

Grant PUD Strategic Plan

Draft – October 13, 2026

Commission Review Draft

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Executive Summary

Grant PUD is entering one of the most significant periods of change in its history. Rapid growth in electricity demand, evolving clean-energy requirements, and increasing reliability expectations are reshaping the energy industry. Demand within Grant County, driven primarily by large industrial and high-density compute customers, is projected to nearly double by 2032. At the same time, Washington State's clean-energy requirements and the growing need for resource adequacy are creating new challenges for utilities across the region. Grant PUD must prepare for a future in which customer demand exceeds the capacity of its existing hydroelectric resources while continuing to provide reliable, affordable service.

For more than 60 years, the Priest Rapids and Wanapum hydroelectric facilities have served as the foundation of Grant PUD's power system and customer value proposition. While these resources remain central to the utility's future, meeting tomorrow's needs will require additional investments in generation resources, transmission infrastructure, regional partnerships, and organizational capabilities. No single initiative can address these challenges. Success will require a coordinated strategy that balances growth, reliability, affordability, regulatory compliance, and long-term financial sustainability.

Over the next three years, Grant PUD will focus on five corporate strategic priorities:

- Develop and mature critical business capabilities, including merchant operations and transmission planning.
- Expand the energy resource portfolio through new technologies, resource acquisitions, and long-term planning.
- Increase regional coordination through organized energy markets and resource adequacy programs.

- Pursue large-load partnerships that enable responsible growth while protecting existing customer owners.
- Proactively engage in energy policy discussions that affect the future of public power and our customer owners.

Achieving these priorities requires more than infrastructure investments. It also requires organizational excellence. Grant PUD's Business Strategy provides the framework for execution through the Balanced Scorecard methodology. By focusing on People, Learning & Culture; Process & Technology; Customer & Stakeholder; and Financial performance, the utility will align employees, resources, technology, and decision-making to measurable outcomes that advance its strategic objectives.

The purpose of this plan is simple: prepare Grant PUD for the future while protecting what matters most today – continuing to deliver reliable, affordable energy and services while creating long-term value for the customer owners and communities we serve. We achieve this through disciplined planning, thoughtful investments, strong partnerships, and operational excellence.

Introduction

On November 8, 1938, the citizens of Grant County took a leap of faith and created their own public utility: Public Utility District No. 2 of Grant County. That decision led to Priest Rapids Dam beginning power generation in 1959 and Wanapum Dam following in 1963. Together, these hydroelectric facilities remain the foundation of the power we provide to our customer owners.

Since that innovative beginning, Grant PUD is experiencing some of the fastest energy demand growth among public power utilities in the nation and earned a reputation as a pioneering leader in publicly owned energy services.

Much has changed during Grant PUD's 88-year history. The communities and industries we serve continue to grow, customer expectations are evolving, and technology is advancing rapidly. Over the next three years, we must respond intentionally to changing technological, environmental, economic, political, and social conditions. This need led us to refresh Grant PUD's Strategic Plan.

This refreshed plan builds on the strengths of the previous plan while narrowing our focus to the work that will have the greatest impact. Covering 2026–2028, it continues our tradition of innovation by anticipating future conditions, renewing our commitment to employees and customer owners, and continuously improving how we operate.

Our Strategic Foundation

Our strategic foundation is our highest statement of purpose. It guides our decisions, culture and long-term direction. Our strategic foundation consists of our mission, vision and values.

Our Mission

- To safely, efficiently and reliably provide electric power and fiber optic broadband services to our customers.

Our Vision

- **Excellence in Service and Leadership** – We continually ask how we can improve safety, service quality, reliability and stewardship of our resources in the most cost-effective manner.
 - Continuous improvement is an ever-present expectation for all employees every day.

Our Values

- Safety
- Heritage
- Innovation
- Integrity
- Respect
- Teamwork
- Service

Our Strategic Plan Purpose

We are focused on our future. Grant PUD's 2026–2028 Strategic Plan defines the utility's direction. Anchored in our mission, vision, values, corporate strategy, and business strategy, the plan guides how we will safely provide energy and associated services while preparing for the future.

Our History

In 1920, private utilities concentrated electric service in Washington State's densely populated towns and cities, leaving many rural communities unserved. At the Washington

State Grange's 1924 convention, public-power advocate Homer T. Bone—later a U.S. senator—urged delegates to champion rural electrification. His call to grant rural counties the same authority as cities to establish public electric systems galvanized delegates and made public power a central legislative priority for the Washington State Grange.

In 1928, the Grange worked closely with Bone to draft comprehensive legislation intended to bypass the heavily lobbied state legislature. In 1929, Grange volunteers collected signatures to submit Initiative No. 1 to the legislature. When lawmakers declined to act, the measure advanced to the November 1930 general-election ballot. The Washington State Grange championing of Initiative No. 1, is the reason for the 1930 Public Power Law now codified as RCW 54, authorizing voters to establish customer-owned public utility districts.

Within Grant County, by 1938, members of the Adrian Grange in Adrian, Neppel, Wilson Creek, Stratford, and Soap Lake had secured sufficient support to petition the county commissioners for a public utility district encompassing all of Grant County. On November 8, 1938, voters approved the creation of Grant County Public Utility District No. 2 by a decisive 3-to-1 majority.

This pioneering spirit of local-control and customer-owned utility service is the beating heart of Grant County PUD—it is same today as at the time of its founding. As successors to the utility's founders and original investors, our customer-owners continue to share in the value of that investment through our core-customer rates—rates that tie directly to low cost hydro power from the Priest Rapids Project.

Our Utility At A Glance

Grant PUD is a not-for-profit, community-owned public power utility that generates and delivers safe, reliable, environmentally responsible, and financially sustainable energy and services to Grant County, Washington and participates in the broader western energy market.

We also provide high-speed fiber to the residents and businesses within Grant County. This allows them to stay connected with confidence due to the speed and stability of our fiber network.

General Information

- Headquarters location – Ephrata, WA
- Generation Facility Locations – Beverly, WA

Capacity and Energy

This section will summarize Grant PUD's generation resources, peak demand, recent energy deliveries, transmission and distribution infrastructure, substations, and overall resource capacity.

Who We Serve

Guided by our vision to continually improve safety, service quality, and reliability, Grant PUD strives to be engaged with the communities and customer owners it serves.

The Communities

This section will identify the communities Grant PUD serves, provide relevant population information, and recognize the local organizations that support economic and community development throughout Grant County (i.e. Port Districts and Economic Development organizations).

Our Customer Owners

As a community-owned public utility, Grant PUD serves more than customers. The people we serve are the ultimate beneficiaries of the utility's assets and decisions through their elected commissioners. For that reason, we may refer to our customers as customer-owners when discussing long-term stewardship, governance, and the future of the utility.

This section will describe and or provide graphics of the customers Grant PUD serves, including customer types, rate classes, the proportion of customers in each category, and the distinction between core and non-core customers. --> Specifically include a graphic that shows the composition of our large industrial customer rate class.

Our Commission

- Commissioners each represent a defined area of the county. Two commissioners-at-large each serve four-year terms. The remaining three commissioners serve six-year terms. The terms are staggered so that two members of the board are elected every two years.
- As the Commissioners' terms advance, they serve in different roles on the Board – President, Vice President and Secretary
- Current information about Grant PUD Commissioners, including the areas they represent and their Board roles, is available at grantpud.org.

Our Executive Leadership Team

- Grant PUD operates under the direction of a general manager who serves at the direction and guidance of the Commissioners. The general manager is the chief executive officer with full responsibility for planning, operations and the administrative affairs of Grant PUD.
- Our executive leadership team has substantial experience in the utility industry. The utility has ten Vice Presidents and two Senior VPs.
- Current information about Grant PUD's Executive Leadership Team is available at grantpud.org.

The Wanapum

- Grant PUD has worked with the Wanapum Band of Priest Rapids for more than 60 years to protect, preserve, and perpetuate the culture of the Wanapum People. Through decades of communication and collaboration, we've developed a mutual understanding of the past and a shared commitment to honoring the Wanapum way of life and our region's rich cultural heritage.
- We value our relationship with the Wanapum. They have been a vital partner to our successes to date and are critical to our future successes.

Our Current Strategic Situation

As energy demand, energy regulations and the needs of our customers evolve, so must we.

Our hydroelectric facilities - Wanapum and Priest Rapids - have long served as the backbone of the utility's power generation system, while the transmission and distribution networks were expanded and sized around those resources. Today, both the generation portfolio and the delivery system require additional investment to meet growing customer demand while ensuring resiliency.

Building utility resources in the 21st century requires Grant PUD to navigate three interrelated forces:

- Accelerated Load Growth
 - Our utility continues to experience an increasing demand for power. Demand, driven primarily by large industrial and high-density compute customers is projected to nearly double by 2032. This projected demand will soon exceed the power produced by our hydroelectric facilities.

- Carbon Goals
 - Washington State has established clean energy – energy produced without carbon emissions – and carbon reduction requirements that utilities must plan for and comply with. Washington State’s Clean Energy Transformation Act calls for 100% clean electricity – energy produced without carbon emissions - by 2045, while the Climate Commitment Act targets a 95% reduction in economy-wide carbon emissions by 2050.
- Resource Adequacy
 - Load growth and decarbonization create new energy reliability challenges. We are committed to ensure our customer owners have the power they need, when they need it, while meeting required regulations. Carbon free renewable energy generation are generally variable in nature and thus must be integrated with dependable capacity resources to support the grid when needed.

No single initiative can address these closely connected challenges. Grant PUD must remain adaptive and agile, pursuing opportunities that protect core customer owners — residential, small commercial, and irrigation rate classes —while delivering cost-effective service to non-core customers, primarily large commercial and industrial users.

Our Corporate Strategy Initiatives

Our corporate strategy initiatives define our long-term focus as a utility.

To meet accelerated load growth, carbon goals, and resource adequacy needs, Grant PUD will focus on five corporate strategic priorities over the next three years:

1. Develop and mature specific business capabilities
2. Expand our energy resource portfolio with new technologies
3. Regional coordination
4. Large load partnerships
5. Policy Engagement

Develop and Mature Business Capabilities

As the energy industry evolves, Grant PUD must continue strengthening the organizational skills and practices needed to deliver its work effectively. Developing these business capabilities will help the utility remain responsive, improve how work is performed, and create lasting value for customer owners. Two capabilities require particular focus:

- Merchant operations

- Transmission planning

Merchant Operations

- Merchant operations comprise Grant PUD's wholesale energy-market and portfolio-management functions. These activities include managing the portfolio of generation resources and contractual products used to serve load reliably and cost-effectively; procuring, selling, scheduling, and settling wholesale energy transactions; participating in organized regional markets; and optimizing the utility's power-supply portfolio across operational and planning horizons. As customer demand increases and regulatory and resource-adequacy obligations become more stringent, continued development of this capability is essential to maintaining reliable service, managing market exposure, and controlling power-supply costs.
- We started developing this capability further in late 2023 by establishing an Energy Supply and Markets function – a dedicated team of employees to proactively meet this growing need for our utility. Our continued investment in this area of the utility ensures that we are well poised to address the future merchant operations challenges our utility will face.
- In addition to expanding internal capabilities, Grant PUD engaged external market expertise. In early 2026, the utility became a member of The Energy Authority (TEA), a public-power-owned organization that provides energy trading, portfolio management, and market-risk services to participating utilities. This membership will accelerate the development of Grant PUD's wholesale-market capabilities and strengthen the optimization of its generation and transmission assets through integrated portfolio management, market analytics, and energy-trading services.
- While we've made significant progress on maturing our merchant operations, we continue to seek opportunities to ensure we can manage the utility's wholesale energy market functions to meet the needs of our customer owners today and into the future.

Transmission Planning

- As electricity demand increases within Grant County and across the Western Interconnection, Grant PUD must ensure that sufficient transmission and distribution infrastructure is planned, constructed, and maintained to serve forecasted load growth reliably. The bulk electric transmission system functions as the high-capacity backbone for moving power across long distances, analogous to Interstate 90, while the distribution system delivers electricity from transmission substations to individual communities and customer facilities through lower-voltage feeder networks.

- A resilient, adequately sized, and strategically planned transmission system will enable Grant PUD to accommodate forecasted load growth, maintain system reliability, and meet the evolving service requirements of both core and non-core customer owners.
- To support these objectives, Grant PUD began expanding its internal transmission-planning and wholesale-transmission capabilities in 2025. Fully staffing and operationalizing these functions over the next five years will strengthen the utility's ability to anticipate system needs, evaluate infrastructure alternatives, and make risk-informed investment decisions by:
 - Identifying where incremental transmission capacity and system reinforcements are required to serve existing customer owners and forecasted load growth.
 - Determining where redundant transmission paths and contingency capability are necessary to meet reliability criteria and maintain continuity of service.
 - Collaborating with communities to identify areas suitable for future development while minimizing infrastructure constraints, stranded-asset exposure, and financial risk.

New Energy Technology Adoption

Expansion of our energy resource portfolio is necessary for our future. We will accomplish this through near-term procurement and long-term research and development.

- **Near-term Procurement:** Starting the expansion — Grant PUD's 2024 Integrated Resource Plan identified a need for approximately 500 MW of renewable generation and 210 MW of battery storage before 2030. In late 2024, the utility issued a request for proposals to understand and evaluate possible generation resources to fill this need. By the end of the first quarter of 2026, Grant PUD had procured 460 MW of solar generation and 260 MW of battery storage, with the potential to add another 120 MW of battery storage in the near term. These resources introduce new technologies to the utility's portfolio that we will continue to build upon.
- **Research and Development:** To support long-term resource diversification, Grant PUD continues to invest staff expertise, funding, and technical resources in evaluating small modular reactor technology. Current activities include acquiring property to support preliminary engineering, site characterization, and pre-investment feasibility analyses. Grant PUD is also collaborating with Chelan and Douglas County public utility districts on an enhanced geothermal exploration

initiative to assess the technical and economic viability of this resource in Washington state.

Regional Coordination

To meet current and future customer needs, Grant PUD coordinates with other utilities and energy organizations. Working together helps us plan for future energy needs, respond to changing conditions, and provide reliable energy to our customers all in a more cost effective way.

Two regional coordination strategic initiatives Grant PUD is pursuing are: Participating in Southwest Power Pool's Markets+ initiative and the Western Power Pool's Western Resource Adequacy Program (WRAP).

Southwest Power Pool's Markets+

- The Western Interconnect is the large power grid that connects utilities across the western United States, including parts of Canada and Mexico, allowing electricity to flow across the region as needed.
- Currently the Western Interconnection is undergoing its most significant transformation since deregulation in the late 1990s and early 2000s. This transformation is driven by the same three forces identified before: Accelerated Load Growth, Carbon Goals, and Resource Adequacy. Power demand is rising and more the resources to meet that demand are coming from intermittent variable renewable energy sources like wind and solar. In turn, this has driven the demand to change wholesale power markets across the west.
- Two regional organized market platforms have emerged in the Western Interconnection to facilitate coordinated day-ahead operations and financial settlement among participating utilities. These platforms calculate scheduled and metered energy transactions, determine settlement positions, and allocate associated charges and credits in accordance with established market rules.
 - CAISO Extended Day-Ahead Market (EDAM)
 - Southwest Power Pool's Markets+ (SPP Markets +)

EDAM went live on May 1, 2026 and SPP Markets + is scheduled to launch in October 2027. Both promise optimization and diversification benefits, but they also require substantial investments in technology, staff time, and new business processes.

- Grant PUD has chosen to be a partner in SPP Markets+. We chose this entity because of its market design, operational independence, and strong stakeholder

governance. We expect this partnership to allow for more efficient and effective coordination with other utilities.

Western Resource Adequacy Program

- Although the Western Power Pool's WRAP is independent of SPP Markets+, participation is required for SPP Markets+ membership.
- WRAP provides an independent reliability standard within the market design. Grant PUD views the independent standard as both a core market principle and a prudent operational tool for addressing resource adequacy.

We are committed to participating in both programs as key components of our efforts to strengthen regional coordination and support future reliability needs.

Large-Load Partnerships

Beyond broad electrification, large industrial and high-density compute customers which included reshored manufacturing and data centers – are the major drivers of accelerated load growth. Large loads create several distinct challenges:

- Demand increases occur in large step changes rather than gradually
- High-density compute customers require exceptionally high levels of reliability
- Speed to market is a persistent priority for large customers

Partnerships offer the most effective way to protect Grant PUD core customer owners (residential, small commercial, and irrigators – none of which are cost causers for this load growth) while meeting large-load customers' expectations. These arrangements should incorporate customer demand and resource flexibility through power-supply and capacity-reservation agreements that provide clear, firm service commitments.

We will pursue large-load partnerships that provide value to the utility, protect existing customer owners from costs they did not cause, and establish clear expectations for capacity, reliability, and service commitments.

Policy Engagement

Rapid changes in the energy industry make proactive policy engagement essential to Grant PUD's future. Creating and delivering energy has been our core business for 88 years. As the industry evolves to meet customer, regional, and national expectations, Grant PUD will advocate for practical policies that support safety and preserve our founding purpose: providing affordable, reliable power to Grant County residents.

Grant PUD has made proactive engagement in county, state, and federal policy making a priority at both the Commission and staff levels. We educate decision-makers about our business, concerns, and opportunities while offering practical, industry-supported solutions. Given today's changing political and regulatory environment, Grant PUD has dedicated both Commission and staff resources for proactive engagement on the issues that will influence our future.

Our Business Strategy

Grant PUD's corporate strategy defines the long-term choices that shape where the utility will focus. Our Business Strategy defines how we will deliver affordable and reliable power to our customer owners with clearly defined goals, measurements and targets organized around four perspectives that guide performance over the next three years. This allows us to make intentional operational choices in the best interests of our customer owners.

People, Learning & Culture

We continue to build the foundation for long-term strategic execution through capability development of our employees.

In what ways can we empower our employees to grow while building a strong culture aligned with our values?

Objective Statement: We are developing and supporting a safe and rewarding work environment that attracts, retains, and engages talent.

Over the next three years, from 2026 through 2028 we will expect to:

- Increase our employee engagement with the intention to increase productivity
- Improve our talent attractiveness and encourage positional movement within our utility
- Create a safer workplace
- Increase interdepartmental collaboration and services

Process & Technology

We are identifying critical processes for innovation, quality and efficiency that support strategic objectives and goals.

How do we excel? What strategies, systems and technologies can we implement to maximize operational excellence and innovation?

Objective Statement: We deploy business processes and technology solutions that continuously improve business operations, resiliency, system reliability and compliance.

Over the next three years, from 2026 through 2028 we will expect to:

- Create more reliable and resilient operational and business systems
- Map our critical business processes
- Digitally enable our operations to decrease time and increase quality of daily work to increase productivity
- Increase our regulatory readiness
- Protect our cybersecurity posture
- Increase our market availability of generating, electric and fiber systems

Customer & Stakeholder

We are aligning our strategy – our work - to be a steady source of knowledge, solutions and service to our customers and stakeholders

How are we perceived by our customers and stakeholders? How can we enhance the way we serve our customers and stakeholders? Are our customers and stakeholders satisfied with the value and experience we provide?

Objective Statement: We provide an intentional customer experience that drives engagement, satisfaction and trust for both our customers and stakeholders.

Over the next three years, from 2026 through 2028 we will expect to:

- Further our customers' trust in us
- Improve stakeholder engagement
- Create stronger customer engagement
- Increase customer perception of our service reliability

Financial

We ensure that our strategic initiatives continue to contribute to profitability, growth and sustainability.

Are we delivering strong financial results while securing long-term stability and value for our customers?

Objective Statement: We are ensuring long-term financial sustainability by making prudent investment and financial management decisions while proactively managing risks.

Over the next three years, from 2026 through 2028 we will expect to:

- Better align our actual and forecasted financial results
- Improve our capital investment ROI performance
- Refine our risk-informed decision making
- Meet or outperform our rate trajectories

Notes

- Grant PUD publishes this Strategic Plan to communicate the corporate and business strategies guiding the utility. The plan reflects Grant PUD's current strategic direction and the priorities established by its leadership with the approval of the Grant PUD Commission.
- Please visit grantpud.org to view:
 - Current adopted budget
 - Annual Report
 - Integrated Resource Plan
 - Wanapum Heritage Center hours of operation
 - Recreation site information
 - Employment Opportunities
 - How to Work With Us
 - Other reports and plans

2027 Proposed Budget

October 20, 2026

Katie Smith, Budget & Reporting Specialist



Purpose & Agenda

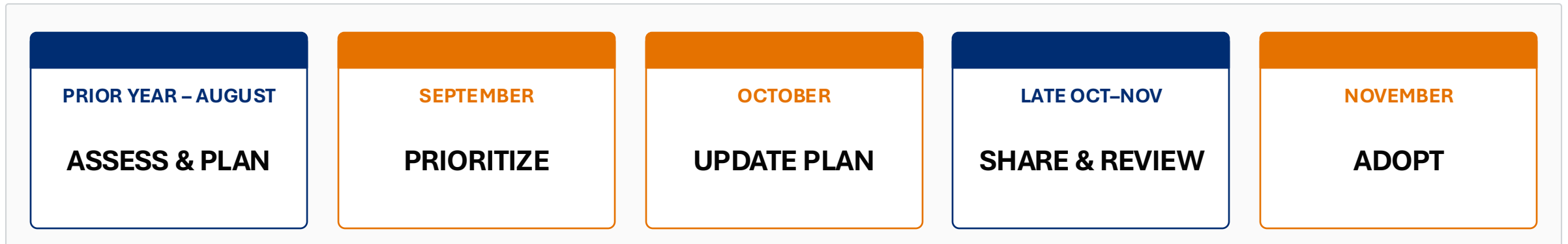
The Proposed 2027 Budget outlines planned investments and opens the public comment period in accordance with RCW 54.16.080.

- Budget Overview
- Key Priorities and Investments
- Next Steps

Building the 2027 Budget

Guiding Principles

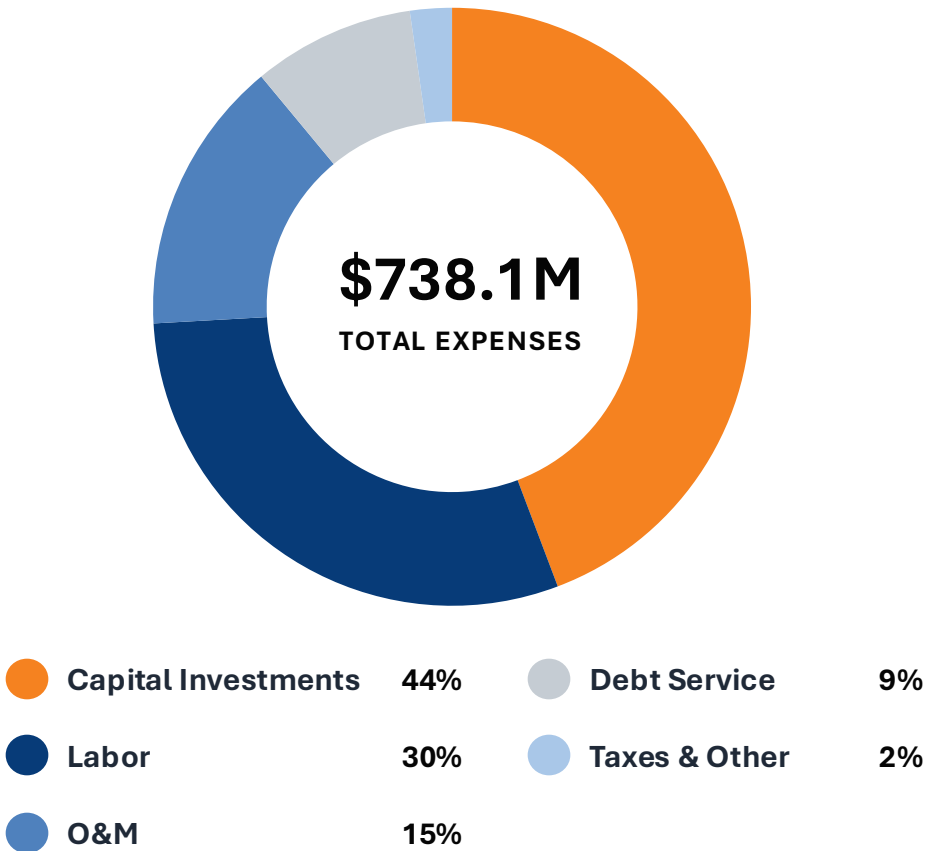
- ✓ Reliable service and infrastructure
- ✓ Workforce and future energy needs
- ✓ Financial stewardship and transparency



2027 Gross Expenses Increase 4.9%

CATEGORY	2026 BUDGET	2027 BUDGET	CHANGE (\$)	CHANGE (%)
Capital	\$322.3M	\$326.6M	+\$4.3M	+1.3%
Labor	\$198.6M	\$220.4M	+\$21.8M	+11%
Operations & Maintenance	\$88.9M	\$109.8M	+\$20.9M	+23.6%
Debt Service	\$67.1M	\$64.6M	-\$2.6M	-3.8%
Taxes & Other	\$26.3M	\$16.7M	-\$9.6M	-36.5%
GROSS EXPENSES	\$703.3M	\$738.1M	+\$34.8M	+4.9%

2027 Budget Distribution



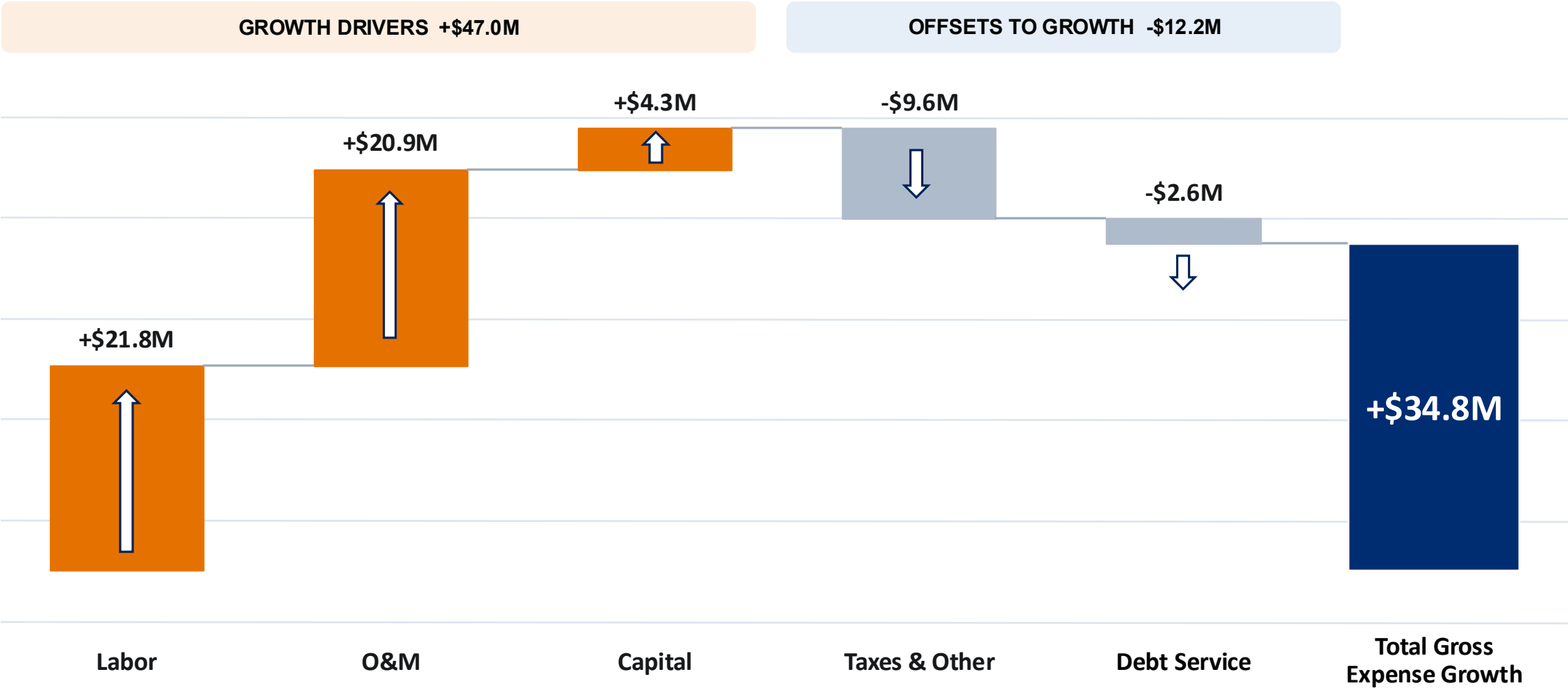
Note: Amounts are shown in millions and rounded to the nearest \$0.1 million. Totals and variances may not add due to rounding.

Net Budget Overview

NET BUDGET	2026 BUDGET	2027 BUDGET	CHANGE (\$)
Operations & Maintenance (Includes adjustments)	\$264.0M	\$293.7M	+\$29.7M
Taxes	\$24.5M	\$24.6M	+\$0.1M
Total Capital	\$347.6M	\$355.2M	+\$7.5M
Electric System Capital	\$257.9M	\$239.6M	-\$18.3M
Priest Rapids Project Capital	\$89.7M	\$115.6M	+\$25.9M
Debt Service	\$67.1M	\$64.6M	-\$2.6M
Total Gross Expenses	\$703.3M	\$738.1M	+\$34.8M
EXPENSE OFFSETS			
Contributions in Aid of Construction	\$13.2M	\$4.4M	-\$8.9M
Sales to Power Purchasers at Cost	\$34.3M	\$38.8M	+\$4.4M
Net Power (+ Expense, - Revenue)	\$235.8M	\$181.5M	-\$54.3M
Total Offsets	\$283.4M	\$224.6M	-\$58.8M
TOTAL EXPENSES AFTER OFFSETS	\$419.9M	\$513.5 M	+\$93.5M

Amounts rounded to the nearest million; totals and variances may not add due to rounding.

Labor and O&M Drive 2027 Budget Growth



Amounts rounded to the nearest million; totals and variances may not add due to rounding.

Workforce Growth and Wage Adjustments Drive Labor

2026 BUDGET	2027 BUDGET	CHANGE FROM 2026
\$198.6M	\$220.4M	+\$21.8M (11.0%)

Amounts rounded to the nearest million; totals and variances may not add due to rounding.

PRIMARY DRIVERS

- 1

Workforce Growth

To support growing service and operational needs, the 2027 plan includes 40 new positions and 10 apprenticeship opportunities across the District.
- 2

Wage Adjustments

Contracted wage adjustments and general wage increases.



Regional Energy Commitments Drive O&M Growth

2026 BUDGET	2027 BUDGET	CHANGE FROM 2026
\$88.9M	\$109.8M	+\$20.9M (24%)

Amounts rounded to the nearest million; totals and variances may not add due to rounding.

WHAT IS DRIVING GROWTH

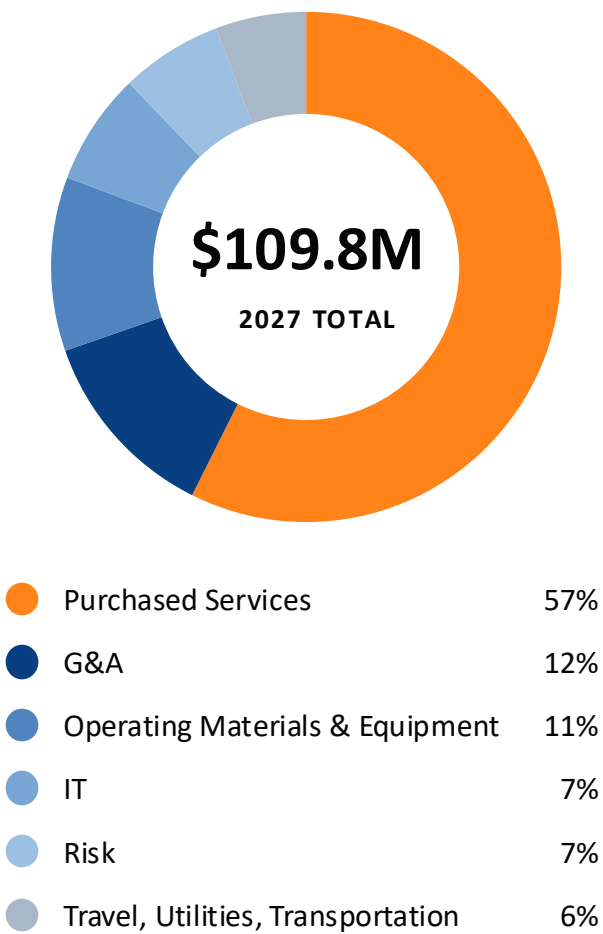
Columbia River Treaty Funds Grant PUD's share of regional hydropower benefits under the Columbia River Treaty.	+\$12.2M
The Energy Authority (TEA) Provides access to energy markets to help meet customer needs.	+\$4.9M
Geothermal and Small Modular Reactor (SMR) Exploration & Discovery Early research into new energy sources to meet future customer demand.	+\$4.9M
Other O&M Changes (Net) Combined impact of various smaller changes across the O&M budget.	-\$1.1M



Operations & Maintenance

CATEGORY	2026 BUDGET	2027 BUDGET	CHANGE (\$)	CHANGE (%)
Purchased Services	\$42.0M	\$63.0M	+\$21.0M	+50%
G&A	\$12.5M	\$13.5M	+\$1.0M	+8%
Operating Materials & Equipment	\$12.3M	\$12.1M	-\$0.3M	-2%
IT	\$9.5M	\$7.8M	-\$1.7M	-18%
Risk	\$6.5M	\$7.1M	+\$0.6M	+9%
Travel, Utilities & Transportation	\$5.9M	\$6.3M	+\$0.4M	+7%
TOTAL GROSS EXPENSES	\$88.9M	\$109.8M	+\$20.9M	+24%

Amounts rounded to the nearest million; totals and variances may not add due to rounding.

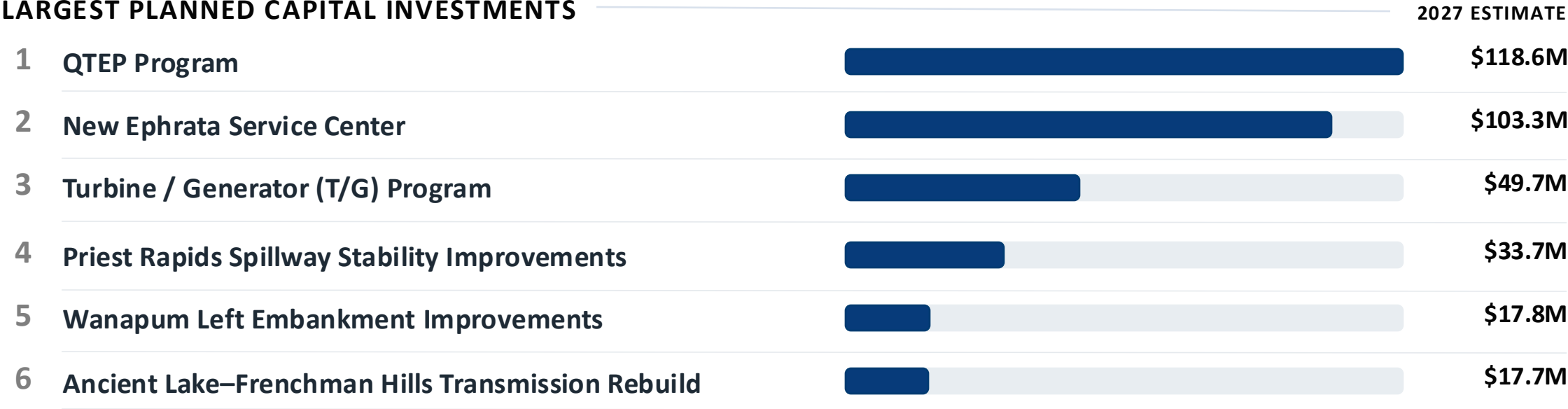


Capital Plan Prioritizes Major Infrastructure Investments



Amounts rounded to the nearest million; totals and variances may not add due to rounding.

LARGEST PLANNED CAPITAL INVESTMENTS



Project amounts reflect estimated spend. Total capital budget reflects historical project execution rates and a more conservative spending forecast.

Capital Projects

Quincy Transmission Expansion (QTEP)



Strengthening the Grid for Reliability and Flexibility

Project Overview

10 projects designed to add 650 MW of capacity, improve reliability, and provide backup pathways to keep power flowing across the grid.



Capital Projects

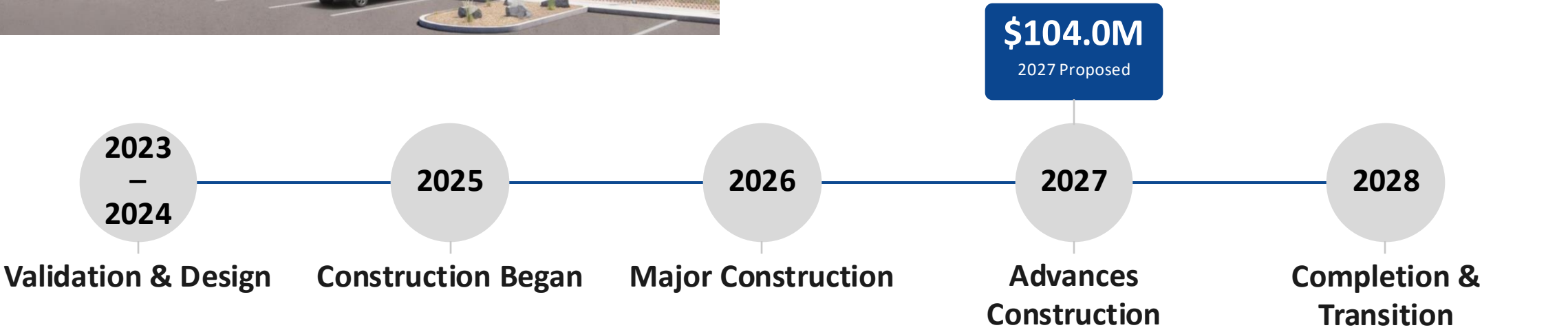
New Ephrata Service Center



Building Infrastructure to Support Long-Term Growth

Project Overview

Replacing aging infrastructure and supporting growth in accordance with the Facilities Master Plan.



Capital Projects

Turbine Generator Program



Investing in Hydropower Reliability and Long-Term Performance

Project Overview

Modernizes ten turbine-generator units to improve reliability, efficiency, and the long-term performance of Priest Rapids Dam.



Capital Projects

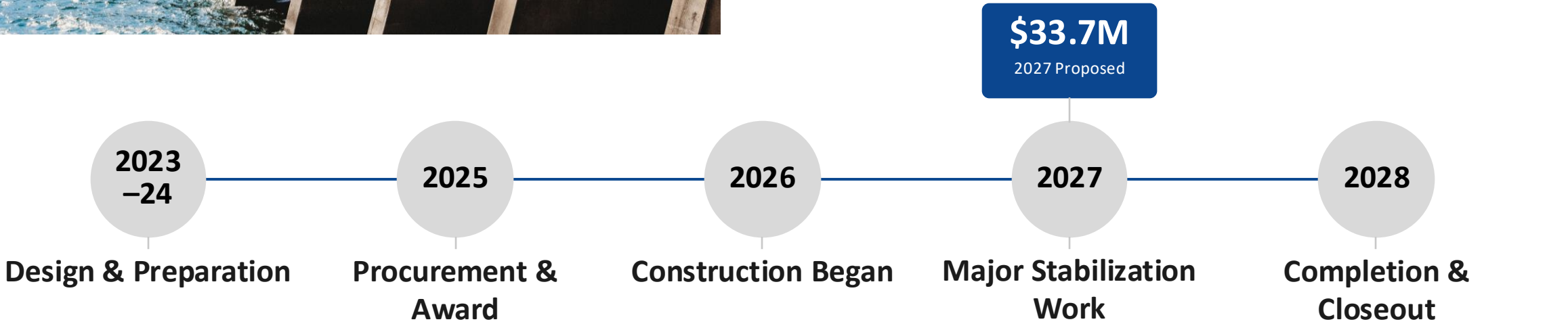
Priest Rapids Spillway Stability Improvements



Strengthening Critical Infrastructure for Long-Term Reliability

Why This Investment Matters

Installs 38 anchors to stabilize the spillway and support responsible stewardship of a critical generating asset.



Debt Service and Other Costs Decline

DEBT SERVICE

2026 BUDGET	2027 BUDGET	CHANGE FROM 2026
\$67.1M	\$64.6M	-\$2.6M (3.8%)

Debt service costs decrease as one bond series is fully repaid in January and certain other debt obligations continue to move closer to maturity.

TAXES & OTHER

2026 BUDGET	2027 BUDGET	CHANGE FROM 2026
\$26.3M	\$16.7M	-\$9.6M (36.5%)

Tax expenses remain relatively consistent with prior years, while timing of financial allocations is the driver of the decrease.

Amounts rounded to the nearest million; totals and variances may not add due to rounding.

What's Next

1 Present the proposed budget

2 Review public comments

3 Consider budget adoption



October 27, 2026

Proposed Budget and Public Hearing

The Commission will receive the 2027 Proposed Budget and open the public comment period.

November 24, 2026

Budget Adoption

The Commission will consider adoption of the 2027 Budget following the public comment period.



Public comments will be considered before final adoption.

Thank you!



Rates & Pricing

October 20, 2026

Jeremy Stewart, Manager Rates & Pricing

Bret Hammond, Lead Financial Analyst

Amy Pheasant, Financial Analyst



Powering our way of life.

Agenda & Executive Summary

1	Rate 20 / 21 Proposal	Details behind Grant PUD's decision to create two new rate schedules, Rate 20 and Rate 21, to serve data center customers.
2	2027 Rates Package	Review details behind the 2027 rates package, including sample bills and impact analysis.
3	Outreach and Next Steps	• Customer outreach September-October. • November 10 public presentation. • Comment period closes November 12. • Commission vote December 15.
4	Cost of Service Follow Up	Deep dive into how the unbundled power cost methodology and cost of goods sold model have changed results from prior studies. Includes a special focus on how CCA funds are treated by the model.

Rate 20 / 21 Proposal

High Density Compute

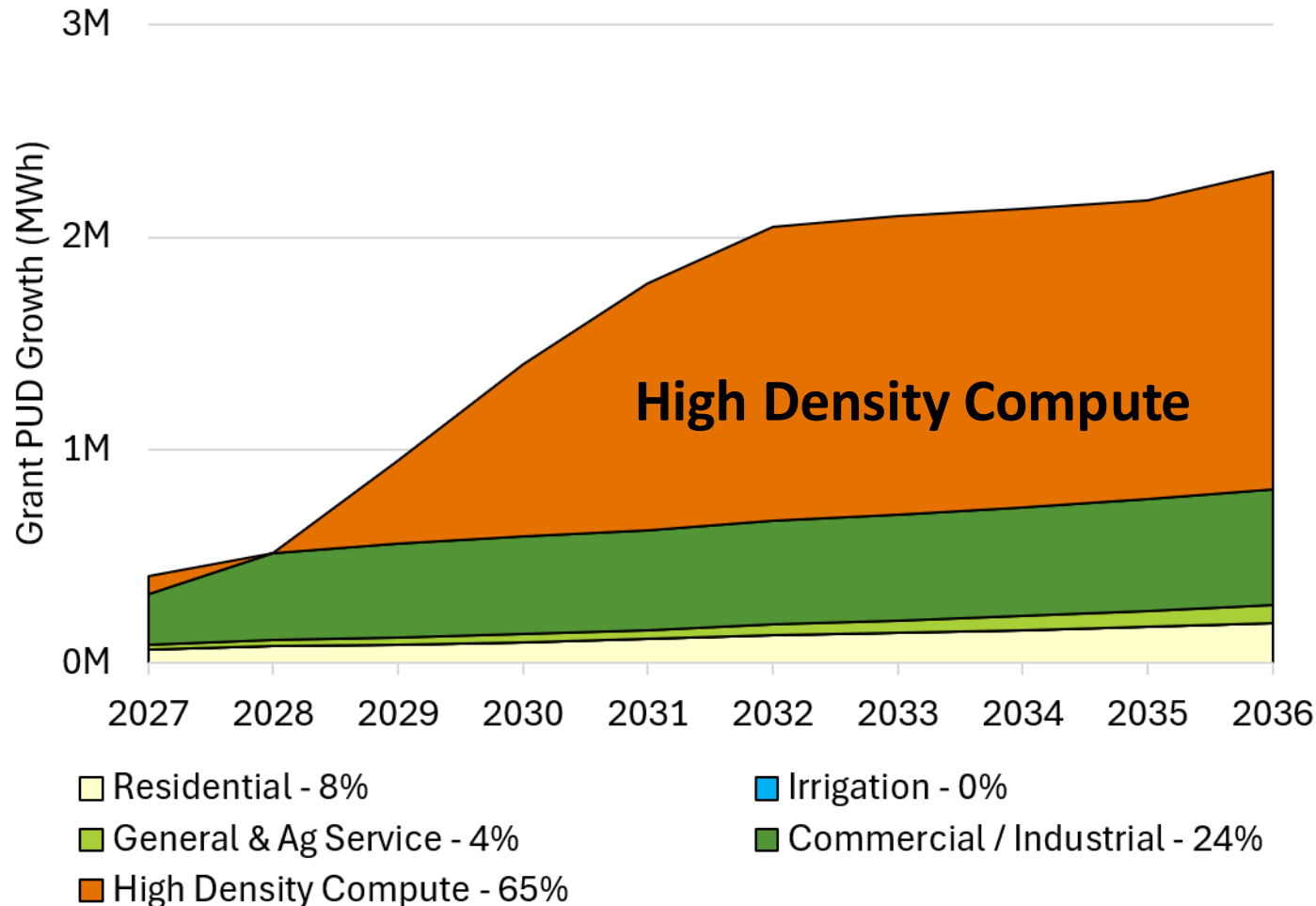
“Required for facilities where 70% of energy is used for processing, storage, management, transmission, or hosting of digital information using servers, computer equipment, networking equipment, and associated cooling and support systems.

Customers are assigned to this schedule based on known energy use, load characteristics, service requirements, and system impacts as determined by the District.”

- Data processing
- Data storage
- Cloud computing
- Crypto currency
- Block chain validation
- Artificial intelligence
- Machine learning
- Colocation

High Density Compute is driving Grant PUD growth

Grant PUD Load Growth
2027 - 2036



High Density Compute

- 65% of forecasted growth
- Spread across five rate classes
- Risk of legislative intervention

High Density Compute customers are driving power purchases beyond Priest Rapids Project

Recommend two High Density Compute rate classes

Rate 20

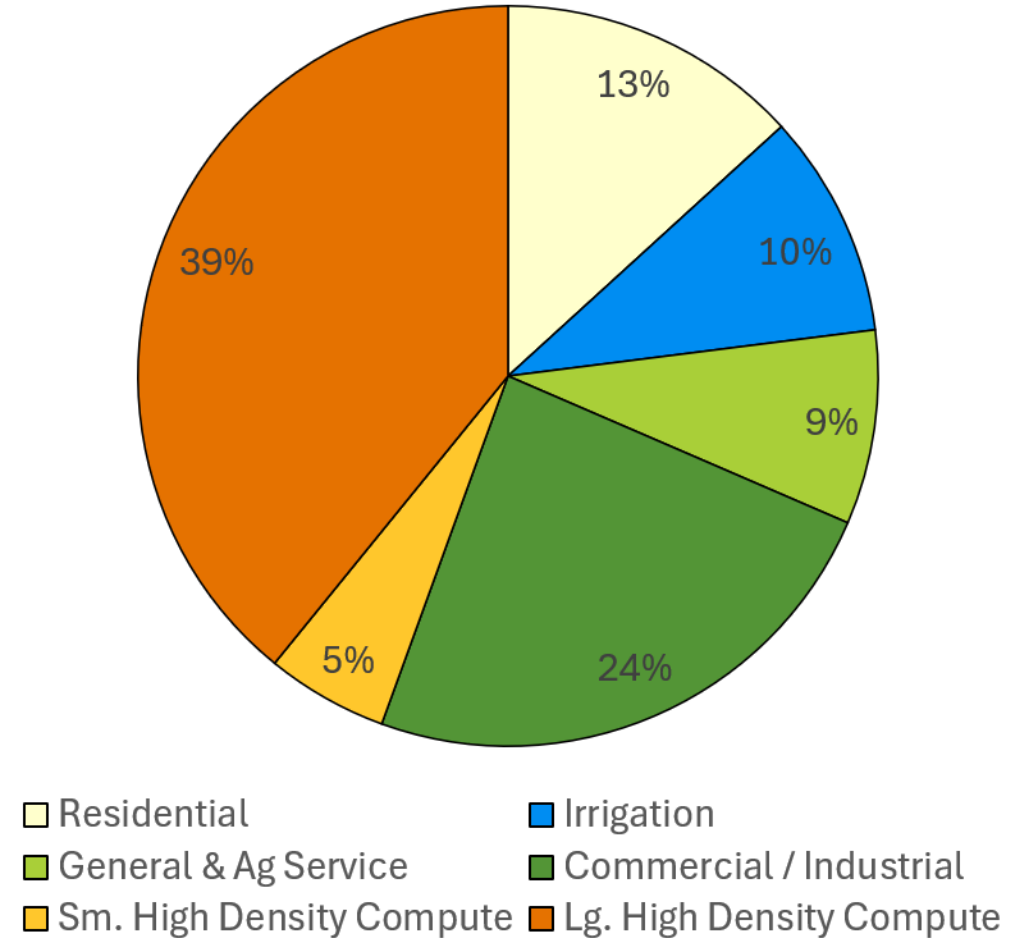
- Demand below 10MW
- Data centers from Rates 2, 7, 14, and 17

Rate 21

- Demand above 10MW
- Data centers from Rate 15
- **Most likely to be legislated**
- **Likely to move to 20MW based on legislation**

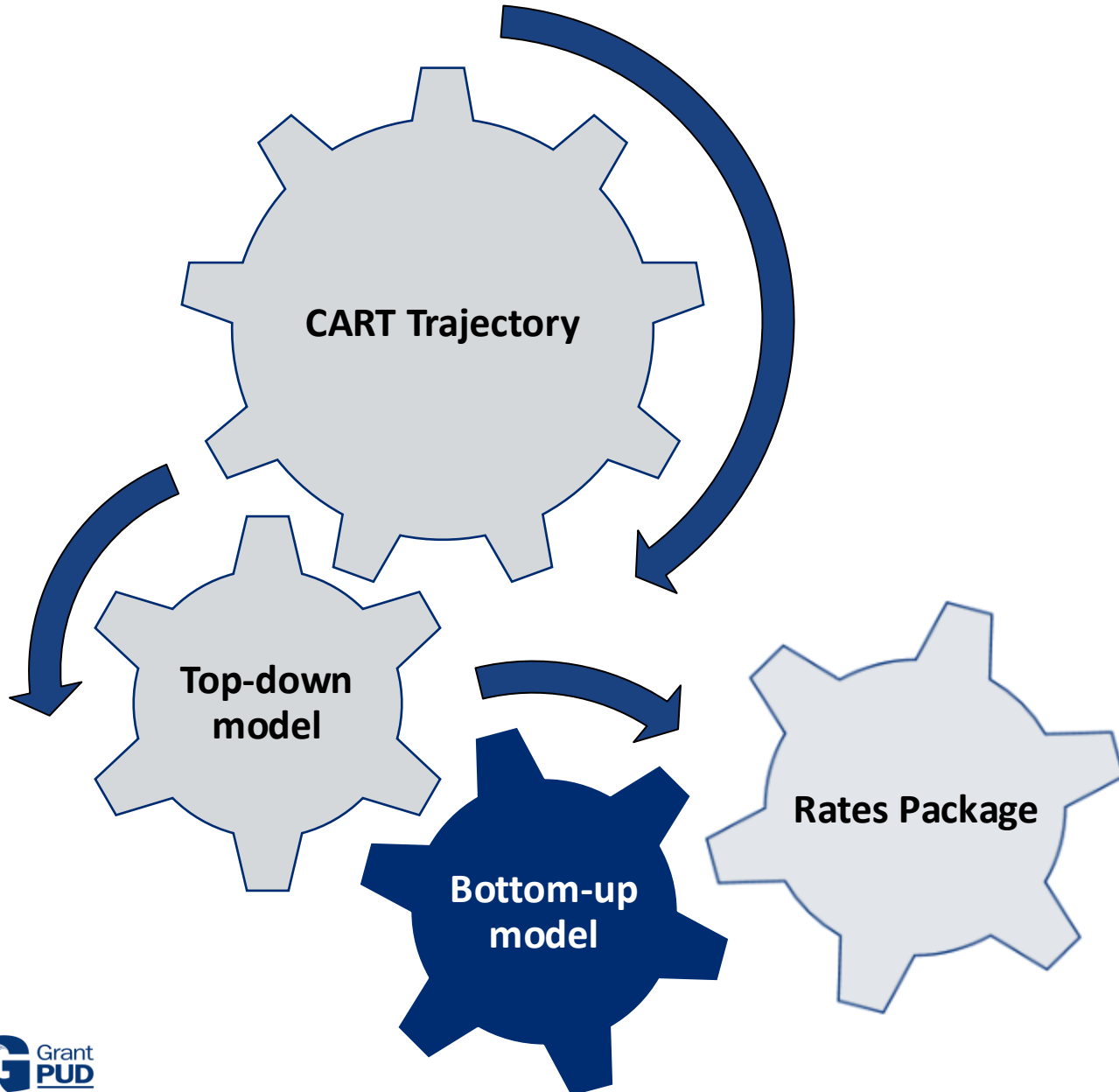
High Density Compute represents 43% of the 2027 load forecast

2027 Load Forecast



2027 Rates Package

Building the Rates Package



CART Trajectory

- Lowest detail – future looking
- Sets revenue target for Core, Tier 1, and Tier 2

Top-Down model

- Medium detail – future looking
- Models revenue by rate class

Bottom-up model

- High detail – backward looking
- Evaluates consistency within rate classes

Rates Package

- Resolutions approved by Commission
- Identifies cost paid by customer

2027 Core Retail Rates

Rate Class	2026 \$/kWh	Overall Change	2027 \$/kWh
Rate 1 Residential	\$0.0647	+3.4%	\$0.0669
Rate 2 General Service Up to 500kw	\$0.0552	+3.3%	\$0.0570
Rate 3 Irrigation	\$0.0515	+3.4%	\$0.0532
Rate 3b Ag. Service	\$0.0455	+3.1%	\$0.0469
Rate 6 Street Lighting	\$0.2568	+3.5%	\$0.2658

Temporary Stabilization Adjustment

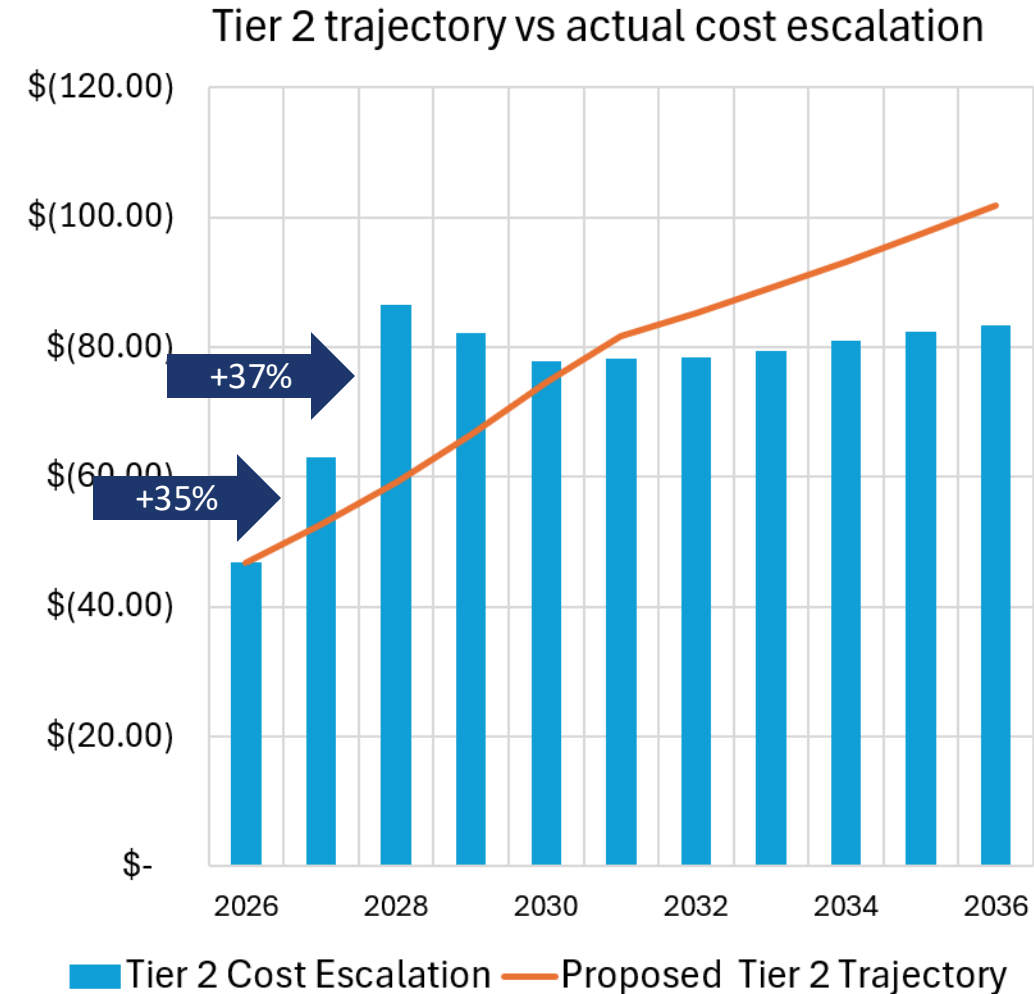
Tier 1 and Tier 2 customers have stabilization adjustments

2027 – 2028 costs increase in step changes

- 35% increase 2027
- 37% increase in 2028

Temporary Stabilization Adj prevents rate shock

- May be credits or charges
- Discount on current bill – **not cash refunds**
- Accumulate in revenue fund – **no storage**



2027 Tier 1 Retail Rates

Rate Class	2026 \$/kWh	Change	2027 \$/kWh
Rate 7 Lg. General Service 200kw to 5MW	\$0.0416	+11.7% (+18.9% w/o stabilization)	\$0.0464
Rate 14 Industrial Service 5MW to 10MW	\$0.0389	+9.1% (+15.9% w/o stabilization)	\$0.0425
Rate 15 Lg. Industrial Service Greater than 10MW	\$0.0435	+2.2% (-3.4% w/o stabilization)	\$0.0445
Rate 16 Industrial Ag. Service 5MW to 15MW	\$0.0399	+9.2% (+14% w/o stabilization)	\$0.0436

2027 Tier 2 Retail Rates

Rate Class	2026 \$/kWh	Change	2027 \$/kWh
Rate 17 Evolving Industries	\$0.0529	n/a	n/a
Rate 19 Commercial EV Charging	\$0.1717	+13.3% (+14.2% w/o stabilization)	\$0.1945
Rate 20 High Density Compute Less than 10MW	\$0.0335 Rate 7 ^[1] \$0.0363 Rate 14 ^[1] \$0.0529 Rate 17	+31.5% to Rate 7 +23.8% Rate 14 -14.9% Rate 17 (+6% to +44% w/o stab.)	\$0.0450
Rate 21 Lg. High Density Compute Greater than 10MW	\$0.0423 Rate 15 ^[1]	+12.5% to Rate 15 (+32% w/o stabilization)	\$0.0476

[1] \$/kWh based on customers moving – high load factor creates a different \$/kWh from other customers in the original rate class

Rate 1: Residential

+3.4% Overall Increase

Rate 1-Residential			Proposed	
Determinate	Units	2026	2027	% Change
Basic	Month	\$18.60	\$20.00	+7.5%
PRP Energy	kWh	\$0.02548	\$0.02548	+2.6%
Delivery	kWh	\$0.02616	\$0.02748	
Minimum	Month	\$20.00	removed	

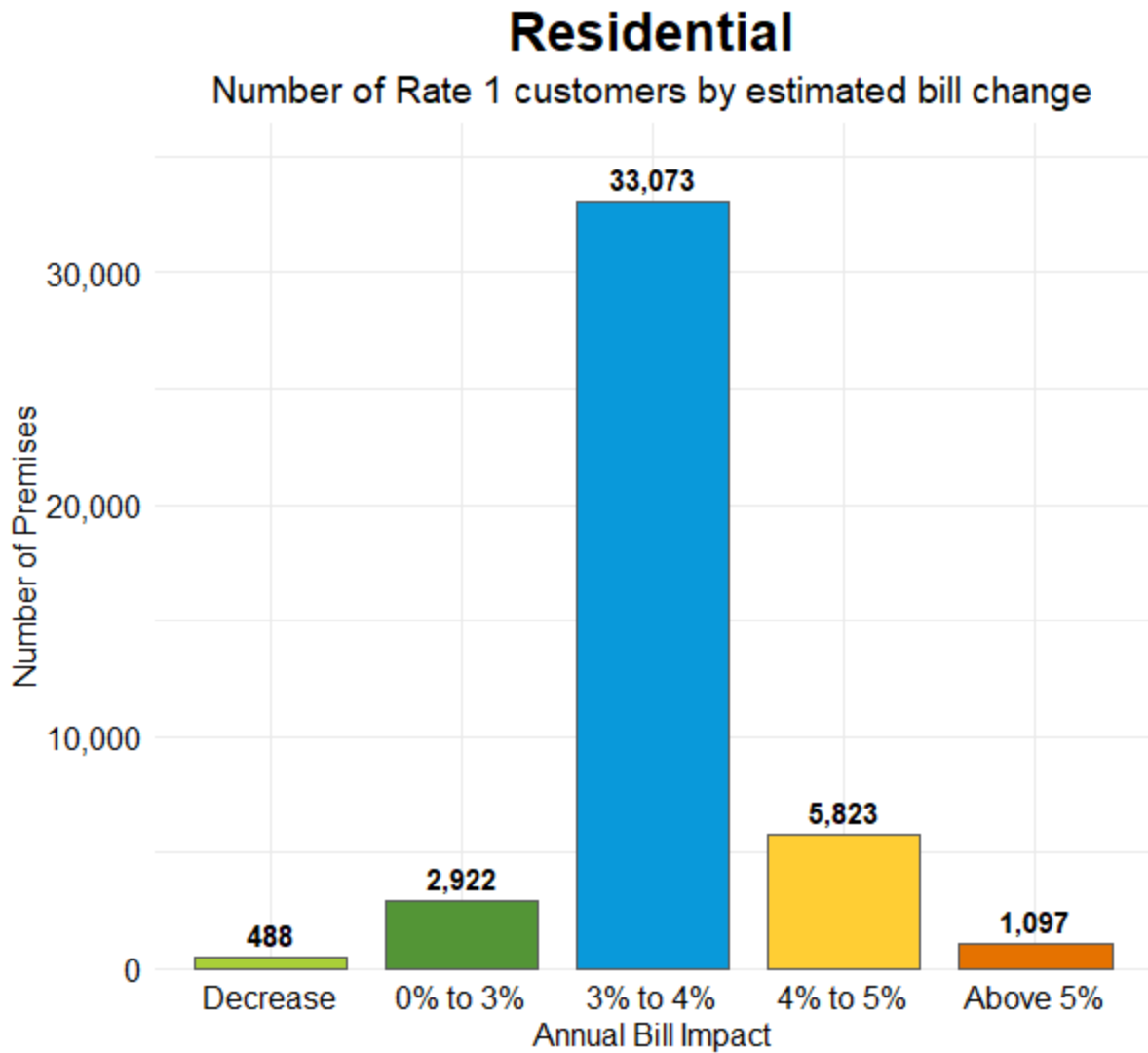
Propose removing minimum charge

Propose converting Basic Charge to Monthly format

Residential - Sample Rate 1 Bill at 2026 Rates				
Description	Current Rate	Qty	Unit	Monthly Cost
Basic	\$0.62	30	Daily	\$18.60
PRP Power	\$0.02548	1,600	kWh	\$40.77
Delivery	\$0.02616	1,600	kWh	\$41.86
Total				\$101.22

Residential - Sample Rate 1 Bill at Proposed 2027 Rates				
Description	Rate	Qty	Unit	Monthly Cost
Basic Charge	\$20.00	1	Month	\$20.00
PRP Power	\$0.02548	1,600	kWh	\$40.77
Delivery	\$0.02748	1,600	kWh	\$43.97
Total				\$104.74
Change				+3.5%

Rate 1: Residential Impact Analysis



+3.4% Overall Increase

Rate 1-Residential		Proposed		
Determinate	Units	2026	2027	% Change
Basic	Month	\$18.60	\$20.00	+7.5%
PRP Energy	kWh	\$0.02548	\$0.02548	+2.6%
Delivery	kWh	\$0.02616	\$0.02748	
Minimum	Month	\$20.00	removed	

~75% customers will experience a 3% to 4% increase

- **Chartreuse customers:**
 - Customers currently paying the minimum charge.
 - Average 125 kWh/year ~ \$0.50 lower bill each month.
- **Yellow and orange customers:**
 - Low use customers ~ average 2,530 kWh/year
 - Experience a ~ \$1.60 higher bill each month.

Rate 2: General Service

+3.3% Overall Increase

Rate 2 - General Service		Proposed		
Determinate	Units	2026	2027	% Change
Basic Single Phase	Month	\$24.00	\$25.80	+7.5%
Basic Three Phase	Month	\$35.70	\$38.40	+7.6%
PRP Power	kWh	\$0.02548	\$0.02548	+2.8%
Delivery	kWh	\$0.02273	\$0.02409	
Minimum	kW Max	\$4.19	\$4.86	+16.0%
Minimum applicable to loads of 100 kW and above				

Propose converting Basic Charge to Monthly format

General Service - Sample Rate 2 Bill at 2026 Rates				
Description	Current Rate	Qty	Unit	Monthly Cost
Basic Charge Single Phase	\$0.80	30	Daily	\$24.00
PRP Power	\$0.02548	1,420	kWh	\$36.18
Delivery Charge	\$0.02273	1,420	kWh	\$32.28
			Total	\$92.46

General Service - Sample Rate 2 Bill at Proposed 2027 Rates				
Description	Rate	Qty	Unit	Monthly Cost
Basic Charge Single Phase	\$25.80	1	Month	\$25.80
PRP Power	\$0.02548	1,420	kWh	\$36.18
Delivery	\$0.02409	1,420	kWh	\$34.21
			Total	\$96.19
			Change	+4.0%

Rate 3B: Agriculture Service

+3.1% Overall Increase

Rate 3B - Agriculture Service		Proposed		
Determinate	Units	2026	2027	% Change
Basic Single Phase	Month	\$24.00	\$25.80	+7.5%
Basic Three Phase	Month	\$35.70	\$38.40	+7.6%
PRP Power	kWh	\$0.02548	\$0.02548	+2.3%
Delivery	kWh	\$0.01549	\$0.01642	
Minimum	kW Max	\$4.19	\$4.86	+16.0%

Minimum applicable to loads of 100 kW and above, but not less than the Basic Charge.

Propose converting Basic Charge to Monthly format

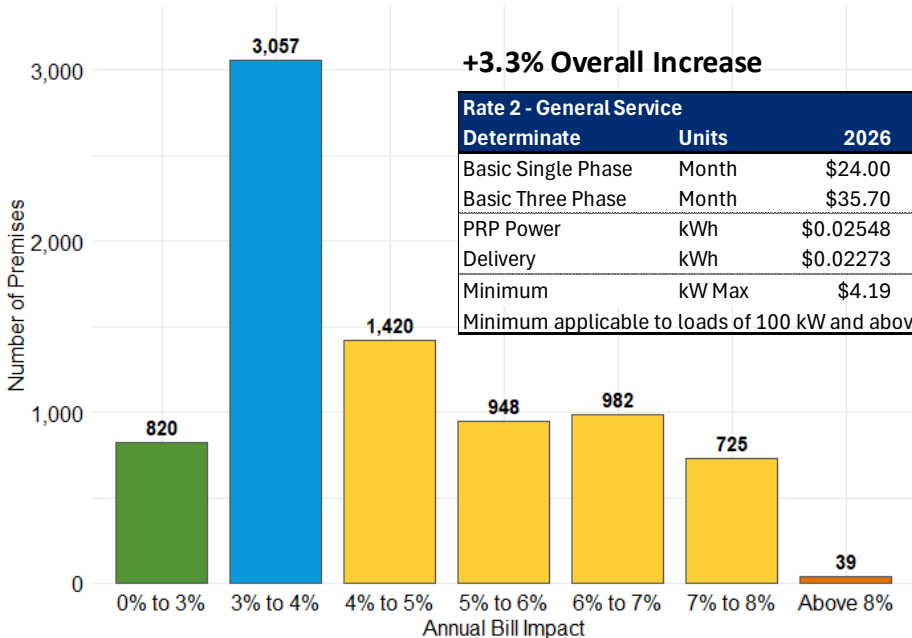
Agriculture Service - Sample Rate 3B Bill at 2026 Rates				
Description	Current Rate	Qty	Unit	Monthly Cost
Basic Three Phase	\$1.19	30	Days	\$35.70
PRP Power	\$0.02548	170,000	kWh	\$4,331.60
Delivery	\$0.01549	170,000	kWh	\$2,633.30
			Total	\$7,000.60

Agriculture Service - Sample Rate 3B Bill at Proposed 2027 Rates				
Description	Rate	Qty	Unit	Monthly Cost
Basic Three Phase	\$38.40	1	Month	\$38.40
PRP Power	\$0.02548	170,000	kWh	\$4,331.60
Delivery	\$0.01642	170,000	kWh	\$2,791.40
			Total	\$7,161.40
			Change	+2.3%

Rate 2 and Rate 3B: Impact Analysis

General Service Customer Bill Impacts

Number of Rate 2 customers by estimated bill change



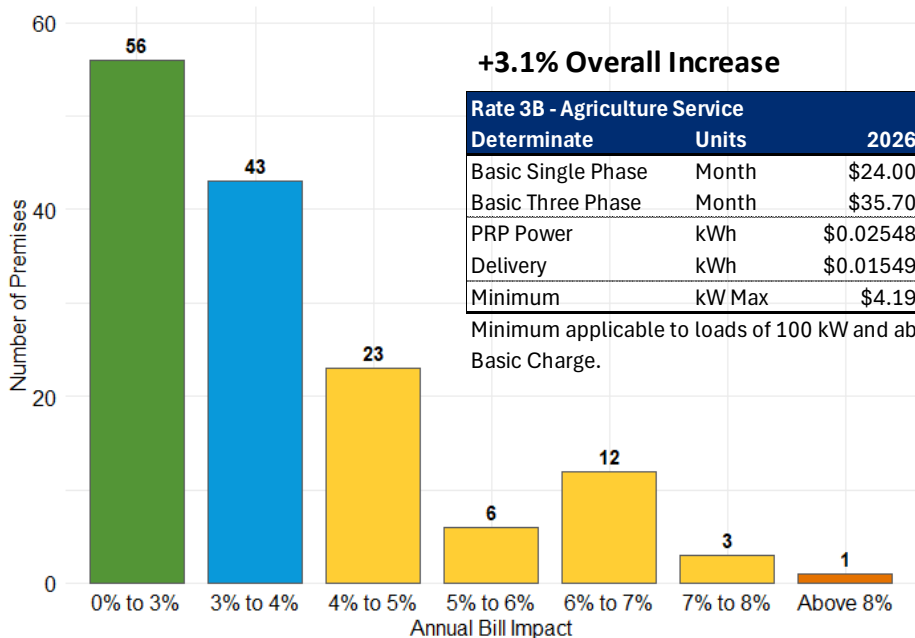
Rate 2 - General Service		Proposed		
Determinate	Units	2026	2027	% Change
Basic Single Phase	Month	\$24.00	\$25.80	+7.5%
Basic Three Phase	Month	\$35.70	\$38.40	+7.6%
PRP Power	kWh	\$0.02548	\$0.02548	
Delivery	kWh	\$0.02273	\$0.02409	+2.8%
Minimum	kW Max	\$4.19	\$4.86	+16.0%
Minimum applicable to loads of 100 kW and above				

38% customers will experience 3% to 4% increase

- Green customers:** Large usage customers with high load factor.
- Yellow customers:** Small users, bill increase driven by 7.5% Basic charge increase.
- Orange customers:** Low load factor, high billing demand compared with monthly KWH, Bill increase driven by 16% minimum charge increase.

Ag Service Customer Bill Impacts

Number of Rate 3B customers by estimated bill change



Rate 3B - Agriculture Service		Proposed		
Determinate	Units	2026	2027	% Change
Basic Single Phase	Month	\$24.00	\$25.80	+7.5%
Basic Three Phase	Month	\$35.70	\$38.40	+7.6%
PRP Power	kWh	\$0.02548	\$0.02548	
Delivery	kWh	\$0.01549	\$0.01642	+2.3%
Minimum	kW Max	\$4.19	\$4.86	+16.0%

Minimum applicable to loads of 100 kW and above, but not less than the Basic Charge.

30% customers will experience 3% to 4% increase

- Green customers:** Large usage customers have higher bill amount; the Basic charge and Minimum charge increase impact will be relatively lower.
- Yellow customers:** Small users, bill increase driven by 7.5% Basic charge increase.
- Orange customers:** Paying paying Minimum charge, bill increase driven by 16% Minimum charge increase.

Rate 3: Irrigation

+3.4% Overall Increase

Rate 3 - Irrigation				
Determinate	Units	2026	Proposed 2027	% Change
Basic Single Phase	Month	\$33.35	\$35.85	+7.5%
Basic Three Phase	Month	\$47.61	\$51.18	+7.5%
PRP Power	kWh	\$0.02548	\$0.02548	+2.3%
Delivery	kWh	\$0.00723	\$0.00799	
Capacity	HP	\$2.99	\$3.14	+5.0%
Capacity	HP	\$2.74	\$2.88	+5.1%

Basic and Capacity collected April - October only

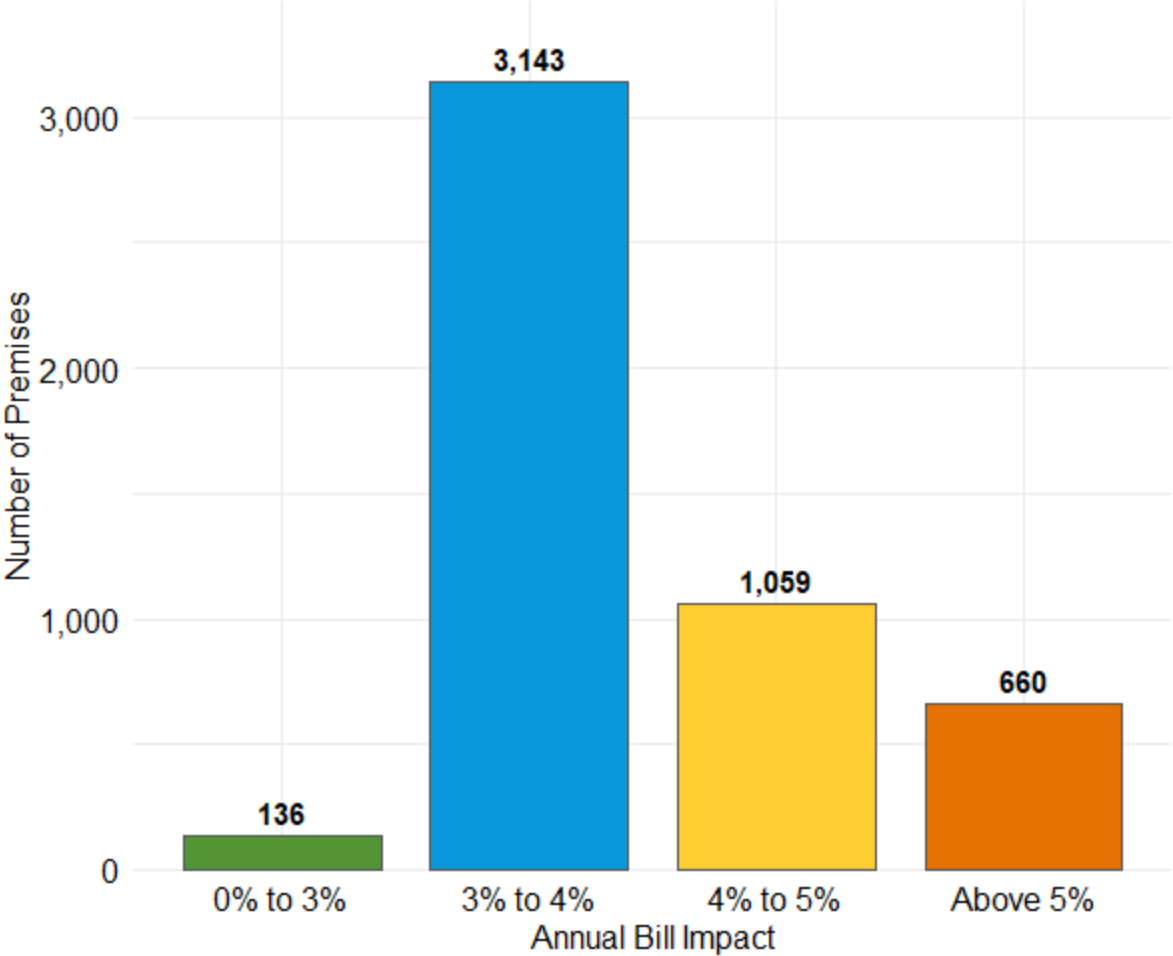
Irrigation - Sample Rate 3 Bill at 2026 Rates				
Description	Current Rate	Qty	Unit	Monthly Cost
Basic Charge Three Phase	\$47.61	1	Month	\$47.61
PRP Power	\$0.02548	16,780	kWh	\$427.55
Delivery	\$0.00723	16,780	kWh	\$121.32
Capacity: First 75 HP	\$2.99	75	HP	\$224.25
Capacity: 75+ HP	\$2.74	23	HP	\$63.02
Total				\$883.75

Irrigation - Sample Rate 3 Bill at Proposed 2027 Rates				
Description	Rate	Qty	Unit	Monthly Cost
Basic Charge Three Phase	\$51.18	1	Month	\$51.18
PRP Power	\$0.02548	16,780	kWh	\$427.55
Delivery	\$0.00799	16,780	kWh	\$134.07
Capacity: First 75 HP	\$3.14	75	HP	\$235.50
Capacity: 75+ HP	\$2.88	23	HP	\$66.24
Total				\$914.55
Change				+3.5%

Rate 3: Irrigation Impact Analysis

Irrigation Customer Bill Impacts

Number of Rate 3 customers by estimated bill change



+3.4% Overall Increase

Rate 3 - Irrigation		Proposed		
Determinate	Units	2026	2027	% Change
Basic Single Phase	Month	\$33.35	\$35.85	+7.5%
Basic Three Phase	Month	\$47.61	\$51.18	+7.5%
PRP Power	kWh	\$0.02548	\$0.02548	+2.3%
Delivery	kWh	\$0.00723	\$0.00799	
Capacity	HP	\$2.99	\$3.14	+5.0%
Capacity	HP	\$2.74	\$2.88	+5.1%

Basic and Capacity collected April - October only

63% customers will experience 3% to 4% increase

- **Green customers:** The largest customers will experience smallest bill increase.
- **Yellow customers & Orange customers:** Small usage customers, low load factor. Bill increase driven by 7.5% basic charge and 5% capacity charge increase.

Rate 6: Street Lighting

Measure	2026 Rate		Proposed 2027 Rate		% Change
Conventional Group 1	\$	10.97	\$	11.35	3.5%
Conventional Group 2	\$	14.85	\$	15.37	3.5%
Conventional Group 3	\$	20.98	\$	21.71	3.5%
Conventional Standards 25-30	\$	6.42	\$	6.64	3.5%
Conventional Standards 35-40	\$	8.88	\$	9.19	3.5%
Decorative Unit 1	\$	48.95	\$	50.66	3.5%
Decorative Unit 1A	\$	26.06	\$	26.97	3.5%
Decorative Unit 2	\$	50.32	\$	52.08	3.5%
Decorative Unit 2A	\$	29.18	\$	30.20	3.5%
Options Reflectors	\$	3.47	\$	3.59	3.5%
Options Power <35Wx2	\$	0.91	\$	0.94	3.2%
Options Power 36W-70W x2	\$	1.69	\$	1.75	3.7%
Options Power 71W-150W x2	\$	3.47	\$	3.59	3.5%

Flat 3.5% increase across Rate 6 line items

- Deviation from 3.5% due to rounding to nearest whole cent

Rate 7: Large General

+11.7% Overall Increase

Rate 7 - Large General Service		Proposed		
Determinate	Units	2026	2027	% Change
Basic	Month	\$166.63	\$ 208.29	+25.0%
PRP Power	kWh	\$0.02548	\$ 0.02548	
Incremental Power	kWh	\$0.00072	\$ 0.00592	+12.8%
Temp. Stabilization	kWh	(0.00082)	(0.00278)	
Demand	kW	\$5.57	\$ 5.85	+5.0%
Minimum	Month	\$166.63	removed	

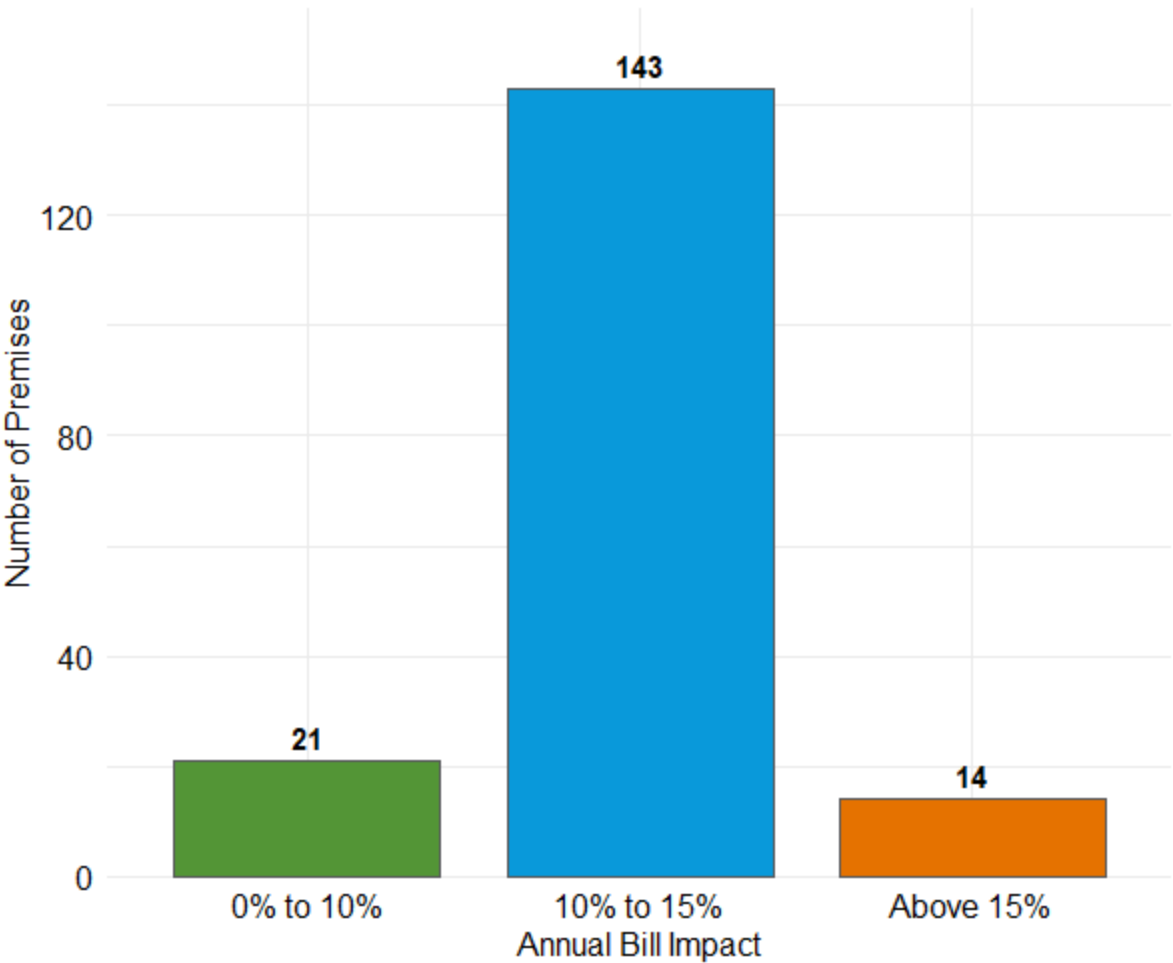
Large General Service - Sample Rate 7 Bill at 2026 Rates				
Description	Current Rate	Qty	Unit	Monthly Cost
Basic	\$166.63	1	Month	\$166.63
PRP Power	\$0.02548	200,000	kWh	\$5,096.00
Incremental Power	\$0.00072	200,000	kWh	\$144.00
Temp. Stabilization	(\$0.00082)	200,000	kWh	(\$164.00)
Demand	\$5.57	540	kW	\$3,007.80
Total				\$8,250.43

Large General Service - Sample Rate 7 Bill at Proposed 2027 Rates				
Description	Rate	Qty	Unit	Monthly Cost
Basic	\$208.29	1	Month	\$208.29
PRP Power	\$0.02548	200,000	kWh	\$5,096.00
Incremental Power	\$0.00563	200,000	kWh	\$1,126.00
Temp. Stabilization	(\$0.00179)	200,000	kWh	(\$358.00)
Demand	\$5.57	540	kW	\$3,007.80
Total				\$9,080.09
Change				+10.1%

Rate 7: Large General Impact Analysis

Large General Customer Bill Impacts

Number of Rate 7 customers by estimated bill change



+11.7% Overall Increase

Rate 7 - Large General Service		Proposed		
Determinate	Units	2026	2027	% Change
Basic	Month	\$166.63	\$ 208.29	+25.0%
PRP Power	kWh	\$0.02548	\$ 0.02548	
Incremental Power	kWh	\$0.00072	\$ 0.00592	+12.8%
Temp. Stabilization	kWh	(0.00082)	(0.00278)	
Demand	kW	\$5.57	\$ 5.85	+5.0%
Minimum	Month	\$166.63	removed	

80% customers will experience 10% to 15% increase

- **Orange customers:**
 - Very low load factor.
 - Low usage customers, basic charge make up a large percentage of their bill, thus, 25% basic charge increase highly impact their bill increase.

Rate 14: Industrial

+9.1% Overall Increase

Rate 14 - Industrial		Proposed		
Determinate	Units	2026	2027	% Change
Basic	Month	\$726.44	\$908.05	+25.0%
PRP Power	kWh	\$0.02548	\$0.02548	
Incremental Power	kWh	\$0.00072	\$0.00563	+8.5%
Temp. Stabilization	kWh	\$0.00024	(\$0.00243)	
Demand	kW	\$5.96	\$6.56	+10.1%
Minimum	75% of highest billing demand over rolling 12 months			

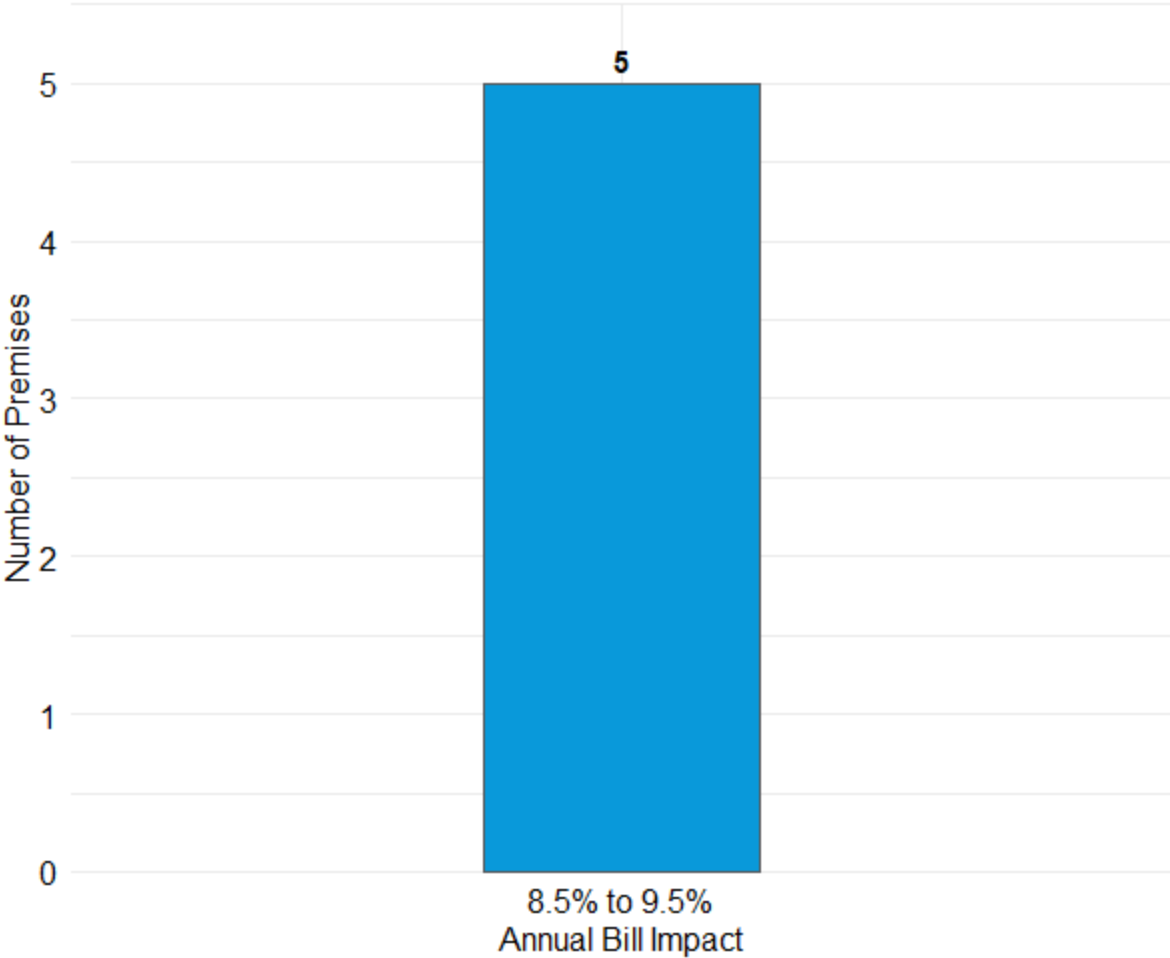
Industrial - Sample Rate 14 Bill at 2026 Rates				
Description	Current Rate	Qty	Unit	Monthly Cost
Basic	\$726.44	1	Month	\$726.44
PRP Power	\$0.02548	3,000,000	kWh	\$76,440.00
Incremental Power	\$0.00072	3,000,000	kWh	\$2,160.00
Temp. Stabilization	\$0.00024	3,000,000	kWh	\$720.00
Demand	\$5.96	8,000	kW	\$47,680.00
Total				\$127,726.44

Industrial - Sample Rate 14 Bill at Proposed 2027 Rates				
Description	Rate	Qty	Unit	Monthly Cost
Basic	\$908.05	1	Month	\$908.05
PRP Power	\$0.02548	3,000,000	kWh	\$76,440.00
Incremental Power	\$0.00563	3,000,000	kWh	\$16,890.00
Temp. Stabilization	(\$0.00243)	3,000,000	kWh	(\$7,290.00)
Demand	\$6.56	8,000	kW	\$52,480.00
Total				\$139,428.05
Change				+9.2%

Rate 14: Industrial Impact Analysis

Industrial Customer Bill Impacts

Number of Rate 14 customers by estimated bill change



+9.1% Overall Increase

Rate 14 - Industrial		Proposed		
Determinate	Units	2026	2027	% Change
Basic	Month	\$726.44	\$908.05	+25.0%
PRP Power	kWh	\$0.02548	\$0.02548	
Incremental Power	kWh	\$0.00072	\$0.00563	+8.5%
Temp. Stabilization	kWh	\$0.00024	(\$0.00243)	
Demand	kW	\$5.96	\$6.56	+10.1%
Minimum	75% of highest billing demand over rolling 12 months			

All customers will experience 8.5% to 9.5% increase

Rate 15: Large Industrial

+2.2% Overall Increase

Rate 15 - Large Industrial		Proposed		
Determinate	Units	2026	2027	% Change
Basic	Month	\$1,061.08	\$1,326.35	+25.0%
PRP Energy	kWh	\$0.02548	\$0.02548	-0.2%
Incremental Energy	kWh	\$0.00260	\$0.00563	
Temp Stabilization	kWh	\$0.00520	\$0.00210	
Demand	kW	\$6.03	\$6.63	+10.0%
Minimum	75% of highest billing demand over rolling 12 months			

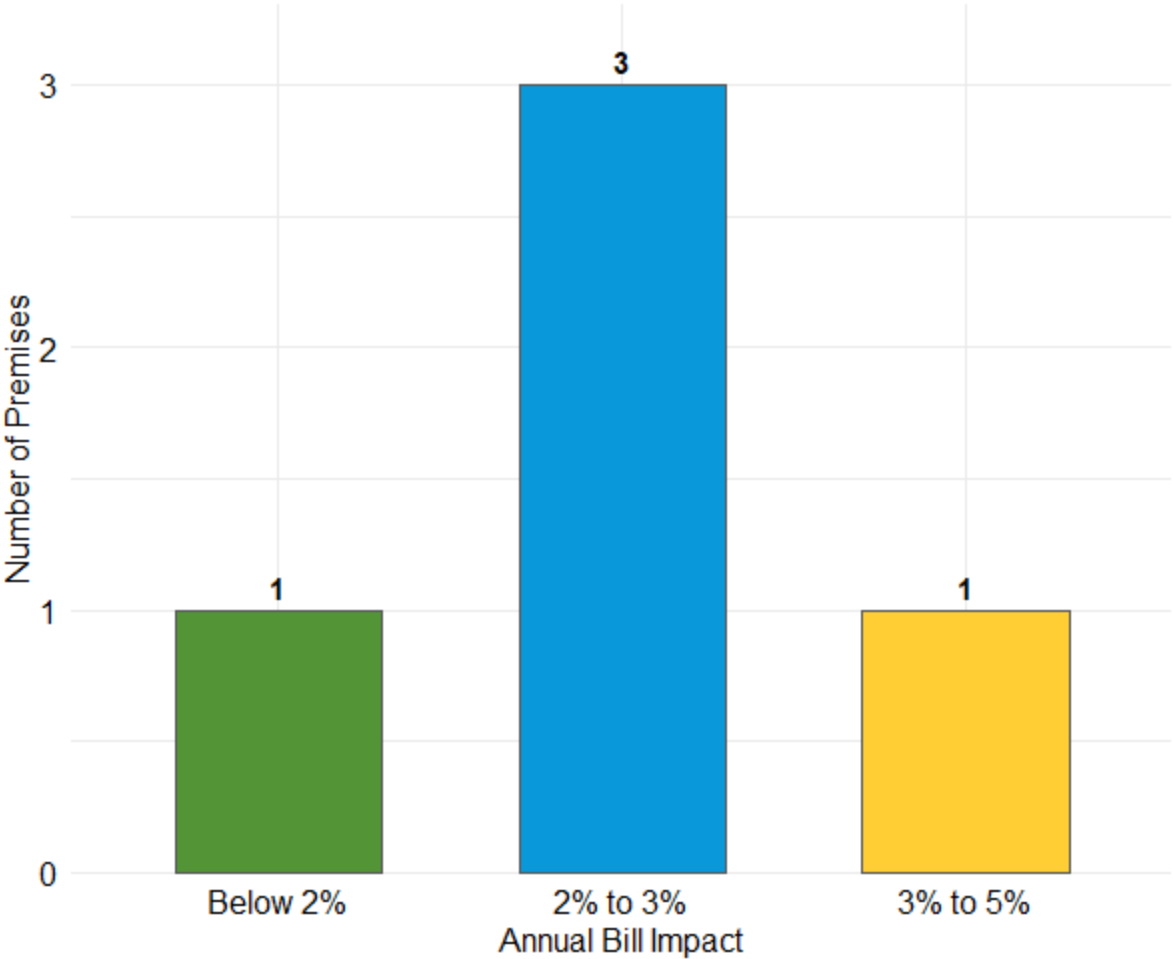
Large Industrial - Sample Rate 15 Bill at 2026 Rates				
Description	Current Rate	Qty	Unit	Monthly Cost
Basic	\$1,061.08	1	Month	\$1,061.08
PRP Power	\$0.02548	12,560,000	kWh	\$320,028.80
Incremental Power	\$0.00260	12,560,000	kWh	\$32,656.00
Temp. Stabilization	\$0.00520	12,560,336	kWh	\$65,313.75
Demand	\$6.03	19,600	kW	\$118,188.00
Total				\$537,247.63

Large Industrial - Sample Rate 15 Bill at Proposed 2027 Rates				
Description	Rate	Qty	Unit	Monthly Cost
Basic	\$ 1,326.35	1	Month	\$1,326.35
PRP Power	\$ 0.02548	12,560,000	kWh	\$320,028.80
Incremental Power	\$ 0.00563	12,560,000	kWh	\$70,712.80
Temp. Stabilization	\$ 0.00210	12,560,336	kWh	\$26,376.71
Demand	\$ 6.63	19,600	kW	\$129,948.00
Total				\$548,392.66
Change				+2.1%

Rate 15: Large Industrial Impact Analysis

Large Industrial Customer Bill Impacts

Number of Rate 15 customers by estimated bill change



+2.2% Overall Increase

Rate 15 - Large Industrial		Proposed		
Determinate	Units	2026	2027	% Change
Basic	Month	\$1,061.08	\$1,326.35	+25.0%
PRP Energy	kWh	\$0.02548	\$0.02548	
Incremental Energy	kWh	\$0.00260	\$0.00563	-0.2%
Temp Stabilization	kWh	\$0.00520	\$0.00210	
Demand	kW	\$6.03	\$6.63	+10.0%
Minimum	75% of highest billing demand over rolling 12 months			

Most customers will experience 2% to 3% increase

Rate 16: Industrial Agriculture

+9.2% Overall Increase

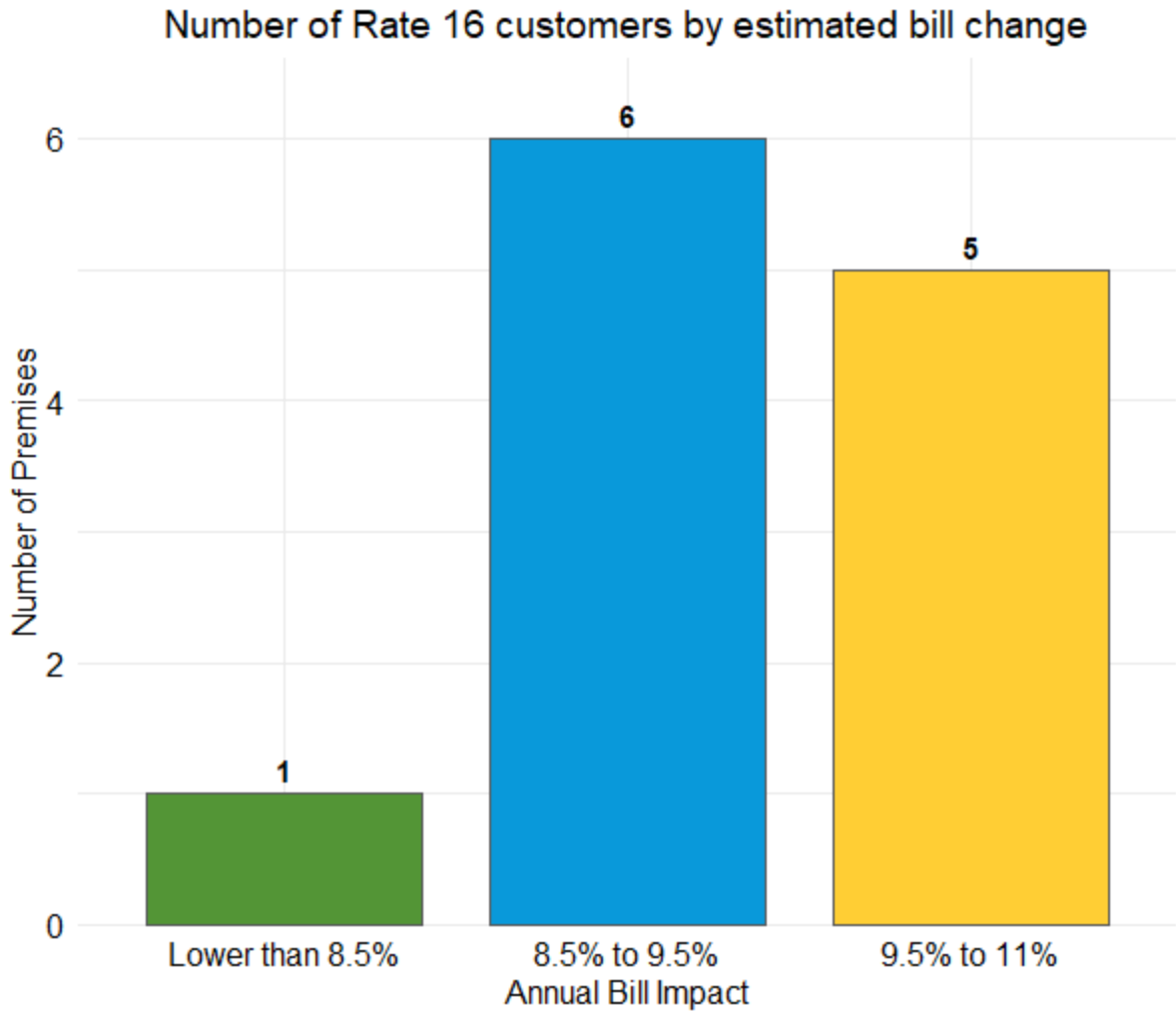
Rate 16 -Agriculture Processing		Proposed		
Determinate	Units	2026	2027	% Change
Basic	Month	\$726.44	\$908.05	+25.0%
PRP Power	kWh	\$0.02548	\$0.02548	
Incremental Power	kWh	\$0.00072	\$0.00563	+11.5%
Temp. Stabilization	kWh	\$0.00000	(\$0.00191)	
Demand	kW	\$5.98	\$6.28	+5.0%
Minimum	75% of highest billing demand over rolling 12 months			

Agricultural Processing - Sample Rate 16 Bill at 2026 Rates				
Description	Current Rate	Qty	Unit	Monthly Cost
Basic	\$726.44	1	Month	\$726.44
PRP Power	\$0.02548	2,010,000	kWh	\$51,214.80
Incremental Power	\$0.00072	2,010,000	kWh	\$1,447.20
Temp. Stabilization	\$0.00000	2,010,000	kWh	\$0.00
Demand	\$5.98	5,210	kW	\$31,155.80
Total				\$84,544.24

Agricultural Processing - Sample Rate 16 Bill at Proposed 2027 Rates				
Description	Rate	Qty	Unit	Monthly Cost
Basic	\$908.05	1	Month	\$908.05
PRP Power	\$0.02548	2,010,000	kWh	\$51,214.80
Incremental Power	\$0.00563	2,010,000	kWh	\$11,316.30
Temp. Stabilization	(\$0.00191)	2,010,000	kWh	(\$3,839.10)
Demand	\$6.28	5,210	kW	\$32,718.80
Total				\$92,318.85
Change				+9.2%

Rate 16: Industrial Ag Impact Analysis

Industrial Ag Bill Impacts



+9.2% Overall Increase

Rate 16 -Agriculture Processing		Proposed		
Determinate	Units	2026	2027	% Change
Basic	Month	\$726.44	\$908.05	+25.0%
PRP Power	kWh	\$0.02548	\$0.02548	
Incremental Power	kWh	\$0.00072	\$0.00563	+11.5%
Temp. Stabilization	kWh	\$0.00000	(\$0.00191)	
Demand	kW	\$5.98	\$6.28	+5.0%
Minimum	75% of highest billing demand over rolling 12 months			

80% customers will experience 8.5% to 10% increase

- Low load factor customers experience a lower rate increase than high load factor customers

Rate 19: Commercial EV Charging

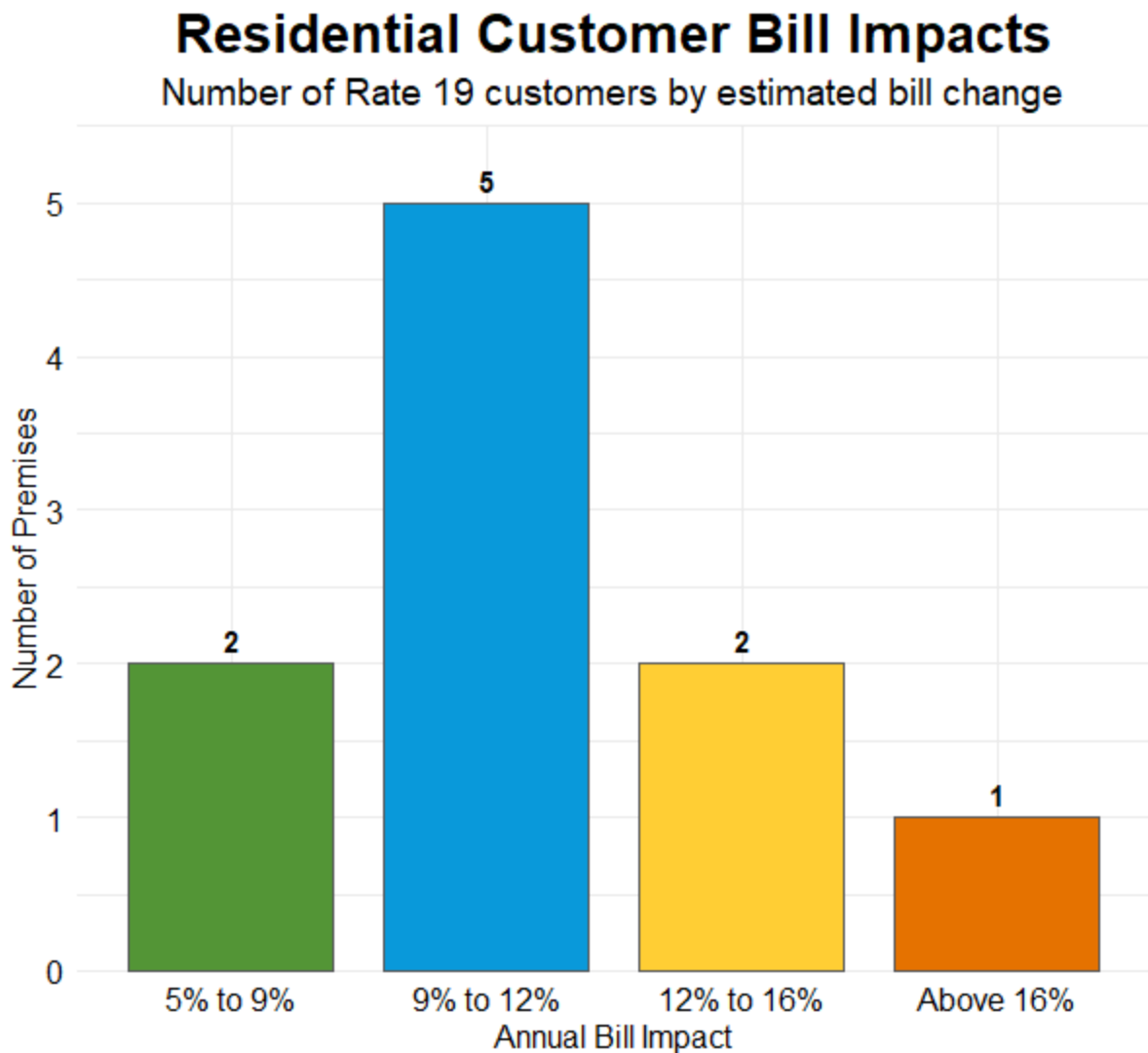
+13.3% Overall Increase

Rate 19 -Commercial EV Charging				
Determinate	Units	2026	Proposed 2027	% Change
Basic	Month	\$54.30	\$67.88	+25.0%
PRP Power	kWh	\$0.02548	\$0.02548	
Incremental Power	kWh	\$0.00260	\$0.02031	+66.0%
Temp. Stabilization	kWh	\$0.00200	-\$0.00018	
Demand	kW	\$9.95	\$10.45	+5.0%
Minimum	Month	\$461.87	\$522.50	+13.1%

EV Charging - Sample Rate 19 Bill at 2026 Rates				
Description	Current Rate	Qty	Unit	Monthly Cost
Basic	\$54.30	1	Month	\$54.30
PRP Power	\$0.02548	21,500	kWh	\$547.82
Incremental Power	\$0.00260	21,500	kWh	\$55.90
Temp. Stabilization	\$0.00200	21,500	kWh	\$43.00
Demand	\$9.95	220	kW	\$2,189.00
Total				\$2,890.02

EV Charging - Sample Rate 19 Bill at Proposed 2027 Rates				
Description	Rate	Qty	Unit	Monthly Cost
Basic	\$67.88	1	Month	\$67.88
PRP Power	\$0.02548	21,500	kWh	\$547.82
Incremental Power	\$0.02031	21,500	kWh	\$436.67
Temp. Stabilization	-\$0.00018	21,500	kWh	-\$3.87
Demand	\$10.45	220	kW	\$2,299.00
Total				\$3,347.50
Change				+15.8%

Rate 19: EV Impact Analysis



+13.3% Overall Increase

Rate 19 -Commercial EV Charging		Proposed		
Determinate	Units	2026	2027	% Change
Basic	Month	\$54.30	\$67.88	+25.0%
PRP Power	kWh	\$0.02548	\$0.02548	
Incremental Power	kWh	\$0.00260	\$0.02031	+66.0%
Temp. Stabilization	kWh	\$0.00200	-\$0.00018	
Demand	kW	\$9.95	\$10.45	+5.0%
Minimum	Month	\$461.87	\$522.50	+13.1%

Inconsistent outcomes for a diverse group of customers with a variety of load factors.

- Green customers have the load factors below 1%
- Yellow and orange customers have load factors above 5%

Rate 20: High Density Compute (Rate 14 migration)

+23.8% Overall Increase

Rate 20 - High Density Compute		Proposed		
Determinate	Units	2026	2027	% Change
Basic	Month	\$726.44	\$1,250.00	+72.1%
PRP Power	kWh	\$0.02548	\$0.02548	
Incremental Power	kWh	\$0.00072	\$0.02031	+25.2%
Temp. Stabilization	kWh	\$0.00024	(\$0.01268)	
Demand	kW	\$5.96	\$7.15	+20.0%
Minimum	75% of highest billing demand over rolling 12 months			

High Density Compute- Sample Rate 14 Bill at 2026 Rates				
Description	Current Rate	Qty	Unit	Monthly Cost
Basic	\$726.44	1	Month	\$726.44
PRP Power	\$0.02548	3,723,000	kWh	\$94,862.04
Incremental Power	\$0.00072	3,723,000	kWh	\$2,680.56
Temp. Stabilization	\$0.00024	3,723,000	kWh	\$893.52
Demand	\$5.96	6,000	kW	\$35,760.00
Total				\$134,922.56

High Density Compute - Sample Rate 20 Bill at Proposed 2027 Rates				
Description	Rate	Qty	Unit	Monthly Cost
Basic	\$1,250.00	1	Month	\$1,250.00
PRP Power	\$0.02548	3,723,000	kWh	\$94,862.04
Incremental Power	\$0.02031	3,723,000	kWh	\$75,614.13
Temp. Stabilization	(\$0.01268)	3,723,000	kWh	(\$47,207.64)
Demand	\$7.15	6,000	kW	\$42,900.00
Total				\$167,418.53
Change				+24.1%

Rate 20: High Density Compute (Rate 17B migration)

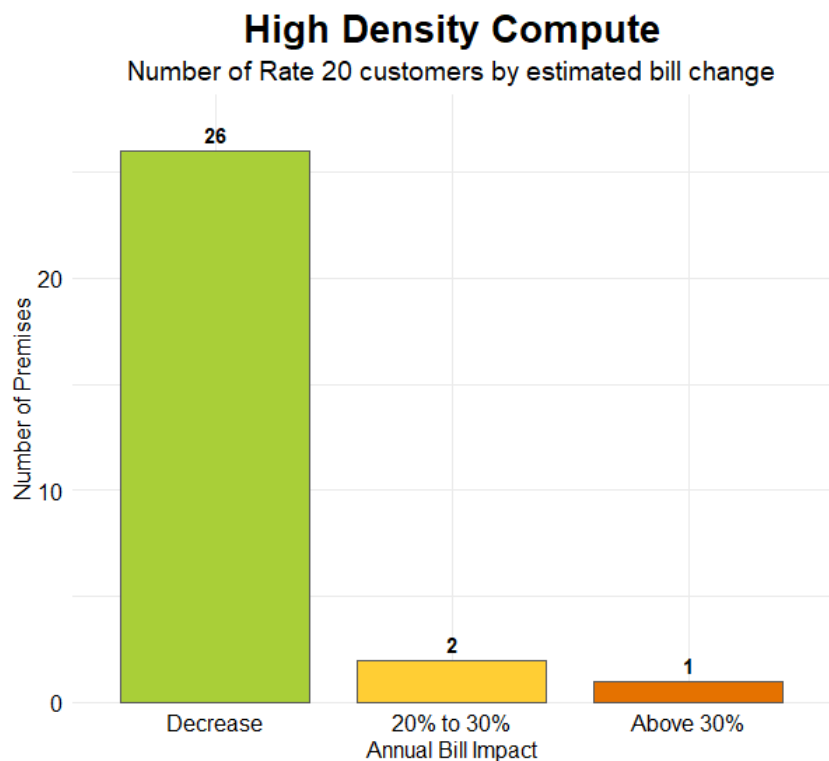
14.9% Overall Decrease

Rate 20 -High Density Compute		Proposed		
Determinate	Units	2026	2027	% Change
Basic	Month	\$1,000.00	\$1,250.00	+25.0%
PRP Power	kWh	\$0.02548	\$0.02548	
Incremental Power	kWh	\$0.00260	\$0.02031	+0.1%
Temp. Stabilization	kWh	\$0.00500	(\$0.01268)	
Demand	kW	\$12.90	\$7.15	-44.6%
Minimum	75% of highest billing demand over rolling 12 months			

High Density Compute- Sample Rate 17 Bill at 2026 Rates				
Description	Current Rate	Qty	Unit	Monthly Cost
Basic	\$1,000.00	1	Month	\$1,000.00
PRP Power	\$0.02548	3,723,000	kWh	\$94,862.04
Incremental Power	\$0.00260	3,723,000	kWh	\$9,679.80
Temp. Stabilization	\$0.00500	3,723,000	kWh	\$18,615.00
Demand	\$12.90	6,000	kW	\$77,400.00
Total				\$201,556.84

High Density Compute - Sample Rate 20 Bill at Proposed 2027 Rates				
Description	Rate	Qty	Unit	Monthly Cost
Basic	\$1,250.00	1	Month	\$1,250.00
PRP Power	\$0.02548	3,723,000	kWh	\$94,862.04
Incremental Power	\$0.02031	3,723,000	kWh	\$75,614.13
Temp. Stabilization	(\$0.01268)	3,723,000	kWh	-\$47,207.64
Demand	\$7.15	6,000	kW	\$42,900.00
Total				\$167,418.53
Change				-16.9%

Rate 20: HDC Impact Analysis



Original rate class drives outcomes

- Green customers migrating from Rate 17 (evolving industry) will receive a rate reduction
- Yellow customers migrating from Rate 14 expect a 20% to 30% increase
- Customers migrating from Rate 7 expect an increase above 30%

+23.8% Overall Increase

Rate 20 -High Density Compute Bill (Rate 14 --> Rate 20) <10MW

Rate 20 - High Density Compute		Proposed		
Determinate	Units	2026	2027	% Change
Basic	Month	\$726.44	\$1,250.00	+72.1%
PRP Power	kWh	\$0.02548	\$0.02548	
Incremental Power	kWh	\$0.00072	\$0.02031	+25.2%
Temp. Stabilization	kWh	\$0.00024	(\$0.01268)	
Demand	kW	\$5.96	\$7.15	+20.0%
Minimum	75% of highest billing demand over rolling 12 months			

14.9% Overall Decrease

Rate 20 -High Density Compute Bill (Rate 17 --> Rate 20) <10MW

Rate 20 -High Density Compute		Proposed		
Determinate	Units	2026	2027	% Change
Basic	Month	\$1,000.00	\$1,250.00	+25.0%
PRP Power	kWh	\$0.02548	\$0.02548	
Incremental Power	kWh	\$0.00260	\$0.02031	+0.1%
Temp. Stabilization	kWh	\$0.00500	(\$0.01268)	
Demand	kW	\$12.90	\$7.15	-44.6%
Minimum	75% of highest billing demand over rolling 12 months			

Rate 21: High Density Compute (Rate 15 migration)

12.5% Overall Increase

Rate 21 - Large High Density Compute			Proposed	
Determinate	Units	2026	2027	% Change
Basic	Month	\$1,061.08	\$1,875.00	+76.7%
PRP Power	kWh	\$0.02548	\$0.02548	
Incremental Power	kWh	\$0.00260	\$0.02031	+10.5%
Temp. Stabilization	kWh	\$0.00520	(\$0.00901)	
Demand	kW	\$6.03	\$7.25	+20.2%
Minimum	75% of highest billing demand over rolling 12 months			

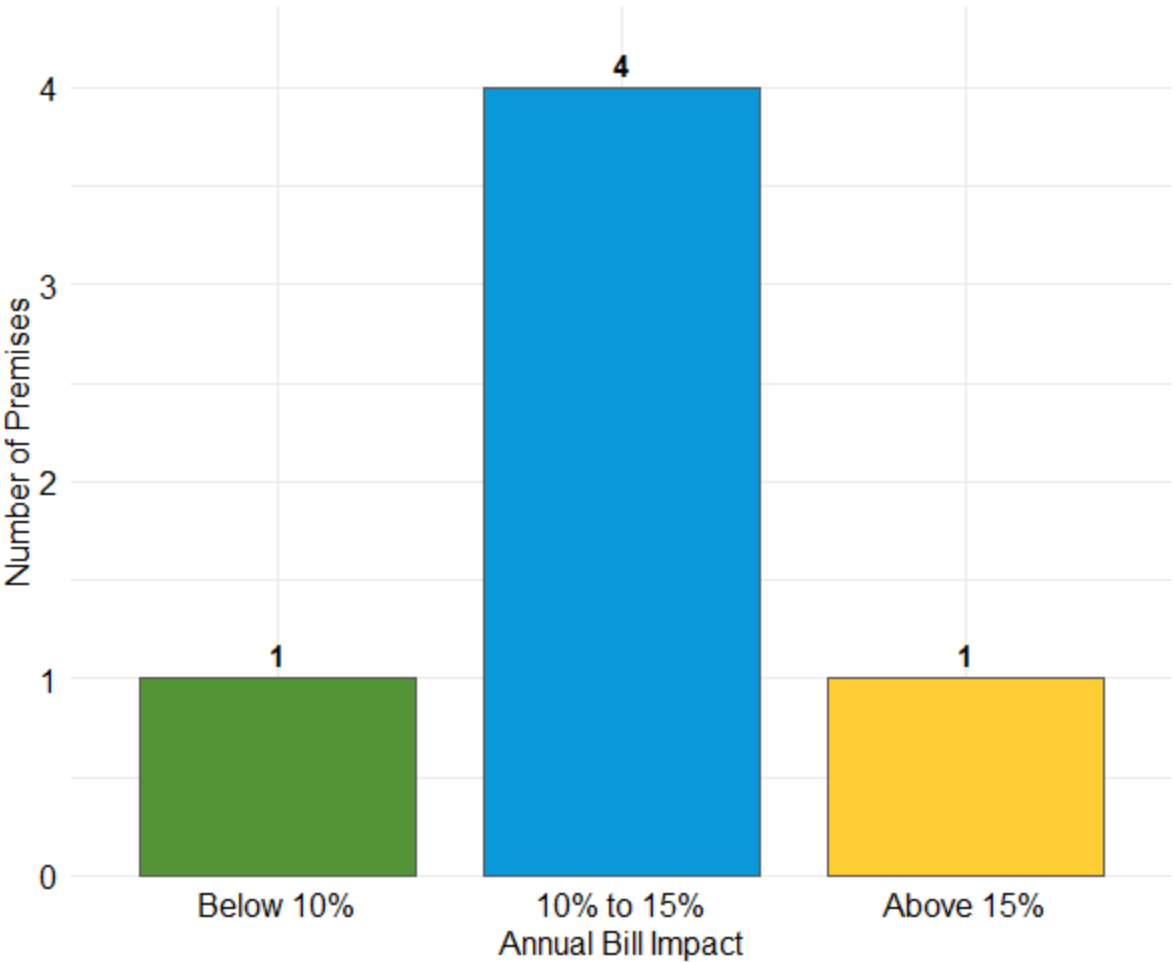
Large High Density Compute- Sample Rate 15 Bill at 2026 Rates				
Description	Current Rate	Qty	Unit	Monthly Cost
Basic	\$1,061.08	1	Month	\$1,061.08
PRP Power	\$0.02548	12,560,000	kWh	\$320,028.80
Incremental Power	\$0.00260	12,560,000	kWh	\$32,656.00
Temp. Stabilization	\$0.00520	12,560,000	kWh	\$65,312.00
Demand	\$6.03	19,600	kW	\$118,188.00
Total				\$537,245.88

Large High Density Compute - Sample Rate 21 Bill at Proposed 2027 Rates				
Description	Rate	Qty	Unit	Monthly Cost
Basic	\$1,875.00	1	Month	\$1,875.00
PRP Power	\$0.02548	12,560,000	kWh	\$320,028.80
Incremental Power	\$0.02031	12,560,000	kWh	\$255,093.60
Temp. Stabilization	(\$0.00901)	12,560,000	kWh	(\$113,165.60)
Demand	\$7.25	19,600	kW	\$142,100.00
Total				\$605,931.80
Change				+12.8%

Rate 21: Large HDC Impact

Large High Density Compute

Number of Rate 21 customers by estimated bill change



12.5% Overall Increase

Rate 21 - Large High Density Compute Bill (Rate 15 --> Rate 21) >=10MW

Rate 21 - Large High Density Compute		Proposed		% Change
Determinate	Units	2026	2027	
Basic	Month	\$1,061.08	\$1,875.00	+76.7%
PRP Power	kWh	\$0.02548	\$0.02548	
Incremental Power	kWh	\$0.00260	\$0.02031	+10.5%
Temp. Stabilization	kWh	\$0.00520	(\$0.00901)	
Demand	kW	\$6.03	\$7.25	+20.2%
Minimum	75% of highest billing demand over rolling 12 months			

Established Rate 15 customers will experience a rate increase of 12% to 13%.

- Green customer has a very low load factor
- Yellow customer migrating from Rate 14

Rate 85: Agriculture Boiler

25% Overall Increase

Rate 85 - Agriculture Boiler		Proposed		
Determinate	Units	2026	2027	% Change
Basic	Month	\$1,549.50	\$1,936.88	+25.0%
PRP Power	kWh	\$0.02548	\$0.02548	
Incremental Power	kWh	\$0.00072	\$0.02031	+74.8%
Temp. Stabilization	kWh	\$0.00000	\$0.00000	
Demand	kW	\$6.61	\$7.27	+10.0%
Minimum	75% of highest billing demand over rolling 12 months			

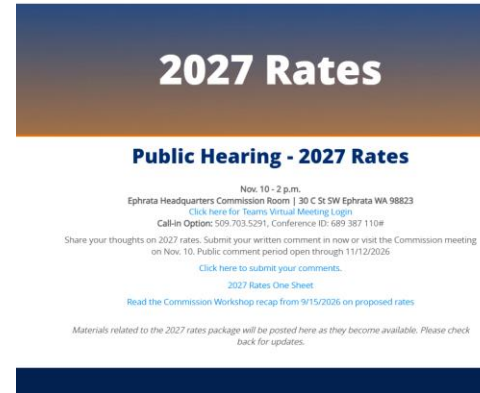
Agricultural Boiler - Sample Rate 85 Bill at 2026 Rates				
Description	Current Rate	Qty	Unit	Monthly Cost
Basic Charge	\$1,549.50	1	Month	\$1,549.50
PRP Power Charge	\$0.02548	-	kWh	\$0.00
Incremental Power Charge	\$0.00072	-	kWh	\$0.00
Temp. Stabilization	\$0.00000	-	kWh	\$0.00
Demand Charge	\$6.61	-	kW	\$0.00
Total				\$1,549.50

Agricultural Boiler - Sample Rate 85 Bill at Proposed 2027 Rates				
Description	Rate	Qty	Unit	Monthly Cost
Basic Charge	\$1,936.88	1	Month	\$1,936.88
PRP Power Charge	\$ 0.02548	-	kWh	\$0.00
Incremental Power Charge	\$ 0.02031	-	kWh	\$0.00
Temp. Stabilization	\$ -	-	kWh	\$0.00
Demand Charge	\$7.27	-	kW	\$0.00
Total				\$1,936.88
Change				+25.0%

Outreach and Next Steps

Outreach materials

- One page summary
 - Rate goals
 - Challenges
 - Changes by rate class
- Website update
 - Public comment open
 - Meeting time and location
- Sample bills



2027 Rates

Public Hearing - 2027 Rates

Nov. 10 - 2 p.m.
Ephrata Headquarters Commission Room | 30 C St SW Ephrata WA 98823
[Click here for Teams Virtual Meeting Login](#)
Call-in Option: 509-703-5291; Conference ID: 689 387 1104

Share your thoughts on 2027 rates. Submit your written comment in now or visit the Commission meeting on Nov. 10. Public comment period open through 11/12/2026.
[Click here to submit your comments.](#)

[2027 Rates One Sheet](#)
[Read the Commission Workshop recap from 9/15/2026 on proposed rates.](#)

Materials related to the 2027 rates package will be posted here as they become available. Please check back for updates.

2027 PROPOSED RATES PACKAGE

2027 RATE GOALS:

- 1 Continue core customer protection from the cost of load growth, by allocating costs to deliver power outside of Priest Rapids Project to Tier 1 and Tier 2 customers
- 2 Align rate classes with the Commission's "Growth Pays for Growth" strategy by creating two new Tier 2 data center rate classes.
- 3 Develop a smooth rate trajectory to maintain commission established guardrails for rates relative to costs.



CORE CUSTOMERS

RESIDENTIAL
GENERAL SERVICE/
SMALL BUSINESS
IRRIGATION
AGRICULTURAL

TIER 1 CUSTOMERS

LARGE GENERAL SERVICE
INDUSTRIAL
LARGE INDUSTRIAL
AG INDUSTRIAL

TIER 2 CUSTOMERS

EVOLVING INDUSTRY
COMMERCIAL EV CHARGING
HIGH DENSITY COMPUTE (NEW)
LARGE HIGH DENSITY COMPUTE (NEW)

CHALLENGES:

-  CARBON REQUIREMENTS
-  HYDROPOWER LIMITS
-  GROW INDUSTRIAL DEMAND DRIVEN BY CUSTOMER & COMMUNITY GOALS
-  INCREASED MATERIAL COSTS
Prices have almost doubled in the last 10 years for power poles, transformers, wires and cables.
-  PRESENT TRANSMISSION CONSTRAINTS
-  REGIONAL RELIABILITY CONSTRAINTS



2027 PROPOSED RATE PACKAGE

[Learn more and submit public comment.](#)

[LEARN MORE](#)

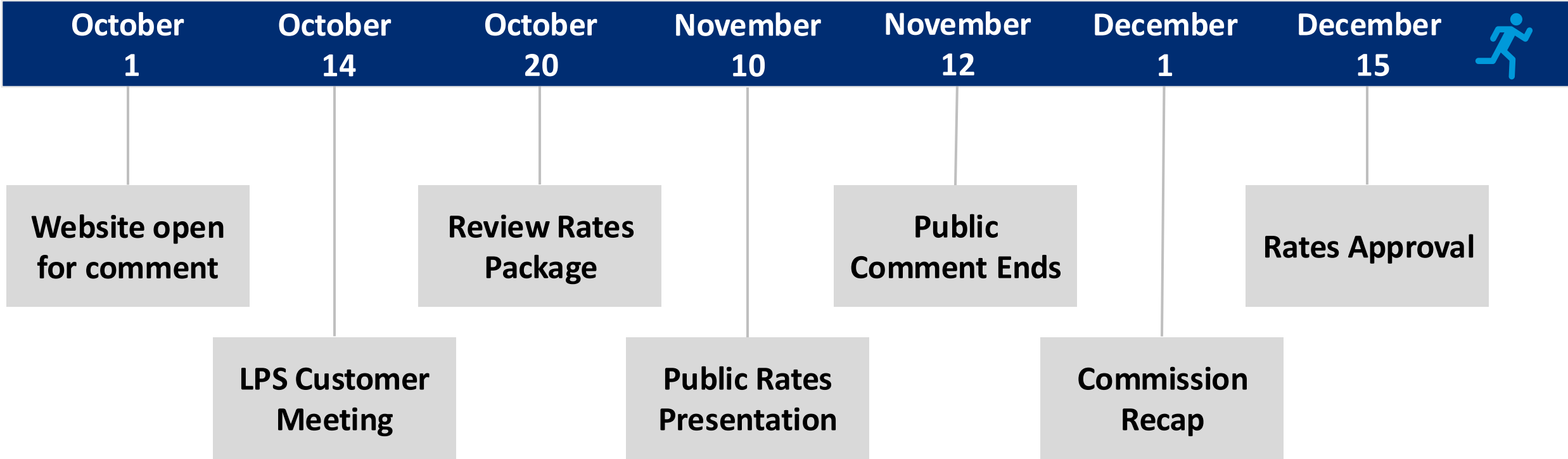
[Pay Your Bill](#)

[Outages](#)

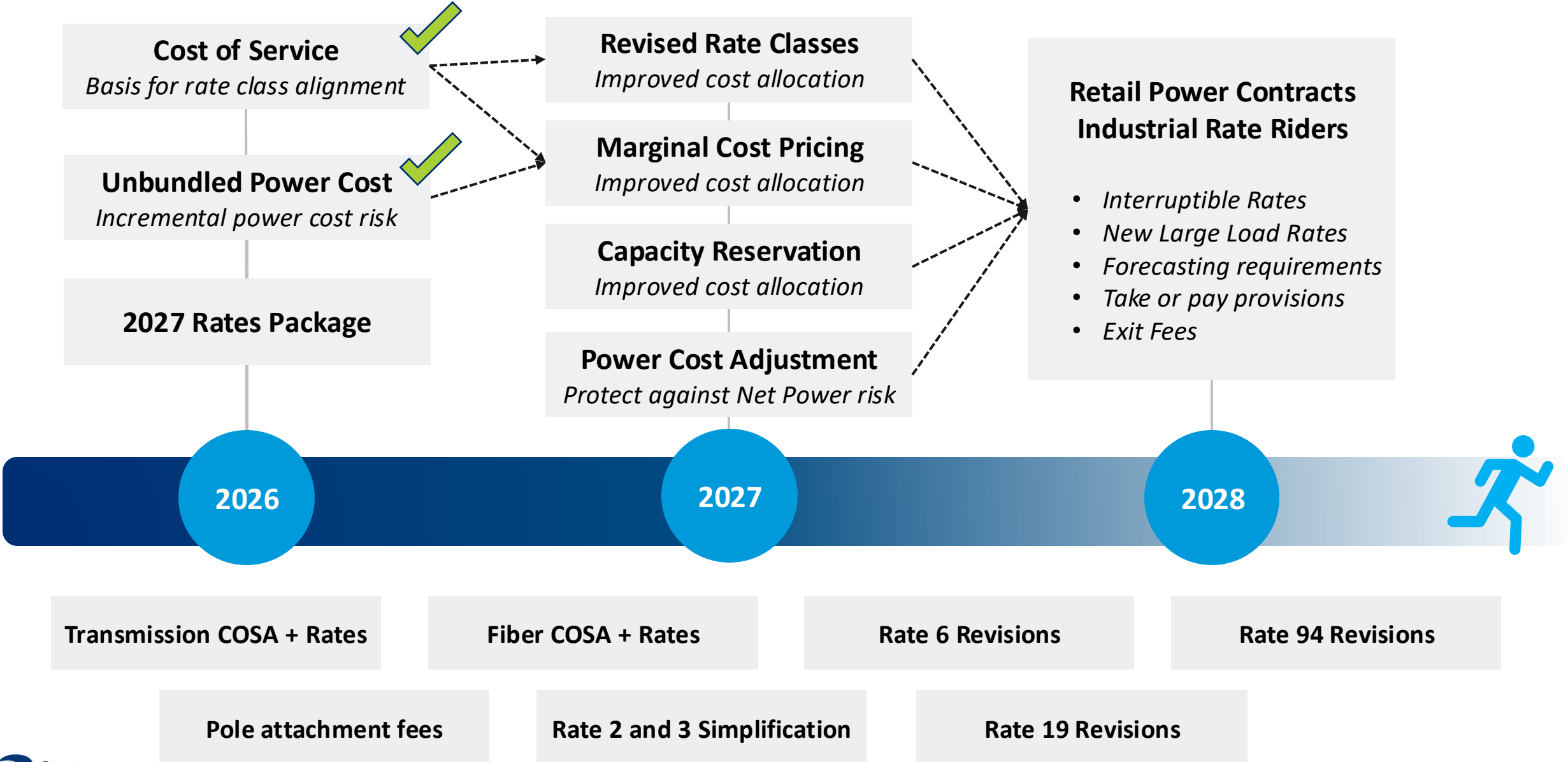
[Start/Stop Service](#)

[Contact Us](#)

Timeline



Rates Projects and Timeline



Cost of Service

Follow up on model differences

Rate setting and cost of service

Cost-of-Service is one factor Grant PUD's Commission may consider when setting electric rates.

Resolution 9111

- Load growth
- Business sustainability
- **Cost-to-serve**
- Fuel costs
- Regulations
- Risk
- Societal goals
- Other relevant factors

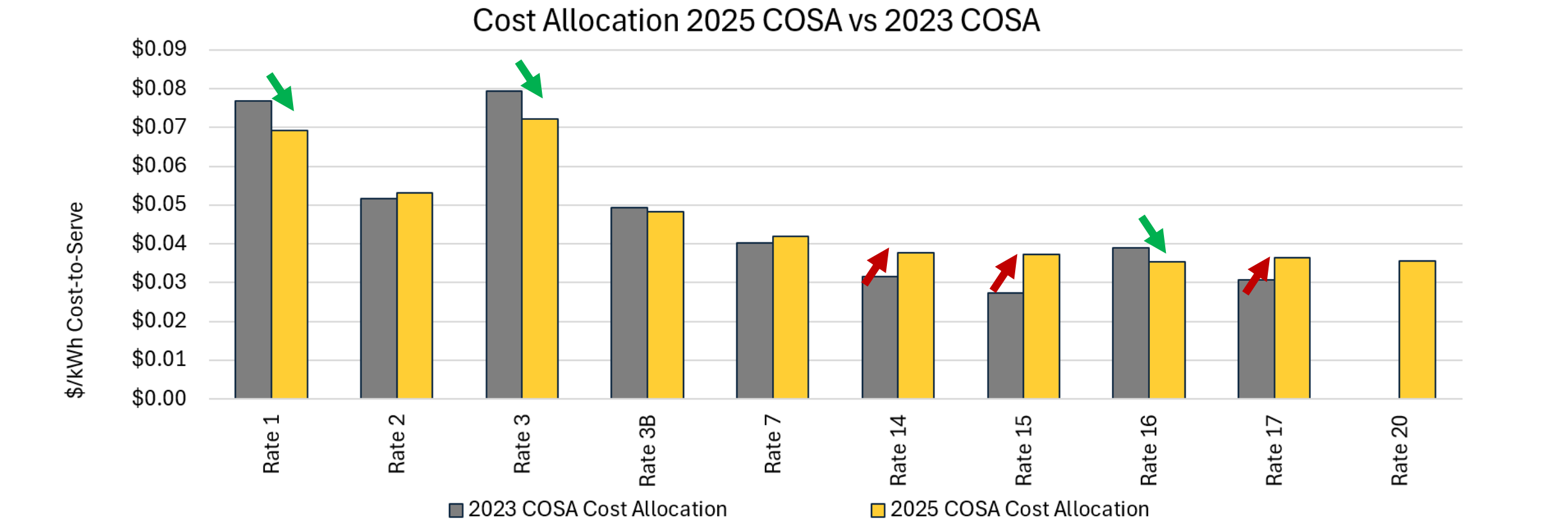
Unbundled Power Cost Methodology

Bundled Power Costs	Unbundled Power Costs
<u>Energy</u> billed as a pooled cost • Comingled with other costs (e.g. transmission, distribution, admin, etc.) • Costs are pooled for all rate classes and adjusted for line losses and capacity value • CCA Credits applied to energy cost allocation	<u>Power</u> billed as separate Priest Rapids Project and Incremental Power costs • Bulk Electric Power costs isolated • All customers pay the same PRP \$/kWh • Four step allocation process that protects Core customers from the cost of growth • CCA credits not applied to power cost allocation

Reasons we shifted to the Unbundled Power Cost Methodology

- Protect Core customers from growth driven incremental power costs
- Alignment with Commission objectives
- Billing transparency

Comparing COSA results



COSA-Revenue Perspective	Rate 1 Residential	Rate 2 Gen Service	Rate 3 Irrigation	Rate 7 Lg. Gen Service	Rate 14 Industrial	Rate 15 Lg. Industrial	Rate 16 Ag. Industrial	Rate 17 Evolving	Rate 20 HD Compute
2025 COSA	-11.0% below	-0.2% below	-30.6% below	-10.6% below	-5.4% below	+3.4% above	+2.3% above	+32.4% above	+10.6% above
2023 COSA	-23.2% below	-3.3% below	-34.6% below	-16.9% below	+4.1% above	+39.8% above	-15.6% below	+8.3% above	

Thank you!

ERP+ Program

October 20, 2026

John Mullen, ERP+ Program Manager
Vince Von Paul, Manager EPMO



Powering our way of life.

Agenda & Executive Summary

1 Consistent Objectives

2 Where We Were

3 Where We Are

4 Where We're Going

Remain Focused on Consistent Objectives

Consolidated Systems



Help Reduce:

- Redundant, low-value work
- Required specialized knowledge
- Vendors & providers to manage

Centralized Data



Create:

- Central source of truth
- Consistent reporting
- Reduced time in creating and reconciling reports

Fewer Integrations



Help Reduce:

- Failure points
- System maintenance needs

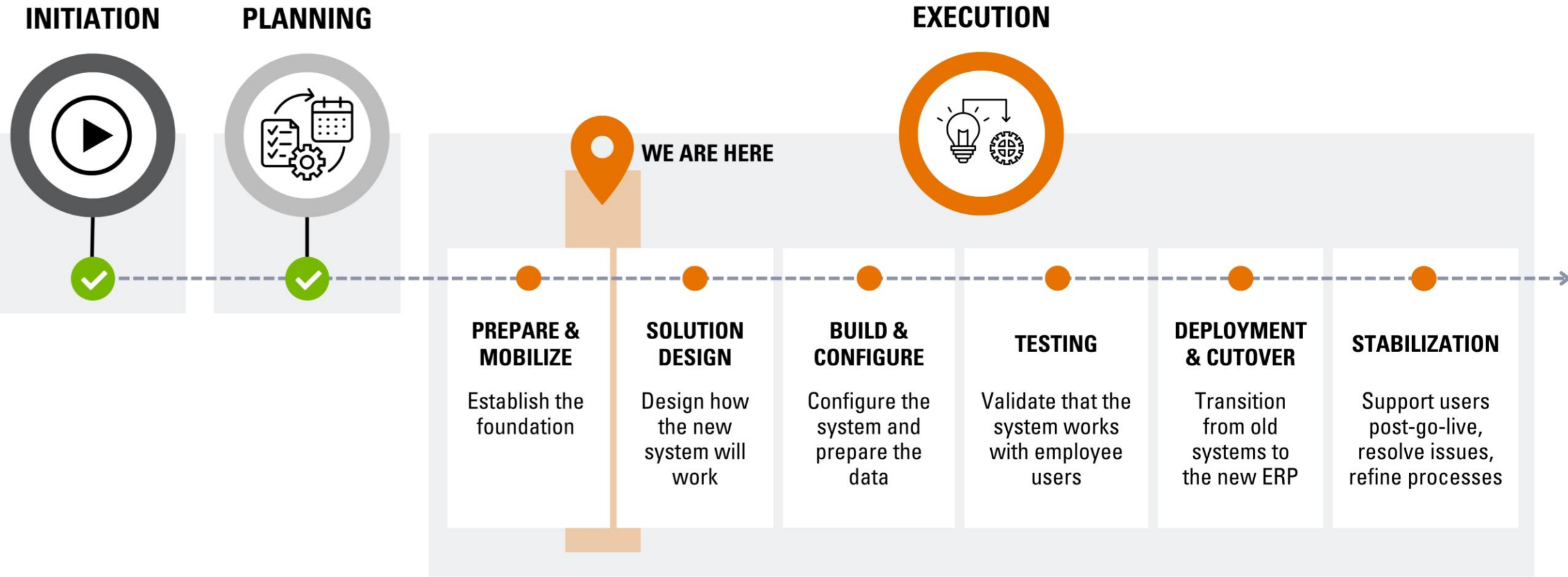
Standardized Processes



Create:

- Efficient onboarding and scaling roles & their capacity
- Consistent measurement of performance and efficiency across divisions

Where We Were



Where We Are

Workstream	March 10, 2026	Current Status
Implementation Readiness	Moving from preparation into solution design	All vendors have completed onboarding.
Customer Service	Contract approval enabled execution of the Customer suite and portal	Customer portal launch preparations are underway.
Finance and Supply Chain	Moving into solution design for D365 Finance and Asset Management	Design decisions are nearing completion. Requirements are 95% final. Full completion projected November 20, 2026.
Workforce Systems	Beginning Human Resources system selection	Human Resources is finalizing its future platform selection.

Progress Towards Consolidation

Current State Observations

79

integrations; across 22 systems

0

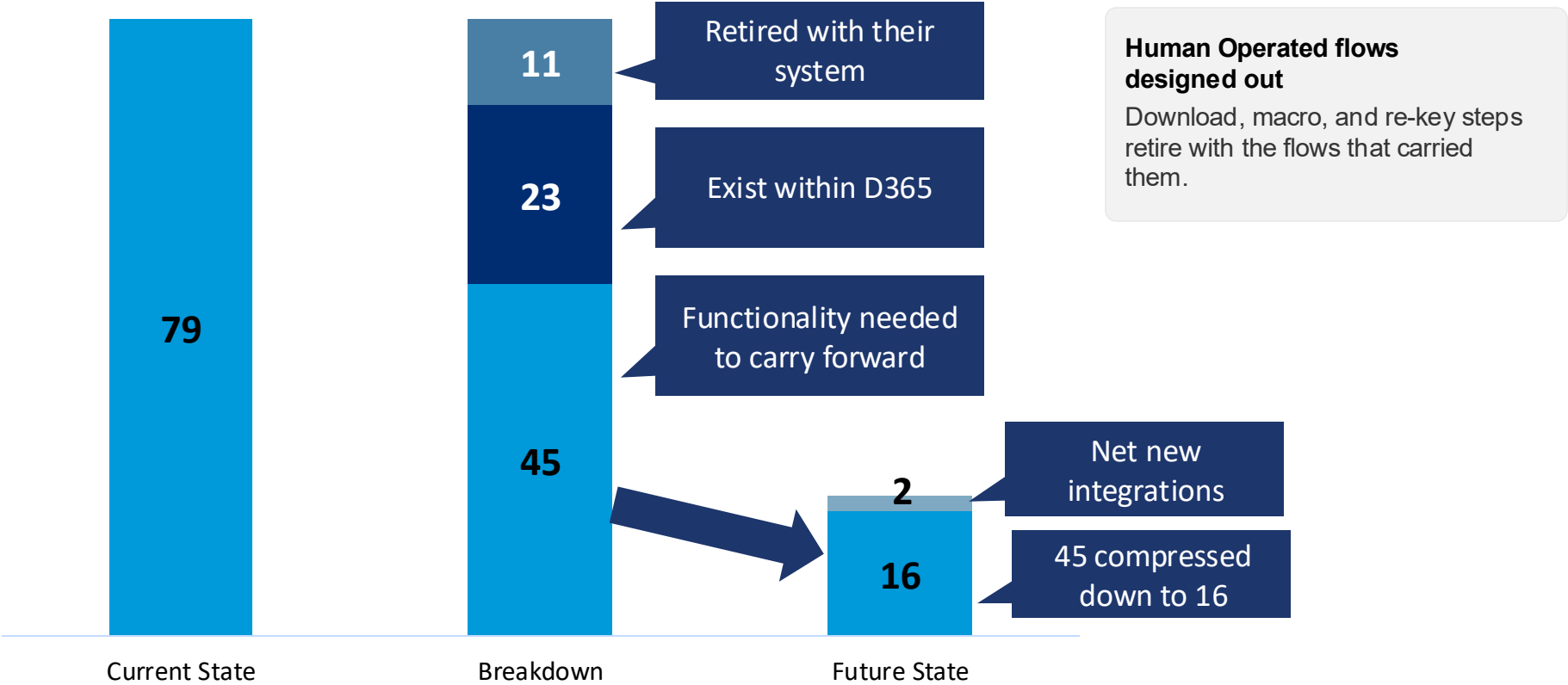
automated alerts within systems

26 of 75

human-powered flows; 24 interfaces only run when someone remembers to start them.

7 of 19

fragmented data domains; multiple systems claim the same record, so there is no clean owner and no single version of the truth.



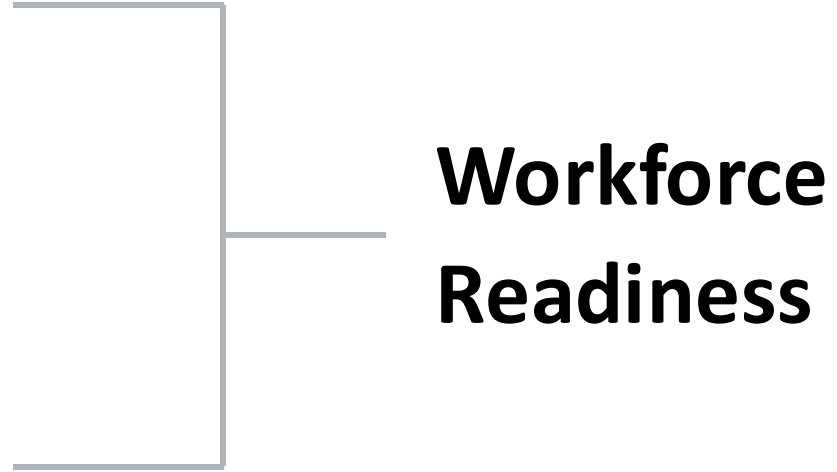
Workforce Readiness

Leadership Alignment

Finance and Supply Chain leaders are driving key decisions to support standard processes and clear accountability.

Employee Preparation

Organizational Change Management (OCM) is preparing employees for new systems and process changes to support adoption.



Where We're Going

- **January 2027: D365 Statement of Work (SOW) comes to the Commission for approval**
 - Core finance and supply chain implementation. Estimated cost: \$6M–\$7M.
 - Supports standard processes, consolidated systems and centralized data.
- **2028 Implementation Milestones**
 - Human Resources: HRIS go-live target
 - Customer Service systems: Q2 go-live target

Thank you!

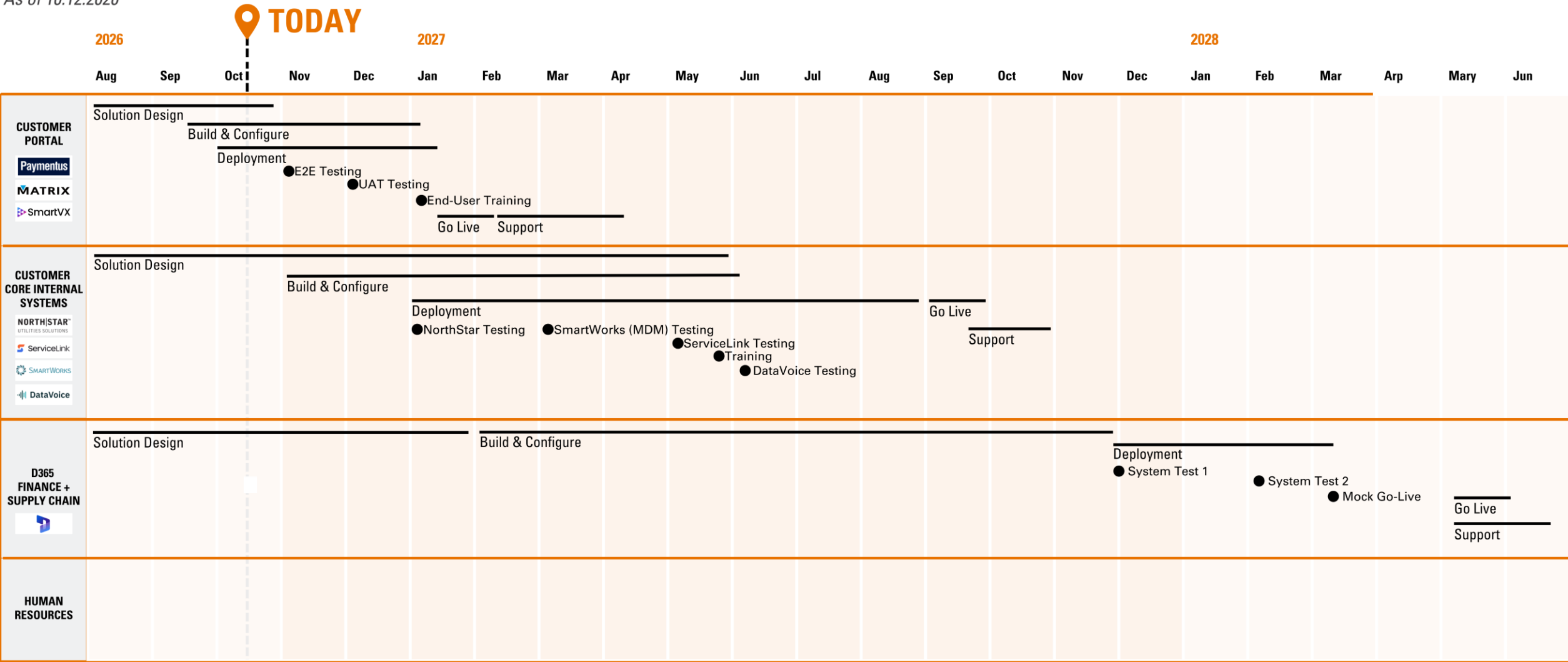


APPENDIX

ERP+ PROGRAM

Implementation Timeline

As of 10.12.2026



Finance

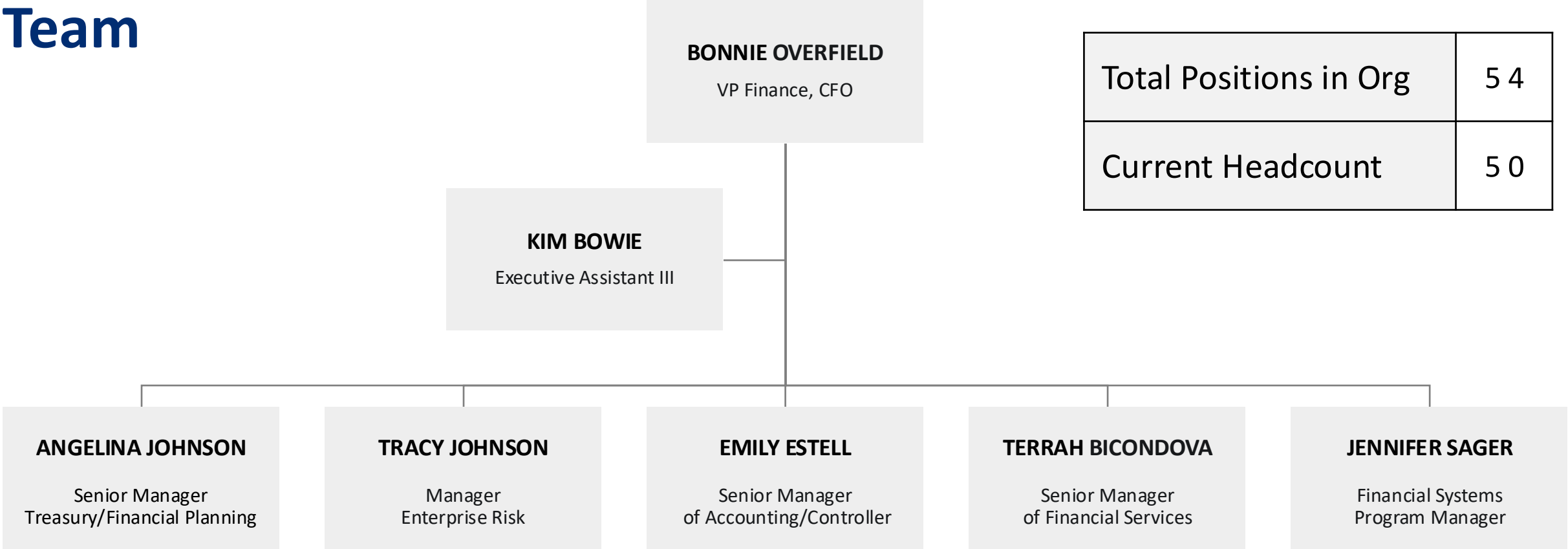
October 20, 2026

Bonnie Overfield, VP Finance, CFO



Powering our way of life.

Team



Staff Updates:

- **New:** Lexi Wicks; Business Analyst II, Mark Horning; Accountant I, Tess Mullarkey; Grant Analyst.
- **District employees selected for open positions:** Jessica Aloysius; Manager Accounting, McKayla Walz; AP Supervisor, Kelly Scherf; Manager Accounting, Emily Estell; Senior Manager of Accounting/Controller, Terrah Bicondova; Senior Manager of Financial Services, JT Wallace; Financial Analyst, Jennifer Sager; Financial Systems Program Manager.
- **Promoted:** Harris Turner; Sr. Financial Analyst , Mark Buchta; Lead Financial Analyst, Nichole Buchmann; Business Analyst III.

Enterprise Balanced Scorecard



- Budget, Risk and Invoice metrics have increasing targets progressively during year
 - i.e. Sept invoice target =>85%
- Budget metric is first year of budgetary business unit reporting budget to YTD actuals (traditionally year end projection focus)

Executive Financial Overview

O&M DIRECTS YTD			
YTD BUDGET	ACTUALS	YTD VARIANCE	YTD VAR %
\$5,162K	\$5,100K	(\$62K)	-1.2%

O&M DIRECTS YE PROJECTION			
TOTAL BUDGET	YEP	YE VARIANCE	YE VAR %
\$7,975K	\$7,941K	(\$33K)	-0.4%

LABOR YTD			
YTD BUDGET	ACTUALS	YTD VARIANCE	YTD VAR %
\$3,628K	\$3,581K	(\$47K)	-1.3%

LABOR YE PROJECTION			
TOTAL BUDGET	YEP	YE VARIANCE	YE VAR %
\$5,777K	\$5,670K	(\$107K)	-1.8%

COST CATEGORY TYPE	YTD BUDGET	ACTUALS	YTD VARIANCE	YTD VAR %
Purchased Services	\$844,145	\$773,848	(\$70,298)	-8.3%
Total	\$844,145	\$773,848	(\$70,298)	-8.3%

Purchased Services: \$70K Favorable | Outside of Target; **Favorable due to timing.** Payments to **The Ferguson Group, LLC** were lower than planned, with only approximately **\$10K** (two months of charges) incurred to date. An additional **\$50K** related to grant writing services was expected to be paid in August but has been delayed and is now expected to be paid in November.

Labor: \$47K Favorable | Outside of Target; Continued vacancy (4 FTE).

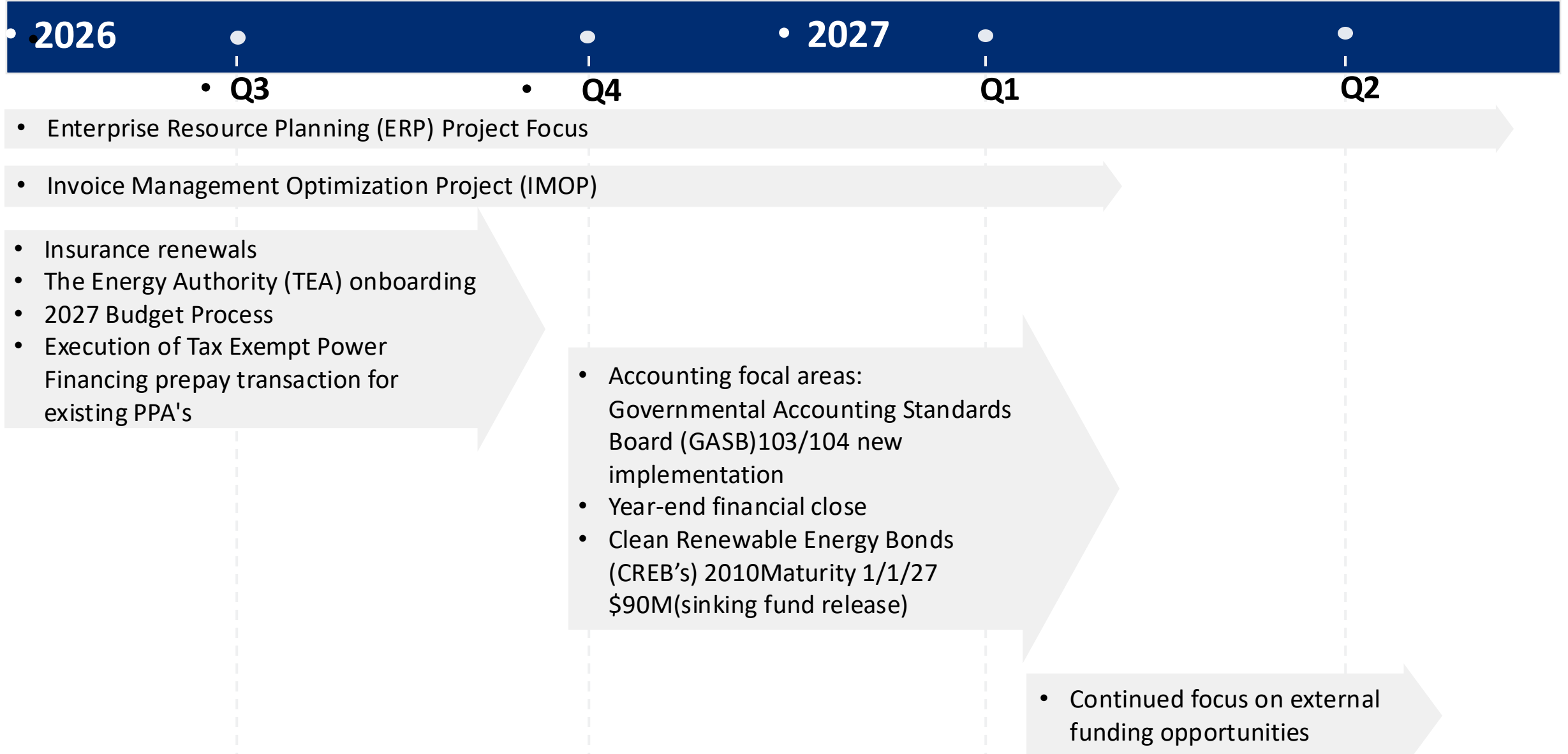
Management Focus



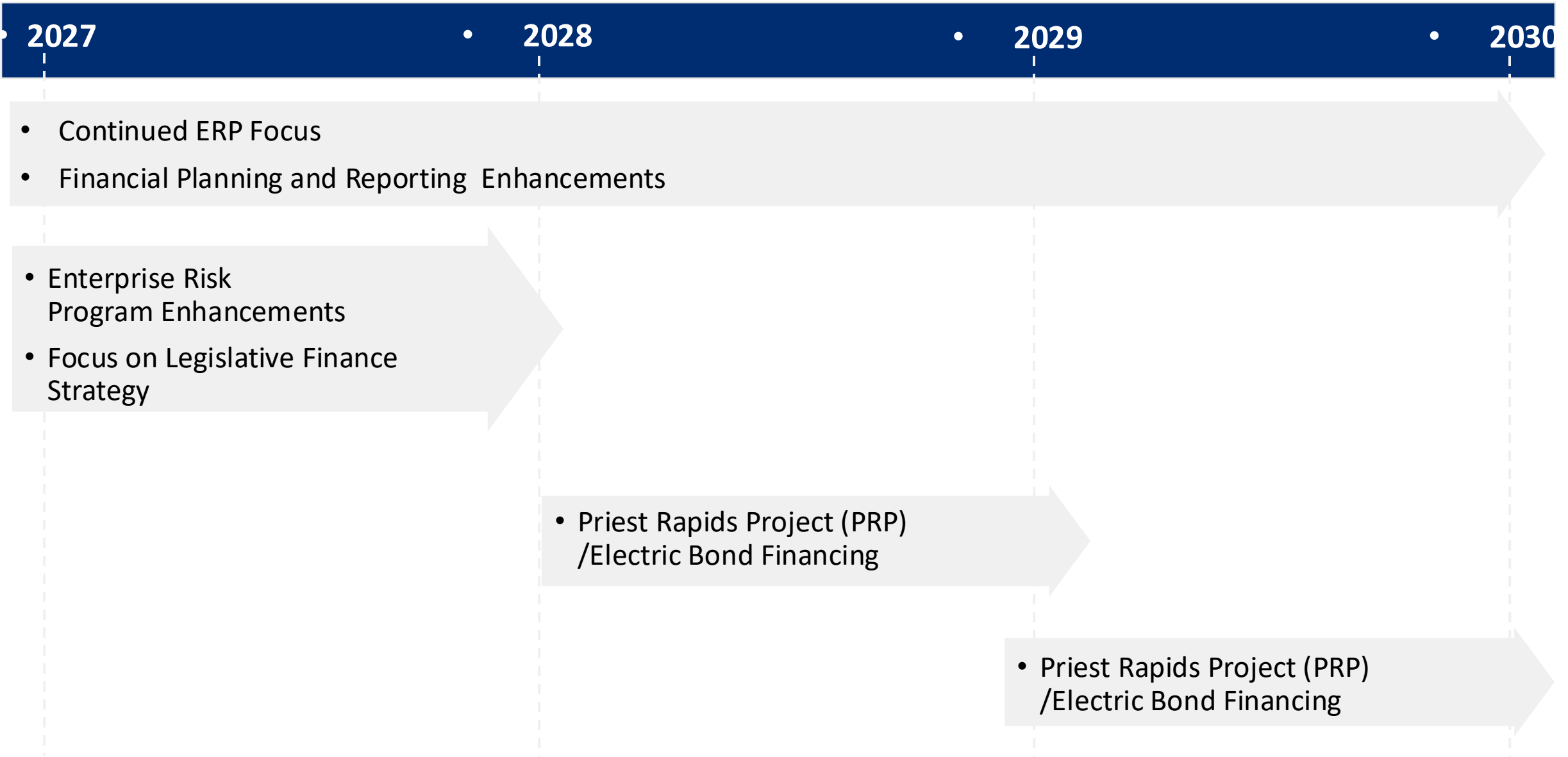
Insurance Program Highlights (2026): Coverage Improvements • Risk Reduction • Cost Savings

- Executive fiduciary liability and insurance governance training with AEGIS leadership
- Annual Cyber Tabletop Exercise and deployment of Resilience cyber monitoring platform
- Consolidated Property brokerage services with Marsh, reducing broker fees by approximately \$150K annually
- Facilitated multiple insurer engineering and loss-control assessments at Grant PUD facilities, including both hydro projects and fish hatchery operations
- Utilized FM and Marsh engineering resources on fire protection, facility projects, and property risk improvements
- Completed utility wildfire liability assessment and continued evaluation of emerging risks such as battery energy storage and SMR technologies
- Expanded access to insurer-provided training, analytics, claims, and risk-management resources
- Involved in current substation damage with insurance carrier
- Insurance expense makes up ~80% of the Finance annual O&M directs budget (@ \$6.5 million). A 13% increase is budgeted for 2027. Insurance renewals are completed by Nov 1st for following 12-month period.

Near-Term Business Plan



Long-Term Business Plan



Closing Summary

- The October 13, 2026, briefing provided a starting point for evaluating external funding options for future priorities.
- On October 20, 2026, hearings at 2:00 p.m. and 6:00 p.m. will inform 2027 budget priorities ahead of planned adoption on November 24.
- On October 27, 2026, the Finance Report will support Commission oversight of Tax Exempt Power Financing and insurance renewals.
 - By November 1, 2026, insurance renewals are due to maintain financial protection for the following 12 months.
- On December 8, 2026, the Commission can use the enterprise risk review to assess how key exposures could affect 2027 priorities.

Thank You!



Department Name:	Key Presenters:	Date:
Finance	Bonnie Overfield (Angelina Johnson)	October 20, 2026

RECAP

Issues and Drivers

- A key management focus is on insurance risk management and annual renewals. Insurance equates to ~80% of the Finance organization's annual O&M directs budget (@ \$6.5 million). A 13% increase is budgeted for 2027. Insurance renewals are completed by Nov 1st for the following 12-month period.

NEAR-TERM PLANS (CURRENT THROUGH Q2 2027)

Project Updates

- Budget hearing set for October with adoption in November.
- Tax exempt power financing on track and look to execute in Q4 2026, potentially Q1 2027, will report back to board on execution.

LONGER-TERM STRATEGY (2027 THROUGH 2029)

Roadmap

- Enterprise Resource Project (ERP) will be a significant focus for all areas of finance over the next several years and will shape specific reporting, finance/risks process, and resourcing needs in future.

Strategy

COMMISSION SUPPORT: KEY ASKS

Specific Requests

- Support budget process with adoption in November.

Power Delivery

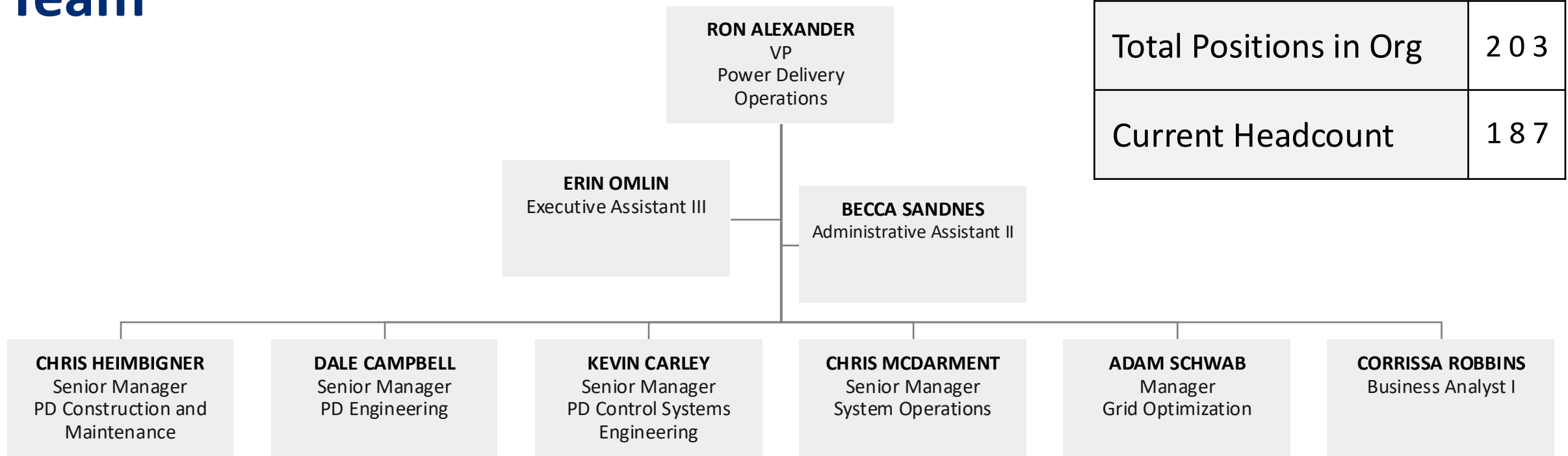
October 20, 2026

Dale Campbell, Senior Manager PD Engineering
For Ron Alexander, Vice President



Powering our way of life.

Team



Staff Updates:

- Sean Couture - System Operations Strategist
- Becca Sandnes – Administrative Assistant II
- Tyler Hollmeyer - promoted to Electric Shop Supervisor
- Rodney Stanley - promoted to Electric Shop Supervisor
- Kirk Truscott - promoted to Line Office Supervisor
- Joe Baker - Line Office Supervisor
- Cathy Snyder – Manager Engineering
- Ralph Gonzalez – retirement, Customer Service Engineer
- Tyler Workman - Engineering Technician Distribution Engineering Team
- Michael Limbaugh - Engineering Technician Substation and Automation Team
- Aaron Lindell – Journeymen PSE
- Ryan McDaniel – Journeyman Lineman

Enterprise Balanced Scorecard

SAIDI	SAIFI
<i>SAIDI (System Average Interruption Duration Index) exceeded at 197 minutes due to large fires, Round Lake Substation fire and Seiler Circuit Switcher. Target threshold is 100 minutes.</i>	<i>SAIFI (System Average Interruption Frequency Index) misses target at 0.69 incident per customer due to large fires, Round Lake Substation fire and Seiler Circuit Switcher. Target threshold is 0.55 incident per customer.</i>
RED	RED

- Customers at Round Lake now on mobile sub.
- Round Lake root cause evaluation will inform on changes.
- Through future projects and Power Quality response, Power Delivery continues to work toward improving the distribution system.

Executive Financial Overview

AUGUST 2026

O&M DIRECTS YTD			
YTD BUDGET	ACTUALS	YTD VARIANCE	YTD VAR %
\$4,820K	\$5,037K	\$217K	4.5%

O&M DIRECTS YE PROJECTION			
TOTAL BUDGET	YEP	YE VARIANCE	YE VAR %
\$8,244K	\$8,543K	\$300K	3.6%

LABOR YTD			
YTD BUDGET	ACTUALS	YTD VARIANCE	YTD VAR %
\$22,020K	\$21,747K	(\$273K)	-1.2%

LABOR YE PROJECTION			
TOTAL BUDGET	YEP	YE VARIANCE	YE VAR %
\$33,282K	\$33,206K	(\$76K)	-0.2%

COST CATEGORY TYPE	YTD BUDGET	ACTUALS	YTD VARIANCE	YTD VAR %
Purchased Services	\$1,542,482	\$1,821,556	\$279,074	18.1%
G&A	\$169,235	\$236,132	\$66,897	39.5%
Operating Materials & Equipment	\$2,866,389	\$2,744,812	(\$121,577)	-4.2%
Total	\$4,578,106	\$4,802,501	\$224,395	4.9%

Top Variance Purchased Services: \$279K Unfavorable | Outside of Target; Re-classification of a larger expense to capital that will be recognized correctly for the next MBR cycle.

Top Variance G&A: \$66.8K Unfavorable | Outside of Target; Training variances are primarily timing related, as some areas have required trainings throughout the year that have increased in price; expected to level out by Q4 as other areas are intentionally reducing travel and training to help offset budget.

Labor: \$272K Favorable | Outside of Target; Continued vacancies (15 FTE) and vacancies being filled later than anticipated.

Capital

AUGUST 2026

Budget	YEP	Budget Variance ▲
\$126,481,893	\$103,954,620	(\$22,527,272)

Budget ▼	Approved Spend	Budget & Approved Spend Variance
\$126,481,893	\$107,351,222	(\$19,130,670)

Initiative	Capital Approved Spend	YTD Actuals	Projections	YEP	Approved Spend Variance ▼
IN245 - QTEP - Monument Hill	\$7,857,640	\$3,392,193	\$6,200,345	\$9,592,538	\$1,734,898
IN750 - McDonald Sub XFMR Replace	\$575,000	\$1,824,856	\$175,000	\$1,999,856	\$1,424,856
IN349 - IQ#5 SR Quincy Valley	\$9,148,710	\$1,405,232	\$5,650,271	\$7,055,503	(\$2,093,207)
IN348 - IQ#1 Invenergy	\$7,793,599	\$267,568	\$4,184,272	\$4,451,839	(\$3,341,760)
Total	\$107,351,222	\$40,046,335	\$63,908,285	\$103,954,620	(\$3,396,602)

- IN245 QTEP-Monument Hill:** Unfavorable but out of target due to engineering, procurement, and construction activities are progressing ahead of the original annual spend plan; resulting in accelerated expenditures within the current year.
- IN750 McDonald Sub XFMR Replace:** Unfavorable but out of target due to the timing of a credit, causing a reduction in the overall approved spend.
- IN349 IQ#5 SR Quincy Valley:** Favorable but out of target; primarily schedule-driven. Wildfire smoke shutdowns, contractor transitions, staffing constraints, and outage coordination have delayed portions of construction work, shifting spend into future periods. Project scope remains unchanged.
- IN348- IQ#1 Invenergy:** Favorable but out of target; underspend is primarily related to the timing of engineering, procurement, and construction activities. Major expenditures have shifted to future periods while overall project scope and delivery objectives remain unchanged

Management Focus

- Round Lake Substation Demo and Rebuild
- T-Line Fire Mitigation- Test, treat and wrap all wood transmission poles
- ERP and Work Management Implementation
- Beverly Railroad Fire Response
- Geographic Information System (GIS) Service Point Fix Project



Near-Term Business Plan

2026

Q3

- Round Lake Demo/Rebuild
- Energy Management System (EMS) replacement completion
- Fast Forward Audit

Q4

- Advanced Metering Infrastructure (AMI) optimization
- SCADA/DC project design finalization

2027

Q1

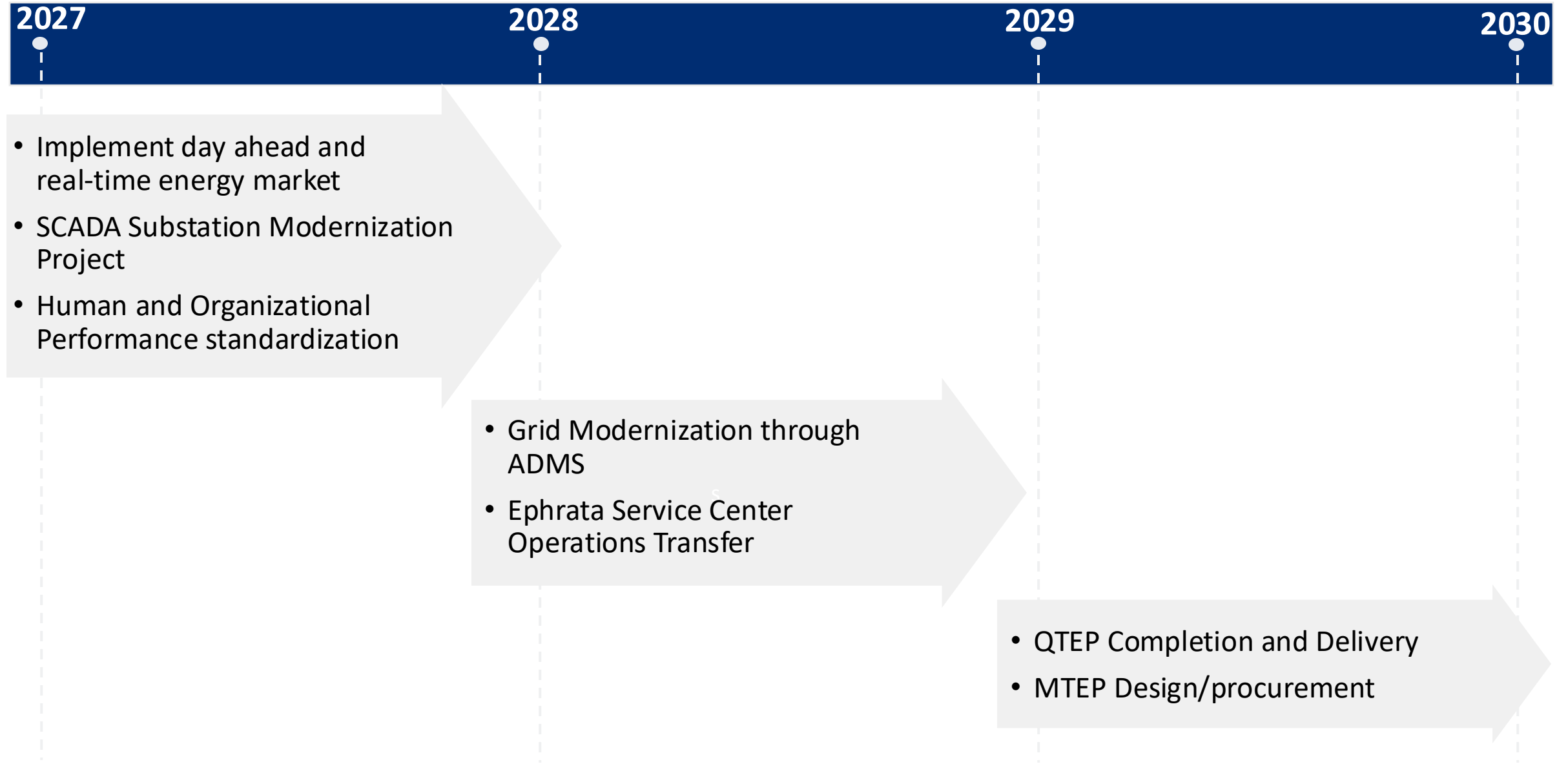
- Implementation of Sapere Recommendations
- Wildfire resilience strategy

Q2

- Human and Organizational Performance Project Launch
- Generation and Transmission Outage Management System
- Round Lake Energization



Long-Term Business Plan



Closing Summary

- Power Delivery's strategic focus is to strengthen system reliability and meet future customer demand through sustained infrastructure investment, grid modernization and workforce readiness, while supporting TEA, WRAP and Markets+/EDAM solutions.
- Q1 2027: Review the T&D Grid resiliency plan update, focusing on risk reduction and future investment priorities.

Thank You!



Department Name:	Key Presenters:	Date:
Power Delivery	Ron Alexander/Dale Campbell	October 20, 2026

RECAP

Issues and Drivers

- Staffing
- Management focus: Round Lake Substation Demo and Rebuild, T-Line Fire Mitigation efforts, ERP and Work Management implementation, Beverly Railroad Fire, GIS (Geographic Information System) service point fix project

NEAR-TERM PLANS (CURRENT THROUGH Q2 2027)

Project Updates

- Round Lake Demo/Rebuild- Energization target of March 1, 2027
- EMS (Energy Management System) replacement completion
- Fast Forward Audit- 140 miles of line completed
- AMI (Advanced Metering Infrastructure) optimization
- SCADA/DC project design finalization
- Rollout of Sapere recommendations
- Wildfire Resilience Strategy- Continuing efforts and report in Q1 2027
- Human Performance project launch – December 2026 Advocate training launch
- OMS (Outage Management System), generation and transmission

LONGER-TERM STRATEGY (2027 THROUGH 2029)

Roadmap

- 2027-2028: Implementation and standardization of human and organizational performance; full execution of adopted Sapere recommendations for new business unit; SCADA and distribution control rollout, transition to new Ephrata Service Center
- 2029: QTEP completion and support; **prepare for MTEP**

Strategy

- Workforce Development
- Work Management
- Grid of Tomorrow
- Asset Stewardship
- Wildfire Mitigation Strategy
- Sapere Consulting Implementation

COMMISSION SUPPORT: KEY ASKS

Specific Requests

None.

Apprenticeship @ Grant

2026



Powering our way of life.

Agenda

- 01 2026 Successes
- 02 JATC & Member Speaker
- 03 Supervisor Speaker
- 04 Recognitions
- 05 Graduates
- 06 What's Next?

1st Hydro Mechanic
apprentice cohort

Strengthened
Communications &
Outreach

**2026
Successes**

Refreshed Curriculum
(Related Supplemental
Instruction) for three trades

Promoted career
opportunities to Grant County
students with Careers in
Energy Day



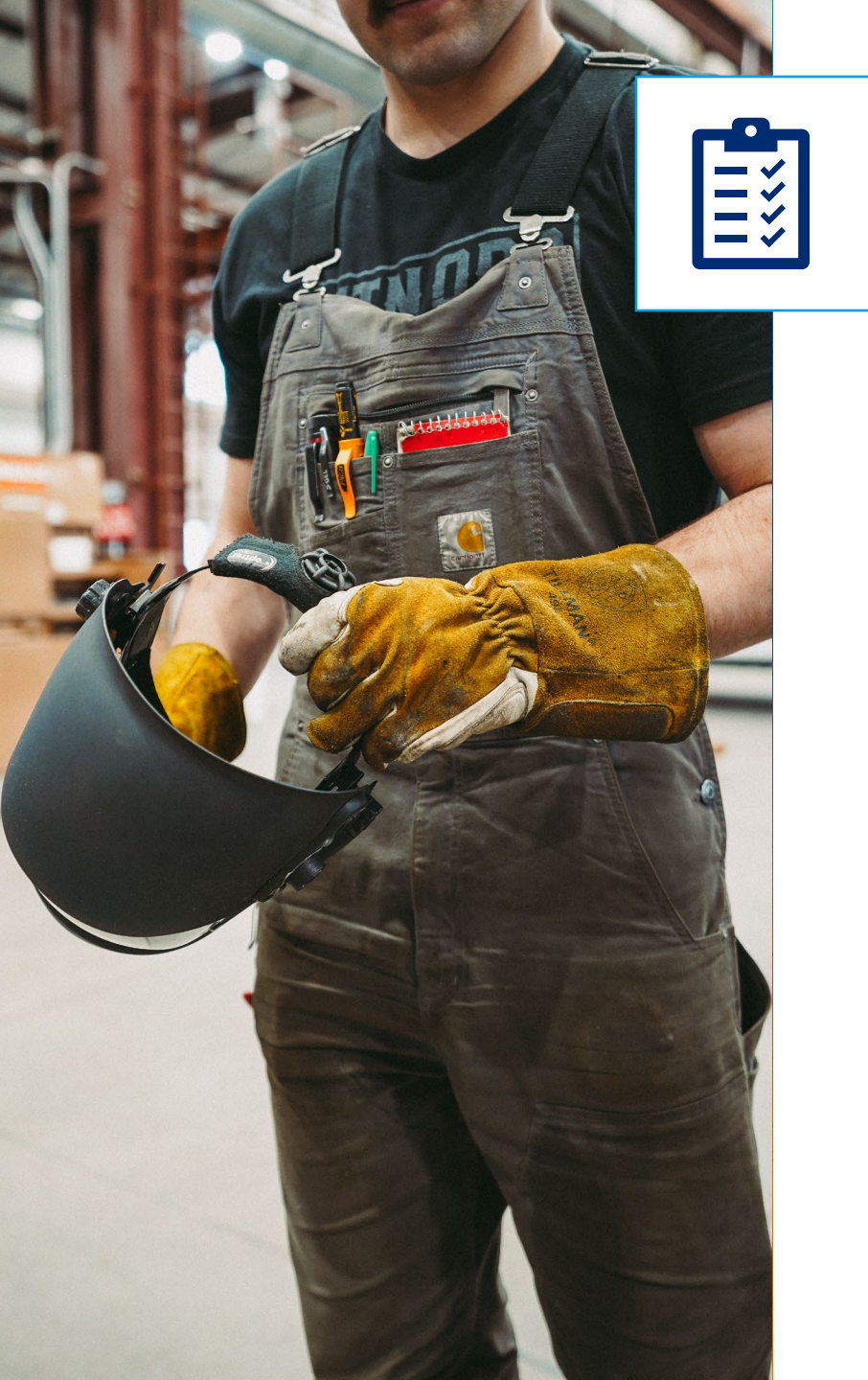
**First group of Hydro
Mechanic
Apprentices in over
12 years**

**Have completed
over 160 hours of
RSI and 2000+ hours
of OJT to date**

SUCCESSES

Hydro Mechanic Apprentices





S U C C E S S E S

Updated RSI

- Each apprentice completes 144 (or more) hours of RSI yearly
- Updated curriculum in Hydro Mechanic and Power Plant Operator RSI, currently updating Hydro Electrician
- Excellent feedback and success rate
- Partner with SMEs and Craft Trainers for success

Celebrating
**NATIONAL
APPRENTICESHIP WEEK**



S U C C E S S E S

Communication

- Partnerships with Internal Communications
- Apprenticeship Corner in Newsletter
- Podcast
- Social Media postings with External Communications

Corner

er is Workforce Development Month

recognized nationally as Workforce Development Month, an opportunity to people, programs and partnerships that help employees build skills, advance their prepare organizations for future workforce needs.

invests in building a strong, skilled and prepared workforce. This includes anticipating needs, identifying skill gaps and developing employees through apprenticeship, technical succession planning and other learning opportunities.

Planning is a Shared Responsibility

on planning helps Grant PUD prepare for ent and planned infrastructure growth. W identify critical positions, future staffing ne opment needs.

employee contributes to this work by bu e opportunities. The Workforce Develop orce readiness, reducing operational di able when and where they are needed.

apprenticeship: A Foundation for Career G

completing an apprenticeship is a significa demonstrates technical expertise as well a teamwork and accountability. Apprentices commitment to continuous improvement Journey-level status is an important mil Employees can continue growing by:

- Deepening their technical exper
- Learning new technology, equi
- Becoming a craft trainer or m
- Supporting safety and proced
- Serving on committees or s
- Developing project manag



Grant County Public Utility District
4,633 followers
4mo

Grant PUD has some amazing apprenticeship opportunities. Learn more here:

Emily Anderson
5mo · Edited

🔥 Celebrating National Apprenticeship Week at Grant PUD!

We're proud to spotlight our 9 apprenticeship programs that are powering the future of our workforce! With 14 active apprentices across all trades and 3 set to graduate in 2026, we're building careers while keeping your lights on.

Learn a trade. Earn while you learn. Build your future.

<https://lnkd.in/gdP94NVW>

#NationalApprenticeshipWeek #PoweringCareers #GrantPUD PublicAffairs
#SkilledTrades



S U C C E S S E S



Careers In Energy Day

- 300 students, staff and supporters
- Invited all high schools in Grant County
- Build the pipeline, help develop and attract local students to Grant PUD
- Excellent showing from 20+ Grant PUD departments, fun, informative and interactive experience



Careers in Energy Day





What's Next?

- Continue building pipeline to internal and external customers
- Growth of outreach based on data and analysis
- Building out RSI to ensure quality and competitiveness
- Adding new apprentice positions in 2027!



JATC | JOINT APPRENTICESHIP & TRAINING COMMITTEE

- Oversees and guides the Grant PUD apprentice programs
- 12 members and 6 alternates, half represent employer, half represent IBEW
- Meet monthly to help guide apprenticeships and uphold the standards of the program



JATC MEMBER

Ross Melcher

- Hydro Mechanic, Wanapum Dam
- Hydro Mechanic Apprentice, 2008-2011
- JATC Secretary, 2026
- JATC member since 2022



Recognizing John Bowkett

- JATC member from 2005 until retirement earlier in 2026
- Apprenticeship with Electrical Trades Union in Australia
- Two-year apprenticeship in the US to transfer card
- Began career with Grant PUD in 1992



Thank you to our Craft Trainers & SMEs

- Rob Sage
Foreman Power System Electricians
- Josh Gates
Foreman Hydro Mechanic
- Luke Stansbury
Foreman Supervising Electrician
- Mindy Johnston
Plant Operations Supervisor



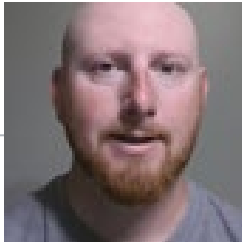
JATC MEMBER & APPRENTICE SUPERVISOR

Jeremy Robertson

- Manager of Power Delivery Construction and Maintenance
- Inside Wireman Apprentice through IBEW 73
- Joined Grant PUD in 2007
- JATC Member since 2022

2026

Apprenticeship Graduates



Craig Wood

*Power System
Electrician*

February 2026



Aaron Lindell

*Power System
Electrician*

July 2026



Ryan McDaniel

Lineman

July 2026

Thank you!