

Financial Report

April 2026

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Powering our way of life.

Agenda

- **Key Updates**

- Capital Plan
- Net Wholesale
- Retail Forecast
- Interest Income
- O&M Expense

- **Forecast Results**

- Exhibit A – Summary of Budgetary Items
- Exhibit B – Consolidated Operational Performance

- **Financial Metrics**

- **Financial Scenarios**

- Wholesale Price Volatility

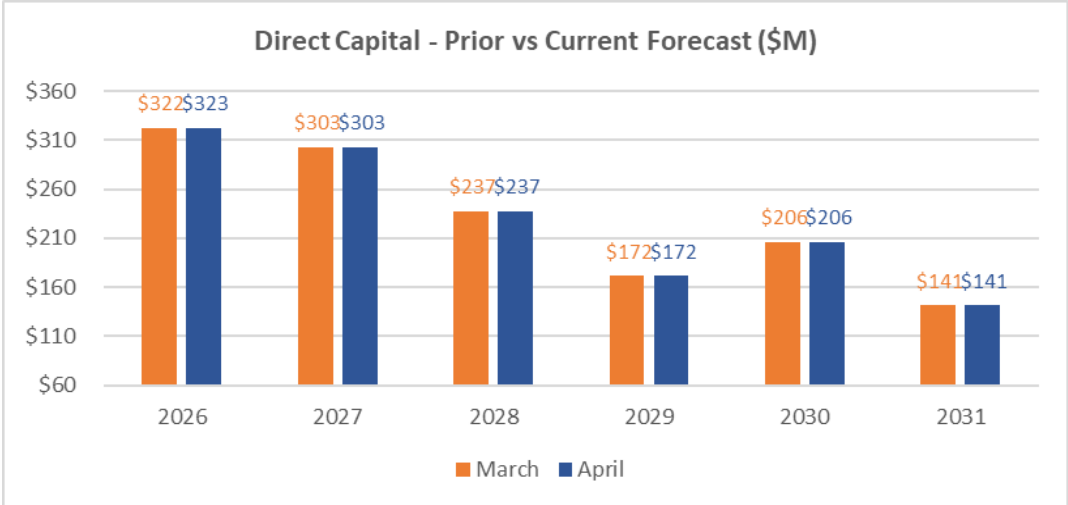
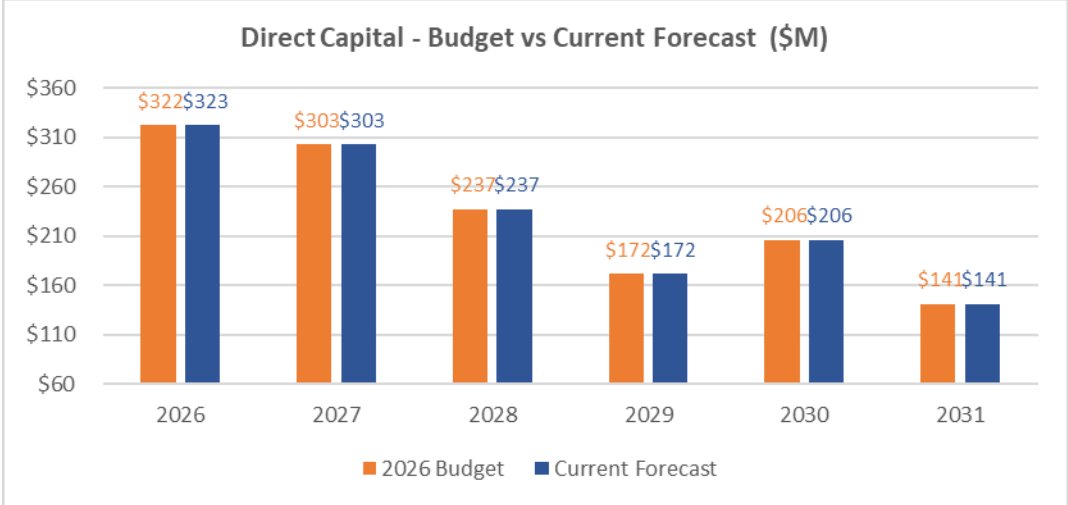
- **Historic vs Fair Market Value**

- **Key Takeaways**

- **Net Power Report**

- Resources and Requirements Energy
- Resources and Requirements Dollars

Capital Plan Assumptions



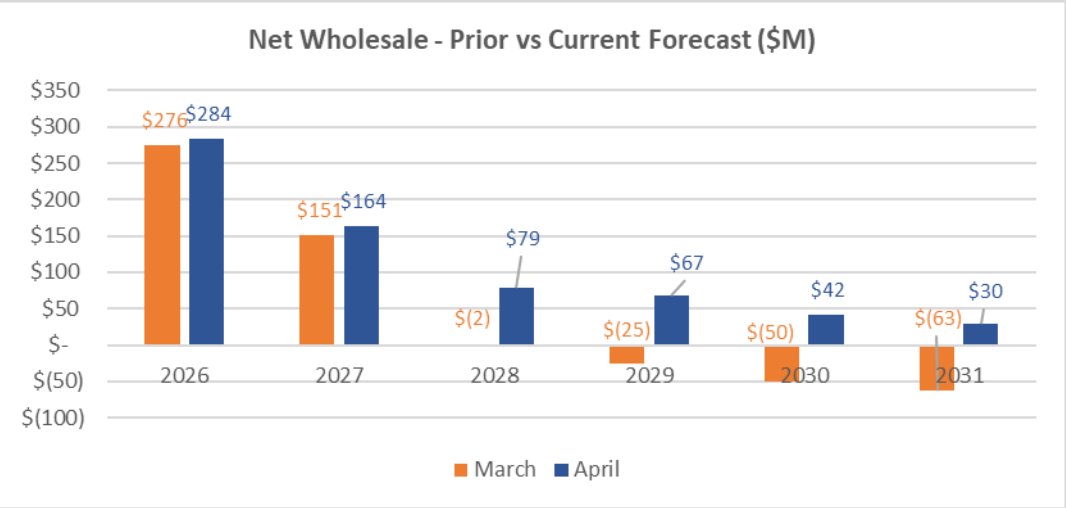
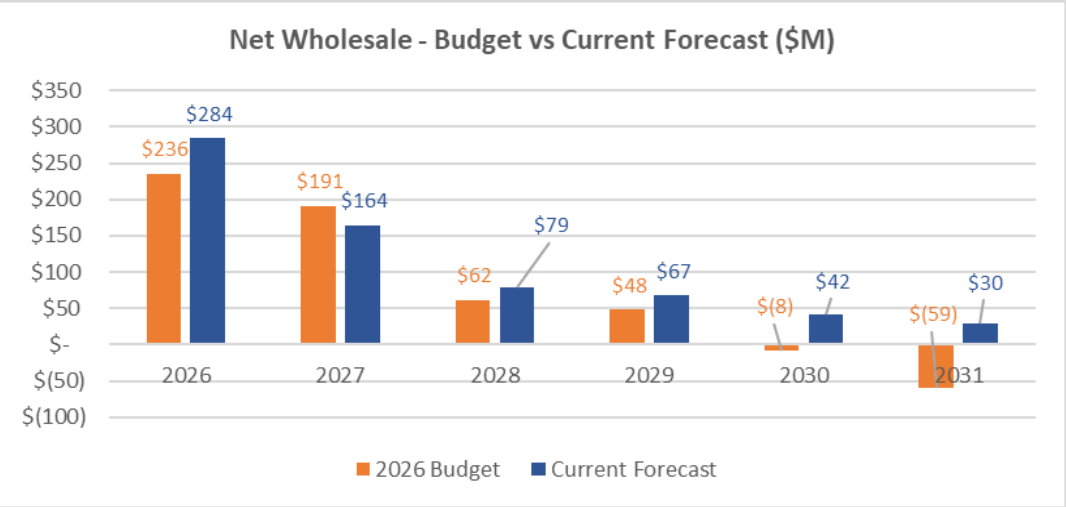
2026 Budget vs Current

- 2026: Current 2025 Year End Projection for Capital Directs is \$323M, +\$0.2M (+0%) flat to 2025 Budget projections of \$322M.
- 2027-2031: Current April forecast is -\$0.0M (-0%) flat to 2025 Budget forecast on an average annual basis.

Prior vs Current

- 2026: Current 2025 Year End Projection for Capital Directs is +\$0.2M (+0%) flat to the March projection.
- 2027-2031: Current April forecast is +\$0.0M (+0%) flat to the March forecast on an average annual basis.

Net Wholesale



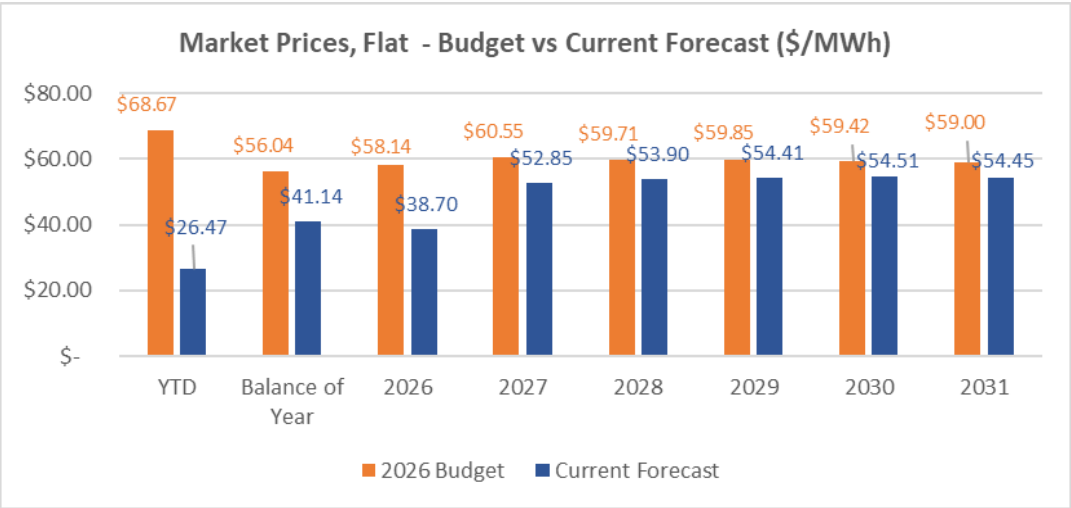
2026 Budget vs Current

- 2026: Current 2026 Year End Projection for Net Power is \$283.9M, +\$48.1M (+20%) favorable to the 2025 Budget forecast of \$235.8M.
- 2027-2031: Current April forecast is +\$29.8M (+64%) favorable to the 2025 Budget forecast on an average annual basis.

Prior vs Current

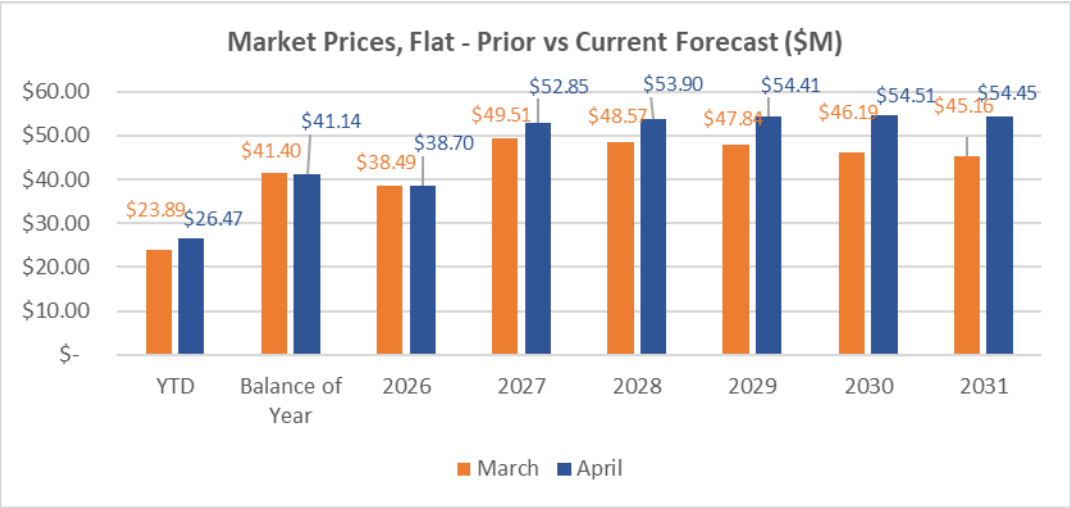
- 2026: Current 2026 Year End Projection for Net Power is +\$8.3M (+3%) favorable to the March projection.
- 2027-2031: Current April forecast is +\$74.M (+3122%) favorable to the March forecast on an average annual basis.

Wholesale Market Prices



2026 Budget vs Current

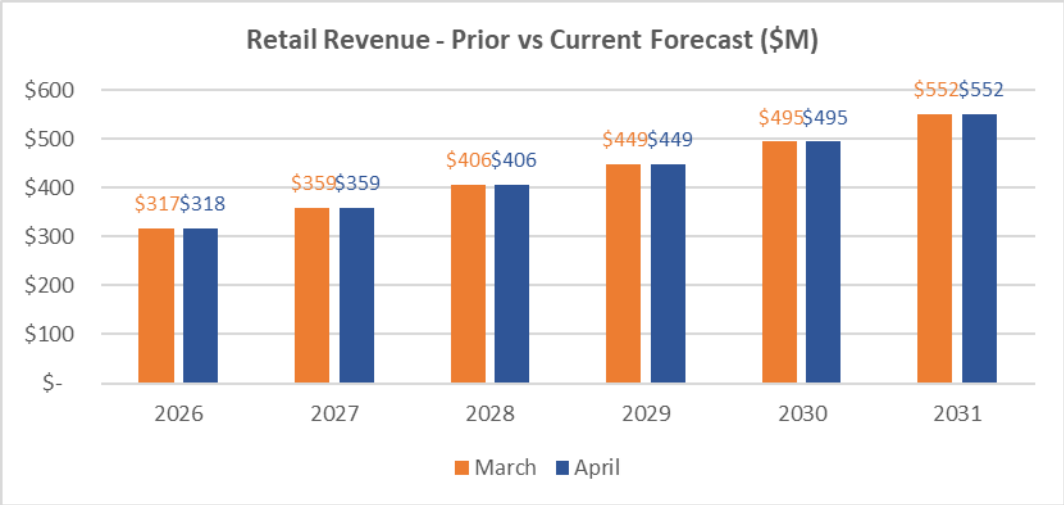
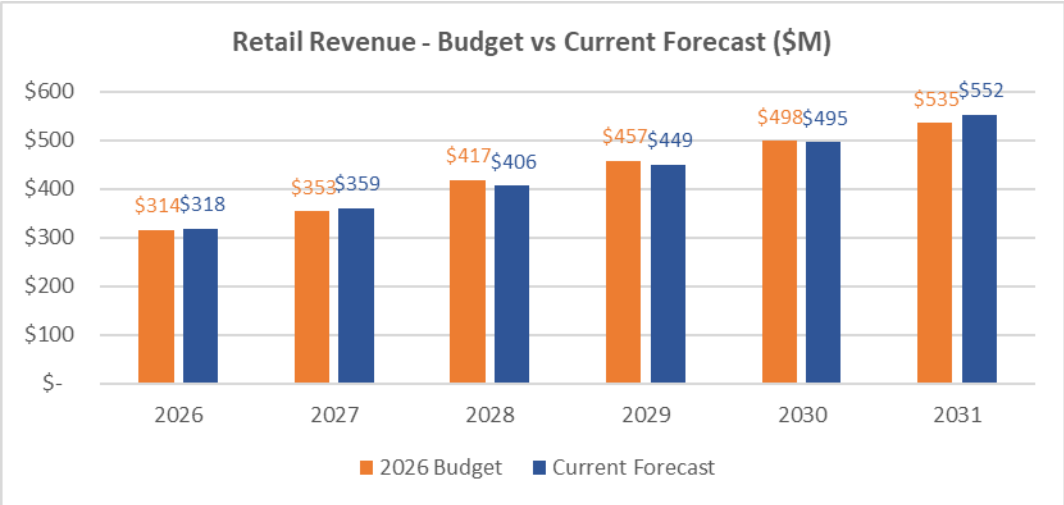
- 2026: Current 2026 Year End Projection for Wholesale Prices, on a flat annual basis, are \$41.14, -\$14.89 (-27%) lower than 2026 Budget forecast of \$56.04.
- 2027-2031: Current April forecast for Wholesale Prices, on a flat basis, are \$54.02, -\$5.68 (-10%) lower to 2025 Budget forecast of \$59.71.



Prior vs Current

- 2026: Current 2026 Year End Projection for Wholesale Prices are -\$0.26 (-1%) lower than the March projections.
- 2027-2031: April forecast for Wholesale Prices, on a flat basis, are +\$6.57 (+14%) higher than the March forecast.

Retail Revenue



2026 Budget vs Current

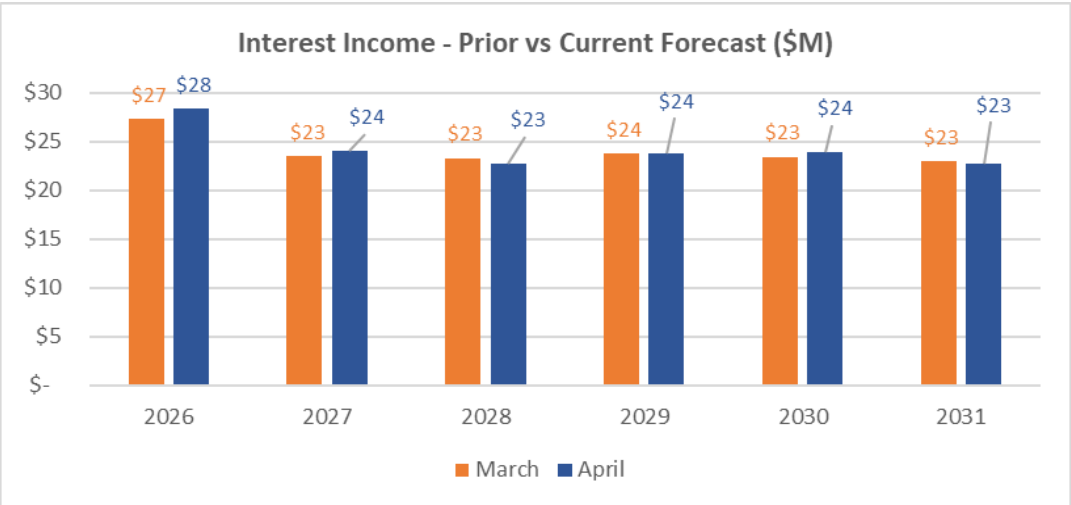
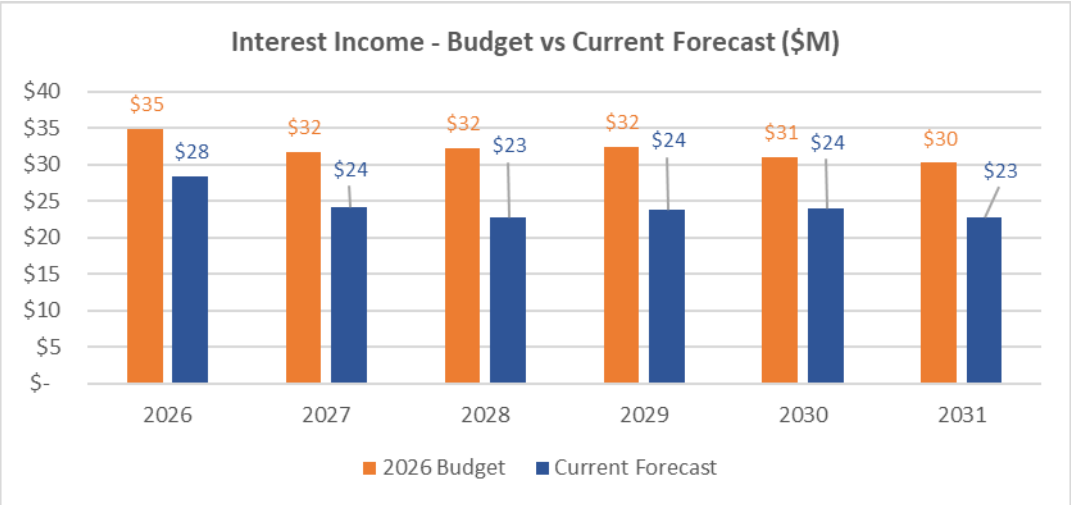
- 2026: Current 2026 Year End Projection for Retail Revenue is \$317.7M, +\$3.2M (+1%) favorable to the 2025 Budget forecast of \$314.4M.
- 2027-2031: Current April forecast is +\$0.2M (+0%) flat to the 2026 Budget forecast on an average annual basis.

Prior vs Current

- 2026: Current 2026 Year End Projection for Retail Revenue is +\$1.0M (+0%) flat to the March projection.
- 2027-2031: Current April forecast is +\$0.0M (+0%) flat to the March forecast on an average annual basis.

2026-2031 Rates: As adopted by Commission (2026 as adopted by commission as rate class - 2027-2031 set at 3.5% core and 9.5% noncore).

Interest Income



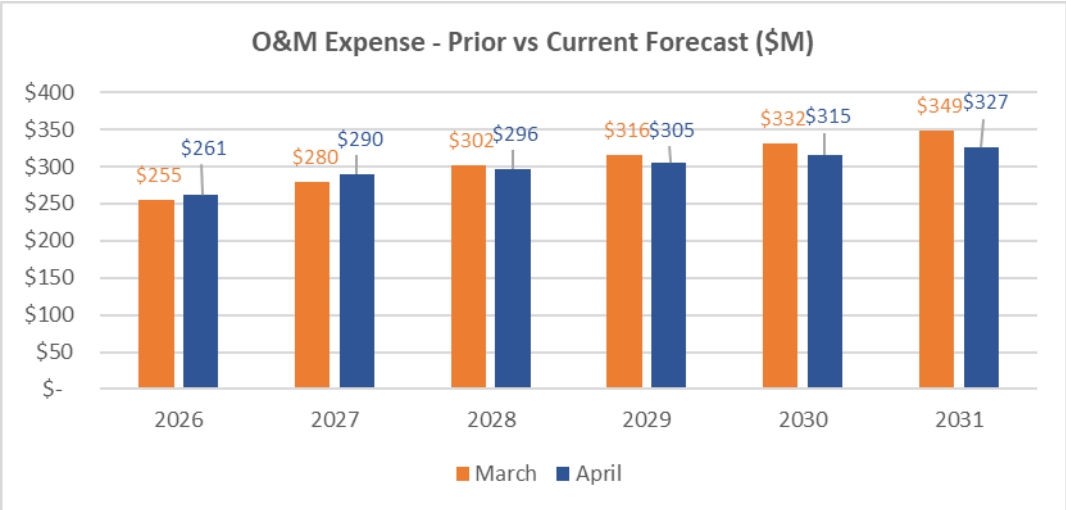
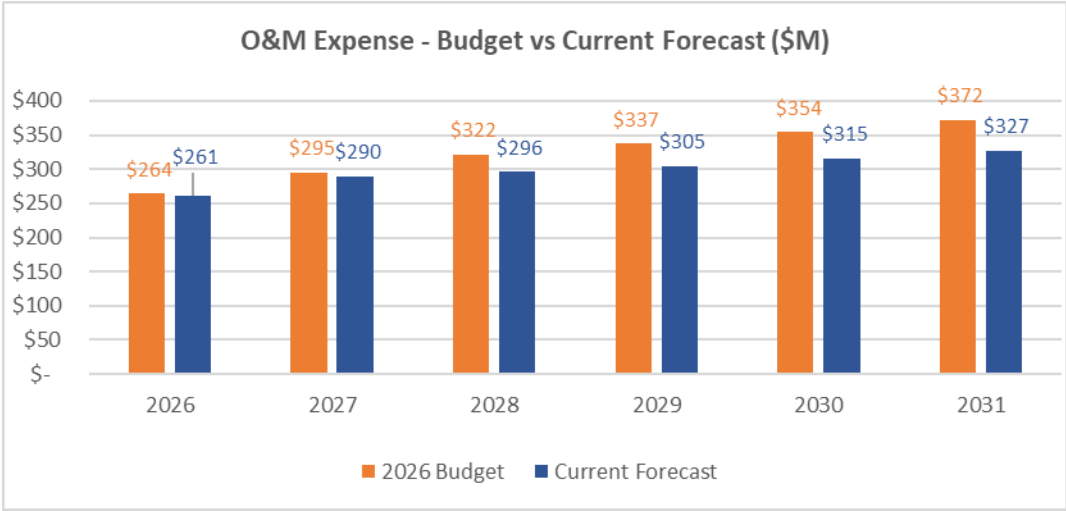
2026 Budget vs Current

- 2026: Current 2026 Year End Projection for Interest Income is \$28.3M, -\$6.5M (-19%) unfavorable to the 2026 Budget forecast of \$34.9M.
- 2027-2031: Current April forecast is -\$8.1M (-26%) unfavorable to the 2026 Budget forecast on an average annual basis.

Prior vs Current

- 2026: Current 2026 Year End Projection for Interest Income is +\$1.0M (+4%) favorable to the March projection.
- 2027-2031: Current April forecast is +\$0.1M (+0%) flat to the March forecast on an average annual basis.

O&M Expense



2026 Budget vs Current

- 2026: Current 2026 Year End Projection for O&M Expense is \$261.4M, -\$2.6M (-1%) favorable to the 2025 Budget forecast of \$264.M.
- 2027-2031: Current April forecast is -\$29.4M (-9%) favorable to the 2026 Budget forecast on an average annual basis.

Prior vs Current

- 2026: Current 2026 Year End Projection for O&M Expense is +\$6.1M (+2%) unfavorable to the March projection.
- 2027-2031: Current April forecast is -\$9.2M (-3%) favorable to the March forecast on an average annual basis.

Combined Financial Results

Exhibit A - \$ in thousands

Budgeted Items	Budget YTD 2026	Actuals YTD 2026	Budget 2026	Forecast 2026	Forecast 2027	Forecast 2028	Forecast 2029	Forecast 2030	Forecast 2031
Total O&M	\$ 39,328	\$ 31,412	\$ 264,034	\$ 261,430	\$ 289,513	\$ 295,652	\$ 304,522	\$ 315,427	\$ 326,714
Taxes	\$ 4,084	\$ 4,227	\$ 24,505	\$ 24,648	\$ 24,972	\$ 25,448	\$ 25,933	\$ 26,452	\$ 26,981
Electric Capital	\$ 41,431	\$ 16,118	\$ 257,922	\$ 255,914	\$ 220,934	\$ 175,950	\$ 130,489	\$ 138,955	\$ 95,191
PRP Capital	\$ 12,579	\$ 6,726	\$ 89,724	\$ 89,721	\$ 107,663	\$ 88,981	\$ 70,068	\$ 97,458	\$ 77,382
Total Capital	\$ 54,010	\$ 22,844	\$ 347,646	\$ 345,635	\$ 328,597	\$ 264,930	\$ 200,557	\$ 236,414	\$ 172,573
Debt Service - (net of Rebates)	\$ 21,577	\$ 21,632	\$ 67,136	\$ 67,191	\$ 154,587	\$ 79,519	\$ 84,382	\$ 90,618	\$ 92,806
Total Expenditures	\$ 119,000	\$ 80,115	\$ 703,322	\$ 698,905	\$ 797,669	\$ 665,549	\$ 615,394	\$ 668,911	\$ 619,075
Expenditures offsets for deduction									
Contributions in Aid of Construction	\$ 2,207	\$ 575	\$ 13,240	\$ 3,314	\$ 4,383	\$ 3,287	\$ 2,630	\$ 2,411	\$ 2,191
Sales to Power Purchasers at Cost	\$ 5,721	\$ 4,823	\$ 34,327	\$ 33,185	\$ 39,000	\$ 22,106	\$ 19,067	\$ 19,649	\$ 20,240
Net Power (+ Expense, -Revenue)	\$ 50,765	\$ 61,575	\$ 235,820	\$ 283,895	\$ 164,123	\$ 78,947	\$ 67,449	\$ 42,025	\$ 29,511
Total Expenditures Offset	\$ 58,693	\$ 66,973	\$ 283,387	\$ 320,394	\$ 207,506	\$ 104,339	\$ 89,146	\$ 64,084	\$ 51,942
Total Budgeted Expenditures	\$ 60,307	\$ 13,142	\$ 419,934	\$ 378,511	\$ 590,164	\$ 561,209	\$ 526,248	\$ 604,827	\$ 567,132

Expenditures offsets for deduction

- **CIAC** – Decrease of (-\$10.0M) to 2026 budget
- **Sales to Power Purchasers** – Decrease of (-\$1.1M)

Combined Financial Results

Exhibit B - \$ in thousands

	Budget YTD 2026	Actuals YTD 2026	Budget 2026	Forecast 2026	Forecast 2027	Forecast 2028	Forecast 2029	Forecast 2030	Forecast 2031
CONSOLIDATED OPERATIONAL PERFORMANCE									
Sales to Power Purchasers at Cost	\$ 5,721	\$ 4,823	\$ 34,327	\$ 33,185	\$ 39,000	\$ 22,106	\$ 19,067	\$ 19,649	\$ 20,240
Retail Energy Sales	\$ 48,973	\$ 48,370	\$ 314,449	\$ 317,661	\$ 359,160	\$ 406,058	\$ 448,695	\$ 495,062	\$ 552,014
Net Power (Net Wholesale + Other Power Revenue)	\$ 50,765	\$ 61,575	\$ 235,820	\$ 283,895	\$ 164,123	\$ 78,947	\$ 67,449	\$ 42,025	\$ 29,511
Fiber Optic Network Sales	\$ 2,345	\$ 2,872	\$ 14,069	\$ 14,596	\$ 14,350	\$ 14,637	\$ 14,930	\$ 15,229	\$ 15,533
Other Revenues	\$ 675	\$ 325	\$ 4,051	\$ 3,701	\$ 4,071	\$ 4,092	\$ 4,114	\$ 4,136	\$ 4,158
Operating Expenses	\$ (39,328)	\$ (31,412)	\$ (264,034)	\$ (261,430)	\$ (289,513)	\$ (295,652)	\$ (304,522)	\$ (315,427)	\$ (326,714)
Taxes	\$ (4,084)	\$ (4,227)	\$ (24,505)	\$ (24,648)	\$ (24,972)	\$ (25,448)	\$ (25,933)	\$ (26,452)	\$ (26,981)
Net Operating Income (Loss) Before Depreciation	\$ 65,067	\$ 82,326	\$ 314,177	\$ 366,960	\$ 266,219	\$ 204,740	\$ 223,800	\$ 234,220	\$ 267,761
Depreciation and amortization	\$ (15,175)	\$ (14,635)	\$ (90,258)	\$ (88,191)	\$ (94,147)	\$ (101,610)	\$ (110,563)	\$ (120,491)	\$ (131,231)
Net Operating Income (Loss)	\$ 49,892	\$ 67,692	\$ 223,919	\$ 278,769	\$ 172,072	\$ 103,129	\$ 113,237	\$ 113,730	\$ 136,530
Interest, debt and other income	\$ 1,720	\$ 2,965	\$ 10,693	\$ 5,938	\$ (627)	\$ (5,620)	\$ (5,943)	\$ (7,416)	\$ (10,407)
CIAC	\$ 2,207	\$ 575	\$ 13,240	\$ 3,314	\$ 4,383	\$ 3,287	\$ 2,630	\$ 2,411	\$ 2,191
Change in Net Position	\$ 53,818	\$ 71,232	\$ 247,852	\$ 288,022	\$ 175,828	\$ 100,797	\$ 109,924	\$ 108,724	\$ 128,314

Net Operating Income (before depreciation)

- Favorable impact of +\$52.8M vs the 2026 Budget forecast.
 - Main driver is Net Power, reflecting increased wholesale activity and updated market assumptions, including the impact of excess energy sales into the market and incorporation of CCA-related revenues.

Interest, debt and other income

- CREBs 2010M Bullet Payment Matures 1/2027 (\$90M)
 - Annual Interest that ends in 2026 ~\$5M per year

Combined Financial Results - \$ in thousands

Financial Metrics	Target	Budget 2026	Forecast 2026	Forecast 2027	Forecast 2028	Forecast 2029	Forecast 2030	Forecast 2031
Net Position		\$ 247,852	\$ 288,022	\$ 175,828	\$ 100,797	\$ 109,924	\$ 108,724	\$ 128,314
Liquidity								
Elect System Liquidity (Rev + R&C)	\$215 M	\$ 251,308	\$ 437,707	\$ 447,935	\$ 447,385	\$ 524,174	\$ 682,074	\$ 858,369
Days Cash On Hand	> 250	332	493	532	507	586	722	850
Leverage								
Consolidated DSC	>1.8x	5.44	6.06	4.86	5.08	4.53	4.19	4.56
Consolidated Debt/Plant Ratio	<= 60%	30%	30%	28%	28%	29%	26%	27%
Profitability								
Consolidated Return on Net Assets	>4%	8.3%	9.8%	5.5%	3.0%	3.1%	3.0%	3.4%
Retail Operating Ratio	<=100%	128%	143%	124%	123%	114%	109%	102%

Forecasted Debt

Electric

PRP	\$ 125,000	\$ 97,000	\$ 115,000
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JLB

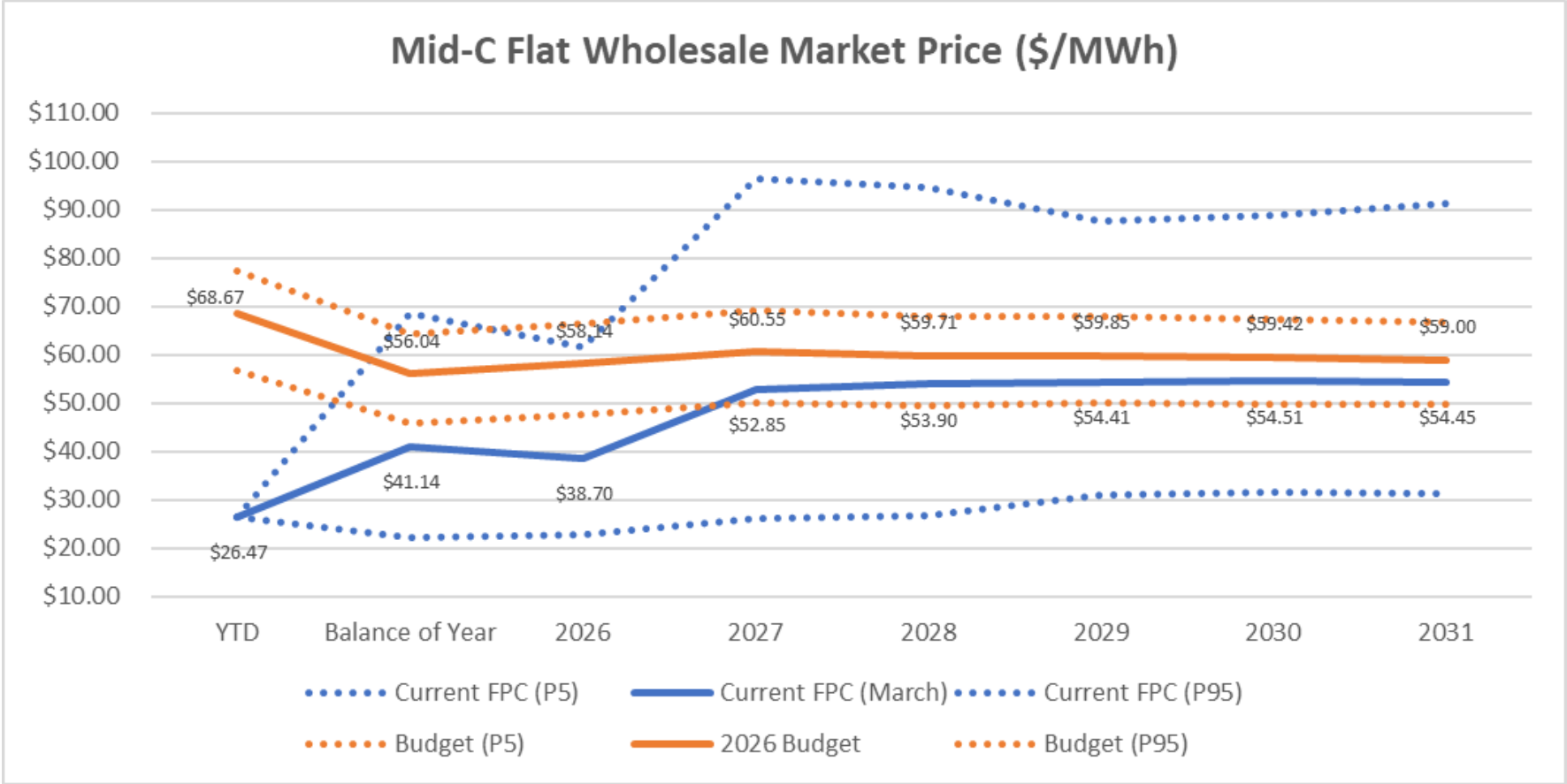
Dashboard - Financial Metrics/Performance

		2026	2027	2028	2029	2030	2031
Liquidity Metrics	Elect System Liquidity	+	+	+	+	+	+
	Days Cash On Hand	+	+	+	+	+	+
Leverage Metrics	Debt Service Coverage	+	+	+	+	+	+
	Debt-to-Plant Ratio	+	+	+	+	+	+
Profitability Metrics	Return on Net Assets	+	+	-	-	-	-
	Retail Operating Ratio	-	-	-	-	-	-

Electric System Liquidity

- Climate Commitment Act (CCA) Allowance Fund: \$290M (not included in Electric System liquidity balance)

Wholesale Price Volatility



Forward Price Curve (FPC) Comparison

2026 Average Actual Prices were below the Budget FPC

-\$19.45 or -33.4%

2027 through 2031 shows decreased pricing pressure

Avg -\$5.68 or -9.5%

Debt to Plant – Historic Cost vs Fair Market Value

12/31/2025 Debt to Net Plant Illustrative Example - Historic Cost vs Fair Market Value

GASB - Historic Cost			Fair Market Value - Example			
<i>\$'s in Billions</i>						
Assets	Book Value		Assets	Book Value	FMV Organization Multiplier*** = 1.88	Est FMV
Distribution	\$	0.9	Distribution	\$ 0.9		\$ 1.3
Production	\$	1.7	Production	\$ 1.7		\$ 2.6
Net Plant**		\$2.6	Net Plant**	\$2.6	Calculated Net Plant Multiplier = 1.5x	\$3.9
Liabilities			Liabilities			
Debt		\$1.1	Debt	\$1.1	1.0	\$1.1
Metric -			Metric -			
Debt to Net Plant		41%	Debt to Net Plant	41%		27%

* Cap Asset Per 12/31/2024 Financial Statements

**Net of Accum Dep

*** Published CSImarket for Electric Utility Industry Fair Market Value Multiplier for entire organization rolling 4 Quarter Average (updated for 2025-12)

Current Debt to Net Plant FMV = 27%

Based on FMV Organization Multiplier of 1.5.

Financial Takeaways – Key Drivers

Current Year (2026)

Grant PUD's current forecast continues to reflect a strong financial position, even with a moderate increase in O&M from prior forecast due to updated year end projects coming in higher than prior projected amounts. The Change in Net Position for 2026 is now projected at \$288.0 million, an increase of \$8.7 million (+3.01%) from prior forecast. Results remain ahead of budget, supported by solid wholesale performance, and prudent cost management.

Out Years (2027–2031)

The long-term financial outlook has increased from prior forecast, reflecting higher projected Net Wholesale. The Change in Net Position for 2027–2031 now averages \$124.7 million, a \$90.2 million annual average increase (+261.5%) from the prior forecast.

Bottom line: The current April forecast was revised upwards compared to the prior forecast driven by Net Wholesale. Grant PUD remains financially strong, with long-term sustainability driven through continued fiscal discipline, rate strategy, and careful management of power market and regulatory dynamics.

Net Power Report

April 2026



Net Power Reporting

Energy – Total ATC (Total Around the Clock) – MWh-Physical

	2026 Forecast BOY	2027 Forecast	2028 Forecast	2029 Forecast	2030 Forecast	2031 Forecast
Requirements						
Retail Sales + Unbilled	(6,448,379)	(7,424,642)	(7,861,977)	(8,057,036)	(8,255,837)	(8,509,435)
Retail Sales	(6,775,685)	(7,180,266)	(7,608,139)	(7,801,637)	(7,996,325)	(8,245,034)
Unbilled	(220,398)	(244,376)	(253,838)	(255,399)	(259,512)	(264,400)
Auction	(2,598,223)	(2,738,192)	(2,742,957)	(2,728,414)	(2,738,579)	(2,763,153)
Reasonable Portion Auction	(2,910,360)	(2,738,192)	(2,742,957)	(2,728,414)	(2,738,579)	(2,763,153)
PRP System Requirements	(549,935)	(611,944)	(610,333)	(609,445)	(613,062)	(619,334)
Converters	(395,005)	(385,095)	(384,081)	(383,522)	(385,799)	(389,745)
Exchangers	(232,687)	(226,849)	(226,252)	(225,923)	(227,264)	(229,589)
Pooling/Slices/Exchanges	(638,686)	(182,902)	-	-	-	-
PGE Slice - Fixed Return	1,264,922	-	-	-	-	-
PGE Slice - Net Gen Slice Forecast	(1,876,510)	-	-	-	-	-
Brookfield Slice - Fixed Return	731,557	731,813	-	-	-	-
Brookfield Slice - Net Gen Slice Forecast	(938,255)	(914,715)	-	-	-	-
	-	-	-	-	-	-
STF Sales	(2,856,249)	(361,082)	(1,008,003)	(848,868)	(715,083)	(823,692)
Existing Sales	(1,823,021)	-	-	-	-	-
Balancing Sales - PowerSimm	(1,328,134)	(240,588)	(847,955)	(729,274)	(620,860)	(685,072)
Balancing Sales - Bal Adj	(90,912)	(120,494)	(160,048)	(119,594)	(94,222)	(138,620)
Financial Transactions	-	-	-	-	-	-
Swaps - Fixed/Float	-	-	-	-	-	-
Swaps - Float/Float	-	-	-	-	-	-

Note: Unchanged from March report

Net Power Reporting

Energy – Total ATC (Total Around the Clock) – MWh-Physical

	2026 Forecast BOY	2027 Forecast	2028 Forecast	2029 Forecast	2030 Forecast	2031 Forecast
Resources						
Generation	8,220,256	9,147,148	9,123,070	9,109,797	9,163,861	9,257,609
Priest Rapids Dam	4,781,791	4,745,453	4,735,958	4,728,676	4,753,934	4,799,398
Wanapum Dam	4,581,887	4,401,695	4,387,112	4,381,121	4,409,927	4,458,211
LTF Purchases	255,875	287,557	1,283,471	1,791,953	1,604,523	1,556,291
BPA Grand Coulee Load	63,686	64,322	46,486	-	-	-
Nine Canyon	27,932	27,932	27,932	27,932	15,205	-
BPA PoC Contract Tier 1	-	-	172,590	698,322	705,315	703,526
Goose Prairie Solar 80MW	178,953	178,952	178,952	178,952	-	-
Quincy Solar 120MW	-	16,351	283,777	282,784	281,796	280,809
Royal Slope Solar 260MW	-	-	607,944	651,118	649,444	647,738
Royal Slope Battery 200MW	-	-	(34,210)	(47,155)	(47,237)	(75,782)
New Resource	-	-	-	-	-	-
STF Purchases	4,615,341	1,884,055	1,816,729	1,342,014	1,554,177	1,901,713
EUDL Purchases	-	-	-	-	-	-
EUDL Proceeds	-	-	-	-	-	-
Existing Purchases	4,558,725	584,175	-	-	-	-
Balancing Purchases - PowerSimm	191,562	1,169,003	1,675,269	1,253,172	1,483,215	1,781,049
Balancing Purchases - Bal Adj	237,238	130,877	141,460	88,842	70,961	120,664
Transmission	-	-	-	-	-	-
Merchant Network Transmission	-	-	-	-	-	-
Merchant Wheeling Purchase	-	-	-	-	-	-
Total Resources	13,091,472	11,318,761	12,223,270	12,243,764	12,322,560	12,715,613
Total Requirements	(13,091,472)	(11,318,761)	(12,223,270)	(12,243,764)	(12,322,560)	(12,715,613)
Total Portfolio	-	-	-	-	-	-

Note: Unchanged from March report

Net Power Reporting

All Products - Dollars

	2026 Total	2027 Total	2028 Total	2029 Total	2030 Total	2031 Total
Requirements						
Retail Sales + Unbilled	316,700,898	359,159,651	406,057,731	448,694,718	495,061,595	552,013,933
Retail Sales	316,700,898	359,159,651	406,057,731	448,694,718	495,061,595	552,013,933
Auction	337,836,604	221,176,104	222,368,964	196,553,338	173,226,343	170,007,108
Reasonable Portion Auction	337,836,604	221,176,104	222,368,964	196,553,338	173,226,343	170,007,108
PRP System Requirements	34,441,304	29,355,871	19,892,141	19,578,756	20,306,427	21,072,411
Reasonable Portion	18,121,913	11,699,895	832,072	-	-	0
Converters	10,269,751	11,110,861	11,994,453	12,320,862	12,778,783	13,260,814
Exchangers	6,049,640	6,545,115	7,065,616	7,257,895	7,527,644	7,811,596
Pooling/Slices/Unbilled	153,438,663	54,235,018	-	-	-	-
PGE Slice - Net Gen Slice Fixed	108,231,060	-	-	-	-	-
PGE Slice - Fixed Return	(113,050,132)	-	-	-	-	-
PGE Slice - True Up	11,533,210	-	-	-	-	-
Brookfield Slice - Net Gen Slice Fixed	60,113,440	63,806,331	-	-	-	-
Brookfield Slice - Fixed Return	(49,020,849)	(52,130,252)	-	-	-	-
Morgan Stanley - Premium	3,000,000	250,000	-	-	-	-
PGE Slice - Premium	90,322,982	-	-	-	-	-
Brookfield Slice - Premium	42,308,952	42,308,939	-	-	-	-
STF Sales	135,797,096	19,008,141	50,276,449	39,205,609	34,385,356	39,190,579
Existing Sales	85,879,521	-	-	-	-	-
Balancing Sales - PowerSimm	45,790,007	11,897,406	43,233,748	33,367,595	29,780,784	32,709,431
Balancing Sales - Bal Adj	4,127,567	7,110,735	7,042,701	5,838,013	4,604,572	6,481,148
Financial Transactions	-	-	-	-	-	-
Swaps - Fixed/Float	-	-	-	-	-	-
Swaps - Float/Float	-	-	-	-	-	-

Note: Unchanged from March report

Net Power Reporting

All Products - Dollars

	2026 Total	2027 Total	2028 Total	2029 Total	2030 Total	2031 Total
Resources						
Generation	(254,944,882)	(264,137,240)	(285,102,029)	(292,467,504)	(303,683,241)	(315,109,592)
Priest Rapids Project	(254,944,882)	(264,137,240)	(285,102,029)	(292,467,504)	(303,683,241)	(315,109,592)
LTF Purchases	(17,944,150)	(28,869,691)	(206,015,118)	(210,743,858)	(198,255,527)	(203,312,062)
BPA Grand Coulee Load	(3,343,490)	(3,545,772)	(2,690,192)	-	-	-
Nine Canyon	(1,156,608)	(1,156,608)	(1,156,608)	(1,156,608)	(578,304)	-
BPA PoC Contract Tier 1	-	-	(9,658,545)	(38,849,645)	(39,187,922)	(38,599,809)
Goose Prairie Solar 80MW	(13,444,051)	(13,444,051)	(13,444,051)	(13,444,051)	-	-
Quincy Solar 120MW	-	(1,210,368)	(20,999,199)	(20,925,702)	(20,852,461)	(20,779,478)
Royal Slope Solar 260MW	-	-	(43,029,498)	(46,085,283)	(45,966,514)	(45,845,905)
Royal Slope Battery 200MW	-	-	(67,626,000)	(90,168,000)	(90,168,000)	(90,168,000)
New Resource	-	(9,512,892)	(47,411,024)	(114,569)	(1,502,326)	(7,918,871)
STF Purchases	(290,509,404)	101,700,043	150,118,216	145,522,235	112,012,845	98,671,131
Existing Purchases	(277,398,521)	(32,957,216)	-	-	-	-
Balancing Purchases - PowerSimm	(5,605,245)	(47,975,846)	(63,625,900)	(48,213,222)	(58,862,733)	(66,906,571)
Balancing Purchases - BalAdj	(7,505,639)	(5,859,143)	(6,460,060)	(2,817,881)	(2,350,765)	(4,429,405)
EUDL Proceeds	-	188,492,248	220,204,177	196,553,338	173,226,343	170,007,108
Transmission	-	-	-	-	-	-
Merchant Network Transmission	-	-	-	-	-	-
Merchant Wheeling Purchase	-	-	-	-	-	-

Net Power Reporting

Retail Sales

	Year to Date			Balance of Year			Budget vs Current Fin Fx		
	2026 Budget YTD	2026 Actuals YTD	YTD Delta Actuals- Budget	2026 Budget BOY	2026 Current BOY	BOY Delta Current- Budget	Total 2026 Final Budget	Total April 2026 Current Scenario	Total Delta Current- Budget
Dollars	48,972,795	48,313,368	(659,427)	265,476,033	269,291,241	3,815,208	314,448,828	317,604,609	3,155,781
[+] Core	19,688,631	18,712,987	(975,643)	97,106,398	95,841,882	(1,264,516)	116,795,028	114,554,869	(2,240,159)
[+] Non Core	29,138,260	29,261,019	122,759	159,231,760	169,324,967	10,093,208	188,370,019	198,585,986	10,215,967
[+] Market	145,904	339,362	193,457	9,137,876	4,124,392	(5,013,484)	9,283,780	4,463,753	(4,820,027)
Megawatt	1,077,326	1,071,957	(5,370)	5,828,235	5,729,310	(98,925)	6,905,561	6,801,266	(104,295)
[+] Core	334,265	333,946	(320)	1,755,087	1,749,500	(5,586)	2,089,352	2,083,446	(5,906)
[+] Non Core	741,579	738,011	(3,568)	3,957,196	3,909,620	(47,576)	4,698,775	4,647,631	(51,143)
[+] Market	1,483	-	(1,483)	115,952	70,189	(45,763)	117,435	70,189	(47,245)

Key Takeaways	Core	Non Core	Rate 94 Market
Overall Revenue Performance:	Actual/Forecast revenue was below, -\$2,240,159 budget.	Actual/Forecast revenue was above, +\$10,215,967 budget.	Actual/Forecast revenue was below, -\$5,159,389 budget.
Primary Driver of Variance:	Rates changes were the primary driver of revenue variance.	Rates changes were the primary driver of revenue variance.	Forecasted MWh changes were the primary driver of revenue variance.
Price Impact:	Rates were below Budget, impacting revenue by -\$2,006,267.	Rates were above Budget, impacting revenue by +\$12,260,371.	Rates were below Budget, impacting revenue by -\$1,177,639.
Volume Impact:	Forecasted MWh were below budget, impacting revenue by -\$233,892.	Forecasted MWh were below budget, impacting revenue by -\$2,044,404.	Forecasted MWh were below budget, impacting revenue by -\$3,981,750.
Interpretation:	Rates had a larger effect on revenue performance than Forecasted MWh.	Rates had a larger effect on revenue performance than Forecasted MWh.	Forecasted MWh had a larger effect on revenue performance than Rates.

Questions?

Appendix - Key Assumptions

Actuals through:

February

Drivers	Forecast Based on
O&M	March YEP + Yakima Adjustment
Labor	March YEP
Net Power	March
Net Power Scenarios	March
Interest Income	February end Portfolio
Retail Revenue	December Load Forecast (New Rates)
Load Forecast Actual/Plan HLH and LLH	December Load Forecast
Capital	2026 Budget
CIAC	January
Taxes	Actuals plus adder (2%)
CCA Revenues	Pending
Transmission Revenues (Avista Only)	Actuals plus adder (2%)
Fiber Revenue	Actuals plus adder (2%)
Other Revenue	Actuals plus adder (2%)
Debt	No Change

Appendix – Enterprise to Budget Reconciliation

Enterprise to Budget Reconciliation		2026 Final Budget					energy only CCA Financial Report					Delta				
		BU OP Budgets	Corporate	O&M	15.17% CAP	= Labor-to-CAP (no benefits) TOTAL	BU OP Budgets	Corporate	O&M	14.54% CAP	= Labor-to-CAP TOTAL	BU OP Budgets	Corporate	O&M	-0.63% CAP	= Labor-to-CAP TOTAL
Labor	Salaries & Wages	\$ 113,282,629		\$ 113,282,629	\$ 17,092,794	\$ 130,375,423	\$ 112,960,608		\$ 112,960,608	\$ 16,544,399	\$ 129,505,006	\$ (322,021)	\$ -	\$ (322,021)	\$ (548,395)	\$ (870,416)
	Overtime	\$ 7,254,533		\$ 7,254,533	\$ 1,310,704	\$ 8,565,237	\$ 7,260,757		\$ 7,260,757	\$ 1,054,611	\$ 8,315,368	\$ 6,224	\$ -	\$ 6,224	\$ (256,094)	\$ (249,870)
	Benefits	\$ -	\$ 46,970,808	\$ 46,970,808	\$ 6,893,825	\$ 53,864,633	\$ -	\$ 41,722,232	\$ 41,722,232	\$ 6,141,541	\$ 47,863,773	\$ -	\$ (5,248,576)	\$ (5,248,576)	\$ (752,285)	\$ (6,000,860)
	Leave Cashouts	\$ -	\$ 2,477,232	\$ 2,477,232	\$ -	\$ 2,477,232	\$ -	\$ 3,771,527	\$ 3,771,527	\$ -	\$ 3,771,527	\$ -	\$ 1,294,295	\$ 1,294,295	\$ -	\$ 1,294,295
	Other Labor	\$ 785,945		\$ 785,945	\$ -	\$ 785,945	\$ 820,405		\$ 820,405	\$ -	\$ 820,405	\$ 34,460	\$ -	\$ 34,460	\$ -	\$ 34,460
	TOTAL	\$ 121,323,107	\$ 49,448,040	\$ 170,771,146	\$ 25,297,324	\$ 196,068,470	\$ 121,041,770	\$ 45,493,759	\$ 166,535,529	\$ 23,740,550	\$ 190,276,079	\$ (281,337)	\$ (3,954,280)	\$ (4,235,617)	\$ (1,556,773)	\$ (5,792,390)
Directs	G&A	\$ 12,506,450		\$ 12,506,450		\$ 12,506,450	\$ 12,395,419		\$ 12,395,419		\$ 12,395,419	\$ (111,031)	\$ -	\$ (111,031)	\$ -	\$ (111,031)
	Travel	\$ 2,563,968		\$ 2,563,968		\$ 2,563,968	\$ 2,495,653		\$ 2,495,653		\$ 2,495,653	\$ (68,315)	\$ -	\$ (68,315)	\$ -	\$ (68,315)
	IT	\$ 9,506,102		\$ 9,506,102		\$ 9,506,102	\$ 8,678,423		\$ 8,678,423		\$ 8,678,423	\$ (827,679)	\$ -	\$ (827,679)	\$ -	\$ (827,679)
	Operating Materials & Equipment	\$ 12,398,496		\$ 12,398,496		\$ 12,398,496	\$ 12,004,407		\$ 12,004,407		\$ 12,004,407	\$ (394,089)	\$ -	\$ (394,089)	\$ -	\$ (394,089)
	Purchased Services	\$ 42,045,941		\$ 42,045,941		\$ 42,045,941	\$ 53,373,477		\$ 53,373,477		\$ 53,373,477	\$ 11,327,536	\$ -	\$ 11,327,536	\$ -	\$ 11,327,536
	Risk	\$ 6,502,648		\$ 6,502,648		\$ 6,502,648	\$ 6,116,107		\$ 6,116,107		\$ 6,116,107	\$ (386,540)	\$ -	\$ (386,540)	\$ -	\$ (386,540)
	Transportation	\$ 1,704,084		\$ 1,704,084		\$ 1,704,084	\$ 1,769,967		\$ 1,769,967		\$ 1,769,967	\$ 65,883	\$ -	\$ 65,883	\$ -	\$ 65,883
	Utilities	\$ 1,667,732		\$ 1,667,732		\$ 1,667,732	\$ 1,280,426		\$ 1,280,426		\$ 1,280,426	\$ (387,306)	\$ -	\$ (387,306)	\$ -	\$ (387,306)
	Water for Power		\$ 3,625,177	\$ 3,625,177		\$ 3,625,177	\$ 3,163,646		\$ 3,163,646		\$ 3,163,646	\$ -	\$ (461,531)	\$ (461,531)	\$ -	\$ (461,531)
	Customer Accounts Uncollectible		\$ 810,000	\$ 810,000		\$ 810,000	\$ 816,000		\$ 816,000		\$ 816,000	\$ -	\$ 6,000	\$ 6,000	\$ -	\$ 6,000
	Yakama Settlement		\$ 5,000,000	\$ 5,000,000		\$ 5,000,000	\$ 1,995,247		\$ 1,995,247		\$ 1,995,247	\$ -	\$ (3,004,753)	\$ (3,004,753)	\$ -	\$ (3,004,753)
	Corporate Other		\$ 5,356,773	\$ 5,356,773		\$ 5,356,773	\$ -		\$ -		\$ -	\$ -	\$ (5,356,773)	\$ (5,356,773)	\$ -	\$ (5,356,773)
	Capitalized A&G		\$ (4,438,935)	\$ (4,438,935)		\$ (4,438,935)	\$ (4,351,854)		\$ (4,351,854)		\$ (4,351,854)	\$ -	\$ 87,081	\$ 87,081	\$ -	\$ 87,081
	Actuals with No Cost Center Cost Category						\$ 1,096,377		\$ 1,096,377		\$ 1,096,377	\$ -	\$ 1,096,377	\$ 1,096,377	\$ -	\$ 1,096,377
	PRP CAP				\$ 82,243,238	\$ 82,243,238			\$ 82,243,238		\$ 82,243,238				\$ -	\$ -
	ELEC CAP				\$ 240,105,694	\$ 240,105,694			\$ 240,277,847		\$ 240,277,847				\$ 172,153	\$ 172,153
	TOTAL	\$ 88,895,420	\$ 10,353,015	\$ 99,248,435	\$ 322,348,932	\$ 421,597,367	\$ 98,113,879	\$ 2,719,416	\$ 100,833,295	\$ 322,521,085	\$ 423,354,380	\$ 9,218,459	\$ (7,633,599)	\$ 1,584,860	\$ 172,153	\$ 1,757,013
	Enterprise Labor & Directs TOTALS	\$ 210,218,527	\$ 59,801,054	\$ 270,019,581	\$ 347,646,255	\$ 617,665,837	\$ 219,155,649	\$ 48,213,175	\$ 267,368,824	\$ 346,261,635	\$ 613,630,459	\$ 8,937,122	\$ (11,587,880)	\$ (2,650,758)	\$ (1,384,620)	\$ (4,035,378)
	Balance Sheet & Other Activity Recon Total	\$ 5,985,799		\$ (5,985,799)		\$ (5,985,799)	\$ 5,939,052		\$ (5,939,052)		\$ (5,939,052)			\$ 46,747		\$ 46,747
	Labor Reconciliation	\$ 2,841,754		\$ (2,841,754)		\$ (2,841,754)	\$ 2,832,641		\$ (2,832,641)		\$ (2,832,641)	\$ (9,113)		\$ 9,113		\$ (9,113)
	Directs Reconciliation	\$ 3,144,045		\$ (3,144,045)		\$ (3,144,045)	\$ 3,106,411		\$ (3,106,411)		\$ (3,106,411)	\$ (37,633)		\$ 37,633		\$ (37,633)
	Debt Service (net of rebates)		\$ 67,136,341			\$ 67,136,341		\$ 67,191,473		\$ 67,191,473		\$ 55,132			\$ 55,132	\$ 55,132
	Taxes		\$ 24,505,487			\$ 24,505,487		\$ 24,648,396		\$ 24,648,396		\$ 142,909			\$ 142,909	\$ 142,909
	Forecast Enterprise TOTALS	\$ 216,204,326	\$ 151,442,882	\$ 264,033,782	\$ 347,646,255	\$ 703,321,866	\$ 225,094,701	\$ 140,053,044	\$ 261,429,772	\$ 346,261,635	\$ 699,531,275	\$ 8,890,375	\$ (11,389,839)	\$ (2,604,011)	\$ (1,384,620)	\$ (3,790,590)

Exhibit A =

Exhibit A =

Exhibit A =

Thank you!



Enterprise Balanced Scorecard

April 2026

John Mertlich, General Manager/CEO



Powering our way of life.

Agenda

- Structure Review
- Review April 2026 performance
- Goal Status
- Resources
- Takeaways



Balanced Scorecard Structure

How does the Balanced Scorecard fit into the overall strategic planning process?



Balanced Scorecard Building Blocks

The Balanced Scorecard follows a hierarchy where each level answers a different question:

OBJECTIVES What must we achieve strategically?

GOALS What does success look like in the next 1-3 years?

STRATEGIES How will we achieve it?

MEASURES How will we know if we are succeeding?

TARGETS What level of performance are we aiming for?

**INITIATIVES/
TACTICS** What work will we actually do on a daily basis?

BSC Development Update



Powering our way of life.

The Rollout



Changing Approach

- Feedback about too many competing priorities
- Not enough capacity of some individuals
- Shifting focus from cascading down to the functional area by July to only enterprise and divisions
- Will re-evaluate cascading process (including timeline) to functional areas, business units and departments after enterprise and division balanced scorecards complete and operational
- **General Manager/CEO, Senior Vice Presidents and Vice President of Business Advancement and Strategy will finalize enterprise scorecard, create and finalize division scorecard**

Why the change in the balanced scorecard development process?

Organizational Structure



*Focused
near-term
development*

Goal Statements

- Tangible results in next 3 years
- **Specific, measurable**, achievable, relevant & **timebound** (SMART)
- Defines success of an objective
- *We want “x”, to be “y”, by “z” date*



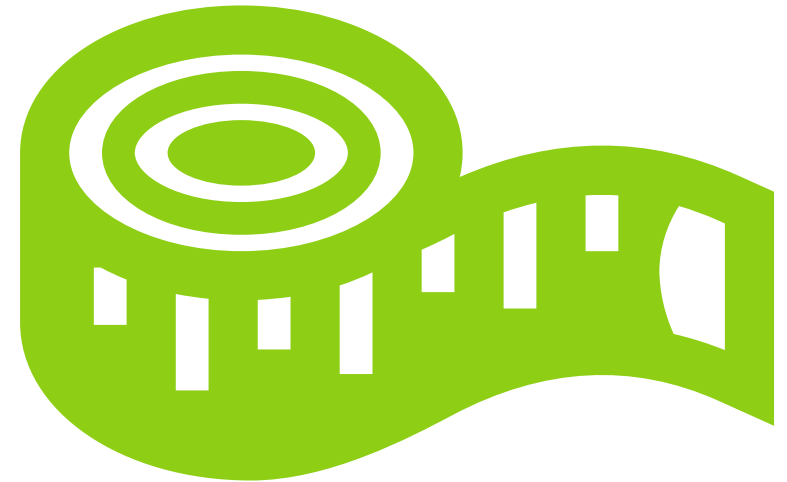
Measures

What is a measure?

- Quantifies progress toward the target → goal
- Clearly signals whether a strategy is working

Simple rules

- Directly tied to a specific enterprise goal
- Outcome-focused
- Clearly defined
- Actionable - leaders can influence the result
- Comparable over time - trend-based
- One-line test: *If this measure moves, would leadership know whether strategy is succeeding or failing?*



Targets

What is a target?

- A specific performance level we aim to achieve for a measure within a set time
- How “*good*” is a good enough number
- Targets make the scorecard actionable. Without targets, measures are just data

Guidance

- Stretch the organization but achievable
- Benchmarked where possible
- Reviewed and recalibrated quarterly and then annually



Measures & Targets: Common and Team specific

Common Measures & Targets

- Some measures and or targets will be common to everyone in the organization
- Example: Budgets within budget range, Gallup Q12

Team Specific

- Some measures will be specific to each team's contributions to advancing the enterprise goals





ENTERPRISE STRATEGY & BALANCED SCORECARD

MISSION *Our purpose*

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

VISION *Our aspiration*

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

VALUES *Principles and beliefs*

Safety | Innovation | Service | Teamwork | Respect | Integrity | Heritage

PERSPECTIVES



OBJECTIVE *What we are trying to achieve*

Develop and support a safe and rewarding work environment that attracts, retains, and engages talent to advance Grant PUD's strategic objectives

Deploy business processes and technology solutions that continuously improve business operations, resiliency, system reliability and compliance

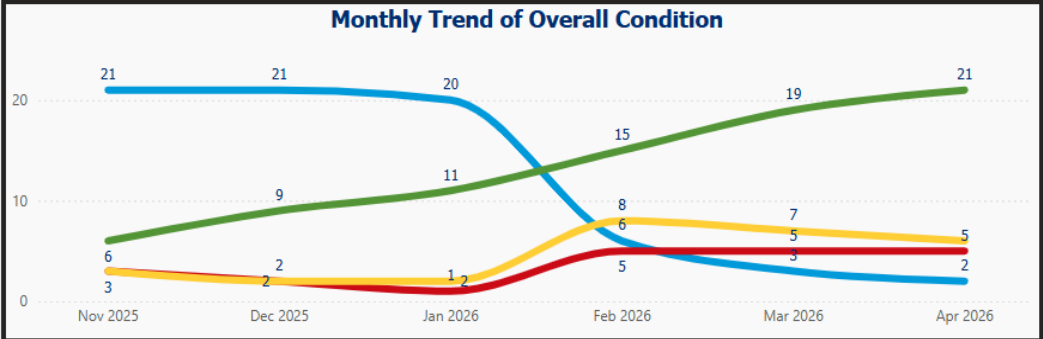
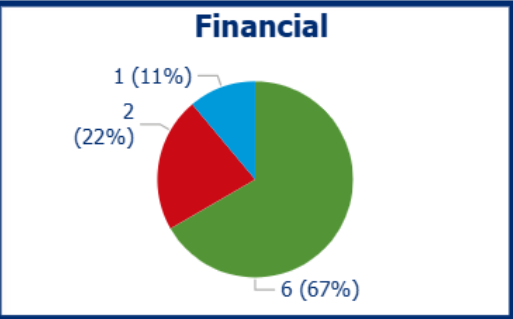
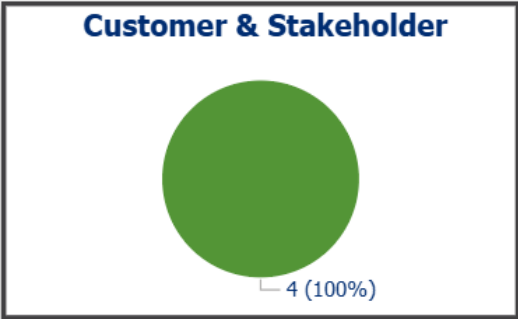
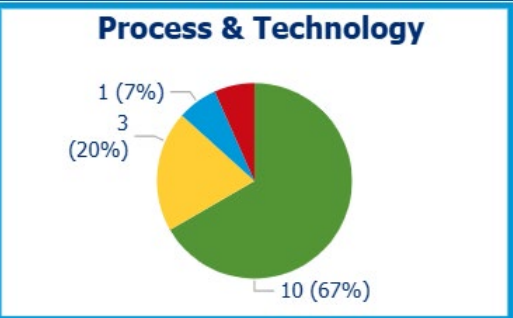
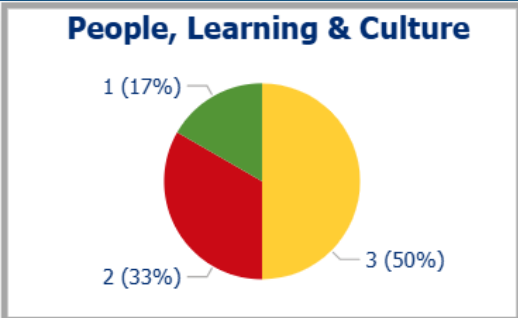
Provide an intentional customer experience that drives engagement, satisfaction and trust for both our customers and stakeholders

Ensure long-term financial sustainability by making prudent investment and financial management decisions while proactively managing risks

STRATEGIES *Paths required to achieve objective*



April Reporting Overview



- GREEN** On Track – Met or exceeding target
- YELLOW** Monitor – Below target; improvement underway or performance trending toward target; team actively managing and aware
- RED** Intervention Needed – Below target; additional support or focus needed
- BLUE** Developing - Measure under development



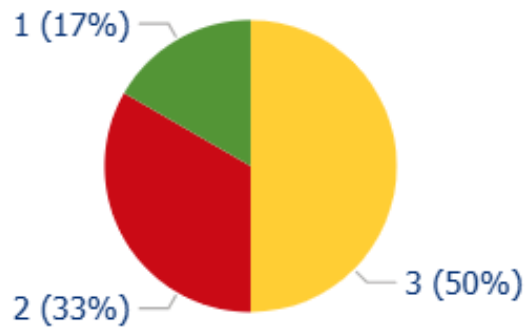
PEOPLE, LEARNING & CULTURE

Develop and support a safe and rewarding work environment that attracts, retains, and engages talent to advance Grant PUD's strategic objectives

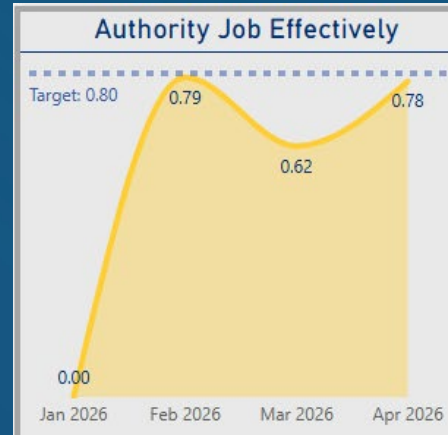
STRATEGY	MEASURE	QUESTION
Empower decision-making at the lowest appropriate level, closest to the issue, while ensuring safety and compliance.	% employees rating top two box score on survey response: "I have the authority I need to do my job effectively."	<i>Do employees feel empowered to do their jobs?</i>
Grow leaders who strengthen employee engagement while meeting objectives	Avg organizational Employee Engagement Q12 Survey Question total score	<i>How engaged do employees feel overall?</i>
Improve interdepartmental collaboration and service	% of Target Service Providing Departments rating 5 on "Our Internal Service Providers understand and meet our department's needs."	<i>Do internal providers meet department needs effectively?</i>
Improve recruitment, retention, and succession planning	% critical roles with a formal succession plan	<i>Are key roles prepared for future transitions?</i>
Sustain our safety culture	% completed versus established Job Site Review targets	<i>Are job site reviews occurring as planned?</i>
	% of safety concerns closed by due date	<i>Are safety concerns resolved promptly?</i>



PEOPLE, LEARNING & CULTURE



- All 6 measures trending closer to targets than previous month (improving)
- Safety concerns closed by due date consistently over the last 3 months
- Opportunity to improve #JSR and interdepartmental collaboration & service





PROCESS & TECHNOLOGY

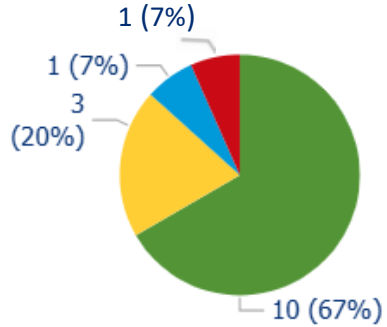
Deploy business processes and technology solutions that continuously improve business operations, resiliency, system reliability and compliance

STRATEGY	MEASURE	QUESTION
Continually optimize key processes to improve efficiency, effectiveness and compliance	% of targeted processes documented to plan	<i>Are critical processes documented as planned?</i>
	% compliance with Growth Management Strategy Phase II Implementation Workplan	<i>Is GMS Phase II progressing as planned?</i>
	Ratio of Self-Identified to Externally-Identified compliance issues	<i>Are we catching compliance issues before others?</i>
Deploy technology and enterprise-wide systems to streamline business operations	% compliance to critical business system implementation plan	<i>Are we following the system implementation plan?</i>
Establish and enforce standardized design and material specifications to improve quality and consistency	% of targeted Department standards transitioned to a standard design, product and work package template	<i>Are departments adopting standard templates?</i>
	% of high value/high impact stock items reviewed for like inventory items District-wide	<i>Are critical inventory items reviewed for duplication?</i>
Optimize wholesale and retail systems operation performance	Network uptime - Wholesale Fiber	<i>How reliable is our home fiber network?</i>
	Network uptime - Backbone	<i>Is our core network consistently available?</i>
	System average interruption duration index (SAIDI)	<i>How long do outages affect customers overall?</i>
	System average interruption frequency index (SAIFI)	<i>How often do customers experience outages?</i>
	Wanapum Dam Unit Availability	<i>Is Wanapum Dam generating power as expected?</i>
	Priest Rapids Unit Availability	<i>Is Priest Rapids generating power as expected?</i>
Strengthen data capture, governance, access, and analysis capabilities	% completion of Database Warehouse Plan	<i>Is the data warehouse plan on track?</i>
Strengthen resilience of enterprise technology assets against threats	% achievement of Cyber Security Control Plan	<i>Are planned cybersecurity controls fully implemented?</i>

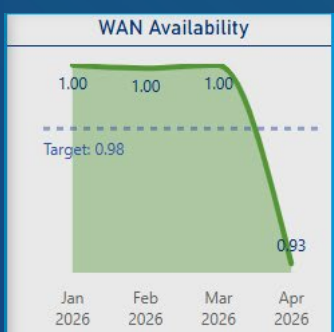
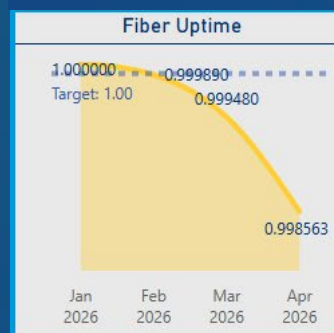
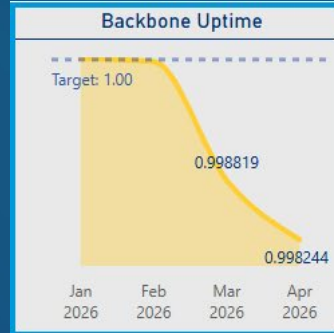
**New measure: % Invoices paid within 30 days How efficient is our District payment processing system?*



PROCESS & TECHNOLOGY



- ~50% of P&T measures trending closer to targets than previous month (improving)
- Data Warehouse Plan: resource constraints/competing priorities
- Cyber Security Control Plan blocked by unresolved policy approvals, not technical capability





CUSTOMER & STAKEHOLDER

Provide an intentional customer experience that drives engagement, satisfaction and trust for both our customers and stakeholders

STRATEGY

Advocate and engage with stakeholders (key players), regulatory and policy makers to enable Grant PUD's business objectives

Enhance customer communication, education, and engagement

Optimize rate structures and fees to insulate "core" customers from adverse growth impacts

MEASURE

% of Participation in Recommended Engagements (Commission, ELT or SME)

% of customers report they hear information about growth and rate impacts

Overall/composite Customer Satisfaction attribute survey

% of total number megawatts under-utilized

QUESTION

Are leaders engaging in recommended activities?

Are growth and rate impacts reaching customers?

How satisfied are customers overall?

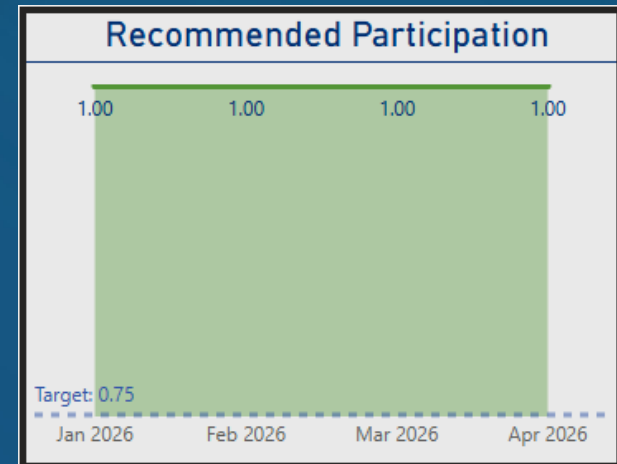
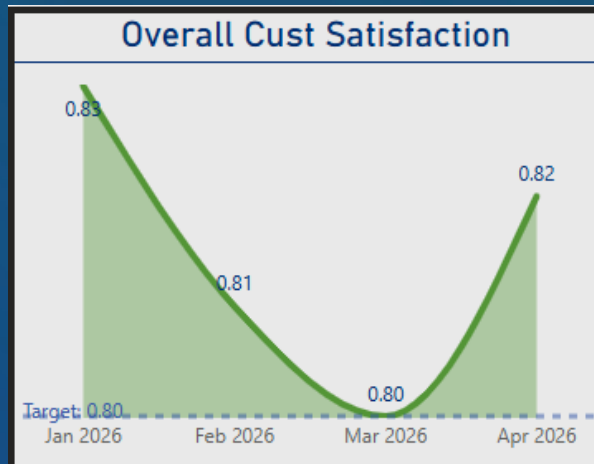
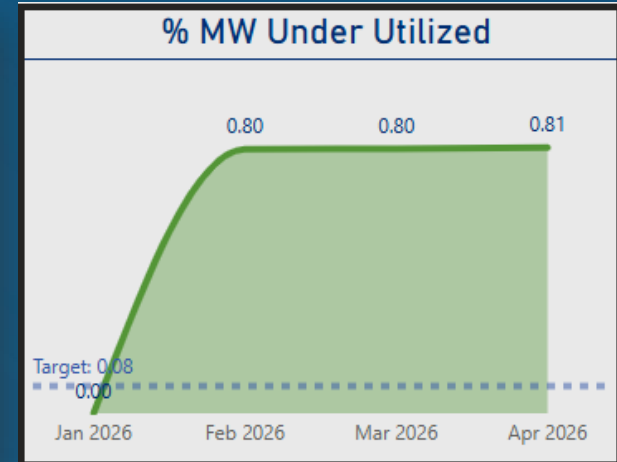
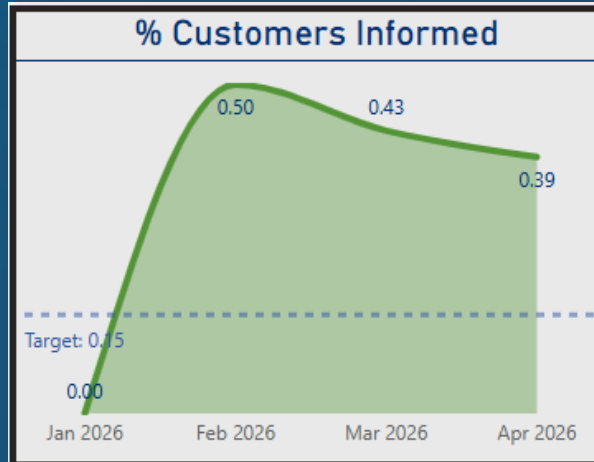
Are we using our energy capacity efficiently?



CUSTOMER & STAKEHOLDER



- Acceptable megawatts utilized in Quincy
- Customers Satisfied with their Grant PUD experience (small sample size)
- High participation in recommended engagements (Commission/ELT/SME)





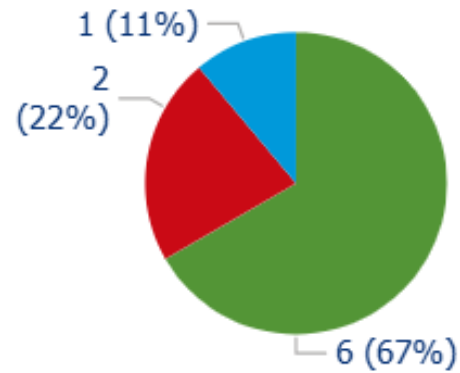
FINANCIAL

Ensure long-term financial sustainability by making prudent investment and financial management decisions while proactively managing risks

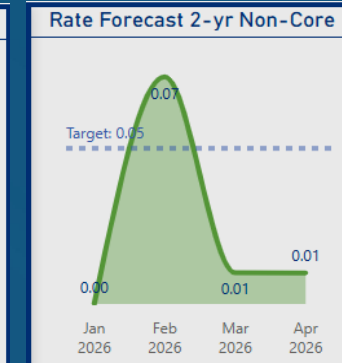
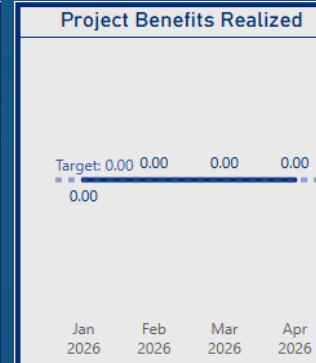
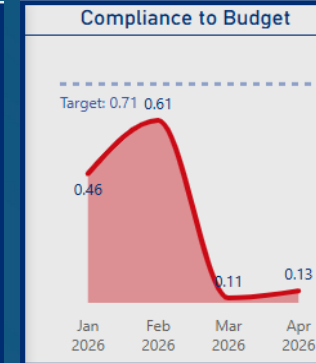
STRATEGY	MEASURE	QUESTION
Advance proactive risk management	% of risk assessment plan being met	Are risk assessments on track to plan?
Develop and implement cost recovery strategy related to forecasted growth	% variance current forecast rate trajectory to target rate trajectory - core customer	Are core customer rates tracking to targets?
	% variance current forecast rate trajectory to target rate trajectory - non-core customer	Are non-core customer rates tracking to targets?
Improve forecasting to accurately anticipate and meet future demand while ensuring affordability and rate stability (GMP)	% variance gross margin forecast accuracy	Are our key financial forecasts accurate?
Meet or exceed financial performance expectations	% compliance of Enterprise budgets within budget range (YTD)	Are budgets staying within approved limits?
	% acceptable variance Enterprise projections (forecast) to meet year end projection	Are monthly forecasts within desired volatility range?
	# 6-year Debt Service Coverage (DSC) meeting target	Are we meeting debt service coverage targets?
	# 6-year Return on Net Assets (RONA) forecasted within target	Is Net Plant generating financial policy targeted returns?
Optimize project-specific financial performance to ensure transparency and ROI capture	% of projects realizing hard benefits	Are projects delivering measurable benefits?



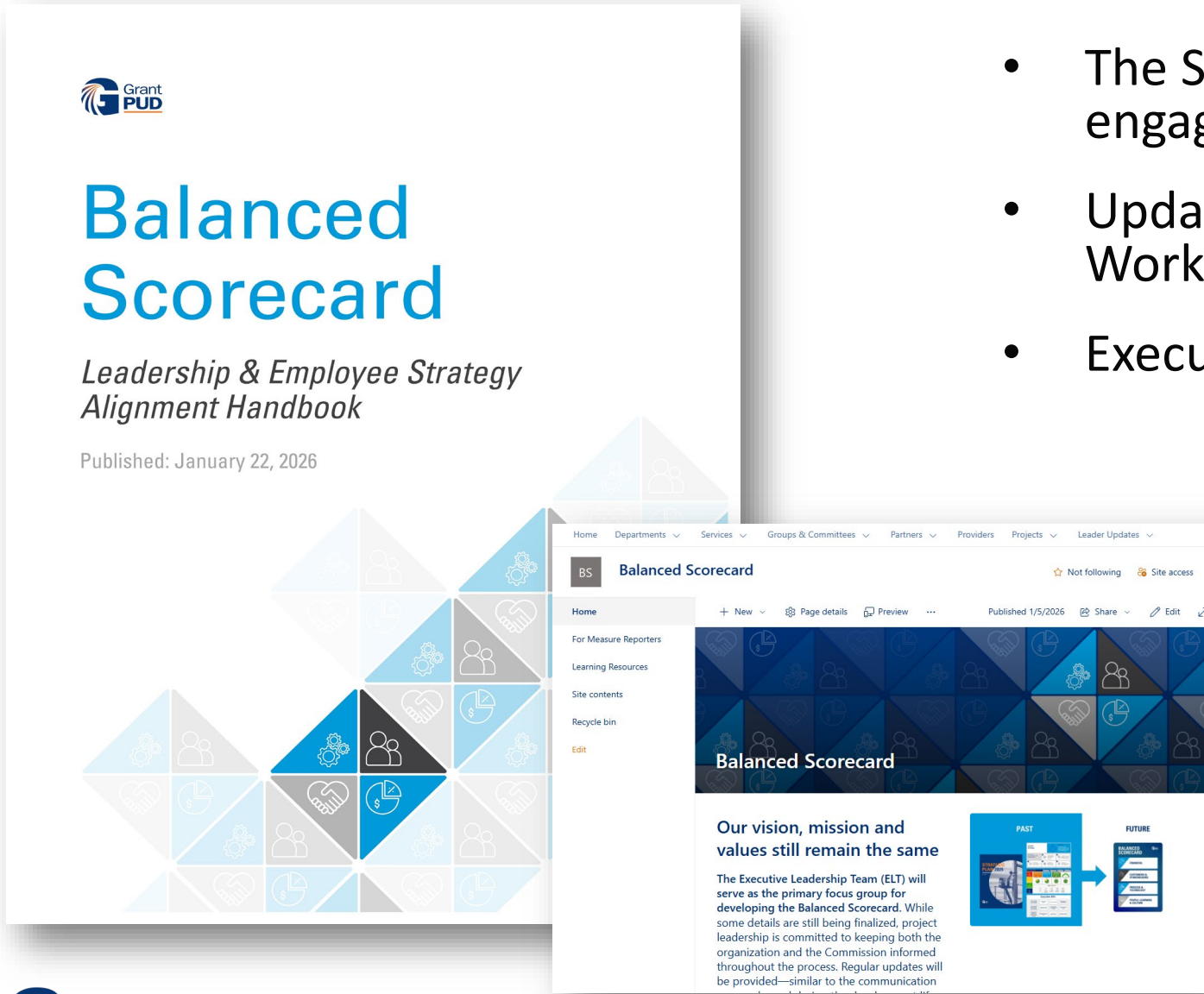
FINANCIAL



- 33% meeting target
- Considering RONA target update; target is dated from 2012
- Enterprise budgets not within budget range
- Risk Assessments are on track to plan



Resources



- The Handbook – available on SP
- The SP Site – what’s coming up, how to engage, resources – check out the library!
- Updates via AEM, Leaderline and Working@Grant
- Executive Leadership Team

Key Takeaways

- Month 4 of Enterprise Monthly Balanced Scorecard Reporting
- 1 Measure went “Live” in Process & Technology this month and was actively reported on
- Finalizing goals – defining success for our objectives in the next 1-3 years – a clear target of what we are achieving through work on our measures
- Division measures in development
- Multiple resources available for employees



Thank you!



Grant County Public Utility District

2025 Audit Results

Discussion with Board of
Commissioners

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Agenda

1. Scope of Services Provided and Audit Reports Issued
2. Audit Opinion/Reports
3. Areas of Audit Emphasis
4. Matters Required to be Communicated with Those Charged with Governance
5. Your Baker Tilly Audit Service Team Leaders



Scope of Services

We have performed the following services for Grant County Public Utility District :

Annual Audit

- Annual financial statement audit for the for the year ended December 31, 2025
- Annual report on internal controls in accordance with *Government Auditing Standards*
- Communication to Those Charged with Governance

Limited Procedures on RSI

- Management's discussion and analysis
- Schedule of Proportionate Share of the Net Pension Liability
- Schedule of Contributions
- Schedule of changes to total OPEB Liability and Related Ratios



Auditor Reports Issued



Unmodified opinion on financial statements of the District, which are presented fairly and in accordance with US GAAP

- Emphasis of Matter – CCA Regulatory Accounting and Prior Year Restatement.



Auditors' reports on Internal Control Over Financial Reporting and on Compliance and Other Matters

- No compliance findings noted

Areas of Audit Emphasis

- **Internal control environment**
 - Capital assets/project management, cash receipts/receivables, cash disbursements/payables, payroll, bond, investment transactions, and general computer controls over IT systems
- **Management override of controls**
- **Management estimates**
 - Allowance for uncollectible accounts, unbilled revenue, licensing obligations, regulatory assets/liabilities, compensated absences, pension and other postemployment benefits/liabilities, depreciable lives of utility plant
- **Utility Plant**
 - Evaluation of capitalization policies and potential impairment, testing of construction in progress additions, asset retirements and depreciation; consideration of timely closing of capital projects to depreciable capital assets
- **Power Transactions**
 - Wholesale power sales transactions
 - Retail energy sales
- **Net position classification**
 - Net invested in capital assets;
 - Restricted;
 - Unrestricted;



Areas of Audit Emphasis (continued)

- **Change in accounting principal (resulting in 2024 restatement)**
 - Testing of the Districts adoption of regulatory accounting for Washington Climate Commitment Act (CCA) auction proceeds
 - Evaluation of restatement of prior periods
- **Adoption of new accounting standard GASB 102 – Certain Risk Disclosure**
- **Subsequent events disclosures**



Matters Required to be Communicated with Those Charged with Governance

Our responsibility with regard to the financial statement audit under U.S. auditing standards:

We are responsible for forming and expressing an opinion about whether the financial statements that have been prepared by management, with your oversight, are prepared, in all material respects, in accordance with accounting principles generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States (*Government Auditing Standards*). Our audit of the financial statements does not relieve you or management of your responsibilities.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (U.S. GAAS) and government auditing standards. As part of an audit conducted in accordance with U.S. GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit.



Matters Required to be Communicated with Those Charged with Governance

Our responsibility with regard to the financial statement audit under U.S. auditing standards:

Our audit of the financial statements included obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control or to identify deficiencies in the design or operation of internal control. Accordingly, we considered the Port's internal control solely for the purpose of determining our audit procedures and not to provide assurance concerning such internal control.

We are also responsible for communicating significant matters related to the financial statement audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.



Matters Required to be Communicated with Those Charged with Governance

Other Information Included in the Annual Report:

Management is responsible for the other information included in the table of contents of the annual report. The other information comprises the Commissioner's Report, Letter from John Mertlich and other introductory information but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon. Our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the audited financial statements. We have read the information, and nothing came to our attention that caused us to believe that such information is materially inconsistent with the financial statements.



Matters Required to be Communicated with Those Charged with Governance

Significant Accounting Practices:

Our views about qualitative aspects of the entity's significant accounting practices, including accounting policies, accounting estimates, and financial statement disclosures

The quality of the entity's accounting policies and underlying estimates is discussed throughout this presentation. There were no changes in the entity's approach to applying the critical accounting policies.

The District adopted Governmental Accounting Standards Board (GASB) Statement 102, *Certain Risk Disclosures*, for the year ended December 31, 2025.

The District adopted regulatory accounting for CCA auction proceeds, resulting in restatement of previously reported balances (Note 1).

Matters Required to be Communicated with Those Charged with Governance

Significant Unusual Transactions:

No significant unusual transactions were identified during our audit of the entity's financial statements.

Matters Required to be Communicated with Those Charged with Governance

Significant Difficulties Encountered During the Audit:

We are to inform those charged with governance of any significant difficulties encountered in performing the audit.

No significant difficulties were encountered during our audit of the entity's financial statements

Disagreements with Management:

Disagreements with management, whether or not satisfactorily resolved, about matters that individually or in the aggregate could be significant to the entity's financial statements, or the auditor's report.

There were no disagreements with management.



Matters Required to be Communicated with Those Charged with Governance

Other findings or issues arising from the audit that are, in the auditor's professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process:

There were no other findings or issues arising from the audit to report.

Circumstances that affect the form and content of the auditor's report:

GASB Statement No. 62 adoption - CCA Regulatory Accounting and Prior Period Restatement.



Matters Required to be Communicated with Those Charged with Governance

Uncorrected Misstatements:

Uncorrected misstatements, or matters underlying those uncorrected misstatements, as of and for the year ended December 31, 2025, could potentially cause future-period financial statements to be materially misstated, even though we have concluded that the uncorrected misstatements are immaterial to the financial statements, including disclosures, under audit.

Entry to reclassify transformers received from material and supplies to utility plant in the amount of \$7,464,964.

Material, Corrected Misstatements:

Material, corrected misstatements that were brought to the attention of management as a result of audit procedures.

No material misstatements were identified as a result of our audit other than those that remain uncorrected as previously discussed.



Matters Required to be Communicated with Those Charged with Governance

Management's Consultation with Other Accountants:

When we are aware that management has consulted with other accountants about significant auditing or accounting matters, we discuss with those charged with governance our views about the matters that were the subject of such consultation.

We are not aware of instances where management consulted with other accountants about significant auditing or accounting matters.

Matters Required to be Communicated with Those Charged with Governance

Significant issues arising from the audit that were discussed, or the subject of correspondence with management:

No significant issues arose during the audit that have not been addressed elsewhere in this presentation.

Matters Required to be Communicated with Those Charged with Governance

Other

- Ability to continue as a going concern - no disclosure deemed necessary
- Potential effect on the financial statements of significant risks, exposures, and uncertainties
 - The District is subject to potential legal proceedings and claims that arise in the ordinary course of business, which are disclosed in Note 12 to the financial statements.
- Subsequent Event - The District entered into a membership agreement with TEA on April 1, 2026, which was disclosed in Note 15 to the financial statements.
- Regular meetings were held between Baker Tilly and District management and staff throughout the audit term.
- Consideration of fraud in a financial statement audit:
 - We are not aware of any instances of fraud or noncompliance with laws and regulations.

Accounting Developments 2026 and beyond

- **GASB Statement No. 103: Financial Reporting Model Improvements-** *(effective 2026)*: This statements is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability.
- **GASB Statement No. 104: Disclosure of Certain Capital Assets-** *(effective 2026)*: *This statement provides detailed information about capital assets in notes to financial statements.*
- **GASB Statement No. 105: Subsequent Event Improvements-** *(effective 2027)*: This statements is to improve financial reporting related to subsequent events by (1) clarifying the time frame and events that constitute recognized and nonrecognized events and (2) specifying the items that are required to be disclosed about those events.



Your Service Team



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Uriel Barker
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**THANK
YOU**

The background features a dark blue gradient with several overlapping circles in lighter shades of blue and grey, creating a layered, abstract effect.

The Columbia River Treaty Modernization

April 28, 2026

Jeff Grizzel, SVP Power & Market Operations



Treaty History & Background

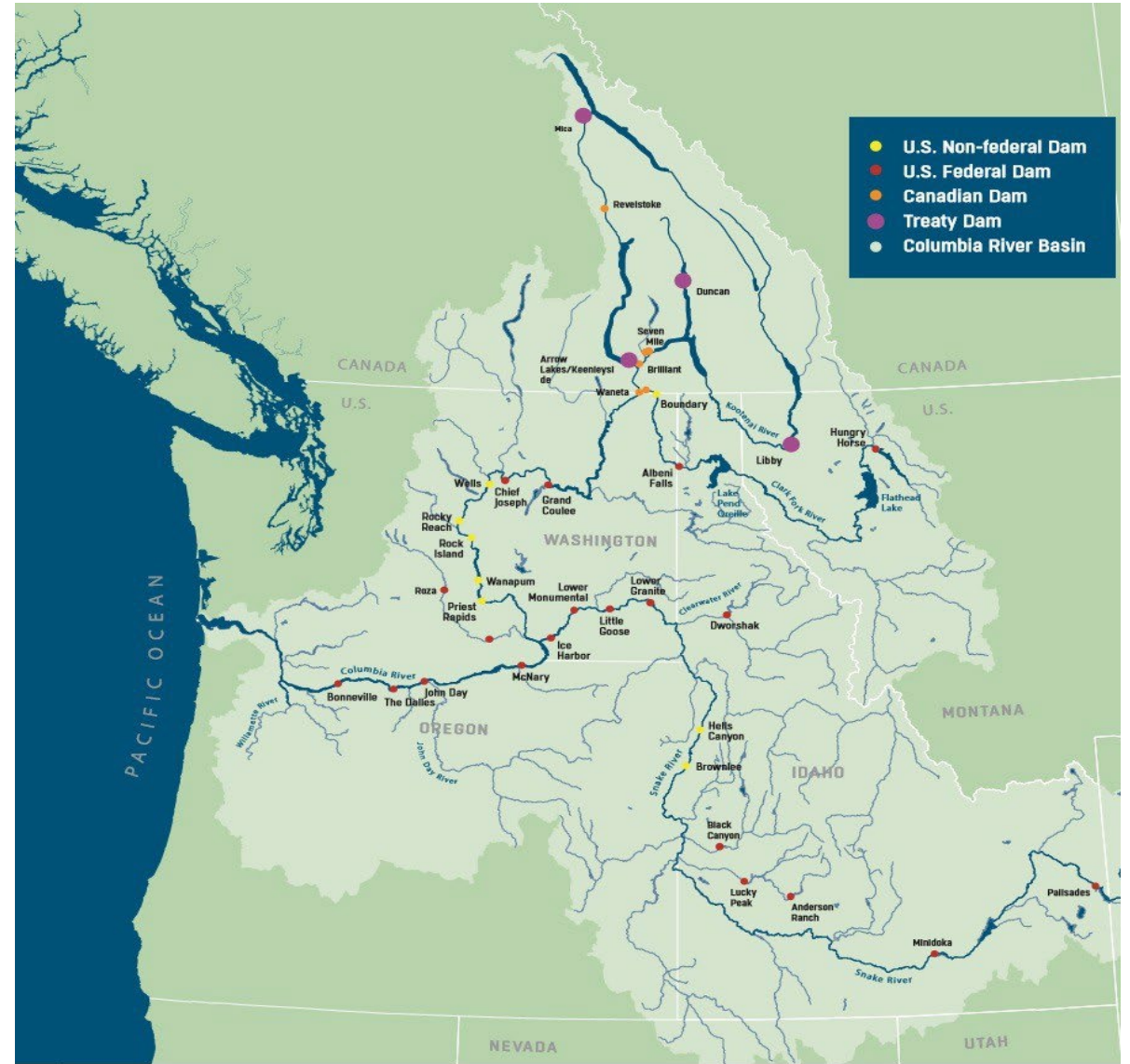
Signed by U.S. and Canada in 1961; entered into force in 1964 with Entities designated for implementation (U.S. = BPA + Corps; CAN = BCH)

Facilitated shared water resource management to maximize benefits to U.S. & Canada primarily for hydropower & flood risk management (FRM)

Two drivers for Treaty modernization – (1) post-2024 FRM and (2) better addressing ecosystem function

2013 – U.S. Entity Regional Recommendation released to guide U.S. negotiations with Canada for Treaty modernization

for Treaty modernization
released to guide U.S. negotiations with Canada
2013 – U.S. Entity Regional Recommendation



Overview & Status

- 2018 - Formal negotiations to modernize the Treaty between U.S. & Canada began
- 2024 – After 18 rounds of negotiations over 6 years, the U.S. & Canada reached an Agreement in Principle (AIP)
- 2025 - Trump Administration paused negotiations on Treaty amendment
- 2027 – Interim FRM provisions terminate (sooner if a modernized Treaty is negotiated)
- 2044 – Power provisions were established for twenty years



Flood Risk Management

- September 16, 2024: the CRT 60-year "Assured Annual Flood Control" storage (8.45 MAF) provisions expired
- Agreement in Principle calls for 3.6 MAF preplanned storage until 2027
- U.S. can exercise "*called upon*" storage after 3.6 MAF is used, but must utilize storage in U.S. reservoirs first
- FRM requirements must be harmonized with ESA, CWA, NHPA, instream flows, and FERC License requirements

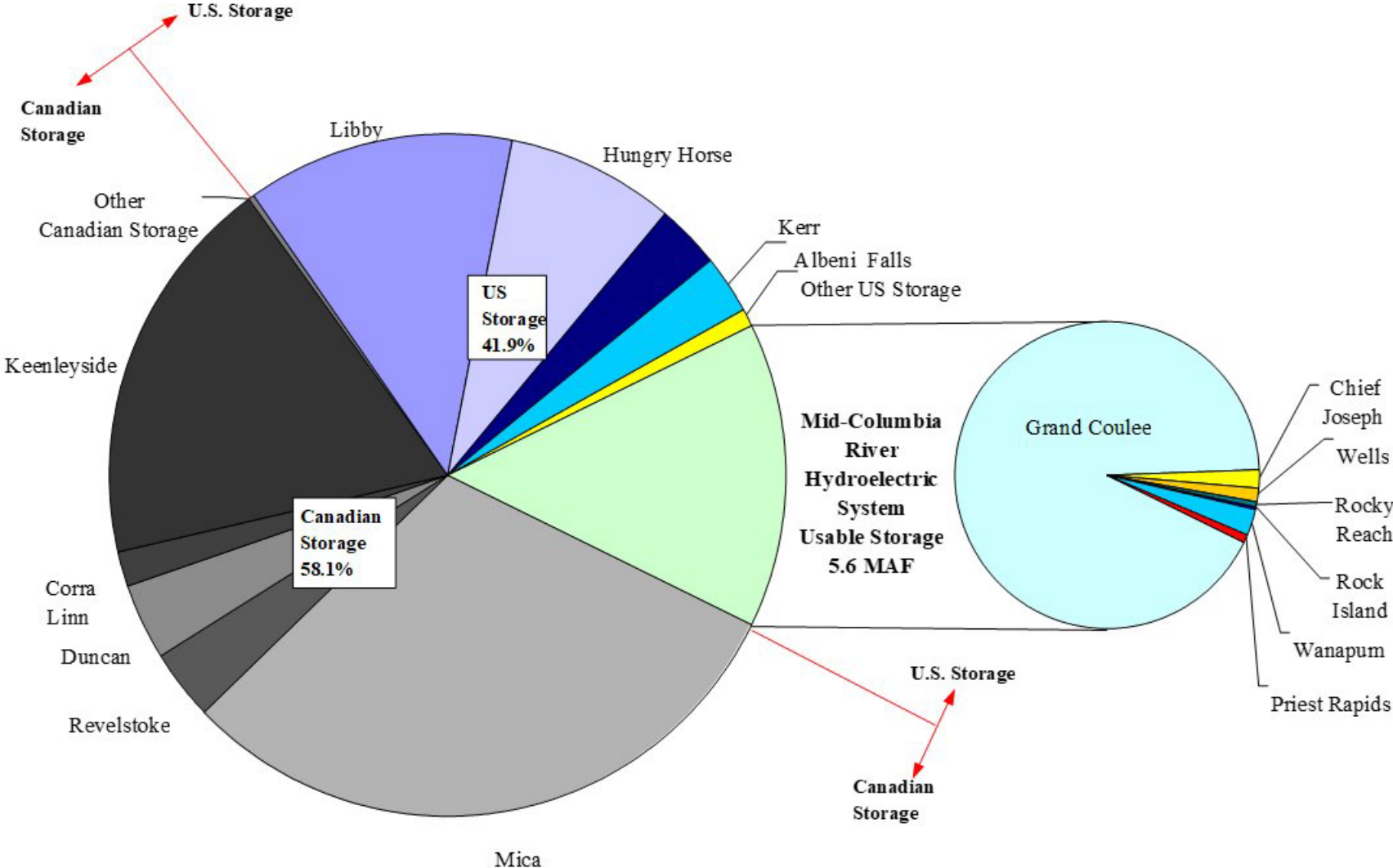


Flood Risk Management – Grant PUD

- U.S. Army Corps developed "Water Control Plan" (WCP)
- WCP addresses required U.S. storage under "called upon" conditions
- WCP calls for drawdown of Priest Rapids and Wanapum prior to calling upon CA
- FERC License requires Grant PUD to provide up to 500k AF of flood storage when requested by Corps
- FERC License says Grant PUD must be compensated
- Corps says they have no mechanism for compensating Grant PUD



Grant PUD's Contribution to FRM



Where From Here?

- Unclear where the Trump administration stands on the AIP
- No indication that the AIP will be moving forward in its current form
- Considerable uncertainty as to if or when a final agreement will be reached



Thank you!



Government Affairs Strategy Update

April 28, 2026

Ryan Holterhoff, Senior Policy Analyst
Matthew Harris, Senior Policy Analyst



Powering our way of life.

Agenda

- Strategic Engagement Review
- Upcoming Topics
- GA Strategy Topics

Supporting the Strategic Focus

GRANT PUD

MISSION

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

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.

COMMISSION

MISSION

To meet our customers' evolving utility (energy & broadband) needs while preserving our customer-owners' values.

VISION

We collaborate with and inspire key partners (local, state, federal, etc.) to promote and perpetuate Grant PUD's legacy of premier utility services.

Spring/Summer Balanced Scorecard Items

2025/26 Key Events Planner



		Tom	Larry	Judy	Nelson	Terry	Staff	John	Ty	Jeff
Apr-26 1 Event <input type="checkbox"/> Mid-C Clean Energy Expo - Wenatchee, WA (Scheduled for April 22)		x		x	x	x	x			x
May-26 No Events										
Jun-26 1 Event <input type="checkbox"/> APPA National Conference - Boston, MA (June 26- July 1)										
Jul-26 No Events										
Aug-26 No Events										

Engagements: Tours and the Summit



Add photos from the Summit

Other Near-Term Engagements

Potential engagements not specifically tied to the balanced score card:

- WPUA Annual Meeting – Suquamish, WA (April)
- Central Washington Energy Summit – Moses Lake, WA (May)
- NWPPA Annual Meeting – Spokane, WA (May)
- Tours with members or staff (Time TBD)
- Other engagements with associations and other member and agency interactions where possible

Issue Engagement Framework



Key categories from rankings

Resource development- As Grant PUD explores new generation resources what are the key asks and/or information we want to share with policy makers and regulators to support development and accelerate approvals.

Improving permitting- What efforts are needed to making permitting of infrastructure efficient, transparent, and predictable by such actions including reducing delays, clarifying requirements, streamlining coordination among agencies, and enhancing stakeholder engagement.

Regulatory refinements- Identify changes that can help refine state and federal policy goals to allow for better accelerate project timeliness improve financial planning, and build upon system reliability.

Upcoming GA Strategy Topics

Not all encompassing and may adjust as other needs arise:

Columbia River Treaty (Today)

E3 study review and discussion of key insights

The political economy surrounding data centers

Policy discussions around day-ahead markets

EOY: Pre and Post election summary

Work Product

Reference Document



In depth analysis & industry insights.

Explains challenges, opportunities and strategies

Position Paper



The utility stance on issue

Supports position and interest with various scenarios and evidence

One Pager & Leave Behind



Quick reference for external stakeholders

Summarizes position and issue and may include visuals

Balanced Scorecard Year-End Engagements

2025/26 Key Events Planner

		Tom	Larry	Judy	Nelson	Terry	John	Ty	Jeff
Aug-26 No Events									
Sep-26 1 Event	<input type="checkbox"/> AWB Policy Summit - Spokane, WA (Sept. 15-17)								
Oct-26 1 Event	<input type="checkbox"/> PPC FUEL Meeting - Portland, OR (Exact timing TBD)								
Nov-26 1 Events	<input type="checkbox"/> PPC and NWRP Annual Meetings - Portland, OR (November 4- 5)								
Dec-26 1 Event	<input type="checkbox"/> Tri-Cities Region Legislative District Meetings (Exact timing TBD)								

Thank you!



Columbia River Treaty

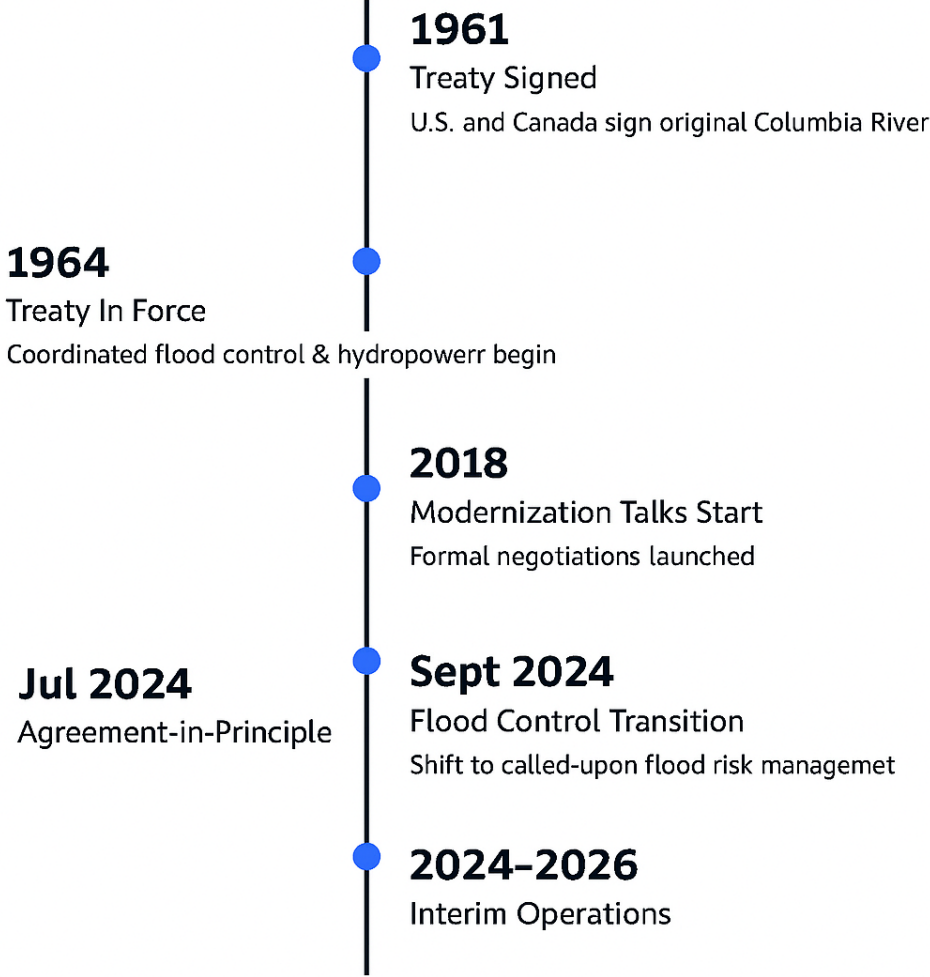
Columbia River Treaty

- Canada & U.S. have been working since 1940s on Columbia River issues
- Treat signed in 1961, ratified in 1964
- Governs hydropower operations and flood risk



President Eisenhower and Canadian Prime Minister Diefenbaker sign the Columbia River Treaty

Columbia River Treaty – Timeline



If the Agreement-in-Principle is NOT ratified:

- Original Columbia River Treaty remains in force
- Flood control stays in called-upon mode (post-2024)
- Power & flood operations continue via interim agreements
- No binding ecosystem or indigenous governance provisions
- No modernization certainty; higher long-term risk

Columbia River Treaty – Path through the Senate



The high-level AIP is converted into precise legal text (still awaiting)

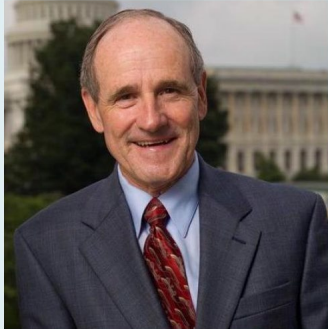


Awaiting submission to the Senate Foreign Relations Committee but eventually two-thirds majority of the entire Senate is required for consent.



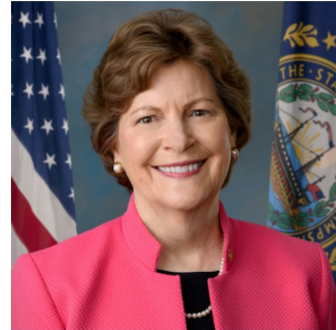
Canada has its own process

MAJORITY 11 Republicans



CHAIRMAN
JAMES E. RISCH
Republican - Idaho

MINORITY 9 Democrats



RANKING MEMBER
JEANNE SHAHEEN
Democrat - New Hampshire