

# Safety Report

September 2023



Safety@Grant



## Our Commitment to Safety

*We believe that a safe workplace and community is founded upon an environment where **all voices can and will speak up, ask questions, and be heard without reprisal.***

*We will provide and maintain the proper training, tools, job layout, equipment and employees to perform work safely.*

# CXO Talking Points



# Injuries Reported

Date	Body Part	Description & Response
8/2	Right Hand	<p style="text-align: center;"><b>Hand/Knuckle Against Metal</b></p> <p>While drilling a hole in 11g metal the drill bit became stuck and twisted the drill, slamming employee's hand/knuckle against the metal. Right hand is sore and stiff but feels fine. Reminder to investigate other alternative methods that could provide greater control when operating drilling equipment.</p>
8/7	Elbow & Shoulder	<p style="text-align: center;"><b>Elbow and Shoulder</b></p> <p>Employee assisted opening a valve that took two people to operate. After getting home from work, right elbow started to feel sore and became worse throughout the night. In the morning, right shoulder was also sore. Employee is at work and doing well. Operators have been encouraged to write WOs for maintenance to inspect the unwatering valves any time they encounter difficulty operating the valves.</p>
8/14	Strained Back	<p style="text-align: center;"><b>Strained Back</b></p> <p>While replacing bulkhead seals employee strained their back. A reminder to stretch and flex prior to work and to use proper positioning.</p>

# Injuries Reported

Date	Body Part	Description & Response
8/15	Entire Body	<p style="text-align: center;"><b>Heat Exhaustion</b></p> <p>While working the Red Gate at the GC Fair, employee experienced heat exhaustion. After opening boxes in the direct sunlight, employee began feeling light headed and in need of water. Employee was waiting at nearby food booth for water and was no longer able to stand and sat down. Employee's spouse and another employee helped by spraying water on the affected employee. The spouse helped employee home where employee to a cool shower but then experienced vomiting. Public Affairs was also notified. Safety followed up with employee and they are doing well. After the event, it was recognized the Red Gate volunteer area did not have adequate precautions in place to mitigate the effects of the excessive heat. A commendable effort was made by the Senior Mgr. of External Affairs to monitor breaks for the Red Gate volunteer area. Lessons learned are improved pre job planning including pre job briefs and job hazard analysis for offsite events. Reminder to initiate the hydration process prior to conducting work outdoors because in the moment of crisis it may be too late.</p>
8/22	Right Bicep	<p style="text-align: center;"><b>Right Bicep Tear</b></p> <p>While moving a vending machine to unplug it, employee felt their right bicep tear. Sought immediate care at the Moses Lake Clinic. Employees are reminded to submit a facilities service ticket to get work performed. Use proper lifting techniques and ask for help. The District is not responsible for the relocating or removal of vending machines. This work is handled by the vending machine contractor.</p>

# Injuries Reported

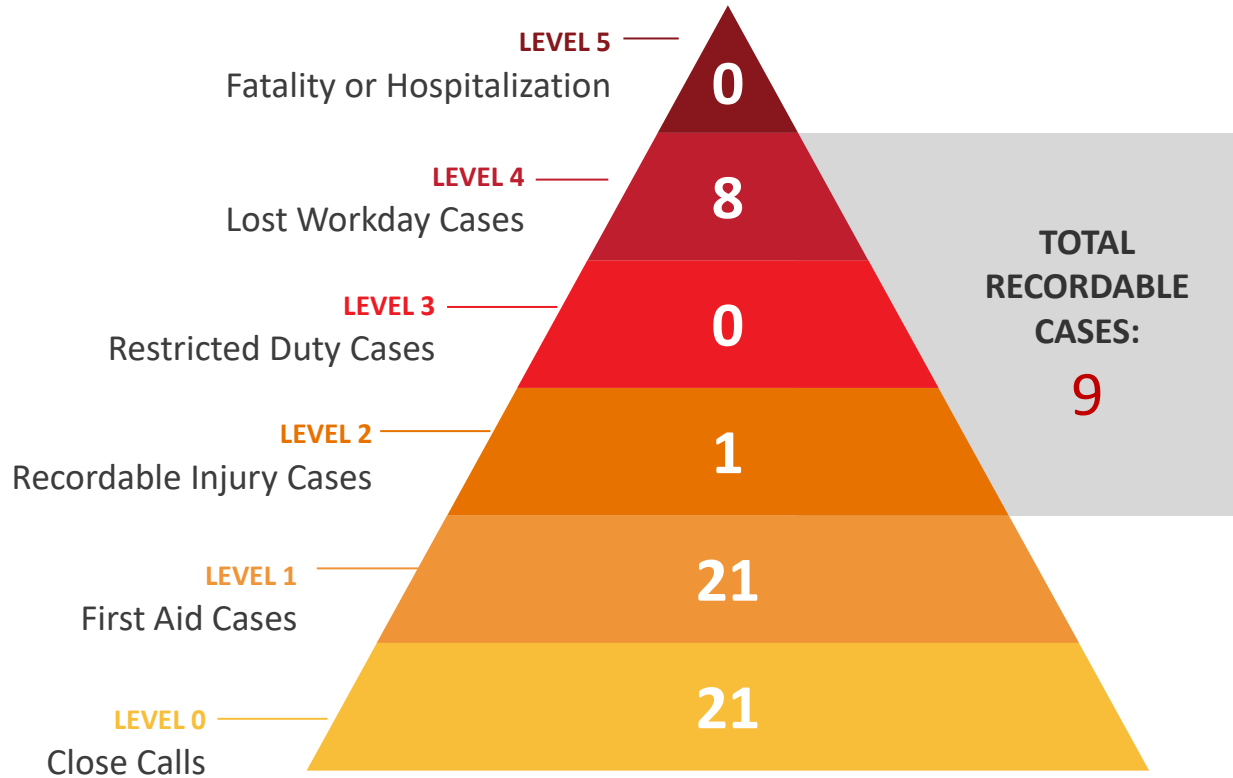
Date	Body Part	Description & Response
8/23	Thumb	<p style="text-align: center;"><b>Injured Thumb</b></p> <p>While transferring a 10' stick of 4" schedule 80 from a stack on the rack to the forklift, employee accidentally caught the stick behind and it came down catching their hand between the two pieces. After patching up their thumb, the employee reported the incident to their foreman. Discussed how it could have been prevented. Employee was wearing gloves but should have been more aware of the stack.</p>
8/28	Insect Bite	<p style="text-align: center;"><b>Insect Bite</b></p> <p>Employee was out on the spillway hanging a clearance tag and was bitten in the neck. Employee didn't realize it had happened until it started itching. Bite became swollen and red around the area, most likely a spider. Employee wiped bite with sting relief pad but still itchy. Follow up-Employee is doing well, no adverse reaction to the bite. The District has taken all available precautions for the conditions at PRD. This is a good reminder to stay aware of your surroundings and to report any issues if you do encounter a bite.</p>

5 consecutive months without a recordable injury!!



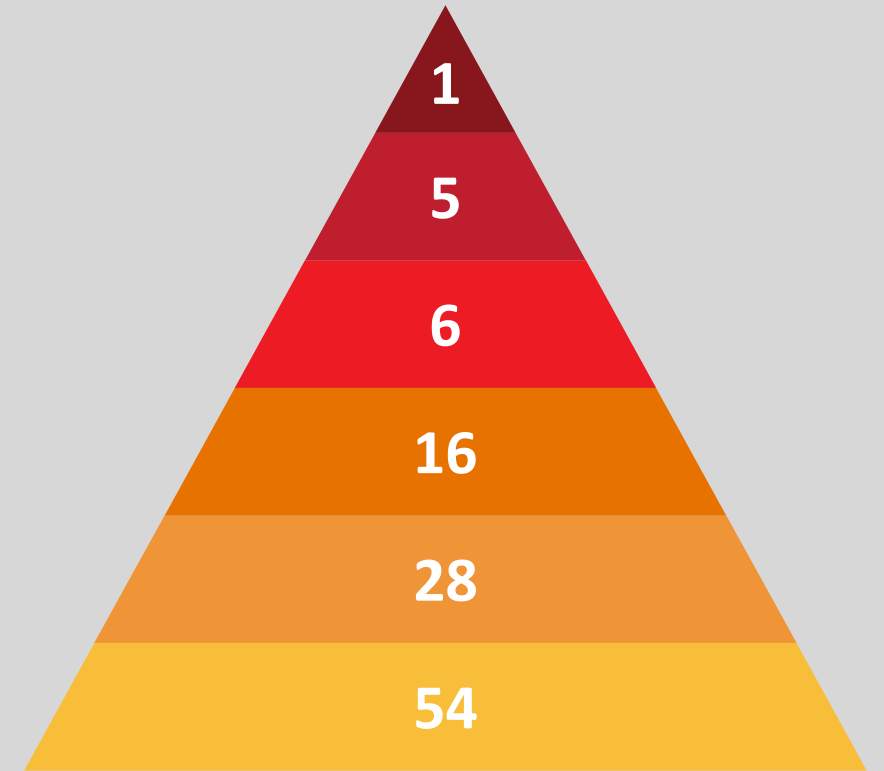
	Last Month	Year-to-Date
<b>Total Injuries Reported</b>	6	27
<b>Recordable Case(s)</b>	0	1
<b>Restricted Duty Case(s)</b>	0	0
<b>Lost Workday Case(s)</b>	2	8

# 2023 Incidents Summary



VS

# 2022



# Close Calls

Date	Overview	Location	Description & Response
8/8	Freight Tip Over	MLSC	<p>Employee was unloading double stacked crates from enclosed trailer with the forklift and maneuvering backwards through the warehouse. Employee was moving out the back door so they would be able to readjust and lift the crates from the side. After leaving the concrete apron and onto the pavement, employee crossed over a crack/bump causing the crates to shift and tip over resulting in damage to the contents of the top crate. Employee notified foreman and asked for help getting them set back up. No injuries or vehicle damage. Employee stated this was the best option to unload these crates and was aware of the area and its imperfections and was traveling slowly. This CR serves as a good lesson for all forklift operators to carefully inspect the stability of the freight and consider additional means of securing awkward items prior to transport.</p>
8/22	Live Mouse Traps	PRD Powerhouse	<p>During a safety meeting the issue of mice in the powerhouse was discussed. We were informed the Sprague contract is not in place but their mouse trapping gear is still all over the place. The live traps can hold multiple mice and in a situation where they aren't being managed or serviced, the mice can simply sit in the trap and rot. This is especially disturbing with the danger of Hantavirus. This represents a failure on many levels, including noticing Sprague never removed their gear which created this issue. All traps need to be removed if they're not being serviced. Sprague has been contacted and is back in control of the traps and will be monitored weekly. Good example of see something, say something.</p>



# Close Calls

Date	Overview	Location	Description & Response
8/23	Stuck in Elevator	BOR	<p>Employee entered the elevator at the BOR building and after pushing the floor buttons numerous times, the elevator did not move. Employee used the call button, someone answered 'Dispatch' and employee stated they were trapped but no one was sent to help. Employee contacted co-workers for help. No BOR maintenance employees were available to help. A Dept of Interior employee flipped the breaker until the elevator went down to the basement and doors opened. Employee was stuck in the elevator for approximately 30 minutes. A WO will be assigned to Safety to work with appropriate stakeholders.</p>
8/24	Line Truck Boom in Energized Distribution	ESC Rd 3 NW & Dodson Rd	<p>While placing material into the belly of the line truck the boom was in the vertical position and when rotating the boom counterclockwise the hoses going to the auger made contact with the line. The boom was instantly rotated clockwise and the arc went out. The truck has been placed out of service until an inspection can be completed. There were no injuries and all safety protocols were in place. This incident has been communicated with affected workers to ensure a heightened awareness and additional spotters are recommended.</p>

# Close Calls

Date	Overview	Location	Description & Response
8/24	Light-Headed	MLLO	<p>Employee was feeling lightheaded and experiencing other symptoms at work. The employee's office is close to a restroom that was being worked on. This work consisted of plumbing and there was an odor that may have caused the employee to not feel well. Employee was escorted outside for fresh air and symptoms did improve. A family member came to the office to escort the employee home. This incident was related to PVC glue being used to repair a condensation line. Reminder when using chemicals with a strong odor to ensure proper ventilation is taking place.</p>

# Vehicle Incidents

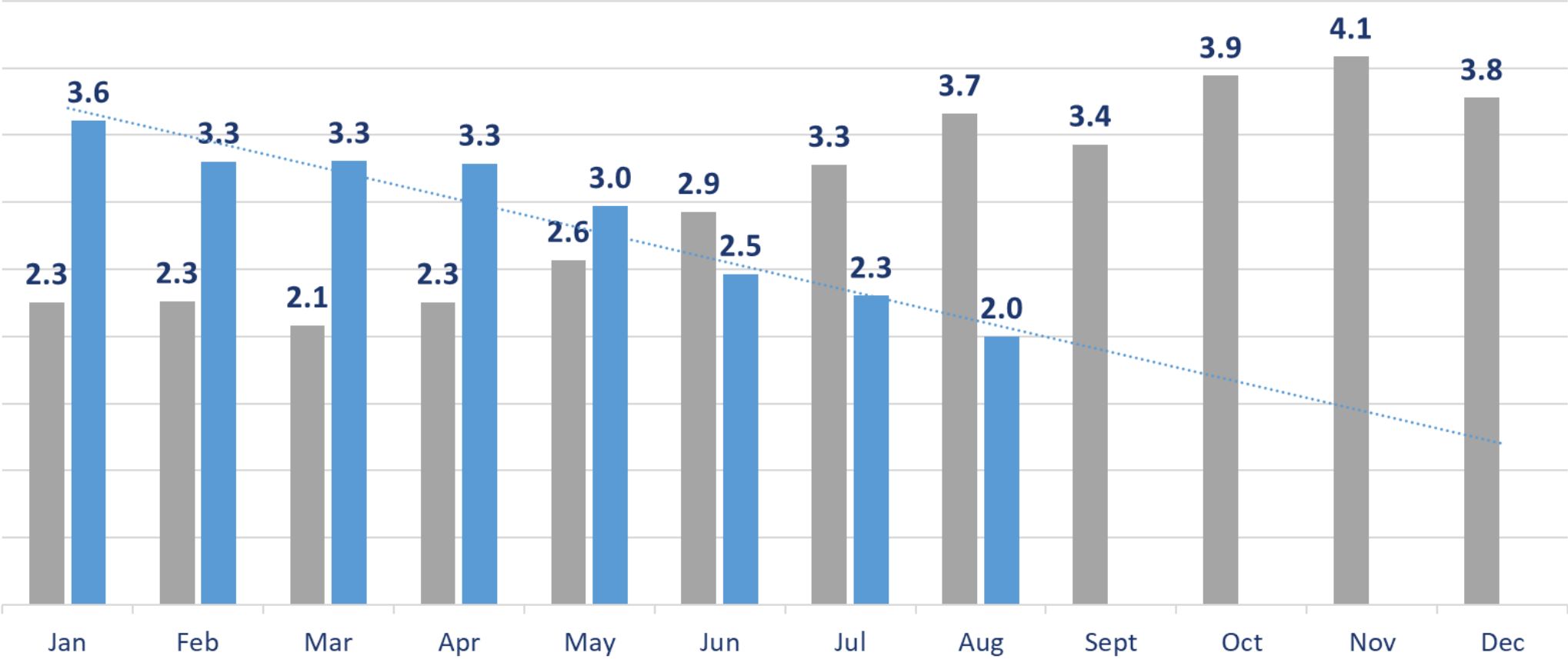
Date	Location	Description & Response
8/24	MLSC	<p style="text-align: center;"><b>Rock Chip in Windshield</b></p> <p>While driving down the road an oncoming vehicle kicked up a rock and it struck the driver's side of the windshield. Employee turned in report to transportation. A general reminder to continue to maintain good defensive driving skills. A good example of correct reporting for this type of incident.</p>
8/28	Other HWY 28, Near E. Wenatchee	<p style="text-align: center;"><b>Rock Chip in Windshield</b></p> <p>While driving west on HWY 28 approaching E. Wenatchee, a vehicle traveling east kicked up a rock that struck the windshield, cracking the glass. Reminder to submit a work request to Transportation for any needed vehicle repairs.</p>

# Contractor Injuries & Incidents

Date	Overview	Description & Response
8/11	Thumb Injury	<p style="text-align: center;"><b>Thumb Injury</b></p> <p>While attempting to move from scaffolding to another higher platform, the individual thought they could pull themselves up rather than using a ladder to scale the distance. The affected contracted employee fell back onto an adjacent barrier jarring their thumb. They applied ice during their shift and are no longer in pain/have full function of their thumb. A safety talk was held regarding the importance of proper ladder use. This is a good reminder to take the time to use the proper equipment and to exercise caution while using scaffolding.</p>

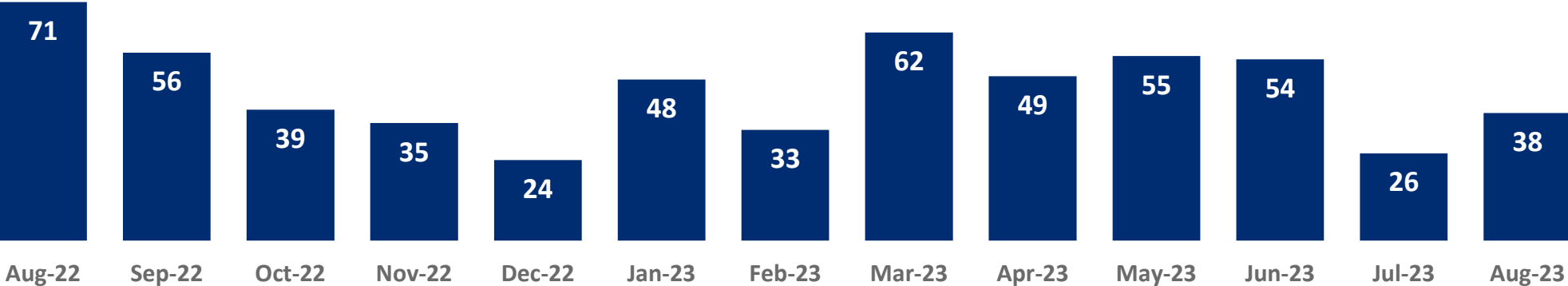
# Leading & Lagging Indicators

## 12 Month Rolling – Recordable Injury Rate – 2022 vs 2023

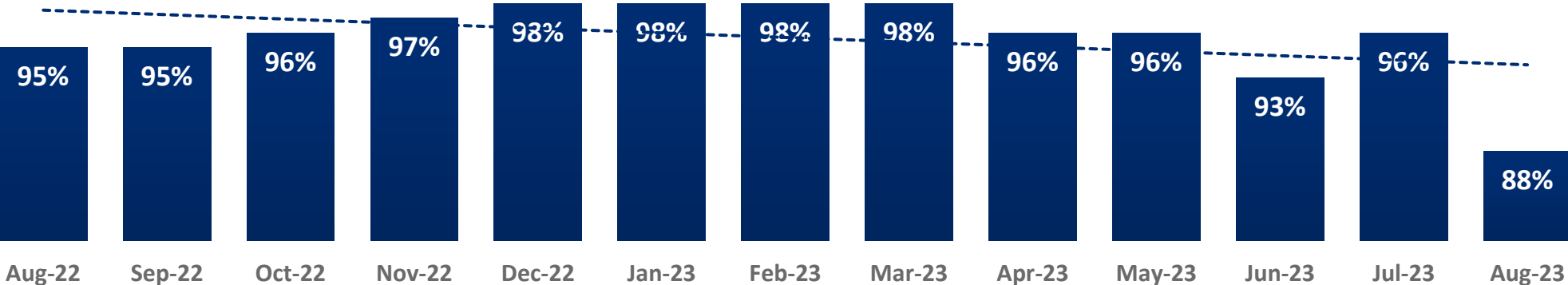


# Leading & Lagging Indicators

## Jobsite Reviews Conducted



## Safety Meeting Attendance



# Open Safety Action Items

Over 60 Days Old

As of July 2023	As of August 2023
Year 2017 = 1	Year 2017 = 1
Year 2018 = 2	Year 2018 = 2
Year 2019 = 1	Year 2019 = 1
Year 2020 = 3	Year 2020 = 3
Year 2021 = 5	Year 2021 = 5
Year 2022 = 4	Year 2022 = 4
Year 2023 = 7	Year 2023 = 5
<b>Month Total = 23</b>	<b>Month Total = 21</b>

**Down 2  
from last  
month**

## What's an Action Item?

*These are safety concerns that can be brought up anytime, including during a safety meeting.*



*They usually require some sort of further investigation or resolution, so they are assigned and tracked to make sure they're followed up on.*

# Recordable Injury Projection



**Total number of recordable incidents × 200,000**  
**Total number of hours worked by all employees**

At the current injury rate, we  
will likely record

**15**

injuries on our OSHA Logs by  
the end of 2023.

The “recordable injury rate” is a calculation that describes the number of employees per 100 full-time workers or per 200,000 hours worked that have been involved in an injury or illness that requires medical treatment beyond first-aid.





**THANK YOU!**  
*thank you!*

To the current Chairs and  
Scribes for the time and energy  
you commit to  
the Safety Meetings!

**U** are  
**IMPORTANT**  
to  
**OUR**  
**SUCCESS**

If you haven't been a Chair or Scribe,  
please consider volunteering! Granted,  
it's not for everyone but if it's  
something that interests you and you  
believe you can add your own flare to  
the Safety Meetings, we would  
welcome anyone that is interested.  
Nominations and elections for 2024  
are coming up in October, so please  
contact your current Chair/Scribe if  
you want to be nominated!

We Need  
**YOU**

Safety Meetings are more  
organized and run more efficiently  
because of you!

# Thank You!



Safety@Grant

# SAFETY RISKS FROM WILDLIFE AT GRANT PUD

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2023-07-20

TONY VADER



Powering our way of life.

# POTENTIAL WILDLIFE THREATS

- BATS (RABIES)



# POTENTIAL WILDLIFE THREATS

- BATS (RABIES)
- SNAKES (BITES)



# POTENTIAL WILDLIFE THREATS

- BATS (RABIES)
- SNAKES (BITES)
- INSECTS (BITES, STINGS, AND DISEASE VECTORS)



# BATS

## The Facts

- 15 species in Washington.
- Spring, summer, and fall in Washington (hibernate or migrate in winter).
- Hugely beneficial in the food chain: pollination, seed dispersal, and nighttime insect control.
- 1 in 20,000 bats in WA has rabies.
- Only wildlife in WA known to have rabies.
- Condition reports – one bat bite since 2016.



# BATS

## Mitigating Risks

- Don't disturb bats.
- Do not handle bats. If unavoidable, wear thick gloves.
- Look for indicators of rabies – foaming mouth, erratic, aggressive behavior, no fear of humans.
- **Rabies vaccinations for cats!**



# SNAKES

## Dangerous Snakes in WA

- Western Rattlesnake

Arrowhead shaped head, wider than the neck/body.

Rattle at the tail end.

Brown spots with black outline (not diamonds) on gray or tan background.

Condition reports reflect 14 rattlesnake sightings since tracking began in 2016.



# SNAKES

## Other Snakes in WA

- Gopher (Bull) Snake

Mimics the rattlesnake.

Coils and strikes.

Has similar spots.

Vibrates tail in dry grass to mimic a rattle.

If you're not sure, walk away.



# SNAKES

## Other Snakes in WA

- Garter Snake
- Racer
- Rubber Boa



# SNAKES

## Snake Facts

- Eat insects and rodents.
- Most snakes are harmless and shouldn't be disturbed. Even rattlesnakes if there's no immediate threat.
- DO NOT harass or handle rattlesnakes.

# SNAKES

## Mitigating Threats

- Do not approach rattlesnakes.
- Wear long pants and boots.
- Make noise when you walk.
- Stick to the trail.

# SNAKES

## First Aid for Bites

- Bites don't always involve venom. Seek medical attention anyway.
- Get away from the snake.
- Stay as still and calm as possible.
- Remove tight clothing and jewelry (anticipate swelling).
- Let the bite bleed.
- Do not wash the wound. Just cover with a clean bandage.
- Get medical attention within half an hour. You need to get to the hospital ASAP.

# SNAKES

## First Aid – DO NOT

- Suck the wound.
- Cut the wound.
- Apply a tourniquet, ice, or water.
- Collect the snake (dead or alive)!

# SPIDERS

## What You See Everyday

- Western Spotted Orb Weaver

Up to 1" long.

Abdomen patterns are all unique.

Build orb-shaped webs and hang from them to catch prey.

Bites can be painful but are not dangerous.

Condition reports – 2 spider bites in 2022.





# SPIDERS

## Dangerous Spiders

- Black Widow

Black body with red hourglass on underside.

Sometimes also dark brown, and the markings can be yellow or white.

Produce tangled cobwebs, not orbs.

Neurotoxin in venom – causes muscle rigidity, swelling, sweating, nausea, vomiting, and many other symptoms.

Sometimes fatal for children and seniors.



# SPIDERS

## Dangerous Spiders

- Black Widow

Seek medical attention.

Capture or kill the spider if you can (WebMD).

Clean wound, apply ice, elevate limb.

Take OTC pain and anti-inflammatory medicine.



# SPIDERS

## Dangerous Spiders

- Black Widow
- Yellow Sac Spider

Tiny (1/4" to 3/8" max).

Yellow or amber body.

Produces cobweb tubes in secluded spots. Waits in ambush.

Venom occasionally causes necrosis near the bite.

Seek medical attention.



# BEES & WASPS

## Stings & Allergies

- Honeybees & Bumblebees
  - Focused on pollen, protective of nests.
- Yellowjackets & Paper Wasps
  - Interested in people food, protective of nests.
- Allergies are the real threat.
  - If you know you're allergic, carry your medication.
  - Look for swelling, trouble breathing or swallowing.
- Condition reports – 9 stings since 2016, 3 medically significant.



# MOSQUITOS & TICKS

## Disease Vectors

- Ticks

Lyme Disease – the main concern.

Wear bug repellent.

Check for ticks.

Look for the “target.”



# MOSQUITOS & TICKS

## Disease Vectors

- Mosquitos

West Nile virus – main threat.

Zika virus (not yet but could arrive).

Wear bug repellent.

Prevent mosquitos – eliminate habitat.

Conserve natural insect control.



# BOO!

## Being spooked can cause accidents!

- Anticipate wildlife.
- Follow safe procedures
- Wear PPE.
- Maintain guardrails and tie off.
- Maintain blade guards, maintain proper clearances.
- So many safety rules are meant for just this moment.



# Thank You



Powering our way of life.



# Safety

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Safety Update – Q3 2023



Powering our way of life.

# 2023 Goals & Programs

- **Contractor Safety Program**
- Stay at Work Program
- Job Hazard Analysis
- Update of Safety Policies and Procedures
  - Electrical Safety Procedure
  - Confined Space Procedure
  - Hearing Conservation Program
- Update the JSR Program



# Contractor Safety Program

## Project Description:

Update and implement a structured program which will provide guidance, expectations and process for applying GPUD safety standards and requirements to contractors working on our projects.



# Program progress update

The program is live, and we are getting excellent participation. A special thanks to Pat Bishop and his team for their consistent and thoughtful support.

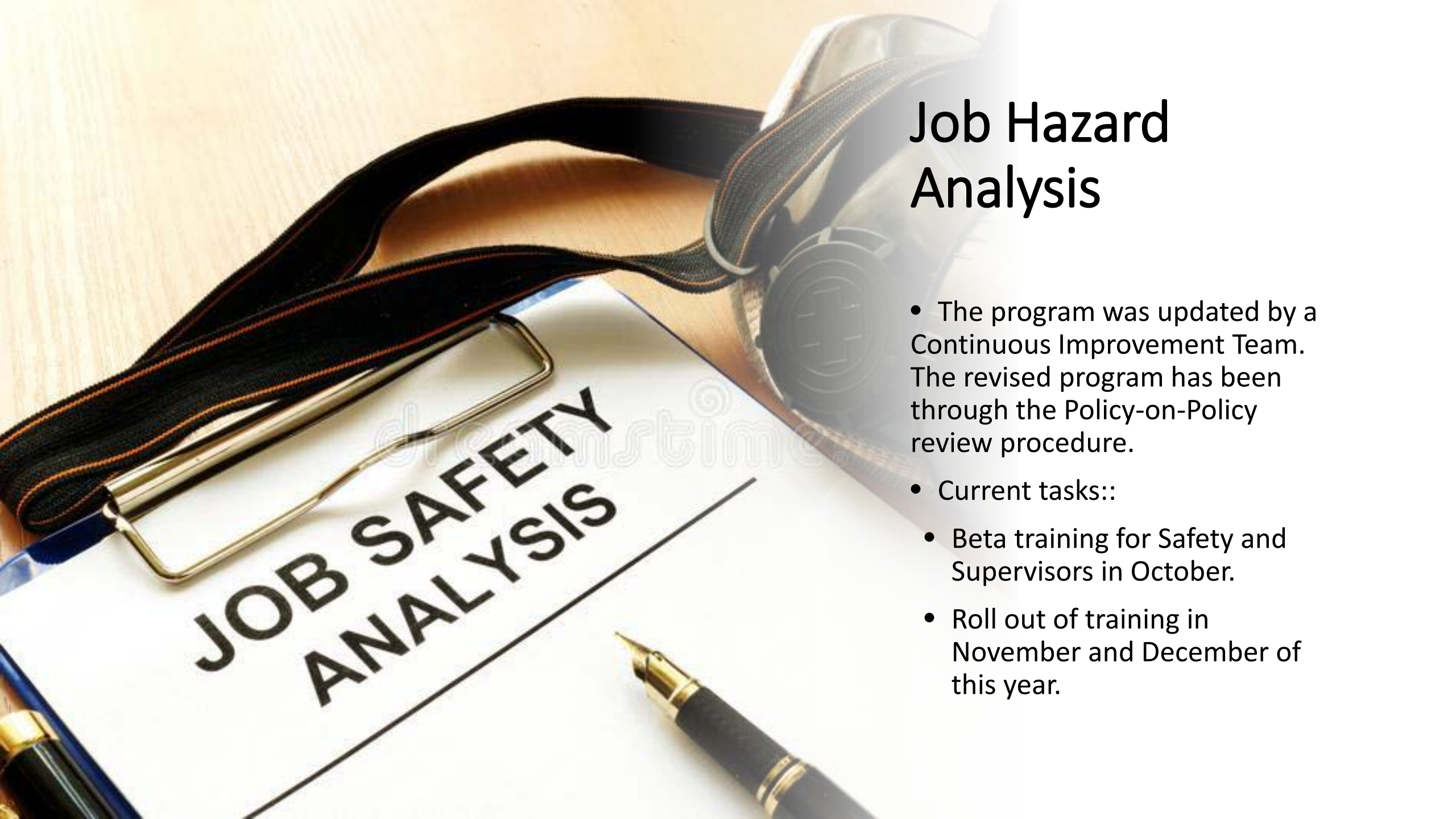


# Stay at Work Program

The Safety Department is working in partnership with HR to update and maintain the required documents for LNI's - employees Stay at Work program, after reporting an injury which results in restricted work activities. We have completed the following items:

- Safety continues to work with HR and Operations on placement of Light Duty Workers
- Reviewing options for light duty work from all Supervisors in all Departments.
- Using results from 2016 L&I Vocational Rehab documents and comparing to current light duty documents for any necessary updates.
- A draft of a Stay at Work Policy has been shared with HR.
- Our goal is to have a draft Policy to send to managers for their stakeholder review in September of 2023.
- The resulting policy will be sent to labor management for input and refinement
- Documents will be uploaded to HR platform once finalized.



A safety helmet with a headlamp and a clipboard with a pen, symbolizing job hazard analysis. The helmet is black with a silver headlamp and a black strap. The clipboard has a white sheet of paper with the text "JOB SAFETY ANALYSIS" and a blue pen with gold accents.

# Job Hazard Analysis

- The program was updated by a Continuous Improvement Team. The revised program has been through the Policy-on-Policy review procedure.
- Current tasks::
  - Beta training for Safety and Supervisors in October.
  - Roll out of training in November and December of this year.

# Safety Policy Review Efforts



We continue to review and update Safety Policies in PolicyTech.

Several Policies will need to be moved to 2024 to ensure full LNI compliance and stakeholder training:

- Crane Policy
- Lock Out Tag Out Program
- Electrical Safety Program

# Additional Safety Policy Review Efforts

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## Safety Programs Under Significant Update

- Electrical Safety Procedure
- Hearing Conservation Program
- Crane Safety Program





# Job Site Review

- The program was updated by a Continuous Improvement Team. The revised program is going through the Policy-on-Policy review procedure.
- Current tasks::
  - Beta training for Safety and Supervisors in 4Q 2023.
  - Roll out of training in 4Q 2023.
  - New JSR Program will be live in 1Q 2024.



**Powering our way of life.**



# Employee Experience QBR

*Q3 2023*

# Agenda

- 1. Organizational Linkage**
- 2. 2023 Priorities**
- 3. In-Flight Programs/Projects**
- 4. Ongoing Performance Metrics**

01

## Organizational Linkage

Aligning the work of the team with the needs of the organization

# Organizational Objective 2

## OBJECTIVE 2

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### DESIGN AND SUSTAIN AN ENGAGING & FULFILLING GRANT PUD CULTURE

Workplace culture is the infrastructure that guides how we function. Business outcomes, such as safety, compliance, financial results, and operational excellence, all hinge on a healthy workplace culture that supports people. We continuously design our culture so every role has purpose and every employee has value. We make meaningful investments in our workforce. We encourage transparent and authentic communication, and engage our teammates with respect and empathy.

### STRATEGIES

- Reinforce commitment to the Code of Excellence
- Recruit, develop and retain a best-in-class workforce
- Sponsor a vibrant employee association
- Establish a deliberate, continuous learning strategy aligned to business outcomes
- Implement the ADDIE instructional systems design framework for training
- Articulate and reinforce our desired leadership culture
- Deliver industry-leading educational reimbursement programs

### KEY METRICS

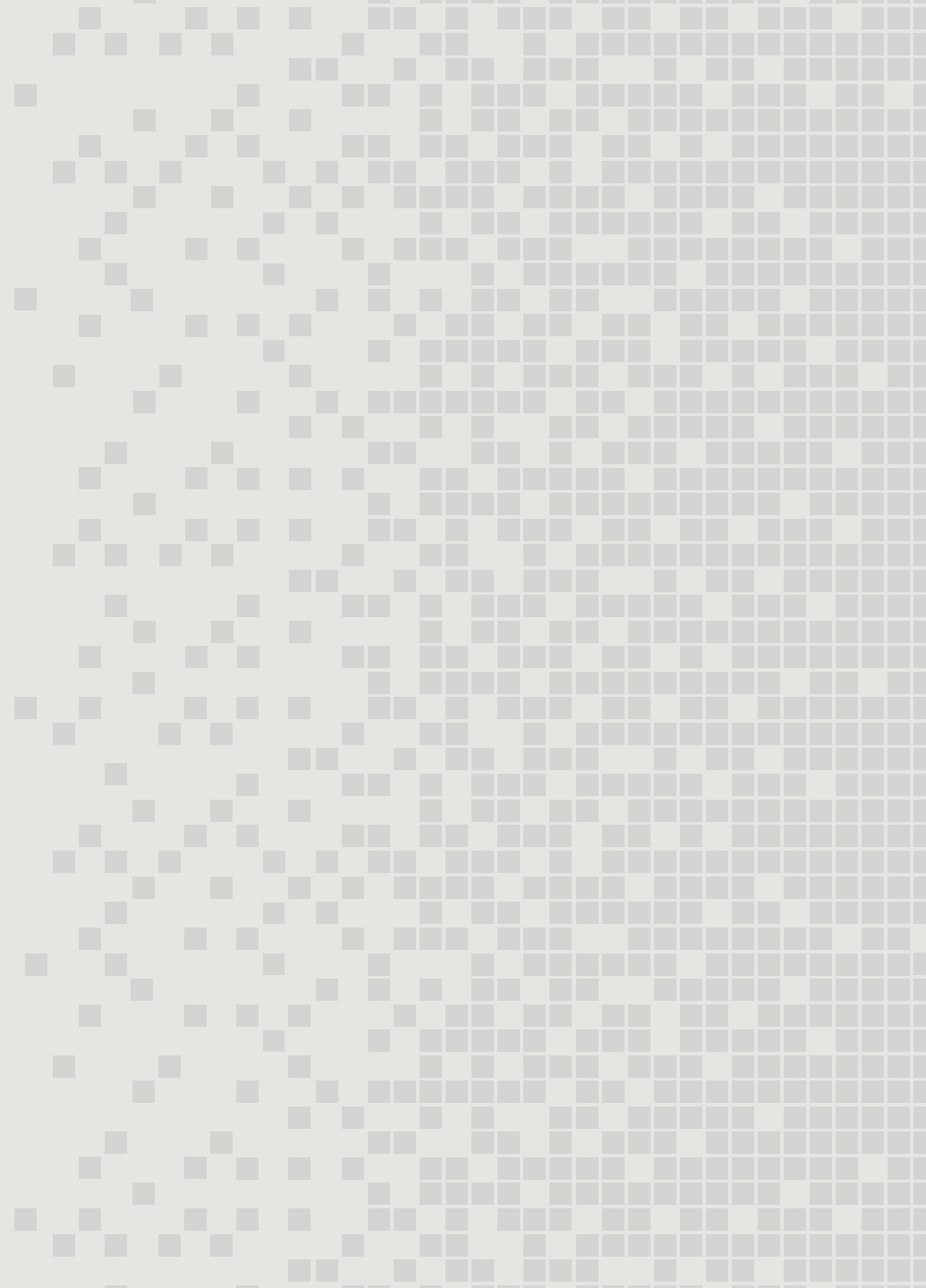
- Organizational Health Index
- Employee Engagement Assessment
- Educational Reimbursement Target
- Training Effectiveness Assessment
- Establish a holistic approach to employee wellness



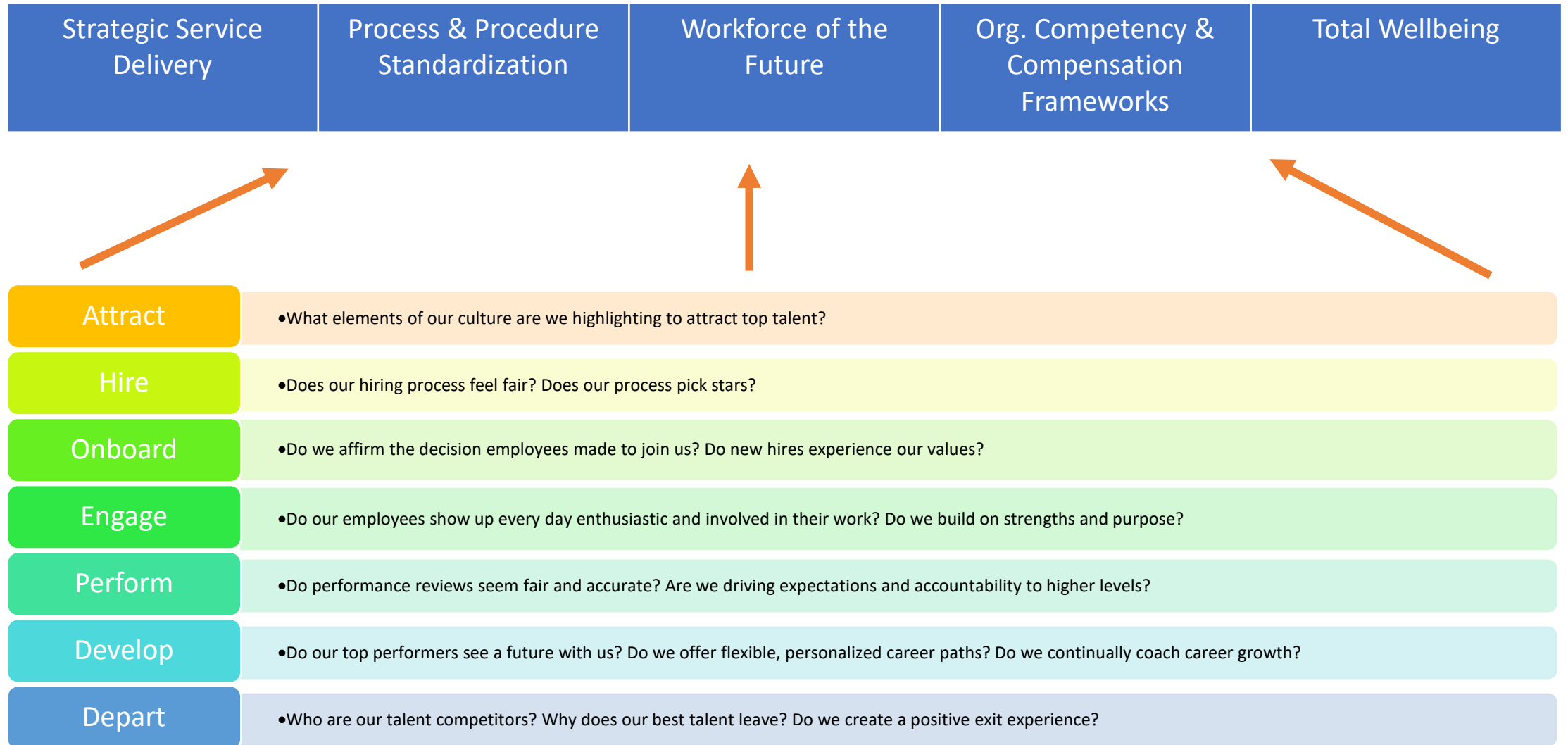
02

2023 Priorities

Employee Experience



# 2023 Employee Experience Workplan





03

In-flight programs/projects

# Organizational Development Updates

- **Educational Reimbursement Policy 2.0 Updates**
  - (See next slides)
- **Employee Appreciation Day**
  - Event scheduled for September 21st at the Heritage Center
- **Orange & Blue U (Emergent Leader Program)**
  - Commencing 2024 cohort application process Oct. 1-Oct 31
- **Employee Recognition Program & Policy Update**
  - Policy under development and internal review.
- **Gallup Q12 Survey**
  - (more detail in coming slides)

# Education Reimbursement Policy 2.0 Draft Updates

**Changes  
focused on  
accomplishing  
these ends:**

- **Simplify, streamline & automate program administration**
- **Preserve high-impact elements of existing program**
- **Ensure compliance with internal controls and applicable state laws**



# Tier Coverage Changes:

<b>Tier 1</b>	<b>Covered reimbursable dollars to 100% of \$10,000 annual max and GPA to 2.5</b> (Prior policy was 100% of \$12,000 annual max and GPA was minimum of 2.0)
<b>Tier 2</b>	<b>Covered reimbursable dollars to 100% of \$10,000 then 90% of remaining expenses up to \$20,000 annual max</b> (Prior policy was 100% of \$12,000 then 50% up to \$20,000 annual max)
<b><del>Tier 3</del></b>	<b><u>Eliminated</u></b> (Prior policy was 100% of \$12,000 then 90% up to \$50,000 annual max)



# Other Changes:

<b>Eligible Degrees</b>	<b>Associate of Arts; Bachelor's Degree; Master's Degree</b> (Prior policy included certifications, non-degree education, and doctoral degrees)
<b>Eligible Employees</b>	<b>Open to full-time, regular employees (Or employees under FERC license, Article 417)</b> (Prior policy allowed any employee with an approved application regardless of employment status)
<b>New Limit</b>	<b>One degree, per degree type, per employee</b> (Prior policy did not limit program usage)



## Other Changes Cont.:

### Repayment Language

Policy clarifies collection rights of the District when employment ends prior to time commitment being met (Prior policy allowed for ongoing repayment)

### Acceptable GPA

Policy establishes new GPA of 2.5 for Tier 1 and 3.0 for Tier 2 coverage. (Former policy established 2.0 for Tier 1, 2.5 for Tier 2 and 3.0 for Tier 3)

### Application Process

1 application for entire program all submitted via a consistent SharePoint application. (Former process was multiple .pdf documents submitted via email)



# Other Changes Cont.:

<b>Books</b>	Only books that are <b><u>required</u></b> for the course can be reimbursed (Prior policy allowed for recommended books by the course)
<b>30 Day Deadline</b>	Participants must now <b>submit for reimbursement within 30 days</b> after term completion date or the date grades are posted, whichever comes later
<b>Technology Acceptable Use Policy</b>	<b>Alignment with IT acceptable use policy. Use of District equipment (computers, printers, etc.) is not allowed for course work</b> (Former policy was silent on this aspect)

# Next Steps...

## Communication Plan - Educational Reimbursement

Method	Audience	Timing	Purpose	Who	Author	Notes/Status
Policy Review	Leadership	Thru 9/5/2023				
Exec Team Approval	Leadership	9/6/2023	Post feedback sign off			
PolicyTech Signoff	Leadership	9/6/2023	Feedback due from execs	Jessie		
Doc to Randi by 11:30am		9/14/2023	Old policy, new policy, redlined version, memo			
Presentation to Commission	Leadership	9/26/2023	Time is scheduled here for presentation			
Policy in effect		10/16/2023	Policy in effect 20 days after approval	n/a		
Participant wide email (including supervisors)		10/2/2023	Core Changes			
Program reopen for new applications	All Employees	10/17/2023		n/a		
Supervisor Email	Supervisors List	10/17/2023	Notify of changes, resources, training, and sign-off needed in PolicyTech	Scott	Scott	
Systemwide Email	All Employees	10/17/2023	Notify of changes, resources, training, and sign-off needed in PolicyTech	Scott, Thomas or Julie	Scott, Thomas or Julie	
Screensaver	All Employees	10/17/2023	Awareness	Annette	Scott and Annette	Ask Raquel U. to post
SharePoint homepage box	All Employees	10/17/2023	Awareness	Annette		Ask Raquel U. to post
Newsletter	All Employees	10/18/2023	Awareness	Annette	Scott	Work with Public Affairs
PowerPoint Presentation for Supervisor Training	All Employees	10/23/2023	High-level objectives, talking points with changes	Scott		In progress
PowerPoint Presentation for Employee Training	All Employees	10/23/2023	High-level objectives, talking points with changes	Scott		In progress
How-to Document(s)	All Employees	10/23/2023	How to for applications and How to for Reimbursements	n/a		Done
Sharepoint Site Update - quick links, summary of changes	All Employees	10/23/2023	Provide employees with quick access to applicable resources and tools	n/a		Annette and Scott working on this
How-to Video(s)	All Employees	10/23/2023	Demo how to do things	Annette	Scott and Annette	Done
Podcast	All Employees	11/09/2023	Describe changes		Scott and Annette	October Podcast
Training / Q&A	All Employees	See Below for Dates	Give overview, then open for questions	Scott and Annette		
Ongoing Office Hours	All Employees	Oct - Nov 2023	Opportunity for questions	Scott and Annette	Scott	

Policy 2.0 Draft Updates



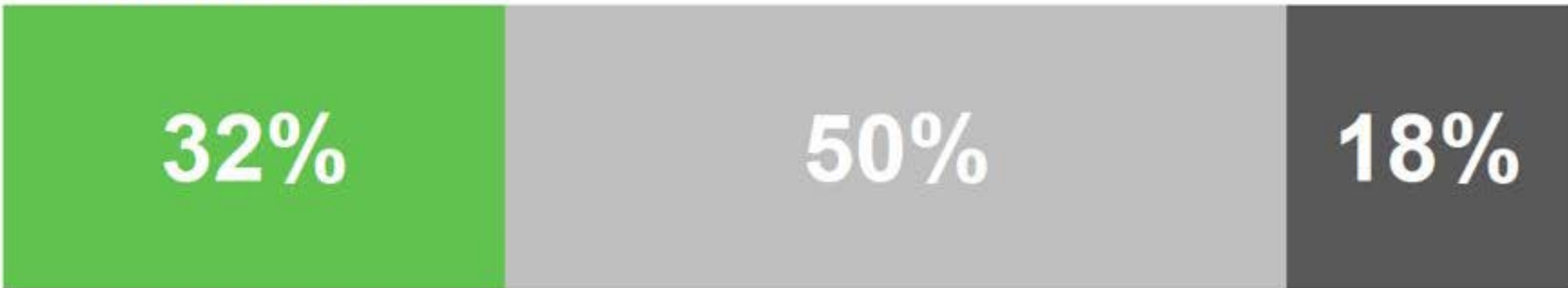
# Gallup Q12 Employee Engagement Survey

- Why do we do this?
- Opportunity for Commission to Engage in Q4
- Survey opens on Oct 9<sup>th</sup>-October 23<sup>rd</sup>



Sample Size **595**  
Participation Rate **78%**  
Mean Percentile Rank **22<sup>nd</sup>**  
Engagement Ratio **1.78:1**

Engagement Index



■ Engaged    ■ Not Engaged    ■ Actively Disengaged



# Three lenses to consider engagement



## Engaged

These employees are loyal and psychologically committed to the organization. They are more productive and more likely to stay with their company.



## Not Engaged

These employees may be productive, but they are not psychologically connected to their company. They are more likely to miss workdays and leave the organization.



## Actively Disengaged

These employees are unhappy with their work situation and insist on sharing this unhappiness with their colleagues.

# HR Updates

- **Participation in Willis Towers Watson (WTW) Compensation Survey**
  - Grant PUD will receive results from WTW in October 2023 to compare non-bargaining unit salaries to the market.
- **Employee Skin Cancer Screenings**
  - October 3rd and October 10th at the HOB
  - October 4th Moses Lake Service Center
  - October 11th at Ephrata Headquarters
- **Continuous Improvement (CI) HR Procedures Project**
  - HR is partnering with CI to process map all payroll and HR processes to support the Big 3 in 2023 item *Standardization through improvement of processes and procedures*. This project is on course to be complete by the end of 2023.

# Learning & Development Updates

- Core Leadership Training Offerings Coming up...**

- Leading@Grant –
    - Second workshop of 2023 to commence in Sept.
  - Working@Grant –
    - 4<sup>th</sup> (and final workshop of the year to finish in Oct.)
  - MARC Labor Relations Training
    - Second offering starting in September

- 98.3% of organization is up to date on training.**

- 218 employees participated in DiSC assessment YTD**

- Dominance, Influence, Conscientiousness, Steadiness (DiSC)
  - Element of Working/Leading@Grant. Assessment that measures individuals tendencies and priorities
  - Supports understanding of individual’s work related behaviors, others’ work behaviors and how to apply knowledge to situations.



follow-up training  
 discussions  
 advantage of time  
 experience  
 Great content  
 Teams  
 Thanks for the class  
 learning material  
 decline calls  
 Brandy and Chris  
 travel time  
**training Thank**  
 great  
 time class  
 group discussions  
 time management  
 ot be condensed



# Remainder of the year focus

- **Biometric Screenings**
- **Wellness Wednesdays**
- **'24 Orange & Blue U cohort selection**
- **Big 3 Item: Employee Recognition policy updates**
- **Big 3 Item: Multi-year employee experience strategy & work planning**
- **Education Reimbursement Policy Training & Change Management**
- **YE Performance Evaluations**
- **2024 Goal Planning**
- **Gallup Q12 results debrief & action planning**
- **2024 training scheduling & sequencing**

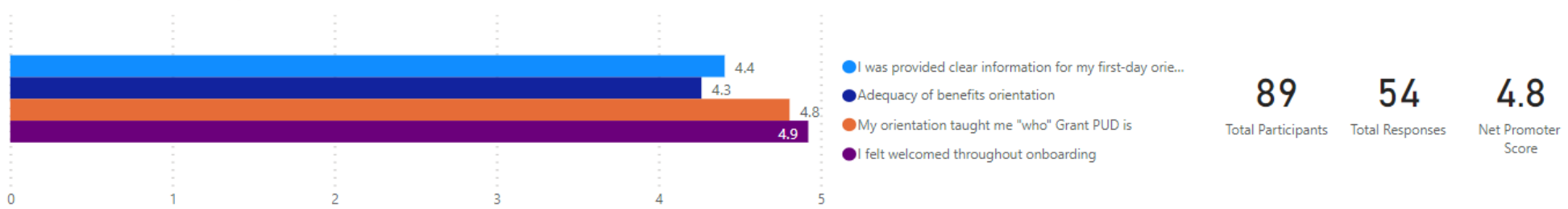
04

## Ongoing Performance Metrics

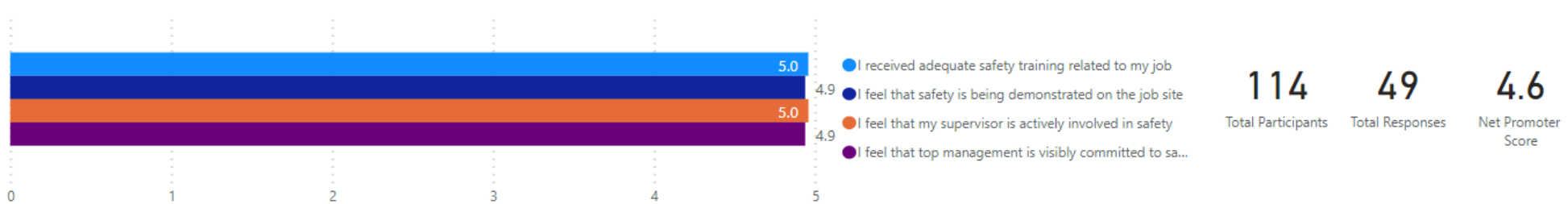
As of 09/05/23

# Q3 Training & Onboarding *(As of 09/05/23)*

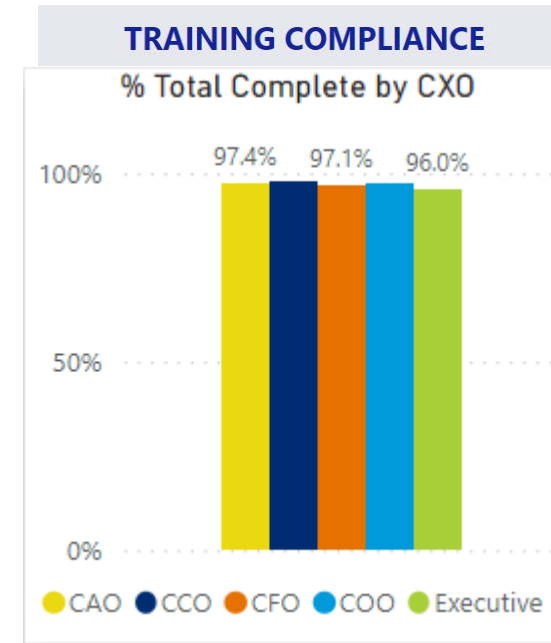
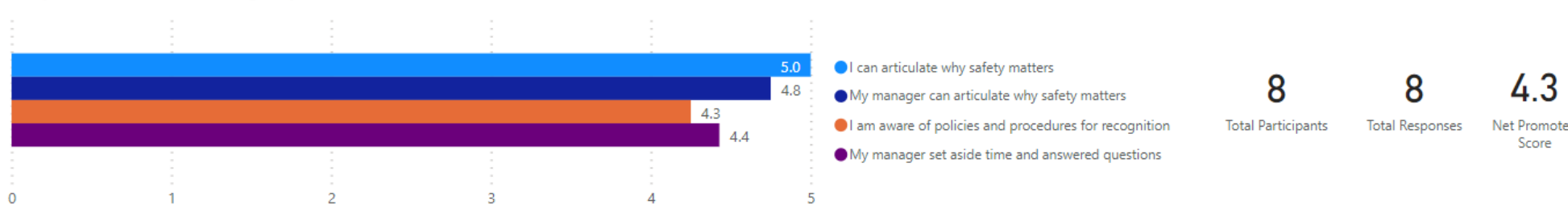
## New Hire Orientation Experience



## Onboarding Peer Experience



## People Leader Onboarding Experience

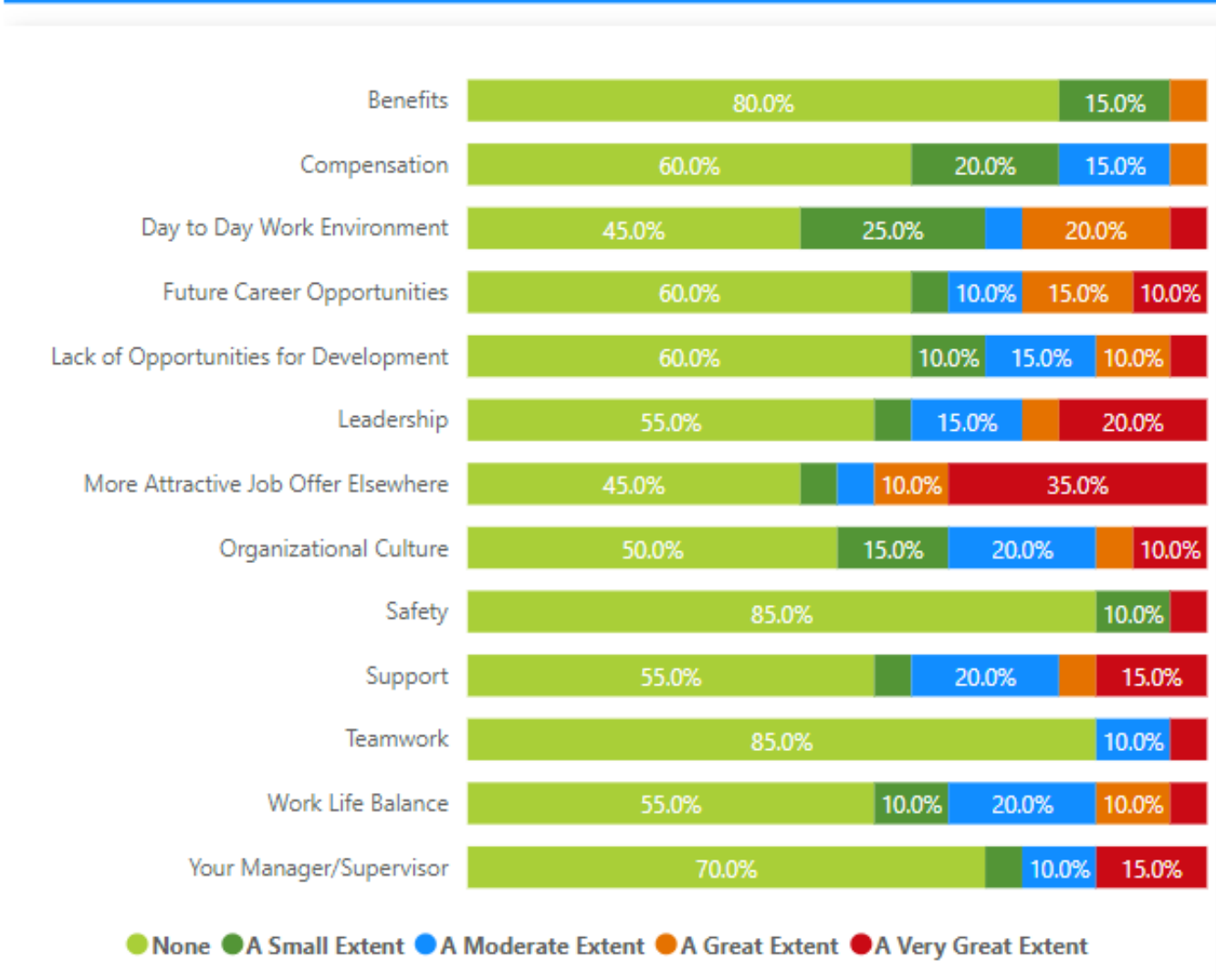


# Separation Data

(YTD as of 09/05/23)

2	Total # Involuntary Separations
20	Total # Voluntary Resignations
14	# Total Retirements
0.8%	% First Year Attrition
4.4%	Total Turnover of Full-Time Regular Employees Only

## Exit Interviews



20	55.6%	36
Total # Respondents	Total Respondants	Total Separations



# Q1-Q2 Recruiting *(not inclusive of internal transfers. 06/01/23)*

2021 2022 2023 Q1 Q2 Q3 Q4 Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec

Data validation is an ongoing process. If you see data that doesn't match your knowledge, please reach out to Katie Boswell. This data is refreshed M-TH mornings at 8am.



103

Total # Distinct Job Requisitions

21

# Currently in Open (Published) Status

82

# Distinct Postings in Closed Status

**Opportunity Full Time Or Part Time**

- Full-Time
- Part-Time

**Opportunity Salaried or Hourly**

- Hourly
- Salary

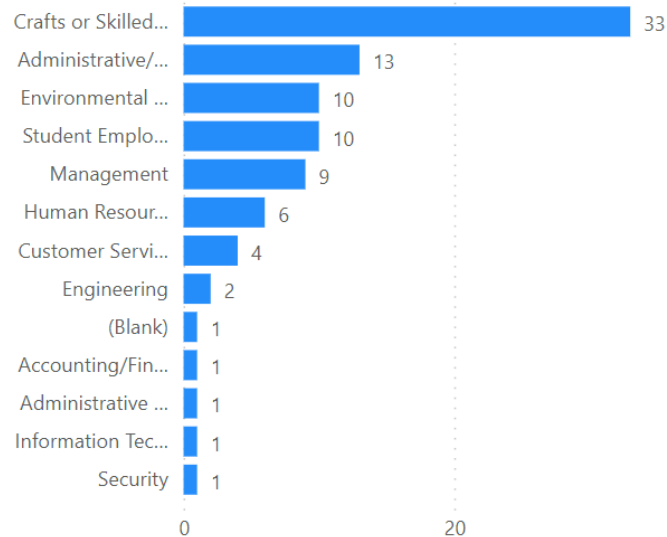
**Candidate Internal or External**

- External
- Internal

**Opportunity Status**

- Closed
- Published

**Total # Opportunities by Job Family**



**Opportunity Title**

Search

- Administrative Assistant - Employee Experience
- Apprentice - Lineman (Internal)
- Apprentice Step 3 or Higher - Lineman
- Business Analyst I / II
- Chief Customer Officer (Internal Only)
- Construction & Maintenance Specialist - Grant ...
- Cultural Project Worker- Traditional Programs
- Customer Service Representative I - On Call
- Customer Service Representative I-IV
- Customer Service Representative I-IV (Internal)
- Customer Service Supervisor
- Customer Solutions Program Coordinator (Inte...
- Electric Shop Meter/Relay Supervisor
- Facilities Building Maintenance Worker (Internal)
- Facilities Electrician
- Facilities Electrician (Internal)
- Facilities Supervisor

**Day Breakdown**

- 24 or less
- 25-49
- 50-74
- 75-99

87

Max # Days to Final Disposition

30

Average # Days to Final Disposition

Questions?

# 2024 BUDGET PRESENTATION

OUR PLAN FOR DELIVERING VALUE TO OUR CUSTOMERS



Powering our way of life.

# Topics Covered



Strategic Focus



Budget Process



Summary of Results



Appendices

# Budget Public Hearing Schedule

- Budget process follows RCW 54 requirements on notice periods and hearings
- Three public hearings for the 2024 process on the proposed budget at which the Commission may hear public comment:
- The budget is anticipated to be adopted in November
- The projected rate increase review will be separate from the budget

## Public Hearings - 2024 Budget

**Oct. 10, 2 p.m.**

**Ephrata Headquarters Commission Room | 30 C St SW  
Ephrata WA 98823**

**Oct. 10, 6 p.m.**

**Virtual Only Meeting – see website for MS Teams  
Call-in Option: 509.703.5291, Conference ID: 680 513 972#**

**Oct. 12, 6 p.m.**

**Moses Lake Local Office Auditorium | 312 W Third Avenue,  
Moses Lake, WA 98837**

01

Strategic Focus



# Strategic Drivers – Budget Focus

- The District's strategic plan guides in principle key focus areas
- Details our mission, vision, values and key objectives



## OUR KEY OBJECTIVES

- |   |   |   |   |
|---|---|---|---|
| 1 | Achieve and maintain a zero-incident workplace                | 5 | Provide outstanding service to our customers  |
| 2 | Design and sustain an engaging & fulfilling Grant PUD culture | 6 | Operate responsibly by attaining environmental, cultural resource and regulatory compliance |
| 3 | Maintain a strong financial position                          | 7 | Completion and maintenance of a sustainable wholesale fiber optic network                   |
| 4 | Provide long-term low rates                                   |   |   |



### SAFETY

We believe that employee and public safety is paramount

### INNOVATION

We make decisions that best serve present and future generations

### SERVICE

We are committed to excellent customer service

### TEAMWORK

We are one team with the same mission

### RESPECT

We honor the rights and beliefs of those we work with and serve

### INTEGRITY

We hold ourselves and others accountable to professionalism in our actions and words

### HERITAGE

We protect, preserve and perpetuate both the spirit of the Grant PUD and the Wanapum relationship

# District Initiatives

## -Org Strategy & Alignment



Identified an anchor and 5 areas of focus for next 3-5 years



Adding dedicated strategy and resource planning functions



Where possible, flattening unnecessary layers of management

## Our Strategy



### ANCHOR:

Focus on our core electric customers while still ensuring the success of all our customers

Prioritizing our resources around these **5 strategic pillars:**

1



Ensuring long-term affordable rates for our core electric customers

2



Sustaining our focus on engaged, empowered & enabled employees

3



Committing to accurate & responsive customer service

4



Developing an intentional power demand strategy

5



Caring for our communities through active engagement





# Powered by Clean, Renewable Energy

Photo Credit: John Price

### How do our rates compare?

Residential average electricity rates\*



UNITED STATES



WASHINGTON

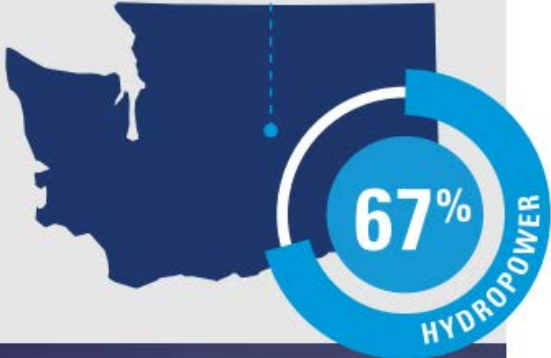


GRANT PUD

\*Source: U.S. Energy Information Administration [June 2023](#) report.

### Leading Washington's Clean Energy Movement

Hydropower is an essential source of generation in our quest for carbon-free energy. According to the Washington Net Electricity Generation by Source (March 2023), **67% comes from hydropower.**



Courtesy NW River Partners



## Powered by Service

Customer Average Interruption Index (CAIDI)	2023 Target	2023
	< 110 min	137 min



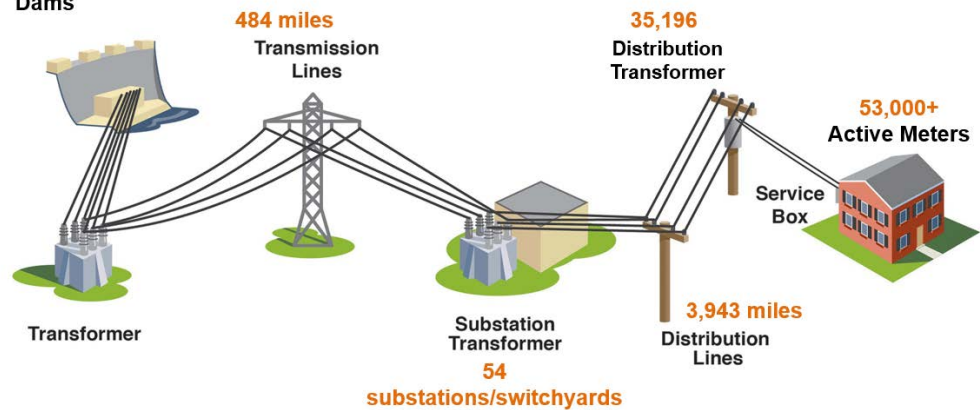
- CAIDI is calculated by dividing the sum of all customer minutes of interruption by the number of customers that experienced interruptions during that period.
- CAIDI is a sustained interruption index so only interruptions lasting longer than 5 minutes are included in the calculation.

Average Service Availability Index (ASAI)	2023 Target	2023
	≥ 99.985%	99.992%



- ASAI is calculated by dividing the total hours in which service is available to customers by the total hours that service is demanded by customers

2,000+ Megawatts  
Dams





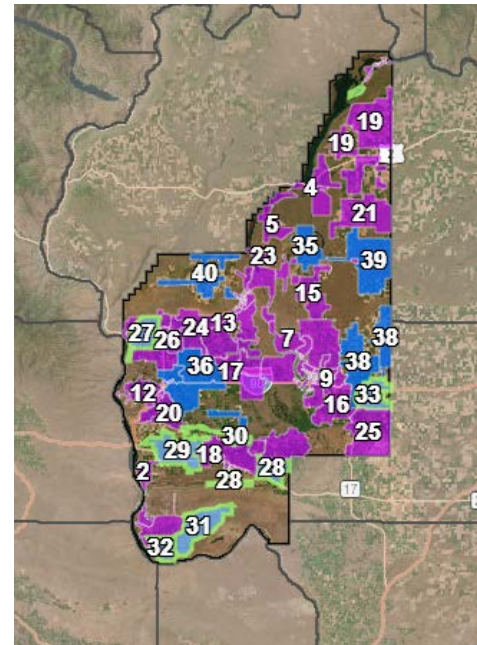
Powered by Fiber

## 2023 AREAS

- 25 Warden Area Completion
- 26 North, East and South of Quincy
- 27 NW and SW of Quincy
- 28 Rd A SE/Smyrna/Crab Creek
- 29 Jericho
- 30 Dodson to Frenchman
- 31 Wahluke Area East of Mattawa
- 32 Desert Aire to Rd O SW

## 2024 AREAS

- 33 I90 Rd U NE/SE
- 34 Hwy 281 N. of I90 to Rd 3
- 35 Stratford/Summer Falls/Billy Clapp
- 36 Adams Road NW to Winchester Wasteway N. of I90 to Rd. 7
- 37 Braden to George and Black Sands
- 38 Ruff
- 39 Wilson Creek Area
- 40 Sagebrush Flats/Johnson Rd. NW



90%

of county residents and businesses currently enjoy access to Grant PUD Fiber.

29,079

Current Subscribers

and

40,916

Potential Subscribers

02

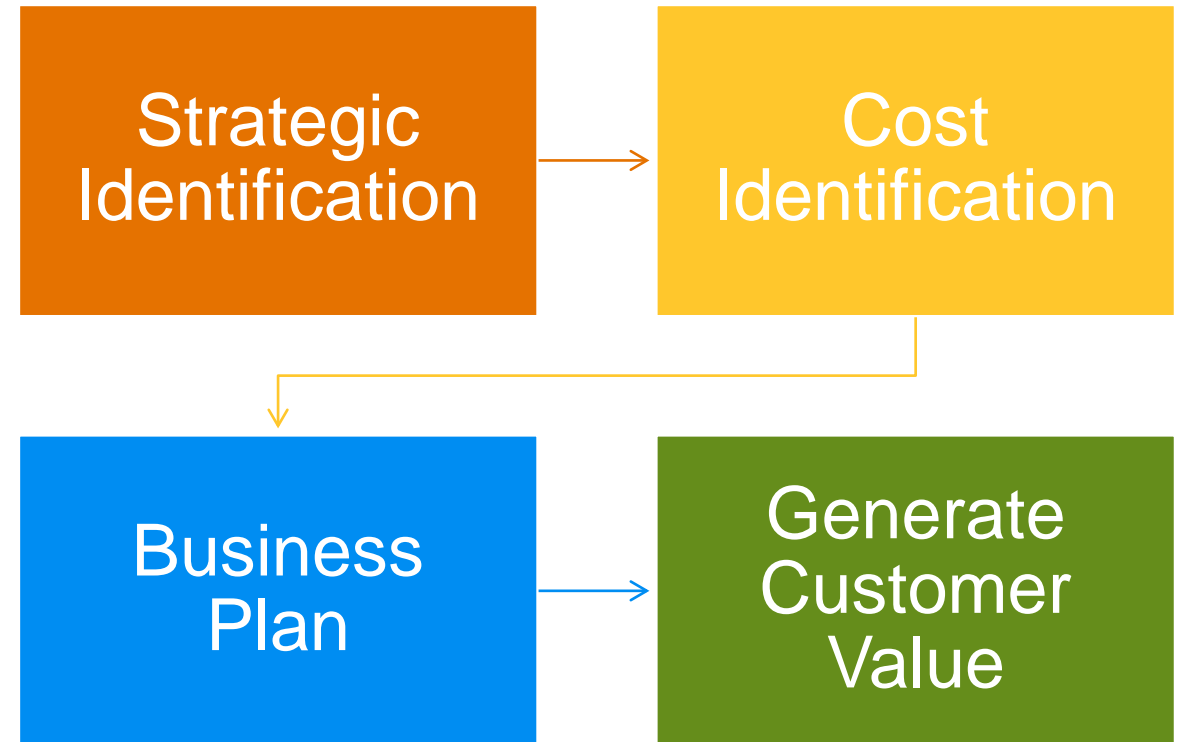
## Budget Process



# Keys for the Budget & Planning Process

## General Aims:

1. Provide value for current and future Grant PUD customers
2. Maintain the utility's financial health



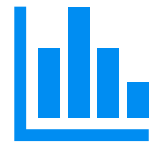
# 2024 Budget Process / Timeline

1. Round 1 – Strategic Focus
  - Identify major cost drivers (internal/external)
  - Inclusion of major forecast items
    - Updated Loads and Revenues, latest Wholesale assumptions, and latest Capital spending assumptions
  - Executive Leadership Team sets overall operating unit budget targets for 2024
2. Round 2 – Tactical Focus and Budget Delivery
  - Budget Area Committees (BAC) refine Labor and non-Labor operating budgets to deliver on strategic initiatives
  - BACs develop, evaluate, and select the most valuable/highest priority business cases
  - Executive Leadership Team and BACs set functional area operating budgets
3. Round 3 – Commission and Public Review
  - Commission review and public outreach
  - Budget adoption

Task	PARTICIPANTS	START	END
<b>PLANNING &amp; Management</b>			
2023 BAC BvA Process	BU Mgrs, Finance	1/2/23	12/31/23
FP&A Major Budget Initiative - Fin Fx Rebuild	Finance	1/2/23	5/5/23
FP&A Lesser Budget Initiatives	Finance	5/23/23	6/16/23
Enterprise-wide communication on 2024 Process	BU SMEs, BU Mgrs, CXOs, Finance	5/26/23	5/26/23
Distribution of Info, Budget Timing, Training expectations, etc.	BU SMEs, BU Mgrs, CXOs, Finance	6/16/23	7/14/23
<b>Round 1 - Strategic and Target Setting Plan</b>		<b>6/9/23</b>	<b>7/28/23</b>
GO#1 - Initial Analytics prep	FP&A	6/9/23	6/30/23
GO#1 - Develop Operating Budget Targets	FP&A, CXOs	7/3/23	7/21/23
GO#1 - Fin Fx Run with Targets & Business Plan Dollars	FP&A, CXOs	7/3/23	7/21/23
GO#2 - Finalize Targets, Contingency and Strategic Spend	CXOs	7/17/23	7/28/23
Finalize Round 1	FP&A	7/24/23	7/28/23
<b>Round 2 - Budget Delivery Plan</b>		<b>8/1/23</b>	<b>9/1/23</b>
GO#1 - Budget Area Week 1 - BAC meeting on Thur 8/3	BAC, BBU Mgrs, Finance	8/1/23	8/7/23
GO#1 - Budget Area Week 2	BAC, BBU Mgrs, Finance	8/7/23	8/11/23
GO#1 - Budget Area Week 3	BAC, BBU Mgrs, Finance	8/14/23	8/18/23
GO#1 - Finalize Operating Budgets by Budget Area	BAC, BU Mgrs, Finance	8/21/23	9/1/23
GO#2 - Financial Fx Review/Decisions - Week 1 (Capital Update)	Finance, EPPM	8/1/23	8/7/23
GO#2 - Financial Fx Review/Decisions - Week 2	Finance, EPPM, Treasury, CXOs	8/9/23	8/11/23
GO#2 - Financial Fx Review/Decisions - Week 3	EPPM, Finance, CXOs	8/16/23	8/18/23
GO#2 - Finalize Financial Fx	CXOs, Finance	8/23/23	8/25/23
Finalize Round 2	CXOs, BACs, Finance	8/30/23	9/1/23
<b>Round 3 - Public Outreach Plan</b>		<b>9/4/23</b>	<b>12/29/23</b>
GO#1 - Prepare and Review Materials for Commission/Public Review	Finance, CXOs, Commission	9/4/23	9/26/23
GO#1 - Public Meetings	Commission, CXOs, FP&A	10/10/23	10/12/23
GO#1 - Budget Adoption	Commission	10/24/23	12/12/23
GO#2 - Budget Upload to Finance Systems	Finance	12/13/23	12/29/23

03

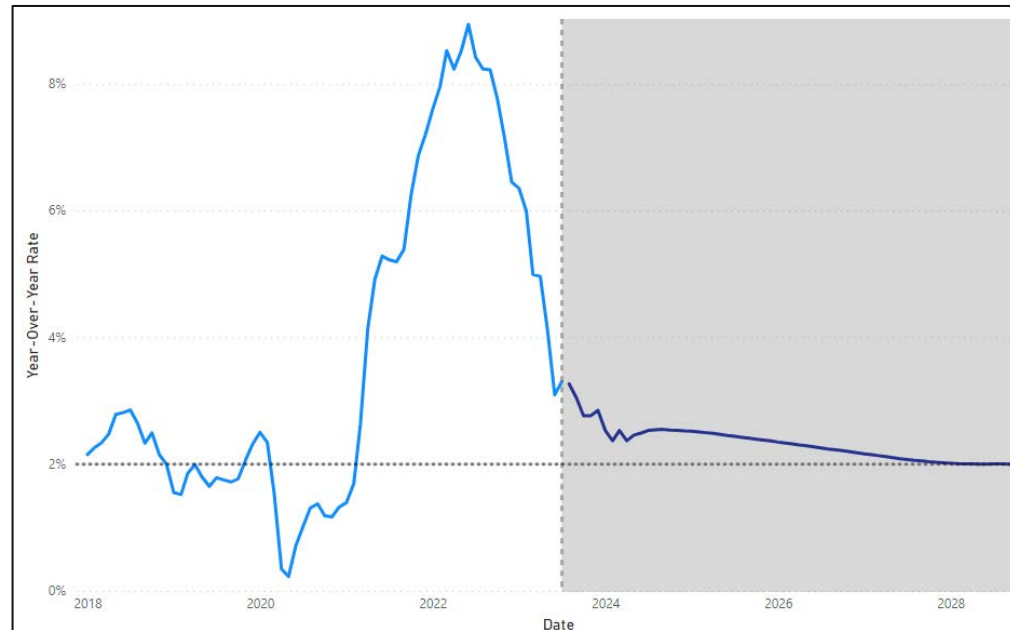
## Summary of Results



# Inflation / Cost Impacts

- Prompt year budget is based on today's dollar program requirements
  - 2024 budget represents varying year over year changes based upon the type of spend (ie capital, operating budgets, benefits/insurance, debt, taxes)
- Post 2024 total O&M is assumed to have a total year over year change of an average of ~3.4% which captures both an assumption on inflation lowering and business initiative/ increased work as the system grows

Projected Consumer Price Index (CPI) Inflation Rate



- 2023 CPI annual average is expected to fall between 3.6% and 4.3%
  - 9/13/23 CPI reported as 3.7% (12- month preceding)
- Statistical models are used to project future inflation outcomes using historical actual inflation rates

## CPI inflation data points

- 4.7% average 2021
- 8.0% average 2022
- 2023 4.7% YTD



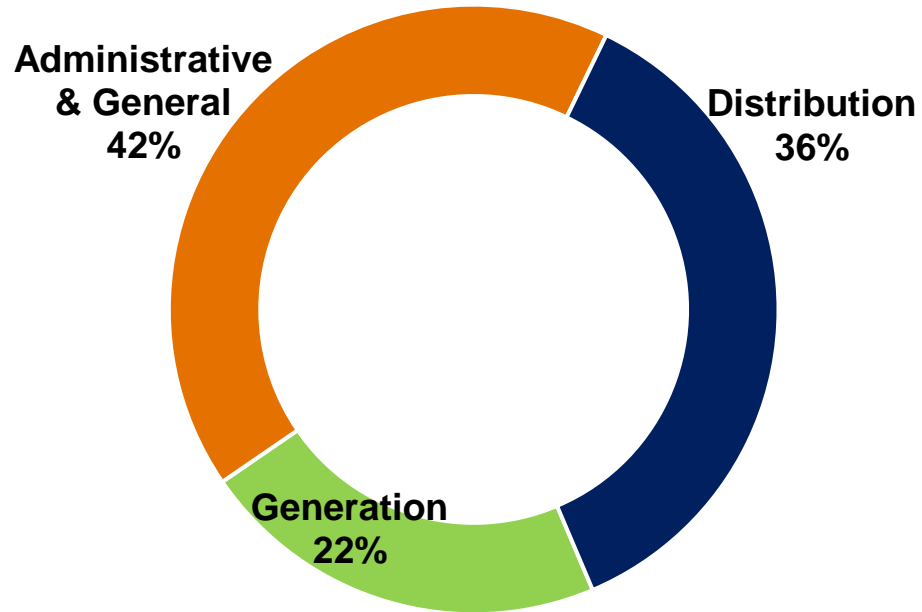
# Total Expenses for 2024 (before offsets)

Grant PUD District View (Exhibit A & B reference)					
	2021	2022	2023	2023	2024
All Figures in Millions	Actuals	Actuals	Budget	Forecast	Budget
Operations & Maintenance - Total:	\$ 165.7	\$ 167.1	\$ 188.2	\$ 183.7	\$ 201.9
Electric System O&M:	\$ 69.6	\$ 71.2	\$ 92.3	\$ 88.9	\$ 100.1
Priest Rapids O&M:	\$ 96.1	\$ 95.8	\$ 95.9	\$ 94.8	\$ 101.8
Capital - Total:	\$ 169.7	\$ 156.4	\$ 155.0	\$ 170.2	\$ 172.9
Electric System Capital:	\$ 92.6	\$ 86.6	\$ 80.8	\$ 88.6	\$ 101.0
Priest Rapids Projects Capital:	\$ 77.1	\$ 69.8	\$ 74.1	\$ 81.6	\$ 71.9
Debt Service	\$ 74.2	\$ 73.7	\$ 72.0	\$ 73.8	\$ 68.0
Taxes	\$ 20.1	\$ 21.2	\$ 21.6	\$ 23.0	\$ 23.7
<b>Total Expenses</b>	<b>\$ 429.6</b>	<b>\$ 418.3</b>	<b>\$ 436.7</b>	<b>\$ 450.7</b>	<b>\$ 466.5</b>

- **Total Expenses** for 2024 in proposed budget = \$466.5 million
  - Compared to 2023 projected spend represents an increase of \$15.8M (+3.5%)
- **Debt Service** and **Taxes** for 2024 is a decrease due to the recent debt refinance (-\$3.4M) compared to 2023 forecast
- **O&M Expense** is an increase of \$13.7M (+7.3%) vs the 2023 budget and \$18.2M (+9.9%) vs current 2023 expectations
- **Capital Spend** is expected to increase by \$17.9M (+11.6%) vs the 2023 budget and \$2.7M (+1.6%) vs current 2023 expectations.
  - Capital is based on specific projects in the portfolio by year and is an estimate at the time the budget is set

# 2024 Operating/Enterprise Budgets

## 2024 Combined Operating/Enterprise



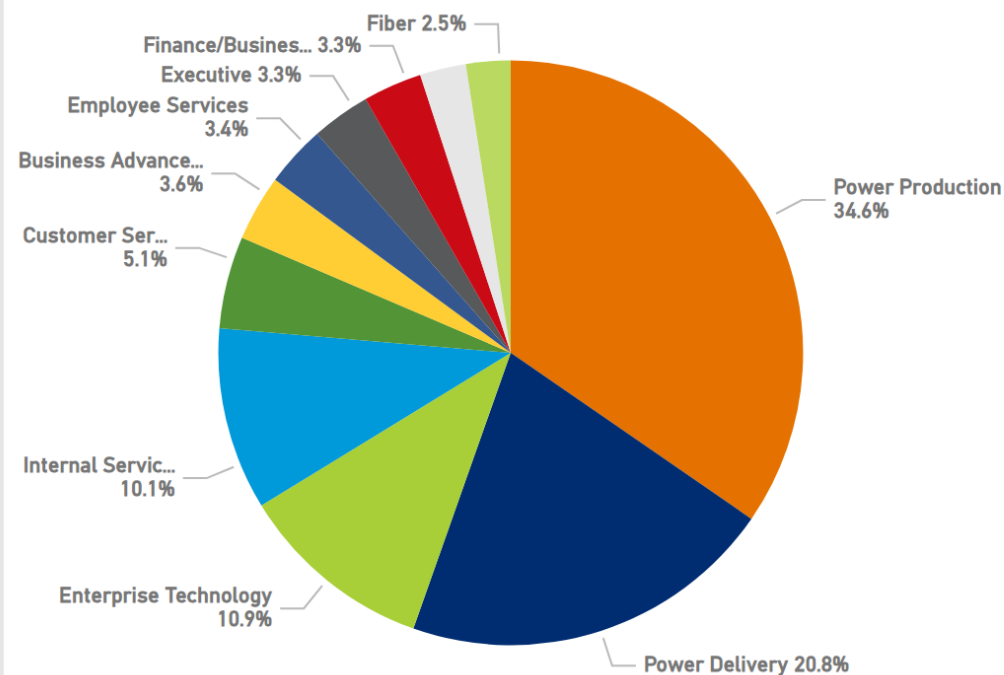
Cost Type	2024	PRP	ELEC
Labor	\$129.8	\$64.2	\$65.6
Purchased Services	\$34.2	\$20.8	\$13.4
General & Administration	\$11.7	\$8.1	\$3.6
Operating Materials and Equipment	\$10.3	\$5.2	\$5.1
Information Technology	\$10.1	\$3.9	\$6.2
Transportation	\$1.4	\$0.5	\$0.9
Utilities	\$0.8	\$0.4	\$0.4
<b>Total</b>	<b>\$198.3</b>	<b>\$103.2</b>	<b>\$95.0</b>

*All figures in millions; non-operational adjustment allocations estimated*



# 2024 Department Managed Budget (O&M and Labor)

2024 Total Budget by QFR Segment



O&M Budget vs Actuals (Including Cap Labor)

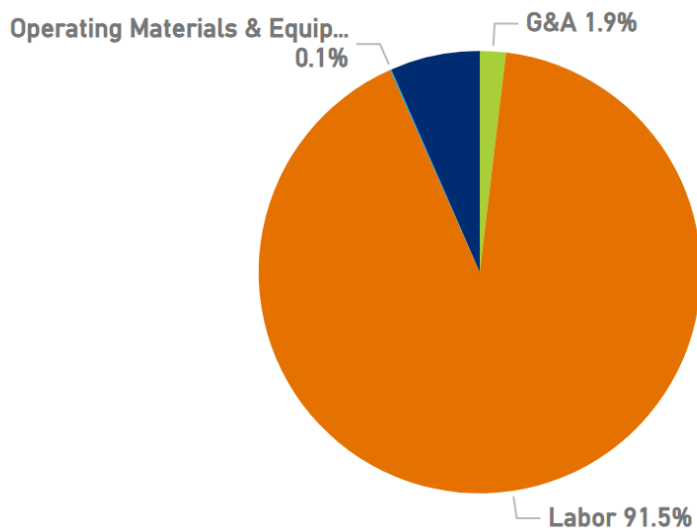
QFR Segment	2023 Expected Spend	2023 Budget	2024 Budget	Budget vs Budget Variance %
Power Production	\$55,041,630	\$56,284,605	\$60,575,521	7.6%
Power Delivery	\$35,429,250	\$36,015,572	\$36,373,648	1.0%
Enterprise Technology	\$14,720,792	\$16,154,999	\$18,992,547	17.6%
Internal Services	\$16,409,717	\$16,274,439	\$17,658,533	8.5%
Customer Services & Communications	\$7,034,732	\$7,707,168	\$8,917,937	15.7%
Business Advancement	\$6,273,458	\$7,577,602	\$6,377,936	-15.8%
Employee Services	\$5,157,863	\$6,312,070	\$5,934,717	-6.0%
Executive	\$5,356,071	\$5,585,111	\$5,700,183	2.1%
Finance/Business Services	\$5,702,035	\$5,550,273	\$5,694,958	2.6%
Customer/Market Analytics	\$4,360,813	\$6,617,329	\$4,469,280	-32.5%
Fiber	\$3,154,849	\$3,302,938	\$4,300,747	30.2%
<b>Total</b>	<b>\$158,641,209</b>	<b>\$167,382,106</b>	<b>\$174,996,006</b>	<b>4.5%</b>

- Operating budgets are those managed directly by the business unit management
  - These are monitored and reported monthly by unit managers.
- Operating budgets include O&M directs and total salaries/wages (regardless if O&M or capital). Does not include capital directs.
- The 2024 budget represents a 4.5% increase over the 2023 budget
- 2023 is outperforming budget spending and projected to be \$8.8 million underspent due to specific initiative scope changes and deferral/timing impacts

QFR Segment

Business Advancement

2024 Total Budget by Cost Category Type



O&M Budget vs Actuals (Including Cap Labor)

Cost Category Type/Cost Category	2023 Expected Spend	2023 Budget	2024 Budget	Budget vs Budget Variance %
<input type="checkbox"/> <b>Labor</b>	\$5,552,427	\$5,926,958	\$5,833,136	-1.6%
<input type="checkbox"/> CC001 - Salaries & Wages	\$5,481,359	\$5,887,492	\$5,786,471	-1.7%
<input type="checkbox"/> CC006 - Other Labor	\$67,796	\$38,806	\$46,161	19.0%
<input type="checkbox"/> CC002 - Overtime	\$3,272	\$660	\$504	-23.7%
<input type="checkbox"/> <b>Purchased Services</b>	\$510,051	\$1,438,059	\$417,324	-71.0%
<input type="checkbox"/> <b>G&amp;A</b>	\$194,655	\$181,057	\$121,070	-33.1%
<input type="checkbox"/> <b>Operating Materials &amp; Equipment</b>	\$5,671	\$7,008	\$6,406	-8.6%
<input type="checkbox"/> <b>IT</b>	\$10,605	\$24,520		
<input type="checkbox"/> <b>Transportation</b>	\$59			
<b>Total</b>	<b>\$6,273,469</b>	<b>\$7,577,602</b>	<b>\$6,377,936</b>	<b>-15.8%</b>

**- Main Objective -**

**OPERATIONAL EXCELLENCE:** Mature the OCM, CAP, and CI business capabilities to enable the business to meet its short-term and long-term objectives

**EPMO:** Reduce project delivery risk by driving industry leading safety performance, monitoring and managing quality, and optimizing efficiency.

**PORTFOLIO MANAGEMENT:** Strategy development and data driven portfolio management

**- 2024 Top Initiatives -**

**OPERATIONAL EXCELLENCE (OE)**

- Build OE program strategies and multi-year roadmaps
- Streamline and mature the CAP Program
- Regularly deliver value through improvements and reduced waste via the CI Program
- Mature the OCM Program and continue to effectively manage change

**ENTERPRISE PROJECT MANAGEMENT OFFICE (EPMO)**

- Advance EPMO maturity
- Develop project controls and quality assurance capabilities
- Build out construction management program

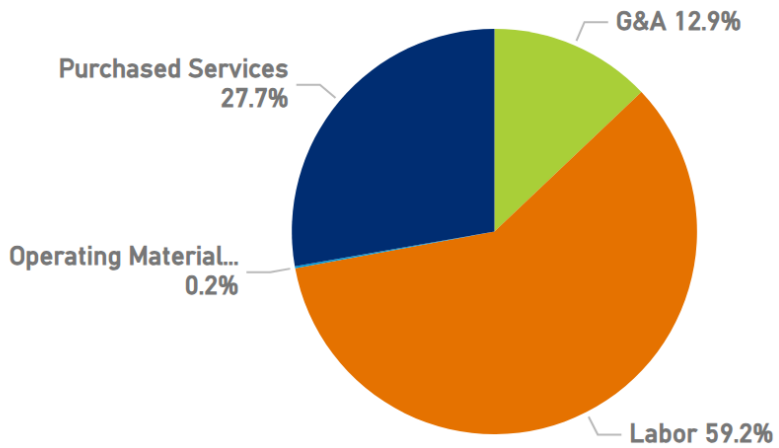
**PORTFOLIO MANAGEMENT**

- Program and employee development with focus on resources balancing and strategic alignment
- Data Quality & Visibility

QFR Segment

Customer Services & Communicatio... ▾

2024 Total Budget by Cost Category Type



O&M Budget vs Actuals (Including Cap Labor)

Cost Category Type/Cost Category	2023 Expected Spend	2023 Budget	2024 Budget	Budget vs Budget Variance %
<input type="checkbox"/> Labor	\$4,585,395	\$4,700,071	\$5,277,863	12.3%
<input type="checkbox"/> CC001 - Salaries & Wages	\$4,465,587	\$4,598,679	\$5,161,823	12.2%
<input type="checkbox"/> CC002 - Overtime	\$96,211	\$87,000	\$100,200	15.2%
<input type="checkbox"/> CC006 - Other Labor	\$23,597	\$14,392	\$15,840	10.1%
<input type="checkbox"/> Purchased Services	\$1,973,598	\$2,001,921	\$2,473,691	23.6%
<input type="checkbox"/> G&A	\$462,873	\$964,224	\$1,152,043	19.5%
<input type="checkbox"/> Operating Materials & Equipment	\$11,744	\$20,948	\$14,340	-31.5%
<input type="checkbox"/> IT	\$3,014	\$20,004		
<b>Total</b>	<b>\$7,036,625</b>	<b>\$7,707,168</b>	<b>\$8,917,937</b>	<b>15.7%</b>

**- Main Objective -**

**CUSTOMER SOLUTIONS:** Provide accurate and responsive customer service to all core customers.

**LARGE POWER SOLUTIONS:** Provide accurate and responsive customer service to large general service, industrial and large industrial customers.

**EXTERNAL AFFAIRS:** Ensure our customers are informed and engaged on all Grant PUD activities that impact them.

**- 2024 Top Initiatives -**

**CUSTOMER SOLUTIONS**

- Improve customer service performance on new and changed electric service requests
- Develop systems to better understand needs of our agricultural, small commercial and residential customers
- Provide more opportunities for customers to contact us that fit their needs & preferences
- Provide innovative programs that will benefit our customers as new technology emerges

**LARGE POWER SOLUTIONS**

- Improve accuracy and responsiveness of information provided to customers/potential customers on new service availability
- Provide innovative programs that will benefit our customers as new technology emerges

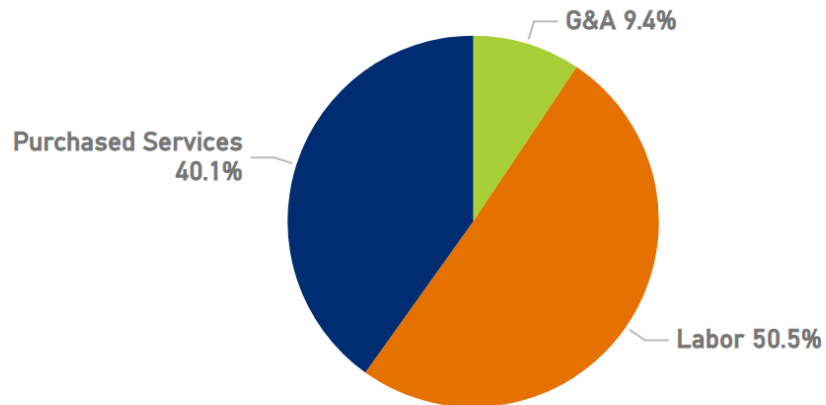
**EXTERNAL AFFAIRS**

- Establish Community Benefit Program to better serve communities in need as well as meet state carbon legislation goals.
- Develop new communication channels (including text messaging) to communicate with customers on outages & other topics
- Government Affairs – build relationships with external stakeholders that allow us to help shape local legislative priorities

QFR Segment

Customer/Market Analytics

2024 Total Budget by Cost Category Type



O&M Budget vs Actuals (Including Cap Labor)

Cost Category Type/Cost Category	2023 Expected Spend	2023 Budget	2024 Budget	Budget vs Budget Variance %
<input type="checkbox"/> Labor	\$2,169,707	\$2,137,582	\$2,255,577	5.5%
<input type="checkbox"/> CC001 - Salaries & Wages	\$2,155,392	\$2,129,363	\$2,249,637	5.6%
<input type="checkbox"/> CC006 - Other Labor	\$14,315	\$8,219	\$5,940	-27.7%
<input type="checkbox"/> Purchased Services	\$1,654,182	\$3,751,599	\$1,793,450	-52.2%
<input type="checkbox"/> G&A	\$415,048	\$472,140	\$420,253	-11.0%
<input type="checkbox"/> IT	\$92,076	\$256,008	\$0	-100.0%
<input type="checkbox"/> Utilities	\$44,333			
<b>Total</b>	<b>\$4,375,345</b>	<b>\$6,617,329</b>	<b>\$4,469,280</b>	<b>-32.5%</b>

**- Main Objective -**

**WHOLESALE MARKETING/SUPPLY:** Effectively manage bulk power transactions to contribute to low customer rates.

**RATES & PRICING:** Provide commission with the best information necessary to set fair and equitable rates.

**SPECIAL PROJECTS:** Plan for Grant PUD's long term power supply strategy.

**- 2024 Top Initiatives -**

**WHOLESALE MARKETING/SUPPLY**

- Develop foundation for meeting Washington state's carbon-neutral and zero carbon goals.
- Make key milestone decisions on joining an organized day-ahead market and resource adequacy program

**RATES & PRICING**

- Develop pricing mechanism for growth in excess of the Estimated Unmet District Load (EUDL CRAC)
- Develop long term power contract structure for industrial and large industrial customers

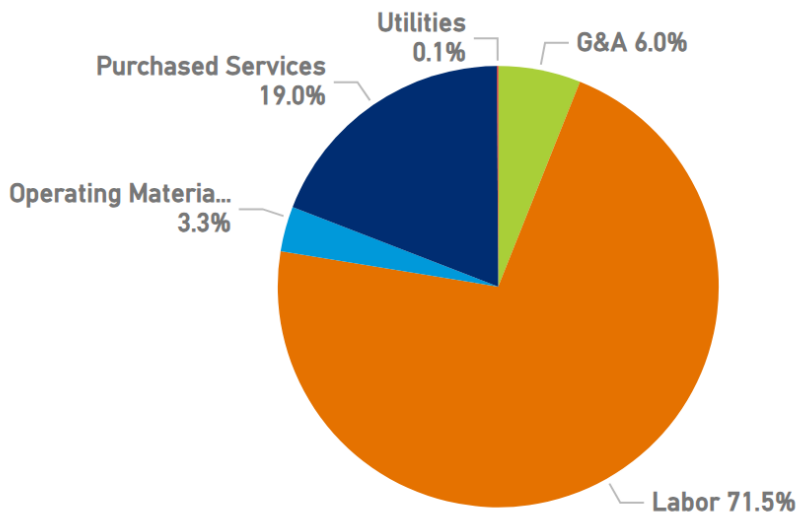
**SPECIAL PROJECTS**

- Finalize effort to establish Grant load in BPA provider of choice process
- Firmly establish Grant PUD position on Columbia River Treaty along with transparent communication protocol with US negotiation team

QFR Segment

Employee Services

2024 Total Budget by Cost Category Type



O&M Budget vs Actuals (Including Cap Labor)

Cost Category Type/Cost Category	2023 Expected Spend	2023 Budget	2024 Budget	Budget vs Budget Variance %
<input type="checkbox"/> Labor	\$3,712,276	\$4,272,090	\$4,245,120	-0.6%
<input type="checkbox"/> CC001 - Salaries & Wages	\$3,630,933	\$4,031,633	\$3,894,996	-3.4%
<input type="checkbox"/> CC006 - Other Labor	\$64,782	\$230,461	\$334,451	45.1%
<input type="checkbox"/> CC002 - Overtime	\$16,561	\$9,996	\$15,672	56.8%
<input type="checkbox"/> Purchased Services	\$980,769	\$1,526,261	\$1,129,500	-26.0%
<input type="checkbox"/> G&A	\$295,676	\$315,029	\$358,894	13.9%
<input type="checkbox"/> Operating Materials & Equipment	\$174,320	\$172,690	\$196,000	13.5%
<input type="checkbox"/> Utilities	\$5,314		\$5,203	
<input type="checkbox"/> IT	\$13,009	\$26,000		
<b>Total</b>	<b>\$5,181,364</b>	<b>\$6,312,070</b>	<b>\$5,934,717</b>	<b>-6.0%</b>

**- Main Objective -**

**HUMAN RESOURCES**

- Ensure compliance with employment laws and provide benefits and compensation to attract and retain quality work force

**EMPLOYEE EXPERIENCE**

- Support a workforce that is engaged, enabled and equipped.

**SAFETY**

- Everyone home safe everyday

**- 2024 Top Initiatives -**

**HUMAN RESOURCES**

- Employee handbook and policy development
- Employee wellness focused on reducing health insurance premiums
- Preparation for 2025/2026 collective bargaining agreement negotiations

**EMPLOYEE EXPERIENCE**

- Student & Apprenticeship Program Development
- Leadership Development Progression Paths
- Diversity, Equity, Inclusion & Belonging Program
- Emergent Leadership (Orange & Blue U)

**SAFETY**

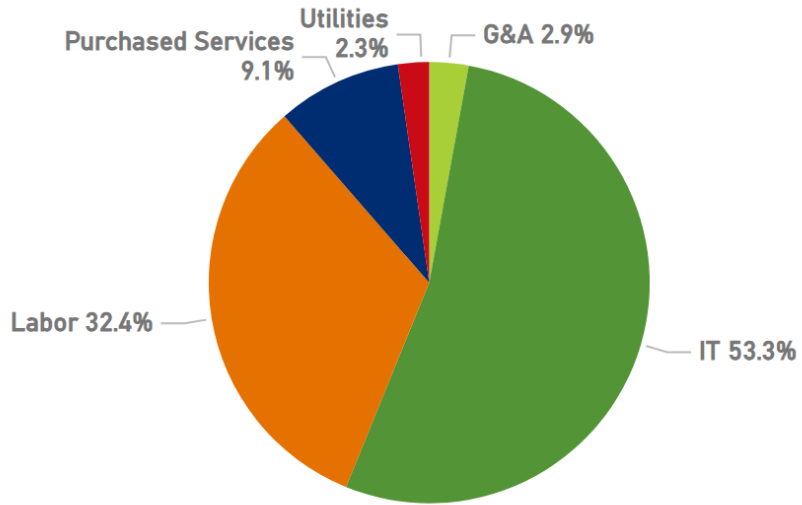
- Continue to refine the Contractor Safety Program
- Full Roll-out of the 2023 JHA Program
- Full Roll-out of CI Team #6 JSR Program



QFR Segment

Enterprise Technology

2024 Total Budget by Cost Category Type



O&M Budget vs Actuals (Including Cap Labor)

Cost Category Type/Cost Category	2023 Expected Spend	2023 Budget	2024 Budget	Budget vs Budget Variance %
<input type="checkbox"/> IT	\$6,226,572	\$7,905,106	\$10,119,901	28.0%
<input type="checkbox"/> Labor	\$5,693,277	\$5,628,813	\$6,161,216	9.5%
<input type="checkbox"/> CC001 - Salaries & Wages	\$5,574,681	\$5,541,421	\$6,066,973	9.5%
<input type="checkbox"/> CC002 - Overtime	\$50,796	\$30,000	\$48,200	60.7%
<input type="checkbox"/> CC006 - Other Labor	\$67,800	\$57,392	\$46,043	-19.8%
<input type="checkbox"/> Purchased Services	\$1,966,593	\$1,702,502	\$1,732,674	1.8%
<input type="checkbox"/> G&A	\$367,918	\$407,682	\$545,820	33.9%
<input type="checkbox"/> Utilities	\$414,820	\$504,896	\$432,936	-14.3%
<input type="checkbox"/> Operating Materials & Equipment	\$128,389	\$6,000		
<b>Total</b>	<b>\$14,797,568</b>	<b>\$16,154,999</b>	<b>\$18,992,547</b>	<b>17.6%</b>

### - Main Objective -

Provide enterprise software and hardware solutions, which includes maintenance, and enhancements to meet the District's evolving technology needs.

### - 2024 Top Initiatives -

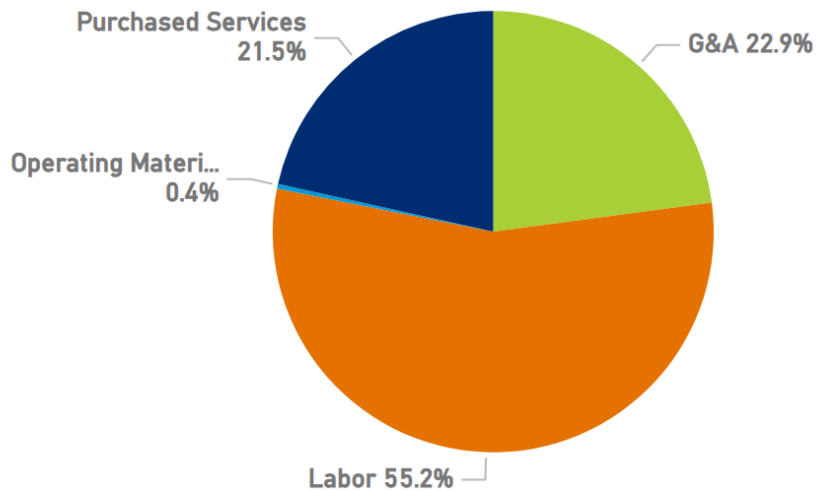
- Continue to work through 5-year technology roadmap
- Begin implementation of our disaster recovery project to provide the District with high availability and reliability in the case of an emergency or widescale disaster event.
- Employee training and development.
- Provide hardware and software for new and existing employees.
- Software cost increases are due to inflationary factors as well as multiple 3- and 5-year agreements being renewed in the 2024 budget year.



QFR Segment

Executive

2024 Total Budget by Cost Category Type



O&M Budget vs Actuals (Including Cap Labor)

Cost Category Type/Cost Category	2023 Expected Spend	2023 Budget	2024 Budget	Budget vs Budget Variance %
<input type="checkbox"/> <b>Labor</b>	\$2,944,159	\$3,077,296	\$3,148,401	2.3%
<input type="checkbox"/> CC001 - Salaries & Wages	\$2,908,971	\$3,071,041	\$3,104,772	1.1%
<input type="checkbox"/> CC006 - Other Labor	\$34,498	\$6,255	\$41,829	568.7%
<input type="checkbox"/> CC002 - Overtime	\$690		\$1,800	
<input type="checkbox"/> <b>G&amp;A</b>	\$1,097,438	\$1,327,467	\$1,304,814	-1.7%
<input type="checkbox"/> <b>Purchased Services</b>	\$1,309,777	\$1,159,592	\$1,226,467	5.8%
<input type="checkbox"/> <b>Operating Materials &amp; Equipment</b>	\$7,167	\$20,756	\$20,500	-1.2%
<input type="checkbox"/> <b>IT</b>	\$1,628	\$0		
<input type="checkbox"/> <b>Utilities</b>	\$1,875			
<b>Total</b>	<b>\$5,362,045</b>	<b>\$5,585,111</b>	<b>\$5,700,183</b>	<b>2.1%</b>

## Main Objective

O&M and Labor for Commission and Executive Leadership functions for the District.

## - 2024 Top Initiatives -

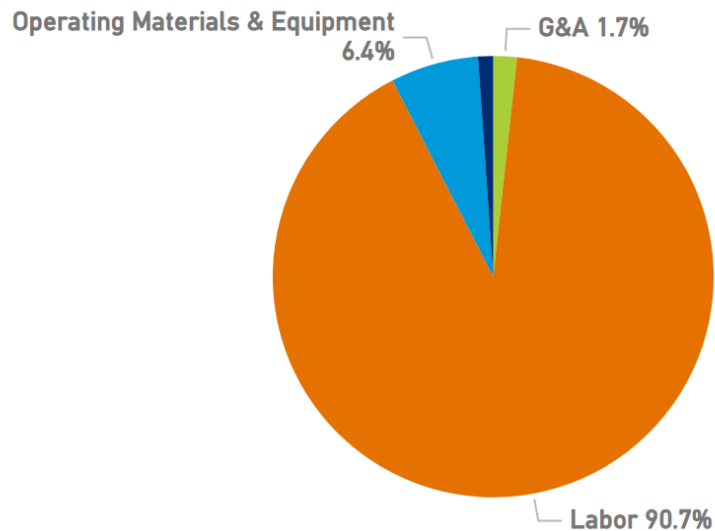
Spending Initiatives:

- Labor
- Trade Association Dues and Memberships
- Purchased Services – Legal, Management Consulting, Training, Recognition
- Travel, Seminars and Conferences
- Election Fees
- Subscriptions and Publications
- Miscellaneous Operating Expenses (business meeting meals)
- Miscellaneous Equipment, Office and Administrative Supplies, Meeting Expenses

QFR Segment

Fiber ▼

2024 Total Budget by Cost Category Type



O&M Budget vs Actuals (Including Cap Labor)

Cost Category Type/Cost Category	2023 Expected Spend	2023 Budget	2024 Budget	Budget vs Budget Variance %
<input type="checkbox"/> <b>Labor</b>	\$2,755,638	\$2,857,647	\$3,901,567	36.5%
<input type="checkbox"/> CC001 - Salaries & Wages	\$2,278,527	\$2,306,943	\$3,438,114	49.0%
<input type="checkbox"/> CC002 - Overtime	\$464,770	\$539,336	\$447,672	-17.0%
<input type="checkbox"/> CC006 - Other Labor	\$12,341	\$11,368	\$15,780	38.8%
<input type="checkbox"/> <b>Operating Materials &amp; Equipment</b>	\$336,144	\$322,272	\$277,276	-14.0%
<input type="checkbox"/> <b>G&amp;A</b>	\$29,246	\$38,687	\$74,304	92.1%
<input type="checkbox"/> <b>Purchased Services</b>	\$53,478	\$64,332	\$47,600	-26.0%
<input type="checkbox"/> <b>IT</b>	\$11,094	\$20,000		
<input type="checkbox"/> <b>Utilities</b>	\$2,710			
<b>Total</b>	<b>\$3,188,309</b>	<b>\$3,302,938</b>	<b>\$4,300,747</b>	<b>30.2%</b>

## - Main Objective

Fiber and Telecommunications Services is responsible for designing, constructing, maintaining, and operating Grant PUD's telecommunications infrastructure to serve internal business needs and our wholesale fiber customers.

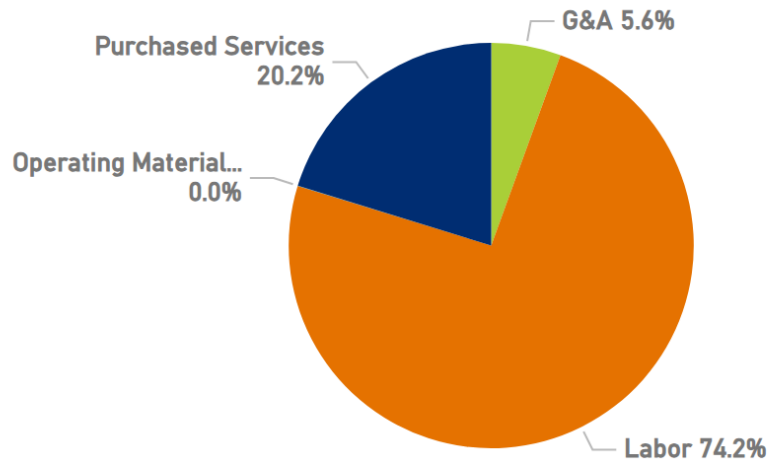
## - 2024 Top Initiatives -

- Assessing/inventorying the health of the existing fiber network
- Employee and apprentice training and development
- Restoring service during outages
- Technology conversion (Active Ethernet to PON)
- Defining roles/responsibilities and developing standard operating procedures

QFR Segment

Finance/Business Services

2024 Total Budget by Cost Category Type



O&M Budget vs Actuals (Including Cap Labor)

Cost Category Type/Cost Category	2023 Expected Spend	2023 Budget	2024 Budget	Budget vs Budget Variance %
<input type="checkbox"/> Labor	\$3,975,726	\$4,014,068	\$4,226,039	5.3%
<input type="checkbox"/> CC001 - Salaries & Wages	\$3,921,724	\$3,961,412	\$4,199,170	6.0%
<input type="checkbox"/> CC006 - Other Labor	\$41,074	\$39,062	\$19,968	-48.9%
<input type="checkbox"/> CC002 - Overtime	\$12,928	\$13,594	\$6,902	-49.2%
<input type="checkbox"/> Purchased Services	\$1,148,623	\$1,177,828	\$1,151,054	-2.3%
<input type="checkbox"/> G&A	\$341,223	\$346,457	\$316,465	-8.7%
<input type="checkbox"/> Operating Materials & Equipment	\$3,378	\$6,120	\$1,400	-77.1%
<input type="checkbox"/> IT	\$234,686	\$5,800		
<b>Total</b>	<b>\$5,703,635</b>	<b>\$5,550,273</b>	<b>\$5,694,958</b>	<b>2.6%</b>

**-Main Objective-**

- Financial administration including accounting, treasury, enterprise risk, compliance, and financial planning and budgeting.

**- 2024 Top Initiatives -**

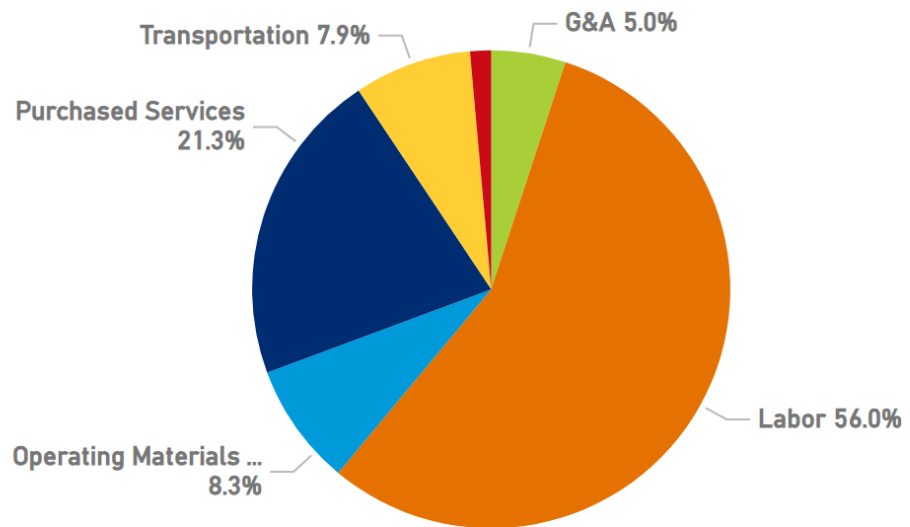
- Functionality is necessary and compliant activities that are financial and regulatory in nature.
- Unique initiatives for 2024 include completion/implementation of financial planning tools, transition of financial contracts, RFP of financial service providers, improved payables processes, and implementation of automated claims/insurance processing.
- 2024 is a reduction in spend compared to 2023 ( 2.6% budget over budget increase) due to the purchase of financial planning software in 2023 with future years managed in the Enterprise Technology Department. Additionally, certain bond issue fees were capitalized in 2023 and will be a department expense in 2024 due to timing/accounting treatment of transaction related costs.



QFR Segment

Internal Services

2024 Total Budget by Cost Category Type



O&M Budget vs Actuals (Including Cap Labor)

Cost Category Type/Cost Category	2023 Expected Spend	2023 Budget	2024 Budget	Budget vs Budget Variance %
<input type="checkbox"/> Labor	\$7,869,626	\$7,459,090	\$9,894,462	32.6%
<input type="checkbox"/> CC001 - Salaries & Wages	\$7,263,603	\$6,867,653	\$9,337,322	36.0%
<input type="checkbox"/> CC002 - Overtime	\$559,884	\$540,000	\$503,766	-6.7%
<input type="checkbox"/> CC006 - Other Labor	\$46,139	\$51,437	\$53,375	3.8%
<input type="checkbox"/> Purchased Services	\$4,181,628	\$4,997,597	\$3,764,012	-24.7%
<input type="checkbox"/> Operating Materials & Equipment	\$1,515,559	\$1,152,810	\$1,459,490	26.6%
<input type="checkbox"/> Transportation	\$1,752,056	\$1,606,080	\$1,402,409	-12.7%
<input type="checkbox"/> G&A	\$896,131	\$839,505	\$887,767	5.7%
<input type="checkbox"/> Utilities	\$256,334	\$219,357	\$250,392	14.1%
<input type="checkbox"/> IT	\$41,051		\$0	
<b>Total</b>	<b>\$16,512,383</b>	<b>\$16,274,439</b>	<b>\$17,658,533</b>	<b>8.5%</b>

### - This Group is Responsible For

Providing day-to-day operational support for internal customers. This includes development and maintenance of emergency preparedness and recovery plans, protection of district assets, fleet and equipment availability, clean, safe and reliable facilities for staff and equipment.

### - 2024 Top Initiatives -

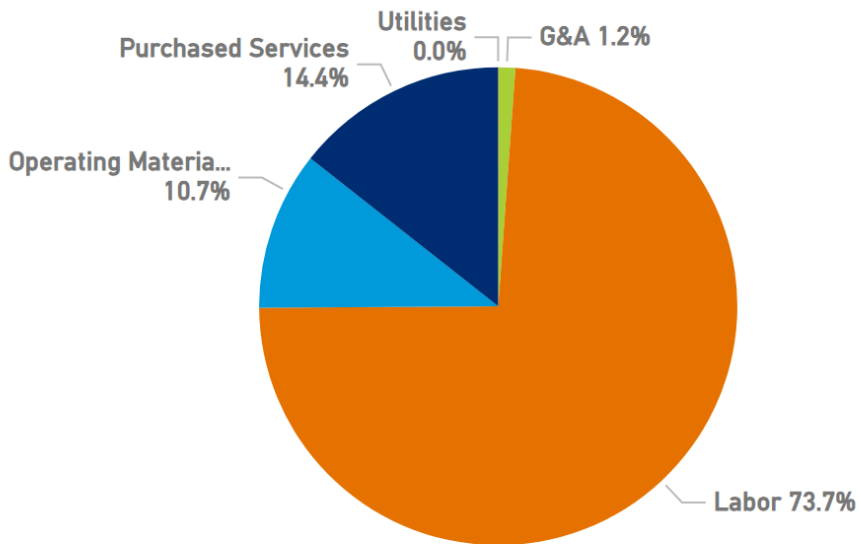
- Transportation Apprenticeship Program
- Vehicle Safety Program
- Maintain adequate and efficient fleet and equipment availability
- Reduce and improve work order response time
- Maintain clean, safe, efficient and functional facilities
- Continue to work through Dept's 5-year roadmaps (Security & Emergency Management)
- Conduct Emergency Management drills & training across district
- Increase security program visibility



QFR Segment

Power Delivery

2024 Total Budget by Cost Category Type



O&M Budget vs Actuals (Including Cap Labor)

Cost Category Type/Cost Category	2023 Expected Spend	2023 Budget	2024 Budget	Budget vs Budget Variance %
<input type="checkbox"/> Labor	\$26,226,196	\$25,490,126	\$26,822,582	5.2%
<input type="checkbox"/> CC001 - Salaries & Wages	\$21,210,615	\$21,218,730	\$22,433,954	5.7%
<input type="checkbox"/> CC002 - Overtime	\$4,765,701	\$4,024,816	\$4,170,805	3.6%
<input type="checkbox"/> CC006 - Other Labor	\$249,880	\$246,580	\$217,822	-11.7%
<input type="checkbox"/> Purchased Services	\$4,600,430	\$5,499,756	\$5,226,625	-5.0%
<input type="checkbox"/> Operating Materials & Equipment	\$4,139,585	\$4,418,648	\$3,900,813	-11.7%
<input type="checkbox"/> G&A	\$405,675	\$511,097	\$419,629	-17.9%
<input type="checkbox"/> Utilities	\$42,406		\$4,000	
<input type="checkbox"/> IT	\$98,396	\$95,945		
<input type="checkbox"/> Transportation	\$7,266			
<b>Total</b>	<b>\$35,519,955</b>	<b>\$36,015,572</b>	<b>\$36,373,648</b>	<b>1.0%</b>

### -Main Objective-

Power Delivery is responsible for designing, constructing, maintaining, and operating Grant PUD's transmission, distribution, and substation assets and providing retail electric service to Grant County customers.

### - 2024 Top Initiatives -

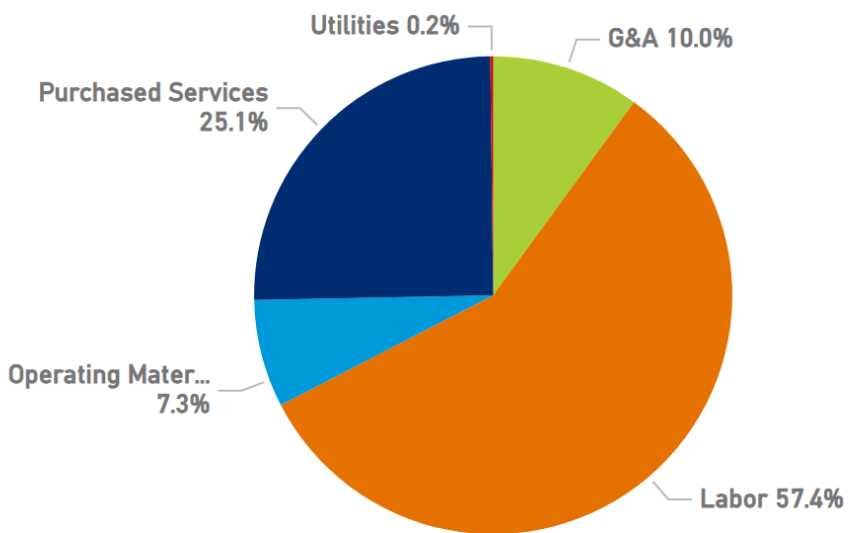
- Correcting low voltage/power quality issues on distribution feeders
- Tree trimming and removal to improve system reliability
- Transmission studies and aerial surveys to address load growth and system reliability
- Testing and maintaining substation transformers, breakers, and relays
- Employee and apprentice training and development
- Service fees paid to external entities (BPA and NWPP)



QFR Segment

Power Production

2024 Total Budget by Cost Category Type



O&M Budget vs Actuals (Including Cap Labor)

Cost Category Type/Cost Category	2023 Expected Spend	2023 Budget	2024 Budget	Budget vs Budget Variance %
<b>Labor</b>	\$32,031,434	\$32,401,667	\$34,765,296	7.3%
+ CC001 - Salaries & Wages	\$29,665,105	\$30,041,299	\$32,361,425	7.7%
+ CC002 - Overtime	\$2,215,163	\$2,240,618	\$2,275,035	1.5%
+ CC006 - Other Labor	\$151,166	\$119,750	\$128,836	7.6%
<b>Purchased Services</b>	\$13,762,268	\$15,065,119	\$15,210,883	1.0%
<b>G&amp;A</b>	\$5,518,594	\$5,925,551	\$6,070,215	2.4%
<b>Operating Materials &amp; Equipment</b>	\$3,415,166	\$2,713,384	\$4,409,171	62.5%
<b>Utilities</b>	\$271,581	\$114,968	\$119,956	4.3%
<b>IT</b>	\$87,625	\$63,916		
<b>Transportation</b>	\$11,447			
<b>Total</b>	\$55,098,116	\$56,284,605	\$60,575,521	7.6%

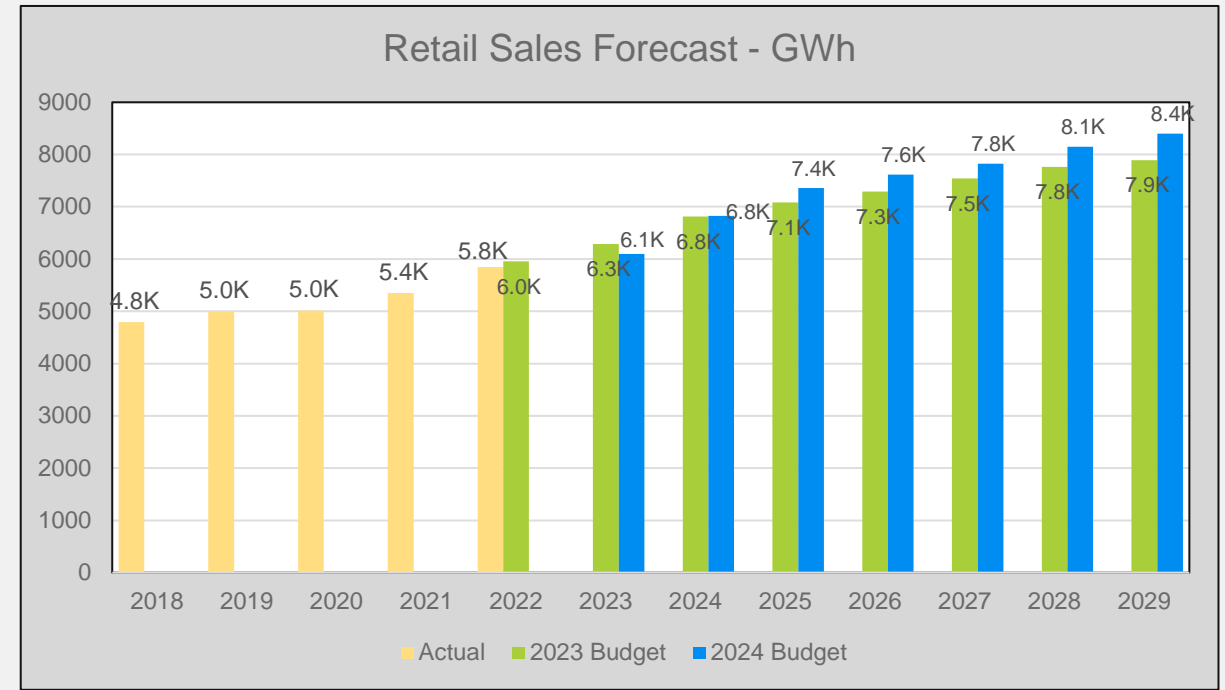
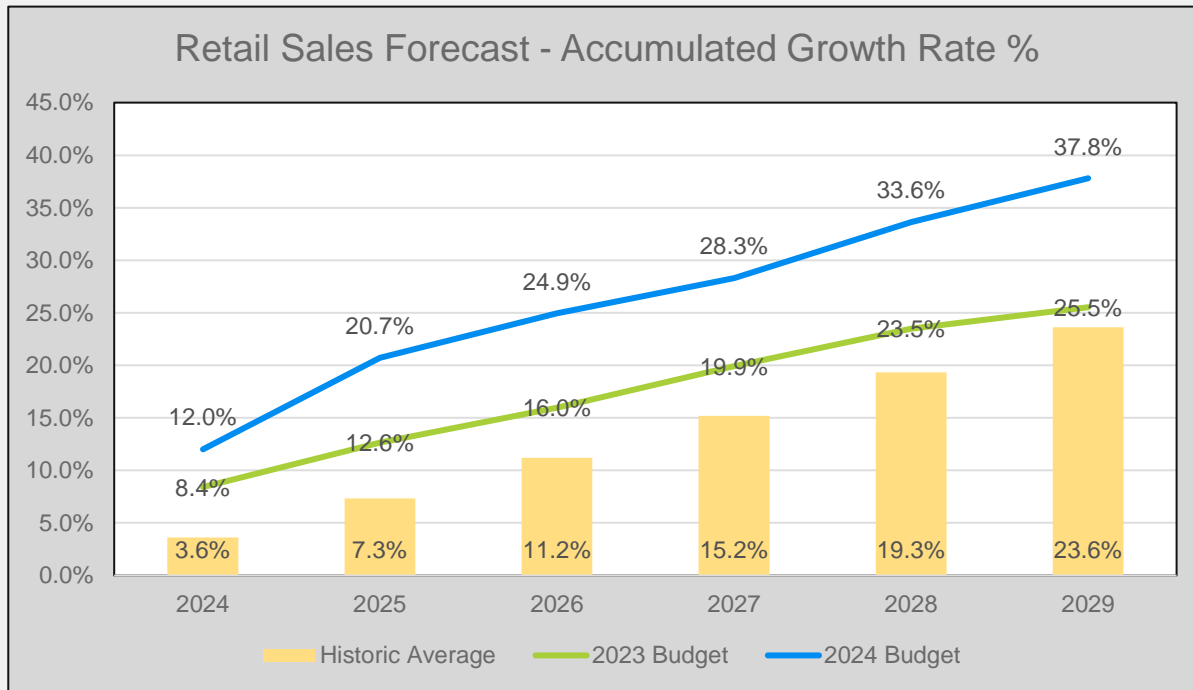
### -Main Objective-

Power Production is responsible for designing, constructing, maintaining, and operating Grant PUD's generation assets and ensuring environmental and cultural resource compliance.

### - 2024 Top Initiatives -

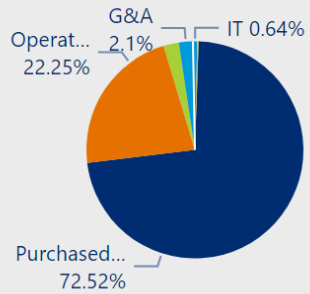
- Federal regulatory fees for hydropower project
- Required independent engineering inspection of Priest Rapids Dam
- Employee training and development
- Routine overhauls of turbine and generators at each plant
- Fish ladder maintenance at each plant

# 2024 Electric System Plan – Load Growth

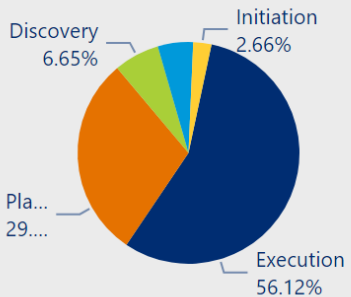


- District load forecast utilizes an econometric model approach for trended customer classes plus input for growth on discrete large loads
- The 2024 growth outpaces the previous forecast by 3.6% (historical growth rate calculated as the average of 2008-2020)
- By 2029 growth rates have diverged by 12.3%
  - 2024 Fx = 5.5% annual growth vs 2023 Fx = 3.9% annual growth
  - The increasing growth rate is associated with an increase in Rate Schedule 15 loads and larger evolving industry loads

## 2024 by Cost Category Type



## 2024 cost by Current Phase



## Total Capital Portfolio (Direct Capital)

Portfolio	2023 Approved Spend	2023 Actuals	2023 BOY Fx	2023 YEP	2023 VAR	2023 VAR %	2023 FPA Budget	2024 Forecast	2025 Forecast
Power Production	\$78,713,814	\$51,712,069	\$23,332,353	\$75,044,422	(\$3,669,392)	-5%	\$62,330,237	\$54,495,986	\$61,306,987
Power Delivery	\$62,356,215	\$34,824,091	\$31,071,811	\$65,895,902	\$3,539,688	6%	\$40,275,989	\$72,963,387	\$186,914,208
Fiber	\$30,182,620	\$17,854,686	\$13,060,263	\$30,914,949	\$732,329	2%	\$22,158,230	\$24,334,718	\$5,090,000
Technology	\$10,049,345	\$3,230,887	\$6,855,702	\$10,086,589	\$37,244	0%	\$3,501,753	\$7,279,125	\$5,200,000
IS/Facilities	\$7,948,711	\$3,080,802	\$4,620,286	\$7,701,089	(\$247,622)	-3%	\$6,668,733	\$38,068,622	\$80,501,867
Other			\$170,000	\$170,000	\$170,000	Infinity		\$4,007,000	\$0
<b>Total</b>	<b>\$189,250,704</b>	<b>\$110,702,536</b>	<b>\$79,110,416</b>	<b>\$189,812,951</b>	<b>\$562,247</b>	<b>0%</b>	<b>\$134,934,942</b>	<b>\$201,148,839</b>	<b>\$339,013,061</b>

## Total Capital Portfolio (Direct Capital)

Initiative Name	2023	2024	2025
PR Turbine Upgrade	\$21,844,766	\$25,484,657	\$23,927,036
FMPI - PDF_PD Facilities	\$854,932	\$24,350,800	\$72,645,001
Fiber Expansion	\$24,367,989	\$18,844,718	\$0
DB2 - Red Rock Transmission	\$1,652,873	\$17,624,384	\$3,390,291
PR Generator Rewind	\$9,794,284	\$13,301,640	\$14,593,240
Lar-Strat 115kV Relocation	\$230,606	\$8,956,463	\$151,667
IQ#3 ECBID Ruff Substation	\$1,267,050	\$6,639,040	\$0
Distribution Feeder Lines	\$6,581,811	\$6,602,529	\$3,669,674
Broadband Customer Connectivity	\$6,331,669	\$5,240,000	\$4,840,000
IQ#5 SR Quincy Valley	\$425,133	\$5,222,949	\$6,596,434
Fleet Replacement Program	\$4,489,662	\$4,280,025	\$3,687,600
IQ#1 Invenergy	\$1,449,156	\$4,177,124	\$3,265,102
Customer Line Extensions	\$4,830,686	\$4,050,000	\$4,050,000
<b>Total</b>	<b>\$189,812,951</b>	<b>\$201,148,839</b>	<b>\$339,013,061</b>

- Dollars shown as directs (no allocated internal labor)
- 2024 total capital proposed portfolio is \$201.1 million
  - Most significant projects (top 13 shown to the left)
  - Subsequent slides detail each portfolio
- For financial purposes the District adjusts dollars for fiscal management due to known variances with phase of project and slippages (\$-28.4M adjustment)
- The planned financial impact for 2024 in Exhibit A of the budget = \$172.9M





# Portfolio Summary

Portfolio

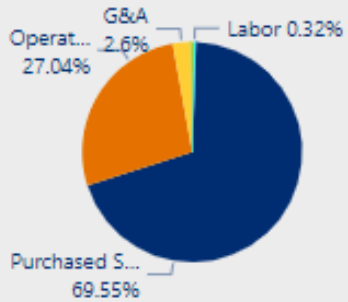


Power Production

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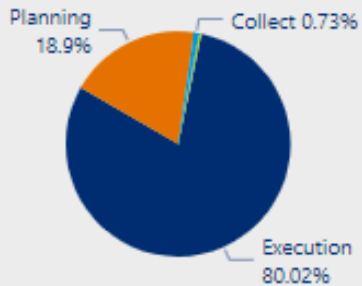
## 2024 by Cost Category Type



## Total Capital Portfolio (Direct Capital)

Portfolio	2023 Approved Spend	2023 Actuals	2023 BOY Fx	2023 YEP	2023 VAR	2023 VAR %	2023 FPA Budget	2024 Forecast	2025 Forecast
Power Production	\$78,713,814	\$51,712,069	\$23,332,353	\$75,044,422	(\$3,669,392)	-5%	\$62,330,237	\$54,495,986	\$61,306,987
<b>Total</b>	<b>\$78,713,814</b>	<b>\$51,712,069</b>	<b>\$23,332,353</b>	<b>\$75,044,422</b>	<b>(\$3,669,392)</b>	<b>-5%</b>	<b>\$62,330,237</b>	<b>\$54,495,986</b>	<b>\$61,306,987</b>

## 2024 cost by Current Phase



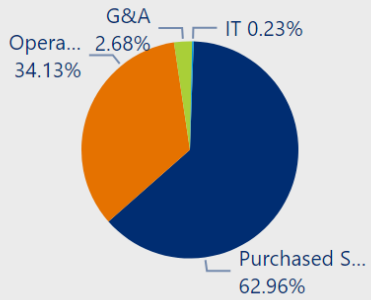
## Total Capital Portfolio (Direct Capital)

Initiative Name	2023	2024	2025
PR Turbine Upgrade	\$21,844,766	\$25,484,657	\$23,927,036
PR Generator Rewind	\$9,794,284	\$13,301,640	\$14,593,240
PRP Station & Substation Replace	\$3,296,174	\$1,967,996	\$4,935,236
Carlton Acci Facility Wells	\$1,299,581	\$1,762,750	\$0
PR Dam Unit Controls	\$1,260,130	\$1,671,953	\$1,402,564
WAN Left Embankment Improvements	\$1,924,885	\$1,538,144	\$55,181
Wanapum Emergency Diesel Generator	\$52,657	\$1,464,884	\$253,150
CO2 Supplemental Fire Study	\$29,303	\$1,089,400	\$0
WAN Capital Renewal	\$481,762	\$975,000	\$150,000
PR CO2 Supression System at PR	\$29,224	\$927,300	\$0
Eastbank Hatchery ILA	\$711,046	\$650,781	\$0
<b>Total</b>	<b>\$75,044,422</b>	<b>\$54,495,986</b>	<b>\$61,306,987</b>

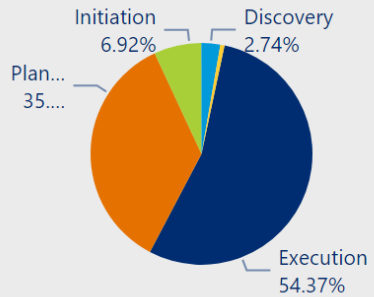
## Major Projects:

- 71% of the Power Production 2024 capital budget is the Priest Rapids Dam turbine and generator project
  - Work began in 2016, 10 units total @ 14 months per unit
  - Extends life and efficiencies of generating asset
- PRP substation, Priest Rapids Unit controls multi year impacts
  - Wanapum left embankment improvement work
- Environmental focused projects:
  - Developing new production and domestic wells at Carlton fish acclimation facility
  - Eastbank Hatchery (partnership with Chelan PUD)

## 2024 by Cost Category Type



## 2024 cost by Current Phase



## Total Capital Portfolio (Direct Capital)

Portfolio	2023 Approved Spend	2023 Actuals	2023 BOY Fx	2023 YEP	2023 VAR	2023 VAR %	2023 FPA Budget	2024 Forecast	2025 Forecast
Power Delivery	\$62,356,215	\$34,824,091	\$31,071,811	\$65,895,902	\$3,539,688	6%	\$40,275,989	\$72,963,387	\$186,914,208
<b>Total</b>	<b>\$62,356,215</b>	<b>\$34,824,091</b>	<b>\$31,071,811</b>	<b>\$65,895,902</b>	<b>\$3,539,688</b>	<b>6%</b>	<b>\$40,275,989</b>	<b>\$72,963,387</b>	<b>\$186,914,208</b>

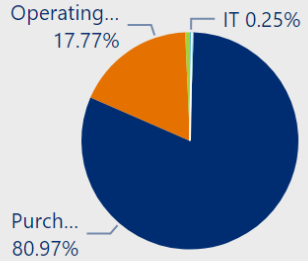
## Total Capital Portfolio (Direct Capital)

Initiative Name	2023	2024	2025
DB2 - Red Rock Transmission	\$1,652,873	\$17,624,384	\$3,390,291
Lar-Strat 115kV Relocation	\$230,606	\$8,956,463	\$151,667
IQ#3 ECBID Ruff Substation	\$1,267,050	\$6,639,040	\$0
Distribution Feeder Lines	\$6,581,811	\$6,602,529	\$3,669,674
IQ#5 SR Quincy Valley	\$425,133	\$5,222,949	\$6,596,434
IQ#1 Invenergy	\$1,449,156	\$4,177,124	\$3,265,102
Customer Line Extensions	\$4,830,686	\$4,050,000	\$4,050,000
DB2 - South Ephrata Substation	\$5,911,778	\$2,795,038	\$0
QTEP - WAN-MT View 230kV Line	\$668,880	\$2,597,334	\$15,069,751
DB2 - Mountain View Cap Bank	\$1,852,268	\$2,558,614	\$0
QTEP - MT View Breaker &	\$486,462	\$2,297,048	\$26,760,624
<b>Total</b>	<b>\$65,895,902</b>	<b>\$72,963,387</b>	<b>\$186,914,208</b>

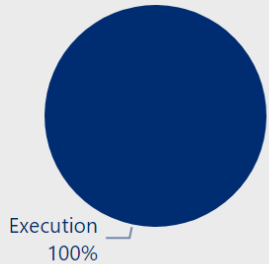
## Major Projects:

- Building new and relocating existing transmission lines to accommodate load growth and county road widening
- Building new and upgrading existing substations to accommodate load growth
- Extending distribution system to serve new customers
- Building new infrastructure to connect a new solar farm customer

## 2024 by Cost Category Type



## 2024 cost by Current Phase



## Total Capital Portfolio (Direct Capital)

Portfolio	2023 Approved Spend	2023 Actuals	2023 BOY Fx	2023 YEP	2023 VAR	2023 VAR %	2023 FPA Budget	2024 Forecast	2025 Forecast
Fiber	\$30,182,620	\$17,854,686	\$13,060,263	\$30,914,949	\$732,329	2%	\$22,158,230	\$24,334,718	\$5,090,000
<b>Total</b>	<b>\$30,182,620</b>	<b>\$17,854,686</b>	<b>\$13,060,263</b>	<b>\$30,914,949</b>	<b>\$732,329</b>	<b>2%</b>	<b>\$22,158,230</b>	<b>\$24,334,718</b>	<b>\$5,090,000</b>

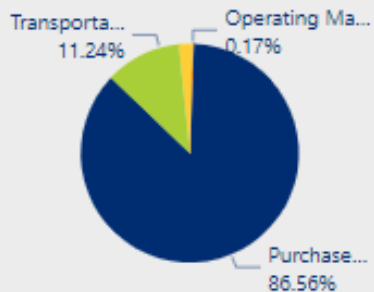
## Total Capital Portfolio (Direct Capital)

Initiative Name	2023	2024	2025
Fiber Expansion	\$24,367,989	\$18,844,718	\$0
Broadband Customer Connectivity	\$6,331,669	\$5,240,000	\$4,840,000
Wholesale Fiber Cable Replacement	\$215,292	\$250,000	\$250,000
<b>Total</b>	<b>\$30,914,949</b>	<b>\$24,334,718</b>	<b>\$5,090,000</b>

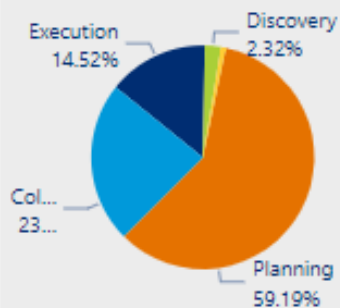
## Major Projects:

- Complete buildout of wholesale fiber network
  - 8 areas completed in 2023 and final 8 areas completed with the 2024 budget
- Annual connectivity and fiber replacement necessary for system

## 2024 by Cost Category Type



## 2024 cost by Current Phase



## Total Capital Portfolio (Direct Capital)

Portfolio	2023 Approved Spend	2023 Actuals	2023 BOY Fx	2023 YEP	2023 VAR	2023 VAR %	2023 FPA Budget	2024 Forecast	2025 Forecast
IS/Facilities	\$7,948,711	\$3,080,802	\$4,620,286	\$7,701,089	(\$247,622)	-3%	\$6,668,733	\$38,068,622	\$80,501,867
<b>Total</b>	<b>\$7,948,711</b>	<b>\$3,080,802</b>	<b>\$4,620,286</b>	<b>\$7,701,089</b>	<b>(\$247,622)</b>	<b>-3%</b>	<b>\$6,668,733</b>	<b>\$38,068,622</b>	<b>\$80,501,867</b>

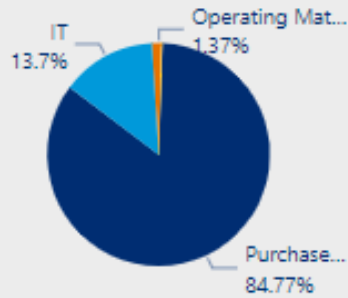
## Total Capital Portfolio (Direct Capital)

Initiative Name	2023	2024	2025
FMPI - PDF_PD Facilities	\$854,932	\$24,350,800	\$72,645,001
Fleet Replacement Program	\$4,489,662	\$4,280,025	\$3,687,600
Control Center Improvements	\$63,318	\$3,380,189	\$0
Facility Capital Improvement Pool	\$1,507,232	\$1,528,300	\$1,125,600
FMPI - MLLO Relocation	\$0	\$1,389,590	\$0
Royal City Paving Project	\$36,000	\$992,500	\$0
Wanapum Switchyard Well Intertie	\$0	\$870,000	\$0
FMPI - GCSC Surplus	\$53,000	\$668,330	\$123,666
ESC Storage Rack Improvements	\$43,000	\$304,605	\$0
PRD Gates and Security Station	\$0	\$304,283	\$0
<b>Total</b>	<b>\$7,701,089</b>	<b>\$38,068,622</b>	<b>\$80,501,867</b>

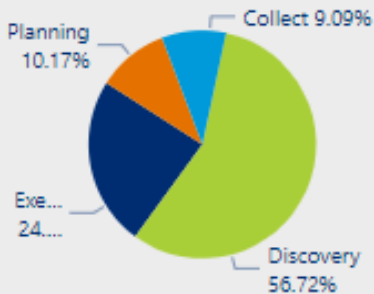
## Major Projects:

- Ephrata Service Center, also referenced as part of the larger Power Delivery Facilities (PDF) project is 64% of the 2024 portfolio
  - Design phase 2024-2025, construction slated 2025-2027
  - More information at [www.grantpudor/key-projects-eph-service-center](http://www.grantpudor/key-projects-eph-service-center)
- Fiber equipment relocation in Moses Lake budgeted
- Balance of portfolio is facility updates needed for safe and compliant work spaces
  - Facilities Cap Pool supports maintenance plan and necessary needed equipment.

## 2024 by Cost Category Type



## 2024 cost by Current Phase



## Total Capital Portfolio (Direct Capital)

Portfolio	2023 Approved Spend	2023 Actuals	2023 BOY Fx	2023 YEP	2023 VAR	2023 VAR %	2023 FPA Budget	2024 Forecast	2025 Forecast
Technology	\$10,049,345	\$3,230,887	\$6,855,702	\$10,086,589	\$37,244	0%	\$3,501,753	\$7,279,125	\$5,200,000
<b>Total</b>	<b>\$10,049,345</b>	<b>\$3,230,887</b>	<b>\$6,855,702</b>	<b>\$10,086,589</b>	<b>\$37,244</b>	<b>0%</b>	<b>\$3,501,753</b>	<b>\$7,279,125</b>	<b>\$5,200,000</b>

## Total Capital Portfolio (Direct Capital)

Initiative Name	2023	2024	2025
13.1 Re-engineer Supply Chain	\$0	\$3,850,000	\$3,500,000
Maximo Asset Mgmt for PD	\$0	\$1,000,000	\$1,000,000
Mobile Workforce	\$0	\$400,000	\$0
Transfer Trip Replacement	\$0	\$375,000	\$0
10.14 Network Core Replacements	\$3,531,842	\$314,431	\$0
6.2 Replace Energy Management System	\$2,751,177	\$309,403	\$0
Customer Relationship Mgr (CRM)	\$0	\$200,000	\$0
IT Project Pool - Small Projects	\$200,000	\$200,000	\$200,000
Copy Machine Replacements	\$100,000	\$100,000	\$100,000
SCADA Communication	\$33,333	\$100,000	\$100,000
<b>Total</b>	<b>\$10,086,589</b>	<b>\$7,279,125</b>	<b>\$5,200,000</b>

## Major Projects:

- Replacement of network core components provides stability and reliability for Fiber and operational networks
- Replacement of the Emergency Management System needed for FERC regulatory compliance requirements
- Mobile Workforce software to go live in 2024 - automates the power delivery work orders and replaces non functioning tool
- Expanding the use of Maximo into asset management – enables more efficient management of assets from purchase to retirement
- Customer Relationship Management software slated in 2024 to enhance customer interfaces

# Preliminary Budget Summary – Total Expenditures

## Combined Financial Results

Exhibit A - \$ in thousands	audited	audited	As of Q2 FC		As of '24	As of '24	As of '24	As of '24	As of '24	
	Actuals	Actuals	Budget	Forecast	Budget	Forecast	Budget	Forecast	Budget	
Budgeted Items	2021	2022	2023	2023	2024	2025	2026	2027	2028	2029
<b>Total O&amp;M</b>	\$ 165,689	\$ 167,074	\$ 188,170	\$ 183,668	\$ 201,879	\$ 209,102	\$ 216,331	\$ 223,778	\$ 231,455	\$ 239,419
Taxes	\$ 20,081	\$ 21,151	\$ 21,556	\$ 22,991	\$ 23,662	\$ 24,335	\$ 25,010	\$ 25,687	\$ 26,365	\$ 27,045
Electric Capital	\$ 92,567	\$ 86,550	\$ 80,842	\$ 88,590	\$ 101,017	\$ 120,364	\$ 130,595	\$ 126,365	\$ 67,522	\$ 49,438
PRP Capital	\$ 77,146	\$ 69,822	\$ 74,139	\$ 81,637	\$ 71,896	\$ 69,730	\$ 64,773	\$ 53,939	\$ 52,942	\$ 108,675
<b>Total Capital</b>	\$ 169,713	\$ 156,372	\$ 154,981	\$ 170,227	\$ 172,913	\$ 190,094	\$ 195,368	\$ 180,304	\$ 120,464	\$ 158,113
Debt Service - (net of Rebates)	\$ 74,152	\$ 73,717	\$ 71,986	\$ 73,841	\$ 68,022	\$ 78,032	\$ 78,831	\$ 79,513	\$ 88,648	\$ 89,649
<b>Total Expenditures</b>	\$ 429,635	\$ 418,313	\$ 436,693	\$ 450,727	\$ 466,476	\$ 501,564	\$ 515,540	\$ 509,282	\$ 466,932	\$ 514,227
<b>Expenditures offsets for deduction</b>										
Contributions in Aid of Construction	\$ (14,110)	\$ (10,781)	\$ (10,713)	\$ (17,544)	\$ (12,257)	\$ (12,650)	\$ (11,297)	\$ (11,490)	\$ (6,853)	\$ (6,853)
Sales to Power Purchasers at Cost	\$ (23,584)	\$ (28,654)	\$ (13,765)	\$ (20,590)	\$ (16,889)	\$ (7,258)	\$ (7,406)	\$ (7,757)	\$ (8,099)	\$ (7,902)
Net Power (+ Expense, -Revenue)	\$ (90,567)	\$ (86,554)	\$ (95,178)	\$ (180,779)	\$ (90,167)	\$ (69,956)	\$ (58,138)	\$ (49,099)	\$ (31,122)	\$ (22,778)
<b>Total Expenditures Offset</b>	\$ (128,261)	\$ (125,989)	\$ (119,656)	\$ (218,914)	\$ (119,312)	\$ (89,863)	\$ (76,841)	\$ (68,346)	\$ (46,074)	\$ (37,532)
<b>Total Budgeted Expenditures</b>	\$ 301,374	\$ 292,324	\$ 317,038	\$ 231,813	\$ 347,163	\$ 411,701	\$ 438,699	\$ 440,936	\$ 420,858	\$ 476,695

## TOTAL O&M

- 2024 total O&M aggregated 7.2% increase over 2023 budget
- 2023 actual spending is outperforming the budget due to scope reductions and deferrals
- O&M is inflated at ~3.4% annually post 2024

## ELEC & PRP Capital

- Inflation is a significant driver and an impact both the ELEC and PRP systems' capital plans
- Capital projects impact years differently based upon timing and scope, refer to capital detail slides for specifics

## Debt

- Fluctuations in debt service payments result from savings from refinancing in 2024 and out year increase is due to market rate increases
  - 2024 capital projected to be cash funded
  - 2025 forecasted for an external debt issue ~\$125M (and corresponding debt service increase)

## Expenditure Offsets

- The material impact is net power driven from growing load needs over the forecast period. Noted in 2023 is an abnormal influx of revenues from unique market conditions. This trend is not expected to occur and this value to decrease from historical levels.

# Preliminary Budget Summary – Net Position

## Combined Financial Results

Exhibit B - \$ in thousands	restated	restated	As of Q2 FC			As of '24	As of '24	As of '24	As of '24	As of '24
	Actuals	Actuals	Budget	Forecast	Budget	Budget	Budget	Budget	Budget	Budget
	2021	2022	2023	2023	2024	2025	2026	2027	2028	2029
<b>CONSOLIDATED OPERATIONAL PERFORMANCE</b>										
Sales to Power Purchasers at Cost	\$ 23,584	\$ 28,654	\$ 13,765	\$ 20,590	\$ 16,889	\$ 7,258	\$ 7,406	\$ 7,757	\$ 8,099	\$ 7,902
Retail Energy Sales	\$ 231,937	\$ 265,721	\$ 272,425	\$ 276,280	\$ 313,316	\$ 338,774	\$ 348,832	\$ 361,293	\$ 384,482	\$ 398,522
Net Power (Net Wholesale + Other Power Revenue)	\$ 90,567	\$ 86,554	\$ 95,178	\$ 180,779	\$ 90,167	\$ 69,956	\$ 58,138	\$ 49,099	\$ 31,122	\$ 22,778
Fiber Optic Network Sales	\$ 12,046	\$ 12,775	\$ 12,300	\$ 13,257	\$ 13,522	\$ 13,793	\$ 14,069	\$ 14,350	\$ 14,637	\$ 14,930
Other Revenues	\$ 1,758	\$ 3,409	\$ 2,354	\$ 3,295	\$ 3,295	\$ 3,295	\$ 3,295	\$ 3,295	\$ 3,295	\$ 3,295
Operating Expenses	\$ (165,689)	\$ (167,074)	\$ (188,170)	\$ (183,668)	\$ (201,879)	\$ (209,102)	\$ (216,331)	\$ (223,778)	\$ (231,455)	\$ (239,419)
Taxes	\$ (20,081)	\$ (21,151)	\$ (21,556)	\$ (22,991)	\$ (23,662)	\$ (24,335)	\$ (25,010)	\$ (25,687)	\$ (26,365)	\$ (27,045)
<b>Net Operating Income (Loss) Before Depreciation</b>	<b>\$ 174,122</b>	<b>\$ 208,888</b>	<b>\$ 186,296</b>	<b>\$ 287,542</b>	<b>\$ 211,648</b>	<b>\$ 199,638</b>	<b>\$ 190,398</b>	<b>\$ 186,329</b>	<b>\$ 183,814</b>	<b>\$ 180,961</b>
Depreciation and amortization	\$ (79,549)	\$ (80,307)	\$ (77,841)	\$ (84,405)	\$ (89,397)	\$ (94,958)	\$ (100,674)	\$ (105,866)	\$ (109,042)	\$ (113,450)
<b>Net Operating Income (Loss)</b>	<b>\$ 94,574</b>	<b>\$ 128,581</b>	<b>\$ 108,455</b>	<b>\$ 203,137</b>	<b>\$ 122,250</b>	<b>\$ 104,679</b>	<b>\$ 89,725</b>	<b>\$ 80,463</b>	<b>\$ 74,773</b>	<b>\$ 67,511</b>
Interest, debt and other income	\$ (33,733)	\$ (48,948)	\$ (25,485)	\$ (19,534)	\$ (15,875)	\$ (27,260)	\$ (28,486)	\$ (33,245)	\$ (37,732)	\$ (36,027)
CIAC	\$ 14,110	\$ 10,781	\$ 10,713	\$ 17,544	\$ 12,257	\$ 12,650	\$ 11,297	\$ 11,490	\$ 6,853	\$ 6,853
<b>Change in Net Position</b>	<b>\$ 74,951</b>	<b>\$ 90,414</b>	<b>\$ 93,683</b>	<b>\$ 201,147</b>	<b>\$ 118,632</b>	<b>\$ 90,069</b>	<b>\$ 72,536</b>	<b>\$ 58,708</b>	<b>\$ 43,893</b>	<b>\$ 38,337</b>

- Net wholesale is a major driver in out years
- Increasing costs growing with system needs additionally placing pressure on Net Operating Income
- Interest/Debt expense is outperforming prior years due to increased level of earnings on district investment portfolio as a result of current rate environment

## Retail Energy Sales

- Same as reported in Q2 Financial Forecast includes the latest Retail Sales forecast
- 2024 retail sales expected to add \$37.1 million of operating revenues over 2023 (+13%)
- 2024-2028: Significant favorable impact of \$ 22.5M (on an average annual basis) vs the original 2023 Budget forecast.
  - Includes 2.5% rate revenue increase in 2024, and 2% annual increases thereafter (note this is uplift to total revenue, not reflective of actual rate increases)
  - +\$9.1M is Price related, +\$13.4M is Volume related

# Preliminary Budget Summary – Key Metrics

## Combined Financial Results

Financial Metrics	Target	Actuals 2022	Budget 2023	Forecast 2023	Budget 2024	Forecast 2025	Forecast 2026	Forecast 2027	Forecast 2028	Forecast 2029
<b>Net Position</b>		\$ 90,414	\$ 93,683	\$201,147	\$ 118,632	\$ 90,069	\$ 72,536	\$ 58,708	\$ 43,893	\$ 38,337
<b>Liquidity</b>										
Elect System Liquidity (Rev + R&C)	<b>\$105 MM</b>	\$126,794	\$111,014	\$200,569	\$ 172,095	\$185,952	\$176,228	\$159,745	\$149,836	\$148,748
Days Cash On Hand	> 250	305	273	431	348	358	332	297	273	263
<b>Leverage</b>										
Consolidated DSC	>1.8x	2.57	2.57	3.37	3.17	2.65	2.50	2.50	2.23	2.18
Consolidated Debt/Plant Ratio	<= 60%	48%	48%	45%	43%	45%	42%	39%	37%	35%
<b>Profitability</b>										
Consolidated Return on Net Assets	>4%	3.8%	3.8%	8.2%	4.7%	3.4%	2.7%	2.1%	1.6%	1.3%
Retail Operating Ratio	<=100%	108%	108%	113%	109%	114%	116%	115%	100%	94%

## Profitability Metrics

- **Return on Net Assets** – Targets **not** met in years 2025 through 2029, forecasted to be met for 2023 and 2024
  - Compared to the 2023 budget, 2024 is favorable +0.9% and the forecast period 2025-2029 is showing a trend in a downward trajectory
- **Retail Operating Ratio** – Targets **not** met in years 2024 through 20278 but showing improvement in 2029
  - Compared to the 2023 budget, 2024 is unfavorable, increasing by 1%; for the forecast period 2025-2029 the metric shows some improvement.

## Liquidity Metrics

- **Electric System Liquidity** – Targets met all years 2024 through 2029
- **Days Cash on Hand** – Targets met for years 2024 through 2029

## Leverage Metrics

- **Debt Service Coverage** – Targets met all years 2024 through 2029.
- **Debt-to-Plant Ratio** – Targets met all years 2024 through 2029.



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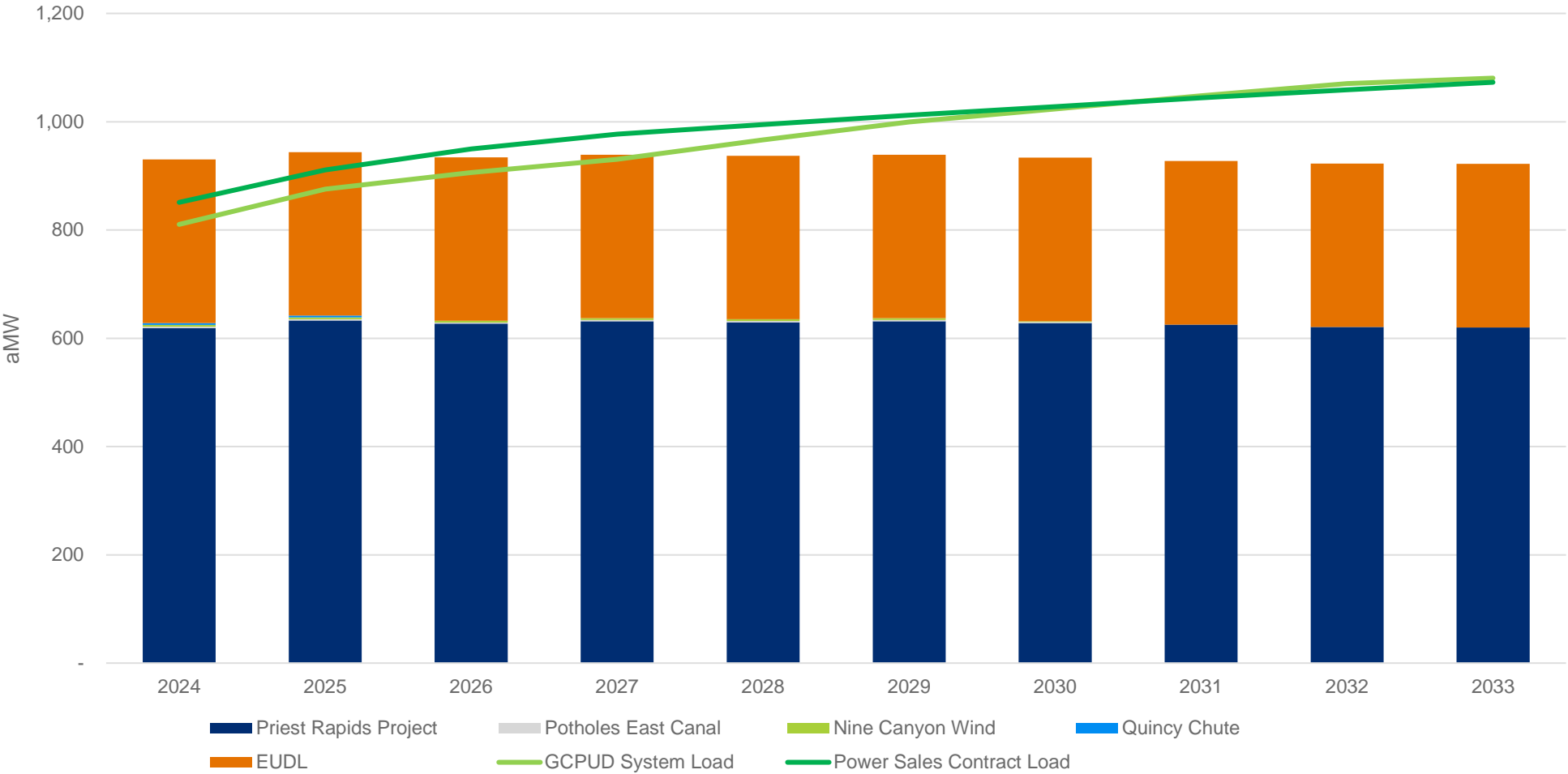
## Appendix A - Scenarios

*Events that could have a significant impact on budget*



# Priest Rapids Project Remaining Availability Load Growth

Load vs Generation (aMW) as of September 2023  
 (For illustration purposes only)

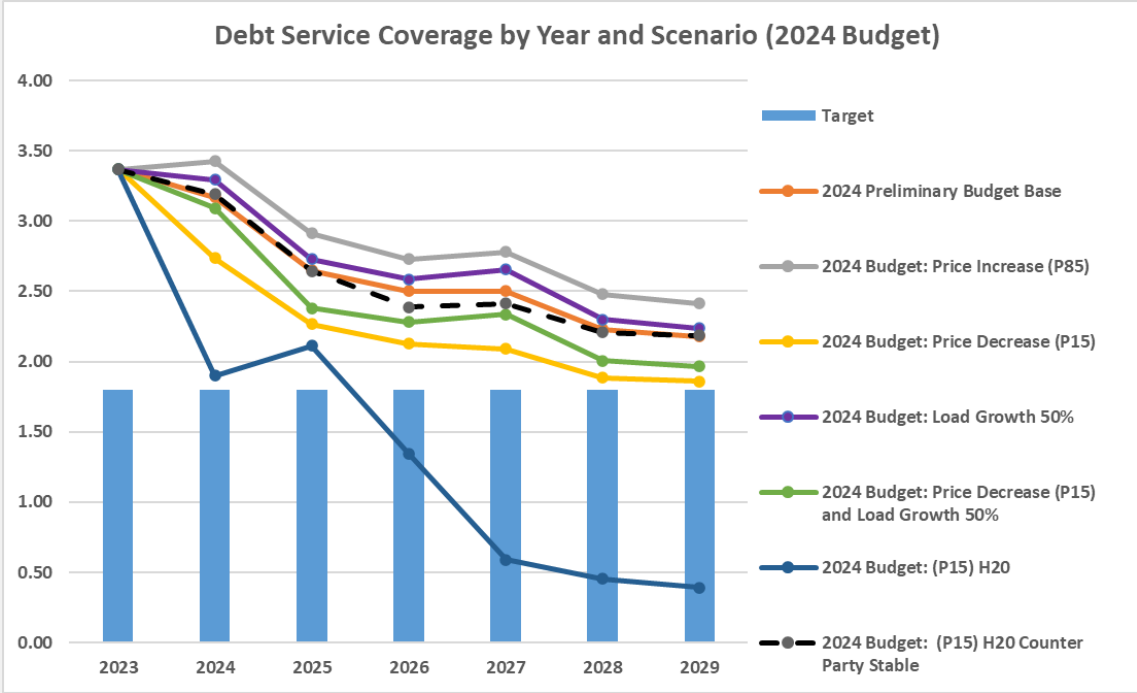


# Operational Scenario Descriptions

## 6 Scenarios – provide metrics impact for movement in volatile parts of Grant PUD operations

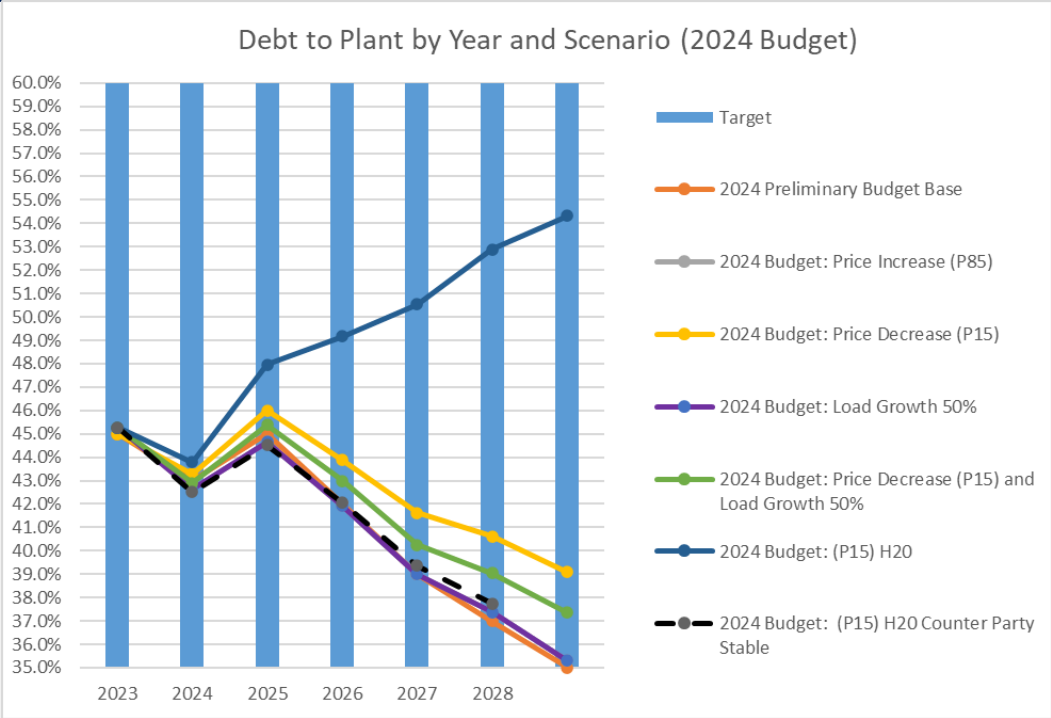
- Scenarios that provide insight on Grant PUD's exposure to wholesale prices, that is selling and buying from the market when Grant's resources don't match load needs.
  - High wholesale prices (P85, prices only higher 15% of time)
  - Low wholesales prices (P15, prices only lower 15% of time)
- Scenarios that show how Grant PUD's financial metrics respond when load growth (electricity sales to retail customers) slows down from expected growth.
  - Low load growth at  $\frac{1}{2}$  growth rate of base forecast
  - Low load growth ( $\frac{1}{2}$  Base) combined with low wholesale prices (P15)
- Scenarios that provide the impact of changing water conditions on the Columbia River
  - Low water (P15, water flow at dams only lower 15% of the time) Isolated
  - Low water and Counter Party Stable

# Operational Scenarios – Comparison to Base Budget



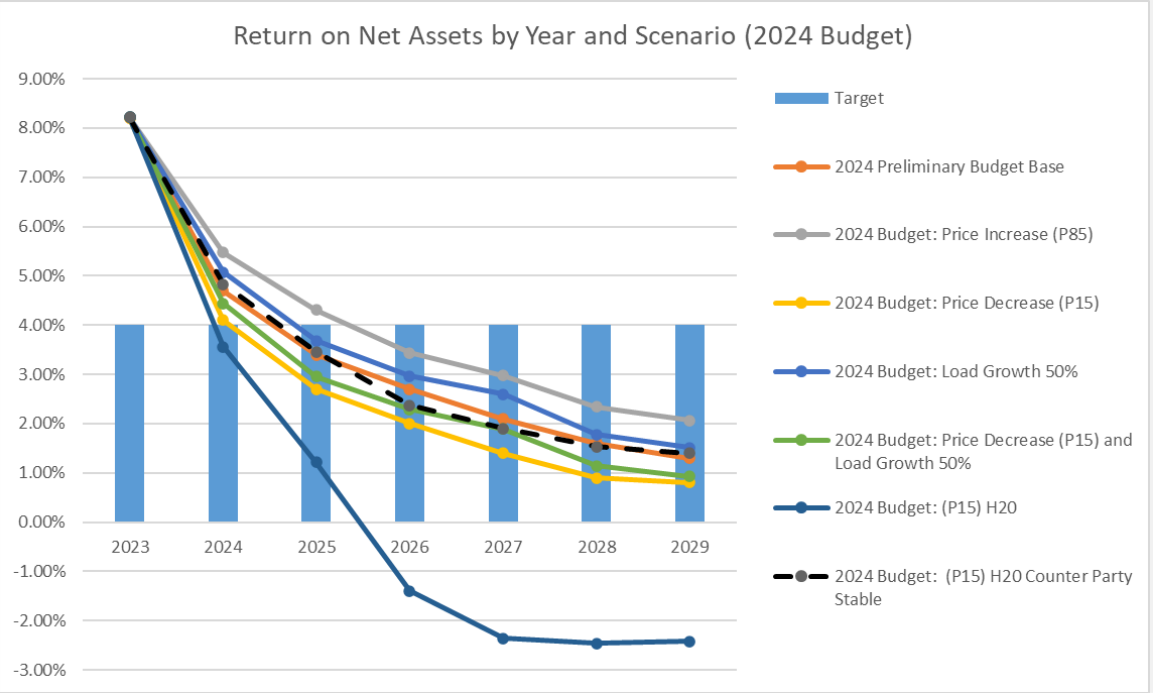
Debt Service Coverage (DSC)	2023	2024	2025	2026	2027	2028	2029
<b>Target</b>	<b>1.80</b>	<b>1.80</b>	<b>1.80</b>	<b>1.80</b>	<b>1.80</b>	<b>1.80</b>	<b>1.80</b>
2024 Preliminary Budget Base	3.37	3.17	2.65	2.50	2.50	2.23	2.18
2024 Budget: Price Increase (P85)	3.37	3.42	2.91	2.73	2.78	2.48	2.41
2024 Budget: Price Decrease (P15)	3.37	2.74	2.27	2.13	2.09	1.88	1.86
2024 Budget: Load Growth 50%	3.37	3.30	2.73	2.58	2.66	2.30	2.24
2024 Budget: Price Decrease (P15) and Load Growth 50%	3.37	3.09	2.38	2.28	2.34	2.00	1.97
2024 Budget: (P15) H2O	3.37	1.90	2.11	<b>1.35</b>	<b>0.59</b>	<b>0.46</b>	<b>0.39</b>
2024 Budget: (P15) H2O Counter Party Stable	3.37	3.19	2.64	2.39	2.41	2.21	2.19

# Operational Scenarios – Comparison to Base Budget



Debt to Net Plant	2023	2024	2025	2026	2027	2028	2029
<b>Target</b>	<b>60.0%</b>	<b>60.0%</b>	<b>60.0%</b>	<b>60.0%</b>	<b>60.0%</b>	<b>60.0%</b>	<b>60.0%</b>
2024 Preliminary Budget Base	45.0%	43.0%	45.0%	42.0%	39.0%	37.0%	35.0%
2024 Budget: Price Increase (P85)	45.3%	42.6%	44.7%	41.9%	39.0%	37.4%	35.3%
2024 Budget: Price Decrease (P15)	45.0%	43.3%	46.0%	43.9%	41.6%	40.6%	39.1%
2024 Budget: Load Growth 50%	45.3%	42.6%	44.7%	41.9%	39.0%	37.4%	35.3%
2024 Budget: Price Decrease (P15) and Load Growth 50%	45.3%	42.9%	45.4%	43.0%	40.3%	39.0%	37.4%
2024 Budget: (P15) H20	45.3%	43.8%	48.0%	49.2%	50.5%	52.9%	54.3%
2024 Budget: (P15) H20 Counter Party Stable	45.3%	42.5%	44.5%	42.1%	39.4%	37.8%	35.6%

# Operational Scenarios – Comparison to Base Budget



Return on Net Assets (RONA)	2023	2024	2025	2026	2027	2028	2029
<b>Target</b>	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
2024 Preliminary Budget Base	8.20%	4.70%	3.40%	2.70%	2.10%	1.60%	1.30%
2024 Budget: Price Increase (P85)	8.22%	5.48%	4.31%	3.44%	2.98%	2.34%	2.07%
2024 Budget: Price Decrease (P15)	8.20%	4.10%	2.70%	2.00%	1.40%	0.90%	0.80%
2024 Budget: Load Growth 50%	8.22%	5.08%	3.68%	2.96%	2.60%	1.77%	1.52%
2024 Budget: Price Decrease (P15) and Load Growth 50%	8.22%	4.44%	2.95%	2.29%	1.89%	1.14%	0.93%
2024 Budget: (P15) H2O	8.22%	3.56%	1.21%	-1.40%	-2.36%	-2.46%	-2.42%
2024 Budget: (P15) H2O Counter Party Stable	8.22%	4.82%	3.45%	2.37%	1.90%	1.53%	1.40%



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# 04

## Appendix B – Summarized Budget Reconciliation





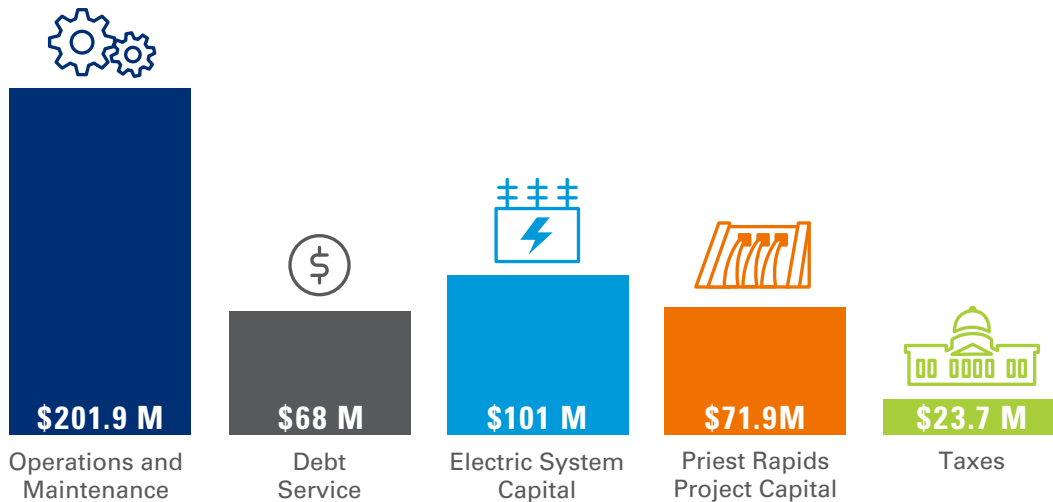
# Appendix – 2024 Budget Comparison QFR BvA items

Budget Comparison		2024 Budget ---Preliminary---				
		<u>BU OP Budgets</u>	<u>Enterprise</u>	<u>O&amp;M</u>	12.76% <u>CAP</u>	= Labor-to-CAP <u>TOTAL</u>
Labor	Salaries & Wages	\$ 98,034,658		\$ 85,702,749	\$ 12,331,909	\$ 98,034,658
	Overtime	\$ 7,570,556		\$ 6,413,137	\$ 1,157,419	\$ 7,570,556
	Benefits		\$ 42,154,903	\$ 36,852,183	\$ 5,302,720	\$ 42,154,903
	Other Labor	\$ 926,046	\$ 2,511,140	\$ 3,336,634	\$ 100,551	\$ 3,437,185
	<b>TOTAL</b>	<b>\$ 106,531,260</b>	<b>\$ 44,666,043</b>	<b>\$ 132,304,703</b>	<b>\$ 18,892,599</b>	<b>\$ 151,197,302</b>
Directs	G&A	\$ 11,671,273		\$ 11,671,273		\$ 11,671,273
	IT	\$ 10,119,901		\$ 10,119,901		\$ 10,119,901
	Operating Materials & Equipment	\$ 10,285,396		\$ 10,285,396		\$ 10,285,396
	Purchased Services	\$ 34,173,280		\$ 34,173,280		\$ 34,173,280
	Risk	\$ -	\$ 5,076,589	\$ 5,076,589		\$ 5,076,589
	Transportation	\$ 1,402,409		\$ 1,402,409		\$ 1,402,409
	Utilities	\$ 812,487		\$ 812,487		\$ 812,487
	Capitalized A&G			\$ (4,243,252)	\$ 4,243,252	\$ -
	Business Initiative		\$ 4,105,977	\$ 4,105,977		\$ 4,105,977
	PRP CAP				\$ 87,083,840	\$ 87,083,840
	ELEC CAP				\$ 62,693,238	\$ 62,693,238
		<b>\$ 68,464,746</b>	<b>\$ 9,182,566</b>	<b>\$ 73,404,060</b>	<b>\$ 154,020,330</b>	<b>\$ 227,424,390</b>
		<b>\$ 174,996,006</b>	<b>\$ 53,848,609</b>	<b>\$ 205,708,763</b>	<b>\$ 172,912,929</b>	<b>\$ 378,621,692</b>
<b>Enterprise TOTALs</b>	<b>\$ 174,996,006</b>	<b>\$ 53,848,609</b>	<b>\$ 205,708,763</b>	<b>\$ 172,912,929</b>	<b>\$ 378,621,692</b>	
<i>Balance Sheet, COGs, &amp; Other Activity</i>				\$ (3,829,996)	\$ (3,829,996)	
<b>Enterprise TOTALs</b>	<b>\$ 174,996,006</b>	<b>\$ 53,848,609</b>	<b>\$ 201,878,768</b>	<b>\$ 172,912,929</b>	<b>\$ 374,791,696</b>	

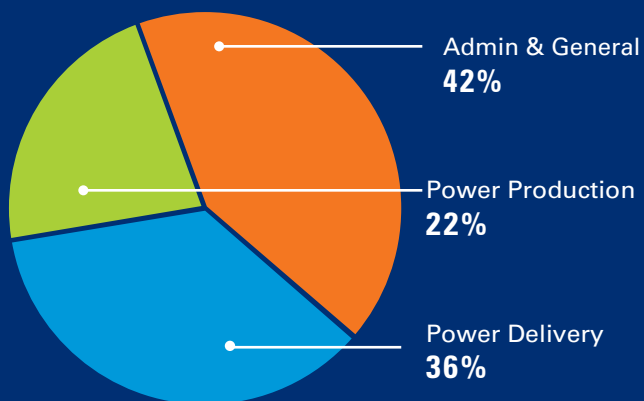
Exhibit A & B =

# 2024 PROPOSED TOTAL EXPENSES

(BEFORE OFFSETS AND ADJUSTMENTS)

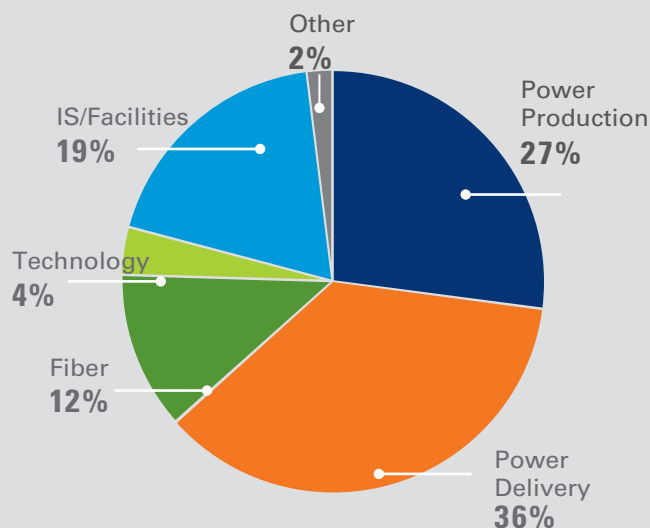


## 2024 O&M EXPENSES BY PROGRAM



Percentages are for illustrative purposes only.

## 2024 CAPITAL EXPENSES BY AREA



Percentages are for illustrative purposes only.

## 2024 EXPENSE OFFSETS



Total Offsets:  
**\$119.3 M**



Total Expenses after Offsets:  
**\$347.2 M**

### NET POWER

Net (expenses minus revenue) of market power purchases and sells

**+\$90.2 M**

### SALES TO POWER PURCHASERS AT COST

As required by our Federal License

**+\$16.9 M**

### CONTRIBUTIONS IN AID OF CONSTRUCTION

Money paid by customers to build infrastructure

**+\$12.3 M**



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# 2024 BUDGET AT A GLANCE

The proposed 2024 Budget continues our focus on long-term value for all customers so we can continue to provide low-cost, reliable power for future generations.

EXPENSES	2023 BUDGET	2024 BUDGET
Operations & Maintenance (Includes adjustments)	\$188.2 M	\$201.9 M
Taxes	\$21.6 M	\$23.7 M
Electric System Capital	\$80.8 M	\$101.0 M
Priest Rapids Project Capital	\$74.1 M	\$71.9 M
Debt Service	\$72.0 M	\$68.0 M
<b>Total Gross Expenses</b>	<b>\$436.7 M</b>	<b>\$466.5 M</b>
<b>EXPENSE OFFSETS</b>		
Contributions in Aid of Construction	(\$10.7 M)	(\$12.3 M)
Sales to Power Purchasers at Cost	(\$13.8 M)	(\$16.9 M)
Net Power (+ Expense, - Revenue)	(\$95.1 M)	(\$90.2 M)
<b>Total Offsets</b>	<b>(\$119.7 M)</b>	<b>(\$119.3 M)</b>
<b>TOTAL EXPENSES AFTER OFFSETS</b>	<b><u>\$317.0 M</u></b>	<b><u>\$347.2 M</u></b>

All figures rounded to the nearest 100,000th.

NET POSITION	2023 BUDGET	2024 BUDGET
<b>CONSOLIDATED OPERATIONAL PERFORMANCE</b>		
<b>REVENUE</b>		
Sales to Power Purchasers at Cost	\$13.8 M	\$16.9 M
Retail Energy Sales	\$272.4 M	\$313.3 M
Net Power (Net Wholesale+Other Power Revenue)	\$95.2 M	\$90.2 M
Fiber Optic Network Sales	\$12.3 M	\$13.5 M
Other Revenues	\$2.3 M	\$3.3 M
<b>EXPENSES</b>		
Operating Expenses	(\$188.2 M)	(\$201.9 M)
Taxes	(21.6 M)	(\$23.7 M)
<b>Net Operating Income or Loss Before Depreciation</b>	<b>\$186.3 M</b>	<b>\$211.6 M</b>
Depreciation and amortization	(\$77.8 M)	(\$89.4 M)
<b>NET OPERATING INCOME OR LOSS</b>	<b><u>\$108.5 M</u></b>	<b><u>\$122.3 M</u></b>
<b>OTHER REVENUES OR EXPENSES</b>		
Interest, debt and other income	(\$25.5 M)	(\$15.9 M)
CIAC (Money paid by customers to build infrastructure)	\$10.7 M	\$12.3 M
<b>CHANGE IN NET POSITION (BOTTOM LINE)</b>	<b><u>\$93.7 M</u></b>	<b><u>\$118.6 M</u></b>

All figures rounded to the nearest 100,000th.

KEY METRICS	2023 BUDGET	2024 BUDGET
<b>NET INCOME LIQUIDITY</b> (Measured at year end)	\$96,683	\$118,632
Elect System Liquidity (Rev + R&C)	\$111.0 M	\$172.1 M
Days Cash On Hand	273	348
<b>LEVERAGE</b>		
Consolidated Debt Service Coverage	2.6X	3.2X
Consolidated Debt/Plant Ratio	48%	43%
<b>PROFITABILITY</b>		
Cons. Return on Net Assets (chg. in net assets / net plant)	3.8%	4.7%
Retail Op Ratio (assumes baseline capital)	108%	109%

All figures rounded to the nearest 100,000th.

# PURPA Ratemaking Standard

September 26, 2023

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Rich Flanigan

Sr. Manager Wholesale Marketing and Supply



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# Agenda

- Why are we here
- Demand-Response Practice
- Electric Vehicle Charging Programs
- Staff Recommendation
- Questions

# Why we are here

- **Grant PUD is subject to the federal Public Utility Regulatory Policy Act of 1978 (PURPA)**
- **As part of the 2021 Infrastructure Investment and Jobs Act, PURPA was amended to include two new ratemaking standards**
  - Promote greater electrification of transportation sector (Section 40431)
  - Promote the use of demand-response (DR) and demand flexibility (Section 40140)
- **Commission must decide whether to adopt these two standards prior to November 15, 2023**

# Demand-Response Practices

- **“(A) In General – Each electric utility shall promote the use of demand-response and demand flexibility practices by commercial, residential, and industrial consumers to reduce electricity consumption during periods of unusually high demand.”**
- **“(B) Rate Recovery**
  - (ii) Nonregulated Electric Utilities – A nonregulated electric utility may establish rate mechanisms for the timely recovery of the costs of promoting demand-response and demand flexibility practices in accordance with subparagraph (A).”

# Electric Vehicle Charging Programs

- **“Each State shall consider measures to promote greater electrification of the transportation sector, including the establishment of rates that—**
  - “(A) promote affordable and equitable electric vehicle charging options for residential, commercial, and public electric vehicle charging infrastructure;
  - “(B) improve the customer experience associated with electric vehicle charging, including by reducing charging times for light-, medium-, and heavy-duty vehicles;
  - “(C) accelerate third-party investment in electric vehicle charging for light-, medium-, and heavy-duty vehicles; and
  - “(D) appropriately recover the marginal costs of delivering electricity to electric vehicles and electric vehicle charging infrastructure.”



# Staff Recommendation

- **Grant's work on Demand-Response Practices**
  - Staff is currently working on DR programs with both our irrigation and evolving industries classes
    - Design to shave peak hours from high demand days
    - Design to recapture cost while providing customer participation incentives
- **Grant's work on Electric Vehicle Charging Programs**
  - Commission recently approved Rate Schedule 19
  - Staff working with local business on charging stations
- **Even with the work accomplished to date, staff is recommending the Commission NOT adopt the two new PURPA standards**

# Questions?

# Thank You



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# Integrated Operational Services

## Quarterly Commission Report

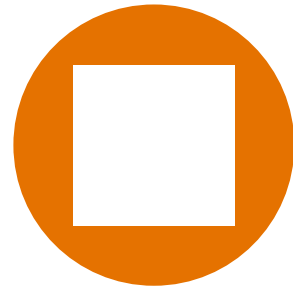
September 7, 2023



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# Agenda

## INTEGRATED OPERATIONAL SERVICES



INTRODUCTION TO  
INTEGRATED OPERATIONAL  
SERVICES

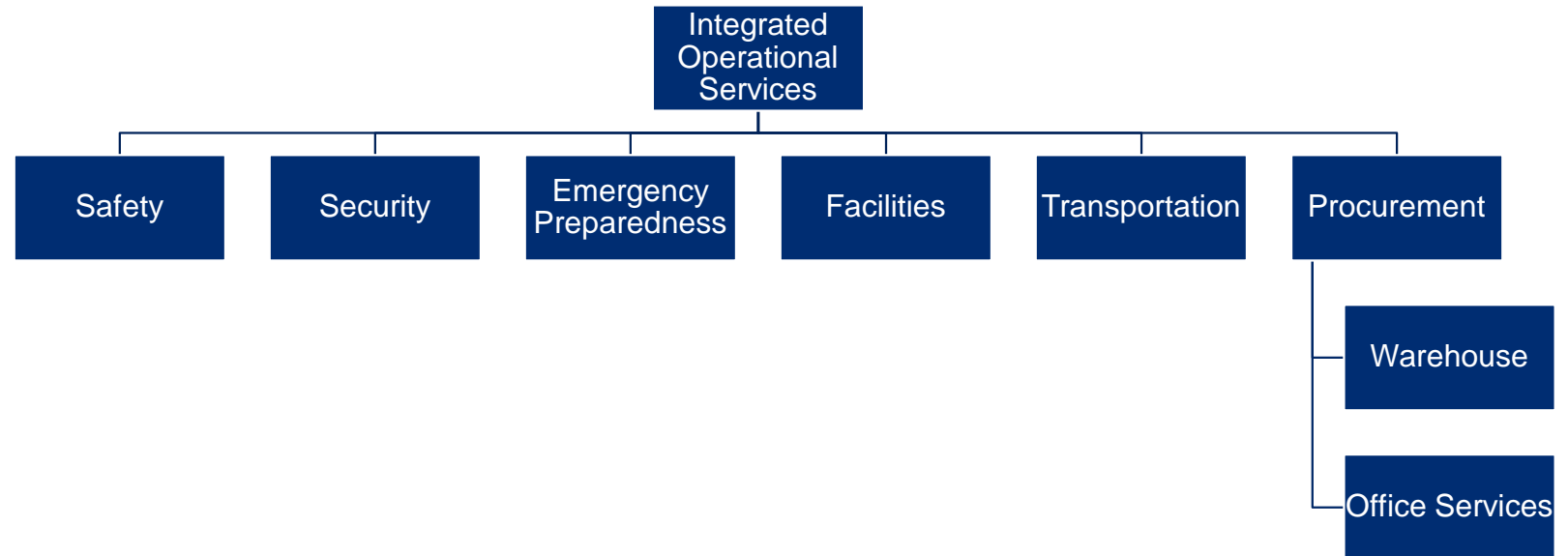


DEPARTMENT SUMMARIES



EMERGENCY  
PREPAREDNESS  
DEPARTMENT 5 YEAR PLAN

# Integrated Operational Services



# Transportation Department Highlights



WANDU  
Wanapum Display Unit



Fleet Apprenticeship



Vehicle Safety Program



# Facilities Highlights

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# Facilities Department Retirements, Promotions & New Hires



**Bryan Mickle- Retirement**

Facilities Electric Foreman

38 years



**Josh Noga**

Facilities Mechanical Foreman

Ephrata



**Kelly Grigg**

Facilities Electrician

Wanapum Maintenance Center



**Rusty Brooks- Retirement**

Building Maintenance Worker

18 years



**Joe McDaniel**

Facilities Mechanical Foreman

Hydro



**Doug Thompson**

Facilities Electrical Foreman

Ephrata



**Rene Gonzales**

Building Maintenance Worker

Ephrata



**George Corbaley**

Facilities Electrical Foreman

Hydro



**Antonio Mantese**

Building Maintenance Worker

Ephrata

**Rod Verden**

Servicemen

Limited Assignment

**Santana Graces**

Servicemen

Limited Assignment

# Recently Completed Projects



Wanapum Maintenance Center Breakroom

- Wanapum Maintenance Center Breakroom
- MLSC & ESC AC Project
- ESC Linemen Office space
- Port of Ephrata Linemen Office space
- EHQ Landscaping- Tree removal
- EHQ parking lot

MLSC Warehouse AC Project

ESC Warehouse AC Project

# New Linemen Office at ESC



# Security Department Updates

- ❑ DAMSVR Assessments for both dams completed in-house in August.
- ❑ Consolidation and audit of all keys.
- ❑ Three Security Policies and supporting procedures finalized through PolicyTech
  - Video Management System Use
  - Key Control
  - Visitor Management
- ❑ We closed out another successful recreation season on 9/17. Details provided in Q4 Review.

# Business Continuity & Emergency Management 5-Year Plan

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A Big 3 in 2023 Project



Powering our way of life.

# Agenda

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9	Introduction
10	Overview
11	Three Pillars
12-14	Thirteen Goals
15	Eighty-Two Objectives
16	Summary



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# Introduction

**Building upon Grant PUD's 5 Pillars, this 5-year road map provides direction in mitigating, responding to, and recovering from all-threats and all-hazards in an ever-changing world of emergency management.**

# Quick Overview

3 Strategic Pillars

13 Goals

82 Objectives



## **Strategic Pillar #1**

### **Enhance Resiliency**

Resilience is Grant PUD's process to prepare for and return to normal during an emergency or disaster. Improving resiliency increases the ability to adapt and recover from disasters.

## **Strategic Pillar #2**

### **Development and Maintenance of Plans**

Enhancing current planning integrates the all-hazards approach to prevention and mitigation from disasters, as well as increasing response and recovery efforts for Grant PUD with our local and regional partners.

## **Strategic Pillar #3**

### **Strengthen Community Relations**

Strengthening outreach throughout Grant PUD's service area brings a wide range of community engagement opportunities through various means. This allows for emergency management information and public awareness to be communicated across the district to better inform employees, stakeholders, and the public on preparedness through alerts and warning messages in a clear, concise, and timely manner.

# Strategic Pillar #1: Enhance Resiliency

Effective preparedness management is instrumental to the success of Grant PUD and its stakeholders before, during and after critical incidents.

The six areas identified in this strategic pillar provide a path to improve the emergency management program and increase disaster resiliency throughout the Grant PUD Enterprise.

## Six Clearly Defined Goals

Program  
Management

Resource  
Management

Mutual Aid

Exercise and  
Drill  
Management

Emergency  
Operations  
Center

Finance and  
Administration

## Strategic Pillar #2: Plan Development & Maintenance

Development and maintenance of plans are necessary to bring efficient and successful resolution in mitigating, preparing for, responding to, and recovering from incidents.

Grant PUD's plans can be used to save lives, property, and the environment through consideration of an all-hazards approach.

## Four Clearly Defined Goals

Identification  
of Threats and  
Hazards

Conduct Drills  
and Exercises

Plan  
Development

Training

## Strategic Pillar #3: Strengthen Community Relations

Community relations and outreach play a direct role in the success of responding to and recovering from an emergency incident. Not only does involving our community improve our ability to recover, it also improves our plans as we listen to input from our stakeholders.

This outreach will provide the emergency management department with the ability to reach a variety of individuals and vulnerable populations.

## Three Clearly Defined Goals

Outreach

Stakeholder  
Relationships

Alert  
Systems

## Alert Systems

**Goal 13: Develop and implement an alert system and appropriate plans to reduce loss of life for different hazards.**

### Resource Management

**Goal 2: Develop systems that aid in effective identification, acquisition, distribution, accounting and use of personnel and equipment in emergent situations**

## Training

**Goal 10: Train personnel with the most up to date methods in emergency management and incident response.**

### Mission

To work with our local partners to continuously improve our ability to mitigate against, prepare for, respond to, and recover from all security threats to our people, dams, electric system, and customers.

### Vision

We will foster a collective culture of emergency preparedness to effectively protect life and property when disaster strikes.

Objective 10.1: Provide and attend training to ensure emergency management and internal partners have the knowledge to respond to real-world emergency incidents.

IMPLEMENTATION STEP	TARGET DATE	STATUS (Ongoing, complete, etc.)
10.1.A Ensure Emergency Management personnel attend and complete IS-870.A: Dams Sector: Crisis Management	When available	
10.1.B Develop a facilitator in Emergency Management to oversee drills and exercises certified through (Homeland Security Exercise and Evaluation Program (HSEEP) or FEMA IS-120.c)	Q4/2025	
10.1.C Develop an evaluator in Emergency Management to oversee drills and exercises (Homeland Security Exercise and Evaluation Program (HSEEP) or FEMA IS-120.c)	Q4/2025	

## Identification of Threats and Hazards

**Goal 7: Enhance Grant PUD's plans to prepare for, respond to and recover from incidents through proactive identification of threats and hazards.**

## Outreach

**Goal 11: Use outreach capabilities to increase awareness of emergent conditions internally and in the community.**

## Plan Development

**Goal 9: Develop and maintain Grant PUD's plans to prepare for, respond to and recover from incidents.**

### Mission

To work with our local partners to continuously improve our ability to mitigate against, prepare for, respond to, and recover from all security threats to our people, dams, electric system, and customers.

### Vision

We will foster a collective culture of emergency preparedness to effectively protect life and property when disaster strikes.

Objective 9.1: Develop and maintain plans necessary to increase working knowledge of key personnel at Grant PUD, reducing risk and improving success at recovery.

IMPLEMENTATION STEP	TARGET DATE	STATUS (Ongoing, complete, etc.)
9.1.A Review and update the Emergency Action Plan (EAP) for Priest Rapids Dam	Q3/Annually	
9.1.B Review and update the Emergency Action Plan (EAP) for Wanapum Dam	Q3/Annually	
9.1.C In coordination with the Columbia Basin Hydro Project, review and update the Emergency Action Plan for the Pot Holes East Canal (PEC)	Q3/Annually	
9.1.D Review and update the Continuity of	Q2/Annually	

## Summary

Through strong relationships with like-minded individuals and organizations, we believe this project will help define a clear path forward, providing a reduction in risk for Grant PUD and its stakeholders.

# Thank You

---

## Grant PUD Emergency Management

Dave Ponozzo

[dponozzo@gcpud.org](mailto:dponozzo@gcpud.org)

Kieth Siebert

[ksiebert@gcpud.org](mailto:ksiebert@gcpud.org)



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# PUBLIC POWER / INDUSTRY OUTREACH ACTIVITY REPORT

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Commission Presentation  
Sept 26, 2023

Chuck Allen, Senior Manager  
External Affairs & Communications

Ryan Holterhoff, Government Affairs  
Annette Lovitt, Public Affairs



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01

**Leveraging our relationships**

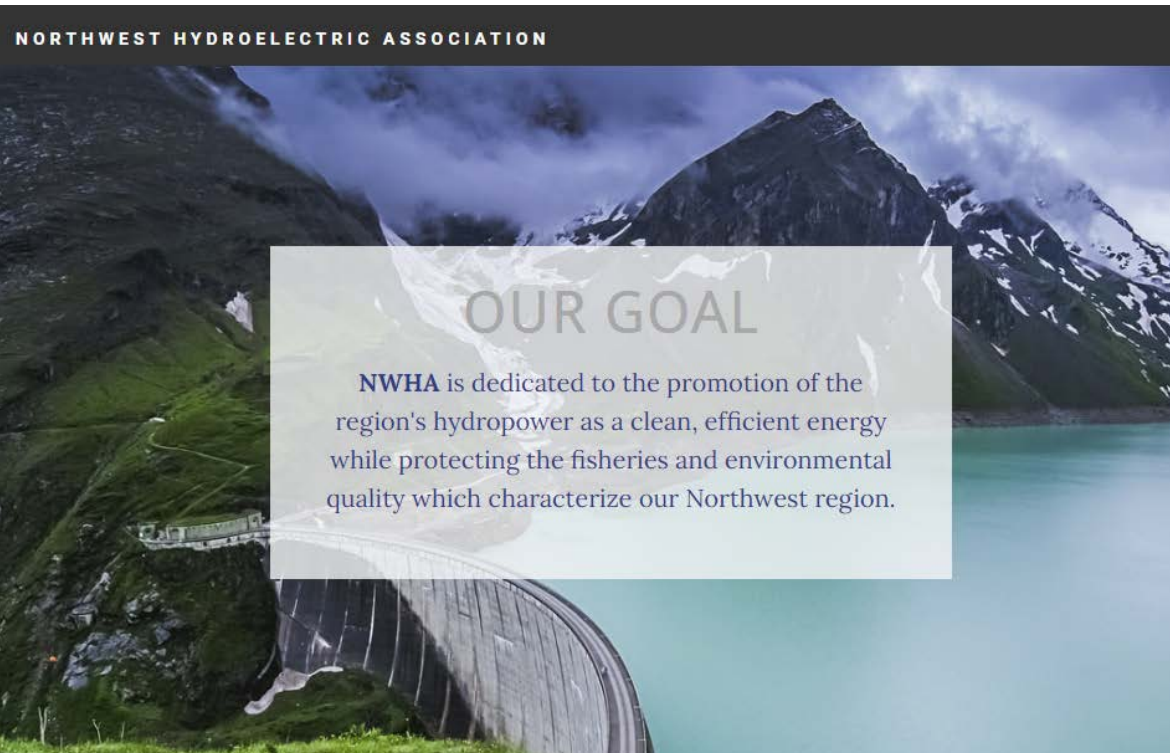
**Hydro and public power unity  
makes us stronger**

# Industry Memberships (Unified Voice)



# A unified NW hydro mission & voice

NWHA and NW River Partners promoting environmental benefits of hydropower



### Fight climate change through hydro

Hydropower provides abundant renewable energy to our region while supporting other renewables and allowing for low-carbon transportation via our rivers. We advocate for the continued use of hydropower to help achieve a carbon-free future.

### Restore healthy fish populations

Salmon are the lifeblood of the Northwest. We seek solutions that allow salmon and dams to coexist while supporting salmon recovery efforts that address habitat, predation, and management of such an invaluable resource.

### Include vulnerable communities

Our region is home to communities of all walks of life. While we all benefit from hydropower, we recognize the importance of affordability and reliability to rural and low-income communities and ensure that their needs are valued in public policy.

### Maintain a reliable electric grid

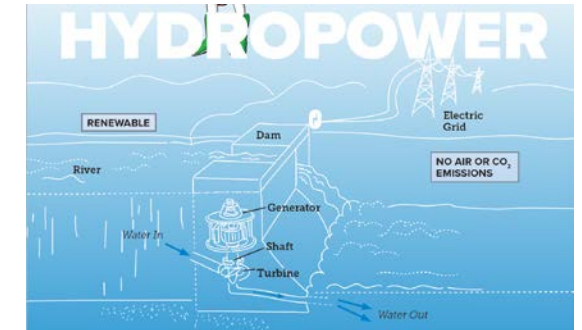
Dams are one of the only currently available renewable resources that can provide firm energy. They can also ramp up generation in a cold snap or heat wave—all without breaking the bank. We advocate for retaining these dams because they are essential to our way of life.

### Support healthy agricultural communities

Agriculture and Northwest hydropower go hand in hand. Dams provide irrigation, energy, and transportation necessary to feed our region and make our crops available to people around the world, and we support the needs of our agricultural partners.

# Grant County Fair 2023

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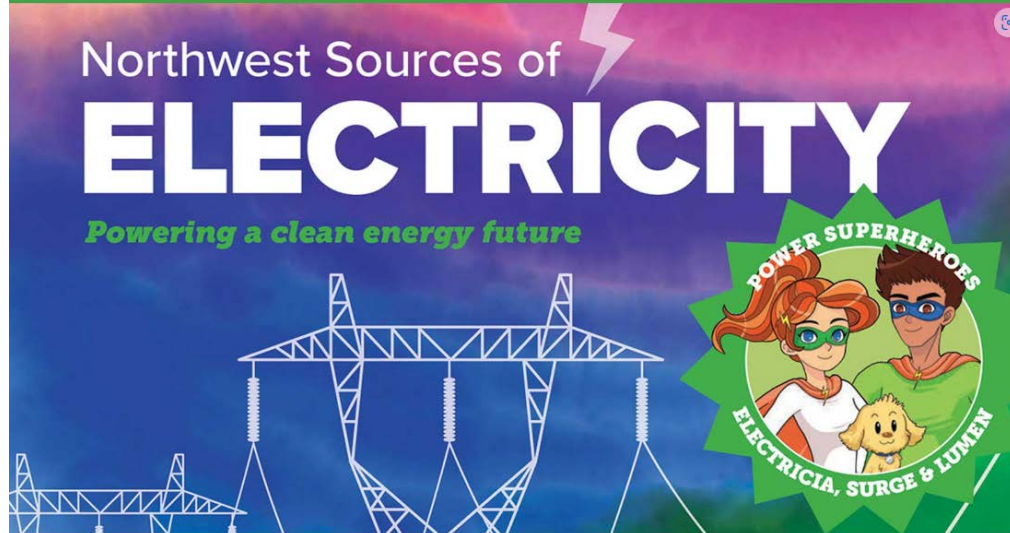


## Clean and Green

- Tuesday attendance 18,949
- Total attendance 66,337
- Focus of our messaging was that Hydropower is Clean and Green



Northwest Sources of Electricity Activity Book



**Explore**

Different Ways to Generate Electricity

**Discover**

Where Electricity in Our Region Comes From

**Choose**

Sources of Electricity for Our Clean Energy Future



- Hydro STEM Academy 2023
  - Wenatchee
  - Tri-Cities
- Northwest Sources of Electricity
- Hydro Appreciation Campaign
- Teacher Development

# Mid-C Legislative Tour



- Two-day event tailored to cover issues of importance to Washington state policymakers while also highlighting the significant contribution Mid-C's provide to the state's energy portfolio
- While in Grant County policymakers to tour infrastructure development around Quincy with a focus on permitting support for future infrastructure needs
- The tour will also have stops in Douglas and Chelan counties where those respective utilities will highlight various aspects of their operations

# Power Group Member Activities

- Prior to the August round of negotiations held in Seattle, Power Group members met with members of the U.S. negotiating team allowing member utilities the opportunity to tell why the Treaty matters to their utility and customers.
- Group participation in the State Department's recent three virtual listening sessions
- Power Group hosts a virtual town hall to update interested stakeholders on the criticality of the Treaty to Northwest Utilities





# NHA Clean Currents 2023

## Grant PUD Panelist:



**Andrew Munro - Just Add Water: Hydropower's role in a Decarbonized Grid**

Clean Currents 2023 is October 10-13 in Cincinnati, Ohio. | Duke Energy Convention Center

**CLEAN CURRENTS 2023™**  
Where Waterpower Moves Forward | Powered by NHA

For any questions regarding Clean Currents 2023 [email NHA](#) or call us at **+1.816.588.4639**.

ABOUT ▾ ATTENDEES ▾ PROGRAM **NEW!** ▾ EXHIBITOR & SPONSOR ▾ HOTEL INFORMATION REGISTRATION ▾

AMP PUBLIC POWER PARTNERS City of Hamilton BUTLER COUNTY, OHIO DUKE ENERGY

**Future!**  
From industry giants to emerging startups, witness the most comprehensive showcase of Hydropower innovation.

[Click Here to Explore the Full Exhibitor Listing >>](#)

**180+ EXHIBITORS SHOWCASING AT CLEAN CURRENTS 2023**

02

**More Powerful Together**

**Public Power Resources**

# WPUDA – Advocating for PUDs in WA

## Public Power in DC & Olympia



Washington Public Utility Districts Association

February 28 · 🌐

Thank you Representative Marie Gluesenkamp Perez for meeting with WPUDA! We appreciated the opportunity to discuss issues of importance to Washington's not for profit, community-owned utilities.



# APPA – LPPC taking on key issues



## Supporting

- **Hydropower industry**
- **Federal investment in grid security, infrastructure, and supply chain**
- **Permitting process reform**
- **Maintaining investment incentives for Public Power**

## LPPC Calls for Certainty and Clarity on Domestic Content Requirements

May 12, 2023

[Releases & Statements](#)

[Decarbonization](#)

[Infrastructure](#)

[Tax & Finance](#)



# Public Power Week!

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October 1-7

Social media campaign

- Facebook
- Instagram

Customer outreach

## Building for the Future

#CommunityPowered  
#PublicPower



# NWPPA Training and Support

- NWPPA Innovations in Communications Conference – We're multiple award winners!
- Training opportunities for variety of specialties:
  - Leadership
  - Customer Service
  - Power Delivery
  - Power Production
  - Finance
  - Human Resources





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# OPERATIONAL EXCELLENCE

---

Commission Update  
September 2023



Powering our way of life.



# Today's Topics



**Culture and Functions**



**Department Structure and Staff**



**Executive Summary**



**Project Showcase**



**Wrap Up**

# Department Culture

We lead with overarching responsibility to



Our employees, contractors, and customers.

We manage to these priorities:

#1

SAFETY



#2

QUALITY



#3

EFFICIENCY



# Operational Excellence Functions

## Corrective Action Program (CAP)

Methodical and consistent approach to discover, analyze, resolve and ensure the effective resolution of issues.

## Continuous Improvement (CI)

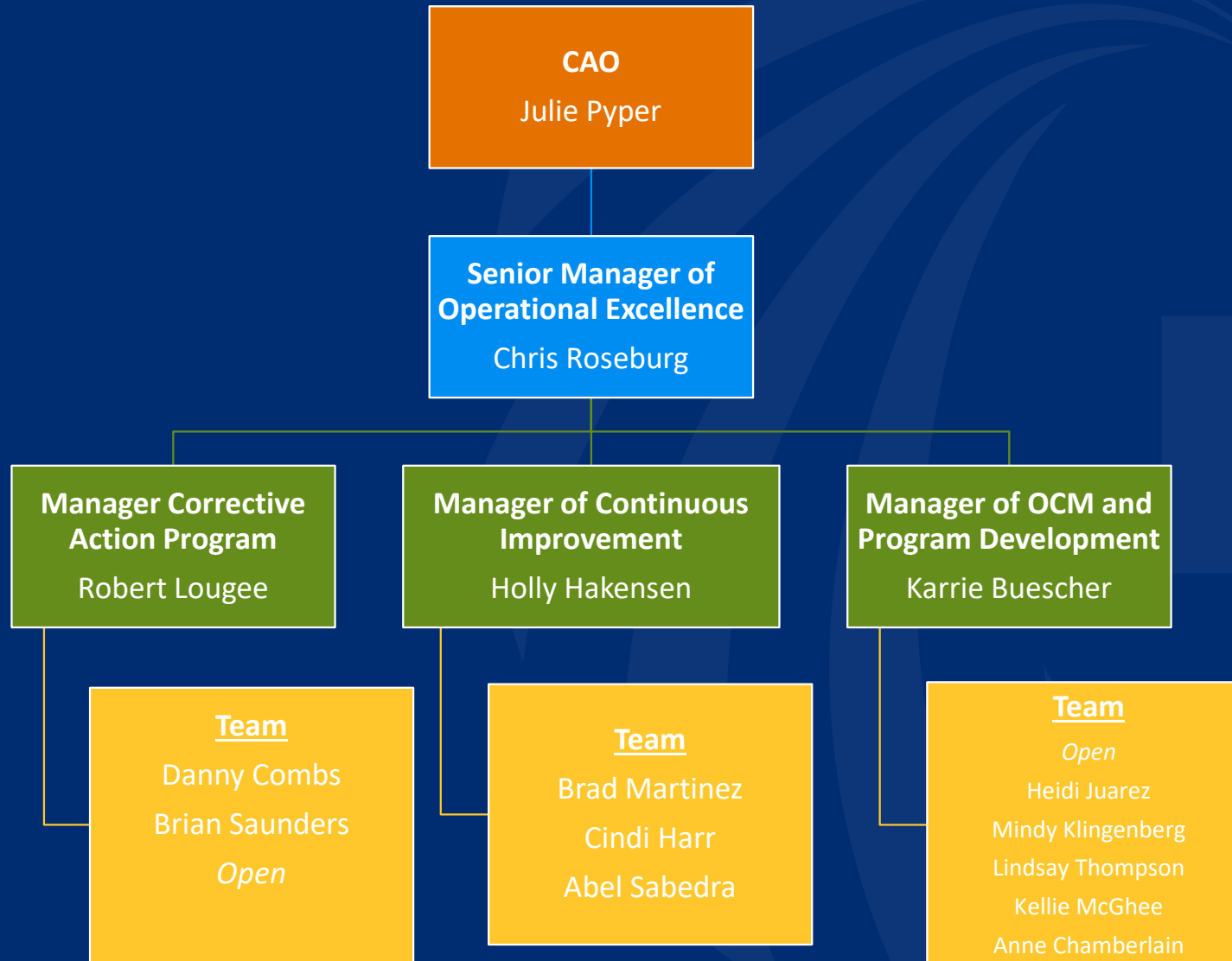
Use CI methodologies to support and coach the business in how to make improvements in safety, efficiency, and reliability.

## Organizational Change Management (OCM)

Support our employees and customers through effectively managing the people side of change.

**Provide support, consulting, and services to the entire District**

# Operational Excellence Structure and Staff



# Executive Summary - Q2 2023



## Highlights

- Draft program strategy and roadmap for Operational Excellence completed and ready for review and prioritization
- OCM continuing to support the Big Three initiatives and AlignOrg strategy development
- Continuous Improvement team is on track to complete Safety CI Team 6 by November target
- Corrective Action Program has launched an effort with OCM to assess current state, reinforcement of the current process, and map out next steps for the program



## Concerns

- Backlog of projects for CAP, CI, and OCM is growing and will be constrained by headcount. Two openings to backfill: One in CAP and one in OCM
- Root and Apparent Cause Analyses are slow to complete, and the backlog is large, which results in delayed improvement opportunities and unmitigated risk
- Access to Corrective Action data in Maximo for building of reports, trending, and analysis is a challenge and staff competency in Power BI is low
- Continuous Improvement methods are not a core competency for Grant PUD leaders and staff but represent a strong opportunity for leadership development.

# Project Showcase



Safety CI Team 6 Update



CAP – Data Dashboard



CAP – Lamb Weston Q8 Outage



# Safety CI Team 6: Job Site Reviews



Safety@Grant



# Why Focus on Job Site Reviews?



## Lack of Consistency

No formal update to Job Site Reviews (JSRs) since initial launch in 2018. Some elements may be missing for stability in getting consistent outcomes.



## Increasing # of Recordables

Recordable safety incidents are trending upward from April 2022 - February 2023



## Decreasing # of Job Site Reviews

Downward trend from 8/2022 – 2/2023



# Support from 3 Operational Excellence Departments

**Continuous Improvement (CI)**



**Organizational Change Management (OCM)**

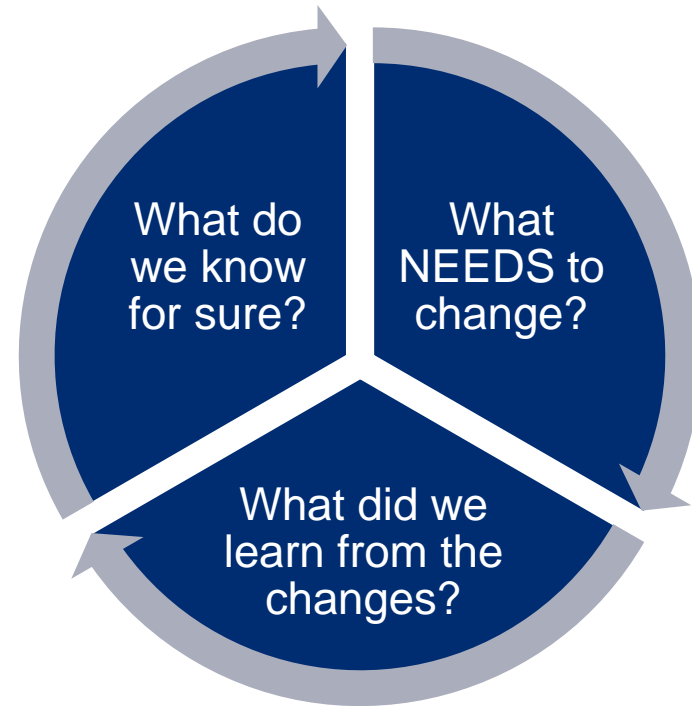


**Corrective Action Program (CAP)**



# Project Timeline and Approach

- Project is broken up into a series of two-week sprints through November in an Agile inspired project methodology
- Sprints minimize delivery risk and maximize team velocity
- The team regularly discusses what is and is not working and is constantly adjusting the approach
- Toyota Kata inspired Lean methodology is being utilized to drive the activities, priorities, and learning of each sprint



# Safety CI Team 6 - Current Status



## Accomplishments

- CI Team 6 is engaged and working well as a team
- Interviewed multiple stakeholders across the District and have been utilizing that feedback throughout.
- Mapped differences between ABCs, Job Briefs, JSRs, and JHAs
- Transitioned team coach role from OE Sr. Manager to CI Manager with minimal disruption
- Business requirements developed and verified
- Drafted flow chart for proposed JSR process and the policy and procedure
- Selected SharePoint as software for building the new JSR form, with a high priority on user experience



## Lessons Learned

- Integrating all three disciplines of Operational Excellence, CI, OCM, and CAP to build a standard process for the Safety CI teams was challenging in the beginning.
- Implementing a new CI methodology, Toyota Kata, while still learning the method caused confusion for the team in the early stages.
- Roles and responsibilities were unclear to start and required several meetings to stabilize.
- IT support staff have a large backlog of requests and assumptions on delivery timelines and priority must be validated.



**OPERATIONAL EXCELLENCE**

*Corrective Action Program*

# **CAP - Condition Reporting**

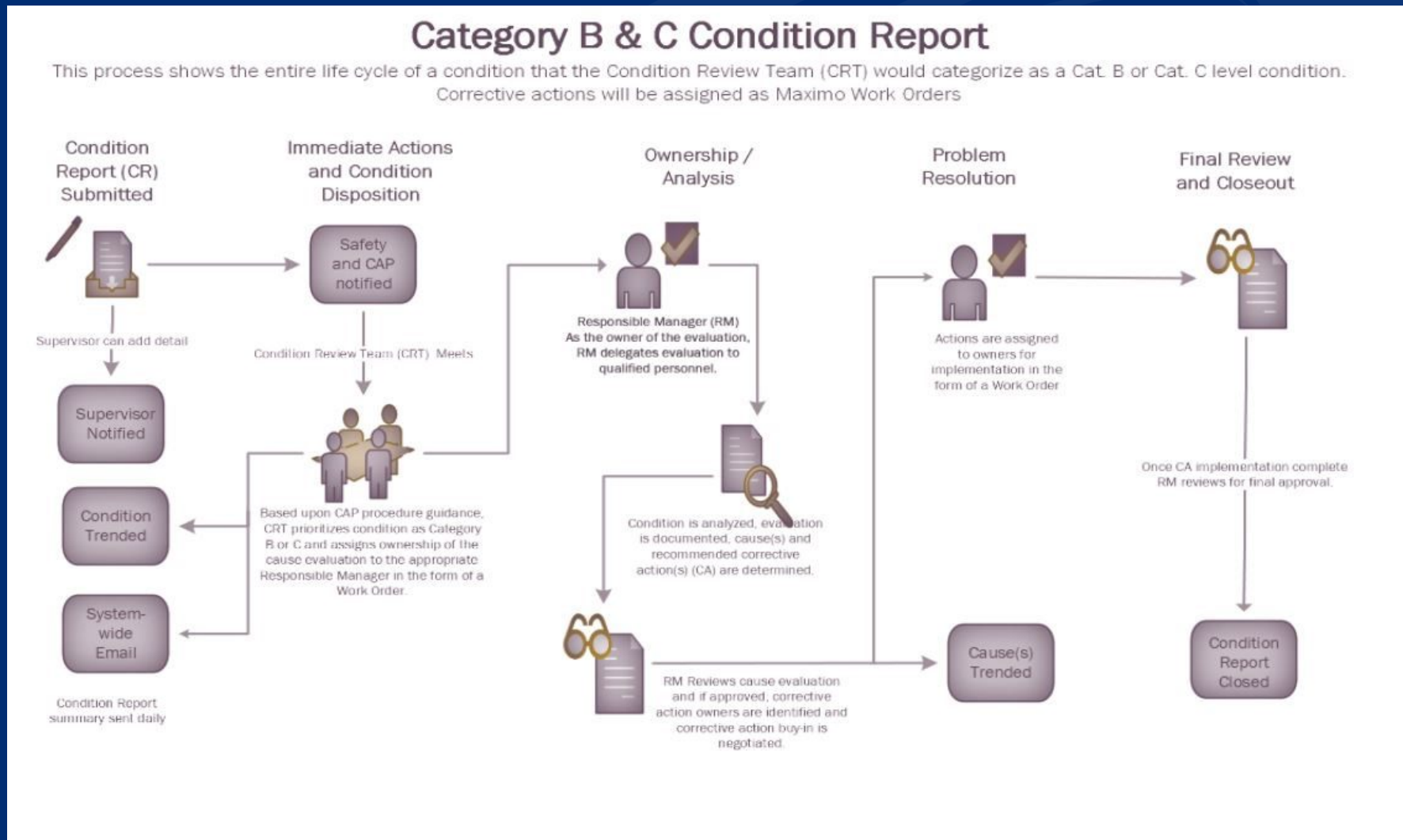
## **Lamb Weston Switching Incident**

# CAP - Lamb Weston Switching Incident

- In early May 2023, there was an outage experienced at Lamb Weston during a routine switching procedure that was unexpected but remediated.
- This event was reported to the Condition Reporting system as a safety “near miss” due to the potential for harm to Grant PUD Staff.
- Grant PUD staff are encouraged to file Condition Reports for all off-normal conditions.
- The next set of slides will walk through the process the Condition Reporting Team followed to vet and process the condition report, and short summary of the underlying cause.

# CAP - Lamb Weston Switching Incident

## Condition report process:



# CAP - Lamb Weston Switching Incident

**Condition Report submitted to CAP Program on 5/11/23 for review by the Condition Review Team:**

“During switching operations at the Lamb Weston plant, an incident occurred at switchgear #3 bay 4. Upon receiving orders from dispatch and a verbal confirmation from the Lamb Weston site representative and dispatch that customer load had been shed, we operated the bay 4 switch and experienced a failure of the switch and a phase to ground incident. This resulted in a near miss accident and damage to the equipment as well as opening Q8 breaker at the Quincy substation on road R. We immediately cleared the area and notified dispatch and our supervisor. Strongly recommend a review of our standard procedures when working with industrial customers as to avoid a similar incident in the future. No injuries were sustained due to PPE being properly utilized.”

# CAP - Lamb Weston Switching Incident

## CRT Review and Analysis:

“This CR highlights the benefits of defense in depth. The electrical enclosure absorbed the hazard and prevented exposure to the final barrier of PPE. District personnel are reviewing the SOPs to identify possible improvements. Equipment was replaced and customer power has been restored.”

## Summary of the underlying cause:

The evidence suggests that the equipment was operated within its capabilities and there was a catastrophic malfunction. The customer load was at ~16 amps the switchgear is rated at 1200A providing full load break potential of 1200A. The switchgear failed when operated at less than 2% of its rated capacity and probably resulted from a malfunction of the switch itself.”



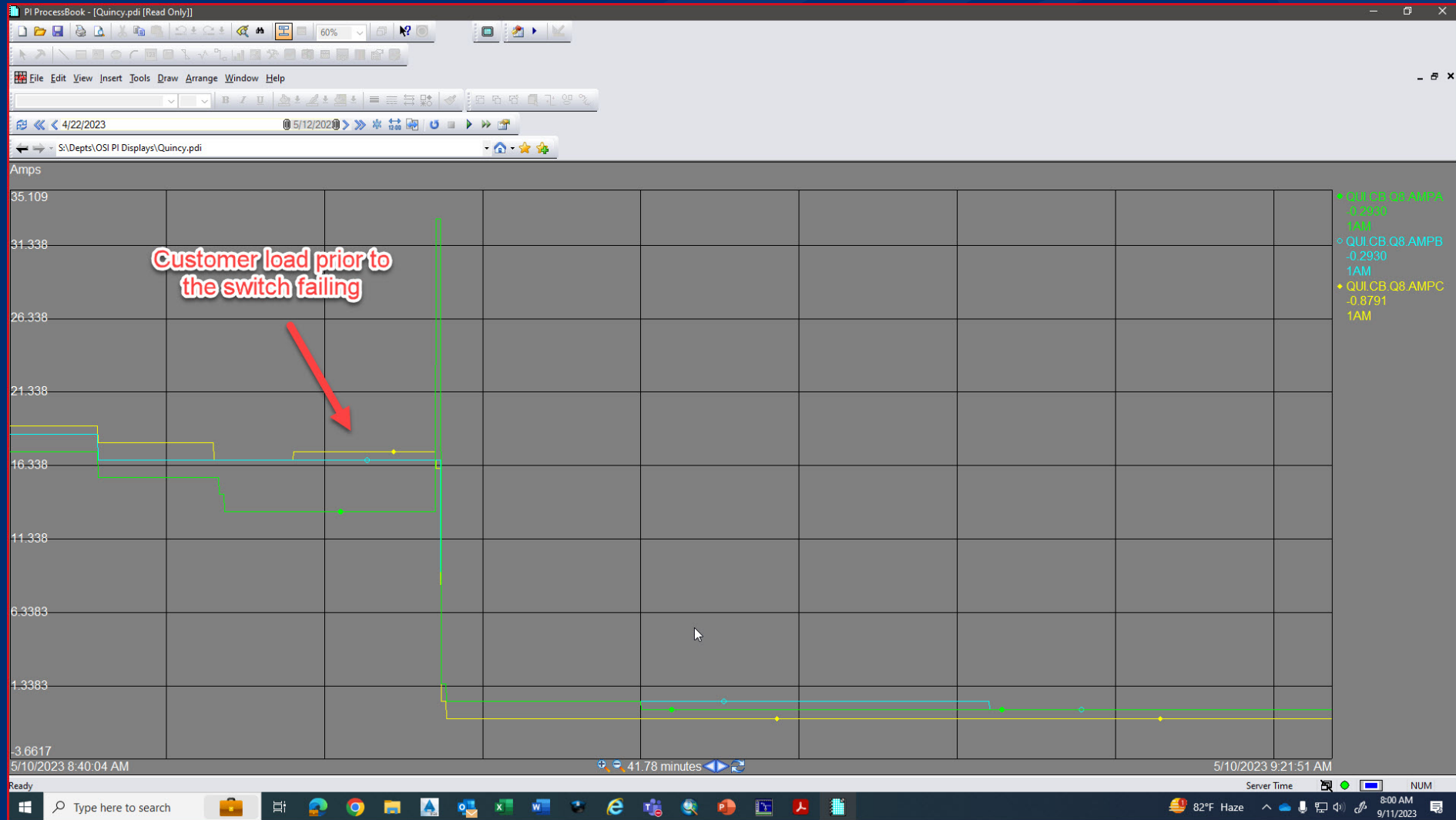
# CAP - Lamb Weston Switching Incident

## Additional detail of the event:

- The crew was positioned behind a barrier as they attempted to open switch #3. A loud bang was heard when the nearby breaker opened. A switch #3 failed, which caused the fault current to exceed the load rating of the switch causing the Q8 breaker to open. The picture of the failed switch shows there was evidence of a high fault current present at the switch corresponding with its operation and this is what is the likely cause of the failure of switch #3.
- The Sr. System Operator consulted felt this event was not due to a human performance error on the part of Grant PUD or Lamb Weston.

# CAP - Lamb Weston Switching Incident

## Verification of Customer Load prior to the switch failure and outage

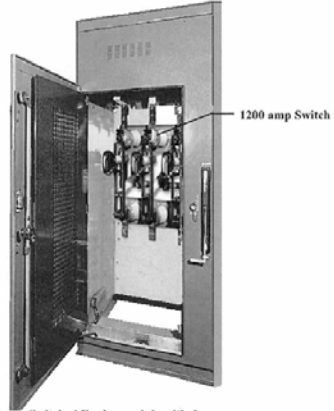


# CAP - Lamb Weston Switching Incident

Photos of faulty switch and the switch's 1200 amp specification per the Grant PUD standards guide:



**SWITCH GEAR 105", 1200 amp, SWITCH 1200 amp FEEDER**



Switched Feeder module with door open.

**GENERAL:** S&C 105 inch custom switch gear for 1200 amp feeder installations.

**SPECIFICATIONS:** See Specifications S:\DATA\STANDARDS\SPECIFICATIONS\DISTRICT SPECS\16361.5 High Profile Switchgear. This listed specification is to be supplied with each order. Each module shall be equipped with a 1200 amp air-dielectric switch. Switch shall be back support style. Switch shall be rated at the following.

BIL	95 kV	Continuous	1200 amp	Interrupting	1200 amp
Fault Closing	61,000 amps.				

**PURCHASING:** Order as per the project engineer or Electric Shop. Included stock page and District specs with each purchase request and contract document.

STOCK NUMBER	Description	Dimensions (Inches)			APPROVED MANUFACTURERS & CATALOG NUMBERS
		W	D	H	
65718046	Switched 1200 amp Feeder Bay Module	46	44	105	S&C Electric CDA - 820832

Rev. 01-23-12 DH "Reviewed for availability of alternate vendors; No changes to the page."  
 Rev. 12-06-10 DH "Reviewed for availability of alternate vendors."  
 Rev. 10-11-10 MHS "Revised catalog # from S&C, changed to match the specifications."  
 Rev. 10-13-09 MHS "Reviewed for availability of alternate vendors; First Edition."

Date	08/05/09	SWITCH GEAR 105",	ASSEMBLY UNIT	No
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# CAP - Lamb Weston Switching Incident

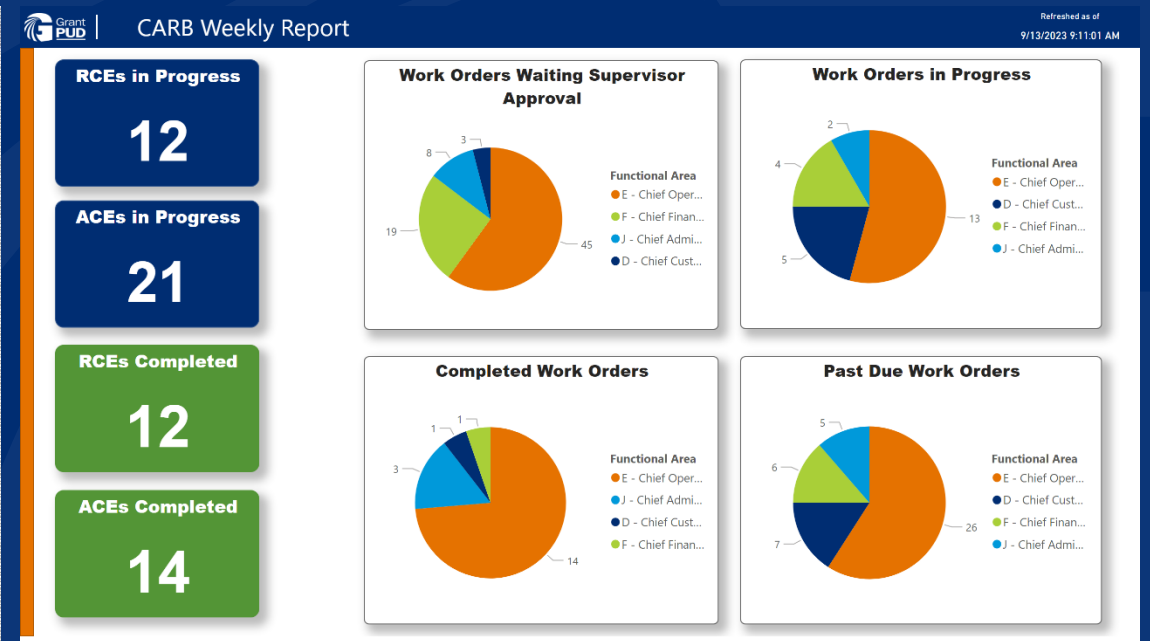
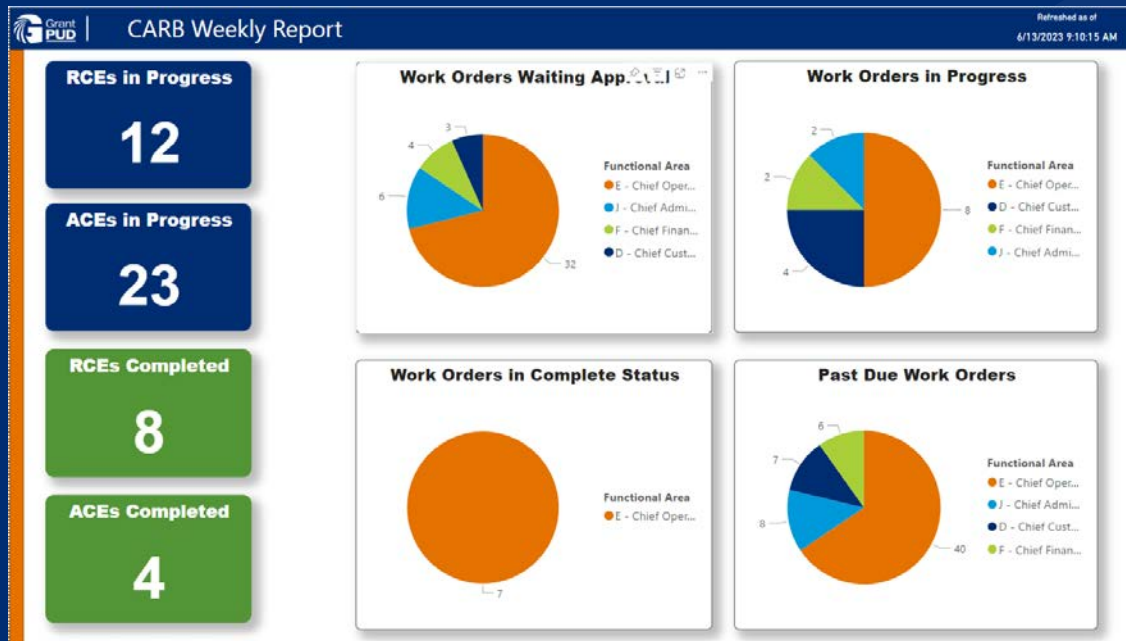
## Immediate and Long-Term Value of CAP to Grant PUD:

1. Off-normal or adverse conditions are reported as CR's, which are recorded, analyzed, and corrected; improving safety, quality, and efficiency.
2. CAP captures and keywords data from CR's, like the switch failure, for long term trending.
3. Over time, seemingly isolated incidents may be part of a bigger problem that would otherwise be hard to see without CAP data, which Grant PUD can now take action to resolve.
4. CAP is part of the foundation for a culture of continuous improvement.

# CAP Data Dashboard

Q2 - 2023

Q3 - 2023



- Increase in completed Root Cause (RCE) and Apparent Cause (ACE) Analyses\*.
- Total amount of RCE and ACE still in progress is relatively similar.
- Open and past due work orders remain high. These represent the corrective actions assigned to staff.
- This dashboard is a tool for managers to use for oversight of staff assigned corrective actions

\*ACE completions extend beyond current quarter due to cleanup of CAP data. 4 ACE's completed current quarter.

## Wrap Up

**People Driven**

**Executing on 50+ projects  
across CAP, CI, and OCM**

**Focused on innovation  
and creating business  
value while continually  
improving**

**Developing Operational  
Excellence program  
strategies and roadmaps**



**Powering our way of life.**

# Appendix



**Supplementary Reference  
Information**



# Operational Excellence

## What is Operational Excellence?

**A philosophy of the workplace where problem-solving, teamwork, and leadership results in the continuous improvement in an organization. The process involves focusing on the customers' needs, keeping the employees positive and empowered, and continually improving the current activities in the workplace.**



# Ongoing Priorities

## Safety

- Number one priority
- CI Team is working with Safety to improve Job Hazard Analysis (JHA) process
- All OE teams are leading effort to improve the Job Site Review (JSR) and “Safety CI team” processes

## Quality

- CAP program processes new condition reports daily and is working on several root cause analyses
- OCM is managing change for several active projects and programs, and is developing a standard approach for policy rollout
- CI Team is working directly with the business to document processes to establish baseline for improvement

## Efficiency

- OCM team has implemented regular continuous improvement cycles for the program and framework
- CI Team is supporting multiple business units to document and streamline processes
- Strategic Planning in progress for all of OE

# Operational Excellence - Continuous Improvement

## Focus for 2023



### CAP, OCM, and CI Process and Framework updates

- OCM Framework is deployed and being regularly updated
- CAP Framework and Procedures are deployed and being updated as needed
- CI Team is developing their standardized tools and processes for various use cases.



### Enhance OCM, CAP, and CI capabilities

- Staff training and Individual Development Plans that support our OE frameworks and processes
- Grow our own Change Practitioners and CAP and CI Program Specialists
- Continue Business Owner and leadership trainings to support programs
- Help Business Owners better advocate for their projects, operational efficiencies, and sustainability



### Increase project reporting visibility

- Partnering with EPPM to better utilize project data and provide insights into resource impacts of OE projects and project supporting activities
- Create more visibility on project performance enterprise-wide

# Operational Excellence Continuous Improvement

Focus for 2023



## Operational Excellence Strategic planning & roadmap development

- Individual strategies for OE, CAP, CI and OCM that integrate and support the CAO organization and Grant PUD at large
- Multi-years roadmaps and annual plans to support the strategic goals and objectives



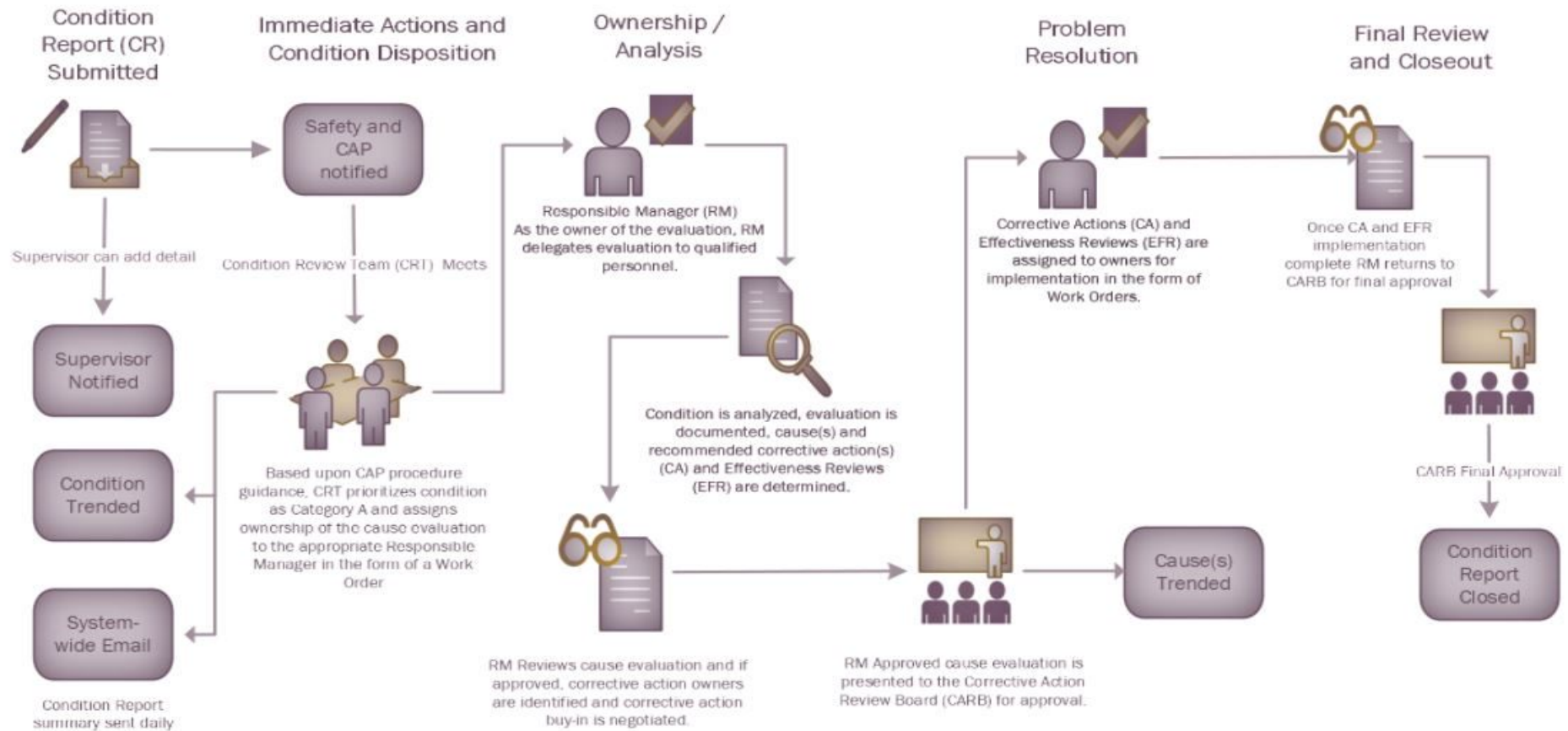
## Resource loading

- All OE staff will be resource loaded, including non-project work
- Better understand actual capacity
- Establish realistic performance expectations

# Condition Report Process

## Category A Condition Report

This process shows the entire life cycle of a condition that the Condition Review Team (CRT) would categorize as a Cat. A level condition. Corrective actions and Effectiveness Reviews will be assigned as Maximo Work Orders



# Condition Report Process

## Category B & C Condition Report

This process shows the entire life cycle of a condition that the Condition Review Team (CRT) would categorize as a Cat. B or Cat. C level condition. Corrective actions will be assigned as Maximo Work Orders

