Telecom & Fiber Services

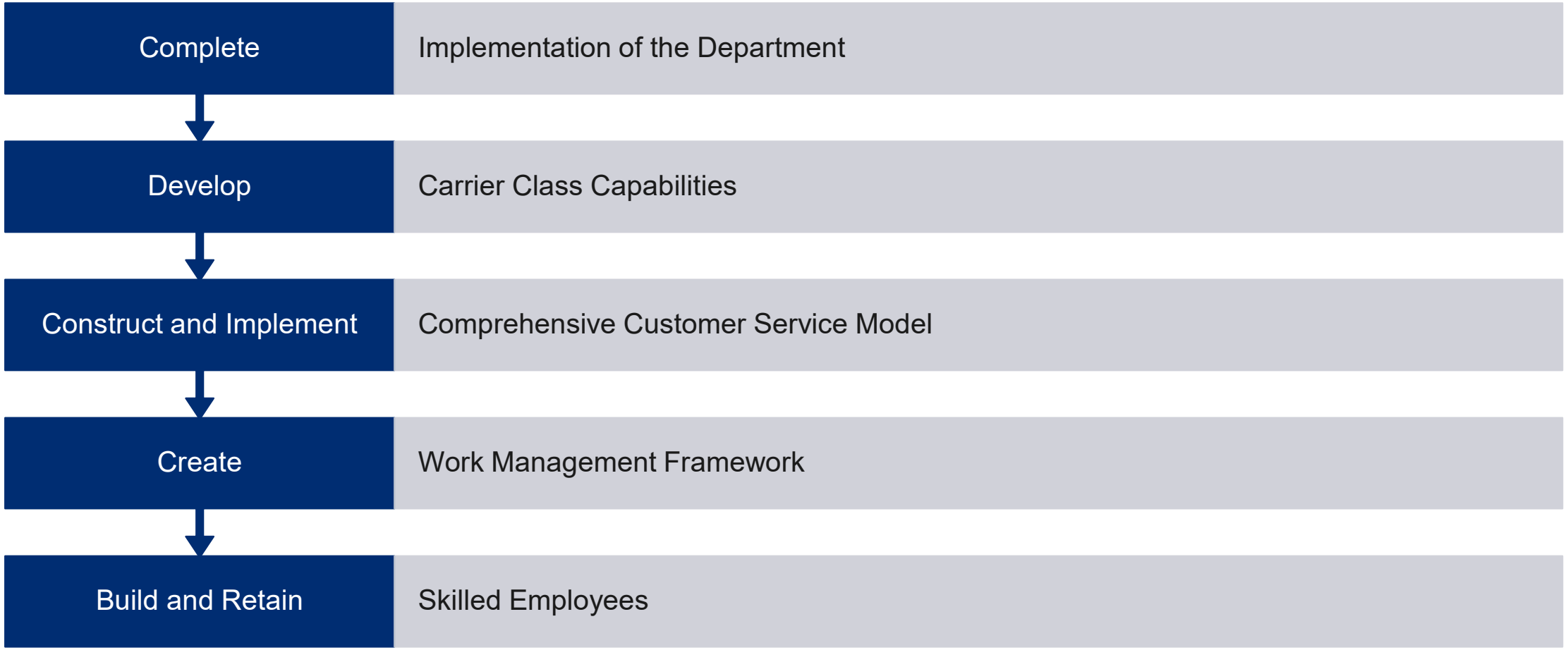
Quarter 3
2024 Business Report

October 8, 2024

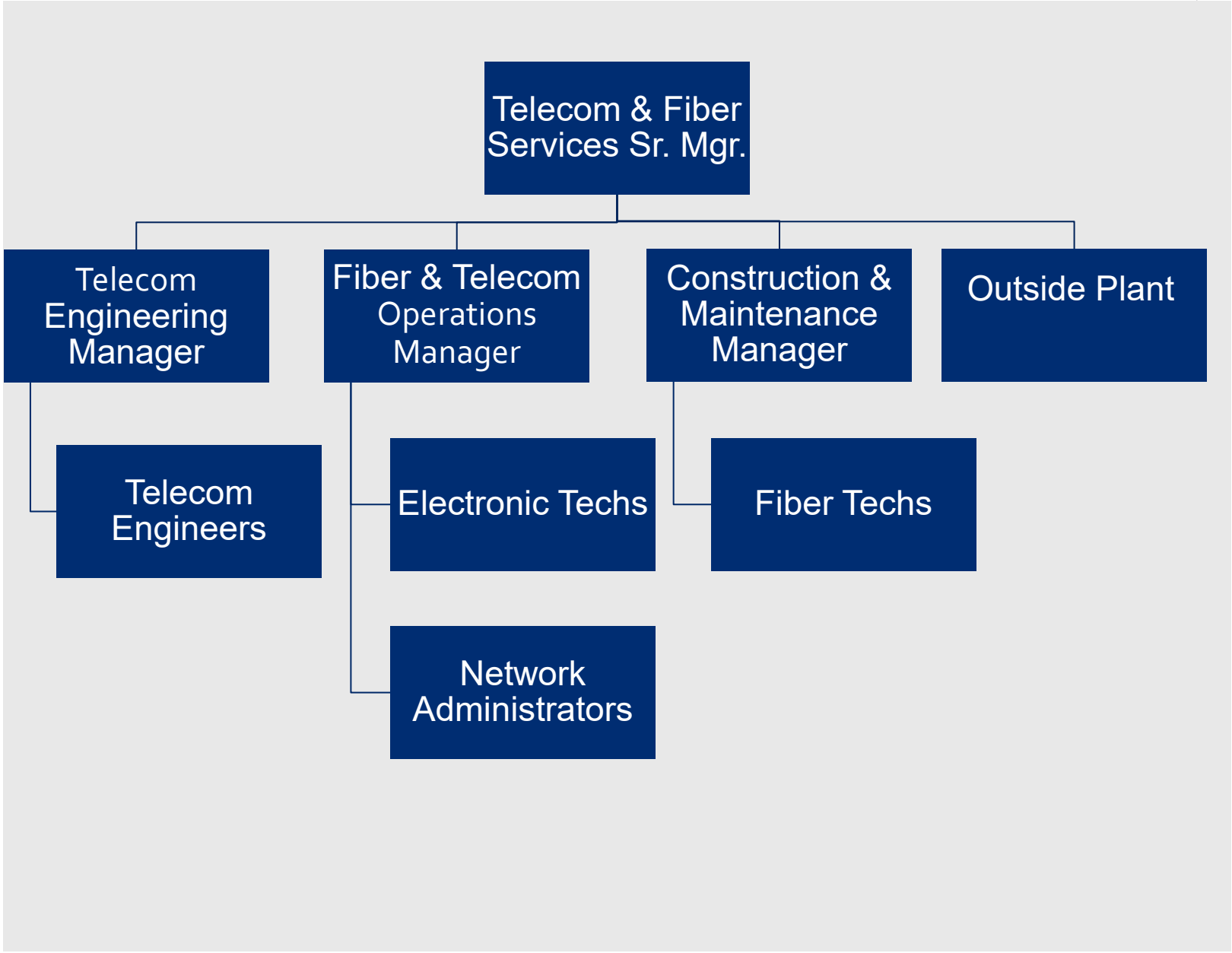
Grant PUD

Powering our way of life.

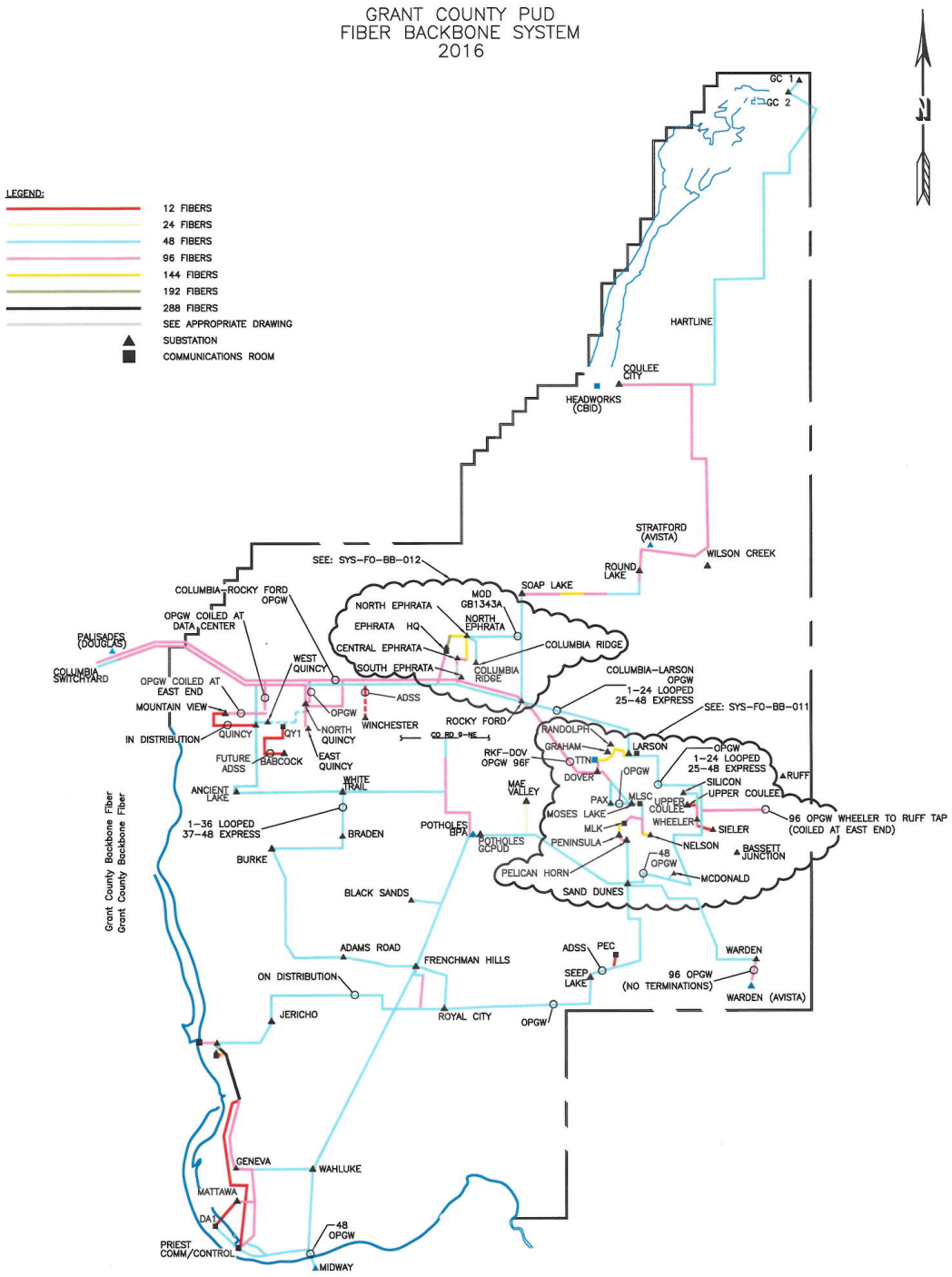
Strategic Pillars



Telecom & Fiber Services



Grant PUDs Backbone Fiber Network



Telecom Engineering and Electronic Technician Workload

Information Technology (IT) systems	Operational Technology (OT) systems	Fiber Technology (FT)
Israel Lima Joel Curry Euguene Anderson	Mohammed Ouahbi Kendall Zaugg	Troy Holt Kevin McKee
Foreman – Steve Argo	Foreman – Ted Harris / Silver Flores	Foreman – Bill Harrison
David Jones, Paul Cline, Bart Knoll,	Joe Farmer, Dave Boggs, Igor Babak, Brandon White	Rene Vela, Rob Haley, JD Bowkett,
<u>Business Network</u> • Business Routers, Switches, and Networks • Business Wireless and Business Wired Networks • Security Systems, Genetec • DC plants for IT <u>Phone Systems</u> • Cisco Call Unified Manager Publisher (Moses Lake and Ephrata) • CUBE Cisco Unified Border Element (Moses Lake and Ephrata) • Intrado Location Database • Cisco Emergency Responder (CER) • Avtec Dispatch Console • Eventide (Dispatch Recording) • Cisco Contact Center • Cisco Unity / Voicemail • Analog Phones (Fax, ATA, VGs,) • Satellite Phones (mobile and base) • Paging • Tait Truck and Mobile Radios • Cellular Signal Amplifiers • Distributed Antenna System (DAS), Power Production, Moses Lake and HQ • Code Calling, Power Production <u>Cyber Security</u> • Business Firewalls • Network Security Controls • NMS Oversight • Network Tools	<u>Power Production</u> • SCADA • RTUs/Telemetry • OT Transport/ICON and Transfer Trip Comms • OT Firewalls • Generation Management System (GMS) • Transport – Microwave, Fiber • Water Quality • Air Quality monitoring <u>Power Delivery</u> • SCADA • Energy Management System (EMS) • DC plants for OT • Transport – Microwave, Fiber • Water Quality and Air Quality monitoring <u>Compliance</u> • Transport Design • Network Application	<u>Backbone (Electric System)</u> • District Transport • Nokia System <u>Wholesale Fiber</u> • Hut/Hub • DC Plant • Electronics • ONT/Gateways • Wholesale Wireless • Material Standards • Construction Standards • Inventory Levels • Design Packages • Capacity Monitoring and Requirements • Advanced Services Design and Assignment • IP Design • Service Order Assignment

Telecom Engineering and Electronic Technician Workload Highlight

Telecom Engineer – Kendall Zaugg and Mohammed Ouahbi

Electronic Tech Foreman – Steve Argo

Electronic Techs – Silver Flores, Joe Farmer, Dave Boggs, Igor Babak, Brandon White

- SCADA
- RTUs/Telemetry
- OT Transport/ICON and Transfer Trip Comms
- OT Firewalls
- Generation Management System (GMS)
- Transport – Microwave, Fiber
- Water Quality
- Air Quality monitoring

Strategic Plan – Objective 7

Develop A Sustainable Fiber Optic Network

We are committed to expanding and maintaining our wholesale fiber optic network to all the people of Grant County. We seek to identify and offer services that meet customers' needs and increase network revenue for the utility. As with all utility services, we make decisions that best serve present and future generations of customers.

Wholesale Fiber Priorities

Build	Fiber Expansion	Goal – Complete Build Areas
Increase	Increase the Take Rate	Goal – 80%
Complete	OSS / BSS	Goal – To Complete an OSS/BSS and Monitoring Plan that Aligns with Industry Standards
Maintain	Maintain the Network	Goal – Build a Maintenance Plan

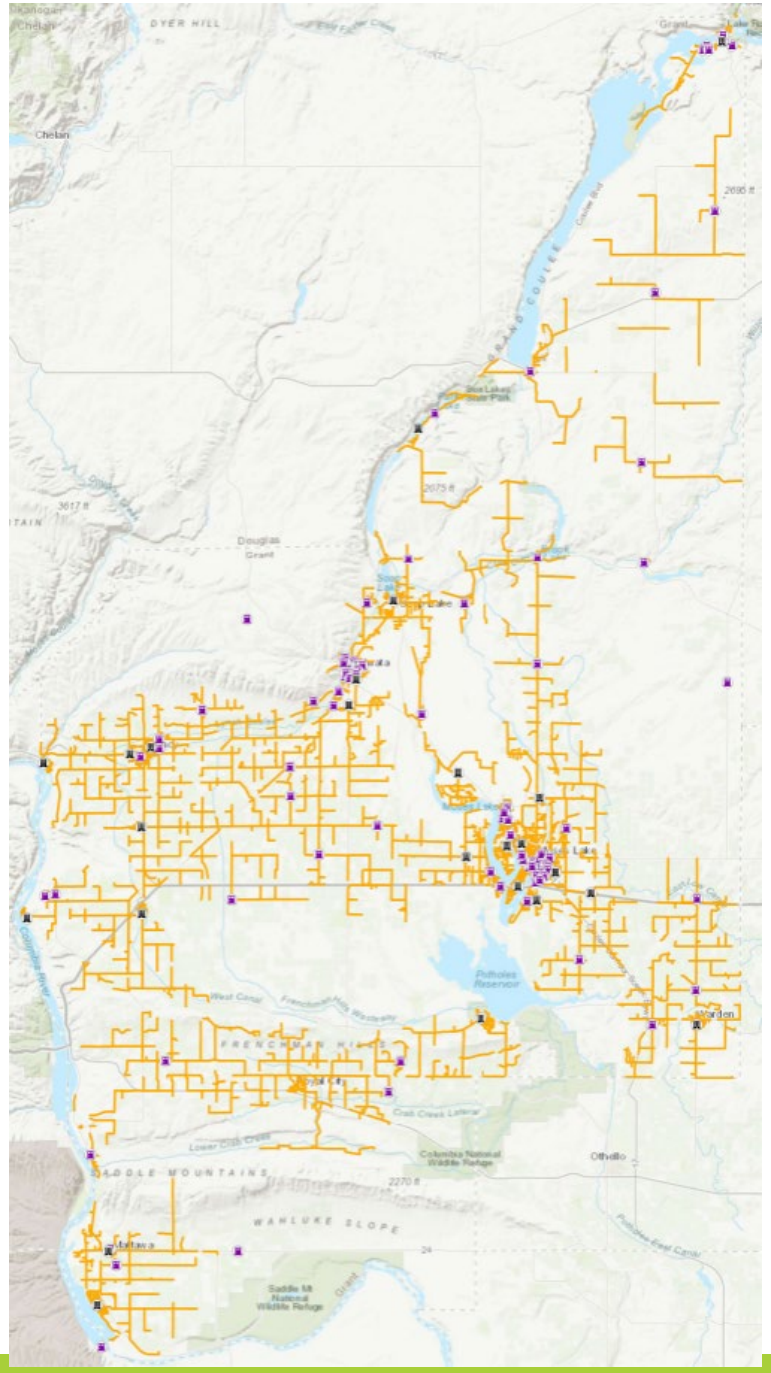
Wholesale Fiber Roles

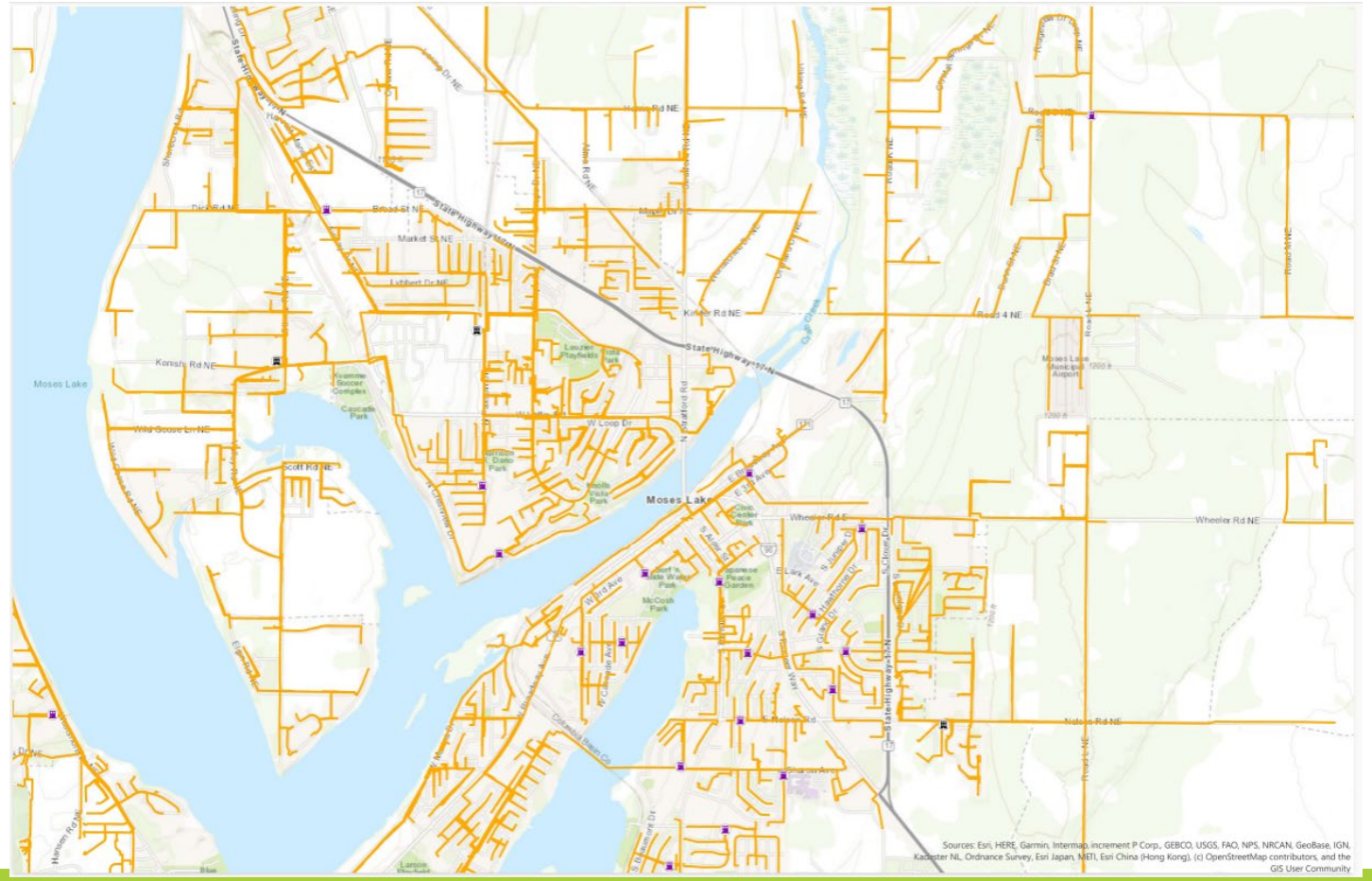
Engineering	Outside Plant	Construction & Maintenance	Operations	Business
David Parkhurst, Troy Holt Kevin McKee, Mara Hornsby	Justin Piturachsatit, Daniel Ruppert	Terry Johnson	Jake Johnson	Terry McKenzie
Foreman – Bill Harrison		Foreman – Pete D'Arcy, Open		
Rene Vela, Rob Haley, JD Bowkett, Igor Babak	Justin Piturachsatit, Daniel Ruppert, Mara Hornsby	Robert Elliott, Troy Haworth, Jake Horlebein, Abel Medina, Chad Robinson, Chad Rose, Sol Shantz-Kreutzkamp, 6 Open Positions	1 Open Position	

<u>Backbone (Electric System)</u>
• District Transport
• Nokia System
• AMI Design
 	
<u>Wholesale Fiber</u>
• Hut/Hub
• DC Plant
• Electronics
• ONT/Gateways
• Wholesale Wireless
• Material Standards
• Construction Standards
• Inventory Levels
• Design Packages
• Capacity Monitoring and Requirements
• Advanced Services Design and Assignment
• IP Design
• Service Order Assignment
	<u>Outside Plant</u>
	• Design
	• As Builts
	• Switch Port Design
	• Service Provider Quotes
	• New Electric Service Fiber Design
	• FCC Filings
	• Circuit Identification and Fiber Paths
		<u>Construction</u>
		• Backbone System
		• District Transport
		• Wholesale Fiber
		• Connect the Customer
		
		<u>Maintenance</u>
		• Backbone System
		• District Transport
		• Wholesale Fiber
		• Outage Planning
		• Capital Replacement
		
		<u>After Hours</u>
			<u>Work Management</u>
			• Document Management
			• Maintenance Plan
			• Maintenance SOPs
			• Network Monitoring
			• Functional System Administration
			• Material Surplus
			• Problem Ticketing
			• Maintenance Notification
			
			<u>Grant Fiber</u>
			• System Connections
			  ○ New, Existing
			• Service Provider Interactions
			• Provisioning
			• Problem Ticket Creation
			• Billing Error Corrections
			• Payments
			
			<u>Electricians</u>
			• Power System – Powering
			• Facility – HVAC
			
			<u>After Hours</u>
				<u>Business Plan</u>
				
				• Business Plan
				• Rate Schedules
				• Telecommunication Policy
				• Product Development
				• Service Provider, new requests
				• Contract Management
				• Service Provider Communication
				  ○ SharePoint
				  ○ Maintenance
				• Budget Reporting
				• Advanced Collections

Grant PUDs Wholesale Fiber Network

- 87 Hubs and 22 Huts
- Mainline cable only, no service drops shown
- Missing build areas 28, 30, 31, 34 and 37
- Estimated 2,925 mainline route miles





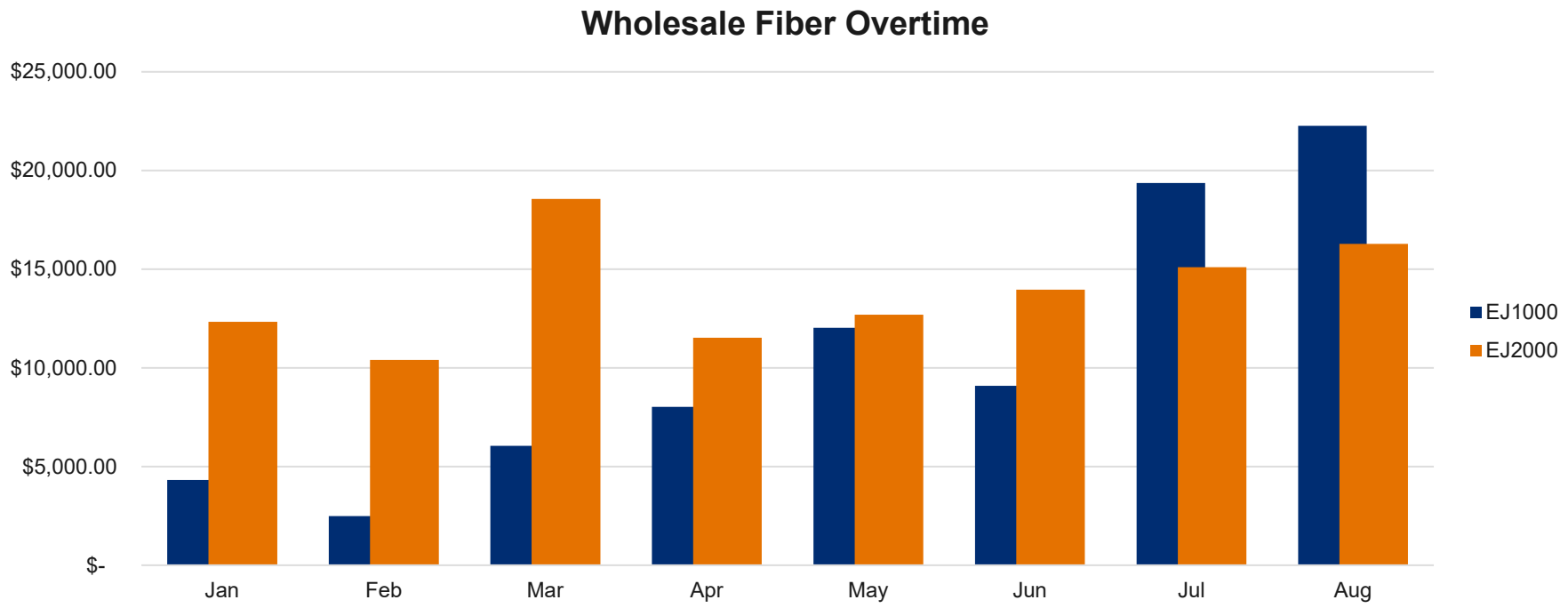
Fiber Expansion

(3,157 Route Miles)

Celebration – November 12th

Area	Location	Make Ready Remaining	Release Date
29	Jericho	Complete	2/26/2024
30	Dodson to Frenchman	Complete	3/11/2024
31	Wahluke Area East to Mattawa	Complete	4/29/2024
32	Desert Aire to Rd O	Complete	4/19/2024
33	I-90 Rd U NE/SE	Complete	5/21/2024
34	Hwy 281 N. of I-90 to Rd. 3	Complete	6/6/2024
35	Stratford/Summer Falls/Billy Clapp	Complete	6/24/2024
36	Adams Road NW to Winchester Wasteway N. of I90 to Rd. 7	Complete	7/1/2024
37	Braden to George and Black Sands	33	9/4/2024
38	Ruff	68	10/7/2024
39	Wilson Creek Area	45	11/11/2024
40	Sagebrush Flats/Johnson Rd. NW	40	12/10/2024

2024 Wholesale Fiber Overtime (O&M, Capital and Restoration)



Source: Power BI

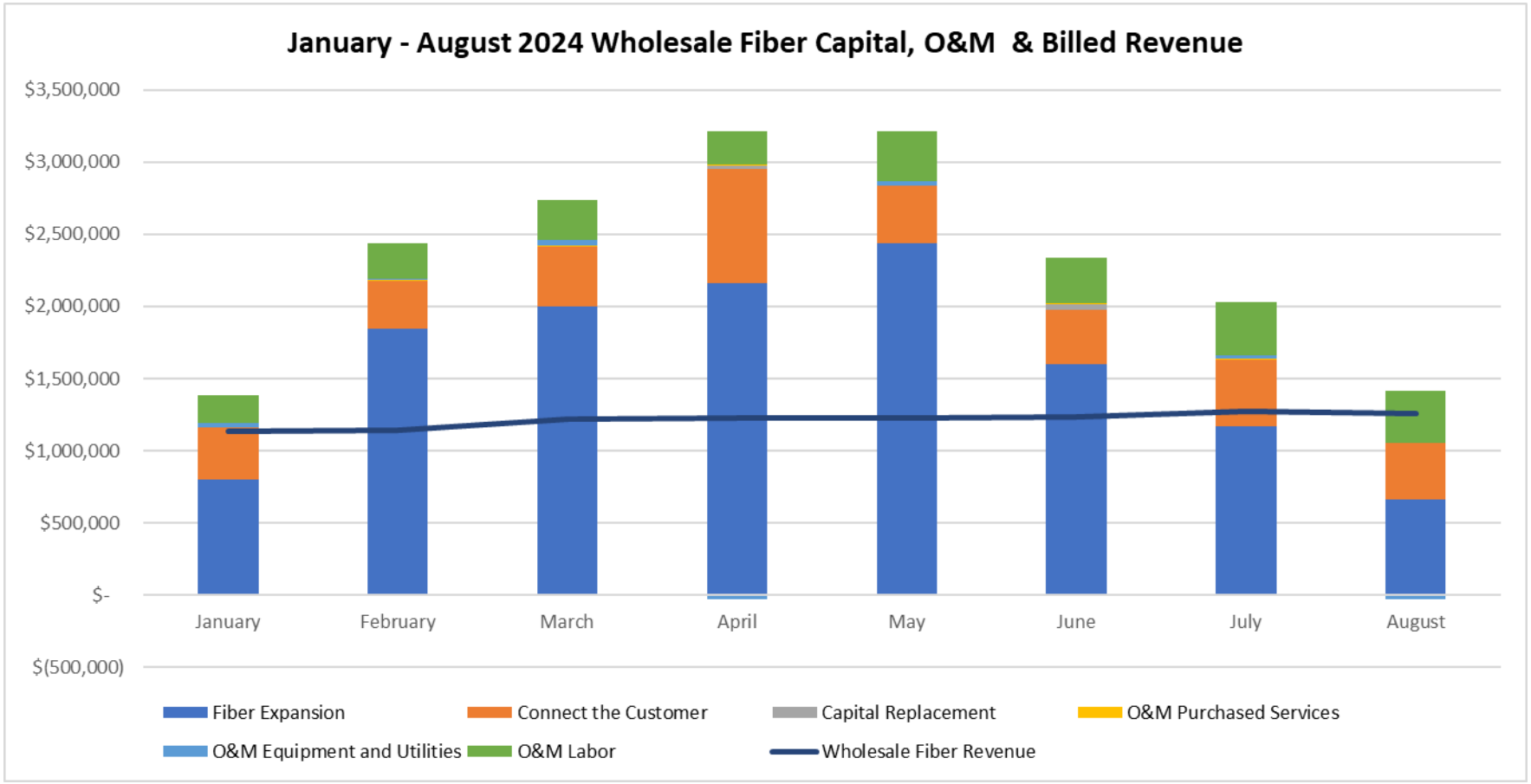
Active Wholesale Fiber Participation

As of August 31, 2024

Area	Potential Subscribers	Actual Subscribers	Participation Actual
Coulee City	985	601	55%
Desert Air	1,142	1,148	97%
Electric City	767	507	66%
Ephrata	5,309	3,981	75%
Grand Coulee	663	425	63%
Hartline	181	119	66%
Mardon	683	483	69%
Mattawa	1,859	1,570	84%
Moses Lake	18,291	13,550	74%
Quincy	4,036	3,285	80%
Royal City	1,685	1,165	66%
Soap Lake	2,541	1,681	65%
Warden	1,523	900	59%
Wilson Creek	163	101	61%
George-Burke	1,052	945	87%
	40,880	**30,461**	**75%**

Source: Participation Report

2024



Sources: Capital Actuals, Budget Report, Billed Revenue

Questions

Grant PUD

Powering our way of life.

Asset Management QBR

10/08/2024

Grant PUD

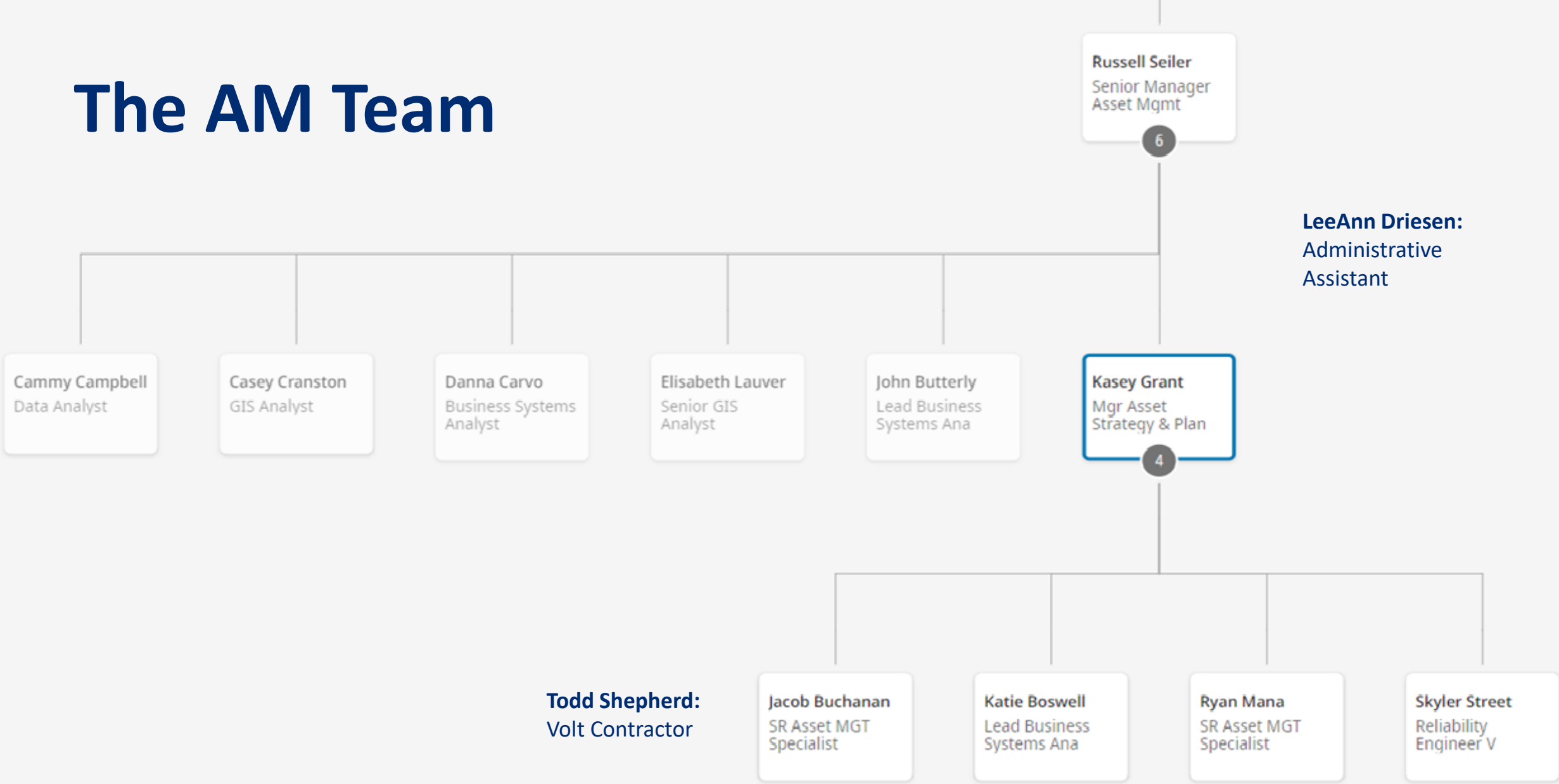
Powering our way of life.

01

Our Team

The work we do

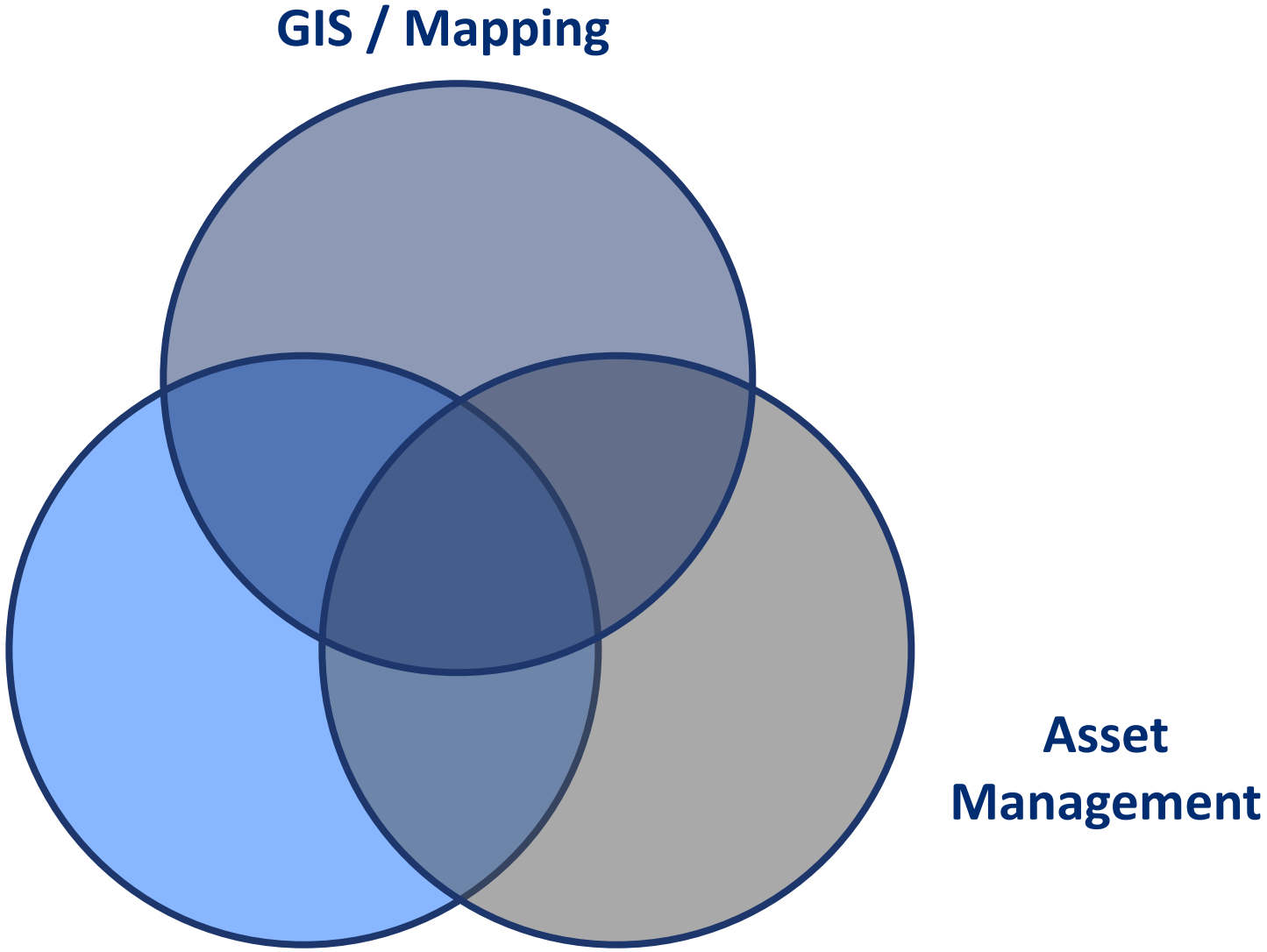
The AM Team



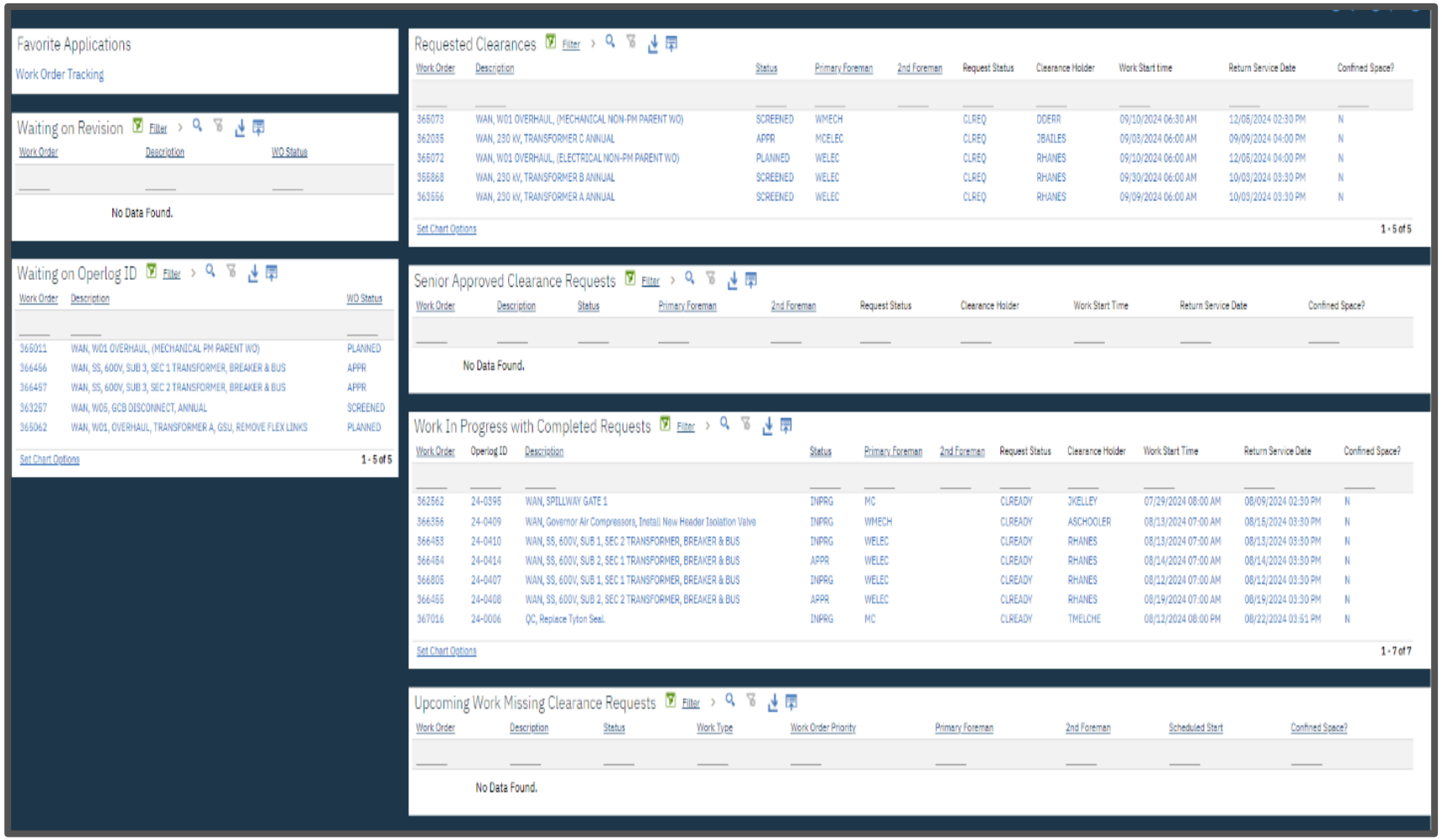
LeeAnn Driesen:
Administrative Assistant

Todd Shepherd:
Volt Contractor

The AM Team



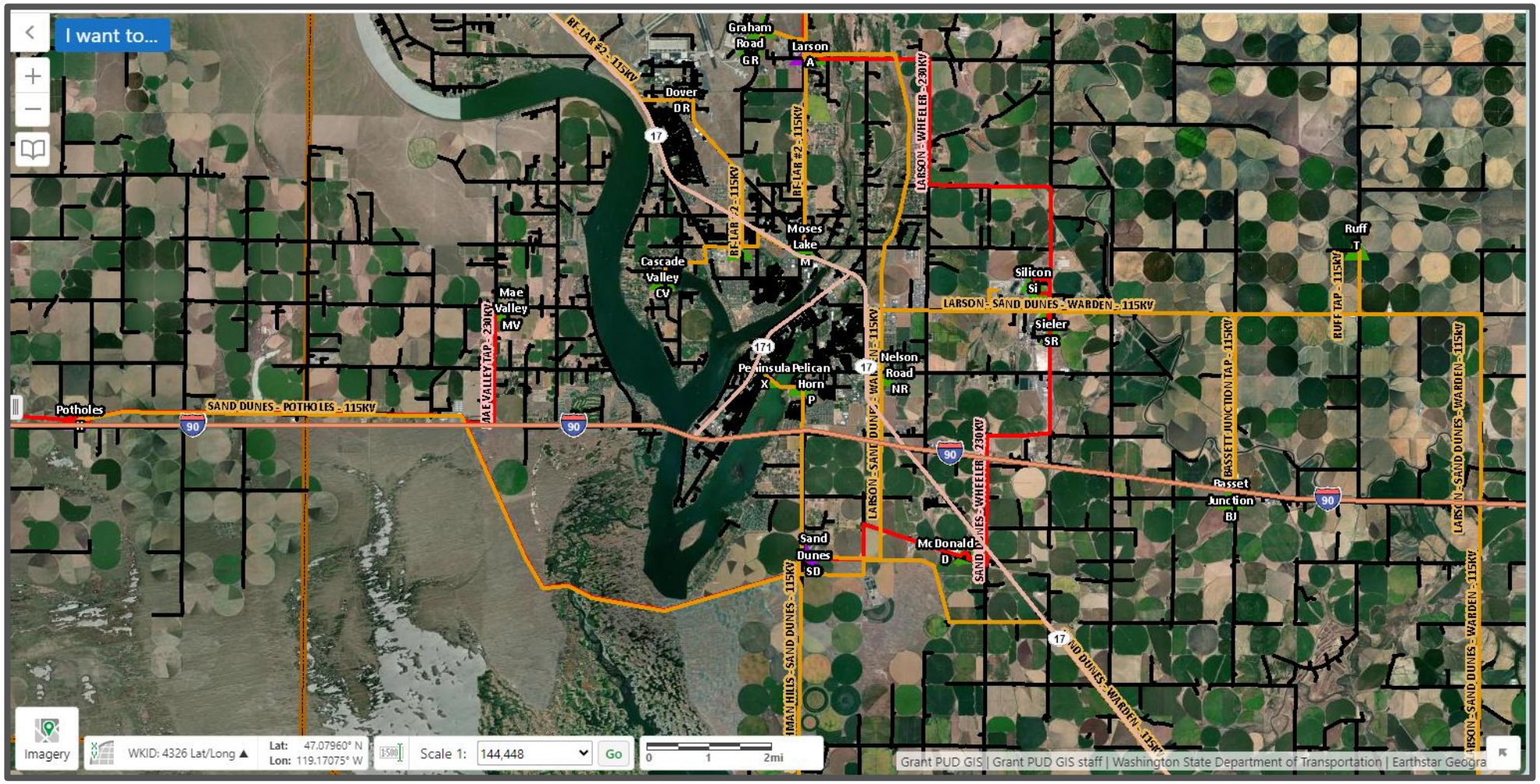
Work Management



Power Production Clearance Requests

GIS / Mapping

Power Delivery Map



Asset Management

GSU Asset Strategy

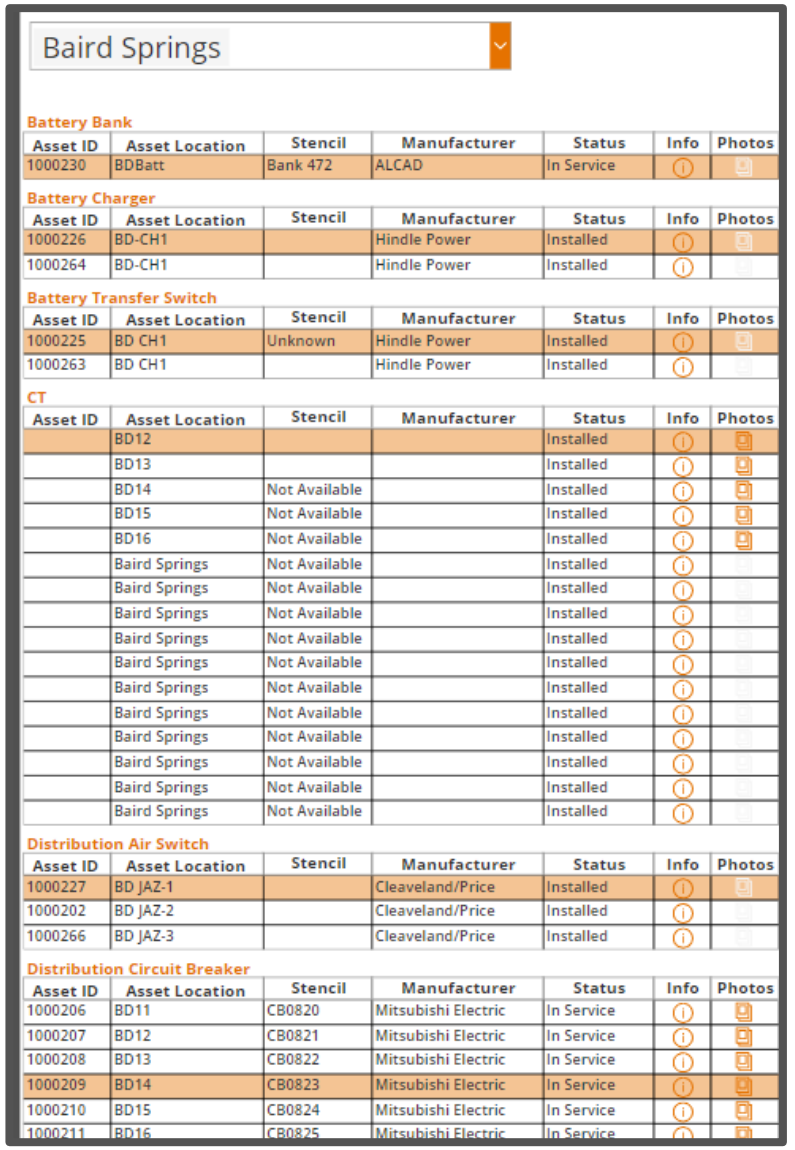
Spares & Components Analysis

Spare Components

- Develop a parts ordering and catalog process for spare parts that are not a warehouse stock item
  - What spare parts do we need and amount on hand
  - What is the proper method for storing spare parts and disposal of failed or compromised parts
  - Testing the spare parts on scheduled PM's and logging this information into Maximo

Component	# of Spares	Location
High Side Bushings	6	3 on stands at WAN; 2 New in creates; 1 New in crate at WAN Yard (Chipped porcelain)
Low Side Bushing	6	3 in yard at WAN; 3 on Stands at PR
XV/Neutral Bushing	3	1 in crate at WAN; 2 on stand at PR
Fans	4	In crate at PR Yard
Lightning Arrestor	12	6 in crates at PR; 6 in crates at WAN
Bushing Protection Device	1	Located at WAN Warehouse
Buchholz Relay	3	3 in the WAN Warehouse

Asset Registry



02

Our Assets

Where we are today

The Dams

The Assets:

- Major Turbine Generator upgrades
- Incremental Upgrades to other systems
- Original Equipment

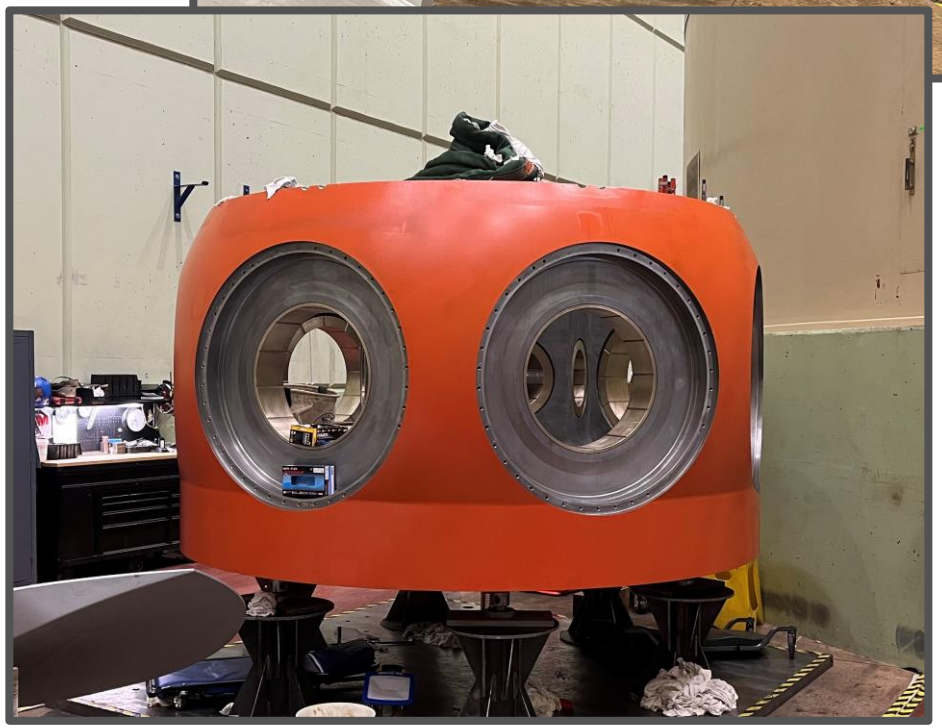
Significant economic advantage for our customers

- Energy doesn't stay here but the financial benefits do

How much did our forefathers see?

- Free fuel – Energy
- The ability to store energy
- The ability to ramp up and down quickly
- Clean energy attributes

The Future?



Transmission

The Assets

- 475 Miles
- Lattice Steel, Tubular Steel, Cedar Pole, Laminated Wood
- Age Range 0 to 66 years

The Major Pipes to Move Energy

- Transfer from the dams to the broader grid
- Transfer through our county
- Transfer to our stations

Some economic advantage for our customers

- Largely Cost of Service+
- More Potential for Wheeling in the Future

Distribution

The Assets:

- 2,810 Miles Overhead
- 1,156 Miles Underground
- Age – 0 to 70 years

Recoup Cost of Service

Critical for service to Grant County Residents

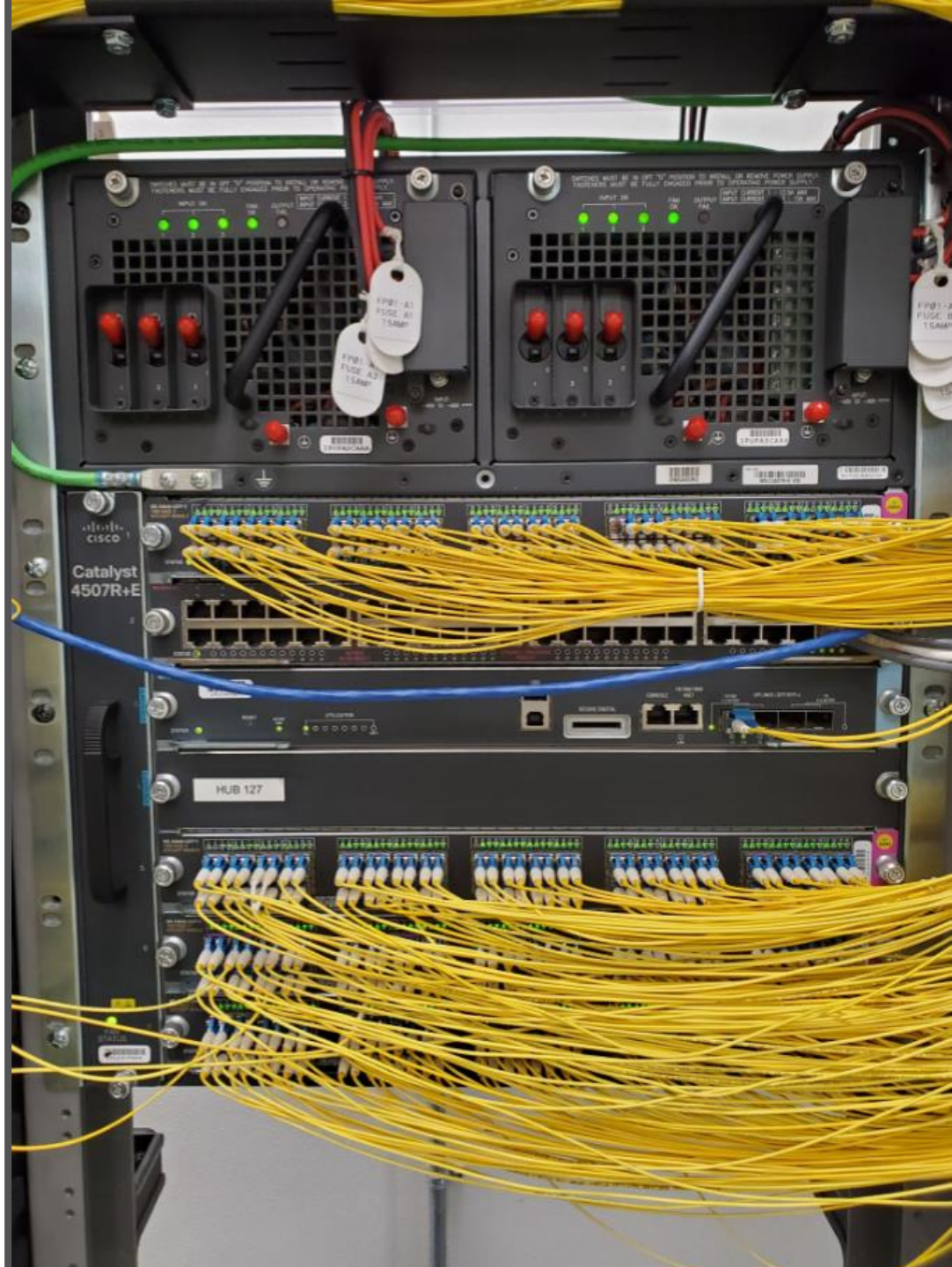
Fiber Telecom

Backbone Fiber

- Our lifeblood for information to run the business and operate our system
- Age: 26+ Years

Wholesale Fiber

- Value for County – COVID, Growth
- Recoup Cost of Service
- Age 0 – 24 years



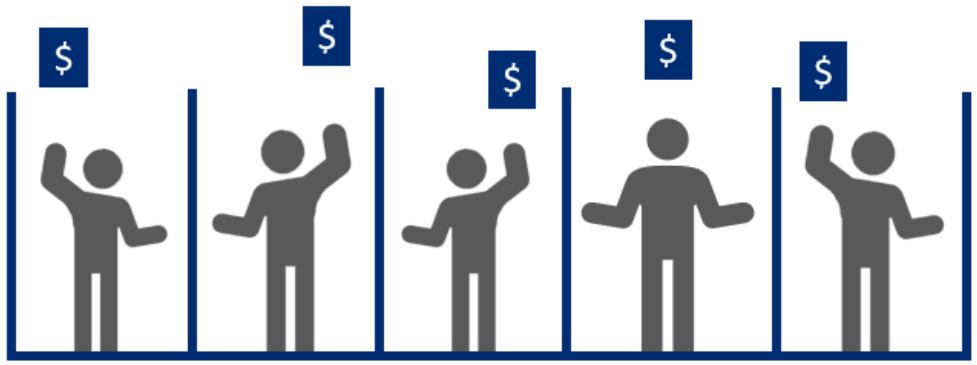
Asset Management

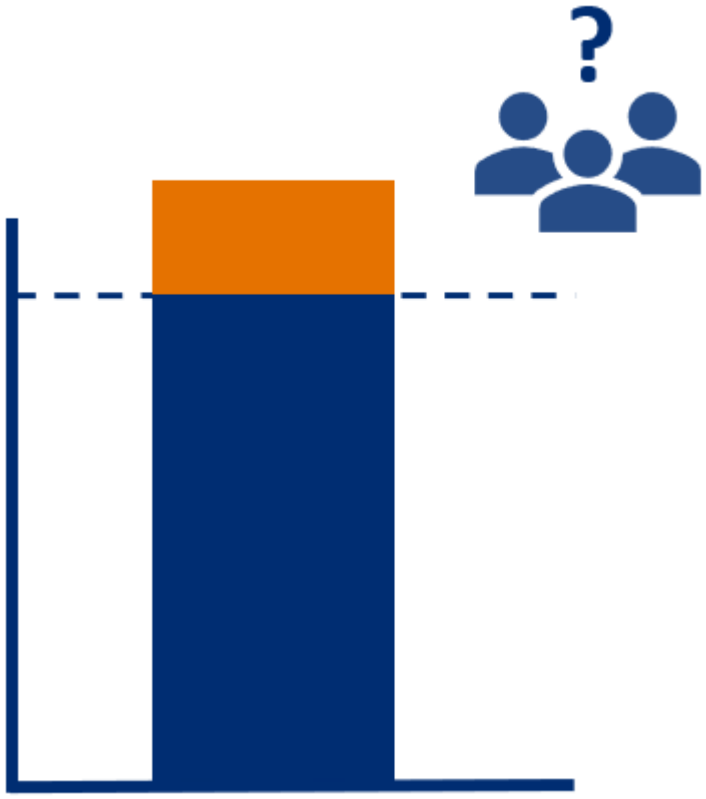
“The Coordinated Activity of an Organization to Realize Value from Assets”

03 The Budget Process

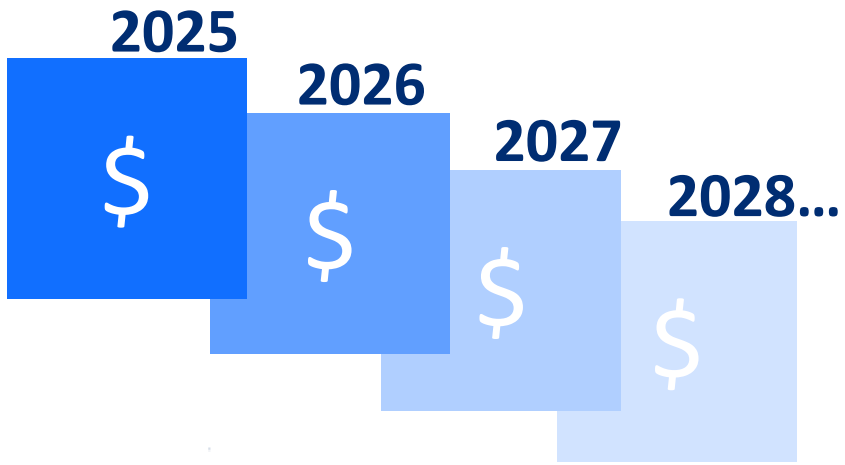
Sustainability

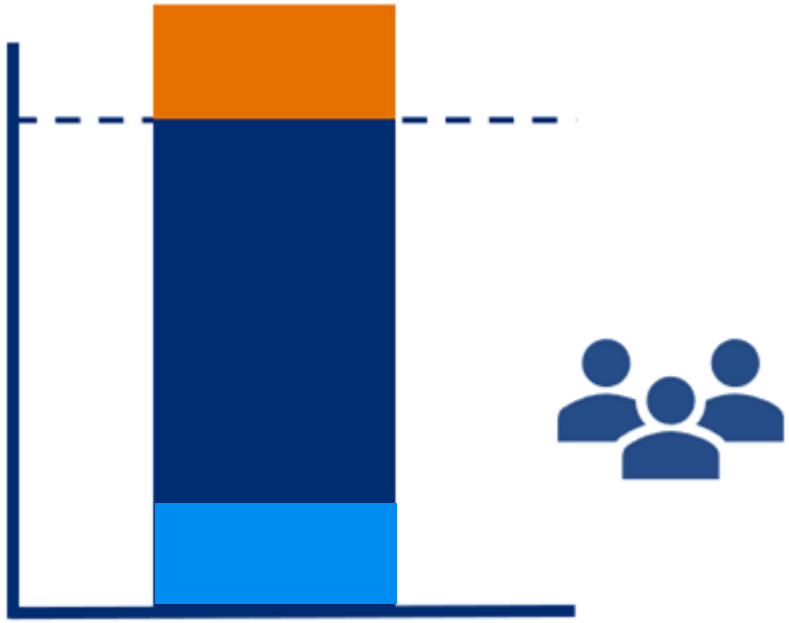
The Budget Process – Asset Renewals





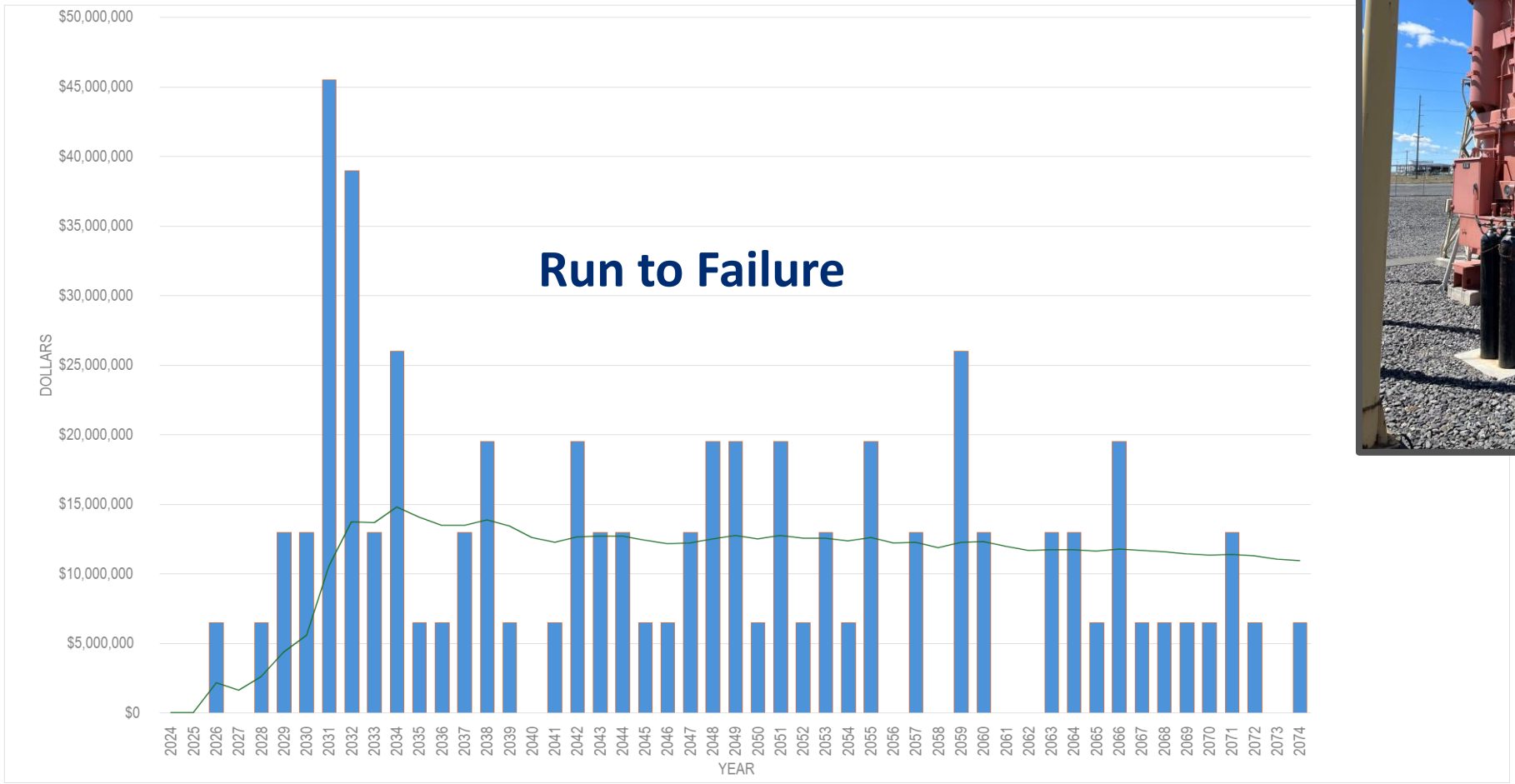
The Budget Process – Asset Renewals



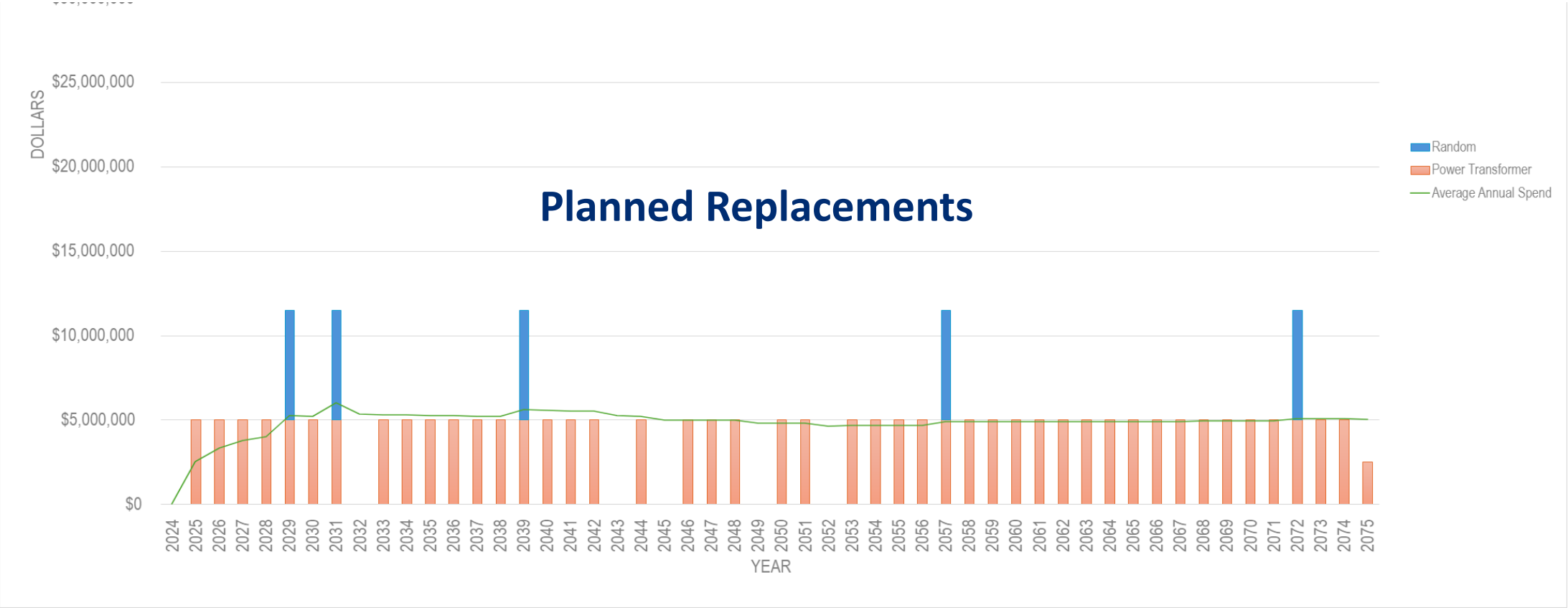


AM Team + Subject Matter Experts

Power Transformers



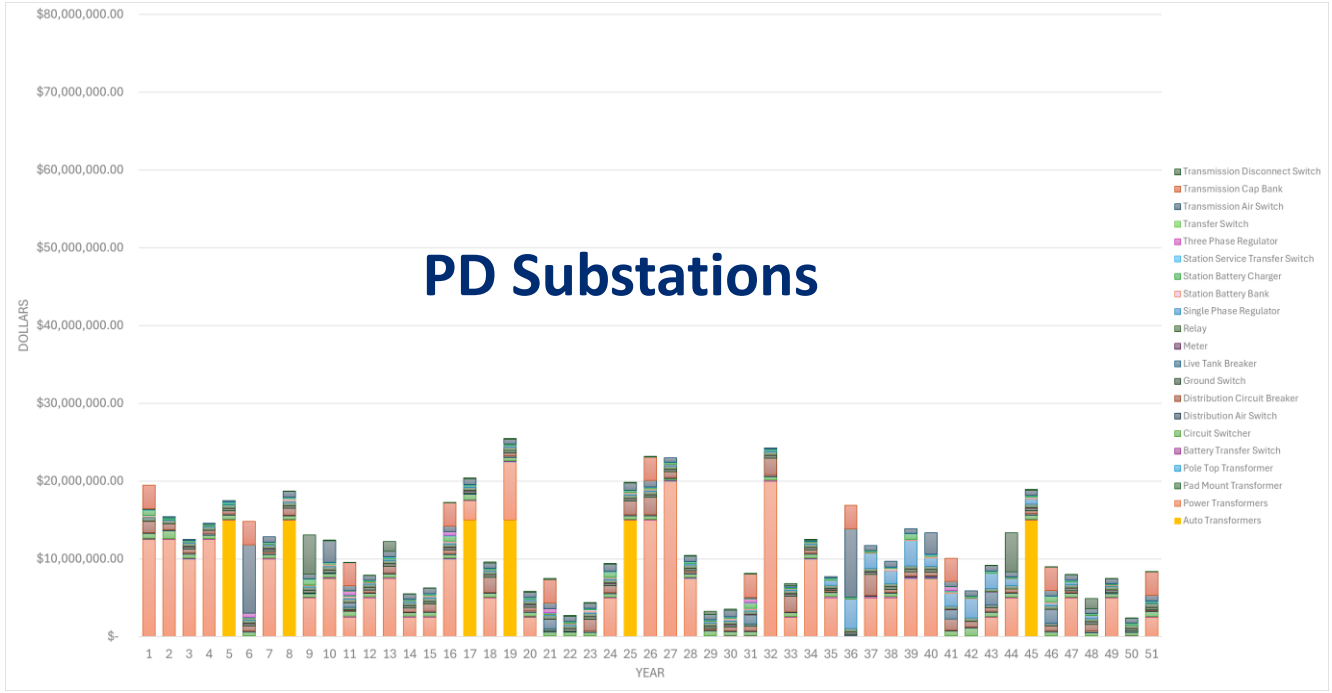
Power Transformers



Annual Investment for Sustainability?

We can calculate this!

- What we own
- Age
- Expected Life
- Replacement Cost



Investment for Sustainability

System	Replacement Value	Annual Reinvestment Need
Fiber Telecom	$ [illegible]	$ [illegible]
Transmission	$ [illegible]	$ [illegible]
Distribution Lines	$ [illegible]	$ [illegible]
Distribution Stations	$ [illegible]	$ [illegible]
Priest Rapids	$ [illegible]	$ [illegible]
Wanapum	$ [illegible]	$ [illegible]
Total	$2.5 Billion	$50 Million

04

Looking Ahead

The Roadmap

The Next Five Years

Thank You

Grant PUD

Powering our way of life.

PRD Turbine Upgrade Project

Contract 430-4045, Voith Hydro, Inc., Change Order 13 – October 2024

JT Wallace, EPMO - District Representative

Grant PUD

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Background

Project initiated to upgrade and rehabilitate ten units at Priest Rapids Dam

Labor contract awarded to Voith Hydro, Inc. on February 9, 2016 to disassemble, rehab, and assemble Turbine Units

- Time and Materials Contract
- Garrett Electric subcontracted by Voith
- Baseline schedule and activities have been agreed by all parties
- Established collaboration and partnership with the contractor has proven to be effective
- Contractor has shown ability to maintain outage schedule within their scope of work

Proposed Change Order Summary

Change Order No. 13 - contract 430-4045

For Units 7-10

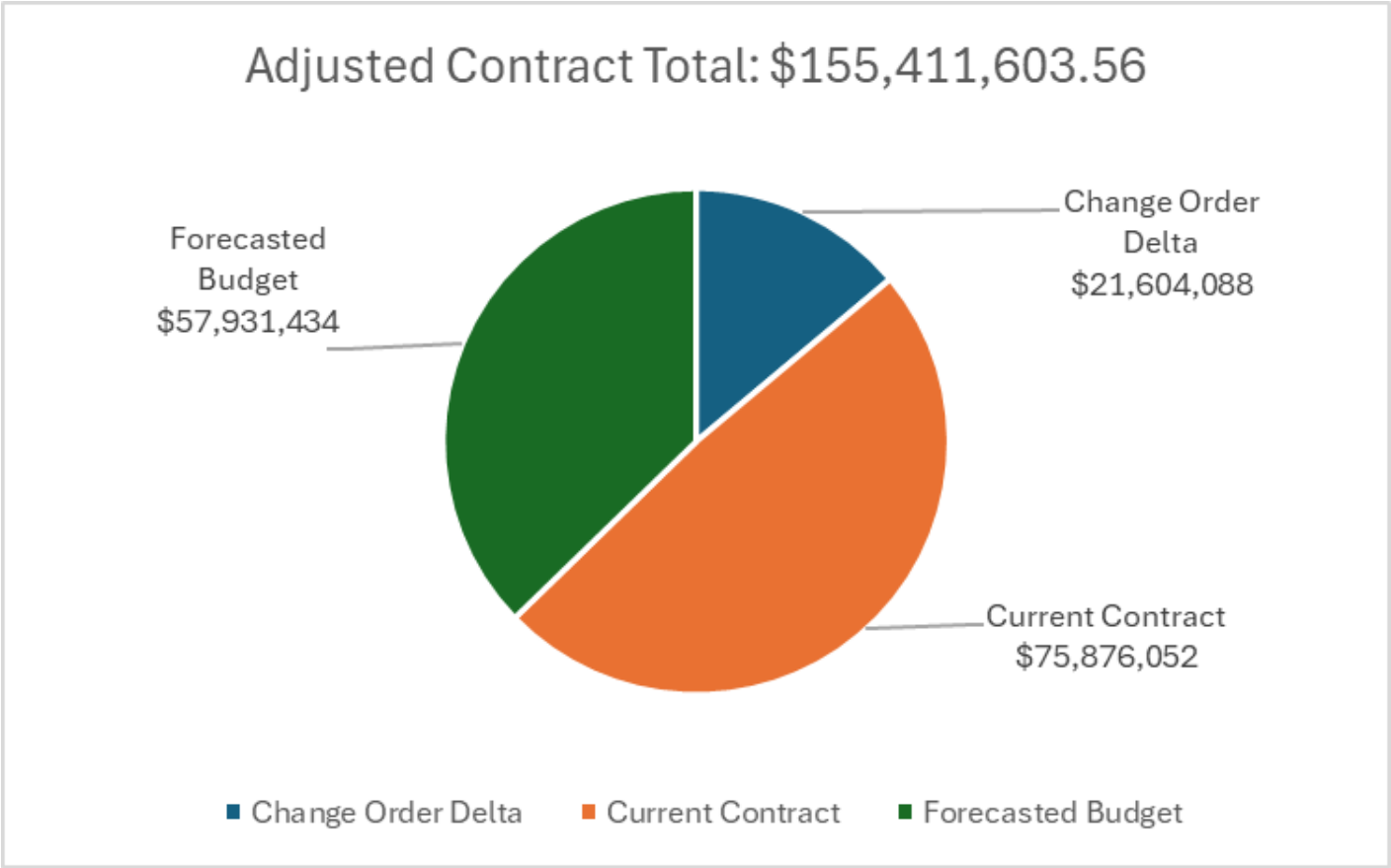
- Labor costs to disassemble, rehabilitate, and assemble the remaining units

Amount Requested **$79,535,551.56**

- On-site labor costs $68,603,263
- Project Management Support $10,603,396
- Misc. Costs $328,892

Budgeted Forecast **$57,931,434**

Adjusted Contract Total **$155,411,603.56**



Scope Changes and Additions

Estimated Hours in 2016:

58,282

35 Changes/Additions

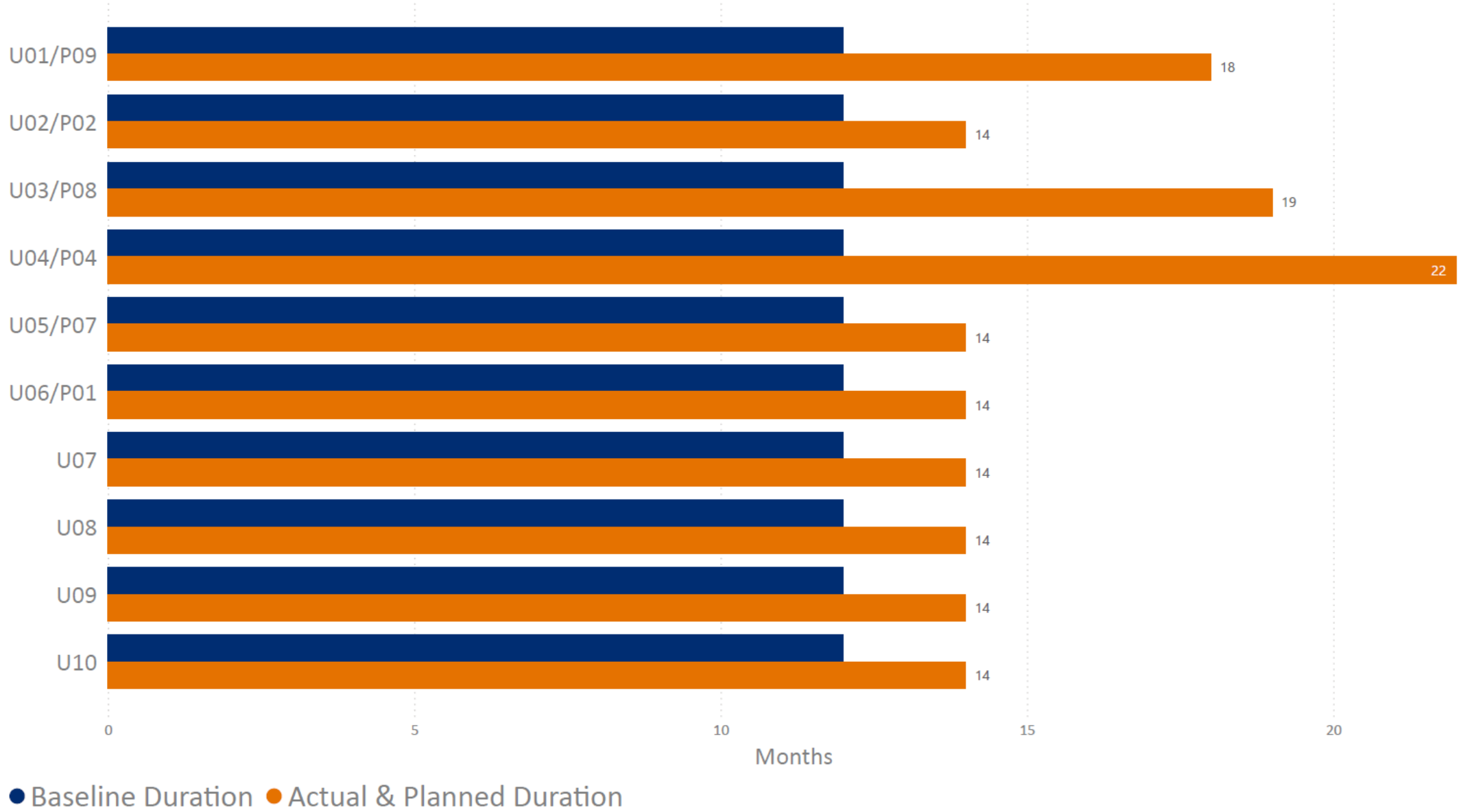
35,800 Additional Hours

61% Increase Totaling

94,082 Hours

Scope Changes/Additions	Hours
Underestimated Original Scope	16,250
Confined Space Rescue Coverage	3,500
Outage Preparation Between Units - (Global-004 - This Gets Used For Other Activities Too)	3,500
Headcover Work (OHC Install For Line Boring) - (REH-011C)	1,400
Draft Tube Work (Anchors For Maintenance Platform) - (REH-005)	1,320
Install New Stator Cooler, Piping And Grating (REH-028)	1,040
Thrust Bracket (Prepare For Shipping) - (SHP-010)	1,000
Thrust Bracket Work (Inspection And Weld Repair) - (REH-023)	1,000
New Farval Pump And Tubing - (REH-002P & REA-002P)	800
DC Buss Modifications - (E-007R & E-007A)	570
Iso Phase Bus - (E-002R)	500
Install New Hi-Lift Piping And Brake Piping - (REH-002L, REA-002L, REH-002M, REA-002M)	460
Welding On Pit Liner Drain Trough, Unit-Strut (REH-004A)	400
Fabricate And Install New Deck Above Turbine Bearing (REH-012A & REA-019B)	400
Prepare, Ship And RECeive Parts For Lead Paint Removal At Off Site Shop - (SHP-011 & REC-011)	360
New Turbine Bearing Oil Circulation Pump And Filter - (REH-011E4, REA-002B)	320
Foreman Hours	300
Thrust Bracket (Deck Between Arms) - (REH-023B)	300
Air Piping Modifications (Vacuum Breaker Valve And Pipe) - (REH-011D)	300
Install New Sump Air Worley Pump And Piping - (REH-011E3, REA-002G)	290
Co2 Piping On Ds Side Generator Barrel - (REH-002R & REA-002R)	260
Packing Water Supply & Air On Ds Wall - (REH-002F & REA-002F)	240
Mechanical Training - (M-000T)	210
Air Housing Work (Access Door) - (REH-027)	200
Thrust Bracket (Assemble Hub And Arms) - (REH-023A) & (REC-010)	180
Air Piping Modifications (Shut Off Valve And Pipe) - (REH-011G)	160
Install New Oil/Water Separator Pump, Piping And Tank - (REH-002O)	100
Oil Totalizer Meter For Governor Sump Oil - (REH-002J)	100
Electrician Training - (E-00T)	100
Water Gallery Instruments - (E-016R)	100
Turbine Bearing New Oil Level Gauge Modifications - (REH-011I)	80
Co2 Covers In Upper Bracket (Only One Section Of REA-025)	60

Total Project Durations



Justification

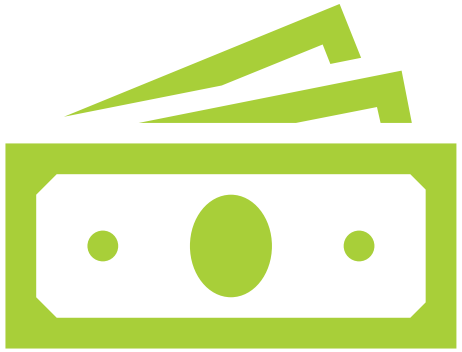
Reliable power for Grant PUD's customers for generations to come

Continuation of a solidified project site work schedule

Role clarity and work force expectations and qualifications to ensure quality outcomes

Sustainable project efficiencies with continuity of qualified and experienced laborers

Financial Considerations



Units 9 & 10 most recent economic analysis indicate new labor rates still show a <u>positive Net Present Value</u>

Alternatives considered:

New Labor Contract:

- This would lead to substantial delays and introduce additional costs due to the time required for mobilization
- Delay costs for other related contracts.
- Quality of work concerns

Internal Labor:

- Use of District labor was analyzed but found to be less advantageous financially
- This would require significant change management
- Delay costs to other project contracts and initial quality uncertainty

Recommendation

Commission approval of Change Order No. 13 with Voith Hydro, Inc in the amount of **$79,535,551.56** for the labor costs to disassemble, rehabilitate, and assemble Units 7-10 of the Priest Rapids Dam turbine/generator upgrade project for a new revised contract total of **$155,411,603.56**.

Questions?

Thank You

Grant PUD

Powering our way of life.

2025 BUDGET PRESENTATION

OUR PLAN FOR DELIVERING VALUE TO OUR CUSTOMERS

Grant PUD

Powering our way of life.

Topics Covered

- Strategic Focus
- Budget Process
- Summary of Results
- Appendices

Grant County PUBLIC UTILITY DISTRICT

Budget Public Hearing Schedule

- **Compliance with RCW 54**: The budget process adheres to the RCW 54 requirements, which include specific notice periods and public hearings.
- **Public Hearings for 2025 Budget**: Two public hearings will be held for the proposed 2025 budget, providing an opportunity for the Commission to hear public comments.
- **Anticipated Adoption in November**: The 2025 budget is expected to be adopted in November following the public hearings.
- **Separate Review for Rate Increases**: The review of the projected rate increases will occur separately from the budget process.

Public Hearings - 2025 Budget

Oct. 8, 2 p.m.
Ephrata Headquarters Commission Room | 30 C St SW
Ephrata WA 98823

Oct. 8, 6 p.m.
Ephrata Headquarters Commission Room | 30 C St SW
Ephrata WA 98823

Virtual Microsoft Teams meeting / phone dial in options posted on The District's website

Grant County PUBLIC UTILITY DISTRICT

01

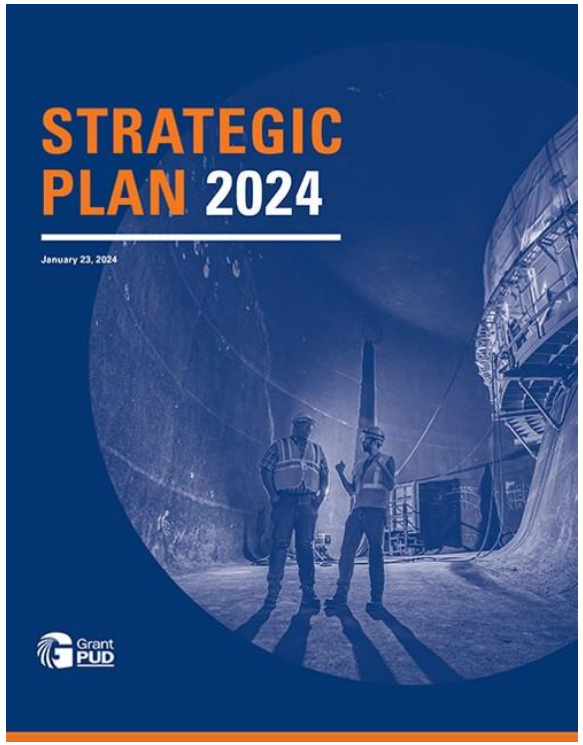
Strategic Focus

Strategic Drivers – Budget Focus

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

OUR KEY OBJECTIVES

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



- **SAFETY**
  We believe that employee and public safety is paramount
- **RESPECT**
  We honor the rights and beliefs of those we work with and serve
- **INNOVATION**
  We make decisions that best serve present and future generations
- **INTEGRITY**
  We hold ourselves and others accountable to professionalism in our actions and words
- **SERVICE**
  We are committed to excellent customer service
- **HERITAGE**
  We protect, preserve and perpetuate both the spirit of the Grant PUD and the Wanapum relationship
- **TEAMWORK**
  We are one team with the same mission

District Initiatives
-Org Strategy & Alignment

Our Strategy

ANCHOR:

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

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

1. Ensuring long-term affordable rates for our core electric customers
2. Sustaining our focus on engaged, empowered & enabled employees
3. Committing to accurate & responsive customer service
4. Developing an intentional power demand strategy
5. Caring for our communities through active engagement

Grant County PUBLIC UTILITY DISTRICT

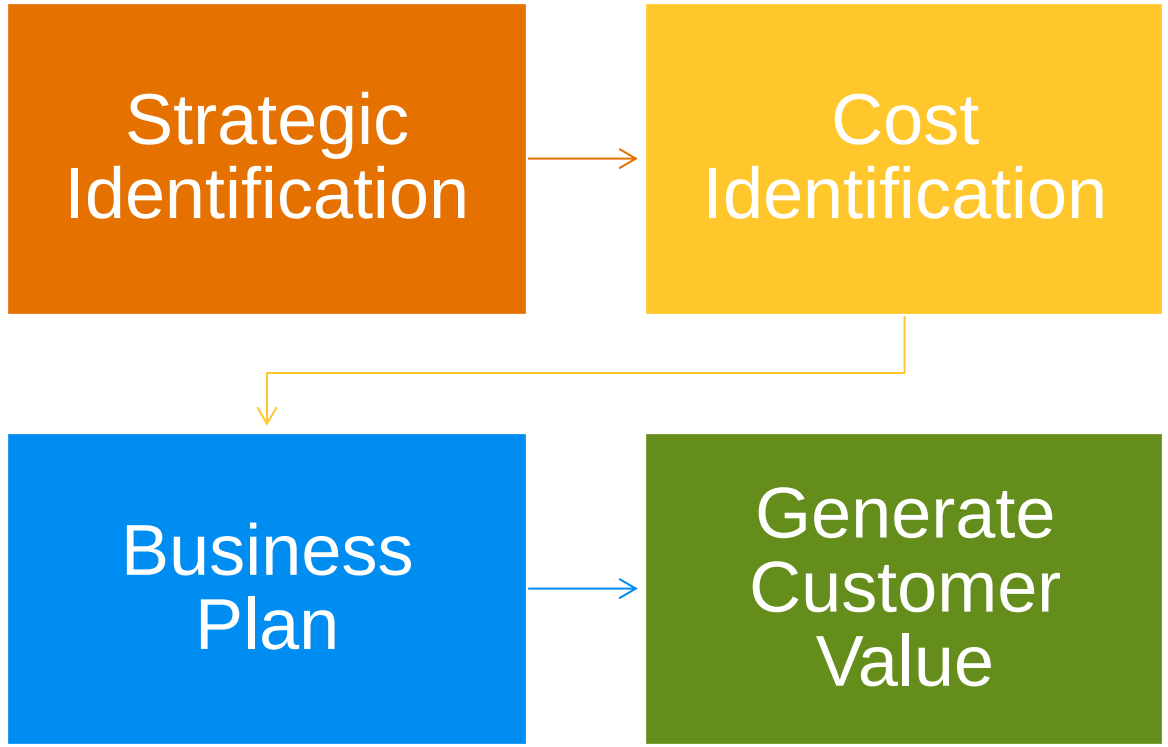
02

Budget Process

Keys for the Budget & Planning Process

Guiding Principles:

1. **Deliver Value** to current and future customers.
2. **Maintain Financial Health** of the utility.
3. **Align Strategy and Costs** for effective planning.
4. **Generate Customer Value** through execution.



Grant County PUBLIC UTILITY DISTRICT

2025 Budget Timeline

July Review Preliminary Budget

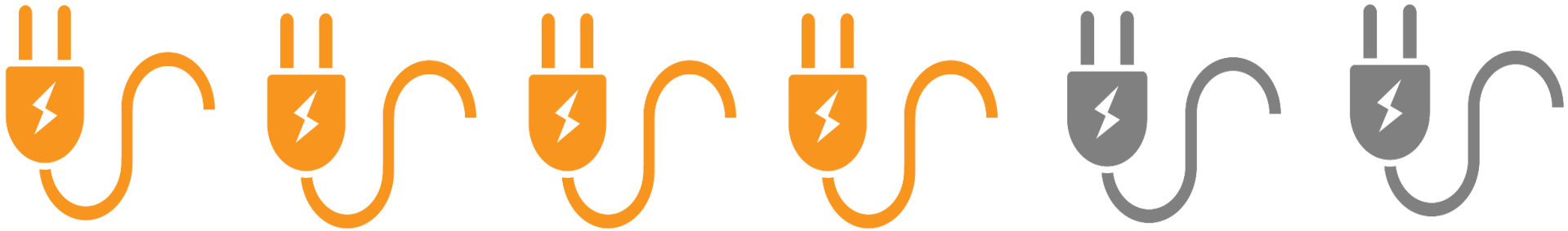
August Allocate operating Budget

August Preliminary Budget filing

October Public Budget Hearings

November Review final budget

November Budget Adoption



03

Summary of Results

Preliminary Budget Summary – Total Expenditures

Total Budget for 2025 = **$367.8 million**

- Compared to 2024 budget of $347.2 million

O&M Expense is an increase of $34.6M (+17.1%) vs the 2024 budget and $18.2M (+12.6%) vs current 2024 expectations (current forecast)

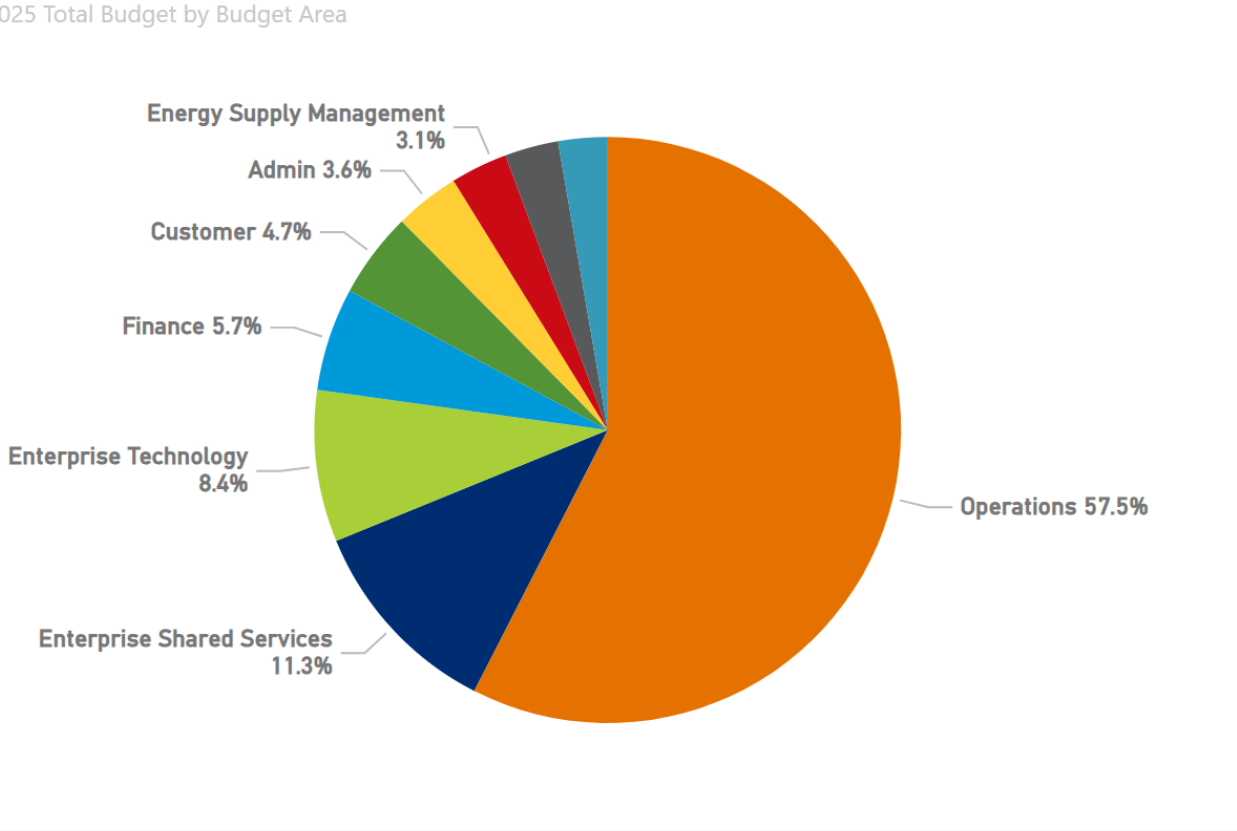
Capital Spend is expected to increase by $80.1M (+46.3%) vs the 2024 budget and $81.1M (+47.1%) vs current 2024 spend expectations.

- Capital is based on specific projects in the portfolio by year and is an estimate at the time the budget is set
- Prior years the budget process has implemented a scaling for fiscal management that factors in timing and likelihood of spend. Due to outcome of spending in prior year, a methodology change was implemented, which now the process is based solely on the spend by project forecasted by project managers without any scaling.

The preliminary budget below has increased $10.7M from the August filing

Exhibit A - $ in thousands	restated Actuals	audited Actuals	Budget	Budget	Forecast	Budget
Budgeted Items	2022	2023	2023	2024	2024	2025
Total O&M	$ 167,074	$ 188,741	$ 188,170	$ 201,879	$ 210,015	$ 236,487
Taxes	$ 21,151	$ 22,622	$ 21,556	$ 23,662	$ 23,599	$ 24,048
Electric Capital	$ 86,550	$ 114,791	$ 80,842	$ 101,017	$ 100,652	$ 189,664
PRP Capital	$ 69,822	$ 88,378	$ 74,139	$ 71,896	$ 71,332	$ 63,384
Total Capital	$ 156,372	$ 203,169	$ 154,981	$ 172,913	$ 171,984	$ 253,048
Debt Service - (net of Rebates)	$ 73,717	$ 73,167	$ 71,986	$ 68,022	$ 71,931	$ 72,722
Total Expenditures	$ 418,313	$ 487,698	$ 436,693	$ 466,476	$ 477,528	$ 586,304
Expenditures offsets for deduction						
Contriutions in Aid of Construction	$ (10,781)	$ (37,131)	$ (10,713)	$ (12,257)	$ (17,808)	$ (16,550)
Sales to Power Purchasers at Cost	$ (28,654)	$ (25,298)	$ (13,765)	$ (16,889)	$ (22,163)	$ (19,125)
Net Power (+ Expense, -Revenue)	$ (86,554)	$ (310,808)	$ (95,178)	$ (90,167)	$ (246,656)	$ (182,791)
Total Expenditures Offset	$ (125,989)	$ (373,236)	$ (119,656)	$ (119,312)	$ (286,627)	$ (218,466)
Total Budgeted Expenditures	$ 292,324	$ 114,462	$ 317,038	$ 347,163	$ 190,901	$ 367,839

Grant PUD | 2025 Department Managed Budget (O&M and Labor)



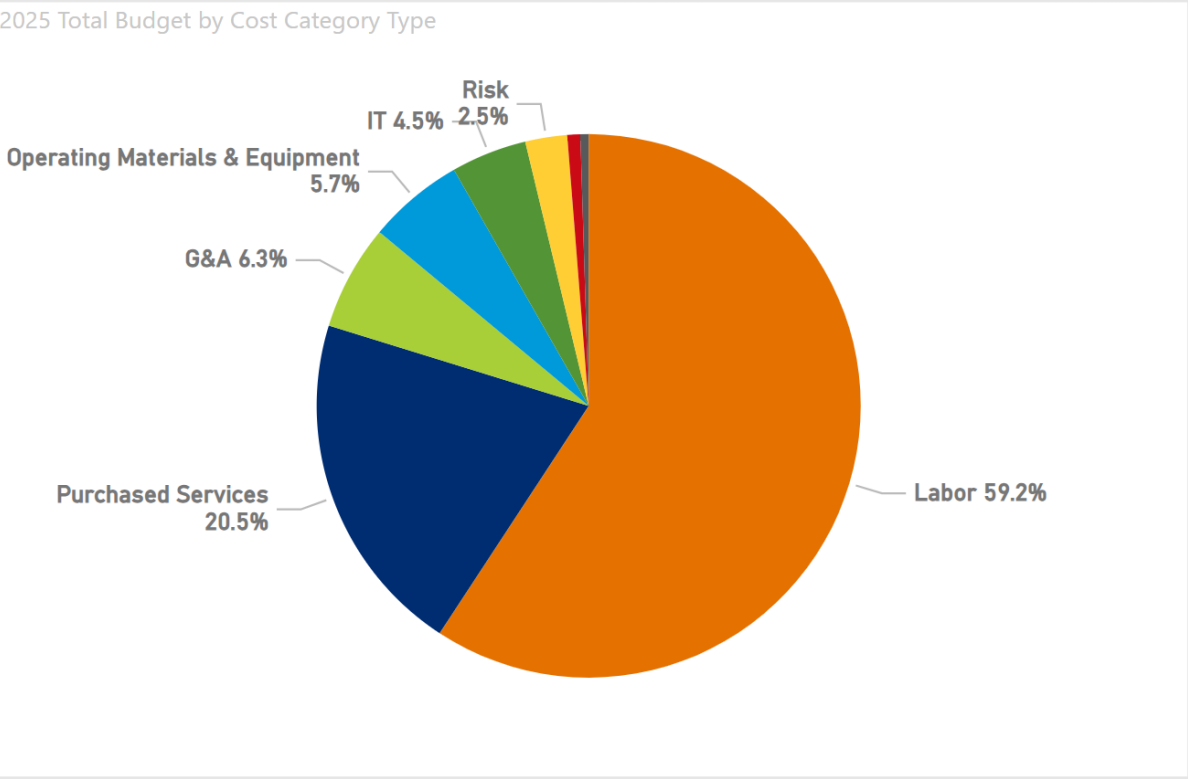
Budget Area	2024 Total Budget	2025 Total Budget	Budget vs Budget Variance %
Operations	103,980,413	114,684,281	10.3%
Enterprise Shared Services	19,601,799	22,528,574	14.9%
Enterprise Technology	13,826,335	16,684,164	20.7%
Finance	9,925,585	11,328,922	14.1%
Customer	9,517,091	9,446,458	-0.7%
Admin	6,697,167	7,124,931	6.4%
Energy Supply Management	5,326,696	6,246,759	17.3%
Executive	6,231,764	5,900,738	-5.3%
Human Resources	4,659,132	5,415,302	16.2%
Total	**183,623,090**	**209,020,683**	**13.8%**

Business Unit Management: Operating budgets are directly managed by business unit managers, who monitor and report on them monthly.

Inclusions in Budget: These budgets cover O&M directs and total salaries/wages, regardless of whether they are for O&M or capital, but they do not include capital directs.

2025 Budget Increase: The 2025 budget reflects a **13.8%** increase over the 2024 budget, indicating growth and adjustment in resource allocation.

2025 Department Managed Budget (O&M and Labor)



Cost Category Type	2024 Total Budget	2025 Total Budget	Budget vs Budget Variance %
Labor	111,032,602	123,803,613	11.5%
Purchased Services	34,367,943	42,944,205	25.0%
G&A	11,726,814	13,095,354	11.7%
Operating Materials & Equipment	10,300,396	11,939,385	15.9%
IT	8,007,885	9,403,971	17.4%
Risk	4,626,588	5,204,997	12.5%
Transportation	1,402,409	1,605,215	14.5%
Utilities	2,158,453	1,023,944	-52.6%
Total	**183,623,090**	**209,020,683**	**13.8%**

Labor: Increased due to continued investment in workforce resources, including salaries, benefits, and other labor, to meet operational needs.

Purchased Services: Grew by 25%, reflecting an increased reliance on external expertise such as consulting, and specialized services to support operational goals.

G&A (General & Administrative): Increased to cover a wide range of essential business expenses, including regulatory expenses, travel, training, memberships and dues, subscriptions, and miscellaneous operating expenses ensuring adequate support for core business functions.

Operating Materials & Equipment: Increased by 15.9%, driven by the need to maintain physical assets essential for ongoing operations.

IT: Grew by 17.4% as a result of investments in technological infrastructure, including hardware and software aimed at enhancing digital capabilities and operational efficiency.

Risk: Increased to ensure comprehensive risk management, covering insurance premiums and risk mitigation initiatives.

Transportation: Grew due to rising fuel costs and vehicle maintenance necessary to support operational demands and service delivery.

Utilities: Decreased due to the reclassification of Misc. Utility Expenses to better align with actual costs. This category includes Network, Water, Sewer, Garbage, and Telephone services.

Capital Portfolio Overview

Portfolio: All

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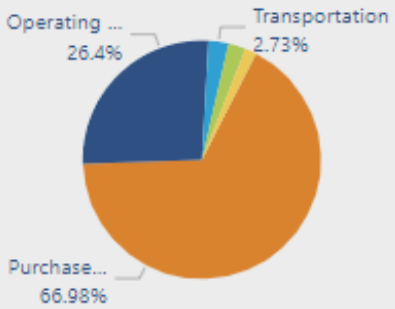
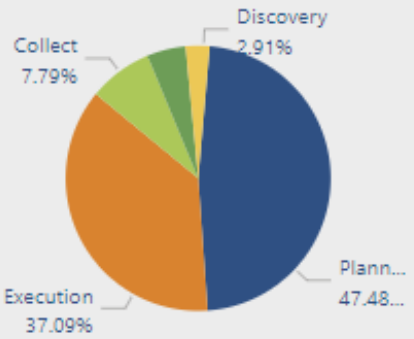
2025 by Cost Category Type



2025 cost by Current Phase



Total Capital Portfolio (Direct Capital)

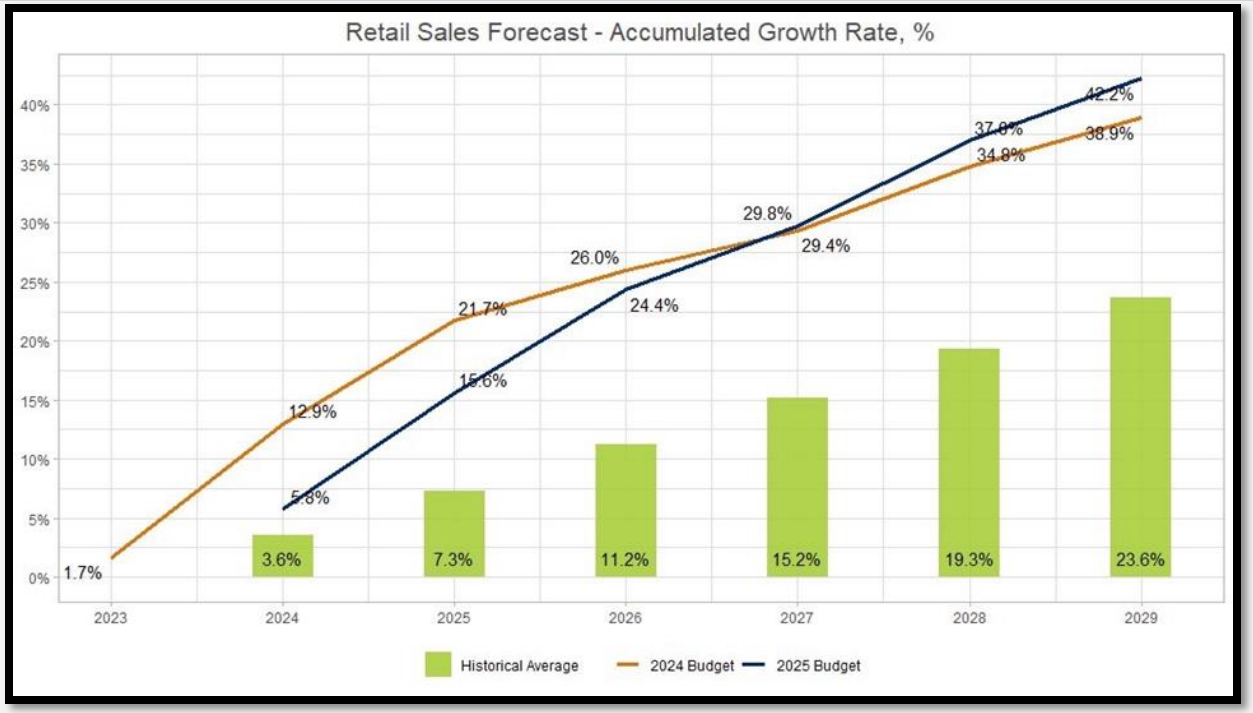
Portfolio	2024 Approved Spend	2024 Actuals	2024 BOY Fx	2024 YEP	2024 VAR	2024 VAR %	2025 Forecast	2026 Forecast	2027 Forecast
Power Delivery	$62,294,149	$34,963,841	$23,543,926	$58,507,767	($3,786,382)	-6%	$103,445,005	110,539,422	$85,036,768
Power Production	$48,107,556	$22,046,434	$23,528,489	$45,574,923	($2,532,633)	-5%	$57,879,873	62,780,602	$77,587,412
Fiber	$25,277,199	$16,069,967	$11,353,411	$27,423,378	$2,146,179	8%	$7,586,432	5,010,000	$4,810,000
IS/Facilities	$24,618,975	$3,557,165	$9,599,672	$13,156,837	($11,462,138)	-47%	$62,948,575	101,546,408	$101,590,600
Technology	$3,839,438	$2,935,603	$2,183,691	$5,119,295	$1,279,857	33%	$4,954,945	3,955,375	$4,606,625
Other		$20,058	$1,798,000	$1,818,058	$1,818,058	Infinity	$3,050,000	0	$0
Total	**$164,137,316**	**$79,593,067**	**$72,007,189**	**$151,600,257**	**($12,537,060)**	**-8%**	**$239,864,830**	**283,831,807**	**$273,631,405**

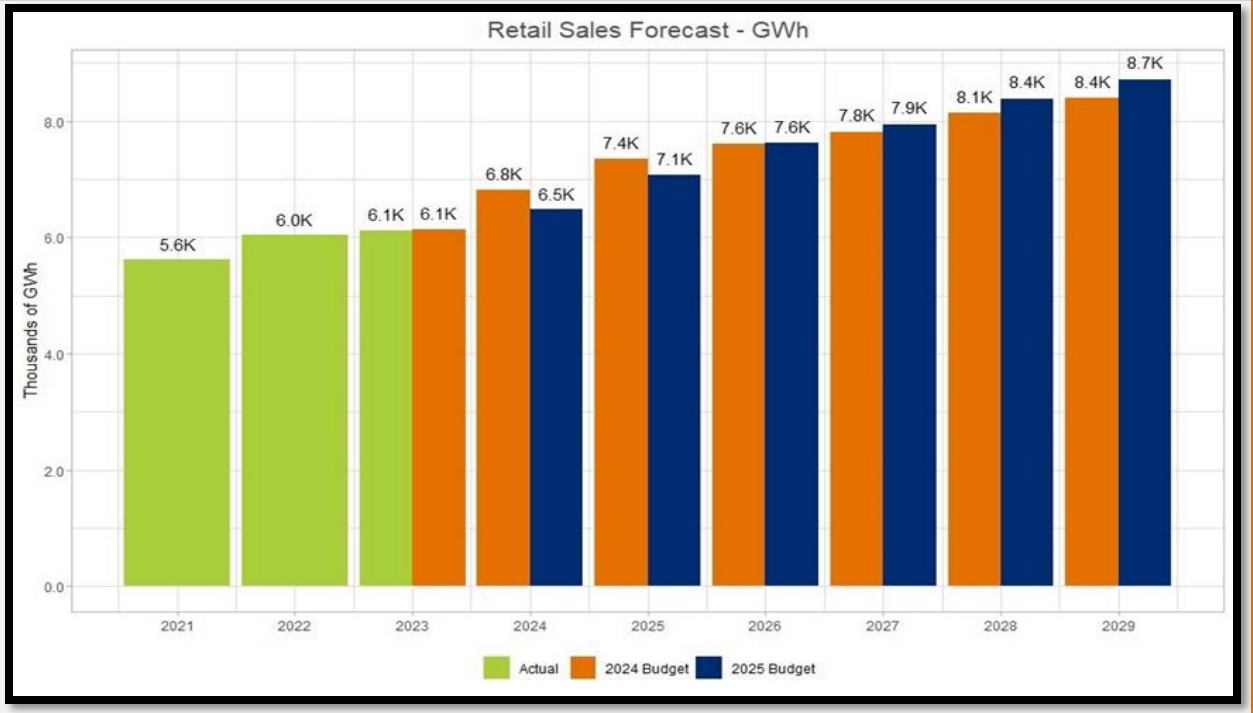
Total Capital Portfolio (Direct Capital)

Initiative Name	2024	2025	2026
FMPI - PDF_PD Facilities	$5,237,257	$32,222,191	80,594,528
PR Turbine Upgrade	$22,894,108	$26,161,577	22,000,420
PR Generator Rewind	$10,250,044	$12,795,595	11,397,824
QTEP - MT View Breaker & Half	$2,366,479	$12,162,253	13,402,976
FMPI - PDF _SC2	$205,859	$10,430,000	11,125,000
DB2 - Red Rock Transmission	$8,009,912	$10,269,754	0
LPS Microsoft MWH06	$662,890	$9,589,348	1,264,693
IQ#3 ECBID Ruff Substation	$1,109,944	$9,529,137	360,816
QTEP - WAN-MT View 230kV Line	$1,988,050	$9,283,142	2,152,161
IQ#5 SR Quincy Valley	$2,138,336	$8,631,293	160,110
Total	**$151,600,257**	**$239,864,830**	**283,831,807**

- Capital projects are updated thru the project management process, dollars are adjusted accordingly to align with budgeted amount
- Dollars shown as directs (no allocated internal labor – capital labor included in forecast for 2025 is $17.3 million)
- 2025 total capital proposed portfolio is $239.8 million
- Most significant projects (Top 10) are shown to the left

2025 Electric System Plan – Load Growth





- District load forecast utilizes an econometric model approach plus input for growth on large loads
- The load forecast for 2025 is 3.7% lower than what was forecasted for 2025 last year
- By 2029, the forecast is 3.7% higher than last year. You can see this on the first graph
- The 5 year compound annual growth rate (CAGR) (2025-2029) for the new forecast is 4.2% while the 5 year CAGR (2025-2029) for the old forecast was 2.7%
- Construction delays reduced industrial load growth in the first couple years, but later, increased demand from industrial customers led to higher load in subsequent years.

Preliminary Budget Summary – Total Expenditures

Exhibit A - $ in thousands	restated Actuals	audited Actuals	Budget	Budget	Forecast	Budget	Forecast	Forecast	Forecast	Forecast	Forecast
Budgeted Items	2022	2023	2023	2024	2024	2025	2025	2026	2027	2028	2029
Total O&M	$ 167,074	$ 188,741	$ 188,170	$ 201,879	$ 210,015	$ 236,487	$ 236,487	$ 251,165	$ 255,862	$ 267,608	$ 279,319
Taxes	$ 21,151	$ 22,622	$ 21,556	$ 23,662	$ 23,599	$ 24,048	$ 24,048	$ 24,505	$ 24,972	$ 25,448	$ 25,933
Electric Capital	$ 86,550	$ 114,791	$ 80,842	$ 101,017	$ 100,652	$ 189,664	$ 189,664	$ 212,945	$ 147,722	$ 147,461	$ 86,578
PRP Capital	$ 69,822	$ 88,378	$ 74,139	$ 71,896	$ 71,332	$ 63,384	$ 63,384	$ 96,789	$ 74,021	$ 56,107	$ 139,498
Total Capital	$ 156,372	$ 203,169	$ 154,981	$ 172,913	$ 171,984	$ 253,048	$ 253,048	$ 309,734	$ 221,743	$ 203,568	$ 226,076
Debt Service - (net of Rebates)	$ 73,717	$ 73,167	$ 71,986	$ 68,022	$ 71,931	$ 72,722	$ 72,722	$ 72,692	$ 67,284	$ 80,919	$ 83,723
Total Expenditures	$ 418,313	$ 487,698	$ 436,693	$ 466,476	$ 477,528	$ 586,304	$ 586,304	$ 658,096	$ 569,861	$ 577,542	$ 615,051
Expenditures offsets for deduction											
Contriutions in Aid of Construction	$ (10,781)	$ (37,131)	$ (10,713)	$ (12,257)	$ (17,808)	$ (16,550)	$ (16,550)	$ (13,240)	$ (12,136)	$ (11,033)	$ (11,033)
Sales to Power Purchasers at Cost	$ (28,654)	$ (25,298)	$ (13,765)	$ (16,889)	$ (22,163)	$ (19,125)	$ (19,125)	$ (14,687)	$ (15,161)	$ (15,811)	$ (16,492)
Net Power (+ Expense, -Revenue)	$ (86,554)	$ (310,808)	$ (95,178)	$ (90,167)	$ (246,656)	$ (182,791)	$ (182,791)	$ (128,873)	$ (45,303)	$ 2,626	$ (15,644)
Total Expenditures Offset	$ (125,989)	$ (373,236)	$ (119,656)	$ (119,312)	$ (286,627)	$ (218,466)	$ (218,466)	$ (156,800)	$ (72,600)	$ (24,218)	$ (43,169)
Total Budgeted Expenditures	$ 292,324	$ 114,462	$ 317,038	$ 347,163	$ 190,901	$ 367,839	$ 367,839	$ 501,296	$ 497,261	$ 553,325	$ 571,882

Expenditure Offsets

- The material impact is net power, driven by the increase EUDL value and slice contracts. The increased EUDL value has occurred in the last three auctions. However, due to increased load needs and energy costs, these dollars are expected to be consumed by market purchases to meet said growth.

Preliminary Budget Summary – Net Position

Exhibit B - $ in thousands	restated Actuals	audited Actuals	Budget	Budget	Forecast	Budget	Forecast	Forecast	Forecast	Forecast	Forecast
CONSOLIDATED OPERATIONAL PERFORMANCE	2022	2023	2023	2024	2024	2025	2025	2026	2027	2028	2029
Sales to Power Purchasers at Cost	$ 28,654	$ 25,298	$ 13,765	$ 16,889	$ 22,163	$ 19,125	$ 19,125	$ 14,687	$ 15,161	$ 15,811	$ 16,492
Retail Energy Sales	$ 265,721	$ 269,355	$ 272,425	$ 313,316	$ 292,199	$ 324,494	$ 324,494	$ 359,616	$ 413,507	$ 456,194	$ 502,607
Net Power (Net Wholesale + Other Power Reven	$ 86,554	$ 310,808	$ 95,178	$ 90,167	$ 246,656	$ 182,791	$ 182,791	$ 128,873	$ 45,303	$ (2,626)	$ 15,644
Fiber Optic Network Sales	$ 12,775	$ 13,669	$ 12,300	$ 13,522	$ 13,522	$ 13,793	$ 13,793	$ 14,069	$ 14,350	$ 14,637	$ 14,930
Other Revenues	$ 3,409	$ 3,023	$ 2,354	$ 3,295	$ 3,023	$ 3,023	$ 3,023	$ 3,023	$ 3,023	$ 3,023	$ 3,023
Operating Expenses	$ (167,074)	$ (188,741)	$ (188,170)	$ (201,879)	$ (210,015)	$ (236,487)	$ (236,487)	$ (251,165)	$ (255,862)	$ (267,608)	$ (279,319)
Taxes	$ (21,151)	$ (22,622)	$ (21,556)	$ (23,662)	$ (23,599)	$ (24,048)	$ (24,048)	$ (24,505)	$ (24,972)	$ (25,448)	$ (25,933)
Net Operating Income (Loss) Before Depreciati	**$ 208,888**	**$ 410,791**	**$ 186,296**	**$ 211,648**	**$ 343,950**	**$ 282,691**	**$ 282,691**	**$ 244,597**	**$ 210,509**	**$ 193,982**	**$ 247,443**
Depreciation and amortization	$ (80,307)	$ (86,439)	$ (77,841)	$ (89,397)	$ (95,061)	$ (101,728)	$ (101,728)	$ (108,015)	$ (114,599)	$ (120,536)	$ (127,183)
Net Operating Income (Loss)	**$ 128,581**	**$ 324,351**	**$ 108,455**	**$ 122,250**	**$ 248,889**	**$ 180,963**	**$ 180,963**	**$ 136,581**	**$ 95,910**	**$ 73,446**	**$ 120,260**
Interest, debt and other income	$ (48,948)	$ (8,509)	$ (25,485)	$ (15,875)	$ (2,530)	$ (5,263)	$ (5,263)	$ (3,800)	$ 279	$ (7,106)	$ (7,350)
CIAC	$ 10,781	$ 37,131	$ 10,713	$ 12,257	$ 17,808	$ 16,550	$ 16,550	$ 13,240	$ 12,136	$ 11,033	$ 11,033
Change in Net Position	**$ 90,414**	**$ 352,973**	**$ 93,683**	**$ 118,632**	**$ 264,166**	**$ 192,250**	**$ 192,250**	**$ 146,021**	**$ 108,325**	**$ 77,373**	**$ 123,943**

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

Retail Energy Sales

- Same as reported in Q2 Financial Forecast; includes the latest Retail Sales Forecast.
- 2025 retail sales expected to increase operating revenues $32.3M over 2024 (decreased in relation to prior load forecast by $15M).
- Includes assumed rate increases of 2% for 2025 through 2029 (note this is uplift to total revenue, not reflective of actual rate increases)
- Initial estimate of forecasted “EUDL CRAC” revenue starting in 2026 (expense and revenue offset – total amount added $209M for 2026-2029).

Net Power

- CCA Auction results thru June included in the YTD flowing into 2024 Forecast ($19.5M).
- Auction results and respective EUDL came in higher than historical
- PGE Slice revenue incorporated into 24Q4 forecast (impacts 2024-2027).
  - 2024 - $87.3M
  - 2025 - $85.0M
  - 2026 - $85.5M
- Total fixed slice payments forecasted for 2024 is $104.0M.

Interest, debt and other income

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

Grant County PUBLIC UTILITY DISTRICT

Preliminary Budget Summary – Key Metrics

Combined Financial Results

Financial Metrics	Target	Actuals 2022	Actuals 2023	Budget 2024	Prelim Budget 2025	Forecast 2024	Forecast 2025	Forecast 2026	Forecast 2027	Forecast 2028	Forecast 2029
Change in Net Position		$ 90,414	$352,973	$ 118,632	$ 192,250	$264,166	$192,250	$146,021	$108,325	$ 77,373	$123,943
Liquidity											
Elect System Liqidity (Rev + R&C)	**$155 MM**	$126,794	$322,394	$ 172,095	$ 321,568	$374,378	$321,566	$249,952	$230,539	$219,587	$270,808
Days Cash On Hand	**> 250**	305	628	348	368	501	368	306	308	325	313
Leverage											
Consolidated DSC	**>1.8x**	2.57	5.29	3.17	4.09	4.92	4.09	3.60	3.53	2.75	3.27
Consolidated Debt/Plant Ratio	**<= 60%**	48%	44%	43%	38%	42%	38%	35%	29%	32%	31%
Profitability											
Consolidated Return on Net Assets	**>4%**	3.8%	14.2%	4.7%	7.1%	10.3%	7.1%	5.0%	3.6%	2.5%	3.9%
Retail Operating Ratio	**<=100%**	108%	110%	104%	109%	114%	109%	118%	98%	100%	98%

Dashboard - Financial Metrics/Performance

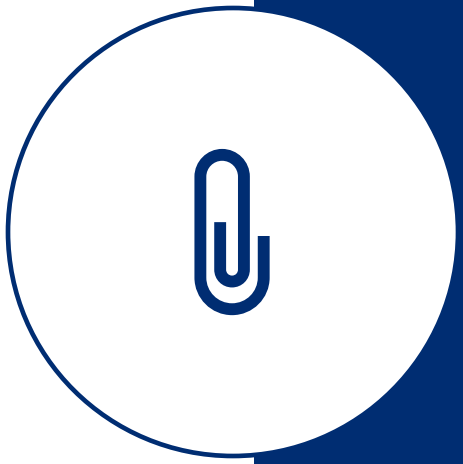
	2024	2025	2026	2027	2028	2029
Elect System Liqidity (Rev + R&C)	+	+	+	+	+	+
Consolidated Debt Service Coverage	+	+	+	+	+	+
Consolidated Debt/Plant	+	+	+	+	+	+
Consolidated Return on Net Assets	+	+	+	-	-	-
Retail Operating Ratio	-	-	-	+	-	+

Grant County PUBLIC UTILITY DISTRICT

04

Appendix A - Scenarios

Events that could have a significant impact on budget



Operational Scenario Descriptions

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

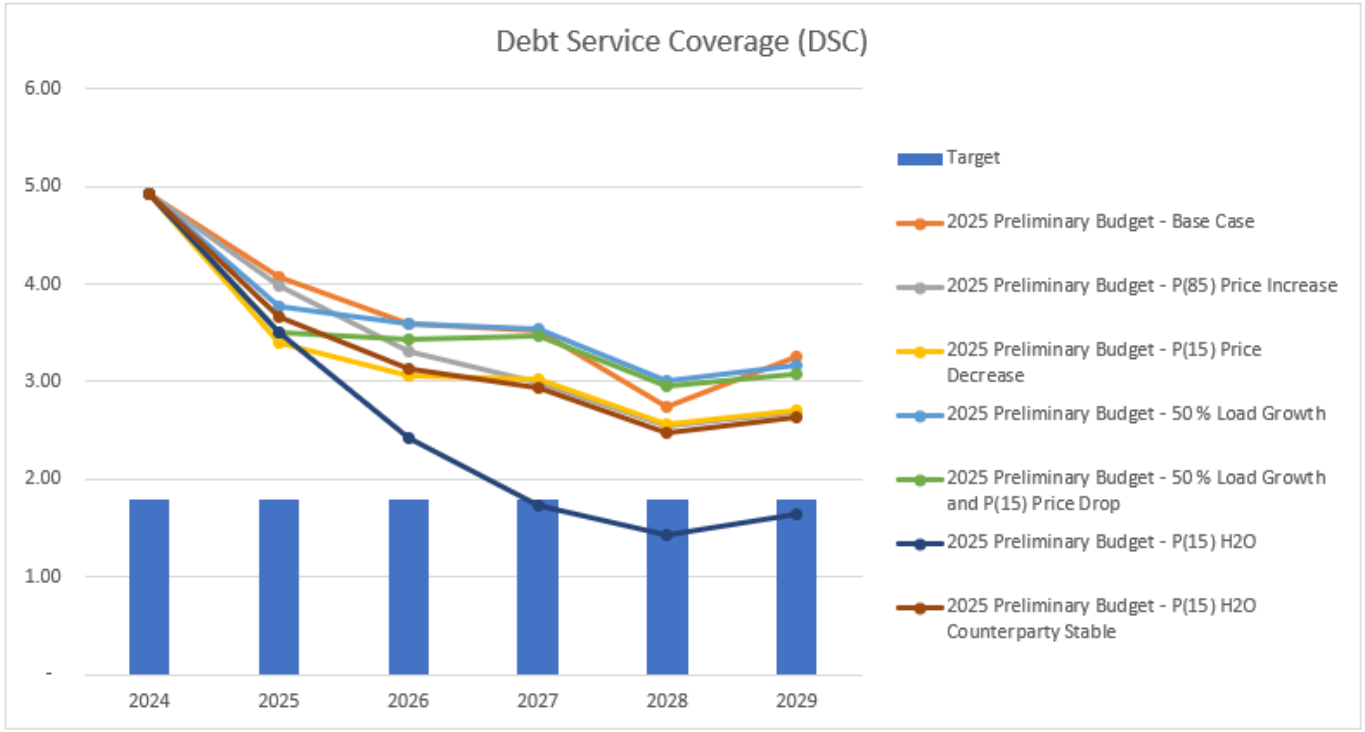
- Scenarios that provide insight on Grant PUD's exposure to wholesale prices, that is selling and buying from the market when Grant's resources don't match load needs.
  - High wholesale prices (P85, prices only higher 15% of time)
  - Low wholesales prices (P15, prices only lower 15% of time)

- Scenarios that show how Grant PUD's financial metrics respond when load growth (electricity sales to retail customers) slows down from expected growth.
  - Low load growth at ½ growth rate of base forecast
  - Low load growth (½ Base) combined with low wholesale prices (P15)

- Scenarios that provide the impact of changing water conditions on the Columbia River
  - Low water (P15, water flow at dams only lower 15% of the time) Isolated
  - Low water and Counter Party Stable

Grant County PUBLIC UTILITY DISTRICT

Operational Scenarios – Comparison to Base Budget



Debt Service Coverage (DSC)	2024	2025	2026	2027	2028	2029
Target	1.80	1.80	1.80	1.80	1.80	1.80
2025 Preliminary Budget - Base Case	4.92	4.08	3.59	3.52	2.74	3.25
2025 Preliminary Budget - P(85) Price Increase	4.92	3.98	3.30	3.00	2.55	2.69
2025 Preliminary Budget - P(15) Price Decrease	4.92	3.40	3.06	3.03	2.56	2.70
2025 Preliminary Budget - 50 % Load Growth	4.92	3.77	3.59	3.53	3.00	3.16
2025 Preliminary Budget - 50 % Load Growth and P(15	4.92	3.51	3.43	3.47	2.95	3.08
2025 Preliminary Budget - P(15) H2O	4.92	3.51	2.42	1.74	1.43	1.64
2025 Preliminary Budget - P(15) H2O Counterparty Sta	4.92	3.67	3.14	2.93	2.47	2.63

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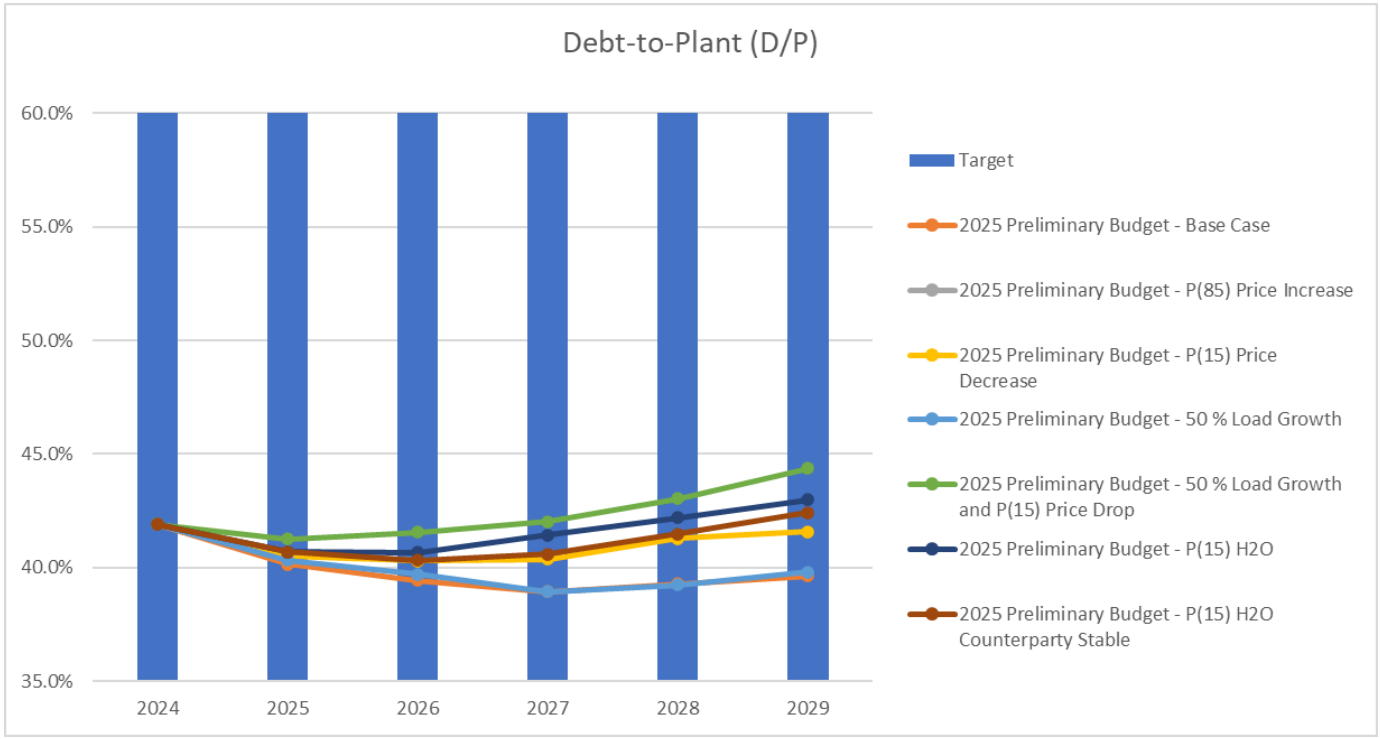
Operational Scenarios – Comparison to Base Budget



Debt-to-Plant (D/P)	2024	2025	2026	2027	2028	2029
Target	60%	60%	60%	60%	60%	60%
2025 Preliminary Budget - Base Case	41.9%	40.1%	39.4%	39.0%	39.3%	39.6%
2025 Preliminary Budget - P(85) Price Increase	41.9%	39.4%	37.2%	36.0%	36.0%	36.1%
2025 Preliminary Budget - P(15) Price Decrease	41.9%	40.5%	40.3%	40.4%	41.3%	41.6%
2025 Preliminary Budget - 50 % Load Growth	41.9%	40.3%	39.7%	38.9%	39.3%	39.8%
2025 Preliminary Budget - 50 % Load Growth and P(15	41.9%	41.3%	41.6%	42.0%	43.0%	44.4%
2025 Preliminary Budget - P(15) H2O	41.9%	40.7%	40.7%	41.4%	42.2%	43.0%
2025 Preliminary Budget - P(15) H2O Counterparty Sta	41.9%	40.7%	40.3%	40.6%	41.5%	42.4%

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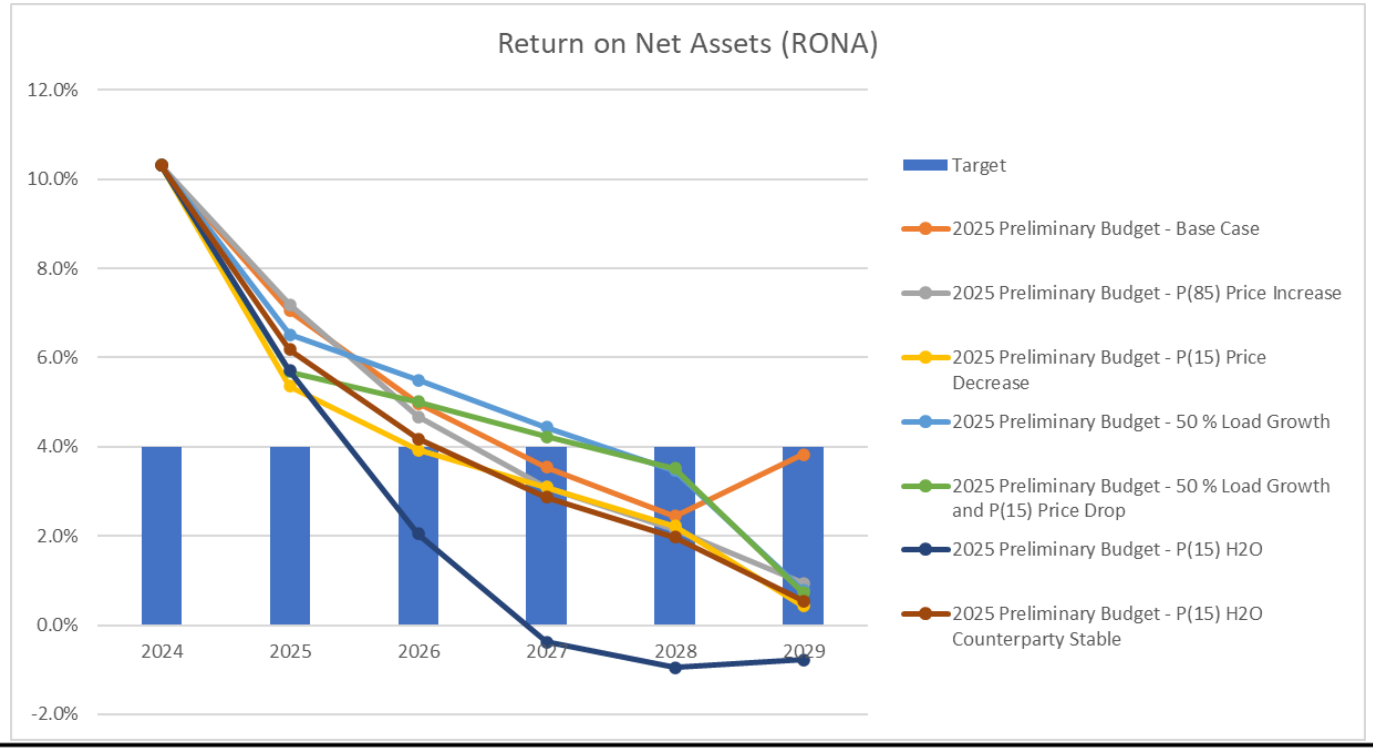
Operational Scenarios – Comparison to Base Budget



Return on Net Assets (RONA)	2024	2025	2026	2027	2028	2029
Target	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
2025 Preliminary Budget - Base Case	10.3%	7.0%	5.0%	3.5%	2.5%	3.8%
2025 Preliminary Budget - P(85) Price Increase	10.3%	7.2%	4.7%	3.1%	2.2%	0.9%
2025 Preliminary Budget - P(15) Price Decrease	10.3%	5.4%	3.9%	3.1%	2.2%	0.4%
2025 Preliminary Budget - 50 % Load Growth	10.3%	6.5%	5.5%	4.4%	3.5%	0.8%
2025 Preliminary Budget - 50 % Load Growth and P(15	10.3%	5.7%	5.0%	4.2%	3.5%	0.7%
2025 Preliminary Budget - P(15) H2O	10.3%	5.7%	2.0%	-0.4%	-1.0%	-0.8%
2025 Preliminary Budget - P(15) H2O Counterparty Sta	10.3%	6.2%	4.2%	2.9%	2.0%	0.5%

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Appendix B – Summarized Budget Reconciliation

Appendix – 2025 Budget Comparison QFR BvA items

Budget Comparison						
		2025 Budget ---Preliminary---				
					9.97%	= Labor-to-CAP
		BU OP Budgets	Enterprise	O&M	CAP	TOTAL
Labor	Salaries & Wages	$ 112,416,049		$ 101,562,714	$ 10,853,335	$ 112,416,049
	Overtime	$ 8,017,848		$ 6,775,240	$ 1,242,608	$ 8,017,848
	Benefits		$ 47,776,862	$ 42,531,677	$ 5,245,185	$ 47,776,862
	Other Labor	$ 940,079	$ 2,429,639	$ 3,369,718	$ -	$ 3,369,718
	TOTAL	**$ 121,373,976**	**$ 50,206,501**	**$ 154,239,348**	**$ 17,341,128**	**$ 171,580,477**
Directs	G&A	$ 13,095,354		$ 13,095,354		$ 13,095,354
	IT	$ 9,403,971		$ 9,403,971		$ 9,403,971
	Operating Materials & Equipment	$ 11,939,384		$ 11,939,384		$ 11,939,384
	Purchased Services	$ 42,944,205		$ 42,944,205		$ 42,944,205
	Risk	$ -	$ 5,204,997	$ 5,304,997		$ 5,304,997
	Transportation	$ 1,605,215		$ 1,605,215		$ 1,605,215
	Utilities	$ 1,023,944		$ 1,023,944		$ 1,023,944
	Capitalized A&G			$ (4,335,267)	$ 4,335,267	$ -
	PRP CAP				$ 54,122,935	$ 54,122,935
	ELEC CAP				$ 177,248,595	$ 177,248,595
		$ 80,012,073	**$ 5,204,997**	**$ 80,981,803**	**$ 235,706,797**	**$ 316,688,600**
		$ 201,386,049	**$ 55,411,498**	**$ 235,221,151**	**$ 253,047,926**	**$ 488,269,077**
Enterprise TOTALs		**$ 201,386,049**	**$ 55,411,498**	**$ 235,221,151**	**$ 253,047,926**	**$ 488,269,077**
Balance Sheet, COGs, & Other Activity				$ 1,265,428		$ 1,265,428
Debt Service (net of rebates)			$ 72,722,360			$ 72,722,360
Taxes			$ 24,047,622			$ 24,047,622
Enterprise TOTALs		**$ 201,386,049**	**$ 55,411,498**	**$ 236,486,579**	**$ 253,047,926**	**$ 586,304,487**

Exhibit A & B =

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