

Minutes of
PUBLIC UTILITY DISTRICT NO. 1 OF PEND OREILLE COUNTY
September 27, 2022
CAMAS WELLNESS CENTER, 1821 LECLERC ROAD, NORTH,
CUSICK, WA 99119

Present: Curtis J. Knapp, President
Richard A. Larson, Vice President
Joseph B. Onley, Secretary

Staff Present: F. Colin Willenbrock, General Manager
Management/District Staff
Karen Willner, Clerk of the Board

Others: Approximately 11 Members of the Public

The meeting was called to order at 1:02 p.m. by Curtis J. Knapp, President. Colin Willenbrock, District General Manager, reported this is our annual townhall meeting and that in the past we have held two townhall meetings, one in the north part of the county and one in the south part of the county. We have combined those meetings this year into one meeting in the middle of the county to accommodate public requests. He reported the Board, staff, and members of the public will be taking a tour of our Calispell Powerhouse and caretaker's house and that Bryant Kramer, District Director of Power Production, will be giving the tour. He reviewed the agenda and reported the commissioners will be traveling in separate vehicles to the powerhouse. The Board, PUD staff, and members of the public left for a field trip of the Calispell Powerhouse and the caretaker's house.

Mr. Kramer provided a safety protocol before beginning the tour. He provided a history of the Calispell Powerhouse and reported it was built in the early 1920's and was commissioned in 1922. Discussion was held.

Mr. Kramer and Mr. Willenbrock provided a history of the caretaker's house. Mr. Willenbrock explained the house needs maintenance and he provided options for the Board's consideration.

At 3:30 p.m., the Board, PUD staff, and members of the public returned to the Camas Wellness Center. Commissioner Knapp reported the next portion of the meeting would continue at 4:00 p.m.

CONSENT AGENDA:

The minutes from the September 13, 2022 meeting, today's revised agenda, and the vouchers were reviewed.

As of this date, September 27, 2022, the Board, upon motion by Commissioner Larson and seconded by Commissioner Onley approved the following:

- The revised agenda for September 27, 2022, and the minutes of the September 13, 2022 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. 7291 through 7338 in the total amount of \$179,870.18; ACH payments in the total amount of \$735,109.66; Wire Transfers in the total amount of \$439,090.22; and ACH payroll transactions in the total amount of \$230,598.94 for the payroll ending September 15, 2022.

The motion passed unanimously.

BOARD WORKSHOP:

Commissioner Knapp asked if the commissioners had any topics of discussion for this or future workshops. Commissioner Onley asked for further discussion on the caretaker's house.

April Owen, District Director of Finance, provided a review of the District's Utility Resource Plan and reported utilities are required to submit a plan every two years to the Washington State Department of Commerce. The premise behind the plan is for conservation. Discussion was held.

ACTION ITEM:

- Utility Resource Plan Approval. A motion was made by Commissioner Larson and seconded by Commissioner Onley to accept and approve the plan as presented. The motion passed unanimously.

Discussion was held regarding options for the caretaker's house. Commissioner Knapp was in favor of keeping the property but didn't know in what capacity. Commissioners Onley and Larson were in agreement with Commissioner Knapp's comment. Mr. Willenbrock inquired as to whether the Board was interested in investing money into the property to make it habitable. Per the Board's comments, Mr. Willenbrock and staff will explore options for potentially tearing down or remodeling the dwelling structure.

SAFETY SPOTLIGHT:

Kevin Conway, District Director of Utility Services, reminded everyone it is getting darker in the afternoon and staying darker in the morning so to be watching out for students. It's important to turn your headlights on in the morning and to slow driving.

CUSTOMER SPOTLIGHT:

Sarah Holderman, District Director of Customer Services, reminded everyone that October 2 – 8 is Public Power Week and this is a time to celebrate being a community-owned, not-for-profit public power utility. We celebrate the benefits of living in a public power community, including low rates, high reliability, customer responsiveness, community focus, economic development, and local control. She reported the District will have cookies, coffee, and cocoa and will be handing out free PUD logo tote bags.

COMMISSION REPORT:

Commissioner Larson did not have anything to report since the September 13 meeting.

Commissioner Onley attended the virtual Washington Public Utility Districts Association (WPUDA) meetings on September 14 – 15 and provided an overview. He attended a Greater Newport Area Chamber of Commerce meeting on September 7 in Newport and provided an overview. He attended a WPUDA Water Workshop on September 21 – 23 in Spokane and reported that Mark Scott, District Water Systems Manager and Rusty Gill, District Lead Water Systems Operator, were also in attendance.

Commissioner Knapp attended the virtual WPUDA meetings on September 14 – 16. He reported that he spoke with customers on various topics. He attended Energy Northwest meetings on September 20 – 22 in Los Angeles and provided an overview.

COMMISSION BUSINESS:

- Pre-Approval of Commissioner Travel or Meeting Attendance for November. Commissioner Larson requested an addition to his November schedule to include the WPUDA Annual Conference on November 30 – December 2 in Spokane. Commissioners Onley and Knapp approved his request. He will attend the PUD Board meetings on November 1 and 15 in Newport and November 29 at Box Canyon, a Northwest Open Access Network Board meeting on November 9 in Spokane, and a possible Tri-County Economic Development District meeting in November (date to be determined) in Colville. Commissioner Onley will attend

the PUD Board meetings on November 1 and 15 in Newport and November 29 at Box Canyon, a virtual Greater Newport Area Chamber of Commerce meeting on November 2, and the WPUA Annual Conference on November 30 – December 2 in Spokane. Commissioner Knapp will attend the PUD Board meetings on November 1 and 15 in Newport and November 29 at Box Canyon, and the WPUA Annual Conference on November 30 – December 2 in Spokane. A motion was made by Commissioner Onley and seconded by Commissioner Larson to accept the commissioner's travel or meeting attendance for November with Commissioner Larson's change. The motion passed unanimously.

Mr. Willenbrock welcomed everyone and reported these townhall meetings have been held for quite some time. We chose to hold this meeting in Cusick as a mid-county location. He provided an overview of the presentations.

PUD SUMMER STUDENT PROGRAM HIGHLIGHTS:

Suzie Wrbelis, District Director of Human Resources, reported the District received a Hire-A-Vet program award in 2020.

Terry Driver, member of the public, inquired if the PUD is an Equal Opportunity Employer. Ms. Wrbelis responded that we are. Discussion was held.

She reported our summer student program provides real world experiences and generates interest in our public power community. She explained the application submittal and job on-boarding processes. She shared an exit paper from summer student, McKinley Leslie, Occupational Safety Assistant.

She provided a powerpoint presentation of past summer students and their jobs and reported we are proud of our program as it benefits the students and the PUD.

Commissioner Knapp asked if there were any questions for Ms. Wrbelis. He noted our Summer Internship Program policy and thanked Ms. Wrbelis for her presentation.

POWER SUPPLY FUNDAMENTALS AND INDUSTRIAL CUSTOMERS:

Ms. Owen commended Diana Jackson, District Power Supply Analyst, for her help with the power supply department.

She provided her background and gave a powerpoint presentation on power supply fundamentals and industrial customers. She explained our long range contracts resource which include Box Canyon, Boundary, and Shell Energy. She explained mid-term transactions, prescheduling, real time, and ATF (After The Fact) and deviation. She explained Cascade Digital's load for September.

Commissioner Knapp asked if there were any questions for Ms. Owen.

Kelly Driver, Port of Pend Oreille Manager, inquired what year we are in for the Boundary contract. Ms. Owen reported that the agreement runs through 2055.

Mr. Willenbrock thanked Ms. Owen for her presentation.

WILDFIRE MITIGATION:

Mr. Willenbrock provided a powerpoint presentation. He explained the risks which include negligence and what our duty is as a public utility company. He reported we address the risk by using our in-house vegetation management crew to keep our right-of-ways clear and to identify and remove danger trees. For public safety, we provide recloser notices to our customers. We collaborate with other agencies, including the Forest Service and Department of Natural Resources.

Kevin Conway, District Director of Utility Services, explained our mitigation planning process and how we are protecting the PUD. He reported we engaged with SWCA in

2020 to update our existing Vegetation Management Plan and develop a Wildfire Mitigation Plan. He noted some delays in the project. He reviewed the SWCA prepared Operating Plan and Wildfire Mitigation Plan with a goal of minimizing the source of ignition and increasing the resilience of the electric system. He explained the importance of having documentation. He reviewed the next steps to implement the program and plans.

Discussion was held regarding owner liability.

Commissioner Knapp reported that fire protection is huge and he thanked Mr. Willenbrock and Mr. Conway for their presentations. He thanked all the presenters for their information and great topics.

BUSINESS FROM THE PUBLIC/OPEN COMMENT PERIOD (Q&A WITH COMMISSION & DISTRICT STAFF):

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

Ms. Driver questioned the sale of power once the Shell Energy Agreement ends with Clark County.

Mr. Willenbrock appreciated Ms. Driver's comments. He explained the purpose and benefits of the proposed transaction with Clark.

Commissioner Larson referenced Mr. Driver's earlier comment about being an Equal Opportunity Employer. Ms. Wrbelis reported our program is designed to help kids. Discussion was held.

Ms. Driver inquired on the status of the paper mill per a railroad stance and why we are waiting on BPA. Commissioner Knapp reported that we all want the paper mill to restart and we are doing what we can. Ms. Driver inquired if the studies are done. Commissioner Knapp reported all the paper work is done and is on BPA's desk. He reported that of all the 28 public utility districts, we are number five in lowest rates.

Mr. Willenbrock confirmed that the third application for interconnection had been submitting to BPA on behalf of Cascade Digital for crypto and paper mill operations. He clarified that the process relates to transmission interconnection and not a request for power.

Commissioner Knapp asked if there were any further questions/comments from the public. There were none. He thanked the public and staff for attending.

There being no further discussion to come before the Board, the meeting adjourned at 7:00 p.m.

President

ATTEST:

Secretary

General Counsel
Approved as to Form