



**COWLITZ PUD BOARD OF COMMISSIONERS  
MEETING AGENDA  
January 27, 2026, 2:00 p.m.  
Cowlitz PUD Board Room & Microsoft Teams**

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

*The Cowlitz PUD Board of Commissioners meets on the 2<sup>nd</sup> and 4<sup>th</sup> Tuesday of every month, with the exception of holidays and other conflicts. Members of the public interested in participating via Microsoft Teams should contact Monica Petterson at [mpetterson@cowlitzpud.org](mailto:mpetterson@cowlitzpud.org) by 5:00 p.m. on Monday, January 26, 2026. To attend by phone, please call 1-323-484-8960 (Conference ID: 490 131 405#) at the time of the meeting. If you require reasonable accommodation while attending 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 January 13, 2026:  
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. 2/1/27 – D&O Insurance Renewal: Stacie Pederson
- 8.2 **Motion to Approve** Staff Recommendation No. 3/1/27 – Liability Insurance Renewal: Stacie Pederson
- 8.3 **Motion to Approve** Staff Recommendation No. 4/1/27 – Nine Canyon Wind Project Life Extension Offtake Letter of Intent: Trent Martin

9. Staff Reports and Presentations

9.1 December 2025 Operational Reports

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

10. **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.

11. **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, January 13, 2026**

**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

Chris Warren, Warehouse Helper

Chris Velat, Director of Power Management

Gary Huhta, General Manager

Heather Sorensen, Director of Customer Service & Compliance

Lance Larwick, Director of Engineering

Monica Petterson, Executive Assistant/Clerk of the Board

Richard Hughes, General Counsel

Steve Taylor, Director of Regulatory & Regional Affairs

Tami Ingalls, Purchasing Manager

Tim Kalimanis, Director of Technology

Trent Martin, Director of Accounting/CFO

**PUBLIC**

None

---

**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 January 13, 2026 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 December 9, 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 \$18,108,697.73. The Board reviewed expenditures of the District as required by RCW 42.24.180 for which payments were issued between December 11, 2025 and January 8, 2026, 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**

Tami Ingalls introduced Warehouse Helper Chris Warren.

## **8. GENERAL MANAGER REPORT**

**Snowpack Update:** General Manager Gary Huhta reported we are currently in a dry period, but rain is forecast to return next Wednesday along with below freezing temperatures. We hope this results in an increase in snowpack in the Cascades. The Lewis River Basin snowpack is currently at 52% of normal, and British Columbia snowpack is currently at 122% of normal. Columbia River runoff at the Dalles for the January through July period is at 99% of normal as of today.

**9 Canyon Wind Project:** We are evaluating an Energy Northwest (ENW) proposal to extend the life of the 9 Canyon Wind Project for another 10 years. The District currently owns a 2% share of this project and would likely get an additional small number of shares. We will present a staff recommendation at the next Board meeting regarding our intent to move forward with the extension.

**Bond Refunding Update:** Director of Accounting and CFO Trent Martin reported the refunding closed on December 23<sup>rd</sup> and the bond sale occurred on December 9<sup>th</sup>. Our Moody's rating upgrade helped in lowering rates and improving savings. We will benefit from \$3.5 million in gross savings over the next 10 years. The net present value savings is \$2.5 million, which is well above the bond resolution thresholds. Closing went smoothly and bonds have been called.

**Upcoming Board Workshop:** A Board workshop will be held the morning of January 27<sup>th</sup> to discuss the Swift No. 2 generator breaker project, as well as the draft SWOT analysis that will be used in preparation for Strategic Planning.

**9. ACTION ITEMS**

**9.1. Motion to Approve Staff Recommendation No. 1/1/13 – Acceptance of Public Right-of-Way Franchise Agreement with Lewis County**

It was moved by Commissioner Dalglish and seconded by Commissioner Pollock to approve Staff Recommendation No. 1/1/13.

Director of Regulatory and Regional Affairs Steve Taylor reported the Board last approved the Franchise Agreement with Lewis County in August 2020. The Agreement expired in August 2025, and the District requested a renewal. The Agreement will allow the District to continue utilizing facilities in the County’s right-of-way to serve five District customers on Bones Road. The Agreement also includes access to Canady Road. Though the District does not currently serve customers along this road, the Agreement authorizes the District to place facilities in this area if needed. Staff recommends the Board approve the renewal of a 5-year Franchise Agreement with Lewis County, Washington.

Commissioner Quinn abstained from the vote. The motion carried 2 to 0.

**10. EXECUTIVE SESSION**

No Executive Session needed.

**11. MOTION TO ADJOURN MEETING**

It was moved by Commissioner Dalglish and seconded by Commissioner Pollock to adjourn the Regular Board Meeting at 3:04 p.m.

The motion carried 3 to 0.

Attest:

\_\_\_\_\_

President

\_\_\_\_\_

Secretary

\_\_\_\_\_

Vice President

\_\_\_\_\_

Prepared by Monica Petterson  
Executive Assistant/Clerk of the Board

Date: January 21, 2026

**Staff Recommendation No.: 2/1/27**

To: Board of Commissioners  
Gary Huhta, General Manager

From: Stacie Pederson, Risk Compliance Manager

Subject: **2026 Directors and Officers Renewal Recommendation**

---

The District's Directors and Officers (D&O) liability insurance coverage is due for renewal, effective February 1, 2026. The following coverage is provided under this policy:

- Directors and Officers – coverage for all District employees against losses that may result from alleged errors in judgment, breaches of duty or wrongful acts in the course of their work for your organization.
- Employment Practices Liability- protects the District for claims resulting from wrongful termination, discrimination, sexual harassment, wrongful discipline and failure to employ or promote.
- Fiduciary Liability – coverage for liability imposed upon Fiduciaries of employee benefit plans as defined by Employee Retirement Income Security Act of 1974 (ERISA).

### **2026 D&O Renewal Summary**

We, along with our brokers, have reviewed the current levels of coverage and have found they are appropriate to address the District's risk in the areas of D&O and Fiduciary liability. We have also found that the deductible amount is balanced to keep our premium at a reasonable level. The District has bound its D&O program with AEGIS beginning in 2024 due to their favorable underwriting and competitive premium and level of coverage compared to other markets. AEGIS offered a flat renewal this year with no change in coverage. Another benefit to continuing coverage with AEGIS is they offer a Continuity Credit where reserves from the previous period are divided among their insureds. This year is our first year of eligibility for this credit and we will receive a credit of \$1,351 within the coming months.

### **Historical Coverage**

<b>Year</b>	<b>Coverage</b>	<b>Deductible</b>	<b>Premium</b>
2022	10,000,000	250,000	\$203,504
2023	10,000,000	250,000	\$195,486
2024	10,000,000	200,000	\$150,000
2025	10,000,000	200,000	\$150,000
<b>2026</b>	<b>10,000,000</b>	<b>200,000</b>	<b>\$150,000</b>

The Fiduciary Liability coverage of this policy is limited to \$5M and has a separate, lower deductible of \$5,000 per claim, which is in line with the past several years.

### **Renewal Recommendation**

I recommend the Board approve binding coverage for the 2026 D&O program with AEGIS at the quoted price of \$153,450, including taxes and fees.

Respectfully,



Stacie Pederson  
Manager Risk Compliance

Coverage	Limit	Retention
Directors and Officers	\$10,000,000	\$200,000
<b>Aggregate Limit</b>	<b>\$10,000,000</b>	

Additional Coverages	Limit
Sublimit for Investigate Expense	\$250,000

Terms and Conditions	
Pending or Prior Proceedings Dates	February 1, 2015

Endorsements, Limitations, Warranties and Exclusions Include but are not Limited to the Following:	
6583 (10/2010)	Member With Voting Rights Endorsement
6853 (01/2015)	Ofac Exclusion
6639 (06/2018)	Terrorism Endorsement
6929 (07/2025)	Insuring Agreement (C) Amended (Broad Entity Coverage)
DO001 (05/2020)	Coverage Section Added (Employment And Third-Party Claims With Entity)
6500 (10/2010)	Coverage Section Added (Fiduciary Liability With Shared Limit)
6522 (09/2015)	Crisis Fund Endorsement
6500 (10/2010)	Limits Of Liability Amended (Additional Limit Side A)
6847 (01/2015)	Outside Organization Coverage Amended (Blanket For-Profit And Not-For-Profit With Exceptions)
6892 (05/2019)	Definition (B) Claim Amended (Mediation Or Adr Proceeding)
6859 (03/2020)	Definition (I) Indemnity Amended (Fines And Penalties Most Favorable Venue)
6908 (03/2020)	Definition (P) Notice Of Circumstances Amended (Available Particulars)

6875 (07/2015)	Representations And Severability Amended (Fully Severable And Non-Rescindable)
6854 (07/2015)	Condition (A) Advancement Of Defense Costs And Investigative Expense Amended (Omit Written Undertaking)
6834 (08/2019)	Condition (C) Acquisition, Merger And Dissolution Amended (Change Consideration Threshold)
6843 (11/2014)	Condition (M) Cancellation Amended (Pro Rata Cancellation)
6878 (10/2015)	Condition (T) Allocation Amended (Best Efforts)
6696 (02/2014)	Amended Severability Endorsement (Full Severability For All Insureds)
6505 (03/2012)	Service Of Suit (Washington Amendatory Endorsement)

### **Coverage Descriptions:**

Directors and Officers - coverage for the directors and officers of your company against losses that may result from alleged errors in judgment, breaches of duty or wrongful acts in the course of their work for your organization.

Employment Practices Liability- protects the corporation for claims resulting from wrongful termination, discrimination, sexual harassment, wrongful discipline and failure to employ or promote.

Fiduciary Liability – coverage for liability imposed upon Fiduciaries of employee benefit plans as defined by Employee Retirement Income Security Act of 1974 (ERISA)

### PREMIUM

Policy Premium	\$150,000.00
WA Surplus Lines Taxes (2.00%)	\$3,000.00
WA Surplus Lines Fee (0.30%)	\$450.000
<b>Total</b>	<b>\$153,450.00</b>

Date: January 22, 2026

**Staff Recommendation No.: 3/1/27**

To: Board of Commissioners  
General Manager, Gary Huhta

From: Stacie Pederson, Manager Risk Compliance

Subject: **2026 Liability Insurance Renewal Recommendation**

---

The District's liability insurance coverage is due for renewal, effective February 1, 2026. This policy covers bodily injury and property damage, mobile equipment, autos, drones, employee dishonesty, pollution, electromagnetic field liability, weatherization and shoreline work.

There continues to be no competition to the liability coverage offered by Federated Rural Electric Insurance Exchange, both pricing and customized coverage for the District's line of business. Federated was founded by electric cooperatives in 1957, its Board Officers are comprised of individuals with an electric-utility background, and it only insures electric utilities. Additionally, Federated offers an equity account and continued profit sharing for its members. Equity Cash Payments issued to the District since 1999 total \$388,628, which has helped to offset our premiums. Our Equity Account currently has a balance of \$442,521 and total equity payment of \$14,514 is included as a credit to the current renewal.

### **Insurance Market Conditions**

The liability insurance market remains hard, attributed to social inflation and our high-risk business classification. After the extreme challenge last year of accessing wildfire coverage, this year we have an advantage as we now have relationships with markets that have the capacity to underwrite wildfire; however, it still comes at a cost.

### **Renewal Summary**

The replacement of vehicles and purchase of heavy equipment brought our total insured value (TIV) to \$7.6M from \$7.1M, a 6.6% increase. Federated has quoted our primary coverage at \$467,872, which includes a \$20M umbrella, current sub limits and no wildfire exclusions. The premium increase for this base layer of liability is \$75,194 (+19.5%) and is attributed to the growth in TIV, increased replacement values and a minor rate increase.

Wildfire coverage continues to be obtainable in excess markets; however, it is a very hard market. We were able to fill \$15M in excess liability that includes wildfire coverage, for a total of \$35M of coverage that includes wildfire, which is the same as expiring and that comes with a combined premium of \$408,150, about a 7% increase from last year.

We were able to fill the remaining \$15M in excess liability, excluding wildfire. This brings our total liability coverage to \$50M, the same as expiring. With the assistance of our brokers, staff have reviewed the current levels of coverage and have found they are appropriate to address the District's liability risk and are comparable with similar utilities. We have also found that the deductible amount of \$1,000 auto/\$10,000 other is reasonable.

Layers	Total Coverage	Premium	Exclusions	Premium Change
Federated Primary + \$20M	\$20M	\$467,872	No wildfire exclusion	+ 19.2%
Layer 1 - \$5M (xs \$20M)	\$25M	\$154,943	No wildfire exclusion	+ 7.15%
Layer 2 - \$5M (xs \$25M)	\$30M	\$140,483	No wildfire exclusion	
Layer 3 - \$5M (xs \$30M)	\$35M	\$112,724	No wildfire exclusion	
Layer 4 - \$15M (xs \$35M)	\$50M	?	Wildfire exclusion	

**Historical Coverage**

YEAR	PREMIUM	FEES	NOTES
2022	\$372,650	\$46,800	Hard Market
2023	\$435,134	\$44,800	Add'l \$5M Coverage
2024	\$508,544	\$45,000	Wildfire Losses/Inflation
2025	\$910,932	\$45,000	Extremely Hard WF Market
<b>2026</b>	<b>?</b>	<b>\$45,000</b>	<b>Hard WF Market</b>

It is my recommendation that the Board approves renewal of the liability policy with Federated Rural Electric Insurance Exchange and the excess layers listed above for a total of not to exceed \$1,017,333, including broker fees and Federated cash equity payment.

Respectfully,



Stacie Pederson  
 Manager Risk Compliance

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

From: Trent Martin, Director of Accounting and Finance

Re: Nine Canyon Wind Project Life Extension Offtake Letter of Intent

Date: January 27, 2026

The Nine Canyon Wind Project, owned and operated by Energy Northwest (ENW), is located in southeast Kennewick, Washington. The Project was constructed in 3 phases between 2002 and 2007 and includes 63 wind turbines with a maximum generating potential of 96 megawatts of electricity as follows:

- Phase 1: 37 Siemens 1.3 MW turbines, with a generating capacity of 48 MW
- Phase 2: 12 Siemens 1.3 MW turbines, with a generating capacity of 16 MW
- Phase 3: 14 Siemens 2.3 MW turbines, with a generating capacity of 32 MW

ENW is exploring refurbishment of the existing turbines (overhaul) through a Life Extension Project (LEP), which would allow the Project to continue operations and power production for a minimum of 10 years after completion of the upgrades. The LEP will require upfront funding with recovery via production tax credits over ten years.

The LEP would result in a Third Amendment and Restated Power Purchase Agreement (PPA), the specific terms, structure, timelines and financing of which are yet to be determined (the existing contract ends in 2030). Currently, the District is contracted for 4.16% of Phase 1 (2.19% of the full Project).

With the LEP, ENW is requesting current participants that are interested in continuing with the Project, to sign a Letter of Intent (LOI) indicating the desired level of participation. It is believed there will be sufficient interest for the full project output. Based on the responses, continuing participants will be offered an allocated capacity share.

The purpose of the LOI is to serve as a basis for further discussions and negotiations between ENW and the District regarding the LEP but does not commit the District to entering into a new PPA. However, signing the LOI would commit the District to funding pre-development costs that would be non-refundable if the District ultimately decides not to proceed with the LEP or the LEP is canceled.

Based on the information provided to date, Staff believes the LEP would benefit the District by securing a Washington State carbon compliant resource at favorable pricing. In addition, the Project requires minimal staff time. As such, Staff is requesting the Board to authorize the General Manager or designee to sign and deliver to ENW the LOI by February 6, 2026 indicating up to 100% participation in the Project phases, subject to further discussion with ENW staff. Given the expected level of interest, indicating 100% participation will not result in a 100% allocated capacity share. Currently, there are 10 participants and we expect most will be interested in continuing participation.

Any decision regarding a PPA would come before the Board at a later date.

# 1. Power Management

## 1.1 District Load Summary (TRL)

### 1.1.1 Non-Industrial Load

### 1.1.2 Major Industrial Load

## 1.2 Heating Degree Days

## 1.3 Precipitation & Temperature

## 1.4 Runoff Forecast

## 1.5 Regional Snowpack and ENSO Condition Update

## 1.6 Resource Performance

### 1.6.1 BPA Power

### 1.6.2 Swift No.2

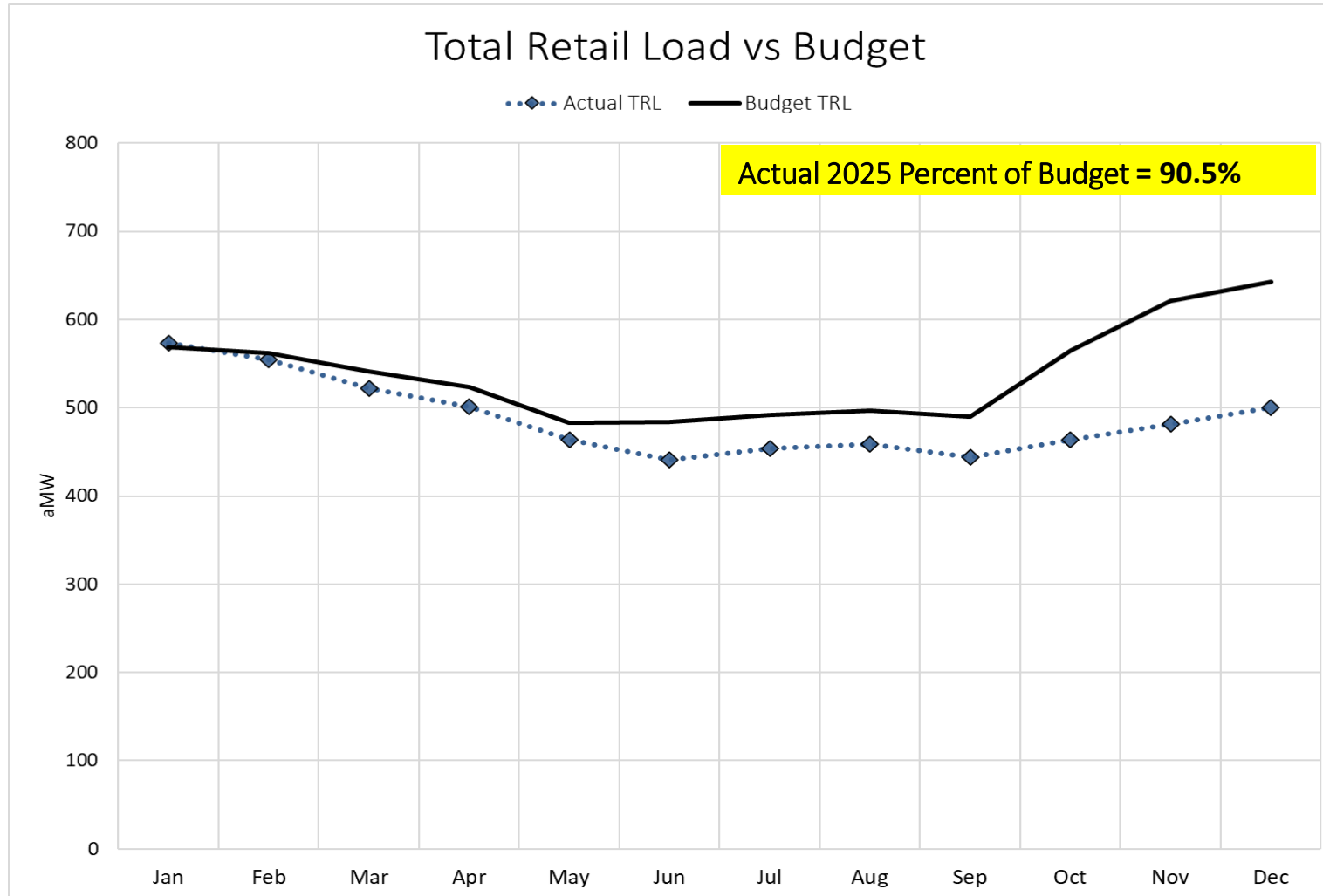
### 1.6.3 Wind (White Creek and Harvest Wind)

## 1.7 Wholesale Market Prices (Power & Natural Gas)

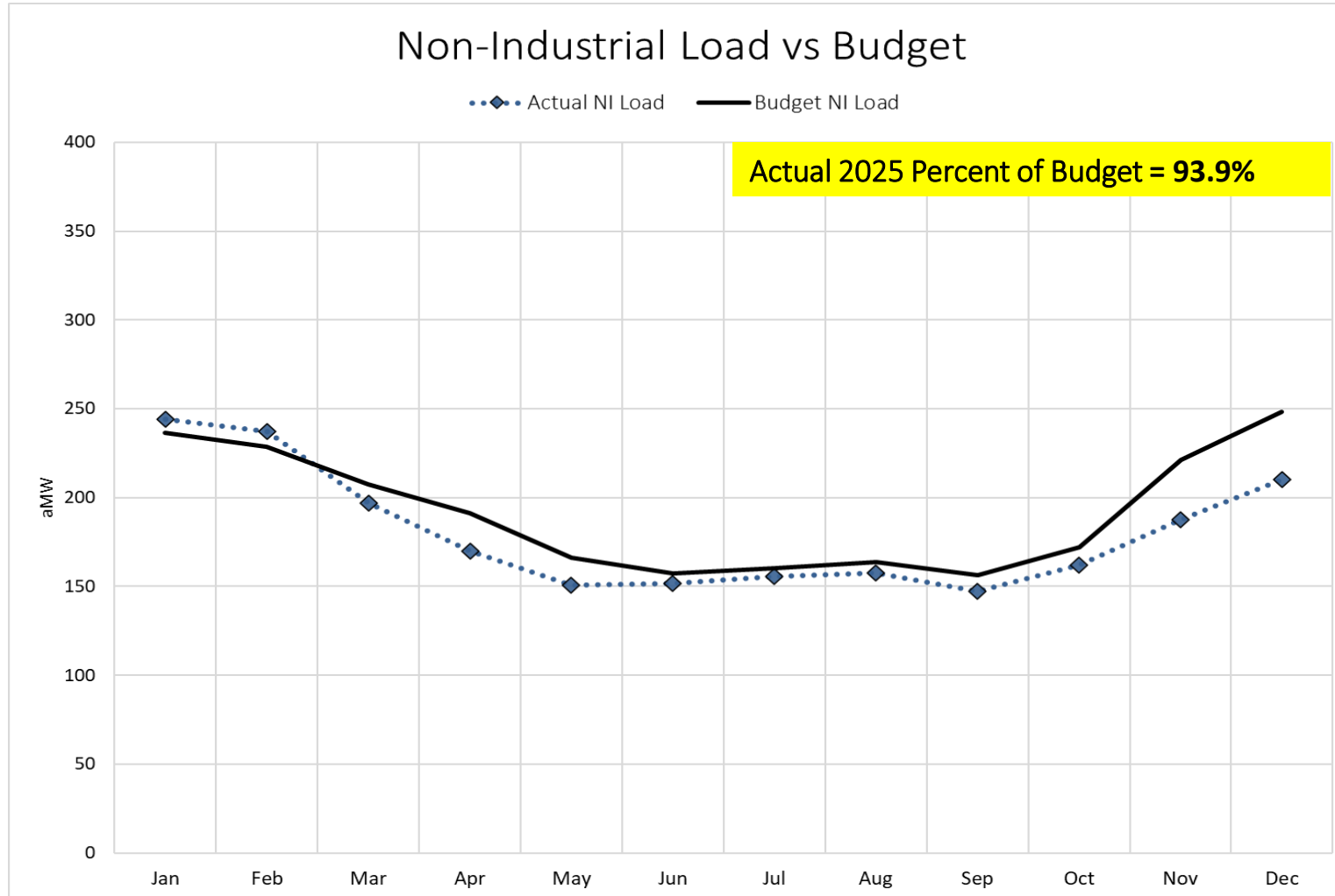
## 1.8 Net Secondary Sales Revenue

## 1.9 Net Power Cost – Non-Schedule 50

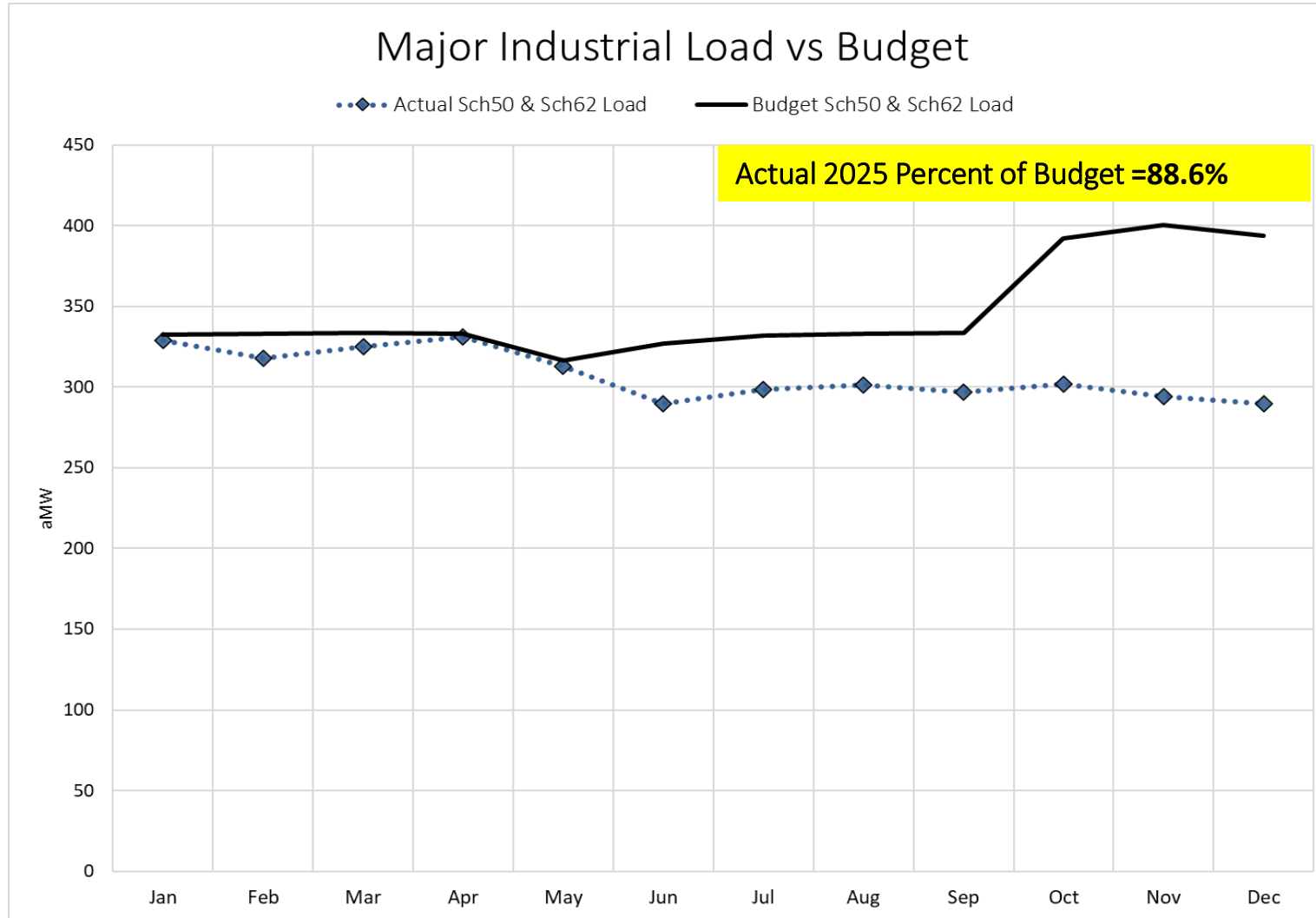
# 1.1 District Load Summary (Total Retail Load )



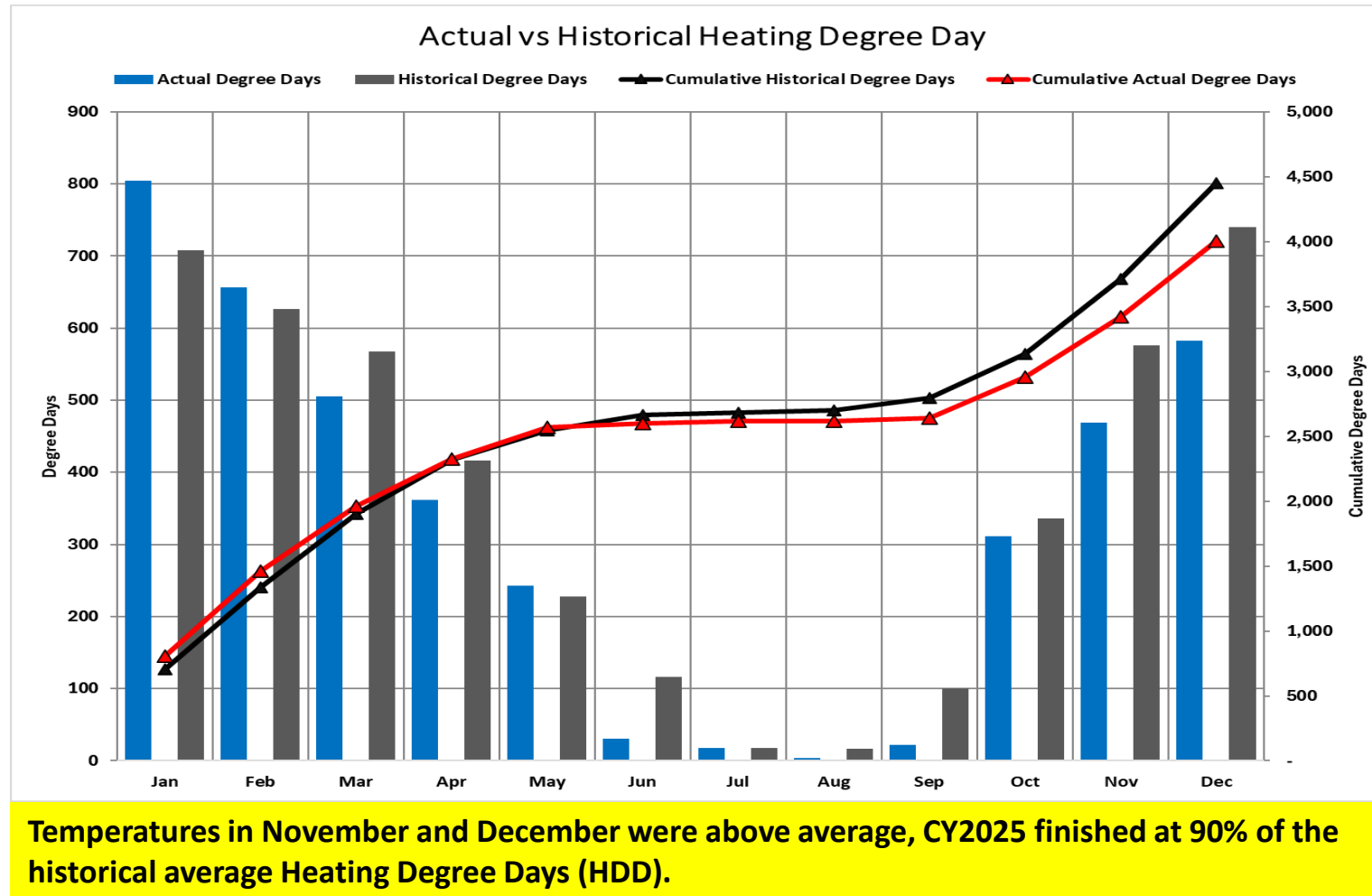
# 1.1.1 Non-Industrial Load Summary



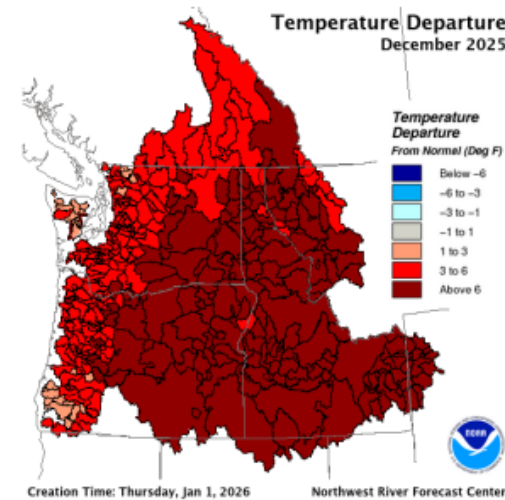
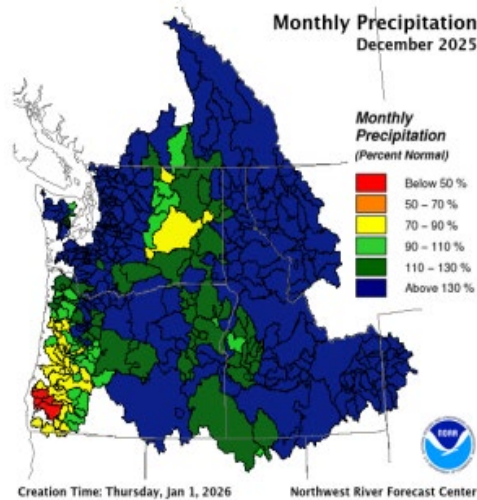
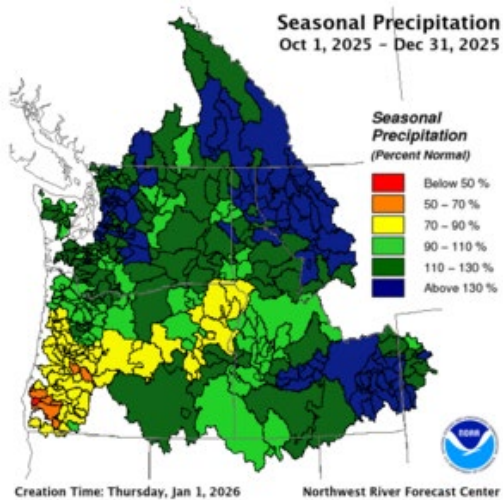
# 1.1.2 Major Industrial Load Summary



## 1.2 Heating Degree Days



# 1.3 Precipitation & Temperature

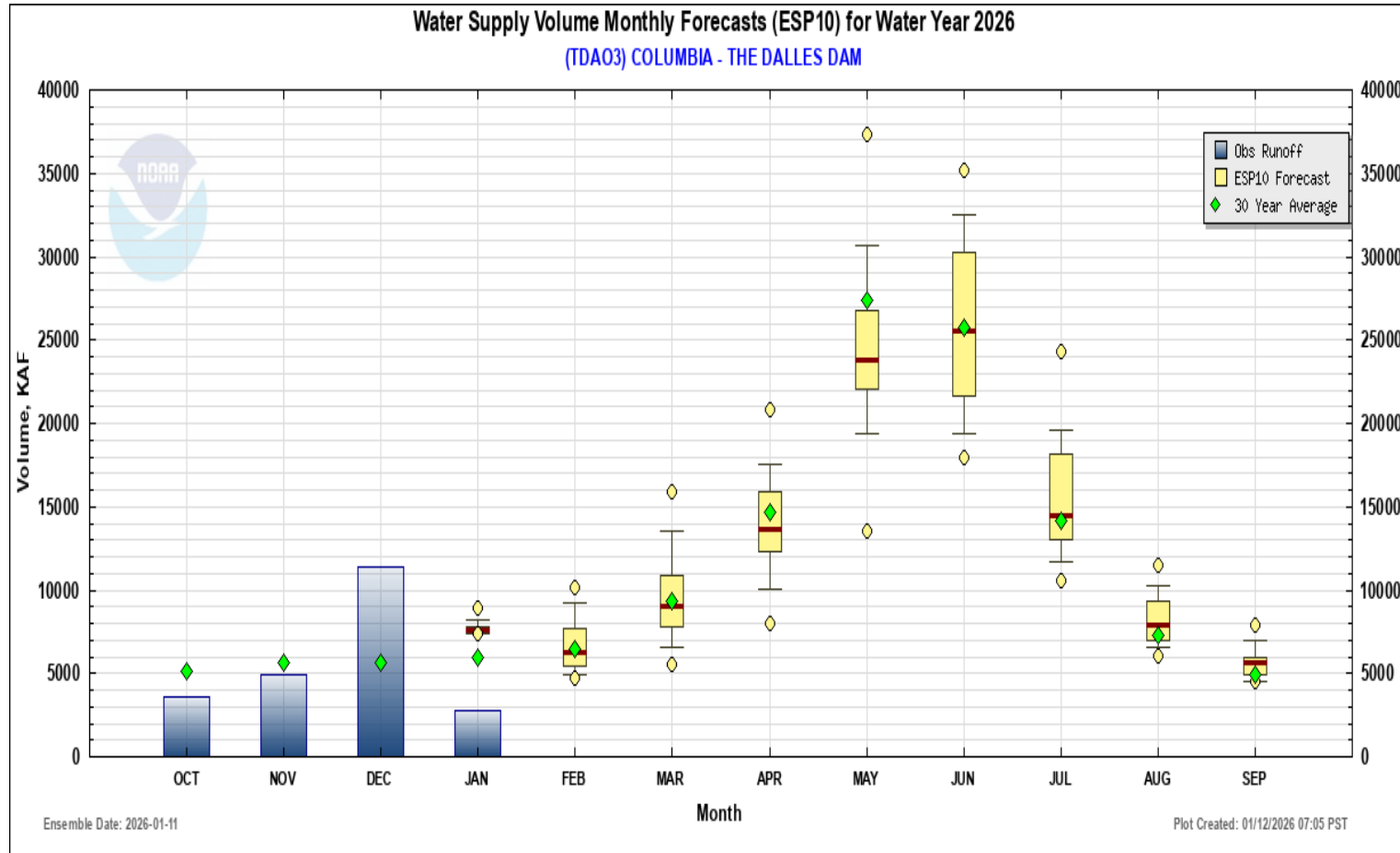


Seasonal precipitation from October 2025 through December 2025 was predominately above average for most of the region with small sections in the southwest being below average.

Monthly precipitation was generally above average for the majority of the PNW. This was due to numerous back-to-back atmospheric river systems tracking through the region. The precipitation in December ranked 9<sup>th</sup> highest going back to 1895.

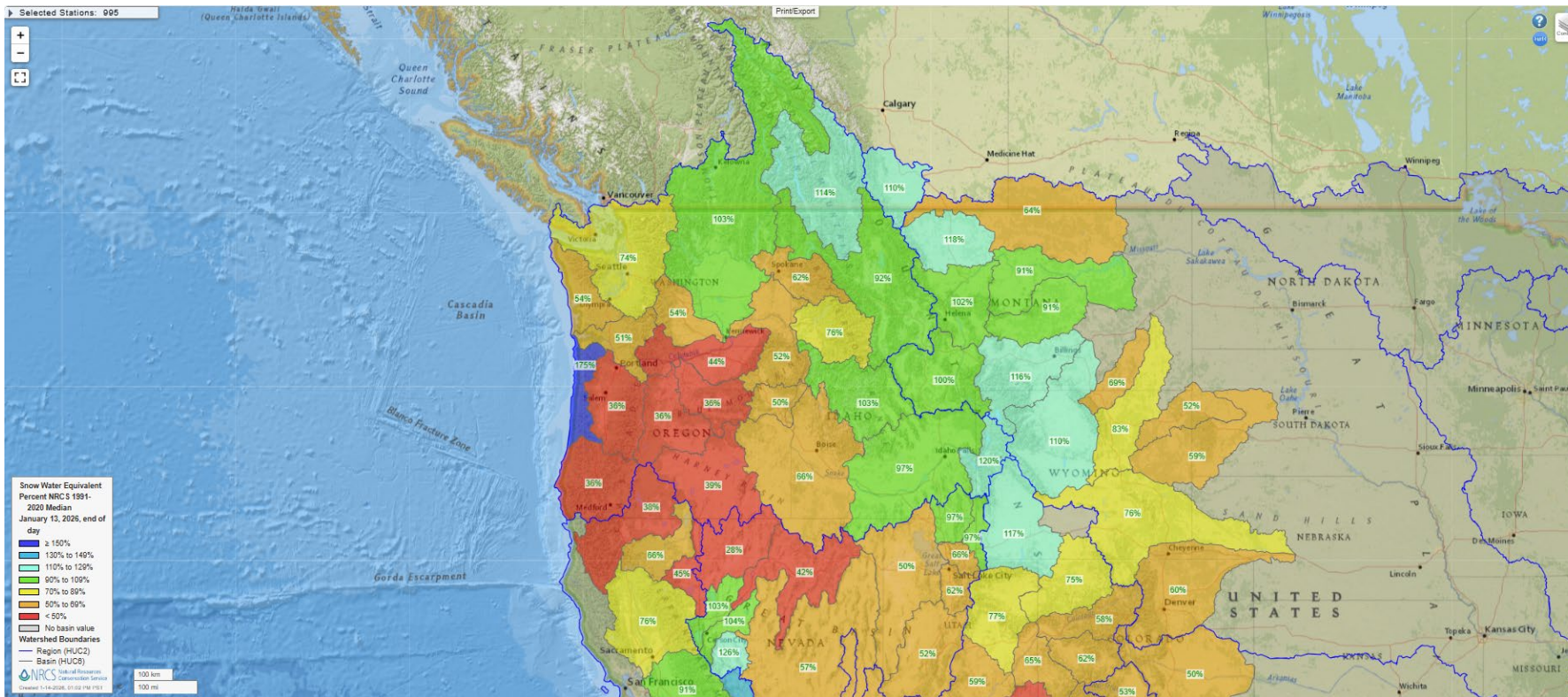
December temperatures were well above average for the entire region, resulting in below average snowpack build for the southern PNW region. The December average temperature for the PNW was the highest on record going back to 1895.

# 1.4 Runoff Forecast



**December's water supply finished at 202% of average. January is forecasted to finish at 126% of average. WY2026 is off to a slightly below average year but drastically improved in December.**

# 1.5 Regional Snowpack and ENSO Condition Update



Most of the region experienced significantly above-average precipitation, with several areas even setting new records. However, snowpack growth was limited, occurring primarily in the northeastern portion of the region. Encouragingly, these increases were concentrated in basins that are critical to supplying the Columbia River. This trend is expected to have a meaningful positive effect on overall generation output across the Columbia River system.

## 1.6 Resource Performance

BPA Federal System Power



Swift No. 2



Harvest & White Creek Wind



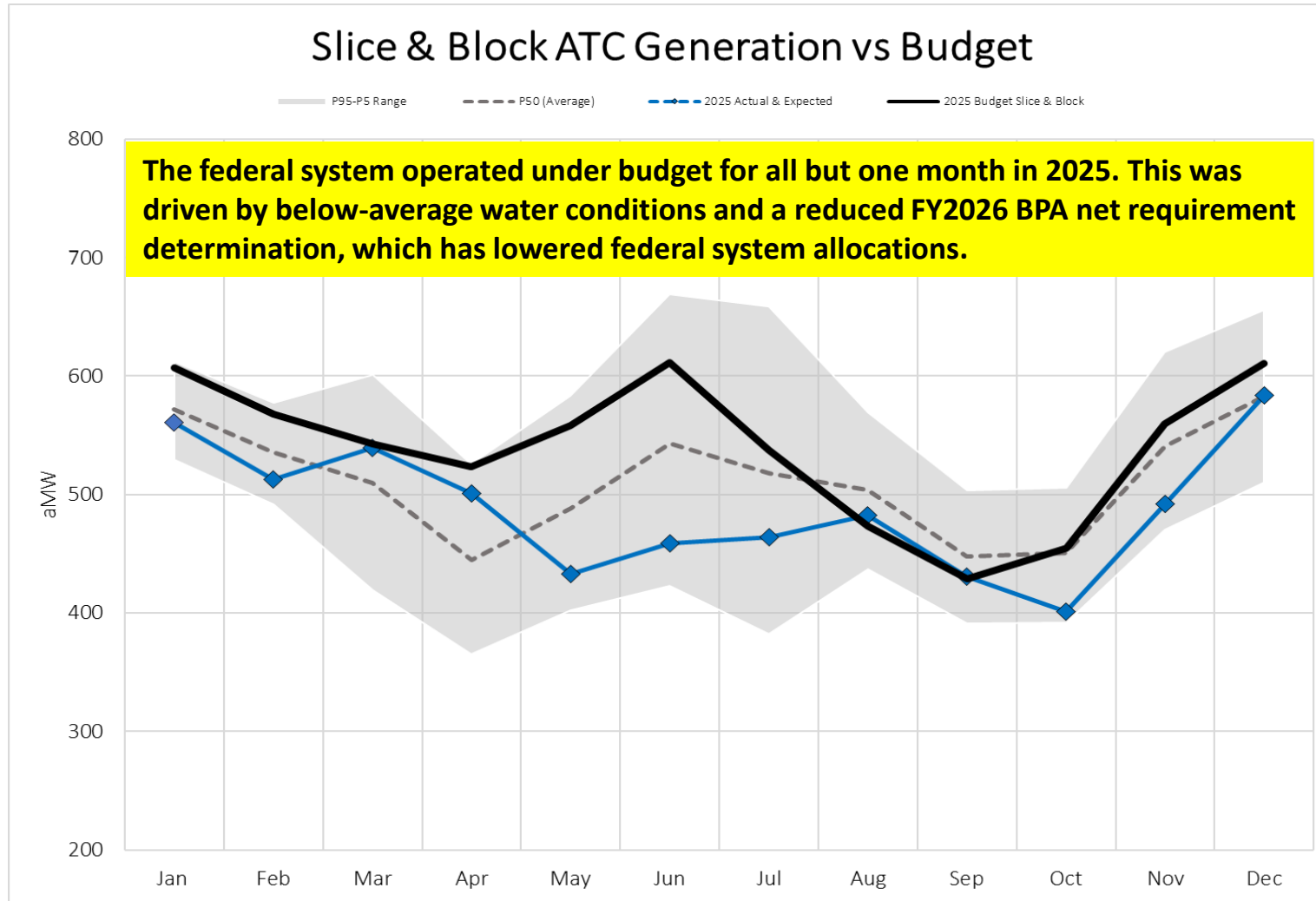
### Annual Resource Projections vs Budget

The BPA Federal System finished at 90% of the budgeted expected generation. No change from the previous report.

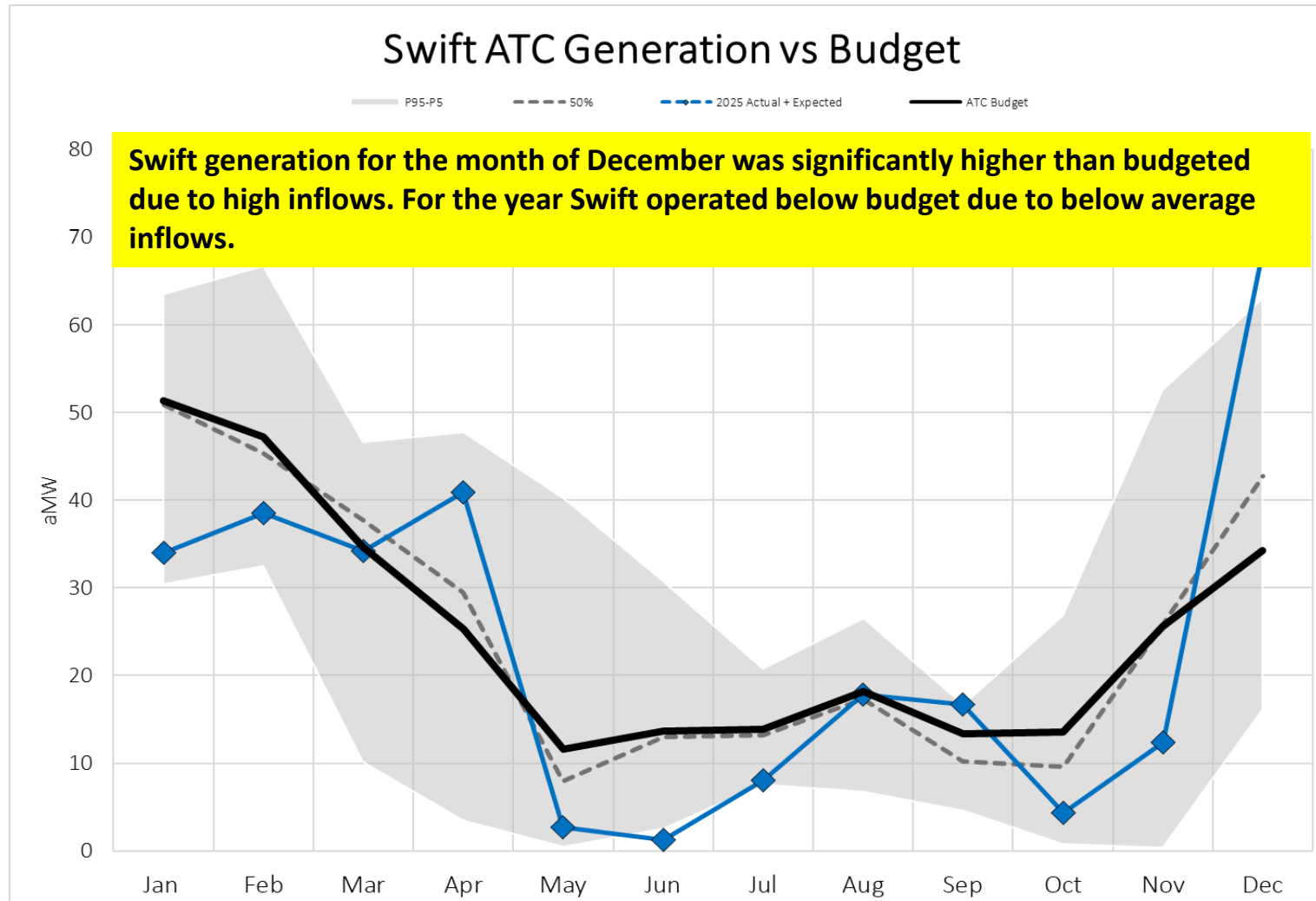
Swift No. 2 produced 92% of the budgeted expected generation. Up 10% from the previous report.

HW & WCW produced 114% of the budgeted expected generation. Up 3% from the previous report.

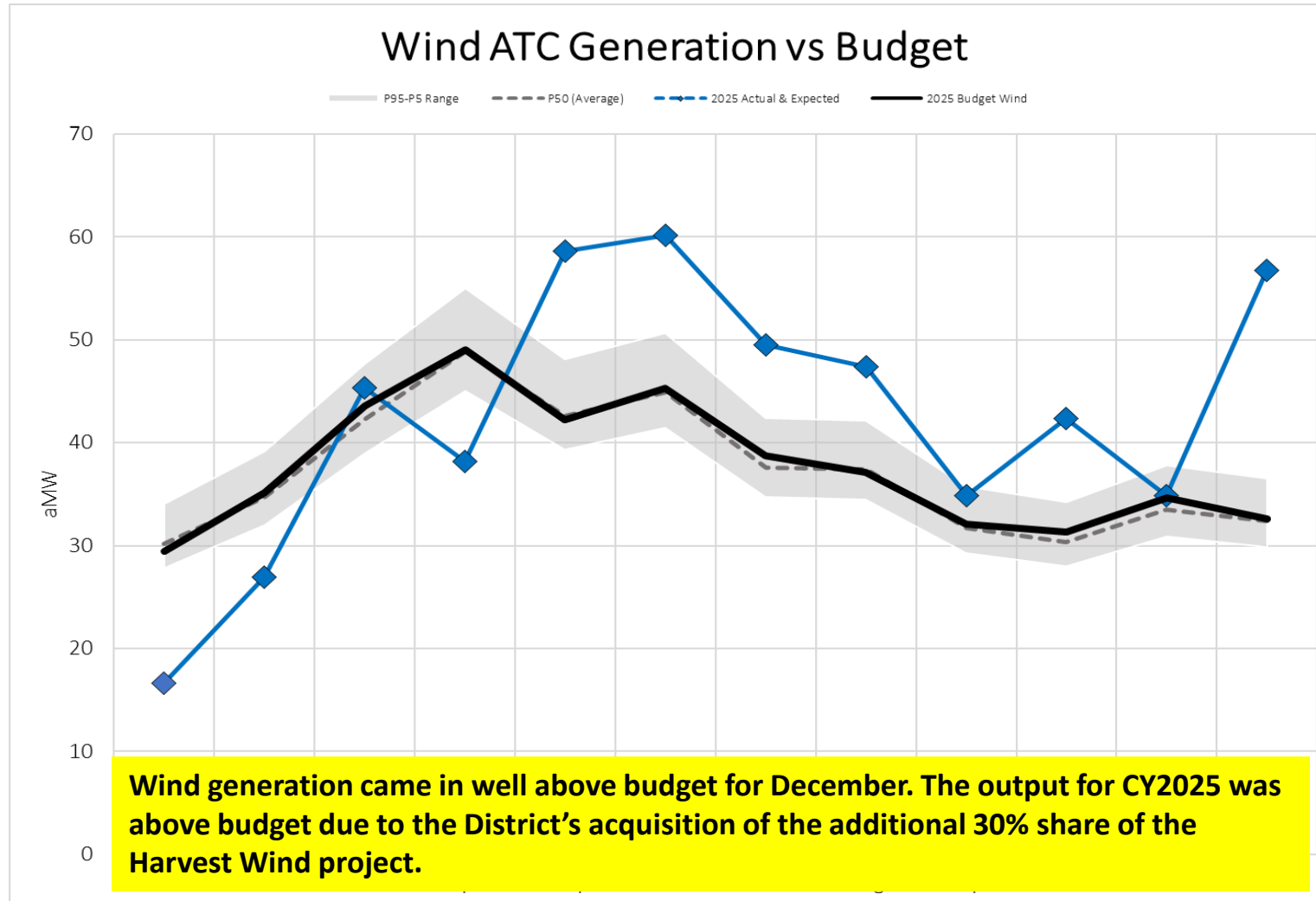
## 1.6.1 BPA Power



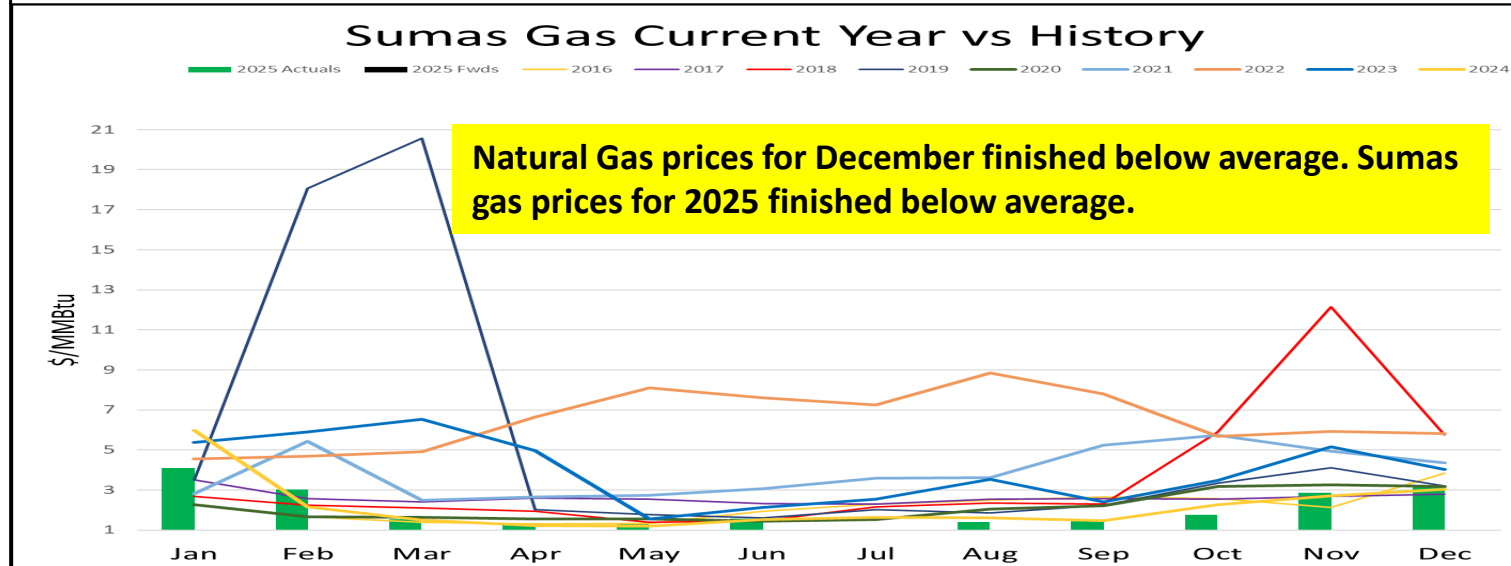
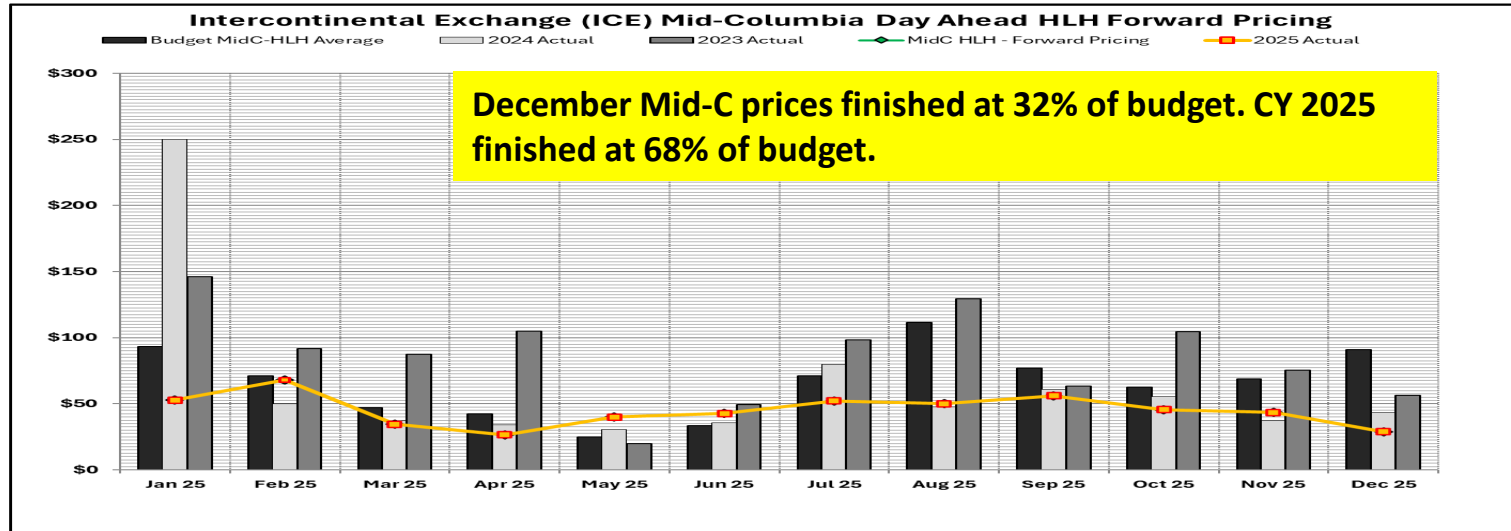
## 1.6.2 Swift No. 2 Generation



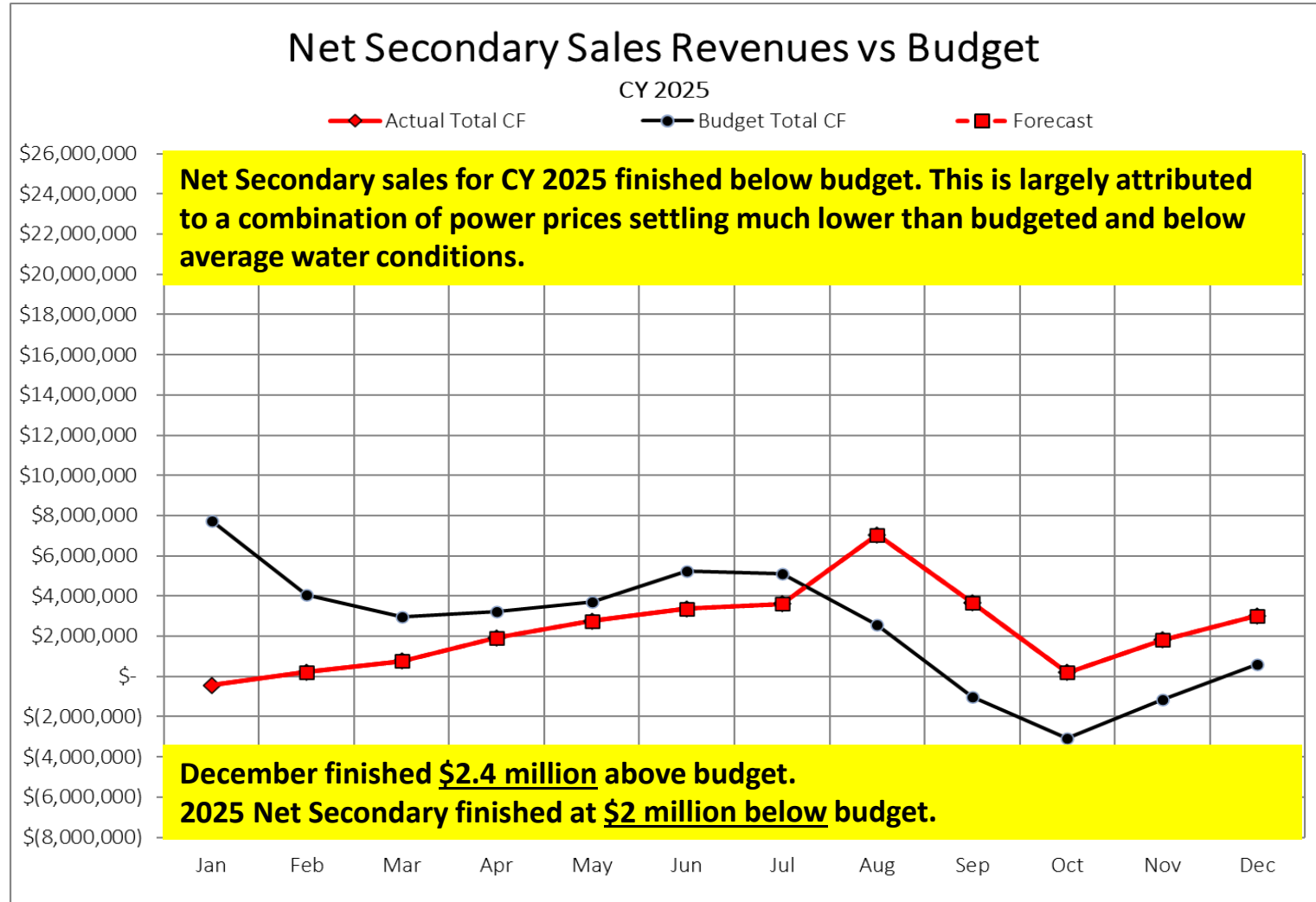
## 1.6.3 Wind (WC & HW)



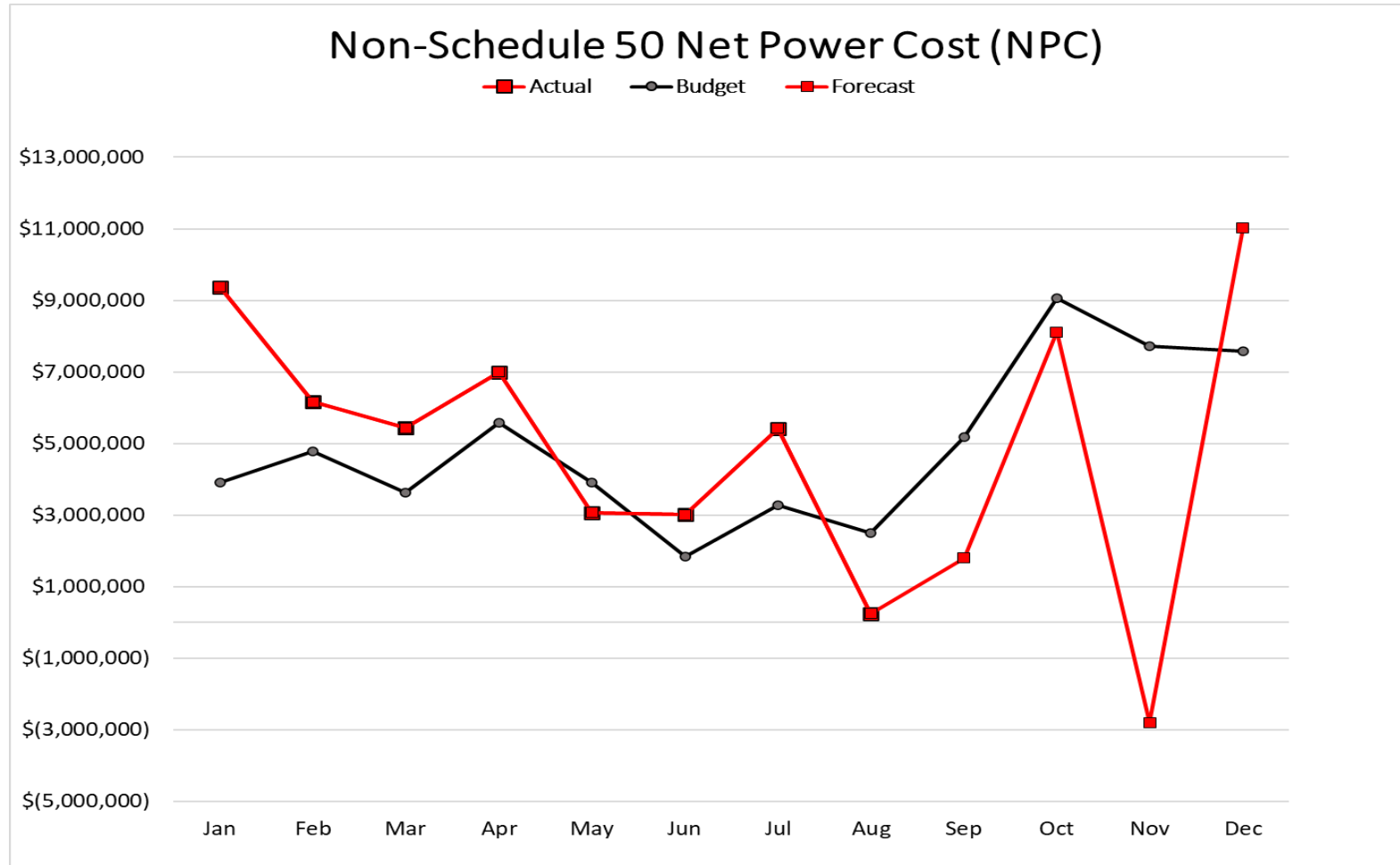
# 1.7 Wholesale Power Market Prices



# 1.8 Net Secondary Sales Revenue



# 1.9 Net Power Cost – Non-Schedule 50



**December actual Non-Sch50 NPC was \$3.4 million above budget. Annual Non-Schedule 50 NPC budget was \$58.9 million; actuals finished at \$57.8 million.**

# 2. Accounting and Finance

2.1 Preliminary Year-End Income Statement

2.2 Year-End Cash Projection

2.3 Electric System Debt Service

2.4 Production System Debt Service

# 2.1 - Preliminary Year-End Income Statement

	YTD Actual	Budget	Var \$	Var %	
<b>Revenues</b>					
Non-MI	\$ 132,134,076	\$ 128,822,465	\$ 3,311,611	2.57%	October 2024 & 2025 Rate Increases & Lower Loads
Major Industrial	130,489,022	146,652,648	(16,163,626)	-11.02%	Lower Loads & Actual Costs
Other	8,763,393	5,500,000	3,263,393	59.33%	Mostly Higher Investment Earnings
	<u>271,386,491</u>	<u>280,975,113</u>	<u>(9,588,622)</u>	-3.41%	
<b>Expenses</b>					
Power Supply	179,919,323	197,064,258	(17,144,935)	-8.70%	See Below
Other Operating	44,328,961	43,876,271	452,690	1.03%	Mostly Expense vs Capital Decisions
Taxes	15,134,070	15,906,821	(772,751)	-4.86%	
Depreciation	11,840,505	13,500,000	(1,659,495)	-12.29%	
Interest	2,169,751	2,362,271	(192,520)	-8.15%	
	<u>253,392,610</u>	<u>272,709,622</u>	<u>(19,317,012)</u>	-7.08%	
<b>Margin</b>	<u>\$ 17,993,881</u>	<u>\$ 8,265,491</u>	<u>\$ 9,728,390</u>	117.70%	
<b>Prior Year</b>	\$ 13,001,466				

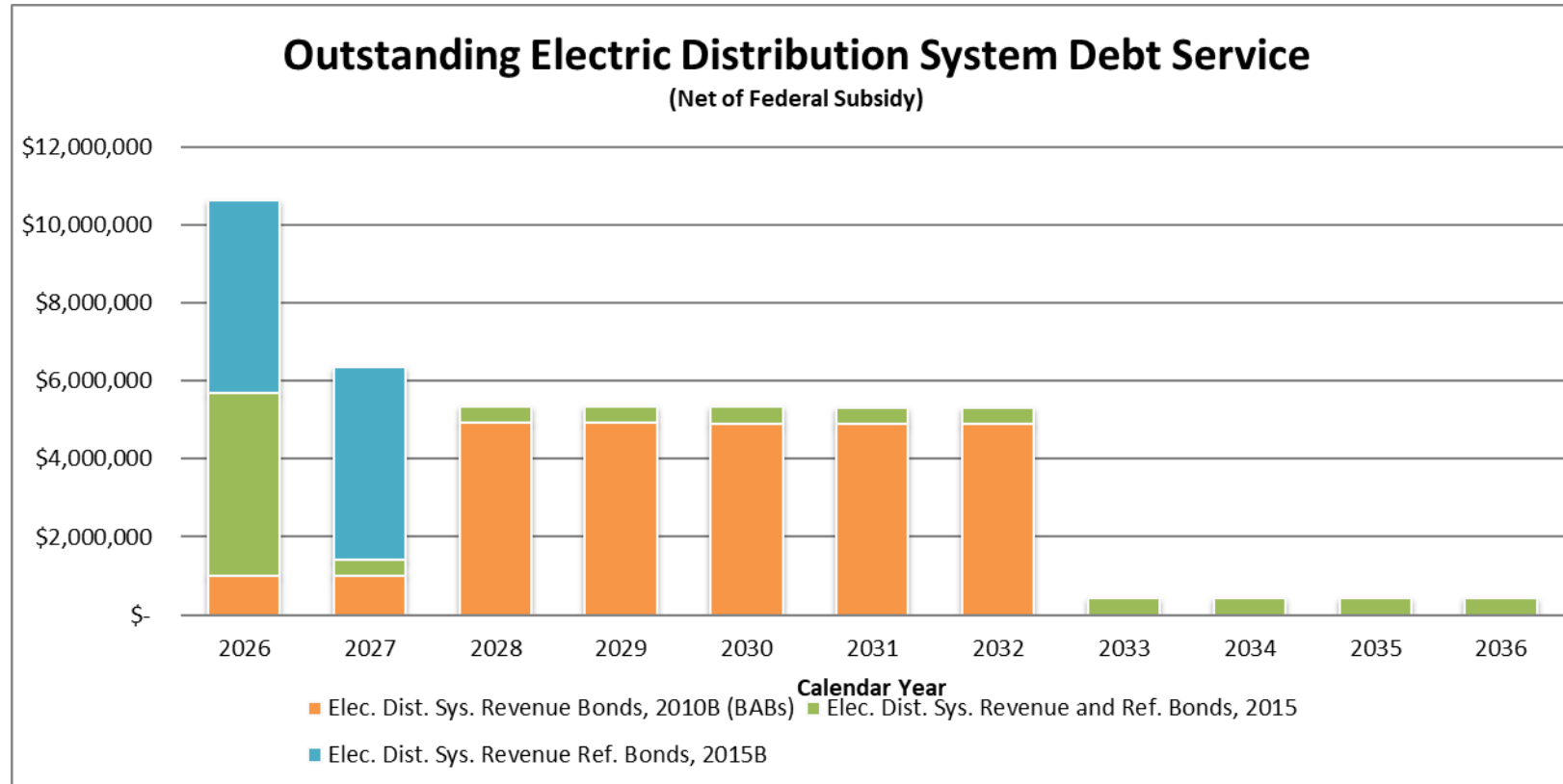
**Power Supply is impacted by many factors including lower MI load than budgeted beginning October 2025, lower October 2025 BPA rate increases than budgeted, unbudgeted Slice true-up credit, higher Harvest Wind costs with 30% acquisition (revenue offset), White Creek under budget and lower generation with softer prices**

## 2.2 - Year-End Cash Projection - Electric System

Margin	\$ 17,993,881
Non-Cash Items	16,160,505
Capital	(30,915,528)
Principal Debt	<u>(13,096,538)</u>
<b>Projected Cash Deficit</b>	<b>(9,857,680)</b>
Unrestricted Cash, beginning of year	<u>145,323,050</u>
Unrestricted Cash, end of year	<u><u>\$ 135,465,370</u></u>
<b>Budgeted Deficit</b>	<b><u><u>\$ (17,926,575)</u></u></b>

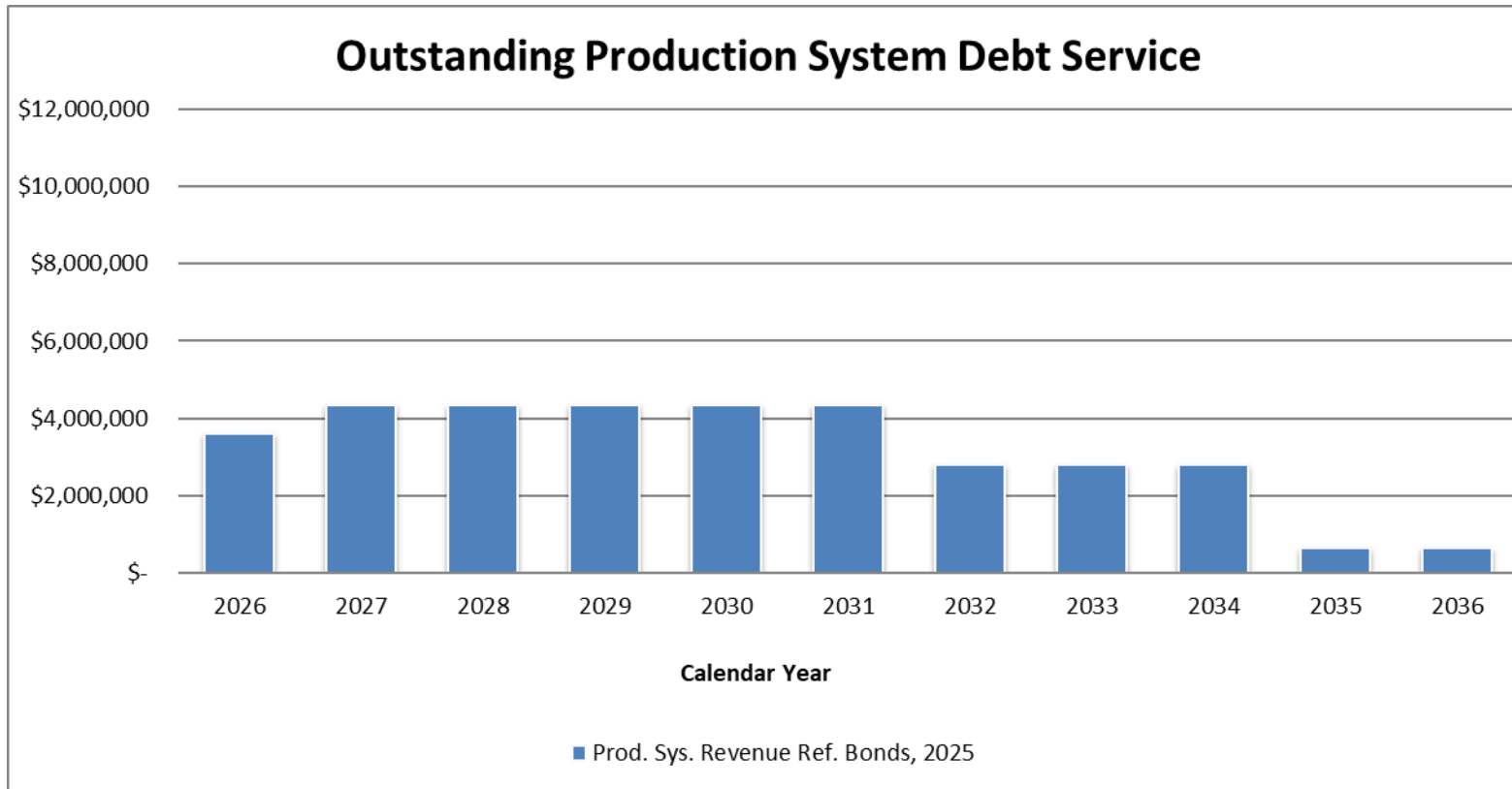
Not all capital expended in 2025, carrying over – kept here to “reserve”

## 2.3 – Electric System Debt Service



**The above represents principal and interest.  
Total principal for the Electric System -  
\$38,510,000**

## 2.4 – Production System Debt Service



**The above represents principal and interest.  
Total principal for the Production System -  
\$28,195,000**

## 3. Operations

3.1 Outage Reports

3.2 Department Year-End Summaries

3.3 Safety

3.4 Highlights for the Year

# 3.1.1 Outage Summary Year-End (Non-Storm)



Actual (Based on Date Slicer)

Events	Customers Out	SAIDI	Minutes
642	50,814	116	6,347,984

Previous 6 Periods Avg (Based on Date Slicer)

Events	Avg Cust Out	Avg SAIDI	Avg Minutes
571	43,027	106	5,580,187

## Causes (Non-Storm Related)

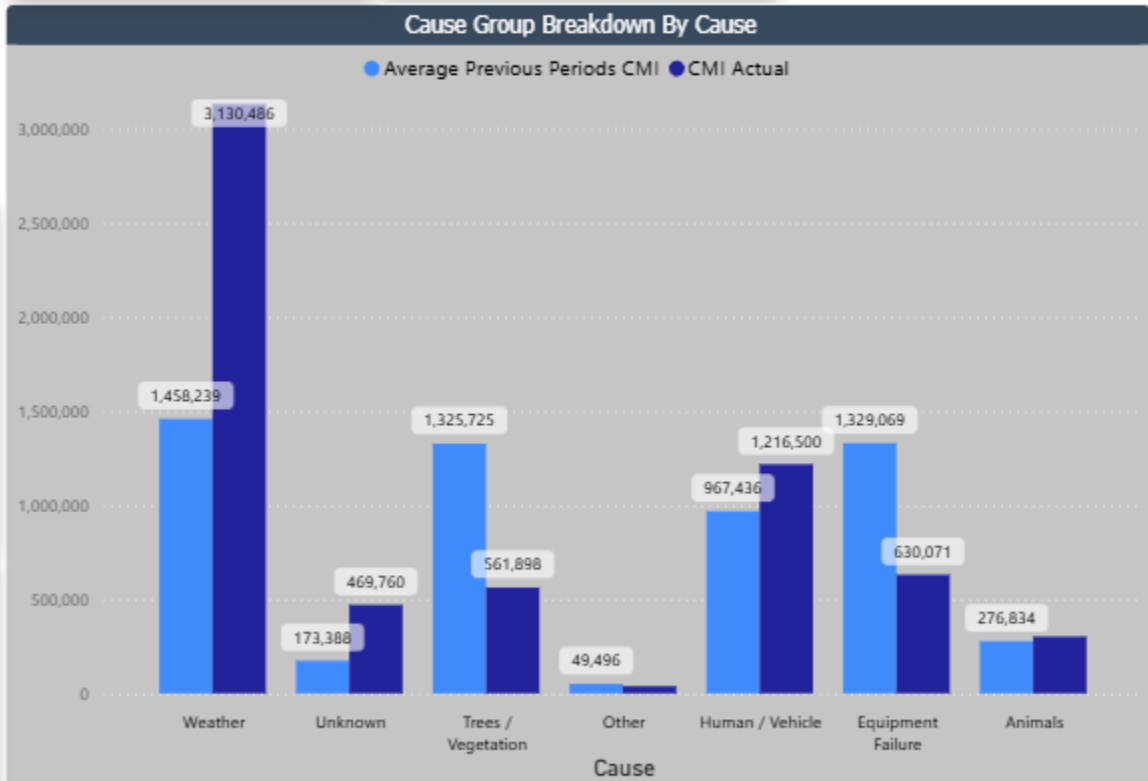
Outage Cause	Events	Customers Out	SAIDI	CMI	% CMI
Weather	129	25,632	57	3,130,486	49.31%
Human / Vehicle	64	7,477	22	1,216,500	19.16%
Equipment Failure	247	4,404	12	630,071	9.93%
Trees / Vegetation	47	3,791	10	561,898	8.85%
Unknown	27	4,056	9	469,760	7.40%
Animals	121	4,263	6	301,409	4.75%
Other	7	1,191	1	37,860	0.60%
<b>Total</b>	<b>642</b>	<b>50,814</b>	<b>116</b>	<b>6,347,984</b>	<b>100.00%</b>

## Top Events (CMI)

Outage Cause	Feeder	Line Section	CMI	Customers Out	Time Off	First Restore	Longest Duration
Public: Motor vehicle	12T4	Recloser707	310,207	616	8/16/25 5:15 AM		8.4
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	12T1	BRK12T1	258,792	669	10/25/25 4:38 PM		6.4
Weather: Wind with trees	12X1	BRK12X1	166,611	318	8/15/25 6:58 PM		8.7
Weather: Wind with trees	999	UNKNOWN	137,817	1,540	2/24/25 4:22 PM	2/24/25 5:44 PM	1.8

Date: 1/1/2025 to 12/31/2025

Storm Related?: Non-Storm Related



CMI	Customers Out	Outages	SAIDI
-----	---------------	---------	-------

2024: SAIDI 126 and 6,814,840 min

# 3.1.2 Outage Summary Year-End (Storm)

Actual (Based on Date Slicer)

Events	Customers Out	SAIDI	Minutes
99	19,448	103	5,624,913

Previous 6 Periods Avg (Based on Date Slicer)

Events	Avg Cust Out	Avg SAIDI	Avg Minutes
135	23,325	124	6,501,153

Causes (Non-Storm Related)

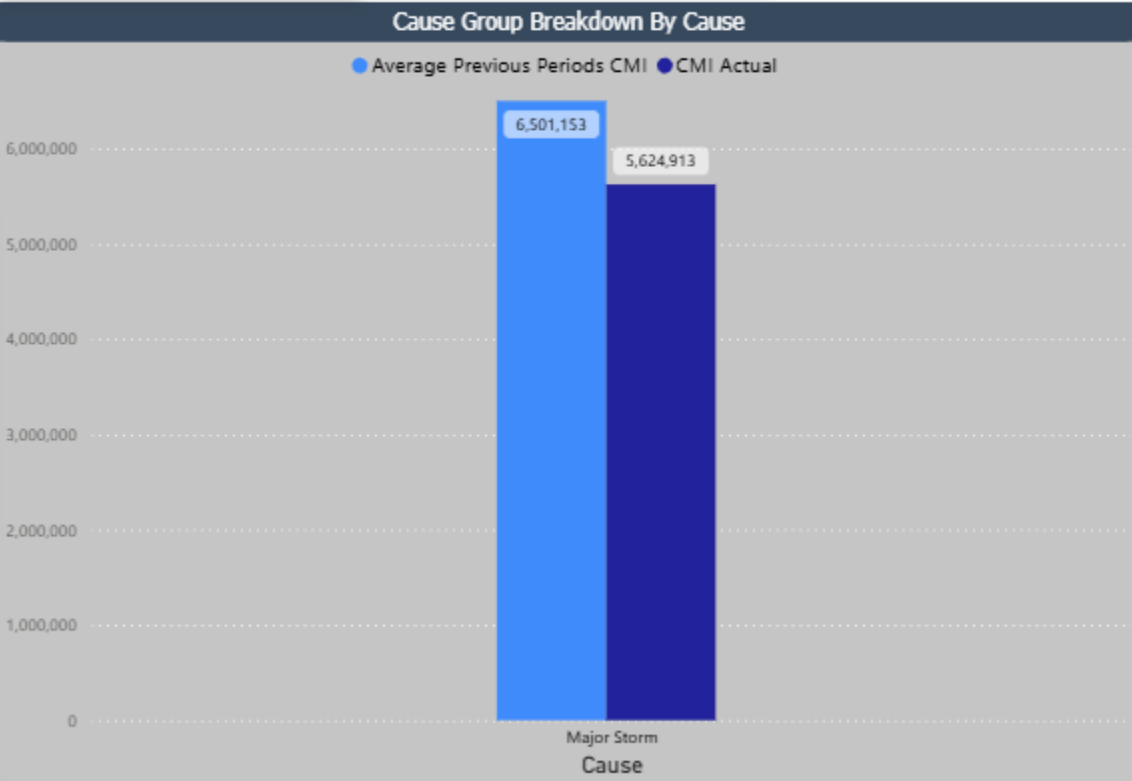
Outage Cause	Events	Customers Out	SAIDI	CMI	% CMI
Weather	129	25,632	57	3,130,486	49.31%
Human / Vehicle	64	7,477	22	1,216,500	19.16%
Equipment Failure	247	4,404	12	630,071	9.93%
Trees / Vegetation	47	3,791	10	561,898	8.85%
Unknown	27	4,056	9	469,760	7.40%
Animals	121	4,263	6	301,409	4.75%
Other	7	1,191	1	37,860	0.60%
<b>Total</b>	<b>642</b>	<b>50,814</b>	<b>116</b>	<b>6,347,984</b>	<b>100.00%</b>

Top Events (CMI)

Outage Cause	Feeder	Line Section	CMI	Customers Out	Time Off	First Restore	Longest Duration
Major Event - Weather: Wind with Trees	12BV2	BRK12BV2	657,847	737	12/17/25 1:11 AM	12/17/25 3:05 PM	62.0
Major Event - Weather: Wind with Trees	12S3	BRK12S3	401,471	1,111	12/17/25 12:56 AM	12/17/25 7:45 AM	9.7
Major Event - Weather: Wind with Trees	13C3	BRK13C3	385,145	1,369	12/17/25 12:53 AM		4.7
Major Event - Weather: Wind with Trees	12Z2	BRK12Z2	358,041	1,130	12/17/25 1:03 AM		5.3
Major Event - Weather: Wind with Trees	12X1	BRK12X1	302,337	315	12/17/25 12:38 AM		16.0

Date: 1/1/2025 to 12/31/2025

Storm Related? Storm Related



- CMI
- Customers Out
- Outages
- SAIDI

Summary of all storm related outages. (1) Major Event Day in 2025.

# 3.1.3 Outage Summary Year-End (Total)

Actual (Based on Date Slicer)

Events	Customers Out	SAIDI	Minutes
741	70,262	219	11,972,897

Previous 6 Periods Avg (Based on Date Slicer)

Events	Avg Cust Out	Avg SAIDI	Avg Minutes
706	66,352	230	12,081,340

Causes (Non-Storm Related)

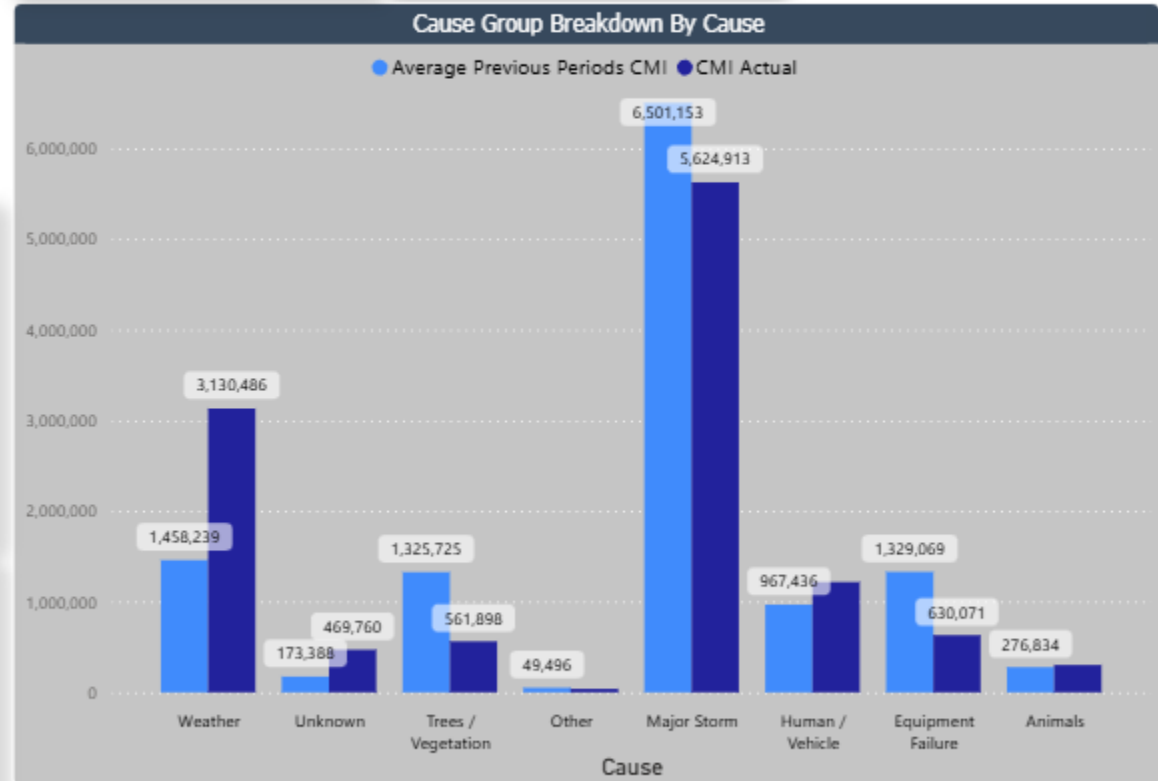
Outage Cause	Events	Customers Out	SAIDI	CMI	% CMI
Weather	129	25,632	57	3,130,486	49.31%
Human / Vehicle	64	7,477	22	1,216,500	19.16%
Equipment Failure	247	4,404	12	630,071	9.93%
Trees / Vegetation	47	3,791	10	561,898	8.85%
Unknown	27	4,056	9	469,760	7.40%
Animals	121	4,263	6	301,409	4.75%
Other	7	1,191	1	37,860	0.60%
	0				
<b>Total</b>	<b>642</b>	<b>50,814</b>	<b>116</b>	<b>6,347,984</b>	<b>100.00%</b>

Top Events (CMI)

Outage Cause	Feeder	Line Section	CMI	Customers Out	Time Off	First Restore	Longest Duration
Major Event - Weather: Wind with Trees	12BV2	BRK12BV2	657,847	737	12/17/25 1:11 AM	12/17/25 3:05 PM	62.0
Major Event - Weather: Wind with Trees	12S3	BRK12S3	401,471	1,111	12/17/25 12:56 AM	12/17/25 7:45 AM	9.7
Major Event - Weather: Wind with Trees	13C3	BRK13C3	385,145	1,369	12/17/25 12:53 AM		4.7
Major Event - Weather: Wind with Trees	12Z2	BRK12Z2	358,041	1,130	12/17/25 1:03 AM		5.3
Public: Motor vehicle	12T4	Recloser707	310,207	616	8/16/25 5:15 AM		8.4

Date: 1/1/2025 to 12/31/2025

Storm Related?: Multiple selections



CMI
  Customers Out
  Outages
  SAIDI

2024: SAIDI 263 and 14,246,547 min

# 3.1.4 Major Event Day 12/17

Actual (Based on Date Slicer)

Events	Customers Out	SAIDI	Minutes
99	19,448	103	5,624,913

Previous 6 Periods Avg (Based on Date Slicer)

Events	Avg Cust Out	Avg SAIDI	Avg Minutes
0	0	0	0

### Causes (Non-Storm Related)

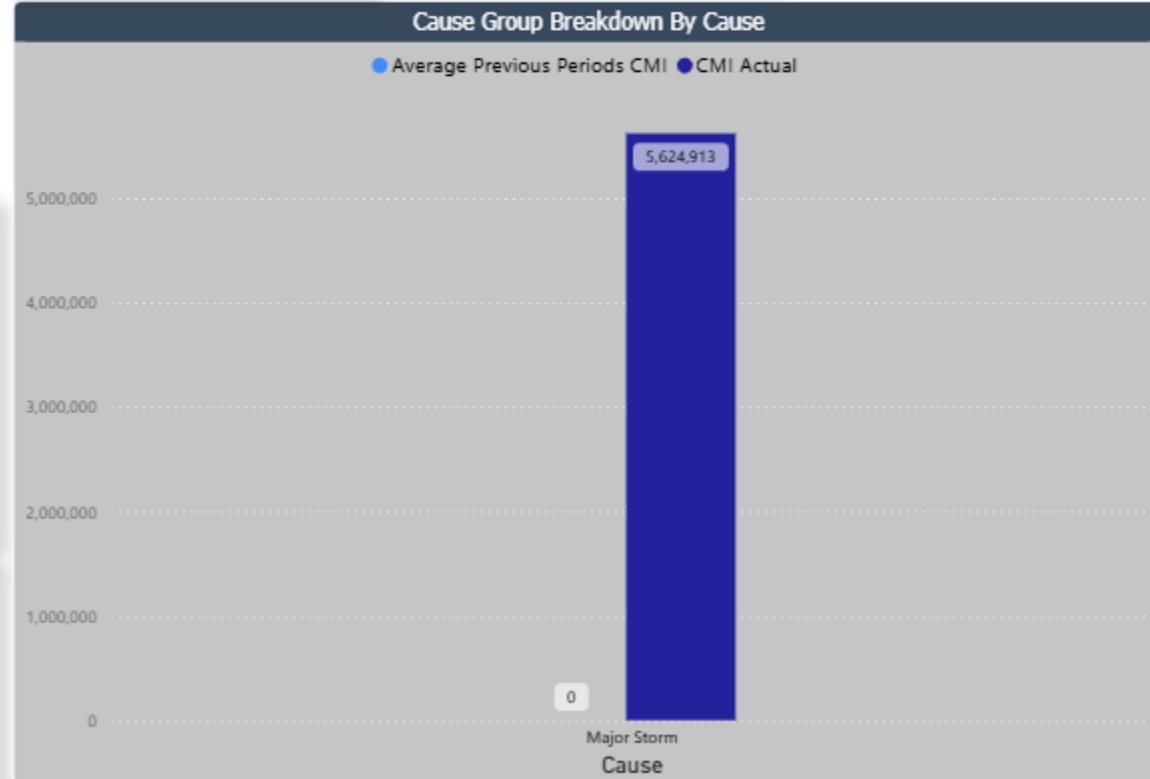
Outage Cause	Events	Customers Out	SAIDI	CMI	% CMI
Weather	8	134	0	26,149	88.12%
Equipment Failure	1	12	0	2,245	7.57%
Human / Vehicle	1	1	0	1,280	4.31%
	0				
Animals	0				
Other	0				
Trees / Vegetation	0				
Unknown	0				
<b>Total</b>	<b>10</b>	<b>147</b>	<b>1</b>	<b>29,675</b>	<b>100.00%</b>

### Top Events (CMI)

Outage Cause	Feeder	Line Section	CMI	Customers Out	Time Off	First Restore	Longest Duration
Major Event - Weather: Wind with Trees	12BV2	BRK12BV2	657,847	737	12/17/25 1:11 AM	12/17/25 3:05 PM	62.0
Major Event - Weather: Wind with Trees	12S3	BRK12S3	401,471	1,111	12/17/25 12:56 AM	12/17/25 7:45 AM	9.7
Major Event - Weather: Wind with Trees	13C3	BRK13C3	385,145	1,369	12/17/25 12:53 AM		4.7
Major Event - Weather: Wind with Trees	12Z2	BRK12Z2	358,041	1,130	12/17/25 1:03 AM		5.3
Major Event - Weather: Wind with Trees	12X1	BRK12X1	302,337	315	12/17/25 12:38 AM		16.0

Date: 12/17/2025 12/18/2025

Storm Related? Storm Related



CMI
  Customers Out
  Outages
  SAIDI

Second largest event in last (10) years

## 3.2.1 District Work

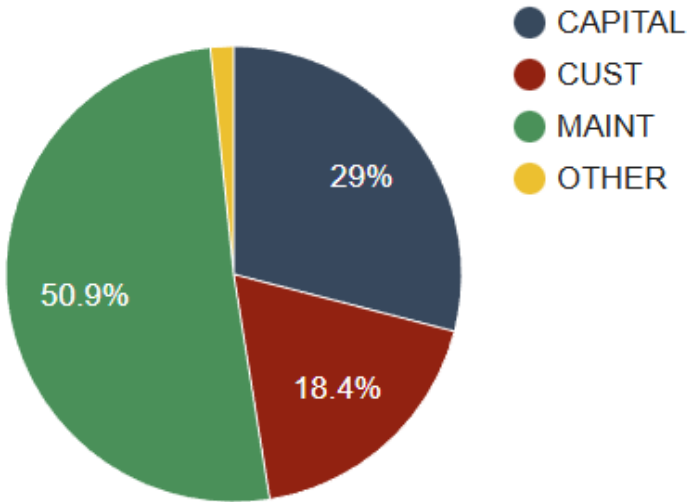
Group	Design	ROPS	Completed	Budget	YTD	YTD/Budget
2.1 - Transmission On-Going Pole Replacement	0	0	28	\$310,000	\$653,881	211%
2.3 - Transmission On-Going System Improvement	0	0	0	\$95,000	\$366	0%
2.5 - Transmission Unplanned System Improvemen	0	0	3	\$410,000	\$1,220,240	298%
3.1 - Distribution On-Going System Improvement	0	0	83	\$3,950,000	\$784,030	20%
3.11 - Transformer O/H & U/G Failure	0	0	71	\$270,000	\$524,102	194%
3.12 - Dist Line Rebuild	0	0	0	\$220,000	\$141,520	64%
3.18 - Distribution Unplanned System Improvemen	0	0	28	\$760,000	\$273,077	36%
3.19 - Distribution On-Going U/G Line Cable Rep	0	0	38	\$8,750,000	\$1,744,179	20%
3.26 - Transformer PCB Replacement	0	0	56	\$170,000	\$134,939	79%
3.5 - Distribution On-Going Pole Replacement	0	0	76	\$1,690,000	\$945,716	56%
3.52 - Substation Unplanned System Improvement	0	0	2			
3.54 - Substation On-Going System Improvement	0	0	2	\$443,500	\$12,391	3%
TR2.1 - Small Capital	0	0	3	\$39,000	\$8,872	23%
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>390</b>	<b>\$17,107,500</b>	<b>\$6,443,313</b>	<b>38%</b>

## 3.2.2 Customer Work

Group	Design	ROPS	Completed	YTD
3.13 - Cust OnGoin Lighting	0	0	43	\$30,555
3.14 - Cust Secondary Ln Extention	0	0	383	\$606,599
3.16 - Cust Pri Ln Ext. Residential	0	0	222	\$2,391,917
3.17 - Cust Pri Ln Ext. Commercial	0	0	51	\$942,453
3.29 - Cust Mke Redy for Telco	0	0	60	\$-141,814
3.9 - Cust Ln Reloct Dist/TX	0	0	5	\$206,511
3.99 - Cust Solar	0	0	16	\$4,010
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>780</b>	<b>\$4,040,230</b>

# 3.2.3 Line Crew Year-End

Straight Time  
42,920 Hours



## Customer Work

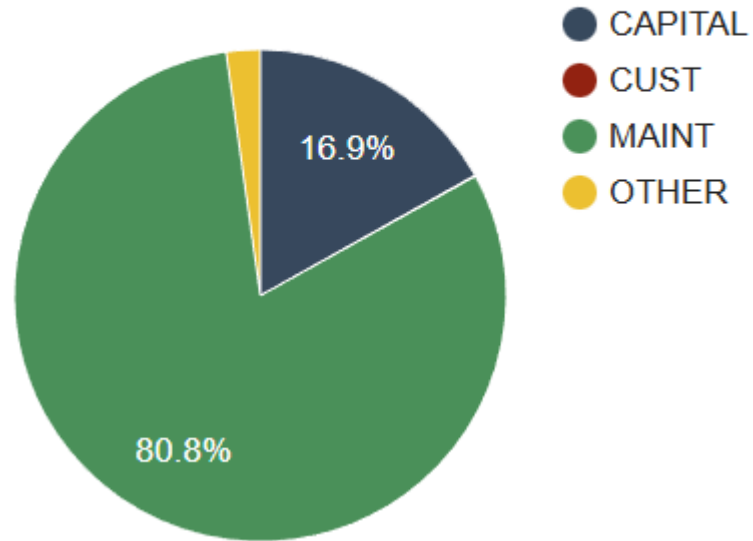
601 WO's completed

### LINE CREW SERVICE ORDERS

952	HAZARD/TT/POWER QUALITY
682	DISCONNECT
413	TRANSFORMERS
348	PERM METER
327	INFO
275	MISC
262	RECONNECT/NEW/TEMP/BACKBONE
204	LT EXCHGE
182	FLUP
135	STREET LIGHTS
126	TPERM
107	FIP-LINE
106	POLE REPL
52	SPECIAL EQ
36	CUTOFF
21	METER EXCHANGE/REMOVE
18	BACKBONEV2
15	CUSTMANDIS
14	NS-DV ONLY
12	PUDCAP T&D
12	APP TLINE
11	DVCDISC
11	MREADY-MNT
3	SH TREE TR
2	SH LT MNT
2	LLMANDISC
1	APP HAZARD
1	FIP-METER
4,330	TOTAL

## 3.2.4 Relay/Substation Year-End

Straight Time  
13,000 Hours

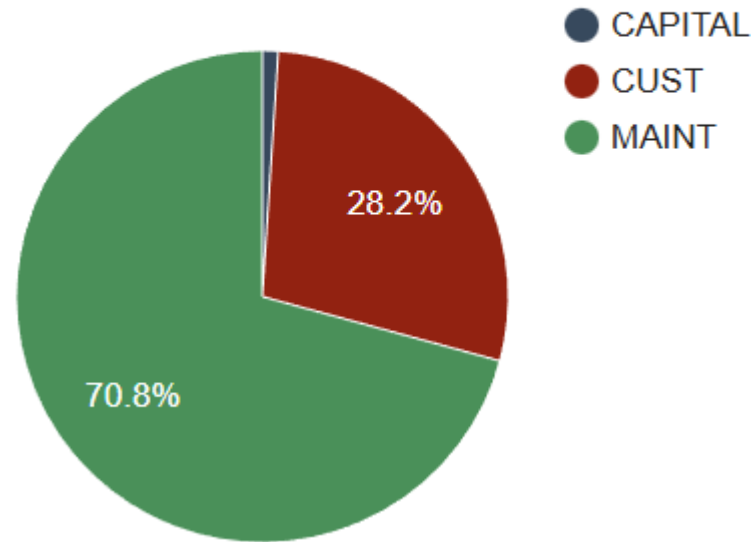


### Maintenance Work

All scheduled substation and relay work completed for 2025.

# 3.2.5 Meter and FSRs Year-End

Straight Time  
12,540 Hours



## Service Orders

### METER DEPARTMENT

638	DISCONNECT
560	METER INVESTIGATION
236	MTR-CT/PT
157	RECONNECT/NEW/TEMP
95	METER EXCHANGE/REMOVE
91	PERM METER
80	MISC
72	FIP-METER
43	COMMER CST
24	MASSMTREXC
15	CUTOFF
7	TPERM
6	MPLEX
4	FIP-CUSNTF
4	FIP-LINE
3	CSTREMDISC
2	METER READ
2	PUD-CAP
2	TT-LINE
2	TT-METER
1	INFO
1	POWER QLTY
1	CUST CONST
1	MANDISCOTH
1	REMCUT

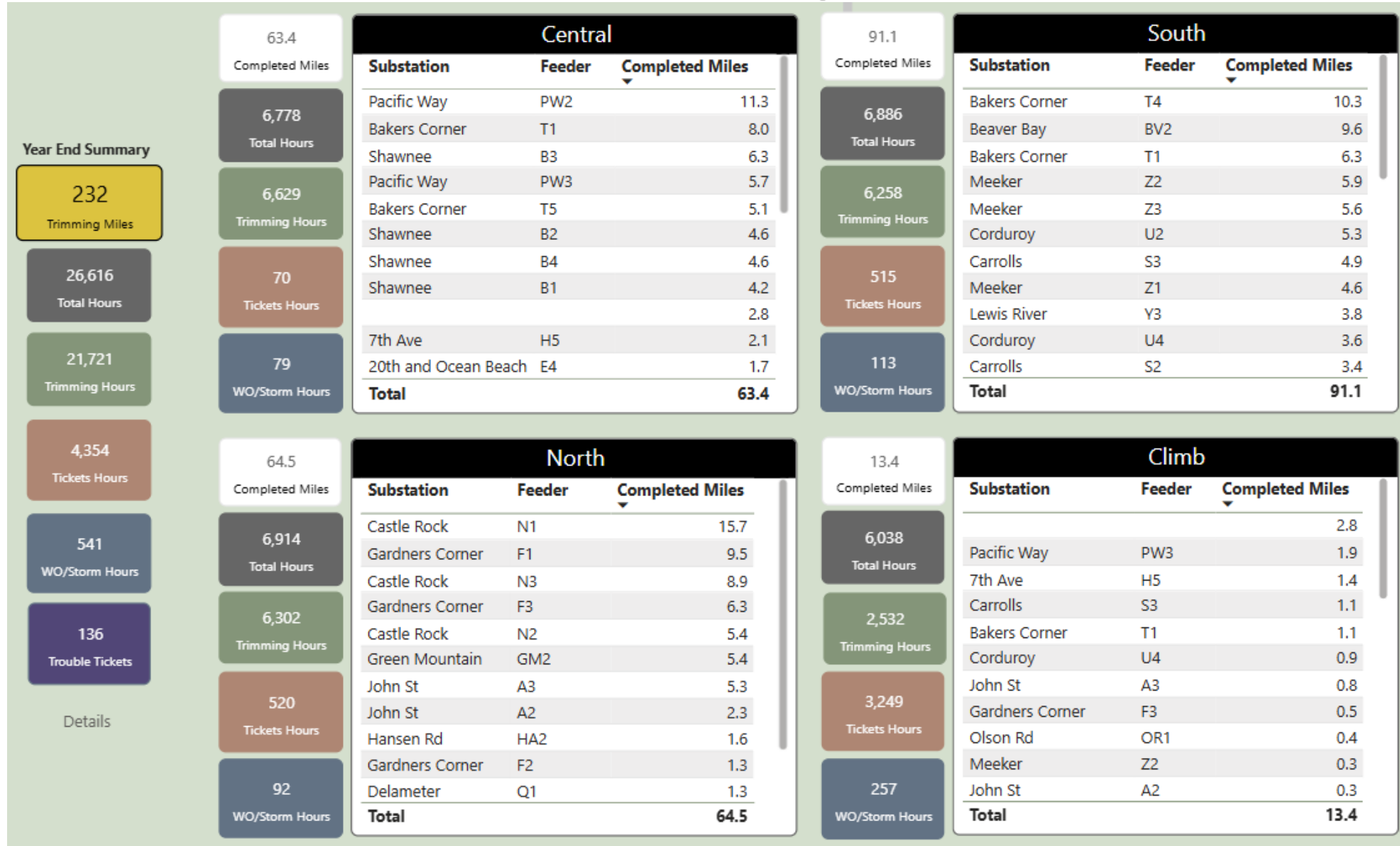
2,048 TOTAL

### FIELD SERVICE REPS

649	OFFICE
508	READ OPTOT
318	METER READ
188	FIP-METER
45	CUTOFF
8	RECONNECT/NEW/TEMP
7	METER INVESTIGATION
7	LT-REMOVE
7	DISCONNECT
6	CUSTMANDIS
6	METER EXCHANGE/REMOVE
4	MASSMTREXC
2	TRNF
1	MANDISCOTH
1	FIP ACTREQ
1	CSTREMDISC
1	LL REMDISC

1,759 TOTAL

# 3.2.6 Tree-Trimming Year-End



Yearly goal: 200 miles

# 3.3.1 Safety



2024: (6) incidents

## 3.3.2 Safety

- **Work Smarter Not Harder** – Provide Tools and Training to Improve Safety
- (2) safety incidents in 2025 vs (6) in 2024
- First Annual June District-wide Safety BBQ highlighting **We Above Me** slogan
- Operations transitioned to monthly small group safety meetings
- Implemented Early Intervention Program (EIP) to help reduce strains and sprains
- Monthly safety focus and general topics for all District employees
- Monthly crew safety visits
- Safety training to third party government agencies
- Created pole-top line crew safety team and participated in Washington Governor's Safety Conference
- Arc-Flash review and updates
- Training
  - Personal Protective Grounding
  - Basic Rigging and Signal Person
  - Competent Person – Trenching and Shoring
  - Washington State DNR Wildfire Situational Awareness
  - CPR and First Aid
  - Influencing Safety Workshop
  - Washington State L&I Culture vs. Compliance
  - Ergonomics
  - Wire down storm response training for non-electrical District employees

## 3.4 Highlights for Year

- Improvements in reliability numbers compared to 2024. Still above non-storm 10-year average
- (1) Major Event Day on December 17. (Second largest event in 10-years)
- Meeker substation rebuild
- Completed double overhead line distribution reconductor on Industrial Way
- Intentional focus on updating and improving cross-country access throughout various sections of county
- Extensive maintenance repairs on 69 kV cross-country transmission line from Castle Rock to Vader substation
- Purchase of new Doble substation transformer test set and the testing of (10) substation transformers
- (10) new vehicles purchased and put into service by Fleet shop (busy year)
- All scheduled substation and relay maintenance for the year completed. This included such items as: medium voltage and high voltage equipment inspection and testing, vegetation mitigation in substations, WECC required compliance testing, equipment infrared inspections, and bi-annual oil sample collection for DGA analysis
- Continuation of physical security upgrades to substations
- Pole-top inspections: **2,506 poles**
- Groundline inspections: **2,649 poles**
- Completion of **601 customer work orders**
- Completion of **8,137 service orders**. (34,921 completed in 2024 with AMI replacement)

# 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)

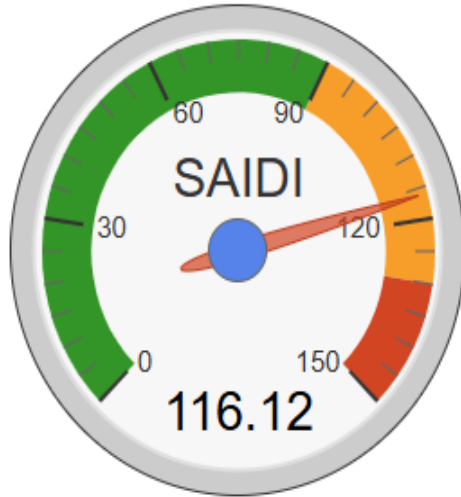
4.7 Pictures and Hi-Lights

4.8 2025 Recap

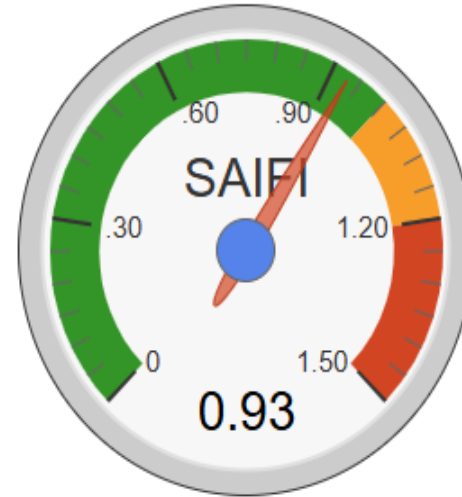
# 4.1 System Metrics

Indices (rolling 12 months)

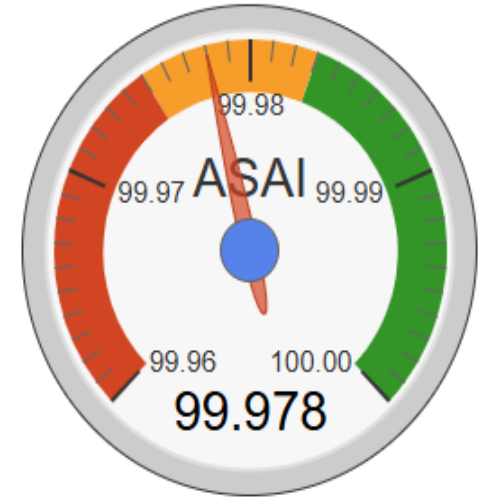
---



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)

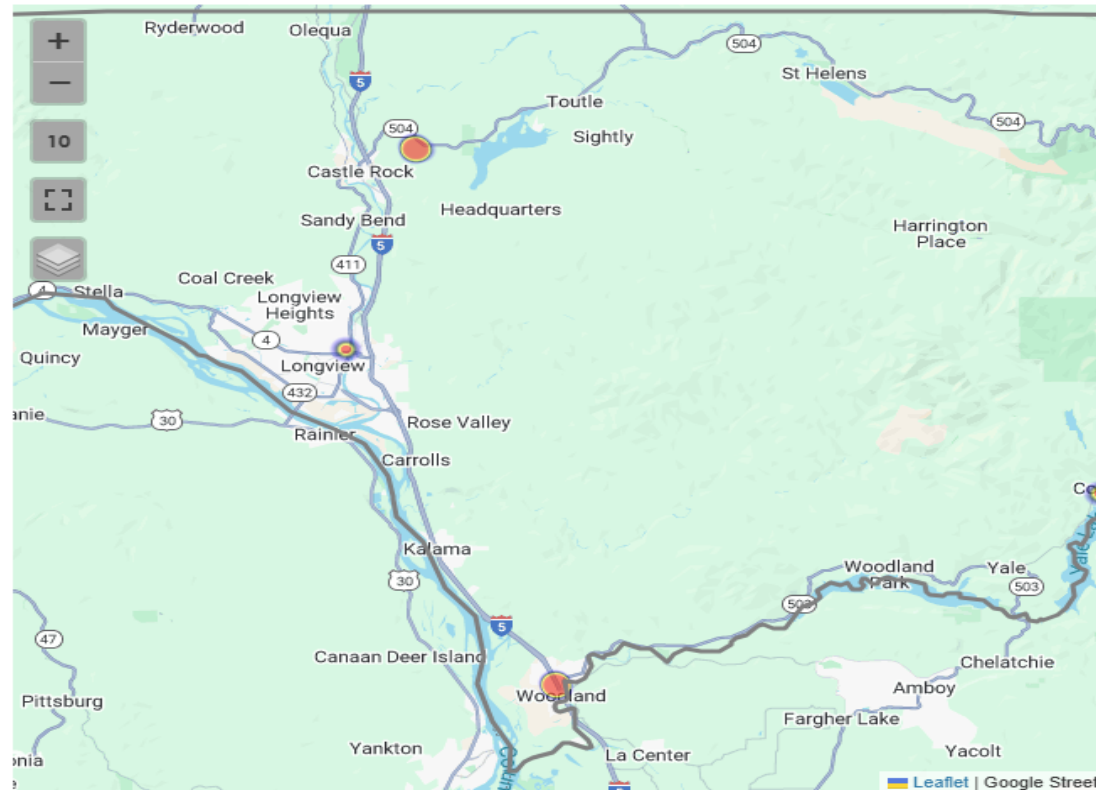
Total December customer minutes 683,526.  
Total customer minutes for December are 16% more than the 10-year average.

# 4.2 Underground Primary Outages

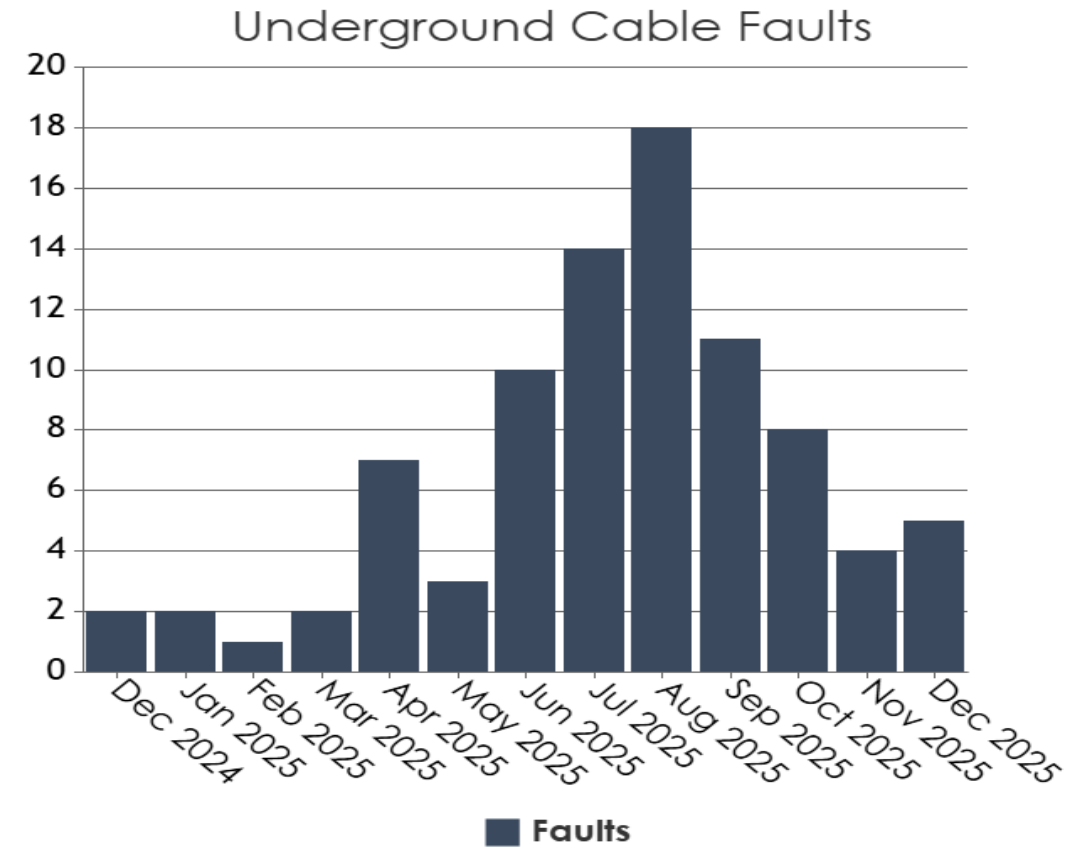
## Underground Cable Faults

December

Minutes Out: 7712 Incidents: 5 Customers: 42



## Underground Faults (13 Months)

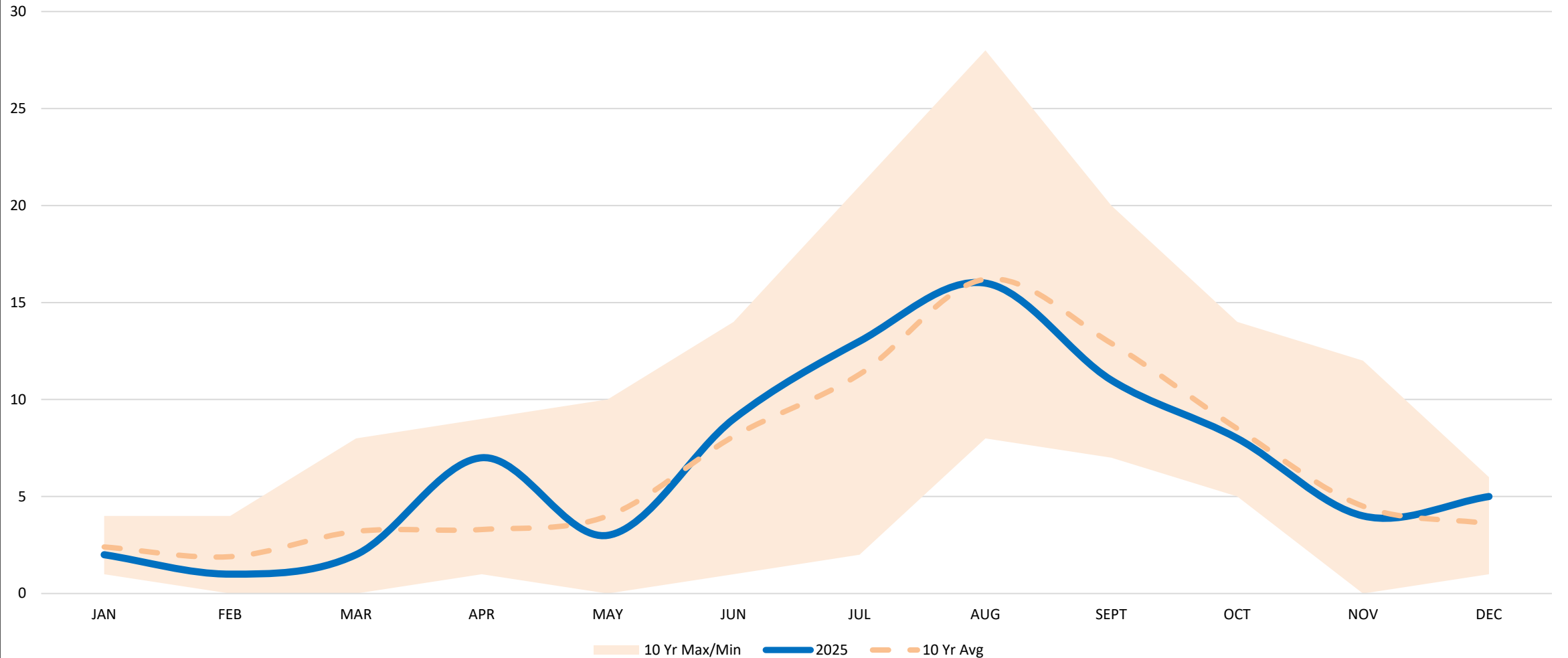


Cable Faults 2025: 81

Total Faults 2025 are 1% more than the 10-year average.

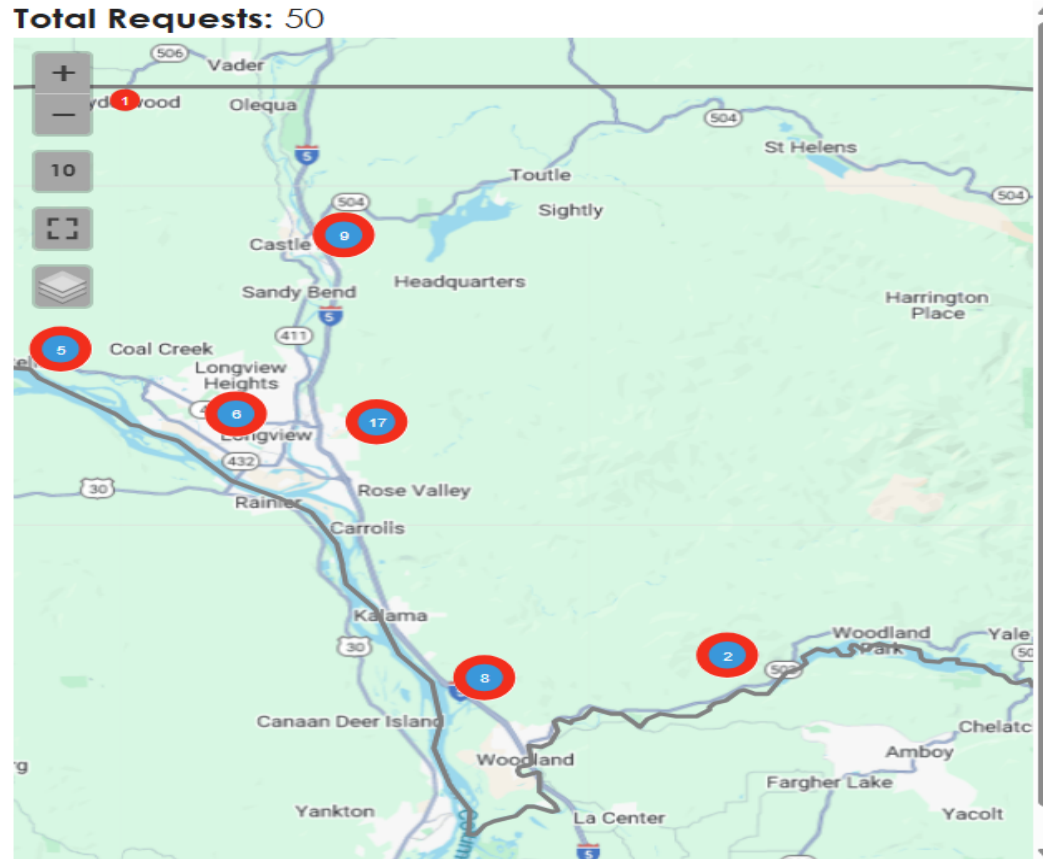
# 4.2 Underground Primary Outages Continued

Underground Faults by Month 10-Year Average

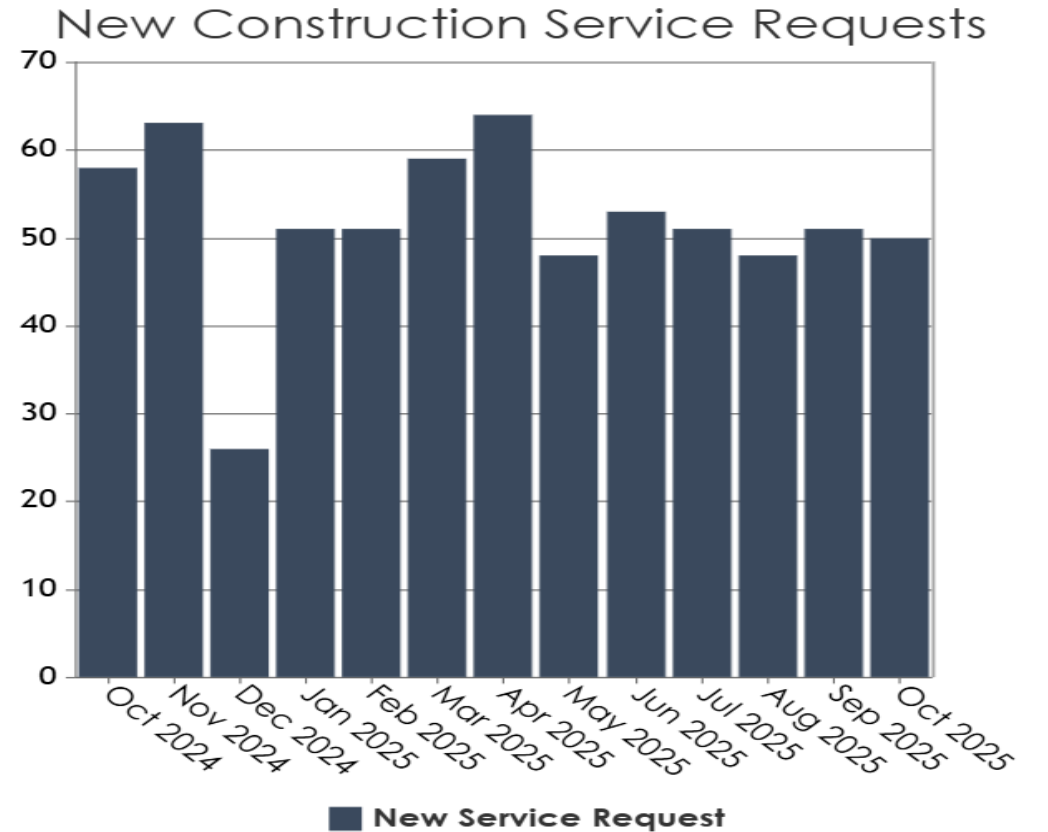


# 4.3 New Service Requests

New Service Requests



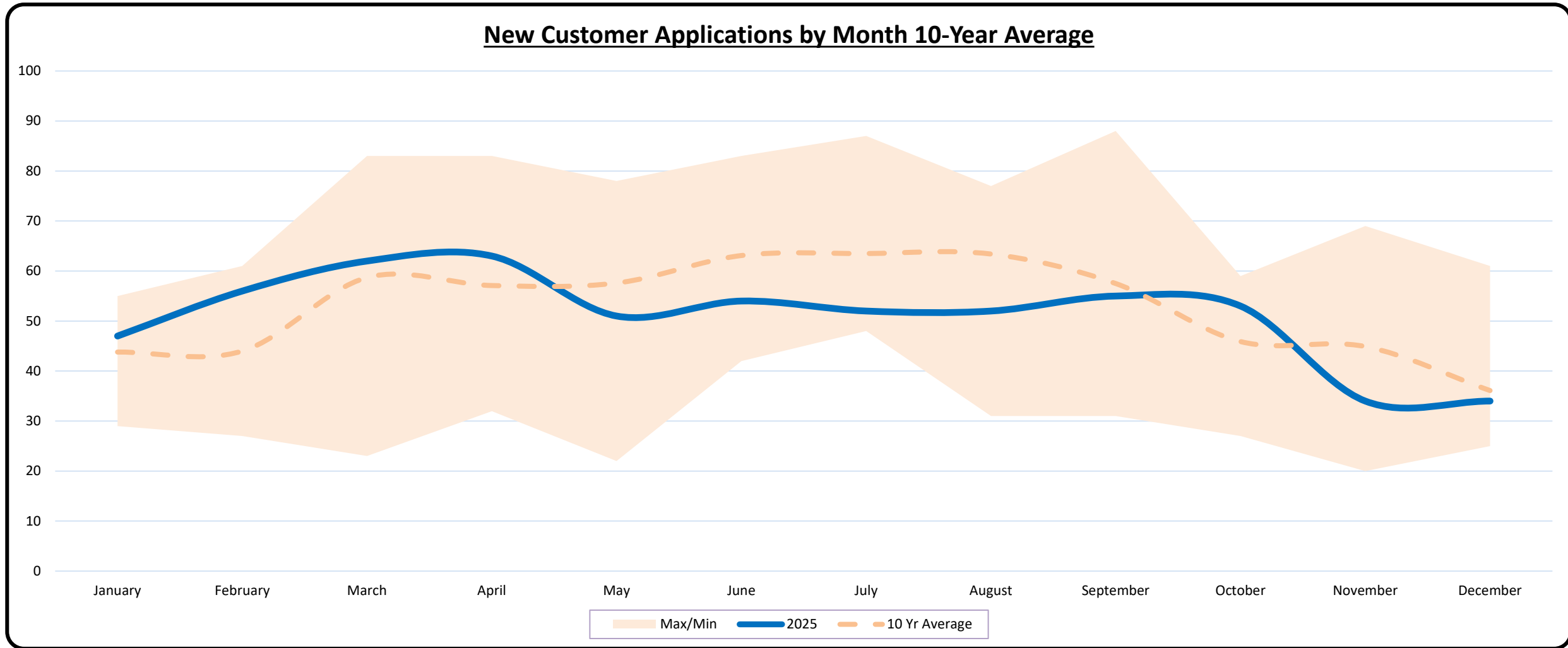
New Constructions



New Service Requests 2025: 613

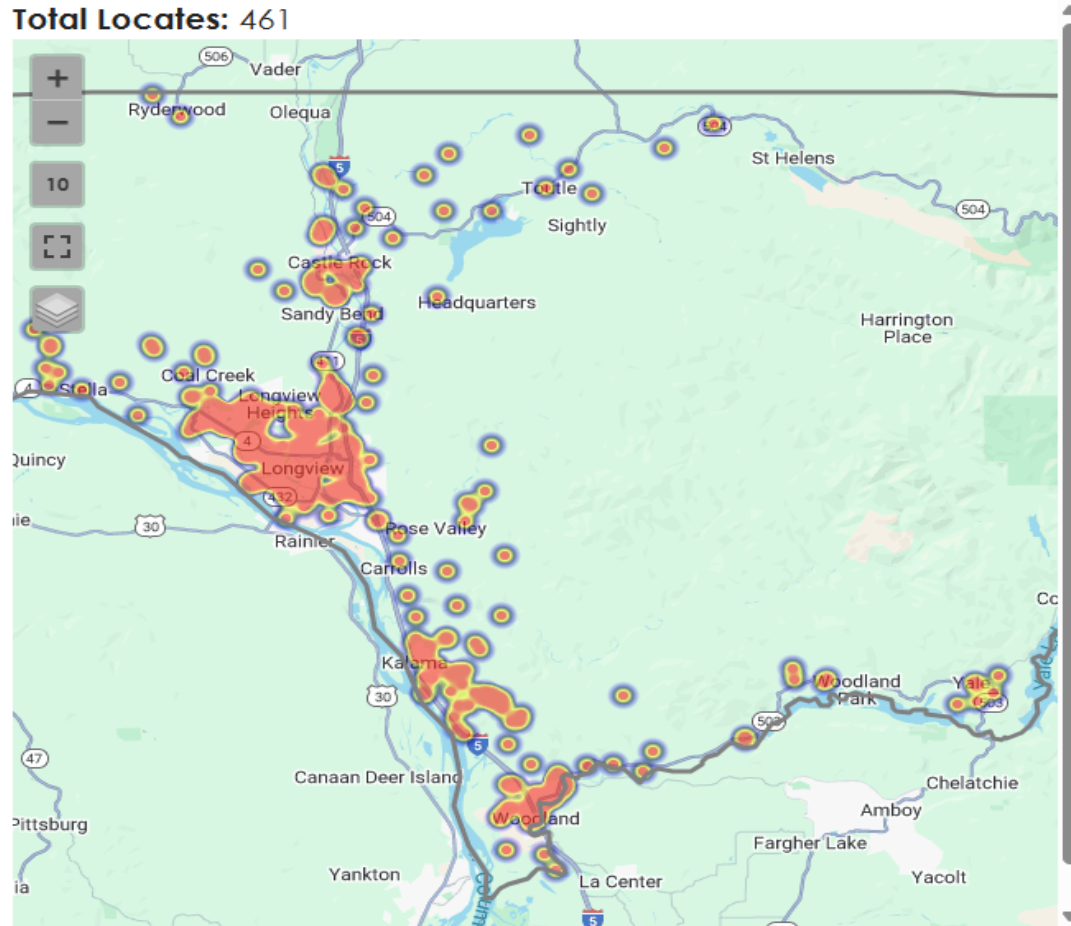
Total New Service Requests 2025 are 4% less than the 10-year average.

# 4.3 New Service Requests Continued

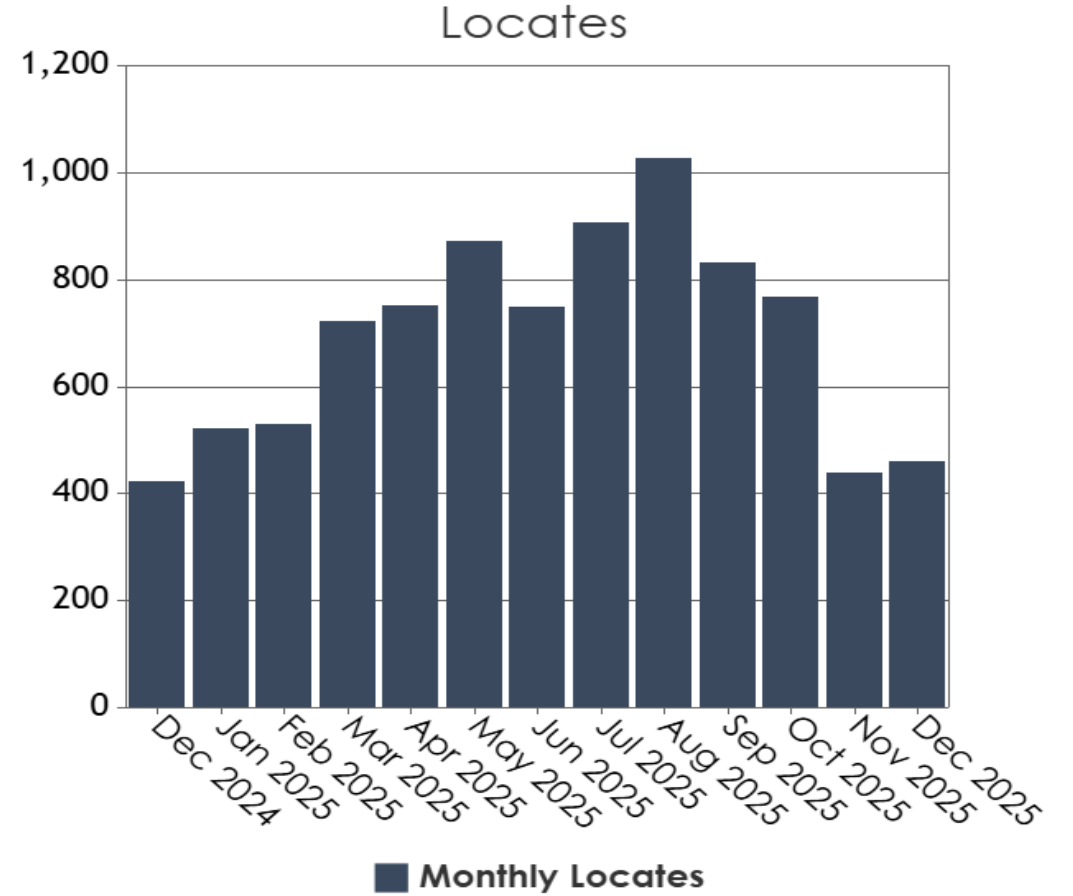


# 4.4 Locates

## Monthly Locates



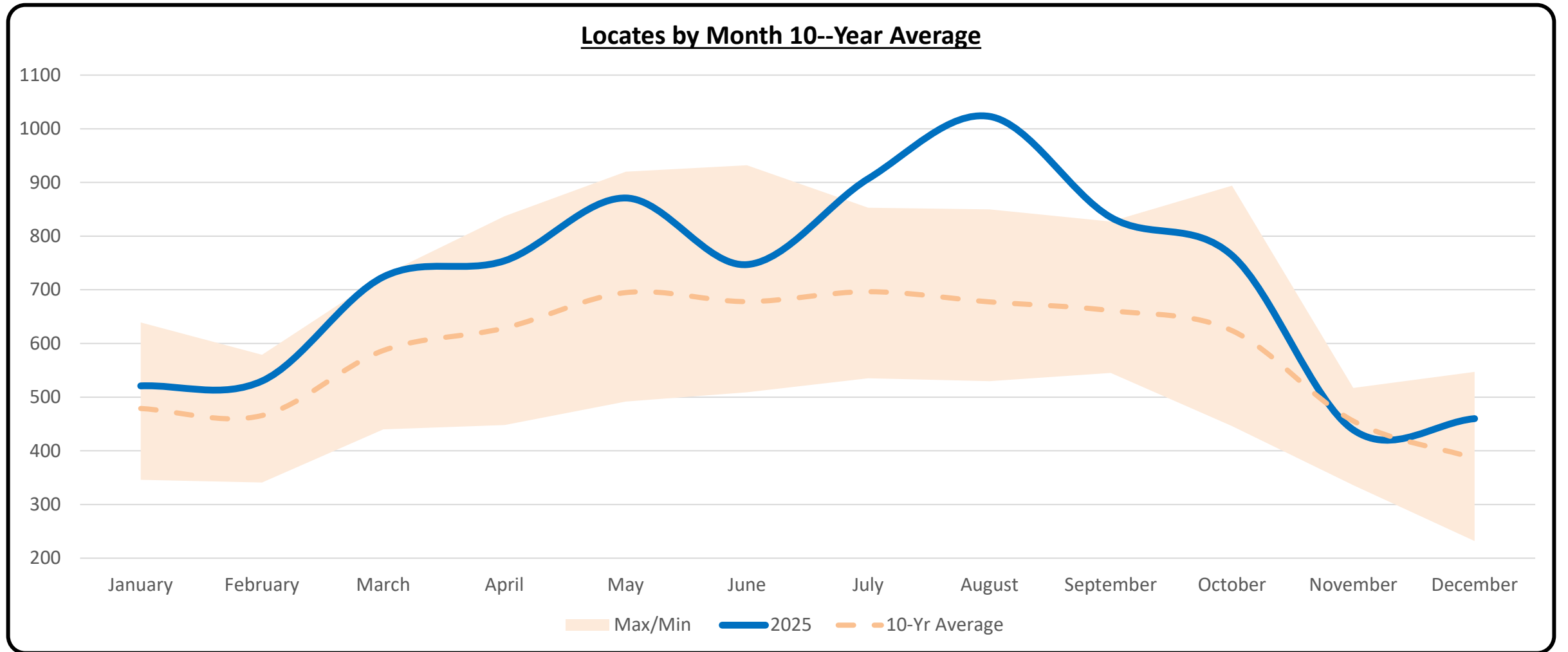
## Locates



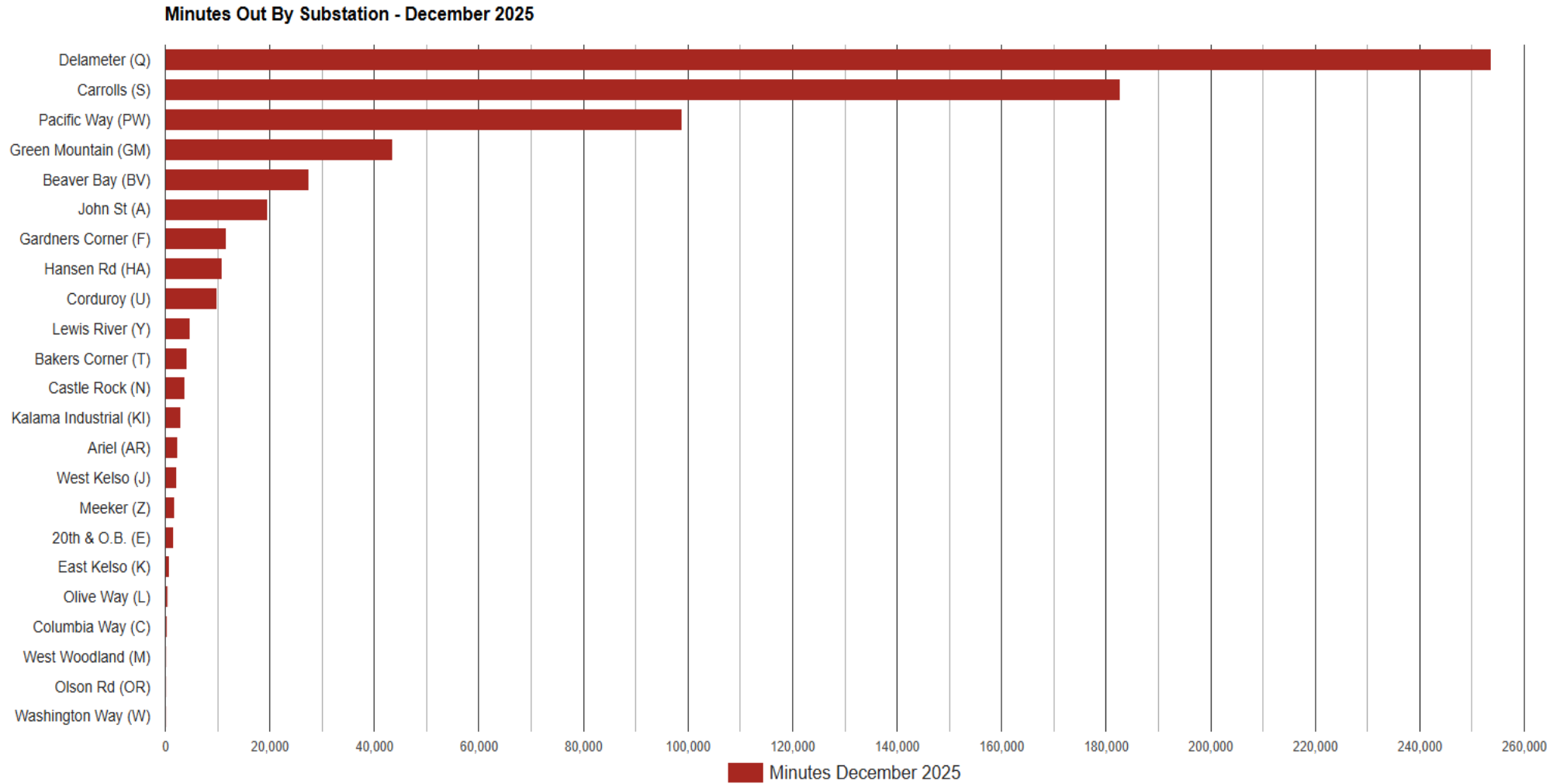
Locate Requests 2025: 8,575

Total Locate Requests YTD are 24% more than the 10-year average.

# 4.4 Locates Continued

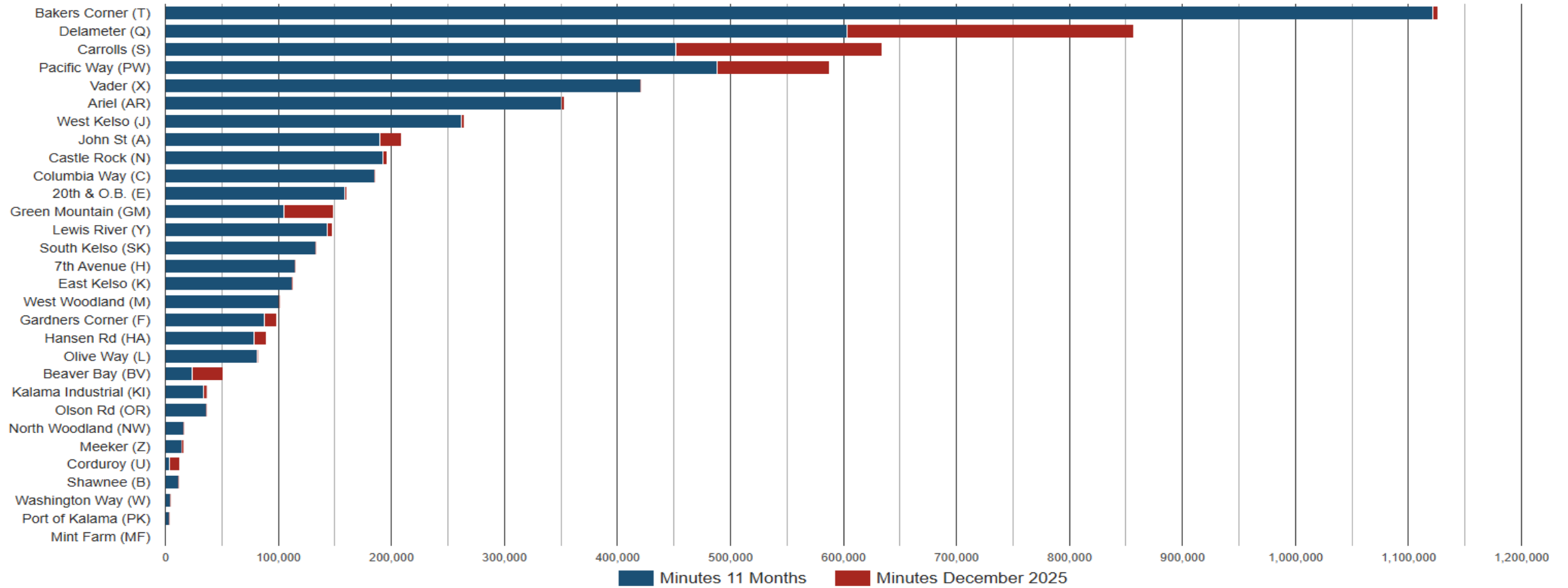


# 4.5 Substation Outages (exclusive of storms)



# 4.5.1 Substation Outages

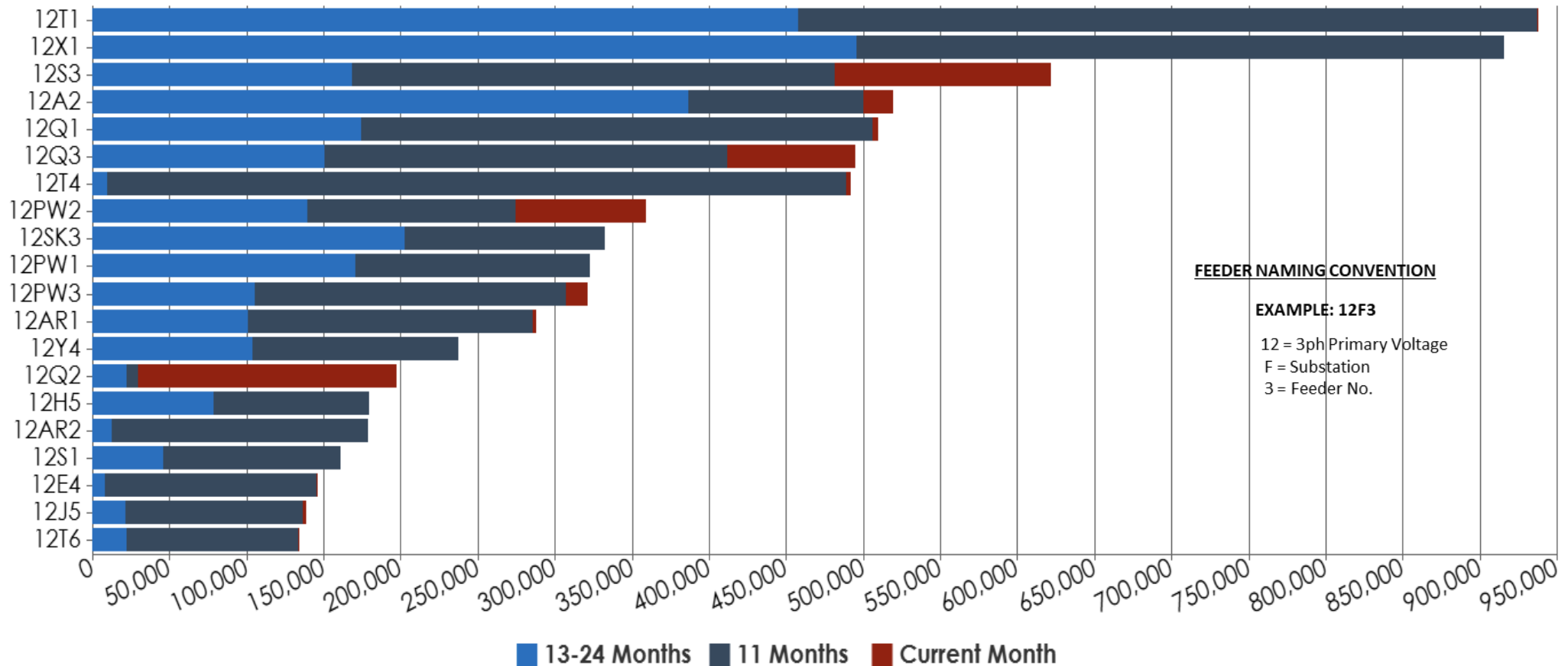
Minutes Out By Substation - Rolling 12 Months



# 4.6 Feeder Outages and Causes (exclusive of storms)

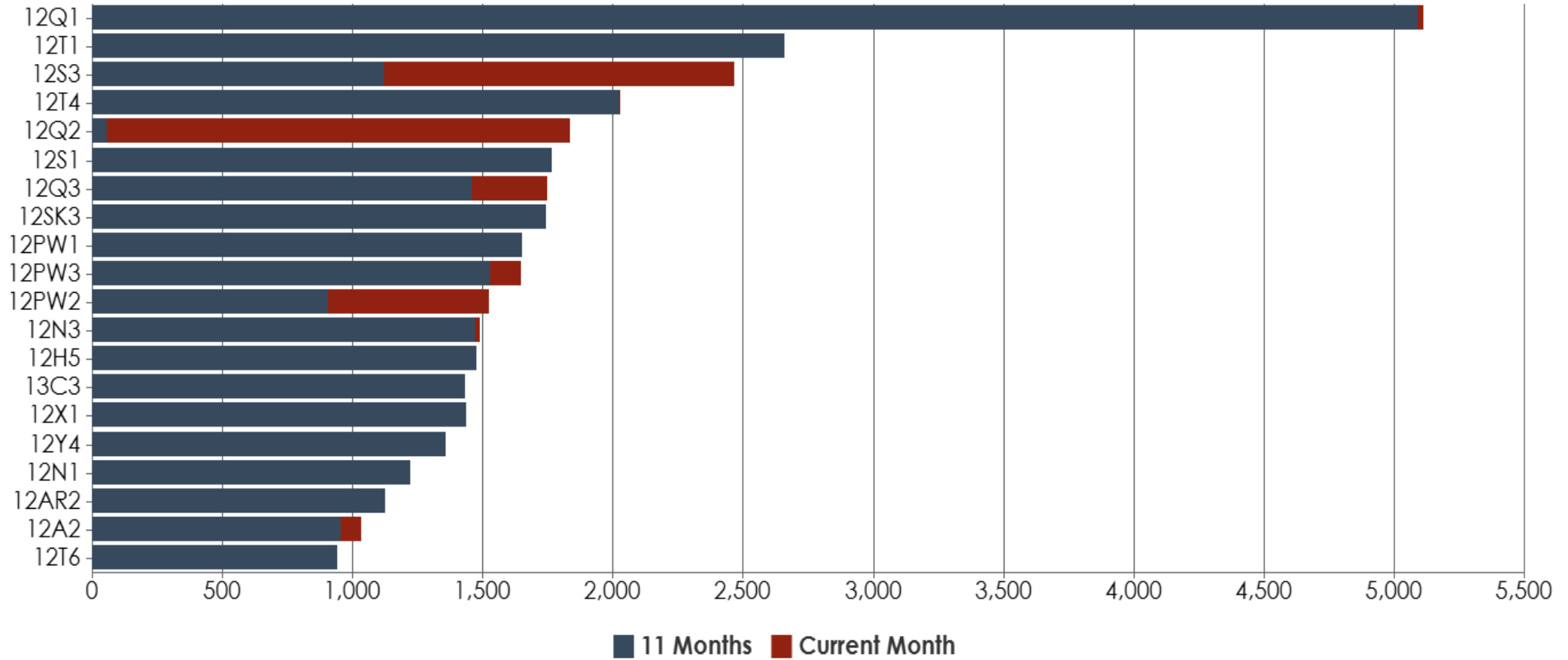
Feeder Outages & Causes - (rolling 12 months)

## Top 20 Feeders by CMI



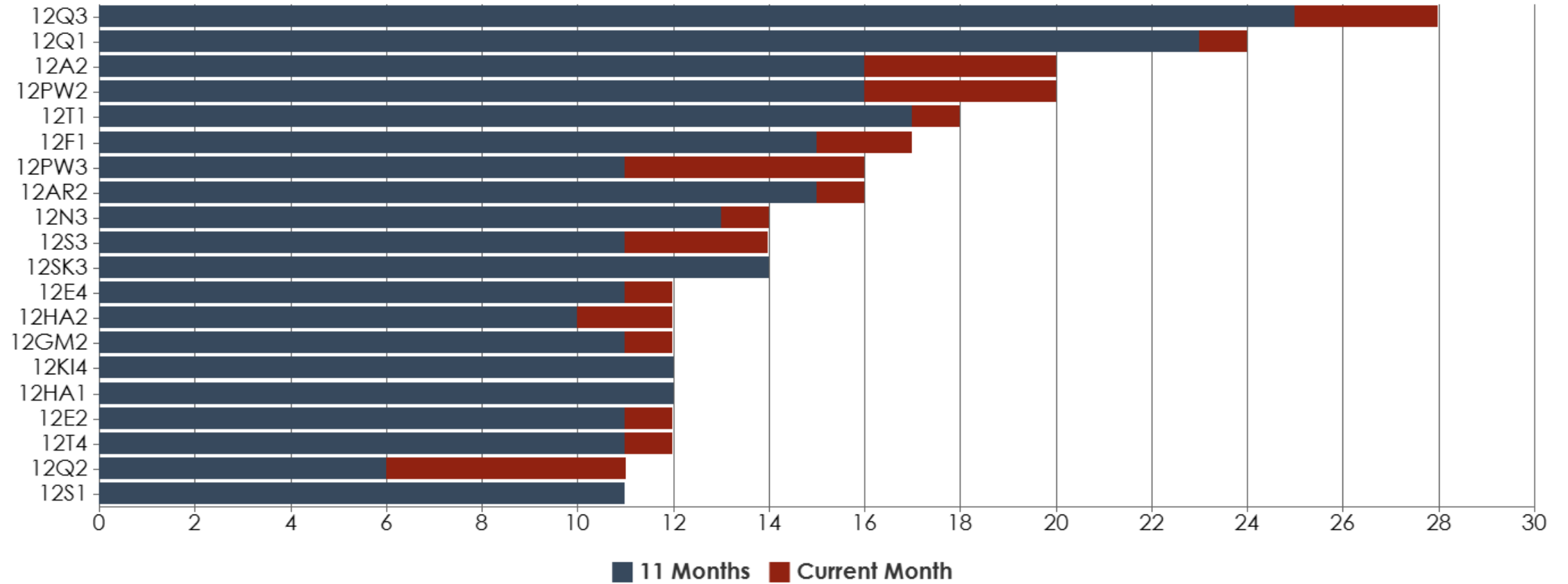
# 4.6.1 Feeder Outages and Causes

## Top 20 Feeders by Customer



# 4.6.2 Feeder Outages and Causes

## Top 20 Feeders by Incidents



# 4.7 Pictures & Hi-Lights

**Ryan Hennessey**

Utility Contracts Coordinator

**Since Starting May 2025**

**External: Joint Use Requests (NJUNS)**

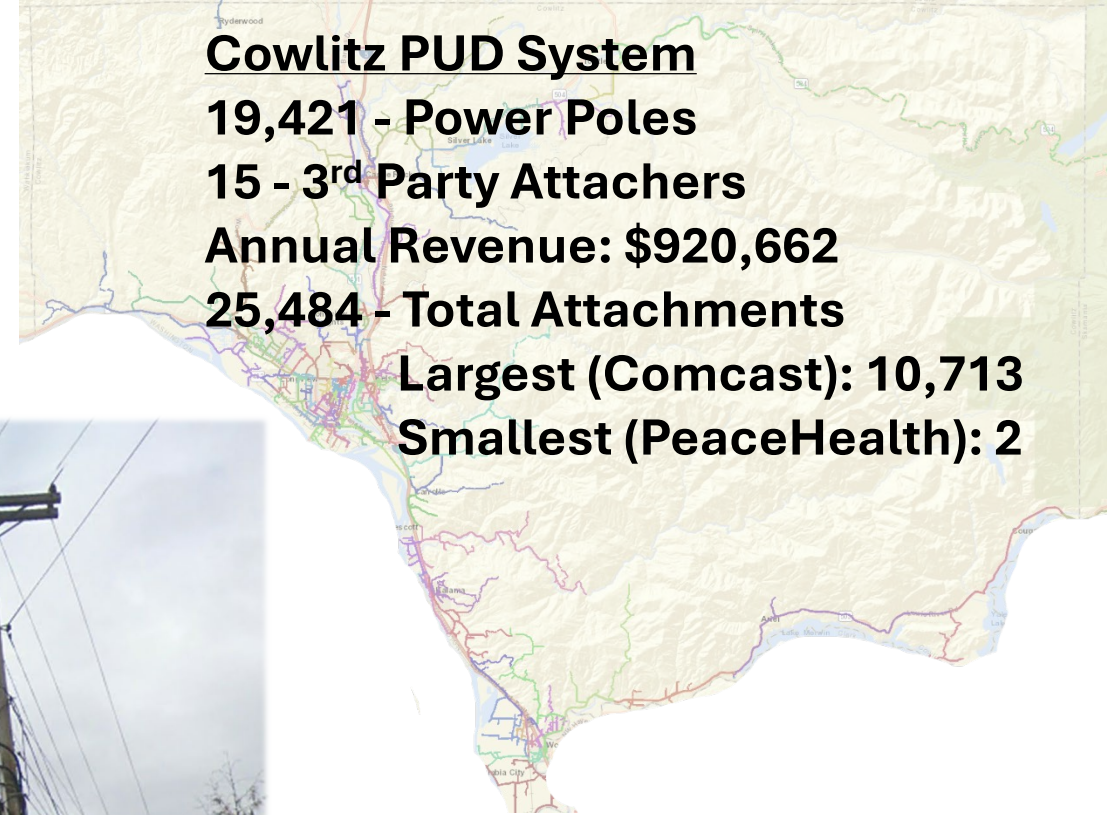
94 - Pole Attachment Ticket Requests  
3,097 – Total Poles  
1,784 – Poles Processed

**Customer Make Ready Work**

62 – Make Ready Service Orders Created  
\$577,603.40 – Invoiced Work  
\$381,728.28 – Paid to Date  
\$195,875.12 – Awaiting Payment

**Internal: Joint Use Task Reviews**

450 – Total Joint Tasks  
307 - Processed



# 4.8 2025 Recap

- System Performance:

- 2025 Totals: SAIDI: 116.12 SAIFI: 0.93 ASAI: 99.978
- 10 Year Average: SAIDI: 99.86 SAIFI: 0.78 ASAI: 99.981

- U/G Primary Faults:

- 2025 Totals: 342,319 Customer Mins 81 Faults 1,274 customers affected
- 10 Year Average: 401,994 Customer Mins 80 Faults 1,578 customers affected

- New Service Requests:

- 2025 Totals: 613 Requests
- 10 Year Average: 636 Requests

- Locate Requests:

- 2025 Total: 8,575 Locates (New Record)
- 10 Year Average: 6,915 Locates

# 4.8 2025 Recap Continued

- Designed and Released Work to Operations:
  - 985 Work Orders
    - 96 Pole Replacement Jobs
    - 40 U/G Cable Replacement Jobs (8.5 Miles)
    - 135 Distribution/Transmission System Improvement Jobs
    - 7 Unplanned Projects
    - 84 PCB Transformer Replacement Jobs
    - 623 Customer Jobs
  - 3,057 Service Orders
    - 1,742 Linked to Work Orders
    - 1,336 Independent of Work Orders

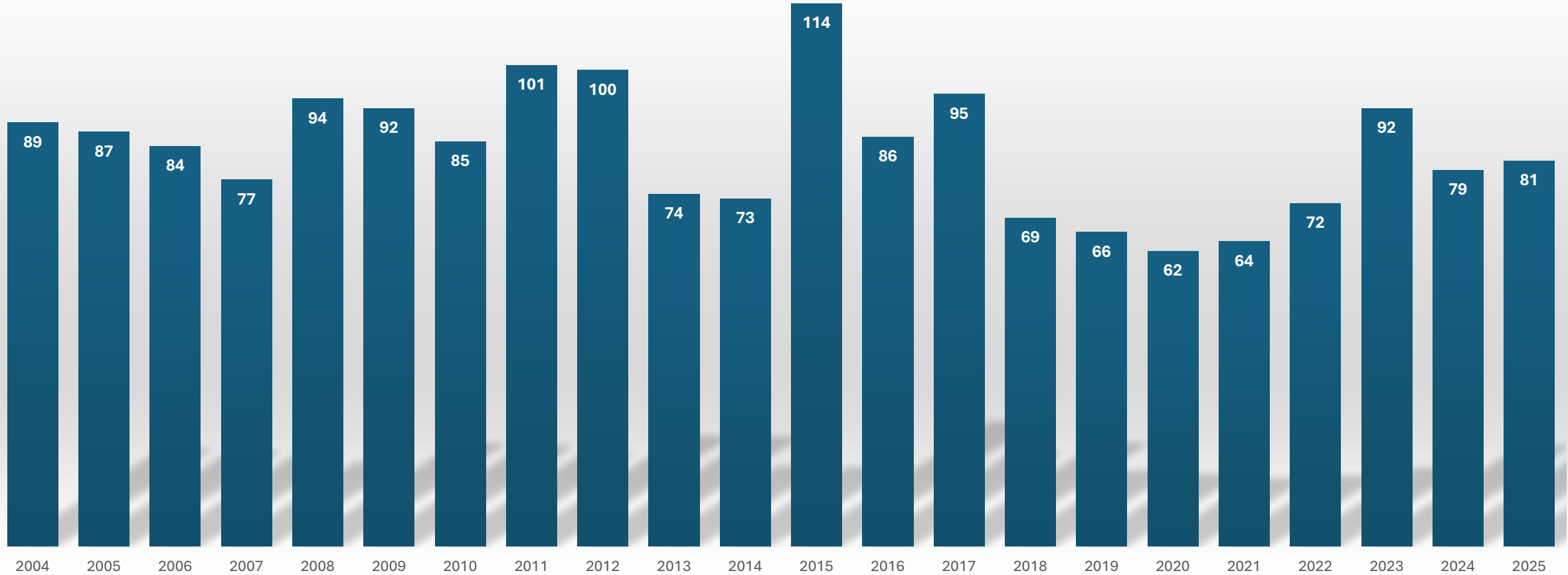
## 4.8 2025 Recap Continued



2025  
New Hires

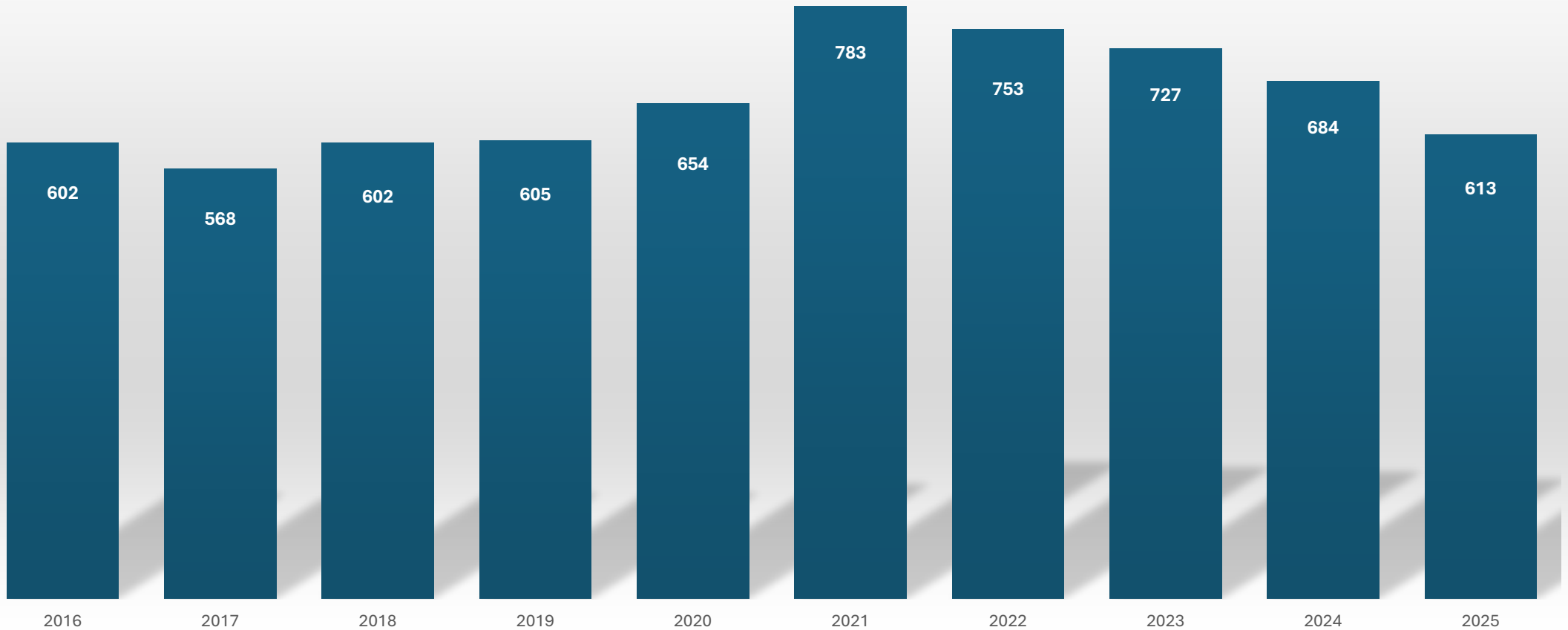
# 4.8 2025 Recap Continued

U/G Faults by Year 2004-2025



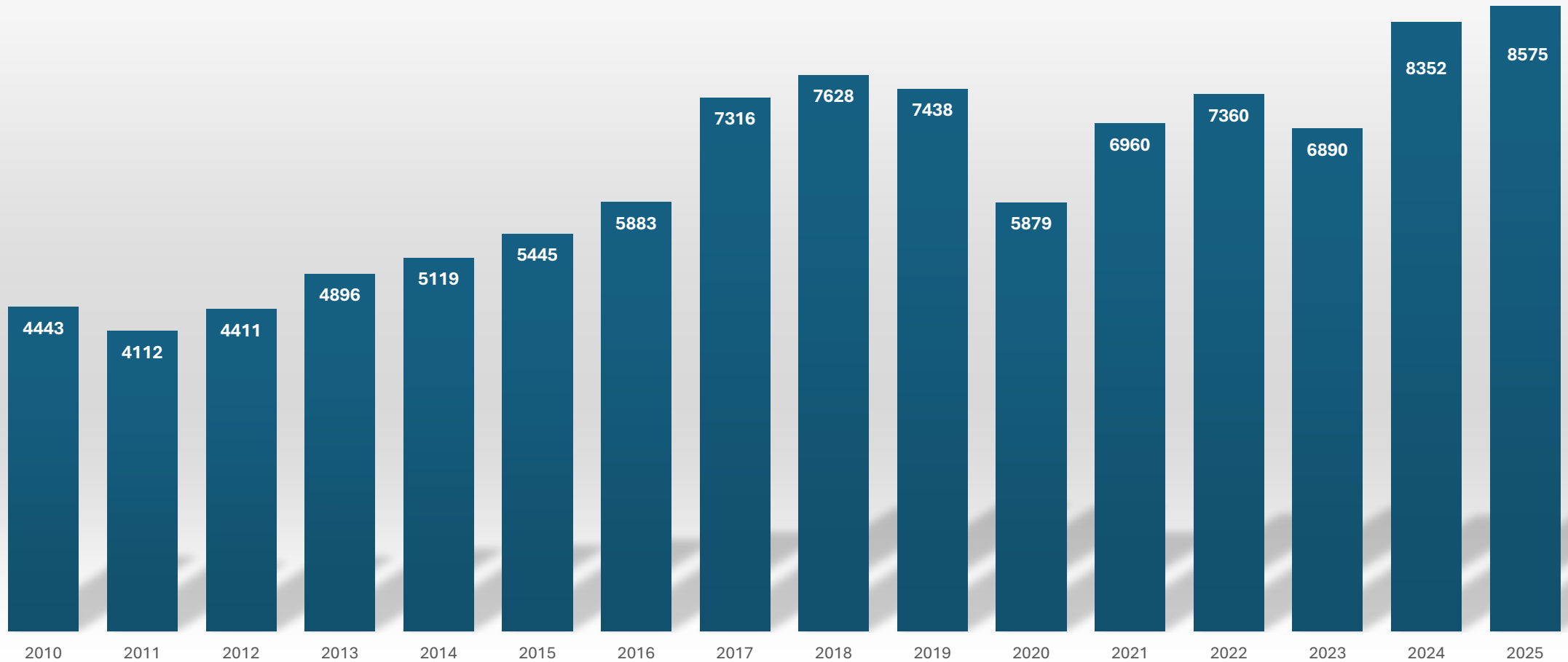
# 4.8 2025 Recap Continued

New Customer Applications by Year 2016-2025



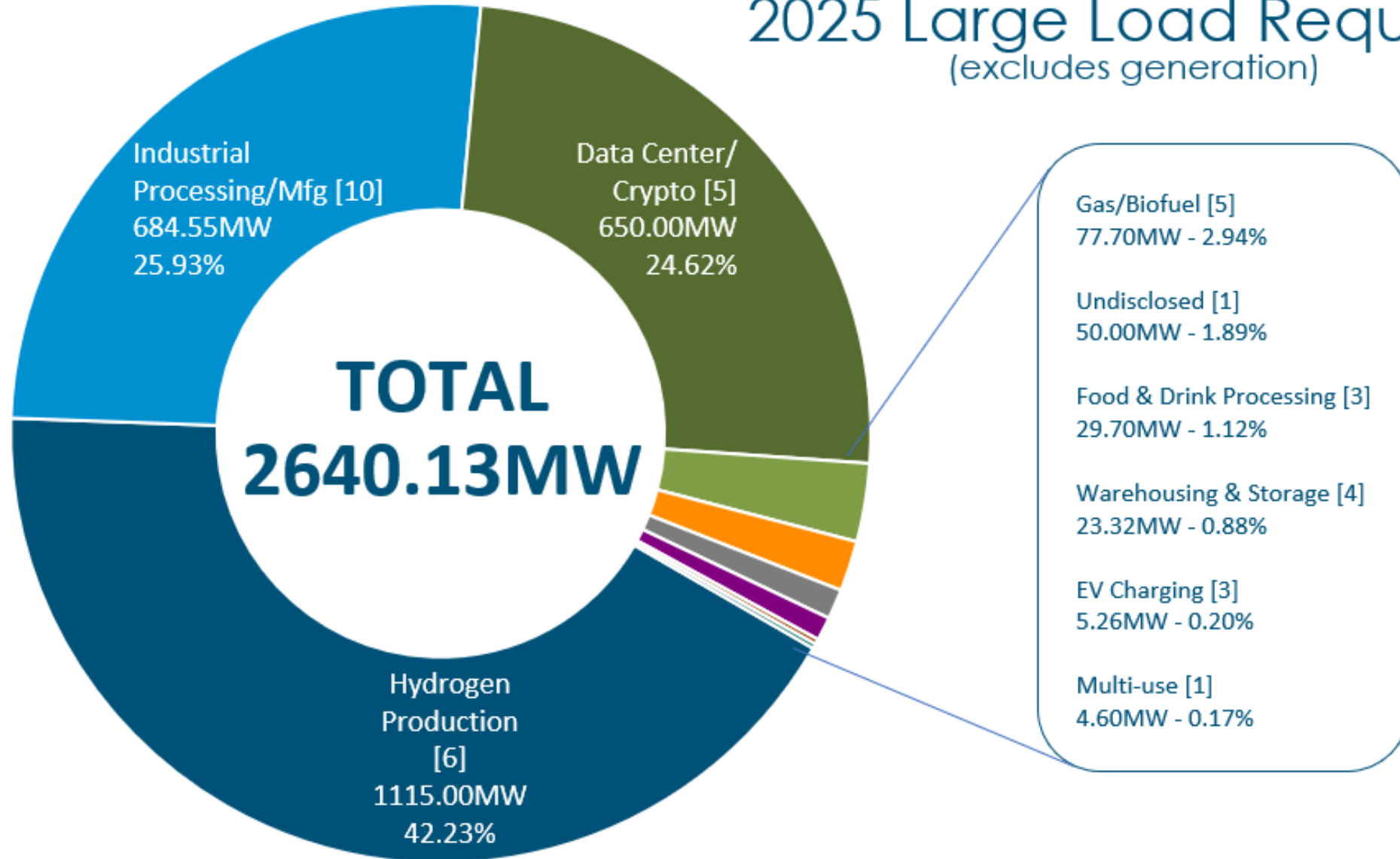
# 4.8 2025 Recap Continued

Locates by Year 2010-2025



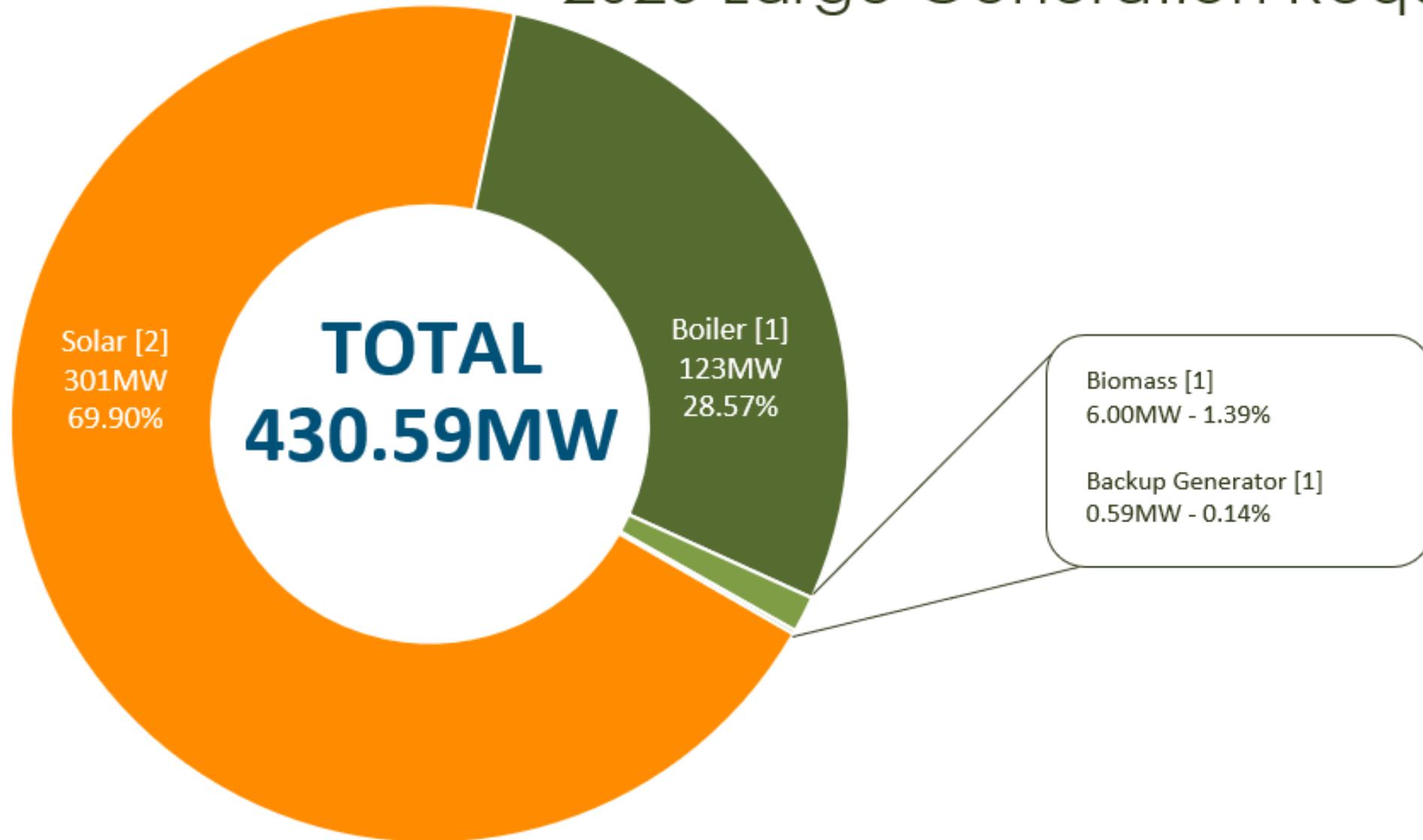
# 4.8 2025 Recap Continued

## 2025 Large Load Requests (excludes generation)



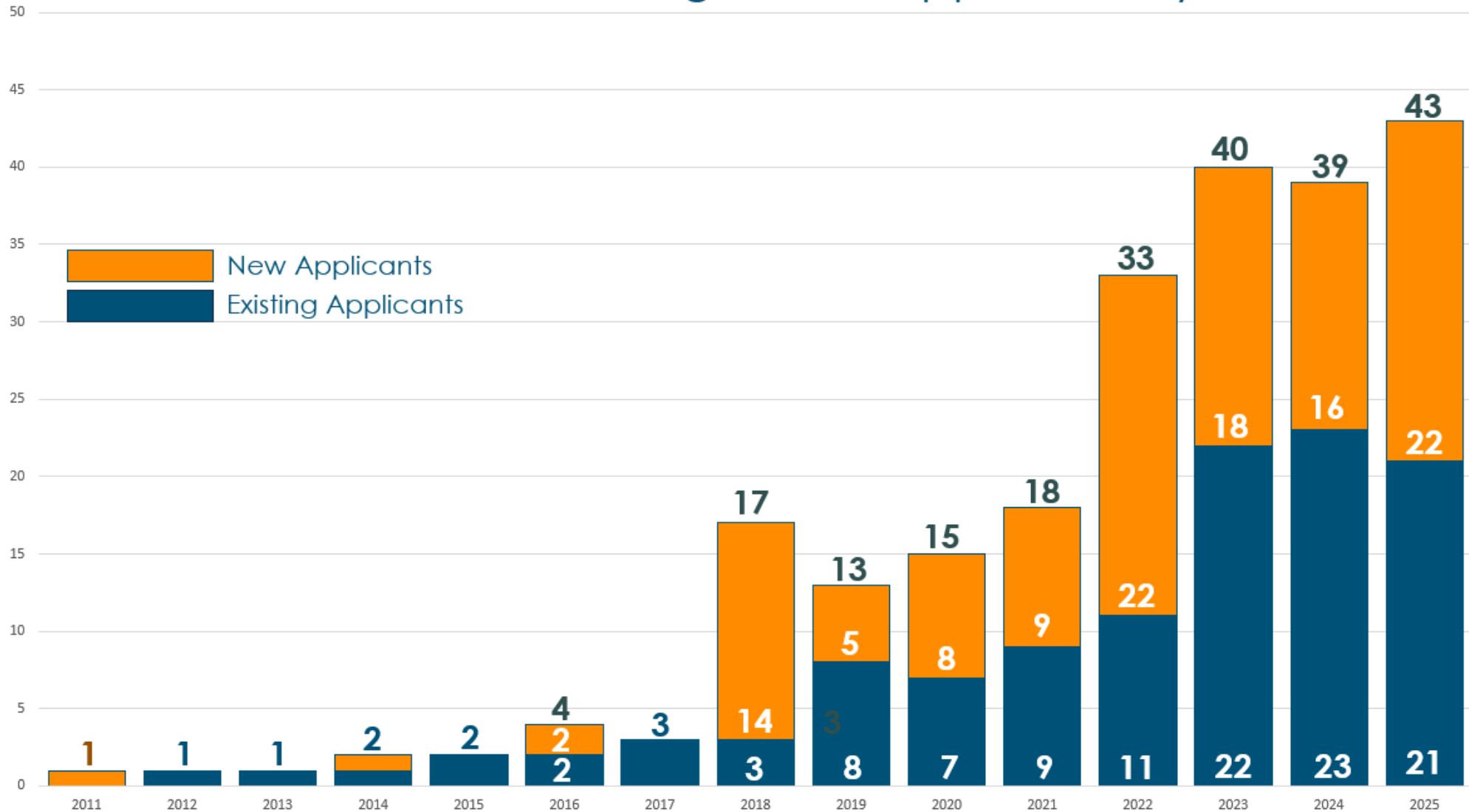
## 4.8 2025 Recap Continued

### 2025 Large Generation Requests



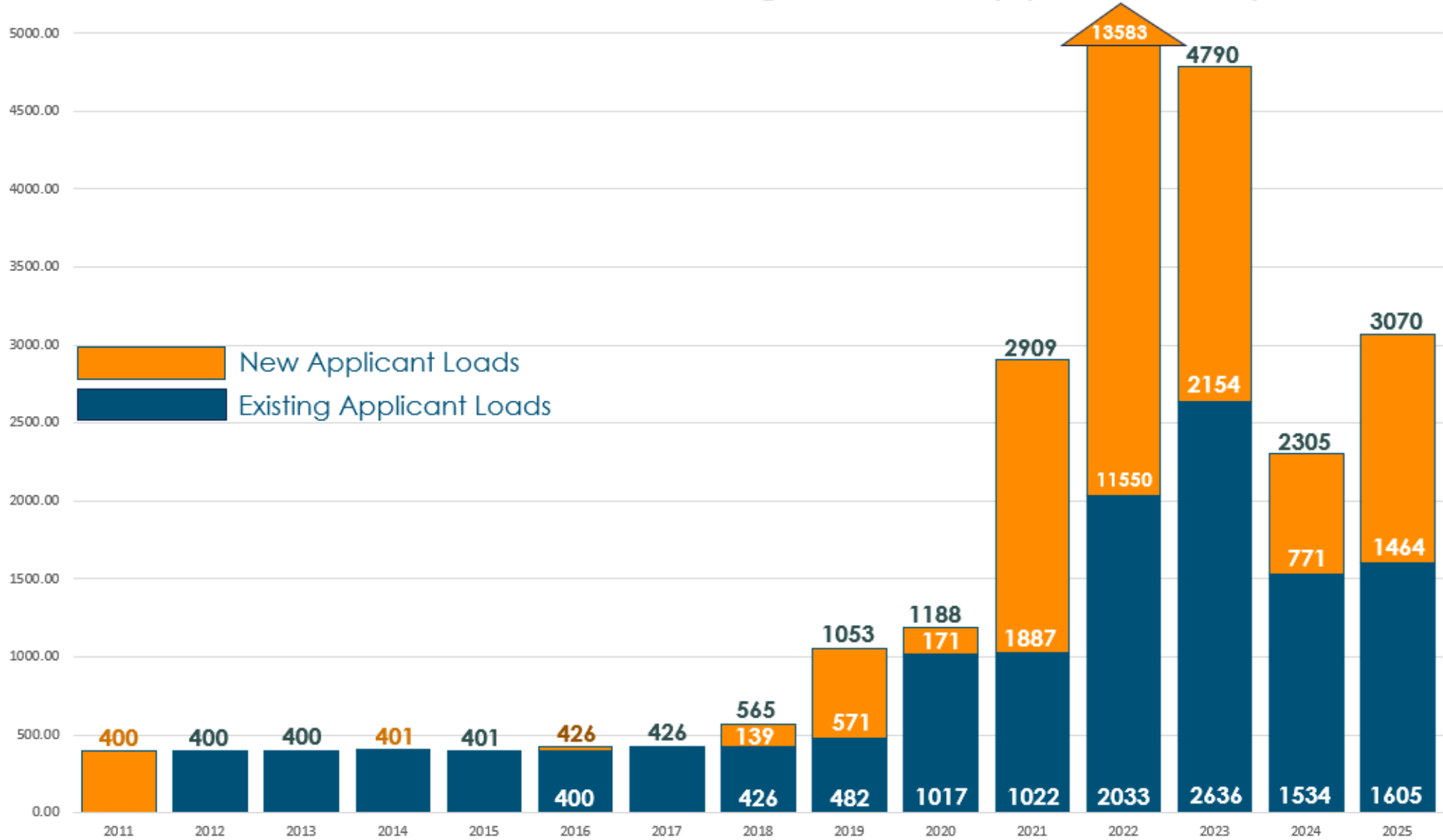
# 4.8 2025 Recap Continued

## Number of Active Large Load Applicants by Year



# 4.8 2025 Recap Continued

## Overall Peak MW of Active Large Load Applicants by Year



# 5.0 Customer Service

## 5.1 Service

- Programs
- Interactions
- Service Levels

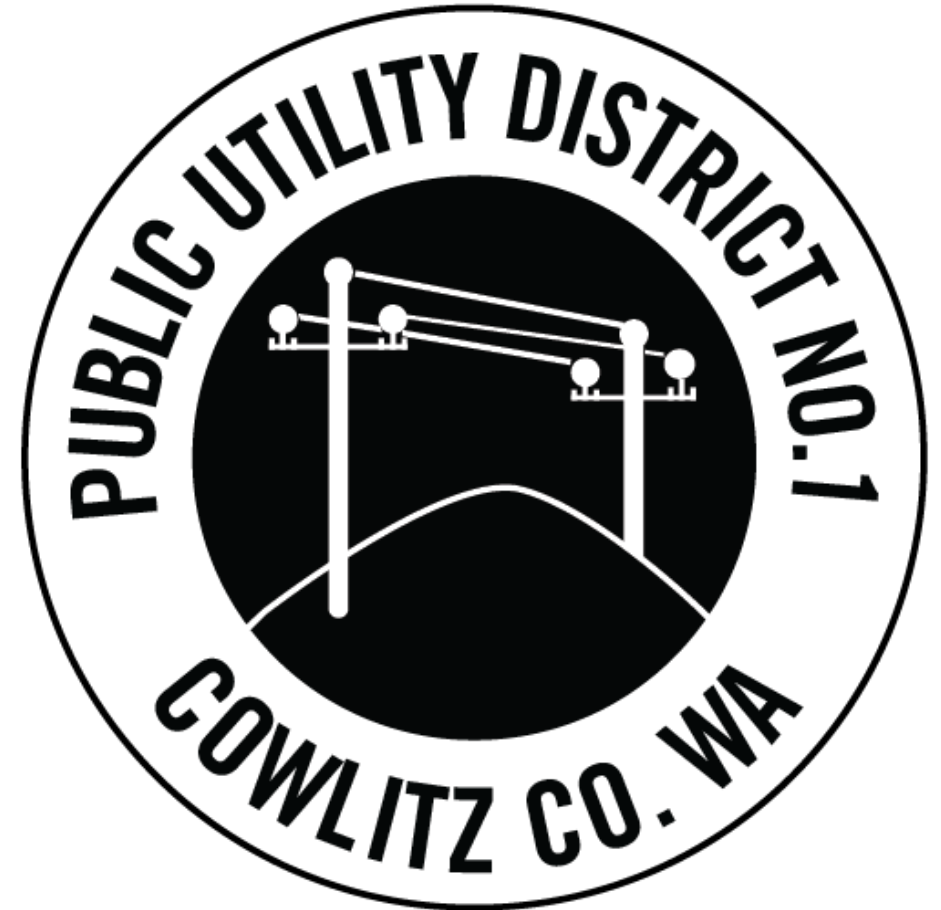
## 5.2 Accounts

- Payments
- Disconnects
- Arrearages

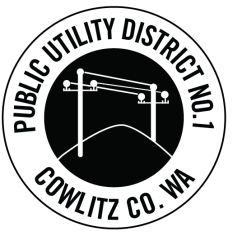
## 5.3 Assistance

- Payment Assistance
- Warm Neighbor Funding
- Outreach and Events

## 5.4 Year End Summary - 2025

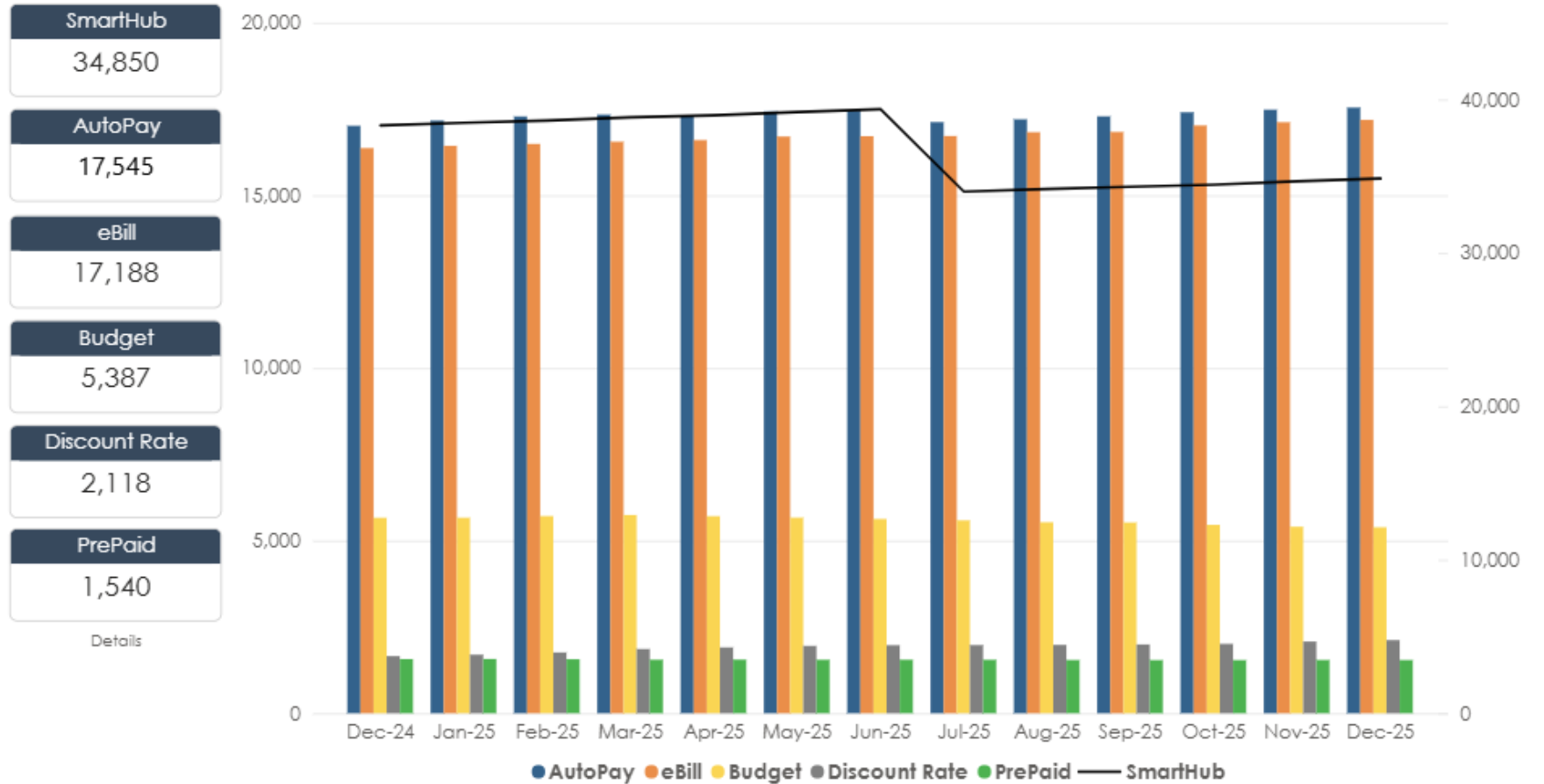


# 5.1 Service

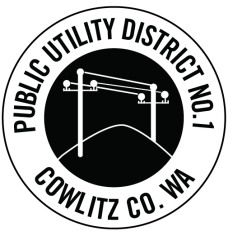


## Programs

- **SmartHub** ends the year at 34,850 users. After the June-July reporting change caused a visible dip, participation recovered and trended slightly upward through year-end.
- **AutoPay** remains very strong and steady at 17,545. Participation shows minimal month-to-month volatility, indicating sustained customer commitment.
- **eBill** closes at 17,188, tracking nearly in lockstep with AutoPay.
- **Budget** finishes at 5,387 showing stable participation with minor fluctuations.
- **PrePaid** ends at 1,540, continuing a small, steady enrollment pattern.



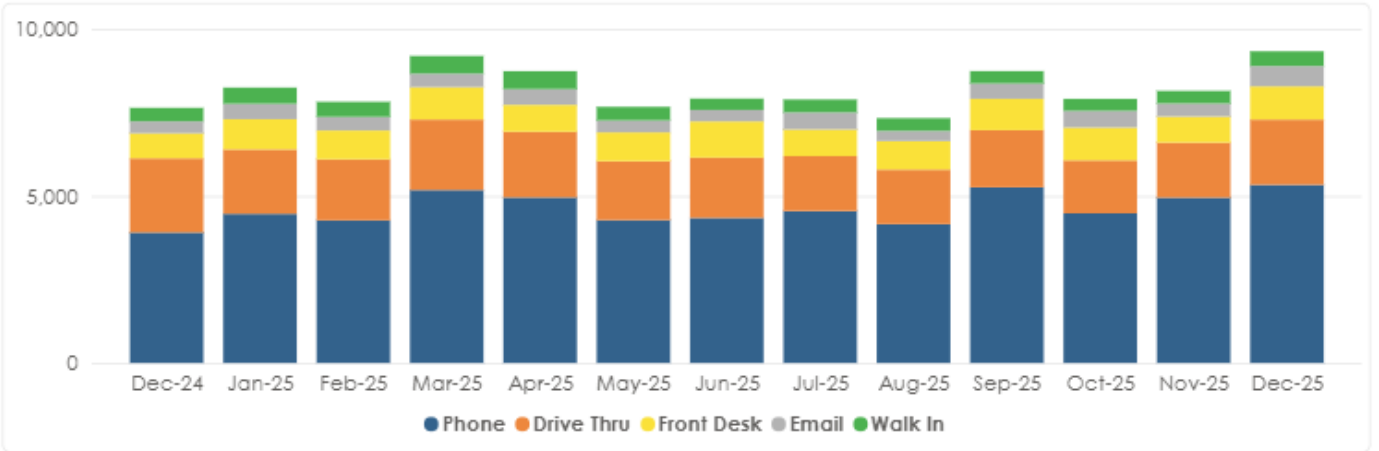
# 5.1 Service



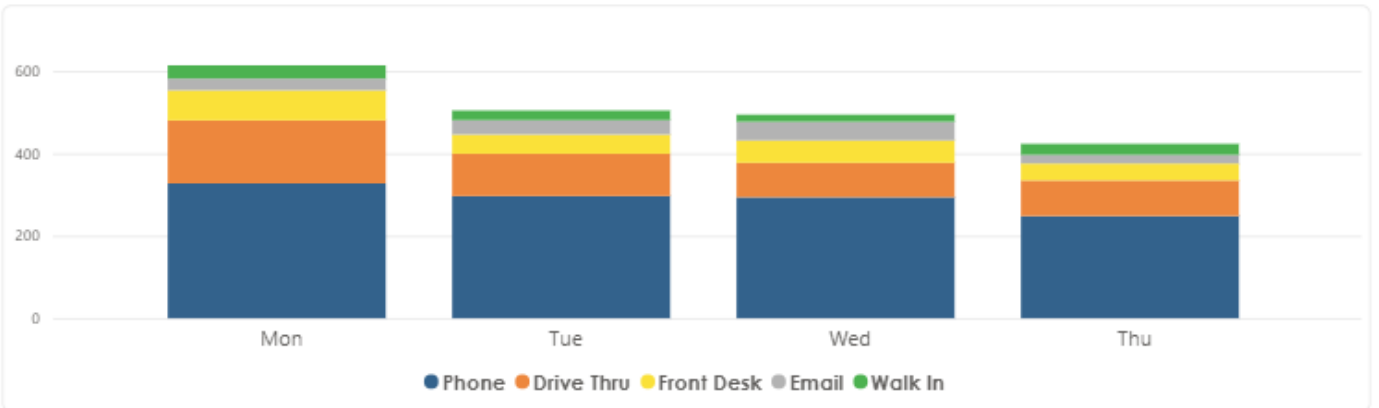
## Interactions

- **Total Interactions** for Dec 2025 reached 9,332, reflecting stable overall customer engagement.
- **Phone** continues to dominate, closing the month at 5,333 interactions (over 60% of all customer contacts).
- **Drive Thru** totaled 1,955 interactions, maintaining its position as the second-most utilized channel and reinforcing customer preference for low-contact options.
- **Walk-In** interactions rose to 443, remaining among the least used channels, but showing slighter higher activity than earlier in the year.
- **Front Desk** interactions totaled 994, reflecting steady in-person support needs and highlighting the continued importance of face-to-face assistance alongside higher-volume service channels.

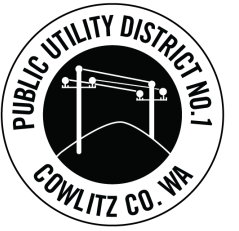
Interactions	
Total	9,332
<b>Phone</b>	<b>5,333</b>
• CSR	4,704
• Lead	629
<b>Drive Thru</b>	<b>1,955</b>
<b>Front Desk</b>	<b>994</b>
<b>Email</b>	<b>607</b>
<b>Walk In</b>	<b>443</b>



Details



# 5.1 Service

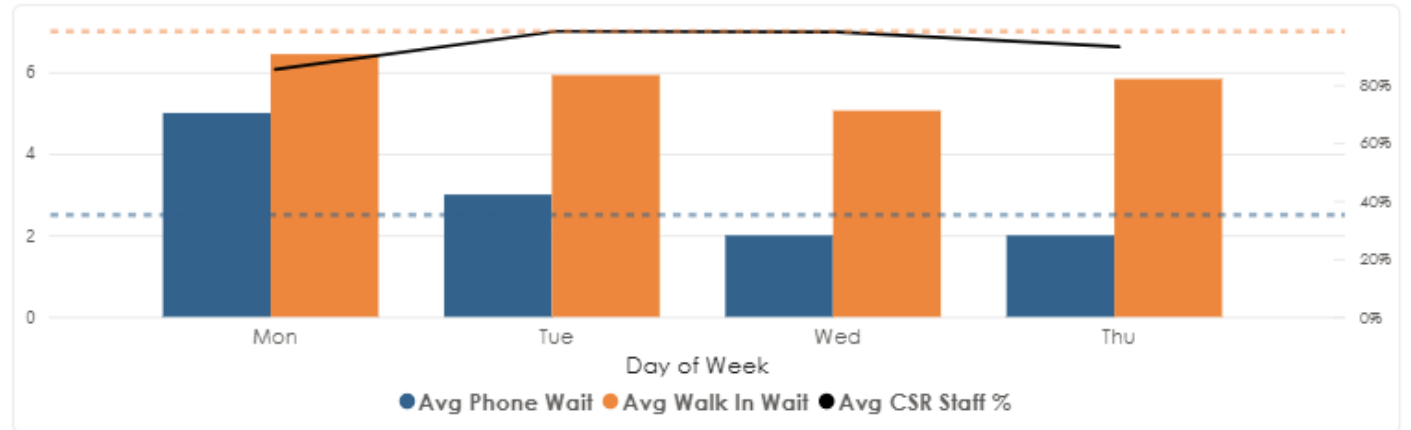
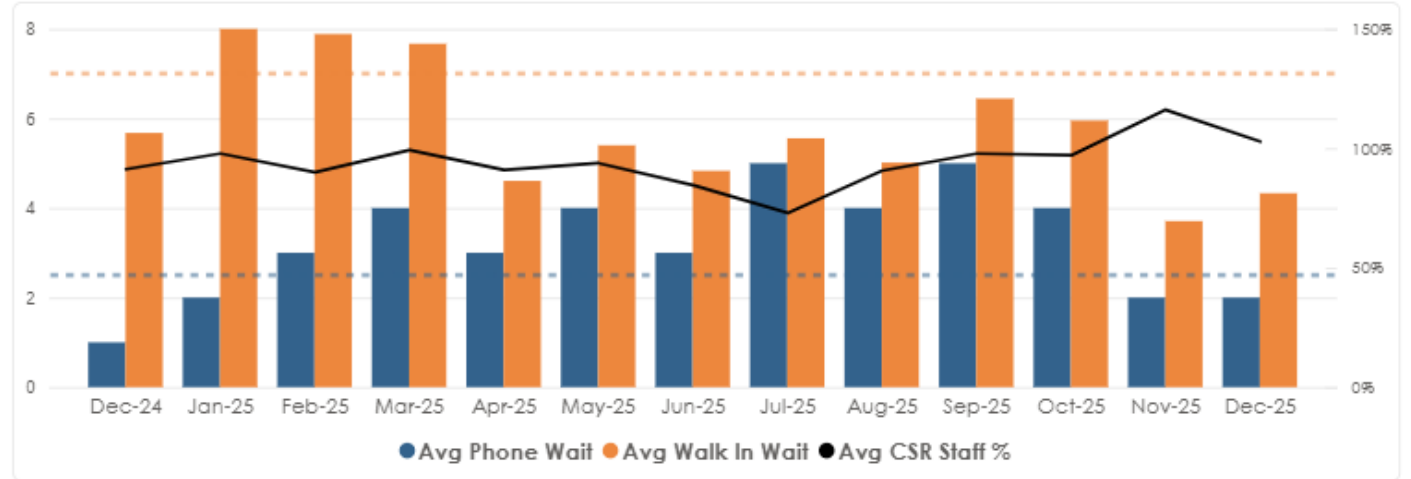


## Service Levels

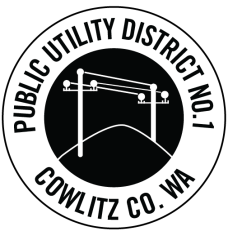
- **CSR Staffing** reached 103% in December, exceeding baseline needs and representing full recovery from earlier vacancies in positions.
- With staffing fully restored, both **phone and walk-in wait times** showed improvement.
  - Avg Phone Wait – 2:40 min
  - Avg Walk-In Wait – 4:18 min
- **Abandonment Rate** held steady at 9%, remaining within the acceptable target.
- With staffing at or above requirements, the team is now better able to absorb peak demand periods – particularly **Mondays**.

Service Levels	
<b>CSR Staffing</b>	103%
<b>Walk In Wait</b>	04:18
Goal	< 07:00
<b>Phone Wait</b>	02:40
Goal	< 02:30
<b>Abandoned</b>	9%
Goal	< 10%

Details



# 5.2 Account



## Payments

- A total of **56,070 transactions** were processed in December, with the majority completed through system-processed channels rather than CSR-handled methods.
- **System-processed totaled 44,230**, representing approximately **79%** of all payments. This highlights a strong and sustained digital adoption, with AutoPay and SmartHub consistently serving as the core channels
- **CSR-processed transactions totaled 11,840**. These numbers show continued reliance on traditional payment channels, particularly **mailed or dropped-off checks**.

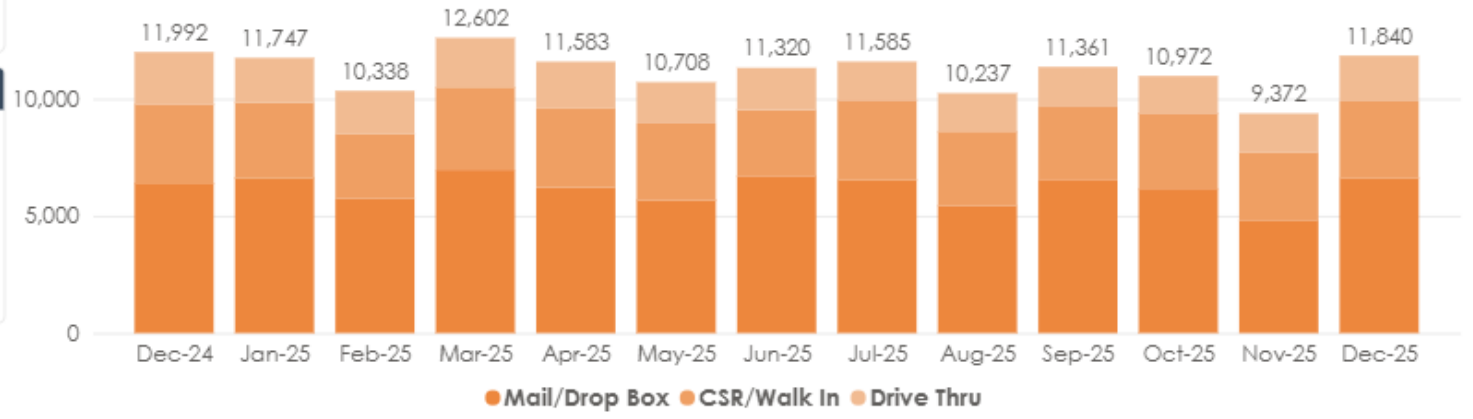
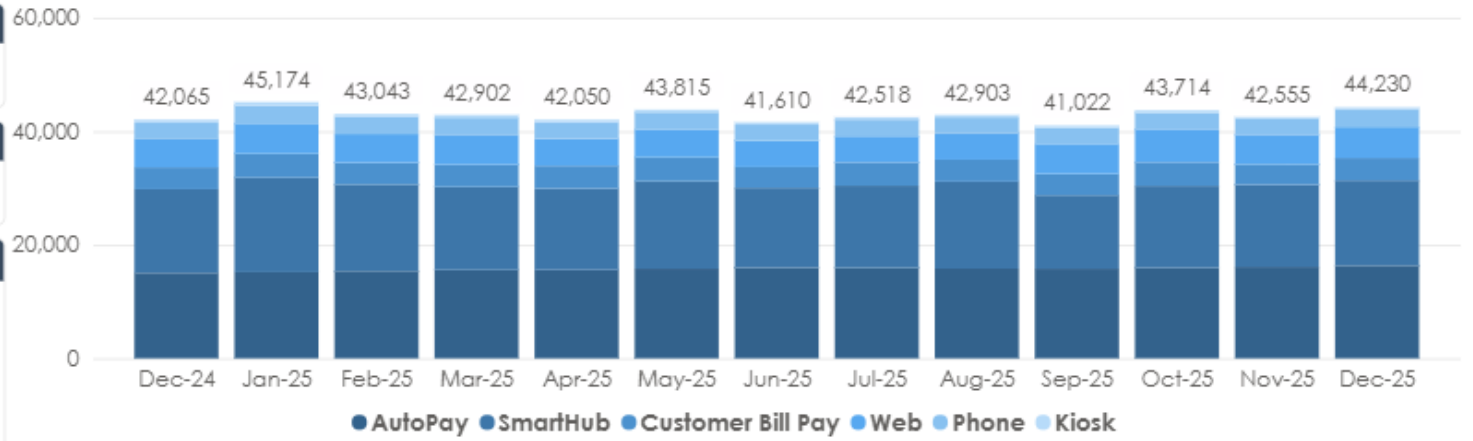
Total Transactions	60,000
56,070	

Total Dollars	40,000
\$21,601,062	

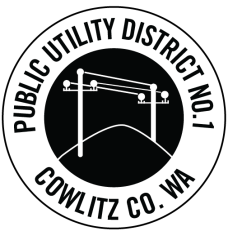
System Processed	
Total	44,230
AutoPay	16,341
Smart Hub	15,018
Customer Bill Pay	3,940
Web	5,486
Phone	3,036
Kiosk	409

CSR Processed	
Total	11,840
Mail/Drop Box	6,596
CSR/Walk In	3,289
Drive Thru	1,955

Details



# 5.2 Account

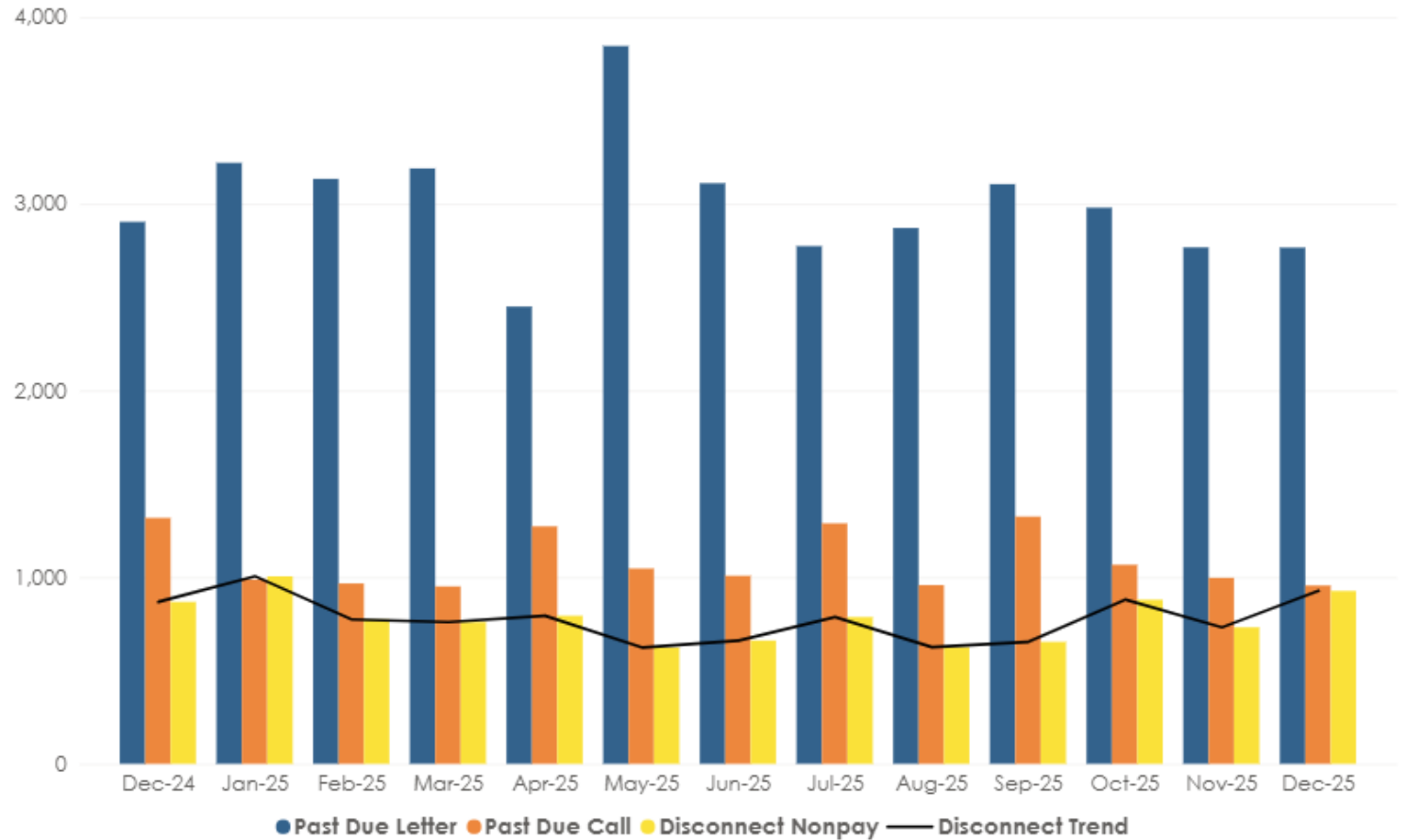


## Disconnects

- Customer behavior continues to evolve, with many customers now using the ability to **pay and restore service almost immediately** after disconnect. Among those with remote meters, the **average disconnect duration was 1.08 hours**, demonstrating rapid reconnection turnaround.
- Total disconnects for December were 926 (1.74%)**, with the majority due to **non-payment (895)**. Only 31 accounts were disconnected due to broken payment arrangements.
- PrePaid accounts accounted for 580 disconnects**, consistent with typical activity for this program. **Traditional disconnects totaled 346**.
- The disconnect **trend line shows small monthly fluctuations** but no major spikes.

<b>Past Due Letters</b>	
	2,765
<b>Past Due Calls</b>	
	955
<b>Disconnects</b>	
	926
<b>Accounts</b>	1.74 %
<b>Nonpay</b>	895
<b>Broken Arrg</b>	31
<b>PrePaid</b>	580
<b>Traditional</b>	346
<b>Remote</b>	925
<b>Manual</b>	1
<b>Durations</b>	
<b>Remote Avg</b>	1.08 hrs
<b>Manual Avg</b>	3.62 hrs

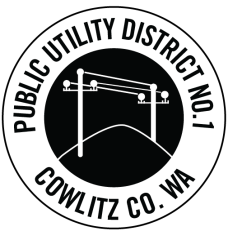
Details



# 5.2 Account

## Arrearages

- **Total arrearages reached \$581,571** in December, with the vast majority of balances in the **30-day category (\$568,952)**. This continues to indicate short-term delinquency.
- **Regular residential accounts make up nearly all past-due balances**, consistently representing over **90%** of arrearages.
- Both total arrearage dollars and account show an **upward movement heading into winter**, following a seasonal increase that began in Oct, consistent with typical pre-winter behavior.



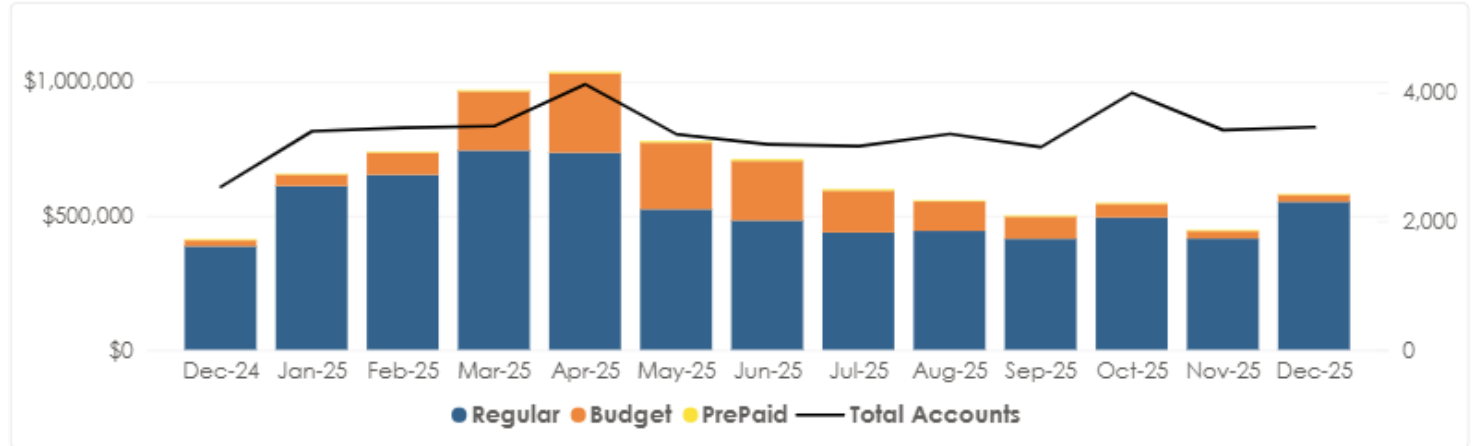
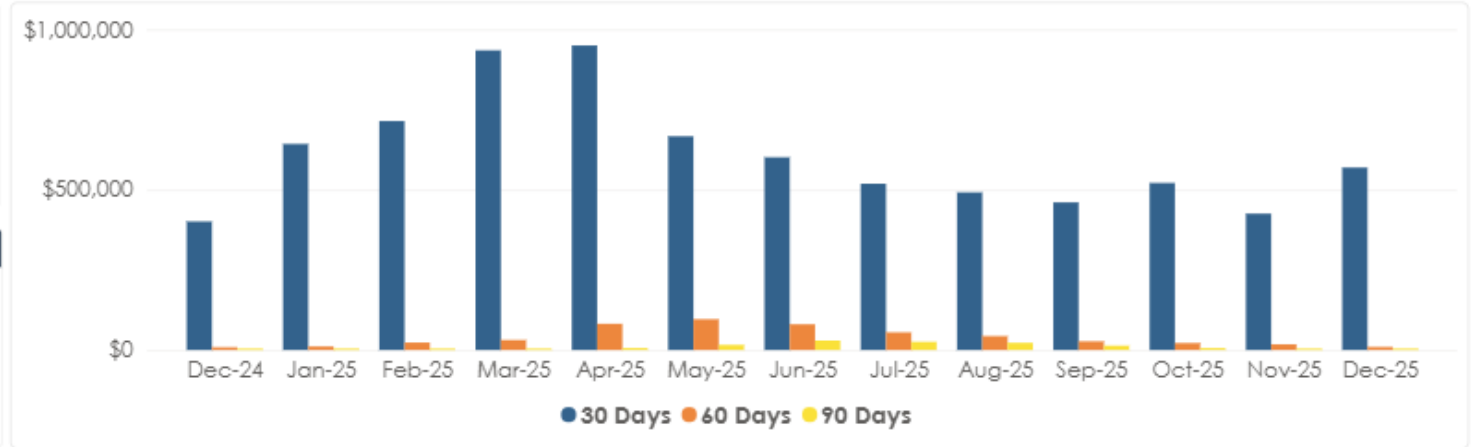
Total Past Due	
	\$581,571
30-Days	\$568,952
60-Days	\$9,526
90-Days	\$3,094

Total Accounts	
	3,759
30-Days	3,601
60-Days	135
90-Days	23

Account Types	
Regular	\$551,726
PrePaid	\$4,097
Budget	\$25,748

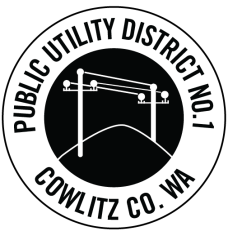
Account Class	
Residential	\$494,328
Business	\$87,243

Details



# 5.3 Assistance

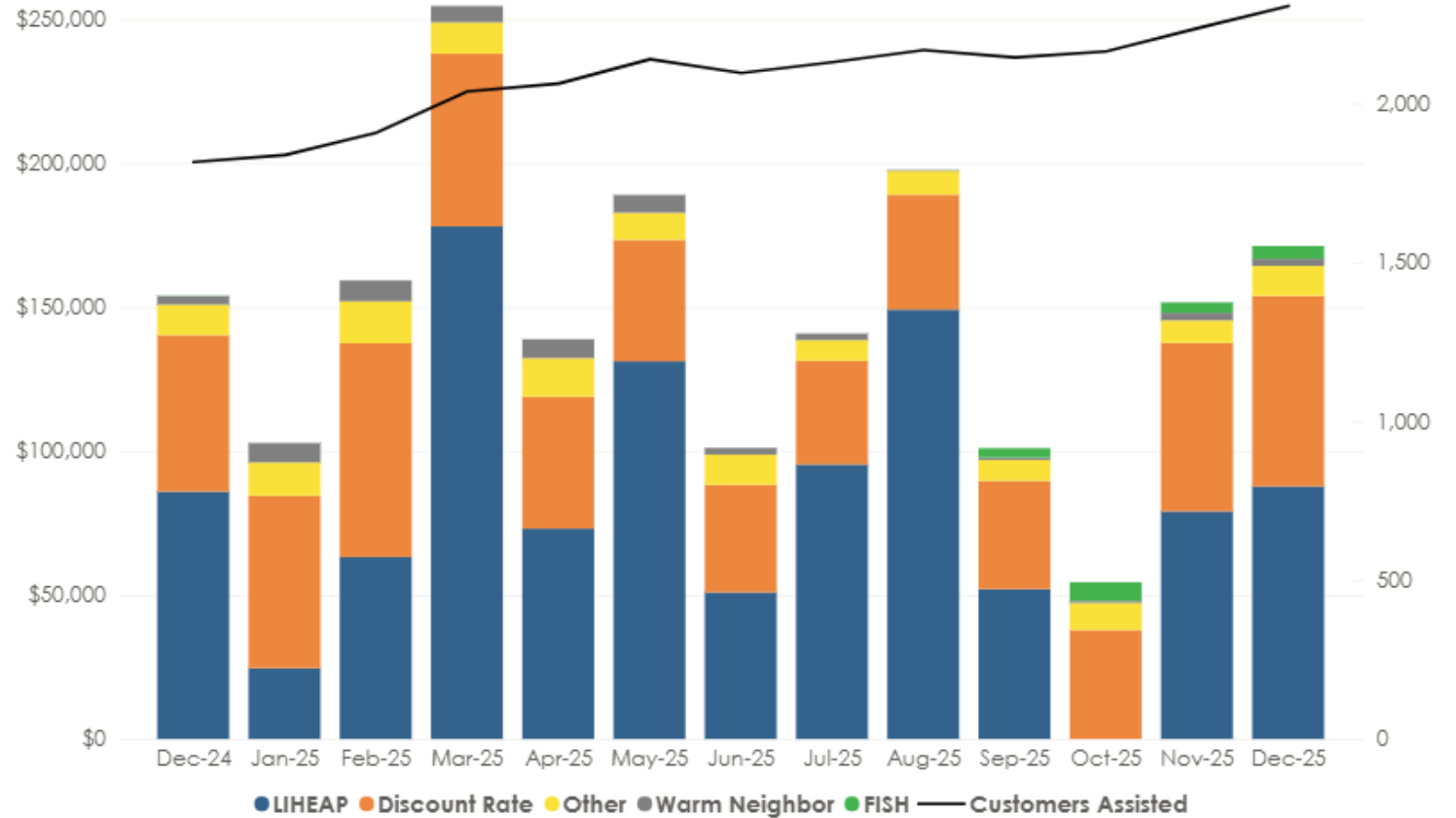
## Payment Assistance



- A total of **2,307** customers received **\$171,156** in assistance from all programs in December.
- **LIHEAP** provided \$87,709, representing the largest share of total assistance, continuing to serve as the primary support resource.
- **Discount Rate** assistance totaled \$66,130, making it the second-largest contributor for eligible customers.
- **Other assistance** from agencies such as DSHS and local churches, offer supplemental aid to customers.
- **Warm Neighbor** provided \$2,435, showing modest but consistent support.
- **FISH** contributed \$4,463, helping offset customer needs when LIHEAP is unavailable.

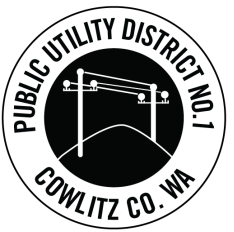
Customers Assisted	2,307
Total Assistance	\$171,156
LIHEAP	\$87,709
Discount Rate	\$66,130
Other	\$10,419
Warm Neighbor	\$2,435
FISH	\$4,463

Details

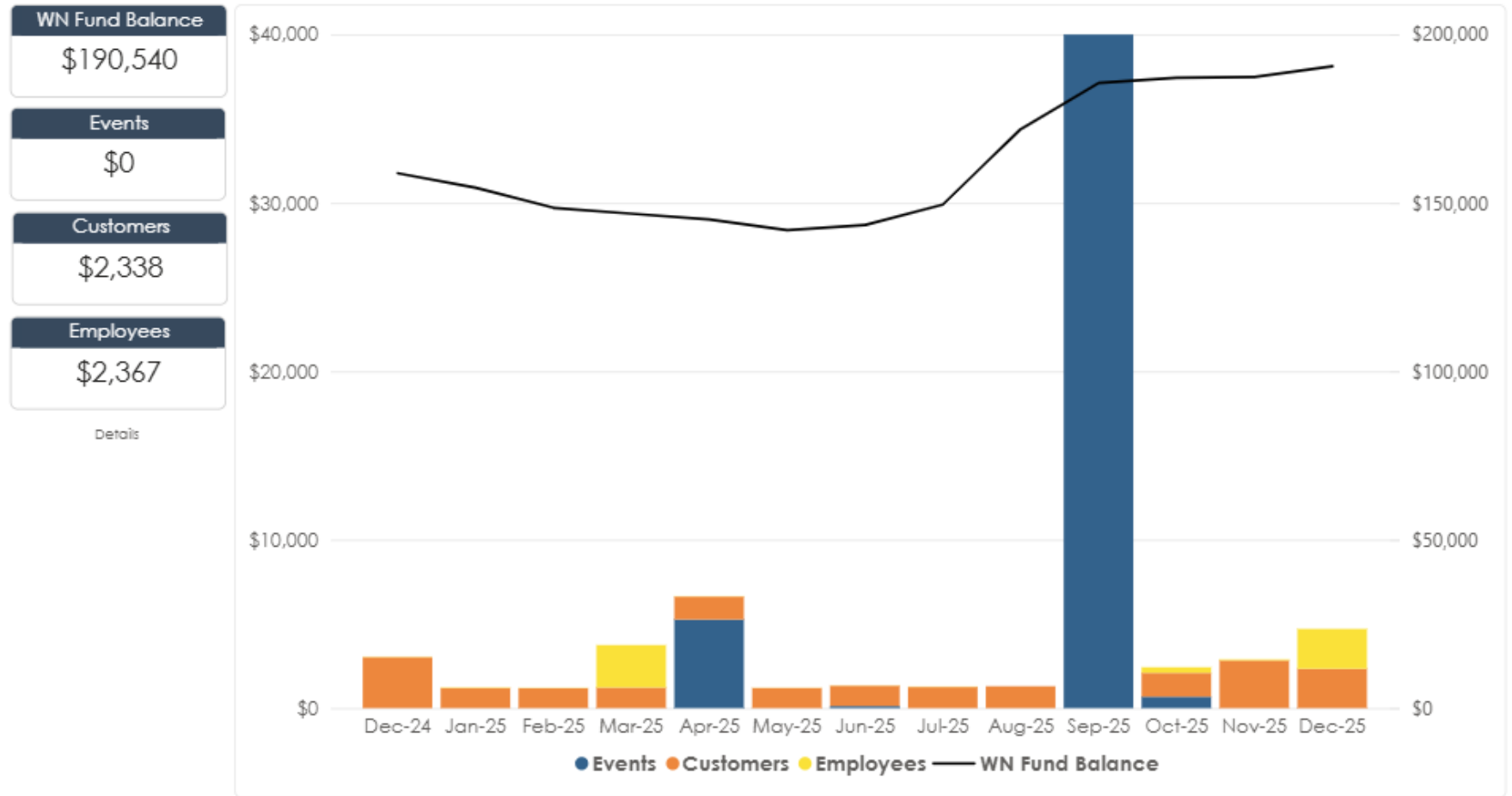


# 5.3 Assistance

## Warm Neighbor Funding

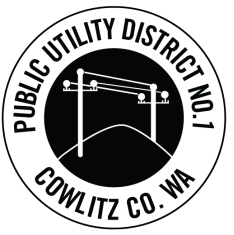


- **The Warm Neighbor Fund balanced ended the year at \$190,540**, maintaining a healthy reserve to support customers in need.
- **Employee contributions played a key role, totaling \$2,367** through the Christmas Raffle and reinforcing strong internal support for the program.
- **Customer contributions totaled \$2,338**, providing steady community support throughout the year.
- **Lights in the Park contributions have not yet been received**, and will be reflected in the balance once collected.



# 5.4 Updates

Year End Summary - 2025

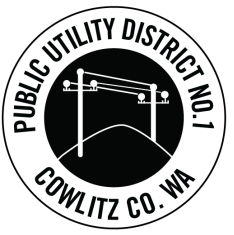


- **Program participation** remained stable, with growth in AutoPay, eBill, and Discount Rate, and minimal overall decline driven mostly by reporting changes.
- **Customers interaction** channels shifted, with fewer phone and lobby visits and new tracking for front desk and email providing clearer insight into customer contacts.
- **Staffing challenges** affected service levels, leading to longer phone waits and higher call abandonment rates.
- **New performance metrics** added in 2025 improved visibility into staffing, wait times and customer engagement.

SECTION	2024	2025	% CHANGE 2025	COMMENTS
<b>5.1 PROGRAMS</b>				
SMARTHUB	38,304	34,850	-9.0%	REPORTING CHANGE - NO LOSS OF PARTICIPATION
AUTO PAY	17,017	17,545	3.1%	
EBILL	16,371	17,188	5.0%	
BUDGET	5,662	5,387	-4.9%	
DISCOUNT RATE	1,655	2,118	28.0%	AUTO ENROLLMENT FOR QUALIFIED APPLICANTS
PREPAY	1,568	1,540	-1.8%	
<b>TOTAL</b>	<b>80,577</b>	<b>78,628</b>	<b>4.9%</b>	
<b>5.1 INTERACTIONS</b>				
PHONE	52,343	56,219	7.4%	
DRIVE THRU/LOBBY	22,214	21,581	-2.8%	DRIVE THRU ONLY NOW
FRONT DESK		10,410		NEW DATA POINT - FRONT DESK PAYMENTS
EMAIL		5,215		NEW DATA POINT - CUSTOMER EMAILS
WALKIN	5,993	5,066	-15.5%	
<b>TOTAL</b>	<b>80,550</b>	<b>98,491</b>	<b>22.3%</b>	INCREASED WITH NEW DATA POINTS
<b>5.1 SERVICE LEVELS</b>				
STAFFING		94.50%		NEW DATA POINT
WALK IN WAIT TIME		5.51		NEW DATA POINT
PHONE WAIT TIME	1.8	3.46	92.2%	STAFFING TURNOVER/SHORTAGES
ABANDONED	10.7%	12.75%	19.1%	STAFFING TURNOVER/SHORTAGES

# 5.4 Updates

Year End Summary - 2025

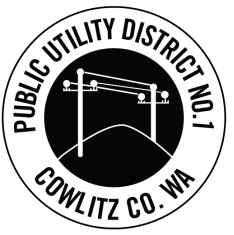


- **Payment activity remained stable**, with slight increase in total payments and continued growth in system-process transactions.
- **Disconnections increased**, largely reflecting customer behavior shifts associated with remote meter operations.
- **Arrearages rose due to higher 30-day past due balances**, tied to remote meter behavior changes, while 60 and 90-day balances remained stable - indicating customer are paying, but later.
- **Focused customer outreach in 2026** will emphasize payment options and education to help avoid late fees and reduce arrearages.

SECTION	2024	2025	% CHANGE 2025	COMMENTS
<b>5.2 PAYMENTS</b>				
AMOUNT PROCESSED		\$ 260,541,159		NEW DATA POINT
SYSTEM PROCESSED	487,303	515,536	5.8%	
MANUAL PROCESSED	147,810	133,665	-9.6%	
<b>TOTAL</b>	<b>635,113</b>	<b>649,201</b>	2.2%	
<b>5.2 DISCONNECTS</b>				
PENDING DISCONNECT	32,826	36,203	10.3%	
PREPAID	3,845	4,511	17.3%	
TRADITIONAL	4,042	4,702	16.3%	
<b>TOTAL DISCONNECTED</b>	<b>7,887</b>	<b>9,213</b>	16.8%	CUSTOMER BEHAVIOR - ADAPTING TO REMOTE METERS
% OF CUSTOMERS		1.44%		NEW DATA POINT
<b>5.2 ARREARAGES</b>				
ACCOUNTS PAST DUE	2,763	3,759		
30 DAYS	\$ 400,769	\$ 568,952		
60 DAYS	\$ 9,239	\$ 9,526		
90 DAYS	\$ 2,874	\$ 3,094		
<b>AMOUNT PAST DUE</b>	<b>\$ 412,882</b>	<b>\$ 581,571</b>	40.9%	CUSTOMER BEHAVIOR - ADAPTING TO REMOTE METERS

# 5.4 Updates

Year End Summary - 2025



- **Overall payment assistance declined year over year due to CCA grant funds received in 2024 but not in 2025;** however, excluding CCA funds, total assistance increased by 2.9% in 2025.
- **LIHEAP assistance increased significantly in 2025,** driven by additional funding sources.
- **Discount Rate assistance increased significantly,** driven by auto-enrollment of qualified applicants, strengthening support for income-eligible customers.
- **WN funding and donations grew in 2025,** supported by higher event and employee contributions, improving overall funding stability.

SECTION	2024	2025	% CHANGE 2025	COMMENTS
<b>5.3 PAYMENT ASSISTANCE</b>				
CUSTOMERS	13,876	4,964	-64.2%	NO CCA GRANT FUNDS IN 2025
LIHEAP	\$573,226	\$941,014	64.2%	ADDITIONAL FUNDING - HEAP, SUPPLEMENTAL LIHEAP, LIHEAP ARREARS
DISCOUNT RATE	\$401,234	\$595,386	48.4%	AUTO ENROLLMENT FOR QUALIFIED APPLICANTS
OTHER	\$2,080,306	\$120,630	-94.2%	NO CCA GRANT FUNDS IN 2025
WN	\$39,860	\$43,734	9.7%	
FISH	\$8,288	\$17,834	115.2%	
<b>TOTAL \$</b>	<b>\$2,529,688</b>	<b>\$1,718,598</b>	<b>-32.1%</b>	
<b>5.3 WN FUNDING</b>				
<b>FUND BALANCE</b>	<b>\$158,793</b>	<b>\$190,540</b>	<b>20.0%</b>	
EVENTS	\$40,597	\$54,153	33.4%	
CUSTOMER	\$17,879	\$17,888	0.1%	
EMPLOYEE	\$3,355	\$5,413	61.3%	
<b>TOTAL DONATIONS</b>	<b>\$61,831</b>	<b>\$77,454</b>	<b>25.3%</b>	

# 6. Employee Services

6.1 Personnel Status

6.2 Current Employee Recruitments

6.3 Career Fair – Public and Student Outreach

# 6.1 Personnel Status

## Current Employee Count:

175 full-time employees

2 part-time employee

## New Hires:

- Our new Utility Contracts Coordinator, Grant Keirnan's first day with the District will be February 2, 2026.

## 6.2 Current Employee Recruitments

### External Recruitments:

- We are currently recruiting to fill the following position:
  - Systems Analyst I – we had the Systems Analyst position open from 1/5/2026 through 1/18/2026 to backfill for an upcoming retirement. We received 64 applications and are currently reviewing applicants to begin interviewing in the next few weeks.
  - Substation Wireman – this position is open from 1/12/2026 through 2/1/2026. This position is to backfill for an upcoming retirement.
  - Records Coordinator II – this position is open from 1/12/2026 through 2/8/2026. This position is to backfill a retirement that occurred in 2025.

- New Hires – 2025
  - The District hired 14 new employees in 2025

New Hires - 2022	
Operations	NERC Certified Dispatcher – 1 Groundman - 1
Accounting	Warehouse Helper - 1
Customer Service	Customer Service Specialist – 1 Customer Service Representative - 2
Technology	GIS Technician - 1
Engineering	Electrical Engineer II – 1 Engineering Drafting Technician – 1 Utility Contracts Coordinator – 1 Electrical Engineer Intern – 1 T&D Intern - 2
Power Management	Environmental & Power Resource Analyst – 1

- Employee's who left the District in 2025
  - The District had 17 employees leave the District in 2025

Departures - 2025	
Moved out of State – 1	T&D Engineer
Retired - 7	NERC Certified Dispatcher General Foreman Fleet Meter Foreman Storekeeper Customer Service Representative Transformer Maintenance Spill Response Coordinator Records Management Coordinator II
Left the District to pursue other ventures – 4	Benefits Specialist GIS Technician Customer Service Representative Electrical Engineer III
No longer with the District - 5	Lineman Warehouse Helper Senior Customer Service Representative Power Resource Analyst Utility Contracts Coordinator

## 6.3 Career Fair – Public and Student Outreach

### Outreach Events Coming up for 2026:

- **Kelso High School Senior Resume and Cover Letter Education – 1/21/2026**
  - Kelso High School is hosting a resume and cover letter education session via Zoom that Teedara will be presenting at.
- **RA Long High School & Mark Morris High School College and Career Fair – 2/26/2026**
  - RA Long will host their session with local businesses and Colleges from 8am to 11am
  - Mark Morris will host their session with local businesses and Colleges from 12pm to 3pm
- **Kelso High School College and Career Fair – 3/5/2026**
  - Kelso High School will host their session with local businesses and Colleges from 11:30am to 2:30pm
- **Castle Rock High School Skilled Trades Fair – 4/21/2026**
  - This event will take place on April 21, 2026 from 8am to 3pm in the Castle Rock High School parking lot.
  - This event will be open to not only Castle Rock High School students but from students at different high schools bringing over 800 students to the event.
- **Woodland High School Career Fair – 4/24/2026**
  - This event will take place at Woodland high school from 8am to Noon for local Cowlitz and Clark businesses to attend.

# 2025 Year in Review



# connected

## A Message from Director of Power Resources: Let's Talk About Reliability

Christopher Whit, Director of Power Resources

You may have seen recent reports about the possibility of "rolling blackouts" in the Northwest during periods of extreme weather. While these headlines can sound concerning, we want to provide clarity on what Cowlitz PUD is doing to ensure reliable power for our customers. In this newsletter, you'll find a feature article that explains how we are proactively engaging in regional efforts to address these challenges and safeguard the reliability of your electric service.

**Key Information:** The Northwest electric grid is facing unprecedented challenges driven by rising electricity demand, accelerated clean energy transitions, and the retirement of firm on-demand resources. Recent studies, including the E3 resource adequacy analysis, indicate that by 2050 the region could experience a significant shortfall—up to 6000 MW across the greater Northwest and nearly 2,300 MW in Washington and Oregon alone. These gaps represent the equivalent demand of millions of homes and underscore the urgency of addressing reliability risks during extreme weather events.

**What Does This Mean for You?** At Cowlitz PUD, we understand that reliable electric service is essential for daily life, economic prosperity, and critical infrastructure. While our current resource portfolio—including firm contracts, wind assets, and hydroelectric generation—positions us well to meet expected peak loads, grid reliability is a shared responsibility. The evolving energy landscape introduces risks beyond our direct control, and we are committed to proactive planning and ongoing regional studies to mitigate potential disruptions and cost impacts.

By assessing the risks and identifying solutions, we aim to foster constructive dialogue among policymakers, utilities, and stakeholders. Cowlitz PUD will continue advocating for balanced clean energy policies that prioritize environmental stewardship, reliability, and affordability. We appreciate your support as we work diligently to keep the lights on and ensure a resilient energy future for our community.



## COWLITZ PUD: OUR COMMITMENT TO RELIABLE, COST-EFFECTIVE SERVICE

Cowlitz PUD is committed to serving its customers with electricity that is reliable, cost-effective and clean. You may have seen recent news stories that highlight the reliability of the Northwest's regional electric grid and the potential for "rolling blackouts" that would adversely impact customers during extreme cold weather or heat events. The PUD would like to offer its perspective on these reports while assuring its customers of the actions under way to verify the risks of power supply shortages and develop measures to improve resiliency of the electric grid.

The PUD is part of a Northwest electric utility study, performed by the consulting firm Energy and Environmental Economics (E3), to determine whether there is an adequate amount of generation and transmission resources to serve the rising demand for power that has been largely driven by data centers and the electrification of transportation and buildings. In short, "resource adequacy" measures whether we have "enough power when we need it." The study's initial results for 2026-2050 are striking and indicate that the region faces an elevated risk of rolling blackouts during extreme conditions, especially multi-day winter events like the January 2024 L&L holiday weekend.

Across the Greater Northwest, including Montana, Utah and Wyoming, it is expected that by 2050 the region may face an approximate 6,000 megawatt gap between peak electricity demand and the maximum capacity of the regional resource supply to meet that demand (6,000 MW is nearly equivalent to the total electric load for the entire state of Oregon). Closer to home, Washington and Oregon shortfall is projected to be nearly 2,300 MW by 2050, equivalent to the demand of 1.4 million homes or roughly 2.7 times the average electric load of the entire city of Seattle.

What's caused this situation? A confluence of rising electricity demand (forecasted to increase 20% in the next ten years), the retirement of firm on-demand generating resources (coal and natural gas), and delays in building and interconnecting new resources to the transmission grid.

Additionally, compounding to the problem are legislative policies that have been enacted to advance the transition to clean energy and meet emission reduction timelines, prompting the region to retire many fossil-fuel based firm "on-demand" resources at a faster pace than they can be adequately replaced. In lieu of these retired resources, new weather-dependent renewable resources that comply with legislative clean energy policies, such as wind and solar, are being built. Unfortunately, these resources do not perform the same, or their ability to generate power is limited to when the wind blows and/or the sun shines. So, while these resources intermittently produce energy throughout the year that is helpful to serve

continued on p. 2

# Connected

- Monthly Distribution 52,000
- Cowlitz County's Largest Publication
- Email, SmartHub, Postal

### CYBERSECURITY

#### Connected Device Security

Every day, we rely on dozens of smart or connected devices—often without even realizing it. Our personal internet routers or gateways, as well as smart devices (like outlets, lights, doorbells, locks, clocks, monitoring devices, cameras, and sensors), and countless other things we depend on are all connected—and vulnerable to compromise.

When hacking groups compromise IoT devices, they do so through unpatched vulnerabilities. They control, without our notice, and add them to their pool of compromised devices, or Botnet. These botnets are then used to perform massive attacks on other services and websites.

In early November of this year, Microsoft became the victim of a severe botnet attack carried out by a group controlling more than half a million devices. The attackers flooded Microsoft with overwhelming amounts of data, causing crippling outages.

**What can we do?**

The key to preventing this from happening is simple:

1. Only buy smart devices from reputable companies.
2. Always perform security updates and patches.

Cowlitz PUD's commitment to reliable, cost-effective service, continued typical regional loads, they often perform at a limited or non-existent level during severe weather events. To firm up the generation output of these resources, utility scale battery storage systems can also be employed; however, these systems are only capable of dispatching energy for a limited duration (4-6 hours), which can be beneficial to local grid stability and/or managing through an evening summer peak event (events well in CA or AZ) but will fall short in any prolonged winter or energy shortfall events.

We believe that electric service is critical to our region's health, safety, and economic prosperity, national security and critical infrastructure. Accordingly, staff throughout the PUD are dedicated to ensuring that the District positions to provide electric service to our customers. This commitment spans from our dedicated line crews restoring power during storm-related outages to our Power Resources Management staff efforts to ensure we have adequate physical resources and financial instruments in place to keep the lights on and mitigate extreme cost exposures that could negatively impact our customer rates. Planning and preparing for these events is nothing new to the PUD and a part of the resiliency activities staff accomplish daily. Furthermore, the District currently has a robust portfolio of resources through its power purchase contract with BPA, its portfolio of wind assets, and its dispatchable Swift No.2 Hydroelectric facility to meet expected peak loads during an extreme winter weather event. However, grid reliability is a collective responsibility and as the challenges mount and accelerate we believe this situation could eventually present a risk to the region and compromise our ability beyond our control to provide reliable electric service to our customers.

As such, the purpose of the ongoing E3 studies and this communication is not to cause immediate panic or debate the positive merits of the transition to clean energy resources but rather quantitatively examine the risks of where we are and the direction and pace the region is headed to better understand the likelihood and potential magnitude of power supply disruption that could occur during a severe winter cold snap. With this information we are hopeful that several pathways forward can be identified to advance informed conversations and timely action by policy makers, utilities, and other stakeholders to avert any extended disruption to service and/or extraordinary cost exposures, as were experienced in Texas during the 2021 winter storm event.

The upcoming release of the final E3 study will identify solutions for the region to consider in closing the resource adequacy gap, and Cowlitz PUD will continue to advocate for reasonable clean energy policies that balance the priorities of environmental quality, reliable electric service and customer affordability. Please stay tuned as the PUD continues this conversation with policymakers, industry partners, and most importantly, our customers. We're working hard to keep the lights on and appreciate your support.

#### HOW TO APPLY FOR WARM NEIGHBOR

- Complete the [application](#) on SmartHub, in our office, or print from our website [cowlitzpud.org](#).
- Submit on-line, email, mail, or drop off the application and required documentation at our office.

# Warm Neighbor Events

Presented By **1898 CO.** | **BURNS MCDONNELL.**

## A Weekend for Warm Neighbor

### Eat for Heat and the 2nd Annual Warm Neighbor Golf Tournament.

September 11th Eat for Heat Meal Kit Pick Up at Cowlitz PUD  
September 12th Tournament at Three Rivers Golf Course



\$48K

**ANNUAL CHRISTMAS LUNCH**

PLEASE JOIN US FOR THE  
**CHRISTMAS LUNCH**  
ON DECEMBER 18TH FROM 11:30AM-1:30PM  
**PUD OPERATIONS**  
THIS EVENT IS FULLY CATERED  
WE KINDLY REQUEST THAT YOU  
BRING:  
COOKIES FOR A COOKIE EXCHANGE  
MONEY FOR THE RAFFLE

\$6K

**KELSO ROTARY**  
**Lights in the PARK**  
DECEMBER 12-24  
5PM

**MEMORIES**  
**SCHOLARSHIPS**  
**COMMUNITY PROJECTS**  
**WARM NEIGHBOR FUND**

Make an impact  
this holiday season

\$3K

- Distribution 14,000
- Includes Monthly PUD Column



## PLUGGED IN TO COWLITZ PUD

By Alice Dietz,  
Cowlitz PUD

Communications/Public Relations Mgr.

### *Make it a loan!*

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

Traditionally, rebates for residential energy efficiency projects are paid to either the customer or the contractor. In the case of the home energy loan program, the rebate is paid to Fibre to lower the annual percentage rate (APR) of the loan to zero or near zero, in most cases.

Since 2021, over 100 Cowlitz PUD customers have benefited from the  
next page



## WE CAN H.E.L.P

### WITH A HOME ENERGY LOAN PROGRAM

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



**Fibre  
Federal**  
CREDIT UNION



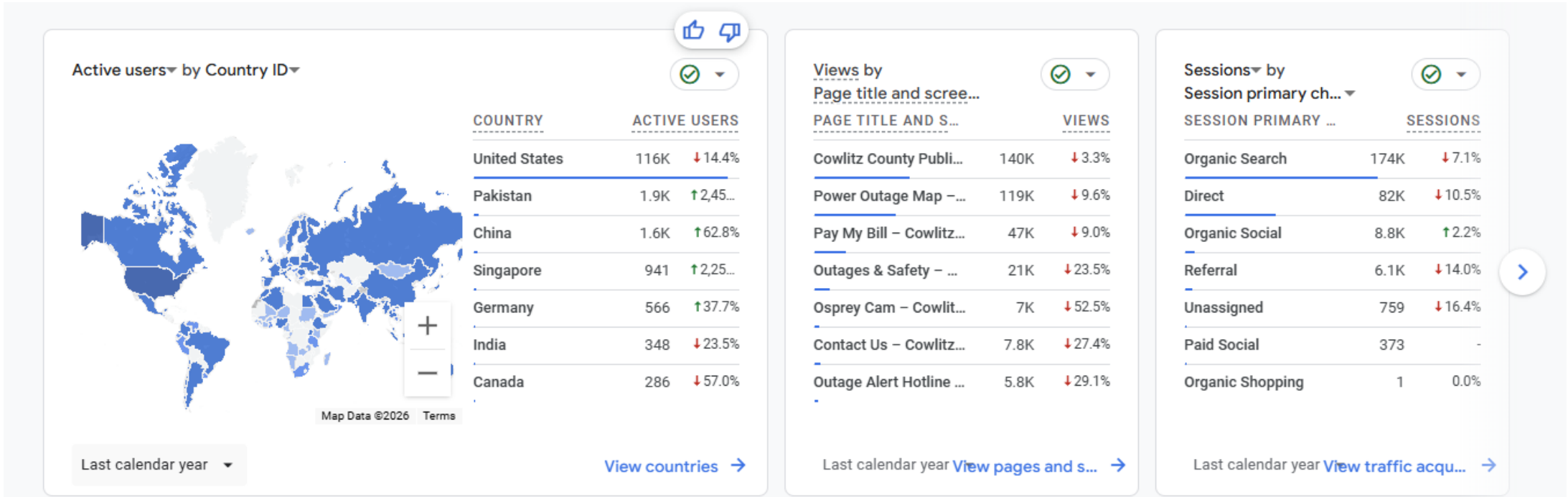
Newstalk  Sportstalk  
fm 99.9 **KEDO** am 1270



# Radio

- 28,000 Weekly Impressions
- Monthly Live Radio Show





# Website Messaging

# Regional News

"Job Shadow Day is about connecting students with real opportunities right here in our community," said Teedara Wolf, Human Resource Generalist. "We're proud to help students envision their future and learn about the diverse careers available at Cowlitz PUD."



**NESSING HYDROPOWER STEWARDSHIP**  
**2 GENERATES CLEAN ENERGY WHILE PROTECTING NATURAL RESOURCES** By Chris Wolf

**AT THE HEART OF THE ENTIRE LEWIS RIVER HYDROELECTRIC SYSTEM IS A COMMITMENT TO ENVIRONMENTAL STEWARDSHIP**

**WITH CLIMATE CONCERNS AND THE GROWING DEMAND FOR CLEAN, RENEWABLE ENERGY, HYDROELECTRIC PROJECTS LIKE SWIFT NO. 2 ARE BECOMING INCREASINGLY IMPORTANT.**

The North Fork Lewis River is home to several hydroelectric projects and facilities, which rely on the river for generating clean energy. One of the challenges facing hydroelectric projects worldwide is how to balance energy generation with the needs of downstream communities. The Lewis River hydroelectric system is no exception, and the utilities have invested a full page to ensure the fish can reach the upper Lewis River watershed. Making this passage easier for fish can help the upper Lewis River watershed. Making this passage easier for fish can help the upper Lewis River watershed.

**Hydroelectric facilities can generate energy in a way that doesn't require the combustion of fossil fuels, making them a cleaner energy source. For Cowlitz County residents, hydroelectric projects provide a clean, renewable source of power. Cowlitz County is committed to ensuring that hydroelectric energy will be available to our communities for generations to come. As part of this commitment to sustainability, Cowlitz County is investing in innovative and sustainable energy solutions that will help us meet our energy needs while protecting our environment.**

**A legacy of innovation and responsibility**  
 While the Lewis No. 2 Hydroelectric Project may not receive the same fanfare as larger, more prominent energy projects, its role in the energy landscape cannot be overstated. For over a century, the Lewis No. 2 Hydroelectric Project has provided a steady and reliable source of power to the communities it serves. As part of this commitment to sustainability, Cowlitz County is investing in innovative and sustainable energy solutions that will help us meet our energy needs while protecting our environment.

# Friday Face

ic Utility Districts Association

most management by the... Community Partnership Award. This honor celebrates Cowlitz PUD's ongoing commitment to supporting diverse communities and fostering inclusion throughout Cowlitz County.

Over the past several years, Cowlitz PUD has collaborated closely with ESC on initiatives that make essential services more accessible to vulnerable populations. These efforts include translating critical forms into multiple languages, organizing diaper and coat drives, hosting resource fairs, and connecting families to assistance programs.

As a gesture of gratitude, ESC presented the Board of Commissioners with authentic Chuukese necklaces, handcrafted from shells and beads—



**ECONOMIC DEVELOPMENT COUNCIL**

# THE STATE OF POWER

## 2025 CEDC ANNUAL MEETING

**ACCESS TO POWER AFFECTS EVERYTHING FROM PRIVATE ELECTRICITY RATES TO OUR ABILITY TO RECRUIT AND EXPAND INDUSTRY. JOIN US TO LEARN ABOUT THE CURRENT STATE OF ENERGY IN THE PNW AND WHAT THE FUTURE HOLDS FOR PRIVATE AND PUBLIC POWER NEEDS.**

**NOVEMBER 6, 2025  
 11:30 AM - 1:30 PM  
 COWLITZ COUNTY  
 EVENT CENTER**

**KURT MILLER**  
 CEO & EXECUTIVE DIRECTOR  
 NORTHWEST PUBLIC POWER ASSOC.

**SPONSORSHIPS AVAILABLE NOW!**

**TICKETS ON SALE - \$55 PER PERSON  
 or \$450 FOR A TABLE OF 8  
 NON-MEMBERS WELCOME**

# Social Media

Custom: Jan 1 - Dec 31

**1,051,229 Views**

-- from previous 365 days



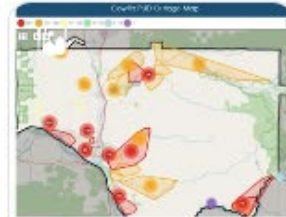
Wed Dec 24, 5:56am  
**4,221**  
Views



Wed Dec 17, 12:28pm  
**29,483**  
Views



Wed Dec 17, 6:18am  
**19,845**  
Views



Wed Dec 17, 4:36am  
**63,812**  
Views



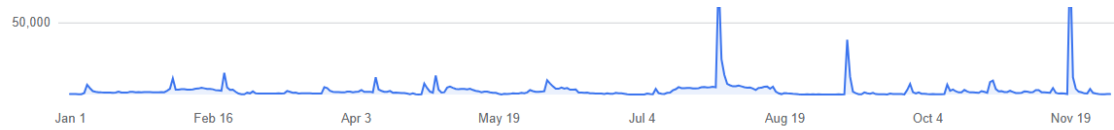
Mon Dec 15, 9:06am  
**2,278**  
Views



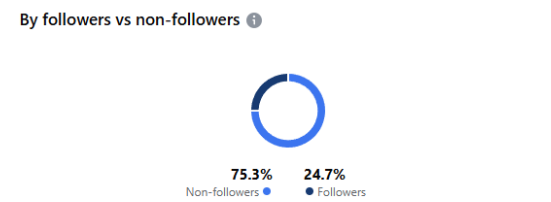
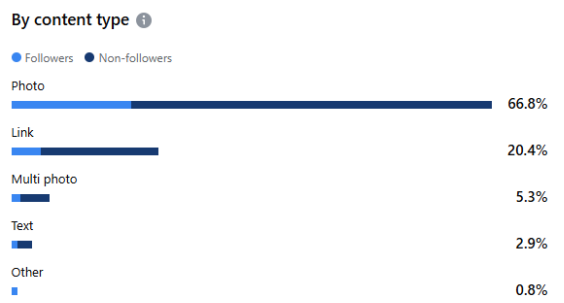
Thu Dec 11, 9:18am  
**6,923**  
Views



Tue Dec 2, 12:07pm  
**2,052**  
Views



Viewers **850**
3-second views **850**
1-minute views **2**





# “90 Years of Powering Our Community”

Celebrate the legacy, people, and progress that have shaped Cowlitz PUD since 1936.

Objectives:

- Build pride and awareness among employees.
- Highlight historical milestones and future vision.
- Foster engagement through storytelling and participation.

Jan–Mar: “Our History” – Share archival photos, fun facts.



## PLUGGED IN TO COWLITZ PUD

By Alice Dietz, Cowlitz PUD Communications/Public Relations Manager

### Pride in a Public Promise

Public power in Cowlitz County began with a simple, powerful idea: **neighbors working together can build something better — fairer and more enduring — than profit-driven utilities could deliver alone.** From the first miles of line energizing rural homes to the countryside consolidation that unified service under one provider, Cowlitz PUD has always stood for local control and shared benefit.

Ninety years later, that promise still holds. As we celebrate the people who built and sustained this institution — and the communities we serve — we recommit to the values that brought light to the hills: **courage, stewardship, and service.** The challenges ahead are real, but so are the opportunities. And just as the granges once did, we'll meet them together.

Here's to the next 90 years—powered by the people of Cowlitz County.

cont. next page

from page 34

### Join the Celebration: Share, Learn, Participate

We're marking 90 years throughout the coming year with stories, artifacts, and opportunities to engage. Here's how you can be part of it:


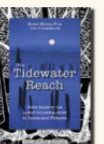
• **Share Your Story:** Did your family get connected in the late '30s or '40s? Do you have photos of early crews, line trucks, or the 14th Avenue office? Send them to [adietz@cowlitzpud.org](mailto:adietz@cowlitzpud.org). We'd love to feature your memories.

• **Milestone Moments:** Watch for our timeline series highlighting key events: the 1936 vote, the first pole raising in 1937 at Carmine Road and Spirit Lake Highway, the 1940 court ruling, the 1946 Northwestern Electric acquisition, and the 1948 consolidation—and more.

...

Alice Dietz may be reached at [adietz@cowlitzpud.org](mailto:adietz@cowlitzpud.org), or 360-501-9146.

**A Different Way of Seeing...**

**THE TIDEWATER REACH**  
the Lower Columbia in P  
THREE EDITIONS • \$25, \$3:  
By Robert Michael Pyle and  
"Tidewater Reach is a pleasure  
intellectual and emotional. I commu  
as this treasure. It deserves a place c  
-Case Gable, "Coast Chronicles.

**GREAT GIFTS!**



## RGAs

While you are having family time this weekend don't forget to set up your new RGA online accounts for access to your medical and prescription information. It's fun for the whole family!

## Wellness

January kicks off our Wellness year with a in-house accountability challenge, Wellable app challenge to earn rewards and education emails from Canopy EAP and Calm. Don't forget to complete your Wellness Rewards Program form by end of day January 15, 2025.

Sign up to let us know you want to bowl on Friday February 6<sup>th</sup> with PUD employees and family. Survey closes on 1/14/2026.

## Safety

Winter Weather Safety Tip: Keep a warming blanket in your vehicle and extra water to help if you become stuck in bad weather.

## MyPUD

We have lots of stuff going on here, and multiple places for you to find out!

- The Watt's Up delivers info to our inboxes and can also be found on MyPUD
- The daily info box displays the most recent upcoming events
- We have an event calendar that includes all PUD events and some from around the community

## Kudos

Thank you, Angela Watkins, Jason Wilcox, and Don Westery, for your hard work and overtime in completing inventory counts by December's end. Starting January 1st inventory cards will no longer be used.

A heartfelt thank you to Corey Kanaly and Trent Whittle for dedicating their entire day on Friday (12/19) to manage the flooding issue in the basement.

We recognize Junior Gonzalez-Jimenez for his outstanding assistance to a customer by providing translation support at both the front desk and CSR desk. His willingness to help was invaluable, especially in the absence of Spanish-speaking staff.

A special thanks to Mackenzie Watson for taking over Gary's monthly newsletter during Ali's absence.

This recognition is for Rob Stumph, acknowledging his hard work and dedication in implementing the new security access control system at BES Subs, Main Office, Operations Center, and Swift Hydro. Rob has taken ownership of the project, adapted to the technology learning curve, and demonstrated commitment by working after hours to ensure its success.

Don Westery received praise for repainting a 3-phase transformer at the Washington State DES office in Kelso. The building manager expressed gratitude, noting that the transformer looks brand new and that photos were sent to Olympia to showcase his work for other locations. They commended his great communication skills and thanked him, also apologizing for any issues with the sprinklers.

# WATT'S UP

January 8, 2026



## SIGN UP FOR THE 2026 LUNCH & LEARNS

Click Here

To register for a class, click the checkbox in the class's info box and click the submit button at the bottom of the page.

January 2026

Volume 35, No. 1



# connected

## COWLITZ PUD CELEBRATES 90 YEARS OF POWERING COWLITZ COUNTY

*Celebrate the legacy, people, and progress that have shaped Cowlitz PUD since 1936.*

Ninety years ago, a bold idea took root in Cowlitz County: that access to reliable, affordable electricity should belong to everyone—not just those living within city limits. In the hills above Kelso and Longview, families like the Seatings weighed the future around kitchen tables, debating a ballot measure that would place electric service in public hands. "It truly was a people's movement," remembered longtime PUD leader Vern Eaton years later. And in Cowlitz County, the people said yes.

Today, as we mark Cowlitz PUD's 90th anniversary, we celebrate the generations of employees, commissioners, partners, and customers who built one of the most resilient, community-oriented public utilities in Washington. This milestone is more than a moment in time—it's a testament to the grit and vision that powered the county out of darkness and continues to light the way forward.

### A People's Movement: From Dark Hills to Bright Homes

In the 1920s, rural residents across Southwest Washington faced a stark reality: unless they strung their own lines and paid inflated rates to a patchwork of private providers, electricity simply wouldn't reach them. Washington Gas and Electric—then the dominant local utility—would not extend power past city limits. Large portions of Cowlitz County remained dark.

Organized through the granges—cooperatives of farmers, workers, and neighbors—residents took action. After the legislature rejected the Grange Power Bill, grassroots leaders launched a two-year campaign and collected 60,000 signatures to place public power on the ballot statewide. In 1930, voters approved the initiative, granting communities the right to form public utility districts and, where necessary, condemn private assets to serve the public.

Each county then faced its own choice. In 1936, Cowlitz County voters approved formation of a public utility district by a margin of 6,292 to 5,523—close enough to show controversy, decisive enough to chart a new course. The first commissioners—William Cartwell, James Doyle, and John Sloder—got to work. With support from the Rural Electrification Administration, they designed

the first 87 miles of line to reach 442 rural households and secured a small county loan to "kick it off." That, as Eaton later noted, was the last time Cowlitz PUD ever asked for tax money.

The first pole went up in 1937 at a public ceremony on the northeast corner of Carmine Road and Spirit Lake Highway. After painstaking right-of-way work across timberlands and private property, the lines began to hum in 1939. Families listened to ball games on the radio and read bedtime stories by electric light—simple joys that symbolized a profound shift.



### Drawing the Line: Public Ownership and Affordable Power

Early wholesale rates from Washington Gas and Electric remained high, threatening the dream of universal, affordable service. Cowlitz PUD's commissioners made a courageous call: consolidate distribution and pursue public control of local power infrastructure. When Washington Gas and Electric refused to sell, the dispute became the first case tried under Washington's new PUD law. In 1940, U.S. District Court Judge L.L. Block ruled in favor of Cowlitz PUD.


The acquisition cost—more than \$6 million (about \$40 million in 2026 dollars)—was controversial. But the district sold bonds to finance the deal, promptly lowered rates, and set about repairing and replacing outdated equipment. A new office on 14th Avenue in Longview established a public-facing home base; negotiations with the Bonneville Power Administration secured low-cost Columbia River power for rural customers. The PUD had stepped out on a precarious limb—and held on.

One boy who'd listened to his parents debate those early votes grew up to spend 18 years as a Cowlitz PUD commissioner. John Seating, looking back in 2009, Seating summed up what still matters today: "The public wanted a say in determining and regulating the rates. They should have that opportunity. That part of it hasn't changed, it's the same now. The big change is in the type of power being generated."


Continued in next month's Connected.

Details for this article were made available thanks to former Daily News Editor Cathy Zimmerman.

Have a story, photo, or artifact to share? Send it to [adietz@cowlitzpud.org](mailto:adietz@cowlitzpud.org) and tell us how public power has touched your family, neighborhood, or career.



Providing Clean, Renewable Hydropower Since 1936



IDENTIFIABLE INDIVIDUALS ARE LISTED FROM LEFT TO RIGHT AS FOLLOWS: ALAN LUFF, JIM VALENTINE, SID NELSON, HAP HENDRICKSON, E.A. GORDON, ART SYMONDS, DANNY JACOBS, AND LEO TEIG.

LOCATION: MAIN STREET, WEST KELSO, AT THE INTERSECTION OF 8RD AVENUE.

# 8. Regulatory and Regional Affairs 1/27/2026

## 8 – January Activity

8.1 – Legislative Session Kickoff

8.2 – Bill Tracker

8.3 – State

8.4 – Federal

8.5 – 2025 Year in Review



# 8.1 Legislative Session Kickoff

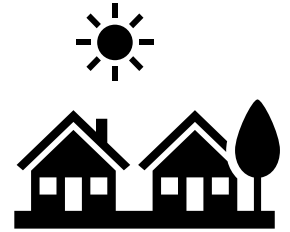


- ❖ 60-day “short” session commenced January 12<sup>th</sup>
  - Democratic majorities in both houses
  - \$2.3 billion budget shortfall
  - Lots of proposals to make “minor” changes to CETA and CCA
- ❖ Overview of District legislative priorities provided to 19<sup>th</sup> & 20<sup>th</sup> District delegations in December
  - Ryderwood reliability improvements capital budget request submitted
  - Streamlining and avoiding cost shifting from CETA requirements for low income bill assistance
  - Maintain reliable grid with adequate resources through flexible implementation of clean energy policies
  - Seek reasonable utility wildfire liability solutions that preserve insurance market access
- ❖ District Staff has “boots on the ground” presence coordinating with WPUA, PGP and utility partners to track bills, analyze policies, and advocate for priorities
- ❖ Interactive legislative bill and hearing tracker has been refreshed by District Technology Dept

## 8.2 Bill Tracker

Bill No.	Description		Support	Concerns	Monitor
HB 2373	Requiring electric utilities to provide monthly bill assistance as part of their obligation to offer energy assistance to low-income households.				
HB 2275 SB 6157	Concerning wildfire prevention and creating the Washington wildfire prevention and protection council.				
SB 6056	Exempting utility service vehicles from certain motor vehicle emission standards.				
SB 5582 HB 1610	Concerning the disclosure of critical energy infrastructure information.				
HB 2515 SB 6171	Addressing emerging large energy use facilities.				
SB 6076	Streamlining consumer-owned utility procurement requirements for clean energy generation, energy storage, transmission, and distribution projects.				
HB 2442	Providing local governments tax resources and fund flexibility.				

## 8.3 State



- ❖ **Former Sen. Joe Nguyen ~~appointed to lead~~ leaving Department of Commerce**
  - Formerly chaired the Senate Environment, Energy and Technology Committee
  - Served as Director of Commerce under Gov. Ferguson for about one year and supported efforts to address the growing grid reliability concerns expressed by electric utilities and energy experts
  - Going to lead the Seattle Chamber of Commerce
- ❖ **Clean vehicle rulemaking – utility service vehicle definitional change**
  - Department of Ecology is considering a rulemaking to exempt utility service vehicles from zero emission vehicles requirements
  - SB 6056 alternatively creates a broader definition of utility service vehicle, but directs Ecology to do the same rulemaking process.
- ❖ **Tracking 3 other rulemaking processes:**
  - CCA Rulemaking based on 2025 legislation
  - Public Records Act
  - Air Quality in Overburdened Communities
- ❖ **December CCA allowance auction results**
  - Auction prices settled at \$64.30 in September, jumping to \$70.86 in December – driving higher compliance costs for covered entities
- ❖ **CETA Reporting:**
  - Completed: Submitted 2026 - 2029 Interim CEIP to Commerce;
  - In progress: Interim Performance Report for the 2022-2025 CEIP period due in July 2026
  - In progress: Section 120 Biennial Assessment for 2024-25 due April 17



## 8.4 Federal/Regional

- ❖ Congress set to vote on Consolidated Appropriations Act of 2026 (“mini-bus” spending package) before the current continuing resolution expires on Jan 30<sup>th</sup>.
  - LIHEAP energy assistance funding would increase \$20 million to \$4.045 billion
  - District’s Ryderwood Distribution Improvements project funding is contained within the House Homeland Security Appropriations bill
  - Funding for Immigration and Customs Enforcement within the Homeland Security bill presents obstacles to passage of the overall bill
- ❖ District testified at a public hearing on the NW Power & Conservation Council’s Draft 2026 Columbia River Fish and Wildlife Program
  - Expressed concerns over proposed actions that would further reduce the capacity and flexibility of the federal system, result in increased rates for customers, and impact Cowlitz County’s economic competitiveness
- ❖ U.S. Dept of Energy issued emergency order in December for TransAlta’s coal-fired 700-MW Centralia power plant to remain operational
  - Washington State and environmental NGOs are challenging the emergency order
  - TransAlta had just reached deal with PSE to convert plant to gas-fired generation by 2028
  - The plant shut down on Dec. 19, despite the DOE order and has not restarted since

# 8.5 Reg Affairs – 2025 Year in Review



- ❖ 2025 State Legislative Session
  - In conjunction with Public Generating Pool, passed HB 1329 that amended Clean Energy Transformation Act to ensure BPA power and certain wholesale power purchases would be eligible for compliance with the 2026 “No Coal” Standard
- ❖ Renewed the District’s funding authorization for Ryderwood reliability project from Cong. Gluesenkamp Perez in FY 2026 federal appropriations legislation
- ❖ Supported the update of District policies to broaden customer access to solar generation, including low-income multi-family residences
- ❖ Negotiated Right-of-way Franchise Agreements with City of Kelso and Lewis County
- ❖ Supported development of 2026-2029 Interim Clean Energy Implementation Plan required under CETA
- ❖ Continued in leadership roles on WPUA’s Energy and PGP’s Carbon Management Committees

# 8.5 Reg Affairs – 2025 Year in Review



- ❖ Workgroup participation in the development of new regional Resource Adequacy assessment that identified a 9 GW generation capacity gap for the Greater NW by 2030
- ❖ Supported regional task force focused on Natural Gas and Electric Sector Coordination including successful PDX Symposium that highlighted the challenges to the regional grid
- ❖ Continued service on Department of Commerce advisory workgroups developing reporting tools for CETA's Low-income Energy Assistance and Clean Energy Implementation Plan requirements
- ❖ Appointed to Ecology's CCA Emissions Intensive Trade Exposed Industry Policy Advisory Group that developed recommendations to the Legislature related to CCA allowance allocation to the state's large industrial manufacturers
- ❖ Presented at public power, public ports and solar industry conferences
- ❖ Administered the District's participation Washington's Clean Fuels Program
- ❖ Dever Haffner-Ratliffe completed Portland State University course on NW Energy Policy and the Columbia River