



# Public Utility District No. 1 of Klickitat County

75 Years of Service

1938-2013

## GENERAL MANAGER'S REPORT TO THE BOARD

For the September 08, 2015 Meeting

### AGENDA ITEMS

- A. WA STATE RENEWABLE ENERGY INCENTIVE PROGRAM – In April 2015 the Board instructed staff to suspend participation in the state incentive program, as the program was expected to exceed cap levels in 2016. Mike DeMott has included an overview of where the program is to date and would like to obtain direction from the Board on moving forward.
- B. EXECUTIVE SESSION: Personnel Matters, RCW.42.30.110 (g) -- I would like to discuss our current senior level management candidates and their qualifications.

### NON-AGENDA ITEMS

1. REMINDER – We are scheduled for our quarterly joint meeting with the Klickitat County Board of Commissioners on Tuesday, September 8<sup>th</sup> at 11:30am the same day as our regular Board meeting. They have asked for an update in regard to the BPA / Friends of the Gorge settlement agreement and our proposed projects.
2. Q&A at Annual Employee Meeting – Attached is the draft Agenda for our 2015 annual employee meeting. The meeting is scheduled for Columbus Day, which is Monday, October 12<sup>th</sup>. I would like to have the Board engage in a question and answer session with our employees again this year. I thought the interaction between the Board and employees was excellent.
3. Dedication of Bickleton Water Project – Klickitat County Commissioners have indicated that they would prefer the dedication for the new water system be held on a Thursday in Bickleton. We would like to set a date for this event in October 2015, and will review dates with you at the meeting on Tuesday to see what fits best with your schedules.

Ron Ihrig will provide an update at the meeting on Tuesday on the timing of the completion of the water system.

4. Radio talk show with Julian Notestine – Julian aired our recorded interview on August 17<sup>th</sup> and you can find the recording on their website [www.gorgenewscenter.com](http://www.gorgenewscenter.com) in the Klickitat AM section.
5. Update from PPC – Given our meeting is light this time, I am attaching the latest PPC packet for your review of the current issues. Of specific interest is item D – BPA Budget and Finance. This is a review of the cost drivers behind BPA rate increases since 2009. PPC is trying to be proactive as BPA gets set to release its long-term rate model later this year, so looking at what we might look at for trends as they roll out the long-term model.

6. Meeting with BPA Mark Gendron, Senior VP of Power Services – I met with Mark and Kim Thompson, who is acting vice president of their requirements marketing group in the power business line. She is also involved with the development of their long-term rates model. Attached are my notes for the discussion. I thought they were receptive to ideas with respect to long-term financial and rates planning, but not so much in the fish and wildlife and energy efficiency areas. I think they are just plain afraid to assert themselves on behalf of their customers in these areas, as they think the repercussions could make things even worse.

Overall, it was a worthwhile discussion and I will continue to lobby for financial targets and plans.

7. Meeting with George Caan, Executive Director of Washington PUD Association – John Janney attended this meeting as well. George was asking for input on areas they need to improve upon and how some of the things we have done with WPUDA staff in getting our bills passed, could be applied to other areas in their organization.