Updates

*Informational, no action required*

- Discussions with municipalities & County
- Power requests by area since adoption of the crypto-currency moratorium
- Status of operating and approved High Density Load (HDL) customers
- Summary view of electric load forecast
- Next steps in support of managing load growth
- Questions
Municipality and County meetings update

- Met with all entities as part of their Council or Commission meetings
- Presented information on projected load growth
- Very interested in HDL/crypto-currency impacts
- Door opened for further collaboration in managing load growth and establishing a path forward
Objectives of joint agency planning:

- Develop a joint *(Utility Infrastructure Plan)* 30 year +
- Understand current state & limitations of utility infrastructure by area
- Re-calibrate zoning & land-use projections established in comprehensive plans
- Determine a path to incorporate loads into land-use models
- Re-establish baseline electrical capacity & infrastructure plans for *organic growth*
- Introduce capacity & infrastructure plans incorporating HDL loads
Planning for energy use through zoning

Questions:
- How much HDL do we plan for?
- Distributed across all zones?
- Centralized or new zone creation?
- Over what period of time?
- How to site HDL infrastructure?
Power requests by area (~3 year look-ahead & HDL moratorium included)

**Leavenworth area:**
- EV Charging Station ~ 0.75 MW
- Commercial ~ 1.9 MW
- Residential Apartments complex ~ 1.7 MW
- Housing Developments ~ 0.35 MW
- Recreation ~ 0.20 MW
- HDL Mining ~ 0.50 MW
- Public Transportation ~ 0.8 MW

**Cashmere area:**
- HDL-Mining (previously approved) ~ 2.4 MW
- Commercial ~ 1.0 MW

**Wenatchee area:**
- High Density Load Multiple Locations ~ 110 MW
- High Tech Manufacturing ~ 7 MW
- Ski / Recreation ~ 0.5 MW
- Residential Developments ~ 1 MW
- Agriculture - Fruit Storage ~ 4 MW
- Agriculture - Irrigation ~ 2 MW

**Chelan area:**
- Recreation ~ 3.0 MW
- Commercial/Ag. ~ 1.6 MW
- Residential Developments ~ 5.0 MW
- HDL Mining ~ 6.5 MW

**Entiat area:**
- HDL - Mining ~ 100 MW
- Residential ~ 0.10 MW

**Total: (April 2)**
- Organic Growth = 30.9
- HDL/Mining = 2.4

**Total: (reported Jan. 8)**
- Organic Growth = 40
- HDL/Mining = 220
What Is New Since: Q1

• Active Capital Projects:
  • 3rd Feeder South Shore Lake Chelan
  • North Shore Chelan Substation, Leavenworth Substation, Olds Station
  • North Wenatchee City Expansion Project Planning
  • Diamond Foundry Infrastructure options
  • Mckittrick Street Rebuild approaching completion

• Major Capital Projects In The Discovery/Planning Phase:
  • Mission Ridge Expansion - Wenatchee
  • Slidewaters Expansion - Chelan
  • Holiday Hills Development – Chelan
  • Hotels in; Leavenworth, Olds Station & Riverside Drive
  • Schools – Leavenworth, Wenatchee, Cashmere
  • Fruit Storage - Chelan
10 Year Load Energy Forecast*

<table>
<thead>
<tr>
<th>Date of Forecast</th>
<th>Base</th>
<th>High</th>
<th>Low</th>
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<tbody>
<tr>
<td>2/1/2018</td>
<td>2.1% (52 aMW)</td>
<td>8.5% (287 aMW)</td>
<td>0.7% (17 aMW)</td>
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<td>3/22/2018</td>
<td>3.0% (77 aMW)</td>
<td>7.6% (245 aMW)</td>
<td>0.3% (7 aMW)</td>
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- Forecast based on known applications & estimated energy projections
- Base forecast increase of ~25aMW due to HDL & new technology siting
- Future policy & rate adjustments are expected to have material impacts on future forecasts

* Annual growth rate plus ten year energy aMW change
Applied HDL service approved & operational

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<th>Vicinity</th>
<th>Industrial Zone</th>
<th>Commercial Zone</th>
<th>Residential Zone</th>
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<td><strong>3</strong></td>
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(22) Approved & Active HDL Loads
Total approved load ~ 13.5 MW
Total actual load ~ 9 MW
Next Steps for Managing Load Growth

• Refine load forecasting & projections
  • Expansion of internal load growth team
  • Increased frequency of load projection reviews & reporting

• Evaluate capital infrastructure alternatives
  • Substation siting & construction options
  • Re-prioritization & timelines for new substations

• Engage municipalities & County on planning
  • Scheduling individual workshops with municipals for: zoning, land-use plans & approval processes
  • Direct engagement with developers, realtors, builders & key accounts
  • Planning an update for the June tri-commission meeting

• Support cryptocurrency moratorium related to load growth
Questions ?