

## MINUTES

### **PUBLIC UTILITY DISTRICT NO. 1 OF BENTON COUNTY REGULAR COMMISSION MEETING**

Date: January 23, 2024

Time: 9:00 a.m.

Place: 2721 West 10<sup>th</sup> Avenue, Kennewick, Washington

**Present:** Commissioner Barry Bush, President  
Commissioner Jeff Hall, Vice-President  
Commissioner Lori Kays-Sanders, Secretary  
General Manager Rick Dunn  
Senior Director of Finance & Customer Services Jon Meyer  
Director of Power Management Chris Johnson  
Director of Executive Administration Melina Conover  
Director of IT & Broadband Services Chris Folta  
Sr. Clerk of the Board/Executive Assistant Cami McKenzie  
Records Program Administrator II Nykki Drake  
General Counsel Allyson Dahlhauser

**Absent:** Assistant GM/Sr. Director Engineering & Operations Steve Hunter (Excused)

**Benton PUD employees present during all or a portion of the meeting, either in person or virtually:** Manager of System Engineering Evan Edwards; Manager of Risk Management & Treasury Operations Keith Mercer; Manager of Communications & Government Relations Jodi Henderson; Manager of Procurement Michelle Ochweri; Manager of Customer Engagement Jenny Sparks; Manager of Human Resources Karen Dunlap; Manager of Business Applications Jennifer Holbrook; Supervisor of Customer Service Kim Maki; Cyber Security Engineer III Paul Holgate; Senior Engineer Power Management Blake Scherer; Manager of Accounting Kent Zirker; Robert Frost, Supervisor of Energy Programs; Tyson Brown, Procurement Specialist I.

#### **Call to Order**

#### **Pledge of Allegiance**

The Commission and those present recited the Pledge of Allegiance.

#### **Agenda Review**

No changes.

## **Public Comment**

None.

## **Consent Agenda**

**MOTION:** Commissioner Hall moved to approve the Consent Agenda items “a” through “k”. Commissioner Sanders seconded and upon vote, the Commission unanimously approved the following:

- a. Regular Commission Meeting Minutes of January 9, 2024
- b. Travel Report dated January 23, 2024
- c. Vouchers (report dated January 23, 2024) audited and certified by the auditing officer as required by RCW 42.24.080, and those expense reimbursement claims certified as required by RCW 42.24.090, have been recorded on a listing made available to the Commission and approved as follows for payment:  
Accounts Payable: Automated Clearing House (DD) Payments: 100833-100885 in the amount of \$1,216,575.96.  
Checks & Customer Refund Payments (CHK): 87366-87422 in the amount of \$728,474.65;  
Electronic Fund Transfer (WIRE) Payments: 6844-6851 in the amount of \$397,508.53;  
Residential Conservation Rebates: Credits on Customer Accounts in the amount \$340.00;  
Payroll: Direct Deposit – 1/4/2024: 100678-100832 in the amount \$411,661.96;  
Voided checks (January, 2024) in the amount of \$150.00;  
Grand total - \$2,754,561.10
- d. Cable Replacement – 5300 W. 26<sup>th</sup> Avenue - Work Order # 685842
- e. Cable Replacement - 6700 Blk of W 9<sup>th</sup> Place - Work Order # 685454
- f. Jobs Report – Construction & Maintenance Work Orders up to \$100,000
- g. Quit Claim Deed – Parcel #1-2380-400-0008-000
- h. Conservation Rebate Report – 4<sup>th</sup> Quarter 2023
- i. Northwest Fence Company, Inc. Project Completion/Acceptance for Contract # 22-38-05
- j. Alamon Inc. Project Completion/Acceptance - Contract # 22-32-01 (2<sup>nd</sup> Yr.)
- k. Yahoo Creek Wind Park LLC Contract Change Order #2 – Contract #14-45-08B

## **Management Report**

### ***General Manager:***

1. Public Participation Guidelines – General Manager Rick Dunn discussed the draft updated public participation guidelines and recommendations. The Commission provided feedback and indicated it was fine with a time limit but wanted some flexibility to manage the participation individually. Based on the feedback, the Clerk of the Board will draft new guidelines for the Board’s review.
2. Polar Vortex Update – General Manager Dunn discussed with the Commission the regional impacts to utilities due to the recent cold weather, including huge spikes in the Mid-C day-ahead and real-time prices with bids exceeding \$1,000 per megawatt-hour. He said the market prices are saying build dispatchable power plants, but Washington and

Oregon 100% clean electricity mandates will not allow it. This event also revealed how critical the Bonneville Power Administration (BPA) transmission system is to the northwest, including the big investor-owned utilities serving the Portland and Seattle areas. Additionally, the General Manager expressed concern with the immense pressure on BPA to build new transmission lines and the challenges presented by up-front financing of projects largely benefiting IOUs as well as BPA's inability to attract and retain qualified staff. General Manager also expressed frustration with the fact IOUs are so far unwilling to talk about building generation where people live, which would lead to support for small-modular reactors.

3. Lower Snake River Dams (LSRD) Hearing - General Manager Dunn said House Energy and Commerce Committee Chair Cathy McMorris Rodgers announced a hearing titled "Exposing President Biden's Plan to Dismantle the Snake River Dams and the Negative Impacts to the U.S." to be held on January 30 at 7:00 a.m. P.T. and said he would send information to the Commissioners so they could listen to the hearing.
4. Columbia River Treaty Power Group (CRTPG) Flood Control Concerns – General Manager Dunn said the flood control provisions in place will expire in September, 2024 and automatically change to "called upon" operations with impacts that are yet to be determined. He mentioned the Mid C PUD's (Douglas, Grant, and Chelan counties) count on having some level of certainty about water availability for their dams and that if they don't have that due to major changes in how water behind Grand Coulee Dam is stored and released, there is a chance they could exercise their preference rights to BPA power; which would mean the "Tier-1" pie would shrink for the rest of BPA's preference customers. Grant PUD in particular has publicly signaled the need for more generation resources.
5. EmPOWERed Update – General Manager Dunn provided statistics on the number of views, etc. on his articles written for Substack. He said he continued to work with the Communications team on getting the information to "go viral" and about building a network of folks to coordinate these efforts and share information across more utilities and the region.
6. Damaged Substation Transformer Update – General Manager Dunn gave an update on the installation of the mobile transformer that was put in place at Ely substation in response to a short-circuit caused failure of one of the power transformers. The power transformer was not badly damaged, and indications are it can be shipped to a repair shop. He said there was an initial issue with the mobile transformer wiring, but our crews worked through the bitter cold temperatures and into the nighttime hours until they figured things out and the mobile unit was installed and ready to go just prior to the polar vortex. The plan is to ship the damaged transformer out for repair and swap it out with a spare unit the District has in inventory.

***Power Management:***

1. Conservation Rebate (Email from Mr. Hammer) – Director Chris Johnson discussed an email sent to the Commissioners from Mr. Hammer about a \$50 conservation rebate for a stackable washer and dryer that did not qualify fully for the rebate. The stackable units were new and did not qualify, however, Bonneville subsequently issued a temporary

allowance on December 28 for these types of units and Mr. Hammer ended up with the \$50 allowable rebate.

***Executive Administration:***

1. Legislative Update – Manager Jodi Henderson discussed the following bills making their way through session:
  - a. HB 1955, repeals CETA greenhouse content calculation and reporting requirement. This is a Dept. of Commerce request to reduce the CETA reporting requirements for electric utilities and the District is supportive of this change.
  - b. HB 2051, small gas-powered engines (lawn mowers, leaf blowers, etc.). Ms. Henderson indicated they were working with WPUDA to see about getting some equipment used for vegetation management included on the list of exempted equipment.
  - c. HB 2234, concerning energy assistance for low-income households. The bill clarifies the low-income assistance program requirements under CETA, is a WPUDA requested legislation, and the District is supportive of this clarification.
  - d. Budget items:
    - i. Energy Northwest is requesting \$25 million to support its efforts to examine the feasibility of a next-generation nuclear energy facility.
    - ii. The Governor’s budget includes an appropriation of \$150 million for \$200 credits per household for low and moderate income electricity customers. They are monitoring both provisions.

***Finance & Customer Services:***

1. Financial Reports – Senior Director Jon Meyer provided the Commission with a financial report for December, 2023. Additionally, he discussed the residential demand billing impact analysis report for November and December, 2023, and half of January, 2024. He said the statistics were comparable to the original analysis for the demand charge.

The Board briefly recessed, reconvening at 10:35 a.m.

**Business Agenda**

**2023 Strategic Technology Plan Update**

General Manager Rick Dunn and Director Chris Folta informed the Commission that Jennifer Holbrook was anonymously nominated and selected to be featured in NWPPA’s weekly digital newspaper for her contribution to the public power community.

Manager Jennifer Holbrook provided an update on the 2023 Strategic Technology Plan. Topics discussed included strategic technology planning through the years and changes made during the 2021 planning process. The 2021 plan included using internal staff, a focus on 12 business process areas, a commitment to review and update every two years, and identified 64 projects

over the five years. The 2023 update highlighted that 17 of 64 projects were completed with 11 additional in progress, physical security focus was added, with a total of 77 projects identified.

Manager Holbrook discussed each business process area and where it fit in with the District strategic goals, highlighted important elements and implementation of each process, and reviewed the Strategic Technology Plan timeline for 2024-2028.

### **Future Planning**

There was a discussion about the possibility of cancelling the February 27, 2024 meeting or holding it remotely since two of the Commissioners would be in Washington D.C. for the APPA/WPUDA Legislative Rally. The discussion will be brought back at the February 13, 2024 meeting.

### **Meeting Reports**

#### **January WPUDA Association Meeting**

Commissioner Hall reported on his attendance at the January WPUDA meetings and said the legislative reception was very well attended, even with the inclement weather.

### **Adjournment**

Hearing no objection, President Bush adjourned the meeting at approximately 11:00 a.m.

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Barry Bush, President

ATTEST:

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Lori Kays-Sanders, Secretary