



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

Tuesday, March 26, 2024, 9:00 AM
2721 West 10th Avenue, Kennewick, WA

The meeting is also available via MS Teams
The conference call line (audio only) is:
1-323-553-2644; Conference ID: 730 736 298#

- 1. Call to Order**
- 2. Pledge of Allegiance**
- 3. Agenda Review**

4. Public Comment

(Individuals wishing to provide public comment during the meeting whether in person or remotely will be recognized by the Commission President and provided an opportunity to speak. Public Comment can also be sent to the Clerk of the Board in advance of the meeting at commission@bentonpud.org. Guidelines for Public Participation can be found on the Benton PUD District website.)

5. Approval of Consent Agenda

(All matters listed within the Consent Agenda have been distributed to each member of the Commission for reading and study, are considered routine, and will be enacted by one motion of the Commission with no separate discussion. If separate discussion is desired by any member of the Commission, that item will be removed from the Consent Agenda and placed on the Regular Agenda by request.)

Executive Administration

- | | |
|---|-------|
| a. Minutes of Regular Commission Meeting of March 12, 2024 | pg.3 |
| b. Travel Report dated March 26, 2024 | pg.10 |
| c. Amending Nonstandard Discretionary Compensation and Benefits – Resolution No. 2664 | pg.12 |

Finance/Customer Services

- | | |
|----------------------------------|-------|
| d. Vouchers dated March 26, 2024 | pg.21 |
|----------------------------------|-------|

Operations/Engineering

- | | |
|---|--------|
| e. Jobs Report for Commission | pg.49 |
| f. Work Order 691203 – South Hill Manors | pg. 51 |
| g. Quit Claim – Parcel #1-0488-200-0005-000 | pg. 53 |

Procurement

- | | |
|---|-------|
| h. Project Completion and Acceptance for Contract #23-38-06 – ATS Inland NW – HVAC Controls Upgrade | pg.57 |
| i. Project Completion and Acceptance for Contract #22-18-04 – Absco Solutions | pg.59 |
| j. Project Completion and Acceptance for Contract #22-21-29 – DJ’s Electrical, Inc. | pg.62 |
| k. Project Completion – McNary-Plymouth Transmission Tie Line – Formal Quote #23-21-21 | pg.67 |

6. Management Report

7. Business Agenda

- a. Contract Award Recommendation for Contract #24-15-01 –
Absco Solutions – J. Holbrook pg. 69
- b. Review Final Draft of 2023 Annual Financial Report – J. Meyer pg. 95
- c. Updating the Helping Hands Low Income Donation Program –
Resolution No. 2665 – J. Meyer pg. 176
- d. COSA Update and General Service Demand Presentation – J. Meyer pg. 180

8. Other Business

9. Future Planning

10. Meeting Reports

11. Executive Session

12. Adjournment

(To request an accommodation to attend a commission meeting due to a disability, contact dunlapk@bentonpud.org or call (509) 582-1270, and the District will make every effort to reasonably accommodate identified needs.)

MINUTES

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

Date: March 12, 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 Dunnr
Senior Director of Finance & Customer Services Jon Meyer
Assistant General Manager/Sr. Director Engineering & Operations Steve Hunter
Director of Power Management Chris Johnson
Director of Executive Administration Melina Conover
Director of IT & Broadband Services Chris Folta
Supv. of Executive Administration/Clerk of the Board Cami McKenzie
Records Program Administrator II Nykki Drake
General Counsel Allyson

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 Procurement Michelle Ochweri; Manager of Customer Engagement Jenny Sparks; Manager of Communications & Government Relations Jodi Henderson; Manager of Human Resources Karen Dunlap; 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 Engineer Dax Berven.

Call to Order

The meeting was called to order at 9:00 a.m.

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, Manager of Risk Management & Treasury Operations, reviewed the February, 2024 Treasurer's Report with the Commission as finalized on March 5, 2024.

Consent Agenda

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

- a. Regular Commission Meeting Minutes of February 13, 2024
- b. Travel Report dated March 12, 2024
- c. Merit-Based Salary Administration Plan – Resolution No. 2660
- d. Amending Benefits for Non Represented Employees and Establishing Additional 401(a) Plan – Resolution No. 2661
- e. Public Participation & Public Comment Guidelines – Resolution No. 2663
- f. Vouchers (report dated March 12, 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: 101299-101319, 101474-101555, and 101708-101741 in the amount of \$3,491,793.61.
Checks & Customer Refund Payments (CHK): 87498-87577 in the amount of \$267,416.67;
Electronic Fund Transfer (WIRE) Payments: 6880-6904 in the amount of \$15,630,582.19;
Residential Conservation Rebates: Credits on Customer Accounts in the amount \$379.98;
Payroll: Direct Deposit – 2/15/2024: 101320-101473 in the amount \$419,059.99;
Payroll: Direct Deposit – 2/29/2024: 101556-101707 in the amount \$433,851.81;
Voided checks (February, 2024) in the amount of \$5,014.03; Grand total - \$20,243,084.25
- g. Surplus of Equipment-Meters & Current Transformers – Resolution No. 2662
- h. Jobs Report – Estimated v. Actuals – Q3 and Q4 2023
- i. Change Order No. 9 – Benton County Emergency Services – Contract #16-33-02
- j. Change Order No. 2 – Electrical Consultants, Inc. – Contract #22-21-20
- k. Lease Agreement – Sturgeon Electric Company, Inc. – Contract #24-33-01

Management Report

General Manager:

General Manager Rick Dunn reported on the following issues:

1. PPC Supports BPA Joining SPP's Market+ Initiative – PPC officially endorsed BPA joining Southwest Power Pool's Market+ Initiative.

2. PNUCC Meeting Update – PNUCC agenda included a review of the transmission congestion rents issue that occurred during the January 2024 polar vortex. This issue has been a big source of controversy given the more than \$120 million in revenues collected by the California Independent System Operator (CAISO) for wheeling power across California transmission lines for delivery to the northwest. This revenue represented 94% of the value of the California-Oregon AC intertie during the cold snap versus 6% that went to northwest utilities. Additionally, the CFO of BPA stated during the Public Power Council Meeting held the day before the PNUCC meeting that BPA had \$300 million in unplanned power purchases during the deeply cold temperatures. While hydro saved the day in terms of grid reliability, the amount of water available for generation was quite low compared to what is possible in most years, which left BPA short of supply. And it wasn't just BPA who was short. The Pacific Northwest grid required nearly 5,000 megawatts of electricity imports from outside the region to avoid blackouts. And the big question being asked is whether this level of imports can be counted on in the future as coal plants are shut down across the western grid without building dependable replacements like natural gas or nuclear.
3. BPA 2023 Transmission Cluster Study Results – BPA identified 14 new transmission projects costing an estimated \$3.9 billion in its 2023 TSR (Transmission Service Request) Study and Expansion Process. Manager Dunn shared a slide summarizing the BPA Generation Interconnection requests by fuel types and location. Randy Hardy, consultant and former BPA administrator was quoted as saying “BPA has done all the easy stuff and has hit a brick wall.” “Almost all of the projects will require new rights of way, because they've exhausted the ability to upgrade lines without having to expand into new rights of way.” Manager Dunn highlighted a transmission line upgrade project identified by BPA from the Grand Coulee dam area to Olympia with a projected cost of \$1.1 billion and projected in service date of 2038. The very high cost of projects like this along with the extended permitting and construction timelines is a huge barrier for developers of wind and solar projects east of the Cascades who are trying to respond to Puget Sound Energy's need for non-emitting generation. Hardy said he just don't see developers being willing to pay their share of such high cost and long-lead time transmission projects.
4. CAISO Postpones New Interconnection Requests – CAISO suspended their new interconnection requests for resources connecting to the grid beyond 2024 due to an unprecedented and unsustainable number of requests.
5. PSE Unprecedented Expansion of Renewables/Rate Increase – Puget Sound Energy needs to add 6,700 MW of zero-emission resources by 2030; a number which could be even higher if demand for electric vehicles and data centers continues to grow. As a consequence, PSE has proposed a rate increase totaling 15.18% for 2025 and 2026 to help cover the costs associated with the clean-energy mandates.
6. PacifiCorp Rate Increases – PacifiCorp is seeking a 17.9% increase in its latest general rate case in Oregon, in part to recover costs associated with increasing insurance premiums and wildlife liability claims. Under the proposal, residential rates would increase 21.6%.
7. OneEnergy Renewables 60 MW Solar – OneEnergy Renewables filed an application with EFSEC to construct a 60 megawatt (MW) solar farm on AgriNorthwest land located in the Plymouth area and is requesting to connect to Benton PUD's transmission system.

OneEnergy is asking the Energy Facility Site Evaluation Council (EFSEC) to preempt Benton County's moratorium on solar projects on land zoned for agriculture. County commissioners adopted the ordinance in 2021. OneEnergy is currently in the "facility study" phase of the BPA generation interconnection process. District staff is working with BPA and will be performing more study and analysis to evaluate possible impacts the solar farm could have on the operations of the District's large irrigation customers. Staff will provide Commissioners with an update regarding options the District has going forward.

8. 9th Circuit Petition Update – PPC announced the Northwest Requirements Utilities (NRU) and Alliance of Western Energy Consumers (AWEC) have also filed a petition for review and joined PPC's 9th Circuit Court of Appeals challenges to force BPA to produce an administrative record regarding its decision to enter into the US Government agreement committing BPA to various obligations.
9. CSRIA/Franklin Conservation District LSRN Removal Study – Columbia Snake River Irrigators Association and Franklin Conservation District completed a study outlining the impacts of what dam breaching would have on irrigators. General Manager Dunn said he has a meeting scheduled with Board Representative Darryll Olsen to discuss his and public power's position regarding the U.S. government memorandum of understanding released last December.
10. NWRP Executive Director – Northwest RiverPartners Board of Directors selected Clark Mather, who previously worked for Tacoma Public Utilities, as the new Executive Director to take over April 1.

Executive Administration:

1. Legislative Update – Manager Jodi Henderson updated the Commission on the following:
 - a. The Legislature adjourned Sine Die on March 7.
 - b. Bills of Interest that passed:
 - a. HB 1955, repealing CETA greenhouse gas requirement to remove duplicative.
 - b. 2SHB 2201, linking Washington's carbon market with California and Quebec and including language to address BPA's role as voluntary FJD. Statewide Initiative 2117 to repeal the CCA did not receive a hearing and will go to the ballot in November.
 - c. SHB 2156, solar consumer protections, including interconnection requirements which are consistent with current practice.
 - d. ESHB 1589, which allows for combined IRP for natural gas/electric service providers servicing over 500,000 customers
 - c. Budget provisos of interest:
 - a. \$25 million allocation for Energy Northwest to support U.S. DOE Loan Program Office Part 2 – this becomes null and void if Initiative passes.
 - b. \$150 million for low-income and moderate-income customers – one-time \$200 credits with the stipulation funds are to be distributed by September 15, 2024. Senior Manager Meyer discussed the participation requirements and said they would know more after the Department of Commerce publishes program requirements in the upcoming months.

- c. \$500,000 allocated for study to determine the value of distributed solar and storage (another net metering study).
2. Amending Nonstandard Compensation – HR Manager Karen Dunlap said with the successful implementation of the four-ten schedule option in 2023, the District and Local IBEW 77 agreed to exchange the Day After Thanksgiving for one additional floating holiday beginning in 2024 and to return to Thanksgiving early release instead of New Year’s Eve. There is no impact to employees who are regularly scheduled to work the Day After Thanksgiving if they choose to use the additional floating holiday and the change benefits the District and customers with the return to past lobby closures of Thursday and Friday. These changes require an amendment to the Resolution, and it will be presented to the Commission at the next meeting.
3. Customer Service Standby – Senior Director Jon Meyer said they made changes to the automated phone attendant to include an option for a customer to talk to someone on Friday or Thursday (if a holiday). A standby program was recently implemented after working with the IBEW (in the system was modeled after standby programs in place at Operations) on a rotation with voluntary trade for the Customer Service Representatives to be available to speak to a customer on those days.

IT & Broadband Services:

1. NoaNet Update – Director Chris Folta updated the Commission on the following:
 - a. Repayment of Legacy Contributions. The NoaNET Board unanimously passed a resolution on 12/13/2023 ensuring members are entitled to repayment of past contributions first in the event of a sale or dissolution.
 - b. Resolution to Equalize Percentage Interests. This resolution is unchanged from what was provided in December and will be considered on 3/13/2024 to equalize ownership percentage interests. This would reduce shared risks, retain one member with one vote for Board of Directors and Member Representatives, and any assessment would be equally attributed to Members.
 - i. Requires 2/3 approval by the Board.
 - ii. If approved, a special meeting will be held for the Member Representatives to vote on the resolution which requires unanimous approval to go into effect.
 - c. Energy NW formally announced its plan to withdraw as an owner of NoaNet effective April 21, 2024, and will rejoin as a non-voting Affiliate Member. Their percentage ownership will be equally divided among the remaining owners; however, they will continue to be responsible for their proportionate share of the current bond obligation.

Finance & Customer Services:

1. General Service Updates - Senior Director Jon Meyer said that a formal annual process to classify General Service accounts in the correct rate schedule was adopted as part of the rate schedules last year and performed for the first time in the first quarter of 2023. Staff is currently performing the annual review for this year and has identified about 100 accounts, out of a total of over 6,000 accounts, that will move to a different rate schedule

in April 2024. Staff is also reviewing General Service rate structures. Staff will give a presentation at a future meeting and provide recommendations regarding rate structure changes that include implementation of a demand charge for small general service, changing the demand charge for medium and large general service, and re-evaluating the relevance of the large general service time of use rate.

The Commission recessed at 10:21 a.m., reconvening at 10:30 a.m.

Business Agenda

Interlocal Agreement – 2024 Tri-Cities STEM Career Academy

Manager Jodi Henderson presented the Interlocal Cooperative Agreement to hold the 2024 Tri-Cities STEM Career Academy in June. This career academy is for local high school students wanting to explore a career in the field of energy, agriculture, or STEM.

MOTION: Commissioner Sanders moved to authorize the General Manger on behalf of the District to sign in substantially the form presented an Interlocal Cooperative Agreement with Benton Conservation District, Franklin Conservation District, City Of Richland, Public Utility District No. 1 Of Franklin County, Energy Northwest, Kennewick School District, and ESD 123, Contract #24-12-02, to hold the 2024 FWEE Tri-Cities STEM Career Academy June 24, 2024 through June 28, 2024. Commissioner Hall seconded, and upon vote, the motion carried unanimously.

Interlocal Agreement – City of Richland – Reata Substation Transmission Line WSDOT Crossing/115kV Switch

Evan Edwards presented the Interlocal Cooperative Agreement with the City of Richland for the Reata Substation Transmission Line WSDOT Crossing and 115kV Switch. The City of Richland constructed a transmission line from its future Dallas Road Substation to just south of the District's Reata Substation, with the intention that this line cross Interstate 82 and land on a new BPA structure located on the north side of Interstate 82. The City's initial line design did not include a sectionalizing switch necessary to isolate the section of line between the District's Reata Substation and the City's future Dallas Road Substation. The District requested to install a 115kv transmission switch at the Reata Substation end of the City's transmission line, intersecting the City's transmission line.

The District will install the transmission crossing on behalf of the City, at the City's expense in the amount of \$21,370.88, and a not to exceed amount of \$26,713.60 and the District will install the 115kv transmission switch and associated structure at the District's expense.

Manager Edwards presented a map of the area where the transmission crossing and switch would be installed. Additionally, he stated that today was the scheduled transfer of the electric distribution facilities to the City of Richland, previously authorized in October, 2023. This would

affect 92 customers, now to be served by the City of Richland, and they would begin the process of replacing the meters.

MOTION: Commissioner Sanders moved to authorize the General Manager on behalf of the District to sign the Interlocal Cooperative Agreement (ILA) with City of Richland, Contract #24-21-09 for Reata Substation Transmission Line WSDOT Crossing and 115kV Switch. Commissioner Hall seconded, and upon vote, the motion carried unanimously.

CETA Audit & CCA Update

Director Chris Johnson presented requirements and results of the Clean Energy Transformation Act (CETA) Audit and gave a CCA update along with related legislation activity. The 2022-2023 CETA State Audit is scheduled for 2024.

Other Business

None.

Future Planning

General Manager Rick Dunn mentioned that PPC was forming a team to discuss the IOU/Residential Exchange Program issue and he had offered to be on that team.

Meeting Reports

APPA/WPUDA Legislative Rally

Both Commissioner Hall and Commissioner Sanders reported on their attendance in Washington D.C. during the Legislative Rally and said they had good meetings. Commissioner Sanders said their meetings were combined with water utilities, resulting in less time for discussion on power issues, and said she would appreciate if those groups were separated in the future.

Adjournment

Hearing no objection, President Bush adjourned the meeting at 10:58 a.m.

Barry Bush, President

ATTEST:

Lori Kays-Sanders, Secretary

Periodic Travel Report - March 26, 2024

<i>Date Start</i>	<i>Business Days</i>	<i>Name</i>	<i>City</i>	<i>Purpose</i>
3/21/2024	1	Travis Scott	Leavenworth, WA	WA SAFETY DIRECTORS & MANAGERS
3/26/2024	2	Katie Grandgeorge	Puyallup, WA	WASHINGTON STATE CONSTRUCTION SAFETY DAYS
4/3/2024	1	Travis Scott	Spokane, WA	L & I: DOSH RULEMAKING, CRANES, RIGGING & PERSONAL LIFTING
4/8/2024	4	Sophia VanFosson	Tacoma, WA	NWPPA ENGINEERING & OPERATIONS CONFERENCE
5/5/2024	4	Duane Szendre	Anaheim, CA	IEEE PES R&D CONFERENCE & EXPOSITION
5/5/2024	4	Evan Edwards	Anaheim, CA	IEEE PES T&D CONFERENCE & EXPOSITION
9/16/2024	4	Chris Rabben	Bend, OR	NWPPA FOREMAN LEADERSHIP CERTIFICATE PROGRAM PART 1
9/16/2024	4	Eric Welch	Bend, OR	NWPPA FOREMAN LEADERSHIP CERTIFICATE PROGRAM PART 1
11/4/2024	4	Chris Rabben	Everett, WA	NWPPA FOREMAN LEADERSHIP CERTIFICATE PROGRAM PART 2
11/4/2024	4	Eric Welch	Everett, WA	NWPPA FOREMAN LEADERSHIP CERTIFICATE PROGRAM PART 2



<input type="checkbox"/>	Business Agenda
<input type="checkbox"/>	Second Reading
<input checked="" type="checkbox"/>	Consent Agenda
<input type="checkbox"/>	Info Only/Possible Action
<input type="checkbox"/>	Info Only

COMMISSION MEETING AGENDA ITEM

Subject:	Resolution No. 2664, Resolution Amending Nonstandard Discretionary Compensation and Benefits	
Agenda Item No:	5c	
Meeting Date:	March 26, 2024	
Authored by:	Karen Dunlap	<i>Staff Preparing Item</i>
Presented by:	Rick Dunn	<i>Staff Presenting Item</i>
Approved by (dept):	Melina Conover	<i>Director/Manager</i>
Approved for Commission review:	Rick Dunn	General Manager

Motion for Commission Consideration:

Motion to adopt Resolution No. 2664, Amending Nonstandard Discretionary Compensation and Benefits.

Background/Summary

On May 9, 2023, the Commission adopted Resolution No. 2637, amending the Nonstandard Discretionary Compensation and Benefits changing the Early Release on the day before Thanksgiving to the day before New Year’s Eve. Customer Service lobby hours had changed to Monday through Thursday effective January 3, 2023. Beginning in January 2023, the District and Local IBEW 77 agreed to allow the schedule option of 4 ten-hour days per week for union employees. Non-represented employees were also given the option of choosing a 4 ten-hour day work week. During the week of Thanksgiving there was limited staff availability and the lobby or drive through was not available to customers from Wednesday through Friday due to District-observed holidays. It was no longer necessary to have an early release before Thanksgiving due to the schedule change. Therefore, the Thanksgiving early release was moved to New Year’s Eve.

Change Early Release to Thanksgiving Eve: Due to the successful implementation and utilization of the four-ten schedule option in 2023, the District and Local IBEW 77 agreed to an exchange of the Day After Thanksgiving for one additional floating holiday beginning in 2024. Employees on the 4 ten-hour day schedule and many employees on a nine-hour day schedule have the Friday after Thanksgiving as a regularly scheduled day off. There is no impact to employees who are regularly scheduled to work the Day After Thanksgiving if they choose to use the additional floating holiday. The change benefits the District and customers with the return to past lobby

closures of Thursday and Friday. The request from IBEW 77 was to also return to recognizing the Thanksgiving early release instead of New Year's Eve.

Fiscal Impact

Changing the early release day from the New Year's Eve holiday to the Thanksgiving holiday will not have a fiscal impact.

Resolution No. 2664

March 26, 2024

A RESOLUTION AMENDING NONSTANDARD DISCRETIONARY COMPENSATION AND BENEFITS

WHEREAS, Resolution No. 2609 established authority for the General Manager to authorize Nonstandard Discretionary Compensation and Benefits, and directed the General Manager to make an annual report to the Commission of the aggregate value of such compensation and benefits; AND

WHEREAS, the District desires to ensure competitive recruiting and retention incentives to support recruiting practices in a tight labor market; AND

WHEREAS, The District desires to expediently investigate workplace matters and provide for resolution of such matters; AND

WHEREAS, The District may request employees who are exempt from the Fair Labor Standards Act (FLSA) to perform bargaining work when bargaining personnel are not available to meet critical business needs of the District after normal business hours associated with electrical service, AND

WHEREAS, Court decisions and rulings from the U.S. Department of Labor have established that additional compensation paid to employees who are exempt from the FLSA will not destroy their exempt status; AND

WHEREAS, the Commission desires to provide fair and equitable pay and benefits for all employees of the District; AND

WHEREAS, District facility closures may be warranted when conditions arise, such as inclement weather, that may pose a safety risk to District employees and customers; AND

WHEREAS, the District is committed to a safety culture that actively involves all employees focusing on leading indicators and proactive approaches to reduce incidents and injuries; AND

WHEREAS, the District recognizes that overall employee well-being both mentally and physically leads to a healthy, focused, and productive workforce which is vital to organizational effectiveness and success; AND

WHEREAS, the District is dedicated to empowering employees to grow personally and professionally by increasing their knowledge of the electrical energy and broadband service delivery process to develop proud, confident, and credible community ambassadors; AND

WHEREAS, the District recognizes that engaging employees in community service, outreach, and education promotes the District's image as a trusted energy partner, reinforces the value of public power, and is essential to remain competitive; AND

WHEREAS, the District acknowledges that engaging, motivating, and rewarding employees for meeting high performance standards and goals provides value to our community and the customers we serve; AND

WHEREAS, The District desires to promote organizational effectiveness through incentive programs that encourage desired employee safety and wellness behaviors and outcomes; increased employee knowledge of the electrical utility industry and engagement in the community; meeting individual and District-wide high performance standards and goals; recognize employees' tenure with the District through longevity awards; and allow for employee early release in advance of specified holidays; AND

WHEREAS, Advance notice of an employee's planned retirement provides considerable value to the District around workforce planning; AND

WHEREAS, The General Manager is in the best position to determine the need for and the appropriate level of nonstandard compensation or benefits in an expedient manner in the interests of the District.

NOW, THEREFORE, BE IT RESOLVED By the Commission of Public Utility District No. 1 of Benton County that the Commission authorizes the General Manager to approve payments of one or more of following nonstandard compensation and benefits for an employee or employees in his or her discretion, as described by this resolution and within the authority granted through the adoption of the annual budget, specifically:

1. Sign On Payments: Sign on payments may be used for positions that are difficult to recruit and provide a cost-effective alternative to offering a higher salary while providing an incentive for a prospective employee to accept employment at the District. Sign on payments will not exceed \$10,000 and will include a pro-rated payback provision if the

employee leaves within three years. Sign on payments will be defined within a written offer letter issued by the Manager of Human Resources during the course of recruiting activities.

2. Retention Payments: Retention payments may be used for positions that are difficult to recruit and retain. A retention payment provides an incentive for an employee to not seek employment outside of the District for a period of time. They provide a cost-effective alternative to offering a higher salary while providing an incentive for a prospective employee to accept employment at the District and remain at the District. Retention payments will not exceed \$10,000. An employee will only be eligible to receive a retention payment after remaining employed for a period of time which will be defined within a written offer letter issued by the Manager of Human Resources during the course of recruiting activities.
3. Relocation Expense Reimbursement: Relocation expense reimbursement payments may be used for positions that are difficult to recruit and where the most qualified candidate does not reside locally. These payments provide an incentive for an employee to move and accept a position at the District. Relocation expenses may be reimbursed up to a maximum of \$10,000 plus payments to make the employee whole for tax impacts. The General Manager has authority to authorize reimbursement for relocation expenses in excess of \$10,000 when circumstances warrant a greater amount. Relocation expense reimbursement requires appropriate receipts and documents supporting the amount prior to reimbursement. As an alternative to relocation expense reimbursement, the District may offer a moving allowance equal to \$5 per mile from the home residence to the new location, not to exceed \$2,500. This alternative is offered to motivate an employee to practice consumerism by considering “self-move” resulting in savings to the District. If an employee separates employment within three years, the employee will be required to pay back a prorated amount of the relocation expense reimbursement or moving allowance. Relocation expense reimbursement and moving allowances will be defined within a written offer letter issued by the Manager of Human Resources during the course of recruiting or retention activities.
4. Exempt Employee Overtime Compensation, provided on an exception basis to salaried employees normally exempt from overtime who are asked to perform bargaining work when bargaining personnel are not available in order to meet the critical operational needs of the District or to respond to calls for mutual aid after normal business hours. Critical operational needs of the District or other utilities would normally include events where customers are not receiving electrical service. Authorization to perform such overtime work

shall be provided by memorandum of the General Manager or authorized designee to the Manager of Human Resources. Whenever possible, authorization will be obtained in advance of the work being performed. Such Overtime Compensation shall be paid at a rate not to exceed one and one-half times an exempt employee's regular base rate of pay prorated to an hourly rate and may be subject to limitations or maximums of hours or dollars set forth by the General Manager in writing. Positions at the Director level and above shall not be eligible for such Exempt Employee Overtime Compensation. A designee acting on behalf of the General Manager shall not authorize his or her own Exempt Employee Overtime Compensation.

5. Paid Administrative Leave, defined as paid time off authorized by the General Manager or designee, issued during situations which warrant providing the employee paid time away from work, including paying for final partial workdays, paying employees during an investigation in which it is determined that the employee or a witness should not be at the workplace, or similar situations as approved by the General Manager.
6. Severance Compensation, allows the District and an employee to come to a mutual decision regarding employment and is defined as either compensation provided as a one-time payment or salary continuation within a written agreement issued by the Manager of Human Resources during the course of concluding employment matters.
7. Severance Benefits, allows the District and an employee to come to a mutual decision regarding employment and is defined as either actual benefit enrollment during benefit continuation or as lump sum compensation provided within a written agreement issued by the Manager of Human Resources during the course of concluding employment matters.
8. Additional Personal Leave benefits may be provided as:
 - a. A one-time granting of a specified number of additional leave hours loaded into an employee's personal leave bank (not to exceed 80 hours) and/or,
 - b. Accelerated Personal Leave service accrual rate.

Any additional personal leave benefits will be defined within a written offer letter issued by the Manager of Human Resources during the course of recruiting or retention activities. Additional personal leave benefits allow the District to recruit positions at a reasonable salary while providing a similar benefit an employee was receiving at the previous employer.

BE IT FURTHER RESOLVED by the Commission of Public Utility District No. 1 of Benton County that the Commission directs the General Manager or his or her designee to annually report to the Commission the aggregate value of the nonstandard compensation and benefits paid to employees for items 1-7 above that have not previously been approved by the Commission.

BE IT FURTHER RESOLVED by the Commission of Public Utility District No. 1 of Benton County that the General Manager is authorized to enter into employment agreements to retain senior key executive employees in order to provide stability and continuity of District operations.

BE IT FURTHER RESOLVED by the Commission of Public Utility District No. 1 of Benton County that the General Manager is authorized to develop subordinate policies and to approve payments of one or more of the following nonstandard compensation and benefits for an employee or employees at his or her discretion, as described by this resolution. Past actions of the General Manager are hereby approved and ratified. Specifically:

1. Longevity Awards. Eligible employees may receive a longevity award every five years on an inclining scale not to exceed two hundred dollars (\$200) in value per award for recognition of completion of years of continuous service.
2. Thanksgiving Eve Day and Christmas Eve Day Early Release. Under the approval of the General Manager, employees who report to work for a full shift on the last regularly scheduled workday preceding the observed Thanksgiving and Christmas Day holidays may be allowed to leave two (2) hours prior to their regularly scheduled quitting time and will be paid their normal pay for the two (2) hours of leave. If Christmas Day falls on a regularly scheduled Friday off or the weekend, the (2) two-hour early release will be observed the last regularly scheduled workday preceding the holiday.
3. Unplanned Facility Closure. If due to conditions, such as inclement weather, that pose a safety risk to the District's employees or customers, the General Manager or the Assistant General Manager determines an immediate closure of a District work site(s) is appropriate, employees who are at work and are relieved from duty will be paid in accordance with the Collective Bargaining Agreement or District policy. Employees who do not report to work on the day of the closure or who leave prior to the closure will be required to take leave (e.g. personal leave, floating holiday, compensatory time off, leave of absence) as approved in accordance with the Collective Bargaining Agreement or District policies for the time he/she was absent from work. Certain employees may not be relieved from duty in such instances due to the need to operate the District's electric system and public safety.

4. Use of Personal Leave Prior to Retirement. Employees covered under the Collective Bargaining Agreement may be authorized to use their personal leave prior to their date of retirement. Existing requirements pertaining to approval of personal leave remain in effect for employees subject to the Collective Bargaining Agreement.

5. Personal Leave Credit for Irrevocable Advance Notice of Retirement. In an effort to incentivize employees to communicate their retirement plans early, eligible employees may be authorized to receive up to ten (10) days of additional personal leave credit added to their personal leave balance in the final pay period of their employment as specified in a policy issued by the General Manager. This policy is in lieu of allowing use of personal leave prior to the date of retirement.

6. Incentive Programs.
 - a. Safety. Eligible employees may receive an annual safety award not to exceed two hundred seventy-five dollars (\$275) in value per award for recognition of completion of the Safety Incentive Program. In addition, an additional safety award not to exceed one hundred dollars (\$100) in value will be issued to one person randomly selected from a list of individuals who have exceeded the highest point value of the Program.
 - b. 360 Program. Eligible employees may receive an annual well-being award not to exceed two hundred seventy-five dollars (\$275) in value per award for recognition of completion of the 360 Well Being and Incentive Program. In addition, an additional wellness award not to exceed one hundred dollars (\$100) in value will be issued to one person randomly selected from a list of individuals who have exceeded the highest point value of the Program.
 - c. EmPOWERed. Eligible employees may receive an incentive award not to exceed sixteen (16) hours of Personal Leave (PL) over a two-year period for recognition of completion of the EmPOWERed Certification Program.
 - d. Power Up. Eligible employees may receive an annual incentive award not to exceed sixteen (16) hours of Personal Leave (PL) for meeting the established Power UP Program District Established Goals.

ADOPTED by the Commission of Public Utility District No. 1 of Benton County, Washington, at an open public meeting as required by law this 26th day of March 2024.

This Resolution supersedes Resolution No. 2637 dated May 9, 2023.

Barry Bush, President

ATTEST:

Lori Kays-Sanders, Secretary



PAYMENT APPROVAL
March 26, 2024

The vouchers presented on this Payment Approval Report for approval by the Board of Commissioners have been audited and certified by the auditing officer as required by RCW 42.24.080, and those expense reimbursement claims by officers and employees have been certified as required by RCW 42.24.090.

Type of Payment	Starting #	Ending #	Page #	Amount
Accounts Payable:				
Automated Clearing House (DD) Payments	101742 - 101921	101767 - 101957	1 - 3 3 - 6	\$ 2,094,536.60
Checks & Customer Refund Payments (CHK)	87578 -	87633 -	7 - 11	\$ 251,851.83
Electronic Fund Transfer (WIRE) Payments	6906 -	6915 -	12 - 13	\$ 433,402.07
Residential Conservation Rebates:				
Credits on Customer Accounts			14	\$ 1,090.00
Purchase Card Detail:				
	February 2024		15 - 27	
Payroll:				
Direct Deposit - 3/14/2024	101768 -	101920 -		\$ 410,010.96
TOTAL				\$ 3,190,891.46
Void DD				\$ -
Void Checks	March 2024		7	\$ 1,969.98
Void Wires				\$ -

I, the undersigned Auditor of Public Utility District No. 1 of Benton County, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered, or the labor performed as described, or that any advance payment is due and payable pursuant to a contract or is available as an option for full or partial fulfillment of a contractual obligation, and that the claims identified in this report are just, due and unpaid obligations against the District and that I am authorized to authenticate and certify to said claims.


 Jon L. Meyer, Auditor 3/18/2024
 Date

Reviewed by:

Approved by:

 Rick Dunn, General Manager

 Barry A. Bush, President

 Jeffrey D. Hall, Vice-President

 Lori Kays-Sanders, Secretary

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Accounts Payable Check Register

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Bank Account: 1 - Benton PUD ACH/Wire

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
101742 3/6/24	DD	10336	3DEGREES GROUP, INC.	Purchased Rec's	79,632.30
101743 3/6/24	DD	963	ANIXTER INC.	PINS STEEL 6 1/2 SHANK #J204Z	1,452.23
101744 3/6/24	DD	811	ARAMARK UNIFORM SERVICES	Weekly Svc	21.95
101745 3/6/24	DD	34	BENTON PUD-ADVANCE TRAVEL	East/West Superintendents Mtg East/West Superintendent Mtg	88.50 88.50
Total for Check/Tran - 101745:					177.00
101746 3/6/24	DD	3828	BORDER STATES INDUSTRIES, INC.	BOLTS MACH 7/8 X 28 INS. Cl/top 115kV, Poly, NGK	961.83 58,254.50
Total for Check/Tran - 101746:					59,216.33
101747 3/6/24	DD	2680	CO-ENERGY	Fuel Svc	1,648.45
101748 3/6/24	DD	2972	COMPUNET, INC.	Software License/Agreement	8,541.86
101749 3/6/24	DD	57	CONSOLIDATED ELECTRICAL DISTRIB	Conduit	48,384.54
101750 3/6/24	DD	4226	COOK SOLUTIONS GROUP, INC.	Control Panel	615.68
101751 3/6/24	DD	3029	DELTA HEATING & COOLING, INC.	Commercial Energy Efficiency Prg	4,500.00
101752 3/6/24	DD	3439	DJ'S ELECTRICAL, INC.	Spaw Phillips Transmission Spaw Phillips Transmission	365,169.10 32,911.78
Total for Check/Tran - 101752:					398,080.88
101753 3/6/24	DD	3130	GDS ASSOCIATES, INC.	NERC/WECC Compliance	1,260.00
101754 3/6/24	DD	2798	JESSIE E GRAD	East/West Superintendents Mtg	72.25
101755 3/6/24	DD	2087	H2 PRECAST, INC.	Vault Base/Lid	24,783.60
101756 3/6/24	DD	3171	JODI A HENDERSON	Tri Cities Day at Capitol APPA/WPUDA Leg Rally	155.88 1,141.62
Total for Check/Tran - 101756:					1,297.50
101757 3/6/24	DD	10660	IRBY ELECTRICAL UTILITIES	Fig.8 extlnk.MacLean F8L-30-4.5(F430230	1,981.82

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Accounts Payable Check Register

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Bank Account: 1 - Benton PUD ACH/Wire

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
101758	3/6/24	DD	103	KENNEWICK, CITY OF	Monthly Billing	338.43
101759	3/6/24	DD	3343	MOSS ADAMS, LLP	Auditing Svc	4,200.00
101760	3/6/24	DD	919	NOANET	Hwy 240/Columbia Dr	14,118.46
					Professional Svc	1,000.00
					Professional Svc	1,250.00
					Broadband Billing	15,812.89
					Broadband Billing	61,461.87
					Credit - PO 56768	-362.17
					Credit - PO 56768	-1,448.69
Total for Check/Tran - 101760:						91,832.36
101761	3/6/24	DD	2176	PACIFIC OFFICE AUTOMATION, INC.	Monthly Billing	428.86
					Monthly Billing	41.02
Total for Check/Tran - 101761:						469.88
101762	3/6/24	DD	10095	PASCO TIRE FACTORY, INC.	Tire Disposal	109.44
101763	3/6/24	DD	10936	MICHAEL J PRAEST	Spaw/Phillip Lay Down Yard Lease	500.00
101764	3/6/24	DD	10894	TRAVIS G SCOTT	East/West Superintendents Mtg	72.08
101765	3/6/24	DD	945	SURVALENT TECHNOLOGY INC.	TextPower	2,674.02
101766	3/6/24	DD	1163	TYNDALE ENTERPRISES, INC.	Clothing-Lanphear/Mckee/Himmelberger	506.22
					Clothing-Mckee	95.44
					Clothing-Anderson/Hardenbrook/Patrick	792.44
					Clothing-Patrick	39.67
					Credit - Inv 3375935	-195.66
Total for Check/Tran - 101766:						1,238.11
101767	3/6/24	DD	3098	US BANK CORPORATE PAYMENT SYST	Executive	11,620.79
					Finance & Business Services	2,284.30
					Customer Service	334.05

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Accounts Payable Check Register

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03/04/2024 To 03/17/2024

Bank Account: 1 - Benton PUD ACH/Wire

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				Contracts & Purchasing	675.38
				Engineering	673.03
				IT Infrastructure	19,024.39
				Operations - Line Department	432.81
				Operations	10,136.33
				Operations - Meter Shop	1,365.42
				Operations - Transformer Shop	6,816.84
				Operations - Support Svcs	45.37
				Operations - Maintenance	7,106.92
				Operations - (Support Svcs. Fleet)	26,059.76
				Operations - Warehouse	21,662.40
				Power Management	604.84
				Storm Card #10	138.74
				Travel Card	6,047.21
				Total for Check/Tran - 101767:	115,028.58
101921	3/13/24	DD 963	ANIXTER INC.	Transformer, 37.5 kVA single p	18,454.00
				Transformer, 50 kVA single pha	153,181.13
				Clamp 2 bolt Hot Line Connecto	6,044.26
				Fuse T-Type, Kearney #51065	726.39
				Muletape	1,727.03
				Total for Check/Tran - 101921:	180,132.81
101922	3/13/24	DD 811	ARAMARK UNIFORM SERVICES	Weekly Svc	44.29
				Weekly Svc	44.01
				Weekly Svc	30.55
				Weekly Svc	31.72
				Weekly Svc	21.95
				Total for Check/Tran - 101922:	172.52
101923	3/13/24	DD 793	BELL LUMBER & POLE, INC.	Poles	70,404.99
				Poles	70,391.95
				Total for Check/Tran - 101923:	140,796.94

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Accounts Payable Check Register

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Bank Account: 1 - Benton PUD ACH/Wire

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
101924 3/13/24	DD	34	BENTON PUD-ADVANCE TRAVEL	2nd Year Hot Stick Training Tech Advantage 2024	586.02 264.00
Total for Check/Tran - 101924:					850.02
101925 3/13/24	DD	3828	BORDER STATES INDUSTRIES, INC.	CONN. PED./CLEAR 6 POS SP SLEEVE BURNDY INS 6-6 DE AUTO 3 SOL 4 STR CLEV Material Credit - PO 56825 - Inv 927897742	1,444.75 70.66 1,082.11 901.35 -901.35
Total for Check/Tran - 101925:					2,597.52
101926 3/13/24	DD	2972	COMPUNET, INC.	Cisco Subscription	590.02
101927 3/13/24	DD	57	CONSOLIDATED ELECTRICAL DISTRIB	Meter Base 20A 6 Jaw Mtr Skt	7,200.29
101928 3/13/24	DD	10968	ERIC L DAHL	Prosser Rotary Lunch	15.00
101929 3/13/24	DD	339	DELL MARKETING CORP	Adobe Creative Suite	1,137.52
101930 3/13/24	DD	3029	DELTA HEATING & COOLING, INC.	REEP REEP	1,200.00 9,000.00
Total for Check/Tran - 101930:					10,200.00
101931 3/13/24	DD	10421	DNV ENERGY INSIGHTS USA, INC.	Consulting Svc	10,000.00
101932 3/13/24	DD	226	DOBLE ENGINEERING CO	Software License Doble Maintenance Performed Calibration	-342.78 4,282.78 2,274.59
Total for Check/Tran - 101932:					6,214.59
101933 3/13/24	DD	11023	ELLERD, HULTGRENN & DAHLHAUS	Professional Svc	4,082.16
101934 3/13/24	DD	865	CHRISTOPHER J FOLTA	Tech Advantage 2024	306.42
101935 3/13/24	DD	79	GENERAL PACIFIC, INC.	CU 4 MHDB 7 STR ARM ROD 3975 26/7 ACSR Material - PO 56677 - Inv 1478279	6,722.01 1,067.98 4,286.04

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Bank Account: 1 - Benton PUD ACH/Wire

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
Total for Check/Tran - 101935:					12,076.03
101936 3/13/24	DD	2087	H2 PRECAST, INC.	Vault Base/Lid Material	16,522.40 24,783.60
Total for Check/Tran - 101936:					41,306.00
101937 3/13/24	DD	1624	JEFFREY D HALL	APPA Leg Rally	3,473.60
101938 3/13/24	DD	724	HERITAGE PROFESSIONAL LANDSCAP	Landscape Svc Landscape Svc Landscape Svc Landscape Svc Landscape Svc Landscape Svc Landscape Svc Landscape Svc	1,771.11 274.54 305.92 373.06 1,130.33 973.22 411.50 331.40
Total for Check/Tran - 101938:					5,571.08
101939 3/13/24	DD	10680	CHARLES P HOLGATE	Tech Advantage 2024	319.56
101940 3/13/24	DD	3018	HRA VEBA TRUST	ER VEBA ER VEBA Wellness	7,500.00 22,350.00
Total for Check/Tran - 101940:					29,850.00
101941 3/13/24	DD	875	STEPHEN B HUNTER	CDL License Endorsement	136.00
101942 3/13/24	DD	1818	IBEW LOCAL 77	IBEW A Dues Assessment IBEW BA Dues Assessment	4,939.84 5,170.79
Total for Check/Tran - 101942:					10,110.63
101943 3/13/24	DD	1202	ROBERT W INMAN	Tech Advantage 2024	80.28
101944 3/13/24	DD	10660	IRBY ELECTRICAL UTILITIES	Insulator, Suspension, Maclean	1,750.07
101945 3/13/24	DD	214	JACOBS & RHODES	REEP	200.00
101946 3/13/24	DD	877	CHRISTOPHER N JOHNSON	PPC/PNUCC/BPA Rates Workshop	607.87

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Bank Account: 1 - Benton PUD ACH/Wire

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
101947 3/13/24	DD	103	KENNEWICK, CITY OF	Monthly Billing	803.78
				Occupation Tax	562,183.21
Total for Check/Tran - 101947:					562,986.99
101948 3/13/24	DD	1580	JONATHAN L MEYER	PPC/NWRP/PNUCC Mtgs	828.58
101949 3/13/24	DD	286	NORTH COAST ELECTRIC COMPANY	Meter Base 200 amp underground feed	1,215.86
101950 3/13/24	DD	10769	ONEBRIDGE BENEFITS INC.	Flex Spending Dependent Care	192.31
				Flex Spending Health Care	2,473.23
Total for Check/Tran - 101950:					2,665.54
101951 3/13/24	DD	10943	SEALX, LLC	Janitorial Svc	4,233.53
				Janitorial Svc	2,659.41
				Janitorial Svc	1,653.42
				Janitorial Svc	4,233.53
				Janitorial Svc	2,659.41
				Janitorial Svc	1,653.42
Total for Check/Tran - 101951:					17,092.72
101952 3/13/24	DD	2154	SENSUS USA, INC.	Meter, Sensus 2SRD Stratus IQ 200A, 240V	188,532.76
101953 3/13/24	DD	149	SMITH INSULATION, INC.	REEP	1,788.60
101954 3/13/24	DD	2437	JENNY G SPARKS	Snacks - Large Irrigators Mtg	29.82
101955 3/13/24	DD	3696	SUMMIT LAW GROUP, PLLC	Professional Svc	276.50
101956 3/13/24	DD	1163	TYNDALE ENTERPRISES, INC.	Clothing-Clark/Tharp	664.10
				Clothing-Patrick	182.18
Total for Check/Tran - 101956:					846.28
101957 3/13/24	DD	1048	UNITED WAY OF BENTON & FRANKL	EE United Way Contribution	366.73

Total Payments for Bank Account - 1 : (63) 2,094,536.60

Total Voids for Bank Account - 1 : (0) 27 0.00

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Bank Account: 2 - BPUD Accounts Payable Warrants

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
84643 9/21/22	CHK	10182	JOHN COLGREN	2022 Renewable Energy Incentive	1,290.56 VOID
87229 12/12/23	CHK	99999	STEPHEN T OSBORNE	Credit Balance Refund	200.00 VOID
87287 12/20/23	CHK	99999	LEONARD E MCCALLUM	Credit Balance Refund	150.00 VOID
87293 12/20/23	CHK	99999	MAUDOTHA R RATCHFORD	Credit Balance Refund	250.00 VOID
87318 12/27/23	CHK	99999	TYLER M BUSSELL	Credit Balance Refund	79.42 VOID
87578 3/6/24	CHK	1751	AGRI NORTHWEST, INC.	Agricultural Energy Efficiency Prg	17,332.00
87579 3/6/24	CHK	2425	AT&T MOBILITY, LLC	Monthly Billing	5.44
87580 3/6/24	CHK	39	BENTON COUNTY	2024 Property Taxes	2,945.95
87581 3/6/24	CHK	259	BENTON FRANKLIN COMMUNITY ACT	Helping Hands	2,865.61
87582 3/6/24	CHK	35	BENTON PUD - CUSTOMER ACCOUNT	Monthly Billing	362.73
87583 3/6/24	CHK	54	BNSF RAILWAY COMPANY	RR Protective Liability Coverage	506.00
87584 3/6/24	CHK	3344	BOYD'S TREE SERVICE, LLC	Tree Trimming Svc	8,898.46
				Tree Trimming Svc	6,616.94
Total for Check/Tran - 87584:					15,515.40
87585 3/6/24	CHK	10182	JOHN COLGREN	2022 Renewable Energy Incentive	1,290.56
87586 3/6/24	CHK	2831	CORRECTIONAL INDUSTRIES	Ofc Chair	815.25
87587 3/6/24	CHK	243	FEDERAL EXPRESS CORP	Mailing Svc	48.41
				Mailing Svc	68.37
Total for Check/Tran - 87587:					116.78
87588 3/6/24	CHK	3478	FP MAILING SOLUTIONS	Postage Meter Deposit - 3	1,000.00
87589 3/6/24	CHK	1642	INTERMOUNTAIN MATERIALS TESTIN	Concrete Testing- Spaw/Phillips	628.83
				Concrete Testing- Spaw/Phillips	-50.33
Total for Check/Tran - 87589:					578.50

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Bank Account: 2 - BPUD Accounts Payable Warrants

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
87590 3/6/24	CHK	127	JC PENNEY COMPANY	Commercial Energy Efficiency Prg	29,643.00
87591 3/6/24	CHK	962	PACIFIC POWER	Monthly Billing	490.61
87592 3/6/24	CHK	142	ROGERS SURVEYING, INC. P.S.	Professional Svc	3,750.00
87593 3/6/24	CHK	193	UNITED PARCEL SERVICE OF AMERIC	Mailing Svc	32.90
87594 3/6/24	CHK	992	VERIZON NORTHWEST	Monthly Billing	191.34
				Monthly Billing	2,161.10
				Monthly Billing	226.95
				Monthly Billing	356.93
				Monthly Billing	360.09
				Monthly Billing	116.94
				Monthly billing	319.38
Total for Check/Tran - 87594:					3,732.73
87595 3/6/24	CHK	99999	MARIA BARAJAS	Credit Balance Refund	64.64
87596 3/6/24	CHK	99999	REBEKAH D DOUGLAS	Credit Balance Refund	200.00
87597 3/6/24	CHK	99999	MANUEL M ENRIQUEZ	Credit Balance Refund	484.59
87598 3/6/24	CHK	99999	MICHAEL D HAGLER	Credit Balance Refund	450.00
87599 3/6/24	CHK	99999	LEXINGTON HOMES - DRH LLC	Credit Balance Refund	64.84
87600 3/6/24	CHK	99999	LEXINGTON HOMES - DRH LLC	Credit Balance Refund	114.16
87601 3/6/24	CHK	99999	LEXINGTON HOMES - DRH LLC	Credit Balance Refund	36.58
87602 3/6/24	CHK	99999	ZACHARY J ROLAND	Credit Balance Refund	48.24
87603 3/6/24	CHK	99999	LEANNE M SELIX	Credit Balance Refund	300.00
87604 3/6/24	CHK	99999	SHANNON VALENZUELA-OLSON	Credit Balance Refund	500.00
87605 3/6/24	CHK	99999	MARC WINDSOR	Credit Balance Refund	44.08

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Bank Account: 2 - BPUD Accounts Payable Warrants

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
87606 3/13/24	CHK	3459	ALMETEK INDUSTRIES INC.	Almetek H5000 1" tag Hor Emb Al B/Y #0	1,025.88
				Almetek H5001 1" tag Hor Emb Al B/Y #1	512.94
				Almetek H5003 1" tag Hor Emb Al B/Y #3	512.94
				Almetek H5005 1" tag Hor Emb Al B/Y #5	512.94
				Almetek H5006 1" tag Hor Emb Al B/Y #6	1,025.88
				Almetek H5008 1" tag Hor Emb Al B/Y #8	512.94
				Almetek V5000 1" tag Ver Emb Al B/Y #0	1,025.88
				Almetek V5002 1" tag Ver Emb Al B/Y #2	512.94
				Almetek V5004 1" tag Ver Emb Al B/Y #4	512.94
				Almetek V5005 1" tag Ver Emb Al B/Y #5	512.94
				Almetek V5006 1" tag Ver Emb Al B/Y #6	1,025.88
				Almetek V5007 1" tag Ver Emb Al B/Y #7	512.94
				Almetek V5008 1" tag Ver Emb Al B/Y #8	512.94
				Almetek V500F 1" tag Ver Emb Al B/Y #F	256.47
				Almetek V500X 1" tag Ver Emb Al B/Y #X	256.54
Total for Check/Tran - 87606:					9,232.99
87607 3/13/24	CHK	39	BENTON COUNTY	GIS Prints	24.00
87608 3/13/24	CHK	54	BNSF RAILWAY COMPANY	Utility Inspection & Roadway Worker Svc	14,400.00
87609 3/13/24	CHK	3344	BOYD'S TREE SERVICE, LLC	Tree Trimming Svc	8,385.08
				Tree Trimming Svc	6,616.94
Total for Check/Tran - 87609:					15,002.02
87610 3/13/24	CHK	11021	BRUCE MECHANICAL INC.	REEP	1,100.00
87611 3/13/24	CHK	32	CITY OF BENTON CITY	Occupation Tax	17,586.80
87612 3/13/24	CHK	169	ENERGY NORTHWEST	Public Power Internship Prg	5,000.00
87613 3/13/24	CHK	233	INTERMOUNTAIN WEST INSULATION	REEP	456.00
87614 3/13/24	CHK	99	KIE SUPPLY CORP	Meter Bases	7,798.68

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Bank Account: 2 - BPUD Accounts Payable Warrants

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
87615 3/13/24	CHK	10103	NANCY J LANG	FICA Taxes	89.41
				Supp Insurance	356.40
				PFL Taxes	4.15
Total for Check/Tran - 87615:					449.96
87616 3/13/24	CHK	10954	MILLERS ELECTRIC SERVICE, LLC	Remove/Replace Meter	808.63
87617 3/13/24	CHK	128	PERFECTION GLASS, INC.	REEP	1,788.00
87618 3/13/24	CHK	135	PROSSER, CITY OF	Monthly Billing	1.34
				Monthly Billing	12.50
				Monthly Billing	1,066.27
				Occupation Tax	43,431.32
Total for Check/Tran - 87618:					44,511.43
87619 3/13/24	CHK	1592	REESE CONCRETE PRODUCTS MFG. IN	Vault Base/Lid	29,349.00
87620 3/13/24	CHK	141	RICHLAND, CITY OF	Occupation Tax	2,043.36
87621 3/13/24	CHK	3961	SIERRA ELECTRIC, INC.	Repair/Replace Meter Base	684.73
87622 3/13/24	CHK	3135	SPECIALTY ENGINEERING, INC.	SF-6 Breaker - 5 Yr Maintenance	13,704.47
87623 3/13/24	CHK	193	UNITED PARCEL SERVICE OF AMERIC	Mailing Svc	32.90
87624 3/13/24	CHK	10649	ZIPLY FIBER	Monthly Billing	2,851.66
87625 3/13/24	CHK	99999	ISAAC T DAVIS	Credit Balance Refund	63.47
87626 3/13/24	CHK	99999	IAN GRAHAM	Credit Balance Refund	77.93
87627 3/13/24	CHK	99999	MOHAMMED S IBRAHIM	Credit Balance Refund	33.29
87628 3/13/24	CHK	99999	LEONARD E MCCALLUM	Credit Balance Refund	150.00
87629 3/13/24	CHK	99999	STEPHEN T OSBORNE	Credit Balance Refund	200.00
87630 3/13/24	CHK	99999	JACLYN SLEATER	Credit Balance Refund	520.97

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Accounts Payable Check Register

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03/04/2024 To 03/17/2024

Bank Account: 2 - BPUD Accounts Payable Warrants

Check / Tran	Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
87631	3/13/24	CHK	99999	THE ESTATE OF SUSAN M BERNARD	Credit Balance Refund	47.91
87632	3/13/24	CHK	99999	RONALD WHITE	Credit Balance Refund	250.00
87633	3/13/24	CHK	99999	BERNADINE C YATES	Credit Balance Refund	393.04

Total Payments for Bank Account - 2 :	(56)	251,851.83
Total Voids for Bank Account - 2 :	(5)	1,969.98
Total for Bank Account - 2 :	(61)	253,821.81
 Grand Total for Payments :	 (119)	 2,346,388.43
Grand Total for Voids :	(5)	1,969.98
Grand Total :	(124)	2,348,358.41

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Accounts Payable Check Register

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Bank Account: 1 - Benton PUD ACH/Wire

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
6906 3/6/24	WIRE	169	ENERGY NORTHWEST	Fiber Lease	443.49
				Purchased Power	40,047.83
Total for Check/Tran - 6906:					40,491.32
6907 3/8/24	WIRE	925	KLICKITAT COUNTY PUD	Purchased Power	4,032.51
6910 3/14/24	WIRE	2205	UNITED STATES TREASURY	Federal Income Tax	68,765.02
				Medicare - Employee	9,577.27
				Medicare - Employer	9,577.27
				Social Security - Employee	40,950.95
				Social Security - Employer	40,950.95
Total for Check/Tran - 6910:					169,821.46
6911 3/14/24	WIRE	171	WASH STATE DEPT RETIREMENT SYS	ER PERS	60,889.48
				PERS Plan 2	37,968.24
				PERS Plan 3A 5% All Ages	1,060.08
				PERS Plan 3B 5% Up to Age 35	117.20
				PERS Plan 3B 6% Age 35-45	133.65
				PERS Plan 3E 10% All Ages	1,300.87
				PERS Plan 3F 15% All Ages	473.53
Total for Check/Tran - 6911:					101,943.05
6912 3/14/24	WIRE	437	WASH STATE DEPT SUPPORT REGIST	Garnishment - Child Support	301.98
6913 3/15/24	WIRE	436	BANK OF AMERICA	Banking Fees	1,490.41
6914 3/15/24	WIRE	2570	THE ENERGY AUTHORITY, INC.	Purchased Power	31,373.00
6915 3/15/24	WIRE	1567	ICMA RETIREMENT CORP	457(b) Leave EE Contribution	1,819.37
				457(b) Roth EE Contribution	13,417.04
				ER Def Comp 401	16,555.76
				ER Def Comp 457	2,605.83
				Plan A 457(b) Employee Contribution	5,484.14
				Plan B 457(b) Employee Contribution	21,565.75
				Plan C 401(a) Option 1 EE Contribution	3,380.14

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Accounts Payable Check Register

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Bank Account: 1 - Benton PUD ACH/Wire

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
				Plan C 401(a) Option 2 EE Contribution	1,790.53
				Plan C 401(a) Option 3 EE Contribution	538.13
				Plan C 401(a) Option 4, Step 2 EE Contri	1,175.77
				Plan C 401(a) Option 4, Step 3 EE Contri	1,410.32
				Plan C 401(a) Option 4, Step 4 EE Contri	1,540.20
				Plan C 401(a) Option 5, Step 4 EE Contri	1,375.20
				Plan C 457(b) Employee Contribution	8,100.22
				457 EE Loan Repayment #1	3,189.94
Total for Check/Tran - 6915:					<u>83,948.34</u>
Total for Bank Account - 1 :					(8) 433,402.07
Grand Total :					(8) 433,402.07



BENTON PUD - RESIDENTIAL CONSERVATION REBATE DETAIL

<u>Date</u>	<u>Customer</u>	<u>Rebate Amount</u>	<u>Rebate Description</u>
03/11/2024	ROSA DORSHIMER	\$ 30.00	Rebate - Clothes Washer
03/11/2024	DEBRA J BLUM	\$ 30.00	Rebate - Clothes Washer
03/11/2024	RONALD D CAMPBELL	\$ 30.00	Rebate - Clothes Washer
03/11/2024	CHERYL BRAGG	\$ 100.00	Rebate - Smart Thermostat
03/12/2024	TERI LATIMER	\$ 900.00	Rebate - Heat Pump Water Heater

\$ 1,090.00

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ACCOUNTS PAYABLE CC/E-PAYMENT CHARGES

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CC/E-Payment Vendor: 3098 - US BANK CORPORATE PAYMENT SYSTEM

Tran	Date	Recon ID	Type	Credit Card/E-Payment	Vendor	Vendor Name	Merchant	Merchant Name	Reference	Amount
930	02/01/2024	704	Credit Card	32 - Operations - Line Depart	2642	KNIGHT, GAYLE R	2642	INT CONCRETE & ASP	gravel	432.81
Total for Tran-930:										432.81
931	02/13/2024	712	Credit Card	51 - Power Management	2250	WELLER, ROXANNE K	2250	ASSOCIATION OF WAS	AWC - Jody George Registra	300.00
	02/13/2024	712					2250	HRC*WECC*	WREGIS Transferred 1210 @	4.84
	01/19/2024	712					2250	ASSOCIATION OF WAS	AWC - Roxie Weller Registra	300.00
Total for Tran-931:										604.84
932	02/06/2024	701	Credit Card	17 - Contracts & Purchasing	3213	LANPHEAR, JUSTIN L	3213	MCCLATCHY ADVERT	Legal Ad	72.38
	01/29/2024	701					3213	ODP BUS SOL LLC # 10	Bookcase for Mitchell	230.98
	02/06/2024	701					3213	MCCLATCHY ADVERT	Call for Bid 24-21-05	104.62
	02/13/2024	701					3213	WCP SOLUTIONS COR	Printer Paper	267.40
Total for Tran-932:										675.38
933	02/01/2024	713	Credit Card	ST10 - Storm Card #10	1654	CRAMER, BRIAN M	1654	CONOCO - COTTAGE	Fuel	83.01
	02/01/2024	713					1654	CIRCLE K # 06033	Fuel	55.73
Total for Tran-933:										138.74
934	02/07/2024	700	Credit Card	44 - Customer Service	2563	MAKI, KIMBERLEE R	2563	FP MAILING SOLUTIO	1/2024-4/2024 KENNEWIC	172.83
	01/31/2024	700					2563	OFFICE DEPOT #962	MISC OFFICE SUPPLIES	11.22
	02/12/2024	700					2563	WASHINGTON PUD AS	WPUDA REGISTRATION	150.00
Total for Tran-934:										334.05
935	02/06/2024	705	Credit Card	31 - Operations	901	SCHLEKEWEY, DIANE A	901	NWPPA	NWPPA Foreman Cert Part 1	1,580.00
	02/07/2024	705					901	USPS PO 5440320336	Certified Mail to DNR	5.08
	02/06/2024	705					901	NWPPA	NWPPA Foreman Cert Part 2	1,610.00
	01/19/2024	705					901	ODP BUS SOL LLC # 10	Pens	30.43
	01/19/2024	705					901	ODP BUS SOL LLC # 10	Pens	55.84
	01/19/2024	705					901	ODP BUS SOL LLC # 10	Foremen Writing Pads	114.98
	02/14/2024	705					901	TOTAL CARE CLINICS	CDL Med Cert Appt - Welch,	150.00
	02/06/2024	705					901	NWPPA	NWPPA Foremen Leadership	1,580.00
	02/08/2024	705					901	NWPPA	Registration for E&O Confere	1,550.00
	02/06/2024	705					901	NWPPA	NWPPA Foreman Cert Part 2	1,610.00
	01/31/2024	705					901	TOTAL CARE CLINICS	CDL Med Cert Appt - Brown	150.00
	01/31/2024	705					901	NRECA	Tech Advantage - Inman	1,700.00
Total for Tran-935:										10,136.33

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ACCOUNTS PAYABLE CC/E-PAYMENT CHARGES

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CC/E-Payment Vendor: 3098 - US BANK CORPORATE PAYMENT SYSTEM

Tran	Date	Recon ID	Type	Credit Card/E-Payment	Vendor	Vendor Name	Merchant	Merchant Name	Reference	Amount
936	02/07/2024	698	Credit Card	01 - Executive	2854	PREDDIE, BRENDA J	2854	SQ *TRI-CITY DEVELO	TRIDEC Summit-J George	80.00
	02/07/2024	698					2854	SQ *TRI-CITY DEVELO	TRIDEC Summit-J Henderso	35.00
	01/25/2024	698					2854	LINKEDIN JOB 9150698	LinkedIn-HR Recruiting	525.00
	01/16/2024	698					2854	WAL-MART #2101	Retirement Event Supplies	16.39
	01/16/2024	698					2854	WORLDATEWORK	World at Work-Membership	265.00
	01/31/2024	698					2854	B&H PHOTO 800-606-69	B&H Photo-Credit on warrant	-2.16
	01/15/2024	698					2854	ODP BUS SOL LLC # 10	Office Depot-Ofc Supplies	52.50
	02/01/2024	698					2854	GOOGLE *CLOUD HM	Google Cloud-Website Transl	5.02
	02/08/2024	698					2854	CBSHRM	CBSHRM-Feb Mtg-Reg for	30.00
	02/02/2024	698					2854	LINKEDIN 9181439106	LinkedIn-HR Recruiting	184.78
	01/29/2024	698					2854	B&H PHOTO 800-606-69	B&H Photo-Camera Warrant	312.64
	01/22/2024	698					2854	WASHINGTON PUD AS	WPUDA-Feb Mtgs-J Henders	20.00
	01/18/2024	698					2854	IEEE PRODUCTS & SE	IEEE Membership-R Dunn	253.00
	01/23/2024	698					2854	PAYPAL *TRI CITIES T	TriCity Hispanic Chamber Lu	30.00
	01/29/2024	698					2854	AMZN MKTP US*R09C	Amazon-360 Cookies Supplie	73.03
	01/18/2024	698					2854	LINKEDIN JOB 9123578	LinkedIn-HR Recruiting	525.00
	01/29/2024	698					2854	SQ *TRI-CITY DEVELO	TRIDEC-Econ Outlook-A Me	80.00
	01/15/2024	698					2854	PROSSER RECORD BU	Prosser Rec Bulletin-Holiday	211.20
	02/04/2024	698					2854	LINKEDIN JOB 9186983	LinkedIn-HR Recruiting	150.00
	02/01/2024	698					2854	LINKEDIN JOB 9177309	LinkedIn-HR Recruiting	525.00
	01/15/2024	698					2854	SOCIETYFORHUMANR	SHRM Membership-J George	244.00
	02/14/2024	698					2854	CBSHRM	CBSHRM-Feb Mtg-A Mellin	30.00
	01/15/2024	698					2854	PROSSER CHAMBER O	Prosser Chamber- 2024 Spons	200.00
	02/05/2024	698					2854	TRI-CITY REGIONAL C	TC Chamber-Day at Capital-	275.00
	02/01/2024	698					2854	NWPPA	NWPPA-Admin Conf-B Pred	1,040.00
	02/12/2024	698					2854	B&H PHOTO 800-606-69	B&H Photo-Camera Supplies	43.26
	01/19/2024	698					2854	EWU MARKETPLACE	EWU Career Fair Registration	520.00
	01/15/2024	698					2854	ODP BUS SOL LLC # 10	Office Depot-Ofc Supplies	9.97
	02/08/2024	698					2854	PAYPAL *WASHINGT	WMCA Conf Reg-McKenzie	475.00
	01/24/2024	698					2854	4 ALL PROMOS	4AllPromos-Hearts WPUDA	635.40
	02/06/2024	698					2854	MRSC.ORG	MRSC-OPMA Webinar-Drak	40.00
	02/12/2024	698					2854	PRINT PLUS	Print Plus-Post Cards Leg	72.29
	01/25/2024	698					2854	MILLIMAN COMPENS	Milliman-Comp&Benefits Su	1,183.70
	01/19/2024	698					2854	SOCIETYFORHUMANR	SHRM Membership-A Mellin	244.00
	01/18/2024	698					2854	MILLIMAN COMPENS	Milliman-Salary Surveys	646.77

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**ACCOUNTS PAYABLE
CC/E-PAYMENT CHARGES**

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CC/E-Payment Vendor: 3098 - US BANK CORPORATE PAYMENT SYSTEM

Tran	Date	Recon ID	Type	Credit Card/E-Payment	Vendor	Vendor Name	Merchant	Merchant Name	Reference	Amount
	02/12/2024	698					2854	NWPPA	NWPPA-Leadership Reg-Mc	1,330.00
	01/31/2024	698					2854	FACEBK 8YLBBWKA3	Facebook Advertising	60.00
	02/05/2024	698					2854	PAYPAL *WASHINGT	WMCA Conf Reg-N Drake	475.00
	02/08/2024	698					2854	FMCSA D&A CLEARIN	Drug/Alcohol-Driver Abstract	125.00
	01/29/2024	698					2854	TRI-CITY REGIONAL C	Tri-City Chamber-Annual Sp	600.00
Total for Tran-936:										11,620.79

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ACCOUNTS PAYABLE CC/E-PAYMENT CHARGES

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CC/E-Payment Vendor: 3098 - US BANK CORPORATE PAYMENT SYSTEM

Tran	Date	Recon ID	Type	Credit Card/E-Payment	Vendor	Vendor Name	Merchant	Merchant Name	Reference	Amount
937	02/06/2024	703	Credit Card	15 - IT Infrastructure	3259	CRUM, DUANE P	3259	CONSUMERS POWER I	Jennifer/Dan/Jason/Davene N	1,000.00
	02/06/2024	703					3259	CONSUMERS POWER I	Annette/Kim NWUG meeting	500.00
	01/20/2024	703					3259	AMZN MKTP US*R014	USB-Serial	24.95
	02/01/2024	703					3259	APPLE.COM/US	iPad (Folta)	1,412.01
	02/07/2024	703					3259	AMAZON.COM*RB170	Python Programming Books	70.09
	01/24/2024	703					3259	NWPPA	NWPPA IT Conference (Holg	1,060.00
	02/07/2024	703					3259	AMAZON.COM*RB60	Programming Books	25.92
	02/09/2024	703					3259	AMZN MKTP US*RB76	Mouse	23.90
	02/12/2024	703					3259	SALESFORCE24SFTC24	Tableau conference (Sawyer)	1,005.00
	02/09/2024	703					3259	AMAZON.COM*RB1U	Programming Books	122.90
	01/17/2024	703					3259	DMI* DELL K-12/GOVT	PowerSupply TabletPC	143.04
	01/22/2024	703					3259	NWPPA	NWPPA IT Conference (Cru	1,060.00
	01/31/2024	703					3259	IN *FASTTRACK SOFT	AdmimByRequest Software	1,500.00
	01/15/2024	703					3259	NWPPA	NWPPA Training (Holgate)	1,330.00
	01/20/2024	703					3259	DMI* DELL K-12/GOVT	Stylus and case Tablet PC	42.79
	02/06/2024	703					3259	APPLE.COM/BILL	iAnnotate Apple app for Jenni	10.86
	02/04/2024	703					3259	AMZN MKTP US*R26S	Ipad supplies and mouse for C	328.04
	02/07/2024	703					3259	CHATGPT SUBSCRIPTI	ChatGPT Teams account	652.20
	01/24/2024	703					3259	NRECA	TechAdvantage Conference (1,700.00
	01/22/2024	703					3259	P3MC/GIGANTIC COL	Sag10 Mainenance	1,200.00
	01/23/2024	703					3259	SPECTRUM	Backup Internet	139.98
	02/02/2024	703					3259	AMAZON.COM*R25T8	Apple mouse (Folta)	96.73
	02/07/2024	703					3259	DMI* DELL K-12/GOVT	Memory DataTeam 32 gb	1,785.59
	02/02/2024	703					3259	APPLE.COM/US	iPad Keyboard (Folta)	357.62
	01/25/2024	703					3259	SMARTSHEET INC.	Support Software (Holgate)	29.35
	01/16/2024	703					3259	AMAZON.COM*RT4CO	Wireless pointer/mouse (Dun	60.49
	01/20/2024	703					3259	DMI* DELL K-12/GOVT	Tablet PC	1,502.93
	01/24/2024	703					3259	NRECA	TechAdvantage Conference (1,840.00
Total for Tran-937:										19,024.39

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ACCOUNTS PAYABLE CC/E-PAYMENT CHARGES

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CC/E-Payment Vendor: 3098 - US BANK CORPORATE PAYMENT SYSTEM

Tran	Date	Recon ID	Type	Credit Card/E-Payment	Vendor	Vendor Name	Merchant	Merchant Name	Reference	Amount
938	01/16/2024	711	Credit Card	39 - Operations - Warehouse	1465	PURDOM, KRISTI L	1465	ZORO TOOLS INC	HAND WARMERS	273.86
	01/16/2024	711					1465	ZORO TOOLS INC	NUT DRIVER	13.02
	01/18/2024	711					1465	AMAZON RET* 112-920	LEATHER GLOVES - YOU	73.57
	01/17/2024	711					1465	ZORO TOOLS INC	1/2" DRIVE DEEP IMPACT	57.62
	02/09/2024	711					1465	FREIGHTQUOTE.COM	FREIGHT CHARGES FOR	266.24
	02/07/2024	711					1465	BEVINS CO.	TOOL REPAIR	311.29
	02/01/2024	711					1465	ZORO TOOLS INC	18v spotlight	404.36
	02/02/2024	711					1465	AMZN MKTP US*R29J	HEADLAMPS	86.94
	02/12/2024	711					1465	GRAINGER	WATER IGLOOS	235.09
	01/17/2024	711					1465	ZORO TOOLS INC	TUFF TOTE CARRIER	280.44
	02/12/2024	711					1465	ZORO TOOLS INC	CANVAS BUCKET & MINI	593.22
	01/15/2024	711					1465	PASCO - TACOMA SCR	HEX SCREWS & IMPACT	35.59
	02/06/2024	711					1465	ARNETT INDUSTRIES	TOOL REPAIR	326.94
	01/22/2024	711					1465	GRAINGER	MARKING PAINT - RED,	353.37
	01/31/2024	711					1465	SP J.L. MATTHEWS CO.	FIBERGLASS FOLDING R	516.36
	01/22/2024	711					1465	THE HOME DEPOT #47	ORANGE MASON LINE, L	58.89
	01/17/2024	711					1465	SP J.L. MATTHEWS CO.	Nut Runner with Adapter	562.00
	02/05/2024	711					1465	BDI TRANSFER	YARD WASTE - DISPOSAL	123.49
	01/24/2024	711					1465	FREIGHTQUOTE.COM	FREIGHT COST FOR SEND	250.79
	02/01/2024	711					1465	GRIGGS DEPTMENT S	oil	167.53
	02/05/2024	711					1465	BDI TRANSFER	YARD WASTE - DISPOSAL	107.74
	02/02/2024	711					1465	ANIXTER INC - UPS	CREDIT FOR MISC SHOVE	-896.26
	01/25/2024	711					1465	ANIXTER INC - UPS	MISC SHOVELS DOUBLE	896.26
	01/25/2024	711					1465	ANIXTER INC - UPS	TOOL BAG	483.64
	01/16/2024	711					1465	ZORO TOOLS INC	BATTERY POWERED CHA	395.67
	02/14/2024	711					1465	BDI TRANSFER	YARD WASTE DISPOSAL	128.46
	01/25/2024	711					1465	ANIXTER INC - UPS	CONDUIT COVERS	3,902.31
	01/18/2024	711					1465	SP LUGALLSTORE	Credit on Shipping Costs for	-117.72
	02/02/2024	711					1465	AMZN MKTP US*R28G	TOOL REPAIR - REPLACE	13.01
	01/18/2024	711					1465	ZORO TOOLS INC	LOCKBACK KNIVES	211.48
	02/01/2024	711					1465	GRAINGER	Headlamps	240.44
	01/16/2024	711					1465	SP LUGALLSTORE	HOIST AND WING NUTS	1,942.32
	01/29/2024	711					1465	BASIN FEED - KENNE	FENCING STAPLES	308.71
	02/08/2024	711					1465	WWW.VEVOR.COM	Sewer Camemra	576.10
	01/22/2024	711					1465	INDUSTRIALSAFETY.	RUBBER PALM KNIT GLO	259.90

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ACCOUNTS PAYABLE CC/E-PAYMENT CHARGES

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CC/E-Payment Vendor: 3098 - US BANK CORPORATE PAYMENT SYSTEM

Tran	Date	Recon ID	Type	Credit Card/E-Payment	Vendor	Vendor Name	Merchant	Merchant Name	Reference	Amount
	02/08/2024	711					1465	LOWES #00249*	STEEK TAMPES	106.48
	01/20/2024	711					1465	NPC*NEW PIG CORP	OIL ABSORBENT MATS	999.02
	01/16/2024	711					1465	GRAINGER	ANCHOR SHACKLES	446.79
	01/16/2024	711					1465	SP MAXWAREHOUSE.	SAFETY GLASSES	517.91
	01/23/2024	711					1465	ANIXTER INC - UPS	LATCHES	237.82
	01/16/2024	711					1465	AMAZON RET* 112-920	YOUNGSTOWN LEATHER	1,471.60
	02/14/2024	711					1465	BDI TRANSFER	YARD WASTE - DISPOSAL	109.40
	01/25/2024	711					1465	ANIXTER INC - UPS	MISC SHOVELS	896.26
	02/12/2024	711					1465	BUCKINGHAMMFG.C	SKINNING KNIVES	340.44
	01/29/2024	711					1465	THE HOME DEPOT #47	2X10 8FT FIR BOARD	14.60
	01/30/2024	711					1465	HOISTS DIRECT LLC	HOIST	2,428.36
	01/24/2024	711					1465	NASCO INDUSTRIES, I	RAIN GEAR	651.05
Total for Tran-938:										21,662.40
939	01/29/2024	708	Credit Card	38 - Operations - Support Svc	10656	FLEENOR, RYAN A	10656	THE HOME DEPOT #47	Batteries	45.37
Total for Tran-939:										45.37
940	02/02/2024	706	Credit Card	34 - Operations - Meter Shop	1466	BRADSHAW, GORDON J	1466	AMAZON.COM*R20SX	Dymo 5200 Label Maker	234.07
	02/01/2024	706					1466	MONARCH MACHINE	AL backing plate for RTAC	23.69
	01/25/2024	706					1466	MONARCH MACHINE	AL Backing plate for Vista Su	127.81
	02/13/2024	706					1466	WESTERN ENERGY IN	WEI Relay School Wurz	700.00
	01/30/2024	706					1466	AMZN MKTP US*R047	Computer Cables	279.85
Total for Tran-940:										1,365.42

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ACCOUNTS PAYABLE CC/E-PAYMENT CHARGES

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CC/E-Payment Vendor: 3098 - US BANK CORPORATE PAYMENT SYSTEM

Tran	Date	Recon ID	Type	Credit Card/E-Payment	Vendor	Vendor Name	Merchant	Merchant Name	Reference	Amount
941	02/08/2024	709	Credit Card	36 - Operations - Maintenanc	10608	PATRICK, GEORGE M	10608	T&A SUPPLY CO - RIC	carpet tape	39.27
	01/29/2024	709					10608	THE HOME DEPOT #47	paint supplies	186.96
	01/15/2024	709					10608	THE HOME DEPOT #47	plumbing part	23.40
	02/13/2024	709					10608	THE HOME DEPOT #47	plumbing parts	17.33
	02/13/2024	709					10608	SHERWIN WILLIAMS 7	paint	186.70
	02/06/2024	709					10608	THE HOME DEPOT #47	paint supplies	143.29
	02/09/2024	709					10608	GRAINGER	faucet	181.43
	01/29/2024	709					10608	CONS SUPPLY KENNE	toilet parts	352.18
	01/30/2024	709					10608	VSP*PERFORMANCE S	fire ext.	503.82
	02/06/2024	709					10608	SHERWIN WILLIAMS 7	paint	186.70
	02/13/2024	709					10608	THE HOME DEPOT 473	paint supplies	291.77
	02/13/2024	709					10608	GRIGGS ACE KENNEW	plumbing parts	21.72
	02/02/2024	709					10608	AMZN MKTP US*R2725	door closer	45.60
	01/16/2024	709					10608	THE HOME DEPOT #47	drain cleaner	6.83
	02/05/2024	709					10608	THE HOME DEPOT #47	paint supplies	127.62
	02/12/2024	709					10608	THERMAL SUPPLY 221	hvac parts	84.33
	02/06/2024	709					10608	THERMAL SUPPLY 221	compressor hvac	2,162.48
	02/13/2024	709					10608	THE HOME DEPOT #47	plumbing parts	23.61
	02/12/2024	709					10608	THE HOME DEPOT #47	plumbing part	8.66
	02/12/2024	709					10608	THE HOME DEPOT #47	cordmate channel	38.75
	01/30/2024	709					10608	SHERWIN WILLIAMS 7	paint	278.40
	02/09/2024	709					10608	AMZN MKTP US*RB919	door closer	91.20
	02/07/2024	709					10608	VSP*PERFORMANCE S	fire ext.	2,104.87
Total for Tran-941:										7,106.92
942	02/14/2024	702	Credit Card	21 - Engineering	3880	WEBB, BRENDA R	3880	USPS PO 5440320336	Certified Mail w/return receipt	8.97
	01/17/2024	702					3880	CITY OF KENNEWICK	COK INV#DPW-2024-0097	75.00
	01/18/2024	702					3880	CITY OF KENNEWICK	COK INV#DPW-2024-0078	75.00
	02/01/2024	702					3880	GORDON ELECTRIC S	Wiegmann Cable for Carma c	83.06
	01/29/2024	702					3880	DOL - PROFESSIONAL	Berven PE License Renewal	116.00
	01/18/2024	702					3880	CITY OF KENNEWICK	COK INV#DPW-2024-0073	75.00
	01/18/2024	702					3880	CITY OF KENNEWICK	COK INV#DPW-2024-0075	75.00
	01/23/2024	702					3880	CITY OF KENNEWICK	COK INV#DPW-2024-0083	75.00
	01/24/2024	702					3880	TST* NOTHING BUND	Lang Retirement Refreshment	90.00
Total for Tran-942:										673.03

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ACCOUNTS PAYABLE CC/E-PAYMENT CHARGES

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CC/E-Payment Vendor: 3098 - US BANK CORPORATE PAYMENT SYSTEM

Tran	Date	Recon ID	Type	Credit Card/E-Payment	Vendor	Vendor Name	Merchant	Merchant Name	Reference	Amount
943	02/20/2024	710	Credit Card	37 - Operations - (Support Sv	2026	KINTZLEY, ROY D	2026	CORWIN FORD TRI-CI	credit, parts return	-90.69
							2026	CORWIN FORD TRI-CI	credit, parts return	-24.23
							2026	O'REILLY 3630	credit, parts return	-178.19
							2026	JIMS PACIFIC GARAGE	credit, parts return	-75.42
							2026	PASCO A-PTS 0027915	credit, core return	-88.05
							2026	PASCO A-PTS 0027915	credit, core return	-19.57
							2026	SIRENNET	credit, antenna mounts	-605.24
							2026	TRUCK PRO	credit, parts return	-144.89
							2026	WASHINGTON CHAIN	credit, tax overcharge	-26.60
							2026	TRUCK PRO	credit, parts return	-1,089.61
							2026	CORWIN FORD TRI-CI	credit, overcharge	-10.08
Total for Tran - 943:										-2,352.57
944	01/24/2024	699	Credit Card	11 - Finance & Business Serv	1091	BLACKWELL, LURII	1091	WSP COLLISION RECO	Police Report	10.50
	01/16/2024	699					1091	CITY OF KENNEWICK	Police Report	7.48
	01/15/2024	699					1091	WA BOARD OF ACCO	Zirker CPA License Renewal	230.00
	02/14/2024	699					1091	AMZN MKTP US*RB98	Office Supplies	10.86
	02/01/2024	699					1091	CITY OF KENNEWICK	Police Report	7.48
	01/24/2024	699					1091	NWPPA	Ochweri & Brown Conferenc	1,550.00
	01/18/2024	699					1091	WPTA	Grandgeorge WPTA Roundta	400.00
	01/16/2024	699					1091	WPTA	Grandgeorge WPTA Member	50.00
	02/05/2024	699					1091	CITY OF KENNEWICK	Police Report	7.48
	01/24/2024	699					1091	WSP COLLISION RECO	Police Report	10.50
Total for Tran-944:										2,284.30

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ACCOUNTS PAYABLE CC/E-PAYMENT CHARGES

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CC/E-Payment Vendor: 3098 - US BANK CORPORATE PAYMENT SYSTEM

Tran	Date	Recon ID	Type	Credit Card/E-Payment	Vendor	Vendor Name	Merchant	Merchant Name	Reference	Amount
945	02/01/2024	710	Credit Card	37 - Operations - (Support Sv	2026	KINTZLEY, ROY D	2026	ALTEC INDUSTRIES, I	#198, beacon light	419.59
	02/05/2024	710					2026	MCCURLEY INTEGRIT	#210, fan clutch	635.10
	02/01/2024	710					2026	RWC PENDLETON 114	#9, transfer case nut	49.85
	02/01/2024	710					2026	CORWIN FORD TRI-CI	#198, nuts & studs	50.64
	02/07/2024	710					2026	O'REILLY 3630	#148, clips	12.83
	02/06/2024	710					2026	PASCO A-PTS 0027915	#148, gear oil	87.59
	02/13/2024	710					2026	O'REILLY 3630	washer fluid	85.83
	02/01/2024	710					2026	PASCO A-PTS 0027915	#149, gear oil	45.78
	02/08/2024	710					2026	CORWIN FORD TRI-CI	#175, tax on invoice	34.18
	02/06/2024	710					2026	RWC PENDLETON 114	#9, seat belt	460.41
	02/01/2024	710					2026	MID COLUMBIA FORK	#152, 36v contactor	455.68
	02/01/2024	710					2026	CORWIN FORD TRI-CI	#198, manifold stud	16.15
	02/01/2024	710					2026	JIMS PACIFIC GARAGE	#207fuel filter	154.51
	02/01/2024	710					2026	PASCO A-PTS 0027915	#167, filter	19.08
	02/01/2024	710					2026	CORWIN FORD TRI-CI	#198, sensor	76.55
	02/01/2024	710					2026	SIX ROBBLES NO 5	wheel weights	240.53
	02/07/2024	710					2026	RWC PENDLETON 114	#149, switch panel	609.67
	02/01/2024	710					2026	JIMS PACIFIC GARAGE	#166, air valve	75.42
	02/01/2024	710					2026	O'REILLY 3630	#184, engine cleaner	21.98
	02/01/2024	710					2026	CORWIN FORD TRI-CI	#198, wire harness	47.70
	02/14/2024	710					2026	PASCO TIRE FACTORY	spare tire for new backhoe	574.72
	02/07/2024	710					2026	CORWIN FORD TRI-CI	#175, DEF reservoir	392.85
	02/01/2024	710					2026	CORWIN FORD TRI-CI	#198, exhaust manifold & gas	325.61
	02/06/2024	710					2026	O'REILLY 3630	#148, wheel hub	185.13
	02/01/2024	710					2026	JIMS PACIFIC GARAGE	#166, air switch	134.79
	02/14/2024	710					2026	AFFORDABLE WINDS	#201, chip repair	78.32
	02/13/2024	710					2026	PASCO A-PTS 0027915	quick couplers	162.32
	02/13/2024	710					2026	CENTRAL MACHINER	service manual & spare wheel	1,010.50
	02/01/2024	710					2026	CO-ENERGY PSC CN	antifreeze coolant	634.97
	02/12/2024	710					2026	PASCO A-PTS 0027915	#146, battery	153.11
	02/01/2024	710					2026	PASCO A-PTS 0027915	#9, speedy sleeve	50.37
	02/08/2024	710					2026	RWC PENDLETON 114	#149, coolant surge tank	856.13
	02/01/2024	710					2026	TEREX UTILITIES, INC.	#149, seals	41.09
	02/06/2024	710					2026	O'REILLY 3630	#148, trans cooler line	96.84
	02/06/2024	710					2026	O'REILLY 3630	#148, wheel hub	185.13

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**ACCOUNTS PAYABLE
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CC/E-Payment Vendor: 3098 - US BANK CORPORATE PAYMENT SYSTEM

Tran	Date	Recon ID	Type	Credit Card/E-Payment	Vendor	Vendor Name	Merchant	Merchant Name	Reference	Amount
	02/01/2024	710					2026	CENTRAL MACHINER	#219, engine oil	193.70
	02/13/2024	710					2026	ADVANCE AUTO 3774	#207, fuses	38.68
	02/08/2024	710					2026	CORWIN FORD TRI-CI	#175, DEF heater module	381.54
	02/01/2024	710					2026	JIMS PACIFIC GARAGE	#130, washer reservoir	96.73
	02/01/2024	710					2026	WASHINGTON CHAIN	120ft winch ropes	4,046.00
	02/05/2024	710					2026	MELS INTER CITY CO	#191, paint bin door	312.22
	02/01/2024	710					2026	PASCO A-PTS 0027915	#166, batteries	535.85
	02/01/2024	710					2026	PASCO A-PTS 0027915	#170, filter	36.76
	02/08/2024	710					2026	PASCO A-PTS 0027915	air filter	48.16
	02/07/2024	710					2026	ARG-CENTRAL HOSE	car wash wands	291.55
	02/01/2024	710					2026	CORWIN FORD TRI-CI	#184, tax on invoice	10.08
	02/05/2024	710					2026	RWC PENDLETON 114	#149, blower motor & resitor	697.56
	02/13/2024	710					2026	CENTRAL MACHINER	#219, service manual	810.83
	02/07/2024	710					2026	PASCO A-PTS 0027915	degreaser	89.92
	02/01/2024	710					2026	DIRECT AUTO DISTRI	#198, antifreeze	182.76
	02/08/2024	710					2026	ALTEC INDUSTRIES, I	#90, switch & harness	88.56
	02/01/2024	710					2026	O'REILLY 3630	tool, pick-up tool	14.12
	02/06/2024	710					2026	O'REILLY 3630	#148, trans cooler lines & hos	88.46
	02/08/2024	710					2026	PASCO A-PTS 0027915	shop tool, extension clamp	29.46
	02/08/2024	710					2026	LITHIA CJD OF TRI-CI	#161, trans shift cable	205.07
	02/07/2024	710					2026	PASCO A-PTS 0027915	#175, relay	22.15
	02/01/2024	710					2026	PASCO A-PTS 0027915	tr1147, grease gun	114.10
	02/05/2024	710					2026	PASCO A-PTS 0027915	#9, seal	75.50
	02/01/2024	710					2026	PASCO A-PTS 0027915	#199, battery	155.84
	02/01/2024	710					2026	SIX ROBBLEES NO 5	wheel weights	94.26
	02/01/2024	710					2026	PASCO A-PTS 0027915	filters, bulbs & safety gloves	284.77
	02/01/2024	710					2026	DIRECT AUTO DISTRI	#198, v-belt	77.41
	02/08/2024	710					2026	AMAZON.COM*RB3Q	shop tool, yoke puller & fan c	367.20
	02/01/2024	710					2026	O'REILLY 3630	#198, belt	81.36
	02/01/2024	710					2026	TRUCK PRO	#219, clevis hooks	121.41
	02/01/2024	710					2026	PASCO TIRE FACTORY	tires & wheels	2,035.21
	02/06/2024	710					2026	CENTRAL MACHINER	tr1165, overload sign	698.94
	02/12/2024	710					2026	O'REILLY 3630	#146, oil press switch	40.22
	02/01/2024	710					2026	PASCO A-PTS 0027915	#158, headlight bulbs	22.35
	02/01/2024	710					2026	TRUCK PRO	tr1165, chain hooks	144.89

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**ACCOUNTS PAYABLE
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CC/E-Payment Vendor: 3098 - US BANK CORPORATE PAYMENT SYSTEM

Tran	Date	Recon ID	Type	Credit Card/E-Payment	Vendor	Vendor Name	Merchant	Merchant Name	Reference	Amount
	02/08/2024	710					2026	O'REILLY 3630	#161, starter switch	41.84
	02/01/2024	710					2026	DIRECT AUTO DISTRI	#198, antifreeze	146.04
	02/01/2024	710					2026	LITHIA CJD OF TRI-CI	#161, window crank	40.21
	02/01/2024	710					2026	CORWIN FORD TRI-CI	#190, tax on invoice	5.40
	02/01/2024	710					2026	ALTEC INDUSTRIES, I	#207, hyd hose assy	1,918.84
	02/01/2024	710					2026	ABF*TRANSPORTATI	return shipping to Altec	489.01
	02/08/2024	710					2026	JIMS PACIFIC GARAGE	#191, switch	108.69
	02/01/2024	710					2026	PASCO A-PTS 0027915	#9, oil seal	64.64
	02/01/2024	710					2026	COLUMBIA RIGGING	#219, winch cable	774.01
	02/05/2024	710					2026	O'REILLY 3630	#157, washer pump	39.61
	02/01/2024	710					2026	PASCO A-PTS 0027915	#163, battery	227.16
	02/01/2024	710					2026	TEREX GLOBAL GMB	#149, seal kit	105.18
	02/01/2024	710					2026	MONARCH MACHINE	#207, boom repair	340.31
	02/01/2024	710					2026	CORWIN FORD TRI-CI	mistake tax charge	10.08
	02/01/2024	710					2026	PASCO A-PTS 0027915	#219, intake precleaner	118.47
	02/01/2024	710					2026	TRUCK PRO	chain	1,089.61
	02/01/2024	710					2026	PASCO A-PTS 0027915	filters & DEF	604.40
	02/07/2024	710					2026	PASCO TIRE FACTORY	#148, tires	417.05
	02/01/2024	710					2026	CORWIN FORD TRI-CI	#198, hose assy	142.34
	02/08/2024	710					2026	PASCO A-PTS 0027915	filters & wiper blades	281.13
	02/01/2024	710					2026	CORWIN FORD TRI-CI	#184, indicator	22.46
	02/05/2024	710					2026	O'REILLY 3630	#161, headlight switch	47.74
	02/01/2024	710					2026	AFFORDABLE WINDS	#167, windshield replace	363.54
Total for Tran-945:										28,412.33

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**ACCOUNTS PAYABLE
CC/E-PAYMENT CHARGES**

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CC/E-Payment Vendor: 3098 - US BANK CORPORATE PAYMENT SYSTEM

Tran	Date	Recon ID	Type	Credit Card/E-Payment	Vendor	Vendor Name	Merchant	Merchant Name	Reference	Amount
946	02/02/2024	714	Credit Card	TRAV - Travel Card	1017	NEWELL, PAULA A	1017	HAMPTON INN	Ness - Interview	151.33
	02/01/2024	714					1017	AGENT FEE 027704203	Agent Fee - Inman Tech Adva	37.00
	01/25/2024	714					1017	400 E HOUSTON STRE	Folta - Tech Advantage 2024	755.37
	01/25/2024	714					1017	BEST WESTERN BATT	Welch - 2nd Yr Transfomer T	421.28
	02/13/2024	714					1017	AGENT FEE 027704304	Agent Fee - Sawyer	37.00
	02/13/2024	714					1017	ALASKA AIR 02770430	Sawyer - Tableau Conf	377.20
	01/31/2024	714					1017	AGENT FEE 016704203	Agent Fee - Holgate Tech Ad	37.00
	01/31/2024	714					1017	UNITED 0167042036	Holgate - Tech Advantage 20	512.20
	02/01/2024	714					1017	ALASKA AIR 02770420	Inman- Tech Advantage 2024	629.21
	01/15/2024	714					1017	LITTLE CREEK CASIN	Grad - East/West Superintend	147.51
	01/15/2024	714					1017	LITTLE CREEK CASIN	Grad - East/West Superintend	147.51
	02/12/2024	714					1017	LITTLE CREEK CASIN	Cobb - WPUDA CS Mtg	117.70
	01/31/2024	714					1017	AGENT FEE 006704203	Agent Fee - Folta Tech Advan	37.00
	02/13/2024	714					1017	DOUBLE TREE SUITES	Scott - EUSAC	212.15
	02/06/2024	714					1017	AGENT FEE 027704253	Travel CardAgent Fee - Hend	37.00
	02/12/2024	714					1017	SKAMANIA LODGE	Henderson - WPUDA	166.74
	01/30/2024	714					1017	ALASKA AIR 02770420	Holgate - NWPPA IT Conf	552.90
	02/12/2024	714					1017	LITTLE CREEK CASIN	Maki - WPUDA CS Mtg	117.70
	01/15/2024	714					1017	LITTLE CREEK CASIN	Credit - Grad - East/West Sup	-147.51
	01/31/2024	714					1017	DELTA AIR 006704203	Folta - Tech Advantage 2024	482.20
	01/30/2024	714					1017	AGENT FEE 027704203	Agent Fee - Holgate NWPPA	37.00
	01/15/2024	714					1017	ALASKA AIR 02780534	Credit - Hall - WPUDA	-363.80
	02/06/2024	714					1017	ALASKA AIR 02770425	Henderson - TC Day At Capit	364.20
	01/25/2024	714					1017	PORTLAND AIRPORT	Szendre - NWPPA Wildfires	176.32
	02/08/2024	714					1017	SALESFORCE24SFTC24	Demory - Tableau Conf	1,005.00
Total for Tran-946:										6,047.21

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CC/E-Payment Vendor: 3098 - US BANK CORPORATE PAYMENT SYSTEM

Tran	Date	Recon ID	Type	Credit Card/E-Payment	Vendor	Vendor Name	Merchant	Merchant Name	Reference	Amount
947	01/16/2024	707	Credit Card	35 - Operations - Transforme	2503	GASTON, TODD	2503	TRI CITY LUMBER CO	railroad ties for spre trans.	173.87
	01/25/2024	707					2503	PLATT ELECTRIC 006	Struts & Parts to build rack	2,219.96
	02/08/2024	707					2503	LAWSON PRODUCTS	small parts shop (nuts/bolts/w	2,314.59
	02/05/2024	707					2503	LOWES #00249*	CIRCUIT BREAKER	45.63
	01/24/2024	707					2503	THE HOME DEPOT #47	parts for fence	112.22
	01/18/2024	707					2503	THE HOME DEPOT #47	reel line for bushings	46.68
	01/29/2024	707					2503	THE HOME DEPOT #47	PARTS FOR SUB.	50.32
	02/02/2024	707					2503	THE HOME DEPOT #47	PARTS FOR SHOP	8.99
	02/14/2024	707					2503	PCORE ELECTRIC CO	spare parts for bushings	420.67
	02/14/2024	707					2503	GRAINGER	repare parts for press	177.75
	01/25/2024	707					2503	CENTRAL MOLONEY,	bushing for pad mounts	596.59
	02/05/2024	707					2503	THE HOME DEPOT 473	portable sewer pump for truck	354.33
	02/07/2024	707					2503	THE HOME DEPOT #47	DENATURED ALCOHOL F	41.22
	02/07/2024	707					2503	OXARC, INC-PASCO C	nitrogen	206.81
	02/05/2024	707					2503	THE HOME DEPOT #47	ELEC. PARTS FOR SHOP	47.21
Total for Tran-947:										6,816.84
Total Charges for CC/E-Payment Vendor - 3098: (18)										115,028.58
Total Voids for CC/E-Payment Vendor - 3098: (0)										0.00
Total for CC/E-Payment Vendor - 3098: (18)										115,028.58
Grand Total for Charges: (18)										115,028.58
Grand Total for Voids: (0)										0.00
Grand Total:(18)										\$ 115,028.58



<input type="checkbox"/>	Business Agenda
<input type="checkbox"/>	Second Reading
<input checked="" type="checkbox"/>	Consent Agenda
<input type="checkbox"/>	Info Only/Possible Action
<input type="checkbox"/>	Info Only

COMMISSION MEETING AGENDA ITEM

Subject:	Jobs Report for Commission	
Agenda Item No:	5e	
Meeting Date:	March 26, 2024	
Authored by:	Brenda Webb	<i>Staff Preparing Item</i>
Presented by:	Evan Edwards	<i>Staff Presenting Item</i>
Approved by (dept):	Steve Hunter	<i>Director/Manager</i>
Approved for Commission review:	Rick Dunn	<i>General Manager/Asst GM</i>

Motion for Commission Consideration:

None.

Background/Summary

District Resolution No. 1607 authorizes the General Manager to approve construction and maintenance work orders up to \$100,000.

The attached summary table (Jobs Report) provides a list of work orders with an estimated cost of less than \$100,000. The Jobs Report is presented generally once a month to the Commission for the purpose of maintaining open communications and accountability for projects of significant value; generally, over \$15,000. The report is intended for information only with no Commission action being requested.

The attached Jobs Report provides a summary of work orders of significant value up to the \$100,000 limit authorized for approval by the General Manager.

Recommendation

Report only.

Fiscal Impact

Report only.



**Engineering Department
MEMO**

To: Steve Hunter
 From: Brenda Webb
 Re: **Jobs Report to Commission**

<i>Jobs Report for 03/26/2024 Commission Meeting</i>							
<i>Job No.</i>	<i>Name</i>	<i>Location</i>	<i>Description</i>	<i>Designer</i>	<i>Estimated Job Cost</i>	<i>Reimb/Aid to Const.; Includes Salvage</i>	<i>Net Cost to BPUD</i>
690952	TDKJ Residential Property, LLC	Shade Tree Estates, W 10 th Ave	Single phase underground line extension to 10 lot subdivision.	Glines	\$62,820.34	\$44,555.80	(1) \$18,264.54
700566	Matt Smith	Highlands Vineyard Ph 2, E 27 th Ave	Single phase underground line extension to 23 lot subdivision.	Richman	\$45,624.80	\$44,122.83	(2) \$1,501.97
680072	BPUD	Hedges Substation	Adding BPA metering point to Hedges Substation.	Richman	\$17,497.76	\$0.00	\$17,497.76
702490	BPUD	11910 S Sira PR SE	Installing 4" conduit & rerouting 3-2 EPRJ primary into easement.	Brooks	\$19,407.36	\$0.00	\$19,407.36
703058	AAA Concrete, Inc	16004 E Field Rd, Benton City	Three-phase underground line extension.	Brooks	\$31,775.33	\$31,439.57	(3) \$335.76

- (1) 690952 – District Cost (\$18,264.54) is the labor to install 3 single phase transformers, 2-37.5kVA and 1-50kVA, with travel time and conduit for future fiber and feeder extensions.
- (2) 700566 – District Cost (\$1,501.97) is the labor to install 6-37.5kVA transformers and travel time.
- (3) 703058 – District Cost (\$335.76) is for the travel time. The customer pays the transformer costs when there is over 2500kVA at the same site.



<input type="checkbox"/>	<i>Business Agenda</i>
<input type="checkbox"/>	<i>Second Reading</i>
<input checked="" type="checkbox"/>	<i>Consent Agenda</i>
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<input type="checkbox"/>	<i>Info Only</i>

COMMISSION MEETING AGENDA ITEM

Subject:	Work Order 691203 – South Hill Manors	
Agenda Item No:	5f	
Meeting Date:	March 26, 2024	
Authored by:	Angela Richman	<i>Staff Preparing Item</i>
Presented by:	Evan Edwards	<i>Staff Presenting Item</i>
Approved by (dept):	Steve Hunter	<i>Director of Engineering</i>
Approved for Commission review:	Rick Dunn	<i>General Manager</i>

Motion for Commission Consideration:

Motion approving work order 691203 for the installation of underground primary electric facilities to serve Subdivision East of S Olympia St and north of Hwy 397 consisting of 29 lots.

Background/Summary

Work Order 691203 includes construction of 3-phase and single-phase underground facilities necessary to serve South Hill Manors being developed by Columbia Basin Developers.

Recommendation

Approval of work order 691203 will authorize the construction of facilities necessary to meet the request for electric service by the developer of South Hill Manors subdivision.

Fiscal Impact

The estimated project cost is \$180,294.32. The South Hill Manors developer’s contribution in aid to construction (CIAC) is \$119,431.61. The District’s line extension credit for travel time and transformer expenses is \$3,003.93. Additionally, the District will be installing facilities for the capability of future development to the south and east and feeder tie resulting in an additional expense of \$57,858.78.

Projects to be Presented at the Benton PUD
Commission Meeting On
March 26th, 2024

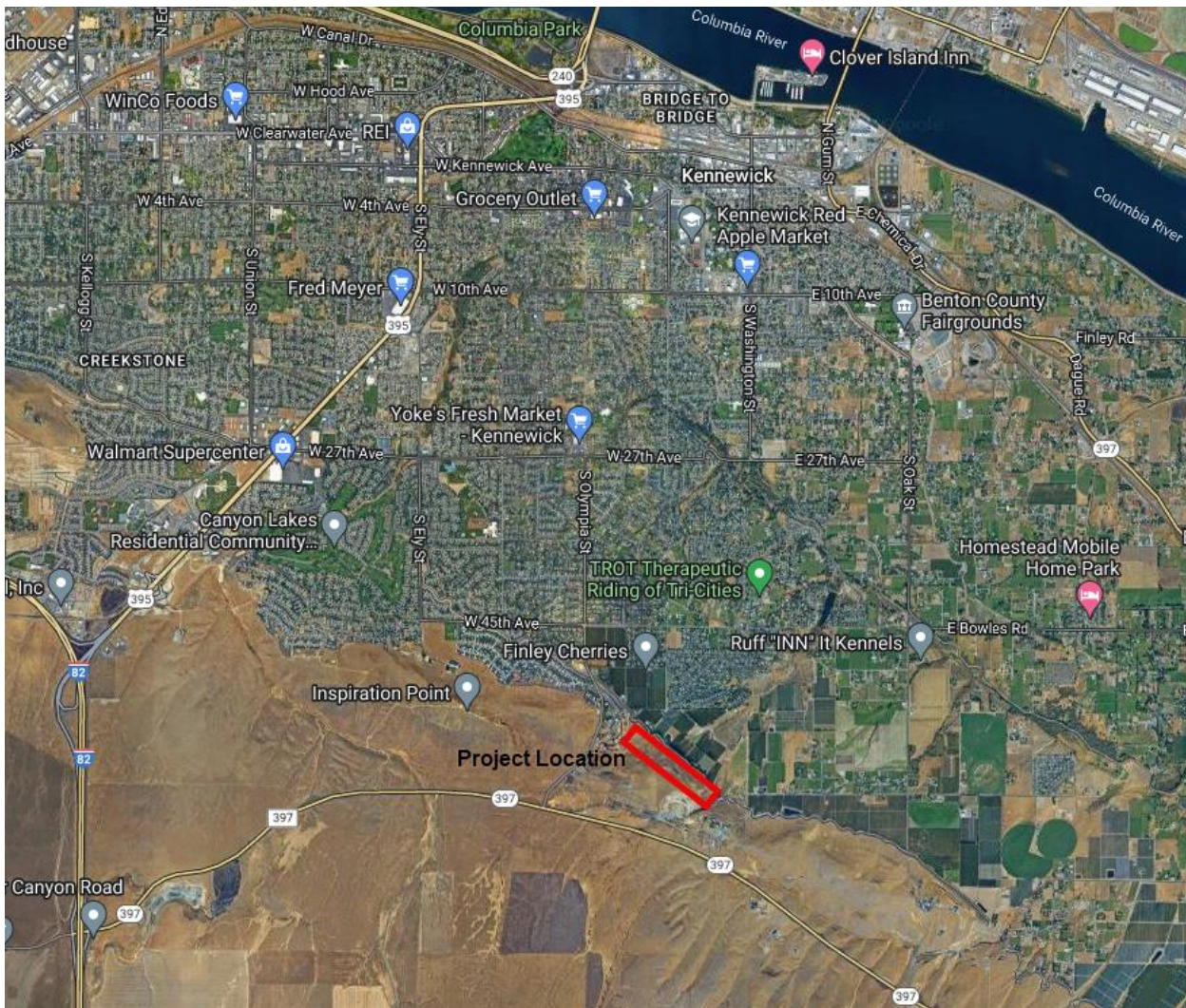
Project Name: South Hill Manors

WO#:691203

Location: East of S Olympia St. and north of Hwy 397

Justification: Developer requests primary facilities to 29 lots.

Location Map





<input type="checkbox"/>	Business Agenda
<input type="checkbox"/>	Second Reading
<input checked="" type="checkbox"/>	Consent Agenda
<input type="checkbox"/>	Info Only/Possible Action
<input type="checkbox"/>	Info Only

COMMISSION MEETING AGENDA ITEM

Subject:	Quit Claim – Parcel #1-0488-200-0005-000	
Agenda Item No:	5g	
Meeting Date:	March 26, 2024	
Authored by:	Tina Glines	<i>Staff Preparing Item</i>
Presented by:	Evan Edwards	<i>Staff Presenting Item</i>
Approved by (dept):	Steve Hunter	<i>Director/Manager</i>
Approved for Commission review:	Rick Dunn	<i>General Manager/Asst GM</i>

Motion for Commission Consideration:

Motion to Quit Claim of an easement on Parcels 1-0488-200-0005-000, 1-0488-400-0002-001, 1-0488-200-0003-000, 1-0488-200-0002-000 by request of the developer to allow for the efficient use of residential lots. Re-submitting the Quit Claim as there was an error in the original.

Background/Summary

The easement recorded under Auditor’s File Number 748669 described below was recorded to provide the District with a right-of-way power easement in an undeveloped rural area. This unoccupied easement lies within the City of Richland and was recorded on January 19th, 1978, the developer has requested that the easement be quit claimed so that the lots can be utilized efficiently. Benton PUD has executed an established pathway for future growth.

DESCRIPTION:

A strip of land 20.00 feet in width situated in the West half of Section 4, Township 8 North, Range 28 East, W.M., Benton County, Washington.

Recommendation

The District’s interest in this portion of the easement no longer exists. Approving this motion will satisfy the request of the developer and allow for the owners to develop the properties efficiently.

Fiscal Impact

Customer will pay the \$300 recording fee for the Quit Claim in accordance with District’s policy, resulting in no net fiscal impact to the District.

QUIT CLAIM DEED

The Grantor: PUBLIC UTILITY DISTRICT NO. 1 OF BENTON COUNTY, WASHINGTON for and in consideration of Mutual Covenants and Other Valuable Consideration, conveys and quit claims to OWNERS OF RECORD, the following described real estate, situated in the County of Benton, State of Washington:

Assessor's Property Tax Parcel Acct. #: 1-0488-200-0005-000, 1-0488-400-0002-001, 1-0488-200-0003-000, 1-0488-200-0002-000

DESCRIPTION:

A strip of land 20.00 feet in width situated in the West half of Section 4, Township 8 North, Range 28 East, W.M., Benton County, Washington, with 10.00 feet lying on each side of the following described centerline:

Beginning at the Southwest corner of Section 4; Thence N89°47'42"E along the South line thereof a distance of 2330.00 feet to the True Point of Beginning; Thence N00°12'18"W a distance of 1030.00 feet to a point of curves; Thence along a curve to the left having a central angle of 07°47'29" and a radius of 2202.72 feet, an arc distance of 299.54 feet to a point of tangency; Thence N07°27'33"E a distance of 1292.14 feet to a point on a curve; Thence along a curve to the left having a central angle of 36°38'28", a radius of 1150.00 feet and a chord bearing of N00°27'04"E, an arc distance of 735.43 feet; Thence N00°27'33"E a distance of 793.99 feet to a point on the North line of said Section 4 and Terminus of Said Line, said point lying Westerly 424.91 feet from the North quarter of said Section 4.

This deed is given as a conveyance and abandonment of all right, title and interest in the above-described property as acquired under that certain *easement* of record under Auditor's File Number # 748669, Records of Benton County, Washington.

Dated this ____ day of _____, 20____

PUBLIC UTILITY DISTRICT NO. 1 OF BENTON COUNTY, WASHINGTON

BY: _____
President

ATTEST: _____
Secretary

ACKNOWLEDGEMENT OF CORPORATION

STATE OF WASHINGTON

County of _____ } ss.

On this _____ day of _____, 20__, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, certify that I know or have satisfactory evidence that _____ and _____

_____ known to me to be the President and Secretary of the Commission of *Public Utility District No. 1 of Benton County* and said person(s) acknowledged that he/they signed this instrument as his/their free and voluntary act for the uses and purposes mentioned in the instrument.

Witness my hand an official seal hereto affixed the day and year first above written.



Notary Signature _____

My Commission Expires _____

NOTARY SEAL-Recordable Document, please follow RCW 65.04

Projects to be Presented at the Benton PUD

Commission Meeting On

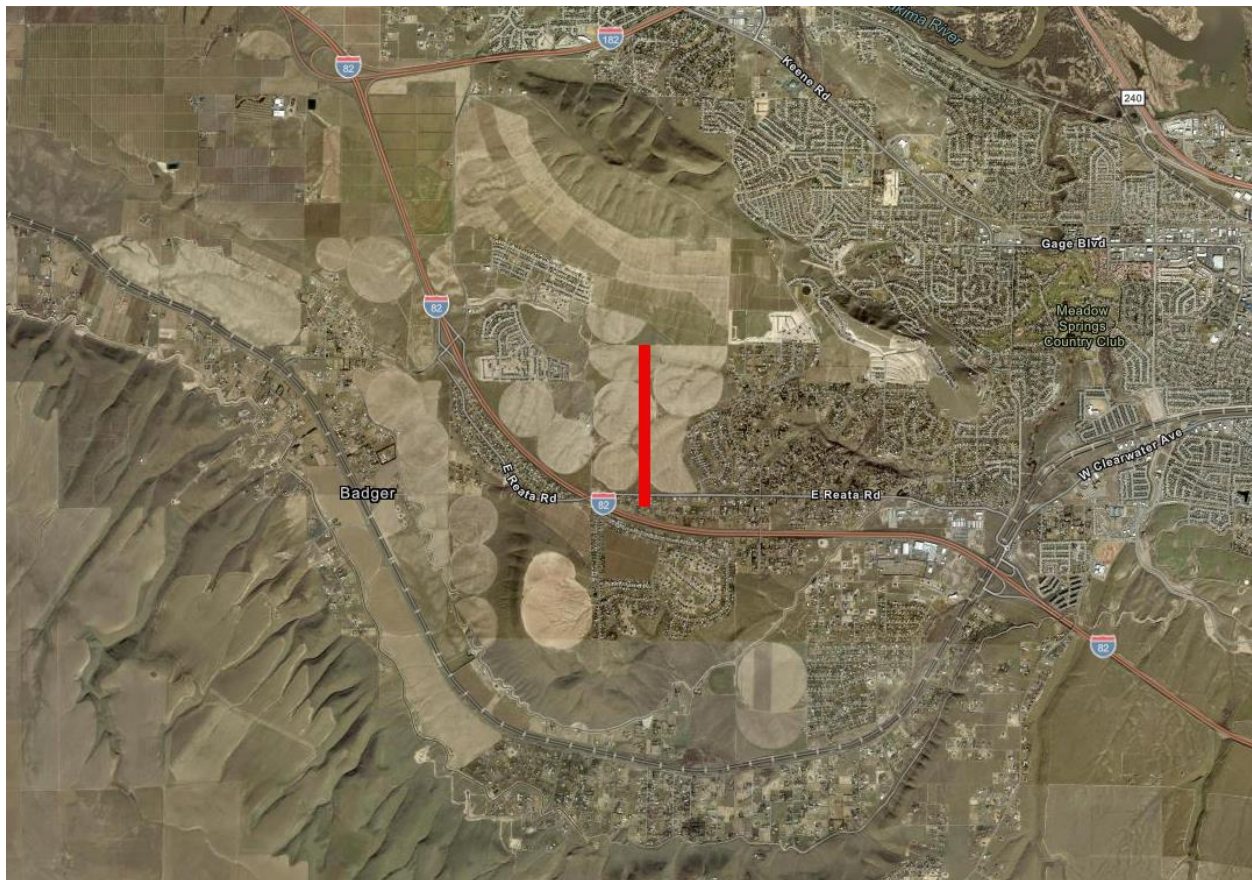
March 26th, 2024

Project Name: Quit Claim – Parcel #104882000005000, 104884000002001,
104882000003000, 104882000002000 **WO#:**NA

Location: North of Reata Road, Richland, WA

Justification: The Developer has submitted a request for Benton PUD to Quit Claim the entirety of an unused easement. This will allow for the residential lots to be more efficiently utilized. Benton PUD has other established pathways to serve future growth.

Location Map





<input type="checkbox"/>	Business Agenda
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<input checked="" type="checkbox"/>	Consent Agenda
<input type="checkbox"/>	Info Only/Possible Action
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COMMISSION MEETING AGENDA ITEM

Subject:	Project Completion and Acceptance for Contract #23-38-06 – ATS Inland NW – HVAC Controls Upgrade	
Agenda Item No:	5h	
Meeting Date:	March 12, 2024	
Authored by:	Levi Lanphear	<i>Staff Preparing Item</i>
Presented by:	Michelle Ochweri	<i>Staff Presenting Item</i>
Approved by (dept):	Jon Meyer	<i>Director/Manager</i>
Approved for Commission review:	Rick Dunn	<i>General Manager/Asst. GM</i>

Motion for Commission Consideration

Motion authorizing the General Manager on behalf of the District to sign Project Completion and Acceptance for Contract #23-38-06 – HVAC Controls Upgrade with ATS Inland NW; for a total contract amount of \$234,411.55 including Washington State sales tax.

Background/Summary

The District went out for Formal Quote to replace HVAC controllers in the Administration Building. District employees opened formal quotes on 05/31/2023.

ATS Inland NW	\$215,650.00
Apollo Mechanical	\$225,911.00

ATS Inland NW was low Quote with no exceptions to scope of work and contract was awarded by Commission on 06/13/2023.

All work has been completed on December 31, 2024, and the District is satisfied with the work done.

Recommendation

Recommendation to close Contract #23-38-06 with ATS Inland NW as work has been completed to the District’s satisfaction and release retainage held on the project.

Fiscal Impact

This project was a budgeted item in Department 38. Estimated cost for this project was \$300,000.00. The Formal Quote is for \$215,650.00 plus Washington State Tax.



<input type="checkbox"/>	<i>Business Agenda</i>
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<input checked="" type="checkbox"/>	<i>Consent Agenda</i>
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COMMISSION MEETING AGENDA ITEM

Subject:	Project Completion and Acceptance for Contract 22-18-04 – Absco Solutions	
Agenda Item No:	5i	
Meeting Date:	March 26, 2024	
Authored by:	Tyson Brown	<i>Staff Preparing Item</i>
Presented by:	Michelle Ochweri	<i>Staff Presenting Item</i>
Approved by (dept):	John Meyer	<i>Director/Manager</i>
Approved for Commission review:	Rick Dunn	<i>General Manager/Asst. GM</i>

Motion for Commission Consideration

Motion authorizing the General Manager on behalf of the District to sign Contract Completion and Acceptance of the new Enterprise Security System installed by Absco Solutions, Contract #22-18-04, (CPO #55810) in the amount of \$320,999.78 including Washington State sales tax.

Background/Summary

In 2020, the District contracted with iParametrics to complete a physical security assessment that identified and prioritized several facility improvements that would enhance customer and employee security. One of the highest priority recommendations was to address the limitations in the existing physical access control system. This system was originally implemented starting in 2005 and with additions over the years, the system is now no longer scalable to meet the security requirements identified in physical security assessment.

In May 2022, District staff prepared a scope of work and released a request for proposals to evaluate enterprise security systems that could replace the existing systems, have out-of-the-box integrations with each other, and be scalable to meet future needs. Four responses to the RFP were received and evaluated. At the September 13, 2022, Commission meeting contract #22-18-04 was awarded to Absco Solutions to install the District’s multi-factor exterior security access.

All Work has been completed on October 26, 2023, and the District is satisfied with the work done.

Recommendation

Recommendation to close Contract #22-18-04 with Absco Solutions the work for this project has been provided and the invoices for their services have been received and paid; therefore, the retainage is now ready to be released.

Fiscal Impact

This project completion and acceptance will have no additional fiscal impact on the District. Upon closing this contract, the retainage which was held per the term of the contract will be released. The 2022 capital budget includes \$600,000.00 for this phase of the enterprise security system.



**PROJECT COMPLETION AND ACCEPTANCE
(Contracts \$120,000 before tax and greater)**

TO: Commission/General Manager
BENTON PUD

The following information is submitted to the Commission/General Manager after being reviewed and certified as being accurate by District staff. The work has been fully completed and approved by the staff.

CONTRACT NUMBER : 22-18-04

CONTRACT TITLE : Enterprise Security System

CONTRACT DESCRIPTION : Increase Physical Security for the District with Multifactor Keypad Entry at Entry Ways

CONTRACTOR NAME : ABSCO Solutions

UBI NUMBER : 600260973

AFFIDAVIT NUMBER : 1231823

DATE WORK COMMENCED : 05/03/2023

DATE WORK COMPLETED : 08/01/2023

DATE ACCEPTED BY STAFF : 01/31/2024

CONTRACT BID AMOUNT : \$294,388.00

CONTRACT ADDITIONS : \$ 920.00

ACTUAL CONTRACT AMOUNT : \$295,307.99

SALES TAX : \$ 25,691.79

TOTAL CONTRACT AMOUNT : \$320,999.78

AMOUNT RETAINED : \$ 14,765.61

Submitted by: Tyson Brown

Date: 03/15/2024

Accepted by Commission _____
(Date)

Rick Dunn, General Manager

Bonding Co. The Ohio Casualty Insurance Company

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<input type="checkbox"/>	Info Only/Possible Action
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COMMISSION MEETING AGENDA ITEM

Subject:	Project Completion and Acceptance for Contract #22-21-29 – DJ’s Electrical, Inc.	
Agenda Item No:	5j	
Meeting Date:	March 26, 2024	
Authored by:	Michelle Ochweri	<i>Staff Preparing Item</i>
Presented by:	Michelle Ochweri	<i>Staff Presenting Item</i>
Approved by (dept):	John Meyer	<i>Director/Manager</i>
Approved for Commission review:	Rick Dunn	<i>General Manager/Asst. GM</i>

Motion for Commission Consideration

Motion authorizing the General Manager on behalf of the District to sign Contract Completion and Acceptance of High Voltage Electrical System Install (four feeders - Southridge) by DJ’s Electrical, Inc., Contract #22-21-29, in the amount of \$622,647.26 including Washington State sales tax.

Background/Summary

The District solicited sealed bids on March 3, 2022. On March 29, 2022, the District received responses from four qualified contractors: DJ’s Electrical, Inc., Titan Electric Inc., Wilson Construction Company, and Magnum Power. After evaluation of all four Bids, Titan Electrical, Inc. was recommended to be non-responsive for not entering labor costs for all units required on the unit price spreadsheet rendering their bid incomplete.

DJ’s Electrical, Inc. was recommended to Commission to be awarded Contract #22-21-29 to Install High Voltage Electrical Systems in four separate projects.

All work has been completed on December 31, 2023, and the District is satisfied with the work done.

Recommendation

Recommendation to close Contract #22-21-29 with DJ’s Electrical, Inc. the work for this project has been provided and the invoices for their services have been received and paid; therefore, the retainage is now ready to be released.

Fiscal Impact

This project completion and acceptance will have no additional fiscal impact on the District. Upon closing this contract, the retainage which was held per the term of the contract will be released. The not to exceed for the contract is \$745,084.94 – WO #614706 & #597473 were included in the 2021 budget, but construction was not initiated due to material constraints and will be moved to the 2022 amended budget.



**PROJECT COMPLETION AND ACCEPTANCE
(Contracts \$120,000 before tax and greater)**

TO: Commission/General Manager
BENTON PUD

The following information is submitted to the Commission/General Manager after being reviewed and certified as being accurate by District staff. The work has been fully completed and approved by the staff.

CONTRACT NUMBER : 22-21-29

CONTRACT TITLE : High Voltage Underground Electrical System Install

CONTRACT DESCRIPTION : Four Separate Projects of Underground System Installation (Southridge)

CONTRACTOR NAME : DJ's Electrical Inc.

UBI NUMBER : 601678455

AFFIDAVIT NUMBER : 1155137

DATE WORK COMMENCED : 4/12/2022

DATE WORK COMPLETED : 9/1/2022

DATE ACCEPTED BY STAFF : 10/27/2022

CONTRACT BID AMOUNT : \$745,084.94

CONTRACT ADDITIONS : \$0.00

ACTUAL CONTRACT AMOUNT : \$572,812.57

SALES TAX : \$ 49,834.69

TOTAL CONTRACT AMOUNT : \$622,647.26

AMOUNT RETAINED : \$ 28,676.59

Submitted by: Tyson Brown

Date: 03/15/2024

Accepted by Commission _____
(Date)

Rick Dunn, General Manager

Bonding Co. Travelers Casualty and Surety Company of America

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Revised July 31, 2019



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Revised July 31, 2019



<input type="checkbox"/>	Business Agenda
<input type="checkbox"/>	Second Reading
<input checked="" type="checkbox"/>	Consent Agenda
<input type="checkbox"/>	Info Only/Possible Action
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COMMISSION MEETING AGENDA ITEM

Subject:	Project Completion – McNary-Plymouth Transmission Tie Line – Formal Quote #23-21-21	
Agenda Item No:	5k	
Meeting Date:	March 26, 2024	
Authored by:	Levi Lanphear	<i>Staff Preparing Item</i>
Presented by:	Michelle Ochweri	<i>Staff Presenting Item</i>
Approved by (dept):	Jon Meyer	<i>Director/Manager</i>
Approved for Commission review:	Rick Dunn	<i>General Manager/Asst. GM</i>

Motion for Commission Consideration

Motion authorizing the General Manager on behalf of the District to sign Project Completion and Acceptance for Contract #23-21-21 for McNary-Plymouth Transmission Project with DJ’s Electrical, Inc. of Prairie, WA for an amount of \$337,213.00 plus Washington State sales tax.

Background/Summary

This quote was awarded to DJ’s Electrical Inc for \$361,040.40 for the construction of the McNary-Plymouth Transmission Tie Line. Quoted price of \$343,848.00, plus 5% to allows for minor adjustments to the installed units to align with as found field conditions (such as unanticipated rock holes) or if the need arises for the District to incorporate small scope changes to accommodate construction needs.

All work has been complete on January 4, 2024, and the District is satisfied with the work done.

Recommendation

Recommendation to close contract 23-21-21 with DJ’s Electrical Inc. as work has been completed to the District’s satisfaction and release retainage held on the project.

Fiscal Impact

Work Orders #608670 McNary Point of Delivery Line and Switch Project (McNary-Plymouth Transmission Tie Line) was previously approved by Commission. Contract Labor costs are included in the amended 2023 budget (\$60,000) and proposed 2024 (\$140,000).



**PROJECT COMPLETION AND ACCEPTANCE
(Contracts \$120,000 before tax and greater)**

TO: Commission/General Manager
BENTON PUD

The following information is submitted to the Commission/General Manager after being reviewed and certified as being accurate by District staff. The work has been fully completed and approved by the staff.

CONTRACT NUMBER : 23-21-21
CONTRACT TITLE : McNary-Plymouth Transmission Project
CONTRACT DESCRIPTION : McNary-Plymouth Transmission Project
CONTRACTOR NAME : DJ's Electrical, Inc.
UBI NUMBER : 601 678 455
AFFIDAVIT NUMBER : 1279418
DATE WORK COMMENCED : 10/25/2023
DATE WORK COMPLETED : 01/04/2024
DATE ACCEPTED BY STAFF : 01/04/2024
CONTRACT BID AMOUNT : \$361,040.40
CONTRACT ADDITIONS : (\$23,827.40)
ACTUAL CONTRACT AMOUNT : \$337,213.00
SALES TAX : \$ 27,314.25
TOTAL CONTRACT AMOUNT : \$364,527.25
AMOUNT RETAINED : \$ 16,860.65

Submitted by: Levi Lanphear Date: 03/04/2024

Accepted by Commission _____
(Date) Rick Dunn, General Manager

Bonding Co. Travelers Casualty and Surety Company of America

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Revised July 31, 2019



X	Business Agenda
	Second Reading
	Consent Agenda
	Info Only/Possible Action
	Info Only

COMMISSION MEETING AGENDA ITEM

Subject:	Contract Award Recommendation for Contract #24-15-01 – Absco Solutions	
Agenda Item No:	7a	
Meeting Date:	March 26, 2024	
Authored by:	Jennifer Holbrook	<i>Staff Preparing Item</i>
Presented by:	Jennifer Holbrook	<i>Staff Presenting Item</i>
Approved by (dept):	Chris Folta	<i>Director/Manager</i>
Approved for Commission review:	Rick Dunn	<i>General Manager/Asst. GM</i>

Motion for Commission Consideration

Motion authorizing the General Manager on behalf of the District to sign a contract in substantially the form with Absco Solutions, Contract #24-15-01, upgrade of Districts Camera System in three project phases for a total not-to-exceed amount of \$526,131.00 plus Washington State Sales Tax.

Background/Summary

The District originally entered into a contract with Absco Solutions in September 2022 after going through a competitive solicitation process to provide a new physical access control system. The intent of the solicitation process was to select an enterprise physical security system that was modern, modularized and integrated to meet the needs of the District both at its campuses and eventually the substations.

Absco proposed a system by Avigilon, which relies on technology by Motorola – an industry leader. They are a regional vendor that has offices in Lynnwood and Spokane, Washington. They provide similar security solutions to several public entities across the state including other Public Utility Districts like Benton PUD.

The first phase of implementing the enterprise security system was the access control system which was completed in 2023. The second phase for implementation is replacing the physical cameras and video management system in use by the District. Staff has worked with Absco to complete a design that modernizes the cameras and recording devices in use, along with adding cameras to increase coverage in the storage yards on the District campuses.

The design that was developed includes considerations for the perimeter fencing redesign project and the Kennewick Customer Service lobby remodel project that have been budgeted for 2024. Absco has provided quotes for all phases of the camera implementation.

Recommendation

I recommend the District issue a purchase order and enter into an agreement with Absco Solutions to replace all physical cameras in use by the District, install additional cameras based on the approved design and replace the recording devices with a networked attached video recording system. This solution will modernize this portion of the enterprise security system, integrate with the access control system and provide higher resolution video footage around the District.

Fiscal Impact

The 2024 Capital Budget included \$385,200 to replace and upgrade the camera system. There are additional funds in the budget for the Kennewick Lobby remodel that were included to replace the cameras based on the new design.



Absco Solutions
3020 North Sullivan Road, Building S - Suite D
Spokane Valley, WA 99216
Phone 509-321-1190
Fax 425-771-4422
Web: www.abscosolutions.com

Benton PUD
Project Proposal for
Benton PUD - Avigilon Camera Project
Main Campus & Prosser Camera Project Feb 2024
Update_021624
Prepared for Jennifer Holbrook
Phone: 509-582-5377

Prepared By:
Chad Smith
February 19, 2024

This document is intended to describe the Scope of Work proposed to Benton PUD by Absco Solutions. The information set forth below is intended to be a framework for discussion around project work efforts and is subject to change. It is anticipated that project requirements will be mutually defined and/or detailed written specifications finalized if the proposed Scope of Work is approved. Project schedules and cost estimates contained herein are based upon information provided to date and are subject to change.

This proposal and supporting information, inclusive of any: attached drawings, diagrams and documents or submittals, provided by Absco Solutions is intended only for the named recipient(s) and contains information that is privileged or exempt from disclosure under applicable law. If you are not the intended recipient(s), you are notified that the dissemination, distribution or copying of this information is strictly prohibited; please notify the sender then delete this information, including any attachments.

This proposal is based on customer provided information and site walk.

Overview of Issues / Needs Assessment

Provide and install a new camera system per Absco provided drawings.

Scope of Work / Desired Outcome

Absco Solutions to provide the following scope:

1. Subcontract Sierra Electric to provide, pull, terminate and test new CAT6 cable to all camera locations. Where there is existing network cable and the existing network cable tests are acceptable to Absco minimum requirements the existing cable will be reused.
2. Provide, install, aim and focus the 66 cameras in this proposal based on Absco provided camera drawings (47 cameras will connect to the main campus NVR and 19 at Prosser NVR per this proposal). Subsequent proposals if accepted will increase the main campus NVR camera count to 67.
3. Provide, mount in customer provide racks and configure the 2 NVR's provided in this proposal.
4. Provide 66 Enterprise Level camera licenses for all cameras in this proposal.
5. Provide up to 8 hours of training to end users on the system.

Customer to provide:

1. POE+ Network Switches for all cameras including at the poles for all cameras mounted to poles.
2. 120vac power at the camera pole.

Please see the full list of inclusions, exclusions, limitations and terms below.

Inclusions

- Demolition and removal of existing equipment to be performed by Absco Solutions.
- Basic camera function and connectivity testing to be performed at time of installation. Absco will adjust the camera field of view once at the time of installation. If additional time or trips are required to perform additional

FOV adjustment or changes in configuration, this will be performed on a time and material basis.

- Price includes the physical installation of all cameras provided by Absco Solutions listed in this proposal.
- Estimated shipping costs are included in this proposal or pricing listed.
- Low voltage permits applicable to Absco Solutions' scope listed in this proposal are estimated in the price.
- Price includes the physical installation of all NVRs provided by Absco Solutions listed in this proposal. Before Absco can install the NVRs all mounting locations and/or rack space must be available with AC power receptacles in place.
- Price includes the provision and installation of all of boxes and wire for devices provided by Absco Solutions and listed in this proposal.
- Price includes 8 hours of training of the end user on site. Additional training is to be on time and material basis.
- Lift Rental has been included in this proposal for installation.

Exclusions

- Patching and painting are to be performed by others and are not part of this scope.
- Uninterruptable Power Supplies (UPS) are not included in this proposal.
- Price is based on all required network switches including any required Power Over Ethernet (POE) switches to be existing or provided by others. All network switch locations are to be existing.
- Sales Tax excluded - Any applicable state sales tax is not included in the quoted price
- Customer to provide computers designated for client stations. Client stations will be in working condition, joined to the same domain as the server, include an appropriate and compatible monitor(s), and meet minimum performance criteria as listed by the manufacturer.
- 120 VAC for power to be existing or provided by others. 120 VAC connection to be terminated and permitted by others as required.

Limitation

- The price is based on the customer providing network connection and POE + at all poles for pole mounted cameras.
- The rack space provided by others shall meet Absco Solutions minimum engineering standards to accommodate the dimensions and weight of any proposed rack mounted equipment. If the equipment includes a server, UPS, or other four post mounted equipment, this will require a full four post rack.
- Any additional insurance cost will be billed at cost plus 10%. This includes, but is not limited to, Waivers of Subrogation, Waiver for Transfer of Right of Recovery, Specific Additional Insured, etc. Failure to disclose any additional insurance requirements will be deemed acceptance of any future change orders for insurance charges.
- Awarded projects may be subject to labor rate increases under State Department of Labor Prevailing Wage regulations if work is performed 180 days past the project bid date of record.
- The project price is based on the project being done on a contiguous time frame. If the project is broken up into multiple phases additional time maybe required and it may result in a time and material change order.
- Proposal price does not include a Project Bond. Bonding is available at an additional cost. Bonding price varies depending on contract amount and scope. Failure to disclose any Bonding requirements will be deemed acceptance of any future change orders for bonding.
- All work to be performed during Absco Solutions normal working hours of 7:00 AM - 5:00 PM, Monday through Friday (excluding holidays). Any labor required outside of these hours will be billed as a separate change order.

- 110-120VAC @ 10A minimum unswitched circuit power is not included in this proposal and will be required to plug in NVR's and any wireless enclosures on poles.
- Surge and lightning protection to be provided by others.

Price

This proposal may be withdrawn by Absco Solutions, Inc. if not accepted within 30 days.

We propose to provide the above listed Scope of Work for the sum of:

\$440,288.00

Tax is extra

Warranty

The warranty on the listed equipment and labor shall be void if a person or firm other than Absco Solutions or a contractor authorized by Absco Solutions performs any work identified within the original scope of work of this contract.

All equipment provided by Absco Solutions has a warranty of one year from the date of invoice. THIS WARRANTY EXCLUDES ALL COVERAGE FOR CONSEQUENTIAL DAMAGES AND IS GIVEN IN LIEU OF ALL OTHER EXPRESS WARRANTIES OR IMPLIED WARRANTIES OF FITNESS, HABITABILITY, OR MERCHANTABILITY OR OTHERWISE PROVIDED UNDER THE LAWS OF WASHINGTON.

Equipment Schedule

Main Site NVR

Install and Commission equipment as indicated per the attached Equipment Group Sections.

Main Site NVR Supports: (47 total per this proposal) Subsequent proposals if accepted will increase this to 67.

-Main Campus (47) Cameras

This NVR Calculation includes future known scope to accommodate the following proposed on subsequent proposals:

-Admin Offices Lobby Remodel (17) Cameras - INTERIOR (Note Separate Proposal SOW not covered here; included for NVR calc.)

-Fence and Gates (03) Cameras - EXTERIOR (Note Separate Proposal SOW not covered here; included for NVR calc.)

Qty	Model Number	Manufacturer	Description
1	NVR5-PRM-160TB-S19-NA	Avigilon	NVR5-PRM-160TB-S19-NA
47	ACC7-ENT	Avigilon	ACC 7 Enterprise Edition camera license

Main Campus Yard Pole C3 (01) Camera - EXTERIOR

Qty	Model Number	Manufacturer	Description
1	Yard Pole - 360° MultiSensor		(Cabled) -----
1	CSD16126	Hoffman Construction	Enclosure 16 x 12 x 6
1	CP1612	Hoffman Construction	panel
1	CPMK16	Hoffman Construction	pole mounting kit
1	NDR-240-24	Mean Well	Hardened 24VDC @ 10A PSU
1	32C-H5A-4MH	Avigilon	
1	WLMT-1001	Avigilon	
1	H5AMH-AD-PEND1	Avigilon	
1	H5AMH-DO-COVR1	Avigilon	
1	PLMT-1001	Avigilon	

Main Campus Yard Pole C4 (01) Camera - EXTERIOR

Qty	Model Number	Manufacturer	Description
1	Yard Pole - 360° MultiSensor		(Cabled) -----
1	CSD16126	Hoffman Construction	Enclosure 16 x 12 x 6
1	CP1612	Hoffman Construction	panel
1	CPMK16	Hoffman Construction	pole mounting kit
1	NDR-240-24	Mean Well	Hardened 24VDC @ 10A PSU
1	32C-H5A-4MH	Avigilon	
1	WLMT-1001	Avigilon	
1	H5AMH-AD-PEND1	Avigilon	
1	H5AMH-DO-COVR1	Avigilon	
1	PLMT-1001	Avigilon	

Main Campus Yard Pole C5 (01) Camera - EXTERIOR

Qty	Model Number	Manufacturer	Description
1	Yard Pole - 360° MultiSensor		(Cabled) -----
1	CSD16126	Hoffman Construction	Enclosure 16 x 12 x 6
1	CP1612	Hoffman Construction	panel
1	CPMK16	Hoffman Construction	pole mounting kit
1	NDR-240-24	Mean Well	Hardened 24VDC @ 10A PSU
1	32C-H5A-4MH	Avigilon	
1	WLMT-1001	Avigilon	
1	H5AMH-AD-PEND1	Avigilon	
1	H5AMH-DO-COVR1	Avigilon	
1	PLMT-1001	Avigilon	

Main Campus Yard Pole C6 (01) Camera - EXTERIOR

Qty	Model Number	Manufacturer	Description
1	Yard Pole - 360° MultiSensor		(Cabled) -----
1	CSD16126	Hoffman Construction	Enclosure 16 x 12 x 6
1	CP1612	Hoffman Construction	panel
1	CPMK16	Hoffman Construction	pole mounting kit
1	NDR-240-24	Mean Well	Hardened 24VDC @ 10A PSU
1	32C-H5A-4MH	Avigilon	
1	WLMT-1001	Avigilon	
1	H5AMH-AD-PEND1	Avigilon	
1	H5AMH-DO-COVR1	Avigilon	
1	PLMT-1001	Avigilon	

Auto Shop (03) Camera - EXTERIOR

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Qty	Model Number	Manufacturer	Description
1	5.0C-H6SL-DO1-IR	Avigilon	
1	270° MultiSensor		-----
2	24C-H5A-3MH	Avigilon	
2	H5AMH-AD-PEND1	Avigilon	
2	WLMT-1001	Avigilon	
2	H5AMH-DO-COVR1	Avigilon	
1	CRNMT-1001	Avigilon	

Maintenance Kennewick (02) Camera - EXTERIOR

Qty	Model Number	Manufacturer	Description
1	270° MultiSensor		-----
2	24C-H5A-3MH	Avigilon	
2	H5AMH-AD-PEND1	Avigilon	
2	WLMT-1001	Avigilon	
2	H5AMH-DO-COVR1	Avigilon	
2	CRNMT-1001	Avigilon	

Meter & Transformer Shop (03) Camera - EXTERIOR

Qty	Model Number	Manufacturer	Description
1	270° MultiSensor		-----
1	24C-H5A-3MH	Avigilon	
1	H5AMH-AD-PEND1	Avigilon	
1	WLMT-1001	Avigilon	
1	H5AMH-DO-COVR1	Avigilon	
1	CRNMT-1001	Avigilon	
1	Dual Head Camera		-----
2	10.0C-H5DH-DO1-IR	Avigilon	H5A Dual Head (2x 5MP) Outdoor Camera with built-in IR.

Warehouse (06) Camera - EXTERIOR

Qty	Model Number	Manufacturer	Description
1	5.0C-H6SL-DO1-IR	Avigilon	
1	270° MultiSensor		-----
2	24C-H5A-3MH	Avigilon	
2	H5AMH-AD-PEND1	Avigilon	
2	WLMT-1001	Avigilon	
2	H5AMH-DO-COVR1	Avigilon	
2	CRNMT-1001	Avigilon	
1	Dual Head Camera		-----
3	10.0C-H5DH-DO1-IR	Avigilon	H5A Dual Head (2x 5MP) Outdoor Camera with built-in IR.

Warehouse (05) Camera - INTERIOR

Qty	Model Number	Manufacturer	Description
4	3.0C-H6SL-DO1-IR	Avigilon	
1	10.0C-H5DH-DO1-IR	Avigilon	H5A Dual Head (2x 5MP) Outdoor Camera with built-in IR.

Ops Offices (08) Camera - EXTERIOR

Qty	Model Number	Manufacturer	Description
6	5.0C-H6SL-DO1-IR	Avigilon	
1	Dual Head Camera		-----
2	10.0C-H5DH-DO1-IR	Avigilon	H5A Dual Head (2x 5MP) Outdoor Camera with built-in IR.

Ops Offices (01) Camera - INTERIOR

Qty	Model Number	Manufacturer	Description
1	3.0C-H6SL-D1	Avigilon	

Admin Offices (09) Camera - EXTERIOR

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Qty	Model Number	Manufacturer	Description
6	5.0C-H6SL-DO1-IR	Avigilon	
1	270° MultiSensor		-----
3	24C-H5A-3MH	Avigilon	
3	H5AMH-AD-PEND1	Avigilon	
3	WLMT-1001	Avigilon	
3	H5AMH-DO-COVR1	Avigilon	
3	CRNMT-1001	Avigilon	

Admin Offices (06) Camera - INTERIOR

Qty	Model Number	Manufacturer	Description
5	3.0C-H6SL-D1	Avigilon	
1	10.0C-H5DH-DO1-IR	Avigilon	H5A Dual Head (2x 5MP) Outdoor Camera with built-in IR.

Prosser Site NVR

Prosser NVR Supports: (19 total)

-Prosser (19) Cameras

Qty	Model Number	Manufacturer	Description
1	AINVR-STD-48TB-NA	Avigilon	Artificial Intelligence Network Video Recorder, 24 TB, 2U
19	ACC7-ENT	Avigilon	ACC 7 Enterprise Edition camera license

Prosser (07) Camera - EXTERIOR

Qty	Model Number	Manufacturer	Description
1	3.0C-H6SL-DO1-IR	Avigilon	
1	5.0C-H6SL-DO1-IR	Avigilon	
1	10.0C-H5DH-DO1-IR	Avigilon	H5A Dual Head (2x 5MP) Outdoor Camera with built-in IR.
1	270° MultiSensor		-----
4	24C-H5A-3MH	Avigilon	

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Qty	Model Number	Manufacturer	Description
4	H5AMH-AD-PEND1	Avigilon	
4	WLMT-1001	Avigilon	
4	H5AMH-DO-COVR1	Avigilon	
4	CRNMT-1001	Avigilon	

Prosser (10) Camera - INTERIOR

Qty	Model Number	Manufacturer	Description
6	3.0C-H6SL-D1	Avigilon	
3	10.0C-H5DH-DO1-IR	Avigilon	H5A Dual Head (2x 5MP) Outdoor Camera with built-in IR.
1	12.0W-H5A-FE-DO1	Avigilon	12.0 MP; Fisheye Dome Camera; Day/Night; WDR; 1.6mm f/2.0; Next-Generation Analytics

Prosser Yard Pole C72 (01) Camera - EXTERIOR

Qty	Model Number	Manufacturer	Description
1	Yard Pole - 360° MultiSensor		(Cabled) -----
1	CSD16126	Hoffman Construction	Enclosure 16 x 12 x 6
1	CP1612	Hoffman Construction	panel
1	CPMK16	Hoffman Construction	pole mounting kit
1	NDR-240-24	Mean Well	Hardened 24VDC @ 10A PSU
1	32C-H5A-4MH	Avigilon	
1	WLMT-1001	Avigilon	
1	H5AMH-AD-PEND1	Avigilon	
1	H5AMH-DO-COVR1	Avigilon	
1	PLMT-1001	Avigilon	

Prosser Yard Pole C73 (01) Camera - EXTERIOR

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Qty	Model Number	Manufacturer	Description
1	Yard Pole - 360° MultiSensor		(Cabled) -----
1	CSD16126	Hoffman Construction	Enclosure 16 x 12 x 6
1	CP1612	Hoffman Construction	panel
1	CPMK16	Hoffman Construction	pole mounting kit
1	NDR-240-24	Mean Well	Hardened 24VDC @ 10A PSU
1	32C-H5A-4MH	Avigilon	
1	WLMT-1001	Avigilon	
1	H5AMH-AD-PEND1	Avigilon	
1	H5AMH-DO-COVR1	Avigilon	
1	PLMT-1001	Avigilon	

Terms & Conditions

Payment is to be made as follows:

A 1.5% service charge per month will be applied to all past due invoices.

• Absco Solutions is licensed in Idaho, Oregon and Washington. Additional license information is available upon request.

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Washington G.C. #ABSCOAI961J3

• With the potential of unforeseeable delays in equipment delivery due to the current global supply chain disruptions, the installation schedule can not be set or verified until orders are placed and equipment is ultimately received. It is therefore incumbent on the owner or owner's representative to promptly approve the ordering of equipment and potentially approve proposed alternate equipment of equal performance that may be more readily available. Absco Solutions can not take responsibility for liquidated damages caused by unforeseeable equipment delivery delays.

• Proposal price is based on current market pricing. If the manufacturer's equipment price(s) to Absco increases, due to dynamic price increases caused by supply-chain shortages and/or other issues beyond Absco Solutions control, prior to an approved purchase order and confirmation of that order with the manufacturer, Absco will provide a change order for the increased price difference between the quoted equipment price and the new equipment price.

• Progress billing will be submitted monthly for projects to the customer.

• All invoices are Net 30 on approval of credit and are subject to interest charges of 1.5% per month if past due unless prohibited by prime contract conditions.

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- A signed change order for any change in scope must be received by Absco Solutions prior to scheduling that scope of work.

Acceptance

I do hereby authorize the Statement of Work specified in this document. I have read and understand the Inclusions, Exclusions, Limitations, and Warranty listed above. The above prices, specifications, and conditions are satisfactory and are hereby accepted. Payment will be made as stated above.

The undersigned are fully authorized to represent the party they are signing for and do hereby agree on behalf of their respective parties to fully comply with and abide by the terms of this agreement.

Authorized Signature

Printed Name

Title

Date



Absco Solutions
3020 North Sullivan Road, Building S - Suite D
Spokane Valley, WA 99216
Phone 509-321-1190
Fax 425-771-4422
Web: www.abscosolutions.com

Benton PUD
Project Proposal for
Benton PUD - Multiple Location Cameras
Camera Project 2024 - Roadway, Gate 6 Intercom, Pole
Yard Project-Final
Prepared for Jennifer Holbrook
Phone: 509-582-5377

Prepared By:
Chad Smith
February 21, 2024

This document is intended to describe the Scope of Work proposed to Benton PUD by Absco Solutions. The information set forth below is intended to be a framework for discussion around project work efforts and is subject to change. It is anticipated that project requirements will be mutually defined and/or detailed written specifications finalized if the proposed Scope of Work is approved. Project schedules and cost estimates contained herein are based upon information provided to date and are subject to change.

This proposal and supporting information, inclusive of any: attached drawings, diagrams and documents or submittals, provided by Absco Solutions is intended only for the named recipient(s) and contains information that is privileged or exempt from disclosure under applicable law. If you are not the intended recipient(s), you are notified that the dissemination, distribution or copying of this information is strictly prohibited; please notify the sender then delete this information, including any attachments.

This proposal is based on customer provided information and site walk.

Overview of Issues / Needs Assessment

Add cameras at new gates.

Scope of Work / Desired Outcome

Absco Solutions to provide the following scope:

1. Provide and install (4) NEMA rated enclosures to install on customer provided poles to house customer provided switch and power.
2. Provide, terminate, aim and focus (1) multi-sensor 4 lens camera at main site perimeter roadway.
3. Provide, terminate and configure a single video intercom to be installed on customer provided pedestal at gate 6.
4. Provide, terminate and configure and focus, (2) multi-sensor 4 lens cameras at the pole yard.
5. Provide (4) Enterprise licenses on the Main Admin site NVR.

Customer to provide the following:

1. Fiber, fiber converters and hardened POE switch for pole mounted cameras.
2. Pedestal with back box for installing the video intercom.
3. POE connectivity and any associated cabling to the pedestal for the intercom.
4. Network connectivity with sufficient band width for the new devices to the NVR located at the Main Admin Site.

Please see full list of inclusions, exclusions, limitations and terms below.

Inclusions

- Basic camera function and connectivity testing to be performed at time of installation. Absco will adjust the camera field of view once at the time of installation. If additional time or trips are required to perform additional FOV adjustment or changes in configuration, this will be performed on a time and material basis.

- Price includes the physical installation of all cameras provided by Absco Solutions listed in this proposal.
- Estimated shipping costs are included in this proposal or pricing listed.
- Price includes the provision and installation of all of boxes and wire for devices provided by Absco Solutions and listed in this proposal.

Exclusions

- Price does not include the provision or installation of raceway, conduit, boxes, or wire of any kind. Wiring by others must be installed to the final device location. Any cabling splices required to bring the circuit to the device location must be completed by others prior to device termination.
- Customer to provide computers designated for client stations. Client stations will be in working condition, joined to the same domain as the server, include an appropriate and compatible monitor(s), and meet minimum performance criteria as listed by the manufacturer.
- Uninterruptable Power Supplies (UPS) are not included in this proposal.
- Price is based on all required network switches including any required Power Over Ethernet (POE) switches to be existing or provided by others. All network switch locations are to be existing.
- Sales Tax excluded - Any applicable state sales tax is not included in the quoted price
- This proposal excludes all fiber installation and associated media converters.

Limitation

- The price is based on the customer providing network connection and POE + at all poles for pole mounted cameras.
- Absco Solutions will be installing IP Network devices as part of this projects. If unrestricted access is granted to these network devices from the internet or other unsecured networks, there is the potential for these devices to be exploited by bad actors on the unsecured network. It is the customer's responsibility to protect these network devices from unsecured networks through the use of firewalls.
- Network Administrator to supply Absco Solutions with local administrator logon account and password for installation. Logon account and password to be valid for 30 days after the completion of the installation for the purpose of troubleshooting.
- Any additional insurance cost will be billed at cost plus 10%. This includes, but is not limited to, Waivers of Subrogation, Waiver for Transfer of Right of Recovery, Specific Additional Insured, etc. Failure to disclose any additional insurance requirements will be deemed acceptance of any future change orders for insurance charges.
- Proposal price does not include a Project Bond. Bonding is available at an additional cost. Bonding price varies depending on contract amount and scope. Failure to disclose any Bonding requirements will be deemed acceptance of any future change orders for bonding.
- All work to be performed during Absco Solutions normal working hours of 7:00 AM - 5:00 PM, Monday through Friday (excluding holidays). Any labor required outside of these hours will be billed as a separate change order.
- 110-120VAC @ 10A minimum unswitched circuit power is not included in this proposal and will be required to plug in NVR's and any wireless enclosures on poles.
- Surge and lightning protection to be provided by others.
- Awarded projects may be subject to labor rate increases under State Department of Labor Prevailing Wage regulations if work is performed 180 days past the project bid date of record.

- The project price is based on the project being done on a contiguous time frame. If the project is broken up into multiple phases additional time maybe required and it may result in a time and material change order.

Price

This proposal may be withdrawn by Absco Solutions, Inc. if not accepted within 30 days.

We propose to provide the above listed Scope of Work for the sum of:

\$45,893.00

Tax is extra

Warranty

The warranty on the listed equipment and labor shall be void if a person or firm other than Absco Solutions or a contractor authorized by Absco Solutions performs any work identified within the original scope of work of this contract.

All equipment provided by Absco Solutions has a warranty of one year from the date of invoice. THIS WARRANTY EXCLUDES ALL COVERAGE FOR CONSEQUENTIAL DAMAGES AND IS GIVEN IN LIEU OF ALL OTHER EXPRESS WARRANTIES OR IMPLIED WARRANTIES OF FITNESS, HABITABILITY, OR MERCHANTABILITY OR OTHERWISE PROVIDED UNDER THE LAWS OF WASHINGTON.

Equipment Schedule

Main Area, Gate 6 Intercom, Pole Yard (04) Camera - EXTERIOR

Provide and Commission:

- (1) 360° Multisensor along Main Site perimeter roadway
- (1) H4VI Video Intercom at Gate 6
- (2) 360° Multisensor - Pole Yard

(2) New Camera locations added to Pole Yard across Ely St. from the Operations offices.

All cameras to be forwarded and supported by an NVR in a separate proposal.

PoE Network switches provided by others to support cameras quoted.

Qty	Model Number	Manufacturer	Description
1	360° MultiSensor		-----
3	32C-H5A-4MH	Avigilon	
3	H5AMH-AD-PEND1	Avigilon	
3	WLMT-1001	Avigilon	

Qty	Model Number	Manufacturer	Description
3	H5AMH-DO-COVR1	Avigilon	
3	PLMT-1001	Avigilon	
1	GATE 6 Video Intercom		-----
1	3.0C-H4VI-RO1-IR	Avigilon	3.0 MP, H4 Video Intercom
1	H4VI-MT-SURF1	Avigilon	Surface mount adapter for H4 Video Intercom
1	AX-RB1224	Altronix	Relay DPDT 12 or 24VDC
4	ACC7-ENT	Avigilon	ACC 7 Enterprise Edition camera license
1	NEMA Enclosures		Roadway, Gate 6 and Pole Yard
4	CSD16126	Hoffman Construction	Enclosure 16 x 12 x 6
4	CP1612	Hoffman Construction	panel
4	CPMK16	Hoffman Construction	pole mounting kit
3	NDR-240-24	Mean Well	Hardened 24VDC @ 10A PSU

Terms & Conditions

Payment is to be made as follows:

A 1.5% service charge per month will be applied to all past due invoices.

- Progress billing will be submitted monthly for projects to the customer.
- All invoices are Net 30 on approval of credit and are subject to interest charges of 1.5% per month if past due unless prohibited by prime contract conditions.
- A signed change order for any change in scope must be received by Absco Solutions prior to scheduling that scope of work.
- Absco Solutions is licensed in Idaho, Oregon and Washington. Additional license information is available upon request.

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Washington G.C. #ABSCOAI961J3

- Proposal price is based on current market pricing. If the manufacturer's equipment price(s) to Absco increases, due to dynamic price increases caused by supply-chain shortages and/or other issues beyond Absco Solutions control, prior to an approved purchase order and confirmation of that order with the manufacturer, Absco will provide a change order for the increased price difference between the quoted equipment price and the new equipment price.

Absco Solutions

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• With the potential of unforeseeable delays in equipment delivery due to the current global supply chain disruptions, the installation schedule can not be set or verified until orders are placed and equipment is ultimately received. It is therefore incumbent on the owner or owner's representative to promptly approve the ordering of equipment and potentially approve proposed alternate equipment of equal performance that may be more readily available. Absco Solutions can not take responsibility for liquidated damages caused by unforeseeable equipment delivery delays.

Acceptance

I do hereby authorize the Statement of Work specified in this document. I have read and understand the Inclusions, Exclusions, Limitations, and Warranty listed above. The above prices, specifications, and conditions are satisfactory and are hereby accepted. Payment will be made as stated above.

The undersigned are fully authorized to represent the party they are signing for and do hereby agree on behalf of their respective parties to fully comply with and abide by the terms of this agreement.

Authorized Signature

Printed Name

Title

Date



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Spokane Valley, WA 99216
Phone 509-321-1190
Fax 425-771-4422
Web: www.abscosolutions.com

Benton PUD
Project Proposal for
Benton PUD - Lobby Remodel Security
Camera Project 2024 - Lobby Remodel- Feb 2024
Prepared for Jennifer Holbrook
Phone: 509-582-5377

Prepared By:
Chad Smith
February 19, 2024

This document is intended to describe the Scope of Work proposed to Benton PUD by Absco Solutions. The information set forth below is intended to be a framework for discussion around project work efforts and is subject to change. It is anticipated that project requirements will be mutually defined and/or detailed written specifications finalized if the proposed Scope of Work is approved. Project schedules and cost estimates contained herein are based upon information provided to date and are subject to change.

This proposal and supporting information, inclusive of any: attached drawings, diagrams and documents or submittals, provided by Absco Solutions is intended only for the named recipient(s) and contains information that is privileged or exempt from disclosure under applicable law. If you are not the intended recipient(s), you are notified that the dissemination, distribution or copying of this information is strictly prohibited; please notify the sender then delete this information, including any attachments.

This proposal is based on customer provided information and site walk.

Overview of Issues / Needs Assessment

Provide and install 12 cameras in the new Admin Remodel area per Absco provided design.

Scope of Work / Desired Outcome

Absco Solutions to provide the following scope:

1. Provide, mount and terminate, aim and focus: 15 interior and 3 exterior cameras in the admin remodel project per Absco provided drawings.
2. Provide Enterprise level licensing for all cameras in this proposal loaded onto the Main Admin NVR

Customer to provide terminated network cable, NVR from another project is to be existing with network pathway with sufficient through put for the cameras and network switches for all cameras.

Please see full list of inclusions, exclusions, limitations and terms below.

Inclusions

- Basic camera function and connectivity testing to be performed at time of installation. Absco will adjust the camera field of view once at the time of installation. If additional time or trips are required to perform additional FOV adjustment or changes in configuration, this will be performed on a time and material basis.
- Price includes the physical installation of all cameras provided by Absco Solutions listed in this proposal.
- Estimated shipping costs are included in this proposal or pricing listed.

Exclusions

- Uninterruptable Power Supplies (UPS) are not included in this proposal.
- Price is based on all required network switches including any required Power Over Ethernet (POE) switches to be existing or provided by others. All network switch locations are to be existing.
- Sales Tax excluded - Any applicable state sales tax is not included in the quoted price

- Customer to provide computers designated for client stations. Client stations will be in working condition, joined to the same domain as the server, include an appropriate and compatible monitor(s), and meet minimum performance criteria as listed by the manufacturer.
- Price does not include the provision or installation of raceway, conduit, boxes, or wire of any kind. Wiring by others must be installed to the final device location. Any cabling splices required to bring the circuit to the device location must be completed by others prior to device termination.

Limitation

- Awarded projects may be subject to labor rate increases under State Department of Labor Prevailing Wage regulations if work is performed 180 days past the project bid date of record.
- Any additional insurance cost will be billed at cost plus 10%. This includes, but is not limited to, Waivers of Subrogation, Waiver for Transfer of Right of Recovery, Specific Additional Insured, etc. Failure to disclose any additional insurance requirements will be deemed acceptance of any future change orders for insurance charges.
- Proposal price does not include a Project Bond. Bonding is available at an additional cost. Bonding price varies depending on contract amount and scope. Failure to disclose any Bonding requirements will be deemed acceptance of any future change orders for bonding.
- All work to be performed during Absco Solutions normal working hours of 7:00 AM - 5:00 PM, Monday through Friday (excluding holidays). Any labor required outside of these hours will be billed as a separate change order.
- 110-120VAC @ 10A minimum unswitched circuit power is not included in this proposal and will be required to plug in NVR's and any wireless enclosures on poles.
- Surge and lightning protection to be provided by others.
- Absco Solutions will be installing IP Network devices as part of this projects. If unrestricted access is granted to these network devices from the internet or other unsecured networks, there is the potential for these devices to be exploited by bad actors on the unsecured network. It is the customer's responsibility to protect these network devices from unsecured networks through the use of firewalls.
- Network Administrator to supply Absco Solutions with local administrator logon account and password for installation. Logon account and password to be valid for 30 days after the completion of the installation for the purpose of troubleshooting.

Price

This proposal may be withdrawn by Absco Solutions, Inc. if not accepted within 30 days.

We propose to provide the above listed Scope of Work for the sum of:

\$39,950.00

Tax is extra

Warranty

The warranty on the listed equipment and labor shall be void if a person or firm other than Absco Solutions or a contractor authorized by Absco Solutions performs any work identified within the original scope of work of this contract.

All equipment provided by Absco Solutions has a warranty of one year from the date of invoice. THIS WARRANTY EXCLUDES ALL COVERAGE FOR CONSEQUENTIAL DAMAGES AND IS GIVEN IN LIEU OF ALL OTHER EXPRESS WARRANTIES OR IMPLIED WARRANTIES OF FITNESS, HABITABILITY, OR MERCHANTABILITY OR OTHERWISE PROVIDED UNDER THE LAWS OF WASHINGTON.

Equipment Schedule

Admin Offices Lobby Remodel (17) Cameras

Install and Commission equipment as indicated per the attached Equipment Group Sections.

Includes (2) EXTERIOR Kiosks Cameras and (1) Drop Box Camera.

Qty	Model Number	Manufacturer	Description
13	3.0C-H6SL-D1	Avigilon	
1	6.0C-H5A-D1	Avigilon	6.0 MP WDR, LightCatcher, Day/Night, Indoor Dome, 4.9-8mm f/1.8 P-iris lens, Next-Generation Analytics
1	12.0W-H5A-FE-DC1	Avigilon	12.0 MP; Fisheye In-ceiling Camera; Day/Night; WDR; 1.6mm f/2.0; Next-Generation Analytics
1	Kiosk Cameras		-----
2	4.0C-H6A-DO1-IR	Avigilon	
17	ACC7-ENT	Avigilon	ACC 7 Enterprise Edition camera license

Terms & Conditions

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Absco Solutions

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 Phone 509-321-1190 Fax 425-771-4422

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- Proposal price is based on current market pricing. If the manufacturer's equipment price(s) to Absco increases, due to dynamic price increases caused by supply-chain shortages and/or other issues beyond Absco Solutions control, prior to an approved purchase order and confirmation of that order with the manufacturer, Absco will provide a change order for the increased price difference between the quoted equipment price and the new equipment price.
- With the potential of unforeseeable delays in equipment delivery due to the current global supply chain disruptions, the installation schedule can not be set or verified until orders are placed and equipment is ultimately received. It is therefore incumbent on the owner or owner's representative to promptly approve the ordering of equipment and potentially approve proposed alternate equipment of equal performance that may be more readily available. Absco Solutions can not take responsibility for liquidated damages caused by unforeseeable equipment delivery delays.
- Progress billing will be submitted monthly for projects to the customer.
- All invoices are Net 30 on approval of credit and are subject to interest charges of 1.5% per month if past due unless prohibited by prime contract conditions.
- A signed change order for any change in scope must be received by Absco Solutions prior to scheduling that scope of work.

Acceptance

I do hereby authorize the Statement of Work specified in this document. I have read and understand the Inclusions, Exclusions, Limitations, and Warranty listed above. The above prices, specifications, and conditions are satisfactory and are hereby accepted. Payment will be made as stated above.

The undersigned are fully authorized to represent the party they are signing for and do hereby agree on behalf of their respective parties to fully comply with and abide by the terms of this agreement.

Authorized Signature

Printed Name

Title

Date



X	Business Agenda
	Second Reading
	Consent Agenda
	Info Only/Possible Action
X	Info Only

COMMISSION MEETING AGENDA ITEM

Subject:	Review Final Draft of 2023 Annual Financial Report	
Agenda Item No:	7b	
Meeting Date:	March 26, 2024	
Authored by:	Kent Zirker	<i>Staff Preparing Item</i>
Presented by:	Kent Zirker	<i>Staff Presenting Item</i>
Approved by (dept):	Jon Meyer	<i>Director/Manager</i>
Approved for Commission review:	Rick Dunn	<i>General Manager/Asst GM</i>

Motion for Commission Consideration:

None

Background/Summary

As a best practice, District staff provides the final draft of the District’s year-end 2023 financial statements, note disclosures, Management Discussion and Analysis (MD&A), and statistical section to the Commission (audit committee) prior to completion of the annual audit by Moss Adams LLP and publication of the Annual Comprehensive Financial Report (Annual Report).

The management of the District is responsible for preparing financial statements in accordance with generally accepted accounting principles (GAAP) applied on a consistent basis. The note disclosures are an integral part of the financial statements and are intended to ensure that a complete picture is presented to the reader of the financial statements. Required note disclosures are prescribed by GAAP. The note disclosures are included in the scope of the annual audit.

The MD&A is also a required part of the annual report; however, it is referred to as “required supplementary information” and is unaudited; although, reviewed for consistency with the financial statements during the audit. The MD&A provides a high-level narrative explanation of the District’s financial statements from the perspective of top management. It enhances the overall financial disclosures and provides information about the quality of and potential variability of the District’s financial condition, earnings and cash flow, so that readers can ascertain the likelihood that past performance is indicative of future performance.

The statistical section is also unaudited. This section of the annual report is intended to provide information regarding the District’s economic condition, and provides information on financial trends, revenue capacity, debt capacity, and demographic, economic, and operating information.

Audit fieldwork for the annual audit began onsite in December and will conclude in March. At the completion of the audit, an exit conference will be held with the Commission to allow Moss Adams LLP to present the results of the audit. We will then prepare and publish the 2023 Annual Report and submit it to the Government Finance Officers Association (GFOA) *Certificate of Achievement for Excellence in Financial Reporting Program*.

Recommendation

None

Fiscal Impact

A \$460 application fee to participate in the GFOA award program is included in the 2024 Accounting Department budget.



FINANCIAL STATEMENTS

For the year ended December 31, 2023
(Unaudited)

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Management’s Discussion and Analysis

This section provides an overview and analysis of key data presented in the basic financial statements for the years ended December 31, 2023 and 2022, with additional comparative data for 2021. Information within this section should be used in conjunction with the basic financial statements and accompanying notes.

Overview of the Financial Statements

Public Utility District No. 1 of Benton County (District) accounts for its financial activities within a single proprietary fund titled the Electric System. The Electric System is used to account for the purchase, generation, transmission, distribution, and sale of electric energy, as well as the sale of wholesale telecommunication services.

In accordance with requirements set forth by the Governmental Accounting Standards Board (GASB), the District’s financial statements employ the accrual basis of accounting in recognizing increases and decreases in economic resources. Accrual accounting recognizes all revenues and expenses incurred during the year, regardless of when cash is received or paid.

The basic financial statements, presented on a comparative format for the years ended December 31, 2023 and 2022, consist of:

Statement of Net Position: The District presents its Statement of Net Position using the balance sheet format. The Statement of Net Position reflects the assets, liabilities, deferred outflows and inflows of resources, and net position (equity) of the District at year-end. The net position section is separated into three categories: net investment in capital assets, net position - restricted, and net position - unrestricted.

Statement of Revenues, Expenses, and Changes in Net Position: This statement reflects the transactions and events that have increased or decreased the District’s total economic resources during the period. Revenues are presented net of allowances and are summarized by major source. Revenues and expenses are classified as operating or nonoperating based on the nature of the transaction.

Statement of Cash Flows: The Statement of Cash Flows reflects the sources and uses of cash separated into four categories of activities: operating, noncapital financing, capital and related financing, and investing.

The notes to the financial statements, presented at the end of the basic financial statements, are considered an integral part of the District’s presentation of financial position, results of operations, and changes in cash flows.

Condensed Comparative Financial Information

Provided below is a 3-year comparison of key financial information:

Statement of Net Position *(in thousands)*

	2023	2022	Increase (Decrease) 2023-2022	% Change 2023-2022	2021
Assets and Deferred Outflows of Resources					
Current & Noncurrent Assets	\$104,773	\$101,302	\$3,471	3.4%	\$111,558
Utility Plant	175,139	164,305	10,834	6.6%	155,544
Subtotal Assets	279,912	265,607	14,305	5.4%	267,102
Deferred Outflows of Resources	4,027	6,570	(2,543)	-38.7%	4,581
Total Assets and Deferred Outflows of Resources	283,939	272,177	11,762	4.3%	271,683
Liabilities and Deferred Inflows of Resources					
Current Liabilities	19,924	28,603	(8,679)	-30.3%	22,662
Noncurrent Liabilities	87,737	67,871	19,866	29.3%	72,173
Subtotal Liabilities	107,661	96,474	11,187	11.6%	94,835
Deferred Inflows of Resources	2,699	11,456	(8,757)	-76.4%	20,934
Total Liabilities and Deferred Inflows of Resources	110,360	107,930	2,430	2.3%	115,769
Net Position					
Net Investment in Capital Assets	108,390	101,953	6,437	6.3%	89,594
Restricted for Capital Construction	17,344	-	17,344	-	-
Restricted for Debt Service	-	108	(108)	-100.0%	108
Restricted for Net Pension	4,841	4,500	341	7.6%	12,509
Unrestricted	43,004	57,686	(14,682)	-25.5%	53,703
Total Net Position	\$173,579	\$164,247	\$9,332	5.7%	\$155,914

Statement of Revenues, Expenses, and Changes in Net Position *(in thousands)*

	2023	2022	Increase (Decrease) 2023-2022	% Change 2023-2022	2021
Operating Revenues					
Retail Energy Sales	\$139,618	\$140,653	(\$1,035)	-0.7%	\$137,166
Secondary Market Sales	11,320	34,954	(23,634)	-67.6%	33,511
Other	4,704	4,616	88	1.9%	4,157
Nonoperating Revenues					
Interest Income	2,232	172	2,060	1197.7%	443
Other Income	336	530	(194)	-36.6%	417
Total Revenues	158,210	180,925	(22,715)	-12.6%	175,694
Operating Expenses					
Power Supply	97,325	122,309	(24,984)	-20.4%	117,149
Operations, Maintenance and A&G	25,726	24,905	821	3.3%	21,238
Taxes/Depreciation/Amortization	26,389	26,179	210	0.8%	25,267
Nonoperating Expenses					
Interest Expense	2,750	2,827	(77)	-2.7%	2,929
Debt Premium Amortization & (Gain) on Defeased Debt	(134)	(402)	268	-66.7%	(343)
Total Expenses	152,056	175,818	(23,762)	-13.5%	166,240
Income before Contributions	6,154	5,107	1,047	20.5%	9,454
Capital Contributions	3,178	3,226	(48)	-1.5%	2,146
Change in Net Position	9,332	8,333	999	12.0%	11,600
Beginning Net Position	\$164,247	\$155,914	\$8,333	5.3%	\$144,314
Ending Net Position	\$173,579	\$164,247	\$9,332	5.7%	\$155,914

Financial Analysis

During 2023, the District's overall financial position and results of operations ended with a positive net position. The District's net position increased by \$9.3 million (5.7%) compared to an increase of \$8.3 million in 2022. Provided below is a year-over-year analysis of the change in net position by major component of income, with a primary focus on changes between 2023 and 2022.

Operating Revenues

2022 to 2023

Revenues from sales to retail customers (retail energy sales) in 2023 decreased \$1.0 million (-0.7%) from 2022. Revenues from the various customer classes varies from year to year based on the weather primarily during the winter months (November, December, and January) and summer months (June, July, August). Overall, 2023 was similar to 2022. Active service agreements during the period increased by 1.2%. The District had no rate increases in 2023 or 2022.

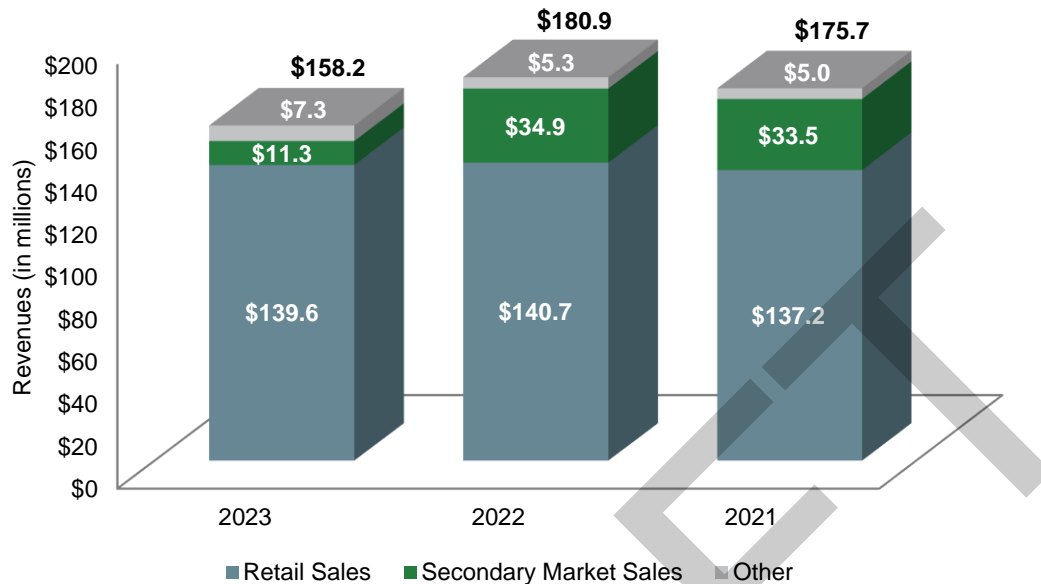
Revenues from secondary market energy and natural gas sales decreased by \$23.6 million (-67.6%), primarily as a result of lower than average water resulting in lower generation received under the District's power contracts and no excess generation from the Fredrickson plant to sell due to the expiration of the purchase power agreement in 2022. In addition, the District changed its Bonneville Power Administration (BPA) contract structure starting in October 2023 that eliminated the receipt of excess generation from BPA to sell in the secondary market.

2021 to 2022

Revenues from sales to retail customers (retail energy sales) in 2022 increased \$3.5 million (2.5%) from 2021. Revenues from residential and general service customers were greater than the prior year primarily due to certain Fall and Winter months (November, December, and January) were colder than 2021. The summer months were about the same although the timing of the summer heat was later in August and September. The later heat reduced revenues and usage by irrigation customers since various crops were beginning to be harvested and water pumps were already turned off. In addition, active service agreements during the period increased by 1.1%. The District had no rate increases in 2022 or 2021.

Revenues from secondary market energy and natural gas sales increased by \$1.4 million (4.3%), primarily as a result of higher market prices on average of about \$8 (12%) from the prior year. Revenues were up even though the volume of secondary market sales decreased about 9.4% from the prior year.

Total Revenues



Operating Expenses

2022 to 2023:

Power supply expense decreased by \$25.0 million (-20.4%), primarily as a result of no longer having costs associated with the Fredrickson power contract and receiving a power credit from BPA. In addition, net power expense (power supply expense less secondary market sales) decreased by \$1.4 million (-1.5%), primarily attributable to the above-mentioned power supply costs and credit, and received less secondary market sales to reduce power supply expense than the prior year. The District uses net power expense as a means to measure overall financial performance related to power supply management.

Total operations, maintenance and administrative and general (A&G) expenses increased by \$0.8 million (3.3%). The increase was primarily due to increased labor costs. The District charges internal labor to operations, maintenance, A&G activities, and capital projects. In 2023, the internal labor required for operations and maintenance activities increased \$687,000 from 2022 and internal labor performed on capital projects increased \$214,000.

Taxes assessed by state and municipal governments decreased by \$174,000 (-1.2%), primarily as a result of decreased retail sales. Depreciation and amortization increased \$385,000 (3.4%) as a result of capital additions.

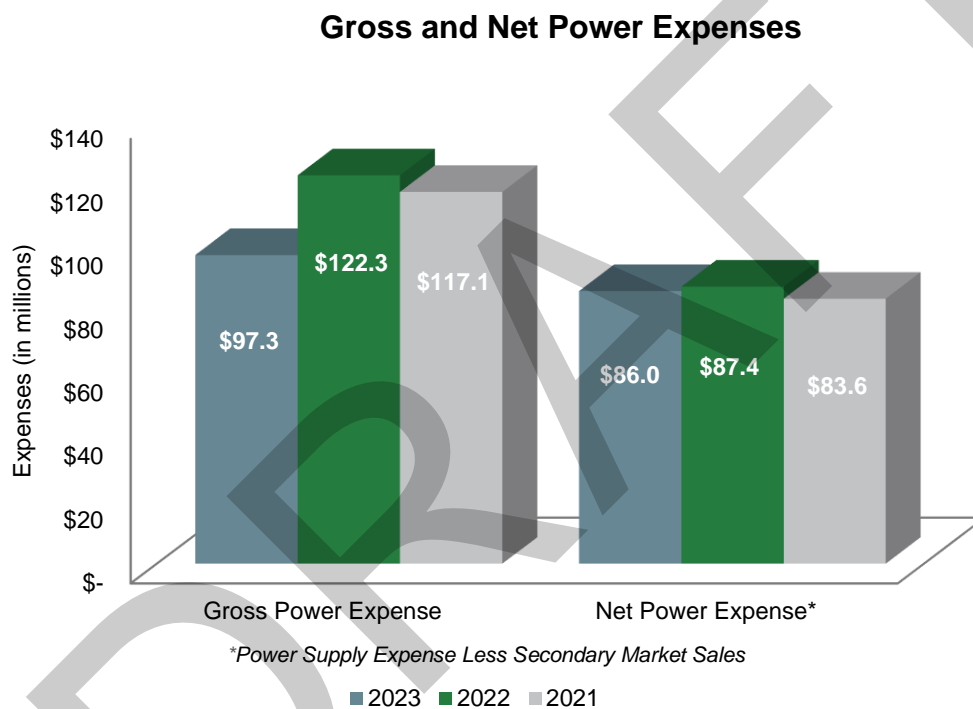
2021 to 2022:

Power supply expense increased by \$5.2 million (4.4%), primarily as a result of higher customer demand and high market prices in December. A cold event started in November and continued beyond year end. December's power expense at \$15.4 million was 75% higher than the prior year. Power purchases to manage daily loads during the period consistently exceeded \$100 per MWh due to elevated market prices. In addition, net power expense (power supply expense less secondary market sales) increased by \$3.7 million (4.4%), primarily attributable to the above-mentioned power supply costs. The District uses

net power expense as a means to measure overall financial performance related to power supply management.

Total operations, maintenance and administrative and general (A&G) expenses increased by \$3.7 million (17.3%). The increase was primarily due to the more than \$2 million change in pension credit from the prior year and increased labor costs. The District charges internal labor to operations, maintenance, A&G activities, and capital projects. In 2022, the internal labor required for operations and maintenance activities increased \$570,000 from 2021 and internal labor performed on capital projects decreased \$218,000.

Taxes assessed by state and municipal governments increased by \$715,000 (5.0%), primarily as a result of increased retail sales. Depreciation and amortization increased \$197,000 (1.8%) as a result of capital additions.



Other Income & Expense

During 2023, interest income increased by \$2.1 million (1197.7%) due to increased market value of investments and greater interest returns. During 2022, interest income decreased by \$271,000 (61.2%) due to declining market value of investments during a time of rising interest rates.

There were no significant restrictions, commitments, or other limitations that would affect the availability of resources for future use in 2023, 2022, and 2021.

Capital Contributions

During 2023, capital contributions decreased by \$48,000 (-1.5%), primarily due to timing of projects being completed and closed out during the year. During 2022, capital contributions increased by \$1.1 million (50.3%), primarily due to larger cost projects being completed and closed out during the year.

Summary of Financial Position

The overall financial position of the District increased \$9.3 million (5.7%) primarily due to steady retail revenues, lower power costs, and a pension expense credit of \$1.9 million. The District continues to monitor revenues and expenditures and evaluates its need for rate changes. In October 2023, the District added a residential demand charge while lowering the residential kwh rate so the change would be revenue neutral to the District. The District's last rate increase was an average rate increase of 2.9% effective October 1, 2019.

District financial policies require that financial plans be developed to maintain minimum end-of-year cash and investment balances contained within unrestricted accounts sufficient to provide funding for a specified amount of operating expenses, power supply expenses, catastrophic loss, debt service, and capital improvements. The District's unrestricted cash and investment balances totaled \$48.8 million, \$53.7 million, and \$59.7 million at December 31, 2023, 2022, and 2021, respectively. Actual balances exceeded the minimum required level per District financial policies for each year.

In accordance with District financial policies and covenants established within the District's bond resolutions, the District is required to maintain and collect rates and charges sufficient to provide net revenues (defined as change in net position less depreciation, amortization, and interest expense) in each fiscal year in an amount at least equal to 1.25 times the annual debt service. For the years ended 2023, 2022, and 2021, the District was in compliance with such policies and covenants.

Capital Asset and Long-Term Debt Activity

During 2023, gross capital additions totaled \$22.6 million. Capital contributions associated with these additions totaled \$3.2 million. Major capital additions included equipment upgrades at multiple substations, installation of new electric facilities and improvements to existing distribution infrastructure, transformer purchases, and beginning a large transmission reliability project. Other capital additions included additions to broadband infrastructure and a 1.2% growth in customers served by the District. Construction work-in-progress totaled \$11.1 million at year-end, a net increase of \$3.6 million (47.4%) from 2022.

During 2022, gross capital additions totaled \$20.3 million. Capital contributions associated with these additions totaled \$3.2 million. Major capital additions included installation of new electric facilities and improvements to existing distribution infrastructure. Other capital additions included upgrades to communications equipment, additions to broadband infrastructure, and a 1.1% growth in customers served by the District, as well as internal capital expenditures to meet District needs. Construction work-in-progress totaled \$7.5 million at year-end, a net increase of \$1.6 million (27.1%) from 2021.

In December 2023, the District issued \$23,025,000 of Electric Revenue Bonds. The bond proceeds are used to fund capital improvements of the District's electric utility system, see Note 5.

In 2023, the District received ratings from the three rating agencies; Fitch Ratings at AA-, Standard & Poor's at A+, and Moody's at Aa3.

Debt service payments, net of Build America Bonds subsidy, totaled \$5.8 million in 2023, \$6.0 million in 2022, and \$5.6 million in 2021.

Additional information about the District's capital assets and long-term debt is presented in Notes 2 and 5, respectively.

DRAFT

STATEMENT OF NET POSITION

As of December 31, 2023 and 2022

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	2023	2022
ASSETS		
CURRENT ASSETS		
Unrestricted Cash & Cash Equivalents	\$25,942,936	\$20,004,367
Restricted Construction Account	17,343,291	-
Investments (Note 3)	22,965,260	33,718,675
Accounts Receivable, Net	11,210,975	11,894,655
BPA Prepay Receivable (Note 8)	660,000	600,000
Accrued Interest Receivable	134,680	136,279
Wholesale Power Receivable	251,506	344,236
Accrued Unbilled Revenues	4,185,000	5,357,000
Inventory - Materials & Supplies	10,666,334	11,707,547
Prepaid Expenses	358,114	254,111
Total Current Assets	93,718,096	84,016,870
NONCURRENT ASSETS		
Restricted Bond Reserve Fund	-	108,200
BPA Prepay Receivable (Note 8)	2,707,587	2,850,000
Other Receivables (Notes 1 & 10)	1,056,023	127,922
Net Pension Asset (Note 6)	4,841,200	4,500,272
Other Charges (Note 4)	2,450,224	9,699,080
<i>Subtotal Noncurrent Assets</i>	<u>11,055,034</u>	<u>17,285,474</u>
Utility Plant (Note 2)		
Land and Intangible Plant	4,418,285	4,312,557
Electric Plant in Service	397,316,937	382,623,237
Construction Work in Progress	11,100,312	7,532,242
Less: Accumulated Depreciation	(237,696,168)	(230,163,305)
<i>Net Utility Plant</i>	<u>175,139,366</u>	<u>164,304,731</u>
Total Noncurrent Assets	186,194,400	181,590,205
TOTAL ASSETS	279,912,496	265,607,075
DEFERRED OUTFLOWS OF RESOURCES		
Pension Deferred Outflow (Note 6)	4,026,607	4,525,935
Accumulated Decrease in Fair Value of Hedging Derivatives	-	2,044,187
Total Deferred Outflows of Resources	4,026,607	6,570,122
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$283,939,103	\$272,177,197
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION		
LIABILITIES		
CURRENT LIABILITIES		
Accounts Payable	\$8,445,784	\$16,223,977
Customer Deposits	2,150,537	2,279,766
Accrued Taxes Payable	3,932,231	4,098,248
Other Accrued Liabilities	1,671,089	2,421,056
Accrued Interest Payable	459,299	449,949
Revenue Bonds, Current Portion (Note 5)	3,265,000	3,130,000
Total Current Liabilities	19,923,940	28,602,996
NONCURRENT LIABILITIES		
Revenue Bonds (Note 5)	80,805,930	59,197,160
Net Pension Liability (Note 6)	2,089,978	2,589,963
BPA Prepay Incentive Credit	765,997	927,253
Other Credits & Liabilities (Note 4)	4,074,819	5,156,705
Total Noncurrent Liabilities	87,736,724	67,871,081
TOTAL LIABILITIES	107,660,664	96,474,077
DEFERRED INFLOWS OF RESOURCES		
Unamortized Gain on Defeased Debt	21,428	24,659
Pension Deferred Inflow (Note 6)	2,678,171	4,715,564
Accumulated Increase in Fair Value of Hedging Derivatives	-	6,715,620
Total Deferred Inflows of Resources	2,699,599	11,455,843
NET POSITION		
Net Investment in Capital Assets	108,390,299	101,952,912
Restricted for Capital Construction	17,343,291	-
Restricted for Debt Service	-	108,200
Restricted for Net Pension	4,841,200	4,500,272
Unrestricted	43,004,050	57,685,893
Total Net Position	173,578,840	164,247,277
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	\$283,939,103	\$272,177,197

The accompanying notes are an integral part of the financial statements.

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

For the years ended December 31, 2023 and 2022

	2023	2022
OPERATING REVENUES		
Retail Energy Sales	\$139,617,559	\$140,653,312
Secondary Market Sales	10,093,943	33,353,756
Transmission of Power for Others	1,225,919	1,600,411
Broadband Revenue	2,819,468	2,922,004
Other Revenue	1,885,188	1,693,674
<i>Total Operating Revenues</i>	155,642,077	180,223,157
OPERATING EXPENSES		
Power Supply (Includes Prepaid Power Amortization, See Note 8)	97,325,089	122,309,096
Transmission Operation & Maintenance	65,763	45,372
Distribution Operation & Maintenance	11,872,285	11,435,999
Broadband Expense	1,218,830	1,289,313
Customer Accounting, Collection & Information	4,304,081	4,442,149
Administrative & General Expense	8,264,674	7,692,669
Taxes	14,829,445	15,003,476
Depreciation	11,560,127	11,175,469
<i>Total Operating Expenses</i>	149,440,294	173,393,543
OPERATING INCOME	6,201,783	6,829,614
NONOPERATING REVENUES & EXPENSES		
Interest Income	2,231,999	172,523
Other Income	335,928	529,813
Interest Expense	(2,749,490)	(2,827,041)
Debt Premium Amortization & Gain on Defeased Debt	133,808	402,824
<i>Total Nonoperating Revenues & Expenses</i>	(47,755)	(1,721,881)
INCOME BEFORE CAPITAL CONTRIBUTIONS	6,154,028	5,107,733
CAPITAL CONTRIBUTIONS	3,177,535	3,225,724
CHANGE IN NET POSITION	9,331,563	8,333,457
TOTAL NET POSITION, BEGINNING OF YEAR	164,247,277	155,913,820
TOTAL NET POSITION, END OF YEAR	\$173,578,840	\$164,247,277

The accompanying notes are an integral part of the financial statements.

STATEMENT OF CASH FLOWS

For the years ended December 31, 2023 and 2022

	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Customers and Counterparties	\$157,713,692	\$177,085,693
Cash Paid to Suppliers and Counterparties	(114,861,092)	(129,030,456)
Cash Paid to Employees for Services	(17,252,999)	(16,663,588)
Taxes Paid	(14,995,462)	(14,612,888)
<i>Net Cash Provided by Operating Activities</i>	10,604,139	16,778,761
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Other Interest Expense	(40,444)	(40,556)
<i>Net Cash Used by Noncapital Financing Activities</i>	(40,444)	(40,556)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of Capital Assets	(22,954,205)	(20,486,228)
Proceeds from Sale of Revenue Bonds	25,004,346	-
Bond Principal Paid	(3,130,000)	(3,195,000)
Bond Interest Paid	(2,538,287)	(2,449,207)
Contributions in Aid of Construction	3,177,535	3,225,724
Proceeds from the Sale of Capital Assets	63,563	125,827
<i>Net Cash Used by Capital and Related Financing Activities</i>	(377,048)	(22,778,884)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Income	1,603,343	669,074
Proceeds from Sale of Investments	11,383,670	11,979,666
Purchase of Investments	-	(46,331,171)
<i>Net Cash Provided by Investing Activities</i>	12,987,013	(33,682,431)
NET (DECREASE) IN CASH	23,173,660	(39,723,110)
CASH & CASH EQUIVALENTS BALANCE, BEGINNING OF YEAR	20,112,567	59,835,677
CASH & CASH EQUIVALENTS BALANCE, END OF YEAR	\$43,286,227	\$20,112,567
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income	\$6,201,783	\$6,829,614
Adjustments to reconcile net operating income to net cash provided by operating activities:		
Depreciation	11,560,127	11,175,469
BPA Prepaid & Power Contracts Amortization	660,813	1,178,400
(Increase) Decrease in Unbilled Revenues	1,172,000	318,000
Miscellaneous Other Revenue & Receipts	15,640	180,801
Adjustment (Decrease) to Pension Expense - non cash portion	(1,883,098)	(1,647,466)
Decrease (Increase) in Accounts Receivable	842,560	(3,518,144)
Decrease (Increase) in Inventories	1,041,213	(5,192,072)
Decrease (Increase) in Wholesale Power Receivable	92,730	2,379,014
Decrease (Increase) in Miscellaneous Assets	(973,265)	47,073
Decrease (Increase) in Prepaid Expense	(104,003)	43,260
Increase (Decrease) in Accounts Payable	(7,778,193)	4,516,529
Increase (Decrease) in Accrued Taxes Payable	(166,017)	390,588
Increase (Decrease) in Customer Deposits	(129,229)	549,899
Increase (Decrease) in BPA Prepay Incentive Credit	(161,256)	(161,256)
Increase (Decrease) in Other Current Liabilities	(749,967)	217,075
Increase (Decrease) in Other Credits	962,301	(528,023)
Net Cash Provided by Operating Activities	\$10,604,139	\$16,778,761

NONCASH OPERATING, INVESTING, CAPITAL, AND FINANCING ACTIVITIES

The District investments had an unrealized gain of \$630,255 in 2023 and an unrealized loss of \$632,830 in 2022.

Bond Interest Paid does not include subsidy payments on 2010 Revenue Build America Bonds made directly by the U.S. Treasury to the Fiscal Paying Agent of \$349,013 in 2022 and \$320,288 in 2023 of which \$164,724 had not been received as of year end (see Note 5).

The net effect of accumulated increases and decreases in the fair value of hedging derivatives had no effect on cash flows for 2023 and 2022. As of December 31, 2023, the District had no hedging derivatives. In 2022, for accumulated decreases in fair value, the District recorded an offsetting liability of \$2,044,187. In 2022, for accumulated increases in fair value, the District recorded an offsetting asset of \$6,715,620.

The deferred inflows and outflows relating to GASB 68 had no effect on cash flows for 2023 and 2022. The pension deferred outflow was \$4,026,607, and \$4,525,935 as of December 31, 2023 and 2022, respectively. The pension deferred inflow was \$2,678,171, and \$4,715,564 as of December 31, 2023 and 2022, respectively.

The accompanying notes are an integral part of the financial statements.

NOTES TO FINANCIAL STATEMENTS - DECEMBER 31, 2023 & 2022

Note 1 - Summary of Operations and Significant Accounting Policies

Public Utility District No. 1 of Benton County, Washington (the “District”) is a municipal corporation of the state of Washington established in 1934 for the purpose of engaging in the purchase, generation, transmission, distribution, and sale of electric energy. Additionally, the District is authorized under state law to provide wholesale telecommunication services.

The District serves Benton County exclusive of most of the City of Richland, the U.S. Department of Energy’s operations on the Hanford Reservation, the City of West Richland and those rural areas of the county that are served by the Benton Rural Electric Association. Cities in the District’s service area include Kennewick, population 86,470, Prosser, population 6,445, and Benton City, population 3,810. The District maintains its administrative offices in the City of Kennewick. The District is governed by an elected three-member board.

The District’s service area comprises approximately 939 square miles of Benton County. The District’s properties include 39 substations, approximately 99 miles of 115kV transmission lines, 1,738 miles of distribution lines, and other buildings, equipment, stores, and related facilities.

As required by generally accepted accounting principles (GAAP), management has considered all potential component units in defining the reporting entity and has no component units. The following is a summary of the more significant policies:

a) Basis of Accounting and Presentation: The accounting policies of the District conform to GAAP applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. In 2023, the District adopted GASB statements No. 94 *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* and No. 96 *Subscription-Based Information Technology Arrangements*. Neither pronouncement had an impact on the District’s accounting and financial statements; although, disclosure was added for pronouncement No. 94 in Note 10. The District continues to adopt GASB statement No. 99 *Omnibus 2022* sections when applicable through 2024. In 2022, the District adopted GASB statements No. 87 *Leases*, although it had no impact on the District’s accounting and reporting requirements, and No. 99 *Omnibus 2022*, sections of the statement are adopted when applicable.

Accounting records are maintained in accordance with methods prescribed by the Washington State Auditor’s Office under the authority of Revised Code of Washington (RCW) 43.09 and the Uniform System of Accounts prescribed for public utilities and licensees by the Federal Energy Regulatory Commission (FERC). The financial statements are reported using the economic resources measurement focus and the

accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when liability is incurred regardless of the timing of the related cash flows. Revenues and expenses related to the District's principal operations are considered to be operating revenues and expenses; while revenues and expenses related to capital, financing, and investing activities are considered to be nonoperating revenues and expenses.

b) Cash and Cash Equivalents: For purposes of the Statement of Cash Flows, the District considers all short-term highly liquid investments with a maturity of three-months or less when purchased to be cash equivalents.

c) Investments: It is the District's policy to record investments at fair value based on quoted market rates, with changes in unrealized gains and losses reported as interest income. For various risks related to the investments, see Note 3.

d) Accounts Receivable: Receivables are considered past due after 20 days and are written off 210 days after the respective billing dates. The percentage-of-sales allowance method is used to estimate uncollectible accounts. The reserve is then reviewed for adequacy against an aging schedule of accounts receivable. Accounts deemed uncollectible are transferred to the provision for uncollectible accounts on a monthly basis. The reserve for uncollectible accounts totaled \$662,529 and \$627,628 at December 31, 2023 and 2022, respectively.

e) Other Receivables: The balance includes a loan payment agreement entered into with NoaNet in 2023 totaling \$1,000,000. See Note 10 for additional details.

f) Restricted Assets: In accordance with bond resolutions, related agreements, and laws, separate restricted accounts have been established. These assets are restricted for specific uses including bond reserve and capital additions and are classified as current or noncurrent assets, as appropriate. When both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first, then unrestricted resources as needed. In the restricted net position amount, the unspent bond proceeds and the portion of debt attributable to those proceeds were included in the calculation.

g) Inventories: Inventories are valued at average cost.

h) Utility Plant and Depreciation: Utility plant is recorded at original cost, which includes both direct costs of construction or acquisition and indirect costs. The District's capitalization threshold is \$5,000 for non-infrastructure capital. All costs related to infrastructure are capitalized. The cost of maintenance and repairs is charged to expense as incurred, while the cost of replacements and improvements is capitalized.

Property, plant, and equipment are depreciated using the straight-line method over these estimated useful lives:

Buildings and Improvements	7 - 40 years
Generation Plant	20 years
Electric Plant - Transmission	25 – 40 years
Electric Plant - Distribution	7 – 40 years
Electric Plant/Equipment - Broadband	4 – 30 years
Transportation Equipment	17 years
General Plant & Equipment	4 – 30 years

Initial depreciation on utility plant is recorded in the month subsequent to purchase or completion of construction. Composite rates are used for asset groups and, accordingly, no gain or loss is recorded on the disposition of an asset unless it represents a major retirement. The composite depreciation rate was approximately 3.5% in 2023 and 3.0% in 2022. When operating plant assets are retired, their original cost together with removal costs, less salvage, is charged to accumulated depreciation.

Preliminary survey and investigation costs incurred for proposed projects are deferred pending a final decision to develop the project. Costs relating to projects ultimately constructed are reclassified to utility plant. If the project is abandoned, the costs are expensed.

As prescribed by FERC, the book cost of electric plant property retired or otherwise disposed of, less salvage, is charged to accumulated depreciation. As a result of this guidance, the decreases to accumulated depreciation can exceed the decreases to depreciable assets.

i) Derivative Instruments: The District follows GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*. Subject to certain exceptions, GASB Statement No. 53 requires every derivative instrument be recorded on the statement of net position as an asset or liability measured at its fair value, and changes in the derivative instrument's fair value be recognized in earnings unless such derivative instruments meet specific hedge accounting criteria to be determined as effective. Effective hedges qualify for hedge accounting and such changes in fair values are deferred.

It is the District's policy to document and apply as appropriate the normal purchase and normal sales exception under GASB Statement No. 53. The District has reviewed its various contractual arrangements to determine applicability of these standards. Purchases and sales of forward electricity, natural gas, and option contracts that require physical delivery and which are expected to be used or sold by the reporting entity in the normal course of business are generally considered "normal purchases and normal sales." These transactions are excluded under GASB Statement No. 53 and therefore are not required to be recorded at fair value in the financial statements. Certain put and call options and financial swaps for electricity and natural gas are considered to be derivative instruments under GASB Statement No. 53, but do not generally meet the "normal purchases and normal sales" criteria.

As of December 31, 2023, the District had no derivative instruments outstanding. Effective October 1, 2023, the District switched from a slice/block power purchaser to a load following power purchaser of Bonneville Power Administration. With this change, the District no longer needed to hedge future positions due to market and resource uncertainty.

As of December 31, 2022, the District had the following derivative instruments outstanding:

	Changes in Fair Value		Fair Value at December 31, 2022		Notional (MWh/MMBtu)
	Classification	Amount	Classification	Amount	
Cash Flow Hedges:					
Financial Swap Forward	Deferred Inflow	(\$6,715,620)	Derivative Asset	\$6,715,620	99,360
Financial Swap Forward	Deferred Outflow	\$2,044,187	Derivative Liability	(\$2,044,187)	41,665

These derivative instruments were entered into between October 2020 and November 2022 with maturities between January 2023 and September 2023. The District paid or received no cash to enter into these transactions.

The fair values of the commodity swap contracts were based on the futures price curve for the Mid-Columbia Intercontinental Exchange (ICE) index for electricity and the Sumas index for natural gas; additionally, all instruments close at the same index, respectively. The fair value of the options was calculated using the Black-76 options pricing model. The District categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. All of the District’s fair value measurements are classified as Level 2.

Objective & Strategies:

The District enters into derivative energy instruments to hedge its known or expected positions within its approved Risk Management policy. Decisions are made to enter into forward transactions to protect its financial position, specifically to deal with expected long and short positions as determined by projected load and resource balance positions. Generally, several strategies are employed to hedge the District’s resource portfolio, including:

- *Combustion Turbine* - The District purchases gas for future periods to generate electricity when the Frederickson Plant (see Note 8) is economically viable on a marginal basis for that period based on parameters set by the Risk Management Committee. If load projections indicate the District does not require the electricity to serve its customers, an equivalent quantity of power will concurrently be sold or otherwise hedged for the same period.
- *Surplus Purchased Power Resources* - The District hedges projected surpluses in future periods by selling power or by purchasing put options. Surplus power is generally sold forward at a fixed price, either physically or financially, when the probability of surplus is very high; surplus power is hedged through the purchase of physical or financial put options when the projected surplus is less certain, but nevertheless expected to be available under expected scenarios. From time to time, the District

will sell physical power forward in the next calendar month at a price based on the Mid-Columbia ICE index to perfect financial forward sales that settle based on the same index.

- *Deficit Power Resources* - The District hedges projected power resource deficits in future periods by purchasing power or by purchasing power call options (or if the Frederickson Plant is economically viable for the period, by buying gas). Power is generally purchased to cover projected deficits at a fixed price, either physically or financially, when the probability of the deficit position is very high; such deficit positions are hedged through the purchase of physical or financial call options when the projected deficits are less certain, but nevertheless expected under the approved planning conditions.

Derivative instruments authorized under the Risk Management policy by the District include:

- Physical power and natural gas forward purchases and sales
- Monthly and daily power and gas physical calls and puts
- Power and natural gas fixed for floating swaps
- Currency swaps relating to managing US/Canadian exchange rate risk resulting from transactions denominated in Canadian dollars
- Quarterly and monthly financial power and gas put and call options
- Financial daily power and gas put and call options
- Quarterly and monthly power and natural gas swaptions
- Financial natural gas swing and basis swaps

Risks

Credit Risk - The District has developed a credit policy that establishes guidelines for setting credit limits and monitoring credit exposure on a continuous basis. The policy addresses frequency of counterparty credit evaluations, credit limits per specific counterparty, and counterparty credit concentration limits. A summary of counterparty credit exposure related to derivative instruments is provided in Note 8.

Commodity transactions, both physical and financial, are entered into only with counterparties approved by the District's Risk Management Committee for creditworthiness. The District had 52 counterparties with approved credit limits for electric power and natural gas sales and purchases as of December 31, 2023, and 47 counterparties at December 31, 2022. Counterparty credit limits are based on The Energy Authority's (TEA) (see Note 8) proprietary credit rating system and other factors. Credit ratings for counterparties range from "not-rated" to AAA, with a majority of counterparties rated between BBB- and AAA. Not-rated counterparties either provide additional security or are assigned credit limits of \$25,000 or less.

The District's counterparty credit limits are scaled against TEA credit limits with a maximum credit limit of \$4 million. This mitigates the District's credit exposure by netting and setting off the District's sales with purchases made by other TEA clients. Credit concentration limits based on market conditions and available qualified counterparties are established by the Risk Management Committee.

The District has entered into master enabling agreements with various counterparties, which enable hedging transactions. Such agreements include the Western Systems Power Pool (WSPP) form of agreement for physical power transactions, various forms of enabling agreements for physical gas transactions, and International Swaps and Derivatives Association Agreements (ISDA) for financial transactions. All of the enabling agreements have provisions addressing credit exposure and provide for various remedies to assure financial performance, including the ability to call on additional collateral as conditions warrant, generally as determined by the exposed party. The District also uses netting provisions in the agreements to diffuse a portion of the risk.

Forward transactions under the physical enabling agreements are used to deal with long and short physical positions under the direction of the Risk Management Committee and pursuant to the Risk Management policy. Transactions under the ISDA agreements are used to financially hedge long or short positions so that the District will pay or receive the equivalent of a fixed or known price for energy purchased or sold. The agreements also permit the District to hedge the risk of an underlying physical position by using call options, put options, runoff insurance, and weather insurance.

The aggregate fair value of hedging derivative instruments in asset positions was \$0 and \$6,715,620 at December 31, 2023 and 2022, respectively. There was no collateral held or liabilities included in the netting arrangements.

Although the District executes hedging derivative instruments with various counterparties, the District had no credit risk as of December 31, 2023. As of December 31, 2022, four counterparties comprised 100% of the net exposure to credit risk. Credit ratings are from S&P and Moody's (presented as S&P/Moody's). These counterparties are rated BBB+/A3 (8 contracts comprising 46% of net exposure), NR/Baa3 (18 contracts comprising 25% of net exposure), A+/A2 (12 contracts comprising 22% of net exposure), and AA+/A1 (6 contracts comprising 7% of net exposure).

Basis Risk - The District proactively works to eliminate or minimize basis risk on energy transactions by entering into derivative instruments that settle pursuant to an index derived from market transactions at the point physical delivery is expected to take place. There are no derivative instruments outstanding that carry basis risk as of December 31, 2023 or 2022. As applicable, all power related transactions are to be settled on the relevant Mid-Columbia index, and all gas transactions are to be settled on the relevant Sumas/Huntingdon index or be converted to the Sumas/Huntingdon index within six months of delivery. The District has ready access to electric transmission and natural gas transportation capacity at those respective trading points.

Termination Risk - As of December 31, 2023 and 2022, no termination events have occurred, and there are no outstanding transactions with material risk. None of the outstanding transactions have early termination provisions except in the event of default by either counterparty. Events of default are generally related to (i) failure to make payments when due, (ii) failure to provide and maintain suitable credit assurances as required, (iii) bankruptcy or other evidence of insolvency, or (iv) failure to perform

under any material provision of the agreement. Failure to provide or receive energy or natural gas under physical commodity transactions generally does not fall under the events of default provisions, unless the nonperforming party fails to pay the resulting liquidated damages when due.

There is no rollover, interest rate, or market access risk for these derivative instrument products at December 31, 2023 or 2022.

j) Debt Premium Amortization and Gain on Defeased Debt: Original issue and reacquired bond premiums relating to revenue bonds are amortized over the terms of the respective bond issues using the bonds outstanding method. Premiums are reported with revenue bonds on the Statement of Net Position. In accordance with GASB Statement No. 23, *Accounting and Financial Reporting for Refundings of Debt Reported by Proprietary Activities*, gains and losses on debt refundings have been deferred and amortized over the shorter of the remaining life of the old or new debt. Gains and losses are reported as deferred inflows and deferred outflows of resources on the Statement of Net Position, respectively. Effective with GASB 65, bond issuance costs are expensed in the period incurred.

k) Revenue Recognition: Revenues from retail sales of electricity are recognized when earned and reported net of bad debt expense of \$240,500 and \$0 at December 31, 2023 and 2022, respectively. Revenues include an estimate for energy delivered to customers between the last billing date and the end of the year. This amount is reflected in the accompanying financial statements as Accrued Unbilled Revenue in the amount of \$4.2 million and \$5.4 million at December 31, 2023 and 2022, respectively.

l) Capital Contributions: Capital contributions for the District consist mainly of line extension fees. Line extension fees represent amounts collected to recover the costs of installing new lines. Capital contributions are recorded as deferred revenues when received and reclassified to revenue when the related project is completed. Deferred revenues are reported as Other Credits & Liabilities on the Statement of Net Position, see Note 4.

m) Leases: Leases are recognized in accordance with GASB Statement No. 87, *Leases*. A lease is defined as a contract that conveys control of the right to use another entity's nonfinancial asset as specified in the contract for a period of time in an exchange or exchange-like transaction.

If the District is a lessee, it should recognize a lease liability and an intangible right-to-use lease asset at the beginning of the lease term. A lease liability should be recognized at the present value of future lease payments less any lease incentives. The liability is adjusted over time as payments are made. The right-to-use asset is initially recognized at the amount of the lease liability plus prepayments less any lease incentives received prior to the lease beginning and is subsequently amortized over the life of the lease.

If the District is a lessor, it should recognize a lease receivable and a deferred inflow of resources. A lease receivable is recorded at the present value of lease payments expected to be received during the lease term, reduced by any provision for estimated uncollectible amounts. The deferred inflow of resources is

recognized as the amount of the initial lease receivable and lease payments received prior to the lease term beginning less any lease incentives. The deferred inflows of resources should be recognized as revenue in a systematic and rational manner over the term of the lease.

Each year the District evaluates its leases and determines its reporting requirements. The District's leases are not material to the financial statements and therefore are reported within the balances on the statements. For 2023 and 2022, lease payments were expensed in the period they became due and lease revenue was recorded in the period earned.

n) Subscription-based Information Technology Arrangements (SBITAs): SBITAs are recognized in accordance with GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. A SBITA is a contract that conveys control of the right to use another party's information technology (IT) software, alone or in combination with tangible capital assets as specified in the contract for a period of time in an exchange or exchange-like transaction.

When a SBITA is identified, the District should recognize an intangible right-to-use SBITA asset and a corresponding IT subscription liability. The liability is recognized at the beginning of the subscription term, which is when the asset is placed into service. The liability should be initially recorded at the present value of subscription payments expected to be made during the term. Future payments are discounted at the interest rate charged the District or the District's incremental borrowing rate if the interest rate is not readily available. The liability is adjusted over time as payments are made.

The intangible right-to-use asset should be recorded as the sum of the initial IT subscription liability, plus payments prior to the subscription term, and plus capitalizable implementation costs, less any incentives received before the subscription term. The District should recognize amortization of the intangible right-to-use asset as an outflow of resources over the subscription term.

Each year the District evaluates its SBITAs and determines its reporting requirements. The District's SBITAs are not material to the financial statements and therefore are reported within the balances on the statements. For 2023 and 2022, subscription payments were expensed in the period they became due.

o) Pensions: For purposes of measuring the net pension liability, deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the state sponsored Public Employees Retirement System (PERS) and additions to/deductions from those plans' fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value, see Note 6.

For purposes of calculating the restricted net position related to the net pension asset, the District includes the net pension asset only.

p) Compensated Absences: The District consolidated its vacation and sick leave program to a personal leave program May 1, 1993. Accrued unused sick leave balances for active employees as of April 30, 1993, were frozen and converted to a supplemental leave benefit (SLB). The SLB may be used by employees to make up the difference between short-term disability benefit payments and 100% of gross, straight time pay. Additionally, an employee may restore work hours required for short-term disability eligibility one-time per Collective Bargaining Agreement Contract cycle (3 years). At death, the District is obligated to pay 100% of the SLB cash value to the employee's beneficiary. At retirement, the District is obligated to deposit 30% of the SLB cash value into the retiring employee's Voluntary Employee Beneficiary Association Trust account. The liability for unpaid supplemental leave benefits was \$18,007 and \$17,232 at December 31, 2023 and 2022, respectively.

Employees earn personal leave in accordance with length of service. The District accrues the cost of personal leave in the year when earned. Personal leave may accumulate to a maximum of 1,200 hours for employees hired prior to April 1, 2011, and is payable upon separation of service, retirement, or death. For employees hired on or after April 1, 2011, personal leave may accumulate to a maximum of 700 hours.

The liability for unpaid leave, benefits, and related payroll taxes was \$3,286,959 and \$2,974,639 at December 31, 2023 and 2022, respectively. Of the liability for unpaid leave, \$1,524,931 and \$1,891,653 at December 31, 2023 and 2022, respectively, were classified as a current liability and the remainder as a long-term liability, see Note 4.

q) Use of Estimates: The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

q) Significant Risk and Uncertainty: The District is subject to certain business risks that could have a material impact on future operations and financial performance. These risks include prices on the wholesale market for short-term power, interest rates, water conditions, weather and natural disaster-related disruptions, collective bargaining labor disputes, fish and other Endangered Species Act issues, Environmental Protection Agency and other federal government regulations, or orders concerning the operation, maintenance, and/or licensing of facilities, other governmental regulations, and the deregulation of the electrical utility industry.

The District's accounts receivable are concentrated with a diverse group of customers and counterparties who have purchased energy or other products and services. These customers generally do not represent a significant concentration of credit risk. The District mitigates credit risk by requiring large customers to provide an acceptable means of payment assurance and by an ongoing financial review of counterparties and establishment of credit limits based on the results of that review.

r) Bonneville Power Administration Prepay Program: In March 2013, the District participated in BPA's Prepay Program making a lump-sum up-front payment of \$6.8 million. The District will receive \$9.3 million in credits which started in April 2013 and continue until September 2028, see Note 8.

Note 2 - Utility Plant

Utility plant activity for the years ended December 31 was as follows:

Activity for 2023

Electric Plant Assets	Balance		Increase	Decrease	Balance	
	Dec. 31, 2022				Dec. 31, 2023	
Capital Assets Not Being Depreciated:						
Land and Intangible Plant	\$4,312,557	\$105,728	\$	-	\$4,418,285	
Construction Work in Progress	7,532,242	23,291,862		(19,723,792)	11,100,312	
Capital Assets Being Depreciated:						
Transmission	10,504,306	1,257,193		(119,908)	11,641,591	
Generation	1,765,430	-		-	1,765,430	
Distribution	286,719,150	14,689,882		(1,513,391)	299,895,641	
General	83,634,351	2,950,186		(2,570,262)	84,014,275	
Subtotal	382,623,237	18,897,261		(4,203,561)	397,316,937	
Less Accumulated Depreciation for:						
Transmission	(7,439,831)	(279,943)		156,490	(7,563,284)	
Generation	(1,396,777)	(62,632)		-	(1,459,409)	
Distribution	(168,320,076)	(8,418,427)		1,879,571	(174,858,932)	
General	(53,006,621)	(2,978,492)		2,170,570	(53,814,543)	
Total Accumulated Depreciation	(230,163,305)	(11,739,494)		4,206,631	(237,696,168)	
Net Utility Plant	\$164,304,731	\$30,555,357		(\$19,720,722)	\$175,139,366	

Activity for 2022

Electric Plant Assets	Balance		Increase	Decrease	Balance	
	Dec. 31, 2021				Dec. 31, 2022	
Capital Assets Not Being Depreciated:						
Land and Intangible Plant	\$4,289,505	\$23,366		(\$314)	\$4,312,557	
Construction Work in Progress	5,923,968	19,779,645		(18,171,371)	7,532,242	
Capital Assets Being Depreciated:						
Transmission	10,441,165	78,025		(14,884)	10,504,306	
Generation	1,765,430	-		-	1,765,430	
Distribution	273,756,399	16,302,101		(3,339,350)	286,719,150	
General	82,080,831	2,251,617		(698,097)	83,634,351	
Subtotal	368,043,825	18,631,743		(4,052,331)	382,623,237	
Less Accumulated Depreciation for:						
Transmission	(7,193,102)	(267,102)		20,373	(7,439,831)	
Generation	(1,308,498)	(88,279)		-	(1,396,777)	
Distribution	(163,709,423)	(8,148,369)		3,537,716	(168,320,076)	
General	(50,502,292)	(2,990,604)		486,275	(53,006,621)	
Total Accumulated Depreciation	(222,713,315)	(11,494,354)		4,044,364	(230,163,305)	
Net Utility Plant	\$155,543,983	\$26,940,400		(\$18,179,652)	\$164,304,731	

Note 3 - Deposits and Investments

A. Deposits

Cash and Cash Equivalents Deposits – The District moves cash as necessary between accounts, Washington State Treasurer’s Local Government Investment Pool (LGIP) and various bank revolving or holding accounts, to pay its obligations. The District’s deposits are held by public depositories authorized by the Washington Public Deposit Protection Commission (PDPC) and are not subject to custodial credit risk. State law requires public depositories to fully collateralize.

B. Investments

Fair Value – The District measures and reports investments at fair value using the valuation input hierarchy established by generally accepted accounting principles, as follows:

- Level 1 - Quoted prices in active markets for identical assets or liabilities
- Level 2 - These are quoted market prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other than quoted prices that are not observable
- Level 3 - Unobservable inputs for an asset or liability

Investments are valued by Principal Custody Solutions through ICE with secondary sources being Bloomberg, IHS Markit, and QUODD. Methods used include pricing applications and models that integrate credit information, market movements, account spread scales, benchmark quotes, and relevant trade data.

As of December 31, 2023, the District had the following investments measured at fair value:

<u>Investment Type</u>	<u>Amount</u>	<u>Fair Value Measurements Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
United States Treasury Notes	\$9,220,880	\$9,220,880		
Federal Farm Credit Bank	\$5,858,360		\$5,858,360	
Federal Home Loan Bank	\$5,919,960		\$5,919,960	
Federal Home Loan Mortgage Corp	<u>\$1,966,060</u>		<u>\$1,966,060</u>	
Total Investments by Fair Value Level		\$9,220,880	\$13,744,380	
Total Investments Measured at Fair Value	\$22,965,260			

As of December 31, 2022, the District had the following investments measured at fair value:

<u>Investment Type</u>	<u>Amount</u>	<u>Fair Value Measurements Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
United States Treasury Notes	\$12,883,015	\$12,883,015		
Federal Farm Credit Bank	\$7,678,760		\$7,678,760	
Federal Home Loan Bank	\$8,271,100		\$8,271,100	
Federal Home Loan Mortgage Corp	\$4,885,800		\$4,885,800	
Total Investments by Fair Value Level		\$12,883,015	\$20,835,660	
Total Investments Measured at Fair Value	\$33,718,675			

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District’s investment policy conforms with state law, which restricts investments of public funds to debt securities and obligations of the United States (U.S.) Treasury, U.S. Government agencies, and certain other U.S. Government sponsored corporations, certificates of deposit, and other evidences of deposit at financial institutions qualified by the PDPC, bankers’ acceptances, investment-grade general obligation debt of state and local governments and public authorities, and the LGIP.

The District is a voluntary participant in the LGIP. The pool is not rated and not registered with the SEC. Rather, the LGIP is governed by the State Finance Committee and is administered by the State Treasurer. Investments in the LGIP are reported at amortized cost, which is the same as the value of the pool shares. There is no formal withdrawal transaction limit, however, the LGIP requests a one-day notice for transaction sizes of ten million dollars or more. The Office of the State Treasurer prepares a stand-alone financial report for the LGIP. A copy of the report is available online at www.tre.wa.gov. The District has a third-party safekeeping agreement for investments through Principal Custody Solutions.

At December 31, 2023, District investments had the following credit quality distribution for investments with credit exposure:

<u>Investment Type</u>	<u>Ratings</u>		<u>Fair Value</u>
	<u>Moody’s</u>	<u>S&P</u>	
U.S. Treasury Notes	Aaa	AA+	\$ 9,220,880
U.S. Agencies	Aaa	AA+	\$13,744,380
Total Investments by Type			\$22,965,260

At December 31, 2022, District investments had the following credit quality distribution for investments with credit exposure:

<u>Investment Type</u>	<u>Ratings</u>		<u>Fair Value</u>
	<u>Moody's</u>	<u>S&P</u>	
U.S. Treasury Notes	Aaa	AA+	\$12,883,015
U.S. Agencies	Aaa	AA+	\$20,835,660
Total Investments by Type			\$33,718,675

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. It is the District's policy to diversify investments to avoid over concentration and custodial risk as noted in the next section. Investments in U.S. Treasury issues are explicitly guaranteed by the U. S. government and are not subject to credit risk. Investments in U.S. Agencies are subject to this risk.

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributable to the magnitude of an investment in a single issuer. The District's investment policy limits investments at the time of purchase to a percentage of the total investment portfolio in the following manner:

- Direct obligations of the U.S. Government, up to 100%
- Washington State Treasurer's Local Government Investment Pool, up to 100%
- U.S. Government agency debt, up to 30% for any single agency
- Certificate of Deposit, up to 50% from any single bank provided they are PDPC approved.

Interest Rate Risk – Interest rate risk is the risk the District may face should interest rate variances affect the fair value of investments. In accordance with its investment policy, the District manages its exposure to declines in fair values by matching investment maturities to meet anticipated cash flow requirements. The policy limits investment maturities to less than 5-years from the date of the purchase unless the maturities coincide as nearly as practicable with the expected use of the funds.

At December 31, 2023, District investments had the following maturities:

<u>Investment Type</u>	<u>Amount</u>	<u>Investment Maturities (in Years)</u>		
		<u>Less Than 1</u>	<u>1 to 3</u>	<u>More Than 3</u>
U.S. Treasury Notes	\$ 9,220,880	\$5,364,200	\$3,856,680	
U.S. Agencies	\$13,744,380	\$9,834,980	\$3,909,400	
Total Investments by Maturity		\$15,199,180	\$7,766,080	
Total Investments	\$22,965,260			

At December 31, 2022, District investments had the following maturities:

Investment Type	Amount	Investment Maturities (in Years)		
		Less Than 1	1 to 3	More Than 3
U.S. Treasury Notes	\$12,883,015	\$3,961,300	\$8,921,715	
U.S. Agencies	\$20,835,660	\$7,373,420	\$11,551,720	\$1,910,520
Total Investments by Maturity		\$11,334,720	\$20,473,435	\$1,910,520
Total Investments	\$33,718,675			

Note 4 - Other Charges and Other Credits

As of December 31, other charges consisted of the following:

Other Charges	2023	2022
Derivative Asset (Note 1)	\$ -	\$6,715,620
White Creek Wind Project (Note 8)	2,265,868	2,844,268
Preliminary Surveys	184,356	139,192
Total	\$2,450,224	\$9,699,080

During the year ended December 31, 2023, the following changes occurred in other credits:

Other Credits & Other Liabilities	Balance			Balance Dec. 31, 2023
	Dec. 31, 2022	Increase	Decrease	
Unclaimed Property	\$33,722	\$9,238	\$6,862	\$36,098
Bio Fuel Deposit	487,000	-	-	487,000
Derivative Liability (Note 1)	2,044,187	-	2,044,187	-
Deferred Revenue	1,508,809	3,837,653	3,556,769	1,789,693
Personal Leave and Benefits*	1,082,987	2,538,702	1,859,661	1,762,028
Total	\$5,156,705	\$6,385,593	\$7,467,479	\$4,074,819

* In addition to this amount, \$1,524,931 is reported as a current liability for personal leave and related benefits.

During the year ended December 31, 2022, the following changes occurred in other credits:

Other Credits & Other Liabilities	Balance			Balance Dec. 31, 2022
	Dec. 31, 2021	Increase	Decrease	
Unclaimed Property	\$40,782	\$5,878	\$12,938	\$33,722
Bio Fuel Deposit	487,000	-	-	487,000
Derivative Liability (Note 1)	3,138,740	2,044,187	3,138,740	2,044,187
Deferred Revenue	2,003,084	3,433,346	3,927,621	1,508,809
Personal Leave and Benefits*	1,458,566	2,091,701	2,467,280	1,082,987
Total	\$7,128,172	\$7,575,112	\$9,546,579	\$5,156,705

* In addition to this amount, \$1,891,653 is reported as a current liability for personal leave and related benefits.

Note 5 - Long-Term Liabilities

During the year ended December 31, 2023, the following changes occurred in long-term liabilities:

Issue	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
2010 Revenue Build America Bonds, Original issue amount: \$17,345,000	\$15,700,000	\$ -	\$1,710,000	\$13,990,000	\$1,775,000
2016 Revenue and Refunding Bonds, Original issue amount: \$22,470,000	22,470,000	-	790,000	21,680,000	855,000
2020 Revenue and Refunding Bonds, Original issue amount: \$23,495,000	18,830,000	-	630,000	18,200,000	635,000
2023 Revenue Bonds, Original issue amount: \$23,025,000	-	23,025,000	-	23,025,000	-
<i>Subtotal</i>	57,000,000	23,025,000	3,130,000	76,895,000	3,265,000
Plus: Unamortized premium	5,327,160	2,279,108	430,338	7,175,930	-
Total Bonds	\$62,327,160	\$25,304,108	3,560,338	84,070,930	\$3,265,000
BPA Prepay Incentive Credit	927,253	-	161,256	765,997	161,256
Net Pension Liability	2,589,963	-	499,985	2,089,978	-
Personal Leave and Benefits*	2,974,640	2,538,702	2,226,383	3,286,959	1,524,931
Total Long-Term Liabilities	\$68,819,016	\$27,842,810	6,447,962	90,213,864	\$4,951,187

*Personal leave and benefits are reported on the Statement of Net Position within the balances of Other Accrued Liabilities and Other Credits & Liabilities. It is also disclosed in Note 4.

During the year ended December 31, 2022, the following changes occurred in long-term liabilities:

Issue	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
2010 Revenue Build America Bonds, Original issue amount: \$17,345,000	\$17,345,000	\$ -	\$ 1,645,000	\$15,700,000	\$1,710,000
2016 Revenue and Refunding Bonds, Original issue amount: \$22,470,000	22,470,000	-	-	22,470,000	790,000
2020 Revenue and Refunding Bonds, Original issue amount: \$23,495,000	20,380,000	-	1,550,000	18,830,000	630,000
<i>Subtotal</i>	60,195,000	-	3,195,000	57,000,000	3,130,000
Plus: Unamortized premium	5,762,010	-	434,850	5,327,160	-
Total Bonds	\$65,957,010	\$0	3,629,850	62,327,160	\$3,130,000
BPA Prepay Incentive Credit	1,088,509	-	161,256	927,253	161,256
Net Pension Liability	1,193,891	1,396,072	-	2,589,963	-
Personal Leave and Benefits*	3,143,244	2,091,701	2,260,305	2,974,640	1,891,653
Total Long-Term Liabilities	\$71,382,654	\$3,487,773	6,051,411	68,819,016	\$5,182,909

*Personal leave and benefits are reported on the Statement of Net Position within the balances of Other Accrued Liabilities and Other Credits & Liabilities. It is also disclosed in Note 4.

Future debt service requirements on these bonds are as follows:

Year	Principal	Interest	Total
2024	3,265,000	3,555,275	6,820,275
2025	3,415,000	3,563,263	6,978,263
2026	2,930,000	3,402,545	6,332,545
2027	3,095,000	3,239,619	6,334,619
2028	3,280,000	3,054,181	6,334,181
2029-2033	15,525,000	12,535,564	28,060,564
2034-2038	16,575,000	9,072,350	25,647,350
2039-2043	17,410,000	4,966,350	22,376,350
2044-2048	11,400,000	1,493,600	12,893,600
Total	\$76,895,000	\$44,882,747	\$121,777,747

Bond Issuances

In March 2010, the District issued \$17,345,000 of taxable Electric Revenue Build America Bonds. The proceeds were used to fund capital projects. The bonds are payable in annual installments between \$1,645,000 and \$2,250,000 beginning November 1, 2022 and ending November 1, 2030. The bond interest rate varies between 5.86% and 6.546%. The U.S. Treasury subsidizes a portion (32.6% after sequestration) of the interest debt service payments which it pays directly to the Fiscal Paying Agent.

In September 2016, the District issued \$22,470,000 of Electric Revenue and Refunding Bonds, Series 2016. The bond proceeds were used to fund \$15.1 million of improvements and replacements of the District's electric utility system and to refund the 2011 bonds maturing on and after November 1, 2023. The portion of bond proceeds for the refunding was placed in an irrevocable trust for future debt service on the refunded bonds. The 2016 bonds are payable in annual installments between \$790,000 and \$1,560,000 beginning November 1, 2023 and ending November 1, 2041. The bond interest rate varies between 4.0% and 5.0%.

In September 2020, the District issued \$23,495,000 of Electric Revenue and Refunding Bonds, Series 2020A and Series 2020B. The bond proceeds were used to fund \$20 million of improvements and replacements in the District's electric utility system and to refund the remaining 2011 bonds maturing on November 1, 2021 to November 1, 2022. The portion of bond proceeds for the refunding and a cash contribution from the District in lieu of an upcoming debt service payment due November 1, 2020 was placed in an irrevocable trust for future debt service on the refunded bonds. The 2020 bonds are payable in annual installments between \$630,000 and \$3,115,000 beginning November 1, 2021 and ending November 1, 2045. The bond interest rate varies between 0.4% and 5.0%. The bond refunding reduced total debt service payments by \$48,004 and resulted in an economic gain of \$16,300. The primary purpose of refunding the 2011 bonds was to lower ongoing debt service reserve fund requirements. The bond proceeds were fully spent by December 31, 2021.

In December 2023, the District issued \$23,025,000 of taxable Electric Revenue Bonds. The proceeds are being used to fund capital projects. The bonds are payable in annual installments between \$820,000 and \$1,875,000 beginning November 1, 2031 and ending November 1, 2048. The bond interest rate is 5.00% for all years. The capital construction account had a balance of \$17,343,291 at December 31, 2023. All proceeds are expected to be spent within the federal arbitrage 18-month spending exception.

Principal and interest on all bonds are payable solely from and secured by a pledge of all future income (including investment income), revenues, and receipts derived by the District through the ownership and operation of the electric system net of operating expenses. In the event the District is unable to pay any installment, or any portion thereof, the payment of the principal amount of the bonds is not subject to acceleration. The District would be liable only for principal and interest payments as they became due, and the bond owners would be required to seek separate judgment for each payment, if any, not made. Any such action for money damages would be subject to any limitations on legal claims and remedies against public bodies under Washington law. No assets were used as collateral for these bonds.

These issuances are subject to certain bond reserve requirements satisfied by bond insurance and a bond reserve fund. The bond reserve fund requirements as of December 31, 2023 and 2022, were \$0 and \$108,200, respectively.

Line of Credit

In December 2021, the District extended its \$10 million line of credit with Bank of America for a three-year term expiring December 31, 2024. The line of credit was established in support of District financial policies that require additional liquidity be maintained above minimum cash and investment reserve levels for the purpose of meeting unforeseen short-term cash needs. Specifically, the line of credit can be used in support of general District operations or for irrevocable letters of credit as may be required to satisfy collateral posting requirements under contracts and agreements within the ordinary course of business. Under the loan agreement, each letter of credit is limited to \$5 million. Draws on the Note will bear interest based on a pricing grid and formula using the bank's prime rate or rate approved by the bank. This Note is a special obligation of the District payable solely out of a special fund and has a lien on revenues junior to the payment of operating expenses of the electric system and outstanding electric system bonds. No draws on the line of credit have been made and no amounts are outstanding as of December 31, 2023 and 2022.

Note 6 - Pension Plans

The following table represents the aggregate pension amounts for all plans (PERS and deferred compensation) for the years 2023 and 2022:

Aggregate Pension Amounts - All Plans		
	2023	2022
Pension liabilities	\$2,089,978	\$2,589,963
Pension assets	\$4,841,200	\$4,500,272
Deferred outflows of resources	\$4,026,607	\$4,525,935
Deferred inflows of resources	\$2,678,172	\$4,715,564
Pension expense (credit)	(\$209,164)	(\$20,001)

State Sponsored Pension Plans

Substantially all District regular full-time and qualifying part-time employees participate in one of the following statewide retirement systems administered by the Washington State Department of Retirement Systems, under cost-sharing, multiple-employer public employee defined benefit and defined contribution retirement plans. The state Legislature establishes, and amends, laws pertaining to the creation and administration of all public retirement systems.

The Department of Retirement Systems (DRS), a department within the primary government of the State of Washington, issues a publicly available annual comprehensive financial report (ACFR) that includes financial statements and required supplementary information for each plan. The DRS ACFR may be downloaded from the DRS website at www.drs.wa.gov.

Public Employees' Retirement System (PERS)

PERS is composed of and reported as three separate plans for accounting purposes: Plan 1, Plan 2/3 and Plan 3. Plan 1 accounts for the defined benefits of Plan 1 members. Plan 2/3 accounts for the defined benefits of Plan 2 members and the defined benefit portion of benefits for Plan 3 members. Plan 3 accounts for the defined contribution portion of benefits for Plan 3 members. Although employees can be a member of only Plan 2 or Plan 3, the defined benefits of Plan 2 and Plan 3 are accounted for in the same pension trust fund. All assets of Plan 2/3 may legally be used to pay the defined benefits of any Plan 2 or Plan 3 members or beneficiaries.

PERS Plan 1 provides retirement, disability and death benefits. Retirement benefits are determined as 2% of the member's average final compensation (AFC) times the member's years of service. The AFC is the average of the member's 24 highest consecutive service months. Members are eligible for retirement from active status at any age with at least 30 years of service, at age 55 with at least 25 years of service, or at age 60 with at least 5 years of service. PERS Plan 1 retirement benefits are actuarially reduced if a survivor benefit is chosen. Members retiring from active status prior to the age of 65 may also receive actuarially reduced benefits. Other benefits include an optional cost-of-living adjustment (COLA). PERS 1

members were vested after the completion of five years of eligible service. The plan was closed to new entrants on September 30, 1977.

Contributions - The **PERS Plan 1** member contribution rate is established by State statute at 6%. The employer contribution rate is developed by the Office of the State Actuary, adopted by the Pension Funding Council and is subject to change by the legislature. The PERS Plan 1 required contribution rates (expressed as a percentage of covered payroll) for 2023 and 2022 were as follows:

PERS Plan 1		
Actual Contribution Rates	Employer	Employee
January – June 2023		
PERS 1	6.36%	6.00%
PERS 1 UAAL	3.85%	
Administrative Fee	0.18%	
Total	10.39%	6.00%
July – August 2023		
PERS 1	6.36%	6.00%
PERS 1 UAAL	2.85%	
Administrative Fee	0.18%	
Total	9.39%	6.00%
September – December 2023		
PERS 1	6.36%	6.00%
PERS 1 UAAL	2.97%	
Administrative Fee	0.20%	
Total	9.53%	6.00%

PERS Plan 1		
Actual Contribution Rates	Employer	Employee
January – August 2022		
PERS 1	6.36%	6.00%
PERS 1 UAAL	3.71%	
Administrative Fee	0.18%	
Total	10.25%	6.00%
September – December 2022		
PERS 1	6.36%	6.00%
PERS 1 UAAL	3.85%	
Administrative Fee	0.18%	
Total	10.39%	6.00%

PERS Plan 2/3 provides retirement, disability and death benefits. Retirement benefits are determined as 2% of the member’s AFC times the member’s years of service for Plan 2 and 1% of AFC for Plan 3. The AFC is the average of the member’s 60 highest-paid consecutive service months. Members are eligible for retirement with a full benefit at 65 with at least five years of service credit. Retirement before age 65 is

considered an early retirement. PERS Plan 2/3 members who have at least 20 years of service credit and are 55 years of age or older, are eligible for early retirement with a benefit that is reduced by a factor that varies according to age for each year before age 65. PERS Plan 2/3 retirement benefits are actuarially reduced if a survivor benefit is chosen. Other PERS Plan 2/3 benefits include a COLA based on the CPI, capped at 3% annually. PERS 2 members are vested after completing five years of eligible service. Plan 3 members are vested in the defined benefit portion of their plan after ten years of service; or after five years of service if 12 months of that service are earned after age 44.

PERS Plan 3 defined contribution benefits are totally dependent on employee contributions and investment earnings on those contributions. Members are eligible to withdraw their defined contributions upon separation. Members have multiple withdrawal options, including purchase of an annuity. PERS Plan 3 members are immediately vested in the defined contribution portion of their plan.

Contributions - The **PERS Plan 2/3** employer and employee contribution rates are developed by the Office of the State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. The rates are adopted by the Pension Funding Council, and are subject to change by the Legislature. The employer rate includes a component to address the PERS Plan 1 Unfunded Actuarial Accrued Liability (UAAL). As established by Chapter 41.34 RCW, Plan 3 defined contribution rates are set at a minimum of 5% and a maximum of 15%. PERS Plan 3 members choose their contribution rate from six options when joining membership and can change rates only when changing employers. Employers do not contribute to the defined contribution benefits. The PERS Plan 2/3 defined benefit required contribution rates (expressed as a percentage of covered payroll) for 2023 and 2022 were as follows:

PERS Plan 2/3			
Actual Contribution Rates	Employer 2/3	Employee 2	Employee 3
January – June 2023			
PERS 2/3	6.36%	6.36%	Varies
PERS 1 UAAL	3.85%		
Administrative Fee	0.18%		
Total	10.39%	6.36%	
July – August 2023			
PERS 2/3	6.36%	6.36%	Varies
PERS 1 UAAL	2.85%		
Administrative Fee	0.18%		
Total	9.39%	6.36%	
September – December 2023			
PERS 2/3	6.36%	6.36%	Varies
PERS 1 UAAL	2.97%		
Administrative Fee	0.20%		
Total	9.53%	6.36%	

Both the District and its employees made the required contributions during fiscal years 2023 and 2022. The District’s required employer contributions for the years ended December 31 as follows:

	2023	2022
PERS 1	-	-
PERS 1 UAAL	\$587,183	\$591,754
PERS 2/3	1,100,696	1,002,836
Total	\$1,687,879	\$1,594,590

Actuarial Assumptions

The total pension liability (TPL) for each of the DRS plans was determined using the most recent actuarial valuations completed in 2023 and 2022 with a valuation date of June 30, 2022, and June 30, 2021 respectively. The actuarial assumptions used in the valuation were based on the results of the Office of the State Actuary’s (OSA) *2013-2018 Demographic Experience Study and the 2021 Economic Experience Study*.

Additional assumptions for subsequent events and law changes are current as of the 2022 and 2021 actuarial valuation reports. The TPL was calculated as of the valuation dates and rolled forward to the measurement dates of June 30, 2023 and June 30, 2022. Plan liabilities were rolled forward from June 30, 2022 to June 30, 2023 and June 30, 2021 to June 30, 2022 for the respective fiscal years, reflecting each plan’s normal cost (using the entry-age cost method), assumed interest and actual benefit payments.

For 2023,

- **Inflation:** 2.75% total economic inflation; 3.25% salary inflation
- **Salary increases:** In addition to the base 3.25% salary inflation assumption, salaries are also expected to grow by service-based salary increase.
- **Investment rate of return:** 7.00%

For 2022,

- **Inflation:** 2.75% total economic inflation; 3.25% salary inflation
- **Salary increases:** In addition to the base 3.25% salary inflation assumption, salaries are also expected to grow by promotions and longevity.
- **Investment rate of return:** 7.00%

Mortality rates were developed using the Society of Actuaries’ Pub. H-2010 mortality rates, which vary by member status, as the base table. OSA applied age offsets for each system, as appropriate, to better tailor the mortality rates to the demographics of each plan. OSA applied the long-term MP-2017 generational improvement scale, also developed by the Society of Actuaries, to project mortality rates for every year after the 2010 base table. Mortality rates are applied on a generational basis; meaning, each member is assumed to receive additional mortality improvements in each future year throughout their lifetime.

Methods did not change from the prior contribution rate setting June 30, 2021 Actuarial Valuation Report (AVR). There were no assumption changes for 2023. There were the following assumption changes for 2022:

- OSA updated the Joint-and-Survivor Factors and Early Retirement Factors in the model. Those factors are used to value benefits for early retirement and survivors of members that are deceased prior to retirement. These factors match the administrative factors provided to DRS for future implementation that reflect current demographic and economic assumptions.

Discount Rate

In 2023 and 2022, the discount rate used to measure the total pension liability for all DRS plans was 7.0 and 7.0% respectively.

To determine that rate, an asset sufficiency test was completed to test whether each pension plan's fiduciary net position was sufficient to make all projected future benefit payments for current plan members. Based on OSA's assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of 7.0 and 7.0% for 2023 and 2022 respectively was used to determine the total liability.

Long-Term Expected Rate of Return

The long-term expected rate of return on DRS pension plan investments of 7.0 and 7.0% for 2023 and 2022 respectively was determined using a building-block-method. In selecting this assumption, the OSA reviewed the historical experience data, considered the historical conditions that produced past annual investment returns, and considered Capital Market Assumptions (CMA's) and simulated expected investment returns provided by the Washington State Investment Board (WSIB). The WSIB uses the CMA's and their target asset allocation to simulate future investment returns over various future times.

Estimated Rates of Return by Asset Class

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2023 and 2022, are summarized in the table below. The inflation component used to create the table is 2.2% and represents WSIB's most recent long-term estimate of broad economic inflation.

Asset Class	Target Allocation	2022 % Long-Term Expected Real Rate of Return Arithmetic	2021 % Long-Term Expected Real Rate of Return Arithmetic
Fixed income	20%	1.5%	2.2%
Tangible Assets	7%	4.7%	5.1%
Real Estate	18%	5.4%	5.8%
Global Equity	32%	5.9%	6.3%
Private Equity	23%	8.9%	9.3%
	100%		

Sensitivity of Net Pension Liability/(Asset)

The table below presents the District's proportionate share of the net pension liability/(asset) calculated using the discount rate of 7.0 and 7.0% for 2023 and 2022 respectively, as well as what the District's proportionate share of the net pension liability/(asset) would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
2023	(6.0%)	(7.0%)	(8.0%)
PERS 1	\$2,919,857	\$2,089,978	\$1,365,689
PERS 2/3	\$5,265,386	(\$4,841,200)	(\$13,144,400)
2022	(6.0%)	(7.0%)	(8.0%)
PERS 1	\$3,460,154	\$2,589,963	\$1,830,489
PERS 2/3	\$5,299,659	(\$4,500,272)	(\$12,551,535)

Pension Plan Fiduciary Net Position

Detailed information about the State's pension plans' fiduciary net position is available in the separately issued DRS financial report.

Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.

At June 30, 2023 and 2022, the District reported proportionate share of the net pension liabilities or (assets) as follows:

	2023 Liability (or Asset)	2022 Liability (or Asset)
PERS 1	\$2,089,978	\$2,589,963
PERS 2/3	(\$4,841,200)	(\$4,500,272)

At June 30, the District's proportionate share of the collective net pension liabilities or assets were as follows:

	Proportionate Share 2023	Proportionate Share 2022	Change in Proportion
PERS 1	0.091556%	0.093018%	(0.001462%)
PERS 2/3	0.118116%	0.121341%	(0.003225%)

Employer contribution transmittals received and processed by the DRS for fiscal year ended June 30, 2023 are used as the basis for determining each employer's proportionate share of the collective pension amounts reported by DRS in the *Schedules of Employer and Nonemployer Allocations*.

Pension Expense

For the year ended December 31, 2023 and 2022, the District recognized pension expense (credit) as follows:

Plan	Pension Expense/(Credit)	
	2023	2022
PERS 1	(\$69,568)	\$1,070,555
PERS 2/3	(\$621,531)	(\$1,547,615)
Total	(\$691,099)	(\$477,060)

Deferred Outflows of Resources and Deferred Inflows of Resources

At December 31, 2023 and 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

PERS 1	Deferred Outflows of Resources		Deferred Inflows of Resources	
	2023	2022	2023	2022
Net difference between projected and actual investment earnings on pension plan investments	-	-	\$235,759	\$429,233
Contributions subsequent to the measurement date	275,596	312,304	-	-
TOTAL	\$275,596	\$312,304	\$235,759	\$429,233

PERS 2/3	Deferred Outflows of Resources		Deferred Inflows of Resources	
	2023	2022	2023	2022
Differences between expected and actual experience	\$986,147	\$1,115,062	\$54,091	\$101,875
Net difference between projected and actual investment earnings on pension plan investments	-	-	1,824,457	3,327,084
Changes of assumptions	2,032,503	2,508,280	443,006	656,757
Changes in proportion and differences between contributions and proportionate share of contributions	146,391	66,513	120,859	200,615
Contributions subsequent to the measurement date	585,970	523,776	-	-
TOTAL	\$3,751,011	\$4,213,631	\$2,442,413	\$4,286,331
TOTAL ALL PLANS	\$4,026,607	\$4,525,935	\$2,678,172	\$4,715,564

Deferred outflows of resources related to pensions resulting from the District’s contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2024. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31	PERS 1	PERS 2/3
2024	(\$160,400)	(\$900,691)
2025	(\$201,722)	(1,066,360)
2026	124,379	1,523,239
2027	1,985	570,539
2028	-	560,225
Thereafter	-	35,676
Total	(\$235,758)	\$722,628

Deferred Compensation Plans

The District offers qualified employees deferred compensation plans created in accordance with Internal Revenue Code Sections 457(b) and 401(a) permitting employees to defer a portion of their salary until future years. Qualified District employees include current full-time, non-represented employees with 30 or more hours per week, retirees, and those who have separated service but choose to keep their assets in the Plans. In a defined contribution plan, benefits depend solely on the amounts contributed to the plans plus investment earnings. There are no forfeitures of member assets.

As part of the 2020-2023 collective bargaining agreement, the District agreed to a 1% increase in the employer contribution rate. The new contribution rate is 3% of regular straight-time wages. Additionally, the “employer match” requirement was removed. Eligible active employees who participate may contribute between 0% up to the plan limit of pretax annual compensation, as defined in the Plans and will receive the employer contribution regardless of their contribution amount. Contributions to employee accounts are immediately fully vested.

The deferred compensation is generally not available to employees until separation from service through termination, retirement, death, or unforeseeable emergency. Upon separation, a participant may elect to receive either a lump sum payment or periodic installments. The 457 plan does contain an employee loan provision. Employees may apply with the Plan Administrator; terms of repayment are set by the Administrator. The plan assets are held in trust for the exclusive benefit of plan participants and beneficiaries. The plans are administered by MissionSquare Retirement, formerly ICMA-RC.

The total employer contributions for all plans was \$481,935 for 2023 and \$457,059 for 2022. Expenses for the Plans is reported within the balances on the Statement of Revenues, Expenses, and Changes in Net Position. The deferred compensation plans do not have separately available financial statements.

Note 7 - Health Benefit Plans

Health Reimbursement Arrangement (HRA VEBA)

The District, effective January 1, 2015, converted the employee incentive for voluntary participation in the employer provided wellness program to a monthly contribution into an HRA. This payment is intended to help employees pay for qualified health care costs and insurance premiums upon retirement. Contributions are held in trust for the exclusive benefit of participants and beneficiaries. The plan was administered by Gallagher VEBA during the year.

The District, effective January 1, 2020, implemented a new benefit to employees in accordance with the 2020-2023 Collective Bargaining Agreement. The benefit provides a monthly VEBA contribution to all employees in a regular full-time position.

HealthInvest Health Reimbursement Arrangement (HealthInvest HRA)

The District adopted an HealthInvest HRA plan, with contributions effective January 1, 2019. This payment is intended to help employees pay for qualified insurance premiums only after an employee has separated service or upon retirement. Contributions are held in trust for the exclusive benefit of participants and beneficiaries. The plan was administered by Gallagher VEBA during the year.

Note 8 - Long-Term Purchased Power Commitments

Bonneville Power Administration (BPA)

BPA was established by the Bonneville Project Act of 1937. BPA markets power from 31 federal hydroelectric projects, most of which are located in the Columbia River basin and all of which are owned and operated either by the United States Army Corps of Engineers or the United States Bureau of Reclamation. BPA also acquired on a long-term basis and markets power from several non-federally owned and operated projects, including an operating nuclear generating station owned by Energy Northwest. In addition, firm energy from transfers, exchanges, and purchases comprise the remaining portion of BPA's electric power resources.

Contracts Effective October 2023-September 2028

The District and other publicly owned utilities and cooperatives are "preference" customers of BPA pursuant to federal legislation, which requires BPA to give preference and priority to public agencies and cooperatives in the distribution and marketing of federal power.

The District obtains power from BPA under a long-term power purchase agreement. Effective October 1, 2023, with BPA's consent, the District switched its block/slice agreement to a load following product for the remainder of its contract term (through September 30, 2028), pursuant to which BPA is obligated to meet all of the District's electric power load to the extent not met by power that the District has otherwise committed to meet its loads. This change was made to eliminate the District's direct participation in power markets as a buyer and seller and is expected to reduce power supply price risk and the risk of not having adequate physical generation to meet demand.

Under all of the BPA contracts, the amount of power that BPA's preference customers may purchase under BPA's lowest cost rate is limited to an amount equal to the generating output of the current Federal System, with some limited amounts of augmentation ("Tier 1" power). Any incremental purchases by preference customers from BPA above this base amount of power is sold at a higher rate reflecting the incremental cost to BPA of obtaining additional power ("Tier 2" power). BPA has established for each preference customer a contractually defined level of access to power available at BPA's lowest cost preference rate ("Tier 1" rates). This Tier 1 amount is based on the customer's net requirement load for the 12-month period ended September 23, 2010.

Beginning October 1, 2023, the District has elected to serve its net requirement above the Tier 1 allocation with Tier 2. In fiscal year 2024 the District will receive 201 aMW in the form of Tier 1 power and the remainder of its net requirement will be served with 10 aMW of Tier 2 power.

BPA is required by federal law to recover all of its costs through the rates it charges its customers. BPA's price varies among preference customers, depending on what product the customer has purchased. BPA's current average preference customer rate is \$33.42 per megawatt-hour ("MWh") for the Tier 1 product. In 2022, the average cost of BPA's power for the District was \$33.72 per MWh. BPA conducts a rate case

every two years, but the rates are subject to a cost recovery adjustment clause that allows power rates to increase during a two-year rate period if certain events occur. There are any number of factors that have impacted and could impact BPA's cost of service and rates, including federal legislation, BPA's obligations regarding its outstanding federal debt, number of customers, water conditions, fish and other environmental regulations, capital needs of the Federal System, outcome of various litigation, and regional transmission issues. During the two-year rate period, BPA may impose a financial reserve surcharge if its reserves drop below a set amount. The power rate decreased by an average of 0.9% and 2.5% for BPA's 2024 and 2025 and 2022 and 2023 rate periods, respectively.

BPA requires that transmission services be purchased separately. The District has executed BPA's Network Integration Transmission (NT) Service Agreement for transmission service from October 1, 2023 through September 30, 2031. The District previously had a Point-to-Point (PTP) Transmission Agreement that began in May 1997, but it was converted to NT service effective October 1, 2023. BPA held transmission rate flat at \$2.031 per kilowatt per month for the period beginning October 1, 2023.

Contracts Effective October 2011-September 2023

The District executed a Slice/Block Power Sales Agreement with BPA for the period commencing October 1, 2011, and expiring September 30, 2028. The Slice/Block Agreement was superseded with the aforementioned Load Following Agreement effective October 1, 2023. Compared to the previous Slice/Block agreement, this Slice agreement had changes in operational flexibility and clarification of within hour capacity rights as shown below:

- The Slice Product is a system sale of power that includes requirements power, surplus power, and hourly scheduling rights, all of which are indexed to the variable output capability of the FCRPS resources that comprise the Slice System, and to the extent such capability is available to Power Services after System Obligations and Operating Constraints are met. These capabilities are accessed by the District through the Slice Computer Application, which will reasonably represent and calculate the capabilities available to BPA Power Services from such FCRPS resources after System Obligations and Operating Constraints are met, including energy production, peaking, storage and ramping capability, and which the Slice Computer Application applies the District's Selected Slice Percentage to such capabilities.
- No ability to self-supply ancillary services such as operating reserves, energy imbalance, or dynamic scheduling.
- Slice schedules continue to be firm across the hour of delivery.
- The District's Slice percentage is 1.36792%.
- The monthly Block amounts have ranged from 70 aMW to 156 aMW.

In conjunction with the new Slice/Block agreement, BPA implemented a Tiered Rates Methodology (TRM). Under the TRM and new agreements, BPA has implemented a cap on the amount of power that the District can purchase at the lowest cost based rates (Tier 1). The cap is referred to in the contract as a

Contract High Water Mark (CHWM). The District's CHWM is 203.92 aMW and in 2021 it was 204.3 aMW. The maximum amount of power the District can purchase in any federal fiscal year (FFY) is referred to as the Rate Period High Water Mark (RHWM), which adjusts the CHWM for changes in Federal System Capability. For FFY 2021 the RHWM was 200.2 aMW, for FFY 2022 it was 192.001, and FFY 2023 it is 191.661. BPA has a fiscal year of October through September. The amount of power the District can purchase in a FFY is the lesser of its Net Requirement (Forecast load less its share of Packwood) or RHWM and is the Tier 1 amount. This amount for FFY 2021 was 200.2, for FFY 2022 was 192.001, and FFY 2023 is 191.661.

The TRM provides for the determination of Tier One Cost Allocators (TOCA) to determine monthly charges. The TOCA is determined by dividing the Tier 1 amount by the sum of all BPA customers' RHWM. For FFY 2021, this value for the District was 2.850%; for FFY 2022, this value was 2.850%, and FFY 2023 is 2.84517%. The TOCA is multiplied by BPA's monthly Composite Charge to determine that portion of the District's monthly BPA power bill that represents BPA's costs. The non-slice TOCA is the TOCA minus the slice percentage resulting in a FFY 2021 value of 1.482%, FFY 2022 value of 1.482% and FFY 2023 value of 1.47725%. The non-slice TOCA is multiplied by BPA's non-slice charge to determine that portion of the District's monthly BPA power bill that represent several BPA revenues, primarily their wholesale sales.

BPA has put in place a Power Cost Recovery Adjustment Clause (Power CRAC) that applies to the District's Block purchases. At the beginning of each federal fiscal year of the rate period (that is, each "applicable year"), BPA will calculate financial reserves available for risk that are attributed to Power Services (Power RFR) as of the end of the federal fiscal year preceding the applicable year. Based on the calculations below, a Power CRAC may trigger, resulting in a rate increase that will go into effect for the period of December 1 through September 30 of the applicable year.

The Power CRAC Threshold is an amount of Power RFR below which Power is considered to have experienced an underrun. The underrun amount is equal to the Power CRAC Threshold minus Power RFR. The Power CRAC Amount is based on the underrun minus the Revenue Financing Amount, limited by the Maximum Power CRAC Recovery Amount (the Power CRAC Cap). There are four possibilities:

- (1) If the underrun minus the Revenue Financing Amount is less than \$5 million, there is no Power CRAC.
- (2) If the underrun minus the Revenue Financing Amount is greater than or equal to \$5 million and less than or equal to \$100 million, the Power CRAC Amount is equal to the underrun minus the Revenue Financing Amount.
- (3) If the underrun minus the Revenue Financing Amount is greater than \$100 million and less than \$500 million, the Power CRAC Amount is equal to \$100 million plus one-half of the difference between \$100 million and the underrun minus the Revenue Financing Amount.
- (4) If the underrun minus the Revenue Financing Amount is greater than or equal to \$500 million, the Power CRAC Amount is equal to \$300 million.

The maximum CRAC amount for FFY 2022 and FFY 2023 is \$300 million. The CRAC did not trigger for FFY 2021, 2022, or 2023.

The rates contain a Power Reserves Distribution Clause (RDC), which will operate similar to the CRAC but will lower the Block rates charged to the District. At the beginning of each FFY, the RDC will trigger if Power RFR is greater than the Power RDC Threshold for that applicable year by at least \$5 million, and BPA RFR is greater than the BPA RDC Threshold for that applicable year by at least \$5 million, the Administrator will determine a Power RDC Amount. The maximum RDC amount for FFY 2022 and FFY 2023 is \$500 million. For FFY 2023, the RDC did trigger which results in a reduction of rates totaling \$6,905,184. The reduction is applied starting in December 2022 through September 2023. For FFY 2022, the RDC did trigger which resulted in a reduction of rates totaling \$274,264. The reduction was applied starting in December 2021 through September 2022. The RDC did not trigger for FFY 2021.

The rates contain a Power Financial Reserves Policy Surcharge (Power FRP), which will operate opposite to the RDC and will increase the Block rates charged to the District. The Power FRP Surcharge Threshold is an amount of Power RFR, below which Power is considered to have experienced an underrun. The underrun amount is equal to the Power FRP Surcharge Threshold minus Power RFR. The Power FRP Surcharge Amount is based on the underrun minus the Revenue Financing Amount, limited by the Base Surcharge. There are three possibilities:

- (1) If the underrun minus the Revenue Financing Amount is less than \$5 million, there is no Power FRP Surcharge.
- (2) If the underrun minus the Revenue Financing Amount is greater than or equal to \$5 million and less than or equal to the Base Surcharge, the Power FRP Surcharge Amount is equal to the underrun minus the Revenue Financing Amount.
- (3) If the underrun minus the Revenue Financing Amount is greater than or equal to the Base Surcharge, the Power FRP Surcharge Amount is equal to the Base Surcharge.

The Power FRP was not triggered for FFY 2023 or FFY 2022. The surcharge was suspended during FFY 2021 due to the impacts of the COVID-19 pandemic on utilities.

To obtain needed transmission services, the District entered into a service agreement with BPA for point-to-point transmission services commencing May 31, 1997 and terminating on the earlier of September 30, 2031, or the date of termination established pursuant to BPA's Open Access Transmission Tariff. Effective October 1, 2005, the District has transmission demand of 423 MW. This service level exceeds requirements needed to meet projected retail loads.

BPA Prepay Program

BPA developed a Prepay Program to help fund hydro system infrastructure and as a means to allow customers to prepay for the future delivery of power consistent with the existing power supply agreements, except that payment provisions would be revised to reflect the prepayment. The District submitted an offer for one block in the amount of \$6.8 million that was accepted and, in return, would

receive a total of \$9.3 million in credits resulting in net present value savings of \$1.1 million. The District made a lump-sum up-front payment in March 2013, and began receiving a \$50,000 credit each month on its power bill beginning April 2013 and continues until September 2028.

Energy Northwest

The District, Energy Northwest, and BPA have entered into separate agreements with respect to certain Energy Northwest projects. Under these agreements, the District has purchased 4.965%, 5.350%, and 4.295% capability of Project No. 1, Columbia Generating Station, and Energy Northwest's 70% share of Project No. 3, respectively. All project participants, including the District, have assigned their respective rights to the capability of these projects to BPA under contracts referred to as net-billing agreements. Project participants are obligated to pay Energy Northwest their pro rata share of total project costs, and BPA in turn is obligated to pay the participants identical amounts by reducing amounts due to BPA under power sales agreements. The net-billing agreements provide that participants and BPA are obligated to make such payments whether or not the projects are completed, operable, or operating and notwithstanding the suspension, interruption, interference, reduction, or curtailment of the projects' output.

BPA and Energy Northwest received a favorable private letter ruling from the IRS allowing for direct-pay agreements effective June 2006. The ruling assures that the proposed direct-pay agreements do not adversely affect the existing federal income tax-exemption on the BPA-backed bonds issued by Energy Northwest for three nuclear projects. Under the direct-pay agreements, BPA pays amounts directly to Energy Northwest to cover the costs of the projects. This enables Energy Northwest to reduce to zero the amounts it bills to project participants and also reduces to zero the amount of net-billing credits BPA provides. The direct-pay agreements improve BPA's cash flows and provide an opportunity for rate relief for the region. The District began participation in the direct-pay program in June 2006.

Additionally, the District entered into a Nine Canyon Wind Project Power Purchase Agreement with Energy Northwest for the purchase of 3 MW of the project generating capacity (1 aMW) of Phase I through July 1, 2023. The project reached commercial operation in late 2002. The District on October 30, 2006, signed an Amended and Restated Agreement with ENW and the other purchasers, which extended the term of the Agreement through July 1, 2030 (with rights to extend the agreement for 5-year terms) and provided the District with 6 MW (2 aMW) from the Phase III expansion (see Note 12).

Packwood Lake Hydroelectric Project (Packwood)

The District is a 14% participant in Energy Northwest's 27 MW Packwood Project, located in the Cascade Mountains south of Mount Rainier. The Packwood Agreement with Energy Northwest obligates participants to pay annual costs and receive excess revenues. Energy Northwest recognizes revenues equal to expenses for each period. No net revenue or loss is recognized, and no equity is accumulated. Accordingly, no investment for the joint venture is reflected on the District's Statement of Net Position. No distributions were made in 2023 or 2022.

Frederickson Plant

In March 2001, the District entered into a 20-year agreement with Frederickson Power LP for the purchase of 50 MW of contract capacity beginning September 2002 from the 249 MW Frederickson 1 Generating Station combined-cycle natural gas fired combustion turbine plant near Tacoma, Washington. The agreement included firm gas transportation from the Canadian border to the plant. Power deliveries and variable energy charges were based on a deemed heat rate of 7,100 British thermal units (Btu) per kilowatt-hour (kWh). Up to 40% of the contract capacity may be displaced regardless of the dispatch decisions of other purchasers. Power costs included a capacity charge and fixed and variable operation and maintenance charges indexed to performance and escalation factors. The District received fuel management services for the Frederickson Plant from The Energy Authority (TEA). The District's contract ended on August 30, 2022.

Lakeview Light and Power (LL&P) Wind Energy, Inc.

In April 2007, the District entered into a 20-year Energy and Environmental Attributes Purchase Agreement with LL&P to purchase 3 MW of capacity (1 aMW) at the White Creek Wind Project. This project is a wind generation facility with capacity of 204.7 MW. It is located in Klickitat County and was declared to be in commercial operation in November 2007. The purchase is part of the District's strategy for meeting renewable resource requirements of the Energy Independence Act (EIA) (see Note 12). The District pays for only the energy and associated environmental attributes generated by the project.

White Creek Wind Project

In September 2008, the District entered into an Assignment Agreement with Klickitat PUD under which Klickitat PUD assigned the District a 3% share of its Energy Purchase Agreement with White Creek Wind I, LLC for \$11.1 million. The purchase is part of the District's strategy for meeting renewable resource requirements of EIA (see Note 12). The purchase cost is being amortized on a straight-line basis over a 19-year term. In both 2023 and 2022, power supply expense includes \$578,400 each year in amortization of the purchase cost. This 3% share of the 204.7 MW project represents 6.14 MW (2 aMW).

BioFuels Washington, LLC Project/Emerald City Renewables LLC

In February 2013, the District entered into a contract with BioFuels Washington, LLC of Encinitas, CA, to purchase 33,000 Renewable Energy Credits (REC) annually, with a contract term of March 1, 2013, through March 31, 2026, with delivery beginning January 1, 2016. This REC purchase counts toward the District's compliance with the EIA target of 15% renewable energy.

Subsequently, on September 18, 2013, the State of Washington Department of Commerce issued an advisory opinion stating that electricity generated by the BioFuels Washington facility qualifies as distributed generation under RCW 19.285.040(2)(b). For purposes of the compliance with EIA, the Renewable Energy Credits purchased from BioFuels will count double. Therefore, for compliance purposes, this contract provides 66,000 RECs annually toward the District's compliance with the EIA target of 15% renewable energy.

In October 2015, the District consented to the assignment of contracts of the facility to Emerald City Renewables LLC. There were no changes to the District’s rights or obligations.

Idaho Wind Partners

In December 2014, the District entered into contracts with Payne’s Ferry Wind Park, LLC and Yahoo Creek Wind Park, LLC, which are owned by Idaho Wind Partners, to purchase RECs with a contract term starting in 2015 through 2024. This REC purchase counts toward the District’s compliance with the EIA target of 15% renewable energy. In 2023, the District received 36,046 RECs and in 2022, the District received 34,052 RECs.

3Degrees Group, Inc.

In September 2018, the District entered into a contract with 3Degrees Group, Inc. of San Francisco CA, to purchase 60,000 firm RECs annually, with a contract term of April 1, 2019, through April 15, 2028, with delivery beginning no earlier than April 1, 2019. This REC purchase counts toward the District’s compliance with the EIA target of 15% renewable energy beginning in 2020.

RPS Advisors

In September 2019, the District entered into a contract with RPS Advisors of Denver CO, to purchase 40,000 firm RECs annually, with a contract term of January 1, 2020, through April 15, 2030, with delivery beginning no earlier than January 1, 2020. This REC purchase counts toward the District’s compliance with the EIA target of 15% renewable energy beginning in 2020.

Morgan Stanley Capital Group, Inc

In January 2020, the District entered in a contract with Morgan Stanley Capital Group, Inc, to purchase a seasonal capacity product. The contract helps reduce the District’s power supply risk after the conclusion of the Fredrickson contract by having a firm physical resource it can call on if the market does not have adequate supply during the District’s highest deficit months. The term of the contract is December 2022 to August 2025. The District can call upon the following amount:

<u>Seasonal Months</u>	<u>Volume</u>
July/August	75MW HLH
December/January/February	25MW HLH

As a result of changing to the load following agreement with BPA effective October 1, 2023, the District resold the same rights as contained in this contract for the term of December 1, 2023 to August 31, 2025 to TEA.

Other Power Supply Contracts and Purchases

The District entered into a Resource Management Agreement (RMA) with TEA on July 1, 2006, to provide scheduling, dispatching, fuel management, and other power management services. The agreement was restated and extended in 2009 and continues until terminated by either party. The District and TEA have

the right to terminate the agreement upon one-year written notice. The agreement also provides for annual consulting task orders to provide for a variety of power management services. Under the agreement, TEA is authorized to trade real time, day-ahead transactions, and forward transactions as principal on behalf of the District. TEA is currently not trading forward transactions as principal. This arrangement allows a financial benefit to the District with TEA trading in aggregated larger power blocks and passing the resulting transaction pricing on to the District. It also provides the advantages of simplified settlement, lower operational and settlement risk, and rigorous documentation and equitable allocation of pricing for like transactions across PUDs. In December 2008, the RMA was amended to allow these transactions to be traded utilizing TEA's credit and contracts as discussed in Note 1(i).

As discussed in Note 1(i), the District entered into other power supply contracts and purchases as follows:

- At December 31, 2022, the District had entered into various short-term financial forward sales and purchase contracts committing the District through September 2023. These contracts had a net positive fair value of \$4,671,433 and are reflected in the financial statements as deferred inflows of resources and deferred outflows of resources.

As a result of changing to the load following product with BPA effective October 1, 2023, the District has amended its agreement with TEA to provide trading services for some of its wind resources as well as for other services including carbon management tracking services.

Note 9 - Self-Insurance

In the normal course of business, the District is exposed to various risks of loss related to liability claims, property damage, and employee health and welfare programs. The District participates in the following self-insurance programs to protect against such losses.

Public Utility Risk Management Services Self-Insurance Fund

The District is a member of the Public Utility Risk Management Services (PURMS) Self-Insurance Fund. PURMS is a public entity risk pool organized on December 30, 1976, in the State of Washington under RCW 54.16.200 and interlocal governmental agreements. It currently operates under RCW 48.62. Its members include 18 public utility districts and one non-profit mutual corporation. The objectives of PURMS are to formulate, develop, and administer a program of self-insurance in order to obtain lower costs for the various coverages provided to its members and to develop a comprehensive loss control program.

The risks shared by the members are defined in the Self-Insurance Agreement (SIA). The fund consists of three pools for liability, property, and health and welfare coverage. The pools operate independently of one another. All members do not participate in all pools. The District does not participate in the health and welfare pool.

The pools are governed by a Board of Directors which consists of one designated representative from each participating member. The Administrator and an elected Administrative Committee are responsible for conducting the business affairs of the Pool.

PURMS engages an independent qualified actuary on an annual basis to determine the claim financing levels, liabilities for unpaid claims, and claims adjustment expenses for the Liability Pool and the Property Pool. A copy of these reports is provided to the Washington State Risk Manager and to the Washington State Auditor's Office. Audit reports for the Trust are available from the Washington State Auditor's Office (Report Nos. 1033803 and 1033215 issued in fiscal year 2023 and 1031015 issued in fiscal year 2022).

The pools are fully funded by its current and former members. Members that withdraw from PURMS are responsible for their share of contributions to the pools for any unresolved, unreported, and in-process claims for the period they were signatory to the SIA. Claims are filed by members with the Administrator, Pacific Underwriters, Seattle, WA, which serves by contract as the fund's Administrator and provides claims adjustment and loss prevention services.

Settled claims have not exceeded insurance coverage in any of the past three fiscal years.

Liability Risk Pool

The liability pool has a \$1 million liability coverage limit per occurrence. In addition, the fund maintains \$35 million of excess general liability insurance over the \$1 million retention. A second layer of excess general liability insurance of \$65 million is also maintained over the first layer of \$35 million. The fund maintains \$35 million in directors and officers liability coverage with a retention level of \$500,000. The fund also maintains \$3 million in cyber security liability coverage with a retention level of \$250,000. The deductible is \$250.

The liability pool reserve balance is \$3.5 million. Liability assessments are levied at the beginning of each calendar year to replenish the reserves to the designated level and at any time during the year that the actual reserves drop to \$500,000 less than the designated level. The minimum reserve balance may be increased above \$3.5 million through member assessments to meet legal funding requirements based on annual actuarial reviews.

Property Risk Pool

The majority of the property in the property pool has a self-insured retention of \$250,000 per property loss. Certain classes of property have higher retention requirements up to \$750,000. In addition, the fund purchases \$200 million of excess insurance over the \$250,000 (or higher) retention level. The deductible varies but for most classes of property it is \$250.

The designated property pool reserve balance is \$750,000. Property assessments are levied at the beginning of each calendar year to replenish the reserves to the designated level and at any time during the year that the actual reserves drop below \$500,000. The minimum reserve balance may be increased

above \$750,000 through member assessments to meet legal funding requirements based on annual actuarial reviews.

Central Washington Public Utilities Unified Insurance Program Trust

The District is a member of the Central Washington Public Utilities Unified Insurance Program Trust (Trust). The Trust was organized October 1, 1982, pursuant to the provisions of RCW Title 54 and interlocal governmental agreements. The Trust's general objectives are to provide a central fund for the collection and disbursement of employee benefit premiums and claims involving medical, dental, vision, life, and long-term disability coverage. The Trust is administered by a Board of Trustees consisting of an appointed Trustee and Alternate Trustee from each of the seven member Districts. The Trustees are authorized to negotiate, obtain and maintain insurance policies, and authorize disbursements made from the Trust to Third-Party Administrators or other entities. Effective August 1, 2002, the Trust established a self-insured medical and vision plan. Effective January 1, 2009, the Trust established a self-insured dental plan. Both plans are approved by the State Risk Office. The audit reports for the Trust are available from the Washington State Auditor's Office (Report Nos. 1033130 and 1033131 issued in fiscal year 2023 and 1030917 issued in fiscal year 2022).

Unemployment Claims

The District pays unemployment claims on a reimbursement basis with claims administered by the Washington State Department of Employment Security.

Short-Term Disability Insurance

The District self-pays short-term disability benefits through a \$1,427 in 2023 and \$1,327 in 2022 per week or 70% salary, whichever is greater, continuation program. Effective July 1, 2023, the benefit is provided to employees with an inability to work due to a serious health condition following fulfillment of a one week waiting period per benefit year. The benefit year is defined as 52 weeks beginning the Sunday of the week the employee submits the initial application for leave. No waiting period is required when the medical leave is for the birth of a child. Prior to July 1, 2023, from the 9th consecutive scheduled hour of inability to work due to a serious health condition until the employee either recovers and returns to work or completes the waiting period required for long-term disability insurance eligibility, whichever is earlier. Certification of illness or injury by a licensed, competent medical authority is required. The District utilizes a Third-Party Administrator who provides medical oversight and advice-to-pay for disability claims.

Paid Family Medical Leave Act

The District administers a voluntary plan for paid medical leave benefits for its employees. Voluntary plans are approved by the Employment Security Department and are available for employers who wish to opt out of the State of Washington's Paid Family & Medical Leave Program for either family leave benefit, medical leave benefit, or both, and instead administer their own internal plan. Employers with voluntary plans are required to offer benefits that are equal to or exceed the benefits offered by the State's program

and must report employee hours, wages, premiums deducted from employee pay, and other information to the Employment Security Department on a quarterly basis.

The District elected to opt out of the medical leave portion of the program. The District's voluntary medical plan was initially approved in 2020 and reaffirmed in 2022. The plan is fully funded by the District and employee premiums do not apply.

Note 10 – Associated Organizations

Participation in Northwest Open Access Network, Inc. (NoaNet)

The District, along with nine other Washington State public entities, is a member of NoaNet, a Washington nonprofit mutual corporation. NoaNet was incorporated in February 2000 to provide a broadband communications backbone over public benefit fibers leased from BPA throughout Washington. The network began commercial operation in January 2001. The District's membership interest in NoaNet was 20.72% in 2023 and 2022.

As a member of NoaNet and as allowed by RCW 54.16, the District has guaranteed a portion of the 2020 NoaNet \$24.775 million bonds based upon an agreed share of 12.12% of the outstanding balance. See Note 12 for additional details. NoaNet reserves the right to assess members to cover deficits from operations. There have been no member assessments since 2011.

In 2023, the District's Commission authorized a payment agreement with NoaNet to provide financing totaling \$1 million. NoaNet has a pension liability that must be paid as it moves employees to the PERS retirement system. The payment is necessary for NoaNet to continue its operations and fulfill its purpose to provide cost-effective high-speed communications to its members under its agreement. The loan amount will be repaid in equal annual installments commencing May 1, 2024. The interest rate on each annual payment is equal to the 12-month average of the 30-day yield published for the Local Government Investment Pool on the Washington State Treasurer's website, calculated on April 1st preceding the annual payment. All outstanding principal and interest on the loan must be repaid by May 1, 2034.

NoaNet recorded an increase in net position of \$8,066,256 (unaudited) for 2023 and a decrease of \$2,842,242 (audited) for 2022. In accordance with GAAP a proportionate share of these gains/losses has not been recorded by the District.

Financial statements for NoaNet may be obtained by writing to: Northwest Open Access Network, Chief Financial Officer, 113 Cherry St, PMB 99352, Seattle, WA 98104-2205.

Additionally, the District and NoaNet entered into a professional services contract (public-public partnership) in 2010 for the assistance in management, administration, sales, engineering, and operations

of the District's broadband network. The District holds title to all improvements to the network and are reported on the Statement of Net Position in the electric plant in service balance, in Note 4 capital assets being depreciated general balance, and in Note 11, Telecommunication Services. There are no liabilities, deferred inflows, or deferred outflows reported in the financial statements. Payments made to NoaNet are variable based on the various services mentioned above as well as retail services provided.

NoaNet has the following rights and responsibilities in part:

- Day to day operation and overall management of the network; including, design and deployment, plant management, construction management, and customer billing,
- Authority to sign and execute service orders on behalf of the District as outlined in the contract,
- Form local partnerships and sales generation, and
- Comply with the District's Wholesale Customer Service Policy, Rates, Terms and Conditions of Service for Telecommunications.

Participation in National Information Solutions Cooperative (NISC)

NISC is an information technology company that develops and supports software and hardware solutions for Member-Owners who are primarily utility cooperatives and telecommunications companies across the nation. NISC is an industry leader providing advanced, integrated IT solutions for consumer and subscriber billing, accounting, engineering & operations, as well as many other leading-edge IT solutions.

NISC was formed July 2000 as a consolidation of Central Area Data Processing Cooperative (CADP) and North Central Data Cooperative (NCDC). Both predecessor organizations were formed in the mid-1960s and had a history of serving energy and telecommunications cooperatives with information processing services and accounting and billing software. NISC has 950 energy and telecommunications Members in all 50 states, American Samoa, Palau, and Canada.

The membership interest in NISC is stated at cost, plus patronage capital credits issued, less distributions received, which as of December 31, 2023 and 2022, was \$146,932 and \$127,922 respectively. This amount is reported in the Other Receivables balance on the Statement of Net Position.

Financial statements for NISC may be obtained by writing to: NISC, One Innovation Circle, Lake Saint Louis, MO 63367.

Note 11 - Telecommunications Services

The District has installed and continues to build out a fiber optic backbone system in its service area to provide wholesale telecommunication services and for internal use by the electric system. The District has connected its fiber optic system to NoaNet's fiber optic communications system. The District regularly reviews its product offerings and makes adjustments as needed.

Broadband operations and capital activity for the years ended December 31, 2023 and 2022, follows:

Broadband	2023	2022
Operating Revenues		
Ethernet	\$1,544,721	\$1,629,426
TDM	36,000	36,000
Internet Transport Service	94,583	90,136
Fixed Wireless	18,230	19,590
Access Internet	571,932	536,697
Other Revenue	554,002	610,155
Total Operating Revenues	\$2,819,468	\$2,922,004
Operating Expenses		
General Expenses	\$1,053,367	\$1,135,918
Other Maintenance	165,463	153,395
<i>Subtotal before depreciation</i>	<i>1,218,830</i>	<i>1,289,313</i>
Depreciation	1,101,903	1,058,792
Total Operating Expenses	\$2,320,733	\$2,348,105
Nonoperating Expenses	\$ -	\$479
Capital Investment (Annual)	\$1,538,025	\$932,037
Capital Investment (Cumulative)	\$28,731,045	\$27,193,020

The above amounts are included in summarized line items on the Statement of Net Position and Statement of Revenues, Expenditures, and Changes in Net Position.

Note 12 - Other Commitments and Contingent Liabilities

Energy Northwest - Nine Canyon Wind Project

The Nine Canyon Wind Energy Project is owned and operated by Energy Northwest. The District, along with nine other public utilities, is a participant in Phases I and III of the Project. Under its Power Purchase Agreement, the District is obligated to pay its percentage share of the annual debt service of each project Phase and the operation and maintenance costs of the project in return for its percentage share of project output, whether or not the project is operating or capable of operating. Under the agreement, the District is obligated to pay an amended percentage share effective May 2008 when Phase III achieved commercial operation. Under a step-up provision, the District could be required to pay up to a maximum of 125% of its percentage share in the event of default by another purchaser. The Agreement limits Energy Northwest’s total annual operation and maintenance cost to \$4 million prior to Phase III Commercial Operation and to \$7 million post Phase III Commercial Operation. These limits will change annually based on certain inflation indexes.

The agreement terminates July 1, 2030. The District’s applicable percentage share obligations are:

Allocation of Cost	District % Share	District % Share under Step-up Provision
Debt Service - Phase I	6.25%	7.81%
Debt Service - Phase III	18.63%	23.29%
O&M Costs - Prior to Phase III Commercial Operation	4.72%	5.90%
O&M Costs - Post Phase III Commercial Operation	9.39%	11.74%

Energy Independence Act (Initiative 937)

With the passage of Initiative 937 by Washington voters in November 2006, all electric utilities with more than 25,000 customers are required to purchase renewable energy in gradually increasing percentages of 3%, 9%, and 15% of retail load, and to establish and meet a minimum biennial energy conservation target. As of December 31, 2022 and 2021, the District had renewable energy contracts in place that satisfy the Initiative’s renewable target of 15%. Total incremental expenses for qualifying renewable resources plus the cost of renewable energy credits are limited to 4% of the annual retail revenue requirement.

In 2023, the Commission established the minimum Biennial Conservation Target for 2024–2025 of 0.77 aMW. In 2021, the Commission established the minimum Biennial Conservation Target for 2022–2023 of 1.52 aMW. The District exceeded the target with 1.65aMW. Conservation programs are open to all customers on a nondiscriminatory basis.

Climate Commitment Act

In 2021, the State signed into law the Climate Commitment Act (CCA) legislation that directed the State Department of Ecology (Ecology) to design and implement a cap-and-invest program. Effective January 1, 2023, the cap-and-invest program sets a limit, or cap, on overall carbon emissions in the State and requires covered entities to obtain allowances equal to their covered greenhouse gas emissions. The emissions cap will be reduced over time to ensure the State achieves its 2030, 2040, and 2050 emissions-reduction commitments, which means Ecology will issue fewer emissions allowances each year.

All applicable emitters with more than 10,000 metric tons of carbon dioxide equivalent (MT CO₂e) emissions per year are subject to the greenhouse gas reporting regulations and entities with more than 25,000 MT CO₂e of covered emissions are required to participate in the cap-and-invest program and to obtain allowances to cover their emissions. Allowances can be obtained through quarterly auctions hosted by Ecology or bought and sold on a secondary market. Electric utilities that are subject to CETA, such as the District, are eligible to receive no cost allowances to mitigate their compliance cost burden from the cap-and-invest program. Electric utilities can consign these allowances at auction or retire them for compliance. The District's allowance allocation amounts for the first compliance period from 2023 through 2026 are shown in the table below, per Ecology's recently published schedule for future allowances:

District's Allowance Allocation for 2023-2026 (MT CO ₂ e)				
Received		Future		
2023	2024	2025	2026	
120,731	120,362	135,477	To be determined	

As of December 31, 2023, the District has received the 2023 and 2024 allocation amounts in the District's account within Ecology's tracking system. The allocations are expected to be more than sufficient to cover calendar year 2023 and 2024 emissions. Ecology will not remove already received allowances from accounts due to over-allocation, however, Ecology may adjust future allowance allocations as necessary to account for differences between greenhouse gas emissions reporting data and the number of allowances previously allocated.

By November 1 of each year, starting November 1, 2024, the District must submit allowances equal to 30% of its prior year emissions. This compliance deadline requires allowances of the same year as the emissions being covered, or an earlier year. By November 1 of the year following the end of a four-year compliance period, starting November 1, 2027, the District must submit allowances to cover the remaining 70% of its total emissions for the entire four-year period. This compliance deadline is aggregate, meaning that emissions from all four years are considered as a group, and submitted allowances can be of any year in the current or previous compliance periods.

As of December 31, 2023, the District had no credits auctioned or retired.

Repayment Agreement Relating to NoaNet Revenue Bonds (see Note 10)

In December 2020, NoaNet issued \$24.775 million in Telecommunications Network Revenue Bonds (2020 Bonds) to finance capital improvements and other expenses, repay loans and a line of credit, fund a reserve account, and pay bond issuance costs. The Bonds became due beginning in December 2021 through December 2030 with interest due semi-annually at rates ranging from 0.591% to 2.120%.

Current Members of NoaNet entered into Repayment Agreements to guarantee the debt of NoaNet. Under the Repayment Agreement, each guarantor acknowledged and agreed that it is a guarantor of the payment of the principal and interest on the Bonds and was liable by assessment or otherwise to repay NoaNet for amounts due and owing with respect to such principal and interest up to each Member's agreed upon percentage interest. The District's guarantee was 12.12% of the outstanding bond balance. As of December 31, 2023, the outstanding bond balance was \$17.7 million.

To the extent NoaNet's gross revenue is insufficient to pay principal amounts when due, NoaNet shall bill each guarantor no less than 65 days in advance of each principal payment date for its percentage share. Each guarantor has 30 days to pay after receipt of the bill. In the event of a failure by any guarantor to pay such amounts when due, the guarantor shall be subject to all remedies as contained in NoaNet's bylaws. Each guarantor shall remain obligated to pay its respective share of principal and interest on the bonds, when due, whether or not it remains a member of NoaNet.

Public Utility District No. 1 of Benton County

Schedule of Proportionate Share of the Net Pension Liability

PERS Plan 1
As of June 30, 2023
Last 10 Fiscal Years

	2023	2022	2021	2020
Employer's proportion of the net pension liability	0.091556%	0.093018%	0.097761%	0.095082%
Employer's proportionate share of the net pension liability	\$2,089,978	\$2,589,963	\$1,193,891	\$3,356,908
Covered payroll	\$16,407,178	\$15,187,501	\$15,018,615	\$14,453,981
Employer's proportionate share of the net pension liability as a percentage of covered payroll	13%	17%	8%	23%
Plan fiduciary net position as a percentage of the total pension liability	80%	77%	89%	69%

Notes to Schedule:

There are no factors at year-end that significantly affect trends in the amounts reported above.

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Schedule of Proportionate Share of the Net Pension Liability continued

PERS Plan 1
As of June 30, 2023
Last 10 Fiscal Years

2019	2018	2017	2016	2015	2014
0.098400%	0.102845%	0.108446%	0.111198%	0.114841%	0.115142%
\$3,783,829	\$4,593,093	\$5,145,847	\$5,971,856	\$6,007,252	\$5,800,332
\$13,806,690	\$13,682,851	\$13,503,725	\$13,093,469	\$12,546,922	\$12,460,407
27%	34%	38%	46%	48%	47%
67%	63%	61%	57%	59%	61%

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Schedule of Proportionate Share of the Net Pension Liability

PERS Plan 2/3
As of June 30, 2023
Last 10 Fiscal Years

	2023	2022	2021	2020
Employer's proportion of the net pension liability (asset)	0.118116%	0.121341%	0.125568%	0.124135%
Employer's proportionate share of the net pension liability (asset)	(\$4,841,200)	(\$4,500,272)	(\$12,508,593)	\$1,587,616
Covered payroll	\$16,407,178	\$15,187,501	\$15,018,615	\$14,453,981
Employer's proportionate share of the net pension liability (asset) as a percentage of covered payroll	(30%)	(30%)	(83%)	11%
Plan fiduciary net position as a percentage of the total pension liability	107%	107%	120%	97%

Notes to Schedule:

There are no factors at year-end that significantly affect trends in the amounts reported above.

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Schedule of Proportionate Share of the Net Pension Liability continued

PERS Plan 2/3
As of June 30, 2023
Last 10 Fiscal Years

2019	2018	2017	2016	2015	2014
0.127033%	0.132333%	0.136394%	0.139973%	0.145674%	0.143243%
\$1,233,922	\$2,259,468	\$4,739,040	\$7,047,530	\$5,205,015	\$2,895,458
\$13,806,690	\$13,682,851	\$13,371,937	\$12,986,531	\$12,446,584	\$12,271,821
9%	17%	35%	54%	42%	24%
98%	96%	91%	86%	89%	93%

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Schedule of Employer Contributions

PERS Plan 1
As of December 31, 2023
Last 10 Fiscal Years

	2023	2022	2021	2020
Statutorily or contractually required contributions	\$587,183	\$591,754	\$658,699	\$704,510
Contributions in relation to the statutorily or contractually required contributions	(587,183)	(591,754)	(658,699)	(704,510)
Contribution deficiency (excess)	-	-	-	-
Covered payroll	\$16,743,004	\$15,767,844	\$15,214,069	\$14,692,671
Contributions as a percentage of covered payroll	4%	4%	4%	5%

Notes to Schedule:

There are no factors at year-end that significantly affect trends in the amounts reported above.

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Schedule of Employer Contributions continued

PERS Plan 1
As of December 31, 2023
Last 10 Fiscal Years

2019	2018	2017	2016	2015	2014
\$699,574	\$689,118	\$678,004	\$636,516	\$571,651	\$514,217
(699,574)	(689,118)	(678,004)	(636,516)	(571,651)	(514,217)
-	-	-	-	-	-
\$14,139,528	\$13,617,368	\$13,751,364	\$13,204,856	\$12,895,713	\$12,475,479
5%	5%	5%	5%	4%	4%

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Schedule of Employer Contributions

PERS Plan 2/3
As of December 31, 2023
Last 10 Fiscal Years

	2023	2022	2021	2020
Statutorily or contractually required contributions	\$1,100,696	\$1,002,836	\$1,094,430	\$1,163,559
Contributions in relation to the statutorily or contractually required contributions	(1,100,696)	(1,002,836)	(1,094,430)	(1,163,559)
Contribution deficiency (excess)	-	-	-	-
Covered payroll	\$16,743,004	\$15,767,844	\$15,214,069	\$14,692,671
Contributions as a percentage of covered payroll	7%	6%	7%	8%

Notes to Schedule:

There are no factors at year-end that significantly affect trends in the amounts reported above.

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Schedule of Employer Contributions continued

PERS Plan 2/3
As of December 31, 2023
Last 10 Fiscal Years

2019	2018	2017	2016	2015	2014
\$1,091,135	\$1,021,040	\$936,046	\$815,729	\$720,845	\$612,316
(1,091,135)	(1,021,040)	(936,046)	(815,729)	(720,845)	(612,316)
-	-	-	-	-	-
\$14,139,528	\$13,617,368	\$13,675,514	\$13,096,369	\$12,790,442	\$12,335,880
8%	7%	7%	6%	6%	5%

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STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

For the years ended December 31 (unaudited)

	2023	2022	2021	2020
OPERATING REVENUES				
Sales of Electric Energy - Retail	\$139,617,559	\$140,653,312	\$137,165,982	\$133,281,504
Secondary Market Sales	10,093,943	33,353,756	32,552,733	16,024,639
Transmission of Power for Others	1,225,919	1,600,411	957,726	1,443,001
Broadband Revenue	2,819,468	2,922,004	2,914,272	2,799,123
Other Revenue	1,885,188	1,693,674	1,243,440	1,381,032
<i>Total Operating Revenues</i>	<u>155,642,077</u>	<u>180,223,157</u>	<u>174,834,153</u>	<u>154,929,299</u>
OPERATING EXPENSES				
Purchased Power	82,113,188	106,002,959	102,522,649	83,898,194
Purchased Transmission & Ancillary Services	14,953,982	15,911,813	14,742,923	14,638,285
Conservation Program	257,919	394,324	(116,933)	346,063
Transmission Operations & Maintenance	65,763	45,372	101,234	114,119
Distribution Operations & Maintenance	11,872,285	11,435,999	9,214,692	10,537,318
Broadband Expense	1,218,830	1,289,313	1,115,157	1,161,923
Customer Accounting, Collection & Information	4,304,081	4,442,149	3,926,096	4,329,302
Administrative & General	8,264,674	7,692,669	6,880,786	7,365,965
Taxes	14,829,445	15,003,476	14,288,903	13,969,670
Depreciation	11,560,127	11,175,469	10,978,659	10,339,875
<i>Total Operating Expenses</i>	<u>149,440,294</u>	<u>173,393,543</u>	<u>163,654,166</u>	<u>146,700,714</u>
OPERATING INCOME/(LOSS)	6,201,783	6,829,614	11,179,987	8,228,585
NONOPERATING REVENUES & EXPENSES				
Interest & Other Nonoperating Income	2,567,927	702,336	860,362	1,030,185
Interest Expense & Other Nonoperating Expense	(2,749,490)	(2,827,041)	(2,929,065)	(2,633,566)
Debt Premium Amortization & Loss on Defeased Debt	133,808	402,824	342,996	(125,928)
<i>Total Nonoperating Revenues & Expenses</i>	<u>(47,755)</u>	<u>(1,721,881)</u>	<u>(1,725,707)</u>	<u>(1,729,309)</u>
INCOME/(LOSS) BEFORE CONTRIBUTIONS	6,154,028	5,107,733	9,454,280	6,499,276
CAPITAL CONTRIBUTIONS	3,177,535	3,225,724	2,145,749	2,206,345
CHANGE IN NET POSITION	9,331,563	8,333,457	11,600,029	8,705,621

NET POSITION

For the years ended December 31 (unaudited)

	2023	2022	2021	2020
Net Investment in Capital Assets	\$108,390,299	\$101,952,912	\$89,594,340	\$89,168,593
Restricted for Capital Construction	17,343,291	-	-	-
Restricted for Debt Service	-	108,200	108,200	108,200
Restricted for Net Pension	4,841,200	4,500,272	12,508,593	-
Unrestricted	43,004,050	57,685,893	53,702,687	55,036,998
Total Net Position	\$173,578,840	\$164,247,277	\$155,913,820	\$144,313,791

(1) Governmental Accounting Standards Board Statement No. 68 was implemented effective 2015 recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expenses relating to pension liabilities. The restated cumulative effect on net pension for 2014 was \$12,217,716.

REVENUES AND CONSUMPTION BY CUSTOMER CLASS

For the years ended December 31 (unaudited)

	2023	2022	2021	2020
AVERAGE NUMBER OF CUSTOMERS				
Residential	47,789	47,216	46,690	46,027
General Service	6,266	6,187	6,167	6,109
Industrial	5	5	5	5
Irrigation	983	980	986	984
Miscellaneous	2,220	2,222	2,224	2,217
<i>Total</i>	<u>57,263</u>	<u>56,610</u>	<u>56,072</u>	<u>55,342</u>
RETAIL ELECTRIC SALES (IN THOUSANDS) ⁽¹⁾				
Residential	\$66,583	\$67,779	\$61,325	\$61,936
General Service	39,453	39,436	38,113	35,467
Industrial	3,436	3,467	3,511	3,452
Irrigation	24,528	23,083	27,171	26,320
Miscellaneous	664	686	666	690
<i>Total</i>	<u>\$134,664</u>	<u>\$134,451</u>	<u>\$130,786</u>	<u>\$127,865</u>
RETAIL ELECTRIC SALES IN MWh				
Residential	763,031	780,987	711,831	704,408
General Service	569,033	562,458	541,416	503,631
Industrial	63,252	64,835	65,084	63,625
Irrigation	436,799	391,794	482,741	461,274
Miscellaneous	6,326	6,309	6,243	6,495
<i>Total</i>	<u>1,838,441</u>	<u>1,806,383</u>	<u>1,807,315</u>	<u>1,739,433</u>
AVERAGE REVENUE PER kWh (CENTS) ⁽¹⁾				
Residential	8.73	8.68	8.62	8.79
General Service	6.93	7.01	7.04	7.04
Industrial	5.43	5.35	5.39	5.43
Irrigation	5.62	5.89	5.63	5.71
Miscellaneous	10.50	10.87	10.67	10.63
<i>Average - All Classes</i>	<u>7.32</u>	<u>7.44</u>	<u>7.24</u>	<u>7.35</u>

(1) Includes total retail revenue (per kWh charge, demand, and base charge); excludes city utility occupation tax, bad debt expense, and accrued unbilled revenue.

2019	2018	2017	2016	2015	2014
45,319	44,550	43,870	43,157	42,375	41,758
6,041	5,937	5,919	5,840	5,737	5,643
5	5	5	5	3	3
979	983	987	790	794	788
2,237	2,269	2,330	1,850	1,853	1,861
54,581	53,744	53,111	51,642	50,762	50,053
\$63,799	\$59,461	\$62,861	\$53,643	\$51,402	\$52,862
37,480	37,236	36,690	34,223	33,706	33,829
3,394	3,438	3,440	3,214	3,051	3,250
22,343	23,517	21,825	22,348	22,283	22,794
675	678	673	656	616	616
\$127,691	\$124,330	\$125,489	\$114,084	\$111,058	\$113,351
751,107	697,107	759,634	661,742	665,505	696,804
545,081	546,595	545,884	525,603	530,283	533,008
64,318	65,997	67,084	64,612	66,942	71,869
399,178	424,610	405,805	435,186	468,202	472,643
6,486	6,540	6,691	6,935	7,090	6,998
1,766,170	1,740,849	1,785,098	1,694,078	1,738,022	1,781,322
8.49	8.53	8.28	8.11	7.72	7.59
6.88	6.81	6.72	6.51	6.36	6.35
5.28	5.21	5.13	4.97	4.56	4.52
5.60	5.54	5.38	5.14	4.76	4.82
10.41	10.37	10.05	9.46	8.69	8.81
7.23	7.14	7.03	6.73	6.39	6.36

RETAIL RATES ⁽¹⁾

For the years ended December 31 (unaudited)

	2023	2022	2021	2020
Residential				
Daily System Charge ⁽²⁾	\$0.63	\$0.63	\$0.63	\$0.63
Monthly Base Charge (single phase)	-	-	-	-
Energy Charge (cents/kWh)	6.88	7.39	7.39	7.39
Demand Charge ⁽⁴⁾ (\$/kW)	1.00	-	-	-
Small General Service				
Daily System Charge ⁽²⁾ (Single-Phase)	\$0.55	\$0.55	\$0.55	\$0.55
Daily System Charge ⁽²⁾ (Multi-Phase)	0.82	0.82	0.82	0.82
Monthly Base Charge (single phase)	-	-	-	-
Energy Charge (cents/kwh)	6.30	6.63	6.63	6.63
Medium General Service				
Daily System Charge ⁽²⁾ (All Phases)	\$1.65	\$1.65	\$1.65	\$1.65
Daily System Charge ⁽²⁾ (Single-Phase)	-	-	-	-
Daily System Charge ⁽²⁾ (Multi-Phase)	-	-	-	-
Monthly Base Charge (single phase)	-	-	-	-
Energy Charge (cents/kwh)	5.48	5.77	5.77	5.77
Summer (Effective 2011-2019)	-	-	-	-
Winter (Effective 2011-2019)	-	-	-	-
Demand Charge ⁽³⁾	9.33	9.82	9.82	9.82
Large General Service				
Daily System Charge ⁽²⁾ (Multi-Phase)	\$2.01	\$2.01	\$2.01	\$2.01
Monthly Base Charge (multi phase)	-	-	-	-
Energy Charge - Non Time of Use (cents/kwh)	4.71	4.71	4.71	4.71
Summer (Effective 2010-2019)	-	-	-	-
Winter (Effective 2010-2019)	-	-	-	-
Demand Charge ⁽³⁾	8.15	8.15	8.15	8.15

(1) These rates represent the typical customer. Other monthly charges may apply.
Other rate schedules also in effect are small irrigation, large irrigation, industrial, and miscellaneous.

(2) The Daily System Charge was effective 9/1/2015 and replaced the Monthly Base Charge.
The rate is per day and applied to the number of days in the billing period.

(3) Excess above 50kW of demand per month.

(4) During peak hours Monday through Friday 6am to 9am (only October to April) and 5pm to 8pm (all year) excluding holidays.

2019	2018	2017	2016	2015	2014
\$0.63	\$0.62	\$0.62	\$0.55	\$0.52	-
-	-	-	-	-	\$11.05
7.39	7.18	7.18	7.18	6.84	6.84
-	-	-	-	-	-
\$0.55	\$0.54	\$0.54	\$0.46	\$0.44	-
0.82	0.80	0.80	0.68	0.65	-
-	-	-	-	-	\$11.95
6.63	6.44	6.44	6.44	6.14	6.14
\$1.65	-	-	-	-	-
-	\$1.08	\$1.08	\$0.92	\$0.88	-
-	\$1.61	\$1.61	\$1.38	\$1.32	-
-	-	-	-	-	\$17.55
-	-	-	-	-	-
5.24	5.09	5.09	5.09	4.85	4.85
6.14	5.97	5.97	5.97	5.69	5.69
9.82	9.55	9.55	8.77	8.36	8.36
\$2.01	\$1.96	\$1.96	\$1.38	\$1.32	-
-	-	-	-	-	\$26.10
-	-	-	-	-	-
4.23	4.11	4.11	4.11	3.92	3.89
5.06	4.92	4.92	4.92	4.69	4.65
8.15	7.93	7.93	7.45	7.10	7.00

PRINCIPAL RATEPAYERS

For the years ended December 31 (unaudited)

2023

Ratepayer's Rate Class ⁽¹⁾	Rank	Retail Sales ⁽²⁾	Percentage of Total Retail Electric Sales	kWh	aMW	Percentage of Total kWh
Large Irrigation Customer 1	1	\$14,193,907	10.5%	247,212,153	25.2	13.4%
Large Irrigation Customer 2	2	4,155,196	3.1%	72,936,835	7.7	4.0%
Large Industrial Customer 1	3	3,446,652	2.6%	63,406,257	7.4	3.4%
Large Irrigation Customer 3	4	2,351,009	1.7%	41,895,700	4.2	2.3%
Large General Customer 1	5	1,954,003	1.5%	25,847,382	3.1	1.4%
Large General Customer 2	6	1,925,610	1.4%	26,560,223	3.0	1.4%
Large Irrigation Customer 4	7	1,846,548	1.4%	31,524,781	3.5	1.7%
Large Irrigation Customer 5	8	1,312,481	1.0%	24,590,812	2.7	1.3%
Large General Customer 3	9	1,164,623	0.9%	17,168,690	2.1	0.9%
Electricity Intensive Load 1	10	909,042	0.7%	15,879,980	1.8	0.9%
Large Irrigation Customer 6	-	-	-	-	-	-
		\$33,259,071	24.8%	567,022,813	60.7	30.7%
Total All Ratepayers		\$134,664,286		1,838,440,786		

(1) To preserve confidentiality, individual ratepayer names are not disclosed.

(2) Retail sales are before bad debt expense and unbilled revenue.

2014

Rank	Retail Sales⁽²⁾	kWh	aMW	Percentage of Total kWh
1	\$9,457,986	207,031,420	23.6	11.6%
2	3,439,345	75,146,473	8.6	4.2%
3	3,207,058	74,869,485	8.5	4.2%
5	1,711,380	36,661,019	4.2	2.1%
8	1,550,035	23,416,928	2.7	1.3%
9	1,475,237	24,689,584	2.8	1.4%
6	1,624,115	36,432,037	4.2	2.0%
7	1,324,760	29,578,542	3.4	1.7%
10	1,175,107	20,104,688	2.3	1.1%
-	-	-	-	-
4	2,186,678	48,709,922	5.6	2.7%
	\$27,151,701	576,640,098	65.9	32.3%
	\$113,350,853	1,781,322,397		

RATIOS OF OUTSTANDING DEBT

For the years ended December 31 (unaudited)

	2023	2022	2021	2020
Revenue Bonds	\$76,895,000	\$57,000,000	\$60,195,000	\$63,310,000
Unamortized Premium & Discount	7,175,930	5,327,160	5,762,010	6,226,221
Total Outstanding Revenue Debt	\$84,070,930	\$62,327,160	\$65,957,010	\$69,536,221
Total Revenue Debt to Operating Revenues	54%	35%	38%	45%
Total Revenue Debt to Total Assets	30%	23%	25%	28%
Total Revenue Debt per Ratepayer	\$1,468	\$1,101	\$1,176	\$1,256

DEBT MARGIN INFORMATION ⁽¹⁾

For the year ended December 31, 2023 (unaudited)

Net Revenues September 2021 - August 2022 ⁽²⁾	\$31,896,555
Maximum Future Annual Debt Service (2023)	\$6,978,263
Maximum Allowable Annual Debt Service per Bond Covenants ⁽²⁾	\$25,517,244
Allowable Additional Annual Debt Service	\$18,538,981

(1) As a proprietary fund, the District does not have a legal debt limitation. However, the District's bond resolutions establish restrictions on the issuance of additional debt based on a defined formula.

(2) The bond covenants state that new parity bonds may be issued if the amount of net revenue for any twelve consecutive months in the prior 24 month period divided by the maximum annual debt service in any future year is not less than 125%.

2019	2018	2017	2016	2015	2014
\$49,585,000	\$53,335,000	\$56,905,000	\$59,950,000	\$49,735,000	\$53,600,000
3,452,539	3,869,777	4,336,311	4,845,315	3,099,629	3,572,728
\$53,037,539	\$57,204,777	\$61,241,311	\$64,795,315	\$52,834,629	\$57,172,728
33%	41%	41%	46%	38%	39%
24%	25%	28%	30%	26%	27%
\$972	\$1,108	\$1,153	\$1,255	\$1,041	\$1,142

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DEBT SERVICE COVERAGE

For the years ended December 31 (unaudited)

	2023	2022	2021	2020
DEBT SERVICE CALCULATION				
Change in Net Position	\$9,331,563	\$8,333,457	\$11,600,029	\$8,705,621
Adjustments to (from) Change in Net Position				
Depreciation	11,560,127	11,175,469	10,978,659	10,339,875
Prepaid Power ⁽¹⁾	1,017,144	1,017,144	1,017,144	1,017,144
Interest Expense	2,749,490	2,827,041	2,929,065	2,633,566
Debt Discount/Premium Amortization & Bond Issue Costs	(133,808)	(402,824)	(342,996)	125,928
GASB 68 Adjustment to pension expense noncash entry	(1,883,098)	(1,647,466)	(3,711,285)	(1,393,009)
REVENUE AVAILABLE FOR DEBT SERVICE	\$22,641,418	\$21,302,821	\$22,470,616	\$21,429,125
DEBT SERVICE	\$5,829,696	\$5,998,843	\$5,995,376	\$6,154,945
DEBT SERVICE COVERAGE RATIO	3.88	3.55	3.75	3.48

(1) White Creek Wind Project amortization and Bonneville Power Administration prepaid power

2019	2018	2017	2016	2015	2014 restated
\$1,708,592	\$9,744,554	\$8,119,171	(\$270,716)	(\$2,431,853)	\$4,076,106
10,183,035	9,854,391	10,177,574	12,630,490	13,207,539	12,894,915
1,017,144	1,017,144	1,017,144	1,017,144	1,017,144	1,017,144
2,484,359	2,832,268	2,910,007	2,664,442	2,756,755	2,844,753
(407,817)	(453,711)	(492,959)	(143,522)	(419,819)	(445,518)
(1,292,772)	(1,371,215)	(593,733)	(308,366)	(157,447)	(245,062)
\$13,692,541	\$21,623,431	\$21,137,204	\$15,589,472	\$13,972,319	\$20,142,338
\$6,521,487	\$6,519,987	\$6,226,648	\$5,351,412	\$4,767,944	\$5,966,784
2.10	3.32	3.39	2.91	2.93	3.38

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PRINCIPAL EMPLOYERS - TRI-CITIES METROPOLITAN STATISTICAL AREA

For the years ended December 31 (unaudited)

2023

Employer	Product/Service	Employees	Rank	Percentage of Total MSA Nonfarm Employment
Battelle/Pacific NW National Laboratory	Research & Development	5,300	1	4.1%
Kadlec Medical Center	Health Care	3,800	2	3.0%
Kennewick School District	Education	3,043	3	2.4%
Lamb Weston Inc.	Food Processing	3,000	4	2.3%
Pasco School District	Education	2,700	5	2.1%
Washington River Protection Solutions	Environmental Remediation	2,336	6	1.8%
First Fruits Farms	Food Processing	2,200	7	1.7%
Richland School District	Education	2,200	8	1.7%
Central Plateau Cleanup Co (CPCCo)	Environmental Remediation	2,100	9	1.6%
Bechtel National, Inc.	Engineering & Construction	2,000	10	1.6%
Mission Support Alliance, LLC	Support Services Hanford	-	-	-
Tyson Foods	Food Processing	-	-	-
Total		28,679		22.3%

Source: Tri-City Development Council

2014

Employees	Rank	Percentage of Total MSA Nonfarm Employment
4,219	1	4.1%
2,644	3	2.6%
1,922	6	1.9%
2,498	4	2.5%
2,717	2	2.7%
1,490	9	1.5%
-	-	-
1,600	7	1.6%
-	-	-
2,395	5	2.4%
1,512	8	1.5%
1,300	10	1.3%
22,297		22.1%

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DEMOGRAPHIC STATISTICS

For the years ended December 31 (unaudited)

	2023	2022	2021	2020
Population ⁽¹⁾				
Tri-Cities Metropolitan Statistical Area	316,600	312,050	307,750	302,460
Benton County	215,500	212,300	209,400	205,700
Kennewick	86,470	85,320	84,620	84,960
Prosser	6,445	6,195	6,130	6,220
Benton City	3,810	3,710	3,500	3,560
Total Personal Income - Benton County (000's) ⁽²⁾	N/A	\$11,587,408	\$11,542,478	\$10,683,932
Per Capita Income - Benton County ⁽²⁾	N/A	\$54,454	\$54,958	\$51,757
Unemployment Rate - Benton County ⁽³⁾	5.4%	5.6%	4.2%	6.4%
Building Permits Issued ⁽⁴⁾				
Kennewick	3,222	3,010	2,356	2,002
Benton County (Unincorporated)	890	911	997	897
Taxable Retail Sales - All of Benton County ⁽⁵⁾	N/A	\$5,766,343,266	\$5,625,466,168	\$4,674,787,996

(1) Source: Washington State Office of Financial Management

(2) Source: U.S. Bureau of Economic Analysis, Regional Data, GDP and Personal Income

(3) Source: December 2023 Unemployment Rates, Washington Employment Security Department

(4) Source: City of Kennewick and Benton County Building Departments

(5) Source: Washington State Department of Revenue

2019	2018	2017	2016	2015	2014
296,480	289,960	283,830	279,170	275,740	273,100
201,800	197,420	193,500	190,500	188,590	186,500
83,670	81,850	80,280	79,120	78,290	77,700
6,145	6,125	5,965	5,940	5,845	5,815
3,520	3,405	3,360	3,325	3,285	3,255
\$10,087,552	\$9,597,733	\$9,132,345	\$8,793,589	\$8,523,515	\$7,835,692
\$49,354	\$47,682	\$46,076	\$45,446	\$44,809	\$42,017
5.4%	5.8%	6.1%	7.0%	7.1%	7.7%
2,203	2,409	2,064	2,211	2,005	2,054
895	1,014	997	919	784	713
\$4,631,058,885	\$4,166,770,833	\$3,905,643,498	\$3,789,869,697	\$3,612,773,217	\$3,284,581,847

OPERATING INDICATORS

For the years ended December 31 (unaudited)

	2023	2022	2021	2020
Operating Expenses / Revenues	96.0%	96.2%	93.6%	94.7%
Total Electric Sales in MWh				
Retail Sales	1,838,441	1,806,384	1,807,315	1,739,433
Secondary Market Sales	116,433	378,189	417,390	505,800
Total MWh Sales	1,954,874	2,184,573	2,224,705	2,245,233
Average Annual kWh per Customer				
Residential	15,967	16,541	15,246	15,304
General Service	90,813	90,910	87,792	82,441
Industrial	12,650,400	12,967,032	13,016,760	12,725,056
Irrigation	444,353	399,790	489,596	468,775
Miscellaneous	2,850	2,839	2,807	2,929
Average Annual kWh per Customer - All Classes	32,105	31,909	32,232	31,431
Average Revenue per Customer				
Residential	\$1,393	\$1,436	\$1,313	\$1,346
General Service	6,296	6,374	6,180	5,806
Industrial	687,200	693,318	702,245	690,423
Irrigation	24,952	23,554	27,556	26,747
Miscellaneous	299	309	299	311
Average Revenue per Customer - All Classes	\$2,352	\$2,375	\$2,332	\$2,310
Additions to Electric Plant, excluding work-in-progress	\$19,002,988	\$18,655,109	\$20,094,992	\$18,228,378
Net Electric Utility Plant	\$175,139,366	\$164,304,731	\$155,543,984	\$149,049,385
Capitalized Payroll	\$3,046,520	\$2,832,390	\$3,050,077	\$2,849,452
Total Payroll Expense	\$16,969,343	\$16,221,789	\$15,581,177	\$15,065,567
Full Time Equivalent Employees ⁽¹⁾	153	148	148	148
Cooling Degree Days ⁽²⁾	1,473	1,387	1,548	1,209
Heating Degree Days ⁽²⁾	4,888	5,509	4,521	4,576
Annual Precipitation (inches) ⁽²⁾	6.02	7.33	5.34	4.07
Peak Load (MW's) ⁽³⁾	438	455	490	437

(1) Includes regular and temporary employees. In 2017, all years employee counts were reduced to account for shared employees billed to other governments.

(2) Source: Hanford Meteorological Station

Heating degree days are indicators of household energy consumption for space heating. When the average outdoor temperature is less than 65 degrees Fahrenheit, most buildings require heat to maintain a temperature of 70 degrees inside. Similarly, when the average outdoor temperature is 65 degrees or more, most buildings require air-conditioning to maintain a temperature of 70 degrees inside.

(3) Source: Bonneville Power Administration

2019	2018	2017	2016	2015	2014 restated
100.1%	94.8%	95.1%	99.7%	102.4%	98.7%
1,766,171	1,740,849	1,785,098	1,694,078	1,738,022	1,781,322
421,597	558,160	609,721	576,289	662,886	717,847
2,187,768	2,299,009	2,394,819	2,270,367	2,400,908	2,499,169
16,574	15,648	17,316	15,333	15,692	16,687
90,230	92,066	92,226	90,004	92,432	94,455
12,863,616	13,199,344	13,416,822	12,922,400	22,313,962	23,956,495
407,741	431,954	411,150	550,578	589,675	599,801
2,900	2,882	2,872	3,749	3,826	3,760
32,359	32,392	33,611	32,804	34,239	35,589
\$1,408	\$1,335	\$1,433	\$1,243	\$1,213	\$1,266
6,204	6,272	6,199	5,860	5,875	5,995
678,881	687,644	687,927	642,800	1,016,944	1,083,292
22,822	23,924	22,112	28,274	28,065	28,926
302	299	289	355	332	331
\$2,339	\$2,313	\$2,363	\$2,209	\$2,188	\$2,265
\$18,484,322	\$14,307,247	\$14,248,483	\$12,707,389	\$10,795,807	\$14,325,929
\$142,948,756	\$132,197,835	\$125,666,747	\$123,470,148	\$120,791,227	\$122,400,363
\$2,851,731	\$2,456,252	\$2,435,631	\$3,213,042	\$2,201,618	\$2,289,991
\$14,566,651	\$14,008,828	\$13,864,893	\$13,630,457	\$12,967,615	\$12,674,072
150	149	152	153	152	152
1,112	1,221	1,347	1,099	1,534	1,426
5,655	4,668	5,618	4,392	4,228	4,611
9.31	6.43	8.60	7.66	6.48	6.53
407	419	426	425	429	431



✓	<i>Business Agenda</i>
□	<i>Second Reading</i>
□	<i>Consent Agenda</i>
□	<i>Info Only/Possible Action</i>
□	<i>Info Only</i>

COMMISSION MEETING AGENDA ITEM

Subject:	Resolution No. 2665, Updating the Helping Hands Low Income Donation Program	
Agenda Item No:	7c	
Meeting Date:	March 26, 2024	
Authored by:	Jon Meyer	<i>Staff Preparing Item</i>
Presented by:	Jon Meyer	<i>Staff Presenting Item</i>
Approved by (dept):	Jon Meyer	<i>Director/Manager</i>
Approved for Commission review:	Rick Dunn	<i>General Manager/Asst GM</i>

Motion for Commission Consideration

Motion approving Resolution No. 2665, *Updating the Helping Hands Low Income Donation Program.*

Background/Summary

The District established the Helping Hands program by Resolution in 1987 where customers could donate to a fund to assist low-income residential customers. Program guidelines were established in the original resolution and have been updated throughout the years. The latest update occurred in 2023 and established an annual maximum pledge amount of \$300 for customers that are at or below 225% of the Federal Poverty Level (FPL). Prior to this update, the program was available for customers at or below 150% of FPL with annual maximum pledge amounts of \$150 to \$250 depending on household size. The program is administered by Community Action Connections (CAC), who also administers LIHEAP funds as grantee of the Washington State Department of Commerce.

The Washington Clean Energy Transformation Act (CETA) requires that electric utilities must make programs and funding available for energy assistance to low-income households by July 31, 2021. The District was audited by the State Auditor’s Office (SAO) in 2023 who provided an audit opinion that the District was in compliance with this requirement. SAO is now interpreting CETA to mean that a customer whose income is below the greater of 80% of Area Median Income (AMI) or 200% of FPL, based on household size, must have access to a low-income program offered by the utility. All of the District’s current low-income programs use 225% of FPL. Staff is recommending an update to the income requirements for the Helping Hands program to provide a low-income program that uses income requirements that are in alignment with CETA. The table on the next page summarizes income levels for the existing

program at 225% of FPL and the income levels to change to the higher of 80% of AMI or 200% of FPL, based on household size.

HOUSEHOLD SIZE	225% FPL (EXISTING REQUIREMENT)	HIGHER OF 80% AMI OR 200% FPL (PROPOSED CHANGE)
1	\$33,885	\$51,750
2	\$45,990	\$59,150
3	\$58,095	\$66,550
4	\$70,200	\$73,900
5	\$82,305	\$79,850
6	\$94,410	\$85,750
7	\$106,515	\$94,680
8	\$118,620	\$105,440

Recommendation

The recommended updates will provide a low-income program that uses income requirements in alignment with CETA.

Fiscal Impact

The Helping Hands program allows customers to receive financial assistance to help pay their electric bills.

RESOLUTION NO. 2665

March 26, 2024

**A RESOLUTION OF THE COMMISSION OF
PUBLIC UTILITY DISTRICT NO. 1 OF BENTON COUNTY
UPDATING THE HELPING HANDS LOW INCOME DONATION PROGRAM**

WHEREAS, Public Utility Districts have the authority under RCW 54.42 to request voluntary contributions to assist low-income residential customers with paying their electric bill, and to remit all donated funds to either the Department of Commerce grantee, a charitable organization, or retain the funds at the District; AND

WHEREAS, The Commission adopted Resolution No. 1108 on December 11, 1984, authorizing a Voluntary Contributions Plan to set up a voluntary program to assist low-income residential customers; AND

WHEREAS, On July 14, 1987, the Commission approved the implementation of a program to solicit voluntary contributions from District customers to assist qualified low-income customers in paying their electricity bills, by this time named "Helping Hands"; AND

WHEREAS, The District recognizes a voluntary donation program can provide a significant amount of assistance to low-income customers, especially those who may be at risk of disconnect or may have been disconnected; AND

WHEREAS, The District's ratepayers benefit from the Helping Hands program, as Helping Hands payments reduce customer account balances and ultimately lower District write-offs, resulting in a positive impact on retail rates; AND

WHEREAS, The District continues to implement the Helping Hands program collecting donations from customers and employees; AND

WHEREAS, The District remits 100% of the contributions monthly to the local Department of Commerce grantee, Community Action Connections ("CAC") to administer the Helping Hands program by determining if customers are income qualified and then paying the District on behalf of the qualified customers; AND

WHEREAS, The Commission has approved various updates since implementation; AND

WHEREAS, The Helping Hands program was last updated with Resolution No. 2640 on June 13, 2023 and set income levels to determine eligibility to be up to 225% of Federal Poverty Level (FPL) (previously 150% of FPL) and the maximum annual pledge to be \$300 regardless of family size (previously \$125-\$250 depending on family size); AND

WHEREAS, The State Auditor’s Office (SAO) is now interpreting CETA to mean that a customer whose income is below the greater of 80% of Area Median Income (AMI) or 200% of FPL, based on household size, must have access to a low-income program offered by the utility;
AND

WHEREAS, Staff is recommending an update to the income requirements for the Helping Hands program to provide a low-income program that uses income requirements that are in alignment with CETA; AND

NOW THEREFORE, BE IT HEREBY RESOLVED That the Commission affirms and restates that the Commission approves the following District and employee activities to support and offer the Helping Hands program through customer involvement: activities to pursue one time and recurring donations, fundraising drives including but not limited to media campaigns, and other miscellaneous staff participation in promotion efforts, oversight on the collection and disbursement of the funds to CAC, and payment of fees to CAC for processing customer applications for Helping Hands.

BE IT FURTHER RESOLVED the Commission approves changing the income eligibility threshold to 80% of AMI or 200% of FPL whichever is greater by household size.

BE IT FURTHER RESOLVED the pledge amount a customer can receive annually continues to be \$300.

This Resolution supersedes Resolution No. 2640 adopted June 13, 2023 and replaces all other Resolutions pertaining to the Low-Income Donation Program.

APPROVED AND ADOPTED by the Commission of Public Utility No. 1 of Benton County, Washington at an open public meeting, with notice of such meeting being given as required by law, this 26th date of March, 2024.

Barry Bush, President

ATTEST:

Lori Kays-Sanders, Secretary



<input checked="" type="checkbox"/>	Business Agenda
<input type="checkbox"/>	Second Reading
<input type="checkbox"/>	Consent Agenda
<input type="checkbox"/>	Info Only/Possible Action
<input checked="" type="checkbox"/>	Info Only

COMMISSION MEETING AGENDA ITEM

Subject:	COSA Update and General Service Demand Presentation	
Agenda Item No:	7d	
Meeting Date:	March 26, 2024	
Authored by:	Keith Mercer	<i>Staff Preparing Item</i>
Presented by:	Jon Meyer	<i>Staff Presenting Item</i>
Approved by (dept):	Jon Meyer	<i>Director/Manager</i>
Approved for Commission review:	Rick Dunn	<i>General Manager/Asst GM</i>

Motion for Commission Consideration:

None

Background/Summary

Staff will provide an update on the 2024 Cost of Service Analysis (COSA) as well as seek Commission input on rate structure recommendations to General Service rate classes based on analysis that will be presented during the Commission meeting. Any rate structure changes will be adopted by resolution at a future commission meeting.

Recommendation

Staff is seeking Commission input on the following:

- Implementing a demand charge for Small General Service
- Changing the demand charge for Medium and Large General service by adding a charge for the first 50 kW per month
- Re-evaluating the relevance of continuing the Large General Service Time of Use rate schedule.

Fiscal Impact

None. The General Service rate structure recommendations were designed to be revenue neutral for the District. Individual customers may see an increase or decrease based on their demand and energy consumption.