

**PUBLIC UTILITY DISTRICT NO. 1
OF
BENTON COUNTY**

Date: May 10, 2022

Time: 9:00 a.m.

Place: 2721 West 10th Avenue, Kennewick, Washington

Attendees (in person):

Commissioners Hall, Sanders and Bush

General Counsel Dahlhauser

Assistant General Manager Hunter

Senior Director of Finance and Customer Services Meyer

Director of Executive Administration Conover

Director of Power Management White

Manager of Customer Service McAloon

Manager of Conservation & Renewable Energy Programs Johnson

Director of IT and Broadband Services Folta

Manager of Risk Management and Treasury Operations Mercer

Manager of Contracts & Purchasing Ochweri

Manager of System Engineering Edwards

Supervisor of Executive Administration/Clerk of the Board Marshall

Attendees (virtual):

General Manager Dunn

Manager of Communications and Governmental Relations Henderson

Manager of Accounting Zirker

Manager of Customer Engagement Sparks

Manager of Human Resources Dunlap

Superintendent of Transmission & Distribution Inman

Supervisor of Distribution Design Lang

Senior Engineer Scherer

Superintendent of Operations Szendre

Electrical Engineer Vanfosson

The pledge of allegiance was given.

Treasurer's Report

Manager of Risk Management & Treasury reviewed the April 2022 treasurer's report. The Commission accepted the April Treasurer's Report. Manager informed the Commission the April Treasurer's Report includes \$5.7M for BPA's March Power & Transmission bills that were not due

until May due to late issuance by BPA. The Counterparty and Sector reports were included in the commission packet.

Manager provided an update on staff's continued work with the District's financial advisor on developing and implementing an investment strategy.

Consent Agenda

Motion by Barry Bush, seconded by Jeff Hall to approve the Consent Agenda as follows:

- a) Approving Commission Meeting Minutes of April 26, 2022.
- b) Approving Travel Report dated May 10, 2022.
- c) 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 90834-90869 91027-91061 in the total amount of \$756,118.36, Checks & Customer Refund payments (CHK) 83698-83769 in the total amount of \$375,077.56, Electronic Fund Transfer (WIRE) payments 6178-6193 in the total amount of \$1,950,256.41; Residential Conservation Rebates: Credits on Customer Accounts in the total amount of \$80.00; Payroll, Direct Deposit 04/28/2022 90870-91026 in the total amount of \$422,296.15, for a grand total of \$3,503,828.48. Voided Checks in the total amount of \$1,566.41 were also included in the report.
- d) Declaring Anixter/Okonite non-responsive due to lead-time and award the contract for #2 – 15kV URD Cable, Bid Package #22-21-66 to General Pacific/Kerite of Fairview, OR, for the total amount of \$405,000.00 plus Washington State sales tax in accordance with RCW 54.04.080.
- e) Reviewing Jobs Report for Commission.

MOTION PASSED UNANIMOUSLY.

Report from Management

Assistant General Manager:

1. Commissioners Barry Bush and Lori Sanders confirmed their attendance for the May 24, 2022 commission Meeting. Commissioner Jeff Hall will be absent due to his attendance at the NWPPA Annual Meeting.
2. A brief discussion was held on the June 14, 2022 commission meeting and the need to cancel or reschedule this regularly scheduled meeting, due to commissioners attendance at the APPA National Conference.

Director of Power Management:

1. Director provided updates from last week's Public Power Council (PPC) meetings;
 - a) Director reviewed an update from Energy Northwest CEO, Bob Schuetz who discussed a project Energy Northwest is proposing to increase the output of the Columbia Generating Station (CGS) in light of regional capacity needs and the emission-free aspects of the plant. A brief discussion was held on the approval process and budget needed for the project at CGS.
 - b) Director reviewed an update that was provided during the PPC Member Forum regarding the development of the Southwest Power Pool's Markets+.

c) Director discussed BPA's Administrator, John Hairston's comments at the PPC meeting regarding BPA's projected secondary market sales being significantly higher than the rate case budget. Director also reviewed slides from BPA's quarterly business review showing the positive impact to projected cash reserves due to the better than planned secondary market sales. A brief discussion was held.

Director of Executive Administration:

1. A discussion was held on the Energy Northwest Participants Review Board (PRB) commissioner voting delegation and whether there was any interest from commissioners in being nominated for a position on the PRB Board. No change was made to the current commissioner voting delegation and the Commissioners did not express interest in being nominated for a role on the PRB Board.

Assistant General Manager:

1. Assistant General Manager reviewed a recent event that occurred on Saturday May 7, 2022, when a car hit a pole which resulted in a feeder outage. The outage affected approximately 900 customers, approximately 25% of customers were reconnected after roughly two hours, and 100% of customers were reconnected after roughly five hours. Assistant General Manager explained the reason for the longer outage was due to crews having to replace the pole.

Senior Director of Finance & Customer Services:

1. Senior Director provided an update on the State's COVID relief fund of \$100 million dollars that the Department of Commerce will allocate to assist customer arrearage balances at utilities (gas, water, and electric) incurred during the Pandemic. Senior Director plans to have staff complete the survey for the Department of Commerce and informed the Commissioners an estimate of funding should be available in June or shortly thereafter. Senior Director will return to a future commission meeting with updates on this process.

Business Agenda

2022 Energy Independence Act Compliance Reports

Manager of Conservation and Renewable Energy Programs reviewed the report that was included in the commission packet. Manager stated that 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, 2022.

Motion by Jeff Hall, seconded by Barry Bush adopting substantially in the form presented, Benton PUD's 2022 Energy and Conservation compliance reports for submittal to the Washington State Department of Commerce.

MOTION PASSED UNANIMOUSLY.

Performance Measurement – 1st Quarter 2022 Report

Senior Director of Finance and Customer Services and select staff reviewed the following performance measures; Telephone Service Level, Rates, Collections, and Safety.

Commission Work Session – Grid Modernization

Commission President Lori Sanders stated today's commission work session on Grid Modernization would be deferred to a future commission meeting. Staff will return to a future commission meeting with a recommendation to reschedule the June 14, 2022 commission meeting to June 7, 2022 at 9:00 a.m. Staff will plan to hold the commission work session on Grid Modernization during the recommended rescheduled commission meeting.

Other Business

Contract Change Order #1, Campbell & Company, Contract No. 21-45-34

Manager of Conservation and Renewable Energy Programs recommended the Commission authorize the General Manager on behalf of the District to sign Change Order #1 of Contract No. 21-45-34 with Campbell & Company, to increase the not-to-exceed amount by \$100,000.00, bringing the new not-to-exceed amount to \$200,000.00.

Manager informed the Commission that increasing the not-to-exceed to \$200,000.00 on the contract with Campbell & Company Service Corp., would allow the contractor to continue working as one of the District's approved contractors in the District's Residential Energy Efficiency Program (REEP).

Motion by Jeff Hall, seconded by Barry Bush authorizing the General Manager on behalf of the District to sign Change Order #1 of Contract No. 21-45-34 with Campbell & Company, to increase the not-to-exceed amount by \$100,000.00, bringing the new not-to-exceed amount to \$200,000.00.

MOTION PASSED UNANIMOUSLY.

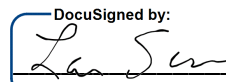
Future Planning

Commissioner Jeff Hall plans to attend the NWPPA Annual Meeting next week.

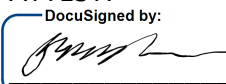
Meeting Reports

Commissioner Lori Sanders reviewed a recent Energy Northwest Board meeting she attended.

Hearing no objection, Commission President Lori Sanders concluded the Commission Meeting at 10:02 a.m.

DocuSigned by:

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Lori Sanders, President

ATTEST:

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Barry A. Bush, Vice-President