

# 2016 District Performance Plan

## Quarterly Update – Q4 2016 Final

On Track	Caution	Needs Attention	Scheduled Timeframe	Starts in Future
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### OBJECTIVE #1 - COMMIT TO THE HIGHEST LEVEL OF CUSTOMER-OWNER SATISFACTION

Everything we do should be for the benefit of our customer-owners. We will take a strategic, long-term view of implications of our decisions. Our policy decisions will be built around enhancing overall customer-owner satisfaction. Our employees will interact with customer-owners in an empathetic, proactive, and attentive manner, making sure people feel like individuals and are heard. As a utility, we will take a county-wide perspective when considering the impact of all our decisions. When possible under our financial metrics, we will provide a public power benefit built around enhancing the quality of life for customer-owners as they define quality of life.

		2016				Lead
		Q1	Q2	Q3	Q4	
<b>Metrics &amp; Targets</b>						
P	1. Fiber Expansion Premises Passed – Total premises passed for year was 742 against target of 1,038	0	0	519	519	Mike Coleman
P	2. Fiber Installation Service Interval	14 Days	18 Days	9 Days	21 Days	Mike Coleman
P	3. Customer Satisfaction Survey – Overall Satisfaction Metric	90%				John Stoll
<b>Strategic Initiatives</b>						
	4. Establish the Public Power Benefit program					
P	a) Receive 2017 proposals by Jan 4					Jeff Smith
P	b) Staff and Advisory Group complete proposal review by 3/31					Jeff Smith
P	c) Board selects 2017 PPB projects for budget by 5/15					Jeff Smith
P	d) Reset 2016 priorities and allocate designated funding by end of Q2					Kelly Boyd
	5. Enhance the customer experience					John Stoll
P	a) Conduct 2nd customer satisfaction survey by Q1					John Stoll
P	b) Based on benchmarks and results target areas for improvement and include in 2016 activities or 2017 business plan by June 30					John Stoll
<b>Critical Tasks/Actions</b>						
	6. Maintain, update & provide annual report on Strategic Plan					
P	a) Provide annual report to Board by 2nd meeting in March					Steve Wright
P	b) Provide annual report to Strategy Partners in April					Steve Wright
P	c) Define priorities and metrics for 2017-2021 business plans by 4/30					Steve Wright

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		2016				Lead
		Q1	Q2	Q3	Q4	
P	d) Provide Board quarterly status updates on 2016 District Performance Plan					Steve Wright
	7. Complete 2016 Public Power Benefit projects					
S	a) Install charging stations by Q3					Gregg Carrington
	b) Education initiative					Lorna Klemanski
P	i. Develop a set of criteria and guidelines to facilitate District contributions of resources for community education efforts that are within the District’s statutory authority, benefit the District and further the District’s legitimate interests by end of Q2. <span style="color: blue;">Incomplete. Policy drafts were submitted for review. Revisions have been made; not all have been accepted.</span>					Lorna Klemanski
P	ii. Identify community partnerships and resources to establish an education community advisory group by end of Q1. <span style="color: blue;">Potential members were contacted and selected by end of Q1. Advisory group was not assembled as we considered the policy and our approach.</span>					Lorna Klemanski
P	iii. Participate actively in the Apple STEM Network, Q1-4					Lorna Klemanski
S	iv. Reach out to Wenatchee Valley College to provide input and expertise regarding the four-year engineering degree program, Q1-4					Lorna Klemanski
P	v. Develop a plan to conduct a needs assessment by end of Q2. <span style="color: blue;">Complete. The plan was developed by the end of Q2 and the needs assessment survey was conducted by the end of Q3. Collaboration with the Our Valley What’s Next sub-committee continues.</span>					Lorna Klemanski
P	c) Evaluate pilot of day use fees by 12/31					Jeff Smith
P	d) Recommend actions based on Horan Wetland Preservation Feasibility by 3/31					Jeff Smith
P	e) Recommend actions based on Splash-Pad re-evaluation by advisory committee by 5/1					Jeff Smith
P	f) Recommend actions based on legal analysis to expand water/wastewater services by 6/30 for 2017 business plans					John Stoll
S	g) Define parameters of water/ww efficiency study between entities by Q3					John Stoll
P	h) Recommend actions based on legal analysis of authority to fund water quality improvements by 6/30 for 2017 business plans					John Stoll
P	i) Execute Fiber Expansion plan by completing build-out milestones to achieve 1038 premises passed <span style="color: blue;">The goal of 1,038 premises passed was not achieved. Areas built and distribution completed include the Cashmere areas of Tigner Rd, Blue Star Way, Olive Way and four infill areas, as well as half of Manson Blvd and an infill area in Chelan.</span>					Mike Coleman
P	j) Develop Economic Analysis Tool by Q2					Gregg Carrington
S	k) Execute established plan for active role in economic development thru infrastructure by Q3 <span style="color: blue;">The project was not complete by the specified date. Paper is being reviewed internally.</span>					Gregg Carrington

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### OBJECTIVE #2 - INVEST IN CREATING LONG TERM VALUE

We will define plans and make resources available to invest in all our physical assets (generation, transmission, distribution, fiber, parks, water and wastewater) based on a long-term value perspective. We will continue our actions to reduce the volatility of wholesale power sales revenues while also seeking ways to enhance revenues. We will seek to work with our industry colleagues as much as possible, in a collaborative manner build around long-term relationships. Because relationships are important to us, we will look at the spirit and intent of issues rather than just the “letter of the law.” Investing in the source of our organization’s financial value will give us the best opportunity for deriving future public power benefits.

		2016				Lead
		Q1	Q2	Q3	Q4	
<b>Metrics &amp; Targets</b>						
P	8. Electric Service Reliability ASAI (mo/ytd)	99.98	99.98	99.98	99.98	John Stoll
P	9. Water System Integrity	30	30	30	30	John Stoll
P	10. Network System Composite Uptime YTD = 99.976 Def board at CTC Switch and Software bug in Feb/Mar.	99.967	99.964	99.999	99.999	Mike Coleman
P	11. Hydro Availability (YTD) Actual = 67.7%. B1-4 (turbine blade cracks), C9 and C10 (stator shorts), and B7 misalignment are main contributors	70.7%	75.8%	75.9%	76.3%	Kirk Hudson
P	12. Transmission System Availability	99.99%	99.99%	99.99%	99.99%	Kirk Hudson
P	13. Hydro Forced Outage Rate (YTD) Actual = 23.0%. B1-4 (turbine blade cracks), C9 and C10 (stator shorts), and B7 misalignment are main contributors	16.7%	14.4%	13.2%	12.4%	Kirk Hudson
<b>Strategic Initiatives</b>						
P	14. Meet conservation program requirement by 12/31 a) Meet or exceed 2.1 aMW of conservation savings by 12/31 The team acquired 2.05aMW. Main contributor was a decrease in forecasted savings associated with NEEA mid-year due to the new 7 <sup>th</sup> Powerplan. The 7 <sup>th</sup> Power Plan impacts the baseline that is used for comparison purposes.					Gregg Carrington

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On Track	Caution	Needs Attention	Scheduled Timeframe	Starts in Future
S				Gregg Carrington
S				Gregg Carrington
P				Kirk Hudson
P				Kirk Hudson
P				Kirk Hudson
P				Kirk Hudson
P				Kirk Hudson
P				Kirk Hudson
S				Kirk Hudson
S				Kirk Hudson
S				Kirk Hudson
P				Kirk Hudson
				John Stoll
P				John Stoll
P				John Stoll
S				John Stoll

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On Track	Caution	Needs Attention	Scheduled Timeframe	Starts in Future
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	Task			Starts in Future
	20. Complete Fiber Asset Management Program Development <span style="color: blue;">All milestones complete.</span>			
P	a) Categorize system functions by 6/30			
P	b) Assess priorities by 9/30			
P	c) Evaluate and make recommendation by 12/1			
	21. Long range facilities plan – interim target to complete phase II			
P	a) Develop alternatives for Rock Island and Rocky Reach support facilities, Confluence Technology Center, Wenatchee Headquarters, an operational center and customer service center by 12/30			
	22. Advance the District’s strategy at State and Federal levels			
P	a) Obtain approval of hydro licensing reform by 12/1 <span style="color: blue;">While significant progress was made on the issue, the goal was not completed during the year</span>			
S	b) Help establish control measures for Columbia River bird and sea lion fish predation by 8/1 <span style="color: blue;">While significant progress was made on the issue, the goal was not completed during the year</span>			
S	c) Position Chelan PUD as a leader in the Grand Coulee/Chief Joe fish passage issue by 12/1			
P	d) Define PUD version of long-term climate change forecast by Q2 to be used for scenario planning by Q4			
	23. Develop approach and plan to relicense Rock Island Hydro			
P	a) Define strategic planning teams by 2/1			
P	b) Compare relicensing pathways against other PUD projects by 7/1			
P	c) Select the relicensing pathway by 8/1			
	24. Advance Intelligent Grid (two-way metering) capabilities			
P	a) Establish customer involvement topic team by 6/30 <span style="color: blue;">Although the topic team has not been established, an engagement plan has been developed, beginning with employees and then moving into discussions with community leaders</span>			
P	b) Develop customer outreach plan by 6/30			
P	c) Complete technology needs assessment by 12/31			
	25. Develop and implement a strategy to protect the Regional water supply and seek regional operational efficiencies among entities			
S	a) Collaborative outreach with Regional members by 3/31			

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P	b) Complete evaluation of Rock Island source by 9/30 <i>Current site requires a cultural survey which delayed the overall site evaluation</i>						John Stoll	
S	c) Further understand financial impacts of a second source to Regional membership by 11/30 <i>The site evaluation delay has impacted the ability to meet this date</i>						John Stoll	
<b>Critical Tasks/Actions</b>								
26. Execute capital plans on schedule and within budget								
P	a) Execute 80% of Generation capital budget <i>Strong project execution of capital projects at RI is reflected in the improvement towards meeting the target from Q3 to Q4.</i>							Kirk Hudson
P	b) Execute 80% of Transmission capital budget <i>Joint line project, Upper White Pine Rd relocation, and system ops video system deferrals are the main drivers</i>							Kirk Hudson
P	c) Execute 90% of Distribution capital budget <i>Q1: Staff changes and increased customer work has delayed capital projects; efforts are underway to mitigate impact. Q2: We are now on track to meet the goal. Q3: Timing of some capital projects have been pushed out into Q4, however, weather permitting, we anticipate meeting the target by year end – Year end update, we exceeded the target</i>							John Stoll
P	d) Execute 80% of Fiber & Telecom capital budget <i>Delayed spending on Telecom projects and construction delays on fiber construction related to changes in construction standards kept spending below target</i>							Mike Coleman
P	e) Execute 90% of Water capital budget <i>Eagle Rock Main Replacement is in the final stages of completion pushing it into Q4. Spending was below target for year end due to actual project costs coming in less than budget</i>							John Stoll
P	f) Execute 80% of District Services capital budget							Jeff Smith
P	g) Execute 80% of IT/Finance capital budget <i>CIS capital project spending is expected to begin in 2017 rather than 2016</i>							Kelly Boyd
P	h) Execute 80% of Energy Resources capital budget <i>Spend is at just under 80%.</i>							Gregg Carrington

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## OBJECTIVE #3 - PROTECT NATURAL RESOURCES IMPACTED BY OPERATIONS

**We will meet or exceed statutory requirements and commitments to mitigate for the environmental impacts of all our actions. As part of this objective, we will think ahead and seek out “least-cost” alternatives for meeting emerging societal environmental goals.**

		2016				Lead
		Q1	Q2	Q3	Q4	
<b>Strategic Initiatives</b>						
P	27. Successfully meet hydro license requirements					
P	a) Operating at Seasonal Fish Spill Targets					Jeff Smith
P	b) Contracts in place to meet hatchery production targets by 1/31					Jeff Smith
P	c) Funding of the tributary component of NNI by 1/31					Jeff Smith
P	d) Planned species and bull trout take within allowable level					Kirk Hudson
P	28. Complete alternative oil evaluation for Juvenile Fish Bypass System by 12/31 <i>Evaluation was completed just prior to the end of the year.</i>					Kirk Hudson
S	29. Identify and provide a report of all sources of oil and determine where our greatest spill risks are by 12/31 <i>No significant progress on this due to focus on RI B1-4 and hydro work scheduling analyses.</i>					Kirk Hudson
<b>Critical Tasks/Actions</b>						
P	30. Complete Lake Wenatchee Wastewater Capital improvements by 2017					
P	a) Achieve Department of Ecology Approval by 7/31					John Stoll
P	b) Project bidding and construction underway by 8/31					John Stoll
P	31. Complete Dryden Wastewater Capital improvements by 2019					
P	a) Achieve grant funding process and results by 7/31 <i>June information from ecology resulted in grant funding not meeting the expectation</i>					John Stoll
P	b) Pending funding, complete of 60% collection system design by 12/1 <i>Based on current funding levels the District has halted design as we evaluate options</i>					John Stoll

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### OBJECTIVE #4 - ENSURE FINANCIAL STABILITY

**We will sustain a financial structure that seeks to avoid raising revenue from electric rate increases through the upcoming five-year period (and potentially beyond) under all plausible scenarios and create access to low cost capital when needed.**

		2016				Lead
		Q1	Q2	Q3	Q4	
<b>Metrics &amp; Targets</b>						
P	32. Rate of Return – District	>4%	>4%	>4%	>4%	Kelly Boyd
P	33. Debt Cover – District	>2.0x	>2.0x	>2.0x	>2.0x	Kelly Boyd
P	34. Debt Leverage Ratio – District	<46%	<46%	<42%	<42%	Kelly Boyd
P	35. Liquidity – District	>\$175M	>\$175M	>\$175M	>\$175M	Kelly Boyd
P	36. Unrestricted Reserves – District	>\$150M	>\$150M	>\$150M	>\$150M	Kelly Boyd
P	37. Debt Retire Per Schedule – Total \$22.6M	0	\$9.69M	\$22.6M	\$22.6M	Kelly Boyd
P	38. Maintain Financial Bond Ratings (Fitch AA+, Moody’s Aa3 , S&P AA, (Stable))	AA+/Aa3/AA	AA+/Aa3/AA	AA+/Aa3/AA	AA+/Aa3/AA	Kelly Boyd
<b>Strategic Initiatives</b>						
	39. Actively participate in electric markets development					
P	a) Develop a proactive carbon strategy incorporating the State Clean Air Rule (CAR) and impact to Federal Clean Power Plan (CPP) and State initiatives by end of Q1					Gregg Carrington
P	b) Analyze and evaluate the California Independent System Operator (CAISO) Energy Imbalance Market (EIM) and determine level of collaboration with regional neighbor by Q1					Gregg Carrington
P	c) Evaluate level of participation with EIM market, from bilateral, scheduling coordinator or joining market as well as strategic regional partnerships, Q3					Gregg Carrington
P	d) Decision on whether, with whom, and when to participate in CAISO EIM and preliminary timeline, Q4					Gregg Carrington
P	e) Help formulate potential products to meet dynamic market. Regularly report on new products and services to Power Risk Management Committee (PRMC) as needed through the year.					Gregg Carrington



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		2016				Lead
		Q1	Q2	Q3	Q4	
P	f) Provide updates and recommendations to the PRMC on marketing activity and key CA information regarding impacts to the District quarterly.					Gregg Carrington
40. Stabilize and enhance wholesale electric revenues						
P	a) Implement Slice Q1					Gregg Carrington
P	b) Board review of updated marketing strategy based on current wholesale forecast and economic development analytic tool by Q3					Gregg Carrington
S	c) Expand Demand Response practices and programs by Q2					Gregg Carrington
41. Mid-C hourly Coordination						
P	a) Get confirmation as to “fully coordinate” or “do not full coordinate” decision with other PUD’s by the end of Q2 <i>Decision was made to study fully coordinate mode. Design work will continue through 2017.</i>					Gregg Carrington
P	b) Initiate work on de-centralized operations plan (4 sub-projects) by Q1 <i>Strategy has changed. With the signing of the Bridge Agreement, work on a De-Centralized operation has been put on hold until deemed necessary. Current focus is on the 5-Dam design and test for development of business case by July 1, 2017.</i>					Gregg Carrington
P	c) Begin installing systems by Q4 <i>See 41b. above-strategy change</i>					Gregg Carrington
P	d) If fully coordinate decision is made, reach tentative agreement with others regarding the scope of Mid-C hourly coordination replacement agreement by Q3 <i>Strategy has changed. Outline for the Agreement in principle has been completed but work on the detailed agreement will not proceed until the test plan has been completed and the value confirmed.</i>					Gregg Carrington
P	e) Develop modeling of 5-project system to determine value coordination, and use model to understand how value is split between 5 projects by the end of Q2					Gregg Carrington
42. Columbia River Treaty						
P	a) Columbia River Treaty negotiations with Canada begin with official role for Mid-C’s by 6/1.					Steve Wright
P	b) Notice of termination issued by US Government by 12/1					Steve Wright

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		2016				Lead
		Q1	Q2	Q3	Q4	
P	43. Execute debt reduction plans of \$22.6M net reduction by end of Q3					Kelly Boyd
P	44. Effectively manage Alcoa contract to assure all contract provisions are implemented and customer-owner value is retained through Q4					Kelly Boyd
<b>Critical Tasks/Actions</b>						
	45. Maintain or enhance AA bond ratings					
P	a) Execute rating agency outreach program through Q4					Kelly Boyd
P	b) Receive clean audit opinion and no material deficiencies by 4/30					Kelly Boyd
	46. Refine, integrate and execute the business planning cycle					Kelly Boyd
P	a) 2017 key priorities identified by senior team by 4/30					Kelly Boyd
P	b) Preliminary business unit plans dated 6/30 completed 7/20					Kelly Boyd
P	c) Near-final business unit plans presented to Board in September					Kelly Boyd
P	d) Final business unit plans dated 9/30 completed 10/20					Kelly Boyd
P	e) 2017 Budget approved by Board first meeting in Dec					Kelly Boyd

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### OBJECTIVE #5 - MAKE CONTINUOUS IMPROVEMENT IN EFFICIENT, EFFECTIVE, COMPLIANT AND RISK-ASSESSED OPERATIONS

**We will rigorously and holistically review spending and policy decisions using strong risk assessment practices to assure best value. We will comply with all statutory requirements. We will seek out, evaluate, and utilize new technology that is ready for deployment if there are sufficient economic and customer benefits.**

		2016				Lead
		Q1	Q2	Q3	Q4	
<b>Metrics &amp; Targets</b>						
P	47. Hydro Cost per normalized MWh	\$20.17	\$17.80	\$18.57	\$19.17	Kirk Hudson
P	48. Fiber Cost per Active Connection (12 Month Rolling) \$427.48	\$448.15	\$437.07	\$427.48	\$507.24	Mike Coleman
P	49. Distribution O&M Cost per normalized KWH (annualized)	2.41¢	3.01¢	3.24¢	3.17¢	John Stoll
P	50. Fully Loaded Cost per normalized KWH (annualized)	5.23¢	5.66¢	6.03¢	6.02¢	John Stoll
P	51. Wastewater O&M Cost per ERU (annualized)	\$1,046.08	\$1,046.08	\$1,046.08	\$1,046.08	John Stoll
P	52. Water O&M Cost per 1,000 Gallons (annualized)	\$6.22	\$5.88	\$4.92	\$5.17	John Stoll
P	53. Complete BPON Upgrade by 12/31 (Completed 9/28/16)	967	920	731	233	Mike Coleman
<b>Strategic Initiatives</b>						
	54. Conduct GRC Pilot for Natural Resources					
P	a) Issue RFP by end of July					Erik Wahlquist
S	b) Select software solution by end of October Issued RFP on time but have not selected on schedule due to competing priorities (CIS)					Erik Wahlquist
S	c) Implement pilot in accordance with selected software solution					Erik Wahlquist
	55. Develop/implement/maintain Business Continuity plans by Q4 in accordance with workplan timelines identified in 2015 - NOTE: Twelve (12) functional areas noted as BoC/GM, Legal/Compliance, Transmission, Generation, IT, Finance/Risk, NRD, Energy Resources, District Services, Customer Utilities, Fiber, and HR					
S	a) Finalize and store electronic copy of Business Continuity Plan (10 of 12 complete in Q2, Transmission complete in Q3, NRD complete in Q4) NRD to be completed Q1 2017					Kelly Boyd

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		2016				Lead
		Q1	Q2	Q3	Q4	
S	b) Assign tasks to review, update, and test the Plan regularly (9 of 12 complete in Q2, HR complete in Q3, Transmission and NRD complete in Q4)					Kelly Boyd
S	c) Test the Plan and conduct Lessons Learned exercise (11 of 12 complete by Q4, NRD to complete in Q1 2017) <a href="#">IT tabletop to be completed Q1 2017</a>					Kelly Boyd
56. Implement Business Intelligence roadmap through Q4 (assuming Q2 hiring)						
P	a) Identify & establish team by end of Q1 (dedicated IT team members not anticipated until Q3)					Kelly Boyd
P	b) Identify BI subject areas & develop priority criteria by end of Q2					Kelly Boyd
P	c) Finalize BI subject area prioritization & initiate pilot project by end of Q3 <a href="#">Pilot project initiated</a>					Kelly Boyd
S	d) Complete subject area pilot & finalize BI roadmap by end of Q4 <a href="#">Hiring was not completed through Q4 which has delayed completion of pilot. Roadmap was completed.</a>					Kelly Boyd
P	57. Standardize District-wide Project Management processes & templates for turnover/closeout phase by end of Q2					Jeff Smith
58. Use Lessons Learned to improve common evaluation criteria and capital review process						
P	a) Provide updated common evaluation criteria (aka Project Attribute Valuation) based on 2015 Lessons Learned by 4/30					Kelly Boyd
P	b) Recommend a process to the senior team to utilize the updated Project Attribute Valuation to “weed out” projects and have a more targeted priority list for senior team review during the business planning process. Due by 4/30					Kelly Boyd
P	c) Include Project Attribute Valuations for each Capital Project as part of 6/30 Draft Business Plans					Kelly Boyd
<b>Critical Tasks/Actions</b>						
P	59. Evolve Risk-Based Reliability Compliance Approach (utilize internal controls evaluation for use in audit and development of compliance oversight plan by WECC through Q4)					Kirk Hudson
60. Maintain and update Utility Services Policies to be responsive to changing circumstances						

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		2016				Lead
		Q1	Q2	Q3	Q4	
P	a) Provide the Board with information and analysis regarding High Density Loads (HDL) that ensures appropriate issues are raised & effectively analyzed to allow a high quality decision in Q1 & any extensions thereafter					John Stoll
S	b) Conduct the public process for the potential HDL rate in a respectful and collaborative manner for our customer-owners through the Feb. 1 hearing and any extensions thereafter					John Stoll
S	c) Distributed Generation rate alternatives by Q2 <i>Staff rate alternatives did not meet the Q2 deadline however was completed by Q4 update to the Board</i>					John Stoll
S	d) Present Distributed Generation recommendation to Sr Team by end of Q3 <i>Staff rate recommendation did not meet the Q3 deadline however was completed by Q4 update to the Board</i>					John Stoll
S	e) Distributed Generation rate to Board by Q4 - <i>Board update provided</i>					John Stoll
P	f) Annual fees and charges update Q4					John Stoll
	61. Execute District Telecommunications Systems Improvements Plan by 12/31 <i>IP-PBX selected from state contract and budget revision approved in 4Q16. Remainder of project to be complete in 2017. Microwave and Trunk Radio requirements being analyzed with project forecasted for 2017-2019.</i>					Mike Coleman
P	a) Telephone System Upgrade (PBX)					Mike Coleman
P	i. Procurement; core system turn-up by end of Q1					Mike Coleman
P	ii. Phase 2 site upgrades by end of Q4					Mike Coleman
P	b) Microwave Communications					Mike Coleman
P	i. RFP development by end of Q2					Mike Coleman
P	ii. Procurement, staging, testing by end of Q3					Mike Coleman
P	iii. Initial integration and installation by end of Q4					Mike Coleman
S	c) Trunked Radio System					Mike Coleman
S	i. Feasibility and design by end of Q2					Mike Coleman
S	ii. Equipment RFP and integration plan by end of Q4					Mike Coleman
	62. Upgrade Customer Information System (CIS) including incorporating Intelligent Grid Requirements					John Stoll
P	a) Define strategy and incorporate clear needs and timelines into CIS project plan for Intelligent Grid implementation requirements (advanced metering					John Stoll

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		Q1	Q2	Q3	Q4	
	and outage management) by end of Q2 (results of project plan may change initial dates indicated in milestones below)					
P	b) Issue RFP by 8/31 – RFP was issued in Sept. and was opened Dec. 2nd					John Stoll
P	c) Select software vendor by 11/30 -Vendor to be selected Q1 or Q2 of 2017					John Stoll
	<b>63. Collective bargaining agreement</b>					
P	a) Collective bargaining agreement negotiations begin by November 2016. Negotiations complete; ratification vote delayed to the end of January due to the 1/18/2017 ice storm.					Lorna Klemanski
	<b>64. Complete implementation of remaining key recommended Employee Recognition Program improvements to show appreciation and motivate employees</b>					
S	a) Final draft of Management Leave for Extraordinary Event Policy recommended by 12/1 Deferred to 2017					Lorna Klemanski
S	b) Creation of policy to memorialize current service and retirement award practices by 12/1 Complete					Lorna Klemanski
S	c) Development of an employee recognition intranet site by 12/1 Deferred to 2017					Lorna Klemanski
S	d) Conduct recognition outreach to promote program changes through 12/1 Deferred to 2017					Lorna Klemanski
S	e) Develop usage reports by 12/1 Deferred to 2017					Lorna Klemanski
S	f) Conduct follow-up survey by 12/1 Deferred to 2017					Lorna Klemanski

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**OBJECTIVE #6 - ENHANCE THE CAPABILITY OF CHELAN PUD STAFF**

**We expect and support that every employee will advance his or her skills for the benefit of customer-owners. We will cultivate a utility culture that focuses first on customer-owner satisfaction. We seek to be recognized as industry “thought” leaders on all issues relevant to our operations. We focus on results using the “cycle of personal ownership” throughout projects and policy development.**

		2016				Lead
		Q1	Q2	Q3	Q4	
<b>Strategic Initiatives</b>						
P	65. Human Performance culture of excellence-Hydros Phase 1					
	a) Hire Consultant in January					Kirk Hudson
P	b) Train Supervisors by Q3 <i>This was completed, however it was not completed by Q3. Training began in Q3 and extended into Q4</i>					Kirk Hudson
<b>Critical Tasks/Actions</b>						
66. Organization and employee development						
P	a) All employees (bargaining unit and non-bargaining unit) have an individual develop goal (IDP) by 2/28 <i>Complete</i>					Lorna Klemanski
P	b) Conduct additional series of Leadership Excellence Training by end of Q2 <i>Complete</i>					Lorna Klemanski
P	67. Perform targeted hiring each quarter based on prioritized business needs <i>As of 12/1 we filled 154 positions.</i>					Lorna Klemanski

# 2016 District Performance Plan

## Quarterly Update – Q4 2016 Final

On Track	Caution	Needs Attention	Scheduled Timeframe	Starts in Future
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### OBJECTIVE #7 - MAKE OUR VALUES THE FOCUS OF RELATIONSHIPS WITH CUSTOMERS, STAKEHOLDERS AND EACH OTHER

We will promote a safety culture that permeates throughout this organization. We will make decisions based on being the stewards, not the owners, of assets owned by the people of Chelan County. We communicate about and seek input on key policy issues. We seek to be trustworthy through continuously improving our job competence, acting with integrity and focusing on collaboration in all our relationships. We will build long-term, collaborative relationships by creating partnerships and alliances with stakeholders and industry allies.

		2016				Lead
		Q1	Q2	Q3	Q4	
<b>Metrics &amp; Targets</b>						
68.	Safety metrics					
P	a) Incident rate (12 month rolling) - 3.9 at end of December	<4.0	<4.0	<4.0	<4.0	Lorna Klemanski
P	b) Lost time injury/incident rate (LTIIR) - 0.90 at end of December	<0.48	<0.48	<0.48	<0.48	Lorna Klemanski
P	c) Days away restricted or transferred (DART) rate - 1.65 as of end of December	<1.05	<1.05	<1.05	<1.05	Lorna Klemanski
P	d) Pre-task plan audits	8	8	8	8	Lorna Klemanski
P	e) Safety Recommendation response time within 45 days 85% as of end of December	75%	75%	75%	75%	Lorna Klemanski
P	f) Business unit attendance at safety meetings/safety meeting alternatives 71.28% as of end of December.	70%	70%	70%	70%	Lorna Klemanski
P	g) Senior Team Safety Site Visits, 2 every 6 mos. for 5 assigned Managing Directors (cumulative for the year) 100%		10		20	Lorna Klemanski
<b>Strategic Initiatives</b>						
69.	Develop and implement 2016 objectives for safety strategic plan to advance on a culture of safety excellence with a safety record that is recognized as being within the top quartile of electric utilities					
P	a) Improve and streamline the Safety & Health Maturity Model and safety perception surveys and conduct survey by end of Q1 Complete					Lorna Klemanski
P	b) Implement phase 2 of Safety Leadership Development by conducting a workshop for selected front line supervisors and/or foremen to develop them into safety champions by end of Q2 Complete					Lorna Klemanski
P	c) Identify Continuous Quality Improvement Team (CIT) projects and objectives by end of Q2 Complete					Lorna Klemanski



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		2016				Lead
		Q1	Q2	Q3	Q4	
P	d) Conduct three training sessions on key safety subjects beyond what is required by regulatory agencies by 12/1. Topics for consideration include root-cause analysis, arc-flash and confined space entry <span style="color: blue;">Complete</span>					Lorna Klemanski
P	70. Conduct diversity applicant outreach programs beginning Q3 a) Participate in the annual Wenatchee High School and Wenatchee Valley College and University night, providing career opportunity information targeted at minority students and parents in Q3 <span style="color: blue;">Completed late; conducted 11/1</span>					Lorna Klemanski
P	b) Conduct a one-day informative program for recently separated Veterans partnering with WorkSource and providing job shadow opportunities in Q3 <span style="color: blue;">Completed late; conducted 11/9 in conjunction with Veterans Day</span>					Lorna Klemanski
P	c) Partner with the Hispanic Chamber of Commerce and other groups or representatives to conduct an outreach program and provide an evening training session on employment at the PUD in Q3 <span style="color: blue;">Completed late; conducted 11/30</span>					Lorna Klemanski
S	d) Partner with SkillSource to provide one half-day workshop by 12/1 <span style="color: blue;">Complete. Partnered with SkillSource and Apple Valley Human Resource Association on a workshop for workers including displaced Alcoa workers.</span>					Lorna Klemanski
<b>Critical Tasks/Actions</b>						
P	71. On a monthly basis select and honor a Cycle of Personal Ownership (CPO) or District Values champion based on submittals of CPO/Values recognition cards					Steve Wright

**Key for Prioritization:**

**P – Primary: Primary are our highest priority goals**

**Total # tracked items = 183      68% On Track**

**S – Stretch: Stretch goals are very important efforts with significant benefits we want to complete. We intend to make measured progress as time and resources allow without sacrificing our core activities or our ability to complete our primary goals. When considering resourcing trade-offs, these priorities have the ability to extend completion timelines without showing the goal as “red” or “not completed” if higher priority goals require the same resources.**