

**THE BOARD OF COMMISSIONERS
OF
PUBLIC UTILITY DISTRICT NO. 1 OF FRANKLIN COUNTY, WASHINGTON**

MINUTES OF THE MAY 27, 2025
REGULAR COMMISSION MEETING

The Board of Commissioners of Public Utility District No. 1 of Franklin County, Washington held a regular meeting at 1411 W. Clark St., Pasco, WA, on May 27, 2025, at 8:30 a.m. Remote technology options were provided for the public to participate.

Those who participated from the District via remote technology or in person for all or part of the meeting included Commissioner Roger Wright, President; Commissioner Bill Gordon, Vice President; Commissioner Pedro Torres, Secretary; Victor Fuentes, Interim General Manager/CEO; Steve Ferraro, Assistant General Manager; Katrina Fulton, Finance and Customer Service Director; Rosario Viera, Public Information Officer; Scott Rhees, Director of Executive Administration; Tyler Whitney, General Counsel; Angela Hernandez, Credit/Collections Specialist; Ben Hooper, Superintendent of Transmission and Distribution; and Jessica Marshall, Executive Assistant.

Public participants attending in person or via remote technology for all or part of the meeting included Tim Nies, Customer and Rate Advisory Committee Member; Cherie Sonoda, Nuclear Supervisor with BPA; Clark Mathers, Executive Director; Austin Rohr, Deputy Executive Director; and Victor Valerio, Outreach & Research Manager with NWRP; and Phil Lou, WSU Energy Programs.

OPENING

Commissioner Wright called the meeting to order at 8:30 a.m. and asked Ms. Hernandez to lead the Pledge of Allegiance.

PUBLIC COMMENT

Commissioner Wright called for public comment, and none was received.

EMPLOYEE MINUTE

Commissioner Wright welcomed Ms. Hernandez and asked general questions about her current position, tasks her position entails, favorite parts of her job, her professional growth at the District and what safety improvements or changes she has seen over the course of her employment.

Ms. Hernandez reported that she has been with the District for 24 years and briefly described her job duties within the Customer Service Department.

Commissioner Wright reported that the Commission believes strongly in Safety First and asked if there were any improvements that could be made. Ms. Hernandez noted the customer service lobby remodel has made it safer for both the public and staff. She also noted the great relationship the District has with the Pasco Police Department and other area community resources.

Commissioner Wright thanked Ms. Hernandez for her attendance.

Bonneville Power Administration Presentation

Ms. Sonoda introduced herself to those in attendance and thanked Commissioner Gordon for inviting her to attend today's commission meeting.

Ms. Sonoda gave a brief presentation reviewing BPA's history with the Contract Generating Resources Department, involvement with Columbia Generating station, her departments mission and objectives, and reviewed examples of activities and responsibilities within her department.

Discussions were held on current projects, BPA funding, and Energy Northwest's Columbia Generating Station refueling outage currently taking place and the estimated completion date of the outage.

Agenda Item 5, Rate Advisory Committee Recommendation

Mr. Tim Nies, representing the Rate Advisory Committee, presented a recommendation to the Board of Commissioners following the committee's meeting on March 13, 2025. He reviewed the current residential net metering rate structure and proposed changes that would apply only to new installations. Existing net metering customers would not be affected by the proposed new rates.

Agenda Item 6, Discussing Proposed Updates to the District's Rules and Regulations

Ms. Fulton introduced the agenda item and reviewed the information as reported on the Agenda Item Summary included in the meeting packet.

Ms. Fulton reviewed the proposed new rate schedule 1.2, Residential Net Metering Service and noted this would also require customers to install a production meter which has been optional up to this point. A brief discussion was held on solar panel lifespan and ownership transfers, and the Commission requested staff add additional language to the proposed new rate schedule regarding these items.

Ms. Fulton also reviewed additional proposed updates to the Rules and Regulations to include language updates to all General Service Rate Classes addressing annual evaluation of account rate classifications and dollar value threshold for collection of delinquent accounts process.

Staff plans to return to the June 24, 2025 commission meeting with a recommendation for the Commission to adopt a resolution approving these changes.

COMMISSIONER REPORTS

Commissioner Gordon reported that:

- He attended the NWPPA Annual Conference.

Commissioner Torres reported that:

- He also attended the NWPPA Annual Conference and reviewed key takeaways from the conference.

Commissioner Wright reported that:

- He attended WPUDA Annual Conference last month, along with Commissioners Torres and Gordon.
- He participated in the District's Entrance Audit Conference last week.
- The Board of Commissioners recently completed the interview process for the District's General Manager/CEO position.
- He participated in the Energy Northwest Participants Review Board (PRB) elections, and noted Ryan Redmond from Benton REA has been appointed to the PRB.
- He attended the recent NoaNet Board meeting and reviewed membership updates.
- He continues to work with staff on a customer concern.

CONSENT AGENDA

The Commission reviewed the Consent Agenda. A brief discussion was held on the purchase of materials from Snohomish PUD.

Motion by Commissioner Torres, seconded by Commissioner Gordon approving the Consent Agenda as follows.

MOTION PASSED UNANIMOUSLY.

- 1) To approve the minutes of the April 22, 2025 Regular Commission Meeting.
- 2) To approve the minutes of the May 6, 2025 Special Commission Meeting.
- 3) To approve the minutes of the May 13, 2025 Regular Commission Meeting.
- 4) To approve payment of expenditures for April 2025 amounting to \$8,834,723.75 as audited and certified by the auditing officer as required by RCW 42.24.080, and as reviewed/certified by the General Manager/CEO as required by RCW 54.16.100, and expense reimbursement claims certified as required by RCW 42.24.090 and as listed in the attached registers and made available to the Commission for inspection prior to this action as follows:

Expenditure Type:	Amounts:
Direct Deposit Payroll – Umpqua Bank	\$ 526,968.28
Wire Transfers	5,421,908.21
Automated and Refund Vouchers (Checks)	1,213,595.67
Direct Deposits (EFTs)	1,672,474.69
Voids	(223.10)
Total:	\$8,834,723.75

- 5) To approve the Write Offs in substantially the amount listed on the May 2025 Write Off Report totaling \$5,233.37.

Commissioner Wright requested staff move Agenda Item 11 next on the agenda. Staff will move to Agenda Item 7 when the Northwest RiverPartners guests arrive.

Agenda Item 11, Connell and Basin City Fiber to the Home Project Update Presentation

Mr. Hooper gave a presentation on the Connell and Basin City Fiber to the Home Project. To date, four customers have chosen to opt-out and a brief discussion was held regarding the pricing if the customer chooses to opt-in after the project is completed.

Ms. Viera noted communication methods that have been used to inform customers of this project. Mr. Hooper stated the project completion date is still estimated for June 30, 2025.

Agenda Item 7, Northwest RiverPartners (NWRP) Presentation

Clark Mathers, Executive Director; Austin Rohr, Deputy Executive Director; and Victor Valerio, Outreach & Research Manager with NWRP provided introductions to those in attendance at today's meeting.

Mr. Mathers gave a brief update on NWRP. Mr. Rohr presented on the 'Our Power is Water' Campaign which began in 2021 and reviewed the focus for the 2025 campaign.

A discussion was held on the funding request and Ms. Viera noted the District's budget process. Commissioner Wright expressed his interest in funding this request.

The Commissioners thanked the staff from NWRP attending today's meeting and noted that the Commissioners would have additional discussions later in the meeting and staff would follow-up with NWRP on a decision.

At 10:52 a.m., Commissioner Wright called for a 10-minute break.

At 11:02 a.m., Commissioner Wright reconvened the regular meeting.

Agenda Item 10, Authorizing the Interim General Manager/CEO or his designee to Communicate the Provider of Choice Product Selection to the Bonneville Power Administration (BPA) and Request the Contract Template for the Block with Shaping Capacity with Peak Load Variance Service Product

Ms. Fulton introduced the agenda item and reviewed the information as reported on the Agenda Item Summary included in the meeting packet. Ms. Fulton noted that staff has verified that no substantive changes have been made to the product's design since the analysis was performed.

Motion by Commissioner Gordon, seconded by Commissioner Torres authorizing the Interim General Manager/CEO or his designee to Communicate the Provider of Choice Product Selection to the Bonneville Power Administration (BPA) and Request the Contract Template for the Block with Shaping Capacity with Peak Load Variance Service Product
MOTION PASSED UNANIMOUSLY.

Agenda Item 12, Authorizing the Interim General Manager/CEO or his designee to execute an Interlocal Agreement between the District and Franklin Conservation District for Salmon Power Education Program Services

Ms. Viera introduced the agenda item and reviewed the information as reported on the Agenda Item Summary included in the meeting packet.

Motion by Commissioner Torres, seconded by Commissioner Gordon authorizing the Interim General Manager or his designee to execute an Interlocal Agreement between the District and Franklin Conservation District for Salmon Power Education Program Services.
MOTION PASSED UNANIMOUSLY.

Agenda Item 13, Adopting a Resolution Supporting the Development and Implementation of Small Modular Reactor Technology at Energy Northwest

Mr. Rhees introduced the agenda item and reviewed the information as reported on the Agenda Item Summary included in the meeting packet.

Mr. Rhees noted staff continue to work with Energy Northwest on a Small Modular Reactor (SMR) project and this resolution would provide support of a project. Mr. Rhees also noted there may be future requests for additional resolutions in support of an SMR project.

Motion by Commissioner Wright, seconded by Commissioner Torres adopting Resolution No. 1433 as presented.
MOTION PASSED UNANIMOUSLY.

Agenda Item 14, Approving a Revised 2025 Organization Representation List

Mr. Fuentes introduced the agenda item and reviewed the information as reported on the Agenda Item Summary included in the meeting packet, as well as Attachment A.

Discussion was held amongst the Commissioners and staff on the recommended updates to WPUDA, NoaNet, and Pacific Northwest Waterways (PNWA) representation.

Motion by Commissioner Torres, seconded by Commissioner Gordon approving a revised 2025 Organization Representation List as discussed.

MOTION PASSED UNANIMOUSLY.

The Commissioners held a discussion on the NWRP 'Our Power is Water' campaign funding request made by Mr. Mathers and his staff. The Commissioners requested staff fund \$5,000 to the 2025 campaign and then will evaluate the ability to fund additional dollars towards the 2025 campaign at a future commission meeting. The Commissioners requested staff include the full campaign request amount within the 2026 budget.

INTERIM GENERAL MANAGER/CEO REPORT

Mr. Fuentes reported that:

- He will provide an update on the customer letter received once Commissioner Wright speaks with the customer.
- The District held a meeting with NoaNet and Retail Service Providers (RSPs) on April 29, 2025. There are plans to have another meeting with RSP's before the transfer to NoaNet.
- The District has received one offer on the Cochrane property as well as other potential interest. The property is still currently on the market.
- A potential customer reached out to staff inquiring about rates for their project in Connell. To make their project viable they requested staff look at a different rate structure than what is currently available. Staff sent the customer a letter detailing why the District could not meet their request.

FINANCE & CUSTOMER SERVICE DIRECTOR REPORT

Ms. Fulton reported that:

- The District will hold a Public Hearing on Tuesday, June 3, 2025 at 5:30 p.m., regarding the proposed new rate schedule 1.2, Residential Net Metering Service. Commissioner Gordon expressed his interest in attending the public hearing.

ASSISTANT GENERAL MANAGER REPORT

Mr. Ferraro reported that:

- A vehicle included within Resolution No. 1432, Finding District Property Surplus and Authorizing the Disposal of the Surplus Property, would no longer be surplus.
- A bench was installed in the front of the administration building in remembrance of Ms. Holly Dohrman, previous Assistant General Manager.

PUBLIC INFORMATION OFFICER REPORT

Ms. Viera reported that:

- Staff were interviewed by KEPR on an upcoming Summer Weatherization workshop. The article was not accurately written and clarifying information has been added to the District's website.

At 11:40 a.m., Commissioner Wright called for an executive session to last until 11:50 a.m. He reported that the purpose of the executive session was to evaluate the qualifications of an applicant for public employment as allowed per RCW 42.30.110(1)(g).

At 11:50 a.m., Commissioner Wright ended the executive session and reconvened the regular meeting.

At 11:50 a.m., Commissioner Wright recessed the regular meeting until 1:00 p.m.

At 1:00 p.m., Commissioner Wright reconvened the regular meeting.

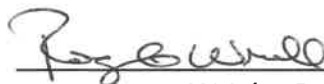
Governance Training

Mr. Whitney gave a Board Governance Training. The presentation included a review of District's governing for excellence model, and the District's general laws and ethics.

The Commission discussed the addition of an annual board self-evaluation. Staff will explore questions and templates for the Board to review and implement an annual board self-evaluation.

Discussions were held on action only commission meeting minutes and recording of commission meetings. The Commissioners concurred with continuing the current process for commission meeting minutes and not recording commission meetings.

With no further business to come before the Commission, Commissioner Wright adjourned the regular meeting at 2:12 p.m. The next regular meeting will be June 10, 2025, and begin at 8:30 a.m. The meeting will be at the District's Auditorium located at 1411 W. Clark Street, Pasco, WA. Remote technology options will be provided for members of the public to participate.



Roger Wright, President



William Gordon, Vice President



Pedro Torres, Jr., Secretary