

REGULAR Meeting
OF PUBLIC UTILITY DISTRICT NO. 2 OF GRANT COUNTY

July 28, 2026

The Commission of Public Utility District No. 2 of Grant County, Washington, convened at 8:30 a.m. at Grant PUD's Main Headquarters Building, 30 C Street SW, Ephrata, Washington and via Microsoft Teams Meeting / +1 509-703-5291 Conference ID: 464734098# with the following Commissioners present: Larry Schaapman, Vice-President; Nelson Cox, Secretary; Tom Flint, Commissioner and Terry Pyle, Commissioner. Commissioner Judy Wilson was absent due to personal business.

An executive session was announced at 8:30 a.m. to last until 8:55 a.m. to review performance of a public employee pursuant to RCW 42.30.110(1)(g), to discuss pending litigation pursuant to RCW 42.30.110(1)(i) and to discuss lease or purchase of real estate if disclosure would increase price pursuant to RCW 42.30.110(1)(b). The executive session concluded at 8:55 a.m. and the regular session resumed.

Ryan Holterhoff, Manager of Government Affairs and Bill Clarke gave the Government Affairs update report.

Bryndon Ecklund, Manager of Forecasting and Planning and Angelina Johnson, Senior Manager of Treasury and Financial Planning, provided the Financial Suite.

Julie Pyper, Head of Strategy, provided the Enterprise Balanced Scorecard update along with sharing updated summaries for the Management Action Plans with the following staff present:

- Tod Ayers, Vice President - Human Resources
- Fallon Long, Vice President – Shared Services
- Ty Ehrman, Senior Vice President – Retail Operations
- Bonnie Overfield, Vice President – Finance, CFO
- Glen Pruitt, Vice President – Legal Regulatory Government Affairs
- Ron Alexander, Vice President – Power Production

The Commission engaged in a Business Review period.

An executive session was announced at 12:00 p.m. to last until 12:55 a.m. to review performance of a public employee pursuant to RCW 42.30.110(1)(g), and to discuss pending litigation pursuant to RCW 42.30.110(1)(i). The executive session concluded at 12:55 a.m. and the regular session resumed.

The Commission resumed at 1:00 p.m. and Commissioner Schaapman opened the Integrated Resource Plan (IRP) Public Hearing.

Mike Frantz, Senior Manager of Power Portfolio, and Lisa Stites, Lead Financial Analyst provided the Integrated Resource Plan (IRP) presentation.

The regular business meeting resumed at 1:55 p.m.

A round table of trade association and committee reports were reviewed regarding the following topics:

- July WPUA Association Meeting

Consent agenda motion was made Commissioner Cox and seconded by Commissioner Flint to approve the following consent agenda items:

Payment Number	167798	through	169133	\$73,796,755.59
Payroll Direct Deposit	38698	through	41583	\$10,201,938.23
Payroll Tax and Garnishments	20260624A	through	20260722B	\$4,668,111.64

Business Minutes from:

- June 2, 2026, Commission Work Day
- June 23, 2026, Commission Meeting
- July 7, 2026, Commission Work Day
- July 14, 2026, Commission Workshop
- July 21, 2026, Commission Workshop

Correspondence, calendar and voucher were reviewed.

After consideration, the above consent agenda items were approved by unanimous vote of the Commission.

Resolution No. 9127 relative to entering a transaction for purchase and sale was presented to the Commission. Motion was made by Commissioner Flint and seconded by Commissioner to approve Resolution No. 9127. After consideration, the motion passed by unanimous vote of the Commission.

RESOLUTION NO. 9127

A RESOLUTION AUTHORIZING GRANT PUD'S GENERAL MANAGER/CEO TO ENTER INTO TRANSACTIONS AND CONTRACTS FOR THE PURCHASE AND SALE OF ELECTRIC ENERGY AND CAPACITY (PHYSICAL OR FINANCIAL) WITHIN DEFINED CRITERIA AND RESCINDING RESOLUTION NO. 8960

Recitals

1. Public Utility District No. 2 of Grant County, Washington (Grant PUD) is authorized to purchase and sell electric energy and capacity and may take action necessary or convenient thereto, pursuant to RCW 54.16.040 and other applicable laws;
2. RCW 54.16.040 provides that the contracts shall extend over such period of years and contain such terms and conditions as determined appropriate by the Grant PUD Commission. The selling of energy is a proprietary function of a public utility district (PUD);
3. The primary purpose of the powers granted to PUDs pursuant to RCW 54.16.040 is

to furnish Grant PUD, and its inhabitants, with electricity for all uses, and, incident thereto, Grant PUD may furnish electricity to others;

4. At times Grant PUD must acquire electricity from third parties to meet Grant PUD's needs;
5. At other times Grant PUD produces electrical power which is surplus to the needs of Grant PUD;
6. RCW 54.16.040 also requires that the Grant PUD Commission, prior to selling energy to other entities, shall first make adequate provisions for the needs of Grant PUD, both actual and prospective. RCW 54.16.040 further requires that a resolution authorizing such contracts are to be introduced at a Grant PUD Commission meeting at least ten (10) days prior to approval of the transaction;
7. Grant PUD staff is recommending that Resolution 8960 be rescinded so that there is one master applicable resolution. The majority of the provisions of this resolution are restatements of Resolution 8960;
8. Grant PUD staff has advised that: a) standard utility practices and the general course of business for energy transactions require immediate action by Grant PUD staff in order to capture purchase and sale opportunities and such business practices do not afford sufficient time for adoption of separate resolutions authorizing individual purchases and sales; and b) Grant PUD would lose significant revenue from missed or foregone purchase and sale opportunities if a mechanism is not in place which would allow such transactions to proceed on a pre-authorized basis within certain criteria; and c) there has been a decline in the numbers of counterparties available and participating in the physical market for purchasing and selling electrical power; and d) Grant PUD staff is of the opinion that the use of financial derivative contracts would facilitate Grant PUD's efforts to mitigate risks related to the purchase and sale of electricity;
9. Purchasing and selling energy, capacity, and related environmental attributes is necessary for Grant PUD to (a) prudently manage its resources while mitigating various risks, including but not limited to, price, water flow and operational risks, and (b) stabilize Grant PUD's revenues a

10. Grant PUD's General Manager/CEO is of the opinion that it is prudent and in the best interests of Grant PUD to delegate authority to them, or their designee, to enter into power sales and purchase transactions, including those for energy and capacity and related environmental attributes, and associated enabling agreements pursuant to established criteria as described in Section 2; and is in agreement with the recommendations of Grant PUD staff;
11. Resolution No. 5853, Section 2.A. currently sets forth the criteria for such delegation of authority;
12. The Commission directs the General Manager/CEO or their designee report to the Commission on a regular basis (no less than quarterly) on transactions, both physical and financial in nature, and contracts for the purchase and sale of electric energy, capacity and environmental attributes;
13. Further, the delegation of authority to transact encompassed in this resolution does not apply to transactions for energy, capacity, and/or environmental attributes that exceed the duration limit in Section 2 A. of this resolution which would require Commission approval or transactions with Grant PUD retail customers pursuant to Grant PUD's Rate Schedules; and
14. The criteria adopted in this resolution will be subject to the oversight of the Energy Risk Oversight Committee (EROC), and the related required monitoring and reporting provides safeguards consistent with good business practices.

NOW, THEREFORE, BE IT RESOLVED by the Commission of the Public Utility District No. 2 of Grant County, Washington as follows:

Section 1. The Commission finds that:

- A. It is prudent and in the best interests of Grant PUD and its customers to participate in the energy market and to effectively engage in transactions on a timely basis.
- B. It is prudent and in the best interests of Grant PUD and its customers to allow Grant PUD's General Manager/CEO to enter into financial derivative contracts for the purpose of mitigating risks related to the purchase and sale of electricity.
- C. The delays inherent in the process of approving separate resolutions to authorize individual electric energy and capacity purchase or sale transactions would significantly inhibit Grant PUD's ability to execute such transactions in a timely and cost-effective manner.
- D. Grant PUD recognizes the intent of the ten-day deferral requirement of RCW 54.16.040 and seeks to manage compliance without a significant adverse impact on Grant PUD.

- E. Adoption of this authorizing resolution with criteria and limitations is in substantial compliance with and fulfills the apparent intent of the ten-day deferral requirement of RCW 54.16.040, while allowing Grant PUD to contract for sales and purchases in accordance with sound and prudent utility practices.
- F. It is in the best interest of Grant PUD for the Commission to delegate to the General Manager/CEO or their designee to undertake electric energy, capacity and environmental attribute purchase and sale transactions and associated enabling agreements, where required or appropriate, under the authority of this resolution and subject to the criteria and limits set forth herein.

Section 2. Based upon the foregoing findings, the General Manager/CEO, or their designee, is hereby authorized to sell or purchase energy, capacity, and environmental attributes (both physical and/or financial contracts) without further action or approval by the Commission provided that each of the following criteria is observed:

- A. No transaction shall exceed a duration of three (3) years. Transactions can be executed up to one (1) year in advance of the three (3) year term.
- B. Adequate provision shall be made for the needs of Grant PUD, both actual and prospective, as required by statute.
- C. Efforts will be made to adhere to all existing contractual, statutory and regulatory requirements, including measures to comply with rules governing the preservation of the tax-exempt status of Grant PUD bonds.
- D. Transactions, both physical and financial, shall be managed to support Grant PUD's financial objectives, requiring prudent financial management decisions and proactive management of risks.
- E. No speculative sales or purchases (physical or financial) shall be made.
- F. Procedures will be in place to mitigate, monitor and report on credit risk exposure.
- G. The General Manager/CEO, or their designee, shall provide on a regular basis (no less than quarterly) reports to the Board of Commissioners on sales and purchases of energy, capacity and environmental attributes (both physical and financial contracts).

Section 3. This resolution has been adopted following a ten (10) day waiting period as provided for in RCW 54.16.040.

Section 4. Resolution No. 8960 and any other resolutions' sections inconsistent with this resolution are hereby rescinded and superseded by this resolution.

PASSED AND APPROVED by the Commission of Public Utility District No. 2 of Grant County, Washington, this 28th day of July, 2026.

There being no further business to discuss, the Commission recessed at 2:23 p.m. on July 28 and reconvened on Tuesday, June 28 at 5:30 p.m. at Orchard Bar and Bites, 1229 Walla Walla Avenue, Wenatchee, Washington for the purpose of attending a Mid-C GM/Commission Business Dinner Meeting and any other business that may come before the Commission with the following Commissioners present: Tom Flint, Terry Pyle, Larry Schaapman, and Nelson Cox.

There being no further business to discuss, the Commission recessed at 8:45 p.m. on July 28 and reconvened on Tuesday, August 4 at 1:00 p.m. at Grant PUD's Main Headquarters Building, Commission Room, Ephrata, Washington for the purpose of holding a Commission Work Day and any other business that may come before the Commission with the following Commissioners present: Tom Flint, Terry Pyle, Larry Schaapman, and Nelson Cox.

There being no further business to discuss, the Commission recessed at 3:50 p.m. on August 4 and reconvened on Tuesday, August 11 at 8:30 a.m. at Grant PUD's Main Headquarters Building, Commission Room, Ephrata, Washington for the purpose of holding a Commission Workshop and any other business that may come before the Commission with the following Commissioners present: Tom Flint, Terry Pyle, Larry Schaapman, and Nelson Cox.

There being no further business to discuss, the Commission recessed at 2:40 p.m. on August 11 and reconvened on Thursday, August 13 at 8:00 a.m. at SGL Campus, 8780 Randolph Road NE, Moses Lake, Washington for the purpose of holding a site tour and any other business that may come before the Commission with the following Commissioners present: Tom Flint, Terry Pyle, Larry Schaapman, and Nelson Cox.

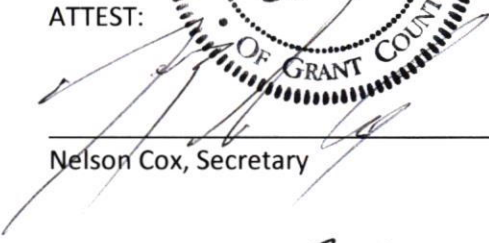
There being no further business to discuss, the Commission recessed at 9:58 a.m. on August 13 and reconvened on Tuesday, August 18 at 8:00 a.m. at Grant PUD's Main Headquarters Building, Commission Room, Ephrata, Washington for the purpose of holding a Commission Workshop and any other business that may come before the Commission with the following Commissioners present: Tom Flint, Terry Pyle, Larry Schaapman, and Nelson Cox.

There being no further business to discuss, the Commission recessed at 2:58 p.m. on August 18 and reconvened on Tuesday, August 18 at 4:00 p.m. at Grant PUD's Main Headquarters Building, Commission Room, Ephrata, Washington for the purpose of holding a Commission Workshop and any other business that may come before the Commission with the following Commissioners present: Tom Flint, Terry Pyle, Larry Schaapman, and Nelson Cox.

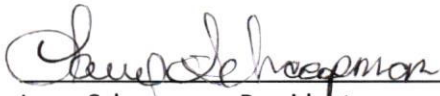
There being no further business to discuss, the July 28, 2026 meeting officially adjourned at 5:30 p.m. on August 18, 2026.

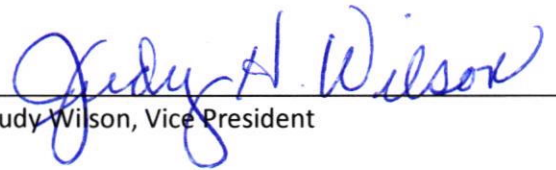


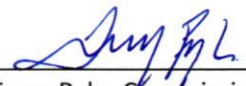
ATTEST:


Nelson Cox, Secretary


Tom Flint, Commissioner


Larry Schaapman, President


Judy Wilson, Vice President


Terry Pyle, Commissioner