



Board Briefing

LES Strategic Planning

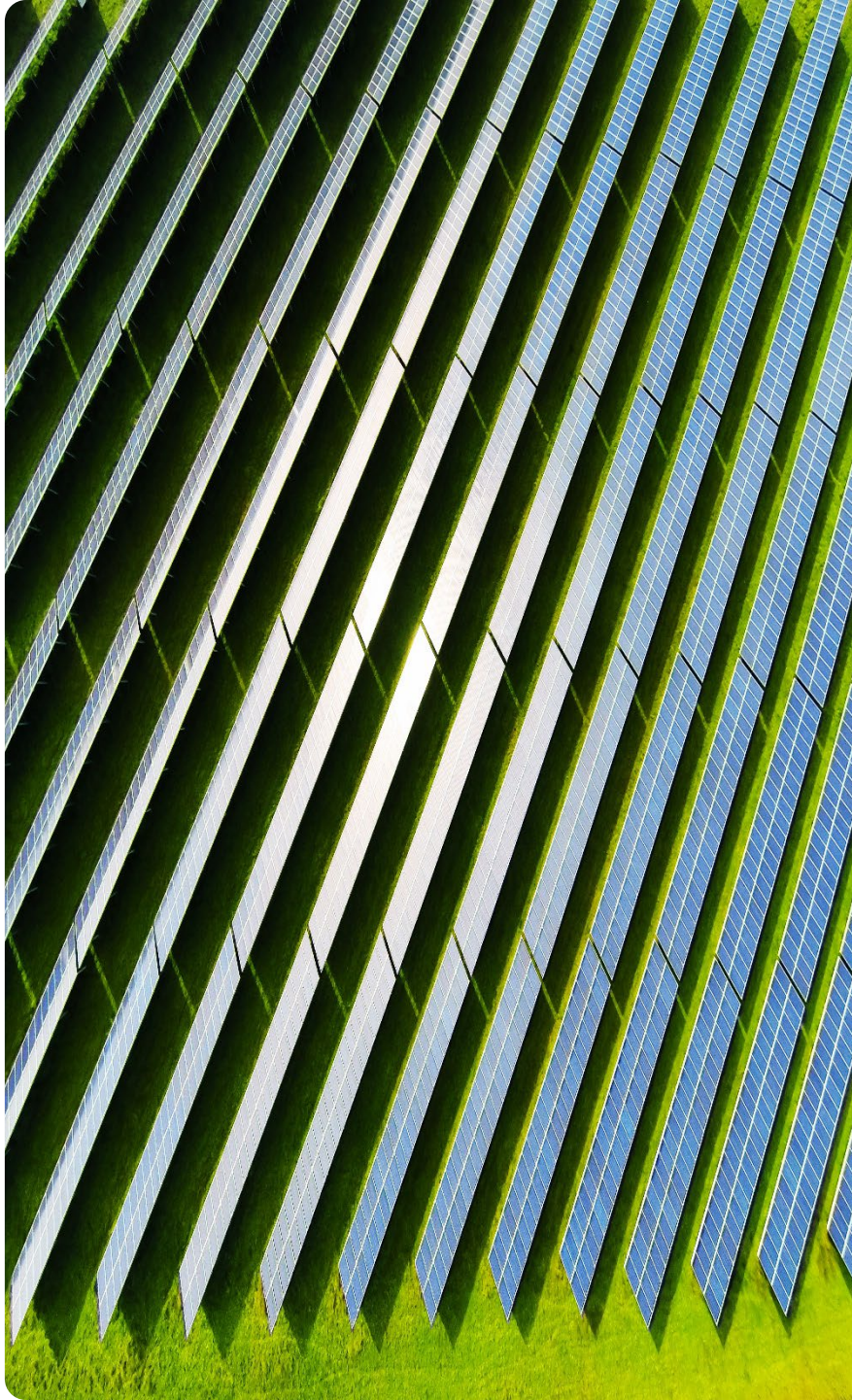
Prepared for Lincoln Electric System

April 18, 2025

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Table of Contents

Section	Page
01 Strategic Planning Journey	03
Program Updates:	
02 • Mission, Vision, & Core Values	05
• Objectives and Goals	
03 Internal & External Engagement	10
04 Next Steps & Discussion	19



01

Strategic Planning Journey

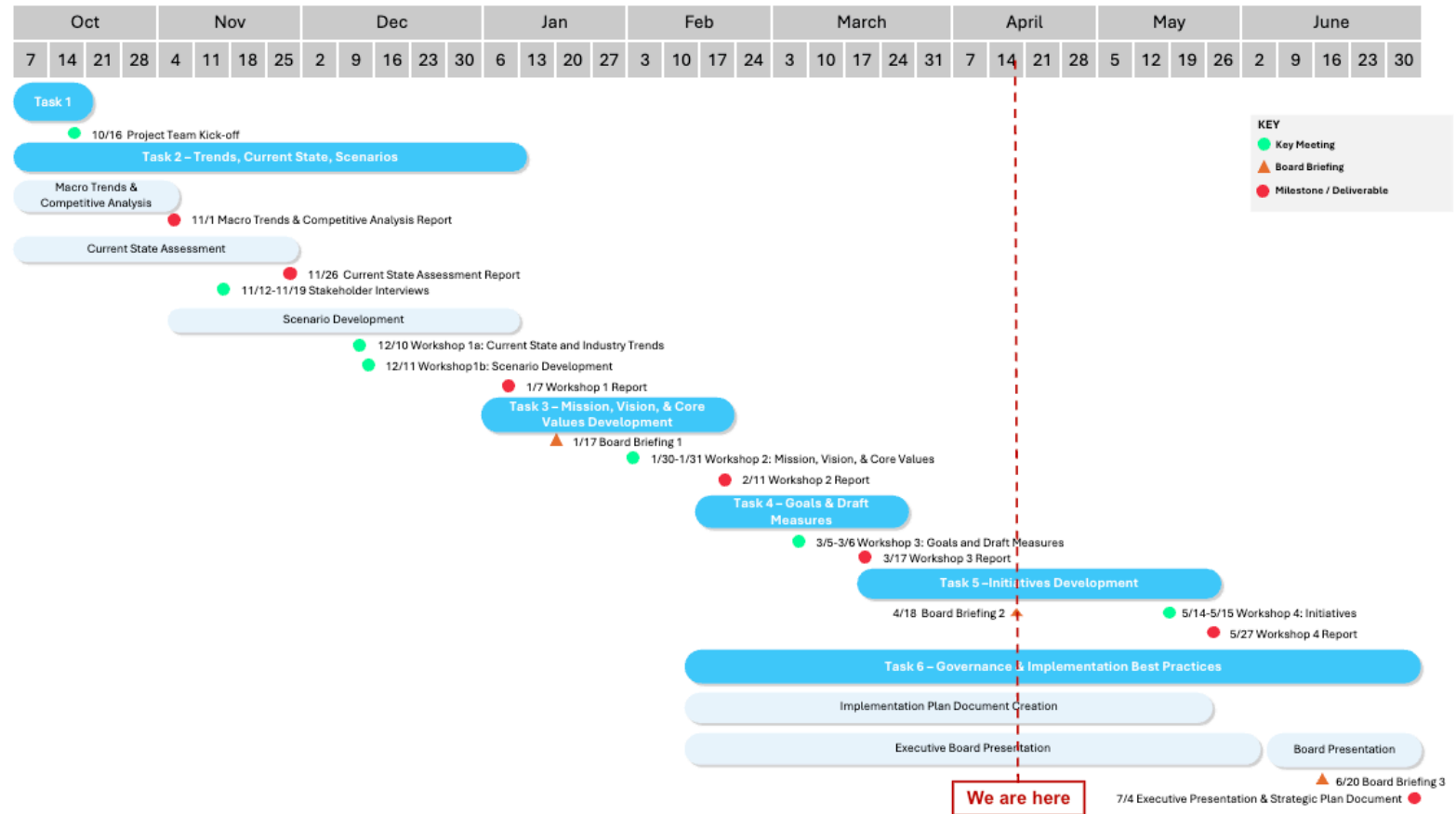


Strategic Planning Program Overview

Tasks 1-4 are complete and Task 5 is on schedule

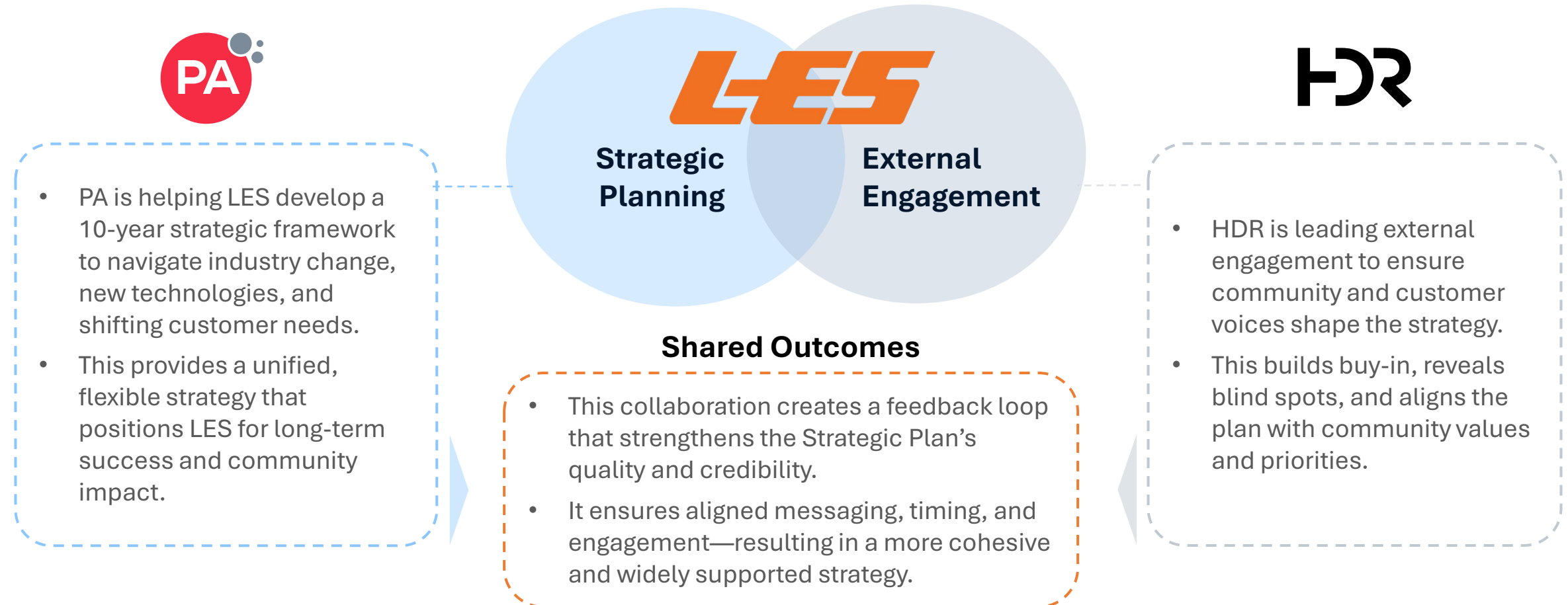
We are following a structured, flexible, and collaborative approach to guide LES's strategic planning:

- **Task 1:** Align on project goals, success metrics, timelines, and key details.
- **Task 2:** Conduct a macro trend analysis, current state assessment, and stakeholder interviews, supported by Workshop 1: Scenarios Development.
- **Task 3:** Review LES's mission, vision, and core values, updating them in Workshop 2: Mission, Vision & Core Values.
- **Task 4:** Develop strategic goals and draft measures in Workshop 3: Goals & Draft Measures.
- **Task 5:** Create Strategic Initiatives in Workshop 4: Initiatives.
- **Task 6:** Prepare a Strategic Plan implementation document and an accompanying executive presentation summarizing tasks and outcomes for board delivery.



PA and HDR Collaboration

PA and HDR are working in close partnership to deliver a refreshed strategic plan, collaborating with key stakeholders and actively seeking their feedback throughout the process.



02

Program Updates



Task 4: Objectives and Goals Development

Workshop 3: Strategic Objectives Development

In this workshop, we examined the Strategic Objectives needed to fulfil LES' Mission through 2035. As a result, we identified four new focus areas to help guide the organization and shape the 2035 plan.

The Strategic Objectives will chart a path for what LES, as an organization, will need to accomplish to achieve its Mission. They will lay the foundation for executable strategic initiatives.



Mission, Vision, and Core Values

The following content is a draft and may be further refined



MISSION

To power our community through responsible stewardship of our shared resources



VISION

Driving our energy future where people and power enable progress



CORE VALUES

Safety & Operational Excellence
Reliability & Resiliency
Stewardship & Integrity
People & Community
Innovation & Curiosity



LES' Strategic Plan - In Progress

The following content is a draft and may be further refined

MISSION: To power our community through responsible stewardship of our shared resources

VISION: Driving our energy future where people and power enable progress

CORE VALUES: Safety & Operational Excellence | Reliability & Resiliency | Stewardship & Integrity | People & Community | Innovation & Curiosity

STRATEGIC OBJECTIVES

Customer & Community

Optimally deploy our resources to help meet all our customers' and community's evolving power needs.

Offer dynamic products and services, minimize energy burden, enable community goals – all while delivering an exceptional customer experience.

Infrastructure

Build and maintain reliable, resilient, and adaptable grid and supporting systems.

Build an adaptable grid that delivers best-in-class reliability, resiliency, and customer experience in an increasingly complex operating environment.

Financial Health

Ensure that LES can finance the activities required to achieve its Mission and Vision.

Maintain financial health through a strong bond rating, sufficient liquidity, and a predictable rate plan.

Organizational Readiness

Attract, develop, and retain a talented workforce to boost organizational performance.

Build a culture of belonging, collaboration, and growth by investing in people, offering dynamic career paths, and aligning with strategic priorities.

Generation Resource Planning

Reduce reliance on fossil fuels while maintaining resource adequacy and fiscal responsibility.

Achieve net zero carbon dioxide production from LES' generation portfolio by 2040.

LES HR

Community & Employee Engagement



Engagement Strategy

Communication Objectives & Guiding Principles

INFORM

**ESTABLISH
TRANSPARENCY**

ENGAGE

Employee Engagement

1. Subject Matter Expert Engagement

- 17 employees
- Input into the deliverables

2. Cross-Divisional Employee Workshop

- 50 employees
- Initial reaction to the deliverables

3. All-Employee Survey

- Response rate: 55% (301 employees)



Employee feedback strongly reinforces LES' identity as a **community-centered public utility** committed to **reliability, affordability, and service excellence**. Staff alignment with LES' mission is high, but opportunities were identified to enhance **employee engagement, innovation, and communication** to meet future demands.

Community survey



Help shape LES' future with a brief survey, now through April 30.



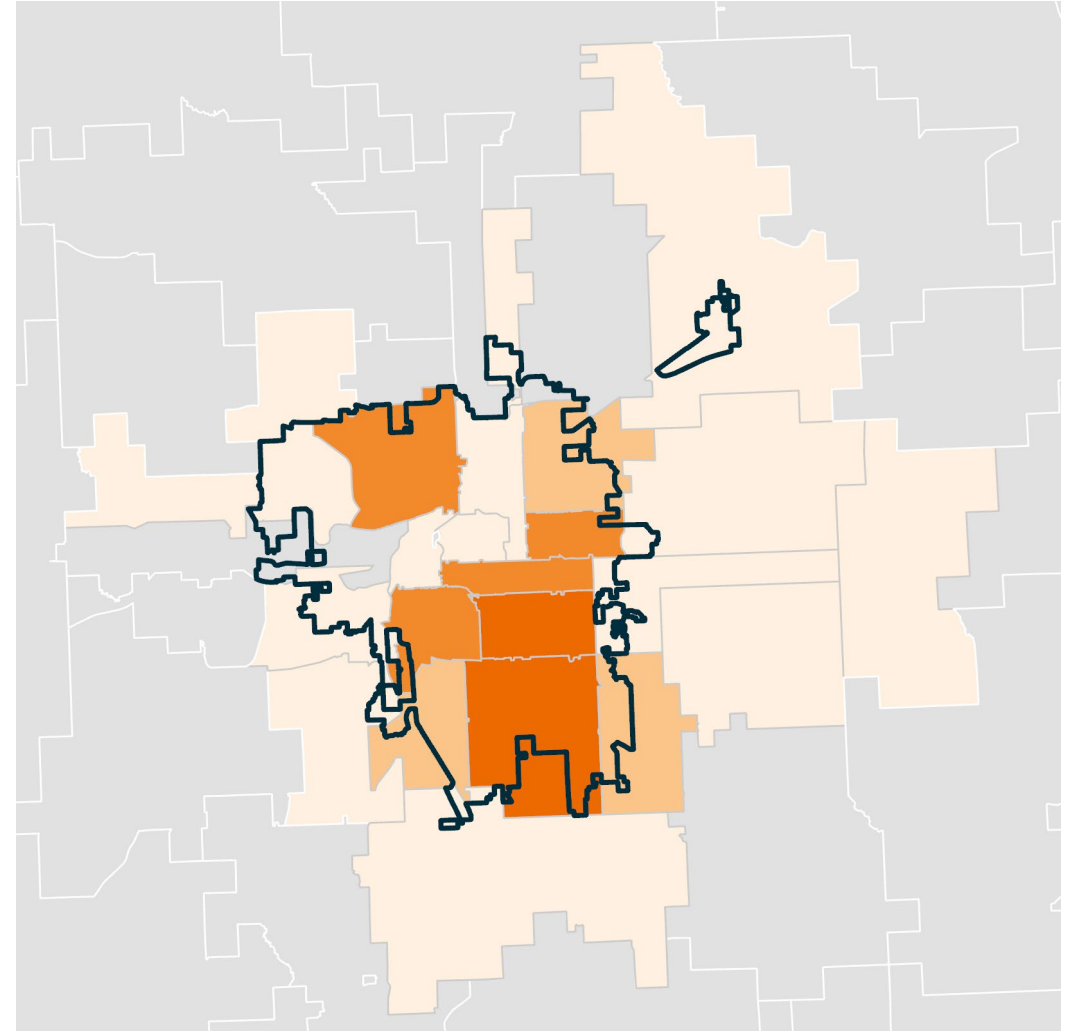
Community Engagement

Open March 1 through April 30

609 total survey responses

Legend Responses

- 0
- 1 - 15
- 16 - 30
- 31 - 60
- 61 - 90
- Lincoln and Waverly City Limits



Survey results as of April 11, 2025

Community Engagement

Ranked importance that LES invests in:

1. Reliability of electricity
2. Affordability & rate stability
3. Infrastructure upgrades
4. Sustainability initiatives & renewable energy
5. Customer service & programs



Community Engagement

Top survey themes:

**Emergency /
extreme weather
preparedness**

Renewables

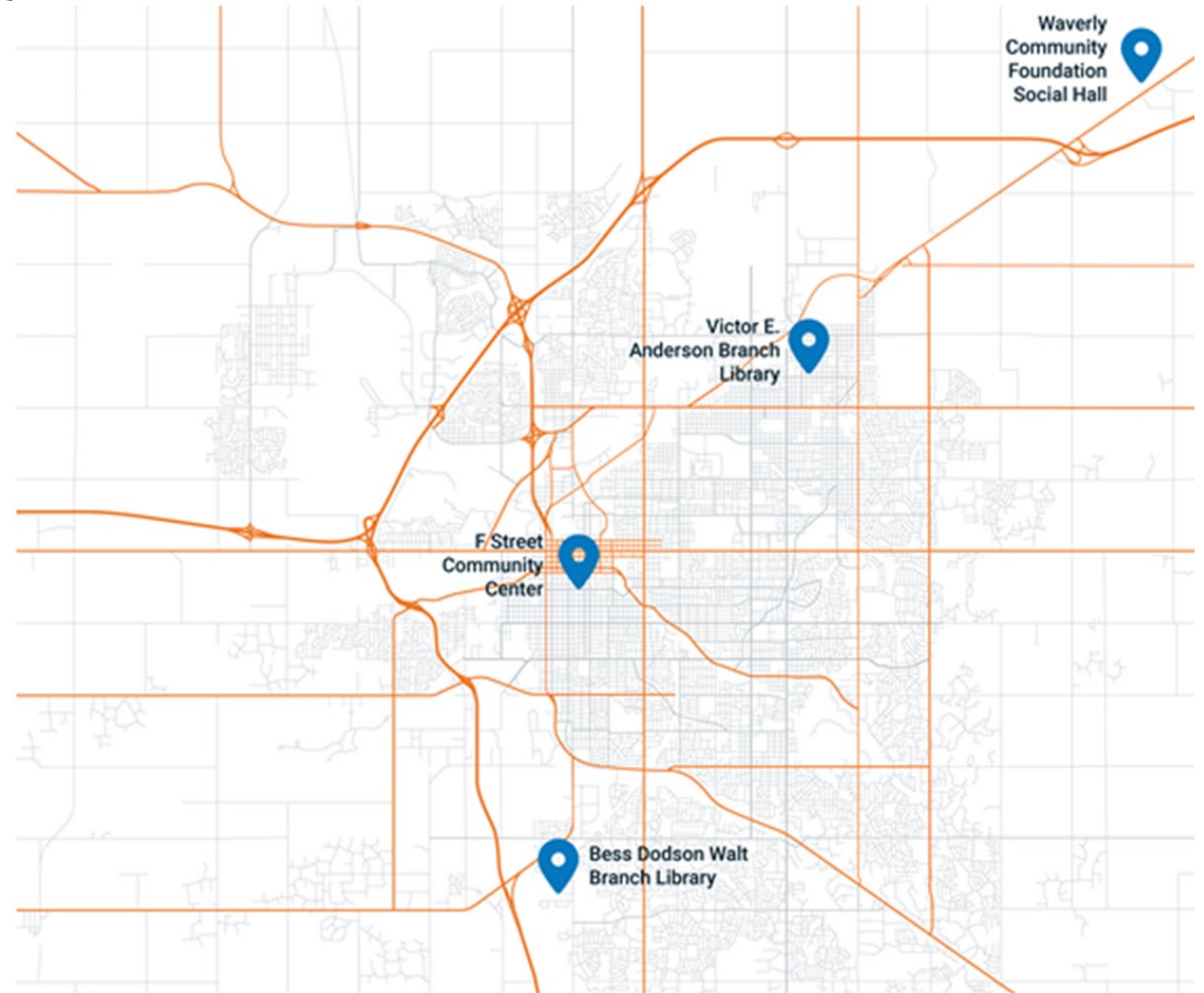
**Planning for
growth**

**Burying power
lines**

Community Engagement

Community Meetings

- **7** total meetings
 - **4** in person
 - **2** hybrid
 - **1** virtual
- Feedback
 - Mission & vision
 - Strategic objective areas



04

Next Steps & Discussion



Strategic Planning Program

Next steps

Workshop 4

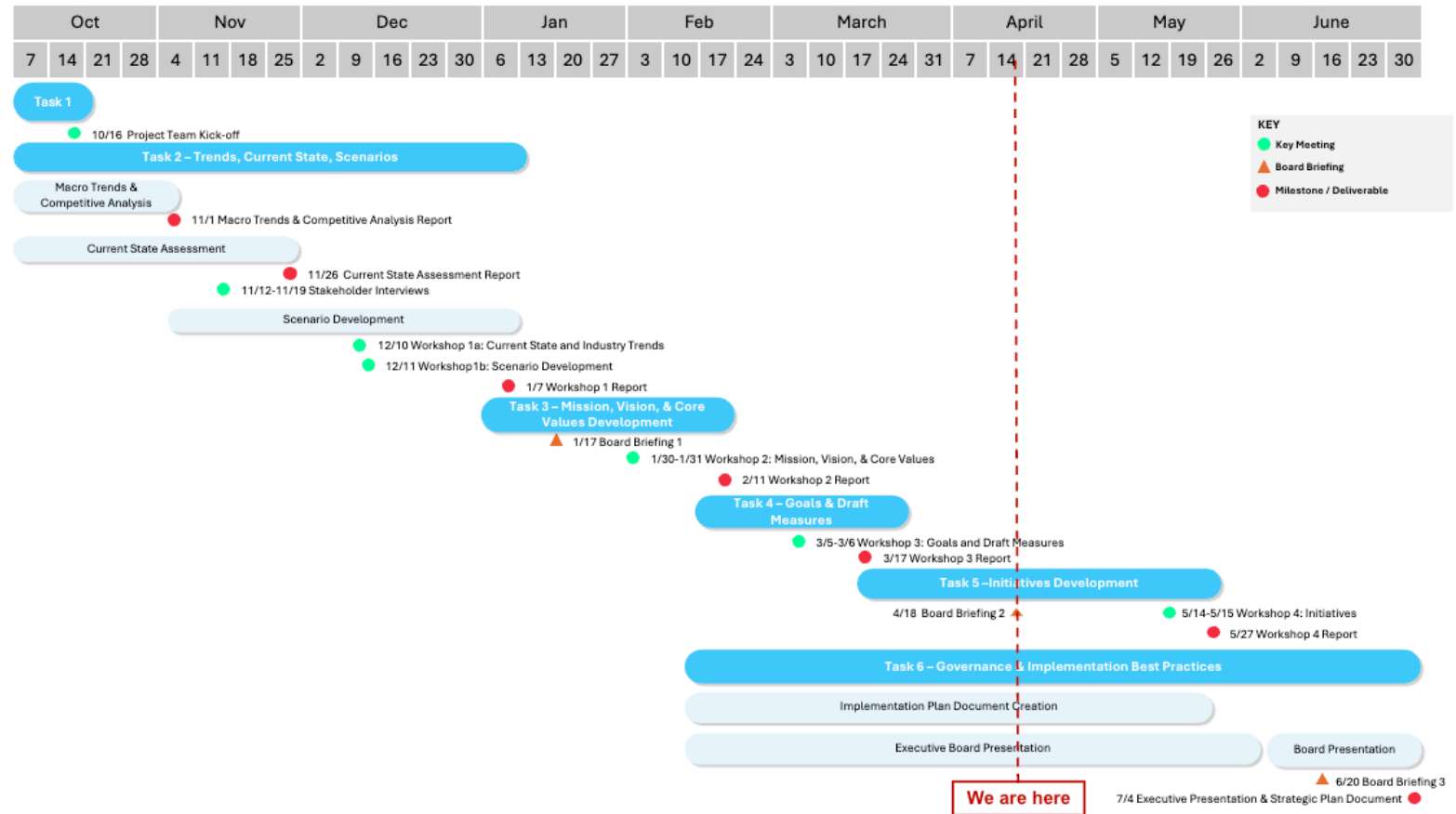
- **5/14-5/15** PA to conduct on-site Workshop 4: Strategic Initiatives Development

Strategic Plan Document

- **7/4** Strategic Plan Document

Program updates

- **5/8** Next Monthly Program Update with LES ELT – Review Employee feedback on Strategic Plan
- **6/20** Next Board Briefing



Community survey



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