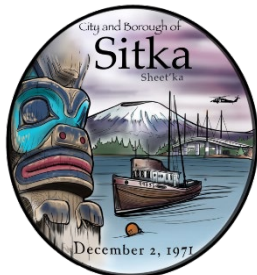


Assembly Report



CITY AND BOROUGH OF SITKA
ELECTRIC UTILITY DEPARTMENT
RON VINSON, ELECTRIC UTILITY DIRECTOR

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QUARTERLY SUMMARY

GENERAL OVERVIEW

Quarter three (Q3) kicked off fiscal year 2025 (FY25), and as such, many tasks that were long-awaited began to kick off or continue. Several capital projects that were funded in the FY25 budget began to proceed forward including Island Improvements, Feeder Improvements, and FERC Compliance. A summary of these capital projects can be found on page 4. Operational projects that were kicked off during this period include circuit breaker testing, FERC Security Inspection, and Fire & Life Safety Inspection. A summary of these projects has been included on page 5.

CURRENT CHALLENGES

Current challenges that the Department are facing include:

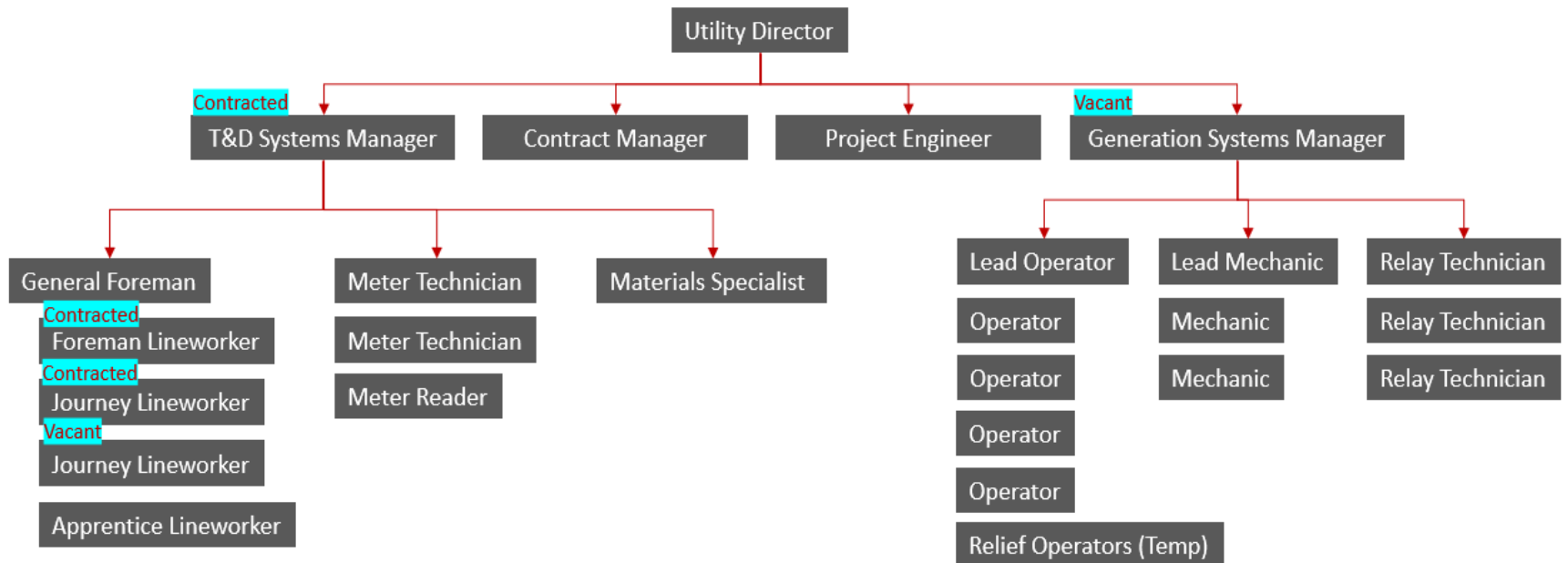
- Safety Deficiencies – The Department is currently challenged by several unaddressed areas of safety management. These areas include lacking fall protection, lack of spill prevention, containment, and countermeasure (SPCC) plans, and several other areas. These safety deficiencies are currently being evaluated with the support of consulted specialists.
 - Regulatory Compliance – FERC and insurance requirements continue to increase. The Department is currently entering into FY26 budget planning, and this is providing an opportunity to develop a plan to meet the increasing requirements.
 - Personnel - Vacancies (Journey Lineman, T&D Manager, Generation Manager) continue to lead to increasing transmission line work costs. These costs expand beyond capital work, as the line worker unit has to be augmented by contractors.
 - Inventory Management – The Department is facing challenges with an aging and unsupported inventory management software. This has resulted in inaccurate Department inventory. The Department is currently seeking transition to a new inventory management software.
 - Preparing for Winter Operations – The Department is facing challenges with poorly maintained roads (Green Lake Road & Blue Lake Road) and an expired snow management contract. The Department is currently collaborating with the Public Works Department and a local contractor to perform road repairs. The Department is also currently advertising for a snow management contractor.
-

NEXT QUARTER LOOK AHEAD

During the coming quarter the Department is looking forward to kicking off and completing a number of critical utility projects and tasks including:

- Performing road surface maintenance on Green Lake Road and Blue Lake Road
- Performing 5-year circuit breaker testing
- Performing power transformer dissolved gas testing, monitoring, and mitigation
- Procuring materials for spring island improvements and feeder improvements
- Complete CPR, AED, and First Aid training
- FERC Security Upgrade Planning
- Kickoff of Meter Replacement Project
- Fall Protection Evaluation
- SCADA Quarterly Preventative Maintenance
- Green Lake Powerplant Phase 2 &3 Cost Estimates and Schedule Development
- C2C Risk Assessment Kickoff

ELECTRIC DEPARTMENT ORGANIZATIONAL CHART



- Key Notes:**
- Full-Time Employees: **25**
 - Temp Employees: **8** (including relief operators)
 - Vacant Positions: **3**
 - T&D Syst. Mgr. is currently filled by contractor
 - Lineworker staffing is augmented by contractors

CAPITAL PROJECTS

UTILITY POLE REPLACEMENTS

The scope of this project includes using contracted labor to replace a number of transmission line carrying structures including a total of 25 utility poles that were aged 40(+) years and at the end of their useful life. The Project budget was planned at \$421,056 and is currently tracking within budget. Work on this project was anticipated to start late summer 2024 and is expected to continue into the coming spring. The next steps for this project include preparing for spring-time work by procuring materials.

ISLAND IMPROVEMENTS

During the third quarter, the Transmission and Distribution Division worked with Northern Powerline Constructors to perform minor improvements to Sitka's island infrastructure. The CBS supplies power to 19 islands in total. Minor improvements were comprised of approximately 3-weeks of contracted labor including replacing underwater transmission line following damage that took place in one of this fall's adverse weather events. Other improvements included minor island infrastructure replacements. Work is planned to kick back off in the spring.

GREEN LAKE POWERPLANT REFURBISHMENT – PHASES II & III

The scope of this project includes the refurbishment of both hydropower units at the Green Lake Powerplant. This project has been selected for Department of Energy funding through the 247 Program. This funding is currently being negotiated with the DOE for a potential funding of up to 30% of the project total. The budget of this project currently sits at about \$6.49M. It is currently anticipated that some additional funding may be required in FY26. Project cost estimates are being performed to narrow down the projected costs on this project. This project is anticipated to be awarded in July 2025 and completed in July 2026 and is currently on-track. Next steps for this project include wrapping up cost estimates, finalizing project schedule, and selecting a project management consultant to lead the work.




FERC COMPLIANCE

The scope of this project includes continuing the FERC relicensing process for the Green Lake Development. This project also includes the development of FERC Part 12D reporting for Blue Lake and Emergency Action Plan (EAP) updates for the Blue Lake and Green Lake Developments. Upcoming work on this project includes completing a physical and cyber security assessment and security plan update. This project is both on schedule and within budget.

METER REPLACEMENT PROJECT

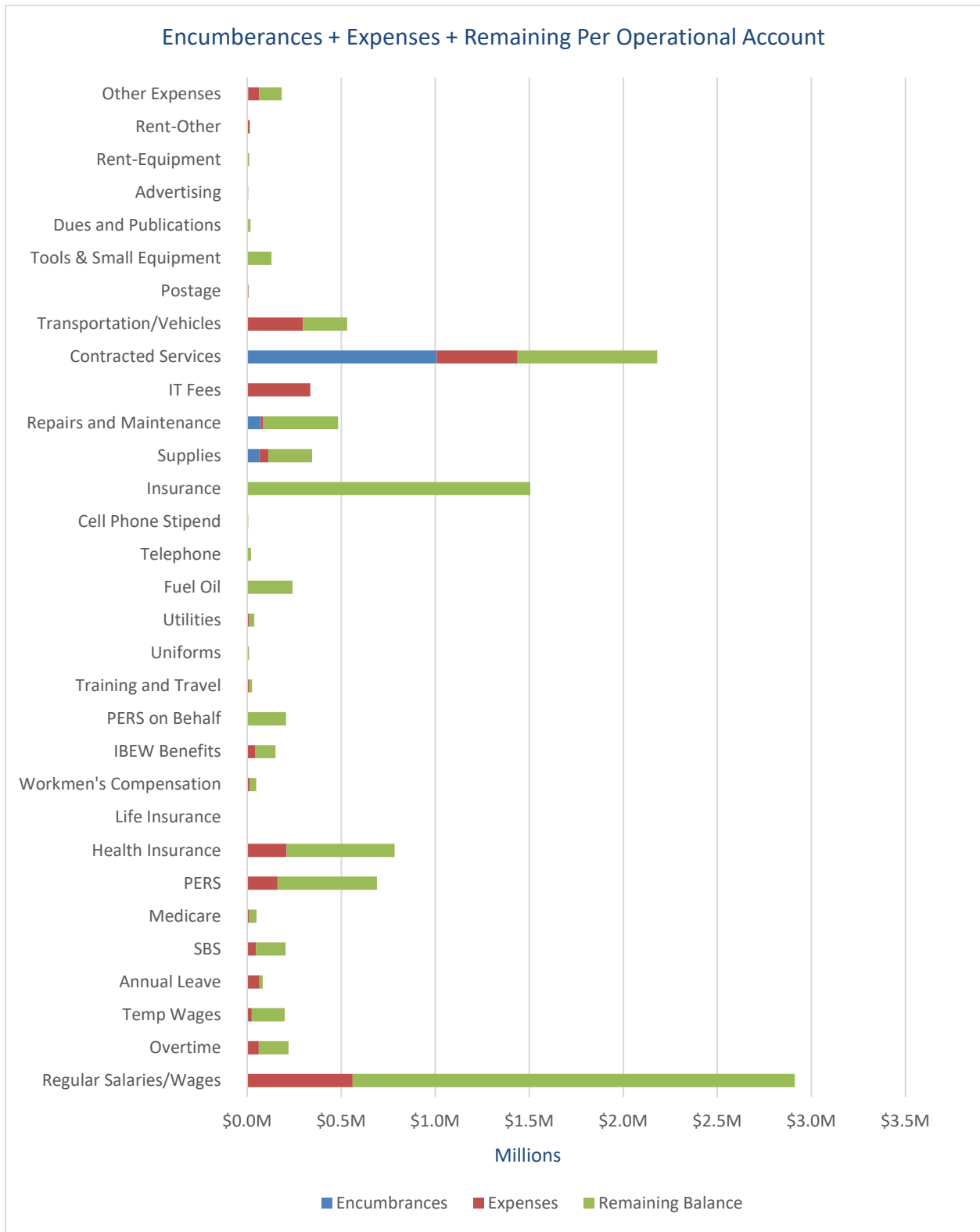
The scope of this project includes the replacement of existing revenue meters to facilitate remote meter reading. This improvement will improve meter data collection and reduce the potential for meter reading error. This will also reduce the amount of time that is solely focused on meter reading. The budget of this project was planned for \$860k and is currently in alignment with the planned amount. The schedule for this project included an original start date of 07/01/2024 and a completion date of 07/01/2025.. This project is currently behind schedule. Project contracts are currently under legal review. This project will kick-off immediately following this review. Next steps for this project include wrapping up legal review, purchasing equipment, and formally kicking-off the project.

Legend:

 Meeting Objectives  At Risk of Missing Objectives  Missing Objectives

BUDGET




The following chart outlines operational encumbrances, expenses, and remaining budget through 11/01/24



OPERATIONAL PROJECTS

Project Description	Scope	Schedule	Budget
5-Year preventative circuit breaker testing	The scope of this project remained focused on performing industry standard circuit breaker tests.	Planned Time: 17 days Actual Time: 12 days	This activity was not previously budgeted for FY25. However, tests were required for insurance coverage
Fish Valve Unit Realignment (Leak Repair)	Worked with Canyon Hydro to re-align the FVU to reduce lube oil leak – adjustment was successful	Planned: 1-week Actual: 1-week	Planned: \$18,000 Actual: \$18,752
FERC Security Inspection	Collaborated with FERC to perform Security Inspection of BL and GL facilities	Planned: 2 days Actual: 2 days	Inspection was performed within budget
Fire & Life Safety System Inspections	Collaborated with Public Works to have all Fire and Life Safety systems inspected and tested as part of annual ITM	Planned: Actual: *One additional inspection may be needed	Tests and inspections were performed and completed within budget
Transformer Oil Sampling	Performed oil sampling investigation for primary power transformers	Planned Testing: 1 day Planned Lab: 2 weeks Actual Testing: 1 day Actual Lab: 2 weeks	Tests were performed and completed within budget
Citizen Work Requests	Completed approximately 24 customer worker orders for services	n/a	n/a
CBS Department Requests	Completed 23 inter-department work orders including street light repairs, utility locates, and hazard tree removal	n/a	n/a
Response to Outages	Team responded to 23 minor outages	n/a	Outage response was covered by repairs and maintenance

Legend

	Meeting Objectives
	At Risk of Missing Objectives
	Missing Objectives

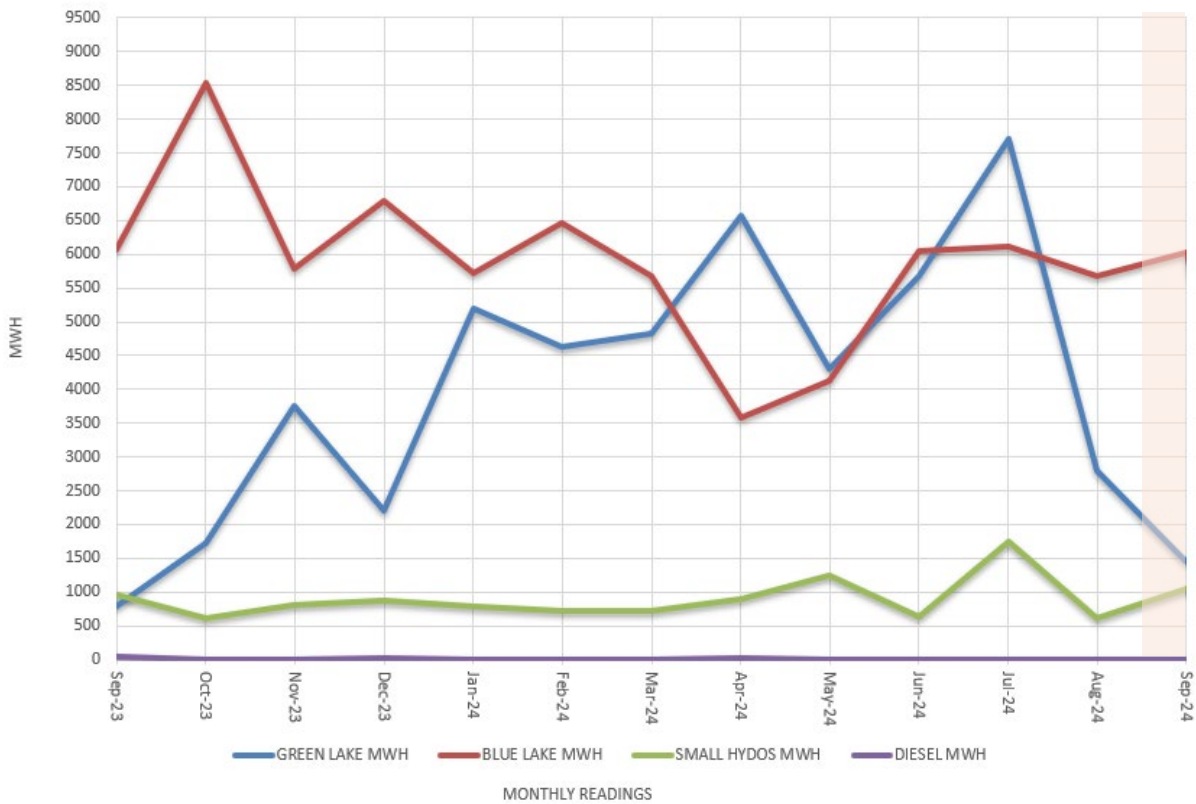
PERFORMANCE MEASURES

UNIT POWER GENERATION – JULY

Performance Measure: generation (by type & unit) possible vs. actual

Generation Unit	Generation Type	Possible Generation	Actual Generation
Green Lake Unit 1	Hydropower	6,919 MWH	1,388 MWH
Green Lake Unit 2	Hydropower	6,919 MWH	1,803 MWH
Blue Lake Unit 3	Hydropower	3,943 MWH	1,340 MWH
Blue Lake Unit 4	Hydropower	3,943 MWH	2,657 MWH
Blue Lake Unit 5	Hydropower	3,943 MWH	2,120 MWH
Blue Lake Fish Valve Unit	Hydropower	1,116 MWH	1,117 MWH
Jarvis Unit 1	Diesel (backup)	Non-Op	0 MWH
Jarvis Unit 2	Diesel (backup)	1,860 MWH	3 MWH
Jarvis Unit 3	Diesel (backup)	1,860 MWH	3 MWH
Jarvis Unit 4	Diesel (backup)	3,348 MWH	7 MWH
Jarvis Unit 5	Diesel (backup)	9,672 MWH	0.5 MWH

Monthly Generation Production by Plant

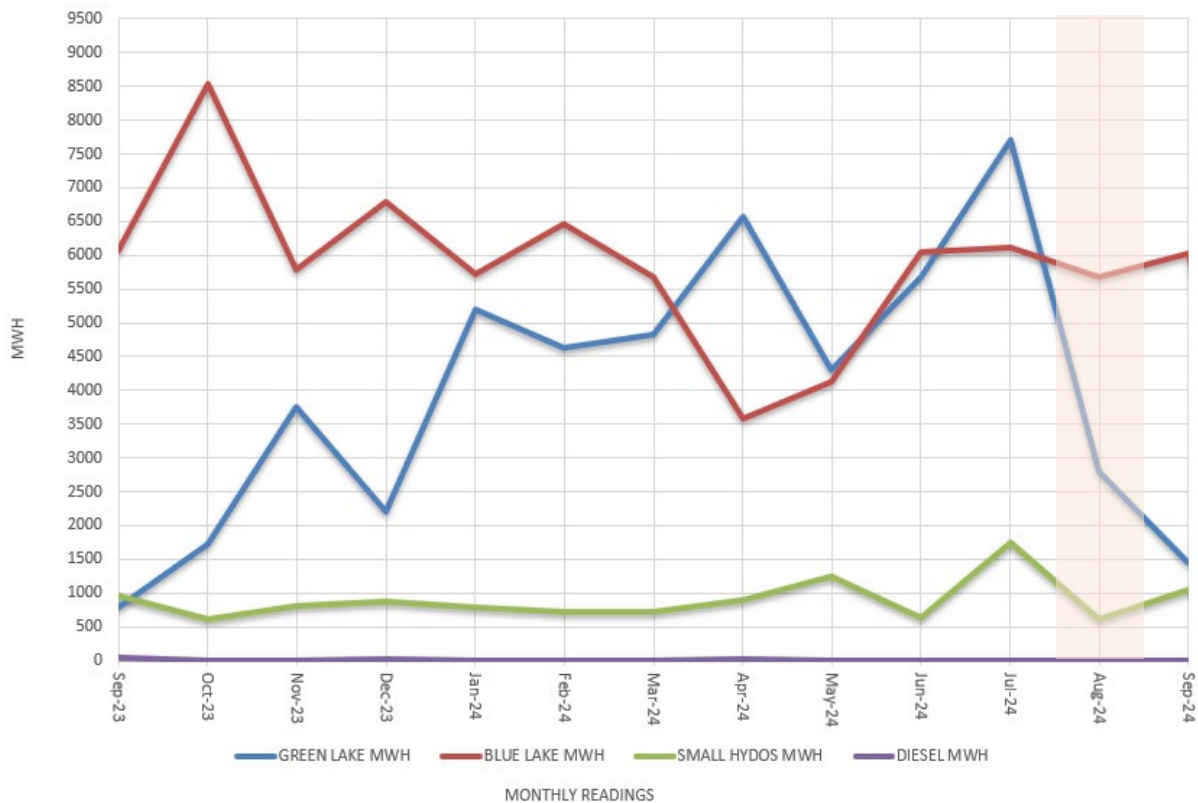


UNIT POWER GENERATION – AUGUST

Performance Measure: generation (by type) possible vs. actual

Generation Unit	Generation Type	Possible Generation	Actual Generation
Green Lake Unit 1	Hydropower	6,919 MWH	1,002 MWH
Green Lake Unit 2	Hydropower	6,919 MWH	1,803 MWH
Blue Lake Unit 3	Hydropower	3,943 MWH	2,080 MWH
Blue Lake Unit 4	Hydropower	3,943 MWH	1,715 MWH
Blue Lake Unit 5	Hydropower	3,943 MWH	1,873 MWH
Blue Lake Fish Valve Unit	Hydropower	1,116 MWH	608 MWH
Jarvis Unit 1	Diesel (backup)	Non-Op	0 MWH
Jarvis Unit 2	Diesel (backup)	1,860 MWH	0 MWH
Jarvis Unit 3	Diesel (backup)	1,860 MWH	0 MWH
Jarvis Unit 4	Diesel (backup)	3,348 MWH	0 MWH
Jarvis Unit 5	Diesel (backup)	9,672 MWH	9.1 MWH

Monthly Generation Production by Plant

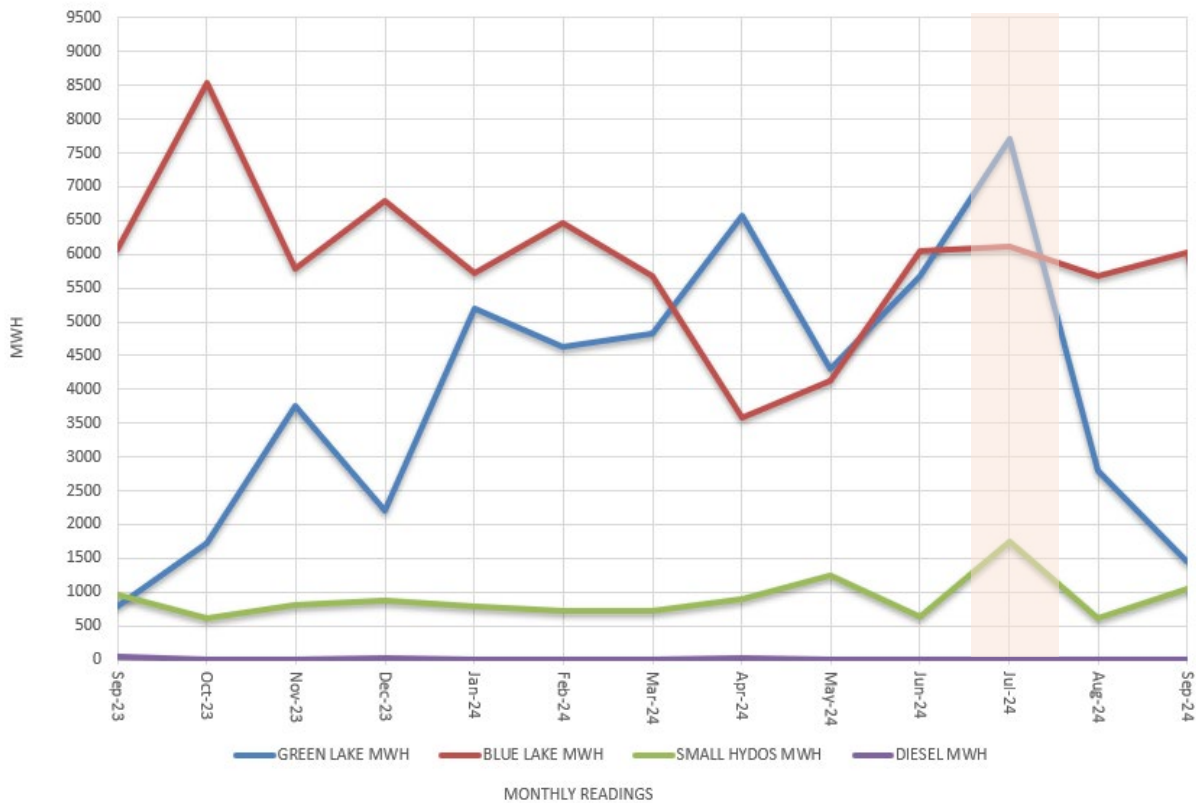


UNIT POWER GENERATION – SEPTEMBER

Performance Measure: generation (by type) possible vs. actual

Generation Unit	Generation Type	Possible Generation	Actual Generation
Green Lake Unit 1	Hydropower	6,919 MWH	707 MWH
Green Lake Unit 2	Hydropower	6,919 MWH	745 MWH
Blue Lake Unit 3	Hydropower	3,943 MWH	1,873 MWH
Blue Lake Unit 4	Hydropower	3,943 MWH	2,098 MWH
Blue Lake Unit 5	Hydropower	3,943 MWH	2,046 MWH
Blue Lake Fish Valve Unit	Hydropower	1,116 MWH	1,052 MWH
Jarvis Unit 1	Diesel (backup)	Non-Op	0 MWH
Jarvis Unit 2	Diesel (backup)	1,860 MWH	0 MWH
Jarvis Unit 3	Diesel (backup)	1,860 MWH	0 MWH
Jarvis Unit 4	Diesel (backup)	3,348 MWH	0 MWH
Jarvis Unit 5	Diesel (backup)	9,672 MWH	0 MWH

Monthly Generation Production by Plant



DIESEL GENERATION USE

This performance measure monitors the use of diesel fuel for power generation. The Electric Utility Department operates and maintains five diesel powered generators as backup power suppliers to support the communities energy demands when hydropower units become unavailable. Often these backup units are used to supplement power when the hydropower units or transmission lines are taken offline for maintenance. There are also times when these units are operated as a part of their maintenance procedures. It is a goal of the Electric Utility Department to minimize diesel generator use to in-turn reduce related emissions and reduce ratepayer costs.

Third Quarter Totals		
Generation Unit	Operating Hours	Fuel Used
Jarvis Unit 1	0	0
Jarvis Unit 2	2.4	261
Jarvis Unit 3	2.2	240
Jarvis Unit 4	3	460
Jarvis Unit 5	2	1229

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