Adjusting, responding, serving

Colorado River Energy Distributors Association Board meeting
June 25, 2020 | Virtual meeting

Mark A. Gabriel
Administrator and CEO
Engaging in a world of change
2020 accomplishments

- Common SCADA platform
- Integrated Communications Group
- State fact sheets and stat appendix
- Workplace violence prevention training
- Top safety performance
- Progress on workload planning
- Transmission vision moving ahead
- Exploring battery storage with BOR
- New Leadership Development Program
- Four new Asset Management categories
- Fiber report finished
- WEIS/EIM on track
- Began consolidated CRSP and DSW t-line rates initiative
- Planning for Craig plant retirement
- T-line and substation projects on track
- Received a clean audit
- Joined NWPP Reserve Sharing Agreement
- Leading DSW markets study
Wildfire prevention & mitigation

- Reviewing vegetation management programs
- Working with landowners & other agencies
- Participating in utility committees
- Active role on ESCC wildfire committee
Common SCADA

- Does not equal one SCADA across WAPA
- Equals one SCADA vendor
- Expected benefits
  - Improve operational flexibility
  - Increase reliability
  - Avoid future support and administrative costs due to cross training and supporting multiple contracts
Continuous Process Improvement

CPI projects: $3,386,760
  ex: DSW Purchase Power and Transmission Invoicing

WAPA Strategic Initiatives: $46,564,812
  ex: OCF0 Automated Self-Service Invoicing Tool

Just Do It projects: $60,189,838
  ex: CRSP North Fork to Rifle Steel Lattice Structure Repair

Operational Effectiveness Improvements
  ex: Power System Change Management

WAPA cost savings and avoidance: $110,141,410 as of March 31, 2020
Coronavirus response

- Objective: Ensure continued mission success and protect employees
- Maximized telework
- Social distancing plans in place for Ops & Maintenance
- Collaborating with federal, state & local entities
- No visitors to WAPA facilities
- Starting Responsible Workplace Re-entry
  - Mission-critical travel & training only
Coronavirus response

- Capital projects may be delayed due to pandemic.

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<th>HQ</th>
<th>CRSP</th>
<th>DSW</th>
<th>RMR</th>
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<td>8</td>
<td>2</td>
<td>3</td>
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*Employees highlighted in RED font color are active, those in BLACK font color are cleared/recovered. Those in BLUE are not recovered or cleared but have finished the 14-day quarantine.

Data as of June 23, 2020.
Facility testing dashboard

This data is fictional and for illustrative purposes only.
Facility testing dashboard

This data is fictional and for illustrative purposes only.
Why are we joining EIS/EIM

- Change in generation mix
- Shortage of electric capacity
- Reduced bilateral trading partners
- Price volatility
- Increasingly dynamic system
WAPA’s position on markets

- No “one-size-fits-all” solution
- Stay strategic, proactive and aligned with our mission
- Create best possible outcome for our customers and WAPA
AM Almanac

• Protecting Assets in World of Change
• Support informed and strategic decision making
• Provides info on WAPA’s assets, performance data and trends
AM Almanac

WARE RESULTS: POSSIBLE FUTURE INVESTMENT NEEDS

Possible Transformer Investment:
10-Year Outlook: 2019 – 2028

Possible Circuit Breaker Investment:
10-Year Outlook: 2019 – 2028

Commentary: The WARE tool projects asset replacement using current health and risk data for the current year, but only uses age data to extrapolate to future years. Mitigation options for assets that fall outside thresholds may include asset investment, replacement, additional maintenance or accepting the risk.
Personnel updates

• Senior VP & acting CFO is Jody Sundsted.
  – CFO selection announcement expected soon.
• Acting Senior VP & UGP Regional Manager Lloyd Linke began in June.
• Senior VP & DSW Regional Manager is Tracey LeBeau.
• CAO job vacancy announcement expected soon.
Key takeaways

We are committed to delivering on our mission. Industry is changing at a rapid pace, and we must keep up. Focus on optimizing existing technologies & assets.
Contact/follow me

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