



Austin Energy's 2017 – 2021 Strategic Plan Update

AEUOC

January 24, 2018





Strategic Planning Overview

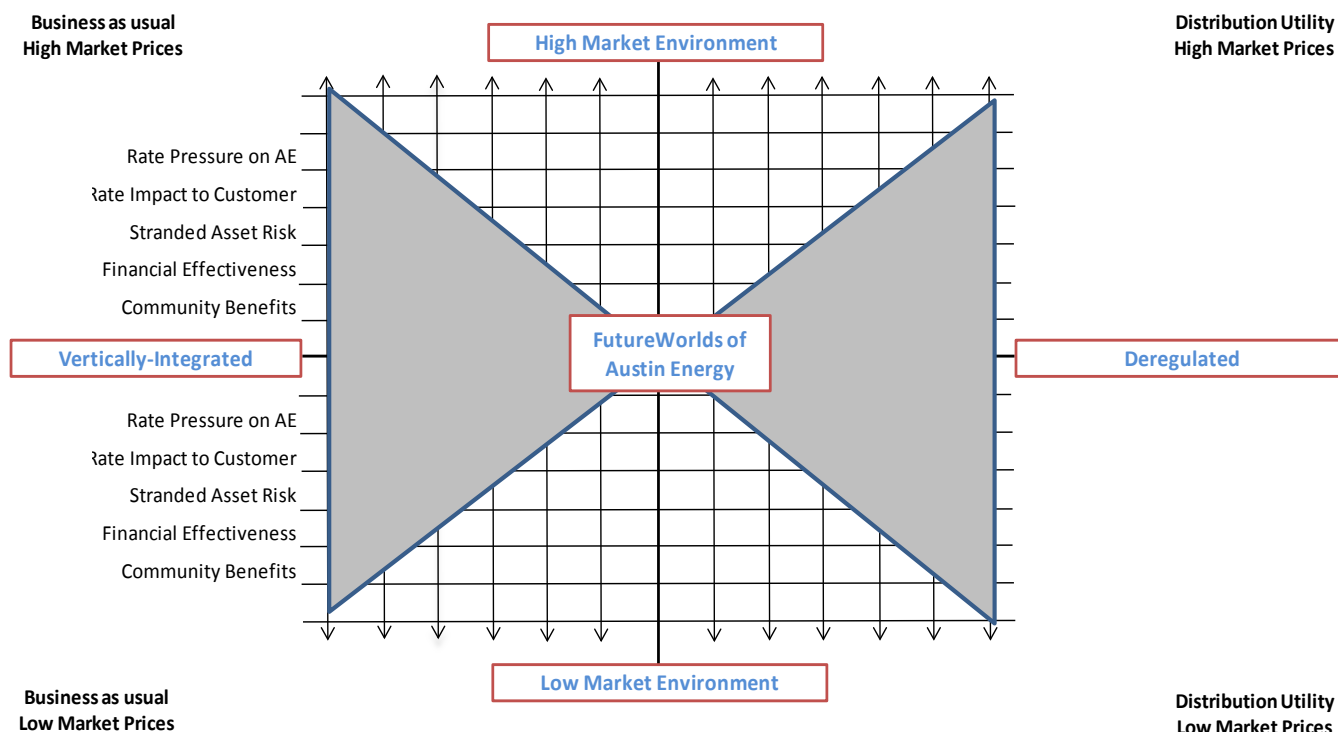
- The Strategic Plan - A five year roadmap to deliver value to our customers and maintain Austin Energy's business model
 - Affordable Rates
 - Ability to invest in long term asset and maintain financial health
 - Is Community owned and Customer driven
- Articulates Mission, Vision, Values, Goals
- Prioritizes Strategic Initiatives – the work we need to do to achieve the vision
- Metrics that measure progress towards our goals

[Strategic Plan Link](#)



Future Worlds Modeling, Analyses and Results

- Two uncertainties were identified as the most relevant to our future:
 - Market Price Uncertainty (High Price Market vs Low Price Market)
 - Regulation (Vertically Integrated vs Restructured (T&D))
- The AE business model and stakeholder impacts vary in each of the four future worlds





Mission & Vision

MISSION

To safely deliver clean, affordable, reliable energy and excellent customer service

VISION

Drive customer value in energy services with innovative technology and environmental leadership



Strategic Goals



Financial Health



Business Excellence



Employee Engagement



Environment



Customer Collaboration



Grid Modernization



Strategic Goal Level 1 Measures

Financial Health: Achieve a “AA” bond rating by 2021 (Fitch)

Customer Collaboration: Achieve above average JD Power customer satisfaction scores for residential and commercial customers

Grid Modernization: Achieve top decile T & D reliability indices (SAIDI, SAIFI) and above average JD Power customer satisfaction index for residential and commercial customers

Employee Engagement: Achieve Listening to the Workforce (LTW) score > 80%; OSHA Total Rec. Injury Rate <or = 1.9 injuries per 100 employees per year; Gallup Employee Engagement Survey results

Business Excellence: Improvements in key areas of operational performance and achieve affordability goals

Environment: Meet Community Climate Plan, Reduce emissions intensity of our generation fleet by 25% by 2021 (2016 baseline) and reduce environmental footprint of AE operations 25% by 2021

Note: SAIDI - System Average Interruption Duration Index / SAIFI -System Average Interruption Frequency Index



Strategic Initiatives

1. Two-way Outage Communication (2017)
2. Customer Self Service (2017-2020)
3. Data and Analytics (2018-2021)
4. Safety and Health (2017-2018)
5. Advanced Metering Infrastructure (2017-2018)
6. Grid Automation (2017 -2021)
7. Billing, payment and Pricing Options (2018-2019)
8. Business Case Proficiency (2017)
9. Asset Management (2017-2021)
10. Reduce Environmental Footprint of AE operations (2017- 2021)
11. Employee Recognition (2018)
12. DER Integration and Optimization (2017 - 2020)
13. Resource Planning (2017 - 2018)

A graphic titled "AUSTIN ENERGY STRATEGIC PLAN" with the subtitle "What is a STRATEGIC INITIATIVE". It features a large blue circle with a yellow question mark. Below this, three bullet points define a Strategic Initiative: "A high-priority project or program", "Key to achieving our STRATEGIC GOALS and VISION", and "Managed, monitored and measured". A text box states: "As STRATEGIC INITIATIVES are implemented, progress will be tracked and reported to employees." At the bottom, it says "Get details about STRATEGIC INITIATIVES at <http://intranet/SPT>" and includes the Austin Energy logo and copyright notice "© 2017 Austin Energy".

AUSTIN ENERGY STRATEGIC PLAN

What is a
STRATEGIC INITIATIVE

- A high-priority project or program
- Key to achieving our **STRATEGIC GOALS** and **VISION**
- Managed, monitored and measured

As **STRATEGIC INITIATIVES** are implemented, progress will be tracked and reported to employees.

Get details about **STRATEGIC INITIATIVES** at <http://intranet/SPT>

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Example Strategic Initiative and Goal impact Measures

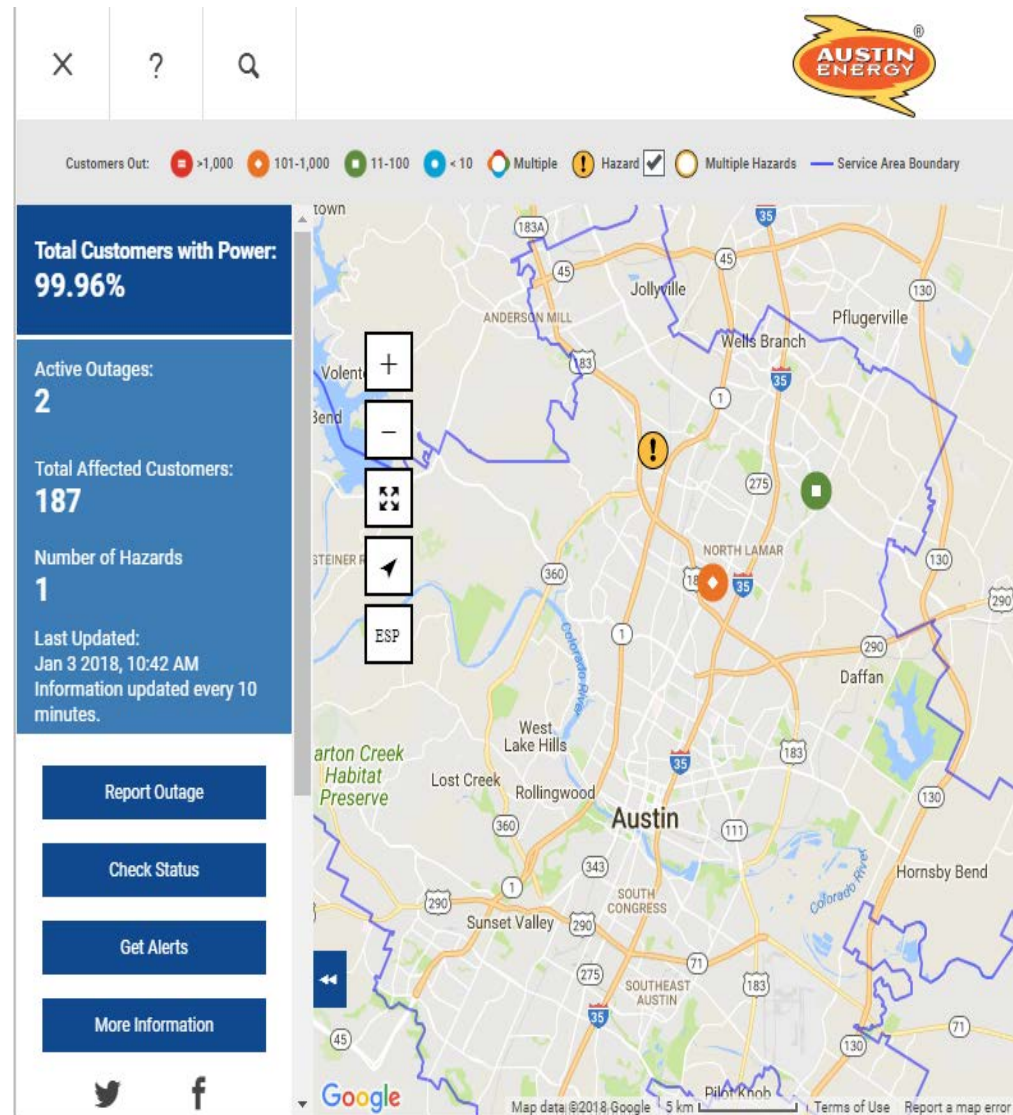
- Two way outage communication Initiative
- Supports the Grid Modernization and Customer Collaboration goals
- Actual System Reliability versus Customer Perception of Reliability



Two Way Outage Communication - Initiative

- Upgrade to latest industry standard outage communication tool and map which is mobile friendly
- Spanish and English options for outage map and text messaging
- Tracks outage status
- Responsive design user experience - we can tell you when a reported outage may be affecting your premise AND when power is will be restored
- New weather display layer
- More comprehensive view of active work locations
- Outage updates will be refreshed more frequently

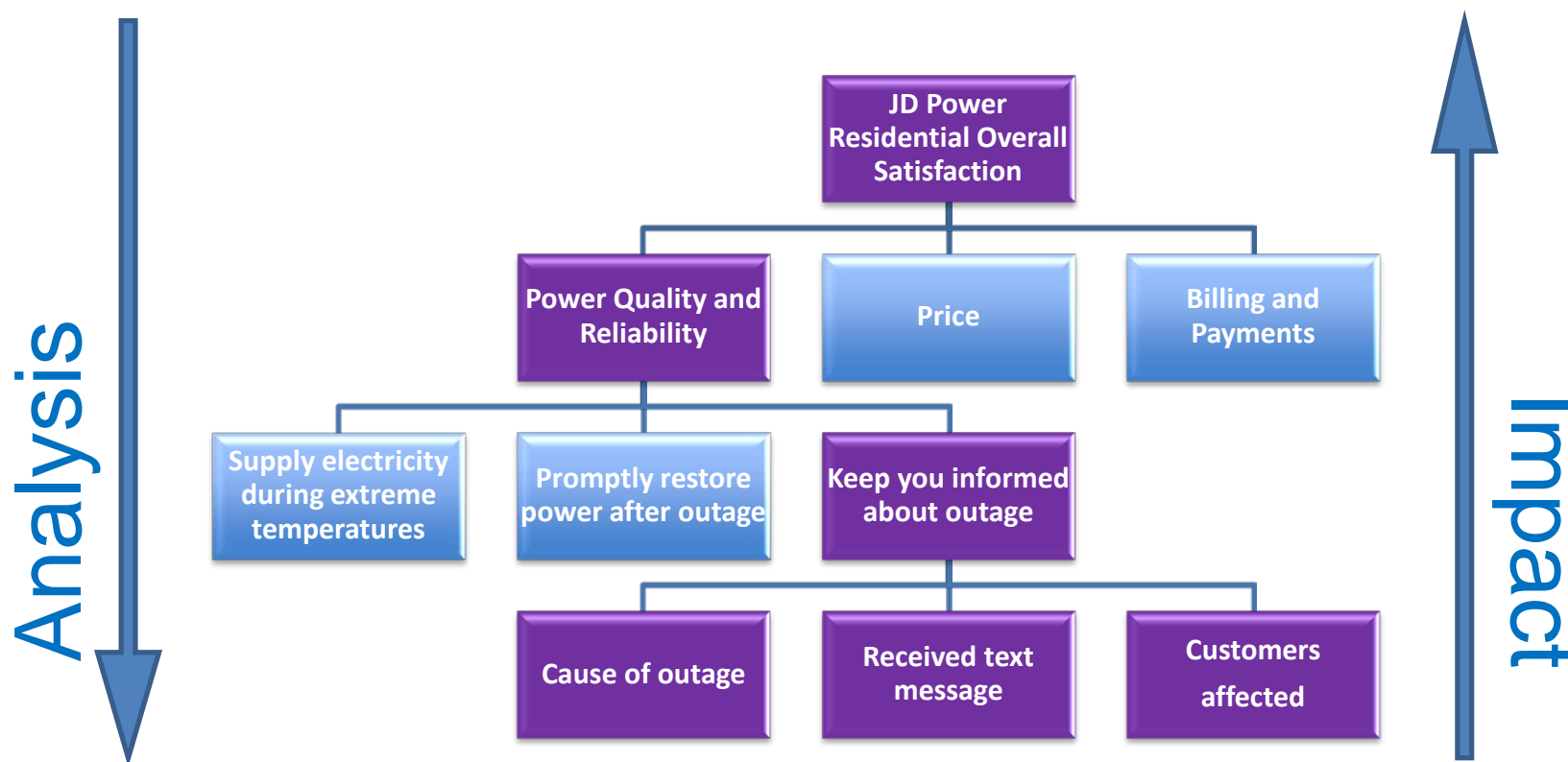
<https://youtu.be/rltDYRUg7OA>





Connecting Strategic Initiatives to KPIs

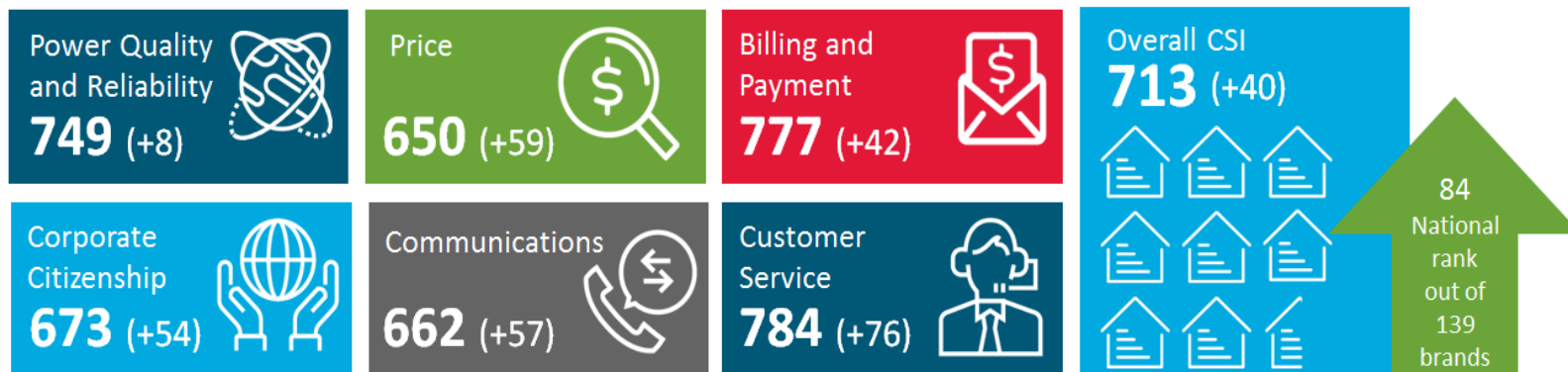
Example: Two-Way Outage Communication



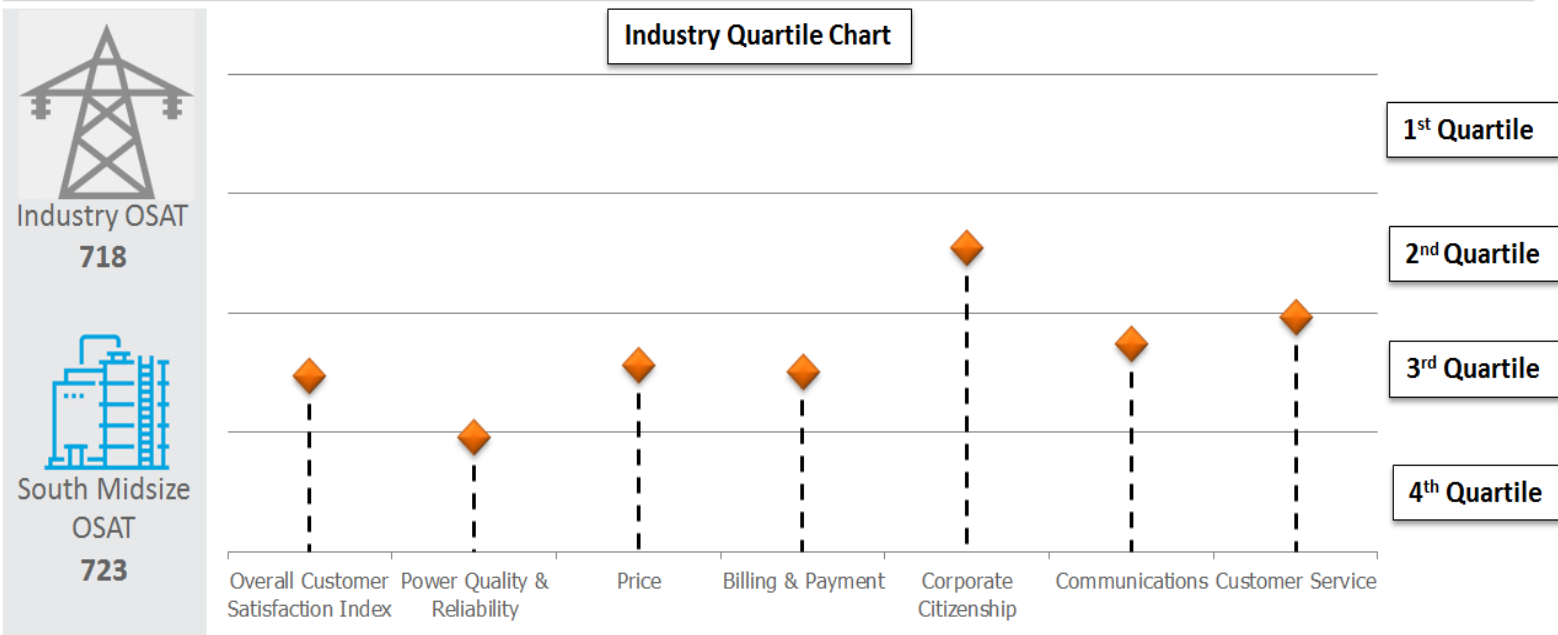


Recent JD Power Trends

Austin Energy Overall Results – Wave 1 2018



Note: Based off 2018 (W1) versus 2017 (W1)





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