

MINUTES

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

Date: August 11, 2026

Time: 9:00 a.m.

Place: 2721 West 10th Avenue, Kennewick, Washington

Present: Commissioner Jeff Hall, President
Commissioner Lori Kays-Sanders, Vice-President (via/MS Teams)
Commissioner Mike Massey, Secretary
General Manager Rick Dunn
Chief Financial Officer Jon Meyer
Chief Operating Officer Chris Folta
Director of IT & Broadband Services Jennifer Holbrook
Director of Human Resources & Communications Karen Dunlap
Director of Conservation & Distributed Energy Resources Chris Johnson
Director of Customer Service and Treasury Keith Mercer
Director of Engineering Evan Edwards
Supervisor of Executive Administration/Clerk of the Board Cami McKenzie
Records Program Administrator II Nykki Drake
General Counsel Allyson Dahlhauser

Benton PUD employees present during all or a portion of the meeting, either in person or virtually: Annette Cobb, Manager of Customer Service; Blake Scherer, Manager of Power Supply & Transmission Service; Dax Berven, Senior Engineer; Duane Crum, Manager of IT Infrastructure; Duane Szendre, Superintendent of Operations; Eric Dahl, Communications Specialist II; Jenny Sparks, Manager of Communications & Customer Engagement; Jodi Henderson, Manager of Government & Community Relations; Kent Zirker, Manager of Accounting; Levi Lanphear, Procurement Administrator; Michelle Ness, Supervisor of Distribution Design; Michelle Ochweri, Manager of Procurement; Jessie Grad, Superintendent of Transmission & Distribution; Robert Frost, Supervisor of Energy Programs; Shannon Sensibaugh, Administrative Assistant, II; Tyson Brown, Procurement Specialist II; Zach Underhill, Distribution Designer; Shawn Harper, Superintendent of Support Services; Kayla Sidwell, Senior Communications Specialist.

Call to Order & Pledge of Allegiance

The Commission and those present recited the Pledge of Allegiance.

Agenda Review

Approved as presented.

Public Comment

None.

Treasurer's Report

Keith Mercer, Director of Customer Service & Treasury Operations, reviewed the July, 2026 Treasurer's Report with the Commission as finalized on August 3, 2026.

Consent Agenda

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

- a. Regular Commission Meeting Minutes of July 28, 2026
- b. Travel Report dated August 11, 2026
- c. Vouchers (report dated August 11, 2026) 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: 116105-116156 and 116313-116339 in the amount of \$1,050,895.68.
Checks & Customer Refund Payments (CHK): 92535-92625 in the amount of \$310,164.19;
Electronic Fund Transfer (WIRE) Payments: 7659-7668 in the amount of \$7,822,981.58;
Residential Conservation Rebates: Credits on Customer Accounts in the amount \$100.00;
Payroll: Direct Deposit – 07/30/2026: 116157-116312 in the amount \$552,969.94;
Voided checks (July, 2026) in the amount of \$1,600.00;
Grand total - \$9,737,111.39
- d. Quit Claim Deed – Les Schwab – WO# 751904

Management Report

Chief Financial Officer - Jon Meyer

1. BPA Load Area Reinforcement Study (LARS) Award

Blake Scherer, Manager of Power Supply & Transmission Service, discussed BPA's selection of the Tri-Cities Area for the LARS Award. BPA was considering five regions and Mr. Scherer put together a letter supporting the Tri-Cities selection. LARS will be a more collaborative, interactive study focused on conceptual long-term planning and future system needs. BPA will prepare study agreements and then schedule meetings with participating utilities, and the anticipated cost is approximately \$25,000 per participating utility.

2. BPA Forced Hydro Outage

CFO Jon Meyer discussed BPA's elevated Weighted Forced Outage Factor (WFOF). PPC arranged a call with BPA to discuss the increase, and BPA identified the following contributing factors: the impact of three large generating units at Grand Coulee, as well

as some units at other dams, staffing levels at Grand Coulee that are approximately 200 positions below authorized levels, and court ordered spill requirements. BPA has upgrades and replacements in multi-year capital plan to address problems with generating units. These projects also include uprates adding incremental hydro capacity.

3. BPA Above Contract High Water Mark (Above-CHWM)

CFO Jon Meyer discussed the selections made by utilities for their Provider of Choice Above-CHWM load service. 89 utilities selected the all-BPA Long-Term Tier 2 Rate; 12 selected the B/C alternatives, which provide for a fixed amount served at the BPA Long-Term Tier 2 Rate with the remaining load served through a flexible options, or a fixed amount served flexibly with any remaining load served at the Tier 2 Rate; and 32 selected the Flexible Above-CHWM Path. Of the 32 flexible-path selections, 25 are members of PNGC, a Joint Operating Entity that aggregates member loads and provides non-federal resources for Above-CHWM load.

4. Bond Issue Update

Director Keith Mercer reviewed the bond issuance draft schedule. RBC was selected as the underwriter, and the Official Statement is currently under review. Rating agency meetings are scheduled for August 25–26, with bond ratings anticipated by mid-September. The bond resolution is scheduled for consideration by the Commission on September 8, 2026, followed by bond pricing at the end of September and closing in October. The proposed bonds are currently estimated at an all in total interest cost of just under 4.3%, which includes the refunding of the 2016 bonds.

General Manager – Rick Dunn

1. BPA Administrator Travis Kavulla PPC Letter

General Manager Rick Dunn reviewed a Public Power Council (PPC) letter sent to Travis Kavulla, the new BPA Administrator, which emphasized several “decision-ready” issues requiring timely action, including urgent decisions on BP-27 (fiscal year 2027) rate proceedings to account for expected power cost increases caused by Judge Simon’s spill order and participation in Markets+. Other near-term priorities are the Residential Exchange Program, transmission development, BPA resource acquisition and a well-resourced, highly engaged and motivated federal work force.

CFO Jon Meyer added that the Residential Exchange Program resumed the average system cost methodology, with a record of decision anticipated by the end of December. However, there has been no update on the rate protection process.

General Manager said the PPC Long Range Planning Committee is meeting this week to discuss Oregon Senator Jeff Merkley’s draft bill which would shift transmission authority away from BPA and establish a separate federal entity administered by the governors of Washington and Oregon plus either Montana or Idaho. There is little chance the bill will move forward but it provides a basis for discussion of potential solutions to help enable BPA to better meet the region’s transmission needs short of spinning off transmission into a separate organization.

2. PPC, NWRP, PNUCC Meeting Highlights (Adam Ratliff Video)

GM Rick Dunn provided highlights from recent PPC, Northwest RiverPartners and PNUCC meetings. He discussed insights gained from Jeff Allen who is an Idaho Council Member serving on the Northwest Power and Conservation Council. Mr. Allen emphasized the importance of utility participation in work groups whether they are addressing fish and wildlife or power supply issues. Jodi Henderson continues to ensure Benton PUD's voice is heard through coordination with trade associations. GM noted renewed attention to pinniped predation control, with sea lions and seals estimated to account for as much as 44% of spring Chinook losses. There is growing support for modifications to federal law to allow for more lethal take of pinnipeds, which is also supported by Tribes. GM discussed the importance of trade association engagement in ongoing Columbia River and Snake River temperature regulation by Washington Department of Ecology through Total Maximum Daily Load (TMDL) analysis, emphasizing the flawed modelling used and that water temperatures in the Snake River can exceed Washington standards at the border with Idaho. GM also discussed the National Oceanic and Atmospheric Administration (NOAA) "rebuilding report" developed during the Biden Administration that includes lower Snake River dam breaching as a "centerpiece action" for salmon recovery, noting that regional trade associations are working to replace the report which was said to have been authored by "east coast NOAA" and was not supported by Northwest NOAA at the timing of its publishing. GM also discussed the Adam Ratliff video featuring Scott Simms, PPC Executive Director, which addressed the impacts of Judge Simon's spill order and highlighted the misinformation being perpetuated by non-governmental organizations who have publicly proclaimed that their long-term goal is to achieve dam breaching.

3. Seattle Times – *"WA wanted clean energy. But utilities plan fleet of gas plants"*

General Manager Rick Dunn reviewed a recent Seattle Times article regarding the need for additional natural gas generation to maintain reliability as electricity demand grows and highlighted comments from State Rep. Beth Doglio opposing a major natural gas buildout under Washington's clean energy policies. GM contrasted those comments with findings in the report used as the basis for the Washington State Energy Strategy, which he noted projects the need for 11 gigawatts (GW) of new natural gas generation in the Northwest by 2050, including 3 GW in Washington, for reliability purposes.

4. WPUDA Building Assessment

GM Rick Dunn reviewed the 2026 WPUDA Special Building Assessment stating that he supported the assessment which is a one-time payment of \$79,400 for Benton PUD.

The Commission briefly recessed, reconvening at 10:25 a.m.

Business Agenda

Performance Measurement Report – 2nd Quarter 2026

Chief Financial Officer Jon Meyer presented the Performance Measurement 2nd Quarter 2026 Report and stated that 16 of 17 performance measures were rated green with positive quarterly performance and one rated yellow. 17 of 17 were rated green with positive outlooks.

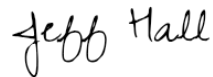
The following performance measures were highlighted by staff: Service Order Process (green rating), Rates (green rating), Electric Reliability Indices (green rating), and Infrastructure Component Reliability (yellow rating).

2026-2030 Strategic Plan: Mid-Year Progress Report

General Manager Rick Dunn provided a progress report to the Commission on the 2026 Mid-Year Strategic Plan Action Items and highlighted the following: continued progress on the lobby remodel and physical security improvements; implementation of the next-generation SCADA communications network; increased operational visibility through AMI and SCADA data; completion and installation of RTUs and transmission FCI's; enhanced cybersecurity measures that are stopping thousands of high-risk threats; enhanced customer communications through SmartHub; and continued evaluation of Demand Response opportunities, with an initial focus on large irrigation customers given Benton PUD's summer-peaking load, with a presentation to follow at a later meeting.

Adjournment

Hearing no objection, President Hall adjourned the meeting at 11:00 a.m.



Jeff Hall, President

ATTEST:



Mike Massey, Secretary

Signature Certificate



Envelope Ref:4a87e092f68ef0d897c3e3ce5316024456d19b2c

Author: Nykki Drake Creation Date: 25 Aug 2026, 08:38:47, PDT Completion Date: 27 Aug 2026, 12:22:48, PDT

Document Details:



Name: Commission Minutes - 2026-08-11
Type:
Document Ref: e5f66771528e391e8c42eea4b3382dde8283591e2b854a59b8e17ecfb93630fe
Document Total Pages: 5



Name: Commission Voucher Report 2026-08-25
Type:
Document Ref: 5892391e6a62c8747fca722f2946b78333f72bf74bd2074e7b09e333c49a9e0d
Document Total Pages: 29



Name: Resolution 2734 - Whistleblower Policy 2026-08-25
Type:
Document Ref: c90be4660d53a1d518c9f85e763e520ddf7522f800f6020e8159dc90a23ea757
Document Total Pages: 6

Document Signed By:

Name: Jeff Hall
Email: jhall@bentonpud.org
Signer ID: IO4D7JJ19...
IP: 64.184.178.115
Location: KENNEWICK, WA (US)
Date: 25 Aug 2026, 09:39:52, PDT
Consent: eSignature Consent Accepted
Security Level: Email

Jeff Hall

Name: Mike Massey
Email: mmassey@bentonpud.org
Signer ID: VW84ECQC19...
IP: 2607:fb91:1ec3:99a1:e043:dfac:f42a:cfc3
Location: SEATTLE, WA (US)
Date: 25 Aug 2026, 21:34:01, PDT
Consent: eSignature Consent Accepted
Security Level: Email



Name: Lori Sanders
Email: lsanders@bentonpud.org
Signer ID: GSCWPALF19...
IP: 50.37.181.13
Location: KENNEWICK, WA (US)
Date: 27 Aug 2026, 12:22:48, PDT
Consent: eSignature Consent Accepted
Security Level: Email



Document History:

Envelope Created	Nykki Drake created this envelope on 25 Aug 2026, 08:38:47, PDT
Invitation Sent	Invitation sent to Jeff Hall on 25 Aug 2026, 09:01:14, PDT
Invitation Sent	Invitation sent to Lori Sanders on 25 Aug 2026, 09:01:14, PDT
Invitation Sent	Invitation sent to Mike Massey on 25 Aug 2026, 09:01:14, PDT
Invitation Accepted	Invitation accepted by Jeff Hall on 25 Aug 2026, 09:39:22, PDT
Signed by Jeff Hall	Jeff Hall signed this Envelope on 25 Aug 2026, 09:39:52, PDT
Invitation Accepted	Invitation accepted by Mike Massey on 25 Aug 2026, 21:32:46, PDT
Signed by Mike Massey	Mike Massey signed this Envelope on 25 Aug 2026, 21:34:01, PDT
Invitation Accepted	Invitation accepted by Lori Sanders on 27 Aug 2026, 12:22:01, PDT
Signed by Lori Sanders	Lori Sanders signed this Envelope on 27 Aug 2026, 12:22:48, PDT
Executed	Document(s) successfully executed on 27 Aug 2026, 12:22:48, PDT
Signed Document(s)	Link emailed to jhall@bentonpud.org
Signed Document(s)	Link emailed to lsanders@bentonpud.org
Signed Document(s)	Link emailed to mmassey@bentonpud.org
Signed Document(s)	Link emailed to draked@bentonpud.org