



Public Utility District No. 1 of Klickitat County

80 Years of Service * 1938-2018

GENERAL MANAGER'S REPORT TO THE BOARD For the August 25, 2020 Meeting

AGENDA ITEMS:

A. Executive Sessions –

- i. Washington State Parks Rails to Trails Potential Litigation Per RCW 42.30.110(1)(i)

General Council, Athan Tramountanas

- ii. Pumped Storage Project Contracts Potential Litigation Per RCW 42.30.110(1)(i)

General Council, Athan Tramountanas
Tom McDonald

NON-AGENDA ITEMS:

1. My time these past couple of weeks has been spent on strategic planning, with some large customers, preparing for the executive sessions, and with our staff. I'll provide you updates at the meeting, but my report is limited as a result.
2. Strategic Planning Session – Therese Hampton will contact each of you for input prior to the session on Thursday.
3. DNR Wildfire Task Force – we added a conference call in September to attempt to complete the charter with the report and recommendations to the legislature by the end of this year. I am not convinced we will meet the deadline, but DNR is doing what they can and I am very happy with George Geisler's support so far. As we get drafts of deliverables from the task force support staff, I think we will run into the DNR bureaucracy. I am pretty sure that parts of DNR will not support what we are trying to do, but we will see how George deals with that if he hasn't already done so.
4. Columbia River System Operations Final Environmental Impact Statement (EIS) - the Columbia River System Operations Final EIS has been issued. As you are aware, this has been a long process lasting over three years. Almost 59,000 comments were considered

after the draft EIS was issued.

Of interest to PUDs, the final EIS's Preferred Alternative includes a modified flexible spill approach to dam operations that attempts to balance fish benefits and energy, as well as other policy objectives, by increasing spring spill to aid juvenile fish passage. Notably, the preferred alternative does not include dam breaching; finding it inconsistent with several of the objectives for the Columbia River system of dams established by the U.S. Congress. As well as responding to substantive comments made in response to the February 2020 draft EIS, the final EIS assesses the environmental, social and economic benefits and consequences of the four principal alternatives considered for improved integrated operations. According to the final EIS, the preferred alternative will minimally impact the power grid:

“Hydropower generation decreases under the Preferred Alternative by 210 aMW, assuming average water, ... reliability is comparable to that of the No Action Alternative because other measures increase hydropower generation slightly in the winter, and more substantially in late August, and increase hydropower flexibility in some locations and periods. Therefore, no additional resources are needed to maintain regional reliability at [a level comparable to] the No Action Alternative level.”

The co-lead agencies plan to release a joint Record of Decision in September 2020 documenting which alternative evaluated in the final EIS will be selected for implementation.

WPUDA, PPC and other groups will continue to review the final EIS. The final EIS is available for review on EPA's searchable EIS database: <https://cdxnodengn.epa.gov/cdx-enepa-public/action/eis/search> and the project website: www.crsi.info.