covington Electric System  
Jackson Energy Authority  
Lewisburg Electric System  
McMinnville Electric System  
Memphis Light, Gas and Water Division  
Nashville Electric Service  
Paris Board of Public Utilities  
Pulaski Electric System  
Ripley Power & Light Company  
Sevier County Electric System  
Tulahoma Utilities Authority

## TEXAS

Austin Energy  
Brownsville Public Utilities Board  
Bryan Texas Utilities  
College Station, City of  
CPS Energy  
Denton Municipal Electric  
Garland, City of  
Kerrville Public Utility Board  
Lubbock Power & Light

## UTAH

Heber Light & Power Co.  
Lehi City  
Provo City Power

## VERMONT

Burlington Electric Department

## WASHINGTON

Benton PUD  
Clallam County, Public Utility District No. 1 of  
Clark Public Utilities  
Cowlitz County, Public Utility District No. 1 of  
Grays Harbor County, Public Utility District No. 1 of  
Lewis County, Public Utility District No. 1 of  
Mason County, Public Utility District No. 3 of  
Seattle City Light  
Tacoma Public Utilities

## WISCONSIN

Manitowoc Public Utilities  
Marshfield Utilities  
Rice Lake Utilities  
Wisconsin Rapids Water Works & Lighting Commission

Source: APPA Selected Financial and Operating Ratios of Public Power Systems, Dec 2018

# LES' Ranking Per APPA Ratios

Quartile 1	Quartile 2
Revenue per kWh (All Retail Customers) Revenue per kWh (Residential Customers) Revenue per kWh (Commercial Customers) Uncollectible Accounts per Revenue Dollar Total O&M Expense per kWh Sold Total Power Supply Expense per kWh Sold Purchased Power Cost per kWh Administrative and General Expenses per Retail Customer Energy Loss Percentage System Load Factor	Revenue per kWh (Industrial Customers) Operating Ratio Total O&M Expense (Excluding Power Supply Expense) per Retail Customer Retail Customers per Meter Reader Distribution O&M Expenses per Retail Customer Distribution O&M Expenses per Circuit Mile Customer Accounting, Customer Service, and Sales Expense per Retail Customer Labor Expense per Worker-hour
Quartile 3	Quartile 4
Debt to Total Assets Current Ratio Debt Service Coverage	Times Earned Interest Net Income per Revenue Dollar Retail Customers per Non-Power Generation Employee

Source: APPA Selected Financial and Operating Ratios of Public Power Systems, Dec 2018

# LES' Ranking Per OPPD Ratios

Quartile 1	Quartile 2
<p>O&amp;M (Non-Power Production) per Retail Customer  Purchased Power Expense per MWh Purchased  Steam Production O&amp;M per Steam MWh Generated  EAF – Oil &amp; Gas  System Average Interruption Duration Index (SAIDI)  Customer Average Interruption Duration Index (CAIDI)  A&amp;G per MWh Sold  A&amp;G per Retail Customer  A&amp;G as a % of O&amp;M (Less Fuel and Purchased Power)  A&amp;G per Employee  A&amp;G as a % of Total Operating Revenues  Residential Revenues per Residential MWh Sold  Commercial Revenues per Commercial MWh Sold  Average Monthly Residential Bill</p>	<p>O&amp;M (Less Fuel and Purchased Power) as a % of Total Operating Revenues  Total O&amp;M as a % of Total Operating Revenues  Power Production O&amp;M per MWh Sold  Fuel Expense per MWh Generated  Power Production O&amp;M per MWh Generated/Purchased  Distribution O&amp;M per Retail MWh Sold  Distribution O&amp;M per Retail Customer  Customer Accts, Service and Sales per Retail MWh Sold  Customer Accts, Service and Sales per Retail Customer  Uncollectible Accounts Expense as a % of Electric Energy Revenues  Gross Distribution Plant in Service per Retail Customer  Retail Revenues per Retail MWh Sold  Wholesale Revenues per Wholesale MWh Sold  Days Cash on Hand  Days Cash on Hand (5-Year Average)</p>
Quartile 3	Quartile 4
<p>Total O&amp;M per MWh Sold  Generation O&amp;M per MWh Generated  Transmission O&amp;M per MWh Sold  Transmission O&amp;M per Transmission Circuit Mile  Transmission O&amp;M as a % of Total Operating Revenues  Transmission O&amp;M (Less Other) per Transmission Circuit Mile  Transmission O&amp;M (Less Other) as a % of Total Operating Revenues  Distribution O&amp;M as a % of Total Operating Revenues  Net Distribution Plant in Service per Retail Customer  Industrial Revenues per Industrial MWh Sold  Electric Energy Sales per Employee  Retail Customers per Non-Power Generation Employee  Retail Electric Energy Sales per Retail Employee  Total Liabilities as a % of Total Assets  Debt Service Coverage  OSHA Incidence Rate (per 100 Employees)  Inventory Turnover</p>	<p>Generation O&amp;M (Less Fuel) per MWh Generated  Transmission O&amp;M (Less Other) per MWh Sold  Equivalent Forced Outage Rate (EFOR) Oil &amp; Gas</p>

Source: OPPD Corporate Key Indicators Report, June 2018

