

Strategic Plan Metrics

2023-Q3

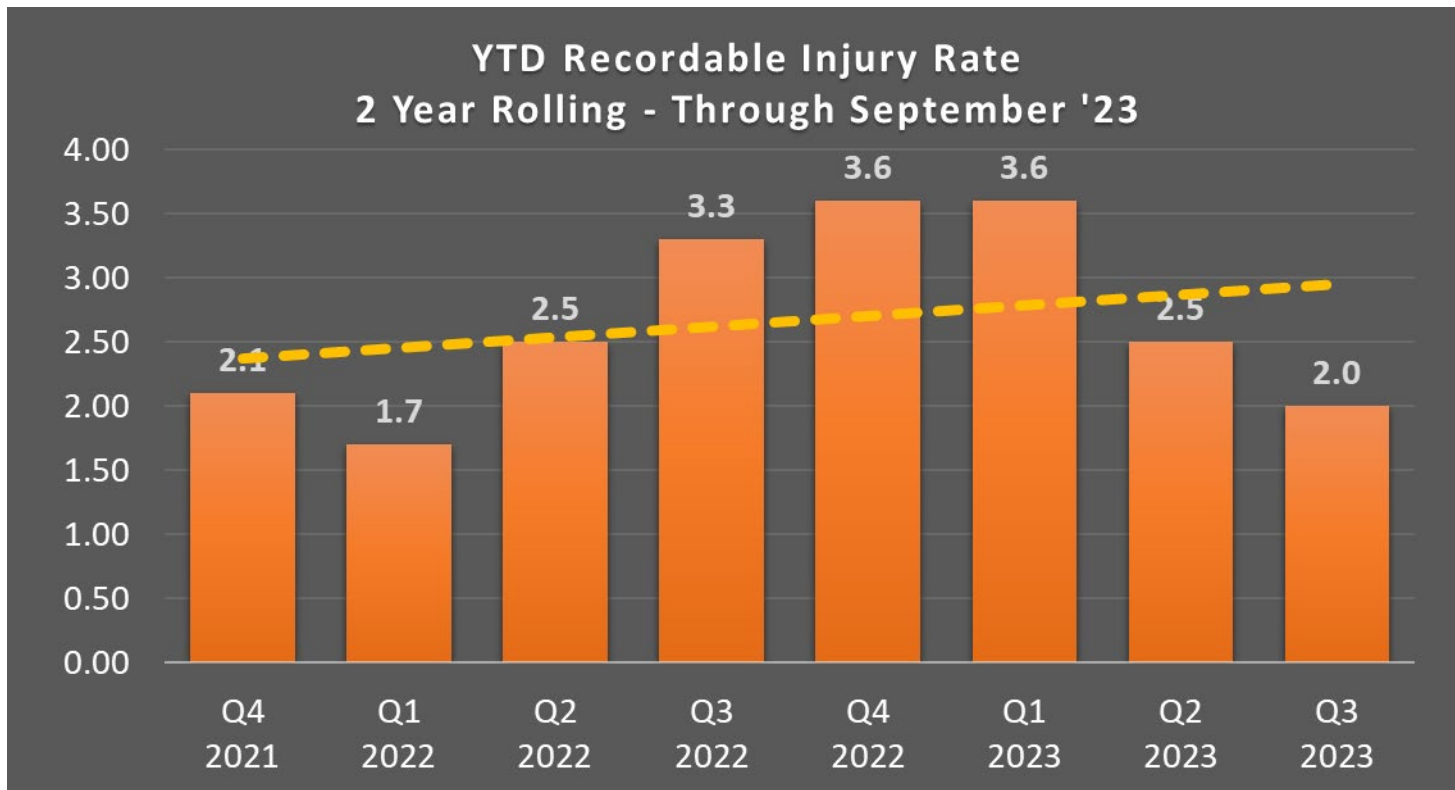
October 10, 2023



Powering our way of life.

Objective 1 – Safety Performance

Zero Recordable Incident Rate	2023 Target	2023
	0	2.0



- Recordable Injury Rate through 2023-Q3

Changing the Culture

- Safety Meeting attendance (12 months ending Sept. 2023)

Oct 95%, Nov 96%, Dec 95%,
Jan 98%, Feb 98%, Mar 98%,
Apr 96%, May 96%, Jun 93%,
Jul 96%, Aug 97%, Sept 98%

- 407 jobsite reviews conducted through Sept 2023

Objective 2 – Design and Sustain an Engaging and Fulfilling Grant PUD Culture

Organizational Health Index	2023 Target	2023
	≥ 75	55

- Target is top quartile based on McKinsey’s Organizational Health Index
- 2019 survey result was 42. Increase of 6.5 points per year is higher than the average increase of 5 points per year
- Improved response rate of 85% as compared to 2019 response rate of 65%

Employee Engagement Assessment	2023 Target	2023
	≥ 75	32

- Current score is from October 2022
- Scored every two years. Next assessment is planned for fall of 2024 (to be recorded at 2024-Q4)
- Target is 75th percentile rank, which is top quartile

Objective 2 – Design and Sustain an Engaging and Fulfilling Grant PUD Culture

Educational Reimbursement Target	2023 Target	2023
	75%	84%

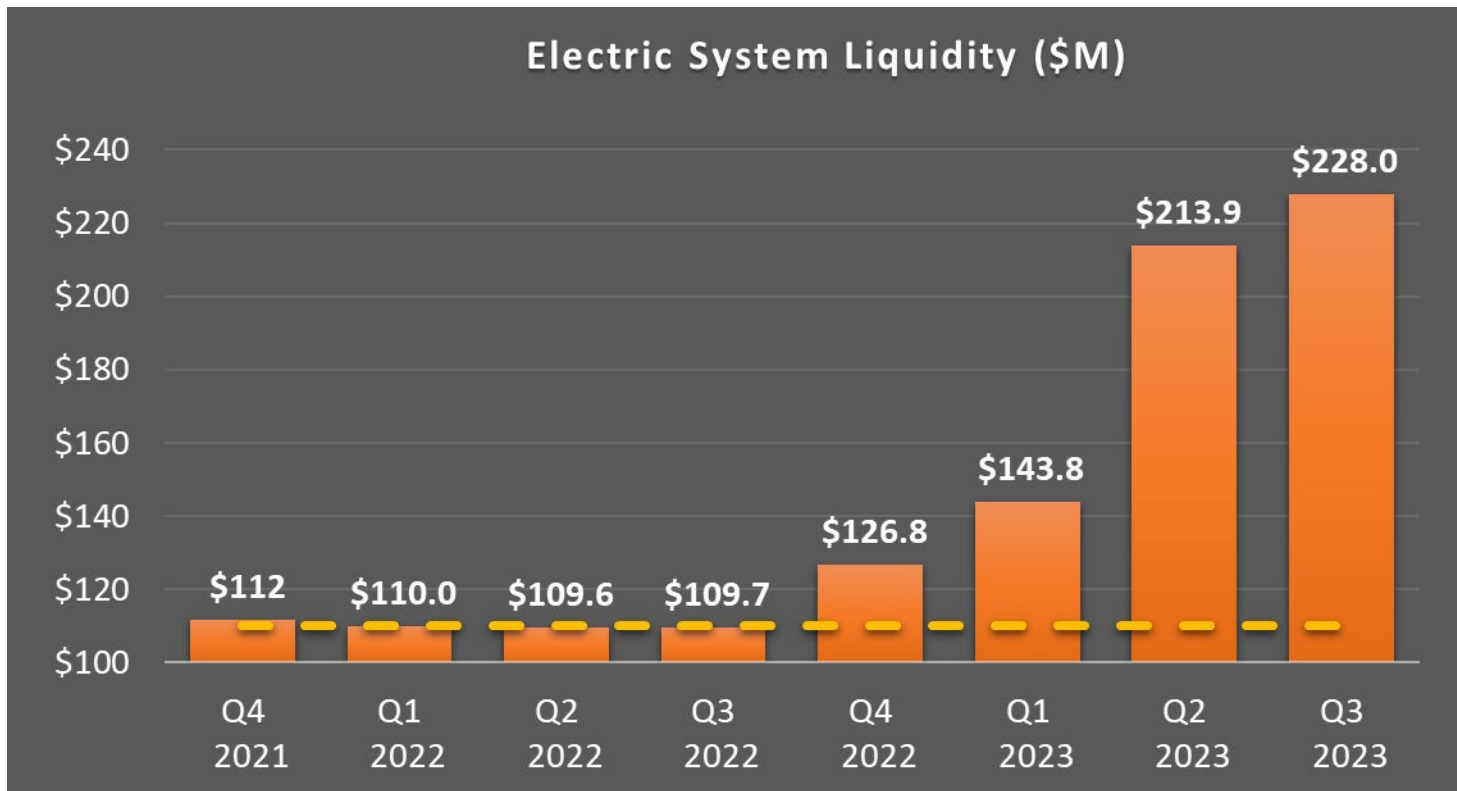
- Target is 75% completion rate of the learning path (e.g., degrees, certifications, apprenticeship) measured upon program exit
- Since 2016, 15 of 20 employees exiting the program have completed what they set out to accomplish
- Currently have 25 program participants; Historically, average participation has been 11 employees

Training Effectiveness Assessment	2023 Target	2023
	4 out of 5 stars	4.35 stars

- Based on employee-reported training results
- Includes LMS and Live/Virtual training scores

Objective 3 – Maintain a Strong Financial Position

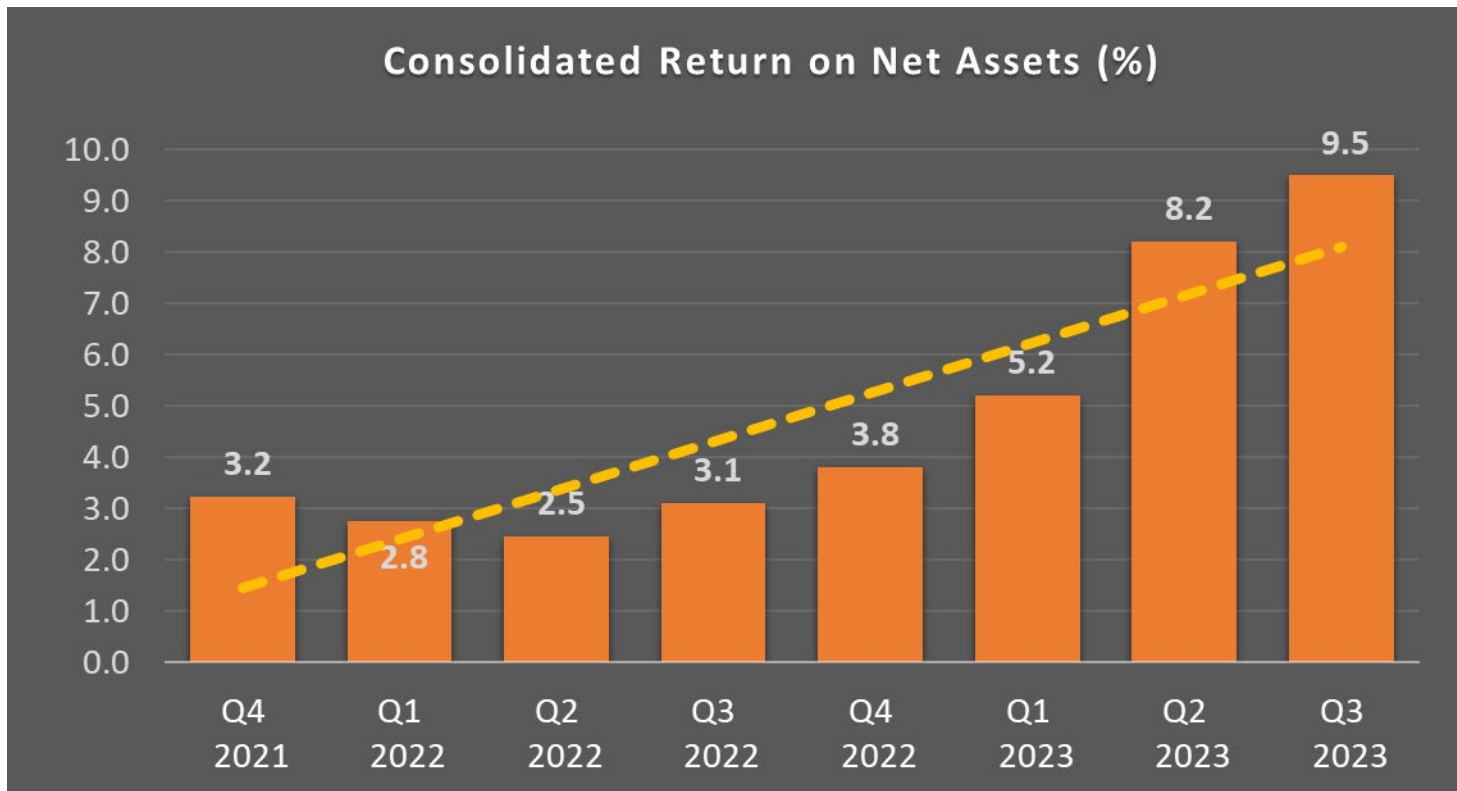
Electric System Liquidity	2023 Target	2023
	≥ \$105 MM	\$228 MM



- Electric System Liquidity is comprised of the *ELEC System Revenue Fund* + *ELEC System Reserve & Contingency Fund*
- Preliminary value for 2023 as of 2023-Q3

Objective 3 – Maintain a Strong Financial Position

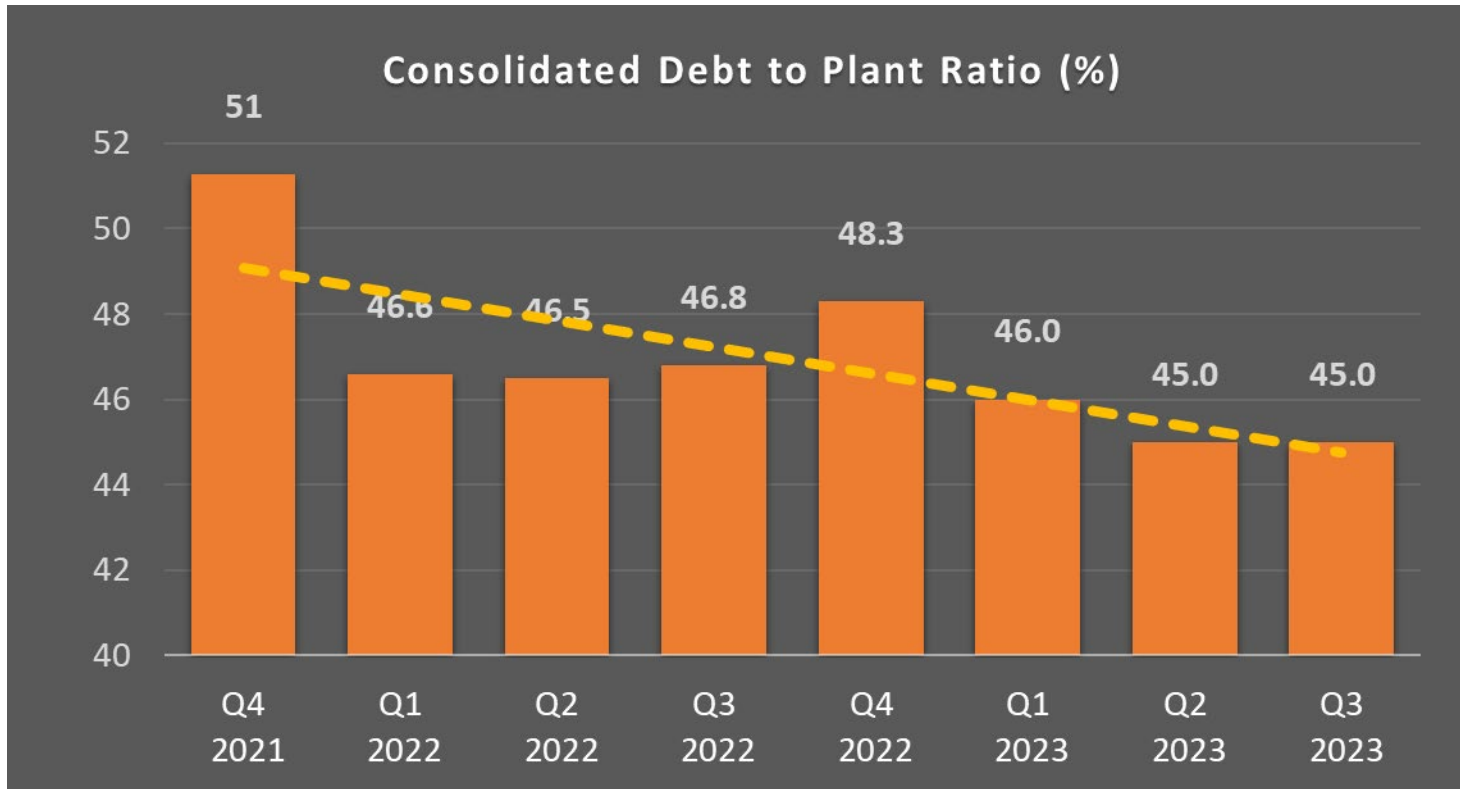
Consolidated Return on Net Assets	2023 Target	2023
	≥ 4.0%	9.5%



- Change in Net-Assets / Net-Plant
- Preliminary value for 2023 as of 2023-Q3

Objective 3 – Maintain a Strong Financial Position

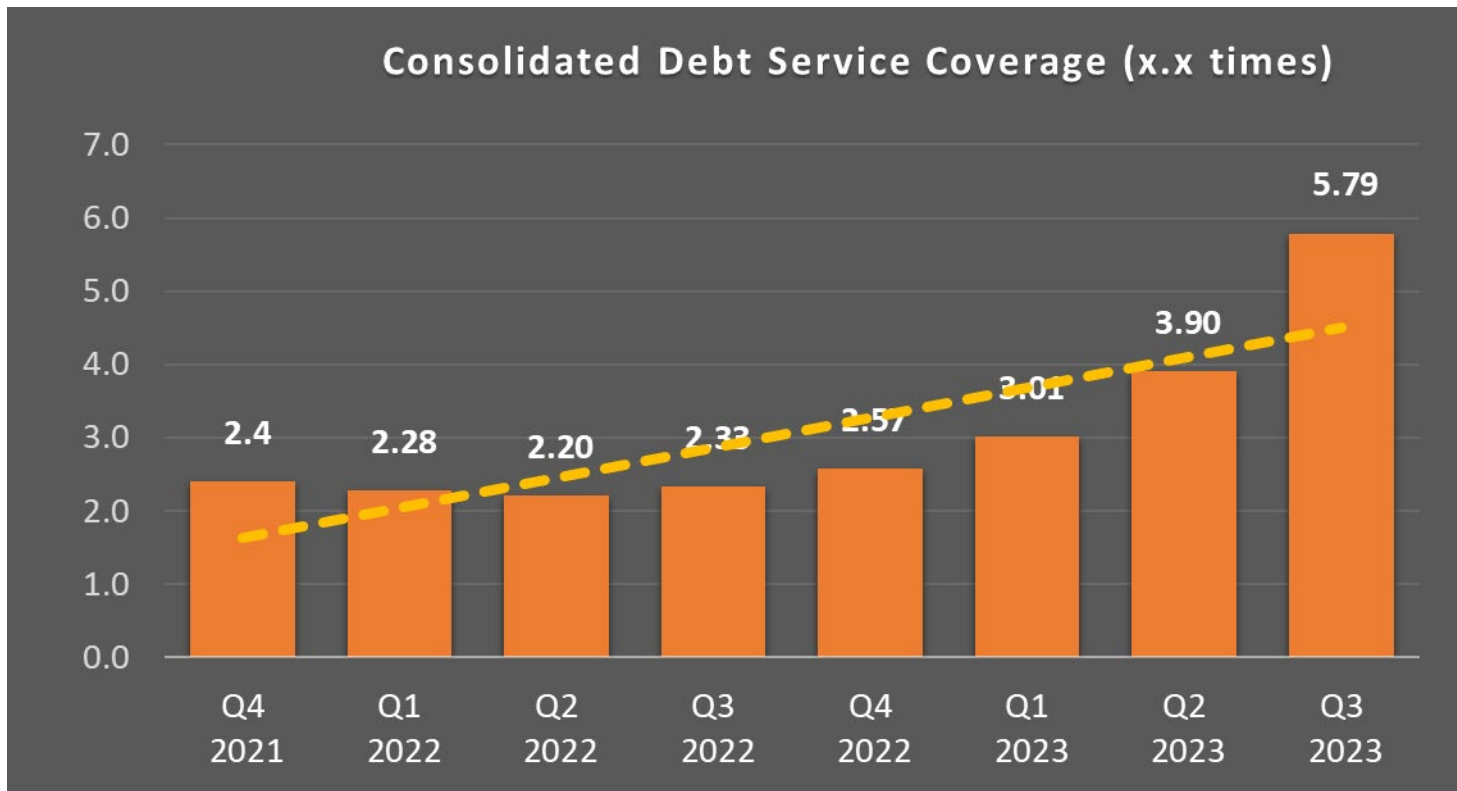
Consolidated Debt to Plant Ratio	2023 Target	2023
	≤ 60%	45%



- Ratio improved after debt defeasance in January 2021 and additional debt refunding in March 2021
- Based on book value
- D/P based on *Fair Market* value is 28%
- Preliminary value for 2023 as of 2023-Q3

Objective 3 – Maintain a Strong Financial Position

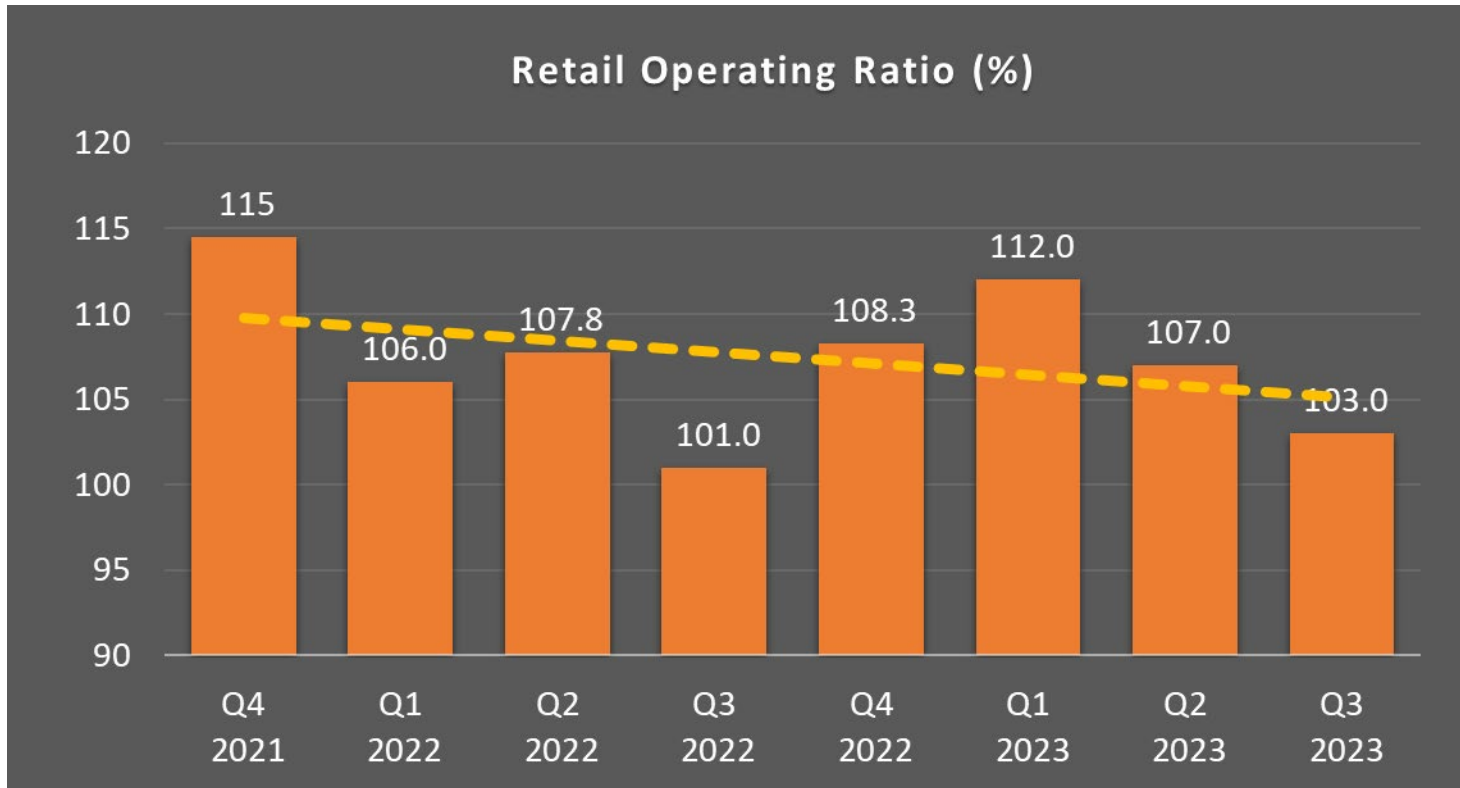
Adjusted Consolidated Debt Service Coverage	2023 Target	2023
	≥ 1.8 x	5.79 x



- Stable over time horizon
- Preliminary value for 2023 as of 2023-Q3

Objective 4 – Provide Long Term Low Rates

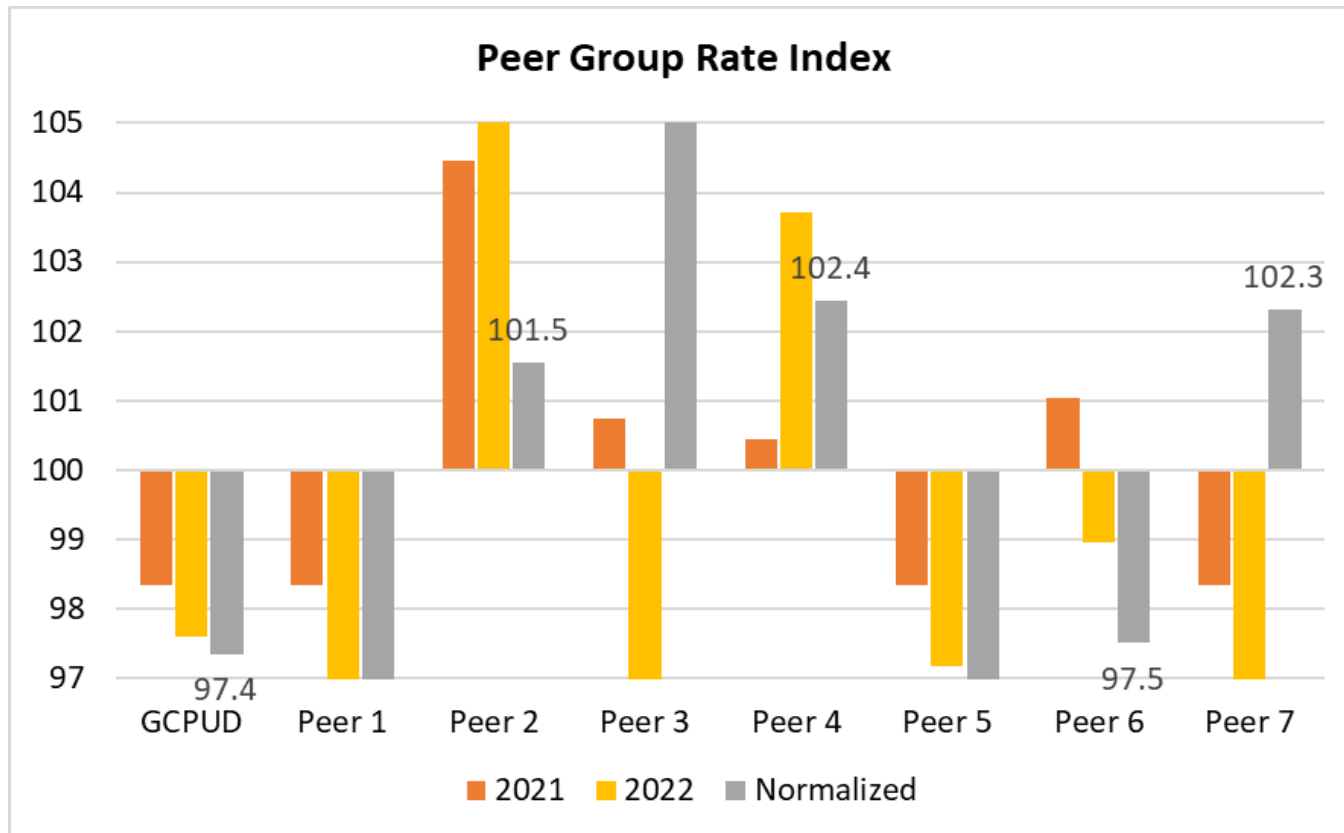
Retail Operating Ratio - Adjusted	2023 Target	2023
	≤ 100%	103%



- Calculated as total retail expenditures divided by total retail revenue
- Preliminary value for 2023 as of 2023-Q3

Objective 4 – Provide Long Term Low Rates

Peer Group of Excellence Retail Rate Index	2023 Target	2023
	≤ 100	97.4



- Index is based on a comparison of GCPUD rate growth to the rate growth of a selected peer group
- Looks at the trend over a five-year period
- A value less than 100 indicates rates growing at a slower pace than the average for the peer group
- Updated as of 2023-Q3 with final 2022 EIA data

Objective 4 – Provide Long Term Low Rates

District Credit Rating	2023 Target	2023
	≥ Aa3	Aa3

System	Moody's	S&P	Fitch
Electric	Aa3	AA+	AA
Outlook	Stable	Stable	Stable
Effective Date	05/06/22	06/30/23	07/05/23
PRP	Aa3	AA	AA
Outlook	Stable	Stable	Stable
Effective Date	05/06/22	06/30/23	07/05/23

FINANCIAL RATINGS			
Credit grade	MOODY'S	FITCH	S&P
HIGHEST	Aaa	AAA	AAA
VERY HIGH	Aa1, Aa2, Aa3	AA+, AA, AA-	AA+, AA, AA-
HIGH	A1, A2, A3	A+, A, A-	A+, A, A-
GOOD	Baa1, Baa2, Baa3, Baa4	BBB+, BBB, BB-	BBB+, BBB, BB-
SPECULATIVE	Ba1, Ba2, Ba3	BB+, BB, BB-	BB+, BB, BB-
VERY SPECULATIVE	B1, B2, B3	B+, B, B-	B+, B, B-
SUBSTANTIAL RISK	Caa1, Caa2, Caa3, Ca	CCC, CC, C, RD, D	CCC+, CCC, CCC-, CC, C, D



Items to our Favor: Ownership of competitive hydro generation, low rates, water and power price risks reduced by exchange contract, and favorable debt service coverage

Objective 5 – Outstanding Service to Customers

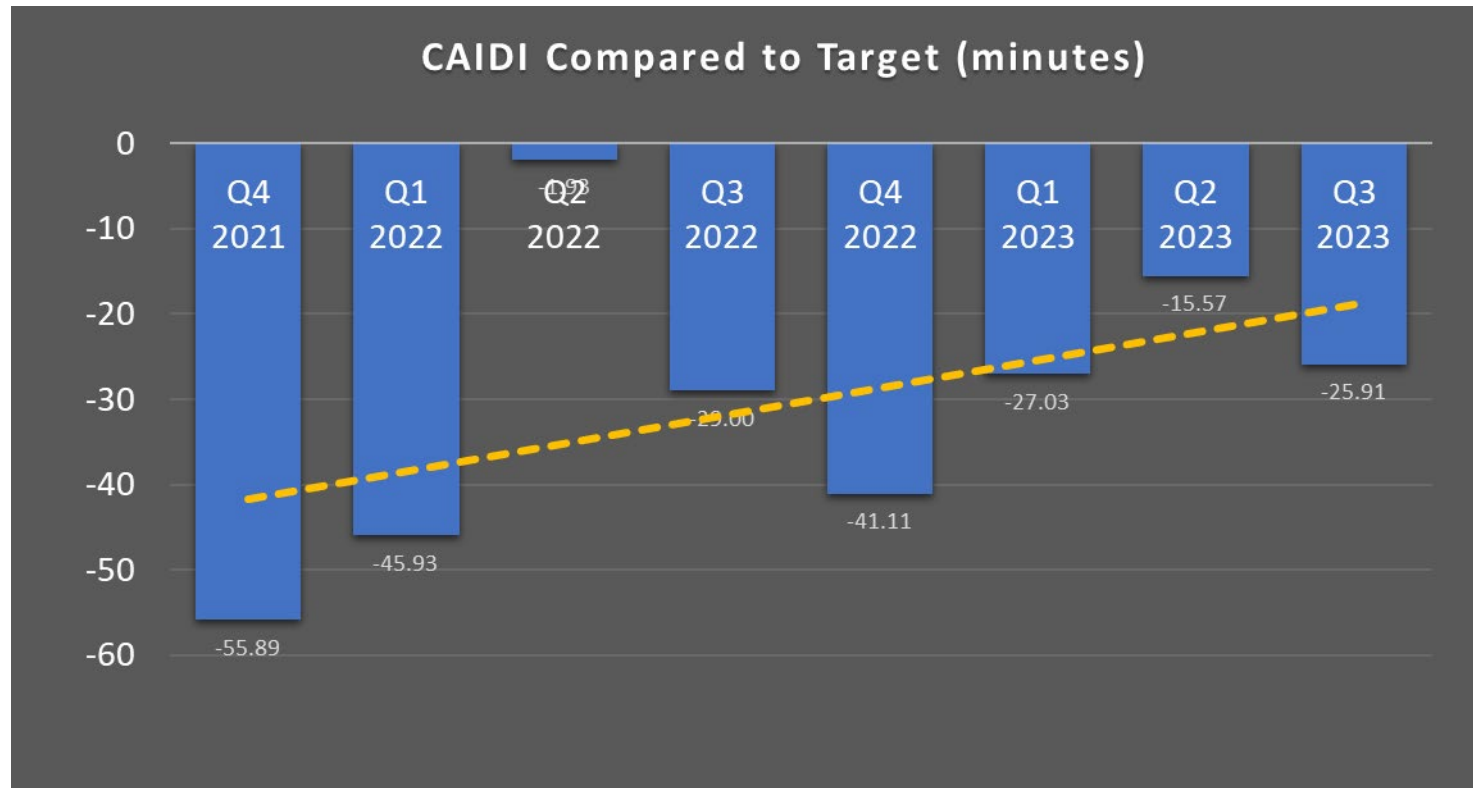
Average Service Availability Index (ASAI)	2023 Target	2023
	≥ 99.985%	99.977%



- ASAI is calculated by dividing the total hours in which service is available to customers by the total hours that service is demanded by customers

Objective 5 – Outstanding Service to Customers

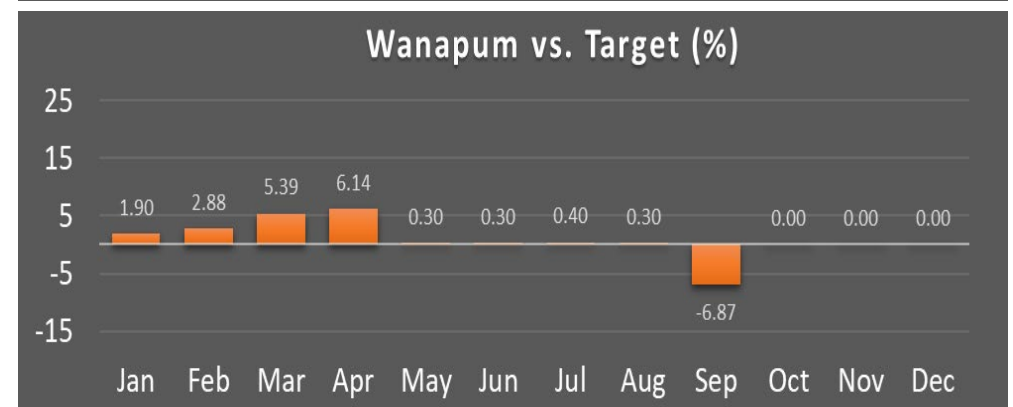
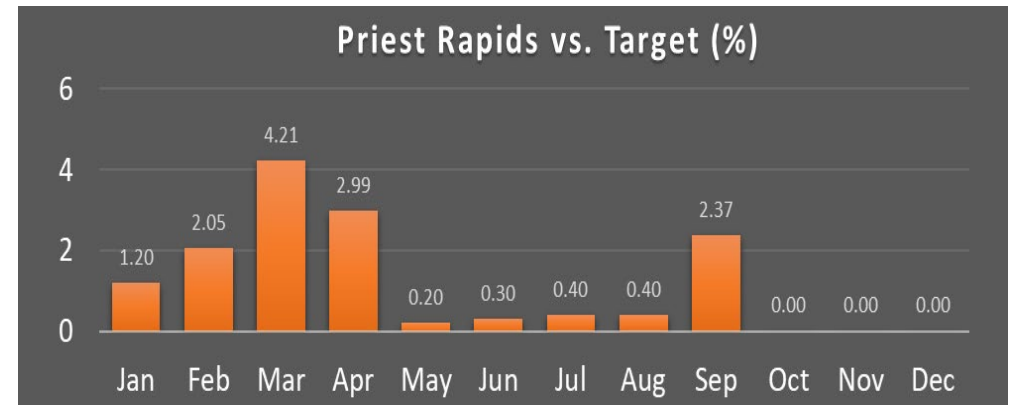
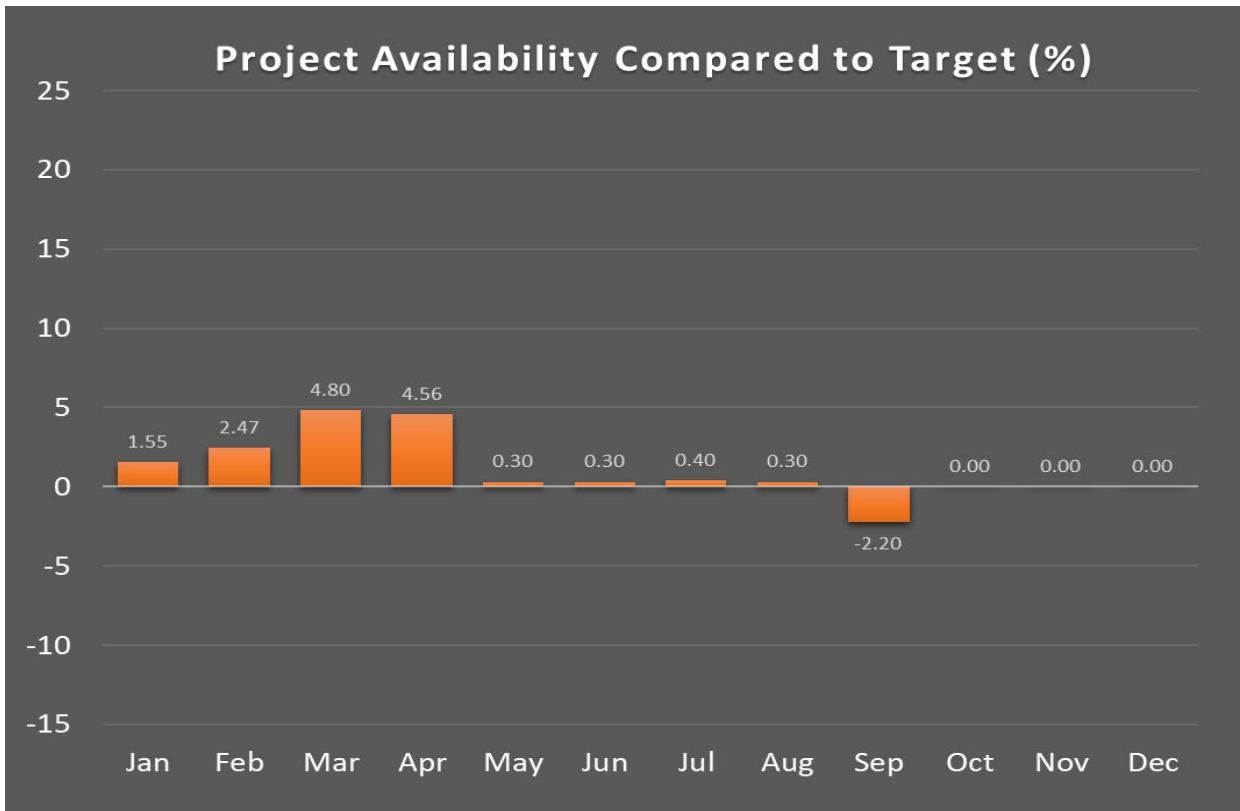
Customer Average Interruption Index (CAIDI)	2023 Target	2023
	< 110 min	135.9 min



- CAIDI is calculated by dividing the sum of all customer minutes of interruption by the number of customers that experienced interruptions during that period.
- CAIDI is a sustained interruption index so only interruptions lasting longer than 5 minutes are included in the calculation.

Objective 5 – Outstanding Service to Customers

PRP Availability	2023 Target	2023
	Meet 12 of 12 Monthly Targets	8 of 9 Monthly Targets



Objective 6 – Operate Responsibly

	2023 Target	2023
Financial Statement Audit Performance	Unmodified Audit Opinion	Unmodified Opinion for 2022
WA State Audit Office Compliance Audit	No Audit Findings	No Audit Findings
FERC / NERC / WECC Compliance Performance	No Findings	No Findings *
FERC and Regulatory Filings	No Late Filings	No Late Filings
Environmental and Cultural	No Issues	No Issues

* Open Enforcement Actions are currently recognized, but not reported in this forum.

Objective 7 – Develop a Sustainable Fiber Optic Network

Achieve Planned Capital Build	2023 Target	2023
	100%	65%

- Year-to-date spend through September is 65% of the 2023 capital project budget
- Balance-of-Year forecasted spend is \$9.2M with Year-End-Projected spend expected to be 100% of the 2023 capital project budget

Average System Take Rate	2023 Target	2023
	≥ 80.0%	70.10%

- End of Q3 take rate was 70.10%, compared to the Q2 take rate of 69.78%

Participation by Community (as of 9/30/2023)

Coulee City	59%	Hartline	65%	Royal City	69%
Desert Aire	97%	Mardon	70%	Soap Lake	64%
Electric City	66%	Mattawa	82%	Warden	53%
Ephrata	73%	Moses Lake	71%	Wilson Creek	60%
Grand Coulee	65%	Quincy	75%	George-Burke	85%

Strategic Objectives	Strategic Plan Metrics	2023 Target	2023 (Q3)
Objective 1: Safety	Zero Recordable Incident Rate	0	2
Objective 2: Design and Sustain an Engaging and Fulfilling Grant PUD Culture	Organizational Health Index	≥ 75	55
	Employee Engagement Assessment	≥ 75	32
	Educational Reimbursement Target	75%	84%
	Training Effectiveness Assessment	≥ 4	4.35 stars
Objective 3: Maintain a Strong Financial Position	Electric System Liquidity	≥ \$105 MM	\$227.8 MM
	Consolidated Return on Net Assets	≥ 4.0%	9.5%
	Consolidated Debt to Plant Ratio	≤ 60%	45.0%
	Adjusted Debt Service Coverage	≥ 1.8 x	6.25 x
Objective 4: Provide Long-Term Low Rates	Retail Operating Ratio	≤ 100%	103%
	Peer Group Retail Rate Index	≤ 100	99.1%
	District Credit Rating	≥ Aa3	Aa3
Objective 5: Outstanding Service to Customers	Average System Availability Index	≥ 99.985%	99.9877%
	Customer Average Interruption Index	< 110 min	135.912
	PRP Availability	12 of 12 Monthly Targets	8 of 9 Monthly Targets
	Customer Service Survey	--- Not reported in 2022 ---	Will take place Fall 2023
Objective 6: Operate Responsibly	Audits, Findings, Filings	No Findings, No Late Filings	No 2022 Findings, No Late Filings
Objective 7: Develop a Sustainable Broadband Network	Achieve Planned Capital Build	100%	65%
	Average System Take Rate	≥ 80.0%	70.10%

Questions

