

Safety Report

January 2024



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.

ELT Talking Points

Winter Driving

Usually at this time of year we typically have had a couple of weeks of cold and frosty weather by now and are well versed in inclement weather driving. This year, the warm weather pattern of the El Nino has provided milder temps and the potential to relax our focus. Winter driving can present various hazards ranging from sudden temperature changes, bright sun/white out conditions, less daylight, increased humidity, disoriented wildlife, and other drivers.

We likely all have had a close call experience during the winter or have been in an accident or friends/family involved in. Draw upon those experiences and stay diligent to keep yourself and your family safe while on the road the next few months. A few tips to keep in mind:

Be Prepared

- Plan for delays or potential issues along your trip: a “go bag” with extra clothes, blankets, water/snacks may be needed if you get stranded along the road or in a ditch.
- Before you leave, make sure to check your tire pressure, windshield wiper fluid, and gas tank is near full.
- Be aware of the weather/road conditions where you are traveling to. Choose practical attire for your trip, even if a short drive, consider the walking distance from your car into the building as well.

Be Strategic

- Don't be in a rush! Use slow, wide turns and avoid harsh breaking. Stay well under the speed limit.
- Defensive driving includes keeping distance from the car in front of you and having a plan for your next step if you need to make a course correction suddenly.
- Let someone know of your route and consider having your “find my phone” or “life 360” app on in the situation someone needs to locate you.
- Keep your cell phone fully charged and have a flashlight within close reach if needed.

ELT Talking Points



Be Smart

- In case of an emergency, stay with your car and don't overexert yourself.
- Be aware of impacts of carbon monoxide poisoning, don't sit in a parked running car, especially if in the snow. Poisoning and serious health impacts can begin 20 minutes after exposure, which death can occur in as little as 60 minutes of exposure.

Everyone home safe, everyday.

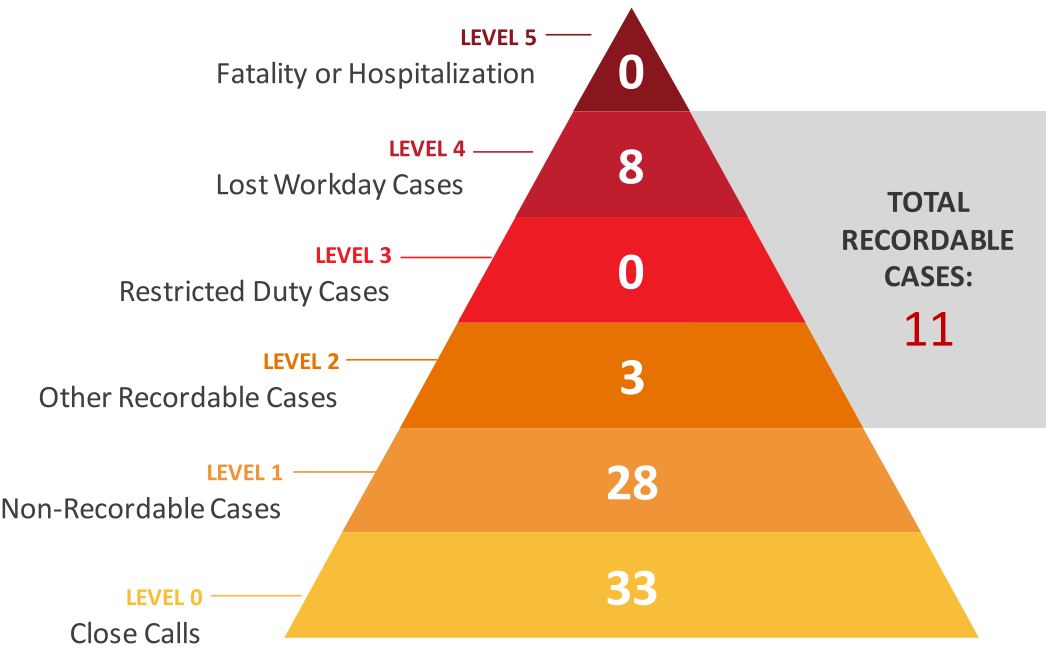
Injuries Reported

Date	Body Part	Description & Response
12/15	Twisted Wrist	<p style="text-align: center;">Twisted Wrist</p> <p>Employee was helping someone at a desk behind them and stepped back. They caught their heel on the leg of roller chair and fell into the chair. Employee tried to catch themselves on the arm of the chair but twisted wrist. Employee put an ice pack and wrist wrap on the injured wrist and called supervisor. Employee didn't realize the chair was so close. This highlights the importance of continuously observing your surrounding area for potential tripping hazards.</p>
12/18	Cut Hand	<p style="text-align: center;">Cut Hand</p> <p>Employee sliced hand when turning a doorknob to open a door. It looks like the chrome plating may be coming off. The burr fell off the face plate when employee inspected it to see what 'bit' them. This hazard will be addressed through a corrective maintenance work order. Safety appreciates the reporting of any and all injury occurrences.</p>



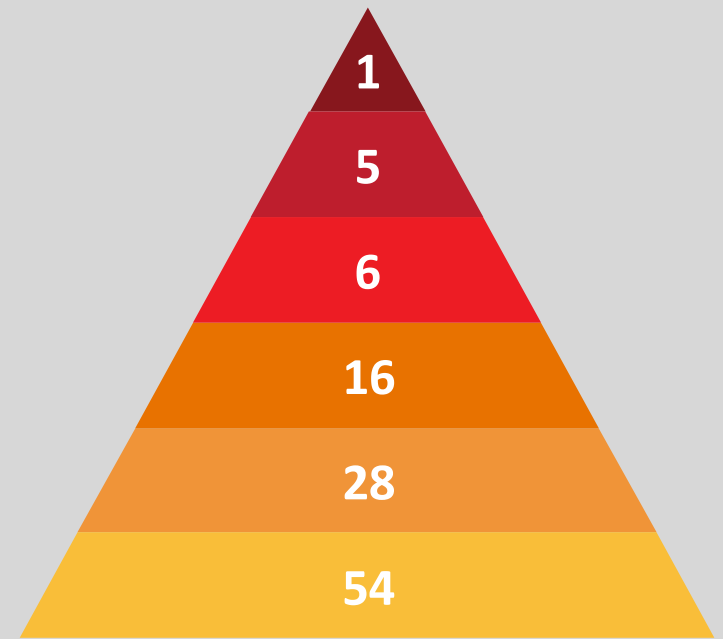
	Last Month	Year-to-Date
Total Injuries Reported	2	39
Other Recordable Case(s)	0	3
Restricted Duty Case(s)	0	0
Lost Workday Case(s)	0	8

2023 Incidents Summary



vs

2022



Close Calls

Date	Overview	Location	Description & Response
12/5	Tagged Loader Still in Service	WAN	<p>Portable load center on 2nd floor was 'danger' taped and tagged, 'Do not use, needs repairs' but was apparently placed back in service. Notified electricians and they are going to remove it from service again. This load center has been removed from service correctly. It was not actually put back in service but rather never unplugged once it was tagged out. Plant staff will be conducting a re-training on the use danger tape at next month's safety meeting. A WO has been assigned to track that training and ensure it's completed.</p>
12/5	Tripped in the Dark Bathroom	HOB	<p>The lights in the bathroom at the HOB did not turn on upon entering and employee tripped. They caught themselves on the stall before falling hard on the tiles. The lights still didn't come on after falling. No injuries but there is a potential for someone to get hurt. Employee could have easily hit their head on the stall. This particular sensor has been investigated and confirmed to be working correctly. Facilities has adjusted the sensitivity level to better identify entrants.</p>

Vehicle Incidents

Date	Location	Description & Response
12/1	MLSC	While driving down the road, an oncoming truck threw ice chunks from the road and broke the lower side mirror. Reminder to employ good defensive driving techniques when weather conditions present hazards on the roadway.
12/1	ESC	While operating the forklift, it slid on fresh snow that was covering compacted snow, resulting in back rest of lift to make impact with the fence. Employee notified Foreman and Facilities. Employee and Foreman went over ways to prevent this in the future. A ticket to transportation will be entered to check tread depth on tires. Transportation inspected the tires and they are still within specs for use. Equipment operators are reminded to be aware of slick driving conditions presented by winter weather conditions and take necessary precautions.
12/4	Dodson Rd SW	Employee heading south on Dodson Rd SW for a site visit. An approaching dump truck in the NB lane propelled a rock into the windshield. The rock created a chip which spread to a crack on the driver side of the windshield. Employee did not lose control of the vehicle and safely pulled over at a public access point along the road to examine the damage and take a photo. This vehicle has been taken out of service for windshield replacement.

Vehicle Incidents

Date	Location	Description & Response
12/5	ESC Dock	While backing into the ESC dock, employee struck a support pillar with the passenger side taillight. General reminder to continue the use of situational awareness and the use of a spotter when needed.
12/19	ESC Transportation Shop	Employee was backing vehicle out of shop to wash the truck and backed into another vehicle that was parked outside the shop that they could not see. No one was injured. No damages were reported in this CR. Be aware of your surroundings, perform a 360 walk around and utilize a spotter when available.
12/28	Broken Taillight	While loading a wire reel into the back of a work truck, the forklift operator was looking to the left side for clearance and employee was spotting on the right side. Spotter yelled, 'Hold it' but forklift operator didn't hear them and cracked the taillight lens. When acting as a spotter it is critical to ensure your method of communication is effective or you are in a direct line of sight of equipment operator.

Contractor Injuries & Incidents

Date	Overview	Description & Response
12/14	Debris in Eye	<p style="text-align: center;">Debris in Eye</p> <p>Contractor cut a 2” diameter pipe in the turbine pit with a Sawzall. After completing the cut, contractor leaned his body and tipped his head forward while removing the face shield. At this point, no sensation of debris in their eye. They picked up the pipe out of the turbine pit and felt something in their eye. Contractor immediately went to the eye wash and flushed the eye, then reported to foreman and supervisor. They still had a sensation of debris in the eye so the supervisor took them to the clinic. Contractor was examined by a doctor and found no debris. This situation is an example of why we should always be prepared even when proper safety steps are taken, accidents can still take place.</p>
12/16	Cut Finger	<p style="text-align: center;">Cut Finger</p> <p>While picking the rotation device from P01 lower air housing, contractor injured their fingers by getting them caught in a pinch point between the rotation device and the bracket. The injured worker was then transported to the local clinic by co-worker for treatment. Safety has followed up with the injured contractor and is monitoring their return-to-work progress. Reminder to continually evaluate potential escape paths when moving materials and equipment to avoid the line of fire incidents.</p>

Contractor Injuries & Incidents

Date	Overview	Description & Response
12/19	Crushed finger	<p style="text-align: center;">Crushed Finger</p> <p>Contractor crushed middle finger between a piece of angle iron that shifted. When the contractor's glove was removed, it was apparent that it was an external wound. They were taken to Quincy ER for evaluation and treatment. After Xrays, the finger has been determined to be broken, a follow up will be scheduled with an orthopedic and the open wound has been glued shut/bandaged. Contractor has been released for work on limited duty. Reminder to take extra time to plan your work and identify all potential hazards. Safety will continue to follow up with the contractor to ensure the expectations are clearly communicated.</p>

Contractor Injuries & Incidents

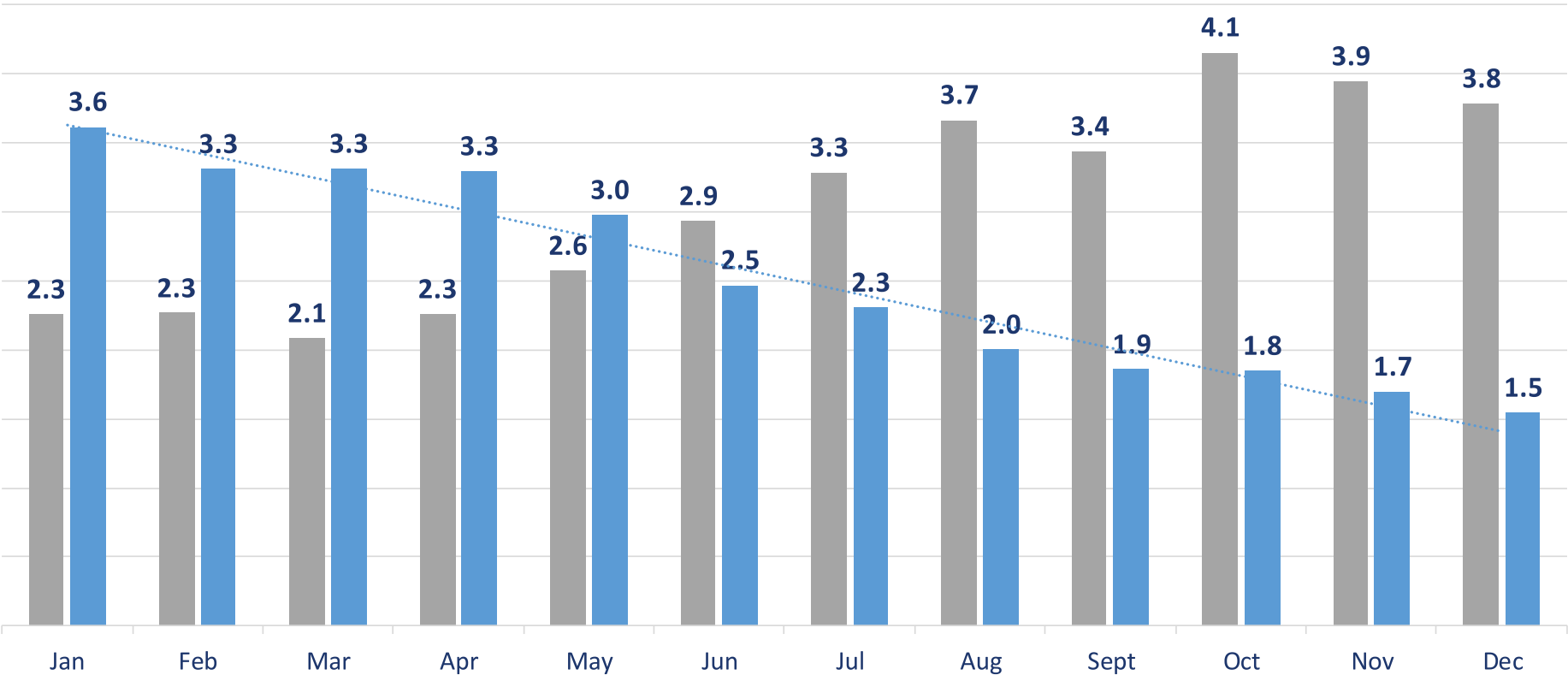
Date	Overview	Description & Response
12/22	Safety Concern	<p style="text-align: center;">Safety Concern</p> <p>Paint contractor was asked to come on-site and lead abate areas on a thrust bracket deck-plate platform. The DR was under the impression contractor would be utilizing a chemical lead abatement process (Pretox) per previous conversations with the contractor to that effect. DR noticed a deviation from the planned chemical removal and immediately stopped work to gain explanation on why the change. The lead abatement contractor indicated that they switched from the planned chemical lead abatement process to a mechanical one using a shrouded needle gun with HEPA filtering to improve efficiency and save time. An additional layer of yellow caution tape was established outside of the contractor's existing caution tape perimeter boundary to discourage foot traffic through the area until this potential close-call could be further evaluated. As best practice, it was recommended the contractor utilize a sealed HEPA vac unit in place of a standard shop vac unit with HEPA filter installed. The contractor agreed to do so and immediately began using a sealed HEPA vac unit. A great example of see something say something and stopping work in the field. Also highlights the benefit of monitoring jobsites that you are responsible for as a District Rep.</p>

Contractor Injuries & Incidents

Date	Overview	Description & Response
12/28	Near Miss	<p style="text-align: center;">Slipped on Icy Conditions</p> <p>While entering EHQ a contract security officer slipped and nearly fell in the crosswalk due to icy conditions, rushing and distractions. Security officer reported the incident to DSOC and ice melt was put down in the crosswalk shortly after the incident. Security officer was advised not to rush and avoid distractions while in icy conditions. Facilities and Safety are aware of this incident and are taking actions to increase monitoring of real time traction in the crosswalk area. A general reminder to be aware of your surroundings and be prepared for icy conditions during the winter months.</p>

Leading & Lagging Indicators

12 Month Rolling – Recordable Injury Rate – 2022 vs 2023



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

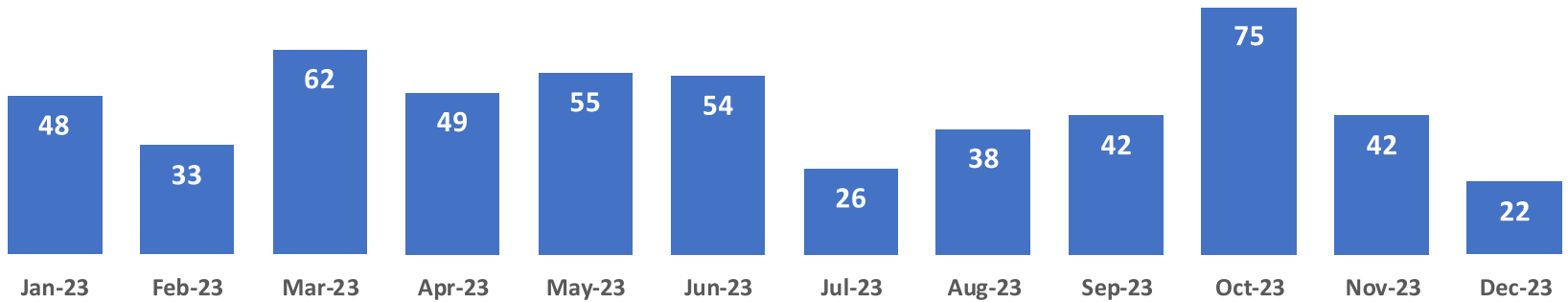
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injuries on our OSHA Logs by
the end of 2023.

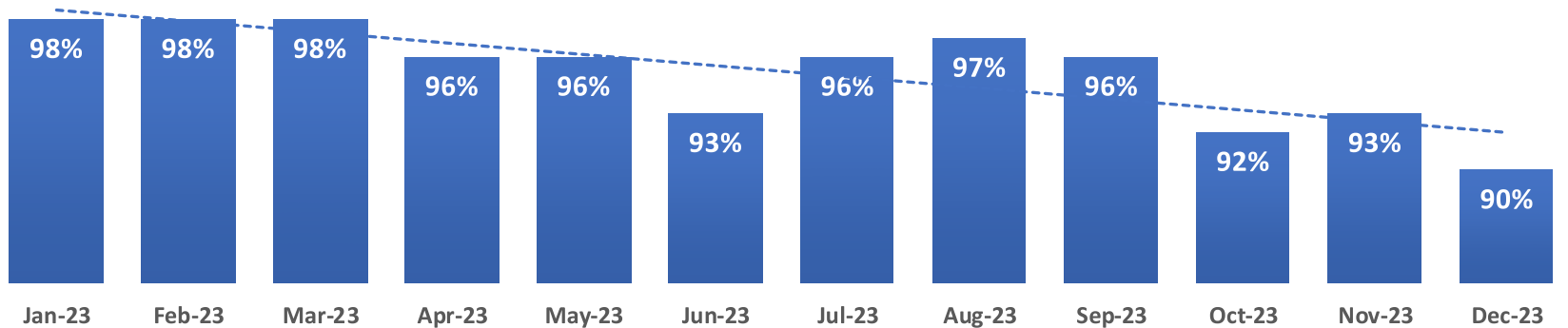
← The “recordable injury rate” is a calculation that describes the number of employees per 100 full-time workers or per 200,000 hours worked that have been involved in an injury or illness that requires medical treatment beyond first-aid.

Leading & Lagging Indicators

Jobsite Reviews Conducted



Safety Meeting Attendance



Open Safety Action Items

Over 60 Days Old

As of November 2023	As of December 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 = 3	Year 2022 = 3
Year 2023 = 5	Year 2023 = 5
Month Total = 20	Month Total = 20

**No change from
November to
December!**

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.

GCPUD District Facilities

Establish a cold weather safety plan outlining precautions to take before, during, and after the onset of freezing temperatures.

- Facilities will put down liquid and granular salt or sand to help before the onset of freezing temperatures on sidewalks and parking lots.
- During freezing temperatures crews are assigned to a facility and are responsible for the removal of snow or ice.
- De-icer and sander trucks are placed in locations to help mitigate the removal of ice and snow.

Designate an employee who will be responsible for monitoring extreme weather conditions.

- Mechanical Foreman and Facilities Supervisor is responsible for monitoring extreme weather conditions and will make calls to Operations to help with observing current conditions.
 - Access live cameras to view current conditions of sidewalks, parking lots and roadways.
 - Crews will start 1-2 hours before their shift and weekends if needed to remove snow or ice from each Facility.



Facilities Cold Weather Plan



Facilities Cold Weather Plan

GCPUD District Facilities

Checklists are developed specifically for each operation, department, and location.

- A review of each location and designated spots to pile snow and make sure the priority locations are taken care of first. (This also depends on location of District and Staff vehicles parked)
 - A meeting has taken place with crew members to establish locations and make them aware of their job responsibilities.

Review contracts for services such as snow removal to optimize risk transfer opportunities.

- The contract is in place for additional service of removing snow if District Facilities crews are not able to remove the amount of snow and ice in a timely matter.

The monitoring of floor mat coverage at entrances and add wet floor signs when necessary.

- Daily inspections of entry ways and signs will be placed to alert employees to a wet floor/slipping conditions due to tracking in snow or ice when entering building.

OUR VISION

EXCELLENCE IN SERVICE AND LEADERSHIP

We continually ask how we can improve safety, service quality, reliability and stewardship of our resources in the most cost-effective manner.

Thank You!



Safety@Grant



Home Safety

Safety Meeting Agenda

Exterior Threats



Interior Threats



What is your why?



External Threats

“The biggest threat against the survival of humanity is not brutality and unkindness, it is stupidity and selfishness.”

— M.F. Moonzajer

Statistics at a glance.....



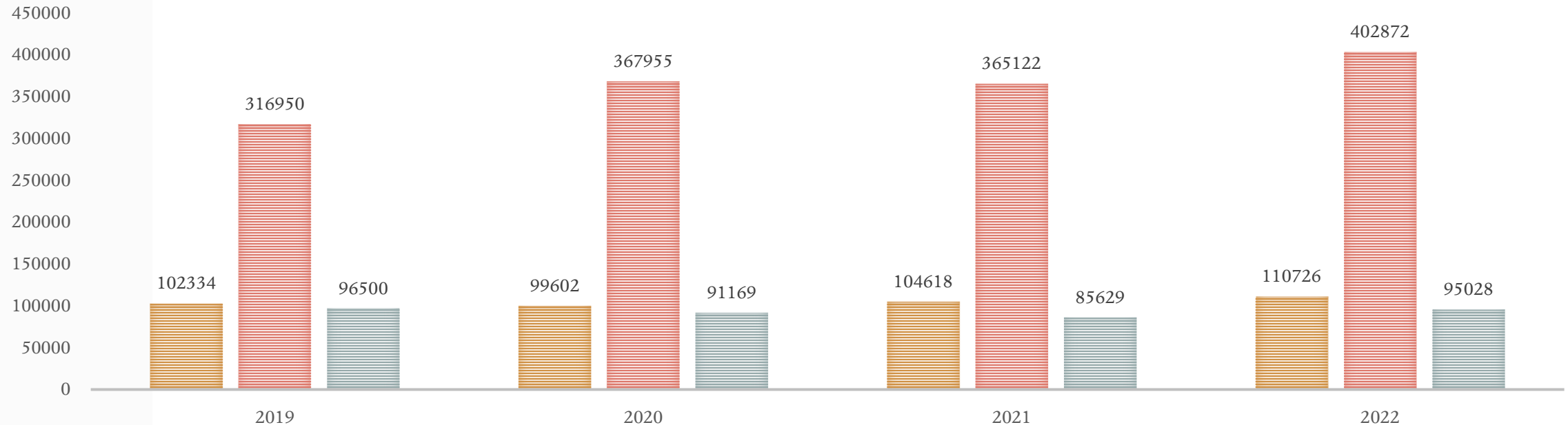
According to the Washington State Uniform Crime Reporting Program, administered by the Washington Association of Sheriffs and Police Chiefs (WASPC), there were 44,669 burglaries reported in 2022. Of those, only 5,566 were cleared.



It isn't just burglaries...

WASHINGTON STATE CRIME STATISTICS

Crimes Against Persons Crimes Against Property Total Cases Cleared



The Washington State Uniform Crime Reporting Program is administered by the Washington Association of Sheriffs and Police Chiefs

There are no secrets to success. It is the result of preparation, hard work, and learning from failure.

-Colin Powell



Remove the opportunity



Eliminate hiding places

Trees and shrubs may give your house curb appeal, but they also give criminals a good place to hide. Prune trees and plants close to your home or choose shorter flowers and bushes instead. If you have trees near windows, either remove them or reinforce those windows with extra security.



Eliminate shadows

By placing lights around your home's perimeter and other outdoor structures, you reduce the shadows bad guys like to hide in. It will also help you see your way around if you need to go out after dark.



Garages matter

While there are good things to steal from garages, many lead to the home's interior. In addition, keep your garage door opener in your house instead of leaving them in the car. And keep the garage door closed. Leaving it open advertises the valuables available inside.



Cameras and Alarms

Alarm and camera systems can be professionally installed or a simple do-it-yourself operation. Either way, evaluate your home and neighborhood before starting this venture. They are inexpensive and can be a good deterrent.

Stopping External Threats



SEE SOMETHING, SAY SOMETHING



LANDSCAPING



LOCK DOORS AND WINDOWS



KNOW YOUR NEIGHBORS



ALARMS AND CAMERAS



HAVE A PLAN SHARE W/FAMILY



SECURE YOUR VALUABLES



PARK IN GARAGE



Internal Threats

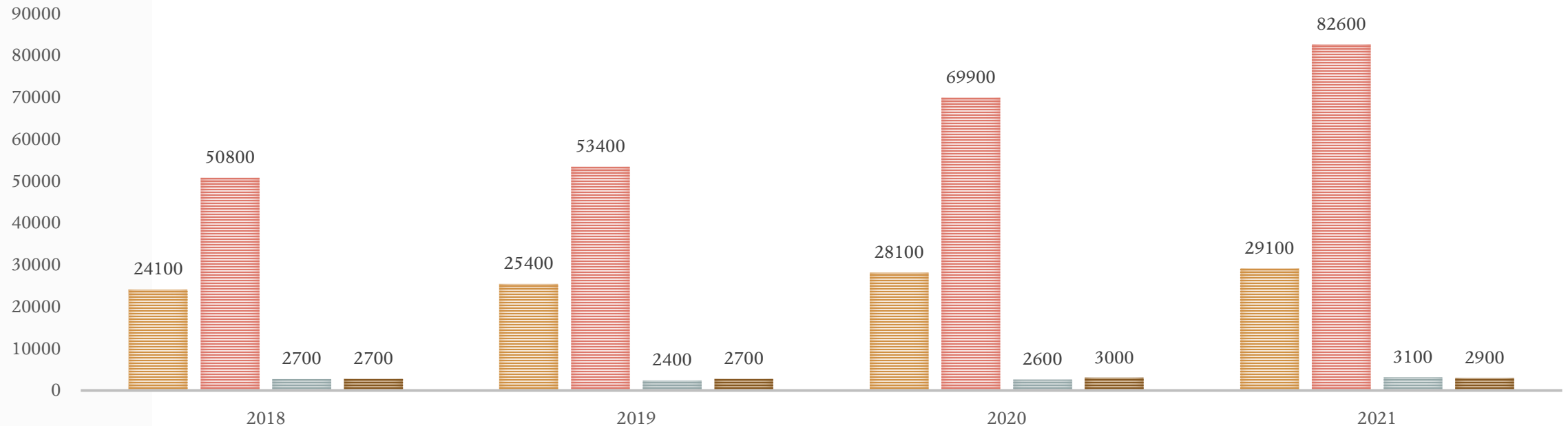
“The ache for home lives in all of us. The safe place where we can go as we are and not be questioned.”

— Maya Angelou, *All God's Children Need Traveling Shoes*

Ladders, toys and.... poison?

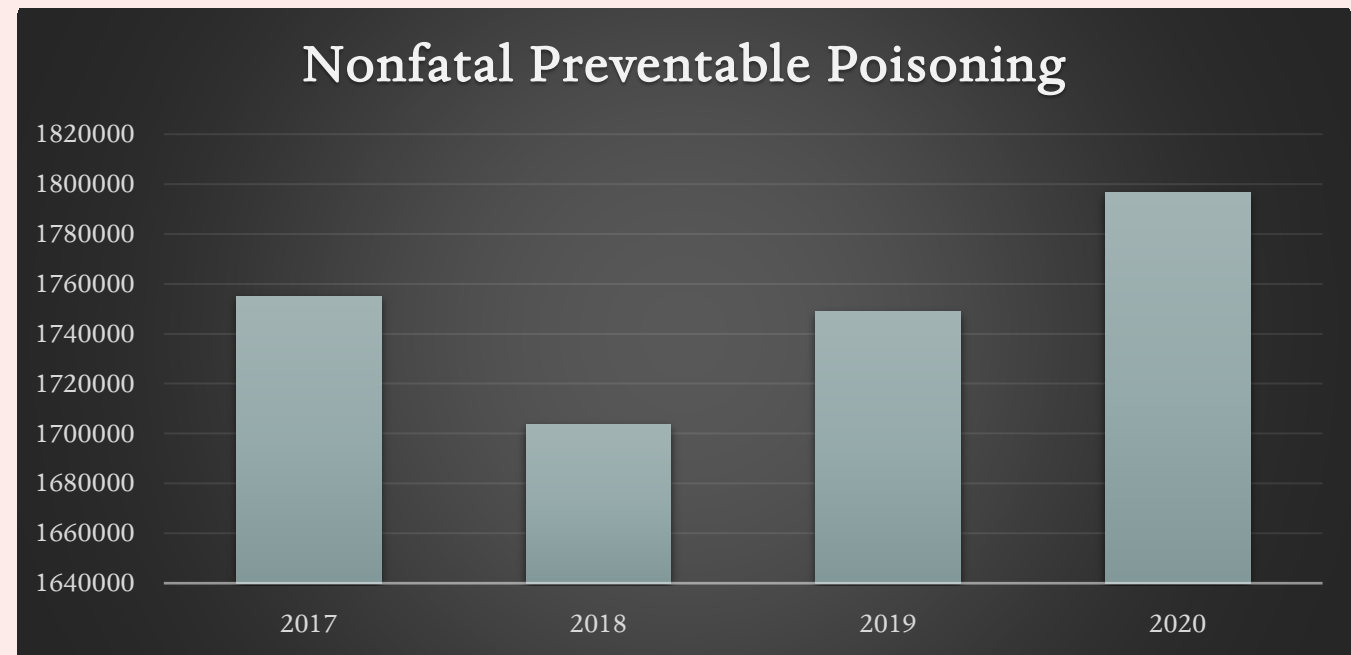
NATIONAL CENTER FOR HEALTH STATISTICS

Falls Poisoning Fires, flames, or smoke Choking



National Safety Council estimates based on data from National Center for Health Statistics

Household Poisons



Centers for Disease Control and Prevention

Remove hazards and be prepared



KEEP STAIRS
CLEAR



USE A NIGHT
LIGHT



EXTENSION
CORDS



FOOD AND
MEDICATION
LABELS



KEEP A
STOCKED FIRST
AID KIT



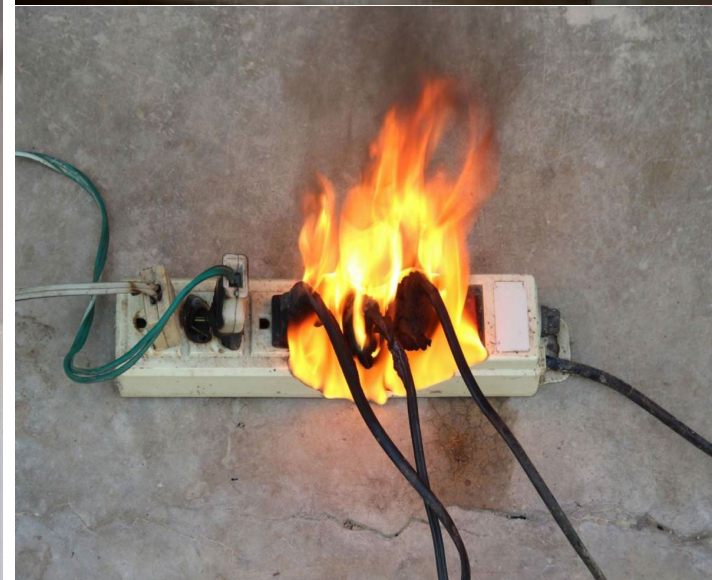
KEEP A
FLASHLIGHT
HANDY



KNOW CPR AND
1ST AID



SMOKE
DETECTOR AND
EXTINGUISHERS



Any Questions?

Don't be these guys!



Thank you and be safe!

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Power Delivery

January, 2024 Business Report

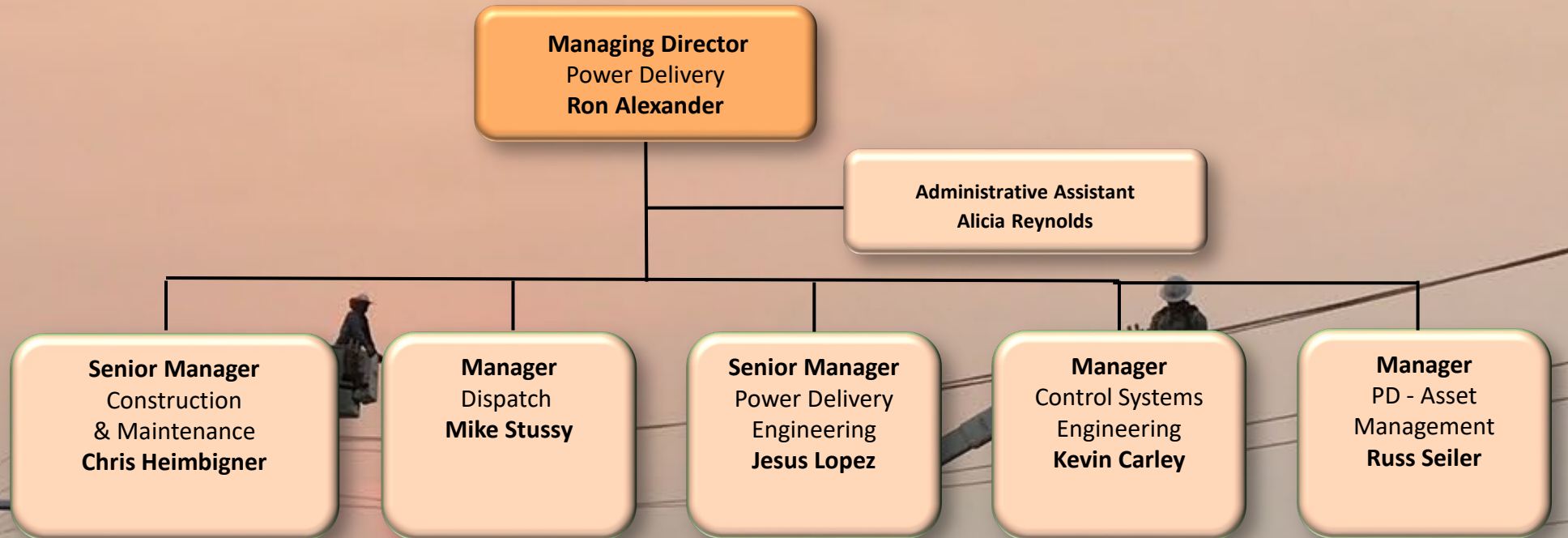
Purpose and Goal

Purpose: Provide our customers a safe and reliable transmission and distribution electric system.

Goal: Achieve our purpose while championing a culture of safety and operational excellence with focus on our values of safety, innovation, service, teamwork, respect, integrity and heritage.



Structure and Personnel



- Line Department –
- Power System Electricians
- Meter/Relay
- Fiber
- Electronics
- Maintenance Engineering

- Dispatch

- Systems Planning & Standards
- Transmission, Substation & Automation
- Customer & Distribution Engineering

- Control Systems

- Asset Management
- GIS Mapping
- Work Management

SAFETY

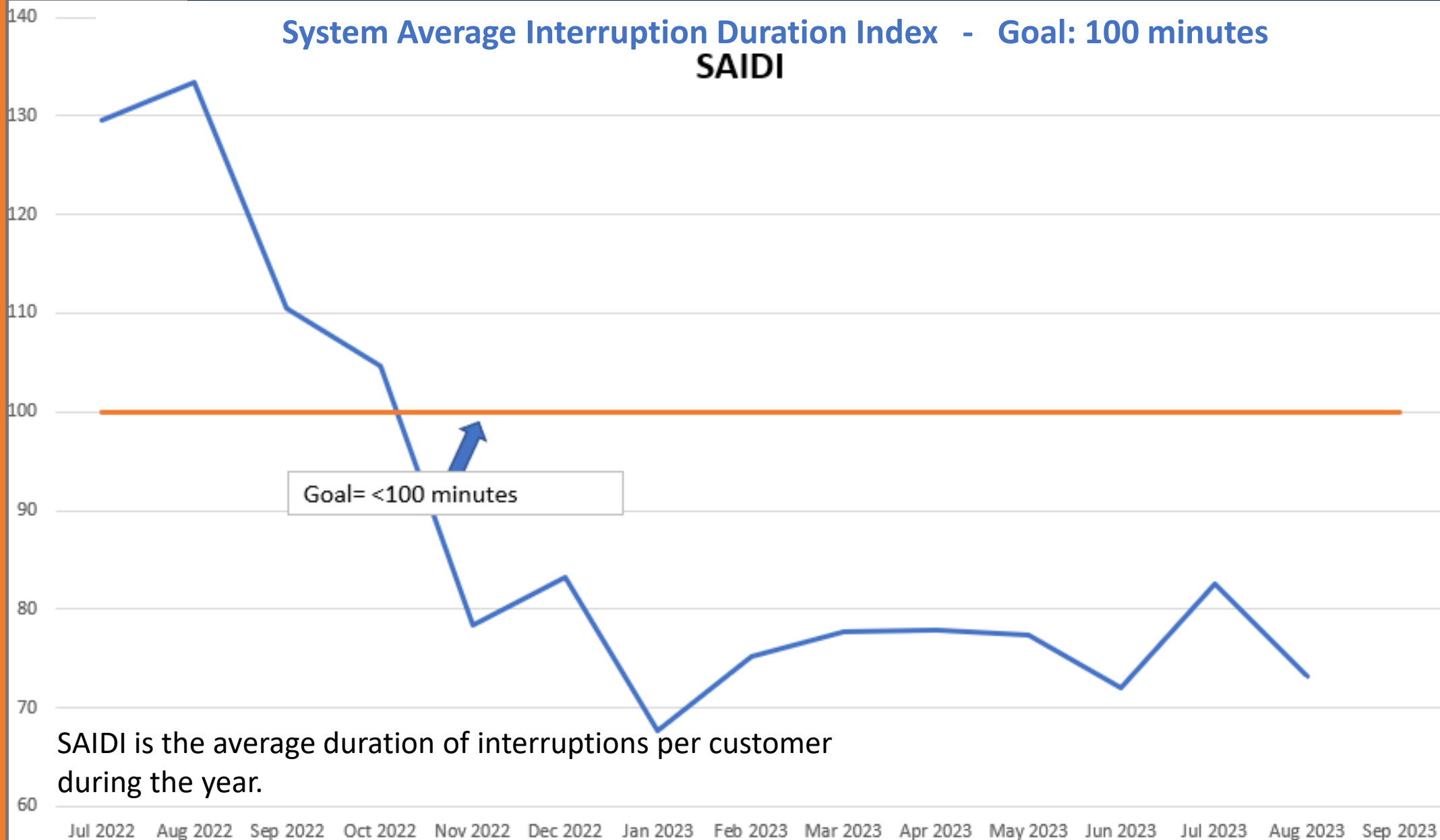
Month	By Cost Center	Safety Mtg. No Attended	Safety Mtg. No Potential	Safety Mtg % Attended	# JSRs	# Close Calls	# Vehicle Incidents	Non-Recordables
Sep	PD	2	2	100%				
Oct	PD	2	2	100%				
Nov	PD	2	2	100%				
Sep	C&M	102	103	100%	1	1	1	
Oct	C&M	100	103	98%	5			
Nov	C&M	101	101	100%	1	1	3	
Sep	PD Dispatch	15	16	100%				
Oct	PD Dispatch	16	16	100%				
Nov	PD Dispatch	15	16	100%				
Sep	PD Engineering	46	48	98%	3			
Oct	PD Engineering	44	47	100%	3			
Nov	PD Engineering	47	48	100%	3			
Q3 TOTALS:				99.6%	18	2	4	0

Note: No December data at time of this submittal.



Operational Performance - SAIDI

System Average Interruption Duration Index - Goal: 100 minutes
SAIDI



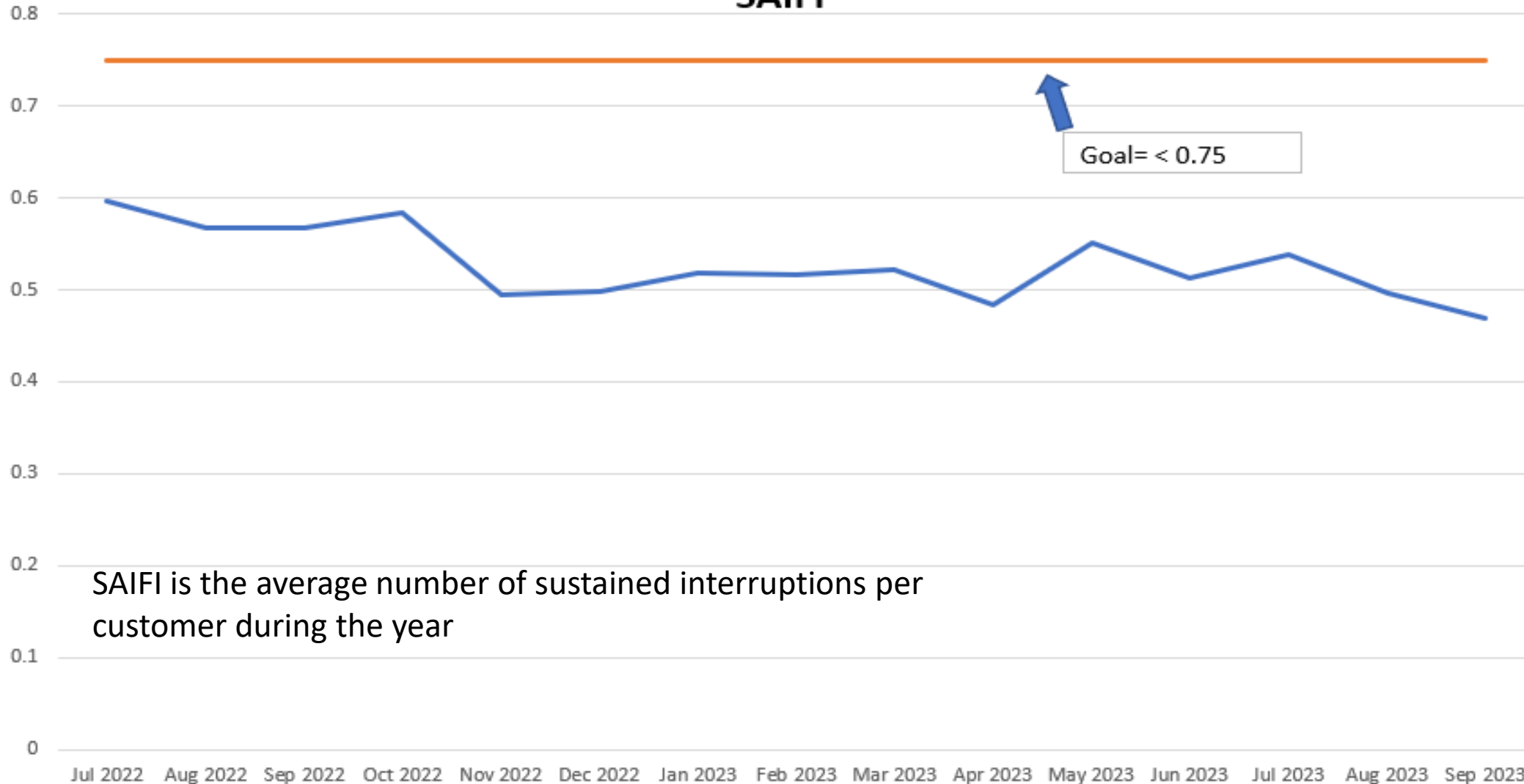
Month	SAIDI	Target
Dec 2021	124.403	100
Jan 2022	122.361	100
Feb 2022	120.573	100
Mar 2022	122.319	100
Apr 2022	132.05	100
May 2022	129.496	100
Jun 2022	133.322	100
Jul 2022	110.56	100
Aug 2022	104.565	100
Sep 2022	78.307	100
Oct 2022	83.247	100
Nov 2022	67.597	100
Dec 2022	75.249	100
Jan 2023	77.667	100
Feb 2023	77.802	100
Mar 2023	77.376	100
Apr 2023	72.022	100
May 2023	82.617	100
Jun 2023	73.226	100
Jul 2023	78.645	100
Aug 2023	73.712	100
Sep 2023	69.935	100

SAIDI is the average duration of interruptions per customer during the year.

Operational Performance - SAIFI

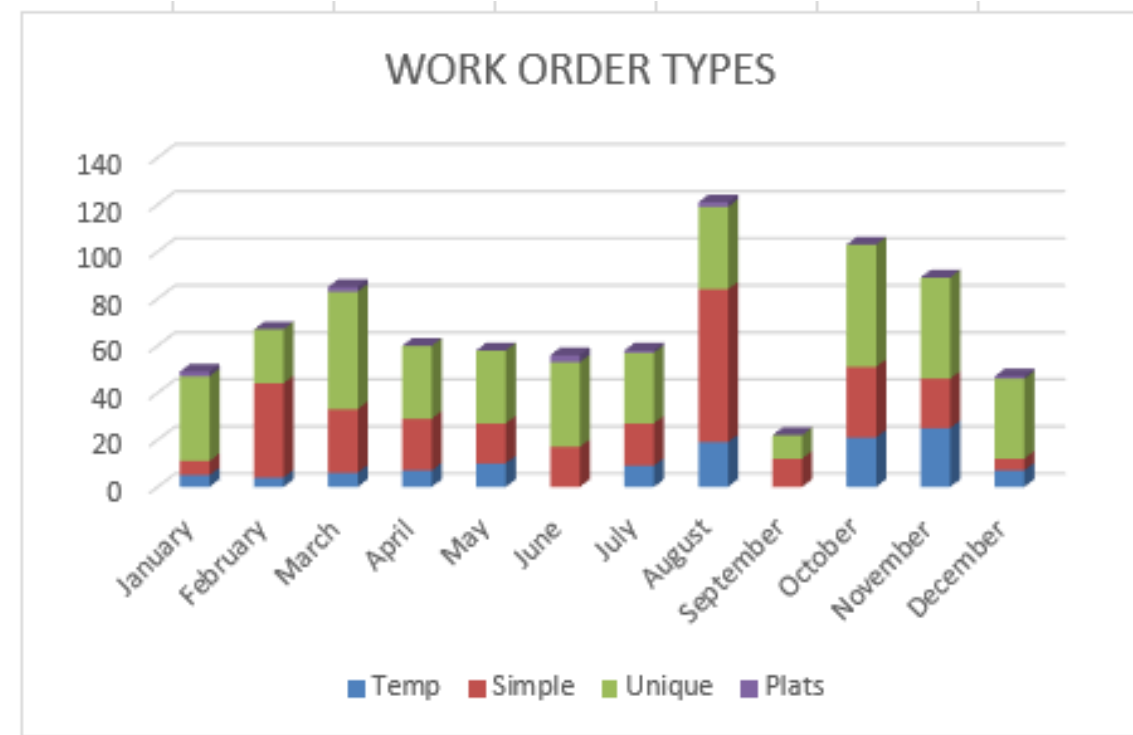
System Average Interruption Frequency Index - Goal: 0.75

SAIFI



Month	SAIFI	Target
Dec 2021	0.75	0.75
Jan 2022	0.727	0.75
Feb 2022	0.708	0.75
Mar 2022	0.714	0.75
Apr 2022	0.77	0.75
May 2022	0.785	0.75
Jun 2022	0.826	0.75
Jul 2022	0.597	0.75
Aug 2022	0.567	0.75
Sep 2022	0.568	0.75
Oct 2022	0.583	0.75
Nov 2022	0.494	0.75
Dec 2022	0.498	0.75
Jan 2023	0.519	0.75
Feb 2023	0.517	0.75
Mar 2023	0.522	0.75
Apr 2023	0.483	0.75
May 2023	0.551	0.75
Jun 2023	0.512	0.75
Jul 2023	0.538	0.75
Aug 2023	0.497	0.75
Sep 2023	0.469	0.75

Operational Performance – Work Orders Rec'd



2023	Temp	Simple	Unique	Plats	Total	Total
January	5	6	36	2	49	
February	4	40	23	0	67	
March	6	27	50	2	85	201
April	7	22	31	0	60	
May	10	17	31	0	58	
June	0	17	36	3	56	174
July	9	18	30	1	58	
August	19	65	35	2	121	
September	0	12	10	0	22	201
October	21	30	52	0	103	
November	25	21	43	0	89	
December	7	5	34	1	47	239
	113	280	411	11		
						Yearly Total: 815



POWER DELIVERY – INVESTING IN OUR PEOPLE!

- PDE and C&M partnership in rebuilding of Soap Lake Substation
- Training curriculum for Meter Relay Technicians to become “Craftsman.” Year 2 developed and being reviewed; Year 3 under development
- Working with OD: Casey Raab toward a common “Year 1” training for all new apprentices with attendance at Big Bend Community College
- Initiating discussions with Chief Customer office regarding new construction intake processes, large industrials and impact to internal capital investments for current infrastructure
- Continue work on Engineering step plans
- Current posting for “Principle” Study Engineer, Transmission Study Engineer and Distribution Study Engineer

Power Quality – Investing in our Core Customers

Now: Power Grid Optimization

- Distribution Line
 - **Completed**
 - R297 rebuild
 - L8 upgrades
 - H8 upgrades
 - Multiple cap bank replace/addition
 - Soap Lake efforts
 - **On going**
 - K5 line rebuild
 - Continued evaluations of individual feeder circuits
 - Creating maintenance plans for new cap banks/controllers
- Electric shop replacing relays and breaker at Wahluke Substation in advance of irrigation season – greater visibility to issues through modern relay applications



Power Delivery Engineering

QTEP

- Wanapum – Mountain View 230 KV transmission line 30% design received and review meeting completed.
- Continuing design of switchyards and Quincy transmission segments

West Canal & Quincy Foothills

- West Canal construction is substantially complete
 - Preparing power transformer for service
 - Testing and commissioning to follow transformer energization
- Quincy Foothills Construction has commenced
 - Substation steel, fencing and curbing are in place.
 - Working through material supply chain issues

Big Bend Switchyard

- Project continues to stay on hold per customer request

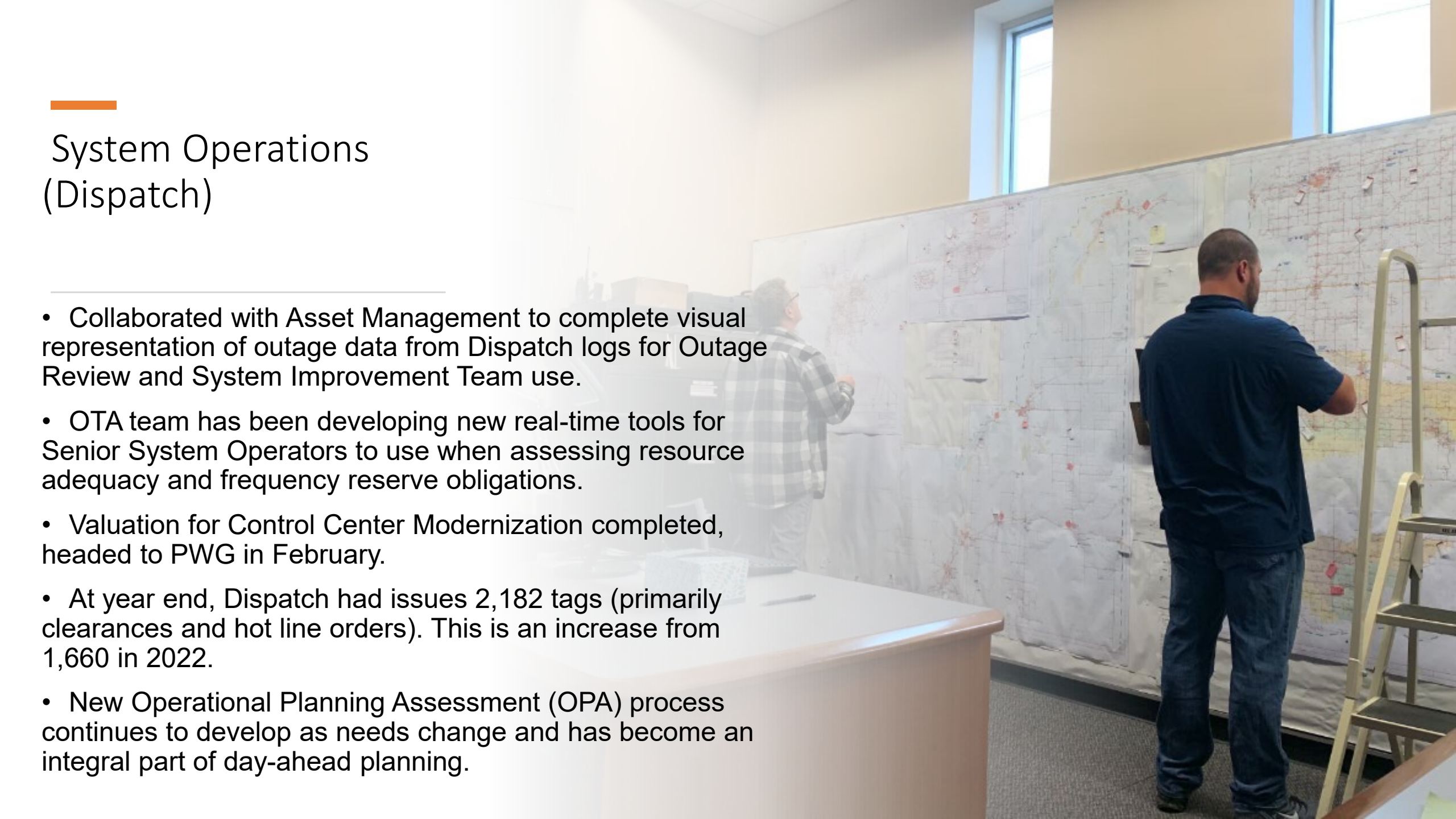
Ruff Substation (ECBID)

- Design resource shifted to Soap Lake delaying Ruff design completion.
- Design completion expected by end of February.

Design Build 2

- Continuing technical support of program





System Operations (Dispatch)

- Collaborated with Asset Management to complete visual representation of outage data from Dispatch logs for Outage Review and System Improvement Team use.
- OTA team has been developing new real-time tools for Senior System Operators to use when assessing resource adequacy and frequency reserve obligations.
- Valuation for Control Center Modernization completed, headed to PWG in February.
- At year end, Dispatch had issues 2,182 tags (primarily clearances and hot line orders). This is an increase from 1,660 in 2022.
- New Operational Planning Assessment (OPA) process continues to develop as needs change and has become an integral part of day-ahead planning.

PD Asset Management (Now reporting to COO)

Personnel

- Re-org on Jan 1. Combine PP Asset Management and PD Asset Management.
- New combined group includes a Strategy and Planning side and a Data and Work Management Side.
- Combined group has broader view of our assets for improved decision making

Clevert Mobile Workforce Management

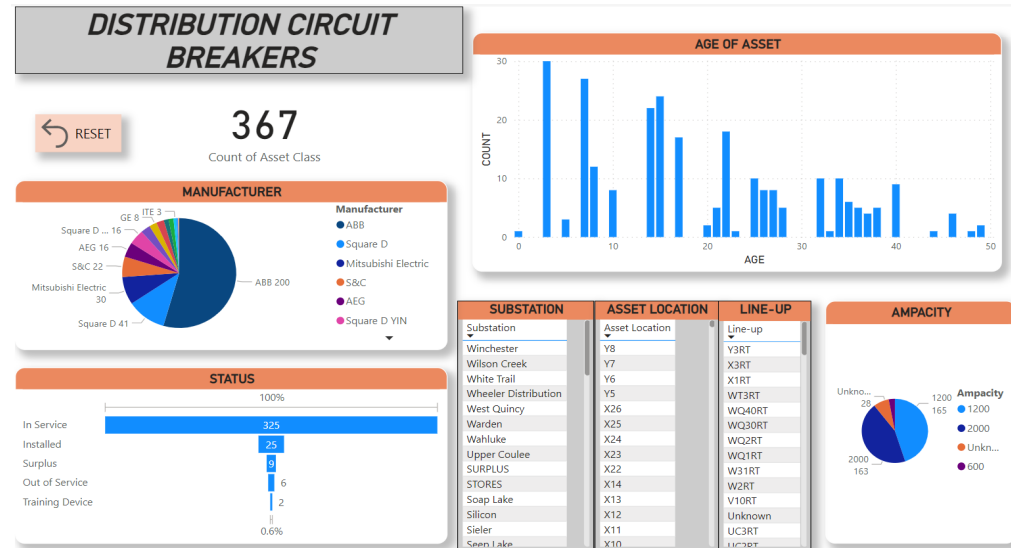
- Project cancelled in Dec 2023 as the decision to go with an ERP software solution negates the need for Clevert.
- Did not want to roll users into Clevert only to make them change again after a short period when ERP is ready.

GIS

Ongoing support for line crews, dispatch and others with mapping updates

Work Management

- Awaiting decision on Maximo for PD given the active ERP conversation.
- Continued work to improve asset data and maintenance data



Control Systems Engineering

- **Energy Management System (EMS) ongoing**
 - Completed Pre-Sat with OSI, Moving into SAT readiness in Q1
 - Continuation of L&G Protocol converter in the lab ASE
 - Starting EMS configuration for Quincy Foothills and West Canal
 - Starting work on Soap Lake configuration in EMS
- **Operational Cyber Security**
 - Completed build out of new EACMS environment. Starting compliance documentation in order to move PACS and EACMS servers over to the new infrastructure
 - Completed Firewall deployments to all substations, project is now in close-out with the PMO
- **Energy Accounting System (EAS)**
 - Expanded on-call rotation to include two additional resources
 - Completed migration of EIA-930 reporting to PCI
 - Completed migrating WIT, Load and Generations numbers so they are sourced from PCI for water accounting



Power Delivery: Construction and Maintenance Update



Powering our way of life.

Meter and Relay Shop

- All Distribution Substations relays tested.
- All Transmission transformers tested.
- Regulator checks complete.
- CT/PT setting checks complete for all Transmission stations.

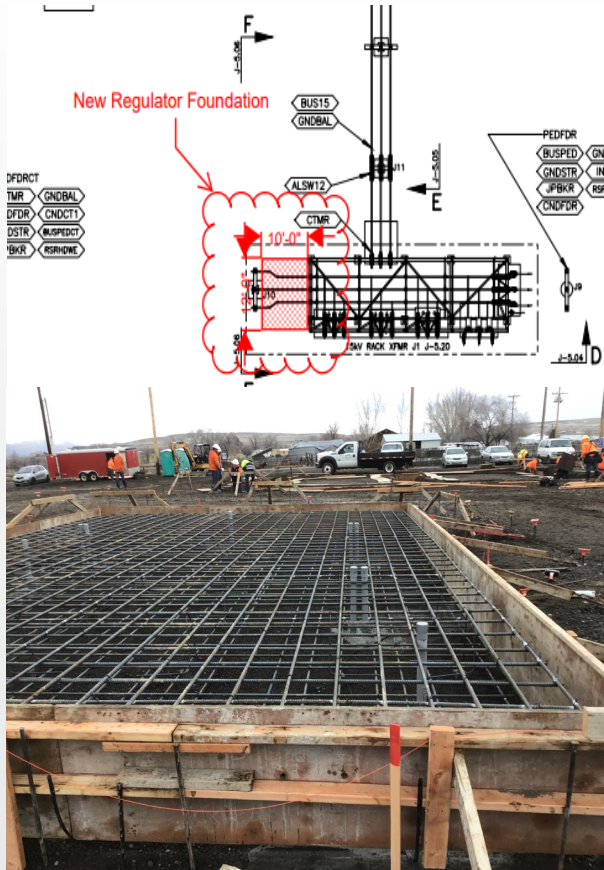


Power System Electricians

- Partnering with Chelan PUD to collaborate ideas in work management systems for Grant PUD Electric shop, and training with apprentices and journeymen.
- Jericho substation upgrade continuing.
- Formed Soap Lake rebuild crew from internal resources to rebuild Soap Lake substation.

For our customers:

- Coordinating Bird Mitigation Improvement outages with Microsoft.
- Starting 2024 planned Maintenance Cycle.
- Developing work management planning that will include preventative and corrective maintenance, emerging work, and small projects to maximize work force efficiencies.



Line Crew

Staffing

- 3 new Groundmen will be starting in February

Equipment

- The new Altec 150ft bucket is in service

Projects

- Grant PUD line crews are working on customer service work orders (3-5 week backlog)
- Distribution Improvement crew has completed L8 improvements
- Transmission crew is working on maintenance
- Palouse Power (4 crews) is the new dock crew for 2024/25. They will begin working on fiber make ready, and the Larson project



PD Maintenance Engineering

- Doble inside view is up and running, training completed. Will be performing a trial of Doble oil testing services.
- Upcoming maintenance outages for 3 transmission stations.
- Upcoming work on two transmission breakers at Sand Dunes.
- Regulator project for Jericho.
- Building new Maintenance standards and documentation for electric shop.




Protection System Maintenance Program

Public Utility District #2 of Grant County

Version 2.3

2/17/2020



Thank You For Your Ongoing Support



Grant County
PUBLIC UTILITY DISTRICT



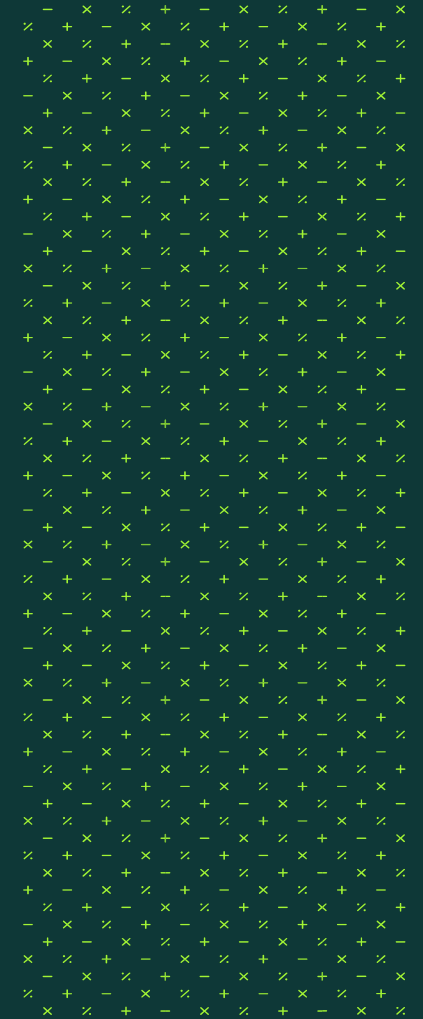
MOSSADAMS

Grant County Public Utility District

2023 AUDIT PLANNING

January 23, 2024

Presentation to Management and
Those Charged with Governance



Scope of Services

- Audit and report on the financial statements for Grant County Public Utility District
- Audit and report on internal control and compliance over financial reporting in accordance with *Government Auditing Standards*
- Issue a management letter of recommendations and observations, as necessary

Annual Audit



- Annual financial statement audit for the year ended December 31, 2023
- Report on internal control in accordance with *Government Auditing Standards*

Limited Procedures



- Management discussion and analysis
- Schedule of the District's proportionate share of the net pension liability
- Schedule of the District's pension contributions
- Schedule of changes in the total OPEB liability and related ratios



Auditor's Responsibilities in a Financial Statement Audit

- Auditor is responsible for:
 - Forming and expressing an opinion on whether the financial statements are prepared, in all material respects, in conformity with applicable financial reporting framework
 - Communicating significant matters, as defined by professional standards, arising during the audit that are relevant to you
 - When applicable, communicating particular matters required by law or regulation, by agreement with you, or by other requirements applicable to the engagement
- The audit of the financial statements does not relieve management or you of your responsibilities.
- The auditor is not responsible for designing procedures for the purpose of identifying other matters to communicate to you.



Management's Responsibilities in a Financial Statement Audit

- Prepare the financial statements
- Provide requested schedules to auditors
- Internal control structure
- Make staff available to auditors
- Representation letter



Our Relationship with the Board of Commissioners

- The Commission serves as ‘Those Charged with Governance’
- Our primary responsibility is to report to the Commission
- We will:
 - Ask you to approve our audit plan
 - Communicate any material weaknesses in internal control or material irregularities as soon as they arise
 - Report on status throughout the audit
 - Provide an exit conference summarizing results of the audit
 - Be available to the Commission members at any time






Audit Areas of Focus

- Implementation of the new Subscription-based Information Technology Arrangements standard (GASB 96); accounting for 'right to use' assets and corresponding subscription liability
- Washington's Climate Commitment Act (CCA) Allowance Accounting
- Capital assets and construction in process
- Bonds payable and related accounts
- Power sales transactions – wholesale and sales to other utilities
- Retail energy sales
- Internal controls related to financial systems and financial statements
- General computer controls
- Note disclosures



Consideration of Fraud in a Financial Statement Audit

Auditor's responsibility: Obtain reasonable assurance that the financial statements as a whole are free from material misstatement – whether caused by fraud or error

	Procedures to address the risk of fraud	Engagement team discussion
	Identify the risks of material misstatement due to fraud	Perform procedures to address identified risks
	Unavoidable risk exists that some material misstatements may not be detected	Inherent limitation of an audit



What is Materiality?

It's the amount of a misstatement that could influence the economic decisions of users, taken on the basis of the financial statements.



It's calculated using certain **quantitative** (total assets or total revenues) and **qualitative** factors (covenants, expectations of ratepayers and stakeholders, and industry factors)

It identifies:

- 1 Significant risk areas
- 2 Nature, timing, extent, and scope of test work
- 3 Findings or misstatements



Audit Timeline

2023



**August
(ongoing)**

Risk
Assessment
and Audit
Planning



August

Testing of
information
technology
general
computer
controls



**November/
December**

Interim
fieldwork
including
system
walkthroughs
and tests of
internal
controls

2024



January

Commission
Entrance
Meeting



**February/
March**

Final fieldwork
procedures
including
substantive
procedures,
analytical
review, and
test of details



April

Issue Audit
Report on
Financial
Statements
and Reports to
Management
and Those
Charged with
Governance



April

Commission Exit
Presentation




Accounting Developments 2023

GASB 94 - *Public-Private and Public-Public Partnerships and Availability Payment Arrangements (effective 2023):* Improves financial reporting by addressing issues related to public-private and public-public partnership arrangements. This Statement also provides guidance for accounting and financial reporting for availability payment arrangements. Management is assessing the potential impact of this standard. We are working with management to assist in implementation of this standard in 2023.

GASB 96 - *Subscription-Based Information Technology Arrangements (effective 2023):* Provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. The standard establishes that a SBITA results in 'right to use' asset and requires note disclosures. We are working with management to assist in implementation of this standard in 2023.



Your Moss Adams Audit Service Team Leaders

Team Members	Responsibilities
<p>Keith Simovic, Partner keith.simovic@mossadams.com 503. 478-2284</p> 	<p>Engagement Reviewer – Keith will serve as your lead client service partner, overseeing all projects we perform for the District. Keith specializes in serving municipal electric utilities.</p>
<p>Kim Koch, Partner kim.koch@mossadams.com 509. 777-0107</p> 	<p>IT Partner – Kim will lead our procedures over the IT general computer controls.</p>
<p>Olga Darlington, Partner olga.darlington@mossadams.com 425. 551-5712</p> 	<p>Concurring Reviewer – Olga will serve as a second partner reviewer, approving our audit plan and serving as a resource to the audit team. Olga is a National Practice Leader for Power & Utilities and specializes in serving municipal electric utilities.</p>
<p>Laurie Tish, Partner laurie.tish@mossadams.com 206. 302-6466</p> 	<p>Laurie will serve a support role. Laurie is the Firm’s National Practice Leader for Government Services and has over 30 years of experience serving municipal electric utilities.</p>
<p>Daniel Roberts, Senior Manager daniel.roberts@mossadams.com 425. 551-5729</p> 	<p>Dan will supervise our staff and be our primary point of contact during audit fieldwork. Dan specializes in serving municipal electric utilities</p>



Questions?





**THANK
YOU**



2023 Q4 and YTD RETAIL LOAD VARIANCE REPORT

Contributor:

Amanpreet Singh, Treasury

Shaun Harrington, BIMA

January 23rd, 2024



Powering our way of life.

Q4 Summary – Budget Forecast vs. Actual

Load	Budget Forecast Load (aMW)	718
	Actual Load (aMW)	669
	Load Variance (aMW)	(49)
	Load Variance %	-6.8%

- Q4 Loads were **49 aMW**, or **6.8%, below** budgeted levels.
- Q3 Loads were **33 aMW**, or **4.2%, below** budgeted levels.

YTD Summary – Budget Forecast vs. Actual

Load	Budget Forecast Load (aMW)	718
	Actual Load (aMW)	678
	Load Variance (aMW)	(40)
	Load Variance %	-5.5%

- Q4 YTD Loads were **40 aMW**, or **5.5%**, **below** budgeted levels.
- Q3 YTD Loads were **34 aMW**, or **4.8%**, **below** budgeted levels.

Rate Schedule Load Variances

Q4 Budget Forecast and Actuals Variance by Rate Schedule

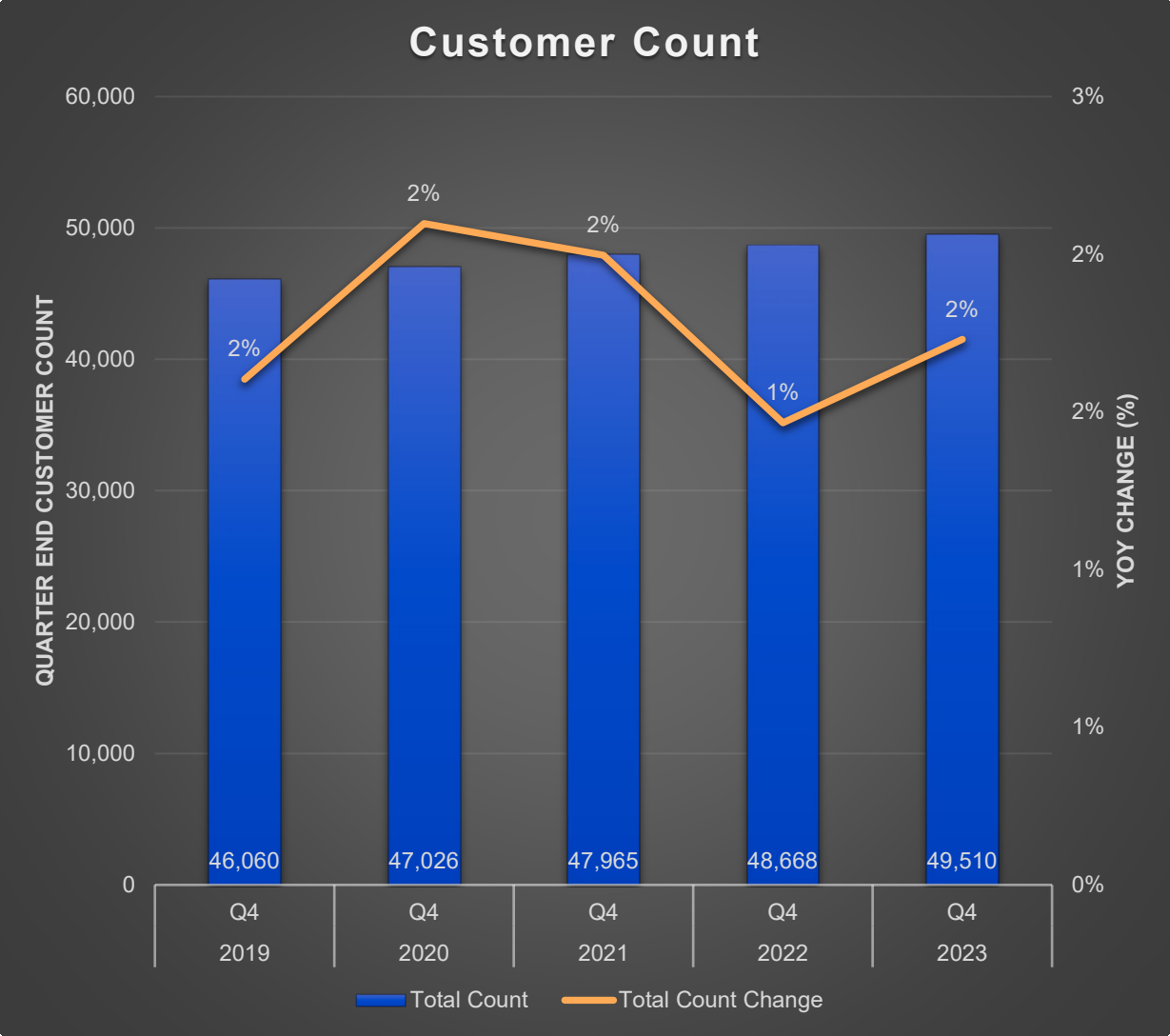
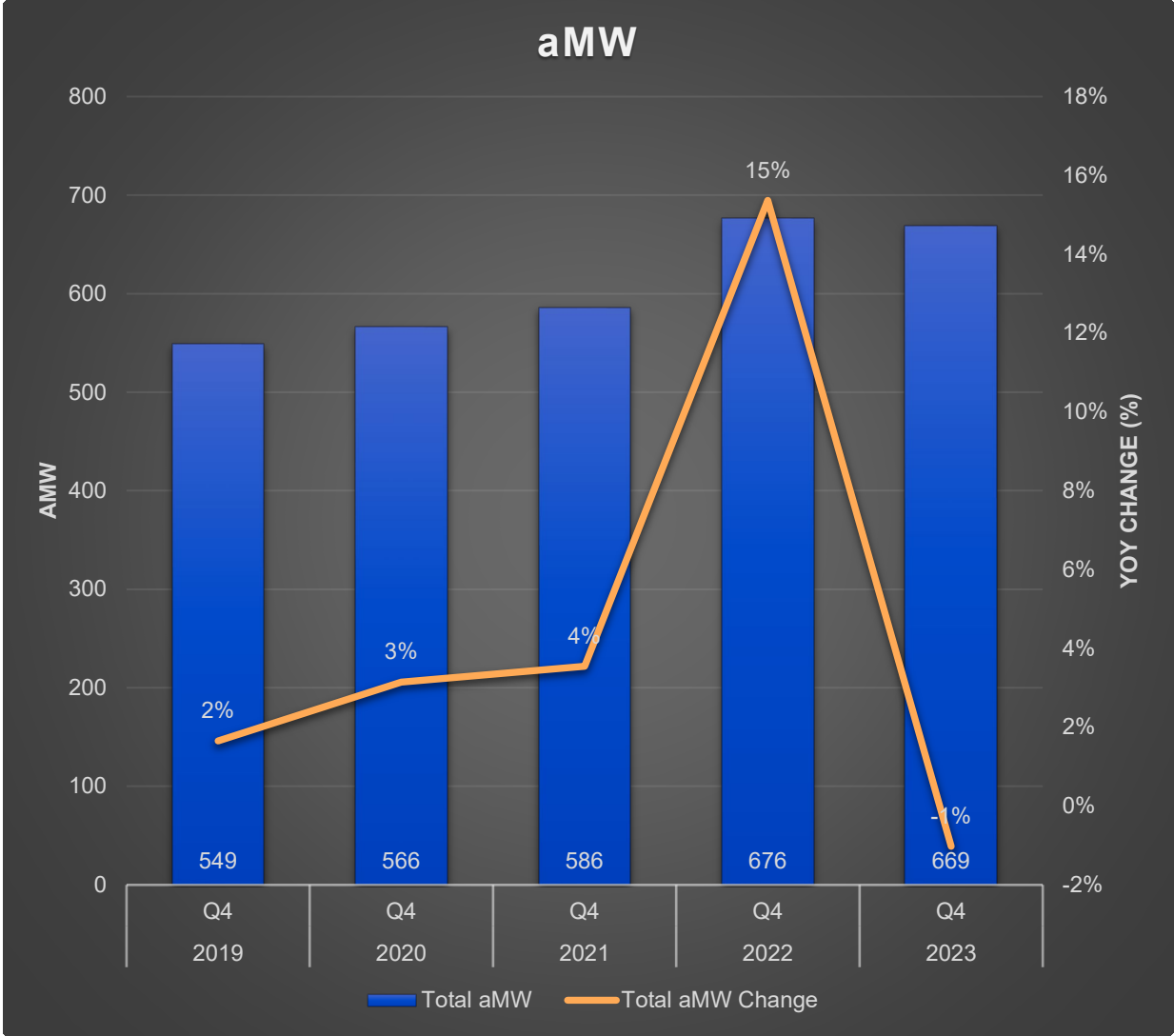
	2023 Q4 Budget Forecast and Actual Loads (aMW)				Percent of Total Retail Load	\$ per kWh
	Forecast	Actual	Difference	Variance %		
Residential (1)	99	96	(3)	-3.0%	14.4%	\$0.0585
Commercial (2)	64	64	0	0.3%	9.6%	\$0.0495
Irrigation (3)	48	42	(6)	-12.6%	6.2%	\$0.0611
Streetlights (6)	1	1	0	0.1%	0.1%	\$0.2348
Large General (7)	74	47	(27)	-36.9%	7.0%	\$0.0356
Industrial (14)	36	36	1	1.5%	5.4%	\$0.0317
Industrial (15)	313	276	(37)	-11.9%	41.2%	\$0.0382
Ag Food (16)	41	37	(5)	-11.3%	5.5%	\$0.0331
Evolving Industry (17)	-	38	38	N/A	5.7%	\$0.0480
Fast Charging EV (19)	-	0.1	0.1	N/A	0.0%	\$0.1662
Ag Food-Boiler (85)	-	-	-	N/A	0.0%	N/A
New Large Load (94)	42	33	(10)	-23.1%	4.9%	\$0.0746
Totals	718	669	(49)	-6.8%	100%	\$0.0454

Rate Schedule Load Variances

YTD Budget Forecast and Actuals Variance by Rate Schedule

	2023 YTD Budget Forecast and Actual Loads (aMW)				Percent of Total Retail Load	\$ per kWh
	Forecast	Actual	Difference	Variance %		
Residential (1)	98	102	4	4.5%	15.1%	\$0.0572
Commercial (2)	61	61	(0)	-0.2%	9.0%	\$0.0493
Irrigation (3)	69	66	(3)	-3.8%	9.8%	\$0.0477
Streetlights (6)	1	1	(0)	-0.4%	0.1%	\$0.2351
Large General (7)	74	49	(25)	-34.0%	7.2%	\$0.0336
Industrial (14)	33	29	(4)	-11.5%	4.3%	\$0.0318
Industrial (15)	307	271	(36)	-11.6%	40.0%	\$0.0386
Ag Food (16)	40	34	(6)	-14.1%	5.0%	\$0.0333
Evolving Industry (17)	-	29	29	N/A	4.3%	\$0.0483
Fast Charging EV (19)	-	0.1	0.1	N/A	0.0%	\$0.1591
Ag Food-Boiler (85)	-	-	-	N/A	0.0%	N/A
New Large Load (94)	36	36	(0)	-0.6%	5.3%	\$0.0822
Totals	718	678	(40)	-5.5%	100%	\$0.0452

Rate Schedule Q4 Load and Customer Count History



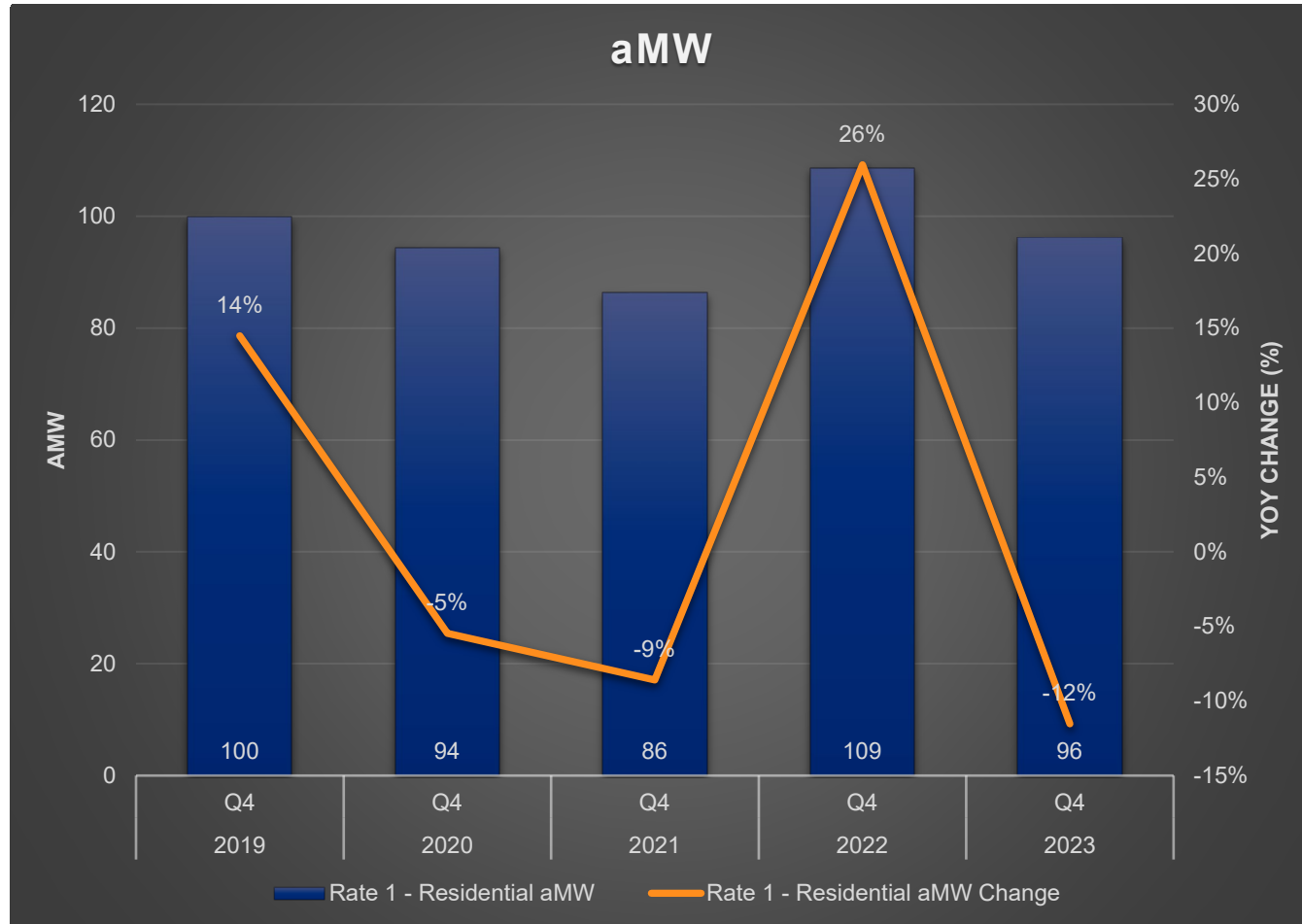
Q4 Rate Schedule 1 Residential Differences

Q4 Residential (RS 1) actual loads were **96 aMW, 3.0% lower** than budget forecast

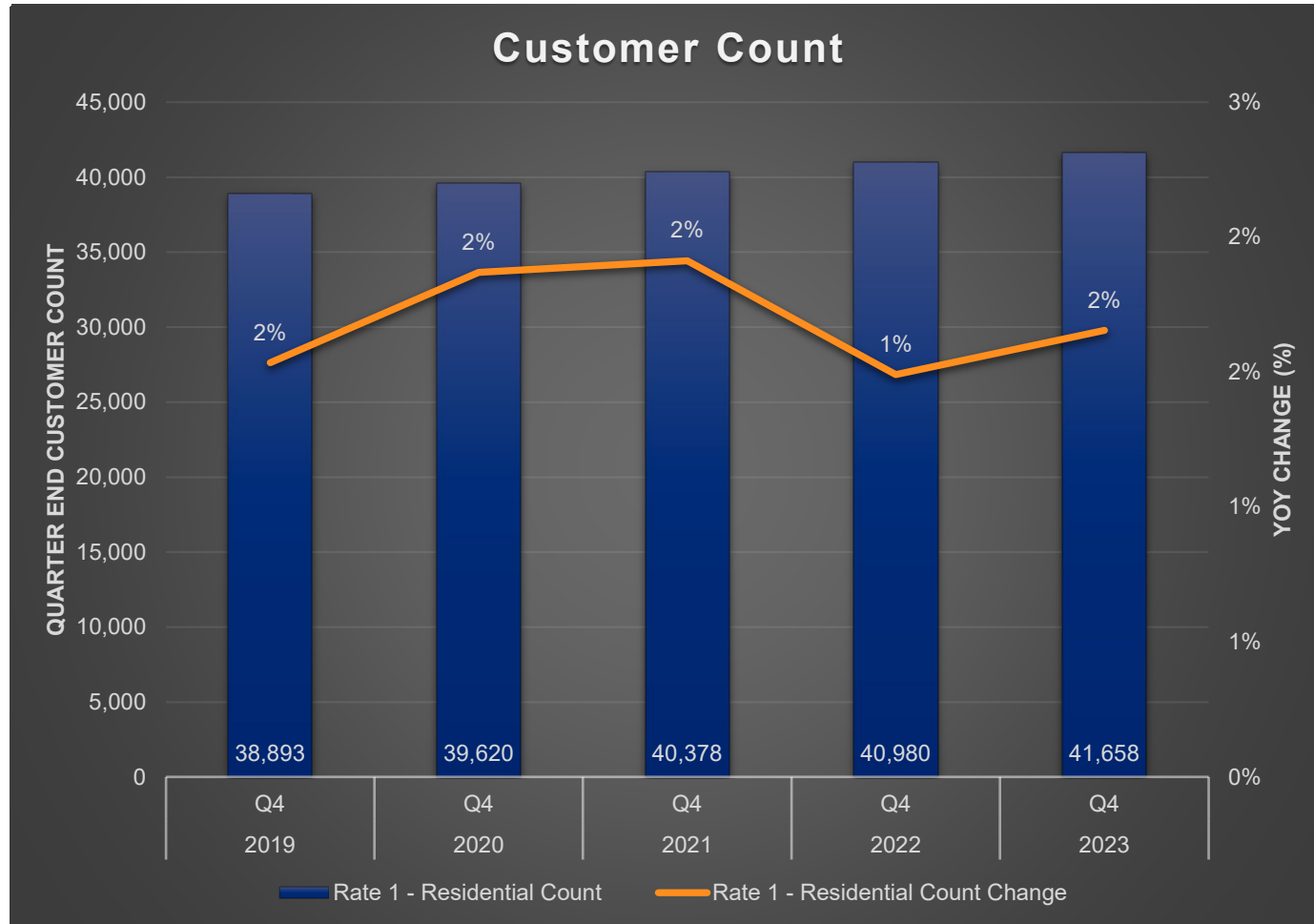
- Loads came close to the forecast
- YTD actuals loads were **102 aMW, 4.5% higher** than budget forecast



Q4 Rate Schedule 1 Residential History



Q4 Rate Schedule 1 Residential History



Q4 Rate Schedule 2 General Service Differences

Q4 General Service / Commercial (RS 2) actual loads were **64 aMW, 0.3% lower** than budget forecast

- YTD actual loads were **61 aMW, 0.2% lower** than the budget forecast
- The November 2023 unemployment rate for Grant County was **5.4%, lower** than in November 2022, which was **6.6%**
 - In August 2023, unemployment was **4.1%**

**Note: the unemployment figures are subject to revision on the website



Q4 Rate Schedule 2 General Service History



Q4 Rate Schedule 2 General Service History



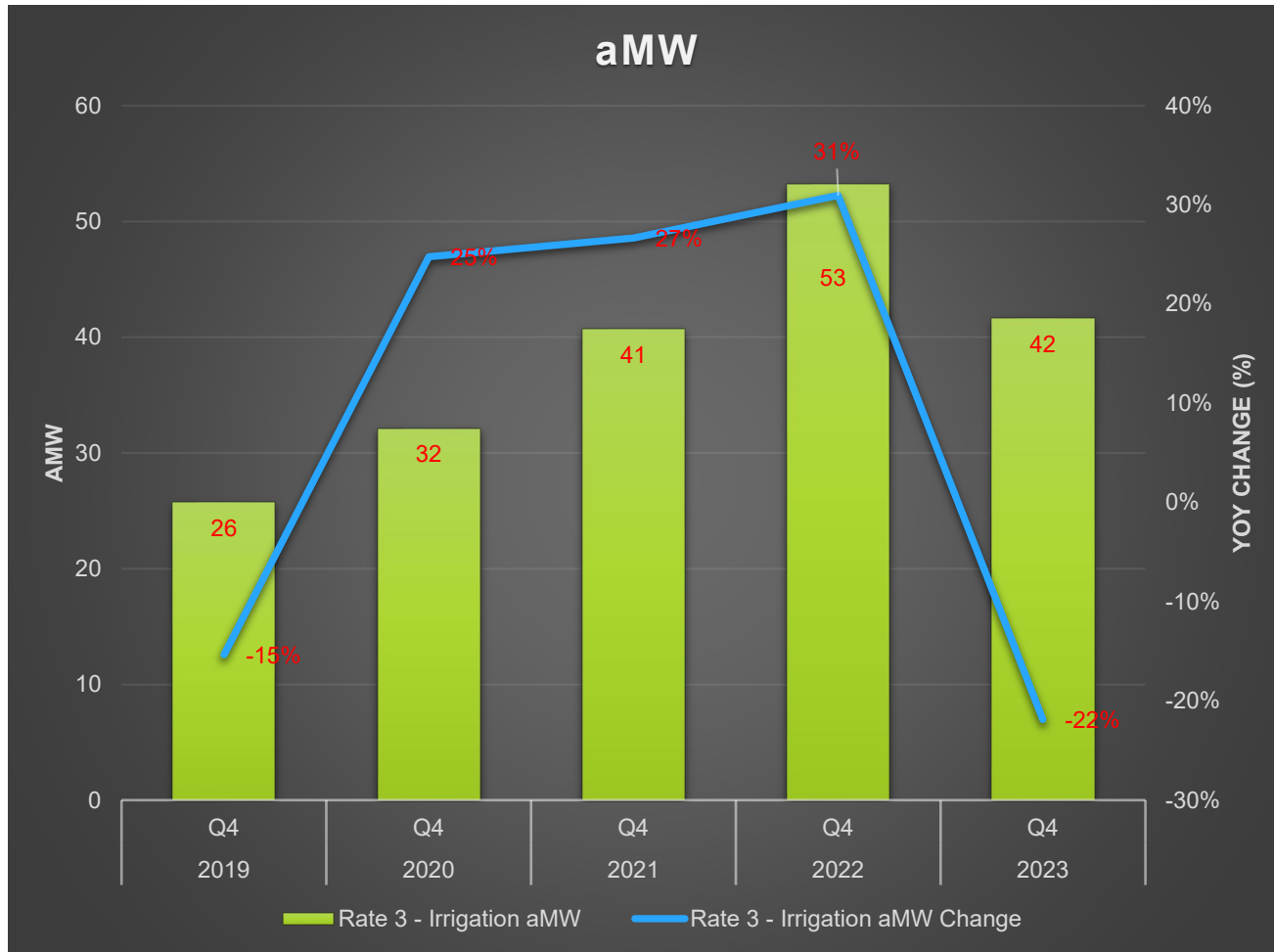
Q4 Rate Schedule 3 Irrigation Differences

Q4 Irrigation (RS 3) actual loads were **42 aMW, 12.6% lower** than budget forecast.

- 2021 Load Profile was used to shape the Irrigation loads in the forecast
- The difference between billing data and the load profile is causing the variance
- The YTD load for Irrigation is **3.8% lower** than budget forecast



Q4 Rate Schedule 3 Irrigation History



Q4 Rate Schedule 7 Large General Service Differences

Q4 Large General (RS 7) actual loads were **47 aMW, 36.9% lower** than budget forecast.

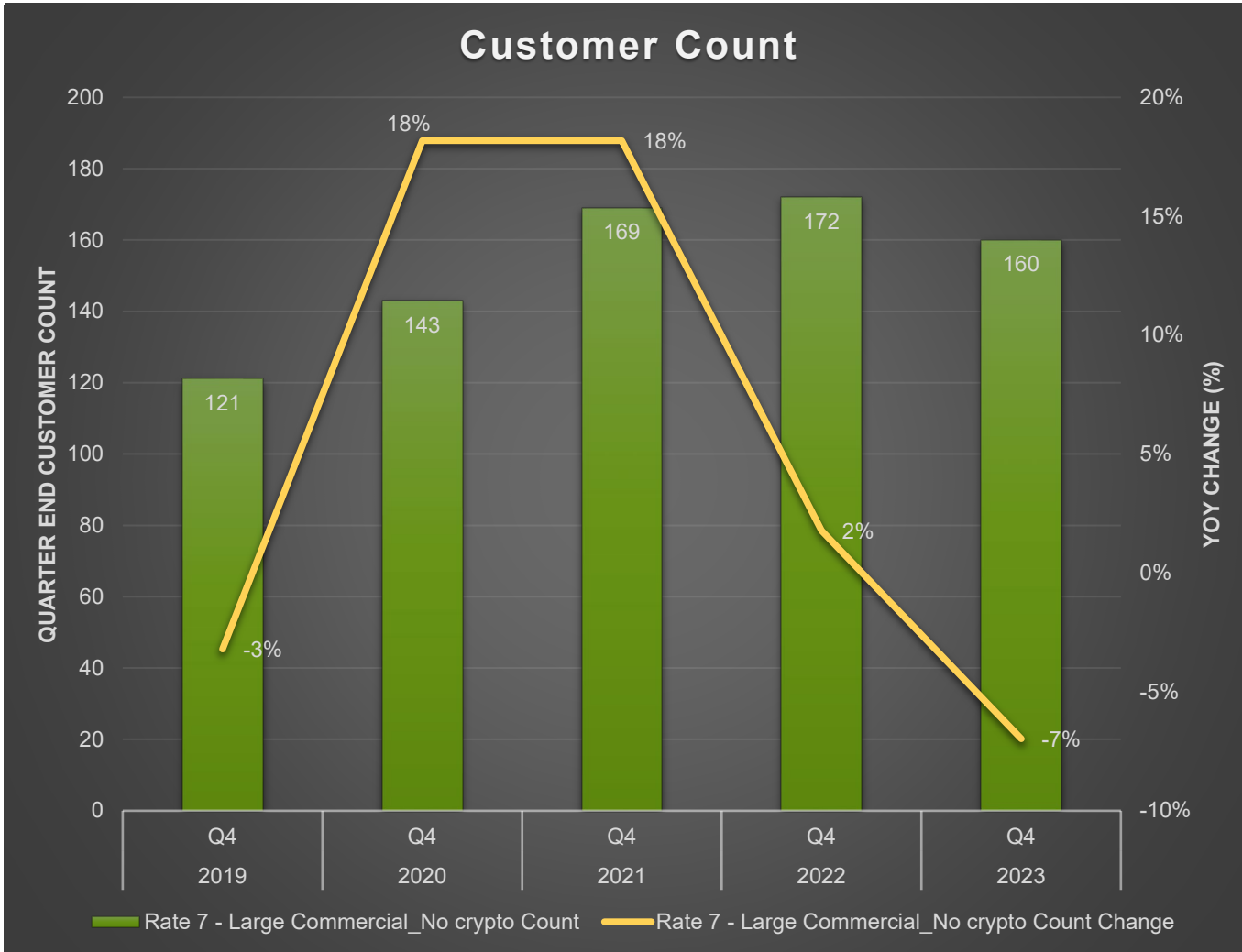
- Large commercial decrease is largely attributable to cryptocurrency mining being moved to Rate Schedule 17 starting February 1st, 2023.



Q4 Rate Schedule 7 Large General Service History



Q4 Rate Schedule 7 Large General Service History



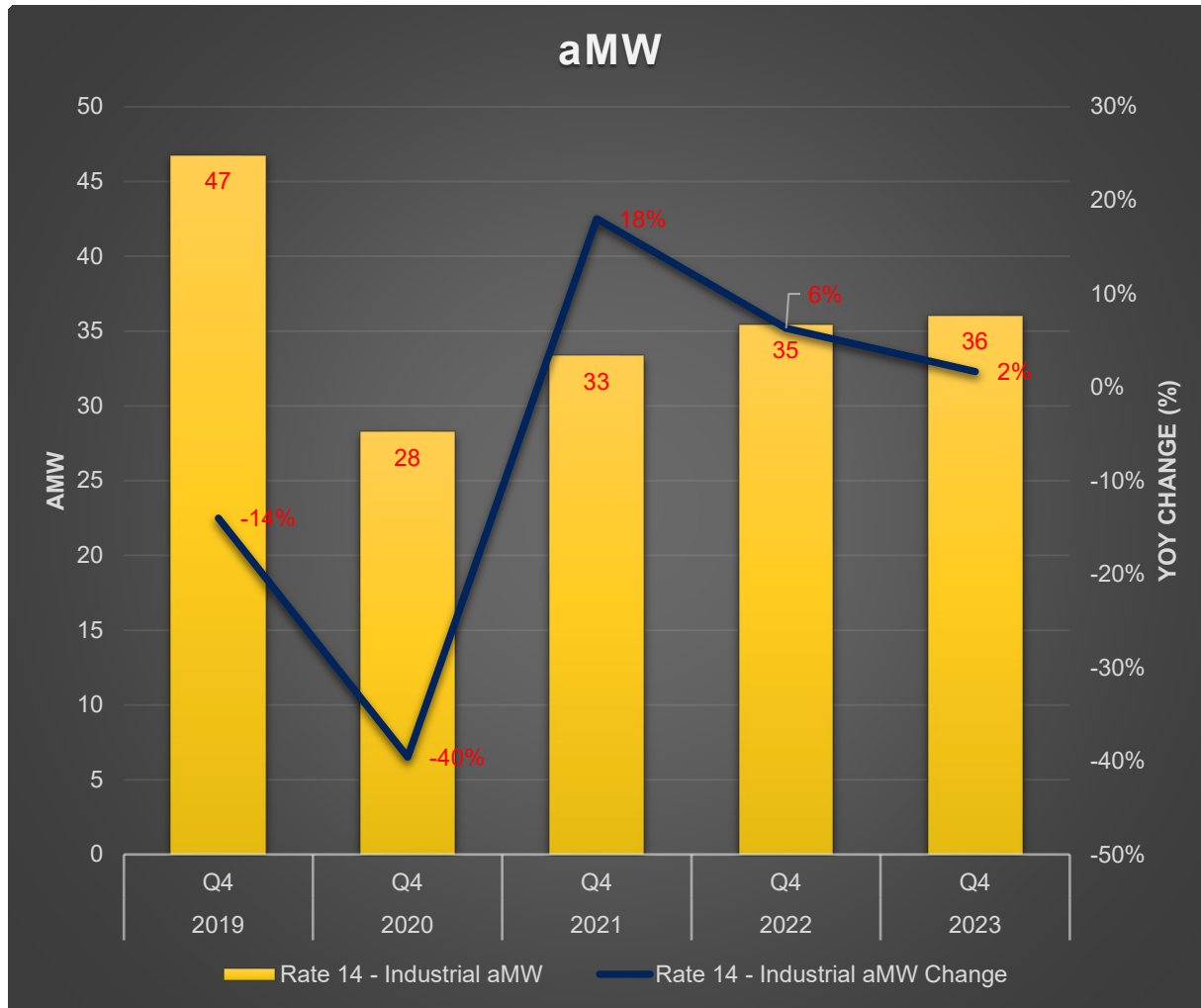
Q4 Rate Schedule 14 Industrial Differences

Q4 Industrial (RS 14) actual loads were **36 aMW, 1.5% above** budget forecast.

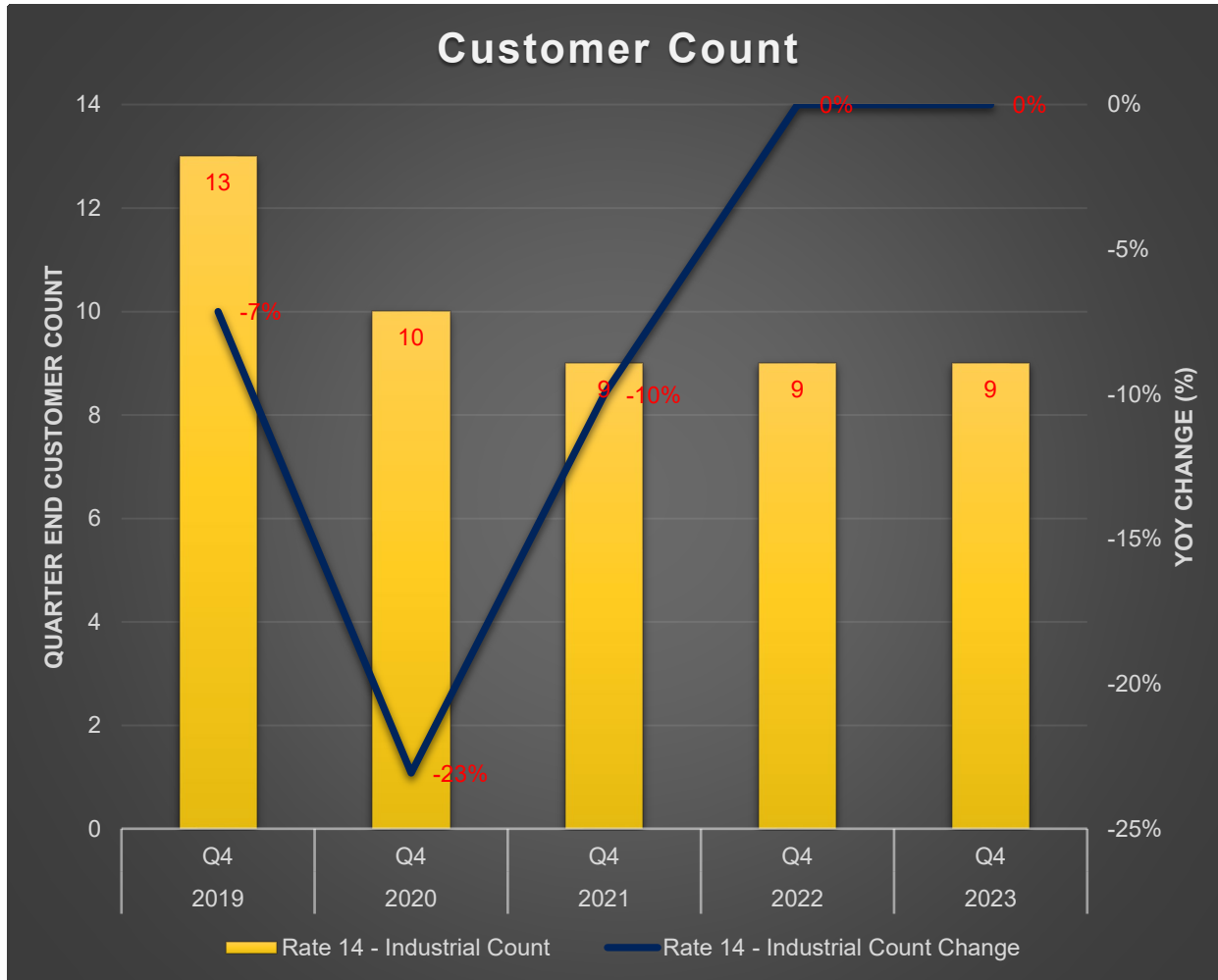
- Loads came in around budgeted level



Q4 Rate Schedule 14 Industrial History



Q4 Rate Schedule 14 Industrial History



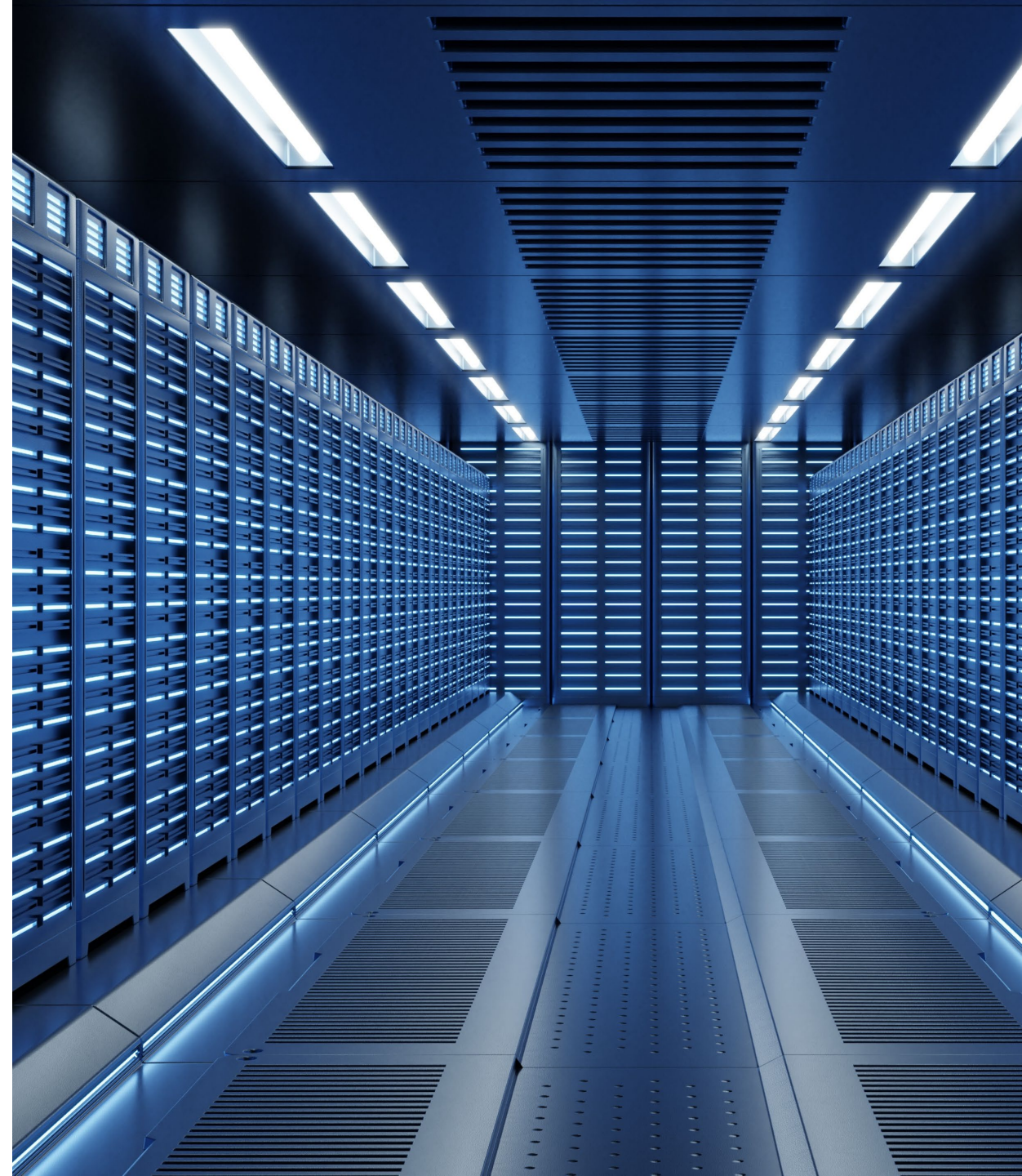
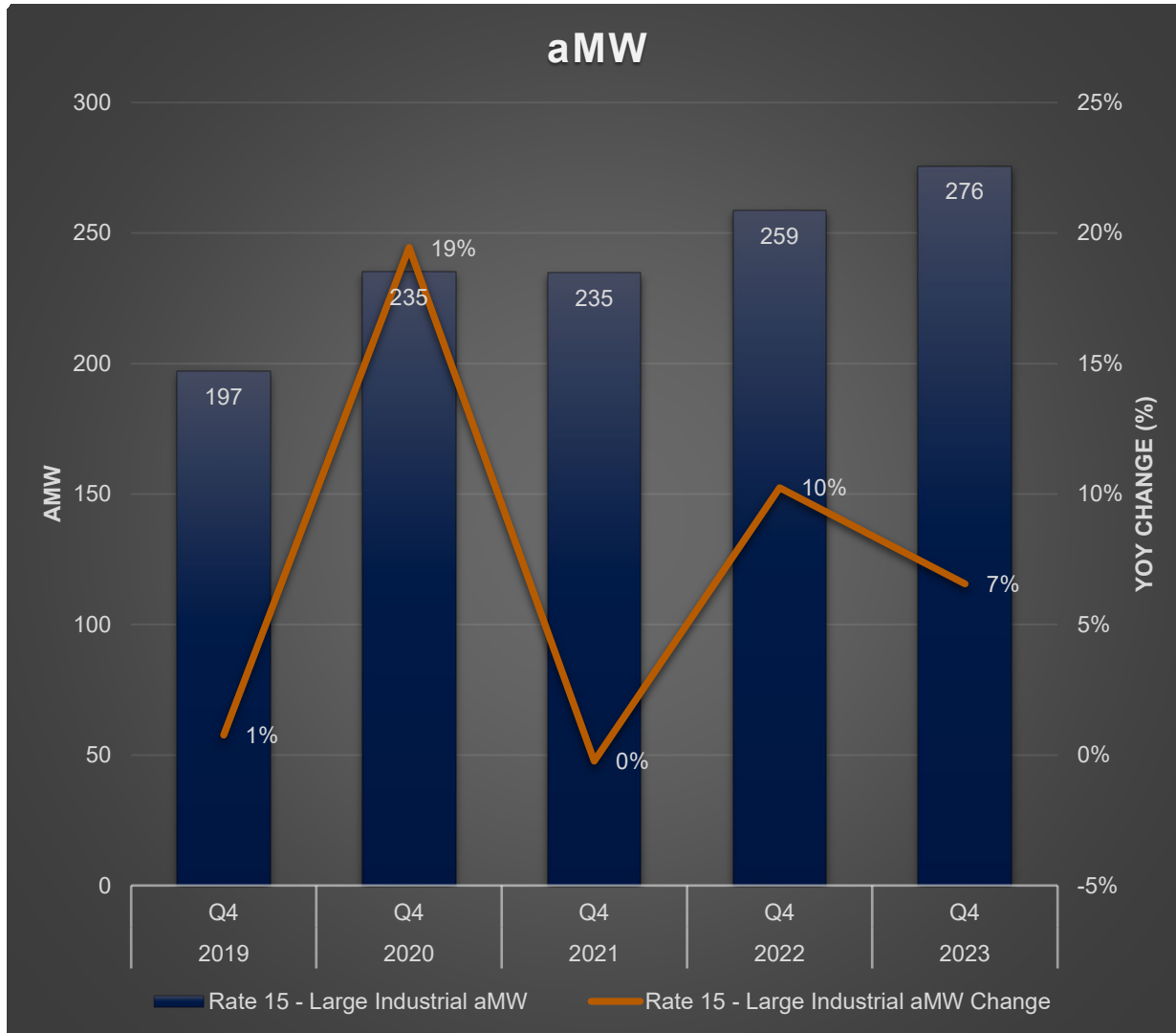
Q4 Rate Schedule 15 Large Industrial Differences

Q4 Large Industrial (RS 15) actual loads were **276 aMW, 11.9% below** budget forecast.

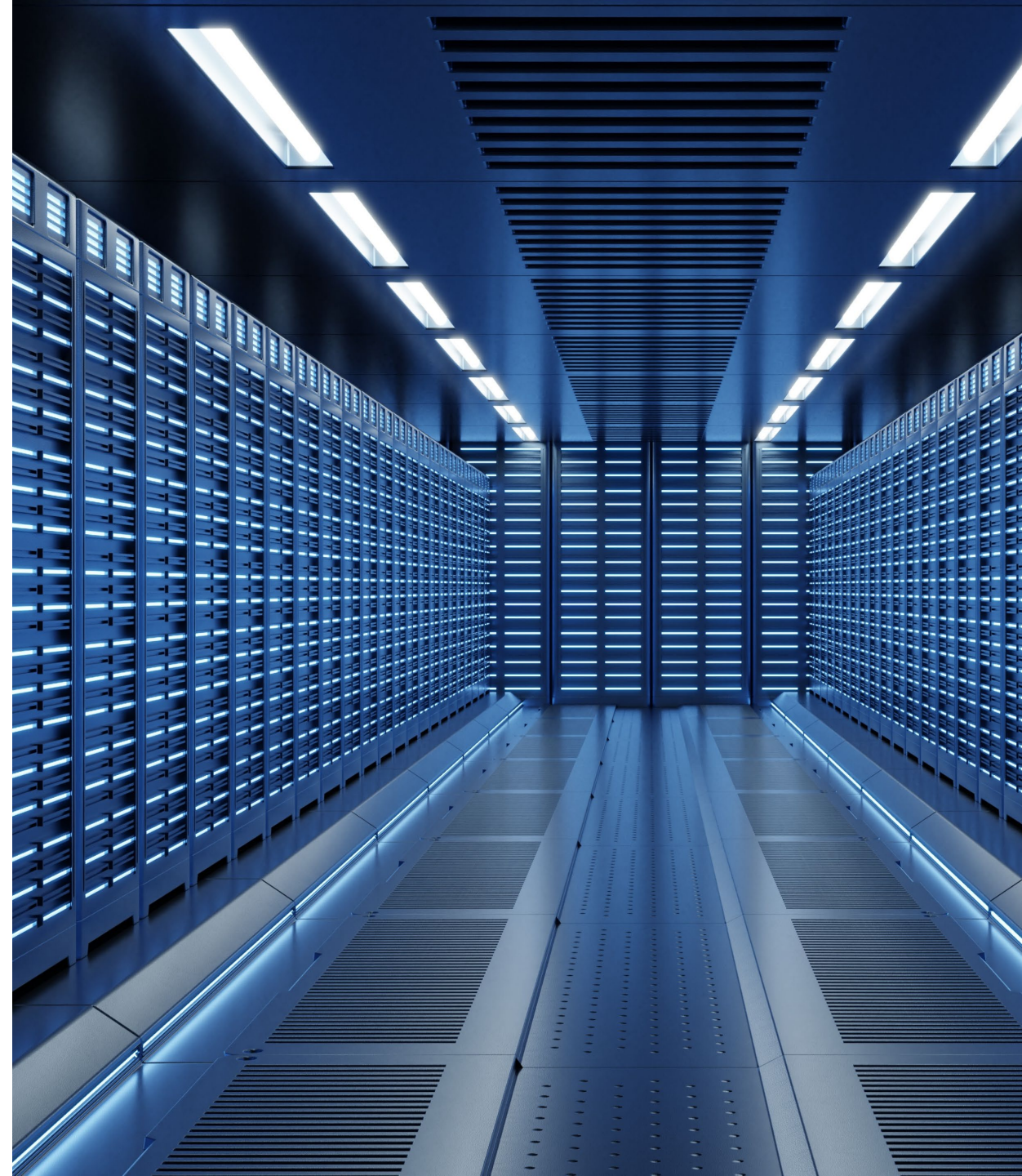
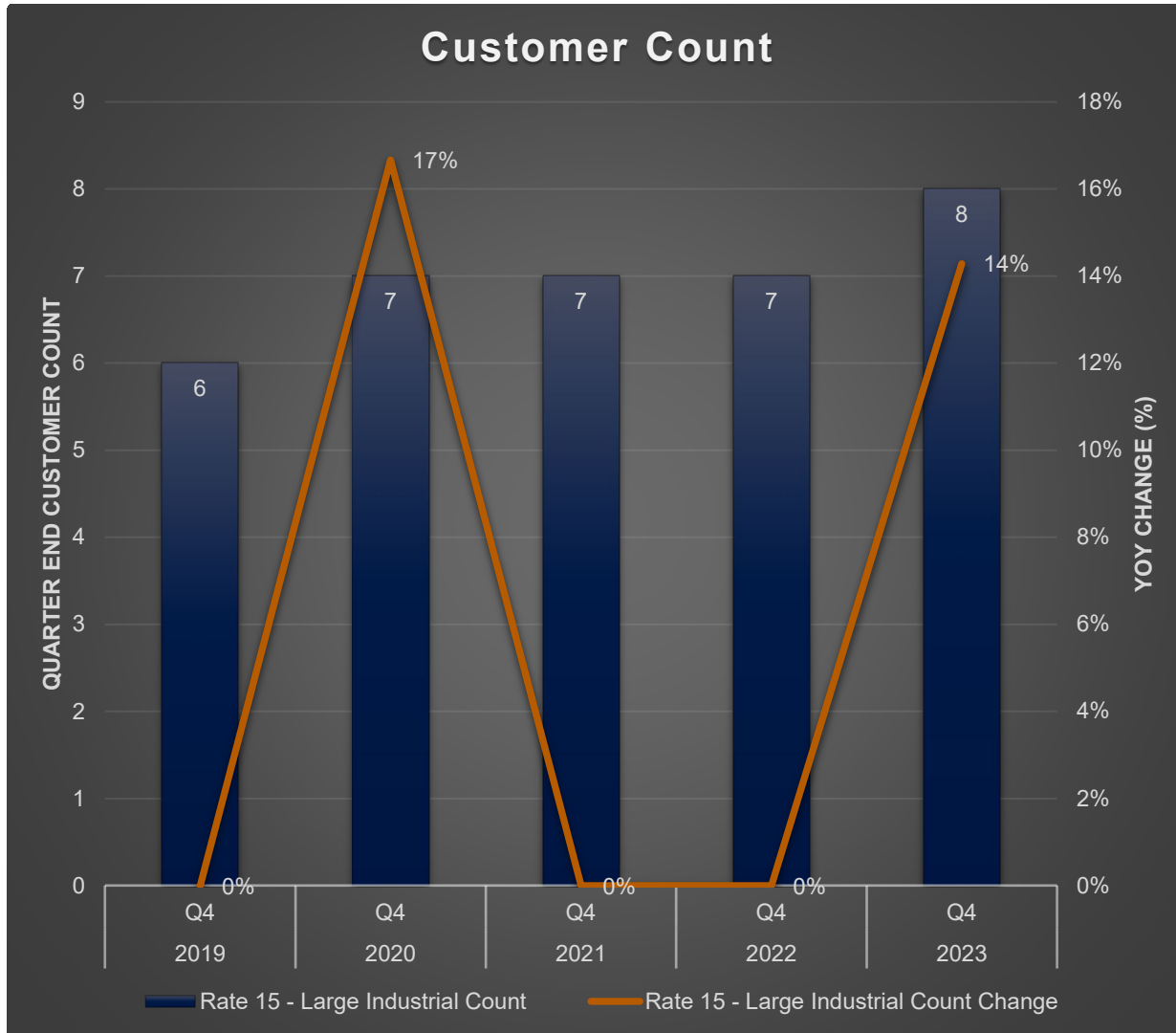
- One manufacturing customer has reduced load
- Two Data Center customers are coming in lower than forecasted



Q4 Rate Schedule 15 Large Industrial History



Q4 Rate Schedule 15 Large Industrial History



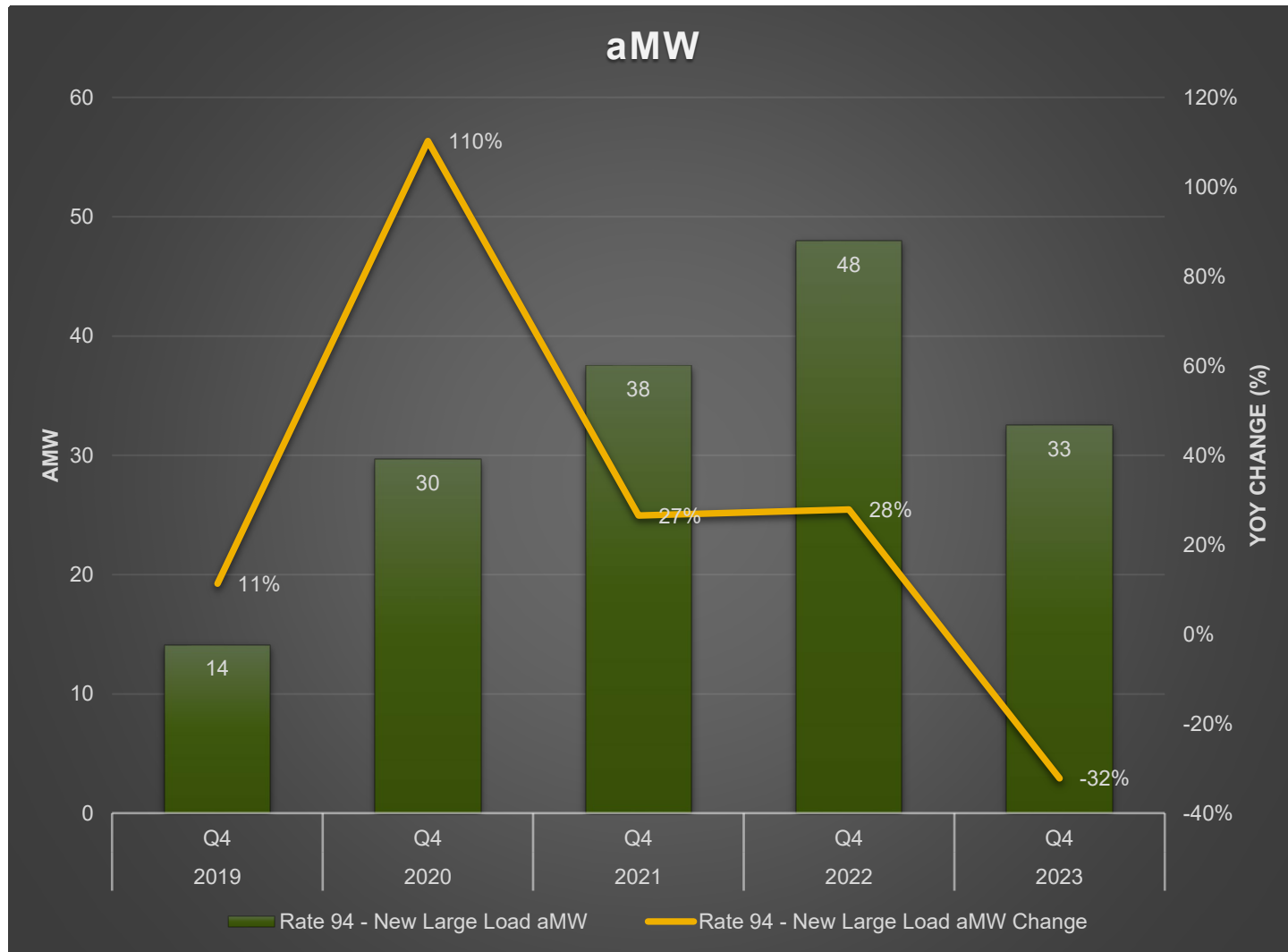
Q4 Rate Schedule 94 New Large Load Differences

Q4 New Large Load (RS 94) actuals were **33 aMW, 23.1% below** budget forecast.

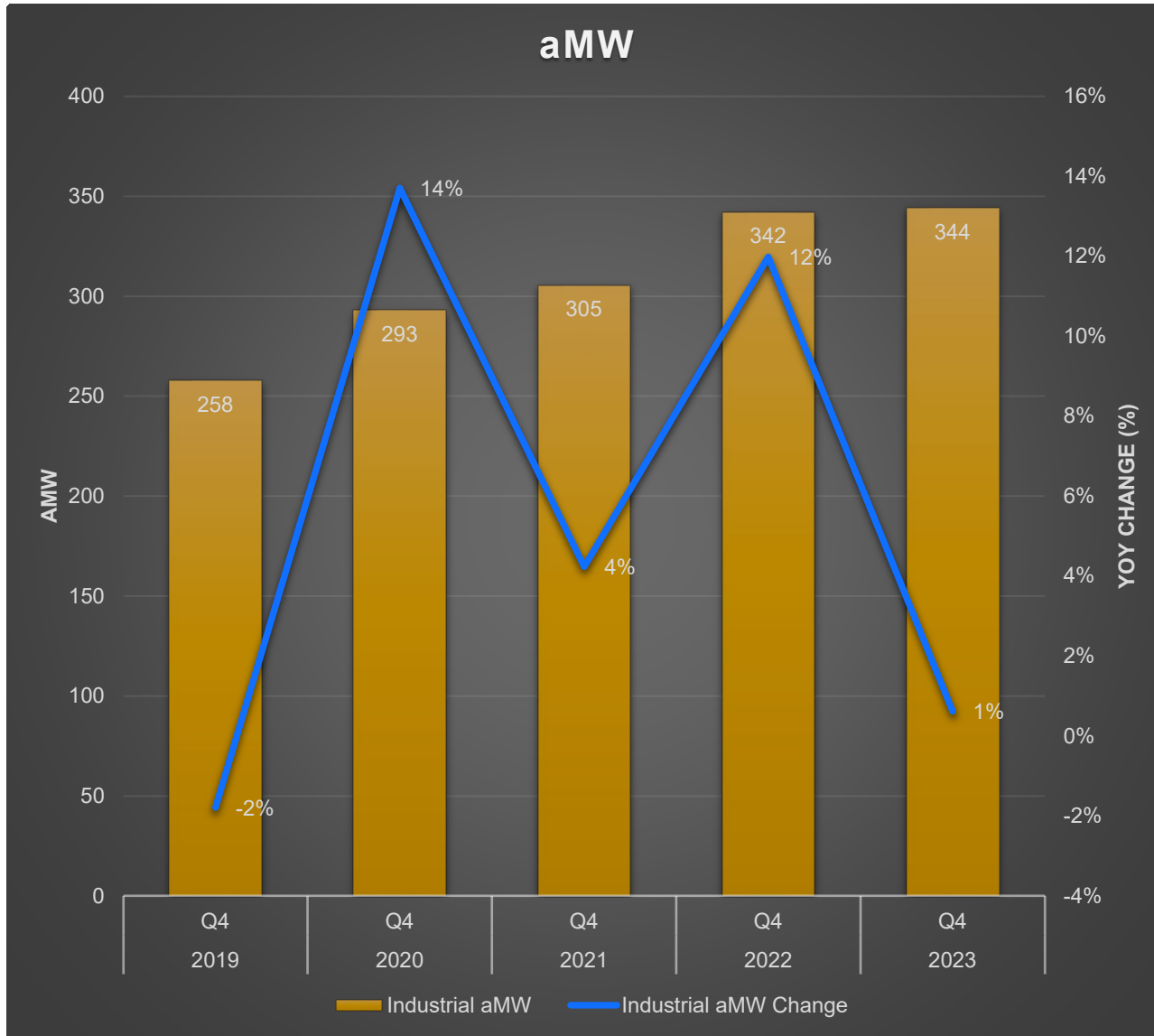
- Decrease in New Large Loads is arising from one customer coming in lower than forecasted



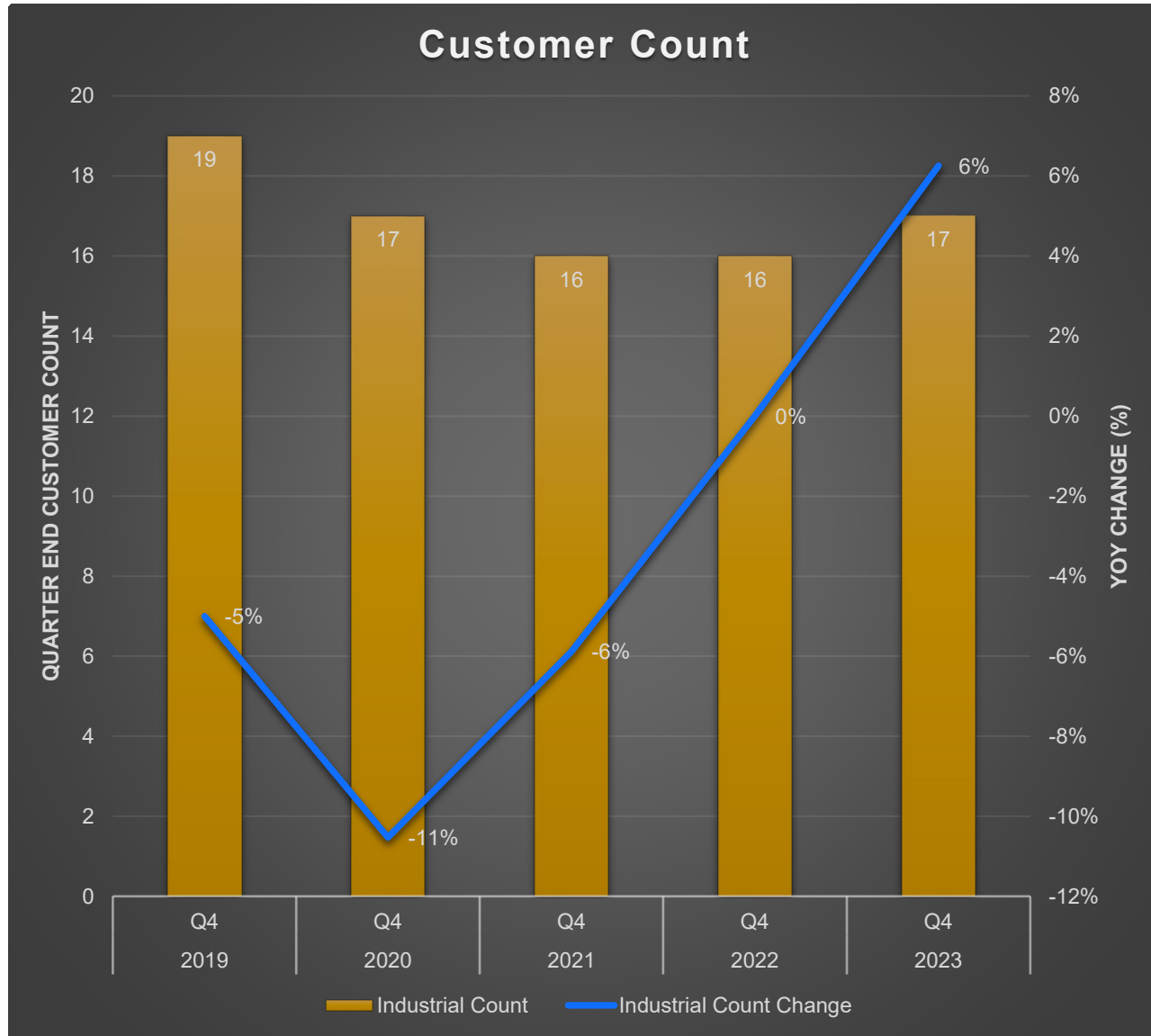
Q4 Rate Schedule 94 New Large Load History



Q4 Industrial History



Q4 Industrial History



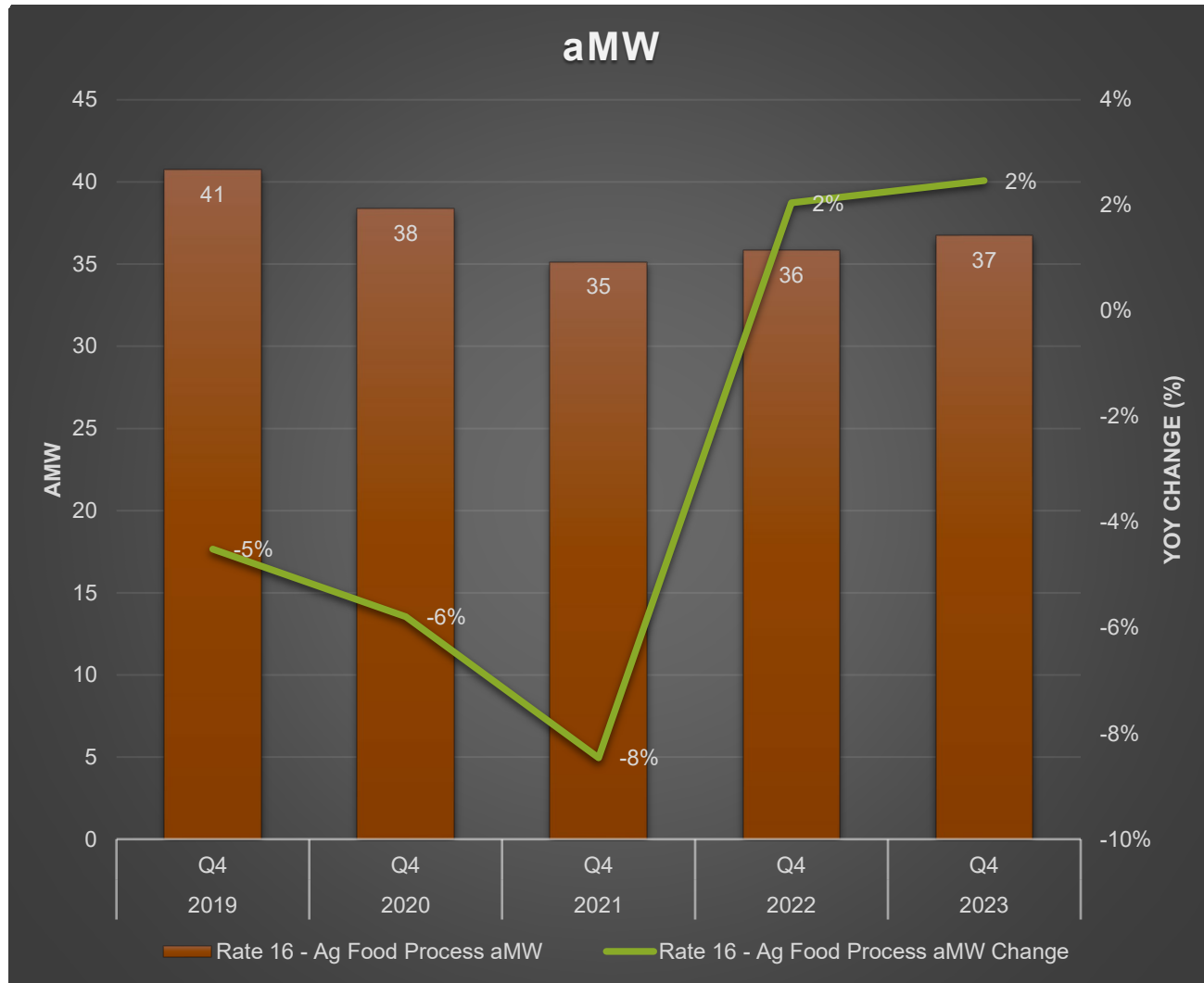
Q4 Rate Schedule 16 Ag Food Processors Differences

Q4 Ag Food Processors (RS 16) actual loads were 37 aMW, 11.3% below budget forecast.

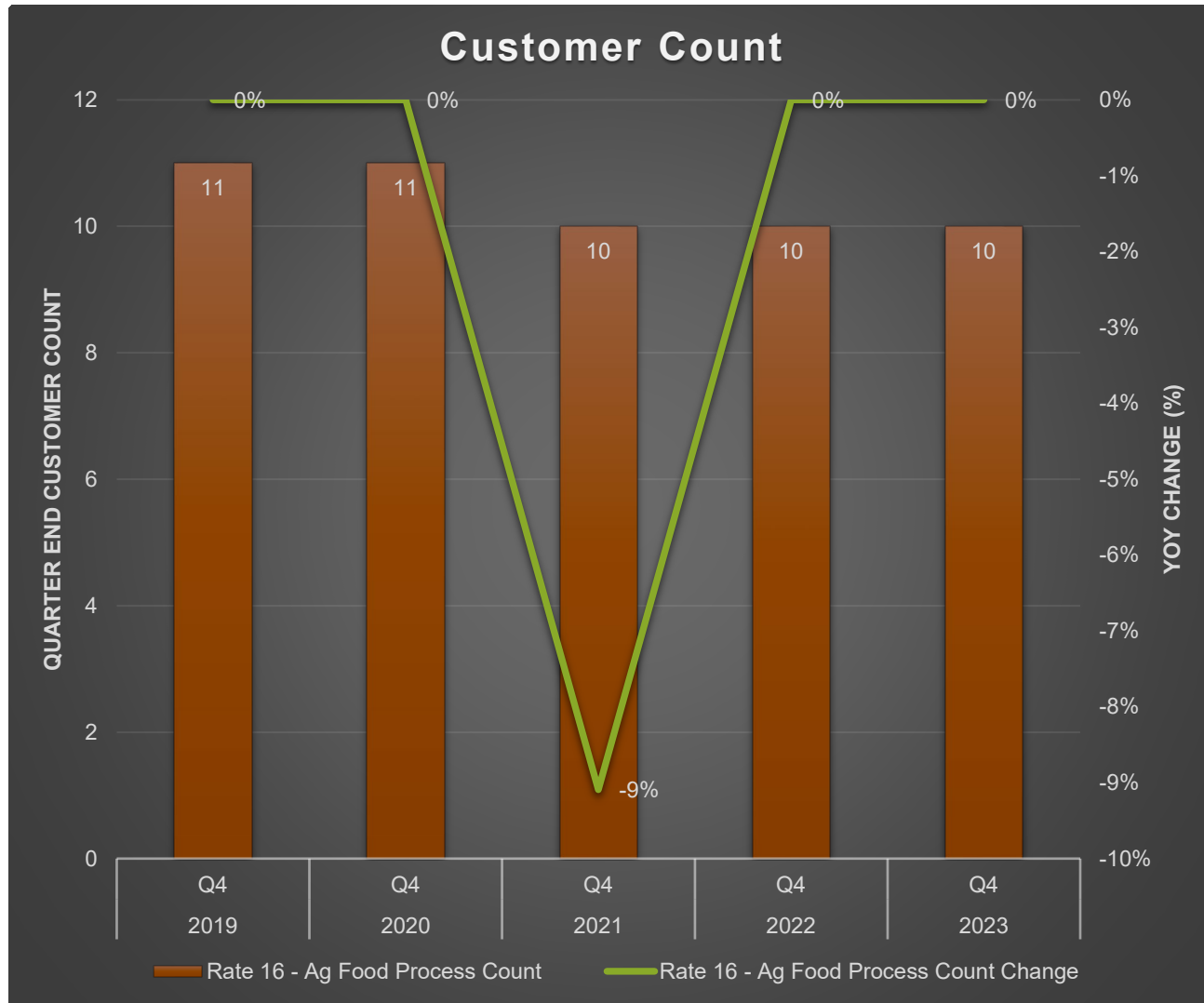
- Some customers are coming in lower than forecasted



Q4 Rate Schedule 16 Ag Food Processors History



Q4 Rate Schedule 16 Ag Food Processors History

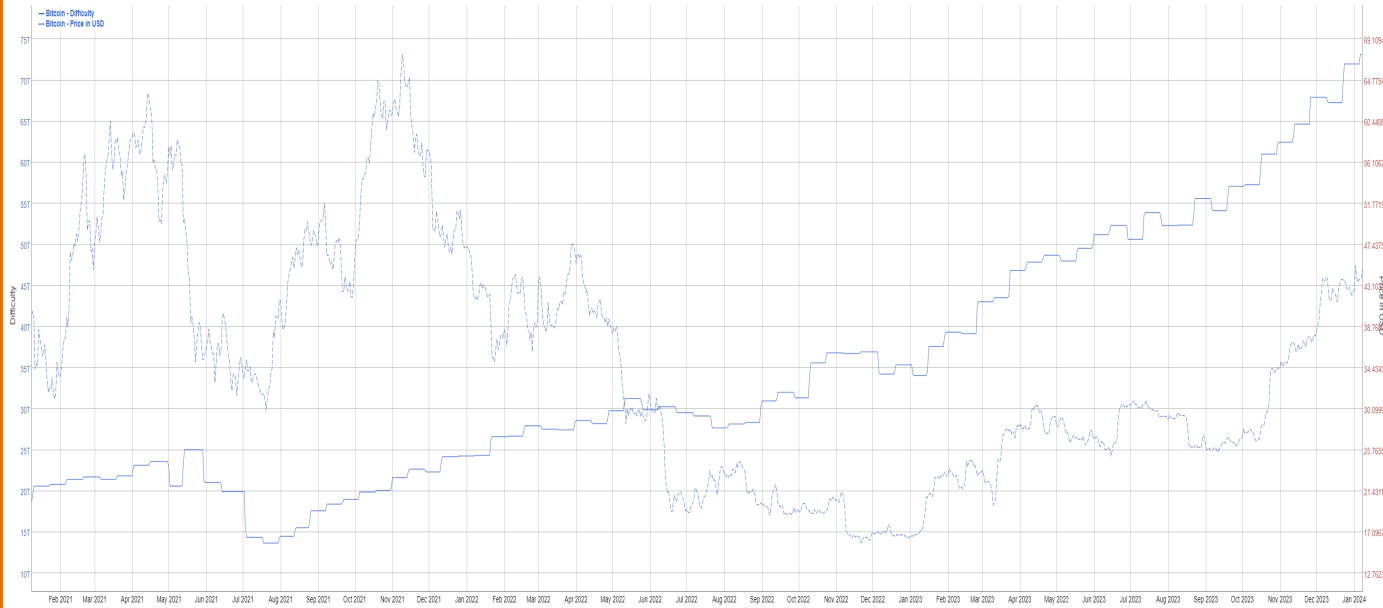


Q4 Rate Schedule 17

Evolving Industry Differences

Q4 Cryptocurrency actual loads were **~38 aMW**

- We are expecting Crypto loads to grow a little bit more before stabilizing in Grant County.

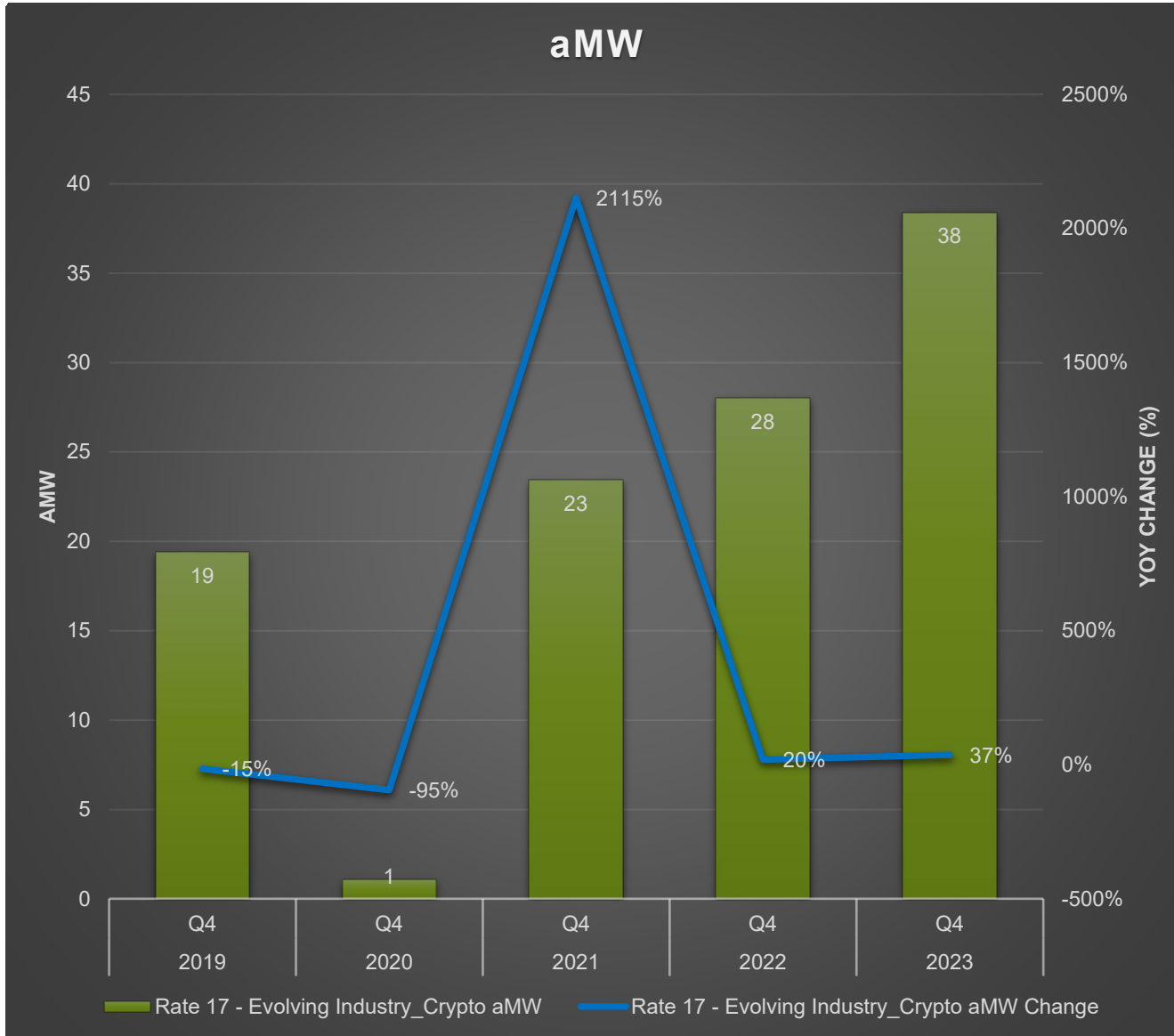


Source: [Bitcoin Difficulty vs. Price in USD Chart \(bitinfocharts.com\)](https://bitinfocharts.com)



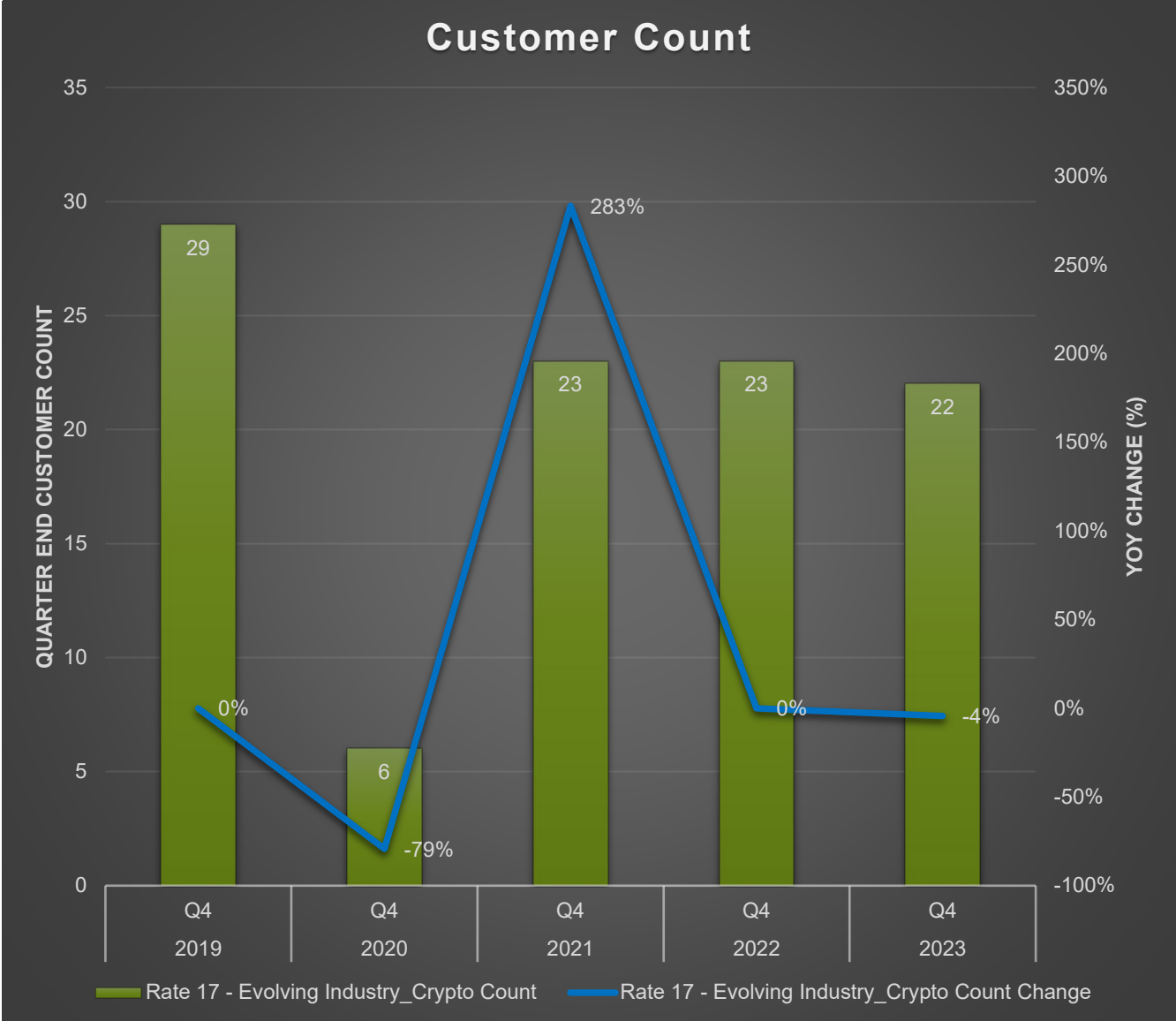
Q4 Rate Schedule 17

Evolving Industry History



Q4 Rate Schedule 17

Evolving Industry History



Q4 Rate Schedule 19 Com. Fast Charging EV Differences

Q4 Commercial Fast Charging EV actual loads were **~0.1 aMW**

- This rate did not exist when the 2023 Budget Forecast was completed
- Currently, there are 5 customers on this rate schedule



Q4 2023 Takeaways



Residential and Commercial loads are 4.5% and 0.2% **above and below** budget respectively for YTD. Irrigation was 3.8% **below** budget for YTD.








Net Rate Schedule 7, 14, 15, 16, 17, 19, 85, & 94 actual loads are **below the budget** forecast by around 40 aMW; with Rate Schedule 15, 16 and 94 having the most variance.











Cryptocurrency moved into the Evolving Industry Rate Schedule starting February 2023.

Thank You



Service	Rate	Icon	Description
Residential Service	1		Single family dwelling, individual apartment or farmhouse for single-phase service.
General Service	2		Accounts with loads not exceeding 500 kW (as measured by Billing Demand) for general service, commercial, multi-residential and miscellaneous outbuilding lighting, heating and power (excepting irrigation service) requirements.
General Service	2F		Single-phase loads not exceeding 500 watts as determined from the equipment's UL listing.
Irrigation Service	3		Customers with irrigation, orchard temperature control or soil drainage loads not exceeding 2,500 horsepower and other miscellaneous power needs including lighting.
Street Lighting Service	6		Street lighting

Service	Rate	Icon	Description
Large General Service	7		Accounts with loads not less than 200 kW or more than 5,000 kW Billing Demand for general service lighting, heating and power requirements. Service will NOT be provided under this rate schedule to process heating or boiler service loads greater than 3,000 kW unless such loads were served on this rate schedule prior to January 1, 2001.
Industrial Service	14		Industrial customers whose Billing Demand is greater than 5 MW/MVA and less than 15 MW/MVA
Large Industrial Service	15		Industrial customers whose Billing Demand is greater than or equal to 15 MW/MVA
AG Food Processing Service	16		Customers whose Billing Demand is greater than 5 MW/MVA and less than 15 MW/MVA at plants where the primary purpose is processing, canning, freezing or the frozen storage of agricultural food crops (including livestock, poultry and fish)

Service	Rate	Icon	Description
Evolving Industry	17		Retail customers whose energy load activity and/or industry meets the requirements of the Evolving Industry definition as detailed in the rate document.
Commercial Fast Charging Electric Vehicle Service	19		Retail accounts served by Grant PUD for facilities dedicated solely for direct current electric vehicle charging. Rate is only available to Level 3 (or above) fast charging stations with monthly loads of no more than 3,000 kW Billing Demand at an individual location.
AG Food Processing Boiler Service	85		Electric boilers which are separately metered and are primarily used for the purpose of processing, canning, or freezing agricultural food crops (including livestock, poultry and fish)
New Large Load	94		All New Large Loads, as defined by the District's Customer Service Policies. Service to such loads will be in accordance with the terms of this rate schedule.

Power Production

Strong Performance.....

Quarterly Commission Briefing 1/23/2024

Ben Pearson
Kasey Grant
Dale Campbell



Powering our way of life.



Fulfilling Our Mission Champions of Safety ... Guardians of Power

- Purpose: Provide **safe, secure, economical, reliable and compliant power generation** under the Priest Rapid Project Federal Energy Regulatory Commission (FERC) License Project No. 2114 while supporting the Wanapum relationship.
- Goal: Execute the aforementioned tasks while championing a **culture of safety and operational excellence** with continuous focus on the guiding values of safety, innovation, service, teamwork, respect, integrity, and heritage.



2023 Q4 Assessment

Key Operational Metrics

- Safety Execution
- Plant Performance

Short & Long Term Focus

- Highlights from Q-4
- Capital Projects
- Strategy Deployment
- Asset Management Update

Team & Next Quarter

- Personnel
- Q1 Forecast



Safety Champions

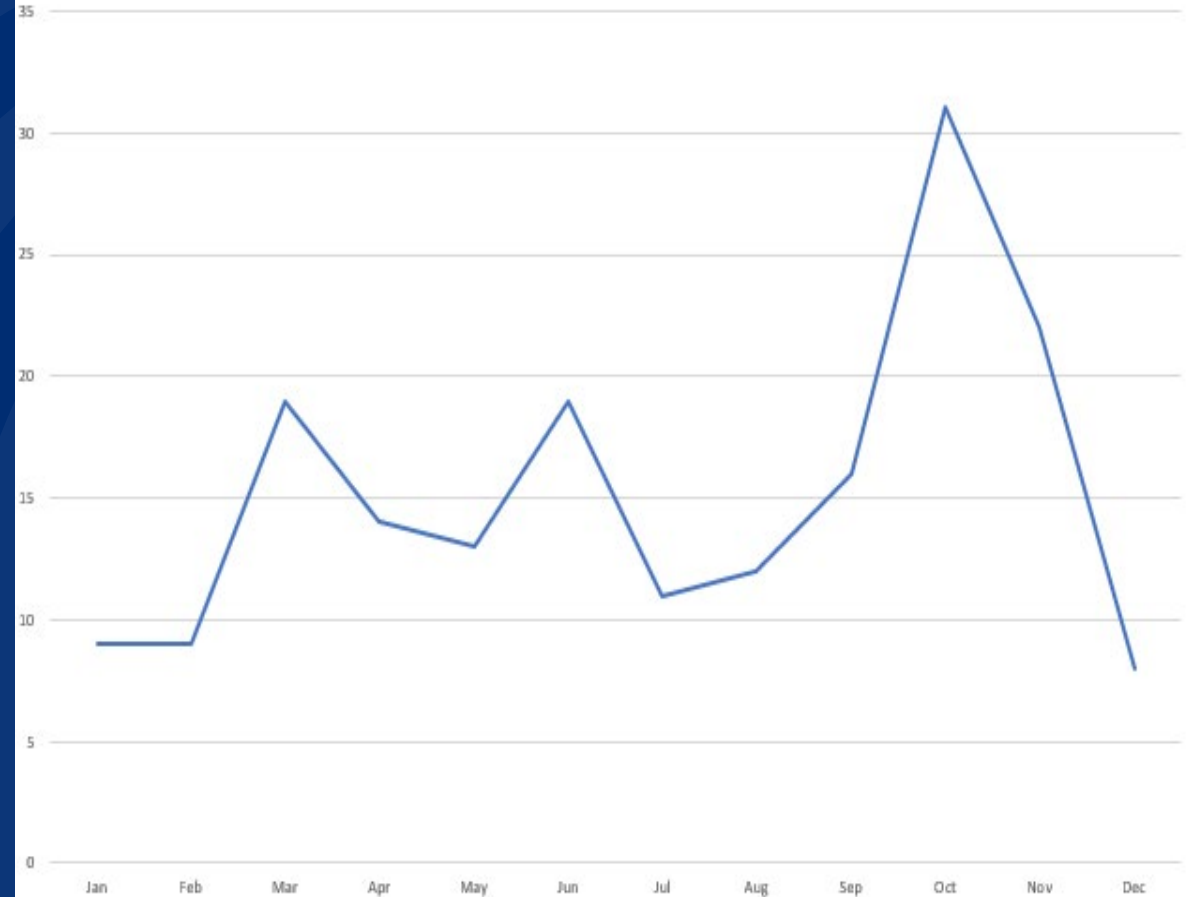
Attendance Monthly Total



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Monthly Total	100%	99%	100%	100.0%	99.4%	96.6%	99.5%	99.9%	98.4%	99.0%	94.5%	99.5%
Target	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%

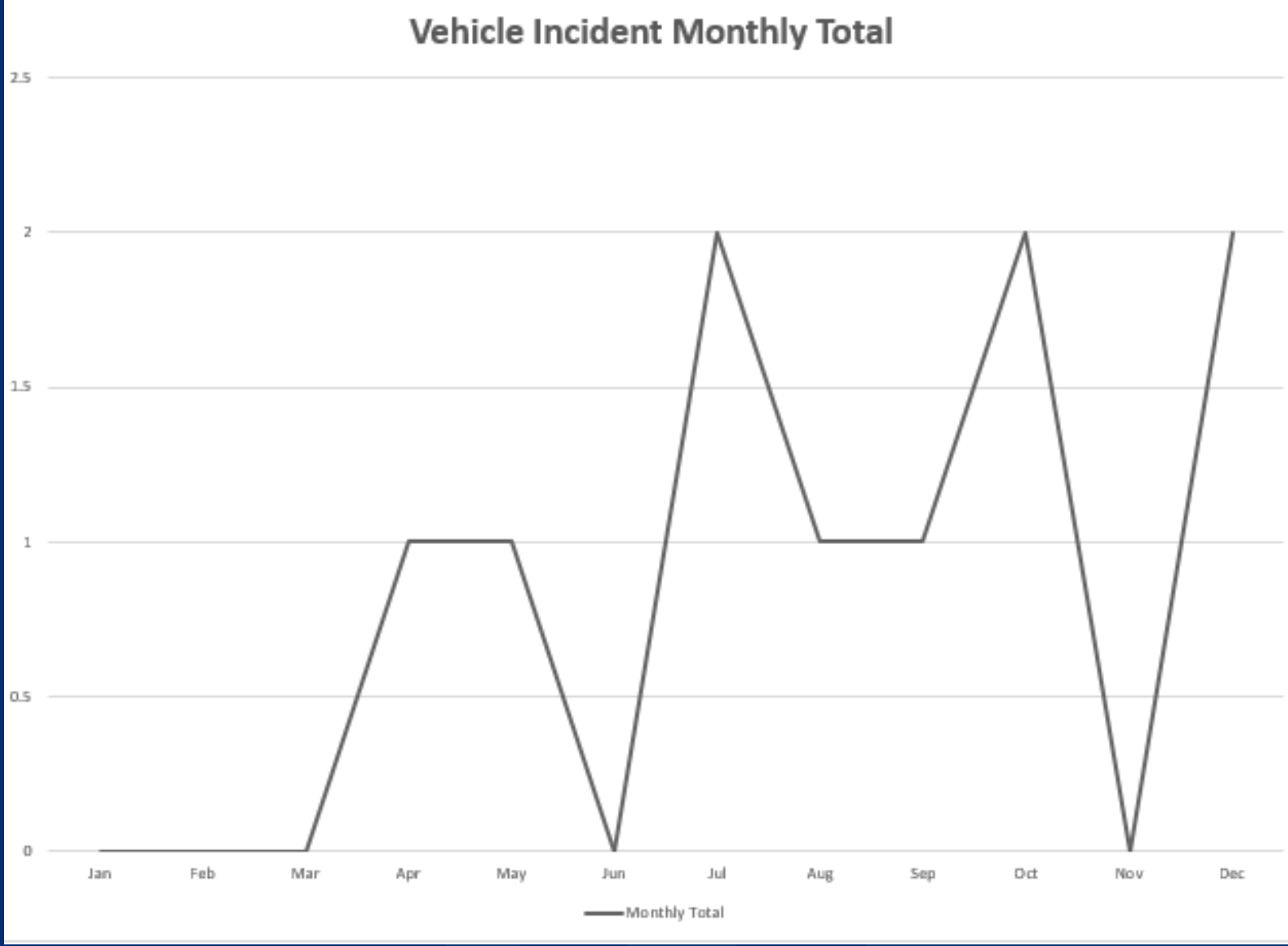
— Monthly Total — Target

JSR's Monthly Total

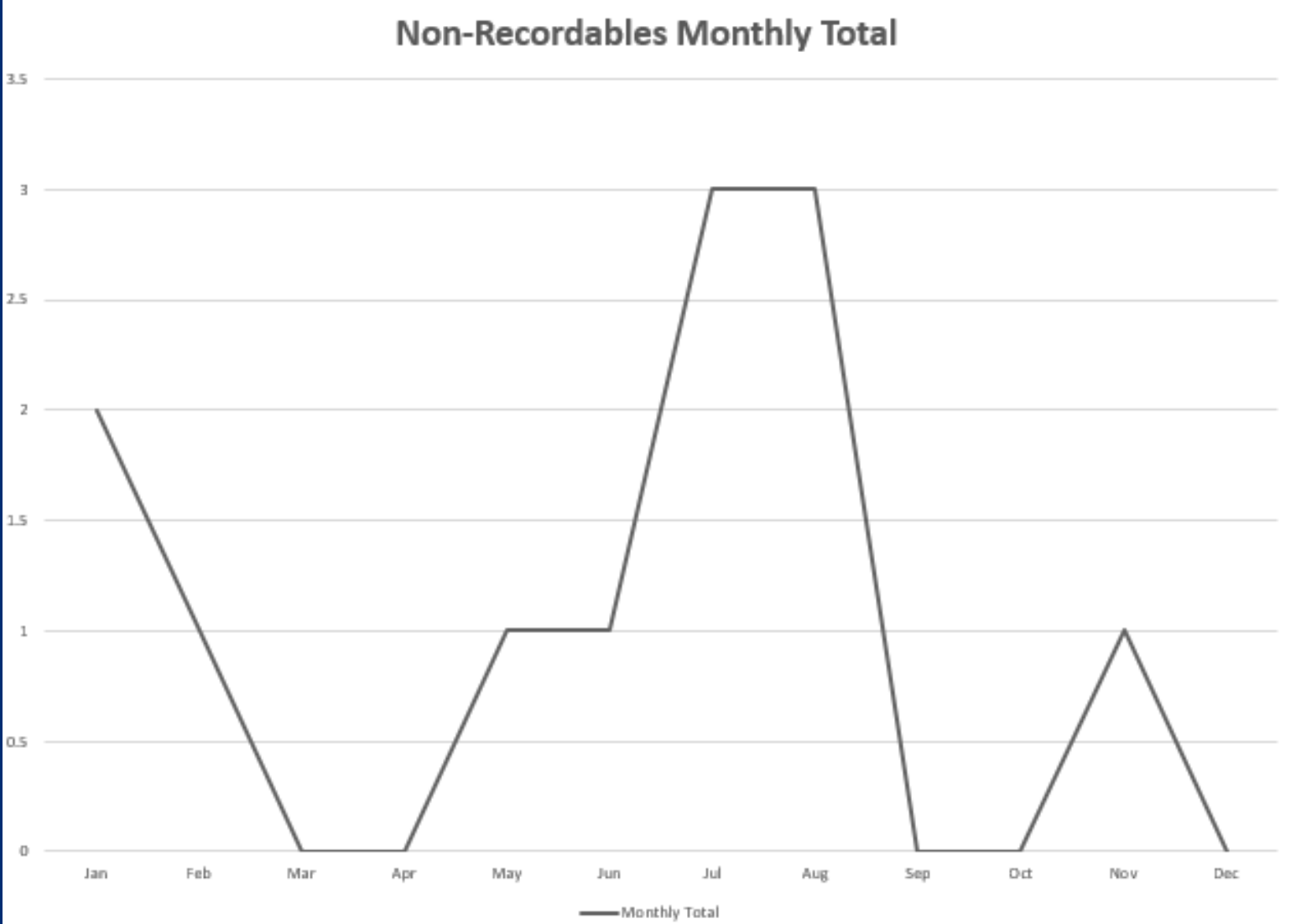


— Monthly Total

Safety Champions

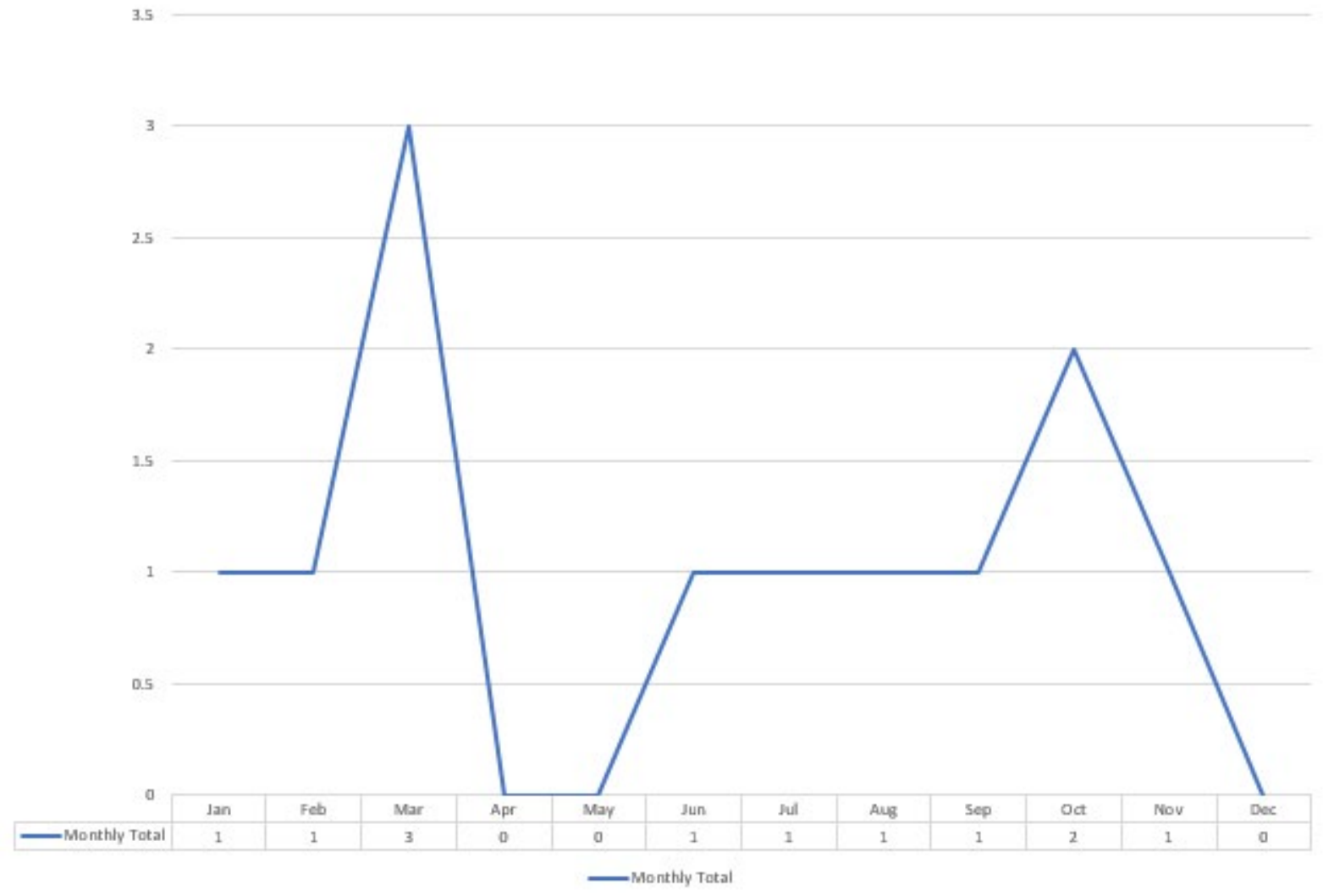


Safety Champions

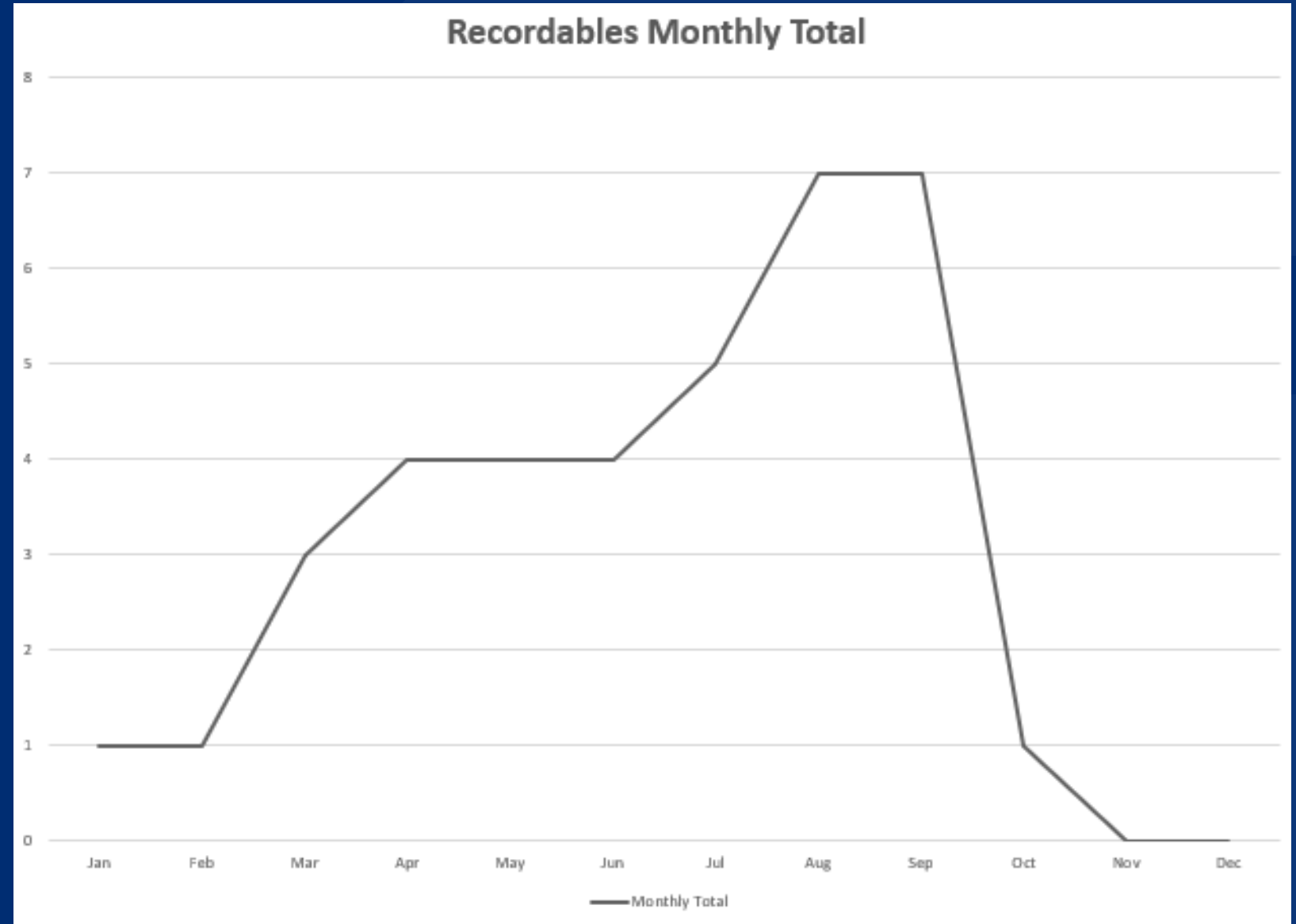


Safety Champions

Close Calls Monthly Total



Safety Champions



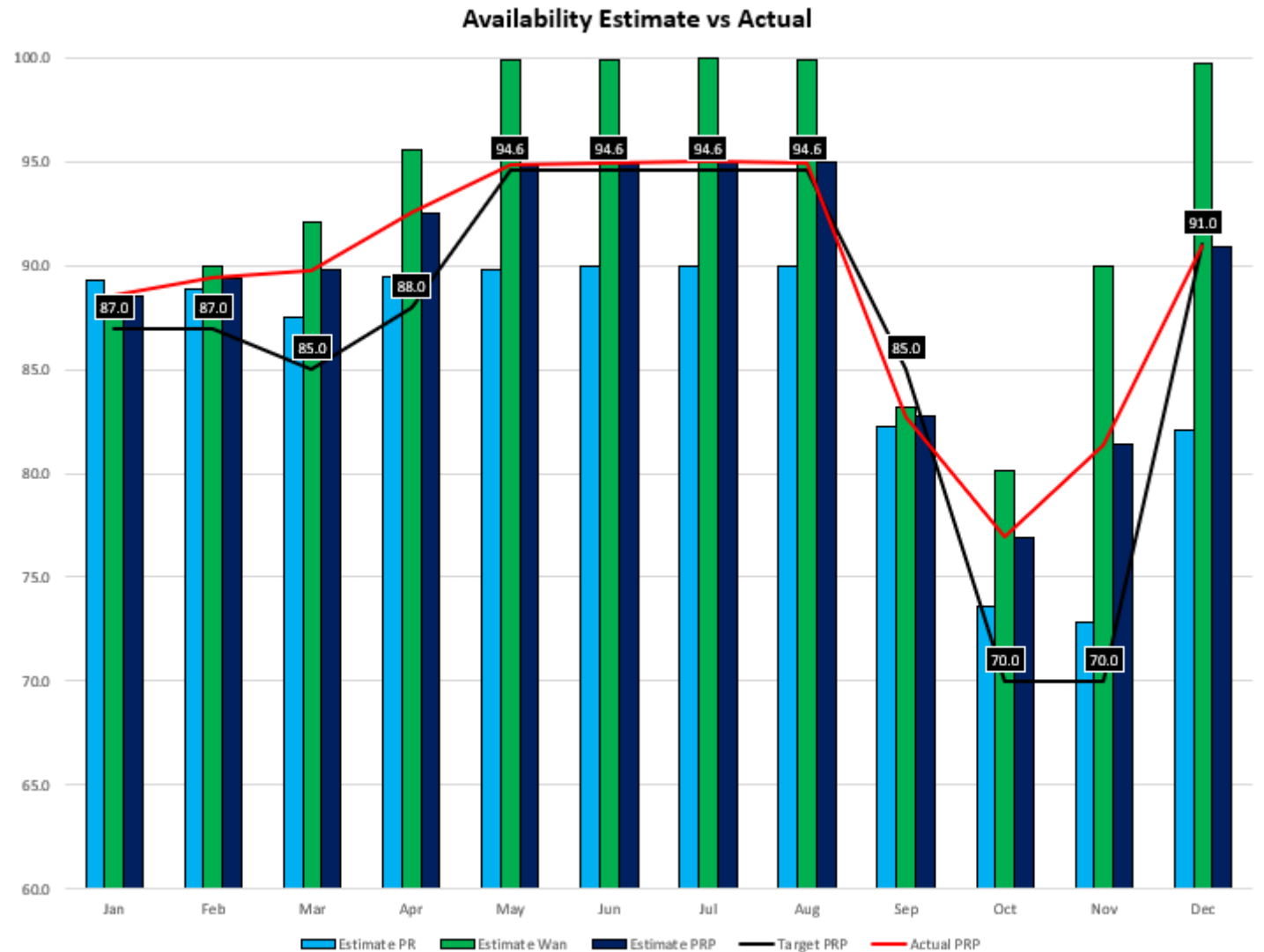
Plant Performance:

Unit Availability

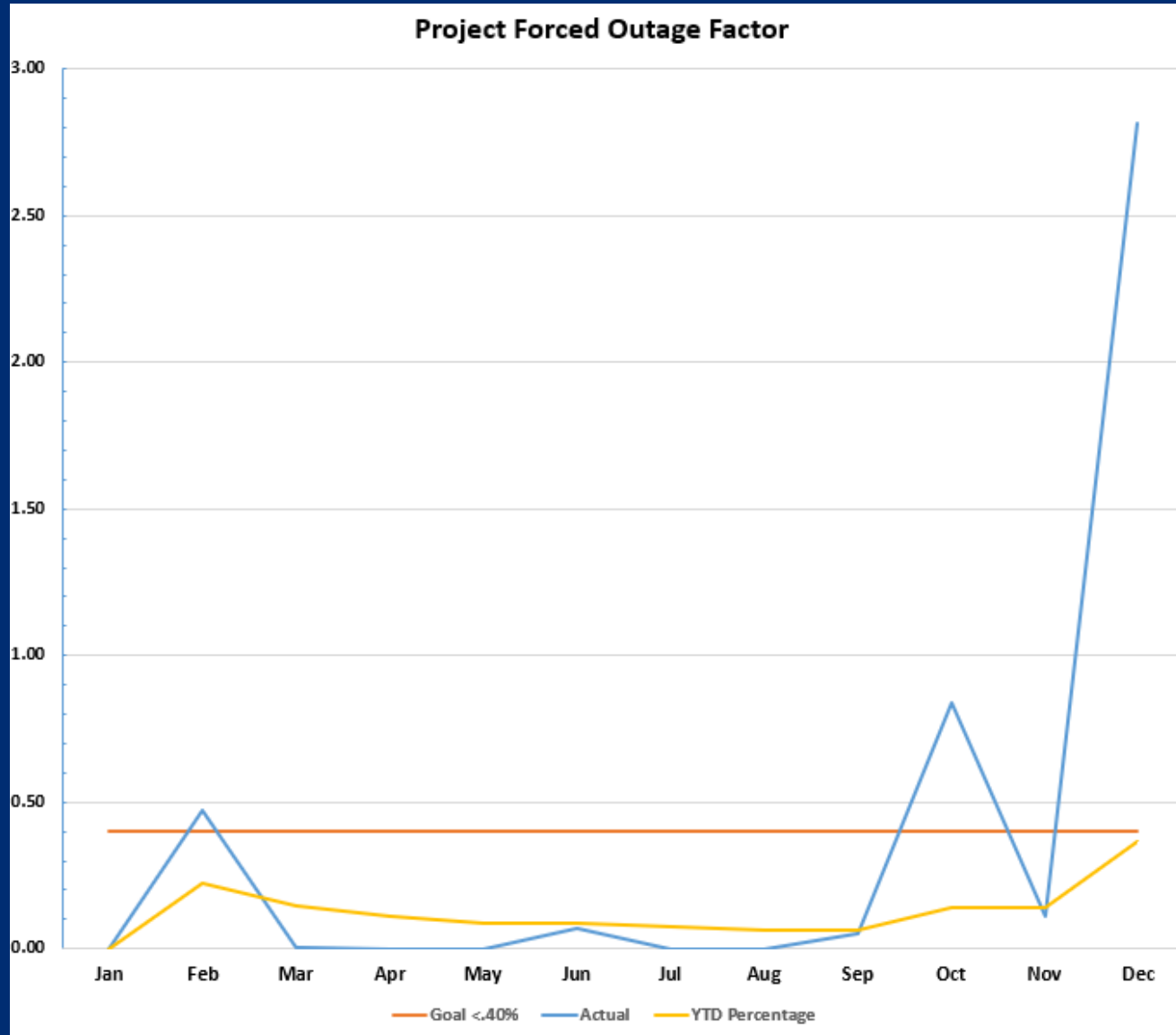
**Targets met
10 of 12 months
(Missed September and
December due to
Transformer Bushing
Failures)**

**Transformer E: failed
High side Bushing
resulted in longer
maintenance outage
discovered during
planned maintenance**

**Transformer C Bushing
replacement at PRD in
December**



Plant Performance



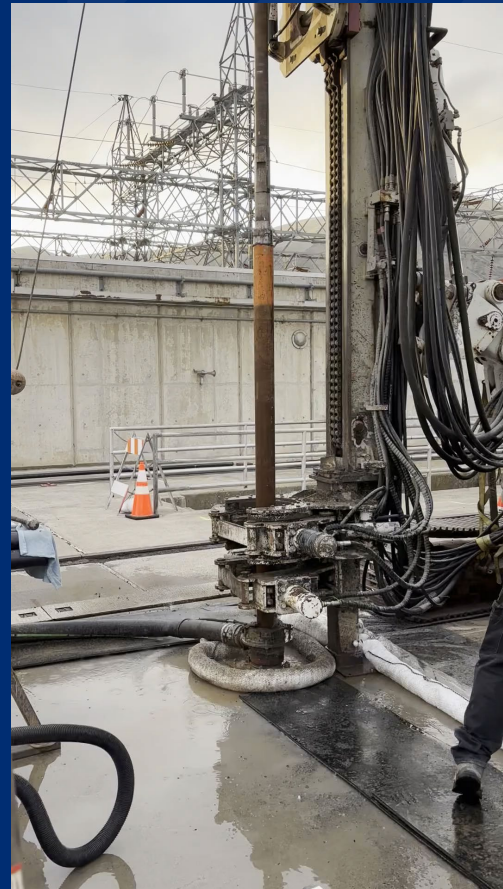
0.37% YTD

Target: 0.45%

Priest Rapids Transformer Bushing Replacement

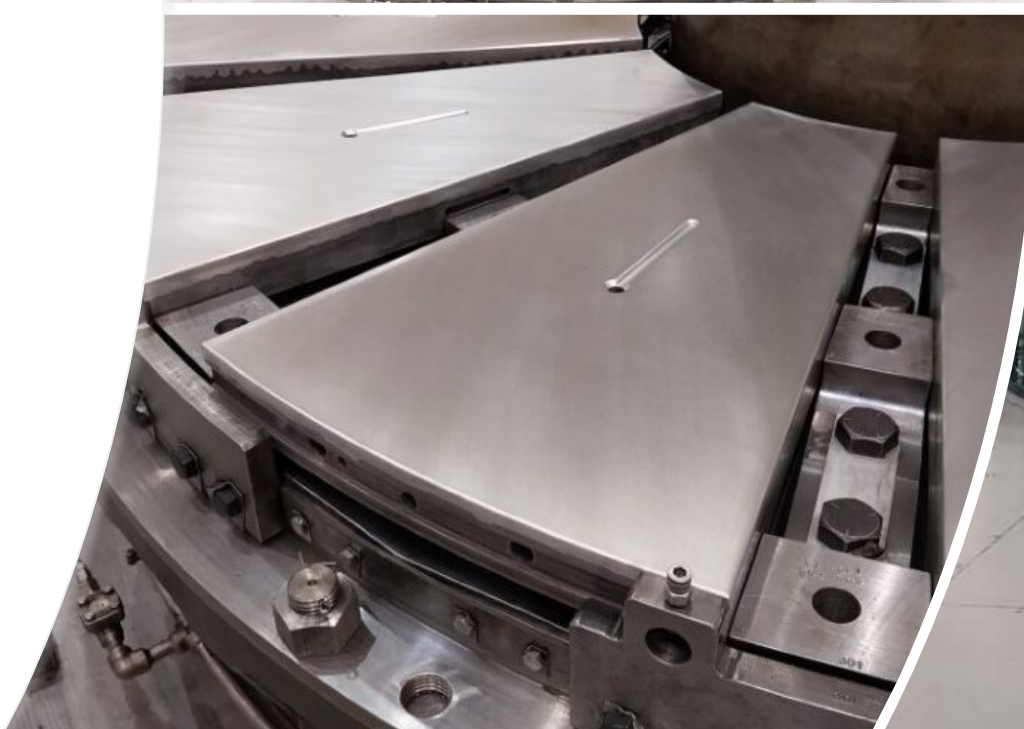


Priest Rapids Waterstop Replacement



Other Major Plant Work

- Unit Overhauls completed on or ahead of schedule in 2023
- Transformer Maintenance completed on schedule
- Fish Ladder Annual Maintenance: Right Bank Ladders Completed ahead of schedule. Left Bank work underway
- Spillway Annual Maintenance: completed
- PEC/QC Annual Maintenance
- QC: New exciter install 1st quarter 2024



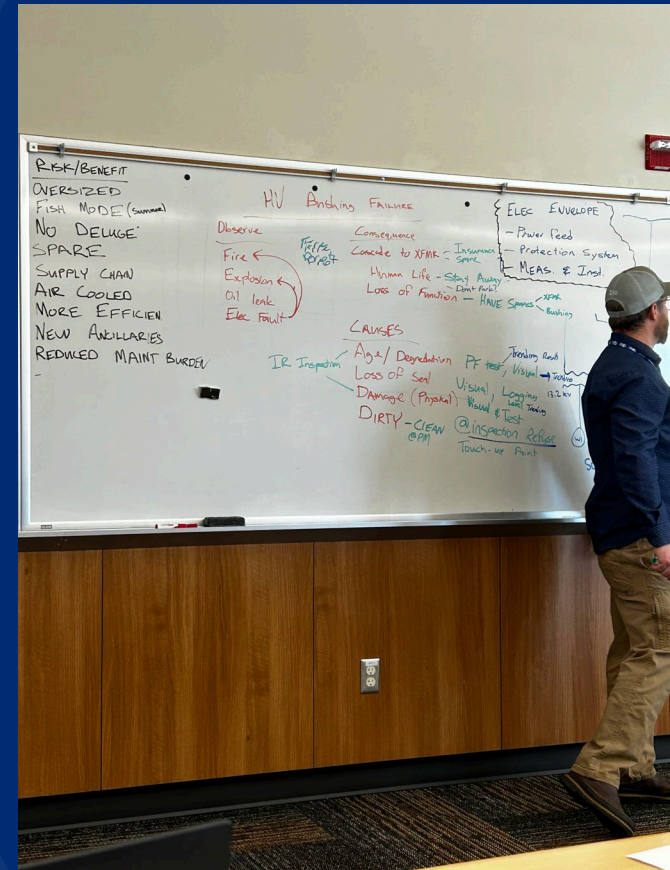
Asset Management - Updates

- Developing long term asset replacement plan for Power Production.
 - Will allow us to plan for future asset replacement needs and ensure our equipment is reliable and effective.
- Partnering with Operations and Maintenance to improve our Work Management practices.
- Continued Maximo Training with Employees.
 - Focused on standardizing how craft interface with Maximo and creating consistent outcomes with process and data.



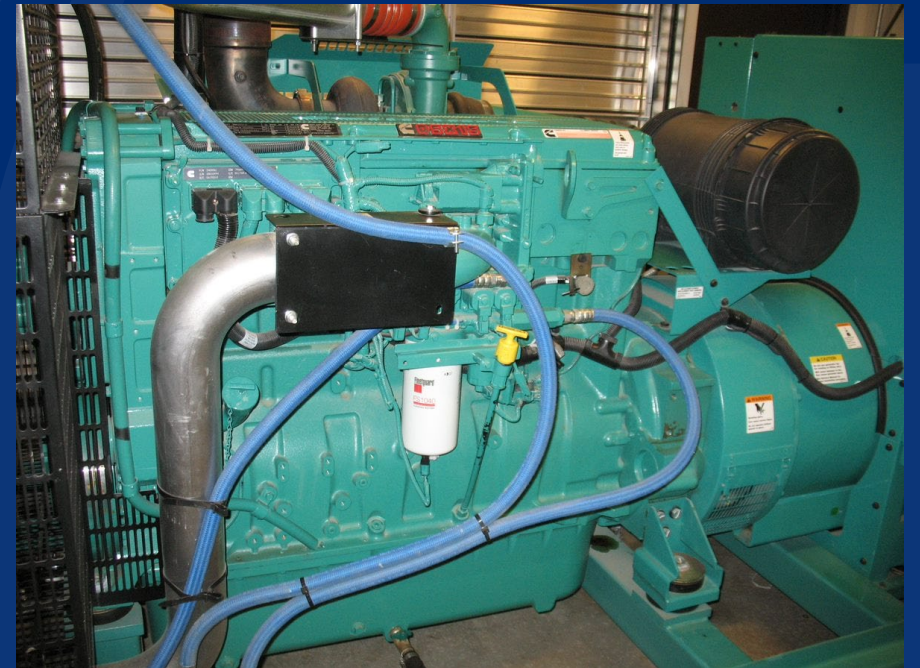
Generator Step-Up Transformer Asset Strategy

- Initial asset strategy completed for the Generator Step-up transformers at both PR & WAN.
 - Identified follow up actions related to spare Parts Storage and Management, Oil Sampling Practices, and potential upgrades to Dissolved Gas Analysis monitoring equipment.
- Future updates to come as we complete follow up actions and gain a better understanding of our risk exposure and expected asset life.



Acclimation Facilities & PR Hatchery Assets

- Documenting assets at Acclimation Facilities and developing maintenance plans.
 - Currently focused on Nason Creek and Carlton.
- Initial asset strategy completed for Production Wells.
 - Recommendations include additional spare parts, preventative inspections on piping, documentation of existing equipment and work history, and condition monitoring of current pumps.



Nason Creek Emergency Diesel Generator

Capital Project Update

Investing in Assets

Priest Rapids Right Embankment Improvement Project

- Completed! Contractor Fully demobilized.
- PR Unit Rehab
 - 6th Unit (P-1) Turbine removed.
- Lock Out/ Tag Out
 - Project is on track



Dam Safety External Audit

Maintaining Compliance

- **No Major Findings!**
- **Only Minor Recommendations
Inline with Planned
Improvements**

"Through interactions and discussions and the review of available information during this audit, it was observed that staff and management have a commitment to high standards for dam safety, and they are continually working towards improving the program. They realize the importance of dam safety. "

2023 Strategy Deployment

Refocusing with Corporate Strategy

Work Management

- Work Intake Process
- Planning improvement Process walks
- Planning standards development
- Schedule Standards development

Business Process

- Compliance Tracking with Maximo and Docminder

Asset Management

- Addition of Asset Life, Cost, Warranty Data



2024 Availability Targets

Project Availability				
	Resulting	Outage Days		Outage Hours
	Availability	Total Used	Remaining	Remaining
	Average %			
Jan	86.9	81.00	5.80	139.2
Feb	88.4	67.00	8.40	201.6
Mar	85.3	90.92	2.08	50.0
Apr	88.7	67.83	4.17	100.0
May	94.5	34.00	3.20	76.8
Jun	95.0	30.00	2.40	57.6
Jul	95.0	31.00	2.48	59.5
Aug	95.0	31.00	2.48	59.5
Sep	84.0	96.25	5.75	138.0
Oct	77.5	139.67	27.73	665.6
Nov	84.9	90.42	71.58	1718.0
Dec	91.1	55.17	0.63	15.2

2024	2023
0.860	0.870
0.870	0.870
0.850	0.850
0.880	0.880
0.940	0.946
0.946	0.946
0.946	0.946
0.946	0.946
0.830	0.850
0.730	0.700
0.730	0.700
0.910	0.910

Personnel-New Team Members

Workforce of the Future

October:

Walker Oblad-Hydro HMA

Rick Zaranka-Hydro HMA

November:

Charles Hoffine-Hydro Electrician

December:

Ryan Amundson-Hydro Electrician



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Powering our way of life.