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# Municipal Light & Power

*Anchorage: Performance. Value. Results.*

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## Mission

Provide service with competitive, safe, reliable energy.

## Core Services

- Energy distribution
- Energy generation
- Customer service

## Direct Services

Direct services provided by divisions

- See: Customer Service, Finance, Regulatory and Systems & Communications
- See: Energy Production
- See: Engineering & Operations

## Accomplishment Goals

- Affordable and competitive rates
- Safe work environment
- Safe service
- Reliable service

## Performance Measures

Progress in achieving goals will be measured by:

<b>Measure #1: Maintain competitive residential service rates as measured in cents per kilowatt hour</b>
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	2013	2014	2015	2016	2Q-2017
Municipal Light & Power	12.92	15.69	16.55	16.93	23.35
Chugach Elec. Assoc.	14.30	15.94	17.47	17.95	18.87
Matanuska Elec. Assoc.	15.29	16.90	19.88	19.68	19.88
Homer Elec. Assoc.	19.84	23.26	24.84	23.89	24.47
Golden Valley Electric Assoc.	22.54	22.60	21.77	21.76	24.89

Note: Customer charge is \$6.56/month and energy usage is 750 kWh/month. Energy Charge effective 2/15/17 is 14.738 cents/kWh. The Cost of Power Adjustment (COPA) effective 4/1/17 is 7.666 cents/kWh. The Regulatory Charge is adjusted annually by RCA, and is currently .0675 cents/kWh.

**Measure #2: Maintain Total Recordable Incident Rates (TRIR) below industry average**

2013	2014	2015	2016	2Q-2017
3.29	1.41	6.32	3.94	5.18

**Measure #3: Maintain Days Away Restricted Transferred (DART) rate below industry standard**

2013	2014	2015	2016	2Q-2017
1.41	.47	2.26	3.07	4.32

Note:

Industry Average TRIR 2012 - 2015 6.8, 4.5, 2.4 and 6.2 respectively.

Industry Average DART 2012 – 2015 3.3, 3.8, 1.3 and 3.6 respectively

# Customer Service, Administration, Systems & Communications Municipal Light & Power

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**Mission**

Ensure Municipal Light and Power’s (ML&P) business process requirements are efficiently and effectively conducted, while also meeting ML&P’s stewardship obligations to the citizens of Anchorage.

**Core Services**

- Energy distribution
- Energy generation
- Customer service

**Direct Services**

- Financial services that maintain and protect the financial integrity of the utility
- Service all residential and commercial customer account needs
- Support utility wide communications and technical/business application needs of the utility

**Accomplishment Goals**

- Accurate and timely reporting of financial data
- Maintain sound key financial ratios
- Maintain optional business systems uptime
- Accurate and timely meter reading and customer billing

**Performance Measures**

Progress in achieving goals will be measured by:

**Measure #4: Achieve 80% percent of bills that go out within 1 day of meter read date**

2013	2014	2015	2016	2Q-2017
84%	84%	83%	86%	84.5%

**Measure #5: Maintain positive Income Before Dividend**

2013	2014	2015	2016	2Q-2017
\$5,820,381	\$13,450,177	\$9,608,914	\$11,806,466	\$9,516,027

Note: Cumulative Income Before Dividend

**Measure #6: At a minimum, maintain an A bond rating**

Standard & Poor’s Rating Services				
2013	2014	2015	2016	2017
A+	A+	A+	A+	A+

Fitch Ratings				
2013	2014	2015	2016	2017
A+	A+	A+	A+	A+

Note: Rates the level of risk involved in investing in ML&P bonds; "A+" indicates the least amount of risk and is in the highest rating category.

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# Engineering & Operations Municipal Light & Power

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## Mission

Design, construct, operate and maintain generation, transmission and distribution facilities to serve anticipated electric power needs within ML&P's service area at the lowest reasonable cost.

## Core Services

- Energy generation
- Energy distribution
- Customer service

## Direct Services

- Design reliable and cost effective electrical systems
- Construct reliable and cost effective electrical systems in accordance with design standards
- Provide electrical system maintenance that insures continuity of a vital utility
- Maintain the Continuing Property Records (CPR) system to record equipment type and location

## Accomplishment Goals

- Maintain voltages under normal conditions within plus or minus 5 percent (%) of nominal voltage
- Adhere to safety and construction standards
- Proactive preventative maintenance service
- Maintain an outage reporting database system in accordance with industry standards
- Restore power outage conditions in an expeditious and economical manner

## Performance Measures

Progress in achieving goals will be measured by:

**Measure #7: Maintain Customer Average Interruption Duration Index (CAIDI) below industry average**

2013	2014	2015	2016	2Q-2017
1.35	1.98	1.502	.603	.374

Note: Data compiled from 2015 data collected by EIA indicates an average CAIDI of 2.31 hours.

**Measure #8: Maintain System Average Interruption Duration Index (SAIDI) below industry average**

2013	2014	2015	2016	2Q-2017
1.28	1.377	1.563	.605	.139

Note: Data compiled from 2015 data collected by EIA indicates an average SAIDI of 3.0 hours.

**Measure #9: Maintain System Average Interruption Frequency Index (SAIFI) below industry average**

2013	2014	2015	2016	2Q-2017
.953	.695	1.04	1.004	.371

Note: Data compiled from 2015 data collected by EIA indicates an average SAIFI of 1.17 interruptions per customer.

*EIA is the U.S. Energy Information Administration*

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**Performance Measure Methodology Sheet**  
**Anchorage Water & Wastewater Utility**

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**Measure #1: Compliance with all State and Federal drinking water, wastewater, and clean air standards**

**Type**

Effectiveness

**Accomplishment Goals Supported**

- Provide reliable service
- Provide safe drinking water that meets or exceeds all standards
- Protect the environment through appropriate wastewater collection, treatment, and disposal.

**Definition**

The number of regulatory requirements meeting compliance standards divided by the total number of regulatory requirements for the time period. The total number of regulatory requirements is the sum of daily, weekly and monthly compliance standards.

**Data Collection Method**

All samples collected are compared with the State or Federal regulatory standards and any violations are noted and reported in accordance with permit stipulations.

**Frequency**

The percent compliance measurement will be calculated quarterly, using running totals for the calendar year.

**Measured By**

The Treatment Division will prepare a report from the water quality and laboratory databases that identifies any samples or reportable incidents that do not meet regulatory standards.

**Reporting**

The Treatment Division Director will update the report quarterly from the water quality and laboratory databases. The information will be displayed in tabular form.

**Used By**

The Treatment Division Director and General Manager will use the information to gain a clearer understanding of performance of AWWU's treatment facilities and determine if changes in system operation or maintenance are required.

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**Performance Measure Methodology Sheet**  
**Anchorage Water & Wastewater Utility**

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**Measure #2: Number of planned and unplanned water outages**

**Type**

Effectiveness

**Accomplishment Goal Supported**

- Provide reliable service
- Provide safe drinking water that meets or exceeds all standards
- Protect the environment through appropriate wastewater collection, treatment, and disposal.
- Timely, professional, and courteous interactions with customers.
- Continuous improvement in the efficiency of our operations
- Anticipate change and be prepared for the future

**Definition**

A water outage is defined as a disruption in service to a service connection. A service connection serves one customer, although multiple people may be affected by the disruption in service to a residence or a business.

**Data Collection Method**

A tally is kept through each calendar month of the number of customers who experience planned and unplanned water service disruptions for a range of durations listed below. The outage is as reported to AWWU and confirmed by observation or analysis in the field.

**Frequency**

The measurement will be recorded at the beginning of each month for the preceding month.

**Measured By**

Number of customers who do not have water service for the following durations:

- Less than 4 hours
- Between 4 hours and 12 hours
- Greater than 12 hours

Disruptions are counted for planned activities (customers are given advance notice in writing) and unplanned (emergency) activities.

**Reporting**

The Strategic Asset Services Section will create a monthly report that will show water outages numerically and graphically.

**Used By**

The O&M Division, Customer Service Division, and Strategic Asset Services Section and the General Manager will review these data monthly to evaluate adequacy of operation and maintenance approaches, customer service response and pipe condition.

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**Performance Measure Methodology Sheet**  
**Anchorage Water and Wastewater Utility**

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**Measure #3: Sanitary Sewer Overflows**

**Type**

Effectiveness

**Accomplishment Goals Supported**

- Provide reliable service.
- Timely, professional, and courteous interactions with customers.
- Protect the environment through appropriate wastewater collection, treatment, and disposal.
- Continuous improvement in the efficiency of our operations
- Anticipate change and be prepared for the future.

**Definition**

Total number of wastewater overflows onto the ground or wastewater back-ups into customer residences if caused by an obstruction in an AWWU sewer main, manhole, or cleanout. Overflows or backups that occur due to on-property blockages do not count.

**Data Collection Method**

The reportable number of sanitary sewer overflows is what is reported in writing to the EPA Region X office within a week of each occurrence.

**Frequency**

The measurement will be recorded each month for the previous month.

**Measured By**

Data collection is by direct observation by AWWU staff.

**Reporting**

The O&M Division will create a monthly report displaying overflow data numerically and graphically.

**Used By**

The O&M Division, Customer Service Division, and Strategic Asset Services Section and the General Manager will review these data monthly to evaluate adequacy of operation and maintenance approaches, customer service response and pipe condition.



**PVR Measure WC: Managing Workers' Compensation Claims**

Reducing job-related injuries is a priority for the Administration by ensuring safe work conditions and safe practices. By instilling safe work practices we ensure not only the safety of our employees but reduce the potential for injuries and property damage to the public. The Municipality is self-insured and every injury poses a financial burden on the public and the injured worker's family. It just makes good sense to WORK SAFE.

Results are tracked by monitoring monthly reports issued by the Risk Management Division.

