Minutes of
PUBLIC UTILITY DISTRICT NO. 1 OF PEND OREILLE COUNTY
October 20, 2026
NEWPORT CONFERENCE ROOM, NEWPORT, WA AND
VIRTUAL VIA MICROSOFT TEAMS

Present:	Curtis J. Knapp, President, virtual David W. Rick, Vice President J. Troy Moody, Secretary
Staff Present:	Chris Jones, General Manager Management/District Staff Angie Rogers, Clerk of the Board
Others:	Ernie Hood, Commissioner Candidate David Bradbury, Commissioner Candidate Gretchen Koenig, Member of Public Laura Verity, Merkle Standard

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

APPROVAL OF CONSENT AGENDA:

The minutes from the October 6, 2026 meeting, today's revised agenda, and the vouchers were reviewed and discussed.

As of this date, October 20, 2026, the Board, upon motion by Commissioner Moody and seconded by Commissioner Knapp approved the following:

- The revised agenda for October 6, 2026, and the minutes of the October 6, 2026 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.12187 through 12262 in the total amount of $287,322.39; ACH payments in the total amount of $1,181,407.72; Wire transfers in the total amount of $316,593.36; and ACH payroll transactions in the total amount of $349,671.89; for the payroll ending September 30, 2026.

The motion passed unanimously.

COMMISSION REPORT:

Commissioner Moody attended the Historical Society meeting and the Republican Party meeting in Cusick.

Commissioner Knapp attended PPC Meetings October 6th-8th in Portland and PNUCC on October 9th virtually.

Commissioner Rick attended Pops, Brats & Kilowatts on October 8th at Box Canyon Dam and the Metaline Town Council meeting on October 14th.

COMMISSION BUSINESS:

Commissioner Rick will attend the TEDD meeting in Colville on October 28th.

Commissioner Knapp will attend the WPUDA meetings November 18th-20th in Olympia.

Commissioner Moody will attend Energy Northwest Public Power in the Tri Cities, October 20th-22nd.

GENERAL MANAGER REPORT:

Chris Jones, District General Manager, discussed the information packet that Commissioner Rick brought from the Metaline Town Council regarding Pend Oreille County. He will be attending WPUDA General Managers' meeting in Tri Cities on October 21.

BUSINESS FROM THE PUBLIC/OPEN COMMENT PERIOD:

Commissioner Rick provided the guidelines for the session and asked if there was any business or comments from the public.

Gretchen Kroening, member of the public, provided comment.

Ernie Hood, Commissioner Candidate, provided comment.

Laura Verity, Merkle Standard, provided comment.

Following a short recess, the meeting resumed at 9:15 a.m.

MANAGEMENT REPORT:

Scott Jungblom, Natural Resource Manager, gave a report on activities performed under various Natural Resource Management Plans noting that annual effectiveness evaluation

monitoring has been completed under the Wildlife, Erosion, Trout Habitat Restoration, and Water Quality and Aquatic Plant Management plans. He gave some highlights and talked about the Wood Duck boxes available for customers. Having restored 64 miles of trout habitat to date noting that Sean Kinard, Resource Biologist, got the monitoring protocols revised and up to date which will be a benefit. Under Cultural Resources for the LeClerc project are likely to start soon. Treatment of public boat launches for milfoil removal is ongoing, and the annual surveys are complete for the year. Intensive erosion surveys occur every 3rd year, contracted survey crews will be brought out to survey next year. He reported that qualifying landowners that do bank stabilization projects can get refunded up to $5500 through our grant program. As part of our Recreation Management Plan, we created a Pend Oreille County campsite map. The original purpose of the map was to take the pressure off the Forest Service campgrounds, by providing alternative public campsites and boat launch locations.

Katie Pfitzer, Director of Administrative Services, gave an update that the District is at 105 days without a time loss injury. She thanked the board, leadership and front-line staff.

Mike Schleich, Director of Engineering and Operations, let Commissioners know we have a strategic vision for customers throughout the county. He also announced Pacific Northwest National Labs approved the District for a Wildfire Mitigation Program, we are one of 8 utilities that got selected and the other utilities are quite larger than us. The program will help us to define our risks within our District from a wildfire protection standpoint.

Lauren Naccarato, Utility Service Designer II, provided an update on NISC BPC training. She mentioned each department benefited from this training and let us know the next steps so we can implement the training and have realistic time frames.

Bryant Kramer, Director of Power Production, mentioned we will be done with the fire suppression system project on October 28 and invited the Commissioner to attend a demonstration.

Shannon Johnston, Customer Service Supervisor, provided a final update on the Paperless Billing Campaign. In total, 358 customers enrolled during the promotion, each receiving a one-time $5 bill credit. Staff plan on running the promotion again next year with hopes of signing up more customers.

April Owen, Director of Finance, updated the Commissioners on upcoming audits. Baker Tilly, (formally Moss Adams) will begin the 2026 audit in November and will be on site the week of February 8. The State audit will happen in December.

Amber Gifford, Conservation and Grants Manager, gave an update on the District's Energy Efficiency Programs. She provided a presentation showing the positive impacts on the community and steps moving forward. The new HOPE program was implemented earlier this year. A pilot program was started in Newport for income qualified customers. She presented Energy Savings earned to date and discussed future funding options, including the use of Climate Commitment Act (CCA) Funds.

Ben Hall, Energy Resources Manager, discussed how energy conservation acts as a beneficial resource to the District's overall energy portfolio and discussed plans for a conservation potential assessment review next year. He gave an update to the Commissioners on the Climate Commitment Act and provided recently released information from the Department of Ecology outlining the District's potential number of no-cost carbon allowances for 2027 through 2030. He provided an update on BPA's Grid Access Transformation process.

He provided an overview of BPA's interconnection study process (Feasibility, System Impact, Facilities) and noted that BPA's studies address only the federal transmission system; the PUD must also evaluate local system impacts. Customers are responsible for study costs and any resulting infrastructure upgrades. The distinction between interconnection approval and electric service, which is governed separately through Board-approved Electric Service Agreements (ESAs), was discussed.

Updates were provided on two active requests:
• Merkle: Requested an increase from 100 MW to 225 MW (Feb 2025). BPA's feasibility study took over a year; the System Impact Study funded in April 2026 is ongoing.
• Krambu: Requested 9.9 MW (Oct 2025). A phased approach allowed service to increase to 2.5 MW; the Board approved the ESA in Aug 2026. Remaining capacity evaluation continues.

He noted the long time associated with large interconnections and briefed the Board on ESA provisions, system limitations, and increasing inquiries from data center developers. Most inquiries do not advance due to long lead times (5–7 years) and system constraints.

Staff discussed power-management practices for large customers, including book-outs that reduce transaction costs.

2027 DRAFT BUDGET PRESENTATION

Sarah Holderman, Director of Customer Services, provided a draft 2027 Budget presentation which outlined Cost Inputs, proposed Headcount Changes, Operating Costs and Capital Costs. Staff continue to consolidate and refine.

ACTION ITEMS:

- Approval of Resolution #1517- Meter Relocation Safety Assistance Program. A motion was made by Commissioner Moody and seconded by Commissioner Knapp to approve the resolution. The motion passed unanimously.

- Approval of Fiber Broadband Service Contract for NoaNet Quote #26-016. A motion was made by Commissioner Moody and seconded by Commissioner Knapp to approve the contract. The motion passed unanimously.

- Approval of Fiber Broadband Service Contract for NoaNet Quote #25-003. A motion was made by Commissioner Moody and seconded by Commissioner Knapp to approve the contract. The motion passed unanimously.

Commissioner Rick asked if there was any further business for the good of the order.

Commissioner Rick reported the next meeting will be held on Tuesday, November 3, 2026, at 8:30 a.m., Newport Conference Room, Newport, WA and via Microsoft Teams.

He adjourned the meeting at 12:15 p.m.

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President

ATTEST:

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Secretary

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General Counsel
Approved as to Form