



**FY 2019-20 Adopted Operating Budget
and Capital Program**



Lubbock Power & Light
The power is yours.

FY 2019-20
Adopted Operating Budget & Capital Program



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Elected, Appointed and Principal Officials

City Council

| | |
|------------------------------|-----------------------------|
| Daniel M. Pope | Mayor |
| Juan A. Chadis | Council Member – District 1 |
| Shelia Patterson Harris | Council Member – District 2 |
| Jeff Griffith, Mayor Pro-Tem | Council Member – District 3 |
| Steve Massengale | Council Member – District 4 |
| Randy Christian | Council Member – District 5 |
| Latrelle Joy | Council Member – District 6 |

Electric Utility Board

| | |
|------------------------|-------------------|
| Daniel L. Odom | Chair |
| Don Boatman | Vice Chair |
| Greg Taylor | Secretary |
| Jerry Bell | Board Member |
| James Conwright | Board Member |
| Edwin E. “Butch” Davis | Board Member |
| Jane U. Henry | Board Member |
| Kevin McMahon | Board Member |
| Gwen Stafford | Board Member |
| Daniel M. Pope, Mayor | Ex-Officio Member |

Principal Officials

| | |
|-----------------|--|
| David McCalla | Director of Electric Utilities |
| Richard Casner | General Counsel – LP&L |
| Andy Burcham | Assistant Director/Chief Financial Officer |
| Blair McGinnis | Chief Operating Officer |
| Joe Jimenez | Financial Planning and Analysis Mgr. |
| Ranu Manik, CPA | Financial Services Manager |
| Tonika Williams | Financial Analyst |



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Lubbock Power & Light Overview

Mission and Purpose

Provide citizens with safe, reliable, and high quality electric service at the most affordable rates while being financially self-sustaining. Lubbock Power & Light (LP&L) provides the following services:

- Operation and maintenance of the generation, transmission, and distribution facilities of the LP&L system
- Delivery of energy through transmission and distribution lines and substations to our customers
- Metering, billing, collections, and customer service for LP&L, Water/Wastewater, Solid Waste, and Storm Water customer accounts (City of Lubbock Utilities)

Goals and Objectives

- Four nines uptime – Setting a measurable standard of excellence for reliability; power is up 99.99 percent of the time
- Consistently low rates and efficiency – Operating an effective utility with low rates and supporting customers by helping them save
- Friends and neighbors resolution – Customer service interactions are simple, efficient and solved in one phone call; no transfer or customer follow-up calls needed
- Public stakeholder engagement – Leadership presence in the community engaging with influencers and visionaries interested in Lubbock's future
- Long-term financial sustainability and strong credit ratings
- First-class service to our customers while operating with the highest code of ethics
- Safe environment for all employees and customers

Accomplishments for Fiscal Year (FY) 2018-19

- Continued the engineering, procurement and construction phases for the capital projects related to the inner 69 kilovolt (kV) and outer 115kV transmission loop projects
- Completed and/or closed 21 capital projects totaling \$45.46 million, which consisted of \$9.58 million in annual projects, \$9.83 million in transmission projects, \$2.30 million in one-time distribution projects, \$9.75 million in facilities upgrade projects, \$9.69 million in substation projects, \$1.56 million in dispatch projects, and \$2.75 million in production projects
- Concluded distribution switching studies to improve the reliability and overall performance of the distribution system
- Finalized negotiations on a participation agreement with Sharyland Utilities, which was subsequently acquired by Oncor Electric Delivery Company (Oncor)

- Implemented a new power supply contract with Southwestern Public Service Company (SPS), which was accompanied with current and future cost savings for LP&L customers
- Made significant progress, as joint applicants with Oncor, on four Certificates of Convenience and Necessity (CCNs) at the Public Utility Commission (PUC)
- Completed the 2019 plan for downtown redevelopment and developed new specifications for light-emitting diode (LED) street lighting
- Added many system improvements, such as voltage regulators and multiple reclosers in key areas
- Moved the primary control center to the Emergency Operations Center (EOC), with full staffing 24 hours per day, seven days a week
- Completed the Thompson 12kV feeder line under South Loop 289 at South Plains Mall and the 12kV feeder line on North Slide from Erskine to North Loop 289
- Completed right-of-way acquisition for the Northwest to Mackenzie transmission line and completed upgrades on the Chalker to Oliver 115kV transmission line
- Completed construction on the Red Raider and Slaton substations
- Distribution crews worked seven major weather events, including snow, high winds, and severe thunderstorms, that required Emergency Operations Center and resulted in restoration with zero accidents
- Completed the Transition to Retail Choice Study, studying the impacts of opt-in to retail competition
- Began full deployment of the Advanced Metering Infrastructure (AMI) system and began the implementation of the Customer Information System (CIS)/Meter Data Management System (MDMS), and Mobile Workforce Management (MFWM) system (collectively, Customer Service Information Systems or CSIS)
- Attained a high level of training for the apprentice lineman program with the implementation of the Northwest Lineman College curriculum, and sent apprentices and lineman to the Texas Electric Cooperatives training schools
- Upgraded the Geographic Information System (GIS) software solution and interfaces allowing the GIS to be available for both LP&L non-GIS users and other City of Lubbock departments
- Completed a major rebuild of the Chalker substation, and commissioned several new relay panels at the Southeast, Wadsworth, McDonald and Northwest substations
- Installed a mobile substation at the McDonald substation to facilitate an entire rebuild of the distribution system, including the installation of two 50 mega volt ampere (MVA) transformers

Lubbock Power & Light Overview

- Increased paperless billing to ten percent of City of Lubbock Utilities customers
- Sent over two million email communications and over 70,000 texts to City of Lubbock Utilities customers
- Achieved a 99.7 percent meter reader accuracy rate, based on the number of meters read

Objectives for FY 2019-20

- Continue engineering, procurement, and construction on the inner 69kV and the outer 115kV transmission loop project in order to prepare for interconnection to the Electric Reliability Council of Texas (ERCOT) by June 2021
 - Continue efforts to construct the 345kV integration facilities to the north and south of the City in coordination with Oncor
 - Initiate a Transmission Cost of Service (TCOS) rate filing with the PUC in order to earn a return on all transmission assets
 - Install new 12kV and 23kV circuits under West Loop 289 at 26th Street and place a section of the 12kV and 23kV feeders along Milwaukee Avenue
 - Continue work on the conversion of the SPS distribution system from 4kV to 12kV
 - Work to ensure that every supervisory control and data acquisition (SCADA) operator is successful in passing their North American Electric Reliability Corporation (NERC) certification test before the new transmission assets come online
 - Complete full deployment of AMI meters, go-live with the new CSIS system and implement phase two of AMI with a customer portal that provides individual usage data
 - Continue to work with customers to improve communication and customer service in order to strengthen overall relations between ratepayers and their municipally-owned utilities
 - Increase paperless billing to 20 percent of City of Lubbock Utilities' customers, and increase kiosk usage by 50 percent
 - Train employees on the skills to maintain and service the new AMI meters as these employees transition from meter readers and field service representatives to meter technicians
- investment portfolio, mainly as a result of the Federal Reserve Bank's recent increases to short-term interest rates.
- General consumers' metered revenue decreases \$0.10 million, or 0.1 percent, due to the amended power purchase agreement with Texas Tech University (TTU) that was negotiated and approved in December 2018, offset by higher revenues as a result of an anticipated average system growth of 0.12 percent.
 - Power Cost Recovery Factor: The Purchased Power Cost Recovery Factor (PPRF) has been renamed to Power Cost Recovery Factor (PCRF). The reason for the change is due to the termination of the full-requirements contract with SPS and the resulting changes in power supply. Through at least FY 2020-21, power costs will include power purchases plus self-generation from LP&L-owned generating units. PCRF revenue decreases \$19.69 million, or 11.6 percent due to a reduction totaling \$9.03 million in capacity costs due to the new 400 megawatt (MW) capacity contract with SPS that incorporates a lower capacity charge; a reduction totaling \$1.18 million in estimated energy costs; a reduction totaling \$1.06 million in Southwest Power Pool (SPP) transmission costs; and a reduction totaling \$8.42 million for the FY 2018-19 planned collection of revenues for the SPS hold harmless payment due in June 2021.
 - Franchise fee equivalent revenue decreases \$1.05 million, or 9.2 percent, mainly due to the decrease in general consumers metered and PCRF revenues highlighted in the previous two bullets.
 - Unit contingent revenue is eliminated due to the expiration of the unit contingent agreement on June 30, 2019.
 - Power marketing sales revenue is eliminated due to the changes that occurred on June 1, 2019, whereby LP&L began utilizing the Brandon and Massengale units to serve the local LP&L load. The net revenue from the Brandon and Massengale units is included in the power cost calculation since the plants will be used to serve local load.
 - Fees and charges revenue increases \$0.01 million, or 0.4 percent based on historical spending. Fees and charges include items such as: reconnect fees and late charges.
 - Outside work order revenue increases \$0.14 million, or 16.8 percent due to an increase of service work order requests as the need for new service, street lights, pole sets, along with other services increases as construction activity continues to rise.
 - Transfer from the debt service fund decreases \$0.15 million, or 4.8 percent, and represents bond proceeds that will be used to pay the capitalized interest payment on the outstanding 2017 and 2018 30-year revenue bonds.
 - Transfers from other funds increase \$1.41 million, or 109.4 percent, due to a transfer from the Water,

Funding Sources Overview

LP&L is pleased to present a budget that aligns with the previous year's forecast and does not recommend a base rate adjustment for FY 2019-20.

Overall, budgeted revenues decrease \$21.42 million, or 8.2 percent, for FY 2019-20 and include the following changes:

- Interest earnings increase \$0.41 million, or 37.8 percent based on higher yields in the pooled

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Wastewater, Storm Water and Solid Waste funds (Other City Utilities), totaling \$1.28 million, to fund a portion of the generator, interactive voice response (IVR) system, and furniture fixtures and equipment (FF&E) at the new Customer Service Center adjacent to Citizen's Tower, as well as fund a share of five vehicles that were purchased in FY 2018-19 in the Field Services Department. Additionally, the transfer from the Other City Utilities for debt service on the CSIS capital project increases \$0.07 million; the transfer from the Water Fund for debt service on the AMI capital project increases \$0.04 million; and a new transfer from the Other City Utilities for a newly created Vehicle Replacement Fund totals \$0.05 million. Offsetting the transfer increases is a reduction in the transfer from the Other City Utilities for the FY 2019-20 Citizen's Tower Customer Service Center debt service payment as the allocation of this cost to the Other City Utilities is lower than the prior year.

Expense Overview

Budgeted expenses decrease \$16.48 million, or 6.4 percent, for FY 2019-20. The two main drivers of the decrease are capacity and energy/fuel cost reductions. Capacity costs decrease due to the end of the full-requirements contract with SPS and the transition to the 400MW capacity contract. Energy/Fuel costs also decline mainly due to anticipated lower costs of energy in the SPP Integrated Marketplace (IM) due to lower fuel prices.

- Compensation increases \$1.41 million, or 8.4 percent, primarily due to an increase in full-time equivalent (FTE) positions in the Underground Lines and Street Lights departments; a 2.5 percent cost of living adjustment in full-time salaries; an increase in journey line worker minimum hourly pay from \$35 to \$40 per hour; an increase in expected terminal pay; offset slightly due to decreases in anticipated part-time and overtime pay based on anticipated workload in FY 2019-20. The staffing changes are described in the Staffing Overview in the following section. Additionally, increased personnel charges in operations and maintenance, offset by decreased personnel charges in the capital program, occurs due to a reduced allocation of personnel costs charged to transmission system and CSIS projects. The percentage amount charged to capital projects decreases from 21.4 percent of payroll in FY 2018-19 to 18.5 percent of payroll in FY 2019-20.
- Benefits increase \$0.56 million, or 8.0 percent, related to the increases in compensation mentioned above and by increased workers' compensation premiums.
- Fuel costs move from the "Fuel" line in the financial model to the "Energy/Fuel – LP&L Production" line. Fuel moves to power pass-through costs as a result of the expiration of the full-requirements contract with SPS. Fuel costs were budgeted at \$1.08 million in FY

2018-19 and are estimated at 3.75 million for FY 2019-20.

- Energy/fuel costs decrease \$8.09 million, or 9.6 percent, offset by Production costs totaling \$6.91 million that have been moved into this expense category in FY 2019-20, as shown in the table below:

| | 2018-19 | 2019-20 | Change |
|----------------------|------------------------|------------------------|-------------------------|
| Energy/Fuel-SPP | \$ 83.32 | \$ 69.80 | \$(13.52) |
| Energy/Fuel-Elk City | 0.83 | 2.50 | 1.67 |
| Fuel | - | 3.75 | 3.75 |
| Energy/Fuel | <u>\$ 84.15</u> | <u>\$ 76.06</u> | <u>\$ (8.09)</u> |
| Compensation | \$ - | \$ 3.25 | \$ 3.25 |
| Benefits | - | 1.17 | 1.17 |
| Supplies | - | 0.20 | 0.20 |
| Maintenance | - | 0.37 | 0.37 |
| Prof. Services | - | 0.74 | 0.74 |
| Other Charges | - | 0.05 | 0.05 |
| Scheduled Charges | - | 1.14 | 1.14 |
| Production O&M | <u>\$ -</u> | <u>\$ 6.91</u> | <u>\$ 6.91</u> |
| Total | <u>\$ 84.15</u> | <u>\$ 82.97</u> | <u>\$ (1.18)</u> |

- The decrease in energy/fuel is driven by the anticipated lower costs of energy in the SPP IM due to lower fuel prices. As of June 1, 2019, LP&L no longer pays for fuel costs directly to SPS, but instead purchases energy through the SPP IM and through the Elk City II agreement. The energy costs in the SPP IM have fuel costs embedded in the locational marginal prices (LMPs) and LP&L will pay for fuel indirectly through purchased energy in the market. Offsetting the decreases related to energy/fuel is the inclusion of the Production Department operating expenses, including the purchase of natural gas for LP&L-owned generating units. The generating units will serve the native LP&L load as needed, when prices in the SPP IM exceed the cost to generate power locally. The generating stations served as power marketing merchant units or as units under a contingent agreement with SPS from 2004 through June 2019. Since the plants no longer serve as merchant or contracted units, the costs associated with them should be captured as a power cost pass-through. Additionally, costs associated with the Elk City II power purchase agreement increase as a result of twelve months of costs that will be incurred in FY 2019-20 compared to only four months in FY 2018-19.
- Transmission costs decrease \$1.06 million, or 3.3 percent. The FY 2018-19 transmission budget increased relative to FY 2017-18 as a result of large construction buildouts of transmission in SPP. FY 2018-19 is on pace to complete the fiscal year at approximately \$28.9 million, or \$3.0 million under budget. The large construction buildouts are ongoing

Lubbock Power & Light Overview

in SPP and will continue to affect LP&L transmission costs in FY 2019-20. The expected rate of growth in FY 2018-19 has not materialized to the degree anticipated in the FY 2018-19 financial model. The FY 2019-20 transmission estimate reflects the smaller growth rate. The FY 2019-20 is a decrease from the FY 2018-19 budget, but represents an increase relative to where FY 2018-19 actual costs are expected to finish.

- Capacity costs decrease \$9.03 million, or 19.9 percent. On June 1, 2019, the full-requirements contract with SPS ended and two new capacity agreements commenced: (1) a partial-requirements contract for 170MW - purchases for capacity operate exactly as they did under the full-requirements contract, but only for 170MW; and (2) a 24-month, 400MW capacity contract - LP&L pays a lower per-kW rate on the 400MW than the amount paid for capacity under the full-requirements contract. The decrease in the price of capacity is solely related to the new 400MW capacity contract. LP&L experienced four months of capacity savings during FY 2018-19 and will recognize a full twelve months of capacity savings in FY 2019-20.
- Maintenance increases \$0.32 million, or 13.8 percent, due to an increase in the City's Fleet Department administration costs, an increase for vehicle maintenance based on historical spending, and maintenance costs for the transmission and distribution systems. The increases are slightly offset by a decrease in gas plant maintenance based on historical spending.
- Professional services/training increases \$1.33 million, or 23.5 percent primarily due to Oracle's and Itron's managed services costs for the new CSIS, totaling \$1.00 million; additional services from Kubra for phase two of AMI to include a customer portal, an additional kiosk for the Customer Service Center at Citizen's Tower and increased credit card bank fees, totaling \$0.52 million; interfaces between LP&L's and ERCOT's transmission information systems in preparation for the June 2021 integration, totaling \$0.20 million; TCOS and comprehensive cost of service (COS) studies, totaling \$0.29 million; and additional training, totaling \$0.16 million. Offsetting these increases is a reduction totaling \$0.5 million in the Legal department as the need for outside legal work has decreased following the approval of the ERCOT integration and completion of the CCN cases at the PUC, and \$0.5 million that was budgeted in the prior year for the Transition to Retail Choice Study.
- Other Charges increased \$0.23 million, or 17.5 percent primarily due to GIS software licenses and maintenance extended support, totaling \$0.11 million; and increases in computer equipment to update computers and security systems as well as the purchase of tablets/laptops for new FTEs, totaling \$0.25 million. Offsetting these increases is a reduction in payments to Xerox due to the termination of the lease agreement for the bill printer.
- Scheduled charges decrease \$0.02 million, or 0.5 percent, due primarily to decreases in data processing services, electric, postage, and sewer. The reductions are slightly offset by an increase in liability insurance, water, and telephone charges.
- Capital Outlay decreases \$0.99 million, or 94.7 percent, primarily due a reduction to maintenance capital expenditures for the production plants. These costs are offset slightly by an increase of \$0.04 million for the replacement of six HVAC units at various substations.
- The reimbursement from the Other City Utilities for the customer service function decreases \$0.33 million, or 5.2 percent. The calculation of the reimbursement is based on audited numbers from FY 2017-18.
- Debt service increases \$2.21 million, or 9.2 percent, primarily due to the increase in interest payments related to the FY 2017-18 issuance of \$98.1 million revenue bonds as only a partial year of interest expense was incurred in FY 2017-18 and a full year of interest expense is planned for FY 2019-20 with this issuance.
- Capitalized interest decreases \$0.15 million, or 4.8 percent, as capitalized interest was conservatively estimated in the prior year, and actual costs are now known following the issuance of the 2018 revenue bonds. Principal payments on the 2017 and FY 2018 issuances of 30-year transmission-related debt will partially begin in FY 2020-21 and fully begin in FY 2021-22. Interest-only payments related to the transmission projects are required each fiscal year, prior to the ERCOT integration, and those payments will be made from the capitalized interest funds provided by bond proceeds.
- Direct purchase revolving note program fees (Note Program Fees) is a new expense in FY 2019-20 related to the costs associated with administering the notes. The Note Program will be used to finance the majority of LP&L's capital expenditures through December 31, 2021. The Note Program will allow LP&L to (1) make draws at a short term rate of interest, (2) match cash flow/draw needs with a complex construction schedule, and (3) provide flexibility by matching an initial principal and interest payment date in 2021 with the first receipt of TCOS revenues. Notes will be issued with no repayment obligation throughout the term of the Note Program. Long-term, fixed rate bonds will be issued to refinance the Note Program upon LP&L's integration into ERCOT. The fees represent an undrawn fee (standby fee), totaling \$0.48 million, and paying agent fees, totaling \$0.02 million.

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- The Indirect Cost Allocation increases \$0.11 million, or 9.6 percent due to increased expenditures on capital assets in FY 2017-18. For the most part, indirect costs are allocated using the ratio of LP&L's operating expenses (less purchased power) plus purchases of capital assets and principal/interest payments divided by the total of the same expenses/expenditures for the City as a whole. Since LP&L's purchases of capital assets increased significantly in FY 2017-18, LP&L's share of indirect costs increased proportionately.
- The Franchise Fee Equivalent (FFE) and Payment in Lieu of Taxes (PILOT) decrease \$0.99 million and \$0.20 million respectively, or 8.3 percent, due to the decreases in general consumers metered revenue and PCRF revenue mentioned in the previous Revenue Overview section.
- The transfer to electric capital decreases \$1.08 million, or 6.8 percent, based on a decrease in cash-funded capital projects.
- A transfer to the City's Debt Service Fund for Capital Improvement Projects decreases \$0.49 million, or 30.1 percent. The decrease is due to the one-time transfer of \$0.49 million to fund LP&L's portion of the City's Asset Management System capital project that occurred in FY 2018-19.

Staffing Overview

The FY 2019-20 Operating Budget incorporates a net increase of six FTE positions, with five new positions in Underground Lines and two new positions in Street Lights. These seven new positions are offset by the reduction of one position in the Meter Reading Department. Additionally, fifteen positions have been reclassified within the organization. The position changes are summarized as follows:

The addition of five FTEs in Underground Lines is to create a new crew to allow the department to keep pace with new construction while keeping up with the maintenance required to keep the underground distribution system operating as efficiently as possible:

- +1 Apprentice Lineworker Level 1
- +1 Journey Lineworker
- +1 Lead Power Lineworker
- +1 Utility Equipment Operator
- +1 Utility Locator

The Street Lights department requires an additional two positions for a thoroughfare maintenance crew. With the City of Lubbock annexing more area, the new crew will help with response time and will aid in completion of work orders with the existing crews:

- +1 Journey Lineworker
- +1 Street Light Maintenance Worker

One position has been eliminated in the Meter Reading department:

- 1 Meter Reader – this position has been deemed no longer necessary due to the transition to AMI. Additional positions will be reduced or transitioned to Meter Technicians after go-live of the new CSIS.

Finally, fifteen positions have been reclassified and/or moved to a new cost center within the organization to adequately staff certain areas, as follows:

- Move seven meter reading positions from the Meter Reading Department to the Field Services Department and reclassify those positions to meter technicians due to the implementation of AMI.
- Move one lead meter reading position from the Meter Reading Department to the Field Services Department and reclassify that position as lead meter technician due to the implementation of AMI.
- Move one meter reading supervisor position from the Meter Reading Department to the Field Services Department and reclassify that position as meter technician supervisor due to the implementation of AMI.
- Move one meter reader position from the Meter Reading Department to the Collections Department and reclassify that position as a Utility Service Operator to complete the full staffing of the 24/7 dispatch center.
- Move one utility operations supervisor from the Field Services Department to the Collections Department since this supervisor most closely supervises collections and dispatch personnel.
- Move two power plant control room operators, one power plant instrument technician and one steam plant mechanic journey from Brandon Station to Massengale Station as these positions spend more time at Massengale than Brandon.

The salary and benefits for the added positions total \$0.40 million and is partially offset by the reduced positions, totaling \$0.03 million, for a net increase of \$0.37 million.

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Capital Program Overview

The FY 2019-20 Capital Program incorporates significant infrastructure that is required for system reliability and strength. The Program includes specific transmission assets that will complete an inner 69kV transmission loop, an outer 115kV transmission loop, and 345kV integration facilities for the ERCOT interconnection. Each of the capital projects are categorized by Federal Energy Regulatory Commission (FERC) category/account.

Following are highlights of the program:

- The overall capital program totals \$581.23 million, which incorporates a significant addition of transmission assets. Long term financing of these projects will be issued following completion. The term of the bonds for the transmission assets will be 30 years, based on the long life of these assets (30+ years). Additionally, all of the transmission assets will be included in a TCOS filing with ERCOT, resulting in a substantial revenue stream to offset the debt service costs. All other debt-funded projects will utilize 20-year financing.
- The proposed FY 2019-20 capital program for LP&L totals \$182.48 million, with approximately \$154.29 million made up of transmission assets.
- LP&L has 48 active projects with appropriation-to-date totaling \$236.17 million.
- An additional \$165.65 million is included in FY 2019-20 for the following existing projects:
 - Distribution Planning - \$0.23 million
 - Downtown Redevelopment Underground - \$1.11 million
 - Future Substation - X-Fab - \$9.0 million
 - Autotransformer - Co-op - \$1.57 million
 - Autotransformer - Mackenzie - \$0.28 million
 - Substation Rebuild - Holly - \$0.53 million
 - Substation Rebuild - Oliver - \$0.51 million
 - Future Substation - New Oliver 345kV - \$9.93 million
 - Future Substation – North Addition 345kV - \$9.93 million
 - Future Substation - New Wadsworth 345kV - \$4.22 million
 - 69/115kV Line Rebuild: Holly-Southeast - \$4.88 million
 - 69/115kV Line Rebuild: Holly-Slaton - \$4.13 million
 - Substation Upgrades - \$2.22 million
 - Substation Breaker Replacements - Transmission - \$0.35 million
 - 115kV Line Construction - Northwest to X-Fab - \$3.22 million
 - GIS Software Upgrades and Interfaces - \$0.44 million
 - Overhead/Underground Training Facility - \$0.16 million
 - South Plains Mall Expansion - \$0.43 million
 - Red Raider Substation Distribution Feeders - \$0.52 million
 - Abernathy to North Transmission Line - \$29.75 million
 - Abernathy to Wadsworth Transmission Line - \$62.08 million
 - Wadsworth to New Oliver to Farmland Transmission Line - \$20.23 million
- Approximately \$16.83 million has been added for FY 2019-20, which is made up of 16 new capital projects, as follows:
 - Truck Barn Expansion - \$0.24 million
 - TTU Switchgear Upgrade - \$1.11 million
 - LP&L - GIS Office Renovations - \$1.12 million
 - FY 2019-20 Distribution System Upgrade - \$2.37 million
 - FY 2019-20 Underground Distribution - \$2.62 million
 - FY 2019-20 Vehicles and Equipment - \$2.64 million
 - Broadway Tunnel Lighting - \$0.11 million
 - Street Light LED Upgrade - Pilot Project - \$0.28 million
 - FY 2019-20 Distribution Transformers - \$3.03 million
 - FY 2019-20 Street Lights - \$0.41 million
 - FY 2019-20 Overhead Lines - \$2.00 million
 - Doud Breaker Replacement - \$0.07 million
 - Acco Breaker Replacement - \$0.07 million
 - Substation Rebuild - Northeast - \$0.51 million
 - FY 2019-20 Service Distribution Meters - \$0.11 million
 - FY 2019-2020 Meter Testing Equipment - \$0.18 million

NERC compliance rules prohibit the release of any details to the public of any information that could possibly be used to plan or carry out a terrorist attack on the electric system. Therefore, the summary will be provided as a public document and the detail of each capital project will be considered confidential for the safety of our grid and our citizens.

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Financial Model Overview

For FY 2019-20, two alternative budget models are presented. The first model is titled “Retail Choice” which incorporates all revenues and expenses anticipated with a decision to opt-in to retail competition. This model anticipates the opt-in occurring six months after integration to ERCOT (December 1, 2021). The second model is titled “Non Opt-In Entity (NOIE)” which incorporates all revenues and expenses anticipated with a decision to remain a NOIE in ERCOT.

Both models are identical for FY 2019-20, but begin to diverge in FY 2020-21 associated with the opt-in to ERCOT. Both models project all revenues, operating expenses, and capital expenditures for FY 2019-20 through FY 2024-25. The models consider every line-item for 29 cost centers and apply growth rates that are specific to each line-item in order to project a realistic financial portrait. The models delve into the details, but also incorporate strategic plans that impact the future of LP&L. The financial models incorporate revenues and expenses/expenditures related to the integration of the utility into ERCOT. Additionally, the models include the integration of approximately 70 percent of the LP&L load to ERCOT by June 1, 2021.

The following funding sources and expenses are impacted differently between the two models, and the varying impacts are discussed in the “Financial Model – Retail Choice” and “Financial Model – NOIE” sections:

- Funding Sources:
 - a) Interest Earnings
 - b) Power Cost Recovery Factor (PCRF)
 - c) Franchise Fee Equivalent Revenue
 - d) Transmission Cost of Service (TCOS)
 - e) Fees and Charges/Tampering Fees
- Departmental Expenses:
 - a) Energy/Fuel – ERCOT
 - b) Compensation/Benefits
 - c) Reimbursement - City of Lubbock Utilities
- Fund Level Expenses:
 - a) Franchise Fee Equivalent - General Fund
 - b) Payment In Lieu of Property Tax
 - c) Transfer to Capital Program
- General Reserve Policy and Reserves

The two Financial Models differ from the Fund and Department Overviews that are provided in the budget document within the following categories: compensation, benefits, supplies, maintenance, professional/training, other charges, and scheduled charges. The reason for the difference is due to the inclusion of the Production Department in the Power Pass-Through Costs as discussed in the Expense Overview section. In the Financial Models,

all costs related to Production are included in one line-item labeled “Energy/Fuel – LP&L Production”. On the Fund and Department Overview pages, the Production Department costs are incorporated in each of the expense categories (compensation, benefits, etc.). Therefore, the expense categories in the Financial Models will be less than the corresponding categories on the Fund and Department Overviews. However, the total department-level expenses will reconcile between the Financial Models, Fund Overview, and Department Overviews.

Funding sources and expenses that are the same in both models are described as follows:

Funding Sources

- Base Rates: The financial model does not currently anticipate base rate adjustments throughout the timeframe of the model. LP&L plans to undertake a comprehensive COS study after one year of AMI meter information is collected and just prior to the ERCOT transition in 2021. LP&L does not expect the COS to increase rates overall, but may shift costs from one rate class to another. The COS will compare customer class revenues to customer class revenue requirements and will indicate the degree to which existing rates recover revenues from each customer class on a COS basis. Once completed, the COS analysis will be the basis for rate design. Generally, the rate design portion of a COS study focuses on designing rates to adequately recover the costs to serve customers and reflect the COS results for each customer class.
- Transmission Cost of Service: LP&L intends to submit a TCOS rate filing with the PUC in order to earn a return on its transmission assets. The TCOS revenues appear in the model beginning in FY 2020-21 and reach the full amount by FY 2022-23. This new revenue stream is modeled to commence upon entry to ERCOT. The TCOS revenues included in the model are calculated on transmission assets identified in the FY 2019-20 through FY 2024-25 Capital Program, which includes LP&L’s share of the 345kV lines necessary for the ERCOT interconnection.
- ERCOT Hold Harmless: In the order approving LP&L’s integration into ERCOT, the PUC ordered LP&L to pay \$22 million each year for the first five years, which will be credited to ERCOT wholesale transmission customers to mitigate integration costs. This amount is shown as an offset to the TCOS revenues in the model. The first four months of payments begin in the last quarter of FY 2020-21 and will continue until FY 2025-26.
- Rentals and Recoveries / Sale of Equipment/Recycle Scrap / Outside Work Orders and Street Lights / Miscellaneous: For the most part, these categories are estimated to grow with inflation throughout the financial model time horizon.

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Power Pass-Through Costs

- Energy/Fuel – SPP: Expenses are based on anticipated costs in SPP for the portion of load remaining in that Regional Transmission Organization (RTO).
- Energy/Fuel – Elk City II Payments to NextEra: LP&L has a power purchase agreement with Elk City II Wind, LLC for the purchase of energy from a wind generation facility located in Roger Mills and Beckham Counties, Oklahoma. The term of this agreement is June 1, 2019 through May 31, 2032. The financial model includes anticipated contract payments for the energy purchased from that facility, partially offset by revenues from the SPP IM for energy sold in the market.
- Energy/Fuel – LP&L Production: Production costs are included in Power Pass-Through Costs beginning in FY 2019-20 as these units are generating energy directly for the utility. The necessity of the LP&L generating units will be reviewed in FY 2019-20 and FY 2020-21. At the present time, both financial models are structured to downsize all Production cost centers in FY 2021-22, with complete phase-out by FY 2023-24. The results of the review of the energy markets in ERCOT will ultimately determine whether or not the generating units will be decommissioned.

The production units will be used to produce power for the City in times where the SPP IM energy prices are higher than the utility's production costs. As a result of this change, the fuel cost to operate the production units will be netted against the revenues from the SPP IM and will be included in the power cost recovery calculation.

- Transmission – SPP and ERCOT: Expenses for FY 2019-20 through FY 2020-21 are based on current transmission costs in SPP plus an historical growth rate totaling 10.9 percent. Beginning in FY 2020-21, transmission costs begin to shift to ERCOT related to the integration. Transmission costs in SPP are charged on a one-year lag, therefore, transmission costs are expected to rise dramatically in FY 2021-22, to approximately \$56.83 million, when transmission costs are paid in both SPP and in ERCOT. After FY 2021-22, transmission costs will stabilize at an average of \$37.16 million per year.
- Capacity – SPP: The model includes the 400MW transition contract and the 170MW partial requirements contract with SPS. The two contracts significantly reduce capacity costs in FY 2019-20 and FY 2020-21. By June 1, 2021, the model envisions that LP&L will have completed the transition of approximately 70 percent of its load to ERCOT. Upon interconnection, the SPP capacity charges related to the load moving to ERCOT will be eliminated due to the fact that ERCOT is an energy-only market and does not have a capacity requirement. This fact is reflected in the model through lower capacity expense. The remaining 30 percent of the LP&L load is provided service through a partial requirements

contract with SPS from 2019 through 2044 and capacity payments associated with that contract are included in the model.

- SPS Hold Harmless Payment: The March 8, 2018 PUC approval of LP&L's application to join ERCOT requires that upon integration to ERCOT on June 1, 2021, LP&L will make a one-time payment of \$24 million to SPS to indemnify SPS and its customers for LP&L's integration into ERCOT (hold-harmless payment). The funds to make this payment were collected and reserved in FY 2017-18 and FY 2018-19 from the over-recovery of purchased power costs. The revenues were deferred in FY 2017-18 and FY 2018-19 and those revenues will be realized in FY 2020-21 when the payment to SPS is completed and the related expense is recorded.

Departmental Expenses

- Compensation/Benefits–Overall: Personnel expenses increase as major capital projects begin to close and employees return to their regular full-time duties. Therefore, additional personnel costs shift from capital projects to operations and maintenance. Additionally, the forecast incorporates annual three percent merit increases. The increases are partially offset by the reduction of positions in Production and Meter Reading by FY 2023-24.
- Compensation/Benefits–Customer Service: Following the implementation of CSIS, the field service worker and meter reader positions will be combined into a meter technician position. The total number of positions will decrease as the job duties change in the new, automated environment. Additionally, the positions hired in the FY 2017-18 budget year to staff the CSIS project team will be eliminated once those projects go-live.
- Staffing: Due to the knowledge that staffing will be reduced over the next five years in Production and Meter Reading, LP&L has the ability now to begin training existing employees for new roles, and has the ability to manage these decreases through attrition. The goal is to manage the downsizing of these departments in a manner that has the least impact on employees.
- Supplies / Maintenance / Other Charges / Scheduled Charges / Capital Outlay: For the most part, these categories are estimated to grow with inflation throughout the financial model time horizon. These increases are offset somewhat by reductions in FY 2021-22 through FY 2023-24 related to the expected downsizing of the Production cost centers.
- Professional Services/Training: Professional Services costs increase from \$6.27 million in FY 2019-20 to \$7.59 million in FY 2024-25, or an average annual increase of approximately 4.2 percent. This line item increases primarily due to additional costs related to contract maintenance on the transmission system; power procurement services by a power marketer; and

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the cloud hosting, system performance management, network equipment monitoring, and maintenance for the CSIS.

Fund Level Expenses

- **Debt Service:** The debt service for LP&L is anticipated to increase substantially throughout the term of the financial model. Annual debt service increases from roughly \$26 million in FY 2019-20 to roughly \$39 million by FY 2022-23. This is driven largely by the issuance of an estimated \$300 million in 30-year revenue bonds to fund the construction of transmission lines necessary for the reliability of the LP&L system and for the integration into ERCOT. The new TCOS revenue stream covers the increased cost of debt and eliminates the impact of those costs on LP&L customers.
- **Capitalized Interest:** This expense is related to the bonds that were issued in FY 2016-17 and FY 2017-18 where principal payments were deferred for transmission system improvements until the interconnection with ERCOT. Principal payments on those two issuances will not begin until FY 2021-22. Interest-only payments related to the transmission projects will be due every fiscal year, yet will be paid from the capitalized interest funds provided from bond proceeds (see the “Transfer from Debt Service Fund” row on the Financial Model).
- **Direct Purchase Revolving Note Program (Note Program):** The Note Program will be used to finance the majority of LP&L’s capital expenditures through December 31, 2021. The Note Program will allow LP&L to (1) make draws at a short term rate of interest, (2) match cash flow/draw needs with a complex construction schedule, and (3) provide flexibility by matching an initial principal and interest payment date in 2021 with the first receipt of TCOS revenues. Notes will be issued with no repayment obligation throughout the term of the Note Program. Long-term, fixed rate bonds will be issued to refinance the Note Program upon LP&L’s integration into ERCOT.
- **Indirect Cost Allocation:** The transfer to the General Fund for indirect costs increases in FY 2021-22 due to additional maintenance costs at Citizen’s Tower. Otherwise, this line item generally increases with projected inflation rates.
- **Transfer to Debt Service for General Fund CIP:** The transfer remains fairly stable over the term of the financial model. The transfer is to reimburse the City’s Debt Service Fund for LP&L’s share of the Citizen’s Tower and Customer Service Facility.

Financial Model – Retail Choice

The LP&L Financial Model – Retail Choice assumes the integration of approximately 70 percent of the LP&L load to ERCOT by June 1, 2021, and opt-in to retail competition for that portion of the system six months later. The

following sections include assumptions and thought processes that specifically affect this version of the financial model:

Funding Sources

- **Interest Earnings:** Interest earnings are calculated on the estimated general reserve levels at current interest rates. There are no estimated interest rate increases or decreases over the life of the financial model.
- **Power Cost Recovery Factor:** PCRf revenues match power costs throughout the duration of the financial model.
- **FFE:** Historically, the FFE charge has been computed as five percent of metered revenues. In order to minimize the financial impact to the City’s General Fund of opting-in to the competitive retail market in ERCOT, the FFE revenue calculation will be changed to a “cents-per-kilowatt hour” (¢/kWh) charge beginning in FY 2020-21. At this time, it is estimated that the customer charge would be just under 5/10^{ths} of a cent per kWh.
- **Transmission Cost of Service:** TCOS is slightly larger in this model based on a larger percentage of TCOS revenues to the revenue requirement. Since the revenue requirement is smaller in the Retail Choice model (lower purchased power costs), the percentage of TCOS to revenue requirement is greater, thus allowing a greater allocation of PILOT, FFE and Indirect Costs in the TCOS calculation.
- **Fees and Charges/Tampering Fees:** These customer charges include revenues for electric reconnect fees and late charges. The future year revenues are estimated to begin declining in FY 2021-22 due to the opt-in to retail choice. The future forecasted revenues amount to approximately 30 percent of anticipated revenue collections in FY 2018-19.

Power Costs

- **Energy and Fuel - ERCOT:** The model anticipates that LP&L will opt-in to the ERCOT competitive retail electric market by December 1, 2021 and will not operate as a Retail Electric Provider (REP); therefore, the model anticipates purchases of energy in ERCOT for that portion of the load between June 1 and December 1, 2021, and no purchases thereafter.

Departmental Expenses

- **Compensation/Benefits – Customer Service:** In the Retail Choice environment, billing for the customers in ERCOT will be done by REPs. Meter reads, including disconnects and reconnects, will mostly be handled remotely with AMI. Following the implementation of AMI, the field service worker and meter reader positions will be combined into a meter technician position. The total number of positions will decrease as the job duties will change in the new, automated environment. Additionally, the positions hired in the FY 2017-18 budget year for the CSIS

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project team will be eliminated once those projects go live. Overall, costs will decline in Customer Service by approximately \$1.2 million once Retail Choice is fully implemented.

- **Compensation/Benefits – Market Operations:** Salaries and benefits within the customer service area includes future additional costs related to new capabilities needed to support the changed market environment after opt-in. The additional capabilities will include data analytics and management; reporting to the PUC, ERCOT, and REPs; market support services; metering support (ERCOT-Polled Settlement meters, Electronic Service Identifier IDs, etc.); account managers for market relations; and customer protection and solutions. The costs related to these capabilities are estimated to be approximately \$1.2 million per year, beginning with a partial year in FY 2021-22, with full operations in FY 2022-23. These new costs will offset the cost reductions discussed in the bullet above.
- **Reimbursement – City of Lubbock Utilities:** The reimbursements for the City of Lubbock Utilities operations from the Other City Utilities have been estimated through the term of the financial model. The allocation of costs has shifted a higher percentage of costs to LP&L mainly due to the installation of AMI. Historically, costs for meter reading and field services were allocated on the time to read a meter, which was 45 seconds for water meters and 15 seconds for electric meters. This shifted the majority of these costs to the Water Fund. After the integration of AMI, the time to read water meters and electric meters is virtually identical. The reimbursements from the other city utilities rise in FY 2021-22 and FY 2022-23 related to increases associated with CSIS and gradually reduce in the final two years of the model as costs stabilize.

Fund Level Expenses

- **FFE and PILOT:** Historically, the FFE and PILOT transfers have been computed as a percent of metered revenues (five percent and one percent respectively). In order to minimize the financial impact to the City's General Fund of opting-in to the competitive retail market in ERCOT, the FFE and PILOT transfer calculations are proposed to be changed to a "cents-per-kilowatt hour" (¢/kWh) beginning in FY 2020-21. At this time, it is estimated that the calculation would be just under 5/10th of a cent for the FFE and just under 1/10th of a cent for the PILOT. The FFE calculation will continue to provide a transfer amount to compensate the City for LP&L placing its facilities (distribution lines, transmission lines, and meters) in the public right-of-way.
- **FFE:** The FFE transfer exceeds FFE revenues in FY 2020-21 due to the recognition of deferred revenues for the SPS hold harmless payment. Thereafter, FFE transfers and revenues match throughout the term of the model.

- **Transfer to Capital Program:** Capital expenditures will be financed with the Note Program and with long-term, fixed rate bonds through FY 2020-21 due to the large transmission projects/upgrades required to integrate with ERCOT. Beginning in FY 2021-22, the capital program is largely funded with cash. The financial model incorporates the objective of funding 35 percent of the capital program with cash and 65 percent with debt. Due to the significant increase of transmission assets in the near term, that ratio drops below that objective, but over the planning horizon (through FY 2024-25) rises to 31.2 percent cash funding and 68.8 percent debt funding with excess reserve funds (approximately \$17.21 million) are used to cash fund capital projects.

General Reserve Policy and Reserves

- The City Council passed an ordinance on December 16, 2004, later amended on April 10, 2012, which provides for the creation of a General Reserve which is equal to three months revenue generated from all retail electric sales. The General Reserve requirement is lower in the Retail Choice version of the Financial Model due to a lower level of PCRF revenues necessary to cover purchased power costs. The average General Reserve throughout the planning horizon of this model is roughly \$54 million compared to an average of roughly \$65 million in the NOIE model.

Financial Model – Non Opt-In Entity (NOIE)

The LP&L Financial Model – NOIE assumes the integration of approximately 70 percent of the LP&L load to ERCOT by June 1, 2021, with continued operation as a NOIE in ERCOT. The following sections include assumptions and thought processes that specifically affect this version of the financial model:

Funding Sources

- **Interest Earnings:** Interest earnings are calculated on the estimated general reserve levels at current interest rates. There are no estimated interest rate increases or decreases over the life of the financial model.
- **Power Cost Recovery Factor:** PCRF revenues match power costs throughout the duration of the financial model.
- **FFE:** The FFE customer charge will continue to be computed as five percent of metered revenues. This calculation will continue to provide revenues to compensate the City for LP&L placing its facilities (distribution lines, transmission lines, and meters) in the public right-of-way.
- **Transmission Cost of Service:** TCOS is lower in this model based on a smaller percentage of TCOS revenues to revenue requirement. Since the revenue requirement is larger in the NOIE model (higher purchased power costs), the percentage of TCOS to revenue requirement is smaller, thus reducing the

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allocation of PILOT, FFE and Indirect Costs in the TCOS calculation.

- Fees and Charges/Tampering Fees: These customer charges include revenues for electric reconnect fees and late charges. The future year revenues are estimated to grow at the rate of inflation as measured by the consumer price index (CPI)

Power Costs

- Energy and Fuel - ERCOT: The model anticipates that LP&L will enter into ERCOT power purchase agreements in order to acquire energy for all customers connected to that RTO. The model includes estimated energy costs in ERCOT using a forecast of ERCOT energy prices beginning in June 2021.

Departmental Expenses

- Compensation/Benefits – Customer Service: In the NOIE environment, billing for the customers in ERCOT will be done by LP&L. Meter reads, including disconnects and reconnects, will mostly be handled remotely with AMI. Therefore, staffing costs are not materially affected in this version of the model.
- Reimbursement – City of Lubbock Utilities: The reimbursements for the City of Lubbock Utilities operations from the Other City Utilities increase in FY 2021-22 associated with CSIS and gradually increase with inflation in the final three years of the model as costs stabilize in the new system environment and customer service operations operate in a similar manner as they do today.

Fund Level Expenses

- FFE: The FFE transfer exceeds FFE revenues in FY 2020-21 due to the recognition of deferred revenues for the SPS hold harmless payment. Thereafter, FFE transfers and FFE revenues match throughout the term of the model.
- Transfer to Capital Program: Capital expenditures will be financed with the Note Program and with long-term, fixed rate bonds through FY 2020-21 due to the large transmission projects/upgrades required to integrate with ERCOT. Beginning in FY 2021-22, the capital program is largely funded with cash. The financial model incorporates the objective of funding 35 percent of the capital program with cash and 65 percent with debt. Due to the significant increase of transmission assets in the near term, that ratio drops below that objective, but over the planning horizon (through FY 2024-25) is 28.6 percent cash funding to 71.4 percent debt.

General Reserve Policy and Reserves

- The City Council passed an ordinance on December 16, 2004, later amended on April 10, 2012, which provides for the creation of a General Reserve which is equal to three months revenue generated from all retail electric sales. The General Reserve requirement is higher in the NOIE version of the Financial Model due to the higher level of PCRF revenues necessary to cover purchased power costs for all LP&L customers. The average General Reserve throughout the planning horizon of this model is roughly \$65 million compared to an average of roughly \$54 million in the Retail Choice model.



Lubbock Power & Light - Financial Model

Version: Retail Choice

| | Amended | Budget | Forecast | | | | |
|---|----------------|-------------|-------------|--------------|--------------|--------------|--------------|
| FUNDING SOURCES | FY 2018-19 | FY 2019-20 | FY 2020-21 | FY 2021-22 | FY 2022-23 | FY 2023-24 | FY 2024-25 |
| Interest Earnings | \$ 1,074,254 | 1,479,901 | 1,431,638 | 1,502,105 | 1,518,820 | 1,441,619 | 1,302,543 |
| Rentals and Recoveries | 273,710 | 253,574 | 225,189 | 230,143 | 235,206 | 240,380 | 245,669 |
| Sale of equipment/recycle scrap | 108,349 | 112,701 | 115,180 | 117,714 | 120,304 | 122,950 | 125,655 |
| General Consumers Metered - Base Rates | 68,835,464 | 68,737,964 | 68,897,605 | 69,058,001 | 69,219,157 | 69,381,077 | 69,543,767 |
| Power Cost Recovery Factor (PCRF) | 169,831,094 | 150,131,731 | 176,641,322 | 141,484,392 | 101,191,169 | 105,195,442 | 112,136,251 |
| SPS Hold Harmless Reserve Revenue Recognition | - | - | 24,000,000 | - | - | - | - |
| Franchise Fee Equivalent Revenue | 11,419,707 | 10,367,876 | 11,671,164 | 10,969,765 | 10,982,929 | 10,996,108 | 11,009,303 |
| Transmission Cost of Service (TCOS) | - | - | 6,940,356 | 33,575,670 | 47,755,769 | 47,582,675 | 48,411,488 |
| ERCOT Hold Harmless | - | - | (7,333,333) | (22,000,000) | (22,000,000) | (22,000,000) | (22,000,000) |
| Unit Contingent Sales | 629,640 | - | - | - | - | - | - |
| Power Marketing Sales | 1,729,380 | - | - | - | - | - | - |
| Fees and Charges | 2,665,771 | 2,676,640 | 2,735,526 | 1,286,760 | 857,164 | 876,022 | 895,294 |
| Outside Work Orders and Street Lights | 840,654 | 982,293 | 1,003,903 | 1,025,989 | 1,048,561 | 1,071,629 | 1,095,205 |
| Tampering Fees | 61,122 | 55,168 | 56,381 | 26,521 | 17,667 | 18,055 | 18,453 |
| Miscellaneous | 178,538 | 176,976 | 180,870 | 184,849 | 188,916 | 193,072 | 197,319 |
| Transfer from Debt Service Fund | 3,257,898 | 3,103,050 | 3,103,050 | 1,551,525 | - | - | - |
| Transfer from Other Funds | 1,287,687 | 2,696,694 | 1,413,034 | 1,480,417 | 1,439,606 | 1,401,706 | 1,397,459 |
| Total Revenue Sources | \$ 262,193,268 | 240,774,566 | 291,081,884 | 240,493,850 | 212,575,267 | 216,520,735 | 224,378,406 |
| Use of General Reserve | - | - | - | 4,886,614 | 2,131,700 | 10,511,598 | 5,406,409 |
| TOTAL FUNDING SOURCES | \$ 262,193,268 | 240,774,566 | 291,081,884 | 245,380,463 | 214,706,967 | 227,032,334 | 229,784,815 |
| DEPARTMENTAL EXPENSES | | | | | | | |
| Compensation* | \$ 16,814,693 | 14,973,212 | 15,988,940 | 16,564,656 | 17,062,428 | 17,575,175 | 18,101,026 |
| Benefits* | 7,083,127 | 6,481,330 | 7,006,711 | 7,107,014 | 7,377,106 | 7,658,145 | 7,793,821 |
| Supplies Less Purchased Power & Fuel* | 1,301,641 | 1,094,160 | 1,112,216 | 1,041,741 | 1,058,177 | 1,079,143 | 1,101,433 |
| Fuel | 1,083,911 | - | - | - | - | - | - |
| Power Pass-Through Costs | | | | | | | |
| Energy/Fuel - SPP | 83,318,828 | 69,801,903 | 71,663,146 | 40,057,397 | 41,467,729 | 44,585,648 | 48,318,908 |
| Energy/Fuel - ERCOT | - | - | 18,497,414 | 9,717,280 | - | - | - |
| Energy/Fuel - Elk City II Payments to NextEra | 831,427 | 2,504,028 | 2,513,775 | 2,209,529 | 1,800,619 | 1,391,709 | 982,798 |
| Energy/Fuel - LP&L Production | - | 10,666,976 | 12,159,149 | 4,146,482 | 2,907,565 | 882,131 | 901,538 |
| Transmission - SPP | 31,943,314 | 30,879,048 | 34,235,318 | 37,956,384 | 12,624,569 | 13,996,744 | 15,518,062 |
| Transmission - ERCOT | - | - | - | 18,871,845 | 22,876,774 | 23,109,680 | 23,344,958 |
| Capacity - SPP | 45,315,456 | 36,287,892 | 37,612,352 | 28,492,464 | 19,498,327 | 21,200,921 | 23,052,186 |
| SPS Hold Harmless Payment | - | - | 24,000,000 | - | - | - | - |
| Maintenance* | 2,305,990 | 2,253,463 | 2,303,039 | 2,335,458 | 2,386,838 | 2,439,348 | 2,493,014 |
| Professional/Training* | 5,677,092 | 6,268,632 | 6,440,506 | 7,105,813 | 7,262,141 | 7,421,908 | 7,585,190 |
| Other Charges* | 1,295,826 | 1,472,774 | 1,617,317 | 1,644,318 | 1,680,264 | 1,716,997 | 1,754,534 |
| Scheduled Charges* | 4,967,432 | 3,804,073 | 3,862,757 | 3,757,448 | 3,840,139 | 3,924,651 | 4,010,356 |
| Capital Outlay/Reimbursements* | 1,046,000 | 55,400 | 50,589 | 51,702 | 52,839 | 54,002 | 55,190 |
| Reimbursement - City of Lubbock Utilities | (6,345,954) | (6,014,288) | (6,093,403) | (6,877,074) | (6,993,304) | (6,546,069) | (6,394,434) |
| TOTAL DEPARTMENTAL EXPENSES | \$ 196,638,783 | 180,528,605 | 232,969,827 | 174,182,458 | 134,902,212 | 140,490,134 | 148,618,579 |
| FUND LEVEL EXPENSES | | | | | | | |
| Debt Service - Principal | \$ 18,583,360 | 18,570,000 | 10,330,000 | 16,776,098 | 17,673,311 | 17,037,143 | 16,403,582 |
| Debt Service - Interest | 5,402,101 | 7,623,206 | 6,749,943 | 14,061,364 | 21,485,248 | 20,983,722 | 20,774,544 |
| Capitalized Interest | 3,257,898 | 3,103,050 | 3,103,050 | 1,551,525 | - | - | - |
| Note Program Fees | - | 496,415 | 15,150 | 4,800 | - | - | - |
| Indirect Cost Allocation | 1,155,378 | 1,266,838 | 1,294,708 | 1,524,094 | 1,557,021 | 1,590,763 | 1,625,453 |
| Franchise Fee Equivalent - General Fund | 11,933,328 | 10,943,485 | 12,156,617 | 10,969,765 | 10,982,929 | 10,996,108 | 11,009,303 |
| Payment In Lieu of Property Tax | 2,386,666 | 2,188,697 | 2,431,323 | 2,193,953 | 2,196,586 | 2,199,222 | 2,201,861 |
| Transfer to Capital Program | 15,995,000 | 14,915,000 | 14,485,000 | 22,975,000 | 24,770,000 | 32,595,000 | 28,010,000 |
| Transfer to Debt Service for General Fund CIP | 1,630,198 | 1,139,270 | 1,140,119 | 1,141,406 | 1,139,661 | 1,140,242 | 1,141,493 |
| Miscellaneous | 275,935 | - | - | - | - | - | - |
| TOTAL FUND LEVEL EXPENSES | \$ 60,619,864 | 60,245,961 | 51,705,911 | 71,198,005 | 79,804,755 | 86,542,200 | 81,166,236 |
| TOTAL EXPENSES | \$ 257,258,647 | 240,774,566 | 284,675,739 | 245,380,463 | 214,706,967 | 227,032,334 | 229,784,815 |
| GENERAL RESERVE POLICY | | | | | | | |
| General Reserve Policy | \$ 62,521,566 | 57,309,393 | 70,302,523 | 55,378,039 | 45,348,314 | 46,393,157 | 48,172,330 |
| GENERAL RESERVE CALCULATION | | | | | | | |
| Beginning General Reserve | | 65,074,446 | 65,074,446 | 71,480,592 | 66,593,978 | 64,462,278 | 53,950,680 |
| Budget Surplus/(Deficit) | | - | 6,406,146 | (4,886,614) | (2,131,700) | (10,511,598) | (5,406,409) |
| TOTAL ESTIMATED GENERAL RESERVE | \$ 65,074,446 | 65,074,446 | 71,480,592 | 66,593,978 | 64,462,278 | 53,950,680 | 48,544,271 |
| GENERAL RESERVE EXCESS/(DEFICIT) | 2,552,880 | 7,765,053 | 1,178,069 | 11,215,939 | 19,113,965 | 7,557,523 | 371,941 |
| SPS HOLD HARMLESS RESERVE | \$ 24,000,000 | 24,000,000 | - | - | - | - | - |

*Production costs are excluded from these expense categories and are included in the "Energy/Fuel - LP&L Production" line item within Power Pass-Through Costs.



Lubbock Power & Light - Financial Model

Version: Non Opt-In Entity (NOIE)

| | Amended | Budget | Forecast | | | | |
|---|----------------|-------------|-------------|--------------|--------------|--------------|--------------|
| FUNDING SOURCES | FY 2018-19 | FY 2019-20 | FY 2020-21 | FY 2021-22 | FY 2022-23 | FY 2023-24 | FY 2024-25 |
| Interest Earnings | \$ 1,074,254 | 1,479,901 | 1,429,698 | 1,495,770 | 1,535,051 | 1,506,693 | 1,500,705 |
| Rentals and Recoveries | 273,710 | 253,574 | 225,189 | 230,143 | 235,206 | 240,380 | 245,669 |
| Sale of equipment/recycle scrap | 108,349 | 112,701 | 115,180 | 117,714 | 120,304 | 122,950 | 125,655 |
| General Consumers Metered - Base Rates | 68,835,464 | 68,737,964 | 68,897,605 | 69,058,001 | 69,219,157 | 69,381,077 | 69,543,767 |
| Power Cost Recovery Factor (PCRF) | 169,831,094 | 150,131,731 | 176,641,322 | 189,822,973 | 172,969,872 | 178,409,465 | 186,839,014 |
| SPS Hold Harmless Reserve Revenue Recognition | - | - | 24,000,000 | - | - | - | - |
| Franchise Fee Equivalent Revenue | 11,419,707 | 10,367,876 | 14,079,825 | 12,944,049 | 12,109,451 | 12,389,527 | 12,819,139 |
| Transmission Cost of Service (TCOS) | - | - | 6,982,126 | 33,420,896 | 46,525,421 | 46,781,465 | 47,583,532 |
| ERCOT Hold Harmless | - | - | (7,333,333) | (22,000,000) | (22,000,000) | (22,000,000) | (22,000,000) |
| Unit Contingent Sales | 629,640 | - | - | - | - | - | - |
| Power Marketing Sales | 1,729,380 | - | - | - | - | - | - |
| Fees and Charges | 2,665,771 | 2,676,640 | 2,735,526 | 2,795,708 | 2,857,213 | 2,920,072 | 2,984,313 |
| Outside Work Orders and Street Lights | 840,654 | 982,293 | 1,003,903 | 1,025,989 | 1,048,561 | 1,071,629 | 1,095,205 |
| Tampering Fees | 61,122 | 55,168 | 56,381 | 57,622 | 58,889 | 60,185 | 61,509 |
| Miscellaneous | 178,538 | 176,976 | 180,870 | 184,849 | 188,916 | 193,072 | 197,319 |
| Transfer from Debt Service Fund | 3,257,898 | 3,103,050 | 3,103,050 | 1,551,525 | - | - | - |
| Transfer from Other Funds | 1,287,687 | 2,696,694 | 1,413,034 | 1,480,417 | 1,439,606 | 1,401,706 | 1,397,459 |
| Total Revenue Sources | \$ 262,193,268 | 240,774,566 | 293,530,376 | 292,185,654 | 286,307,646 | 292,478,222 | 302,393,288 |
| Use of General Reserve | - | - | - | 2,259,314 | 318,684 | 127,495 | 898,714 |
| TOTAL FUNDING SOURCES | \$ 262,193,268 | 240,774,566 | 293,530,376 | 294,444,969 | 286,626,330 | 292,605,717 | 303,292,003 |
| DEPARTMENTAL EXPENSES | | | | | | | |
| Compensation* | \$ 16,814,693 | 14,973,212 | 15,988,940 | 16,564,656 | 17,062,428 | 17,575,175 | 18,101,026 |
| Benefits* | 7,083,127 | 6,481,330 | 7,006,711 | 7,107,014 | 7,377,106 | 7,658,145 | 7,793,821 |
| Supplies Less Purchased Power & Fuel* | 1,301,641 | 1,094,160 | 1,112,216 | 1,041,741 | 1,058,177 | 1,079,143 | 1,101,433 |
| Fuel | 1,083,911 | - | - | - | - | - | - |
| Power Pass-Through Costs | | | | | | | |
| Energy/Fuel - SPP | 83,318,828 | 69,801,903 | 71,663,146 | 40,057,397 | 41,467,729 | 44,585,648 | 48,318,908 |
| Energy/Fuel - ERCOT | - | - | 18,497,414 | 58,303,681 | 72,094,863 | 73,547,340 | 75,029,079 |
| Energy/Fuel - Elk City II Payments to NextEra | 831,427 | 2,504,028 | 2,513,775 | 2,209,529 | 1,800,619 | 1,391,709 | 982,798 |
| Energy/Fuel - LP&L Production | - | 10,666,976 | 12,159,149 | 4,146,482 | 2,907,565 | 882,131 | 901,538 |
| Transmission - SPP | 31,943,314 | 30,879,048 | 34,235,318 | 37,956,384 | 12,624,569 | 13,996,744 | 15,518,062 |
| Transmission - ERCOT | - | - | - | 18,871,845 | 22,876,774 | 23,109,680 | 23,344,958 |
| Capacity - SPP | 45,315,456 | 36,287,892 | 37,612,352 | 28,492,464 | 19,498,327 | 21,200,921 | 23,052,186 |
| SPS Hold Harmless Payment | - | - | 24,000,000 | - | - | - | - |
| Maintenance* | 2,305,990 | 2,253,463 | 2,303,039 | 2,335,458 | 2,386,838 | 2,439,348 | 2,493,014 |
| Professional/Training* | 5,677,092 | 6,268,632 | 6,440,506 | 7,105,813 | 7,262,141 | 7,421,908 | 7,585,190 |
| Other Charges* | 1,295,826 | 1,472,774 | 1,617,317 | 1,644,318 | 1,680,264 | 1,716,997 | 1,754,534 |
| Scheduled Charges* | 4,967,432 | 3,804,073 | 3,862,757 | 3,757,448 | 3,840,139 | 3,924,651 | 4,010,356 |
| Capital Outlay/Reimbursements* | 1,046,000 | 55,400 | 50,589 | 51,702 | 52,839 | 54,002 | 55,190 |
| Reimbursement - City of Lubbock Utilities | (6,345,954) | (6,014,288) | (6,093,403) | (6,877,074) | (6,993,304) | (6,867,487) | (7,081,667) |
| TOTAL DEPARTMENTAL EXPENSES | \$ 196,638,783 | 180,528,605 | 232,969,827 | 222,768,859 | 206,997,075 | 213,716,056 | 222,960,425 |
| FUND LEVEL EXPENSES | | | | | | | |
| Debt Service - Principal | \$ 23,985,461 | 18,570,000 | 10,330,000 | 16,777,681 | 17,737,605 | 17,158,056 | 16,831,975 |
| Debt Service - Interest | - | 7,623,206 | 6,749,943 | 14,063,745 | 21,568,626 | 21,138,168 | 21,374,690 |
| Capitalized Interest | 3,257,898 | 3,103,050 | 3,103,050 | 1,551,525 | - | - | - |
| Note Program Fees | - | 496,415 | 15,150 | 4,800 | - | - | - |
| Indirect Cost Allocation | 1,155,378 | 1,266,838 | 1,294,708 | 1,524,094 | 1,557,021 | 1,590,763 | 1,625,453 |
| Franchise Fee Equivalent - General Fund | 11,933,328 | 10,943,485 | 14,676,946 | 12,944,049 | 12,109,451 | 12,389,527 | 12,819,139 |
| Payment In Lieu of Property Tax | 2,386,666 | 2,188,697 | 2,935,389 | 2,588,810 | 2,421,890 | 2,477,905 | 2,563,828 |
| Transfer to Capital Program | 15,995,000 | 14,915,000 | 14,485,000 | 21,080,000 | 23,095,000 | 22,995,000 | 23,975,000 |
| Transfer to Debt Service for General Fund CIP | 1,630,198 | 1,139,270 | 1,140,119 | 1,141,406 | 1,139,661 | 1,140,242 | 1,141,493 |
| Miscellaneous | 275,935 | - | - | - | - | - | - |
| TOTAL FUND LEVEL EXPENSES | \$ 60,619,864 | 60,245,961 | 54,730,306 | 71,676,110 | 79,629,255 | 78,889,661 | 80,331,577 |
| TOTAL EXPENSES | \$ 257,258,647 | 240,774,566 | 287,700,134 | 294,444,969 | 286,626,330 | 292,605,717 | 303,292,003 |
| GENERAL RESERVE POLICY | | | | | | | |
| General Reserve Policy | \$ 62,521,566 | 57,309,393 | 70,904,688 | 67,956,256 | 63,574,620 | 65,045,017 | 67,300,480 |
| GENERAL RESERVE CALCULATION | | | | | | | |
| Beginning General Reserve | | 65,074,446 | 65,074,446 | 70,904,688 | 68,645,374 | 68,326,690 | 68,199,195 |
| Budget Surplus/(Deficit) | | - | 5,830,242 | (2,259,314) | (318,684) | (127,495) | (898,714) |
| TOTAL ESTIMATED GENERAL RESERVE | \$ 65,074,446 | 65,074,446 | 70,904,688 | 68,645,374 | 68,326,690 | 68,199,195 | 67,300,480 |
| GENERAL RESERVE EXCESS/(DEFICIT) | 2,552,880 | 7,765,053 | - | 689,118 | 4,752,070 | 3,154,177 | - |
| SPS HOLD HARMLESS RESERVE | \$ 24,000,000 | 24,000,000 | - | - | - | - | - |

*Production costs are excluded from these expense categories and are included in the "Energy/Fuel - LP&L Production" line item within Power Pass-Through Costs.



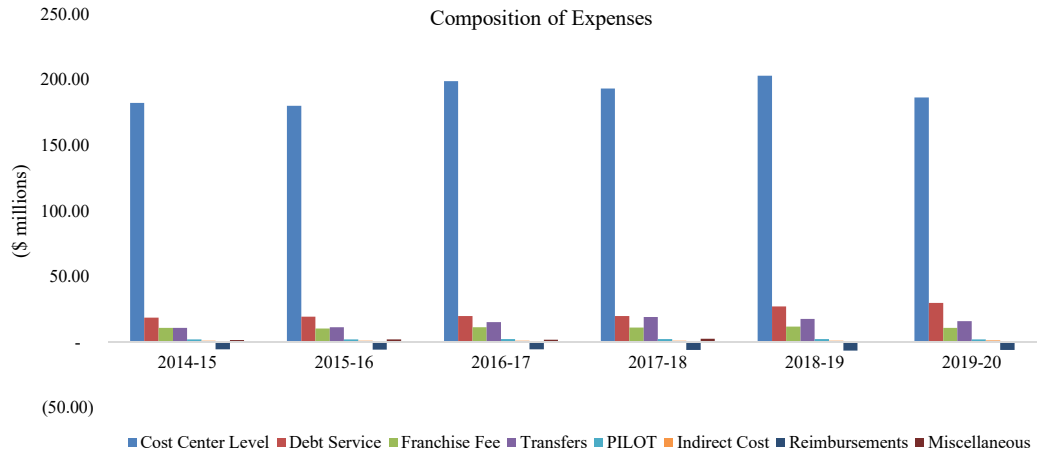
Lubbock Power & Light - Rates

| | Actual | Budget | Forecast* | | | | |
|--|------------|------------|------------|------------|------------|------------|------------|
| PROJECTED RATE IMPACT | FY 2018-19 | FY 2019-20 | FY 2020-21 | FY 2021-22 | FY 2022-23 | FY 2023-24 | FY 2024-25 |
| Projected Base Rate Increase | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Residential Standard - Rate 1 | | | | | | | |
| Service Availability | \$ 8.07 | \$ 8.07 | \$ 8.07 | \$ 8.07 | \$ 8.07 | \$ 8.07 | \$ 8.07 |
| Summer Energy (per kWh) | 0.03381 | 0.03381 | 0.03381 | 0.03381 | 0.03381 | 0.03381 | 0.03381 |
| Non-Summer Energy (per kWh) | 0.03381 | 0.03381 | 0.03381 | 0.03381 | 0.03381 | 0.03381 | 0.03381 |
| Residential All Electric - Rate 3 | | | | | | | |
| Service Availability | 8.07 | 8.07 | 8.07 | 8.07 | 8.07 | 8.07 | 8.07 |
| Summer Energy (per kWh) | 0.02921 | 0.02921 | 0.02921 | 0.02921 | 0.02921 | 0.02921 | 0.02921 |
| Non-Summer Energy (per kWh) | 0.02921 | 0.02921 | 0.02921 | 0.02921 | 0.02921 | 0.02921 | 0.02921 |
| Residential Net Metering - Rate 5 | | | | | | | |
| Service Availability | 30.43 | 30.43 | 30.43 | 30.43 | 30.43 | 30.43 | 30.43 |
| Summer Energy ≤1,000kWh (per kWh) | 0.01292 | 0.01292 | 0.01292 | 0.01292 | 0.01292 | 0.01292 | 0.01292 |
| Summer Energy >1,000kWh (per kWh) | 0.02349 | 0.02349 | 0.02349 | 0.02349 | 0.02349 | 0.02349 | 0.02349 |
| Non-Summer Energy ≤1,000kWh(per kWh) | 0.00397 | 0.00397 | 0.00397 | 0.00397 | 0.00397 | 0.00397 | 0.00397 |
| Non-Summer Energy >1,000kWh(per kWh) | 0.01175 | 0.01175 | 0.01175 | 0.01175 | 0.01175 | 0.01175 | 0.01175 |
| Small General - Rate 10 | | | | | | | |
| Service Availability | 13.55 | 13.55 | 13.55 | 13.55 | 13.55 | 13.55 | 13.55 |
| Energy (per kWh) | 0.01987 | 0.01987 | 0.01987 | 0.01987 | 0.01987 | 0.01987 | 0.01987 |
| Small General Net Metering - Rate 11 | | | | | | | |
| Service Availability | 28.77 | 28.77 | 28.77 | 28.77 | 28.77 | 28.77 | 28.77 |
| Energy <1,000kWh (per kWh) | 0.00076 | 0.00076 | 0.00076 | 0.00076 | 0.00076 | 0.00076 | 0.00076 |
| Energy >1,000kWh (per kWh) | 0.01878 | 0.01878 | 0.01878 | 0.01878 | 0.01878 | 0.01878 | 0.01878 |
| Large School - Rate 15 | | | | | | | |
| Service Availability | 39.74 | 39.74 | 39.74 | 39.74 | 39.74 | 39.74 | 39.74 |
| Energy (per kWh) | 0.00049 | 0.00049 | 0.00049 | 0.00049 | 0.00049 | 0.00049 | 0.00049 |
| Demand (per kW) | 5.77410 | 5.77410 | 5.77410 | 5.77410 | 5.77410 | 5.77410 | 5.77410 |
| Secondary Commercial and Net Metering- Rate 16 | | | | | | | |
| Service Availability | 28.56 | 28.56 | 28.56 | 28.56 | 28.56 | 28.56 | 28.56 |
| Energy (per kWh) | 0.00080 | 0.00080 | 0.00080 | 0.00080 | 0.00080 | 0.00080 | 0.00080 |
| Summer Demand (per kW) | 8.00922 | 8.00922 | 8.00922 | 8.00922 | 8.00922 | 8.00922 | 8.00922 |
| Non-Summer Demand (per kW) | 4.28400 | 4.28400 | 4.28400 | 4.28400 | 4.28400 | 4.28400 | 4.28400 |
| Primary Commercial - Rate 16P | | | | | | | |
| Service Availability | 310.44 | 310.44 | 310.44 | 310.44 | 310.44 | 310.44 | 310.44 |
| Energy (per kWh) | 0.00057 | 0.00057 | 0.00057 | 0.00057 | 0.00057 | 0.00057 | 0.00057 |
| Demand (per kW) | 5.15323 | 5.15323 | 5.15323 | 5.15323 | 5.15323 | 5.15323 | 5.15323 |
| Large Municipal - Rate 17 | | | | | | | |
| Service Availability | 49.67 | 49.67 | 49.67 | 49.67 | 49.67 | 49.67 | 49.67 |
| Energy (per kWh) | 0.00066 | 0.00066 | 0.00066 | 0.00066 | 0.00066 | 0.00066 | 0.00066 |
| Demand (per kW) | 5.24014 | 5.24014 | 5.24014 | 5.24014 | 5.24014 | 5.24014 | 5.24014 |
| Street Lighting - Rate 18 | | | | | | | |
| Energy (per kWh) | 0.04781 | 0.04781 | 0.04781 | 0.04781 | 0.04781 | 0.04781 | 0.04781 |
| General Religious - Rate 19 | | | | | | | |
| Service Availability | 16.77 | 16.77 | 16.77 | 16.77 | 16.77 | 16.77 | 16.77 |
| Energy (per kWh) | 0.01847 | 0.01847 | 0.01847 | 0.01847 | 0.01847 | 0.01847 | 0.01847 |
| Small Municipal & School - Rate 21 | | | | | | | |
| Service Availability | 12.98 | 12.98 | 12.98 | 12.98 | 12.98 | 12.98 | 12.98 |
| Energy (per kWh) | 0.01639 | 0.01639 | 0.01639 | 0.01639 | 0.01639 | 0.01639 | 0.01639 |

*The financial model does not currently anticipate base rate adjustments throughout the forecast years. LP&L plans to undertake a comprehensive cost of service (COS) study after one year of AMI meter information is collected and just prior to the ERCOT transition in 2021. LP&L does not expect the COS to increase rates overall, but may shift costs from one rate class to another.



Lubbock Power & Light - Staffing



ADMINISTRATION

| | Actual | Actual | Actual | Amended | Budget | Change |
|----------------------------|------------|------------|------------|------------|------------|--------------|
| STAFFING | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended |
| Administration | 13 | 13 | 14 | 17 | 17 | - |
| Regulatory Compliance | 5 | 6 | 6 | 6 | 6 | - |
| Legal | 2 | 3 | 3 | 3 | 3 | - |
| Conservation And Education | - | - | - | 2 | 2 | - |
| TOTAL ADMINISTRATION | 20 | 22 | 23 | 28 | 28 | - |

PRODUCTION

| | Actual | Actual | Actual | Amended | Budget | Change |
|-------------------------------|------------|------------|------------|------------|------------|--------------|
| STAFFING | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended |
| Production Operations | 14 | 8 | 7 | 6 | 6 | - |
| Production Cooke Station | 15 | - | - | - | - | - |
| Production Brandon Station | 7 | 7 | 4 | 4 | - | (4) |
| Production Massengale Station | 16 | 29 | 26 | 22 | 26 | 4 |
| TOTAL PRODUCTION | 52 | 44 | 37 | 32 | 32 | - |

DISTRIBUTION

| | Actual | Actual | Actual | Amended | Budget | Change |
|-----------------------------------|------------|------------|------------|------------|------------|--------------|
| STAFFING | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended |
| Distribution Supervision & Eng. | 21 | 25 | 26 | 7 | 7 | - |
| Underground Lines | 28 | 27 | 28 | 29 | 34 | 5 |
| Overhead Lines | 26 | 27 | 27 | 32 | 32 | - |
| Distribution Load Dispatching | 12 | 11 | 13 | 14 | 14 | - |
| Distribution Customer Svc. | 16 | 13 | 13 | 12 | 12 | - |
| Geographic Information Systems | - | - | - | 8 | 8 | - |
| Distribution Substations | 13 | 12 | 14 | 14 | 14 | - |
| Distribution Eng. & Constr. Mgmt. | - | - | - | 9 | 9 | - |
| Distribution Meter Shop | 6 | 6 | 6 | 6 | 6 | - |
| Distribution Street Lights | - | 3 | 7 | 8 | 10 | 2 |
| TOTAL DISTRIBUTION | 122 | 124 | 134 | 139 | 146 | 7 |

TRANSMISSION

| | Actual | Actual | Actual | Amended | Budget | Change |
|---------------------------------|------------|------------|------------|------------|------------|--------------|
| STAFFING | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended |
| Transmission Supervision & Eng. | - | 4 | 6 | 8 | 8 | - |
| TOTAL TRANSMISSION | - | 4 | 6 | 8 | 8 | - |

CUSTOMER SERVICE

| | Actual | Actual | Actual | Amended | Budget | Change |
|------------------------------|------------|------------|------------|------------|------------|--------------|
| STAFFING | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended |
| Field Services | - | 16 | 16 | 21 | 29 | 8 |
| Meter Reading | 47 | 21 | 22 | 17 | 6 | (11) |
| Customer Information Systems | 6 | 7 | 7 | 9 | 9 | - |
| Payment Processing | 20 | 6 | 6 | - | - | - |
| Customer Service | 36 | 49 | 54 | 56 | 56 | - |
| Collections | - | 10 | 19 | 19 | 21 | 2 |
| TOTAL CUSTOMER SERVICE | 109 | 109 | 124 | 122 | 121 | (1) |
| TOTAL STAFFING | 303 | 303 | 324 | 329 | 335 | 6 |



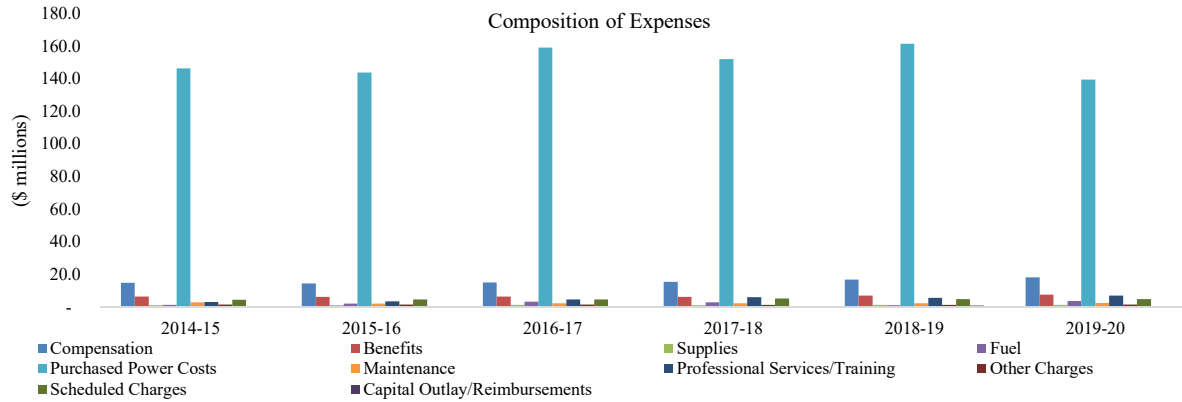
Lubbock Power & Light - Fund Overview

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|--|----------------|-------------|-------------|-------------|-------------|--------------|--------------|
| FUNDING SOURCES | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Interest Earnings | \$ 407,036 | 613,752 | 1,384,251 | 1,074,254 | 1,479,901 | 405,647 | 37.8 |
| Rentals and Recoveries | 402,235 | 314,026 | 1,147,482 | 273,710 | 253,574 | (20,136) | (7.4) |
| Sale of equipment/recycle scrap | 140,006 | 77,461 | 151,088 | 108,349 | 112,701 | 4,352 | 4.0 |
| General Consumers Metered | 62,633,695 | 64,581,198 | 69,128,477 | 68,835,464 | 68,737,964 | (97,500) | (0.1) |
| Power Cost Recovery Factor (PCRF) | 143,988,573 | 160,688,685 | 152,203,645 | 169,831,094 | 150,131,731 | (19,699,363) | (11.6) |
| Franchise Fee Equivalent Revenue | 9,520,069 | 10,644,888 | 10,539,368 | 11,419,707 | 10,367,876 | (1,051,831) | (9.2) |
| Unit Contingent Sales | 2,959,338 | 420,151 | 423,064 | 629,640 | - | (629,640) | (100.0) |
| Power Marketing Sales | 663,228 | 4,197,324 | 4,519,775 | 1,729,380 | - | (1,729,380) | (100.0) |
| Fees and Charges | 2,855,837 | 3,194,787 | 2,610,289 | 2,665,771 | 2,676,640 | 10,869 | 0.4 |
| Outside Work Orders and Street Lights | 927,060 | 927,279 | 624,454 | 840,654 | 982,293 | 141,638 | 16.8 |
| Tampering Fees | 79,200 | 61,122 | 53,800 | 61,122 | 55,168 | (5,954) | (9.7) |
| Miscellaneous | 278,553 | 311,304 | 222,470 | 178,538 | 176,976 | (1,561) | (0.9) |
| Transfer from Debt Service Fund | - | - | 411,759 | 3,257,898 | 3,103,050 | (154,848) | (4.8) |
| Transfer from Debt Service Reserve Fund (DSRF) | - | - | - | - | - | - | - |
| Transfer from Other Funds | 120,316 | 93,243 | 1,306,808 | 1,287,687 | 2,696,694 | 1,409,007 | 109.4 |
| Total Revenue Sources | \$ 224,975,147 | 246,125,218 | 244,726,731 | 262,193,268 | 240,774,566 | (21,418,702) | (8.2) |
| Utilization of General Reserve | - | - | - | - | - | - | - |
| TOTAL FUNDING SOURCES | \$ 224,975,147 | 246,125,218 | 244,726,731 | 262,193,268 | 240,774,566 | (21,418,702) | (8.2) |

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|-------------------------------------|----------------|-------------|-------------|-------------|-------------|--------------|--------------|
| DEPARTMENT LEVEL EXPENSES | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Compensation | \$ 14,528,667 | 15,019,825 | 15,513,585 | 16,814,693 | 18,224,684 | 1,409,991 | 8.4 |
| Benefits | 6,292,353 | 6,502,755 | 6,300,968 | 7,083,127 | 7,646,468 | 563,342 | 8.0 |
| Supplies | 1,145,402 | 1,332,851 | 1,110,774 | 1,301,641 | 1,292,229 | (9,412) | (0.7) |
| Fuel | 2,073,885 | 3,335,631 | 2,963,241 | 1,083,911 | - | (1,083,911) | (100.0) |
| Energy/Fuel | 81,571,288 | 88,530,528 | 77,099,763 | 84,150,255 | 76,057,968 | (8,092,286) | (9.6) |
| Transmission - SPP | 21,625,070 | 24,356,993 | 28,569,248 | 31,943,314 | 30,879,048 | (1,064,266) | (3.3) |
| Capacity - SPP | 40,585,944 | 46,113,253 | 46,291,784 | 45,315,456 | 36,287,892 | (9,027,564) | (19.9) |
| Maintenance | 2,103,059 | 2,434,483 | 2,399,163 | 2,305,990 | 2,623,885 | 317,895 | 13.8 |
| Professional Services/Training | 3,539,189 | 4,634,639 | 6,032,318 | 5,677,092 | 7,009,216 | 1,332,124 | 23.5 |
| Other Charges | 1,489,594 | 1,473,569 | 1,428,081 | 1,295,826 | 1,522,039 | 226,213 | 17.5 |
| Scheduled Charges | 4,639,400 | 4,623,009 | 5,368,571 | 4,967,432 | 4,944,062 | (23,369) | (0.5) |
| Capital Outlay/Reimbursements | 537,015 | 459,366 | 240,556 | 1,046,000 | 55,400 | (990,600) | (94.7) |
| Reimbursement - Utility Collections | (5,751,699) | (5,555,509) | (5,921,050) | (6,345,954) | (6,014,288) | 331,666 | (5.2) |
| TOTAL DEPARTMENT LEVEL EXPENSES | \$ 174,379,167 | 193,261,394 | 187,397,003 | 196,638,783 | 180,528,605 | (16,110,176) | (8.2) |

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|---|----------------|-------------|-------------|-------------|-------------|--------------|--------------|
| FUND LEVEL EXPENSES | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Debt Service | \$ 19,402,616 | 19,926,328 | 19,553,723 | 23,985,461 | 26,193,206 | 2,207,746 | 9.2 |
| Capitalized Interest | - | - | 411,759 | 3,257,898 | 3,103,050 | (154,848) | (4.8) |
| Note Program Fees | - | - | - | - | 496,415 | 496,415 | - |
| Transfer to Debt Service Reserve Fund | - | - | 800,605 | - | - | - | - |
| Indirect Cost Allocation | 1,123,599 | 1,066,407 | 1,135,647 | 1,155,378 | 1,266,838 | 111,460 | 9.6 |
| Franchise Fee Equivalent | 10,318,159 | 11,260,270 | 11,060,010 | 11,933,328 | 10,943,485 | (989,843) | (8.3) |
| In Lieu of Property Tax | 2,063,632 | 2,252,054 | 2,212,002 | 2,386,666 | 2,188,697 | (197,969) | (8.3) |
| Transfer to Capital Program | 11,313,325 | 15,240,000 | 15,950,000 | 15,995,000 | 14,915,000 | (1,080,000) | (6.8) |
| Transfer to Debt Service for General Fund CIP | - | - | 2,478,673 | 1,630,198 | 1,139,270 | (490,928) | (30.1) |
| Miscellaneous | 2,175,272 | 1,791,040 | 2,505,147 | 275,935 | - | (275,935) | (100.0) |
| TOTAL FUND LEVEL EXPENSES | \$ 46,396,602 | 51,536,099 | 56,107,567 | 60,619,864 | 60,245,961 | (373,902) | (0.6) |
| TOTAL EXPENSES | \$ 220,775,769 | 244,797,493 | 243,504,569 | 257,258,647 | 240,774,566 | (16,484,078) | (6.4) |

Lubbock Power & Light - Department Overview



| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|-------------------------------------|----------------|----------------|----------------|----------------|----------------|-----------------|--------------|
| EXPENSES BY CATEGORY | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Compensation | \$ 14,528,667 | 15,019,825 | 15,513,585 | 16,814,694 | 18,224,684 | 1,409,990 | 8.4 |
| Benefits | 6,292,353 | 6,502,755 | 6,300,968 | 7,083,127 | 7,646,468 | 563,342 | 8.0 |
| Supplies | 1,145,402 | 1,332,851 | 1,110,774 | 1,301,641 | 1,292,229 | (9,412) | (0.7) |
| Fuel | 2,073,885 | 3,335,631 | 2,963,241 | 1,083,911 | 3,752,037 | 2,668,126 | 246.2 |
| Purchased Power Costs | 143,782,301 | 159,000,774 | 151,960,794 | 161,409,024 | 139,472,872 | (21,936,153) | (13.6) |
| Maintenance | 2,103,059 | 2,434,483 | 2,399,163 | 2,305,990 | 2,623,885 | 317,895 | 13.8 |
| Professional Services/Training | 3,539,189 | 4,634,639 | 6,032,318 | 5,677,092 | 7,009,216 | 1,332,124 | 23.5 |
| Other Charges | 1,489,594 | 1,473,569 | 1,428,081 | 1,295,826 | 1,522,039 | 226,213 | 17.5 |
| Scheduled Charges | 4,639,400 | 4,623,009 | 5,368,571 | 4,967,432 | 4,944,062 | (23,369) | (0.5) |
| Capital Outlay/Reimbursements | 537,015 | 459,366 | 240,556 | 1,046,000 | 55,400 | (990,600) | (94.7) |
| Reimbursement - Utility Collections | (5,751,699) | (5,555,509) | (5,921,050) | (6,345,954) | (6,014,288) | 331,666 | (5.2) |
| TOTAL EXPENSES BY CATEGORY | \$ 174,379,167 | \$ 193,261,394 | \$ 187,397,003 | \$ 196,638,782 | \$ 180,528,605 | \$ (16,110,177) | (8.2) |

ADMINISTRATION

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|----------------------------|--------------|------------|------------|------------|------------|--------------|--------------|
| EXPENSES BY FUNCTION | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Administration | \$ 2,372,506 | 2,681,348 | 2,564,697 | 3,439,713 | 3,213,600 | (226,113) | (6.6) |
| Regulatory Compliance | 702,990 | 485,214 | 564,697 | 589,818 | 598,878 | 9,060 | 1.5 |
| Legal | 689,306 | 873,136 | 1,050,601 | 1,578,326 | 1,115,312 | (463,014) | (29.3) |
| Conservation And Education | 308,570 | 382,638 | 456,667 | 585,200 | 568,941 | (16,259) | (2.8) |
| TOTAL ADMINISTRATION | \$ 4,073,373 | 4,422,335 | 4,636,662 | 6,193,056 | 5,496,731 | (696,325) | (11.2) |

POWER PASS-THROUGH

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|-------------------------------|----------------|-------------|-------------|-------------|-------------|--------------|--------------|
| EXPENSES BY FUNCTION | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Production Operations | \$ 1,678,407 | 896,881 | 883,833 | 751,578 | 1,058,205 | 306,628 | 40.8 |
| Purchased Power | 143,782,301 | 159,000,774 | 151,960,794 | 161,409,024 | 139,472,872 | (21,936,153) | (13.6) |
| Production Cooke Station | 2,471,492 | 497,331 | 695,257 | 920,814 | 980,857 | 60,043 | 6.5 |
| Production Brandon Station | 1,640,688 | 1,390,559 | 1,227,011 | 1,299,546 | 1,055,969 | (243,577) | (18.7) |
| Production Massengale Station | 3,880,712 | 7,403,542 | 6,881,470 | 5,578,257 | 7,245,568 | 1,667,311 | 29.9 |
| Reg Market Admin & Compliance | - | 323,430 | 318,258 | 318,416 | 326,377 | 7,960 | 2.5 |
| TOTAL POWER PASS-THROUGH | \$ 153,453,600 | 169,512,518 | 161,966,623 | 170,277,635 | 150,139,848 | (20,137,787) | (11.8) |

DISTRIBUTION

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|-----------------------------------|---------------|------------|------------|------------|------------|--------------|--------------|
| EXPENSES BY FUNCTION | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Distribution Supervision & Eng. | \$ 2,367,118 | 1,765,583 | 2,086,987 | 951,782 | 832,097 | (119,685) | (12.6) |
| Underground Lines | 1,938,009 | 2,297,445 | 2,197,702 | 2,152,969 | 2,682,640 | 529,671 | 24.6 |
| Overhead Lines | 1,736,805 | 2,317,711 | 2,007,222 | 2,095,935 | 2,782,014 | 686,079 | 32.7 |
| Distribution Load Dispatching | 1,544,463 | 733,011 | 1,023,776 | 933,192 | 1,305,282 | 372,090 | 39.9 |
| Distribution Customer Svc. | 3,698,854 | 3,322,121 | 3,307,727 | 3,421,573 | 3,618,595 | 197,021 | 5.8 |
| Geographic Information Systems | - | - | - | 385,787 | 879,789 | 494,002 | 128.1 |
| Distribution Substations | 1,245,976 | 950,265 | 847,066 | 1,113,987 | 1,092,966 | (21,021) | (1.9) |
| Distribution Eng. & Constr. Mgmt. | - | - | - | 538,940 | 510,340 | (28,600) | (5.3) |
| Distribution Meter Shop | 682,902 | 728,799 | 726,317 | 750,870 | 726,421 | (24,449) | (3.3) |
| Distribution Street Lights | - | 513,360 | 1,094,813 | 961,187 | 1,279,331 | 318,145 | 33.1 |
| TOTAL DISTRIBUTION | \$ 13,214,127 | 12,628,294 | 13,291,611 | 13,306,222 | 15,709,476 | 2,403,255 | 18.1 |

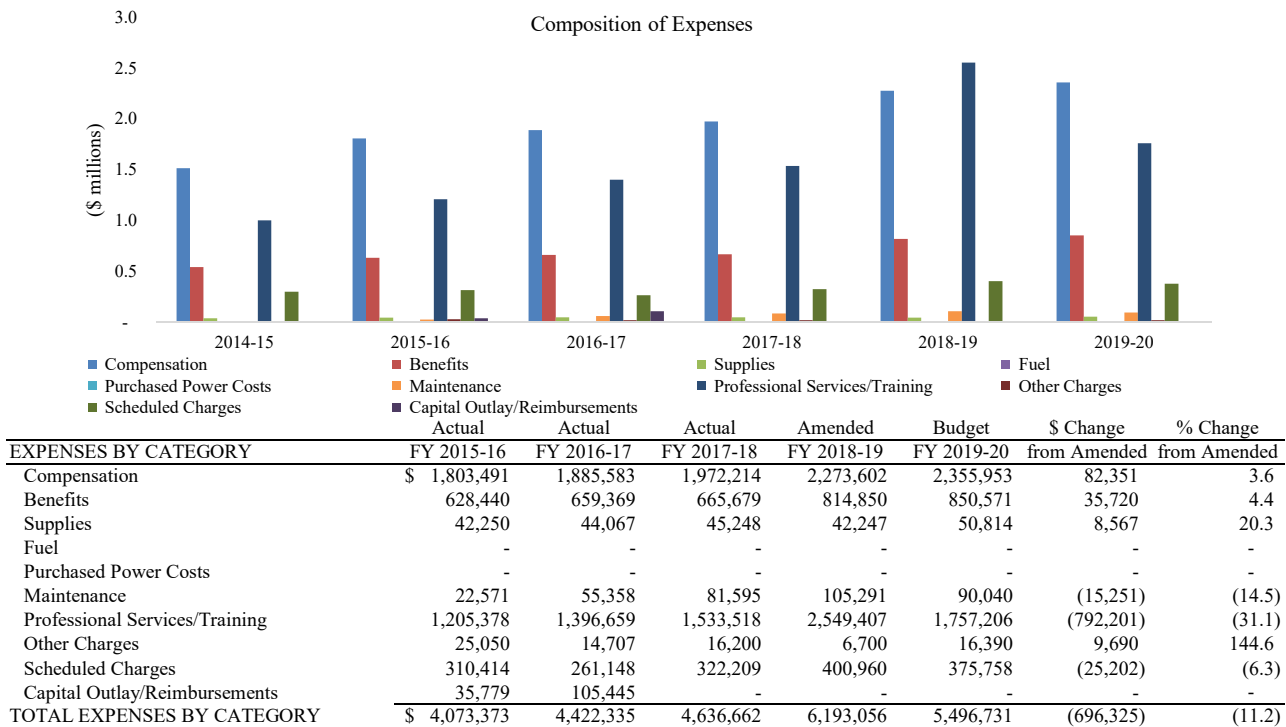
TRANSMISSION

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|---------------------------------|------------|------------|------------|------------|------------|--------------|--------------|
| EXPENSES BY FUNCTION | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Transmission Supervision & Eng. | \$ - | 1,276,177 | 1,808,362 | 929,137 | 1,146,673 | 217,537 | 23.4 |
| Transmission Overhead Lines | - | 100,108 | 44,820 | 125,495 | 160,587 | 35,092 | 28.0 |
| Transmission Load Dispatching | - | 477,457 | 516,726 | 753,870 | 912,550 | 158,680 | 21.0 |
| Transmission Substation | - | 542,633 | 247,968 | 682,808 | 651,815 | (30,993) | (4.5) |
| TOTAL TRANSMISSION | \$ - | 2,396,375 | 2,617,877 | 2,491,310 | 2,871,625 | 380,315 | 15.3 |

CUSTOMER SERVICE

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|-------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| EXPENSES BY FUNCTION | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Field Services | \$ - | 1,183,444 | 998,644 | 1,449,800 | 2,002,054 | 552,254 | 38.1 |
| Meter Reading | 2,936,770 | 1,351,941 | 1,519,307 | 1,279,288 | 730,158 | (549,130) | (42.9) |
| Customer Information Systems | 1,488,729 | 1,493,877 | 1,864,824 | 3,562,752 | 5,109,465 | 1,546,713 | 43.4 |
| Payment Processing | 3,054,885 | 2,225,092 | 2,890,870 | - | - | - | - |
| Customer Service | 1,909,382 | 2,771,688 | 2,724,671 | 3,165,219 | 3,128,139 | (37,081) | (1.2) |
| Collections | - | 831,339 | 806,964 | 1,259,453 | 1,355,395 | 95,942 | 7.6 |
| Reimbursement - Utility Collections | (5,751,699) | (5,555,509) | (5,921,050) | (6,345,954) | (6,014,288) | 331,666 | (5.2) |
| TOTAL CUSTOMER SERVICE | \$ 3,638,067 | \$ 4,301,872 | \$ 4,884,230 | \$ 4,370,559 | \$ 6,310,924 | \$ 1,940,365 | 44.4 |

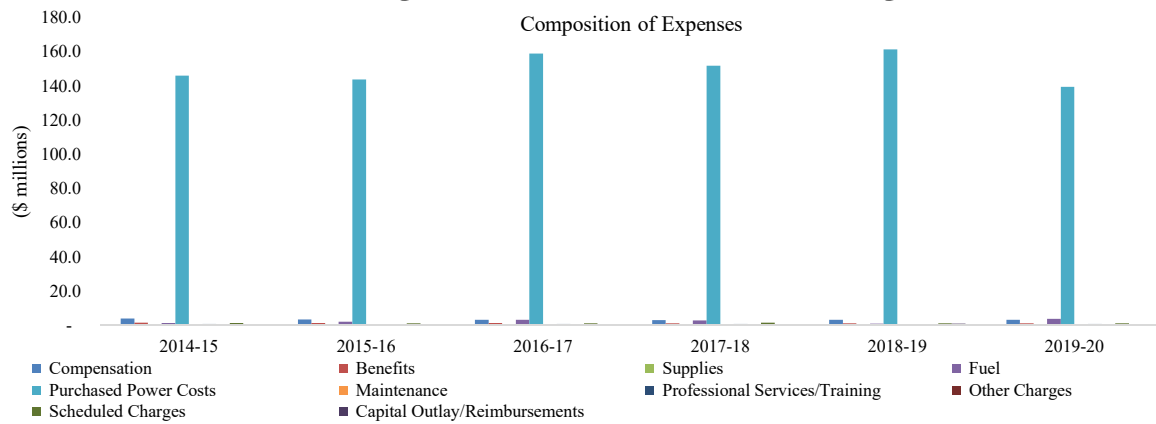
Lubbock Power & Light - Administration



ADMINISTRATION

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|-----------------------------|---------------------|------------------|------------------|------------------|------------------|------------------|---------------|
| EXPENSES BY FUNCTION | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Administration | \$ 2,372,506 | 2,681,348 | 2,564,697 | 3,439,713 | 3,213,600 | (226,113) | (6.6) |
| Regulatory Compliance | 702,990 | 485,214 | 564,697 | 589,818 | 598,878 | 9,060 | 1.5 |
| Legal | 689,306 | 873,136 | 1,050,601 | 1,578,326 | 1,115,312 | (463,014) | (29.3) |
| Conservation And Education | 308,570 | 382,638 | 456,667 | 585,200 | 568,941 | (16,259) | (2.8) |
| TOTAL ADMINISTRATION | \$ 4,073,373 | 4,422,335 | 4,636,662 | 6,193,056 | 5,496,731 | (696,325) | (11.2) |

Lubbock Power & Light - Power Pass-Through

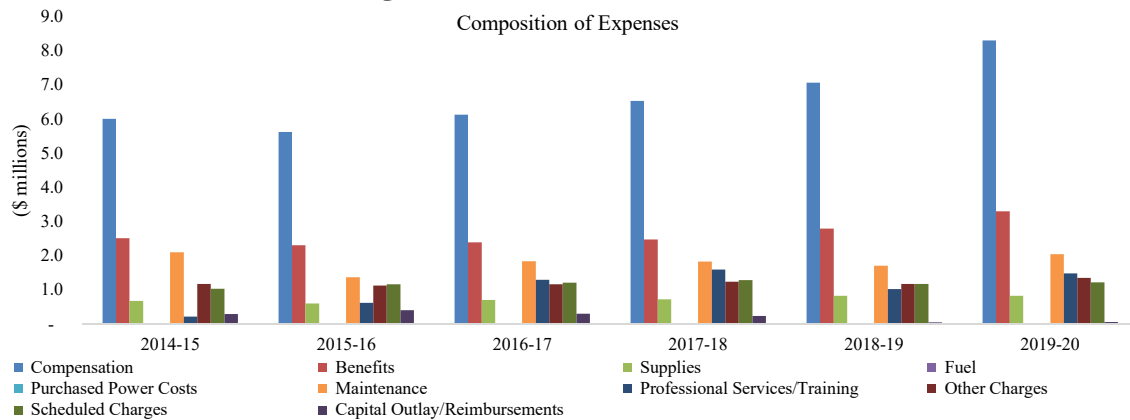


| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|--------------------------------|----------------|-------------|-------------|-------------|-------------|--------------|--------------|
| EXPENSES BY CATEGORY | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Compensation | \$ 3,499,160 | 3,196,363 | 3,074,082 | 3,280,553 | 3,251,472 | (29,082) | (0.9) |
| Benefits | 1,389,940 | 1,282,563 | 1,163,772 | 1,212,182 | 1,165,138 | (47,043) | (3.9) |
| Supplies | 254,043 | 177,901 | 160,949 | 180,380 | 198,069 | 17,689 | 9.8 |
| Fuel | 2,073,885 | 3,335,631 | 2,963,241 | 1,083,911 | 3,752,037 | 2,668,126 | 246.2 |
| Purchased Power Costs | 143,782,301 | 159,000,774 | 151,960,794 | 161,409,024 | 139,472,872 | (21,936,153) | (13.6) |
| Maintenance | 539,961 | 420,000 | 385,607 | 390,428 | 370,422 | (20,006) | (5.1) |
| Professional Services/Training | 516,542 | 805,530 | 723,806 | 616,964 | 740,585 | 123,621 | 20.0 |
| Other Charges | 67,339 | 35,032 | 8,329 | 11,500 | 49,265 | 37,765 | 328.4 |
| Scheduled Charges | 1,232,527 | 1,223,733 | 1,526,044 | 1,092,693 | 1,139,989 | 47,296 | 4.3 |
| Capital Outlay/Reimbursements | 97,901 | 34,990 | - | 1,000,000 | - | (1,000,000) | (100.0) |
| TOTAL EXPENSES BY CATEGORY | \$ 153,453,600 | 169,512,518 | 161,966,623 | 170,277,635 | 150,139,848 | (20,137,787) | (11.8) |

POWER PASS-THROUGH

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|-------------------------------|----------------|-------------|-------------|-------------|-------------|--------------|--------------|
| EXPENSES BY FUNCTION | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Production Operations | \$ 1,678,407 | 896,881 | 883,833 | 751,578 | 1,058,205 | 306,628 | 40.8 |
| Purchased Power | 143,782,301 | 159,000,774 | 151,960,794 | 161,409,024 | 139,472,872 | (21,936,153) | (13.6) |
| Production Cooke Station | 2,471,492 | 497,331 | 695,257 | 920,814 | 980,857 | 60,043 | 6.5 |
| Production Brandon Station | 1,640,688 | 1,390,559 | 1,227,011 | 1,299,546 | 1,055,969 | (243,577) | (18.7) |
| Production Massengale Station | 3,880,712 | 7,403,542 | 6,881,470 | 5,578,257 | 7,245,568 | 1,667,311 | 29.9 |
| Reg Market Admin & Compliance | - | 323,430 | 318,258 | 318,416 | 326,377 | 7,960 | 2.5 |
| TOTAL POWER PASS-THROUGH | \$ 153,453,600 | 169,512,518 | 161,966,623 | 170,277,635 | 150,139,848 | (20,137,787) | (11.8) |

Lubbock Power & Light - Distribution & Transmission



| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|-----------------------------------|----------------------|-------------------|-------------------|-------------------|-------------------|------------------|--------------|
| EXPENSES BY CATEGORY | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Compensation | \$ 5,618,979 | 6,125,665 | 6,527,103 | 7,062,336 | 8,293,735 | 1,231,400 | 17.4 |
| Benefits | 2,309,930 | 2,387,490 | 2,475,097 | 2,792,195 | 3,296,513 | 504,318 | 18.1 |
| Supplies | 599,830 | 705,423 | 728,225 | 825,530 | 831,308 | 5,778 | 0.7 |
| Fuel | - | - | - | - | - | - | - |
| Purchased Power Costs | - | - | - | - | - | - | - |
| Maintenance | 1,368,550 | 1,836,473 | 1,826,380 | 1,702,810 | 2,048,184 | 345,374 | 20.3 |
| Professional Services/Training | 617,852 | 1,290,182 | 1,596,159 | 1,027,467 | 1,484,764 | 457,297 | 44.5 |
| Other Charges | 1,129,089 | 1,168,223 | 1,234,498 | 1,170,132 | 1,354,438 | 184,306 | 15.8 |
| Scheduled Charges | 1,166,563 | 1,211,116 | 1,281,470 | 1,171,062 | 1,216,760 | 45,698 | 3.9 |
| Capital Outlay/Reimbursements | 403,334 | 300,097 | 240,556 | 46,000 | 55,400 | 9,400 | 20.4 |
| TOTAL EXPENSES BY CATEGORY | \$ 13,214,127 | 15,024,669 | 15,909,488 | 15,797,532 | 18,581,102 | 2,783,570 | 17.6 |

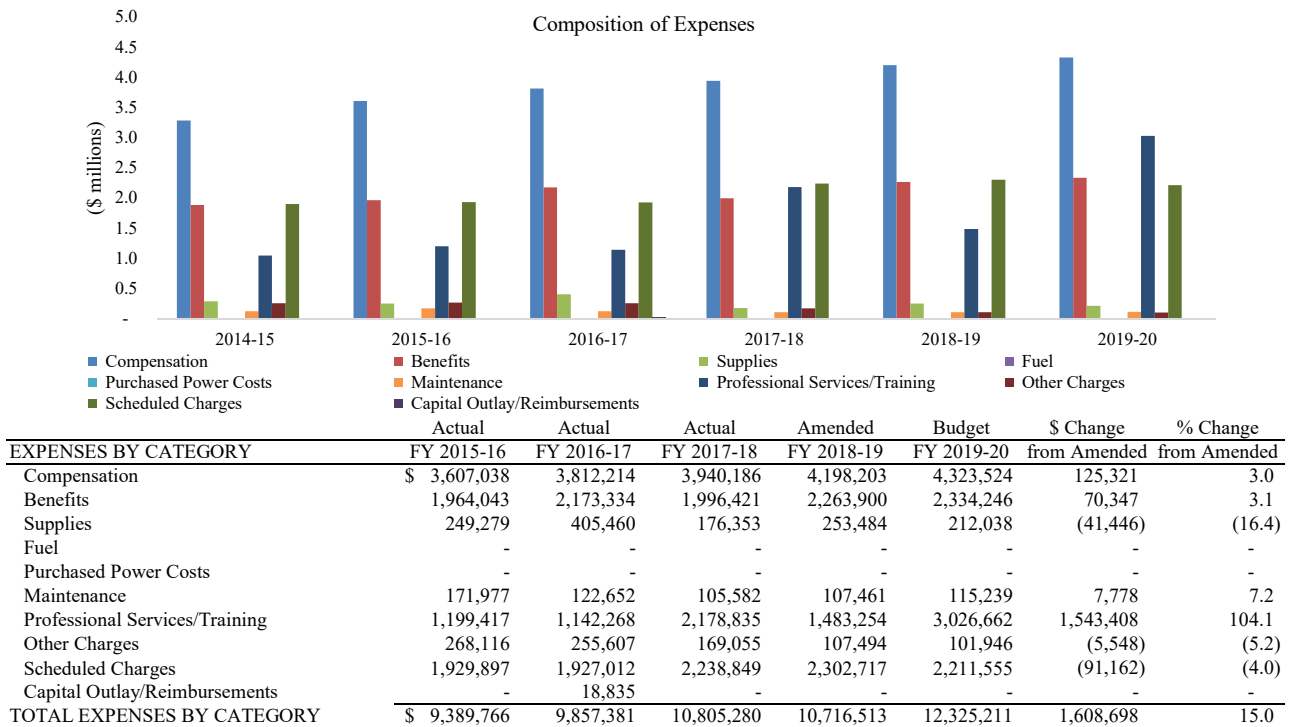
DISTRIBUTION

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|-----------------------------------|----------------------|-------------------|-------------------|-------------------|-------------------|------------------|--------------|
| EXPENSES BY FUNCTION | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Distribution Supervision & Eng. | \$ 2,367,118 | 1,765,583 | 2,086,987 | 951,782 | 832,097 | (119,685) | (12.6) |
| Underground Lines | 1,938,009 | 2,297,445 | 2,197,702 | 2,152,969 | 2,682,640 | 529,671 | 24.6 |
| Overhead Lines | 1,736,805 | 2,317,711 | 2,007,222 | 2,095,935 | 2,782,014 | 686,079 | 32.7 |
| Distribution Load Dispatching | 1,544,463 | 733,011 | 1,023,776 | 933,192 | 1,305,282 | 372,090 | 39.9 |
| Distribution Customer Svc. | 3,698,854 | 3,322,121 | 3,307,727 | 3,421,573 | 3,618,595 | 197,021 | 5.8 |
| Geographic Information Systems | - | - | - | 385,787 | 879,789 | 494,002 | 128.1 |
| Distribution Substations | 1,245,976 | 950,265 | 847,066 | 1,113,987 | 1,092,966 | (21,021) | (1.9) |
| Distribution Eng. & Constr. Mgmt. | - | - | - | 538,940 | 510,340 | (28,600) | (5.3) |
| Distribution Meter Shop | 682,902 | 728,799 | 726,317 | 750,870 | 726,421 | (24,449) | (3.3) |
| Distribution Street Lights | - | 513,360 | 1,094,813 | 961,187 | 1,279,331 | 318,145 | 33.1 |
| TOTAL DISTRIBUTION | \$ 13,214,127 | 12,628,294 | 13,291,611 | 13,306,222 | 15,709,476 | 2,403,255 | 18.1 |

TRANSMISSION

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|---------------------------------|-------------|------------------|------------------|------------------|------------------|----------------|--------------|
| EXPENSES BY FUNCTION | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Transmission Supervision & Eng. | \$ - | 1,276,177 | 1,808,362 | 929,137 | 1,146,673 | 217,537 | 23.4 |
| Transmission Overhead Lines | - | 100,108 | 44,820 | 125,495 | 160,587 | 35,092 | 28.0 |
| Transmission Load Dispatching | - | 477,457 | 516,726 | 753,870 | 912,550 | 158,680 | 21.0 |
| Transmission Substation | - | 542,633 | 247,968 | 682,808 | 651,815 | (30,993) | (4.5) |
| TOTAL TRANSMISSION | \$ - | 2,396,375 | 2,617,877 | 2,491,310 | 2,871,625 | 380,315 | 15.3 |

Lubbock Power & Light - Customer Service



CUSTOMER SERVICE

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|-------------------------------|---------------------|------------------|-------------------|-------------------|-------------------|------------------|--------------|
| EXPENSES BY FUNCTION | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Field Services | \$ - | 1,183,444 | 998,644 | 1,449,800 | 2,002,054 | 552,254 | 38.1 |
| Meter Reading | 2,936,770 | 1,351,941 | 1,519,307 | 1,279,288 | 730,158 | (549,130) | (42.9) |
| Customer Information Systems | 1,488,729 | 1,493,877 | 1,864,824 | 3,562,752 | 5,109,465 | 1,546,713 | 43.4 |
| Payment Processing | 3,054,885 | 2,225,092 | 2,890,870 | - | - | - | - |
| Customer Service | 1,909,382 | 2,771,688 | 2,724,671 | 3,165,219 | 3,128,139 | (37,081) | (1.2) |
| Collections | - | 831,339 | 806,964 | 1,259,453 | 1,355,395 | 95,942 | 7.6 |
| TOTAL CUSTOMER SERVICE | \$ 9,389,766 | 9,857,381 | 10,805,280 | 10,716,513 | 12,325,211 | 1,608,698 | 15.0 |

*This page excludes the reimbursements from the Other City Utilities, which is shown on the Department Overview summary.

Lubbock Power & Light - Department Expenses

Administration

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|--------------------------------|--------------|------------|------------|------------|------------|--------------|--------------|
| EXPENSES BY CATEGORY | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Compensation | \$ 1,186,373 | 1,372,705 | 1,405,610 | 1,576,099 | 1,621,158 | 45,058 | 2.9 |
| Benefits | 409,500 | 482,031 | 471,006 | 558,095 | 582,895 | 24,800 | 4.4 |
| Supplies | 34,502 | 34,840 | 35,365 | 29,648 | 37,720 | 8,072 | 27.2 |
| Maintenance | 18,529 | 51,116 | 73,559 | 101,500 | 87,000 | (14,500) | (14.3) |
| Professional Services/Training | 399,329 | 399,125 | 317,049 | 829,990 | 555,263 | (274,727) | (33.1) |
| Other Charges | 22,395 | 13,663 | 13,570 | 2,500 | 11,040 | 8,540 | 341.6 |
| Scheduled Charges | 266,100 | 222,423 | 248,539 | 341,881 | 318,525 | (23,356) | (6.8) |
| Capital Outlay/Reimbursements | 35,779 | 105,445 | - | - | - | - | - |
| TOTAL ADMINISTRATION | \$ 2,372,506 | 2,681,348 | 2,564,697 | 3,439,713 | 3,213,600 | (226,113) | (6.6) |

Regulatory Compliance

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|--------------------------------|------------|------------|------------|------------|------------|--------------|--------------|
| EXPENSES BY CATEGORY | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Compensation | \$ 383,011 | 186,933 | 223,520 | 223,069 | 229,493 | 6,424 | 2.9 |
| Benefits | 151,236 | 73,434 | 86,620 | 86,459 | 88,559 | 2,101 | 2.4 |
| Supplies | 6,572 | 8,513 | 6,319 | 6,770 | 8,774 | 2,004 | 29.6 |
| Maintenance | 4,042 | 4,242 | 8,036 | 3,791 | 3,040 | (751) | (19.8) |
| Professional Services/Training | 123,510 | 183,634 | 202,329 | 230,317 | 229,242 | (1,075) | (0.5) |
| Other Charges | 145 | 197 | 193 | 200 | 350 | 150 | 75.0 |
| Scheduled Charges | 34,475 | 28,259 | 37,680 | 39,212 | 39,420 | 208 | 0.5 |
| Capital Outlay/Reimbursements | - | - | - | - | - | - | - |
| TOTAL REGULATORY COMPLIANCE | \$ 702,990 | 485,214 | 564,697 | 589,818 | 598,878 | 9,060 | 1.5 |

Legal

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|--------------------------------|------------|------------|------------|------------|------------|--------------|--------------|
| EXPENSES BY CATEGORY | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Compensation | \$ 234,107 | 287,982 | 304,700 | 332,497 | 363,051 | 30,554 | 9.2 |
| Benefits | 67,704 | 89,458 | 94,353 | 110,365 | 118,445 | 8,080 | 7.3 |
| Supplies | 31 | 393 | 3,085 | 3,000 | 3,000 | - | - |
| Maintenance | - | - | - | - | - | - | - |
| Professional Services/Training | 375,114 | 483,991 | 615,982 | 1,116,500 | 616,140 | (500,360) | (44.8) |
| Other Charges | 2,511 | 847 | 2,436 | - | - | - | - |
| Scheduled Charges | 9,840 | 10,465 | 30,045 | 15,963 | 14,675 | (1,288) | (8.1) |
| Capital Outlay/Reimbursements | - | - | - | - | - | - | - |
| TOTAL LEGAL | \$ 689,306 | 873,136 | 1,050,601 | 1,578,326 | 1,115,312 | (463,014) | (29.3) |

Conservation And Education

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|----------------------------------|------------|------------|------------|------------|------------|--------------|--------------|
| EXPENSES BY CATEGORY | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Compensation | \$ - | 37,962 | 38,385 | 141,936 | 142,251 | 315 | 0.2 |
| Benefits | - | 14,446 | 13,700 | 59,931 | 60,671 | 740 | 1.2 |
| Supplies | 1,145 | 320 | 479 | 2,830 | 1,320 | (1,510) | (53.4) |
| Maintenance | - | - | - | - | - | - | - |
| Professional Services/Training | 307,425 | 329,909 | 398,158 | 372,600 | 356,561 | (16,039) | (4.3) |
| Other Charges | - | - | - | 4,000 | 5,000 | 1,000 | 25.0 |
| Scheduled Charges | - | - | 5,946 | 3,903 | 3,138 | (765) | (19.6) |
| Capital Outlay/Reimbursements | - | - | - | - | - | - | - |
| TOTAL CONSERVATION AND EDUCATION | \$ 308,570 | 382,638 | 456,667 | 585,200 | 568,941 | (16,259) | (2.8) |

Production Operations

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|--------------------------------|--------------|------------|------------|------------|------------|--------------|--------------|
| EXPENSES BY CATEGORY | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Compensation | \$ 931,625 | 564,876 | 577,317 | 455,691 | 706,409 | 250,717 | 55.0 |
| Benefits | 340,098 | 236,510 | 211,869 | 154,224 | 241,404 | 87,180 | 56.5 |
| Supplies | 7,476 | 9,921 | 5,857 | 6,950 | 8,950 | 2,000 | 28.8 |
| Maintenance | 6,414 | 5,541 | 6,793 | 695 | 6,536 | 5,841 | 840.5 |
| Professional Services/Training | 354,316 | 57,922 | 57,057 | 36,100 | 79,100 | 43,000 | 119.1 |
| Other Charges | 11,879 | 12,374 | 4,557 | 4,000 | 3,665 | (335) | (8.4) |
| Scheduled Charges | 2,068 | 9,737 | 20,383 | 93,917 | 12,141 | (81,776) | (87.1) |
| Capital Outlay/Reimbursements | 24,531 | - | - | - | - | - | - |
| TOTAL PRODUCTION OPERATIONS | \$ 1,678,407 | 896,881 | 883,833 | 751,578 | 1,058,205 | 306,628 | 40.8 |

Purchased Power

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|--------------------------------|----------------|-------------|-------------|-------------|-------------|--------------|--------------|
| EXPENSES BY CATEGORY | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Compensation | \$ - | - | - | - | - | - | - |
| Benefits | - | - | - | - | - | - | - |
| Supplies | - | - | - | - | - | - | - |
| Fuel | - | - | - | - | - | - | - |
| Purchased Power Costs | 143,782,301 | 159,000,774 | 151,960,794 | 161,409,024 | 139,472,872 | (21,936,153) | (13.6) |
| Maintenance | - | - | - | - | - | - | - |
| Professional Services/Training | - | - | - | - | - | - | - |
| Other Charges | - | - | - | - | - | - | - |
| Scheduled Charges | - | - | - | - | - | - | - |
| Capital Outlay/Reimbursements | - | - | - | - | - | - | - |
| TOTAL PURCHASED POWER | \$ 143,782,301 | 159,000,774 | 151,960,794 | 161,409,024 | 139,472,872 | (21,936,153) | (13.6) |

Production Cooke Station

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|--------------------------------|--------------|------------|------------|------------|------------|--------------|--------------|
| EXPENSES BY CATEGORY | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Compensation | \$ 1,060,500 | (65,595) | 180,694 | 197,075 | 137,106 | (59,969) | (30.4) |
| Benefits | 428,525 | 95,890 | 72,556 | 77,258 | 51,324 | (25,934) | (33.6) |
| Supplies | 73,469 | 18,862 | 17,271 | 14,444 | 17,544 | 3,100 | 21.5 |
| Fuel | 36,094 | - | - | - | 336,843 | 336,843 | - |
| Maintenance | 237,714 | 47,317 | 70,592 | 88,069 | 94,288 | 6,219 | 7.1 |
| Professional Services/Training | 80,266 | 130,400 | 10,410 | 31,500 | 70,000 | 38,500 | 122.2 |
| Other Charges | 16,897 | 4,698 | 838 | 1,000 | 9,000 | 8,000 | 800.0 |
| Scheduled Charges | 538,026 | 265,760 | 342,895 | 178,135 | 264,753 | 86,618 | 48.6 |
| Capital Outlay/Reimbursements | - | - | - | 333,334 | - | (333,334) | (100.0) |
| TOTAL PRODUCTION COOKE STATION | \$ 2,471,492 | 497,331 | 695,257 | 920,814 | 980,857 | 60,043 | 6.5 |

Production Brandon Station

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|----------------------------------|--------------|------------|------------|------------|------------|--------------|--------------|
| EXPENSES BY CATEGORY | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Compensation | \$ 468,732 | 402,966 | 297,750 | 333,209 | 298,426 | (34,783) | (10.4) |
| Benefits | 194,789 | 160,466 | 129,800 | 130,739 | 111,167 | (19,573) | (15.0) |
| Supplies | 33,589 | 14,517 | 18,438 | 23,855 | 21,300 | (2,555) | (10.7) |
| Fuel | 647,484 | 452,642 | 383,251 | 155,796 | 304,636 | 148,840 | 95.5 |
| Maintenance | 74,992 | 105,673 | 131,886 | 93,884 | 84,579 | (9,305) | (9.9) |
| Professional Services/Training | 32,240 | 27,881 | 26,898 | 23,160 | 32,000 | 8,840 | 38.2 |
| Other Charges | 13,813 | 4,584 | 746 | 4,000 | 22,900 | 18,900 | 472.5 |
| Scheduled Charges | 175,048 | 221,829 | 238,242 | 201,569 | 180,962 | (20,608) | (10.2) |
| Capital Outlay/Reimbursements | - | - | - | 333,333 | - | (333,333) | (100.0) |
| TOTAL PRODUCTION BRANDON STATION | \$ 1,640,688 | 1,390,559 | 1,227,011 | 1,299,546 | 1,055,969 | (243,577) | (18.7) |

Production Massengale Station

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|-------------------------------------|--------------|------------|------------|------------|------------|--------------|--------------|
| EXPENSES BY CATEGORY | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Compensation | \$ 1,038,304 | 2,294,117 | 2,018,322 | 2,294,578 | 2,109,531 | (185,047) | (8.1) |
| Benefits | 426,526 | 789,698 | 749,546 | 849,960 | 761,244 | (88,716) | (10.4) |
| Supplies | 139,509 | 134,601 | 119,391 | 135,131 | 150,275 | 15,144 | 11.2 |
| Fuel | 1,390,306 | 2,882,989 | 2,579,990 | 928,115 | 3,110,558 | 2,182,444 | 235.1 |
| Maintenance | 220,841 | 261,469 | 176,336 | 207,779 | 185,018 | (22,761) | (11.0) |
| Professional Services/Training | 49,720 | 265,896 | 311,174 | 207,788 | 233,108 | 25,320 | 12.2 |
| Other Charges | 24,751 | 13,376 | 2,188 | 2,500 | 13,700 | 11,200 | 448.0 |
| Scheduled Charges | 517,385 | 726,407 | 924,524 | 619,072 | 682,134 | 63,061 | 10.2 |
| Capital Outlay/Reimbursements | 73,371 | 34,990 | - | 333,333 | - | (333,333) | (100.0) |
| TOTAL PRODUCTION MASSENGALE STATION | \$ 3,880,712 | 7,403,542 | 6,881,470 | 5,578,257 | 7,245,568 | 1,667,311 | 29.9 |

Reg Market Admin & Compliance

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|-------------------------------------|------------|------------|------------|------------|------------|--------------|--------------|
| EXPENSES BY CATEGORY | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Compensation | \$ - | - | - | - | - | - | - |
| Benefits | - | - | - | - | - | - | - |
| Supplies | - | - | (8) | - | - | - | - |
| Maintenance | - | - | - | - | - | - | - |
| Professional Services/Training | - | 323,430 | 318,266 | 318,416 | 326,377 | 7,960 | 2.5 |
| Other Charges | - | - | - | - | - | - | - |
| Scheduled Charges | - | - | - | - | - | - | - |
| Capital Outlay/Reimbursements | - | - | - | - | - | - | - |
| TOTAL REG MARKET ADMIN & COMPLIANCE | \$ - | 323,430 | 318,258 | 318,416 | 326,377 | 7,960 | 2.5 |

Distribution Supervision & Eng.

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|---------------------------------------|--------------|------------|------------|------------|------------|--------------|--------------|
| EXPENSES BY CATEGORY | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Compensation | \$ 934,193 | 905,962 | 1,050,839 | 452,166 | 385,648 | (66,518) | (14.7) |
| Benefits | 360,171 | 359,197 | 395,573 | 173,537 | 153,293 | (20,243) | (11.7) |
| Supplies | 32,316 | 33,061 | 52,082 | 12,460 | 14,880 | 2,420 | 19.4 |
| Maintenance | 49,376 | 45,146 | 27,501 | 8,877 | 16,659 | 7,783 | 87.7 |
| Professional Services/Training | 456,904 | 136,184 | 61,308 | 95,620 | 64,700 | (30,920) | (32.3) |
| Other Charges | 12,619 | 21,332 | 50,236 | 4,500 | 10,950 | 6,450 | 143.3 |
| Scheduled Charges | 319,733 | 264,701 | 449,447 | 204,623 | 185,967 | (18,656) | (9.1) |
| Capital Outlay/Reimbursements | 201,808 | - | - | - | - | - | - |
| TOTAL DISTRIBUTION SUPERVISION & ENG. | \$ 2,367,118 | 1,765,583 | 2,086,987 | 951,782 | 832,097 | (119,685) | (12.6) |

Underground Lines

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|--------------------------------|--------------|------------|------------|------------|------------|--------------|--------------|
| EXPENSES BY CATEGORY | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Compensation | \$ 849,989 | 975,182 | 1,003,015 | 939,219 | 1,238,268 | 299,049 | 31.8 |
| Benefits | 399,156 | 370,912 | 394,017 | 377,021 | 512,169 | 135,148 | 35.8 |
| Supplies | 139,862 | 183,042 | 179,982 | 191,147 | 221,119 | 29,972 | 15.7 |
| Maintenance | 303,093 | 478,525 | 415,636 | 396,730 | 488,917 | 92,187 | 23.2 |
| Professional Services/Training | 19,125 | 32,057 | 38,515 | 44,385 | 79,512 | 35,127 | 79.1 |
| Other Charges | 2,170 | 1,653 | 2,688 | 2,000 | 15,155 | 13,155 | 657.8 |
| Scheduled Charges | 116,428 | 198,480 | 129,099 | 156,467 | 117,500 | (38,966) | (24.9) |
| Capital Outlay/Reimbursements | 108,187 | 57,595 | 34,752 | 46,000 | 10,000 | (36,000) | (78.3) |
| TOTAL UNDERGROUND LINES | \$ 1,938,009 | 2,297,445 | 2,197,702 | 2,152,969 | 2,682,640 | 529,671 | 24.6 |

Overhead Lines

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|--------------------------------|--------------|------------|------------|------------|------------|--------------|--------------|
| EXPENSES BY CATEGORY | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Compensation | \$ 705,661 | 786,295 | 685,985 | 867,034 | 1,198,772 | 331,739 | 38.3 |
| Benefits | 304,349 | 304,364 | 281,386 | 358,138 | 489,338 | 131,200 | 36.6 |
| Supplies | 204,512 | 221,914 | 218,310 | 240,095 | 223,180 | (16,915) | (7.0) |
| Maintenance | 319,117 | 556,159 | 578,639 | 495,815 | 643,704 | 147,889 | 29.8 |
| Professional Services/Training | 33,121 | 34,102 | 25,620 | 42,262 | 119,092 | 76,830 | 181.8 |
| Other Charges | 35 | 126 | 829 | 1,600 | 7,210 | 5,610 | 350.6 |
| Scheduled Charges | 161,746 | 182,508 | 79,137 | 90,991 | 90,717 | (273) | (0.3) |
| Capital Outlay/Reimbursements | 8,264 | 232,244 | 137,316 | - | 10,000 | 10,000 | - |
| TOTAL OVERHEAD LINES | \$ 1,736,805 | 2,317,711 | 2,007,222 | 2,095,935 | 2,782,014 | 686,079 | 32.7 |

Distribution Load Dispatching

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|-------------------------------------|--------------|------------|------------|------------|------------|--------------|--------------|
| EXPENSES BY CATEGORY | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Compensation | \$ 975,293 | 453,530 | 622,734 | 542,260 | 741,292 | 199,033 | 36.7 |
| Benefits | 338,330 | 180,475 | 200,049 | 207,864 | 268,871 | 61,008 | 29.3 |
| Supplies | 8,562 | 4,328 | 11,271 | 5,473 | 11,370 | 5,897 | 107.8 |
| Maintenance | 354 | 3,856 | 9,405 | 7,253 | 10,313 | 3,060 | 42.2 |
| Professional Services/Training | 82,634 | 20,981 | 95,393 | 106,500 | 184,500 | 78,000 | 73.2 |
| Other Charges | 2,391 | 1,307 | 4,135 | 3,000 | 3,000 | - | - |
| Scheduled Charges | 59,366 | 70,576 | 80,789 | 60,842 | 85,935 | 25,093 | 41.2 |
| Capital Outlay/Reimbursements | 77,534 | (2,043) | - | - | - | - | - |
| TOTAL DISTRIBUTION LOAD DISPATCHING | \$ 1,544,463 | 733,011 | 1,023,776 | 933,192 | 1,305,282 | 372,090 | 39.9 |

Distribution Customer Svc.

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|----------------------------------|--------------|------------|------------|------------|------------|--------------|--------------|
| EXPENSES BY CATEGORY | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Compensation | \$ 1,135,611 | 1,051,082 | 1,049,856 | 1,120,287 | 1,216,163 | 95,876 | 8.6 |
| Benefits | 497,242 | 411,188 | 383,910 | 420,714 | 463,387 | 42,673 | 10.1 |
| Supplies | 132,754 | 123,875 | 131,266 | 151,551 | 147,983 | (3,568) | (2.4) |
| Maintenance | 471,026 | 267,409 | 241,266 | 197,504 | 241,492 | 43,988 | 22.3 |
| Professional Services/Training | 15,714 | 16,588 | 26,467 | 23,000 | 25,633 | 2,633 | 11.4 |
| Other Charges | 1,111,804 | 1,133,113 | 1,158,681 | 1,150,400 | 1,150,600 | 200 | 0.0 |
| Scheduled Charges | 334,703 | 318,866 | 316,282 | 358,117 | 373,338 | 15,220 | 4.3 |
| Capital Outlay/Reimbursements | - | - | - | - | - | - | - |
| TOTAL DISTRIBUTION CUSTOMER SVC. | \$ 3,698,854 | 3,322,121 | 3,307,727 | 3,421,573 | 3,618,595 | 197,021 | 5.8 |

Geographic Information Systems

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|--------------------------------------|------------|------------|------------|------------|------------|--------------|--------------|
| EXPENSES BY CATEGORY | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Compensation | \$ - | - | - | 208,948 | 487,992 | 279,044 | 133.5 |
| Benefits | - | - | - | 77,138 | 193,323 | 116,185 | 150.6 |
| Supplies | - | - | - | 30,706 | 20,285 | (10,421) | (33.9) |
| Maintenance | - | - | - | 4,000 | 2,000 | (2,000) | (50.0) |
| Professional Services/Training | - | - | - | 61,385 | 25,078 | (36,307) | (59.1) |
| Other Charges | - | - | - | - | 142,082 | 142,082 | - |
| Scheduled Charges | - | - | - | 3,610 | 9,029 | 5,419 | 150.1 |
| Capital Outlay/Reimbursements | - | - | - | - | - | - | - |
| TOTAL GEOGRAPHIC INFORMATION SYSTEMS | \$ - | - | - | 385,787 | 879,789 | 494,002 | 128.1 |

Distribution Substations

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|--------------------------------|--------------|------------|------------|------------|------------|--------------|--------------|
| EXPENSES BY CATEGORY | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Compensation | \$ 610,781 | 407,654 | 336,215 | 473,655 | 428,173 | (45,482) | (9.6) |
| Benefits | 248,961 | 158,592 | 151,820 | 193,901 | 174,768 | (19,133) | (9.9) |
| Supplies | 50,896 | 73,586 | 51,194 | 65,313 | 67,474 | 2,161 | 3.3 |
| Maintenance | 181,701 | 131,769 | 128,339 | 99,589 | 84,840 | (14,749) | (14.8) |
| Professional Services/Training | 7,181 | 60,495 | 5,127 | 57,920 | 47,495 | (10,425) | (18.0) |
| Other Charges | 69 | 20 | 102 | - | - | - | - |
| Scheduled Charges | 138,845 | 118,147 | 174,269 | 223,610 | 260,717 | 37,107 | 16.6 |
| Capital Outlay/Reimbursements | 7,542 | - | - | - | 29,500 | 29,500 | - |
| TOTAL DISTRIBUTION SUBSTATIONS | \$ 1,245,976 | 950,265 | 847,066 | 1,113,987 | 1,092,966 | (21,021) | (1.9) |

Distribution Eng. & Constr. Mgmt.

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|--|------------|------------|------------|------------|------------|--------------|--------------|
| EXPENSES BY CATEGORY | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Compensation | \$ - | - | - | 310,594 | 225,332 | (85,262) | (27.5) |
| Benefits | - | - | - | 124,866 | 96,073 | (28,793) | (23.1) |
| Supplies | - | - | - | 50,703 | 23,103 | (27,600) | (54.4) |
| Maintenance | - | - | - | 10,000 | 9,000 | (1,000) | (10.0) |
| Professional Services/Training | - | - | - | 29,610 | 125,830 | 96,220 | 325.0 |
| Other Charges | - | - | - | 7,232 | 9,681 | 2,449 | 33.9 |
| Scheduled Charges | - | - | - | 5,934 | 21,322 | 15,388 | 259.3 |
| Capital Outlay/Reimbursements | - | - | - | - | - | - | - |
| TOTAL DISTRIBUTION ENG. & CONSTR. MGMT | \$ - | - | - | 538,940 | 510,340 | (28,600) | (5.3) |

Distribution Meter Shop

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|--------------------------------|------------|------------|------------|------------|------------|--------------|--------------|
| EXPENSES BY CATEGORY | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Compensation | \$ 407,450 | 426,644 | 443,930 | 455,755 | 428,196 | (27,559) | (6.0) |
| Benefits | 161,722 | 174,459 | 172,492 | 177,712 | 165,860 | (11,852) | (6.7) |
| Supplies | 30,929 | 31,604 | 24,191 | 27,906 | 34,320 | 6,414 | 23.0 |
| Maintenance | 43,885 | 45,775 | 32,054 | 44,338 | 35,317 | (9,021) | (20.3) |
| Professional Services/Training | 3,174 | 2,929 | 8,557 | 3,800 | 8,879 | 5,079 | 133.7 |
| Other Charges | - | 3,383 | 2,274 | 200 | 9,480 | 9,280 | 4,640.0 |
| Scheduled Charges | 35,743 | 44,005 | 42,819 | 41,159 | 44,370 | 3,210 | 7.8 |
| Capital Outlay/Reimbursements | - | - | - | - | - | - | - |
| TOTAL DISTRIBUTION METER SHOP | \$ 682,902 | 728,799 | 726,317 | 750,870 | 726,421 | (24,449) | (3.3) |

Distribution Street Lights

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|----------------------------------|------------|------------|------------|------------|------------|--------------|--------------|
| EXPENSES BY CATEGORY | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Compensation | \$ - | 201,401 | 445,140 | 380,625 | 565,928 | 185,303 | 48.7 |
| Benefits | - | 79,613 | 163,745 | 170,452 | 243,228 | 72,776 | 42.7 |
| Supplies | - | 8,868 | 33,378 | 34,597 | 40,934 | 6,338 | 18.3 |
| Maintenance | - | 213,072 | 370,756 | 342,953 | 393,449 | 50,496 | 14.7 |
| Professional Services/Training | - | 390 | 5,116 | 13,375 | 24,082 | 10,707 | 80.1 |
| Other Charges | - | - | 8,905 | - | 2,580 | 2,580 | - |
| Scheduled Charges | - | 10,017 | 5,419 | 19,185 | 9,130 | (10,055) | (52.4) |
| Capital Outlay/Reimbursements | - | - | 62,354 | - | - | - | - |
| TOTAL DISTRIBUTION STREET LIGHTS | \$ - | 513,360 | 1,094,813 | 961,187 | 1,279,331 | 318,145 | 33.1 |

Transmission Supervision & Eng.

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|---------------------------------------|------------|------------|------------|------------|------------|--------------|--------------|
| EXPENSES BY CATEGORY | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Compensation | \$ - | 264,621 | 345,002 | 310,089 | 448,248 | 138,159 | 44.6 |
| Benefits | - | 84,512 | 127,631 | 115,824 | 165,321 | 49,497 | 42.7 |
| Supplies | - | 1,940 | 2,857 | 3,080 | 3,610 | 530 | 17.2 |
| Maintenance | - | 1,150 | 551 | 3,000 | 1,200 | (1,800) | (60.0) |
| Professional Services/Training | - | 900,733 | 1,328,257 | 489,420 | 507,609 | 18,189 | 3.7 |
| Other Charges | - | 7,214 | - | 1,200 | 1,950 | 750 | 62.5 |
| Scheduled Charges | - | 3,707 | 4,065 | 6,523 | 18,735 | 12,212 | 187.2 |
| Capital Outlay/Reimbursements | - | 12,300 | - | - | - | - | - |
| TOTAL TRANSMISSION SUPERVISION & ENG. | \$ - | 1,276,177 | 1,808,362 | 929,137 | 1,146,673 | 217,537 | 23.4 |

Transmission Overhead Lines

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|-----------------------------------|------------|------------|------------|------------|------------|--------------|--------------|
| EXPENSES BY CATEGORY | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Compensation | \$ - | 7,720 | 2,281 | 35,896 | 45,138 | 9,242 | 25.7 |
| Benefits | - | 2,898 | 839 | 14,159 | 16,589 | 2,430 | 17.2 |
| Supplies | - | 22,259 | 19,900 | 7,000 | 15,150 | 8,150 | 116.4 |
| Maintenance | - | 67,231 | 9,484 | 50,750 | 65,750 | 15,000 | 29.6 |
| Professional Services/Training | - | - | - | 17,690 | 17,960 | 270 | 1.5 |
| Other Charges | - | - | 6,182 | - | - | - | - |
| Scheduled Charges | - | - | - | - | - | - | - |
| Capital Outlay/Reimbursements | - | - | 6,134 | - | - | - | - |
| TOTAL TRANSMISSION OVERHEAD LINES | \$ - | 100,108 | 44,820 | 125,495 | 160,587 | 35,092 | 28.0 |

Transmission Load Dispatching

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|-------------------------------------|------------|------------|------------|------------|------------|--------------|--------------|
| EXPENSES BY CATEGORY | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Compensation | \$ - | 286,181 | 369,353 | 507,461 | 476,946 | (30,515) | (6.0) |
| Benefits | - | 117,989 | 136,127 | 193,909 | 184,504 | (9,405) | (4.9) |
| Supplies | - | - | - | - | 2,400 | 2,400 | - |
| Maintenance | - | 934 | 8,837 | 10,000 | 20,000 | 10,000 | 100.0 |
| Professional Services/Training | - | 72,277 | 1,800 | 42,500 | 227,200 | 184,700 | 434.6 |
| Other Charges | - | 76 | 466 | - | 1,500 | 1,500 | - |
| Scheduled Charges | - | - | 143 | - | - | - | - |
| Capital Outlay/Reimbursements | - | - | - | - | - | - | - |
| TOTAL TRANSMISSION LOAD DISPATCHING | \$ - | 477,457 | 516,726 | 753,870 | 912,550 | 158,680 | 21.0 |

Transmission Substation

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|--------------------------------|------------|------------|------------|------------|------------|--------------|--------------|
| EXPENSES BY CATEGORY | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Compensation | \$ - | 359,392 | 172,754 | 458,347 | 407,639 | (50,708) | (11.1) |
| Benefits | - | 143,291 | 67,508 | 186,961 | 169,789 | (17,172) | (9.2) |
| Supplies | - | 946 | 3,794 | 5,500 | 5,500 | - | - |
| Maintenance | - | 25,448 | 3,913 | 32,000 | 35,543 | 3,543 | 11.1 |
| Professional Services/Training | - | 13,446 | - | - | 27,195 | 27,195 | - |
| Other Charges | - | - | - | - | 250 | 250 | - |
| Scheduled Charges | - | 111 | - | - | - | - | - |
| Capital Outlay/Reimbursements | - | - | - | - | 5,900 | 5,900 | - |
| TOTAL TRANSMISSION SUBSTATION | \$ - | 542,633 | 247,968 | 682,808 | 651,815 | (30,993) | (4.5) |

Field Services

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|--------------------------------|------------|------------|------------|------------|------------|--------------|--------------|
| EXPENSES BY CATEGORY | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Compensation | \$ - | 709,239 | 598,500 | 762,121 | 1,074,923 | 312,802 | 41.0 |
| Benefits | - | 315,677 | 303,283 | 395,987 | 555,042 | 159,054 | 40.2 |
| Supplies | - | 46,882 | 27,216 | 64,766 | 75,663 | 10,897 | 16.8 |
| Maintenance | - | 47,236 | 48,545 | 61,667 | 86,369 | 24,701 | 40.1 |
| Professional Services/Training | - | 2,455 | 1,879 | 7,865 | 8,120 | 255 | 3.2 |
| Other Charges | - | 2,685 | 159 | - | 26,563 | 26,563 | - |
| Scheduled Charges | - | 59,270 | 19,061 | 157,394 | 175,375 | 17,981 | 11.4 |
| Capital Outlay/Reimbursements | - | - | - | - | - | - | - |
| TOTAL FIELD SERVICES | \$ - | 1,183,444 | 998,644 | 1,449,800 | 2,002,054 | 552,254 | 38.1 |

Meter Reading

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|--------------------------------|--------------|------------|------------|------------|------------|--------------|--------------|
| EXPENSES BY CATEGORY | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Compensation | \$ 1,511,262 | 549,608 | 759,834 | 676,527 | 262,125 | (414,402) | (61.3) |
| Benefits | 863,786 | 479,971 | 419,887 | 366,916 | 177,020 | (189,896) | (51.8) |
| Supplies | 127,976 | 101,020 | 100,752 | 108,927 | 82,331 | (26,596) | (24.4) |
| Maintenance | 131,110 | 58,257 | 36,494 | 34,994 | 17,471 | (17,523) | (50.1) |
| Professional Services/Training | 129,585 | 5,621 | 2,835 | 8,100 | 1,000 | (7,100) | (87.7) |
| Other Charges | 17,486 | 21,452 | 24,646 | 15,500 | 8,000 | (7,500) | (48.4) |
| Scheduled Charges | 155,564 | 117,178 | 174,860 | 68,324 | 182,212 | 113,887 | 166.7 |
| Capital Outlay/Reimbursements | - | 18,835 | - | - | - | - | - |
| TOTAL METER READING | \$ 2,936,770 | 1,351,941 | 1,519,307 | 1,279,288 | 730,158 | (549,130) | (42.9) |

Customer Information Systems

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|------------------------------------|--------------|------------|------------|------------|------------|--------------|--------------|
| EXPENSES BY CATEGORY | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Compensation | \$ 338,566 | 372,305 | 342,331 | 393,368 | 482,145 | 88,777 | 22.6 |
| Benefits | 149,743 | 177,025 | 136,437 | 168,829 | 202,746 | 33,917 | 20.1 |
| Supplies | 6,050 | 39,235 | 1,720 | 5,438 | 5,828 | 390 | 7.2 |
| Maintenance | 33 | - | 960 | - | - | - | - |
| Professional Services/Training | 187,857 | 110,407 | 334,693 | 1,283,600 | 2,829,325 | 1,545,725 | 120.4 |
| Other Charges | 23,711 | 2,510 | 76 | 85,169 | 53,963 | (31,206) | (36.6) |
| Scheduled Charges | 782,770 | 792,395 | 1,048,605 | 1,626,348 | 1,535,458 | (90,889) | (5.6) |
| Capital Outlay/Reimbursements | - | - | - | - | - | - | - |
| TOTAL CUSTOMER INFORMATION SYSTEMS | \$ 1,488,729 | 1,493,877 | 1,864,824 | 3,562,752 | 5,109,465 | 1,546,713 | 43.4 |

Payment Processing

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|--------------------------------|--------------|------------|------------|------------|------------|--------------|--------------|
| EXPENSES BY CATEGORY | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Compensation | \$ 714,376 | 133,488 | 175,946 | - | - | - | - |
| Benefits | 354,224 | 137,792 | 95,783 | - | - | - | - |
| Supplies | 101,810 | 197,304 | 24,717 | - | - | - | - |
| Maintenance | 40,834 | 17,066 | 18,154 | - | - | - | - |
| Professional Services/Training | 828,697 | 872,637 | 1,688,513 | - | - | - | - |
| Other Charges | 222,472 | 207,772 | 137,218 | - | - | - | - |
| Scheduled Charges | 792,472 | 659,033 | 750,538 | - | - | - | - |
| Capital Outlay/Reimbursements | - | - | - | - | - | - | - |
| TOTAL PAYMENT PROCESSING | \$ 3,054,885 | 2,225,092 | 2,890,870 | - | - | - | - |

Customer Service

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|--------------------------------|--------------|------------|------------|------------|------------|--------------|--------------|
| EXPENSES BY CATEGORY | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Compensation | \$ 1,042,835 | 1,596,984 | 1,625,424 | 1,707,740 | 1,762,906 | 55,166 | 3.2 |
| Benefits | 596,289 | 869,645 | 834,466 | 984,446 | 1,008,036 | 23,590 | 2.4 |
| Supplies | 13,444 | 17,926 | 17,228 | 40,418 | 27,693 | (12,725) | (31.5) |
| Maintenance | - | - | 345 | 10,300 | 10,900 | 600 | 5.8 |
| Professional Services/Training | 53,277 | 21,048 | 12,848 | 43,689 | 39,717 | (3,972) | (9.1) |
| Other Charges | 4,448 | 20,303 | 5,616 | 2,625 | 1,980 | (645) | (24.6) |
| Scheduled Charges | 199,090 | 245,782 | 228,744 | 376,001 | 276,907 | (99,094) | (26.4) |
| Capital Outlay/Reimbursements | - | - | - | - | - | - | - |
| TOTAL CUSTOMER SERVICE | \$ 1,909,382 | 2,771,688 | 2,724,671 | 3,165,219 | 3,128,139 | (37,081) | (1.2) |

Collections

| | Actual | Actual | Actual | Amended | Budget | \$ Change | % Change |
|--------------------------------|------------|------------|------------|------------|------------|--------------|--------------|
| EXPENSES BY CATEGORY | FY 2015-16 | FY 2016-17 | FY 2017-18 | FY 2018-19 | FY 2019-20 | from Amended | from Amended |
| Compensation | \$ - | 450,590 | 438,151 | 658,447 | 741,425 | 82,978 | 12.6 |
| Benefits | - | 193,223 | 206,564 | 347,721 | 391,403 | 43,682 | 12.6 |
| Supplies | - | 3,093 | 4,719 | 33,936 | 20,524 | (13,412) | (39.5) |
| Maintenance | - | 93 | 1,083 | 500 | 500 | - | - |
| Professional Services/Training | - | 130,100 | 138,067 | 140,000 | 148,500 | 8,500 | 6.1 |
| Other Charges | - | 885 | 1,339 | 4,200 | 11,440 | 7,240 | 172.4 |
| Scheduled Charges | - | 53,355 | 17,041 | 74,649 | 41,603 | (33,046) | (44.3) |
| Capital Outlay/Reimbursements | - | - | - | - | - | - | - |
| TOTAL COLLECTIONS | \$ - | 831,339 | 806,964 | 1,259,453 | 1,355,395 | 95,942 | 7.6 |



Lubbock Power and Light Utility

Appropriation Summary

| | Project Name | Appropriation to Date | 2019-20 | Unappropriated Planning Years | | | | | Total Appropriation |
|----------------------|---|--------------------------|------------|-------------------------------|---------|---------|-----------|-----------|------------------------|
| | | | | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | |
| | AUTOTRANSFORMERS | | | | | | | | |
| 92407 | Autotransformer - Southeast | \$ 4,330,000 | - | - | - | - | - | - | 4,330,000 |
| 92466 | Autotransformer - Co-op | 3,990,000 | 1,574,867 | - | - | - | - | - | 5,564,867 |
| 92467 | Autotransformer - Vicksburg | 4,510,000 | - | - | - | - | - | - | 4,510,000 |
| 92468 | Autotransformer - Mackenzie | 5,730,000 | 275,000 | - | - | - | - | - | 6,005,000 |
| | CAPACITY UPGRADES | | | | | | | | |
| 92402 | Substation Capacity Upgrade - Chalker | 9,417,590 | - | - | - | - | - | - | 9,417,590 |
| 92462 | Substation Capacity Upgrade - McDonald | 6,809,710 | - | - | - | - | - | - | 6,809,710 |
| 2012098 ^a | Substation Capacity Upgrade - Erskine | - | - | - | - | 815,000 | 3,340,000 | - | 4,155,000 |
| 2015027 ^c | Substation Capacity Upgrade - Co-op | - | - | - | - | - | 2,310,000 | 4,380,000 | 6,690,000 |
| 2015029 ^a | Substation Capacity Upgrade - Mackenzie | - | - | - | - | 860,000 | 3,510,000 | - | 4,370,000 |
| 2019111 ^a | Substation Capacity Upgrade - Thompson | - | - | - | - | - | 440,000 | 4,035,000 | 4,475,000 |
| | FUTURE SUBSTATIONS | | | | | | | | |
| 92464 | Future Substation - X-Fab | 3,455,000 | 8,999,187 | - | - | - | - | - | 12,454,187 |
| | SUBSTATION REBUILDS | | | | | | | | |
| 92469 | Substation Rebuild - Holly | 8,800,000 | 530,000 | - | - | - | - | - | 9,330,000 |
| 92470 | Substation Rebuild - Oliver | 7,730,000 | 510,000 | - | - | - | - | - | 8,240,000 |
| 92635 | Substation Rebuild - Northeast | - | 505,000 | 2,125,000 | 235,000 | - | - | - | 2,865,000 |
| | SUBSTATION PROJECTS | | | | | | | | |
| 92380 | Feeder Circuits - Northwest | 1,099,200 | - | - | - | - | - | - | 1,099,200 |
| 92484 | Substation Upgrades | 3,135,000 | 2,215,000 | 2,310,000 | - | - | - | - | 7,660,000 |
| 92485 | Substation Breaker Replacements - Transmission | 855,000 | 350,000 | 360,000 | - | - | - | - | 1,565,000 |
| 92602 | Substation General Plant Equipment | 375,000 | - | - | - | - | - | - | 375,000 |
| 92603 | Substation Switchgear and Breaker Replacement | 1,335,000 | - | - | - | - | - | - | 1,335,000 |
| 92636 | Doud Breaker Replacement | - | 70,000 | - | - | - | - | - | 70,000 |
| 92637 | ACCO Breaker Replacement | - | 70,000 | - | - | - | - | - | 70,000 |
| | 345KV - ERCOT INTERCONNECTION | | | | | | | | |
| 92473 | Future Substation - New Oliver 345kV | 8,420,000 | 9,925,000 | - | - | - | - | - | 18,345,000 |
| 92474 | Future Substation - North Addition 345kV | 8,420,000 | 9,925,000 | - | - | - | - | - | 18,345,000 |
| 92475 | Future Substation - New Wadsworth 345kV | 8,420,000 | 4,220,000 | - | - | - | - | - | 12,640,000 |
| 92526 | 115kV Line Construction - Northwest to X-Fab | 11,185,000 | 3,215,000 | - | - | - | - | - | 14,400,000 |
| 92533 | 115kV Line Construction - SE to New Oliver to Oliver | 23,945,000 | - | - | - | - | - | - | 23,945,000 |
| 92561 | 345kV Line Construction - ERCOT Interconnection | 4,000,000 | - | - | - | - | - | - | 4,000,000 |
| 92609 | Abernathy to North Transmission Line | 1,550,000 | 29,745,000 | - | - | - | - | - | 31,295,000 |
| 92610 | Abernathy to WadsworthTransmission Line | 2,750,000 | 62,075,000 | - | - | - | - | - | 64,825,000 |
| 92611 | Wadsworth to New Oliver to Farmland Transmission Line | 1,000,000 | 20,225,000 | - | - | - | - | - | 21,225,000 |

Lubbock Power and Light Utility

Appropriation Summary

| | Project Name | Appropriation to Date | 2019-20 | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | Total Appropriation |
|--------------------|--|--------------------------|-----------|-----------|-----------|------------|------------|------------|------------------------|
| | TRANSMISSION PROJECTS | | | | | | | | |
| 92331 | Fiberoptic Communications | \$ 1,600,000 | - | - | - | - | - | - | 1,600,000 |
| 92403 | 69/115kV Line Rebuild: Thompson-Vicksburg | 3,425,000 | - | - | - | - | - | - | 3,425,000 |
| 92404 | 115kV Line Construction – Northwest to Mackenzie | 15,226,715 | - | - | - | - | - | - | 15,226,715 |
| 92405 | 69/115kV Line Rebuild: Chalker-Thompson | 4,425,000 | - | - | - | - | - | - | 4,425,000 |
| 92406 | 69/115kV Line Rebuild: Chalker-Oliver | 4,365,000 | - | - | - | - | - | - | 4,365,000 |
| 92460 | 69/115kV Line Rebuild: Erskine-Mackenzie | 4,170,000 | - | - | - | - | - | - | 4,170,000 |
| 92477 | 69/115kV Line Rebuild: Holly-Southeast | 2,830,000 | 4,875,000 | - | - | - | - | - | 7,705,000 |
| 92478 | 69/115kV Line Rebuild: Holly-Slaton | 1,955,000 | 4,130,000 | - | - | - | - | - | 6,085,000 |
| 92480 | 69/115kV Line Rebuild: Southeast-Oliver | 3,590,000 | - | - | - | - | - | - | 3,590,000 |
| 92560 | 115kV Line Construction - Red Raider Tap | 1,745,000 | - | - | - | - | - | - | 1,745,000 |
| 2019116 | 115kV Line Rebuild - Coop to McCullough | - | - | - | 865,000 | 3,545,000 | - | - | 4,410,000 |
| 2019117 | 115kV Line Rebuild - McDonald to Northwest | - | - | - | - | 1,865,000 | 7,615,000 | - | 9,480,000 |
| 2019118 | 69/115kV Line Rebuild: Brandon-Vicksburg | - | - | - | 5,560,000 | 330,000 | - | - | 5,890,000 |
| 2019119 | 69/115kV Line Rebuild: Brandon-Erskine | - | - | - | 535,000 | 430,000 | 1,280,000 | - | 2,245,000 |
| 2019120 | 69/115KV Line Reconductor: Holly-Wadsworth | - | - | - | 565,000 | 735,000 | 2,405,000 | - | 3,705,000 |
| 2019121 | 69/115kV Line Reconductor - Co-op to Wadsworth | - | - | - | 1,045,000 | 545,000 | 1,145,000 | - | 2,735,000 |
| | DISTRIBUTION PROJECTS | | | | | | | | |
| 8626 | Distribution Planning | 450,000 | 230,000 | 125,000 | 500,000 | 110,000 | 115,000 | 535,000 | 2,065,000 |
| 92282 ^b | Downtown Redevelopment Underground | 4,145,500 | 1,105,000 | 580,000 | 735,000 | - | - | - | 6,565,500 |
| 92523 | Distribution Capacitor Banks | 1,880,000 | - | - | - | - | - | - | 1,880,000 |
| 92586 | Dunbar-Manhattan Heights Underground Conversion | 1,210,000 | - | - | - | - | - | - | 1,210,000 |
| 92606 | South Plains Mall Expansion | 410,000 | 425,000 | 160,000 | - | - | - | - | 995,000 |
| 92608 | Red Raider Substation Distribution Feeders | 4,985,000 | 515,000 | - | - | - | - | - | 5,500,000 |
| 92635 ^b | TTU Switchgear Upgrade | - | 1,110,000 | 1,135,000 | 1,160,000 | - | - | - | 3,405,000 |
| | ANNUAL PROJECTS | | | | | | | | |
| 92638 | FY 2019-20 Service Distribution Meters | - | 110,000 | 115,000 | 115,000 | 120,000 | 120,000 | 125,000 | 705,000 |
| 92639 | FY 2019-20 Distribution Transformers | - | 3,030,000 | 3,100,000 | 3,165,000 | 3,235,000 | 3,310,000 | 3,380,000 | 19,220,000 |
| 92640 | FY 2019-20 Distribution System Upgrade | - | 2,365,000 | 3,410,000 | 9,400,000 | 11,550,000 | 11,200,000 | 11,500,000 | 49,425,000 |
| 92641 | FY 2019-20 Underground Distribution | - | 2,615,000 | 2,670,000 | 2,730,000 | 2,790,000 | 2,850,000 | 2,915,000 | 16,570,000 |
| 92642 | FY 2019-20 Street Lights | - | 410,000 | 420,000 | 430,000 | 440,000 | 445,000 | 455,000 | 2,600,000 |
| 92643 | FY 2019-20 Overhead Lines | - | 1,995,000 | 2,040,000 | 2,080,000 | 2,130,000 | 2,175,000 | 2,225,000 | 12,645,000 |
| | DISPATCH/GIS/SCADA | | | | | | | | |
| 8625 | Field Asset Inventory & Data Verification | 2,650,862 | - | - | - | - | - | - | 2,650,862 |
| 92537 | GIS Software Upgrades and Interfaces | 1,725,000 | 440,000 | - | - | - | - | - | 2,165,000 |
| 92605 | Operations System Upgrades | 615,000 | - | - | - | - | - | - | 615,000 |
| 92634 | LP&L - GIS Office Renovations | - | 1,115,000 | - | - | - | - | - | 1,115,000 |

Lubbock Power and Light Utility

Appropriation Summary

| | Project Name | Appropriation to Date | 2019-20 | Unappropriated Planning Years | | | | | Total Appropriation |
|--------------|---|--------------------------|--------------------|-------------------------------|-------------------|-------------------|-------------------|-------------------|------------------------|
| | | | | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | |
| | PRODUCTION | | | | | | | | |
| 92564 | Cooke Station Gas Turbine #3 (GT-3) Repairs | \$ 2,099,755 | - | - | - | - | - | - | 2,099,755 |
| | OTHER | | | | | | | | |
| 92457 | Customer Service Information and Workforce Management Systems | 37,635,000 | - | - | - | - | - | - | 37,635,000 |
| 92577 | FY 2018-19 Vehicles and Equipment | 1,645,000 | - | - | - | - | - | - | 1,645,000 |
| 92594 | Call Center IVR | 620,000 | - | - | - | - | - | - | 620,000 |
| 92595 | Citizen's Tower FF&E | 1,405,000 | - | - | - | - | - | - | 1,405,000 |
| 92604 | Overhead/Underground Training Facility | 100,000 | 155,000 | - | - | - | - | - | 255,000 |
| 92632 | Truck Barn Expansion | - | 235,000 | - | - | - | - | - | 235,000 |
| 92644 | FY 2019-2020 Meter Testing Equipment | - | 175,000 | - | - | - | - | - | 175,000 |
| 92645 | Street Light LED Upgrade - Pilot Project | - | 275,000 | - | - | - | - | - | 275,000 |
| 92646 | FY 2019-20 Vehicles and Equipment | - | 2,635,000 | 2,605,000 | 2,660,000 | 2,720,000 | 2,780,000 | 2,840,000 | 16,240,000 |
| 92647 | Broadway Tunnel Lighting and Control Box Upgrades | - | 105,000 | - | - | - | - | - | 105,000 |
| Total | Lubbock Power and Light Utility | \$ 236,169,332 | 182,479,054 | 21,155,000 | 31,780,000 | 32,220,000 | 45,040,000 | 32,390,000 | 581,233,386 |

a - Funding will change from debt-funded in the NOIE financial model to cash-funded in the Retail Choice financial model for all years

b - Funding will change from debt-funded in the NOIE financial model to cash-funded in the Retail Choice financial model for FY 2021-22

c - Funding will change from debt-funded in the NOIE financial model to cash-funded in the Retail Choice financial model for FY 2023-24



Lubbock Power and Light

FERC Category Summary

| FERC Category | Appropriation to Date | 2019-20 | Unappropriated Planning Years | | | | | Total Appropriation |
|------------------|--------------------------|-------------|-------------------------------|------------|------------|------------|------------|------------------------|
| | | | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | |
| Regional/General | \$ 41,305,000 | 2,635,000 | 2,605,000 | 2,660,000 | 2,720,000 | 2,780,000 | 2,840,000 | 57,545,000 |
| Distribution | 22,699,410 | 14,605,000 | 13,755,000 | 20,315,000 | 22,050,000 | 29,815,000 | 29,550,000 | 152,789,410 |
| Production | 2,099,755 | - | - | - | - | - | - | 2,099,755 |
| T&D | 17,963,452 | 10,944,187 | - | - | - | - | - | 28,907,639 |
| Transmission | 152,101,715 | 154,294,867 | 4,795,000 | 8,805,000 | 7,450,000 | 12,445,000 | - | 339,891,582 |
| | \$ 236,169,332 | 182,479,054 | 21,155,000 | 31,780,000 | 32,220,000 | 45,040,000 | 32,390,000 | 581,233,386 |

Lubbock Power and Light

Funding Summary

| Funding Source | Funding to Date | 2019-20 | Unappropriated Planning Years | | | | | Total Funding | |
|---|--------------------|------------|-------------------------------|------------|------------|------------|------------|------------------|-------------|
| | | | 2020-21 | 2021-22 | 2022-23 | 2023-24 | 2024-25 | | |
| PAY-AS-YOU-GO | | | | | | | | | |
| FY 2012 LP&L Pay-As-You-Go | \$ | 425,000 | - | - | - | - | - | - | 425,000 |
| FY 2014 LP&L Pay-As-You-Go | | 530,000 | - | - | - | - | - | - | 530,000 |
| FY 2016 LP&L Pay-As-You-Go | | 204,200 | - | - | - | - | - | - | 204,200 |
| FY 2017 LP&L Pay-As-You-Go | | 1,775,000 | - | - | - | - | - | - | 1,775,000 |
| FY 2018 LP&L Pay-As-You-Go | | 3,775,000 | - | - | - | - | - | - | 3,775,000 |
| FY 2019 LP&L Pay-As-You-Go | | 5,874,755 | - | - | - | - | - | - | 5,874,755 |
| FY 2020 LP&L Pay-As-You-Go | | - | 14,915,000 | - | - | - | - | - | 14,915,000 |
| FY 2021 LP&L Pay-As-You-Go | | - | - | 14,485,000 | - | - | - | - | 14,485,000 |
| FY 2022 LP&L Pay-As-You-Go ^a | | - | - | - | 21,080,000 | - | - | - | 21,080,000 |
| FY 2023 LP&L Pay-As-You-Go ^b | | - | - | - | - | 23,095,000 | - | - | 23,095,000 |
| FY 2024 LP&L Pay-As-You-Go ^c | | - | - | - | - | - | 22,995,000 | - | 22,995,000 |
| FY 2025 LP&L Pay-As-You-Go ^d | | - | - | - | - | - | - | 23,975,000 | 23,975,000 |
| Total Pay-As-You-Go | \$ | 12,583,955 | 14,915,000 | 14,485,000 | 21,080,000 | 23,095,000 | 22,995,000 | 23,975,000 | 133,128,955 |
| 20-YEAR CERTIFICATES OF OBLIGATION | | | | | | | | | |
| FY 2009 20-Year LP&L Certificates of Obligation | \$ | 29,997 | - | - | - | - | - | - | 29,997 |
| Total Certificates of Obligation | \$ | 29,997 | - | - | - | - | - | - | 29,997 |
| 10-YEAR LP&L REVENUE BONDS | | | | | | | | | |
| FY 2013 10-Year LP&L Revenue Bonds | \$ | 290,000 | - | - | - | - | - | - | 290,000 |
| FY 2014 10-Year LP&L Revenue Bonds | | 612 | - | - | - | - | - | - | 612 |
| FY 2016 10-Year LP&L Revenue Bonds | | 1,666,661 | - | - | - | - | - | - | 1,666,661 |
| FY 2017 10-Year LP&L Revenue Bonds | | 3,245,000 | - | - | - | - | - | - | 3,245,000 |
| FY 2018 10-Year LP&L Revenue Bonds | | 35,349,089 | - | - | - | - | - | - | 35,349,089 |
| FY 2019 10-Year LP&L Revenue Bonds | | - | - | - | - | - | - | - | - |
| Total 10-Year LP&L Revenue Bonds | \$ | 40,551,362 | - | - | - | - | - | - | 40,551,362 |

Lubbock Power and Light

Funding Summary

| Funding Source | Funding to Date | 2019-20 | Unappropriated Planning Years | | | | | Total Funding |
|---|-----------------|-------------|-------------------------------|------------|------------|------------|------------|---------------|
| 20-YEAR LP&L REVENUE BONDS | | | | | | | | |
| FY 2013 20-Year LP&L Revenue Bonds | \$ 1,152,007 | - | - | - | - | - | - | 1,152,007 |
| FY 2014 20-Year LP&L Revenue Bonds | 6,920,586 | 14,448 | - | - | - | - | - | 6,935,034 |
| FY 2015 20-Year LP&L Revenue Bonds | 3,123,512 | 134,739 | - | - | - | - | - | 3,258,251 |
| FY 2016 20-Year LP&L Revenue Bonds | 3,050,000 | - | - | - | - | - | - | 3,050,000 |
| FY 2018 20-Year LP&L Revenue Bonds | 4,810,000 | - | - | - | - | - | - | 4,810,000 |
| FY 2022 20-Year LP&L Revenue Bonds ^a | - | - | - | 1,895,000 | - | - | - | 1,895,000 |
| FY 2023 20-Year LP&L Revenue Bonds ^b | - | - | - | - | 1,675,000 | - | - | 1,675,000 |
| FY 2024 20-Year LP&L Revenue Bonds ^c | - | - | - | - | - | 9,600,000 | - | 9,600,000 |
| FY 2025 20-Year LP&L Revenue Bonds ^d | - | - | - | - | - | - | 8,415,000 | 8,415,000 |
| Total 20-Year LP&L Revenue Bonds | \$ 19,056,105 | 149,187 | - | 1,895,000 | 1,675,000 | 9,600,000 | 8,415,000 | 40,790,292 |
| 30-YEAR LP&L REVENUE BONDS | | | | | | | | |
| FY 2016 30-Year LP&L Revenue Bonds | \$ 1,470,000 | - | - | - | - | - | - | 1,470,000 |
| FY 2017 30-Year LP&L Revenue Bonds | 11,377,608 | 478,002 | - | - | - | - | - | 11,855,610 |
| FY 2018 30-Year LP&L Revenue Bonds | 38,725,305 | 286,865 | - | - | - | - | - | 39,012,170 |
| FY 2022 30-Year LP&L Revenue Bonds | - | - | - | 8,805,000 | - | - | - | 8,805,000 |
| FY 2023 30-Year LP&L Revenue Bonds | - | - | - | - | 7,450,000 | - | - | 7,450,000 |
| FY 2024 30-Year LP&L Revenue Bonds | - | - | - | - | - | 12,445,000 | - | 12,445,000 |
| Total 30-Year LP&L Revenue Bonds | \$ 51,572,913 | 764,867 | - | 8,805,000 | 7,450,000 | 12,445,000 | - | 81,037,780 |
| 20-YEAR REVOLVING NOTE PROGRAM | | | | | | | | |
| FY 2019 Revolving Note Program | \$ 13,351,198 | - | - | - | - | - | - | 13,351,198 |
| FY 2020 Revolving Note Program | - | 13,120,000 | - | - | - | - | - | 13,120,000 |
| FY 2021 Revolving Note Program | - | - | 1,875,000 | - | - | - | - | 1,875,000 |
| Total 30-Year LP&L Revenue Bonds | \$ 13,351,198 | 13,120,000 | 1,875,000 | - | - | - | - | 28,346,198 |
| 30-YEAR REVOLVING NOTE PROGRAM | | | | | | | | |
| FY 2019 Revolving Note Program | \$ 99,023,802 | - | - | - | - | - | - | 99,023,802 |
| FY 2020 Revolving Note Program | - | 153,530,000 | - | - | - | - | - | 153,530,000 |
| FY 2021 Revolving Note Program | - | - | 4,795,000 | - | - | - | - | 4,795,000 |
| Total 30-Year Revolving Note Program | \$ 99,023,802 | 153,530,000 | 4,795,000 | - | - | - | - | 257,348,802 |
| Lubbock Power and Light | \$ 236,169,332 | 182,479,054 | 21,155,000 | 31,780,000 | 32,220,000 | 45,040,000 | 32,390,000 | 581,233,386 |

a - In FY 2021-22, cash funding in the Retail Choice financial model increases \$1.895 million and 20-year revenue bonds are eliminated

b - In FY 2022-23, cash funding in the Retail Choice financial model increases \$1.675 million and 20-year revenue bonds are eliminated

c - In FY 2023-24, cash funding in the Retail Choice financial model increases \$9.6 million and 20-year revenue bonds are eliminated

d - In FY 2024-25, cash funding in the Retail Choice financial model increases \$4.035 million and 20-year revenue bonds are reduced by the same amount

Capital Program Detail Sheets (following section)

NERC Compliance rules prohibit the release to the public of any information that could possibly be used to plan or carry out a terrorist attack on the electric system. Therefore, the detail sheets for each capital project are treated as confidential.



Lubbock Power & Light

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