

# Nokia Networks Contract 430-10427

Technology Infrastructure Modernization

Grant County PUD Common Backbone Network (GCB)

08/11/2021

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Contract overview and supporting detail for selection of Nokia Networks



# Overview: Problem Statement

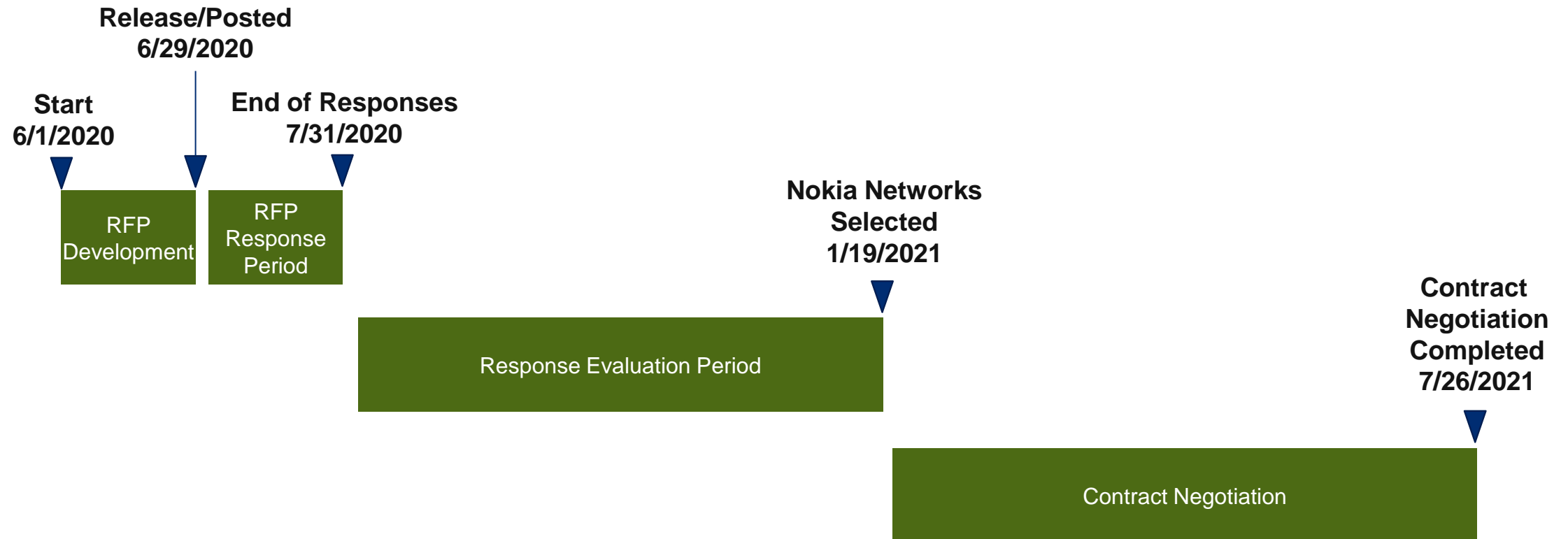
- Our existing fiber network was developed organically over 15+ years without a wholistic design or focus on long-term operations and needs.
- Equipment was not standardized and much of it has reached end-of-life requiring replacement.
- The existing network is functional but a redesign is needed to meet long-term needs for performance, scalability and cost-effective life-cycle management.

# Overview: Resolution Approach

- Grant PUD Telecom Engineering performed a Request for Proposal (RFP) process in 2020
- 15 experienced Networking and Telecom providers proposed solutions to address our requirements
- A scoring model was created to evaluate respondents with assistance of Procurement
- Nokia Networks was selected as the highest scoring qualified RFP respondent

# Selection and Contracting Timeline

The RFP development and response period was relatively short, following by an **extensive** evaluation period to fully understand the response details and implications. The contract negotiations that followed selection of Nokia Networks were equally challenging as risks and legal concerns by both parties were addressed.



# Overview: RFP Finalist Summary\*

Of the 15 respondents, many were resellers providing the equivalent hardware and similar approaches with identical scores. The 4 finalists below were selected after initial proposal reviews and detailed analysis for capabilities and cost effectiveness

Ultimately, Nokia separated itself from the group with high performing hardware, comprehensive management solution and ability to perform configuration and installation services. We ultimately determined that Grant PUD resources would be used for installation to remove insurance concerns and reduce risks.

Vendor	Hardware & Services	Score
Nokia	\$3,561,027**	1640
LightRiver	\$3,150,677	1580
GP&A	\$3,707,234	1580
Lumen	\$4,140,882	1580

\* The full [RFP Scoring Matrix](#) is stored with [other RFP documents](#) on Contracts365.

\*\* Dollar values subject to change during contract negotiation with refinement of scope and conditions.

# Recommendation and Request

Management, following comprehensive review of respondents to our RFP and extensive negotiation, is requesting Commission approval to award materials and professional services contract 430-10427 to Nokia Networks, “Nokia of America Corporation” in the not to exceed contract amount of \$3,779,436.62

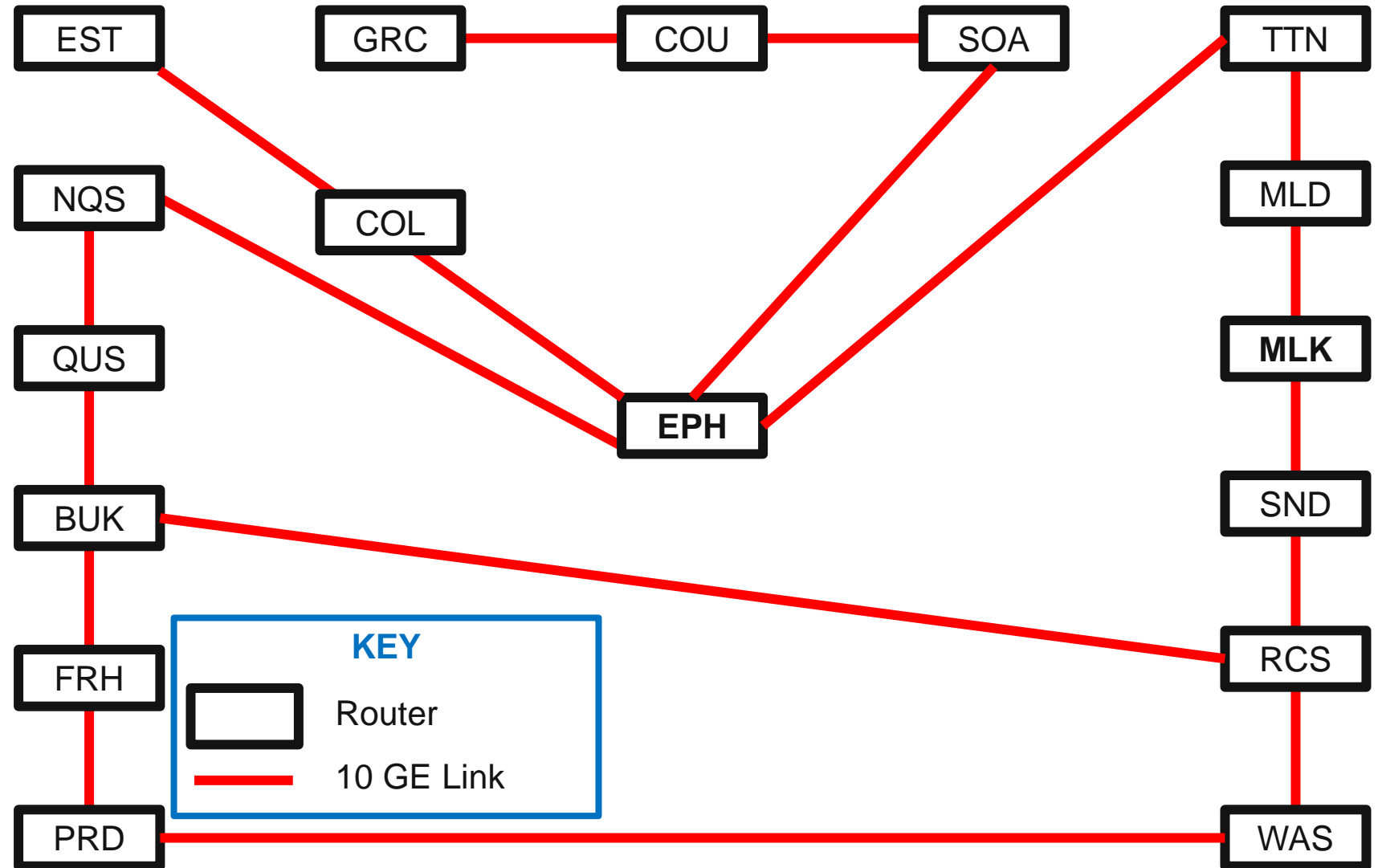
- Total Cost \$3,779,436.62
  - \$2458k Hardware
  - \$403k Implementation Services
  - \$918k Support & Maintenance
  
- Implementation Schedule
  - Start September 14, 2021
  - End February 1, 2022
  
- Term
  - Equipment support provided through January 31, 2024



**Powering our way of life.**

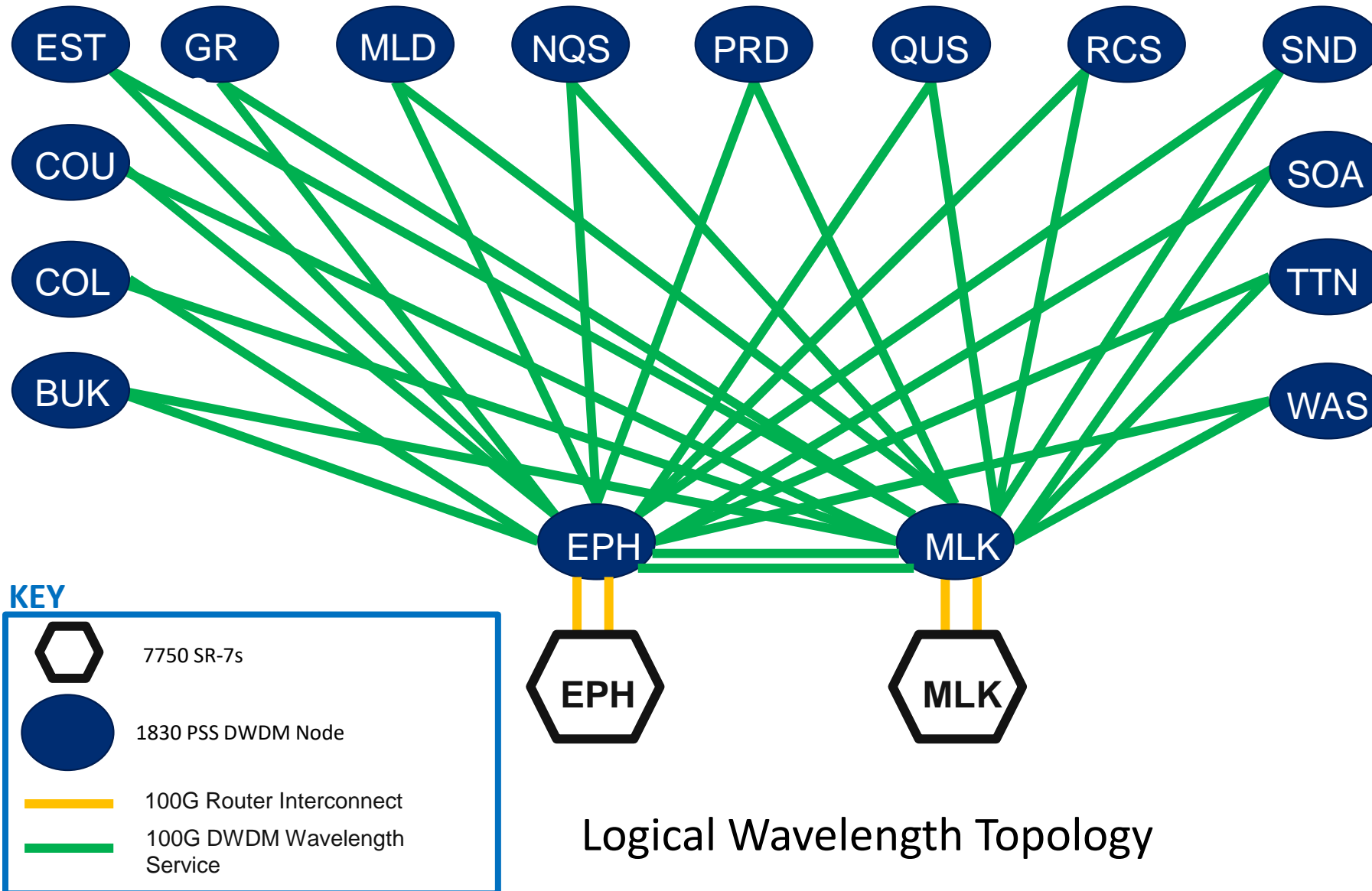
# Current State and Challenges

- The growth of internet-based applications is driving the need for massively scalable service provider networks
- Current network has exceeded its growth capacity
- Current network has grown over time in reaction to needs and is inefficient in its design, difficult to manage, and increasingly difficult to troubleshoot.





# Future State and Benefits



- Massive scalability increase with full resilient signal design providing improved reliability
- Centralized management suite for simplified control and change deployment with less manual work
- Hub and spoke design improves network performance, allows for targeted growth where needed, and simplifies operations
- Consistent design, efficient growth, and lower complexity

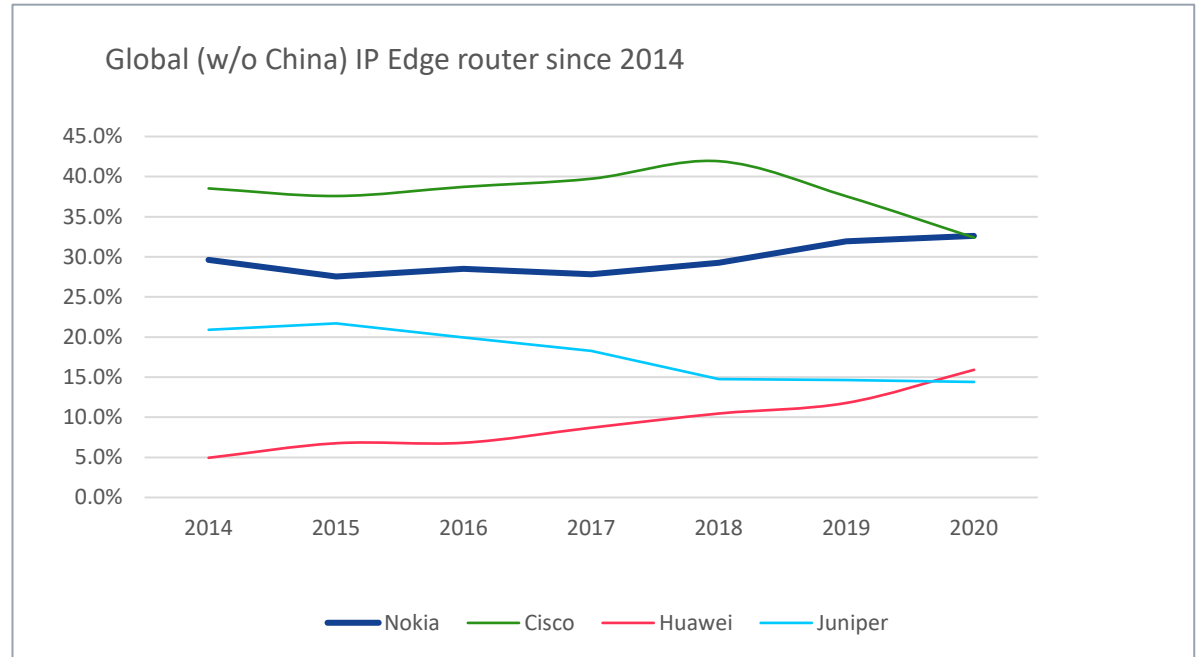
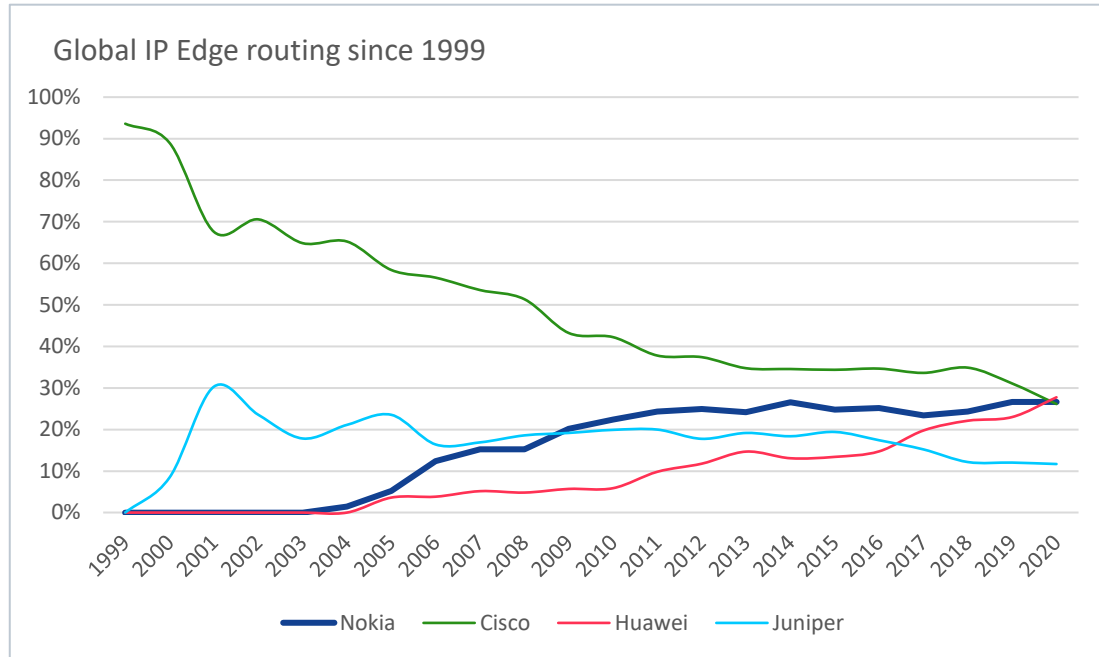
# How will we achieve this network transformation?

- Nokia to create the configurations and preconfigure the optical equipment for GCPUD to install
- Nokia to create the configurations of the routers for GCPUD to install
- Nokia to remotely configure the Network Management systems
- Nokia to create and help execute a migration strategy to move GrantFiber hubs from the old network to the new network.
- Nokia to perform remote final testing to confirm successful migration and functionality of the network.

# Nokia has long history of top performance

#2

#1



## Global edge router

Huawei 28%  
 Nokia 27%  
 Cisco 26%

## Global edge router minus China

Nokia 32.6%  
 Cisco 32.4%

# NOKIA has long history as top optical transport manufacturer

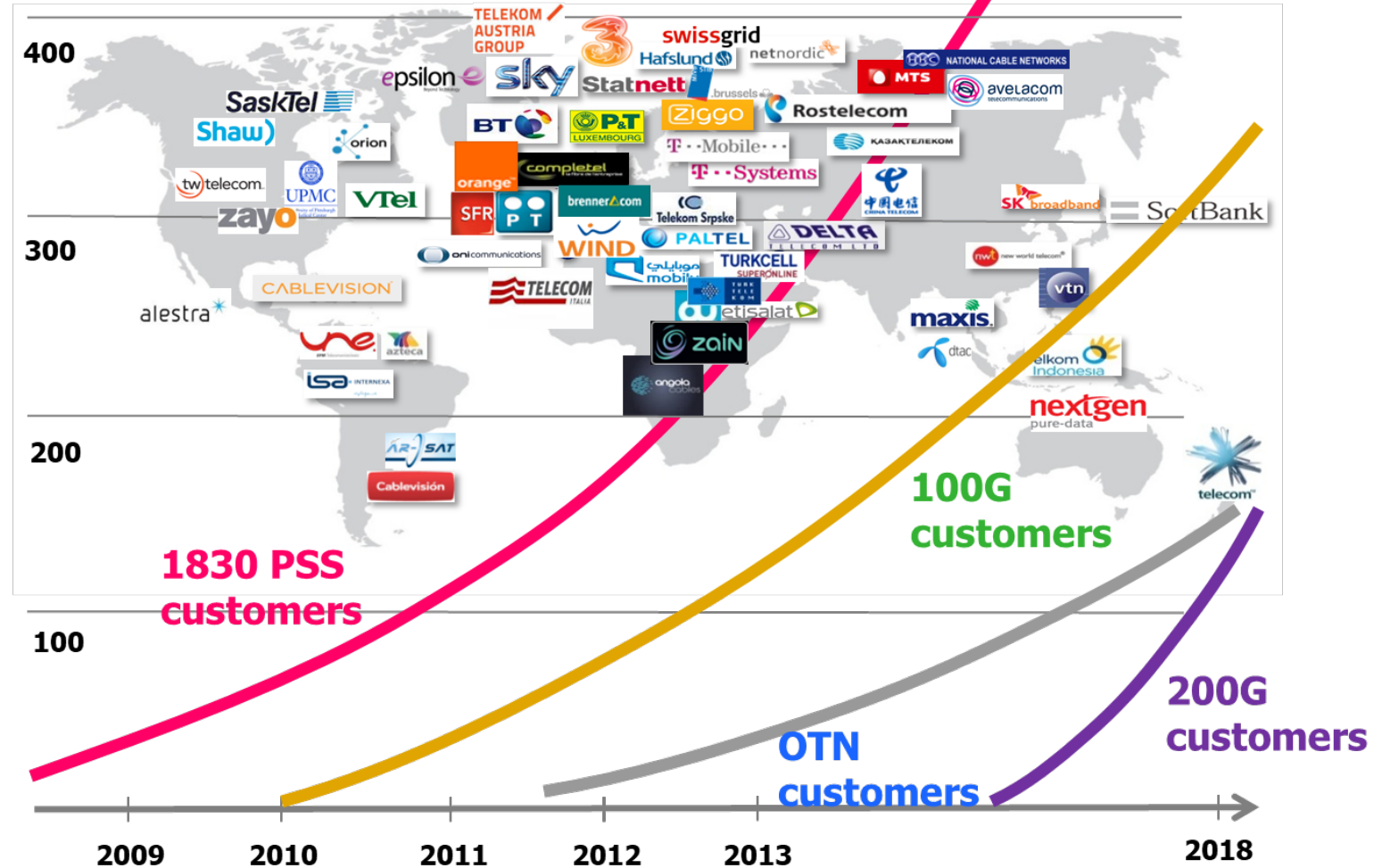
**780+**  
**1830 PSS** Customers

**70+** countries

**101,000+**  
**100G** units at  
**340+** Customers

**27,000+**  
**200G** units at  
**145+** Customers

**150+**  
**OTN** deployments



# Variance: Contract Price vs Proposal

The original vendor responses to the RFP all provided viable solutions for the near-term growth in network traffic. The Nokia proposal provided 3 alternatives, including the selected option for an architecture that was much simpler to manage and operate with a lower level of required engineering overhead.

After initial review, Telecom Engineering identified opportunities to enable future growth without a second round of equipment replacement by utilizing a larger chassis (essentially buying a larger cabinet that could be expanded over time). The largest factor in the change in price was duplication of the controller cards for added resiliency and future capacity handling. Essentially, we went from one (1) controller in each of 2 smaller boxes to **dual** controllers in each of 2 larger expandable boxes.

The controllers are the brains/engines of the network and the most expensive components.

Net of all changes to configuration and services, we ultimately added **~\$218k** to the final contract value.

**Note:** The initial RFP responses were priced on **proposed solutions**, not the ultimate final configuration.

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# Safety Report

## August 2021



Date	Injury	Description	Cause(s)	Prevention
7/15/21	Eye	While performing maintenance on electric carts a coworker notice a bloodspot on an employee's left eye.	Unknown	Cannot determine
7/29 <sup>th</sup> -30 <sup>th</sup>	COVID-19	On July 29 <sup>th</sup> & 30 <sup>th</sup> seven ERT employees conducting boat rescue training with an outside training provider, later the instructor reported he had tested positive for COVID-19. Additionally, two of the ERT members also tested positive following our antigen program. OSHA recordability for this incident is under review.	Exposure to COVID-19	Adhere to established COVID-19 prevention protocols.

# Injuries Reported



2020	Month	YTD
Total Incidents Reported	1	14
Recordable Case(s)	0	3
Restricted Duty Case(s)	0	2
Lost Workday Case(s)	0	1

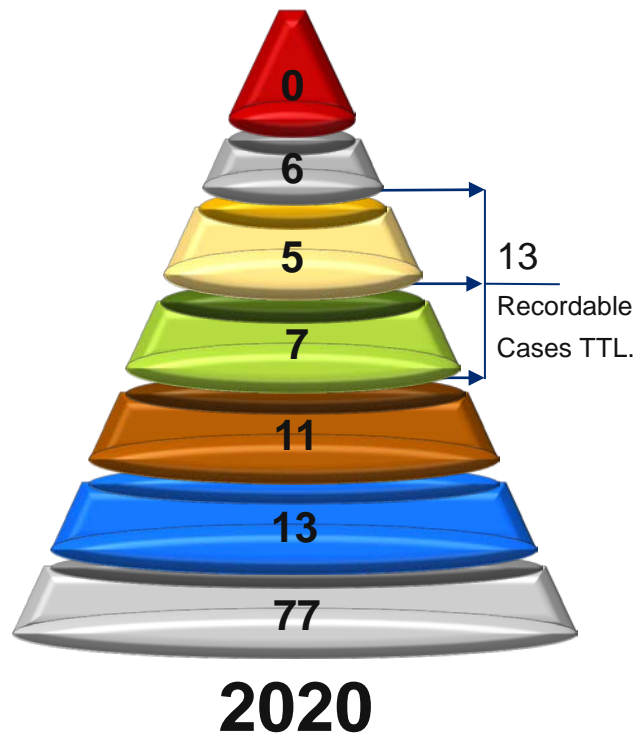
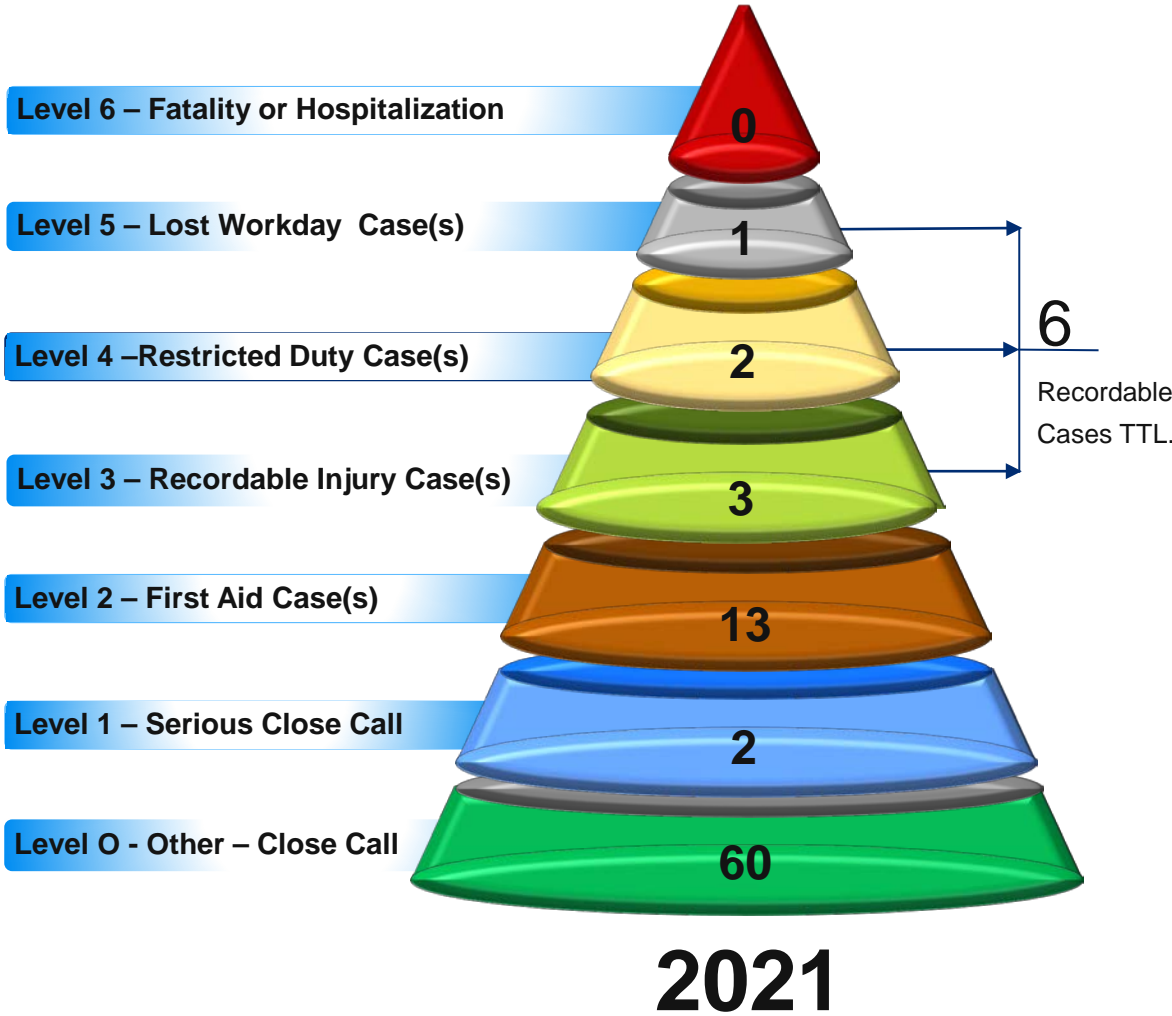
# Monthly and Year to Date





# 2021 incidents Year to Date Summary

## Employee Safety



Date	Vehicle	Driver's Account:	Prevention
7/14/2021	#473	While loosening the nut on the insulator pin on the bottom side of the arm with the gun, the insulator on the top of the arm spun off, fell, and struck the hood of the service truck. The truck had to be underneath the work in order to reach it. The lock nut was rusted to the pin causing both the nut and bolt to spin. The insulator did not move causing it to loosen from the pin without being able to see it. The bucket was placed underneath the work in case any of the hardware on the bottom side were to fall it would land in the bucket, but the insulator missed the bucket. Now there is a dent in the hood.	???
7/29/2021	#579	An employee was stopped at a stop sign waiting to turn right on to Basin Street heading north. A small car rolled into the back the back-end hitch of a Boom truck. They both pulled over, everybody was fine. to see if we were ok and both parties were fine. There were no injuries, however, she had a small indentation. She opted to leave.	???

# Vehicle Incidents



Date	Location	Description
7/9/21	Moses Lake	Employees were on an outage call and found two cut out fuses blown. They looked for a underground fault indicator, finding two damaged cables inside the vault. Dispatch was notified. Next, they notified Dispatch regarding the clearance point so they could make repairs. Dispatch was asked if they could open the remaining cut out because the ground wire was glowing in the vault, they gave orders to do so, there was one 25 kva single phase Transformer on the line. When they opened the last cut out, it went phase to phase, burning the top of two cut outs up. When testing the voltage on the cable, they found 3-4 thousand volts on the line. After investigating (Bitcoin operator) the customer stated that they had separate feeds to the building and that there was damage to the auto transfer switch. Don't know if this was the cause of the overload. Cables were isolated, tested and grounded, and repairs were made to underground fault.
7/10/21	Royal City	While refusing 3 phase dip cut out, door got between top and bottom of cut out. Drew an arc and rolled breaker.

# Close Calls



Date	Location	Description
7/10/21	Quincy Plains	When working with a large industrial electrical contractor to energize a circuit as scheduled, the customer was called and informed that District personnel would be installing braided straps and electrically connecting to their customer equipment. The contractor for the customer confirmed he was ready and would be working on the load side of customer owned switch. A clearance was installed for District personnel to install braided straps. The straps were connected, and the clearance was released. When the clearance was being picked up, a lineman reported he saw contractors working on the utility side of the customer switch. The contractor was contacted to confirm he was working on equipment without utility isolation. He was told to stop work until they were issued a POS tag. The contractor complied and waited to resume work after he was issued a POS. <b>(This is outstanding work by the Lineman!)</b>
7/15/21	MLSC	Parked too close to keypad, when gate fully opened and drove into yard, the back end of truck hit bottom of the keypad.
7/20/21	Moses Lake	In the process of covering underground conduit with bedding sand, contractor damaged conduit. Switching in of feeder was stopped, wire was inspected, no damage found, and conduit repaired.

# Close Calls



Date	Location	Description
7/20/21	Wilson Creek	Crew was sent to change a broken cross arm. Crew began to secure the wire, the arm started to break causing phases to begin to fall. Crew worked quickly and secured the phases before any damage or accident could occur.
7/27/21	WMC	Small pipe positioner failure. The pivot shaft for rotating material worked its way out causing a piece of pipe to fall, and nearly striking the employee's foot. No one was injured, it is a design flaw, that allows the gears to move off center and becoming disengaged.
7/27/21	Wanapum Village	A snake located by HVAC piping going under house. Sprague does not deal with snakes, but we have contacted game and fish in the meantime.

# Close Calls



Date	Location	Description
7/8/21	George	A splicer set up to work on and complete a splice. The contractor tested the vertical ground and it passed, he then went up to drop coils and tested the strand. This strand tested positive for voltage. He then tested the strand on a spur cable, and it tested positive as well. The employee moved ten feet off the pole and tested the strand and it also tested positive. At this point the employee called their Manager to discuss what to do. The Construction Mgr and Safety Mgr went to the work site to discuss the incident with the employee and completed some testing there as well. The decision was made to contact PUD to help trouble shoot the issue. After PUD tested, they found a bad insulator that was causing the issue.

# Contractor Close Calls, Injuries & Incidents

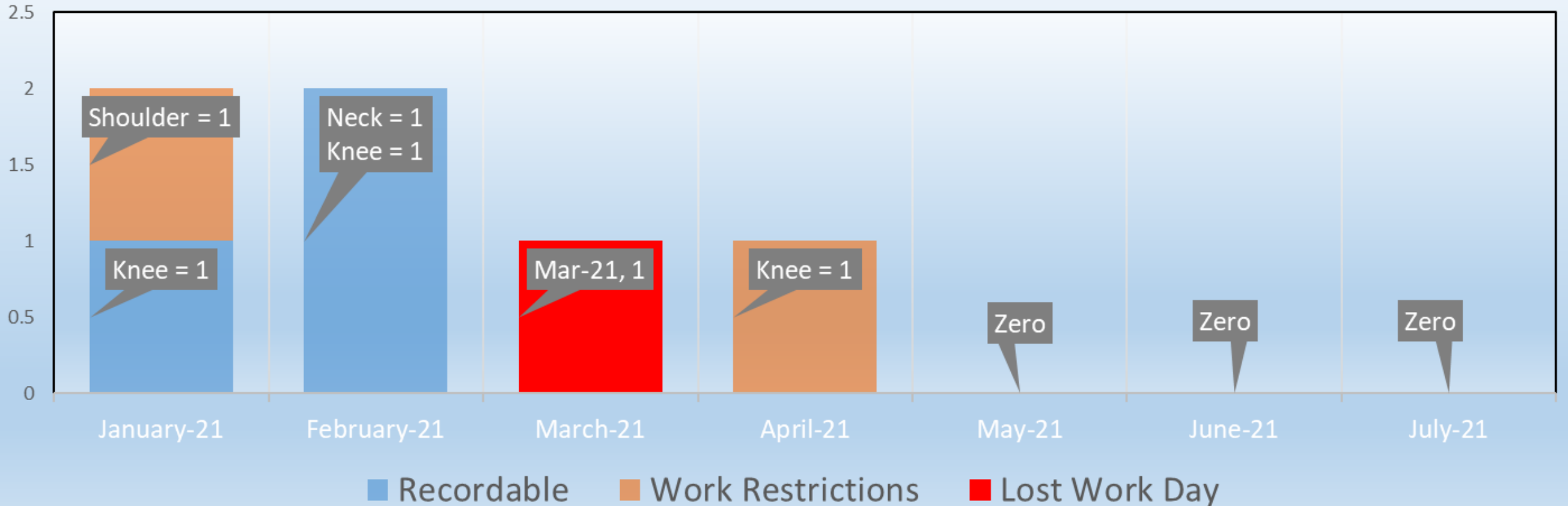


# Leading & Lagging Indicators



# Leading & Lagging Indicators

## 2021- RECORDABLE INJURIES BY MONTH



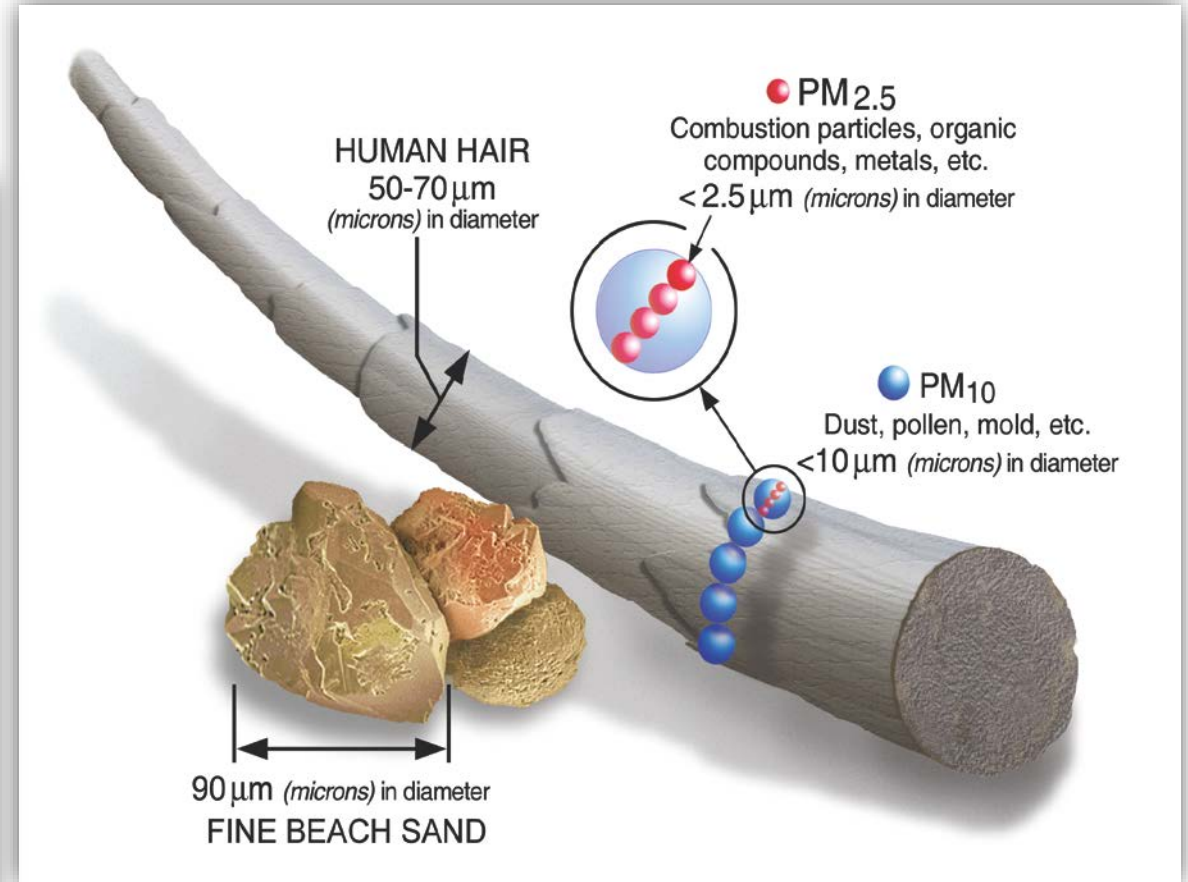


# Air Quality - Emergency Rule

On July 16, L&I adopted an emergency rule to protect workers who are exposed to wildfire smoke on the job. This rule is effective from July 16, 2021, through November 13, 2021

## What are the requirements?

- Applies to employees who work outside more than one hour per day when AQI 69 or more.
- Requires the PUD to provide training, monitor AQI, and encourage use of N95 masks.
- PUD is installing monitors for PM-2.5, which is equivalent to wildfire smoke and can be viewed at [PurpleAir.com](https://purpleair.com).
- Employees are encouraged to report changing conditions when wildfire smoke rolls in and check [PurpleAir.com](https://purpleair.com) made available on our District intranet home page or [AirNow.gov](https://airnow.gov) for current air conditions. There are Apps too!



# Air Quality - Emergency Rule

## When AQI is 300 or greater:

- Work limited to emergency or critical, without respiratory protection
- Workers should include prevention of heat stress during the job brief
- N95 respirators are available for voluntary use in outdoor areas
- Limit work to 45-minute periods with corresponding 45-minute rest period, if N95 respirator is not used
- No time restrictions on work, if N95 respirators are used.



# Safety Action Item Critical Success Factors

## Incident Reporting

(Date of Entry into System vs Date of Distribution Systemwide)

- Number of Close Calls in **July** = 10
- Number of Close Calls sent Next day after being entered into the system = 6



## Number of Open Action Items over 60 days old

As of <b>June</b> 2021	As of <b>July</b> 2021
Year 2017 = 8	Year 2017 = 7
Year 2018 = 11	Year 2018 = 9
Year 2019 = 21	Year 2019 = 17
Year 2020 = 10	Year 2020 = 6
Year 2021 = 12	Year 2021 = 10
Month Total = <b>59</b>	Month Total = <b>49</b>

**Net - July 2021: -10**



# Incident Reporting for July 2021

(Date of Incident vs. Date of Entry into System)

## Injuries

- Total Number of Injuries = 1
- Total Number of Injuries Which Date of Incident and Date Entered into System Match = 1

## Mobile

- Total Number of Mobile Incidents = 2
- Total Number of Mobile Incidents that Date of Incident and Date Entered into system match = 2



# Thank You!



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# Salary Plan Increase

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August 24, 2021

Sara Matzen



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# Salary Plan Overview

To reflect changes in the labor market, the Human Resource department routinely submits recommended updates to the overall salary plan.

This does not change wages, nor does it change the labor expense; it increases the potential range of salary for all positions on the Salary Plan by a fixed percentage. This allows those employees that are at the top of the Salary Plan room to grow and supports hiring and retaining existing employees.

Per RCW 54.16.100 the General Manager shall recommend to the commission compensation of the employees of his or her office, and a scale of compensation to be paid for the different classes of service required by the district by resolution of the commission.

# Research conducted on Salary Plan

To develop a recommended increase, Human Resources conducted extensive research on external market data and considered the following factors:

- Grant PUD has not made any increases to the Non-Bargaining Unit Salary Plan since November 2018.
- The 2021 Strategic Plan objective is to design and sustain an engaging and fulfilling Grant PUD Culture. To meet the objective Grant PUD will recruit, develop, and retain a best-in-class workforce.



# Recommended Updates to the Non-Bargaining Unit Compensation policy

- Changed the title of the policy from Non-Union to Non-Bargaining Unit Employee as it is a more accurate representation of who they are.
- Removal of references to Non-Union employees as the scope of the policy already indicates it is for that subset of employees.
- Added additional language to the scope to provide greater clarity.
- Removed reference to pay increase constraints to those hired after October 1<sup>st</sup> as it was decided that it was an unnecessary constraint to the annual budget.
- Overall grammar clean up.
- Removed career paths as the utility no longer uses them

# Justification

- The following entities were surveyed when determining the Non-Bargaining Unit’s salary schedule increases. As of March 1, 2021, the below entities have made annual adjustments to their salary plans with a total year to date percentage increases from 8-10% since 2018:
  - Benton PUD – 8% increase
  - Chelan PUD – 8% increase
    - Chelan adjusts their Salary Plan annually each April
  - City of Seattle—10% increase
  - City of Tacoma—8.5% increase
    - The City of Tacoma adjusts their Salary Plan annually each April
  - Energy Northwest—8% increase
- To meet the 2021 Strategic Plan objectives, Grant PUD wants to be a leader in the market for total compensation plans for our employees.
- It is an employee market
  - According to research by Microsoft, 41% of the global workforce is likely to consider leaving their current employer within the next year.
  - According to Forbes Magazine, one of the greatest recruiting tools is retaining your current staff by fostering a great culture and paying them aggressively.
- There is a gap between the economy and labor market. Companies are offering more money.
  - In May 2021 ADP, a large payroll processing firm, announced that average hourly pay jumped for a 2nd straight month, especially in the leisure and hospitality industry.
    - 6.4% higher compared to pre-pandemic levels.
  - According to AP News, larger organizations including Amazon, Walmart, and Costco have raised starting pay to attract more applicants.

# Justification Continued

- The U.S Bureau of Labor Statistics also reported on July 13th, the Consumer Price Index (CPI) rose 6%, the largest 12-month increase since August 2008. The CPI increase .9% in June after rising .6% in May. The CPI in May rose almost 6% from 12 months earlier. In comparison the CPI rose 1.6% in year over year in May 2020.
  - The U.S Bureau of Labor Statistics also stated that due to recent inflation, the real average weekly earnings decreased 0.9% over the month due to the change in real average hourly earnings combined with a decrease of 0.3% in the average workweek.
    - Real average earning for production and nonsupervisory employees decreased 2.2% from June 2020 to June 2021.
- Based on the new CPI data from June 2021, Social Security benefits are projected to increase between 4%-6% in 2022. This is about 5 times the 1.3% COLA increase this past January 2021.
- According to the Society of Human Resource Management (SHRM), a recent spike in prices is expected to drive salaries and hourly wages higher next year. If rising inflation is sustained, they advise that employers need to alter their anticipated budgets for benefits and compensation costs going forward.
- Internal compression is happening in some areas of the organization due to Bargaining Unit increases in the most current Collective Bargaining Agreement:

Year	General Wage Increase Bargaining Unit	Market Adjustment- Apprenticeable craft Bargaining Unit
April 1, 2020	2.25%	4%
April 1, 2021	2.25%	2.5%
April 1, 2022	2.25%	2.5%

# Financial Considerations

- This will not increase wages; it is simply a proposal to move the salary range for each grade by 10%. Labor spending including annual dollars budgeted for merit increases are budgeted and approved by the Commission annually.

## Recommendation

- Commission approval to increase the Non-Bargaining Unit Salary Plan by 10%

# Thank You



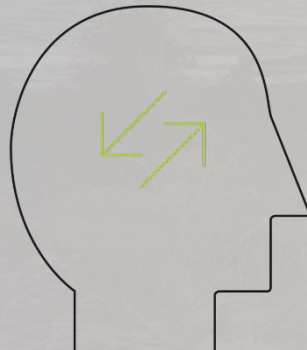
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# Enterprise Project Management Office And Organizational Change Management

Quarterly Commission Update – August 2021



Projects@Grant



Change@Grant



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# Today's Topics



**Department Objectives and Culture**



**Department Personnel Summary**



**Safety Update**



**Budget Update**



**Accomplishments**



**Department Work**

# Department Objectives



## **EXECUTE PROJECTS**

Cultivate a business driven EPMO that decreases project delivery risk to produce safe and quality outcomes enables consistent, reliable data and outcomes



## **HELP MANAGE THE PEOPLE SIDE OF CHANGE**

Employ change management principles to allow greater adoption, utilization and proficiency – implementation vs installation



## **BUDGETING, FINANCIAL REPORTING AND ANALYSIS**

Collect and analyze data for data driven financial decisions within Operations – at the department, project or portfolio level



**The success of the EPMO and OCM is creating greater business value for our customers**



# Department Culture

*We have an overarching responsibility to*

**PEOPLE**

*--- Our employees, contractors and customers ---*

We manage to these priorities:

**#1 SAFETY**

**#2 EFFICIENCY**

**#3 QUALITY**

# Department Personnel Summary

Department	FTR	New Personnel	Contractor
EPMO/OCM (ED0000)	6	None	2
Power Production (ED1000)	7	None	3
Power Delivery (ED2000)	7	None	2
Enterprise Technology (ED3000)	6	None	4
Facilities/Project Services (ED4000)	6	None	2
<b>TOTAL</b>	<b>32</b>		<b>13</b>

- For more personnel breakdown detail by department go to the presentation appendix.
- Contractors continue to be a highly relied upon resource pool to complete work.
  - VOLT - Change Order for Commission decision submitted
  - See the presentation appendix for more information on contracted resources.

# Safety Update



Recordable incidents: 0



Vehicle incidents: 0



Continued emphasis on job site reviews and contractor safety



Expect 100% attendance at safety meetings and complete trainings

# Budget Update



Budget Versus Actuals



Employee Activity



Capital

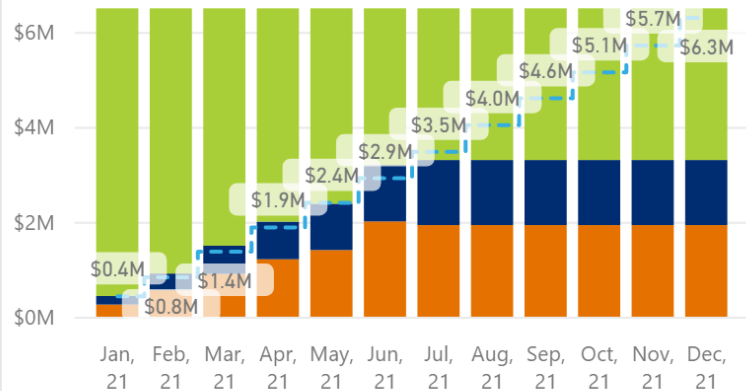


Operating Unit

ED - EPMO\_OCM

Capital Labor & Net Actuals YTD Vs. Year-End-Projections

● Net Actuals ● Capital Labor ● YEP Remaining ● Budget YTD



Gross Actuals Vs. Budget

\$3.3M -4.9%



Capital Labor Actuals Vs. Budget

\$1.4M -27.1%



Net Actuals Vs. Budget

\$1.9M +21.1%



O&M Budget vs Actuals (Including Cap Labor)

Cost Category Type/Cost Category	Budgeted	Actuals	Budget Var	Budget Var %	Consumed %
<b>Labor</b>	<b>\$3,202,570</b>	<b>\$2,803,290</b>	<b>-\$399,280</b>	<b>-12.5%</b>	<b>87.5%</b>
Salaries & Wages	\$2,058,819	\$1,768,370	-\$290,449	-14.1%	85.9%
Benefits	\$1,132,970	\$982,555	-\$150,415	-13.3%	86.7%
Other Labor	\$10,782	\$52,271	\$41,490	384.8%	484.8%
Overtime		\$94			
<b>Purchased Services</b>	<b>\$230,525</b>	<b>\$489,232</b>	<b>\$258,707</b>	<b>112.2%</b>	<b>212.2%</b>
<b>G&amp;A</b>	<b>\$24,629</b>	<b>\$4,440</b>	<b>-\$20,188</b>	<b>-82.0%</b>	<b>18.0%</b>
<b>IT</b>	<b>\$9,000</b>	<b>\$2,461</b>	<b>-\$6,539</b>	<b>-72.7%</b>	<b>27.3%</b>
<b>Operating Materials &amp; Equipment</b>	<b>\$4,921</b>	<b>\$736</b>	<b>-\$4,185</b>	<b>-85.0%</b>	<b>15.0%</b>
<b>Total</b>	<b>\$3,471,645</b>	<b>\$3,300,160</b>	<b>-\$171,485</b>	<b>-4.9%</b>	<b>95.1%</b>

## Variance Explanations (from June 2021 MBR)

**Salary & Wages:** The difference is primarily driven by lower rates of pay for incoming positions than what was budgeted.

**Other Labor:** Retirement cash outs of \$39,534 that were removed from the budget templates. Change in hydro isolation pay from Other Labor to Salary & Wages.

### **Purchased Services:** (Amount being transferred: \$278,534)

ED0000 – \$146,411 of Contracted Labor are expenses associated to Volt and Arch Staffing for additional PM contract support for O&M initiative (PMMF).

ED1000 – \$11,532 of Engineering Services expense transfers were submitted as CAP. \$5,435 of Engineering Services for IN305 feasibility study. (\$12,600) of Contracted Labor - \$6,900 was associated to PM contract support for Cap project that was deemed as O&M and \$5,750 of Capital work that will be transferred. \$254,352 of General Construction Services is CAP - transfer is underway.

ED2000 - \$6,900 of Contracted Labor services are associated to CAP. Transfer underway.

ED3000 – \$84,864 of Contracted Labor Services is a result of additional contract PM support in which contractors time is ~50% CAP and ~50% O&M. \$307 worth of training services for employee that started earlier than anticipated.

ED4000 – \$92,594 for additional PM Contract Support. 50% of PM support was budgeted under ED0000. \$26,315 is due to hiring a contract Project Manager from White Bluffs Consulting to manage the facilities master planning process. The Facilities Manager requested moving management of the Facilities Master Plan project from Facilities to EPMO, but the decision was made after the 2021 budgeting was done.

**G&A:** Travel Training has continued to be delayed or reduced because of COVID.

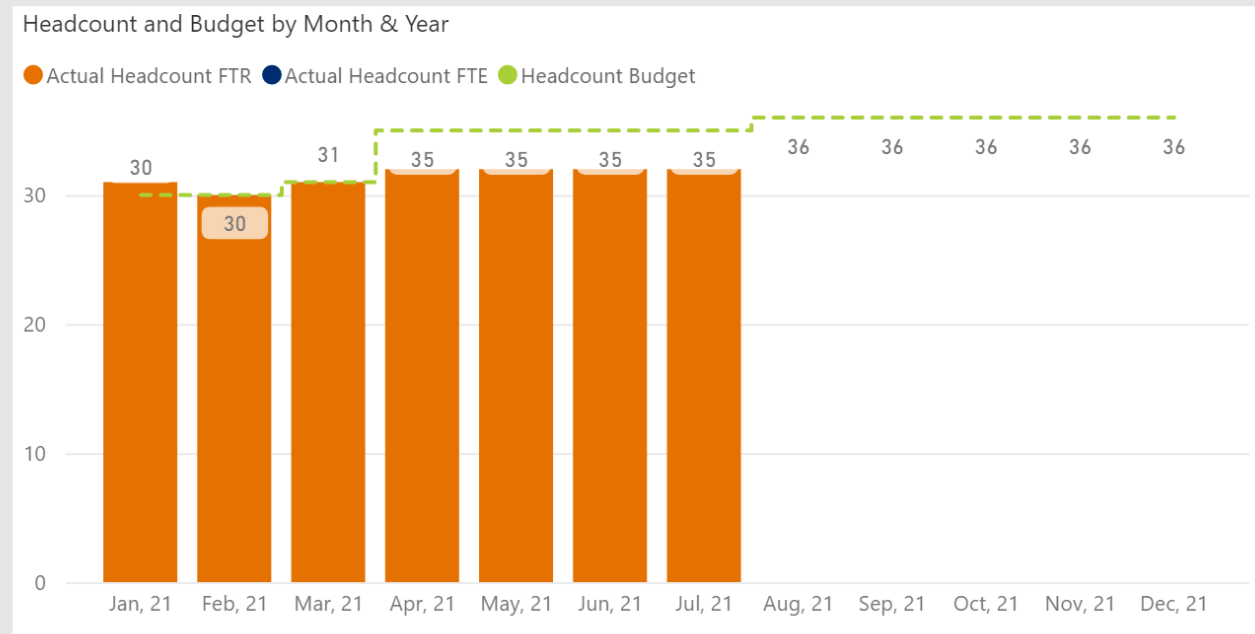
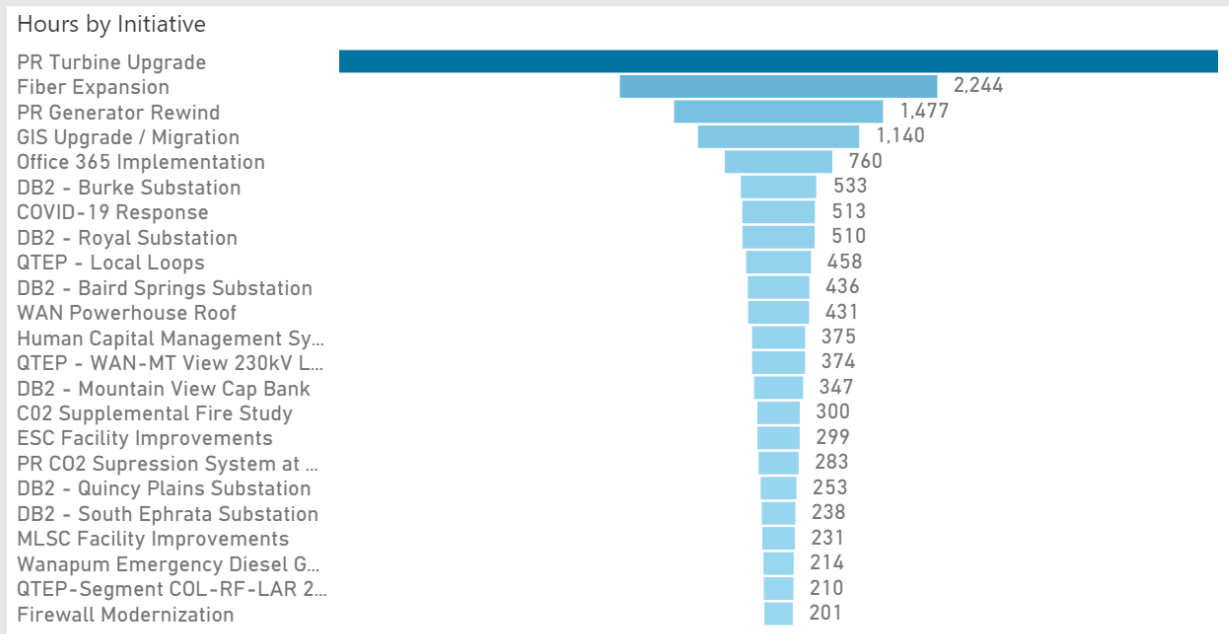
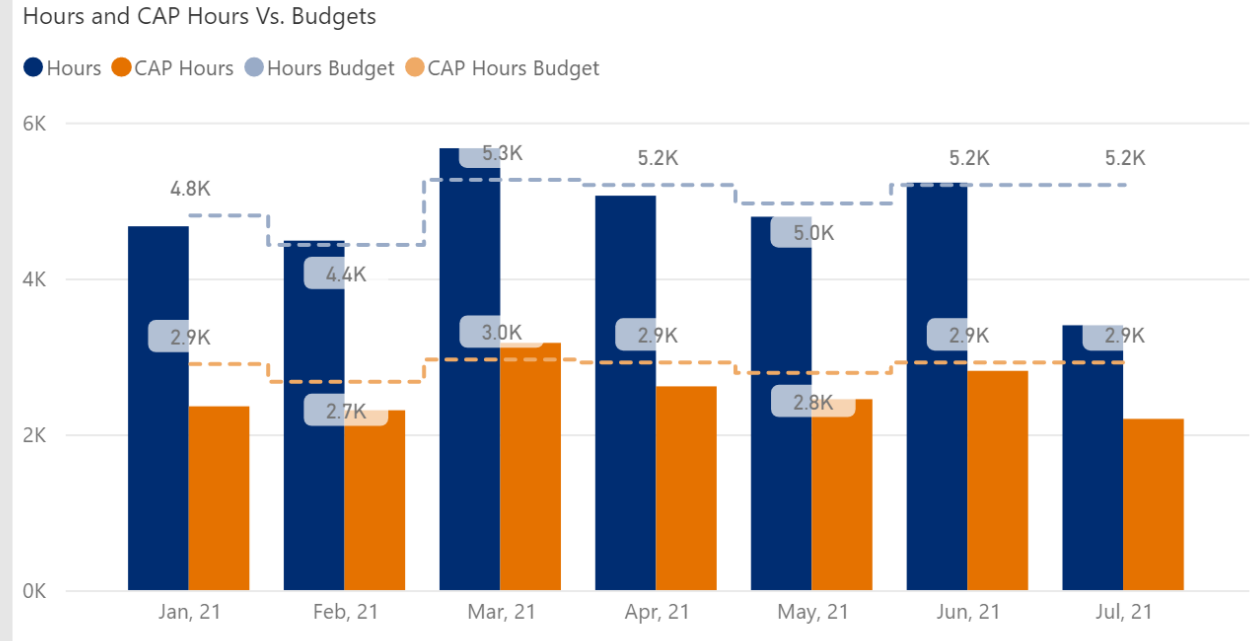
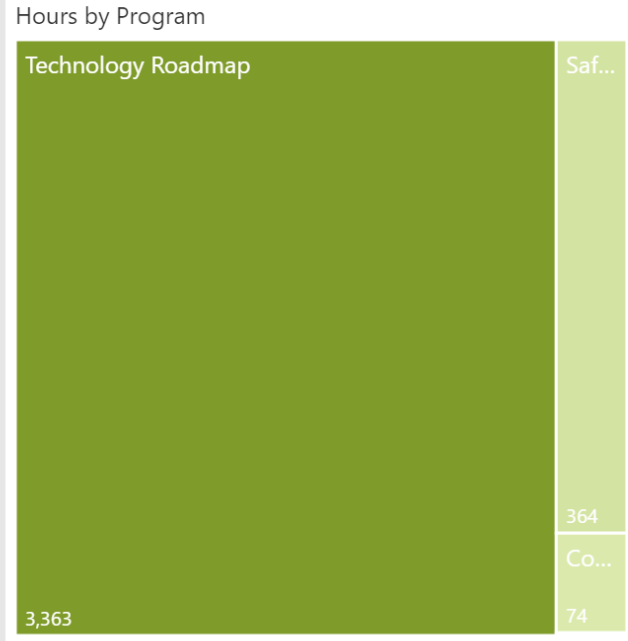
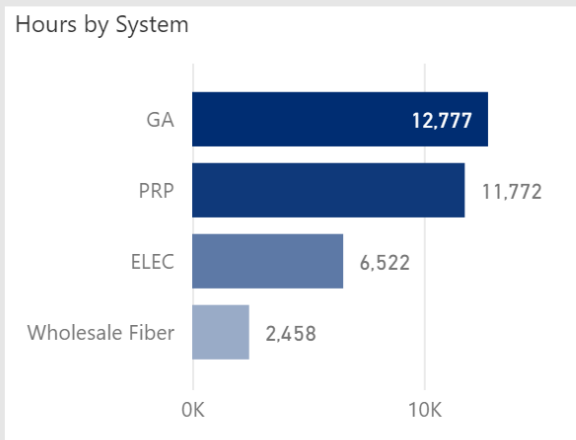
**IT:** Budget for new hire laptop purchases were not deferred when new hire start dates were deferred.

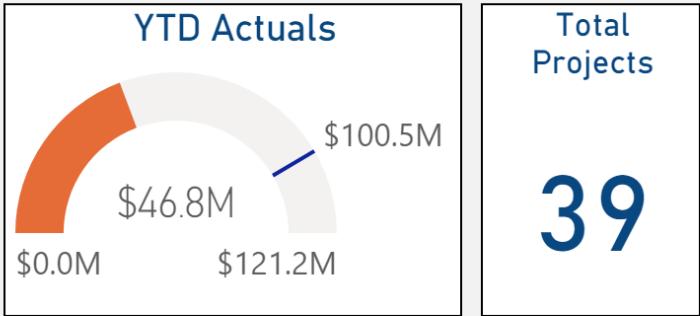
**Capital Labor:** Lower than budgeted, are ensuring correct CAP PIDs are being captured for work. Approximately 1605 hrs. worth of expenditure transfers to CAP are underway. Also working with FP&A/Accounting on how to capture time for those that are in support roles for all capital projects (BAs, EPMO Management).

**Headcount:** EPMO/OCM is planning to fill the remaining open positions in the second half of 2021.

Operating Unit

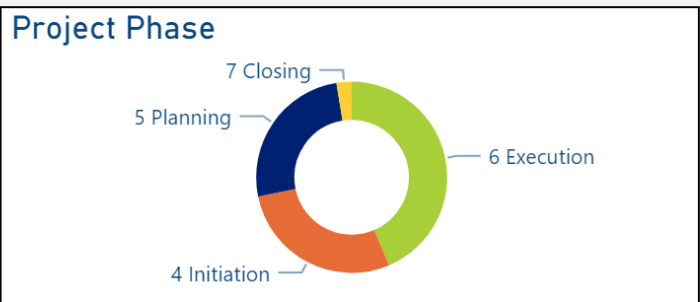
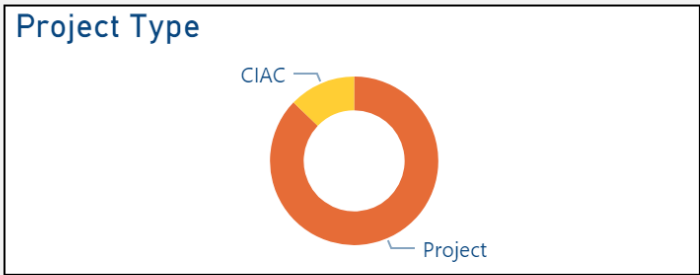
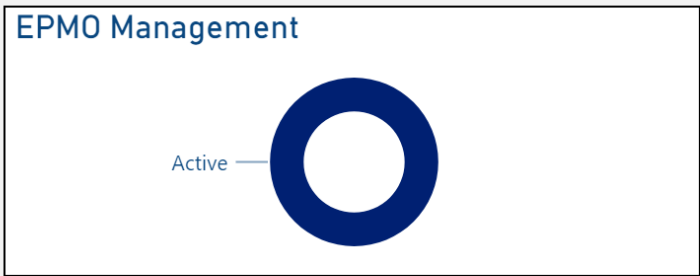
ED - EPMO\_OCM





### Total Projects

39



Budget vs Actuals (Capital Directs)

Cost Center	CY Budget	CY Approved Spend	CY Actuals	BOY Fx	CY YEP
DD0000	\$0	\$124,230	\$93,370	\$122,300	\$215,670
EB0000	\$3,634,343				
EB1000	\$54,079,275	\$37,437,093	\$11,289,342	\$23,458,986	\$34,748,327
EB2000	\$1,000,000	\$75,000	\$0	\$75,000	\$75,000
EB4320	\$205,000	\$43,200	\$0	\$43,250	\$43,250
EC1000	\$150,000	\$300,000	\$6,900	\$222,750	\$229,650
EC4100	\$44,461,298	\$42,127,862	\$22,738,799	\$18,341,407	\$41,080,206
FD2000	\$21,650,000	\$19,381,912	\$1,187,537	\$464,328	\$1,651,866
FE0000	\$0	\$213,425	\$153,307	\$0	\$153,307
FE5000	\$2,112,000	\$3,039,000	\$62,399	\$3,436,221	\$3,498,620
GA0000	\$16,400,000	\$18,415,641	\$11,218,766	\$7,586,250	\$18,805,016
<b>Total</b>	<b>\$143,691,916</b>	<b>\$121,157,363</b>	<b>\$46,750,420</b>	<b>\$53,750,492</b>	<b>\$100,500,912</b>

# Project Status Dashboard

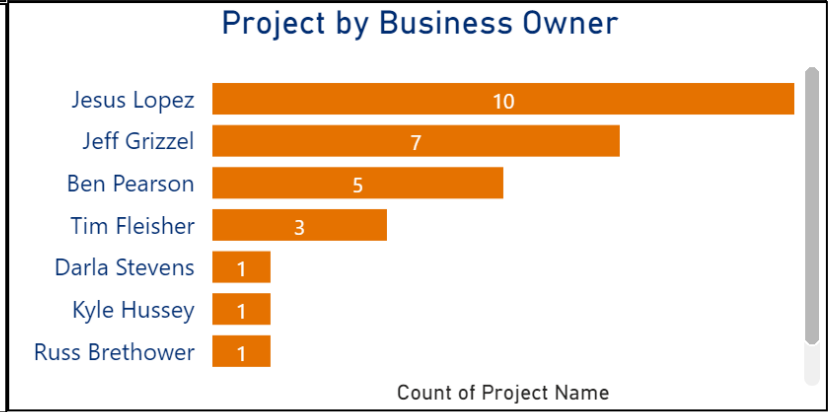
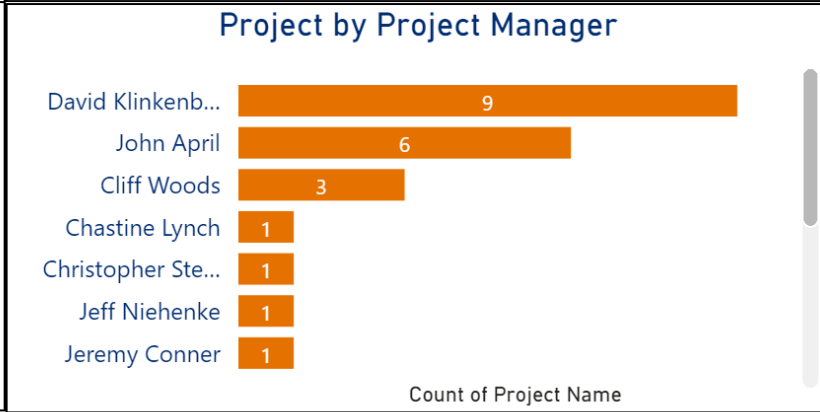
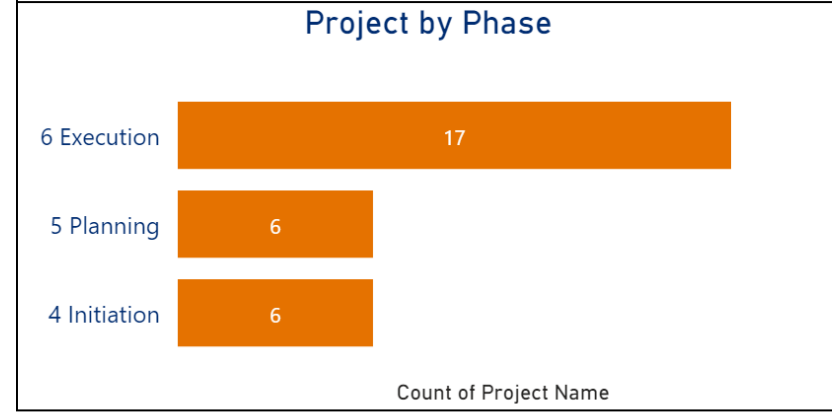
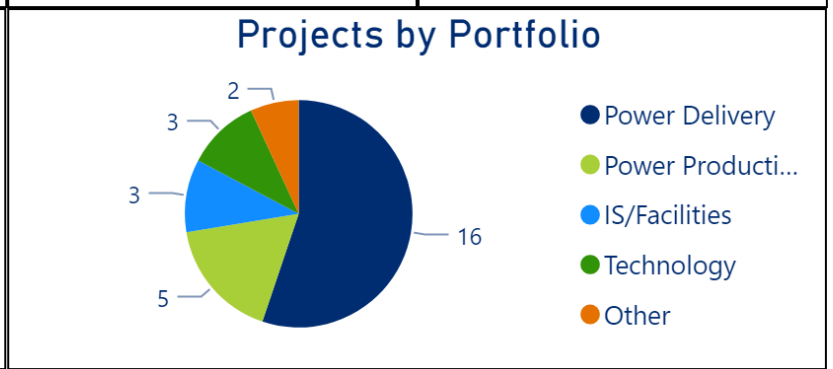
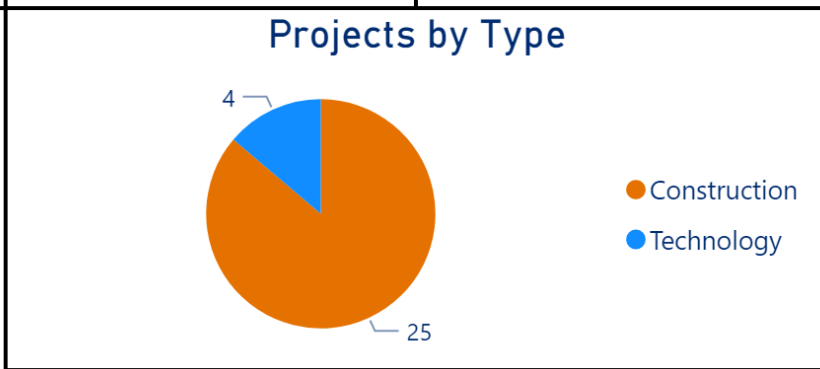
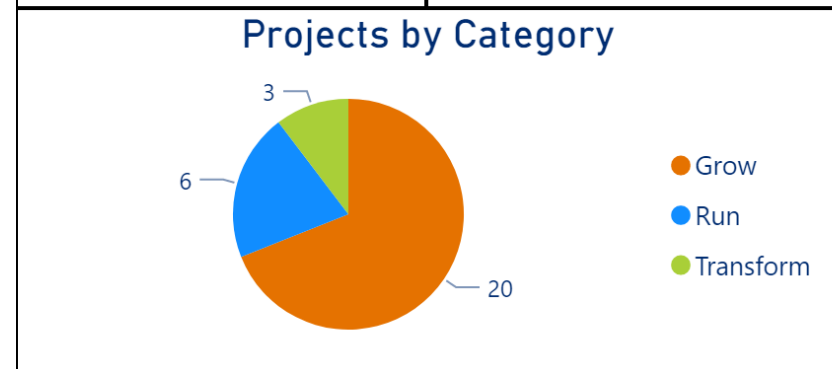
- Recently created by Operations Budget/Financial Analysis Team
- High-level view of project status indicators and other data points



<b>Status Date</b> <input type="text" value="7/16/2021"/> <input type="text" value="7/16/2021"/>	<b>Project Name</b> <input type="text" value="All"/>	<b>Projects</b> <h1>39</h1>	<b>YTD Actuals 7/31/2021</b> 	<b>Total Project Actuals 7/31/2021</b> 	<b>Overall Status</b> 
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<b>Safety</b> 	<b>Scope</b> 	<b>Schedule</b> 	<b>Issues</b> 	<b>Budget</b> 	<b>Quality</b> 
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<b>HR</b> 	<b>Communication</b> 	<b>Risk</b> 	<b>Procurement</b> 	<b>Stakeholder</b> 	<b>OCM</b> 
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GREEN: No Assistance    YELLOW: Warning    RED: Intervention Needed    GRAY: On Hold

# 2021 EPMO/OCM Accomplishments

August Commission QBR

Continued EPMO Awareness Campaign	EPMO Project Status Dashboard Created	Presented OCM Program Stakeholder Interviews Findings to Executives	Partnering with Learning and Development for OCM/Project Trainings	v2 Project Management Framework Effective 8/2/2021
Lessons Learned Completed by v1 Project Management Framework	Continued Wholesale Fiber Buildout	Project and Contract Change Request Process Development	Completed Skip Level Meetings	Continued to Working Remotely Effectively
Planning v3 Framework Updates – Content and Timing	Continued Integrating Project Controls Into Projects	2022 R1 Budget Complete	GCSO Patrolling Active Work Zones on Highways	OCM Supporting Multiple District-wide Initiatives
Completed monthly JSRs for DB2 and Wholesale Fiber	Started charter for Agile Project Management Framework	Completed Gap Analysis of v1 PM Framework to Current Projects	Monthly and Quarterly QA Surveys Completed for 8 projects	Procurement Management Plan Training and Defined DR R/R

Professional work completed by the entire EPMO/OCM Team to provide value to our customers.

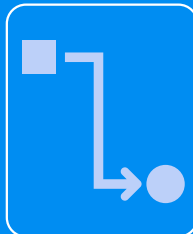
# 2021 EPMO/OCM Goals



**Continue to increase maturity of project management office and project management capabilities**



**Continue to increase maturity of change management organization/office and change management capabilities**



**Deliver projects**

# Departmental Work

Task	Q4 2020	Q1 2021	Q2 2021	Q3 2021
<b>Employee Support</b>				
Complete onboarding new Power Delivery EPMO Manager	X	X	Complete	----
Onboard new employees (FTR and contractor)	X	X	X	X
<b>Project Management Framework</b>				
Complete v1 and effective	Planned 1/1/2021	Actual 3/15/2021	----	
v2 release			Planned 7/1/2021	Actual 8/2/2021
<b>EPMO Summits</b>				
Summit #1 – scheduled for March 2021		3/18/2021		
Summit #2 – scheduled for September 2021			9/30/2021	
<b>EPMO Awareness Campaign</b>				
Working@Grant newsletter			04/19/2021	----
GM Forum			05/04/2021	----
Reinforcement activities – email updates, training sessions				X

# Grant PUD EPMO SharePoint Site

Decrease project delivery risk to  
produce safe and quality outcomes  
efficiently



Question and  
Suggestion Portal

Framework

FAQs

Status Report  
Depository

One-page visuals

# Operations Budget

Task	Q4 2020	Q1 2021	Q2 2021	Q3 2021
<b>Operations Support</b>				
Populate Project Data Templates (PDT)			X	X
Q1 YEP Complete		X		
Q2 YEP Complete			X	
Q3 YEP Complete				Oct
<b>EPPM Coordination</b>				
Assist with developing processes		X	X	X
Prepare for PWG meetings		X	X	X
Project Lifecycle Working Group (every other month)			April 14 May 5	Sept 1
<b>2022 Budget Process</b>			X	X
<b>Reporting and analytics</b>		X	X	X
Develop PDT Power BI reporting tool			Complete	----
Develop EPMO Dashboard			X	X

# Organizational Change Management

Task	Q4 2020	Q1 2021	Q2 2021	Q3 2021
<b>Program Development</b>				
Stakeholder interviews to inform program development			X	X
Launched OCM Awareness campaign				X
Artifact development	X	X	X	X
Process procedure/guide development	X	X	X	X
Alignment of OCM tools with project management framework	X	X	X	X
Change event support – number of projects and initiatives	X	X	X	21

# Enterprise Technology

Task	Q4 2020	Q1 2021	Q2 2021	Q3 2021
<b>HCMS</b>				
MyHR: Core HR Management – Project complete	X	----	----	----
MyHR: Learning Management System (LMS) – Project complete		02/1/2021	----	----
Initiate, plan, and execute myHR: Recruitment module		X	X	X
Initiate and plan myHR: Performance Management module			X	X
Initiate myHR: Compensation module			X	X
<b>ESRI GIS and Work Order Design Project</b>	X	X	X	X
<b>Fiber OSS/BSS</b>				
Initiate and Plan		X	X	X
<b>IT Infrastructure Refresh Program</b>				
Initiate and Plan		X	X	X



# Enterprise Technology

Task	Q4 2020	Q1 2021	Q2 2021	Q3 2021
<b>Records Project</b>				
Initiate			X	X
<b>Energy Management System (EMS)</b>				
Support RFP Process		X	X	X
<b>Agile Project Framework</b>				
Discovery and business alignment		X	X	X
<b>O365 Migration – Project complete</b>		03/31/2021	----	----
<b>Oracle CCS – Project complete</b>	X	----	----	----

# Facilities/Project Services

Task	Q4 2020	Q1 2021	Q2 2021	Q3 2021
<b>EHQ Remodel</b>				
Initiation and Planning	X	X	X	X
Start Execution			Planned Oct 2021	Planned Nov 2021*
<b>Moses Lake Service Center</b>				
Initiation and Planning	X	X	X	X
Start Execution			Planned Sept 2021	Planned Mar 2022*
<b>Ephrata Service Center</b>				
Initiation and Planning	X	X	X	X
Start Execution			Planned Sept 2021	Planned Mar 2022*
<b>Facility Master Planning</b>				
Project Execution	X	X	X	X
<b>Inspection Services</b>	X	X	X	X

\* Dependent on Commission approval

# Power Delivery

Task	Q4 2020	Q1 2021	Q2 2021	Q3 2021
<b>Wholesale Fiber Project</b>				
Project Execution	X	X	X	X
<b>Design Build 2</b>				
Construction started – Burke, Mountain View, Quincy Plains, Baird Springs, Royal Substation	X	X	X	X
<b>Quincy Transmission Expansion Project (QTEP)</b>				
Project Planning	X	X	X	X
<b>Invenergy Interconnect Project</b>				
Project Initiation, Project Planning		X	X	X
<b>Corner Grounded Delta Project</b>				
Project Initiation			X	X
<b>ECBID</b>				
Project Initiation			X	X

# Power Delivery

Task	Q4 2020	Q1 2021	Q2 2021	Q3 2021
<b>Sabey</b>				
Project Initiation				X
<b>Vantage</b>				
Project Initiation				X

# Power Production

Task	Q4 2020	Q1 2021	Q2 2021	Q3 2021
<b>Priest Rapids Turbine Generator Rehab Project</b>				
P08 back in service	11/5/2020	----	----	----
P04 scheduled start	11/16/2020	----	----	----
P04 schedule in-service date		4/30/2022	4/30/2022	4/30/2022
<b>PR/WAN Lock Out/Tag Out</b>				
Initiate			X	X
<b>WAN Emergency Diesel Generator</b>				
Initiate and Plan			X	X

# Power Production

Task	Q4 2020	Q1 2021	Q2 2021	Q3 2021
<b>PR/WAN CO2 Oil Room Fire Suppression Upgrade</b>				
Initiate and Plan			X	X
<b>Vantage Riverstone Marina</b>				
Initiate and Plan			X	X
<b>WAN/PR Station Service</b>				
Started Planning		X	X	X
Execution Phase Starts		Planned March 2021	Planned March 2021	Planned Oct 2021

# Department Objective Wrap Up

## **EXECUTING PROJECTS**

39 projects

Building organizational acceptance of project management framework, concepts and roles – challenging but also building momentum

## **HELP MANAGE THE PEOPLE SIDE OF CHANGE**

22 change events

Organization learning how to adjust implementation timelines to allow people to be involved and process change

## **BUDGETING, FINANCIAL REPORTING AND ANALYSIS**

Continuing to align Operation stakeholders with EPPM process and expectations

## **Are we creating business value?**

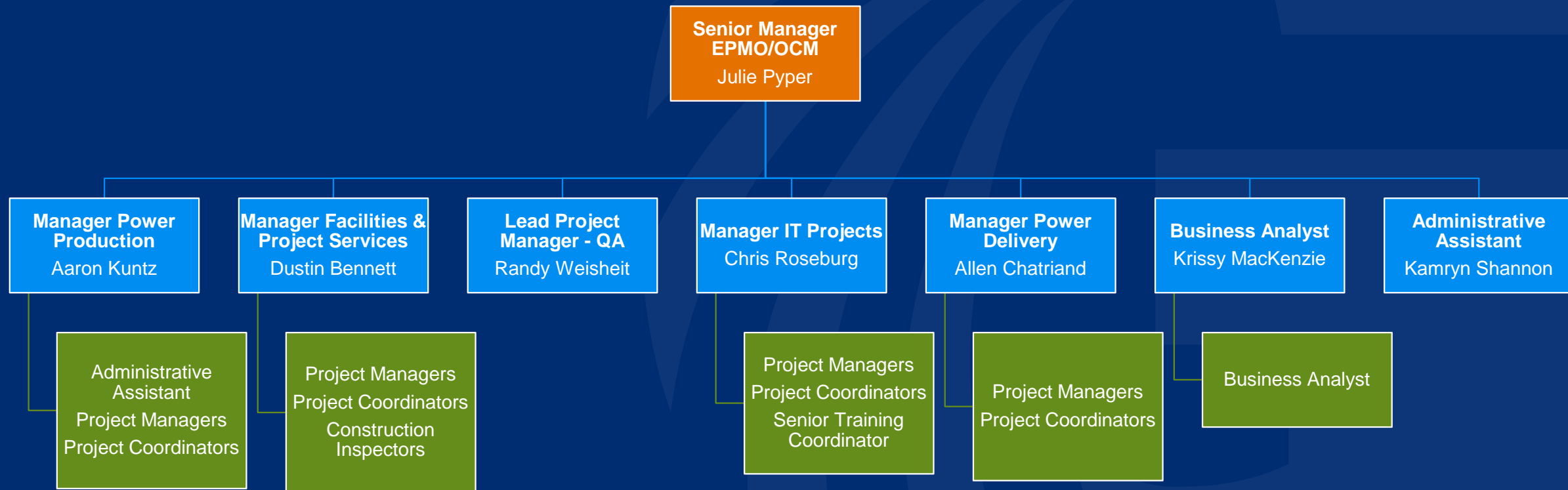
YES! And still maturing – continuous learning and improvement is occurring

# APPENDIX

For reference only - not intended to be reviewed in the Commission meeting



# Departmental Structure



EPMO/OCM

ED0000

### Grant PUD Employees (6)

- New Team Members
  - None
- Existing Team Members
  - Julie Pyper – Senior Manager
  - Kamryn Shannon – Administrative Assistant
  - Krissy MacKenzie – Lead Business Analyst II
    - Vanessa Villela – Business Analyst II
  - Mindy Klingenberg – Project Coordinator
  - Randy Weisheit – Lead Project Manager, QA

### Contractors (2)

- New Team members
  - None
- Existing Team Members
  - Brent Gregory, Senior Project Manager
  - Thomas Karcz, Change Manager

### Open Team Member positions (0)

- None

# EPMO Power Production

ED1000

## Grant PUD Employees (7)

- New Team Members
  - None
- Existing Team Members
  - Aaron Kuntz - Manager
  - Bill Anderson – Senior Construction Inspector
  - Cathye Clark – Administrative Assistant
  - Dan Harper – Project Coordinator
  - Logan Castle - Project Manager
  - Nick Sackmann – Project Coordinator
  - Vince Von Paul – Project Manager

## Contractors (3)

- New Team members
  - None
- Existing Team Members
  - Jason Stordahl – Project Manager
  - John Wallace – Project Coordinator
  - Pedro Egui – Project Manager

## Open Team Member positions (0)

- None

# EPMO Power Delivery

## ED2000

### Grant PUD Employees (7)

- New Team Members
  - None
- Existing Team Members
  - Allen Chatriand - Manager
  - David Klinkenberg – Project Manager
  - Greg Cardwell – Senior Project Manager
  - Jeremy Conner – Project Manager
  - Sheila Wald – Project Coordinator
  - Travis Wiser – Project Manager
  - Vangie Crago – Project Coordinator

### Contractors (2)

- New Team members
  - None
- Existing Team Members
  - Bruce Williams – Project Manager
  - John April – Project Manager

### Open Team Member positions (3)

- Project Manager – 1 FTR and 1 contractor
- Project Coordinator - FTR

# EPMO Enterprise Technology

## ED3000

### Grant PUD Employees (6)

- New Team Members
  - None
- Existing Team Members
  - Chris Roseburg - Manager
  - Janine Swedberg – Project Coordinator
  - Jesse Brazill – Lead Project Manager
  - Karrie Buescher – Project Specialist
  - Kristi Van Diest – Project Coordinator
  - Melanie Beck – Senior Training Coordinator

### Contractors (4)

- New Team members
  - None
- Existing Team Members
  - Chastine Lynch – Project Manager
  - Nick Mollas – Senior Project Manager
  - Rachelle McGillivray – Project Manager
  - Shannon Campbell – Project Manager

### Open Team Member positions (0)

- None

# EPMO Facilities and Project Services

ED4000

## Grant PUD Employees (6)

- New Team Members
  - None
- Existing Team Members
  - Dustin Bennett - Manager
  - Joe Larkin – Lead Construction Inspector
  - Ken Thoms – Construction Inspector
  - Mike Fleurkens – Lead Construction Inspector
  - Ron Deycous – Construction Inspector
  - Rhiannon Fronsman – Project Coordinator

## Contractors (2)

- New Team members
  - None
- Existing Team Members
  - Ben Floyd – Project Manager
  - Cliff Woods – Project Manager

## Open Team Member positions (0)

- None

# Contracted Resources

## Arch Staffing and Consulting

- Contract Expiration Date: December 2022
- Contract Not To Exceed: \$6,000,000
- Unallocated Dollars: \$3,595,153
- Contract To Date Actuals (of as 06/20/2021): \$1,752,270

## Current Resources

Name	Position/Project	Start Date	Estimated End
Brent Gregory	Senior Project Manager; Project Management Framework and project support	01/27/2020	12/31/2021 (+)
Cliff Woods	Project Manager; Ephrata and Moses Lake Service Centers; EHQ Remodel	07/20/2020	12/31/2021 (until EoP)
Thomas Karcz	Change Manager; OCM Program Development	08/27/2020	12/31/2021 (+)
Bruce Williams	Project Manager, Invenergy Interconnect Project	3/3/2020	2/15/2024 (EoP)

EoP = End of Project

# Contracted Resources

## VOLT

- Contract Expiration Date: December 2022
- Contract Not To Exceed: \$2,850,000
- Unallocated Dollars: \$560,247
- Contract To Date Actuals (as of 07/31/2021): \$1,511,613

*Change Order submitted for  
Commission decision – in  
review process*

## Current Resources

Name	Position/Project	Start Date	Estimated Duration
Brian Bolduc	GIS Analyst; Enterprise Technology	02/15/2021	2/22/2022
Shannon Campbell	Project Manager; myHR modules	03/04/2021	11/30/2021
Chastine Lynch	Project Manager; Fiber OSS/BSS	01/04/2021	08/04/2021
Nick Mollas	Senior Project Manager	01/12/2021	1/22/2022
Pedro Equi	Project Manager; WAN/PR Station Service	01/12/2021	08/22/2022
Jason Stordahl	Project Manager; Riverside Marina Dock Removal/Corner Grounded Delta	4/26/2021	9/29/2022
John April	QTEP Project Manager	6/1/2021	6/1/2026



# Contracted Resources

## Other Contracted Resources

Name	Company	Project	Estimated Duration
Ben Floyd	White Bluffs Consulting	Facility Master Plan Corrective Action Program	December 2021 (until EoP)
Rachelle McGillivray	Power Engineers	ESRI/GIS (GEN2) Project	December 2022 (until EoP)

# Energy Northwest Interlocal Agreement

## **Work Release Orders**

- None signed as of August 18, 2021

## **Next Steps**

- Staff Augmentation Contract: Meet August 19, 2021 to learn more about applicant review process
- No other additional steps underway presently primarily due to Grant PUD staff capacity (e.g. COVID, vacant positions, etc.)

# 2021 EPMO/OCM Accomplishments

May Commission QBR

Started EPMO Awareness Campaign	1 Additional CAPM Certification Acquired	Conducting OCM Program Stakeholder Interviews	Started 1 <sup>st</sup> Interconnection Project	V1 Project Management Framework Effective
Office 365 Project Completed	Continued Wholesale Fiber Buildout	1 Additional PROSCI ADKAR Certification Complete	Started WAN/PR Station Service Project	Continued Effectively Working Remotely
1 Additional PMP Certification Acquired	Started Integrating Project Controls Into Projects	On-site T/G Inspections in Pennsylvania	Refreshed EPMO and OCM SharePoint sites	2 Additional SCRUMM Master Certifications Acquired
Complete monthly JSRs for DB2 and Wholesale Fiber	Started QA Surveys on Construction Projects	March EPMO Summit	4 months of QA Surveys Completed	Started Planning ESC, MLSC and EHQ Projects

Professional work completed by the entire EPMO/OCM Team to provide value to our customers.



**Powering our way of life.**

# Rates and Pricing Update

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Grant PUD Commission Meeting  
August 10, 2021

Rod Noteboom

Amanpreet Singh

Dave Churchman



Powering our way of life.

# Current Rates & Pricing Priorities

- Long term specified source for PUD customers
- Ancillary Services Rate Schedule
- Point to Point Transmission Service Rate Schedule
- Update to Rate Schedule 31 – Wholesale Transmission Delivery – Small Load Customers Rate 31
- Rate Schedule 3 – Conversion from stated Horsepower (HP) to KW Demand

# Long Term Customer Specified Source

- Solution to provide customer with a long-term specific resource very similar to the current Rate Schedule 13SS
- Existing Rate Schedule 13SS provides for annual specified sources
- Initial interest for long-term specified source is local solar generation
- Customers could still enter into a wholesale only transaction for their own benefit which would require transmission and other services
- Expect to see more information later this year

# Future Rate Schedule 33 – Ancillary Services

- *Ancillary Services*: those services necessary to support the transmission of electric power from resources to loads given the obligations of balancing authorities and transmitting utilities within those balancing authorities to maintain reliable operations of the interconnected transmission system.



# Ancillary Services on Rate Schedule 33

1. Scheduling, System Control and Dispatch Service
2. Reactive Supply and Voltage Control from Generation and Other Sources Service
3. Regulation and Frequency Response for Service to Loads
4. Energy Imbalance Service for Loads
5. Operating Reserves Service
6. Generator Imbalance Service
7. Real Power Losses
8. Solar Integration/Regulation Service

# Future Rate Schedule 32 – Point-to-Point Transmission Rate

- The reservation and use of transmission capacity on a firm basis to allow a customer to move power and energy from the Point(s) of Receipt to the Point(s) of Delivery
- The first customers will likely be solar generation plants. Other customers may follow if Grant develops on OATT.
- Applicable Ancillary Services for each customer will be addressed in customer service agreements

# Differences in Rate Sch 30 and Rate Sch 32

- Rate Schedule 30 – Wholesale Transmission Delivery Large Load Rate: Applies to loads and the billing for delivery is based on the monthly peak of the load
- Rate Schedule 32 – PTP Transmission: Will be used for generators interconnected to the Grant System and for general transmission over the Grant system. The billing for monthly delivery is based on a long term reservation of system capacity

# Update to Rate Schedule 31 - Wholesale Transmission Delivery Small Load Rate

- Rate Schedule 31 is for wholesale delivery to the following types of loads
  - 31A: Residential
  - 31B: General Service
  - 31C: Pumping Loads

# Issue to address in Rate Sch 31

- The current rates are based solely on delivery of energy
- This is not a good way to charge for wheeling, the actual costs of which are not tied to the amount of energy delivery.
- Costs of wheeling are better represented by fixed monthly charges and demand charges
- The current rates were first implemented in a contract on July 1, 2017 and were meant to be in place for a much shorter period of time.

# Updated construct for Rate Schedule 31

- New rates are based on the Retail Cost of Service Study done by GDS
- Rate Schedules 31A Residential and 31B General Service will be based on a monthly charge and an energy charge.
  - This aligns the rate construct more closely with retail rates for similar loads
- Rate Schedule 31C Pumping Load will be based on a monthly charge and a monthly demand charge
  - This aligns the rate construct more closely with retail rates for similar loads
  - Current Rate Schedule 3 uses a seasonal Horsepower Charge, which is a demand based construct, but not based on actual measured demand
  - Rate Schedule 31c will use a monthly demand based charge based on measured kW.

# HP – KW Demand Conversion

## Irrigation Service Rate 3:

Customers with irrigation, orchard temperature control or soil drainage loads not exceeding 2,500 horsepower and other miscellaneous power needs including lighting. For miscellaneous power requirements, customers will furnish additional transformers and other equipment necessary. A grinder, chopper, welder, etc., may be used on a limited operation basis; provided, a double-throw switch or other suitable device is installed that will disconnect one piece of equipment from the line while the other is in operation; provided further, that the load so connected is less than the primary load. Customers receiving service pursuant this rate schedule shall be required to pay charges as set forth below.

<b>BASIC CHARGE</b>	<b>ENERGY CHARGE</b>	<b>CAPACITY CHARGE</b>	<b>MINIMUM CHARGE</b>
<i>Single-phase</i>	<i>All kWh billed</i>	<i>First 75 hp</i>	Monthly Capacity Charge + Monthly Basic Charge = Minimum Charge
<b>\$29.36 / month</b>	<i>at</i>	<i>billed at</i>	
<i>Three-phase</i>	<b>\$0.02895 / kWh</b>	<b>\$2.67 per hp</b>	
<b>\$41.92 / month</b>		<i>Over 75 hp</i>	
		<i>billed at</i>	
		<b>\$2.45 per hp</b>	

# HP – KW Demand Conversion

## What is proposed:

- Change the Capacity Charge from being billed based on HP to being billed based on actual demand.

## Why are we proposing a change?

- Billing accuracy
  - During the CT meter audit, the electricians found that irrigation equipment had been changed out and the HP name plate was not updated in the billing system.
- Customer convenience
  - Don't need to report HP changes to Customer Solutions.



# HP – KW Demand Conversion

## Rate Design Process

- Estimated overall revenues held constant while converting from stated HP charge to actual kW Demand Charge
- Evaluate different rate designs with the objective of minimizing rate impact to individual customers (assuming reported HP is accurate)
- Customers will be impacted differently – some will see increases and others will see decreases.

# HP – KW Demand Conversion

## Proposed Timeline

- Fall 2021 - Analyze bills and develop recommended rate design
- November 2021 - Commission Presentation with recommended rate schedule revisions
- Winter 2021 -2022
  - Communications plan for Ag customers
    - Presentation at Ag Workshop
    - Article in PUD Ag Newsletter
    - News Release
    - Training for CSR's
- January 2022
  - Create, test, and implement rate into billing systems
- February 2022
  - Rate goes into effect for 2022 growing season

# Input from Commission

Open Question:

- Does the Board want staff to develop a separate Ag retail rate class for your consideration?