



**COWLITZ PUD BOARD OF COMMISSIONERS
MEETING AGENDA
April 8, 2025, 2:00 p.m.
Cowlitz PUD Auditorium & Microsoft Teams**

Board of Commissioners: Dave Quinn, Duane Dalglish, Bruce Pollock

The Cowlitz PUD Board of Commissioners meets on the 2nd and 4th Tuesday of every month. Members of the public interested in participating via Microsoft Teams should contact Monica Petterson at mpetterson@cowlitzpud.org by 5:00 p.m. on Monday, April 7, 2025. To attend by phone, please call 1-323-484-8960 (Conference ID: 370 313 737#) at the time of the meeting. If you require a reasonable accommodation while in attendance at the Cowlitz PUD Board Meeting, please call Monica at (360) 501-9154 at least 72-hours prior to the meeting so that your needs can be addressed.

Please note that public comment is limited to three minutes per person.

1. Call to Order: 2:00 p.m.
2. Changes/Additions to Agenda
3. **Motion to Approve** Today's Board Agenda: Dave Quinn
4. **Motion to Approve** the PUD Board Meeting Minutes of March 25, 2025:
Dave Quinn
5. Public Comment on Agenda Items and Other District Business
6. **Motion to Ratify/Approve** Vouchers & Payroll: Heather Sorensen
7. New Employee Introduction
 - Chris Willie to introduce Groundman Jacob Helton

8. General Manager Report: Gary Huhta
9. Action Items
 - 9.1 **Motion to Approve** Resolution No. 2824 – Major Industrial Delivery Charge: Trent Martin
10. Commissioner Reports & Upcoming Events
11. **Executive Session:** If needed, the Presiding Officer will follow the Executive Session Procedure included with this agenda. Following the Executive Session, the Board may take action in public related to the Executive Session.
12. **Motion to Adjourn** the Meeting

COWLITZ PUD EXECUTIVE SESSION PROCEDURE

The Board may meet in Executive Session for any reason authorized under the Open Public Meetings Act, RCW 42.30.110 (1), using the following procedure:

1. Announce the Executive Session

We will now adjourn into executive session pursuant to RCW 42.30.110 (1) for _____ minutes unless extended by the Presiding Officer. The purpose of the executive session is (choose one of the following):

- a. (i) To consider matters affecting national security;
(ii) To consider, if in compliance with any required data security breach disclosure under RCW [19.255.010](#) and [42.56.590](#), and with legal counsel available, information regarding the infrastructure and security of computer and telecommunications networks, security and service recovery plans, security risk assessments and security test results to the extent that they identify specific system vulnerabilities, and other information that if made public may increase the risk to the confidentiality, integrity, or availability of agency security or to information technology infrastructure or assets;
- b. To consider the selection of a site or the acquisition of real estate by lease or purchase when public knowledge regarding such consideration would cause a likelihood of increased price;
- c. To consider the minimum price at which real estate will be offered for sale or lease when public knowledge regarding such consideration would cause a likelihood of decreased price. However, final action selling or leasing public property shall be taken in a meeting open to the public;
- d. To review negotiations on the performance of publicly bid contracts when public knowledge regarding such consideration would cause a likelihood of increased costs;
- f. To receive and evaluate complaints or charges brought against a public officer or employee. However, upon the request of such officer or employee, a public hearing, or a meeting open to the public shall be conducted upon such complaint or charge;
- g. To evaluate the qualifications of an applicant for public employment or to review the performance of a public employee. However, subject to RCW [42.30.140\(4\)](#), discussion by a governing body of salaries, wages, and other conditions of employment to be generally applied within the agency shall occur in a meeting open to the public, and when a governing body elects to take final action hiring, setting the salary of an individual employee or class of employees, or discharging or disciplining an employee, that action shall be taken in a meeting open to the public;
- i. To discuss with legal counsel representing the agency matters relating to agency enforcement actions, or to discuss with legal counsel representing the agency litigation or potential litigation to which the agency, the governing body, or a member acting in an official capacity is, or is likely to become, a party, when public knowledge regarding the discussion is likely to result in an adverse legal or financial consequence to the agency

2. Return to Open Public Meeting

- a. Once the session concludes, the board will return to open meeting.
- b. If any action is taken it must take place in open meeting.
- c. Action may not take place earlier than the time for which the executive session was to conclude, including any extensions announced by the Presiding Officer.

Note: The foregoing is not a complete list of allowed purposes to hold an executive session under RCW 42.30.110 (1) but represents the most likely purposes for Cowlitz PUD.

PUBLIC UTILITY DISTRICT NO. 1 OF COWLITZ COUNTY, WASHINGTON**MINUTES OF BOARD MEETING OF COMMISSIONERS****Tuesday, March 25, 2025****John Searing Auditorium and Microsoft Teams**

Present:**COMMISSIONERS**

Dave Quinn, President

Duane Dalglish, Vice President

Bruce Pollock, Secretary

STAFF

Alice Dietz, Communication & Public Relations Manager

Casey Kalal, Director of Operations

Chris Velat, Director of Power Management

Dever Haffner-Ratliffe, Regulatory Affairs Coordinator

Gary Huhta, General Manager

Kam Afshari, Electrical Engineer

Marisa Heard, Manager of Employee Services

Mike Larsen, Manager of System Engineering

Monica Petterson, Executive Assistant/Clerk of the Board

Richard Hughes, General Counsel

Stacie Pederson, Risk Compliance Manager

Steve Taylor, Director of Regulatory & Regional Affairs

Tim Kalimanis, Director of Technology

Trent Martin, Director of Accounting/CFO

PUBLIC

Curtis Hallier

Julie Proctor

Rusty Williams

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 March 25, 2025 Board Agenda.

The motion carried 3 to 0.

4. APPROVAL OF BOARD MINUTES

It was moved by Commissioner Dagleish and seconded by Commissioner Pollock to approve the March 11, 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/APPROVE VOUCHERS/PAYROLL

Approval of Vouchers in the amount of \$20,360,756.70. The Board reviewed expenditures of the District as required by RCW 42.24.180 for which payments were issued between March 13, 2025 and March 20, 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.

Risk Compliance Manager Stacie Pederson reported the majority of expenses this period was for power supply, taxes, and benefits. Other items noted include the purchase of three new bucket trucks, cable, dock crew expenses for the Ocean Beach Highway reconductor project and pole replacements, and release of retention for Riverline Construction for the Hansen Road Substation rebuild.

The motion carried 3 to 0.

7. GENERAL MANAGER REPORT

State Audit: General Manager Gary Huhta reported the state audit process has commenced and will take place onsite at the District's main office and remotely. Commissioner Quinn will represent the Board at the entrance and exit conferences.

Bond Refunding: Staff is continuing work on the bond refunding effort and a bond resolution will be presented to the Board at the April 8, 2025 meeting.

High Bill Complaints: Customers saw higher than normal bills recently due to cooler weather, and we received a few customer complaints. Some customers responded to their high bills by requesting a free home energy audit by our Energy Efficiency department to better understand their energy use and ways to lower their bills.

8. ACTION ITEMS

8.1. Motion to Approve Staff Recommendation No. 9/3/25 – Award of Meeker Substation Contract

It was moved by Commissioner Dagleish and seconded by Commissioner Pollock to approve Staff Recommendation No. 9/3/25.

Engineer Kam Afshari explained the District solicited and received bids through the advertised bid process for the rebuild and upgrade of the Meeker Substation. Of the four bids received, DJ's

Electrical, Inc. submitted the lowest bid and was found to be both responsive and responsible. Staff recommends the Board authorize award of the Meeker Substation Rebuild contract to DJ's Electrical, Inc.

The motion carried 3 to 0.

8.2. Motion to Approve Resolution No. 2823 – Revised Tenancy-In-Common Interest Purchase Agreement for the Harvest Wind Project

It was moved by Commissioner Dalglish and seconded by Commissioner Pollock to approve Resolution No. 2823.

Director of Accounting and CFO Trent Martin explained the Board approved Resolution No. 2820 at its regular meeting on February 11, 2025 authorizing the General Manager to execute the Tenancy-In-Common Interest Purchase Agreement for the purchase and transfer of Lakeview Green Energy, Inc.'s ownership interest in the Harvest Wind Project to the District. Due to unexpected delays, the transaction was unable to close on February 25, 2025 as stated in Resolution No. 2820. The Tenancy-In-Common Interest Purchase Agreement has since been revised with a new close date of April 30, 2025, and staff recommends the Board approve Resolution No. 2823 with this revision.

The motion carried 3 to 0.

9. STAFF REPORTS AND PRESENTATIONS

- 9.1. Trent Martin presented an update of the District's major industrial delivery charge. The District last adjusted its major industrial rates in January 2023. Based on the evaluation of current rates using allocation percentages from the last Cost-of-Service (COSA) model, as well as an increase in operating expenses over the last two years, staff is proposing a preliminary delivery charge increase of 25% for Schedule 50 customers, and 16% for Schedule 62 customers. Staff will present a resolution to the Board for approval at the April 8, 2025 meeting.
- 9.2. Trent Martin presented an update of the District's 401k plan including its history, roles and responsibilities, plan actions, and plan status.
- 9.3. Trent Martin presented an investment update which included an overview of the District's investment policy, investment yields, current holdings, and US treasuries – maturities.
- 9.4. District staff provided highlights and answered Commissioner questions regarding the February 2025 Operational Reports which were included in the Board meeting materials.

10. COMMISSIONER REPORTS AND UPCOMING EVENTS

Commissioner Dalglish attended a Kelso/Longview Chamber luncheon last week and a WPUDA reception last Thursday.

Commissioner Pollock attended a WPUDA reception last week, and will attend a 20th District town hall tonight, a COG meeting Thursday, and an Energy Northwest meeting Thursday.

11. EXECUTIVE SESSION

None needed.

12. MOTION TO ADJOURN MEETING

It was moved by Commissioner Dagleish and seconded by Commissioner Pollock to adjourn the Regular Board Meeting at 4:37 p.m.

The motion carried 3 to 0.

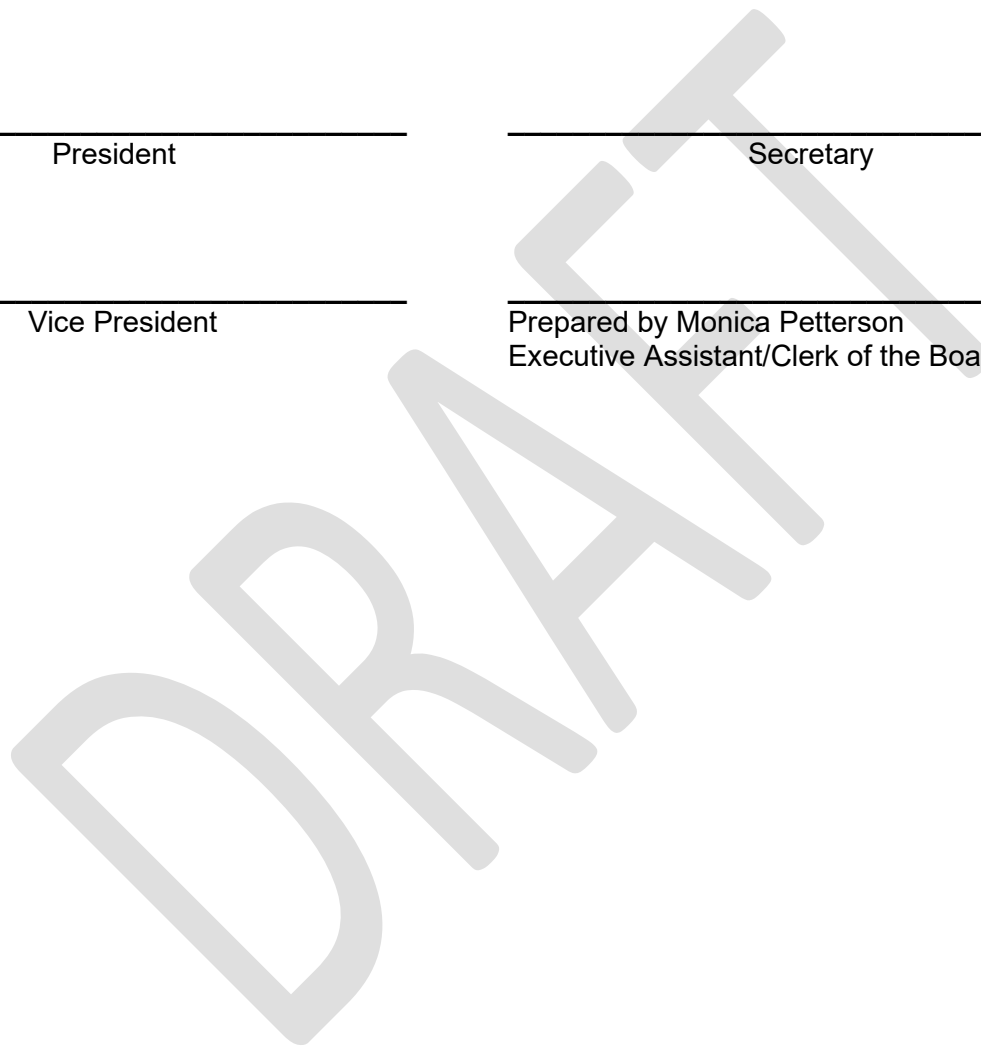
Attest:

President

Secretary

Vice President

Prepared by Monica Petterson
Executive Assistant/Clerk of the Board



To: Cowlitz PUD Board of Commissioners
Gary Huhta, General Manager

From: Trent Martin, Director of Accounting and Finance

Re: Resolution No. 2824 - Rate Schedule 62 and Schedule 50 Delivery Charge Rates

Date: April 8, 2025

Rate Schedule 62

Currently the District has one Schedule 62 customer – New Large Single Load Class.

Power and related transmission costs are directly charged to this rate class based on contractual provisions. Other District costs are assessed via Board approved Base and Demand Charges under Rate Schedule 62.

The last rate adjustment, a decrease, was January 2023.

Based on an analysis of applicable costs, it was determined the Schedule 62 Demand Charge should be increased to recover increasing operating expenses and net costs associated with statewide clean energy requirements.

Schedule 50 Delivery Charge

Currently the District has three Schedule 50 customers.

Power and related transmission costs are directly charged to this rate class based on contractual provisions. Other District costs are assessed via Board approved Delivery Charge.

The last rate increase was in January 2023.

Based on an analysis of applicable costs, it was determined the Schedule 50 Delivery Charge should be increased to recover costs. Applicable costs include but are not limited to power management, indirect transmission costs, customer service, energy efficiency and administrative and general.

I recommend the Board of Commissioners approve Resolution No. 2824.

RESOLUTION NO. 2824

A RESOLUTION of the Board of Commissioners of Public Utility District No. 1 of Cowlitz County, Washington, Adopting Rate Schedule 62 and Schedule 50 Delivery Charge Rates

WHEREAS, each year the District conducts analysis relating to the revenue requirement and electric rates of the District; and,

WHEREAS, District staff has reviewed the results of analysis and due largely to rising operating expenses and net costs associated with statewide clean energy requirements, finds that Schedule 62 electric rates should be increased to recover costs related to serving customers for which this schedule is applicable; and,

WHEREAS, District staff has reviewed the results of analysis and finds that the Schedule 50 Delivery Charge should be increased to recover costs related to serving customers for which this schedule is applicable as follows; and,

- Energy Charge: \$.38 per megawatt hour
- Tier 1 Demand Charge (first 50 MW): \$1,065 per megawatt
- Tier 2 Demand Charge: \$170 per megawatt

WHEREAS, the Commission finds the rates as proposed will provide the revenue required at this time and are fair and non-discriminatory.

NOW, THEREFORE, BE IT RESOLVED:

1. **THAT** the attached Rate Schedule 62 of Public Utility District No. 1 of Cowlitz County, Washington, shall be established and confirmed effective as of April 1, 2025; and,
2. **THAT** the proposed Schedule 50 Delivery Charge rates shall be established and confirmed effective as of April 1, 2025.

ADOPTED by the Commission of Public Utility District No. 1 of Cowlitz County, Washington this 8th day of April 2025.

PUBLIC UTILITY DISTRICT NO. 1 OF
COWLITZ COUNTY, WASHINGTON

President

Vice President

ATTEST:

Secretary

PUBLIC UTILITY DISTRICT NO. 1 OF COWLITZ COUNTY, WASHINGTON

**SCHEDULE 62 - DIRECT ACCESS DELIVERY CHARGE
TRANSMISSION VOLTAGE DELIVERY**

APPLICABILITY

Applicable under Special Contract to any and all uses normally served by the District supplied through a single meter and one Point of Delivery to Customers who are determined to be a New Large Single Load by the Bonneville Power Administration.

CHARACTER OF SERVICE

Transmission Voltage Delivery as available by the District and set forth under Special Contracts.

MONTHLY RATES

Monthly Basic Charge _____ \$ 750.00

Demand Charge - per kW of Billing Demand \$ 3.5304

The Billing Demand in this Schedule, after adjustment for Power Factor, will be the highest of:

- (1) The current month's highest 60-minute demand, or
- (2) Sixty percent (60%) of the highest 60-minute period occurring during the preceding eleven (11) months, or
- (3) Sixty percent (60%) of the Contract Demand (minimum Billing Demand 600 kW).

MINIMUM MONTHLY CHARGE

Subject to the terms of Special Contracts, the minimum monthly charge for Electric Service hereunder shall be the above stated Basic Charge plus applicable monthly demand charge per kW of Billing Demand.

POWER SUPPLY CHARGE

In addition to the above charges, the Customer is subject to charges for its power supply, transmission, charges associated with the District's compliance with both the Clean Energy Transformation Act and Climate Commitment Act, and other services as well as any other charges specified in the Special Contract between the Customer and the District. Additionally, the District reserves the right, in its sole determination, to assess additional charges to recoup pro-rata costs associated with new or amended legislation or regulatory compliance requirements not considered in the Special Contract or the current Schedule 62 rates.

TAXES

In addition to the above charges, the Customer shall be responsible to pay all applicable State and Local Taxes as they may be amended or superseded.

SPECIAL CONDITIONS

The customer will provide, install and maintain all necessary transformers to which the District's service is directly or indirectly connected. The customer will also provide, install and maintain the necessary switches, cutouts and protective equipment and, in addition, the necessary wiring on both the primary and secondary sides of the transformers. All transformers, equipment and wiring shall be of types and characteristics acceptable to the District. The entire installation and the balance of loads between phases must have the approval of the District.

For Electric Service under this Schedule, the District will require a Special Contract.

Adopted ~~April 8, 2025~~ ~~January 24,~~
~~2023~~
By Resolution No. ~~2824798~~
Effective ~~April 1, 2025~~ ~~January 1, 2023~~

Supersedes Rate Schedule 62
As Adopted ~~January 24,~~
~~2023~~ ~~December 8, 2020~~
By Resolution No. ~~279874~~
Effective January 1, 202~~4~~~~3~~