

# Rates & Pricing

May 19, 2026

Jeremy Stewart, Manager Rates and Pricing

Scott Palmer, Senior Product Strategist

Seth Barnes, Product Strategist



Powering our way of life.

# Agenda & Executive Summary

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- 1** Rates & Pricing's 3-year rate strategy will **reduce risk** and **revise rate classes** to improve cost allocation and strategic alignment

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  - 2** Our proposed **Rate Stabilization Program** will manage cost volatility by using a Temporary Stabilization Adjustment indexed to expected Net Power and supported by our R&C Fund

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  - 3** Additionally, Rates & Pricing and Product Development recommends new **High Density Compute** and **Large Public Service** rate classes

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  - 4** Finally, Product Development's **Capacity Reservation Program** will further advance risk-reduction at Grant County PUD
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## 2026 – 2028 Rates Strategy

Jeremy Stewart, Manager Rates and Pricing



# Rates & Pricing Strategic Pillars



Customer Experience



Rate Class Alignment



Risk Mitigation

# Rate Class Alignment

**Alignment of customers, costs, behavior, and risk is foundational to develop rate-based solutions and product offers**



## Core

- Small loads that don't move
- Stable native growth
- Exposed to risk



## Tier 1 / Non-Core

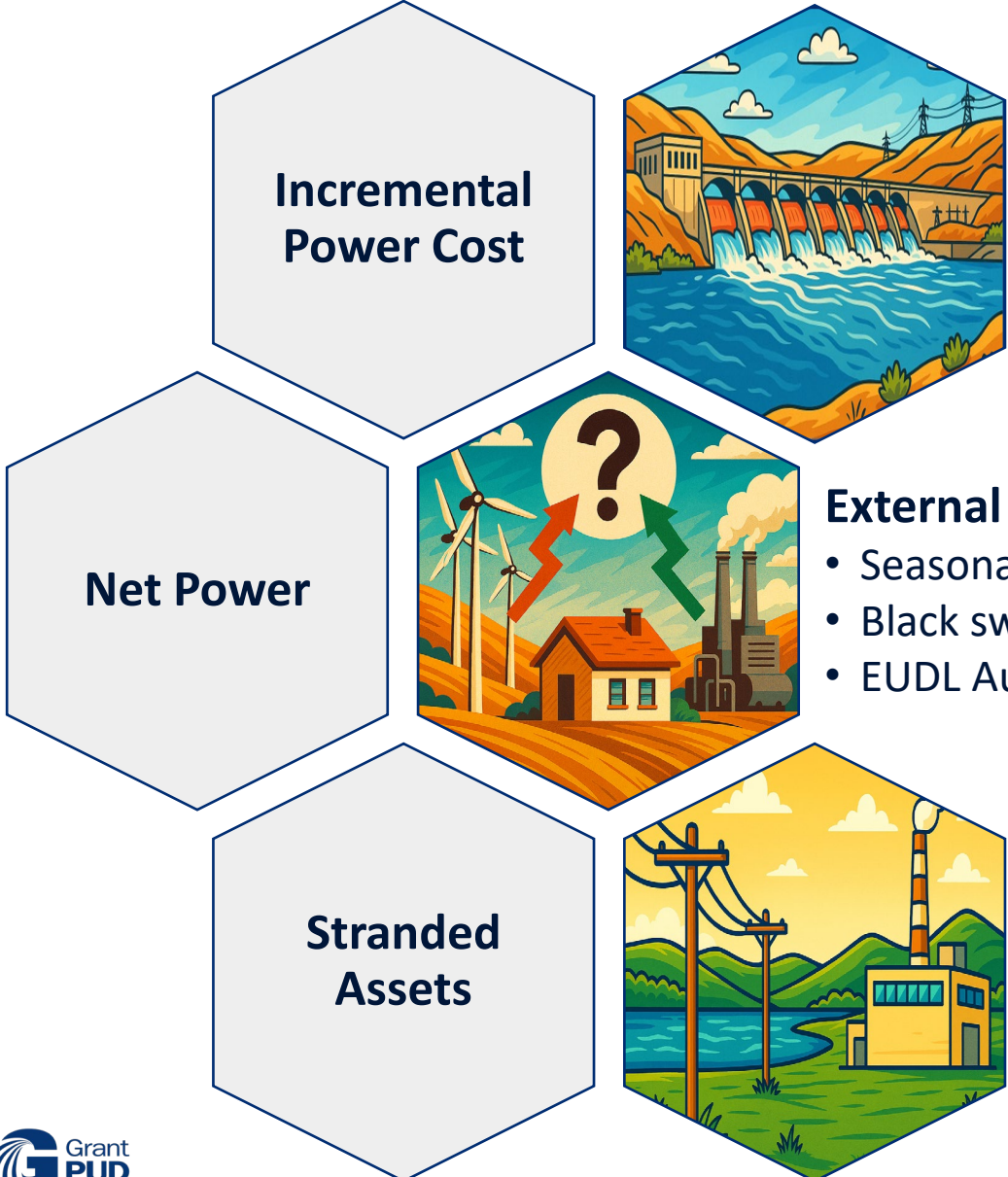
- Existing large loads
- Move in step changes
- Exposed to risk



## Tier 2 / Non-Core

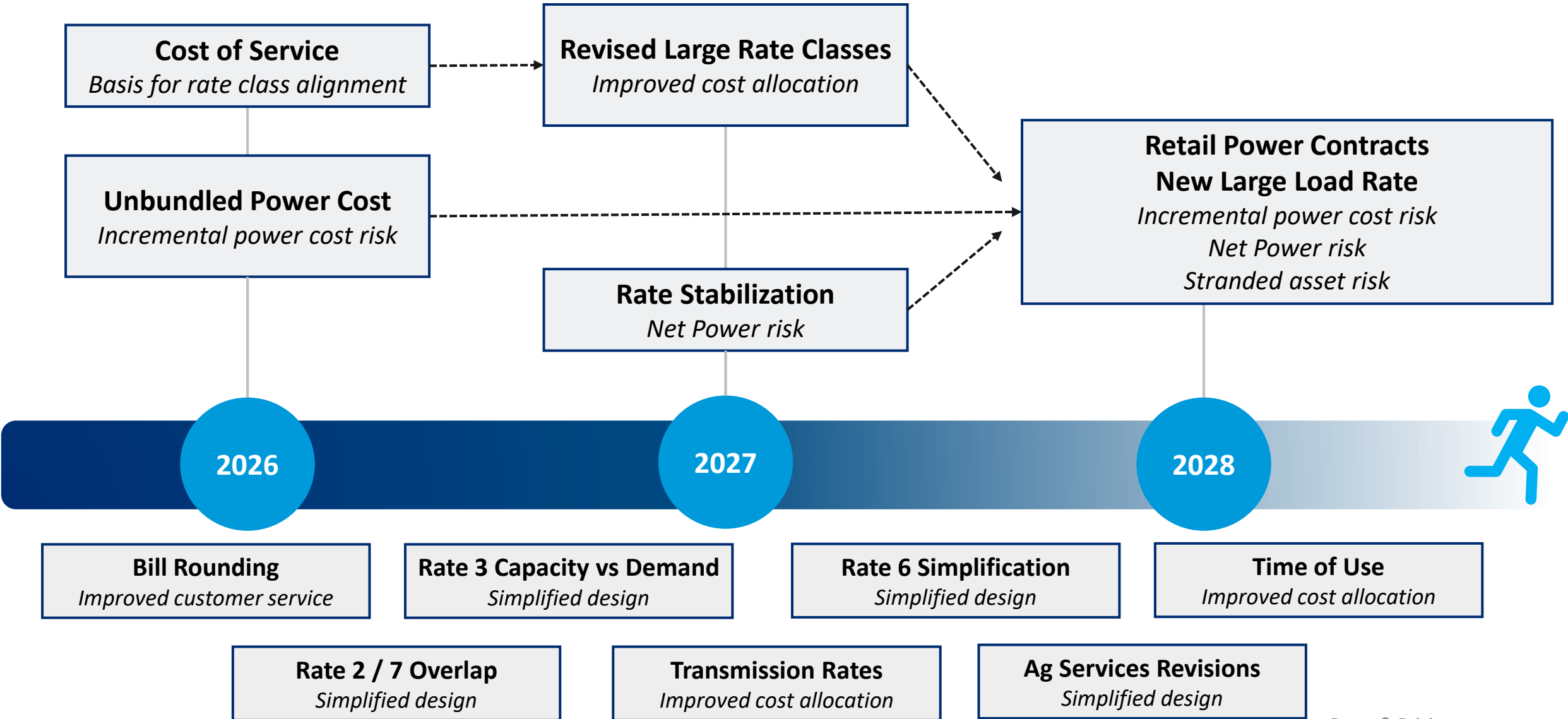
- **New** large loads
- Highly mobile / potentially speculative
- Risk creators

# Risk Mitigation



**Mitigating risk is necessary for long-term financial health and stable customer rates**

# Rates Projects and Timeline



# Vision of Rate Class – Risk – Pricing Alignment



## Core

- Small loads that don't move
- Stable native growth
- Exposed to risk

## Goals:

- Price Stability
- Risk Insulation



## Tier 1 / Non-Core

- Existing large loads
- Move in step changes
- Exposed to risk

## Goals:

- Limited incremental power price exposure
- Net power exposure



## Tier 2 / Non-Core

- **New** large loads
- Highly mobile / potentially speculative
- Risk creators

## Goals:

- Significant incremental power price exposure
- Net power exposure
- Stranded asset exposure

## Contracts options

- Reduced Risk
- Price Certainty
- Long-Term Investment

## Net Power Adjustment

Jeremy Stewart, Manager Rates and Pricing



# Net Power Adjustment

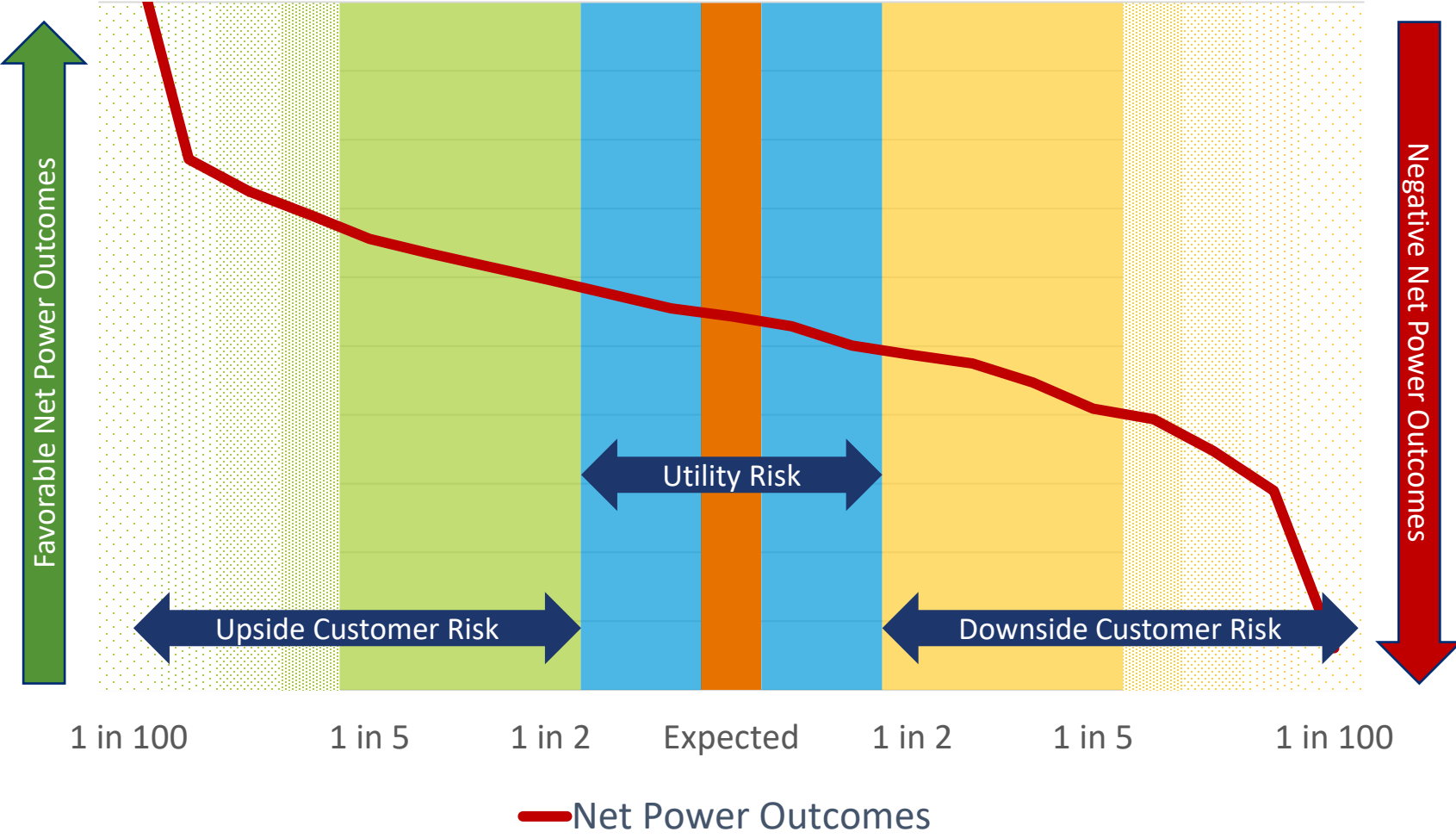


## External events impact Grant PUD's net power position

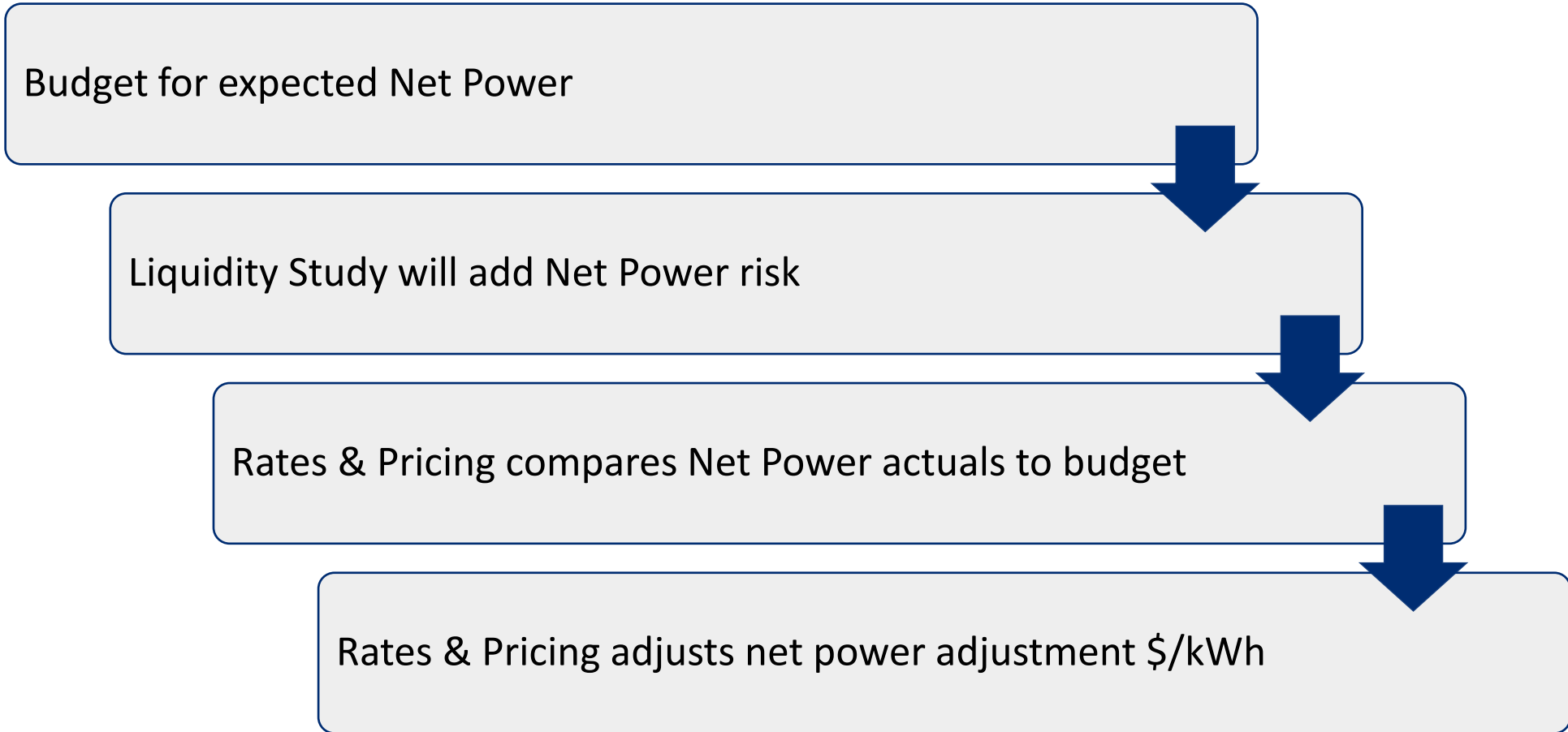
- Seasonal weather patterns
- Low-frequency, high-impact events (Black swan)
- EUDL auction price

# Net Power Adjustment – 1:3 to 1:10 events

- Grant County PUD**
  - Plans and budgets for an expected outcome (orange)
  - Assumes some upside and downside risk (blue)
- Non-Core customers**
  - Pays more when Net Power actuals lower than expected (yellow)
  - Revenue applied to lower future rate trajectories when Net Power actuals higher than expected (green)



# Net Power Adjustment Implementation



## Data Centers / Industrial Rates

Jeremy Stewart, Manager Rates and Pricing



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# Commission Support: Key Ask

## Proposal: Create a High-Density Compute rate (Rate Schedule 20)

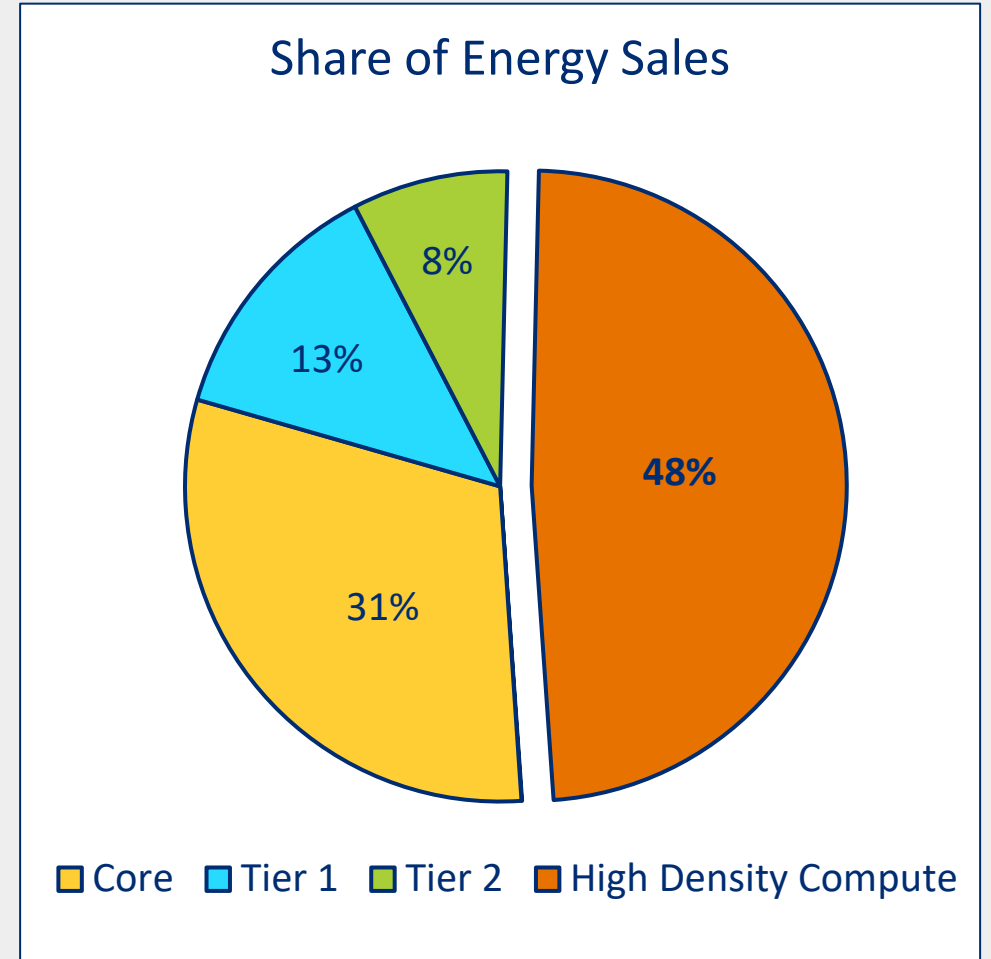
**Why: Align growth industry with growth costs**

*How: Create a new Tier 2 rate class for High Density Computing loads and collapse remaining Rate 14 (4 premises) and Rate 15 (3 premises) customers into Rate 14*

<u>Move forward</u>	<u>More Information</u>	<u>Table Proposal</u>
<ul style="list-style-type: none"><li>• Create new <b>Rate 20 - High Density Compute</b> rate class for 2027 Rates Package</li><li>• Collapse remaining Rate 14 and Rate 15 premises into Rate 14</li><li>• Rate 17 / Cryptocurrency designation tbd</li><li>• Upcoming COSA will include Rate 20 and Rate 17</li></ul>	<ul style="list-style-type: none"><li>• Identify additional information required for decision</li></ul>	<ul style="list-style-type: none"><li>• Discuss at a further time</li></ul>

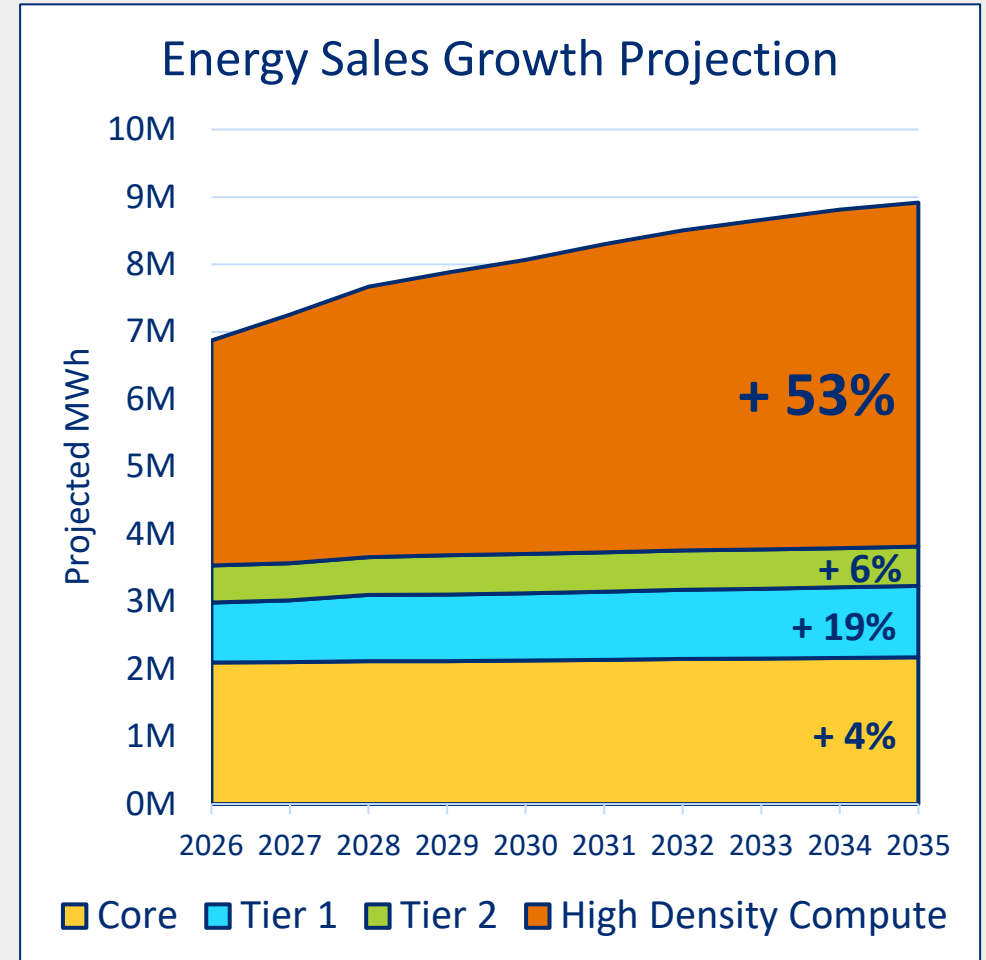
# Segment Details

- High Density Compute = Largest Industry
  - 37 High Density Compute premise ID
  - 9 non HDC customers in Rates 14 and 15
- HDC spread among several rate classes
  - 18% of Rate 7 kWh
  - 46% of Rate 14 kWh
  - 80% of Rate 15 kWh
  - 100% of Rate 17 kWh
- Unknown amounts within other rate classes
- Loads are highly mobile

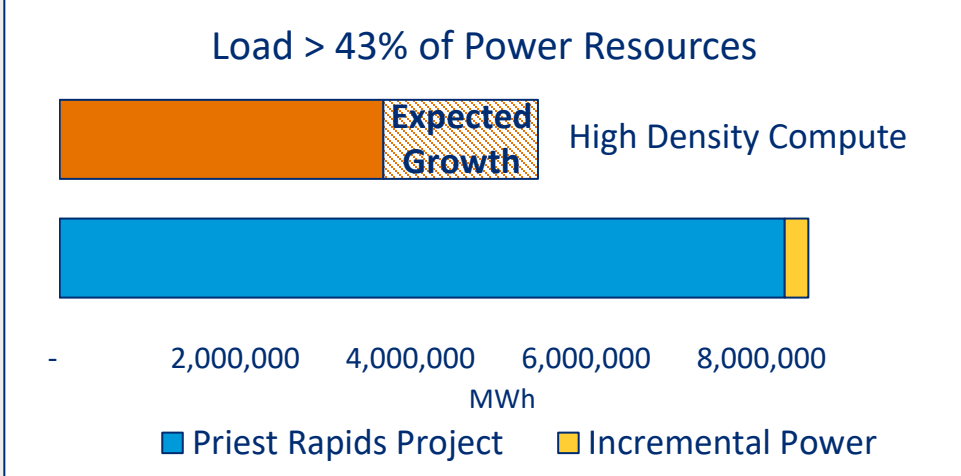
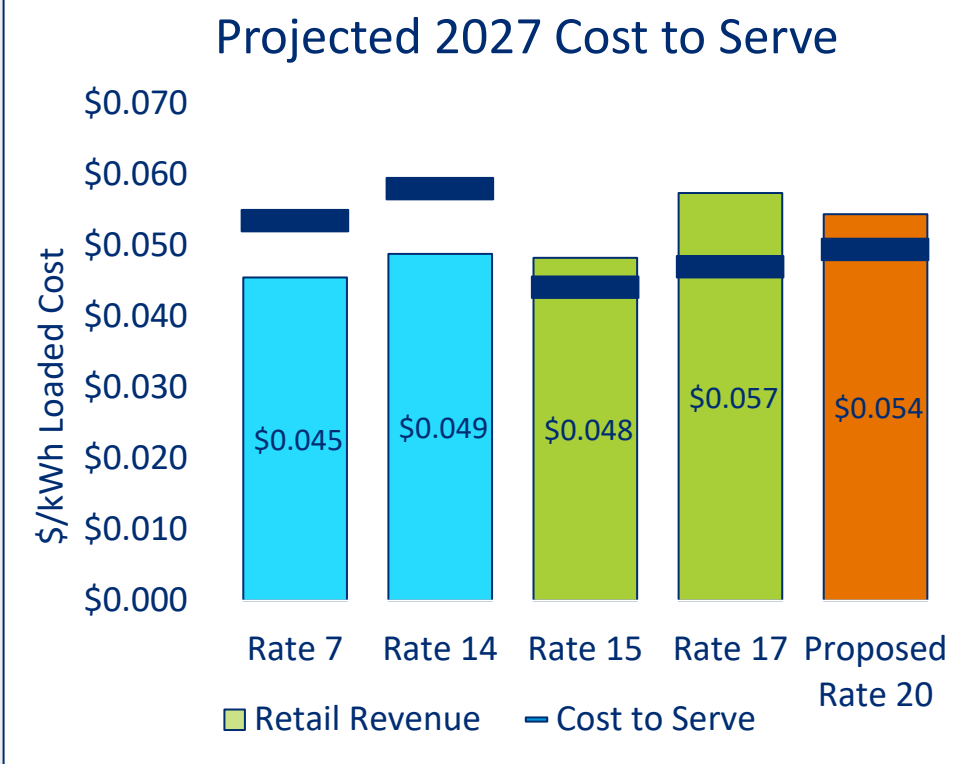
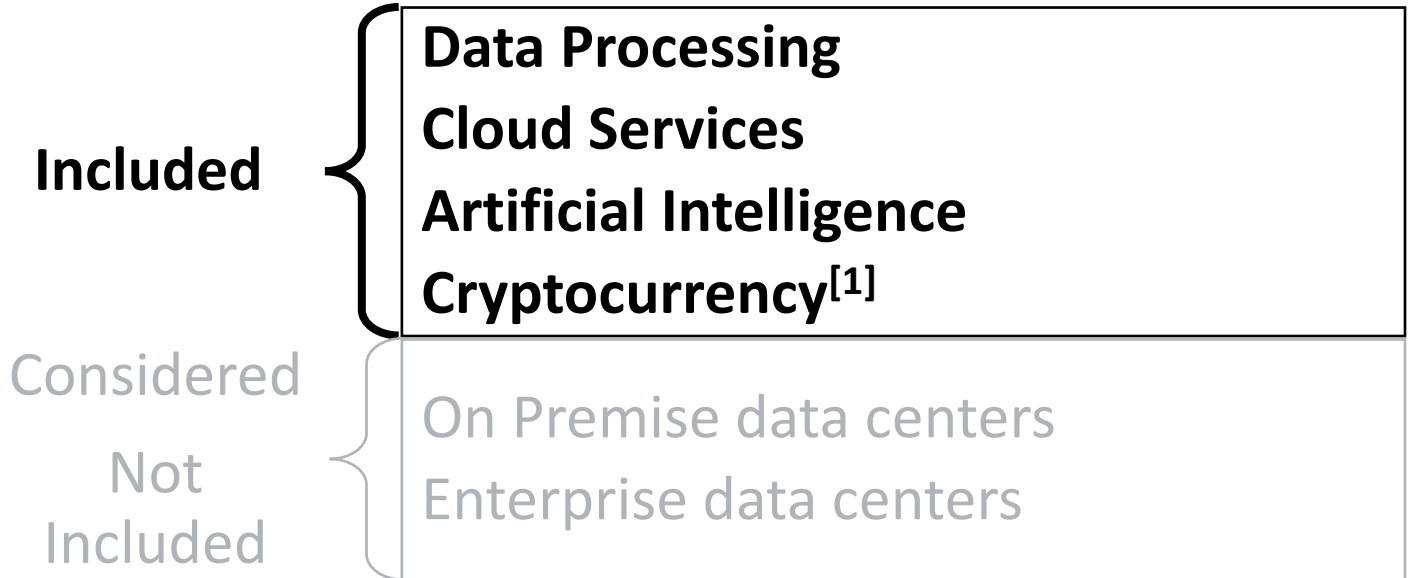


# Growth Details

- Largest growth industry
  - 53% growth expected 2026-2035
  - Responsible for incremental power purchases
  - Responsible for infrastructure investments
- Jurisdictions targeting HDC rate:
  - Chelan County PUD (specific)
  - Douglas County PUD (specific)
  - State of Oregon (specific)
  - Arizona Public Service (growth industries)
  - Wisconsin Electric Power (growth industries)



# Who is Included



[1] Cryptocurrency is currently classified as an Evolving Industry. Inclusion in Rate 20 does not remove Evolving Industry classification.

# Commission Support: Key Ask

## Proposal: Create a High-Density Compute rate (Rate Schedule 20)

**Why: Align growth industry with growth costs**

*How: Create a new Tier 2 rate class for High Density Computing loads and collapse remaining Rate 14 (4 premises) and Rate 15 (3 premises) customers into Rate 14*

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## Public Service

Seth Barnes, Product Strategist



# Commission Support: Key Ask

## Proposal: Create a Large Public Service Rate (R5)

**Why:** Moving Rate 7 to Non-Core exposed large public service buildings to inc. power costs

*How:* Create a new Core rate class based on Rate 7 cost structure for loads greater than 200 kW. Legacy customers between 200 kW - 500 kW will choose between Rate 5 or Rate 2.

### Move forward

- Create new **Rate 5 – Large Public Service** rate class for 2027 Rates Package
- Upcoming COSA will include Rate 5 with Rate 7 (too small to break out reliability)

### More Information

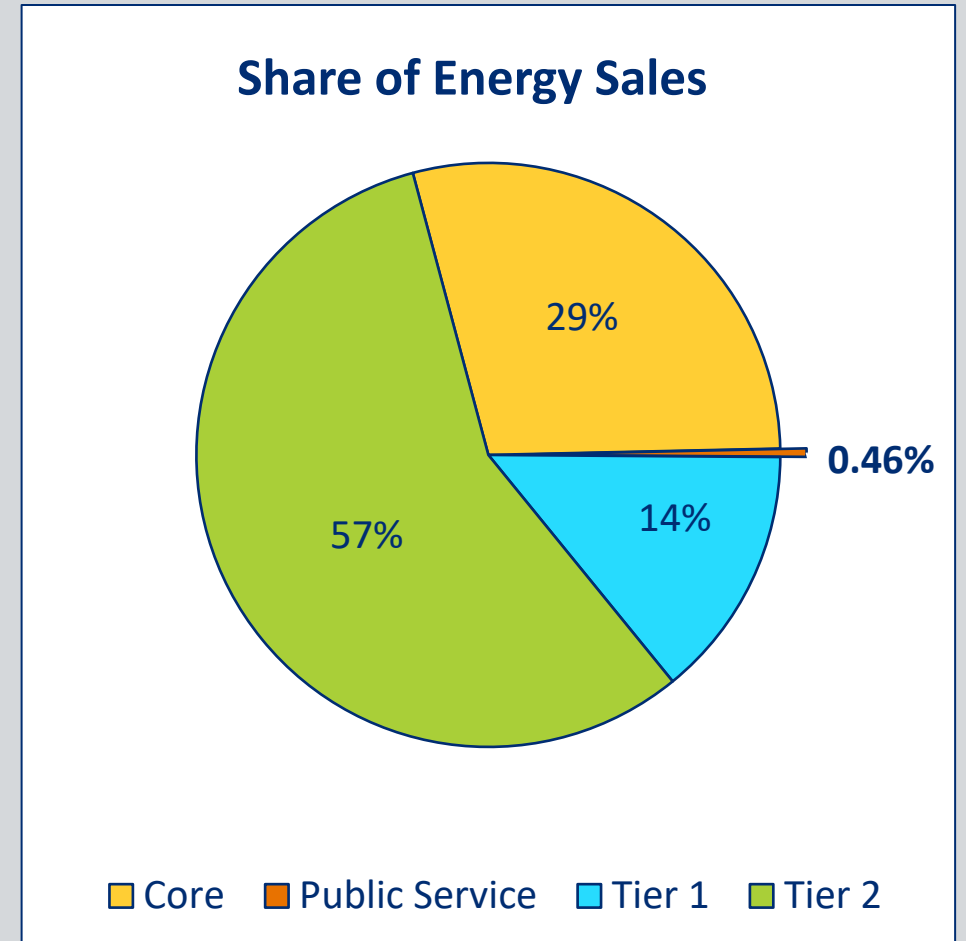
- Bring additional information to facilitate a decision

### Table Proposal

- Discuss at a further time

# Segment Details

- Funded by core customers (Taxes & Fees)
- Loads are stable and do not move
- Small share of total energy sales
- Public Service segmentation is not standard



# Who is Included

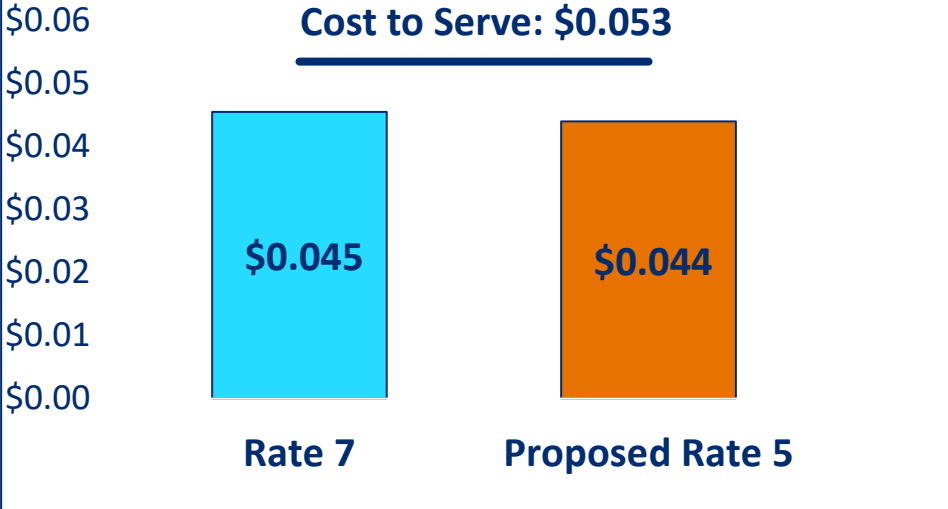
Included

- Schools
- Hospitals
- Governments

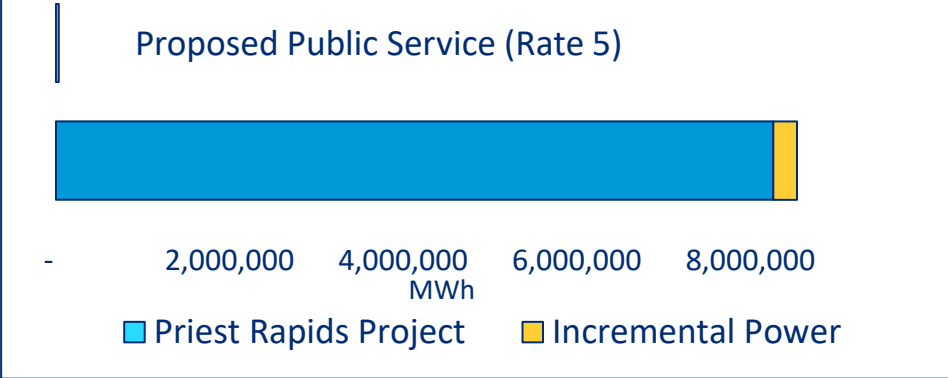
Considered  
Not  
Included

- Port Districts
- Nursing Homes
- Loads below 200 kW
- EV Charging

## Projected 2027 Cost to Serve vs. Retail Revenue



## Load > 1% of Power Resources



# Commission Support: Key Ask

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## Proposal: Create a Large Public Service Rate (R5)

**Why:** Reclassification of Rate 7 to Non-Core exposed a group of large public service buildings to incremental power costs despite low future growth

*How: Create a new Core rate class based on Rate 7 cost structure for loads greater than 200 kW. Legacy customers between 200 kW - 500 kW will choose between Rate 5 or Rate 2.*

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### Move forward

- Create new **Rate 5 – Large Public Service** rate class for 2027 Rates Package
- Upcoming COSA will include Rate 5 with Rate 7

### More Information

- Bring additional information to facilitate a decision

### Table Proposal

- Discuss at a further time

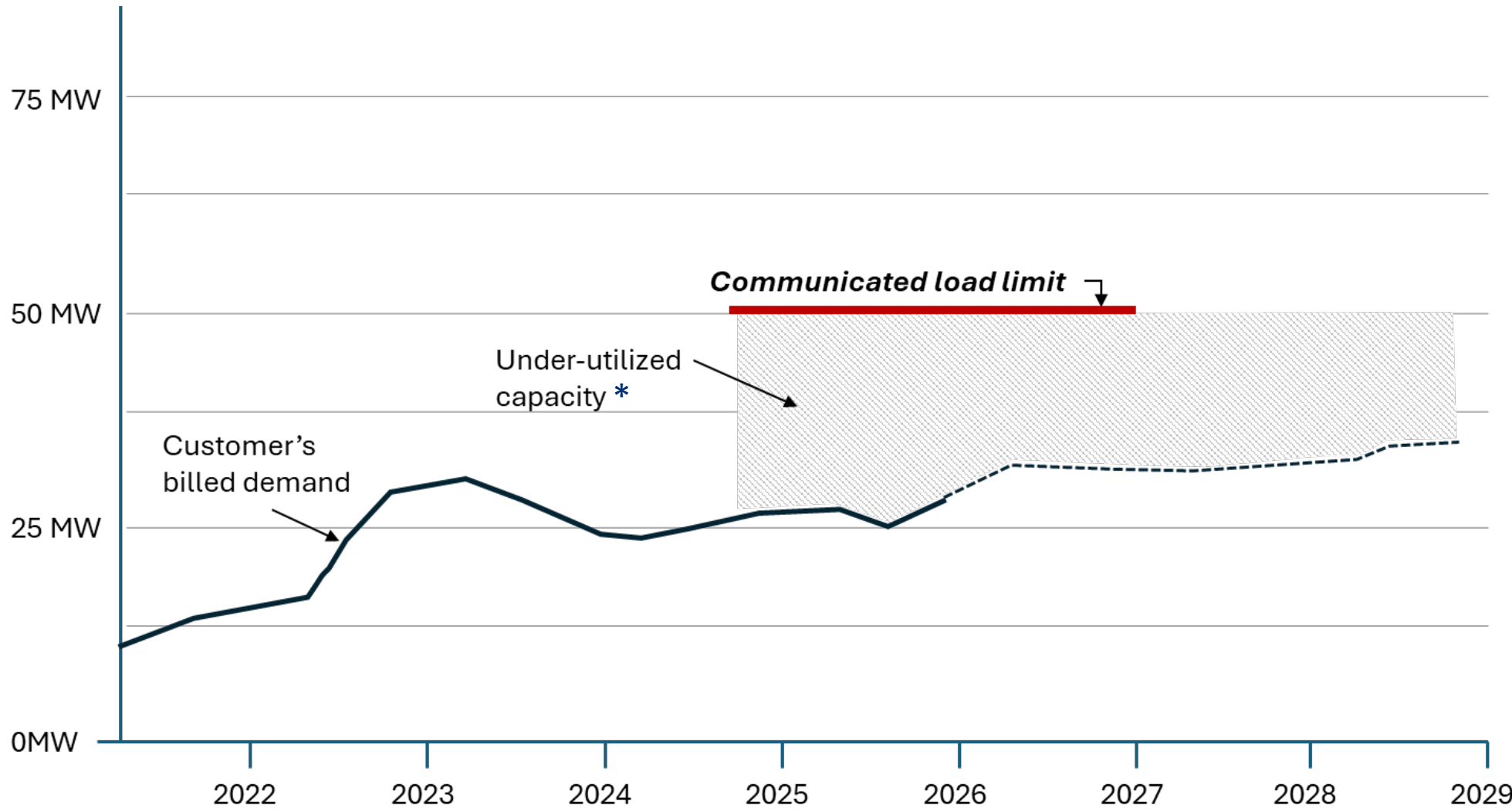
## Capacity Reservation

Scott Palmer, Product Development



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# Example: Under-Utilized Capacity



\*Under-utilized capacity is not currently monetized at Grant PUD

\*For visualization purposes only

# Capacity Reservation Background

## Background

- Customers have expressed interest in securing capacity allocations
- Customers need certainty to plan, finance, and market their site
- Underutilized transmission capacity is not currently monetized

## Goals

- Encourage customers to grow into their reservation
- Monetize idle transmission
- Reduce the risk of stranded assets

# Capacity Reservation Actions To Date:

- A pilot product; transferable, contract that lets customers secure firm rights to future load growth up to a defined cap
- Time limited (3 years) and designed to give the customer maximum flexibility within this time window
- Priced using market energy and capacity, not PRP resource
- Customer conversations scheduled

## *Note:*

There are likely tradeoffs to be made with customers regarding the flexibility

# Thank you!

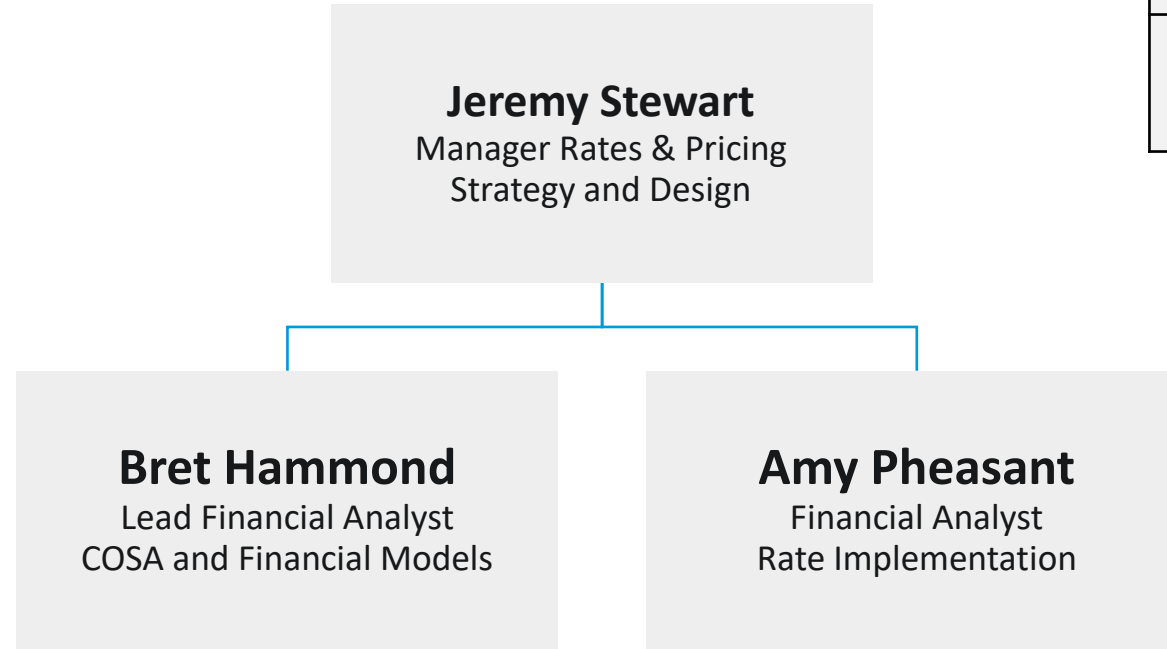


## Appendix QBR



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# Team



Total Positions in Org	4
Current Headcount	3

## Highlights

- All open 2026 positions filled
- Potential for additional position 2027; *Depending on need*

# Financial Performance

MARCH 2026

O&M: Favorable, Out of Target | Labor: Favorable, Out of Target

O&M DIRECTS YTD			
YTD BUDGET	ACTUALS	YTD VARIANCE	YTD VAR %
\$15K	\$5K	(\$10K)	-68.4%

O&M DIRECTS YE PROJECTION			
TOTAL BUDGET	YEP	YE VARIANCE	YE VAR %
\$59K	\$37K	(\$22K)	-36.8%

LABOR YTD			
YTD BUDGET	ACTUALS	YTD VARIANCE	YTD VAR %
\$141K	\$74K	(\$67K)	-47.7%

LABOR YE PROJECTION			
TOTAL BUDGET	YEP	YE VARIANCE	YE VAR %
\$645K	\$395K	(\$250K)	-38.7%

COST CATEGORY TYPE	YTD BUDGET	ACTUALS	YTD VARIANCE	YTD VAR %
Purchased Services	\$10,000	\$1,165	(\$8,835)	-88.3%
G&A	\$5,000	\$2,915	(\$2,085)	-41.7%
Travel		\$655	\$655	
<b>Total</b>	<b>\$15,000</b>	<b>\$4,735</b>	<b>(\$10,265)</b>	<b>-68.4%</b>

**Purchased Services:** \$8.8K Favorable | Outside of Target; GDS consulting scope was refined after the initial budget was set.

**G&A:** \$2K Favorable | Outside of Target; Delayed training spend due to vacancies; prepaid conference in May

**Labor:** \$67K Favorable | Outside of Target; Continued vacancies (2 FTR).

# Substation Controls Upgrades

May 19, 2026

Dale Campbell, Sr. Mgr. Power Delivery Engineering  
Sean Couture, Engineer IV



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# Agenda

- Core Team
- Program Purpose & Updates
- Timeline
- Questions

# Definitions

SCADA



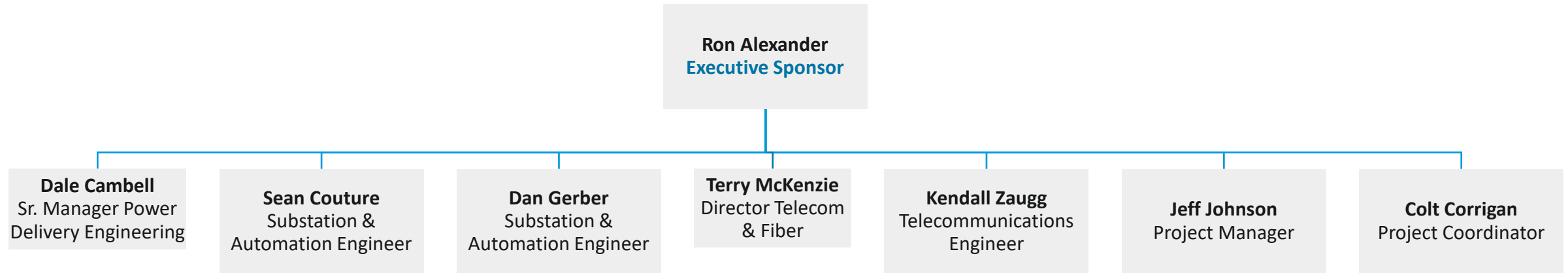
RTU



DC Monitoring



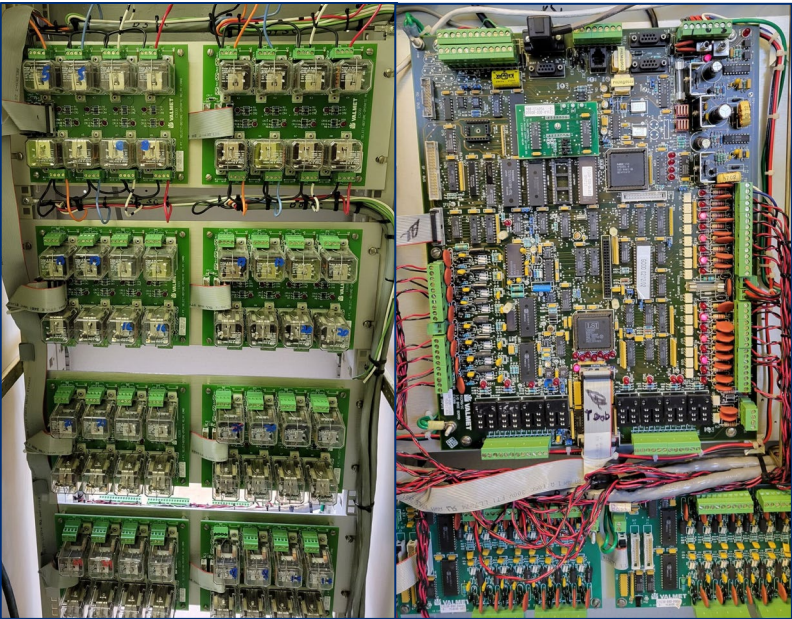
# Core Team




## Resource Updates:

- Constraints: Engineering Services – Utilizing Schweitzer Engineering Labs (SEL)
- Internal and External labor and T&C


# Project/Program Purpose





## Baird Springs Substation - BD14 FEEDER Breaker

[Open Comm](#)  
[Open Online](#)



**SEL-751**  
FEEDER BREAKER RELAY

- ENABLED
- TRIP
- PHASE OC
- GND/NEU OC
- NEG SEQ OC
- SPARE
- U FREQ/27
- BRKR FAIL

ENABLED  
RELAY MAINT MODE  
 DISABLED

ENABLED  
HOT LINE HOLD  
 DISABLED

ENABLED  
AUTO RESTORE  
 DISABLED

ENABLED  
RECLOSE  
 DISABLED

ENABLED  
COLD LOAD PICKUP  
 DISABLED

BLOCK CLOSE  
BREAKER CLOSED

ENABLED  
GROUND ELEMENT  
 DISABLED

TRIP  
BREAKER OPEN

### BD14 FEEDER BREAKER METERING INFO

FREQ: 0.00Hz	VA: 0.00kV
IA: 0.0A	VB: 0.00kV
IB: 0.0A	VC: 0.00kV
IC: 0.0A	VAB: 0.00kV
IN: 0.0A	VBC: 0.00kV
	VCA: 0.00kV

P: 0.00MW	S: 0.00MVA
Q: 0.00MVAR	PF: 0.00

### BD14 FEEDER METERING INFO

FREQ: 0.00Hz	VA: 0.00kV
IA: 0.0A	VB: 0.00kV
IB: 0.0A	VC: 0.00kV
IC: 0.0A	VAB: 0.00kV
IN: 0.0A	VBC: 0.00kV
	VCA: 0.00kV

P: 0.00MW	S: 0.00MVA
Q: 0.00MVAR	PF: 0.00

### BD14 Feeder Trend - Amps

### PEAK ENERGY DEMAND INFO

IA: 0A	P: 0.00MWh
IB: 0A	Q: 0.00MVARh
IC: 0A	S: 0.00MVAh

### BD14 FEEDER BREAKER ALARMS

Breaker Fail Normal Acked	Loss of Potential Normal Acked	Lvl 1 Phase Undervoltage Normal Acked	Lvl 2 Phase Undervoltage Normal Acked
Lvl 1 Q/U Freq Trip Normal Acked	Lvl 2 Q/U Freq Trip Normal Acked	Lvl 3 Q/U Freq Trip Normal Acked	Spare Normal Acked
Spare Normal Acked	Lvl 1 Phase Time OC Normal Acked	Lvl 2 Phase Time OC Normal Acked	Lvl 1 Res-Grd Time OC Normal Acked
Neg-Seq Time OC Normal Acked	Reverse Power Normal Acked	490V Spring Charge Normal Acked	Interrupter Cooling Normal Acked
Z/FAC Motor/Heater Normal Acked	Spare Normal Acked	Trip Coil Monitor Normal Acked	Spare Normal Acked

### BD14-751 RELAY INFORMATION

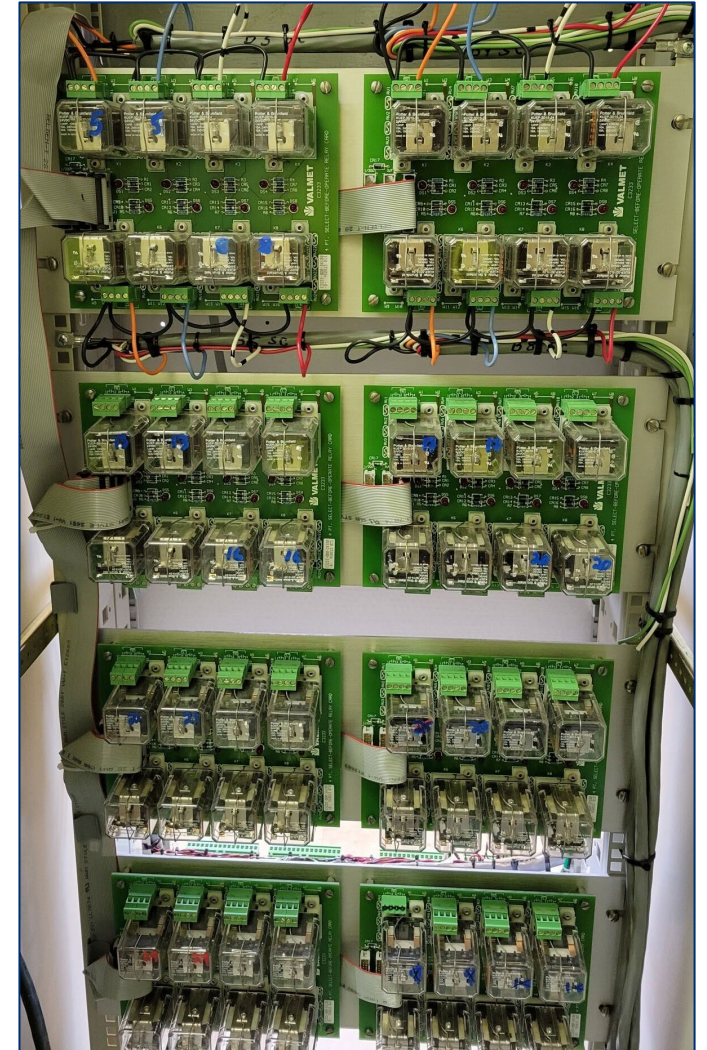
Breaker Internal Trip Counter 0 Ops	LAN-A Active	COMM OK
Breaker External Trip Counter 0 Ops	LAN-B Active	
Breaker Wear A 0.0	NTP Sync	
Breaker Wear B 0.0	Software Alarm Inactive	
Breaker Wear C 0.0	Hardware Alarm Inactive	
	PTD Time Sync	
	Door Closed	

# Project/Program Purpose



# Project Benefits

- Seven (7) substations with **ZERO SCADA**
- All switchyards have High Risk Failure RTU's
- All aged technology substations have High Risk Failure RTU's
- DC monitoring
- Daily SCADA communication errors



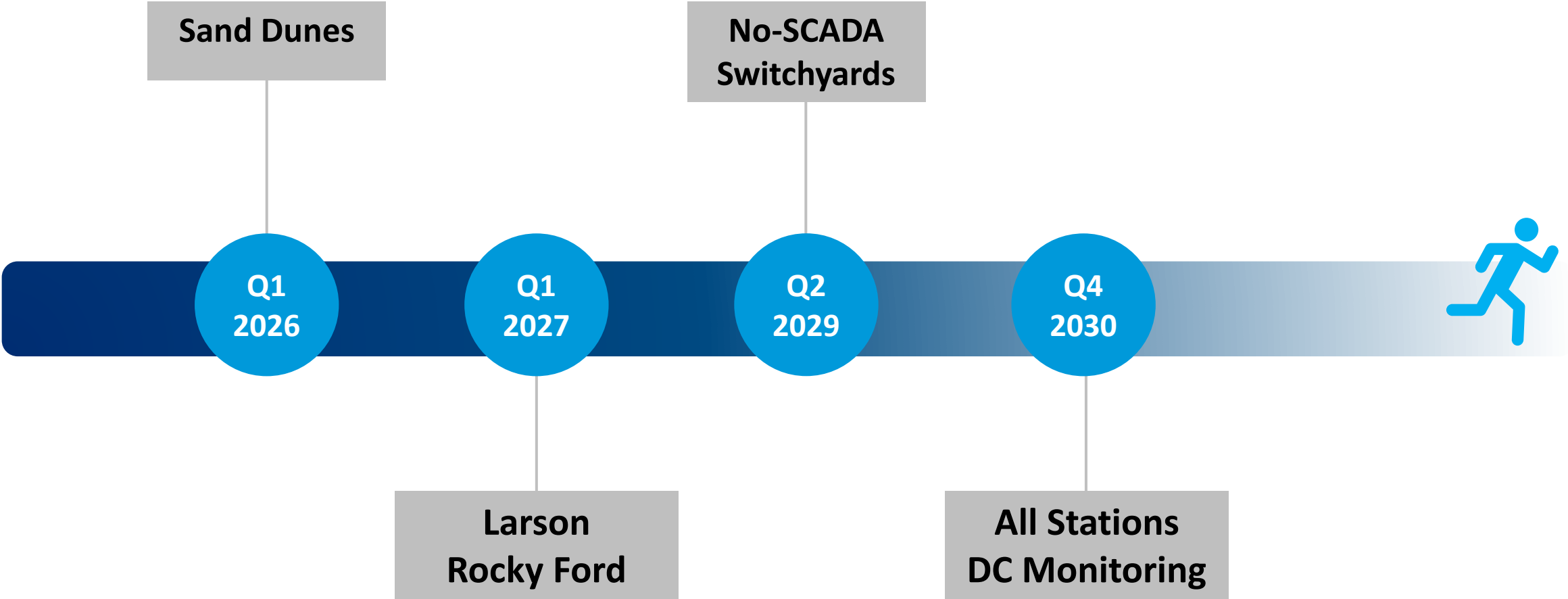
# Project Planning

- SCADA Minimum Specifications Identified
- Key Findings from Central Ephrata & Soap Lake
- Telecommunications Upgrades (Nokia Racks)

# Project Progress

- Seven (7) Task Authorizations initiated for Designs – SEL ES
- Sand Dunes Switchyard – SCADA Renovations Complete
- Schedule will be agile – Equipment will fail
- Mattawa Substation – Failing RTU Replaced

# Timeline



# Closing Summary

Continue Substation Controls Upgrades to maintain reliable customer service.

- Software for Dispatch– Interdependency
  - Inadequate available resources in current system
- Future Construction Labor Contracts
  - Phase 1 (Stations with no SCADA) Q3 2027
  - Phase 2 (Rest of Stations & DC Monitoring) Q4 2028

**Thank you!**

# Orange and Blue U Capstone

May 19, 2026

*“Powering Trust Through Clear Communication”*



Powering our way of life.

# Team



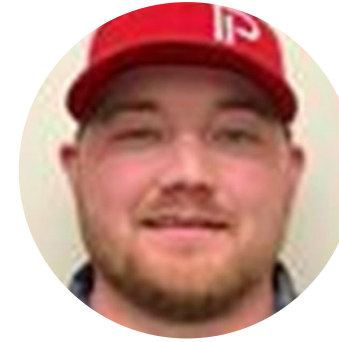
**Colin Fay**

*Financial Reporting Analyst*



**Emma Welch**

*Manager Energy Services*



**Jacob Buchanan**

*Sr Asset Management Specialist*



**Josh Buescher**

*Security Specialist 3*



**Kylee Giraud**

*Lands Specialist*



**Nicona Myers**

*Procurement Officer III*

# SWOT Analysis

## Strengths:

- Income-Qualified resources
- Strong brand visibility within the community.

## Weaknesses:

- Impact to customers view of the PUD/relationship.
- Outdated technology, including limited automated outage notifications and delayed restoration updates.

## Opportunities:

- Rising customer expectations.
- Ability to enhance the external website & Paymentus functionality.
- Enhance employee retention.
- Communication, engagement, and build trust (data centers and rates).

## Threats:

- Customer misunderstanding of rate structures and drivers behind rate increases.
- Insufficient adoption of rapidly evolving technologies and applications.

# Strategic Plan: Priorities & Outcomes

- Strategic focus area that is aligned with Grant PUD's mission, vision, and organizational values.
- Considers addressing challenges of customer relationships and expectations, county wide growth, and industry best practices.
- Consistent strategy framework year after year.



## 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.



## PROCESS & TECHNOLOGY

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



## CUSTOMER & STAKEHOLDER

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



## FINANCIAL

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

# CSR Tools & Resolutions Support (People, Learning and Culture Prospective)

## Objective:

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

## Strategy:

- Improve Interdepartmental collaboration and service.

## Alternative Action:

- Provide Customer Service Representatives with accessible tools to streamline issue resolution, improve customer satisfaction and strengthen retention through empowered knowledgeable staff.

## Success Measure:

- Reduced phone call wait time, increase first-contact resolution rates, improving customer service outcomes.
- Clearer roles and expectations across departments.

# CSR Tools & Resolutions Support (People, Learning and Culture Prospective)

## Financial Impact

- Leverage existing systems.
- Capture efficiencies through reduced call volume and handling time.

## Customer Impact

- Route customers to the correct resource, the first time.
- Provide faster outage and restoration information.

## Internal Impact

- Improve outage coordination.
- Streamline internal communications and information access.

## Workforce Impact

- Equip CSRs with tools to resolve issues efficiently.
- Strengthen skills through de-escalation and change training.

# Modernize Customer Workflows

## (Process and Technology Prospective)

### Objective:

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

### Strategy:

- Deploy technology and enterprise-wide systems to streamline business operations.

### Alternative Action:

- Modernize customer support workflows with secure self-service and real-time status communications to improve responsiveness and build trust.

### Success Measure:

- Increased employee engagement and collaboration.
- Implementation of Paymentus.
- Implementation of AI Customer call center.

# Modernize Customer Workflows (Process and Technology Prospective)

## Financial Impact

- Cost-to-serve reduction.
- Payments on time.

## Customer Impact

- Easy no hassle customer experience.
- More options for bill pay.

## Internal Impact

- User friendly reliable technology.
- Smoother workflows.

## Workforce Impact

- Increased employee engagement and collaboration.
- More time to build customer trust.

# High-Trust Communication (Customer and Stakeholder Prospective)

*Customer facing trust and satisfaction are downstream outcomes of our internal capacity*

## Opportunity

### Communication Landscape Is Fragmented

There is no single channel anymore. Algorithm's working against us.

## Strategy

- **Leverage technology to free staff time**
  - Automate and redirect
- **Scale in-person, neighbor-driven engagement**
  - Meeting in their community, building trust one conversation at a time. Seeking customer feedback
- **Embrace the fragmented landscape, strategically**
  - Leverage the landscape strengths
  - Adapt when the landscape changes
- **Direct mail**
  - An algorithm-free, tangible, and trusted way to communicate

# High-Trust Communication (Customer and Stakeholder Prospective)

## ⚡ Financial Impact

Leveraging technology to reallocate current resources  
Rate trust reduces risk

## Customer Impact

Customers gain a personalized experience, plain-language rate explanations, and streamlined assistance

## Internal Impact

Reduce labor for routine marketing. Increase internal collaboration

## Workforce Impact

Increased job satisfaction because employees feel more engaged in their work when they are delivering direct solutions to customers who really need it



### SUCCESS MEASURES

- SAVE Tour visits — Target: >12 /yr
- Automate— Target: 75% of routine tasks
- Hearing rate/program info — Target: 70%+
- Program participation rate- Increased
- Customer Satisfaction Score —improvement

# Partnership with Local Schools (Customer and Stakeholder Perspective)

## Objective:

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

## Strategy:

- Enhance customer communication, education, and engagement.

## Alternative Action:

- Partnering with local schools to send students home with an informational flyer.

## Success Measure:

- QR Codes Scans/Website Traffic.
- Customer Feedback on Surveys, Social Media/Public Platforms.

# Partnership with Local Schools (Customer and Stakeholder Perspective)

## Financial Impact

- Lower pressure on future rate increases.

## Customer Impact

- Increased trust and transparency through proactive outreach.
- Strengthen community relationships.

## Internal Impact

- Relieve and reduce internal call center calls.

## Workforce Impact

- Internal teams can experience less stress from repetitive calls.

# Accessible Rate Information (Financial Perspective)

## Objective:

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

## Strategy:

- Advance proactive risk management.

## Alternative Action:

- Provide clear communication to customers about Grant PUDs current rate structure.

## Success Measure:

- Fewer external stakeholders showing up to budget and rate hearings.
- Fewer calls about the budget and rate structure.

# Accessible Rate Information

## • (Customer and Stakeholder Perspective)

### Financial Impact

- Less resistant to budget adoption and rate change hearings.
- Increase in timely payment of utility bills.

### Customer Impact

- Less confusion of the current rate structure.
- Less resistance to changes in rates and proposals to change rates.

### Internal Impact

- Fewer calls to CSRs about rate structure.
- Standardized messaging across departments to reduce inconsistencies.

### Workforce Impact

- Greater understanding among employees about our rate structure, how it is calculated, and why it is structured the way it is.

***“When communication is clear, trust follows”***

Orange and Blue U Capstone – Team A

**Thank you for the opportunity!**





# CUSTOMER EXPERIENCE & COMMUNITY TRUST

FUEL Capstone 2026 | Team A

## NWPPA FUEL Background

### Future Utility Executive Leadership, FUEL

NWPPA’s FUEL program is designed to prepare tomorrow’s utility leaders through a comprehensive approach that builds industry knowledge and leadership capability through a public power lens.

### Capstone Project: Strategic Planning

Proactive planning is important to position any utility to successfully meet the needs of their customers. Drawing from class content, over nine days our team has worked together to build a supplemental strategic plan in alignment with the Balanced Scorecard.

### FUEL Course Details

Serving community and customers – Planning for growth – Load forecasting distribution and supply – Utility financial drivers – Utility field operations – Cost of service and rate design – Federal advocacy – Leading through change – Presenting to your board – Challenging negotiations and stakeholder relations



## Balanced Scorecard Alignment- Powering Trust Through Clear Communication (Joshua Buescher)

Perspective 1 People & Culture (Niconia Myers)	Perspective 2 Process & Tech (Jacob Buchanan)	Perspective 3 Customer & Stakeholder (Emma Welch)	Perspective 4 Customer & Stakeholder (Kylee Giraud)	Perspective 5 Financial (Colin Fay)
Frontline Tools & Resolution Support — empower staff with tools for consistent, confident customer resolution	Modernize Customer Workflows — build tracking, formalize cross-dept coordination	High-Trust Communication — Adaptive, intentional, personal communication	School Partnerships — Community partnerships to deliver trusted information	Accessible Rate Information — plain-language rate education reduces bill shock and supports long-term rate stability

# Orange and Blue U Capstone

May 19, 2026

*“Preparing Today’s Operations for Tomorrow’s Grid”*



Powering our way of life.

# Team



**Amanda Hall**  
*Software Test Engineer II*



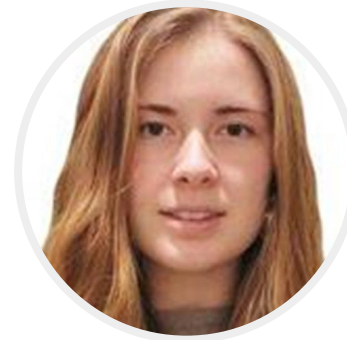
**Dan Niehenke**  
*Engineering Manager*



**Rod O'Connor**  
*Fisheries Scientist*



**Sam Kaleohano**  
*Mechanic Hydro*



**Sarah Sherman**  
*Senior Project Manager*

# Agenda

- **Executive Summary** - What We're Solving For
- **Strategic Plan** - Priorities & Outcomes - what success looks like
- **SWOT Analysis** - What Informed Our Direction
- **Initiatives** - How We Deliver Outcomes
- **Initiative #1** - Cross-Departmental Processes
- **Initiative #2** - Capacity Planning
- **Initiative #3** - Distribution Management System
- **Initiative #4** - Demand-Side Growth Program
- **Initiative #5** - Benefits Realization Program

# Executive Summary

- **Purpose & Background**

- Addresses system complexity, load growth, and aging infrastructure to sustain reliable, affordable service.

- **Key Strategic Findings**

- Strong operations remain a core strength; ongoing modernization and integrated planning are required to meet evolving expectations.

- **Top Current Business Actions**


- Advancing cross-department coordination, integrated planning, grid modernization, and investment governance.

- **Future Business Actions**

- Sustaining alignment, continuing disciplined modernization, expanding demand-side solutions, and reinforcing accountability.

# Strategic Plan – Priorities & Outcomes

- Aligned with Grant PUD’s mission, vision, and organizational values.
- Considers market risks, customer and community expectations, and industry best practices.
- Accounts for the realities of operating critical infrastructure and the need for transparency and accountability.




**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.



**PROCESS & TECHNOLOGY**

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



**CUSTOMER & STAKEHOLDER**

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



**FINANCIAL**

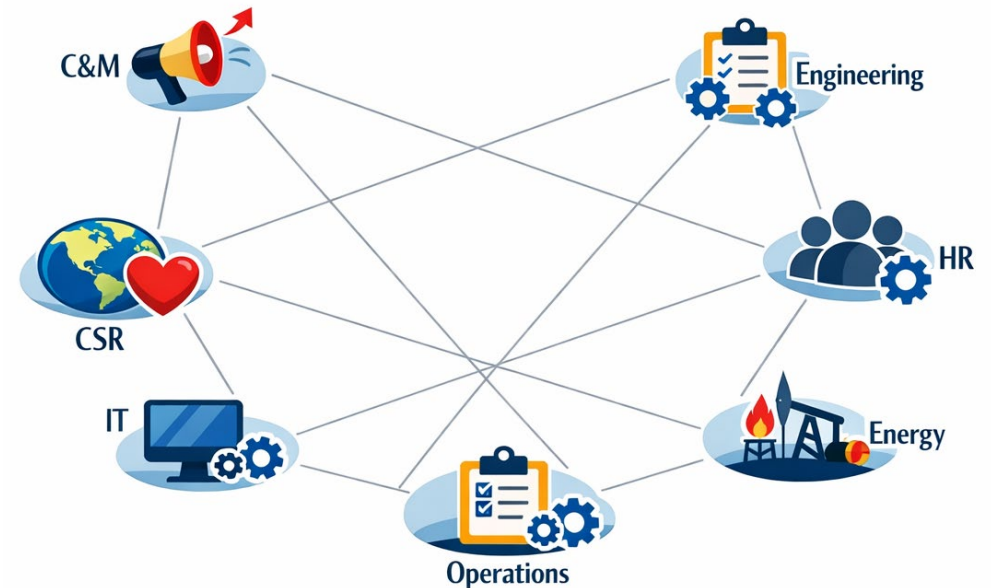
Ensure long-term financial sustainability by making prudent investment and financial management decisions while proactively managing risks.

# SWOT Analysis for Grant PUD

Strengths	Weaknesses
<ul style="list-style-type: none"><li>• Integrated &amp; low-cost renewable generation.</li><li>• Strong financial &amp; regulatory foundation.</li><li>• High operational &amp; infrastructure capability.</li><li>• Innovation readiness &amp; strategic partnerships.</li></ul>	<ul style="list-style-type: none"><li>• Customer experience &amp; transparency gaps.</li><li>• Aging infrastructure &amp; legacy systems.</li><li>• Organizational agility &amp; process maturity.</li><li>• Workforce silos &amp; communication challenges.</li></ul>
Opportunities	Threats
<ul style="list-style-type: none"><li>• Advanced grid management &amp; digitalization.</li><li>• Data-driven decision-making &amp; digital twins.</li><li>• DER &amp; load integration as a grid asset.</li><li>• Leveraging &amp; empowering innovative human capital.</li></ul>	<ul style="list-style-type: none"><li>• Regulatory &amp; policy uncertainty.</li><li>• Cybersecurity &amp; resilience risk.</li><li>• Capital intensity driven by rapid load growth.</li><li>• Failure to modernize threatens long-term utility stability.</li></ul>

# Initiative #1 – Cross-Departmental Processes

- **Strategic Priority:** People, Learning & Culture
- **Objective:** Increase employee engagement through collaboration.
- **SWOT Alignment:**
  - Weakness: Siloed work groups
    - Opportunity to work towards improved networking and mentoring.
- **Method:** develop internally; Subject Matter Experts collaborate
- **Success Measures:**
  - Percentage of cross-departmental initiatives using standardized collaboration processes.
  - Employee engagement survey results related to collaboration.



# Initiative #1 – Cross-Departmental Processes

## Customer Impact

Faster delivery of solutions due to reduced handoffs.

More consistent customer experience across departments.

## Rate Impact

Minimal short-term impact.

Long-term reductions of cost overruns through improved coordination.

## Internal Impact

Reduced duplication of work efforts.

Improved clarity, project handoffs, and decision-making.

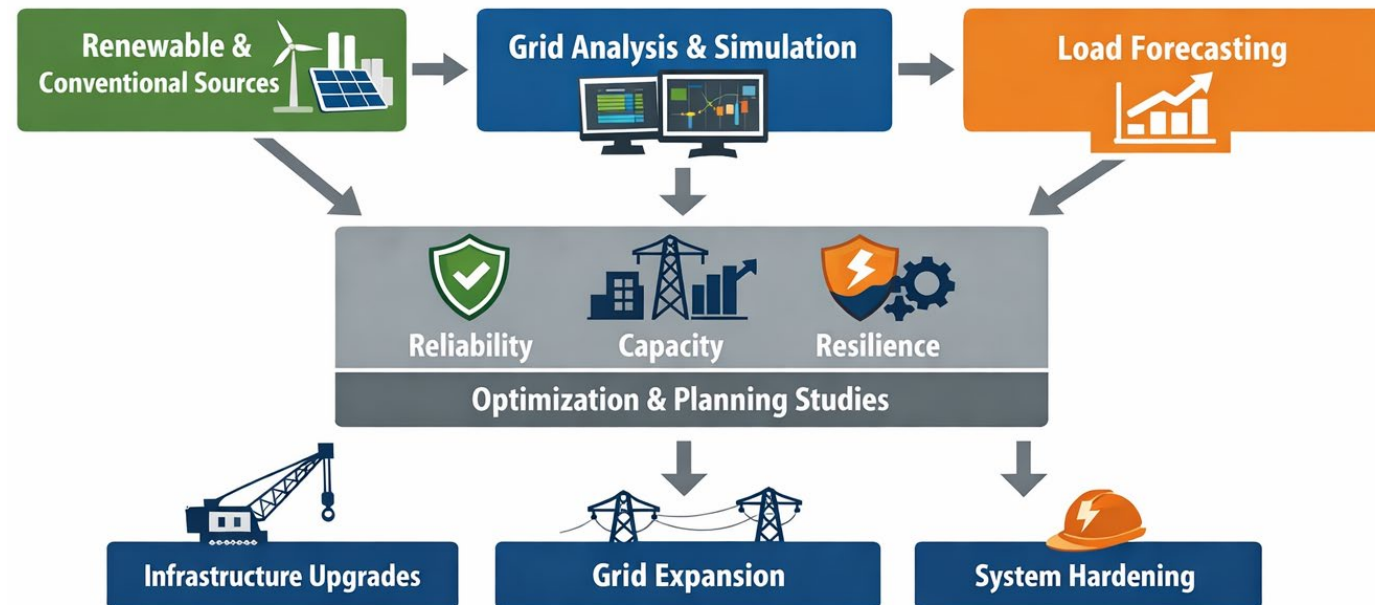
## Workforce Impact

Increased employee engagement and collaboration.

Clearer roles, expectations, and mentoring across departments.

# Initiative #2 – Capacity Planning

- **Strategic Priority:** Process & Technology
- **Objective:** Align processes and decision-making to optimize investments and proactively support future load growth and grid transformation
- **SWOT Alignment:** Aging infrastructure/systems, Rapid and Large load growth, grid management solutions
- **Method:** Expand existing programs and capabilities.
- **Success Measures:**
  - Accuracy of load and capacity forecasts.
  - Reduction in unplanned system constraints.



# Initiative #2 – Capacity Planning

## Customer Impact

Improved service reliability.

Reduced outage risk during peak demand periods.

## Rate Impact

Potential near-term increases driven by capital investments.

Long-term rate stabilization through better planning and asset utilization.

## Internal Impact

Better alignment between planning, engineering, and operations.

Improved forecasting accuracy.

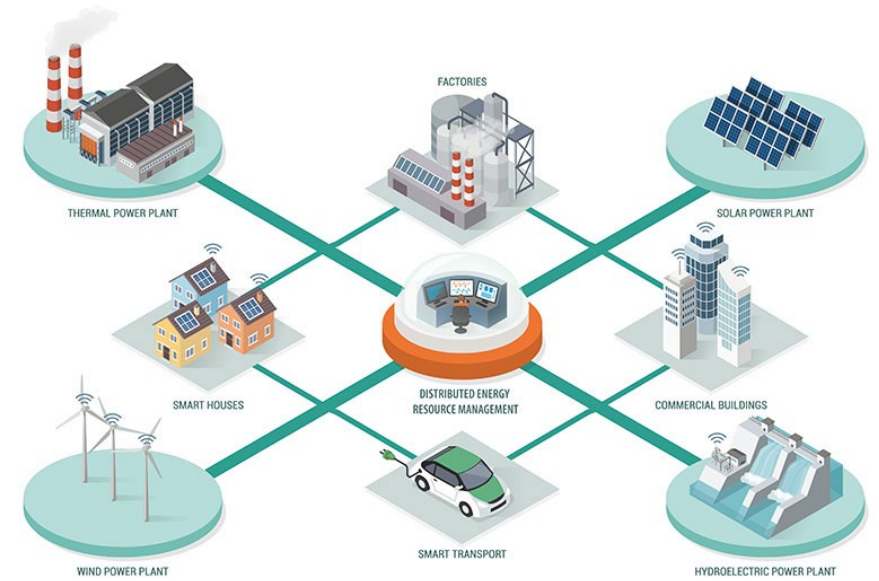
## Workforce Impact

Increased analytical and planning skill requirements.

Cross-functional workload during implementation phase.

# Initiative #3 – Distribution Management System

- **Strategic Priority:** Process and Technology
- **Objectives:** Improve distribution system reliability
- **SWOT Alignment:**
  - Weakness: Limited distribution system visibility
  - Strength/Opportunity: Strong innovation culture and external partnerships
- **Method:** Partner with a specialized DMS consulting firm.
- **Success Measures:**
  - Sustained reductions in SAIDI/SAIFI
  - Increased DMS coverage across priority feeders



# Initiative #3 – Distribution Management System

## Customer Impact

Faster outage detection and restoration.

Improved communication during service disruptions.

## Rate Impact

Capital and implementation costs.

Potential long-term savings through operational efficiencies.

## Internal Impact

Enhanced situational awareness for operators.

Improved coordination between operations and field crews.

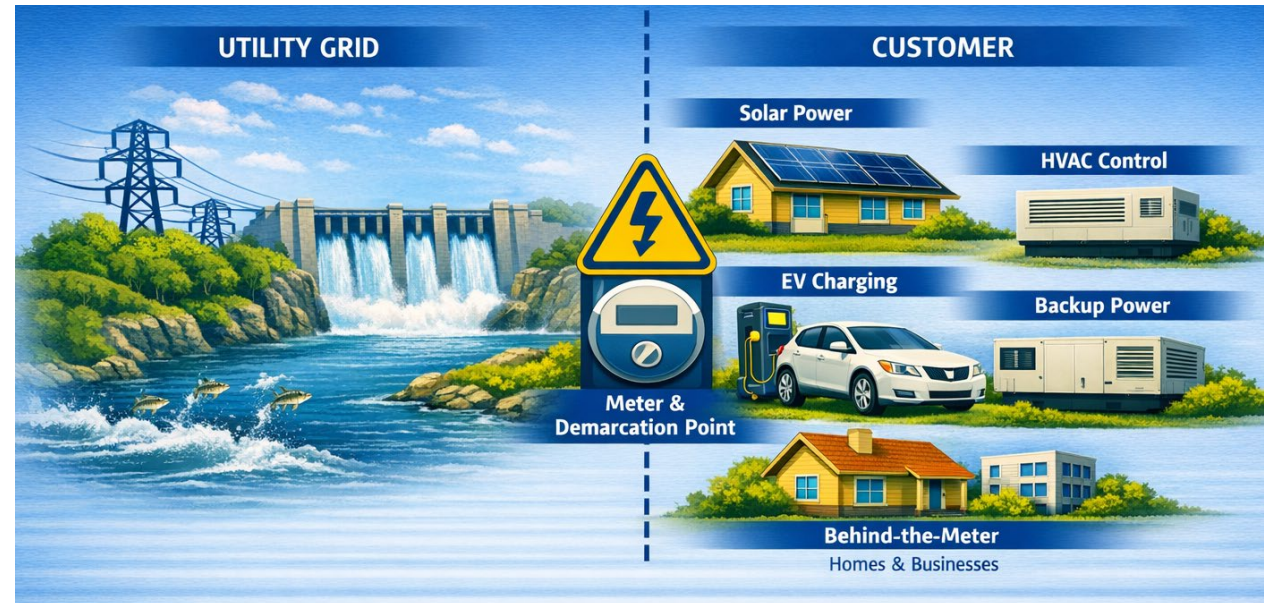
## Workforce Impact

Training required for operators and field staff.

Temporary productivity dip during transition.

# Initiative #4 – Demand-Side Growth Program

- **Strategic Priority:** Customer & Stakeholder
- **Objective:** Develop a strategy to guide behind the meter customer demand management solutions
- **SWOT Alignment:** Customer experience, DER as a grid asset, failure to modernize
- **Method:** Partner with external consultant.
- **Success Measures:**
  - Peak load reduction attributable to program.
  - Customer participation and satisfaction rates.



# Initiative #4 – Demand-Side Growth Program

## Customer Impact

More customer choice and control over energy usage.

Improved transparency and engagement.

## Rate Impact

Potential incentives or program costs.

Deferred infrastructure spending through peak load reduction.

## Internal Impact

New program management and analytics capabilities required.

Increased coordination between customer, operations, and planning teams.

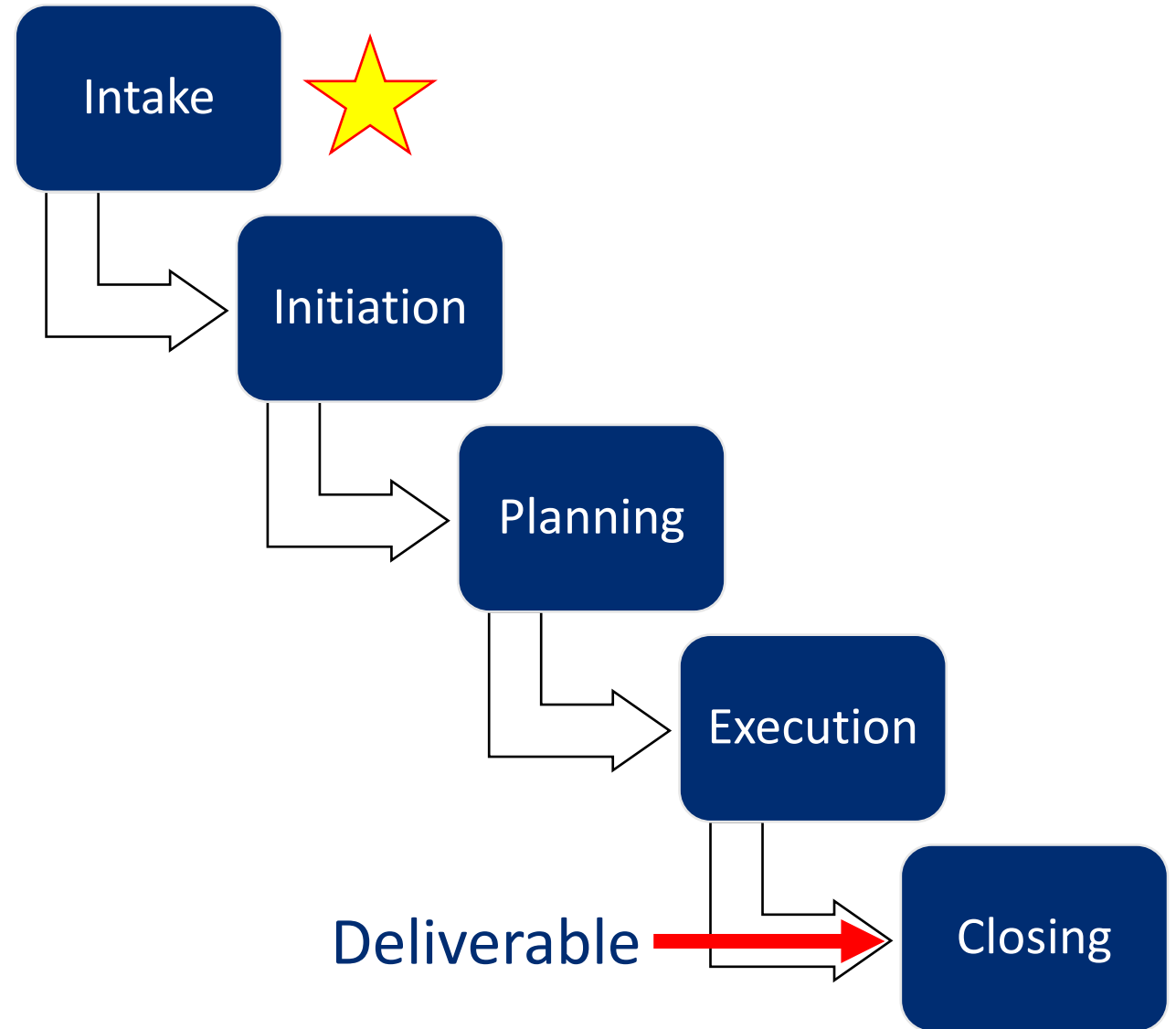
## Workforce Impact

New skillsets in DER, program design, and data analysis.

Increased workload during pilot phases.

# Initiative #5 – Benefits Realization Program

- **Strategic Priority:** Financial
- **Objective:** decisions to outcomes, data-driven capital allocation, delivery to value.
- **SWOT Alignment**
- **Method:** Expand.
- **Success measures:**
  - Percentage of projects with plans.
  - Ratio of planned vs. realized benefits.



# Initiative #5 – Benefits Realization Program

## Customer Impact

Greater transparency into how investments deliver value.

Increased confidence in utility's decision-making.

## Rate Impact

Improved cost control and justification for rate-setting.

Reduced risk of funding low-value initiatives.

## Internal Impact

Increased accountability for project outcomes.

More data-driven decision-making.

## Workforce Impact

Additional reporting and analysis responsibilities.

Need for training on benefits tracking methods.

# Thank you!



# Enterprise Technology

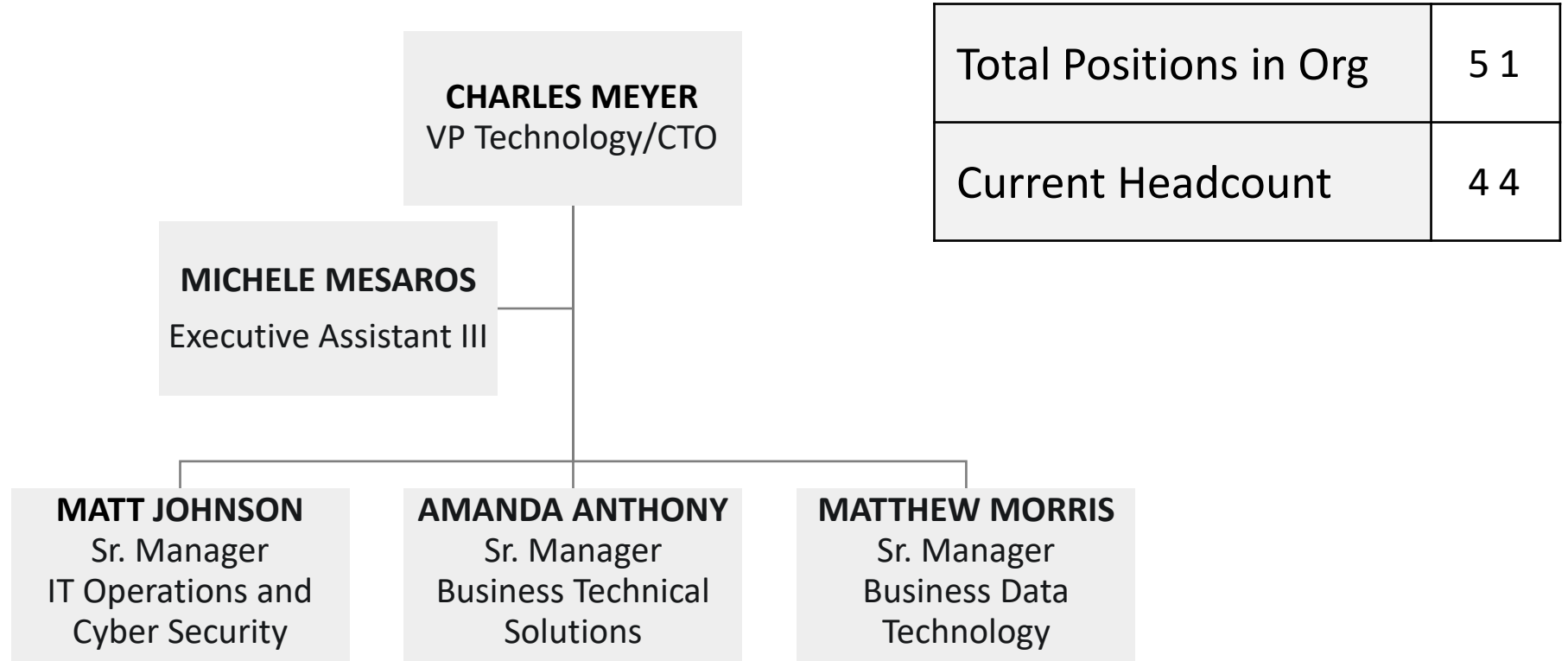
May 19, 2026

Charles Meyer, Vice President



Powering our way of life.

# Team



## Staff Updates:

- Positions filled: Azure Infrastructure Engineer, Cyber Security Supervisor (internal promotion), Platform Operations Supervisor (internal promotion), Business Systems Analyst (backfill), Software Test Engineer (transfer), Service Desk Technician (backfill)
- Open positions: Software Quality Supervisor, Enterprise Technology Architect, Project Coordinator, Data Engineer, Data Engineering Supervisor, Data Analyst, IT Infrastructure Engineer

# Enterprise Balanced Scorecard

% completion of Cyber Security Control Plan	% completion of Database Warehouse Plan
<i>5% off target due to delays in getting Information Governance policy approved. This is causing a delay in rolling out certain controls.</i>	<i>45% off target due to significant scope change of planned 2026 plan. Difficulties in recruiting of specialized positions.</i>
<b>Yellow</b>	<b>Red</b>

- Data Warehouse Plan (aka Enterprise Information System) to be redone to reflect change in scope requested.
- Data Loss Prevention (DLP) delivered by end of June to enable CoPilot rollout and get us back on target.

# Executive Financial Overview

March 2026

O&M DIRECTS YTD			
YTD BUDGET	ACTUALS	YTD VARIANCE	YTD VAR %
\$2,048K	\$2,508K	\$460K	22.5%

O&M DIRECTS YE PROJECTION			
TOTAL BUDGET	YEP	YE VARIANCE	YE VAR %
\$12,392K	\$13,566K	\$1,174K	9.5%

LABOR YTD			
YTD BUDGET	ACTUALS	YTD VARIANCE	YTD VAR %
\$1,421K	\$1,272K	(\$149K)	-10.5%

LABOR YE PROJECTION			
TOTAL BUDGET	YEP	YE VARIANCE	YE VAR %
\$6,657K	\$6,551K	(\$105K)	-1.6%

COST CATEGORY TYPE	YTD BUDGET	ACTUALS	YTD VARIANCE	YTD VAR %
G&A	\$8,190	\$143,347	\$135,157	1,650.3%
Purchased Services	\$550,810	\$907,048	\$356,238	64.7%
<b>Total</b>	<b>\$559,000</b>	<b>\$1,050,394</b>	<b>\$491,394</b>	<b>87.9%</b>

*This table reflects the largest variance cost category types only.*

**Purchase Services** : \$356K Unfavorable | Outside of Target; Unfavorable due to timing related to GE Grid Solutions LLC services (\$286K), which began in December and will continue into 2026, and CDW invoices (\$93K) that need to be posted to the 2025 budget.

**G&A**: \$141K Unfavorable | Outside of Target; Unfavorable due to IT costs paid earlier than expected. \$141K was budgeted for November but paid in advance to secure a vendor discount.

**Labor**: \$149K Favorable | Outside of Target; Continued vacancy (7 FTE)

# Capital

MARCH 2026

Budget	YEP	Budget Variance
\$2,455,325	\$7,856,030	\$5,400,705

Budget	Approved Spend	Budget & Approved Spend Variance
\$2,455,325	\$2,455,325	\$0

Initiative	Approved Spend	YTD Actuals	Projections	YEP	Approved Spend Variance
IN677 - GMS Ovation Upgrade	\$951,275		\$1,263,995	\$1,263,995	\$312,720
IN268 - Server Replacements			\$460,000	\$460,000	\$460,000
IN603 - Generation & Transmission OMS			\$599,444	\$599,444	\$599,444
IN504 - ERP Plus Implementation	\$1,000,000		\$5,026,160	\$5,026,160	\$4,026,160
<b>Total</b>	<b>\$2,455,325</b>	<b>\$203,408</b>	<b>\$7,652,622</b>	<b>\$7,856,030</b>	<b>\$5,400,705</b>

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

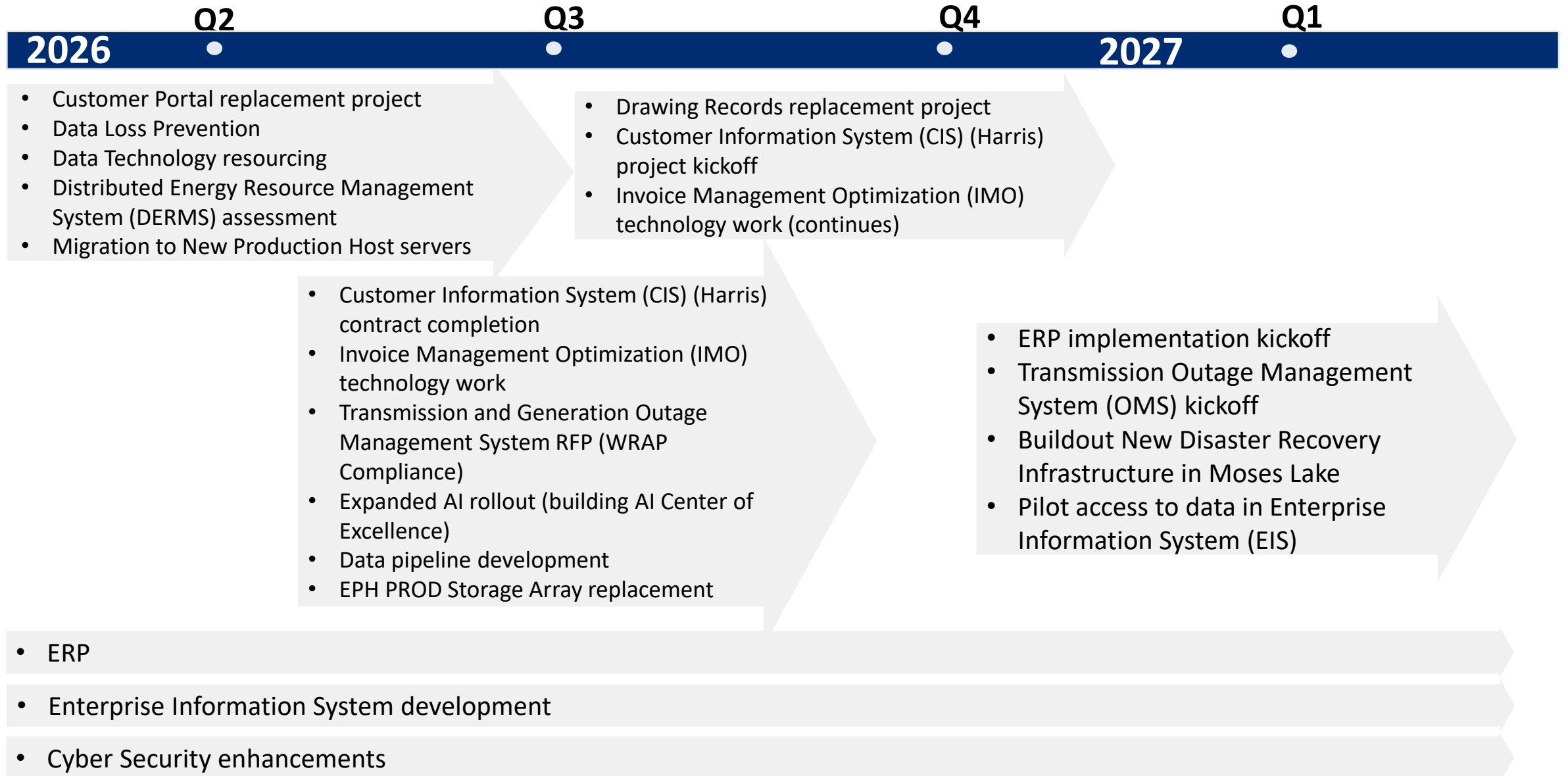
- IN504 – ERP Plus Implementation:** \$4.03M Unfavorable | Outside of Target; Variance driven by scope expansion, timing shifts, and additional requirements identified for 2026. Project going to PWG on 4/29 to request incremental capital funding based on updated YEP.
- IN603 – Generation & Transmission OMS (Outage Management System):** \$599K Unfavorable | Outside of Target; Not an approved project. Projection reflects potential 2026 spend if approved. Currently in RFP phase and not yet requesting capital funding.
- IN268 – Server Replacement Project:** \$460K Unfavorable | Outside of Target; Project currently on hold. YEP reflects updated scope for server replacements planned for the remainder of 2026. Returning to PWG on 4/29 to request funding.
- IN677 – GMS Ovation Upgrade:** \$313K Unfavorable | Outside of Target; Increase driven by timing delays and schedule shifts resulting in higher costs than originally estimated.

# Management Focus – ERP+

What does ERP+ give us that we don't have today?

- Condensing systems 29 separate systems -> 2 suites
- **Dynamics 365 Finance and Operations**
  - Accounting, budgeting, forecasting, expense management, procurement
  - Inventory and warehouse management, asset management, maintenance
  - Integrated project and work management
  - *Automation workflows, better data*
- **Customer Solutions (Harris and Paymentus)**
  - Customer Information System
  - Meter integration system
  - Customer Portal
  - Bill print/online payments
  - *Outage Management System*
  - *Mobile Workforce Management system*

# Near-Term Business Plan



# Long-Term Business Plan

2027

2028

2029

- Transmission Outage Management System implementation
- RBAC project

- Advanced Distribution Management System (ADMS) Project Kickoff

- Geospatial Information System (GIS) upgrade

- Customer Information System (CIS) (Harris)

- Enterprise Information System development

- ERP

# Closing Summary

- Technology requires perpetual maintenance and upgrades
- ERP+ will condense systems: 29 separate systems -> 2 suites
- Balanced Score Card:
  - Database Warehouse Plan (Red)
    - Action Plan: Scope adjustment needed due to specialized positions recruitment challenges
  - Cyber Security Control Plan (Yellow)
    - Action Plan: Information Governance policy approval

# Thank You!



<b>Department Name:</b>	<b>Key Presenters:</b>	<b>Date:</b>
Enterprise Technology	Charles Meyer	May 19, 2026

## RECAP

### Issues and Drivers

- Staffing - most new positions filled with internal resources creating need for backfill; Data Technology positions are new and are taking more time than we thought to fill;
- Balanced Score Card – Cyber security plan is mostly on track with some minor delays; Enterprise Information System (aka Data Warehouse) has seen some scope changes with ERP support and Markets+ support requests;
- Financial overview – Unfavorable and outside of target due to timing of invoices for both G&A and Purchased Services; Labor favorable and outside of target due to current vacancies
- Capital overview
  - ERP – as scope is defined costs become clearer
  - OMS – new project that was not planned and going to RFP
  - GMS – Delays in execution and schedules driving higher costs than original estimates

## NEAR-TERM PLANS (CURRENT THROUGH Q1 2027)

### Project Updates

- ERP – as scope is defined costs become clearer; Q3 target for next phase of project which will include a contract change request.
- CIS – slower than expected contract negotiations; customer portal launching ahead of the bigger system; long-term kick off will be late Q3.
- Invoice Management Optimization – new unplanned work; team is working with Sprint team to deep dive into requirements.
- OMS – new project that was not planned and going to RFP shortly.
- Cyber Security enhancements work in progress and mostly on time.
- Enterprise Information System (aka Data Warehouse) development is ongoing with competing priorities. Data extracts of existing systems is current priority.
- DERMS – new project that was not planned and going to RFP shortly.
- Drawing Records project to begin Q3.

## LONGER-TERM STRATEGY (2027 THROUGH 2029)

### Roadmap

- ERP – plan to go through 2029 for full implementation.
- Markets+ - support via data technology and data governance.
- Enterprise Information System – multi-year effort to develop the long-term solution
- DERMS – 2028/2029 for a kick-off to build out a long-term solution roadmap
- ADMS – 2029 for a kick-off for automation of our grid

### Strategy

## COMMISSION SUPPORT: KEY ASKS

### Specific Requests

Staff augmentation contracts are coming soon; awareness around the need to maintain technology and the costs associated with technology solutions.

# Shared Services

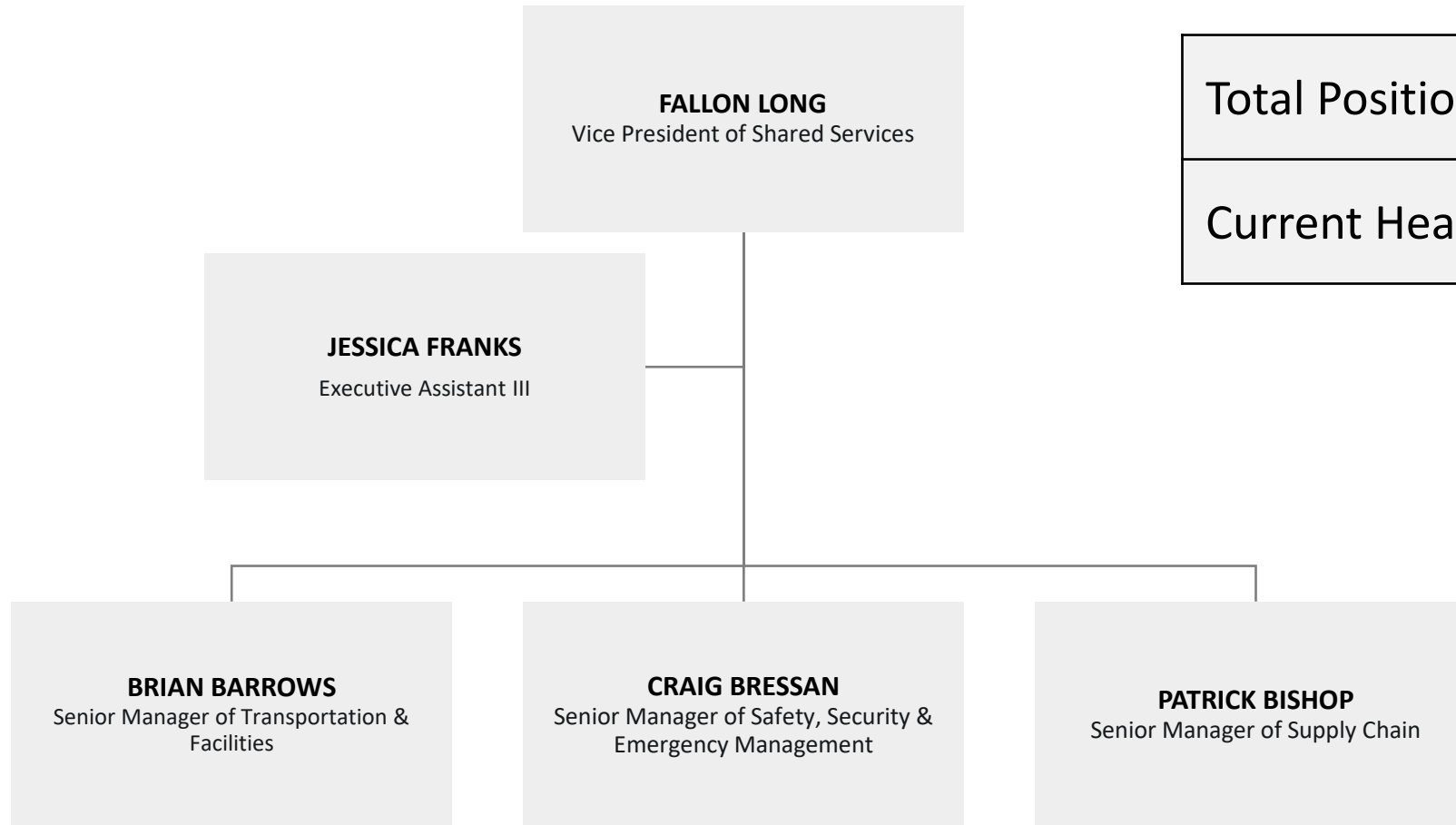
May 19, 2026

Fallon Long, Vice President



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# Team



Total Positions in Org	1 2 4
Current Headcount	1 1 9

## Staff Updates:

- New: Josh Wegley-Supply Chain Standards Project Coordinator, Taylor Pratt-Warehouse Materials Specialist, Lance Knudson- Facilities Senior Asset Management Specialist, Thomas Stallings- Security Specialist I

# Enterprise Balanced Scorecard

Design Standards	Warehouse Governance	Safety Concerns	Job Site Review	Interdepartmental Collaboration
<i>% or Targeted Standards Transitioned to a Standard Design Template</i>	<i>% of Stock Items Reviewed for Like Inventory</i>	<i>Measures % Closed by Date</i>	<i>Measures % Completed vs. Established</i>	<i>Measures of Internal Service Provider Performance</i>
<b>Green</b>	<b>Green</b>	<b>Green</b>	<b>Red</b>	<b>Red</b>

## Job Site Review Action Plan – Path to Green

- **Clarify expectations and accountability:** Reinforce JSR targets, roles, and responsibilities through a published reference guide.
- **Drive awareness and adoption:** Execute a coordinated communication plan (Safety Report + internal comms) to increase participation across the district.
- **Increase visibility and accountability:** Provide monthly reporting on participation levels and missed opportunities to track progress and reinforce leadership expectations.
- **Leverage leadership to accelerate culture shift:** Engage executives, senior managers, and supervisors to actively reinforce JSR expectations during the transition period.

## Interdepartmental Collaboration – Path to Green

- **Define “excellent (5)” clearly** – publish 3–5 standard behaviors (fast response, proactive updates, clear expectations) and embed into daily work
- **Reinforce expectations through leadership messaging** – short podcast/video + team discussions on what must change immediately
- **Equip leaders with consistent talking points** – focus teams on service behaviors that drive scores (not asking for 5s)
- **Establish regular service provider–customer check-ins** – monthly touchpoints to understand needs, surface issues early, and build trust
- **Act quickly on negative feedback** – follow up on 1–2 ratings, resolve issues, and visibly close the loop with customers
- **Standardize the service experience across teams** – align intake, response times, and communication practices to reduce variability

# Executive Financial Overview

## MARCH 2026

O&M DIRECTS YTD			
YTD BUDGET	ACTUALS	YTD VARIANCE	YTD VAR %
\$2,544K	\$2,373K	(\$171K)	-6.7%

O&M DIRECTS YE PROJECTION			
TOTAL BUDGET	YEP	YE VARIANCE	YE VAR %
\$10,679K	\$11,408K	\$729K	6.8%

LABOR YTD			
YTD BUDGET	ACTUALS	YTD VARIANCE	YTD VAR %
\$3,393K	\$3,086K	(\$307K)	-9.0%

LABOR YE PROJECTION			
TOTAL BUDGET	YEP	YE VARIANCE	YE VAR %
\$14,146K	\$13,771K	(\$375K)	-2.6%

COST CATEGORY TYPE	YTD BUDGET	ACTUALS	YTD VARIANCE	YTD VAR %
G&A	\$268,664	\$471,551	\$202,886	75.5%
Operating Materials & Equ...	\$567,357	\$480,139	(\$87,218)	-15.4%
Purchased Services	\$1,235,768	\$946,390	(\$289,379)	-23.4%
<b>Total</b>	<b>\$2,071,790</b>	<b>\$1,898,080</b>	<b>(\$173,710)</b>	<b>-8.4%</b>

*This table reflects the largest variance cost category types only.*

**G&A:** \$203K Unfavorable | Outside of Target; planned 2025 EHQ remodel purchase for furniture was recorded in 2026.

**Operating Materials & Equipment:** \$87K Favorable | Outside of Target; lower break-fix spend and purchase/invoice timing; expected to alignment by Q2.

**Purchased Services:** \$289K Favorable | Outside of Target; Invoice timing; (98K Allied, 47K McKinstry, 68K iPro); expected in Q2.

**Labor:** \$307K Favorable | Outside of Target; Continued vacancies (5 FTE).

# Capital

MARCH 2026

Budget	YEP	Budget Variance
\$93,887,850	\$108,299,167	\$14,411,317

Budget	Approved Spend	Budget & Approved Spend Variance
\$93,887,850	\$95,798,059	\$1,910,209

Initiative	Approved Spend	YTD Actuals	Projections	YEP	Approved Spend Variance
IN410 - PDF_Power Delivery Facilities	\$85,506,517	\$4,506,480	\$91,457,329	\$95,963,810	\$10,457,293
IN765 - WHC Parking Lot Paving			\$886,000	\$886,000	\$886,000
IN608 - Oil Processing Trailer			\$633,761	\$633,761	\$633,761
IN537 - EHQ & MLSC UPS Replacement	\$539,000	\$630,131	\$397,223	\$1,027,353	\$488,353
IN804 - EV Charger Infrastructure			\$445,000	\$445,000	\$445,000
IN624 - EHQ HVAC Filter Box Air Handler VAV Rep	\$2,070,209	\$84,886	\$1,060,000	\$1,144,886	(\$925,323)
<b>Total</b>	<b>\$95,798,059</b>	<b>\$7,575,073</b>	<b>\$100,724,094</b>	<b>\$108,299,167</b>	<b>\$12,501,108</b>

**IN410, IN537:** Timing shifts in spend and work execution

**IN765, IN608, IN804:** Approval and governance timing gaps

**IN624:** Pending contractor pricing

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

# Management Focus

## Transportation Vehicle & Large Equipment Purchasing

### **Cooperative Purchasing Agreement**

- RCW 39.34.030 allows Washington State public agencies to take advantage of cooperative purchases.

### **Cost Comparison Assessment**

- SourceWell & state contract procurement: pre-vetted, lower cost, aids in standardization

## Supply Chain Improvements

### **Large Capital Project Support**

- Dedicated resources to manage material and equipment

### **Inventory Audit**

- Surplus (obsolete & like-for-like)

### **Standardization**

- Spec sheets, design templates, work packages, etc.
- Warehouse consistency (ordering, numbering, all material)

### **Invoice Management Optimization Project**

- Purchase authority table
- Directs vs Purchase Orders

# Near-Term Business Plan



- Together in Excellence Day
- Facilities Master Plan
- ScottMadden Supply Chain Assessment
- Supply Chain Standards
- Security Contract RFP & Selection

- PDF Project SC1-construction
- Implementation of Invoice Management Optimization Project
- Supply Chain Improvements

- ERP
- PDF Project SC1-construction
- Facilities Master Plan Implementation
- PDF Project SC2- RFP & selection

- Install EV Chargers
- Facilities Master Plan Implementation

# Long-Term Business Plan

2027

2028

2029

- PDF Project SC1 – construction completion
- EV Chargers install - Use of CCA Dollars and External Funding Grants (2030)
- PDF Project SC2- validation & design

- PDF Project SC1-Move in
- PDF Project SC2- Construction
- Facilities Master Plan Implementation
- EV/Internal Combustion Engine considerations (2030 Fleet Electrification Mandate)

- PDF Project SC2-construction completion
- EV charging expansion required for Fleet Electrification Mandate (2030)

# Closing Summary

Commission dates:

- June Workshop – readout and recommendations from Facilities Master Plan reassessment
- Q3 – alignment/support of Facilities Master Plan implementation
  - Schedule, resourcing, and execution sequencing.
- Q4 – Contract Approval for PDF Project SC2 (MLSC) Design Build Team
  - Enables contracting to protect start dates and pricing.

# Thank You!



<b>Department Name:</b>	<b>Key Presenters:</b>	<b>Date:</b>
Shared Services	Fallon Long	May 19, 2026

## RECAP

### Issues and Drivers

#### Balanced Scorecard performance gaps action plans in place:

Job Site Reviews (Red)

Clarify expectations and accountability; Drive awareness and adoption; Increase visibility and accountability; Leverage leadership to accelerate culture shift

Interdepartmental Collaboration (Red)

Define "excellent (5)" clearly; Reinforce expectations through leadership messaging; Equip leaders with consistent talking points; Establish regular service provider; Act quickly on negative feedback; Standardize the service exp

## NEAR-TERM PLANS (CURRENT THROUGH Q1 2027)

### Project Updates

- Supply Chain improvements - Invoice Management Optimization Project
- Facilities Master Plan evaluation and re-alignment
- PDF Project SC1 and SC2
- Security contract
- ERP-related planning and execution activities
- Installation of EV chargers across multiple facilities utilizing grant funding
- Advanced Clean Truck (ACT) standards and exemptions

## LONGER-TERM STRATEGY (2027 THROUGH 2029)

### Roadmap

- Move-In SC1 (ESC); begin SC2 (MLSC); Facilities Master Plan multi-year implementation
- EV charger installation and expansion aligned with future requirements
- Long-term fleet planning aligned with 2030 EV/ICE transition considerations

### Strategy

- Standardize processes, equipment, and inventory to improve efficiency and consistency across Shared Services
- Strengthen capital project governance and execution discipline to reduce timing and approval gaps
- Enhance procurement and supply chain effectiveness through cooperative purchasing and cost optimization strategies
- Improve organizational performance through Balanced Scorecard alignment with focus on underperforming measures
- Advance infrastructure modernization and regulatory readiness across facilities and fleet

## COMMISSION SUPPORT: KEY ASKS

### Specific Requests

- Facilities Master Plan implementation alignment
- Q4 2026: PDF Project SC2 (MLSC) Contract