

20-year, 260 MW Solar and Battery Storage Purchase Power Agreements

Mike Bradshaw, Sr. Manager – Trading & Commercial Operations
Rich Flanigan, VP – Energy Supply and Marketing

Commission Meeting
10/14/2025



Powering our way of life.

Items for Discussion

- Review of 2024 Request for Proposal (RFP)
 - Purpose / Structure
 - Results / Recommendation
- Tie to Integrated Resource Plan (IRP)
 - Selected Portfolio Additions
- Proposed Power Purchase Agreements (PPA) Detail
 - Project Description
 - PPA Structure
- Q&A

REVIEW OF 2024 REQUEST FOR PROPOSAL

Purpose of the RFP

This RFP is intended to help Grant PUD prepare for future and current challenges including:

- Serving customers under stable rates
- Sourcing appropriate and sufficient power to provide reliable service
- Positioning Grant PUD to meet future clean energy standards

It also is intended to help Grant PUD:

- Better understand a very competitive market for power supply
- Focus on finding long-term clean energy solutions
- Let developers know Grant PUD is looking for capacity

Two Categories of Proposals Requested

Group A Proposals include:

- Power Purchase Agreements Only
- Minimum of 50 MW, Maximum of 300 MW
- PPA start date between Jan 1, 2025, and Dec 31, 2029
- Term of 1 to 5 years

Group B Proposals include:

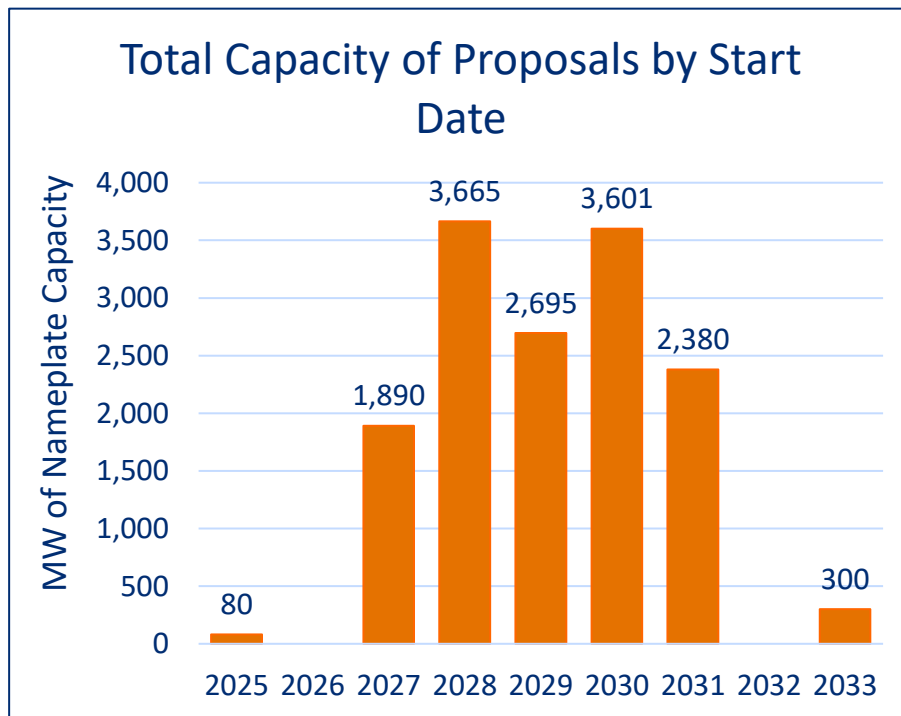
- Power Purchase Agreements or Ownership Offers
- Minimum of 50 MW, Maximum of 300 MW
- PPA or Ownership start date no later than Jan 1, 2035
- Term of 10 to 20 years

RFP Responses

14 proposals offered ownership; the remainder offered Power Purchase Agreements (PPA) only

82 Evaluated Proposals by Technology Type:

- 35 Solar
- 31 Solar + Storage
- 13 Stand Alone Storage
- 2 Wind
- 1 Biodiesel



Evaluation Criteria

Economic Evaluation (70%)

- Assessment of project potential market performance
- Valuation of performance in the GCPUD resource portfolio
- Economic evaluation performed using Ascend Analytics' PowerSIMM platform
- Included ex-post inclusion of value of ability to provide ancillary services

Risk Assessment (15%)

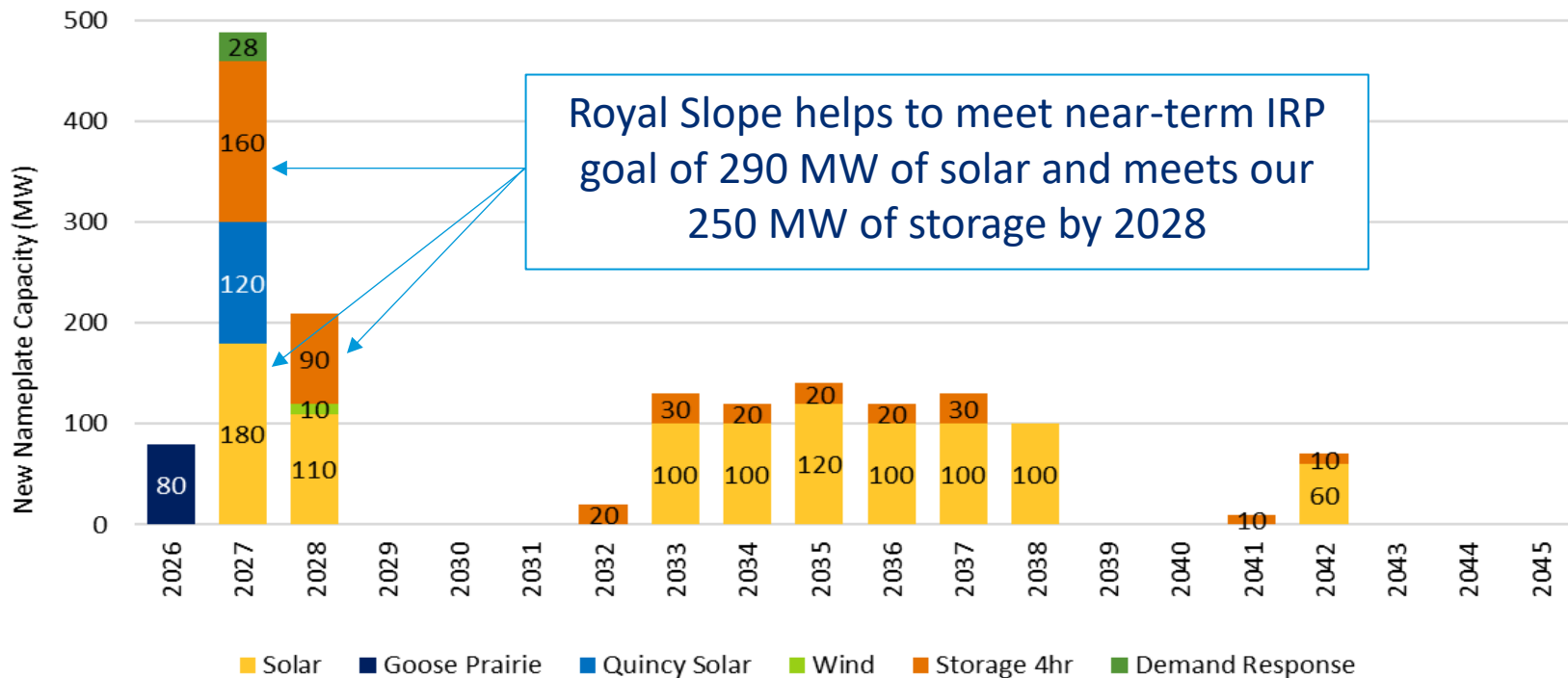
- Company strength
- Project Viability

Strategic Alignment (15%)

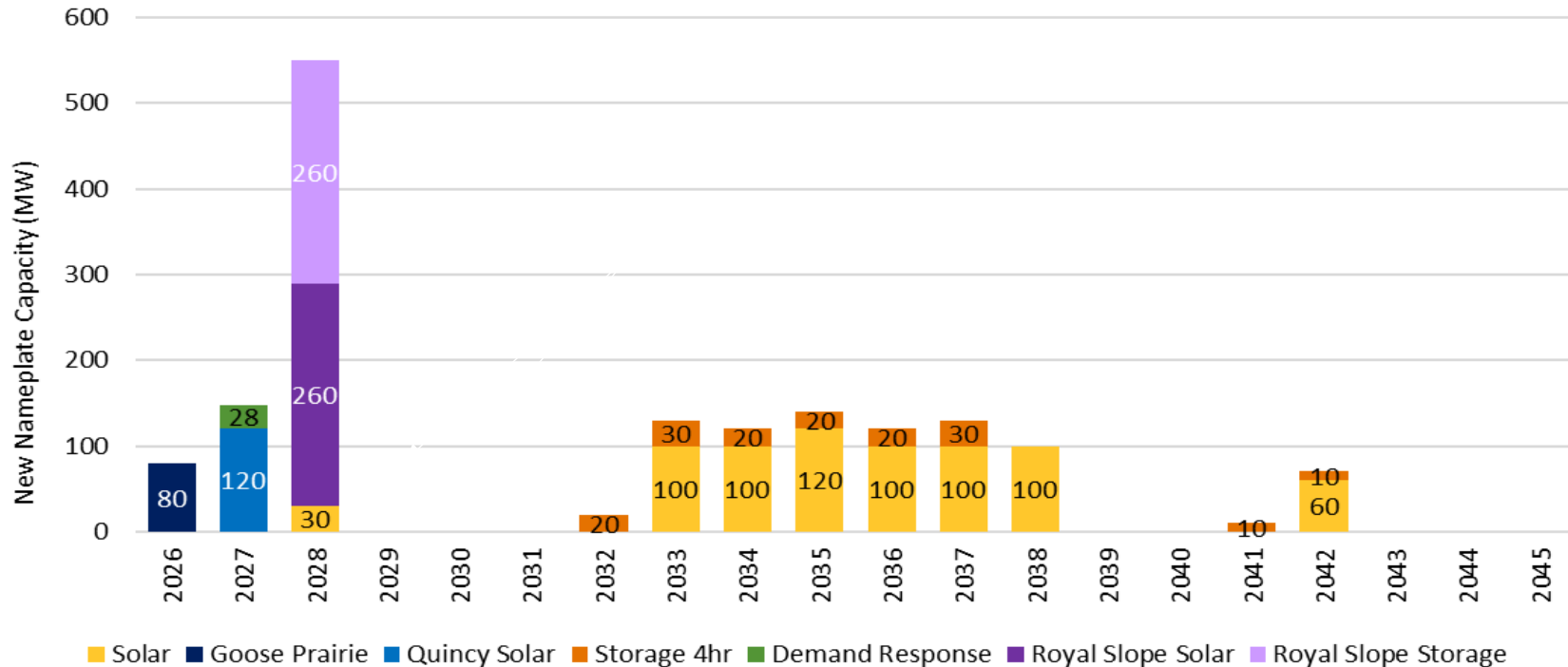
- Contribution to GCPUD's capacity needs, including emphasis on ability to contribute to entering binding WRAP program
- Contribution to GCPUD's energy needs

TIE TO INTEGRATED RESOURCE PLAN

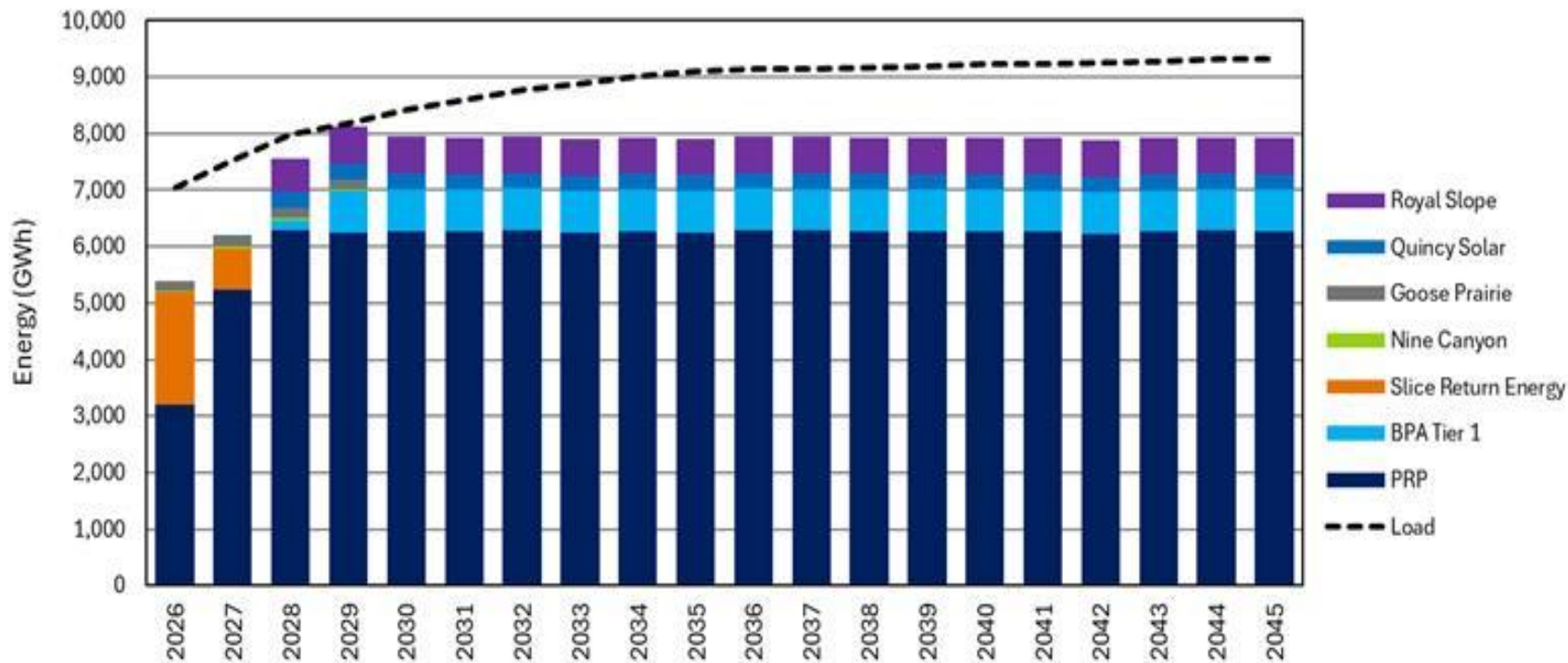
IRP Selected Portfolio Additions – Reference Case



IRP Selected Portfolio Additions – w/Royal Slope Additions



Energy Position of Existing Portfolio – w/ Royal Slope additions



PROPOSED POWER PURCHASE AGREEMENTS (PPAs) DETAIL

Project Information

- Project Owner
 - Royal Slope Solar, LLC
- Project Type
 - 260 MW Solar and 260 MW of 4-hour Lithium-Ion Battery Storage
- Project Location
 - Located just northeast of Wanapum dam in Grant County
- Project Balancing Area
 - BPA

Royal Slope Location



PPA Structure

- Term
 - 20-years beginning no earlier than 3/1/2028 (solar) and 4/1/2028 (battery storage)
- Products
 - Solar - energy output at project bus (\approx 27% expected capacity factor)
 - Battery/Solar capacity meets Western Resource Adequacy Program requirements
 - BPA transmission
- Price
 - In RFP average range:
 - Solar: \$65 to \$75 per MWh
 - Battery: \$14.00 per kW-mo. to \$16.50 per kW-mo.
- Prepay arrangement can be added to PPAs
- Risk Management
 - Subject Matter Expert and Legal sign-off on contract

Next Steps

- Redacted Contract is in your packet for review.
 - I will send an unredacted contract to Maggie for private review
- My team is available to answer any questions you have
- First opportunity for Commission approval of the PPAs is October 28th

Questions?



Powering our way of life.

Thank you!



2026 PROPOSED BUDGET HEARING

2026 PROPOSED BUDGET HEARING

October 14th 2025

TERRAH BICONDOVA | BUDGET & REPORTING MANAGER

BRYNDON ECKLUND | MANAGER OF FORECASTING & PLANNING



Powering our way of life.

Agenda

Presentation of the Proposed 2026 Budget and opening the public comment period, giving the community an opportunity to provide input per **RCW 54.16.080**.

- **2026 Key Priorities**
- **Budget Summary**
- **Financial Forecast**

2026 Key Priorities

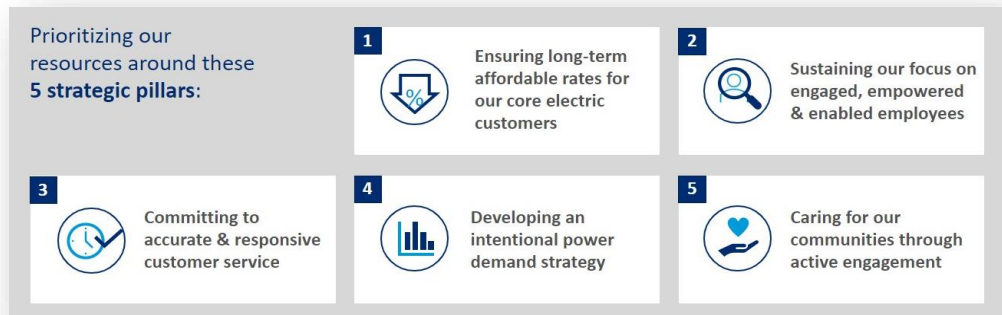
- ✓ Financial Strategy
- ✓ Focused Growth
- ✓ Community Impact & Public Engagement

Financial Strategy

Our mission is to **safely, efficiently, and reliably** provide electric power and fiber optic broadband services to our customers.

To support this mission, our 2026 Financial strategy focuses on:

- **Proactive Planning**
- **Continuous Engagement**
- **Resource Optimization**



Focused Growth

In 2026, we're investing in reliability, operational excellence, and programs that directly benefit our customers.



Community Impact & Public Engagement

Investing in Community Needs

- Customer incentive programs, facility upgrades and service expansion

Listening to Our Community

- Public meetings, outreach and focused efforts to improve customer experience

Delivering Value to Ratepayers

- Efficient funding for reliable, low-cost service



October 14 | Public Hearings | Ephrata HQ at 2:00 PM & 6:00PM (*Remote attendance available – see website*)

December 9 | Anticipated Adoption of 2026 Budget

Rate change reviews occur separately from the budget process.

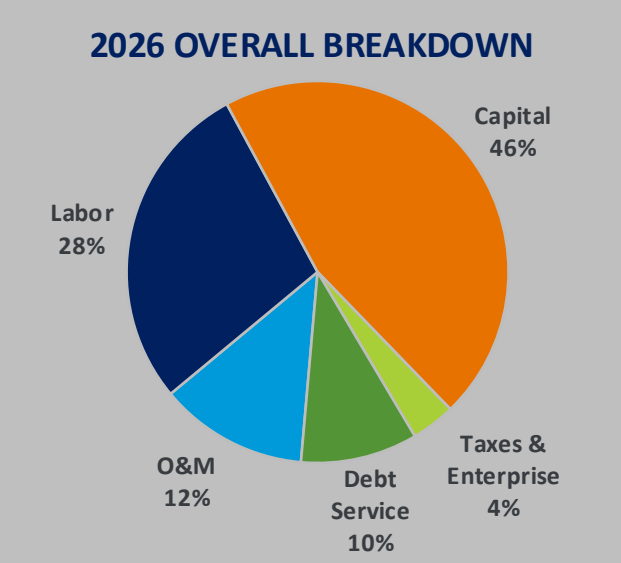
2026 Proposed Budget

- ✓ Total Expenses
- ✓ O&M
- ✓ Labor
- ✓ Capital
- ✓ Taxes & Debt

Total Expenses (\$ in thousands)

TYPE	2025	2026	Variance	Variance
O&M	\$85.2M	\$88.9M	\$3.7M	4%
Labor	\$171.5M	\$198.6M	\$27.1M	16%
Capital	\$225.6M	\$322.3M	\$96.7M	43%
Taxes	\$24.0M	\$24.5M	\$0.5M	2%
Enterprise	(\$2.8M)	\$1.8M	\$4.6M	164%
Debt Service	\$73.1M	\$69.9M	(\$3.2M)	(4%)
TOTAL	\$577.0M	\$706.0M	\$129.0M	22%

TOTAL EXPENSES	OFFSETS	NET BUDGET
\$706.0M	\$292.6M	\$413.4M



Net Budget (\$ in thousands)

NET BUDGET	2025 BUDGET	2026 BUDGET
Operations & Maintenance (Includes adjustments)	\$236.5 M	\$264.0 M
Taxes	\$24.0 M	\$24.5 M
Electric System Capital	\$180.0 M	\$257.9 M
Priest Rapids Project Capital	\$63.4 M	\$89.7 M
Total Capital	\$243.3 M	\$347.6 M
Debt Service	\$73.1 M	\$69.9 M
Total Gross Expenses	<u>\$577.0 M</u>	<u>\$706.0 M</u>
EXPENSE OFFSETS		
Contributions in Aid of Construction	(\$16.6 M)	(\$13.2 M)
Sales to Power Purchasers at Cost	(\$19.1 M)	(\$34.0 M)
Net Power (+ Expense, - Revenue)	(\$229.1 M)	(\$245.4 M)
Total Offsets	<u>(\$264.8 M)</u>	<u>(\$292.6 M)</u>
TOTAL EXPENSES AFTER OFFSETS	<u>\$312.2 M</u>	<u>\$413.4 M</u>

All figures rounded to the nearest 100,000th.

Labor Costs Reflected Within O&M and Capital Budgets Respectively

Operations & Maintenance (\$ in thousands)

COST CATEGORY TYPE	2025	2026	Variance	Variance
Purchased Services	\$43.0M	\$42.0M	(\$1.0M)	(2%)
General & Administrative	\$13.1M	\$15.1M	\$2.0M	15%
Operating Materials & Equip	\$11.9M	\$12.4M	\$0.5M	4%
Technology	\$9.4M	\$9.5M	\$0.1M	1%
Risk	\$5.2M	\$6.5M	\$1.3M	25%
Transportation	\$1.6M	\$1.7M	\$0.1M	6%
Utilities	\$1.0M	\$1.7M	\$0.7M	70%
TOTAL	\$85.2M	\$88.9M	\$3.7M	4%

G&A

+\$798K for Customer Incentive Programs
+\$544K Regulatory costs

Risk

+\$1.3M for Insurance Premiums Increases

Utility vs Purchases Services shift

Budget Category Type Adjustments



Labor (\$ in thousands)

TYPE	2025	2026	Variance	Variance
Salaries & Wages	\$112.4M	\$131.0M	\$18.6M	17%
Benefits	\$47.8M	\$55.7M	\$7.9M	17%
Overtime	\$8.0M	\$8.6M	\$0.6M	8%
Other Labor	\$0.9M	\$0.9M	\$0.0M	0%
Leave Cashouts	\$2.4M	\$2.5M	\$0.1M	4%
TOTAL	\$171.5M	\$198.6M	\$27.1M	16%

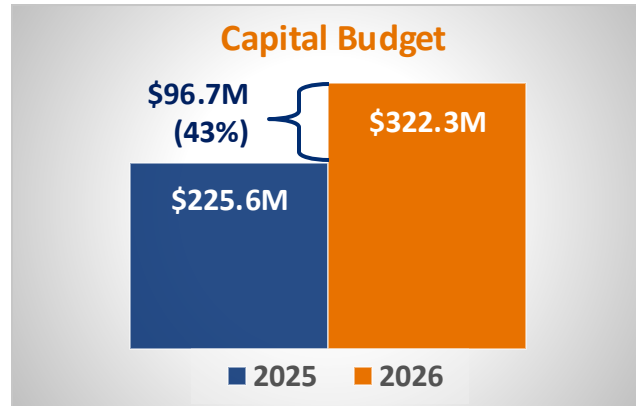
Inflation: Economic adjustment to attract and retain qualified employees.

Workforce Growth: Expanding strategically to improve performance and capability. Eighty-eight additional positions planned for 2026.



Capital (\$ in thousands)

TYPE	2025	2026
Capital	\$225.6M	\$322.3M



Outside of the top 10 projects listed, the remaining budget may be allocated to approximately **130 additional projects**.

TOP PROJECTS	2026
Quincy Transmission Expansion Plan	\$97.3M
New Service Center (Facilities Master Plan Implementation)	\$86.9M
Turbine Generator Program	\$44.5M
Priest Rapids Spillway Stability Improvements	\$31.4M
Ancient Lakes, Frenchman Hills Transmission Rebuild	\$17.6M
IQ7 Grey Bobcat Solar (Customer Funded)	\$9.8M
Fleet Replacement Program	\$5.7M
Larson Stratford 115kV Relocation	\$5.4M
IQ5 SR Quincy Valley (Customer Funded)	\$5.3M
IQ1 Invenergy (Customer Funded)	\$5.1M
TOTAL	\$309.0M

Capital (\$ in thousands)

- Increase is driven by major infrastructure investments in **Power Delivery, Power Production, and Facilities Modernization.**
- Over 85% of the 2026 budget is allocated to projects in the **execution or planning phase**, ensuring delivery of critical system upgrades and reliability improvements.
- **Strategic Priorities:**
 - ✓ Grid modernization and transmission rebuilds
 - ✓ Hydropower asset renewal and spillway stability
 - ✓ Facility and fleet upgrades to support operational resilience
 - ✓ Continued investment in solar interconnections and customer-driven CIAC projects. (Contributions in Aid of Construction)



Capital - Top projects for 2026

Priest Rapids Spillway: 38 anchors to stabilize spillway (for Asset Stewardship); construction starts 2026, approx. 3-year duration.

New Ephrata Service Center: Design-Build project in Grant PUD's Facilities Master Plan; replaces aging infrastructure, supports growth, with Phase I design completing Oct 2025.

Priest Rapids Turbine Upgrade: Multi-year project to modernize 10 units for improved reliability and efficiency; Unit 7 currently in rehab, with outage completion targeted for April 2026.

Quincy Transmission Expansion (QTEP): 10 projects; adds 650 MW capacity, redundancy, and grid flexibility.

Ancient Lake–Frenchman Hills Rebuild: 24.83-mile rebuild; line hits 97% capacity by 2025; urgent reliability upgrade.

Financial Forecast

- ✓ Exhibit A
- ✓ Exhibit B
- ✓ Key Metrics
- ✓ Scenarios

Exhibit A

Combined Financial Results Plan

Exhibit A - \$ in thousands

Budgeted Items	Budget 2025	Forecast 2025	Proposed Budget Forecast 2026	Forecast 2027	Forecast 2028	Forecast 2029	Forecast 2030
Total O&M	\$ 236,487	\$ 224,333	\$ 264,034	\$ 293,329	\$ 320,295	\$ 335,801	\$ 352,542
Taxes	\$ 24,048	\$ 23,625	\$ 24,505	\$ 24,972	\$ 25,448	\$ 25,933	\$ 26,452
Electric Capital	\$ 179,964	\$ 180,979	\$ 257,922	\$ 222,860	\$ 178,701	\$ 133,773	\$ 142,819
PRP Capital	\$ 63,384	\$ 67,130	\$ 89,724	\$ 107,314	\$ 88,752	\$ 70,014	\$ 97,597
Total Capital	\$ 243,348	\$ 248,108	\$ 347,646	\$ 330,174	\$ 267,453	\$ 203,787	\$ 240,416
Debt Service - (net of Rebates)	\$ 73,146	\$ 167,524	\$ 69,857	\$ 159,311	\$ 83,293	\$ 88,686	\$ 94,429
Total Expenditures	\$ 577,028	\$ 663,590	\$ 706,042	\$ 807,786	\$ 696,490	\$ 654,207	\$ 713,839
Expenditures offsets for deduction							
Contributions in Aid of Construction	\$ (16,550)	\$ (14,566)	\$ (13,240)	\$ (12,136)	\$ (11,033)	\$ (11,033)	\$ (15,000)
Sales to Power Purchasers at Cost	\$ (19,125)	\$ (28,623)	\$ (34,005)	\$ (22,014)	\$ (19,252)	\$ (19,845)	\$ (20,583)
Net Power (+ Expense, -Revenue)	\$ (229,133)	\$ (349,090)	\$ (245,396)	\$ (204,589)	\$ (89,291)	\$ (114,580)	\$ (67,049)
Total Expenditures Offset	\$ (264,808)	\$ (392,279)	\$ (292,640)	\$ (238,739)	\$ (119,575)	\$ (145,458)	\$ (102,633)
Total Budgeted Expenditures	\$ 312,220	\$ 271,311	\$ 413,402	\$ 569,047	\$ 576,914	\$ 508,750	\$ 611,206

***Note:** The 2025 debt service figure includes the planned defeasance of two short-term debt issuances totaling \$96.5 million. In 2027, debt service reflects a \$90 million bullet payment, with amounts through 2026 including cash contributions to the sinking fund established to fund this payment.

Exhibit B

Combined Financial Results

Exhibit B - \$ in thousands

Plan	Budget 2025	Forecast 2025	Proposed Budget Forecast 2026	Forecast 2027	Forecast 2028	Forecast 2029	Forecast 2030
CONSOLIDATED OPERATIONAL PERFORMANCE							
Sales to Power Purchasers at Cost	\$ 19,125	\$ 28,623	\$ 34,005	\$ 22,014	\$ 19,252	\$ 19,845	\$ 20,583
Retail Energy Sales	\$ 324,494	\$ 294,246	\$ 320,032	\$ 347,618	\$ 406,900	\$ 450,309	\$ 497,340
Net Power (Net Wholesale + Other Power Revenue)	\$ 229,133	\$ 349,090	\$ 245,396	\$ 204,589	\$ 89,291	\$ 114,580	\$ 67,049
Fiber Optic Network Sales	\$ 13,793	\$ 15,270	\$ 14,069	\$ 14,350	\$ 14,637	\$ 14,930	\$ 15,229
Other Revenues	\$ 3,023	\$ 3,453	\$ 4,051	\$ 4,071	\$ 4,092	\$ 4,114	\$ 4,136
Operating Expenses	\$ (236,487)	\$ (224,333)	\$ (264,034)	\$ (293,329)	\$ (320,295)	\$ (335,801)	\$ (352,542)
Taxes	\$ (24,048)	\$ (23,625)	\$ (24,505)	\$ (24,972)	\$ (25,448)	\$ (25,933)	\$ (26,452)
Net Operating Income (Loss) Before Depreciation	\$ 329,034	\$ 442,723	\$ 329,013	\$ 274,341	\$ 188,429	\$ 242,043	\$ 225,343
Depreciation and Amortization	\$ (101,742)	\$ (90,037)	\$ (90,258)	\$ (95,979)	\$ (101,615)	\$ (110,568)	\$ (120,495)
Net Operating Income (Loss)	\$ 227,292	\$ 352,686	\$ 238,756	\$ 178,362	\$ 86,814	\$ 131,475	\$ 104,848
Interest, debt and other income	\$ (6,027)	\$ 9,032	\$ (78)	\$ (1,053)	\$ (4,441)	\$ (4,818)	\$ (6,476)
Contributions in aid of construction	\$ 16,550	\$ 14,566	\$ 13,240	\$ 12,136	\$ 11,033	\$ 11,033	\$ 15,000
Change in Net Position	\$ 237,815	\$ 376,285	\$ 251,918	\$ 189,444	\$ 93,405	\$ 137,690	\$ 113,372

Key Metrics

Combined Financial Results

Financial Metrics	Target	Proposed Budget						
		Budget 2025	Forecast 2025	Forecast 2026	Forecast 2027	Forecast 2028	Forecast 2029	Forecast 2030
<u>Change in Net Position</u>		\$ 237,815	\$ 376,285	\$ 251,918	\$ 189,444	\$ 93,405	\$ 137,690	\$ 113,372
<u>Liquidity</u>								
Elect System Liquidity (Rev + R&C)	\$150 MM	\$ 401,825	\$ 431,807	\$ 416,492	\$ 442,796	\$ 435,176	\$ 527,988	\$ 593,837
Days Cash On Hand	> 250	480	662	526	521	453	528	533
<u>Leverage</u>								
Consolidated DSC	>1.8x	4.76	6.91	5.54	4.53	4.05	4.26	4.07
Consolidated Debt/Plant Ratio	<= 60%	38%	34%	35%	28%	29%	31%	28%
<u>Profitability</u>								
Consolidated Return on Net Assets	>4%	8.8%	14.0%	8.6%	5.9%	2.8%	4.0%	3.2%
Retail Operating Ratio	<=100%	110%	118%	125%	125%	106%	103%	102%

Rate Trajectory Scenario

Rate unbundling efforts aim to moderate rate increases and minimize rate shock for both core and non-core customers.

Key Drivers for Proactive Planning:

- ✓ Transitioning from Slice and Pooling Agreements
- ✓ Rising Energy, Transmission and Distribution Costs
- ✓ Compliance and Capacity Cost Pressures

Market Drivers of Power Supply Costs

- ✓ Priest Rapid Project (PRP) & Estimated Unmet District Load (EUDL)
- ✓ Western Resource Adequacy Program (WRAP)
- ✓ Clean Energy Transition Act (CETA)
- ✓ New Resources to serve load

GROWTH

- Increasing obligations
 - Energy
 - Capacity
 - Clean energy
- Likely Reaching Limit to Financial 30% of PRP
- New Resources to replace EUDL Market Purchases



Scenario Overview

		2026	2027	2028	2029	2030	2031	2032	2033	2034
Base Scenario	Core	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
	NonCore	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
	Rate 18 % of NonCore	0.0%	0.0%	14.7%	25.2%	34.5%	41.9%	48.9%	54.6%	61.5%
	Change in Net Position	\$252m	\$189m	\$93m	\$138m	\$113m	\$59m	(\$54m)	(\$89m)	(\$127m)
Scenario 1	Core	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
	NonCore	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
	Change in Net Position	\$261m	\$212m	\$96m	\$124m	\$91m	\$33m	(\$81m)	(\$112m)	(\$138m)
Scenario 2	Core	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
	NonCore	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%	7.5%
	Change in Net Position	\$262m	\$215m	\$102m	\$137m	\$107m	\$52m	(\$58m)	(\$85m)	(\$106m)
Scenario 3	Core	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
	NonCore	8.5%	8.5%	8.5%	8.5%	8.5%	8.5%	8.5%	8.5%	8.5%
	Change in Net Position	\$265m	\$222m	\$115m	\$156m	\$133m	\$86m	(\$15m)	(\$32m)	(\$41m)
Scenario 4	Core	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%
	NonCore	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%
	Change in Net Position	\$279m	\$240m	\$137m	\$182m	\$164m	\$124m	\$30m	\$23m	\$23m

Scenario 4 – Exhibit A

Combined Financial Results

Exhibit A - \$ in thousands

Budgeted Items	Proposed Budget					
	Forecast 2025	Forecast 2026	Forecast 2027	Forecast 2028	Forecast 2029	Forecast 2030
Total O&M	\$ 224,333	\$ 264,034	\$ 293,329	\$ 320,295	\$ 335,801	\$ 352,542
Taxes	\$ 23,625	\$ 24,505	\$ 24,972	\$ 25,448	\$ 25,933	\$ 26,452
Electric Capital	\$ 180,979	\$ 257,922	\$ 222,860	\$ 178,701	\$ 133,773	\$ 142,819
PRP Capital	\$ 67,130	\$ 89,724	\$ 107,314	\$ 88,752	\$ 70,014	\$ 97,597
Total Capital	\$ 248,108	\$ 347,646	\$ 330,174	\$ 267,453	\$ 203,787	\$ 240,416
Debt Service - (net of Rebates)	\$ 167,524	\$ 69,857	\$ 159,311	\$ 83,293	\$ 88,686	\$ 94,429
Total Expenditures	\$ 663,590	\$ 706,042	\$ 807,786	\$ 696,490	\$ 654,207	\$ 713,839
Expenditures offsets for deduction						
Contributions in Aid of Construction	\$ (14,566)	\$ (13,240)	\$ (12,136)	\$ (11,033)	\$ (11,033)	\$ (15,000)
Sales to Power Purchasers at Cost	\$ (28,623)	\$ (34,005)	\$ (22,014)	\$ (19,252)	\$ (19,845)	\$ (20,583)
Net Power (+ Expense, -Revenue)	\$ (349,090)	\$ (245,396)	\$ (204,589)	\$ (89,291)	\$ (114,580)	\$ (67,049)
Total Expenditures Offset	\$ (392,279)	\$ (292,640)	\$ (238,739)	\$ (119,575)	\$ (145,458)	\$ (102,633)
Total Budgeted Expenditures	\$ 271,311	\$ 413,402	\$ 569,047	\$ 576,914	\$ 508,750	\$ 611,206

Scenario 4 – Exhibit B

Combined Financial Results

Exhibit B - \$ in thousands

		Proposed Budget				
	Forecast 2025	Forecast 2026	Forecast 2027	Forecast 2028	Forecast 2029	Forecast 2030
CONSOLIDATED OPERATIONAL PERFORMANCE						
Sales to Power Purchasers at Cost	\$ 28,623	\$ 34,005	\$ 22,014	\$ 19,252	\$ 19,845	\$ 20,583
Retail Energy Sales	\$ 299,699	\$ 347,145	\$ 398,534	\$ 450,715	\$ 495,068	\$ 548,295
Net Power (Net Wholesale + Other Power Revenue)	\$ 349,090	\$ 245,396	\$ 204,589	\$ 89,291	\$ 114,580	\$ 67,049
Fiber Optic Network Sales	\$ 15,270	\$ 14,069	\$ 14,350	\$ 14,637	\$ 14,930	\$ 15,229
Other Revenues	\$ 3,453	\$ 4,051	\$ 4,071	\$ 4,092	\$ 4,114	\$ 4,136
Operating Expenses	\$ (224,333)	\$ (264,034)	\$ (293,329)	\$ (320,295)	\$ (335,801)	\$ (352,542)
Taxes	\$ (23,625)	\$ (24,505)	\$ (24,972)	\$ (25,448)	\$ (25,933)	\$ (26,452)
Net Operating Income (Loss) Before Depreciation	\$ 448,177	\$ 356,126	\$ 325,257	\$ 232,244	\$ 286,802	\$ 276,298
Depreciation and Amortization	\$ (90,037)	\$ (90,258)	\$ (95,979)	\$ (101,615)	\$ (110,568)	\$ (120,495)
Net Operating Income (Loss)	\$ 358,140	\$ 265,868	\$ 229,278	\$ 130,629	\$ 176,234	\$ 155,803
Interest, debt and other income	\$ 9,032	\$ (78)	\$ (1,053)	\$ (4,441)	\$ (4,818)	\$ (6,476)
Contributions in aid of construction	\$ 14,566	\$ 13,240	\$ 12,136	\$ 11,033	\$ 11,033	\$ 15,000
Change in Net Position	\$ 381,738	\$ 279,031	\$ 240,361	\$ 137,220	\$ 182,449	\$ 164,327

Scenario 4 – Key Metrics

All Funds, Scenario 4 Scenario

	2025	2026	2027	2028	2029	2030
<i>Change in Net Position (in thousands)</i>	\$ 381,738	\$ 279,031	\$ 240,361	\$ 137,220	\$ 182,449	\$ 164,327

Liquidity

<i>Elect System Liquidity (Rev + R&C)(in thousands)</i>	\$ 437,261	\$ 449,058	\$ 526,279	\$ 562,473	\$ 700,045	\$ 816,849
<i>Days Cash On Hand</i>	670	565	613	577	690	722

Leverage

<i>Consolidated DSC</i>	7.23	6.14	5.38	4.72	4.89	4.72
<i>Consolidated Debt/Plant Ratio</i>	34%	35%	28%	29%	31%	28%

Profitability

<i>Consolidated Return on Net Assets</i>	14.2%	9.5%	7.5%	4.1%	5.3%	4.6%
<i>Retail Operating Ratio</i>	115%	115%	109%	96%	93%	89%

Questions?



Powering our way of life.

Thank you!



2026 PROPOSED BUDGET

2026 NET BUDGET

Total Expenses
after Offsets:

\$413.4 M



Operations and
Maintenance



Taxes



Electric System
Capital



Priest Rapids
Project Capital

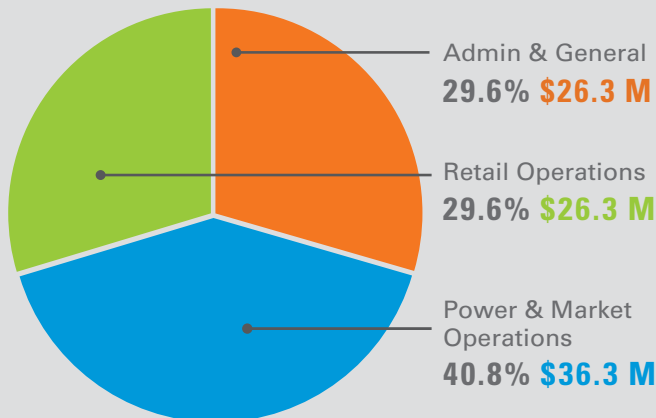


Debt
Service

Total Gross
Expenditures:
\$706.0 M

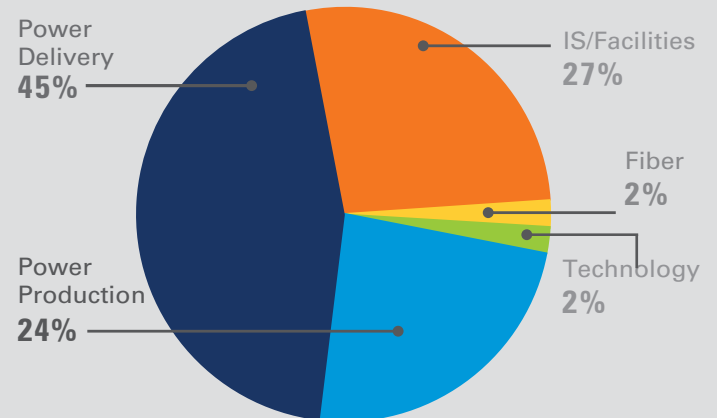
Total Offsets:
\$292.6 M

2026 DATA FOR O&M EXPENSES BY DIVISION



Percentages are for illustrative purposes only.

2026 CAPITAL EXPENSES BY AREA



Percentages are for illustrative purposes only.

FINANCIAL METRICS/PERFORMANCE DASHBOARD

	2025	2026	2027	2028	2029	2030
Electric Liquidity (R&C + WC)	+	+	+	+	+	+
Consolidated Debt Service Coverage	+	+	+	+	+	+
Consolidated Debt/Plant	+	+	+	+	+	+
Consolidated Return on Net Assets	+	+	+	-	-	-
Retail Operating Ratio	-	-	-	-	-	-

Blue (+): Metric is performing at or above target. Orange (-): Metric is performing below target or needs attention



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2026 BUDGET AT A GLANCE

The proposed 2026 Budget continues our focus on long-term value for all customers so we can continue to provide low-cost, reliable power for future generations.

NET BUDGET	2025 BUDGET	2026 BUDGET
Operations & Maintenance (Includes adjustments)	\$236.5 M	\$264.0 M
Taxes	\$24.0 M	\$24.5 M
Electric System Capital	\$180.0 M	\$257.9 M
Priest Rapids Project Capital	\$63.4 M	\$89.7 M
Total Capital	\$243.3 M	\$347.6 M
Debt Service	\$73.1 M	\$69.9 M
Total Gross Expenses	<u>\$577.0 M</u>	<u>\$706.0 M</u>
EXPENSE OFFSETS		
Contributions in Aid of Construction	(\$16.6 M)	(\$13.2 M)
Sales to Power Purchasers at Cost	(\$19.1 M)	(\$34.0 M)
Net Power (+ Expense, - Revenue)	(\$229.1 M)	(\$245.4 M)
Total Offsets	<u>(\$264.8 M)</u>	<u>(\$292.6 M)</u>
TOTAL EXPENSES AFTER OFFSETS	<u>\$312.2 M</u>	<u>\$413.4 M</u>

All figures rounded to the nearest 100,000th.

NET POSITION	2025 BUDGET	2026 BUDGET
CONSOLIDATED OPERATIONAL PERFORMANCE		
REVENUE		
Sales to Power Purchasers at Cost	\$19.1 M	\$34.0 M
Retail Energy Sales	\$324.5 M	\$320.0 M
Net Power (Net Wholesale+Other Power Revenue)	\$229.1 M	\$245.4 M
Fiber Optic Network Sales	\$13.8 M	\$14.1 M
Other Revenues	\$3.0 M	\$4.1 M
EXPENSES		
Operating Expenses	(\$236.5 M)	(\$264.0 M)
Taxes	(\$24.0 M)	(\$24.5 M)
Net Operating Income or Loss Before Depreciation	\$329.0 M	\$329.0 M
Depreciation and amortization	(\$101.7 M)	(\$90.3 M)
NET OPERATING INCOME OR LOSS	<u>\$227.3 M</u>	<u>\$238.8 M</u>
OTHER REVENUES OR EXPENSES		
Interest, debt and other income	(\$6.0 M)	(\$0.1 M)
CIAC (Money paid by customers to build infrastructure)	\$16.6 M	\$13.2 M
CHANGE IN NET POSITION (BOTTOM LINE)	<u>\$237.8 M</u>	<u>\$251.9 M</u>

All figures rounded to the nearest 100,000th.

KEY METRICS	2025 BUDGET	2026 BUDGET
CHANGE IN NET POSITION	\$237.8 M	\$251.9 M
LIQUIDITY (Measured at year end)		
Elect System Liquidity (Rev + R&C)	\$401.8 M	\$416.5 M
Days Cash On Hand	480	526
LEVERAGE		
Consolidated Debt Service Coverage	4.76X	5.54X
Consolidated Debt/Plant Ratio	38%	35%
PROFITABILITY		
Cons. Return on Net Assets (chg. in net assets / net plant)	8.8%	8.6%
Retail Op Ratio (assumes baseline capital)	110%	125%

All figures rounded to the nearest 100,000th.

QUARTERLY BUSINESS REVIEW

Customer Strategy

October 2025



Powering our way of life.

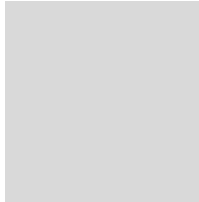
Team Updates



Heidi Juarez
Customer Strategist



Lindsey McDonnell
Sr. Customer Strategist



Vacant

Q3 Recap

Quarterly Goals

- Build Employee Mindset through trainings
- Collaboration with External Affairs
 - Captured video interviews with customers about their experience with GCPUD at the Grant County Fair
- NSC Sprint Redesign Sustainment
 - Lessons learned workshop held 7/31. Action plan finalized and distributed to responsible owners for follow up and sustainment
- Fiber Sprint Redesign
 - Redesign, stakeholder, and support teams in place. Sprint will run 9/22 – 10/23.
- Collaboration with Continuous Improvement
 - CI will be imbedded in the next sprint redesign

Q3 Recap

Key Metrics

- Training Goal: 100% Retail Ops

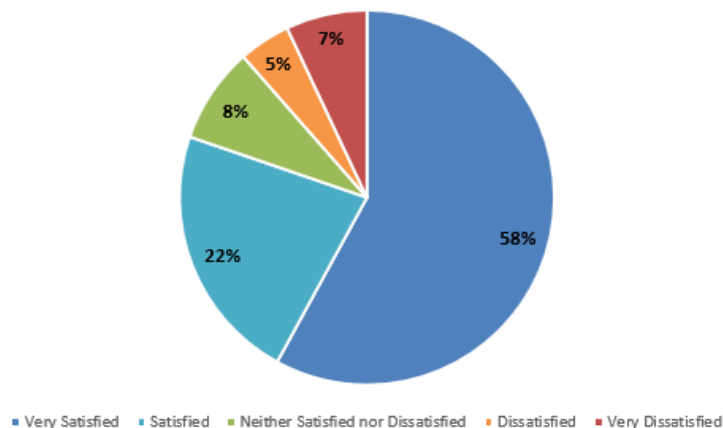
Insights

- Offer a Virtual Option for 100% remote workers
- Exceptional effort in getting teams through training

	Groups	Count	Completed	Remaining
	Execs	21	11	10
Retail Ops	Ent. Shared Services	118	116	2
	PD Ops	169	156	13
	CX	54	52	2
	TFS	42	39	3
	Asset Mgmt	11	9	2
	TOTAL	394	372	22
Wholesale Power & Market Ops	PP Ops	177	0	177
	Energy Supply Mgmt	23	2	21
	Bus Adv & Strategy	54	32	22
	Cultural Resources	25	0	25
	Environmental Affairs	48	4	44
	TOTAL	327	38	289
	CFO	43	37	6
	ET	41	3	38
	Legal & Govt. Affairs	14	10	4
	HR	31	4	27
	GRAND TOTAL	871	475	396

Overall Customer Satisfaction

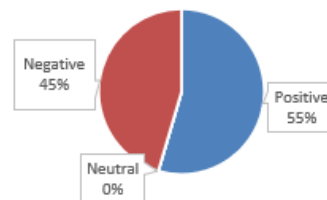
March - May 2025 - Post Interactions Survey
(157 Responses/ 3817 Recipients)



Common Themes

- Good Employees
- Poor Billing/Website Experience
- Lengthy Fiber Installation

Qualitative Sentiment

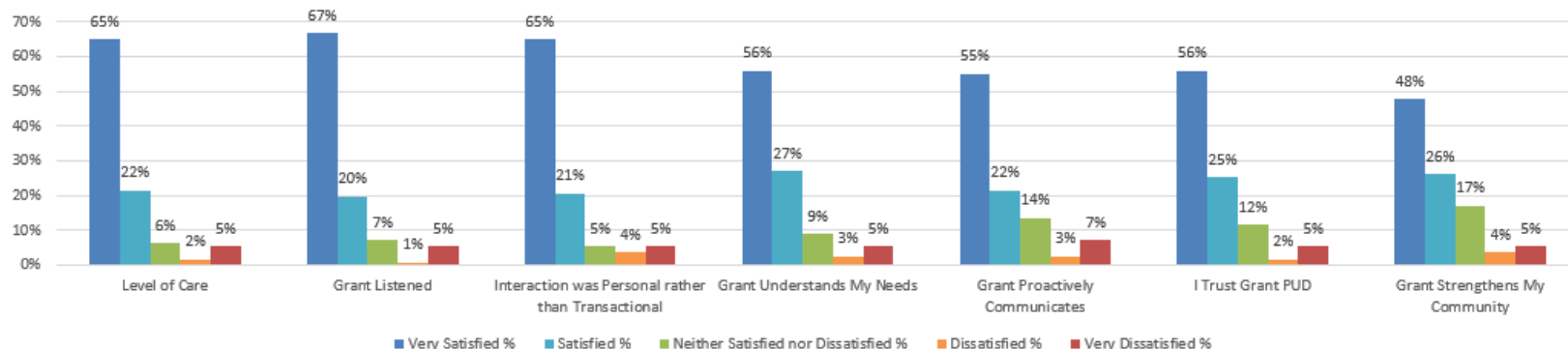


"If it was easier to get invoices from "ePay Account Login" Instead of the following notification 'Your authentication has failed. Please try again or contact us for more information.' "

"I appreciate the services you provide and the continued efforts to keeping costs low for our community."

"I shouldn't have to wait over a month (multiple times!!) for a technician to even do a service call. It's unfortunate that people don't have an alternate to using you. The fact that you can give even ballpark ETAs is ridiculous."

Customer Satisfaction Across Intent Statement Key Attributes



Q4 Outlook

Near-Term Plans

- Working with Continuous Improvement to establish a customer feedback repository. Will include a system for documenting and following up on feedback.
- Recruiting third-party survey and analytics partner to begin work Q1 2026
- Creating three-year roadmap for Customer Experience to be completed by Q4 2025
- Beginning work with consultant Tier 1/Xplane expected to complete in Q1 2026
- Fiber SLA Sprint Redesign

Long-Term Strategy

Goal: *To be a trusted advisor that ensures organizational decisions are customer-informed, strategically aligned, and future-ready*

Strategic Approach:

- **Anticipating Needs**
 - Build a unified customer data repository to guide proactive solutions
- **Becoming Experts**
 - Grow SME knowledge of customers through insights, networking, and continuous learning
- **Building Trust**
 - Collaborate across departments to become a go-to business advisor on customer experience
- **Educating & Aligning**
 - Partner with HR, OD, & PA to strengthen customer-centric culture internally and externally
- **Measuring Impact**
 - Develop a CX dashboard aligned to the balanced scorecard to track results

Commission Support: Key Asks

- Stop into the Sprint Redesign to see the awesome work being done. The team will be in the commissioner's conference room on the basement level at EHQ Monday – Thursday 0600-1630 September 22nd – October 23rd.
- Deliver on 1 of the 12 attributes when interacting with the public
- Share the feedback you receive from the community with us

Questions?



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Thank you!



Department Name:	Key Presenters:	Date:
Customer Strategy	Heidi Juarez, Lindsey McDonnell	10/25

LAST QUARTER RECAP

Quarterly Goals

1. Build Employee Mindset	Successfully delivered training to 80% of retail ops org that reframes the way we think about customer experience internally and externally. Commission sat in on this training the week of 9/2/25
2. Increased Collaboration	Partnered with External Affairs to expand the voice of the customer through recorded interviews at the Grant County Fair
3. NSC Sprint Sustainment	Completed lessons learned workshop and distributed sustainment action plan to responsible owners across the organization
4. Fiber SLA Sprint Pre-work	Laid the groundwork for the upcoming Fiber SLA sprint 9/22-10/23. Improved communications, documentation, and processes based on feedback from NSC sprint lessons learned.
5. New Partnerships	Continuous Improvement will be imbedded in the next sprint. We are also working together to develop a customer feedback repository at the District

NEAR-TERM PLANS (NEXT QUARTER)

Project Updates	<ul style="list-style-type: none"> The Fiber SLA sprint redesign will run Sept. 22-Oct. 23 at EHQ. Wrapped up sustainment items on New Service Connection sprint. Will continue to monitor and evaluate efficacy
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LONGER-TERM STRATEGY

Roadmap	<p>Discuss strategic initiatives and projects on the longer-term roadmap:</p> <p>In 2026, we will focus on building out voice of the customer. We are working to secure a third-party survey partner to begin work Q1 2026. This work builds on the work we are doing with Continuous Improvement to establish a shared area where customer feedback can be housed, analyzed, and sourced. The associated data analysis and reporting will allow us to build out our metrics which identify customer issues, sentiment, and trends over time. We will expand our relationship building in service of being a trusted SME and internal business advisor on customer experience.</p>
Strategy	<ul style="list-style-type: none"> Anticipating Needs: Build a unified customer data repository (VoC, pain points, customer behaviors, industry trends) to guide proactive solutions Becoming experts: Grow SME knowledge of customers through insights, networking, and continuous learning Building Trust: Collaborate across departments to become a go-to business advisor on customer experience Educating & Aligning: Partner with HR, OD, and PA to strengthen customer-centric culture internally & externally Measuring Impact: Develop a CX dashboard aligned to the balanced scorecard to track results

COMMISSION SUPPORT: KEY ASKS

Specific Requests	<ul style="list-style-type: none"> Stop into the Sprint Redesign to see the awesome work being done Deliver on 1 of the 12 attributes when interacting with the public Share the feedback you receive from the community with us
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