

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

January 25, 2022

The Commission of Public Utility District No. 2 of Grant County, Washington, convened at 9:00 a.m. via Microsoft Teams Meeting / +1 509-703-5291 Conference ID: 627 899 217# with the following Commissioners present: Judy Wilson, President; Nelson Cox, Vice-President; Tom Flint, Secretary; Terry Pyle, Commissioner and Larry Schaapman, Commissioner.

The Commission convened to review vouchers and correspondence.

A round table discussion was held regarding the following topics: recap from January 24 Leadership Summit; return to work planning; irrigation billing inquiry; questions raised regarding master plan proposal; and appointment of Larry Schaapman and Tom Flint to the Steerco.

Russ Brethower, Senior Manager of Wholesale, presented the Wholesale Fiber Business Report.

Craig Bressan, Senior Manager of Safety, provided the Safety Report.

Amanpreet Singh, Senior Rates & Load Forecast Analyst, provided the Retail Load and Revenue Variance Report.

Jeff Grizzel, Interim Chief Operating Officer and Managing Director of Power Delivery, provided the Power Delivery Performance Report.

The Commission recessed at 12:15 p.m.

The Commission resumed at 1:00 p.m.

Roger Sonnichsen, Quincy Columbia Basin Irrigation District, expressed appreciation to both staff and the Commission for collaborative efforts in reaching an agreeable solution in regard to the Ancillary, Point to Point, and Wholesale Transmission Delivery of Reserved Power to Large Load rate schedules.

Consent agenda motion was made Mr. Schaapman and seconded by Mr. Flint to approve the following consent agenda items:

Payment Number	117747	through	118256	\$15,982,696.80
Payroll Direct Deposit	190449	through	191164	\$1,934,947.79
Payroll Tax and Garnishments	20220112A	through	20220113B	\$817,041.06

Meeting minutes of January 11, 2022.

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

Resolution No. 8980 relative to accepting a bid and awarding a contract was presented to the Commission. Motion was made by Mr. Flint and seconded by Mr. Cox to approve Resolution No. 8980. After consideration, the motion passed by unanimous vote of the Commission.

RESOLUTION NO. 8980

A RESOLUTION ACCEPTING A BID AND AWARDING CONTRACT 170-11231, FOR  
SUPPLYING 336 AND 795 AAC OVERHEAD CONDUCTOR

Recitals

1. Bids were publicly opened on November 30, 2021 for Contract 170-11231, for Supplying 336 and 795 AAC Overhead Conductor;
2. Bid proposals were received from the following suppliers/contractors and evaluated by Grant PUD's staff;

• General Pacific, Inc. bidding CME Wire and Cable	\$1,303,865.40
• Border States Electric bidding Southwire	\$1,671,801.00
• Wesco Anixter bidding Southwire	\$1,761,673.50
• Consolidated Electrical Distributors, Inc. bidding CME Wire and Cable	\$1,857,756.00

3. The low bid submitted by General Pacific, Inc. is rejected due to commercial noncompliance.
4. The second low bid submitted by Border States Electric is rejected due to commercial noncompliance.
5. The third low bid submitted by Wesco|Anixter is rejected due to commercial noncompliance.
6. The fourth low bid, submitted by Consolidated Electrical Distributors, Inc. is both commercially and technically compliant with Grant PUD's contract requirements;
7. The bid is less than the Engineer's Estimate of \$2,642,976.00; and
8. Grant PUD's Senior Manager of Power Delivery Engineering and Managing Director of Power Delivery Engineering concur with staff and recommend award to Consolidated Electrical Distributors, Inc. as the lowest responsible and best bid based on Grant PUD's plan and specifications.

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No. 2 of Grant County, Washington, that the General Manager is authorized to enter into a contract, Contract 170-11231, for Supplying 336 and 795 AAC Overhead Conductor with Consolidated Electrical Distributors, Inc. of Moses Lake, Washington in the amount of \$1,857,756.00 plus applicable sales tax, upon receipt of the required payment and performance bond in a manner satisfactory to Grant PUD's Counsel.

PASSED AND APPROVED by the Commission of Public Utility District No. 2 of Grant County this 25<sup>th</sup> day of January, 2022.

Resolution No. 8981 relative to revising the ethics policy was presented to the Commission. Motion was made by Mr. Cox and seconded by Mr. Flint to approve Resolution No. 8981. After consideration, the motion passed by unanimous vote of the Commission.

**RESOLUTION NO. 8981**

**A RESOLUTION REVISING GRANT PUD'S CODE OF ETHICS POLICY AND  
SUPERSEDING RESOLUTION NO. 8554**

**Recitals:**

1. Grant PUD has previously adopted a code of ethics policy pursuant to Resolution No. 8554;
2. Grant PUD desires to update its code of ethics policy to provide guidance to PUD personnel in their conduct, to enhance public confidence in the PUD and its employees and to assure that PUD resources and services are applied for the benefit of the public; and
3. Grant PUD's Executive Office has reviewed the updated code of ethics policy attached hereto and recommends that it be adopted.

NOW, THEREFORE, BE IT RESOLVED by the Commission of Public Utility District No. 2 of Grant County, Washington, that the attached code of ethics policy is hereby approved and adopted, and Resolution No. 8554 is hereby superseded.

PASSED AND APPROVED by the Commission of Public Utility District No. 2 of Grant County this 25<sup>th</sup> day of January, 2022.

Resolution No. 8982 relative to amending the governance policy was presented to the Commission. Motion was made by Mr. Flint and seconded by Mr. Schaapman to approve Resolution No. 8982. After discussion, motion was made by Mr. Cox and seconded by Mr. Schaapman to table Resolution No. 8982. After discussion, the motion to table Resolution No. 8982 relative to amending the governance policy was approved by unanimous vote of the Commission.

Resolution No. 8983 relative to amending and establishing rate schedules was presented to the Commission. Motion was made by Mr. Cox and seconded by Mr. Schaapman to approve Resolution No. 8983. After consideration, the motion passed by unanimous vote of the Commission.

**RESOLUTION NO. 8983**

**A RESOLUTION AMENDING RATE SCHEDULE NOS. 30 AND 31, AND ESTABLISHING A NEW RATE SCHEDULE NO. 32, WHOLESALE POINT-TO-POINT TRANSMISSION SERVICE, RATE SCHEDULE NO. 33, ANCILLARY SERVICES, AND RATE SCHEDULE NO. 34, WHOLESALE TRANSMISSION DELIVERY OF RESERVED POWER TO LARGE LOADS**

**Recitals**

1. Pursuant to RCW 54.16.040, Grant PUD is authorized to regulate and control the use, distribution, rates, service, charges, and price of electric energy;
2. Rate Schedule Nos. 30 and 31 were adopted on October 27, 2020 pursuant to Resolution No. 8953;
3. Effective March 1, 2022, Rate Schedule No. 30 will be modified to include reference to new Rate Schedule No. 33, Ancillary Services, for all charges and loss factors associated with Ancillary Services;
4. Effective March 1, 2022, Rate Schedule No. 31 will be modified to reflect a rate design change to create closer alignment between costs and revenue. The title of the rate schedule will also be modified to clarify these rates apply only to loads that receive Reserved Power;
5. Grant PUD has an obligation to offer open access to its transmission system under terms and rates that are comparable to those Grant offers itself;
6. Effective March 1, 2022, Rate Schedule No. 32, Wholesale Point-to-Point Transmission Service, will establish rates for the use of Grant PUD's transmission system;
7. Grant PUD supplies Ancillary Services to several entities taking transmission or wheeling service and expects to supply these services to additional entities in the future. To date, Grant has not had a mechanism in place to be fully compensated for all of these services;
8. Effective March 1, 2022, Rate Schedule No. 33, Ancillary Services, will establish Ancillary Service rates to fully recover the costs of providing these services;
9. Grant PUD's Board of Commissioners directed staff to develop a rate for delivery of Reserved Power for Reserved Power Customers that does not include a Return on Customer Funded Capital (ROE). Rate Schedule No. 34 meets this request from the Board of Commissioners.
10. Effective March 1, 2022, Rate Schedule No. 34, Wholesale Transmission Delivery of Reserved Power to Large Loads, will establish rates for large load customers who receive reserved power and would otherwise be on Rate Schedule No. 30; and
11. Grant PUD's General Manager and Grant PUD staff recommend amending Rate Schedule No. 30 and Rate Schedule No. 31 as set forth in Exhibits A and B, and establishing new Rate Schedule Nos. 32, 33, and 34 as set forth in Exhibits C, D, and E.

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

**Section 1.** Effective March 1, 2022, Rate Schedule No. 30, Wholesale Transmission Delivery for Large Load Customers, and Rate Schedule No. 31, Wholesale Transmission Delivery for Reserved Power to Small Loads, are hereby amended as set forth in Exhibits A and B hereto.

**Section 2.** Resolution 8953 is hereby superseded, and this resolution supersedes any other resolutions which are inconsistent with this resolution.

**Section 3.** Effective March 1, 2022, Rate Schedule No. 32, Wholesale Point-to-Point Transmission Service, is hereby established as set forth in Exhibit C hereto.

**Section 4.** Effective March 1, 2022, Rate Schedule No. 33, Ancillary Services, is hereby established as set forth in Exhibit D hereto.

**Section 5.** Effective March 1, 2022, Rate Schedule No. 34, Wholesale Transmission Delivery of Reserved Power to Large Loads, is hereby established as set forth in Exhibit E hereto.

PASSED AND APPROVED by the Commission of Public Utility District No. 2 of Grant County this 25<sup>th</sup> day of January, 2022.

Motion was made by Mr. Schaapman and seconded by Mr. Cox authorizing the General Manager/CEO, on behalf of Grant PUD, to execute Contract 430-11224 with Colville Confederated Tribes, in an amount not-to-exceed \$2,935,619.00 and with a contract completion date of February 28, 2027. After consideration, the motion passed by unanimous vote of the Commission.

Motion was made by Mr. Flint and seconded by Mr. Cox authorizing the General Manager/CEO, on behalf of Grant PUD, to sign the Purchase and Sale Agreement with John W. Cascade Gebbers and Alycia Gebbers, to acquire 5.0 acres of property in the Rocky Ford area to allow for the construction of the Big Bend Switchyard, in the amount of \$6,500.00. After consideration, the motion passed by unanimous vote of the Commission.

The Commissioners reviewed future agenda items.

The Commission calendar was reviewed.

Andrew Munro, Senior Manager of External Affairs, and Chuck Allen, Public Affairs Supervisor, gave the Community Engagement Activity Report.

The Commission recessed at 2:21 p.m.

The Commission resumed at 2:30 p.m.

Terry McKenzie, Senior Manager of Customer Solutions; Ty Ehrman, Managing Director of Power Production; Mike Harr, Facilities Supervisor; and Darla Stevens, Senior Manager of Human Resources provided the Return to Office Planning Update.

The Commission recessed at 3:25 p.m.

The Commission resumed at 3:30 p.m.

An executive session was announced at 3:30 p.m. to last until 4:30 p.m. to review performance of a public employee with legal counsel present pursuant to RCW 42.30.110(1)(g) and to review qualifications of applicant for public employment with legal counsel present pursuant to RCW 42.30.110(1)(g). The executive session concluded at 4:30 p.m. and the regular session resumed.

There being no further business to discuss, the Commission adjourned at 4:30 p.m. on January 25 and reconvened on Thursday, January 27 at 8:30 a.m. via Microsoft Teams for the purpose of attending a strategic planning workshop and any other business that may come before the Commission with the following Commissioners present: Judy Wilson, Nelson Cox, Tom Flint, Terry Pyle and Larry Schaapman. A copy of the notice of adjournment was posted to the Grant PUD website.

An executive session was announced at 11:15 a.m. to last until 12:00 p.m. to review qualifications of applicant for public employment with legal counsel present pursuant to RCW 42.30.110(1)(g). The executive session concluded at 12:00 p.m. and the strategic planning workshop resumed.

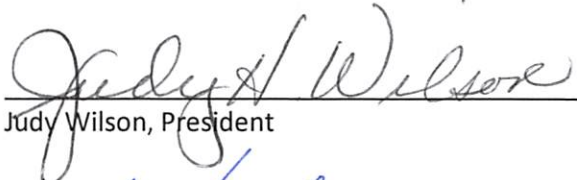
There being no further business to discuss, the January 25, 2022 meeting officially adjourned at 5:10 p.m. on January 27, 2022.


ATTEST:

  
Tom Flint, Secretary

  
Terry Pyle, Commissioner



  
Judy Wilson, President

  
Nelson Cox, Vice President

  
Larry Schaapman, Commissioner