

2024 District Performance Plan

Q4-Final

On Track	Complete	Caution	Needs Attention	Completed after Deadline	Scheduled Time Frame
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Objective	Objective #1 - COMMIT TO THE HIGHEST LEVEL OF CUSTOMER-OWNER SATISFACTION (BSc Customer-Owner/Stakeholder Objective)						
	Metrics & Targets	Target	Q1	Q2	Q3	Q4	Lead
	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.						
	Objective 1						
1	1. Customer Satisfaction as measured by biennial customer satisfaction survey (>90%), stakeholder survey, fiber survey, etc. and planning in off-years.						
1	A. Complete customer satisfaction survey by end of Q2 with 90% satisfaction rating. 2024 result = 90.3%	>90% by end of Q2					John Stoll
1	B. Based on results and customer comments prepare a report for the SMT by end of Q3. The report was published and distributed to the SMT for potential action items	9/30/2024					John Stoll
1	2. Fiber take rate exceeds 55% by end of 2024. Take rate was 57% at the end of the year.	>55%					Chris Blayne
	Strategic Initiatives/Critical Tasks/Actions						
1	3. Identify, develop, and implement community desired and Board directed long-term Stehekin energy resource plan.						
1	A. Execute interlocal with Chelan County to fund Stehekin Community plan by end of Q1. Agreement was signed on 3/26.	3/31/2024					Janet Jaspers
1	B. Select energy resource options (battery, switchgear, multi-jet nozzles, etc.) for further analysis in 2025 by the end of Q3. Charter completed; scope for 2025 includes up to 30% design for upgraded controls, turbine efficiency improvements and short duration battery.	9/30/2024					Brett Bickford
1	4. Conduct the strategic planning process including community and employee outreach to complete a new strategic plan.						
1	A. Complete initial draft of 50-Year Vision by end of Q3. Board workshop on October 7. Missed September 30 target date.	9/30/2024					Justin Erickson

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Objective	Objective #2 - INVEST IN CREATING LONG TERM VALUE (BSc Business Process/Internal Operations Objective)						
	Metrics & Targets	Target	Q1	Q2	Q3	Q4	Lead
	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 built 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.						
	Objective 2						
2	1. Electric Service Reliability target (SAIDI): annual year end goal. With a 5-year goal to reduce to 44-67 minutes. Q1 = 83.2 min, Q2 = 85.9 min, Q3 = 84.1 min, Q4 104.2 The summer months continue to be higher due in large part to the fire settings. Some gains have been made from previous years due to animal guarding, fault indicators and tree trimming. We also implemented a portion of the SCADA controls and expect to continue to expand on that next season and see benefits from it. The November storm had a significant impact.	72 minutes by 12/31/2024					John Stoll
2	2. Hydro Capability, end of year (EOY) Manage outage and rehab schedules to meet hydro capability targets to achieve District power production targets. Target based on hydro generation asset name plate capacity of 1980 MW with a minimum target for 2026 and beyond of 89%. (Quarterly targets: Q1-75.8%, Q2-75.4%, Q3-75.2%, Q4-76.2%) Q4 75.3% - missed goal due to C3 Transformer failure, PH2 Exciter housings, late completion of C11 and B3.	YE 76.2%					Brett Bickford
	Strategic Initiatives/Critical Tasks/Actions						
2	3. Seek or partner with other public entities or trade associations for potential opportunities and incentives for wildfire mitigation, dam safety, second source water, and broadband expansion. Coordination activities are ongoing.	12/31/2024					Justin Erickson
2	4. Develop a Large Load process with respect to all energy services and all associated utility infrastructure.						
2	A. Finalize and obtain approval of energy supply and delivery services framework by end of Q2. Energy supply framework presented to Board on July 15th. Q4: Proposed Electric Rate Schedule 4 services are being drafted and expect Q125 approval by BOC. 80% complete by end of 2024.	6/30/2024					Janet Jaspers

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Strategic Initiatives/Critical Tasks/Actions		Target	Q1	Q2	Q3	Q4	Lead
2	5. Obtain a new license for the Rock Island Hydroelectric Project consistent with the District's mission, vision, core values, and FERC requirements.						
2	A. File the Proposed Study Plan (PSP) with FERC, host the PSP public meeting and file the revised PSP by end of Q3. <i>Completed - Board update November 4.</i>	9/30/2024					Justin Erickson

Objective	Objective #3 - PROTECT NATURAL RESOURCES IMPACTED BY OPERATIONS. (BSc Customer-Owner/Stakeholder Objective)						
	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.						
	Metrics & Targets	Target	Q1	Q2	Q3	Q4	Lead
	Objective 3						
3	Strategic Initiatives/Critical Tasks/Actions						
3	1. Advance Wildland Fire Mitigations and Plan						
3	A. Expand and select Fire Safety Outage Management (FSOM) risk areas by 4/30/24. <i>Complete, wildfire team recommended expansion of both tier 3 and tier 2 into the FSOM areas for a total of 24 zones</i>	4/30/2024					John Stoll
3	B. Adopt the State mandated wildfire mitigation plan specific to Chelan PUD by 10/31/2024. <i>Complete - filed with the State</i>	10/31/2024					John Stoll
3	2. Consistent with the Habitat Conservation Plans, identify and evaluate emergent opportunities and best practices that could support fish passage and water resources by Q4. <i>District engaged with key partners on fishery/habitat issues throughout the year.</i>	12/1/2024					Justin Erickson
3	3. Develop an overarching water strategy considering current and future water resources and hydro generation needs by end of Q3. <i>Working strategy was completed by the end of Q3. Will use strategy to inform strategic directives and update strategy through 2075 Visioning process.</i>	9/30/2024					Kirk Hudson

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Objective	Objective #4 - ENSURE FINANCIAL STABILITY (BSc Financial Objective)						
	During these dynamic times, we will sustain a financial structure that seeks to create financial flexibility that supports affordable and stable electric rates under all plausible scenarios and create access to low-cost capital when needed.						
4	Metrics & Targets	Target	Q1	Q2	Q3	Q4	Lead
4	Objective 4						
4	1. Debt Cover – District	>2.0					Sri Krishnan
4	2. Debt Leverage – District	<35%					Sri Krishnan
4	3. Liquidity – District	>\$225M or Methodology					Sri Krishnan
4	4. Days Cash On Hand – District	>150 Days					Sri Krishnan
4	Strategic Initiatives/Critical Tasks/Actions						
4	5. Actively participate in electricity market design, develop options, and execute approved actions. Examples include Western Resource Adequacy Program (WRAP), day-ahead organized markets (SPP Markets+ and CAISO Extended Day Ahead Market-EDAM).						
4	A. Make SPP Markets+ Phase 2 funding go/no decision by end of Q2. The SPP Markets+ development team (external to District) changed the funding decision date to the end of 2024 after goal was set. Variance approved on 7/24 to move our target date from June 30th to Dec 31st. The BOC approved a resolution on Nov. 18th, 2024 (SA No. 24-13982) to allow the GM to enter into a SA with SPP to fund implementaion of Markets+.	12/31/2024					Janet Jaspers
4	6. Monitor and measure impacts of legislative, regulatory, and energy market evaluation on surplus portfolio, develop options, and take approved mitigation actions as necessary.						
4	A. Provide subject matter expertise on state policy priorities and evaluate impacts of potential policy changes on Energy Resource responsibilities. Q4: ER was active on several issues related to the CETA 'no coal', Resource Adequacy and SPP Markets+.	12/31/2024					Janet Jaspers
4	7. Maintain or enhance AA bond ratings: Fitch AA+, Moody's Aa2, and S&P AA+ (Stable Ratings).						
4	A. Receive clean financial audit opinion with no material deficiencies by April 30. Received clean audit opinion and 2023 annual report published in April.	4/30/2024					Sri Krishnan
4	B. Execute all steps of Rating Agency outreach plan to end of Q4. Completed formal reviews with Fitch (Q1), Moody's (Q2) and most recently S&P in December. All ratings were affirmed.	12/31/2024					Sri Krishnan

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Objective	Obj #5 - CONTINUOUSLY IMPROVE EFFICIENT, EFFECTIVE, COMPLIANT, RISK-ASSESSED AND RESILIENT OPERATIONS (BSc Business Process/Internal Operations Objective)						
	We will rigorously and holistically review spending and policy decisions using strong risk assessment practices to assure best value and resiliency. 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.						
	Metrics & Targets	Target	Q1	Q2	Q3	Q4	Lead
5	Objective 5						
5	Strategic Initiatives/Critical Tasks/Actions						
5	1. Maintain resilient operations and ensure business continuity via staffing, training, spares, and redundancy (resiliency).						
5	A. Spare parts. Identify scope and resources to develop a spare parts strategy by end of Q1. Prepare a draft strategy by end of Q3. <i>Completed Q3.</i>	9/30/2024					Brett Bickford
5	B. Single points of failure. Identify tier 1 positions that are single points of failure by end of Q1. Prepare a draft plan to mitigate tier 1 single points of failure by end of Q3. <i>Completed Q3</i>	9/30/2024					Brett Bickford
5	2. Transform the business planning process to increase organizational unity and alignment by leveraging a framework of Business Capabilities.						
5	A. Establish initial business capability model and implementation plan by end of Q1 and execute on defined milestones through end of year. <i>Implementation delayed due to competing priorities.</i>	12/31/2024					Kirk Hudson
5	3. Advance the District's cyber security strategy to strengthen readiness, prioritize actions and investments, and maintain desired levels of security , resiliency, and recoverability.						
5	A. Mature our C2M2 Architecture domain areas to desired levels across IT, OT, and Fiber by the end of 2024. C2M2 targets for maturing this year have been identified. <i>Cyber Working Group matured our C2M2 architecture and created agreements requiring any changes where architecture overlaps department responsibilities, to go through a new architecture process.</i>	12/31/2024					Ian Fitzgerald

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Objective	Objective #6 - ADVANCE HUMAN AND ORGANIZATIONAL PERFORMANCE (BSc People & Culture Objective)						
	Metrics & Targets	Target	Q1	Q2	Q3	Q4	Lead
	Through systems learning and investments in developing our employees, we constantly improve our resiliency, our defenses, and our ability to adapt to our environment. Through curiosity and continual learning, our employees provide the solutions to problems. By learning from our errors and failures, and examining our practices, we improve our operational excellence on behalf of our customer owners.						
6	Objective 6						
6	Strategic Initiatives/Critical Tasks/Actions						
6	1. SAFETY: Increase the District’s capacity for safe work by partnering with District operations staff to develop purpose-driven safety programs.						
	A. Develop District wide strategy to create purpose driven safety programs. <i>Created the process for developing and/or evolving Safety standards to ensure that workers have the knowledge, skills, and resources they need to adapt to changing working conditions and control critical steps.</i>	12/1/2024					Jared Watts
6	Strategic Initiatives/Critical Tasks/Actions	Target	Q1	Q2	Q3	Q4	Lead
6	2. HUMAN & ORGANIZATIONAL PERFORMANCE: Better embody a high reliability organization by incorporating H&OP throughout all facets of the District.						
	A. Develop District wide strategy to incorporate H&OP building blocks across all facets of the organization. <i>Training course series developed and Beta tested to 50 District leaders, with intent to expand.</i>	12/1/2024					Jared Watts
6	3. Develop and implement a District-wide strategy for staff development, building resiliency and advancing capability (bargaining unit and non-bargaining unit).						
6	A. Complete the first year of the Developing Leaders from Within Program (DLW) with a 75% graduation rate. <i>93% completion rate for 2024.</i>	12/31/2024					Rosario Nystrom
6	B. Draft Succession Plan strategy for Manager to Director level positions- Q2, Approved Succession Plan Q4. <i>Pilot program completed with G&T. Roll-out started with other departments.</i>	12/1/2024					Brett Bickford Rosario Nystrom

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Objective	Objective #7 - ENCOURAGE INNOVATION (BSc People & Culture Objective)						
	Metrics & Targets	Target	Q1	Q2	Q3	Q4	Lead
7	We encourage creative thinking and trying new ideas to meet the challenges of the future. We set aspirational goals with the belief that much will be learned and achieved even when the ultimate goal may be unachievable. We seek to be recognized as experts and industry thought leaders on all issues relevant to our operations. We provide educational opportunities and diverse work experiences to foster diversity in perspectives and thought. We focus on developing a strong culture of innovation so we can continue to increase value for our customer-owners.						
7	Strategic Initiatives/Critical Tasks/Actions						
7	1. Investigate and explore new energy/storage sources to serve additional future load and customers through 2028.						
7	A. Identify the need and use it to inform the strategic planning process to select technology for additional evaluation (and budget) in 2025, if needed. <i>Completed Q3. Battery storage and Geothermal evaluation continuing in 2025.</i>	9/30/2024					Brett Bickford
7	Strategic Initiatives/Critical Tasks/Actions						
7	2. Advance the internal and external user digital experience through implementing virtual mobile workforce tools; enabling field and engineering technologies; and improving quality of customer digital experiences by the end of 2028.						
7	A. Provision OverIT's field workforce solution to a minimum of 25 employees by end of 3rd Quarter. <i>89 devices have been deployed, with a goal of 165 by March 2025. Current adoption rate is 93%.</i>	9/30/2024					Ian Fitzgerald
7	3. Ready operational technology through connecting our campuses with fiber optics; advancing our operational technology; and exploring distributed energy resource (DER) innovations.						
7	A. Achieve an approved business case for the use of ADMS; understanding its importance and ties into an uncertain energy future, with a 2025 resource and expenditure plan, by end of Q3. <i>A business case has been completed, however, there are still a lot of discussions occurring on whether we have the right plan, scope and roadmap. Onboarding our Chief Operating Officer will help get this over the finish line.</i>	9/30/2024					Ian Fitzgerald
7	B. Decide on a strategic direction, with a sustainable internal rate structure, to support all the District facilities with broadband services, by 12/1/2024. <i>Discussions and agreements have between multiple business units have paved the way to begin using fiber at all campus sites using standard architecture, allowing access to IT & OT technology services to support the reliability of the services the PUD provides.</i>	12/1/2024					Ian Fitzgerald

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	Strategic Initiatives/Critical Tasks/Actions	Target	Q1	Q2	Q3	Q4	Lead
7	4. Invest in data and enable user access to data through building out of data and analytics-as-a-service platform; integrating data through a virtual data elevator; and scaling the data community of practice by the end of 2028.						
7	A. Implement an Integration Platform as a Service (IPaaS) to enable the virtual data elevator, in support of 2024 projects, field workforce and CIS Migration, by mid-August. The team has stood up Boomi, an IPaaS, within our on-premise environment completing the first phase of maturity. We will extend this into our private cloud in 2024 and into our operational technology environment in 2025.	8/16/2024					Ian Fitzgerald
7	B. Advance District employee's reporting, analytics and technology capabilities by conducting cross-functional training and education across our suite of analytical tools (Power BI, PI Vision, Seeq, etc.) to grow self-service users by an additional 25 by 12/1/24. The Business Intelligence Dept has conducted instructor led PI Vision training for 50+ users and launched a 4-video online course to capture 18 additional users to learn how to use PI Vision with time series data. PI Vision display creators have increased by 26 since year-end and total displays have increased to 805 from 102 during the same period.	12/1/2024					Sri Krishnan
7	5. Improve efficiency in daily tasks to drive business value through corporate cloud migration; enabling innovation via the cloud; and modernizing technology skill sets.						
7	A. Select a CIS cloud migration path & develop a work plan by end of 3rd Quarter. Completed	9/30/2024					Ian Fitzgerald
7	B. Select a Finance & HCM cloud migration path & develop a work plan by 12/1/2024. A committee has been stood up and a project plan has been identified. Phase 0 & 1, Planning are estimated to be completed in 2025.	12/1/2024					Ian Fitzgerald

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Objective	#8-FOSTER A CULTURE OF SERVING THE PUBLIC INTEREST (BSc People & Culture Objective)						
	Metrics & Targets	Target	Q1	Q2	Q3	Q4	Lead
8	Our strategic advantage is our culture of serving the public interest. We enhance the quality of life in Chelan County through a culture of serving the public interest including programs that distribute the benefits of public power. We also seek out opportunities to collaborate with other public agencies to solve problems and address regional challenges.						
8	Objective 8						
8	1. Complete Fiber Expansion PPB New Premises Passed (Expansion/Infill/Growth) of 9,256 by 2026 (related final customer connections in 2027). 2024 results of 6,740 fell short of the target. We are reviewing and putting together a corrective plan to make sure overall 2026 number is met.	8,617					Chris Blayne
8	2. Establish and execute the Fiber Expansion Homestretch plan within scope, schedule, and budget. Board workshop scheduled 1/31/25	TBD after Board Workshop					Chris Blayne
8	Strategic Initiatives/Critical Tasks/Actions	Target	Q1	Q2	Q3	Q4	Lead
8	3. Complete selected Public Power Benefit Projects						
8	A. Sport Courts - Walla Walla Park Intentionally deferred to 2025 to minimize impact to users.	6/30/2024					Justin Erickson
8	B. Riverfront Park: Phase 1 Substantially Complete. As reported previously to the Board, the construction schedule spans in to the second quarter of 2025.	9/30/2024					Justin Erickson
8	C. Fill open supported employment position Filled position, but missed 6/30 target date.	6/30/2024					Justin Erickson
8	D. Day-use Parks Pass Program - 3000 Passes Issued 2,408 passes were issued for 2024. In 2025, we will apply a lesson learned from a pilot in August: we will use an all-customer email earlier in the year. The pilot was quick, cost-effective, and drove ~800 responses or 33% of the final total.	12/31/2024					Justin Erickson
8	E. Dryden Wastewater Operation in August 2024. Staff working on closing out contracts.	12/31/2024					John Stoll
8	4. Develop second source of water with the Regional Water Committee.						
8	A. Finalize the second source location recommendation in partnership with the regional members by 6/30/2024. Regional members have yet to agree on a site to acquire and East Wenatchee Water District would still like to focus on further well exploration.	6/30/2024					John Stoll

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On Track 	Complete 	Caution 	Needs Attention 	Completed after Deadline 	Scheduled Time Frame 
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Total Tracked Items:
% On Track
% Completed On Schedule
% Completed After Deadline
Total % Completed or On Track

Q1	Q2	Q3	Q4
47	47	47	47
91.49%	72.34%	36.17%	19.15%
2.13%	8.51%	34.04%	51.06%
		4.26%	6.38%
93.62%	80.85%	74.47%	76.60%

Key for Prioritization:

Our intent is to make measured progress on the entire District and Business Unit Performance Plans in addition to our core activities. However, if conflicts arise, these District actions are our top priorities when making trade-off decisions.

Additional guidance for prioritization trade-off decisions includes:

1. Break/fix to maintain existing systems/levels of operation and emergency priorities
2. Regulatory and/or legal compliance with required due date
3. Planned strategic and scheduled work:
 - a. Required for another strategic item to move forward
 - b. Business Unit strategic with highest determined priority
 - c. O&M work that can be scheduled
4. Unplanned work neither strategic or scheduled
 - a. Required to ensure other business unit planned work can be completed
 - b. Not required but increases baseline value