



*Energizing Life In Our Communities*

# Strategic Plan Quarterly Update

May 13, 2025

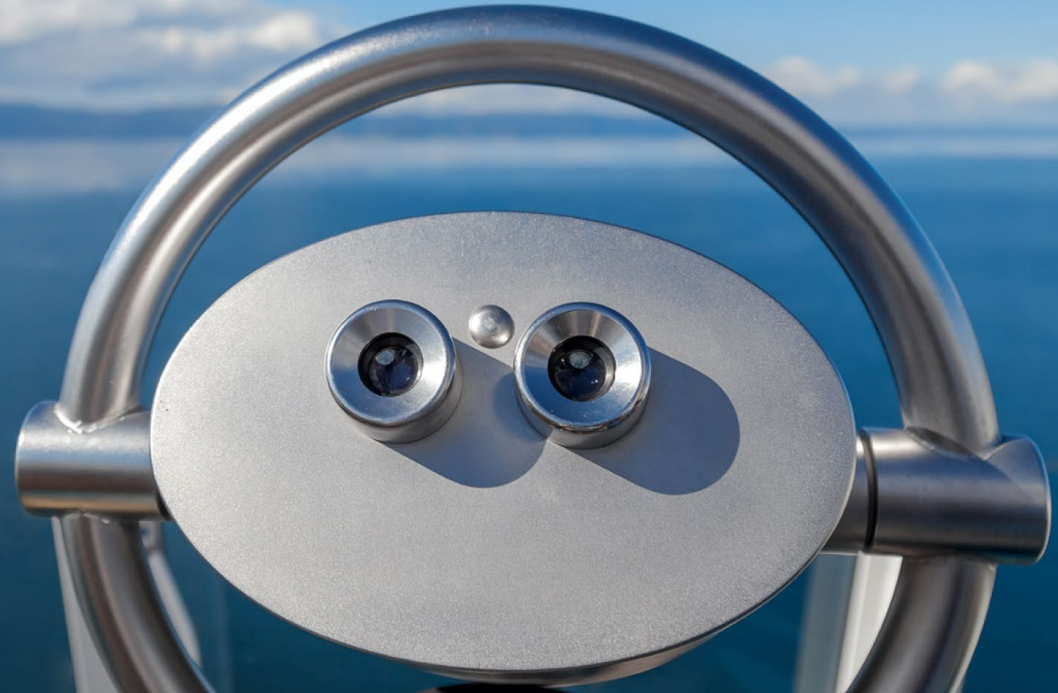
**Laura Lemke**  
Senior Program Manager

*Prior Presentation: February 18, 2025*

SNOHOMISH  
**PUD**  
*Energizing Life In Our Communities*

**FOCUS ON  
THE FUTURE**

**2023-2027 STRATEGIC PLAN**



# Briefly: District Strategic Plan Elements

OUR PURPOSE (what guides us)

We deliver essential utility services to help our communities thrive

OUR VALUES (how we behave)

Every day we **SAFEGUARD** what matters, putting employee and community safety first.

We have **INTEGRITY**. We are a **TEAM**. We **SERVE** with pride, and **RISE** to challenges. We choose to **INCLUDE** all, **SEEK** growth, and be **BOLD**.

OUR COMMITMENT (the tenets that anchor us)

- To fulfill our role in the community, we:
- Are a **powerful partner**
  - Provide **exceptional value**
  - Deliver **excellent experiences**
  - Are the **best version of TeamPUD**

The enduring fundamentals that inform everything we do and are the filters we use to make decisions

OUR VISION (where we're going)

Be the utility that delights our customers and energizes life in our communities

The goal that the strategic plan is driving toward.



A key area of focus required to achieve our vision and hold true to our Purpose and Commitment. We have five Strategic Priorities.

The specific outcomes we are driving toward under a priority. There are 2 or more under each priority.

The specific work actions and work intended to help us achieve the objective. There are 3 or more under each objective.

[Click to view approved 2023-2027 Strategic Plan](#)

# Our Strategic Priorities and Objectives

Priority 1  
**Bolster operational reliability and resiliency**

Objective 1.1  
**Develop the capabilities required for an increasingly complex energy future**

Objective 1.2  
**Build the distribution grid of our future**

Objective 1.3  
**Ensure resource adequacy by expanding and protecting resources**

Objective 1.4:  
**Preserve exceptional customer value**

Priority 2  
**Enhance and evolve customer experiences**

Objective 2.1  
**Center our work around customer desires, challenges, and expectations**

Objective 2.2  
**Deliver creative, personal, and convenient solutions**

Objective 2.3  
**Give customers increased flexibility and control over their usage and costs**

Priority 3  
**Actively help our communities thrive**

Objective 3.1  
**Strengthen our community connections**

Objective 3.2  
**Support the economic vitality of our communities**

Objective 3.3  
**Align our practices with our communities' diverse needs**

Priority 4  
**Build a sustainable future with our communities**

Objective 4.1  
**Responsibly minimize and mitigate our environmental impacts**

Objective 4.2  
**Help our customers and communities achieve their goals**

Priority 5  
**Create the culture and capabilities needed for the future**

Objective 5.1  
**Be an employer of choice**

Objective 5.2  
**Evolve workforce skills and capabilities**

Objective 5.3  
**Increase organizational alignment and effectiveness**

[Click to view approved 2023-2027 Strategic Plan](#)



2023-2027 Strategic Plan

# 2025 Q1 Key Performance Metrics



# Strategic Performance Metrics

(data through March 31, 2025; 2025 financial results unaudited)

## Safeguard What Matters

### Recordable Incident Rate

Last 12 Months  
**3.59**

Prior 12M **4.68**

### Incident Severity Rating

Last 12 Months  
**6.8**

Prior 12M **16.9**

### Preventable Vehicle Accidents

Last 12 Months  
**34**

Prior 12M **29**

## Employee Experience

### Voluntary Employee Turnover

Last 12 Months  
**2.7%**

Prior 12M **2.2%**   
2 Years Ago **3.4%**

### Employee Experience - 2024 Survey

Overall Favorability  
**68.2%**

Overall Engagement  
**75.5%**

## Electric System Reliability

### SAIDI average minutes a customer was without power

Last 12 Months  
**184.6**

Target **105.0**   
Prior 12M **125.9**

### ASAI % time power was available to average customer

Last 12 Months  
**99.965%**

Target **99.980%**   
Prior 12M **99.976%**

### SAIFI average # times a customer was without power

Last 12 Months  
**1.53**

Target **1.00**   
Prior 12M **1.18**

### CEMI-5 % customers experiencing >5 outages

Last 12 Months  
**1.5%**

Prior 12M **0.8%**   
5 Yr Avg **0.8%**

## Water System Reliability

### Unplanned Outages per 1,000 Customers

Last 12 Months  
**0.66**

Prior 12M **0.71**

## Customer Experience

### Overall Customer Satisfaction Index

2024 Overall  
**600**

Leader Score **621**

### Net Promoter Score

2024 Overall  
**20**

2024 Score **10**   
Leader Score **51**

JD Power Residential Customer Satisfaction Survey

## Community Engagement

### Involvement in Community

2024 Overall  
**6.86**

2024 Score **6.83**   
Leader Score **7.46**

JD Power Residential Customer Satisfaction Survey

### Date Notes:

Last 12 months = Apr 1, 2024 to Mar 31, 2025  
and Qtr End = Mar 31, 2025

## Financial Stability

### Current Ratio

Electric  
**3.10**

Requirement **1.00**   
Same Q Last Yr **2.44**

Water  
**3.21**

Requirement **1.00**   
Same Q Last Yr **3.66**

### Debt Service Coverage Ratio

Electric  
**4.29**

Board Requirement **1.75**   
Same Q Last Yr **3.35**

Water - Parity  
**3.35**

Board Requirement **1.75**   
Same Q Last Yr **6.45**

### Operating Ratio

Electric  
**76.6%**

Budget YTD **73.5%**   
Last Yr YTD **91.2%**

Water  
**87.1%**

Budget YTD **82.0%**   
Last Yr YTD **90.1%**

2025 Financial Results are unaudited

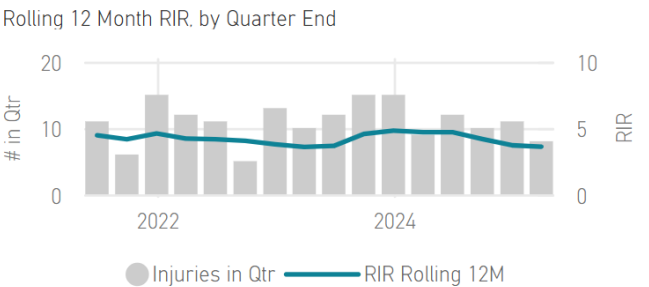
# Safeguard What Matters

(data through March 31, 2025)

## Safeguard What Matters

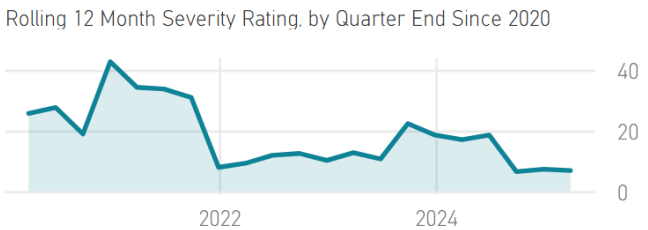
**Recordable Incident Rate (RIR)**  
(# recordable incidents \* 200,000) / total working hours

Last 12 Months  
**3.59**  
Prior 12M **4.68** | -23% | -1.09 ↓  
41 recordable injuries, ▼ from 51 in the prior 12 months



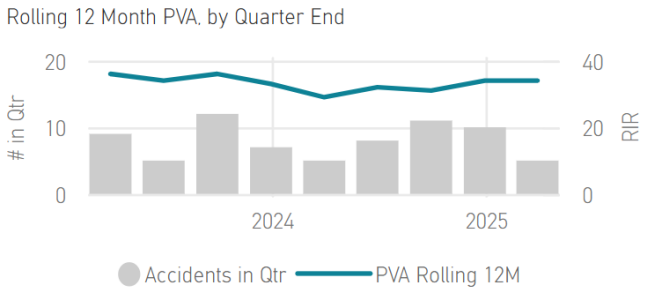
**Severity Rating**  
# lost days / # recordable injuries

Last 12 Months  
**6.8**  
Prior 12M **16.9** | -60% | -10.2 ↓



**Preventable Vehicle Accidents (PVA)**

Last 12 Months  
**34**  
Prior 12M **29** | +17% | +5 ↑



**Recordable Incident Rate (RIR)** provides a standardized measure of safety performance, allowing the District to track workplace injuries and illnesses over time, compare our safety record with industry benchmarks, and identify areas for improvement.

This rolling 12-month calculation is not our official OSHA recordable incident rate. The OSHA metric is calculated by calendar year.

**Severity Rating** provides a common language for discussing and understanding the impact of safety incidents.

The PUD's Driving Committee meets the first Tuesday of each month to review accidents and determine which were preventable.

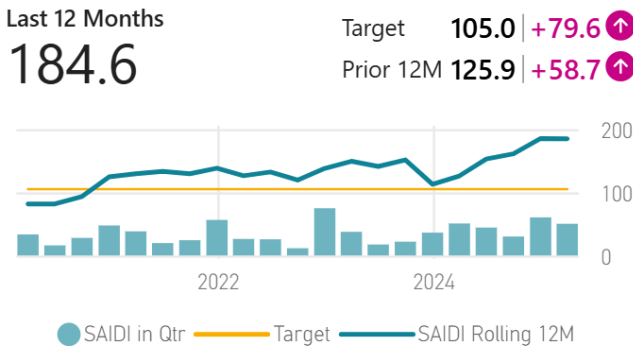
*Note: Historical RIR may change as incidents may be reported up to one year after they occur and their classification of reportable or not may change. Severity rating may change as the count of recordable incidents shifts and as lost days continue to accrue to past injuries. The metrics will update each quarter to reflect the most recent data.*

# System Reliability

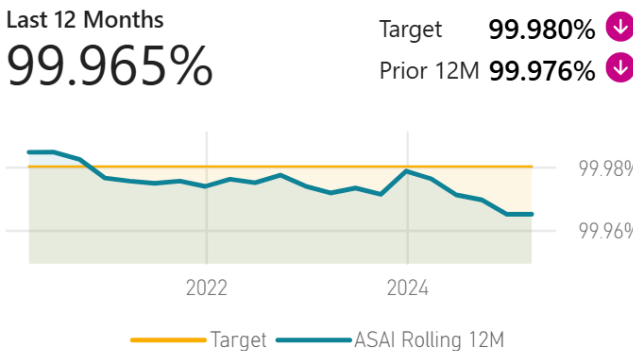
(data through March 31, 2025)

## Electric System Reliability

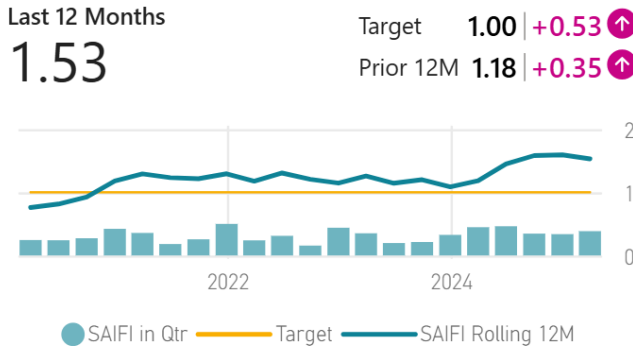
**SAIDI (System Avg Interruption Duration Index)**  
average minutes a customer was without power



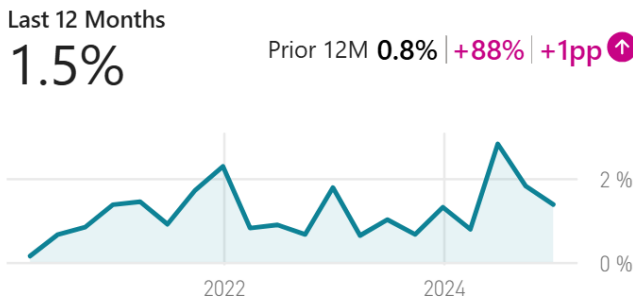
**ASAI (Avg System Availability Index)**  
% time power was available to the average customer



**SAIFI (System Avg Interruption Frequency Index)**  
average # times a customer was without power



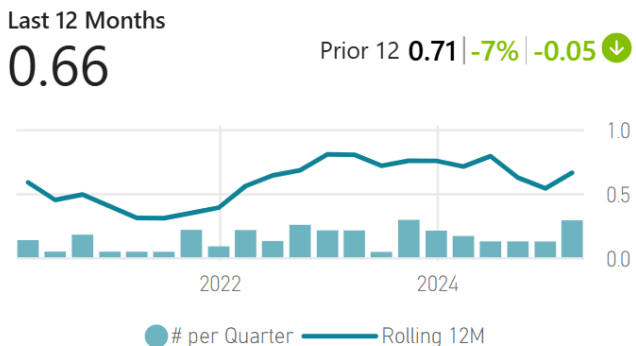
**CEMI-5 (Customers Experiencing Multiple Interruptions)**  
% customers experiencing more than 5 outages



Note: Electric system reliability metrics exclude planned outages and Major Event Days (MEDs). MED's are days in which the daily system SAIDI exceeds a calculated threshold that is evaluated and established for each calendar year. MEDs are identified to allow study of the system's daily operation without being influenced by a few large events.

## Water System Reliability

**Water Outages per 1,000 Customers**  
Unplanned outages only



A lower **SAIDI** value indicates fewer or shorter interruptions.

**ASAI** translate SAIDI into a metric that describes the percentage of time that power was available to customers. The calculation is:  
 $(\text{total minutes in period} - \text{SAIDI minutes}) / \text{total minutes in period}$

A lower **SAIFI** value indicates fewer power interruptions.

**CEMI-5** includes outages of >1 minute. A lower score indicates that fewer customers are experiencing multiple outages.

# Financial Stability

(data through March 31, 2025; 2025 financial results are unaudited)

## Electric Utility

### Current Ratio

Current & Accrued Assets / Current & Accrued Liabilities

Qtr End	Requirement	1.00	+2.10	⬆️
3.10	Last Qtr	2.61	+0.50	⬆️
	Same Q Last Yr	2.44	+0.67	⬆️

### Debt Service Coverage Ratio

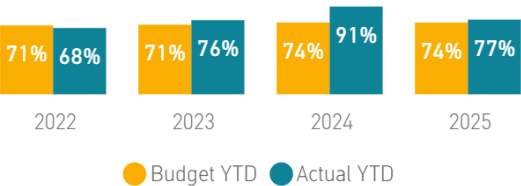
Operating Cash Flow / Total Debt

Qtr End	Board Requirement	1.75	+2.54	⬆️
4.29	Last Qtr	3.21	+1.07	⬆️
	Same Q Last Yr	3.35	+0.94	⬆️

### Operating Ratio

Operating Expense / Operating Revenue

YTD	Budget YTD	73.5%	+4%	⬆️
76.6%	Last Yr YTD	91.2%	-16%	⬆️



## Water Utility

### Current Ratio

Current & Accrued Assets / Current & Accrued Liabilities

Qtr End	Requirement	1.00	+2.21	⬆️
3.21	Last Qtr	3.21	+0.00	⬆️
	Same Q Last Yr	3.66	-0.45	⬆️

### Debt Service Coverage Ratio

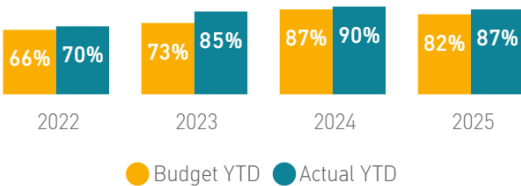
Operating Cash Flow / Total Debt

Qtr End	Board Requirement	1.75	+1.60	⬆️
3.35	Last Qtr	3.34	+0.00	⬆️
	Same Q Last Yr	6.45	-3.10	⬆️

### Operating Ratio

Operating Expense / Operating Revenue

YTD	Budget YTD	82.0%	+6%	⬆️
87.1%	Last Yr YTD	90.1%	-3%	⬆️



**Current Ratio** measures an organization’s ability to pay its short-term obligations or those due within one year. A current ratio of 1 indicates that the company has exactly enough short-term assets to cover its short-term obligations.

**Debt-Service Coverage Ratio** is used to assess whether an organization has sufficient net operating income to service its debt obligations. The ratio can influence credit ratings, borrowing costs, and overall financial stability. A ratio of 1 indicates that an organization has exactly enough operating income to pay its debt service costs.

**Operating Ratio** is an indicator of operational effectiveness. It is also a useful benchmark for both comparing organizational performance over time and comparing our performance to that of similar organizations.

Operating Expense includes O&M, Transmission, and Purchased Power / Water costs. For better comparison, Operating Expense actuals exclude an annual year-end non-cash adjustment related to an accounting standard requirement.

Operating Revenue excludes the Unbilled Revenue Adjustment.

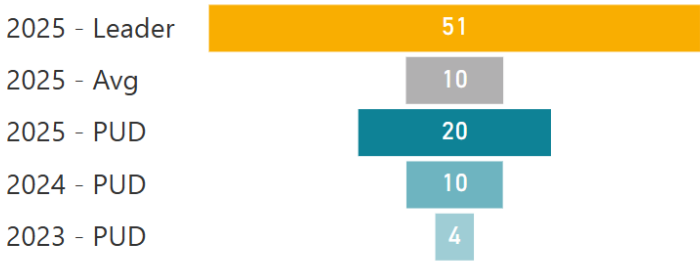


JD Power Residential Customer Satisfaction Survey

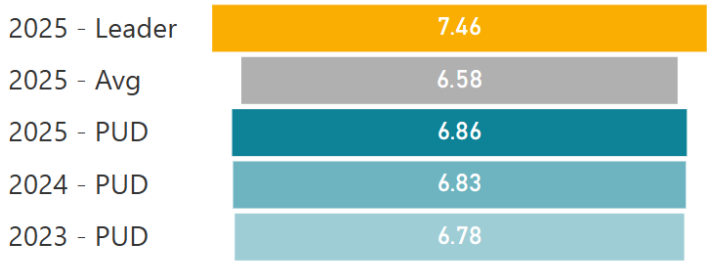
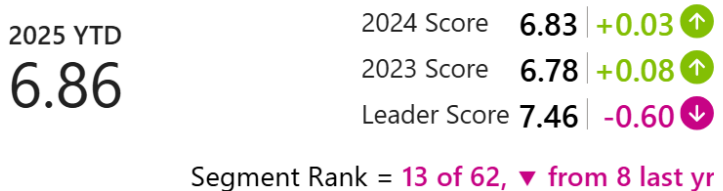
Overall Customer Satisfaction Index



Net Promoter Score



Involvement in Community



JD Power surveys evaluate the quality of customer service provided by an organization, based on factors such as the customer’s experience with the company’s representatives, resolution of issues, and overall satisfaction. The top-level scoring scale changed in 2025, so there is no comparison to prior years until 2026.

The JD Power Net Promoter Score (NPS) starts by classifying respondents into promoter, detractor, and passive segments. Then, the % of customers that are detractors is subtracted from the % that are promoters to determine the NPS.

This JD Power Score is in response to the question "On a scale of 1-10, where 1 is unacceptable and 10 is Outstanding, how would you rate Snohomish PUD on Involvement in the Community (e.g. local charities, civic organizations, etc.)?"

Note: Snohomish PUD is in the Midsize Utility segment, which includes a total of 62 utilities.  
The Leader score shown above = the top score in that category. The Avg score = the Midsize Utility segment average score.

# Employee Experience

(data March 31, 2025)

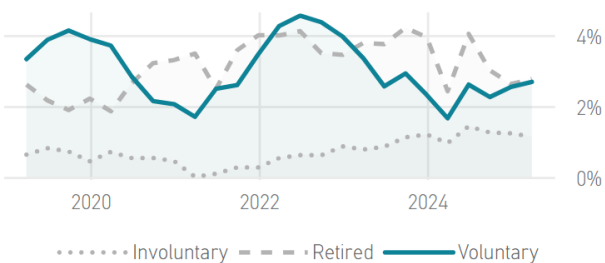
## Voluntary Employee Turnover

excludes retirements and involuntary separations

Last 12 Months  
**2.7%**

Prior 12M **2.2%** | **+22%** ↑  
2 Years Ago **3.4%** | **-20%** ↓

Rolling 12-month Turnover, by Separation Reason



**Voluntary Employee Turnover** measures the rate at which employees willingly leave SnoPUD. This can reflect job satisfaction levels, career development opportunities, and overall employee engagement. Voluntary turnover also includes people satisfied with their work at SnoPUD that leave due to new opportunities, relocation, and personal reasons.

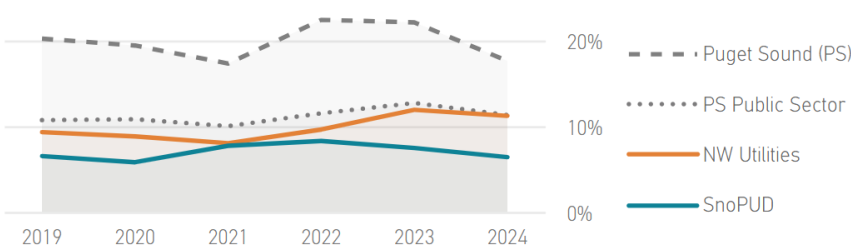
## Overall Employee Turnover

includes all separation reasons

Last 12 Months  
**6.6%**

Prior 12M **6.7%** | **-2%** ↓  
2 Years Ago **7.9%** | **-17%** ↓

Annual Overall Turnover, with Milliman Benchmarks



**Overall Employee Turnover** with a comparison to regional benchmarks helps put SnoPUD's voluntary turnover into context. Benchmarks are provided by Milliman and available annually.

## Employee Experience

results from fall 2024 Employee Experience Survey

Overall Favorability  
**68.2%**

Best Places to Work **76.0%** | **-10.3%** ↓

Overall Engagement  
**75.5%**

Best Places to Work **79.0%** | **-4.4%** ↓

2024 is the first year for which Snohomish PUD has data. The survey will be conducted annually, and 2025 scores will be available after the 2025 survey is fielded and analytics are complete. Benchmarks are provided by Quantum ratings for their identified Best Places to Work employers with 1,000-4,999 employees.

**Overall Favorability** is the percentage of favorable survey responses for every survey question

**Overall Engagement** is the % favorable responses to nine key employee engagement questions and captures the core of how employee engagement is measured. They help reveal the current state of employee engagement within organizations. Outcomes are not actionable as they are the targets the organization should strive to maintain or enhance.

2023 – 2027 Strategic Plan

# 2025 Q1 Achievements and Milestones by Strategic Objective



PRIORITY 1

BOLSTER OPERATIONAL RELIABILITY AND RESILIENCY

STRATEGIC OBJECTIVES	2025 Q1 KEY ACHIEVEMENTS AND ACTIVITIES	RELATED 2025 Q1 COMMISSION PRESENTATIONS
<div>1.1 Develop the capabilities for an increasingly complex energy future</div> <div>Jason Zyskowski   Chief Energy Resources Officer</div>	<ul style="list-style-type: none"><li>Completed draft electrification vision statement; scheduled Commission briefing July 15, 2025</li></ul>	
<div>1.2 Build the distribution grid of our future</div> <div>Amy Carstens   Chief Operating Officer</div>	<ul style="list-style-type: none"><li>Completed System Planning &amp; Protection Long Range / Horizon Plan Request for Information (RFI)</li><li>Identified data required for evaluating effectiveness of reliability projects.</li><li>Commission approved purchase of the 3-phase reclosers for. Selected distribution engineering services consultant. Enabled remote control on all SCADA-tested reclosers in the field.</li></ul>	<ul style="list-style-type: none"><li>SnoSMART Quarterly Update   Mar 18</li><li>ConnectUp Quarterly Update   Mar 18</li></ul>
<div>1.3 Ensure resource adequacy by expanding and protecting resources</div> <div>Jason Zyskowski   Chief Energy Resources Officer</div>	<ul style="list-style-type: none"><li>Completed Phase 1 and 2 of the 2025 Integrated Resource Plan (IRP)</li><li>Launched Renewable RFP for future renewables</li><li>Acquired RECs for EIA compliance</li><li>Began construction of Kayak Reservoir #2.</li><li>Lake Stevens Treatment Plant improvements design complete.</li></ul>	<ul style="list-style-type: none"><li>2025 Integrated Resource Plan (IRP) Phase 1 Review Scoping   Jan 21</li><li>Organized Markets Update   Jan 21</li><li>Transmission and Resource Remarketing   Jan 21</li><li>Property Purchase for Water Utility   Feb 4</li><li>Energy Services 2024 Program Results   Mar 18</li><li>Transmission and Resource Remarketing   Mar 18</li><li>Post 2028-BPA Power Contract Status Update   Mar 18</li></ul>
<div>1.4 Preserve exceptional customer value</div> <div>Jeff Bishop   Chief Financial Officer</div>	<ul style="list-style-type: none"><li>Roll out of Financial Values</li><li>Delivered first Enterprise Risk Management (ERM) training to build foundational risk awareness across leadership</li><li>Published first Enterprise Risk Report to provide a comprehensive view of the District's top strategic risks</li><li>Finalized the ERM Policy and Procedures Manual including Risk Appetite Statement Framework</li></ul>	<ul style="list-style-type: none"><li>2025 Water Utility General Retail Rate Proposal   Jan 7</li></ul>

PRIORITY 2

EVOLVE AND ENHANCE CUSTOMER EXPERIENCES

STRATEGIC OBJECTIVES	2025 Q1 KEY ACHIEVEMENTS AND ACTIVITIES	RELATED 2025 Q1 COMMISSION PRESENTATIONS
<div>2.1 Center our work around customer desires, challenges, and expectations</div> <div>John Hoffman   Chief Customer Officer</div>	<ul style="list-style-type: none"><li>• Planning for launch of post-call satisfaction surveys</li><li>• Request for Information completed for Voice of Customer program</li></ul>	
<div>2.2 Deliver creative, personal, and convenient solutions</div> <div>John Hoffman   Chief Customer Officer</div>	<ul style="list-style-type: none"><li>• Development and testing completed for improving the performance of sending proactive outage notification</li><li>• Completed testing the new feature for auto enrollment into email outage notifications upon MySnoPUD registration</li></ul>	
<div>2.3 Give customers increased flexibility and control over their usage and costs</div> <div>Kristi Sterling   Chief Information Officer</div>	<ul style="list-style-type: none"><li>• Continued development of AMI data analysis tools for employees.</li><li>• Drafted materials for time-of-day rate analysis, presentation &amp; implementation plans.</li><li>• Interval Pricing in production for Schedule 07 and Schedule 25 meters</li></ul>	<ul style="list-style-type: none"><li>• Energy Assistance and Income Qualified Weatherization   Feb 4</li></ul>



PRIORITY 3

ACTIVELY HELP OUR COMMUNITIES THRIVE

STRATEGIC OBJECTIVES	2025 Q1 KEY ACHIEVEMENTS AND ACTIVITIES	RELATED 2025 Q1 COMMISSION PRESENTATIONS
<div>3.1 Strengthen our community connections</div> <div>Lisa Hunnewell   Chief Communications Officer</div>	<ul style="list-style-type: none"><li>• Calendar of community engagements events completed, and regular cadence established for review by Engagement Council.</li><li>• Completed draft of the new combined Directive 95/87 that addresses employee engagement in community events.</li><li>• Completed templates and process for signing up engagement experts for events and engagement opportunities.</li></ul>	<ul style="list-style-type: none"><li>• Regular Communications and Community Engagement briefings</li><li>• South Everett Community Solar Update   Mar 4</li></ul>
<div>3.2 Support the economic vitality of our communities</div> <div>Jeff Bishop   Chief Financial Officer</div>	<ul style="list-style-type: none"><li>• Submitted full New Load Policy draft for legal review</li><li>• Began blueprinting District processes for customer construction projects.</li></ul>	
<div>3.3 Align our practices with our communities' diverse needs</div> <div>Colin Willenbrock   Chief Legal Officer</div>	<ul style="list-style-type: none"><li>• Drafting report that summarizes findings from internal interviews to identify and understand processes and procedures that may have equity considerations.</li></ul>	

PRIORITY 4

BUILD A SUSTAINABLE FUTURE WITH OUR COMMUNITIES

STRATEGIC OBJECTIVES	2025 Q1 KEY ACHIEVEMENTS AND ACTIVITIES	RELATED 2025 Q1 COMMISSION PRESENTATIONS
<div>4.1 Responsibly minimize and mitigate our environmental impacts</div> <div>Colin Willenbrock   Chief Legal Officer</div>	<ul style="list-style-type: none"><li>• Environmental Stewardship Committee kick-off meeting held.</li><li>• Permits for Woods Creek Sustainability Center shelter received.</li><li>• Partnered with VOA and City of Sultan on riparian plantings and informational and educational signage at Sultan River side channel conservation easement.</li></ul>	
<div>4.2 Help our customers and communities achieve their goals</div> <div>Colin Willenbrock   Chief Legal Officer</div>	<ul style="list-style-type: none"><li>• Reviewed and synthesized input from internal stakeholders to assess how we are assisting customers in achieving their sustainability goals and identify potential gaps.</li></ul>	

PRIORITY 5

CREATE THE CULTURE AND CAPABILITIES NEEDED FOR THE FUTURE

STRATEGIC OBJECTIVES	2025 Q1 KEY ACHIEVEMENTS AND ACTIVITIES	RELATED 2025 Q1 COMMISSION PRESENTATIONS
<div>5.1 Be an employer of choice</div> <div>Sara Kurtz   Chief Human Resources Officer</div>	<ul style="list-style-type: none"><li>• District-wide employee experience action plan developed based on the focus area identified from the 2024 Engagement Survey results.</li><li>• Finalized draft of updated Performance Management and Employee Rules of Conduct directives</li><li>• Finalized and rolled-out accountability as the 2025 key competency focus for all employees and leaders.</li></ul>	
<div>5.2 Evolve workforce skills and capabilities</div> <div>Sara Kurtz   Chief Human Resources Officer</div>	<ul style="list-style-type: none"><li>• Research and concept for Strategic Workforce Plan was shared with Human Resources leadership team for discussion.</li><li>• Kick-off meeting for PUD Managerial Training Program held.</li><li>• Launched Internal Job Shadow Program in February 2025.</li></ul>	
<div>5.3 Increase organizational alignment &amp; effectiveness</div> <div>Kristi Sterling   Chief Information Officer</div>	<ul style="list-style-type: none"><li>• Added Standard of Trust content to key District trainings.</li><li>• Developed shared Demonstrate Leadership Accountability goal for all people managers.</li><li>• Revised Enterprise Project Governance Board scoring template based on board input and feedback.</li><li>• Migrated strategic action plan tracking, quarterly updates, and Work Plans to SharePoint to increase transparency and streamline reporting process.</li><li>• Adopted AI/ML development design and change control standards. Hired Data Scientist.</li></ul>	<ul style="list-style-type: none"><li>• Artificial Intelligence   Jan 21</li><li>• Strategic Plan Report   Feb 18</li></ul>