

MINUTES

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

Date: July 28, 2026

Time: 9:00 a.m.

Place: 2721 West 10th Avenue, Kennewick, Washington

Present: Commissioner Jeff Hall, President
Commissioner Lori Kays-Sanders, Vice-President
Commissioner Mike Massey, Secretary (via/TEAMS)
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; Eric Dahl, Communications Specialist II; Jenny Sparks, Manager of Communications & Customer Engagement; Jodi Henderson, Manager of Government & Community Relations; Katie Grandgeorge, Financial Analyst III; 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; Zach Underhill, Distribution Designer; Shawn Harper, Superintendent of Support Services

Call to Order & Pledge of Allegiance

The Commission and those present recited the Pledge of Allegiance.

Agenda Review

The agenda was approved as submitted.

Public Comment

None.

Consent Agenda

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

- a. Regular Commission Meeting Minutes of July 14, 2026
- b. Travel Report dated July 28, 2026
- c. Vouchers (report dated July 28, 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: 115873-115899 and 116059-116104 in the amount of \$1,386,481.91.
Checks & Customer Refund Payments (CHK): 92450-92534 in the amount of \$308,780.03;
Electronic Fund Transfer (WIRE) Payments: 7646-7658 in the amount of \$632,742.51;
Residential Conservation Rebates: Credits on Customer Accounts in the amount \$1,060.00;
Payroll: Direct Deposit – 07/16/2026: 115900-116058 in the amount \$514,016.53;
Voided checks (July, 2026) in the amount of \$750.00;
Grand total - \$2,843,080.98
- d. Contract Award – Operations Replacement of Stairs and Ramp, Contract # 26-38-06 – Moreno & Castillo Construction LLC

Management Report

Chief Operating Officer - Chris Folta

1. BPA Horse Heaven 115-kv POD Outage

Chief Operating Officer Chris Folta reported on a BPA Horse Heaven 115-kV outage that occurred on July 16, affecting approximately 312 customers. He explained that a BPA breaker operated to lockout, prompting Benton PUD and Benton REA crews to patrol the line. No cause was identified, although heavy lightning activity was occurring in the area at the time. Service was restored after testing confirmed the line was stable.

2. Mutual Aid – Big Bend and Benton REA

Chief Operating Officer Folta reported that Benton PUD responded to a mutual aid request from Big Bend Electric Cooperative following wildfire damage that resulted in approximately 50 downed poles. He noted that Benton PUD deployed two line crews, which replaced approximately 20 poles before returning home.

3. Locust Grove Fire

Chief Operating Officer Folta provided an update on the Locust Grove Fire, which damaged portions of the District's electric system. He reported that Benton PUD crews proactively switched portions of the system to minimize customer outages during the incident and replaced 10 damaged poles. He noted that the fire was contained shortly after midnight. Mr. Folta also highlighted the District's ongoing wildfire mitigation efforts, including the installation of pole fire wrap to help protect infrastructure in high-risk areas.

4. Sunheaven 3 Energization

Chief Operating Officer Folta reported that the Sunheaven #3 Substation was energized on July 22. He advised that Benton PUD's work on the project has been completed and that the District is awaiting Sunheaven's final activities before the project is fully operational. He also recognized Operations, Engineering, Procurement/Finance, and Information Technology staff for their contributions to the successful completion of the District's portion of the project.

Chief Financial Officer - Jon Meyer

1. Financial Report

Chief Financial Officer Jon Meyer provided the Commission with a financial report for June, 2026.

2. Residential Demand Charge & Customers with Solar

Chief Financial Officer Jon Meyer responded to Commissioner Massey's inquiry regarding a customer email expressing concerns about increased residential demand charges despite having solar generation. He explained that the customer's higher demand charge resulted from a high peak demand created by a residence and shop. It was noted that demand charges are based on a customer's highest level of electricity use during peak hours during the billing period and may be reduced by shifting high-energy activities outside peak usage times. General Manager Rick Dunn added that all customers, including those with solar, share in recovering the fixed costs of the equipment and line capacity required to meet the demand for electricity they place on the District's delivery systems. He further noted that solar customers receive retail credit for excess energy they deliver to the grid, which is well above the wholesale cost of electricity the District avoids paying on their behalf.

Manager of Government & Community Relations – Jodi Henderson

1. Columbia River Treaty Update

Manager Jodi Henderson provided an update on the Columbia River Treaty. Ms. Henderson reviewed the history and purpose of the Treaty, including its role in coordinating hydropower generation and flood risk management between the United States and Canada. She also summarized the 2024 Agreement in Principle, including changes to flood risk management that transition from preplanned Canadian storage to a "called upon" approach. Ms. Henderson reported that the Columbia River Treaty Power Group recently urged the Trump Administration to complete its internal review and move forward with preparing a Treaty amendment for congressional ratification by the end of the year.

Future Planning

Commissioner Sanders reported that she plans to attend the upcoming TEA Partner Meeting and will participate remotely in the August 11 Commission meeting.

Meeting Reports

Commissioner Sanders also reported on the regional advocacy meeting, noting significant discussion regarding data center development in the Quincy area and the challenges posed by Washington's current clean energy policy environment. She noted that a representative from a Labor interest group indicated there is a desire to consider reopening the Climate Commitment Act (CCA) and Clean Energy Transformation Act (CETA) to allow for natural gas generation with carbon capture technology. General Manager Rick Dunn noted that for the CCA and CETA to be reopened will require leadership on the part of Puget Sound Energy, since they are being most harmed by CETA's 80% carbon-free electricity by 2030 mandate and the carbon tax of the CCA. Dunn further stated that while he believes natural gas should be on the table as an energy choice in Washington, the pipeline system is already at 95% capacity and without investor-owned utilities pushing for expansion, adding significant natural gas power generation is not going to happen. Dunn also said he does not think the Washington PUD Association should take the lead on proposing modifications to the CCA or CETA since public utility power supply portfolios are already over 90% carbon-free today. Dunn concluded by saying, yes public utilities are being impacted by the CCA and CETA through growing scarcity of dependable generation which shows up in the Bonneville Power Administration's Tier-2 rate, but the big cost impacts are in the future.

Executive Session – Potential Litigation

The Commission convened in executive session at 10:15 a.m. for 10 minutes with General Manager Rick Dunn, Attorney Allyson Dahlhauser, Chief Financial Officer Jon Meyer, Chief Operating Officer Chris Folta, and Director of Customer & Treasury Service Keith Mercer to discuss potential litigation. Commissioner Mike Massey also participated by telephone, connected through Commissioner Sanders' phone, which was placed on speaker.

The Commission reconvened in open session at approximately 10:25 a.m. No action was taken.

Adjournment

Hearing no objection, President Hall adjourned the meeting at 10:25 a.m.



Jeff Hall, President

ATTEST:



Mike Massey, Secretary

Signature Certificate



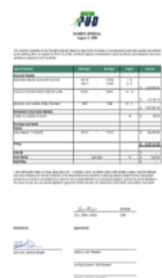
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Author: Cami McKenzie Creation Date: 11 Aug 2026, 09:44:28, PDT Completion Date: 11 Aug 2026, 19:36:22, PDT

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Document Total Pages: 4



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Document Signed By:

Name: Michael Massey
Email: mmassey@bentonpud.org
Signer ID: RERIBPME16...
IP: 50.37.190.245
Location: KENNEWICK, WA (US)
Date: 11 Aug 2026, 14:26:37, PDT
Consent: eSignature Consent Accepted
Security Level: Email

Name: Jeff Hall
Email: jhall@bentonpud.org
Signer ID: RWRGCVU718...
IP: 64.184.178.115
Location: KENNEWICK, WA (US)
Date: 11 Aug 2026, 10:54:08, PDT
Consent: eSignature Consent Accepted

Security Level: Email

Name: Lori Sanders

Email: lsanders@bentonpud.org

Signer ID: LC8I4PIO16...

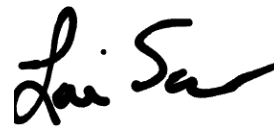
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