

Minutes of  
PUBLIC UTILITY DISTRICT NO. 1 OF PEND OREILLE COUNTY  
February 4, 2020  
NEWPORT CONFERENCE ROOM, NEWPORT, WA

Present: Curtis J. Knapp, President  
Richard A. Larson, Vice President  
Joseph B. Onley, Secretary

Staff Present: F. Colin Willenbrock, General Manager  
Management/District Staff  
Tyler R. Whitney, General Counsel & Assistant General Manager  
Karen Willner, Clerk of the Board

Others: Therese Hampton, Executive Director, Public Generating Pool  
Laura Trolese, Senior Policy Analyst, Public Generating Pool  
Gretchen Koenig, Member of the Public  
Sheryl Miller, Member of the Public  
John Galley, Member of the Public  
Bob Eugene, Member of the Public

The meeting was called to order at 8:33 a.m. by Curtis J. Knapp, President.

CONSENT AGENDA:

The minutes from the January 21, 2020 meeting and today's agenda were reviewed.

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. As of this date, February 4, 2020, the Board, upon motion by Commissioner Onley and seconded by Commissioner Larson approved the following:

- The minutes of January 21, 2020 meeting and the agenda for February 4, 2020.
- Payment of those vouchers, included in the list referred to above and further described as follows: Voucher Nos. 4007 through 4056 in the total amount of \$103,015.01; ACH payments in the total amount of \$338,508.01; Wire Transfers in the total amount of \$1,244,045.17; and ACH payroll transactions in the total amount of \$274,597.50 for the payroll ending January 15, 2020.

BOARD WORKSHOP/GENERAL MANAGER'S REPORT:

Commissioner Onley reported he was impressed with the information and quality in the latest Customer Connect newsletter.

Commissioner Onley inquired about the letters being mailed to customers regarding the GenerLink program. Discussion was held.

Colin Willenbrock, District General Manager provided a Northwest Open Access Network (NoaNet) update and reported he heard that Energy Northwest is postponing their decision on the NoaNet acquisition. Discussion was held.

Mr. Willenbrock reported a District system inventory presentation will be provided at a future Board meeting. The project has been completed by the Davey Resource Group. The data was integrated into the District's GIS mapping system. Discussion was held.

He provided an update on the District's strategic remarketing. A full update will be presented to the Board at the February 18 meeting.

He reported the District is in the midst of completing its annual audit. He commended April Owen, District Director, Audit, Financial & Power Supply and her team and Moss Adams auditors for their work and for working through the new government auditing

standards. He explained the District has a positive story for 2019 and are on the right trajectory.

SAFETY SPOTLIGHT:

Kevin Conway, District Director, Compliance, Engineering, Safety & Technology reported next week the Department of Fish & Wildlife will give a safety meeting presentation on how to avoid conflicts with wildlife.

CUSTOMER SPOTLIGHT:

Libbey Bartel, District Director, Customer Service & Metering asked Kimberle Damp, District Customer Service Representative (CSR) to give a customer spotlight update.

Ms. Damp reported a Neighbors in Need (NIN) Low Income Assistance Program Love & Service promotion is running this month. Anyone who donates \$5 to NIN will receive a keychain and the goal is to raise \$1,000. Last year the District raised \$2,000 and is hoping to exceed that amount this year. Commissioner Knapp commended the CSRs for the job they do, especially during the recent winter storm power outage.

COMMISSION REPORT:

Commissioner Larson attended a Tri-County Economic Development District on January 22 in Colville and provided an update. He reported they are looking for an executive director.

Commissioner Knapp attended an Energy Northwest meeting on January 22 – 23 in Olympia and provided an update.

COMMISSION BUSINESS:

The Board of Commissioners will attend a Community Leaders meeting on February 7 in Dalkena.

Commissioner Larson will attend a NoaNet Board meeting on February 12 in Spokane and an Economic Development Council small working group meeting on February 13 in Newport.

Commissioners Onley and Knapp will attend the Washington Public Utility Districts Association meetings and a PUD Day on the Hill event on February 12 – 14 in Olympia. They will also meet with State legislators on February 13 in Olympia.

Discussion was held regarding the PUD Day on the Hill event.

UTILITY SERVICES POLICY DISCUSSION:

Ms. Bartel reported she updated the policies and distributed the draft policy revisions and a customer information packet.

She provided a powerpoint presentation on the Utility Services Policy updates. She reviewed the changes to the Utility Services Policy. Sarah Holderman, District Director, Treasury, Broadband & Strategic Planning explained the Electric System, Community Network System Fiber and Water System policies have been combined into one policy. Discussion was held.

Ms. Bartel reviewed the changes to the Utility Services Extension Policy. Discussion was held regarding the depth needed for trenching.

She reviewed the changes to the Utility Services Rate Schedules and Utility Services Fees and Charges. Discussion was held.

BREAK/BUSINESS FROM THE PUBLIC:

John Galley, member of the public appeared before the Board. Commissioner Knapp thanked him for his comments and provided an overview of the items the District has done and is currently doing for the ratepayers and community. The Board thanked Mr. Galley for attending and voicing his concerns. He left the meeting.

UTILITY SERVICES POLICY DISCUSSION (continued):

Ms. Bartel reported the goal is to have a public hearing on March 3. Mr. Willenbrock asked the Board to review the documents that have been provided and to ask questions individually, as needed to him.

Following a 4-minute break, the meeting resumed.

PUBLIC GENERATING POOL (PGP) PRESENTATION:

Mr. Willenbrock introduced Therese Hampton, PGP Executive Director and Laura Trolese, PGP Senior Policy Analyst and reported the District was a former long-time member of PGP. He reported PGP currently has 11 members and appreciates them being here. Introductions were made.

Ms. Hampton thanked the District for having them attend today and they are glad to be here. She provided a PGP background and a powerpoint presentation. She explained their 2020 strategic direction which includes carbon management, market evolution and resource adequacy.

Ms. Trolese provided a powerpoint presentation on bilateral and centralized energy imbalance markets and prices.

Ms. Hampton explained the board's governance fiduciary policy and interests. Discussion was held.

The Board thanked them for attending and providing an informative presentation.

Following a 1-hour working lunch, the meeting resumed.

EXECUTIVE SESSION – PENDING AND/OR POTENTIAL LITIGATION:

A 2-hour executive session on pending and/or potential litigation commenced at 12:40 p.m. The following were in attendance: Board of Commissioners; Colin Willenbrock, General Manager; and Tyler Whitney, General Counsel & Assistant General Manager. The executive session adjourned at 2:40 p.m. and the Board returned to open session. No final action was taken.

There being no further discussion to come before the Board, the meeting adjourned at 2:41 p.m.

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President

ATTEST:

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Secretary

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General Counsel  
Approved as to Form