

Minutes of the Regular Commission Meeting of Public Utility District No. 1 of Chelan County, Washington May 17, 2021

The regular meeting of the Commission, of Public Utility District No. 1 of Chelan County, Washington, was held in the office of the District, 327 N. Wenatchee Avenue, Wenatchee, Washington, on May 17, 2021, at the hour of 10:00 am, pursuant to proper notice thereof.

Commissioners present: Randy Smith, President (by phone)
Garry Arseneault (by phone)
Dennis Bolz (by phone)
Ann Congdon (by phone)
Steve McKenna (by phone)

Staff present: Steve Wright, General Manager
Erik Wahlquist, General Counsel
Rebekah Garfein, Clerk of the Board
Various staff

Call to Order

- President Smith called the meeting to order at 10:02am

Pledge of Allegiance and Safety/HPI Minute

- Rob Witham, Systems Operations Trainer, led the pledge and provided information on reducing eye strain

Agenda

- Resolutions 10 and 11 were moved to the consent agenda; the agenda was approved as revised

Cycle of Personal Ownership (CPO) Winner Recognition

(see Chelan PUD website for presentation)

- Steve Wright, General Manager, recognized April winners Amy Smith, External Financial Reporting Program Manager, and Minh Dang, Contract Specialist II

Quarterly Energy Resources Report

(see Chelan PUD website for presentation)

- Robb Davis, Interim Managing Director of Energy Resources, and Janet Jaspers, Director of Energy Planning and Trading, provided the quarterly Energy Resources update
- The District's 2021 net wholesale revenue is forecast to be \$68 million, \$600,000 higher than budget
- Other energy-related revenues are forecast to be \$14 million, \$3.8 million higher than budget
- Together, the forecasted revenues are \$82 million, \$4.4 million above budget for 2021

Interconnection Agreement Template

(see Chelan PUD website for presentation)

- Robb Davis, Interim Managing Director of Energy Resources, gave an update on the interconnection agreement template development

- Robb reviewed large generator interconnection background, district initiatives, and the process and template overview
- Next steps are to finalize the interconnection agreement template and transmission policies and procedures

Legislative Update

- Shaun Seaman, Government and External Affairs Program Manager, Tuuli Hakala, Energy Policy Advisor, and Bob Shane, Managing Director of Fiber and Telecommunications, gave an update on legislative session outcomes and the Climate Commitment Act
- Shaun noted:
 - 53 bills of interest passed the legislature
 - Significant actions to reduce greenhouse gas emissions
 - Environmental justice actions prominent in legislation
 - Funding requests in the capital budget
- Tuuli reviewed the Climate Commitment Act
 - Establishes a state greenhouse gas cap-and-trade program
 - Limits the amount of greenhouse gases regulated entities may emit beginning in 2023
 - Emissions limits will be tracked, verified, and enforced using allowances
- Bob noted that retail authority provides opportunities for the District and the ability to better serve customer-owners

Manager Items

- Neil Neroutsos, Communications Manager, provided information on the Rock Island facilities dedication to be held on June 17 @ 9:30am
- Kerri Wendell, Customer Relations Manager, reviewed COVID19 account metrics and upcoming training
 - COVID metrics are similar to prior months
 - The moratorium on disconnects is set to expire July 31 for investor-owned utilities; awaiting guidelines for customer-owned utilities
 - Training will be held for the Customer Relations staff on June 15; phones will be closed from 2:00-5:00pm

Recess at 12:00pm, Reconvene at 1:03pm

Consent Agenda

(see Chelan PUD website for resolutions)

President Smith presented the consent agenda, which included the following items:

- Minutes of the April 29, 2021 Special Meeting, May 13, 2021 Special Meeting, and May 3, 2021 Regular Meeting
- Vouchers: Accounts Payable Summary Report dated May 12, 2021:
 - Vouchers totaling \$18,242,899.38;
 - Approval of Customer Deposit Returns and Conservation Incentive payments for the period April 28, 2021 through May 11, 2021 in the amount of \$62,688.94.
 - Approval of the net Payroll, Warrant Nos. 237468 through 237480 and Advice Nos. 713451 through 714250 for the pay period ending April 25, 2021 in the amount of \$2,211,697.19.
 - Approval of Warrant Nos. 27494 through 27532 totaling \$3,659.78 for claim payments from the workers' compensation self-insurance fund for the period ending May 10, 2021.
 - Approval of Parks Reservation System customer refunds for the period April 26, 2021 through May 6, 2021 in the amount of \$1,172.27.
- Resolution 9. A RESOLUTION AUTHORIZING FINAL ACCEPTANCE OF PERFORMANCE UNDER BID NO. 20-33 WITH TRANSCO INDUSTRIES, INC. OF PORTLAND, OR AND AUTHORIZING PAYMENT OF RETAINAGE

- Resolution 10. A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO ENTER INTO AN INTERLOCAL AGREEMENT (NO. 21-11539) WITH CONFEDERATED TRIBES OF THE COLVILLE RESERVATION FOR WHITE STURGEON LARVAE COLLECTION AND TESTING
- Resolution 11. A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO ENTER INTO AN INTERLOCAL COOPERATIVE AGREEMENT (NO. 21-11540) WITH DOUGLAS COUNTY PUBLIC UTILITY DISTRICT NO. 1 TO REAR WHITE STURGEON AT WELLS FISH HATCHERY

Moved by: Commissioner McKenna

Seconded by: Commissioner Bolz

To approve the consent agenda as revised to include Resolutions 10 and 11

Approved: Unanimously

Resolution 12

(see Chelan PUD website for presentation and resolution)

- Lindsey Mohns, Customer Utilities Business Manager, presented Resolution 12
- Reviewed proposed changes and noted that area median income is set for the county using numbers from the Wenatchee area
- Resolution 12. A RESOLUTION AMENDING THE CRITERIA USED FOR QUALIFYING "LOW-INCOME" PERSONS AND PROCEDURAL REQUIREMENTS FOR WAIVER OF ELECTRIC SERVICE CONNECTION FEES AS DEFINED IN RESOLUTIONS 95-10274 AND 99-11190

Moved by: Commissioner Arseneault

Seconded by: Commissioner McKenna

To approve Resolution 12 as presented

Approved: 4 in favor, 1 opposed

Capital Budget Revision

(see Chelan PUD website for presentations)

- Lindsey Mohns presented a capital budget revision
- During make-ready work, staff has identified areas where we can gain efficiencies by completing fiber work as well; the proposed area includes approximately 240 premises
- Proposed motion: To establish a \$1.2 million Fiber system project budget for PPB Fiber expansion in the Dry Lake area of Manson (FDT-178) via transfer from previously established general PPB Fiber Expansion budget (NWPB0001); and to increase the 2021 project budget for Distribution system fiber build-out make ready work (DSXX0024) by \$900,000 for a revised total 2021 project budget of \$1.65 million and to decrease other Distribution project budgets for 2021 by the same amount enabling a shift in spending between capital projects with no change to the overall 2021 Distribution capital budget.

Moved by: Commissioner Bolz

Seconded by: Commissioner Congdon

To approve the capital budget revision as presented

Approved: Unanimously

Manager Items

(see Chelan PUD website for presentations)

- Andrew Grassell, Energy Development and Conservation Manager, provided additional information on the low-income program tier costs and benefit analysis
 - Commissioners gave a head nod of support to proceed with the medium program

Commission Items

- Tri-Commission Meeting

Moved by: Commissioner Arseneault

Seconded by: Commissioner Bolz

To set a special meeting on Tuesday, June 29, 2021 @ 1:00pm to be held virtually for the purpose of holding a Tri-Commission meeting. Virtual meeting information will be posted on the PUD website.

Approved: Unanimously

- Commissioner McKenna asked about potential reopening plans with changes in COVID guidance
 - Written rules including the Governor's proclamation and L&I guidance remain in place; staff is awaiting updates to those rules before moving forward with any changes

Follow up on Delegation of Action Items from 5/3/21 Board meeting

- Andrew Grassell will provide more information on the cost per home and cost-effectiveness per home for the light, medium, and expanded low-income program tiers - reported today
- Andrew Grassell and Erik Wahlquist will provide information on whether the Average Median Income is calculated by county or community - reported today

Delegation of Action Items

- None

Executive Session

President Smith convened an executive session at approximately 1:50pm 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) and to evaluate the qualifications of an applicant for public employment or to review the performance of a public employee, as authorized by RCW 42.30.110(1)(g) for approximately 90 minutes.

Regular Session Reconvened at 3:02pm

No votes were taken and no decisions were made during Executive Session

There being no other business, the meeting adjourned at 3:02pm.

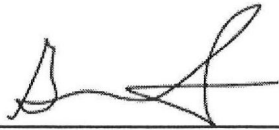
President

Vice President

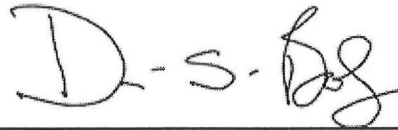
Secretary

Commissioner

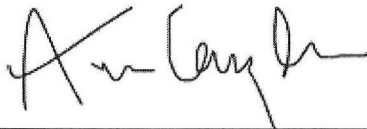
Commissioner



Garry Arseneault - Board Member
Approved on 6/3/2021 12:17PM PDT



Dennis Bolz - Board Member
Approved on 6/1/2021 2:41PM PDT



Ann Congdon - Board Member
Approved on 6/7/2021 8:20AM PDT



Steve McKenna - Board Member
Approved on 6/7/2021 1:57PM PDT



Randy Smith - Board Member
Approved on 6/2/2021 6:00AM PDT