

# Chelan County PUD



## Strategic Goals Q2 Update

Bridge Year 2025

July 7, 2025

# **2025 – Bridge Year to Strategic Vision**

## **Why we are here**

- **Quarterly Update on Strategic Plan Goals for Bridge Year**
- **Progress on Enterprise Alignment Work**

# 2025 Bridge Year Strategic Goals

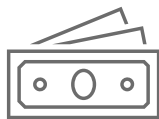
1



## ASSETS & PEOPLE

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



## FINANCE

Sustain financial resiliency while mitigating the risk of large retail increases

3



## QUALITY OF LIFE

Enhance the quality of life in Chelan County through programs that distribute the benefits of public power

4



## GROWTH PLANNING

Engage in countywide growth planning and job creation efforts while ensuring the District's rates and policies remain stable and predictable

# Strategic Plan – Goal #1

Invest in assets and people:

Major Actions Supporting Goal # 1	Objectives supporting Goal # 1		
		Target	Actual
	Hydro Re-Investment <ul style="list-style-type: none"><li>Rock Island Optimization</li></ul>	78% (Q2)	78% (Q2)
	Distribution System Reliability		
	Advance Human and Organizational Performance	≤ 74-82 (YE)	105.4 (June 1)
	H&OP Training for Leadership/Craft Target = 75%		

# Strategic Plan – Goal #2

Sustain financial resiliency, while mitigating large rate increases:

Major Actions Supporting Goal # 2	Objectives supporting Goal # 2		
<ul style="list-style-type: none"><li>Financial metrics<ul style="list-style-type: none"><li>Supports resiliency</li></ul></li><li>Business Line Financial Policies</li><li>Enterprise Resource Planning<ul style="list-style-type: none"><li>ERP Discovery</li><li>Resource needs</li></ul></li><li>Organized power markets</li></ul>		Target	'25 Forecast
	Liquidity	> \$225M	\$414M
	Combined Debt Coverage	> 2.0x	4.1x
	Debt Ratio	< 35%	10.3%
	Days Cash on Hand:	> 150	294

# Strategic Plan – Goal #3

Enhance quality of life through Public Power Benefits:

Major Actions Supporting Goal # 3	Objectives supporting Goal # 3
<ul style="list-style-type: none"><li>• Riverfront Park</li><li>• Electric Avenue</li><li>• Broadband expansion</li><li>• Supported employment positions</li></ul>	<ul style="list-style-type: none"><li>• Fiber Premises Passed:<ul style="list-style-type: none"><li>• 2025 Target 8800</li><li>• Actual YTD 7758 (June 1)</li></ul></li><li>• Riverfront Park improvements fully open to the public (June 24)</li><li>• Electric Avenue Substantially Complete (June 30)</li><li>• Issue 2,500 day use park passes<ul style="list-style-type: none"><li>• YTD 1,300 (June 1)</li></ul></li></ul>











# Strategic Plan – Goal #4

Engage in countywide growth planning:

Major Actions Supporting Goal # 4	Objectives supporting Goal # 4
<ul style="list-style-type: none"><li>• Large Load Framework</li><li>• Wildfire risk reduction – fuels reduction<ul style="list-style-type: none"><li>• Partnering with County</li></ul></li><li>• County franchise</li><li>• Confluence Parkway / Bridge St.</li><li>• Helion land lease</li><li>• Stehekin</li><li>• Water resource planning</li></ul>	<ul style="list-style-type: none"><li>• First large load framework contract<ul style="list-style-type: none"><li>• Expected start Aug 1</li></ul></li><li>• Program Managers hired for:<ul style="list-style-type: none"><li>• Large loads</li><li>• Wildfire risk</li></ul></li><li>• Integrated Resource Plan (IRP) and Clean Energy Implementation Plan (CEIP) to be approved by Board late 2025</li></ul>

# Strategic Visioning

## Enterprise Development:

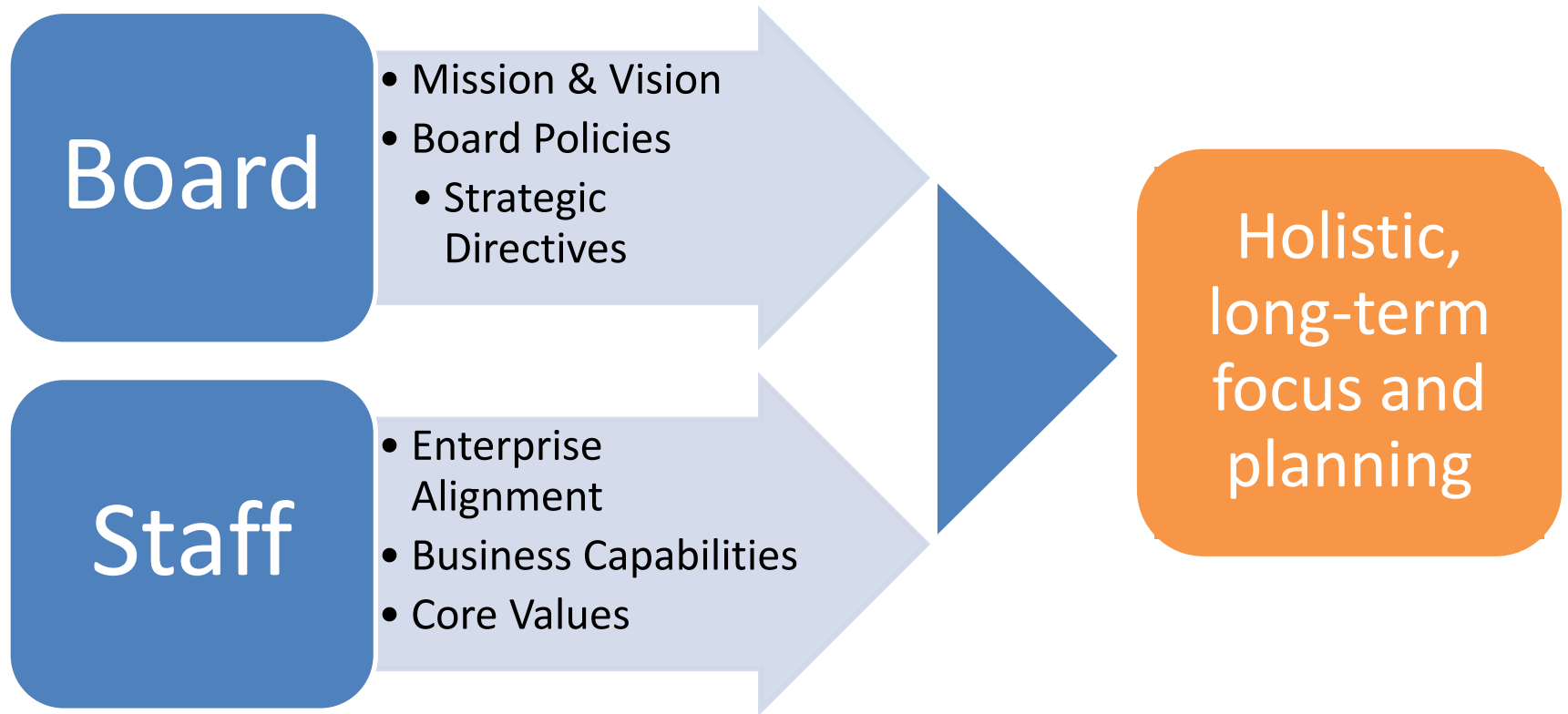
### Major Actions supporting Goals:

- Establish Enterprise Alignment process
- Define business capabilities

### Objectives supporting Goals:

- Develop and implement process for establishing goals and objectives – Framework established, goals complete, and objectives underway
- Business capabilities are being assessed in collaboration with scoping a new Enterprise Resource Planning system.

# Convergence



# Questions



# Appendix

# Enterprise Alignment Process:

## Current v. Future State

### CURRENT STATE

**Operational:** Shorter-term focus

**Planning:** Starts with projects

**Roles:** SMT creates goals, objectives, strategies, and tasks

**Compelled to say 'yes':** The cost of overcommitment

**Organizational Health:** Low visibility and unclear purpose

**Budget-focused**

#### Transition year(s)

- Cultural Shift
- Discover and develop measures
- Develop Business Capabilities
- Learn, Adjust, Grow

### FUTURE STATE

**Strategic:** Holistic, longer-term focus

**Planning:** Starts with vision → goals → objectives

**Roles:** Distinct roles & responsibilities between Executive and Senior leaders

**The power to say 'no':** Focus and prioritization

**Organizational Health:** Business Capabilities reflect the organizational pulse, leveraging strengths and addressing areas needing attention

**Capability-focused**