

# Minutes of the Special Meeting of Public Utility District No. 1 of Chelan County, Washington September 4, 2024

The special meeting of the Commission, of Public Utility District No. 1 of Chelan County, Washington, was held at the Chelan PUD Auditorium, 1034 East Woodin Avenue, Chelan, WA, on September 4, 2024, at the hour of 5:30 pm, pursuant to proper notice thereof.

**Commissioners present:**

Steve McKenna, President  
Randy Smith  
Carnan Bergren  
Kelly Allen

**Staff present:**

Rebekah Neumann, Clerk of the Board  
Various Staff

**Others present:** Dan Kenoyer, Sue and Michael Gibb, John Olson

**Call To Order**

- President McKenna called the meeting to order at 5:30pm and led the pledge of allegiance

**Rate Information**

- Lindsey Mohns, Director Business Services and Customer Utilities, and Cathy Melton, Customer Service Program Analyst, reviewed electric, water, and wastewater rate proposals and outreach plan
- Mark Mullins, Director Enterprise Planning, Risk and Analytics, provided additional information on the gap between District costs and the amount paid in rates
- Proposal is for increases of 4% for water, 4% for wastewater and 3% for electric
- Discussed gap between what services cost the District to provide and the amount paid in rates
  - Operating costs and investments in assets to support county growth and reliability continue to grow in all systems
  - Absent rate increases, the gap will continue to widen further
  - Increasing cost gap adds future rate pressure and adds risk of larger rate increases later
  - Puts more pressure and reliance on the wholesale market revenues, Public Power Benefit (PPB) program, and other financial resources to cover costs
- Reviewed changes to other rate schedules
- Public comment:
  - Michael and Sue Gibb – thanks to Commissioners and staff for seeking input; urged Commissioners to proceed with caution and consider alternatives before increasing residential rates
  - John Olson – appreciates the moderate increases over time versus a larger increase when rates don't keep pace with costs
  - Dan Kenoyer – question about specifics of cost increases
    - Reviewed how generation costs can impact distribution system
    - Reviewed amount in the Rate Stabilization Fund and how it compares to the gap between revenue and costs

There being no other business, the meeting adjourned at 6:29pm.

  
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President

  
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Vice President

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Secretary

  
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Commissioner

  
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Commissioner