

QUARTERLY BUSINESS REVIEW

Environmental Affairs

October 28, 2025



Powering our way of life.

Team Updates



Hannah Scalise - *Lands Specialist*
(*backfill for Justin Girgus*)

Q3 Recap

Continued focus on securing needed easements for QTTP

NW Public Power & Conservation Council Fish & Wildlife Program Comments

White River expert panel formation

Crescent Bar Golf Course Alternatives Analysis

Q1 (2026) Outlook

Near-Term Plans

- Continue work supporting QTEP and other electric system growth projects
- Finalize Crescent Bar Golf Course Alternatives Analysis
- White River expert panel recommendation
- Prep for fish survival studies

Long-Term Strategy

- Continue support of QTEP and other electric system growth strategies
- Long-term land acquisition strategic roadmap
- Crescent Bar Lease Area appraisals
- Develop Hatchery and Recreation asset management strategies
- Succession Planning
- Finalize and implement flowage easement encroachment strategies
- White River supplementation program

Commission Support: Key Asks

- Dec. 2025: Review Crescent Bar Golf Course Alternatives Analysis
- Feb. 2026: Decision on path forward for Crescent Bar Golf Course
- Ongoing: QTEP, Sunland, Crescent Bar Golf Course - Organized, unified, and consistent communication

Appendix 1

Crescent Bar Golf Course Discussion



Consultant Team

Client Focused Collaborators



Aaron Anderson
Partner In Charge



Ryan Brownlee
PM, Civil Engineer



Heather Ostenson
Civil Project Engineer



Ryan Walker
Environmental Manager

STUDIO SEYFRIED



Joshua Seyfried
Public Realm Planning



Morgan Shook
Economist



Mitch Walker
Irrigation Specialist



Relevant Past Projects – Pacific Engineering

Chinook Park, Crescent Bar



Before



After

Chinook Park was completed by Heather Ostenson & Joshua Seyfried while with a previous firm.



Relevant Past Projects – Pacific Engineering Wenatchee Riverfront Park



After



Before



Relevant Past Projects – Pacific Engineering

Entiat City Park, Entiat, WA



After

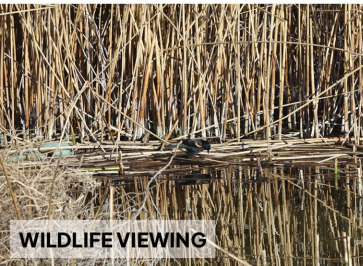
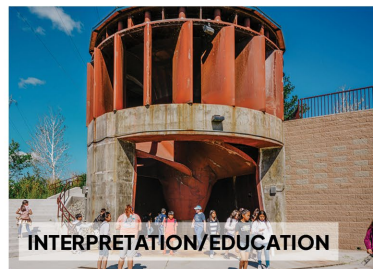
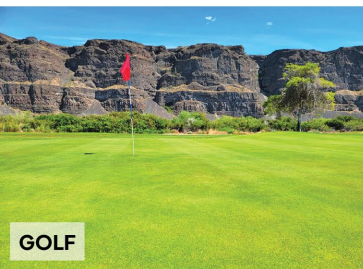


Before



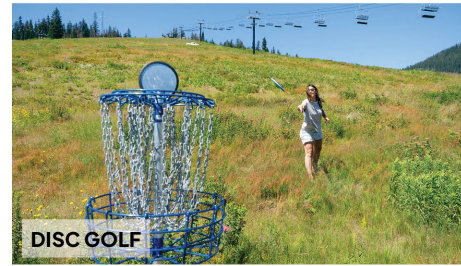
OVERALL GRANT PUD RECREATION SITES

Existing Programming and Uses

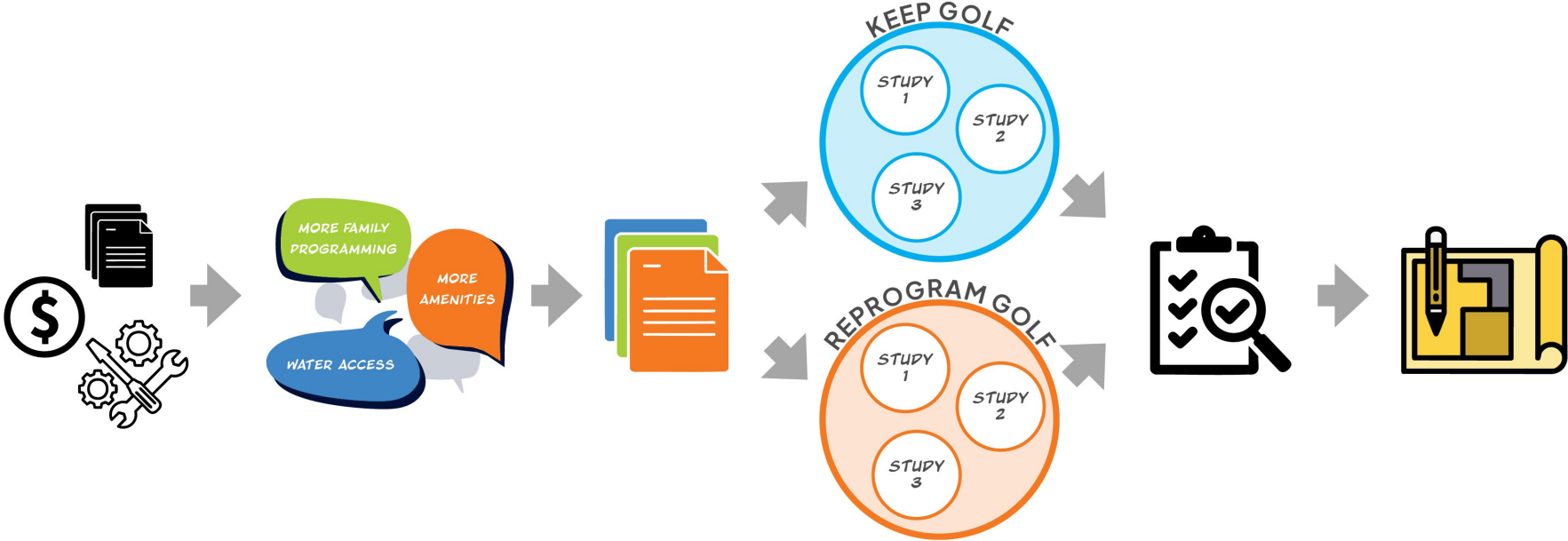


CRESCENT BAR RECREATION AREA

Program Additions, Enhancements, & Expansions



Golf Course Reprogramming Study Process Timeline



1. Current State Analysis

2. Outreach, Engagement,
User/Operator Feedback

3. Inventory & Analysis, Site
Basemapping

4. Reprogramming Studies:
Golf vs. Reprogram Golf

5. Synthesize & Evaluate

6. Master Plan Process
& RRMP Update

Questions?



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Thank you!

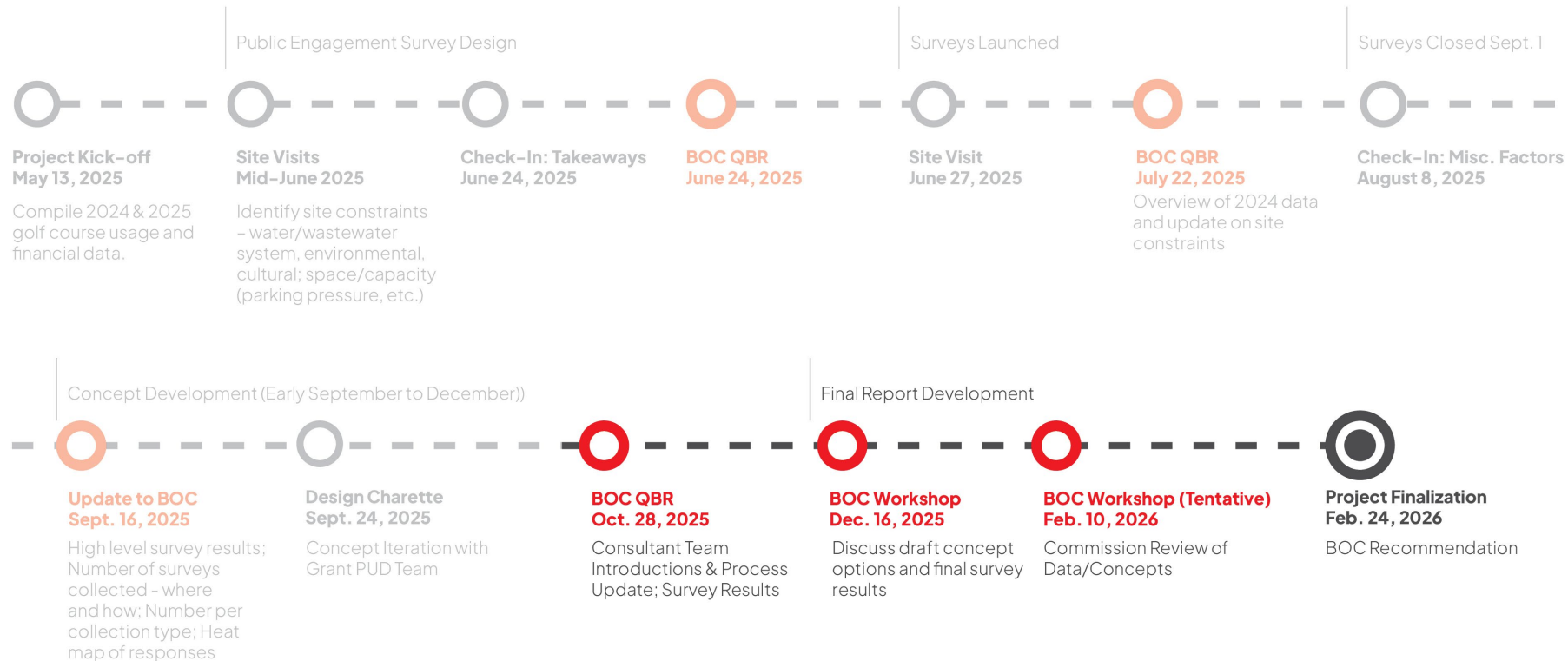


Appendix 2

Crescent Bar Golf Course - Overall Project Schedule



Overall Project Schedule



Department Name:	Key Presenters:	Date:
Environmental Affairs	Ross Hendrick	10/28/2024

Presenters, please fill out the following information and provide it to Commissioners as a supplement to your presentation.

LAST QUARTER RECAP

Quarterly Goals	- Continued focus on securing needed easements for QTPE - NW Public Power & Conservation Council Fish & Wildlife Program Comments - White River expert panel formation - Crescent Bar Golf Course Alternatives Analysis
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NEAR-TERM PLANS (NEXT QUARTER)

Project Updates	- Continuing support of QTPE & WAN-MtV Line 2026 Fish Survival Study Prep - Complete Crescent Bar Golf Course Alternatives Analysis
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LONGER-TERM STRATEGY

Roadmap	Operate responsibly by attaining environmental and regulatory compliance = zero late FERC filings and no environmental compliance issues
Strategy	- Continue support of QTPE and other electric system growth strategies - Long-term land acquisition strategic roadmap - Develop Hatchery and Recreation asset management strategies - Succession planning - Finalize and implement flowage easement encroachment strategies - White River supplementation program

COMMISSION SUPPORT: KEY ASKS

Specific Requests	- Dec. 2025: Review Crescent Bar Golf Course Alternatives Analysis - Feb. 2026: Decision on path forward for Crescent Bar Golf Course - Ongoing: QTPE, Sunland, Crescent Bar Golf Course - Organized, unified, and consistent communication
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QUARTERLY BUSINESS REVIEW

Telecom & Fiber Services

October 28, 2025



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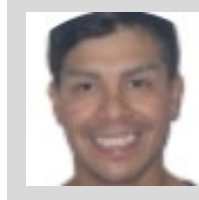
TITLE OF
DEPARTMENT/AREA

Team Updates



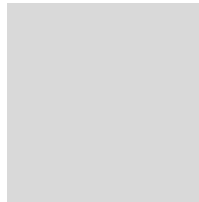
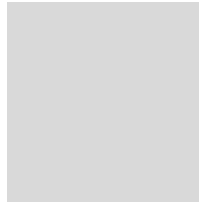
Avenir Nakonechny

*Telecommunication Engineer Level 1,
Network Focus*



Victor Guzman

Fiber Network Technician



Telecom & Fiber
Services Sr. Mgr.

Telecom
Engineers

Operations
Manager

Construction &
Maintenance
Manager

Outside Plant

Electronic Techs

Fiber Techs

Network
Administrators

Q3 2025 Recap

Build New	Repair/Replace/Upgrade	Redundancy
Baird Springs testing and commissioning	Line #1 Priest Rapids to Midway Transfer Trip Circuit Upgrade	
IIG Dark Fiber	Wanapum and Priest Rapids Control Room Network Upgrade and Remodel	
Hutterite Tower	Core Upgrade Equipment Installations (Burke, Coulee City)	
High Desert Plat		
Midway (BPA) SEL ICON Deployment		
Priest Rapids SEL ICON Deployment		
Grand Coulee Hut and Moses Lake Courtyard Installation		

Q4 2025 Outlook

Near-Term Plans

Build New	Repair/Replace/Upgrade	Redundancy
Avista Transfer Trip Circuit Upgrade	Moses Lake Repair (behind Walker's)	Wanapum Business Redundancy
Sand Hill Estates	Hub 71 Damage / Rd 20	Coulee City Secondary Cable Feed
Crescent Bar Wireless	Royal City Reroute	Midway – Columbia Fiber Lease
QC and PEC Turnover	Wireless AP Replacement	
Hub 31	Vernita Bridge Water Quality Power Upgrade	
Ephrata Data Center CoastCom Power Upgrade	Satellite Phone Upgrade	
RockyFord SEL ICON Deployment	Core Upgrade Equipment Installations (Quincy, North Quincy, Sand Dunes, Eastmont, Foster Creek, and MLDISPATCH)	

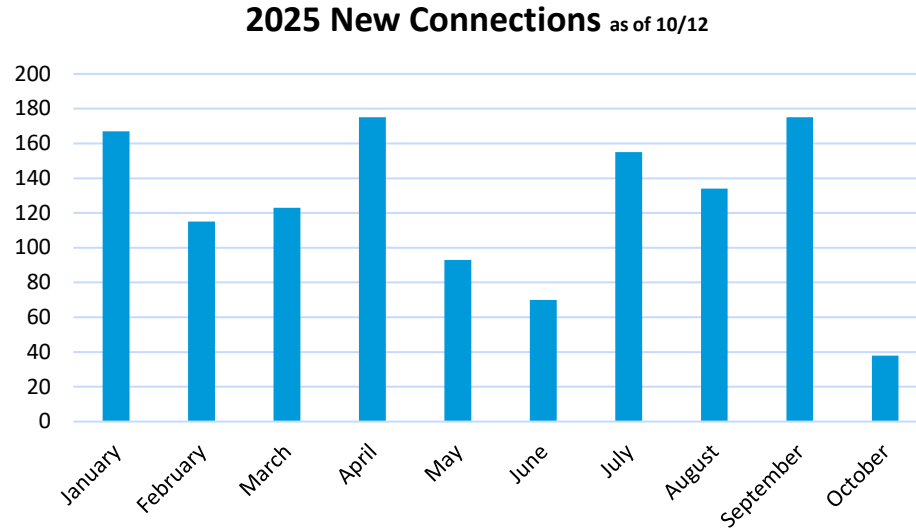
Network Uptime

**Delivering
High System
Uptime
Across Our
Telecom
Infrastructure**

Backbone –
99.999%
Fiber to the Home
– 99.5%

Fiber to the Home

Wholesale Fiber
Participation -32,214



Long-Term Strategy

- 10 Year Capital Telecom & Fiber Roadmap, customer meetings, and prioritizing work.
- Work Management Pillar, utilize the current application (SD+tasks and Remedy) to include tracking, scheduling, and tasks for Telecom & Fiber Services employees.
- Work Management Pillar, identify all asset inventory, system depository, and documented procedures for auditing in the field.
- Carrier Class Pillar, develop a comprehensive capital plan for Grant PUDs fiber network to achieve carrier class capability by increasing redundancy and reliability through incremental infrastructure improvements.
- Workforce Development Pillar, update career ladders, certification requirements, and updates on job descriptions.

Commission Support: Key Asks

- November 5th Service Provider meeting scheduled from 9 – 11 am

DRAFT Agenda

- Organizational Structure and Introductions
- Infrastructure Improvements
- Fiber Sprint Team Update
- NOC Update
- Nokia Update

Questions?



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Thank you!



Department Name:	Key Presenters:	Date:
Telecom & Fiber Services	Terry McKenzie	10/28/2025

Presenters, please fill out the following information and provide it to Commissioners as a supplement to your presentation.

LAST QUARTER RECAP

Quarterly Goals	Recap goals set for the previous quarter and their outcomes: - Baird Springs Testing and Commissioning - IIG Dark Fiber - Hutterite Tower - High Desert Plan - Midway (BPA) SEL ICON Deployment - Priest Rapids SEL ICON Deployment - Line #1 Priest Rapids to Midway Transfer Trip Circuit Upgrade - Wanapum and Priest Rapids Control Room Network Upgrade and Remodel - Core Upgrade Project; Burke, ML Courtyard
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NEAR-TERM PLANS (NEXT QUARTER)

Project Updates	- GCLO Hut Installation - Sand Hill Estate Plat - Crescent Bar Wireless - QC and PEC Turnover - Hub 31 - Moses Lake Repair - Hub 71 Damage / Road 20 - Royal City Reroute - CoastCom - Water Quality Upgrade - Satellite Phone Upgrade - Wireless AP Replacement - Wanapum Business Redundancy - Coulee City Second Cable Feed
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LONGER-TERM STRATEGY

Roadmap	Discuss strategic initiatives and projects on the longer-term roadmap: 5 Year Capital Telecom & Fiber Roadmap, customer meetings, and prioritizing work. - Work Management Pillar, utilize the current application (SD+tasks, SD+project) to include tracking, scheduling, and tasks for Telecom & Fiber Services employees. - Work Management Pillar, identify all asset inventory, system depository, and documented procedures for auditing in the field. - Carrier Class Pillar, develop a comprehensive capital plan for Grant PUDs fiber network to achieve carrier class capability by increasing redundancy and reliability through incremental infrastructure improvements.
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	Workforce Development Pillar, update career ladders, certification requirements, and updates on job descriptions.
Strategy	- Anticipate organizational needs and how the department plans to address them: - Outline how the department aligns with and supports the organization's broader goals, mission, and vision:

COMMISSION SUPPORT: KEY ASKS

Specific Requests	Service Provider Meeting, November 5th
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Regulatory Accounting for Climate Commitment Act (CCA) Proceeds

Regulatory Accounting for Climate Commitment Act (CCA) Proceeds

October 28th, 2025

Colin Fay, Financial Reporting Analyst



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Regulatory Accounting for CCA Proceeds

Agenda

Purpose

Provide reasoning for the change

Background

Provide context for the purpose

Balances

Dive into some detail

Recommendation

Followed by a Q&A period



Purpose

- GASB 62 allows the deferment of a revenue or expense for rate-making purposes.
- Regulatory accounting aids in the stabilization of rates from unpredictable events.
- The accounting treatment must be approved by the rate governing body.

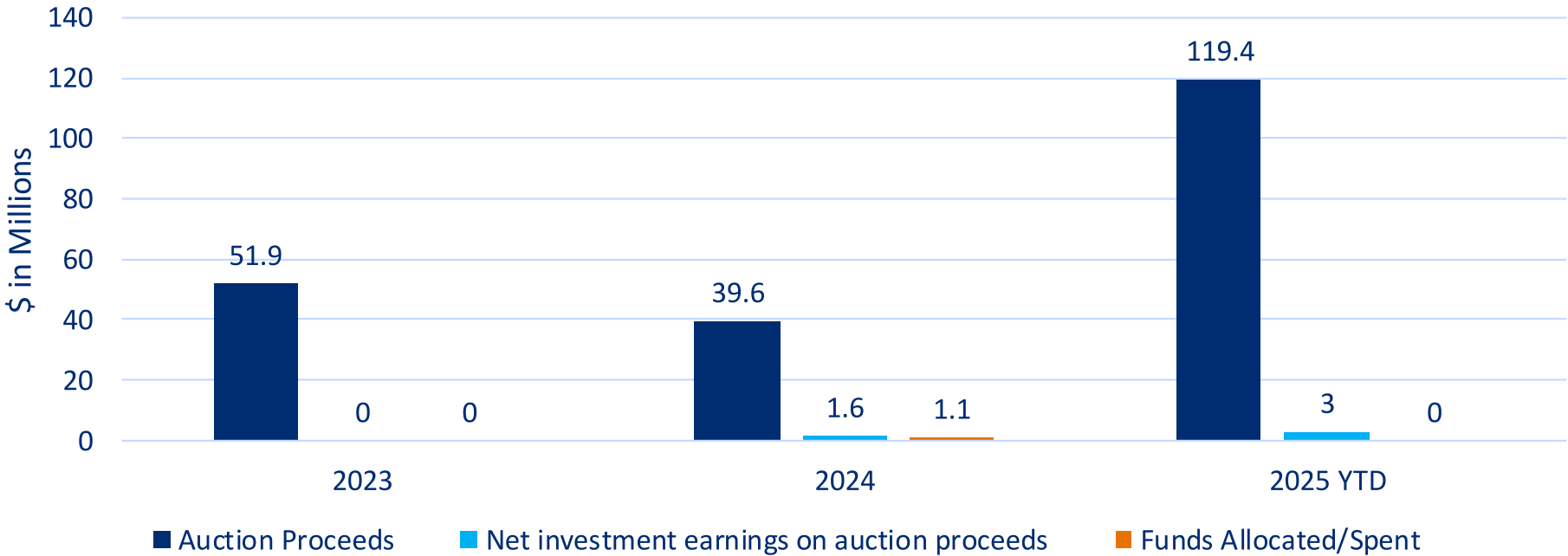
Background

- This accounting treatment was previously approved for the treatment of pension inflows and outflows under Resolution 8989.
- The treatment for pensions has accomplished the intended outcome since its approval in 2022.
- The CCA proceeds have been significantly more favorable than originally anticipated.
- The funds have restricted use under the CCA, and Grant PUD desires to ensure funds are strategically spent in a compliant manner.
- The use of the funds will occur over multiple years.

Regulatory Accounting for CCA Proceeds

Balances

CCA Proceeds and Investment Earnings vs CCA Expenditures
As of September 30, 2025



Recommendation

Commission approval by resolution adopting Regulatory Accounting for Climate Commitment Act (CCA) Allowance Proceeds.

Questions?



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Thank you!





Clean Energy Implementation Plan

2026 – 2029 Update

October 28th 2025

Presented by: James Dykes



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Agenda

01

CEIP Program Review

02

Public Participation Proposal

1

CEIP Program Review

CEIP Requirements

- Utilities must establish specific milestones to meet CETA requirements in a Clean Energy Implementation Plan (CEIP)—First CEIP covered 2022-2025
 - Public participation
 - Board adoption
- CEIP must:
 - Establish renewable and non-emitting targets (interim through 2029)
 - Establish energy efficiency and demand response targets
 - Ensure equitable transition
 - Identify resource adequacy standard and measurement metrics
 - Consistent with IRP and Clean Energy Action Plan (CEAP)

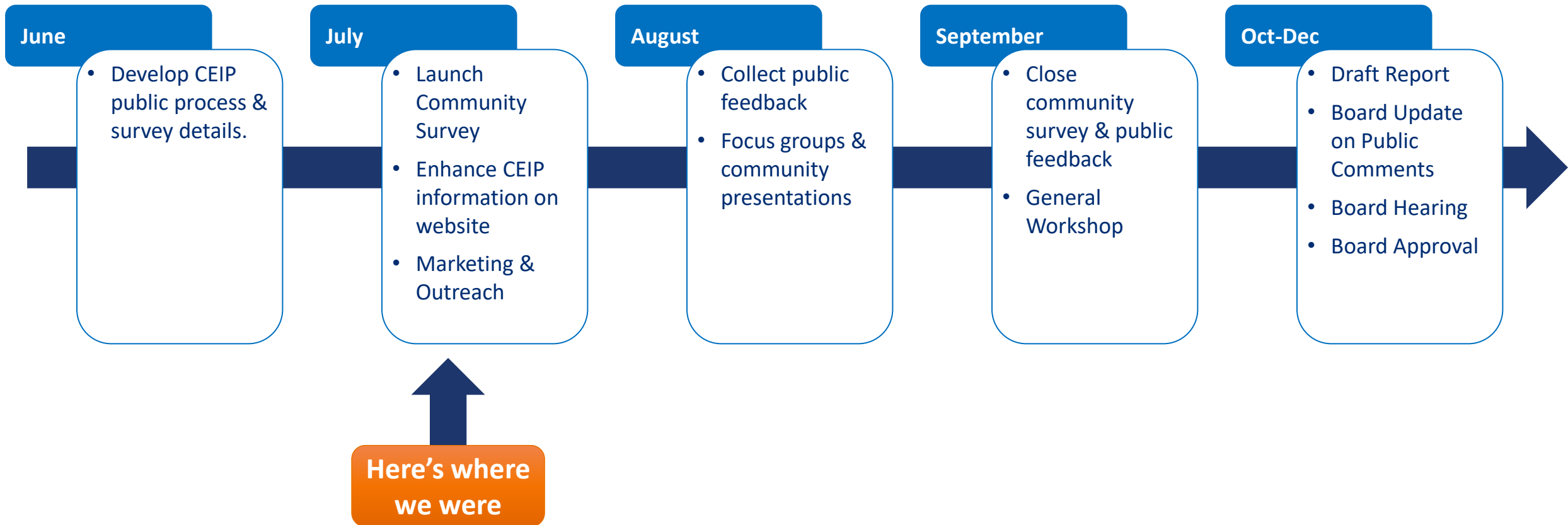
CEIP Assumptions

- Primary compliance for GHG Neutral Standard rules adopted
 - Rules determine CETA eligibility requirements for renewable and non-emitting energy
 - Rulemaking complete with rules adopted in 2022.
- Approach utilized for “acquisition” based on adopted Commerce rules (*WAC 194-40-410*)
 - Acquire both energy and nonpower attributes
 - REC/nonpower attributes are retired to track compliance

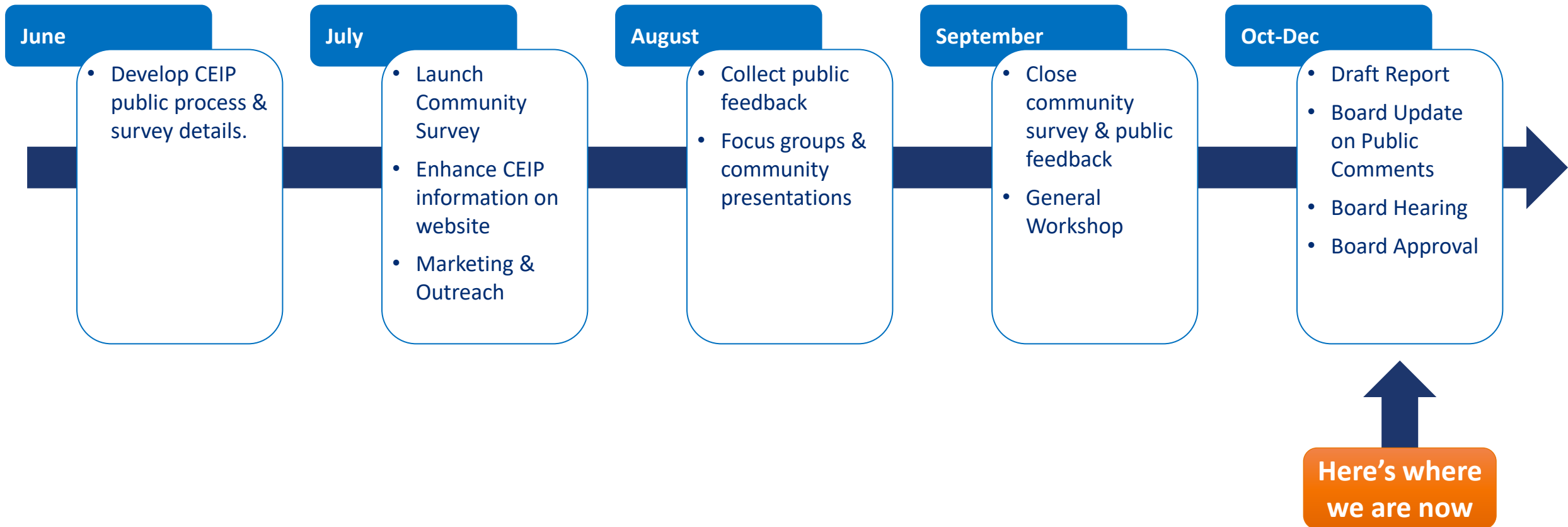
2

Grant PUD's Public Participation

Public Participation Timeline



Public Participation Timeline



What's happened since then...



What's happened since then...

Customer Survey



Grant
PUD

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Grant PUD Survey-Clean Energy Implementation Plan

* 1. How would you describe your race:

- ☐ White
- ☐ Hispanic or Latino
- ☐ Black or African American
- ☐ Native American

0 of 11 answered

What's happened since then...

Clean Energy Video



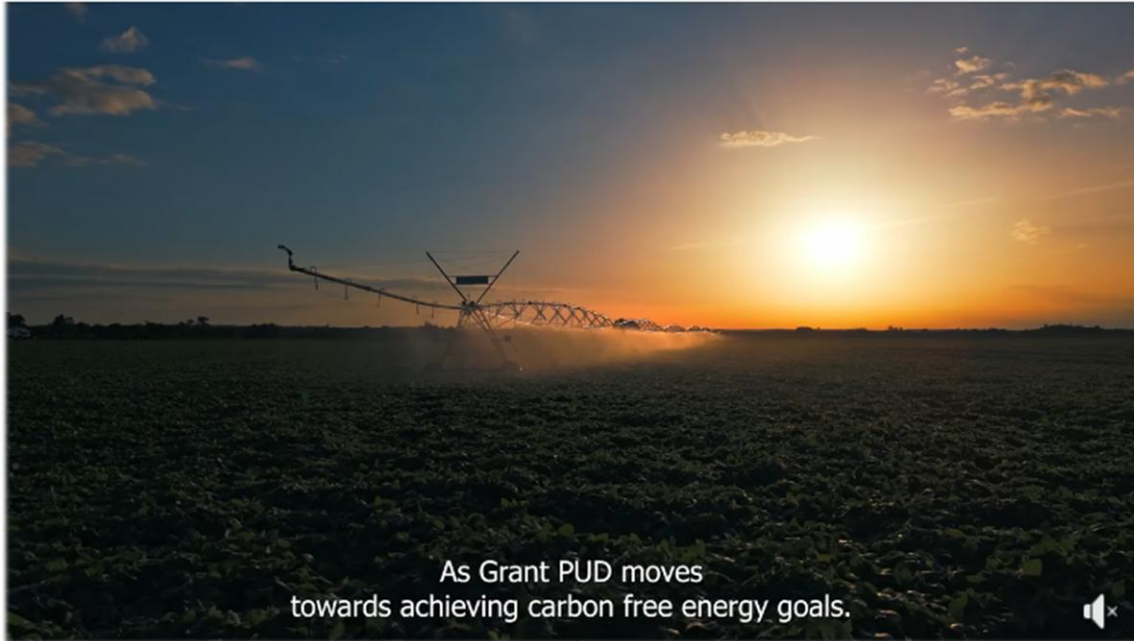
What's happened since then...

 **Grant PUD**
August 18 · 🌐

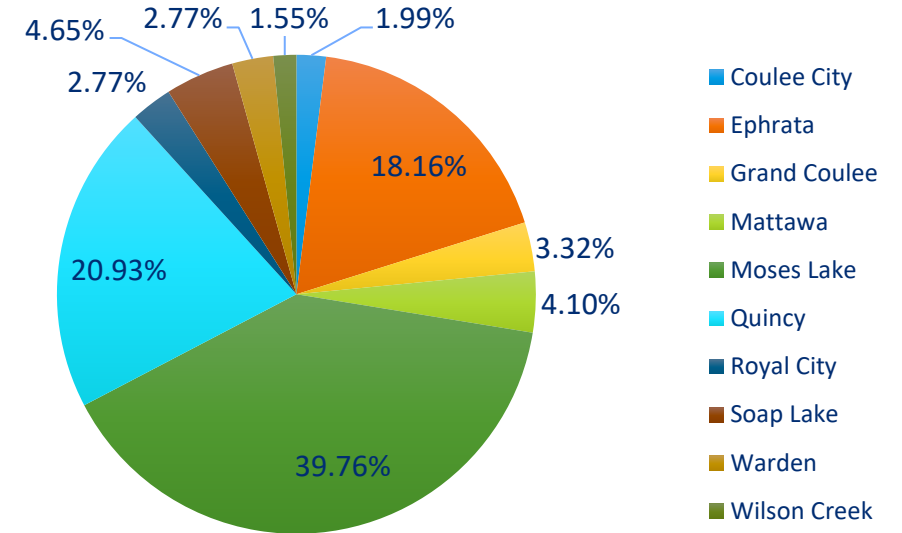
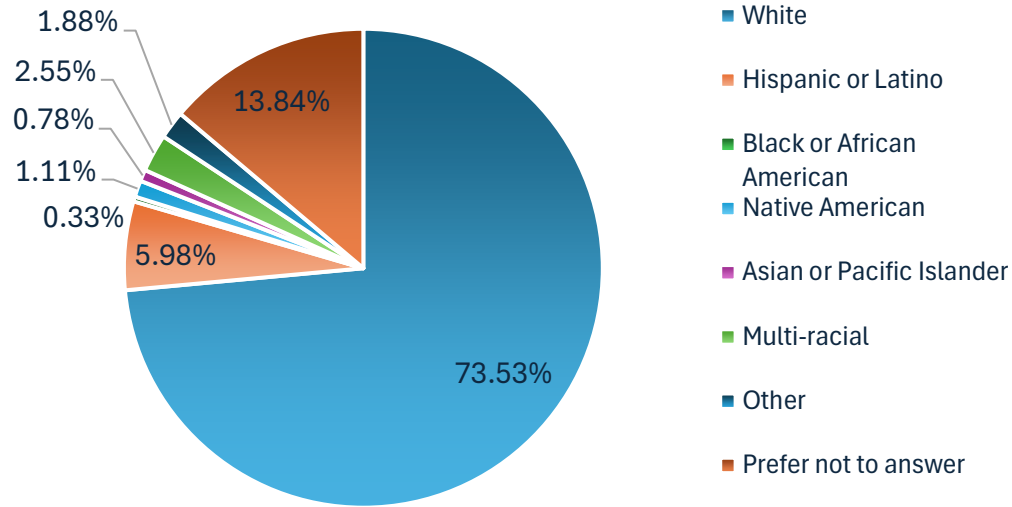
At Grant PUD, we want to hear what matters most to YOU. Is it keeping your energy bills affordable? Ensuring your power stays on no matter what? Or exploring new programs that fit your needs? Our quick survey lets you tell us your top priorities so we can deliver the service you deserve.

Don't wait – your feedback shapes our community's energy future!

👉 Take the survey now: <https://www.surveymonkey.com/r/GrantPUD-CEIP-survey> #GrantPUD #customerfeedback



Ok, great! Now what?



Q5. Rank each one of these items individually from a scale of 1-5

Answer Choices	1-Not a priority	2-Low Priority	3-Medium Priority	4-High Priority	5-Top Priority	Total	Wtd. Total	Category
Keeping prices as low as possible	9	18	117	286	462	892	85.27%	Rates
Keeping power outages at a minimum	6	24	109	335	420	894	84.63%	Reliability
Protect and enhance our natural resources	39	71	231	281	264	886	73.49%	Natural Resources
Provide energy-saving programs for our customers	43	95	295	257	205	895	70.23%	Energy Efficiency
Developing programs and policies to promote jobs and economic development	67	103	335	221	169	895	66.60%	Economic Development
Reduce carbon emissions	259	142	175	150	165	891	55.22%	Carbon Emission (Policy)

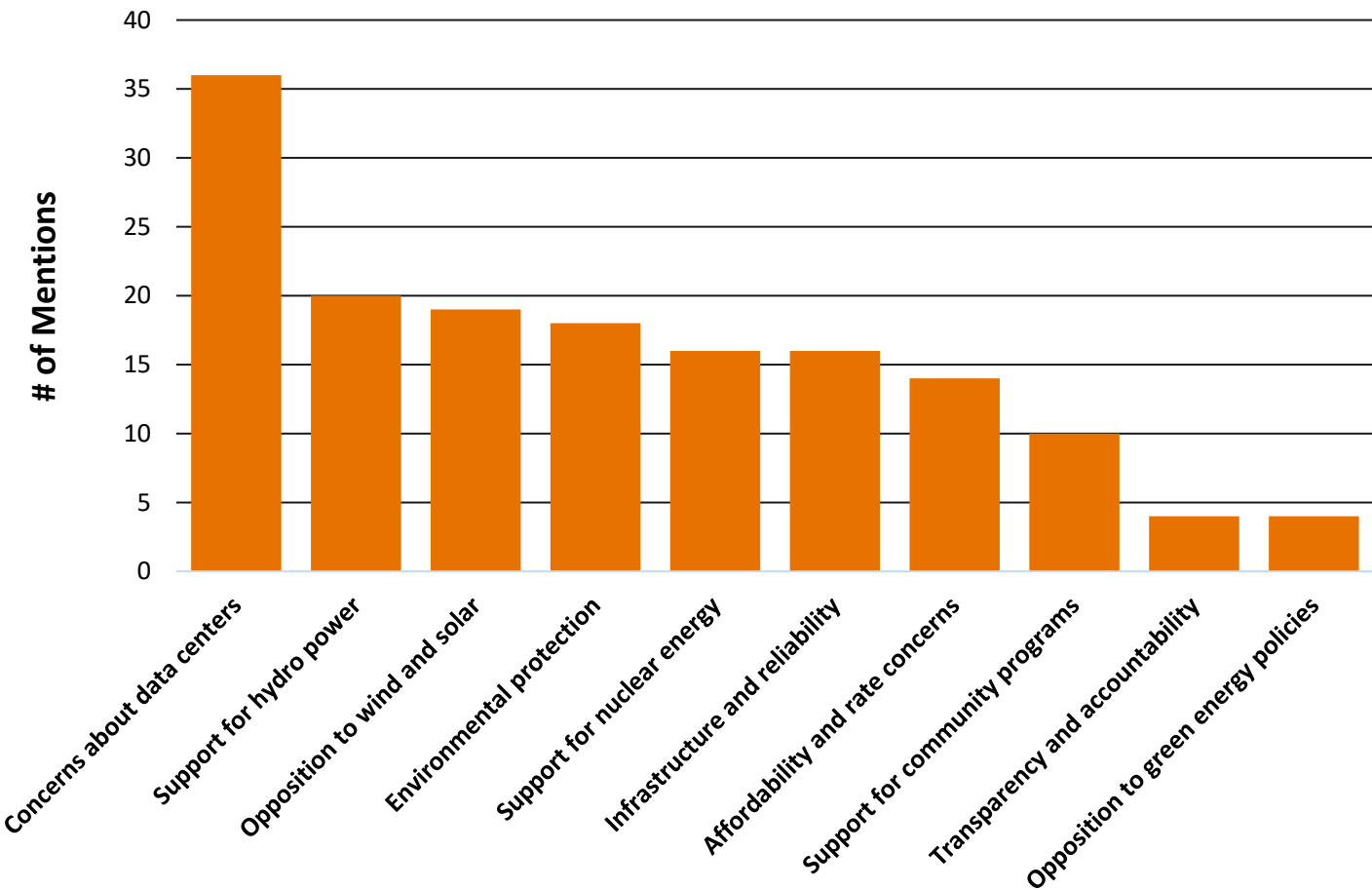
Ok, great! Now what? (continued)

* 5. Rank each one of these items individually from a scale of 1-5

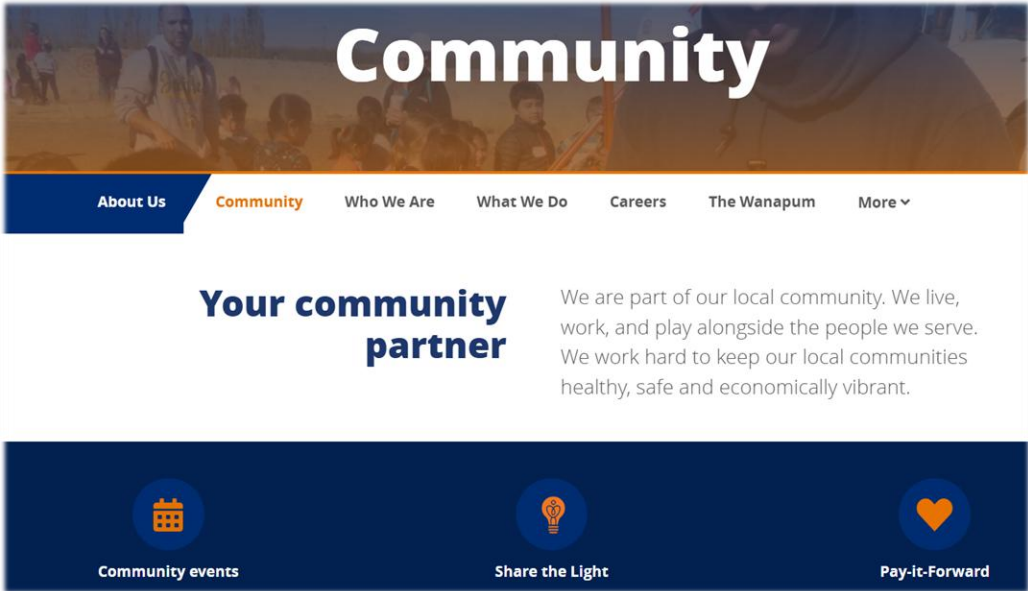
	1-Not a priority	2-Low Priority	3-Medium Priority	4-High Priority	5-Top Priority
Keeping prices as low as possible	☐	☐	☐	☐	☐
Keeping power outages at a minimum	☐	☐	☐	☐	☐
Developing programs and policies to promote jobs and economic development in my community	☐	☐	☐	☐	☐
Provide energy-saving programs for our customers	☐	☐	☐	☐	☐
Protect and enhance our natural resources	☐	☐	☐	☐	☐
Reduce carbon emissions	☐	☐	☐	☐	☐
Other priority to be considered not listed here (please specify)					

11. Please let us know if you have any questions or concerns that are not addressed in this survey. Your feedback is valuable to us.

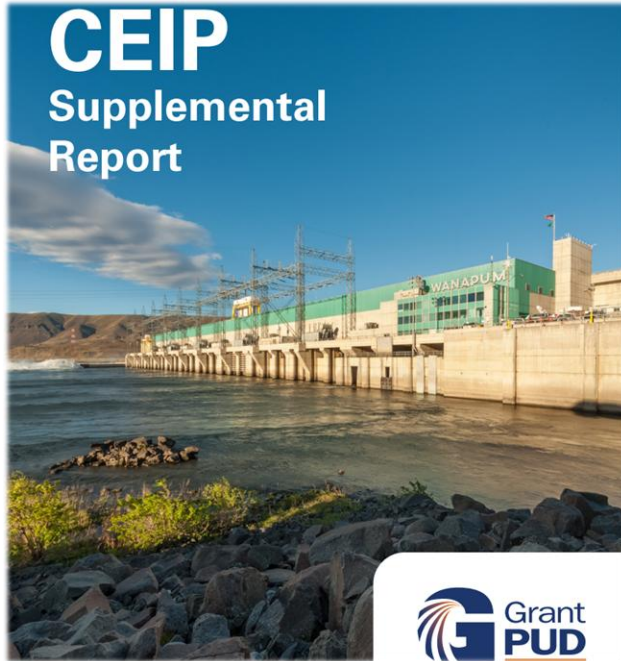
Highlights/Mentions from Customer Survey



What's next?



What's next? (continued)



Targets

Interim targets: percentage of retail load to be served using renewable and nonemitting resources (WAC 194-40-200(2))

Utilities with less than 25,000 customers only need to complete cells H8 and H9 in the interim targets table below.

Clean Energy Type	Units	2026	2027	2028	2029	4-year Period
Renewable	%	0%	0%	0%	0%	0%
Nonemitting	%	0%	0%	0%	0%	0%
Total		0%	0%	0%	0%	0%

Describe how the target demonstrates progress toward meeting the 2030 and 2045 CETA standards (WAC 194-40-200(2)).

Specific targets (WAC 194-40-200(3))

Utilities with less than 25,000 customers only need to complete cells H17-19 in the specific targets table below.

Resource Category	Units	2026	2027	2028	2029	4-year Period
Renewable Energy	MWh to be used over the interim performance period					-
Energy Efficiency	MWh to be acquired over the interim performance period					-
Demand Response	MW to be acquired over the interim performance period					-

- **Board Recommendation & Public Hearing** – *Tentatively Scheduled for November 25th*
- **Board Adoption** – *Tentatively scheduled for December 9th*

Questions?



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Thank You



QUARTERLY BUSINESS REVIEW

Cultural Resources Department

October 28, 2025



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Team Updates

- Departures
- Vacancies
- Promotions

Departures



None

Vacancies

Archaeology:

- *Seeking backfills for Sr. Archaeologist and River Patrol positions*

Interface Office:

- *None*

Traditional Program:

- *None*

Promotions/Hires

Q3 Recap

Quarterly Goals

The Cultural Resources program supports the Heritage and Innovation values and maintains a 100% compliance record by:

- Conducting cultural resource monitoring and reporting at locations within the Priest Rapids Project boundary
- Supporting ongoing development by timely processing of compliance documents subject to Articles 416 (Archaeology) and 417 (Wanapum relationship)
- Consulting with federal and state agencies and Tribes via quarterly stakeholder meetings

Q3 Recap

Key Metrics

- Regulatory Compliance
 - Compliance Violations = 0
 - NCRRP Reviews (YTD) = 63
 - FERC orders/notices = 0
 - Summary/Listing of filings=0
- Safety Metrics
 - Incidents = 0
 - Close calls = 0
 - JSRs (YTD) = 39
 - Safety meeting attendance = 96%

Q3 Recap & Looking Forward: Archaeology Section

Our Q3 CRWG meeting was held on October 8. Focus was on post-fire archaeological survey east of Wanapum Dam, 9 new archaeological sites were identified.

2025 PRP archaeological site monitoring fieldwork was completed September 26, results of the monitoring will be added to our mitigation planning document.

We are on track to meet our annual compliance reporting requirements with the 2025 monitoring report and 2026 planning document.

Wanapum to Mountain View Transmission Line Project. Most items found are historic cans/bottles along the ROW that shouldn't have any effect on the project. However there have been 6 low density prehistoric sites that we may need to avoid or further test for National Register eligibility. We are waiting for BOR to initiate consultation and issue an ARPA permit to continue with cultural resources survey for this project.

BOR have few Cultural Resources staff available to support the Wanapum to Mountain View Transmission Line Project. We are working with them as proactively as possible to complete our compliance requirements and keep Grant PUD projects on track.



- Paleoindian artifact found during post-fire survey.
- Haskett artifacts are older than and contemporary with Clovis cultural complex.
- Haskett points appeared between ~13,000 calendar years ago and fell out of use by ~11,500 years ago.



Q3 Recap: Wanapum Interface Office

- PR spillway stability project – Ongoing consultation to ensure compliance milestones are met. A mitigation memo is in development between the Wanapum Liaison and GM.
- Community meeting planning is ongoing to ensure potential impacts from the project to the WIV are communicated early.
- Continued cultural resource working group consultation with BPA, PNSO, USFWS, Dept of Energy, and USACE to protect Wanapum interest through ongoing maintenance activities and proposed new undertakings.
- The Hanford Collection accession work is on hold until personnel is backfilled.
- Legal Counsel has been retained to help with complex consultation issues.
- Burke Museum is consulting with the Wanapum on the Bergen collection to ensure Wanapum artifacts are appropriately managed.
- Transfer of NWA contract materials was completed end of May.

Q3 Recap: Traditional Program

The Wanapum Heritage Center is open to the public Thursday through Monday; Tuesdays and Wednesdays are dedicated to local school Districts.

- Wanapum Heritage Center 1st annual elders Luncheon October 23, 2025
- 10 year anniversary of Wanapum Heritage Center October 15, 2025
- Wanapum Canoe project recently completed 2 new canoes for Wanapum use.
- Wanapum Tule mat house was completed at the Wanapum Indian Village, it opened to the public September 30, 2025. It will remain open until October 24 with visiting hours Monday- Saturday 9-3

Q4 Outlook

Near-Term Plans

- The Q3 Cultural Resources Working Group meeting will be held in mid-December and the focus will be on required mitigation for long-term adverse effects to archaeological sites within the project boundary.
 - Key project effects will focus on looting, vandalism, recreation, erosion and inundated sites
 - We will also continue to discuss WAN-MTV progress and potential issues
- Wanapum Canoe – The Dalles Discovery Center has agreed to the transfer of the Wanapum canoe back to the Wanapum Heritage Center

Commission Support: Key Asks

- Continued financial support for the Cultural Resources program to maintain our FERC compliance record
- Continued support for the Heritage Value as we uphold the Wanapum relationship
- Ongoing support for project-wide archaeological mitigation as we begin to address adverse effects of project operations

Questions?



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Thank you!



Department Name:		Key Presenters:		Date:	
Cultural Resources		Brett Lenz		10/28/2025	
LAST QUARTER RECAP					
Quarterly Goals		Recap goals set for the previous quarter and their outcomes: - Complete WAN and PR archaeological monitoring: completed September 26 - Timely compliance document review (NCRPPs) - Organize and hold quarterly agency and Tribal stakeholder meeting			
NEAR-TERM PLANS (NEXT QUARTER)					
Project Updates		Provide status of ongoing projects and any shifts in priority: - Complete annual monitoring report and 2026 archaeological program plan - Secure Archaeological Resource Protection Act permit from USBR for WAN-MTVIEW - Complete archaeological survey for WAN-MTVIEW - Complete reporting for WAN wildfire and 9 new archaeological sites Highlight projects going into execution or nearing completion: - Wanapum Tule Mat house			
LONGER-TERM STRATEGY					
Roadmap		Discuss strategic initiatives and projects on the longer-term roadmap: - Complete negotiation for WAN-MTVIEW cultural resources MOA if required - Succession planning development - PR spillway stability project: complete agreement between Wanapum and District - Complete transfer of Wanapum ethnographic canoe from Dalles museum to WHC - Continue mitigation discussion regarding adverse effects to archaeological sites on WAN and PR reservoirs.			
COMMISSION SUPPORT: KEY ASKS					
Specific Requests		- Continued financial support for the Cultural Resources program to maintain our FERC compliance record - Continued support for the Heritage Value as we uphold the Wanapum relationship - Ongoing support for project-wide archaeological mitigation as we begin to address adverse effects of project operations			

QUARTERLY BUSINESS REVIEW

Power Delivery

October, 2025



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Team Updates

C&M:

Ryan Davis - Lineman

Luke Turner – Lineman

Sheldon Kosa – new Lineman (completed apprenticeship in July)

Daniel Schroyer - new Lineman (completed apprenticeship in July)

Power Delivery Engineering

Fritz Matter – Protection Engineer II

Allissa Empert – TSA Design Engineer II

Dan Niehenke – PD Distribution and Customer Engineering Manager

Justin Heilman – PD System Protection and Standards Engineering Manager

Control Systems Engineering

Al Romero – Engineer IV GMS

Alan Pettit – Engineer III EAS

Systems Operations

Corey Abell – System Operator Trainee IV

Ed Olson – System Operator Trainee IV

Brian Black – Senior System Operator

Marc Pothier – Operations Technical Advisor

Chris McDarment – Sr Manager of System Operations

Q3 Recap

- McDonald transformer and relay replacement underway
- Ancient Lake relay completed (see pictures)
- CSE/EPMO developing schedule for SCADA deployment & DC Monitoring system
- Continued work with WestTrans and OASIS as part of TSP reg.
- Baird Springs 30 lineup T&C completed
- Breaker Commission at Mt View started (QTEP support)
- PDE organizational restructure completed with two new manager hires

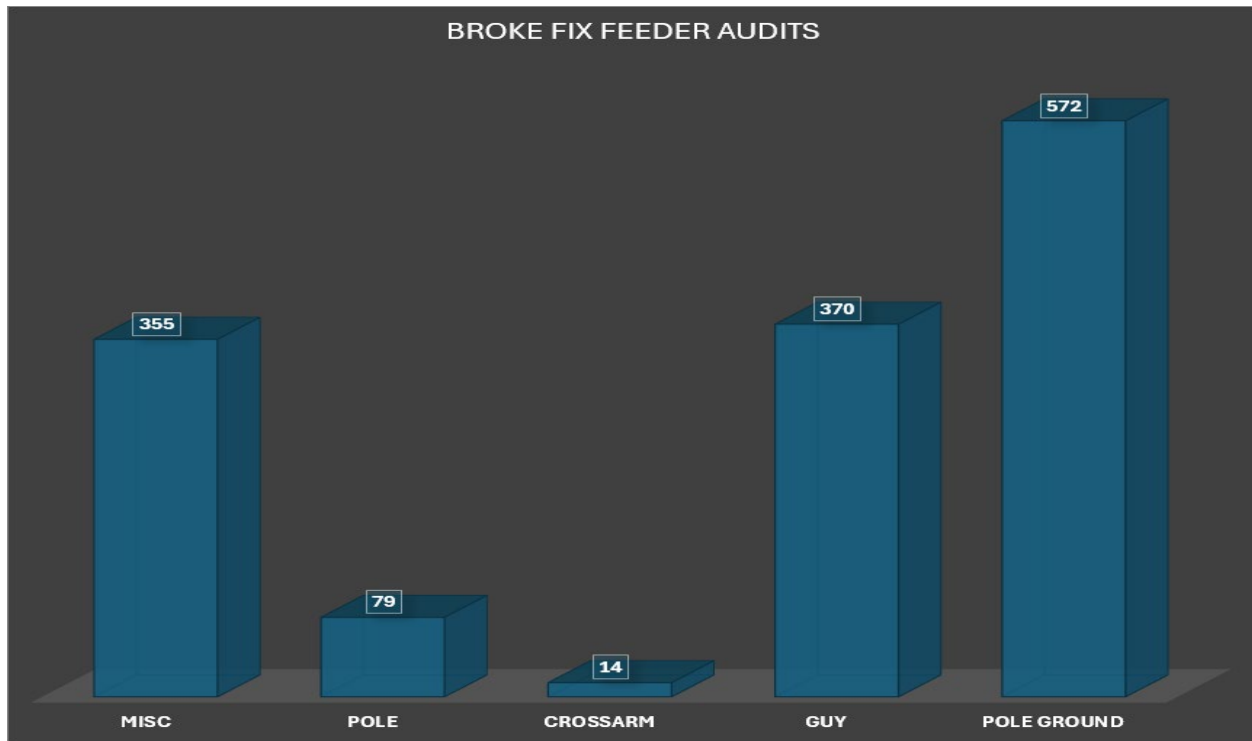


Q3 Recap

Grid Optimization

Audits help to identify other issues on feeders to reduce outages

- Distribution Cap Bank upgrade ongoing – 10 sites waiting for material
- 50 Irrigation pump starts completed
- Line Audits completed on 28 Distribution Feeders, now including live Power Factor (PF) reading



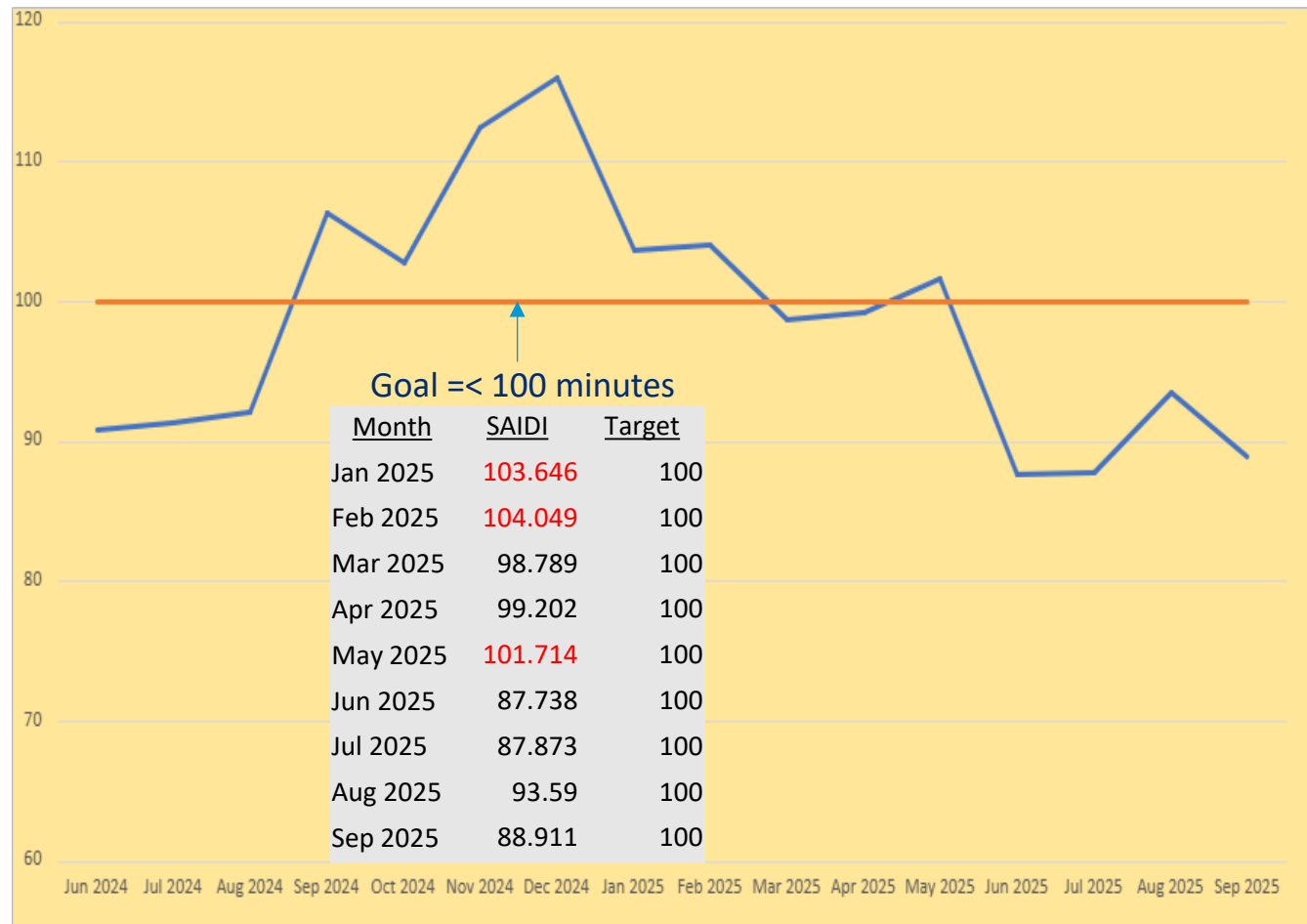
Q3 Recap

Key Metric - SAIDI

System Average
Interruption
Duration Index

Goal: less than
100 minutes

(NW public utility
average 120
minutes)



Q3Recap

Key Metric - SAIFI

System Average
Interruption
Frequency Index

Goal: less than 0.75
incidents per
customer

(NW public utility
average 1 per
customer)



POWER DELIVERY

Q3 Recap

Key Metric – Customer Engineering Work Orders

Past annual totals:

2020 = 1055

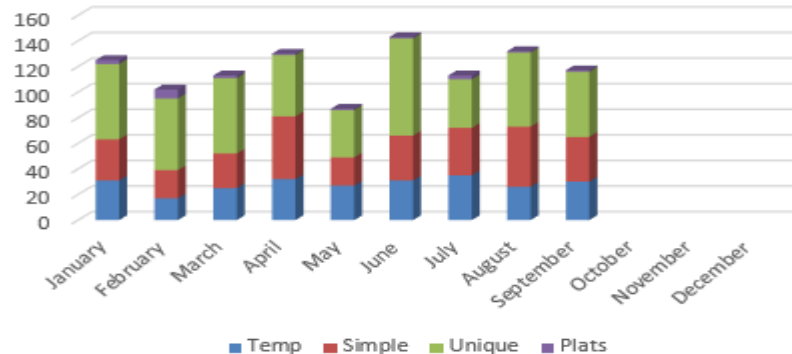
2021 = 1057

2022 = 865

2023 = 815

2024 = 1233

WORK ORDER TYPES



2025	Temp	Simple	Unique	Plats	Total	Total
January	31	32	59	3	125	
February	17	22	56	7	102	
March	25	27	59	2	113	340
April	32	49	48	1	130	
May	27	22	37	1	87	
June	31	35	76	1	143	360
July	35	37	38	3	113	
August	26	47	58	1	132	
September	30	35	51	1	117	362
October					0	
November					0	
December					0	0
	254	306	482	20		
					Yearly Total: 1,062	

Q4 Outlook

New Strategies and Deployments being developed within Power Delivery:

- **Transmission Structure Fire Prevention** – effort to secure wood transmission structures from fire risk / loss
- **Distribution Balancing** – part of a power quality effort to reduce imbalances on the three-phase distribution system and reduce overloading
- **Station Fire Prevention** – effort in both design and mitigation of current stations to reduce impact of fire damage
- **System Operations “special conditions” reduction effort** – planning effort to correct and mitigate numerous issues impacting system operations ability to work safely and reliably

Commission Support:

- Control Center Modernization delayed but still moving forward. Support needed to meet increased power grid size and monitoring for System Operations.
- Continued support for SCADA/DC Monitoring upgrades necessary across the power grids, will include some control house replacements. This effort impacts our ability to complete the OSI-EMS system transfer.
- Continued support and customer communication on QTEP's Wanapum-Mt View 230kV line. *The effort and communication in partnership with the Commission are very much appreciated.*

Questions?



Powering our way of life.

Thank you!



Department Name:	Key Presenters:	Date:
Power Delivery	Ron Alexander	October 2025

Presenters, please fill out the following information and provide it to Commissioners as a supplement to your presentation.

LAST QUARTER RECAP

Quarterly Goals	- Ancient Lake relay upgrade completed. - PDE Organizational restructure completed with two new manager hires. - Baird Springs 30 lineup T&C completed. - Line Audits completed on 28 Distribution Feeders, now including live Power Factor (PF) readings.
------------------------	---

NEAR-TERM PLANS (NEXT QUARTER)

Project Updates	- CSE/EPMO developing schedule for SCADA deployment & DC Monitoring system. - Breaker Commission at Mt View started (QTEP support) - Continued work with WestTrans and OASIS as part of TSP reg.
------------------------	--

LONGER-TERM STRATEGY

Strategy	New efforts being deployed: - Transmission Structure Fire Prevention – effort to secure wood transmission structures from fire risk / loss - Distribution Balancing – part of a power quality effort to reduce imbalances on the three-phase distribution system and reduce overloading - Station Fire Prevention – effort in both design and mitigation of current stations to reduce impact of fire damage - System Operations “special conditions” reduction effort – planning effort to correct and mitigate numerous issues impacting system operations ability to work safely and reliably
-----------------	--

COMMISSION SUPPORT: KEY ASKS

Specific Requests	- Continued support for SCADA/DC Monitoring project - Continued support for Control Center Modernization. - Continued partnerships with customers on the QTEP Wanapum-Mt View 230kV Line build
--------------------------	--

QUARTERLY BUSINESS REVIEW

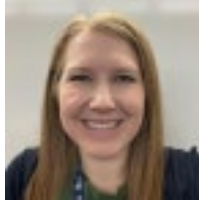
Power Production

October 2025



Powering our way of life.

Team Updates



Molly Hill

Senior Manager of Engineering



Robert Hanes

I&C Technician 1



Jake Stringfellow

Mechanical Engineer IV

Q3 Recap

- Station Service work has transitioned to Priest Rapids
- T&G supply contract change order
- PR Spillway Stability contract has been put out for bids
- Insurance visits with potential new providers
- Wanapum left embankment dam safety case
- Budget standardization and new budget practices developed
- Large O&M/Critical work: W04 Overhaul, caisson move, Spillway Maintenance, PR left embankment drilling
- Outage scheduling scenarios

Q3 Recap

Key Metrics

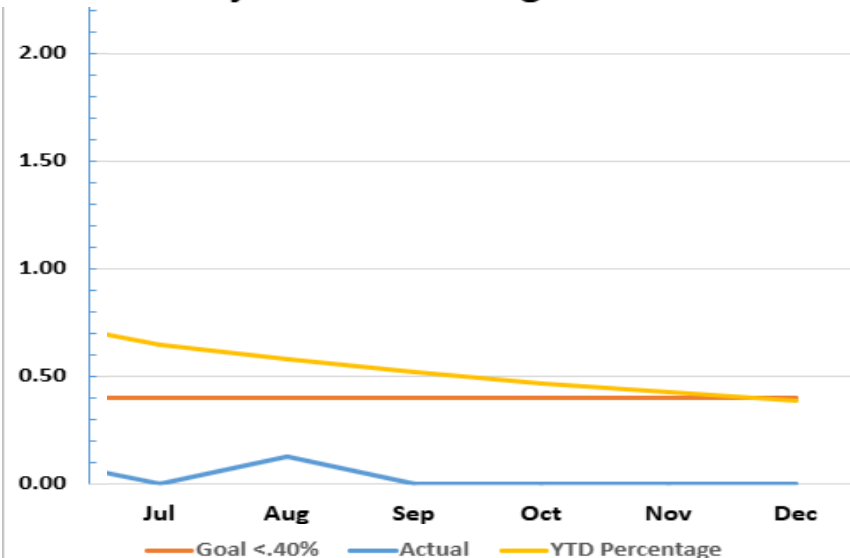
Forced Outage Factor:

Month	Actual FOER Factor	Hours of Outage
July	0%	0
August	0.12%	19.12
September	.00%	0

Unit Availability:

Month	Actual Availability Percentage	Target
July	95.0%	94.6%
August	94.8%	94.6%
September	86.1%	83%

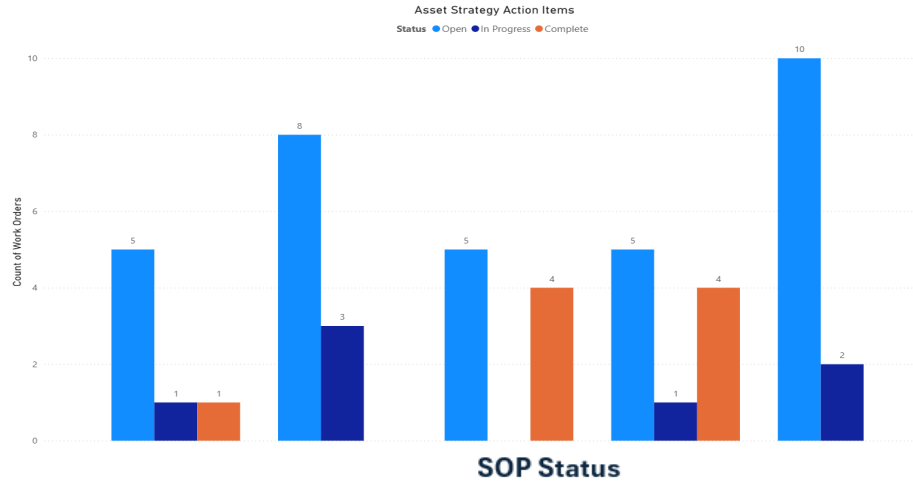
Project Forced Outage Factor



Insights:

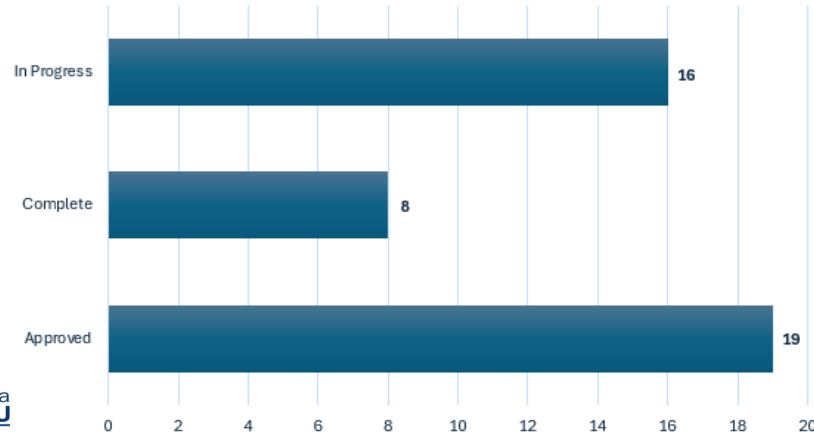
August FOER due to PR unit 10 Dist. Control System issue and Turbine guide bearing relay

Power Production



Summary:

- 11 % In Progress
- 19% Complete
- 70% Open
- 54 total action items
- 4 strategies complete
- 1 more strategy planned for 2025



Summary:

- 37% In Progress
- 19% Complete
- 44% Approved
- 30 planned SOPs to complete in 2025
- 13 unplanned SOPs

Q4 Outlook

Near-Term Plans

- Re-organizational efforts within Power Production Teams
- 2026 outage schedule
- Dam Safety case for Wanapum Left Embankment
- Roll out of new budget practices
- Review of Power Production 5-year plan
- QC/PEC Turnover

Long-Term Strategy

Continue advancing on 5-year plan, with mission of optimizing the value of our hydro generation resources, focus areas are:

- Asset Management
- Workforce Development
- Document Management
- O&M Optimization

Commission Support: Key Asks

- Priest Rapids Spillway Stability contract awarding coming in November
- CO2 replacement for plant oil rooms

Thank you for support on following CO:

- Wanapum RB Fish Ladder valve tariffs
- T&G supply contract
- PR LB drilling contract
- PR spillway engineering contract

Questions?



Powering our way of life.

Thank you!



Department Name:	Key Presenters:	Date:
Power Production	Rey Pulido	10/28/2025

Presenters, please fill out the following information and provide it to Commissioners as a supplement to your presentation.

LAST QUARTER RECAP

Quarterly Goals	- Station Service work has transitioned to Priest Rapids - T&G supply contract change order - PR Spillway Stability contract has been put out for bids - Insurance visits with potential new providers - Wanapum embankment dam safety case - Budget standardization and new budget practices developed - Large O&M
------------------------	---

NEAR-TERM PLANS (NEXT QUARTER)

Project Updates	- Re-organizational efforts within Power Production Teams 2026 outage schedule - Dam Safety case for Wanapum LB Embankment - Roll out of new budget practices - Review of Power Production 5-year plan - QC/PEC Turnover
------------------------	---

LONGER-TERM STRATEGY

Strategy	Continue advancing on 5-year plan, with mission of optimizing the value of our hydro generation resources, focus areas are - Asset Management - Workforce Development - Document Management - O&M Optimization
-----------------	--

COMMISSION SUPPORT: KEY ASKS

Specific Requests	Priest Rapids Spillway Stability contract awarding coming in November
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Rates and Pricing

Power Unbundling & Rates

October 21, 2025

Jeremy Stewart

Rates and Pricing

Lisa Stites

Power Portfolio Strategic Management

Michael Frantz

Trading & Commercial Ops

Baxter Gillette

Product Development

Bryndon Ecklund

Forecasting and Planning

Craig Kunz

Rates and Pricing

Matthew Birch

Business Intelligence and Market Analytics



Powering our way of life.

Project Goals

- 1 Protect core customers from the cost of load growth outside of the Priest Rapids Project
- 2 Provide Non-Core customers with stable, predictable rate increases
- 3 Eliminate the EUDL CRAC / Rate 18 as our mechanism to cover incremental power cost

Agenda

-
- 1 Goals, Timeline, and Background
 - 2 Identify rate policy changes
 - 3 Core & Non-Core Cost Allocated Rate Trajectory
 - 4 10-year Rate Class Implementation
-

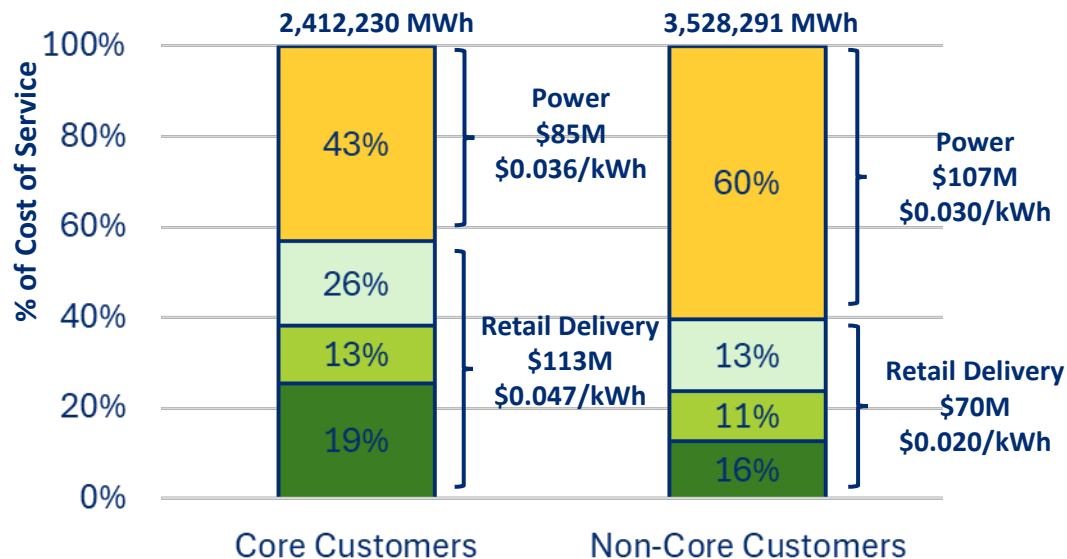
Project timeline

October Meeting #2	• ID policy changes and rate trajectory
November Meeting #1	• Informal trajectory & rate policy review
November Meeting #2	• Formal trajectory & rate policy proposal
December Meeting #1	• 2026 Rate Proposal • Rate policy adoption
December Workshop	• 2026 Rate Proposal Q&A
January Meeting #1	• 2026 Rate Proposal (adoption)

Major milestones

1. Strawman model (June) ✓
2. Draft results workshop (October) ✓
3. Policy changes (November)
4. Rates package (December)
5. Rates workshop (December)
6. Approval (January 2026)

2024 Cost of Service Study



■ Power [2]

■ Dep, Amort, & Taxes [3]

■ Admin + Cust. Service [4]

■ Power Delivery [5]

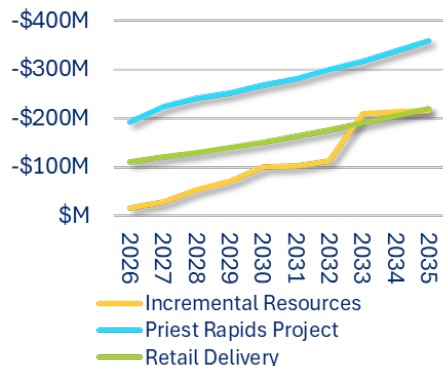
Power

- 43% Core @ \$0.036/kWh
- 60% Non-Core @ \$0.030/kWh
- \$/kWh will change with unbundling

Retail Delivery

- 57% of Core @ 0.047/kWh
- 40% of Non-Core @ 0.020/kWh
- Allocation factors favor Non-Core
- Non-Core spreads over greater MWh

Electric System cost trend



Increase across all categories^[1]

- Power:
 - Incremental Power costs increase at 16.7% year over year average
 - Priest Rapids Project increases at 6.2% year over year average
- Retail Delivery:
 - Increases at 7.8% year over year average

	Average	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Incremental Power	16.7%	-\$17M +8.5%	-\$29M +67.4%	-\$55M -27.2%	-\$71M -28.7%	-\$100M +63.1%	-\$104M +3.1%	-\$113M +6.4%	-\$210M +77.0%	-\$213M -0.8%	-\$216M -1.3%
Priest Rapids Project Power	6.2%	-\$194M +6.8%	-\$224M +6.3%	-\$242M +8.2%	-\$252M +4.2%	-\$268M +6.4%	-\$281M +4.8%	-\$300M +6.7%	-\$317M +5.6%	-\$338M +6.6%	-\$360M +6.5%
Retail Delivery	7.8%	-\$181M +7.5%	-\$195M +7.8%	-\$211M +8.3%	-\$228M +8.1%	-\$245M +7.6%	-\$265M +8.0%	-\$286M +7.9%	-\$307M +7.6%	-\$331M +7.7%	-\$357M +7.7%

Identify Rate Policy Changes

Look towards the future

Change from a
historic-based cost of
service model to a
future-orientated cost
allocation model

- Calculate a 10-year rate trajectory for Core and Non-Core customers.
- Identifies the process staff will use to create the model on an annual basis.
- Adds the rate trajectory to list of factors the Commission may consider when setting rates.

Modify Core Customers

Move Rate 6 – Street
Lighting from Non-
Core to Core

- Residential customers indirectly pay street lighting rates via taxes or association fees.
- Street lighting load is not growing and represents less than 0.1% of total kWh sales.

Add a “Tier” function for cost allocation

Create tiers within
Non-Core for cost
allocation purposes

- Some Non-Core rate classes are growing faster or have higher risk factors than others.
- Tiers will be based on factors like expected growth, energy usage patterns, size of service, reliability, risk, societal goals, or other key characteristics.

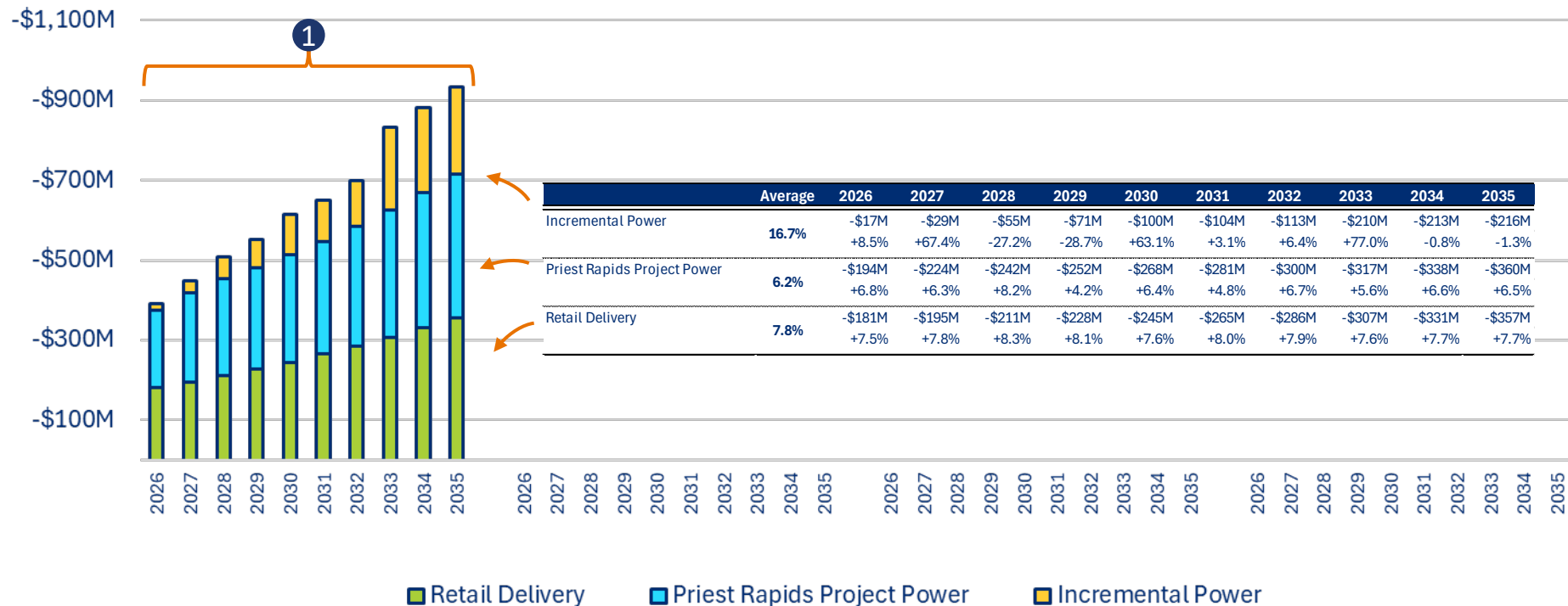
Establish guardrails

Establish guardrails
to limit rate shock

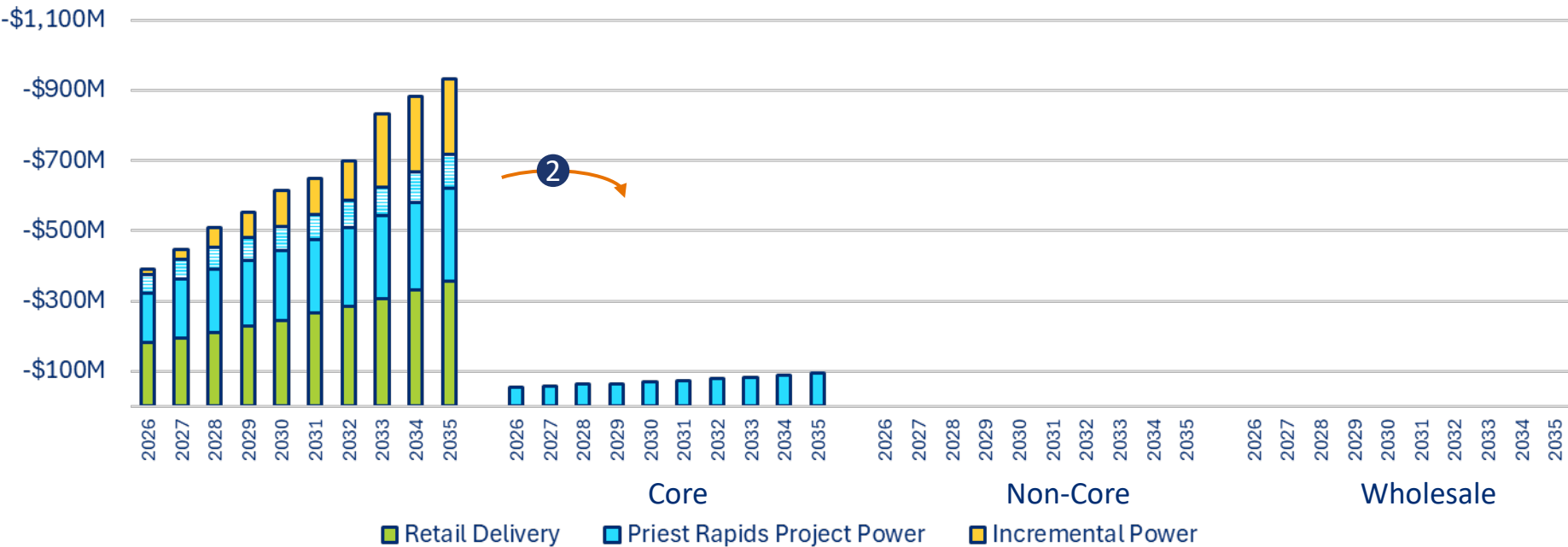
- Options:
 - Core and Non-Core rate classes +/- 25% of the trajectory
 - All core less than 5% year to year, Non-Core +/- 25% of the trajectory
- Use a stabilization credit / charge on customer bills to mitigate the impact of rate shock.

Cost Allocated Rate Trajectory

Step 1: Stack electric system costs

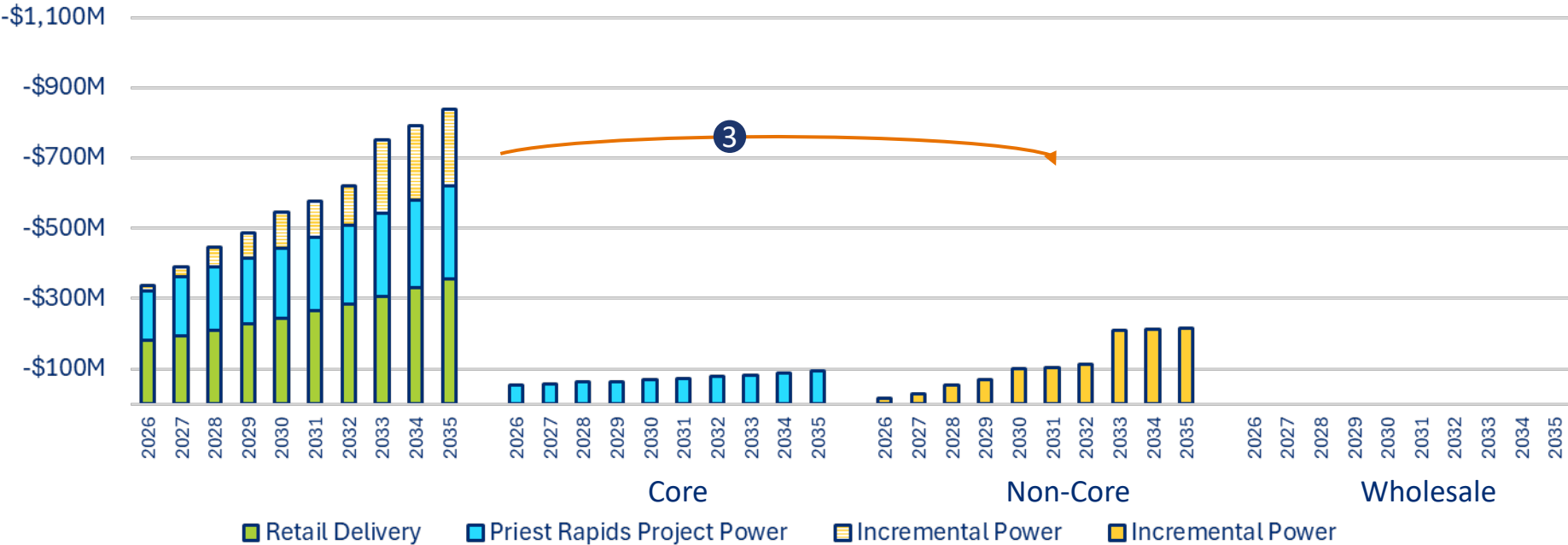


Step 2: Lowest cost PRP Power to Core



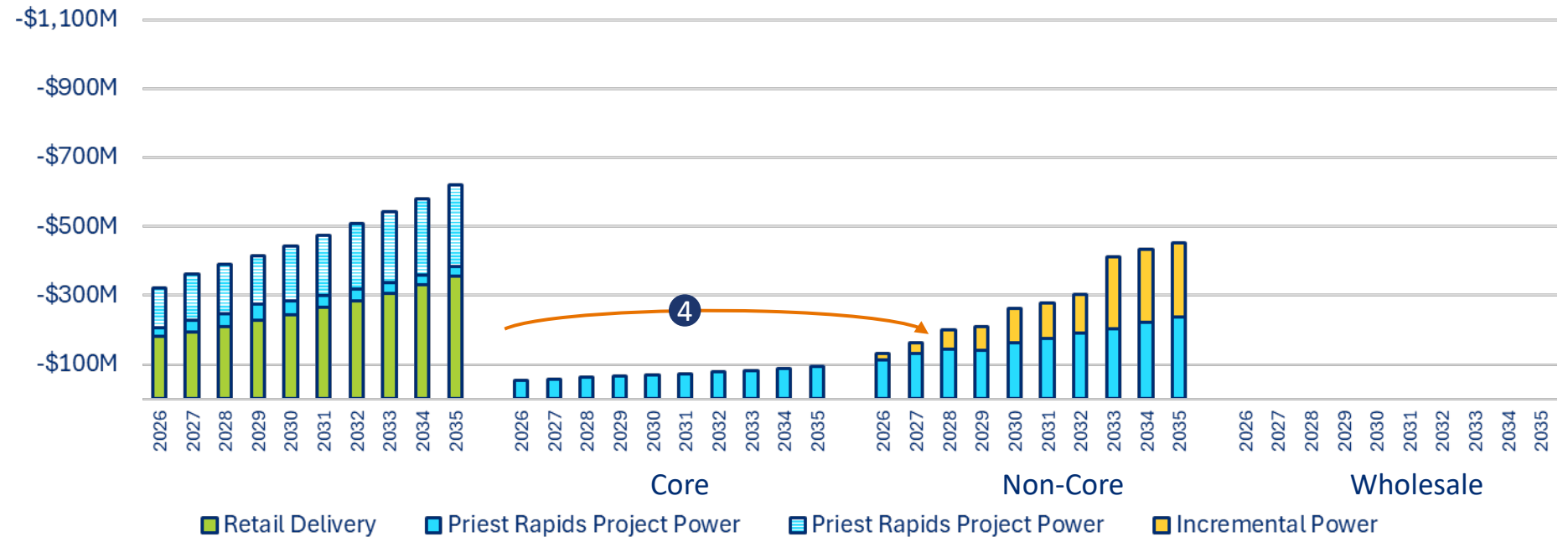
Core	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
PRP Power \$	-\$54M	-\$57M	-\$62M	-\$65M	-\$69M	-\$73M	-\$78M	-\$83M	-\$89M	-\$95M
Total MWh	2,118,888	2,110,137	2,121,527	2,118,771	2,127,065	2,137,042	2,153,773	2,157,566	2,168,030	2,178,582

Step 3: Incremental Power to Non-Core



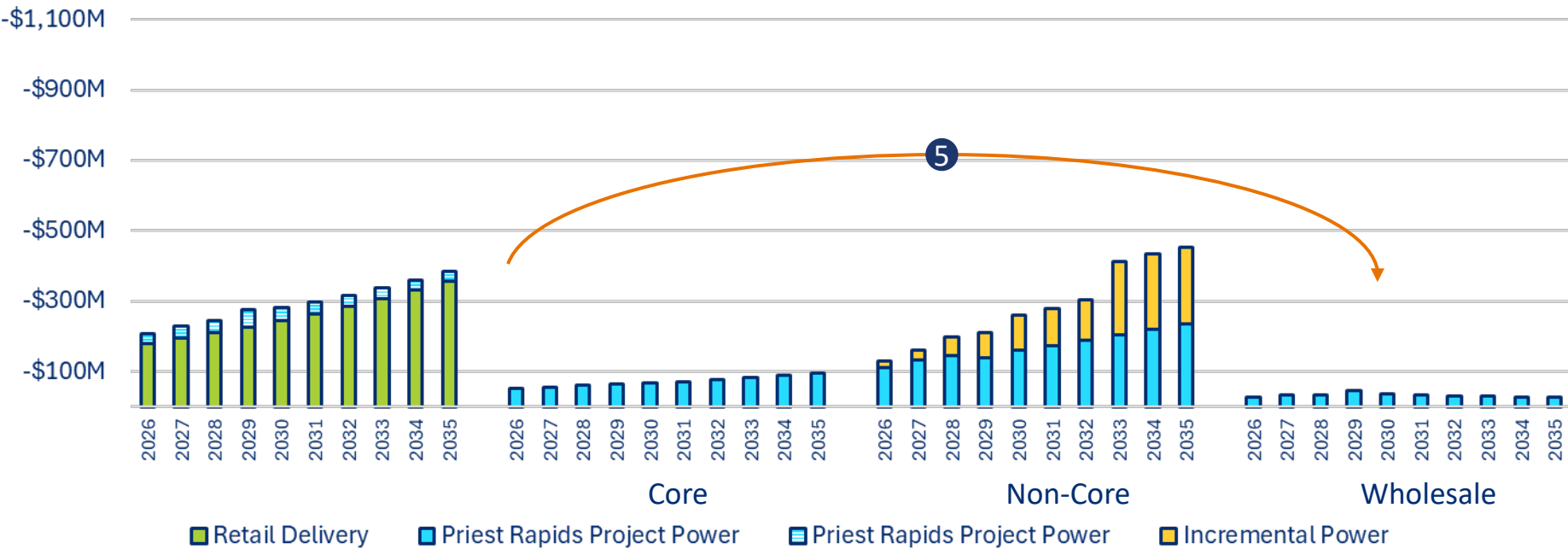
	Non-Core	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Incremental Power \$		-\$17M	-\$29M	-\$55M	-\$71M	-\$100M	-\$104M	-\$113M	-\$210M	-\$213M	-\$216M
Total MWh		267,404	271,059	702,436	1,268,013	1,096,600	1,100,511	1,129,494	1,181,911	1,211,495	1,243,636

Step 4: Assign PRP to cover Non-Core load



Non-Core	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
PRP Power \$	-\$113M	-\$133M	-\$145M	-\$140M	-\$161M	-\$175M	-\$191M	-\$204M	-\$221M	-\$237M
Total MWh	4,434,182	4,913,330	4,932,536	4,573,701	4,963,000	5,135,719	5,250,789	5,306,764	5,399,581	5,436,501

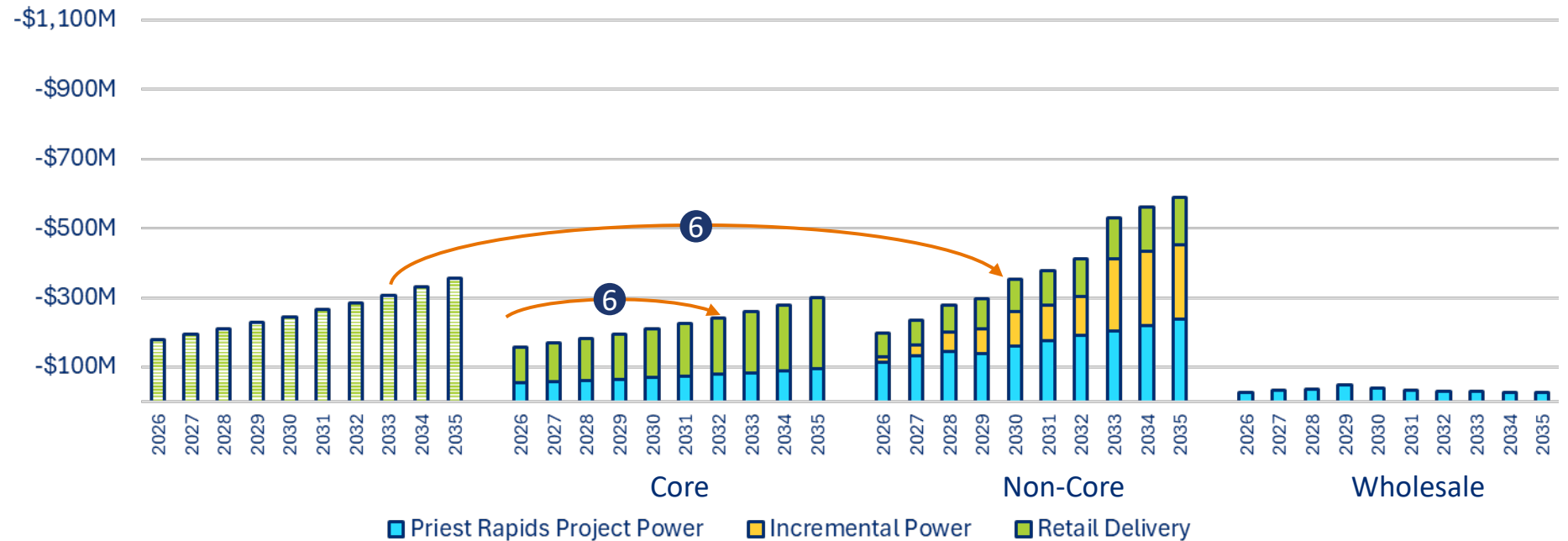
Step 5: Wholesale assignment



Wholesale	2026	2027	2028	2029	2030	2031	2032	2033	2034	2034
PRP Power \$	-\$27M	-\$34M	-\$35M	-\$48M	-\$38M	-\$34M	-\$31M	-\$31M	-\$28M	-\$28M

PUD

2028 Step 6: Retail Delivery^[1]



Retail Delivery	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Core	-\$104M	-\$112M	-\$121M	-\$131M	-\$141M	-\$152M	-\$164M	-\$177M	-\$191M	-\$205M
Non-Core	-\$69M	-\$74M	-\$80M	-\$87M	-\$93M	-\$101M	-\$109M	-\$117M	-\$126M	-\$135M

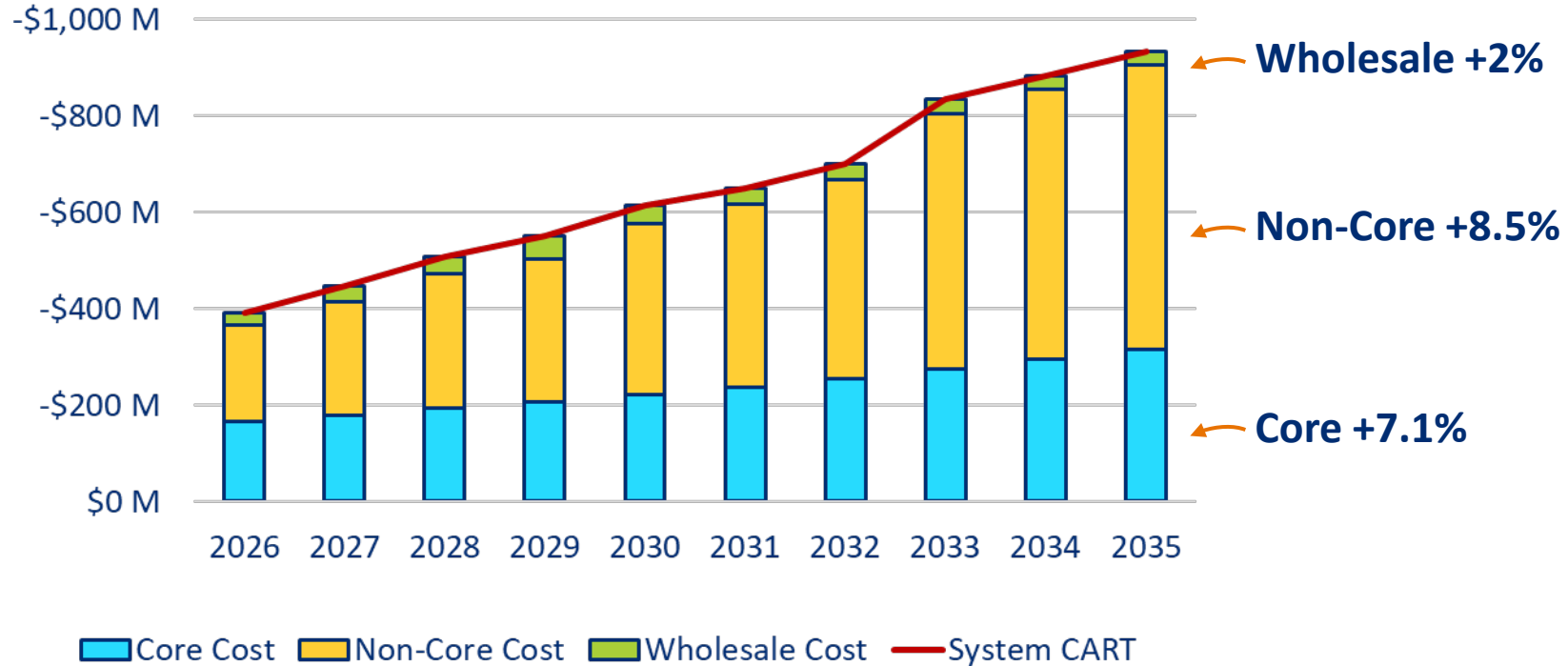
10-year cost allocated trajectory

10-Year Cost Trajectory		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Revenue Requirement											
Core Cost		-\$166M	-\$178M	-\$193M	-\$206M	-\$221M	-\$237M	-\$255M	-\$273M	-\$294M	-\$316M
Power	+7.1%	-\$54M	-\$57M	-\$62M	-\$65M	-\$69M	-\$73M	-\$78M	-\$83M	-\$89M	-\$95M
Retail Delivery		-\$112M	-\$121M	-\$131M	-\$141M	-\$152M	-\$164M	-\$177M	-\$191M	-\$205M	-\$221M
percent change		+7.3%	+7.6%	+7.8%	+6.9%	+6.9%	+6.7%	+6.9%	+6.9%	+7.0%	+7.0%
Non-Core Cost		-\$199M	-\$236M	-\$280M	-\$297M	-\$354M	-\$379M	-\$412M	-\$530M	-\$560M	-\$588M
Power	+8.5%	-\$130M	-\$162M	-\$200M	-\$211M	-\$261M	-\$278M	-\$304M	-\$413M	-\$434M	-\$453M
Retail Delivery		-\$69M	-\$74M	-\$80M	-\$87M	-\$93M	-\$101M	-\$109M	-\$117M	-\$126M	-\$135M
percent change		+6.5%	+7.8%	+8.9%	+2.5%	+15.0%	+3.9%	+6.3%	+26.4%	+3.7%	+4.0%
Wholesale Cost		-\$27M	-\$34M	-\$35M	-\$48M	-\$38M	-\$34M	-\$31M	-\$31M	-\$28M	-\$28M
System CART		-\$392 M	-\$448 M	-\$508 M	-\$551 M	-\$614 M	-\$650 M	-\$699 M	-\$834 M	-\$882 M	-\$932 M

Notes

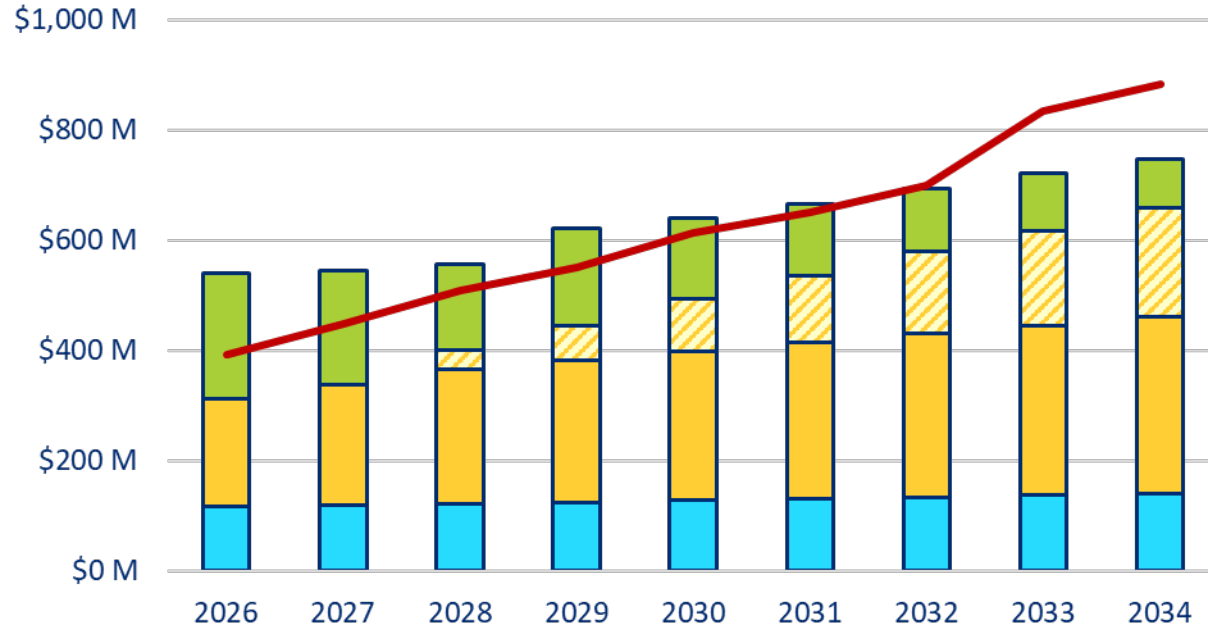
- Core is stable and subject to many factors under our control
- Non-Core is volatile and subject to many external factors.

10-year Cost Allocated Rate Trajectory



Revenue & Revised Rate Trajectory

Step 7: Compare 10-year revenue & cost



Our current rate trajectory forecasts a revenue shortfall starting 2032

2% year over year
plus
EUDL CRAC

Core Retail Revenue

Non Core Retail Revenue

EUDL CRAC / Rate 18

Wholesale Revenue

System CART

Current rates & financial models

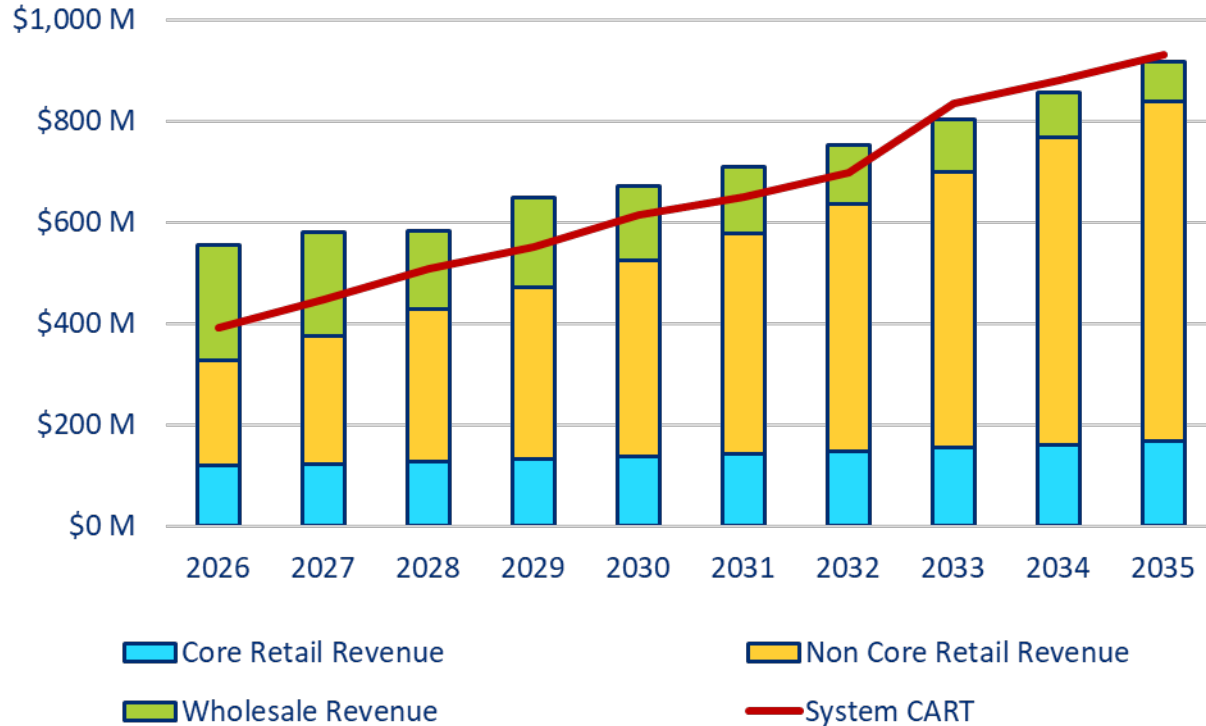
10-Year CART Forecast	Average	2026	2027	2028	2029	2030	2031	2032	2033	2034
System Cost		-\$392M	-\$448M	-\$508M	-\$551M	-\$614M	-\$650M	-\$699M	-\$834M	-\$882M
Core Retail Revenue planned rate change	+2.0%	\$117M +2.0%	\$119M +2.0%	\$122M +2.0%	\$125M +2.0%	\$128M +2.0%	\$131M +2.0%	\$134M +2.0%	\$137M +2.0%	\$141M +2.0%
Non Core Retail Revenue planned rate change	+7.6%	\$195M +2.0%	\$219M +2.0%	\$278M +16.8%	\$321M +11.4%	\$366M +9.8%	\$405M +7.8%	\$444M +7.1%	\$479M +6.0%	\$517M +6.0%
Wholesale Revenue expected change	-10.3%	\$228M -9.1%	\$206M -9.8%	\$156M -24.1%	\$176M +12.5%	\$147M -16.6%	\$130M -11.5%	\$115M -11.3%	\$105M -9.1%	\$90M -13.9%
CART & Revenue Surplus / Deficit		\$149 M	\$96 M	\$48 M	\$70 M	\$26 M	\$16 M	-\$5 M	-\$113 M	-\$134 M
Financial Metrics FP&A Model		2026	2027	2028	2029	2030	2031	2032	2033	2034
Change in Net Position		\$252M	\$189M	\$93M	\$138M	\$113M	\$59M	-\$54M	-\$89M	-\$127M
Liquidity										
Elect System Liquidity (Rev + R&C)		\$416M	\$443M	\$435M	\$528M	\$594M	\$654M	\$733M	\$663M	\$554M
Days Cash On Hand		526	521	453	528	533	494	433	359	279
Leverage										
Consolidated DSC		5.54	4.53	4.05	4.26	4.07	4.37	4.31	3.75	3.77
Consolidated Debt/Plant Ratio		35%	28%	29%	31%	28%	30%	35%	33%	36%
Profitability										
Consolidated Return on Net Assets		8.6%	5.9%	2.8%	4.0%	3.2%	1.6%	-1.5%	-2.5%	-3.5%
Retail Operating Ratio		125%	125%	106%	103%	102%	95%	95%	97%	98%

Proposal

3.5% Core

9.5% Non-Core

Step 8: Revise 10-yr rate trajectory to balance



The 3.5% Core and 9.5% Non-Core rate trajectory mitigates most forecasted retail revenue shortfall

Results with proposed trajectory

Proposed 10-year Forecast	Average	2026	2027	2028	2029	2030	2031	2032	2033	2034
System Total Cost		-\$392M	-\$448M	-\$508M	-\$551M	-\$614M	-\$650M	-\$699M	-\$834M	-\$882M
Core Retail Revenue		\$119M	\$123M	\$128M	\$132M	\$137M	\$143M	\$149M	\$154M	\$161M
planned rate change	+3.5%	+3.5%	+3.5%	+3.5%	+3.5%	+3.5%	+3.5%	+3.5%	+3.5%	+3.5%
Non Core Retail Revenue		\$209M	\$252M	\$300M	\$341M	\$387M	\$436M	\$489M	\$544M	\$607M
planned rate change	+9.5%	+9.5%	+9.5%	+9.5%	+9.5%	+9.5%	+9.5%	+9.5%	+9.5%	+9.5%
Wholesale Revenue		\$228M	\$206M	\$156M	\$176M	\$147M	\$130M	\$115M	\$105M	\$90M
expected change	-10.3%	-9.1%	-9.8%	-24.1%	+12.5%	-16.6%	-11.5%	-11.3%	-9.1%	-13.9%
Surplus / Deficit		\$165M	\$133M	\$76M	\$98M	\$57M	\$59M	\$54M	-\$31M	-\$24M
Financial Metrics FP&A Model		2026	2027	2028	2029	2030	2031	2032	2033	2034
Change in Net Position		\$279M	\$240M	\$137M	\$182M	\$164M	\$124M	\$30M	\$23M	\$23M
Liquidity										
Elect System Liquidity (Rev + R&C)		\$449M	\$526M	\$562M	\$700M	\$817M	\$942M	\$1106M	\$1148M	\$1189M
Days Cash On Hand		565	613	577	690	722	701	642	607	578
Leverage										
Consolidated DSC		6.14	5.38	4.72	4.89	4.72	5.07	5.17	4.72	5.07
Consolidated Debt/Plant Ratio		35%	28%	29%	31%	28%	30%	35%	33%	36%
Profitability										
Consolidated Return on Net Assets		9.5%	7.5%	4.1%	5.3%	4.6%	3.4%	0.8%	0.6%	0.6%
Retail Operating Ratio		115%	109%	96%	93%	89%	85%	83%	82%	80%

Core Rate Class Implementation

Rate 1 – Residential

Rate 2 – General Service

Rate 3 – Irrigation

Rate 3b – Agriculture Services

Rate 6 – Street Lighting

Core Customer Trajectory

Rate Class	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
R1 - Residential	3.5%	2.5%	4.1%	2.9%	3.5%	2.8%	3.6%	3.4%	3.8%	3.9%
R2 - Small General Service	3.5%	3.1%	4.0%	2.3%	3.4%	2.7%	3.7%	3.3%	3.9%	3.9%
R3 - Irrigation	2.5%	3.0%	4.0%	2.7%	4.3%	3.3%	4.3%	3.9%	4.6%	4.6%
R3b - Agricultural Service	3.5%	3.1%	4.0%	2.3%	3.4%	2.7%	3.7%	3.3%	3.9%	3.9%
R6 - Street Lighting	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%

Notes

- Mostly smooth but some volatility due to Priest Rapids Project and Retail Delivery cost shifts
- First year irrigation is lower due to unbundled energy billing implementation
- Not concerned about violations of the rate shock rules in 2029 and beyond

Core Customer Trajectory

Rate Class	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
R1 - Residential	3.5%	2.5%	4.1%	2.9%	3.5%	2.8%	3.6%	3.4%	3.8%	3.9%
R2 - Small General Service	3.5%	3.1%	4.0%	2.3%	3.4%	2.7%	3.7%	3.3%	3.9%	3.9%
R3 - Irrigation	2.5%	3.0%	4.0%	2.7%	4.3%	3.3%	4.3%	3.9%	4.6%	4.6%
R3b - Agricultural Service	3.5%	3.1%	4.0%	2.3%	3.4%	2.7%	3.7%	3.3%	3.9%	3.9%
R6 - Street Lighting	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%	3.5%

Notes

- Mostly smooth but some volatility due to Priest Rapids Project and Retail Delivery cost shifts
- First year irrigation is lower due to unbundled energy billing implementation
- Not concerned about violations of the rate shock rules in 2029 and beyond

Non-Core Rate Class Implementation

Rate 7 – Large General Service

Rate 14 – Industrial

Rate 15 – Large Industrial

Rate 16 – Agriculture Processing

Rate 17 – Evolving Industry

Rate 19 – Commercial EV Charging

Rate 85 – Agriculture Boiler

Non-Core Customer Tiers

Tier 1: Peak demand below 10MW/MVA and established load profiles

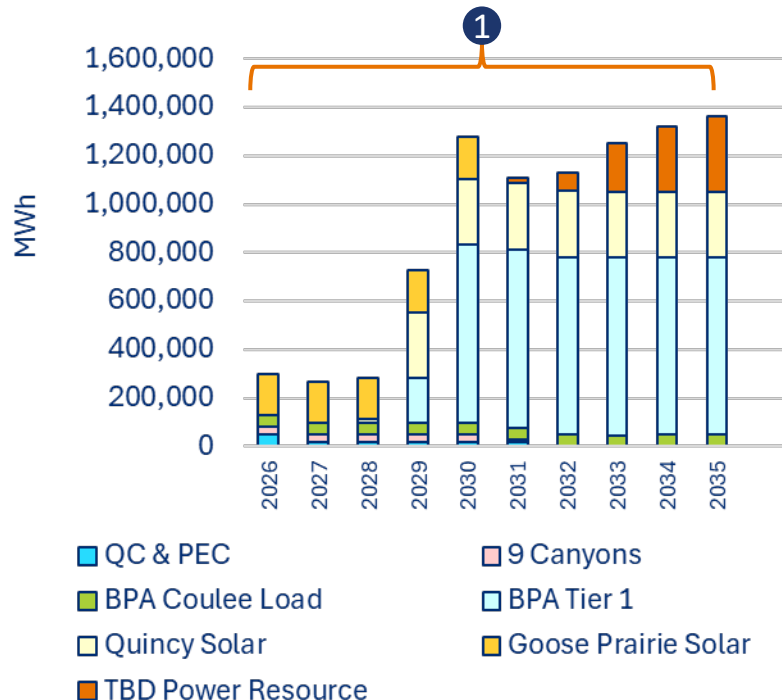
- Rate 7 – Large General
- Rate 14 – Industrial
- Rate 16 – Ag Food Processing
- Rate 85 – Ag Boiler

Tier 2: Peak demand above 10MW/MVA or evolving and/or unpredictable load profiles

- Rate 15 – Large Industrial
- Rate 17 – Evolving Industry
- Rate 19 – EV Charging

-
- Lowest cost incremental power resources allocated to Tier 1
 - Capacity costs allocated to Tier 1 and 2 by share of demand

Step 1: Stack Incremental Power

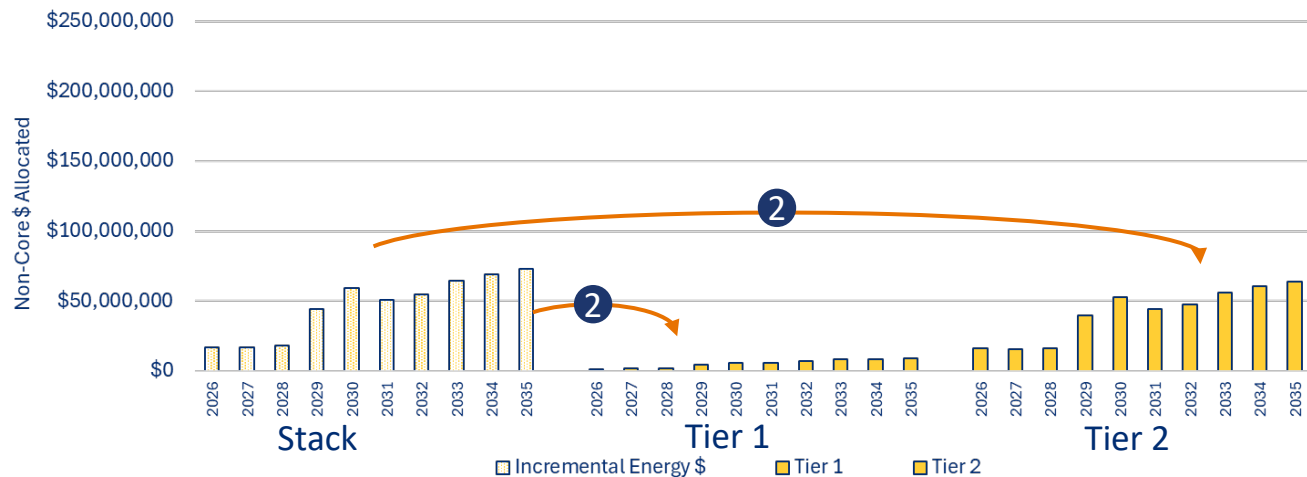


Resource	\$/MWh	
QC & PEC	\$ 32.12	Tier 1
9 Canyons	\$ 33.53	
BPA Tier 1	\$ 35.61	
BPA Coulee Load	\$ 42.41	Tier 2
New Resource Energy	\$ 71.15	
Quincy Solar	\$ 76.78	
Goose Prairie Solar	\$ 77.96	Shared
Capacity Resources	n/a	

Note: Capacity costs are significant but not well represented by \$/MWh normalization – will be allocated by \$ later in the process

Rate Class Implementation

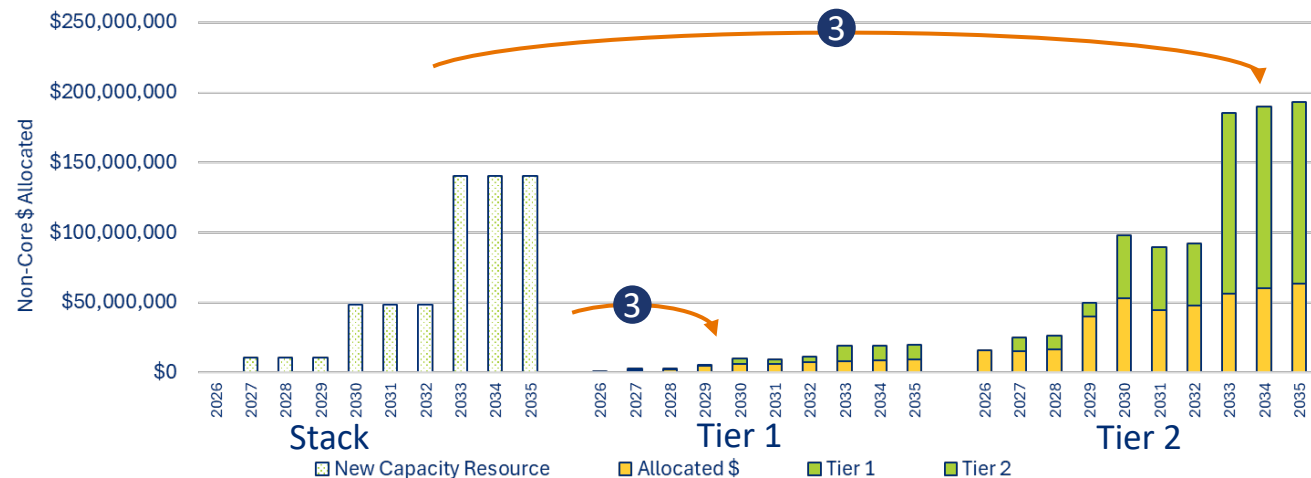
Step 2: Allocate lowest cost Power to Tier 1



	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Incremental Power Cost	\$17M	\$17M	\$18M	\$44M	\$59M	\$51M	\$55M	\$65M	\$69M	\$73M
Tier 1 Share Non-Core Load	20.5%	18.7%	18.4%	18.0%	18.0%	18.2%	18.0%	17.8%	17.6%	17.6%
Tier 1 \$/kWh Inc \$	\$ 0.00108	\$ 0.00195	\$ 0.00190	\$ 0.00432	\$ 0.00552	\$ 0.00525	\$ 0.00641	\$ 0.00723	\$ 0.00748	\$ 0.00784
Tier 1 % Change		+80.7%	-2.2%	+126.9%	+27.8%	-4.9%	+22.0%	+12.8%	+3.5%	+4.8%
Tier 2 Share of Inc. \$	79.5%	81.3%	81.6%	82.0%	82.0%	81.8%	82.0%	82.2%	82.4%	82.4%
Tier 2 \$/MWh Inc \$	\$ 0.00433	\$ 0.00364	\$ 0.00358	\$ 0.00832	\$ 0.01066	\$ 0.00874	\$ 0.00911	\$ 0.01054	\$ 0.01110	\$ 0.01154
Tier 2 % Change		-16.0%	-1.6%	+132.3%	+28.1%	-18.0%	+4.2%	+15.6%	+5.3%	+4.0%

Rate Class Implementation

Step 3: Allocate Capacity \$



Capacity Allocation	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Total Capacity Cost		\$11M	\$11M	\$11M	\$49M	\$49M	\$49M	\$140M	\$140M	\$140M
Tier 1 10-yr Demand Growth	7.7%	7.7%	7.7%	7.7%	7.7%	7.7%	7.7%	7.7%	7.7%	7.7%
Tier 1 \$ Capacity Allocation	-	\$1M	\$1M	\$1M	\$4M	\$4M	\$4M	\$11M	\$11M	\$11M
Tier 1 \$/kWh Capacity Adder		\$ 0.00086	\$ 0.00086	\$ 0.00080	\$ 0.00356	\$ 0.00344	\$ 0.00331	\$ 0.00945	\$ 0.00939	\$ 0.00931
Tier 2 10-yr Demand Growth	92.3%	92.3%	92.3%	92.3%	92.3%	92.3%	92.3%	92.3%	92.3%	92.3%
Tier 2 \$ Capacity Allocation	-	\$10M	\$10M	\$10M	\$45M	\$45M	\$45M	\$130M	\$130M	\$130M
Tier 2 \$/kWh Capacity Adder		\$ 0.00236	\$ 0.00217	\$ 0.00208	\$ 0.00903	\$ 0.00879	\$ 0.00857	\$ 0.02429	\$ 0.02379	\$ 0.02353

Non-Core Customer Trajectory

Rate Class	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
R7 - Lg. General Service	15.2%	11.2%	6.9%	11.2%	14.4%	5.6%	8.3%	16.5%	7.0%	7.2%
R14 - Industrial	7.5%	13.4%	7.5%	10.1%	13.8%	5.5%	8.7%	16.3%	7.4%	7.5%
R15 - Large Industrial	11.4%	3.0%	5.4%	22.8%	12.5%	-1.7%	6.8%	9.5%	7.2%	6.6%
R16 - Ag Food Processing	11.4%	12.0%	8.1%	11.4%	15.0%	4.9%	8.4%	17.2%	6.6%	6.8%
R17 - Evolving Industry	9.7%	3.8%	7.7%	22.8%	13.1%	0.4%	7.5%	9.7%	7.9%	7.5%
R19 - Fast Charging EV	12.4%	4.4%	-1.6%	10.4%	5.8%	2.9%	8.3%	9.2%	8.3%	8.2%
R85 - Ag Boiler	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%

Notes

- High volatility due to Incremental Power costs

Non-Core Customer Trajectory

Rate Class	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
R7 - Lg. General Service	15.2%	11.2%	6.9%	11.2%	14.4%	5.6%	8.3%	16.5%	7.0%	7.2%
R14 - Industrial	7.5%	13.4%	7.5%	10.1%	13.8%	5.5%	8.7%	16.3%	7.4%	7.5%
R15 - Large Industrial	11.4%	3.0%	5.4%	22.8%	12.5%	-1.7%	6.8%	9.5%	7.2%	6.6%
R16 - Ag Food Processing	11.4%	12.0%	8.1%	11.4%	15.0%	4.9%	8.4%	17.2%	6.6%	6.8%
R17 - Evolving Industry	9.7%	3.8%	7.7%	22.8%	13.1%	0.4%	7.5%	9.7%	7.9%	7.5%
R19 - Fast Charging EV	12.4%	4.4%	-1.6%	10.4%	5.8%	2.9%	8.3%	9.2%	8.3%	8.2%
R85 - Ag Boiler	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%

Notes

- Red highlights year rate increases above 12%
- 2026 rate pressure because of move to unbundled power costs
- 2029/30 rate pressure from energy and capacity resources
- 2033 rate pressure is capacity driven

Goalpost rate shock prevention

Rate Class	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
R7 - Lg. General Service	12.0%	12.0%	9.2%	11.2%	12.0%	9.5%	8.2%	12.0%	9.7%	7.2%
R14 - Industrial	7.5%	12.0%	8.8%	10.1%	12.0%	7.5%	11.7%	12.0%	8.2%	7.5%
R15 - Large Industrial	11.4%	7.5%	11.4%	11.4%	12.0%	7.5%	7.8%	9.7%	9.2%	8.8%
R16 - Ag Food Processing	11.4%	9.3%	10.8%	11.4%	9.1%	7.6%	8.3%	11.9%	11.6%	6.7%
R17 - Evolving Industry	11.2%	11.0%	12.0%	12.0%	12.0%	9.0%	7.8%	9.8%	8.2%	7.8%
R19 - Fast Charging EV	11.4%	9.9%	10.1%	9.3%	11.4%	9.1%	11.2%	10.7%	11.5%	9.8%
R85 - Ag Boiler	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%

Rate Class \$/kWh Adj.	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
R7 - Lg. General Service	\$ (0.0012)	\$ (0.0010)	\$ -	\$ -	\$ (0.0013)	\$ 0.0010	\$ 0.0010	\$ (0.0021)	\$ -	\$ -
R14 - Industrial	\$ -	\$ (0.0006)	\$ -	\$ -	\$ (0.0011)	\$ 0.0002	\$ 0.0023	\$ (0.0007)	\$ -	\$ -
R15 - Lg. Industrial	\$ -	\$ 0.0020	\$ 0.0050	\$ -	\$ (0.0003)	\$ 0.0037	\$ -	\$ -	\$ -	\$ -
R16 - Ag Food Processing	\$ -	\$ (0.0010)	\$ -	\$ -	\$ (0.0015)	\$ -	\$ -	\$ (0.0034)	\$ -	\$ -
R17 - Evolving Industry	\$ -	\$ -	\$ 0.0023	\$ (0.0035)	\$ (0.0046)	\$ -	\$ -	\$ -	\$ -	\$ -
R19 - Fast Charging EV	\$ -	\$ -	\$ 0.0100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Flat rate trajectory implementation

Rate Class	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
R7 - General Service	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%
R14 - Industrial	9.5%	9.5%	9.5%	9.5%	9.6%	9.5%	9.5%	9.5%	9.5%	9.5%
R15 - Large Industrial	9.5%	9.6%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%
R16 - Ag Food Processing	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%
R17 - Evolving Industry	9.5%	9.6%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%
R19 - Fast Charging EV	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%
R85 - Ag Boiler	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%	9.5%

Rate Class	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
R7 - Lg. General Service	\$ (0.0026)	\$ (0.0031)	\$ (0.0017)	\$ (0.0022)	\$ (0.0046)	\$ (0.0019)	\$ (0.0007)	\$ (0.0050)	\$ (0.0026)	\$ 0.0003
R14 - Industrial	\$ (0.0009)	\$ (0.0024)	\$ (0.0013)	\$ (0.0015)	\$ (0.0038)	\$ (0.0010)	\$ (0.0001)	\$ (0.0050)	\$ (0.0030)	\$ (0.0007)
R15 - Lg. Industrial	\$ (0.0016)	\$ 0.0013	\$ 0.0035	\$ (0.0025)	\$ (0.0043)	\$ 0.0030	\$ 0.0052	\$ 0.0060	\$ 0.0085	\$ 0.0121
R16 - Ag Food Processing	\$ (0.0010)	\$ (0.0012)	\$ (0.0000)	\$ (0.0000)	\$ (0.0019)	\$ 0.0014	\$ 0.0032	\$ (0.0004)	\$ 0.0028	\$ 0.0063
R17 - Evolving Industry	\$ (0.0001)	\$ 0.0040	\$ 0.0066	\$ 0.0010	\$ (0.0000)	\$ 0.0085	\$ 0.0124	\$ 0.0150	\$ 0.0197	\$ 0.0253
R19 - Fast Charging EV	\$ (0.0038)	\$ 0.0052	\$ 0.0141	\$ 0.0036	\$ 0.0002	\$ (0.0004)	\$ (0.0136)	\$ (0.0334)	\$ (0.0556)	\$ (0.0842)

Wrap Up

Next Steps

November Meeting #1	• Informal trajectory & rate policy review
November Meeting #2	• Formal trajectory & rate policy proposal
December Meeting #1	• 2026 Rate Proposal • Rate policy adoption
December Workshop	• 2026 Rate Proposal Q&A
January Meeting #1	• 2026 Rate Proposal (adoption)

Major milestones

1. Strawman model (June) ✓
2. Draft results workshop (October) ✓
3. Formal trajectory (November)
4. Rates package (December)
5. Rates workshop (December)
6. Approval (January 2026)

Grant PUD will continue to be competitive

Utility Industrial Rates	\$/kWh ^[1]
Puget Sound Energy	\$0.1184
Chelan PUD Data <5MW ^[A]	\$0.1032
Seattle City Light	\$0.0942
National Average	\$0.0821
Snohomish PUD	\$0.0746
Pacific Power	\$0.0732
Douglas PUD >500KW ^[B]	\$0.0653
Washington Average	\$0.0646
Clark PUD	\$0.0610
Avista	\$0.0589
Douglas PUD Data >1,500kW ^[C]	\$0.0443
Tacoma Power ^[D]	\$0.0430
Portland General ^[E]	base \$0.0392
Grant PUD	\$0.0382

- Most utilities have special rates for data centers and/or new large loads
- Contract rates put market volatility risk on large customers and often include claw back provisions
- Policy variations make comparison very difficult
 - A. Max 5 MW (includes market price ~\$0.09/kWh), would be put on contract with balancing and claw back provisions
 - B. Loads under 500kW (extra high due demand focus), would be put on contract with balancing and claw back provisions
 - C. Loads under 1,500kW (extra high due demand focus), would be put on contract with balancing and claw back provisions
 - D. Existing customers only, new loads subject to market based new large load rate
 - E. Base charge, customer would be responsible for market based \$/kWh adder

Questions?



Powering our way of life.

Thank you!

