



**COWLITZ PUD BOARD OF COMMISSIONERS
MEETING AGENDA
May 27, 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, May 26, 2025. To attend by phone, please call 1-323-484-8960 (Conference ID: 490 131 405#) 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 May 13, 2025: Dave Quinn
5. Public Comment on Agenda Items and Other District Business
6. **Motion to Ratify/Approve** Vouchers & Payroll: Stacie Pederson
7. New Employee Introductions
 - Doug Thomas to introduce Engineering Interns Geo Reyes and Junior Gonzalez-Jimenez

8. General Manager Report: Gary Huhta
9. Action Items
 - 9.1 **Motion to Approve** Staff Recommendation No. 11/5/27 – Administrative Policies Update: Monica Petterson
10. Staff Reports and Presentations
 - 10.1 2025 State Legislative Session Recap: Steve Taylor and Diana Carlen
 - 10.2 April 2025 Operational Reports
 - Power Management
 - Accounting & Finance
 - Operations
 - Engineering
 - Customer Service
 - Employee Services
 - Public Relations & Communications
 - Regulatory & Regional Affairs
11. Commissioner Reports & Upcoming Events
12. **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.
13. **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, May 13, 2025

John Searing Auditorium and Microsoft Teams

Present:**COMMISSIONERS**

Dave Quinn, President

Duane Dalgleish, Vice President

Bruce Pollock, Secretary

STAFF

Alice Dietz, Communication & Public Relations Manager

Andres Perez, Senior Power Resource Analyst

Chris Velat, Director of Power Management

Dever Haffner-Ratliffe, Regulatory Affairs Coordinator

Doug Thomas, Manager of Transmission & Distribution

Gary Huhta, General Manager

Jake Fakess, Transmission & Distribution Engineer

Jen Langdon, Energy Efficiency Manager

Joe Barteluce, Business Intelligence Analyst

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

Bonnie Delaney

Mike Kaysar

Steve Ferrell

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 Dalgleish and seconded by Commissioner Pollock to approve the May 13, 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 April 22, 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 \$9,593,052.25. The Board reviewed expenditures of the District as required by RCW 42.24.180 for which payments were issued between April 24, 2025 and May 8, 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 were for power supply, taxes, two payroll periods, personal leave cashouts, and benefits. Materials purchased included distribution transformers and wire in addition to customary items. Other notable disbursements were for conservation incentives, the cold climate heat pump project, and Warm Neighbor Program pledges.

The motion carried 3 to 0.

7. NEW EMPLOYEE INTRODUCTIONS

Doug Thomas introduced Transmission & Distribution Engineer Jake Fakess.

Tim Kalimanis introduced Business Intelligence Analyst Joe Barteluce.

8. GENERAL MANAGER REPORT

Board Workshop: General Manager Gary Huhta provided a brief recap of this morning's workshop where staff discussed Energy Efficiency programs, and the Western Resource Adequacy Program (WRAP) and how it relates to our decision for which BPA product to select. We will hold another workshop on June 10th regarding the Provider of Choice contract, followed by a resolution for product choice on June 24th. Commissioner Quinn requested staff provide an outline of the risk factors and the magnitude of the expected risks to help the Board with their decision making.

BPA Workforce Update: The reductions of force have been lifted for BPA, and they are now exempt from them. BPA is also seeking to be released from the hiring freeze. An article published recently discussed the importance of BPA coming out of its hiring freeze, and the Department of Energy has demonstrated they are listening to these regional concerns.

Harvest Wind Acquisition: We completed the acquisition of Lakeview Green Energy's 30% share of the Harvest Wind Project, and the transaction closed on April 30th. Mr. Huhta expressed a big thank you to Trent Martin, Chris Velat, Andy Davis, and Steve Taylor for their efforts throughout this process, and to Lakeview for being an honest partner in completing this transaction.

9. ACTION ITEMS

9.1. Motion to Approve Resolution No. 2826 – Determining Compliance with the Requirements of the Washington Energy Independence Act, I-937

It was moved by Commissioner Dalglish and seconded by Commissioner Pollock to approve Resolution No. 2826.

Senior Power Resource Analyst Andres Perez explained that the District is required to establish and meet a minimal biennial energy conservation target and meet defined renewable energy requirements as part of the Washington State Energy Independence Act (I-937). Staff have determined the District has met both its renewable energy requirement and its conservation target for the period January 2024 through December 2024 and is in full compliance with the Act. Looking ahead, the District has adequate RECs for its 2024 compliance and continues to forecast sufficient REC supply for future I-937 compliance periods.

The motion carried 3 to 0.

10. STAFF REPORTS AND PRESENTATIONS

10.1. Director of Regulatory and Regional Affairs Steve Taylor presented the Clean Energy Implementation Plan (CEIP) public participation program. The CEIP must be adopted every four years and part of the process includes seeking public input from highly impacted communities and vulnerable populations on the transition to clean energy. Opportunities for public input will begin May 14, 2025 through August 31, 2025 and will take place via a community survey on the District’s website, a community workshop, and community focus groups. A draft report will then be made available to the public and presented to the Board in October, with final adoption occurring in November.

11. COMMISSIONER REPORTS AND UPCOMING EVENTS

Commissioner Dalglish congratulated Alice Dietz for being the recipient of the Kelso Longview Chamber of Commerce Pillars of Strength Community Leadership award.

Commissioner Pollock will attend WPUDA meetings this week.

12. EXECUTIVE SESSION

No Executive Session needed.

13. MOTION TO ADJOURN MEETING

It was moved by Commissioner Dalglish and seconded by Commissioner Pollock to adjourn the Regular Board Meeting at 3:39 p.m.

The motion carried 3 to 0.

Attest:

President

Secretary

Vice President

Prepared by Monica Petterson
Executive Assistant/Clerk of the Board

Date: May 27, 2025
To: Board of Commissioners
Gary Huhta, General Manager
From: Monica Petterson, Executive Assistant
Subject: Administrative Policies

The attached Administrative Policies volume has been revised and is submitted for adoption by the Board of Commissioners in both red-line and clean versions. The Board last approved the Administrative Policies on May 28, 2024. In accordance with the policy review and update cycle, the Administrative Policies have been reviewed by staff and the District's General Counsel. The proposed edits are minimal and are summarized below:

- Added "Customer" to the list of definitions. "Customer" is defined as a ratepayer or any other person or entity that the District is legally obligated to provide electric services.
- Section 6.2 – Expanded on who is responsible for the development of rates, as well as the administration and implementation of the District's rate schedules.
- Section 6.5 – Changed the term "Basic" to "Base."
- Section 9.4.2 added language for how the requester wishes to receive copies of their records request (paper or electronic), and how they wish to receive them (mail or email).
- Section 9.5.1 – removed the option of allowing the requester to view copies of their records request using a District computer.
- Section 9.5.2 – removed "use the requested record in the District's normal course of business" as a reason for needing additional time to respond to a request.
- Section 9.5.5 – Added "proprietary" when describing the content of a public record, and removed the subject of the requested Public Record as an individual who may seek relief from the request.
- Section 9.6.1
 - removed "other records exempt from public inspection and copying" when determining whether an exemption applies to all or part of the record.
 - Added attorney work product related to pretrial discovery.
 - Added records that could impact the agency's physical or information security.
- Section 9.7.2 – Removed "one dollar for a CD" from the list of fees for public records.
- Section 10.3 – Specified that text messaging is allowed if done with a District-issued device and proper steps are taken to retain messages.
- Section 11.3 – Replaced Energy Policy & Reliability Compliance Manager with Reliability Compliance Analyst.
- Section 14.4 – Updated contact information and office hours.
- Section 15
 - Changed Safety Superintendent to Safety Manager throughout this section.
 - Changed Office Safety Manual to Accident Prevention Safety Manual throughout this section.
- Other minor cleanup throughout document.

It is my recommendation the Board adopts the revised Administrative Policies as presented today.

Sincerely,



Monica Petterson
Executive Assistant



ADMINISTRATIVE POLICIES

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1. Preamble

These Administrative Policies have been adopted by Public Utility District No. 1 of Cowlitz County (“District” or “Cowlitz PUD”) in the interest of efficiency, economy, good stewardship of public funds, and safety in its operations in the distribution of electricity to its customers. The Policies are subject to revision by the Commission from time to time in order to meet these objectives. These Policies are to serve as a guide to the employees and representatives of Cowlitz PUD in their performance of the day-to-day business of the District. Construction details and specifications are written to conform with the present State and National laws governing such matters and are not intended to violate any State, National or Municipal ordinances or laws. Should any new laws or ordinances be adopted, these Policies shall be considered to be amended accordingly.

2. Definitions

Special terms when used in these policies shall have the following meanings:

Bullying: Unwanted offensive and malicious behavior that undermines an individual through persistently negative attacks. The behavior generally includes an element of personal vindictiveness, and is intended to undermine, patronize, humiliate, intimidate, or demean the recipient and shall not mean general management of an employee, including but not limited to, performance reviews or critique and employee discipline.

Customer: A ratepayer or any other person or entity that the District is legally obligated to provide electric services. End-use consumers of electric service and the parties who are financially responsible for such services provided, which includes any individual, partnership, corporation, organization, governmental agency, political subdivision, municipality, or any other entity supplied with electric service by the District at a service location.

Cyber Security: Measures taken to protect business and supervisory control and data acquisition (SCADA) computers and digital information against unauthorized access or attack.

Domestic and Family Violence: The use of abusive or violent behavior, including threats and intimidation, between people who have an ongoing or a prior intimate relationship or between family members.

Essential Records: Records that are essential to the continuity of District operations and essential during and after an emergency.

Hazing: The practice of rituals or other activities involving harassment, abuse, or humiliation used as a way of initiating a person into a group.

Hostile Situation: Any situation or interaction with an individual that demonstrates or possesses any of the defined or prohibited behaviors described within this policy.

Identity Theft: Fraud committed or attempted using the identifying information of another person without authority.

Intimidation: Acts including, but not limited to, unwarranted behavior intended to frighten, coerce, or induce stress or fear.

Office of Record: The department within the District, which by definition of its function, has primary responsibility for the maintenance and retention of the official record copies of a records series.

Physical Attack: Unwanted or hostile physical contact including, but not limited to, hitting, fighting, shoving, restraining, throwing objects, or use of weapons.

Property Damage: The intentional damage to property that includes property owned by the District or by employees, customers, contractors, or visitors.

Public Record: A “record” shall have the exact definition of “public record” as set forth in RCW 42.56.010 (3) and as may be revised from time to time by the state legislature, which states: Public record includes any writing containing information relating to the conduct of government or the performance of any governmental or proprietary function prepared, owned, used, or retained by any state or local agency regardless of physical form or characteristics.

Records Coordinator: One or more employees per department whose responsibilities of record keeping, setting up files and/or maintaining department records have been designated in their job description.

Records Inventory: A descriptive list of each record series in an office or file room/area, including the title, inclusive dates, quantity, arrangement, relationships to other series and description of significant subject content.

Records Management: The systematic control of the creation, receipt, maintenance, use, and disposition of records, including processes for capturing and maintaining records about business activities and transactions.

Records Management Coordinator: A full-time position that is responsible for developing and maintaining the District-wide records inventory.

Salary Adjustments: Change in the base wage of unrepresented employees based on performance.

Sensitive Information: Information that includes but is not limited to, private personal information, bank account numbers, credit card numbers, social security numbers, and driver’s license numbers of District customers and employees.

Social Media: Third-party online communication forums including, but not limited to: Twitter, Facebook, YouTube, Instagram, LinkedIn, news media blogs, and other regularly introduced business networking sites.

Stalking: An act that involves harassing or pestering an individual in person, in writing, by telephone, or by electronic format. Stalking also involves following an individual, spying on them, alarming the recipient, or causing them distress and may involve physical violence or the fear of physical violence.

Threat: The expression of intent to cause physical or mental harm. An expression constitutes a threat without regard to whether the party communicating the threat has the present ability to carry out the threat and without regard to whether the expression is contingent, conditional, or future.

Unrepresented Employees: Those employees not subject to a collective bargaining agreement.

Weapons: Any object that may be used to intimidate, attack, or injure another person or to damage property.

Workplace Violence: Acts including, but not limited to: intimidation, bullying, hazing, stalking, threats, physical attack, property damage, or domestic and family violence. This includes acts of violence committed by or against District employees. Such incidents may also involve customers, contractors, or visitors.

Zero-Tolerance: The standard that any behavior (whether implied or actual) violates the policy

3. Board Governance Policy

3.1 Organizational Statement

The goal of this Policy is to provide guidance and structure to the Board of Commissioners (“Board”) and staff of Cowlitz PUD while conducting the business of the District. Our mission is to provide customers safe, reliable, cost-effective, and sustainable electricity. These rules may be amended, or new rules adopted by a majority vote of the whole Commission. Along with this Policy, Commissioners are required to comply with applicable statutes, including the following:

- 3.1.1 Public Utility Districts, [RCW Title 54](#), [RCW Chapter 54.12](#) in particular
- 3.1.2 Public Officers and Agencies, [RCW Title 42](#)
- 3.1.3 The Open Public Meetings Act, [RCW Chapter 42.30](#)
- 3.1.4 The Public Records Act, [RCW Chapter 42.56](#) and [Preservation and Destruction of Public Records, RCW Chapter 40.14](#)

3.2 Purpose of Board of Commissioners

- 3.2.1 The Board of Commissioners is the legislative body of Cowlitz PUD. The Board operates under the provisions of Title 54 of the Revised Code of Washington and all other statutes and regulations applicable to public utilities. The powers of the District are exercised through a three-member Commission, each serving a six-year term, pursuant to [RCW 54.12.010](#).

The purpose of the Board of Commissioners, on behalf of the citizens of Cowlitz County, is to provide oversight of the District to fulfill its mission of providing customers safe, reliable, cost-effective, and sustainable energy.

3.3 Governance Focus

- 3.3.1 The Board will govern with an emphasis on:
 - Strategic leadership.
 - Encouragement of diversity in viewpoints.
 - Clear distinction of Board and General Manager roles.
 - Collaborative rather than individual decisions.
 - Being proactive rather than reactive.

- The District’s long-term impacts outside the organization, not on the administrative or programmatic means of achieving those effects.

3.4 Board Member Code of Conduct

- 3.4.1 Board members individually commit themselves in their elected capacity to ethical, businesslike, and lawful conduct, including appropriate use of their authority and decorum at all times when acting as Board members.
- 3.4.2 Board members must avoid even the appearance of impropriety to ensure and maintain public confidence in the District and the Board as a whole.
- 3.4.3 Board members must respect their individual fiduciary duty to protect and enhance the District as a customer-owned utility with due diligence using sound business judgment.
- 3.4.4 Board members shall at all times conduct themselves with civility and respect to one another, to District management and staff, and to members of the public.
- 3.4.5 Board members are strictly prohibited by law from entering into or engaging in any activity defined by [RCW 42.23](#) as a conflict of interest with their official duties as a Cowlitz PUD Commissioner.
- 3.4.6 Board members shall demonstrate loyalty to the interests of District customers. This supersedes any conflicting loyalty such as that to advocacy or interest groups, personal or business interests, and membership on other boards, or employment situations that may have interests adverse to the District and its customers. It also supersedes the personal interest of any Board member as a consumer of the District’s products and services.
- 3.4.7 Board members shall respect the confidentiality requirements regarding personnel, real estate transactions, proprietary matters, and attorney-client privileged communications, including those requirements listed under [RCW 42.30.110](#), Executive Sessions and any other confidential information that is gained through the Board member’s position.

3.5 Commissioner Job Description

- 3.5.1 The Commissioners, as elected representatives, are responsible for the following:
 - Ensuring the Board hears the strategic viewpoints and values of its customer/owners, the community, and other interested stakeholders.
 - Hiring the General Manager.

- Establishing and annually reviewing District policies to ensure a high quality of governance and compliance with state law.
- Collaborating with staff, reviewing and adopting the District’s Strategic Plan.
- Reviewing and adopting the District’s operating budget and rates annually.
- Preparing for and attending Board meetings and workshops.
- Seeking to enforce whatever action is needed to protect the District as required by law.

3.5.2 Board members may have access to District offices during normal office hours in the furtherance of Board business, Monday through Thursday, 7:00 a.m. to 5:30 p.m.

3.6 Board Training

3.6.1 All new Commissioners will receive the following training:

- District policies, including the Board Governance Policy.
- Financial practices, including rate setting and cost of service analysis.
- Legal requirements, including Title 54, Open Public Meeting Act, Ethics in Public Service Act, Campaign Disclosure and Contribution Act, Public Records Act, and any other training as required by law.
- Electric utility operations, including power supply.
- Other training approved by the Board beneficial to the District through industry, professional, and educational providers, such as the Washington Public Utility Districts Association and the Public Power Association.
- In-house training on communications/media, time entry, and expense reimbursement requests, etc.

3.6.2 Existing Commissioners will receive periodic training updates and any additional training upon request.

3.7 Board Compensation and Expenses

3.7.1 Board members shall receive a monthly salary, and in addition, per diem compensation for appearances or participation in events primarily aimed at making District decisions, receiving information related to decision making, speaking or directly participating in an activity representing the District in compliance with [RCW 54.12.080](#).

- 3.7.2 Further compensation for expense reimbursement shall be in accordance with the District's Travel Reimbursement Policy pursuant to [RCW 54.12.080\(4\)](#).
- 3.7.3 Board members shall be afforded PERS, 401K, 457 plan and healthcare benefits consistent with other employees, as authorized by law, and as administered by staff. Provided, however, that for the purposes of PERS, Board members shall be imputed the requisite hours worked per month sufficient to accumulate and earn one (1) service credit per month.

3.8 Board Officers

- 3.8.1 The officers of the Board shall consist of a President, Vice President, and Secretary. The Board officers shall be elected and serve as follows:
- The election of each officer shall be at the first regularly scheduled Board meeting in January of odd numbered years, and each officer shall serve for two years. The election of each officer shall be determined by a majority of the Board.
 - Board Officers serve at the pleasure of the Board. Officers may be removed from their position by the vote of two Board members. The Board shall at a minimum elect a President and a Secretary. In the event of such removal, the vacated officer position shall be elected by the Board at the next regularly scheduled meeting.

3.9 Role of the Board President

- 3.9.1 The President of the Board shall:
- Preside over and facilitate Board meetings in accordance with this Governance Policy.
 - Ensure that the Board complies consistently with its own rules and policies, and those legitimately imposed on it from outside the organization.
 - Ensure that deliberation is fair, open, and thorough, but also timely, orderly and in conformance with the meeting's agenda.
 - Schedule, coordinate, and participate in the process of evaluating the General Manager's performance.
 - Have no individual authority to supervise or administratively direct the General Manager; any authority to direct or supervise the General Manager on the Board's behalf must be expressly granted to the President by the Board.

- Assume any responsibility of the Board that is not specifically assigned to another Board member.
- Be allowed to delegate his or her authority as permitted by law, but remain accountable for its use.

3.10 Role of the Vice President

3.10.1 The Vice President of the Board shall:

- Perform such duties as are assigned by the President.
- Have all power and duties of the President in the absence or inability of the President to act.
- Have all powers and duties of the Secretary in the absence or inability of the Secretary to act, when not otherwise acting as President.
- Participate in the process of evaluating the General Manager's performance.

3.11 Role of the Secretary

3.11.1 The Secretary of the Board shall:

- Perform all duties incident to the office of Secretary as may be required by law or assigned to such office by motion, rule, or resolution of the Board.
- When appropriate, attest instruments and documents duly authorized by the Board.
- Have all the powers and duties of the President in the absence or inability of both the President and Vice President to act.
- Participate in the process of evaluating the General Manager's performance.

3.12 Unity of Control

3.12.1 Only decisions and instructions of the Board members acting as a Board are binding on the District's General Manager, General Counsel, Auditor and Treasurer, except in instances when the Board has specifically delegated the exercise of such authority to individual Board members.

3.12.2 In the case of Board members requesting information or assistance of District personnel without Board authorization, the General Manager, General Counsel, Auditor or Treasurer must refuse such requests that require, in their opinion, a material amount of staff time or funds or are otherwise unduly burdensome,

that may involve a conflict of interest between the District and the Board member requesting the information or assistance.

- 3.12.3 Board members may communicate directly with District employees or contractors. However, individual Board members shall not give direction to persons who report directly or indirectly to the General Manager, with the exception of the General Counsel, Auditor or Treasurer as provided under this Policy. Individual Board members shall disclose such communications to the General Manager within a reasonable time of the communication.
- 3.12.4 The Board and individual Board members shall refrain from evaluating, either formally or informally, the job performance of any staff other than the District's General Manager.

3.13 Legislative Activities

- 3.13.1 The authority of the Board and its individual members is expressly limited to their work at regular or special sessions of the Board and legislative activities including lobbying, on behalf of the District. Board members may not attempt to exercise individual authority over the District or its staff except as set forth and authorized in Board policies and allowed by law.
- 3.13.2 A Board member speaks only for himself/herself on matters relating to the Board unless specifically authorized by the Board to speak for or to represent the Board or participating in legislative activities, including lobbying, on behalf of the District. Where such Board authorization is necessary, it shall be a matter of record in the official Board minutes. In interactions with the public, the press or other entities, Board members must recognize this limitation and the inability of any Board member to speak for the Board or the District except to restate adopted Board policies or decisions or to speak with respect to their individual legislative activities permitted under this Policy. Members of the Board may represent their own points of view but should designate these points as their own if contrary to the official acts of the Board. A vote of the Board majority shall be binding on all members of the Board insofar as official acts are concerned.
- 3.13.3 Legislative activities of Board members are permitted under this Policy as follows:
- The Board and its individual members may participate in any and all legislative activities allowed by law without prior Board action on District issues that support the objectives of safe, reliable, and cost-effective distribution of electricity, and issues generally affecting municipal corporations.

- In that grassroots lobbying as described in [RCW 42.17A.640](#) is often difficult to recognize, Board members should be particularly careful not to invite customers, stakeholders, or others to lobby on behalf of the District.
- If a Board member lobbies without prior authorization of the Board, the lobbying Board member will report such activity at the next Board meeting that occurs after such lobbying.
- When the Board takes an official position through Board action, individual Board members may participate in any legislative activity, including lobbying, consistent with the official position and applicable law.
- None of the other provisions in other sections of this Policy are intended, or shall be interpreted, to restrict the ability of an individual Board member to participate in legislative activities, including lobbying.

3.14 Board Delegation to the General Manager

- 3.14.1 In accordance with [RCW 54.16.100](#), the General Manager is the chief administrative officer of the District, in control of all administrative functions and shall be responsible to the Board for the efficient administration of the affairs of the District placed in his or her charge.
- 3.14.2 Unless previously approved by the Board, the General Manager shall attend all meetings of the Board and participate in discussions as necessary.
- 3.14.3 The General Manager is authorized to carry out all current policies, make all decisions, take all actions, establish all practices, and develop all activities to achieve the goals set forth by the Board.
- 3.14.4 The Board shall develop policies that define the delegation to the General Manager with regard to the General Manager's authority.
- 3.14.5 The General Manager must bring to the Board's attention circumstances that affect the goals established by the Board and may request the Board to take appropriate actions.
- 3.14.6 The Board may change its delegation to the General Manager at any time, thereby expanding or limiting the authority of the General Manager, consistent with [RCW 54.16.100](#).

In the event of a temporary disability or absence of the General Manager, the General Manager shall, with the approval of the President of the Commission, designate a competent Director as acting manager.

3.15 Board-General Manager Relationship

3.15.1 The Board of Commissioners governs Cowlitz PUD and is the policy-making authority.

3.15.2 The Board is responsible for the following:

- Identifying and defining the purpose, values, and vision of the District, along with the results that the District is to achieve, and communicating them in the form of policy, resolution, or Board action.
- Making certain operational decisions as designated by law.
- Hiring, evaluating, and terminating the General Manager pursuant to [RCW 54.16.100](#), who is responsible for the managing of the day-to-day operations of the District.

3.15.3 The General Manager is responsible for the following:

- All operations and business affairs of the District.
- Achieving objectives established by the Board within the appropriate and ethical standards of business conduct.
- Enforcing District resolutions; administering directives, staff policies and procedures; hiring and terminating all employees; attending meetings of the Board and reporting on the general affairs of the District; and keeping the Board advised as to the current and future business needs of the District.
- Ensuring the smooth continuous operation of the District in the event of the planned or unplanned absence of the General Manager.
- Interacting with the public, other utilities, and government agencies, pursuant to District policies and direction provided by the Board.
- Perform other responsibilities as may be appropriately delegated by the Board.

3.16 Board-General Counsel Relationship

3.16.1 The General Counsel provides legal counsel to the District and to the Board. The General Counsel may report both to the General Manager and the Board.

3.16.2 The Board is responsible for hiring and terminating the General Counsel.

3.16.3 General Counsel shall advise the Board regarding potential conflict of interest issues or ethical matters. General Counsel shall provide assistance to individual

Commissioners in complying with applicable statutes and laws only when such advice does not conflict with the General Counsel's obligations to the District or to specific direction of the Board.

3.16.4 With respect to the Board, the General Counsel shall:

- Give his or her advice or opinion whenever he or she deems necessary, and when requested by the Board.
- Inform the Board of material legal issues impacting the District or the Board.
- When necessary, act independently of the General Manager.
- Provide counsel to the Board with regard to conflict-of-interest issues, ethics, and other applicable statutes and regulations as necessary.
- The General Counsel shall not provide legal counsel to individual Board members except as it relates to their role as Board members.

3.17 Board Relationship with Auditor and Treasurer

3.17.1 The District Auditor and Treasurer serve in the capacity set forth by RCW Title 54 and perform those duties where specified by [RCW 42.24](#) and [RCW 54.24](#), and shall be granted direct access to each other as provided by law in the performance of these duties.

3.17.2 The Board, by resolution, shall designate an Auditor and Treasurer. The General Manager, or designee, will supervise the day-to-day duties of any employee holding these positions.

3.17.3 The Auditor shall authorize payments for debts of the District. At Board meetings, the Auditor shall provide a list of all payments issued and shall certify to the Board that such disbursements satisfy just and due obligations of the District, in a manner specified by the State Auditor.

3.17.4 The Auditor shall conduct audit reviews and special projects requested by the General Manager or the Board. The work of the Auditor shall provide independent, objective assurance regarding the achievement of objectives in the following areas:

- Adherence to District policies and procedures.
- Compliance with applicable laws and regulations.
- Effectiveness and application of internal controls.
- Effectiveness and efficiency of operations.

- Reliability of data.
- Safeguarding assets.
- Financial health of the District.

3.17.5 The Auditor in the performance of his or her duties shall have unlimited access to all activities, records, property, and personnel of the District.

3.17.6 The Board shall receive the results of all audits by the State and those audits or special project evaluations requested by the Board. In all cases, audit reports will be provided to the Board and management so that appropriate action is taken pursuant to the reports.

3.18 General Meeting Rules

3.18.1 All Board members, employees, and members of the public shall preserve order, respect, decency, and decorum at all times while the Board meeting is in session.

3.18.2 No member shall, by conversation or otherwise, delay or interrupt the proceedings of a Board meeting, nor interrupt any member who is speaking.

3.18.3 Board members shall obey parliamentary orders of the President and shall confine their remarks to the subject under consideration.

3.18.4 No member shall use any impertinent, degrading, or slanderous language as to any other member, staff, or public.

3.18.5 There shall not be lectures, speeches, or grandstanding.

3.18.6 Any member or guest desiring to speak shall first be recognized by the Presiding Officer.

3.18.7 All cell phones shall be shut off or placed in silent mode during Board meetings. Full attention of the Board and staff at the meeting is expected at all times.

3.18.8 Any audio or video taping by the public and/or press shall not disrupt the proceedings.

3.19 Presiding Officer

3.19.1 The President shall preside at meetings of the Board and be recognized as the head of the Board for all ceremonial purposes. In case of the President's absence or temporary disability, the Vice-President shall act as President during the continuance of the absence.

3.19.2 The meetings of the Board shall be called to order at the appointed time by the Presiding Officer. In the absence of two Commissioners the meeting shall be cancelled due to lack of quorum.

3.19.3 The Presiding Officer shall preserve order and decorum; prevent attacks on personalities or the impugning of member's or public motives and confine members or public in debate to the question under discussion.

3.19.4 The Presiding Officer shall determine all points of order, subject to the right of any member to appeal to the Board.

3.19.5 The Presiding Officer shall state all questions submitted for a vote and announce the results.

3.20 Voting

3.20.1 The votes during all meetings of the Board shall be transacted as follows:

- Unless otherwise provided for by statute or resolution, all votes shall be taken by voice, except that at the request of any Commissioner, the Presiding Officer shall take roll call vote. The Presiding officer shall determine the order of the roll call vote.
- The passage of any motion or resolution shall require a majority vote of the whole Board.
- All Commissioners shall vote on all matters before the Board unless they have abstained.

3.21 Board Meetings and Agendas

3.21.1 The Board's regular scheduled meetings shall be set by resolution unless otherwise rescheduled and publicly noticed as required in [RCW 42.30.070](#).

3.21.2 Minutes of the Board meetings shall be taken by the Executive Assistant. Upon approval by the Board, minutes shall be uploaded to the District website and retained as a permanent record.

3.21.3 The General Manager, in consultation with his or her staff and Board shall prepare an agenda, with relevant documentation, for each regular meeting of the Board.

3.21.4 Individual Board members or the General Manager may place matters on Board agendas. Prior to placing an item on the agenda, a Board member shall confer with the General Manager. When Board members invite people to speak at a Board meeting, the Board member will confer with the General Manager in

advance so that there will be appropriate coordination with preparing the agenda.

- 3.21.5 A special meeting may be called at any time by the Board President or by a majority of the members of the Board, provided written notification is given to each Board member and the General Manager. Email shall be sufficient to comply with notification under this section.

3.22 Executive Sessions

- 3.22.1 Before convening into Executive Session per [RCW 42.30.110](#), the Presiding Officer of the Board shall publicly announce the purpose for excluding the public from the meeting place, and the time when the Executive Session will be concluded. The Executive Session may be extended to a stated later time by announcement of the Presiding Officer.
- 3.22.2 If the Board convenes an Executive Session to discuss what is permitted by law, there is no valid reason to disclose publicly what was discussed and reviewed privately. Everything which is discussed during an Executive Session, and all written materials that are reviewed during an Executive Session, shall be considered confidential and no Commissioner shall publicly disclose any such information. Public disclosure may be made in the event a majority vote of the Commissioners to approve the public disclosure prior to its disclosure. Any request for such a vote shall be first raised during an Executive Session for discussion purposes prior to a vote in open session.
- 3.22.3 Items discussed in Executive Session that require action of the Board shall be acted on in open session.

3.23 Preserving the Attorney Client Privilege

- 3.23.1 No Commissioner shall make any disclosures or release any information which would result in the waiver of the attorney/client privilege without first obtaining the approval of a majority of the Board in open session. Such a request for disclosure shall first be raised during an Executive Session for discussion prior to a vote in open session.

3.24 Board Members' Review and Use of District Records

- 3.24.1 The following procedures apply to any request to inspect records of the District that is made by a Commissioner in his or her capacity as a Board member:
- Board member requests to inspect District documents that are not required to be provided under the Public Records Act or which may be privileged or confidential in nature, shall be made to the General Manager. To the extent

allowed by law and this Policy, the General Manager shall provide the records for review on District premises during normal business hours.

- No privileged or confidential document shall be copied, electronically transmitted, or removed from District premises except with the written authorization of the General Manager, or Board majority if the General Manager denies such a request.
- With respect to privileged or confidential documents, Board members shall not engage in any conduct which could reasonably be expected to compromise the protected status of such information.

3.25 Board Member Communication and Correspondence

3.25.1 The Board acknowledges the right of each Board member to formulate and publicly express individual opinions regarding issues germane to their duties as District Commissioners. The Board further recognizes that Board members may articulate individual opinions on other matters of civic affairs or public interest not directly related to their duties as Board members.

3.25.2 When a Board member engages in communication of any type, he or she must recognize at all times that, in the eyes of the public, Board members are likely to be perceived as speaking as a District Commissioner, and as such their communication will reflect on and impact the other Board members and District staff.

3.25.3 When communicating on matters on which the Board has taken a formal position, it is acknowledged that any written correspondence be done under the signature of the Board President or entire Board, or by the General Manager on behalf of the Board. Such written correspondence should be on District letterhead.

3.25.4 In the event the majority of the Board has not taken a position on an issue, or has taken a position different from an individual's position, the Board member holding a minority position, or any opinion on a matter not yet before the Board for a decision, should, in any communication or correspondence on that matter clearly state that his or her opinion is their own, and is not the position of the Board or District as a whole. District letterhead shall not be used for such written communication.

3.25.5 In the event an individual Board member fails to make the above-referenced disclosure, the Board may itself or through the General Manager, issue a communication stating the District's position on the matter which may include information explanatory and supportive of the District's officially adopted position. If no position has yet been taken by the Board on the topic, the communication should disclose that fact.

- 3.25.6 In order to maintain open communications and prevent misunderstandings, and as a courtesy to the other Board members and District management and staff, Board members should disclose on the record at their meetings any significant communications they may have had with others on matters relating to the District.
- 3.25.7 Public Board meetings, as required by law, are intended to provide information from the staff and public to the Board members prior to decisions being made. Thus, Board members should refrain from taking or communicating positions on issues on which a public hearing is expected to be held prior to the holding of such hearings.
- 3.25.8 In accordance with the [Open Public Meetings Act](#) (OPMA), Board members:
- Shall not meet outside of public Board meetings to hold discussion or to take action as defined in [RCW 42.30.020](#).
 - Shall not meet as a quorum in violation of the OPMA.
 - Shall recognize that the requirements of the OPMA may apply to communications via telephone, email, instant messaging, or other forms of electronic communication.
 - May send information to other members of the Board on an informational basis, but exchanges of communications between staff and more than one Board member regarding District business must not occur outside of an official public Board meeting. Any communication sent for informational purposes as described above shall be sent by an individual Board member. The Board members will not “reply all” to any email or other electronic communication received by any member of the Board.
- 3.25.9 Board members shall not publicly make statements that may be considered an admission of liability on behalf of the Commission or the District without first consulting with the General Manager who may consult with the General Counsel.
- 3.25.10 Board members understand that all letters, memoranda and electronic communications or information (including email, texts, and voicemails) that relate to conduct of the District or the performance of any District function are public records that may be subject to disclosure under the [Washington Public Records Act](#) unless otherwise exempt by law. In the event the District receives a request for such records, the Board member(s) shall provide the records to the Public Records Officer of the District.

3.26 Violations of Governance Policy

- 3.26.1 This Policy is adopted with the intent that it is fully enforceable and that violations of the provisions of the Policy may result in action against Board members as provided herein and as may be provided by law. Any violation of these Rules of Procedure/Proceedings is deemed to constitute disorderly conduct by such member.
- 3.26.2 Any claim of a violation of this Policy shall be made in writing by a Board member or District employee and filed with the President, or Vice President if the President is the subject of the complaint. Any claim of violation must identify the conduct that is alleged to have constituted a violation and sufficient information to support the claim of violation. Any such claim shall be made part of the minutes of the Board meeting at which the complaint is discussed.
- 3.26.3 Members violating this Policy as determined by a majority of the Board, with the accused Board member abstaining from all voting with respect to the alleged violation and subsequent Board action, shall be subject to admonition for the first violation of a particular rule, reprimanded for the second violation, and censure for subsequent violations, defined as follows:
- Admonition. An admonition shall be a verbal statement approved by a majority of the Board made in open session and recorded in the minutes.
 - Reprimand. A reprimand shall be administered to the Board member by letter. The letter shall be prepared by the Board after action in open session to approve the letter. If the member objects to the contents of such letter, he/she may file a written request for review of the content of the letter of reprimand with the Board. The Board shall review the letter of reprimand based upon the request for review and any record established, and may take whatever action appears appropriate under the circumstances.
 - Censure. A censure shall be a written statement administered to the Board member in public during a regular Board meeting. The statement shall be prepared by the Board and signed by a majority of the Board. The Board member may appear and may make any statement in opposition to or mitigation of the censure. A censure shall be deemed administered at the time it is scheduled whether or not the Board member appears. The statement shall be included in the minutes of the meeting at which it is administered.

3.27 Indemnification

- 3.27.1 Pursuant to [RCW 54.16.095](#), whenever any action, claim, administrative filing or proceeding is instituted against any person who is or was an employee, official, agent, or Board member (collectively “indemnified party”) of the District arising

under the performance or failure of performance of duties for, or employment with the District, that individual shall be afforded coverage under the District's insurance policy without regard to any applicable deductible or retention, payment of which shall be the responsibility of the District. Should an insurer deny coverage, in whole or in part, or should there otherwise be no applicable insurance coverage the Board will grant a request by such person that a qualified attorney of the District's choosing be appointed by the District to defend said claim, suit, or proceeding, with the costs of defense (including the indemnified party's attorney's fees incurred in the course of defense), and any obligation for payment associated with the defense of such action, and any judgment, fine, or penalty, to the extent permitted by law, be paid from the District's funds. If the indemnified party is covered by a District insurance policy, decisions with respect to the proceeding will be made in accordance with said policy. If there is no applicable coverage and the proceeding is instead covered by the District, the District shall make all decisions with respect to the handling of the proceeding, including ultimate resolution, but shall make such decisions only after considering any information provided by the indemnified party. PROVIDED, That costs of defense and/or judgment or settlement against such person shall not be paid in any case where the court has found that such person was not acting in good faith or within the scope of his or her employment with or duties for the District, or in violation of this Policy, pursuant to [RCW 54.16.097](#), or where the law does not permit the District to pay a judgment, fine or penalty. However, the cost of establishing whether the law permits the District to pay a judgment, fine or penalty, will be paid by the District.

All Commissioners shall cooperate in good faith with any insurance carrier or attorney representing the District in connection with a defense of any litigation against the District.

- 3.27.2 The District shall provide the expense of defending against criminal prosecution to the extent allowed by law.
- 3.27.3 The necessary expenses of defending a Board member in a judicial hearing to determine the sufficiency of a recall charge shall be paid by the District if the Board member requests such defense and approval is granted by both the Board and the General Counsel, pursuant to [RCW 4.96.041\(3\)](#). The expenses paid by the District may include costs associated with an appeal of the decision rendered by the superior court concerning the sufficiency of the recall charge. To the extent this section conflicts with other provisions under this Policy, this section shall control.

4. Financial Policy

4.1 Objective

4.1.1 This Policy shall establish financial policies to provide management and staff guidance in managing the finances of the District and in developing financial plans and rates for current and future years to attempt to maintain an investment grade credit rating of no less than A- or its equivalent while being fiscally responsible to the customers. This Policy applies to both the Distribution and Production Systems.

4.1.2 This Policy is to address the following key issues relating to properly managing the financial affairs of the District in order to meet this objective:

- Liquidity
- Debt Service Coverage
- Debt/Equity Financing of Capital Expenditures
- Rates and Cost-of-Service Analysis
- Other Items (as described in this section)

4.2 Liquidity

4.2.1 Operating Reserves. Operating Reserves provide funding for day-to-day operations, working capital, serve as a cushion for poor performance against budget and other unforeseen events. The District shall attempt, at all times, to maintain adequate Operating Reserves by setting a target reserve level comprised of 90 days of operating and maintenance (O&M) expenses excluding depreciation. Given the impact of the District's large major industrial customers on the liquidity target, a portion of the target may be met with a credit instrument subject to an evaluation of the related risks and uncertainties.

4.2.2 Rate Stabilization Reserves - Regulated entities, such as the District, are allowed under accounting standards to defer certain income and expenses as it relates to the Commission's rate-making authority. The District's bond documents provide for the use of Rate Stabilization in any fiscal year for the purpose of complying with bond covenants. The District's Rate Stabilization program and use requires Commission approval taking into consideration the District's Debt Service Coverage target, need for funds and rate planning. District staff will periodically review with the Commission the funding level in coordination with other available liquidity to ensure that the fiscal needs of the District are being met. Based on an analysis of historical hydro volatility, the District's overall cash position and allowing for two consecutive poor generation years, the rate stabilization account is set at minimum balance of \$25 million. If at any time, District financial forecasts, indicate the rate stabilization account will fall below

the minimum balance, the Commission will take action to establish a plan to replenish such account back to the predetermined minimum level.

- 4.2.3 Other Specific Reserves – The District may establish reserves for other specific items including external restrictions such as bond requirements or contractual obligations and internal restrictions. Examples of internal restrictions include customer deposits, energy efficiency/conservation funds, capital infrastructure reserves, energy/capacity resources, contingency funds, employee benefits, known operating requirements, such as the Lewis River Cost Share Agreement, etc.
- 4.2.4 The District shall maintain the capability to borrow via a short-term line of credit or obtain other short-term financing to support liquidity needs or to bridge other financing or rate action.
- 4.2.5 The District may enter into letter of credit or escrow (custodial) arrangements to support transactions with counterparties and to comply with state law, such as Washington’s Climate Commitment Act (CCA).

4.3 Debt Service Coverage

- 4.3.1 Debt Service Coverage indicates the District’s ability to meet its commitment to paying the debt service (principal and interest) on outstanding debt. The ratio is calculated by dividing the annual net revenues as defined in the bond resolution by the total annual debt service payment. The District will develop financial plans to achieve a Distribution System Debt Service Coverage target minimum of 1.50. The minimum debt service coverage pursuant to bond resolution covenants is 1.25. The Debt Service Coverage Ratio requirement for the Production System is 1.00. The ratio for the combined systems should be no lower than 1.25.

4.4 Debt/Equity Financing of Capital Expenditures

- 4.4.1 The electric generation, transmission and distribution business is a capital intensive industry with a long-anticipated service life. The cost of significant capital improvements can put a burden on today’s customers if a utility attempts to pay for such improvements or facilities completely out of current revenue. This policy attempts to strike a balance between the benefits of such investments and the associated recovery from current and future customers while at the same time keeping total indebtedness and overall financial position to fiscally prudent levels.
- 4.4.2 Given the District’s current financial position, or until conditions warrant, the intent is to fund capital needs out of rates and/or reserves with no additional debt. Exceptions to this approach could be construction/acquisition of a generation asset or other major capital project. The financing term for capital

expenditures is expected to be 20 years for transmission and distribution facilities and 30 years for generation facilities.

- 4.4.3 The District's target for debt to assets (defined as external debt divided by total assets) is 25% or less to allow for financial flexibility. The Commission may direct staff to exceed this ratio when circumstances warrant as noted above. The District is in compliance with this metric.

4.5 Rates and Cost-of-Service Analysis

- 4.5.1 The chief objective of rate setting shall be to ensure the revenue requirement meets normal operating and capital needs consistent with the financial policies of the District including cash requirements and liquidity, debt service coverage and debt financing limits. The District desires to maintain competitive rates as compared to benchmark utilities but this objective, while important, is subordinate to the District's financial policies specified above.
- 4.5.2 The revenue requirement and rate sufficiency shall be evaluated annually.
- 4.5.3 Rates should be developed so as to minimize the subsidization of one rate class by another. Cost of Service Analysis (COSA) should be conducted every three to five years with results presented to the Commission. Drivers impacting the need to conduct a COSA include significant changes to infrastructure, power resources/costs, customer mix, other operating costs, and debt.

4.6 Power Supply and Market Assumptions

- 4.6.1 District staff shall use financial forecast assumptions for power supply and the electric market that reflect expected results, and such assumptions will be reviewed and approved by the Board during the annual budget review process.

4.7 Risk Management

- 4.7.1 The General Manager shall establish a Risk Management Advisory Committee (RMAC) to serve as advisors in managing power supply risk for the District. The objective of the RMAC shall be to advise the General Manager on methods to achieve the net power supply budget while operating under the risk management policies and limits approved by the Commission. The risk management program shall be designed to accept reasonable exposure to power market price volatility, variation in generation volume and counterparty credit exposure in order to effectively manage the risks associated with the District's power supply portfolio. The General Manager and RMAC may consider derivatives and other hedges as a means of minimizing risk to the District. Trades for speculative purposes are prohibited.

4.8 Insurance Coverage

- 4.8.1 Ensure adequate insurance coverage to protect the District from significant losses. Maintain insurance, self-insurance, reserves and/or participate in an insurance pool to protect against risk of property, casualty, liability and health and welfare losses.

5. Investment Policy

5.1 Objective

- 5.1.1 The District's investment approach is designed to safeguard assets (principal preservation), maintain availability of funds (liquidity), earn a reasonable rate of return and conform to all Washington statutes governing the investment of public funds.
- 5.1.2 This Policy applies to all cash and investments of the District, including unrestricted and restricted funds, unless legal restrictions dictate otherwise.
- 5.1.3 Funds may be combined for investment purposes. Specific records shall be maintained identifying the ownership of the original funds and any resultant interest earnings.

5.2 Authority and Responsibility

The Director of Accounting and Finance (CFO) and District Treasurer are responsible for the management of the District's funds and investments. No person may engage in an investment transaction except as provided for under the terms of this Policy. Investment oversight is provided by the District's Risk Management Advisory Committee (RMAC) with annual reporting by the CFO to the Board of Commissioners. The RMAC shall review the District's investment portfolio at least annually, by no later than August 31st of each year, and provide any recommended changes, in writing, to the CFO. Any changes adopted by the CFO shall be reported to the Board as part of the next regularly scheduled Board meeting.

5.3 Investment Objectives

The primary objectives, in priority order, of the District's investment activities shall be:

- **Safety:** Safety of principal is the foremost objective of the District. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.
- **Liquidity:** The District's investment portfolio will remain sufficiently liquid to enable the District to meet all operating requirements, which might be reasonably anticipated.
- **Maturity:** To the extent possible, the District will attempt to match its investments with anticipated cash flow requirements. As a general rule, the District's investments are purchased with the intent of holding the security until maturity. However, the District may sell investments early to meet unexpected cash flow needs, mitigate risk associated with a security type or issuer, or to capture increased yield when appropriate. Unless matched to a specific cash flow or as

designated in specific bond resolutions, the District generally will not directly invest in securities maturing more than five years from the date of purchase.

- Return on Investment: The District's investment portfolio shall be managed with the objective of attaining a market rate of return, taking into account the District's investment risk constraints and cash flow needs. The benchmark to be used in evaluating investment performance shall be the yield of the State LGIP.

5.4 Authorized Financial Dealers and Institutions

The District will maintain a list of financial institutions and brokers/dealers authorized to provide investment services to the District.

5.4.1 Financial institutions must be approved by the Washington Public Deposit Protection Commission (RCW 39.58).

5.4.2 Approved security broker/dealers selected by credit worthiness - These may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule). Qualified broker/dealers will be reviewed by the District on an annual basis. All brokers/dealers who desire to do business with the District must provide the following:

- Annual audited financial statements
- Proof of FINRA (Financial Industry Regulatory Authority) certification
- Proof of registration in the State of Washington

5.4.3 All District funds shall be deposited in a qualified public depository in the State of Washington, in accordance with RCW 39.58, except for such funds that have been authorized by District resolutions to be deposited in other such authorized and designated depositories.

5.5 Authorized Investments

5.5.1 The District's investment portfolio is limited to investments authorized by statute RCW 39.58, 39.59, 43.84.080 and 43.250, as amended.

5.5.2 As a standard practice, the District shall use a competitive bid or market-based comparison process. In competitive bid processes, broker/dealers will compete for investment transactions. However, it is recognized that this may not be reasonable or practicable for every investment decision. In market-based comparison processes, offered securities will be evaluated based on their comparative value to similar duration US Treasury securities.

5.6 Safekeeping and Custody

All security transactions entered into by the District shall be conducted on a delivery-versus-payment (DVP) basis. Securities will be held by a third party custodian

designated by the Treasurer, except for locally purchased Certificates of Deposit which confirmation of such shall be held by the Treasurer. Any such custodian shall be a qualified public depository in the State of Washington.

5.7 Diversification

5.7.1 The District will diversify its investments by security type and institution using the following guidelines based on the total daily portfolio balance at amortized cost at the time of purchase:

<u>Investment Type</u>	<u>Limits</u>	
	<u>Portfolio</u>	<u>Issuer</u>
U.S. Treasury Securities	100%	100%
State LGIP	100%	N/A
Government Sponsored Agencies	50%	15%
Commercial Paper	15%	3%
Certificates of Deposit	40%	15%
Municipal Bonds	25%	5%
Bank Accounts	75%	25%

5.7.2 Short-term exceptions (less than 30 days) may be allowed to accommodate transaction execution. Any proposed exceptions driven by market conditions must be approved by the RMAC.

5.7.3 Funds held in Banks will not, at the time of deposit, exceed the total net worth of the specific depository as reported in the most recent copy of the Washington Public Deposit Protection Commission Quarterly Report. The aggregate amount of Bank Accounts and Certificates of Deposit will not exceed 75% of the portfolio or 25% per issuer.

5.8 Risk and Mitigation

5.8.1 Interest Rate Risk is defined as the risk that changes in interest rates of debt instruments will adversely affect the fair value of an investment. Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Custodial Credit Risk is the risk that, in the event of a failure of the counterparty, the District will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. Concentration of Credit Risk is the risk of loss attributed to the magnitude of investment held by a single issuer.

5.8.2 As part of risk evaluation, the District will analyze and mitigate the portfolio's exposure to these risks as follows:

- Adhering to maturity guidelines
- Limiting investments with those issuers or counterparties authorized by Statute
- Prequalifying financial institutions and brokers authorized to transact with the District
- Diversifying the portfolio
- Requiring that securities purchased are held by a master custodian or other entity legally allowed to act as an independent third party on behalf of the District

6. Rate Administration Policy

6.1 Objective

Cowlitz PUD recognizes the need for equity and fairness in the administration of its rates and changes in rates. The Board adheres to the principle of cost-based ratemaking utilizing approaches standard to the public utility industry. The Board recognizes the relative costs to serve customer classes can change over time. In order to minimize significant changes in rates to any given customer class, changes in retail rates due to changes in the cost of service may be adjusted gradually over time.

6.2 Authorization

The Director of Accounting and Finance shall have primary authority for the proper development of rates, and the Director of Customer Service and Compliance shall have the primary responsibility for the proper administration and implementation of the District's rate schedules.

Commented [MP1]: These changes proposed by Trent

6.3 Proration of Rate Changes

As the District's costs of providing service change, modification in rates become necessary. The effective date of a rate change should be applicable to the date energy is consumed, not the date a bill is processed and issued. In implementing a change in rates, a calculation shall be made to determine the average daily consumption for the specific billing period in question. For the consumption prior to the change in rates, the rate in effect during those days shall be applied to the average daily consumption of that billing period. For consumption after the change in rates, the average daily consumption for those days shall be applied to the changed rate. The customer's bill should be the summation of those two periods. This can generally be expressed in the form of an equation:

$$B = (ADC * D1 * R1) + (ADC * D2 * R2), \text{ where}$$

B equals the billed amount

ADC equals the average daily consumption for the billing period

D1 equals the number of days in the billing period prior to the change in rates

D2 equals the number of days in the billing period after the change in rates

R1 is the energy rate in effect prior to the change in rates

R2 is the energy rate in effect after the change in rates

6.4 Demand Charges

Demand charges, in rate schedules as applicable, apply to the customer's peak demand during the billing cycle. That demand shall be charged at the rate in effect on the date the bill is issued.

6.5 Basic Charge

The Basic Charge is a flat daily fee designed to collect revenue to pay for costs the District incurs that are primarily fixed in nature, rather than customer energy consumption or peak demand. As the Basic Charge is a daily fee, no proration is needed with a rate change. Each day in the rate change billing cycle will be billed at the applicable rate before and after the effective date of the rate change.

Commented [MP2]: This change proposed by Trent

7. Compensation Policy

7.1 Objectives

- 7.1.1 To adhere to the Board's strategic plan directive of providing a salary structure that will attract and retain the technical, skilled, and committed workforce needed to fulfill the District's mission.
- 7.1.2 To competitively compensate employees based on performance and utility industry market conditions.
- 7.1.3 Provide a framework to support growth and development opportunities within the District and flexibility to respond to the ever-evolving labor and market conditions.
- 7.1.4 Continue to support a culture of delivering excellent performance and service to our customers through employee best efforts and best practices.
- 7.1.5 To establish a lawful method for payment of wages to Unrepresented Employees that incents quality work performance. The Policy does not provide automatic or guaranteed wage increases to Unrepresented Employees; instead, they may be afforded increases or decreases to wages based on their market comparison and performance which shall be administered by the General Manager in a manner consistent with the terms of this Policy.
- 7.1.6 To establish a lawful method of compensation for the General Manager to be achieved in an open, transparent manner.
- 7.1.7 This Policy shall not affect any other benefit or means of compensation afforded to any employee, under separate policy such as those policies covered in the Employee Handbook or a collective bargaining agreement.

7.2 General Manager Compensation

- 7.2.1 All forms of General Manager compensation may be itemized in an employment contract, which shall be authorized by Resolution in a duly noticed open public meeting. Both the employment contract and any such Resolution shall be subject to the Public Records Act of Washington state and shall be authorized pursuant to RCW 54.16.100 and other applicable law. Board discussions of the General Manager's performance shall be conducted in Executive Session unless the General Manager requests that it be conducted in open session. Final action of the Board fixing or modifying compensation shall be by Resolution in an open public session of a duly noticed Open Public Meeting of the Board of Commissioners.

7.2.2 In establishing and modifying the compensation paid to the General Manager the Board may consider the following factors: (1) performance, (2) demonstrated competencies, (3) workplace behavior, (4) the range of compensation paid to General Managers from comparable utilities, either regional and/or national, and (5) the overall best interest of the District.

7.3 Salary Structure for Unrepresented Employees

7.3.1 The District uses a market pricing approach to compensation. The District shall survey relevant labor markets periodically, or as necessary, to identify the market value of the District's positions. This assessment will not measure or consider the personal qualifications, tenure, performance, or current rate of pay of individual employees.

7.3.2 The District's salary structure shall be based on the utility industry labor market and the District's strategy to establish a competitive pay program. Each position is placed in a salary grade based on its value in the marketplace, with a minimum, midpoint, and maximum pay rate. In limited situations where market data is not readily available, positions will be slotted into the salary structure based upon internal evaluation and consideration of pay equity to other relevant positions at the District.

7.3.3 Salary ranges in the District's salary structure shall be developed and maintained through the use of labor market surveys. Typically, the District's external market for Unrepresented Employees is from utilities in Washington, Oregon, and Idaho (Pacific Northwest). For positions with a broader geographic recruitment area and/or require skills that are applicable across multiple industries, the market surveys may include general professional and management surveys, a mix of public sector and private organizations, etc. The District shall use salary surveys to:

- Determine where District salary rates for certain positions stand in relation to the labor market.
- Determine the competitiveness of District starting salaries in relation to the market.
- Determine the percentage and amount to allocate for salary increases.

7.4 Establishment of the Cost of Labor in Open Session

7.4.1 Annually, the Manager of Employee Services will review salaries and market data to prepare recommendations for the salary budget for the following fiscal year. The recommendations will consider anticipated increases for market,

grade movement, promotions and adjustments based on individual performance.

- 7.4.2 After approval by the General Manager the proposed salary budget will be incorporated into the overall budget for Board approval through the annual budget process.

7.5 Division of Cost of Labor Salary Adjustments

- 7.5.1 The department Director shall evaluate employee performance and establish Salary Adjustments for Unrepresented Employees within their direct reports group.
- 7.5.2 The General Manager and Manager of Employee Services shall retain discretion over Salary Adjustments proposed for employees so long as the adjustment does not exceed that of the established salary grade range for the position. The General Manager shall modify, accept, or reject all such recommendations concerning Salary Adjustments taking into account employee performance, market conditions, grade movement, promotion, Equal Pay and Opportunities Act and other similar considerations.
- 7.5.3 No Salary Adjustment shall result in an adjusted salary above the wage of the General Manager.
- 7.5.4 The General Manager has the authority to promote employees, combine job duties and responsibilities and adjust wages to reflect the new duties in order to fill existing open positions or create better efficiency within the organization so long as the new wages for such positions fall within the salary grade structure and do not exceed the current annual budgeted labor dollars for full time employees.
- 7.5.5 Standardized Evaluation Forms. The General Manager and Directors shall use a standardized means of performance evaluation, which shall require evaluation of Unrepresented Employees' performance based on written goals or expectations established by his/her supervisor, competence, workplace behavior and demonstrated value to the District. There may be additional criteria for the evaluation of job performance for supervisors.

7.6 Timing of Evaluations

Performance evaluations are conducted at least annually during the fourth quarter of each calendar year. The performance evaluation is part of each employee's personnel record. Employees will be given an opportunity for written comment on each performance evaluation. Each employee will be asked to review and sign performance evaluations to document that he or she has read them and had an opportunity to comment. A signature on the performance evaluation does not imply agreement or disagreement with the

performance evaluation. Employees may obtain a copy of performance evaluations for their own records through their NEOGOV account.

8. Electronic Signatures and Records Policy

8.1 General Provisions:

- 8.1.1 With the enacting of the Uniform Electronic Transactions Act, codified in Title 1 RCW, the law provides that electronic signatures and electronic records related to a transaction shall have the same legal authority as original ink signatures and paper documents. [RCW 1.80](#)
- 8.1.2 A record or signature may not be denied legal effect or enforceability solely because it is in electronic form.
- 8.1.3 If a law requires a record to be in writing, an electronic record satisfies the law.
- 8.1.4 If a law requires a signature, an electronic signature satisfies the law.
- 8.1.5 It is the intent of the District to authorize the use of electronic records and electronic signatures to the extent authorized under the Uniform Electronic Transactions Act, subject to the conditions herein or those the General Manager may hereafter specify in the best interest of the District.

8.2 Electronic Signatures

- 8.2.1 The District authorizes the use of electronic signatures internally and shall accept electronic signatures from counterparties with reasonable assurance of the identity of the signer.
- 8.2.2 Forms of acceptable electronic, signatures include the following:
- 8.2.3 A “digitized signature”, a graphical image of a handwritten signature applied to the electronic document by the signer.
- 8.2.4 A “digital signature” created when the signer uses their private signing key to create a unique mark on an electronic document.
- 8.2.5 A “click through” or “click wrap” program, which the signer signs by clicking a button, or typing his or her name, and providing some other personal identifier, or type “I agree”.
- 8.2.6 A PIN or password e–signature, where the signer enters identifying information, which may include an identification number, the person’s name and PIN or password earlier set up in the system.
- 8.2.7 Any other legally acceptable method of electronic signature.
- 8.2.8 Reasonable assurance of the identity of a signer can be obtained through the document being sent to and then received from the known email address of the

counterparty, legally certified through a third party such as DocuSign, comparison of a digitized signature with a sample previously authorized or that on a form of identification or any other manner of reasonably confirming identification.

8.3 Electronic Documents

8.3.1 The District acknowledges electronic documents to be of the same legal significance as original, paper documents and authorizes the use of electronic documents throughout the course of business.

8.3.2 Electronic records shall be maintained and retained in accordance with the Secretary of State Retention Schedules or as otherwise required by law.

8.4 Amendments to this Policy

8.4.1 The General Manager is authorized to amend, approve exceptions, or require additional conditions to this policy as necessary in the best interest of the District.

9. Public Records Act Policy

9.1 General Provisions:

- 9.1.1 It is the policy of the District to release records of the District in compliance with the Public Records Act (the "PRA"), set forth in RCW 42.56, and any other applicable provisions of federal or state law. This Policy shall be construed in a manner that is in compliance with RCW 42.56, and consistent with Administrative Rules promulgated in connection therewith, and as they may be modified in the future.
- 9.1.2 The purpose of this Policy is to comply with RCW 42.56, the PRA. Except where these guidelines are mandated by statute, the guidelines in this Policy are discretionary and advisory only and shall not impose any affirmative duty on the District. The District reserves the right to apply and interpret this Policy as it sees fit, and to revise or change the Policy at any time.
- 9.1.3 This Policy shall be available at the District's Main Office and posted on the District's Website.

9.2 Organization of the District

- 9.2.1 The District's Main Office is located at 961 12th Avenue in Longview, WA 98632. All Record Requests shall be received at the Main Office. The Main Office is open 7 a.m. to 5:30 p.m., Monday through Thursday, except legal holidays.
- 9.2.2 The District is managed by a Board of Commissioners.

9.3 Public Records Officer

- 9.3.1 The District's Public Records Officer currently is the District's Records Management Coordinator. The Public Records Officer shall designate an Assistant Public Records Officer. The Assistant Public Records Officer shall carry out all of the Public Records Officer's duties when the Public Records Officer is not available due to vacation, sick leave or otherwise. All requests must be directed to the Public Records Officer or his/her designee. The Public Records Officer may be contacted in person at the Main Office; via first class mail addressed to the Public Records Officer, PO Box 3007, Longview, Washington 98632; or via email at publicrecords@cowlitzpud.org.
- 9.3.2 The Public Records Officer must demonstrate sufficient training and acumen in matters pertaining to RCW 42.56. This may be achieved through on-line or live attendance at conferences addressing the PRA, annual declaration filed with the Auditor stating he or she has reviewed the public records policies, or some other combination of training and experience which reasonably assures the public of his or her qualifications to act as the Public Records Officer.

9.3.3 The Public Records Officer may delegate any of its responsibilities to District staff, but remains ultimately responsible for overseeing compliance with the PRA and the Policy. The Public Records Officer shall:

- Be responsible for implementing the District’s process regarding disclosure of Public Records;
- Serve as the principal contact point with any Requester who has made a Records Request to the District, unless the Public Records Officer has delegated these responsibilities for a particular Records Request to a staff member;
- Coordinate District staff in this regard, generally ensuring the compliance of the staff with Public Records disclosure requirements;
- Make the final decision in cooperation with the General Manager and Risk Compliance Manager regarding disclosure and application of exemptions; and
- Maintain the agency's indices, if any.

9.3.4 All Records Requests shall be made to the Public Records Officer. All subsequent communications from a Requester should also be directed to the Public Records Officer, unless a staff person has been delegated the responsibilities for a particular request.

9.4 How to Make a Public Records Request

9.4.1 Public records may be inspected, or copies of Public Records may be obtained by the public at the District’s Main Office upon compliance with the following procedures:

9.4.2 All requests must be directed to the Public Records Officer. The District encourages that all requests be made in writing. A request may be submitted through the District’s website, or by completing a form available upon request at the District’s Main Office. The form may be mailed, emailed or delivered in person to the Main Office. The request should include the following information:

- The name and address of the Requester;
- The date of the request;
- A detailed description of the Record(s) being requested;
- Whether the Requester wants copies (either paper or electronic), or wants to inspect the requested Record(s);

- The address where copies are to be mailed or emailed if copies are requested;
- A statement certifying the records being requested will not be used for a commercial purpose; and
- The signature of the Requester.

9.4.3 When a Records Request is made orally, the District should confirm the request in writing in its initial 5-day response. Any such request must be made during the Main Office's normal business hours.

9.4.4 All requests should be made to the Public Records Officer. Any Records Requests received by District staff other than the Public Records Officer shall be immediately transmitted by staff to the Public Records Officer.

9.4.5 When law enforcement authorities request customer records, in addition to the information listed under section 9.4.2 above, the law enforcement authority must also provide the District with a written statement in which the authority states that it suspects that the particular person to whom the records pertain has committed a crime and the authority has a reasonable belief that the records could determine or help determine whether the suspicion might be true.

9.4.6 Only Public Records as defined by RCW 42.56.010 are subject to disclosure. All Public Records are and shall remain the property of the District. Outgoing officials and employees shall deliver such records to their successors. Public Records are preserved, stored, transferred, destroyed, and otherwise managed in accordance with the Public Records Policy, Records Management Policy, and applicable state law.

9.4.7 Only existing records may be requested. The District is not required to create a record in response to the Records Request. If a request does not identify an existing record, or if the request is for information and not for a Public Record at all, the District shall so inform the Requester.

9.5 Procedure for Response to Request

9.5.1 The District shall respond promptly to a Records Request. Pursuant to RCW 42.56.520, within five business days of receiving a Records Request, the District shall respond by:

- Providing the record or notifying the Requester that the documents are available; or
- Providing an internet address and link on the District's web site to the specific records requested, except that if the requester notifies the District that he or she cannot access the records through the internet, then the

District will provide copies of the record ~~or allow the requester to view copies using a District computer;~~ or

- Acknowledging the request in writing and providing a reasonable estimate of the time the District will require to respond to the request;
- Acknowledging the request and seeking clarification from the Requester, and providing a reasonable estimate of the time the District will require to respond to the request if it is not clarified; or
- Denying the Records Request.

9.5.2 Additional time may be necessary to respond to a request based on the need to:

- Locate and assemble the record(s) requested;
- ~~Use the requested record in the District's normal course of business;~~
- Notify third parties affected by the request; or
- Determine whether any of the information requested is exempt and that a denial should be made as to all or part of the request.

9.5.3 If the Requester fails to clarify the request, and the entire request is unclear, the District may deem the request abandoned and need not respond to it. However, the District will respond to that part of the request, if any, which is clear.

9.5.4 When a Records Request is for a large volume of records, the District may elect to provide records on an installment basis. In such case, the Public Records Officer should provide a reasonable estimate in the Acknowledgement Letter both when the first installment will be available and when the entire request will be completed.

9.5.5 Notice to Third Parties: If a Public Record contains personal or proprietary information that identifies an individual or organization ~~other than the subject of the requested Public Record~~, the District may notify that individual or organization to allow the third party to seek relief pursuant to RCW 42.56.540. The District may send this notice to the individual or organization if releasing the personal information could damage the individual or organization, or government operations, or is not in the best interest of the public. The notice should include the record being requested, the date the District intends to release the record, how the individual or organization can prevent release of the record.

- The District may take this into account when providing an estimate for when the records will be available. The District should also review any contracts with third parties that may contain special notice provisions. The District will release the record by the specified date if no one objects or the contacted

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party does not respond by the specified date. This procedure shall not create any rights to third parties to such notice.

- The District may also send a written notice to the Requester notifying him/her that notice has been provided to a third party, the date response is due from the third party and that disclosure may be denied.

9.6 Exemptions

9.6.1 After the District has gathered responsive records, the District shall determine whether an exemption applies to all or part of the record. The District need not disclose Public Records exempt from public inspection and copying under RCW 42.56 ~~and other records exempt from public inspection and copying under or~~ any other state or federal statute or regulation, including but not limited to:

- Records that are protected by trade secrets law;
- Valuable formulae, designs, drawings, computer source code or object code, and research data obtained by any agency within five years of the request for disclosure when disclosure would produce private gain and public loss;
- Personal information in files maintained for Board Members and District employees to the extent that disclosure would violate their right to privacy, including but not limited to addresses, phone numbers, Social Security numbers, voluntary deductions, marriage status, number of dependents, and any garnishment deductions;
- Preliminary drafts, recommendations, and intra-agency memoranda in which opinions are expressed or policies formulated or recommended, except that a specific record shall not be exempt when publicly cited by the Board in connection with any Board action;
- All applications for public employment, including the names of applicants, resumes, and other related materials submitted with respect to an applicant;
- The residential addresses and telephone numbers of employees or volunteers of a public agency which are held by the agency in personnel records, employment or volunteer rosters, or mailing lists of employees or volunteers;
- Customer addresses, telephone numbers, electronic contact information, and customer-specific utility usage and billing information in increments less than a billing cycle; ~~or~~
- Attorney work product that would not be available to another party under the rules of pretrial discovery for causes pending;

- Records that, if disclosed, could impact the agency's physical or information security, specifically when release could significantly disrupt the conduct of government and are substantially likely to threaten public safety including vulnerability assessments and plans and records exempt under federal law related to domestic preparedness for acts of terrorism;

- Any record which is exempt from disclosure under state or federal law.

9.6.2 When exempt portions of Public Records can be redacted, the remainder thereof shall be open to public inspection and copying.

9.6.3 If the District determines that all or part of a record is subject to an exemption, the District shall prepare and provide to the Requestor a log that contains the following information:

- A description of the record which all or a portion of is being withheld;
- The specific exemption authorizing the withholding of the record or portion of the record;
- An explanation of how the exemption applies to the record or portion of the record being withheld;

9.6.4 Pursuant to the PRA, the District reserves the right to seek to enjoin the examination of any specific record, the examination of which the District determines would clearly not be in the public interest and would substantially and irreparably damage any person or would substantially and irreparably damage vital governmental functions.

9.7 Fees for Public Records

9.7.1 No fee shall be charged for the inspection of Public Records.

9.7.2 The District may, at its discretion charge one or more of the following fees for providing Public Records:

- Fifteen cents per page for standard black-and-white copies;
- Ten cents per page for any paper documents that are scanned so they can be produced in electronic format;
- Five cents for every four electronic files or attachments uploaded to an email, cloud storage service, or other electronic delivery system;
- Ten cents per gigabyte for transmitting records electronically;
- The actual cost of copying for any non-standard copies or items;

~~• One dollar for a CD;~~

- Cost of taxes actually charged by any third-party vendor used to make copies; and
- The actual cost of any digital storage media or device provided by the District, the actual cost of any container or envelope used to mail the copies to the requestor, and the actual postage or delivery charge.

9.7.3 The Public Records Officer may elect to waive these fees. Fees will be waived when the expense of billing exceeds the total fees.

9.7.4 Before copying any record, the District may charge a deposit up to 10% of the estimated costs. When records are being produced on an installment basis, the District may charge for each installment. When determining whether to request a deposit, the District shall consider the cost of making the requested copies and any payment history of the Requester, as well as the administrative burden of seeking a deposit. The decision not to request a deposit shall not serve to waive the District's right to request a deposit for a future request.

9.8 Inspection of Records

9.8.1 Once the Public Records Officer has collected all responsive records (or the first installment if the records are being produced on an installment basis), has reviewed the responsive records and applied applicable redactions, and has prepared an exemption log, the Public Records Officer shall notify the Requester that the records are available.

9.8.2 If the Requester does not contact the Public Records Officer to arrange for payment of the copies or for review of the records within 30 days after the notice of availability letter was sent, the District may consider the Records Request abandoned, unless the Requester seeks an additional amount of time to review the records. [WAC 44-14-04005](#)

9.8.3 In order to protect Public Records maintained on the premises of the District from damage or disorganization as required by the PRA, the following procedures and practices are hereby instituted:

- No Public Records shall be removed from District's Main Office without the Public Records Officer's permission;
- Inspection of any Public Records shall be conducted in the presence of the Public Records Officer or designated staff;
- No Public Record may be marked, defaced, torn, damaged, destroyed, unreasonably disorganized or removed from its proper location or order by a member of the public;

- Public Records maintained in a file jacket or binders, or in chronological order, may not be dismantled except for the purpose of copying, and then only by District staff; and
- Public Records of the District may be copied only on the copying machines of the District unless other arrangements are made by the Public Records Officer.

9.8.4 Inspection shall be denied, and the records withdrawn by the Public Records Officer if the Requester, when reviewing records, acts in a manner which will damage or substantially disorganize the records or interfere excessively with other essential functions of the District.

9.9 Closing the File

9.9.1 Once all copies of requested records have been provided to the Requester or the Requester has reviewed the requested records, the District may treat the matter as closed.

9.9.2 If 15 days have passed since the Requester was notified that the records were available and the Requester has failed to contact the Public Records Officer to arrange for the review of those records or for payment for copies, the Public Records Officer shall mail the Requester a “closing letter” informing the Requester that the District has fully responded to the Records Request. Upon receipt of the closing letter, the Requester should immediately inform the Public Records Officer if the Requester does not think the District has fully complied, or needs additional time to review the records. If the Requester does not respond within ten business days after the closing letter was sent, the District may treat the matter as closed.

9.10 Index of Public Records

For the reasons stated in Resolution No. 2652, incorporated herein by reference, the District finds that it would be unduly burdensome and would interfere with District operations to maintain an index of records. The District will make available for public disclosure all indices which may at a future time be developed for District use.

9.11 Disclaimer of Liability

9.11.1 Neither the District nor any officer, employee, official or custodian shall be liable, nor shall a cause of action exist, for any loss or damage based upon a release of Public Records if the person releasing the records acted in good faith in attempting to comply with this Policy.

9.11.2 This Policy is not intended to expand or restrict the rights of disclosure or privacy as they exist under state and federal law. Despite the use of any mandatory

terms such as “shall,” nothing in this Policy is intended to impose mandatory duties on the District beyond those imposed by state and federal law.

10. Records Management Policy

10.1 Objectives

This Policy establishes guidelines to maintain a Records Information Management Program designed to control all phases of the record lifecycle, including the creation, use, retention, storage, retrieval, protection, and disposition of all District records, regardless of the media and/or format on which they are recorded. The policy applies to any employee or Commissioner creating, receiving, using, having access to, or disposing of physical and electronic District records. The purpose of this Policy is:

- 10.1.1 To develop and maintain policies, standards, and procedures that are consistently followed and assist the District in meeting its legal, regulatory, and business requirements.
- 10.1.2 To develop and maintain a Records Retention and Disposition Schedule, which shall be designed to ensure that all District records have a properly assigned records series classification, retention period, and Office of Record.
- 10.1.3 To ensure that the District has the ability to promptly and efficiently access and retrieve District records when needed for legal, regulatory, or operational purposes.
- 10.1.4 To identify and protect Essential Records.
- 10.1.5 To ensure the consistent, systematic, and secure disposal of District records once retention periods and any applicable “record holds” have expired.

10.2 Essential Records

Essential Records will be protected by vaulting, planned or natural dispersal of copies, or any other method approved by the Washington State Archivist.

10.3 Ownership of Records

Whether maintained in physical or electronic format, all records created and received in connection with the execution of District activities are the property of the District and do not belong to any individual employee or Commissioner, regardless of where the records reside. The unlawful destruction, removal, or personal use of District records is prohibited. Employees will cooperate in providing access to any records under their control. This would also apply to business-related text messages or email sent or received by an employee or Commissioner on his/her personal cell phone or email account, or business-related posts on a personal Social Media account. In order to protect the privacy of its employees and Commissioners, the District strictly prohibits conducting business through text messages.

personal email accounts, or personal Social Media accounts. However, text messaging is allowed if done with a District-issued device and proper steps are taken to retain messages.

10.4 Records Retention

- 10.4.1 The District's Records Retention and Disposition Schedule shall be based on the Records Retention Schedule for Local Government Agencies of Washington State published by the Office of the Secretary of State, Division of Archives and Records Management.
- 10.4.2 District records must be maintained in accordance with the Records Retention and Disposition Schedule.

10.5 Records Disposition

- 10.5.1 District records will be destroyed in conformity with the Records Retention and Disposition Schedule and with written approval of the Office of Record as well as the District's Auditor and General Counsel or General Manager.
- 10.5.2 The method of destruction for confidential paper records will be by secure shredding. Confidential electronic records will be destroyed according to the District's Electronic Data Procedure.
- 10.5.3 Records designated as "archival" on the Records Retention and Disposition Schedule must either be transferred to the Washington State Archives or retained by the District in accordance with standards for the maintenance of and access to archival records issued by the State Archivist.

10.6 Record Hold

- 10.6.1 District records must not be destroyed if they are subject to 1) an ongoing or reasonably anticipated litigation, 2) an audit or investigation, or 3) an existing public records request in accordance with RCW 42.56. Such records must be retained until completion of the action and the resolution of all issues that arise from it, or until the expiration of the retention period, whichever is later.
- 10.6.2 A "record hold", or "legal hold," is the temporary suspension of the District's normal and routine retention and destruction procedures to preserve District records that may be needed in connection with litigation, regulatory examination, or other circumstances as deemed necessary by a member of the District's management team.
- 10.6.3 Record hold directives will be communicated by management to the affected parties and must be confirmed in writing. All records relevant to the hold must be retained until after the hold is released in writing by management.

10.7 Responsibilities of the Records Management Coordinator

- 10.7.1 Develop and maintain the District-wide Records Inventory.
- 10.7.2 Apply retention schedules to the records and dispose of expired records in a secure manner.
- 10.7.3 Take all necessary steps to prevent unauthorized access to records containing confidential or Sensitive Information.
- 10.7.4 Seek clarification on this Policy from Directors and/or the Risk Compliance Manager and modify the Records Management program as necessary.
- 10.7.5 Notify the Risk Compliance Manager immediately upon determining that records have become lost, or otherwise unavailable.

10.8 Prohibited Activities & Enforcement

- 10.8.1 Employees and Commissioners shall become familiar with this Policy, make decisions based on adhering to this Policy and, if necessary, seek clarification on this Policy from the Records Management Coordinator.
- 10.8.2 The unauthorized and intentional destruction, removal, or personal use of District records is prohibited and may be punishable by law.
- 10.8.3 Any employee found to have willfully violated this Policy is subject to disciplinary action consistent with the Personnel Policies and Procedures Handbook. Willful violations that result in harm to customers or coworkers (e.g., Identity Theft, release of private health information), or unauthorized destruction or loss of the District's records will be considered grounds for immediate termination of employment.

10.9 Applicable Regulations

- 10.9.1 Washington State:
 - Chapter 40.10 RCW, Protection of Essential Records
 - Chapter 40.14 RCW, Preservation and Destruction of Public Records
 - Chapter 40.16 RCW, Penal Provisions for Injury or falsification of Public Records
 - Chapter 42.56 RCW, Public Records Act
 - WAC 434-662, Preservation of Electronic Records
 - WAC 44-14, Public Records Act Model Rules
- 10.9.2 Federal:
 - 18CFR125.3 – Federal schedule of records and periods of retention

11. NERC Reliability Compliance Program

11.1 Objective

The District is committed to a strong reliability program to foster compliance with the mandatory North American Electric Reliability Corporation (“NERC”) Reliability Standards approved by the Federal Energy Regulatory Commission (“FERC”). This Policy sets forth the requirements for the contents and maintenance of the Reliability Compliance Program which outlines the District’s internal control foundation, and provides discipline and structure to guide compliance with the NERC Reliability Standards.

11.2 Background

The Energy Policy Act of 2005 assigned additional oversight and enforcement authority to FERC in the area of electric system reliability. The purpose of the legislation was to provide regulation and oversight of the nation’s bulk electric system in order to increase reliability. On July 20, 2006, FERC issued an order certifying NERC as the Electric Reliability Organization for the United States. The order granted NERC certain monitoring and enforcement powers under the ultimate jurisdiction of FERC. FERC Order 693, issued in 2007, and Order 706, issued in 2008, made compliance with applicable NERC Reliability Standards mandatory. FERC’s Policy Statements on Compliance and Enforcement highlight the importance of strong, well-implemented regulatory compliance programs (policy statements PL09-1-000, PL08-3-000, and PL10-4-000). NERC has the legal authority to enforce compliance with NERC Reliability Standards, which it achieves through delegation agreements with Regional Entities. Currently, the Western Electricity Coordinating Council (WECC) is the Regional Entity responsible for compliance monitoring and enforcement over the District.

11.3 Program Oversight

The District shall maintain a NERC Reliability Compliance Program (“Program”) to promote compliance with the requirements of NERC Reliability Standards applicable to the District as a registered Distribution Provider, Transmission Owner, Transmission Planner and Generation Owner, Category 1. This Program shall be managed and maintained by the Director of Customer Service & Compliance. The ~~Energy Policy & Reliability Compliance Manager~~ Reliability Compliance Analyst shall report to the Director of Customer Service & Compliance, and will assist in the management and maintenance of the Program. The Director of Customer Service & Compliance shall have independent access to the Board of Commissioners. The ~~Energy Policy & Reliability Compliance Manager shall~~ Reliability Compliance Analyst shall have independent access to the General Manager. Program operation and management shall be independent of those assigned responsibility with NERC Reliability Standard requirements.

11.4 Program Overview

The Commissioners consider the following elements to be critical to the success of the Program and ensure the District's continued culture of compliance:

- 11.4.1 The General Manager shall enforce the Program, require compliance status reports from the Director of Customer Service & Compliance, assure independence of the Program from management assigned reliability compliance responsibilities, and provide the Board of Commissioners Program status reports;
- 11.4.2 All District personnel assigned reliability compliance tasks shall be made aware and acknowledge their responsibilities in the Program;
- 11.4.3 Process for maintaining a current listing of all NERC Reliability Standards applicable to the District;
- 11.4.4 Timely review and modification to reliability and compliance risk assessment procedures;
- 11.4.5 Employee commitment to implement programs, controls and procedures supporting reliability compliance;
- 11.4.6 Provision of training and awareness;
- 11.4.7 Participation in related external industry forums and meetings;
- 11.4.8 Internal controls, monitoring and review processes that expeditiously address compliance issues and reduce compliance violation risk;
- ~~11.4.9~~ Full cooperation with regulatory agencies;
- 11.4.9
- 11.4.10 Precise and succinct compliance documentation; and Periodic Program review.

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11.5 Internal Audit

In addition to the controls provided under the Program, the Board of Commissioners may require the Director of Customer Service and Compliance to initiate an audit of the Program and report back the result.

12. Cyber Security Policy

12.1 Objective

This policy outlines how the District protects itself, and the customers served, from Cyber Security threats by setting forth guidelines for developing and implementing effective Cyber Security controls, behaviors and incident responses as defined by the North American Electric Reliability Corporation (NERC) Critical Infrastructure Protection (CIP) Reliability Standards. This document is the Cyber Security Policy that provides for the development of plans that collectively address compliance with CIP-003, and provides an outline for the business network security procedures outside of CIP compliance. This ensures a united set of security standards for both CIP compliance and business network security objectives.

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The CIP Senior Manager will approve each of the following plans pertinent to CIP-003:

- Cyber Security awareness;
- Physical security controls;
- Electronic access controls;
- Cyber Security incident response;
- Transient cyber asset and removable media mitigation; and
- CIP exceptional circumstances

These Cyber Security measures will facilitate the furtherance of the District's strategic goals and objectives.

12.2 Exceptions

This Policy along with its related plans and procedures form the District's Cyber Security framework. The owner of this Policy is the Board of Commissioners and any exception to the Policy must be approved by the Board of Commissioners. Exceptions to the Policy must be approved by the Board of Commissioners at a Board meeting. The General Manager shall be authorized, after consultation with the CIP Senior Manager, to make exceptions to the Policy in the event of an emergency.

12.3 Enforcement

This document has been approved as the official Cyber Security policy for the District. This Policy overrides any previously documented policies. Any breach of this Policy will be managed on a case-by-case basis and may result in disciplinary action, termination and/or legal action. All individuals having access to information assets created or managed by the District are required to acknowledge receipt and understanding of this Policy and related policy instruments.

12.4 Scope

The District relies on computers and networks of computers for bulk electric system (BES) cyber systems and business operations. Protecting computer assets from cyber threats through an effective Cyber sSecurity program is imperative to enable business continuity, comply with applicable regulations, uphold customer privacy and confidentiality, and enforce information integrity underpinning critical business requirements, including human safety.

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The District's Cyber Security program shall meet the following requirements:

- 12.4.1 Enforce periodic Cyber Security awareness of District employees as well as appropriate Cyber Security requirements and contractual obligations for contractors employed.
- 12.4.2 Establish and enforce a physical security controls plan for assets related to cyber systems critical to the District's operations. Physical access shall be based on need.
- 12.4.3 Maintain at all times rigid electronic security controls for any access to the BES cyber systems network from all other internal and external networks.
- 12.4.4 Establish a plan implementing effective tools to mitigate the risk of malicious code introduction into (BES) cyber systems from transient cyber devices and removable media.
- 12.4.5 Establish and identify terms of reference for a Cyber Security Incident Response Team (CSIRT) and implement a cyber security-incident response plan.
- 12.4.6 Perform periodic network penetration testing and scanning as well as other appropriate assessments, audits, and security testing to identify and resolve cyber vulnerabilities.
- 12.4.7 Develop, communicate, monitor, and enforce procedures and associated practices to uphold Cyber Security that shall include, at a minimum:
 - Data governance, including data classification, data confidentiality (including data privacy), data retention and destruction
 - Disaster Recovery Planning, including incident management, data backup and restoration requirements
 - Electronic data safeguards, including encryption, anti-virus, intrusion prevention/detection and scanning

- Employee and contractor computer usage, including acceptable usage for mobile devices, email, network, Social Media, removable devices, and other information technology assets
- Business system change management, including security baselines and testing
- IT outsourcing, including contractual obligations and audit/reporting expectations
- Local and remote access authentication (including passwords) for employees, contractors and third parties
- Security architecture, including security principles for design, development, configuration, and connectivity
- Software requirements, including software purchasing, business operating system hardening, and patch management
- Technology lifecycle administration

12.4.8 Define a plan to declare an operational emergency for exceptional circumstances, e.g., war, flood, fire, and civic unrest, where adherence to the above Cyber Security provisions must be suspended as allowed by CIP-003 in part or whole, and develop response plans to return to normal operations as quickly as possible.

12.5 Responsibility

Cyber Security is a collective responsibility of all individuals who conduct business with the District. Diligent execution of this responsibility protects both the District and its customers, their property, their interests, and their well-being. The Policy applies to all District employees and shall be extended through contractual obligations to contractors and third parties engaged by the District. The District's Director of Technology shall be responsible to monitor and enforce this Policy and oversee the Cyber Security program.

12.6 Implementation Plan

The Policy shall abide by the CIP-003 implementation plan(s) as established by NERC where applicable.

12.7 **Review**

The CIP Senior Manager will review this Policy every 15 months. Following CIP Senior Manager review and approval, modifications will be submitted to the Board of Commissioners of Public Utility District No. 1 of Cowlitz County, Washington for final approval.

13. Environmental Sustainability Policy

13.1 Objective

The District is committed to being environmentally aware, actively supporting programs that reduce its environmental impact, and works to continually improve the District's environmental performance as an integral part of its business strategy and operating procedures. The District has a responsibility to meet or exceed legislative and regulatory requirements.

In support of this policy, the following items will guide the District's commitment to the environment:

13.2 Responsibility

13.2.1 Management is responsible for integrating environmental management programs into operating procedures to ensure compliance with legislative and regulatory requirements.

13.2.2 All employees are responsible and accountable for understanding and incorporating environmental compliance requirements into their daily work activities.

13.3 Stewardship

13.3.1 Reduce the quantity and toxicity of waste materials generated through source reduction, reuse, recycling, and/or removal, while balancing business needs with environmental risk.

13.3.2 Responsibly use natural resources such as, fuel, electricity and water, and pursue increased efficiencies that reduce waste and emissions at their source.

13.3.3 Seek opportunities to preserve, restore, protect, and enhance the natural resources affected by District operations.

13.4 Continual Improvement

13.4.1 Develop and implement programs and standard operating procedures to continually improve the District's environmental performance.

13.4.2 Develop and utilize internal and independent environmental audits as necessary to evaluate the District's environmental compliance and use the results of the audits to improve District operations

13.5 Communication

- 13.5.1 Foster an open dialogue and informed decision making through communication of environmental information with management, employees, and the public as appropriate.
- 13.5.2 Train employees on environmental awareness, this environmental policy, the key environmental impacts of their work, and their environmental responsibilities.
- 13.5.3 Create, encourage, and promote a culture of responsibility and compliance.
- 13.5.4 Actively participate in environmental organizations to keep informed of current and future laws and regulations. Make efforts to work with governing agencies and others in creating responsible environmental laws and regulations reflective of sound public policy.
- 13.5.5 The Environmental Compliance Manager or his/her designee will develop and recommend an effective approach to implementing this policy.

14. Communications Policy

14.1 Objective

This policy establishes guidelines for engaging customers through various media platforms that encourage relevant, interactive, and transparent conversations. These media platforms will facilitate the furtherance of Cowlitz PUD's mission, goals, and objectives.

14.2 Scope

Cowlitz PUD uses local media to provide public service announcements and to communicate with its customers about upcoming and existing projects, programs, services, and job openings. Internal requests to set up and manage media outreach shall meet the following requirements:

- 14.2.1 Identify the proposed media platform and the proposed tools.
- 14.2.2 Outline a business case for the media project/medium, including audience, purpose, duration, interactivity policy, definition of success, and internal and external costs.
- 14.2.3 List the authorized users for that project/medium, as well as store user names/passwords electronically in a place that can be recovered by the General Manager, Auditor, Public Relation and Communication Manager or authorized users.
- 14.2.4 A brief risk assessment and risk mitigation plan including a disclaimer to be posted on Social Media platforms to protect the reputation of Cowlitz PUD and employees.
- 14.2.5 Evaluate whether Cowlitz PUD's IT network has the necessary bandwidth, include a brief overview of the potential, or lack of potential, for malware introduction into the IT environment, and describe the need, if any, to apply patches.
- 14.2.6 Social Media platforms used in the workplace shall be conducted for approved business communications purposes and consistent with the state ethics law for de minimis personal use. Staff/employees may use social networking for approved business purposes, including professional networking, to support Cowlitz PUD's mission, provided they follow Personnel Policies and Procedures Handbook policy No. 516 "Information Technology".

14.3 Records Retention

- 14.3.1 A Terms of Service (TOS) will be obtained with the use of third-party media tools. Any copyrighted material posted on the media sites will be used with copyright releases. Non-copyrighted videos or content posted on these sites may be property of Cowlitz PUD and may be a public record, subject to the Washington State Public Records Act.
- 14.3.2 Cowlitz PUD recognizes that all content published and received through media platforms in connection with Cowlitz PUD’s business may be public records for the purposes of Chapter 40.14 RCW (preservation and destruction of public records).
- 14.3.3 Cowlitz PUD will retain media platforms public records and dispose of such records only in accordance with records retention schedules approved by the State Records Committee if required under RCW 40.14.050. Comments and postings on Social Media sites will be treated the same as if they were sent electronically to or from Cowlitz PUD’s email server or by non-electronic means.

14.4 Responsibility for Content

Cowlitz PUD’s General Manager, Public Relation and Communication Manager, and content management designee from each department shall be responsible for monitoring and maintaining the content for all Cowlitz PUD’s media platforms on a regular basis to ensure the validity and appropriateness of content. The following disclaimer will be posted on all Cowlitz PUD Social Media sites:

Example: This Facebook page provides an opportunity for sharing and discussing information about Cowlitz PUD programs and activities. The comments and opinions expressed by users are theirs alone and do not reflect the opinions of Cowlitz PUD or its employees. All comments will be reviewed upon posting. They are screened in accordance with Cowlitz PUD’s Facebook Page Use Policy below.

- Only comments that comply with this Cowlitz PUD Facebook Page Use Policy will remain posted, all others will be removed.
- Privacy will be protected as described in the Cowlitz PUD’s “Identity Theft Prevention [Red Flag Act]”
- The use of vulgar, offensive, threatening, or harassing language is prohibited.
- Comments should be limited to comments related to the posted topics. The Cowlitz PUD Facebook page is not the proper place to express opinions or beliefs not directly related to posted topics.
- Promoting or opposing any person campaigning for election to a political office or promoting or opposing any ballot proposition, initiative or referendum is prohibited.
- Promoting or advertising a business or commercial transaction or request for donation is prohibited.

- Communications made through the Cowlitz PUD Facebook page wall posts, comment section and/or other messaging system will in no way constitute a legal or official notice or comment to or from Cowlitz PUD or any official or employee of Cowlitz PUD for any purpose.
- This Cowlitz PUD Facebook Page Use Policy is subject to amendment or modification at any time to ensure its continued use is consistent with its intended purpose as a limited forum.
- This Cowlitz PUD Facebook page is not the appropriate place to report an outage, a problem with your bill, or any other general customer service needs. To report outages please call 360.423.1200. If you need to reach a customer service representative, you may call 360.423.2210, ~~or 855.497.6937~~ or stop by our main office at 961 12th Avenue, Longview Monday-~~Thursday~~~~Friday~~ 7:00am-~~5:30pm~~, or email at customerservice@cowlitzpud.org.

15. Workplace Violence Policy

15.1 Objective

- 15.1.1 To establish policies which address physical and psychological threats in the workplace and shall be incorporated in the Employee Handbook. Notwithstanding this policy, the District is not responsible or liable for the criminal acts of another and any such reliance is deemed unreasonable.
- 15.1.2 The District is committed to providing a safe work environment for all employees and customers. The District shall respond promptly to Threats, acts of violence, and acts of aggression by employees or against employees by coworkers, customers, members of the public or others. In addition to other policies of the District located in the Employee Handbook, this document sets forth standards for employee conduct, guidelines for reasonable precautions, and outlines appropriate responses to violent acts or Threats of violence should they occur in the workplace.
- 15.1.3 Any employee, customer or visitor who makes Threats of violence, implied or direct, while on District property is subject to removal from the premises.

15.2 Construction

This policy shall be construed consistently with other laws, rules, regulations, and workplace rules adopted in the Personnel Policies and Procedures Handbook. To the extent any such rule conflicts with another, the rule providing the most safety for employees shall control. It is intended to supplement, not derogate, the effectiveness of existing laws and rules.

15.3 Prohibited Conduct

- 15.3.1 The District will address any Threat or actual act of violence made in the workplace of which it has actual knowledge, on District property, or while an employee is engaged in a District sponsored activity. This includes situations occurring outside a District location or District sponsored event that may negatively affect the work environment.
- 15.3.2 Workplace Violence involves physical assault, threatening behavior or verbal abuse occurring in a work setting, such conduct includes:
- Use of force with the intent to cause harm (e.g., Physical Attacks, any unwanted contact such as hitting, fighting, pushing, physical restraint, or throwing objects).

- Acts or Threats that are intended to intimidate, harass, threaten, or coerce fear of harm whether directly or indirectly (e.g., Stalking, loitering, loud or disruptive behavior or language).
- Acts or Threats made directly or indirectly by oral or written words, gestures or symbols that communicate a direct or indirect Threat of physical or mental harm.

15.3.3 Targeting victims with the intent to cause harm intentionally because of actual or perceived race, gender, age, religion, sexual orientation, ethnicity, or disability will be considered hate or bias crimes.

15.3.4 The District prohibits any person from possessing firearms and also prohibits the use of any type of Weapon at any District facility or District sponsored event unless otherwise provided by law.

15.4 Workplace Violence Prevention Program

15.4.1 The District's Safety [Superintendent-Manager](#) and the Manager of Employee Services are responsible for providing Workplace Violence prevention training to employees.

15.4.2 The District has a written Hostile Situation procedure that includes:

- A statement on commitment on Zero-Tolerance of Workplace Violence of which it has actual knowledge.
- Techniques on how to recognize and avoid Workplace Violence situations.
- Guidelines on how to respond during a Hostile Situation.

15.5 Information & Training for Employees

15.5.1 The District's Workplace Violence Policy and Hostile Situation Procedures are readily available to all employees on the intranet.

15.5.2 At the time of initial employment, and annually thereafter, the District provides employees with information regarding risks of violence within the workplace.

15.6 Retaliation

15.6.1 Retaliatory action against anyone acting in good faith who has made a complaint of Workplace Violence, who has reported witnessing Workplace Violence, or who has been involved in reporting, investigating, or responding to Workplace

Violence is a violation of this policy. Those found responsible for retaliatory action may be subject to disciplinary action up to termination.

15.7 Reporting Procedures

- 15.7.1 All employees should become familiar with the District's incident reporting procedures located in the Personnel Policies and Procedures Handbook and [Office-Accident Prevention](#) Safety Manual on the intranet.
- 15.7.2 Incidents of Workplace Violence, Threats of Workplace Violence, or observations of Workplace Violence are not to be ignored by any employee of the District. Workplace Violence should promptly be reported to your supervisor or Director, Safety ~~Superintendent~~[Manager](#), and the Manager of Employee Services, and when necessary to the police.
- 15.7.3 All employees are encouraged to report behavior they reasonably believe poses a potential for Workplace Violence in order to maintain a safe working environment.
- An individual involved in or witness to an incident of danger, such as personal injury, violence involving Weapons or Threat of Weapons, should immediately push the emergency button (if) located in the Customer Services area, notify the Office Safety Committee (ext. 672) and report it to police (dial 911).
 - An employee involved in or witness to an incident without Weapons or personal injury should report it immediately to his/her supervisor or Director.
 - The employee and supervisor are responsible for completing the "Employee Report of Accident While on Duty" form and reporting such incidents to the Safety ~~Superintendent~~[Manager](#) as soon as possible or within 24-hours following the incident.

15.8 Preventative Measures

- 15.8.1 All employees are responsible for helping to maintain a safe work environment and are urged to take reasonable precautions to prevent violence and other unsafe conditions in the workplace and report indicators of increased risk of violent behavior.
- 15.8.2 An employee is expected to notify his/her supervisor or Director, as well as the Manager of Employee Services, whenever a protective restraining order is granted, which mentions the District property or involves a District employee, and provide a copy of the order. The Manager of Employee Services will provide

the information to the Safety ~~Superintendent~~ Manager as necessary. appropriate efforts will be made to protect the privacy and sensitivity of the information provided.

- 15.8.3 Victims of domestic violence who believe the violence may extend into the workplace should act responsibly. If an employee believes that domestic or other personal matters may result in them being subject to violence extending into the workplace, they are encouraged to notify their supervisor or Director as soon as possible, as well as the Safety ~~Superintendent~~ Manager and Manager of Employee Services. Confidentiality will be maintained to the extent possible.

15.9 Response Procedures

Employees should refer to the ~~Office Accident Prevention~~ Safety Manual/Emergency Action Plan/Hostile Situation Procedure (Code Blue) for information on recognizing potentially Hostile Situations, de-escalation strategies, reporting incidents and detailed information as to how to respond to a Hostile Situation.

15.10 Responsibilities

15.10.1 Employees shall become familiar with the contents of this policy, and should follow the guidelines contained here within.

15.10.2 Directors and Supervisors are responsible within his/her area(s) of responsibility for the implementation of this policy.

15.10.3 Safety ~~Superintendent~~ Manager through the Office Safety Committee

- Assist Directors, supervisor, other District employees, and police in responding to Workplace Violence incidents.
- Disseminate this policy annually to all employees and post on the District's intranet site.
- Facilitate appropriate responses to reported incidents of Workplace Violence.
- Notify authorities, if appropriate, of reported Workplace Violence incidents.
- Document and maintain records of all incidents of Workplace Violence and notify respective Director of an incident with his/her employee, or other appropriate employees of an incident involving an employee.
- Investigate and communicate the incident with the Director or supervisor and initiate appropriate actions.

- Annually report to the General Manager and Board of Commissioners any Workplace Violence incidents and recommend policy changes, training issues, or security issues that were or should be implemented to maintain a safe working environment.

15.10.4 Other Departments

- Human Resources provides new employees with a copy of the Workplace Violence Policy and Office Safety Committee manual, at the time of hire.
- Human Resources maintains records of Orders of Protection and notifies the Safety [Superintendent/Manager](#).
- The Safety [Superintendent/Manager](#), and Human Resources, conducts employee training to include awareness and prevention of Workplace Violence.

15.11 **Related Reference, Policies, Procedures, Forms, and Appendices**

15.11.1 Personnel Policies and Procedures Handbook

15.11.2 [Office-Accident Prevention](#) Safety Manual

16. Board Acceptance

Dave Quinn, President

Execution Date:

Duane Dagleish, Vice President

Execution Date:

Bruce Pollock, Secretary

Execution Date:

Revision History

Date Approved by Board	Section(s) Revised
10/27/17	Combined policies to binder
4/24/18	Board Governance Policy
01/2019	Annual review and update to all policies
02/2020	Annual review and update to all policies
04/2021	Annual review and update to all policies
04/2022	Annual review and update to all policies
05/2023	Annual review and update to all policies
05/2024	Annual review and update to all policies
<u>05/2025</u>	<u>Annual review and update to all policies</u>



ADMINISTRATIVE POLICIES

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1. Preamble

These Administrative Policies have been adopted by Public Utility District No. 1 of Cowlitz County (“District” or “Cowlitz PUD”) in the interest of efficiency, economy, good stewardship of public funds, and safety in its operations in the distribution of electricity to its customers. The Policies are subject to revision by the Commission from time to time in order to meet these objectives. These Policies are to serve as a guide to the employees and representatives of Cowlitz PUD in their performance of the day-to-day business of the District. Construction details and specifications are written to conform with the present State and National laws governing such matters and are not intended to violate any State, National or Municipal ordinances or laws. Should any new laws or ordinances be adopted, these Policies shall be considered to be amended accordingly.

2. Definitions

Special terms when used in these policies shall have the following meanings:

Bullying: Unwanted offensive and malicious behavior that undermines an individual through persistently negative attacks. The behavior generally includes an element of personal vindictiveness, and is intended to undermine, patronize, humiliate, intimidate, or demean the recipient and shall not mean general management of an employee, including but not limited to, performance reviews or critique and employee discipline.

Customer: A ratepayer or any other person or entity that the District is legally obligated to provide electric services. End-use consumers of electric service and the parties who are financially responsible for such services provided, which includes any individual, partnership, corporation, organization, governmental agency, political subdivision, municipality, or any other entity supplied with electric service by the District at a service location.

Cyber Security: Measures taken to protect business and supervisory control and data acquisition (SCADA) computers and digital information against unauthorized access or attack.

Domestic and Family Violence: The use of abusive or violent behavior, including threats and intimidation, between people who have an ongoing or a prior intimate relationship or between family members.

Essential Records: Records that are essential to the continuity of District operations and essential during and after an emergency.

Hazing: The practice of rituals or other activities involving harassment, abuse, or humiliation used as a way of initiating a person into a group.

Hostile Situation: Any situation or interaction with an individual that demonstrates or possesses any of the defined or prohibited behaviors described within this policy.

Identity Theft: Fraud committed or attempted using the identifying information of another person without authority.

Intimidation: Acts including, but not limited to, unwarranted behavior intended to frighten, coerce, or induce stress or fear.

Office of Record: The department within the District, which by definition of its function, has primary responsibility for the maintenance and retention of the official record copies of a records series.

Physical Attack: Unwanted or hostile physical contact including, but not limited to, hitting, fighting, shoving, restraining, throwing objects, or use of weapons.

Property Damage: The intentional damage to property that includes property owned by the District or by employees, customers, contractors, or visitors.

Public Record: A “record” shall have the exact definition of “public record” as set forth in RCW 42.56.010 (3) and as may be revised from time to time by the state legislature, which states: Public record includes any writing containing information relating to the conduct of government or the performance of any governmental or proprietary function prepared, owned, used, or retained by any state or local agency regardless of physical form or characteristics.

Records Coordinator: One or more employees per department whose responsibilities of record keeping, setting up files and/or maintaining department records have been designated in their job description.

Records Inventory: A descriptive list of each record series in an office or file room/area, including the title, inclusive dates, quantity, arrangement, relationships to other series and description of significant subject content.

Records Management: The systematic control of the creation, receipt, maintenance, use, and disposition of records, including processes for capturing and maintaining records about business activities and transactions.

Records Management Coordinator: A full-time position that is responsible for developing and maintaining the District-wide records inventory.

Salary Adjustments: Change in the base wage of unrepresented employees based on performance.

Sensitive Information: Information that includes but is not limited to, private personal information, bank account numbers, credit card numbers, social security numbers, and driver’s license numbers of District customers and employees.

Social Media: Third-party online communication forums including, but not limited to: Twitter, Facebook, YouTube, Instagram, LinkedIn, news media blogs, and other regularly introduced business networking sites.

Stalking: An act that involves harassing or pestering an individual in person, in writing, by telephone, or by electronic format. Stalking also involves following an individual, spying on them, alarming the recipient, or causing them distress and may involve physical violence or the fear of physical violence.

Threat: The expression of intent to cause physical or mental harm. An expression constitutes a threat without regard to whether the party communicating the threat has the present ability to carry out the threat and without regard to whether the expression is contingent, conditional, or future.

Unrepresented Employees: Those employees not subject to a collective bargaining agreement.

Weapons: Any object that may be used to intimidate, attack, or injure another person or to damage property.

Workplace Violence: Acts including, but not limited to: intimidation, bullying, hazing, stalking, threats, physical attack, property damage, or domestic and family violence. This includes acts of violence committed by or against District employees. Such incidents may also involve customers, contractors, or visitors.

Zero-Tolerance: The standard that any behavior (whether implied or actual) violates the policy

3. Board Governance Policy

3.1 Organizational Statement

The goal of this Policy is to provide guidance and structure to the Board of Commissioners (“Board”) and staff of Cowlitz PUD while conducting the business of the District. Our mission is to provide customers safe, reliable, cost-effective, and sustainable electricity. These rules may be amended, or new rules adopted by a majority vote of the whole Commission. Along with this Policy, Commissioners are required to comply with applicable statutes, including the following:

- 3.1.1 Public Utility Districts, [RCW Title 54](#), [RCW Chapter 54.12](#) in particular
- 3.1.2 Public Officers and Agencies, [RCW Title 42](#)
- 3.1.3 The Open Public Meetings Act, [RCW Chapter 42.30](#)
- 3.1.4 The Public Records Act, [RCW Chapter 42.56](#) and [Preservation and Destruction of Public Records, RCW Chapter 40.14](#)

3.2 Purpose of Board of Commissioners

- 3.2.1 The Board of Commissioners is the legislative body of Cowlitz PUD. The Board operates under the provisions of Title 54 of the Revised Code of Washington and all other statutes and regulations applicable to public utilities. The powers of the District are exercised through a three-member Commission, each serving a six-year term, pursuant to [RCW 54.12.010](#).

The purpose of the Board of Commissioners, on behalf of the citizens of Cowlitz County, is to provide oversight of the District to fulfill its mission of providing customers safe, reliable, cost-effective, and sustainable energy.

3.3 Governance Focus

- 3.3.1 The Board will govern with an emphasis on:
 - Strategic leadership.
 - Encouragement of diversity in viewpoints.
 - Clear distinction of Board and General Manager roles.
 - Collaborative rather than individual decisions.
 - Being proactive rather than reactive.

- The District’s long-term impacts outside the organization, not on the administrative or programmatic means of achieving those effects.

3.4 Board Member Code of Conduct

- 3.4.1 Board members individually commit themselves in their elected capacity to ethical, businesslike, and lawful conduct, including appropriate use of their authority and decorum at all times when acting as Board members.
- 3.4.2 Board members must avoid even the appearance of impropriety to ensure and maintain public confidence in the District and the Board as a whole.
- 3.4.3 Board members must respect their individual fiduciary duty to protect and enhance the District as a customer-owned utility with due diligence using sound business judgment.
- 3.4.4 Board members shall at all times conduct themselves with civility and respect to one another, to District management and staff, and to members of the public.
- 3.4.5 Board members are strictly prohibited by law from entering into or engaging in any activity defined by [RCW 42.23](#) as a conflict of interest with their official duties as a Cowlitz PUD Commissioner.
- 3.4.6 Board members shall demonstrate loyalty to the interests of District customers. This supersedes any conflicting loyalty such as that to advocacy or interest groups, personal or business interests, and membership on other boards, or employment situations that may have interests adverse to the District and its customers. It also supersedes the personal interest of any Board member as a consumer of the District’s products and services.
- 3.4.7 Board members shall respect the confidentiality requirements regarding personnel, real estate transactions, proprietary matters, and attorney-client privileged communications, including those requirements listed under [RCW 42.30.110](#), Executive Sessions and any other confidential information that is gained through the Board member’s position.

3.5 Commissioner Job Description

- 3.5.1 The Commissioners, as elected representatives, are responsible for the following:
 - Ensuring the Board hears the strategic viewpoints and values of its customers/owners, the community, and other interested stakeholders.
 - Hiring the General Manager.

- Establishing and annually reviewing District policies to ensure a high quality of governance and compliance with state law.
- Collaborating with staff, reviewing and adopting the District’s Strategic Plan.
- Reviewing and adopting the District’s operating budget and rates annually.
- Preparing for and attending Board meetings and workshops.
- Seeking to enforce whatever action is needed to protect the District as required by law.

3.5.2 Board members may have access to District offices during normal office hours in the furtherance of Board business, Monday through Thursday, 7:00 a.m. to 5:30 p.m.

3.6 Board Training

3.6.1 All new Commissioners will receive the following training:

- District policies, including the Board Governance Policy.
- Financial practices, including rate setting and cost of service analysis.
- Legal requirements, including Title 54, Open Public Meeting Act, Ethics in Public Service Act, Campaign Disclosure and Contribution Act, Public Records Act, and any other training as required by law.
- Electric utility operations, including power supply.
- Other training approved by the Board beneficial to the District through industry, professional, and educational providers, such as the Washington Public Utility Districts Association and the Public Power Association.
- In-house training on communications/media, time entry, and expense reimbursement requests, etc.

3.6.2 Existing Commissioners will receive periodic training updates and any additional training upon request.

3.7 Board Compensation and Expenses

3.7.1 Board members shall receive a monthly salary, and in addition, per diem compensation for appearances or participation in events primarily aimed at making District decisions, receiving information related to decision making, speaking or directly participating in an activity representing the District in compliance with [RCW 54.12.080](#).

- 3.7.2 Further compensation for expense reimbursement shall be in accordance with the District’s Travel Reimbursement Policy pursuant to [RCW 54.12.080\(4\)](#).
- 3.7.3 Board members shall be afforded PERS, 401K, 457 plan and healthcare benefits consistent with other employees, as authorized by law, and as administered by staff. Provided, however, that for the purposes of PERS, Board members shall be imputed the requisite hours worked per month sufficient to accumulate and earn one (1) service credit per month.

3.8 Board Officers

- 3.8.1 The officers of the Board shall consist of a President, Vice President, and Secretary. The Board officers shall be elected and serve as follows:
- The election of each officer shall be at the first regularly scheduled Board meeting in January of odd numbered years, and each officer shall serve for two years. The election of each officer shall be determined by a majority of the Board.
 - Board Officers serve at the pleasure of the Board. Officers may be removed from their position by the vote of two Board members. The Board shall at a minimum elect a President and a Secretary. In the event of such removal, the vacated officer position shall be elected by the Board at the next regularly scheduled meeting.

3.9 Role of the Board President

- 3.9.1 The President of the Board shall:
- Preside over and facilitate Board meetings in accordance with this Governance Policy.
 - Ensure that the Board complies consistently with its own rules and policies, and those legitimately imposed on it from outside the organization.
 - Ensure that deliberation is fair, open, and thorough, but also timely, orderly and in conformance with the meeting’s agenda.
 - Schedule, coordinate, and participate in the process of evaluating the General Manager’s performance.
 - Have no individual authority to supervise or administratively direct the General Manager; any authority to direct or supervise the General Manager on the Board’s behalf must be expressly granted to the President by the Board.

- Assume any responsibility of the Board that is not specifically assigned to another Board member.
- Be allowed to delegate his or her authority as permitted by law, but remain accountable for its use.

3.10 Role of the Vice President

3.10.1 The Vice President of the Board shall:

- Perform such duties as are assigned by the President.
- Have all power and duties of the President in the absence or inability of the President to act.
- Have all powers and duties of the Secretary in the absence or inability of the Secretary to act, when not otherwise acting as President.
- Participate in the process of evaluating the General Manager's performance.

3.11 Role of the Secretary

3.11.1 The Secretary of the Board shall:

- Perform all duties incident to the office of Secretary as may be required by law or assigned to such office by motion, rule, or resolution of the Board.
- When appropriate, attest instruments and documents duly authorized by the Board.
- Have all the powers and duties of the President in the absence or inability of both the President and Vice President to act.
- Participate in the process of evaluating the General Manager's performance.

3.12 Unity of Control

3.12.1 Only decisions and instructions of the Board members acting as a Board are binding on the District's General Manager, General Counsel, Auditor and Treasurer, except in instances when the Board has specifically delegated the exercise of such authority to individual Board members.

3.12.2 In the case of Board members requesting information or assistance of District personnel without Board authorization, the General Manager, General Counsel, Auditor or Treasurer must refuse such requests that require, in their opinion, a material amount of staff time or funds or are otherwise unduly burdensome,

that may involve a conflict of interest between the District and the Board member requesting the information or assistance.

3.12.3 Board members may communicate directly with District employees or contractors. However, individual Board members shall not give direction to persons who report directly or indirectly to the General Manager, with the exception of the General Counsel, Auditor or Treasurer as provided under this Policy. Individual Board members shall disclose such communications to the General Manager within a reasonable time of the communication.

3.12.4 The Board and individual Board members shall refrain from evaluating, either formally or informally, the job performance of any staff other than the District's General Manager.

3.13 Legislative Activities

3.13.1 The authority of the Board and its individual members is expressly limited to their work at regular or special sessions of the Board and legislative activities including lobbying, on behalf of the District. Board members may not attempt to exercise individual authority over the District or its staff except as set forth and authorized in Board policies and allowed by law.

3.13.2 A Board member speaks only for himself/herself on matters relating to the Board unless specifically authorized by the Board to speak for or to represent the Board or participating in legislative activities, including lobbying, on behalf of the District. Where such Board authorization is necessary, it shall be a matter of record in the official Board minutes. In interactions with the public, the press or other entities, Board members must recognize this limitation and the inability of any Board member to speak for the Board or the District except to restate adopted Board policies or decisions or to speak with respect to their individual legislative activities permitted under this Policy. Members of the Board may represent their own points of view but should designate these points as their own if contrary to the official acts of the Board. A vote of the Board majority shall be binding on all members of the Board insofar as official acts are concerned.

3.13.3 Legislative activities of Board members are permitted under this Policy as follows:

- The Board and its individual members may participate in any and all legislative activities allowed by law without prior Board action on District issues that support the objectives of safe, reliable, and cost-effective distribution of electricity, and issues generally affecting municipal corporations.

- In that grassroots lobbying as described in [RCW 42.17A.640](#) is often difficult to recognize, Board members should be particularly careful not to invite customers, stakeholders, or others to lobby on behalf of the District.
- If a Board member lobbies without prior authorization of the Board, the lobbying Board member will report such activity at the next Board meeting that occurs after such lobbying.
- When the Board takes an official position through Board action, individual Board members may participate in any legislative activity, including lobbying, consistent with the official position and applicable law.
- None of the other provisions in other sections of this Policy are intended, or shall be interpreted, to restrict the ability of an individual Board member to participate in legislative activities, including lobbying.

3.14 Board Delegation to the General Manager

- 3.14.1 In accordance with [RCW 54.16.100](#), the General Manager is the chief administrative officer of the District, in control of all administrative functions and shall be responsible to the Board for the efficient administration of the affairs of the District placed in his or her charge.
- 3.14.2 Unless previously approved by the Board, the General Manager shall attend all meetings of the Board and participate in discussions as necessary.
- 3.14.3 The General Manager is authorized to carry out all current policies, make all decisions, take all actions, establish all practices, and develop all activities to achieve the goals set forth by the Board.
- 3.14.4 The Board shall develop policies that define the delegation to the General Manager with regard to the General Manager's authority.
- 3.14.5 The General Manager must bring to the Board's attention circumstances that affect the goals established by the Board and may request the Board to take appropriate actions.
- 3.14.6 The Board may change its delegation to the General Manager at any time, thereby expanding or limiting the authority of the General Manager, consistent with [RCW 54.16.100](#).

In the event of a temporary disability or absence of the General Manager, the General Manager shall, with the approval of the President of the Commission, designate a competent Director as acting manager.

3.15 Board-General Manager Relationship

3.15.1 The Board of Commissioners governs Cowlitz PUD and is the policy-making authority.

3.15.2 The Board is responsible for the following:

- Identifying and defining the purpose, values, and vision of the District, along with the results that the District is to achieve, and communicating them in the form of policy, resolution, or Board action.
- Making certain operational decisions as designated by law.
- Hiring, evaluating, and terminating the General Manager pursuant to [RCW 54.16.100](#), who is responsible for the managing of the day-to-day operations of the District.

3.15.3 The General Manager is responsible for the following:

- All operations and business affairs of the District.
- Achieving objectives established by the Board within the appropriate and ethical standards of business conduct.
- Enforcing District resolutions; administering directives, staff policies and procedures; hiring and terminating all employees; attending meetings of the Board and reporting on the general affairs of the District; and keeping the Board advised as to the current and future business needs of the District.
- Ensuring the smooth continuous operation of the District in the event of the planned or unplanned absence of the General Manager.
- Interacting with the public, other utilities, and government agencies, pursuant to District policies and direction provided by the Board.
- Perform other responsibilities as may be appropriately delegated by the Board.

3.16 Board-General Counsel Relationship

3.16.1 The General Counsel provides legal counsel to the District and to the Board. The General Counsel may report both to the General Manager and the Board.

3.16.2 The Board is responsible for hiring and terminating the General Counsel.

3.16.3 General Counsel shall advise the Board regarding potential conflict of interest issues or ethical matters. General Counsel shall provide assistance to individual

Commissioners in complying with applicable statutes and laws only when such advice does not conflict with the General Counsel's obligations to the District or to specific direction of the Board.

3.16.4 With respect to the Board, the General Counsel shall:

- Give his or her advice or opinion whenever he or she deems necessary, and when requested by the Board.
- Inform the Board of material legal issues impacting the District or the Board.
- When necessary, act independently of the General Manager.
- Provide counsel to the Board with regard to conflict-of-interest issues, ethics, and other applicable statutes and regulations as necessary.
- The General Counsel shall not provide legal counsel to individual Board members except as it relates to their role as Board members.

3.17 Board Relationship with Auditor and Treasurer

3.17.1 The District Auditor and Treasurer serve in the capacity set forth by RCW Title 54 and perform those duties where specified by [RCW 42.24](#) and [RCW 54.24](#), and shall be granted direct access to each other as provided by law in the performance of these duties.

3.17.2 The Board, by resolution, shall designate an Auditor and Treasurer. The General Manager, or designee, will supervise the day-to-day duties of any employee holding these positions.

3.17.3 The Auditor shall authorize payments for debts of the District. At Board meetings, the Auditor shall provide a list of all payments issued and shall certify to the Board that such disbursements satisfy just and due obligations of the District, in a manner specified by the State Auditor.

3.17.4 The Auditor shall conduct audit reviews and special projects requested by the General Manager or the Board. The work of the Auditor shall provide independent, objective assurance regarding the achievement of objectives in the following areas:

- Adherence to District policies and procedures.
- Compliance with applicable laws and regulations.
- Effectiveness and application of internal controls.
- Effectiveness and efficiency of operations.

- Reliability of data.
- Safeguarding assets.
- Financial health of the District.

3.17.5 The Auditor in the performance of his or her duties shall have unlimited access to all activities, records, property, and personnel of the District.

3.17.6 The Board shall receive the results of all audits by the State and those audits or special project evaluations requested by the Board. In all cases, audit reports will be provided to the Board and management so that appropriate action is taken pursuant to the reports.

3.18 General Meeting Rules

3.18.1 All Board members, employees, and members of the public shall preserve order, respect, decency, and decorum at all times while the Board meeting is in session.

3.18.2 No member shall, by conversation or otherwise, delay or interrupt the proceedings of a Board meeting, nor interrupt any member who is speaking.

3.18.3 Board members shall obey parliamentary orders of the President and shall confine their remarks to the subject under consideration.

3.18.4 No member shall use any impertinent, degrading, or slanderous language as to any other member, staff, or public.

3.18.5 There shall not be lectures, speeches, or grandstanding.

3.18.6 Any member or guest desiring to speak shall first be recognized by the Presiding Officer.

3.18.7 All cell phones shall be shut off or placed in silent mode during Board meetings. Full attention of the Board and staff at the meeting is expected at all times.

3.18.8 Any audio or video taping by the public and/or press shall not disrupt the proceedings.

3.19 Presiding Officer

3.19.1 The President shall preside at meetings of the Board and be recognized as the head of the Board for all ceremonial purposes. In case of the President's absence or temporary disability, the Vice-President shall act as President during the continuance of the absence.

- 3.19.2 The meetings of the Board shall be called to order at the appointed time by the Presiding Officer. In the absence of two Commissioners the meeting shall be cancelled due to lack of quorum.
- 3.19.3 The Presiding Officer shall preserve order and decorum; prevent attacks on personalities or the impugning of member's or public motives and confine members or public in debate to the question under discussion.
- 3.19.4 The Presiding Officer shall determine all points of order, subject to the right of any member to appeal to the Board.
- 3.19.5 The Presiding Officer shall state all questions submitted for a vote and announce the results.

3.20 Voting

- 3.20.1 The votes during all meetings of the Board shall be transacted as follows:
- Unless otherwise provided for by statute or resolution, all votes shall be taken by voice, except that at the request of any Commissioner, the Presiding Officer shall take roll call vote. The Presiding officer shall determine the order of the roll call vote.
 - The passage of any motion or resolution shall require a majority vote of the whole Board.
 - All Commissioners shall vote on all matters before the Board unless they have abstained.

3.21 Board Meetings and Agendas

- 3.21.1 The Board's regular scheduled meetings shall be set by resolution unless otherwise rescheduled and publicly noticed as required in [RCW 42.30.070](#).
- 3.21.2 Minutes of the Board meetings shall be taken by the Executive Assistant. Upon approval by the Board, minutes shall be uploaded to the District website and retained as a permanent record.
- 3.21.3 The General Manager, in consultation with his or her staff and Board shall prepare an agenda, with relevant documentation, for each regular meeting of the Board.
- 3.21.4 Individual Board members or the General Manager may place matters on Board agendas. Prior to placing an item on the agenda, a Board member shall confer with the General Manager. When Board members invite people to speak at a Board meeting, the Board member will confer with the General Manager in

advance so that there will be appropriate coordination with preparing the agenda.

- 3.21.5 A special meeting may be called at any time by the Board President or by a majority of the members of the Board, provided written notification is given to each Board member and the General Manager. Email shall be sufficient to comply with notification under this section.

3.22 Executive Sessions

3.22.1 Before convening into Executive Session per [RCW 42.30.110](#), the Presiding Officer of the Board shall publicly announce the purpose for excluding the public from the meeting place, and the time when the Executive Session will be concluded. The Executive Session may be extended to a stated later time by announcement of the Presiding Officer.

3.22.2 If the Board convenes an Executive Session to discuss what is permitted by law, there is no valid reason to disclose publicly what was discussed and reviewed privately. Everything which is discussed during an Executive Session, and all written materials that are reviewed during an Executive Session, shall be considered confidential and no Commissioner shall publicly disclose any such information. Public disclosure may be made in the event a majority vote of the Commissioners to approve the public disclosure prior to its disclosure. Any request for such a vote shall be first raised during an Executive Session for discussion purposes prior to a vote in open session.

3.22.3 Items discussed in Executive Session that require action of the Board shall be acted on in open session.

3.23 Preserving the Attorney Client Privilege

3.23.1 No Commissioner shall make any disclosures or release any information which would result in the waiver of the attorney/client privilege without first obtaining the approval of a majority of the Board in open session. Such a request for disclosure shall first be raised during an Executive Session for discussion prior to a vote in open session.

3.24 Board Members' Review and Use of District Records

3.24.1 The following procedures apply to any request to inspect records of the District that is made by a Commissioner in his or her capacity as a Board member:

- Board member requests to inspect District documents that are not required to be provided under the Public Records Act or which may be privileged or confidential in nature, shall be made to the General Manager. To the extent

allowed by law and this Policy, the General Manager shall provide the records for review on District premises during normal business hours.

- No privileged or confidential document shall be copied, electronically transmitted, or removed from District premises except with the written authorization of the General Manager, or Board majority if the General Manager denies such a request.
- With respect to privileged or confidential documents, Board members shall not engage in any conduct which could reasonably be expected to compromise the protected status of such information.

3.25 Board Member Communication and Correspondence

3.25.1 The Board acknowledges the right of each Board member to formulate and publicly express individual opinions regarding issues germane to their duties as District Commissioners. The Board further recognizes that Board members may articulate individual opinions on other matters of civic affairs or public interest not directly related to their duties as Board members.

3.25.2 When a Board member engages in communication of any type, he or she must recognize at all times that, in the eyes of the public, Board members are likely to be perceived as speaking as a District Commissioner, and as such their communication will reflect on and impact the other Board members and District staff.

3.25.3 When communicating on matters on which the Board has taken a formal position, it is acknowledged that any written correspondence be done under the signature of the Board President or entire Board, or by the General Manager on behalf of the Board. Such written correspondence should be on District letterhead.

3.25.4 In the event the majority of the Board has not taken a position on an issue, or has taken a position different from an individual's position, the Board member holding a minority position, or any opinion on a matter not yet before the Board for a decision, should, in any communication or correspondence on that matter clearly state that his or her opinion is their own, and is not the position of the Board or District as a whole. District letterhead shall not be used for such written communication.

3.25.5 In the event an individual Board member fails to make the above-referenced disclosure, the Board may itself or through the General Manager, issue a communication stating the District's position on the matter which may include information explanatory and supportive of the District's officially adopted position. If no position has yet been taken by the Board on the topic, the communication should disclose that fact.

- 3.25.6 In order to maintain open communications and prevent misunderstandings, and as a courtesy to the other Board members and District management and staff, Board members should disclose on the record at their meetings any significant communications they may have had with others on matters relating to the District.
- 3.25.7 Public Board meetings, as required by law, are intended to provide information from the staff and public to the Board members prior to decisions being made. Thus, Board members should refrain from taking or communicating positions on issues on which a public hearing is expected to be held prior to the holding of such hearings.
- 3.25.8 In accordance with the [Open Public Meetings Act](#) (OPMA), Board members:
- Shall not meet outside of public Board meetings to hold discussion or to take action as defined in [RCW 42.30.020](#).
 - Shall not meet as a quorum in violation of the OPMA.
 - Shall recognize that the requirements of the OPMA may apply to communications via telephone, email, instant messaging, or other forms of electronic communication.
 - May send information to other members of the Board on an informational basis, but exchanges of communications between staff and more than one Board member regarding District business must not occur outside of an official public Board meeting. Any communication sent for informational purposes as described above shall be sent by an individual Board member. The Board members will not “reply all” to any email or other electronic communication received by any member of the Board.
- 3.25.9 Board members shall not publicly make statements that may be considered an admission of liability on behalf of the Commission or the District without first consulting with the General Manager who may consult with the General Counsel.
- 3.25.10 Board members understand that all letters, memoranda and electronic communications or information (including email, texts, and voicemails) that relate to conduct of the District or the performance of any District function are public records that may be subject to disclosure under the [Washington Public Records Act](#) unless otherwise exempt by law. In the event the District receives a request for such records, the Board member(s) shall provide the records to the Public Records Officer of the District.

3.26 Violations of Governance Policy

- 3.26.1 This Policy is adopted with the intent that it is fully enforceable and that violations of the provisions of the Policy may result in action against Board members as provided herein and as may be provided by law. Any violation of these Rules of Procedure/Proceedings is deemed to constitute disorderly conduct by such member.
- 3.26.2 Any claim of a violation of this Policy shall be made in writing by a Board member or District employee and filed with the President, or Vice President if the President is the subject of the complaint. Any claim of violation must identify the conduct that is alleged to have constituted a violation and sufficient information to support the claim of violation. Any such claim shall be made part of the minutes of the Board meeting at which the complaint is discussed.
- 3.26.3 Members violating this Policy as determined by a majority of the Board, with the accused Board member abstaining from all voting with respect to the alleged violation and subsequent Board action, shall be subject to admonition for the first violation of a particular rule, reprimanded for the second violation, and censure for subsequent violations, defined as follows:
- Admonition. An admonition shall be a verbal statement approved by a majority of the Board made in open session and recorded in the minutes.
 - Reprimand. A reprimand shall be administered to the Board member by letter. The letter shall be prepared by the Board after action in open session to approve the letter. If the member objects to the contents of such letter, he/she may file a written request for review of the content of the letter of reprimand with the Board. The Board shall review the letter of reprimand based upon the request for review and any record established, and may take whatever action appears appropriate under the circumstances.
 - Censure. A censure shall be a written statement administered to the Board member in public during a regular Board meeting. The statement shall be prepared by the Board and signed by a majority of the Board. The Board member may appear and may make any statement in opposition to or mitigation of the censure. A censure shall be deemed administered at the time it is scheduled whether or not the Board member appears. The statement shall be included in the minutes of the meeting at which it is administered.

3.27 Indemnification

- 3.27.1 Pursuant to [RCW 54.16.095](#), whenever any action, claim, administrative filing or proceeding is instituted against any person who is or was an employee, official, agent, or Board member (collectively “indemnified party”) of the District arising

under the performance or failure of performance of duties for, or employment with the District, that individual shall be afforded coverage under the District's insurance policy without regard to any applicable deductible or retention, payment of which shall be the responsibility of the District. Should an insurer deny coverage, in whole or in part, or should there otherwise be no applicable insurance coverage the Board will grant a request by such person that a qualified attorney of the District's choosing be appointed by the District to defend said claim, suit, or proceeding, with the costs of defense (including the indemnified party's attorney's fees incurred in the course of defense), and any obligation for payment associated with the defense of such action, and any judgment, fine, or penalty, to the extent permitted by law, be paid from the District's funds. If the indemnified party is covered by a District insurance policy, decisions with respect to the proceeding will be made in accordance with said policy. If there is no applicable coverage and the proceeding is instead covered by the District, the District shall make all decisions with respect to the handling of the proceeding, including ultimate resolution, but shall make such decisions only after considering any information provided by the indemnified party. PROVIDED, That costs of defense and/or judgment or settlement against such person shall not be paid in any case where the court has found that such person was not acting in good faith or within the scope of his or her employment with or duties for the District, or in violation of this Policy, pursuant to [RCW 54.16.097](#), or where the law does not permit the District to pay a judgment, fine or penalty. However, the cost of establishing whether the law permits the District to pay a judgment, fine or penalty, will be paid by the District.

All Commissioners shall cooperate in good faith with any insurance carrier or attorney representing the District in connection with a defense of any litigation against the District.

- 3.27.2 The District shall provide the expense of defending against criminal prosecution to the extent allowed by law.
- 3.27.3 The necessary expenses of defending a Board member in a judicial hearing to determine the sufficiency of a recall charge shall be paid by the District if the Board member requests such defense and approval is granted by both the Board and the General Counsel, pursuant to [RCW 4.96.041\(3\)](#). The expenses paid by the District may include costs associated with an appeal of the decision rendered by the superior court concerning the sufficiency of the recall charge. To the extent this section conflicts with other provisions under this Policy, this section shall control.

4. Financial Policy

4.1 Objective

4.1.1 This Policy shall establish financial policies to provide management and staff guidance in managing the finances of the District and in developing financial plans and rates for current and future years to attempt to maintain an investment grade credit rating of no less than A- or its equivalent while being fiscally responsible to the customers. This Policy applies to both the Distribution and Production Systems.

4.1.2 This Policy is to address the following key issues relating to properly managing the financial affairs of the District in order to meet this objective:

- Liquidity
- Debt Service Coverage
- Debt/Equity Financing of Capital Expenditures
- Rates and Cost-of-Service Analysis
- Other Items (as described in this section)

4.2 Liquidity

4.2.1 Operating Reserves. Operating Reserves provide funding for day-to-day operations, working capital, serve as a cushion for poor performance against budget and other unforeseen events. The District shall attempt, at all times, to maintain adequate Operating Reserves by setting a target reserve level comprised of 90 days of operating and maintenance (O&M) expenses excluding depreciation. Given the impact of the District's large major industrial customers on the liquidity target, a portion of the target may be met with a credit instrument subject to an evaluation of the related risks and uncertainties.

4.2.2 Rate Stabilization Reserves - Regulated entities, such as the District, are allowed under accounting standards to defer certain income and expenses as it relates to the Commission's rate-making authority. The District's bond documents provide for the use of Rate Stabilization in any fiscal year for the purpose of complying with bond covenants. The District's Rate Stabilization program and use requires Commission approval taking into consideration the District's Debt Service Coverage target, need for funds and rate planning. District staff will periodically review with the Commission the funding level in coordination with other available liquidity to ensure that the fiscal needs of the District are being met. Based on an analysis of historical hydro volatility, the District's overall cash position and allowing for two consecutive poor generation years, the rate stabilization account is set at minimum balance of \$25 million. If at any time, District financial forecasts indicate the rate stabilization account will fall below

the minimum balance, the Commission will take action to establish a plan to replenish such account back to the predetermined minimum level.

- 4.2.3 Other Specific Reserves – The District may establish reserves for other specific items including external restrictions such as bond requirements or contractual obligations and internal restrictions. Examples of internal restrictions include customer deposits, energy efficiency/conservation funds, capital infrastructure reserves, energy/capacity resources, contingency funds, employee benefits, known operating requirements, such as the Lewis River Cost Share Agreement, etc.
- 4.2.4 The District shall maintain the capability to borrow via a short-term line of credit or obtain other short-term financing to support liquidity needs or to bridge other financing or rate action.
- 4.2.5 The District may enter into letter of credit or escrow (custodial) arrangements to support transactions with counterparties and to comply with state law, such as Washington’s Climate Commitment Act (CCA).

4.3 Debt Service Coverage

- 4.3.1 Debt Service Coverage indicates the District’s ability to meet its commitment to paying the debt service (principal and interest) on outstanding debt. The ratio is calculated by dividing the annual net revenues as defined in the bond resolution by the total annual debt service payment. The District will develop financial plans to achieve a Distribution System Debt Service Coverage target minimum of 1.50. The minimum debt service coverage pursuant to bond resolution covenants is 1.25. The Debt Service Coverage Ratio requirement for the Production System is 1.00. The ratio for the combined systems should be no lower than 1.25.

4.4 Debt/Equity Financing of Capital Expenditures

- 4.4.1 The electric generation, transmission and distribution business is a capital intensive industry with a long-anticipated service life. The cost of significant capital improvements can put a burden on today’s customers if a utility attempts to pay for such improvements or facilities completely out of current revenue. This policy attempts to strike a balance between the benefits of such investments and the associated recovery from current and future customers while at the same time keeping total indebtedness and overall financial position to fiscally prudent levels.
- 4.4.2 Given the District’s current financial position, or until conditions warrant, the intent is to fund capital needs out of rates and/or reserves with no additional debt. Exceptions to this approach could be construction/acquisition of a generation asset or other major capital project. The financing term for capital

expenditures is expected to be 20 years for transmission and distribution facilities and 30 years for generation facilities.

- 4.4.3 The District's target for debt to assets (defined as external debt divided by total assets) is 25% or less to allow for financial flexibility. The Commission may direct staff to exceed this ratio when circumstances warrant as noted above. The District is in compliance with this metric.

4.5 Rates and Cost-of-Service Analysis

- 4.5.1 The chief objective of rate setting shall be to ensure the revenue requirement meets normal operating and capital needs consistent with the financial policies of the District including cash requirements and liquidity, debt service coverage and debt financing limits. The District desires to maintain competitive rates as compared to benchmark utilities but this objective, while important, is subordinate to the District's financial policies specified above.
- 4.5.2 The revenue requirement and rate sufficiency shall be evaluated annually.
- 4.5.3 Rates should be developed so as to minimize the subsidization of one rate class by another. Cost of Service Analysis (COSA) should be conducted every three to five years with results presented to the Commission. Drivers impacting the need to conduct a COSA include significant changes to infrastructure, power resources/costs, customer mix, other operating costs, and debt.

4.6 Power Supply and Market Assumptions

- 4.6.1 District staff shall use financial forecast assumptions for power supply and the electric market that reflect expected results, and such assumptions will be reviewed and approved by the Board during the annual budget review process.

4.7 Risk Management

- 4.7.1 The General Manager shall establish a Risk Management Advisory Committee (RMAC) to serve as advisors in managing power supply risk for the District. The objective of the RMAC shall be to advise the General Manager on methods to achieve the net power supply budget while operating under the risk management policies and limits approved by the Commission. The risk management program shall be designed to accept reasonable exposure to power market price volatility, variation in generation volume and counterparty credit exposure in order to effectively manage the risks associated with the District's power supply portfolio. The General Manager and RMAC may consider derivatives and other hedges as a means of minimizing risk to the District. Trades for speculative purposes are prohibited.

4.8 Insurance Coverage

- 4.8.1 Ensure adequate insurance coverage to protect the District from significant losses. Maintain insurance, self-insurance, reserves and/or participate in an insurance pool to protect against risk of property, casualty, liability and health and welfare losses.

5. Investment Policy

5.1 Objective

- 5.1.1 The District's investment approach is designed to safeguard assets (principal preservation), maintain availability of funds (liquidity), earn a reasonable rate of return, and conform to all Washington statutes governing the investment of public funds.
- 5.1.2 This Policy applies to all cash and investments of the District, including unrestricted and restricted funds, unless legal restrictions dictate otherwise.
- 5.1.3 Funds may be combined for investment purposes. Specific records shall be maintained identifying the ownership of the original funds and any resultant interest earnings.

5.2 Authority and Responsibility

The Director of Accounting and Finance (CFO) and District Treasurer are responsible for the management of the District's funds and investments. No person may engage in an investment transaction except as provided for under the terms of this Policy. Investment oversight is provided by the District's Risk Management Advisory Committee (RMAC) with annual reporting by the CFO to the Board of Commissioners. The RMAC shall review the District's investment portfolio at least annually, by no later than August 31st of each year, and provide any recommended changes, in writing, to the CFO. Any changes adopted by the CFO shall be reported to the Board as part of the next regularly scheduled Board meeting.

5.3 Investment Objectives

The primary objectives, in priority order, of the District's investment activities shall be:

- **Safety:** Safety of principal is the foremost objective of the District. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.
- **Liquidity:** The District's investment portfolio will remain sufficiently liquid to enable the District to meet all operating requirements, which might be reasonably anticipated.
- **Maturity:** To the extent possible, the District will attempt to match its investments with anticipated cash flow requirements. As a general rule, the District's investments are purchased with the intent of holding the security until maturity. However, the District may sell investments early to meet unexpected cash flow needs, mitigate risk associated with a security type or issuer, or to capture increased yield when appropriate. Unless matched to a specific cash flow or as

designated in specific bond resolutions, the District generally will not directly invest in securities maturing more than five years from the date of purchase.

- Return on Investment: The District's investment portfolio shall be managed with the objective of attaining a market rate of return, taking into account the District's investment risk constraints and cash flow needs. The benchmark to be used in evaluating investment performance shall be the yield of the State LGIP.

5.4 Authorized Financial Dealers and Institutions

The District will maintain a list of financial institutions and brokers/dealers authorized to provide investment services to the District.

5.4.1 Financial institutions must be approved by the Washington Public Deposit Protection Commission (RCW 39.58).

5.4.2 Approved security broker/dealers selected by credit worthiness - These may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule). Qualified broker/dealers will be reviewed by the District on an annual basis. All brokers/dealers who desire to do business with the District must provide the following:

- Annual audited financial statements
- Proof of FINRA (Financial Industry Regulatory Authority) certification
- Proof of registration in the State of Washington

5.4.3 All District funds shall be deposited in a qualified public depository in the State of Washington, in accordance with RCW 39.58, except for such funds that have been authorized by District resolutions to be deposited in other such authorized and designated depositories.

5.5 Authorized Investments

5.5.1 The District's investment portfolio is limited to investments authorized by statute RCW 39.58, 39.59, 43.84.080 and 43.250, as amended.

5.5.2 As a standard practice, the District shall use a competitive bid or market-based comparison process. In competitive bid processes, brokers/dealers will compete for investment transactions. However, it is recognized that this may not be reasonable or practicable for every investment decision. In market-based comparison processes, offered securities will be evaluated based on their comparative value to similar duration US Treasury securities.

5.6 Safekeeping and Custody

All security transactions entered into by the District shall be conducted on a delivery-versus-payment (DVP) basis. Securities will be held by a third party custodian

designated by the Treasurer, except for locally purchased Certificates of Deposit which confirmation of such shall be held by the Treasurer. Any such custodian shall be a qualified public depository in the State of Washington.

5.7 Diversification

5.7.1 The District will diversify its investments by security type and institution using the following guidelines based on the total daily portfolio balance at amortized cost at the time of purchase:

<u>Investment Type</u>	<u>Limits</u>	
	<u>Portfolio</u>	<u>Issuer</u>
U.S. Treasury Securities	100%	100%
State LGIP	100%	N/A
Government Sponsored Agencies	50%	15%
Commercial Paper	15%	3%
Certificates of Deposit	40%	15%
Municipal Bonds	25%	5%
Bank Accounts	75%	25%

5.7.2 Short-term exceptions (less than 30 days) may be allowed to accommodate transaction execution. Any proposed exceptions driven by market conditions must be approved by the RMAC.

5.7.3 Funds held in Banks will not, at the time of deposit, exceed the total net worth of the specific depository as reported in the most recent copy of the Washington Public Deposit Protection Commission Quarterly Report. The aggregate amount of Bank Accounts and Certificates of Deposit will not exceed 75% of the portfolio or 25% per issuer.

5.8 Risk and Mitigation

5.8.1 Interest Rate Risk is defined as the risk that changes in interest rates of debt instruments will adversely affect the fair value of an investment. Credit Risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Custodial Credit Risk is the risk that, in the event of a failure of the counterparty, the District will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. Concentration of Credit Risk is the risk of loss attributed to the magnitude of investment held by a single issuer.

5.8.2 As part of risk evaluation, the District will analyze and mitigate the portfolio's exposure to these risks as follows:

- Adhering to maturity guidelines
- Limiting investments with those issuers or counterparties authorized by Statute
- Prequalifying financial institutions and brokers authorized to transact with the District
- Diversifying the portfolio
- Requiring that securities purchased are held by a master custodian or other entity legally allowed to act as an independent third party on behalf of the District

6. Rate Administration Policy

6.1 Objective

Cowlitz PUD recognizes the need for equity and fairness in the administration of its rates and changes in rates. The Board adheres to the principle of cost-based ratemaking utilizing approaches standard to the public utility industry. The Board recognizes the relative costs to serve customer classes can change over time. In order to minimize significant changes in rates to any given customer class, changes in retail rates due to changes in the cost of service may be adjusted gradually over time.

6.2 Authorization

The Director of Accounting and Finance shall have primary authority for the proper development of rates, and the Director of Customer Service and Compliance shall have the primary responsibility for the proper administration and implementation of the District's rate schedules.

6.3 Proration of Rate Changes

As the District's costs of providing service change, modification in rates become necessary. The effective date of a rate change should be applicable to the date energy is consumed, not the date a bill is processed and issued. In implementing a change in rates, a calculation shall be made to determine the average daily consumption for the specific billing period in question. For the consumption prior to the change in rates, the rate in effect during those days shall be applied to the average daily consumption of that billing period. For consumption after the change in rates, the average daily consumption for those days shall be applied to the changed rate. The customer's bill should be the summation of those two periods. This can generally be expressed in the form of an equation:

$$B = (ADC * D1 * R1) + (ADC * D2 * R2), \text{ where}$$

B equals the billed amount

ADC equals the average daily consumption for the billing period

D1 equals the number of days in the billing period prior to the change in rates

D2 equals the number of days in the billing period after the change in rates

R1 is the energy rate in effect prior to the change in rates

R2 is the energy rate in effect after the change in rates

6.4 Demand Charges

Demand charges, in rate schedules as applicable, apply to the customer's peak demand during the billing cycle. That demand shall be charged at the rate in effect on the date the bill is issued.

6.5 Base Charge

The Basic Charge is a flat daily fee designed to collect revenue to pay for costs the District incurs that are primarily fixed in nature, rather than customer energy consumption or peak demand. As the Basic Charge is a daily fee, no proration is needed with a rate change. Each day in the rate change billing cycle will be billed at the applicable rate before and after the effective date of the rate change.

7. Compensation Policy

7.1 Objectives

- 7.1.1 To adhere to the Board's strategic plan directive of providing a salary structure that will attract and retain the technical, skilled, and committed workforce needed to fulfill the District's mission.
- 7.1.2 To competitively compensate employees based on performance and utility industry market conditions.
- 7.1.3 Provide a framework to support growth and development opportunities within the District and flexibility to respond to the ever-evolving labor and market conditions.
- 7.1.4 Continue to support a culture of delivering excellent performance and service to our customers through employee best efforts and best practices.
- 7.1.5 To establish a lawful method for payment of wages to Unrepresented Employees that incents quality work performance. The Policy does not provide automatic or guaranteed wage increases to Unrepresented Employees; instead, they may be afforded increases or decreases to wages based on their market comparison and performance which shall be administered by the General Manager in a manner consistent with the terms of this Policy.
- 7.1.6 To establish a lawful method of compensation for the General Manager to be achieved in an open, transparent manner.
- 7.1.7 This Policy shall not affect any other benefit or means of compensation afforded to any employee, under separate policy such as those policies covered in the Employee Handbook or a collective bargaining agreement.

7.2 General Manager Compensation

- 7.2.1 All forms of General Manager compensation may be itemized in an employment contract, which shall be authorized by Resolution in a duly noticed open public meeting. Both the employment contract and any such Resolution shall be subject to the Public Records Act of Washington state and shall be authorized pursuant to RCW 54.16.100 and other applicable law. Board discussions of the General Manager's performance shall be conducted in Executive Session unless the General Manager requests that it be conducted in open session. Final action of the Board fixing or modifying compensation shall be by Resolution in an open public session of a duly noticed Open Public Meeting of the Board of Commissioners.

7.2.2 In establishing and modifying the compensation paid to the General Manager the Board may consider the following factors: (1) performance, (2) demonstrated competencies, (3) workplace behavior, (4) the range of compensation paid to General Managers from comparable utilities, either regional and/or national, and (5) the overall best interest of the District.

7.3 Salary Structure for Unrepresented Employees

7.3.1 The District uses a market pricing approach to compensation. The District shall survey relevant labor markets periodically, or as necessary, to identify the market value of the District's positions. This assessment will not measure or consider the personal qualifications, tenure, performance, or current rate of pay of individual employees.

7.3.2 The District's salary structure shall be based on the utility industry labor market and the District's strategy to establish a competitive pay program. Each position is placed in a salary grade based on its value in the marketplace, with a minimum, midpoint, and maximum pay rate. In limited situations where market data is not readily available, positions will be slotted into the salary structure based upon internal evaluation and consideration of pay equity to other relevant positions at the District.

7.3.3 Salary ranges in the District's salary structure shall be developed and maintained through the use of labor market surveys. Typically, the District's external market for Unrepresented Employees is from utilities in Washington, Oregon, and Idaho (Pacific Northwest). For positions with a broader geographic recruitment area and/or require skills that are applicable across multiple industries, the market surveys may include general professional and management surveys, a mix of public sector and private organizations, etc. The District shall use salary surveys to:

- Determine where District salary rates for certain positions stand in relation to the labor market.
- Determine the competitiveness of District starting salaries in relation to the market.
- Determine the percentage and amount to allocate for salary increases.

7.4 Establishment of the Cost of Labor in Open Session

7.4.1 Annually, the Manager of Employee Services will review salaries and market data to prepare recommendations for the salary budget for the following fiscal year. The recommendations will consider anticipated increases for market,

grade movement, promotions and adjustments based on individual performance.

- 7.4.2 After approval by the General Manager the proposed salary budget will be incorporated into the overall budget for Board approval through the annual budget process.

7.5 Division of Cost of Labor Salary Adjustments

- 7.5.1 The department Director shall evaluate employee performance and establish Salary Adjustments for Unrepresented Employees within their direct reports group.
- 7.5.2 The General Manager and Manager of Employee Services shall retain discretion over Salary Adjustments proposed for employees so long as the adjustment does not exceed that of the established salary grade range for the position. The General Manager shall modify, accept, or reject all such recommendations concerning Salary Adjustments taking into account employee performance, market conditions, grade movement, promotion, Equal Pay and Opportunities Act and other similar considerations.
- 7.5.3 No Salary Adjustment shall result in an adjusted salary above the wage of the General Manager.
- 7.5.4 The General Manager has the authority to promote employees, combine job duties and responsibilities and adjust wages to reflect the new duties in order to fill existing open positions or create better efficiency within the organization so long as the new wages for such positions fall within the salary grade structure and do not exceed the current annual budgeted labor dollars for full time employees.
- 7.5.5 Standardized Evaluation Forms. The General Manager and Directors shall use a standardized means of performance evaluation, which shall require evaluation of Unrepresented Employees' performance based on written goals or expectations established by his/her supervisor, competence, workplace behavior and demonstrated value to the District. There may be additional criteria for the evaluation of job performance for supervisors.

7.6 Timing of Evaluations

Performance evaluations are conducted at least annually during the fourth quarter of each calendar year. The performance evaluation is part of each employee's personnel record. Employees will be given an opportunity for written comment on each performance evaluation. Each employee will be asked to review and sign performance evaluations to document that he or she has read them and had an opportunity to comment. A signature on the performance evaluation does not imply agreement or disagreement with the

performance evaluation. Employees may obtain a copy of performance evaluations for their own records through their NEOGOV account.

8. Electronic Signatures and Records Policy

8.1 General Provisions:

- 8.1.1 With the enacting of the Uniform Electronic Transactions Act, codified in Title 1 RCW, the law provides that electronic signatures and electronic records related to a transaction shall have the same legal authority as original ink signatures and paper documents. [RCW 1.80](#)
- 8.1.2 A record or signature may not be denied legal effect or enforceability solely because it is in electronic form.
- 8.1.3 If a law requires a record to be in writing, an electronic record satisfies the law.
- 8.1.4 If a law requires a signature, an electronic signature satisfies the law.
- 8.1.5 It is the intent of the District to authorize the use of electronic records and electronic signatures to the extent authorized under the Uniform Electronic Transactions Act, subject to the conditions herein or those the General Manager may hereafter specify in the best interest of the District.

8.2 Electronic Signatures

- 8.2.1 The District authorizes the use of electronic signatures internally and shall accept electronic signatures from counterparties with reasonable assurance of the identity of the signer.
- 8.2.2 Forms of acceptable electronic signatures include the following:
- 8.2.3 A “digitized signature”, a graphical image of a handwritten signature applied to the electronic document by the signer.
- 8.2.4 A “digital signature” created when the signer uses their private signing key to create a unique mark on an electronic document.
- 8.2.5 A “click through” or “click wrap” program, which the signer signs by clicking a button, or typing his or her name, and providing some other personal identifier, or type “I agree”.
- 8.2.6 A PIN or password e-signature, where the signer enters identifying information, which may include an identification number, the person’s name and PIN or password earlier set up in the system.
- 8.2.7 Any other legally acceptable method of electronic signature.
- 8.2.8 Reasonable assurance of the identity of a signer can be obtained through the document being sent to and then received from the known email address of the

counterparty, legally certified through a third party such as DocuSign, comparison of a digitized signature with a sample previously authorized or that on a form of identification or any other manner of reasonably confirming identification.

8.3 Electronic Documents

8.3.1 The District acknowledges electronic documents to be of the same legal significance as original, paper documents and authorizes the use of electronic documents throughout the course of business.

8.3.2 Electronic records shall be maintained and retained in accordance with the Secretary of State Retention Schedules or as otherwise required by law.

8.4 Amendments to this Policy

8.4.1 The General Manager is authorized to amend, approve exceptions, or require additional conditions to this policy as necessary in the best interest of the District.

9. Public Records Act Policy

9.1 General Provisions:

- 9.1.1 It is the policy of the District to release records of the District in compliance with the Public Records Act (the "PRA"), set forth in RCW 42.56, and any other applicable provisions of federal or state law. This Policy shall be construed in a manner that is in compliance with RCW 42.56, and consistent with Administrative Rules promulgated in connection therewith, and as they may be modified in the future.
- 9.1.2 The purpose of this Policy is to comply with RCW 42.56, the PRA. Except where these guidelines are mandated by statute, the guidelines in this Policy are discretionary and advisory only and shall not impose any affirmative duty on the District. The District reserves the right to apply and interpret this Policy as it sees fit, and to revise or change the Policy at any time.
- 9.1.3 This Policy shall be available at the District's Main Office and posted on the District's Website.

9.2 Organization of the District

- 9.2.1 The District's Main Office is located at 961 12th Avenue in Longview, WA 98632. All Record Requests shall be received at the Main Office. The Main Office is open 7 a.m. to 5:30 p.m., Monday through Thursday, except legal holidays.
- 9.2.2 The District is managed by a Board of Commissioners.

9.3 Public Records Officer

- 9.3.1 The District's Public Records Officer currently is the District's Records Management Coordinator. The Public Records Officer shall designate an Assistant Public Records Officer. The Assistant Public Records Officer shall carry out all of the Public Records Officer's duties when the Public Records Officer is not available due to vacation, sick leave or otherwise. All requests must be directed to the Public Records Officer or his/her designee. The Public Records Officer may be contacted in person at the Main Office; via first class mail addressed to the Public Records Officer, PO Box 3007, Longview, Washington 98632; or via email at publicrecords@cowlitzpud.org.
- 9.3.2 The Public Records Officer must demonstrate sufficient training and acumen in matters pertaining to RCW 42.56. This may be achieved through on-line or live attendance at conferences addressing the PRA, annual declaration filed with the Auditor stating he or she has reviewed the public records policies, or some other combination of training and experience which reasonably assures the public of his or her qualifications to act as the Public Records Officer.

9.3.3 The Public Records Officer may delegate any of its responsibilities to District staff, but remains ultimately responsible for overseeing compliance with the PRA and the Policy. The Public Records Officer shall:

- Be responsible for implementing the District’s process regarding disclosure of Public Records;
- Serve as the principal contact point with any Requester who has made a Records Request to the District, unless the Public Records Officer has delegated these responsibilities for a particular Records Request to a staff member;
- Coordinate District staff in this regard, generally ensuring the compliance of the staff with Public Records disclosure requirements;
- Make the final decision in cooperation with the General Manager and Risk Compliance Manager regarding disclosure and application of exemptions; and
- Maintain the agency's indices, if any.

9.3.4 All Records Requests shall be made to the Public Records Officer. All subsequent communications from a Requester should also be directed to the Public Records Officer unless a staff person has been delegated the responsibilities for a particular request.

9.4 How to Make a Public Records Request

9.4.1 Public records may be inspected, or copies of Public Records may be obtained by the public at the District’s Main Office upon compliance with the following procedures:

9.4.2 All requests must be directed to the Public Records Officer. The District encourages that all requests be made in writing. A request may be submitted through the District’s website, or by completing a form available upon request at the District’s Main Office. The form may be mailed, emailed, or delivered in person to the Main Office. The request should include the following information:

- The name and address of the Requester;
- The date of the request;
- A detailed description of the Record(s) being requested;
- Whether the Requester wants copies (either paper or electronic), or wants to inspect the requested Record(s);

- The address where copies are to be mailed or emailed if copies are requested;
 - A statement certifying the records being requested will not be used for a commercial purpose; and
 - The signature of the Requester.
- 9.4.3 When a Records Request is made orally, the District should confirm the request in writing in its initial 5-day response. Any such request must be made during the Main Office's normal business hours.
- 9.4.4 All requests should be made to the Public Records Officer. Any Records Requests received by District staff other than the Public Records Officer shall be immediately transmitted by staff to the Public Records Officer.
- 9.4.5 When law enforcement authorities request customer records, in addition to the information listed under section 9.4.2 above, the law enforcement authority must also provide the District with a written statement in which the authority states that it suspects that the particular person to whom the records pertain has committed a crime and the authority has a reasonable belief that the records could determine or help determine whether the suspicion might be true.
- 9.4.6 Only Public Records as defined by RCW 42.56.010 are subject to disclosure. All Public Records are and shall remain the property of the District. Outgoing officials and employees shall deliver such records to their successors. Public Records are preserved, stored, transferred, destroyed, and otherwise managed in accordance with the Public Records Policy, Records Management Policy, and applicable state law.
- 9.4.7 Only existing records may be requested. The District is not required to create a record in response to the Records Request. If a request does not identify an existing record, or if the request is for information and not for a Public Record at all, the District shall so inform the Requester.

9.5 Procedure for Response to Request

- 9.5.1 The District shall respond promptly to a Records Request. Pursuant to RCW 42.56.520, within five business days of receiving a Records Request, the District shall respond by:
- Providing the record or notifying the Requester that the documents are available; or
 - Providing an internet address and link on the District's web site to the specific records requested, except that if the requester notifies the District

that he or she cannot access the records through the internet, then the District will provide copies of the record; or

- Acknowledging the request in writing and providing a reasonable estimate of the time the District will require to respond to the request;
- Acknowledging the request and seeking clarification from the Requester, and providing a reasonable estimate of the time the District will require to respond to the request if it is not clarified; or
- Denying the Records Request.

9.5.2 Additional time may be necessary to respond to a request based on the need to:

- Locate and assemble the record(s) requested;
- Notify third parties affected by the request; or
- Determine whether any of the information requested is exempt and that a denial should be made as to all or part of the request.

9.5.3 If the Requester fails to clarify the request, and the entire request is unclear, the District may deem the request abandoned and need not respond to it. However, the District will respond to that part of the request, if any, which is clear.

9.5.4 When a Records Request is for a large volume of records, the District may elect to provide records on an installment basis. In such case, the Public Records Officer should provide a reasonable estimate in the Acknowledgement Letter both when the first installment will be available and when the entire request will be completed.

9.5.5 9.5.5 Notice to Third Parties: If a Public Record contains personal or proprietary information that identifies an individual or organization, the District may notify that individual or organization to allow the third party to seek relief pursuant to RCW 42.56.540. The District may send this notice to the individual or organization if releasing the personal information could damage the individual or organization, or government operations, or is not in the best interest of the public. The notice should include the record being requested, the date the District intends to release the record, and how the individual or organization can prevent release of the record.

- The District may take this into account when providing an estimate for when the records will be available. The District should also review any contracts with third parties that may contain special notice provisions. The District will release the record by the specified date if no one objects or the contacted party does not respond by the specified date. This procedure shall not create any rights to third parties to such notice.

- The District may also send a written notice to the Requester notifying him/her that notice has been provided to a third party, the date response is due from the third party and that disclosure may be denied.

9.6 Exemptions

9.6.1 After the District has gathered responsive records, the District shall determine whether an exemption applies to all or part of the record. The District need not disclose Public Records exempt from public inspection and copying under RCW 42.56 or any other state or federal statute or regulation, including but not limited to:

- Records that are protected by trade secrets law;
- Valuable formulae, designs, drawings, computer source code or object code, and research data obtained by any agency within five years of the request for disclosure when disclosure would produce private gain and public loss;
- Personal information in files maintained for Board Members and District employees to the extent that disclosure would violate their right to privacy, including but not limited to addresses, phone numbers, Social Security numbers, voluntary deductions, marriage status, number of dependents, and any garnishment deductions;
- Preliminary drafts, recommendations, and intra-agency memoranda in which opinions are expressed or policies formulated or recommended, except that a specific record shall not be exempt when publicly cited by the Board in connection with any Board action;
- All applications for public employment, including the names of applicants, resumes, and other related materials submitted with respect to an applicant;
- The residential addresses and telephone numbers of employees or volunteers of a public agency which are held by the agency in personnel records, employment or volunteer rosters, or mailing lists of employees or volunteers;
- Customer addresses, telephone numbers, electronic contact information, and customer-specific utility usage and billing information in increments less than a billing cycle;
- Attorney work product that would not be available to another party under the rules of pretrial discovery for causes pending;
- Records that, if disclosed, could impact the agency's physical or information security, specifically when release could significantly disrupt the conduct of

government and are substantially likely to threaten public safety including vulnerability assessments and plans and records exempt under federal law related to domestic preparedness for acts of terrorism;

- Any record which is exempt from disclosure under state or federal law.

9.6.2 When exempt portions of Public Records can be redacted, the remainder thereof shall be open to public inspection and copying.

9.6.3 If the District determines that all or part of a record is subject to an exemption, the District shall prepare and provide to the Requestor a log that contains the following information:

- A description of the record which all or a portion of is being withheld;
- The specific exemption authorizing the withholding of the record or portion of the record;
- An explanation of how the exemption applies to the record or portion of the record being withheld;

9.6.4 Pursuant to the PRA, the District reserves the right to seek to enjoin the examination of any specific record, the examination of which the District determines would clearly not be in the public interest and would substantially and irreparably damage any person or would substantially and irreparably damage vital governmental functions.

9.7 Fees for Public Records

9.7.1 No fee shall be charged for the inspection of Public Records.

9.7.2 The District may, at its discretion, charge one or more of the following fees for providing Public Records:

- Fifteen cents per page for standard black-and-white copies;
- Ten cents per page for any paper documents that are scanned so they can be produced in electronic format;
- Five cents for every four electronic files or attachments uploaded to an email, cloud storage service, or other electronic delivery system;
- Ten cents per gigabyte for transmitting records electronically;
- The actual cost of copying for any non-standard copies or items;

- Cost of taxes actually charged by any third-party vendor used to make copies; and
 - The actual cost of any digital storage media or device provided by the District, the actual cost of any container or envelope used to mail the copies to the requestor, and the actual postage or delivery charge.
- 9.7.3 The Public Records Officer may elect to waive these fees. Fees will be waived when the expense of billing exceeds the total fees.
- 9.7.4 Before copying any record, the District may charge a deposit up to 10% of the estimated costs. When records are being produced on an installment basis, the District may charge for each installment. When determining whether to request a deposit, the District shall consider the cost of making the requested copies and any payment history of the Requester, as well as the administrative burden of seeking a deposit. The decision not to request a deposit shall not serve to waive the District's right to request a deposit for a future request.

9.8 Inspection of Records

- 9.8.1 Once the Public Records Officer has collected all responsive records (or the first installment if the records are being produced on an installment basis), has reviewed the responsive records and applied applicable redactions, and has prepared an exemption log, the Public Records Officer shall notify the Requester that the records are available.
- 9.8.2 If the Requester does not contact the Public Records Officer to arrange for payment of the copies or for review of the records within 30 days after the notice of availability letter was sent, the District may consider the Records Request abandoned, unless the Requester seeks an additional amount of time to review the records. [WAC 44-14-04005](#)
- 9.8.3 In order to protect Public Records maintained on the premises of the District from damage or disorganization as required by the PRA, the following procedures and practices are hereby instituted:
- No Public Records shall be removed from the District's Main Office without the Public Records Officer's permission;
 - Inspection of any Public Records shall be conducted in the presence of the Public Records Officer or designated staff;
 - No Public Record may be marked, defaced, torn, damaged, destroyed, unreasonably disorganized, or removed from its proper location or order by a member of the public;

- Public Records maintained in a file jacket or binders, or in chronological order, may not be dismantled except for the purpose of copying, and then only by District staff; and
- Public Records of the District may be copied only on the copying machines of the District unless other arrangements are made by the Public Records Officer.

9.8.4 Inspection shall be denied, and the records withdrawn by the Public Records Officer if the Requester, when reviewing records, acts in a manner which will damage or substantially disorganize the records or interfere excessively with other essential functions of the District.

9.9 Closing the File

9.9.1 Once all copies of requested records have been provided to the Requester or the Requester has reviewed the requested records, the District may treat the matter as closed.

9.9.2 If 15 days have passed since the Requester was notified that the records were available and the Requester has failed to contact the Public Records Officer to arrange for the review of those records or for payment for copies, the Public Records Officer shall mail the Requester a “closing letter” informing the Requester that the District has fully responded to the Records Request. Upon receipt of the closing letter, the Requester should immediately inform the Public Records Officer if the Requester does not think the District has fully complied, or needs additional time to review the records. If the Requester does not respond within ten business days after the closing letter was sent, the District may treat the matter as closed.

9.10 Index of Public Records

For the reasons stated in Resolution No. 2652, incorporated herein by reference, the District finds that it would be unduly burdensome and would interfere with District operations to maintain an index of records. The District will make available for public disclosure all indices which may at a future time be developed for District use.

9.11 Disclaimer of Liability

9.11.1 Neither the District nor any officer, employee, official or custodian shall be liable, nor shall a cause of action exist, for any loss or damage based upon a release of Public Records if the person releasing the records acted in good faith in attempting to comply with this Policy.

9.11.2 This Policy is not intended to expand or restrict the rights of disclosure or privacy as they exist under state and federal law. Despite the use of any mandatory

terms such as “shall,” nothing in this Policy is intended to impose mandatory duties on the District beyond those imposed by state and federal law.

10. Records Management Policy

10.1 Objectives

This Policy establishes guidelines to maintain a Records Information Management Program designed to control all phases of the record lifecycle, including the creation, use, retention, storage, retrieval, protection, and disposition of all District records, regardless of the media and/or format on which they are recorded. The policy applies to any employee or Commissioner creating, receiving, using, having access to, or disposing of physical and electronic District records. The purpose of this Policy is:

10.1.1 To develop and maintain policies, standards, and procedures that are consistently followed and assist the District in meeting its legal, regulatory, and business requirements.

10.1.2 To develop and maintain a Records Retention and Disposition Schedule, which shall be designed to ensure that all District records have a properly assigned records series classification, retention period, and Office of Record.

10.1.3 To ensure that the District has the ability to promptly and efficiently access and retrieve District records when needed for legal, regulatory, or operational purposes.

10.1.4 To identify and protect Essential Records.

10.1.5 To ensure the consistent, systematic, and secure disposal of District records once retention periods and any applicable “record holds” have expired.

10.2 Essential Records

Essential Records will be protected by vaulting, planned or natural dispersal of copies, or any other method approved by the Washington State Archivist.

10.3 Ownership of Records

Whether maintained in physical or electronic format, all records created and received in connection with the execution of District activities are the property of the District and do not belong to any individual employee or Commissioner, regardless of where the records reside. The unlawful destruction, removal, or personal use of District records is prohibited. Employees will cooperate in providing access to any records under their control. This would also apply to business-related text messages or email sent or received by an employee or Commissioner on his/her personal cell phone or email account, or business-related posts on a personal Social Media account. In order to protect the privacy of its employees and Commissioners, the District strictly prohibits conducting business through text messages,

personal email accounts, or personal Social Media accounts. However, text messaging is allowed if done with a District-issued device and proper steps are taken to retain messages.

10.4 Records Retention

10.4.1 The District’s Records Retention and Disposition Schedule shall be based on the Records Retention Schedule for Local Government Agencies of Washington State published by the Office of the Secretary of State, Division of Archives and Records Management.

10.4.2 District records must be maintained in accordance with the Records Retention and Disposition Schedule.

10.5 Records Disposition

10.5.1 District records will be destroyed in conformity with the Records Retention and Disposition Schedule and with written approval of the Office of Record as well as the District’s Auditor and General Counsel or General Manager.

10.5.2 The method of destruction for confidential paper records will be by secure shredding. Confidential electronic records will be destroyed according to the District’s Electronic Data Procedure.

10.5.3 Records designated as “archival” on the Records Retention and Disposition Schedule must either be transferred to the Washington State Archives or retained by the District in accordance with standards for the maintenance of and access to archival records issued by the State Archivist.

10.6 Record Hold

10.6.1 District records must not be destroyed if they are subject to 1) an ongoing or reasonably anticipated litigation, 2) an audit or investigation, or 3) an existing public records request in accordance with RCW 42.56. Such records must be retained until completion of the action and the resolution of all issues that arise from it, or until the expiration of the retention period, whichever is later.

10.6.2 A “record hold”, or “legal hold,” is the temporary suspension of the District’s normal and routine retention and destruction procedures to preserve District records that may be needed in connection with litigation, regulatory examination, or other circumstances as deemed necessary by a member of the District’s management team.

10.6.3 Record hold directives will be communicated by management to the affected parties and must be confirmed in writing. All records relevant to the hold must be retained until after the hold is released in writing by management.

10.7 Responsibilities of the Records Management Coordinator

- 10.7.1 Develop and maintain the District-wide Records Inventory.
- 10.7.2 Apply retention schedules to the records and dispose of expired records in a secure manner.
- 10.7.3 Take all necessary steps to prevent unauthorized access to records containing confidential or Sensitive Information.
- 10.7.4 Seek clarification on this Policy from Directors and/or the Risk Compliance Manager and modify the Records Management program as necessary.
- 10.7.5 Notify the Risk Compliance Manager immediately upon determining that records have become lost, or otherwise unavailable.

10.8 Prohibited Activities & Enforcement

- 10.8.1 Employees and Commissioners shall become familiar with this Policy, make decisions based on adhering to this Policy and, if necessary, seek clarification on this Policy from the Records Management Coordinator.
- 10.8.2 The unauthorized and intentional destruction, removal, or personal use of District records is prohibited and may be punishable by law.
- 10.8.3 Any employee found to have willfully violated this Policy is subject to disciplinary action consistent with the Personnel Policies and Procedures Handbook. Willful violations that result in harm to customers or coworkers (e.g., Identity Theft, release of private health information), or unauthorized destruction or loss of the District's records will be considered grounds for immediate termination of employment.

10.9 Applicable Regulations

- 10.9.1 Washington State:
 - Chapter 40.10 RCW, Protection of Essential Records
 - Chapter 40.14 RCW, Preservation and Destruction of Public Records
 - Chapter 40.16 RCW, Penal Provisions for Injury or falsification of Public Records
 - Chapter 42.56 RCW, Public Records Act
 - WAC 434-662, Preservation of Electronic Records
 - WAC 44-14, Public Records Act Model Rules
- 10.9.2 Federal:
 - 18CFR125.3 – Federal schedule of records and periods of retention

11. NERC Reliability Compliance Program

11.1 Objective

The District is committed to a strong reliability program to foster compliance with the mandatory North American Electric Reliability Corporation (“NERC”) Reliability Standards approved by the Federal Energy Regulatory Commission (“FERC”). This Policy sets forth the requirements for the contents and maintenance of the Reliability Compliance Program which outlines the District’s internal control foundation, and provides discipline and structure to guide compliance with the NERC Reliability Standards.

11.2 Background

The Energy Policy Act of 2005 assigned additional oversight and enforcement authority to FERC in the area of electric system reliability. The purpose of the legislation was to provide regulation and oversight of the nation’s bulk electric system in order to increase reliability. On July 20, 2006, FERC issued an order certifying NERC as the Electric Reliability Organization for the United States. The order granted NERC certain monitoring and enforcement powers under the ultimate jurisdiction of FERC. FERC Order 693, issued in 2007, and Order 706, issued in 2008, made compliance with applicable NERC Reliability Standards mandatory. FERC’s Policy Statements on Compliance and Enforcement highlight the importance of strong, well-implemented regulatory compliance programs (policy statements PL09-1-000, PL08-3-000, and PL10-4-000). NERC has the legal authority to enforce compliance with NERC Reliability Standards, which it achieves through delegation agreements with Regional Entities. Currently, the Western Electricity Coordinating Council (WECC) is the Regional Entity responsible for compliance monitoring and enforcement over the District.

11.3 Program Oversight

The District shall maintain a NERC Reliability Compliance Program (“Program”) to promote compliance with the requirements of NERC Reliability Standards applicable to the District as a registered Distribution Provider, Transmission Owner, Transmission Planner and Generation Owner, Category 1. This Program shall be managed and maintained by the Director of Customer Service & Compliance. The Reliability Compliance Analyst shall report to the Director of Customer Service & Compliance, and will assist in the management and maintenance of the Program. The Director of Customer Service & Compliance shall have independent access to the Board of Commissioners. The Reliability Compliance Analyst shall have independent access to the General Manager. Program operation and management shall be independent of those assigned responsibility with NERC Reliability Standard requirements.

11.4 Program Overview

The Commissioners consider the following elements to be critical to the success of the Program and ensure the District’s continued culture of compliance:

- 11.4.1 The General Manager shall enforce the Program, require compliance status reports from the Director of Customer Service & Compliance, assure independence of the Program from management assigned reliability compliance responsibilities, and provide the Board of Commissioners Program status reports;
- 11.4.2 All District personnel assigned reliability compliance tasks shall be made aware and acknowledge their responsibilities in the Program;
- 11.4.3 Process for maintaining a current listing of all NERC Reliability Standards applicable to the District;
- 11.4.4 Timely review and modification to reliability and compliance risk assessment procedures;
- 11.4.5 Employee commitment to implement programs, controls and procedures supporting reliability compliance;
- 11.4.6 Provision of training and awareness;
- 11.4.7 Participation in related external industry forums and meetings;
- 11.4.8 Internal controls, monitoring and review processes that expeditiously address compliance issues and reduce compliance violation risk;
- 11.4.9 Full cooperation with regulatory agencies;
- 11.4.10 Precise and succinct compliance documentation; and Periodic Program review.

11.5 Internal Audit

In addition to the controls provided under the Program, the Board of Commissioners may require the Director of Customer Service and Compliance to initiate an audit of the Program and report back the result.

12. Cyber Security Policy

12.1 Objective

This policy outlines how the District protects itself, and the customers served, from Cyber Security threats by setting forth guidelines for developing and implementing effective Cyber Security controls, behaviors and incident responses as defined by the North American Electric Reliability Corporation (NERC) Critical Infrastructure Protection (CIP) Reliability Standards. This document is the Cyber Security Policy that provides for the development of plans that collectively address compliance with CIP-003, and provides an outline for the business network security procedures outside of CIP compliance. This ensures a united set of security standards for both CIP compliance and business network security objectives.

The CIP Senior Manager will approve each of the following plans pertinent to CIP-003:

- Cyber Security awareness;
- Physical security controls;
- Electronic access controls;
- Cyber Security incident response;
- Transient cyber asset and removable media mitigation; and
- CIP exceptional circumstances

These Cyber Security measures will facilitate the furtherance of the District's strategic goals and objectives.

12.2 Exceptions

This Policy along with its related plans and procedures form the District's Cyber Security framework. The owner of this Policy is the Board of Commissioners and any exception to the Policy must be approved by the Board of Commissioners. Exceptions to the Policy must be approved by the Board of Commissioners at a Board meeting. The General Manager shall be authorized, after consultation with the CIP Senior Manager, to make exceptions to the Policy in the event of an emergency.

12.3 Enforcement

This document has been approved as the official Cyber Security policy for the District. This Policy overrides any previously documented policies. Any breach of this Policy will be managed on a case-by-case basis and may result in disciplinary action, termination, and/or legal action. All individuals having access to information assets created or managed by the District are required to acknowledge receipt and understanding of this Policy and related policy instruments.

12.4 Scope

The District relies on computers and networks of computers for bulk electric system (BES) cyber systems and business operations. Protecting computer assets from cyber threats through an effective Cyber Security Program is imperative to enable business continuity, comply with applicable regulations, uphold customer privacy and confidentiality, and enforce information integrity underpinning critical business requirements, including human safety.

The District's Cyber Security program shall meet the following requirements:

- 12.4.1 Enforce periodic Cyber Security awareness of District employees as well as appropriate Cyber Security requirements and contractual obligations for contractors employed.
- 12.4.2 Establish and enforce a physical security controls plan for assets related to cyber systems critical to the District's operations. Physical access shall be based on need.
- 12.4.3 Maintain at all times rigid electronic security controls for any access to the BES cyber systems network from all other internal and external networks.
- 12.4.4 Establish a plan implementing effective tools to mitigate the risk of malicious code introduction into (BES) cyber systems from transient cyber devices and removable media.
- 12.4.5 Establish and identify terms of reference for a Cyber Security Incident Response Team (CSIRT) and implement a cyber security-incident response plan.
- 12.4.6 Perform periodic network penetration testing and scanning as well as other appropriate assessments, audits, and security testing to identify and resolve cyber vulnerabilities.
- 12.4.7 Develop, communicate, monitor, and enforce procedures and associated practices to uphold Cyber Security that shall include, at a minimum:
 - Data governance, including data classification, data confidentiality (including data privacy), data retention and destruction
 - Disaster Recovery Planning, including incident management, data backup and restoration requirements
 - Electronic data safeguards, including encryption, anti-virus, intrusion prevention/detection and scanning

- Employee and contractor computer usage, including acceptable usage for mobile devices, email, network, Social Media, removable devices, and other information technology assets
- Business system change management, including security baselines and testing
- IT outsourcing, including contractual obligations and audit/reporting expectations
- Local and remote access authentication (including passwords) for employees, contractors and third parties
- Security architecture, including security principles for design, development, configuration, and connectivity
- Software requirements, including software purchasing, business operating system hardening, and patch management
- Technology lifecycle administration

12.4.8 Define a plan to declare an operational emergency for exceptional circumstances, e.g., war, flood, fire, and civic unrest, where adherence to the above Cyber Security provisions must be suspended as allowed by CIP-003 in part or whole, and develop response plans to return to normal operations as quickly as possible.

12.5 Responsibility

Cyber Security is a collective responsibility of all individuals who conduct business with the District. Diligent execution of this responsibility protects both the District and its customers, their property, their interests, and their well-being. The Policy applies to all District employees and shall be extended through contractual obligations to contractors and third parties engaged by the District. The District’s Director of Technology shall be responsible to monitor and enforce this Policy and oversee the Cyber Security program.

12.6 Implementation Plan

The Policy shall abide by the CIP-003 implementation plan(s) as established by NERC where applicable.

12.7 Review

The CIP Senior Manager will review this Policy every 15 months. Following CIP Senior Manager review and approval, modifications will be submitted to the Board of Commissioners of Public Utility District No. 1 of Cowlitz County, Washington for final approval.

13. Environmental Sustainability Policy

13.1 Objective

The District is committed to being environmentally aware, actively supporting programs that reduce its environmental impact, and works to continually improve the District's environmental performance as an integral part of its business strategy and operating procedures. The District has a responsibility to meet or exceed legislative and regulatory requirements.

In support of this policy, the following items will guide the District's commitment to the environment:

13.2 Responsibility

13.2.1 Management is responsible for integrating environmental management programs into operating procedures to ensure compliance with legislative and regulatory requirements.

13.2.2 All employees are responsible and accountable for understanding and incorporating environmental compliance requirements into their daily work activities.

13.3 Stewardship

13.3.1 Reduce the quantity and toxicity of waste materials generated through source reduction, reuse, recycling, and/or removal, while balancing business needs with environmental risk.

13.3.2 Responsibly use natural resources such as fuel, electricity, and water, and pursue increased efficiencies that reduce waste and emissions at their source.

13.3.3 Seek opportunities to preserve, restore, protect, and enhance the natural resources affected by District operations.

13.4 Continual Improvement

13.4.1 Develop and implement programs and standard operating procedures to continually improve the District's environmental performance.

13.4.2 Develop and utilize internal and independent environmental audits as necessary to evaluate the District's environmental compliance and use the results of the audits to improve District operations

13.5 Communication

- 13.5.1 Foster an open dialogue and informed decision making through communication of environmental information with management, employees, and the public as appropriate.
- 13.5.2 Train employees on environmental awareness, this environmental policy, the key environmental impacts of their work, and their environmental responsibilities.
- 13.5.3 Create, encourage, and promote a culture of responsibility and compliance.
- 13.5.4 Actively participate in environmental organizations to keep informed of current and future laws and regulations. Make efforts to work with governing agencies and others in creating responsible environmental laws and regulations reflective of sound public policy.
- 13.5.5 The Environmental Compliance Manager or his/her designee will develop and recommend an effective approach to implementing this policy.

14. Communications Policy

14.1 Objective

This policy establishes guidelines for engaging customers through various media platforms that encourage relevant, interactive, and transparent conversations. These media platforms will facilitate the furtherance of Cowlitz PUD’s mission, goals, and objectives.

14.2 Scope

Cowlitz PUD uses local media to provide public service announcements and to communicate with its customers about upcoming and existing projects, programs, services, and job openings. Internal requests to set up and manage media outreach shall meet the following requirements:

- 14.2.1 Identify the proposed media platform and the proposed tools.
- 14.2.2 Outline a business case for the media project/medium, including audience, purpose, duration, interactivity policy, definition of success, and internal and external costs.
- 14.2.3 List the authorized users for that project/medium, as well as store user names/passwords electronically in a place that can be recovered by the General Manager, Auditor, Public Relation and Communication Manager or authorized users.
- 14.2.4 A brief risk assessment and risk mitigation plan including a disclaimer to be posted on Social Media platforms to protect the reputation of Cowlitz PUD and employees.
- 14.2.5 Evaluate whether Cowlitz PUD’s IT network has the necessary bandwidth, include a brief overview of the potential, or lack of potential, for malware introduction into the IT environment, and describe the need, if any, to apply patches.
- 14.2.6 Social Media platforms used in the workplace shall be conducted for approved business communications purposes and consistent with the state ethics law for de minimis personal use. Staff/employees may use social networking for approved business purposes, including professional networking, to support Cowlitz PUD’s mission, provided they follow Personnel Policies and Procedures Handbook policy No. 516 “Information Technology”.

14.3 Records Retention

- 14.3.1 A Terms of Service (TOS) will be obtained with the use of third-party media tools. Any copyrighted material posted on the media sites will be used with copyright releases. Non-copyrighted videos or content posted on these sites may be property of Cowlitz PUD and may be a public record, subject to the Washington State Public Records Act.
- 14.3.2 Cowlitz PUD recognizes that all content published and received through media platforms in connection with Cowlitz PUD's business may be public records for the purposes of Chapter 40.14 RCW (preservation and destruction of public records).
- 14.3.3 Cowlitz PUD will retain media platforms public records and dispose of such records only in accordance with records retention schedules approved by the State Records Committee if required under RCW 40.14.050. Comments and postings on Social Media sites will be treated the same as if they were sent electronically to or from Cowlitz PUD's email server or by non-electronic means.

14.4 Responsibility for Content

Cowlitz PUD's General Manager, Public Relation and Communication Manager, and content management designee from each department shall be responsible for monitoring and maintaining the content for all Cowlitz PUD's media platforms on a regular basis to ensure the validity and appropriateness of content. The following disclaimer will be posted on all Cowlitz PUD Social Media sites:

Example: This Facebook page provides an opportunity for sharing and discussing information about Cowlitz PUD programs and activities. The comments and opinions expressed by users are theirs alone and do not reflect the opinions of Cowlitz PUD or its employees. All comments will be reviewed upon posting. They are screened in accordance with Cowlitz PUD's Facebook Page Use Policy below.

- Only comments that comply with this Cowlitz PUD Facebook Page Use Policy will remain posted, all others will be removed.
- Privacy will be protected as described in the Cowlitz PUD's "Identity Theft Prevention [Red Flag Act]"
- The use of vulgar, offensive, threatening, or harassing language is prohibited.
- Comments should be limited to comments related to the posted topics. The Cowlitz PUD Facebook page is not the proper place to express opinions or beliefs not directly related to posted topics.
- Promoting or opposing any person campaigning for election to a political office or promoting or opposing any ballot proposition, initiative or referendum is prohibited.
- Promoting or advertising a business or commercial transaction or request for donation is prohibited.

- Communications made through the Cowlitz PUD Facebook page wall posts, comment section and/or other messaging system will in no way constitute a legal or official notice or comment to or from Cowlitz PUD or any official or employee of Cowlitz PUD for any purpose.
- This Cowlitz PUD Facebook Page Use Policy is subject to amendment or modification at any time to ensure its continued use is consistent with its intended purpose as a limited forum.
- This Cowlitz PUD Facebook page is not the appropriate place to report an outage, a problem with your bill, or any other general customer service needs. To report outages please call 360.423.1200. If you need to reach a customer service representative, you may call 360.423.2210, stop by our main office at 961 12th Avenue, Longview Monday-Thursday 7:00am–5:30pm, or email at customerservice@cowlitzpud.org.

15. Workplace Violence Policy

15.1 Objective

- 15.1.1 To establish policies which address physical and psychological threats in the workplace and shall be incorporated in the Employee Handbook. Notwithstanding this policy, the District is not responsible or liable for the criminal acts of another and any such reliance is deemed unreasonable.
- 15.1.2 The District is committed to providing a safe work environment for all employees and customers. The District shall respond promptly to Threats, acts of violence, and acts of aggression by employees or against employees by coworkers, customers, members of the public or others. In addition to other policies of the District located in the Employee Handbook, this document sets forth standards for employee conduct, guidelines for reasonable precautions, and outlines appropriate responses to violent acts or Threats of violence should they occur in the workplace.
- 15.1.3 Any employee, customer or visitor who makes Threats of violence, implied or direct, while on District property is subject to removal from the premises.

15.2 Construction

This policy shall be construed consistently with other laws, rules, regulations, and workplace rules adopted in the Personnel Policies and Procedures Handbook. To the extent any such rule conflicts with another, the rule providing the most safety for employees shall control. It is intended to supplement, not derogate, the effectiveness of existing laws and rules.

15.3 Prohibited Conduct

- 15.3.1 The District will address any Threat or actual act of violence made in the workplace of which it has actual knowledge, on District property, or while an employee is engaged in a District sponsored activity. This includes situations occurring outside a District location or District sponsored event that may negatively affect the work environment.
- 15.3.2 Workplace Violence involves physical assault, threatening behavior or verbal abuse occurring in a work setting, such conduct includes:
- Use of force with the intent to cause harm (e.g., Physical Attacks, any unwanted contact such as hitting, fighting, pushing, physical restraint, or throwing objects).

- Acts or Threats that are intended to intimidate, harass, threaten, or coerce fear of harm whether directly or indirectly (e.g., Stalking, loitering, loud or disruptive behavior or language).
- Acts or Threats made directly or indirectly by oral or written words, gestures or symbols that communicate a direct or indirect Threat of physical or mental harm.

15.3.3 Targeting victims with the intent to cause harm intentionally because of actual or perceived race, gender, age, religion, sexual orientation, ethnicity, or disability will be considered hate or bias crimes.

15.3.4 The District prohibits any person from possessing firearms and also prohibits the use of any type of Weapon at any District facility or District sponsored event unless otherwise provided by law.

15.4 Workplace Violence Prevention Program

15.4.1 The District's Safety Manager and the Manager of Employee Services are responsible for providing Workplace Violence prevention training to employees.

15.4.2 The District has a written Hostile Situation procedure that includes:

- A statement on commitment on Zero-Tolerance of Workplace Violence of which it has actual knowledge.
- Techniques on how to recognize and avoid Workplace Violence situations.
- Guidelines on how to respond during a Hostile Situation.

15.5 Information & Training for Employees

15.5.1 The District's Workplace Violence Policy and Hostile Situation Procedures are readily available to all employees on the intranet.

15.5.2 At the time of initial employment, and annually thereafter, the District provides employees with information regarding risks of violence within the workplace.

15.6 Retaliation

15.6.1 Retaliatory action against anyone acting in good faith who has made a complaint of Workplace Violence, who has reported witnessing Workplace Violence, or who has been involved in reporting, investigating, or responding to Workplace Violence is a violation of this policy. Those found responsible for retaliatory action may be subject to disciplinary action up to termination.

15.7 Reporting Procedures

- 15.7.1 All employees should become familiar with the District's incident reporting procedures located in the Personnel Policies and Procedures Handbook and Accident Prevention Safety Manual on the intranet.
- 15.7.2 Incidents of Workplace Violence, Threats of Workplace Violence, or observations of Workplace Violence are not to be ignored by any employee of the District. Workplace Violence should promptly be reported to your supervisor or Director, Safety Manager, and the Manager of Employee Services, and when necessary to the police.
- 15.7.3 All employees are encouraged to report behavior they reasonably believe poses a potential for Workplace Violence in order to maintain a safe working environment.
- An individual involved in or witness to an incident of danger, such as personal injury, violence involving Weapons or Threat of Weapons, should immediately push the emergency button (if) located in the Customer Services area, notify the Office Safety Committee (ext. 672) and report it to police (dial 911).
 - An employee involved in or witness to an incident without Weapons or personal injury should report it immediately to his/her supervisor or Director.
 - The employee and supervisor are responsible for completing the "Employee Report of Accident While on Duty" form and reporting such incidents to the Safety Manager as soon as possible or within 24-hours following the incident.

15.8 Preventative Measures

- 15.8.1 All employees are responsible for helping to maintain a safe work environment and are urged to take reasonable precautions to prevent violence and other unsafe conditions in the workplace and report indicators of increased risk of violent behavior.
- 15.8.2 An employee is expected to notify his/her supervisor or Director, as well as the Manager of Employee Services, whenever a protective restraining order is granted, which mentions the District property or involves a District employee, and provide a copy of the order. The Manager of Employee Services will provide the information to the Safety Manager as necessary. appropriate efforts will be made to protect the privacy and sensitivity of the information provided.

15.8.3 Victims of domestic violence who believe the violence may extend into the workplace should act responsibly. If an employee believes that domestic or other personal matters may result in them being subject to violence extending into the workplace, they are encouraged to notify their supervisor or Director as soon as possible, as well as the Safety Manager and Manager of Employee Services. Confidentiality will be maintained to the extent possible.

15.9 Response Procedures

Employees should refer to the Accident Prevention Safety Manual/Emergency Action Plan/Hostile Situation Procedure (Code Blue) for information on recognizing potentially Hostile Situations, de-escalation strategies, reporting incidents and detailed information as to how to respond to a Hostile Situation.

15.10 Responsibilities

15.10.1 Employees shall become familiar with the contents of this policy, and should follow the guidelines contained here within.

15.10.2 Directors and Supervisors are responsible within his/her area(s) of responsibility for the implementation of this policy.

15.10.3 Safety Manager through the Office Safety Committee

- Assist Directors, supervisor, other District employees, and police in responding to Workplace Violence incidents.
- Disseminate this policy annually to all employees and post on the District's intranet site.
- Facilitate appropriate responses to reported incidents of Workplace Violence.
- Notify authorities, if appropriate, of reported Workplace Violence incidents.
- Document and maintain records of all incidents of Workplace Violence and notify respective Director of an incident with his/her employee, or other appropriate employees of an incident involving an employee.
- Investigate and communicate the incident with the Director or supervisor and initiate appropriate actions.
- Annually report to the General Manager and Board of Commissioners any Workplace Violence incidents and recommend policy changes, training

issues, or security issues that were or should be implemented to maintain a safe working environment.

15.10.4 Other Departments

- Human Resources provides new employees with a copy of the Workplace Violence Policy and Office Safety Committee manual, at the time of hire.
- Human Resources maintains records of Orders of Protection and notifies the Safety Manager.
- The Safety Manager, and Human Resources, conducts employee training to include awareness and prevention of Workplace Violence.

15.11 **Related Reference, Policies, Procedures, Forms, and Appendices**

15.11.1 Personnel Policies and Procedures Handbook

15.11.2 Accident Prevention Safety Manual

16. Board Acceptance

Dave Quinn, President

Execution Date:

Duane Dalgleish, Vice President

Execution Date:

Bruce Pollock, Secretary

Execution Date:

Revision History

Date Approved by Board	Section(s) Revised
10/27/17	Combined policies to binder
4/24/18	Board Governance Policy
01/2019	Annual review and update to all policies
02/2020	Annual review and update to all policies
04/2021	Annual review and update to all policies
04/2022	Annual review and update to all policies
05/2023	Annual review and update to all policies
05/2024	Annual review and update to all policies
05/2025	Annual review and update to all policies



GORDON THOMAS HONEYWELL
GOVERNMENTAL AFFAIRS

2025 LEGISLATIVE SESSION RECAP

Steve Taylor and Diana Carlen

SESSION BY THE NUMBERS

- In odd-numbered years, like 2025, the State Legislature meets in a “long session” (105 days) to adopt the biennial budgets (operating, capital and transportation).
- Legislative session began on January 13th and adjourned on-time on April 27th
- 2535 bills were introduced in both chambers over the course of the 2025 session. 432 bills passed the legislature and were sent to the Governor for signature.

POLITICAL LANDSCAPE

- New Governor (Bob Ferguson) for first time in 12 years – new administration and more moderate than expected
- Couple dozen new legislators
- Democrats held 60% majorities in both chambers and Democrat caucuses leaned more to the left
 - Senate: Democrats control 30-19
 - House: Democrats control 59-39
- Addressing \$16 billion budget shortfall was the main focus of session
- Budget issues consumed most of the oxygen; energy and climate policies were secondary

OPERATING BUDGET

Operating Budget Highlights – adopted a \$78 billion operating budget funded with \$9.5 billion in new taxes – the largest in state history. Big question was whether governor would sign budget with this level of taxes (he did).

- **Low-income home energy assistance:** \$25 million provided to Commerce to administer grant funding for energy utility bill assistance.
- **Offshore wind:** \$500,000 for Commerce to contract with a nonregulatory coalition for strategic development and participating in West Coast wide-floating offshore wind supply chain.
- **Siting and permitting of clean energy projects** - \$5 million to Commerce for grants to support port districts, counties, cities, tribes, etc...
- **Energy audits for public buildings** – \$13 million for Commerce to administer grant programs.
- **Siting renewables/electrical transmission** – \$2.5 million for Commerce to engage tribes or overburdened communities when siting in Washington state.

OPERATING BUDGET CONTINUED

- **Assistance for accessing federal tax incentives/grants:** \$10 million to Commerce to assist local governments, ports, tribes and other entities.
- **Assistance for retrofitting homes and small businesses:** \$3.5 million to Commerce to facilitate access to energy assistance programs, including incentives and rebates to retrofit homes/small businesses.
- **Air quality:** \$2.4 million to address air quality in overburdened communities highly impacted by air pollution
- **Invasive quagga mussels:** \$7.2 million to Dept. of Fish & Wildlife for monitoring and response efforts for invasive quagga mussels.

CAPITAL AND TRANSPORTATION BUDGETS

2025-2027 Capital Budget Highlights - \$7.5 billion bi-partisan capital budget passed unanimously out of legislature

- \$26 million for 2025-2027 Clean Energy Fund Program for competitive grants for clean energy research, development, demonstration, and deployment projects.

- \$48 million for 2023-2025 Clean energy Fund Program reappropriations

- \$47 million in reappropriations for Hard-to-Decarbonize sector and economic development grants.

2025-2027 Transportation Budget – state was facing \$1 billion shortfall

- Includes a 6 cents per gallon tax increase that begins July 1 followed by a 2% increase annually

- Diesel will see a 3 cent increase in July and another 3 cent increase the following year followed by a 2% increase annually starting in 2028.

ENERGY/UTILITY PRIORITY BILLS

- **HB 1329: Electric Utilities Wholesale Power Purchases (PGP/Cowlitz PUD priority bill)**
 - Allows limited duration unspecified wholesale power purchases for term lengths not to exceed three months (currently one month) to be compliant with CETA's 2026 "No Coal" Standard
 - System sales purchase durations up to six months permitted if used to demonstrate compliance with seasonal resource adequacy requirements under a regional RA program (e.g. WRAP)
 - BPA electricity, including any portion of federal system supplied by unspecified resources, acquired through long-term agreement or exchange agreement is exempt from compliance with "No Coal" Standard
 - Except in the case where the source of electricity is known at time of transaction to be from a coal-fired resource
 - Consumer Owned Utility CETA Interim Performance Reports (post-CEIP 4-year period): must include the number of unspecified contracts with terms greater than 31 days used to serve WA customers and include information regarding the duration and purpose of the contracts

ENERGY/UTILITY PRIORITY BILLS CONTINUED

- **HB 1975 CCA Allowance and Auction Revisions – bipartisan bill that amends CCA**
 - Adjusts auction price containment mechanisms and ceiling prices
 - Sets price ceiling at \$80 for 2026 and 2027 (down from \$95), unless different price ceiling required by linkage agreement
 - Requires Ecology to place between 2% and 5% of allowances from 2027-2040 budgets into the APCR
 - Addresses Ecology's authority to amend rules that facilitate linkage with other jurisdictions
 - Provides for analysis and forecasts of the allowance and offset credit markets
 - Requires Ecology to periodically perform economic modeling to analyze Program design features
 - Baseline model assuming implementation of complementary emission reduction measures
 - Additional modeling scenarios including current available technology and adoption rates
 - Scenario reflecting linkage with other jurisdictions by December 31, 2026

ENERGY/UTILITY PRIORITY BILLS CONTINUED

- **SB 5445 Development of Distributed Energy Resources (WPUA bill)**
 - Categories of clean energy facilities and nonprofits activities are determined to be Distributed Energy Priorities (DEPs)
 - Solar (including agrivoltaics) and wind (turbines with hub height <75 ft) w/storage and T&D in specified locations
 - Energy storage facilities in specified locations
 - Microgrids
 - Demand response and demand reduction programs
 - Creates SEPA categorical exemptions for certain solar developments
 - Allows EIA qualifying utilities to achieve RPS targets by counting distributed generation owned or contracted for purchase along with RECs at quadruple the facility's output, instead of double
 - New distributed energy generation must commence operation after law's effective date and before Dec. 31, 2029 sunset date
 - Utility may use any combination of eligible renewable resources, accelerated conservation, and demand response to meet EIA RPS standard

ENERGY/UTILITY PRIORITY BILLS CONTINUED

- **HB 1253 Expanding COU ability to use Joint Use Agreements (Seattle City Light Priority Bill)**
 - Public agencies are allowed under current law to enter into joint or cooperative action agreements with each other
 - Local entities and districts that operate electric generation or distribution may enter joint agreements for owning, financing, acquiring, constructing or operating electric generation and transmission facilities
 - Agreements may also be made between COUs and investor-owned electric companies for these facilities
 - HB 1253 allows cities, PUDs and joint operating agencies to enter into agreements with any person or entity to own, build and operate electric generating and transmission facilities
 - Includes joint venture agreements and LLC agreements
 - Public entity or JOA must own a percentage of any common facility at least equal to the percentage of money furnished or value of property supplied by it for the acquisition and construction of a facility

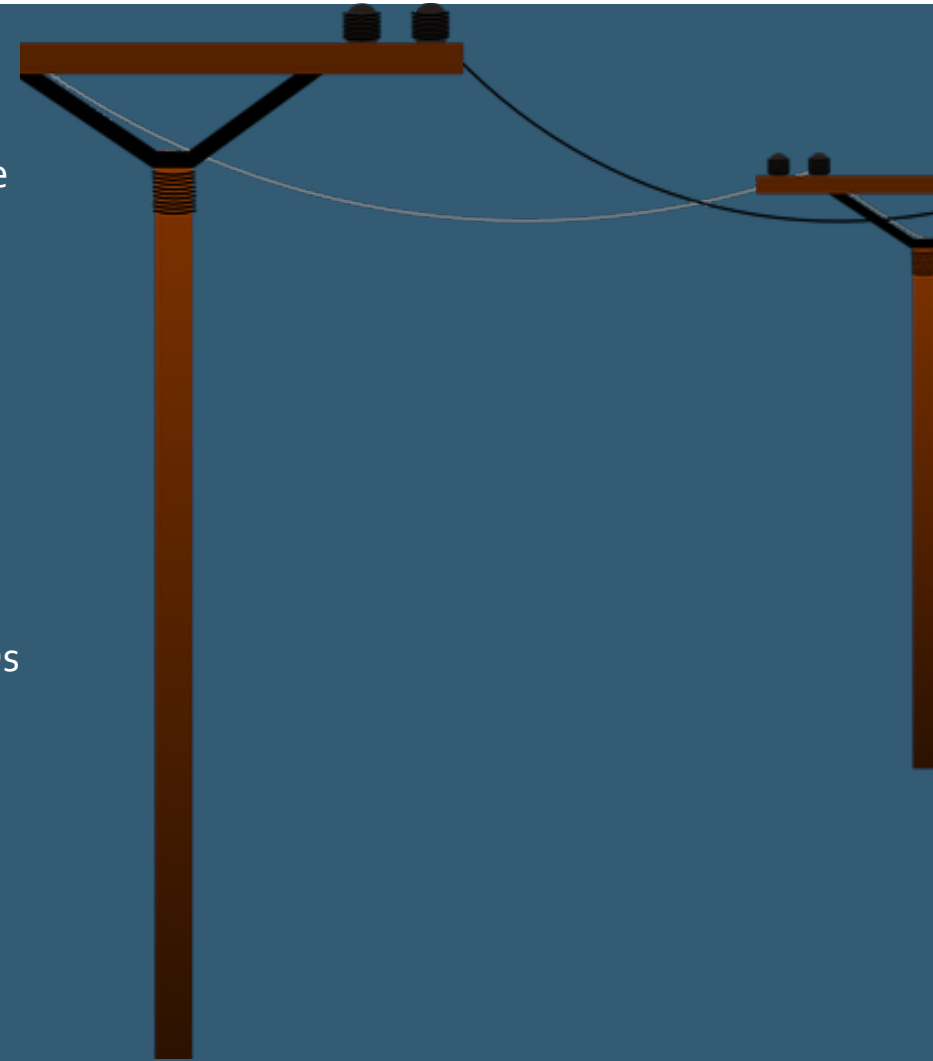
ENERGY/UTILITY PRIORITY BILLS CONTINUED

- **HB 1409 Clean Fuels Program Amendments**

- Shoring up pricing of clean fuel credit market through further reductions in carbon intensity of transportation fuels
 - CI of transportation fuels must be reduced by either 45% below 2017 levels or 55% below (under certain circumstances) by Jan. 1, 2038
 - Amended Annual Schedule of CI reductions
 - 5% - 2026; 4% - 2027; between 3-4% annually between 2028 and 2038
- CI reduction no longer delayed by consideration of JLARC study or biofuel facility/production thresholds
 - In 2030, Ecology can't increase CI standard beyond 20% until one new or expanded biofuel facility has received siting, operating or environmental permit after Jan. 1, 2025
- CFP rules should be harmonized with those of other states with low carbon fuels programs
- WA Clean Air Act civil and criminal penalties no longer apply to violations of CFP program; Ecology may now set penalties for those violations as established in the bill

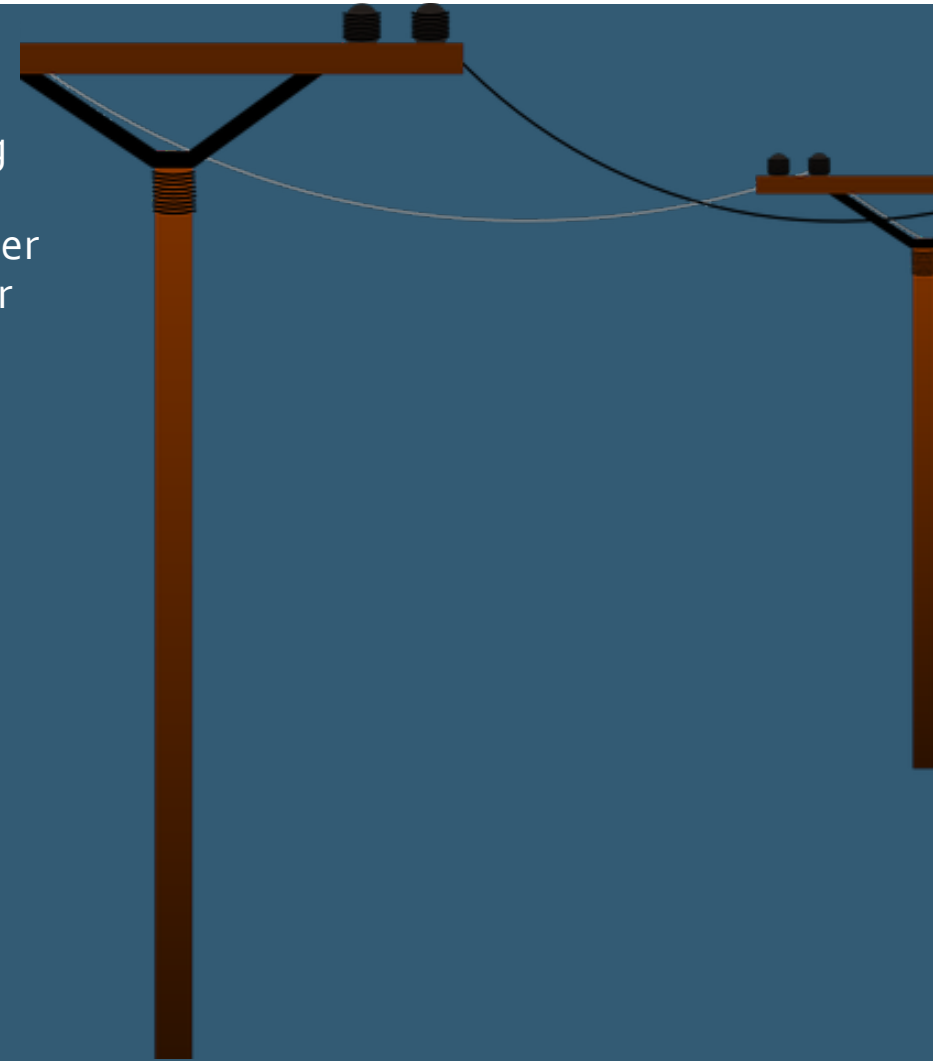
OTHER BILLS OF INTEREST

- **SB 5036 Statewide emissions data**
 - Beginning in 2026, Ecology and Commerce must provide total statewide emissions data for the preceding year by December 31st annually instead of the current required 2-year interval
- **HB 1018 Fusion energy facilities**
 - Expands eligibility for energy facility site certification under RCW 80.50 to include fusion energy facilities, thus requiring fusion energy facilities to obtain necessary radiation control licenses from state & federal agencies
- **HB 1842 Captive Insurers/PUDs**
 - Allows PUDs to form, own, or use captive insurers. Local government entities may become captives. Captives may be formed to supplement commercial insurance or to provide insurance for risk it is unable to cover with commercial insurance. Anticipated to be used as an option for local governments and PUDs to insure against wildfire liability.
- **SB 5627 Dig Law Modifications**
 - Requires a one-number locator service to maintain a web-based platform providing the same services as the toll-free telephone number as well as modifies civil and criminal penalties



OTHER BILLS OF INTEREST

- **HB 1990 Utility disaster costs**
 - Authorizes electrical, gas and water utilities to use securitization financing to recover costs related to declared emergencies and conservation measures. Replaces existing provisions for conservation bonds with broader “rate recovery bonds” and establishes a framework for utilities to apply for financing orders through the UTC
- **HB 1522 Wildfire mitigation oversight**
 - Establishes a framework for IOUs to elect to file their wildfire mitigation plan with the UTC and the UTC must approve or reject the plan within 60 days
- **HB 1539 Workgroup on wildfire mitigation**
 - Establishes a work group to develop recommendations on wildfire mitigation and resiliency standards in Washington state
 - Will include representatives from state agencies, the insurance industry, local emergency management, fire chiefs and other stakeholders



EMPLOYMENT/LABOR LEGISLATION

- **SB 5041: Unemployment Benefits for Striking Workers**
 - Allows workers who choose to go on strike to be eligible for unemployment insurance benefits for up to six weeks. Bill takes effect on Jan. 1, 2026, and sunsets on Dec. 31, 2035.
- **SB 5408: Wage Transparency in Job Postings**
 - Allows employers the opportunity to correct a violation for failure to report a salary wage in a job posting from the effective date of this bill through July 27, 2027, before a job applicant may seek administrative remedies or file a private right of action. Provides for judicial discretion for penalties – judge can impose penalties ranging from \$100 to \$5000 per violation instead of the current statutory damages of \$5000 per violation.
- **HB 1213: Paid Family Leave Expansion**
 - Currently, small employers with fewer than 50 employees are exempt from providing job protection and health benefit continuation for employees on paid family and medical leave. Bill eliminate those exemptions. Allows employees to begin utilizing benefits after 180 days of employment instead of current law requiring a year of service before accessing benefits.
- **HB 1747: Expanding Protection Under the Fair Chance Act**
 - Requires an employer to make a conditional offer of employment prior to obtaining information about an applicant's criminal record or rejecting an employee for failure to disclose a criminal record. Prohibits an employer from rejecting, termination or denying a promotion to an otherwise qualified applicant or employee based on an arrest record or juvenile conviction record.

TAX LEGISLATION

- **HB 2081 – B&O Increases**

- Increases B&O taxes for manufacturing, wholesaling, standard retailing, service and other activities (if over \$5 million). In addition, imposes a B&O surcharge for gross revenue over \$250 million but exempts manufacturing, retail sale of food, prescription drugs and timber. Fuel is exempt at wholesale and retail level.

- **SB 5814 – Sales Tax on Services & Excise Taxes**

- Expands the retail sales and use tax to include certain services like IT consulting, digital advertising, live presentations and temporary staffing services.

- **SB 5794 – Eliminating Tax Preferences**

- Eliminates several tax preferences including a portion of the public utility tax (PUT) preference for home energy assistance.

NOTABLE ISSUES THAT DID NOT PASS

- SB 5360: Environmental Crimes
- HB 1702: County Utility Tax
- SB 5466: Transmission Authority
- HB 1303: Environmental Justice Integration
- HB 1819: Electric Transmission Upgrades
- SB 5690: Utility Relocation Costs
- HB 1622: AI Collective Bargaining
- SB 5804: Fish Habitat Restoration/Diversion of PUT on light and power utilities for culverts



NOTABLE ISSUES THAT DID NOT PASS

- HB 1610: Exempting Critical Energy Infrastructure from PRA
- SB 5061: Prevailing Wage Adjustments
- HB 1804 & HB 1598: Competing Bills on Community Solar Expansion
- HB 1921: Road Usage Charge
- SB 5578/HB 1764: Minimum Wage Increase & Mandated Paid Vacation and Bereavement Leave
- HB 1847: Distributed Energy Development
- HB 1903: Low Income Energy Assistance



NOTABLE ISSUES THAT DID NOT PASS

- SB 5091: Delinking from CA's Motor Vehicle Emission Standards
- HB 1712: Biomass Energy Compliance
- SB 5425: Energy Policy Streamlining
- HB 1249: Advanced Nuclear Energy Commission
- HB 1682: UI for Part Time Workers
- HB 1001: Rural Protection Grants
- HB 1960: Renewable Energy Excise Tax



1. Power Management

1.1 District Load Summary (TRL)

1.1.1 Non-Industrial Load

1.1.2 Major Industrial Load

1.2 Heating Degree Days

1.3 Precipitation & Temperature

1.4 Runoff Forecast

1.5 Regional Snowpack and ENSO Condition Update

1.6 Resource Performance

1.6.1 BPA Power

1.6.2 Swift No.2

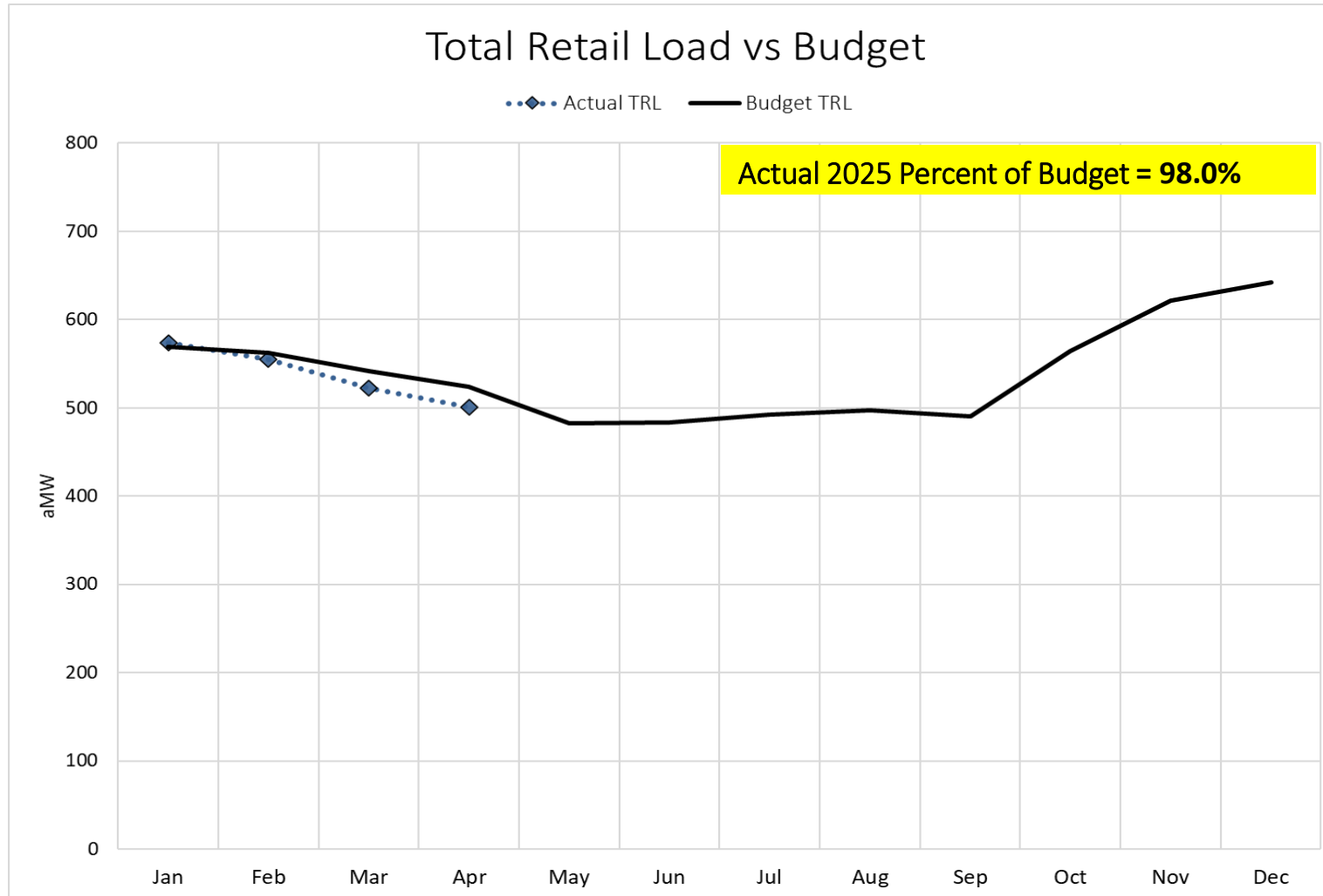
1.6.3 Wind (White Creek and Harvest Wind)

1.7 Wholesale Market Prices (Power & Natural Gas)

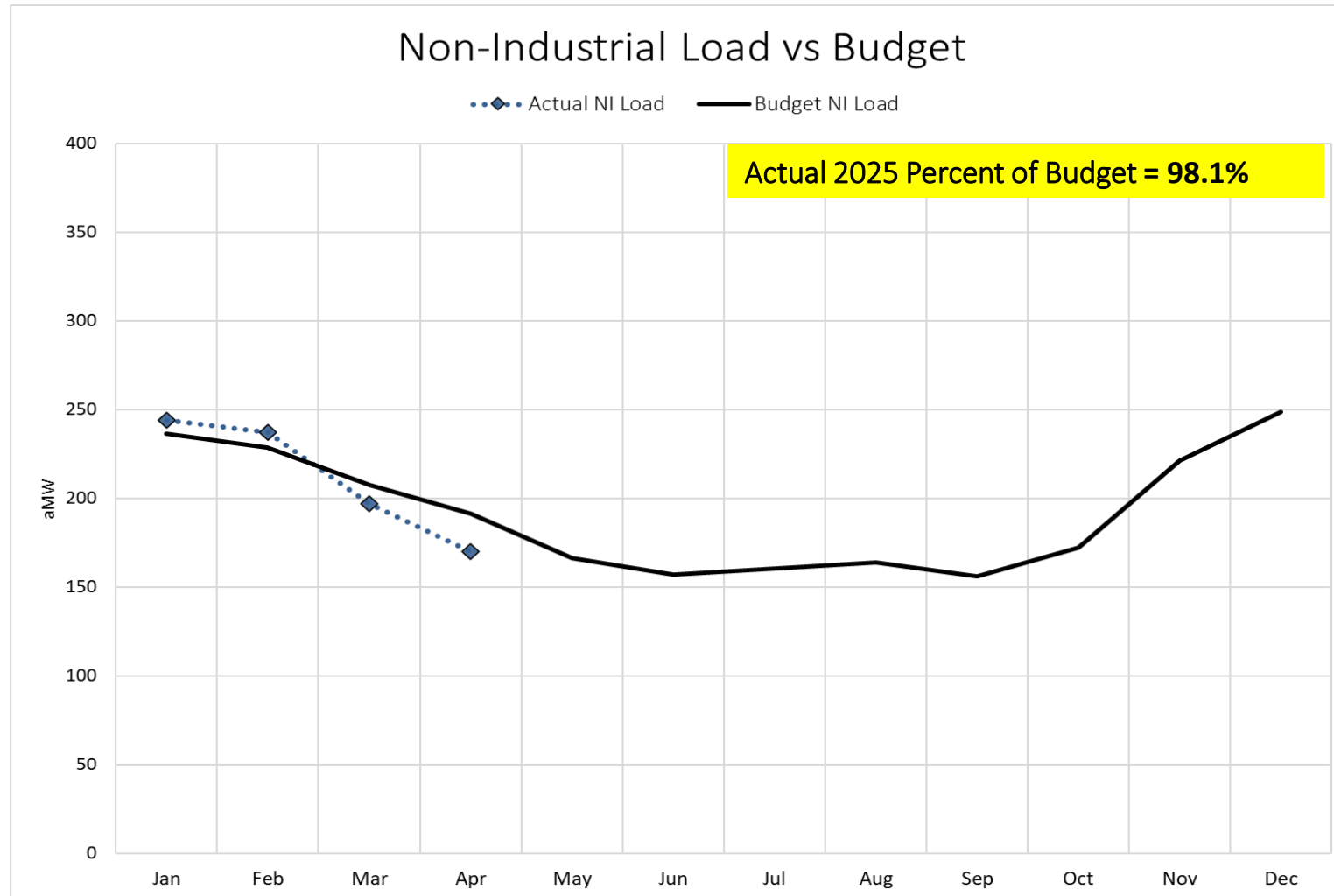
1.8 Net Secondary Sales Revenue

1.9 Net Power Cost – Non-Schedule 50

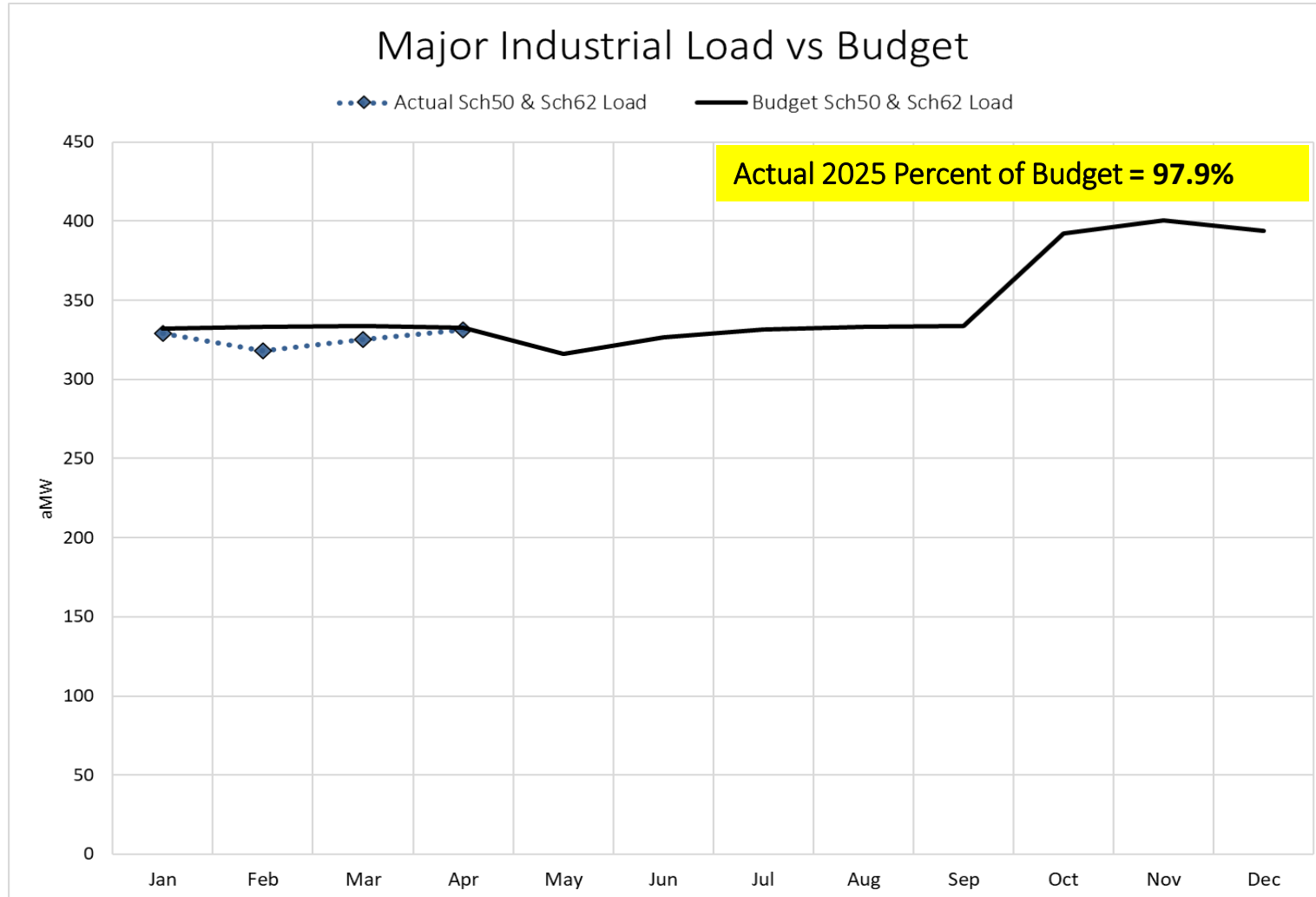
1.1 District Load Summary (Total Retail Load)



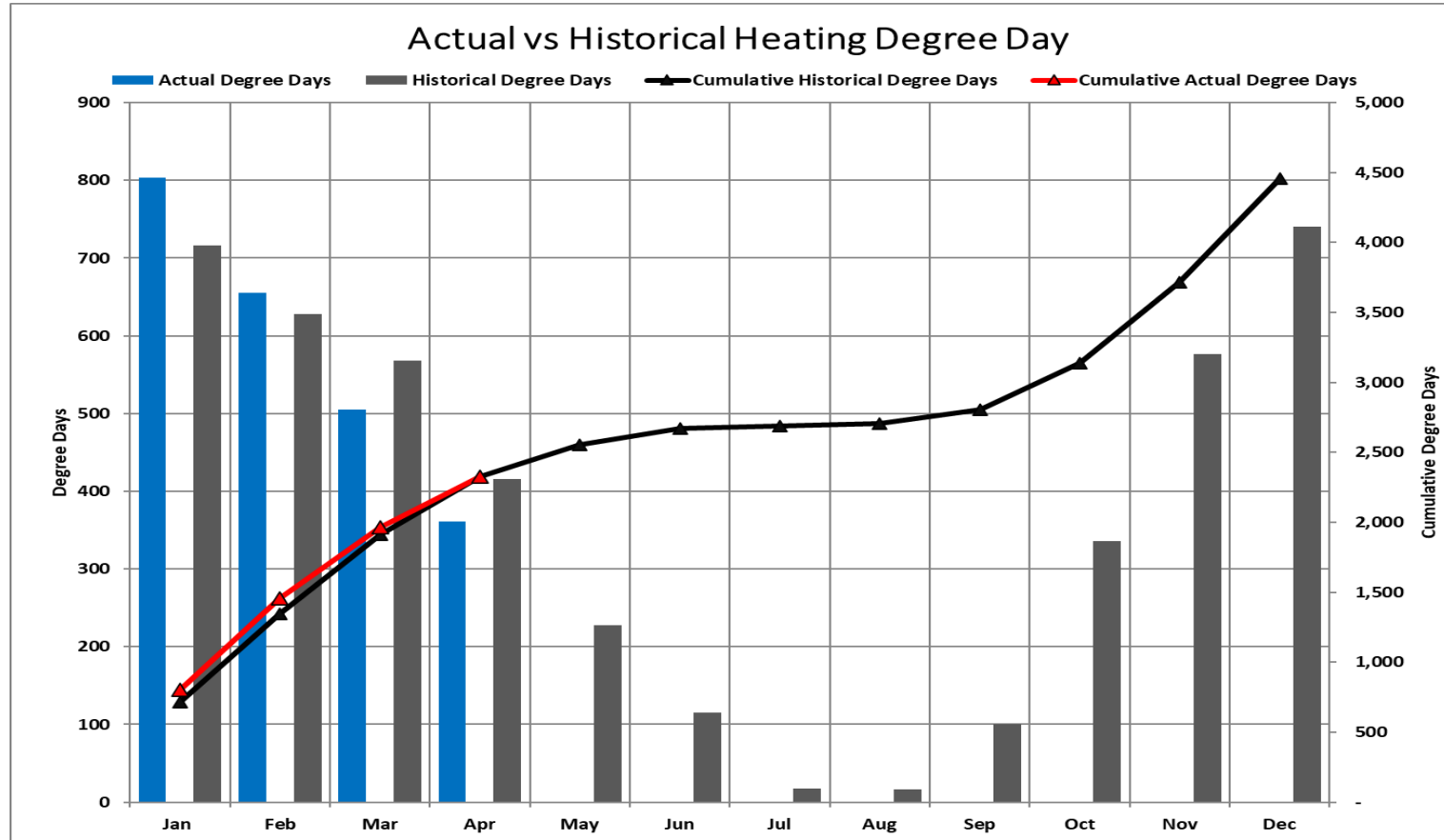
1.1.1 Non-Industrial Load Summary



1.1.2 Major Industrial Load Summary

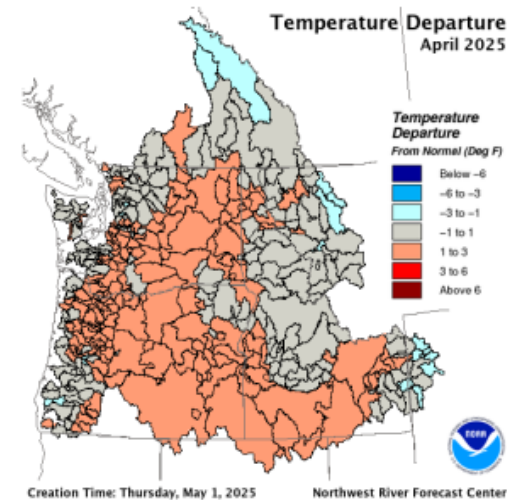
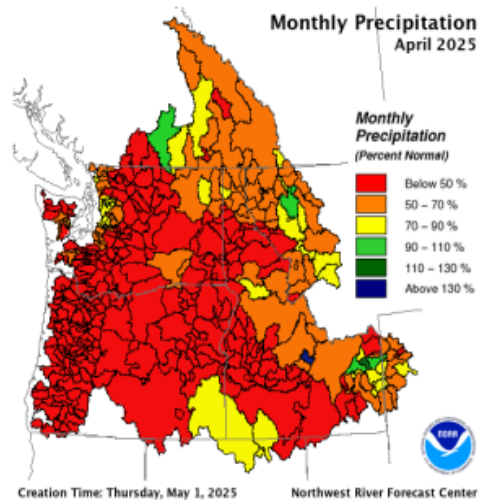
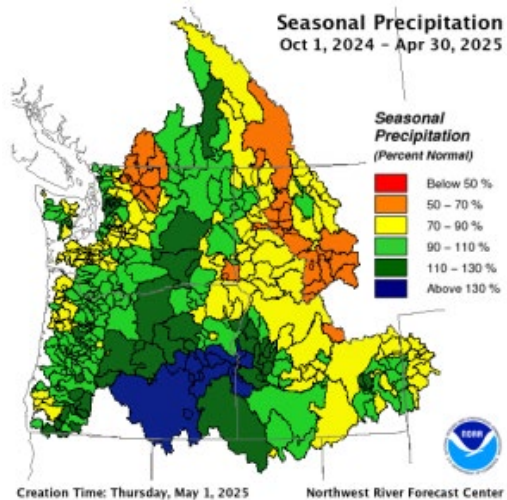


1.2 Heating Degree Days



Temperatures in April were above average, finishing at 87% of the historical average Heating Degree Days (HDD) for the month. The HDD year-to-date is currently 100% of average; a 3% decrease from the previous month's report.

1.3 Precipitation & Temperature

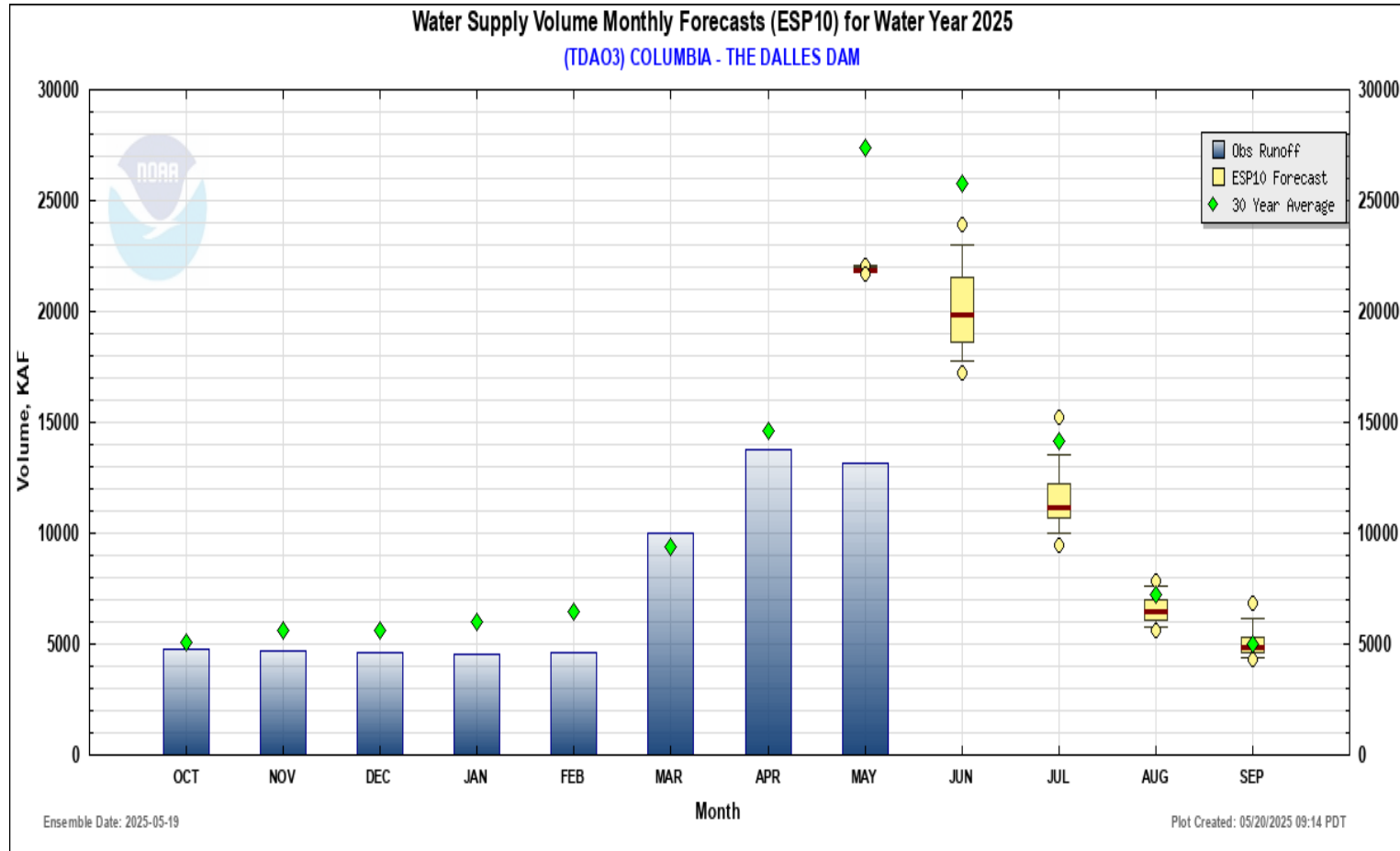


The seasonal precipitation map through April resembles the previous two reports. The lower Snake basin continues to experience above average levels. East of the Cascades still has below average accumulations, while the western region has seen close to average precipitation levels.

Precipitation for the month of April differs quite a bit from the March's conditions, with most of the region having experienced below average precipitation for the month.

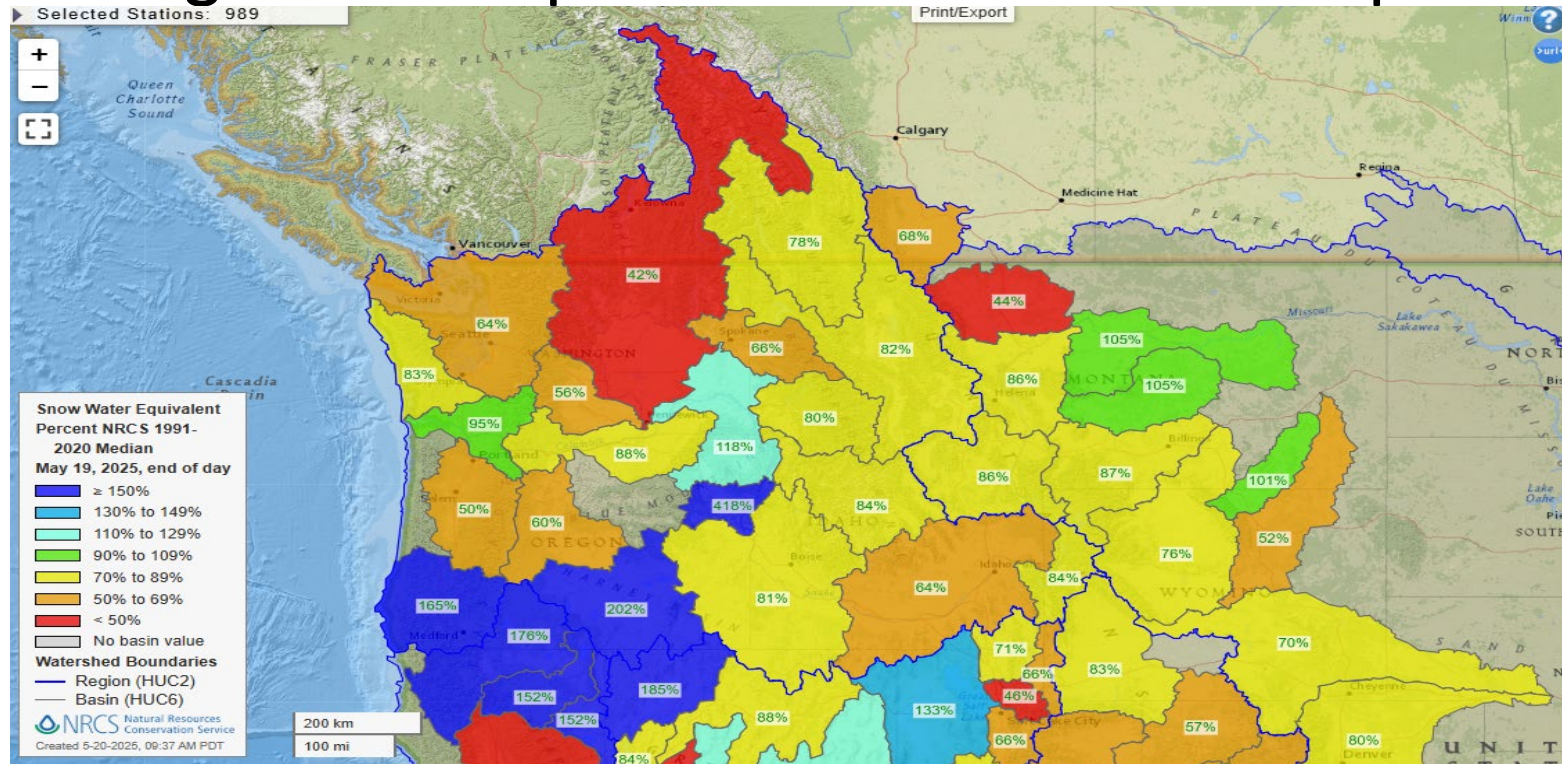
For the month of April, most of the region experienced average to above average temperatures. A portion of the northern Cascades saw slightly below average temperatures.

1.4 Runoff Forecast



April's water supply finished at 94% of average. May is forecasted to finish at 80% of average. The Water Supply Forecast at the Dalles for Oct-Sep is forecasted to be 84%, which is a 5% decrease from the previous month.

1.5 Regional Snowpack and ENSO Condition Update



April's above average temperatures along with below average precipitation has reduced most of the PNW snowpack levels to below average for this time of year. Unfortunately, due to these conditions the anticipated runoff for April fell short of expectations and negatively impacted the broader water supply outlook for the remainder of the year.

The El Nino Southern Oscillation (ENSO) conditions for the 2025 Water Year, forecasted by the NOAA Climate Prediction Center, are now ENSO-neutral conditions and are expected to remain neutral through the summer. Neutral is also the most likely state through the fall (greater than 50% chance).

1.6 Resource Performance

BPA Federal System Power



Annual Resource Projections vs Budget

The BPA Federal System is anticipated to produce 97% of the budgeted expected generation. Down 5% from the previous report.

Swift No. 2



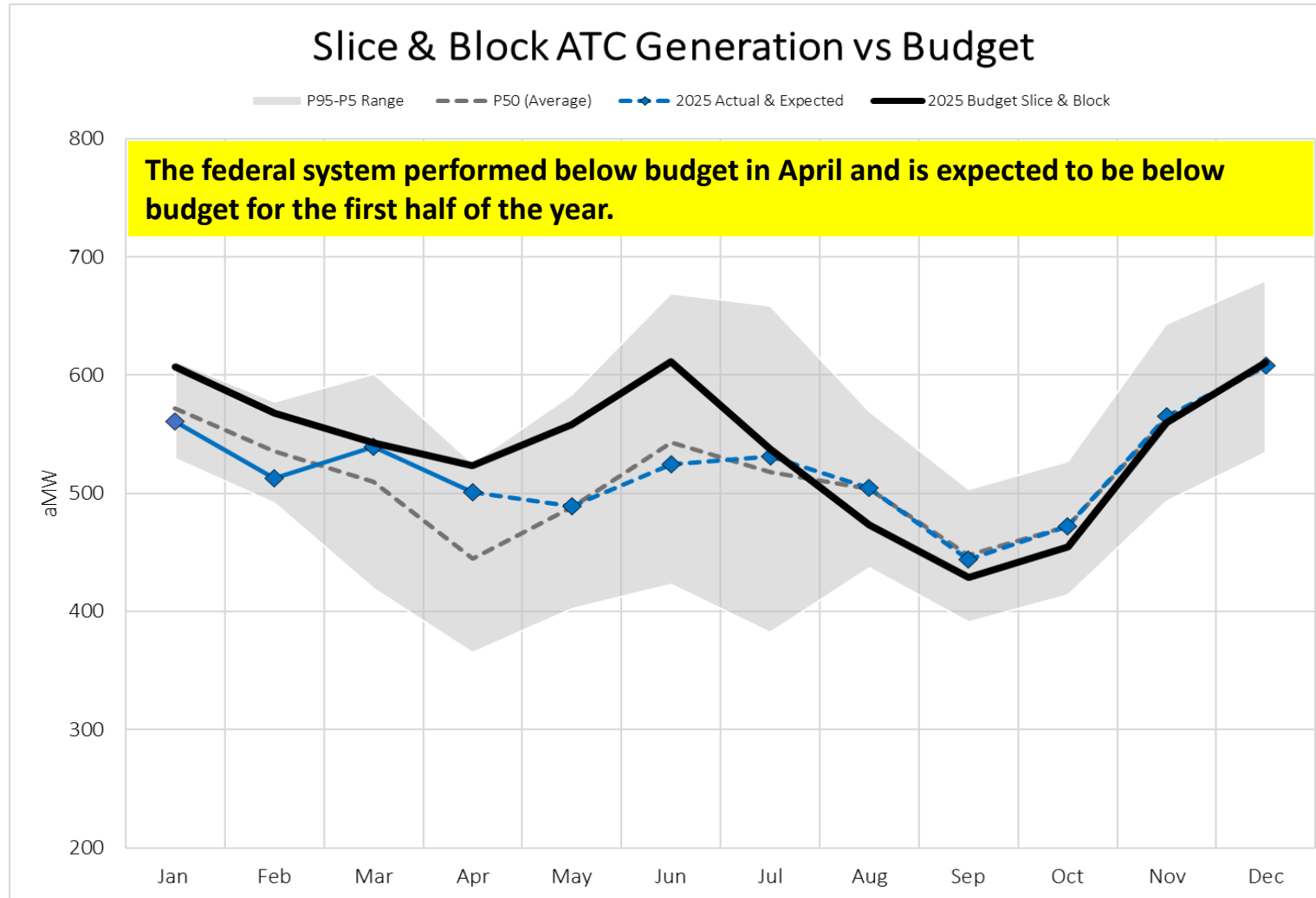
Swift No. 2 is currently anticipated to produce 91% of the budgeted expected ATC generation in 2025. Down 5% from the previous report.

Harvest & White Creek Wind

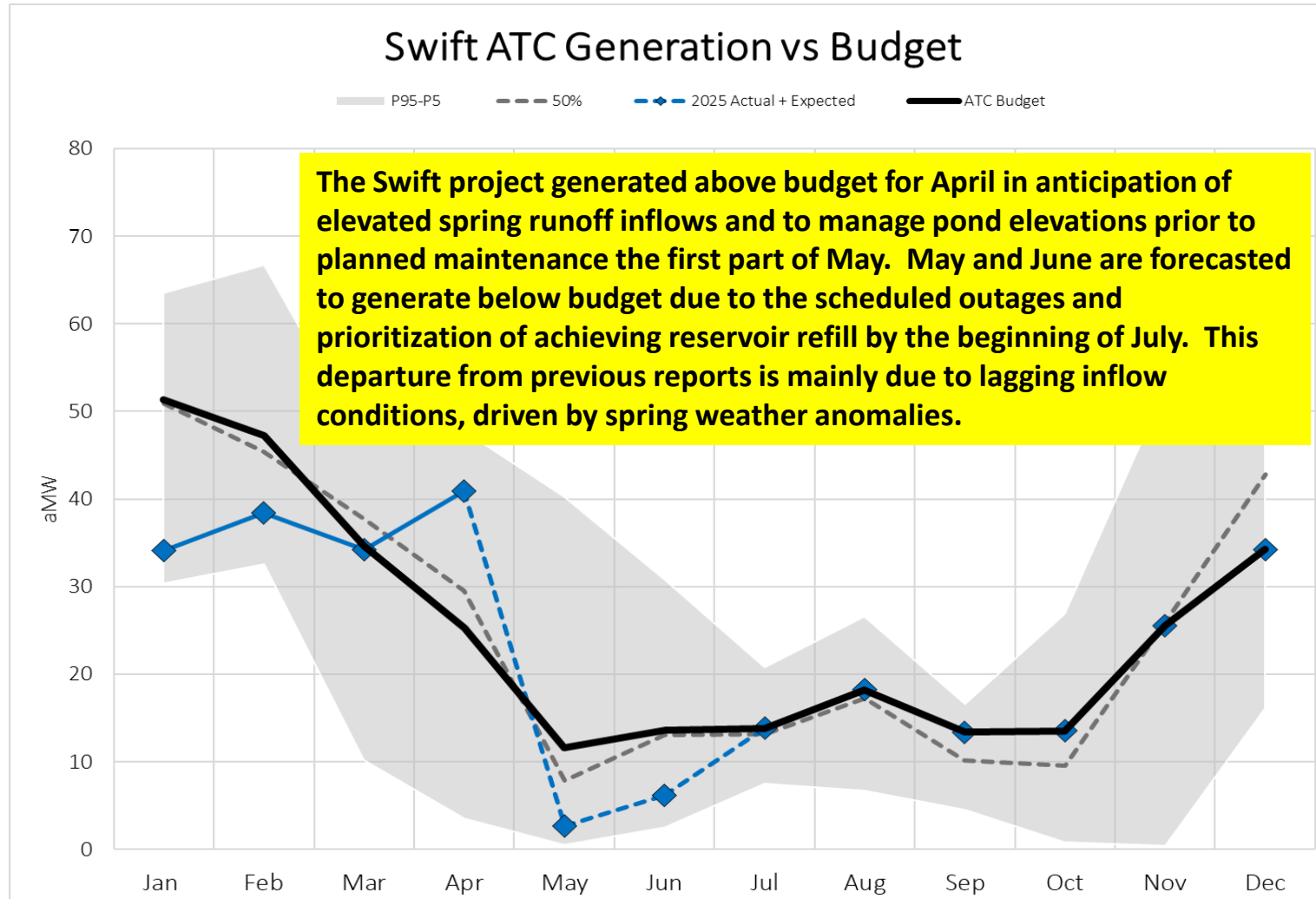


HW & WCW are anticipated to produce 93% of the budgeted expected generation in 2025. Down 2% from the previous report.

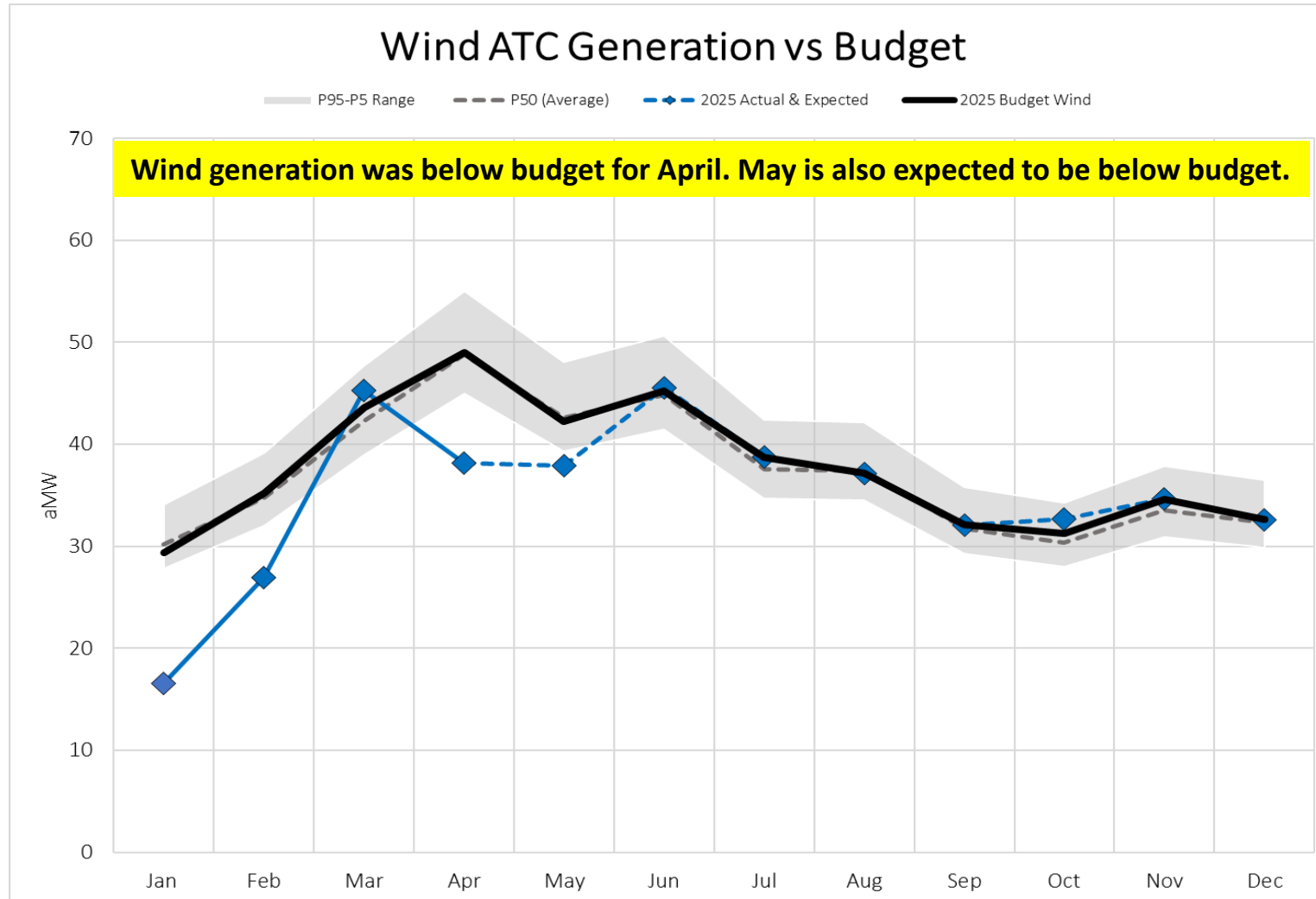
1.6.1 BPA Power



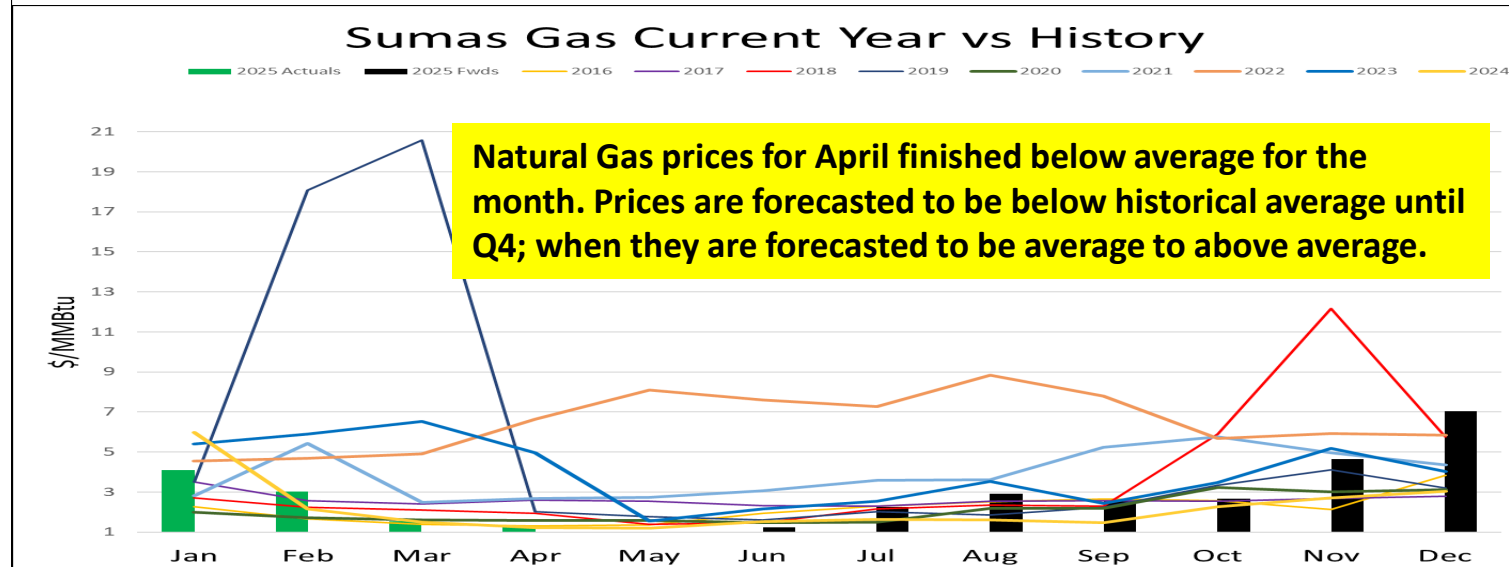
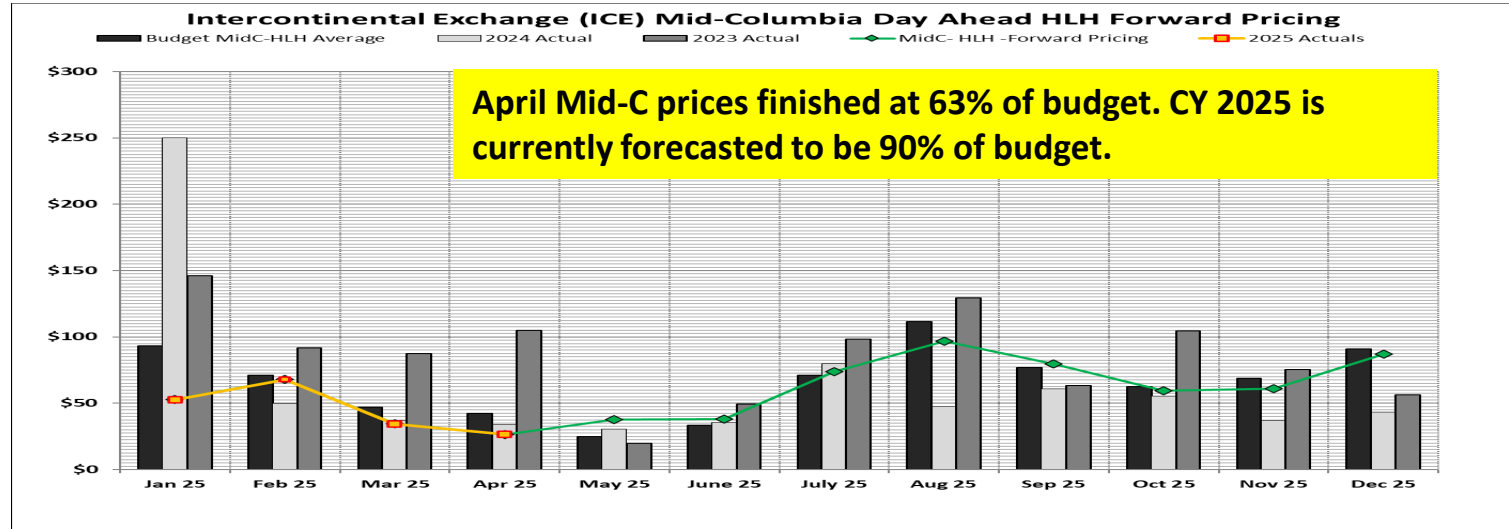
1.6.2 Swift No. 2 Generation



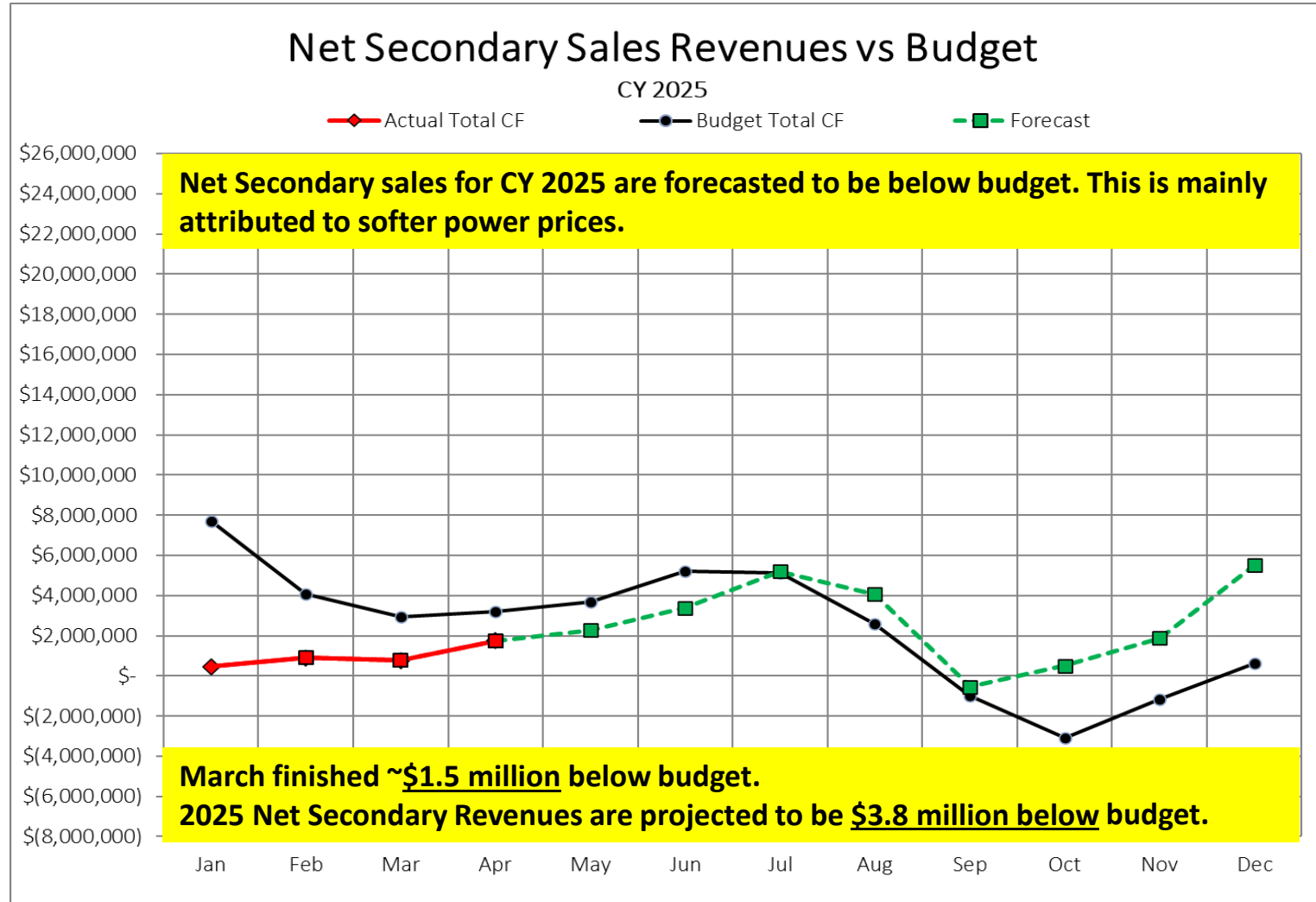
1.6.3 Wind (WC & HW)



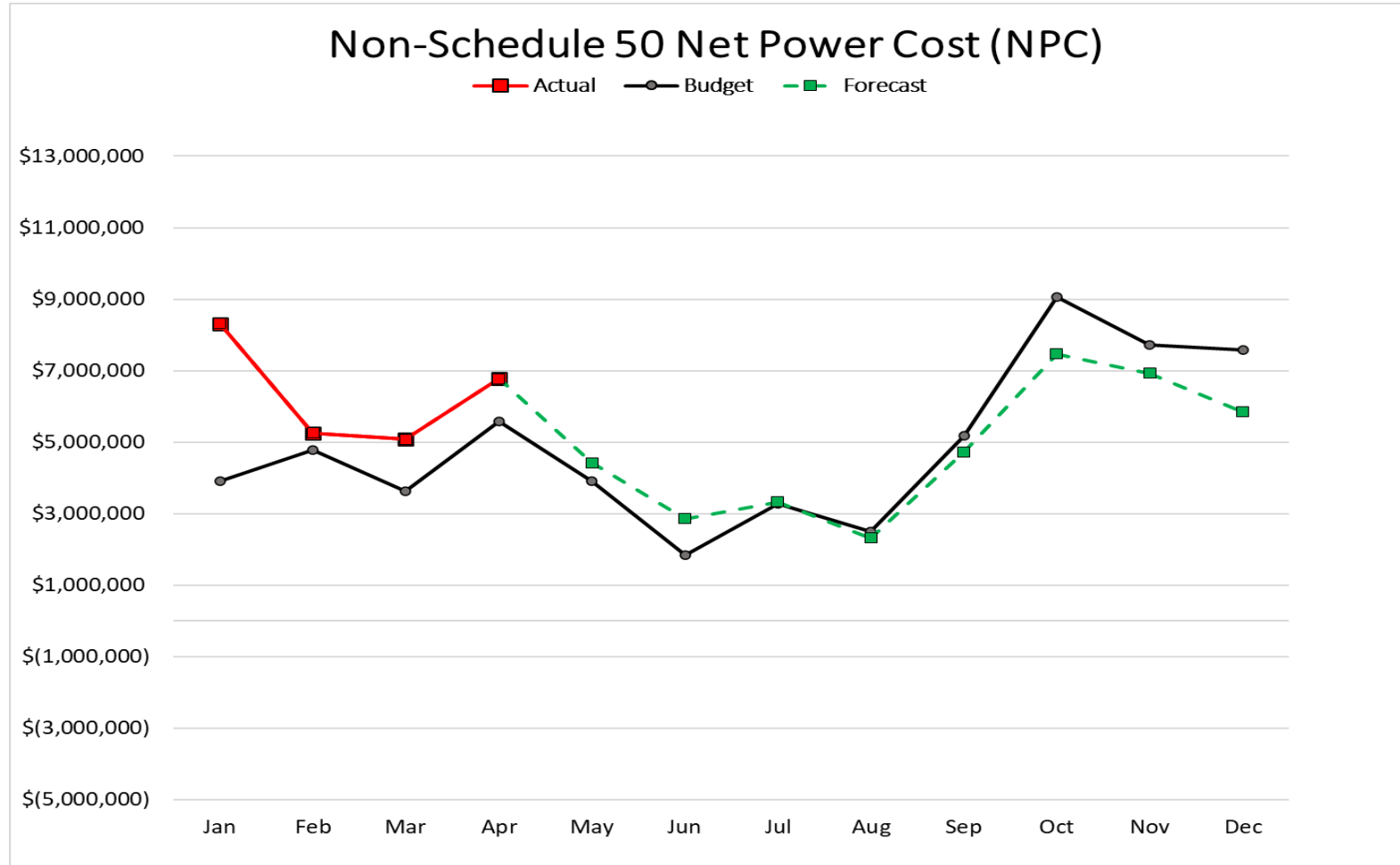
1.7 Wholesale Power Market Prices



1.8 Net Secondary Sales Revenue



1.9 Net Power Cost – Non-Schedule 50



April's actual Non-Sch50 NPC was \$1.2 million above budget.
Annual Non-Schedule 50 NPC is projected to be \$4.4 million above budget,
reflecting an annual Non-Schedule 50 NPC of ~ \$63.3 million.

2. Accounting and Finance

2.1 Year-to-Date Operating Results

2.2 Year-to-Date Retail Revenue

2.3 Proforma Year-End Income Statement

2.4 Year-End Cash Projection

2.5 Electric System Debt Service

2.6 Production System Debt Service

2.1 - Year-to-Date Operating Results

	Year-to-Date April 2025			
	Actual	Budget	Var \$	Var %
Revenues	\$ 99,819,673	\$ 89,683,252	\$ 10,136,421	11.30%
Expenses	92,502,259	79,487,790	13,014,469	16.37%
Margin	\$ 7,317,414	\$ 10,195,462	\$ (2,878,048)	
Prior Year	\$ 4,393,856			

Actual revenues reduced by CIAC - \$1,192,263

Actual expenses reduced by Harvest Wind distributions - \$525,000

Behind budget due to net power supply costs.

2.2 - Year-to-Date Retail Revenue

<u>Year-to-Date April 2025</u>	<u>Actual</u>	<u>Budget</u>	<u>Var \$</u>	<u>Var %</u>
Non-Major Industrial	\$ 51,579,669	\$ 47,363,586	\$ 4,216,083	8.90%
Major Industrial	<u>45,477,777</u>	<u>40,486,333</u>	<u>4,991,444</u>	12.33%
Total Retail Revenue	<u>97,057,446</u>	<u>87,849,919</u>	<u>9,207,527</u>	10.48%
Other Operating Revenue	<u>2,762,227</u>	<u>1,833,333</u>	<u>928,894</u>	50.67%
Total Revenues	<u>\$ 99,819,673</u>	<u>\$ 89,683,252</u>	<u>\$ 10,136,421</u>	11.30%

Non-MI revenue impacted by October 2024 rate increase and billed loads. MI revenue impacted by actual costs and loads (pass-through power cost contracts). Other is due largely to higher investment earnings.

2.3 - Proforma Year-End Income Statement

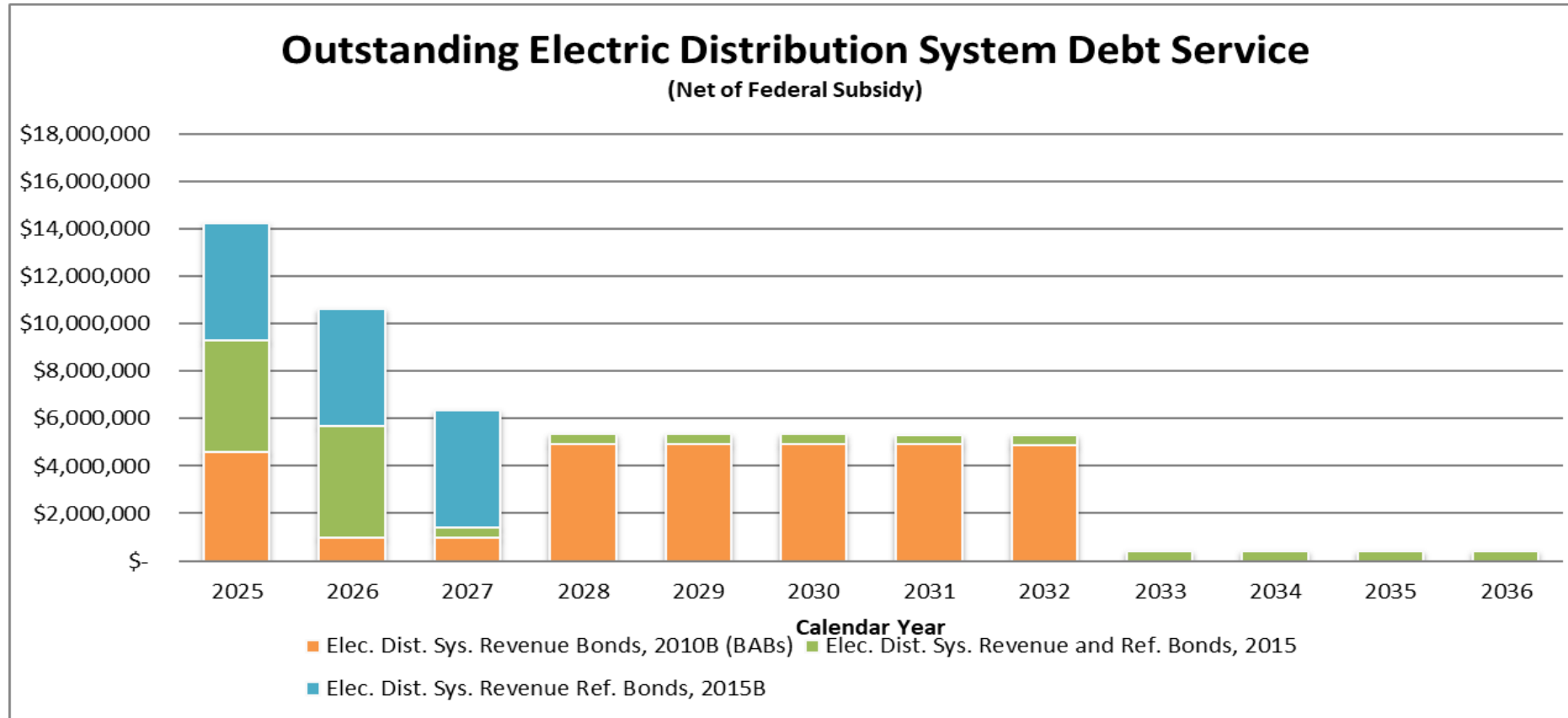
	YTD Actual	Projected	Budget	Var \$	Var %	
Revenues						
Non-MI	\$ 51,579,669	\$ 136,849,800	\$ 128,822,465	\$ 8,027,335	6.23%	October 2024 Rate Increase & Loads Loads and Actual Costs
Major Industrial	45,477,777	135,071,729	146,652,648	(11,580,919)	-7.90%	
Other	2,762,227	6,428,894	5,500,000	928,894	16.89%	
	<u>99,819,673</u>	<u>278,350,422</u>	<u>280,975,113</u>	<u>(2,624,690)</u>	-0.93%	
Expenses						
Power Supply	67,429,461	190,637,050	197,064,258	(6,427,208)	-3.26%	Low Generation & Soft Prices
Other Operating	14,841,869	43,876,271	43,876,271	-	0.00%	
Taxes	5,618,289	16,463,736	15,906,821	556,915	3.50%	
Depreciation	3,948,824	12,948,824	13,500,000	(551,176)	-4.08%	
Interest	663,816	2,238,663	2,362,271	(123,608)	-5.23%	
	<u>92,502,259</u>	<u>266,164,544</u>	<u>272,709,622</u>	<u>(6,545,077)</u>	-2.40%	
Margin	<u>\$ 7,317,414</u>	<u>\$ 12,185,878</u>	<u>\$ 8,265,491</u>	<u>\$ 3,920,387</u>	47.43%	

Projected results are heavily impacted by current forward market prices and anticipated volumes.

2.4 - Year-End Cash Projection - Electric System

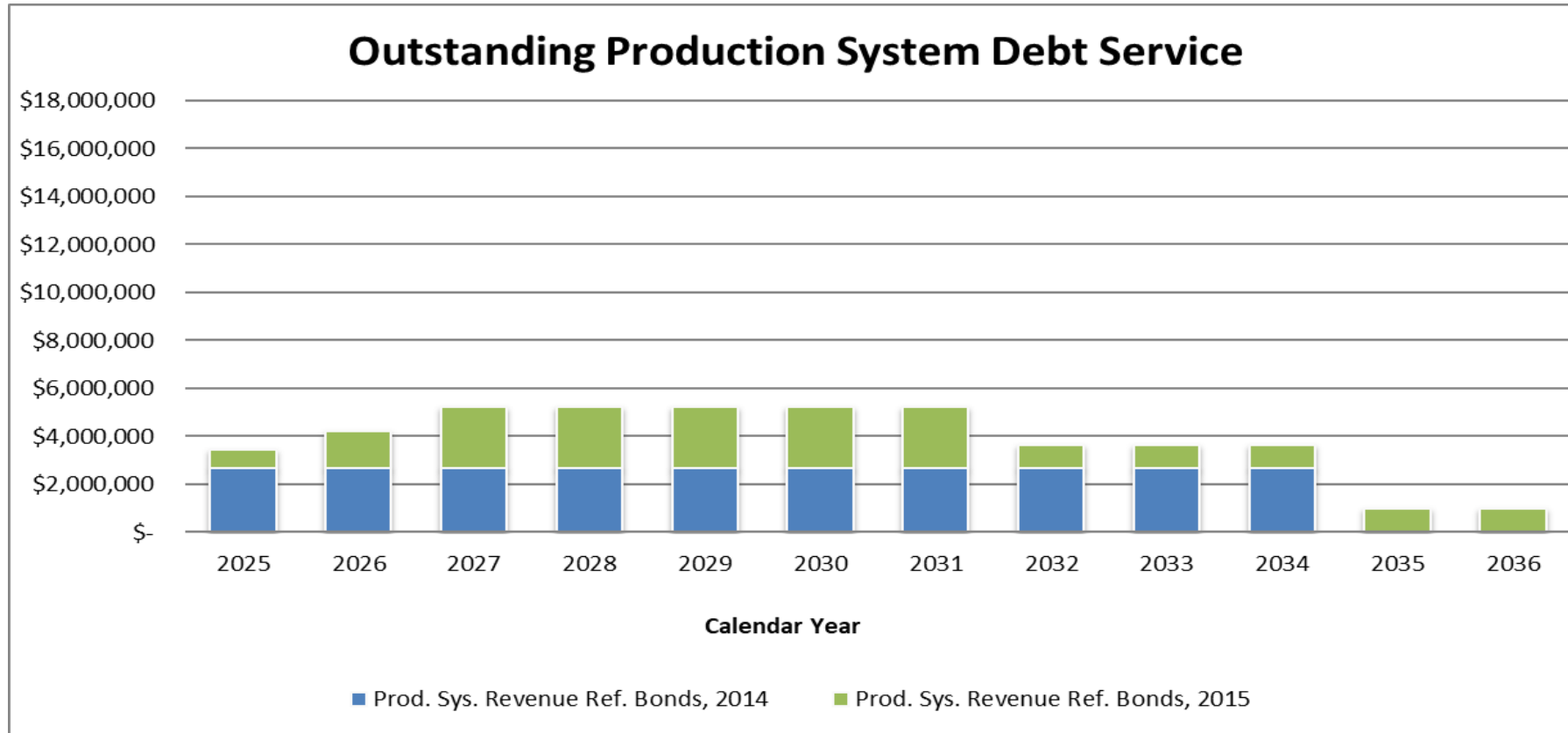
Margin	\$ 12,185,878
Non-Cash Items	17,268,824
Capital	(30,915,528)
Principal Debt	<u>(13,096,538)</u>
Projected Cash Deficit	(14,557,364)
Unrestricted Cash, beginning of year	<u>145,323,050</u>
Unrestricted Cash, end of year	<u><u>\$ 130,765,686</u></u>
Budgeted Deficit	<u><u>\$ (17,926,575)</u></u>

2.5 – Electric System Debt Service



**The above represents principal and interest.
Total principal for the Electric System -
\$50,525,000**

2.6 – Production System Debt Service



**The above represents principal and interest.
Total principal for the Production System -
\$36,335,000**

3. Operations

3.1 Outage Reports

3.2 Department Monthly Summaries

3.3 Safety

3.4 Wildfire projects

3.1.1 Outage Summary - April

Actual (Based on Date Slicer)

Events	Customers Out	SAIDI	Minutes
32	910	3	148,427

Previous 6 Periods Avg (Based on Date Slicer)

Events	Avg Cust Out	Avg SAIDI	Avg Minutes
33	2,675	5	259,482

Causes (Non-Storm Related)

Outage Cause	Events	Customers Out	SAIDI	CMI	% CMI
Trees / Vegetation	3	670	2	98,752	66.53%
Equipment Failure	14	77	0	20,270	13.66%
Unknown	2	58	0	13,008	8.76%
Weather	1	61	0	9,797	6.60%
Human / Vehicle	7	15	0	3,365	2.27%
Animals	4	26	0	2,801	1.89%
Other	1	3	0	433	0.29%
Total	32	910	3	148,427	100.00%

Top Events (CMI)

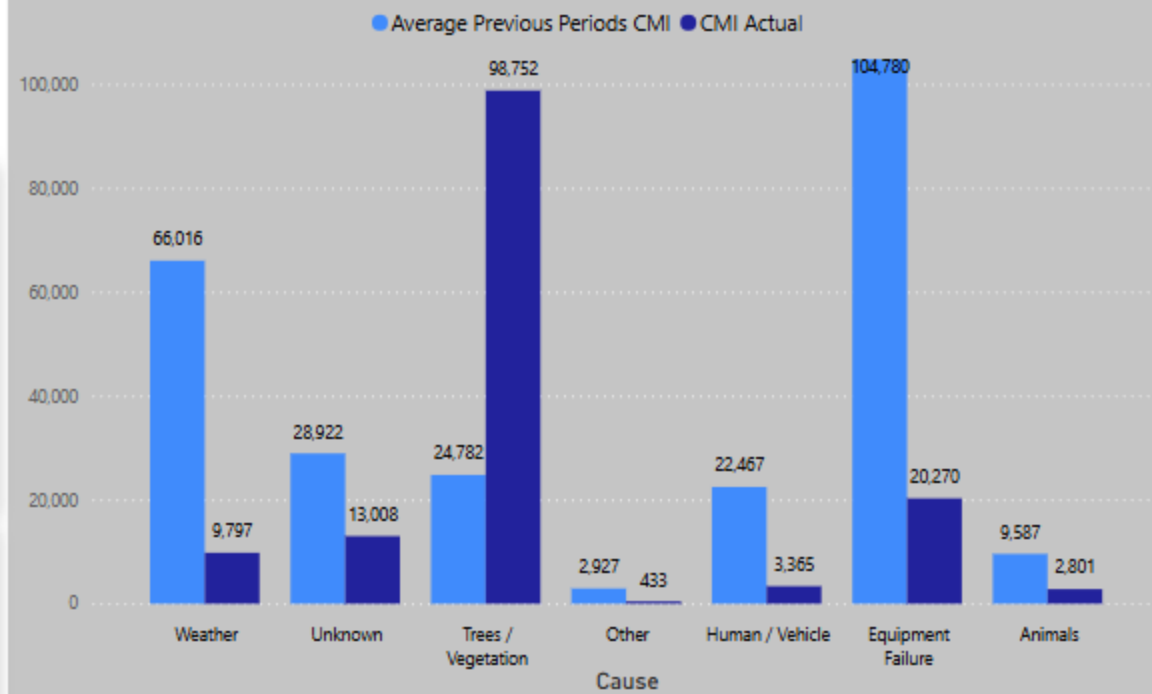
Outage Cause	Feeder	Line Section	CMI	Customers Out	Time Off	First Restore	Longest Duration
Veg: Tree or Branch - No Wind	12E4	BRK12E4	84,340	550	4/25/25 5:21 PM	4/25/25 7:03 PM	5.2
Cause unknown	12Z3	FUS060N10E1 70021	12,660	55	4/3/25 3:24 AM	4/3/25 5:59 AM	4.2
Equip: U/G Fault	12AR2	FUS050N10E0 30321	10,526	28	4/22/25 6:40 PM	4/23/25 12:51 AM	8.7
Weather: Wind with trees	12S1	FUS070N10W	9,797	61	4/8/25	4/8/25	2.0

Date
4/1/2025 4/30/2025

Storm Related?

Non-Storm Related

Cause Group Breakdown By Cause



CMI

Customers Out

Outages

SAIDI

Good month compared to historical average.

3.1.2 Outage Summary – YTD W/O Storms

Actual (Based on Date Slicer)

Events	Customers Out	SAIDI	Minutes
145	13,352	35	1,885,667

Previous 6 Periods Avg (Based on Date Slicer)

Events	Avg Cust Out	Avg SAIDI	Avg Minutes
145	13,414	33	1,736,162

Causes (Non-Storm Related)

Outage Cause	Events	Customers Out	SAIDI	CMI	% CMI
Weather	32	5,765	16	878,585	46.59%
Human / Vehicle	16	2,505	8	413,937	21.95%
Trees / Vegetation	16	2,492	7	375,364	19.91%
Animals	12	2,099	2	128,115	6.79%
Equipment Failure	60	350	1	57,881	3.07%
Unknown	7	137	1	31,287	1.66%
Other	2	4	0	498	0.03%
Total	145	13,352	35	1,885,667	100.00%

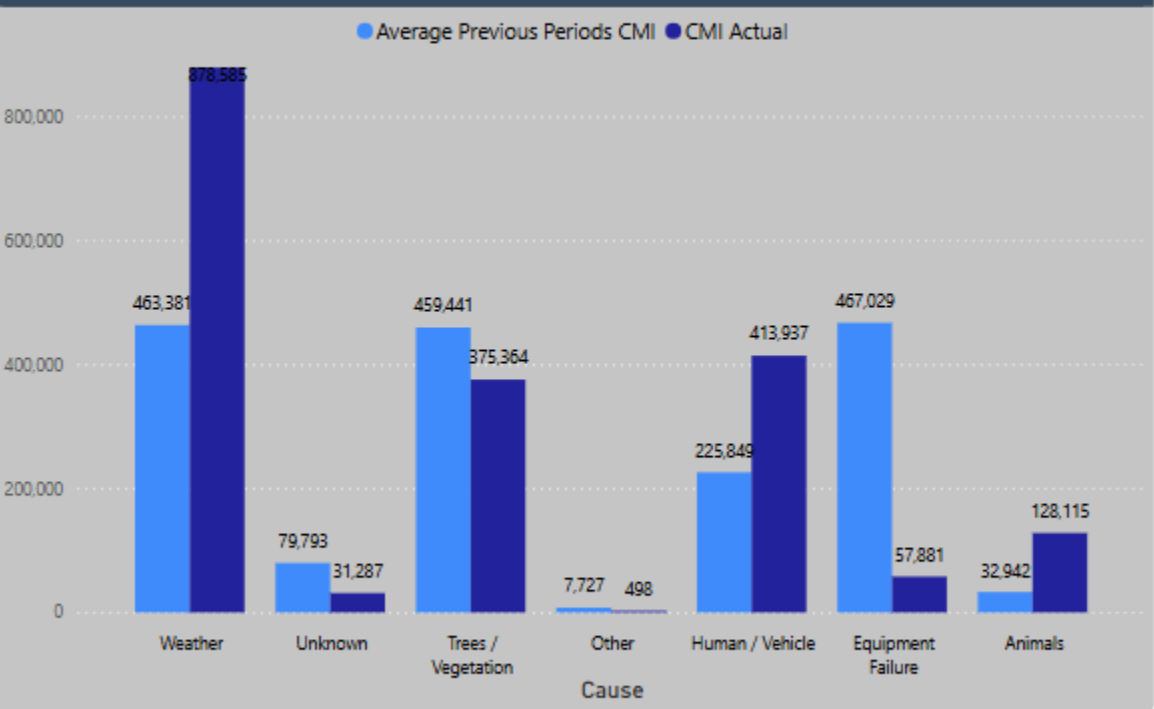
Top Events (CMI)

Outage Cause	Feeder	Line Section	CMI	Customers Out	Time Off	First Restore	Longest Duration
Public: Motor vehicle	1253	BRK1253	264,494	882	3/21/25 3:38 AM	3/21/25 3:47 AM	7.6
Weather: Wind with trees	999	UNKNOWN	137,817	1,540	2/24/25 4:22 PM	2/24/25 5:44 PM	1.8
Weather: Wind with trees	12AR1	BRK12AR1	125,455	263	2/24/25 4:47 PM	2/24/25 6:35 PM	8.1
Animal: other	000	BRK1215	128,115	2,057	2/6/25	2/6/25	1.3

Date
1/1/2025 4/30/2025

Storm Related?
Non-Storm Related

Cause Group Breakdown By Cause



CMI Customers Out Outages SAIDI

6-year avg comparison YTD without storms

3.1.3 Outage Summary – YTD W/Storms

Actual (Based on Date Slicer)

Events	Customers Out	SAIDI	Minutes
145	13,352	35	1,885,667

Previous 6 Periods Avg (Based on Date Slicer)

Events	Avg Cust Out	Avg SAIDI	Avg Minutes
239	28,909	129	6,770,035

Causes (Non-Storm Related)

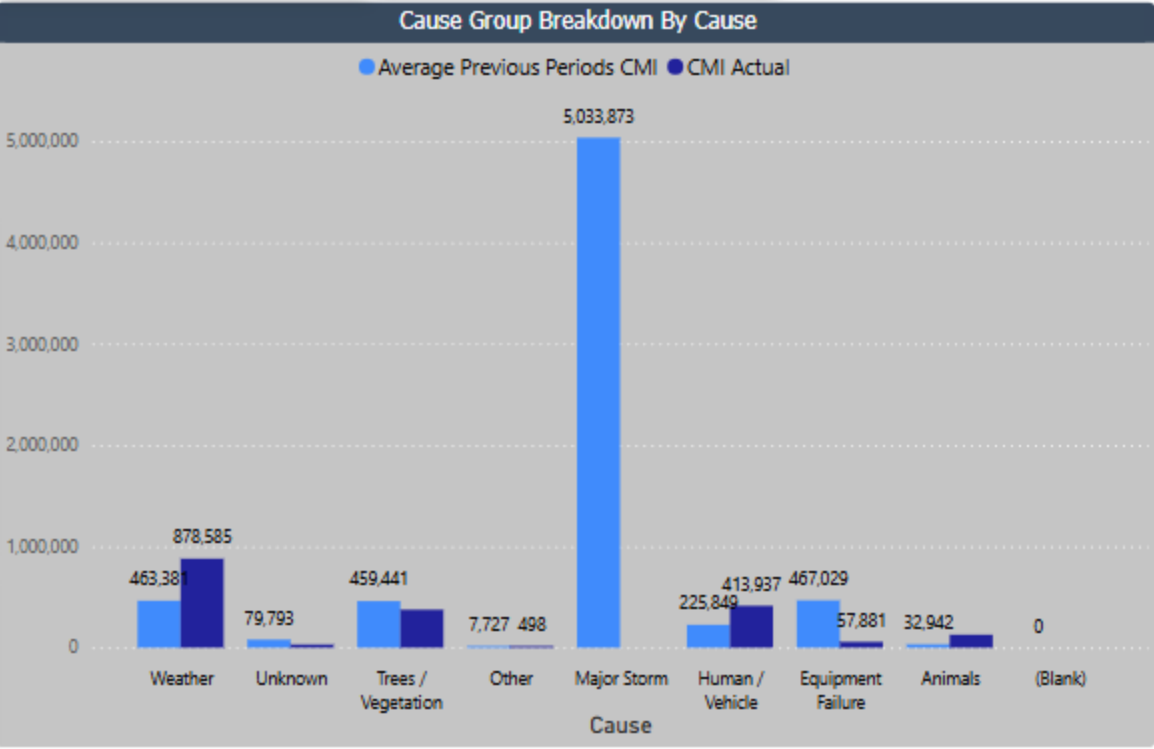
Outage Cause	Events	Customers Out	SAIDI	CMI	% CMI
Weather	32	5,765	16	878,585	46.59%
Human / Vehicle	16	2,505	8	413,937	21.95%
Trees / Vegetation	16	2,492	7	375,364	19.91%
Animals	12	2,099	2	128,115	6.79%
Equipment Failure	60	350	1	57,881	3.07%
Unknown	7	137	1	31,287	1.66%
Other	2	4	0	498	0.03%
	0				
Total	145	13,352	35	1,885,667	100.00%

Top Events (CMI)

Outage Cause	Feeder	Line Section	CMI	Customers Out	Time Off	First Restore	Longest Duration
Public: Motor vehicle	1253	BRK1253	264,494	882	3/21/25 3:38 AM	3/21/25 3:47 AM	7.6
Weather: Wind with trees	999	UNKNOWN	137,817	1,540	2/24/25 4:22 PM	2/24/25 5:44 PM	1.8
Weather: Wind with trees	12AR1	BRK12AR1	125,455	263	2/24/25 4:47 PM	2/24/25 6:35 PM	8.1
Animal: other	000	BRK1215	124,130	2,057	2/6/25	2/6/25	1.3

Date: 1/1/2025 to 4/30/2025

Storm Related?: All

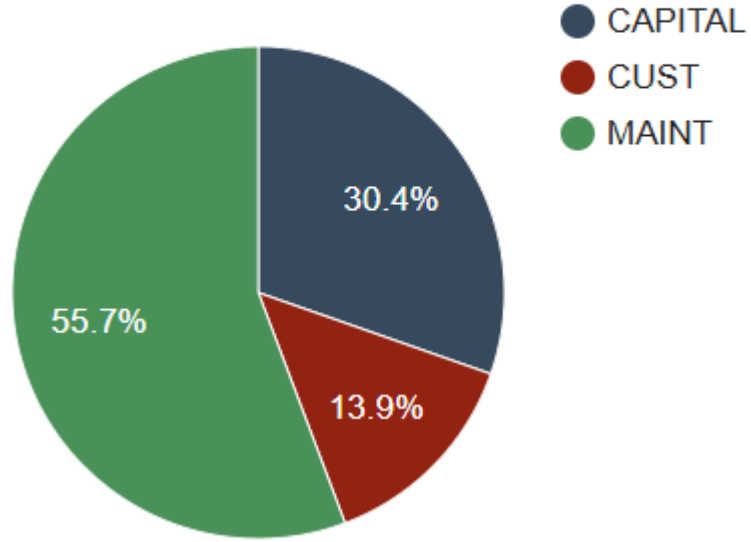


CMI
 Customers Out
 Outages
 SAIDI

6-year avg comparison YTD with storms
(No storms 2025 YTD)

3.2.1 Line Crew

Straight Time
3978.05 Hours



LINE CREW SERVICE ORDERS

89	DISCONNECT
74	HAZARD/TT/POWER QUALITY
46	TRANSFORMERS
28	MISC
23	RECONNECT/NEW/TEMP/BACKBONE
22	PERM METER
21	INFO
17	POLE REPL
11	STREET LIGHTS
10	FLUP
7	TPERM
6	LT EXCHGE
5	CUTOFF
3	METER EXCHANGE/REMOVE
3	BACKBONEV2
2	APP TTLINE
1	LLMANDISC
1	FIP-LINE
1	SH LT MNT

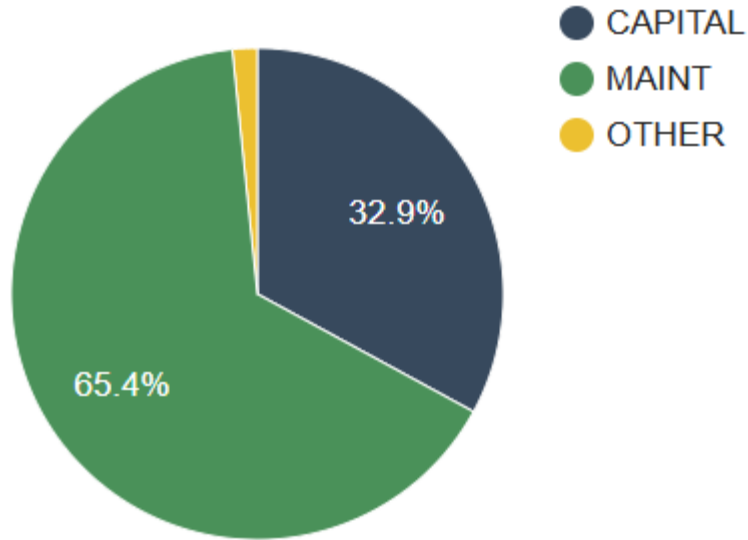
370	TOTAL
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Customer Work

41 WO's completed

3.2.2 Relay/Substation

Straight Time
1197.5 Hours

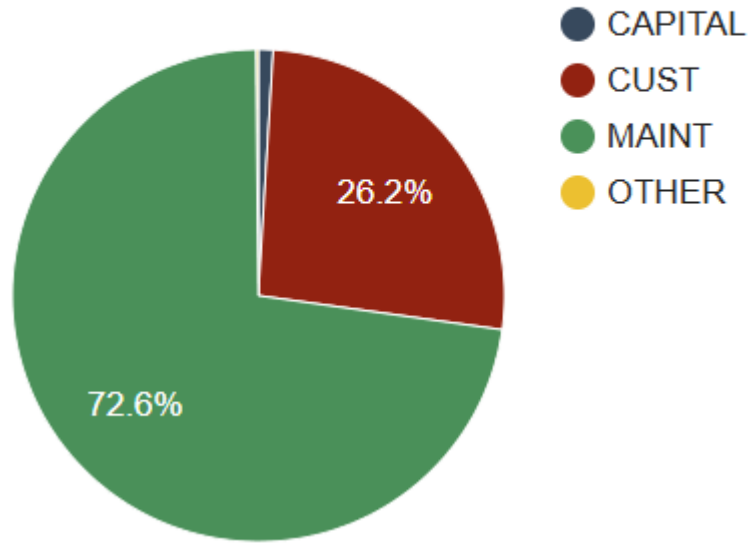


Maintenance Work

Power factor test John Street substation power transformer
Bi-annual regulator inspection and testing
Bi-annual oil sample testing for DGA
Weed spraying in all substations

3.2.3 Meter and FSRs

Straight Time
1244 Hours



Service Orders

METER DEPARTMENT

87	DISCONNECT
75	MTR-CT/PT
57	METER INVESTIGATION
9	METER EXCHANGE/REMOVE
5	RECONNECT/NEW/TEMP
5	FIP-METER
4	MISC
3	COMMER CST
2	MASSMTREXC
2	PERM METER
1	FIP-LINE
250	TOTAL

FIELD SERVICE REPS

73	READ OPTOT
67	OFFICE
57	FIP-METER
10	METER READ
9	CUTOFF
4	MASSMTREXC
2	LT-REMOVE
1	METER EXCHANGE/REMOVE
1	LL REMDISC
1	METER INVESTIGATION
1	CSTREMDISC
1	CUSTMANDIS
1	DISCONNECT
228	TOTAL

3.2.4 On-Going District Work

Group	Design	ROPS	Completed	Budget	YTD	YTD/Budget
2.1 - Transmission On-Going Pole Replacement	20	5	5	\$310,000	\$91,077	29%
2.3 - Transmission On-Going System Improvement	1	0	0	\$95,000	\$0	
2.5 - Transmission Unplanned System Improvemen	4	3	0	\$410,000	\$219,922	54%
3.1 - Distribution On-Going System Improvement	60	10	36	\$3,950,000	\$474,154	12%
3.11 - Transformer O/H & U/G Failure	1	0	26	\$270,000	\$41,142	15%
3.12 - Dist Line Rebuild	3	0	0	\$220,000	\$1,724	1%
3.18 - Distribution Unplanned System Improvemen	18	5	11	\$760,000	\$143,858	19%
3.19 - Distribution On-Going U/G Line Cable Rep	73	49	19	\$8,750,000	\$808,949	9%
3.26 - Transformer PCB Replacement	1	74	28	\$170,000	\$38,576	23%
3.5 - Distribution On-Going Pole Replacement	110	17	28	\$1,690,000	\$382,585	23%
3.52 - Substation Unplanned System Improvement	1	0	2			
3.54 - Substation On-Going System Improvement	2	0	0	\$443,500	\$132,639	30%
TR2.1 - Small Capital	3	0	0	\$39,000		
TOTAL	297	163	155	\$17,107,500	\$2,334,625	14%

3.2.5 On-Going Customer Work

Group	Design	ROPS	Completed	Ops Man Hrs Remaining	YTD
3.13 - Cust OnGoin Lighting	7	0	2	0	\$2,219
3.14 - Cust Secondary Ln Extention	214	7	128	55	\$173,117
3.16 - Cust Pri Ln Ext. Residential	107	7	81	79	\$400,700
3.17 - Cust Pri Ln Ext. Commercial	82	0	13	0	\$261,164
3.29 - Cust Mke Redy for Telco	44	0	15	0	\$16,818
3.9 - Cust Ln Reloct Dist/TX	14	1	3	31	\$270,243
3.99 - Cust Solar	8	0	7	0	\$802
TOTAL	476	15	249	165	\$1,125,063

3.2.6 Tree-Trimming

Contractor Tree Crew #1

Substation feeders trimmed: Bakers Corner (12T4)

Total line miles trimmed: **9.0**

709 manhours spent on circuit trimming

Contractor Tree Crew #2

Substation feeders trimmed: Bakers Corner, Bakers Corner (12T1, 12T2, 12T4)

Total line miles trimmed: **10.9**

667 manhours spent on circuit trimming

Contractor Tree Crew #3

Substation feeders trimmed: Gardners Corner (12F1), Bakers Corner (12T1, 12T4)

Total line miles trimmed: **5.3**

730 manhours spent on circuit trimming

Contractor Tree Crew #4

Main focus on cycle busters, hot spots, hazard trees, and trouble tickets

9 Trouble tickets completed

207 manhours

Total miles trimmed: 80.7

Yearly goal ~ 200 miles/year

3.3 Safety



Health & Safety Dashboard

2025

Total Case Incident Rate (TCIR) To Date



Days Since Last Lost Time Incident

225

DAYS RESTRICTED

14

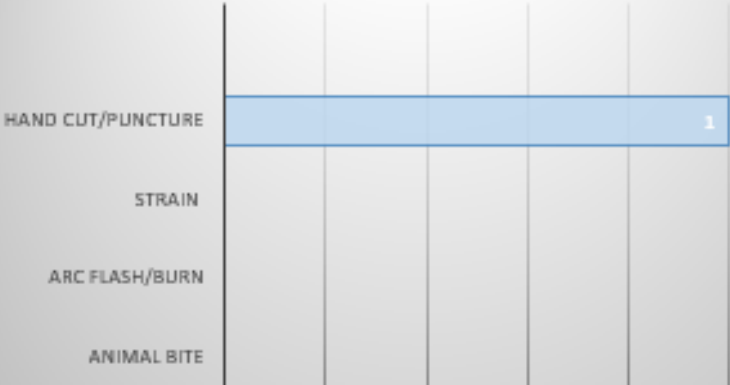
Incidents by Severity



Total # Incidents

1

Injury by Cause



3.4.1 Wildfire Projects

Early Fault Detection (EFD)

Pilot Project

Detect anomalies on overhead lines prior to failure

Line sensors installed on distribution and transmission

Progress

Finalized installation locations on rural feeders

Created installation standards

Jobs designed and released to operations

Currently installing (23) locations throughout the county

Final order placed for remaining installations

Fire Weather Monitoring and PSPS Software

Analyze current and predicted weather patterns

Compare historical outage data

Provide ignition and consequence modeling and fire risk zones based on consequence data

Recommendations for PSPS

Progress

GIS data final pass completed and loaded

Finalized initial ignition/consequence modeling (timber, fire size, structure impacts)

Finalized development of fire risk tiers

Employee training scheduled for 05/27/25

4. Engineering

4.1 System Metrics

4.2 Underground Primary Outages

4.3 New Service Requests

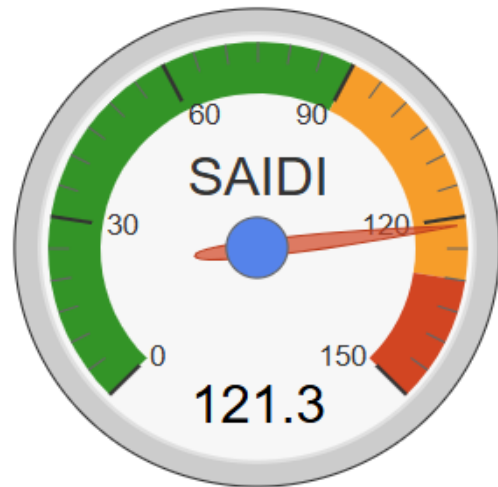
4.4 Locates

4.5 Substation Outages (exclusive of storms)

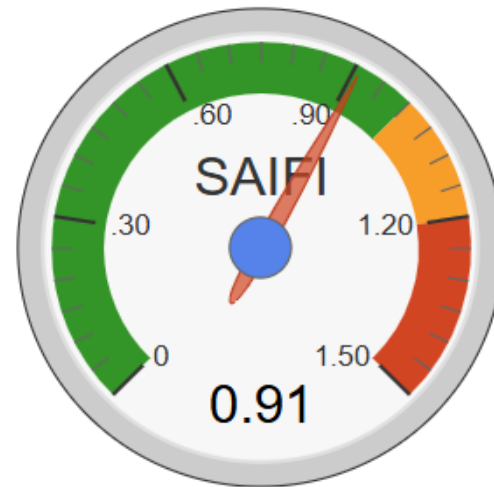
4.6 Feeder Outages and Causes (exclusive of storms)

4.1 System Metrics

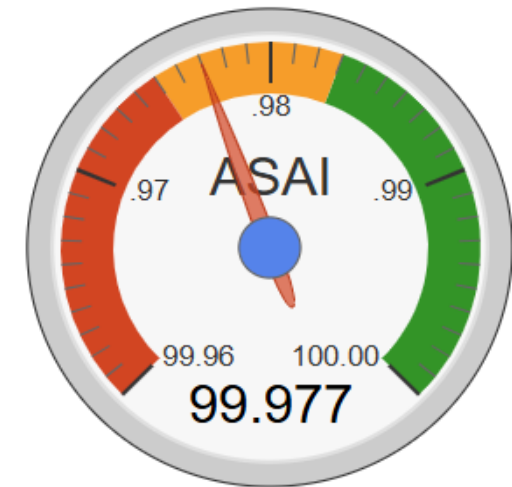
Indices (rolling 12 months)



System Average Interruption Duration Index
(Average Outage Duration in Minutes)



System Average Interruption Frequency Index
(Average Customer Interruptions per year)



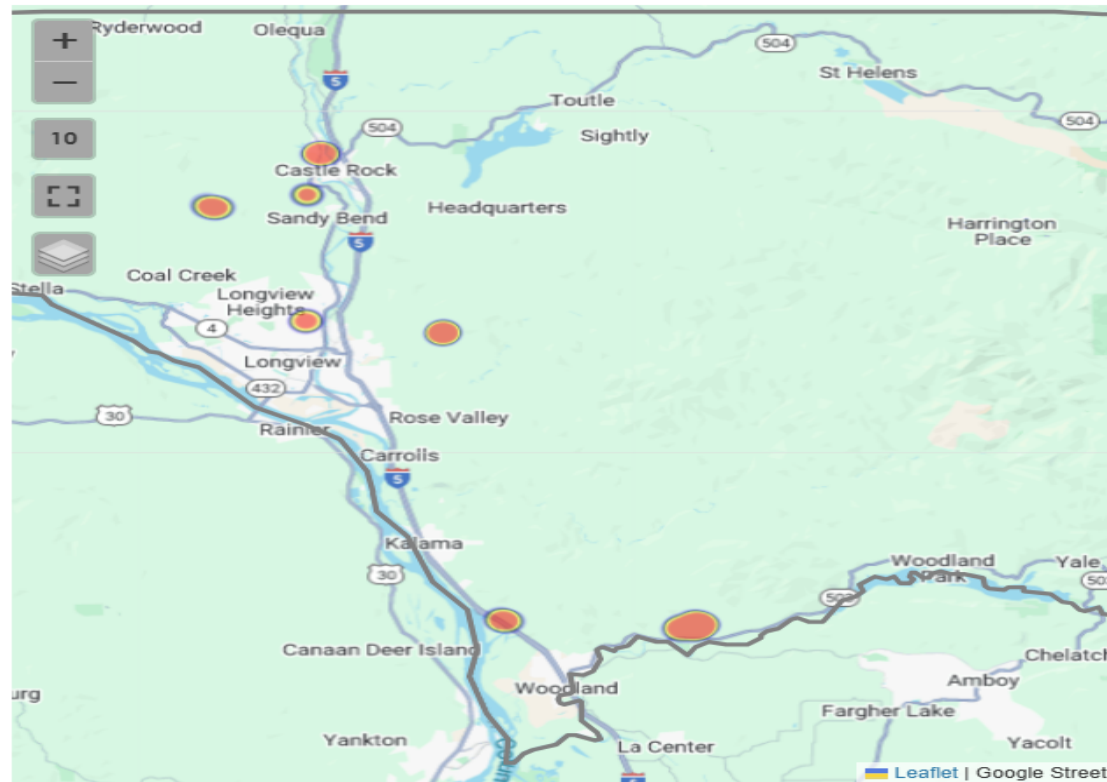
Average Service Availability Index
(Percent of Time Average Customer has Power)

Green indicates system performing within PUD set goals. Total April customer minutes 148,427.
10-year April monthly avg is 267,808 therefore Customer Minutes are 55% of average.

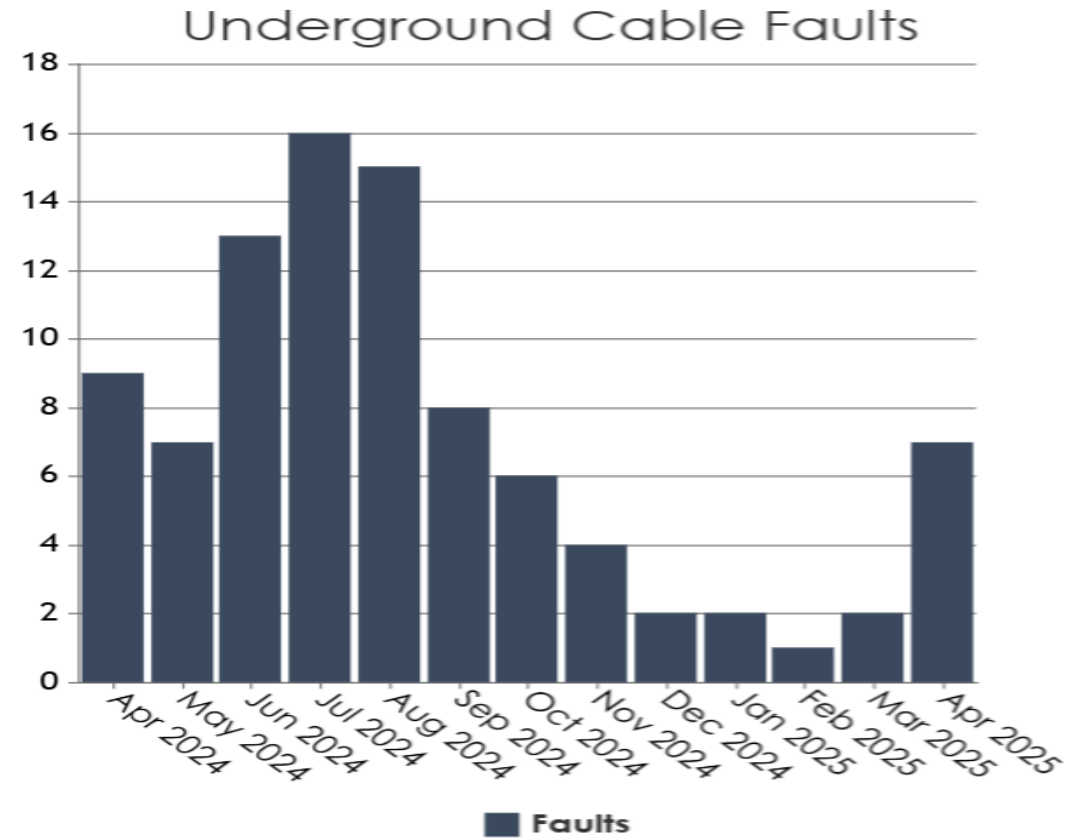
4.2 Underground Primary Outages

Underground Cable Faults

April
Minutes Out: 18800 **Incidents:** 7 **Customers:** 69



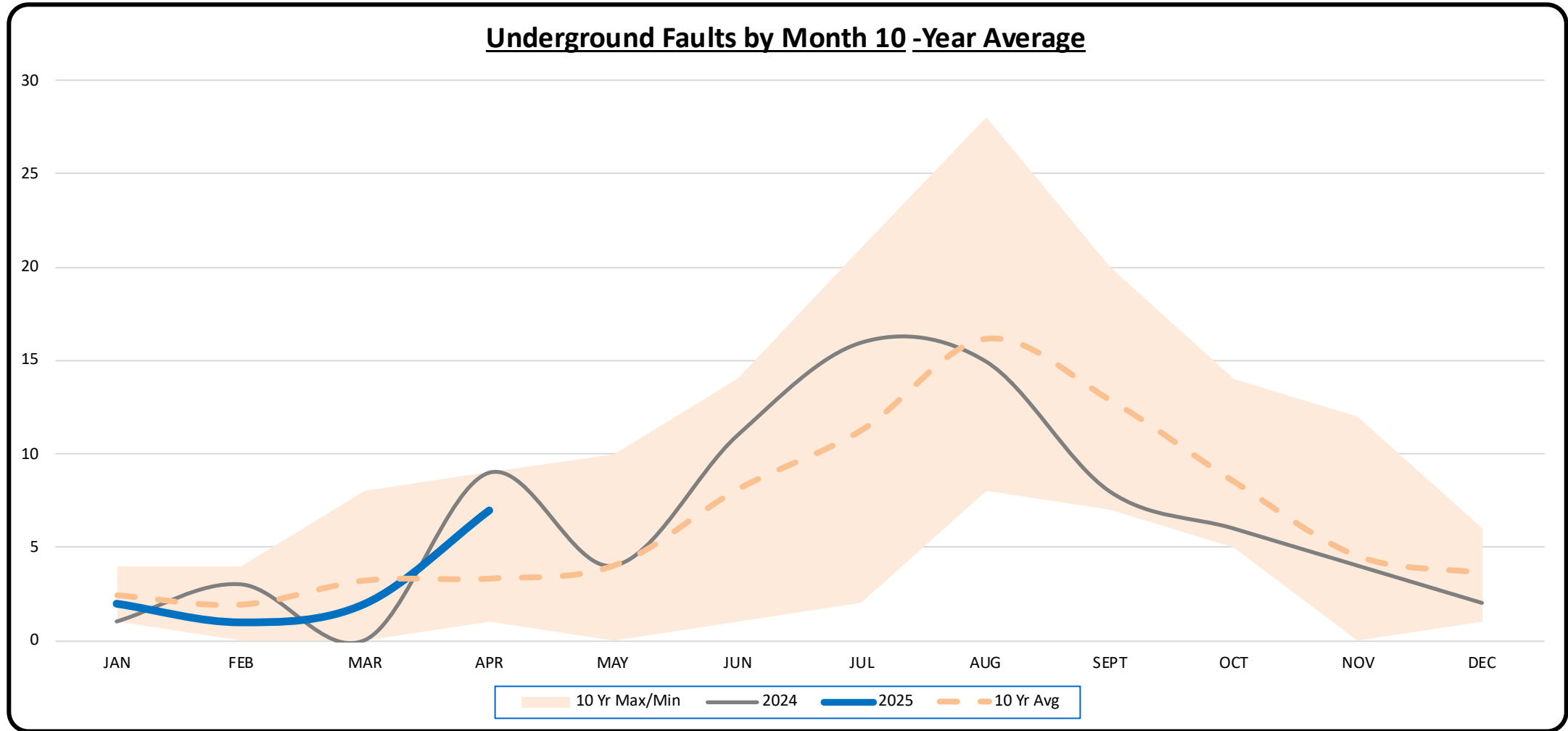
Underground Faults (13 Months)



Cable Faults 2025 YTD: 5

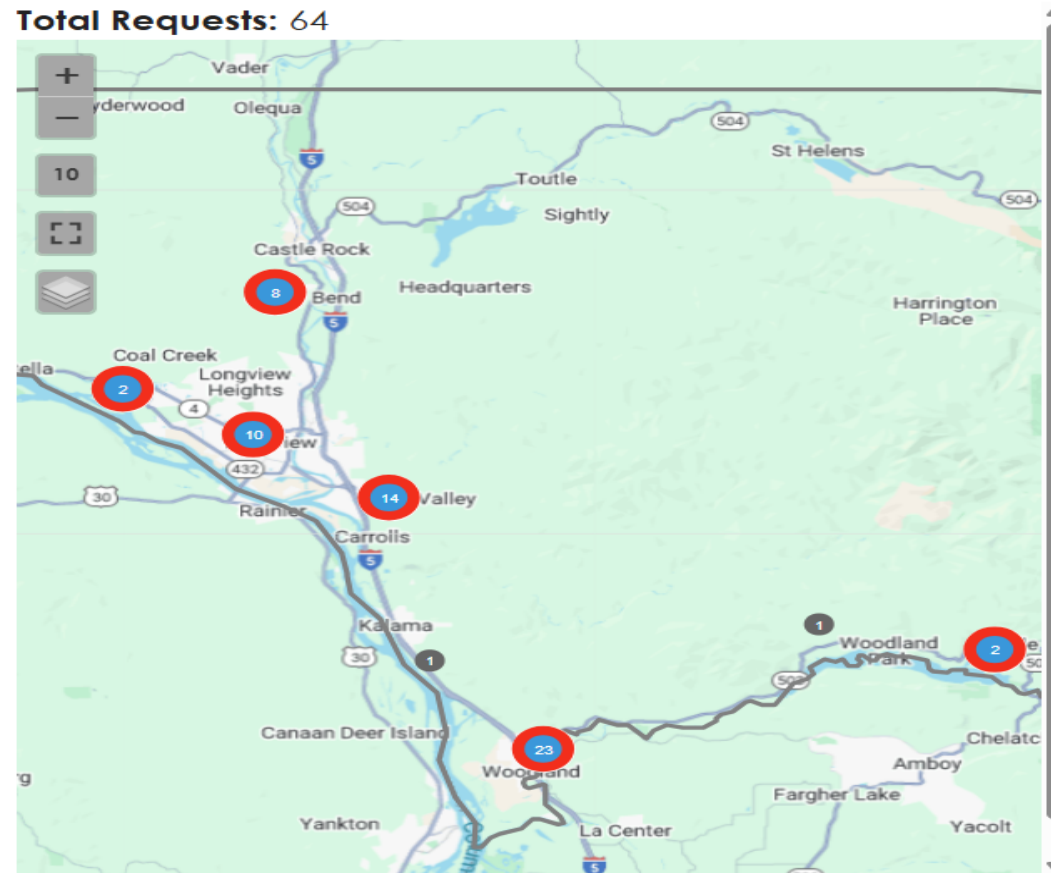
Total Faults YTD are 8% less than the previous year and 11% more than the 10-year average.

4.2 Underground Primary Continued

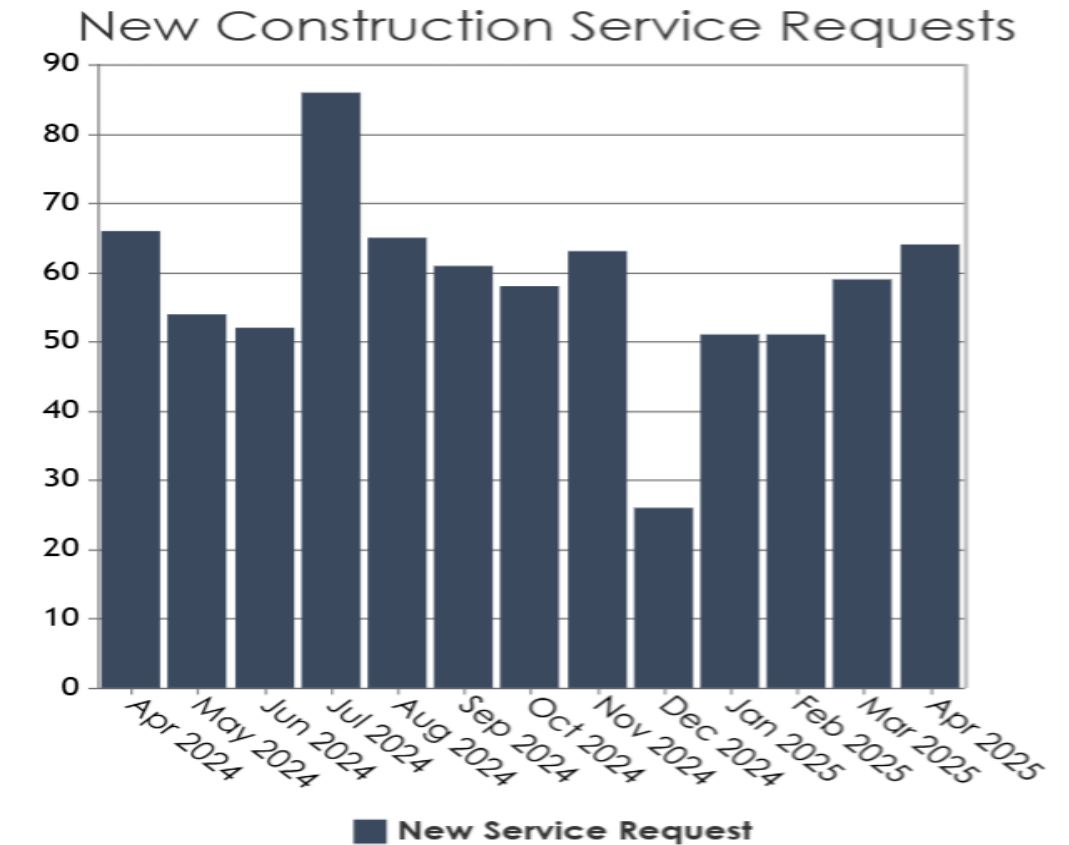


4.3 New Service Requests

New Service Requests



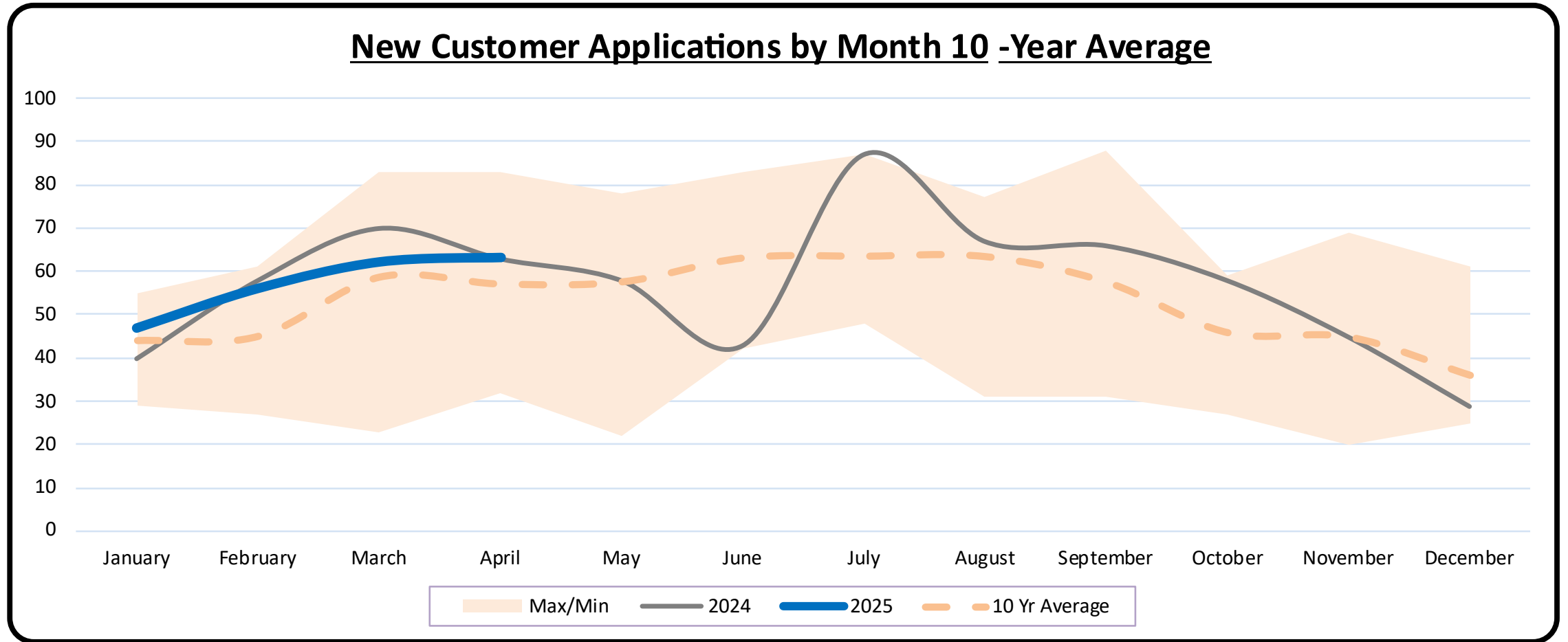
New Constructions



New Service Requests 2025 YTD: 228

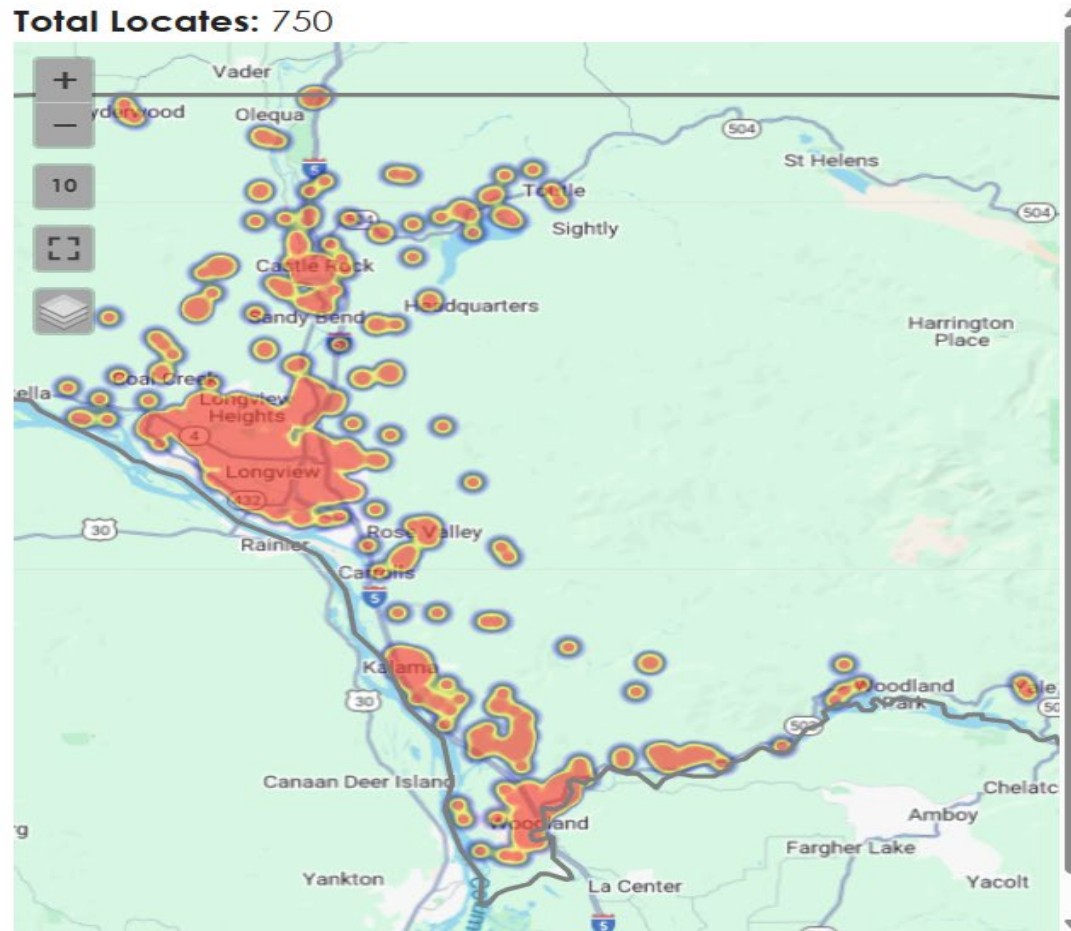
Total New Service Requests YTD are 1% less than the previous year and 11% more than the 10-year average.

4.3 New Service Requests Continued

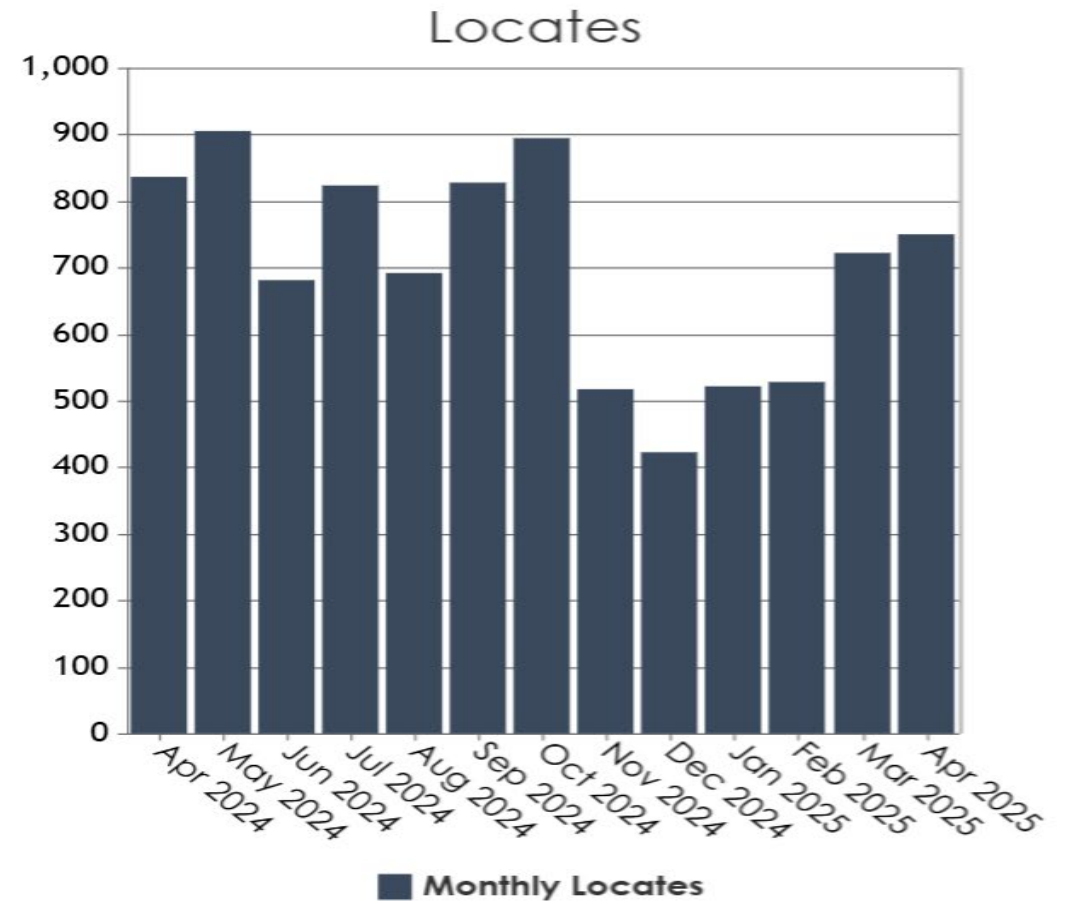


4.4 Locates

Monthly Locates



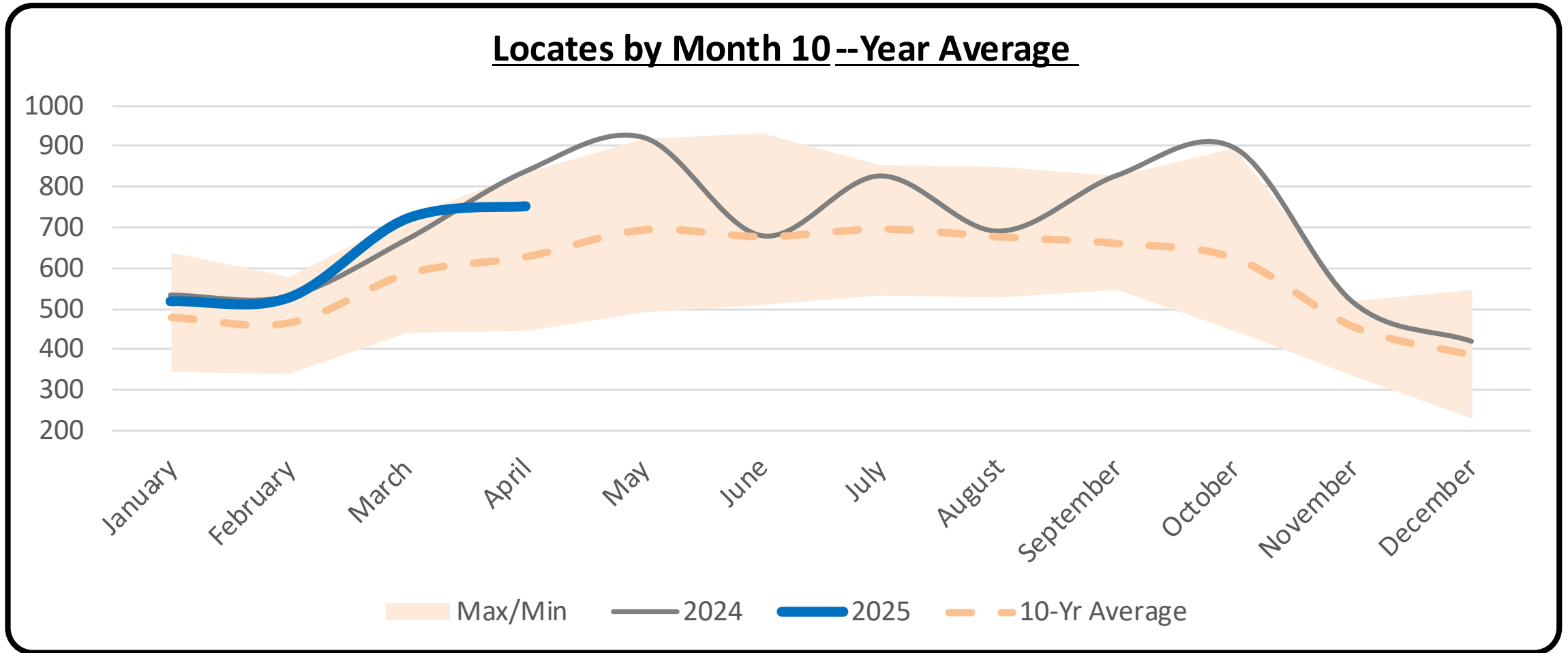
Locates



Locate Requests 2025 YTD: 2,529

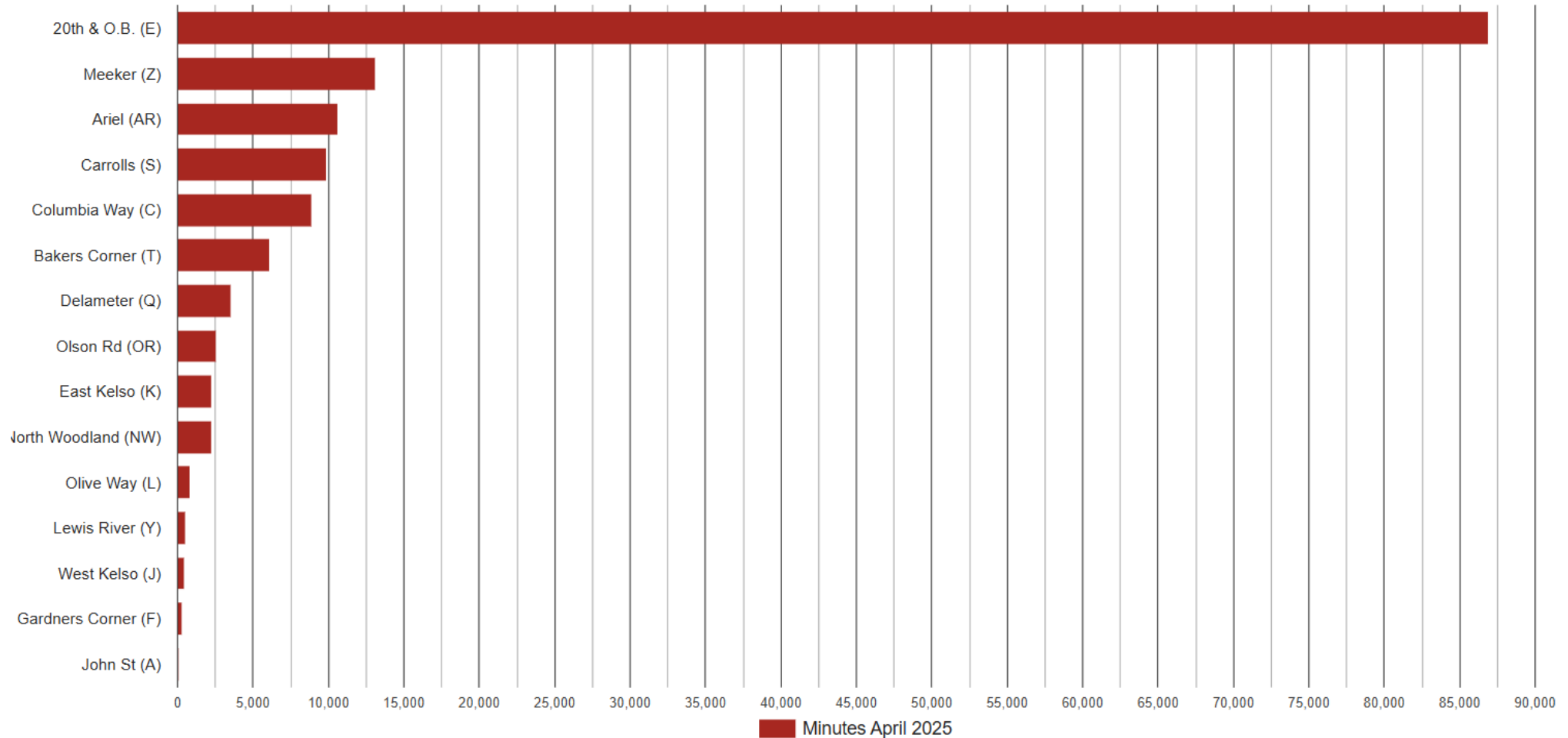
Total Locate Requests YTD are 2% less than the previous year and 17% more than the 10-year average.

4.4 Locates Continued



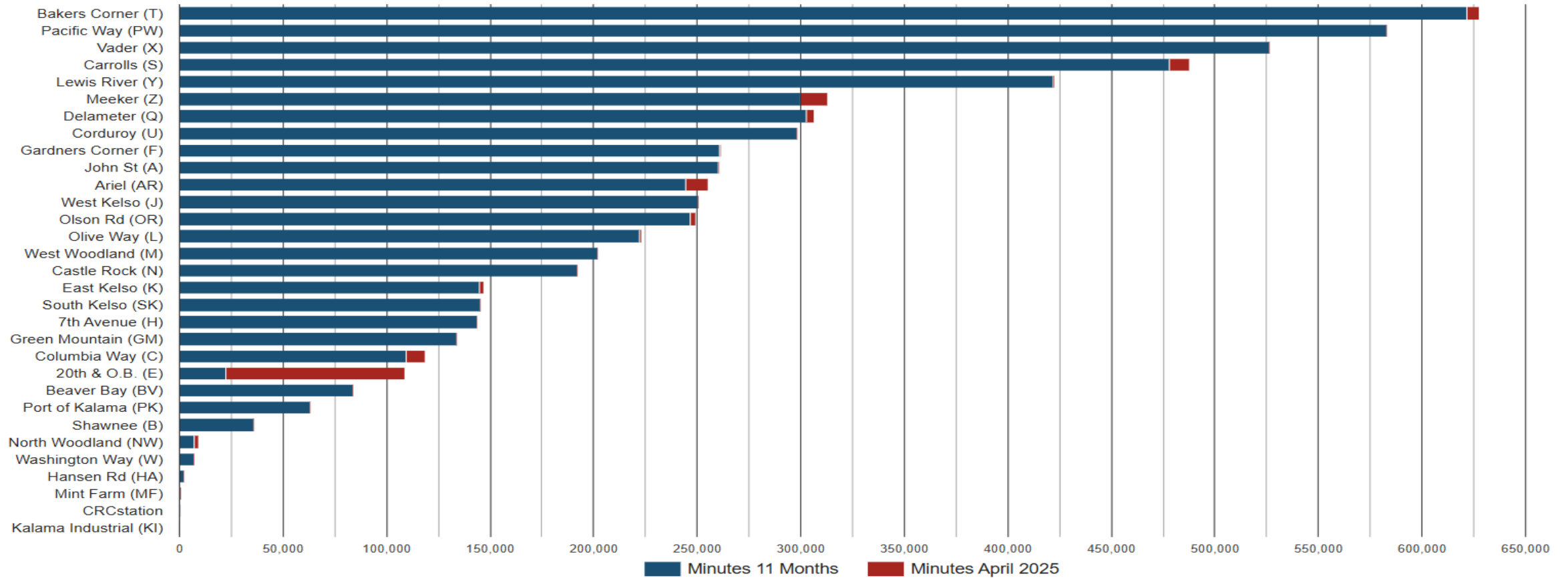
4.5 Substation Outages (exclusive of storms)

Minutes Out By Substation - April 2025



4.5 Substation Outages continued

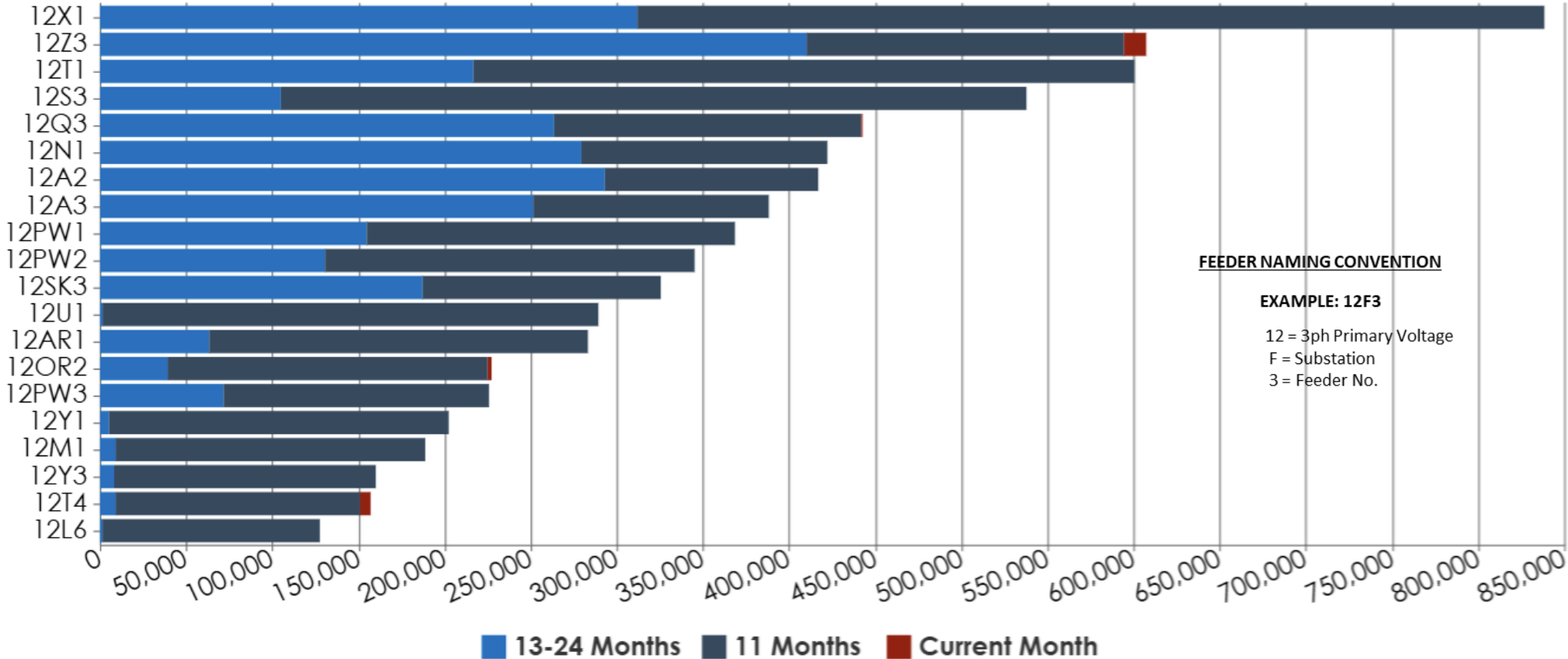
Minutes Out By Substation - Rolling 12 Months



4.6.1 Feeder Outages and Causes (exclusive of storms)

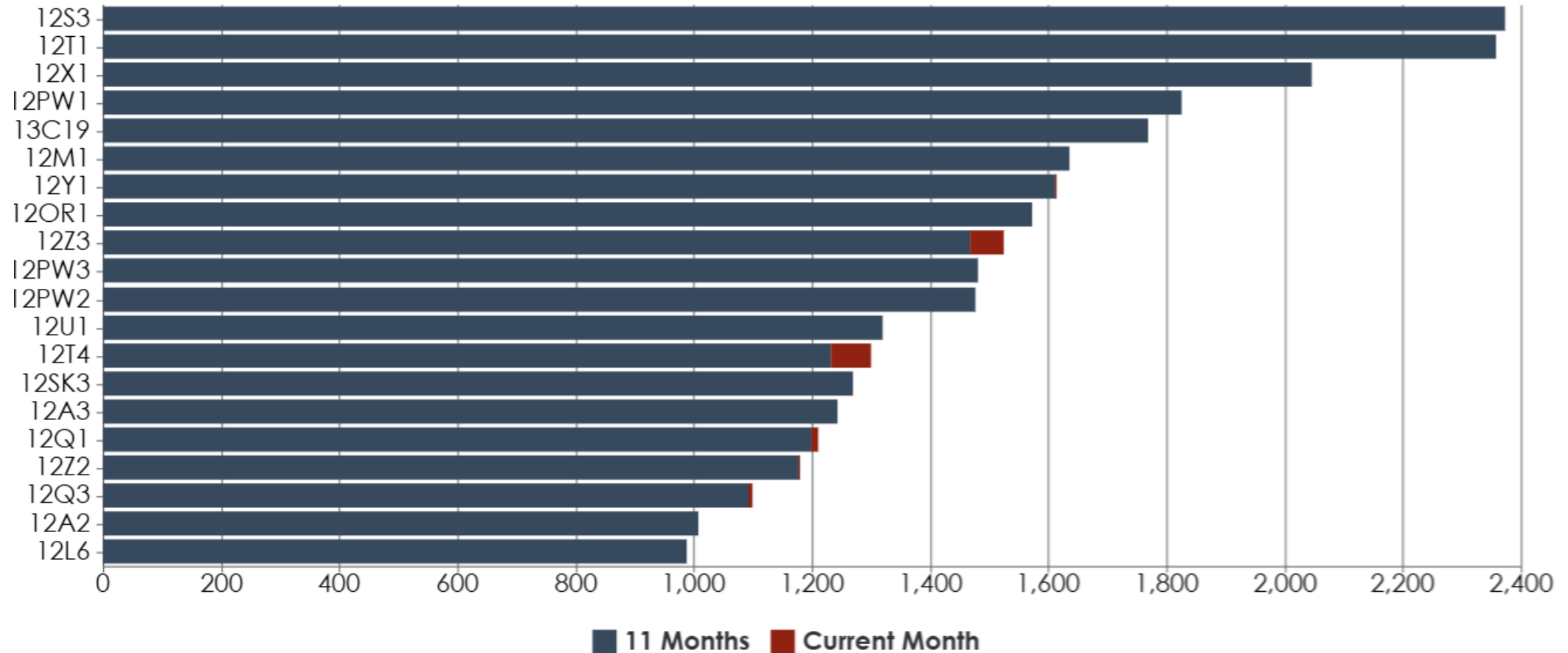
Feeder Outages & Causes - (rolling 12 months)

Top 20 Feeders by CMI



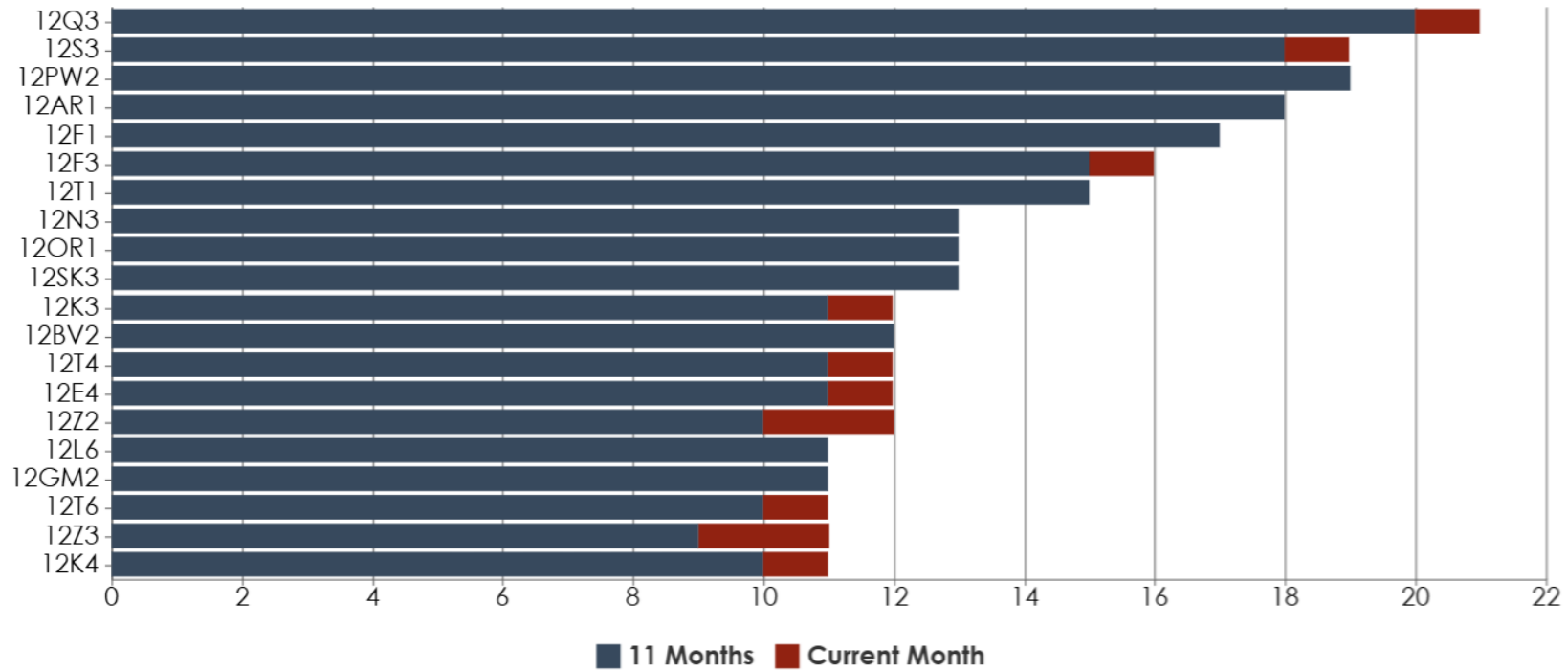
4.6.2 Feeder Outages and Causes continued

Top 20 Feeders by Customer



4.6.3 Feeder Outages and Causes continued

Top 20 Feeders by Incidents



4.7 Pictures & Hi-Lights



2023 - Pilot Project
Engineer: Marc Graff
• Hansen Road Sub



2024 - Phase 2
Design from Lessons Learned
Engineer: Mike Larsen
• Washington Way Sub
• John Street Sub
• North Woodland Sub



2025 – Handoff
Project Management
Security: Rob Stumph
• East Kelso Sub
• West Kelso

Substation Security

- New Fence Upgrades
 - Metal Mesh Fabric with Razor Wire
 - Improved Visibility
 - Reduced Access
 - Climb & Cut Resistant
 - Shackle Guarded Pad Lock Protection
- Team Effort and Handoff
 - System Engineering to Physical Security w/Consultant Support

5.0 Customer Service



5.1 Customers Served

5.2 Customer Payments

5.3 Customer Disconnects

5.4 Customer Assistance

5.5 Customer Arrearages

5.6 Warm Neighbor Program

5.7 Customer Programs

5.8 Customer Service Levels

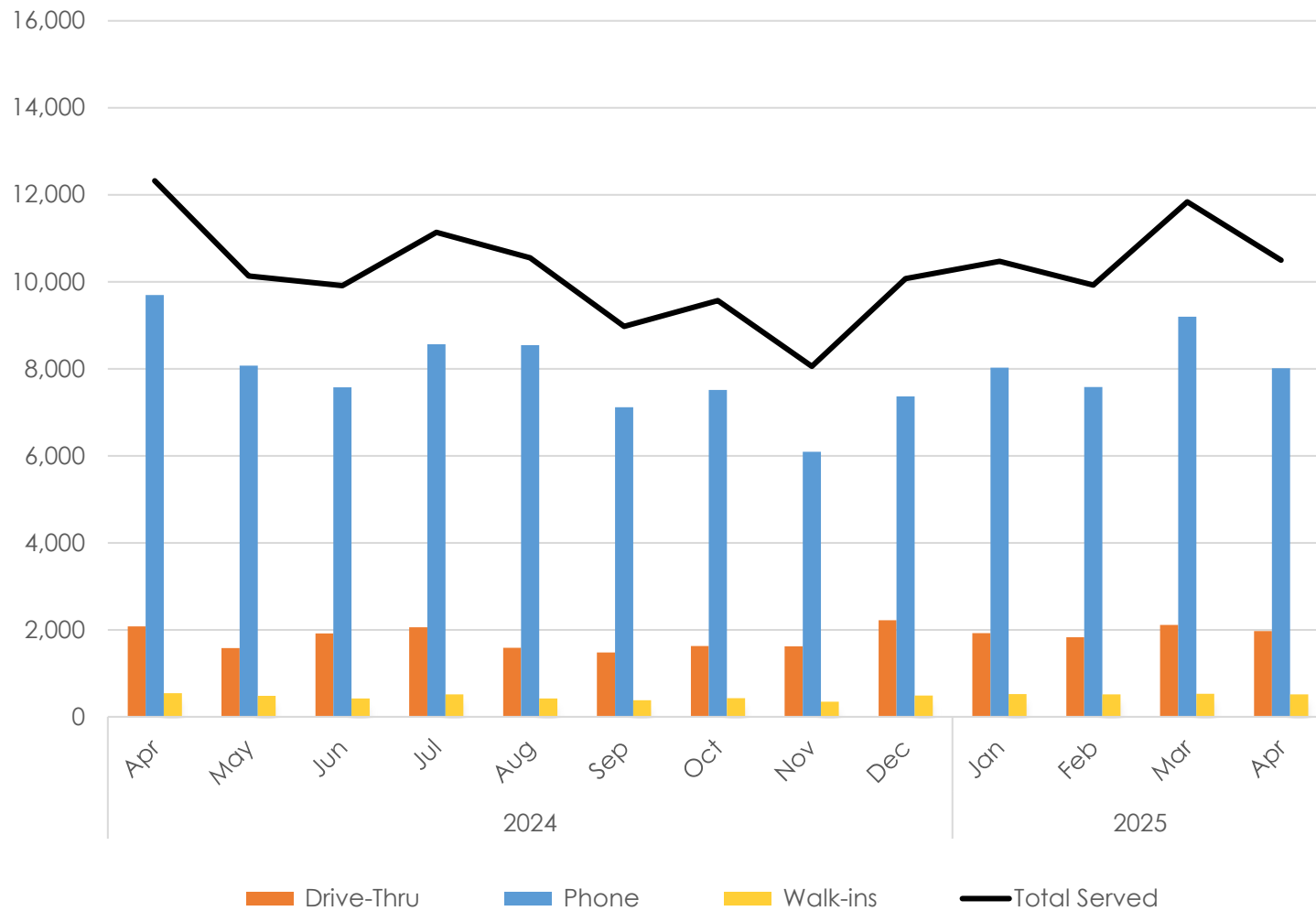
5.1 Customers Served

April Customers Served – 10,500

Drive Thru – 1,969

Phone – 8,015

Walk-Ins – 516



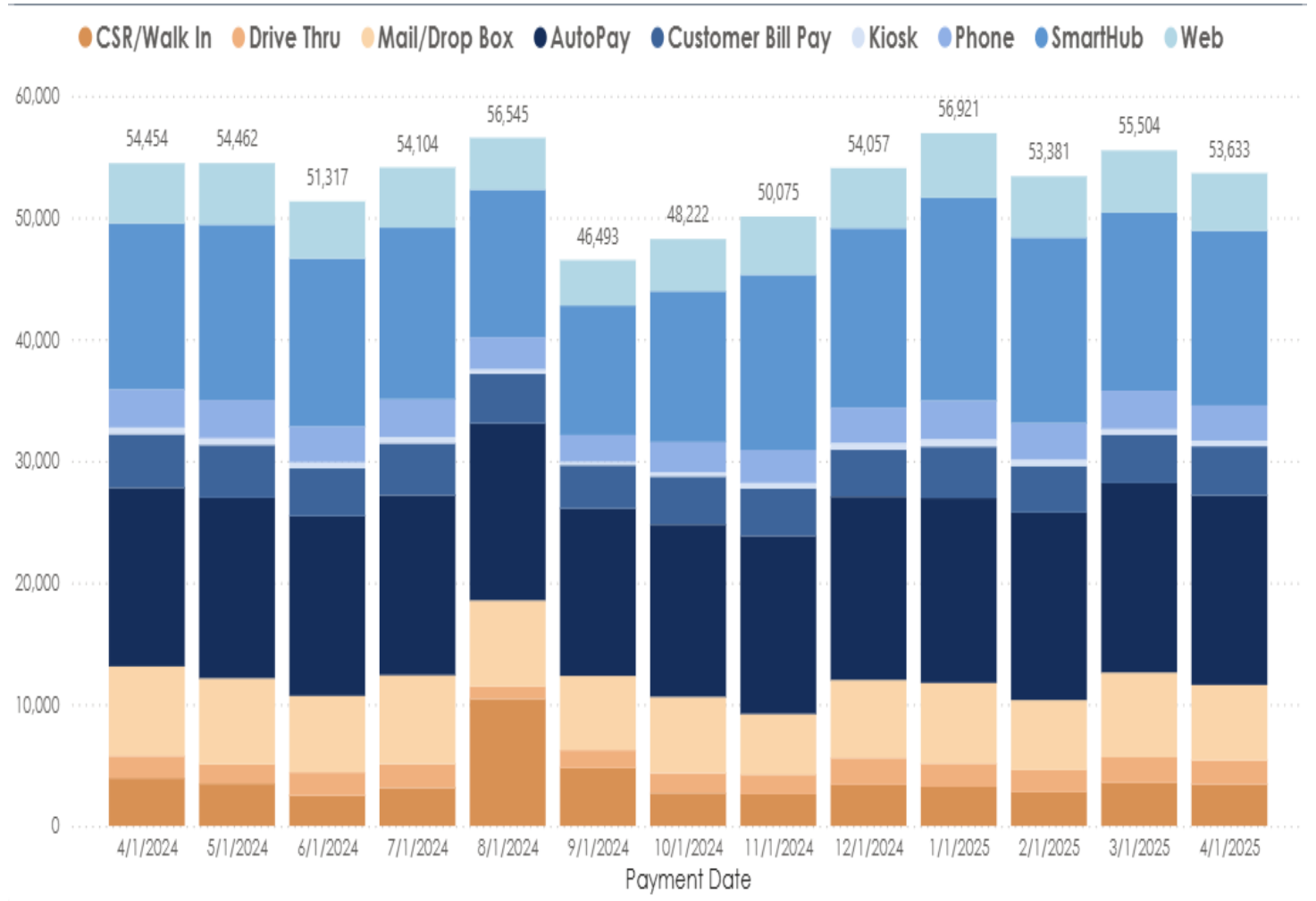
- Total customer contacts is down for April.
- Warmer temperatures lower bill amounts reducing call volumes.



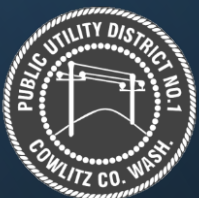
5.2 Customer Payments

April Payments – 53,633

CSR Processed – 11,583
System Processed – 42,050



- Total customer payments decreased by approximately 1.8k from the previous month.
- CSR processed payments (total orange) decreased by 1k and system processed payments had a slight decrease for April.



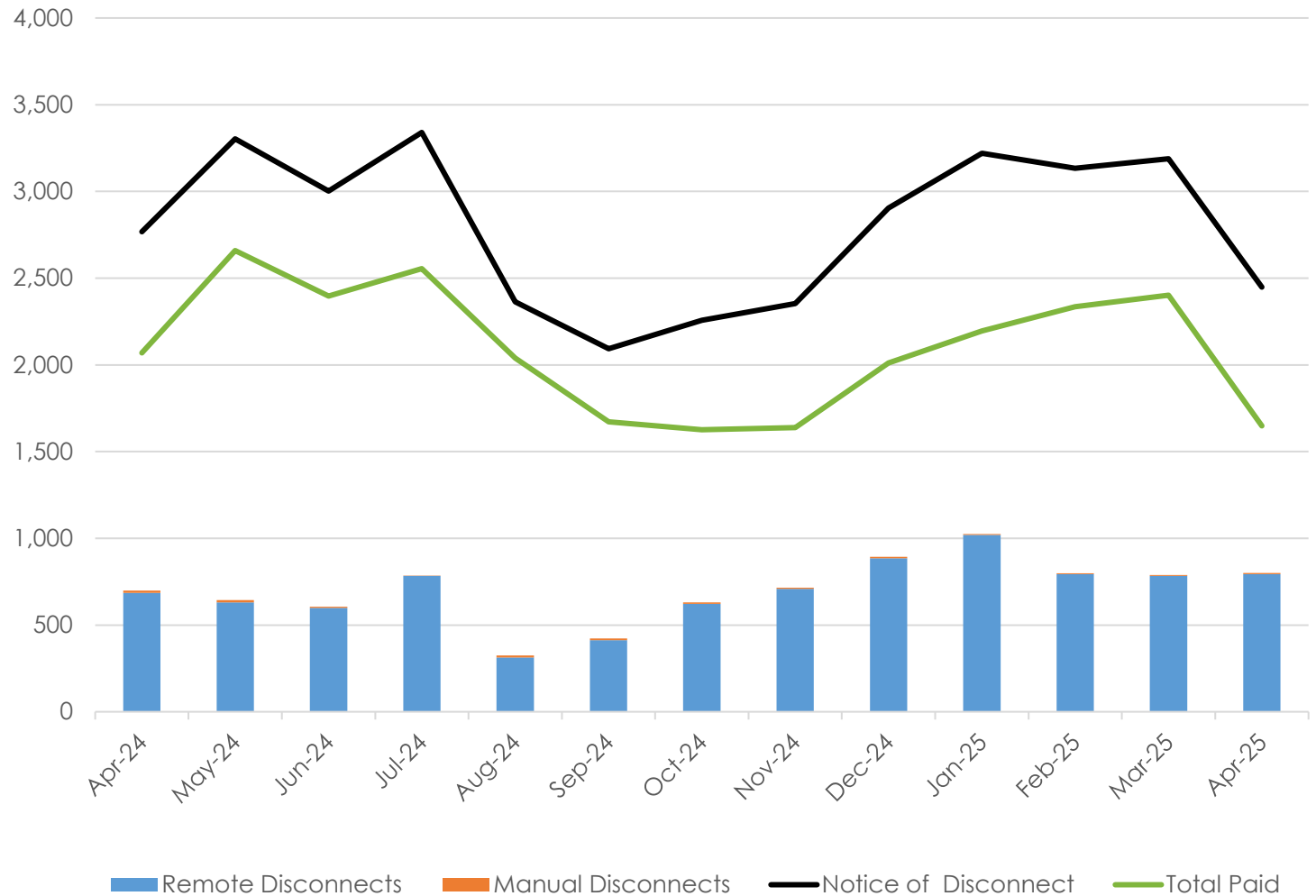
5.3 Customer Disconnects

April Disconnects – 800

Remote – 793
Manual – 7

Traditional – 499
PrePaid – 301

Pending Disconnects – 2,449
Accounts Paid – 1,649



- Disconnects had a slight increase in April but is average for this time of year.
- Continued CAP and Warm Neighbor assistance has helped to prevent customer disconnects.

5.4 Customer Assistance

April Assistance - \$159,277

DISCOUNT RATE - \$45,738

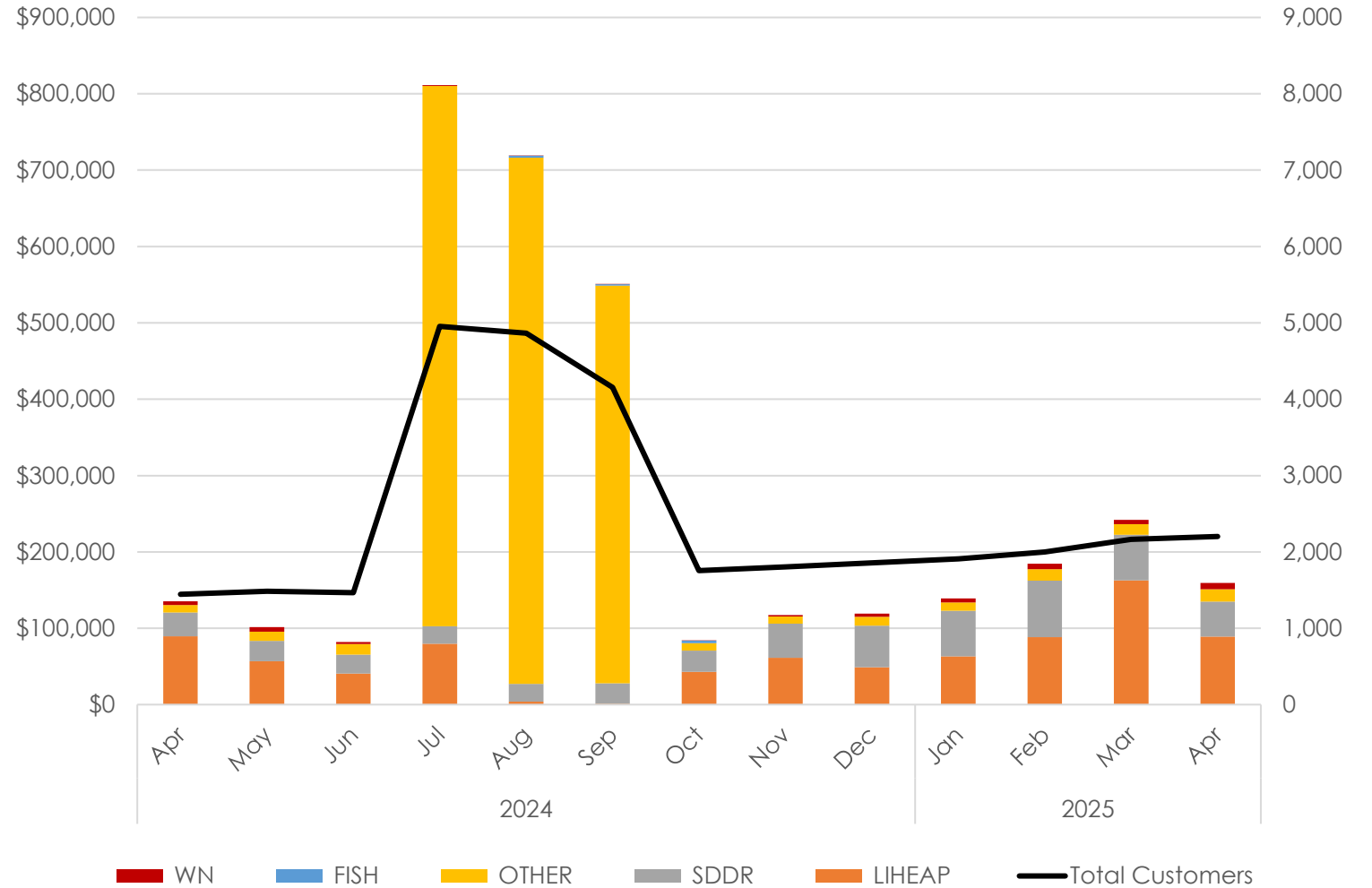
FISH - \$0

LIHEAP - \$89,044

OTHER - \$16,168

WARM NEIGHBOR - \$8,327

TOTAL CUSTOMERS - 2,203



- Assistance decreased in April with the supplemental LIHEAP funding that was provided last month.
- Customers will continue to receive an additional \$500 and up to a total of \$1,250 through the remainder of the season or until funding has been exhausted.

5.5 Customer Arrearages

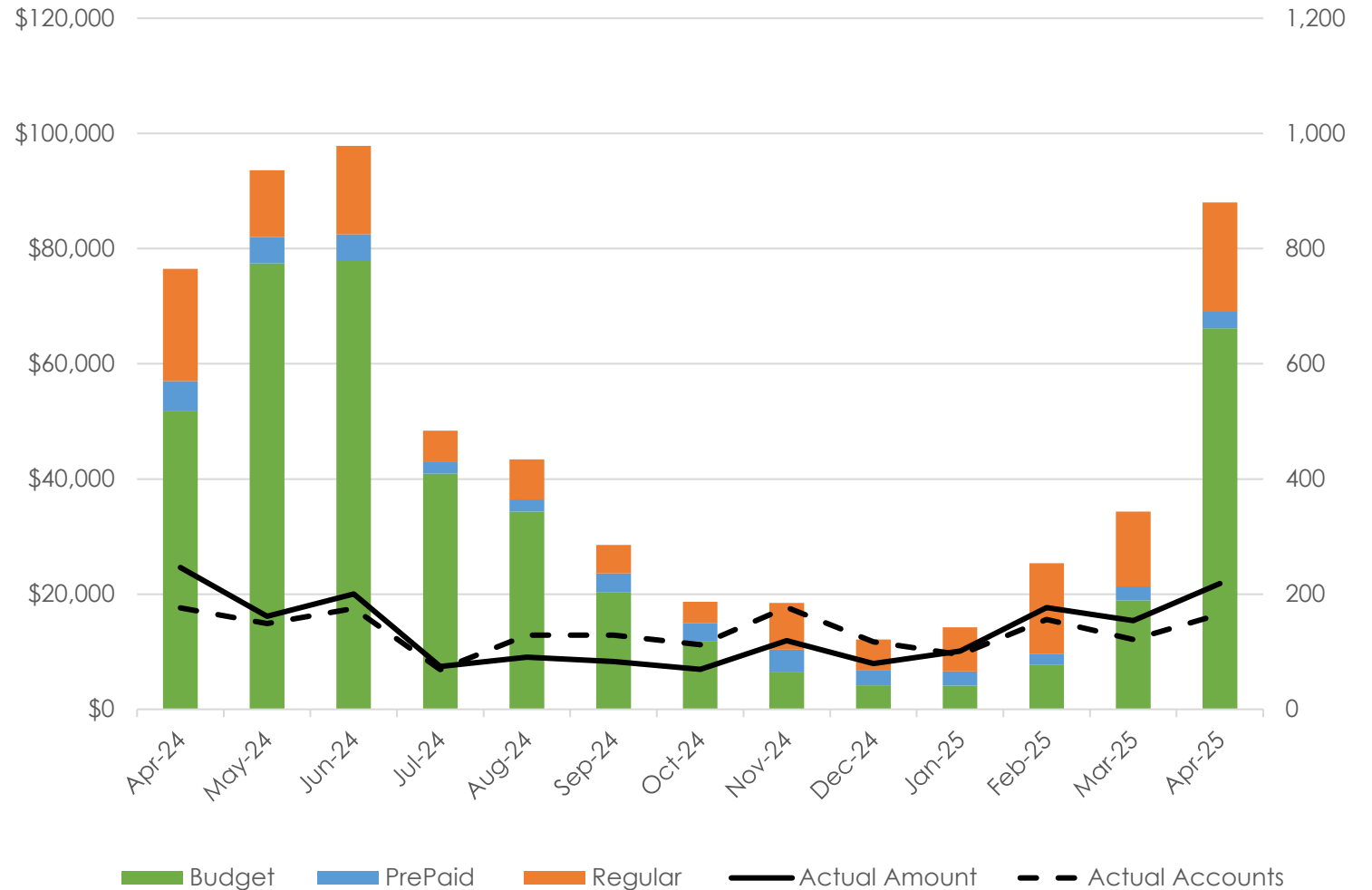
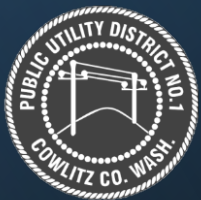
April Arrearages – \$88,003

Total Accounts – 729

Actual Past Due:

Past Due Total - \$21,842

Past Due Accounts - 165



- Total arrearages had over \$53k increase from last month. The increase is from the budget account AR balances that are higher due to the winter billing months.
- Actual Past Due amounts did increase by over \$6k from last month but is still lower than this time last year

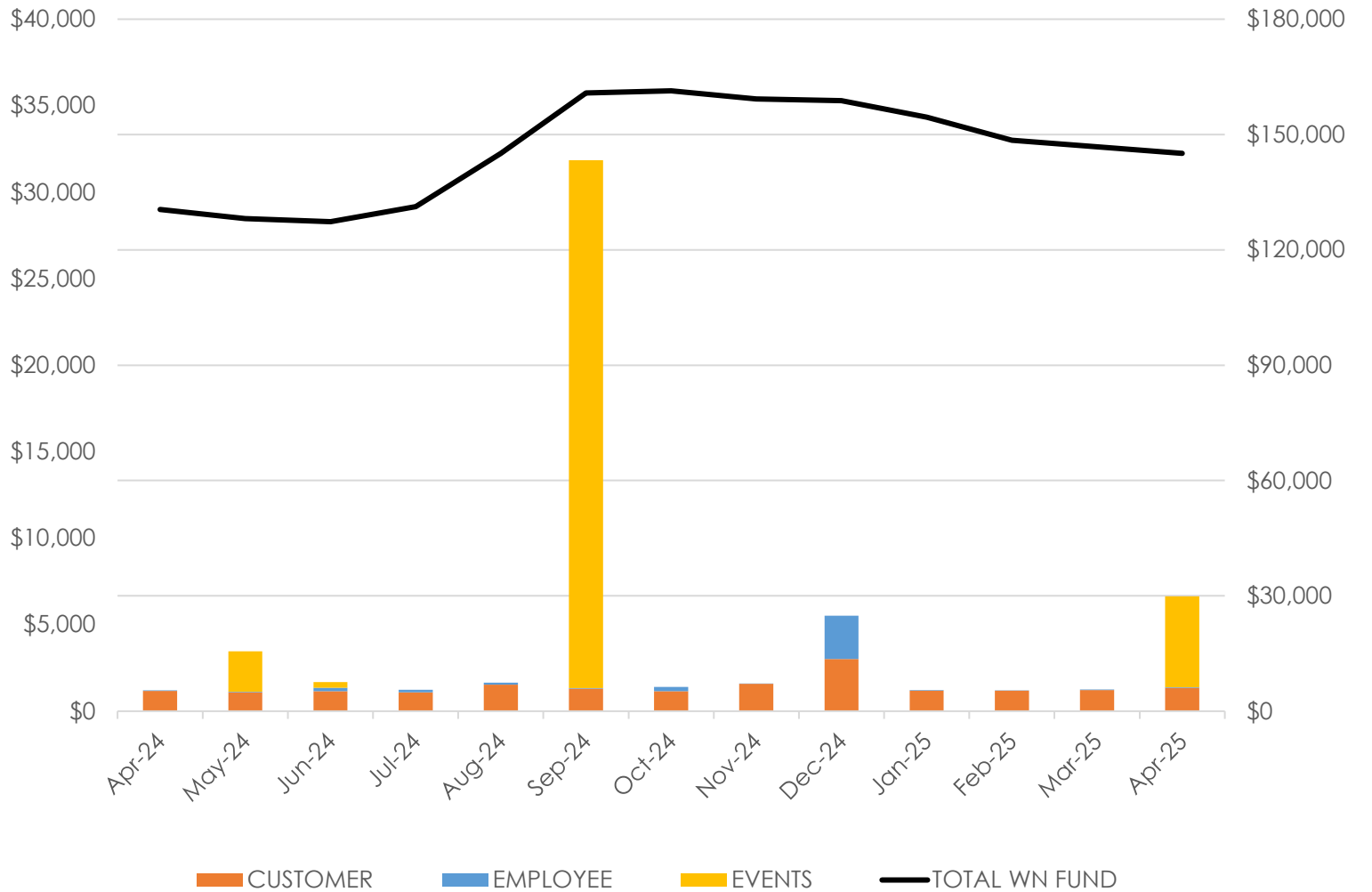
5.6 Warm Neighbor Program

April WN Balance – \$145,112

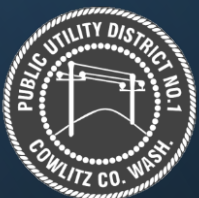
Customer - \$1,359

Employee - \$20

Events – \$5,263



- Donations for April increased due to \$5,263 from Lights in the Park proceeds being received.

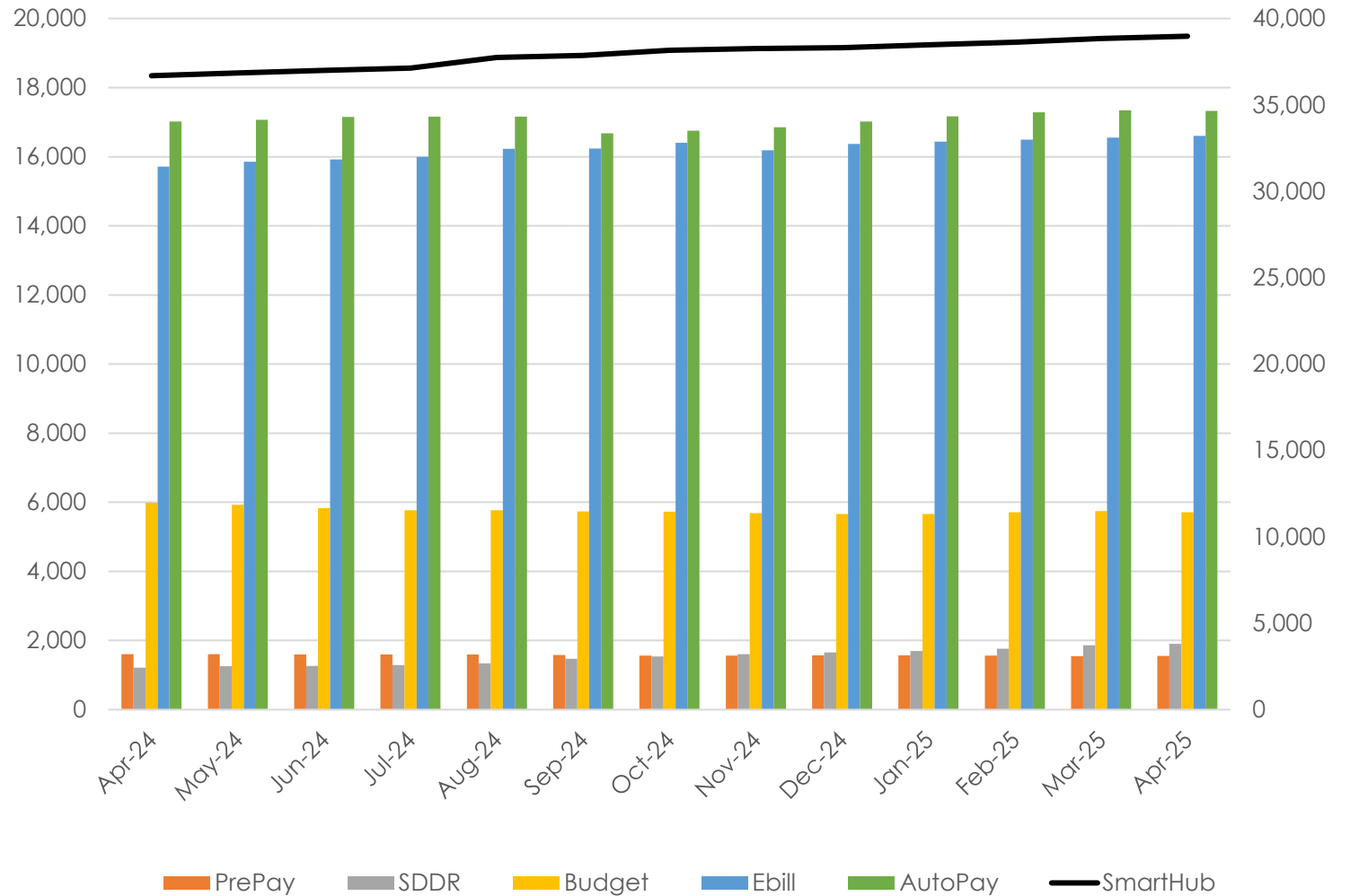


5.7 Customer Programs

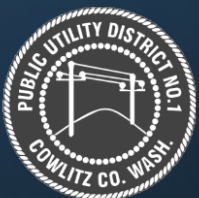
April Program Participation

SDDR – 1,906
 PrePay – 1,553
 Budget – 5,709
 eBill – 16,602

AutoPay – 17,326
 SmartHub – 38,974



- All programs remain steady for April.
- Customers who meet the age, disability, or veteran requirements are now automatically enrolled in SDDR if they have been approved for LIHEAP. This saves both the customer and the District time in collecting and processing duplicate income information.

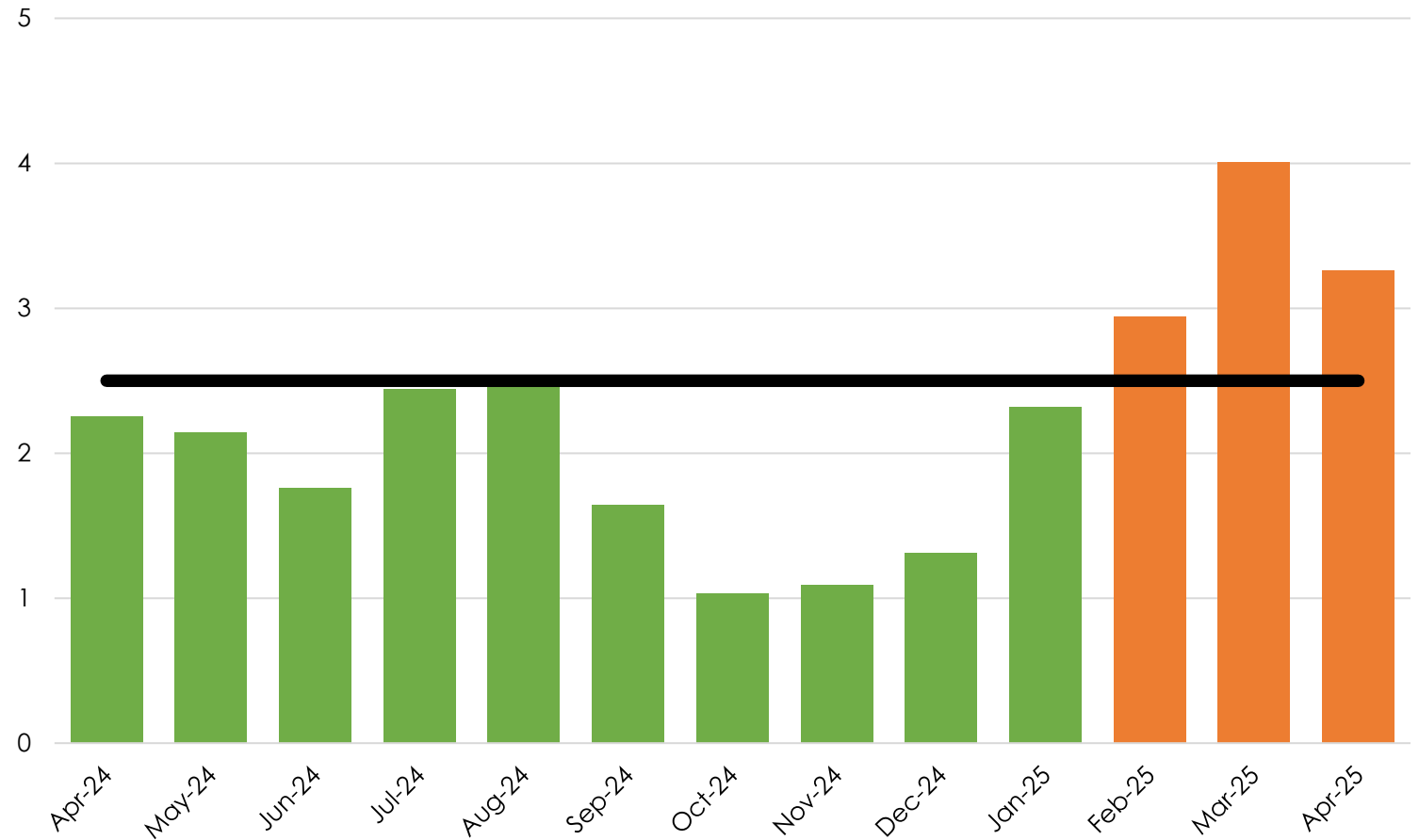


5.8 Customer Service Levels

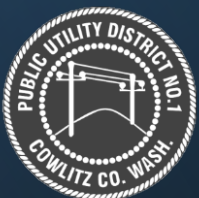
April Call Wait Times

Service Level Goal – 2.5 mins

Current Month – 3.26 mins



- Call wait times decreased slightly in April but still higher than normal due to lowered staffing levels and high bill calls.

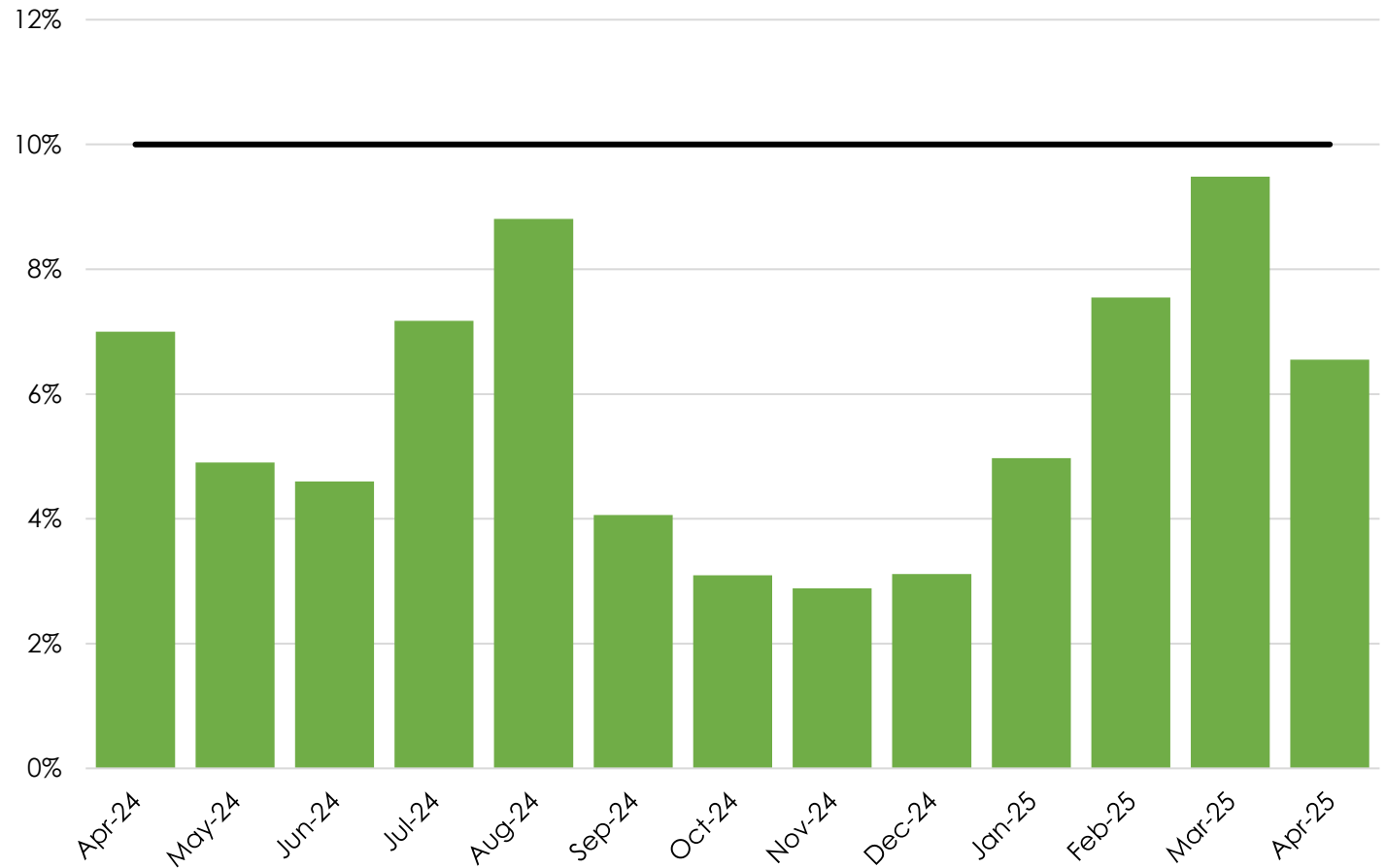


5.8 Customer Service Levels

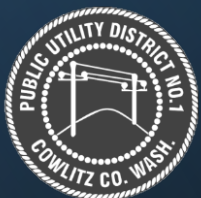
April Abandoned Calls

Service Level Goal – <10%

Current Month – 6.6%



- Abandoned calls decreased for April and are lower than this time last year
- A total of 562 calls were abandoned out of 8,015 total calls.



6. Employee Services

6.1 Personnel Status

6.2 Current Employee Recruitments

6.3 Career Fair – Public and Student Outreach

6.1 Personnel Status

Current Employee Count:

- 175 full-time employees
- 2 part-time employee
- 2 Interns – T&D Engineering

New Hires:

- Leobardo Gonzalez-Jimenez and Giovanni Reyes both started as our Transmission and Distribution Engineering Interns on May 12, 2025.
- Ryan Hennessey, our new Utility Contracts Coordinator started with the District on May 19, 2025.

6.2 Current Employee Recruitments

External Recruitments:

- We are currently recruiting to fill the following position:
 - Electrical Engineer III – this is a budgeted position that we are currently recruiting for. We will have this position posted through Monday, May 26, 2025.

6.3 Career Fair – Public and Student Outreach

Outreach Events Coming up for 2025:

- **Robert Gray Elementary School – Safety Trailer Demonstration – 5/22/2025**
 - This event will take place on May 22, 2025 at Robert Gray Elementary School with the Second Grade students and will feature a line crew completing a safety trailer demo.
- **Kelso/Longview Work Source Career Fair – 5/27/2025**
 - This event will take place at the Kelso Work Source office on May 27, 2025 and we will showcase any open positions that we have open at the time.
- **Kelso/Longview Chambe of Commerce Cowlitz Career Exploration – 10/23/2025**
 - This event will take place at Lower Columbia College in the Myklebust Gymnasium & Fitness Center and will showcase different business throughout Cowlitz and Clark County. This event is targeted to Junior and Senior students in Cowlitz and Wahkiakum counties.

6.3 Career Fair – Public and Student Outreach

Outreach Events Completed for 2025:

- **Longview High School College & Career Fair Day – 2/27/2025**
 - RA Long and Mark Morris High Schools will be hosting a one-day college and career fair for their students.
 - RA Long will run from 8:30-10:30am
 - Mark Morris will run from 12:30pm – 2:00pm
 - These two career fairs were targeted at Junior and Senior level students to learn about the careers that Cowlitz PUD offers. Cowlitz discussed different job opportunities with the students and the education needs for the careers they were interested in.
- **Carrols Elementary School – Career Week – 3/6/2025**
 - Cowlitz PUD attended the Carrols Elementary school career week and presented to 29, 4th and 5th grade students. During this time, we played a match game where we discussed different careers at Cowlitz PUD and what people in those careers do each day.
- **Kalama High School Career Fair – 3/25/2025**
 - This event took place on March 25th at Kalama High School. We spoke with over 500 students, grades 6th to 12th grade and gave them information on what a PUD is and the varied careers at a Public Utility.
- **WSU Vancouver Engineering and Technology Career Fair – 3/26/2025**
 - This event took place on March 26th at WSU Vancouver. We promoted our two open Transmission & Distribution internships and the current open positions we have. We educated students on Public Utilities and the different careers offered.

6.3 Career Fair – Public and Student Outreach

Outreach Events Completed for 2025:

- **Woodland High School Career Fair – 4/18/2025**
 - This event will take place on April 18, 2025 in the Woodland High School gym.
 - We talked with over 150 students about what a PUD does and the importance of Public Power along with the different types of positions that we have in the Utility industry.
- **Castle Rock High School Skilled Trades Fair – April 22, 2025**
 - This event will take place on April 22, 2025 in the Castle Rock High School parking lot.
 - Cowlitz PUD brought our Safety Trailer and completed two different demonstrations with students along with showing students how to tie in insulators and having them practice.
 - This event was open to not only Castle Rock High School students but from students at different high schools bringing over 600 students to the event.

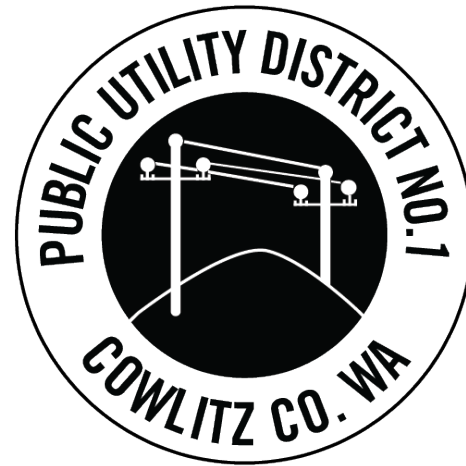


Castle Rock High School Skilled Trades Fair

PUD Employees Participating in this Event:
Teedara Wolf, Alice Dietz, Jeremy Beck, Deanna Killett, Brad Keith, Thomas Gustin, Robert Spitler, Devin Wannamaker and Kevin Wilbur.

7. Public Relations and Communications

- Connected
- Columbia River Reader
- Radio Messaging
- Website Messaging
- Social Media
- Internal Messaging



c n n e c t e d




A Message from The General Manager

Gary Huhta

Cowlitz PUD Customers, I hope you find this month's debut of the newly designed Connected Newsletter to be an informative resource. As the largest publication in Cowlitz County, the Connected Newsletter is distributed to every Cowlitz PUD customer through various channels, including mail, social media, online platforms, and links in your eBill.

*The focus of May's edition is **Cowlitz PUD's commitment to safety**. We prioritized this theme for our revamped newsletter because safety is paramount in all our operations. Given the inherent dangers of the electric utility industry, ensuring the safety of both our customers and employees is central to our planning and preparation. As we each embark on our spring projects, I encourage you to prioritize safety in your own homes. Please refrain from touching downed power lines and remember to call 811 before you dig, it's a free underground utility locating service.*

Take care,
Gary Huhta



Commitment to Safety

COWLITZ PUD HONORED WITH NATIONAL AWARD FOR OUSTANDING SAFETY PRACTICES

Cowlitz PUD has earned the American Public Power Association's (APPA) Safety Award of Excellence for safe operating practices in 2024. We received the Platinum award in the category for utilities with 250,000 - 999,999 worker-hours of annual worker exposure.

More than 200 utilities entered the annual Safety Awards for 2024. The entrants are placed in accordance with their number of worker-hours and ranked based on the most incident-free records and overall state of their safety programs and culture during 2024. The incidence rate is based on the number of work-related reportable injuries or illnesses and the number of worker-hours during 2024, as defined by the Occupational Safety and Health Administration (OSHA).

continued on page 2



Cyber Security

CYBER SECURITY TIP OF THE MONTH:

Using multiple authentication methods enhances account security by complicating access for malicious actors. Multi-Factor Authentication (MFA) requires two of the following: something you know (password), have (security key or authenticator app), and are (fingerprint). Key recommendations include:

- Use complex passwords with unrelated words, numbers, and symbols.
- Utilize an authenticator app or security key as a second factor.
- Enable MFA on all accounts, such as SmartHub.

COWLITZ PUD HONORED WITH NATIONAL AWARD FOR OUSTANDING SAFETY PRACTICES

continued

Cowlitz PUD is honored to be recognized for this award. We are committed to the safety of our employees and customers. Safety is a core value and a responsibility that is taken seriously. This award is the result of a collaborative continuous effort of commissioners and all employees to commit to safety every day.



Energy Efficiency

HOME ENERGY LOAN PROGRAM

Cowlitz PUD and Fibre Federal Credit Union are in a partnership to offer home energy loans to customers completing residential energy efficiency projects such as insulation, windows, ducted or ductless heat pumps, and heat pump water heaters.

Minimum and maximum loan amounts are \$2,000 to \$12,000, with loan terms ranging from 24 to 60 months. The rebate available from the PUD to complete your energy efficient project is used to lower the annual percentage rate of the loan to zero or near zero in most cases.

It's easy to get started:

1. Visit cowlitzpud.org to start a project.
2. We recommend collecting at least three contractor bids for your energy upgrade.
3. Submit your Cowlitz PUD Energy Loan Program Participation Form to the PUD for final approval.
4. Once approved, you will apply directly with Fibre Federal Credit Union (FFCU) for the loan and work with them on loan terms.
5. Upon loan approval, your contractor can complete the work.
6. The contractor submits all rebate application paperwork to the PUD.
7. PUD inspects installed equipment and authorizes the rebate to be paid to FFCU.
8. FFCU pays the contractor directly and the project is complete.

As project preapproval is required, please contact Cowlitz PUD Energy Efficiency Services at 360-501-9514 (office), 800-631-1131 (Toll-Free), or eeservices@cowlitzpud.org to get started.



Customer Service

BUNDLE & SAVE



Enrolling for eBill or AutoPay now offers a \$5 one-time credit on your account. Enroll in both and receive \$10!

eBill – receive your bill electronically instead of waiting for a paper bill to be mailed.

AutoPay – Pay your bill automatically on its due date with your checking account or credit card.

Sign up on SmartHub today!

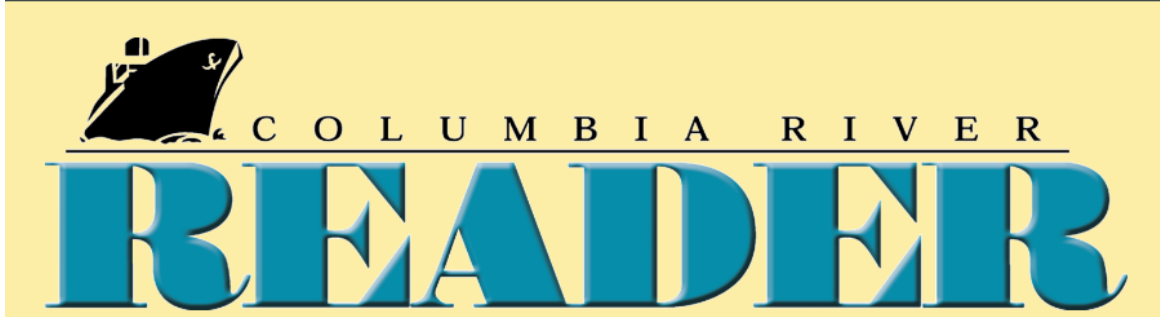


Connected is published by Cowlitz PUD

961 12th Avenue | PO Box 3007, Longview, WA 98632 | 360.423.2210 | Toll Free 800.631.1131 | cowlitzpud.org

Board of Commissioners meets the second and fourth Tuesday of each month at 2pm.

To attend contact mpetterson@cowlitzpud.org



— WE CAN H.E.L.P

WITH A HOME ENERGY LOAN PROGRAM

Cowlitz PUD and Fibre Federal Credit Union are offering residential homeowners financing for energy efficient projects such as insulation, windows, ducted and ductless heat pumps, and heat pump water heaters. Loans ranging from \$2,000 to \$12,000 with terms of 24-60 months are available through Fibre.

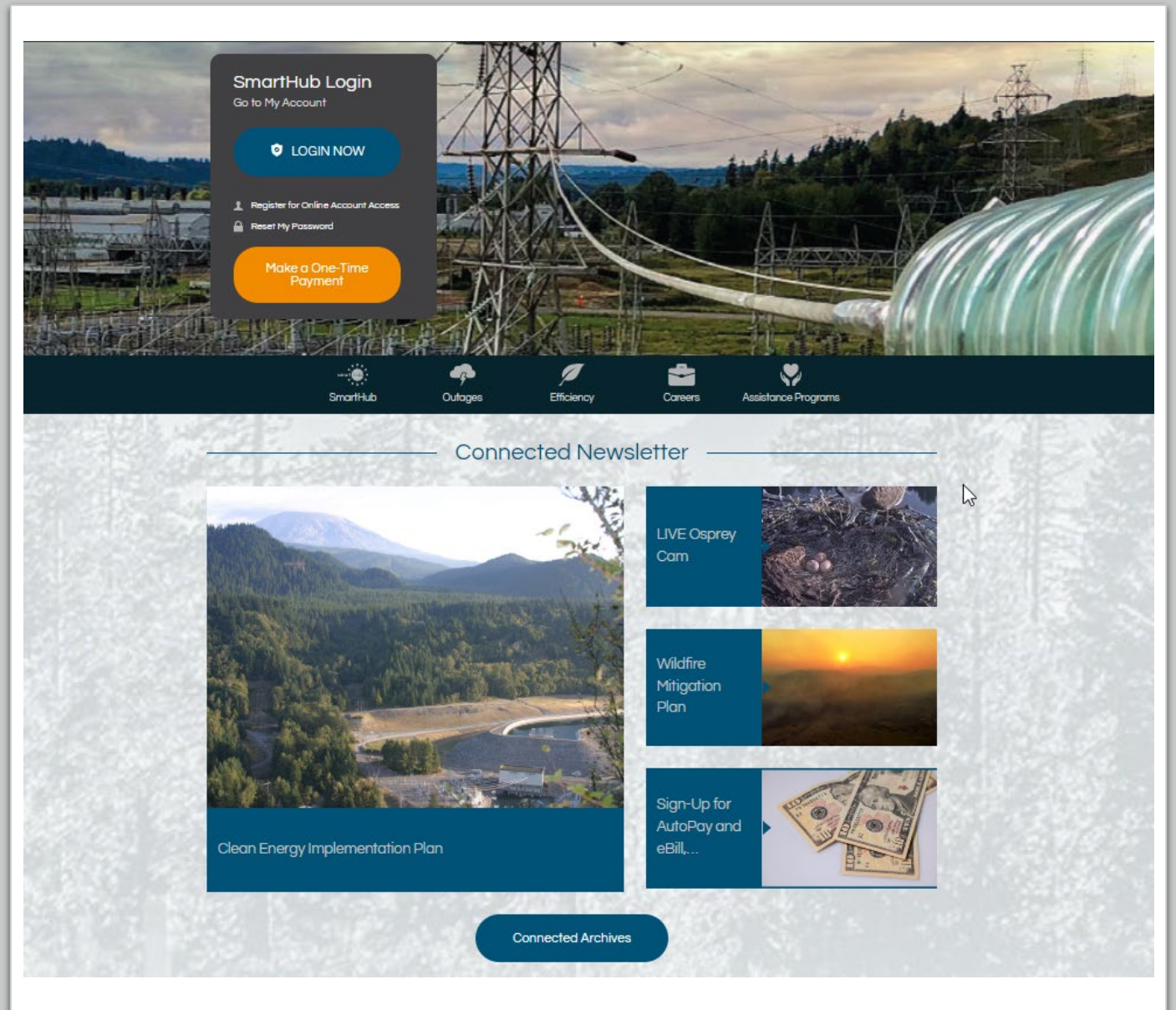


Radio Messaging

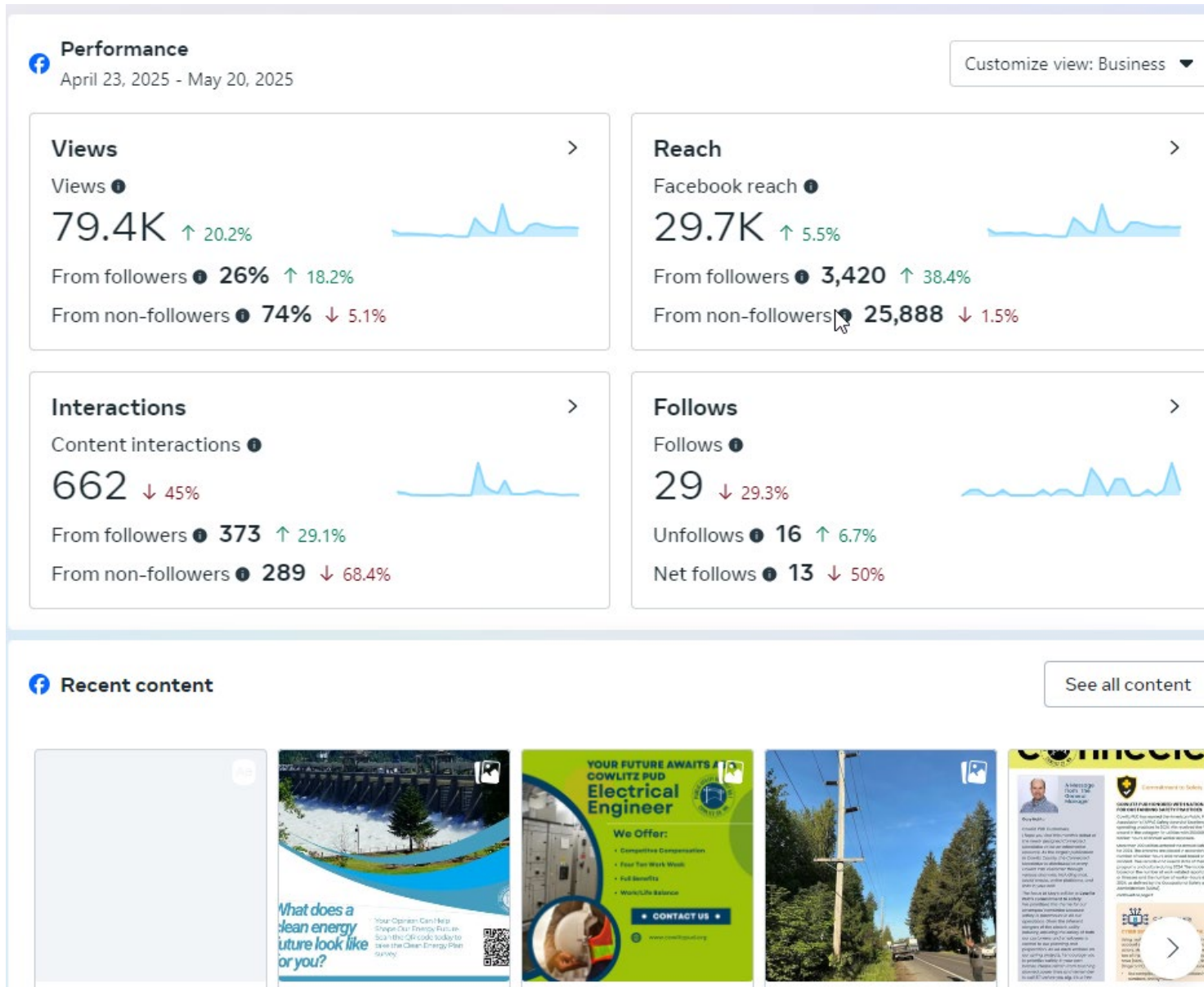
You could receive a one-time five-dollar credit on your Cowlitz PUD account when enrolling in an e-bill or autopay, or enroll in both and receive ten dollars. With ebill, you will receive your bill electronically instead of waiting for a paper bill in the mail. When you set up autopay using your checking account or credit card, your bill will be automatically paid on its due date. Sign up on SmartHub or contact customer service for assistance at 3604232210.

Considering solar, let Cowlitz PUD be your free resource. Before you install solar, our expert engineers can help. Have a great list of questions available to ask yourself and ask your solar installer. Is solar what's best for your home? Cowlitz PUD offers free home energy audits. We'll prioritize your home's energy efficiency first, help your solar install, go further. Contact Cowlitz PUD today at 3604232210.

Website Messaging



Social Media Messaging



March 6th, 2025
Watts Up



Download the INGAGED Benefits app today!

INGAGED

Download the app to:

- Access Medical & Prescription Information
- Review Dental & Vision Coverage
- Discover Additional Voluntary Programs
- And Many More Features! Optional!

Scan the QR Code or Input from a mobile device
<https://ingagedbenefits.com>

Use Company Code: **co0116**

4 Ways to Eat Healthy

- 1 Choose Nutrient-Dense Foods**
 Focus on whole grains, fruits, vegetables, and lean proteins.
- 2 Portion Size**
 Use the "plate method" to control portion sizes: fill half your plate with vegetables, a quarter with protein, and a quarter with whole grains.
- 3 Eat a Variety of Foods**
 Eating a variety of foods ensures you get a wide range of nutrients.
- 4 Limit Fast Food**
 Fast food is often high in calories, sodium, and unhealthy fats.

Axios

- Acknowledgment to the Planner group for taking on additional underground cable replacement design work to support Doug's team during their staffing shortage.
- Appreciation to Marvin St. Peter and Seth Hamer for their dedicated efforts in repairing the damage to the West Kelso power transformer caused by the cat-related outage on February 26th.
- Recognition for Leah Byrnes and Lyke Kellar for their exceptional contributions to the apprenticeship program.
- Thanks to CSR's Cliff Hammons and Sandy Antila for effectively managing system performance issues during one of Customer Service's peak periods.
- Gratitude to Jim Cartrell for his significant work on the new cameras installed near the drive thru.

Every Step Counts

March is National Ladder Safety Month!

- Read and follow all labels/markings on the ladder.
- Do not place a ladder on boxes, barrels or other unstable bases to obtain additional height.
- Do not move or shift a ladder while a person or equipment is on the ladder.
- Ladders must be free of any slippery material on the rungs, steps or feet.
- The proper angle for setting up a ladder is to place its base a quarter of the working length of the ladder from the wall or other vertical surface.

See the attachment in the email for more ladder tips!

March 13th, 2025
Watts Up



HRAveba

You're invited to an Introduction to Your HRA Benefits Card Webinar!

Please attend an upcoming presentation to learn more about your HRA/VEBA Benefits Card. We will discuss when transactions typically support automatically, when and why documentation is required, and what to do if you are unable to obtain documentation. There will be time for Q&A at the end of the presentation.

Safety

Ladder Safety at Work ... Continued on the 2nd page

Don't fall victim to common mistakes, make sure you know the do's and don'ts of ladder safety.

- Do not use a ladder if you are not properly trained or certified.
- Do not use a ladder if you are under the influence of alcohol or drugs.
- Do not use a ladder if you are wearing loose clothing or jewelry.
- Do not use a ladder if you are carrying heavy loads.
- Do not use a ladder if you are standing on a wet or slippery surface.
- Do not use a ladder if you are standing on a moving vehicle.
- Do not use a ladder if you are standing on a roof or other unstable surface.
- Do not use a ladder if you are standing on a ladder that is not fully extended.
- Do not use a ladder if you are standing on a ladder that is not fully opened.
- Do not use a ladder if you are standing on a ladder that is not fully locked.
- Do not use a ladder if you are standing on a ladder that is not fully secured.
- Do not use a ladder if you are standing on a ladder that is not fully inspected.
- Do not use a ladder if you are standing on a ladder that is not fully maintained.
- Do not use a ladder if you are standing on a ladder that is not fully replaced.
- Do not use a ladder if you are standing on a ladder that is not fully repaired.
- Do not use a ladder if you are standing on a ladder that is not fully tested.
- Do not use a ladder if you are standing on a ladder that is not fully certified.
- Do not use a ladder if you are standing on a ladder that is not fully approved.
- Do not use a ladder if you are standing on a ladder that is not fully authorized.
- Do not use a ladder if you are standing on a ladder that is not fully permitted.
- Do not use a ladder if you are standing on a ladder that is not fully licensed.
- Do not use a ladder if you are standing on a ladder that is not fully insured.
- Do not use a ladder if you are standing on a ladder that is not fully bonded.
- Do not use a ladder if you are standing on a ladder that is not fully registered.
- Do not use a ladder if you are standing on a ladder that is not fully reported.
- Do not use a ladder if you are standing on a ladder that is not fully recorded.
- Do not use a ladder if you are standing on a ladder that is not fully documented.
- Do not use a ladder if you are standing on a ladder that is not fully tracked.
- Do not use a ladder if you are standing on a ladder that is not fully monitored.
- Do not use a ladder if you are standing on a ladder that is not fully controlled.
- Do not use a ladder if you are standing on a ladder that is not fully managed.
- Do not use a ladder if you are standing on a ladder that is not fully maintained.
- Do not use a ladder if you are standing on a ladder that is not fully repaired.
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- Do not use a ladder if you are standing on a ladder that is not fully documented.
- Do not use a ladder if you are standing on a ladder that is not fully tracked.
- Do not use a ladder if you are standing on a ladder that is not fully monitored.
- Do not use a ladder if you are standing on a ladder that is not fully controlled.
- Do not use a ladder if you are standing on a ladder that is not fully managed.

Just pick a date and time that works for you and click the registration link. A short presentation will be followed by a Q&A session led by HRA/VEBA Plan representatives from Gallagher. For more information, see about your HRA/VEBA Plan, please read the [HRA/VEBA Plan Benefits Guide](#) or check out the HRA/VEBA Plan's new [video library](#).

- March 19, 3:00-3:30 PM [Click here to register.](#)
- March 20, 10:00-10:30 AM [Click here to register.](#)

Stay connected with your employee benefits this year!

The 2025 Medical Plan Summary of Material Modifications and Summary Plan Description are available on the HR Page of the Intranet:
http://myquid.com/documents/hr/HealthCarePlan_SMM.pdf
http://myquid.com/documents/hr/HealthCarePlan_SDP.pdf

INGAGED Benefits App- Available to download now <http://myquid.com/documents/hr/INGAGED%20Download%20Connect.pdf>

Download the INGAGED Benefits app today!

INGAGED

Download the app to:

- Access Medical & Prescription Information
- Review Dental & Vision Coverage
- Discover Additional Voluntary Programs
- And Many More Features! Optional!

Scan the QR Code or Input from a mobile device
<https://ingagedbenefits.com>

Use Company Code: **co0116**

March 20th, 2025
Watt's Up



Wellness

Join WSU Master Gardener Terrie Peterson on April 10th at 12:00 in the Main Office Lunch Room to learn about PINE gardening and companion planting. Discover the best plants for the PNW climate and how to enhance garden health. Register by April 3rd for food and raffle prizes. On April 17th, there will be a Re-Planting and Seed Planting event in the courtyard for employees. Sign-up: twof@cowiitupd.org

Chronic stress affects mood and health, incorporating stress-reducing activities like breathwork and gentle stretches can improve daily life. Consider using the Calm App for support.

Lunch and Learn

Join Stacey Ferrell and Amanda Amos for a Lunch and Learn on April 23rd at noon in the Main Building, where they will discuss customer assistance programs at the PUD. Keep an eye out for sign-ups.

Needing to Change Your Tax Withholdings?

That change needs to be made by completing a W-4 in NeoGov.

Guess Who's Back, Back Again?

Ron is back, tell your friends. Ron Ella from Fidelity is back - April 30th (Main Office)
 Sign up for an in-person appointment: <https://idm.fidelity.com/ourweb/ret/usa/avoidment.html>
 Virtual or telephone appointments are also available each month. Appointment times will next show once all available appointments have been booked.

Healthcare Booklet - Save Big on Healthcare this Spring!

Take a look at a few of the easiest ways to save:

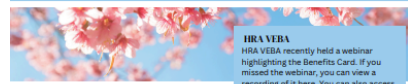
1. Imaging: MRI, CT scans, ultrasound and x-rays
2. Diagnostic Tests: Colonoscopies, arthroscopies, cardiac tests, and sleep studies
3. Outpatient Surgeries: Arthroscopies, tonsillectomies, and cataract surgery

Plus, you can earn a reward up to \$100 every time you search for select procedures in Healthcare Booklet and use a Fair Price facility for your care. No forms or extra steps required. [Click here.](#)

LADDERS

- Stand on a ladder instead of a chair, table, bucket, or box.
- Use the correct ladder for the job.
- Never step on the top platform of any ladder, including a step ladder.

March 26th, 2025
Watt's Up



Wellness

Take the Fact or Fiction Nutrition Quiz (attached) for a chance to win one of two gift cards. Quizzes can be left on the table in my office or emailed to me. Don't forget to include your name.

Safety

Reminder if you finish one of these courses by 3/31/2025 by entered to win a prize:

Featured Courses

- Steps, Tips, and Facts
- Ladder Safety
- Whole Health: Good Sleep Habits

Cybersecurity Tip

Watch out for scams! According to the FTC, 1 in 3 people who reported fraud lost money last year. Many of us have received text messages, with a link, telling us we have past due tolls. It's always best practice to not click on links or reply to messages. Go directly to the company through known good channels. Report any scans at work to IT and anything personal you can report to the FTC. <https://reportfraud.ftc.gov/>

Jeff Parmer, a gardener in Delaware, noticed someone was stealing his vegetables in 2023. To identify the culprit, he set up a camera and discovered a groundhog eating his crops. Amused by the footage, he decided to coexist with the groundhog, naming him "Chuck." Jeff began sharing his vegetables with Chuck, who was later joined by a mate, Nibbles. Their family eventually grew to include Nugget, Chip, and Chabbie.

Weekly All Employee Updates

8. Regulatory and Regional Affairs 5/27/2025

8 – May Activity

8.1 – Legislative

8.2 – State

8.3 – Local

8.4 – Federal

8.5 – Other



8.1 2025 Legislative Session

❖ April 27th – Sine Die

- Legislative Session ended on time.
- Over 2,000 bills introduced
- Over 400 bills passed both houses
- Governor has 20 calendar days following adjournment to act on bills

❖ District engaged with 37 bills

- Bills the District opposed or had concerns with: 44 died, 13 passed
- Bills the District supported: 23 died, 13 passed

❖ HB 1329 Wholesale Electricity Purchases signed by Governor

- District and PGP priority legislation to ease implementation of CETA “No Coal” Standard

❖ Governor had until May 20th to sign bills

❖ District’s Gov Relations consultants to provide session recap at Regular Board Meeting



8.2 State

❖ Clean Energy Implementation Plan Public Process Launched

- Presented District's outreach plan to Public Generating Pool
- Robust initial survey response with more marketing to come

❖ Continuing to Pursue State Grants for Ryderwood

- Attended grant acquisition training from Commerce in Richland
- Met with Commerce's Grid Resiliency grant team to encourage expansion of applicant eligibility in next funding round (2025)

❖ Working with Energy Efficiency, Public Records, and Key Accounts to streamline data sharing required by the Clean Buildings Act

8.3 Local

- ❖ Meeting with Woodland Planning Department to discuss permit requirements for HVAC

- ❖ Monitoring local elections:
 - Candidate filing closed last week on May 9th.
 - The Cities of Kalama and Longview have several open positions.
 - All Port incumbents are unopposed.
 - Many positions have multiple candidates entering the race.

- ❖ Energy Efficiency Team received KUDOs from the Cowlitz Wahkiakum Council of Governments for their work on lighting the new office.



8.4 Federal

❖ Proposal for early phaseout of IRA clean energy tax credits

- The Ways and Means budget gives until 2028 to claim the full 30% tax credit
- Steps down:
 - 2029 80% = 24% tax credit
 - 2030 60% = 18% tax credit
 - 2031 40% = 12% Tax credit
 - 3032 – gone
- IRA originally allowed 30% until 2032



8.5 Other

- ❖ Secured offer of \$3.50 for non-incremental hydro RECS
 - Leveraging value under the Clean Fuel Standards program

- ❖ Lower Columbia CAP Community Solar Project
 - WSU approved funding applications
 - Working with Engineering, Customer Service, Billing, and Accounting on next steps:
 - Navigating upfront funding
 - Non-traditional solar credits