



# Enterprise Risk Management

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




June 28, 2023

# ERM Program Update

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- ERM provides an annual Board ERM policy update to the F&A Committee. The next annual ERM policy update is scheduled for September and will include the 2023 Risk Profile
- ERM also includes a risk section with each of the Board's annual policy reports, which come to the Board throughout the year (e.g. T&D Operations, Power Supply and Clean Energy)
- The Board also receives issue-specific presentations throughout the year (e.g., Storm Prep, Physical and Cyber Security, etc.)
- Based on your feedback, going forward ERM plans to schedule quarterly formal ERM presentations with the F&A Committee
- Over the past year, ERM has improved the integration of ERM information into internal audits, aligned risks with OSA metrics, and included risks in Project Justification Documents (PJDs) used by management to review Capital Projects

# BOARD POLICY DASHBOARD – ERM Analysis

Policy	Status	Latest Report	Next Report
<u>Strategic Planning &amp; Oversight</u>		February 2023	February 2024
<u>Investment</u>		March 2023	March 2024
<u>Fiscal Sustainability</u>		May 2023	May 2024
<u>Taxes &amp; PILOTs</u>		May 2022	June 2023
<u>T &amp; D Operations</u>		May 2022	June 2023
<u>Customer Experience</u>		November 2022	November 2023
<u>Diversity, Equity, and Inclusion</u>		March 2023	February 2024
<u>Staffing and Employment</u>		June 2021	December 2023
<u>Clean Energy &amp; Power Supply</u>		May 2023	June 2024
<u>Customer Value, Affordability &amp; Rate Design</u>		May 2023	May 2024
<u>Economic Development &amp; Community Engagement</u>		September 2022	September 2023
<u>Enterprise Risk Management</u>		September 2022	September 2023
<u>Construction of T&amp;D Projects</u>		September 2022	September 2023
<u>Power Supply Hedging</u>		November 2022	November 2023
<u>Safety</u>		December 2022	December 2023
<u>Governance &amp; Agenda Planning</u>		December 2022	December 2023
<u>Information Technology and Cyber Security</u>		December 2022	December 2023

# 2023-2025 Enterprise Risk Management Strategic

## Roadmap

Overview of Goals and Objectives:

### Align Risk, Strategy, and Performance

- Embed Enterprise Risk Management into Business Processes
- Incorporate Enterprise Risk Management into Strategic Planning

### Manage the ERM Process

- Continue to Improve the Identification, Monitoring and Reporting of KRIs
- Improve Measuring the Effectiveness of Mitigation Actions
- Improve the Management of Emerging Risks

### Enhance Risk Culture

- Foster Risk Awareness
- Improve Accountability and Ownership
- Enhance Enterprise-Wide Risk Management Skills
- Engage in Benchmarking for Continuous Improvement

# ERM 2023 Timeline

