



PENSACOLA
ENERGY

Goals, Objectives, Performance Measurements

Mayor's Transition Team Public Input Session:
Finance & Budget/Pensacola Energy
1/22/2019

Pensacola Energy Goals

Pensacola Energy generates income for the City of Pensacola through the sale of natural gas and energy-related services.

We continuously strive to:

- Improve customer service delivery
- Test and implement new service offerings intended to expand our ability to generate revenue
- Upgrade the condition of our underground gas mains and service lines
- Integrate new technologies to improve operational efficiency

Mission Statement: Pensacola Energy is an innovative, high-value energy services provider committed to safety, performance, and excellence.



Pensacola Energy Objectives

Well-Managed

- Improve customer service delivery and surpass customer expectations
- Purchase reliable economic supply of gas for resale to customers
- Promote the growth of natural gas usage in new and existing markets
- Integrate new technologies to improve operational efficiency

Attractive

- Expand the natural gas system into new service areas

Safe

- Ensure all aspects of operating the distribution system is done in a safe, efficient, compliant and reliable manner
- Maintain a replacement program to ensure safe operations for public safety
- Promote Public Safety Awareness to educate customers, contractors and stakeholders
- Promote enhanced training for employees



Performance Measurements

Customer Service

PERFORMANCE INDICATORS	MEASUREMENT	FY 2016 ACTUAL	FY 2017 ACTUAL	FY 2018 TARGET	FY 2019 TARGET
Call Center Efficiency	Average time on hold	119 seconds	133 seconds	120 seconds	120 seconds
Operations Center Efficiency	Average time on hold	95 seconds	119 seconds	80 seconds	95 seconds
Electronic Payment Utilization	Total volume of electronic payments	177,912	194,548	210,000	240,000
Call Quality	Scored on greeting/closing, communication, content	n/a	89	93	95

Performance Measurements

Marketing

PERFORMANCE INDICATORS	MEASUREMENT	FY 2016 ACTUAL	FY 2017 ACTUAL	FY 2018 TARGET	FY 2019 TARGET
Single Family Success Rate	Percentage of single family homes using gas where available	56%	66%	68%	72%
Multi-Family Success	New multi-family services	0	9	50	100
Commercial Success	New commercial services	32	48	30	44
	Estimated annual load - MCF	15,775	24,341	31,000	36,000
Retrofit Water Heating	Conversions from electric to gas	130	163	195	220

Performance Measurements Training

PERFORMANCE INDICATORS	MEASUREMENT	FY 2016 ACTUAL	FY 2017 ACTUAL	FY 2018 TARGET	FY 2019 TARGET
Mandated Public Awareness Activities	Number of safety booklets direct mail	6,602	5,493	7,000	7,000
	Number of public events meeting	2	11	8	8
Safety Equipment Inspections and Meetings	Vehicle and job site inspections	n/a	38	40	40
	Safety Meetings and Tailgate Sessions	20	194	400	400

Performance Measurements

Gas Cost

PERFORMANCE INDICATORS	MEASUREMENT	FY 2016 ACTUAL	FY 2017 ACTUAL	FY 2018 TARGET	FY 2019 TARGET
Price Change	Gas cost percent under index price	6.3%	(2.5)%	5%	3%
Price Volatility	Percent hedged per energy risk management policy	49.0%	21.7%	15-45%	15-45%

Performance Measurements Operations

PERFORMANCE INDICATORS	MEASUREMENT	FY 2016 ACTUAL	FY 2017 ACTUAL	FY 2018 TARGET	FY 2019 TARGET
Employee Turnover	Employee turnover rate	12.8%	10.2%	5%	4%
Leak Report Activities	Total leak repairs	1,098	1,297	800	750
	Total repairs pending	231	11	80	50
	Average repaired leaks per mile	.47	.40	.40	.30
Miles of Main	Miles of steel	612	602	586	576
	Miles of cast iron	82	77	38	0
	Miles of PE	927	960	1050	1089
Base Load (non weather sensitive)	MCF Sales	1,071,056	1,125,425	1,164,800	1,193,900

Performance Measurements

Gas Construction

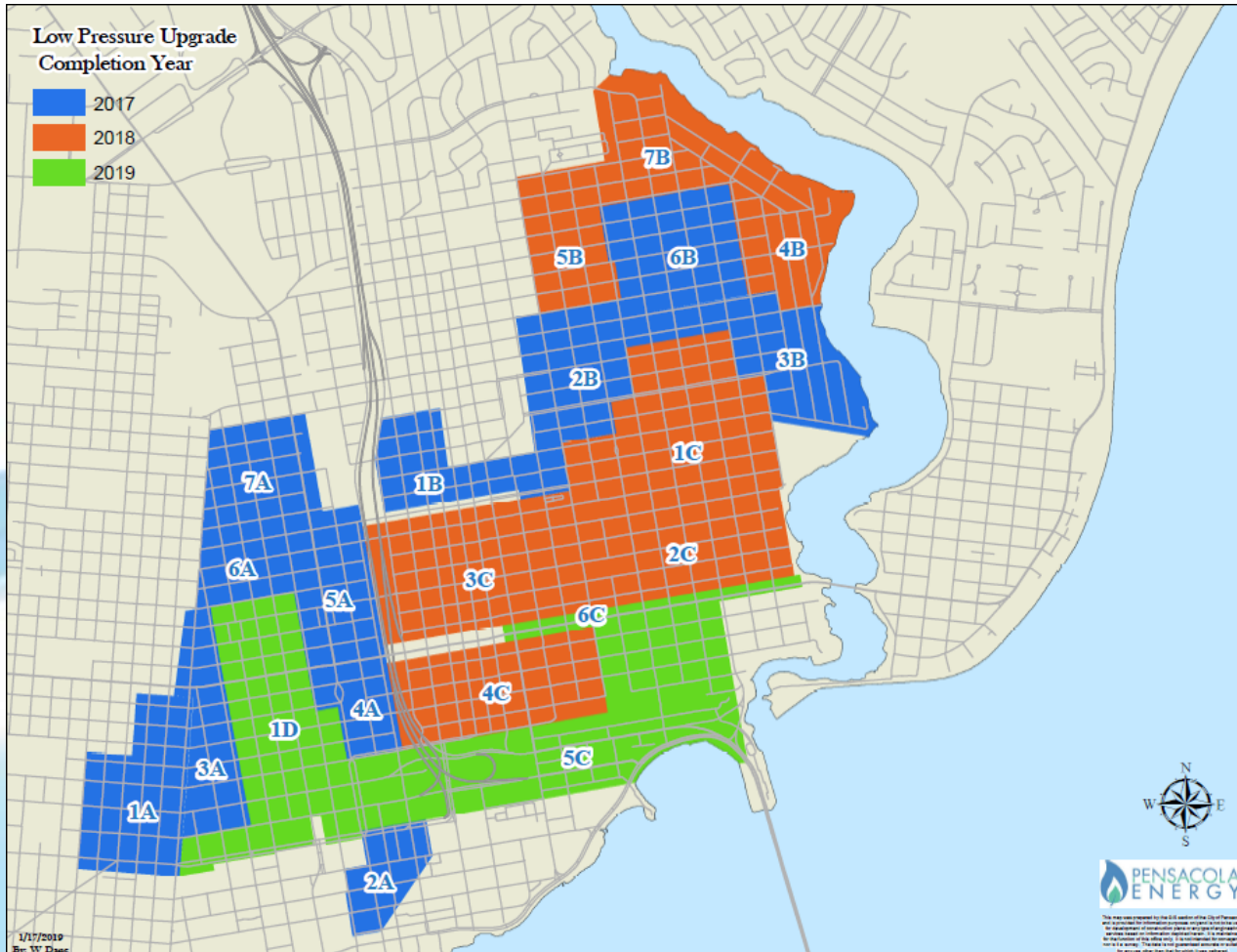
PERFORMANCE INDICATORS	MEASUREMENT	FY 2016 ACTUAL	FY 2017 ACTUAL	FY 2018 TARGET	FY 2019 TARGET
Gas Main Activity	Linear feet of new main installed	52,496 LF	81,794 LF	90,700 LF	99,700 LF
Gas Service Activity	Number of new customer service installations	472	1,714	750	825

Performance Measurements

Infrastructure Replacement

PERFORMANCE INDICATORS	MEASUREMENT	FY 2016 ACTUAL	FY 2017 ACTUAL	FY 2018 TARGET	FY 2019 TARGET
Pipeline Replacement Activity	Linear feet of cast iron gas main replaced with polyethylene pipe	3,879 LF	24,681 LF	222,000 LF	65,600 LF
	Linear feet of steel gas main replaced with polyethylene pipe	57,138 LF	29,260 LF	46,000 LF	40,000 LF
	Number of service lines replaced with polyethylene pipe	425	1,045	2,628	1,320
Gas Main Activity	Number of feet of cast iron mains retired	5,093 FT	173 FT	194,000 FT	202,000 LF
	Number of feet of steel mains retired	43,414 FT	14,902 FT	82,600 FT	55,000 LF
Gas Service Activity	Number of services retired	455	3,422	750	700

Cast Iron Replacement Project



- 3-Year project, began February 2017,
- Replacement of 82 miles of obsolete cast iron main
- Estimated completion is July 2019.