

Public Utility District No. 1 of Klickitat County  
**Board of Commissioners' Meeting**  
**Tuesday, October 09, 2018**

**AGENDA**

Time: **KPUD Commission Meeting Start Time – 2:00pm as Advertised**

Location: 1313 S. Columbus Ave. – Goldendale, WA

- **Pledge of Allegiance**
- Approval of Minutes – 9/25/2018 Meeting
- Approval of Claims / Vouchers for period ending 10/09/2018 (*Eileen*)
- Approval of Payroll for period ending 9/30/2018 (*Eileen*)
  
- **PUBLIC COMMENT PERIOD**

**REPORTS – 10 min. each:**

- Power Management Sept Report (*Mike*)
- Generation Assets Report (*Kevin*)
- Commissioners' Reports
- Manager's Bi-Monthly Report (*Jim Smith*)  
-(*see attached report*)

**GUESTS:**

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**AGENDA ITEMS -** (*see Manager's Report for further details*)

- A. SMART HUB AND E-BILL INCENTIVE DISCUSSION-
- B. RENEWABLE NATURAL GAS CHANGE ORDERS -
- C. PPC EXECUTIVE COMMITTEE NOMINATION-

ADJOURNMENT

**FOR THE GOOD OF THE ORDER:**

10/8 ANNUAL MEETING 9-3 Goldendale Grange

11/01 PURMS MEETING

11/14 STRATEGIC PLANNING WORKSHOP 9-3- Maryhill Museum



# Public Utility District No. 1 of Klickitat County

80 Years of Service \* 1938-2018

## GENERAL MANAGER'S REPORT TO THE BOARD

For the **October 09, 2018 Meeting**

### AGENDA ITEMS:

- A. SMART HUB AND E-BILL INCENTIVE DISCUSSION- NISC will go-live the beginning of December and with the transition, customers who are currently utilizing KPUD's customer portal and receiving E-bills will need to re-enroll for those options. Recommend we promote and incentivize customers who enroll in SmartHub and sign up for a paperless bill by providing a \$5 credit on their bill. SmartHub is a great tool for empowering customers and paperless bills save the utility money.
- B. RENEWABLE NATURAL GAS CHANGE ORDERS - Approve change order #2 for \$69,751.54 and change order #4 for costs not to exceed \$150,000 for PTI Power Technologies Inc. for additional work scope required to complete the electrical work on the RNG project as presented by staff.
- C. PPC EXECUTIVE COMMITTEE NOMINATION– Nominate Jim Smith to stand for election to the Public Power Council's executive committee for 2019 and 2020.

### NON-AGENDA ITEMS:

1. Annual Meeting Monday- attached is the agenda for the day. We will have the regular Board round table as in past years and the event will be at the Grange in Goldendale starting at 9:15.
2. NISC – progress has been good and only real issue we are working through is the continued use of our Futura mapping system.
3. Carbon Initiative Discussion – I am attaching the PGP talking points / position on the 100% Net Zero Carbon Standard. I want to ensure that we engage on the implications and talk about them. From my perspective, to date PGP and Klickitat PUD have not been advocating or recommending positions on carbon policy or initiatives. We are providing information, preferred options, and ideas should carbon policies or initiatives move forward. (Attachment)
4. Budgets – we are still on track to give you our first review next Board meeting. At this stage it is apparent that there will be capital challenges to address. Some of this stems from cash flow in 2018 and some of this stems from the results determined by our Long Range Plan. We can make assumptions on revenues from RNG, but I do not want to do that. I want make

sure we see the issues as they are and we address each of them.

5. **Staffing** – the Superintendent position has been awarded, the Chief Engineer position will be going to a recruiter. Original posted positions have been filled but we have some backfill ongoing. We are very close to being fully staffed for first time since the 2012 layoffs.
6. **PGP reliability Study** – we have discussed the PGP carbon cost studies in previous meetings. Those were the \$1.5B in additional costs to get to 80% carbon reductions, and an additional \$6B to get to 90% and almost \$20B if 100% clean (which means no new gas). It was clear that reliability was a concern at the 90% and above levels, so PGP then engaged E3 to complete a reliability study as their original model was not designed for detailed reliability evaluations. The first review of that study will be today (Friday) so I will discuss the findings with you at the meeting.
7. **Fire Risk** – DNR released their wild fire strategy document and we provided comments from the WPUDA task force headed by myself and Nicholas Garcia. DNR sees the issues related to power lines and has proposed a committee of DNR and utilities to work on the issues. There are undoubtedly going to be challenges, but the next step is the various lobbyists and / or staff will be engaging DNR at the next level set up that committee.
8. **BPA** – PPC report update at the meeting.