

SEATTLE CITY LIGHT

PROGRESS REPORT 2004-2013

“So much to be proud of but a lot more to do”

From 2000 to 2003, Seattle City Light went through some of the toughest times since it was founded more than a century ago. The West Coast energy crisis hit and the utility had no financial reserves. Its bond rating was downgraded, an aging infrastructure had been neglected, and customer satisfaction was low.

The following pages describe the progress made over the past 10 years, as well as the challenges that remain ahead.

Quick facts about Seattle City Light

- Seattle City Light is the 10th largest of the nation’s 2,200 publicly-owned utilities.
- City Light has the highest bond rating of any publicly-owned electric utility in the Pacific Northwest.
- City Light’s rates are the lowest among the 25 largest U.S. cities.
- City Light has more than 1,800 employees. Ninety percent of them are represented by two unions; the International Brotherhood of Electrical Workers, Local 77 and the Professional and Technical Employees, Local 17.
- 50 percent of the energy used by City Light customers is produced by the hydro-power resources the utility owns. Another 40 percent comes from power purchased through the Bonneville Power Administration (BPA). The rest comes from power exchange agreements, near-term purchases, sales made in the wholesale power market and conservation.
- In 2005 City Light became the first carbon-neutral utility in the country.
- In 2013, City Light had 408,055 customers. While ninety percent are residential customers, two-thirds of City Light’s energy is purchased by commercial customers.
- City Light offers a deep discount (60 percent) for customers making less than 70 percent of the state median income.

CATEGORY	2003	2004	2008	2012	2013
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CUSTOMER SERVICE					
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SAIDI (System average Interruption duration index) Average amount of time during a year a customer is without power (in minutes)	77.8	49.7	88.4	69.0	68.7	
SAIFI (System Average Interruption Frequency Index) Number of times a year a customer experiences an outage	1.6	1.2	1.0	1.0	0.9	
Cost per kWh Average System Rate						
	Seattle City Light	6.20	6.39	5.64	6.89	7.16
	25 Largest Cities	7.40	7.57	9.77	11.20	11.46
	Ranking	#5	#4	#1	#1	#1
Utility Discount Program Participants Number of customers receiving a 60% reduction in the residential rate	12,702	13,504	12,351	13,415	14,000	
Average Number of Customers Sum of residential and commercial customers on average throughout the year	365,000	370,499	387,715	402,608	408,055	
Customer Satisfaction - JD Powers West Region						
Residential customers	#18	#11	#4	#9	#3	
Business customers				#4	#1	
HUB/WMBE Initiative (\$M) Procurement of goods and services from "Historically Underutilized Businesses and Women and Minority Business Enterprises"	\$1.6	\$2.5	\$8.9	\$11.4	\$20.9	

FINANCIAL STABILITY					
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Long and Short Term Debt Long and Short Term Debt outstanding in billions	\$1.60	\$1.54	\$1.53	\$1.79	\$1.86
Debt Retired Total debt amortized in millions	\$487.1	\$339.1	\$70.7	\$247.1	\$106.0
Year End Cash Unrestricted cash balance in millions	\$9.3	\$60.7	\$63.1	\$156.3	\$193.0
Debt to Capital Debt as a percentage of total capital (debt plus equity)	83.9%	83.5%	65.9%	62.8%	61.7%
Net Income Excess of revenues over expenses	(\$8.1)	\$13.8	\$131.7	\$104.0	\$109.7
S&P Bond Rating Grade indicator of credit quality defined as the ability to pay bond principal and interest timely	A-	A+	AA-	AA-	AA
Debt Coverage Ratio Cash available for debt servicing	1.56	1.58	2.05	1.81	1.85

WORKFORCE DEVELOPMENT					
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Hiring Cycle Average number of days to hire an employee	184	141	57	49	42
Percentage of Women in City Light Workforce Percentage of Women in Leadership*	35.0%	34.7%	33.0%	31.3%	31.8%
	40.0%	42.2%	38.8%	33.3%	33.3%
Percentage of Minorities in City Light Workforce Percentage of Minorities in Leadership*	36.4%	35.0%	36.4%	36.8%	36.1%
	30.0%	31.3%	35.0%	29.5%	31.0%
Safety Total recordable incident rate per 100 full-time equivalent employees	13.1	10.6	6.9	7.0	6.3

POWER PRODUCTION AND ENVIRONMENT					
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Greenhouse Gas Emissions remaining	296,219	318,471	0	0	0
Metric tons of greenhouse gas emissions not offset					
Conservation	7.0	9.3	10.1	13.0	14.7
Annual load met through conservation in average megawatt hours					
Generation Total Service Years	14.7	13.7	10.7	6.8	28.8
Capacity weighted years of service for generation with FERC licensing requirements (owned or partial interest)					

**EEO Category – Officials and Administrators only*