

Public Utility District No. 1 of Klickitat County  
**Board of Commissioners' Meeting**  
**Tuesday, October 12, 2021**

**AGENDA**

ONE TIME USE – **Regular Meeting** Call in number option: 844-621-3956 (Access Code: 2482 340 4678)

**Meetings are now open to the public, attendees will adhere to the published state COVID-19 related guidelines.**

*We are continuing the use of the public teleconference line in recognition of the extension of the state of emergency's statutory waivers and suspensions pursuant to RCW 43.06.210, until terminated or rescinded, whichever occurs first.*

**KPUD Commission Meeting Start Time – 2:00 p.m. as Advertised;**

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

➤ **PLEDGE OF ALLEGIANCE**

➤ Approval of Minutes - 09/28/2021 Meeting

➤ Approval of Claims/Vouchers for period ending 10/12/2021 (*Isabelle Carroll*)

➤ Approval of Payroll for period ending 09/26/2021 (*Isabelle Carroll*)

➤ **PUBLIC COMMENT PERIOD**

**REPORTS – 10 min. each:**

**GUESTS:**

- Renewable Energy Assets Manager September update (*Kevin Ricks*)
- Power and Finance September update (*Mike DeMott*)
- August Financial update (*Cynthia Bruce*)
- Buildings/ Vehicle Discussion (*Jeff Thayer*)
- Commissioners' Reports
- Manager's Bi-Monthly Report (*Jim Smith*)  
-(see attached report)

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

**A.** Washington Public Utility District Association Educational Scholarship Nomination  
(*Luann Mata*)

**B.** Resolution 1810 – Low-Income Elderly Rate - (*Brandy Myers*)

**Recess Meeting:**

**C.** Executive Session: MM28 Potential Litigation Per RCW Per RCW 42.30.110(1)(i) - Perkins Coie and Paine Hamblen via teleconference - (*Jim Smith, Ron Ihrig, & Gwyn Miller-via teleconference*)

**ADJOURNMENT**

**FOR THE GOOD OF THE ORDER:**

- Recess Meeting to October 14, 2021 - Goldendale Main office 12:00 – 3:00 p.m. for the purpose of an Executive Session.



# Public Utility District No. 1 of Klickitat County

80 Years of Service \* 1938-2018

## GENERAL MANAGER'S REPORT TO THE BOARD For the **October 12, 2021 Meeting**

### **AGENDA ITEMS:**

- A. WPUDA Scholarship drawing - We receive one submission. Kennedy Berry, daughter of Samantha Berry our payroll specialist. Her submission information is included in the packet.
- B. Resolution 1810-Low Income Elderly Rate - Brandy Myers will present information regarding our past program participation. She will also provide a resolution to once again implement the Low Income Elderly rate for the upcoming winter season.
- C. Executive Session: MM28 Potential Litigation - Perkins Coie and Paine Hamblen via teleconference - we will be asking President Miller to recess the meeting until Thursday, October 14th at 12:00 noon to enter into this Executive Session at that time.

### **NON-AGENDA ITEMS:**

- 1. Snowden Community meeting update - Commissioner Knowles and I attended a Zoom Snowden community meeting on October 6<sup>th</sup>. I was approached by community members about bringing broadband into the Snowden area and also to do our traditional PUD update.
- 2. Annual Employee Meeting - reminder that this will be held on Monday and your parts are from 10:00 to 12:00. The locations of your meetings are on the attached agenda. I will be the Water and Waste Water Department Head for the day, so you will be meeting the departments without me present. I hope that creates good, candid conversations. Since I will be with the Water and Wastewater department for the day, I have provided a video update for departments to review.
- 3. Sale of SDS Lumber - attached is a media report on the sale of SDS lumber.
- 4. State of Oregon Filing of Preliminary Injunction on Columbia River Operations - Washington State did not file to support or oppose the Oregon filing. Oregon is seeking spring spills to 125% TDS, 24/7 as well as modifications to year round spill. PPC

reported that early analysis from current spill operations is showing fish near damage at the current 121% of TDS for spring spills that are occurring 16 hours a day that are part of the current flexible spill trials. So far there has not been enough water to spill at 125% TDG at 16 hours a day. Estimates are this modification could impact BPA revenues by \$100 - 200M, in addition to increased risk of harming fish.

5. Marty Kanner - Governor Inslee and Senator Murray are doing outreach on stakeholder groups and having long range discussions, but are NOT actively talking about supporting dam breaching at this time.
6. BPA Financial Policy - for the last several years since BPA has committed to engaging more fully on rate stability and affordability for 2028, BPA has been executing O&M and capital spend controls and keeping rate increases below the level of inflation. Whether this is really to do with cost control, or this is to do with increased values in the secondary sales market is open for discussion. PPC has been actively involved with BPA on further developing their financial policies for long term financial stability and has generally been supportive of BPA's goals. These policies include:
  - Program Costs: hold the sum of program costs (by business line) at or below inflation through 2028
  - Liquidity: maintain a minimum of 60 days cash on hand for each business line
  - Debt Utilization: achieve a debt to asset ratio of 75-85% with 10 years and 60-70% in the long term
  - Debt Capacity: maintain ability to fund capital program on a rolling ten-year basis and preserve at least \$1.5 billion of Treasury borrowing authority

Also, BPA confirmed it has decided to participate in the EIM starting in 2022. I think this is correct and probably should have been done years ago.

7. Northwest Power and Conservation Council 2021 Power Plan - We have discussed the perceived flaws in the NWPCC grid reliability analysis. PPC is formally asking that NWPCC withdraw its resource adequacy analysis from the final plan and issue an update when there is stakeholder consensus on the results.
8. Rick Dunn, GM Benton PUD - I am providing you guys with an article Rick did for Clearing Up regarding renewable generation and regional electric system reliability issues. As you know, Benton has been very vocal about local opposition to wind and solar projects in "their backyard" to meet goals set by essentially, west side politics and desires. The article is pretty wide ranging, but I think this is a great article and provides a great overview of the current situation in our industry.