

Minutes of
PUBLIC UTILITY DISTRICT NO. 1 OF PEND OREILLE COUNTY
November 18, 2025
NEWPORT CONFERENCE ROOM, NEWPORT, WA AND
VIRTUAL VIA MICROSOFT TEAMS

Present: Dave Rick, President
Curtis J. Knapp, Vice President
J. Troy Moody, Secretary

Staff Present: Chris Jones, General Manager
Management/District Staff
Karen Willner, Clerk of the Board

Others: Gretchen Koenig, Member of the Public

The meeting was called to order at 8:30 a.m. by Commissioner Dave Rick, President followed by the Pledge of Allegiance.

APPROVAL OF CONSENT AGENDA:

The minutes from the November 4, 2025 meeting, today's agenda, and the vouchers were reviewed and discussed.

As of this date, November 18, 2025, the Board, upon motion by Commissioner Moody and seconded by Commissioner Knapp approved the following:

- The agenda for November 18, 2025 and the minutes of the November 4, 2025 meeting.
- Vouchers audited certified by the auditing officer as required by RCW 42.24.080, and those expense reimbursement claims certified by RCW 42.24.090, have been recorded on a listing, which has been made available to the Board. Payment of those vouchers, included in the list referred to above and further described as follows: Voucher Nos. 11063 through 11111 in the total amount of \$84,620.76; ACH payments in the total amount of \$1,069,821.01; Wire transfers in the total amount of \$445,227.38; and ACH payroll transactions in the total amount of \$343,109.60 for the payroll ending October 31, 2025.

The motion passed unanimously.

COMMISSION REPORT:

Commissioner Knapp attended the Public Power Council Annual meeting on November 5 – 6 in Portland and provided an overview. He attended the Pacific Northwest Utilities Conference Committee meeting on November 7 in Portland and provided an overview. A “Pacific Northwest: A System Under Increasing Strain” video was shared. He attended the Washington Public Utility Districts Association (WPUDA) meetings on November 12 – 14 in Olympia and provided an overview.

BUSINESS FROM THE PUBLIC/OPEN COMMENT PERIOD:

Commissioner Rick asked if there was any business or comments from the public.

Gretchen Koenig, member of the public, commented that she heard China is building wind and solar which is cheaper than fossil fuels and inquired if the District is looking into wind and solar or other options. She is hopeful the District will keep this in mind when doing future contracts.

Commissioner Rick thanked Ms. Koenig for her comments and for attending.

COMMISSION REPORT (continued):

Commissioner Moody attended the WPUDA meetings on November 12 – 14 in Olympia and provided an overview. He shared his concern regarding meeting comments on future power. Discussion was held.

Commissioner Rick attended the WPUDA meetings on November 12 – 14 in Olympia, commended Commissioners Knapp and Moody on their comments, and provided an overview. He attended an Annual Legislative Luncheon meeting on November 6 in Colville and provided an overview.

PUBLIC HEARINGS:

- 2026 Budget.

Pursuant to notice given to the Newport Miner, a public hearing to review and discuss the proposed 2026 Budget commenced at 9:30 a.m. There were two members of the public in attendance.

Sarah Holderman, District Director of Customer Services, reported the budget will need to be adopted before the end of this year. She provided a draft 2026 Budget presentation and reviewed total revenue, cost allocations, non-union wage assumptions, headcount changes, operating expenses, power costs, major operations and maintenance activities, low-income programs, and capital expenditures. She reviewed the next steps for Board and public comments and reported staff is requesting Board approval on December 2. Discussion was held.

The hearing ended at 10:06 a.m.

- Electric Utility Resource Plan.

Pursuant to notice given to the Newport Miner, a public hearing to review and discuss the Electric Utility Resource Plan commenced at 10:07 a.m. There were two members of the public in attendance.

Ben Hall, District Energy Resources Manager, reported that every two years we are required to submit a Utility Resource Plan to the state and this is a voluntary refresh. He provided a presentation and reviewed a process map that included objectives and goals, existing resources, and load forecasting for energy and peak demand. He explained the key terminology for the plan and our current net position for energy. He reviewed the Resource Adequacy standard for our Clean Energy Transformation Act (CETA) requirement. He explained our current net position for winter and summer capacity and CETA compliance.

He reviewed the inputs, prices, and regulatory and industry conditions for our capacity expansion model. He did a conservation cost assessment and reported we've achieved 25% average megawatt of total incremental conservation potential. He explained the District's demand response potential and provided recommendations for potential portfolios for our energy resources, our action plan, and the next steps. He will request the Board's adoption of our Clean Energy Implementation Plan (CEIP) and Utility Resource Plan at the December 2 meeting. Discussion was held.

The hearing ended at 10:59 a.m.

Following a short recess, the meeting resumed.

COMMISSION BUSINESS:

- Pre-Approval of Commission Travel or Meeting Attendance. A motion was made by Commissioner Moody and seconded by Commissioner Knapp to approve the Commission travel and meeting attendance for December. The motion passed unanimously.

GENERAL MANAGER REPORT:

Chris Jones, District General Manager, reported we are moving ahead with a feasibility study on our District facilities. Staff has spoken with other PUD's on their process and there will be more to come during the first quarter of next year.

MANAGEMENT REPORT:

John Bricher, Finance Manager:

He reported that last month staff kicked off their NISC iVue Accounts Payable automation module implementation. They are working with the Information Technology staff and will turn on the module in January.

He reported that Baker Tilly is doing a virtual interim audit process and procedure for the District's Financial Statement audit.

Mike Schleich, Director of Engineering and Operations:

He reported the Highway 211 protection is in place, was tested, and is fully operational. He explained there were two lines hitting each other and now we have fault protection on the lines.

Joe Hathaway, Public Information Officer:

He provided a Public Outreach and Communications presentation of last month's activities that included press releases for a CEIP Public Hearing, an energy efficiency rebate presented to the Kalispel Tribe of Indians, and a return to normal operations after fire season. Public events included Coffee with a Cop in Metaline Falls and Newport Downtown Halloween Trick-or-Treating. Advertising and marketing included the Neighbors-in-Need Program, downed power line safety, and no signs on utility poles. He highlighted employees who are Veterans – Bryant Kramer, Director of Power Production, for his service in the U.S. Air Force; Joshua Bean, Power Supply Operator, for his service in the U.S. Army; and James Massey, System Operator Trainee, for his service in the U.S. Army, and recognized and thanked all of our employee Veterans for their service.

Sarah Holderman, Director of Customer Services:

She and Mr. Bricher attended a Public Utility Risk Management Services meeting at the beginning of November and provided an overview of insurance premiums which are increasing and the wildfire insurance pool which is on hold for now. She reported they are looking at the coverage limits for our automobile insurance policy and cyber trends for cyber security claims.

She reported Amber Gifford, District Conservation and Grants Manager, will be submitting four grant applications – two vegetation management and two overhead to underground – which are due November 20.

She reported that a Town contacted us about disconnecting their streetlights. We're working on a lights location map and will reach out to local residents to see if they want the lights transferred into their name before we disconnect the lights.

ACTION ITEMS:

- Approval of Resolution No. 1502 Non-Union Salary Matrix. Katie Pfitzer, District Director of Administrative Services, reported there is an overall increase of 3.5% from last year, including job title changes, and she reviewed the draft resolution and matrix with Tyler Whitney, Cable Huston, LLP. Discussion was held. A motion was made by Commissioner Knapp and seconded by Commissioner Moody to approve and adopt the resolution as presented by staff. The motion passed unanimously.
- Approval of Bonneville Power Administration Power Sales Agreement. Mr. Hall reported this agreement reserves the right for the District to buy Tier 2 power in the future, if needed. This will position the District well for its future needs. Discussion was held. A motion was made by Commissioner Moody and seconded by Commissioner Knapp to approve the agreement as presented by staff. The motion passed unanimously.
- Approval of Power Supply Consultant Agreement, Contract No. 25-509. Mr. Hall reported Energy West, LLC is a firm that we've used for a long time and they are energy industry experts and a great resource for the District. This is a two-year contract. Discussion was held. A motion was made by Commissioner Knapp and seconded by Commissioner Moody to approve and authorize the general manager to execute the contract. The motion passed unanimously.

Commissioner Rick asked if there was any other business for the good of the order. Commissioner Knapp requested an Annual General Manager Job Performance Evaluation at the December 16 meeting. Discussion was held.

Commissioner Rick reported the next regular meeting is scheduled for Tuesday, December 2, 2025, starting at 8:30 a.m., in the Newport Conference Room, in Newport, Washington and via Microsoft Teams.

He adjourned the meeting at 11:40 a.m.

President

ATTEST:

Secretary

General Counsel
Approved as to Form