

Minutes of  
PUBLIC UTILITY DISTRICT NO. 1 OF PEND OREILLE COUNTY  
August 19, 2025  
NEWPORT CONFERENCE ROOM, NEWPORT, WA AND  
VIRTUAL VIA MICROSOFT TEAMS

Present: Dave Rick, President  
Curtis J. Knapp, Vice President, virtual  
J. Troy Moody, Secretary

Staff Present: Chris Jones, General Manager  
Management/District Staff  
Joe Hathaway, Acting Clerk of the Board

Others: Gretchen Koenig, Member of the Public  
Robert Hurtig, ECI  
Lane Martin, ECI

The meeting was called to order at 8:30 a.m. by Commissioner Dave Rick, President followed by the Pledge of Allegiance.

APPROVAL OF CONSENT AGENDA:

The minutes from the August 5, 2025 meeting, today's agenda, and the vouchers were reviewed and discussed. District Public Information Officer and Acting Clerk of the Board Joe Hathaway announced a change to the agenda: the action item for the transformer bid award was postponed for further evaluation.

As of this date, August 19, 2025, the Board, upon motion by Commissioner Moody and seconded by Commissioner Knapp approved the following:

- The agenda for August 19, 2025 and the minutes of the August 5, 2025 meeting.
- Vouchers audited certified by the auditing officer as required by RCW 42.24.080, and those expense reimbursement claims certified by RCW 42.24.090, have been recorded on a listing, which has been made available to the Board. Payment of those vouchers, included in the list referred to above and further described as follows: Voucher Nos. 10729 through 10784 in the total amount of \$60,218.37; ACH payments in the total amount of \$1,518,789.86; Wire transfers in the total amount of \$489,010.07; and ACH payroll transactions in the total amount of \$350,310.73 for the payroll ending July 31, 2025.

The motion passed unanimously.

#### COMMISSION REPORT:

Commissioner Knapp attended the Public Power Council (PPC) tour of the Bonneville Dam in the Columbia River Gorge. Commissioner Knapp also attended the PPC Executive Board meeting, Energy Northwest Meetings, as well as a meeting with Congressman Michael Baumgartner at Box Canyon Dam.

Commissioner Moody attended the NoaNet Meeting with District Customer Services Director Sarah Holderman.

Commissioner Rick attended a ribbon cutting for Seattle City Light's new park in Metaline Falls. He then met with Congressman Baumgartner at Box Canyon Dam. He also helped with the PUD's booth at the county fair.

#### COMMISSION BUSINESS:

- Pre-Approval of Commissioner Travel or Meeting Attendance. Discussion was held. A motion was made by Commissioner Knapp and seconded by Commissioner Moody to approve the Commissioner's travel or meeting attendance for September. The motion passed unanimously.

#### BUSINESS FROM THE PUBLIC/OPEN COMMENT PERIOD:

Commissioner Rick asked if there was any business or comments from the public.

Gretchen Koenig, member of the public, asked about Cascade Digital/Merkle Standard and how they get their power at the former PNC site and what their contract states. Chris Jones, District General Manager, explained how their contract works. Discussion was held.

Commissioner Rick thanked everyone for attending and for their comments.

Following a short recess, the meeting resumed.

#### GENERAL MANAGER REPORT:

Mr. Jones reported that Central Washington Public Utilities (CWPU) union negotiations will begin on Thursday, starting with benefits. The negotiations will take place in Spokane. Mr. Jones reported that the PUD will begin negotiations with the IBEW on wage rates in several weeks. Mr. Jones noted that the PUD will be one of the last CWPU utilities to undergo negotiations with the IBEW.

#### MANAGEMENT REPORT:

Ben Hall, Energy Resources Manager: Mr. Hall gave an update to the Board on the Cascade Electric Service Agreement (ESA). Mr. Hall explained how we provide power to Cascade through electricity purchased on the market as well as surplus electricity. He used this past February as an example of how they used electricity we delivered and how we procured it for them. Discussion was held on the details of the contract. Mr. Hall then showed a preview of the proposed new contract and discussed a change in the contract term. He then concluded how the PUD remains protected and flexible throughout each contract but also noted that the terms are still being finalized. Discussion was held.

Sarah Holderman, Director of Customer Services: Ms. Holderman discussed the action items related to NoaNet. She explained that each NoaNet member has a Board Member and a PUD representative; she is a NoaNet board member and Nik Reed is the PUD representative. The action items will change which agencies are eligible to be members of NoaNet and approval to add a new member. She mentioned that there are nine members of NoaNet and they are trying to add Broadline, which would reduce the PUD's ownership interest in NoaNet. She then discussed the action item on the updating of the electric and water service policies. The edits include clarification on the disconnection and dispute resolution processes.

Stacie Maier, Director of Engineering and Operations: Ms. Maier discussed the Red Flag Warning that occurred August 13, 2025. The PUD went into Elevated Fire Safe Mode, which affected four PUD substations, mainly from Cusick on south. The PUD had one large outage due to a tree on the line, which affected the Diamond Lake substation. There was another outage due to an excavator that hit a line in Cusick. She explained again why outages are extended due to crews having to physically inspect the lines before we can reenergize. Ms. Maier explained that improvements continue to be made to our operational practices to mitigate outage times and that an after-action review will take place. Discussion was held on the operational practices, costs and communications during a red flag warning event.

Joe Hathaway, Public Information Officer: Mr. Hathaway reported that 19 PUD volunteers assisted with the booth at the county fairgrounds this year, including members of the Board and Mr. Jones. He said the event went smoothly and provided valuable opportunities to engage with customers. He gave special recognition to PUD employees Ryan Tellessen and Shawn Ellsworth for organizing and working at the fair away from the PUD booth during their off-hours, which reflects the strong community connection of the PUD.

#### ACTION ITEMS:

- Approval of Revised Electric Service, Rates & Credit Policy. A motion was made by Commissioner Knapp and seconded by Commissioner Moody to approve. The motion passed unanimously.

- Approval of Revised Water Service, Rates & Credit Policy. A motion was made by Commissioner Knapp and seconded by Commissioner Moody to approve. The motion passed unanimously.
- Approval of NoaNet Bylaw, Articles of Incorporation, and Interlocal Cooperation Agreement Amendments. A motion was made by Commissioner Knapp and seconded by Commissioner Moody to approve the District's NoaNet Member Representative to vote in favor of the amendments. The motion passed unanimously.
- Approval of NoaNet Addition to Membership. A motion was made by Commissioner Moody and seconded by Commissioner Knapp to approve the District's NoaNet Member Representative to vote in favor of adding Broadline as a new member. The motion passed unanimously.

Following a short recess, the meeting resumed.

BOARD WORKSHOP – ECI PROTECTION COORDINATION: PAST, PRESENT AND FUTURE AT THE PUD:

Robert Hurtig and Lane Martin from ECI provided a presentation on the coordination study. Topics included system protective device types, operation and coordination. They provided an overview of the history of protection devices, the PUD's current protection and coordination, and recommended next steps. Discussion was held.

Commissioner Rick asked if there was any other business for the good of the order.

He reported that following a working lunch, the meeting would be adjourned. The next regular meeting is scheduled for Tuesday, September 2, 2025, starting at 8:30 a.m., in the Newport Conference Room, Newport and via Microsoft Teams.

The meeting adjourned at 12:50 p.m.

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President

ATTEST:

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Secretary

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General Counsel  
Approved as to Form