

Minutes of
PUBLIC UTILITY DISTRICT NO. 1 OF PEND OREILLE COUNTY
November 4, 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
Tom Pulford, Member of the Public
Laura Verity, Merkle Standard Infrastructure

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 October 21, 2025 meeting, today's revised agenda, and the vouchers were reviewed.

As of this date, November 4, 2025, the Board, upon motion by Commissioner Moody and seconded by Commissioner Knapp approved the following:

- The revised agenda for November 4, 2025 meeting, and the minutes of the October 21, 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. 11039 through 11062 in the total amount of \$152,604.89; ACH payments in the total amount of \$134,070.44; Wire transfers in the total amount of \$781,016.28; and ACH payroll transaction in the total amount of \$320,068.10 for the payroll ending October 15, 2025.

The motion passed unanimously.

SAFETY SPOTLIGHT:

Katie Pfitzer, District Director of Administrative Services, announced the Safety Core Value Awards that were awarded to employees. She reported there were no safety incidents to report for this month and this is the third month in a row without any safety incidents.

She reported on last month's employee safety training which included safety and leadership and Safety Data Sheets. Next month's training will include First Aid/CPR and electrical installation.

She reported on generator safety and reminded everyone of its importance during the winter season. She explained the concern with back feed through the lines, to never plug it into a wall outlet, to use the transfer switch on the generator, to place it outdoors and away from windows and doors, and to unplug it when not in use. Discussion was held.

CUSTOMER SPOTLIGHT:

Shannon Johnston, District Customer Services Supervisor, provided a Halloween photos presentation. She reported that it was held outside this year since it fell on a Friday and she thanked the employee participants: Megan Malone, District Accountant; Mandy Aubrey, District Operations Specialist; and Laura Smith, District Utility Services Designer I. Discussion was held. Joe Hathaway, District Public Information Officer, thanked Ms. Johnston and Coleman Bauer, District Warehouseman, for their help in setting up for the event.

COMMISSION REPORT:

Commissioner Knapp attended Energy Northwest meetings and an Energy Northwest Public Power Forum on October 21 – 24 in Kennewick. He provided an overview and reported there was record attendance.

Commissioner Moody attended a Greater Newport Area Chamber of Commerce meeting on October 28 at the District and reported they are looking on how to keep it going and establish value in people's minds. Discussion was held.

Commissioner Rick attended the Energy Northwest meetings and Energy Northwest Public Power Forum on October 21 – 24 in Kennewick and provided an overview. He commented he was impressed with their organization.

COMMISSION BUSINESS:

Commissioner Knapp will travel tonight to attend the Public Power Council and Pacific Northwest Utilities Conference Committee Annual meetings on November 5 – 7 in Portland. He will travel on November 11 to attend the Washington Public Utility Districts Association (WPUA) meetings on November 12 – 14 in Olympia.

Commissioners Moody and Rick will attend an Annual Legislative Luncheon meeting this Thursday in Colville and the WPUA meetings on November 12 – 14 in Olympia.

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, referenced Commissioner Knapp's attendance at a geothermal workshop and inquired about the possibility of geothermal heat pumps that generate electricity for our county. Commissioners Knapp and Rick reported that no discussion on that topic occurred at the workshop. Discussion was held.

Tom Pulford, member of the public, expressed his interest in today's clean energy and power topic. He commented they we have it great here and we need to keep it great here.

Commissioner Rick thanked Ms. Koenig and Mr. Pulford for their questions and comments and everyone for attending.

GENERAL MANAGER REPORT:

Chris Jones, District General Manager, will attend the Annual Legislative Luncheon meeting on Thursday in Colville.

He reported we are going into union negotiations in February or March with an April 1 deadline. We are waiting on scheduling with the Local IBEW and two new member representatives at the Central Washington Public Utilities.

He reported April Owen, District Director of Finance, will give a financial update at the first Board meetings of every month.

Ms. Owen provided a September Financial Report and reviewed the Water Systems, Community Network System (CNS), Box Canyon Production, and Electric System year-to-date actuals, forecasts, and budget. Discussion was held. She distributed and reviewed a report of how rates affect our revenues and budget.

She reviewed our capital budget and statement of cash flows. She reported we received funds from the Climate Commitment Act auction credits which is a part of the September cash increase for the year. The Board thanked Ms. Owen for her report.

PUBLIC HEARING – CLEAN ENERGY IMPLEMENTATION PLAN:

Pursuant to notice given to the Newport Miner, a public hearing to review and discuss the District's Clean Energy Implementation Plan (CEIP) commenced at 9:30 a.m. There were six members of the public in attendance.

Mr. Hathaway reported that he and Ben Hall, District Energy Resources Manager, will present the District's Clean Energy Implementation Plan for 2026 – 2029. He provided background information for the Clean Energy Transformation Act (CETA) and reported every four years the District is required to send its plan to the Washington State Department of Commerce. He reviewed the public process timeline and reported a Public Hearing on our Utility Resource Plan will be held at the November 18 meeting. He reviewed the CEIP Survey results and reported there were 439 total responses, of which 99% were residential customers. He provided a results summary and reported most respondents support clean energy, especially hydropower, and value affordability, reliability and local energy independence. Most customers are unwilling to pay more for clean energy and a majority would not participate in a demand response program.

Mr. Hall thanked Mr. Hathaway for setting up the survey and reported this is something the state is looking at. He reviewed the CEIP components and draft development including the CETA clean energy standards, specific interim period targets, transition actions, and alternative compliance. The specific targets during the 2026 – 2029 interim period are for energy efficiency, demand response resources, and renewable energy. The state is looking at how we meet the interim targets for CETA standards in 2030 and 2045.

Mr. Hathaway reported the survey is complete and the draft plan is posted on our website for the public to review and comment on. A Public Hearing for our Utility Resource Plan will be held on November 18. Discussion was held.

Mr. Hall reviewed the next steps and reported the final CEIP is due by January 1, 2026. Discussion was held. The Board thanked Mr. Hathaway and Mr. Hall for their presentation and information.

The public hearing ended at 10:28 a.m.

Following a short recess, the meeting resumed.

ACTION ITEM:

- Request Approval for Small Works Public Works Contract #25-103 Vertical Pivoted Gates for Ione and Box Canyon. Bryant Kramer, District Director of Power Production, reported the Box Canyon gate is falling apart and this is to replace that gate with a pivoted one. Mr. Jones reported we went to a pivoted gate at the Newport Warehouse because the previous gate kept coming off the tracks and the Ione gate is the last one to change out. This is a budgeted item. A motion was made by Commissioner Moody and seconded by Commissioner Knapp to approve and award the bid to the apparent low bidder, Northwest Fence Company in the total amount of \$169,338.86. Discussion was held. The motion passed unanimously.

BUDGET DISCUSSION:

Sarah Holderman, District Director of Customer Services, provided a draft consolidated 2026 Budget presentation and reviewed the budget process and timeline. She reported a public budget hearing will be held at the November 18 meeting.

She reviewed the general service revenue, budget assumptions for Merkle Standard Infrastructure, other electric revenue, and provided a summary of the total revenue for electric, CNS, and water. Discussion was held.

She reviewed the proposed headcount changes, power costs, operation and maintenance, customer information, administrative and general, protection mitigation and enhancement measures, and capital expenditures. She provided a condensed summary and the next steps that include the public budget hearing on November 18 with budget adoption at the December 2 meeting. The Board thanked Ms. Holderman for her information and presentation.

Commissioner Rick announced a 1-hour executive session to consider the greenhouse gas allowance auction bidding information that is prohibited from release of disclosure under RCW 70A.65.100(8) will begin at 11:30 a.m. If the executive session needs to be extended, he will rejoin the open session to publicly announce an extension. No final action will be taken during the executive session. Following the executive session, he and the Board will rejoin the open session to take action or to adjourn the meeting.

EXECUTIVE SESSION – TO CONSIDER GREENHOUSE GAS ALLOWANCE AUCTION BIDDING INFORMATION THAT IS PROHIBITED FROM RELEASE OF DISCLOSURE UNDER RCW 70A.65.100(8):

A 1-hour executive session to consider the greenhouse gas allowance auction bidding information that is prohibited from release of disclosure under RCW 70A.65.100(8) commenced at 11:30 a.m. The following were in attendance: Board of Commissioners; Chris Jones, General Manager; Ben Hall, Energy Resources Manager; April Owen, Director of Finance; and Sarah Holderman, Director of Customer Services. The executive session adjourned at 12:30 p.m., and the Board returned to open session. No final action was taken during the executive session.

Commissioner Rick reported the next regular meeting is scheduled for Tuesday, November 18, 2025, starting at 8:30 a.m., in the Newport Conference Room, in Newport and via Microsoft Teams. He adjourned the meeting at 12:33 p.m.

President

ATTEST:

Secretary

General Counsel
Approved as to Form