

MINUTES

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

Date: July 8, 2025

Time: 9:00 a.m.

Place: 2721 West 10th Avenue, Kennewick, Washington

Present: Commissioner Jeff Hall, President
Commissioner Lori Kays-Sanders, Vice-President
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

Absent: Commissioner Mike Massey, Secretary (Excused)

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

Call to Order & Pledge of Allegiance

The Board excused Commissioner Massey. 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 June 2025 Treasurer's Report with the Commission as finalized on July 1, 2025.

Consent Agenda

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

- a. Regular Commission Meeting Minutes of June 24, 2025
- b. Travel Report dated July 8, 2025
- c. Vouchers (report dated July 8, 2025) 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: 109537-109632 in the amount of \$1,597,940.95.
Checks & Customer Refund Payments (CHK): 90252-90356 in the amount of \$210,091.23;
Electronic Fund Transfer (WIRE) Payments: 7320-7329 in the amount of \$6,257,462.35;
Residential Conservation Rebates: Credits on Customer Accounts in the amount \$880.00;
Payroll: Direct Deposit – 6/19/2025: 109382-109536 in the amount \$475,026.69;
Grand total - \$8,541,401.22
- d. Contract Award to Anixter Inc. - 10kV Fire Mitigation Lightning Arresters, Bid #25-21-14
- e. Contract Award – Irby (Chm Industries, Inc.), Sunset-Dallas 115kV Steel Poles, Bid #25-21-06
- f. 2025 – 2nd Quarter Procurement Contracts Activity Report

Management Report

Customer Service/Treasury

1. PURMS Update - Director Keith Mercer shared that wildfire insurance premiums for PURMS are expected to increase approximately 30%, with last year's premium of \$1.3 million increasing to an estimated \$1.7 million. In response to increasing wildfire premiums and availability of coverage, PURMS and other utilities are exploring the formation of a wildfire risk pool. If all interested parties join, there would be six members, with PURMS counted as one member. A key motivation behind forming this pool is the growing concern from AEGIS, one of the region's primary wildfire insurers, about its increasing exposure in the Pacific Northwest market.

Initial premium allocation within the pool would likely be proportional to each utility's current wildfire insurance premiums, although a weighted risk-based model is also being discussed. The pool would operate on a claims-made basis, and more details are expected

by September. Director Mercer recommended Benton PUD join the pool if it forms, as standalone wildfire coverage would be significantly more expensive.

Engineering/Operations:

1. Wildfire Mitigation Update – Arrester Purchases – Assistant General Manager Steve Hunter provided an update on wildfire mitigation efforts in high-risk areas such as Hanford and Horse Heaven hills. Several key strategies have been implemented, including the installation of non-expulsion current-limiting fuses, sterilization of the ground around selected poles, and the application of one-shot recloser settings during wildfire season to eliminate automatic reclosing attempts after an initial short circuit on a power line. Construction standards have been revised to include increased phase spacing and the use of wildlife covers, while enhanced line patrols are scheduled in June and August. New this year is the addition of lightning arresters with a non-expulsion type ground-lead disconnect, and fire wrapping of poles to protect infrastructure. Of the 625 lightning arresters identified for installation in the fire mitigation area, 100 have been replaced to date.
2. Rattlesnake Mountain Underground Cable – Assistant General Manager Steve Hunter shared that Benton PUD purchased underground mining cable in 2024 for a DOE-requested project to convert 4,500 feet of overhead line to underground cable on the north face of Rattlesnake Mountain. After more than three years of permitting delays, the \$625,000 project to replace temporary high voltage cable installed after the overhead power line running to the top of the mountain failed during an April 2022 snow and windstorm was scheduled for completion in fall of 2025, with Benton PUD contributing \$140,000 and DOE contributing \$485,000. Progress has once again stalled after the project was referred by DOE to the state historical society and tribal groups, resulting in a request to delay project construction until Spring of 2026. General Manager Dunn stated the urgency to complete the project has reached a tipping point due to the risks associated with the temporary cable installation. AGM Hunter has reached out to DOE as well as Energy Northwest who acts as the coordinator for the communications facility located on top of Rattlesnake Mountain to explore options and determine next steps.

General Manager:

1. Notice of Intent for Supplemental CRSO EIS Update - General Manager Rick Dunn reported that the Bureau of Reclamation and the U.S. Army Corps of Engineers have withdrawn the Notice of Intent for a Supplemental Environmental Impact Statement (EIS) for the Columbia River System Operations (CRSO) reaffirming the 2020 Columbia River EIS. The Public Power Council (PPC) issued a press release supporting the decision to return to the 2020 Columbia River EIS, which aims to balance salmon recovery efforts and the multiple other uses of the Columbia and Snake Rivers, including hydro power.
2. Dworshak Cold Water Release Controversy – General Manager Dunn shared that the U.S. Army Corps of Engineers plans to begin earlier than normal cold-water releases from Dworshak Dam to help cool the Snake River for migrating sockeye salmon. The decision was opposed by some members of the Columbia River Technical Management Team who expressed concerns with possible negative impacts on fall Chinook salmon and steelhead

which migrate later in the summer and would not get the benefits of the Dworshak water releases if not enough is available in August. The decision to release cold water earlier was supported by the Corps, Bureau of Reclamation, BPA, and Montana.

3. BPUD Solar Project Interconnections & Klickitat County Carriger Solar Update – General Manager Dunn provided an update on recent large-scale solar interconnection requests, a 75-megawatt project in southeast Benton County and a 60-megawatt project close to Plymouth. Benton PUD was aware the developer had pulled the 75-MW project from the Bonneville Power Administration transmission interconnection queue but recently discovered the 60-MW project had also been withdrawn in January of this year. GM Dunn was not sure if either project would be considered for future development. GM Dunn also reported on the proposed Klickitat County 160-MW Carriger Solar project which includes a 63-MW battery. The project has been controversial with some of the local community expressing significant opposition. The Energy Facility Site Evaluation Council (EFSEC) has recommended the project for approval by Governor Bob Ferguson. The Yakama Nation has also expressed concerns with the project. GM Dunn noted the developer had taken a similar path to the developer of the wind farm in Benton County by bypassing local planning authorities and taking the project to EFSEC for state review and approval.
4. B2H Transmission Line Update – General Manager Dunn said opponents of the proposed Boardman to Hemingway transmission project asked Oregon regulators to revoke the certificate of public convenience and necessity. Opponents have stated that PacifiCorp removed the line from their preferred portfolio because the project is no longer considered a “system resource” and will be used instead to serve a data center. GM Dunn indicated the Boardman terminal of the line is located near the large data centers served by Umatilla Electric Cooperative. PacifiCorp stated it remains committed to the project.
5. Nuclear Regulatory Commission (NRC) – General Manager Dunn commented on President Trump’s firing of former NRC’s Commissioner Christopher Hanson and the issuance of executive orders aimed at accelerating the licensing process for new nuclear power plants and reorganizing the NRC.

Future Planning

Commissioner Sanders will be gone the meeting of August 12.

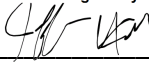
Meeting Reports

WSDOT Open House & Public Forum

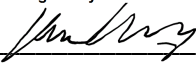
Commissioner Sanders reported on her attendance at the WSDOT Open House and Public Forum in Clarkston, Washington. The forum focused on the Lower Snake River Dams Transportation Study, which evaluated the transport of grain along the river system and assessed the feasibility of dam removal. Commissioner Sanders expressed concern that the study’s scope did not account for the cost of carbon impacts.

Adjournment

Hearing no objection, President Hall adjourned the meeting at 10:36 a.m.

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Jeff Hall, President

ATTEST:

Signed by:

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Secretary