

**PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY
327 N WENATCHEE AVENUE
WENATCHEE WA 98801**

REGULAR COMMISSION MEETING

JANUARY 6, 2020

STUDY SESSION

10:00 AM

1. Pledge of Allegiance and Safety Minute – Brad Peterson
2. Approval of the Agenda
Any item on the Consent Agenda shall be subject to transfer to the Regular Agenda upon request of any Commission member
3. Rates Planning Discussion
4. 2020 District Performance Plan Review

BUSINESS SESSION

1:00 PM

Consent Agenda

5. Minutes of the December 16, 2019 Regular Meeting
6. Vouchers: Accounts Payable Summary Report dated December 31, 2019:
 - a. Vouchers totaling \$26,723,168.68;
 - b. Approval of Customer Deposit Returns and Conservation Incentive payments for the period December 11, 2019 through December 30, 2019 in the amount of \$25,843.09;
 - c. Approval of the net Payroll, Warrant Nos. 236817 through 236836 and Advice Nos. 685573 through 686330 for the pay period ending 12/8/2019 in the amount of \$2,057,935.45;
 - d. Approval of the net Payroll, Warrant Nos. 236837 through 236858 and Advice Nos. 686331 through 687086 for the pay period ending 12/22/2019 in the amount of \$2,299,729.60;

- e. Approval of Warrant Nos. 26268 through 26333 totaling \$25,385.36 for claim payments from the workers' compensation self-insurance fund for the period ending December 30, 2019.

Regular Agenda

7. A RESOLUTION ESTABLISHING AN ADVANCED METERING INFRASTRUCTURE OPT-OUT PROGRAM AND DIRECTING STAFF TO INCORPORATE THE PROVISIONS OF THE POLICY INTO THE DISTRICT'S RATE SCHEDULES AND SERVICE REGULATIONS
 - a. Alternative 1 without Analog Meter Option
 - b. Alternative 2 with Analog Meter Option Included
8. A RESOLUTION APPROVING A NEW INTERLOCAL COOPERATIVE PURCHASING AGREEMENT (SA NO. 19-10574) BETWEEN THE DISTRICT AND THE CITY OF SEATTLE FOR THE PURCHASE OF MATERIALS, EQUIPMENT, SERVICES AND SUPPLIES
9. Manager Items
10. Commission Items
 - a. 2020 Association Representation
11. Commission Travel
12. Follow-up on Delegation of Action Items from Previous Board Meeting
13. Delegation of Action Items
14. Additional Public Comment

Members of the public are encouraged to ask specific questions after each item presented. This agenda item is for additional comments/questions related to matters not on the agenda.
15. Matters of general business as may necessarily come before the Commission
16. Executive Session: To discuss with legal counsel agency enforcement actions, litigation, potential litigation to which the District or its board is, or is likely to become, a party, and/or legal risks, as authorized by RCW 42.30.110(1)(i)

This agenda and resolutions (if any) may be revised by the Commission as appropriate.

RESOLUTION NO. _____

A RESOLUTION ESTABLISHING AN ADVANCED
METERING INFRASTRUCTURE OPT-OUT
PROGRAM AND DIRECTING STAFF TO
INCORPORATE THE PROVISIONS OF THE POLICY
INTO THE DISTRICT'S RATE SCHEDULES AND
SERVICE REGULATIONS

FACTUAL BACKGROUND AND REASONS FOR ACTION

Public Utility District No. 1 of Chelan County (District) has adopted a plan to establish a new standard metering solution referred to as Advanced Metering Infrastructure (AMI). With deployment anticipated in 2020, the District has explored options for customers who desire to opt-out of having an advanced meter placed on their residence.

During the December 2, 2019 and December 16, 2019 Commission meetings, staff presented options for an AMI Opt-Out Policy and received feedback and direction related to the options from the Board. The District has also received customer input. Based upon the information provided by staff, customer feedback and Board discussion, the Board has determined that the District will make a voluntary AMI opt-out program available to customers as described herein.

PROGRAM DESCRIPTION

The District will make a voluntary AMI opt-out option available only to customers with single-phase residential Electric Service to single-family homes including multi-plexes up to four units without net metered service. Premises must be owner occupied or have owner authorization to opt-out. Customers who voluntarily request to have a non-communicating meter (who "opt-out") may not receive the same information and services as they would if they had the standard communicating meter installed.

The District may deny requests or may revoke previously granted requests for a non-communicating meter for reasons the District determines appropriate including, but not limited to, unsafe access to meter at premises, inconsistent access to the meter due to terrain or inclement weather, past incidents of meter tampering, non-compliance with the District's Utility Service Regulations, unsatisfactory payment history including disconnection due to non-payment of utility services, or other operating constraints as identified by the District.

Customers whose request to opt-out of having a standard communicating meter installed is approved, will not be assessed upfront charges for meter cost and modification of installation. Customers who elect to opt-out of having a standard communicating meter installed will be charged a monthly fee of \$50 to cover the

additional District costs associated with the customer's election to opt-out which costs include, but are not limited to, quarterly manual meter reads, monthly bill estimating, data integration for system analysis, and increased administration and customer care associated with processing opt-out requests.

Qualifying low-income senior/disabled customers, who meet the conditions described in Rate Schedule 1 Residential Service, who elect to opt-out of having a standard communicating meter installed will be assessed a reduced monthly fee equivalent to 50% of the standard monthly fee of \$50.

Staff is directed to continue to monitor the costs associated with the AMI Opt-Out Program post-AMI deployment and to recommend adjustments to the monthly fees and other charges, including, without limitation, possible up-front charges, for Board consideration as appropriate.

The terms and conditions of the AMI Opt-Out Program will be incorporated within the District's Utility Service Regulations and Electric Rate Schedules as applicable. The Program shall be effective at the time of AMI implementation.

ACTION

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON, as follows:

Section 1. Effective with AMI implementation, the Board approves and adopts the voluntary AMI Opt-Out Program provided above.

Section 2. Staff is directed to incorporate the provisions of the AMI Opt-Out Program into the District's Utility Service Regulations and Electric Rate Schedules as appropriate for implementation.

Section 3. All prior resolutions, or any portion thereof, inconsistent with this resolution are hereby rescinded and superseded.

DATED this 6th day of January 2020.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION ESTABLISHING AN ADVANCED
METERING INFRASTRUCTURE OPT-OUT
PROGRAM AND DIRECTING STAFF TO
INCORPORATE THE PROVISIONS OF THE POLICY
INTO THE DISTRICT'S RATE SCHEDULES AND
SERVICE REGULATIONS

FACTUAL BACKGROUND AND REASONS FOR ACTION

Public Utility District No. 1 of Chelan County (District) has adopted a plan to establish a new standard metering solution referred to as Advanced Metering Infrastructure (AMI). With deployment anticipated in 2020, the District has explored options for customers who desire to opt-out of having an advanced meter placed on their residence.

During the December 2, 2019 and December 16, 2019 Commission meetings, staff presented options for an AMI Opt-Out Policy and received feedback and direction related to the options from the Board. The District has also received customer input. Based upon the information provided by staff, customer feedback and Board discussion, the Board has determined that the District will make a voluntary AMI opt-out program available to customers as described herein.

PROGRAM DESCRIPTION

The District will make a voluntary AMI opt-out option available only to customers with single-phase residential Electric Service to single-family homes including multi-plexes up to four units without net metered service. Premises must be owner occupied or have owner authorization to opt-out. Customers who voluntarily request to have a non-communicating meter (who "opt-out") may not receive the same information and services as they would if they had the standard communicating meter installed.

The District may deny requests or may revoke previously granted requests for a non-communicating meter for reasons the District determines appropriate including, but not limited to, unsafe access to meter at premises, inconsistent access to the meter due to terrain or inclement weather, past incidents of meter tampering, non-compliance with the District's Utility Service Regulations, unsatisfactory payment history including disconnection due to non-payment of utility services, or other operating constraints as identified by the District.

Customers whose request to opt-out of having a standard communicating meter installed is approved, will not be assessed upfront charges for meter cost and modification of installation. Customers who elect to opt-out of having a standard communicating meter installed will be charged a monthly fee of \$50 to cover the

additional District costs associated with the customer's election to opt-out which costs include, but are not limited to, quarterly manual meter reads, monthly bill estimating, data integration for system analysis, and increased administration and customer care associated with processing opt-out requests.

In addition, some customers have expressed concern about the "digital" nature of the available non-communicating meters and have asked for the option of having an "analog" meter. The installation and maintenance of analog meters create additional challenges for the District including availability, maintenance and testing to ensure accuracy and proper mechanical functioning. Provided that a reliable and reasonable supply of analog meters is available to the District from inventory or consistent with District procurement requirements, customers who meet all other opt-out criteria shall have the additional option of keeping or having an analog meter installed for a monthly charge of \$_____ to cover both the additional costs identified above for non-communicating meters and the additional expenses associated with analog meters described herein.

Qualifying low-income senior/disabled customers, who meet the conditions described in Rate Schedule 1 Residential Service, who elect to opt-out of having a standard communicating meter installed will be assessed a reduced monthly fee equivalent to 50% of the applicable standard monthly fee.

Staff is directed to continue to monitor the costs associated with the AMI Opt-Out Program post-AMI deployment and to recommend adjustments to the monthly fees and other charges, including, without limitation, possible up-front charges, for Board consideration as appropriate.

The terms and conditions of the AMI Opt-Out Program will be incorporated within the District's Utility Service Regulations and Electric Rate Schedules as applicable. The Program shall be effective at the time of AMI implementation.

ACTION

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON, as follows:

Section 1. Effective with AMI implementation, the Board approves and adopts the voluntary AMI Opt-Out Program provided above.

Section 2. Staff is directed to incorporate the provisions of the AMI Opt-Out Program into the District's Utility Service Regulations and Electric Rate Schedules as appropriate for implementation.

Section 3. All prior resolutions, or any portion thereof, inconsistent with this resolution are hereby rescinded and superseded.

DATED this 6th day of January 2020.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal

RESOLUTION NO. _____

A RESOLUTION APPROVING A NEW INTERLOCAL COOPERATIVE PURCHASING AGREEMENT (SA NO. 19-10574) BETWEEN THE DISTRICT AND THE CITY OF SEATTLE FOR THE PURCHASE OF MATERIALS, EQUIPMENT, SERVICES AND SUPPLIES

FACTUAL BACKGROUND AND REASONS FOR ACTION

The Interlocal Cooperation Act, Chapter 39.34, allows for cooperative purchasing between the District and other public agencies. Such agreements can work to the mutual benefit of the cooperating entities and result in savings to the District and its customers.

The City of Seattle extends supply, material, equipment and service contracts for shared use to the extent permitted by law and agreed upon by those parties and vendors.

The City of Seattle and the District have prepared an Intergovernmental Cooperative Purchasing Agreement (“Agreement”) for the purchase of materials, equipment, services or supplies that may be required by both parties. If approved, this Agreement will remain in effect until terminated by either party. There are no fees or charges associated with the term of the Agreement.

District staff have determined that it is in the best interest of the District to enter into an Intergovernmental Cooperative Purchasing Agreement with the City of Seattle for the utilization of contracts for the purchase of materials, equipment, services or supplies as appropriate.

Resolution 17-14215 requires Commission approval for Master Purchasing Agreements.

District staff recommends that the General Manager be authorized to approve the Intergovernmental Cooperative Purchasing Agreement with The City of Seattle.

The General Manager has reviewed the recommendations of District staff and concurs in the same.

ACTION

IT IS RESOLVED BY THE COMMISSION OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, as follows:

Section 1 The General Manager is hereby authorized and directed to execute the Intergovernmental Cooperative Purchasing Agreement with The City of Seattle. A copy of the new Agreement is on file in the office of the District.

DATED this 6th day of January 2020.

President

ATTEST:

Vice President

Secretary

Commissioner

Commissioner

Seal