

MINUTES

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

Date: April 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 (virtually)
Commissioner Mike Massey, Secretary
General Manager Rick Dunn
Assistant General Manager/Sr. Director Engineering & Operations Steve Hunter
Chief Financial Officer Jon Meyer
Chief Operating Officer Chris Folta
Director of Human Resources and 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

Absent: Director of IT & Broadband Services Jennifer Holbrook

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; Duane Szendre, Superintendent of Operations; Jenny Sparks, Manager of Communications & Customer Engagement; Jodi Henderson, Manager 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; Robert Inman, Superintendent of Transmission & Distribution; Robert Frost, Supervisor of Energy Programs; Shanna Everson, Distribution Designer; Shannon Sensibaugh, Administrative Assistant, II; Tyson Brown, Procurement Specialist II; Zach Underhill, Distribution Designer; Camron Smith, Electrical Engineer I; Jody George, Supervisor of Human Resources; Jessie Grad, Assistant Superintendent of Transmission & Distribution

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 “e”. Commissioner Massey seconded and upon vote, the Commission unanimously approved the following:

- a. Regular Commission Meeting Minutes of April 14, 2026
- b. Travel Report dated April 28, 2026
- c. Vouchers (report dated April 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: 114414-114480 in the amount of \$1,134,174.14.
Checks & Customer Refund Payments (CHK): 91973-92066 in the amount of \$636,116.06;
Electronic Fund Transfer (WIRE) Payments: 7576-7583 in the amount of \$731,691.90;
Residential Conservation Rebates: Credits on Customer Accounts in the amount \$1,660.00;
Payroll: Direct Deposit – 4/9/2026: 114233-114413 in the amount \$593,951.63;
Grand total - \$3,097,593.73
- d. Reject Bid #26-21-05 – 115kV Switches
- e. Conservation Rebate Report for 1st quarter 2026
- f. Completion and Acceptance of Contract #23-21-18 – DJ’s Electrical Inc.
- g. Completion and Acceptance of Contract #25-20-02 – Absco Solutions

Management Report

Engineering Operations – Assistant General Manager/Senior Director Steve Hunter

1. Prosser Outage(s)

Assistant General Manager/Senior Director Steve Hunter reported that following the planned outage in Prosser on April 10, additional outages occurred on April 20 and April 21 due to vehicle collisions with poles, and on April 22 due to a pole fire. The Manager of Communications & Customer Engagement, Jenny Sparks, informed the Commission that an email would be sent to Prosser customers to provide an explanation of the outages.

Chief Financial Officer - Jon Meyer

1. Financial Report

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

2. BPA Credit Rating Decline

Chief Financial Officer Jon Meyer reported to the Commission that S&P recently affirmed BPA's credit rating of AA- but revised the outlook from stable to negative. The main factors for the outlook revision listed in S&P's rating report were 1) three years in a row of below average water conditions leading to a drawdown of reserves, 2) the February 2026 court Preliminary Injunction that increases spill through August which will further diminish hydroelectric generation, and 3) the current BPA rate case for customers has just started and is a three-year rate case limiting BPA's ability to make intra-period rate adjustments. The S&P rating report also listed other factors, most notably litigation against BPA related to the 2020 Holiday Farm wildfire where plaintiffs are seeking \$2 billion in damages. Further discussion was held related to BPA's debt and its obligation to pay Energy Northwest's debt service. BPA does not have authority to issue municipal bonds but instead has congressional authority to borrow from the U.S. Treasury (currently up to \$13.7 billion, increasing to \$17.7 billion in 2028). While this borrowing authority does not require a credit rating, BPA pays other entities for nonfederal debt service, the majority of which is Energy Northwest's municipal bonds. As a result, BPA must receive and maintain a credit rating, which is then assigned to those bonds. Energy Northwest is in the process of issuing bonds which prompted the review of BPA's credit rating.

General Manager – Rick Dunn

1. Spill Operation Begin on the Lower Snake & Columbia Generation

The General Manager reported that spring spill operations at the Lower Snake River and Lower Columbia River dams began on April 3 and April 10 respectively. GM presented a graphic which showed how spill reduced hydroelectric generation from just over 6,000 megawatts at the end of March to about 2,000 megawatts by the end of April. This is indicative of typical spill impacts on hydropower and demonstrates the magnitude of the commitment already in place to support salmon migration. Additional charts from the Public Power Council were presented, showing historical generation trends for the Lower Snake River dams and how their production has dropped in recent years under increased spill.

2. PNUCC Forecast

The General Manager reported on the 2026 PNUCC load forecast, including comparisons to the 2025 load forecast, projected increases in summer and winter peak demand, and the long-term annual energy outlook, highlighting continued load growth and emerging resource adequacy challenges.

3. E3 Study Final Report Highlights

The General Manager reported on key findings and highlights from the E3 final report on Resource Adequacy and the Energy Transition in the Pacific Northwest.

4. HHWF – WRAP ELCC & Nine Canyon Performance

General Manager reported on the Horse Heaven Wind Farm (HHWF) nameplate capacity compared to how small the effective capacity accreditation would be under the Western Resource Adequacy Program (WRAP) which ranks wind farms located within Washington state borders as having the lowest Effective Load Carrying Capability (ELCC) of any of the geographical regions in the WRAP footprint for all winter and summer months. GM also provided actual generation graphs for the Nine Canyon Wind Project (operating in the Horse Heaven Hills adjacent to where the HHWF is planned) in winter and summer months for the most recent years to demonstrate why the HHWF is not expected to provide significant contributions to generating capacity during cold or hot spells. Also reviewed projected resource additions under the Washington State Energy Strategy and how the state has placed the highest priority on wind farm development outside the state in recognition of how poorly wind farms within the state perform on an annual basis and in winter and summer months compared to wind farms located in Montana and Wyoming.

5. Anterix/BPUD Headlines

General Manager Dunn shared with the Commission that the Benton PUD and Anterix agreement was highlighted in an article published by the American Public Power Association.

The Commission recessed at 10:43 a.m., reconvening at 10:50 a.m.

Business Agenda

No items on the Business Agenda.

Other Business

Director of Human Resources and Communications Karen Dunlap walked in and presented Resolution No. 2725, Authorizing the General Manager to enter into the Collective Bargaining Agreement (CBA) between Public Utility District No.1 of Benton County and International Brotherhood of Electrical Workers, Local No. 77 for the period of April 1, 2026 through March 31, 2029.

MOTION: Commissioner Massey moved to approve Resolution No. 2725 approving the General Manager to enter into the Collective Bargaining Agreement as presented. Commissioner Sanders seconded and upon vote, the motion carried.

Future Planning

WPUDA Annual Meeting

The General Manager, Government & Community Relations Manager Jodi Henerson, Commissioners Hall, Massey, and Sanders will attend the WPUDA annual meeting.

Meeting Reports

Commissioner Massey reported that Energy Northwest elected new directors.

Resolutions

No. 2725 – Authorizing the General Manager to enter into the Collective Bargaining Agreement

Adjournment

Hearing no objection, President Hall adjourned the meeting at 10:59 a.m.



Jeff Hall, President

ATTEST:



Mike Massey, Secretary