2019 Strategic Plan

KPIs

Key Focus Area #1: We will continue to work toward a culture of high employee engagement and leadership at all levels consistent with our core values (Rules of Engagement).

- # of Communication trainings attended
- Overall Score Core Values Index in Dennison Survey
- Update performance management system Plan-Pilot-Implement
- Increase Average Overall Dennison Survey Score 79.42—86
- Number of employees who have taken new actions to improve leadership skills 20 — 25 — 30

15%—20%—25% of system maintenance plan completed

Implementation of 2019 IT Plan
Create plan in Q1—Implement Critical Priorities—Implement High Priorities

# of employees participating in voluntary safety or cybersecurity training activities. 40—55—70

Cyber steering team to develop and implement improvement plan
Create plan in Q1—Implement Critical Priorities—Implement High Priorities

Meet Operating Budget -5% — 2% — 5%

Meet CAP X Budget +5% — +2.5% — +1%

Key Focus Area #2: We will continue to pursue excellence in our core business functions.

- # of collaboration meetings with state and regional entities 4-8-12
- Reduce system losses 6.6% — 6.45% — 6.25%
- Financial Impact from Block Load management $204K — $169K — $120K
- Tier II 2019 Goals 3.0% of sales — 3.4% of sales — 3.7% of sales
- Direct Cost/MWh For Tier III $20—$15—$10

# of external collaborations 2-4-6

Key Focus Area #3: We will explore opportunities to increase load to ensure financial sustainability and to optimize use of the grid in order to provide benefits to the membership.

- # of new Energy Storage Agreements (ESSA’s) executed 1-2-3
- # of controllable residential batteries deployed or enrolled 12—16—24

Amount of controllable load 1,100 kWh—1,200 kWh—1,500 kWh

Key Focus Area #4: We will pursue battery storage and other load control measures to provide benefits to all members.

- New or improved outreach-methods, tools or platforms. 2-3-4
- Improved Member Safety Education Plan Create plan in Q1—Implement Critical Priorities—Implement High Priorities

System improvements implemented. 2-3-4

Key Focus Area #5: We will engage with members to promote understanding of the benefits of Co-op membership.

- Develop and implement 2019 Member Communications and Engagement plan.
- Evaluate & introduce load control technology for VEC sponsored programs

Strategies

- Provide opportunities for employees to participate in communication skills training to enhance collaboration, alignment, and relationships.

- Improve employee awareness of our Rules of Engagement (core values) and expected behaviors.

- Explore implementation of a new, “continuous communications” based performance management process.

- Continue to focus on Leadership development (through efforts such as Mentoring Program, Project Leadership Training, Succession and Leadership Planning, Job Shadowing, and Team Leadership Experience).

- Implement year one of a five-year distribution system maintenance plan.

- Implement technology to support business performance.

- Enhance safety (enhancing VPP) and cyber security.

- Ensure financial sustainability.

- Collaborate with state and regional economic development organizations to attract and retain new businesses in VEC service territory.

- Increase grid efficiency through continuous improvement in field monitoring, IT, and rate design.

- Promote beneficial electrification.

- Explore business opportunities or collaboration with other entities that benefit the VEC membership.

- Deploy battery storage technology in areas that provide the most significant VEC benefits including transmission cost benefits and grid stability.

- Implement residential battery storage programs.

- Develop and implement 2019 Member Communications and Engagement plan.

- Enhance systems to improve VEC member experience.

- Expand community outreach and connections.