

**MINUTES**

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

Date: September 24, 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 & Executive Administration Jon Meyer  
Assistant General Manager/Sr. Director Engineering & Operations Steve Hunter  
Director of Power Management Chris Johnson  
Director of IT & Broadband Services Chris Folta  
Director of Customer Service and Treasury Keith Mercer  
Supv. of Executive Administration/Clerk of the Board Cami McKenzie  
Administrative Assistant II Brenda Preddie  
General Counsel Allyson Dahlhauser

**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 Procurement Michelle Ochweri; Manager of Customer Engagement Jenny Sparks; Manager of Customer Service Annette Cobb; Manager of Communications & Government Relations Jodi Henderson; Manager of Human Resources Karen Dunlap; Superintendent of Transportation & Distribution Robert Inman; Superintendent of Operations Duane Szendre; Procurement Specialist I Tyson Brown; Senior Engineer Power Management Blake Scherer; Manager of Accounting Kent Zirker; Communications Specialist II Eric Dahl; Senior Engineer Dax Berven; Kirsten Norton, Electrical Engineer III; Zach Underhill, Distribution Designer.

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

- a. Regular Commission Meeting Minutes of September 10, 2024
- b. Travel Report dated September 24, 2024
- c. Vouchers (report dated September 24, 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: 104751-104778 and 104939-104971 in the amount of \$1,236,038.99.  
Checks & Customer Refund Payments (CHK): 88528-88599 in the amount of \$726,103.76;  
Electronic Fund Transfer (WIRE) Payments: 7062-7074 in the amount of \$11,173,061.03;  
Residential Conservation Rebates: Credits on Customer Accounts in the amount \$160.00;  
Payroll: Direct Deposit – 9/12/2024: 104779-104938 in the amount \$441,789.29;  
Voided checks (August 2024) in the amount of \$45,353.90;  
Grand total - \$13,577,153.07

## **Management Report**

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

General Manager Rick Dunn discussed the following:

1. PGP E3 Study – Proposed follow-up study to the original PGP E3 Resource Adequacy Study. The timing of the E3 study is expected to be coincidental with the Pacific Northwest National Laboratory (PNNL) Northwest Regional Energy Planning study commissioned by the Department of Energy as part of the U.S. Government Commitments to the “six sovereigns” in December 2023. The Washington State Department of Commerce is providing the funding for the Lower Snake River Dam Breaching study scenario. General Manager has agreed to a commitment of \$25,000 to \$30,000 for participation in the E3 study and has volunteered to be on the steering committee for the PNNL study.
2. PGE 2023 RFP Short List – PGE announced a final short list of 1,701 MW of energy and capacity resources from the utility’s 2023 all-source RFP. The list includes nine projects with four of them totaling 816 MW of solar, solar-plus-storage and battery projects. These were deemed the top performing and preferred projects, and PGE will negotiate with the top four and see where it goes. General Manager said it was notable that no wind farms made the cut.
3. Three Mile Island Unit 1 Restart – Constellation Energy and Microsoft have signed a deal to restart Unit 1 at the Three Mile Island nuclear site. There has been a surge in electricity demand for data centers and power from the plant would be used to offset Microsoft’s data center electricity use. Key regulatory permits have not yet been filed.

4. Speaking Opportunities Update – General Manager updated the Commission on the following speaking engagements: Richland Chamber of Commerce, Montana Electric Cooperative Association, Inland Northwest Partners in Spokane Valley, Pacific Northwest Waterways Association, Port of Port Townsend, and CBC/WSU.

### ***Customer Service/Treasury***

Director Keith Mercer updated the Commission on the following:

1. Pay as You Go Program Update – The program was implemented in May 2019 as an option for customers as a no fee program and a way to track use and account balances. Director Mercer also discussed the declining enrollment, possible reasons for the decline, and deposit history. There are 76 accounts currently enrolled in the Pay as You Go Program. Staff is not proposing to eliminate the program but wanted to keep the Commission updated. The Commission discussed ways to offer the program, including to new customers, even if they did not require a deposit.
2. EIL Rate Update – Director Mercer said staff is proposing to update the Electricity Intensive Load (EIL) rate with the goal of ensuring the rate is fair and other rate customers are not impacted nor subsidizing EIL customers. Development of the new rate includes NewGen working on an EIL rate based on marginal power cost (Tier 2), updating the cost-of-service analysis, and customer impact analysis. Director Mercer shared a draft timeline which included staff presenting a new EIL rate and recommendation to the Commission in October or November 2024, holding a public hearing in January 2025 to receive input from EIL customers, and adopting a new EIL rate in February 2025 with an effective date to be determined.

### ***Engineering/Operations:***

1. Prosser Outage – Assistant General Manager/Senior Director Steve Hunter reported on the Riverfront Outage in Prosser on 9/17/24 when a squirrel got into a riser pole on feeder 1 at the Riverfront substation. It affected 1,538 customers and power was restored to all but 192 customers within 20 minutes, with the remaining restored in approximately two hours.

### ***Finance/Executive Administration:***

1. Financial Report - Senior Director Jon Meyer provided the Commission with a financial report for August 2024.
2. Community Forum – Senior Director Jon Meyer provided the final dates for the Community Forum presentations, and provided a draft copy of the flyer that would be sent out to the public outlining the agenda and encouraging customers to RSVP.
3. Awards – NWPPA/BHG – Senior Director Jon Meyer highlighted the following awards: Silver Award of Excellence related to the EmPOWERed program for Best Learning Strategy from the Brandon Hall Group and 1<sup>st</sup> place for photography from NWPPA for a photo taken by a Benton PUD lineman.

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

## **Business Agenda**

### **2025-2029 Five-Year Plan of Service; Resolution No. 2862**

Dax Berven gave a Powerpoint Presentation on the 2025-2029 Five-Year Plan of Service and discussed the capital budget total of \$24 million and proposed projects. Key takeaways included the state of the distribution system currently meets capacity requirements for normal operations and all improvements are for outage contingencies. Additionally, the capital expense budget was similar to historic plans.

Mr. Berven said approval of the resolution will incorporate the project recommendations for years 2025 through 2029 into the district's financial planning process and recommended the Commission approve the Plan as presented.

**MOTION:** Commissioner Hall moved to approve Resolution No. 2682 adopting the 2024 Five-Year Plan (2025-2029) as presented. Commissioner Sanders seconded, and upon vote, the motion carried unanimously.

### **Other Business**

None.

### **Future Planning**

General Manager Dunn said he would be attending the VERTical Convening 3.0 meeting about nuclear power and related supply chain developments on Wednesday in Richland. Senior Director Jon Meyer said that he and Jodi Henderson will also attend the meeting.

### **Meeting Reports**

#### **WPUDA Meeting**

Commissioner Hall reported on his attendance at the WPUDA meeting in Wenatchee and said subjects discussed were resource adequacy, wildfire mitigation, and local control. Additionally, he said they held an auction and raised \$6,000.00 so WPUDA could sponsor a community program in need. Commissioner Hall also said he was asked to serve on the budget committee and accepted that assignment.

Commissioner Bush said he attended remotely and there was robust discussion about changing minds about natural gas.

### **Executive Session**

None.

**Adjournment**

Hearing no objection, President Bush adjourned the meeting at approximately 10:56 a.m. The next regular meeting will be October 8, 2024.

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Barry Bush, President

**ATTEST:**

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Lori Kays-Sanders, Secretary