

PUBLIC UTILITY DISTRICT NO. 1 OF COWLITZ COUNTY, WASHINGTON

MINUTES OF BOARD MEETING OF COMMISSIONERS

Wednesday, November 12, 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

Carolyn Reed, Customer Service Specialist

Chris Velat, Director of Power Management

Gary Huhta, General Manager

Heather Sorensen, Director of Customer Service & Compliance

Jen Langdon, Energy Efficiency Manager

Lance Larwick, Director of Engineering

Monica Petterson, Executive Assistant/Clerk of the Board

Richard Hughes, General Counsel

Stacey Ferrell, Customer Program Coordinator

Steve Taylor, Director of Regulatory & Regional Affairs

Tim Kalimanis, Director of Technology

Trent Martin, Director of Accounting/CFO

PUBLIC

None

GUEST

Annette Sinem, Ethnic Support Council

Mikie Steiner, Ethnic Support Council

Sally Hembree, Ethnic Support Council

Ted Light, Lighthouse Energy Consulting

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.

3. APPROVAL OF AGENDA

It was moved by Commissioner Dalgleish and seconded by Commissioner Pollock to approve the November 12, 2025 Board Agenda.

The motion carried 3 to 0.

4. APPROVAL OF BOARD MINUTES

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

The motion carried 3 to 0.

5. PUBLIC COMMENT ON AGENDA ITEMS AND OTHER DISTRICT BUSINESS

In honor of Veteran's Day, the Board acknowledged the District's employee Veterans and thanked them for their time, dedication, and service to our country.

Representatives of the Ethnic Support Council, Annette Sinem, Mikie Steiner, and Sally Hembree, attended today's meeting to present the District with the annual Community Partnership Award. They expressed appreciation for their partnership with District employees Stacey Ferrell and Jen Langdon.

6. MOTION TO RATIFY/APPROVE VOUCHERS/PAYROLL

Approval of Vouchers in the amount of \$2,520,908.89. The Board reviewed expenditures of the District as required by RCW 42.24.180 for which payments were issued between October 30, 2025 and November 6, 2025, under the provisions of Resolution No. 2762.

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

Heather Sorensen, in her role as Auditor for the District, reported the disbursements and payroll included in this report have been reviewed and approved in accordance with RCW 42.24.180. Invoices have been authorized by management, verified against supporting documentation, and pre-audited by designated staff for accuracy, proper coding, and compliance with the District's policies. Staff requests the Board approve the ratification of the vouchers and payroll as presented.

The motion carried 3 to 0.

7. NEW EMPLOYEE INTRODUCTION

Heather Sorensen introduced Customer Service Specialist Carolyn Reed.

8. GENERAL MANAGER REPORT

BPA Updates: General Manager Gary Huhta reported BPA recently informed its customers that they will be implementing a Power Financial Reserves Policy (FRP) surcharge for fiscal year 2026. The surcharge is a result of their reserves falling below their 60-day threshold. BPA is seeking to collect \$40 million from its customers to rebuild their reserves. The impact to the District will be approximately \$1.3 million and will be absorbed by our cash reserves.

Job Shadow Recap: Communication and Public Relations Manager Alice Dietz provided a recap of the District's Job Shadow Day held on November 5th at the PUD Operations Center. High school students from Cowlitz County received hands-on experience and a behind-the-scenes look at career paths the District has to offer. Students also participated in a Lunch and Learn with Lower Columbia College to learn about

local post-secondary options. Ms. Dietz thanked the PUD employees who participated in this event and made real-world learning experiences possible.

CEDC Annual Meeting: The CEDC annual meeting was held last week, and Kurt Miller of the Northwest Public Power Association was the guest speaker. Approximately 250 local business leaders in attendance heard Mr. Miller's insights regarding energy supply in the Pacific Northwest, and walked away with a better understanding of the challenges we face.

Rating Agencies Presentations: General Manager Huhta thanked Director of Accounting and CFO Trent Martin for his presentations today to the ratings agencies. They were well done and well received by the agencies, and we should receive results within two weeks.

Upcoming Board Workshop: A Board Workshop is currently scheduled for November 25th to discuss the latest information regarding the Operations campus remodel. Due to scheduling conflicts, we propose delaying the Workshop to December 9th. The Board is in agreement to move the Workshop to December 9th.

9. ACTION ITEMS

9.1. Motion to Approve Resolution No. 2830 – Authorizing the Execution of a Slice/Block Power Sales Agreement with the Bonneville Power Administration

It was moved by Commissioner Dalglish and seconded by Commissioner Pollock to approve Resolution No. 2830.

Director of Power Management Chris Velat explained District staff have negotiated the terms and conditions of the Slice/Block Power Sales Agreement with the Bonneville Power Administration following several years of participation in the Provider of Choice process. The Agreement will go into effect from October 1, 2028 through September 30, 2044. The Board recently approved Resolution No. 2827 authorizing the General Manager to complete all necessary steps with BPA to prepare a "signature-ready" Slice/Block Power Sales Agreement. Staff now recommends the Board approve the Slice/Block Agreement, and authorize the General Manager to execute and deliver the Slice/Block Agreement and Creditworthiness Agreement. In addition, the General Manager and/or his designees are authorized to take any and all actions necessary or appropriate to implement the Slice/Block Agreement and Creditworthiness Agreement.

The motion carried 3 to 0.

10. STAFF REPORTS AND PRESENTATIONS

10.1. Energy Efficiency Manager Jen Langdon and Ted Light of Lighthouse Energy Consulting presented results of the 2025 Conservation and Demand Response Potential Assessment. The Potential Assessment examines ways in which the District can achieve energy savings among various sectors, how much is possible, and cost-effective options.

10.2. Director of Regulatory and Regional Affairs Steve Taylor presented the draft 2026-2029 Interim Clean Energy Implementation Plan (CEIP). District staff developed the draft interim CEIP using the following elements: new targets for renewable and non-emitting energy to serve the District's retail load, updated amounts of identified conservation and potential demand response resources, and public input regarding clean energy. The draft interim CEIP is now available on the District's website for public review, and public comment will be received through December 9, 2025 when the final interim CEIP will be considered for adoption by the Board. Following Mr. Taylor's presentation,

Commissioner Quinn asked for public comment regarding the draft 2026-2029 Interim CEIP. There was no public comment.

11. EXECUTIVE SESSION

The Board convened into Executive Session at 3:45 p.m. pursuant to RCW 42.30.110(1)(g) for 60 minutes to review the performance of a public employee. At 4:45 p.m., the Presiding Officer announced a 20-minute extension of the Executive Session. The Executive Session concluded at 5:05 p.m. No action was taken following the Executive Session.

12. MOTION TO ADJOURN MEETING

It was moved by Commissioner Dalgleish and seconded by Commissioner Pollock to adjourn the Regular Board Meeting at 5:05 p.m.

The motion carried 3 to 0.

Attest:

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David F. Quinn

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President

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Bruce Pollock

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Secretary

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Duane Dalgleish

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Vice President

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Monica Petterson

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Prepared by Monica Petterson
Executive Assistant/Clerk of the Board