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

MINUTES OF THE OCTOBER 13, 2026
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 October 13, 2026 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 Bill Gordon, President; Commissioner Pedro Torres, Vice-President; Commissioner Roger Wright, Secretary; Victor Fuentes, General Manager/CEO; Steve Ferraro, Assistant General Manager; Katrina Fulton, Finance and Customer Service Director; Rosario Viera, Public Information Officer; Mark Hay, Engineering & Operations Director; Tyler Whitney, Legal Counsel; Brian Johnson, Power Manager and Jessica Marshall, Executive Assistant.

Those who participated from the public via remote technology or in person for all or part of the meeting were Tim Nies, District customer, and Annette Cary, Senior Staff Writer for Tri-City Herald.

OPENING
Commissioner Gordon called the meeting to order at 8:30 a.m. and the pledge of allegiance was recited.

PUBLIC COMMENT
Commissioner Gordon called for public comment and no public comment was provided.

COMMISSIONER REPORTS
Commissioner Wright stated that he did not have any Commissioner Report.

Commissioner Torres reported that:

- He attended the District's Joint Special meeting on September 24, 2026, at the Port of Pasco with representatives from the Port of Pasco and Big Bend Electric Cooperative.
- He attended the RiverFest Leadership Breakfast, Tidewater tour and RiverFest event on October 3, 2026.
- He attended the October PPC and PNUCC meetings and reviewed key takeaways from the meetings.

Commissioner Gordon reported that:

- He also attended the RiverFest Leadership Breakfast, Tidewater tour and RiverFest event on October 3, 2026.

CONSENT AGENDA

Motion by Commissioner Wright, seconded by Commissioner Torres approving the Consent Agenda as follows.
MOTION PASSED UNANIMOUSLY.

1) To approve the minutes of the September 22, 2026 Regular Commission Meeting.

2) To approve the minutes of the September 24, 2026 Special Commission Meeting.

3) To approve payment of expenditures for August 2026 amounting to $12,101,961.98 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 – Columbia Bank	$ 575,302.30
Wire Transfers	8,512,173.07
Automated and Refund Vouchers (Checks)	1,546,063.93
Direct Deposits (EFTs)	1,475,275.24
Voids	(6,852.56)
Total:	$12,101,961.98

4) To approve the Write Offs in substantially the amount listed on the October 2026 Write Off Report totaling $2,358.79.

AGENDA ITEM 5, OPENING THE PUBLIC HEARING ON THE DISTRICT'S PROPOSED RATE ACTION, TAKING PUBLIC COMMENT, AND RECESSING THE PUBLIC HEARING

Commissioner Gordon opened the public hearing and called on Ms. Fulton for presentation of the agenda item.

Through a presentation, Mr. Fuentes and Ms. Fulton provided more information on the two proposed rate action scenarios, the Rate Advisory Committee's (RAC) recommendation to the Commission, actions taken by the District to minimize rate increases, current rate pressures, future uncertainty, and next steps. The Commission posed questions throughout the presentation.

The two proposed rate action scenarios being considered by the Commission are as follows;

Scenario 1 would maintain the existing 3% overall rate revenue increase for 2027, with the effective date moved from May 1, 2027, to January 1, 2027. Scenario 2, which was the RAC's recommendation to the Commission, would implement a 4.7% overall rate revenue increase while maintaining the May 1, 2027, effective date.

Commissioner Gordon called for public comment. Mr. Nies stated that he was unable to attend the RAC meeting on September 17, 2026, and requested an explanation of the committee's rationale for recommending Scenario 2. Ms. Fulton reported that the RAC selected Scenario 2 because it would provide additional time to communicate the rate change to customers and allow them time to plan for the adjustment. She further noted, as presented, this option could result in more levelized and stable rate increases in future years, which the committee preferred.

Staff noted that no other public comment had been received prior to the hearing.

Motion by Commissioner Gordon, seconded by Commissioner Torres to recess the public hearing to October 13, 2026 at 5:00 p.m., at which time District staff will facilitate the second public hearing on the District's proposed rate action.
MOTION PASSED UNANIMOUSLY.

AGENDA ITEM 6, PRESENTING ON THE DISTRICT'S TRANSMISSION SERVICE
Mr. Johnson gave a presentation on the District transmission service, that included an overview of current BPA Services, BPA transmission service options, Western Resource Adequacy Program (WRAP) requirements, Point-to-Point Transmission versus Network Integration Transmission Service (NT/NITS), projected financial impacts, and next steps. Staff reviewed their recommendation with the Commission.

The Commission posed questions throughout the presentation, and discussion was held regarding the District's current BPA transmission contract, the process for converting to a new transmission contract with BPA, and the projected financial impacts of the transmission service options.

Staff plan to return to a future Commission meeting for additional discussion and Commission direction.

At 10:10 a.m., Commissioner Gordon called for a recess and reconvened the regular meeting at 10:20 a.m.

AGENDA ITEM 7, ADOPTING A RESOLUTION CORRECTING A CLERICAL ERROR IN RESOLUTION 1309
Mr. Fuentes introduced the agenda item and reviewed the background information as reported in the Agenda Item Summary included in the meeting packet. Staff identified the clerical error while conducting an audit of the District's Rules and Regulations.

Motion by Commissioner Torres, seconded by Commissioner Gordon to adopt Resolution 1458, Clarifying a Clerical Error in Resolution 1309.
MOTION PASSED UNANIMOUSLY.

MANAGEMENT REPORTS

GENERAL MANAGER/CEO
Mr. Fuentes reported that:

- Staff and Commissioners from the Port of Pasco and Big Bend Electric Cooperative shared positive feedback with him regarding the District's Joint Special meeting held on September 24, 2026. He noted there is interest in continuing these joint meetings in the future. Mr. Fuentes asked for Commission input and the Commission concurred there was value in continuing to meet collectively.
- He participated in an Industrial Symbiosis Tour with a group of 37 Washington State representatives, including legislators, port representatives, utility representatives and members of private industry. He briefly reviewed key takeaways from the tour.
- He attended the October PPC meetings and reviewed the upcoming 2027-2028 PPC Executive Committee election and noted his plans to reaffirm his seat on the committee.

ASSISTANT GENERAL MANAGER
Mr. Ferraro reported that:

- The District's open enrollment period will begin in November. He informed the Commission that they may reach out to Ms. Ransom with any questions.

LEGAL COUNSEL
Mr. Whitney reported that:

- He will provide a Ruby Flats project update at a future Commission meeting.

With no further business to come before the Commission, Commissioner Gordon adjourned the regular meeting at 10:44 a.m. The next regular meeting of the Board of Commissioners will be on October 27, 2026, 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.

William Gordon
William Gordon, President

Pedro Torres Jr
Pedro Torres, Jr., Vice President

Roger Wright
Roger Wright, Secretary