



**COWLITZ PUD BOARD OF COMMISSIONERS
MEETING AGENDA
July 22, 2025, 2:00 p.m.
Cowlitz PUD Board Room & Microsoft Teams**

Board of Commissioners: Dave Quinn, Duane Dalgleish, 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, July 21, 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 July 8, 2025: Dave Quinn
5. Public Comment on Agenda Items and Other District Business
6. **Motion to Ratify/Approve** Vouchers & Payroll: Heather Sorensen
7. General Manager Report: Gary Huhta
8. Action Items

8.1 **Motion to Approve** Staff Recommendation No. 15/7/22 – Acceptance of City of Kelso Public Right-of-Way Franchise Agreement: Steve Taylor

9. Staff Reports and Presentations

9.1 June 2025 Operational Reports

- Power Management
 - Q3 Energy Efficiency Report
- Accounting & Finance
- Operations
- Engineering
- Customer Service
- Employee Services
- Public Relations & Communications
- Regulatory & Regional Affairs

10. Commissioner Reports & Upcoming Events

11. **Executive Session:** If needed, the Presiding Officer will follow the Executive Session Procedure included with this agenda. Following the Executive Session, the Board may take action in public related to the Executive Session.

12. **Motion to Adjourn** the Meeting

COWLITZ PUD EXECUTIVE SESSION PROCEDURE

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

1. Announce the Executive Session

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

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

2. Return to Open Public Meeting

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

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

PUBLIC UTILITY DISTRICT NO. 1 OF COWLITZ COUNTY, WASHINGTON**MINUTES OF BOARD MEETING OF COMMISSIONERS**

Tuesday, 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 WPUDA 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:

President Secretary

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

Staff Recommendation No. 15/7/22

Date: 7/15/2025

To: Board of Commissioners
Gary Huhta, General Manager

From: Steve Taylor, Director of Regional and Regulatory Affairs

Subject: Recommendation to Accept the Public Right-of-Way Franchise Agreement with the City of Kelso, Washington

Last year, the City of Kelso requested the development of a franchise agreement with the District for our installation, maintenance, repair, and replacement of electric facilities located within the City's right-of-way (ROW). District staff negotiated franchise language based upon the City of Longview's agreement that the Board approved last October. The Board received an update on current ROW franchise negotiations at the June 10th Workshop.

Summarized franchise agreement elements

- New agreement between the City and District; no existing franchise agreement is currently in effect
- Formalizes the obligations of the District and City surrounding the installation, maintenance and replacement of the District's electric transmission, distribution and communications systems within the designated public right-of-way subject to the specific terms of the agreement
- 10-year initial terms with one 10-year renewal option upon mutual consent
- District has 90 days to remove abandoned facilities following discontinuation of use, except when 3rd party attachers have continued use; must notify City of remaining 3rd party attachers and change of facility ownership
- District must obtain applicable permits from City when engaging in work within the ROW, and restoration of the ROW must be completed in accordance with current city requirements and to an industry standard
- Emergency situations allow for repairs without prior permit approval – permit application can be made up to 10 business days after the start of emergency action
- District must remove and relocate facilities at its own expense for City's public improvements within the Franchise Area, but City responsible to pay for subsequent relocation of facilities if within 5 years from the date of the original relocation
- For grant-funded public projects, the City will pay District for utility relocation expenses in the applicable proportionate share of grant funds that are allocated to the City
- Relocation expenses for private development (other than a Public Improvement) occurring in the Franchise Area will be borne by the developing party
- Agreement includes reciprocal indemnification clauses and a dispute resolution process
- The District retains the option to locate its facilities on private property when the District deems it to be in its best interest
- Franchise does not convey the right for the District to sell/lease its communications system for any 3rd-party use; Future provision of wholesale or retail broadband services

by the District with facilities located on City ROW will require a new agreement or amendments to the existing Agreement

The Kelso City Council adopted the attached ROW Franchise ordinance at its July 15th regular meeting. Staff recommends that the Board accept the Right-of-Way Franchise Agreement with the City of Kelso and authorize the General Manager's signature.

Motion: Move to approve Staff Recommendation 15/7/22 to Accept the Public Right-of-Way Franchise Agreement with the City of Kelso, Washington

CITY OF KELSO, WASHINGTON

ORDINANCE NO. 25-4023

AN ORDINANCE OF THE CITY OF KELSO, WASHINGTON, GRANTING THE PUBLIC UTILITY DISTRICT NO. 1 OF COWLITZ COUNTY, WASHINGTON, A MUNICIPAL CORPORATION, ITS SUCCESSORS AND ASSIGNS, THE RIGHT, PRIVILEGE, AUTHORITY AND FRANCHISE TO SET, ERECT, LAY, CONSTRUCT, SUPPORT, ATTACH, CONNECT, MAINTAIN, REPAIR, REPLACE, OPERATE AND USE FACILITIES IN, UPON, OVER, UNDER, ALONG, ACROSS, AND THROUGH THE FRANCHISE AREA TO PROVIDE FOR THE TRANSMISSION, DISTRIBUTION AND SALE OF ELECTRIC ENERGY FOR POWER, HEAT AND LIGHT, AND ANY OTHER PURPOSE FOR WHICH ELECTRIC ENERGY MAY BE USED, PROVIDED THAT SUCH RIGHTS, PRIVILEGES, AUTHORITIES AND FRANCHISES ARE IN ACCORDANCE WITH CITY REQUIREMENTS

WHEREAS, the City Council of the City of Kelso finds that the general public health, safety, welfare, necessity and convenience require that Facilities to provide for transmission, distribution and sale of energy for power, heat and light, and other purposes for which energy may be used, be constructed, maintained and repaired in an orderly manner when such Facilities are located in, upon, over, under, along, across, and through CITY rights-of-way, and

WHEREAS, there is hereby granted, subject to the DISTRICT's acceptance of the terms of this franchise as provided herein, for a term as described below, unless otherwise terminated as provided for herein, to the DISTRICT, its successors and assigns, the non-exclusive rights, privilege, authority, and franchise to own, operate and maintain an overhead or underground electric transmission, distribution, and fiber optic communication systems for the sole purpose of SCADA communication, along and across the franchise area. This franchise is conditioned upon the terms and conditions contained herein and the DISTRICT's compliance with any federal or state regulatory agencies with jurisdiction over the DISTRICT. By granting this franchise, the CITY is not assuming any risks or liabilities by way of DISTRICT activities therefrom:

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF KELSO, WASHINGTON, DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1 DEFINITIONS

1.1 Where used in this franchise (the "Franchise") the following terms shall mean:

1.1.1 "DISTRICT" means Public Utility District No. 1 of Cowlitz County, Washington and its successors and assigns.

1.1.2 "CITY" means the City of Kelso, Washington, and its successors and assigns.

1.1.3 "Franchise" means the grant of rights, duties, privileges, and authority embodied in this Ordinance.

1.1.4 "Franchise Area" means all the roads, streets, avenues, alleys, highways, paths, trails and other public rights-of-way controlled by the CITY as now laid out, platted, dedicated or improved and those added by future annexation(s).

1.1.5 "Facilities" means, collectively, any and all electric transmission, distribution, and communication systems for the sole purpose of the DISTRICT's SCADA communication, including but not limited to, poles, wires, lines, conduits, cables, braces, guys, anchors and vaults, transformers, pedestals, meter-reading devices, fixtures, and any and all other equipment, appliances, attachments, appurtenances and other items necessary, convenient, or in any way pertaining to any and all of the foregoing, whether the same be located overhead or underground.

1.1.6 "Communication Systems" means equipment, devices and other items used for communication purposes in connection with DISTRICT's construction, use, operation, maintenance, repair or replacement of its Facilities in the Franchise Area and other permitted activities under this Franchise, including, without limitation, the operation and management of its electric transmission and distribution systems.

1.1.7 "Ordinance" means this Ordinance No. _____ which sets forth the terms and conditions of this Franchise.

1.1.8 "Public Improvement" means any capital improvement or repair within the Franchise Area that is undertaken by or on behalf of the CITY and is funded by the CITY (either directly with its own funds or with other public monies obtained by the CITY but shall not include those monies exacted from private parties for the purposes of making a Public Improvement. For example, and not by way of limitation, in the event a private party developer is required to pay money to the City in lieu of constructing sidewalks, the City's possession of such monies shall not constitute a Public Improvement). For clarity, the term "Public Improvement" shall include any public work capital improvement or repair undertaken by the CITY which requires the relocation of DISTRICT's Facilities that conflict with said Public Improvement within the Franchise Area, even if a portion of the public work capital improvement or repair includes work performed for a third party county or municipality under a valid interlocal agreement between the CITY and such county or municipality (except to the extent the request to relocate DISTRICT's Facilities is caused entirely by work done for such governmental third party). Public Improvement shall not include, any improvements or repairs undertaken by any third-party private entities or undertaken by the CITY by agreement with, or for the benefit of third-party private entities, or solely for aesthetic purposes.

1.1.9 "Force Majeure" shall mean delays due to acts of God, war, civil disturbances, fire, unavoidable casualty, construction delays due to weather, failure of supplier(s), labor dispute, or for other similar causes beyond the control of the DISTRICT or CITY

1.1.10 "Mayor" means the Mayor of the City of Kelso or his or her designee.

1.1.11 "City Engineer" means the duly appointed incumbent of the office of City Engineer of the City of Kelso or his or her designee.

SECTION 2. GRANT OF FRANCHISE

2.1 Pursuant to the laws of the State of Washington, the CITY hereby grants to the DISTRICT, subject to the terms and conditions as set forth herein, a Franchise for a period of ten (10) years commencing upon the effective date of this Ordinance and subsequent acceptance of

such ordinance and Franchise by the DISTRICT. This Franchise is granted upon the express condition that the DISTRICT, within thirty (30) days after the adoption of this Ordinance, shall provide the CITY written acceptance of the same.

2.2 The Franchise may be renewed for one (1) subsequent ten (10)-year term upon the mutual consent of the signatory parties through written agreement.

2.3 The DISTRICT specifically agrees to comply with the provisions of any applicable CITY codes, ordinances, regulations, standards, procedures, permits or approvals, as from time to time amended; provided, however, in the event of any conflict or inconsistency of such CITY codes and ordinances with the terms and conditions of this Franchise, the terms and conditions of this Franchise shall govern and control; provided, further, nothing herein shall be deemed to waive, prejudice, or otherwise limit any right of appeal afforded DISTRICT by such CITY codes and ordinance. The express terms and conditions of the Franchise constitute a valid and enforceable contract between the Parties.

SECTION 3 FACILITIES WITHIN FRANCHISE AREA

3.1 The CITY does hereby grant to DISTRICT the right, privilege, authority and franchise to set, erect, lay, construct, extend (subject to CITY permitting), inspect, support, attach, connect, maintain, repair, replace, operate and use Facilities in, upon, over, under, across and through the Franchise Area, provided that such placement complies with all CITY codes and ordinances, to provide for the transmission, distribution, communications, and sale of energy for power, heat, light and such other purposes for which energy may be used.

3.2 This Franchise shall not convey any right to DISTRICT to install new Facilities outside the Franchise Area; provided, however, that DISTRICT shall retain the right to maintain, repair and operate Facilities installed (if in ownership of the CITY) prior to this franchise agreement with the CITY if said Facilities are outside the Franchise Area, but such right shall be subject to the provisions of Section 3.3.

3.3 Existing Facilities installed or maintained by DISTRICT on public grounds and places within the CITY (which Facilities are not within the Franchise Area as defined in this Franchise) may continue to be maintained, repaired, and operated by DISTRICT at the location such Facilities exist so as not to interfere with vehicle, bicycle, or pedestrian travel.

3.4 This Franchise shall not convey any right to the DISTRICT to sell or lease its communications system as defined in Section 1.1 for any third-party use; provided however, that the Parties agree to negotiate in good faith any amendments to this Agreement, or a new Agreement, for use of DISTRICT facilities for any wholesale or retail broadband purposes proposed by the DISTRICT.

SECTION 4 NON-INTERFERENCE AND MAINTENANCE OF FACILITIES

4.1 DISTRICT's Facilities shall be constructed, installed, maintained, and repaired within the Franchise Area as per applicable CITY standards and codes so as not to unreasonably interfere with the free passage of traffic and in accordance with the laws of the State of Washington, and the ordinances, rules and regulations of the CITY. DISTRICT shall

exercise its rights within the Franchise Area in accordance with applicable CITY codes and ordinances governing use and occupancy of the Franchise Area. Provided, however, in the event of any conflict or inconsistency of such CITY codes and ordinances with the terms and conditions of this Franchise, the terms and conditions of this Franchise shall govern and control; provided, further, nothing herein shall be deemed to waive, prejudice, or otherwise limit any right of appeal afforded DISTRICT by such CITY codes and ordinance.

4.2 Any repair of DISTRICT's Facilities within the Franchise Area shall be made within the time and in a manner which conforms with generally accepted customs, practices, and standards in the industry and consistent with applicable CITY requirements.

4.3 Within the Franchise Area, whenever the DISTRICT permanently discontinues use of any above ground or at grade DISTRICT-owned Facilities, that do not contain third-party attachments, such as poles, braces, guys, and anchors, the removal of such facilities shall occur within ninety (90) days of the discontinued use. The removal of DISTRICT Facilities shall be the responsibility of the DISTRICT. If the DISTRICT fails to remove the aforementioned facilities, the CITY may remove the same and bill the DISTRICT for the costs of removal. When the DISTRICT permanently discontinues use of any above ground or at grade DISTRICT-owned Facilities that do contain third-party attachments, the DISTRICT shall notify the CITY of the location of such Facilities, and any change in ownership of such Facilities, and provide the CITY with the contact information of the third-parties with attachments or any ownership interest in the Facilities.

SECTION 5 TERMS AND CONDITIONS

The terms and conditions of this Franchise shall be subject to the Constitution and laws of the United States of America and the State of Washington and shall apply and be deemed to be terms and conditions of this franchise to use the Franchise Area hereafter granted by the CITY to the DISTRICT, unless and except to the extent that such ordinance or resolution granting such franchise expressly provides terms or conditions contrary to those herein contained.

SECTION 6 GRANTEE – SCOPE OF OBLIGATIONS

The obligations imposed upon the DISTRICT by the express terms of the Ordinance granting such franchise or implied by the terms of this section or any other ordinance affecting the same, shall be deemed to include every employee, nominee or independent contractor of the DISTRICT performing work in the Franchise Area under contract, direction, request or authority of the DISTRICT under this franchise, and the DISTRICT, its agents, employees or independent contractors, severally, shall be responsible to the CITY for any injury or damage to CITY property or the expense incurred or suffered by the CITY in correcting defects in work replacing CITY streets or other improvements damaged by the acts or neglect of such agents, employees, or independent contractors of the DISTRICT.

SECTION 7 SAFETY REQUIREMENTS

The DISTRICT, in accordance with applicable national, state, and local safety requirements, shall at all times employ ordinary care and shall install and maintain and use commonly accepted methods and devices for preventing failures and accidents which are likely to cause damage, injury, or nuisance to the public. All structures and all lines, equipment, and

connections in, over, under and upon the Franchise Area, wherever situated or located, shall at all times be kept and maintained in a safe, suitable condition, and in good order and repair. If a violation of the National Electric Safety Code (NESC) or other applicable regulation is found to exist, the CITY may, after discussion with the DISTRICT, establish a reasonable time for the DISTRICT to make necessary repairs. If the repairs are not made within the established time frame, the CITY may make the repairs itself or have them made and collect all reasonable and applicable costs thereof from the DISTRICT. The DISTRICT shall be solely and completely responsible for workplace safety and safe working practices on its job sites within the Franchise Area, including safety of all persons and property during the performance of any work therein.

SECTION 8. PERMITS; RESTORATION

8.1 Whenever it shall be necessary for the DISTRICT to engage in any work within the Franchise Area, the DISTRICT shall apply for all necessary CITY permits to do such work, and shall, except to the extent inconsistent with the terms and conditions of this Franchise or where expressly provided otherwise herein, comply with all requirements and conditions of such permits, including but not limited to location restrictions, traffic control, and restoration, repair or other work to restore the surface of the Franchise Area, as nearly as practicable, to its condition immediately prior to the work, or as otherwise specified in the permit issued by the CITY in connection with the work. Such permit shall not be unreasonably withheld and may not require any exactions, mitigation, or improvements required to be performed by the DISTRICT as a condition of the permit, except those determined by the CITY to be reasonably related to the impacts of the DISTRICT's work. All restoration shall be completed in accordance with the current CITY requirements, including Development Guidelines and Public Works Standards, but in no event shall the DISTRICT be required to exceed published and duly adopted CITY standards. It is further provided that in the event that DISTRICT has any work in the Franchise Area completed by any of its authorized agents or subcontractors, DISTRICT shall remain fully responsible for the permit, permitted work and any other permit requirements, notwithstanding any provisions of this Franchise to the contrary. The DISTRICT shall notify the CITY of work in accordance with permit requirements. Such notifications may be made by email to the CITY's general email delivery, City Clerk, or City Engineer in advance of the work to be performed. The DISTRICT shall provide to the CITY a list of agents and subcontractors authorized to do work within the Franchise Area and shall notify the CITY of any changes to the list.

8.2 In the event of an emergency situation in which DISTRICT's Facilities within the Franchise Area are in such a condition in reasonable judgment of the DISTRICT as to immediately endanger the property, life, health or safety of any individual, or in any way compromise national reliability standards, or the DISTRICT's ability to distribute electricity within its service territory, DISTRICT may take immediate action to make repairs without first obtaining any required permit. The DISTRICT shall make the permit application to the CITY not later than ten (10) business days after the date of the commencement of the action that requires such permit, and such permits shall not be unreasonably withheld by the CITY.

8.3 The DISTRICT shall leave all Franchise Areas, after doing construction work, making repairs to equipment etc., in as good and safe condition in all respect as they were before the commencement of such work by the DISTRICT, its agents or contractors, and all recorded monuments which have been disturbed or displaced by the work shall be reset to the specifications and approval of the City Engineer.

8.4 In case of any damage caused by the DISTRICT to said Franchise Area, or to paved or surfaced roadways, turn-outs, gutters, ditches, wood or concrete walks, drainpipes, hand or embankment rails, bridges, trestles, wharves, landings or monuments, said DISTRICT agrees to immediately repair said damage to CITY standards at its own sole cost and expense.

8.5 When the City Engineer determines that an emergency situation does exist, he/she may order and have done any and all work considered necessary to restore to a safe condition any such Franchise Area left by the DISTRICT or agents in a condition dangerous to life or property. The City Engineer may cause to be replaced or reset recorded monuments if the DISTRICT fails to replace or reset same within 30 days after completion of construction. The DISTRICT, upon demand, shall pay to the CITY all applicable and reasonable costs of doing such work.

8.6 When the DISTRICT changes the method of distribution, such as changing from overhead distribution to underground distribution, the DISTRICT shall, within 90 calendar days, remove all unused structures and restore the area to its original condition, as long as there are no other third-party attachments that encumber or delay the removal of facilities and restoration of the area. When the DISTRICT changes the method of distribution and discontinues use of any above ground or at grade DISTRICT-owned Facilities that do contain third-party attachments, the DISTRICT shall notify the CITY of the location of such Facilities and any change in ownership of such Facilities, and provide the CITY with the contact information of the third-parties with attachments or any ownership interest in the Facilities.

SECTION 9 RELOCATION & READJUSTMENT OF FACILITIES

9.1 Whenever the CITY causes a Public Improvement to be undertaken within the Franchise Area, and such Public Improvement requires the relocation of DISTRICT's then existing Facilities within the Franchise Area (for purposes other than those described in Section 9.2 below), the CITY shall:

9.1.1 Provide DISTRICT with reasonable advance written notice, but in any event not less than ninety (90) days, requesting such relocation; and after receipt, the DISTRICT will review the scope of work to determine if it can be completed. If not, the DISTRICT will notify the City Engineer and work cooperatively to resolve any scheduling issues.

9.1.2 Promptly provide the DISTRICT with all existing plans and specifications for such Public Improvement as may be requested by the DISTRICT.

After receipt of such notice and such plans and specifications, the DISTRICT shall relocate such Facilities within the Franchise Area at no charge to the CITY. If the CITY requires the subsequent relocation of any Facilities within five (5) years from the date of relocation of such Facilities pursuant to this Section 9.1, the CITY shall bear the entire cost of such subsequent relocation.

The CITY and the DISTRICT will work cooperatively to come to a mutually agreed plan to accommodate Public Improvements.

9.1.3 Grant-Funded Projects. In the event the CITY acquires grant funding of any kind for a Public Improvement which has as part of its allocations or designations, payment for

relocation of utilities, as payment for relocation of District facilities is funded for that allocation from the funding agency, the CITY shall make payment to the District for a portion of the cost of relocation of District facilities proportionate to the grant contribution percentage.

9.2 Whenever (i) any private development within the Franchise Area, or CITY project for the sole benefit of a third party, other than a Public Improvement, requires the relocation of DISTRICT's Facilities within the Franchise Area to accommodate such development, then in such event, the DISTRICT shall have the right as a condition of such relocation, to require such developer, person or entity to make payment to DISTRICT, at a reasonable time and terms acceptable to DISTRICT, for any and all costs and expenses incurred by the DISTRICT in the relocation of DISTRICT's Facilities, including fees, charges, or other expenses associated with any third party attachments to FACILITIES for which the DISTRICT is legally obligated. Private Improvements for modifying or relocating electrical facilities shared costs will be based upon depreciation and current load capacity of existing facilities. The extent of costs and expenses shall be determined by the DISTRICT.

9.3 Any condition or requirement imposed by the CITY upon any person or entity, other than the DISTRICT, that requires the relocation of DISTRICT's Facilities shall be a required relocation for purposes of Section 9.2 above (including, without limitation, any condition, or requirement imposed pursuant to any contract or in conjunction with approvals or permits for zoning, land use, construction, or development).

9.4 Nothing in this Section 9 "Relocation of Facilities" shall require the District to bear any cost or expense in connection with the location or relocation of any Facilities located in a private easement in which the CITY expands the public right of way to include the private easement area.

9.5 If at any time the CITY deems it advisable to improve any of its streets, avenues, sidewalks, paths, alleys, roads, highways, rights-of-way or other CITY properties as hereinbefore designated, by grading, re-grading, surfacing or paving same, or altering, changing, repairing or improving same, the DISTRICT upon written notice by the CITY shall, at its own expense, within 90-days raise, lower, or move its lines, facilities or improvements to conform to such new grades as may be established, or place said property in such locations or positions as shall cause the least interference with any such improvements or work thereon as contemplated by the CITY and said CITY shall in no way be held liable for any damage to said DISTRICT that may occur by reason of the CITY improvements, repairs or maintenance performed in a reasonably careful and prudent manner, or by the exercise of any rights so reserved in this section or grant. If the CITY shall improve such streets, avenues, sidewalks, paths, alleys, roads, highways, rights-of-way or other CITY properties, the DISTRICT shall on written notice by CITY officials, at its own expense, replace its lines or system as may be in or through the improved sub-grade of such improvement, with such materials as shall conform to or exceed the applicable standards of the CITY and industry for use in such streets, avenues, sidewalks, alleys, roads, highways, rights-of-way or other CITY properties; PROVIDED, that there is sufficient space from an engineering perspective to relocate DISTRICT facilities within the available right-of-way, as determined by the CITY, and that if a readjustment or relocation is necessitated for a reason other than the above enumerated CITY purposes, the person, firm or private corporation or entity requesting such readjustment or relocation shall pay the DISTRICT the actual costs. **PROVIDED** further, that in the event the CITY should require such readjustment or relocation in connection with any improvement of

project funded, wholly or in part by state or federal funds, the CITY shall make every reasonable effort to include the costs for relocation in its funding applications where it meets funding agency requirements, and if successful, the CITY will reimburse the District for invoice costs eligible under funding program as funds are available. Provided, further, section 9.1.3 shall apply to the foregoing provision notwithstanding the provisions contained in the foregoing section.

9.6 If any of the DISTRICT's existing facilities are determined to be a safety hazard to vehicle, bicycle, or pedestrian travel by the CITY's liability insurer; the DISTRICT at its own cost will remove or relocate any such facility within 90 calendar days.

9.7 The parties agree that "relocation" refers to a permanent movement of facilities required of DISTRICT, and not a temporary or incidental movement of facilities, such as raising of lines to accommodate house moving and the like, solely for aesthetic purposes, or other revisions DISTRICT would accomplish without regard to municipal request. The CITY will work with DISTRICT to minimize the need for temporary work to accommodate permanent moves.

9.8 Regarding boring the following minimum standards will apply:

9.8.1 Contractor shall physically (pothole or other method as approved by the City Engineer) verify all existing utility's location and depth.

9.8.2 Public Works Department will do a physical inspection of these existing utilities prior to the start of the boring.

9.8.3 The DISTRICT shall give the Public Works Department 4 business days' notice prior to utility inspection schedule.

9.8.4 All bored lines shall meet the minimum clearance requirements from all existing utilities both vertically and horizontally in accordance with CITY's permitted requirements, if not otherwise specified. If, during construction, the permit's conditions cannot be met, the parties may confer and reach agreement on a mutually acceptable alteration.

9.8.5 All pavement and surface restoration shall be completed in accordance with the CITY Development Policies and Public Works Standards for all work within the Right-of-Way.

9.9 Clear zone

When installing new or relocated transmission and distribution lines on roads where the speed limit is 40 MPH or greater, all poles and other appurtenances shall be installed outside of the clear zone, per adopted CITY code or policy. If this is not feasible due to limited right-of-way space or some other reason, other means upon agreement between the DISTRICT and CITY may be provided to protect DISTRICT facilities.

SECTION 10 INDEMNIFICATION

10.1 DISTRICT shall indemnify, defend and hold harmless the CITY, its elected and appointed officials, officers, employees, agents, representatives, engineers, and consultants from any

and all claims, costs, judgments, awards, or liability to any person arising from injury or death of any person or damage to property to the extent the same is caused by the negligent acts or omissions of the DISTRICT, its agents, servants, officers, or employees in performing under this Franchise. This covenant of indemnification shall include, but not be limited by this reference, to claims against the CITY arising as a result of the negligent acts or omissions of the DISTRICT, its agents, servants, officers, or employees in barricading, instituting trench safety systems or providing other adequate warnings of any excavation, construction, or work in the Franchise Area or in any other public place in performance of work or services permitted under this Franchise. Provided, however, such indemnification shall not extend to that portion of any claims, demands, liability, loss, cost, damage or expense of any nature whatsoever including all costs and attorneys' fees caused by the negligence of the CITY, its agents, employees, officers, contractors or subcontractors.

10.2 The DISTRICT may locate all its Facilities on CITY right of way. If installing poles, and other appurtenances in public right of way that will cause an undue burden on the DISTRICT, the City Engineer may approve a design deviation. In situations where the DISTRICT has no other option but to locate their facilities on private property, running parallel along the public right of way; the DISTRICT will provide to the CITY a liability release form signed by both the DISTRICT and the land owner that acknowledges the possible risk of injury and damages which would release the CITY from all liability of these facilities as related to the CITY's approval of any Right-of-Way permit where the CITY has knowledge of such facilities going from the public Right-of-Way onto private property in this manner. This liability release would be recorded with the property at the Cowlitz County Auditor's Office and would stay with the property until, if ever, these facilities are removed. All indemnification language in Section 10 would apply.

10.3 In the event any claim or demand for which indemnification is provided under Section 10.1 is presented to, or suit or action is commenced against, the CITY based upon any such claim or demand, the CITY shall promptly notify the DISTRICT thereof, and DISTRICT may elect, at its sole cost and expense, to settle and compromise such suit or action, or defend the same with attorneys of its choice. In the event the DISTRICT refuses the tender of defense in any suit or any claim for which indemnification is provided under Section 10.1, said tender having been made pursuant to this indemnification clause, and said refusal is subsequently determined by a court having jurisdiction (or such other tribunal that the parties shall agree to decide the matter) to have been a wrongful refusal on the part of the DISTRICT, then DISTRICT shall pay all of the CITY's costs for defense of the action, including all reasonable expert witness fees and reasonable attorneys' fees and the reasonable costs of the CITY, including reasonable recovery of attorneys' fees under this indemnification clause.

10.4 In the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the DISTRICT and the CITY, its officers, employees and agents, DISTRICT's liability hereunder shall be only to the extent of DISTRICT's negligence. It is further specifically and expressly understood that, **solely to the extent required to enforce the indemnification provided herein, the DISTRICT waives its immunity under RCW Title 51; provided, however, the foregoing waiver shall not in any way preclude the DISTRICT from raising such immunity as a defense against any claim brought against the DISTRICT by any of its employees. This waiver has been mutually negotiated by the parties.**

10.5 In the event it is determined that RCW 4.24.115 applies to this Franchise, DISTRICT's

indemnification obligations under Section 10.1 shall apply to the maximum extent permitted thereunder, to the full extent of DISTRICT's negligence. Further, in any such action, the CITY shall have the right to participate, at its sole cost and expense, through its own attorney in any suit or action which arises pursuant to this Franchise when the CITY determines that such participation is in the CITY's best interest.

The CITY shall protect, indemnify, and save the DISTRICT harmless from and against all third party claims or demands made against the DISTRICT, and any damage, cost or liability, including reasonable attorney fees incurred in connection with any such third party claim or demand, for injuries to persons or damage to property of another to the extent such injuries or damage are caused by the negligent acts or omissions or willful misconduct of the CITY, its employees, agents or sub-contractors, arising out of, related to, or in connection with, this Franchise; provided, however, that in the event any such claim or demand be presented to or filed with the DISTRICT, the DISTRICT shall promptly notify the CITY thereof, and the CITY shall have the right, at its election and at its sole cost and expense, to settle and compromise such claim or demand; provided further, that in the event any suit or action is begun against the DISTRICT based upon any such claim or demand, the DISTRICT shall likewise promptly notify the CITY thereof, and the CITY shall have the right, at its election and its sole cost and expense, to settle and compromise such suit or action, or defend the same at its sole cost and expense, by attorneys of its own election.

In the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the CITY and the DISTRICT, its officers, officials, employees, and volunteers, the CITY's liability hereunder shall be only to the extent of the CITY's negligence. **Solely to the extent required to enforce the indemnification provisions of this franchise, the CITY waives its immunity under Title 51 RCW, Industrial Insurance; provided, however, the foregoing waiver shall not in any way preclude the CITY from raising such immunity as a defense against any claim brought against the CITY by any of its employees. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.**

10.6 The provisions in this Section 10 shall survive the expiration or termination of this Franchise with respect to any claim, demand, suit or action for which indemnification is provided under Section 10.1 and which is based on an act or omission that occurred during the term of this Franchise.

SECTION 11 MOVING BUILDINGS WITHIN THE FRANCHISE AREA

If any person or entity obtains permission from the CITY to use the Franchise Area for the movement or removal of any building or other object, the CITY shall, prior to granting such permission, require such person or entity to arrange with the DISTRICT for the temporary adjustment of DISTRICT's overhead wires necessary to accommodate the movement, removal, or placement/erection of such building or other object, where the movement or removal of such building or other object will pass under DISTRICT's overhead wires or where the movement or removal of such building or other object will otherwise require the temporary adjustment of DISTRICT's overhead wires. The CITY shall require such person or entity to complete such arrangements, upon terms and conditions acceptable to the DISTRICT, not less than thirty (30) calendar days prior to the movement or removal of such building or other object. In such event, DISTRICT shall, at the sole cost and expense of the person or entity

desiring to move or remove such building or other object, adjust any of its overhead wires which may facilitate safe placement or the movement or removal of such building or object. This section shall also apply to construction equipment required to move such building as required to meet current WISHA rules and WAC code 296-155-53408.

SECTION 12 RECOVERY OF COSTS; PERMIT FEES

As specifically provided by RCW 35.21.860, the CITY may not impose a franchise fee or any other fee or charge of whatever nature or description upon the DISTRICT because of this Franchise, except as provided therein. However, as provided in RCW 35.21.860, the CITY may impose a utility tax, subject to the limitations and conditions described in RCW 35.21.860, and also recover from the DISTRICT actual and reasonable administrative expenses incurred by the CITY that are directly related to: (i) receiving and approving a permit, license or this Franchise, (ii) inspecting plans and construction, or (iii) preparing a detailed statement pursuant to RCW 43.21C. In consideration of such administrative expenses, the CITY shall charge the DISTRICT a permit fee and prepare monthly invoices to the DISTRICT detailing permit activity. DISTRICT shall make payment to the CITY of such expenses within 30 days of the receipt of such invoice from the CITY. Failure by DISTRICT to acquire permit and pay such amount shall constitute a failure to comply with the Franchise. Additionally, failure by the DISTRICT to timely pay said amounts shall be grounds for the CITY to preclude the processing of any applications and/or issuing permits until payment has been fully made.

SECTION 13 NONEXCLUSIVE FRANCHISE

13.1 This Franchise is not, and shall not be deemed to be, an exclusive Franchise. This Franchise shall not in any manner prohibit the CITY from granting other and further franchises over, upon, and along the Franchise Area that do not interfere with DISTRICT's rights under this Franchise. This Franchise shall not prohibit or prevent the CITY from using the Franchise Area or affect the jurisdiction of the CITY over the same or any part thereof.

13.2 The DISTRICT will not share any rights granted by this franchise with any third party without the prior written approval of the CITY, except for third party attachers that have been granted a franchise by the CITY for location within the right of way by the CITY or as otherwise required by law.

SECTION 14 FORCE MAJEURE

In the event that either party is prevented or delayed in the performance of any of its obligations under this Franchise by any event beyond its reasonable control (a Force Majeure event), then that party's performance shall be excused during the Force Majeure event. The time within which the DISTRICT or CITY shall be required to perform any act under the Franchise shall be extended by a period of time equal to the number of days performance is delayed due to a Force Majeure. The DISTRICT or CITY shall not be subject to any penalty hereunder because of acts or failure to act due to Force Majeure.

SECTION 15 DISPUTE RESOLUTION AND AMENDMENT OF FRANCHISE

15.1 If there is any dispute or alleged default with respect to performance under this Franchise, the Party alleging default (claimant) shall notify the other Party (respondent) in writing, stating with reasonable specificity the nature of the dispute or alleged default. Within seven (7) days

of its receipt of such notice, the Respondent shall provide written response to the Claimant that shall acknowledge receipt of such notice and state the Respondent's intentions with respect to how the Respondent shall respond to such notice. The Respondent shall further have thirty (30) days (the "cure period") from its receipt of such notice to:

15.1.1 Respond to the Claimant, contesting the Claimant's assertion(s) as to the dispute or any alleged default and requesting a meeting in accordance with Section 15.2, or:

15.1.2. Resolve the dispute or cure the default, or,

15.1.3. Notify the Claimant that the Respondent cannot resolve the dispute or cure the default within thirty (30) days, due to the nature of the dispute or alleged default.

15.1.4 Notwithstanding such notice, the Respondent shall promptly take all reasonable steps to begin to resolve the dispute or cure the default and notify the Claimant in writing and in detail as to the actions that will be taken by the Respondent and the projected completion date. In such case, the Claimant may set a meeting in accordance with Section 15.2.

15.2 If any dispute is not resolved or any alleged default is not cured or a meeting is requested or set in accordance with Section 15.1., then the Claimant shall promptly schedule a meeting with the Respondent to discuss the dispute or any alleged default. The Claimant shall notify Respondent of the meeting in writing and such meeting shall take place not less than ten (10) days after the Respondent's receipt of notice of the meeting. Each Party shall appoint a representative who shall attend the meeting and be responsible for representing the Party's interests. The representatives shall exercise good faith efforts to resolve the dispute or reach agreement on any alleged default and/or any corrective action to be taken. Any dispute (including any dispute concerning the existence of or any corrective action to be taken to cure any alleged default) that is not resolved within ten (10) days following the conclusion of the meeting shall be referred by the Parties' representatives in writing to the senior management of the Parties for resolution. In the event senior management is unable to resolve the dispute within twenty (20) days of such referral (or such other period as the Parties may agree upon), each Party may pursue resolution of the dispute or any alleged default through other legal means. All negotiations pursuant to these procedures for the resolution of disputes shall be confidential and shall be treated as compromise and settlement negotiations for purposes of the state and federal rules of evidence.

15.3 If, at the conclusion of the steps provided for in Section 16.1 and 16.2 above, the Parties are unable to settle the dispute or agree upon the existence of a default or the corrective action to be taken to cure any alleged default, the Claimant or the Respondent (as each Party may have authority to do so) may:

15.3.1. Take any enforcement or corrective action provided for in CITY code, as from time to time amended; provided such action is not otherwise in conflict with the provisions of this Franchise, and/or;

15.3.2. By ordinance, declare an immediate forfeiture of this Franchise for a breach of any material obligations under this Franchise and/or;

15.3.3 Take such other action to which it is entitled under this Franchise or any applicable

law or

15.3.4 In the case of the DISTRICT withholding payment or take any applicable interim legal action until the alleged default is resolved.

15.4 Unless otherwise agreed by the CITY and the DISTRICT in writing, the CITY and the DISTRICT shall, as may reasonably be practicable, continue to perform their respective obligations under this Franchise during the pendency of any dispute.

15.5 Neither the DISTRICT's acceptance of this Franchise, the DISTRICT's appearance before the CITY Council at any public proceeding concerning the proposed termination of this Franchise, nor any action taken by the CITY Council as a result of any such public proceeding, including a declaration of termination or a finding of grounds to terminate, shall be construed to waive or otherwise affect the DISTRICT's right to seek dispute resolution of the rights and responsibilities of the parties under this Franchise.

15.6 This Franchise may be amended only by written instrument, signed by both parties, which specifically states that it is an amendment to this Franchise and is approved and executed in accordance with the laws of the State of Washington. Without limiting the generality of the foregoing, this Franchise shall govern and supersede and shall not be changed, modified, deleted, added to, supplemented or otherwise amended by any permit, approval, license, agreement, or other document required by or obtained from the CITY in conjunction with the exercise (or failure to exercise) by the DISTRICT of any and all rights, benefits, privileges, obligations, or duties in and under this Franchise, unless such permit, approval, license, agreement or other document specifically references this Franchise and states that it supersedes this Franchise to the extent it contains terms and conditions that change, modify, delete, add to, supplement or otherwise amend the terms and conditions of this Franchise.

15.7 Except for interim legal relief such as seeking an injunctive order, the dispute resolution provided in this Agreement is a pre-requisite to the filing of any lawsuit.

SECTION 16 RESERVATION OF RIGHTS

In the event the CITY should vacate, close, or abandon any portion of any public street, avenue, alley, road, highway, right-of-way or other CITY property which is subject to rights granted by said Franchise, or which contains any portion of the DISTRICT's Facilities the CITY shall, after granting an alternate route in its vacation procedure, reserve and grant an easement to the DISTRICT for the DISTRICT's existing Facilities unless the DISTRICT determines the easement is unnecessary. Any conveyance of land contained in such closed, abandoned public streets, alley, or right-of-way shall be subject to the rights herein granted.

In cases where the CITY determines that reserving and granting an easement to the DISTRICT is impracticable, the CITY will notify the DISTRICT thirty (30) business days prior to any final vacation action. In these cases, if the vacation, closure, or abandonment was developer initiated, all costs for the relocation of the DISTRICT's facilities is borne by the developer. If the vacation, closure, or abandonment was CITY initiated, all costs for the relocation of the DISTRICT's facilities is borne by the CITY. If the vacation, closure, or abandonment was DISTRICT initiated, all costs for the relocation of the DISTRICT's facilities is borne by the DISTRICT.

SECTION 17 ANNEXATION

Annexation of unincorporated areas within the CITY's Planning Area Boundary, including CITY consideration of acquisition of DISTRICT electric transmission and distribution facilities, shall comply with RCW 35A 14 (Annexation by Code Cities) and this Franchise between the CITY and the DISTRICT.

SECTION 18 SEVERABILITY

18.1 Except as provided below, if any section, subsection, sentence, clause, phrase, term, provision, condition, covenant or portion of this Franchise is for any reason held invalid or unenforceable by any court of competent jurisdiction, or supersede by state or federal legislation, rules, regulations or decision, the remainder of this Franchise shall not be affected thereby but shall be deemed as a separate, distinct and independent provision, and such holding shall not affect the validity of the remaining portions hereof, and each remaining section, subsection, sentence, clause, phrase, provision, condition, covenant and portion of this Franchise shall be valid and enforceable to the fullest extent permitted by law. The headings of sections and paragraphs of this Franchise are for convenience of reference only and are not intended to restrict, affect or be of any weight in the interpretation or construction of the provisions of such sections or paragraphs.

18.2 If any material provision of this Franchise is for any reason held invalid or unenforceable by any court of competent jurisdiction, or superseded by state or federal law, rules, regulations or decision so that the intent of these provisions is frustrated, the parties agree to immediately negotiate a replacement provision to fulfill the purpose and intent of the superseded provisions consistent with applicable law.

SECTION 19 NOTICES

All notices from the DISTRICT to the CITY pursuant to this Franchise shall be directed to the City Manager at P. O. Box 819 ,Kelso, Washington 98626, or to such person as designated by the CITY Manager. All notices from the CITY to the DISTRICT pursuant to this Franchise shall be directed to the General Manager at P. O. Box 3007, Longview, Washington 98632, or to such person as designated by the General Manager. The DISTRICT shall maintain within the Cowlitz County area throughout the term of this Franchise an address for service of notices by mail. The DISTRICT shall also maintain within the Cowlitz County area a local telephone number operational during normal business hours for the conduct of matters related to this Franchise. Any change in address or telephone number shall be furnished to the CITY ten (10) days prior to the change. Any change to CITY ordinances that affect the DISTRICT's compliance with this Franchise shall be furnished to the DISTRICT ninety (90) days prior to such change.

SECTION 20 EFFECTIVE DATE


20.1 This Franchise shall be in full force and effect five (5) days after publication by the CITY, subject to approval by the DISTRICT Board of Commissioners in accordance with the provisions of this Franchise. This Franchise is and shall remain in full force and effect for a period of ten (10) years from and after the effective date of the ordinance, plus any extensions,

or as terminated, as provided herein.

20.2 This Franchise represents the entire understanding and agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior oral negotiations between the parties.

PASSED BY THE CITY COUNCIL OF THE CITY OF KELSO, WASHINGTON THIS 15th DAY OF July, 2025.

CITY OF KELSO



Veryl Anderson, Mayor

ATTEST:



Brian Butterfield, City Clerk

APPROVED AS TO FORM:



Janean Parker, City Attorney

Public Hearing:
First reading:
Second Reading/Passage:
Date of Publication:
Effective Date:

**HONORABLE MAYOR AND CITY COUNCIL
CITY OF KELSO, WASHINGTON**

In the matter of the application

of Public Utility District No. 1 of
Cowlitz County, Washington, for
a franchise to construct, operate
and maintain facilities in, upon,
over, under, along, across and
through the franchise area of the
City of Kelso , Washington

Franchise Ordinance No. **25-4023**

ACCEPTANCE

WHEREAS, the City Council of the City of Kelso, Washington, has granted a franchise to Public Utility District No. 1 of Cowlitz County, Washington, its successors and assigns, by enacting Ordinance No. _____, bearing the date of _____, 2025; and

WHEREAS, a copy of said Ordinance granting said franchise was received by the Public Utility District No. 1 of Cowlitz County, Washington on _____, 2025, from said City of Kelso of Cowlitz County, Washington.

NOW, THEREFORE, Public Utility District No. 1 of Cowlitz County, Washington, for itself, its successors and assigns, hereby accepts said Ordinance and all the terms and conditions thereof, and files this, its written acceptance, with the City of Kelso of Cowlitz County, Washington.

IN TESTIMONY WHEREOF said Public Utility District No. 1 of Cowlitz County, Washington has caused this written Acceptance to be executed in its name by its undersigned _____ thereunto duly authorized on this _____ day of _____, 2025.

PUBLIC UTILITY DISTRICT NO. 1 OF

COWLITZ COUNTY, WASHINGTON

By: Gary Huhta, General Manager

Approved as to form:

Richard L. Hughes, General Counsel

Copy received for City of Kelso
on _____, 2025

By: _____
City Clerk



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 Resource Performance

1.5.1 BPA Power

1.5.2 Swift No.2

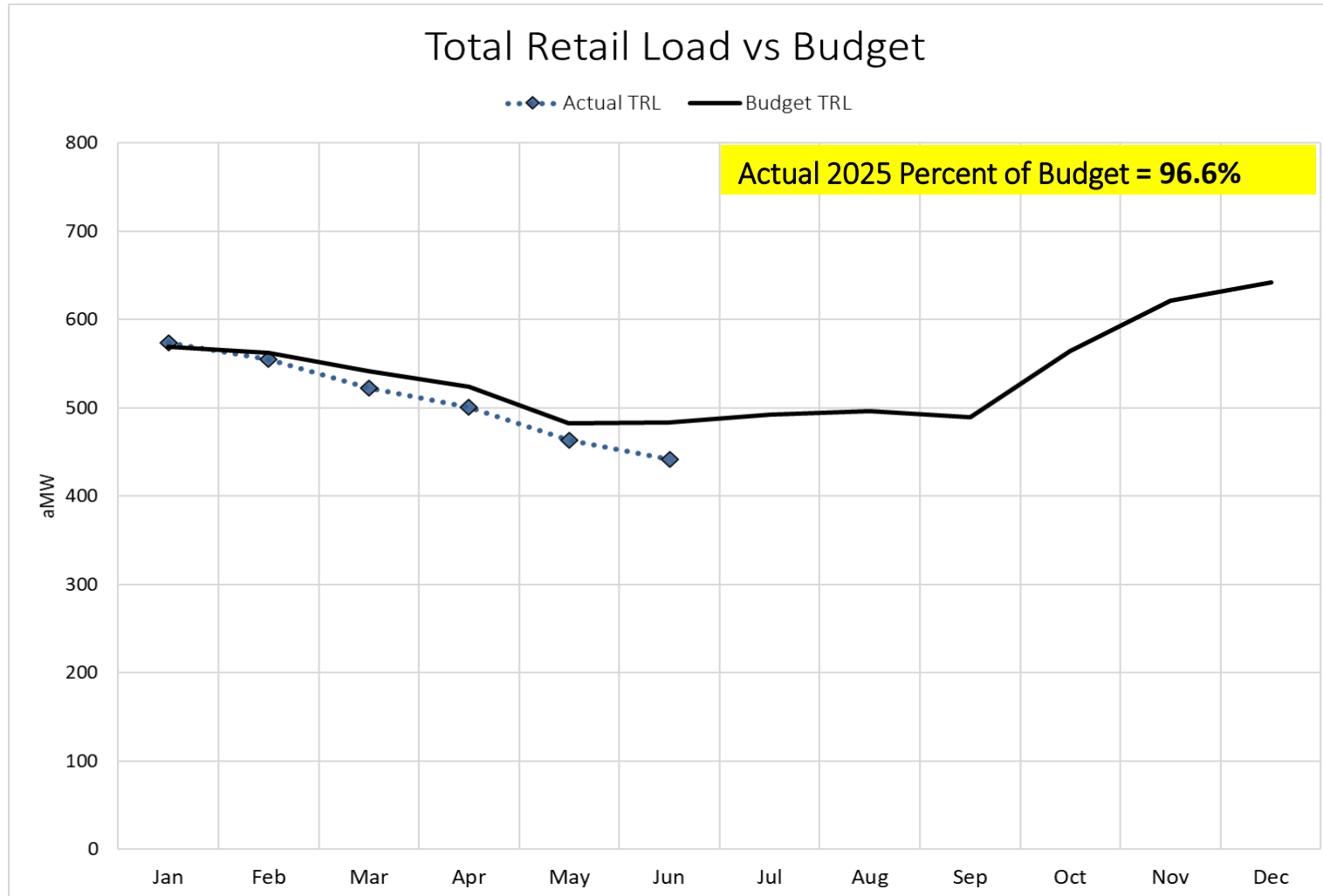
1.5.3 Wind (White Creek and Harvest Wind)

1.6 Wholesale Market Prices (Power & Natural Gas)

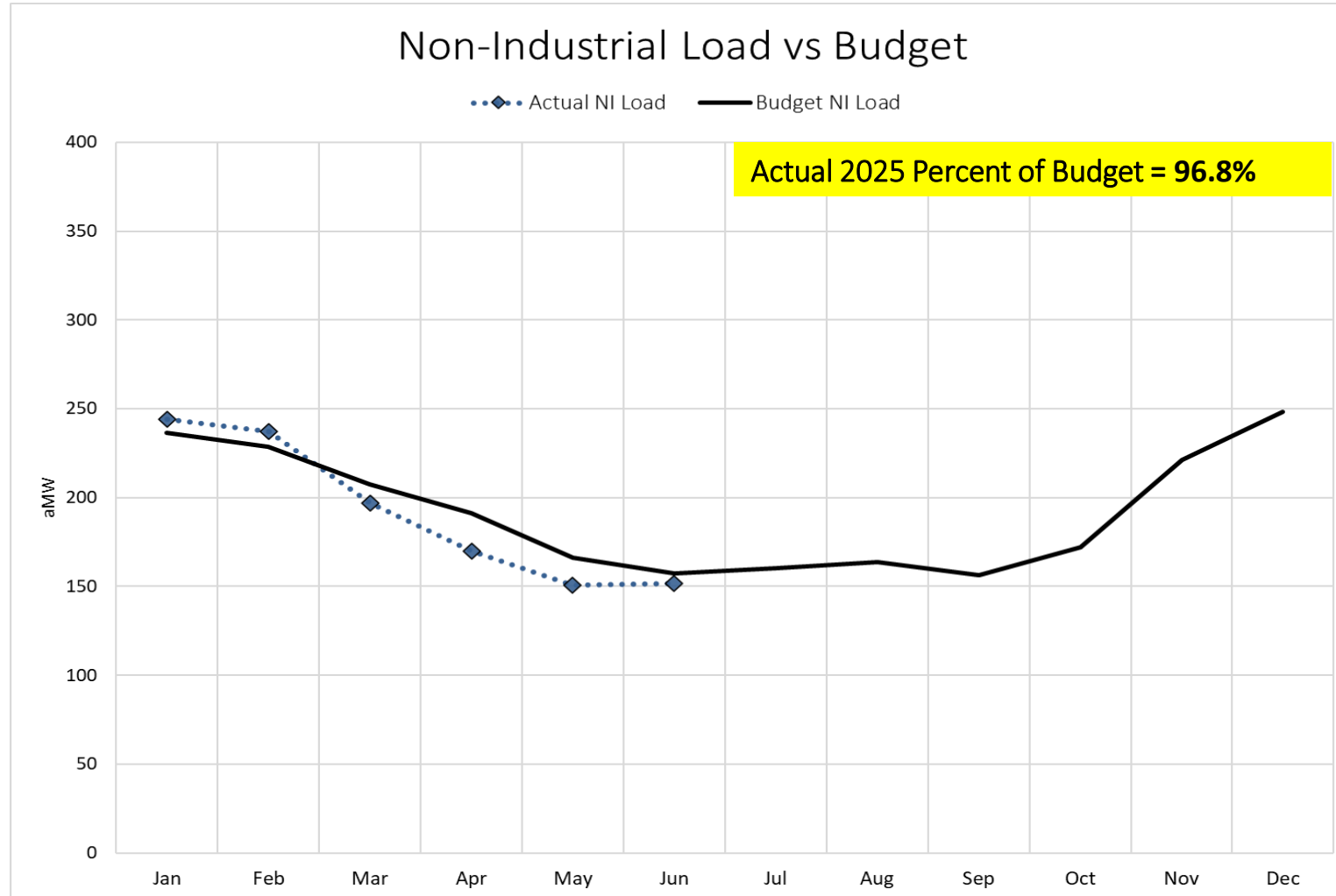
1.7 Net Secondary Sales Revenue

1.8 Net Power Cost – Non-Schedule 50

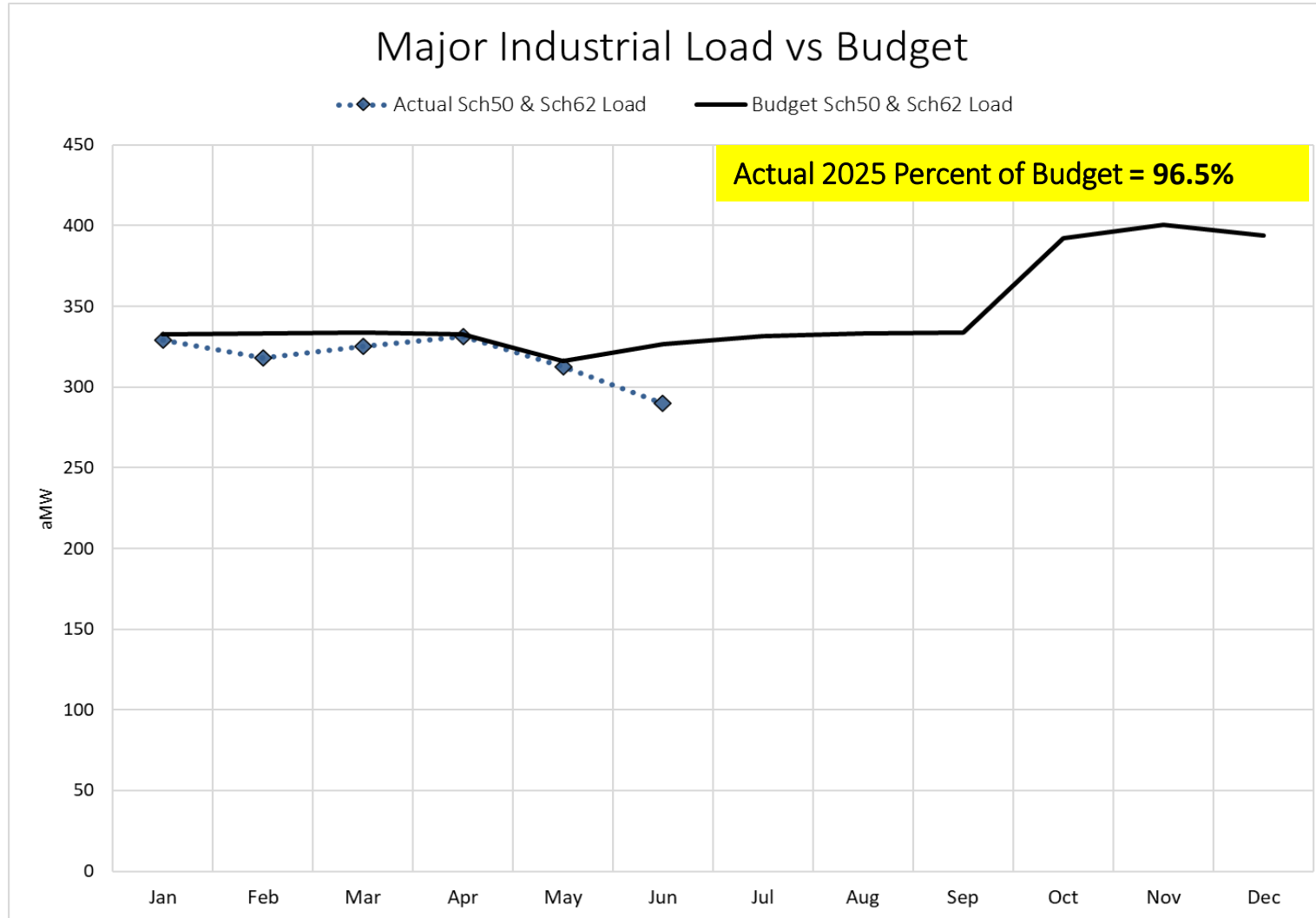
1.1 District Load Summary (Total Retail Load)



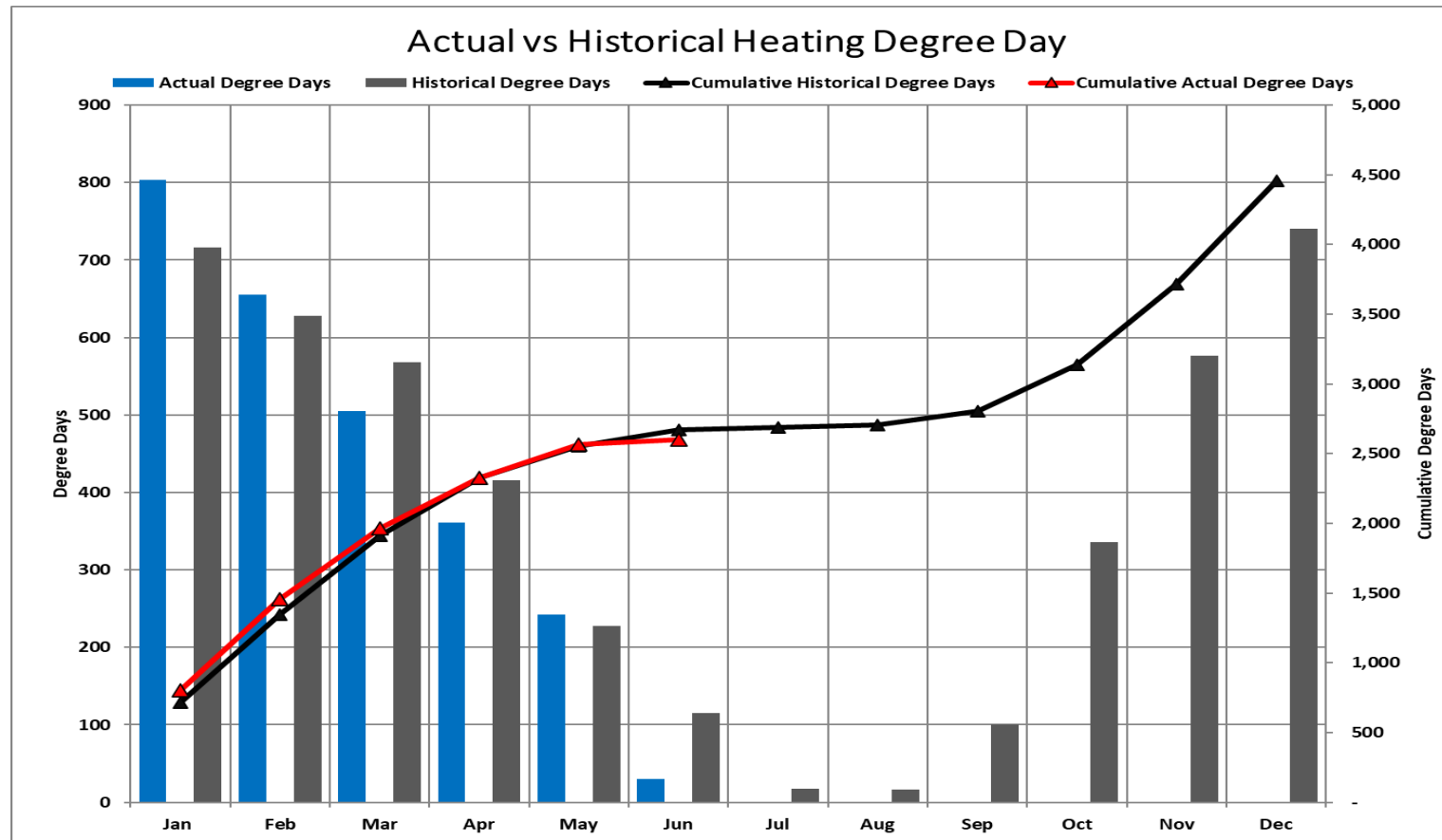
1.1.1 Non-Industrial Load Summary



1.1.2 Major Industrial Load Summary

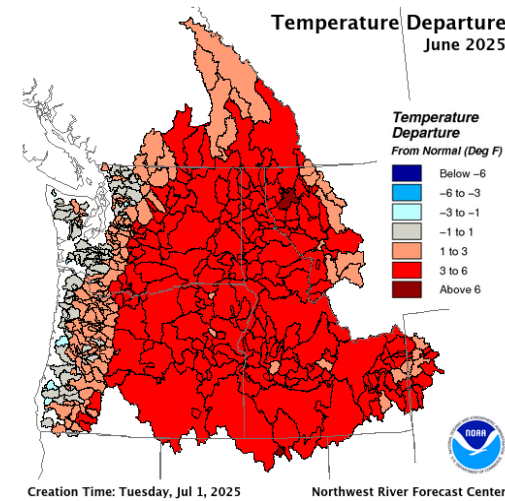
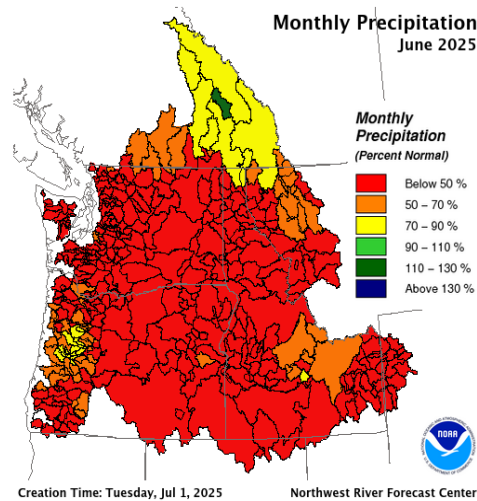
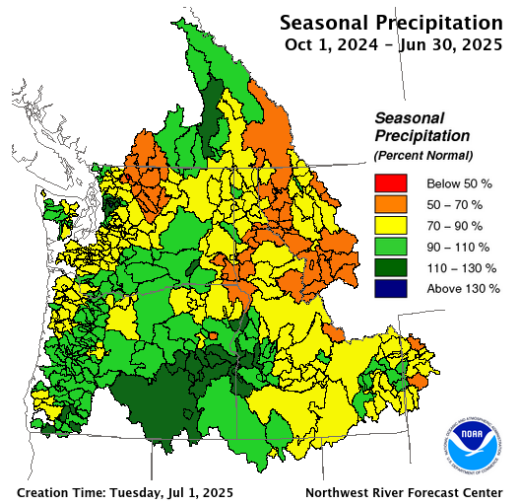


1.2 Heating Degree Days



Temperatures in June were warmer than average, finishing at 26% of the historical average Heating Degree Days (HDD) for the month. The HDD year-to-date is currently 97% of average; a 4% decrease from the previous month's report.

1.3 Precipitation & Temperature

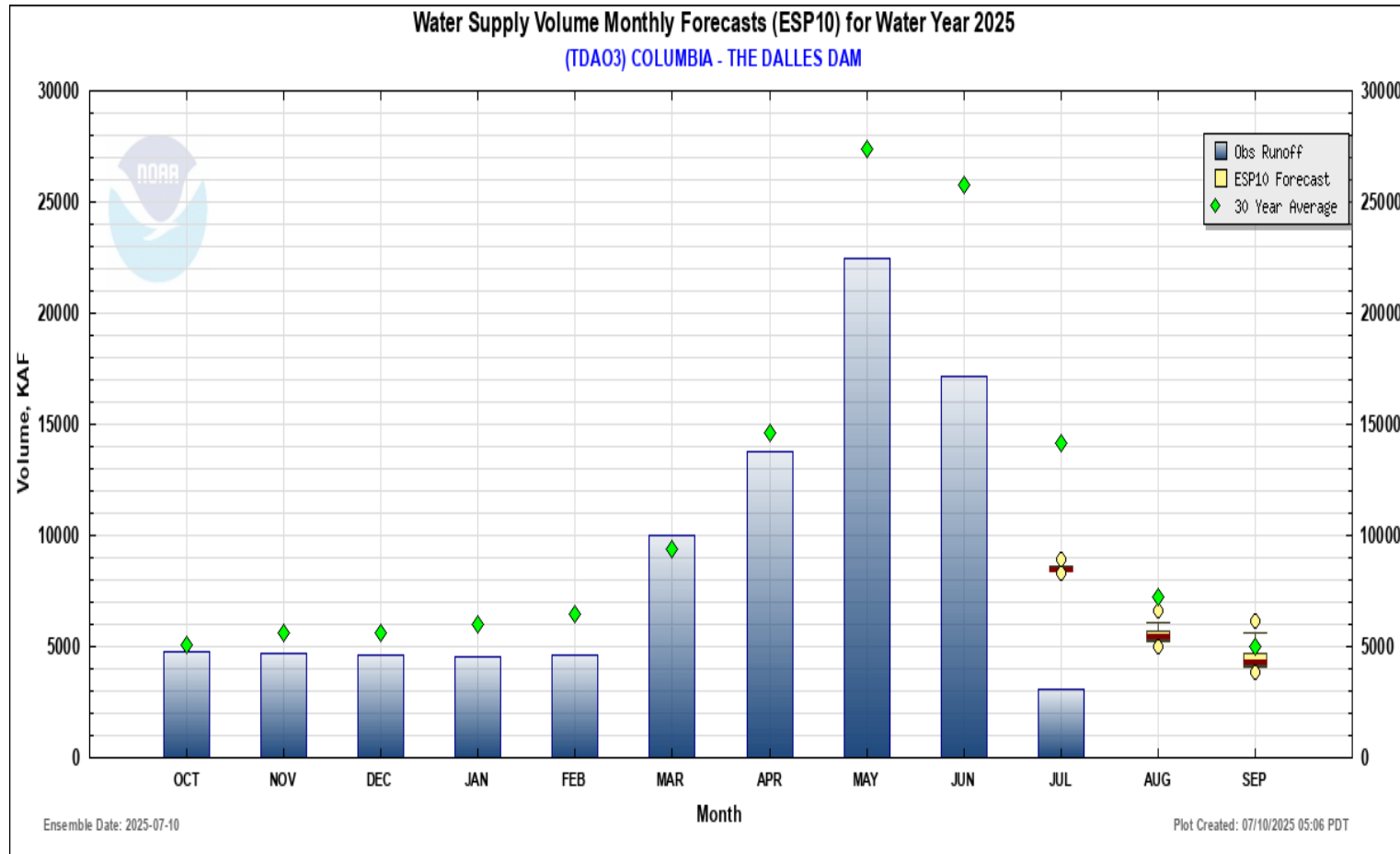


The seasonal precipitation through June continues to decline, which is on par with what we historically witness as we transition into summer. The Snake basin does continue to show average seasonal precipitation.

Precipitation for the month of June was well below average for most of the PNW. The northeastern B.C. region experienced a slightly better than below average amount of precipitation.

During the month of June, the majority of the PNW saw above average temperatures with coastal regions observing near normal temperatures.

1.4 Runoff Forecast



June's water supply finished at 66% of average. July is forecasted to finish at 60% of average. The Water Supply Forecast at the Dalles for Oct-Sep is forecasted to be 80%, which is a 1% decrease from the previous month.

1.6 Resource Performance

BPA Federal System Power



Swift No. 2



Harvest & White Creek Wind



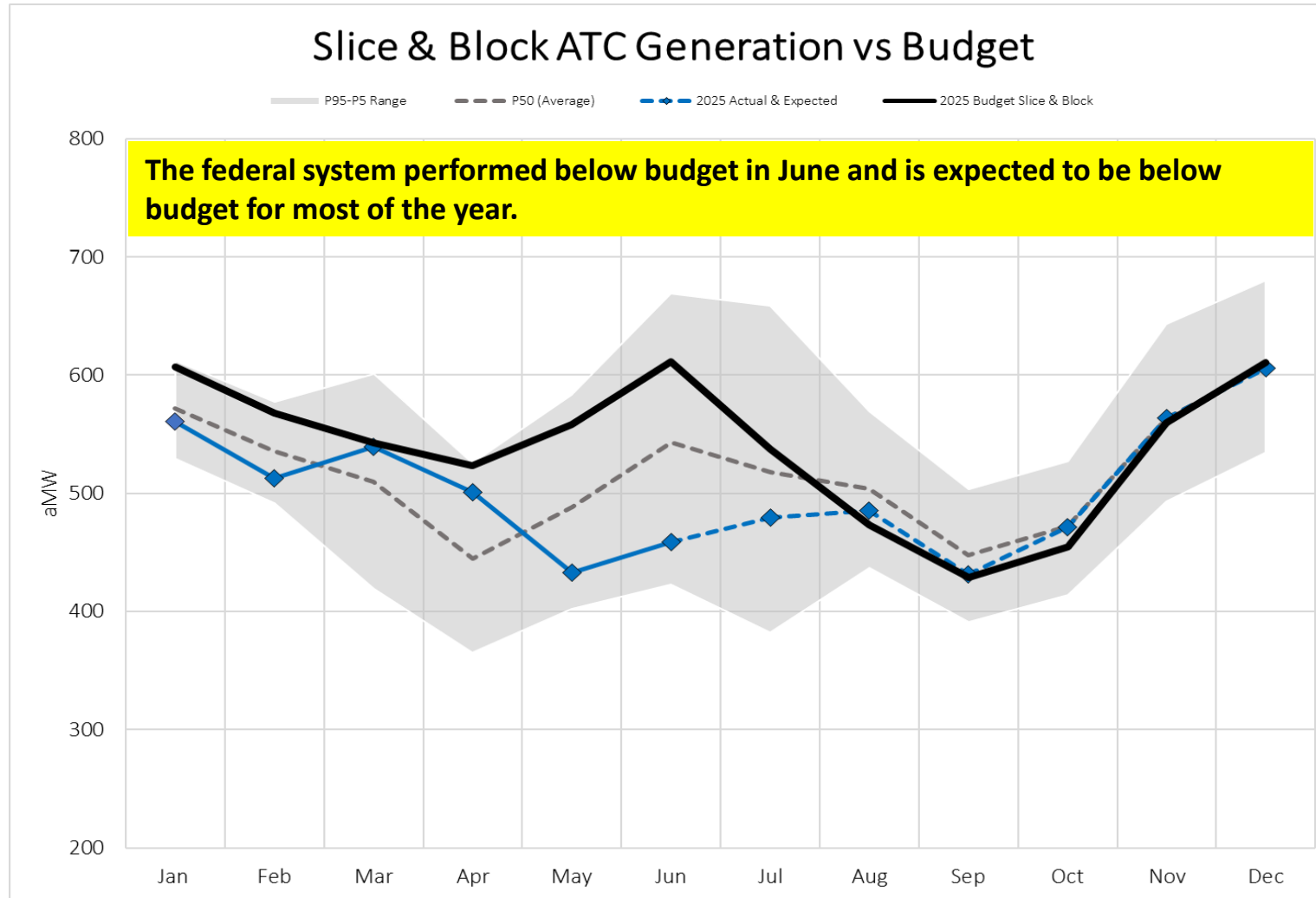
Annual Resource Projections vs Budget

The BPA Federal System is anticipated to produce 93% of the budgeted expected generation. Down 1% from the previous report.

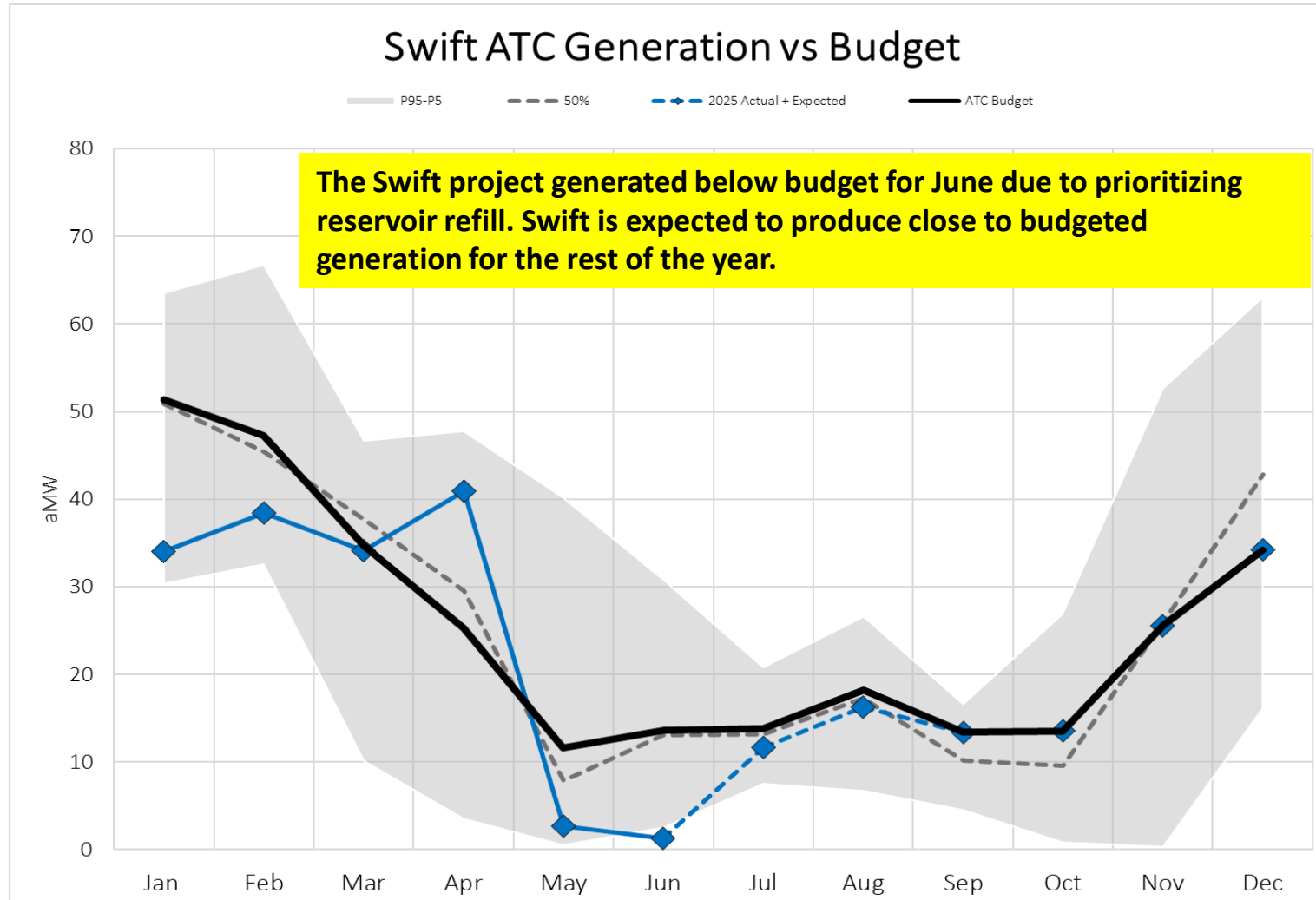
Swift No. 2 is currently anticipated to produce 88% of the budgeted expected ATC generation in 2025. Down 1% from the previous report.

HW & WCW are anticipated to produce 113% of the budgeted expected generation in 2025. This percentage is largely attributed to the new Harvest Wind allocation.

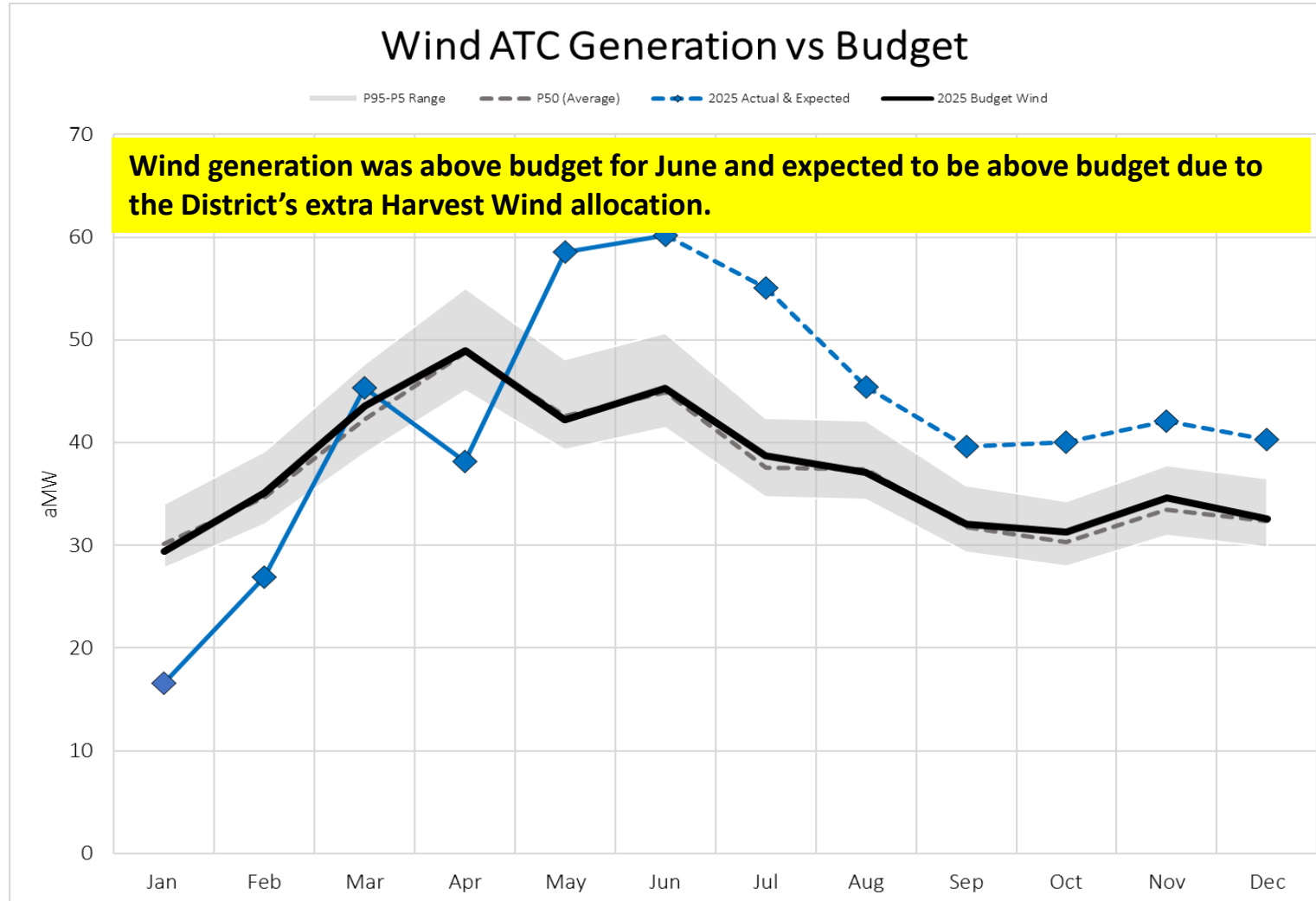
1.6.1 BPA Power



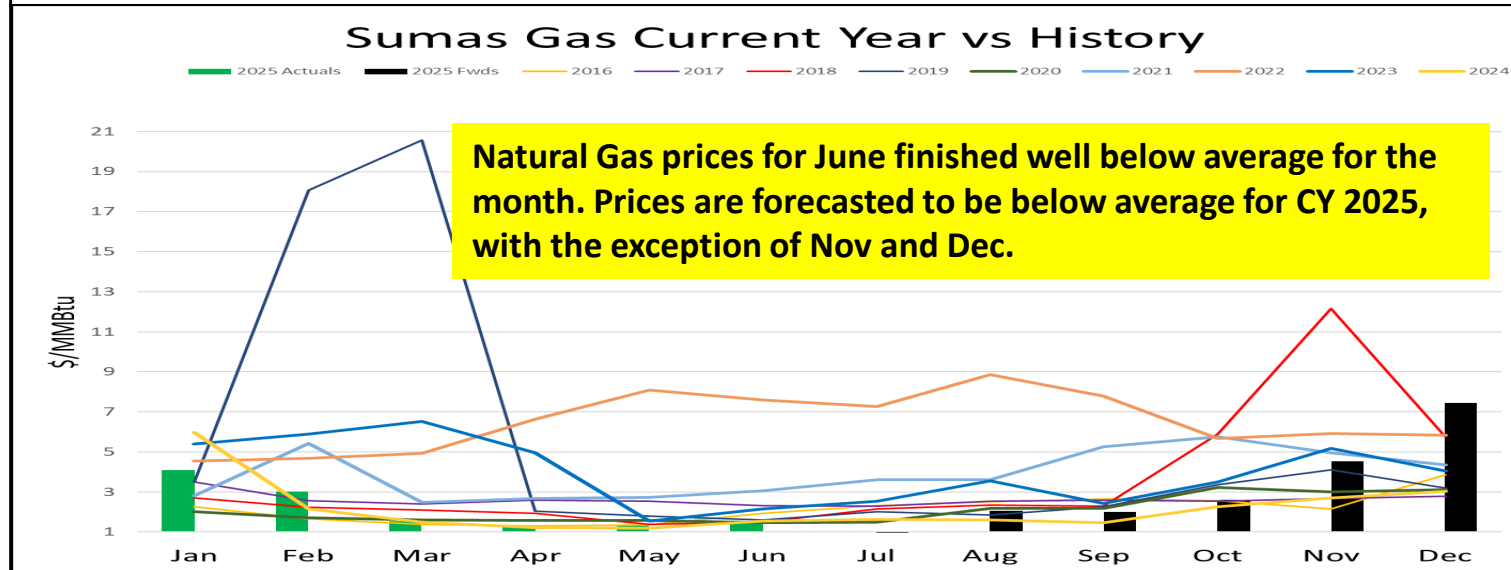
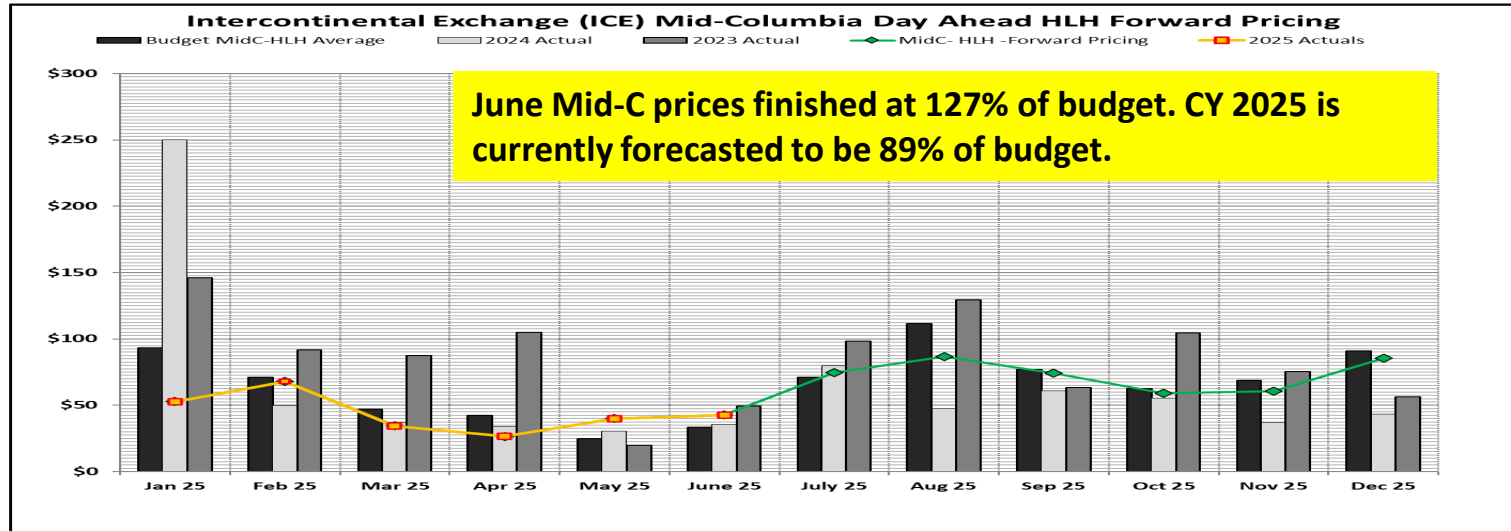
1.6.2 Swift No. 2 Generation



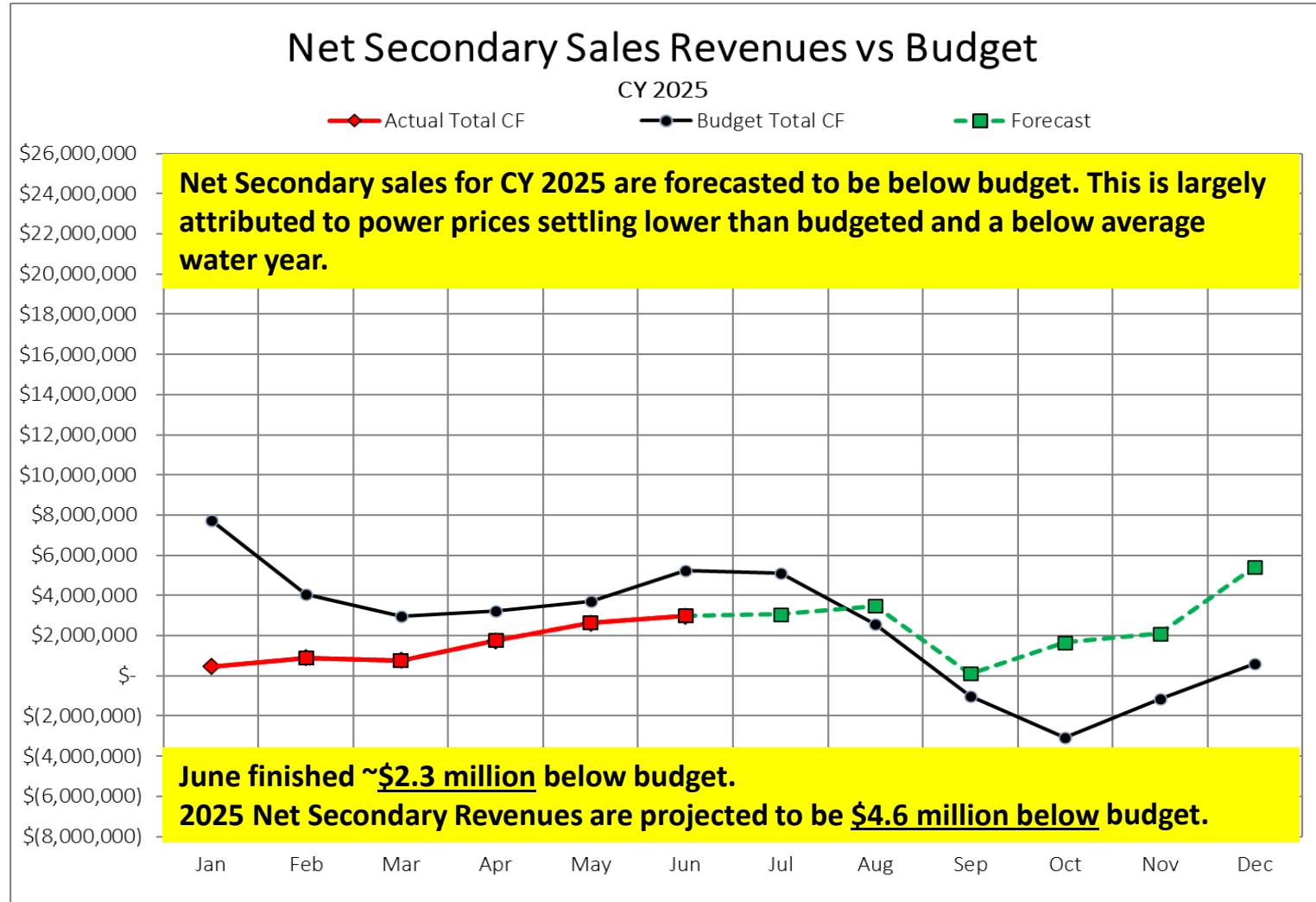
1.6.3 Wind (WC & HW)



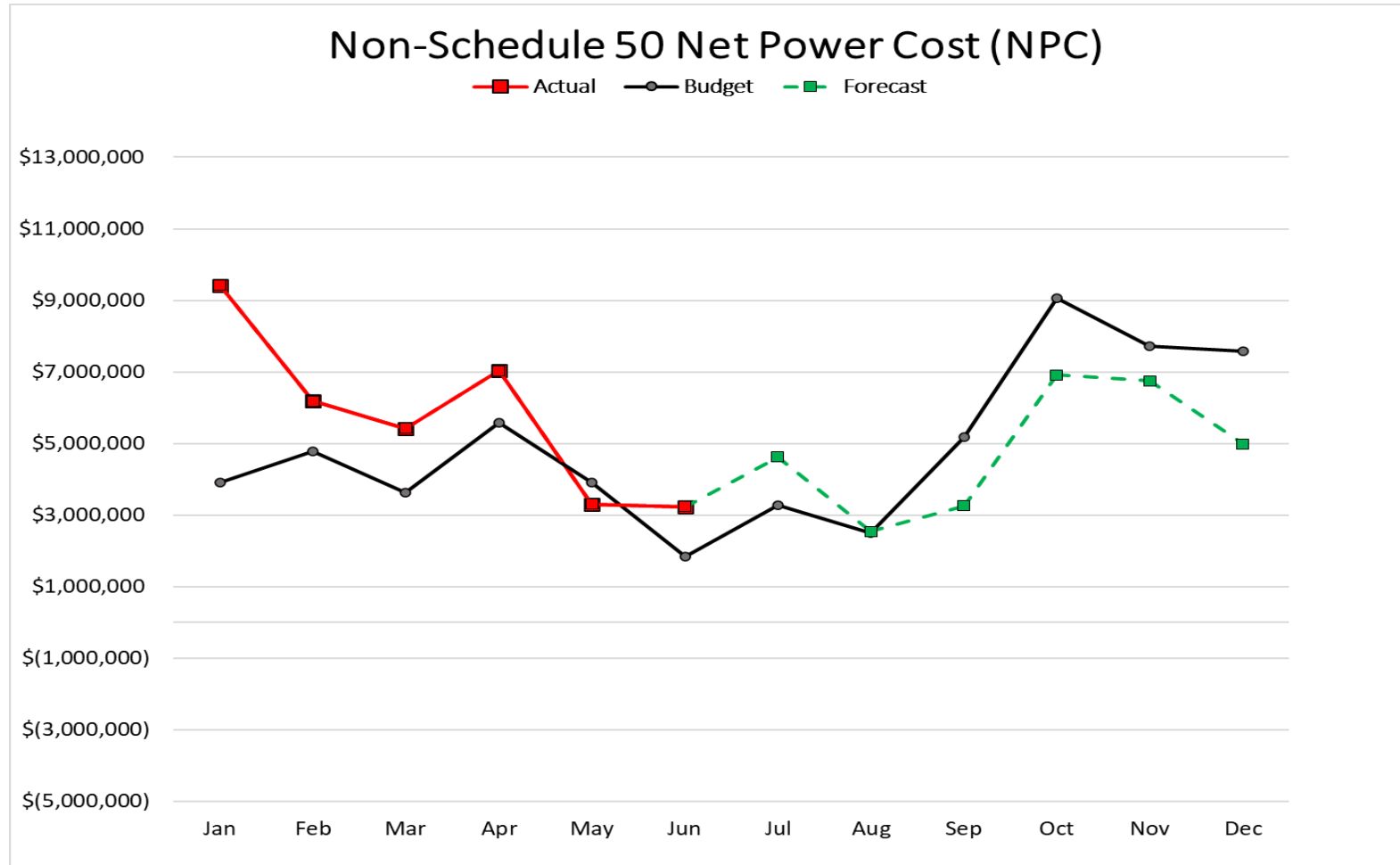
1.7 Wholesale Power Market Prices



1.8 Net Secondary Sales Revenue



1.9 Net Power Cost – Non-Schedule 50



June's actual Non-Sch50 NPC was \$1.4 million above budget.
Annual Non-Schedule 50 NPC is projected to be \$4.7 million above budget,
reflecting an annual Non-Schedule 50 NPC of ~ \$63.6 million.

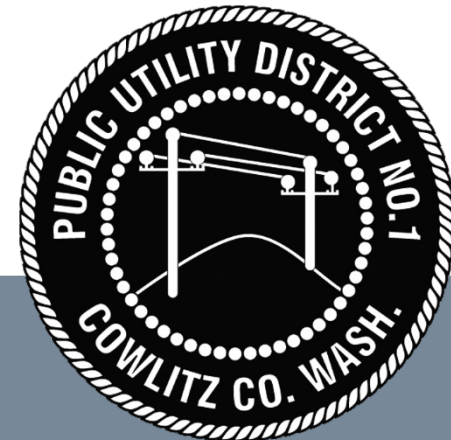
Cowlitz PUD

Quarterly Energy Efficiency

Program Update

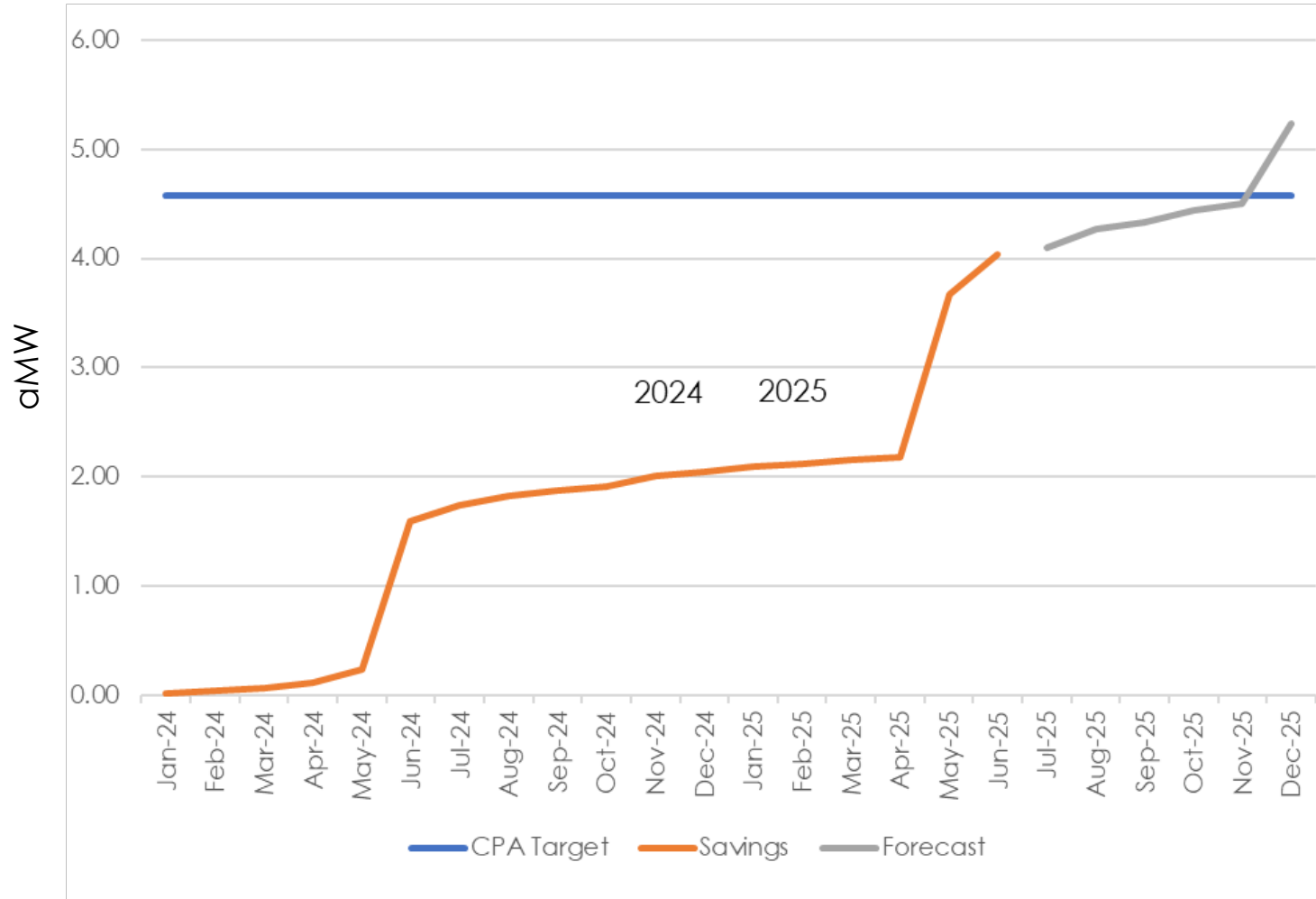
July 22, 2025

Jen Langdon, Energy Efficiency Manager



Energy Efficiency Summary

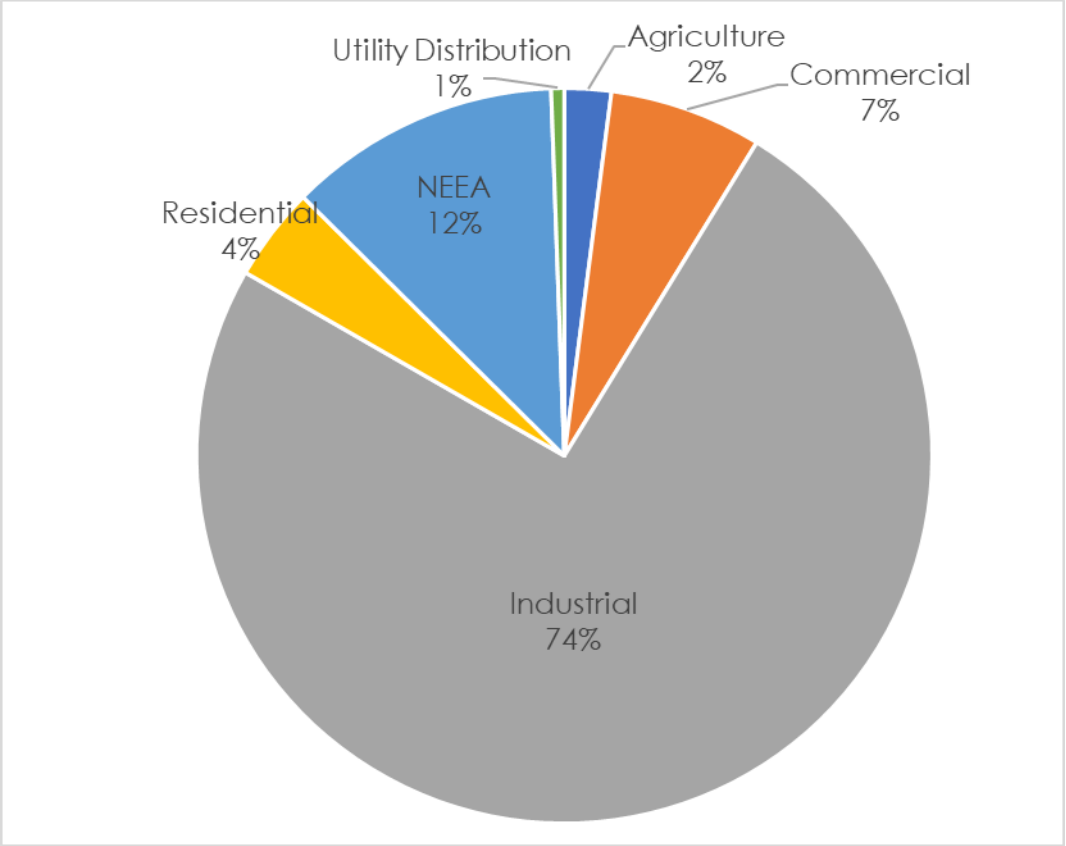
2024 - 2025
I-937 Biennium



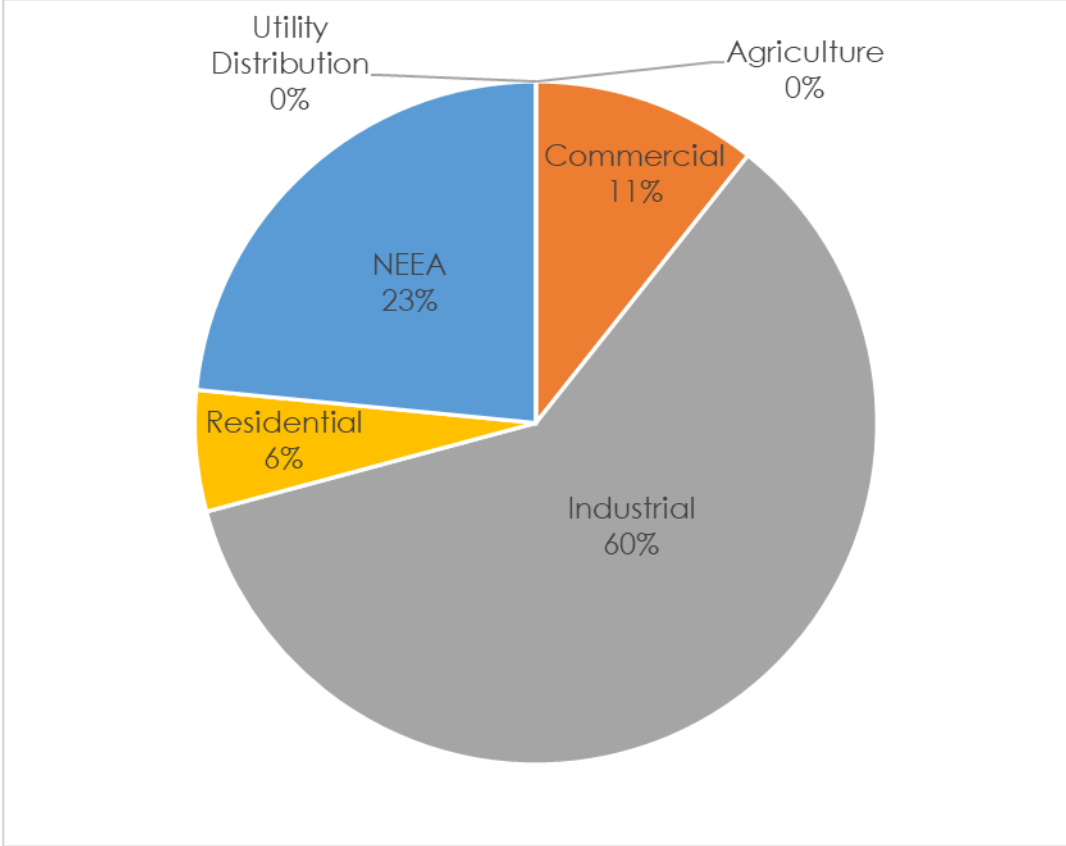
Note:

- 2024 includes **booked** NEEA savings
- 2025 includes **estimated** NEEA savings

Savings by Sector



Savings achieved to date
1/1/2024 to 06/30/2025



Forecasted savings
7/1/2025 to 12/31/2025

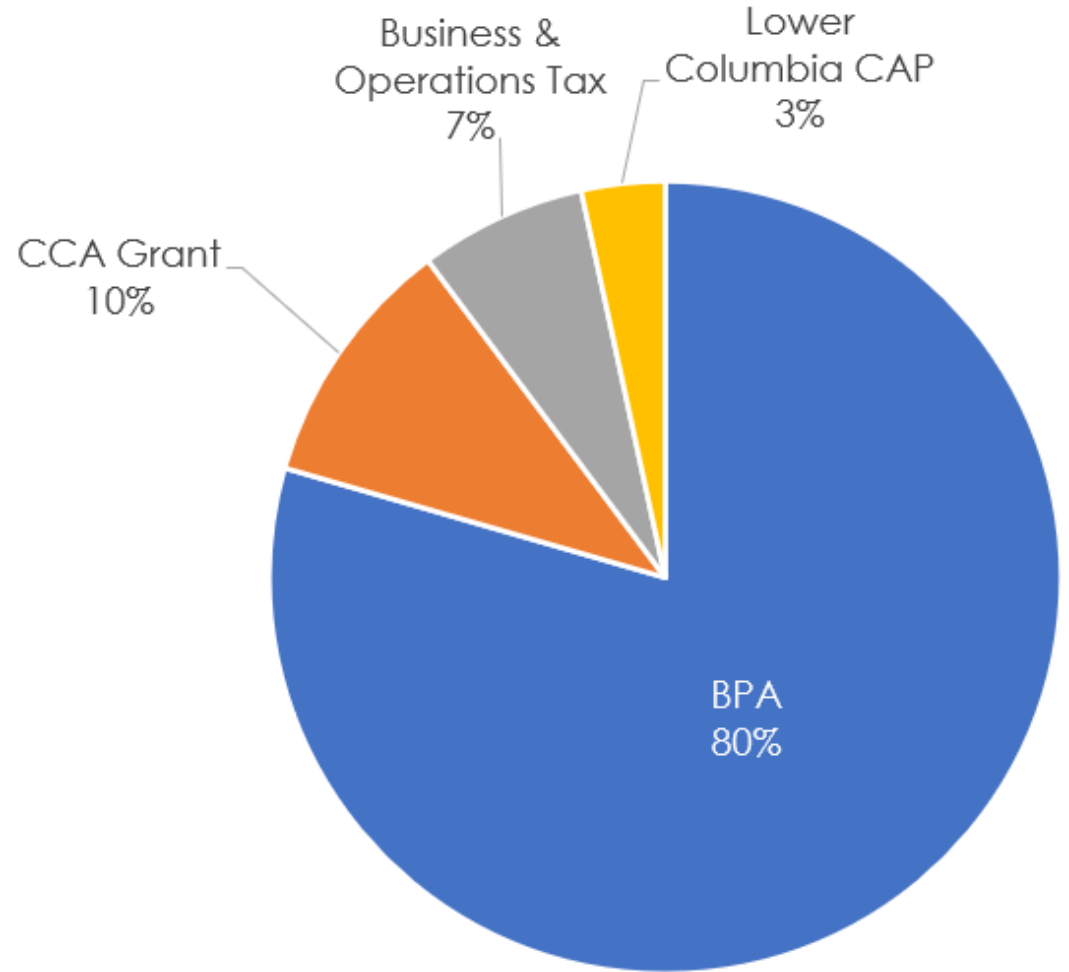
Residential Program Funding Sources

BPA: HVAC, Water Heating, Weatherization, Clothes Washers/Dryers, EV Chargers

Climate Commitment Act (CCA) Grant: Cold Climate Heat Pumps

Business and Operations Tax: Cold Climate Heat Pump and Heat Pump Water Heaters

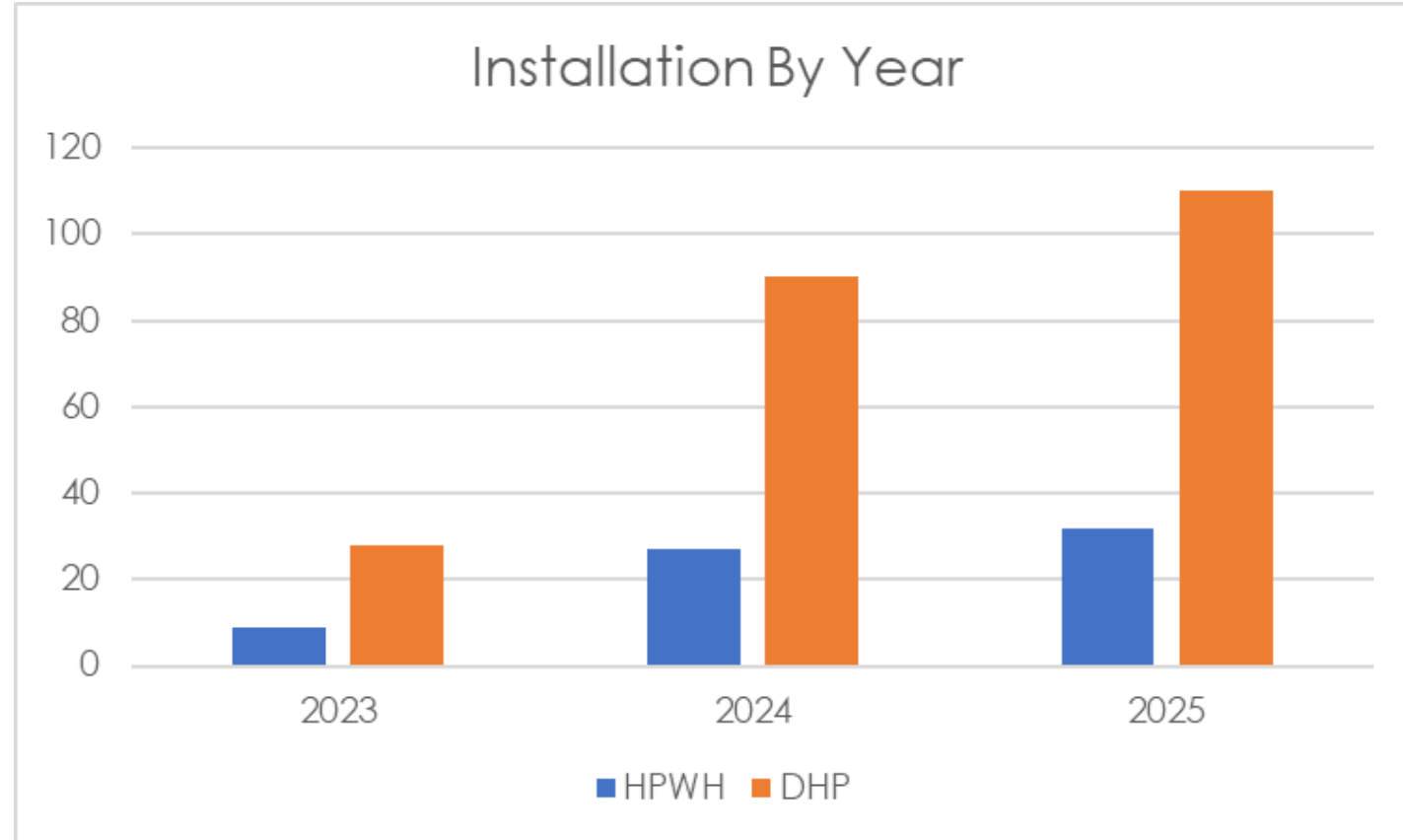
Lower Columbia CAP: HVAC and Weatherization



Business & Operations Tax Funding

Heat Pump Water Heater (HPWH)
and Ductless Heat Pump (DHP)
Installations

- Single Family Homes
- Manufactured Homes
 - 2025: Offering venting
- Multi-Family Homes
- Duplexes
- 80% AMI or less



CCA Home Electrification and Appliance Rebate (HEAR) Program

Status Update:

- Awarded \$1.5 million
- All equipment installed and invoiced
- Currently completing final reporting to Commerce



The Income Qualified Ducted and Ductless Cold Climate Heat Pump Program is supported with funding from Washington's Climate Commitment Act. The CCA supports Washington's climate action efforts by putting cap-and-invest dollars to work reducing climate pollution, creating jobs, and improving public health. Information about the CCA is available at www.climate.wa.gov.

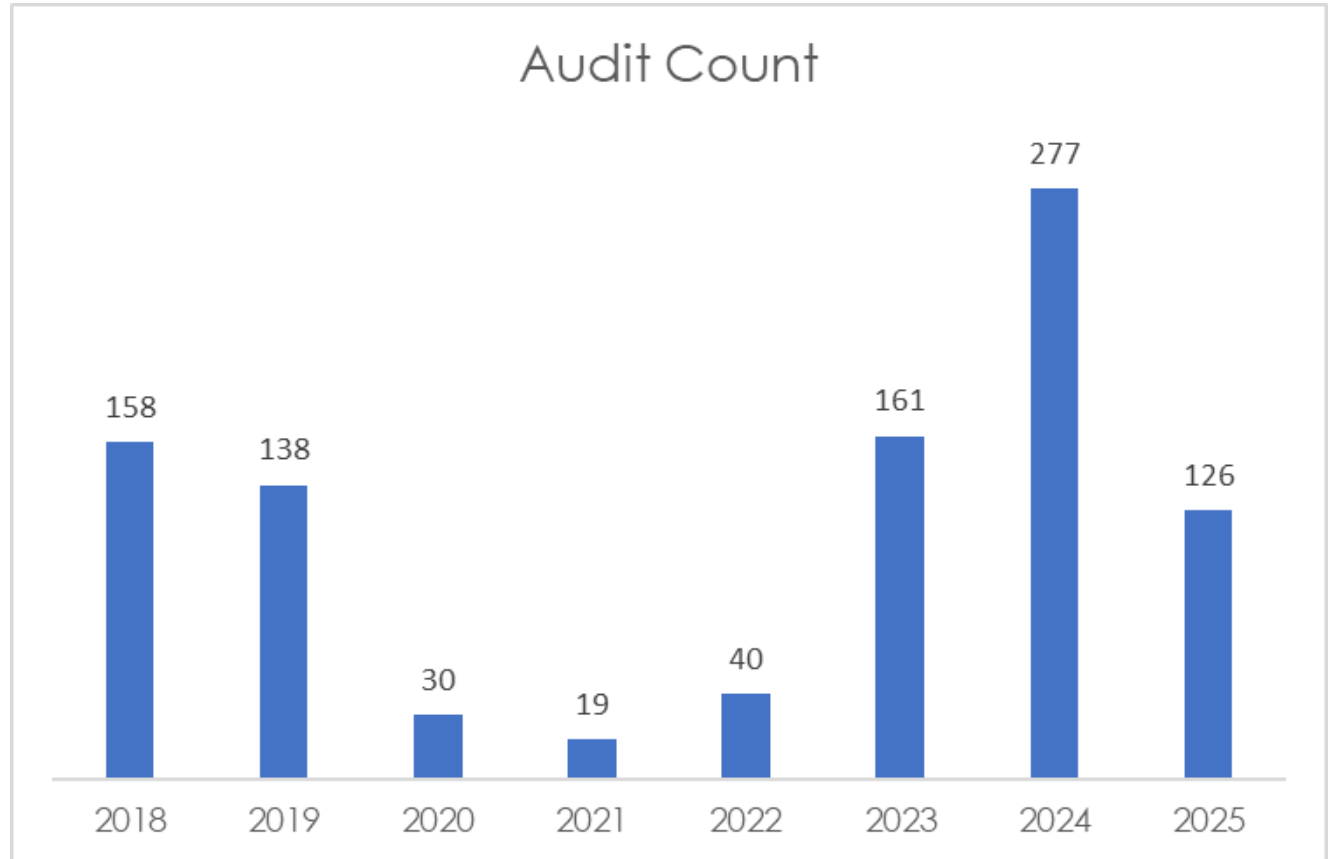
| | | |
|------------------------------|-----------|------------------|
| Grant applied to Heat Pumps | \$ | 1,311,946.00 |
| Grant applied to Admin Costs | \$ | 231,519.00 |
| Total Grant Funding | \$ | 1,543,466 |

| | Count | Grant Allocation |
|----------|------------|---------------------|
| Ductless | 120 | \$ 1,028,600 |
| Ducted | 14 | \$ 215,978 |
| | 134 | \$ 1,244,578 |

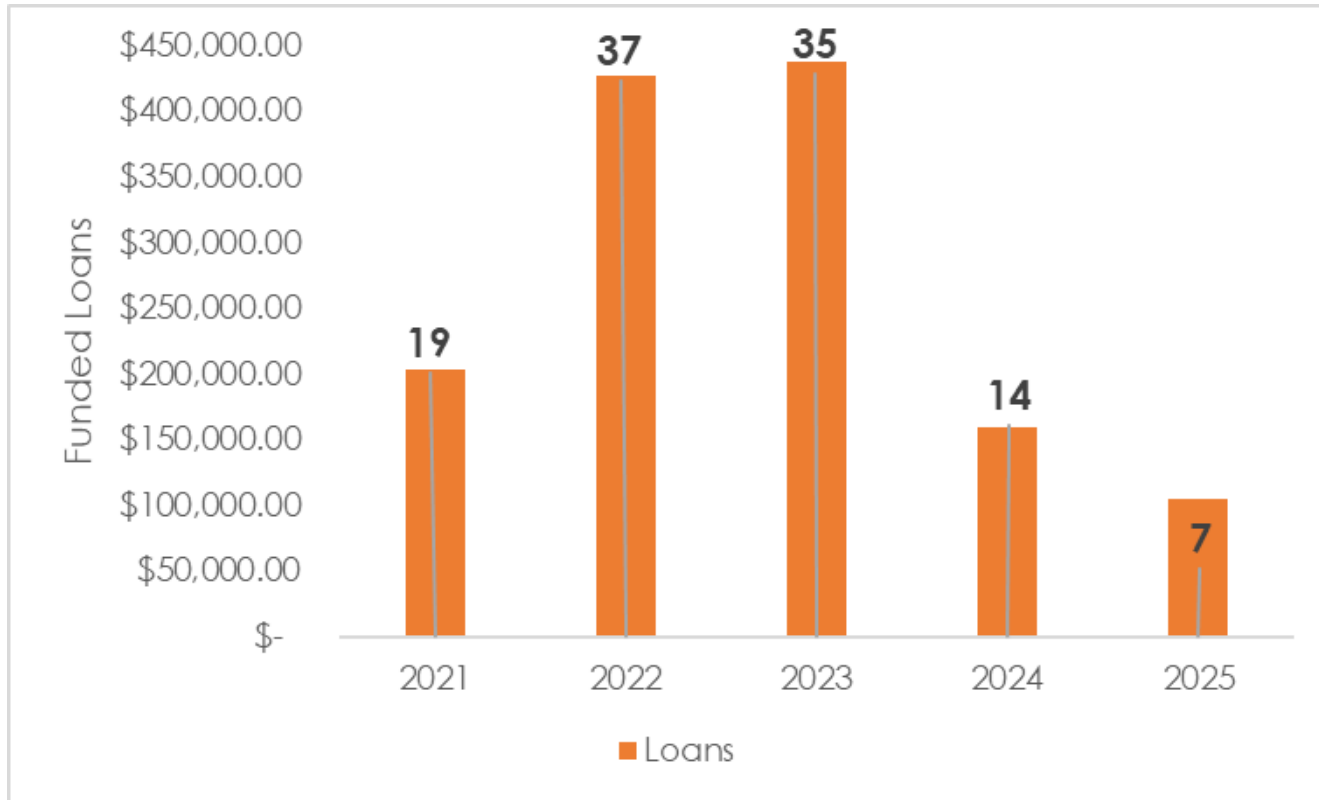
| | |
|-----------------|------------|
| Grant remaining | \$ 67,368 |
| Admin remaining | \$ 124,039 |

Home Energy Audits

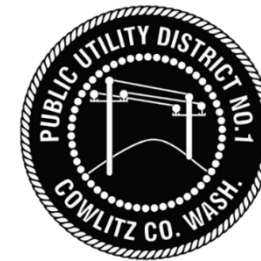
- Energy Efficiency Specialists perform free home energy audits for our customers:
 - Identify energy opportunities
 - Help customers prioritize projects
 - High bill questions
 - Customer general curiosity



Home Energy Loan Program



- Started funding loans May 2021
 - 112 Customers Served
 - \$1,335,410 in total loans
- Completed Measures:
 - Ductless Heat Pump
 - Air Source Heat Pump
 - Insulation
 - Windows



COM Lighting

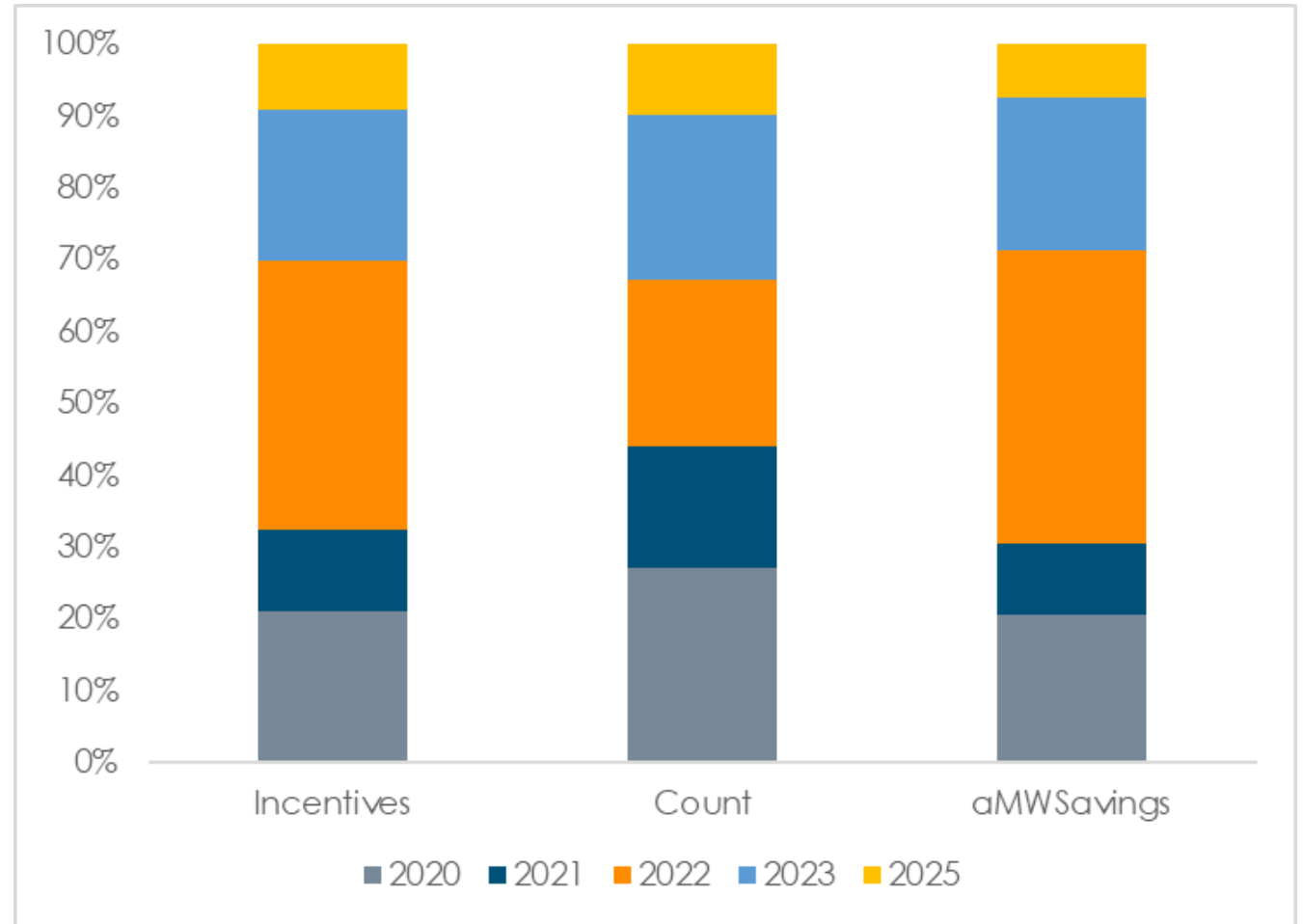
Jan 2020 – Jun 2025*

Projects Completed : 213

Incentives Paid: \$1,022,619

Savings: 0.766 aMW

- Made good progress in 2022, however, incentives offered by BPA declined in 2023 despite customer count remaining the same as 2022.
- Even with the adoption of the LEDs, lighting upgrade opportunities are still present in our county.



*Values are reflective of data through 6/30/2025

COM Non-Lighting

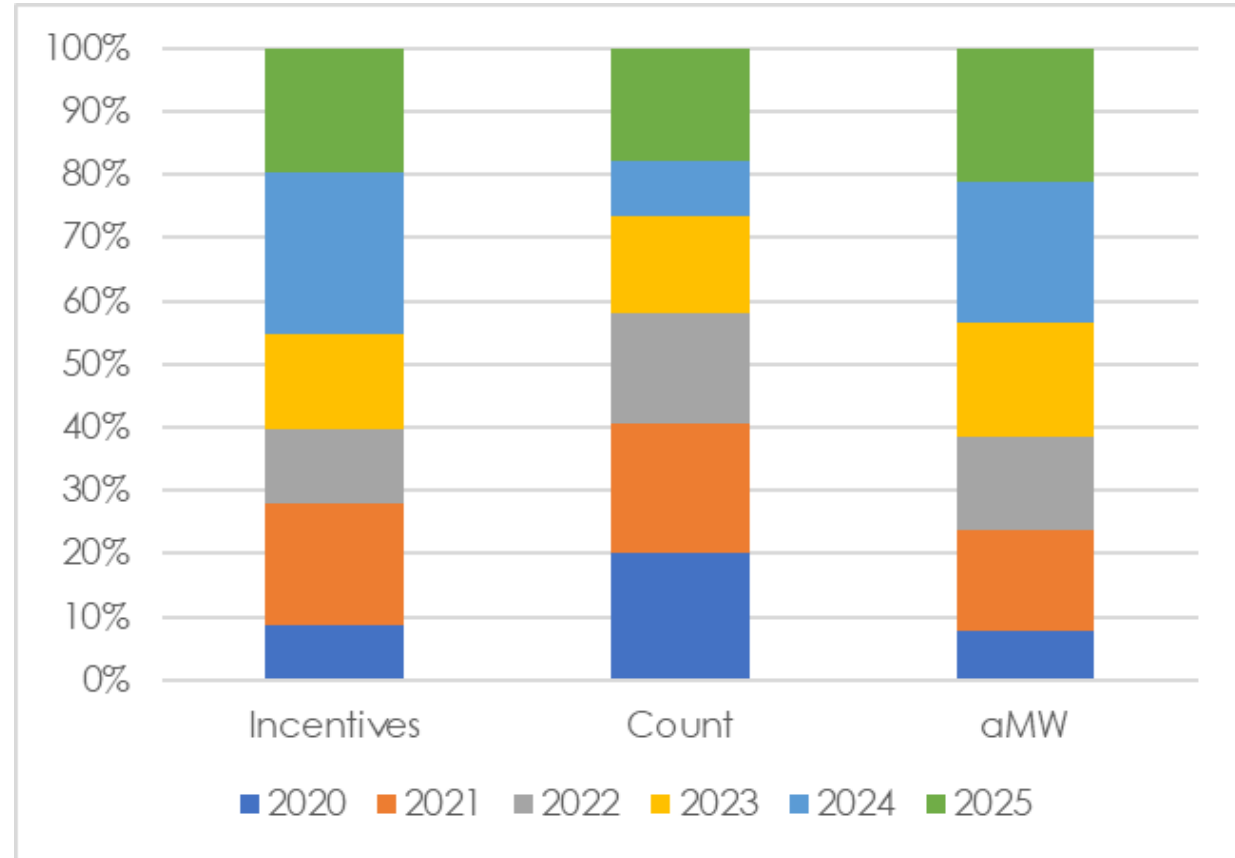
Jan 2020 – Jun 2025*

Projects Completed : 79

Incentives Paid: \$812,583

Savings: 0.362 aMW

- Project Type:
 - HVAC
 - Smart Thermostats
 - Water Heating
 - Weatherization
 - Refrigeration
 - Custom Projects

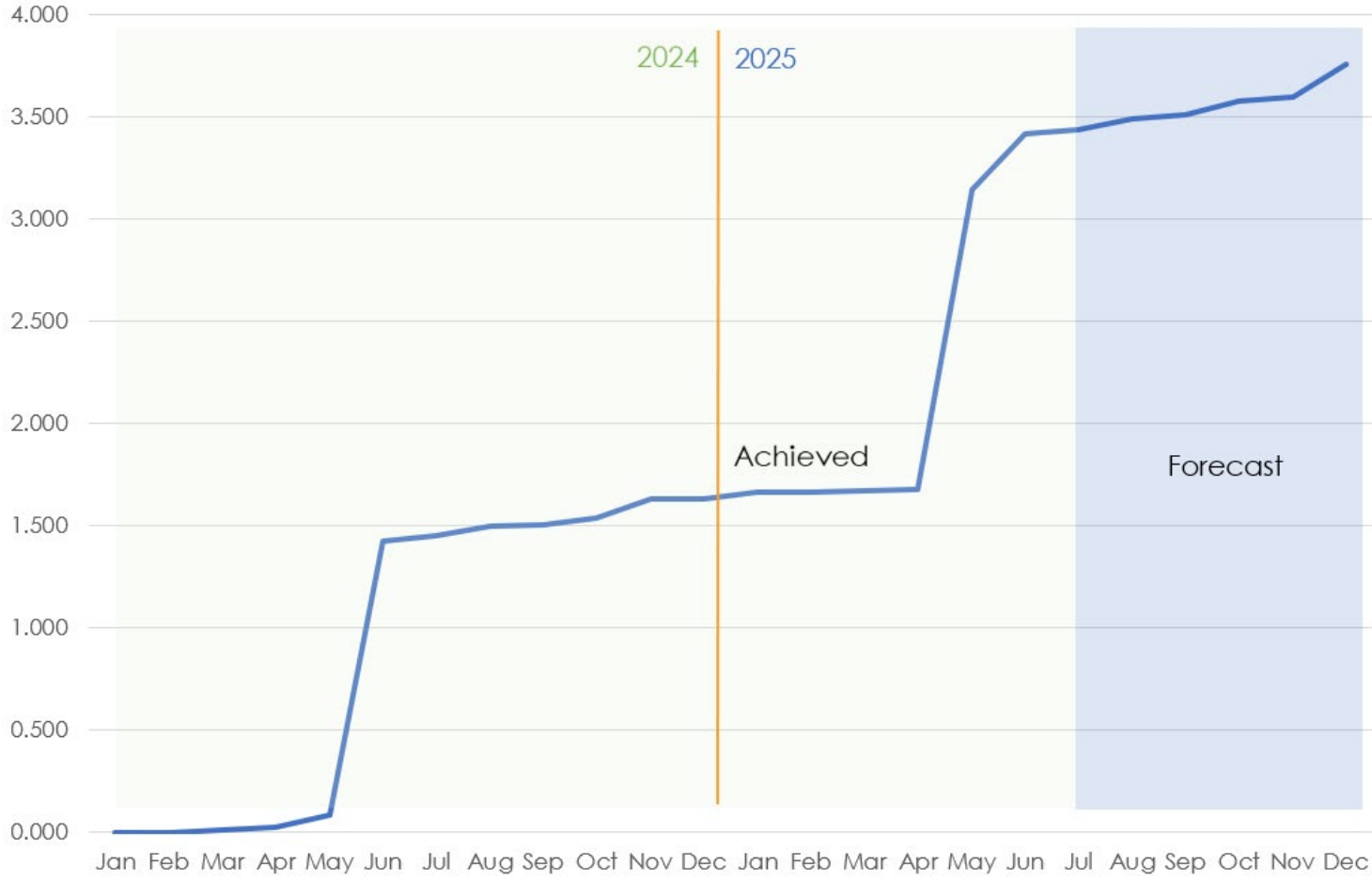


*Values are reflective of data through 6/30/2025

IND Sector Savings Forecast

Jan 2024 – Jun 2025

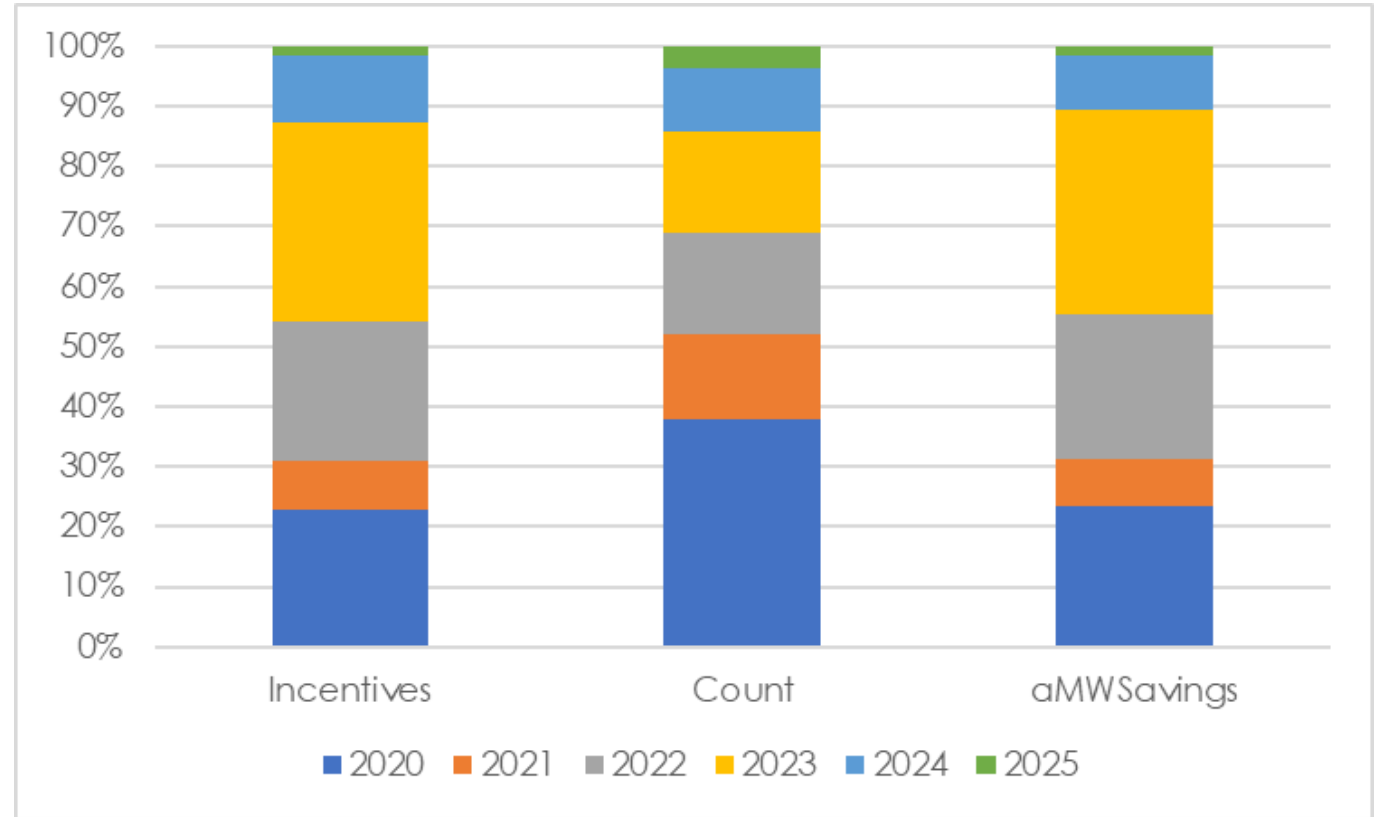
Achieved savings: 3.419 aMW
Forecast savings: 0.340 aMW
Total: 3.759 aMW
I-937 Target: 4.57 aMW



IND Lighting

Jan 2020 – Jun 2025*

Projects Completed: 106
Incentives Paid: \$1,023,594
Savings: 1.048 aMW



*Values are reflective of data through 6/30/2025

Utility Distribution

2022 – 2025: Achievement

Batch One

Caples: Jun 2023

Industrial Way Oregon to

Wash. Way: Oct 2023

Clark Creek: Dec 2023

Woodside: Jun 2024

Ragland: Jul 2024

Laurel: Feb 2025

Batch Two

East Industrial Way: Nov 2024

13C3 Industrial Way: Dec 2024

13C4 Industrial Way: Dec 2024

Ocean Beach near Cameron

Creek: Feb 2025

N 3rd place in Kalama: Mar 2025

| Batch No. | No. of Projects | kWh Savings | aMW | Incentive |
|-----------|-----------------|-------------|------|-------------|
| 1 | 6 | 180,455.57 | 0.02 | \$68,573.10 |
| 2 | 5 | 49,840.00 | 0.01 | \$18,939.20 |
| | 11 | 230,295.57 | 0.03 | \$87,512.30 |



Agriculture

Horticultural Lighting
1/1/2024 – 6/30/2025

Achievement: 825,184.48 kWh
Paid Incentives: \$107,275



2025 Special Projects

Conservation Potential Assessment (CPA)

- In compliance with Energy Independence Act (EIA)
 - Identify amount of cost-effective conservation potential available throughout the District over the 2026-2045 timeframe

Clean Energy Implementation Plan (CEIP)

- In compliance with Clean Energy Transformation Act (CETA)
 - Prepare a Demand Response Potential Assessment as part of the CEIP

Selected Contractors

- Lighthouse Energy Consulting, Ted Light
- Nauvoo Solutions, Sophia Spencer

2025 Community Outreach

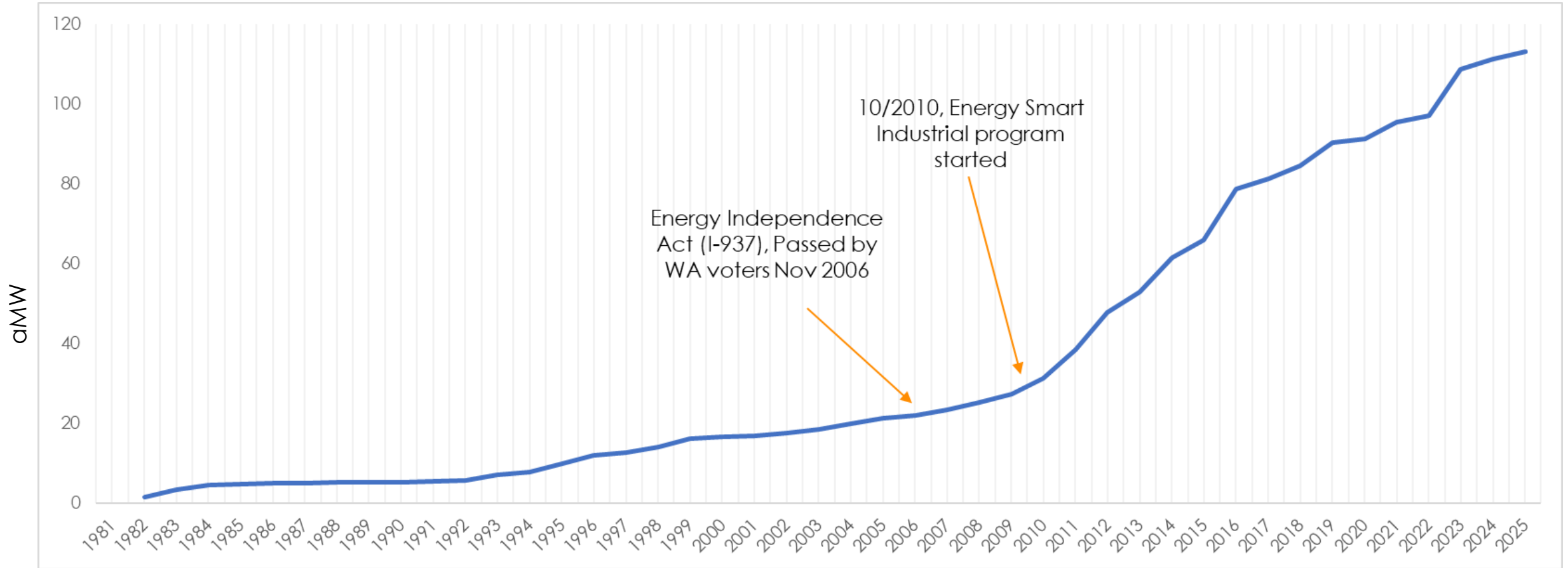
Past Events

- Clean Energy Transformation Act Public Process
 - Workshop (6/16/2025)

Planned Events

- Clean Energy Transformation Act Public Process
 - Focus Group I (7/16/2025)
 - Focus Group II (7/23/2025)
- Ryderwood Community Center
- Health and Back To School Fair (Partnered with Ethnic Support Council)
- Customer Appreciation Day
- Resource Fair
- Annual contractor meeting

44 Years of Energy Efficiency



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 June 2025 | | | |
|------------|------------------------|----------------|----------------|--------|
| | Actual | Budget | Var \$ | Var % |
| Revenues | \$ 143,581,414 | \$ 129,060,997 | \$ 14,520,417 | 11.25% |
| Expenses | 135,130,233 | 118,262,163 | 16,868,070 | 14.26% |
| Margin | \$ 8,451,181 | \$ 10,798,834 | \$ (2,347,653) | |
| Prior Year | \$ 7,217,883 | | | |

Actual revenues reduced by CIAC - \$2,296,761

Actual expenses reduced by Harvest Wind distributions - \$975,000

Behind budget due to net power supply costs.

2.2 - Year-to-Date Retail Revenue

| Year-to-Date June 2025 | Actual | Budget | Var \$ | Var % |
|--------------------------------|-----------------------|-----------------------|----------------------|---------------|
| Non-Major Industrial | \$ 70,698,411 | \$ 65,840,235 | \$ 4,858,176 | 7.38% |
| Major Industrial | 68,548,123 | 60,470,761 | 8,077,362 | 13.36% |
| Total Retail Revenue | 139,246,534 | 126,310,997 | 12,935,537 | 10.24% |
| Other Operating Revenue | 4,334,880 | 2,750,000 | 1,584,880 | 57.63% |
| Total Revenues | \$ 143,581,414 | \$ 129,060,997 | \$ 14,520,417 | 11.25% |

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

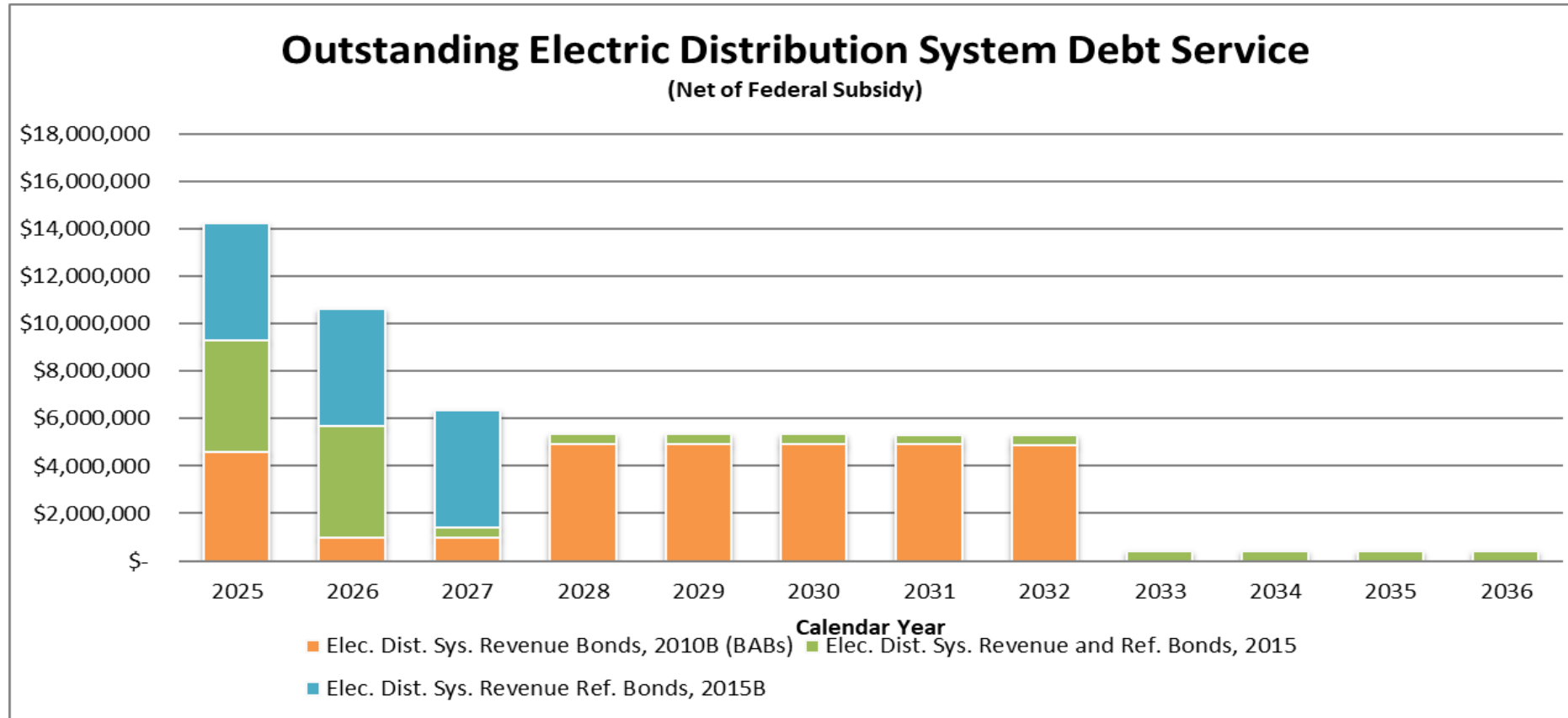
| | YTD Actual | Projected | Budget | Var \$ | Var % | |
|------------------|---------------------|----------------------|---------------------|---------------------|---------------|--|
| Revenues | | | | | | |
| Non-MI | \$ 70,698,411 | \$ 136,627,747 | \$ 128,822,465 | \$ 7,805,282 | 6.06% | October 2024 Rate Increase & Loads Loads and Actual Costs |
| Major Industrial | 68,548,123 | 138,833,558 | 146,652,648 | (7,819,089) | -5.33% | |
| Other | 4,334,880 | 7,084,880 | 5,500,000 | 1,584,880 | 28.82% | |
| | <u>143,581,414</u> | <u>282,546,185</u> | <u>280,975,113</u> | <u>1,571,072</u> | <u>0.56%</u> | |
| Expenses | | | | | | |
| Power Supply | 98,652,494 | 192,958,624 | 197,064,258 | (4,105,634) | -2.08% | Low Generation & Soft Prices |
| Other Operating | 21,477,348 | 43,876,271 | 43,876,271 | - | 0.00% | |
| Taxes | 8,071,380 | 16,661,650 | 15,906,821 | 754,829 | 4.75% | |
| Depreciation | 5,935,209 | 12,685,209 | 13,500,000 | (814,791) | -6.04% | |
| Interest | 993,802 | 2,174,938 | 2,362,271 | (187,334) | -7.93% | |
| | <u>135,130,233</u> | <u>268,356,692</u> | <u>272,709,622</u> | <u>(4,352,930)</u> | <u>-1.60%</u> | |
| Margin | <u>\$ 8,451,181</u> | <u>\$ 14,189,493</u> | <u>\$ 8,265,491</u> | <u>\$ 5,924,002</u> | <u>71.67%</u> | |

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

2.4 - Year-End Cash Projection - Electric System

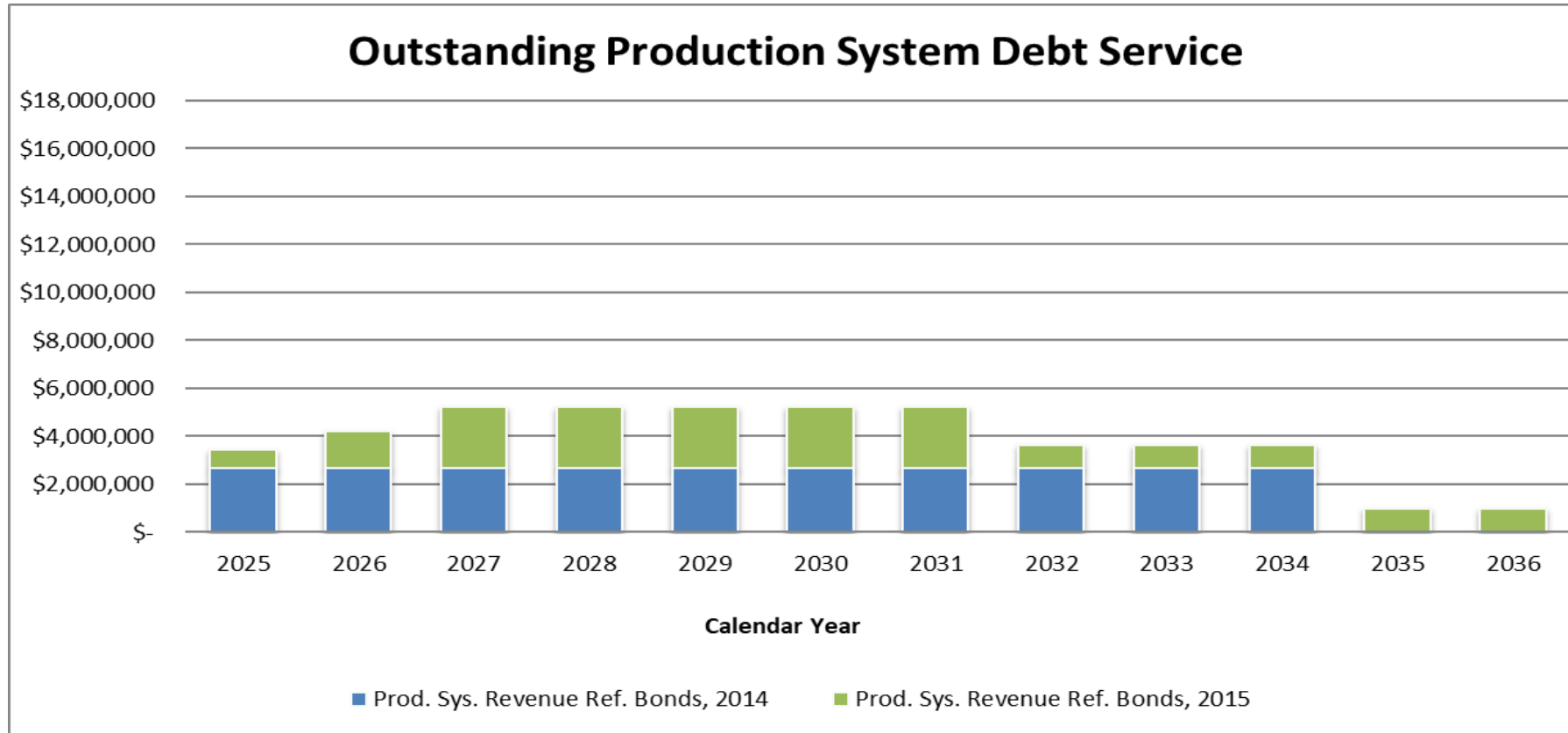
| | |
|--------------------------------------|--------------------------------------|
| Margin | \$ 14,189,493 |
| Non-Cash Items | 17,005,209 |
| Capital | (30,915,528) |
| Principal Debt | <u>(13,096,538)</u> |
| Projected Cash Deficit | (12,817,364) |
| Unrestricted Cash, beginning of year | <u>145,323,050</u> |
| Unrestricted Cash, end of year | <u><u>\$ 132,505,686</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 - June

Actual (Based on Date Slicer)

| Events | Customers Out | SAIDI | Minutes |
|--------|---------------|-------|---------|
| 66 | 1,964 | 5 | 260,841 |

Previous 6 Periods Avg (Based on Date Slicer)

| Events | Avg Cust Out | Avg SAIDI | Avg Minutes |
|--------|--------------|-----------|-------------|
| 56 | 3,413 | 9 | 453,982 |

Causes (Non-Storm Related)

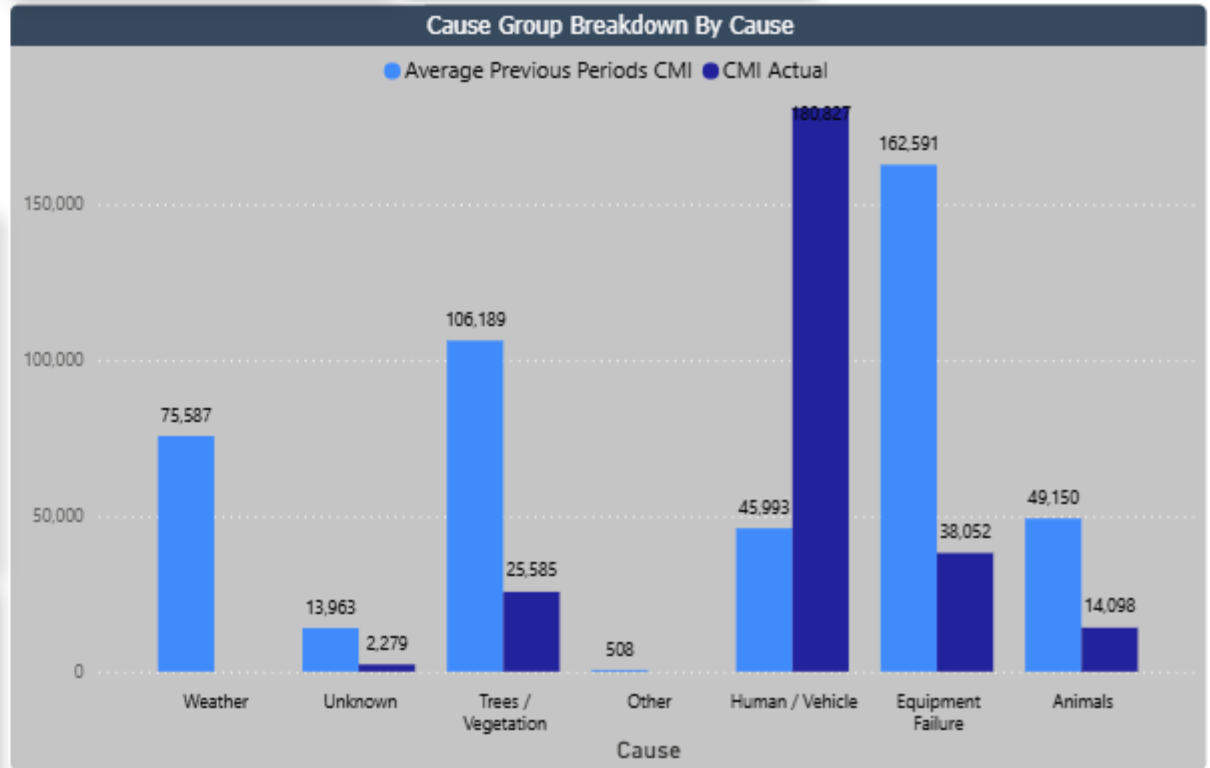
| Outage Cause | Events | Customers Out | SAIDI | CMI | % CMI |
|--------------------|-----------|---------------|----------|----------------|----------------|
| Human / Vehicle | 11 | 1,463 | 3 | 180,827 | 69.32% |
| Equipment Failure | 24 | 244 | 1 | 38,052 | 14.59% |
| Trees / Vegetation | 2 | 96 | 0 | 25,585 | 9.81% |
| Animals | 28 | 139 | 0 | 14,098 | 5.40% |
| Unknown | 1 | 22 | 0 | 2,279 | 0.87% |
| Other | 0 | | | | |
| Weather | 0 | | | | |
| Total | 66 | 1,964 | 5 | 260,841 | 100.00% |

Top Events (CMI)

| Outage Cause | Feeder | Line Section | CMI | Customers Out | Time Off | First Restore | Longest Duration |
|-------------------------------|--------|----------------------|--------|---------------|---------------------|---------------------|------------------|
| Public: Dig-In | 12Q3 | BRK12Q3 | 96,771 | 689 | 6/18/25 2:17 PM | 6/18/25 3:53 PM | 7.4 |
| Public: Dig-In | 12T1 | Recloser708 | 49,946 | 551 | 6/18/25 9:42 AM | 6/18/25 11:02 AM | 1.5 |
| Veg: Tree or Branch - No Wind | 12T1 | FUS080N40W 020044 | 25,063 | 91 | 6/25/25 12:34 AM | | 4.6 |
| Public: Motor vehicle | 12Q1 | span_140186 | 18,981 | 77 | 6/13/25 11:23 AM | 6/13/25 3:26 PM | 5.1 |

Date: 6/1/2025 to 6/30/2025

Storm Related?: Non-Storm Related



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 |
|--------|---------------|-------|-----------|
| 241 | 16,884 | 42 | 2,285,721 |

Previous 6 Periods Avg (Based on Date Slicer)

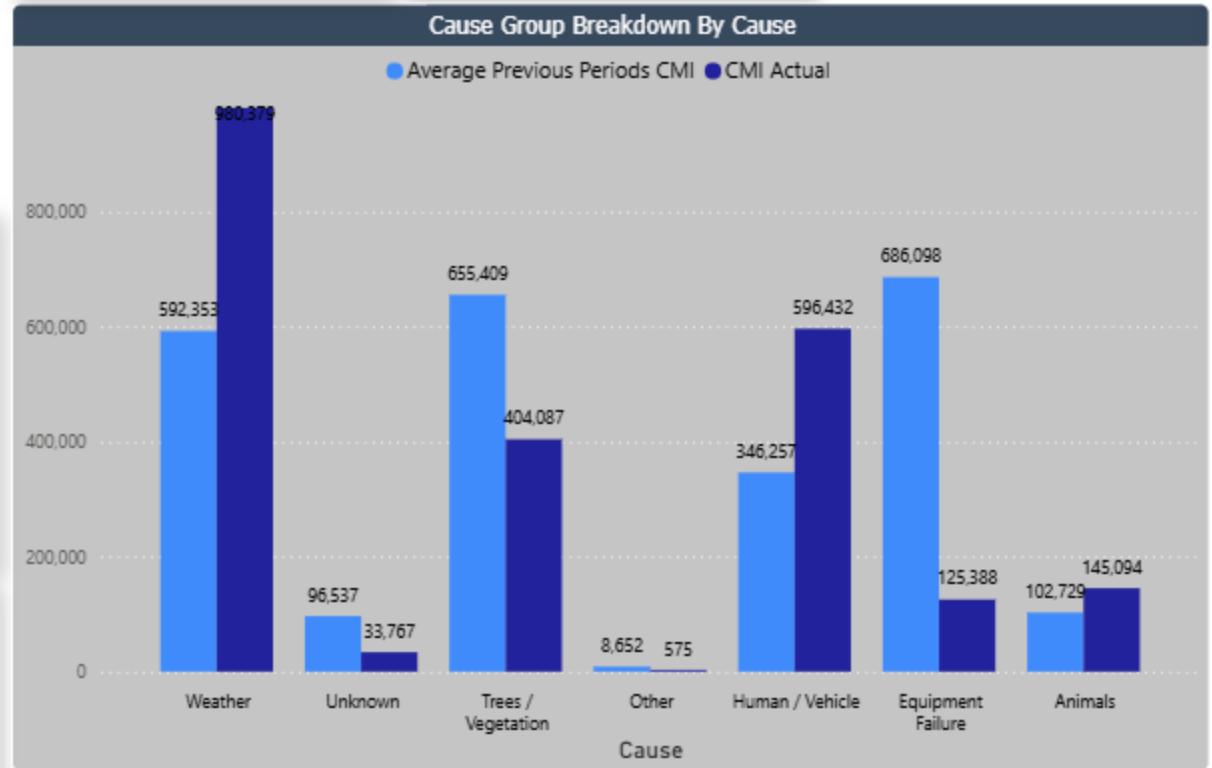
| Events | Avg Cust Out | Avg SAIDI | Avg Minutes |
|--------|--------------|-----------|-------------|
| 242 | 19,216 | 48 | 2,488,034 |

| Causes (Non-Storm Related) | | | | | |
|---|--------|---------------|-------|-----------|---------|
| Outage Cause | Events | Customers Out | SAIDI | CMI | % CMI |
| <input type="checkbox"/> Weather | 33 | 7,059 | 18 | 980,379 | 42.89% |
| <input type="checkbox"/> Human / Vehicle | 34 | 3,977 | 11 | 596,432 | 26.09% |
| <input type="checkbox"/> Trees / Vegetation | 20 | 2,610 | 7 | 404,087 | 17.68% |
| <input type="checkbox"/> Animals | 47 | 2,289 | 3 | 145,094 | 6.35% |
| <input type="checkbox"/> Equipment Failure | 92 | 781 | 2 | 125,388 | 5.49% |
| <input type="checkbox"/> Unknown | 12 | 163 | 1 | 33,767 | 1.48% |
| <input type="checkbox"/> Other | 3 | 5 | 0 | 575 | 0.03% |
| <input type="checkbox"/> Total | 241 | 16,884 | 42 | 2,285,721 | 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 | 999 | BRK12J5 | 124,130 | 2,057 | 2/6/25 6:28 AM | 2/6/25 7:20 AM | 1.3 |

Date: 1/1/2025 to 6/30/2025

Storm Related?: Non-Storm Related



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)

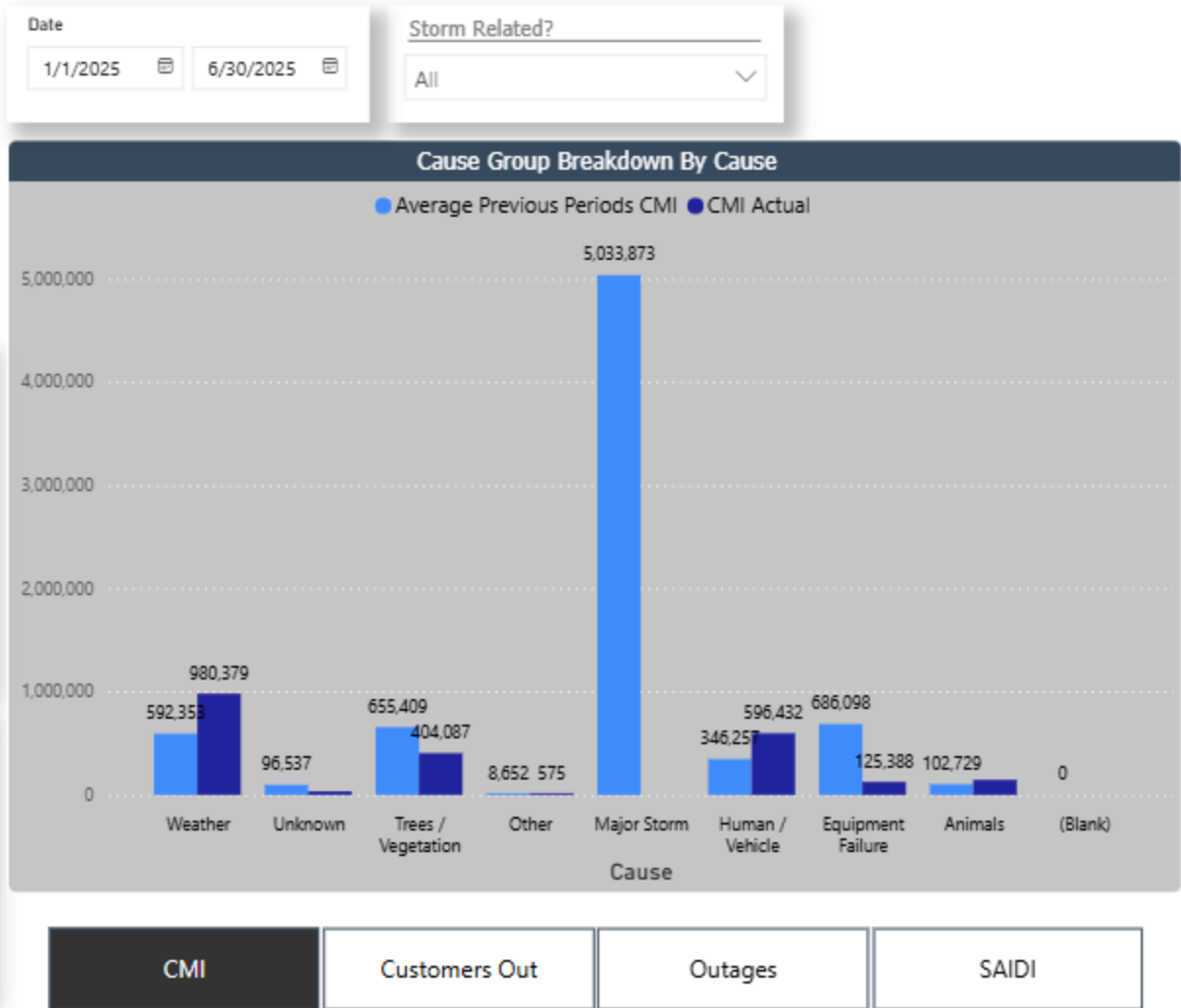
| Events | Customers Out | SAIDI | Minutes |
|--------|---------------|-------|-----------|
| 241 | 16,884 | 42 | 2,285,721 |

Previous 6 Periods Avg (Based on Date Slicer)

| Events | Avg Cust Out | Avg SAIDI | Avg Minutes |
|--------|--------------|-----------|-------------|
| 336 | 34,711 | 144 | 7,521,907 |

| Causes (Non-Storm Related) | | | | | |
|----------------------------|------------|---------------|-----------|------------------|----------------|
| Outage Cause | Events | Customers Out | SAIDI | CMI | % CMI |
| Weather | 33 | 7,059 | 18 | 980,379 | 42.89% |
| Human / Vehicle | 34 | 3,977 | 11 | 596,432 | 26.09% |
| Trees / Vegetation | 20 | 2,610 | 7 | 404,087 | 17.68% |
| Animals | 47 | 2,289 | 3 | 145,094 | 6.35% |
| Equipment Failure | 92 | 781 | 2 | 125,388 | 5.49% |
| Unknown | 12 | 163 | 1 | 33,767 | 1.48% |
| Other | 3 | 5 | 0 | 575 | 0.03% |
| | 0 | | | | |
| Total | 241 | 16,884 | 42 | 2,285,721 | 100.00% |

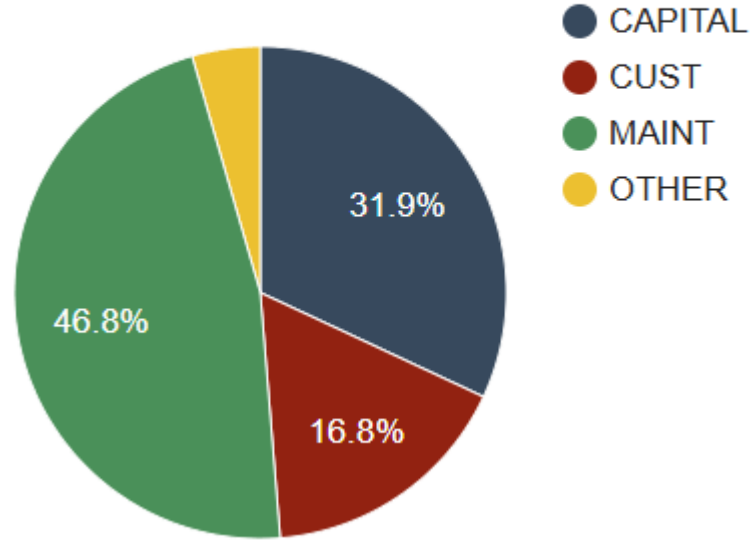
| Top Events (CMI) | | | | | | | |
|--------------------------|--------|--------------|---------|---------------|--------------------|--------------------|------------------|
| Outage Cause | Feeder | Line Section | CMI | Customers Out | Time Off | First Restore | Longest Duration |
| Public: Motor vehicle | 12S3 | BRK12S3 | 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 | 999 | BRK12J5 | 124,130 | 2,057 | 2/6/25 6:28 AM | 2/6/25 7:20 AM | 1.3 |



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

3.2.1 Line Crew

Straight Time
3800 Hours



Customer Work

66 WO's completed

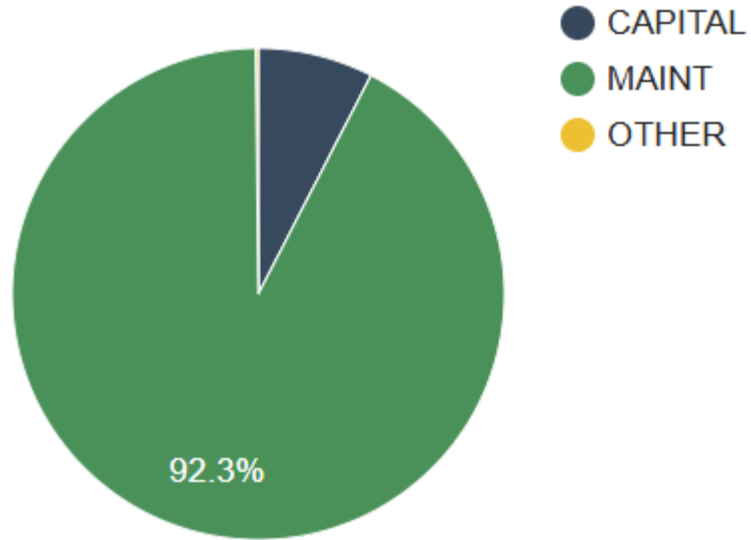
LINE CREW SERVICE ORDERS

| | |
|----|-----------------------------|
| 47 | DISCONNECT |
| 44 | HAZARD/TT/POWER QUALITY |
| 41 | INFO |
| 33 | PERM METER |
| 26 | RECONNECT/NEW/TEMP/BACKBONE |
| 24 | TRANSFORMERS |
| 19 | MISC |
| 16 | SPECIAL EQ |
| 15 | TPERM |
| 14 | FLUP |
| 8 | STREET LIGHTS |
| 7 | LT EXCHGE |
| 6 | MREADY-MNT |
| 4 | CUTOFF |
| 4 | BACKBONEV2 |
| 3 | POLE REPL |
| 2 | NS-DV ONLY |
| 2 | METER EXCHANGE/REMOVE |
| 1 | DVCDISC |
| 1 | APP TLINE |
| 1 | PUDCAP T&D |

318 TOTAL

3.2.2 Relay/Substation

Straight Time
1 136.2 Hours

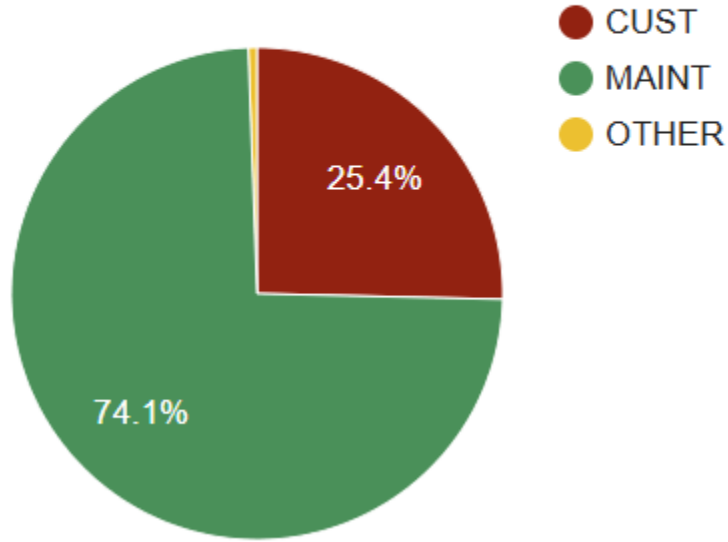


Maintenance Work

Power factor testing and routine maintenance at Castle Rock, Vader, and Gardners Corner
Bi-annual substation inspections
Recloser relay testing

3.2.3 Meter and FSRs

Straight Time
1054.5 Hours



Service Orders

METER DEPARTMENT

44 METER INVESTIGATION
 38 DISCONNECT
 30 MTR-CT/PT
 21 MISC
 15 RECONNECT/NEW/TEMP
 13 FIP-METER
 11 METER EXCHANGE/REMOVE
 6 PERM METER
 4 MPLEX
 1 TT-LINE
 1 PUD-CAP
 1 COMMER CST
 1 FIP-LINE
 1 TPERM

187 TOTAL

FIELD SERVICE REPS

46 OFFICE
 40 READ OPTOT
 40 METER READ
 27 FIP-METER
 1 CUTOFF
 1 LT-REMOVE
 1 CUSTMANDIS

156 TOTAL

3.2.4 On-Going District Work

| Group | Design | ROPS | Completed | Budget | YTD | YTD/Budget |
|--|------------|------------|------------|---------------------|--------------------|------------|
| 2.1 - Transmission On-Going Pole Replacement | 15 | 9 | 6 | \$310,000 | \$238,382 | 77% |
| 2.3 - Transmission On-Going System Improvement | 0 | 1 | 0 | \$95,000 | \$123 | 0% |
| 2.5 - Transmission Unplanned System Improvement | 4 | 2 | 2 | \$410,000 | \$491,548 | 120% |
| 3.1 - Distribution On-Going System Improvement | 62 | 14 | 39 | \$3,950,000 | \$443,149 | 11% |
| 3.11 - Transformer O/H & U/G Failure | 1 | 4 | 29 | \$270,000 | \$69,087 | 26% |
| 3.12 - Dist Line Rebuild | 4 | 0 | 0 | \$220,000 | \$5,165 | 2% |
| 3.18 - Distribution Unplanned System Improvement | 8 | 3 | 15 | \$760,000 | \$103,337 | 14% |
| 3.19 - Distribution On-Going U/G Line Cable Rep | 78 | 49 | 23 | \$8,750,000 | \$1,012,606 | 12% |
| 3.26 - Transformer PCB Replacement | 1 | 71 | 33 | \$170,000 | \$44,350 | 26% |
| 3.5 - Distribution On-Going Pole Replacement | 97 | 35 | 32 | \$1,690,000 | \$375,156 | 22% |
| 3.52 - Substation Unplanned System Improvement | 1 | 0 | 2 | | | |
| 3.54 - Substation On-Going System Improvement | 3 | 0 | 0 | \$443,500 | | |
| TR2.1 - Small Capital | 3 | 0 | 0 | \$39,000 | | |
| TOTAL | 277 | 188 | 181 | \$17,107,500 | \$2,782,903 | 16% |

3.2.5 On-Going Customer Work

| Group | Design | ROPS | Completed | YTD |
|-------------------------------------|------------|-----------|------------|--------------------|
| 3.13 - Cust OnGoin Lighting | 4 | 0 | 6 | \$7,596 |
| 3.14 - Cust Secondary Ln Extention | 206 | 7 | 194 | \$224,138 |
| 3.16 - Cust Pri Ln Ext. Residential | 119 | 4 | 119 | \$579,870 |
| 3.17 - Cust Pri Ln Ext. Commercial | 77 | 1 | 23 | \$324,970 |
| 3.29 - Cust Mke Redy for Telco | 47 | 0 | 17 | \$2,536 |
| 3.9 - Cust Ln Reloct Dist/TX | 14 | 2 | 2 | \$223,753 |
| 3.99 - Cust Solar | 6 | 0 | 8 | \$1,598 |
| TOTAL | 473 | 14 | 369 | \$1,364,461 |

3.2.6 Tree-Trimming

Contractor Tree Crew #1

Substation feeders trimmed: Bakers Corner (12T4)

Total line miles trimmed: **2.6**

626 manhours spent on circuit trimming

Contractor Tree Crew #2

Substation feeders trimmed: Pacific Way (12PW1, 12PW3), 20th & Ocean Beach (12E3, 12E4)

Total line miles trimmed: **3.3**

610 manhours spent on circuit trimming

Contractor Tree Crew #3

Substation feeders trimmed: Castle Rock (12N1, 12N3)

Total line miles trimmed: **7.2**

649 manhours spent on circuit trimming

Contractor Tree Crew #4

Lexington to Olson Rd 115kV cross-country

3 Trouble tickets completed 90 manhours

455 manhours

Total miles trimmed: 116.0

Yearly goal ~ 200 miles/year

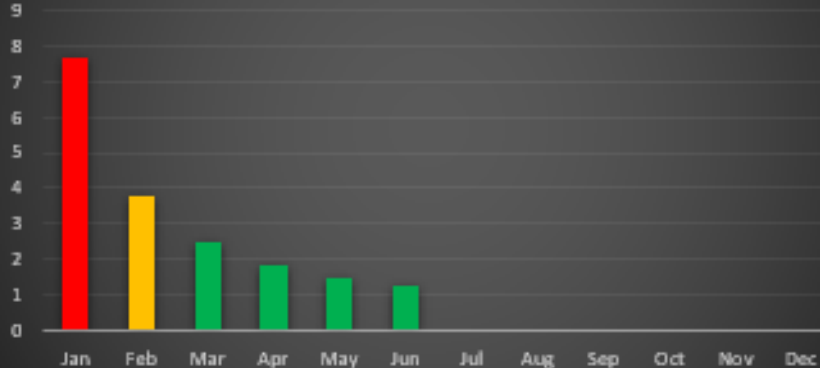
3.3 Safety



Health & Safety Dashboard

2025

Total Case Incident Rate (TCIR) To Date



Days Since Last Lost Time Incident

287

Days Away Restricted or Transfer

14

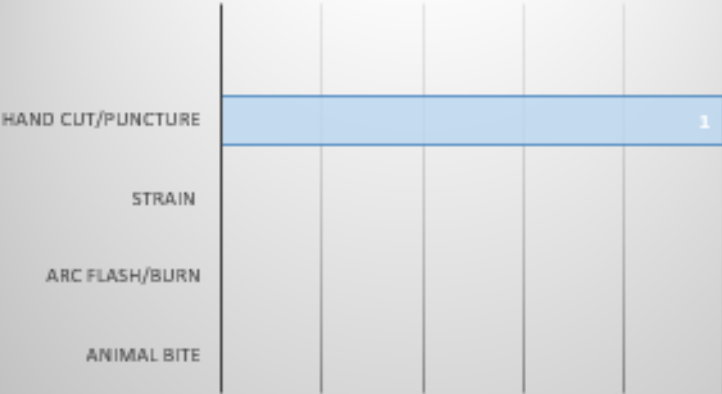
Incidents by Severity



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

Received training on software

Manufacturer configuration continuing

(36/50) locations throughout the county installed

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 - Completed

4. Engineering

4.1 System Metrics

4.2 Underground Primary Outages

4.3 New Service Requests

4.4 Locates

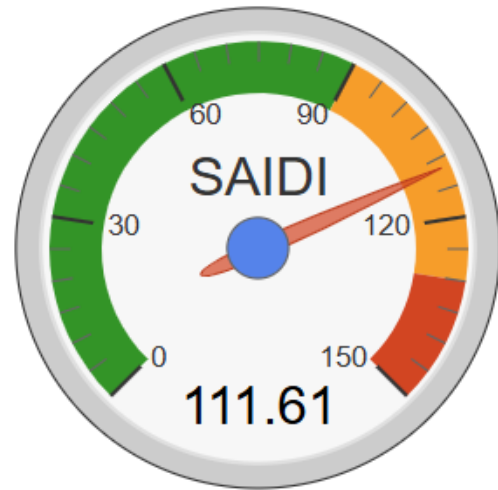
4.5 Substation Outages (exclusive of storms)

4.6 Feeder Outages and Causes (exclusive of storms)

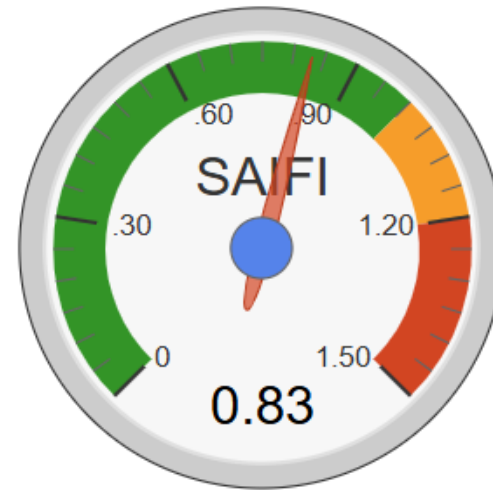
4.7 Pictures and Hi-Lights

4.1 System Metrics

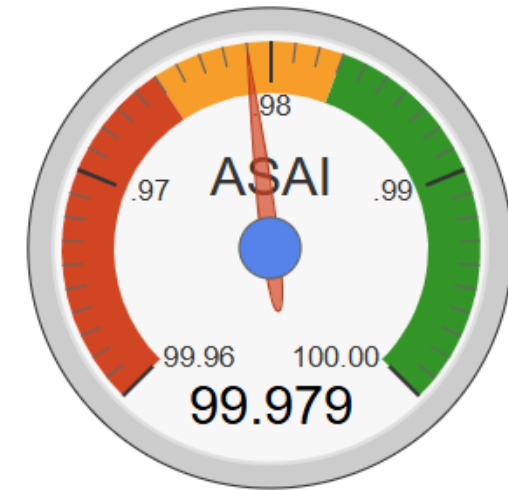
Indices (rolling 12 months)



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 June customer minutes 260,841.
10-year June monthly avg is 421,121, therefore, Customer Minutes are 61% of average.

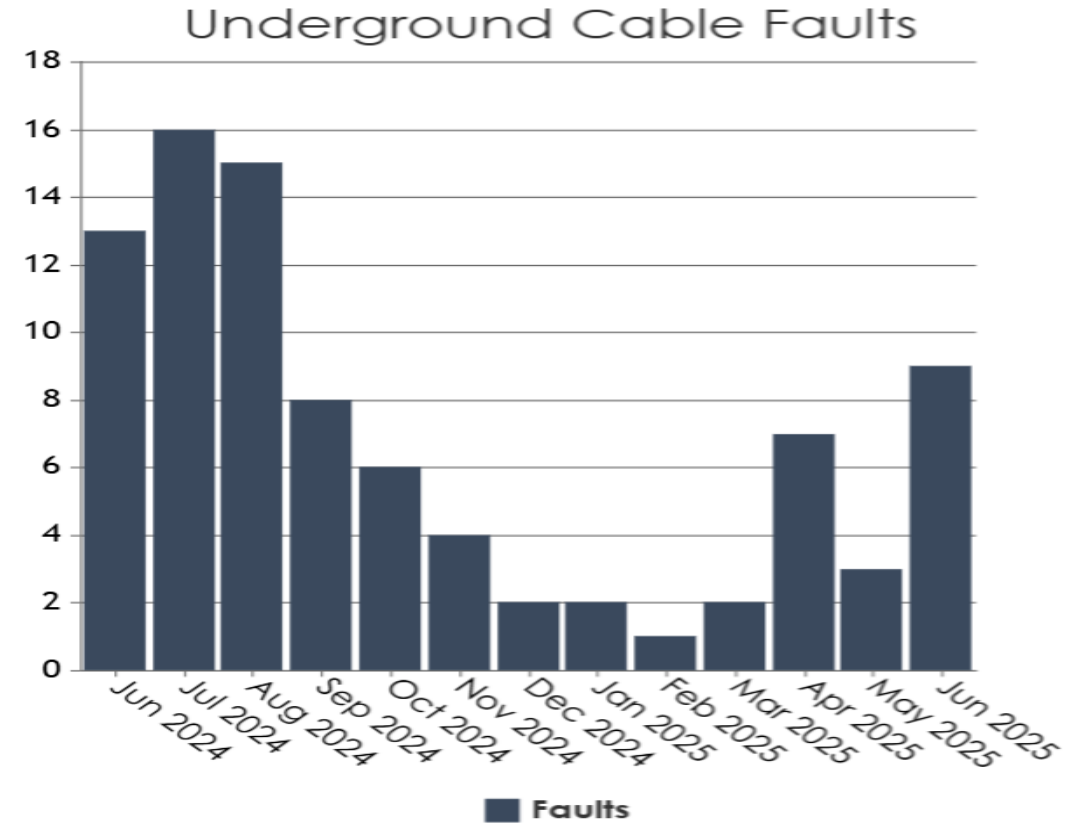
4.2 Underground Primary Outages

Underground Cable Faults

June
Minutes Out: 19509 **Incidents:** 9 **Customers:** 85



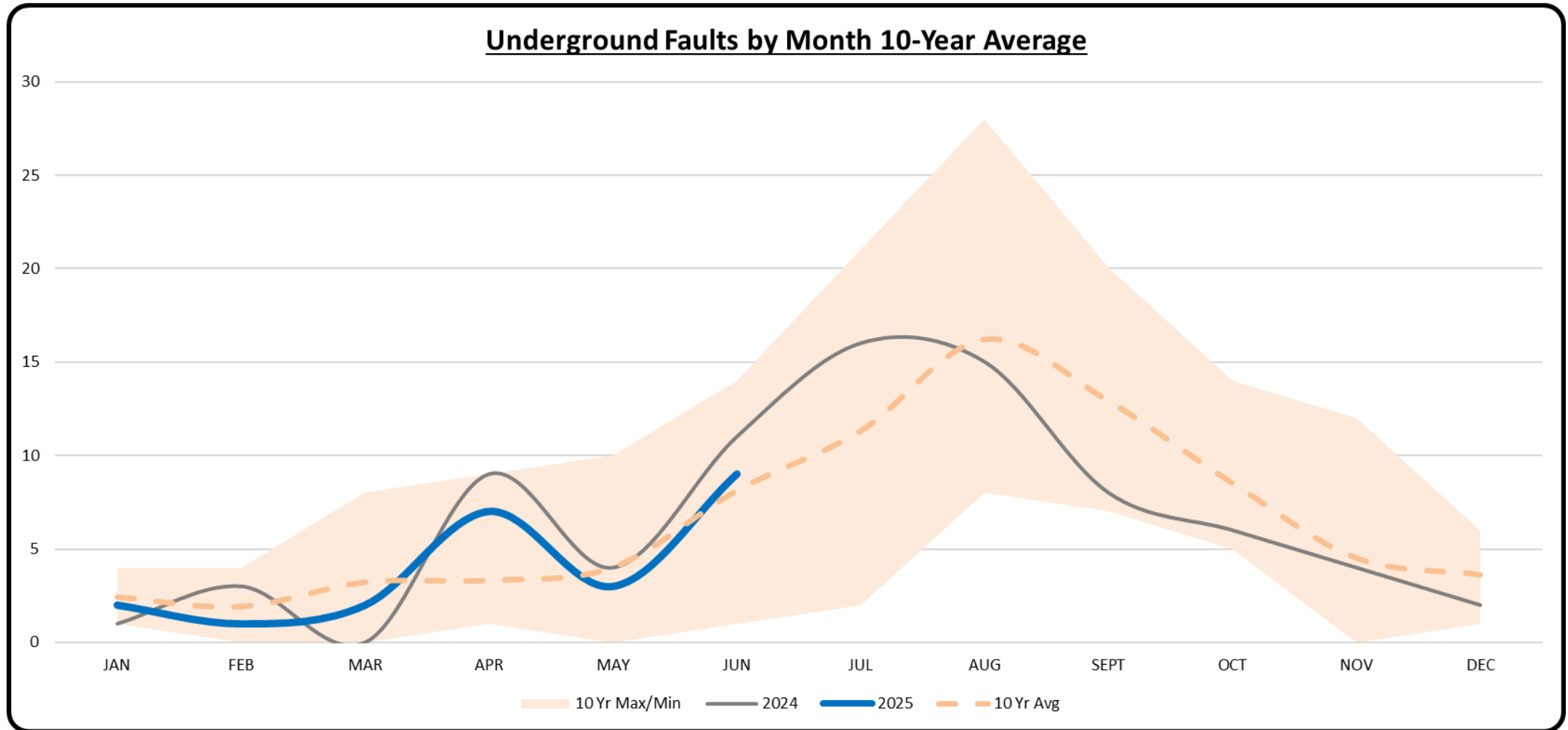
Underground Faults (13 Months)



Cable Faults 2025 YTD: 24

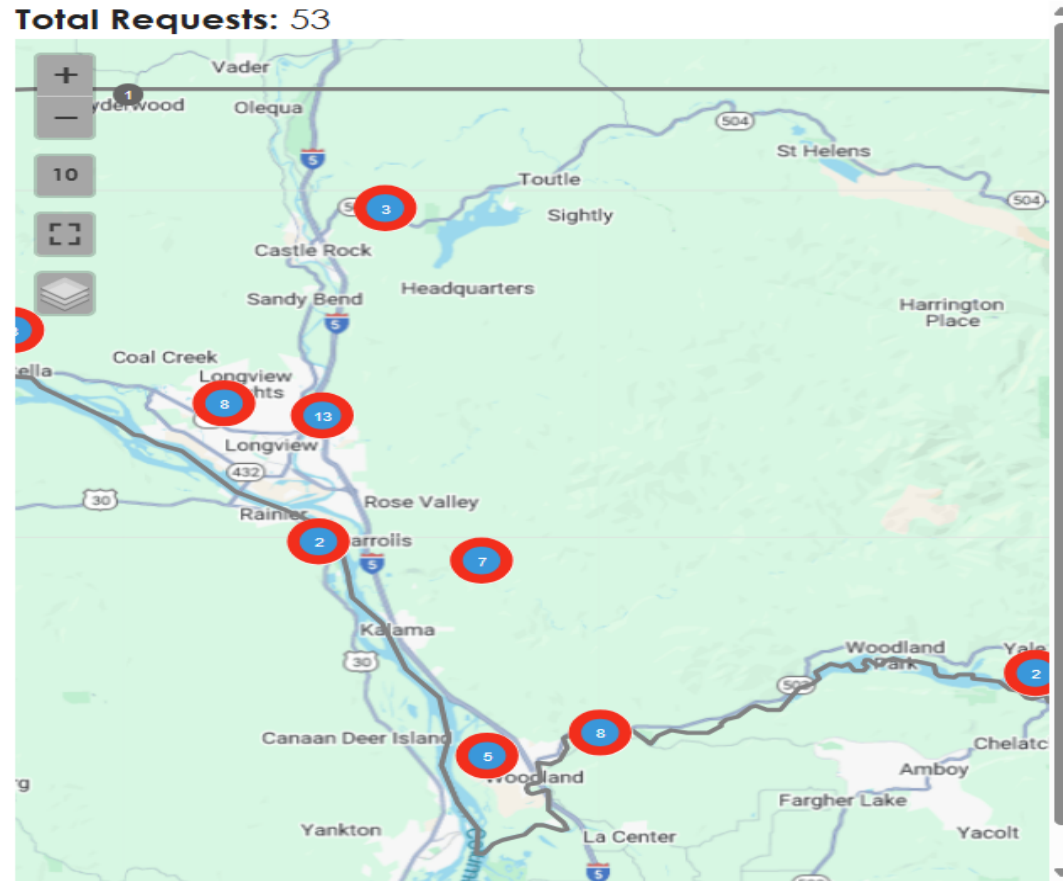
Total Faults YTD are 14% less than the previous year and 5% more than the 10-year average.

4.2.1 Underground Primary

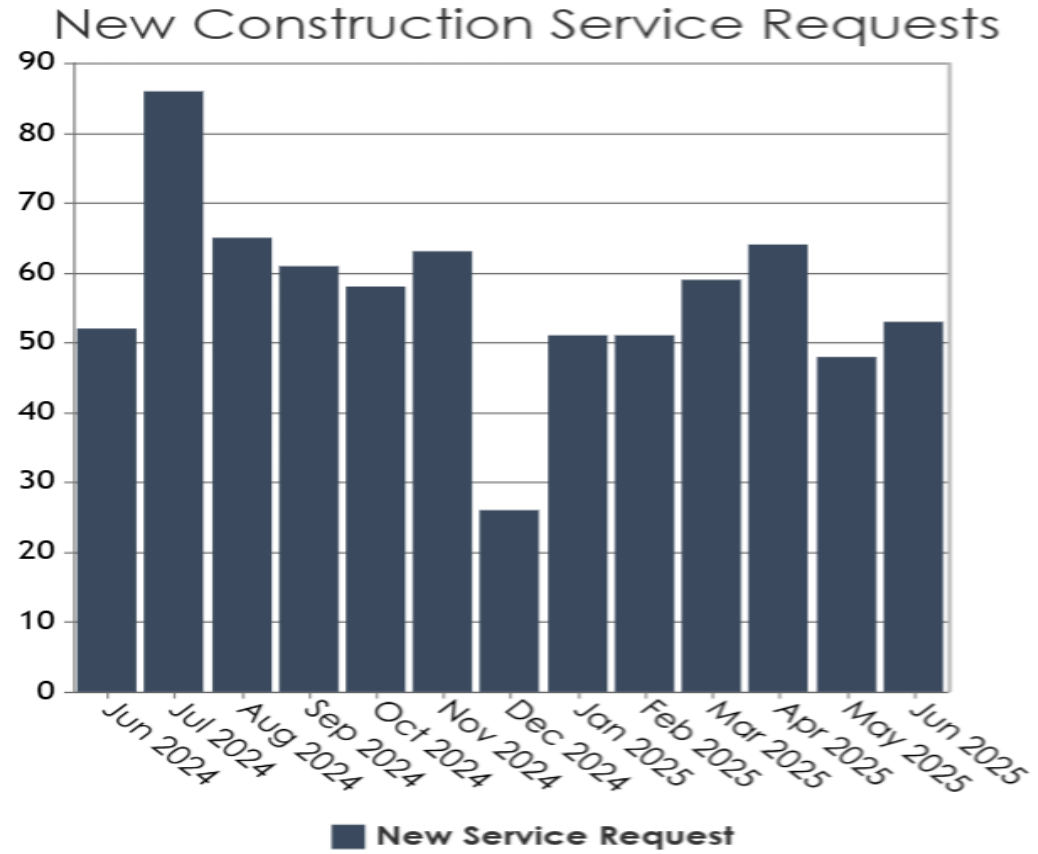


4.3 New Service Requests

New Service Requests



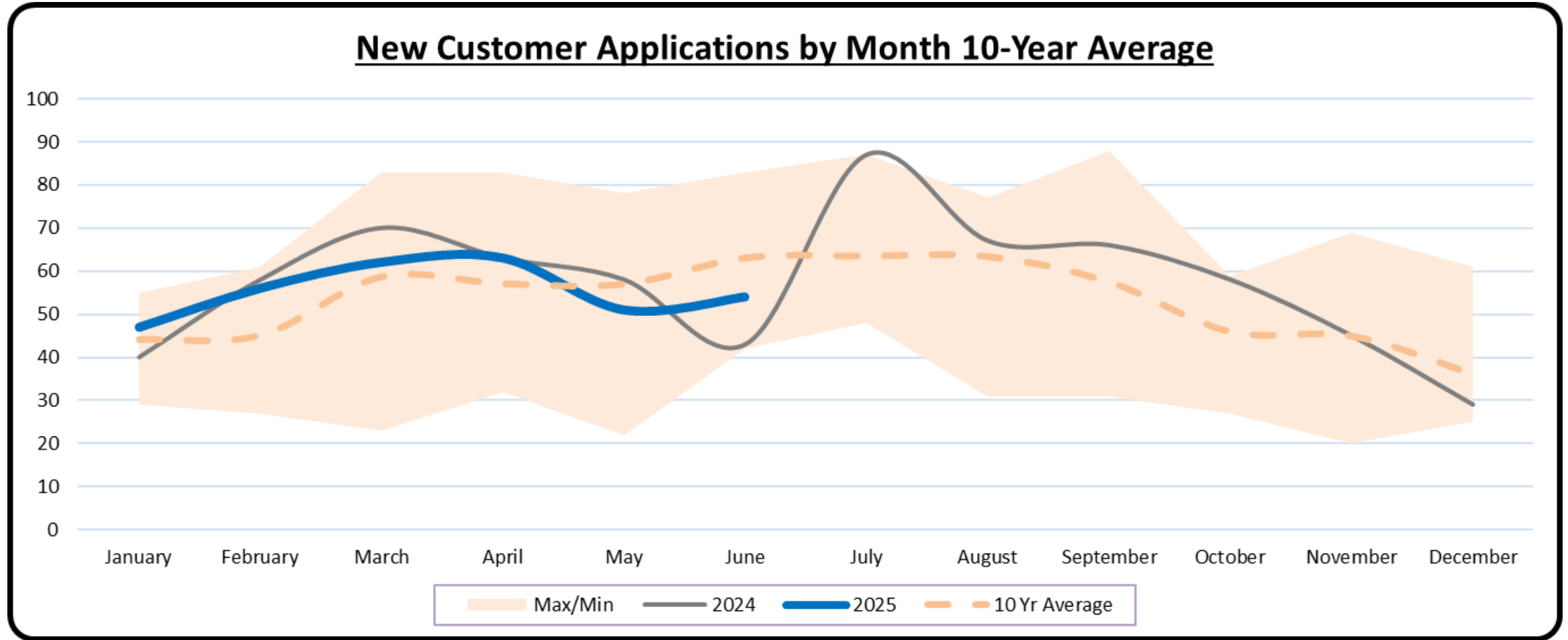
New Constructions



New Service Requests 2025 YTD: 333

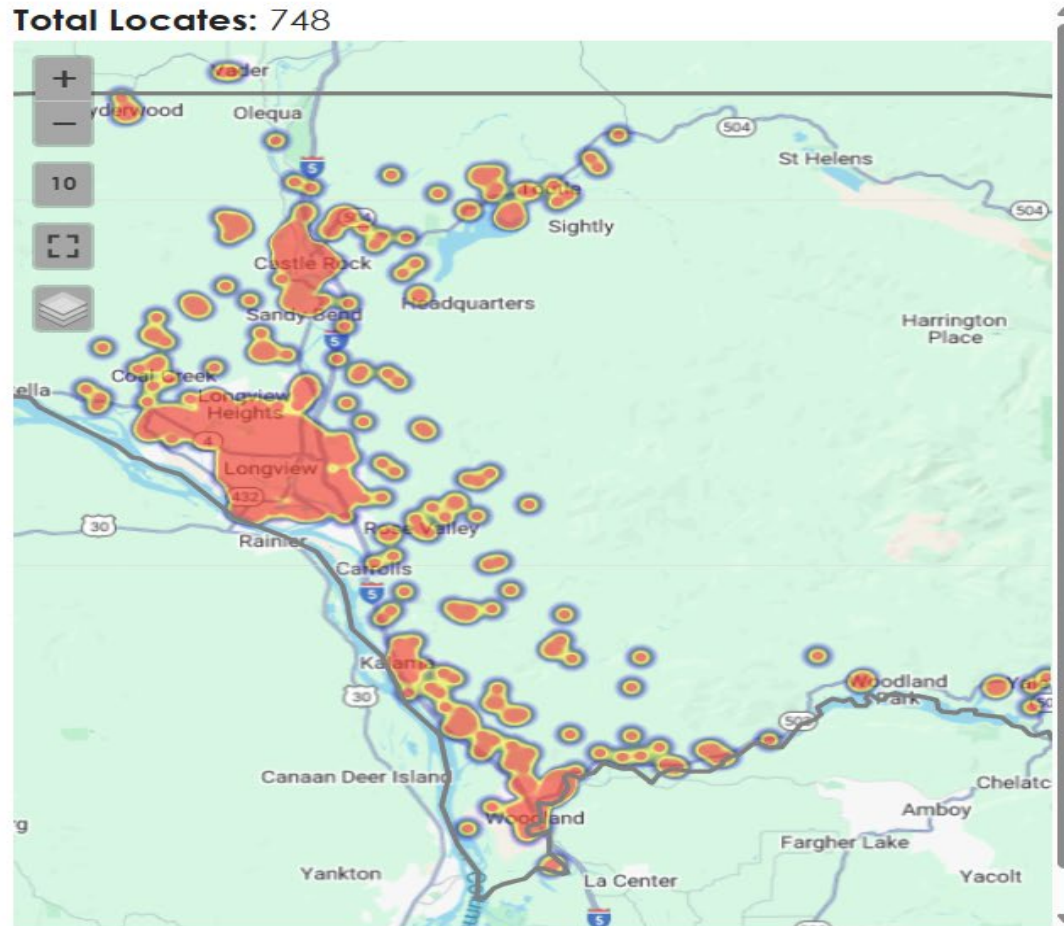
Total New Service Requests YTD are the same as previous year and 2% more than the 10-year average.

4.3.1 New Service Requests

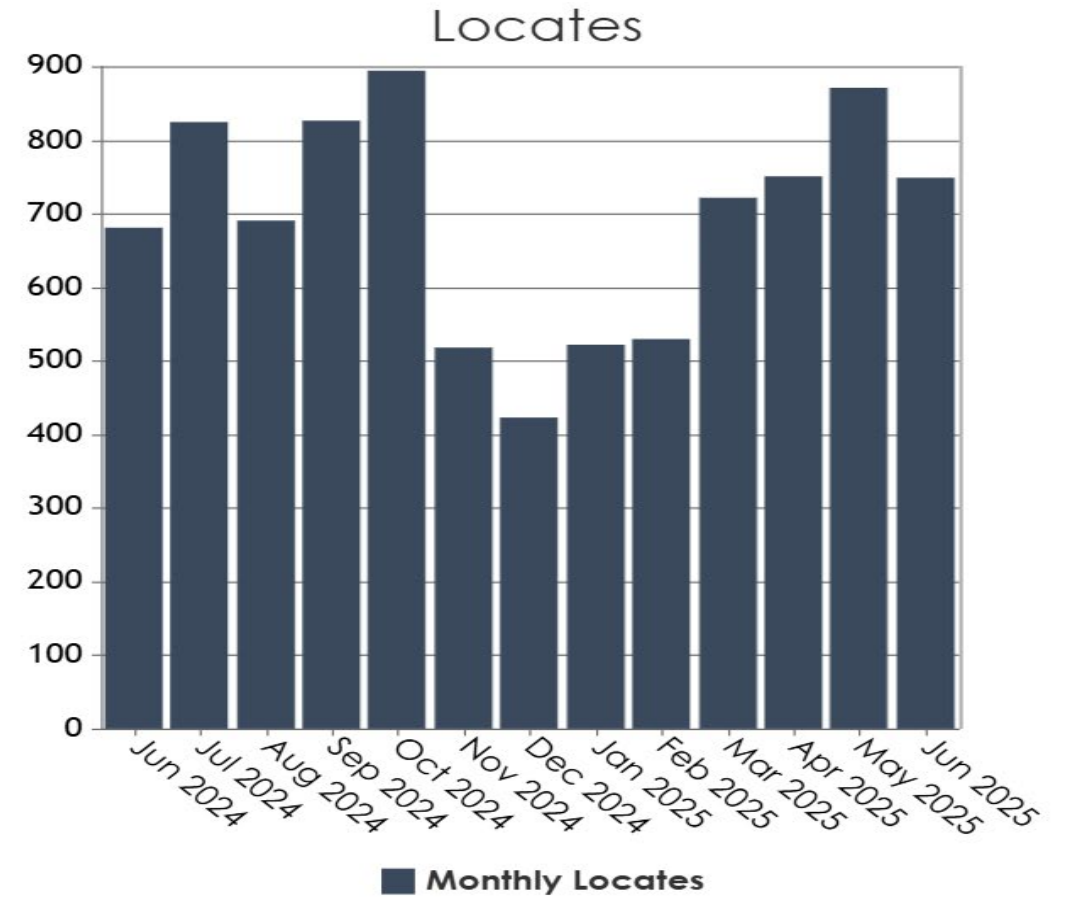


4.4 Locates

Monthly Locates



Locates

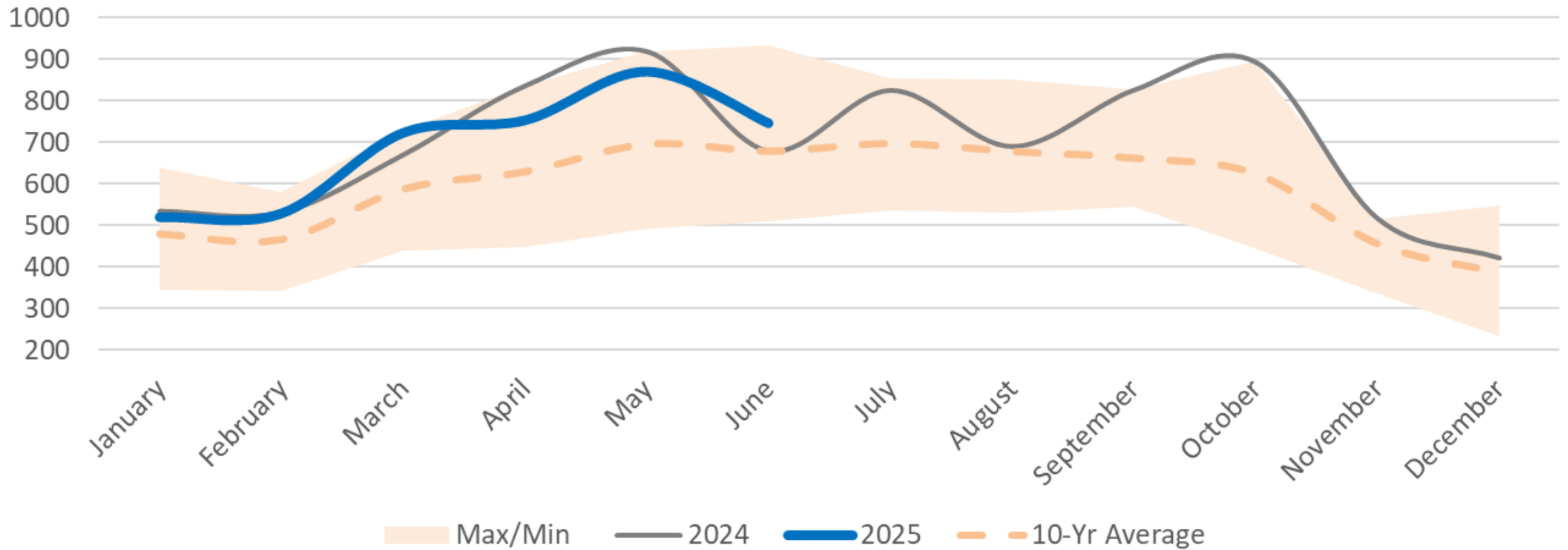


Locate Requests 2025 YTD: 4,147

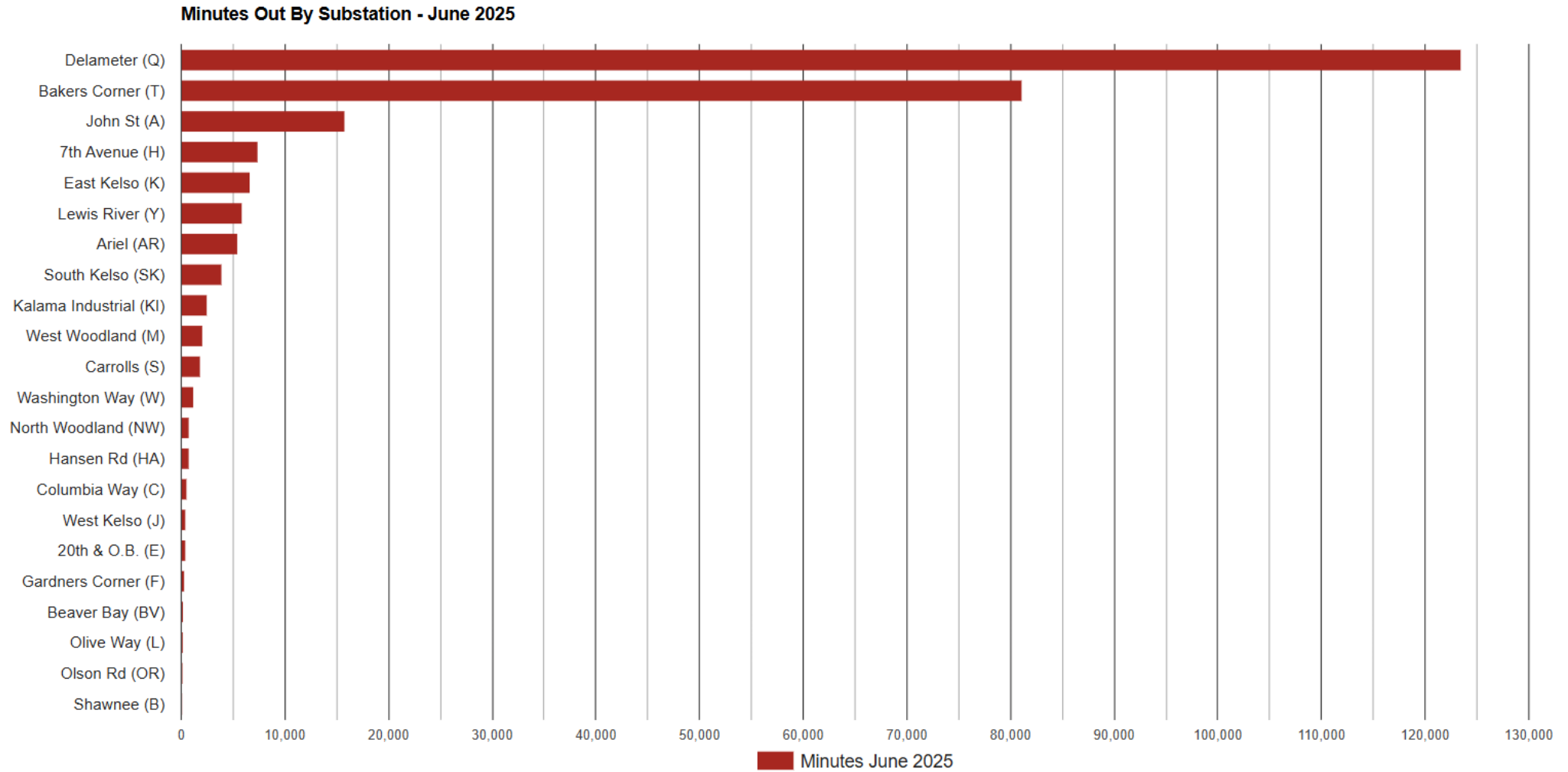
Total Locate Requests YTD are 1% less than the previous year and 17% more than the 10-year average.

4.4.1 Locates

Locates by Month 10--Year Average

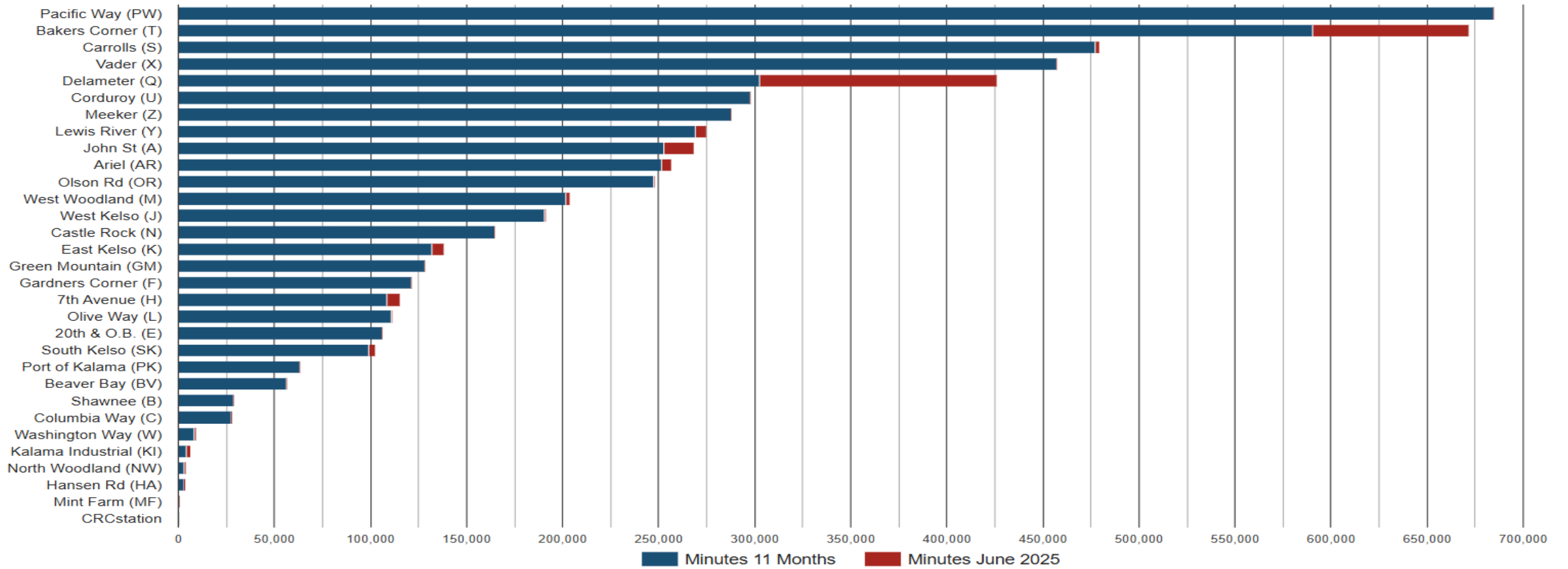


4.5 Substation Outages (exclusive of storms)



4.5.1 Substation Outages

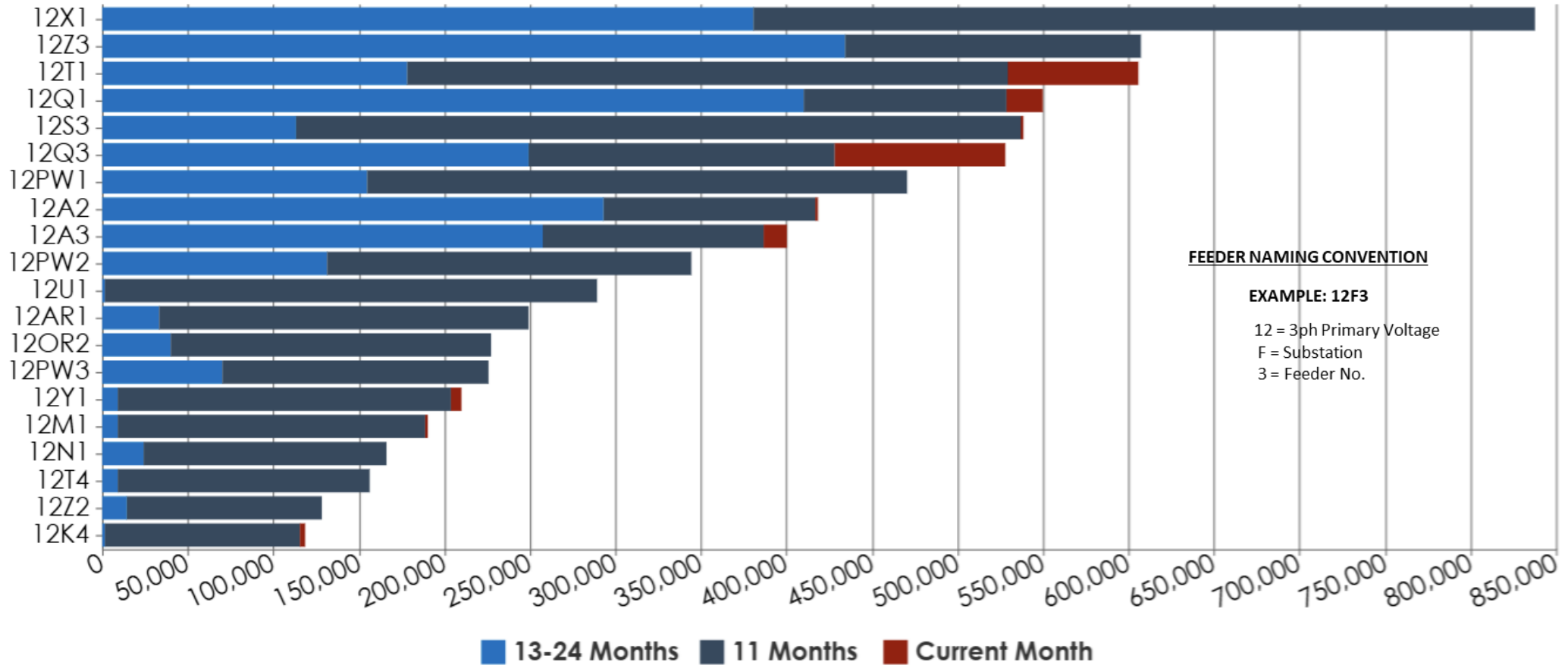
Minutes Out By Substation - Rolling 12 Months



4.6 Feeder Outages and Causes (exclusive of storms)

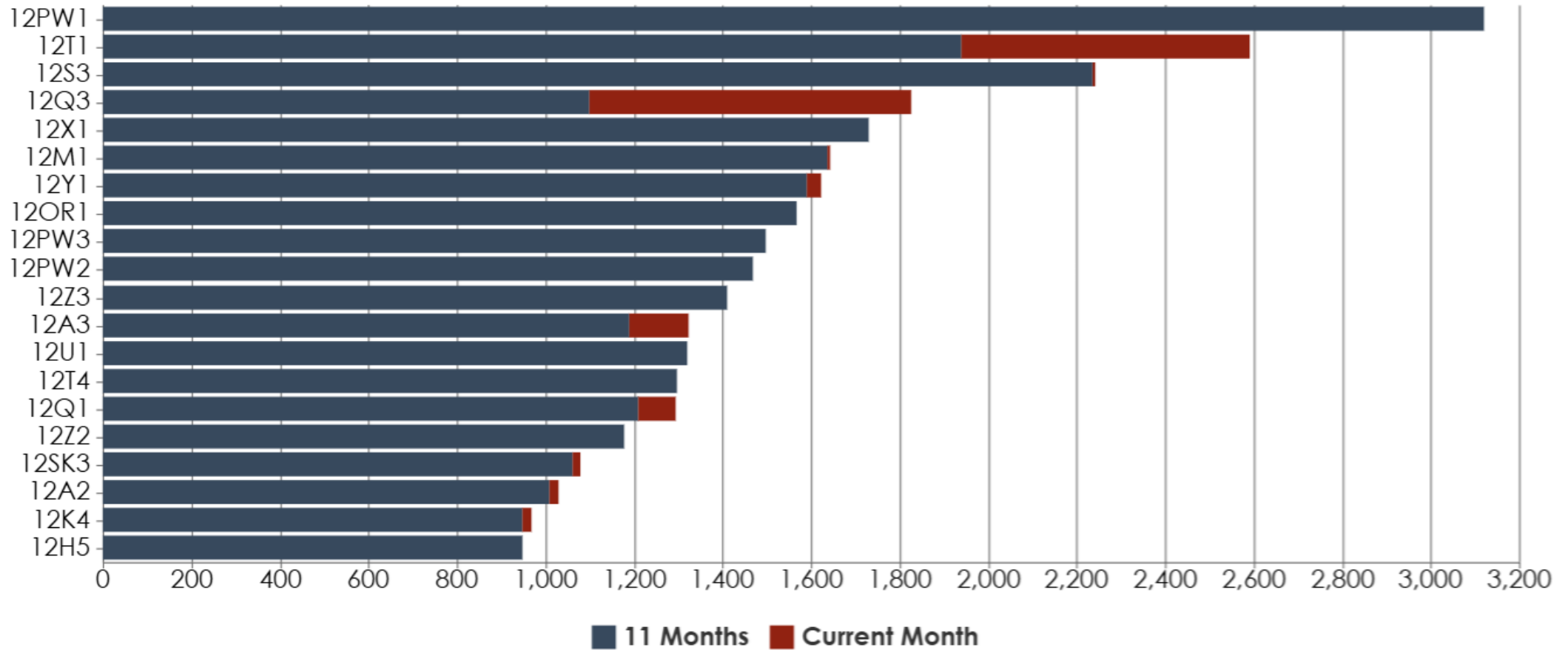
Feeder Outages & Causes - (rolling 12 months)

Top 20 Feeders by CMI



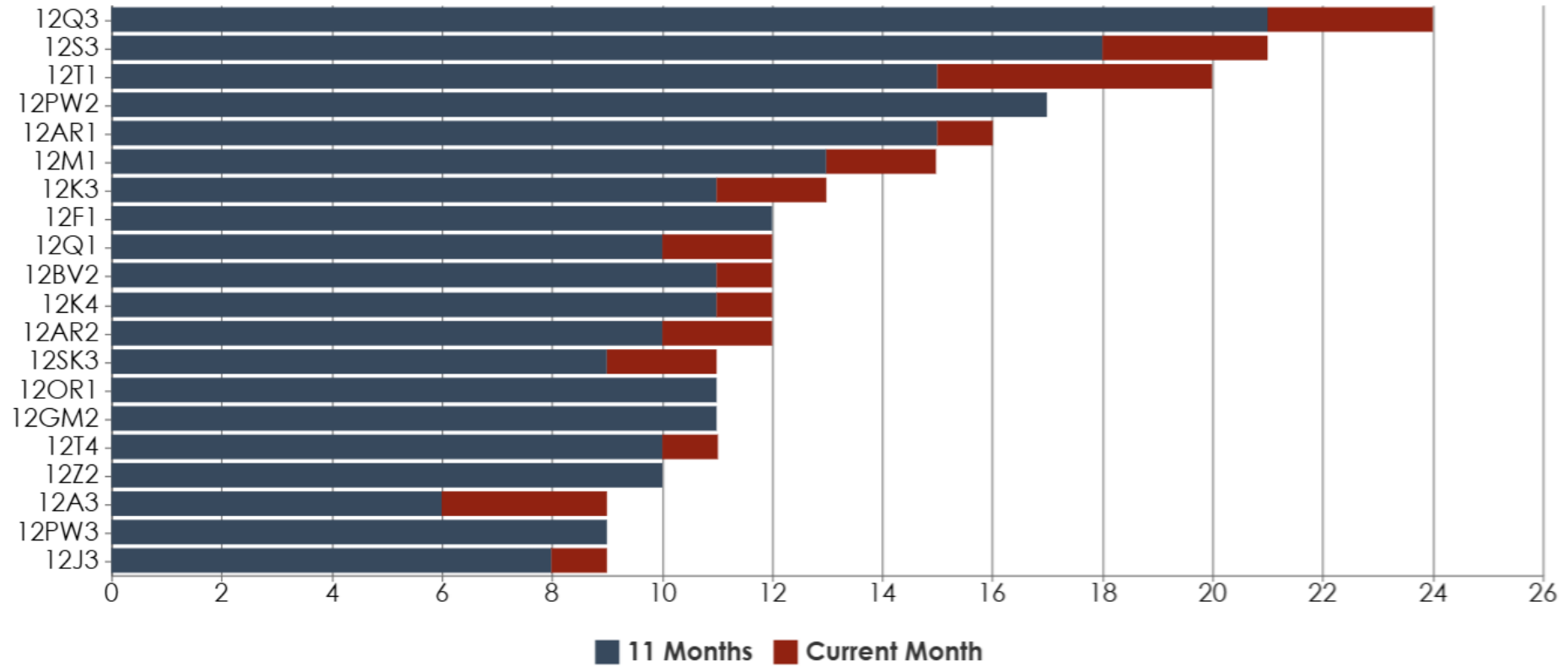
4.6.1 Feeder Outages and Causes

Top 20 Feeders by Customer



4.6.2 Feeder Outages and Causes

Top 20 Feeders by Incidents



4.7 Pictures & Hi-Lights

Teedara Wolf: Human Resource Generalist

Behind the Scenes Engineering Support

- 20 Engineering Recruitments in 3 Years!
 - Post, Interview, Negotiate, Hire & Onboard
- Training Facilitator:
 - Monthly NWPPA Webinars
 - Respectful Workplace
- Monthly Leadership Newsletter
- Training Instructor:
 - 5 Choices of Extraordinary Productivity
 - Leading Customer Loyalty
 - Project Management for the Unofficial Project Manager
- Office Safety Liaison



4.7.1 Pictures & Hi-Lights



Meeker Substation Rebuild

Date Station Offloaded: April 21st, 2025

Project Engineer: Tyler Williams, PE

Contractor: DJ's Electrical, Inc

Bid Price: \$1,265,536

Change Orders: None

Contractor Completion Status: 22%

Date Contractor will be Complete: August 14, 2025

Major Milestones Completed as of July 1st: Demo, Preliminary Groundwork, Foundations Formed and Rebar Installed

Current Activity: Pouring Concrete and Control House Assembly.

Estimated Energization Date: October 2nd, 2025

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

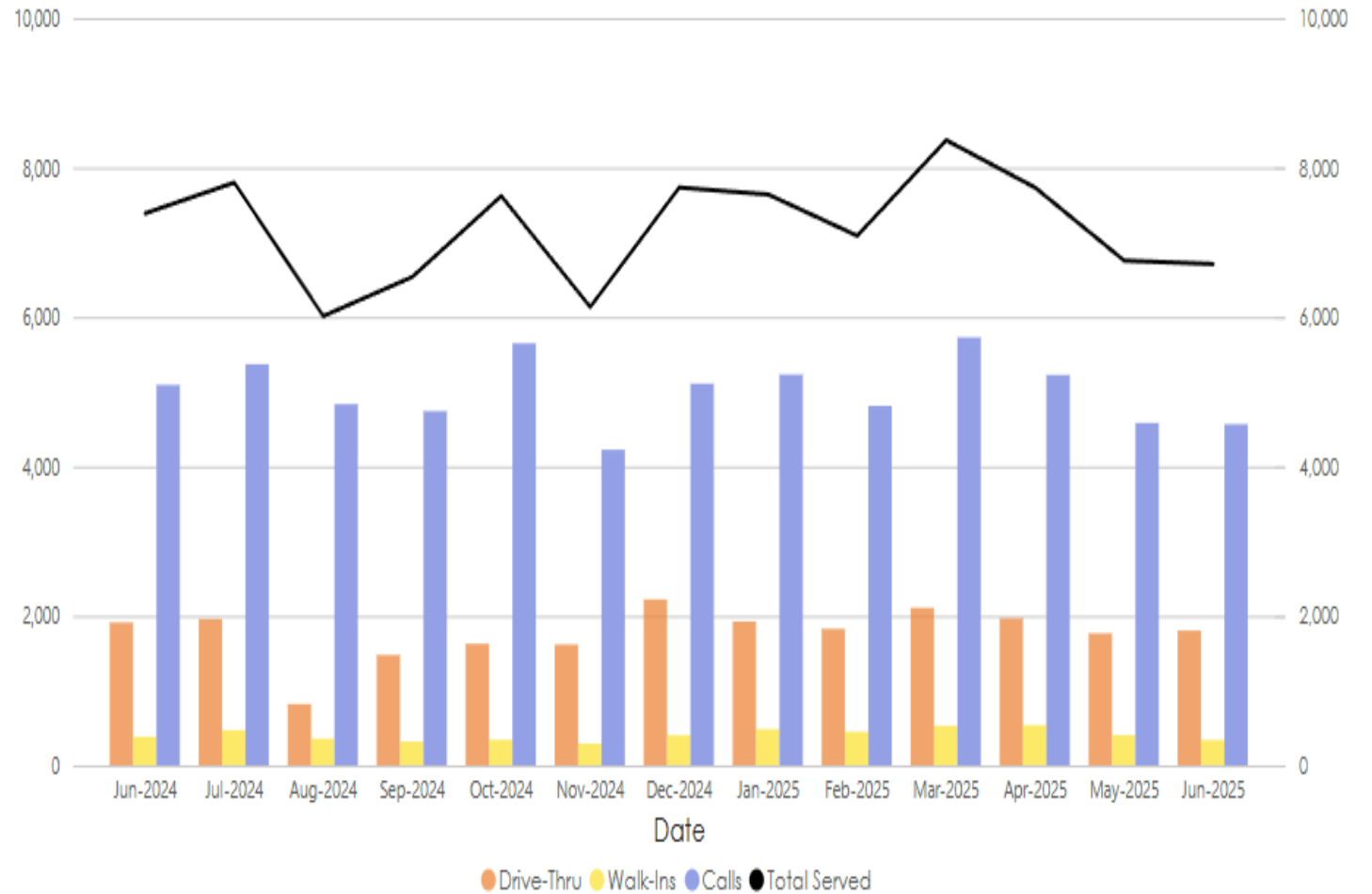
5.1 Customers Served

June Customers Served – 6,709

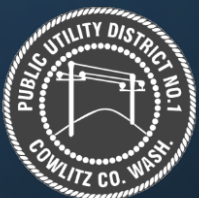
Drive Thru – 1,804

Phone – 4,565

Walk-Ins – 340



- Total customer contacts decreased slightly for June.
- Warmer temperatures causing lower bill amounts continue to reduce call volumes.

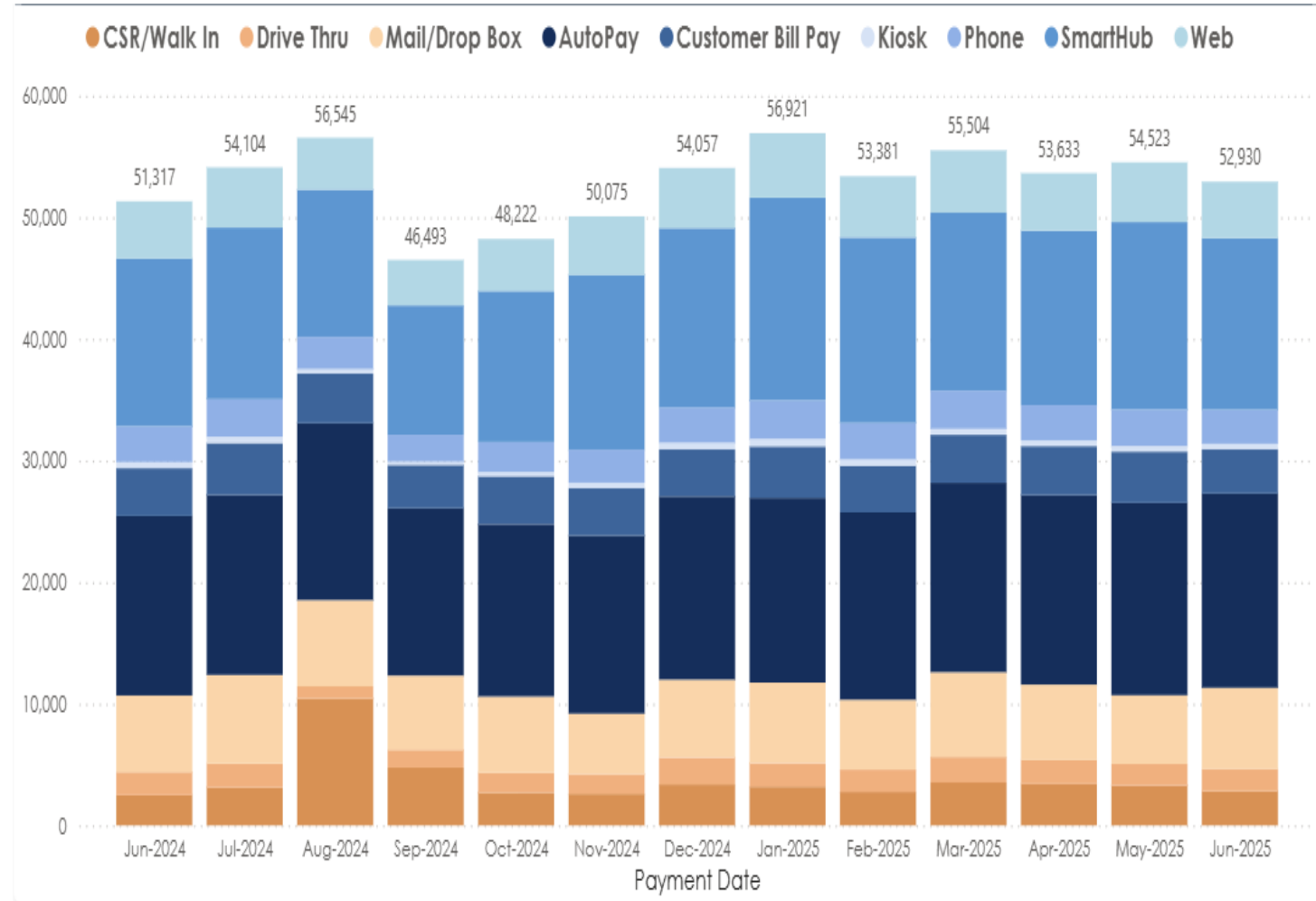


5.2 Customer Payments

June Payments – 52,930

CSR Processed – 11,320

System Processed – 41,610



- Total customer payments decreased by over 1.5k for June.
- CSR processed payments (total orange) increased by over 600 and system processed payments decreased over 2k.



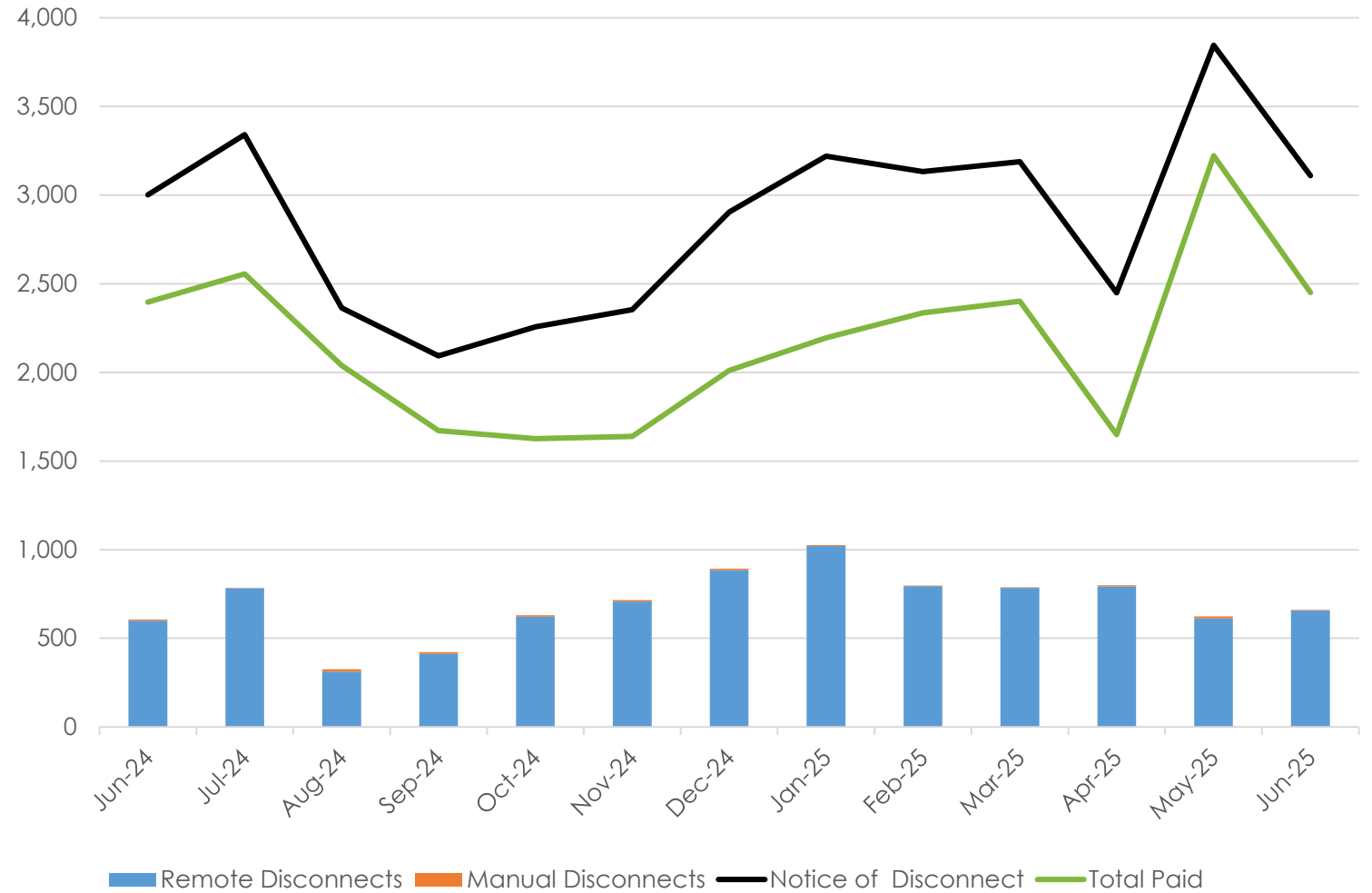
5.3 Customer Disconnects

June Disconnects – 660

Remote – 657
Manual – 3

Traditional – 384
PrePaid – 276

Pending Disconnects – 3,110
Accounts Paid – 2,450



- Disconnects increased slightly from last month but is average for this time of year.
- With warmer weather coming should see more manageable bills that will allow for customers to pay without being disconnected.

5.4 Customer Assistance

June Assistance - \$139,157

DISCOUNT RATE - \$37,275

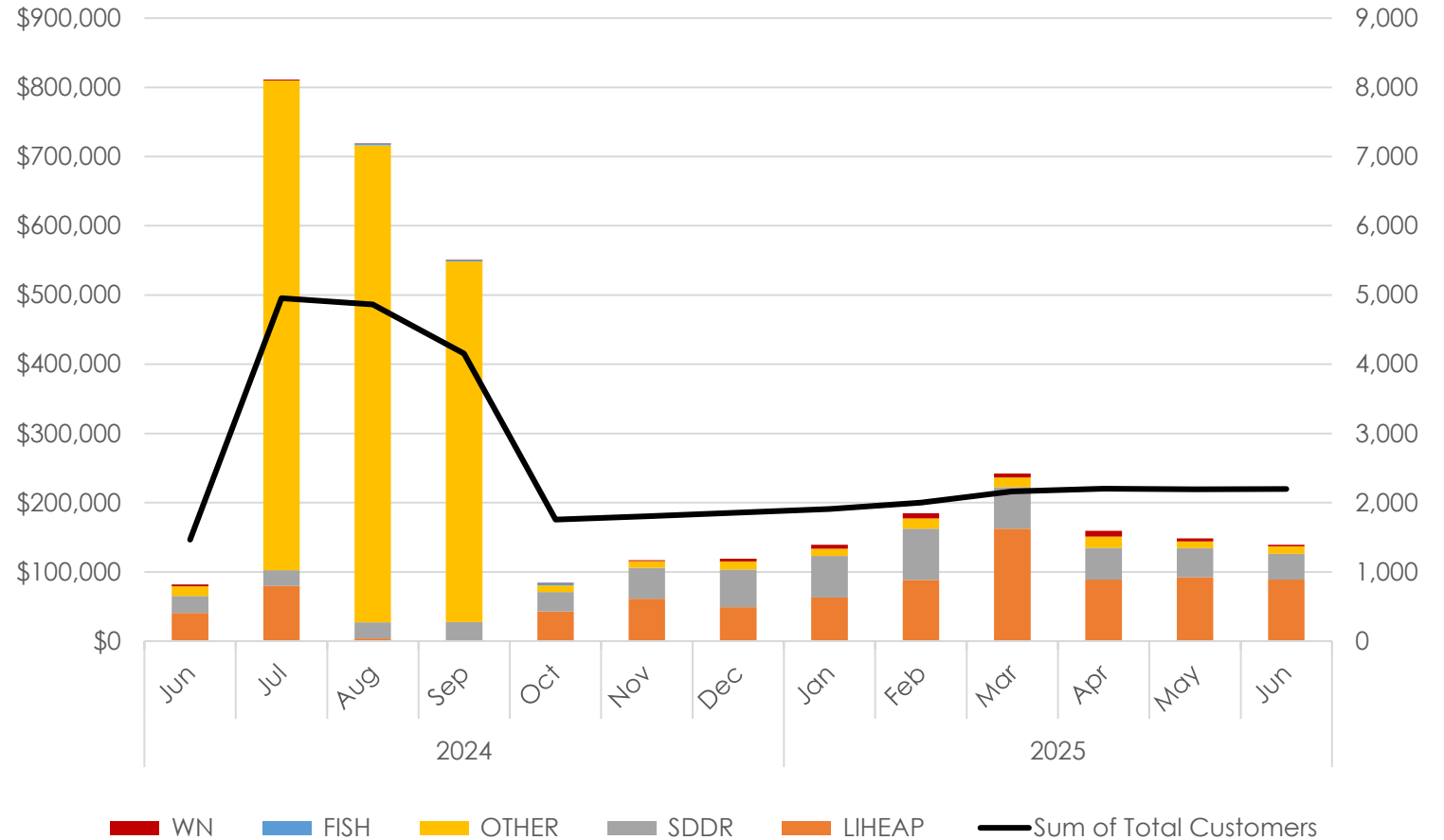
FISH - \$0

LIHEAP - \$88,760

OTHER - \$10,827

WARM NEIGHBOR - \$2,295

TOTAL CUSTOMERS - 2,200



- Assistance amount is typical this time of year but is up over \$57k from this time last year with the additional LIHEAP available and expansion of the SDDR program.

5.5 Customer Arrearages

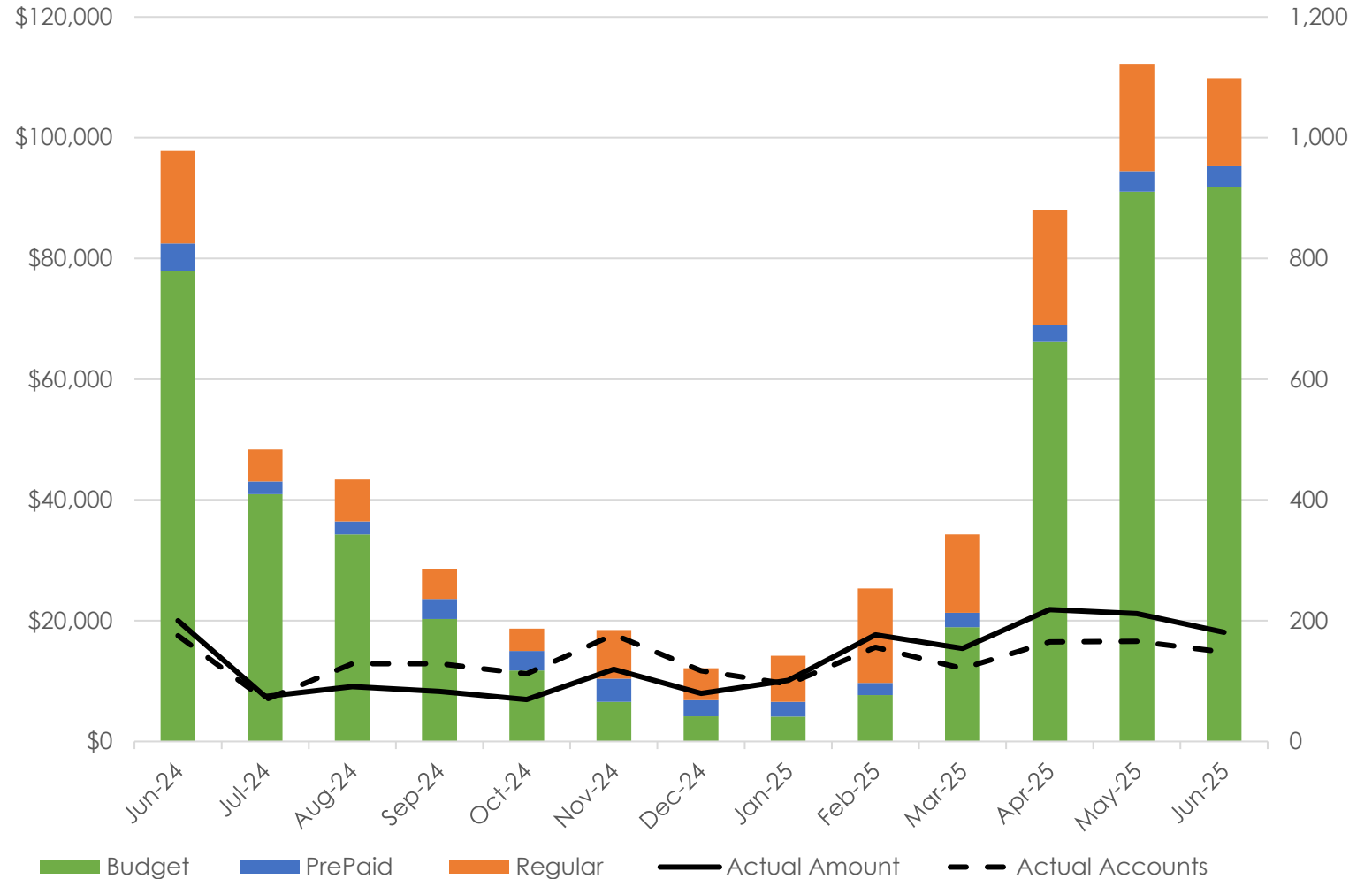
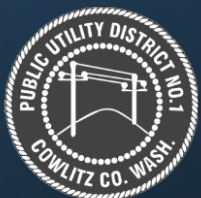
June Arrearages – \$109,843

Total Accounts – 796

Actual Past Due:

Past Due Total - \$18,077

Past Due Accounts - 148



- Total Arrearages are higher compared to last year, likely due to higher budget amounts.
- Actual Past Due Amounts continue to decrease and are lower than last year despite the rate increase.

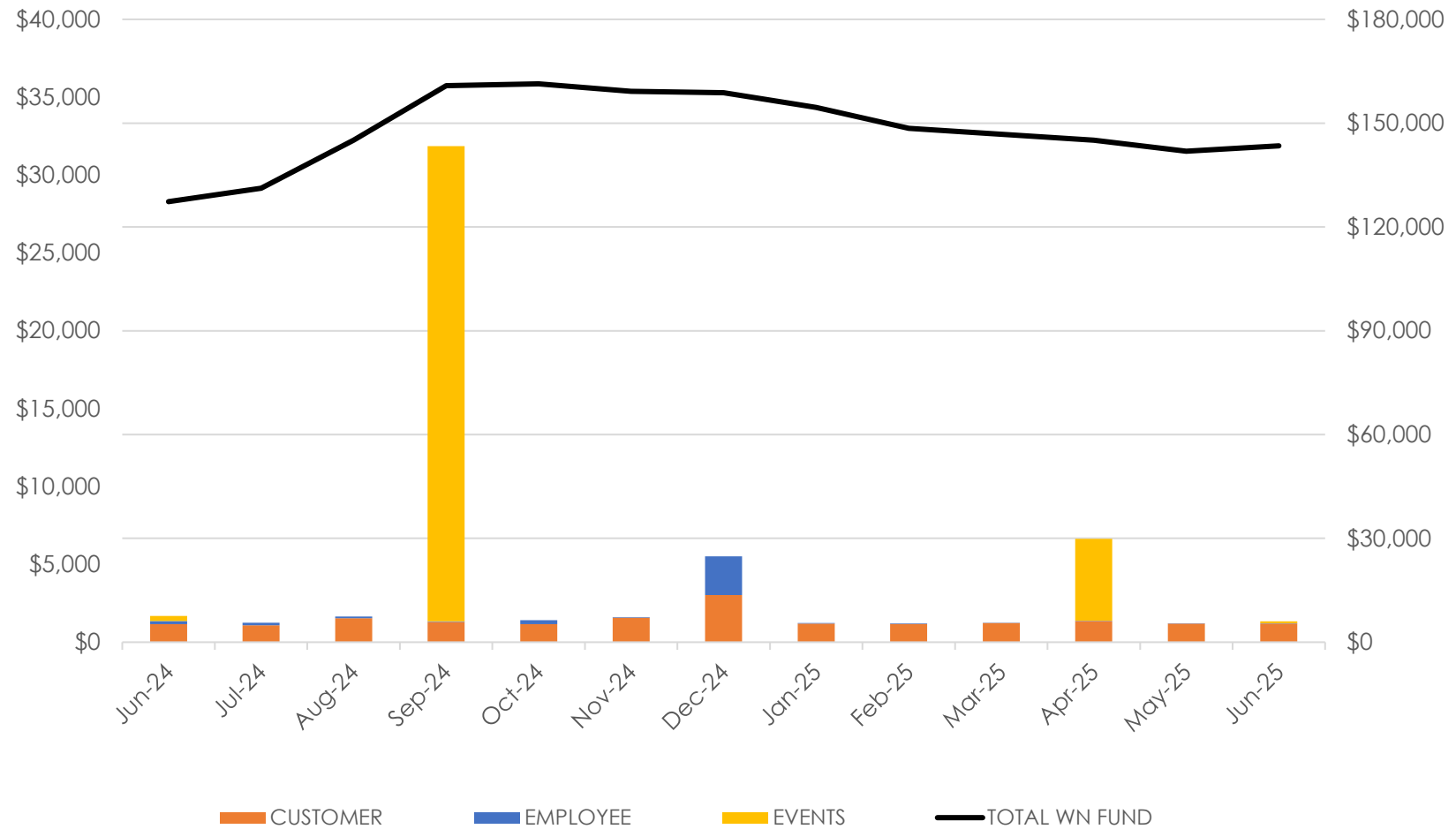
5.6 Warm Neighbor Program

June WN Balance – \$143,453

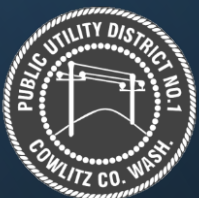
Customer - \$1,204

Employee - \$16

Events – \$127



- Donation amounts continue to remain flat but expect them to increase with summer events coming up.
- Chamber of Commerce Golf Tournament brought in \$127 in donations.
- The Annual WN Golf Tournament has kicked off and we have \$19,300 already in confirmed sponsorships.



5.7 Customer Programs

June Program Participation

SDDR – 1,971

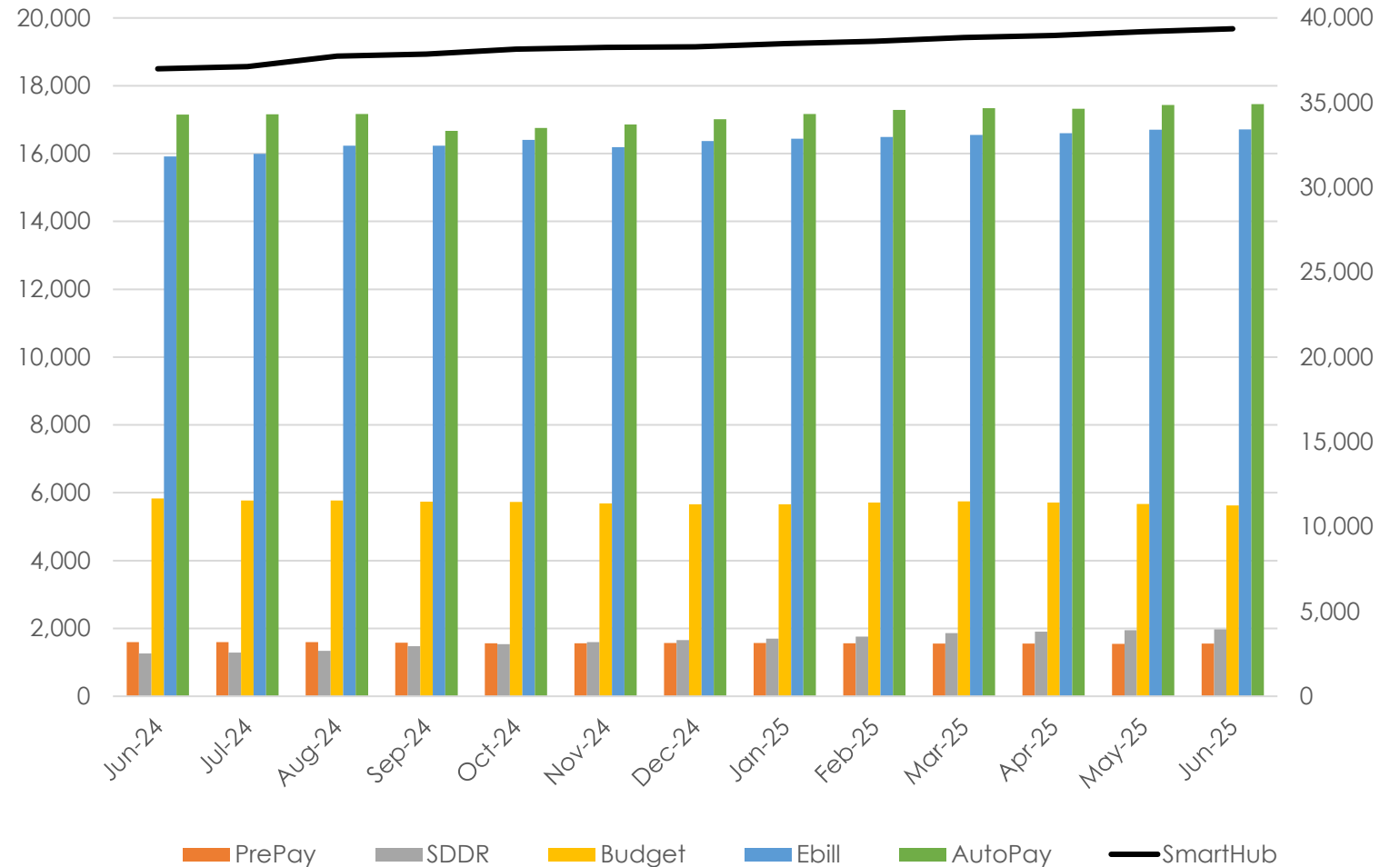
PrePay – 1,550

Budget – 5,627

eBill – 16,716

AutoPay – 17,456

SmartHub – 39,362



- All programs continue to remain steady for June.
- 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.

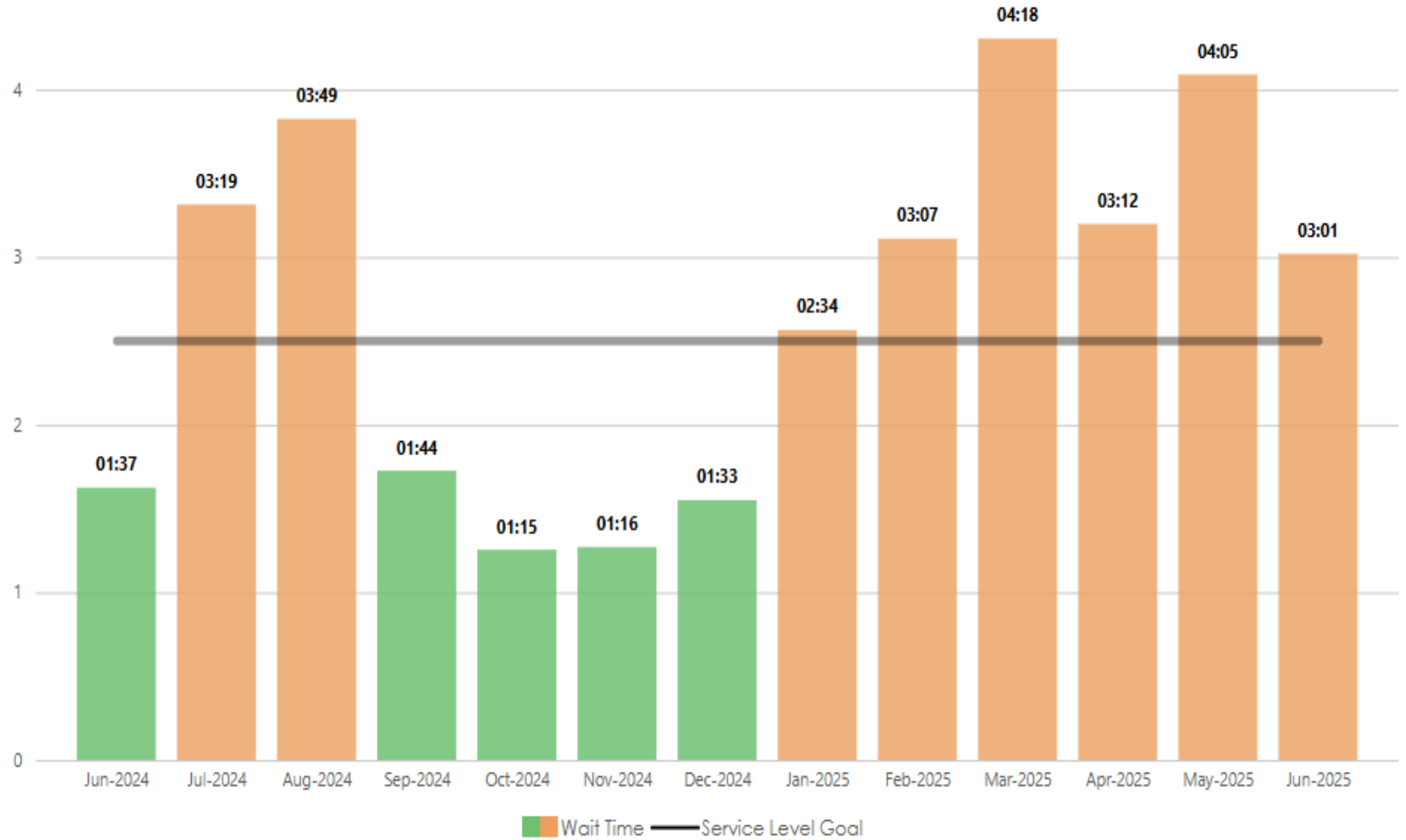


5.8 Customer Service Levels

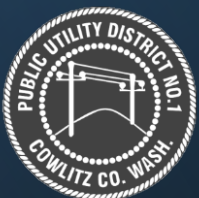
June Call Wait Times

Service Level Goal – 2.5 mins

Current Month – 3.01 mins



- Call wait times decreased in June. Additional staffing is coming soon and anticipate will get back to the normal wait time when everyone is fully trained.

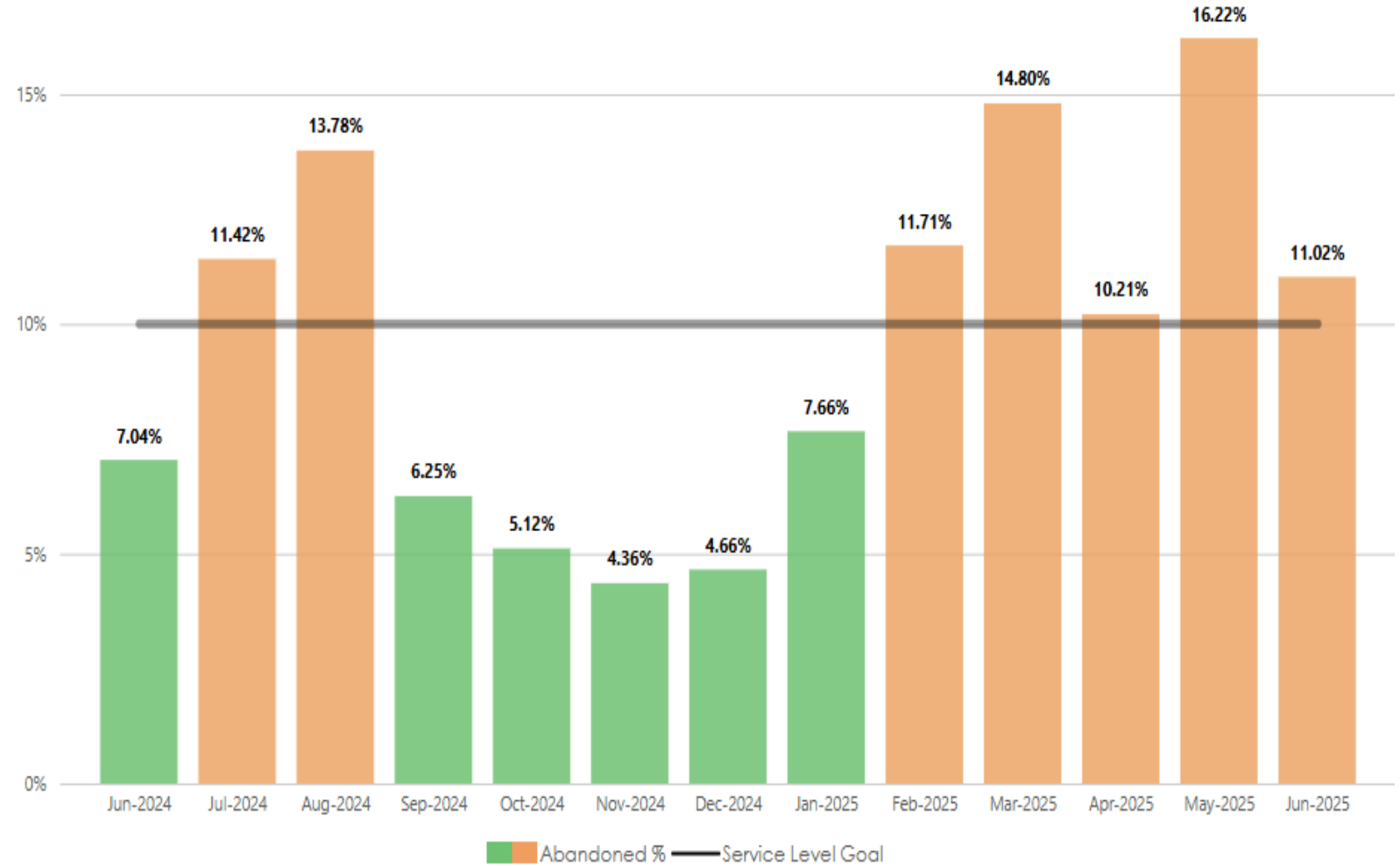


5.8 Customer Service Levels

June Abandoned Calls

Service Level Goal – <10%

Current Month – 11.02%



- Abandoned calls decreased in June.
- A total of 553 calls were abandon.



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:

174 full-time employees

1 part-time employee

3 Interns – T&D Engineering – 2

Electrical Engineering - 1

Retirement:

- Hamid Rezaei, our Operations/Engineer Superintendent announced his retirement. Hamid's last day will be December 31, 2025.

6.2 Current Employee Recruitments

External Recruitments:

- We are currently recruiting to fill the following position:
 - **Operations/Engineering Superintendent** – this is a budgeted position to backfill for Hamid Rezaei’s upcoming retirement. This position was posted internal only and employees will have until July 10, 2025, to apply.
 - **Electrical Engineer II** – this is a budgeted position that we are currently recruiting for. We have interviewed four candidates and will conduct second interviews the week of July 21st.
 - **Engineering Drafting Technician I** – this is a new position in Customer Engineering that we are currently recruiting for. We will be interviewing six candidates for this position the week of July 21st.
 - **GIS Technician** – this is a budgeted position to replace an upcoming vacancy. Currently, applications are under review.
 - **Environmental & Power Resource Analyst** – this is a budgeted position to replace a vacancy in the Power Management department. Currently applications are under review.
 - **Customer Service Specialist** – this is a budgeted position to replace a vacancy due to personnel moving into a CSR role. We are conducting second interviews the week of July 7th with the hopes of hiring by the end of July.

6.3 Career Fair – Public and Student Outreach

Outreach Events Coming up for 2025:

- **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.
- **Cowlitz PUD ½ Day Job Shadow – 11/5/2025**
 - Cowlitz PUD hosts our half day job shadow annually with local Cowlitz and Wahkiakum Junior and Senior high school students. We have already communicated with local high schools regarding our event and we usually have anywhere between 60-80 students attend. We will have short workshops with Cowlitz PUD staff leading the way to introduce students to the different career options we have at the District.

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.
- **Robert Gray Elementary School – Safety Trailer Demonstration – 5/22/2025**
 - This event took place on May 22, 2025 at Robert Gray Elementary School with the Second Grade students. Brad Keith's line crew completed a safety trailer demonstration while onsite and even blew a circuit and had to turn the power back on while they were onsite.
- **Kelso/Longview Work Source Career Fair – 5/27/2025**
 - This event took place at the Kelso Work Source office on May 27, 2025 and Teedara spoke with numerous local residents about the current and upcoming job openings we have.

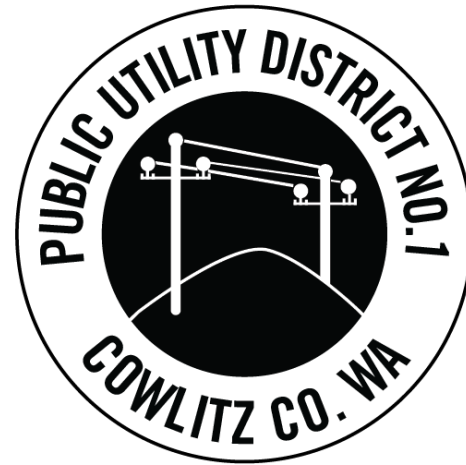


Castle Rock High School Skilled Trades Fair

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

Dear Cowlitz PUD Customers,

We hope you're enjoying the summer season. As a winter-peaking utility, Cowlitz PUD typically sees higher electricity usage during the colder months, so many customers may notice lower electric bills during the summer. Of course, those who use air conditioning to stay cool may not see as significant a decrease. Like many households, mine has seen rising costs in areas like fuel, groceries, and general expenses, so any seasonal relief in energy bills can be welcome.

As a publicly owned utility, Cowlitz PUD is committed to keeping rates as low as possible while representing your interests at the state, regional, and federal levels. Every four years, Washington state requires electric



utilities to develop a Clean Energy Implementation Plan (CEIP), outlining how we will work toward providing electricity that is free of greenhouse gas emissions by 2045. Thanks to the region's mighty river systems, Cowlitz PUD has long relied on clean, renewable hydropower to serve our customers.

This month's newsletter will provide more information about the CEIP and what it means for you. We also invite you to participate in a brief survey on what clean energy means to you. Whether clean energy is something you think about often or not at all, your feedback is valuable and will help shape how we plan for the future of energy in Cowlitz County. The QR code in this newsletter will direct you to the survey, or it can be found at cowlitzpud.org.

We also welcome you to join us at our Customer Appreciation BBQ on August 4th from 11am until 3pm, where we'll be serving complimentary all-beef hot dog lunches at our main office, located at 961 12th Avenue in Longview. It's a great opportunity to enjoy lunch, meet our team, and share your thoughts on how we can best serve you.

Thank you for being a valued part of the Cowlitz PUD community.

Take Care.

CUSTOMER SERVICE

ACCOUNT CHECK UP

Have you changed your name, has anyone moved out or in, do you have a new phone number or mailing address? If so, now is a good time to update your account information.

Having current information will help to ensure you receive important information such as outage notifications, payment reminders, new programs and incentives, fraud alerts and much more.

Contact Customer Service at 360.423.2210

JOIN US FOR A CUSTOMER APPRECIATION BBQ!

DATE: August 4th

TIME: 11am until 3pm

WHAT: Complimentary All-Beef Hot Dog Lunches

WHERE: 961 12th Avenue, Longview, WA



CYBER SECURITY TIPS

- Traveling creates situations where cybercriminals seek to exploit our vulnerabilities and urgency while we are traveling. Take a breath, slow down, and think about texts, emails, and internet services before taking action while we are in a hurry. Here are a few quick reminders before you hit the road:
- Enable MFA (multi-factor authentication) on all your accounts. This applies a vital layer of security to your accounts.
- Avoid using public computers, and when using public Wi-Fi, enable a VPN on your phone and laptop.
- Don't post on social media about your current vacations and trips. Thieves monitor accounts to see when your residence is empty.
- Avoid using public USB charging ports; always use your own chargers and cables. Public USB ports and strange cables can hide malware.
- Never leave your devices unattended or locked in vehicles.



CLEAN ENERGY. LOVE IT, HATE IT? WE WANT TO KNOW.

Every four years, Cowlitz PUD is required by Washington State's Clean Energy Transformation Act (CETA) to create a roadmap for how we will provide our customers with an electric supply free from greenhouse gas emissions by 2045. In 2022, we developed our first roadmap—the Clean Energy Implementation Plan (CEIP).

This plan proposed the steps Cowlitz PUD needs to take to be greenhouse gas neutral by 2030 and have clean energy by 2045. The steps in the plan included energy efficiency, demand response, renewable energy goals, and the actions we needed to take to make sure all Cowlitz PUD customers benefit from the transition to clean energy.

Cowlitz PUD's next four-year roadmap is due January 1, 2026, and we want to hear from you!



All are encouraged to participate in a variety of ways:

- Read more about the CEIP, our public process, and the 2022 four-year roadmap by visiting our CETA Webpage <https://www.commerce.wa.gov/energy-policy/electricity-policy/ceta/>
- Share your thoughts and ideas on the clean energy transition in our Community Survey (use the QR code below)
- Participate in our workshop and focus groups

COMMUNITY SURVEY

The Community Survey is available through the QR code, electronically on a tablet located in the lobby of our Main office (961 12th Ave, Longview), or on paper by request. Your answers will be anonymous and only used to help us develop our 2026 four-year roadmap. The survey should take about five minutes to complete.



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 mpeterson@cowlitzpud.org



PLUGGED IN TO COWLITZ PUD

By Alice Dietz, Cowlitz PUD
Communications/Public Relations Manager

Why Wildfire Mitigation Plans?

With the rise of wildfires nationwide and associated legislation and regulations, utilities are actively crafting wildfire mitigation plans. These thorough plans

enable utilities to establish operational policies and practices to help prevent, prepare for, and respond to wildfire incidents.

While Cowlitz County has been determined low risk for wildfires, it is important for our customers to have a self-sustaining plan in the event of a wildfire.

Cowlitz PUD proactively crafted a comprehensive Wildfire Mitigation Plan in 2021 to bolster community safety and enhance the resilience of the electrical grid. We continuously refine this program as we gain insights into wildfire risks in Cowlitz County and adapt to evolving conditions, including an updated version of the plan published in 2024.

Cowlitz PUD's mitigation strategies encompass design and construction, inspection and maintenance, operational practices, situational and conditional awareness, and response and recovery.

To help you prepare your self-sustaining plan visit: <https://www.cowlitzpud.org/outages/wildfire-mitigation/>

Also Refer to Cowlitz PUD's ad, back cover (page 40), this issue.

...

Alice Dietz may be reached at adietz@cowlitzpud.org, or 360.501.9146.

Wildfire Mitigation Plan

Do you have a self sustaining plan?

To create a defensible space around your home and reduce fire risks, follow these guidelines:

- Create a 30–100 feet fire-resistant area.
- Trim or remove flammable brush and low-hanging branches.
- Keep grass and weeds under 4 inches.
- Store combustible materials 30 feet from structures.
- Clear debris from yards, roofs, and gutters.
- Ensure visible address signs for easy access by emergency services.
- Use fire-resistant building materials and non-combustible lawn furniture.
- Recycle yard waste instead of burning it.
- Maintain a 72-hour emergency kit and know evacuation routes.

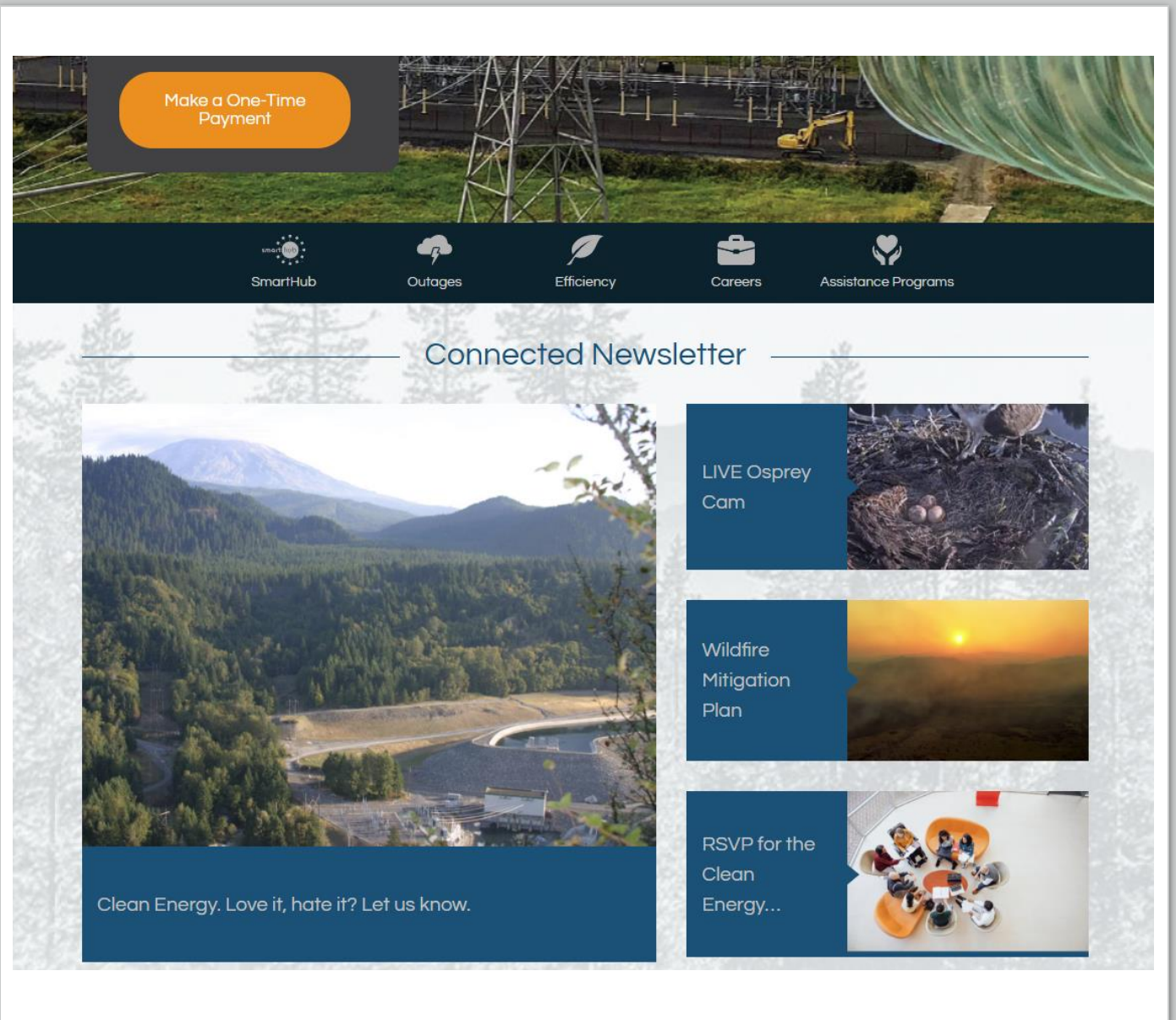


Radio Messaging

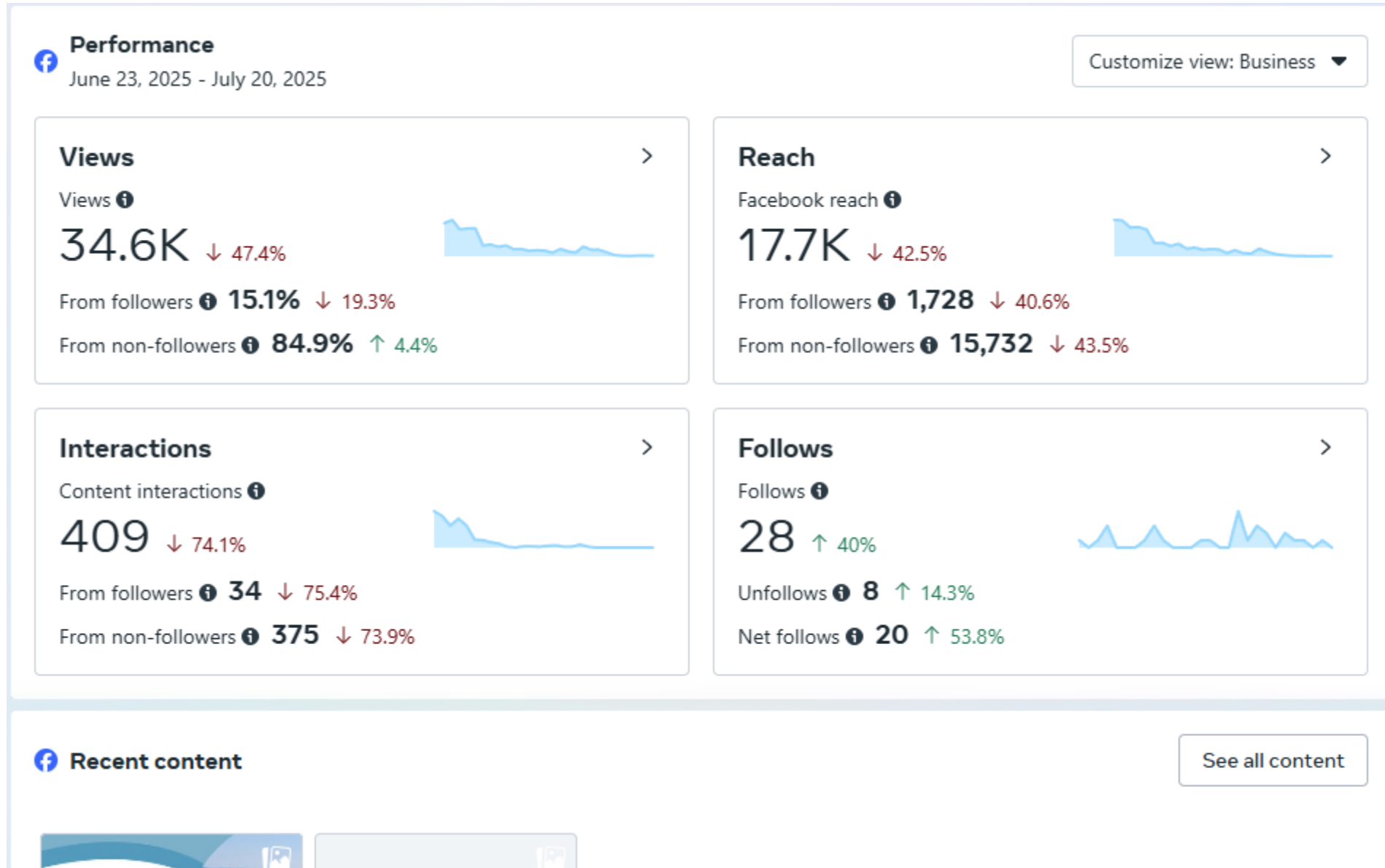
Considering solar, let Cowlitz PUD be your free resource. Before you install solar, our expert engineers can help. Have a great list of questions available to ask yourself and ask your solar installer. Is solar what's best for your home? Cowlitz PUD offers free home energy audits. We'll prioritize your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

At Cowlitz PUD, we know life is getting more expensive. Kayaking, camping – even a simple picnic – it all adds up. But powering your home for a day? Still just an average of \$4.39. Clean hydropower from the Columbia River delivers big value at a low cost – every single day. Now, if only we could do something about the price of gas. Cowlitz PUD – supporting our community with energy-saving solutions for electricity and safety. Cowlitz PUD, Your Power.

Website Messaging



Social Media Messaging



June 12th, 2025

Watt's Up



Take Teladoc with you wherever summer takes you!

Whether you're traveling or just enjoying the sunshine, Teladoc is available 24/7/365 to support your health—at no cost to you. Connect with licensed doctors anytime for help with common issues like colds, flu, allergies, and more. Need a prescription? They can send it straight to your preferred pharmacy—no waiting rooms, no hassle. Make your summer stress-free with Teladoc.

www.teladoc.com
Or download the Teladoc app today!

Prevention is still the best medicine, and it starts with YOU

Prevention is key to health, especially during June's preventive care awareness month. Early detection and proactive management can enhance well-being, improve health outcomes, and reduce medical costs. To learn about your medical, dental, vision, and voluntary benefits for preventive care, check the attached reports. Schedule your annual check-up and discuss screenings with your doctor. Remember, prevention starts with you. Use the INGAGED Benefits App for easy access to your benefits (company code: cowitz).

DeI's Summer Tech Upgrade Sale

We're excited to announce DeI's Summer Tech Upgrade Sale. Enjoy incredible savings on our top tech, designed to enhance your productivity. Plus, get an extra 5% off with your member discount.

Hurry, these limited-time deals are available from 6/2 through 6/26.

Members can shop 24/7 at: www.dei.com/shop/cowitzpubd

Members save an additional discount on select DeI.com purchases with this exclusive coupon.

1. Request your exclusive coupon at: www.dei.com/shop/cowitzpubd
2. Verify work email through "Employee Discount" button.
3. Copy & paste coupon in checkout. Exclusions may apply.



Wildfire Lunch and Learn Alert!

Spice up your day with Casey Kalaf's sizzling take on ConLITZ PUD's Wildfire Preparedness!

Feast on Hot Wings (mild options available for the faint of heart)

June 18th, 12:00, Main Office

RSVP by June 17th to twof@cowitzpubd.org



June 19th, 2025

Watt's Up



Cyber Tip

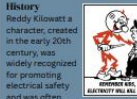
Cybercriminals use disasters to prey on compassion and a sense of urgency for help to entice people to click and type without thinking. With wildfire season coming up, remember the following cybersecurity tips:

- No legitimate organizations or government agencies should ask you for money, passwords, or account info via text or email.
- Give to legitimate, well-known charities. Verify with reputable agencies whether a group claiming to help is legitimate. <https://give.org> is one of the many well-known websites available for charity research.
- If you receive a text or email asking you to click a link or reply with information, don't respond, ignore it.
- Don't use links or numbers in unsolicited communications to validate. Visit the official website of the group or contact them directly to verify the request.

A Doctor in your Pocket?

Take Teladoc with you wherever summer takes you! Whether you're traveling or just enjoying the sunshine, Teladoc is available 24/7/365 to support your health—at no cost to you. Connect with licensed doctors anytime for help with common issues like colds, flu, allergies, and more. Need a prescription? They can send it straight to your preferred pharmacy—no waiting rooms, no hassle. Make your summer stress-free with Teladoc.

www.teladoc.com
Or download the Teladoc app today!



I think the safety trailer is a better way to teach about wildfire safety.

June 26th, 2025

Watt's Up



Wellness

We are excited to announce our new partnership with Wellable to help us run company-wide wellness challenges! These challenges are geared to help us have fun with colleagues, increase physical activity, and focus on health and well-being—all while competing for prizes!

Follow this link to sign up for your account today - <https://go.wellable.com/cowitzpubd>. Thank you!

Lunch and Learn

We have three Lunch and Learn coming up in July -

- Kombucha How-To Lunch and Learn - attend and be entered to win a Kombucha starter kit July 15th at Noon
- DRS Lunch and Learn with Bruce Anderholt (our new DRS representative) July 16th
- All things 811 - July 25th

To sign up email Teedara by end of day July 10th.



Safety

Shout out to the Safety Committee and Team for their help with the Safety BBQ's!

Thank you to all who submitted slogans for our We Above Me campaign! Please vote for your top three slogans by emailing adset@cowitzpubd.org.

- Safety Runs Through Every Line We Design
- Safety is a Team Circuit - Break it and We All Trip
- Substitution to Structure - Safety is a Shared Load
- When I'm safely vibin with my team, I can achieve any dream!
- Communication + safety = success
- Working safely with my buddy. Makes my job a lot less crudely
- OUI LIVES BEFORE MY LIGHTS
- Make sure your crew has talked. To prevent anyone getting knocked.
- It's not about lights, it's about lives
- Make sure you have your buddy's back, so you don't catch any slack
- Safety starts with "me" but succeeds with "us"
- We above me - always injury free
- We above me - safe as can be
- When we all care, we all prepare
- When we unite, we do it right
- Safety from head to toe, as a team it shows
- Being safe as a crew, is looking out for one another
- Safety working together today for a better tomorrow
- Make team safety great again
- Together, we power safety
- Protect the Line, Protect Each Other
- Mind For Teamwork, Grounded In Safety
- Safety First, Service Always - Embracing customer service without the slip
- There is no "I" in "Team"
- Watt Ever It Takes - Stay Grounded, Stay Fresh, No Slip Ups, No Stress
- Caring For Each Other, So We Can Care For You
- When We Work Safely, We Serve Exceptionally
- Safety is Service - We Look Out So We Can Help Out
- It Takes A Team To Keep The Lights On
- No One Powers Alone
- We Above Me, Protecting Our Team, Supporting Our Customers
- Service With Safety, Powered by Teamwork
- We Take Care of Each Other, So We Can Take Care of You
- Safe Service Starts With Us
- Putting People First - in Service and in Safety
- Together We Work, Together We Are Safe since 2008
- Protecting People, Powering Performance
- Safety is no accident. Watch your steps, pay attention to items around you, and don't get complacent. Smart and accurate moves add up to safety!
- Team up, Dream Up, Safe Up!

July 2nd, 2025

Watt's Up



Lunch and Learn

We have three Lunch and Learn coming up in July:

- Kombucha How-To Lunch and Learn - attend and be entered to win a Kombucha starter kit July 15th at Noon
- DRS Lunch and Learn with Bruce Anderholt (our new DRS representative) July 16th
- All things 811 - July 25th

To sign up email Teedara by end of day July 10th.

Be the G.O.A.T.: Don't Drink and Drive Your Boat

Did you know that nearly half of all boating accidents are linked to drugs or alcohol? While there are no speed limits, traffic signals, merging lanes, or potholes on the water, this doesn't mean that operating a boat under the influence is any safer than drinking and driving. In fact, using alcohol or drugs can impair your functioning in three crucial ways: Balance, Judgment, Reaction time.

These effects can occur almost immediately after you start consuming substances. Stay safe and make responsible choices on the water!

Shoutouts and Appreciation

- Cody Costello for discovering a laptop by the roadside near a job site. With some investigative efforts, he successfully located the owner and returned it.
- Corey Kanaly and Trent Whitte for their invaluable assistance with the CS/Accounting remodel over the past two weeks, including moving furniture and coordinating new power for the cubicles.
- Sean Slape and Allan Baudro for their support during the CS/Accounting remodel, specifically in working on the new data cabling and labeling with our vendor.
- Wyatt McKay, Tan Luu, and Kyle Eddy for facilitating the relocation of employees in the CS/Accounting area during the remodel.
- Teedara for taking charge of the safety BBQs at OPS and the Main office, which turned out wonderfully!

Top ways to stay safe in the summer sun:

Slather on the Sunscreen
Always apply a broad-spectrum sunscreen with an SPF of 30 or higher. Reapply every two hours, or immediately after swimming or sweating.

Seek Shade

Especially between 10 a.m. and 4 p.m., when the sun's rays are the strongest. If you can't find shade, create your own using an umbrella or a wide-brimmed hat.

Wear Protective Clothing

Long-sleeved shirts, long pants, and hats with wide brims can provide extra protection from the sun's harmful rays.

Don't Forget Your Eyes

Wear sunglasses that block out 99 to 100 percent of both UVA and UVB radiation.

Remember, these tips are not just for the beach! Anytime you're outside, you're exposed to the sun's rays. So, make sure to protect yourself and enjoy your summer safely!



Weekly All Employee Updates

8. Regulatory and Regional Affairs 7/22/2025

8 – July Activity

8.1 – State

8.2 – Local

8.3 – Federal

8.4 – Other



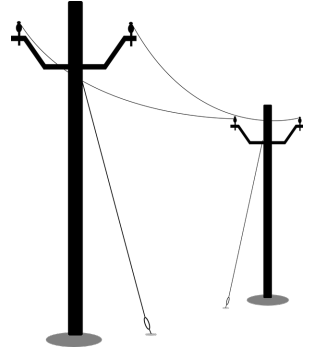
8.1 State & Regulatory



- ❖ Continued outreach efforts for District's next Clean Energy Implementation Plan
 - 199 Clean Energy Survey Responses as of 7/14
 - Focus Group session held 7/16
- ❖ Ecology Clean Vehicles Program proposed rule updates
 - Submitted comments emphasizing concerns over the current rule's impact on the costs and availability of utility line vehicles that comply with the Advanced Clean Trucks and Heavy-Duty Low NOx manufacturer requirements
 - Requested Ecology refrain from taking further rulemaking action in light of recent federal actions that rescinded CA's EPA Clean Air Act waivers upon which Washington's program is founded
- ❖ Ecology hosting CCA workshop on electric sector no-cost allowance allocation
- ❖ Ecology released concepts for future Climate Commitment Act GHG reduction compliance pathways and no-cost allowance allocation to EITE industrial facilities
- ❖ Monitoring work by Commerce on Climate Action Plan
- ❖ Monitoring Clean Fuel Standards Rulemaking
 - Reviewing proposed changes for impact on District

8.2 Local

- ❖ 7/15 Cowlitz County Seasonal Burn Ban in effect
 - Scheduled to end September 30th
- ❖ City of Kelso adopted franchise ordinance for the District's electric system facilities located in the City rights-of-way
 - Franchise discussions continuing with Cowlitz County
 - District submitted request for renewal of existing franchise with Lewis County
- ❖ August 5th Primary election for local offices
 - 1 Kelso and 3 Longview City Council Positions are on the primary ballot



8.3 Federal



- ❖ Trump Administration formally withdraws federal government from 12/14 (2023) Resilient Columbia Basin Agreement and MOU with Six Sovereigns
 - Presidential Memorandum calls for identification of steps to recoup funds obligated to implement the 12/14 agreement
 - BuRec and the Corps withdraw Notice of Intent to prepare a CRSO Supplemental Environmental Impact Statement
- ❖ IRA Renewable Energy, Energy Efficiency and Electric Vehicle Tax Credits change as One Big Beautiful Bill (OBBB) signed by President.
 - 48E & 45Y Solar and wind facility tax credits are terminated except for projects that “begin construction” prior to 7/4/2026 and are placed in service by 12/31/2027
 - Hydro, nuclear and geothermal facilities remain eligible for tax credits through the original IRA timeline
 - Residential Energy Tax Credits for energy efficiency home improvements end 12/31/2026
 - Clean Vehicle Credits terminated for vehicles acquired after 9/30/2025, with refueling equipment credits terminated for property placed into service after 6/30/2026
- District joined fellow utilities and public power trade groups in submitting comments to the NW Power & Conservation Council regarding the 2014 (2020 Addendum) Columbia River Basin Fish and Wildlife Program amendment recommendations
 - Comments include opposition to recommendations for modeling the removal of the Lower Snake River Dams and proposals for broad spill operations changes not in line with the 2020 CRSO EIS.



8.4 Other

- ❖ Coalition of environmental groups including the NW Energy Coalition, Oregon Citizens' Utility Board, Sierra Club and others file suit in the federal 9th Circuit Court opposing BPA's decision to join Markets+ day-ahead electricity market
 - Claims BPA's decision does not comply with the NW Power Act, NEPA and the Administrative Procedure Act
 - Coalition says that joining Cal ISO's EDAM provides greater opportunities for BPA to realize greater efficiencies and reduce overall costs
 - Cowlitz PUD supports BPA's Record of Decision to join Markets+, including BPA's holistic analysis of the market options including the importance of independent governance of the market
- ❖ WPUDA testifies to Joint Leg. Audit & Review Committee regarding State Auditor's Performance Audit on Ensuring Climate-Resilient Infrastructure
 - Testimony counters Auditor's implication that project developers and/or utilities ignore environmental risks and climate considerations
 - Opposes adding vulnerability assessment requirement to development regulations as unnecessarily delaying the delivery of new critical electricity infrastructure
 - Expresses concerns over the missed opportunity to directly engage with electric utilities -- utilities would have highlighted the need to address transmission corridor right-of-way widths and other wildfire risks