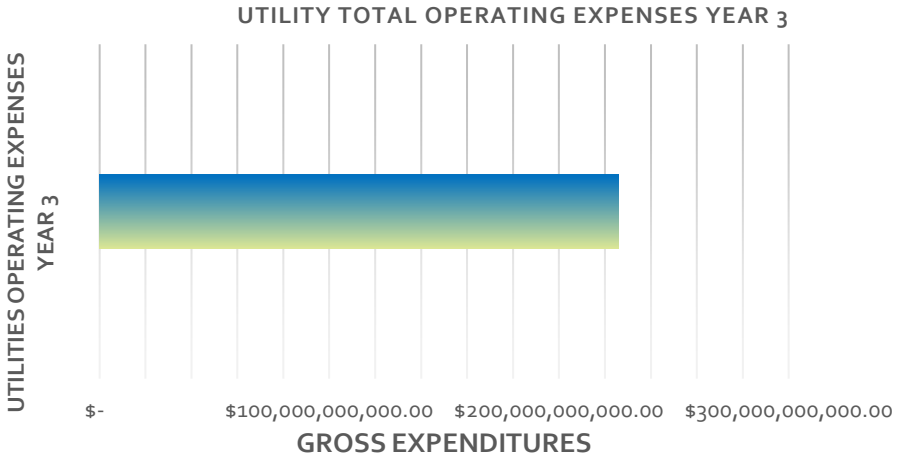
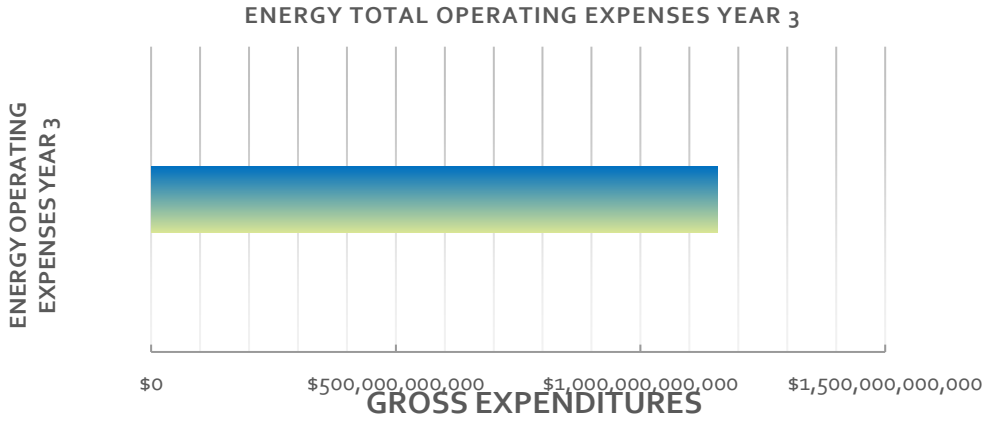
Does the Utility Sector or Energy Sector have higher Total Operations Costs for Year 3?





Shown are the column graphs for the annual Total Operating Costs reported by all companies in Year 3 Utilities and Energy sectors. The Utility sector total operating costs for year 3 was 225 billion, while the Energy sector total operating cost was 1.2 trillion making the Energy sector the higher of both operating costs for year 3.

The mean of Utilities is 56.4 billion with a median of 27 billion, however, Energy sector has a mean of 289 billion and a median of 122 billion. Because both sectors have a mean higher than the median, the distributions a rightly/positively skewed.

When comparing the mean of both sectors, there is a significant difference of more than 5x between the mean of Utilities at 56.4 billion and Energy at 289 billion. The median for Energy at 122 billion is more than 4x the median for Utilities of 27 billion. The standard deviation for Energy is more than 5x higher at 363 billion, in comparison to 67 billion for Utilities in year 3. This shows that the variability in Energy operating expenses is higher, with more than 50% of companies in this sector spending more than 122 billion that year on operating expenses.

Conclusion

As seen on the attached Excel Spreadsheet, my analysis proves that the Energy sector had significantly higher numbers compared to Utilities in both total operating expenses areas, summary statistics and total revenue. The Energy sector Operating income for year 3 was 114 billion, nearly double that of Utilities in year 3 which was 52 billion.