

Public Utility District No. 1 of Klickitat County
Board of Commissioners' Meeting
Tuesday, March 12, 2019

AGENDA

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

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

➤ **PLEDGE OF ALLEGIANCE**

- Approval of Minutes – 02/26/2019 Meeting
- Approval of Claims / Vouchers for period ending 03/12/2019 (*Eileen*)
- Approval of Payroll for periods ending 03/03/2019 (*Eileen*)

➤ **PUBLIC COMMENT PERIOD**

REPORTS – 10 min. each:

- Generation Assets February Report (*Kevin*)
- Power Management February Report (*Mike*)
- Financials November/December Report
(*Nichole/Beth*)
- Commissioners' Reports
- Manager's Bi-Monthly Report (*Jim Smith*)
-(see attached report)

GUESTS:

- Ken Ingibo-Klickitat

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

- A. Professional Services Approval- (*Mike*)
- B. Executive Session- Review of Performance of a Public Employee

ADJOURNMENT

FOR THE GOOD OF THE ORDER:

WPUDA Association Meeting- March 13-15
100% Clean Energy Workshop- March 20, Noon-3:00 p.m.
WPUDA Water Committee Meetings- March 29
Public Disclosures: Due 4/15 annually
Timesheet Process Training



Public Utility District No. 1 of Klickitat County

80 Years of Service * 1938-2018

GENERAL MANAGER'S REPORT TO THE BOARD

For the **March 12, 2019 Meeting**

AGENDA ITEMS:

- A. Professional Services Approval- Mike DeMott recommends that the Board approve the pre-qualification of Sustainable Energy Ventures, LLC and agree to add them to our Professional Services Consultants listing for the year 2019. Ralph Epling is recently retired from BP/IGI and brings several years of RNG market knowledge. Staff wishes to utilize Ralph as a consultant when appropriate to assist with our effort towards maximizing RNG value.
- B. Executive Session- Review of Performance of a Public Employee.

NON-AGENDA ITEMS:

1. **Electric Market Discussion** – As you are aware, there has been recent volatility in the gas and electric markets that have occurred over the past month. Mike's report will provide additional information regarding the market spikes. Given that as the backdrop, I am attaching a letter from BPA that seems to recognize a shortage in capacity. The point that I would like you to consider is whether this is the perfect storm that has led to the situation today, or whether the capacity shortfall that we have all thought was coming might already be here.
2. **Carbon Legislation**- BP formally dropped the proposal bill for cap-and-trade. As I understand it, the proposal would be to replace the Low Carbon Fuel Standard bill with this cap-and-trade bill. What this would mean for us is there would be a 100% clean energy bill for electric, which is the Governors' proposal, and there would be a carbon cap-and-trade bill for everything else. The proposed cap-and-trade bill was drafted by BP without input or consideration of Renewable Natural Gas. I believe that is merely an oversight as opposed to an intentional omission. Therefore, I am expanding Dave Warren's scope of work to help us ensure RNG receives value if either of these bills is successful.
3. **RNG Dedication**- Miland Walling reported that Bob Guenther from IBEW is working in tandem with him trying to get the Governor to tour Klickitat County. The intent would be for him to attend the RNG dedication along with visiting the Goldendale Energy storage project site.
4. **PPC Update**- Scott Corwin, Executive Director of Public Power Council is leaving. He will be replacing Anita Decker as the Executive Director of Northwest Public Power Association. Anita Decker recently announced her retirement after five years of service with NWPPA. Scott will transition to the new position at the end of April.
5. **NISC**- Staff is continuing to work on issues arising from the conversion. Implementation is going well, it appears to be as good of a product as we thought. Staff is resolving issue as they arise. We are beginning the implementation processes for the NISC Outage Management System installation. We believe it will allow us to more effectively manage outages. It offers significant opportunities to improve our customer notification processes. The intent is to have the system operational in April and its communication capability implemented by Fall 2019. Staff will schedule a future demonstration once the system is fully operational.