

Change Order 3 to ET Contract with ROI (430-12924)

September 8, 2026

Amanda Anthony, Sr. Manager Enterprise Technology
Charles Meyer, VP Technology, CTO

Executive Summary

- Through contracted staff, Enterprise Technology supplies Grant PUD with the additional technical skills and capacity it requires. Because the technology landscape keeps expanding, this model lets resourcing flex accordingly and opens access to specialized talent that is hard to recruit directly or that supports work whose volume varies over time.
- The purpose of Change Order 3 under Contract 430-12924 is to establish adequate funding for the coming four months, sized against the workload now forecast. That forecast covers the continued efforts of ERP+ and other concurrent projects as well as the rise in project demand. Its total figure reflects both the contracted resources already in place and what is anticipated across the remainder of 2026.
- Approval keeps Grant PUD on schedule: ERP+ momentum through go-live, rapid response to emerging needs, and proven expertise retained as demand grows.

Recommendation

- Approval of Change Order No. 3 to extend the contract through January 31, 2027, and increase contract authority by \$1.75 million for a new overall contract price of \$5,225,000.00.

Thank you!



Tax-Exempt Power Financing

September 8, 2026

Angelina Johnson, Senior Manager of Treasury/FP&A
Harris Turner, Financial Analyst



Powering our way of life.

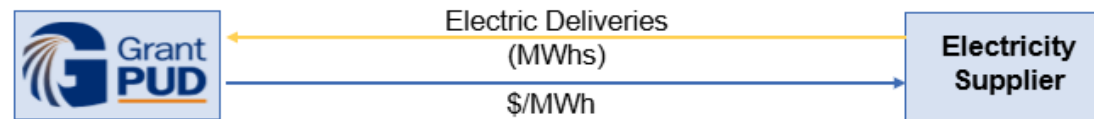
Executive Summary

- Grant PUD is seeking to enter into a tax-exempt power financing agreement, using the Royal Slope power purchase agreement (PPA) with Clearway. The transaction will include Goldman Sachs and Energy Southeast.
- As part of this transaction, tax-exempt bonds will be issued by a third-party. This debt is not the Grant PUD's obligation to repay and is **not a liability on Grant PUD's balance sheet**.
- Legal counsel has drafted a resolution for approval for entry into the agreement.
- Recommendation is to approve the resolution, authorizing Grant PUD to enter into the agreement, is a minimum savings rate of 6% is achieved.

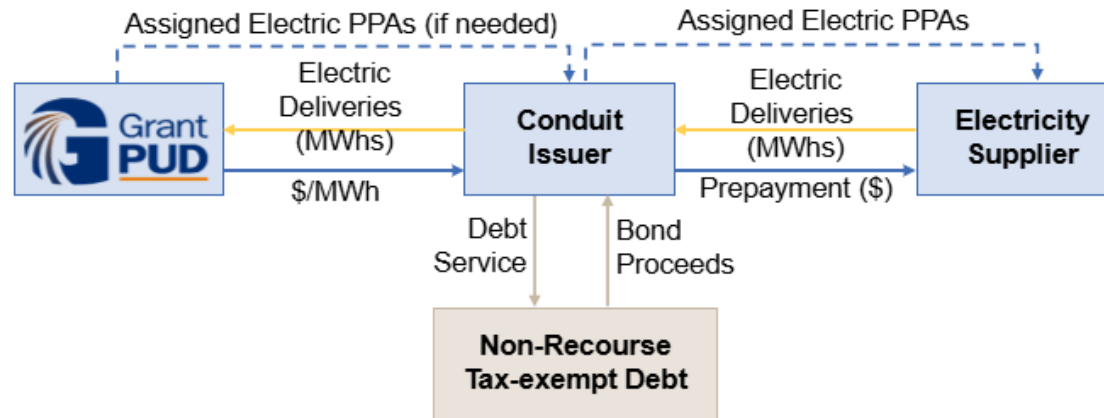
Background

- Transaction generates savings via the rate spread between taxable and tax-exempt bond rates. Bonds issued by Energy Southeast (not Grant PUD).
- Grant pays a reduced cost of the agreed power of the PPA as a result of transaction.

Existing Structure:



Proposed Structure:



Financial Analysis

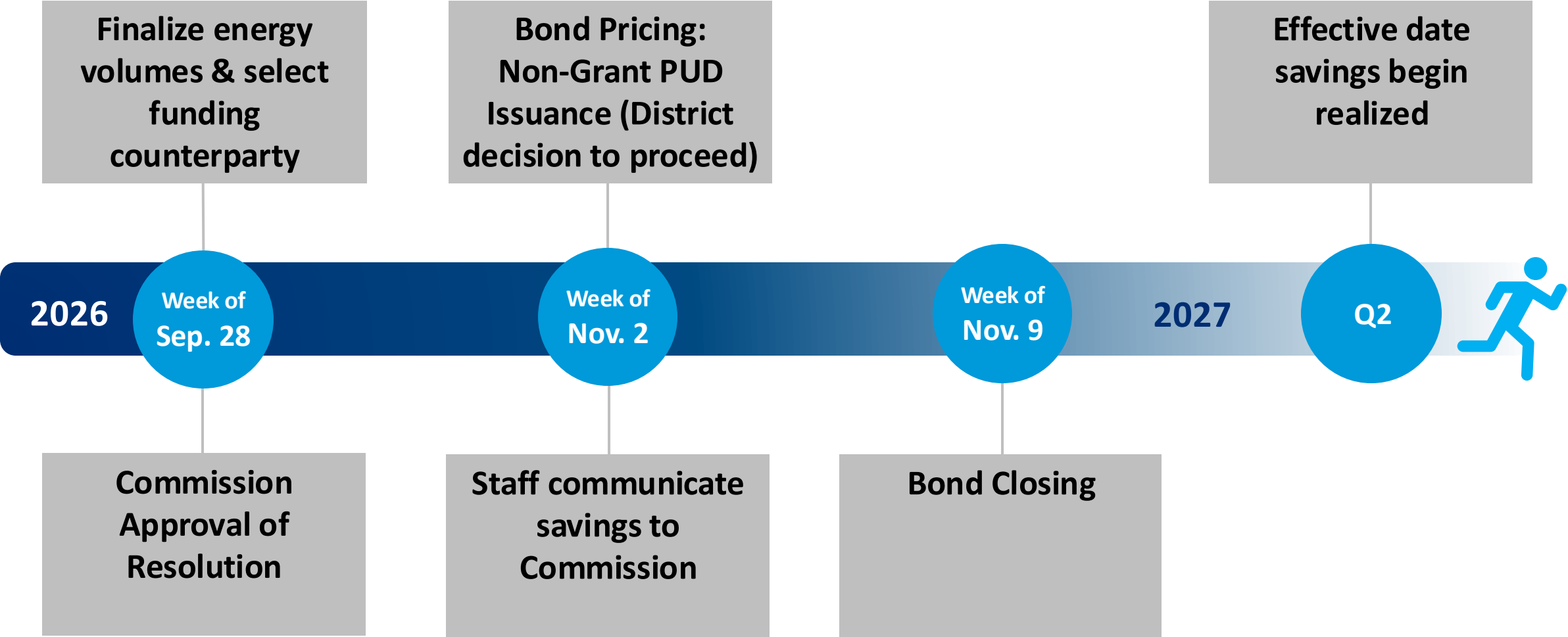
Royal Slope PPA- existing annual payments			Royal Slope- Ten year PPA annual payments		
PRELIMINARY ESTIMATES			PRELIMINARY ESTIMATES		
			Solar-80%	\$	34,566,432
			Battery-80%	\$	33,903,168
Solar	\$	45,966,000	Solar- excluded	\$	9,193,200
Battery	\$	45,084,000	Battery- excluded	\$	9,016,800
Total	\$	91,050,000	Total	\$	86,679,600
PPA Savings					
PRELIMINARY ESTIMATES					
	Annual	\$ 4,370,400			
	Monthly	\$ 364,200			

- Assumptions: 6% net savings rate, 80% inclusion rate, which are achievable, per PFM, Special Tax Counsel, and Goldman Sachs
- Result is \$43 million in savings over the initial 10-year term
- This contract will lock savings when it is priced and give the option to extend and reprice for years 10-20, and again in years 21-30
- All of these are subject to volatility and could be reduced based on energy volumes

Key Risks & Terms

- Minimum savings thresholds-
 - If savings thresholds are not achieved at bond pricing, Grant PUD has the option to decline entering into agreement.
 - 10-year terms are locked in, future terms dependent on market rate spreads.
- Royal Slope PPA contract starts delivery 3/1/2028, and this deal does not change those deliveries. ESM has secured sourced “bridge” power to fill the requirements, and savings will start on day one.
- Draft resolution uses the term “Prepay”. This is the name for the structure, but internally, Grant PUD will use the term Tax-Exempt Power Financing, for clarity on execution.
- Treasury recommends proceeding, due to level of anticipated calculated savings.

Timeline



*timeline is tentative and subject to change based on detailed schedule dates

Thank you!





2026-2028 CITY PROJECTS

AUGUST 2026 UPDATE

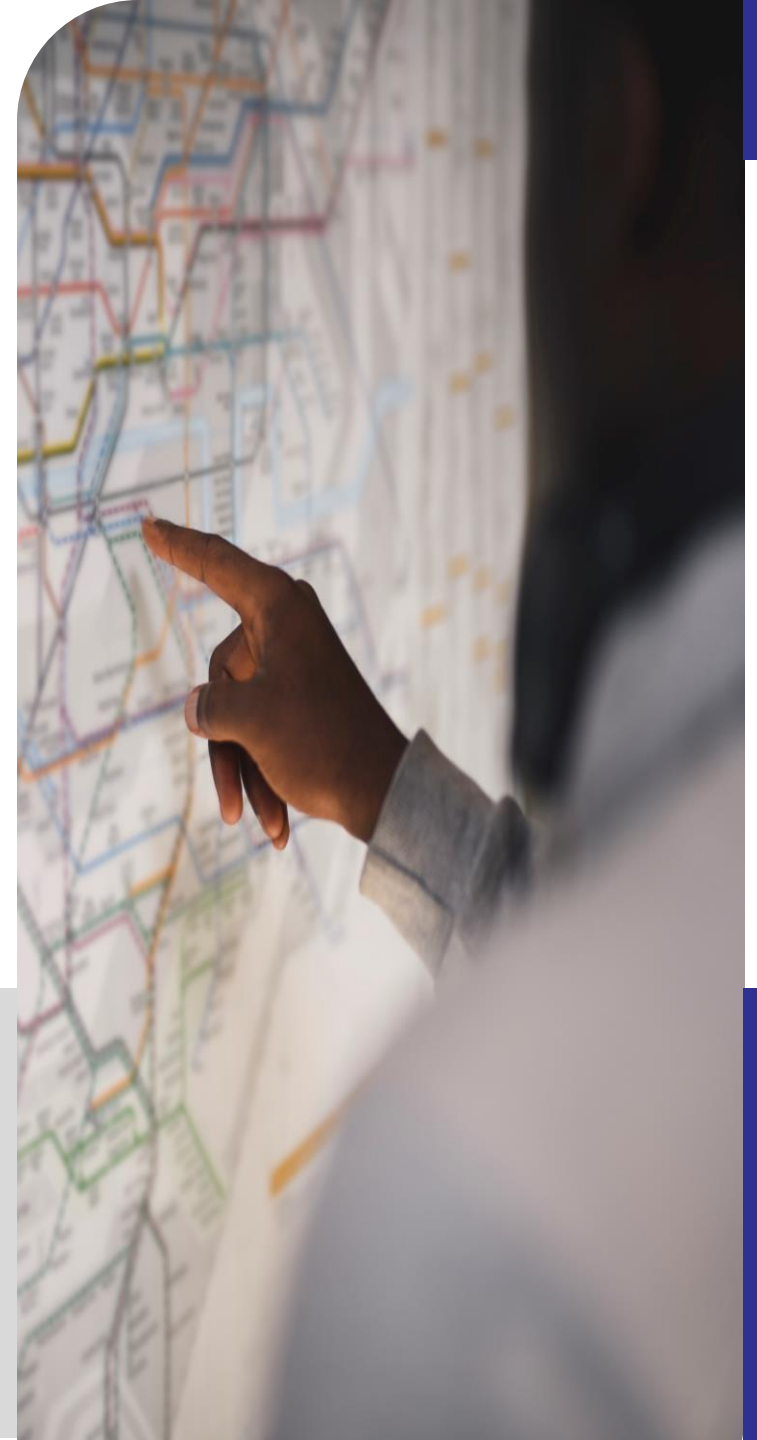
Steve Oliver,
Mayor

soliver@ephrata.org

Ray Towry,
City Administrator

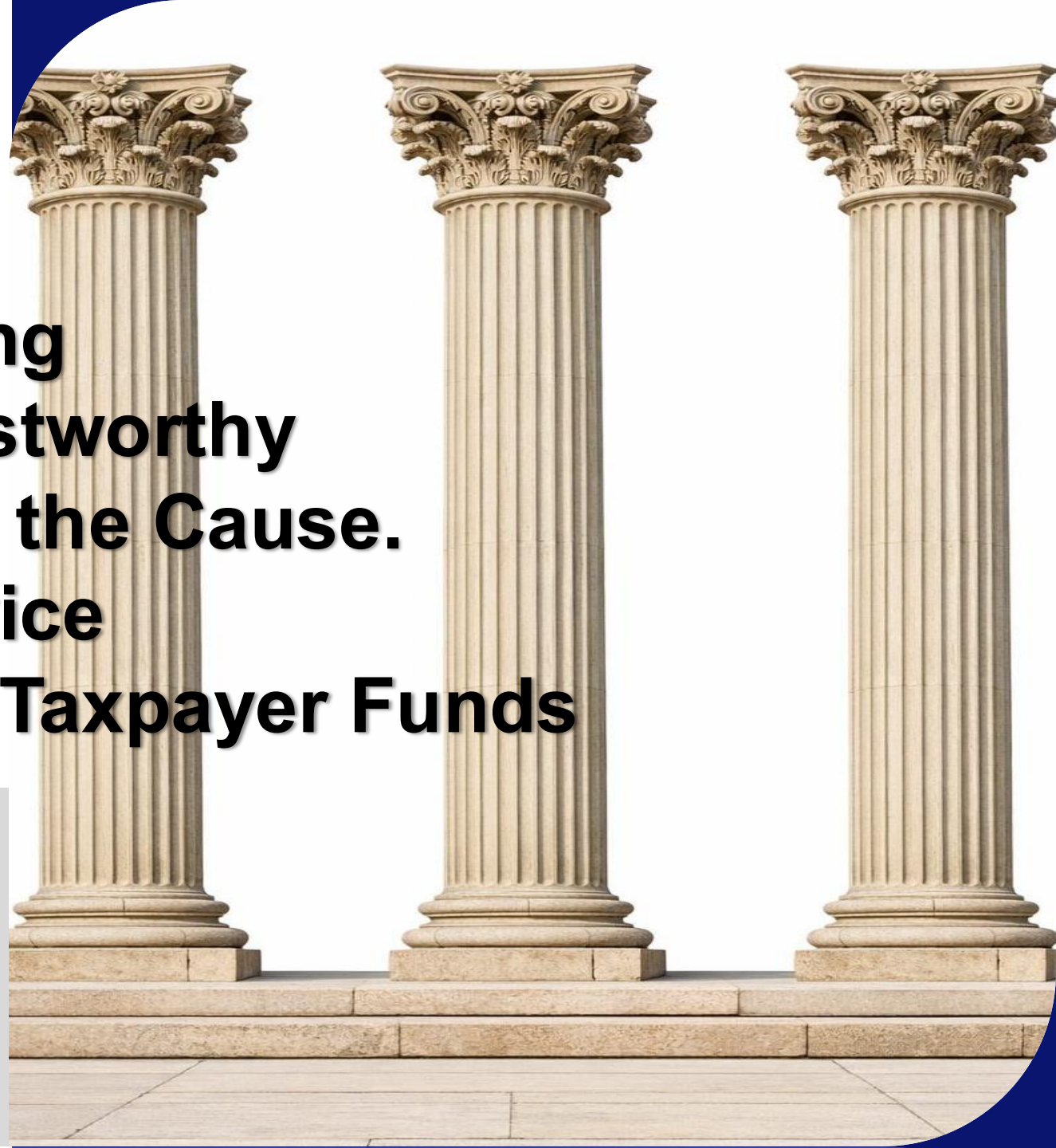
rtowry@ephrata.org

www.ephrata.org

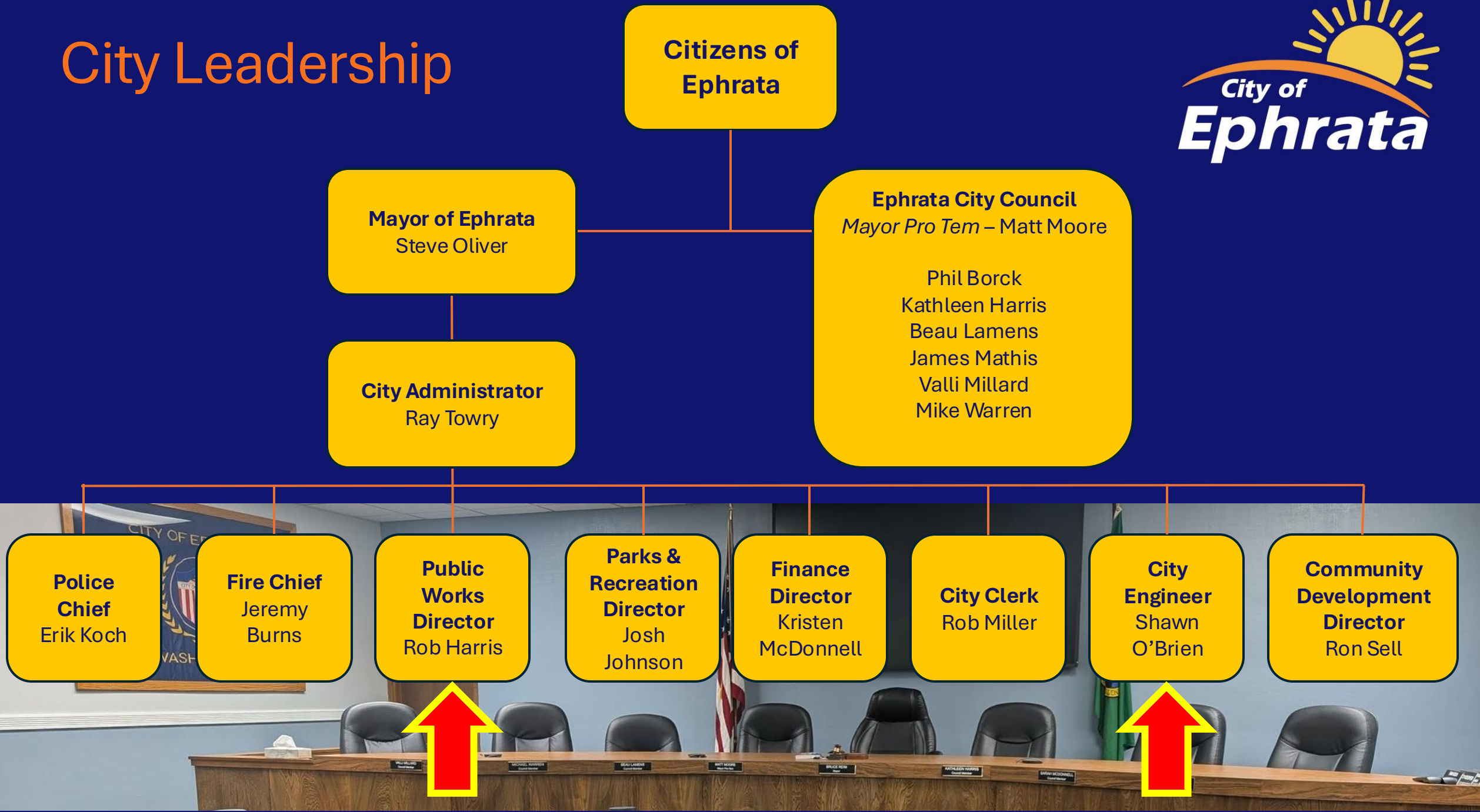
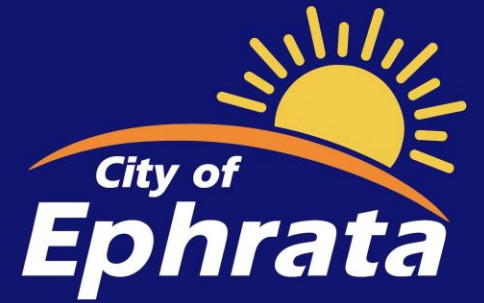


Our Three Pillars

- 1. Do the Right Thing**
- 2. Trust and be Trustworthy**
- 3. Be Committed to the Cause.**
 - a. Public Service**
 - b. Steward of Taxpayer Funds**



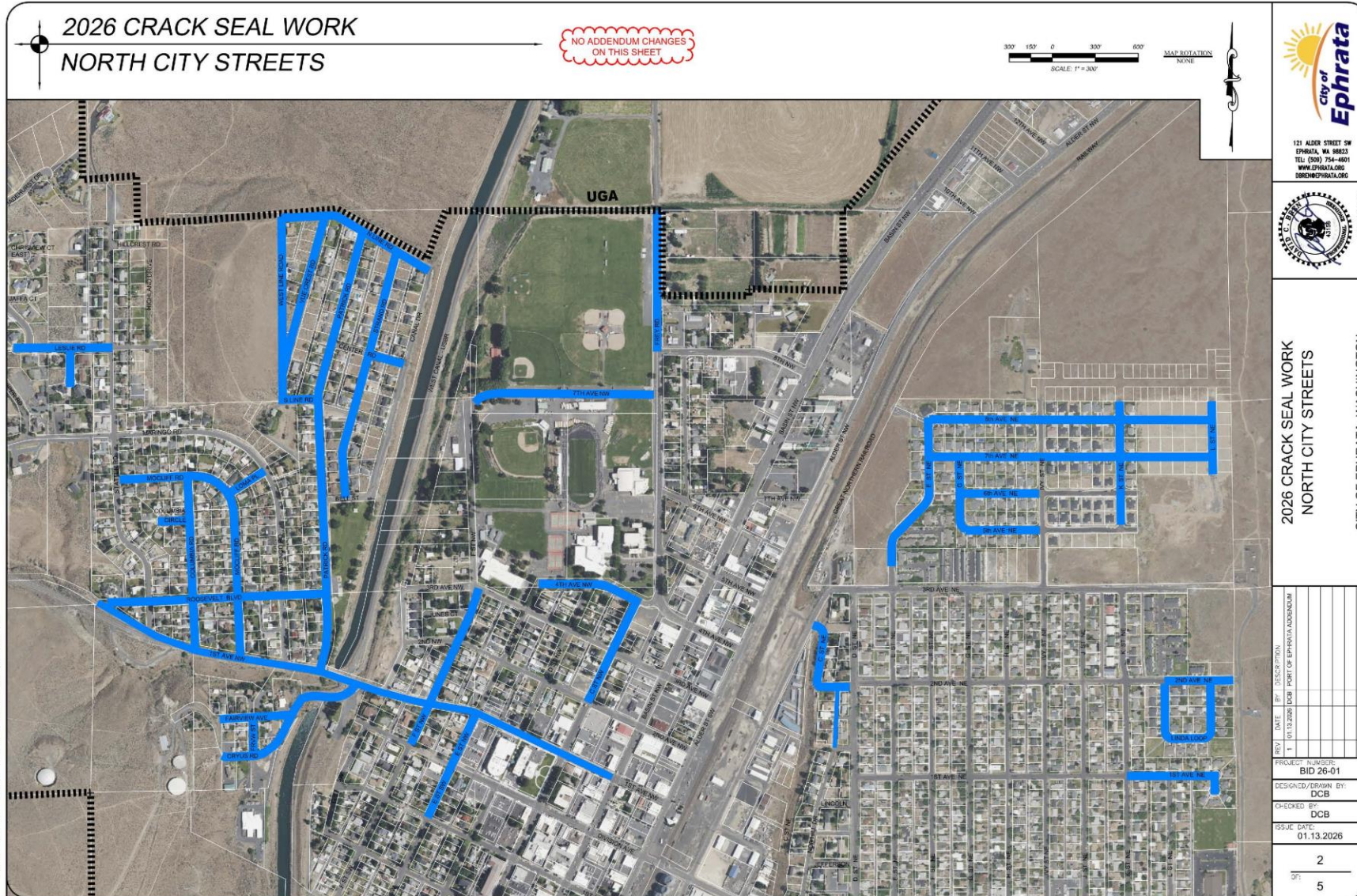
City Leadership



2026 CURRENT PROJECTS

2026 PROJECTS	TOTALS
COVERED SPORTS COURTS / EVENT CENTER	\$600,000
STREETS CRACK SEAL	\$100,000
STREETS CHIP SEAL	\$682,800
SEWER REPAIRS	\$107,500
VACTOR TRUCK ENCLOSURE	\$142,400
WATER RECLAMATION FACILITY (MULTI-YEAR)	\$10,230,000
WELL #10 & RESERVIOR #6 (MULTI-YEAR)	\$9,710,000
PRESSURE ZONE #5 IMPROVEMENTS	\$2,460,000
	\$24,032,700

2026 STREETS CRACK SEAL PROJECT



NOTE: THESE LOCAL ACCESS STREETS ARE NOT GRANT ELIGIBLE. MUST USE ALL LOCAL FUNDS FOR CRACK SEAL PRESERVATION WORK.

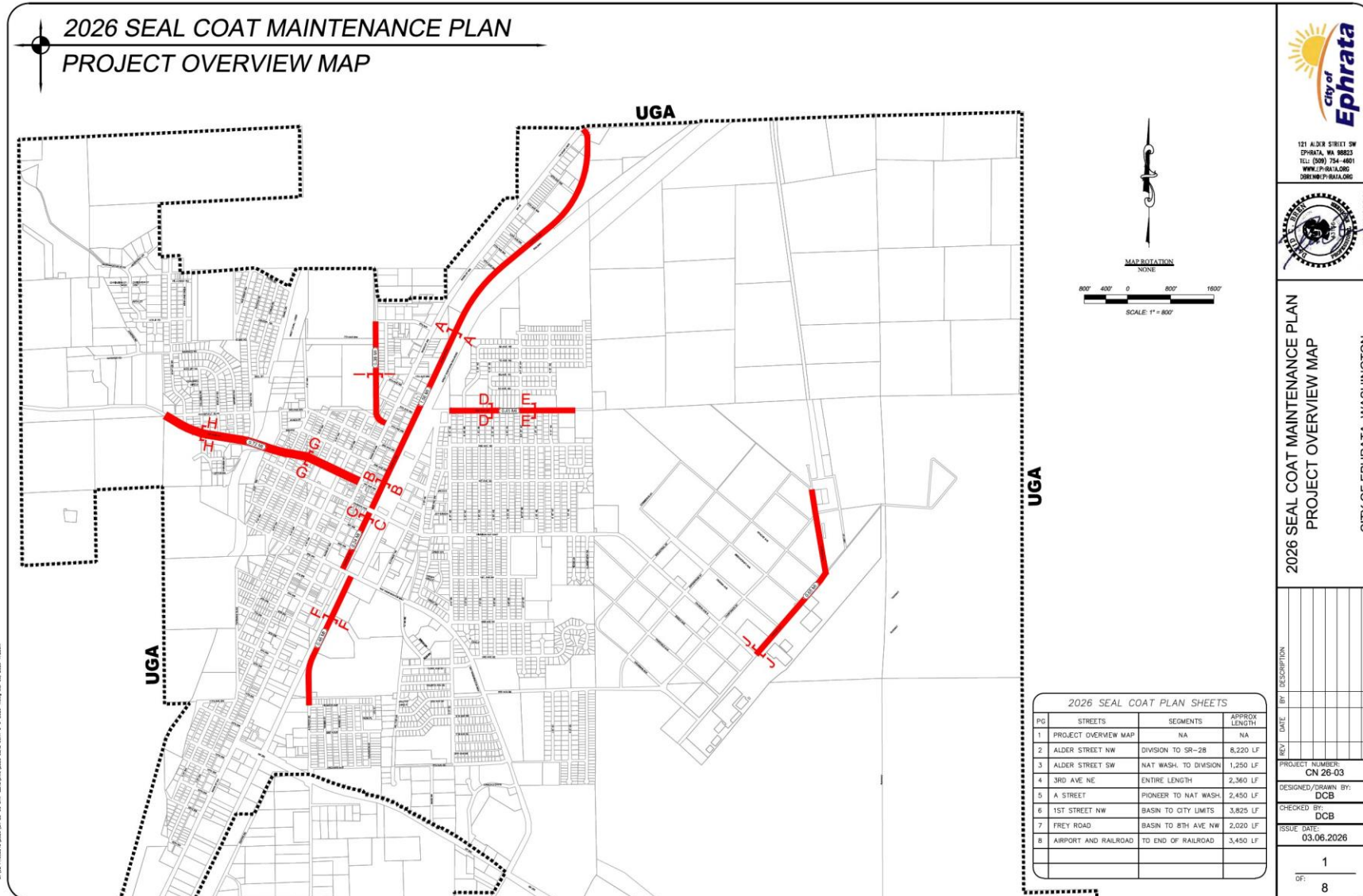
100K
TBD
CITY



100K
PROJECT

*** (TBD) TRANSPORTATION BENEFIT DISTRICT**

2026 STREETS CHIP SEAL PROJECT



614.5K
TIB
GRANT



68.3K
TBD
CITY

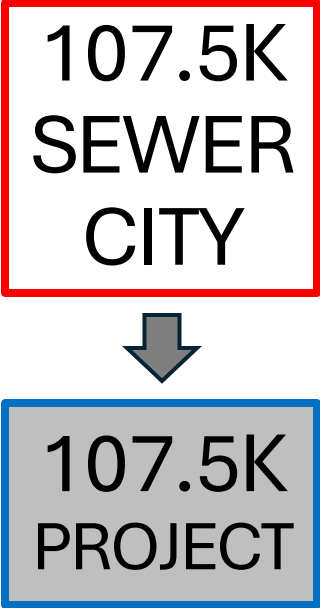
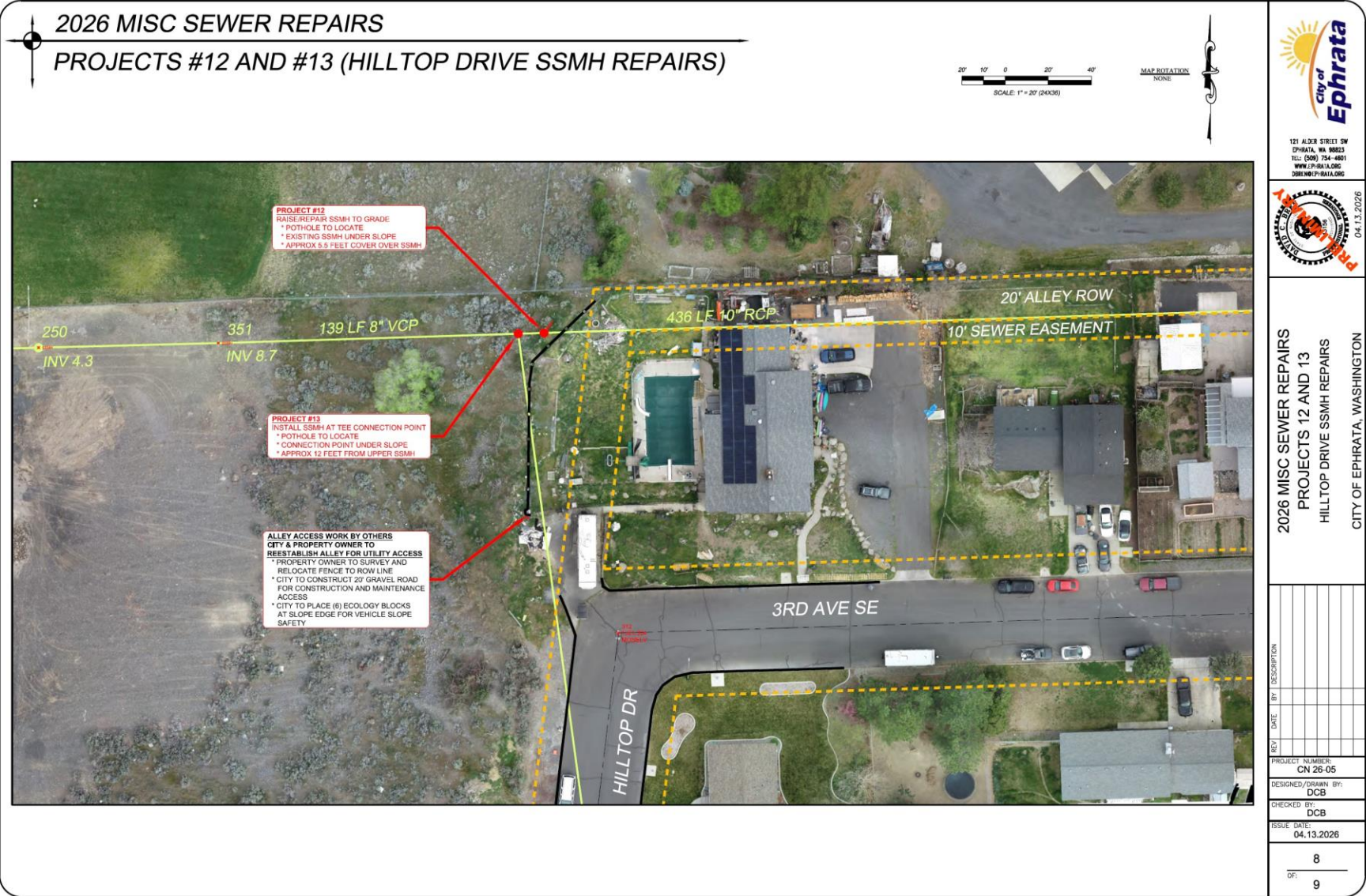


682.8K
PROJECT

* (TIB) TRANSPORTATION IMPROVEMENT BOARD

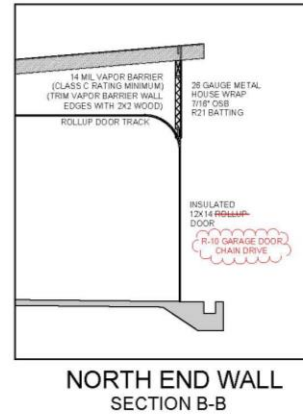
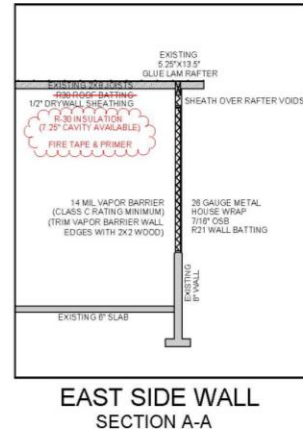
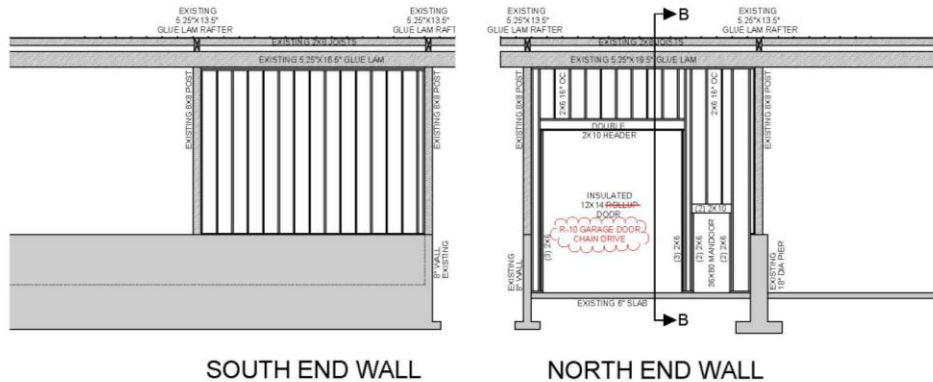
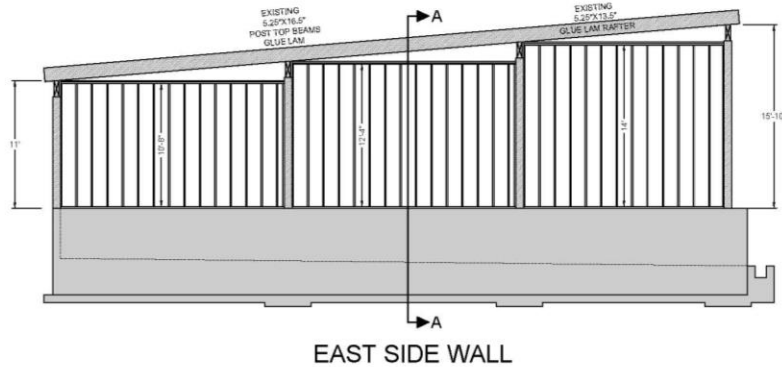
* (TBD) TRANSPORTATION BENEFIT DISTRICT

2026 SEWER REPAIRS PROJECT



VACTOR TRUCK ENCLOSURE PROJECT

VACTOR TRUCK ENCLOSURE WALL SECTIONS



VACTOR TRUCK ENCLOSURE
WALL SECTIONS

1	12" DRY WALL SHEATHING
2	12" DRY WALL SHEATHING
3	12" DRY WALL SHEATHING
4	12" DRY WALL SHEATHING
5	12" DRY WALL SHEATHING
6	12" DRY WALL SHEATHING
7	12" DRY WALL SHEATHING
8	12" DRY WALL SHEATHING
9	12" DRY WALL SHEATHING
10	12" DRY WALL SHEATHING
11	12" DRY WALL SHEATHING
12	12" DRY WALL SHEATHING
13	12" DRY WALL SHEATHING
14	12" DRY WALL SHEATHING
15	12" DRY WALL SHEATHING
16	12" DRY WALL SHEATHING
17	12" DRY WALL SHEATHING
18	12" DRY WALL SHEATHING
19	12" DRY WALL SHEATHING
20	12" DRY WALL SHEATHING
21	12" DRY WALL SHEATHING
22	12" DRY WALL SHEATHING
23	12" DRY WALL SHEATHING
24	12" DRY WALL SHEATHING
25	12" DRY WALL SHEATHING
26	12" DRY WALL SHEATHING
27	12" DRY WALL SHEATHING
28	12" DRY WALL SHEATHING
29	12" DRY WALL SHEATHING
30	12" DRY WALL SHEATHING
31	12" DRY WALL SHEATHING
32	12" DRY WALL SHEATHING
33	12" DRY WALL SHEATHING
34	12" DRY WALL SHEATHING
35	12" DRY WALL SHEATHING
36	12" DRY WALL SHEATHING
37	12" DRY WALL SHEATHING
38	12" DRY WALL SHEATHING
39	12" DRY WALL SHEATHING
40	12" DRY WALL SHEATHING
41	12" DRY WALL SHEATHING
42	12" DRY WALL SHEATHING
43	12" DRY WALL SHEATHING
44	12" DRY WALL SHEATHING
45	12" DRY WALL SHEATHING
46	12" DRY WALL SHEATHING
47	12" DRY WALL SHEATHING
48	12" DRY WALL SHEATHING
49	12" DRY WALL SHEATHING
50	12" DRY WALL SHEATHING
51	12" DRY WALL SHEATHING
52	12" DRY WALL SHEATHING
53	12" DRY WALL SHEATHING
54	12" DRY WALL SHEATHING
55	12" DRY WALL SHEATHING
56	12" DRY WALL SHEATHING
57	12" DRY WALL SHEATHING
58	12" DRY WALL SHEATHING
59	12" DRY WALL SHEATHING
60	12" DRY WALL SHEATHING
61	12" DRY WALL SHEATHING
62	12" DRY WALL SHEATHING
63	12" DRY WALL SHEATHING
64	12" DRY WALL SHEATHING
65	12" DRY WALL SHEATHING
66	12" DRY WALL SHEATHING
67	12" DRY WALL SHEATHING
68	12" DRY WALL SHEATHING
69	12" DRY WALL SHEATHING
70	12" DRY WALL SHEATHING
71	12" DRY WALL SHEATHING
72	12" DRY WALL SHEATHING
73	12" DRY WALL SHEATHING
74	12" DRY WALL SHEATHING
75	12" DRY WALL SHEATHING
76	12" DRY WALL SHEATHING
77	12" DRY WALL SHEATHING
78	12" DRY WALL SHEATHING
79	12" DRY WALL SHEATHING
80	12" DRY WALL SHEATHING
81	12" DRY WALL SHEATHING
82	12" DRY WALL SHEATHING
83	12" DRY WALL SHEATHING
84	12" DRY WALL SHEATHING
85	12" DRY WALL SHEATHING
86	12" DRY WALL SHEATHING
87	12" DRY WALL SHEATHING
88	12" DRY WALL SHEATHING
89	12" DRY WALL SHEATHING
90	12" DRY WALL SHEATHING
91	12" DRY WALL SHEATHING
92	12" DRY WALL SHEATHING
93	12" DRY WALL SHEATHING
94	12" DRY WALL SHEATHING
95	12" DRY WALL SHEATHING
96	12" DRY WALL SHEATHING
97	12" DRY WALL SHEATHING
98	12" DRY WALL SHEATHING
99	12" DRY WALL SHEATHING
100	12" DRY WALL SHEATHING

PROJECT NUMBER: 25-23
DESIGNED/DRAWN BY: DCB
CHECKED BY: DCB
ISSUE DATE: 12.10.2025
6
7



142.4K
SEWER
CITY



142.4K
PROJECT

WATER RECLAMATION FACILITY



\$10,230,000
SEWER
CITY



\$10,230,000
PROJECT

WELL #10 & RESERVOIR #6



\$9,710,000
WATER
CITY



\$9,710,000
PROJECT

PRESSURE ZONE #5 IMPROVEMENTS



PRESSURE REDUCING VALVE ON
A STREET NE



BOOSTER PUMP STATION

\$2,460,000
WATER
CITY

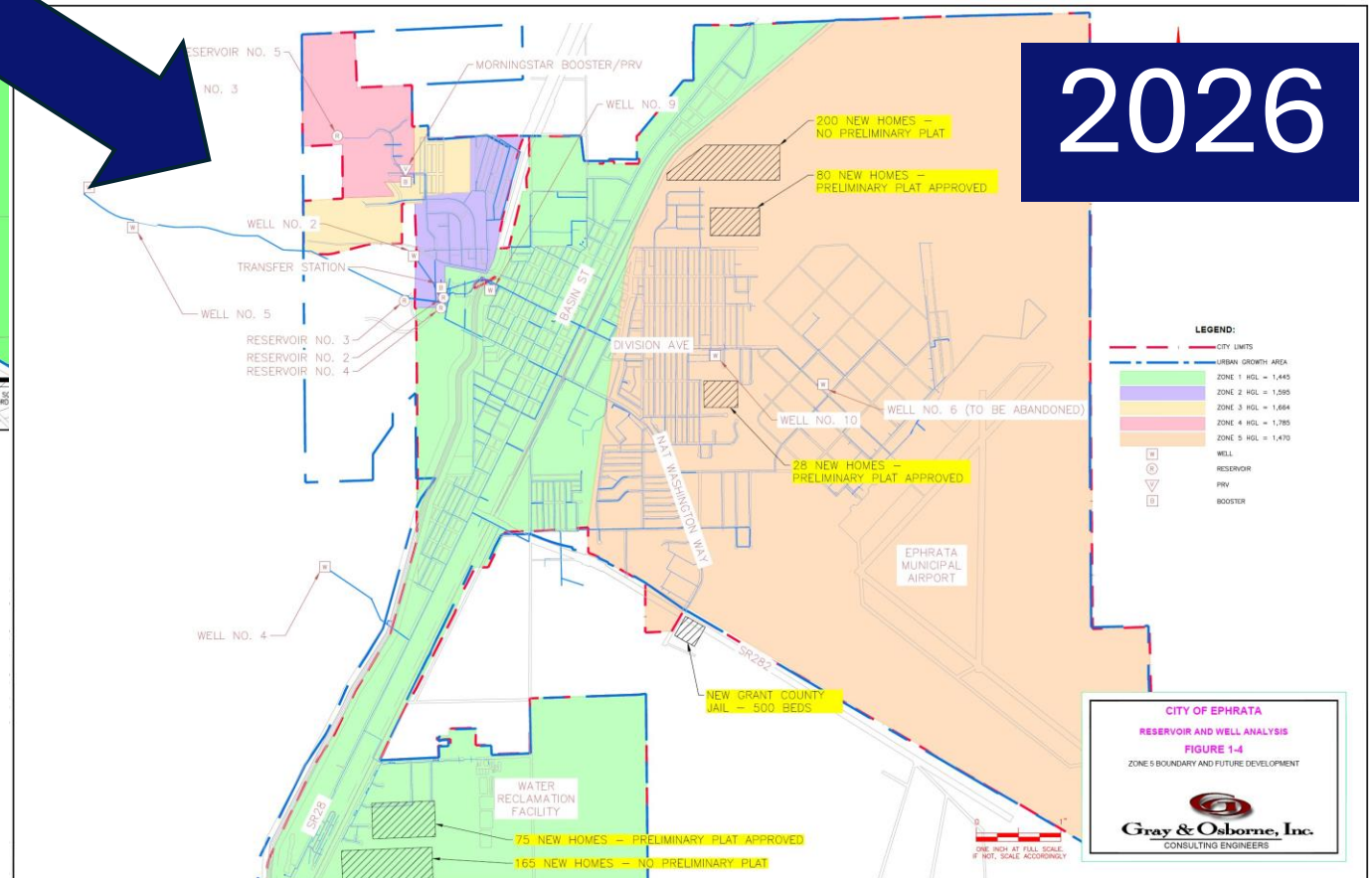
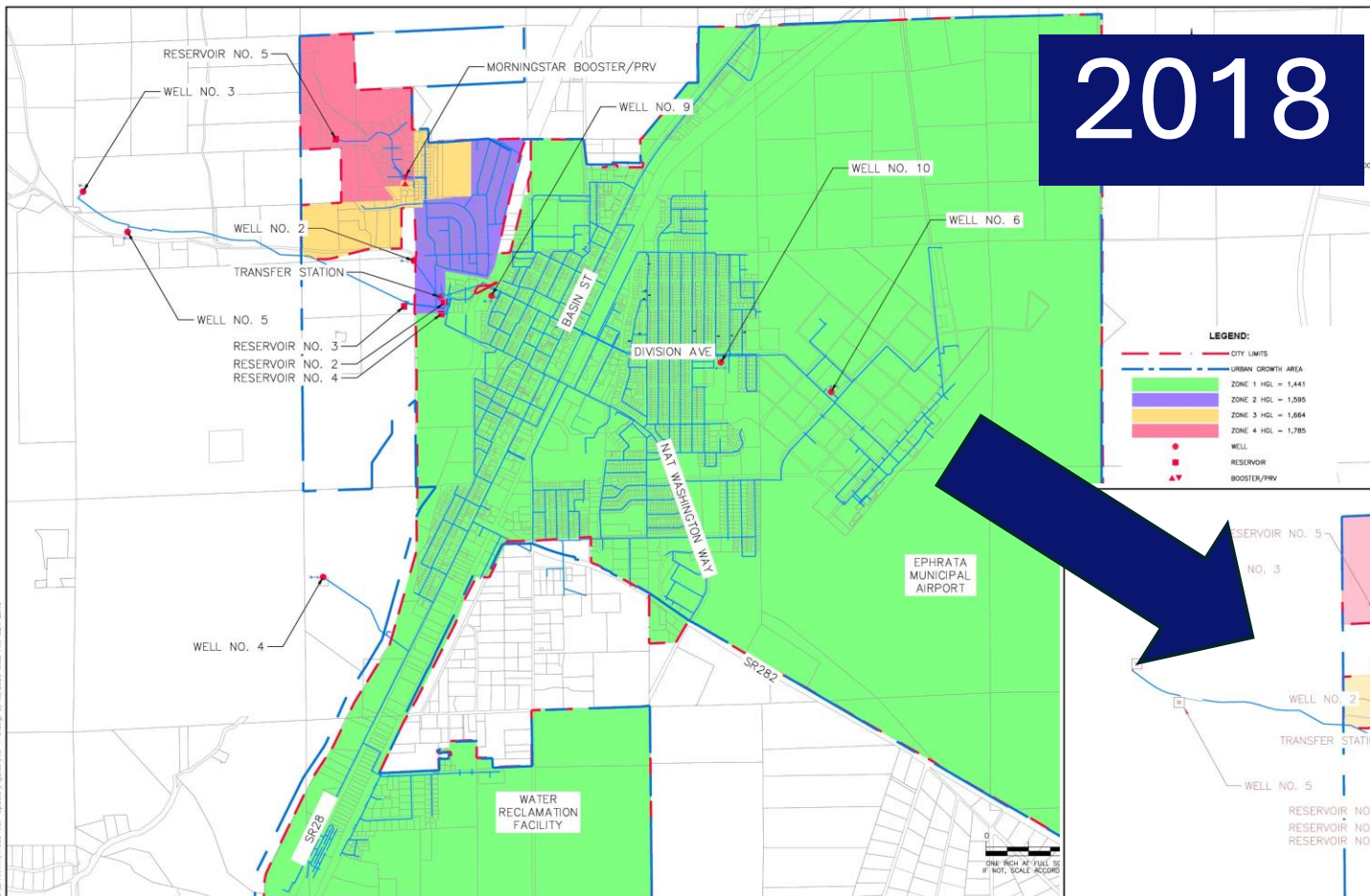


\$2,460,000
PROJECT

PRESSURE ZONE CHANGES

2018

2026



2027 AWARDED GRANT PROJECTS

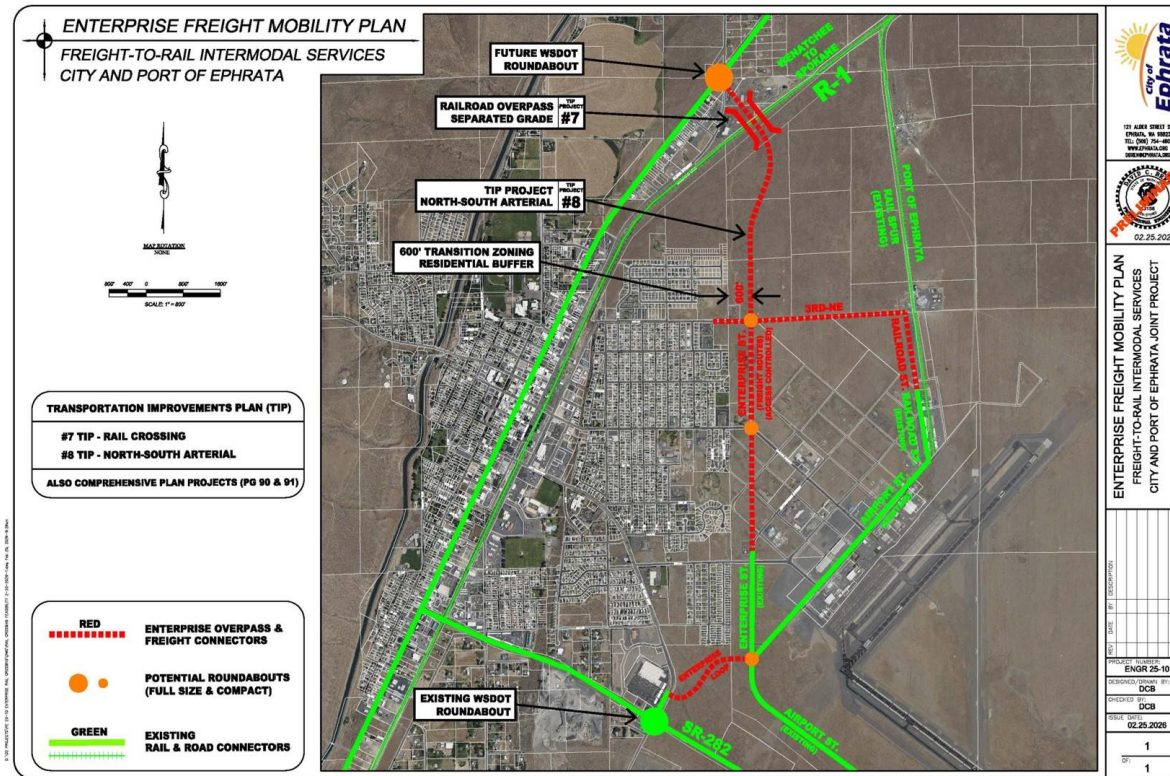
2027 PROJECTS		GRANT		MATCH	TOTAL
PORT	INDUSTRIAL REVITALIZATION PLAN (CITY & PORT)	CERB	\$75,000	10K EA (CITY & PORT)	\$95,000
	RECLAIMED WATER (PORT EXTENSION)	SIP	\$200,000	\$183,000	\$383,000
	FLOOD MITIGATION PLAN	SIP	\$112,500	\$38,500	\$150,000
	COMPREHENSIVE STORMWATER PLAN	CWF	\$118,500	\$6,500	\$125,000
	A-STREET OVERLAY	STBG	\$855,000	\$133,000	\$988,000
	BASIN STREET SIDEWALKS	SWCC	\$570,000	\$0	\$570,000
			\$1,931,000	\$381,000	\$2,311,000

84% GRANT FUNDED

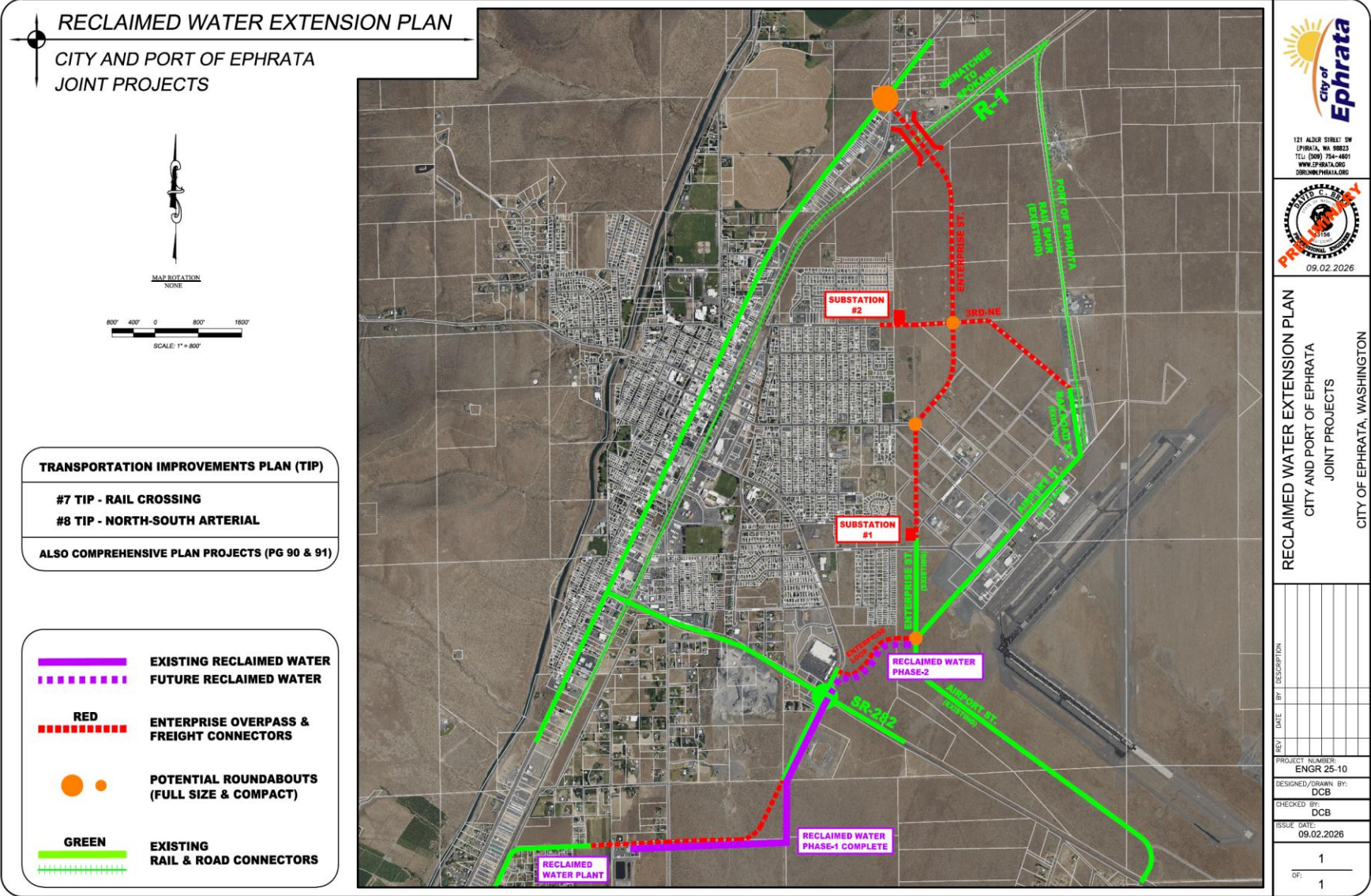
INDUSTRIAL REVITALIZATION PORT/CITY PLAN

Freight & Rail Mobility

- R-1 Rail Spur
- Freight-to-Rail Center
- Rail Storage Loop
- North-South Arterial
- Railroad Overpass
- Enterprise Loop



RECLAIMED WATER PORT EXTENSION



200K
SIP
GRANT



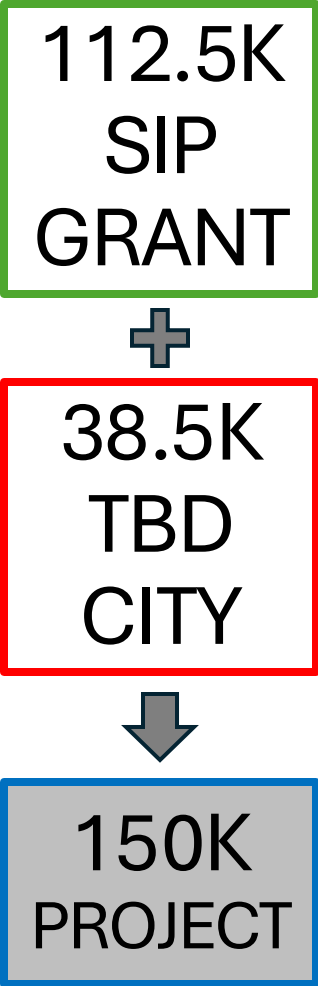
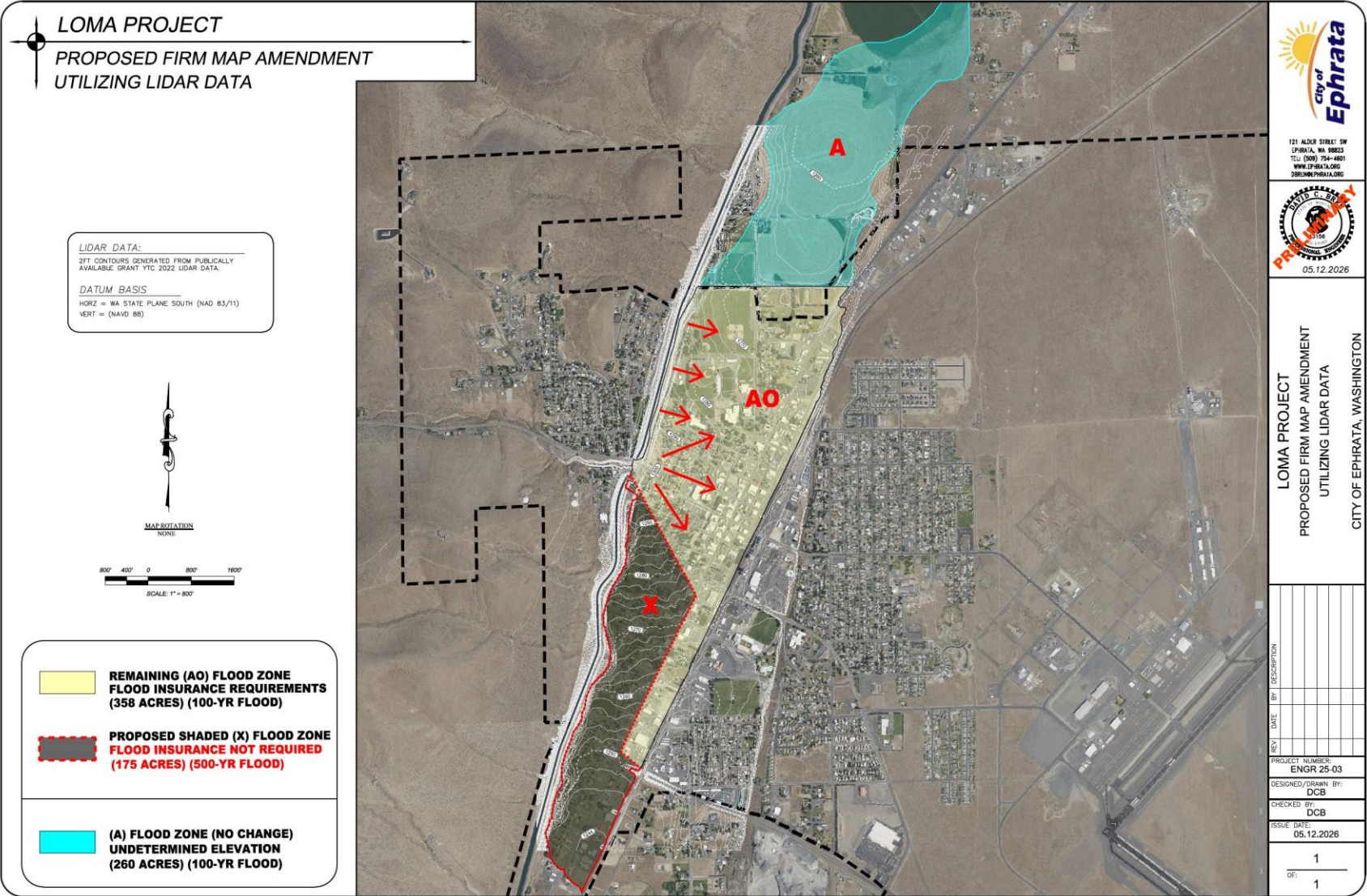
183K
SEWER
CITY



383K
PROJECT

*** (SIP) STRATEGIC INFRASTRUCTURE PROGRAM**

FLOOD MITIGATION PLAN



** (SIP) STRATEGIC INFRASTRUCTURE PROGRAM*

STORMWATER CONDITIONS ASSESSMENT PROJECT
DEPARTMENT OF ECOLOGY GRANT PLANNING MAP

-

121 ALDER STREET S
EPHRATA, WA 98822
TEL: (509) 754-4600
WWW.EPHRATA.ORG
DBREND@EPHRATA.ORG

[illegible]

125K PROJECT

*** (DOE) DEPARTMENT OF ECOLOGY
CLEAN WATER GRANT**

*** (FL) FORGIVABLE LOAN**

A-STREET OVERLAY IMPROVEMENTS

STA 0+00 TO 4+00

DRONE ORTHOPHOTO DATA:
 GROUND CONTROL SET BY TRIMBLE R8 MODEL 3
 UTILIZING VRS HIGHLY METHOD. DRONE FLIGHT BY
 D.J. PHANTOM 3 PRO. FLIGHT ON 04/22/2023 BY
 PILOT 107 DAVE BREN LICENSE #4184748,
 WITH LAANC PRIOR AUTHORIZATION.

DATUM BASIS
 HORIZ = WA STATE PLAIN SOUTH (NAD 83/11)
 VERT = WGS84 MONS CALIBRATION (NAVD 88)

MAP NOTATION
 80° EAST

SCALE 1" = 20'

*** (STBG) SURFACE TRANSPORTATION BLOCK GRANT**

*** (TBD) TRANSPORTATION BENEFIT DISTRICT**

PROJECT NUMBER:
CN 26-06

DESIGNED/DRAWN BY:
DCB

CHECKED BY:
DCB

ISSUE DATE:
06.17.2026

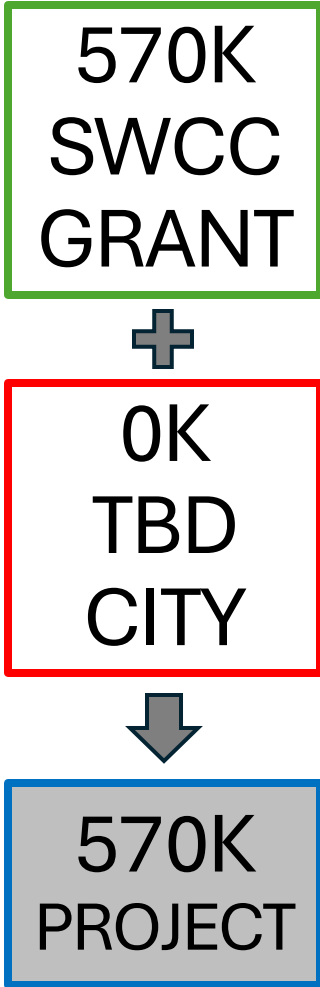
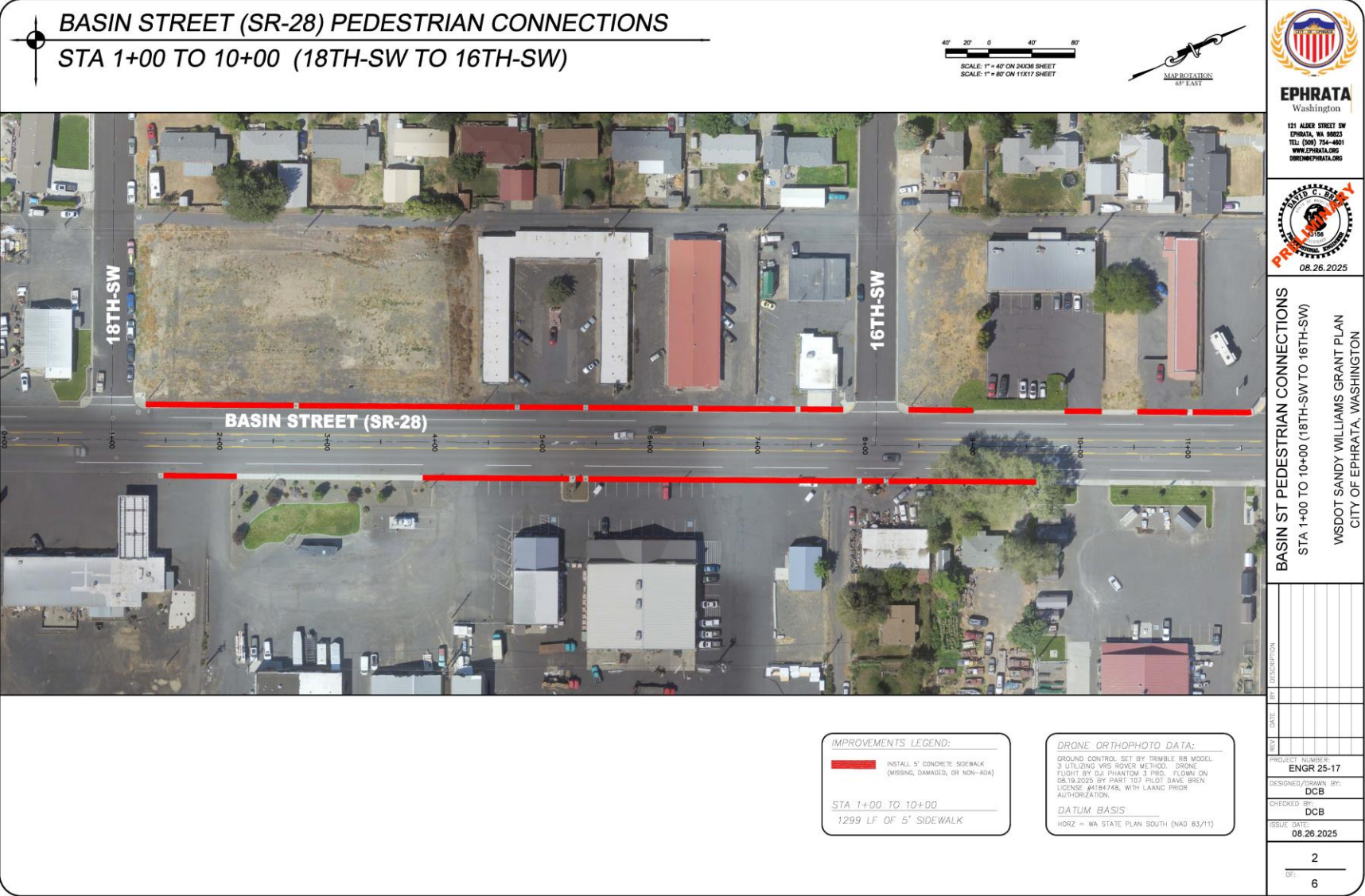
C2
OF 7

30% DESIGN



988K PROJECT

BASIN STREET SIDEWALKS



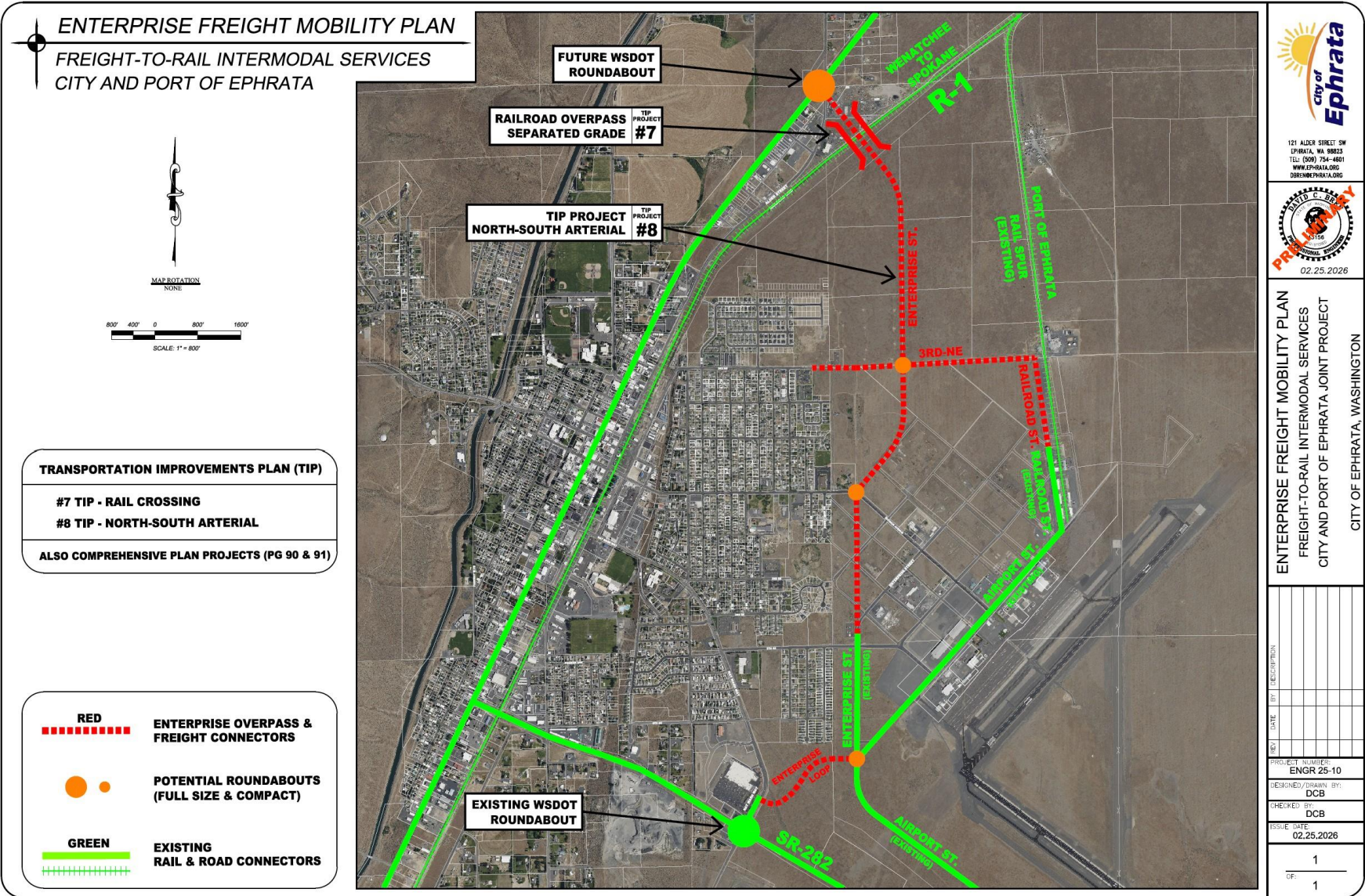
*** (SWCC) SANDY WILLIAMS CONNECTING COMMUNITIES GRANT**

2027 GRANT APPLICATIONS

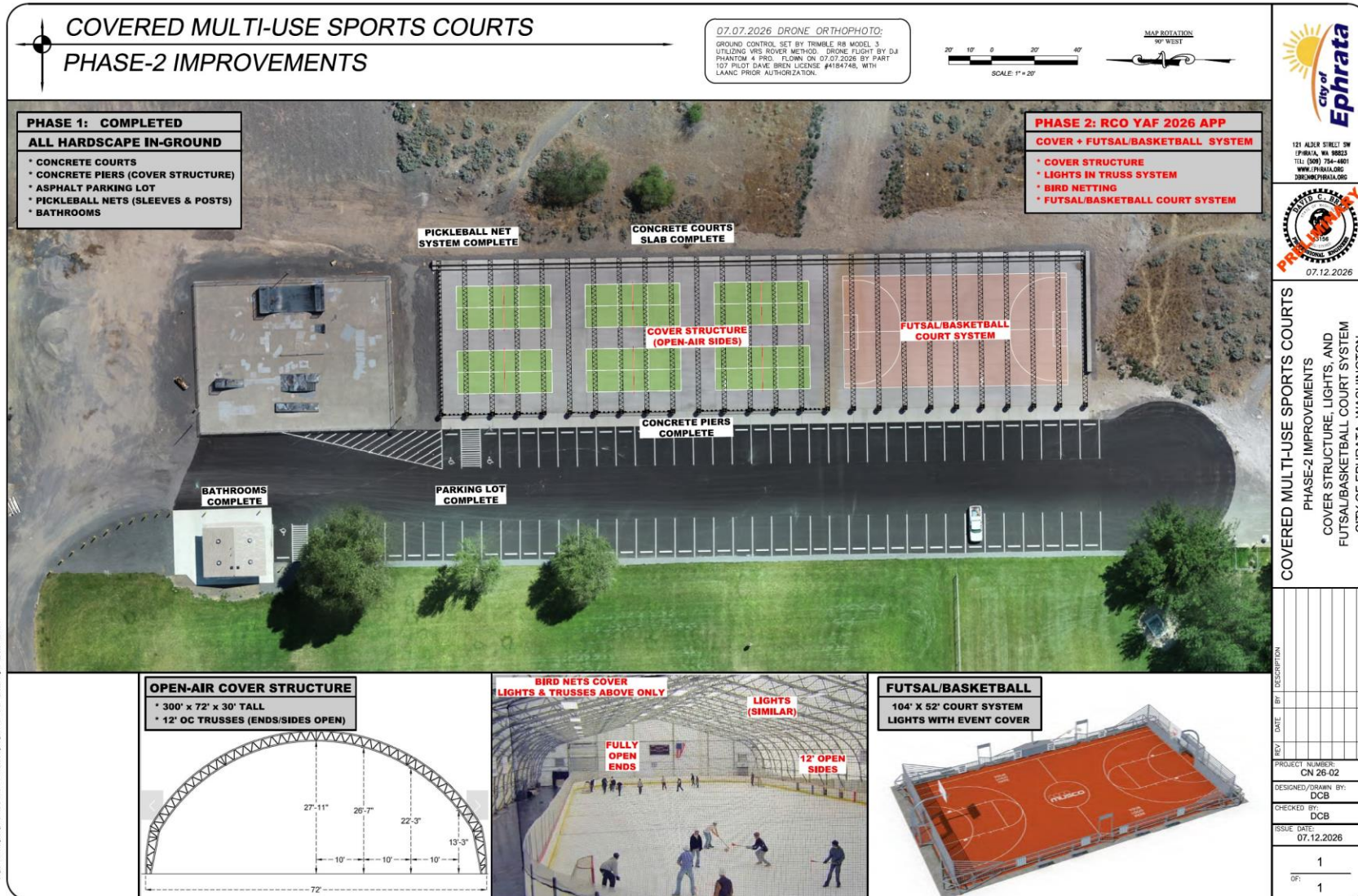
	2027 PROJECTS		GRANT	MATCH	TOTAL
PORT	N-S ARTERIAL & RAIL CROSSING (CITY & PORT ENGINEERING STUDY)	FMSIB	\$345,500	\$54,500	\$400,000
	COVERED SPORTS COURTS / EVENT CENTER	RCO	\$600,000	\$0	\$600,000
	BASIN STREET PEDESTRIAN IMPROVEMENTS	TIB	\$540,000	\$60,000	\$600,000
	2027 CHIP SEAL	TIB	\$334,000	\$37,000	\$370,000
			\$1,819,500	\$151,500	\$1,970,000

92% GRANT FUNDING

N-S ARTERIAL & RAIL CROSSING



COVERED SPORTS COURTS / EVENT CENTER



300K
RCO YAF
GRANT



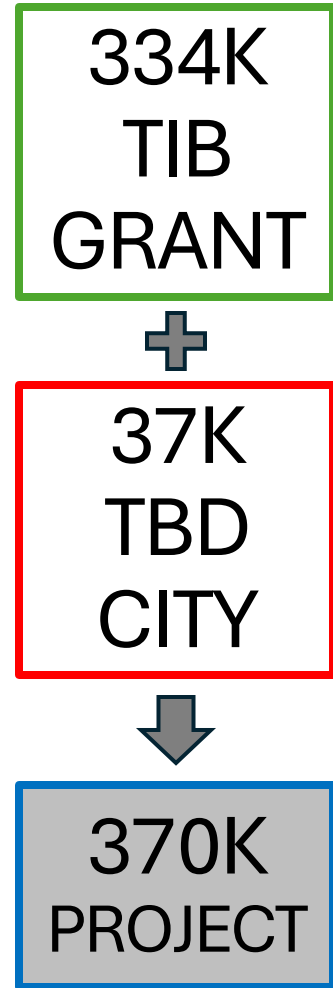
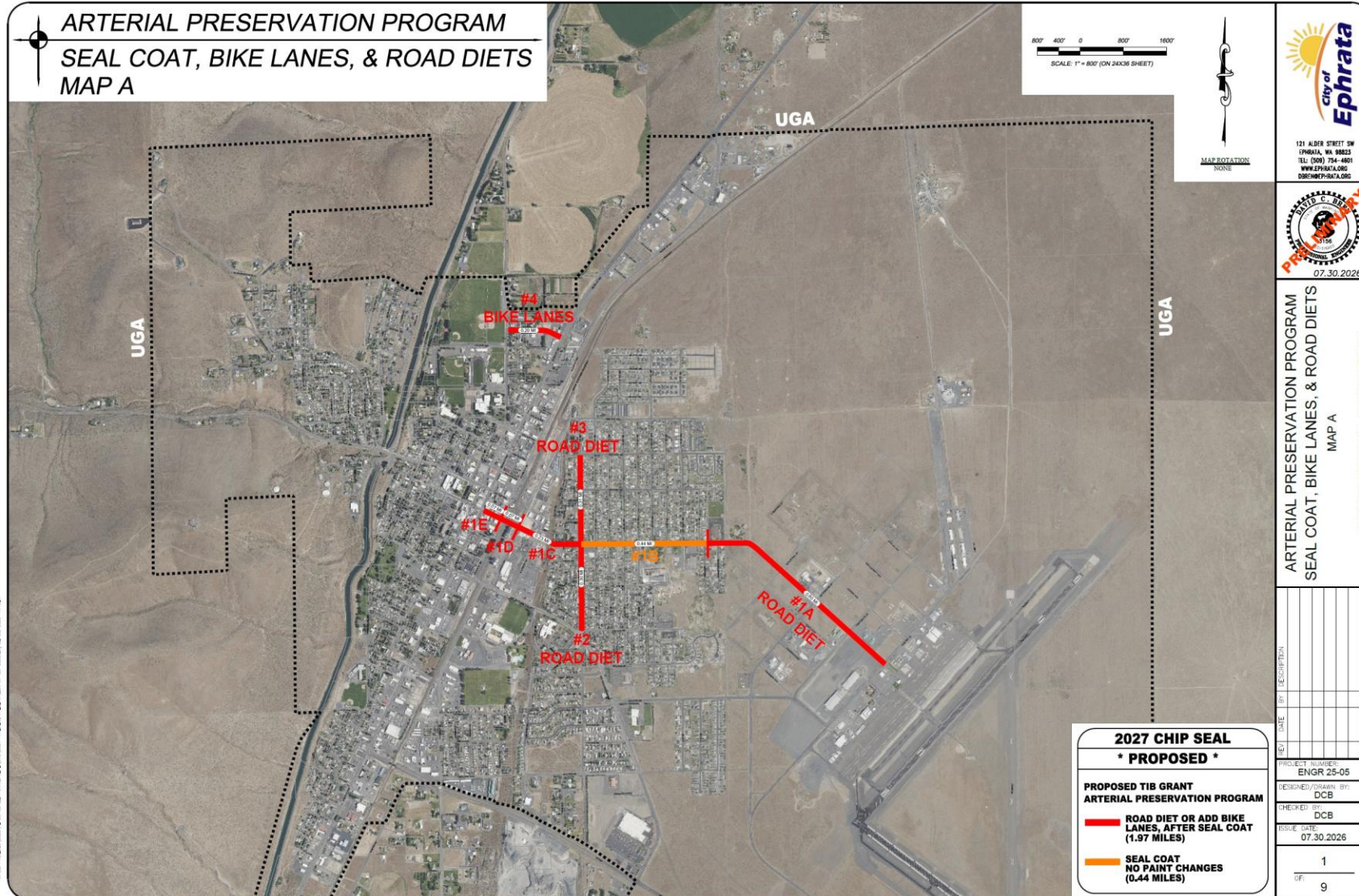
300K
LAUZIER
GRANT



600K PROJECT

*** (RCO) RECREATION AND CONSERVATION
OFFICE YOUTH ATHLETIC FACILITIES GRANT**

2027 CHIP SEAL PROJECT



* (TIB) TRANSPORTATION IMPROVEMENT BOARD
* (TBD) TRANSPORTATION BENEFIT DISTRICT

2027-2028
PUBLIC BUILDING FACILITIES

CITY HALL PROJECT (SOLAR-ROOF)

**16,760 SF
SOLAR
ROOF AREA**



EXAMPLE: MOSES LAKE CITY HALL



**COMPLETED
DEC 2025**

\$1,840,000



2026-2028 CITY GRANT PROJECTS

<https://www.ephrata.org/202/Grant-Planning>

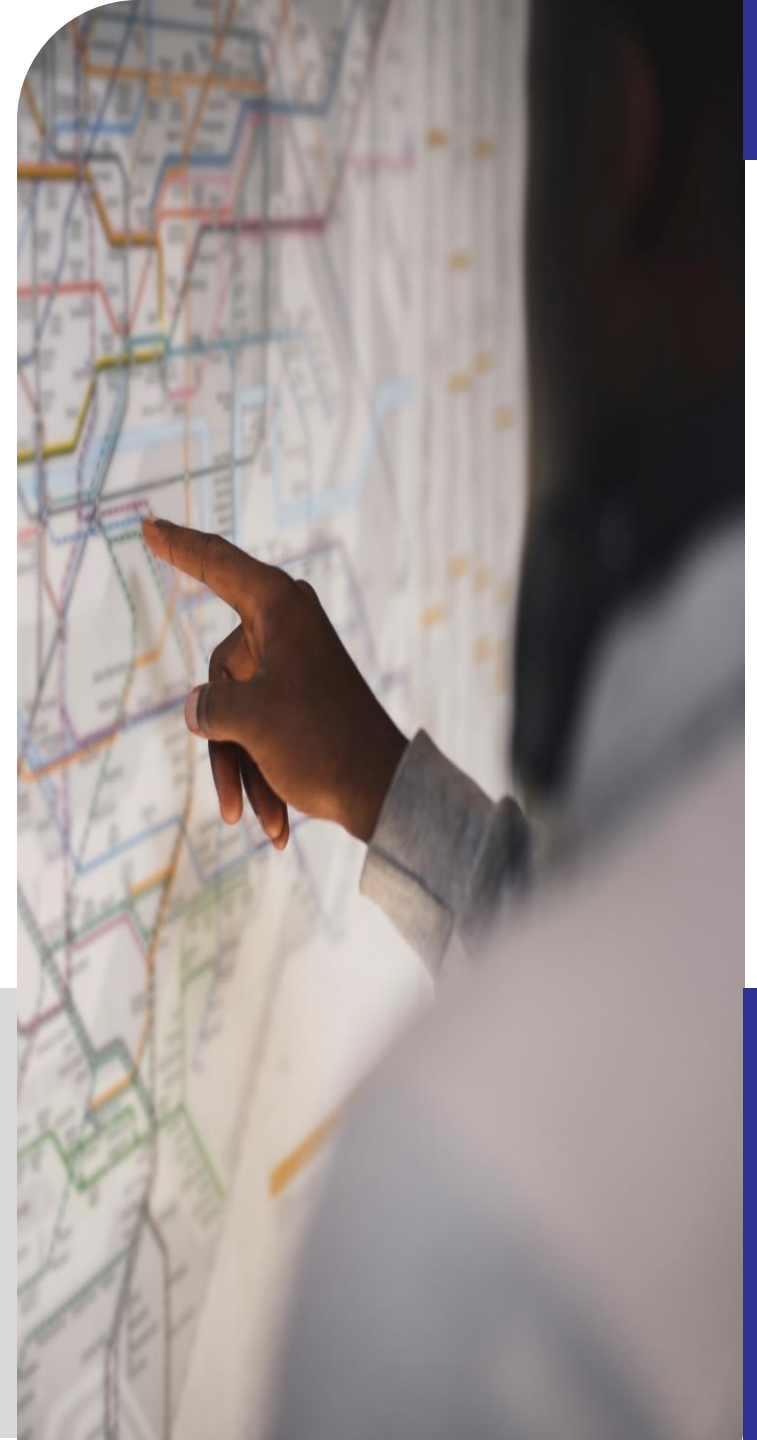
Steve Oliver,
Mayor

soliver@ephrata.org

Ray Towry,
City Administrator

rtowry@ephrata.org

www.ephrata.org





2026-2028 CITY GRANT PROJECTS

1. PARTNERSHIPS?
2. SUPPORT? (Legislative, etc.?)

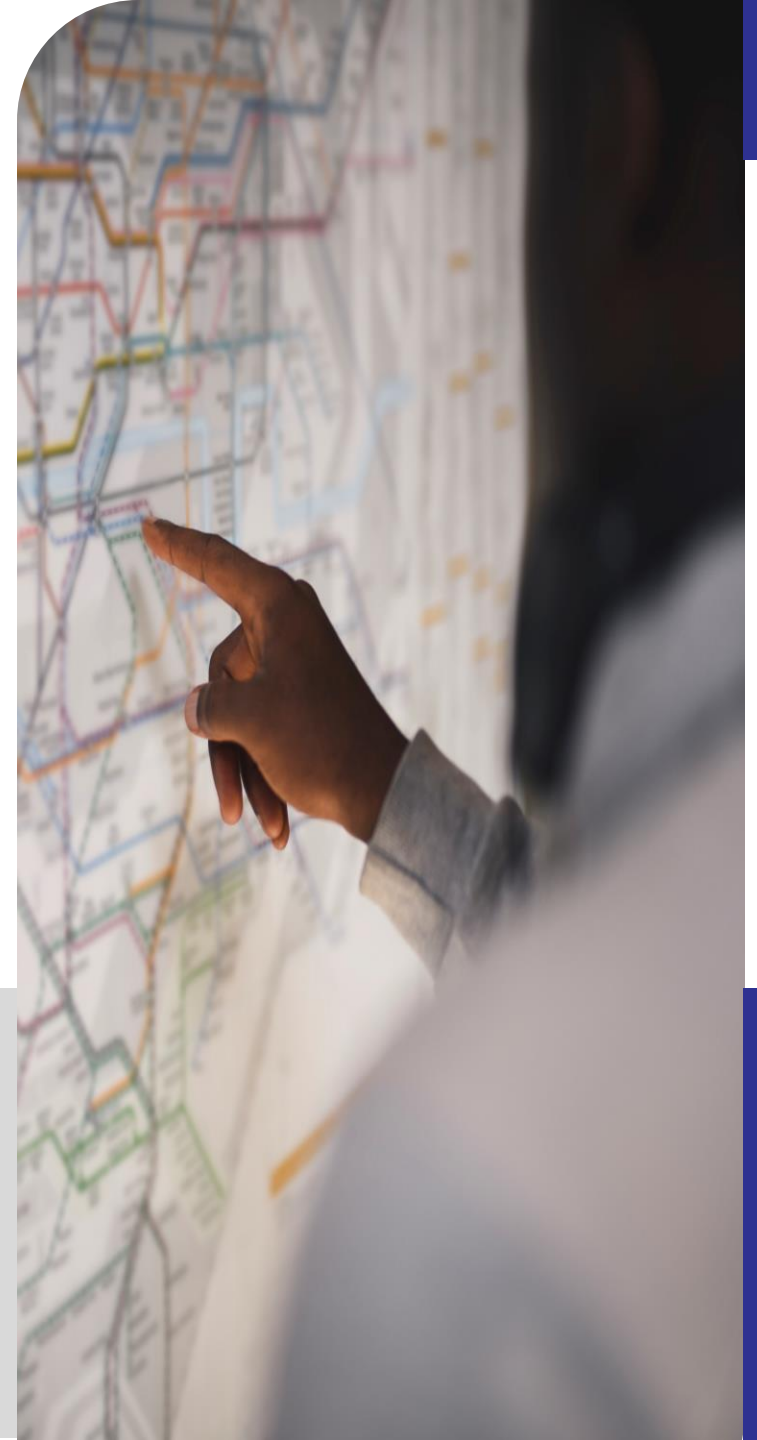
Steve Oliver,
Mayor

soliver@ephrata.org

Ray Towry,
City Administrator

rtowry@ephrata.org

www.ephrata.org



Wildfire Mitigation & Emerging Washington Policy

Washington HB 2275

September 8, 2026

Allen Allbee Emergency Management Coordinator
Matthew Harris, Senior Policy Analyst



Powering our way of life.

Agenda

- 1** Grant PUD wildfire mitigation program and why it matters
 - 2** Washington wildfire policy environment and HB 2275 context
 - 3** Potential impacts to Grant PUD: governance, financial, and public expectations
 - 4** Actions underway and recommended future coordination
-

Executive Summary

- Wildfire risk is increasing and utility expectations continue to evolve.
- Grant PUD's Wildland Fire Mitigation Plan provides a framework for risk reduction and resilience.
- HB 2275 reflects emerging statewide discussions regarding wildfire liability and recovery funding.
- Future proposals could introduce additional governance, financial, and reporting considerations.
- Grant PUD is actively implementing mitigation measures and monitoring policy developments.
- Ongoing coordination and preparedness initiatives contribute to the organization's overall wildfire resilience.

Strategic Importance

- Protect lives and property
- Support employee and public safety
- Reduce wildfire ignition likelihood and consequences
- Improve grid reliability
- Reduce operational and financial exposure
- Support community resilience

Grant PUD Wildfire Mitigation Program

Prevention

- Risk Assessment
- Asset Inspection Programs
- Vegetation Management

Preparedness

- Situational Awareness
- Training and Exercises

Coordination

- Partner Coordination
- Cross Department Collaboration
- Continuous Improvement

Washington State Wildfire Policy Environment

Current Trends

- Increasing wildfire frequency and severity
- Growing utility liability concerns
- Insurance market challenges
- Increased public scrutiny
- Legislative and regulatory interest

HB 2275 Overview

What the Bill Proposed

- Wildfire Prevention & Protection Council
- Wildfire Prevention & Protection Fund
- Utility participation requirements
- Claims reimbursement framework
- Mitigation plan oversight

Status

- Did not pass out of committee in 2026

Future Governance Considerations

Potential Future Considerations

- Council or regulatory oversight
- Mitigation plan review processes
- Compliance documentation
- Reporting requirements
- Performance accountability

Potential Financial Implications

Potential Future Considerations

- Program contributions
- Administrative costs
- Insurance expectations
- Compliance expenditures
- Potential customer impacts

Growing Public Expectations

Stakeholders Increasingly Expect Utilities To:

- Prevent wildfire ignitions
- Reduce risk where practical
- Demonstrate mitigation effectiveness
- Communicate preparedness efforts
- Continuously improve programs

Actions Underway

Grant PUD is already implementing key elements of its Wildland Fire Mitigation Program through existing operational practices and preparedness activities.

- Wildfire risks are routinely evaluated and incorporated into planning efforts.
- Utility assets are inspected and maintained to support system reliability and risk reduction.
- Vegetation Management activities help reduce potential wildfire impacts near infrastructure.
- Emergency preparedness capabilities are maintained through planning, training and coordination.
- Partnerships with local, regional, and state organizations support information sharing and response readiness.
- Program activities are regularly reviewed and refined as conditions, technologies, and best practices evolve.

Future Coordination

Staff Will Continue To:

- Monitor legislative and regulatory developments
- Track industry guidance and emerging practices.
- Maintain relationships with emergency response partners
- Monitor for potential impacts to utility operations and wildland fire programs
- Coordinate across Operations, Compliance, Risk Management, Government Affairs, and Emergency Management.
- Elevate significant developments to leadership and Commissioners as appropriate.

Key Takeaways & Discussion

No Immediate Action Required

- No new state wildfire mitigation requirements are currently in effect

Existing Efforts Continue

- Grant PUD's Willand Fire Mitigation Program already addresses many core wildland fire risk management expectations.

Staff Will Return as Needed

- Updates will be provided if significant legislative, regulatory, or operational developments warrant further discussion or action.

Closing Summary

No Commission Action Requested Today

- Grant PUD's existing Willand Fire Mitigation Program will continue to support wildfire risk reduction, preparedness, and operational resilience.
- Staff will continue to monitor legislative, regulatory, and industry developments that may affect utility wildland fire mitigation expectations.
- Cross-functional coordination among Operations, Risk Management, Compliance, Government Affairs, Emergency Management and leadership will continue through existing processes.
- Staff will return to the Commission if future developments require awareness, direction, or a governance decision.

Thank you!

Legal, Regulatory, and Government Affairs

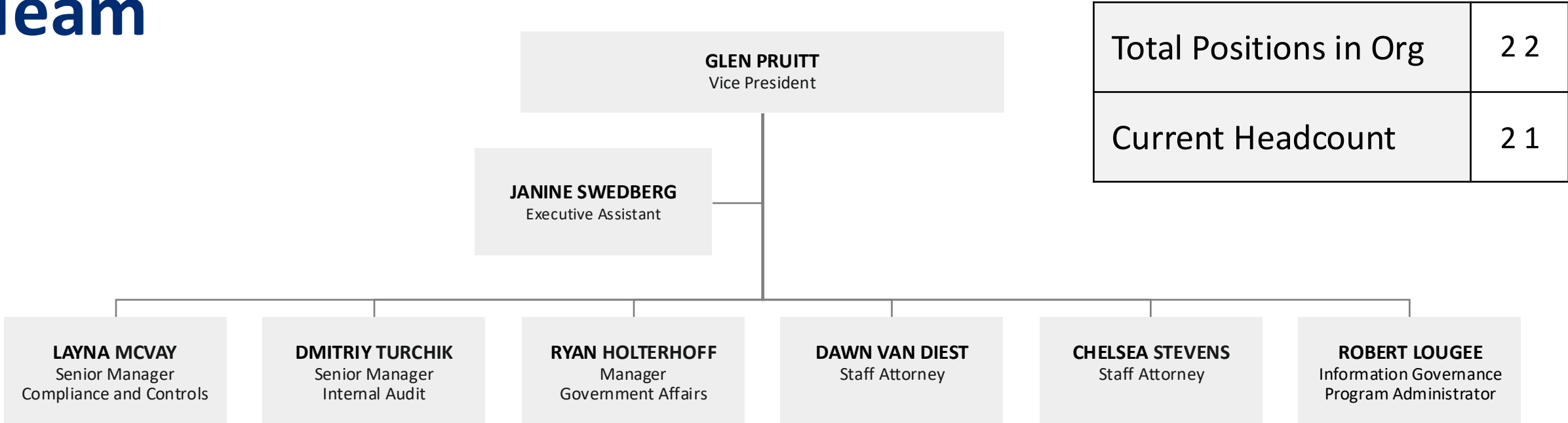
September 8, 2026

Glen Pruitt, VP LR&G



Powering our way of life.

Team



Staff Updates:

- Janine Swedberg – Executive Assistant III – LR&G – Started 6/22/2026
- Carlie Peebles – Records Specialist – IGC – Started 7/20/2026
- Nikkole Hughes – Senior Policy Analyst – Government Affairs – Started 8/17/2026

Enterprise Balanced Scorecard

Effective Lobbyist Target: 75% Measure Value: 86%	Self-Identifying Compliance Concerns Target: >5 Measure Value: 4.7
<i>% Participation in GA Recommended Events</i>	<i>Ratio of Self-Identified to Externally-Identified Compliance Issues</i>
Green	Yellow

- Next Engagements
 - AWB Policy Summit in Spokane - September 15-17
 - PPC FUEL Meeting – October
 - PPC and NWRP Annual Meeting in Portland – November 4-5

Executive Financial Overview

JULY 2026

O&M DIRECTS YTD			
YTD BUDGET	ACTUALS	YTD VARIANCE	YTD VAR %
\$614K	\$520K	(\$94K)	-15.3%

O&M DIRECTS YE PROJECTION			
TOTAL BUDGET	YEP	YE VARIANCE	YE VAR %
\$1,223K	\$1,187K	(\$36K)	-2.9%

LABOR YTD			
YTD BUDGET	ACTUALS	YTD VARIANCE	YTD VAR %
\$1,562K	\$1,538K	(\$24K)	-1.5%

LABOR YE PROJECTION			
TOTAL BUDGET	YEP	YE VARIANCE	YE VAR %
\$2,919K	\$2,853K	(\$65K)	-2.2%

COST CATEGORY TYPE	YTD BUDGET	ACTUALS	YTD VARIANCE	YTD VAR %
G&A	\$123,860	\$51,478	(\$72,383)	-58.4%
Total	\$123,860	\$51,478	(\$72,383)	-58.4%

G&A: \$72K Favorable | Outside of target; WAPPU membership was miscoded, correction pending (\$87K).

Management Focus

The Document Management program is working to clean up Policy documents and improve the policy approval process.

Staff are starting with targeted departments to identify where simplification and streamlining can occur, and to ensure information is in the correct document type to be simpler for the user and put the approval at the right level.

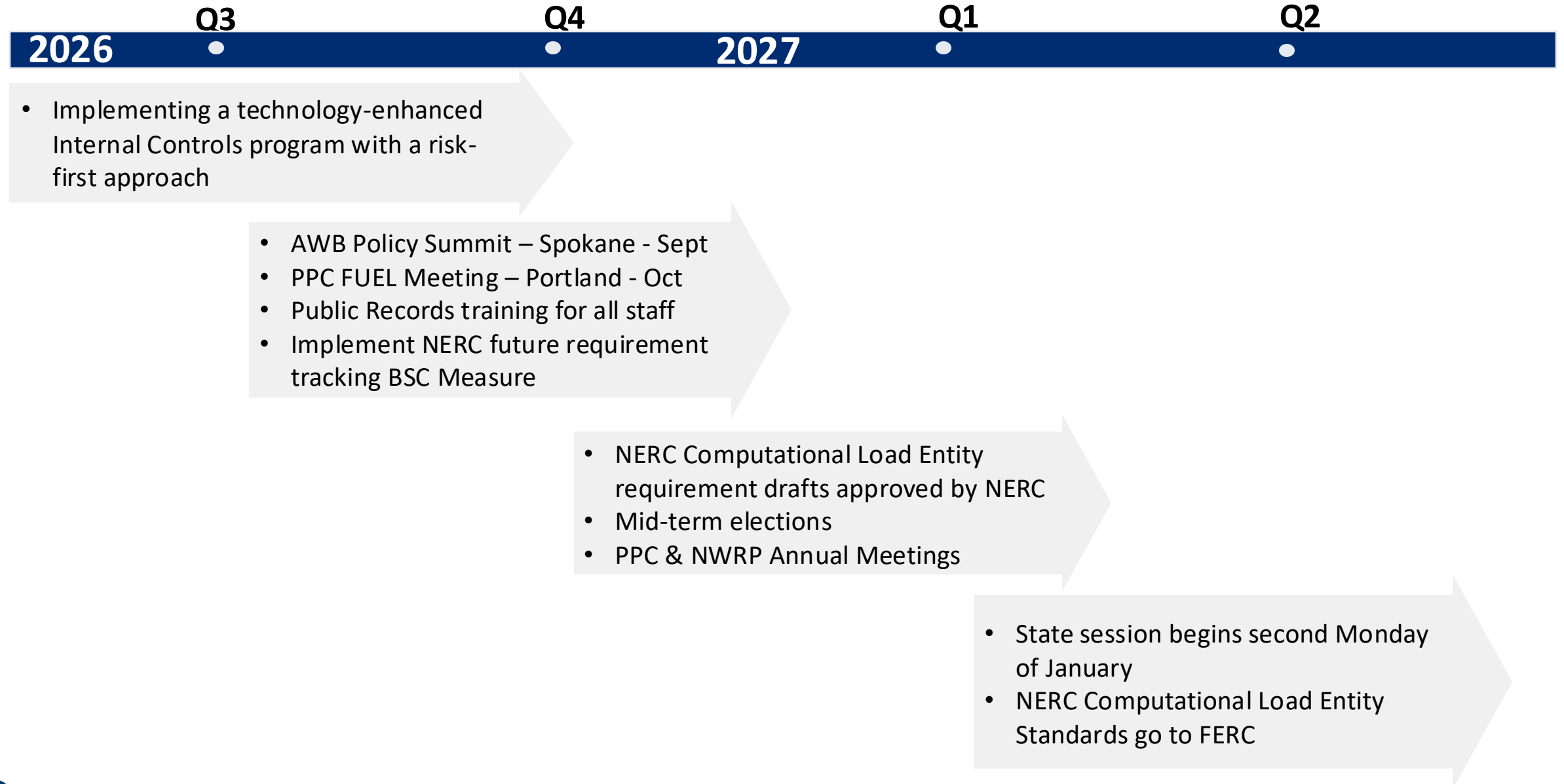
- The multi-phase sunset of past Resolutions for certain Commission-approved documents improves the Policy approval process
- Adding a new Business Practice document type reduces the need for Policies that require longer approval processes
- Policies requiring CEO/GM approval will be simple, straightforward, and should not change very often



Improvements to the Document Management program are designed to:

- Realign approval authority of documents to reduce bureaucracy and improve efficiency
- Reduce the number of Policy documents
- Simplify documents to improve the user experience

Near-Term Business Plan



Long-Term Business Plan

2027

2028

2029

- Refining Commission Engagement Strategy
- Implement Medium Impact CIP Program

- Electronic Records/File Management

- Internal Controls – Coordination with Risk and Internal Audit
- WECC Audit

Closing Summary

- Upcoming Government Affairs engagements

Timeframe	Engagement
Sept 15-17	AWB Policy Summit - Spokane
Nov 4-5	PPC & NWRP Annual Meeting - Portland
As Possible	Other engagements with associations and other member and agency interactions

Thank You!



Department Name:	Key Presenters:	Date:
Legal, Regulatory, and Government Affairs	Glen Pruitt	September 8, 2026

RECAP

Issues and Drivers

- Build upon advocacy successes
- Streamline Document Management (Policy) process
- Transition from reactive compliance to forward looking processes

NEAR-TERM PLANS (CURRENT THROUGH Q2 2027)

Project Updates

- NERC Computational Load Entity registration and Standard changes
- NERC future requirement tracking mechanism
- Preparation for January state session

LONGER-TERM STRATEGY (2027 THROUGH 2029)

Roadmap

- Implement Medium Impact CIP Program
- Electronic Records/File Management
- Internal Controls – Coordinate with Risk and Internal Audit

Strategy

- Establish 2027 Commission Engagement Plan
- Refine project driven compliance workplan process
- Electronic record/file management process effectiveness and efficiency

COMMISSION SUPPORT: KEY ASKS

Specific Requests

- Continue support for various Government Affairs activities, including attending BSC events including September AWB Policy Summit in Spokane and October PPC Fuel Meeting
- Continue support for Document Management (policy) process improvements

Power Production

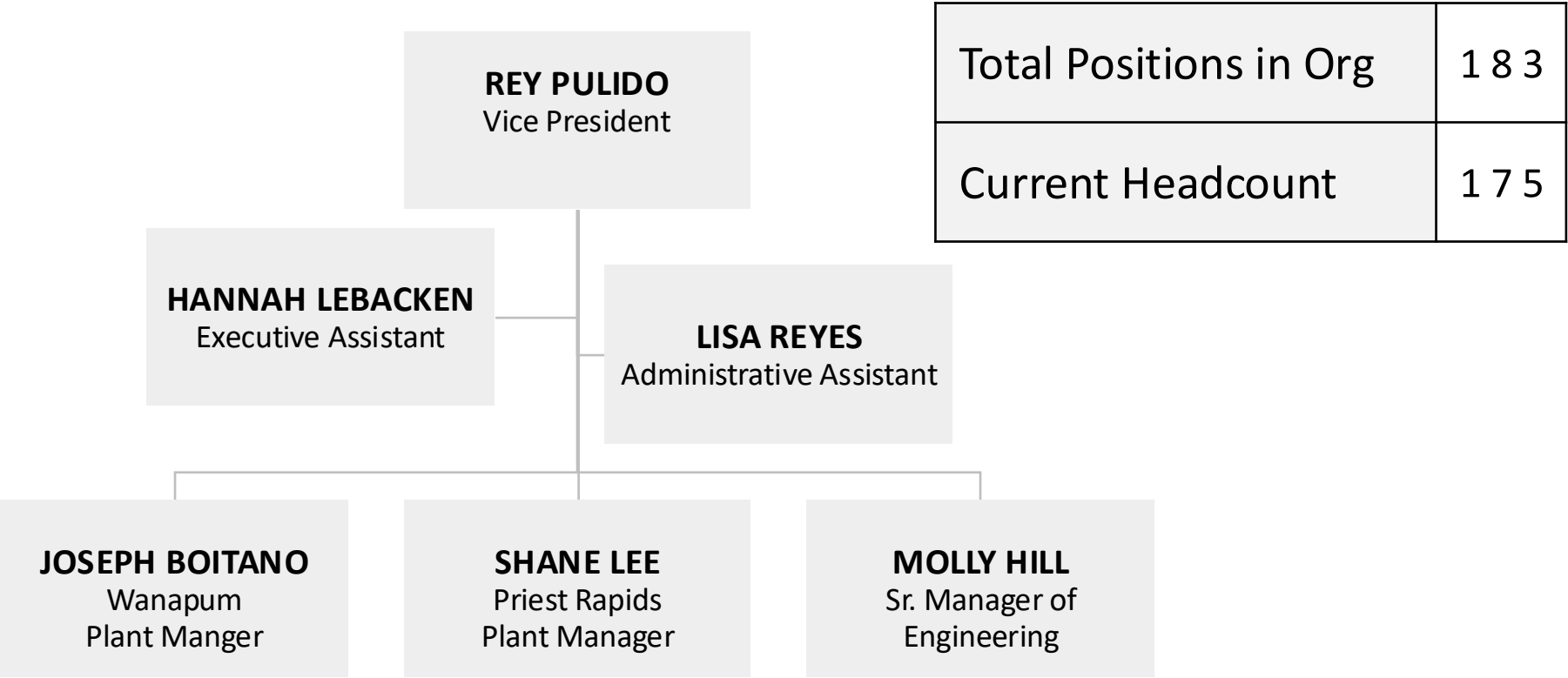
September 8, 2026

Rey Pulido, VP of Power Production Operations



Powering our way of life.

Team



Staff Updates:

- New Mechanical Engineer, Ben Grogan.
- Open positions: Electrical Engineer, Plant Leadership (future), Hydro Electrician

Enterprise Balanced Scorecard

Priest Rapids Unit Availability	Wanapum Unit Availability
<i>Percent of unit availability</i> 90%	<i>Percent of unit availability</i> 100%
Green	Green

- Reminder, targets tolerances have been adjusted.
- Continue to pursue strong scheduling, planning, and coordination efforts.
- August targets will not be met due to FOERs at both Wanapum and Priest Rapids

Executive Financial Overview

JULY 2026

O&M DIRECTS YTD			
YTD BUDGET	ACTUALS	YTD VARIANCE	YTD VAR %
\$5,253K	\$4,364K	(\$889K)	-16.9%

O&M DIRECTS YE PROJECTION			
TOTAL BUDGET	YEP	YE VARIANCE	YE VAR %
\$10,131K	\$9,588K	(\$544K)	-5.4%

LABOR YTD			
YTD BUDGET	ACTUALS	YTD VARIANCE	YTD VAR %
\$15,594K	\$15,645K	\$51K	0.3%

LABOR YE PROJECTION			
TOTAL BUDGET	YEP	YE VARIANCE	YE VAR %
\$27,378K	\$27,780K	\$403K	1.5%

COST CATEGORY TYPE	YTD BUDGET	ACTUALS	YTD VARIANCE	YTD VAR %
Purchased Services	\$1,449,627	\$884,807	(\$564,821)	-39.0%
G&A	\$1,582,939	\$1,366,389	(\$216,550)	-13.7%
Total	\$3,032,566	\$2,251,196	(\$781,370)	-25.8%

This table reflects the largest variance cost category types only.

Purchased Services: \$565K Favorable | Outside of Target; PR left embankment drilling program development work deferred to 2027 (\$350K). QTEP SWYD Review work budgeted as O&M but expensed as capital (\$100K). Elevator work cancelled (\$100K).

G&A: \$217K Favorable | Outside of Target; Regulatory Expenses (\$134K) delayed to September.

Capital

JULY 2026

Budget	YEP	Budget Variance
\$87,775,875	\$89,560,616	\$1,784,741

Budget	Approved Spend	Budget & Approved Spend Variance
\$87,775,875	\$90,059,159	\$2,283,284

Initiative	Capital Approved Spend	YTD Actuals	Projections	YEP	Approved Spend Variance
IN203 - PR Spillway Stability Improvements	\$28,976,475	\$10,049,865	\$21,648,880	\$31,698,745	\$2,722,270
IN255 - PRP Station & Substation Replace	\$1,228,870	\$1,461,022	\$310,908	\$1,771,930	\$543,060
IN333 - Wanapum Emergency Diesel Generator	\$623,871	\$954,326	\$173,417	\$1,127,743	\$503,872
IN594 - PRP Powerhouse Substation Upgrade	\$880,000		\$44,000	\$44,000	(\$836,000)
IN205 - WAN Left Embankment Improvements	\$1,838,861	\$407,813	\$409,660	\$817,473	(\$1,021,388)
IN213 - PR Generator Rewind	\$11,997,214	\$2,541,459	\$8,427,217	\$10,968,675	(\$1,028,539)
IN214 - PR Turbine Upgrade	\$35,773,603	\$7,958,424	\$25,401,514	\$33,359,938	(\$2,413,665)
Total	\$90,059,159	\$26,465,379	\$63,095,237	\$89,560,616	(\$498,543)

The table displays only the largest variances; smaller variances are included in the total but not shown.

Management Focus

CURRENT & FUTURE STATE

FUNCTIONAL AREA	Power Production <i>Maximize the value of our finite Power Production assets while not compromising safety, compliance, and reliability.</i>		
BUSINESS UNIT	Wanapum Dam	Priest Rapids Dam	Power Production Engineering
DEPARTMENT (Current State)	PLANT MAINTENANCE	PLANT MAINTENANCE	ELECTRICAL ENGINEERING
	MAINTENANCE CENTER		MECHANICAL ENGINEERING
	OPERATIONS	OPERATIONS	ENGINEERING SERVICES
			DAM SAFETY/CIVIL ENGINEERING
			TURBINE AND GENERATOR ENGINEERING
New/Reorg Department			
DEPARTMENT (Future State)	PLANT MAINTENANCE	PLANT MAINTENANCE	PROJECT ELECTRICAL ENGINEERING
	MAINTENANCE CENTER		MAINTENANCE & RELIABILITY ENGINEERING
	PLANT OPERATIONS	PLANT OPERATIONS	ENGINEERING SERVICES
			DAM SAFETY/PROJECT CIVIL ENGINEERING
	PLANT COORDINATION	PLANT COORDINATION	PROJECT MECHANICAL ENGINEERING

Business Assessment Outcomes

- Increased focused on role clarity
- Additional coordination, scheduling, and planning support
- Organizational shifts will support long term business strategies
- Increased leadership support with frontline staff
- Engineering department modifications to support asset management and project execution

Management Focus

The What: *Optimize our current generation resources*

Why: *Increasing capacity value, generation value, and preparation to transition into WRAP, will require Power Production to maximize the availability of hydro resources.*

Strategies:

- *Adjust unit outage sequencing.*
- *Increase analysis on required maintenance and asset health.*
- *Modify resource structure during outage windows.*
- *Improve planning, coordination, and execution.*

Management Focus

WD

Wanapum Dam Overhaul Program

Home

Notebook

Documents

Pages

Project Management

Site contents

Recycle bin

Turbine Generator Unit Overhaul

A turbine generator unit (TGU) overhaul is a scheduled major maintenance effort focused on restoring equipment performance, improving reliability, and extending operational life. This process includes detailed inspection, repair, and refurbishment of the turbine, generator, and associated auxiliary systems.

Scope of work includes:

- Turbine disassembly, inspection of blades and rotors, and replacement of bearings and seals
- Generator inspection, electrical testing, and cooling system maintenance
- Servicing of auxiliary systems such as lubrication, controls, and protection equipment

Key activities:

- Mechanical and electrical inspections and diagnostic testing
- Repair or replacement of worn components
- Precision reassembly and alignment
- Commissioning and operational testing

Benefits:

- Increased efficiency and reliability
- Reduced risk of unplanned outages
- Extended asset lifespan



Kaitlyn Neill

Project Manager

☐ 00 - Integration

☐ 01 - Scope

☐ 02 - Schedule

☐ 03 - Cost

☐ 04 - Quality

☐ 05 - Resource Management

☐ 06 - Communication Management

☐ 07 - Risk Management

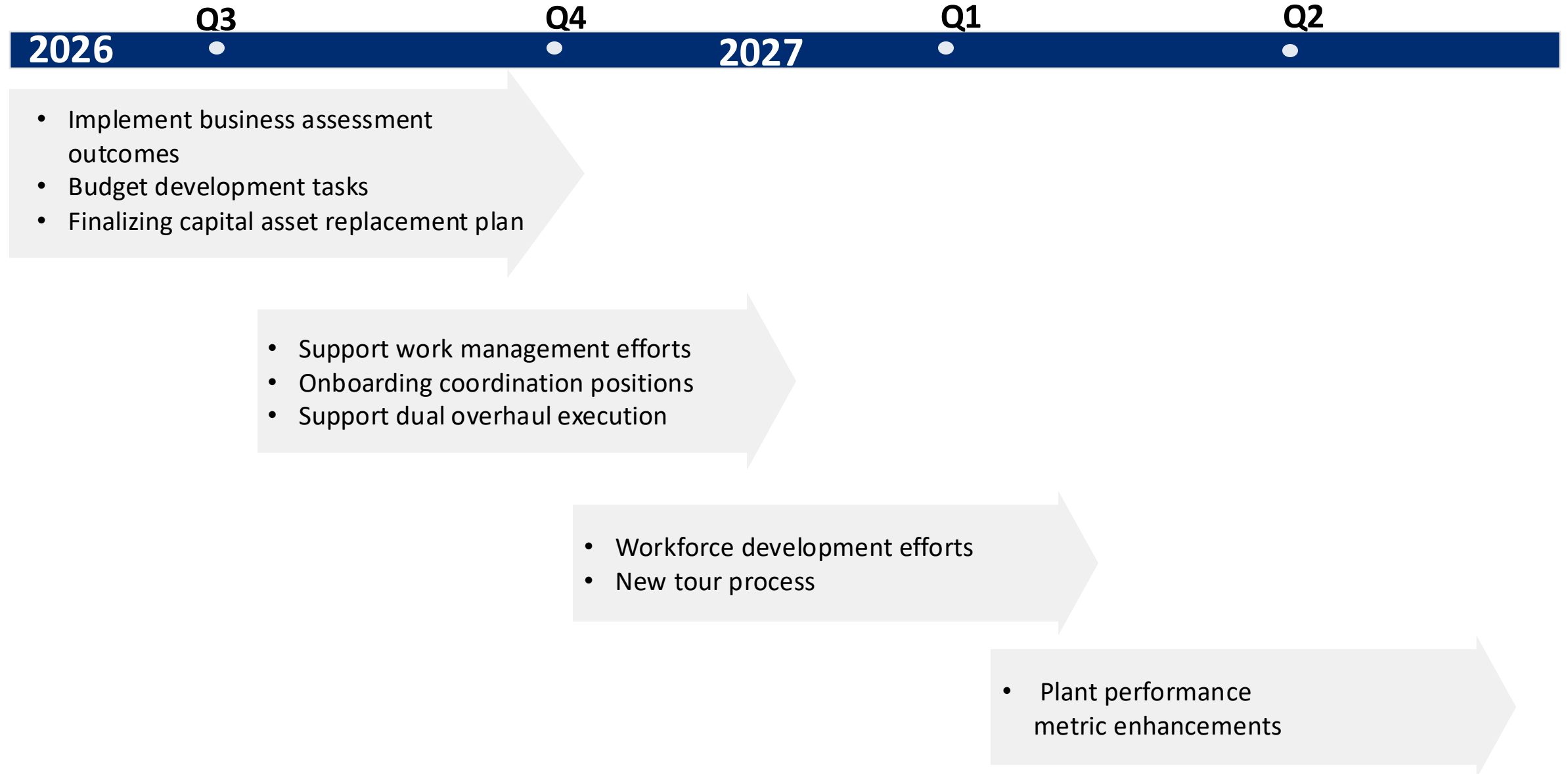
☐ 08 - Procurement

☐ 09 - Stakeholder Management

Unit Overhaul Maintenance-Efforts to Optimize

- Power Production has partnered with Project Management
- Preventative maintenance outage on W09/W10 has been treated as a “project”
- Project management principles will be exercised during outage
 - Planning- scope, timeline, budget, resources, schedule, etc.
 - Governance structure
 - Communication plans
- Total cost and project performance will be measured

Near-Term Business Plan



Long-Term Business Plan

2027

2028

2029

- Document management enhancements
- Align outage strategies commercial market initiatives

- Implementation of new Centralized Maintenance Management System (CMMS)
- Strengthen asset reliability

- Prepare transition away from T&G upgrades

Closing Summary

- Power Production is on track to achieve annual generation and reliability objectives while strengthening the planning and execution practices necessary to sustain long-term asset performance and operational resilience.
- No Commission action is requested this quarter.

Thank You!



Department Name:	Key Presenters:	Date:
Power Production	Rey Pulido, VP of Power Production Operations	September 8, 2026

RECAP

Issues and Drivers

- Tracking to meet annual generation and reliability objectives.
- Priest Rapids and Wanapum unit availability remain green against scorecard measures.
- Continued focus on scheduling discipline, planning coordination, and outage readiness.
- Financial variances are primarily timing-, deferral-, and reclassification-driven.

NEAR-TERM PLANS (CURRENT THROUGH Q2 2027)

Project Updates

- Implement business assessment outcomes and strengthen role clarity.
- Add coordination, scheduling, and planning support to improve execution.
- Finalize budget tasks and the capital asset replacement plan.
- Support dual overhaul execution and apply project management discipline to W09/W10 work.
- Advance workforce development, new tour process, and plant performance metrics.

LONGER-TERM STRATEGY (2027 THROUGH 2029)

Roadmap

- Strengthen long-term asset reliability and outage optimization.
- Enhance document management and align outage strategies with market initiatives.
- Implement a new Centralized Maintenance Management System.
- Prepare for transition away from turbine and generator upgrades.

Strategy

- Shift from asset maintenance focus to a stronger operating model.
- Build management systems, workforce capability, and execution discipline.
- Sustain reliable generation through increasingly complex operating, capital, and market conditions.

COMMISSION SUPPORT: KEY ASKS

Specific Requests

- Power Production is on track to achieve annual generation and reliability objectives.
- Planning and execution practices continue to strengthen long-term asset performance and operational resilience.
- No Commission action is requested this quarter.