

PERFORMANCE METRIC 1

SAIDI/SAIFI for Rural Feeders 33% Improvement

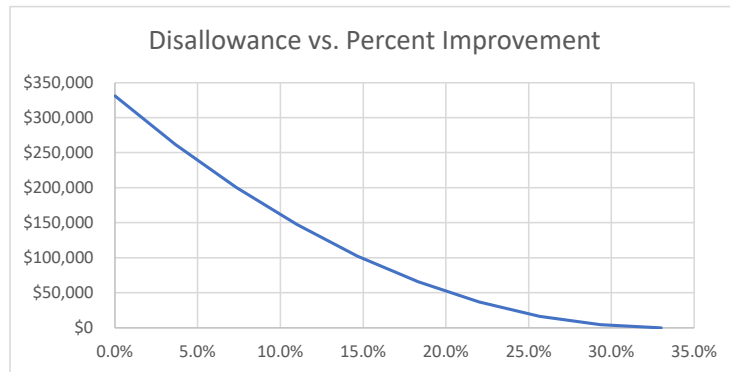
DPS witness reference: **Kevin Mara**

Target	33%
Minimum Performance	0%
Maximum Disallowance	\$331,000
Est. St. Dev	16.5%
Scalar	0.25

FORMULA: If percent improvement > 33%, then disallowance = \$0;
 If percent improvement < 0%, then disallowance = \$331,000;
 If 0% <= percent improvement <= 33% then disallowance = $[(\text{percent improvement} - 33\%)/16.5\%]^2 \times (0.25) \times \$331,000$

Example Schedule:

<u>Percent Improvement</u>	<u>Disallowance</u>
0.0%	\$331,000
3.7%	\$261,531
7.3%	\$200,235
11.0%	\$147,111
14.7%	\$102,160
18.3%	\$65,383
22.0%	\$36,778
25.7%	\$16,346
29.3%	\$4,086
33.0%	\$0



PERFORMANCE METRIC 2

Forced outage rate per hundred miles of Zone 1 spacer cable = 3.0 FOHMY

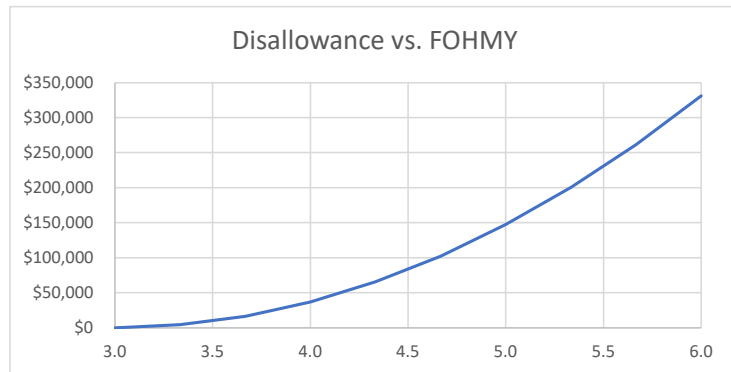
DPS witness reference: Kevin Mara

Target	3.0
Minimum Performance	6.0
Maximum Disallowance	\$331,000
Est. St. Dev	1.50
Scalar	0.25

FORMULA: If FOHMY < 3.0, then disallowance = \$0;
 If FOHMY > 6.0, then disallowance = \$331,000;
 If 3.0 <= FOHMY <= 6.0 then disallowance = $[(\text{FOHMY} - 3)/1.5]^2 \times (0.25) \times \$331,000$

Example Schedule:

FOHMY	Disallowance
6.0	\$331,000
5.7	\$261,531
5.3	\$200,235
5.0	\$147,111
4.7	\$102,160
4.3	\$65,383
4.0	\$36,778
3.7	\$16,346
3.3	\$4,086
3.0	\$0



PERFORMANCE METRIC 3

Maintain \$13 million five-year average storm costs

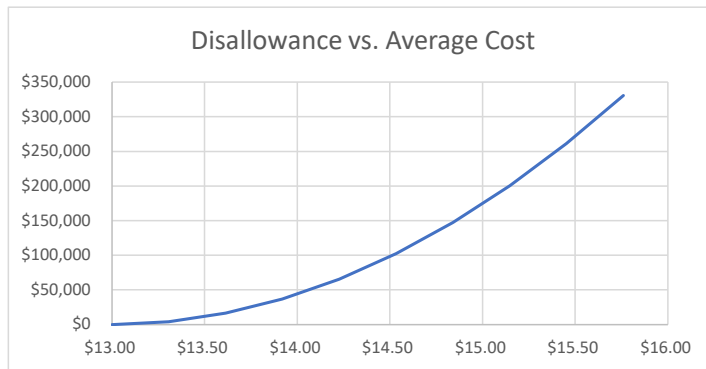
DPS witness reference: Kevin Mara

Target (\$M)	\$13.00
Minimum Performance (\$M)*	\$15.76
Maximum Disallowance	\$331,000
Est. St. Dev (\$M)**	\$1.38
Scalar	0.25

FORMULA: **If AVG COST < \$13M, then disallowance = \$0;**
 If AVG COST > \$15.76M, then disallowance = \$331,000;
 If \$13M <= AVG COST <= \$15.76M then disallowance = [(AVG COST - 13M)/1.38]² x (0.25) x \$331,000

Example Schedule:

<u>5-Year Avg Cost (\$M)</u>	<u>Disallowance</u>
\$15.76	\$331,000
\$15.45	\$261,531
\$15.15	\$200,235
\$14.84	\$147,111
\$14.53	\$102,160
\$14.23	\$65,383
\$13.92	\$36,778
\$13.61	\$16,346
\$13.31	\$4,086
\$13.00	\$0



* Based on 2 standard deviations from the target

** Based on standard deviation of 5-year rolling average storm costs from 2014-2023.

PERFORMANCE METRIC 4

Battery Failed to Supply Index (BFSI) at 1%

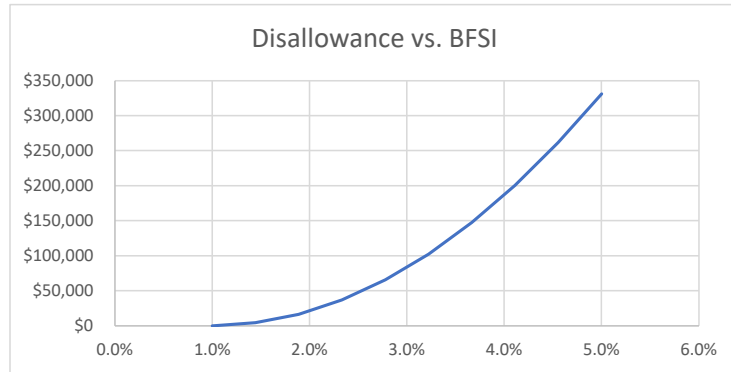
DPS witness reference: Kevin Mara

Target	1%
Minimum Performance	5%
Maximum Disallowance	\$331,000
Est. St. Dev	2.00%
Scalar	0.25

FORMULA: If BFSI < 5%, then disallowance = \$0;
 If BFSI > 10%, then disallowance = \$331,000;
 If 5% <= BFSI <= 10% then disallowance = $[(\text{BFSI} - 5\%)/2.5\%]^2 \times (0.25) \times \$331,000$

Example Schedule:

<u>BFSI</u>	<u>Disallowance</u>
5.0%	\$331,000
4.6%	\$261,531
4.1%	\$200,235
3.7%	\$147,111
3.2%	\$102,160
2.8%	\$65,383
2.3%	\$36,778
1.9%	\$16,346
1.4%	\$4,086
1.0%	\$0



PERFORMANCE METRIC 5

Report CEMI-8 for all residential customers

DPS witness reference: Kevin Mara

Target	File Report
Failure	No Report

FORMULA:	If report is filed, disallowance = \$0
	If report is not filed, disallowance = \$331,000