Serving communities, saving communities amid a changing industry

Mid-West Electric Consumers Association
June 13, 2017 | Oacoma, SD

Mark A. Gabriel
Administrator and CEO
Valley City video
Accomplishments

- Lowered rates two years in a row for 50% of customers
- Implemented FIMS
- Secured Enclave Support Center
- Completed CIPv5
- Chosen to host HR Shared Service Center
- Developed Strategic Roadmap 2024
- Asset Management 2.0
- Launched Governance and Policy office
- Entered SPP and saved 3x the initial $ estimates
- Launched The Source
- Remarketed LAP and BCP
- Lowered rates in RM
- Met or exceeded all audit requirements
- Drought-adder paid off early
- Became industry leaders in fall protection
- $34 million in cost-saving and -avoidance through CPI program
- Recognized by DOE for best practices in organizational transformation
Cost containment

CPI projects: $2,700,000
ex: Federal Register Notice Process

Just Do It projects: $1,400,000
ex: Oil-filled equipment disposal (SN)

WAPA Strategic Initiatives: $30,000,000
ex: AmpJack Tower Raising

WAPA cost savings and avoidance: $34,000,000 as of March 31, 2017
New administration

- Formal transfer of government
- Political appointee turnover
- WLO activity
- Transparency hearings
- Senate Committee voted 17-6 approving Dan Brouilette as Deputy Secretary
- Waiting on confirmation
Physical security

- Consolidated in 2013
- All-hazards approach
- Assessing all subs
- 203/319 complete
- Tripled investments since 2013
Physical security

WAPA’s Security Spending

<table>
<thead>
<tr>
<th>Year</th>
<th>Security Spending</th>
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<tbody>
<tr>
<td>FY 2013</td>
<td>$3 millions</td>
</tr>
<tr>
<td>FY 2014</td>
<td>$6 millions</td>
</tr>
<tr>
<td>FY 2015</td>
<td>$7 millions</td>
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<tr>
<td>FY 2016</td>
<td>$12 million</td>
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</tbody>
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Cybersecurity impacts

- Increasing threats
- Increasing requirements
- Audit load
- Management oversight
- Increasing security program scope
Dialogue is key
Needles video
Key takeaways

*Focus on value and business excellence.*

*Be aware of industry trends and changes.*

*Continue delivering on mission.*
Contact/follow me

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