

**Minutes of the Special Commission Meeting
of Public Utility District No. 1 of Chelan County, Washington
December 30, 2021**

The special meeting of the Commission of Public Utility District No. 1 of Chelan County, Washington, was held at the Confluence Technology Center, 285 Technology Center Way, Wenatchee, Washington, on December 30, 2021, at the hour of 9:00am, 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

Guests: Jason Thackston and Steve Kinney, Avista

Call to Order

- President Smith called the meeting to order at 10:00am
- Erik Wahlquist, General Counsel, led the pledge

Public Hearing – Commissioner District Boundaries

(see Chelan PUD website for presentation)

- Public hearing started at 9:03am
- Daniel Appel, Staff Attorney, reported that no public comment has been received
- Chelan County Commissioners adopted the same boundaries at their meeting earlier this week
- Public hearing ended at 9:06am

Resolution 3

(see Chelan PUD website for resolutions)

- Daniel Appel, Staff Attorney, presented Resolution 3
- Resolution 3. A RESOLUTION REVISING AND CONFIRMING THE BOUNDARIES OF THE COMMISSIONER DISTRICTS OF PUBLIC UTILITY DISTRICT NO. 1 OF CHELAN COUNTY, WASHINGTON

MOTION

Moved by: Commissioner Bolz

Seconded by: Commissioner Congdon

To approve Resolution 3 as presented

Approved: Unanimously

Resolution 4

(see Chelan PUD website for resolutions)

- Shawn Smith, Managing Director of Energy Resources, presented highlights of the cost-plus contract with Avista
- Erik Wahlquist, General Counsel, Kirk Hudson, Managing Director of Generation and Transmission, Kelly Boyd, Chief Financial and Risk Officer, and Shawn Smith all expressed their support of the contract and appreciation for the partnership with Avista
- Jason Thackston, Vice President at Avista, and Scott Kinney, Director of Energy Supply, expressed their appreciation for the longstanding relationship with the District and the team that worked on this contract
- Resolution 4. A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO ENTER INTO AN EXTENDED DURATION POWER SALES AGREEMENT

MOTION

Moved by: Commissioner Arseneault

Seconded by: Commissioner McKenna

To approve Resolution 4 as presented

Approved: Unanimously

Manager Items

- Lindsey Mohns, Customer Utilities Business Manager, provided an update on the Diamond Foundry contract
 - Original contract did not include environmental attributes
 - Diamond Foundry has requested those be added to their contract; a contract amendment has been prepared to include environment attributes
 - Thanks to the team that has helped on this project
- John Stoll, Managing Director of Customer Utilities, Kirk Hudson, Managing Director of Generation and Transmission, and Bob Shane, Managing Director of Fiber and Telecom, gave an update on cold weather impacts
 - John noted some system impacts and this is a good opportunity to look at impacts from sustained, cold temperatures
 - Cold load pickup issues were identified during an outage near Plan; working with communications to get information out to customer-owners
 - Kirk reported that some outages were deferred to ensure all turbines and generators were available to support local loads and regional needs
 - We do not currently have contingency line on Steven’s pass from the other side due to an outage
 - Bob reported that power was lost at the summit site where we are co-located with DOT, but has since been restored; both primary communication systems have performed well during these low temperatures
 - The broadband system has had no issues
 - Steve Wright, General Manager, noted the system has done really well from a regional perspective
 - Proud moment when we see what people do to keep the power on; they work in difficult conditions
 - Commissioners echoed praise for the crews that work in adverse conditions

There being no other business, the meeting adjourned at 10:00am.

President

Vice President

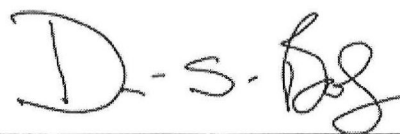
Secretary

Commissioner

Commissioner



Garry Arseneault - Board Member
Approved on 1/12/2022 2:31PM PST



Dennis Bolz - Board Member
Approved on 1/11/2022 5:54PM PST



Ann Congdon - Board Member
Approved on 1/11/2022 4:53PM PST



Steve McKenna - Board Member
Approved on 1/13/2022 8:36AM PST



Randy Smith - Board Member
Approved on 1/12/2022 6:56AM PST