

PUBLIC UTILITY DISTRICT NO. 1 OF COWLITZ COUNTY, WASHINGTON

MINUTES OF BOARD MEETING OF COMMISSIONERS

Tuesday, February 11, 2025

John Searing Auditorium and Microsoft Teams

Present:

COMMISSIONERS

Dave Quinn, President

Duane Dalglish, Vice President

Bruce Pollock, Secretary

STAFF

Casey Kalal, Director of Operations

Chris Velat, Director of Power Management

Chris Willie, Operations Superintendent

Gary Huhta, General Manager

Heather Sorensen, Director of Customer Service & Compliance

Lance Larwick, Director of Engineering

Monica Petterson, Executive Assistant/Clerk of the Board

Richard Hughes, General Counsel

Ruben Celaya, Groundman

Steve Taylor, Director of Regulatory & Regional Affairs

Tim Kalimanis, Director of Technology

Trent Martin, Director of Accounting/CFO

PUBLIC

None

1. CALL TO ORDER

Pursuant to published Notice, Commissioner Quinn called the Regular Board meeting of the Commissioners of Public Utility District No. 1 of Cowlitz County, Washington to order at 2:00 p.m.

2. CHANGES/ADDITIONS TO BOARD AGENDA

There were no changes to today's agenda.

3. APPROVAL OF AGENDA

It was moved by Commissioner Dalglish and seconded by Commissioner Pollock to approve the February 11, 2025 Board Agenda.

The motion carried 3 to 0.

4. APPROVAL OF BOARD MINUTES

It was moved by Commissioner Dalglish and seconded by Commissioner Pollock to approve the January 28, 2025 Regular Board Meeting minutes as written.

The motion carried 3 to 0.

5. PUBLIC COMMENT ON AGENDA ITEMS AND OTHER DISTRICT BUSINESS

There was no public comment.

6. MOTION TO RATIFY AND APPROVE VOUCHERS/PAYROLL

Approval of Vouchers in the amount of \$6,195,805.35. The Board reviewed expenditures of the District as required by RCW 42.24.180 for which payments were issued between January 30, 2025 and February 6, 2025, under the provisions of Resolution No. 2762.

It was moved by Commissioner Dagleish and seconded by Commissioner Pollock to approve the ratification of the vouchers/payroll.

Heather Sorensen, in her role as Auditor for the District, reported the majority of expenses were for power supply and the liability and D&O insurance renewals. She noted that the liability policy renewal came in below the not to exceed amount previously approved by the Board. Other expenses this period included conservation incentives and Warm Neighbor pledges.

The motion carried 3 to 0.

7. NEW EMPLOYEE INTRODUCTION

Chris Willie introduced Groundman Ruben Celaya.

8. GENERAL MANAGER REPORT

Federal Deferred Resignation Program: General Manager Gary Huhta reported that BPA is subject to the Fork in the Road order, a deferred resignation program for federal employees recently released by the Trump Administration, though they are funded by ratepayer dollars and not taxpayer dollars. There is uncertainty and concern as to what will happen with BPA's workforce, and it may be difficult for them to deliver on their goals and commitments if they lose key staff. A federal judge ruling to stall the order is on hold for now.

BPA Rate Case (BP 26): At the last Board meeting, Mr. Huhta mentioned the potential for settlement on the power rate case. Public power entities put forth an offer to BPA to which BPA countered. However, the public power entities have no interest in settling at BPA's counteroffer and will counter again to BPA this week. This will be the last iteration, and we should know soon if we achieve settlement on this case. For the transmission rate case, BPA has indicated they have interest in settlement, which includes investor owned utilities, independent power producers, and public power. Proposals from the transmission customer group are due to BPA next week.

BPA Transmission Planning: BPA has paused their transmission planning due to the overwhelming number of applications in their interconnection queue. They have 65 GW of applications in their queue which exceeds the amount of regional load forecast to be on the system 10 years from now. They may be reinventing the planning process as a result of the large volume.

Snowpack Update: The Lewis River basin snowpack is currently at 99% of normal, an increase of 7% since our last meeting. The Canadian snowpack for the Columbia River is at 75% of normal which is an improvement from the 69% we saw at this time last year. The Dalles runoff forecast for January through July is currently at 82%.

9. ACTION ITEMS

9.1. Motion to Approve Resolution No. 2820 – Purchase and transfer of Lakeview Green Energy, Inc.’s ownership share of the Harvest Wind Project to the District.

It was moved by Commissioner Dalglish and seconded by Commissioner Pollock to approve Resolution No. 2820.

Director of Power Management Chris Velat explained the Board previously approved a staff recommendation authorizing staff to continue its due diligence and to develop the necessary documents for the purchase of Lakeview Green Energy, Inc.’s (LGE) 30% ownership interest in the Harvest Wind Project. Based on analysis of benefits, market conditions, costs, and potential risks, District staff recommends the District complete the transaction with LGE consistent with the terms and conditions of the Tenancy-In-Common Interest Purchase Agreement and all necessary ancillary documents, and authorize the General Manager to execute the documents.

The motion carried 3 to 0.

10. STAFF REPORTS & PRESENTATIONS

Director of Accounting/CFO Trent Martin presented information regarding rates charged to other entities for attachment of their equipment to District-owned poles. Staff will bring a recommendation to the next Board meeting to either adopt a full calculated rate, or implement over a two-year period.

11. COMMISSIONER REPORTS & UPCOMING EVENTS

Commissioner Pollock will attend WPUA Board meetings this week and the PUD Day on the Hill event Thursday.

12. EXECUTIVE SESSION

None needed.

13. MOTION TO ADJOURN MEETING

It was moved by Commissioner Dalglish and seconded by Commissioner Pollock to adjourn the Regular Board Meeting at 2:40 p.m.

The motion carried 3 to 0.

Attest:

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David F. Quinn
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President

Signed by:
Bruce Pollock
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Secretary

DocuSigned by:
Duane Dalglish
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Vice President

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Monica Petterson
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Prepared by Monica Petterson
Executive Assistant/Clerk of the Board