

## MINUTES

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

Date: January 14, 2025

Time: 9:00 a.m.

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

**Present:** Commissioner Jeff Hall, President  
Commissioner Lori Kays-Sanders, Vice-President  
Commissioner Mike Massey, 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  
Records Program Administrator II Nykki Drake  
Administrative Assistant I Roxie Weller  
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; Senior Manager of Applied Technology Jennifer Holbrook; Superintendent of Transportation & Distribution Robert Inman; Supervisor of Energy Programs Robert Frost; Financial Analyst III Katie Grandgeorge; Senior Engineer Power Management Blake Scherer; Manager of IT Infrastructure Duane Crum; Cyber Security Engineer III Paul Holgate; Manager of Accounting Kent Zirker; Procurement Administrator Levi Lanphear.

#### **Call to Order and Pledge of Allegiance**

The meeting was called to order. The Commission and those present recited the Pledge of Allegiance.

#### **Agenda Review**

No changes.

## **Public Comment**

None.

## **Business Agenda**

### **Election of Officers - 2025**

Acting Clerk of the Board Nykki Drake presented the proposed election of officers for 2025. She indicated that normally the Benton PUD Commissioners elect officers annually in December to serve for the following year. Due to a change in the District 3 Commission position, the election of officers is being held in January, after the new Commissioner has assumed the office of Benton County PUD Commission, Position 3. Past Commission preference has been to elect officers each year, with the officers selected holding the same position for two consecutive years.

**MOTION:** Commissioner Sanders moved that effective January 1, 2025, Jeff Hall be nominated and elected President of the Commission, Lori Sanders be nominated and elected Vice-President of the Commission, and Mike Massey be nominated and elected Secretary of the Commission. Commissioner Massey seconded, and upon vote, the motion carried unanimously.

### **Acknowledgement of Conflict of Interest - 2025**

Acting Clerk of the Board Nykki Drake discussed the Governance Policy of the Benton PUD Commission, under "Policy No. 6 - Commission Members' Code of Conduct", which states that each commissioner will annually acknowledge their obligation to disclose conflicts of interest, as defined in RCW 42.23. Policy No. 6 also states that each commissioner will disclose, on a case-by-case basis, to the other commissioners, in a public forum, such interests as defined in RCW 42.23, with such disclosure being noted in the District's official minutes.

Each commissioner individually acknowledged they understand their conflict-of-interest disclosure responsibilities as defined in RCW 42.23 and as stated and adopted under the Governance of the Benton PUD Commission, Policy No. 6 – Commission Members' Code of Conduct.

### **Designation of Representatives to Various Organizations - 2025**

Acting Clerk of the Board Nykki Drake discussed the Designation of Representatives to Various Organizations for 2025. The Designation of Representatives to Various Organizations for 2025 was reviewed by Commission and will be brought back for approval at the next Commission meeting.

## Treasurer's Report

Keith Mercer, Director of Customer Service & Treasury Operations, reviewed the December 2024 Treasurer's Report with the Commission as finalized on January 3, 2025.

## Consent Agenda

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

- a. Minutes of Regular Commission Meeting of December 10, 2024
- b. Travel Report dated January 14, 2025
- c. Annual Travel Report for 2025
- d. Vouchers (report dated 1/14/2024) 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: 106322-106376; 106532-106599; 106754-106780 in the amount of \$3,022,204.37.  
Checks & Customer Refund Payments (CHK): 89308-89491 in the amount of \$317,112.75;  
Electronic Fund Transfer (WIRE) Payments: 7142-7173 in the amount of \$6,714,681.24;  
Payroll: Direct Deposit – 12/05/2024: 106168-106321 in the amount \$530,213.86; Direct Deposit – 12/19/2024: 106377-106531 in the amount \$446,886.57; Direct Deposit – 01/02/2024: 106600-106753 in the amount \$420,729.91.  
Voided checks in the amount of \$832.11;  
Grand total - \$11,454,008.70
- e. Resolution No. 2689 – Establishing District Policy Regarding Community Engagement
- f. Resolution No. 2690 – Whistleblower Policy
- g. Contract #23-46-21 –Northwest Open Access Network (NoaNet) – Network Coordinated Services (NCS) – CO#2
- h. Contract #01-41-05 – Bonneville Power Administration – CO#14
- i. Contract #19-15-01 – Message Technologies, Inc. – CO#10
- j. Jobs Report for Commission
- k. Work Order 725883 – River Road Residences
- l. Quit Claim – AFN# 0752700 - Exhibit L
- m. Contract #17-45-15 – Bonneville Power Administration – CO#5
- n. Contract #23-45-22 – Delta Heating and Cooling, Inc. – CO#1
- o. Contract # 23-45-40 – Solufix Heating and Cooling – CO#1
- p. 2024 – 4<sup>th</sup> Quarter Contract Activity Report

## **Management Report**

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

1. Grid Reliability Update – General Manager Dunn discussed the shift in tone around the country and state when it comes to grid reliability. Dunn shared and reviewed a Seattle Times editorial board article in which they acknowledged utility warnings of increasing risk of blackouts while challenging state leaders to commit to the notion that blackouts are a completely unacceptable result of state policy. Dunn also shared an infographic published by The North America Electric Reliability Corporation (NERC) which highlights the results of their 2024 long term reliability assessment. Dunn pointed out the regions NERC has identified as having high and elevated risk of blackouts, which does not include the Northwest. Dunn indicated the “normal risk” assigned to the Northwest was inconsistent with what he heard from a representative of the Western Electricity Coordinating Council (WECC) just a week earlier during a presentation made to the Pacific Northwest Utilities Conference Committee (PNUCC). The WECC representative shared essentially the same concerns NERC has with the high rate of dependable generator retirements and the slow development of wind and solar farms, which are the technology of choice across most of the United States. Dunn indicated the WECC representative admitted there really is no “normal risk” of grid blackouts given the weather dependent and variable nature of wind and solar power, and that she would take that message back to NERC officials regarding the mixed messaging their infographic is communicating. Dunn also shared and reviewed the WECC website which provides their 2024 resource adequacy assessment, highlighting a page which identifies “Risks to Planned Resource Additions”. These risks include supply chain disruptions, interconnection queue, siting delays and increased costs. Dunn said the “development friction” when it comes to mineral and land-intensive wind and solar is on the rise and in his mind, there is no indication it conditions will improve in coming years.
2. Hydro Politics –General Manager Dunn reported that under pressure from the Biden Administration, the U.S. Army Corps of Engineers and the Bureau of Reclamation published a notice of intent to prepare a supplemental environmental impact statement (EIS) for the Columbia River System Operations (CRSO). A regional coalition of hydropower and other interest groups have pushed back through a media release and lobbying efforts with concerns a new environmental review by the federal government would open a proverbial can of worms. Manager Dunn stated dam breaching advocates dismissed the original EIS as critically flawed since it was developed during the previous Trump Administration and published in 2020.

Manager Dunn also reported Republican Senators from Idaho, Montana and Wyoming are lobbying the federal government to halt any further implementation of the December 14, 2023, Government Commitments memorandum of understanding (MOU). The MOU was the result of negotiations with four tribes and the states of Oregon and Washington and is the basis for the ten-year legal stay of the longstanding

CRSO litigation. Termination of the MOU would likely put hydropower back in the courts.

Manager Dunn also gave an update on his involvement with the Pacific Northwest Regional Energy Planning Process (PREPP) steering committee, stating he has serious concerns about the study charter being out of balance and that utilities do not have adequate authority to influence the underlying assumptions. Overall, Manager Dunn is concerned the study which is being conducted by the Pacific Northwest National Laboratory (PNNL) will not deliver on promises of a more holistic approach to energy planning and could end up being just another version of previous Lower Snake River dam breaching studies.

The Board briefly recessed, reconvening at 10:42 a.m.

***Engineering/Operations:***

1. Spaw-Phillips Transmission completion – Assistant General Manager/Senior Director Steve Hunter updated the Commission on the completion of the Spaw-Phillips transmission line.
2. Weekend Outage - Assistant General Manager/Senior Director Steve Hunter discussed an outage that occurred over the prior weekend and brought in the damaged riser (conduit) that squirrels had chewed through from top to bottom.

***Information Technology/Broadband:***

1. Fiber Telecom Update – Director Chris Folta gave an update on the recently completed backbone fiber-optic cable installation from Prior No. 1 to Prior No. 4 substations as well as provided a brief update on the Operational Technology Telecommunications Project informing the Commission that staff will be providing a comprehensive project update at a future Commission Meeting.

***Finance/Executive Administration:***

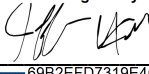
1. New Website – Director Jon Meyer shared the new Benton PUD Website with the Commission.
2. Customer Rate Meetings – Director Jon Meyer informed the Commission that the District is planning to hold Customer Rate meetings in the next month related to a proposed retail rate increase effective April 1, 2025. Dates and times of the meetings were discussed.

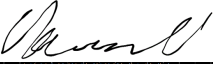
**Future Planning**

All Commissioners will be on travel for the Commission meeting on February 25<sup>th</sup>.

**Adjournment**

Hearing no objection, President Hall adjourned the meeting at 11:13 a.m.

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President

ATTEST:  
Signed by:  
  
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Secretary