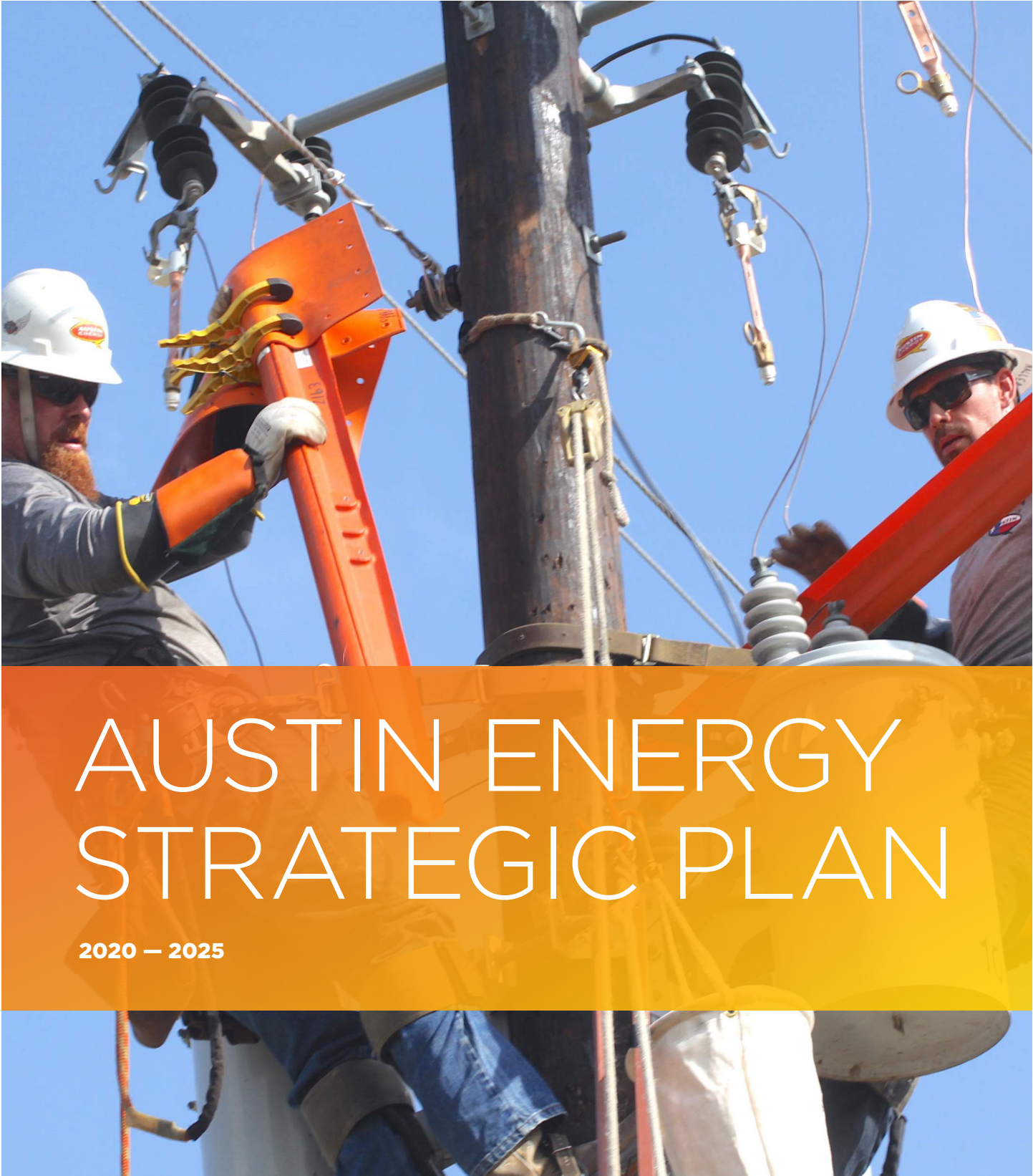




AUSTIN ENERGY STRATEGIC PLAN

2020 — 2025

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1 | OUR STORY

In 1895, Austin illuminated 31 moonlight towers for the first time, marking a turning point in the city's history and the momentous beginnings of Austin Energy. Since this innovative start, Austin Energy has earned a reputation as a pioneering leader in publicly-owned energy services.

A lot has changed over the course of our 125-year history. The communities we serve continue to grow, customer expectations are evolving, technology is advancing rapidly and many initiatives that were once considered strategic are now fully integrated into our daily operations. As we embark on a new decade, it is time to revisit the way we respond to the technological, environmental, economic, political and social realities that impact the way we do business. That is why, as we enter a period of exciting possibilities, we refreshed our Austin Energy Strategic Plan 2020 — 2025.

This refreshed plan builds on the strengths of the previous version by focusing only on the core goals that will move the utility toward a brighter future. Narrowing our area of focus allows us to move more efficiently and with greater impact than ever before.

This plan, which covers 2020 — 2025, continues our long tradition of innovation by anticipating future states, reinvigorating our efforts to both our employees and customers and committing to continuously improving the way we operate.



Created by the Strategic Plan Refresh Team with input from Austin Energy staff and the Executive Team, the plan includes a new vision statement and six strategic goals. Each goal is defined by a statement and includes tangible metrics. The plan sets the stage for how we work, serve, set priorities, allocate resources and monitor our success. Implementation of the plan will build the operational flexibility and resilience necessary to address currently unidentified challenges.

Austin Energy's success is vital to the City of Austin, the surrounding area, our environment, the economy and the culture. The utility is a nationally recognized leader in clean energy, energy efficiency and distributed energy resources. As an employer providing 1,700 local jobs, Austin Energy powers many of the things that make our city special. This refreshed strategic plan is a roadmap for continuing our success, delivering on our mission and helping us progress toward our vision.



2 | STRATEGIC OVERVIEW

MISSION

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

VISION

Powering a cleaner, brighter future with customer-driven, community-focused solutions.

PROMISE

Customer Driven. Community Focused.

VALUES

As a publicly-owned utility, our values are aligned with the City of Austin PRIDE Values.



Austin Energy is driven to deliver results for our customers and community.

PUBLIC SERVICE AND ENGAGEMENT	RESPONSIBILITY AND ACCOUNTABILITY	INNOVATION AND SUSTAINABILITY	DIVERSITY AND INCLUSION	ETHICS AND INTEGRITY
P	R	I	D	E
We will partner with one another and with our community to provide the best service possible.	We take responsibility for achieving results and hold ourselves accountable for our actions.	We actively seek out good ideas that have a lasting, positive impact on our work, our community and our environment.	We recognize and respect a variety of perspectives, experiences and approaches that will help us achieve our organizational goals.	Our actions will maintain the trust and confidence of the public and the organization.

3 | STRATEGIC GOALS

To map the best path for Austin Energy's future, we have centered the plan around six strategic goals that we will work to accomplish over the next five years.

Customer Experience, Environmental Leadership and Grid Resilience

focus on delivering value to the customer and providing customer choice in the products and services we offer.

Employee Experience and Financial Health provide an internal focus on maintaining and increasing the value provided to employees, customers and the communities we serve.

Health and Safety has both an internal and external focus, speaking to our responsibility to always operate safely.

Austin Energy implements the Strategic Plan through cross-functional staff teams from all levels and all functions within the organization. Each team works with subject matter experts across the organization to ensure all relevant projects successfully deliver according to the plan. Austin Energy Executive Team members champion and support goal achievement.



CUSTOMER EXPERIENCE

GOAL STATEMENT: We make it easy to do business with Austin Energy while delivering valuable services and solutions for an exceptional customer experience.

GOAL MEASURES:

- J. D. Power Residential Score
- J. D. Power Commercial Score
- E Source Large Commercial Score

Across the electric industry, utilities are seeing change and diversification in customer expectations. Today's customers desire services from instantaneous access to information and data on energy use, to the personal touch of walk-in pay centers. In the future, the demand for virtual engagement and a personalized customer experience, along with programs and services that enable customers to live and work in a more sustainable way, will only increase. This goal allows us to better understand what our customers want, deliver on those expectations and ensure that every interaction a customer has with us is positive.



EMPLOYEE EXPERIENCE

GOAL STATEMENT: We are a diverse and results-focused workforce creating a culture of inclusion, development and engagement.

GOAL MEASURES:

- Gallup® Overall Score
- Gallup® Employee Engagement Index

Employees are Austin Energy's biggest strength, and a strong, supported workforce is crucial for meeting our strategic goals and business objectives. In addition to ensuring employees have the tools and training needed to perform their work successfully, we commit to providing professional development and advancement opportunities, proactively cultivating the culture of the organization, embracing diversity and emphasizing engagement.



ENVIRONMENTAL LEADERSHIP

GOAL STATEMENT: We sustainably meet our customers' energy needs and lead our community to net-zero carbon.

GOAL MEASURE:

- Percentage carbon-free energy delivered

Austin Energy has always been a leader in customer-facing, clean energy programs and inclusion of renewable energy in our generation fleet. We are on track for meeting the targets outlined in the *Generation Resource Plan*, and we remain committed to identifying new ways to meet our customers' needs with clean energy.



FINANCIAL HEALTH

GOAL STATEMENT: We are financially resilient and provide community value through responsive leadership, prudent planning and market competitiveness.

GOAL MEASURES:

- Standard & Poor's Bond Rating

Financial health remains a core business objective for Austin Energy. Our strong financial position enables us to offer competitive rates to customers, provide dividends to the City of Austin and support innovative and diverse programs that benefit the entire community.



GRID RESILIENCE

GOAL STATEMENT: We operate a secure and resilient grid by using innovative technologies that deliver superior reliability.

GOAL MEASURES:

- Customers Experiencing Multiple Interruptions
- System Average Interruption Frequency Index
- System Average Interruption Duration Index

Austin Energy's efforts to make our grid more secure, reliable and resilient will directly impact and enhance the customer experience. Grid resilience efforts include projects that advance the safety and security of the grid as well as projects that support interoperability, operational efficiency, asset management, customer access to data and integration of distributed energy resources.



HEALTH AND SAFETY

GOAL STATEMENT: We commit to enhancing the health and safety of ourselves and our community.

GOAL MEASURE:

- Days Away Restricted or Transferred Rate
- Severity Rate
- Vehicle Collision Rate

The newest goal in the strategic plan, Health and Safety, was previously an initiative under what is now the Employee Experience goal. It was elevated to a stand-alone goal to better align with our mission. The goal speaks to how Austin Energy operates and our commitment to keeping employees healthy and safe, as well as the role we play in the safety of the community.

4 | CONNECTION TO THE CITY OF AUSTIN'S STRATEGIC PLAN

As a publicly-owned electric utility, Austin Energy supports the outcomes outlined in the City of Austin's Strategic Plan (SD23). The Austin City Council adopted this strategic direction on March 8, 2018, guiding the City of Austin for the next three to five years.

Austin Strategic Direction 2023 outlines a shared vision and six priority Strategic Outcomes.

Together we strive to create a complete community where every Austinite has choices at every stage of life that allow us to experience and contribute to all of the following outcomes:

Economic Opportunity and Affordability

Having economic opportunities and resources that enable us to thrive in our community.

Mobility

Getting us where we want to go, when we want to get there, safely and cost-effectively.

Safety

Being safe in our home, at work, and in our community.

Health and Environment

Enjoying a sustainable environment and a healthy life, physically and mentally.

Culture and Lifelong Learning

Being enriched by Austin's unique civic, cultural, ethnic and learning opportunities.

Government That Works for All

Believing that city government works effectively and collaboratively for all of us—that it is equitable, ethical and innovative.

Austin Energy's Strategic Plan refresh process included a review of its alignment with SD23 outcomes, indicators and strategies. As a result, a number of Austin Energy's strategic goals and operational programs align with SD23. Additional information on SD23 can be found at austintexas.gov/strategicplan.



AUSTIN ENERGY STRATEGIC PLAN

2020 — 2025



**Customer Driven.
Community Focused.™**

austinenenergy.com

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