Date: May 12, 2020
Time: 9:00 a.m.
Place: Via Conference Call, in accordance with Proclamation No. 20-28

Attendees:
Commissioners Hall, Sanders, and Bush
General Manager Dunn
Legal Counsel Hultgren
Senior Director of Engineering and Operations Hunter
Senior Director of Finance & Customer Services Meyer
Director of Information Technology & Broadband Services Folta
Director of Executive Administration Conover
Director of Power Management White
Manager of Contracts & Purchasing Ochweri
Manager of Human Resources Dunlap
Manager of Risk Management & Treasury Mercer
Manager of Communications and Governmental Relations Henderson
Manager of IT Infrastructure Crum
Manager of Accounting Zirker
Manager of Conservation & Renewable Energy Programs Johnson
Manager of Customer Service McAloon
Manager of Enterprise Optimization & Project Management Holbrook
Senior Engineer Scherer
Supervisor of Executive Administration/Clerk of the Board Marshall

Guests: Tom Bernard and Travis Beyerl, State Auditor’s Office

The Pledge of Allegiance was given.

Audit Exit Conference for EIA Renewable Compliance Audit
Manager introduced representatives attending via conference call as Mr. Tom Bernard and Mr. Travis Beyerl of the Washington State Auditor’s Office.
Mr. Bernard and Mr. Beyerl reviewed the items included in the commission packet and at the conclusion of his report stated the audit results show the District complied in all material aspects with the requirements of both audits. Mr. Tom Bernard thanked District staff for their assistance during this process.

**Entrance Conference for EIA Conservation Audit**

Mr. Beyerl stated they will be conducting an audit for compliance with the 2018-2019 conservation accountability of the Energy Independence Act and gave an overview of the audit plans, audit scope and the engagement letter provided in advance of the audit.

**Treasurer’s Report**

Manager of Risk Management & Treasury reviewed the April 2020 treasurer’s report. The Commission accepted the April 2020 Treasurer’s Report. The Counterparty and Sector reports were included in the commission packet.

Director of Power Management will review hedging activity and Counterparty activities later in the commission meeting.

Commissioner Lori Sanders requested information that shows the trend for Days Cash on Hand during the shoulder months. Manager will gather this information and send to the commissioners.

**Consent Agenda**

Motion by Lori Sanders, seconded by Barry Bush to approve the Consent Agenda as follows:

b) Approving Vouchers 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. As of this date, the Commission does approve the following for payment: Accounts Payable: Automated Clearing House (DD) payments 79894-79908 80062-80087 in the total amount of $833,305.58, Checks & Customer Refund payments (CHK) 78994-79064 in the total amount of $507,146.21, Electronic Fund Transfer (WIRE) payments 5327-5345 in the total amount of $8,327,617.70; Payroll: Direct Deposit – 04/27/20 79909-80061 in the total amount of $368,018.64, for a grand total of $10,036,088.13.
d) Awarding Contract #20-37-01 for the Cab & Chassis with Hydraulic Digger Derrick 105’, to Altec Industries of Daleville, VA for the total amount of $749,249.06 plus Washington State sales tax in accordance with RCW 54.04.080.
e) Authorizing the General Manager on behalf of the District to sign the Authorization to Proceed Agreement, Contract #20-45-07 with Lowe’s Companies, Inc, with a rebate of a not-to-exceed amount of $142,000.00 and an expiration date of January 31, 2021.

**MOTION CARRIED UNANIMOUSLY.**
Report from Management

General Manager:
1. General Manager reported that Operations department has returned to having 100% of personnel reporting to the office and that they are working to catch up on the backlog of projects that were on hold when construction was suspended due to the Governor's Stay Home, Stay Healthy order. Staff are continuing to provide good customer service while telecommuting. Staff continues to develop plans and safety measures for bringing administrative building personnel back to work. Commissioners informed the General Manager they have not heard any feedback from customers and do not have any further questions related to this.
2. Elliot Mainzer, BPA Administrator provided an update on the CRSO Draft Environmental Impact Statement (DEIS) during the May virtual PPC board meeting. Mr. Mainzer noted that over 55,000 comments were received by the federal agencies in response to the published DEIS. Plans are still on track for the final EIS to be released by the end of July 2020 with each Federal Agency required to file a record of decision (ROD) by September 2020.
3. General Manager discussed items provided in the May PPC meeting materials related to fish, ocean conditions, and the Western Power Markets. Commissioner Lori Sanders understands this is difficult to review over the phone but appreciates staff’s updates on these topics.

Director of IT & Broadband Services:
1. An update was provided on the Washington State Initiative to coordinate and potentially fund public Drive-In Wi-Fi hotspots to aid internet access during the Stay Home Stay Healthy order enacted by Governor Inslee. A Facebook Live press conference was held last week by the Washington State Department of Commerce and the State Broadband Office, which provided presentations and discussions on the number of drive-in Wi-Fi sites throughout the State; approximately 300 sites have been deployed and plan for over 100 more in the next few weeks. A map has been published that displays the site locations and specific details for each site. Currently there are 11 sites in Benton County and 10 sites in Franklin County. 5 of the 11 sites in Benton County are Benton PUD’s Wi-Fi spots that have been in place for several years and recently turned back on. Staff is monitoring their use and traffic to see if they need to be updated. The District’s website has also been updated with the Wi-Fi access point locations. A reminder was given that all local School Districts have made their own Wi-Fi access points available to the public at each school location, but this is not part of the state’s current initiative.
2. Director informed the Commissioners that local police agencies are reporting a sharp increase in unemployment insurance fraud where identity thieves are using stolen credentials such as name, address, social security number, and date of birth to apply for unemployment in active employee’s names. There have been thousands of claims nationwide with no clear indication of where the data was obtained. However, leading security experts believe that the information was likely acquired through some of the nation’s past notable breaches such as happened to national prominent healthcare provider, Premera. Law enforcement is continuing to investigate.
Director also informed the Commissioners that this unemployment fraud happened to a couple of active employees so the IT Department conducted a full investigation and found no breach or penetration of District information systems that would have aided the fraud attempts. Human Resources notified the affected employees and is working with the Washington State Employment Securities Division.

**Director of Power Management:**
1. Director reviewed current financial hedges and counterparty activity reports that will continue to be reviewed monthly at the first commission meeting of each month. Director also provided an update on the improved water year forecast. Commissioner Lori Sanders posed some clarifying questions of the financial hedges and net position charts included in the packet.
2. An update was provided on BPA’s integrated program review, which will begin in June. This is the initial phase of the BPA’s rate case that will occur next year. PPC is looking into assistance for utilities affected by COVID-19 and are urging BPA to postpone their Financial Reserves Policy surcharge.

**Senior Director of Finance & Customer Services:**
1. Senior Director provided a financial update; reviewing billed revenues for April, reduction of load for general service classes, and an increase in Irrigation load.
2. Senior Director reviewed the Forecast and some scenarios related potential impacts created by COVID-19. A discussion was held on Days Cash on Hand and budgeted forecast. Commissioner Lori Sanders discussed questions related to the scenarios reviewed by Senior Director. Discussions and different scenarios will continue to be reviewed at future commission meetings.
3. An update was given on Fitch rating agency affirming the District’s AA- rating. This communication was sent to the Commissioners and can also be found on the District’s website.
4. A review of customer service statistics was given. Senior Director reviewed and compared customer accounts pre-pandemic and current. Staff will continue to monitor payments and continue to send letters to customers offering payment arrangements as well as providing customers with information on resources that may be available. An update was provided on the increase in LIHEAP funding; noting Benton and Franklin Counties received about $130,000 in assistance, estimating about half that may get allocated to Benton PUD’s service territory. An update on the additional funding from Washington State, with about $120,000 allocated for Benton County, estimating about 2/3 would be allocated to Benton PUD’s service territory. Senior Director mentioned that Community Action Committee (CAC) is backlogged so the District is not seeing this funding come into accounts yet. Senior Director also reviewed the additional funding from DSHS for citizens who qualify for EBT. This additional money can be withdrawn from an ATM to assist citizens to pay for utilities and other bills.

At 10:45 a.m., President Jeff Hall announced that the commission meeting would recess for 5 minutes.

At 10:50 a.m., President Jeff Hall announced that the commission meeting would reconvene into regular open public session.
Motion Extending Temporary Changes to the District’s Customer Service Rates and Policies

Director of Finance and Customer Services reminded the Commission of the previous motions that have been approved since the March 24, 2020 commission meeting and recommended extending the three items in commission agenda Item 8a’s motion to the end of day on May 31, 2020. This date aligns with the current Governor’s Stay at Home, Stay Healthy Proclamation. Director plans to provide additional information at the May 26, 2020 commission meeting.

Staff continue to work with customers who are past due to obtain payments based on customer’s ability to pay, and to make payment arrangements.

Discussion was held on customer rate classes and delinquent statuses.

Motion by Barry Bush, seconded by Lori Sanders extending the following temporary changes that became effective March 16, 2020 to the District’s Customer Service Rates and Policies, Resolution No. 2516:

1) Discontinuance of the assessment of the 1% late fee on past due balances.
2) Suspension of the mailing of Urgent Notices to customers with delinquent account balances.
3) Suspension of disconnects for non-pay.

And authorizing the temporary changes to continue in place through the end of the day on May 31, 2020.
MOTION PASSED UNANIMOUSLY.

Performance Measurement – 1st Quarter 2020 Report

Senior Director of Finance and Customer Services states that 18 of the 25 performance measures were rated as having positive quarterly performance, four were yellow, two was red and one was blue. Staff reviewed the following identified performance measures: Electronic Payments, Back Bill Rate, Unrestricted Reserve Level, Days Cash on Hand, Hiring Efficiency, Enterprise Application Reliability, and Infrastructure Component Reliability.

Res. No 2543, Revising Power Risk Management and Trading Policies

Director of Power Management reviewed recommended updates to the Power Risk Management and Trading Policies.

Commissioner Lori Sanders held a discussion on the possibility of having a commission member sit on the Risk Management Committee but later clarified that this was confused with the Enterprise Risk Management Committee.

Motion by Lori Sanders, seconded by Barry Bush adopting Resolution No. 2543, Revising the District’s Power Risk Management and Trading Policies and directing staff to follow and implement said Policies.
MOTION PASSED UNANIMOUSLY.

Commission Meeting Minutes
May 12, 2020
Resolution No. 2544, Ten-Year Load and Customer Forecast 2020-2029
The Ten-Year Load and Customer Forecast is revised annually and has been updated for the 2020-2029 planning period. Senior Engineer Scherer gave a presentation on the Ten-Year Load and Customer Forecast 2020-2029.

Motion by Lori Sanders, seconded by Barry Bush to adopt Resolution No. 2544, Ten-Year Load and Customer Forecast 2020-2029.
MOTION PASSED UNANIMOUSLY.

Commissioner Lori Sanders asked that it be noted in the commission minutes her reluctant approval of Resolution No. 2544, due to forecast results not considering the impacts of COVID-19.

2020 Energy Independence Act Compliance Reports
Manager of Conservation and Renewable Energy Programs reviewed the report that was included in the commission packet. Manager stated the District is required to file an annual report with the Department of Commerce documenting compliance with EIA renewable energy requirements and conservation targets. Manager reviewed the data within the report to comply with renewable energy and conservation requirements that will be sent to the Department of Commerce by June 1, 2020.

Motion by Lori Sanders, seconded by Barry Bush to adopt substantially in the form presented, Benton PUD's 2020 Energy Independence Act (EIA) Renewable Energy and Conservation compliance reports for submittal to the Washington State Department of Commerce.

Other Business
Commissioner Lori Sanders would like to have a discussion with fellow commissioners and staff on how the District can provide some rate relief to customers. Commissioner reviewed some of the impacts customers and citizens are dealing with due to COVID-19.

A discussion was held amongst the Commissioners on Commissioner Lori Sander's proposed statement, recommendation, and scenarios.

Commissioner Barry Bush and Commissioner Jeff Hall would like to have this discussion at a future in-person commission meeting, instead of over the phone. Commissioner Lori Sanders concurred.

General Manager stated staff would review different options and present at a future commission meeting. Commissioner Lori Sanders will connect with General Manager and provide her recommendations to him for further review with staff.
Meeting Reports
Commissioner Jeff Hall will virtually attend the NoaNet Board Meeting and WPUDA Elections Meeting this week.

Commissioner Jeff Hall reported that he filed for his Benton PUD position yesterday to run for re-election. Commissioners Bush and Sanders wished him luck.

Hearing no objection, Commission President Jeff Hall adjourned the Commission Meeting at 12:13 p.m.

Jeffrey D. Hall, President

ATTEST:

Barry A. Bush, Secretary