

PUBLIC UTILITY DISTRICT NO. 1 OF COWLITZ COUNTY, WASHINGTON

MINUTES OF BOARD MEETING OF COMMISSIONERS

Tuesday, July 8, 2025

Cowlitz PUD Board Room and Microsoft Teams

Present:

COMMISSIONERS

Dave Quinn, President

Duane Dalgleish, Vice President

Bruce Pollock, Secretary

STAFF

Alice Dietz, Communication & Public Relations Manager

Carson Ness, Engineering Intern

Chris Velat, Director of Power Management

Dever Haffner-Ratliffe, Regulatory Affairs Coordinator

Gary Huhta, General Manager

Heather Sorensen, Director of Customer Service & Compliance

Jen Langdon, Energy Efficiency Manager

Lance Larwick, Director of Engineering

Mike Larsen, Manager of System Engineering

Monica Petterson, Executive Assistant/Clerk of the Board

Richard Hughes, General Counsel

Stacey Ferrell, Customer Programs Coordinator

PUBLIC

Mike Kayser

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 the meeting agenda.

Commissioner Dalgleish attended the meeting remotely via Microsoft Teams.

3. APPROVAL OF AGENDA

It was moved by Commissioner Dalgleish and seconded by Commissioner Pollock to approve the July 8, 2025 Board Agenda.

The motion carried 3 to 0.

4. APPROVAL OF BOARD MINUTES

It was moved by Commissioner Dalgleish and seconded by Commissioner Pollock to approve the June 24, 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 \$5,497,554.06. The Board reviewed expenditures of the District as required by RCW 42.24.180 for which payments were issued between June 26, 2025 and July 2, 2025, under the provisions of Resolution No. 2762.

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

Heather Sorensen, in her role as Auditor for the District, reported the majority of expenses were for the customary items of power supply, taxes, and payroll, as well as conservation incentives and Warm Neighbor contributions.

The motion carried 3 to 0.

7. NEW EMPLOYEE INTRODUCTIONS

Mike Larsen introduced Engineering Intern Carson Ness.

8. GENERAL MANAGER REPORT

BPA Update: General Manager Gary Huhta reported the Bonneville Power Administration (BPA) published their final Public Rate Design Methodology (PRDM) and Record of Decision. The PRDM is a continuation of the tiered rates methodology concept, and provides for a stronger and simplified demand charge. It also has a new mechanism to address load forecast errors and will return to a mills per kWh rate for energy.

CEIP Update: The District is required to go through the Clean Energy Implementation Plan (CEIP) effort every four years as part of the Clean Energy Transformation Act (CETA). In May we kicked off the process and opened a public survey which has so far garnered 180 responses. The survey is open until August. We also hosted a public workshop in June, and will participate in a public focus group on July 16th. We will continue with the public outreach efforts as required under CETA and will come back to the Board later to seek adoption of the plan.

Swift No. 2 Outage: A planned outage was scheduled for this week at Swift No. 2 to replace the high voltage bushings in the large power transformers. The work was anticipated to take four days to complete, but our crew will finish two days ahead of schedule. 5 of the 6 bushings were replaced yesterday, and the 6th one will be replaced today. PacifiCorp conducted welding on their runners at Swift No. 1 concurrently with our work.

Budget Process Expectations: For our 2026 budget planning process, we will hold the first budget workshop with the Board on July 22nd. We will then hold a COSA Board workshop on August 5th, followed by a second budget workshop on August 12th. If the Board is amendable to the budget proposal, we will present it for adoption at the August 26th Board meeting. Rates would then be adopted at the September 9th Board meeting. The Board agreed to this proposed schedule.

FWEE STEM Event: Last month, the District participated in the Foundation for Water & Energy Education (FWEE) Stem Event in Centralia. We received a thank you card from Centralia College for our drone and

safety trailer demonstrations. There were approximately 30 high school aged students in attendance for this event.

Black Bears PUD Family Night: PUD family night at the Cowlitz Black Bears game is scheduled for July 10th at 6:35 p.m. This is the final year for the Black Bears in Cowlitz County. We will hand out bats with hydropower messaging to the children in attendance.

Community BBQ: We will hold our annual customer appreciation BBQ on Monday, August 4th at the PUD main office and will be serving hot dogs.

9. ACTION ITEMS

9.1. Motion to Approve Staff Recommendation No. 13/7/8 – Waiving Small Generation Interconnections Standards Policy for CAP Solar Project

It was moved by Commissioner Dalglish and seconded by Commissioner Pollock to approve Staff Recommendation No. 13/7/8.

Regulatory Affairs Coordinator Dever Haffner-Ratliffe explained the District has been coordinating with Lower Columbia CAP for the installation of a rooftop solar PV system at CAP's low-income apartment complex in Longview. The installation is considered a community solar project under the state's WSU Low-Income Community Solar Funding Program with project benefits going to the low-income tenants of the complex. In order for the tenants to receive solar credits on their individual PUD accounts, a waiver to the District's Interconnections Standards Policy is needed to accommodate the customer bill credit arrangement contemplated for this project. Staff recommends the Board grant an exception to the policy and authorize the General Manager to enter into an interconnection agreement with Lower Columbia CAP for the purpose of installing a low-income community solar project at the CAP apartment complex. The Interconnections Standards Policy will be updated later this year, as part of the annual Engineering Policies update, to accommodate for this bill credit arrangement.

The motion carried 3 to 0.

9.2. Motion to Approve Staff Recommendation No. 14/7/8 – Acceptance of Work, Cold Climate Heat Pump Program

It was moved by Commissioner Dalglish and seconded by Commissioner Pollock to approve Staff Recommendation No. 14/7/8.

Energy Efficiency Manager Jen Langdon explained the Board previously authorized a contract award to three contactors for the installation of cold climate heat pumps for qualifying households in Cowlitz County with incomes at or below 80% of the area median income. Funding for the program was provided through the Washington State Department of Commerce HEAR grant. The installation of 134 cold climate heat pumps was covered entirely by grant funding and the work was completed satisfactorily by each of the three contractors in accordance with the District's requirements. Ms. Langdon recommends the Board accept the work as complete and authorize staff to begin the contract close-out process and release retention.

The motion carried 3 to 0.

10. STAFF REPORTS AND PRESENTATIONS

10.1. Customer Programs Coordinator Stacey Ferrell provided an update of the Customer Assistance Programs offered by the District and other external sources. The programs consist of the Warm Neighbor Program, Discounted Rate Program, LIHEAP, HEAP, FISH, as well as churches, tribes, and health and social services. There are no recommended changes to the programs at this time. Ms. Ferrell reported that a total of \$873,565 in assistance has been distributed to 10,473 customers year to date. She reviewed with the Board the District's customer outreach and CETA compliance efforts and indicated the District has achieved its 2030 CETA targets. Looking ahead, staff will continue in their efforts to increase Warm Neighbor, meet future CETA targets, monitor the state assistance program, and expand customer outreach.

11. COMMISSIONER REPORTS AND UPCOMING EVENTS

Commissioner Pollock will attend a Cowlitz/Wahkiakum Council of Governments meeting this Thursday, and the WPUA July Association meetings next week at Skagit PUD, which includes a tour of the Helion Energy Facility.

12. EXECUTIVE SESSION

No Executive Session needed.

13. MOTION TO ADJOURN MEETING

It was moved by Commissioner Dagleish and seconded by Commissioner Pollock to adjourn the Regular Board Meeting at 2:56 p.m.

The motion carried 3 to 0.

Attest:

DocuSigned by:
David F. Quinn
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President

Signed by:
Bruce Pollock
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Secretary

DocuSigned by:
Duane Dagleish
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Vice President

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