

# Generation & Transmission Operating Plan

## 2021-2025 Business Plan Summary

<b>How we will add value for customer-owners</b>					
We will generate and transmit clean, renewable hydroelectricity to our customers and purchasers with a high degree of reliability at low cost. This will be accomplished by safely completing an aggressive hydro modernization and rehabilitation program, being among the best at complying with reliability standards, upgrading the transmission system, and implementing a robust asset management strategy.					
<b>District Supported Priorities (Initiatives &amp; Action)</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Rocky Reach C1-C7 Trunnion bushing replacements complete by 2022 YE	\$X	\$X			
Rocky Reach large unit repairs complete by YE 2023	\$X	\$X	\$X		
Rock Island PH1 modernization – Complete by YE 2023	\$X	\$X	\$X		
Rock Island PH2 modernization - First unit complete by 2024	\$X	\$X	\$X	\$X	
Rock Island Spillway Modernization underway by 2024	\$X	\$X	\$X	\$X	\$X
Open access transmission policies and rates implemented	√	√	√	√	√
Mid-C (joint line) transmission project completed	\$	\$	\$		
Implement fire risk reduction strategy through community-supported infrastructure hardening, vegetation management, operational practices, and engagement with land management agencies	\$X	\$X	\$X	\$X	\$X
Hydropower Research Institute-add new Contributor each year	X	X	X	X	X
Implement Business Intelligence/Data Analytics, ADMS, and G&T Digital Transformation Roadmaps	\$X	\$X	\$X	\$X	\$X
Continuously strengthen Cybersecurity programs based on industry principles, analysis, and guidance	X	X	X	X	X
Rocky Reach Discovery Center Improvements complete by 2021 YE	\$X				
Rocky Reach Discovery Center annually attracts 85,000 visitors and trains 100 teachers and 4,000 students on the value of hydropower by 2024		√	√	√	√
Rocky Reach, Rock Island and Service Center facilities complete. Productivity gains achieved, silos reduced	\$X	\$X	\$X		
Comply with oil NPDES permit once issued by Department of Ecology	\$X	√	√	√	√
<b>Key changes from last year</b>					
<ul style="list-style-type: none"> <li>➤ Project schedules delayed due to COVID impacts</li> <li>➤ Rock Island PH2 Design/Build contract for pre-construction services awarded</li> <li>➤ Rocky Reach repairs for C10 and C11 deferred to accelerate the small unit trunnion bushing replacements; with deferral, will pursue modification to water-filled hubs</li> <li>➤ Rock Island PH1 Modernization completion has been moved from YE 2022 to YE 2023</li> <li>➤ NorthernGrid replaced ColumbiaGrid for Regional Transmission Planning with larger planning area/lower costs</li> <li>➤ Two-Dam Independent Operations began in late 2019 following the dissolution of the Mid-C coordination. Ongoing enhancements to the operating platform will continue throughout the duration of the plan.</li> <li>➤ Rocky Reach Discovery Center shut down to begin major improvement project to reopen in 2021</li> <li>➤ Adding one FTE to support ADMS and TDIP efforts</li> </ul>					
<b>Key Variables (known unknowns)</b>					
<ul style="list-style-type: none"> <li>➤ Impact of COVID on project schedules and other work</li> <li>➤ High volume of projects planned for the next few years could prove difficult to maintain on schedule</li> <li>➤ Unplanned Generation outages</li> <li>➤ Storms or fires could affect transmission system reliability</li> <li>➤ Development requiring transmission interconnection</li> <li>➤ Cyber security risks</li> </ul>					

## Customer Utilities Operating Unit Plan – 2021-2025 Summary

How we will bring value to customer owners...					
<p>The overall goal of Customer Utilities is to provide safe, economical, and reliable customer utility services consistent with stakeholder expectations. Customer Utilities functions of engineering, operations, customer service and customer relations support the delivery of essential water, wastewater and electrical services to the end user. In addition, providing efficient outage response, timely new customer connections, cost recovery thorough consistent and fair application of rates and fees, and effective communications all contribute to the satisfaction and benefits we provide to customer owners. Additionally, Customer Utilities is continuing to evaluate the potential of new customer service offerings to achieve full benefits of the customer information system upgrade and intelligent grid implementation.</p>					
Key District Initiatives/Action	2021	2022	2023	2024	2025
Support plans to accelerate the fiber expansion program by installing new infrastructure to support fiber lines	\$X	\$X	\$X	\$V	V
Advance customer technologies (CIS, AMI, customer portal) per the Technology Roadmap	\$X	\$X	\$X	\$X	\$V
Execute capital plans to address growth, expansion, and reliability needs, including 7 new/expanded substations	\$X	\$X	\$X	\$X	\$X
Improve electric system safety, compliance and reliability	\$X	\$X	\$X	\$X	\$X
Implement strategies to reduce electric system wildfire risk	\$X	X	X	X	X
Advance asset management	\$X	\$X	\$X	\$X	\$X
Implement annual rate adjustments for electric (3%), water (4%) and wastewater (4%) to support financial sustainability goals	V	V	V	V	
Ensure compliance with wastewater discharge permits by upgrading facilities	\$V	\$V	\$V	\$V	V
Participate with the Regional Water Committee in identifying a second source of water supply for the Wenatchee Valley	\$V	\$V	V	V	V
Key changes from last year's plan					
<p>Supplementing the core responsibilities of providing safe and reliable utility services, this year's plan incorporates the following priorities:</p> <ol style="list-style-type: none"> <li><b>Support acceleration of the fiber expansion program:</b> This brings capital expenditures necessary to prepare the Distribution system for fiber attachments into earlier years of the plan by contracting design and construction for expansion efforts, and likely requiring additional resources committed to in-fill.</li> <li><b>Advance customer technology per the Technology Roadmap:</b> Committing to these advanced customer technologies for efficiencies and enhanced capabilities, primarily AMI, requires additional staffing in the short and long-term. With the implementation effort kicking off fall 2020, these positions include metermen, customer systems program manager, and system support administration, with these and other positions likely needed in the long-term. Similarly, the selected technology for the customer system information project is more complex in managing customer accounts than the previous system, this results in the need for additional staffing in customer relations to maintain operational stability and ensure timely and accurate billing. These positions are offset by reduction in other Customer Utilities staffing.</li> <li><b>Constructing capacity for and connecting new customers:</b> Changing growth patterns in the County constantly have impact on the timing and priority order of substation expansion plans. Remaining agile to respond to individual customer and development needs for capacity/customer connection in areas of the system is critical.</li> <li><b>First quartile reliability:</b> Progressing toward the electric system reliability target requires additional actions; this includes increased investment in vegetation management and electric system capital infrastructure.</li> </ol>					
Key Variables (known unknowns)					
<ul style="list-style-type: none"> <li>Changing patterns of system load growth impacting timelines, cost, and location of need</li> <li>Environmental risks including forest health and effects of weather changes</li> <li>Speed and magnitude of natural disaster consequences to utility systems (fire, weather, flood, etc.)</li> <li>Changing customer expectations for technological solutions and resources, and associated cost and complexity</li> <li>Future access to real-time (AMI) system conditions may negatively impact reliability statistics</li> </ul>					

# Fiber & Telecommunications Operating Unit Plan - One Page Summary

## How we will bring value to customer owners...

We will provide world-class, high-speed broadband transport services that enable our customer-owners to participate and compete in the digital economy from Chelan County. They will be able to operate businesses that are open to the world; telecommute or work from home; enjoy multiple video channels; participate in distance learning; manage and secure their homes with connected devices. We will expand the broadband network to 85-90% of the premises by 2026 in Chelan County using Public Power Benefit while improving service levels, capacity and reliability in the existing network. We will offer advanced services to help attract and maintain businesses on the broadband network and provide the ability to generate net positive economic benefits to the county. We will continue to develop and deploy asset management processes for both the fiber assets as well as the District's telecommunications assets to enhance system performance and total cost of ownership. We will advance overall system reliability and resiliency through the adoption of technology and innovation established under the Long Range Technology Plan. We will expand the communications coverage for District employees to enhance safety and efficiency.

## Key changes from last year's plan

- Accelerate expansion areas of the fiber network by 2 years

## Key goals and assumptions

- 5,800 fiber expansion premises passed by 2025
- Maintain network system composite reliability at 99.999%
- Connection take rate exceeds 55% by 2024
- Implementation 3% annual rate increases through 2024

## Key Variables (known unknowns)

- Overall lack of redundancy on electronics and physical infrastructure in the network leading to single points of failure.
- Overall risk of variability in detail design and engineering of construction areas on expansion efforts.
- Overall impact of supply chain market conditions on expansion plans with funding variability.
- Finding viable service providers to mitigate risks associated with having one dominant provider.
- Impact of regulatory decisions and rule making on areas such as pole/wireless attachments and grant programs.
- Financial and resource impacts due to electrical system asset management program outcome, including NESC compliance and structural analysis.
- Impact of losing critical employees in a small, specialized organization.
- Dynamic and changing competitive market with potential additional service providers.
- Emerging competing technologies such as small cell and millimeter wireless solutions.
- Direct competition from other telecommunication companies, including infrastructure overbuild.

District Supported Priorities (Initiatives & Action)	2021	2022	2023	2024	2025
Asset Management Program (District Objective #2)	X	X	X	X	
Fiber Network Expansion (District Objective #1)	\$X	\$X	\$X	\$X	\$X
Fiber System Financial Solvency (District Objective #4)	√	√	√	√	
Business/Operating Unit Key (Initiatives & Action)	2021	2022	2023	2024	2025
High Availability (Resiliency) Program (District Objective #5)	\$X	\$X	\$X		
Customer Management System Replacement (District Objective #1)	\$X				

## I. Energy Resources Operating Unit Plan-One Page Summary

<b>How we will add value to customer owners</b>					
We will optimize the wholesale position and customer energy solutions programs to enhance our revenue and customer experience in support of the District's debt reduction plans, financial targets, and customer experience goals. We will continually improve our performance by anticipating, monitoring and responding to new opportunities and risks.					
<b>Key Projects (Initiatives &amp; Actions)</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Develop Public Charging Rates for Electric Vehicles	X	X			
Actively Participate in EDAM and DAME proceedings	√	√	√		
Achieve Support for independent governance of California ISO	√	√	√		
Complete Annual Slice Sale	√	√	√	√	√
Promote NW capacity value in western markets	X	X	X	X	X
Actively participate in Resource Adequacy activities	\$X	\$X	\$X	\$X	√
Define and implement our Long-Term Marketing Plan	\$X	\$X	\$X	\$X	√
Two Dam Independent reservoir operations Phase 1 and Phase 2 implementation and improvements	X	X	√	√	√
CETA Implementation	\$X	\$X	\$X	√	√
Implement new solar program(s)	\$X	\$X	√	√	√
<b>Key changes from last year</b>					
<p>The primary outcome for 2021 is to complete work carried over from 2020 once staffing is at the required and planned for levels. Therefore we will continue to:</p> <ul style="list-style-type: none"> <li>• Optimize wholesale portfolio by: <ul style="list-style-type: none"> <li>○ Enhanced and increased predictability of wholesale revenues using analytics, market intelligence and marketing.</li> <li>○ Anticipate, monitor and influence evolving power markets in the West and put the District in the best position to maintain value for our customer-owners.</li> <li>○ Provide products and services that are responsive to changing market and regulatory conditions that meet the needs of wholesale purchasers.</li> <li>○ Continue to pursue and enhance our longer term marketing plan</li> <li>○ Diversifying portfolio by evaluating and promoting new large loads that enhance the value to our customers and our local economy.</li> </ul> </li> <li>• Preserve and enhance hydro system value by increasing the efficiency and effectiveness of independent operations and working with</li> <li>• Work with other Mid-C PUD's and BPA to identify cost effective options for future coordinated operations.</li> <li>• Enhance energy efficiency acquisitions above compliance requirements</li> <li>• Implement Customer Energy Solutions workplan</li> </ul>					
<b>Key Variables (Known Unknowns)</b>					
<ul style="list-style-type: none"> <li>• Direction of future energy prices in the West as they are impacted by low-to-no load growth, increasing renewable resources, curtailment of large baseload resources and low natural gas prices.</li> <li>• Implementation of Washington and Oregon carbon/clean energy regulations</li> <li>• California energy market regulatory regime.</li> <li>• Lower avoided costs could decrease the number of energy efficiency programs impacting customer satisfaction.</li> <li>• Regulatory uncertainties at the Federal level.</li> <li>• Energy Imbalance Market (EIM), and Extended Day Ahead Market (E-DAM) and a trend towards more organized markets that could change market dynamics and impact the Mid C hub.</li> <li>• Customer adoption rate of new technologies, energy efficiency measures, etc.</li> </ul>					

## District Services Operating Unit Plan – 2021-2025 Summary

### How we will add value for our customer-owners

Dedicated to enhancing the quality of life in Chelan County by leveraging the value of District assets; protecting the natural resources entrusted in our care; providing high quality recreational experiences; and promoting federal, state and local policies that benefit PUD customer-owners. Our primary mission is to support operations in the successful delivery of our utility services.

### Key changes from last year

- Relicensing efforts for the Rock Island hydro project will move out of planning phase and begin preparation of work to prepare an application to file
- Increased funding of our Public Power Benefit program to \$6M per year through 2025
- Seek new methods to communicate with our Hispanic/Latino customer-owners that support social distancing

### Key Variables (knowns/unknowns)

- Constantly changing political landscape and associated emerging issues
- Impacts of hydro licensing reform legislation
- Additional support requirements of all other business units for procurement, project management and engineering, as well as other functions provided by District Services

Key Initiatives and Actions	2021	2022	2023	2024	2025
Execute on construction of facilities (including Rocky Reach, Rock Island and Service Center)	\$X	\$X	\$X		
Conduct project survival verification studies at Rock Island (2021) and Rocky Reach (2022)	\$X	\$X			
Complete second 10-year HCP Comprehensive Progress Report assessing overall status in achieving No Net Impact (NNI) for plan species.			\$X		
Implement a strategy for relicensing the Rock Island Hydro Project that includes credit for pre-licensing hydro investments and protects our existing investments	\$X	\$X	\$X	\$X	\$X
Evaluate and identify opportunities to improve and more efficiently provide project management and contracting services to support long-range facilities planning and repair and modernization of hydro units as well as other District project work	√	√	√	√	√
Support hydro generation projects achieving capability targets	X	X	X	X	X
Administer the Public Power Benefits program	X	X	X	X	X
Partner with low-income and Hispanic/Latino customer-owners to ensure inclusion of their perspectives in PUD decision-making	√	√	√	√	√
Create contracting, construction and procurement efficiencies through internal process improvements and by utilization of alternative contracting processes authorized by State statute	X	X	√	√	√
Implement asset management plans for the most critical assets	X	X	X		
Fire risk strategy is successfully implemented and advanced legislatively	X				
Support acceleration of Fiber expansion	X	X	X	X	

## I. HR Operating Unit Plan – 2021-2025 Summary

### How we will add value for customer-owners

Human Resources will partner in creating meaningful work, providing industry-leading services and delivering development-focused performance management, leading to measurable success in recruitment and retention. We make a difference for the District’s customer-owners by acquiring, developing and motivating the talent of the future, by developing and supporting effective team leaders, facilitating the pursuit of individual mastery and accountability, providing support to ensure compliance with employment regulations and obligations, and by supporting business units in their pursuit of operational excellence.

### Key changes from last year:

- Work practices and guidelines are being adapted for increasing resiliency to external forces such as the pandemic.
- Implemented policy changes to comply with changes in legislation.
- Develop implementation plans for the top three health care strategies to bend the cost curve identified in prior year.

### Key Variables (known unknowns)

- Disruptions to the nature of work and how it is performed due to changes in technology, energy markets, the pandemic and other forces;
- Impacts of new or revised federal, state and local laws and regulations affecting employment, benefits and labor relations;
- Market trends for wages and employee benefits;
- Availability of workers in the market with mission-critical skills;
- Impact on the ability to perform work due to loss of institutional knowledge predicted during this 5-year period;
- Impact of generational and cultural differences between the current workforce and the workforce of the future.

Priorities (Initiatives & Action)	2021	2022	2023	2024	2025
Provide influential input on legislative proposals and regulatory rule-making processes related to employment and benefits.	√	X	√	X	√
Conduct collective bargaining agreement (CBA) negotiations for 2021-2024 and 2024-2027 cycles; manage the CBA and create letters of agreement to address issues during the term of the CBA.	X	√	X	X	√
Develop employee skills and assist with their successful job performance by identifying and providing access to job-specific sets of development opportunities for each job group.	\$X	\$X	\$X	\$X	\$X
Develop and implement a 5 year leadership development program for executives and emerging leaders.	\$X	\$X	\$V	\$V	\$V
Business units, with guidance from Human Resources, develop and embrace goals to increase diversity in their work groups as we seek a workforce that reflects the diversity of our community.	X	√	√	√	√
Develop implementation plan and implement the top three health care innovation strategies intended to offer the optimal balance of favorable impact and strong probability of sustainable success in moderating the health care cost curve.	√	√			

\$X - Incremental Investment and Internal Resource Efforts

X - Incremental Internal Resource Efforts

\$V - Incremental Investment and Ongoing Internal Resource Efforts

√ - Ongoing Internal Resource Efforts

# Safety & HPI Operating Plan 2021-2025 Business Plan Summary

## How we will make a difference...

We will strive to achieve Top Quartile safety performance through identification and implementation of occupational hazard risk reduction opportunities, as well as building upon and enhancing our safety management system. We will utilize Human Performance Improvement (HPI) methodologies to engage with all levels of the organization and promote a culture of learning and safety ownership. We will do all of this to add operational excellence value to the District and augment protection of public and employee health and safety.

## Key changes from last year...

- Safety and Health has defined the industry Top Quartile for safety.
- Achieving the top safety quartile and implementing HPI will follow a common approach:
  - Identify areas of opportunity specific to each Business Unit
  - Research best practices and capabilities necessary to improve
  - Define actions in conjunction with each Business Unit
  - Establish performance metrics for the planned actions (leading indicators)
  - Monitor lagging indicators
- The Safety Department will continue to lead the District’s planning and response to COVID-19.

## Key Variables (known unknowns)

- Long-term impacts to S&H team resources due to COVID-19
- Prolonged effects of COVID-19 requirements on safe work practices
- Training of new staff
- Changing work requirements, guidelines, and practices due to COVID
- The level to which all employees prioritize Safety and Quality

District Supported Priorities (Initiatives & Action)	2021	2022	2023	2024	2025
District-wide evolution of Human Performance Improvement (HPI) knowledge and tools into the embedded mindset, behaviors and actions necessary to continually improve and effectively embody our values.	\$X	\$X	\$X	\$X	\$X
Identify and implement injury reduction best practices from industry leaders for continual improvement of the District’s Top Quartile Safety performance efforts.	\$X	\$X	\$X	\$X	\$X

\$X - Incremental Investment and Incremental Internal Resource Efforts  
\$V - Incremental Investment and Ongoing Internal Resource Efforts

X - Incremental Internal Resource Efforts  
v - Ongoing Internal Resource Efforts

## Finance & Risk Operating Plan 2021-2025 Business Plan Summary

### How we will add value to customer owners...

We will promote prudent financial and risk disciplines, continue strategies to optimize our debt portfolio, obtain clean audit opinions to remain among the top financially rated (AA+) public power utilities. We will leverage comprehensive forecasts and economic analyses, perform risk assessments, and utilize advanced data analytics and business intelligence tools to support informed decision making, while implementing risk mitigation plans and loss prevention. We will do all this to add value, keep the District financially strong and keep rates stable and affordable for our customer-owners.

### Key changes from last year...

- COVID-19 slowed the implementation of some 2020 projects and the 2021-2025 plans reflect the updated timing.
- Business Intelligence and Data Analytics (BI/DA) continue to advance capabilities and services to support the pipeline of BI and Analytics projects for the operating units and to be a utility leader in this discipline. An additional FTE is planned to support the advancement of BI/DA function.
- Evolution of an uncertain energy market, load growth potential, rising O&M/capital costs, and expiration of long-term contracts are drivers for extending and enhancing long-term forecasting capabilities for decision making.
- Potential for resource adequacy requirements may result in new products/contracts to monetize capacity value.
- Adapting to ever changing generating unit projects/schedules require comprehensive cost/benefit/risk review.
- Insurance markets are hardening, which is driving up premiums, thus prudent risk management and incremental mitigation in loss prevention and wildfire mitigate are critical to remain cost-effective.
- Reinitiated bond market borrowing to obtain low cost funding for capital projects and optimizing the debt portfolio.

### Key Variables (known unknowns)

- Insurance premium levels are contingent on District's claim experience and market factors beyond our control.
- Insurance providers have increased focus on wildfire risks that could significantly impact coverage / premiums.
- Staffing levels and/or resource needs may increase pending energy/imbalance markets and large load contracts.
- The District continues to seek market opportunities to reduce uncertainty of wholesale position / revenue forecast.
- Large loads/changing power markets add uncertainty to portfolio/risks for rates, cost recovery and surplus subsidy.
- Ever-increasing regulatory requirements and volatility associated with long-term capital plans impact financial forecasts and related timelines for additional bond financings.

District Supported Key Initiatives/Actions	2021	2022	2023	2024	2025
Continue debt reduction with scheduled principal payments and \$73M of early retirements from 2020 Plan of Finance deferred to 2021 to preserve liquidity during COVID uncertainties.	\$111M	\$46M	\$37M	\$41M	\$43M
Maintain or enhance AA bond ratings	X	X	X	X	X
Receive clean audit opinions with no material deficiencies	√	√	√	√	√
Implement Business Intelligence/Data Analytics roadmaps	\$X	\$X	\$X	\$X	\$X
Provide financial, economic, risk, analytics support for asset modernization and management	X	X	X	X	X
Advance enterprise wide efforts to comprehensively test business continuity plans	X	√	X	√	X
Business/Operating Unit Key Initiatives/Action	2021	2022	2023	2024	2025
Advance the District-wide benchmarking program to include actionable use of metrics	√	√	√	√	√
Complete targeted Finance systems maintenance, enhancements and process improvements	√	√	√	√	√
Execute debt issuance actions - Debt Portfolio Optimization and Management	√	\$X	√	√	√
Advance the capabilities of the District's Financial Forecast Model	√	√	√	√	√
Update Integrated Electric reporting, methodology and metrics	√	√	√	√	√

\$X - Incremental Investment and Internal Resource Efforts

\$√ - Incremental Investment and Ongoing Internal Resource Efforts

X - Incremental Internal Resource Efforts

√ - Ongoing Internal Resource Efforts

# Information Technology Operating Plan

## 2021-2025 Business Plan Summary

### How we will add value to customer owners...

Enable high-quality innovative work execution in order to exceed customer support expectations and continuously deliver public power benefits to our customer-owners by implementing, maintaining, and supporting secure, reliable, and scalable technology solutions to customer owners and District staff. We work to become trusted advisers to our business partners by understanding their business needs, building expertise in current technologies, and following through on our commitments so they are confident in standing behind the Chelan County PUD Vision and Mission.

### Key changes from last year...

- Philosophy shift to being a leader in utility technology requires a shift to a more formal approach to IT planning, project management and work execution
- Pursuing a Chief Technology Officer (CTO) position to raise the presence of technology and innovation throughout the organization and at the senior team level
- Further development of Technology Roadmaps and participation with the District Technology Roadmap teams
- COVID-19 and the challenges related to supporting remote workers delayed some 2020 projects and the 2021-2025 plans reflect the updated timing
- C2M (CIS) focus has changed from implementation to stabilization efforts
- Many concurrent enterprise-wide projects with intertwined dependencies are underway and require more cross-functional coordination around enterprise resources and priorities (Fiber Portal, AMI, ADMS, Mobile Field Work Management, MS365, Customer Portal, etc.)
- Time needed for customer engagement and change management has increased greatly due to the large number of District-wide technology projects that are underway concurrently and touch most employees

### Key variables (known unknowns)

- IT staffing levels and resources are stretched very thin as the District pursues large initiatives such as AMI, ADMS and mobile computing. Steps such as road mapping, vendor selection, project scoping and detailed planning will help inform resources requirements and justifications.
- Ability to compete for and retain top IT talent including succession planning considerations is a key priority as 5 IT staff are retiring within a 12 month period in addition the IT Director retirement
- Ability to staff IT adequately to meet District and Business Unit initiatives, requirements and relevant metrics while maintaining a highly available, secure and resilient computing environment is very challenging

District Supported Key Initiatives/Actions	2021	2022	2023	2024	2025
Strengthen Cyber Security Program – Business Systems	\$X	\$X	\$X	\$X	\$X
Coordinate District-wide Technology Roadmap Implementation	X	X	X	X	X
Lead implementation of GIS, Enterprise Mobility, Technical Foundations and Business Intelligence/Data Analytics Roadmaps, complete C2M Stabilization	\$X	\$X	\$X	\$X	\$X
GridEx biennial participation (2021 Observer, 2023+ Participant)	X	√	X	√	X
Advance Intelligent Grid (two-way metering) capabilities	\$X	√	√	√	√
Participate in ADMS Implementation and Fiber Portal Replacement support	\$X	\$√	\$√	\$√	\$√
Execute 80% of IT capital plans on schedule and within budget	√	√	√	√	√
Business/Operating Unit Key Initiatives/Action	2021	2022	2023	2024	2025
Maintenance, Monitoring and Analysis of Logs	X	X	X	X	X
Annual Incremental Maximo Upgrade	\$√	\$√	\$√	\$√	\$√
Standardize the District's Data Model	X	X	X	X	X

\$X - Incremental Investment and Internal Resource Efforts  
 \$√ - Incremental Investment and Ongoing Internal Resource Efforts

X - Incremental Internal Resource Efforts  
 √ - Ongoing Internal Resource Efforts

## Legal, Compliance & Audit Operating Plan 2021-2025 Business Plan Summary

### How we will add value for our customer owners

We will increase value for the District's customer-owners by 1) proactively managing the District's increasing compliance obligations and risk, and 2) effectively supporting District business unit efforts in order to preserve and enhance the District's assets and operations.

### Significant Plan Changes

Substantially increased legal resource involvement due to unanticipated events, increased compliance requirements, and increased number of projects, emerging regulatory issues and market developments.

### Key Variables (known unknowns)

Ever-increasing regulatory and compliance requirements and availability of resources/Resource limitations

District Supported Priorities (Initiatives & Action)	2021	2022	2023	2024	2025
Columbia River Treaty	X	X	X	X	
Advance Governance-Risk-Compliance processes and records management policy to increase effectiveness of managing compliance risks	\$X	\$X	\$X	X	X
Support Rate Design Efforts		X			
Continue to support Mid-C independent operations implementation	X	X	X	X	X
Facilitate public power benefits program authority evaluation process	X	X	X	X	X
Rock Island Re-Licensing Efforts	X	X	X	X	X
Support PNW regional transmission planning efforts	X				
Participate in long term power contract alternatives strategy	X	X	X	X	X
Support acceleration of Fiber expansion	X	X	X	X	
Support regional asset planning efforts	X	X	X	X	X
Support environmental and permitting efforts	X	X	X	X	X
Business/Operating Unit Key Initiatives & Action	2021	2022	2023	2024	2025
Support power marketing opportunities and proactively engage in emerging markets and regulatory issues	X	X	X	X	X
Support hydro insurance claims activity	X	X	X	X	X
Continue to conduct audit reviews and provide assistance	X	X	X	X	X
Work with District Services to improve effectiveness and efficiency of procurement and contracting processes	X	X			
Manage alternative procurement methods	X	X			

## Board & General Manager Operating Unit Plan 2021-2025 Business Plan Summary

### How we will make a difference...

The Board of Commissioners and the General manager’s mission is to enhance the quality of life in Chelan County by providing sustainable, reliable utility services. The vision is to provide the best value, for the most people, for the longest time. The key objectives are to commit to the highest level of customer-owner satisfaction, invest to create long term value for customer-owners, protect and enhance natural resources impacted by operations, ensure financial stability, continuously improve efficient, effective, compliant, risk-assessed, and resilient operations, advance human and organizational performance, and encourage innovation. The four priorities for this business planning period are aligned with our new strategic plan priorities; 1) invest in assets and people and seek industry top-quartile performance for hydro generation, retail reliability, and safety while improving our customer service technology, 2) sustain excellent financial resiliency while mitigating the risk of large rate increases, 3) enhance the quality of life in Chelan County through programs that distribute the benefits of public power, and 4) engage in countywide growth planning and job creation efforts while ensuring the District’s rates and policies remain stable and predictable.

### Key Variables (known unknowns)

The known unknowns for the Board and GM are centered around the continuing changes in regulatory requirements, asset performance, local electricity demand and the wholesale energy market.

District Key Initiatives/Actions	2021	2022	2023	2024	2025
<b><i>Manage to key outcomes: high customer satisfaction, meet financial metrics, operate to strategic plan, and support public power.</i></b>					
Conduct the strategic planning process including community and employee outreach to complete a new strategic plan for 2025-2029				\$X	
Maintain, update and provide annual report on 5 year Strategic Plan, Business Plans and Annual Performance Plan	√	√	√	√	√
Advance Columbia River Treaty strategies to provide benefits to our customer-owners	X	X	X	X	X
Participate in the biennial GridEx exercise to strengthen resilience against cyber and physical threats	\$X	X	\$X	X	\$X
Integrate Accountability, Modeling of District Values and Cycle of Personal Ownership into daily processes	√	√	√	√	√
Advance the National and Regional influence of Chelan PUD	√	√	√	√	√
Board Key Initiatives/Actions	2021	2022	2023	2024	2025
Sustain our public partnership	√	√	√	√	√
Maintain strong financial stewardship	√	√	√	√	√
Ensure effective execution	√	√	√	√	√
Approve strategy and business planning	√	√	√	√	√
Responsible Board representation	√	√	√	√	√
Ensure compliance	√	√	√	√	√
Evaluate governance positions	√	√	√	√	√
Continuously improve Board member skills	√	√	√	√	√

**\$X** - Incremental Investment and Internal Resource Efforts

**X** - Incremental Internal Resource Efforts

**\$√** - Incremental Investment and Ongoing Internal Resource Efforts

**√** - Ongoing Internal Resource Efforts