

MINUTES

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

Date: October 8, 2024

Time: 9:00 a.m.

Place: 2721 West 10th 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
Records Program Administrator II Nykki Drake
General Counsel Allyson Dahlhauser

Benton PUD employees present during all or a portion of the meeting, either in person or virtually: Supervisor of Distribution Design Michelle Ness; Manager of Procurement Michelle Ochweri; Manager of Customer Service Annette Cobb; Manager of Communications & Government Relations Jodi Henderson; Manager of Human Resources Karen Dunlap; Senior Manager of Applied Technology Jennifer Holbrook; Superintendent of Transportation & Distribution Robert Inman; Superintendent of Operations Duane Szendre; Supervisor of Energy Programs Robert Frost; Procurement Specialist I Tyson Brown; Financial Analyst III Katie Grandgeorge; Senior Engineer Power Management Blake Scherer; Cyber Security Engineer III Paul Holgate; Manager of Accounting Kent Zirker; Communications Specialist II Eric Dahl; Senior Communications Specialist Kayla Sidwell.

Call to Order & Pledge of Allegiance

The Commission and those present recited the Pledge of Allegiance.

Agenda Review

No changes.

Public Comment

None.

Treasurer's Report

Keith Mercer, Director of Customer Service & Treasury Operations, reviewed the September 2024 Treasurer's Report with the Commission as finalized on October 1, 2024.

Consent Agenda

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

- a. Regular Commission Meeting Minutes of September 24, 2024
- b. Travel Report dated October 8, 2024
- c. Vouchers (report dated October 8, 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: 104972-105008 and 105165-105207 in the amount of \$1,834,597.11.
Checks & Customer Refund Payments (CHK): 88600-88906 in the amount of \$711,365.73;
Electronic Fund Transfer (WIRE) Payments: 7075-7083 in the amount of \$1,727,063.99;
Residential Conservation Rebates: Credits on Customer Accounts in the amount \$430.00;
Payroll: Direct Deposit – 105009-105164 in the amount \$458,350.98;
Voided checks (September 2024) in the amount of \$70.00;
Grand total - \$4,731,807.81
- d. Authorization to Proceed – Sunheaven Farms – Contract #24-45-09

Management Report

General Manager:

1. PNWA & MECA Speaking Engagements – General Manager Rick Dunn reported on his speaking engagements for Pacific Northwest Waterways Association in Vancouver, WA and Montana Electrical Cooperative Association in Great Falls, MT. Manager's presentation slides are titled "Carbon-Free Electricity Policies Impacts and Perspectives". Manager also reported he would be traveling to Port Townsend this week to give the same presentation to an intergovernmental collaborative group.
2. PPC Letter to BPA re: Resource Program and Lack of Urgency – General Manager Dunn said the Public Power Council (PPC) Executive Committee requested guidance on sending a letter to BPA expressing concern about the Bonneville Power Administration (BPA) having adequate resources to meet customer future needs and taking incremental, risk informed resource acquisition actions before new power supply contracts are signed at the end of 2025; PPC received full support to send the letter.
3. Columbia River Task Force & Oregon Governor Executive Order – General Manger Rick Dunn said PPC issued a press release regarding Oregon Governor Tina Kotek's executive order to advance Oregon's obligations under the Columbia Basin Restoration Initiative

(CBRI) to restore salmon and native fish populations and advocating for the breaching of the Lower Snake River Dams. PPC also noted that Oregon has state policies that prohibit building any nuclear power plants or new natural gas power plants, while also working to demolish clean hydropower projects and that it should “look at its countervailing policies and get to work fixing them”.

4. PNUCC Communication Task Force & Gas/Electric Coordination – General Manager Dunn stated that Executive Director Crystal Ball made a motion to form a communication task force that would be responsible for working with PNUCC staff to shape messaging for PNUCC’s annual update to the Northwest Regional Forecast and support ongoing efforts to refine messages and develop materials and tools to use for outreach. Additionally, PNUCC is supporting an effort to improve coordination between natural gas and electricity providers in the Pacific Northwest and will be holding a Winter Readiness meeting on October 9.

Finance/Executive Administration:

1. Community Forum 2024 Dates - Senior Director Jon Meyer presented the final dates for the Community Forums and proposed Commissioner attendance, said the invitation to all customers had been mailed, and reported on the RSVPs received so far.
2. Strategic Plan Update – Senior Director Meyer reviewed the draft strategic plan update with the Commission and said they would email it to the Commissioners for feedback, with a plan to adopt it in November.
3. Brandon Hall Award – Senior Director Meyer introduced Anne Campbell, Campbell Training Solutions, whom the District partnered with to create the EmPOWERed series. Senior Director Meyer said Benton PUD received the Silver Award of Excellence in the category of Best Learning Strategy from the Brandon Hall Group for its EmPOWERED program and thanked staff and Anne Campbell for all their efforts.

The Commission briefly recessed, reconvening at 9:55 a.m.

Business Agenda

Broadband Business Update

Director Chris Folta and Rich Nall of NoaNET gave a broadband business update to the Commission on 2024 performance to date. Topics discussed included new customer quotes, service orders, 2024 sales detail by product type, a YTD financial summary, 2024 revenue projection, net cash, and 2024 Proforma. It was reported that the business is continuing to meet the broadband strategy for net cash position.

Mr. Nall highlighted current market activities demonstrating that the access internet product was seeing steady sales and Ethernet product sales had slowed, but cellular carriers were renegotiating contracts, with several opportunities at new sites as well as seven new sites pending new orders. He reported that talks were continuing with DOE about a regional data

center and that NoaNet was supporting the District in evaluation of a new wireless SCADA/Operational Network using private LTE technology.

Additionally, he discussed the progress of the US Cellular small cell construction project that is taking place in Kennewick, Prosser, Richland, and Pasco and that completion is anticipated by year end.

Director Folta provided an update on several fiber-optic builds that were underway or in the planning stages to support the District's advanced metering and utility telecommunication networks.

Commissioner Hall left the meeting at approximately 10:20 a.m.

Setting Public Hearing on Preliminary 2025 Budget

Director Keith Mercer presented a motion for the Board's approval to set a public hearing on the Preliminary 2025 Budget for November 12, 2024, at 9:00 a.m. The public comment period will be open until Tuesday, December 3, 2024. Comments received will be shared with the Commission on Tuesday, December 10, 2024, at which time the final 2025 Budget will be brought to the Commission for adoption. Additionally, Mr. Mercer discussed key dates for the budget process.

MOTION: Commissioner Bush moved to approve setting a public hearing on the Preliminary 2025 Budget for November 12, 2024, at 9:00 a.m. as presented. Commissioner Sanders seconded, and upon vote, the motion carried unanimously.

Electric Vehicles and Solar Update

Director Chris Johnson and Robert Frost, Supervisor of Energy Program, gave a Powerpoint presentation update on Electric Vehicles (EV) and Solar Connection programs. Highlights include the slow adoption of EVs and customer rebates with less than 1% of registered vehicles in Benton County are EVs. The District has paid 63 EV rebates (\$250) over five years and 13 Level-2 EV Charger rebates (\$20) in the last year.

Solar installations have significantly reduced over the last couple of years at about 1/3 of installations in 2022. Consumer protection laws for rooftop solar were also reviewed. Recent solar incentive checks were sent to customers who participated in prior state funded solar programs in the amount of \$464,000. The Districts Net Metering Cap is currently 63% of the 4% requirement.

Other Business

None.

Future Planning

The Commission discussed the schedule for upcoming budget meetings and Commissioner Sanders indicated she would be attending Energy Northwest Board meetings this month.

Meeting Reports

None.

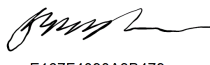
Executive Session

None.

Adjournment

Hearing no objection, President Bush adjourned the meeting at 11:26 a.m.

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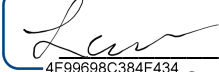


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Barry Bush, President

ATTEST:

Signed by:



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Lori Kays-Sanders, Secretary